

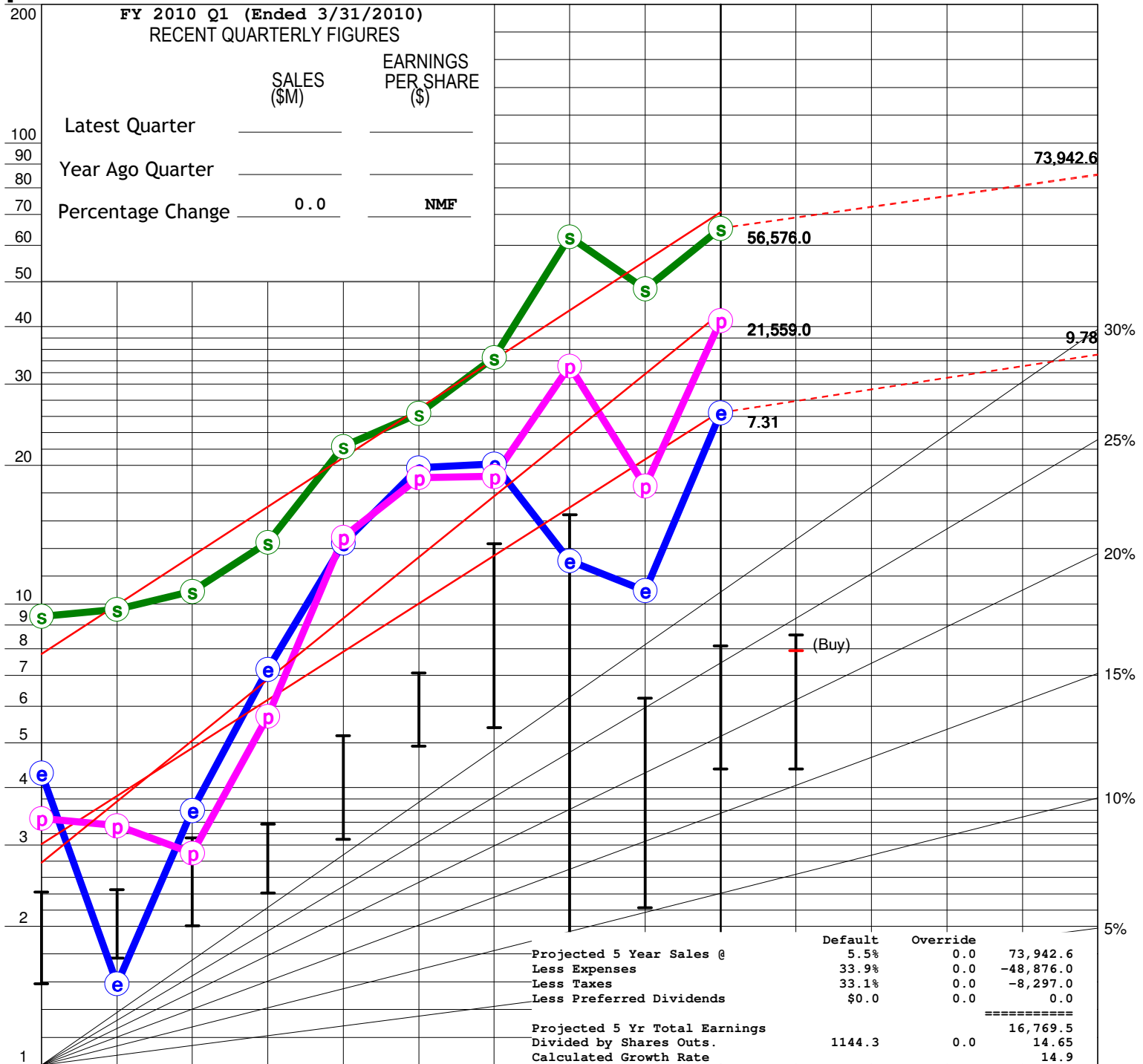


Stock Study

Company	Rio Tinto	Price Date	04/15/11
Study by	Jo Murphy	Data Date	04/15/11
Sector	Basic Materials	Data Source	StkCntrl
Industry	Industrial Metals & Mine	Reference	Morningsta
Preferred(\$M)	0.0		
Common(M Shares)	1,144.3	% Insiders	0.0
Debt(\$M)	39,758.0	% Institutions	3.8
% Debt to Tot.Cap.	53.9	Quality	A (VL)

1 Growth Analysis

NYSE: RIO



(1) Historical Sales Growth	27.8 %	(3) Historical Earnings Per Share Growth	27.2 %	www.iclub.com
(2) Estimated Future Sales Growth	5.5 %	(4) Estimated Future Earnings Per Share Growth	6.0 %	
(5) Sales Growth R ²	0.95	(6) Earnings Per Share Growth R ²	0.65	

2 QUALITY ANALYSIS

Company **Rio Tinto** (RIO)

04/15/11

	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	5 YEAR AVG.	TREND UP / DOWN
A % Pre-tax Profit on Sales	22.0	20.5	16.3	25.3	38.4	43.8	33.3	31.7	22.6	38.1	33.9	UP
B % ROE (Beginning Yr)	22.0	20.5	16.3	25.3	38.4	43.8	33.3	31.7	21.5	21.3	35.6	UP
C % Debt to Equity	0.0	0.0	0.0	0.0	0.0	0.0	185.3	157.8	61.2	24.3	85.7	DOWN

3 PRICE, PRICE/EARNINGS RATIO and DIVIDEND ANALYSIS

CURRENT PRICE 70.910 52-WEEK HIGH 76.670 52-WEEK LOW 39.300

Fiscal Year	High Price	Low Price	EPS	High P/E	Low P/E	Dividend	% Payout	% High Yield
1 2006	63.3	44.0	5.56	11.4	7.9	0.815	14.7	1.9
2 2007	121.1	48.2	5.66	21.4	8.5	1.160	20.5	2.4
3 2008	139.7	14.8	3.49	40.0	4.2	1.520	43.5	10.3
4 2009	55.9	19.6	3.01	18.6	6.5	0.680	22.6	3.5
5 2010	72.7	39.3	7.31	9.9	5.4	0.885	12.1	2.3
6 AVERAGE		33.2		15.3	6.5		17.5	
AVERAGE P/E RATIO	13.4	10.9	PROJECTED P/E RATIO		NMF	TTM EPS		NMF
CURRENT P/E RATIO	NMF		PEG RATIO		0.0	FTM EPS		0.00
RELATIVE VALUE	0.0		PROJ. RELATIVE VALUE		0.0%	AVG TTM + FTM EPS		0.00

4 EVALUATING REWARD and RISK over the next 5 years

A FUTURE HIGH PRICE ANALYSIS -- NEXT 5 YEARS

Selected High P/E 15.3 X Estimated High Earnings/Share 9.78 = Forecast High Price \$ 149.6

B FUTURE LOW PRICE ANALYSIS -- NEXT 5 YEARS

(a) Sel. Low P/E 6.5 (as adj.) X Estimated Low Earnings/Share 7.31 = \$ 22.8

(b) Average 5-Year Low Price = 33.2

(c) Recent Severe Low Price = 19.6

(d) Price Dividend Will Support = Present Divd. + High Yield = 1.260 + 0.103 = 12.3

Selected Estimated Low Price = \$ 56.7

C PRICE RANGES

Forecast High Price 149.6 - Estimated Low Price 56.7 = Range 92.9 25% of Range = 23.2

BUY (Lower 25% of Range) = 56.7 to 79.9

MAYBE (Middle 50% of Range) = 79.9 to 126.4

SELL (Upper 25% of Range) = 126.4 to 149.6

Current Price 70.910 is in the Buy Range

D REWARD/RISK ANALYSIS (Potential Gain vs. Risk of Loss)

(Forecast High Price 149.6 - Current Price 70.910) ÷ (Current Price 70.910 - Estimated Low Price 56.7) = 5.5 To 1

5 TOTAL RETURN ANALYSIS

A CURRENT YIELD

Present Full Year's Dividend \$ 1.260 ÷ Current Price of Stock \$ 70.910 = 1.8 % Present Yield or % Returned on Purchase Price

B AVERAGE YIELD - USING FORECAST HIGH P/E

Avg. % Payout 17.5 ÷ Forecast High P/E 15.3 = Avg. Yield 1.1

AVERAGE YIELD - USING FORECAST AVERAGE P/E

Avg. % Payout 17.5 ÷ Forecast Avg P/E 10.9 = Avg. Yield 1.6

C % COMPOUND ANNUAL TOTAL RETURN - USING FORECAST HIGH P/E

Average Yield 1.1 % + Annual Appreciation 16.1 % = Compound Annual Total Return 17.2 %

D % PROJECTED AVERAGE RETURN - USING FORECAST AVERAGE P/E

Average Yield 1.6 % + Annual Appreciation 8.5 % = Projected Average Total Return 10.1 %