



1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	© VALUE LINE PUB. LLC	14-16
--	--	--	--	--	5.73	5.93	6.13	8.65	8.22	14.06	17.16	23.15	42.26	21.34	28.83	32.30	34.40	Sales per sh	42.05
--	--	--	--	--	1.71	1.43	1.11	2.13	2.48	4.83	6.80	7.35	6.21	4.46	9.10	11.80	12.30	"Cash Flow" per sh	15.10
--	--	--	--	--	1.10	.76	.42	.92	1.60	3.81	5.55	5.66	3.49	3.01	7.31	9.50	10.20	Earnings per sh ^A	12.85
--	--	--	--	--	.58	.59	.68	.64	.66	.84	.82	1.16	1.52	.68	.89	1.27	1.36	Div'ds Decl'd per sh ^B	1.95
--	--	--	--	--	.70	1.08	1.03	1.56	1.71	2.08	3.05	3.90	6.68	2.75	2.34	2.80	3.00	Cap'l Spending per sh	3.80
--	--	--	--	--	5.34	5.22	5.42	9.41	9.12	11.04	13.92	19.31	16.07	22.37	29.73	31.75	37.25	Book Value per sh ^C	57.45
--	--	--	--	--	1374.4	1375.6	1376.9	1066.7	1379.9	1354.2	1309.4	1283.0	1283.9	1959.7	1962.1	1920.0	1920.00	Common Shs Outst'g ^D	1950.00
--	--	--	--	--	15.2	23.7	45.1	23.4	16.2	9.1	9.3	13.1	24.9	13.1	7.7	Bold figures are Value Line estimates		Avg Ann'l P/E Ratio	12.0
--	--	--	--	--	.99	1.21	2.46	1.33	.86	.48	.50	.70	1.50	.87	.50			Relative P/E Ratio	.80
--	--	--	--	--	3.4%	3.3%	3.6%	3.0%	2.5%	2.4%	1.6%	1.6%	1.8%	1.7%	1.6%			Avg Ann'l Div'd Yield	1.3%

CAPITAL STRUCTURE as of 12/31/10				2008	2009	12/31/10												2008	2009	12/31/10		
Total Debt \$14341 mill. Due in 5 Yrs \$5879.0 mill.				8152.0	8443.0	9228.0	11344	19033	22465	29700	54264	41825	56576	62000	66000	Sales (\$mill)	82000					
LT Debt \$13277 mill. LT Interest \$850 mill.				30.6%	21.1%	27.1%	25.8%	41.7%	44.7%	36.0%	25.2%	26.1%	40.9%	45.0%	45.0%	Operating Margin	46.0%					
(Total interest coverage over 25x) (19% of Cap'l)				929.0	954.0	1006.0	1204.0	1334.0	1469.0	2115.0	3475.0	3427.0	3437.0	3500	3700	Depreciation (\$mill)	4480					
Uncapitalized Annual rentals \$507.0 mill.				1043.9	581.0	1264.1	2215.0	5213.1	7434.8	7312.0	4503.0	5321.0	14421	19200	19900	Net Profit (\$mill)	25000					
Pension Assets 12/10 \$13.1 bill. Oblig. \$17.1 bill.				36.2%	57.1%	29.1%	19.4%	27.8%	26.8%	21.2%	40.8%	26.4%	25.7%	26.0%	28.0%	Income Tax Rate	30.0%					
Pfd Stock None Pfd Div'd None				12.8%	6.9%	13.7%	19.5%	27.4%	33.1%	24.6%	8.3%	12.7%	25.5%	30.1%	30.0%	Net Profit Margin	30.0%					
Common Stock 1,962,070,000 shs.				d1249	d968.0	557.0	1658.0	2695.0	1095.0	2176.0	d3665	5403.0	9664.0	9600	9700	Working Cap'l (\$mill)	12000					
(Each ADR is equivalent to one share)				2566.0	2708.0	3849.0	3337.0	2783.0	2007.0	38614	29724	22155	13277	13000	13500	Long-Term Debt (\$mill)	15000					
MARKET CAP: \$142 billion (Large Cap)				7176.0	7462.0	10037	12584	14948	18232	24772	20638	43831	58333	61000	71500	Shr. Equity (\$mill)	112000					
CURRENT POSITION				12.4%	6.7%	9.6%	14.3%	30.0%	37.3%	12.0%	10.5%	8.8%	20.7%	26.0%	24.0%	Return on Total Cap'l	20.0%					
				14.5%	7.8%	12.6%	17.6%	34.9%	40.8%	29.5%	21.8%	12.1%	24.7%	31.5%	28.0%	Return on Shr. Equity	22.5%					
				3.4%	NMF	4.3%	10.4%	27.2%	34.8%	23.4%	12.5%	10.1%	21.7%	27.5%	24.0%	Retained to Com Eq	19.0%					
				77%	NMF	66%	41%	22%	15%	21%	43%	16%	12%	13%	13%	All Div'ds to Net Prof	15%					

BUSINESS: Rio Tinto PLC. is a major international mining group, based in the U.K. The company locates, develops, mines, and processes a diverse range of mineral resources. Major products include aluminum, copper, diamonds. The company also produces energy assets, such as coal and uranium, as well as industrial minerals, such as borax, titanium dioxide, and salt. Rio Tinto operates across the globe, with a significant concentration in Australia and North America. Other operations are located in South America, Asia, Europe and South Africa. Has about 77,000 employees. Chairman: Jan du Plessis. CEO: Tom Albanese. Inc. U.K. Address: Rio Tinto plc, 2 Eastbourne Terrace, London, W2 6LG. Telephone: 44-20-7781-2000. Internet: www.riotinto.com.

Rio Tinto is making its debut in the Value Line Investment Survey. The diversified minerals and mining company performed well in 2010, thanks to strong production volumes and favorable commodity prices. Demand for copper, gold, and aluminum strengthened considerably, especially in emerging countries, such as China, India, and Brazil. Further, we expect this to continue for sometime, though at a bit more moderate rate. We expect Rio Tinto's top line, which reached about \$56.6 billion in 2010, to increase roughly 10% this year.

The earnings outlook also remains healthy. Rio Tinto posted diluted earnings of \$7.31 per American Depository Receipt (ADR) in 2010, helped by strong contributions in the second half of the year. Given the company's current operating margin, we look for a considerable annual earnings advance in 2011, as well.

Elsewhere, expansion efforts should continue at a healthy pace. Rio Tinto completed six major projects in 2010, and has numerous others underway. The company approved \$12 billion in capital improvements since the start of 2010, and will probably increase capital spending in 2011. Rio Tinto recently commenced Australia's largest mining project, through the expansion of its sizable iron assets. It will also likely undertake some acquisitions. The recent bid for Riversdale Mining is a good example.

The company is committed to creating shareholder value. Rio Tinto has done a good job of managing its debt level, and has a sizable cash position. Although the issue's current dividend yield is somewhat modest, Rio Tinto seems committed to gradually increasing the dividend. Moreover, the company is commencing a \$5 billion share repurchase program, which should help bolster earnings per share. Although this is subject to market conditions.

Rio Tinto shares are favorably ranked for Timeliness. The stock currently trades at a price-to-earnings multiple that is reasonable, given the profit advances that we expect over the next few years. Consequently, our projections indicate that this issue holds wide appreciation potential for the next 3 to 5 years.

Cal-endar	QUARTERLY SALES (\$ mill.)				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2008	--	27192	--	27072	54264
2009	--	18846	--	22979	41825
2010	--	25209	--	31367	56576
2011	--	31000	--	31000	62000
2012	--	33000	--	33000	66000

Cal-endar	EARNINGS PER SHARE ^A				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2008	--	5.36	--	d1.86	3.49
2009	--	1.89	--	1.12	3.01
2010	--	3.00	--	4.30	7.31
2011	--	4.70	--	4.80	9.50
2012	--	5.00	--	5.20	10.20

Cal-endar	QUARTERLY DIVIDENDS PAID ^B				Full Year
	Mar.31	Jun.30	Sep.30	Dec.31	
2007	--	.64	--	.52	1.16
2008	--	.84	--	.68	1.52
2009	--	.68	--	--	.68
2010	--	.45	--	.435	.89
2011	--	.633	--	--	--

(A) Fully diluted egs. Excludes discontinued operations: '10, (05¢); '09, (25¢); '08, (64¢). Quarters may not sum due to change in shares out. Next earnings report due late July. (B) Dividends historically paid in early April and September. ■ Dividend reinvestment plan available. (C) Includes intangibles: At 12/31/10 \$20.996 mill., \$10.70/sh. (D) In millions, adjusted for stock split.