

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC
Form 425
June 05, 2008

Filed by: BHP Billiton Plc

and BHP Billiton Limited

Pursuant to Rule 425 under the Securities Act of 1933

Subject Company: Rio Tinto plc

Commission File No.: 001-10533

The following are slides comprising a presentation that was given by Marius Kloppers, Chief Executive Officer, BHP Billiton to the Melbourne Mining Club on June 5, 2008.

Melbourne Mining Club
Marius Kloppers
Chief Executive Officer, BHP Billiton
5 June 2008

Slide 1

Disclaimer

This document has been prepared by BHP Billiton Limited and BHP Billiton Plc ("BHP Billiton") and comprises the written material of BHP Billiton Limited and Rio Tinto plc ("Rio Tinto"). By reviewing/attending this presentation you agree to be bound by the following terms and conditions. The directors of BHP Billiton accept responsibility for the information contained in this presentation. Having taken all reasonable care to ensure that this presentation is accurate and complete, BHP Billiton does not accept any liability for any loss or damage, whether in contract, tort or otherwise, arising from the use of this presentation.

is,
to
the
best
of
the
knowledge
and
belief
of
the
directors
of
BHP
Billiton,
in
accordance
with
the
facts
and
contains
no
omission
likely
to
affect
its
import.

Subject to the above, neither BHP Billiton nor any of its directors, officers, employees or advisers nor any other person makes accordingly no reliance should be placed on, the fairness, accuracy or completeness of the information contained in the present law, neither BHP Billiton nor any of its directors, officers, employees or advisers nor any other person shall have any liability directly or indirectly, from any use of this information or its contents or otherwise arising in connection therewith.

This presentation is for information purposes only and does not constitute or form part of any offer or invitation to acquire, sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice,

nor
shall
it
or
any
part
of
it
nor
the
fact
of
its
distribution
form
the
basis
of,
or
be
relied
on
in connection with, any contract or investment decision, nor does it constitute a proposal to make a takeover bid or the solicitation
sale
of
securities
in
any
jurisdiction
in
which
such
offer,
solicitation
or
sale
would
be
unlawful
prior
to
registration
or
qualification
under
the
securities
laws
of
any

such
jurisdiction
(or
under
an
exemption
from
such
requirements).

No
offering
of
securities
shall
be
made
into
the
United
States
except
pursuant
to
registration
under
the
US
Securities
Act
of
1933,
as
amended,
or
an
exemption therefrom.

Neither this presentation nor any copy of it may be taken or transmitted or distributed or redistributed (directly or indirectly) in
restricted by law and persons into whose possession this document comes should inform themselves about, and observe, any su

Information
about
Rio
Tinto
is
based
on
public
information
which
has
not

been
independently
verified.

This presentation is directed only at persons who (i) are persons falling within Article 49(2)(a) to (d) ("high net worth companies") as defined in the Financial Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "Order") or (ii) have professional experience in matters and are outside the United Kingdom (all such persons being referred to as "relevant persons"). This presentation must not be acted upon. Certain statements in this presentation are forward-looking statements. The forward-looking statements include statements regarding the timing of development projects, future production volumes, increases in production and infrastructure capacity, the identification of potential projects, and, without limitation, other statements typically containing words such as "intends", "expects", "anticipates", "targets", "plans", "believes", and "may". These statements speak only as at the date of this presentation. These statements are based on current expectations and beliefs and, but for risks and uncertainties that could

Slide 2

Disclaimer (continued)

cause actual results, performance and achievements to differ materially from any expected future results, performance or achievements.

The forward-looking statements are based on numerous assumptions regarding BHP Billiton's present and future business strategies.

operate in the future and such assumptions may or may not prove to be correct.

There

are

a
number
of
factors
that
could
cause
actual
results
or
performance
to
differ
materially
from
those
expressed
or
implied
in
the
forward-looking
statements.

Factors
that
could
cause
actual
results
or
performance
to
differ
materially
from
those
described
in
the
forward-looking
statements
include,
but
are
not
limited
to,
BHP
Billiton's
ability

to
successfully
combine
the
businesses
of
BHP
Billiton
and
Rio
Tinto
and
to
realise
expected
synergies
from
that
combination,
the
presence
of
a
competitive
proposal
in
relation
to
Rio
Tinto,
satisfaction
of
any
conditions
to
any
proposed
transaction,
including
the
receipt
of
required
regulatory
and
anti-trust
approvals,
Rio
Tinto's
willingness

to
enter
into
any
proposed
transaction,
the
successful
completion
of
any
transaction,
as
well
as
additional
factors
such
as
changes
in
global,
political,
economic,
business,
competitive,
market
or
regulatory
forces,
future
exchange
and
interest
rates,
changes
in
tax
rates,
future
business
combinations
or
dispositions
and
the
outcome
of
litigation
and

government
actions.
Additional
risks
and
factors
that
could
cause
BHP
Billiton
results
to
differ
materially
from
those
described
in
the
forward-looking
statements
can
be
found
in
BHP
Billiton's
filings
with
the
US
Securities
and
Exchange
Commission
(the
"SEC"),
including
BHP
Billiton's
Annual
Report
on
Form
20-F
for
the
fiscal
year-ended

June
30,
2007,
and
Rio
Tinto's
filings
with
the
SEC,
including
Rio
Tinto's
Annual
Report
on
Form
20-F
for
the
fiscal
year-ended
December
31,
2007,
which
are
available
at
the
SEC's
website
(<http://www.sec.gov>).
Other
unknown
or
unpredictable
factors
could
cause
actual
results
to
differ
materially
from
those
in
the
forward-looking

statements.
The
information
and
opinions
expressed
in
this
presentation
are
subject
to
change
without
notice
and
BHP
Billiton
expressly
disclaims
any
obligation
(except
as
required
by
law
or
the
rules
of
the
UK
Listing
Authority
and
the
London
Stock
Exchange,
the
UK
Takeover
Panel,
or
the
listing
rules
of
ASX

Limited)
or
undertaking
to
disseminate
any
updates
or
revisions
to
any
forward-looking
statements
contained
herein
to
reflect
any
change
in
BHP
Billiton's
expectations
with
regard
thereto
or
any
change
in
events,
conditions
or
circumstances
on
which
any
such
statement
is
based.

No statement concerning expected cost savings, revenue benefits (and resulting incremental EBITDA) and EPS accretion in the per share of the enlarged BHP Billiton group for current and future financial years will necessarily match or exceed the historical estimated cost savings and revenue benefits (and resulting EBITDA enhancement) may be materially greater or less than estimated.

Information
Relating
to
the
US
Offer

for
Rio
Tinto
plc

BHP Billiton plans to register the offer and sale of securities it would issue to Rio Tinto plc US shareholders and Rio Tinto plc

Registration Statement), which will contain a prospectus (the Prospectus), as well as other relevant materials. No such m
any Registration Statement or Prospectus that BHP Billiton may file with the SEC.

U.S. INVESTORS AND U.S. HOLDERS OF RIO TINTO PLC SECURITIES AND ALL HOLDERS OF RIO TINTO PLC A
PROSPECTUS AND ANY OTHER DOCUMENTS MADE AVAILABLE TO THEM AND/OR

FILED WITH THE SEC REGARDING THE POTENTIAL TRANSACTION, AS WELL

AS ANY

AMENDMENTS AND SUPPLEMENTS TO THOSE DOCUMENTS, WHEN THEY BECOME AVAILABLE BECAUSE T

Investors and security holders will be able to obtain a free copy of the Registration Statement and the Prospectus as well as oth
(<http://www.sec.gov>), once such documents are filed with the SEC. Copies of such documents may also be obtained from BHI

Slide 3
Disclaimer (continued)
Information
for
US
Holders
of

Rio
Tinto
Limited
Shares
BHP
Billiton
Limited
is
not
required
to,
and
does
not
plan
to,
prepare
and
file
with
the
SEC
a
registration
statement
in
respect
of
the
Rio
Tinto
Limited
Offer.
Accordingly,
Rio
Tinto
Limited
shareholders
should
carefully
consider
the
following:
The
Rio
Tinto
Limited
Offer
will
be

an
exchange
offer
made
for
the
securities
of
a
foreign
company.
Such
offer
is
subject
to
disclosure
requirements
of
a
foreign
country
that
are
different
from
those
of
the
United
States.
Financial
statements
included
in
the
document
will
be
prepared
in
accordance
with
foreign
accounting
standards
that
may
not
be

comparable
to
the
financial
statements
of
United
States
companies.
Information
Relating
to
the
US
Offer
for
Rio
Tinto
plc
and
the
Rio
Tinto
Limited
Offer
for
Rio
Tinto
shareholders
located
in
the
US
It
may
be
difficult
for
you
to
enforce
your
rights
and
any
claim
you
may
have
arising

under
the
U.S.
federal
securities
laws,
since
the
issuers
are
located
in
a
foreign
country,
and
some
or
all
of
their
officers
and
directors
may
be
residents
of
foreign
countries.
You
may
not
be
able
to
sue
a
foreign
company
or
its
officers
or
directors
in
a
foreign
court
for

violations
of
the
U.S.
securities
laws.
It
may
be
difficult
to
compel
a
foreign
company
and
its
affiliates
to
subject
themselves
to
a
U.S.
court's
judgment.
You
should
be
aware
that
BHP
Billiton
may
purchase
securities
of
either
Rio
Tinto
plc
or
Rio
Tinto
Limited
otherwise
than
under
the
exchange

offer,
such
as
in
open
market
or
privately
negotiated purchases.

References
in
this
presentation
to
\$
are
to
United
States
dollars
unless
otherwise
specified.

Slide 4
Resourcing the future
Industry outlook and growth
BHP Billiton: strategy and approach
BHP Billiton: growth
Conclusion

Slide 5

Demand growth expected to continue

Finished steel consumption

(kg/capita)

Source: World Bank; Government Statistics for Taiwan; IISI
GDP/Capita (Jan. 2008 Constant US Dollars)

0

200
400
600
800
1,000
1,200
0
5,000
10,000
15,000
20,000
25,000
30,000
35,000
40,000
45,000
50,000
China
India
Japan
Korea, Rep.
United States
Taiwan

Slide 6

0

200

400

600

800

1,000

1,200
1,400
1997
2007
0
2,000
4,000
6,000
8,000
10,000
12,000
1996
2006

China's resource demand is not limited to steel

0
150
300
450
600
750
900
1997
2007
0
3,000
6,000
9,000
12,000
15,000
18,000
1997
2007

Copper consumption (kt)
Nickel consumption (kt)
Imported Iron ore (mt)
Energy consumption (mtoe)

China
USA
Other

Notes:
Seaborne
iron
ore
demand
based
on
import
statistics

-
CRU

data
for
2007,
IISI
data
for
1997.
Energy
consumption
is
all
uses
of
coal,
gas,
oil
and
nuclear,
expressed
as
millions tonnes of oil equivalent, 2007 data not yet available.

Source: CRU, Brook Hunt, BP Statistical Review of World Energy (2007), IISI.

Slide 7
Industry challenges
Demand
outstripping
supply
Shortage
of skilled

labour
Infrastructure
constraints
Rising
costs
Longer lead times
for delivery of
large scale projects

Slide 8

Less regulation gives more expansion more quickly

1.0

1.5

2.0

2.5

3.0

3.5
4.0
4.5
5.0
5.5
6.0
0
20
40
60
80
100
120
140
160
180
200
220
240
Time required for investment
Years
Scale of expansion
Percent of existing capacity
DBCT
8
NCIG*
30
Abbott Point
30
Hay Point
5
Gladstone
28
Size of bubble =
expansion in mtpa
Unregulated
Regulated
*
Newcastle
Coal
Infrastructure
Group
is
a
greenfield
expansion
Source: O'Donnell; BHP Billiton

Slide 9
Infrastructure constraints in practice
Photo: The Australian

Slide 10

Resourcing the future

Industry outlook and growth

BHP Billiton: strategy and approach

BHP Billiton: growth

Conclusion

Slide 11

Maintaining our commitment to our core strategy

Focus on Tier 1 assets that are large,
low-cost, expandable and consistently
profitable

Upstream focus and export-oriented commodities

A deep inventory of growth options

Portfolio diversified by commodity, geography and customer

Overriding commitment to ethics, safety, environment and community engagement

Employer of choice and a preferred partner

Slide 12
Corporate Centre
Business Units

Corporate centre focuses on the things that matter

Ensures delivery of key directives including Zero

Harm, reputation & ethics

Monitors and measures business performance

Responsible for managing operations and delivering efficiency

Delivers key directives

Plans and delivers down to EBIT level

A simple, effective organisation with global talent

Slide 13
A globally diversified workforce
Office location
GMC

located in offices
across the world

Our leadership team
is diversified across
a wide range of
nationalities
Business
Presidents

Slide 14

100

110

120

130

140

150

160

A strong track record of growth and delivery

Production Growth

2001-2007

(a)

(Index:

FY2001

production

=

100)

BHP Billiton Ltd

(b)

(Index:

Jun-2001 = 100)

FY05

FY04

FY03

FY07

FY02

FY06

BHP Billiton

CAGR 8%

Source: BHP Billiton production, interim and annual reports

a)

Production shown for the comparable 12 months ending 30-June for BHP Billiton. Converted to copper equivalent units using

b)

Source: IRESS. As at 31-Oct-2007. Total Shareholder Return (TSR) calculated as the increase in share value including dividends received by BHP Billiton Ltd shareholders in July 2002 were immediately sold with proceeds reinvested in BHP Billiton Ltd. 1

c) 31-Oct-07 is the last undisturbed trading date for Rio Tinto prior to the BHP Billiton proposal

4.2

31-Dec-02

23.0

31-Dec-03

28.3

31-Dec-04

51.0

31-Dec-05

13.3

31-Dec-06

85.2

31-Oct-07

(c)

%

Period

Ended

Total BHP Shareholder

Return

(b)

BHP Billiton

CAGR 30%

0
100
200
300
400
500
600
Jun-01
Jul-02
Jul-03
Aug-04
Aug-05
Sep-06
Oct-07

Slide 15

Resourcing the future

Industry outlook and growth

BHP Billiton: strategy and approach

BHP Billiton: growth

Conclusion

Slide 16

Our portfolio is diversified and balanced across high margin commodities

Underlying EBITDA

(12 months, US\$bn)

Underlying EBITDA Margin

(a)

(CY2007, 12 months)

Note: Historical financial information has been restated for comparative purposes per note 1 of BHP Billiton's half-year financial statements. FY2002 EBITDA numbers are presented in accordance with UK GAAP where applicable.

a) EBITDA margin excludes third party sales.

Iron ore

75%

Manganese

Energy coal

Metallurgical coal

52%

52%

Diamond and

specialty products

Base metals

40%

43%

36%

Petroleum

70%

Stainless

steel materials

Aluminium

34%

23%

0

6,000

12,000

18,000

24,000

FY2002

CY2007

4,677

23,623

Iron Ore

Manganese

Met Coal

Petroleum

Energy Coal

Aluminium

Base Metals

Stainless

Steel

Diamond & Specialty Products

Non

ferrous

(56%)

Energy

(21%)

Carbon

Steel

Materials
(22%)

Slide 17
Boffa/Santou
Refinery
2010
As at 2 May 2008
Proposed capital expenditure
SSM
Energy Coal
D&SP
Iron Ore
Base Metals
Petroleum
Met Coal
CSG
Manganese
Aluminium
2008
Execution
Pyrenees
Samarco
Neptune
Shenzi
Alumar
Atlantis
North
Klipspruit
GEMCO
Zamzama
Phase 2
2013

Feasibility
Guinea
Alumina
Worsley
E&G
Perseverance
Deeps
Maruwai
Stage 1
Douglas-
Middelburg
Mt Arthur
Coal UG
Future Options
Cliffs
Newcastle
Third Port
NWS
Angel
Nimba
Ekati
Canadian
Potash
WA Iron Ore
Quantum 1
CW Africa
Exploration
Angola
& DRC
WA Iron Ore
RGP 5
WA Iron Ore
Quantum 2
Macedon
Turrum
CMSA Heap
Leach 1
NWS
CWLH
Peak Downs
Exp
DRC
Smelter
Mad Dog
West
KNS
Exp
Hallmark
Corridor
Sands 1

Puma
Cerrejon
Opt Exp
Angostura
Gas
NWS
T5
Our Tier 1 project growth pipeline is attractive
Navajo
Sth
Bakhuis
Maruwai
Stage 2
NWS Nth
Rankin B
WA Iron Ore
RGP 4
Kipper
Antamina
Exp
Goonyella
Expansions
Olympic Dam
Expansion 3
Corridor
Sands 2
Knotty
Head
Maya
Nickel
Gabon
Daunia
RBM
Olympic Dam
Expansion 2
Browse
LNG
Resolution
Saraji
Thebe
CMSA
Pyro Expansion
Cannington
Life Ext
SA Mn
Ore Exp
Wards
Well
Eastern
Indonesian

Facility
NWS
WFGH
Blackwater
UG
Olympic Dam
Expansion 1
CMSA Heap
Leach 2
Escondida
3rd Conc
Red Hill
UG
GEMCO
Exp
Samarco 4
Shenzi
Nth
Neptune
Nth
MKO
Talc
Scarborough
Caroona
Kennedy
\$2bn+
\$501m-\$2bn
<\$500m

Slide 18

0

2,000

4,000

6,000

8,000

10,000

12,000

14,000

CY 07

CY 08

CY 09

CY 10

CY 11

CY 12

BHP Billiton has an attractive growth profile of significant scale

Copper Equivalent Tonnes '000

Production in copper equivalent tonnes

Source: BHP Billiton analysis.

Similar methodology as per Rio Tinto 13 February 2008 presentation on an unrisksed basis.

CAGR 6.9%

Estimate

Slide 19

Resourcing the future

Industry outlook and growth

BHP Billiton: strategy and approach

BHP Billiton: growth

Conclusion

Slide 20

Conclusion

Strength, stability and growth

Strong pricing fundamentals due to increased demand and lagging supply

BHP Billiton's strategy is unchanged -

a diversified upstream portfolio of Tier 1, large,
low-cost, expandable assets

BHP Billiton is well positioned to continue to create strong value for shareholders with a large project pipeline, focussed on high margin investments, which will deliver strong growth

The Rio Tinto acquisition can generate additional value for both sets of shareholders and is strongly aligned with BHP Billiton's strategy and management philosophy of simplicity, accountability and global talent

The combined organisation would deliver:

More production, faster and lower cost, an enhanced set of future growth options and quantifiable synergies -
\$3.7bn in incremental EBITDA by year 7

A compelling 45% premium for Rio Tinto shareholders and participation in the world's largest mining company

