

Edgar Filing: RIO TINTO PLC - Form 425

RIO TINTO PLC
Form 425
March 25, 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 first given by Don Argus, Chairman, BHP Billiton on March 25, 2008.

Mr
Don Argus AO
Chairman, BHP Billiton

Slide 2

Disclaimer

This document has been prepared by BHP Billiton Limited and BHP Billiton Plc ("BHP Billiton") and comprises the written material presented in this presentation. By reviewing/attending this presentation you agree to be bound by the following conditions.

The directors of BHP Billiton accept responsibility for the information contained in this presentation. Having taken all reasonable care to ensure the accuracy of this information, the directors do not accept any liability for any loss or damage caused by or in connection with 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 arising, directly or indirectly, from any use of this information 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

relied
on
in
connection
with,
any
contract
or
investment
decision,
nor
does
it
constitute
a

proposal
to
make
a
takeover
bid
or
the
solicitation
of
any
vote
or
approval
in
any
jurisdiction,
nor
shall

there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration under an exemption from such requirements). No offering of securities shall be made into the United States except pursuant to an exemption therefrom.

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

on
public
information
which
has
not
been
independently
verified.

Certain statements in this presentation are forward-looking statements. The forward-looking statements include statements regarding projects and, without limitation, other statements typically containing words such as "intends", "expects", "anticipates", "targeting", "looking

statements
speak
only
as
at
the
date
of
this
presentation.

These
statements
are
based
on
current
expectations
and
beliefs
and,
by
their
nature,
are
subject
to
a
number
of
known
and
unknown
risks
and
uncertainties
that
could
cause

actual
results,
performance
and
achievements
to
differ
materially
from
any
expected
future
results,
performance
or
achievements
expressed
or
implied
by
such
forward-looking
statements.

The
forward-looking
statements
are
based
on
numerous
assumptions
regarding
BHP
Billiton's
present
and
future
business
strategies
and
the
environments
in
which
BHP
Billiton
and
Rio
Tinto
will

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
("SEC"),
including
BHP
Billiton's
Annual
Report
on
Form
20-F
for
the
fiscal
year-ended
June
30,
2007,
as
well
as
Rio
Tinto s
and
Alcan
Inc.'s
filings
with
the
SEC,
including
Rio
Tinto s
Annual
Report
on
Form
20-F
for
the
fiscal
year-ended
December
31,
2006
and
Alcan
Inc. s
Annual

Report
on
Form
20-F
for
the
fiscal
year-ended
December
31,
2006,
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.

Slide 3
Disclaimer
(continued)
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 (Prospectus), as well as other relevant materials. No such materials for 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
ADSs
ARE
URGED
TO
READ
ANY
REGISTRATION
STATEMENT,
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
THEY
WILL
CONTAIN
IMPORTANT
INFORMATION.

Investors
and
security
holders
will
be
able
to
obtain
a
free
copy
of
the
Registration
Statement
and
the
Prospectus
as
well
as
other
relevant
documents
filed
with
the

SEC

at

the

SEC's

website

(<http://www.sec.gov>), once such documents are filed with the SEC. Copies of such documents may also be obtained from BHP

Information

for

US

Holders

of

Rio

Tinto

Ltd

Shares

BHP Billiton Ltd is not required to, and does not plan to, prepare and file with the SEC a registration statement in respect of the

should carefully consider the following:

The Rio Tinto Ltd Offer will be an exchange offer made for the securities of a foreign company. Such offer is subject to disclosure

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
Ltd
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 office
securities
laws.

It
may
be
difficult
to
compel
a
foreign
company
and
its
affiliates
to
subject
themselves
to
a
U.S.
court's
judgement.

You
should
be
aware
that
BHP
Billiton
may
purchase
securities
of
either
Rio
Tinto
plc
or
Rio
Tinto
Ltd
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
Today's discussion

Introduction

BHP Billiton
yesterday, today and tomorrow

Summary of the offer for Rio Tinto

Slide 5
Introduction

Joined the board November 1996,Chairman April 1999.

Chairman of BHP Billiton Limited and BHP Billiton Plc since
formation

Market capitalisation grown from ~US31bn in 2001 to ~US167bn in 2008

Four CEO s
in that period

Paul Anderson

Brian Gilbertson

Chip Goodyear

Marius Kloppers

Board sound and strong with right skills and experience

Positioned for the next stage of growth and sophistication

Slide 6
Today's discussion

Introduction

BHP Billiton
yesterday, today and tomorrow

Summary of the offer for Rio Tinto

Slide 7

BHP Billiton's track record in production growth and value growth speaks for itself

Notes:

a)

Source: Rio Tinto production numbers sourced from 2006 Annual and 2007 Half-Year Reports. Note: Production shown for the equivalent

units
using
BHP
Billiton
FY2007
average
realised
prices
and
BHP
Billiton
estimates.
Excludes
production
from
sold/ceased
operations.
Production
growth
does
not
include
production
for
the
six
month
period
ending
31-Dec-2007.

b)
Source:
Datastream
and
financial
reports
and
company
filings
of
BHP
Billiton
and
Rio
Tinto.
Market
capitalisation
based
on
shares

outstanding
and
share
price
as
at
the
the
dates
shown.

In
addition,
over
the
period
from
29-Jun-2001
to
31-Oct-2007,

BHP
Billiton
undertook
share
buybacks
of
US\$11.4bn
and
Rio
Tinto
undertook
share
buybacks
of
US\$4.8bn
and
paid
a
special
dividend
of
US\$1.5bn
in
2006.

Production growth

(a)
(Index: FY2001 production = 100)

100
110
120
130
140

150
160
170
FY01
FY02
FY03
FY04
FY05
FY06
FY07
BHP Billiton
8% CAGR
Rio Tinto
4% CAGR
Market capitalisation
(b)
(US\$bn)
0
30
60
90
120
150
180
210
240
BHP Billiton
CAGR: 37%
Rio Tinto
CAGR: 29%
US\$230bn
US\$31bn
US\$122bn
US\$24bn

Slide 8

A record of growth driven from a unique diversified portfolio, 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

a)

EBITDA margin excludes third party sales.

0

6,000

12,000

18,000

24,000

FY2002

CY2007

4,677

23,623

Iron Ore

Manganese

Metallurgical Coal

Petroleum

Energy Coal

Aluminium

Base Metals

Stainless Steel

Materials

Diamond & Specialty Products

Non

Ferrous

(56%)

Energy

(21%)

Carbon

Steel

Materials

(22%)

52%

40%

36%

70%

52%

43%

75%

23%

34%

Iron Ore

Manganese

Metallurgical Coal

Base Metals

Stainless Steel

Materials

Aluminium

Petroleum

Energy Coal

Diamond &
Specialty Products

Slide 9

which generates strong cash flow -
delivering value
growth through reinvestment and return to shareholders
0
2,000

4,000
6,000
8,000
10,000
12,000
14,000
16,000
18,000
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
FY2008
H1
H2
0
1500
3000
4500
6000
7500
9000
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
FY2008
Available Cash Flow
(US\$m)
Organic Growth
(a)
(US\$m)
Return to Shareholders
(b)
(US\$m)
Note: FY2005,
FY2006,
FY2007
and
H1
FY2008
have
been
calculated
on
the

basis
of
the
IFRS.
Prior
periods
have
been
calculated
on
the
basis
of
UKGAAP.

(a)
Capital and Exploration FY expenditures (exclude acquisitions).

(b)
Dividends paid and share buy-backs.

0
1500
3000
4500
6000
7500
9000
FY2002
FY2003
FY2004
FY2005
FY2006
FY2007
FY2008

Slide 10
Boffa/Santou
Refinery
BHP Billiton's future is assured
2010
As at 29 February 2008
Proposed

capital expenditure
<\$500m
\$501m-\$2bn
\$2bn+
SSM
Petroleum
D&SP
Energy Coal
Aluminium
Iron Ore
Base Metals
Met Coal
Manganese
CSG
2008
Execution
Pyrenees
Samarco
Neptune
Shenzi
WA Iron Ore
RGP 4
NWS
T5
Alumar
Atlantis
North
Yabulu
Klipspruit
Kipper
GEMCO
Zamzama
Phase 2
2013
Feasibility
Guinea
Alumina
Worsley
E&G
Perseverance
Deeps
Navajo
Sth
Maruwai
Stage 1
Douglas-
Middelburg
NWS Nth
Rankin B
Bakhuis

Maruwai
Stage 2
Mt Arthur
Coal UG
Future Options
Cliffs
Newcastle
Third Port
NWS
Angel
Scarborough
Samarco
4
Nimba
Ekati
Canadian
Potash
Thebe
Browse
LNG
WA Iron Ore
Quantum 2
CW Africa
Exploration
GEMCO
Exp
CMSA
Pyro
Expansion
Olympic Dam
Expansion 1
CMSA Heap
Leach 2
Olympic Dam
Expansion 2
Olympic Dam
Expansion 3
Angola
& DRC
Caroona
WA Iron Ore
RGP 5
SA Mn
Ore Exp
Corridor
Sands I
WA Iron Ore
Quantum 1
MKO
Talc

Gabon
Macedon
Turrum
Neptune
Nth
CMSA Heap
Leach 1
Knotty
Head
NWS CP
Wards
Well
RBM
Daunia
Peak Downs
Exp
Shenzi
Nth
Maya
Nickel
DRC
Smelter
Mad Dog
SWR
KNS
Exp
Cannington
Life Ext
Hallmark
Blackwater
UG
NWS
WFG
Kennedy
Escondida
3rd Conc
Goonyella
Expansions
Kipper
Ph 2
Resolution
Corridor
Sands II
Saraji
Puma
Cerrejon
Opt Exp
Angostura
Gas
Eastern

Indonesian
Facility
Red Hill
UG

Slide 11
BHP Billiton is the largest diversified global mining company
Sources:
Bloomberg,
Datastream
as
at

20-Mar-2008.

Note:

(a)

Rio

Tinto

undisturbed

market

cap

as

at

31-Oct-2007

Top 15 metals and mining companies

(Market capitalisation as at 20-Mar-2008, US\$bn)

(a)

0

50

100

150

200

250

Slide 12

and has created considerable wealth for global investors so far

BHP Billiton Plc

(a)

(GBP)

Source:

Bloomberg,

Datastream

as

at

20-Mar-2008

a)

Dividends/distributions

assumes

that

the

dividends

are

received

in

cash

and

reinvested

in

BHP

Billiton.

Includes

the

value

of

bonus

shares

distributed

to

BHP

Billiton

PLC

shareholders

post

the

Bluescope

Steel

spin-off.

A holder of 1,000 BHP Billiton Plc shares on 28 June 2001 would have seen the value of their total holding increase by 378%

-

5,000

10,000

15,000

20,000

25,000

Jun-01

Dec-01

Jun-02

Dec-02

Jun-03

Dec-03

Jun-04

Dec-04

Jun-05

Dec-05

Jun-06

Dec-06

Jun-07

Dec-07

Value at 20 March 2008: £16,618

Value at 28 June 2001: £3,480

Slide 13

Our message to BHP Billiton shareholders

BHP Billiton is a strong company today and will be with or without Rio Tinto

A superior track record of delivering shareholder value

A deep and diversified portfolio of resources assets

Excellent management of those assets

Genuinely global operating capability

Our strategy is clear and has been stable since 2001

The offer is structured to deliver to BHP Billiton shareholders a fair value uplift

Unlocks unique value for both groups of shareholders because of the quantified synergies and other benefits

These benefits are not available to Rio Tinto shareholders or BHP Billiton shareholders on a standalone basis

The offer is compelling

Slide 14
Today s discussion

Introduction

BHP Billiton
yesterday, today and tomorrow

Summary of the offer for Rio Tinto

Slide 15

Combined entity will have a unique portfolio of tier 1 assets

Highly complementary large-scale, low-cost, long-life assets

Strengthened asset portfolio and superior future growth options

Unparalleled

exposure
to
overlapping
mineral
basin
positions
and
infrastructure

Optimisation
of production efficiencies

Delivery of more volume, faster, to customers
Enhanced earnings through quantified synergies and benefits of combination
Broader stakeholders will benefit (customers, communities, employees)

A
natural
fit

common
strategies,
heritage,
culture
and
values

Unlocking value: Why a combination with Rio Tinto?

- 1
- 2
- 3
- 4
- 5

Slide 16

BHP Billiton's 45% premium is a substantial value uplift,
prior to the pro rata share of synergies

Source: Datastream

as at 20-Mar-2008

a)

Exchange

ratio
assumes
100%
BHP
Billiton
Ltd
shares
for
each
Rio
Tinto
Ltd
share
and
BHP
Billiton
shares
for
each
Rio
Tinto
plc
share
consisting
of
80%
BHP
Billiton
Plc
shares
and
20%
BHP
Billiton
Ltd
shares.
2.4
fair
value
exchange
ratio
represents
average
for
period
between
Rio
Tinto
offer
for

Alcan
(12-Jul-2007)

and
BHP
Billiton
approach

to
Rio

Tinto

Board

(1-Nov-2007).

BHP Billiton / Rio Tinto Exchange Ratio

(a)

2.2 for 1

2.4 for 1

2.6 for 1

2.8 for 1

3.0 for 1

3.2 for 1

3.4 for 1

3.6 for 1

3.8 for 1

12-Jul-2007

09-Aug-2007

06-Sep-2007

04-Oct-2007

01-Nov-2007

29-Nov-2007

27-Dec-2007

24-Jan-2008

21-Feb-2008

20-Mar-2008

Pre approach fair value exchange ratio

12-Nov-2007 BHP Billiton Proposal

06-Feb-2008 BHP

Billiton Offer

26-Nov:

Rio Tinto Investor

Presentation

12-Dec:

BHP Billiton Investor

Presentation

15-Jan:

Day one of Rio Tinto

Pilbara media visit

1-Feb:

Chinalco purchase of 12%

of Rio Tinto Plc

6-Feb:

BHP Billiton HY Results and

Rule 2.5 Announcement

08-Nov:

BHP Billiton confirms
approach to Rio Tinto

12-Jul:

Rio Tinto announces
Alcan Offer

Slide 17

Source: Datastream

as at 20-Mar-2008

a)

Implied offer value between 08-Nov-2007 and 05-Feb-2008 assumes an exchange ratio of 3.0 BHP Billiton Ltd shares for each
each

Rio

Tinto
PLC
share
in
the
form
of
80%
BHP
Billiton
PLC
shares
and
20%
BHP
Billiton
Ltd
shares.
Implied
offer
value
between
06-Feb-2008
and
20-Mar-2008
assumes
an
exchange
ratio
of
3.4
BHP
Billiton
Ltd
shares
for
each
Rio
Tinto
Ltd
share
and
3.4
BHP
Billiton
shares
for
each
Rio
Tinto

PLC
share
in
the
form
of
80%
BHP
Billiton
PLC
shares

and 20% BHP Billiton Ltd shares.

...and the market is setting Rio Tinto's price in line with
our offer terms

Rio Tinto's value has been strongly influenced by BHP Billiton's Offer

Aggregate Market

Capitalisation

(US\$bn)

50

100

150

200

250

Jun-07

Jul-07

Aug-07

Sep-07

Oct-07

Nov-07

Dec-07

Jan-08

Feb-08

Mar-08

BHP Billiton

Rio Tinto

Implied Offer Value (a)

BHP Billiton Proposal

at 3.0:1

BHP Billiton Offer

at 3.4:1

Slide 18

Legitimate questions for Rio Tinto shareholders

Assuming a satisfactory regulatory outcome, Rio Tinto shareholders will be faced with 2 choices:

Accept BHP Billiton's offer, which is priced at a 45% premium to the pre-

approach trading valuations of the two companies; or

Reject BHP Billiton's offer, and require the Rio Tinto board to deliver this value on a standalone basis

Rio Tinto shareholders will have 2 legitimate questions to ask of their Board

On what grounds does the board justify rejecting the 45% premium value uplift plus pro rata share of synergies uplift, implied by BHP Billiton's offer

How does the Rio Tinto Board propose to deliver to its shareholders this value that shareholders may forego by the Rio Tinto Board refusing to engage with BHP Billiton?

Remember this is about relative value not absolute value.

Slide 19

Slide 20
Global consolidation
Vale
Norilsk
China mining
companies
BHP Billiton
Rio Tinto
Rusal
BHP
Billiton
Anglo
Rio Tinto
Xstrata