

Group overview

Rio Tinto's organisational structure is designed to facilitate a clear focus on the Group's objective. The structure comprises, primarily, four product groups and two business support groups.

Product groups

Aluminium

Products: Bauxite, alumina, aluminium metal

The Aluminium product group, Rio Tinto Alcan, is one of the world's largest producers of bauxite, alumina and aluminium, benefiting from a sustainable, low cost energy supply. It operates mainly in Canada and Australia, with interests in Europe, New Zealand, Africa, South America and the US. The group is organised into four business units, Bauxite & Alumina, Primary Metal, Engineered Products and Packaging, the latter two of which are to be divested.

Underlying earnings contribution % *



Number of employees
39,326

Operating assets
US\$35,730 million

Gross sales revenue
US\$23,839 million

Underlying earnings
US\$1,184 million

Copper & Diamonds

Products: Copper in concentrate, refined copper, gold, silver, molybdenum, magnetite, vermiculite, diamonds

The Copper group is a world leader in copper production, comprising Kennecott Utah Copper in the US, and interests in some of the world's largest copper mines and development projects, including Escondida in Chile, Grasberg in Indonesia, the Resolution and Pebble projects in the US, the Oyu Tolgoi project in Mongolia and the La Granja project in Peru.

The Diamonds group is a leading supplier of rough diamonds, comprising interests in the Diavik mine in Canada, the Argyle mine in Australia, and the Murowa mine in Zimbabwe, served by a diamond sales office in Belgium.

Underlying earnings contribution % *



Number of employees
8,976

Operating assets
US\$5,536 million

Gross sales revenue
US\$6,669 million

Underlying earnings
US\$1,758 million

Energy & Minerals

Products: Coking and thermal coal, uranium, titanium dioxide feedstock, borates, talc

The Energy group is one of the biggest suppliers in its markets, represented in coal by Rio Tinto Coal Australia and Coal & Allied in Australia, and by Rio Tinto Energy America in the US. It also includes uranium interests in Energy Resources of Australia and the Rössing Uranium mine in Namibia, both among the world's largest uranium operations.

The industrial minerals businesses are global leaders in the supply and science of their products, comprising Rio Tinto Minerals, made up of borates and talc operations in the US, South America, Europe and Australia, as well as Rio Tinto Iron & Titanium which has interests in North America, South Africa and Madagascar.

Underlying earnings contribution % *



Number of employees
14,278

Operating assets
US\$5,639 million

Gross sales revenue
US\$10,998 million

Underlying earnings
US\$2,887 million

Iron Ore

Products: Iron ore, pig iron, salt, gypsum

The Iron Ore group is the second largest contributor to the world's seaborne iron ore trade with interests that comprise Hamersley Iron and Robe River in Australia, Iron Ore Company of Canada, Corumbá in Brazil, and the Simandou, Guinea, and Orissa, India, projects. The group includes the Hls melt® direct iron making plant in Australia, employing a new, cleaner iron making process developed largely by Rio Tinto. It also includes the Dampier Salt operations at three sites in Western Australia.

Underlying earnings contribution % *



Number of employees
11,109

Operating assets
US\$7,632 million

Gross sales revenue
US\$16,527 million

Underlying earnings
US\$6,017 million

Business support groups

Exploration

The Exploration group is organised into five teams based in North America, South America, Australia, Asia and Africa/Europe and a sixth project generation team that searches the world for new opportunities and provides specialised geological, geophysical and commercial expertise to the regional teams.

Number of employees
694

Technology & Innovation

Technology & Innovation has bases in Australia, Canada, the UK and the US. Its role is to identify and promote operational technology best practice across the Group and to pursue step change innovation of strategic importance to the development of orebodies of the future.

Number of employees
351

* Aggregate product group underlying earnings contribution of 115 per cent is reduced to 100 per cent by negative amounts for Other operations, Other items, Exploration and Net interest.

Note: The data for Aluminium includes Engineered Products and excludes Packaging.

Rio Tinto

The Rio Tinto Group combines Rio Tinto plc, which is listed on the London Stock Exchange and headquartered in London, and Rio Tinto Limited, which is listed on the Australian Securities Exchange and has executive offices in Melbourne.

Businesses include open pit and underground mines, mills, refineries and smelters as well as a number of research and service facilities. The Group consists of wholly and partly owned subsidiaries, jointly controlled assets, jointly controlled entities and associated companies, the principal entities being listed in notes 37 to 40 of the 2008 *Full financial statements*.

On 31 December 2008, Rio Tinto plc had a market capitalisation of £14.87 billion (US\$21.72 billion) and Rio Tinto Limited had a market capitalisation of A\$10.86 billion (US\$7.66 billion). The Group's combined market capitalisation in publicly held shares at the end of 2008 was US\$29.38 billion.

Operational structure

Rio Tinto's operational structure is designed to facilitate a clear focus on the Group's objective. This structure, reflected in this report, is based on the following primary product and business support groups:

- Aluminium
- Copper & Diamonds
- Energy & Minerals
- Iron Ore
- Exploration
- Technology & Innovation

The chief executive of each product group and the global head of each business support group report to the chief executive of Rio Tinto.

Nomenclature and financial data

Rio Tinto plc and Rio Tinto Limited operate as one business organisation, referred to in this report as Rio Tinto, the Rio Tinto Group or, more simply, the Group. These collective expressions are used for convenience only, since both Companies, and the individual companies in which they directly or indirectly own investments, are separate and distinct legal entities.

"Limited", "plc", "Pty", "Inc", "Limitada", "L.L.C.", "A.S." or "SA" have generally been

omitted from Group company names, except to distinguish between Rio Tinto plc and Rio Tinto Limited. Financial data in United States dollars (US\$) is derived from, and should be read in conjunction with, the 2008 *Full financial statements*. In general, financial data in pounds sterling (£) and Australian dollars (A\$) have been translated from the consolidated financial statements and have been provided solely for convenience; exceptions arise where data can be extracted directly from source records. Certain key information has been provided in all three currencies in the 2008 *Full financial statements*.

Rio Tinto Group sales revenue, profit before finance items and tax, net earnings and operating assets for 2007 and 2008 attributable to the product groups and geographical areas are shown in notes 31 and 32 to the 2008 *Full financial statements*. In the Performance section, operating assets and sales revenue for 2007 and 2008 are consistent with the financial information by business unit in the 2008 *Full financial statements*.

The tables on pages 108 to 120 show production for 2006, 2007 and 2008 and include estimates of proved and probable ore reserves and mineral resources. Words and phrases, often technical, have been used which have particular meanings; definitions of these terms are in the Glossary on pages 176 to 178. The weights and measures used are mainly metric units; conversions into other units are shown on page 178.

History

Rio Tinto's predecessor companies were formed in 1873 and 1905. The Rio Tinto Company was formed by investors in 1873 to mine ancient copper workings at Rio Tinto, near Seville in southern Spain. The Consolidated Zinc Corporation was incorporated in 1905 to treat zinc bearing mine waste at Broken Hill, New South Wales, Australia.

The RTZ Corporation (formerly The Rio Tinto-Zinc Corporation) was formed in 1962 by the merger of The Rio Tinto Company and The Consolidated Zinc Corporation.

CRA Limited (formerly Conzinc Riotinto of Australia Limited) was formed at the same time by a merger of the Australian interests of The Consolidated Zinc

Corporation and The Rio Tinto Company.

Between 1962 and 1995, both RTZ and CRA discovered important mineral deposits, developed major mining projects and also grew through acquisition.

RTZ and CRA were unified in 1995 through a dual listed companies structure. This means the Group, with its common board of directors, is designed to place the shareholders of both Companies in substantially the same position as if they held shares in a single enterprise owning all of the assets of both Companies.

In 1997, the RTZ Corporation became Rio Tinto plc and CRA Limited became Rio Tinto Limited, together known as the Rio Tinto Group. Over the past decade, the Group has continued to invest in developments and acquisitions in keeping with its strategy.

In 2007, Rio Tinto completed an agreed takeover of the Canadian aluminium producer Alcan Inc. in a US\$38 billion transaction that transformed the Group's aluminium product group into the global leader in aluminium. With copper and iron ore, this gave the Group a leading role in the production of the three key metals associated with the growth and urbanisation of China and other developing countries.