

Company No 00883375

**RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2009**

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Company Information

DIRECTORS	D S Larsen B J S Mathews U Quellmann
SECRETARY	M J Whyte
REGISTERED OFFICE	2 Eastbourne Terrace London W2 6LG
AUDITORS	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

REPORT OF THE DIRECTORS

The directors present their Annual report and the audited financial statements of the Company for the year ended 31 December 2009

BUSINESS REVIEW

Rio Tinto Aluminium Holdings (UK) Limited (the "Company") is a wholly owned subsidiary of Rio Tinto Metals Limited and is an investment holding Company for the Rio Tinto Group (the "Group"). Details of the principal subsidiary undertakings at 31 December 2009 are set out in note 5

The Company's results from year to year are highly sensitive to the timing of dividend flows and of movements in provisions, and do not necessarily reflect the performance of its group undertakings

The profit for the year was £24,187,000 (2008 £23,420,000 loss)

Interim dividends of £17,000,000 were paid during the year (2008 nil). The directors do not recommend the payment of a final dividend (2008 nil)

The Company's future developments are integrated with those of the Group which are discussed in its 2009 Annual report which does not form part of this report

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties are also integrated with those of the Group and are not managed separately. The Group's risk factors and policies for financial risk management are also discussed in its 2009 Annual report which does not form part of this report

KEY PERFORMANCE INDICATORS

The Company's directors are of the opinion that there are no meaningful financial or non financial key performance indicators that would be necessary or appropriate for an understanding of the development, performance or position of the Company's activities

DIRECTORS

The names of the directors in office at the date of this report are shown on page 2. Mr Simon Farry, Mr Richard Payne and Ms Eva Model resigned as Directors of the Company on 1 April, 30 June and 27 August 2009 respectively. Mr Dan Larsen and Mr Ulf Quellmann were appointed as Directors of the Company on 27 August 2009

No director had a material interest in any contract or arrangement during the year to which the Company or any subsidiary is or was a party

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial period that give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit or loss for that period. The financial statements have been prepared on the going concern basis as the directors have satisfied themselves that the Company has access to adequate financial resources to continue in operational existence for the foreseeable future

REPORT OF THE DIRECTORS (continued)**STATEMENT OF DIRECTORS' RESPONSIBILITIES (continued)**

The directors consider that the 2009 Annual report and financial statements present a true and fair view and have been prepared in accordance with applicable accounting standards, using the most appropriate accounting policies, and supported by reasonable and prudent judgements and estimates. The accounting policies have been consistently applied.

The directors are responsible for maintaining proper accounting records in accordance with the Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

INDEMNITIES AND INSURANCE

The Group purchased directors' and officers' insurance during the year to indemnify individual directors' and officers' personal legal liability and costs for claims arising out of actions taken in connection with the Group's business.

DISCLOSURE OF INFORMATION TO AUDITORS

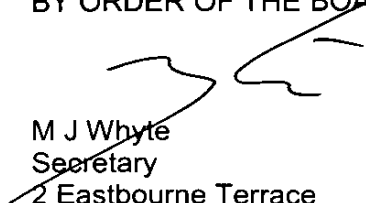
In so far as the directors are aware

- there is no relevant audit information of which the Company's auditors are unaware, and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

CHANGE OF AUDITORS

In accordance with section 485 Companies Act 2006 the directors will propose that during the period for appointing auditors the shareholders pass an ordinary resolution to appoint Grant Thornton LLP as auditors of the Company.

BY ORDER OF THE BOARD



M J Whyte
Secretary
2 Eastbourne Terrace
London
W2 6 LG
17 September 2010

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
RIO TINTO ALUMINIUM HOLDINGS (UK) LIMITED**

We have audited the financial statements of Rio Tinto Aluminium Holdings (UK) Limited (the "Company") for the year ended 31 December 2009 which comprise the Profit and Loss Account, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out in the Report of the Directors, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2009 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit.



Jonathan Lambert (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
17 September 2010

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2009**

	Note	<u>2009</u> £ 000	<u>2008</u> £ 000
Income from fixed asset investments	3	24,800	2,040
Impairment charge	5	<u>(590)</u>	<u>(25,100)</u>
OPERATING PROFIT/ (LOSS)	2	24,210	(23,060)
Interest payable		(60)	(360)
Interest receivable		37	-
PROFIT/ (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>24,187</u>	<u>(23,420)</u>
Tax on profit on ordinary activities	4	-	-
PROFIT/ (LOSS) FOR THE YEAR		<u>24,187</u>	<u>(23,420)</u>

The notes on pages 8 to 13 form part of these financial statements

The Company has no recognised gains and losses other than those included in the profit and loss account above and therefore no separate statement of total recognised gains and losses has been presented

All items dealt with in the above profit and loss account relate to continuing operations

There is no difference between the profit on ordinary activities before taxation and the profit for the year stated above, and their historical cost equivalents

**BALANCE SHEET
AS AT 31 DECEMBER 2009**

	Note	<u>2009</u> £ 000	<u>2008</u> £ 000
FIXED ASSET INVESTMENTS	5	-	590
DEBTORS	6	7,837	-
CREDITORS Amounts falling due within one year	7	(6,999)	(6,939)
NET CURRENT ASSETS/(LIABILITIES)		<u>838</u>	<u>(6,939)</u>
NET ASSETS/(LIABILITIES)		<u>838</u>	<u>(6,349)</u>
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and loss account	9	(162)	(7,349)
EQUITY SHAREHOLDERS' FUNDS	9	<u>838</u>	<u>(6,349)</u>

The notes on pages 8 to 13 form part of these financial statements

The financial statements on pages 6 to 13 were approved by the board of directors on 17 September 2010 and were signed on its behalf by



D S Larsen
Director

Company No 00883375

NOTES TO THE 2009 FINANCIAL STATEMENTS

1 ACCOUNTING POLICIESa) Basis of accounting

These financial statements are prepared on a going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards. The directors have reviewed the Company's existing policies and consider that they are suitable. The principal accounting policies have been applied consistently.

b) Interest income/(expense)

Interest is accounted for on an accruals basis. Interest receivable from subsidiary undertakings registered overseas is presented inclusive of any overseas withholding tax.

c) Investment income

Income from investments is recognised when the right to receive payment is established. Dividends from subsidiary undertakings registered overseas are presented inclusive of any overseas withholding tax.

d) Group financial statements

Group financial statements have not been prepared as the Company is itself a wholly - owned subsidiary of another company incorporated in England and Wales. In the opinion of the directors the aggregate value of the assets of the Company consisting of shares in, and amounts owing from, its subsidiaries is not less than the aggregate of the amount at which those assets are included in the balance sheet.

e) Investments

Fixed asset investments are valued at cost less impairment provisions. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the relevant income generating unit or disposal value if higher. The discount rate applied is based upon the Company's weighted average cost of capital, with appropriate adjustment for the risks associated with the relevant unit.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indications exist, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss. After such a reversal, the depreciation charge is adjusted in future years to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

NOTES TO THE 2009 FINANCIAL STATEMENTS (continued)

1 ACCOUNTING POLICIES (continued)f) Deferred taxation

Full provision is made for deferred taxation on all timing differences that have arisen but not reversed at the balance sheet date, except that deferred tax assets are only recognised to the extent that it is more likely than not that they will be recovered. Deferred tax is recognised on an undiscounted basis.

g) Dividends

Final dividends are recognised when the obligation to make payment is established. Interim dividends are recognised when paid.

h) Reporting format

The Company acts as an investment holding company, and hence the dividends received from investee companies and any impairment provisions against investments are presented as operating items.

i) Currency translation

Transactions denominated in foreign currencies are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the end of the financial year. Exchange differences are dealt with in the profit and loss account.

j) Taxation

The Company does not pay for, or receive payment for, any group relief claimed from, or surrendered to, other group companies.

Withholding taxes incurred on the receipt of interest and dividends from overseas group companies are presented as part of the taxation charge in the profit and loss account.

2 OPERATING COSTS

- a) The auditors' remuneration of £2,611 (2008: £2,428) is borne by a fellow group undertaking.
- b) The average number of persons employed during the year, excluding directors, was nil (2008: nil).
- c) No emoluments were paid to any of the directors in respect of their services to the Company (2008: nil).

3 INCOME FROM FIXED ASSET INVESTMENTS

	<u>2009</u> £000	<u>2008</u> £000
Equity dividends from subsidiary undertakings	<u>24,800</u>	<u>2,040</u>

NOTES TO THE 2009 FINANCIAL STATEMENTS (continued)

4 TAX ON PROFIT ON ORDINARY ACTIVITIES

	<u>2009</u> £000	<u>2008</u> £000
Current tax		
UK corporation tax on profits for the period	-	-
	<u>-</u>	<u>-</u>
Total current tax	<u>-</u>	<u>-</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 28% (2008 28.5%). The differences are explained as follows

	<u>2009</u> £000	<u>2008</u> £000
Profit/(loss) on ordinary activities before tax	<u>24,187</u>	<u>(23,420)</u>
Profit/(loss) on ordinary activities before tax multiplied by standard rate of tax in the UK of 28% (2008 28.5%)	6,772	(6,675)
Effects of		
Income not chargeable to UK tax	(6,944)	(581)
Expenses not allowable	165	7,154
Group relief surrendered for nil consideration	7	102
	<u>-</u>	<u>-</u>

Legislation was enacted in 2009 which exempts dividends, received on ordinary shares from controlled subsidiaries, from the charge to UK corporation tax, effective 1 July 2009

The June 2010 Budget Statement announced reductions to the UK statutory corporation tax rate from the current rate of 28%. The new rates expected are 27% effective 1 April 2011, 26% effective 1 April 2012, 25% effective 1 April 2013 and 24% effective 1 April 2014. These changes will have no impact on the financial statements prepared to 31 December 2009.

NOTES TO THE 2009 FINANCIAL STATEMENTS (continued),

5 FIXED ASSET INVESTMENTS

	<u>2009</u> £000	<u>2008</u> £000
<u>Cost</u>		
At 1 January and 31 December	<u>25,690</u>	<u>25,690</u>
<u>Provision</u>		
At 1 January	25,100	-
Charge for the year	590	25,100
	<u>25,690</u>	<u>25,100</u>
At 31 December	<u>25,690</u>	<u>25,100</u>
<u>Net book value</u>		
At 1 January	<u>590</u>	<u>25,690</u>
At 31 December	<u>-</u>	<u>590</u>

The following information relates to the Company's principal subsidiary and associated undertakings at 31 December 2009

Company	Country of Incorporation	Class of shares held	% Held	Nature of business
Rio Tinto Aluminium (UK) Limited	England and Wales	Ordinary shares of £1 each	100	Non-trading (formerly Aluminium marketing)
Rio Tinto Commercial Services Limited	England and Wales	Ordinary shares of £1 each	100	Non-trading (formerly Alumina purchasing)
Anglesey Aluminium Limited	England and Wales	Ordinary shares of £1 each	51	Holding Company

NOTES TO THE 2009 FINANCIAL STATEMENTS (continued)

6 DEBTORS

	<u>2009</u> £000	<u>2008</u> £000
Amount receivable from fellow group undertaking	<u>7,837</u>	<u>-</u>

The above receivable is interest bearing at a rate of 1 month LIBOR less 0.05% and is repayable on demand

7 CREDITORS Amounts falling due within one year

	<u>2009</u> £000	<u>2008</u> £000
Amounts payable to ultimate parent and other group undertakings	<u>6,999</u>	<u>6,939</u>

The above payables are interest bearing based on LIBOR and is repayable on demand

8 SHARE CAPITAL

	<u>2009</u> £000	<u>2008</u> £000
Authorised, issued and fully paid 1,000,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	Share capital £000	Profit and loss account £000	Total £000
At 1 January	1,000	(7,349)	(6,349)
Profit for the year	-	24,187	24,187
Dividends paid	-	(17,000)	(17,000)
At 31 December	<u>1,000</u>	<u>(162)</u>	<u>838</u>

10 CASH FLOW STATEMENT AND RELATED PARTY DISCLOSURES

The financial statements do not include a cash flow statement because the Company is a wholly owned subsidiary and the conditions of Financial Reporting Standard ("FRS") 1 exempting inclusion are satisfied. The Company is also exempt under the terms of FRS 8 from disclosing related party transactions with entities that are part of the Rio Tinto Group or investees of the Rio Tinto Group.

NOTES TO THE 2009 FINANCIAL STATEMENTS (continued)

11 ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking is Rio Tinto Metals Limited. The ultimate parent undertaking and controlling party is Rio Tinto plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. The Group's consolidated financial statements can be obtained from its registered office at 2 Eastbourne Terrace, London, W2 6LG, or from the Rio Tinto website at www.riotinto.com.