
RIO TINTO FINANCE (USA) PLC

(formerly Rio Tinto (Commercial Paper) plc)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012



RIO TINTO FINANCE (USA) PLC

COMPANY INFORMATION

DIRECTORS	Mr U Quellmann Mr D S Larsen Mr M Bossick
COMPANY SECRETARY	Mrs G J C Aldridge
REGISTERED NUMBER	6287014
REGISTERED OFFICE	2 Eastbourne Terrace London W2 6LG
INDEPENDENT AUDITORS	PricewaterhouseCoopers LLP 1 Embankment Place London WC2N 6RH

RIO TINTO FINANCE (USA) PLC

CONTENTS

	Page
Directors' report	1 - 3
Independent auditor's report	4 - 5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8 - 12

RIO TINTO FINANCE (USA) PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their Annual report together with the audited financial statements for the year ended 31 December 2012

PRINCIPAL ACTIVITIES

With effect from 5 March 2012, the name of the Company was changed from Rio Tinto (Commercial Paper) plc to Rio Tinto Finance (USA) plc. Rio Tinto Finance (USA) plc ("the Company") is a wholly owned subsidiary of the Rio Tinto Group ("the Group") and plays a major role in raising external funding for the Group.

BUSINESS REVIEW

For the year ended 31 December 2011, the Company was entitled to exemption from audit under Section 480 of the Companies Act 2008.

The Company's future developments are integrated with those of the Group which are discussed in its 2012 Annual report which does form part of this report. The Group's financial instrument and risk management policies are discussed in Note 31 within the 2012 Annual Report.

Effective 5 March 2012, the Company changed its functional and presentation currency from pound sterling (GBP£) to United States dollars (US\$), as the Company's financing activities including revenues, expenses and cash flows are denominated in US\$. The change in presentation currency is to better reflect the Company's business activities.

In making this change in functional and presentation currency, the Company's financial statements for all years presented have been translated into the new presentation currency using the current rate method. All assets and liabilities have been translated using the exchange rate prevailing at the balance sheets dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of capital transactions and translation differences have been included as a separate component of other comprehensive income.

In March 2012, the Company (formerly Rio Tinto (Commercial Paper) plc) issued four bonds amounting to US\$500 million 1.125% bond due 2015, US\$500 million 2.0% bond due 2017, US\$1,000 million 3.5% bond due 2022 and US\$500 million 4.75% bond due 2042. This was followed by the issue of three further bonds in August 2012 amounting to US\$1,250 million 1.625% bond due 2017, US\$1,000 million 2.875% bond due 2022 and a US\$750 million 4.125% bond due 2042. The Company's debt issuance is guaranteed by Rio Tinto plc and Rio Tinto Limited. At the same time, the Company (formerly Rio Tinto (Commercial Paper) plc) invested in bonds with a group company with terms identical to the 2015, 2017, 2022, and 2042 bonds issued in March and August 2012.

RESULTS

The profit for the year, after taxation, amounted to \$NIL (2011 - \$NIL, unaudited).

RIO TINTO FINANCE (USA) PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

DIRECTORS

The directors who served during the year and to the date of this report were

Mr U Quellmann

Mr D S Larsen

Mr M Bossick (appointed 20 May 2013)

Ms J C Juggins (appointed 2 July 2012 and resigned 5 April 2013)

Mr B J S Matthews (appointed 7 March 2012 and resigned 3 May 2013)

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties are integrated with those of the Group and are not managed separately. The principal risks and uncertainties of the Group are discussed in its 2012 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.

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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the Company as at the end of the financial year and of the profit or loss for that year. The financial statements have been prepared on a 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.

The directors consider that the Directors' 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. The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable law and regulations.

RIO TINTO FINANCE (USA) PLC

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

EVENTS SINCE THE END OF THE YEAR

On 14 June 2013, the Company priced an aggregate of US\$3.0 billion of fixed and floating rate bonds fully and unconditionally guaranteed by Rio Tinto plc and Rio Tinto Limited. The offering comprises US\$1.0 billion of 3 year and US\$1.25 billion of 5.5 year fixed rate, and US\$250 million 2 year and US\$500 million 3 year floating rate SEC registered debt securities. The 3 year fixed rate notes pay a coupon of 1.375% and will mature on 17 June 2016. The 5.5 year fixed rate notes pay a coupon of 2.250% and will mature on 14 December 2018. The 2 year floating rate notes pay a coupon of 3 month US\$ LIBOR plus 55 basis points and will mature on 19 June 2015. The 3 year floating rate notes pay a coupon of 3 month US\$ LIBOR plus 84 basis points and will mature on 17 June 2016.

FUTURE DEVELOPMENTS

The Company's future developments are integrated with those of the Group which are discussed in its 2012 Annual report.

DISCLOSURE OF INFORMATION TO AUDITORS

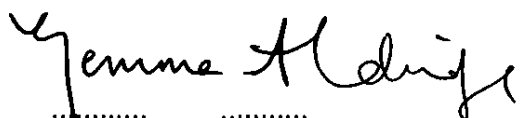
Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the company's auditors in connection with preparing their report and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, PricewaterhouseCoopers LLP, are deemed to have been re-appointed in accordance with an elective resolution passed under Section 386 of the Companies Act 1985 which continues in force under the Companies Act 2006, at the end of the period of 28 days beginning on the day on which copies of this report and financial statements are sent to members unless a resolution is passed under Section 510 of the Companies Act 2006 to the effect that their appointment be brought to an end.

BY ORDER OF THE BOARD



G J C Aldridge
Secretary

Date 18 June 2013
2 Eastbourne Terrace
London
W2 6LG

RIO TINTO FINANCE (USA) PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIO TINTO FINANCE (USA) PLC

We have audited the financial statements of Rio Tinto Finance (USA) plc (the 'Company') for the year ended 31 December 2012 which comprise the Profit and Loss Account, Statement of Recognised Gains and Losses, Balance Sheet and 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 Directors' Responsibilities Statement set out on page 2 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 and express an opinion on 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. In addition, we read all the financial and non-financial information in the Business Review of the Directors Report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 2012 and of its results 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

RIO TINTO FINANCE (USA) PLC

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF RIO TINTO FINANCE (USA) PLC

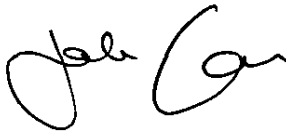
MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

OTHER MATTER - PRIOR PERIOD FINANCIAL STATEMENTS UNAUDITED

The financial statements for the year ended 31 December 2011, forming the corresponding figures of the financial statements for the year ended 31 December 2011, are unaudited



Jonathan Lambert (Senior Statutory Auditor)

for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

London
18 June 2013

RIO TINTO FINANCE (USA) PLC

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 \$000	2011 unaudited \$000
Operating income			
Interest receivable	2	90,417	-
Operating charges			
Interest payable	3	<u>(90,417)</u>	<u>-</u>
OPERATING PROFIT AND PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		-	-
Tax on profit on ordinary activities		<u>-</u>	<u>-</u>
RETAINED PROFIT FOR THE YEAR		<u><u>-</u></u>	<u><u>-</u></u>

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

There were no recognised gains and losses for 2012 or 2011 unaudited, other than those included in the Profit and loss account

There are no differences between the profit on ordinary activities before taxation and the retained profit for the financial year stated above and their historical cost equivalents

The notes on pages 8 to 12 form part of these financial statements

RIO TINTO FINANCE (USA) PLC
REGISTERED NUMBER. 6287014

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	\$000	2012 \$000	2011 unaudited restated note 1 \$000
CURRENT ASSETS				
Debtors amounts falling due after more than one year	5	5,427,875	-	
Debtors amounts falling due within one year	5	<u>49,452</u>	<u>79</u>	
		5,477,327	79	
CREDITORS amounts falling due within one year	6	<u>(49,373)</u>	-	
NET CURRENT ASSETS			<u>5,427,954</u>	<u>79</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			5,427,954	79
CREDITORS: amounts falling due after more than one year	7	<u>(5,427,875)</u>	-	
NET ASSETS			<u><u>79</u></u>	<u><u>79</u></u>
CAPITAL AND RESERVES				
Called up share capital	8		99	99
Foreign exchange reserve	9		<u>(20)</u>	<u>(20)</u>
TOTAL SHAREHOLDERS' FUNDS	10		<u><u>79</u></u>	<u><u>79</u></u>

The notes on pages 8 to 12 form part of these financial statements

The financial statements on pages 6 to 12 were approved by the board of directors on 18 June 2013 and were signed on its behalf by



Dan Larsen
 Director
 18 June 2013

RIO TINTO FINANCE (USA) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been 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 Rio Tinto Finance (USA) plc's (formerly Rio Tinto (Commercial Paper) plc) ("the Company") existing accounting policies and consider that they are suitable. The principal accounting policies have been consistently applied.

The Company plays a major role in the raising of external funding for the Group. Accordingly, all interest receivable and payable is presented within operating profit. References to the Group are to the consolidated financial statements of Rio Tinto plc and Rio Tinto Limited.

The Rio Tinto plc consolidated financial statements for the year ended 31 December 2012 contain financial instrument disclosures which comply with FRS 29, 'Financial Instruments: Disclosures'. Consequently, the Company is exempted from the disclosure requirements of FRS 29 in respect of its financial instruments.

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the Group whose consolidated financial statements are publicly available, is exempt from the requirements to draw up a cash flow statement in accordance with FRS 1.

1.2 Currency translation

Foreign currency transactions are translated into the presentation currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account. In accordance with FRS 23, unrealised exchange gains and losses on the translation of monetary items are credited or charged to the profit and loss account in the year in which they arise.

1.3 Interest receivable and payable

Interest is recognised on an accruals basis in the year to which they relate.

1.4 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the amounts originally received (net of transaction costs) and the redemption value is recognised in the profit and loss account over the period of the borrowings using the effective interest method.

RIO TINTO FINANCE (USA) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES (continued)

1.5 Restatement of comparatives figures

The comparative figures for the year ended 31 December 2011 were restated as a result of the change in presentation currency

Effective 5 March 2012, the Company changed its functional and presentation currency from pound sterling (GBP£) to United States dollars (US\$), as the Company's financing activities including revenues, expenses and cash flows are denominated in US\$. The change in presentation currency is to better reflect the Company's business activities

In making this change in presentation currency, the Company's financial statements for all years presented have been translated into the new presentation currency using the current rate method. All assets and liabilities have been translated using the exchange rate prevailing at the balance sheet dates. Shareholders' equity transactions have been translated using the rates of exchange in effect as of the dates of capital transactions and translation differences have been included as a separate component of other comprehensive income

2 Operating income

	2012 \$000	2011 unaudited \$000
Interest receivable from fellow group undertakings	<u>90,417</u>	<u>-</u>

3 Operating charges

	2012 \$000	2011 unaudited \$000
Interest payable on external borrowings	<u>90,417</u>	<u>-</u>

4 PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

- (a) The audit fees for the Company are borne by Rio Tinto Finance plc. The total audit fees incurred by the Company was US\$24,953 (2011: US\$nil, unaudited)
- (b) No emoluments were paid or payable to directors during the year in respect of their services to the Company, (year ended 31 December 2011: US\$nil, unaudited)
- (c) The average number of persons employed during the year, excluding directors, was nil (year ended 31 December 2011: US\$nil, unaudited)
- (d) Employees who are involved in the management and operation of the Company have contracts of service with other Group entities and therefore their remuneration is included within those entities' financial statements

RIO TINTO FINANCE (USA) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

5 DEBTORS

	2012 \$000	2011 unaudited \$000
Due after more than one year		
Amounts owed by group undertakings	<u>5,427,875</u>	<u>-</u>
Due within one year	2012 \$000	2011 unaudited restated note 1 \$000
Amounts owed by group undertakings	<u>49,452</u>	<u>79</u>

During 2012, the Company invested in seven bonds with Rio Tinto Finance plc, a group Company, amounting to a combined US\$5.5 billion notional amount maturing between March 2017 and August 2042 with a weighted average fixed interest rate of 2.81%.

6. CREDITORS:

Amounts falling due within one year

	2012 \$000	2011 unaudited \$000
Accrued interest	<u>49,373</u>	<u>-</u>

7 CREDITORS:

Amounts falling due after more than one year

	2012 \$000	2011 unaudited \$000
Borrowings	<u>5,427,875</u>	<u>-</u>

In March 2012, the Company issued four Rio Tinto Finance (USA) plc bonds amounting to US\$500 million 1.125% bond due 2015, US\$500 million 2.0% bond due 2017, US\$1,000 million 3.5% bond due 2022 and US\$500 million 4.75% due 2042. This was followed by the issue of three further Rio Tinto Finance (USA) plc bonds in August 2012 amounting to US\$1,250 million 1.625% bond due 2017, US\$1,000 million 2.875% bond due 2022 and a US\$750 million 4.125% bond due 2042. The Company's debt issuance is fully and unconditionally guaranteed by Rio Tinto plc and Rio Tinto Limited.

RIO TINTO FINANCE (USA) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

8. SHARE CAPITAL

	2012 \$000	2011 unaudited restated note 1 \$000
Allotted, called up and fully paid		
50,000- Ordinary Shares of £1 each	<u>99</u>	<u>99</u>

On 5 March 2012, the Company's share capital was translated into US dollars at the exchange rate in force when the US dollar became the presentation currency. The resulting currency translation adjustment of US\$20,000 is reflected in the movement in share capital.

9. FOREIGN EXCHANGE RESERVES

	Foreign exchange reserve \$000
At 1 January	(20)
At 31 December	<u>(20)</u>

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 \$000	2011 unaudited restated note 1 \$000
At 1 January	79	99
Foreign exchange on change in functional currency	<u>-</u>	<u>(20)</u>
At 31 December	<u>79</u>	<u>79</u>

On 5 March 2012, the Company's share capital was translated into US dollars at the exchange rate in force when the US dollar became the presentation currency. The resulting currency translation adjustment has been included in the other reserves.

11. RELATED PARTY TRANSACTIONS

The Company is exempt under the terms of Financial Reporting Standard No. 8 from disclosing related party transactions with entities that are part of the Group or investees of the Group.

RIO TINTO FINANCE (USA) PLC

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

12 POST BALANCE SHEET EVENTS

On 14 June 2013, the Company priced an aggregate of US\$3.0 billion of fixed and floating rate bonds fully and unconditionally guaranteed by Rio Tinto plc and Rio Tinto Limited. The offering comprises US\$1.0 billion of 3-year and US\$1.25 billion of 5.5-year fixed rate, and US\$250 million 2-year and US\$500 million 3-year floating rate SEC-registered debt securities. The 3-year fixed rate notes pay a coupon of 1.375% and will mature on 17 June 2016. The 5.5-year fixed rate notes pay a coupon of 2.250% and will mature on 14 December 2018. The 2-year floating rate notes pay a coupon of 3-month US\$ LIBOR plus 55 basis points and will mature on 19 June 2015. The 3-year floating rate notes pay a coupon of 3-month US\$ LIBOR plus 84 basis points and will mature on 17 June 2016.

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Rio Tinto International Holdings 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. Rio Tinto plc consolidated financial statements can be obtained from the Rio Tinto website at www.riotinto.com.