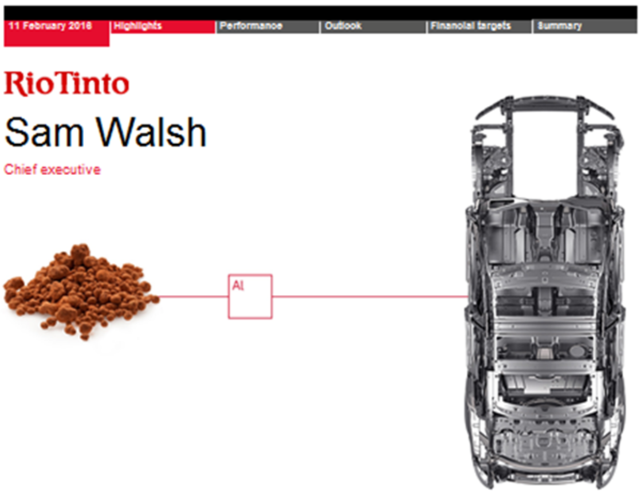
Slide 1 – Title slide

Slide 2 – Cautionary statement

Slide 3 – Sam Walsh title slide



Thank you John.

Good morning, and welcome to Rio Tinto's, 2015 results.

The past year created, some exceptional challenges for the industry.

Against this backdrop, we have again, delivered a very robust set of results.

We continue to focus on running Rio Tinto efficiently and delivering shareholder value.

Not just for today, but for the long-term strength, and success of your business.

Our combination of Tier 1 assets, operating and commercial excellence, and capital discipline, has allowed us to protect margins, and deliver strong cash returns to our shareholders.

This is an environment, where further decisive action is required.

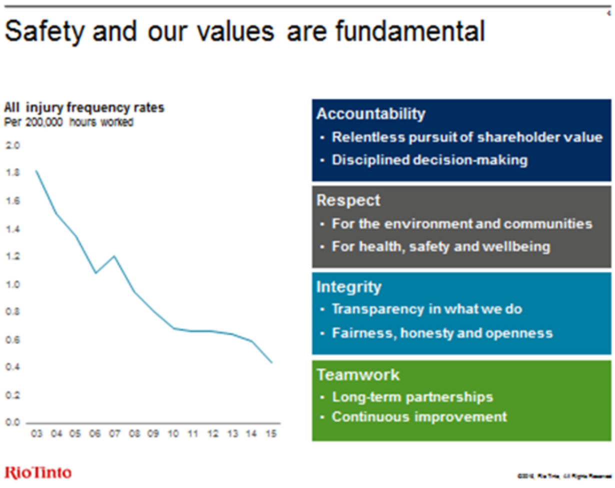
Only those companies with Tier 1 assets, strong balance sheets and strong controls can succeed in this market.

We have continued to deliver sound results, and meet our commitments.

And today we are announcing continued pre-emptive action, to protect long term shareholder value, and ensure that we can deliver sustainable returns to shareholders.

Our financial results, reflect the relentless efforts of all my colleagues, over the past three years. I truly thank them for their support, and the speed with which they have embraced the cultural transformation the business has undergone during this period.

Slide 4 – Safety



Let me start with Safety.

As I have said before, a culture of safety, is central to Rio Tinto.

A well run operation is a safe operation, and forms a core part of our commitment to all our stake-holders, especially our employees.

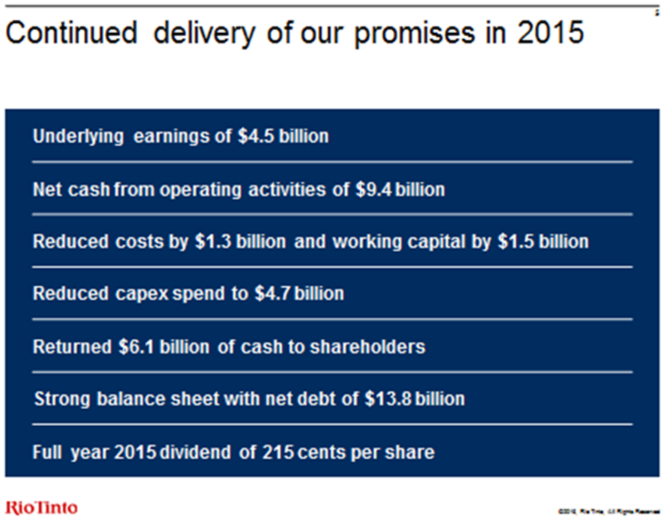
Over the course of the year, we improved our safety, as measured by all injury frequency rate.

However, tragically, we had four fatalities during the year.

My thoughts and prayers, are with their family and friends.

Fatalities must be eliminated. We are all focussed on achieving this, and there will be no compromise on safety.

Slide 5 – Continued delivery of our promises in 2015



Turning to our results.

We are reporting underlying earnings of $4.5 billion.

Our focus on cash, remains relentless, and net cash generated from operating activities was $9.4 billion.

We continue to take costs out of the business, and in 2015 we reduced our cost by a further $1.3 billion, beating our revised target of $1 billion.

We cut our capital expenditure to $4.7 billion, again, better than guidance.

But importantly, we achieved these reductions, through efficiency and focus.

We continue to invest, in order to ensure that we maintain the quality of our assets, deliver value accretive growth, and protect the long-term value of our business.

Last year we returned $6.1 billion to our shareholders, through an ordinary dividend of $4.1 billion and a buy-back of $2 billion.

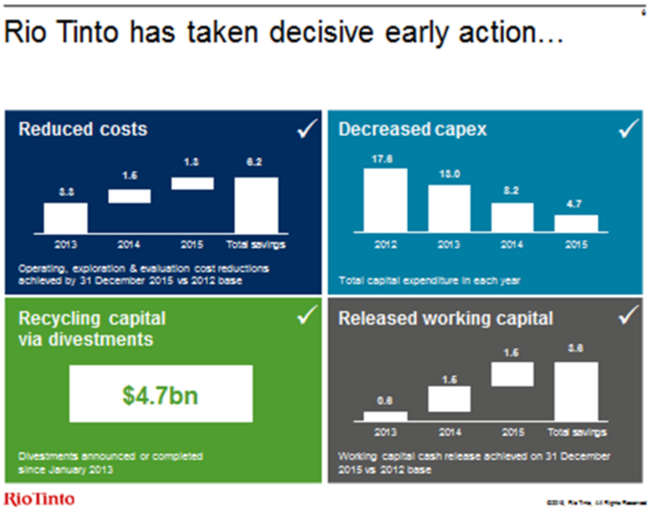
This business is focused on delivering returns to shareholders.

So, we have invested in the business, we have made cash returns to shareholders, and yet again, we finish the year with our balance sheet in a very sound position.

Our net debt of $13.8 billion, is $700 million better than the pro forma position of 12 months ago.

A truly exceptional outcome. In the current environment, a strong balance sheet combined with sound cash flows, are two essential characteristics, which we do not, underestimate nor take for granted.

Slide 6 – Rio Tinto has taken decisive early action…



Chris and I were appointed in early 2013, and we took decisive action from the outset. 2015, has been a continuation of the same journey, and the same focus on long-term shareholder value.

We have reduced our costs by over $6 billion, in the past 3 years.

Protecting margins and cash flow, is key.

We raised $4.7 billion from the sale of non-core assets, which has been recycled back into the business.

We have significantly reduced our capital expenditure.

We continue to invest for the long-term success of the business, by constantly seeking efficiencies in our capital spend, in order to guarantee the best return from our projects.

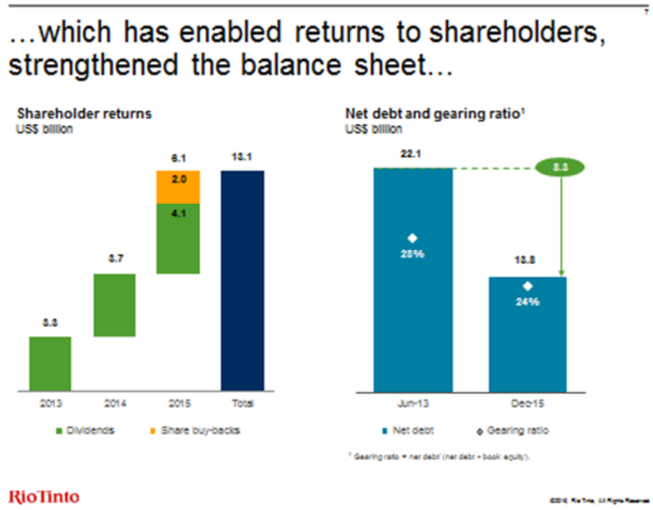
We targeted working capital as an area for improvement and have released over $3.6 billion of cash to date.

Our focus on working capital has built a culture and mindset, that puts efficiency and control, right at the heart of our every-day activities.

This is best shown by our improved trade working capital, down a further $2.3 billion in 2015.

This is an outstanding example of our people acting as owners.

Slide 7 – …which has enabled returns to shareholders, strengthened the balance sheet…



As a result of the actions, that we have taken since my appointment as chief executive, we have returned over $13 billion dollars of cash to shareholders.

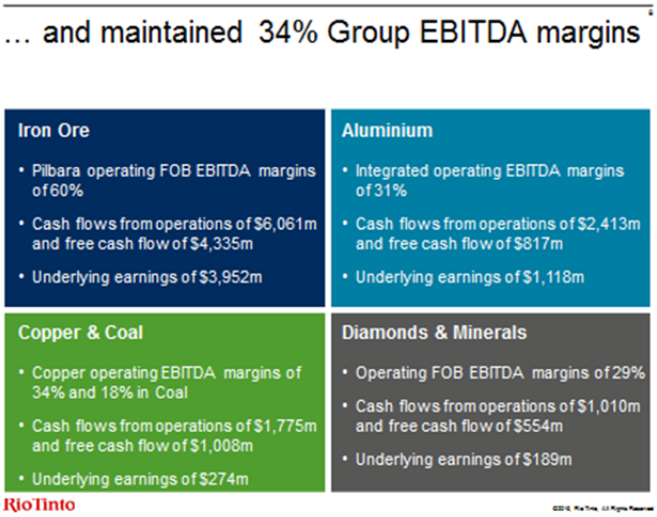
We promised that we would return cash to shareholders and we have delivered on that promise.

As you can see, these returns have not been at the expense of your balance sheet.

We have retained focus on maintaining its strength. A sound balance sheet provides the foundation for future returns. We finish the year with net debt of $13.8 billion.

Our debt position is transformed from three years ago.

Slide 8 - ...and maintained 34% Group EBITDA margins



A further outcome of our actions, has been margin stability.

Tier 1 assets with operational control, has ensured that we continue to generate strong cash flows, and protect margins and profitability.

The success in the Pilbara, has been remarkable.

In the second half of 2015, we reduced our C1 costs to $13.80 per tonne, which also includes the benefit of a weaker Australian dollar, and lower oil prices.

Using spot prices as at end of January 2016, this would be equivalent to $13.20 per tonne.

And I should highlight that our C1 cost is an all-in measure which includes SG&A.

EBITDA margins at our Aluminium business increased year-on-year to 31 per cent. I believe that we have the best aluminum business in the world. Their performance was assisted by further portfolio optimisation, and cost reduction efforts. Bauxite saw both growth in exports, and stable pricing.

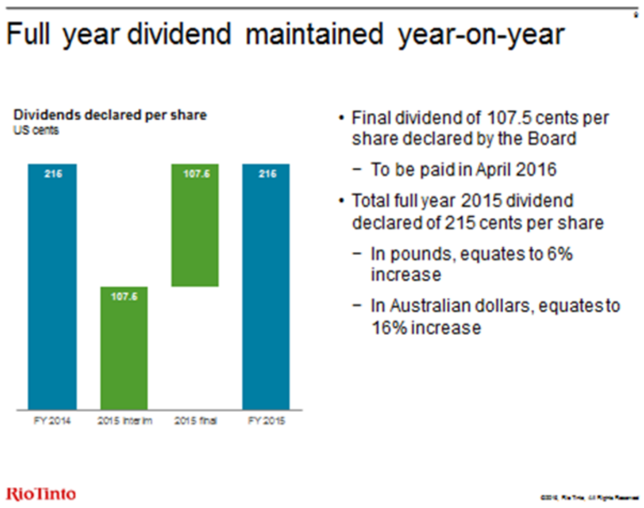
This is a good outcome and, although market premia have contracted from their recent highs, we will continue to protect the business, with around $300 million of cost savings to come in 2016.

Copper & Coal realised just over $1 billion of free cash flow, thanks to the continued focus on driving out costs. The team has now delivered $1.9 billion in savings over the past three years.

And we have made good progress on divestments, with two further sales announced during the past six months, which will generate over $800 million in cash.

Diamonds & Minerals also sustained their cost momentum, lowering their absolute costs by around $500 million, compared with 2014, and this excludes any currency benefits. The product group continues to align production with market demand.

Slide 9 – Full year dividend maintained year-on-year



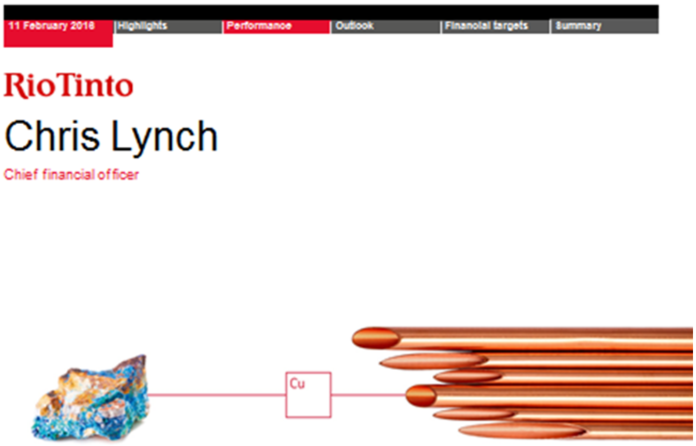
Reflecting the strength of the business, and the results delivered today, we are honouring the promise of the progressive dividend, and declaring a full year dividend for 2015, of $2.15 per share.

In pounds sterling this is around a 6% increase on the 2014 full year dividend, and around 16% in Australian dollars.

Against the current environment, we are meeting our commitment of cash returns to shareholders.

Before we move to the 2016 Outlook, let me hand over to Chris, to cover the 2015 financials.

Slide 10 – Chris Lynch title slide

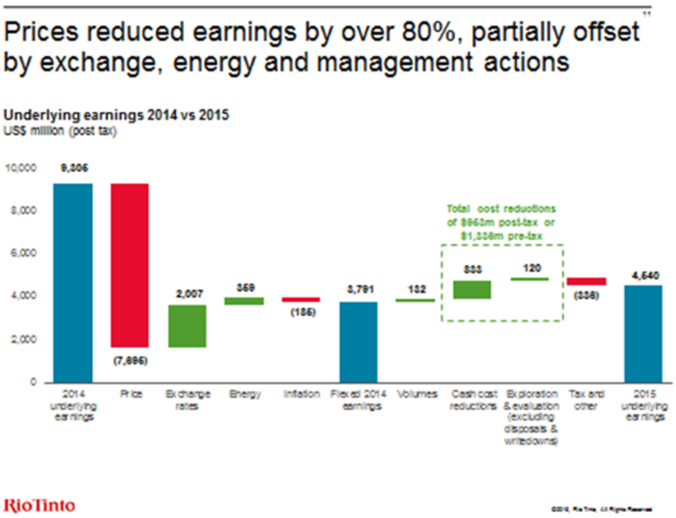


Thanks, Sam.

These are a robust set of results, delivered in a very challenging environment.

Let's have a look at our numbers in more detail.

Slide 11 – Prices reduced earnings by over 80%, partially offset by exchange, energy and management actions



Price volatility continued to be the dominant feature in our markets.

The impact of declining prices on our earnings, continued in the second half of the year, and led to a significant reduction of $7.7 billion for the year.

There was some offset from currency, but the impact of energy costs and inflation was relatively modest.

This brought us to flexed 2014 earnings of $3.8 billion.

There was a benefit from higher volumes, mainly from the Pilbara and increased bauxite exports from Weipa and Gove, but this was partly offset by lower volumes at Kennecott and in Titanium.

The continued focus in the business on reducing our unit cash operating costs, and exploration and evaluation costs, has made a meaningful impact of $953 million post tax.

A higher allocation of interest charge to expenses and increased depreciation following the completion of major capital projects accounted for the other movement.

Which brings us to underlying earnings of just over $4.5 billion.

Slide 12 – Net earnings

Net earnings

	US$m
2015 underlying earnings	**4,540**
Impairments	(1,802)
Losses/gains on disposals	48
Exchange losses on debt and derivatives	(3,282)
Increased closure provision for legacy operations	(233)
Restructuring costs and global headcount reductions	(258)
Other	121
2015 net earnings/(loss)	**(866)**

Our net earnings were impacted by:

- currency adjustments
- impairments
- increases in provisions and
- restructuring

Impairments impacted net earnings by $1.8 billion dollars.

At Simandou we are finalising an integrated bankable feasibility study for the mine, port and infrastructure, which we are due to complete in May 2016. However, given uncertainties over the funding of the infrastructure coupled with the volatility of the current and near-term outlook for commodity prices, we have reviewed the carrying value of the asset, resulting in a post-tax impairment of $1.1 billion.

Further impairments of $684 million relate mainly to the carrying value of Energy Resources of Australia, following a decision by the ERA board not to proceed with the final feasibility study of the Ranger 3 Deeps project.

We also impaired the Roughrider uranium project in Canada following completion of an Order of Magnitude study.

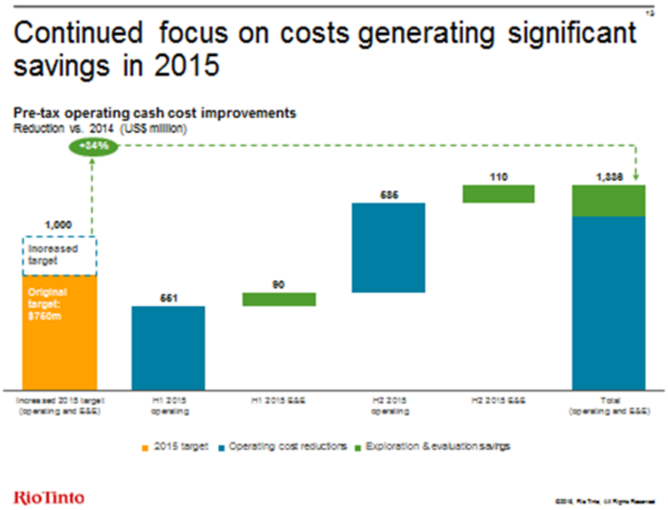
As we have seen in prior years, there was a major currency impact at year end on US dollar debt held by entities with non-US dollar functional currencies.

This gave rise to $3.3 billion of non-cash exchange losses with around two thirds from the impact of a weaker Canadian dollar and one third from the Australian dollar.

Overall, our US dollar debt and cash flow is unaffected by these exchange movements.

So all in all we reported a statutory net loss of $866 million.

Slide 13 – Continued focus on costs generating significant savings in 2015



Throughout the Group we have further embedded a culture of lowering costs and improving productivity.

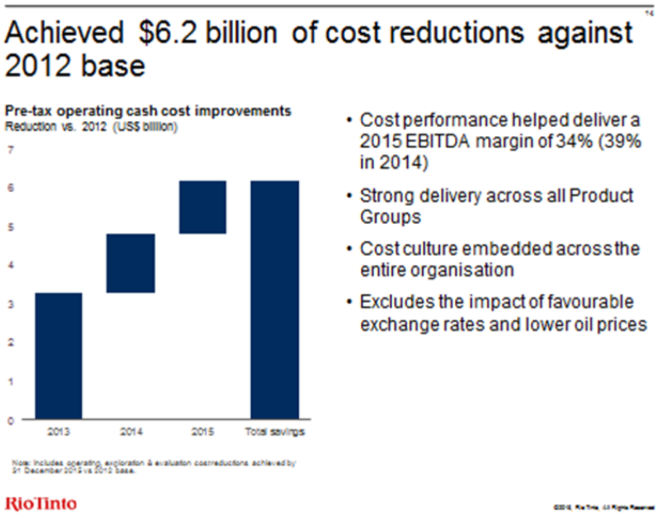
At the start of the year we estimated that we would deliver cost savings of around $750 million.

However, in the first half we delivered over $600 million and we therefore raised the target to $1 billion.

We actually finished the year at $1.34 billion, achieving an even stronger outcome in the second half and 34% ahead of our revised target.

It is important to note that these cost savings exclude the benefits of falling exchange rates and the impact of lower fuel costs, both of which have also had a positive affect on our overall cost structure.

Slide 14 – Achieved $6.2 billion of cost reductions against 2012 base



Over the past 3 years we have delivered $6.2 billion in cost savings.

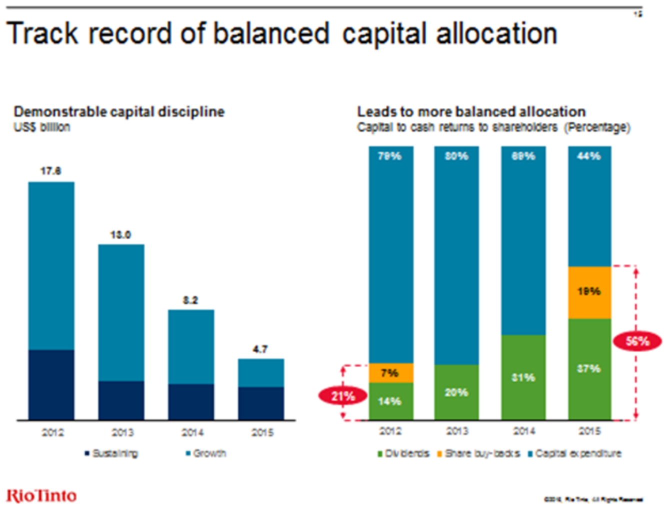
Obviously it is getting harder, but we continue to find opportunities to reduce costs and have been able to maintain strong momentum.

All product groups have contributed to this impressive achievement with Copper and Coal delivering $1.9 billion and Iron Ore and Aluminium each delivering around $1.1 billion of cumulative savings.

Lower exploration and evaluation expenditure has contributed $1.4 billion with the balance from central costs and the Diamonds & Minerals product group.

In anticipation of lower and volatile prices, we have proactively reduced our cost base and as a consequence, have maintained relatively stable margins since 2012.

Slide 15 – Track record of balanced capital allocation



Later in the presentation, I will talk about our capital allocation model, but our aim has been to:

- sustain our operations
- provide strong returns to shareholders
- fund compelling growth and
- preserve a strong balance sheet.

The outcome of these actions is seen here.

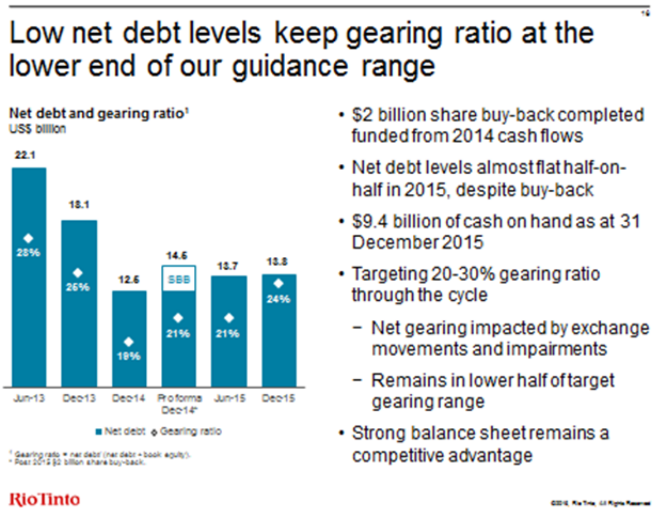
We have reduced our annual capital expenditure, at the same time increasing shareholder returns.

Capital expenditure peaked in 2012 at $17.6 billion. By 2015, our capex had reduced to $4.7 billion.

In 2012, with peak capex of $17.6 billion, only 21% of our allocated capital was returned to shareholders.

But by 2015, following an intense focus on cash generation and reducing capex, and of course including the $2 billion share buy-back, we returned well over 50 per cent of our allocated capital to shareholders at the same time as completing value-accretive growth projects.

Slide 16 – Low net debt levels keep gearing ratio at the lower end of our guidance



A sound balance sheet is fundamental to the business.

It provides:
- robustness against volatility,
- security of returns through the cycle
- and a readiness to take advantage of opportunities should they arise.

In environments like these, a strong balance sheet is paramount.

On a pro-forma basis, as presented at our results last February, our net debt has decreased from $14.5 billion to $13.8 billion.

In the second half of the year, our net debt barely changed, despite $1 billion of share buy-back, the $1.9 bn payment of the interim dividend, and lower commodity prices.

Despite lower net debt, our net gearing has increased to 24%, principally due to the
- non-cash impact of functional currency adjustments,
- the $2 billion share buy back and
- impairments.

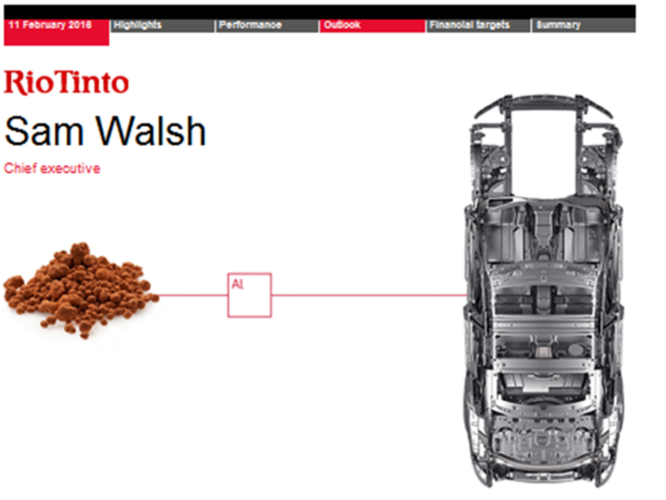
Our cash balance was $9.4 billion at the end of the year, compared to $11.2 billion at 30th June mainly due to the repayment of debt.

In the second half of the year we repurchased $1.2 billion of bonds which were due to mature in 2016 and we repaid a further $500 million in maturing bonds.

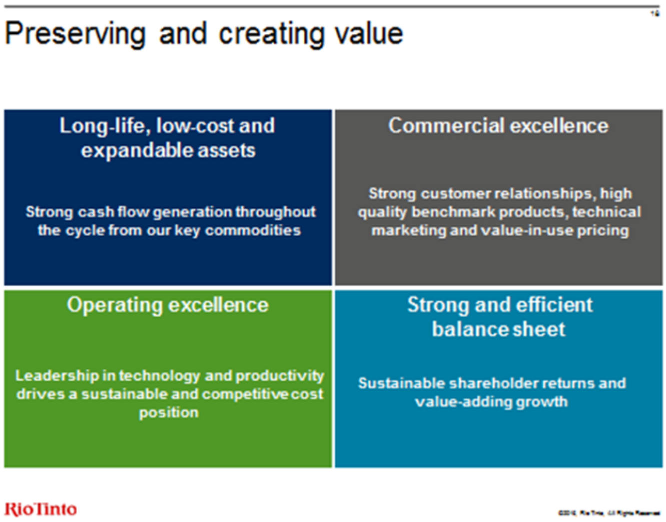
We remain in the lower half of our targeted net gearing range of 20 to 30 per cent.

Now let me hand back to Sam.

Slide 17 – Sam Walsh title slide



Slide 18 – Preserving and creating value



Thanks Chris.

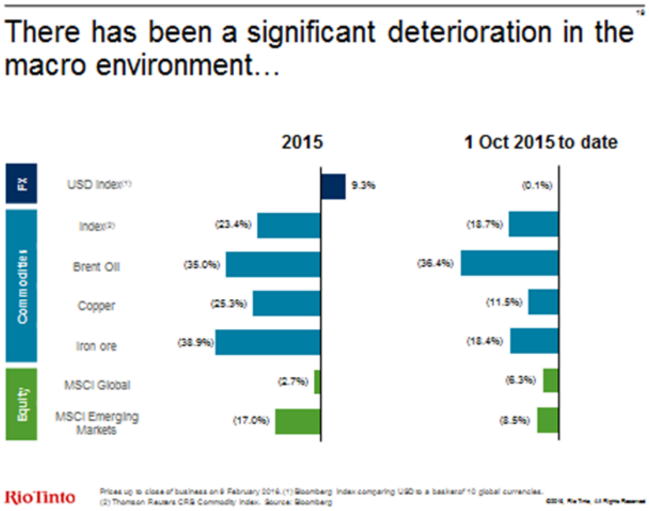
Now let me turn to the outlook. Our position today, is founded on our portfolio of Tier-1, long-life, low-cost, expandable assets.

By managing these assets wisely, and getting best value for our products, we have reduced our costs, and maximised cash flows.

Our careful allocation of capital, means that we have delivered cash returns for shareholders and built a strong balance sheet.

Our intention, is to ensure, that this foundation remains robust, regardless of external factors.

Slide 19 – There has been a significant deterioration in the macro environment…



In the current environment, it is clear why a strong balance sheet and cash generation are a necessity, rather than a luxury.

Signs of recovery in industrial demand have yet to emerge, and a prolonged downturn brings increased risk.

Housing sales in China stabilised during the second half of 2015, but we are yet to see a turnaround, in China's construction activity.

The transition to a less commodity-intensive and slower growth path, often referred to as the 'New Normal', is further compounded by these soft industrial trends.

The recent decline in oil prices has wide repercussions.

Even though we benefit from it, a low oil price clearly has a negative impact, on many governments and their economies.

The volatility in global financial markets, reflects concerns over the strength of global manufacturing and trade, and we can see the impact of this, on emerging equity markets.

Central banks are also showing uncertainty.

Although the Fed increased US interest rates in December, expectations of further monetary tightening have reduced.

This all points to caution in the near-term. Global GDP is expected to expand by around 3 per cent in 2016, however it is weighted away from industrial activity, and confidence is clearly fragile.

The iron ore price dipped below $40 per tonne towards the end of last year, representing an 80 per cent fall from its peak in 2011.

Domestic steel consumption in China, fell by between four and five per cent in 2015, due to its exposure to property and investment. China's iron ore demand was more stable, due to a combination of higher steel exports, and lower scrap use.

For some time, we have been highlighting the iron ore exits:
at the start of 2015 we anticipated cuts for the year, of around 85 million tonnes.
We actually saw around 130 million tonnes cut from high-cost production.
This was in addition to the 125 million tonnes of exits in 2014.

So high cost supply is leaving the market.

In 2016, we estimate that around 75 million tonnes of new supply will come onto the market from seaborne producers.

This should be more than matched by exits.

It's not just iron ore prices that have been impacted by recent market turmoil.

Prices for aluminium and thermal and met coal, are at levels preceding the China boom, or only seen briefly, in the depth of the Global Financial Crisis.

In each of these cases, strong Chinese supply and slow curtailments, have exacerbated global market imbalances.

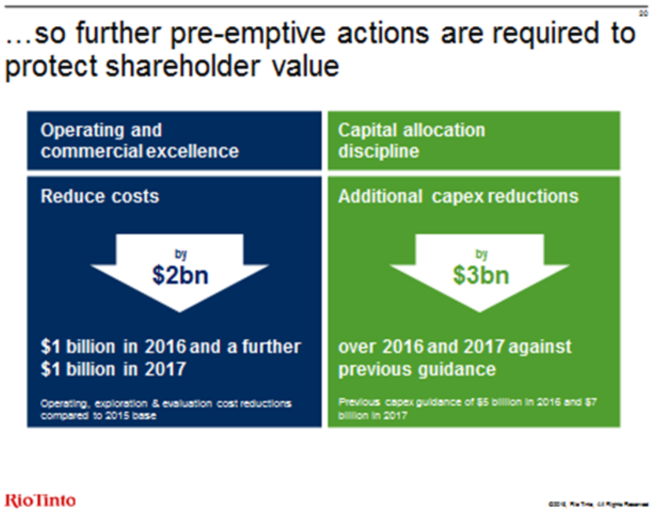
As a result, prices are cutting deep into cost curves, despite significant reductions in costs, weaker currencies and lower energy prices.

We have also seen a gradual erosion of the copper price, with rising expectations, of continued supply growth, coupled with weaker demand.

For us, the key is to maximise cash flows and defend our position of strength in the industry.

There is no room for complacency.

Slide 20 - ...so further pre-emptive actions are required to protect shareholder value



So we will continue to take pre-emptive action, to ensure the business remains robust.

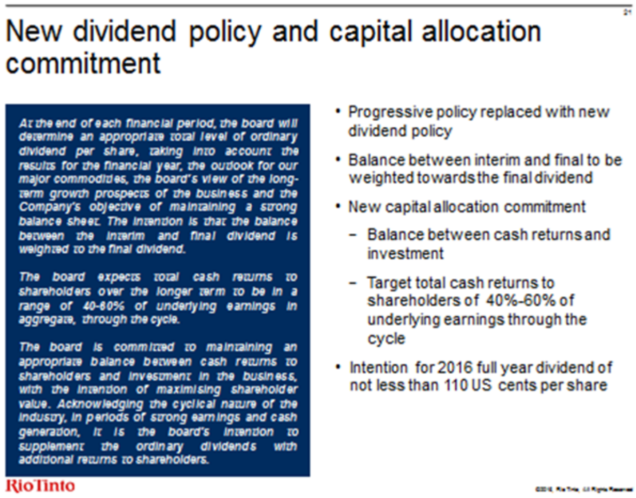
Over the next two years, we will be eliminating a further $2 billion dollars of costs. This is ambitious, but in my opinion, an achievable target, which comes on top of the $6 billion, that we have already removed.

We are in the process of re-phasing, and reducing our capital expenditure.

This means that we can continue to invest for long-term success.

We will remove $3 billion of capital over 2016 and 2017, compared with our previous guidance.

Slide 21 – New dividend policy and capital allocation commitment



The current volatility and pricing environment demonstrates that progressive dividend policies are not appropriate in cyclical industries.

Progressive policies, suppress returns for shareholders in the up-cycle, and are difficult to maintain in the down-cycle.

Maintaining cash outflows, including dividends at their current levels, would weaken our balance sheet and act against shareholders' long-term interests.

Therefore, alongside further savings in operating costs and capital expenditure, we have proactively put in place a new dividend policy.

We believe that our new policy better reflects the cyclical nature of our industry, and meets our desire that shareholders more fully participate through the cycle.

In future, the Board will decide on the appropriate dividend level at the end of each financial period.

However, for 2016 only, we are providing specific guidance in advance, with the intention to declare a full year dividend of at least $1.10 per share, which equates to around $2bn in total.

We are comfortable with this, despite continued market uncertainty, given the actions we are taking.

Under our revised policy, the balance between interim and final dividend payments is expected to be weighted towards the final.

Importantly, alongside our new dividend policy, the board is committed to a capital allocation framework which will maintain an appropriate balance between additional cash returns to shareholders and investment into the business.

This commitment is consistent with our track record, which Chris referenced earlier.

Where circumstances allow, we will supplement the ordinary dividend with additional cash returns to shareholders.

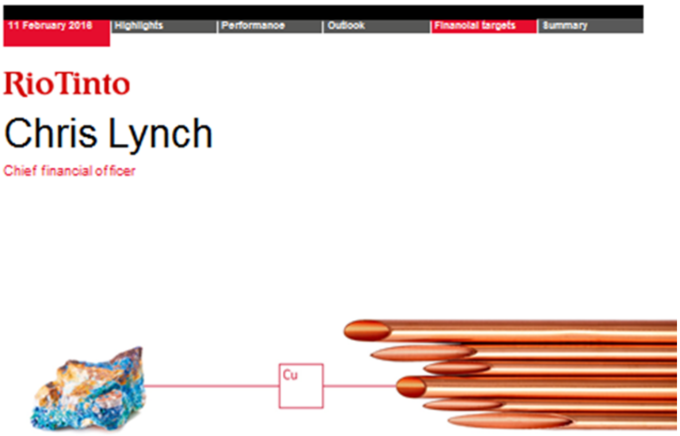
Through the cycle, over the longer term, we are mindful of total cash returns to shareholders being between 40% and 60% of underlying earnings.

The policy leaves flexibility around that, to deal with extremes, and should allow for shareholders to participate more fully in the upside.

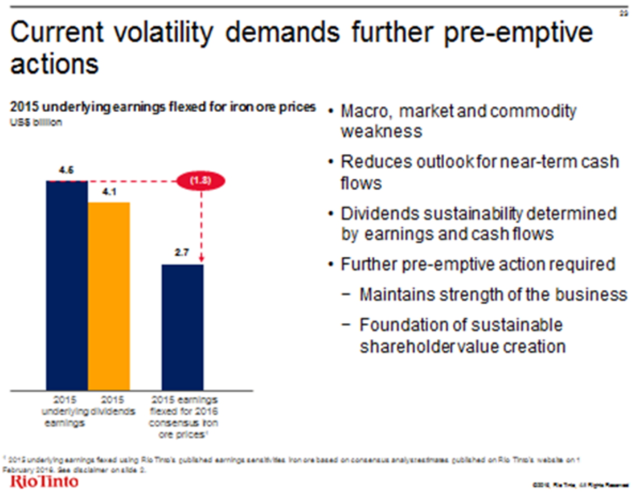
We believe this policy and framework is a thoughtful and prudent approach to delivering sustainable, shareholder value and returns.

Now let me hand back to Chris.

<u>Slide 22 – Chris Lynch title slide</u>



Slide 23 – Current volatility demands further pre-emptive actions



Thanks Sam.

When I came into this role, three of my key objectives were to:
- help deliver on the promised cost savings,
- strengthen the balance sheet, and
- strengthen how we allocate and approve capital.

We have made strong progress on these, with $6.2 billion of cost savings, dramatically reduced debt levels, down $8.3 billion dollars from the peak, and much lower levels of capital expenditure, to $4.7 billion in 2015.

Let me make it clear why we are choosing to change our dividend policy.

The board was able to make these decisions from a position of strength.

Our balance sheet is in good shape, but the position of the global economy, and in particular, the unprecedented volatility across the broad spectrum of commodity prices, makes it clear, in our view, that a progressive dividend is not appropriate in a cyclical industry such as ours.

We continue to look to ensure that our balance sheet is robust, and that returns are based more on profitablility.

Our 2015 underlying earnings were $4.5 billion. Although simplistic, if we adjust this with 2016 consensus iron ore price alone, then our 2015 earnings would have been around $2.7 billion.

And that's before taking account of any other commodity prices or premia, that we're seeing in the markets today.

A $4 billion dividend would represent a pay-out of close to 150 per cent. This is unsustainable. The volatility in markets at the moment, make it clear that we have to be conservative in our planning assumptions to ensure that we remain robust.
We cannot just wait for a price recovery.

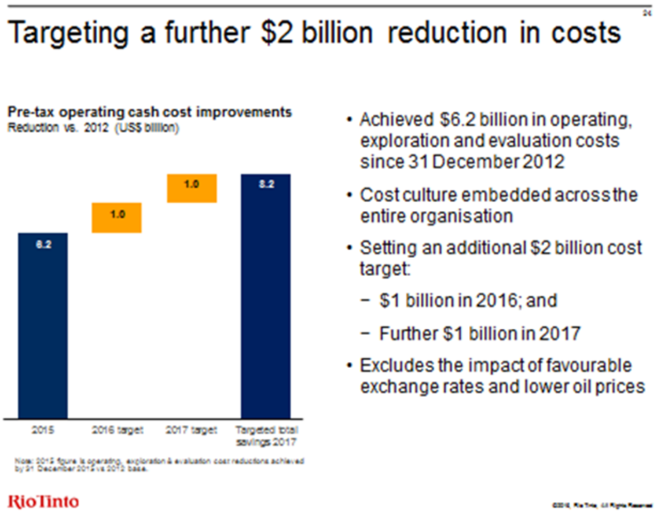
Hope is not a strategy.

The impact of low earnings and cash flows on the financial health of a company can be rapid – and so we are taking this action now from a position of strength.

We do not underestimate the significance of the change we have announced today – but we must protect the value of your business.

And by doing so we can ensure that we are in a position to deliver sustainable future returns.

<u>Slide 24 – Targeting a further $2 billion reduction in costs</u>



Sustainable operating cost reductions are the most significant lever to protect the business and cash flows.

And the focus on this must remain relentless.

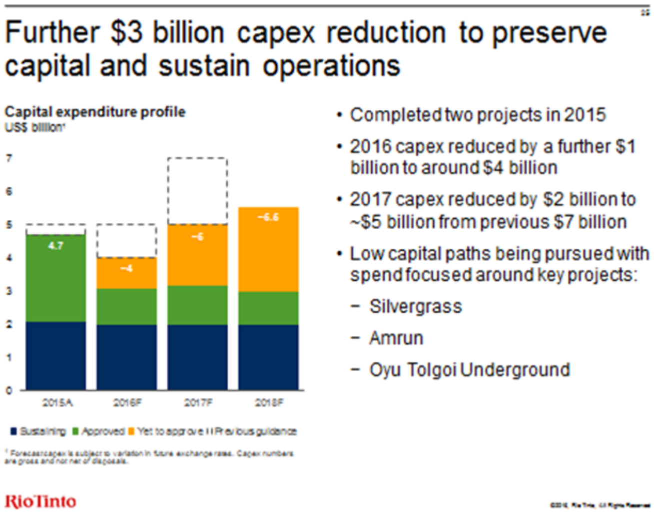
The reductions we are targeting are becoming more challenging but we believe that we can take around $2 billion out of our cost base over the next 2 years.

We expect all our businesses to generate cash.

Those that are close to breakeven on cash must have credible improvement plans in place and being actioned.

We are also targeting a step-change down in service and support costs.

<u>Slide 25 – Further $3 billion capex reduction to preserve capital and sustain operations</u>



Alongside reducing operating costs and lifting productivity, we have also improved capital efficiency.

We have been able to continue delivering our growth plans, whilst lowering the overall capital expenditure levels.

The re-phasing and optimisation of our capital spend remains as vigorous as ever.

In 2015, we spent $4.7 billion, $300 million below revised guidance.

We are providing updated capital guidance for 2016 and 2017. Our anticipated spend for 2016 is now around $4 billion and around $5 billion in 2017.

This equates to a $3 billion reduction against previous guidance.

Our 2018 guidance, provided here for the first time, is expected to be around $5.5 billion.

These reductions fall into two buckets:

- The first is benefits received from favourable currency movements, lower prices and lower input costs, including contractors.
- The second is from detailed reviews of major project budgets both in terms of project planning, as well as rephasing of expenditure.

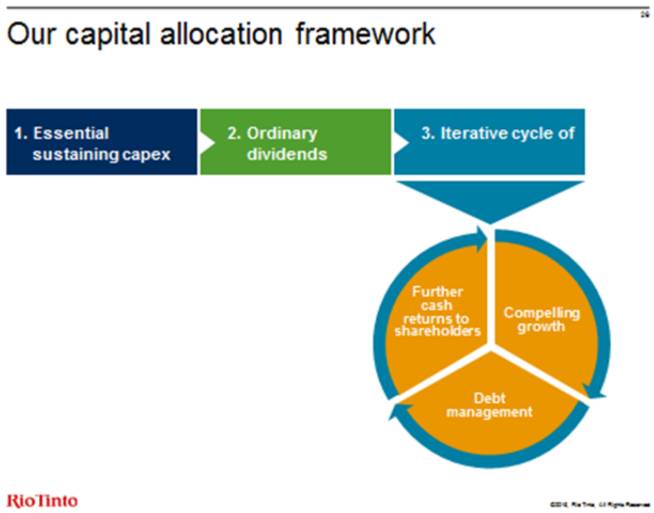
We will only approve the best projects in our portfolio, with IRR's in excess of 15%. Most of our near-term capital expenditure – both approved and some unapproved – is focused on three main projects, and we are constantly seeking more cost effective ways to deliver these projects to conserve cash and maximise returns.

In the Pilbara we have essentially completed the infrastructure build, and are now looking at a much smaller spend on the Silvergrass project, to provide product quality for the Pilbara Blend. This is now expected to come in below $500 million.

The Amrun project team are working hard to find alternate pathways to finance key infrastructure components, as well as re-phasing expenditure.

At OT the feasibility study continues and we expect it to be complete in the first half of this year.

Slide 26 – Our capital allocation framework



Before getting to our capital allocation framework, I want to reiterate we're announcing a package of measures:

1: further cost reductions
2: further reductions to capital investment
3: New dividend policy and a commitment to shareholder returns.

These measures are tangible, material and importantly, pre-emptive.

We make the decisions from a position of strength, to protect value.

Turning now to our capital allocation framework, which will be very familiar to you.

By making the changes we have set out today, we are able to ensure that this model remains robust even in the most difficult periods.

Our new dividend policy remains consistent with our capital allocation priorities.

A significant addition alongside the dividend policy is an explicit commitment to maintain an appropriate balance between cash returns to shareholders and investment in the business.

This reinforces the iterative cycle set out on this slide.

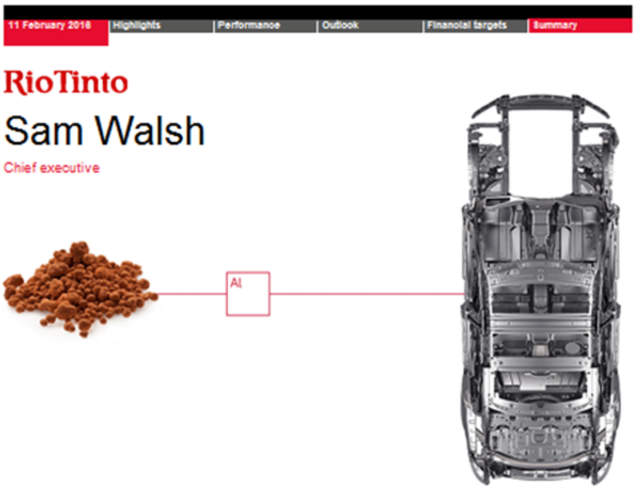
In the longer term, through the cycle, we are mindful of total cash returns to shareholders between 40% and 60% of underlying earnings.

This new policy and commitment allows for:
- resilience at times of extreme downturns,
- and for shareholders to benefit from the cash generated at times of commodity price strength.

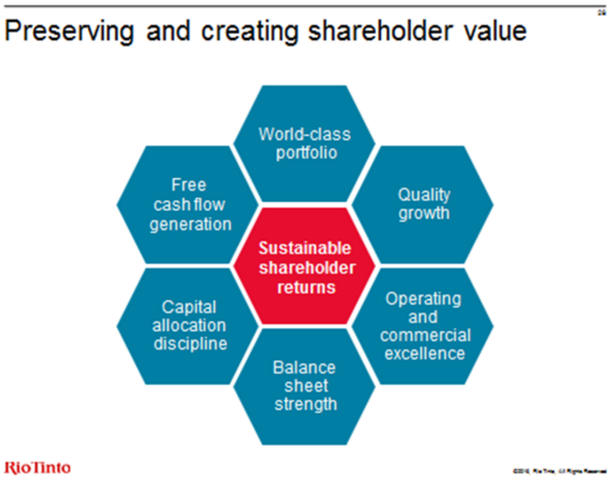
Careful management of cash remains at the core of what we do - ensuring long-term shareholder returns.

With that, I will hand back to Sam.

<u>Slide 27 - Sam Walsh title slide</u>



Slide 28 – Preserving and creating shareholder value



Thanks Chris.

Let me summarise.

In a challenging environment, we have today delivered a robust set of results and are delighted to declare a full year dividend for 2015, of $2.15 per share.

At the foundation of our business, is a world-class portfolio.

We continue to invest in growth, but only in a focused number of high-return projects.

But just owning great assets, is not enough – it requires a culture focused on cost management and extracting maximum value.

The quality of our asset base is matched by the strength of our balance sheet with net debt of $13.8 billion.

Today we have announced further pre-emptive action, to ensure the business remains resilient and capable of delivering sustainable shareholder returns.

There is a clear intent behind everything we do; to manage Rio Tinto well, not just for today, but for the long-term strength and success of your business.

Now over to you for questions.

Q&A transcript

SAM WALSH (Chief Executive):

Now if I could pass over to you for questions. And I'll sit down and join Chris. We have people on the line so I am intending to take three questions from the room and then take three from the telephone line. There's a question here first.

QUESTION:

Thanks. Congratulations on a good cash result.

The dividend reduction and everything seems quite defensive and preparing for, or cautious for the future. How are you feeling about opportunities for potential acquisitions in the industry? You haven't touched on that in today's presentation.

Does the dividend reduction give you some opportunity to look at some of the distressed assets that might be out there? That's the first question.

Secondly, I think one of the other goals that was set when you guys took over, that Chris referred to, was strengthening the executive bench. I am just wondering how you feel about the strength of the executive bench? Are you prepared for a smooth transition if and when you are ready to put that in place?

SAM WALSH:

Okay, let me get Chris to tackle the first part of your question about potential M&A and let me pre-empt that by saying that getting the balance right between growth and shareholder returns is important to us and, as we have mentioned during the presentation, focusing on the balance again between short and long term is also very, very important.

Right now there are distressed assets that are out there and they are distressed for a good reason, they're high cost, low quality, no infrastructure. But we are mindful that there could well be opportunities, and Chris why don't you comment?

CHRIS LYNCH (Chief Financial Officer):

Thanks for the question. The fundamental move really is to preserve the balance sheet and make sure the balance sheet remains robust. You have got to recognise that it's part of a package of measures, the dividend change - the cost reductions, the capital expenditure reductions and the dividend policy are a matched set of measures.

What it does is to maintain a robust balance sheet and gets away from the concept of a fixed payment no matter what, and so the Board will have more discretion about matching the dividend to earnings capacity, to cash flow, to balance sheet, to their view of the future at any given time.

No. But the key issue really is around there are some very good assets in what you'd probably describe as distressed balance sheets. They're not on the market as yet but we have got a watching brief on a lot of things and we'll continue to do that. Whether we'll get to pull the trigger on anything - we'll always look at more than we ever pull the trigger on but we have capacity in the event that we wanted to do that.

It's more about if we were to spend money on an asset acquisition we'd want to have a path back to what our robust balance sheet would look like beyond the acquisition, and that's the metrics. We've got our eye on a lot of things but nothing specific at the minute.

SAM WALSH:

Thanks Chris. Let me emphasise that we also have a clear focus on exploration.

In the past, exploration has provided us with a number of the high value assets that we've got. We continue to have a commitment to exploration and the opportunities that this could provide.

In the area of copper as Chris said, if there was an attractive project in that area that could be of interest to us at the right price, the right value.

In relation to the second part of your question about strengthening the team and transition ultimately, we've got a very, very strong team. I have an excellent Executive Committee team and, quite frankly, you don't deliver the sort of results that we've mentioned today through just Chris and I, it's through the whole team. They have a very good understanding and knowledge of the total business despite their own particular specialities.

This is important and this will provide succession and transition for the business as I get closer to retirement.

At this stage, it's not a topic on the agenda, personally I'm loving what I'm doing, I believe I'm delivering value and I have said to the Board that the timing is theirs, however short or however long it is I'm here to deliver value to you, our shareholders.

Do we have another question?

QUESTION:

A more general question on the sustainability of the business. You've talked, Chris, I think I heard you say three times that you are making these changes from a position of strength. If we look at the dividend you are talking about for 2016, it still looks pretty close to 100 per cent payout ratio for 2016. Now maybe that's a bridge year but that still doesn't feel that sustainable to me.

If I then look at what you are spending in terms of capex it is much less that depreciation, particularly if I look at your sustaining capex. So the question is, do you feel like the business is stable here and do you think it's sustainable as you've set it up today?

SAM WALSH:

I'll let Chris answer, but clearly the answer to that is "yes". We are coming from a position of strength, a strong balance sheet, Tier 1 assets, a very focused organisation and we have taken the three pro-active steps today to ensure that we retain that. Certainly 2016 underpinned dividend is a transition but I believe that is a fair way of proceeding forward with the revised policy.

CHRIS LYNCH:

Well, just a very brief comment on the transitional arrangements for 2016. Coming off the progressive we've had pretty much absolute certainty under the progressive dividend about the minimum level of the dividend and so the Board discussion focused around the fact that we were taking people from virtual certainty on to a more variable basis. So the transitional arrangements apply to 2016 and we think that's a fair transitional arrangement into the new policy.

The other thing to observe on the dividend is that the weighting. We mentioned it in the speech that the weighting will be toward the final dividend. In the past we've had that mechanistic half of the prior year's final dividend or full year dividend, we are moving away from that to a weighting toward the final dividend. If you think about that logically it's pretty obvious that once the final results are known is the time when you can get absolute precision about exactly where the dividend is going to be pitched.

So they are the transitional arrangements and I think we'll see where the numbers come out. I am sure all the analysts in the room will have a slightly different view about exactly what the numbers are, but I take your point.

The second part of your question was about the sustaining capital. We are in a sweet spot at the moment with regard to the absolute dollar level of the sustaining capital. We are in a very favourable, price environment for that sort of activity and we're coming off the back of having recently completed some major expenditure projects, some major growth projects.

Those growth projects were actually built in a period of fairly heavy price inflation in the construction cost of those projects, so we've got probably a slightly favourable cost structure for the activity. We've got slightly less activity because of the newness of some of the assets and we have got a high depreciation base off the back of recent capital expenditure.

Over time, that activity level will increase and the price will go wherever the price of it goes but there will probably be more activity in the future and probably at a different price level.

The guidance we've given today assumes that we stay at or around the $2 billion for the next few years, but I think that's quite comfortable, it's tight but it's manageable. Longer term I think you do revert back to depreciation and sustaining capital being closer.

SAM WALSH:

Thanks Chris. Just to wrap up on that, in terms of sustainability that's really the basis of everything we are talking about today. To ensure that we maintain the strength of our balance sheet and the robustness of the business. There is no question as you look forward, as we come out of this down-cycle, that we will be in a very, very strong position to capitalise on the long-term growth for the commodities that we supply.

As the world continues to develop, urbanise, industrialise, there is basically nothing that people use on an everyday basis that can be produced without using our materials, even down to the iPhone that's in your pocket. All of these require us.

Do we have another question in the room?

QUESTION:

Just a few quick questions.

First of all, with the new dividend policy you have got your 'washing machine' chart that says ordinary dividends are a second priority after maintenance capex but you're now not prepared to put any kind of floor to the 2017 dividends. Can you imagine any scenario where Rio Tinto won't pay an ordinary dividend? So if we look beyond this year into 2017?

Secondly, just on your longer term iron ore demand outlook. Has that changed or are you still as bullish as you were last year at the iron ore seminar?

And then thirdly, could you just give us a sense what free cash flow the Pilbara is generating at spot commodity prices? With freight at $3, with a $13 C1 cash costs, I suspect there's a substantial amount of free cash flow.

SAM WALSH:

Look, perhaps if I let Chris pick up the first and third question and if I pick up on long-term demand for iron ore.

CHRIS LYNCH:

Well, the question was around can we envisage any situation where we wouldn't pay an ordinary dividend? I think it's highly unlikely but a Board decision and I guess we've given guidance no further than the 2016 transitional arrangements, but I should think it's highly unlikely.

With regard to the Pilbara free cash flow, you know the volumes, we have given you what the spot cash costs would be today and with this I think you can probably figure that out for yourself.

The capex requirement for Silvergrass is going to be much lower as we are seeing it today.

SAM WALSH:

In terms of long-term demand for iron ore, we still have confidence in this. As I mentioned, as the world continues to develop, urbanise, industrialise, whether it's China, the ASEAN nations, India, the Middle East, South America, Africa. All of these regions will require iron ore and steel as they urbanise.

I think there are some aspects that people are overlooking in relation to the impact of infrastructure spending, across the world and certainly in the ASEAN regions, the one belt, the one road, the new Silk Road, the Asian Infrastructure Investment Bank is focused on opening up trade, opening up ports and infrastructure and of course all of this will require steel. So we are going through a transition period.

Nobody quite understands what the new normal means but I think it means that things are not going to be quite as they were in the past and we need to adjust to it, we need to be responsive to it, and that's exactly what we're doing both in terms of our profile for iron ore future production but also in terms of what we're doing in terms of repositioning the business today, in terms of further improvements to our cost, further reductions to our capital and a revised dividend policy.

With that, let me take a question from the telephone lines.

QUESTION:

Good evening. In regards to the iron ore side, Silvergrass at about $500 being the updated capex. Is that in the growth projects rather than the sustaining business capex? Also just in terms of sustaining business capex for the Pilbara, on a dollar per tonne basis where does that sit us with the cost reductions?

And finally just in regards to Silvergrass, where does that get you towards filling up your infrastructure capacity of 360 million tonnes and how does the sort of current thinking about when Koodaideri is required to keep that running at 360 million tonnes in the future?

SAM WALSH:

Let me perhaps pick up on those. Silvergrass I think, as you know, we have actually already started Silvergrass in a trucking operation through to the Brockman 4 plant. It was nicknamed by the iron ore folk, NIT 2 and it's actually a trucking of Silvergrass product, around 10 million tonnes into Brockman.

Silvergrass is all about maintaining the Pilbara Blend and retaining the specification/quality, grade, of the Pilbara Blend product.

Pilbara Blend is critical to us in terms of optimising our products. As you're aware, we blend 13 of our products to produce Pilbara Blend, to optimise iron content, phosphorous, silica, alumina and that enables us not only to provide a base for the foundation of burdens for the steel blast furnaces but also it underpins the price establishment in the spot price being such a major element in the iron ore seaborne trade.

But let me emphasise that bringing on Silvergrass is aimed at maintaining spec, not bringing on extra tonnes. Although we have announced that we now have 360 million tonnes of infrastructure capacity, rail and port, in the Pilbara, at this stage we're not taking full usage of that and this is really phasing the implementation to more match the market for iron ore.

In relation to cost per tonne, Silvergrass will be highly competitive against our existing operations and the project has a very, very good return.

In relation to Koodaideri, Koodaideri is a future prospect for us. The iron ore team is looking at exactly when we should implement Koodaideri with a view to continuing to push that out for as long as we can.

Do we have another question on the line?

QUESTION:

Thank you very much.

Just with the dividend cut, there is obviously a lot more available free cash flow, yet the Pilbara isn't running at 360 which is what your infrastructure capacity is. Given the cost reductions in the Pilbara and the attractive margins there why not accelerate a bit of that production to utilise that latent infrastructure? That's the first question.

Then the next one is on coal. You've obviously sold Bengalla and now Mount Pleasant. Should we expect further exits of coal assets or are you committed to retaining a presence in coal? Thanks.

SAM WALSH:

Chris, do you want to pick up these?

CHRIS LYNCH:

Yes, okay. Thanks for the questions.

The issue regarding the infrastructure, I think before we were to commit to capital expenditure we obviously got a big opportunity with productivity gains and that's our primary focus. The Silvergrass project is the one coming through and as Sam explained it's got as much to do with product quality rather than adding volumes, it actually doesn't add much volume. I think we've got an opportunity to take advantage of that surplus infrastructure capacity to see what productivity you can get out of existing operations.

With regard to the coal, as you rightly point out, we did have the two disposals that have been in the market recently, the Bengalla and then the Mount Pleasant project, ~$800 million of value recycled out of the balance sheet.

Other than that, we have now got pretty much the best thermal coal assets in Australia. If you want to call them a good house in a bad street, that's probably not a bad description of the state of the market at the moment.

We are going to run those for optimising cash flow and earnings and it's important for our team that they get focused on making sure they optimise those operations. If someone wants to come along and pay us more than they worth or a price that we think is a good price then we'd entertain that, but at this stage we are running them for value and for cash and profitability.

SAM WALSH:

Thank Chris. We will have one more question on the line at this stage.

QUESTION:

Hello everyone.

The first question relates to a comment that Chris made in regards to all the assets needing to contribute to the Group, and I think the phrasing was 'a creditable improvement plan'. Could I confirm that means something more than just cash flow breakeven, that there's actually positive contribution and, if so, what time-frame the assets have to deliver this creditable plan?

CHRIS LYNCH:

Well, the plans are in place. We think probably 6 months is a reasonable time-frame for someone to demonstrate progress against the plan. There will be idiosyncrasies against any of these assets that will have to be considered, so it's not cut and dried but what we have got is a focus on making sure that each and every asset in our portfolio can generate cash and that's the first priority.

We would like them all to generate absolute profit but that might be a second step in some cases. So we have got work underway, we have got a very deliberate process going on about it and we'll update the market when there is something to update about.

SAM WALSH:

Was there a second question there?

QUESTION:

Yes, I've got a separate one as a follow-up. The capital expenditure now for the calendar year 2016 has about a quarter of it unallocated. Is there scope that some of this will not spent and therefore we could have a lower capex or is it just projects which are still pending approval?

CHRIS LYNCH:

More the latter than the former. The projects are well and truly identified and expected but not yet finally and formally approved by the Board.

SAM WALSH:

For example, Silvergrass at this stage is not approved. We are probably expecting that mid-year, and similar timing for OT Underground.

Do we have a question in the room?

QUESTION:

A nice change to the policy by the way but my questions are on that.

Over the years the defence of the progressive dividend policy has been "because that's what shareholders are telling us they want". Does this change mean you are getting now a different message from the shareholder base or the Board has taken this decision separate from the shareholders?

Secondly, and probably more for Chris, this change in capital allocation, so we have got the front end of it, what it means to the shareholders in terms of dividends, in terms of your team Chris and the strategic work going forward, how you are changing the systems internally to match, or how has the thinking changed internally in terms of the investment process, the buy-backs versus acquisitions etc?

SAM WALSH:

Firstly, if I could answer on the dividend policy, and Chris if you could pick up on the capital.

I think it would be true to say that there is no definitive view from shareholders as to exactly what the policy should be. Except that a strong balance sheet is important for the business and, secondly, that we recognise the market realities. Of course there has also been a lot of criticism of progressive dividend in a cyclical industry.

I think the action that we've taken, not only on dividend policy but on operating costs and capital, is actually a pro-active step recognising the market environment that we sit in. Quite frankly, it's not just a situation that Rio Tinto sees itself in, the entire commodity industry does, oil and gas does, various aspects of agriculture, banking, and a whole range of areas.

As you said in your opening comments, we need to be responsive to that. We come from a position of strength, it's critical that we maintain that strength, it's critical that we get the balance right so that we maintain a strong balance sheet while actually taking pro-active action internally in terms of what we doing to contribute to that.

I don't think anybody in this room actually predicted that commodities, oil and gas would be where it is today.

More importantly is that we take pro-active action, in a way you can say we are taking a leadership action, but we taking pro-active action to ensure the strength of the business going forward and having a strong balance sheet is fundamental to what we do.

Chris, capital allocation.

CHRIS LYNCH:

Well, in terms of internal process and systems I think it probably has a genesis really in the overall focus on cash. Any project now will have to go through fairly rigid project planning but also look at ways of optimising the cash outflows on the project in terms of what's the best way and timing to spend that money.

Regarding the dividend, and we've talked before about some of the changes we have put in place over the last couple of years with things like the evaluation committee, prior to investment committee, prior to Board etc.

So I think that rigour is just being reinforced and I think we have got people on these committees that are adding to things like ore body knowledge etc. I think you are entitled to assume that we do that and do that well.

The capital allocation framework, actually works better under the revised policy because as we are planning any sort of period we can look at the sustaining capital, there will always be an estimate about what the ordinary dividend would look like and the rest becomes far more vibrant in terms of other forms of return over and above any ordinary dividends.

It might be a special dividend, it might be a buy-back but it will be situations specific as to what the total form of the overall returns to shareholders would be in any given period. That's the intent of the thinking. There would be an estimate plugged in for the dividend, there would be an estimate plugged in for growth capex, there would be a view about where we are with the balance sheet, there would be a view about do we have capacity for further returns, and that would become a bit more iterative than it was in the past even.

SAM WALSH:

Just coming back to the dividend point, it is important to recognise that the Board represents shareholders and is elected by shareholders and they have a very strong focus on maximising shareholder returns given the economic circumstances, and that's what physically drives them.

If you look over the past 5 years, Rio Tinto has generated $25 billion of shareholder returns. If you look at the 2015 result, the Board has maintained the commitments, the expectations that you had of a full year dividend.

Recognising the transition to the new policy, the Board recognises that there was a need for a stepping-stone and that's the underpinning of the 2016 dividend with providing at least $1.10 of dividends per share.

So look, I think we are recognising the realities of the market, we are responding pro-actively to that, we are watching what our competitors are doing but we are playing our own game, we are playing what actually suits us and will deliver maximum returns to shareholders over the short and longer term.

Do we have another question in the room?

QUESTION:

A quick question again about the dividend and a bit of a follow-up on Chris' answer earlier.

In terms of how certainly income-focused investors think about investing in Rio going forward, the split in terms of the total shareholder returns is going to be important to them.

Presumably, there is a thought, even though you are moving away from a progressive policy, that you probably don't want the ordinary dividend being massively volatile in the first few periods at least. So there must, I would have thought, have been some thinking and discussion in the Board and management around how that split looks from 2017 onwards in terms of where that ordinary dividend kind of spits out.

Now I know you are not going to give us forecasts around what the earnings are but some idea and some context around the discussions on the split between the ordinary dividend and the kind of top-ups to shareholder returns would be great?

SAM WALSH:

Thanks. And you're certainly right there was a massive amount of discussion, as you would expect. But Chris, why don't you try and summarise it?

CHRIS LYNCH:

Look, I think the first conversation is really about total returns. The one point under the new policy is that whilst there will be variability there is capacity for greater participation in the up-cycle and a commitment to a balanced approach – I'm not saying 50-50 – but a balanced approach to allocation of growth capital and allocation of the returns to shareholders.

I think the precise form is always going to be a situation specific conversation whenever the decisions are being made.

You rightly point out that I'm not going to give you a forecast for 2017 and beyond and so on. The key will be the primary ordinary dividend and then there will be the capacity for further returns and the form of those can vary between a bigger ordinary, a special, or there may be buy-backs involved. But the total return to shareholders will be the first decision and the second decision will be about the form of them.

SAM WALSH:

Thanks Chris. Another question in the room at the back.

QUESTION:

Thank you very much. Two questions if I could.

The first is you mentioned every asset sort of earning its own way but then with regard to, say, Kennecott at spot, it doesn't have any benefit of the US dollar exchange rate being a US asset, at spot prices I make cash flow breakeven, if not negative and you are investing $600 million in the life of mine extension. So, on that basis, did you ever sort of consider deferring or cancelling that given the incremental spend is still all in front of you for that Pushback?

And second, based on that, do you have any estimate for what the future operating costs of Kennecott, post that life of mine extension, will be to sort of put it in a position where it will justify its inclusion in the portfolio?

SAM WALSH:

Chris, can you pick that up?

CHRIS LYNCH:

In terms of the first issue, Kennecott is a cash positive asset for us. It is also earning further cash from processing other concentrates through the smelter. The issue regarding the capex profile at Kennecott is twofold, there is some work going on to continue the de-rating of the East Wall and there are further projects for the South Pushback.

The South Pushback, is something that is under review for whether we can do a different phasing of it and those sorts of issues, but that's the ordinary course of business there. Going forward I think it is one where we have got a period here where we have got a long-term view about the ultimate life of Kennecott being extended significantly by the South Pushback.

So that's one where you would have to have a balanced view about the immediate versus the longer term benefit of it and what would be the transitional arrangements if you were to do something different.

SAM WALSH:

Okay, let's move back to the phone lines. Do we have another question there?

QUESTION:

Hi gentlemen, and thanks for taking my question.

One question maybe when you discuss M&A and your focus on Tier 1 copper assets, do you mean by this that your more attracted by existing producing assets or would you still consider Tier 1 projects or has the experience of Oyu Tolgoi has somehow cooled your appetite for such large projects?

SAM WALSH:

I think our focus with acquisitions would be primarily looking at operating assets that are generating cash flow.

Of course we have our own development projects in the pipeline, as you mentioned correctly, Oyu Tolgoi Underground, but also the Resolution project and the La Granja project are two further copper development projects that we have in our portfolio.

Do we have another question on the line?

QUESTION:

Thanks a lot. Just a follow-up question on iron ore.

I am just interested in your comments around defending sort of the Pilbara Blend and not overly concerned on volumes, just so that we are touching on non-Pilbara Blend assets and particularly Yandi. You have got a mine life there until 2021. Is there a plan to spend more capital there in a sort of free window given that it's going to be another two or three year build to push it beyond 2021?

SAM WALSH:

You are right in relation to iron ore products, in the Pilbara we the Pilbara Blend, we have Yandi and we have the Robe Valley product.

With Yandi there are certainly further options for us beyond the life of the existing projects and we will be looking at these down the track. They are not immediately in the pipeline but of course with our evaluation work we are continuing with our infield drilling and exploration work around existing operations.

The world is a very different place when you are producing about a million tonnes a day out of the Pilbara and we need to ensure that we are in fact front-loading the system with this drilling programme.

Do we have another question on the line?

QUESTION:

Chris, a few questions for you and now that I know JS is in the room this is pretty relevant.

Just on your capex guidance, your $2 billion drop in 2017, that's huge, that's a big number, part of this is FX and part is lower contracted rates, and I understand that, and you've given a lower number for Silvergrass. But have you assumed any savings on the OT Underground due to the lower capex environment? That's question number one.

The second question is actually on Escondida. For me this is actually a massive standout in the second half, reported EBITDA just $89 million during the December half, and costs are well above what we've been guided in the recent site visit, and I just wondering if you have any sense as to why that was? Thank you.

CHRIS LYNCH:

If I address the first one, the capex guidance anticipates Oyu Tolgoi as we have it today, the level of cost today. That feasibility study is still ongoing and so it is being reviewed very, very thoroughly as to whether or not we can get a different outcome on the capex requirement.

With regard to Escondida, JS would you have any particular granularity about it?

JEAN-SÉBASTIEN JACQUES (Chief Executive, Copper & Coal):

Yes, the main impact for Escondida in H2 was grade-related and that's the driver of why the EBITDA dropped. We expect that as and when the desalination plant comes on line in early 2017 we will come back to normal production level and normal cash flows.

SAM WALSH:

Thanks very much. And thanks Chris. Let's move back into the room with the Q&A. We have one here.

QUESTION:

Good morning. Just two brief questions.

The first one is on the price deck and your assumptions behind it and the comment made earlier. The Board clearly would not be human if it did not push back harder on the numbers that the executive board brought to them about long-term demand and price decks and all that kind of stuff.

Can you talk us through what discussions have taken place and if changes have been made to this long-term outlook, especially with Chinese consumption is still shrinking, as you said 4 to 5 per cent, and no change in sight? And if no changes have been made, why not? Why react in the way you did with the dividend, the capex, and the costs which makes total sense, but not on the assumptions underlying all of it?

SAM WALSH:

Okay, let me pick that up. Certainly there were significant discussions with the Board on the outlook and on our dividend policy and the Board quite rightly expected that management would put forward a combination of target areas to improve the outlook for the business.

There is no question, that as an organisation we were surprised with the drop, the extent of the drop surprised us in the fourth quarter of last year and I think that raised interest and concern from the Board regarding the volatility that we're seeing in the market place and ensuring that we maintain the strength of the balance sheet but also providing shareholder returns and growth.

It is volatile. Our economics people I think for the last three months of last year revised their outlook, short-term outlook, each month and it was only heading in one direction.

As you know in the short-term period – 2 years – we use a combination of spot and analysts' views on pricing as the basis of our short-term view, and it's been very, very volatile.

In relation to our long-term look at the market and pricing, we do that progressively during the year. But to be quite frank, the Board's focus was more on ensuring that we move solidly through the downturn cycle rather than necessarily focusing on the long-term view.

I think it was also driven by the fact that a number of people have criticised the progressive dividend policy in a cyclical industry and that criticism I think was worthy. It works, to an extent in the up-cycle, it could work to limit shareholder returns, but in the down-cycle it becomes very, very difficult and that's really why the Board has made the decision that it has.

Do we have another question in the room?

QUESTION:

Very briefly, and it is a slightly difficult one to answer maybe, but how did the Board come to the $2-$3 billion of growth capex as the right number? Was that based on this is the cash flow available, the quality of the projects or that there were projects we can't really get out of because we may lose our license to operate?

SAM WALSH:

The capital is what was put forward by management and the projects that we see necessary to continue growth. If you look at the three projects, they do have very good returns. If you look at Amrun, South of the Embley, half of the project is actually replacement tonnes, as we move to the end of the life of East Weipa we do need to have replacement tonnes.

The best option for these, is South of the Embley, Amrun and to operate that you need to put in new infrastructure, you need to put in a new port and other infrastructure facilities. Once you do that, with the expectation of growth in the bauxite market, the export tonnes become very, very attractive. Amrun, is one of our very best projects but it's also required to actually maintain the replacement tonnes for East Weipa.

Silvergrass, particularly with the low capital the iron ore team have developed, and we are challenging them to further improve that, again it's a very attractive project but it's required for us to be able to maintain the specification of the Pilbara Blend. There is huge value associated with maintaining the spec of Pilbara Blend.

It also means that we optimise our capital facilities in relation to the number of stockpiles we require at our ports, in relation to the ability to be able to swap product from the Dampier East Intercourse Island Port structure and the Cape Lambert Port structure. So it means we have a very robust, very consistent supply there.

Oyu Tolgoi again is a highly prospective project. We had already commenced work on the Underground and have invested around $500 million at the time that we stopped the project due to concerns that the Mongolian Government changing the basic agreement.

We went through a 2½ year hiatus period whilst JS and the team negotiated and I think that a good, fair and equitable agreement has been struck that enables the project to go forward.

We do, as you know, have binding commitments from 25 banking institutions for the project finance for the project. And our view is looking at copper going forward and looking at the difficulty that people have bringing on copper projects that OT

Underground is going to be a very important part of copper supply going forward. So it's really a combination of those factors that the Board has taken into account.

Now of course the Board will individually approve projects as we bring these forward.

I am expecting that both Silvergrass and OT will go before the Board around mid-year, but the same process works across the entire organisation whether in fact it's sustaining capital or development capital, depending on approval levels and amounts, it goes through the same process.

So even though we develop an annual plan for the organisation there is no capital amount, no project, that is actually approved as a result of that. Business units still have to develop the business case and prove that the project is in fact attractive and one we should be investing in.

I think we've probably got room for one more, and you have got your hand up first.

QUESTION:

Thanks.

Over the course of the year we saw a contraction in the equity book value of the company of about $10 billion. Part of that was obviously driven by the dividend but also by impairments and currency movements. So I was wondering sort of what the scope for replication of that impairment and currency move trend is into 2016 and the associated implication of that on the gearing ratio?

CHRIS LYNCH:

That's a very good point. I think the one you missed out on in your causes was the buy-back as well.

It is something we have got to watch, the currency one in particular. We get that the benefit into the operating cost side of things but this amount cam vary from balance to balance is a bit of a problem for us in that regard.

We will be looking at ways that we can minimise that volatility, we have it as an outcome in that process but it's not something that we get overly concerned about because the underlying US dollar debt and the underlying US dollar interest cost is unchanged, so there is no real economic impact to it.

It is something we can monitor and watch but, as you saw in the data today, it probably cost us at least one percentage point on net gearing, maybe a bit over one percentage point in that regard.

So it is something that we are monitoring, but not a lot we can do about it, and then the question would be what would be our response if it took us too far? This has been a pretty heavy period with the Australian dollar and the Canadian dollar which was probably the bigger impact of the two.

SAM WALSH:

Thanks Chris. If I could thank everybody for being here today and thanks for those that are on the line.

We have announced today strong results in a very challenging environment and I hope that our presentation provided you with the focus that we are not sitting back resting on our laurels. We are an organisation that's very focused in taking pro-active action, an organisation focused on the future and ensuring that we can continue to provide long-term sustainable returns to our shareholders. Thank you very much.

(End of Q&A session)