



# Rio Tinto Limited RIO

\$131.71    2.03 | 1.57%    (5:15PM 07-May-2024)    **Trading Status:** Trading

Research Report

Research Snapshot

Company Profile

Morningstar Analyst Rating™

★★

(02:23PM 17-Apr-2024)

Last Price 131.71

★★★★★

★★★★

★★★

★★

★

\$

78.4

100.8

123.2

151.2

Style Box™

Morningstar Sector  
Basic Materials

Market Cap  
48,139 M

Fair Value  
\$112.00

Fair Value Uncertainty  
Medium

Economic Moat  
None

Capital Allocation  
Standard

Overview

Investment Outlook

Forecasts

Profile

Financials

Shareholders

Dividends

Other

Charts

## Morningstar Forecast

Updated: 17-Apr-2024

Forecasts	Actual					Forecast		
	«Prev 5 FYE					Next 5 FYE»		
Per Share	12/19	12/20	12/21	12/22	12/23	12/24	12/25	12/26
Sales ¢	3,504.9	3,953.8	5,218.2	4,921.4	4,991.5	4,895.7	4,746.4	4,709.9
Adjusted Earnings ¢	842.3	1,103.3	1,757.1	1,183.4	1,085.7	995.5	900.4	883.0
Free Cash Flow¢	773.6	828.2	1,499.6	770.5	676.3	747.7	624.2	715.7
Net Tangible Assets ¢	3,384.6	4,272.1	4,345.8	4,276.1	4,724.9	5,170.5	5,516.4	5,913.6
Book Value ¢	3,291.1	4,170.4	4,226.9	4,485.6	5,041.8	5,490.3	5,835.7	6,232.9
Dividends ¢	509.3	669.7	1,061.6	710.3	655.5	593.1	546.6	485.9
Franking %	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Growth %	12/19	12/20	12/21	12/22	12/23	12/24	12/25	12/26
Sales Revenue	6.5	11.9	32.0	-5.6	1.5	-1.9	-3.0	-0.8
EBITDA	-29.8	33.6	68.9	-28.4	-15.6	11.7	-8.6	0.7
Pre-Tax Profit	-38.7	47.5	87.5	-35.3	-23.5	7.6	-11.3	-3.1
EPS	24.2	31.0	59.3	-32.6	-8.3	-8.3	-9.6	-1.9
DPS	24.4	31.5	58.5	-33.1	-7.7	-9.5	-7.8	-11.1
Free Cash Flow per share	-28.1	6.2	81.1	-48.6	-12.1	10.6	-16.5	14.7
Profit & Loss (\$Mil)	12/19	12/20	12/21	12/22	12/23	12/24	12/25	12/26
Sales Revenue	57,553.3	64,392.3	85,000.0	80,199.2	81,436.1	79,872.9	77,437.5	76,841.8
EBITDA	20,458.7	27,338.3	46,178.0	33,076.4	27,903.9	31,170.3	28,489.8	28,677.0
Depreciation	5,696.0	5,880.5	6,057.6	7,031.9	7,498.5	8,947.8	8,742.0	9,602.8
Amortisation	NAv	NAv	NAv	NAv	NAv	0.0	0.0	0.0
EBIT	14,762.7	21,457.9	40,120.5	26,044.5	20,405.4	22,222.5	19,747.8	19,074.1
Interest Expense	738.7	386.8	325.3	483.6	1,457.2	1,113.0	1,035.4	959.5
Interest Income	400.0	203.5	85.7	258.4	807.7	148.7	145.8	149.7
Profit Before Tax	14,424.0	21,274.5	39,880.9	25,819.3	19,755.9	21,258.3	18,858.2	18,264.4
Tax	5,529.3	7,204.1	11,054.9	8,104.5	5,774.6	6,377.5	5,657.5	5,388.0
Reported NPAT	10,680.0	14,100.8	28,238.3	17,889.4	15,156.7	16,241.7	14,689.8	14,406.7
Non-Recurring Items After Tax	-3,150.7	-3,866.9	-382.9	-1,396.0	-2,557.3	0.0	0.0	0.0
Adjusted NPAT	13,830.7	17,967.7	28,621.2	19,285.4	17,714.0	16,241.7	14,689.8	14,406.7
Free Cash Flow	12,703.5	13,488.7	24,426.2	12,555.3	11,033.8	12,199.5	10,183.7	11,676.6

Effective Tax Rate %	38.3	33.9	27.7	31.4	29.2	30.0	30.0	29.5
<b>Cash Flow (\$Mil)</b>	<b>12/19</b>	<b>12/20</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26</b>
Receipts From Customers	57,756.0	63,501.7	85,093.7	80,337.8	80,732.4	80,041.3	77,606.5	76,885.3
Payments to Suppliers	-32,080.0	-31,515.6	-38,249.0	-44,154.8	-49,902.0	-49,470.6	-48,920.7	-48,379.6
Other Operating Cashflow	-5,793.3	-9,071.9	-12,915.7	-12,891.6	-7,985.2	-6,720.9	-6,568.9	-6,024.2
<b>Net Operating Cashflow</b>	<b>19,882.7</b>	<b>22,914.3</b>	<b>33,929.0</b>	<b>23,291.5</b>	<b>22,845.1</b>	<b>23,849.7</b>	<b>22,116.9</b>	<b>22,481.5</b>
Capex	-7,317.3	-8,933.3	-9,884.9	-9,744.5	-10,678.1	-13,686.1	-14,044.9	-12,906.2
Acquisitions & Investments	-85.3	17.3	5.4	-1,111.6	-1,256.8	0.0	0.0	0.0
Sales of Investments & Subsidiaries	53.3	83.7	92.4	1,208.3	1,779.7	0.0	0.0	0.0
Other Investing Cashflow	14.7	-630.8	203.5	-34.6	-336.0	0.0	0.0	0.0
<b>Net Investing Cashflow</b>	<b>-7,334.7</b>	<b>-9,463.0</b>	<b>-9,583.7</b>	<b>-9,682.4</b>	<b>-10,491.3</b>	<b>-13,686.1</b>	<b>-14,044.9</b>	<b>-12,906.2</b>
Proceeds from Issues	-1,934.7	-114.0	0.0	0.0	0.0	0.0	0.0	0.0
Proceeds from Borrowings	-584.0	-1,327.9	-772.4	-1,217.0	1,653.1	-1,520.7	-1,518.4	-1,518.4
Dividends Paid	-13,778.7	-8,851.0	-20,558.2	-16,929.4	-9,749.8	-9,675.9	-8,918.0	-7,927.1
Other Financing Cashflow	5.3	1.4	96.4	-4,190.8	144.7	1,360.9	1,489.1	1,530.4
<b>Net Financing Cashflow</b>	<b>-16,292.0</b>	<b>-10,291.6</b>	<b>-21,234.3</b>	<b>-22,337.2</b>	<b>-7,952.1</b>	<b>-9,835.6</b>	<b>-8,947.3</b>	<b>-7,915.1</b>
Net Increase Cash	-3,816.0	3,397.8	3,245.0	-8,706.5	4,367.1	328.0	-875.4	1,660.2
Cash at Beginning	14,590.7	11,348.2	13,765.7	18,465.4	10,244.1	14,709.5	15,014.7	14,139.3
Exchange Rate Adjustment	-72.0	238.2	133.9	21.7	-34.7	0.0	0.0	0.0
Cash at End	10,702.7	14,984.1	17,144.6	9,780.6	14,576.6	15,037.5	14,139.3	15,799.5
<b>Balance Sheet (\$Mil)</b>	<b>12/19</b>	<b>12/20</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26</b>
Cash & Equivalents	10,702.7	14,984.1	17,144.6	9,780.6	14,576.6	15,037.5	14,139.3	15,799.5
Accounts Receivable	4,036.0	5,259.8	4,784.5	5,020.9	5,944.8	5,830.7	5,652.9	5,609.5
Inventory	4,617.3	5,653.9	7,277.1	8,969.3	10,034.7	9,505.4	9,512.8	9,339.2
Other Short-Term Operating Assets	3,714.7	4,204.7	3,500.7	3,619.2	1,858.0	1,875.0	1,872.2	1,872.2
Total Current Assets	23,070.7	30,102.5	32,706.8	27,389.9	32,414.1	32,248.7	31,177.2	32,620.4
Property Plant & Equipment, Net	76,496.0	90,765.0	86,917.0	93,451.7	100,162.7	105,815.0	110,957.3	114,260.6
Goodwill, Net	1,229.3	1,365.5	1,176.7	1,192.4	1,201.0	1,212.0	1,210.1	1,210.1
Other Intangibles	3,516.0	3,976.6	3,791.2	5,262.0	6,613.9	6,674.3	6,664.1	6,664.1
Other Long-Term Operating Assets	8,614.7	9,473.2	8,635.9	8,373.0	10,188.4	10,281.3	10,265.7	10,265.7
Deferred Tax Assets	4,142.7	4,891.7	4,518.1	4,036.4	5,461.1	5,510.9	5,502.6	5,502.6
Long-Term Non-Operating Assets	0.0	0.0	0.0	0.0	NAv	0.0	0.0	0.0
<b>Total Assets</b>	<b>117,069.3</b>	<b>140,574.5</b>	<b>137,745.6</b>	<b>139,705.5</b>	<b>156,041.3</b>	<b>161,742.2</b>	<b>165,777.1</b>	<b>170,523.6</b>
Accounts Payable	8,640.0	10,711.6	10,352.1	11,616.9	12,414.1	11,759.4	11,768.5	11,553.8
Short-Term Debt	1,829.3	876.2	1,848.7	1,853.6	2,173.0	2,192.8	2,189.5	2,189.5
Other Short-Term Operating Liabilities	4,364.0	5,166.0	4,702.8	3,279.9	4,615.7	4,657.8	4,650.8	4,650.8
Total Current Liabilities	14,833.3	16,753.8	16,903.6	16,750.4	19,202.8	18,610.0	18,608.8	18,394.0
Total Long-Term Debt	17,788.0	19,353.3	17,119.1	17,265.8	20,638.9	19,306.6	17,758.9	16,240.5
Long-Term Operating Liabilities	1,058.7	688.5	1,068.3	872.0	898.1	906.3	904.9	904.9
Deferred Tax Liabilities	4,794.7	4,675.2	5,573.0	4,619.6	3,940.6	3,976.6	3,970.5	3,970.5
Long-Term Non-Operating Liabilities	18,272.0	24,185.9	21,325.3	24,059.5	26,458.7	26,700.1	26,659.6	26,659.6
<b>Total Liabilities</b>	<b>56,746.7</b>	<b>65,656.8</b>	<b>61,989.3</b>	<b>63,567.2</b>	<b>71,139.2</b>	<b>69,499.6</b>	<b>67,902.8</b>	<b>66,169.6</b>
Preferred Stock	NAv	NAv	NAv	NAv	NAv	0.0	0.0	0.0
Minority Interest	6,280.0	6,999.1	6,905.0	3,041.7	2,644.7	2,668.8	2,664.7	2,664.7
<b>Total Equity</b>	<b>60,322.7</b>	<b>74,917.7</b>	<b>75,756.4</b>	<b>76,138.3</b>	<b>84,902.0</b>	<b>92,242.6</b>	<b>97,874.3</b>	<b>104,354.0</b>
<b>Profitability %</b>	<b>12/19</b>	<b>12/20</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26</b>
EBITDA Margin	35.5	42.5	54.3	41.2	34.3	39.0	36.8	37.3
EBIT Margin	34.6	39.8	47.4	35.6	29.2	27.8	25.5	24.8
Net Profit Margin	18.6	21.9	33.2	22.3	18.6	20.3	19.0	18.8
Free Cash Flow Margin	22.1	20.9	28.7	15.7	13.6	15.3	13.2	15.2
Return on Equity	19.0	23.1	41.3	25.2	19.5	18.9	15.9	14.6
Return on Assets	9.0	10.9	20.3	12.9	10.2	10.2	9.0	8.6
Return on Invested Capital(w/Goodwill)	16.4	18.7	29.6	17.1	15.2	13.6	12.0	11.3

ROIC(w/Goodwill) Less WACC	7.4	9.7	20.6	8.2	6.2	4.7	3.0	2.4
<b>Leverage &amp; Liquidity</b>	<b>12/19</b>	<b>12/20</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26</b>
Net Debt to Capital %	14.2	7.2	2.6	11.3	9.1	6.7	5.8	2.5
Net Debt/(Net Debt +Equity) %	14.2	7.2	2.6	11.3	9.1	6.7	5.8	2.5
Net Debt/Equity	16.5	7.7	2.6	12.8	10.0	7.2	6.1	2.6
Net Debt/EBITDA x	0.4	0.2	0.0	0.3	0.3	0.2	0.2	0.1
EBIT/Net Interest Expense x	43.6	117.1	167.4	115.6	31.4	23.0	22.2	23.6
Current Ratio(Current Assets/Current Liabilities) x	1.6	1.8	1.9	1.6	1.7	1.7	1.7	1.8
Dividend Payout Ratio %	60.5	60.7	60.4	60.0	60.4	59.6	60.7	55.0
Net Cash Per Share ¢	-542.9	-322.1	-111.9	-573.1	-504.8	-396.1	-356.1	-161.2
<b>Valuation %</b>	<b>12/19</b>	<b>12/20</b>	<b>12/21</b>	<b>12/22</b>	<b>12/23</b>	<b>12/24</b>	<b>12/25</b>	<b>12/26</b>
Price/Earnings x	11.2	8.8	6.4	9.0	10.8	13.2	14.6	14.9
PEG Ratio x	0.5	0.3	0.1	-0.3	-1.3	-1.6	-1.5	-7.7
EV/EBITDA x	8.0	6.0	4.0	5.5	7.2	7.2	7.8	7.8
EV/EBIT x	8.2	6.4	4.6	6.4	8.4	10.0	11.3	11.7
Free Cash Flow Yield %	8.2	8.5	13.2	7.3	5.7	5.7	4.7	5.4
Dividend Yield %	5.4	6.9	9.4	6.7	5.6	4.5	4.2	3.7
Price/(OCF Per Share) x	7.8	6.9	5.4	7.4	8.4	9.0	9.7	9.6
Price/(FCF Per Share) x	12.2	11.7	7.6	13.8	17.4	17.6	21.1	18.4
Price/Sales x	2.7	2.5	2.2	2.2	2.4	2.7	2.8	2.8
Price/NTA x	2.8	2.3	2.6	2.5	2.5	2.5	2.4	2.2
Price/Book x	2.9	2.3	2.7	2.4	2.3	2.4	2.3	2.1

[Privacy Policy](#) / 
 [Legal Notices](#) / 
 [Financial Services Guide \(AU\)](#) / 
 [Terms and Conditions](#) / 
 **User:** shelly@wealthdifferently.com.au / 
 **IP:** 14.202.212.217 / 
 [BondAdviser Disclaimer](#) / 
 [Complaints Guide](#)

**Help Desk:** Call us at 1800 034 455 (AU) 0800 888 363 (NZ) or email [help.au@morningstar.com](mailto:help.au@morningstar.com)

© Morningstar Australasia Pty Ltd