



RESULTS

Year End 2015

Santiago de Chile, March 24, 2016 – Corporación Nacional del Cobre (CODELCO) reported December 31, 2015 operational and financial results:

- **Year end 2015 revenues** were US\$11.7 billion, 15.4% lower compared to US\$13.8 billion for the twelve months of 2014, principally due to a 19.9% decrease in the LME average copper price.
- **Adjusted EBITDA** in the twelve months of 2015 was US\$3.6 billion (30.6% margin) compared to US\$5.4 billion (39.4% margin) in the same period of 2014 principally due to the mentioned decrease in the copper price.
- **Profit before tax** in the twelve months of 2015 was US\$1.0 billion (8.8% of sales), before impairments and other non-cash charges. This figure is 66.7% lower than the US\$3.0 billion (21.9% of sales) achieved for the same period of 2014, basically due to a lower average copper price.
- **Copper mine production**, including El Abra and Anglo American Sur shares, increased by 2.7% in 2015 to 1,891 thousand tons, compared to 1,841 thousand tons in 2014, especially due to the production coming from Mina Ministro Hales. Own production increased 3.6% up to December 31, 2015 compared to the same period of 2014. This new production helped to offset the decreased production in Chuquicamata Division.
- **Direct Cash Cost C1** per pound of copper was US¢138.7 in 2015, compared to US¢150.4 in 2014. A decrease of 7.8% primarily attributable to favorable exchange rate movements and lower operational costs as energy and fuel costs and third party services.
- **Operating cash flows** totaled US\$3.4 billion in 2015 compared to US\$3.5 billion in the same period for 2014 principally due to the decrease of goods and services sales and dividends received, partially offset by lower payments to suppliers, payments to and on behalf of employees and taxes paid.
- **Impairments** have been registered mainly due to the sharp slides in commodity prices, including copper price, and its deteriorated outlook. Consolidated impairments and other non-cash charges totaled US\$3.2 billion from which Anglo American Sur investment represents 76%.
- **Capital expenditures** slightly decreased 0.6% to US\$ 3.3 billion during 2015 compared to US\$ 3.4 billion in 2014, which includes maintenance and projects. The decrease in the capital expenditures is principally a consequence of weakness of the Chilean peso against the US dollar.



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- **On October 2015, the first capital injection** for US\$600 million has been approved, and received it on December, from the multi-year capitalization bill, which provides CODELCO with resources up to a maximum of US\$3 billion as capital injection and commit another US\$1 billion as retained earnings to finance its capital expenditure program for the period from 2014 to 2018. The funds have been received later on December 2015.

SUMMARY FINANCIAL AND OPERATING DATA

	December 31,			
	2015	2014	Amount	Variation %
Copper Production* ('000 mft)	1,891	1,841	50	2.7
Own Molybdenum Production ('000 mft)	28	31	(3)	(9.6)
Cash Cost (Usc/Pound)	138.7	150.4	(11.7)	(7.8)
Own Copper Sales ('000 mft)	1,774	1,688	86	5.1
Own Molybdenum Sales ('000 mft)	26	27	(1)	(2.4)
LME Copper Price (Usc/Pound)	249.2	311.3	(62.1)	(19.9)
Metals Week Molybdenum Price (US\$/Pound)	6.6	11.3	(4.7)	(41.7)
Average Exchange Rate (CLP/US\$)	654	570	84	14.7
Closing Exchange Rate (CLP/US\$)	707	607	100	16.5
Total Revenues (US\$ mn)	11,693	13,827	(2,134)	(15.4)
Gross Profit (US\$ mn)	1,777	3,715	(1,938)	(52.2)
Gross Margin (%)	15.2	26.9	(11.7)	(43.4)
Adjusted EBITDA*** (US\$ mn)	3,576	5,445	(1,869)	(34.3)
Adjusted EBITDA Margin (%)	30.6	39.4	(8.8)	(22.4)
Net Financial Debt** (US\$ mn)	12,333	11,554	779	6.7
Net Interest Expense (US\$mn)	508	445	63	14.1
Net Debt to LTM Adjusted EBITDA	3.45	2.12	1.3	62.5
Adjusted EBITDA to Net Interest Expenses	7.0	12.2	(5.2)	(42.4)
Net Debt to total Capitalization (%)	51.8	47.4	4.4	9.3
Capex (US\$ mn)	3,343	3,364	(21)	(0.6)
Contribution to the Chilean Treasury	1,088	2,234	(1,146)	(51.3)

*Includes El Abra and Anglo American Sur shares of production relative to Codelco

**Net of swaps effects, leasing and cash and cash equivalents. Does not include the loan from Mitsui, non-recourse to Codelco, to execute the Anglo American Sur Option

***Adjusted Ebitda is defined as Net Income plus Income Tax, Royalty, Export Tax, Interest Expenses and Depreciation and Amortization and does not consider impairments and other non-cash charges



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OPERATION: PRODUCTION, REVENUES & COST

Consolidated Production.- Twelve months of 2015 consolidated copper mine production, including El Abra and Anglo American Sur shares, increased 2.7% to 1,891 thousand tons from 1,841 thousand tons for the same period of 2014 principally due to the additional production coming from Mina Ministro Hales new operation. Own production increased by 3.6% to 1,732 thousand tons in the twelve months of 2015 compared to 1,672 thousand tons for the same period of 2014, mainly due to the new production coming from the mentioned Mina Ministro Hales partially offset by a decrease in Chuquicamata Division, as a consequence of lower ore grade and ore mined. Radomiro Tomic, Andina and Salvador Divisions also contributed to partially offset the higher production of Mina Ministro Hales, but to a lesser extent.

On the other hand, molybdenum production in the twelve months of 2015 decreased by 9.6% to 27,684 tons from 30,628 tons in the same period of 2014 especially due to lower production in Chuquicamata Division. Nonetheless, the new operation of Mina Ministro Hales contributed to increase silver production in 4.4% up to 663 tons in 2015 compared to 635 tons in 2014.

Codelco Total Copper Production

	Year ended December 31,			
	2015	2014	Var. Amount	Var. %
Chuquicamata Division	309	340	(31)	(9.3)
Radomiro Tomic Division.....	316	327	(11)	(3.5)
Ministro Hales	238	141	97	68.8
Gabriela Mistral Division	125	121	4	3.3
El Teniente Division	471	455	16	3.4
Andina Division.....	224	232	(8)	(3.5)
Salvador Division	49	54	(5)	(10.1)
El Abra ⁽¹⁾	72	81	(9)	(11.1)
Anglo American Sur ⁽²⁾	88	87	1	1.2
CODELCO Total Production.....	1,891	1,841	50	2.7

(1) CODELCO's figures presented for El Abra correspond to CODELCO's 49% ownership interest in the mine.

(2) CODELCO's figures presented for Anglo American Sur correspond to CODELCO's 20% ownership interest in the Company.

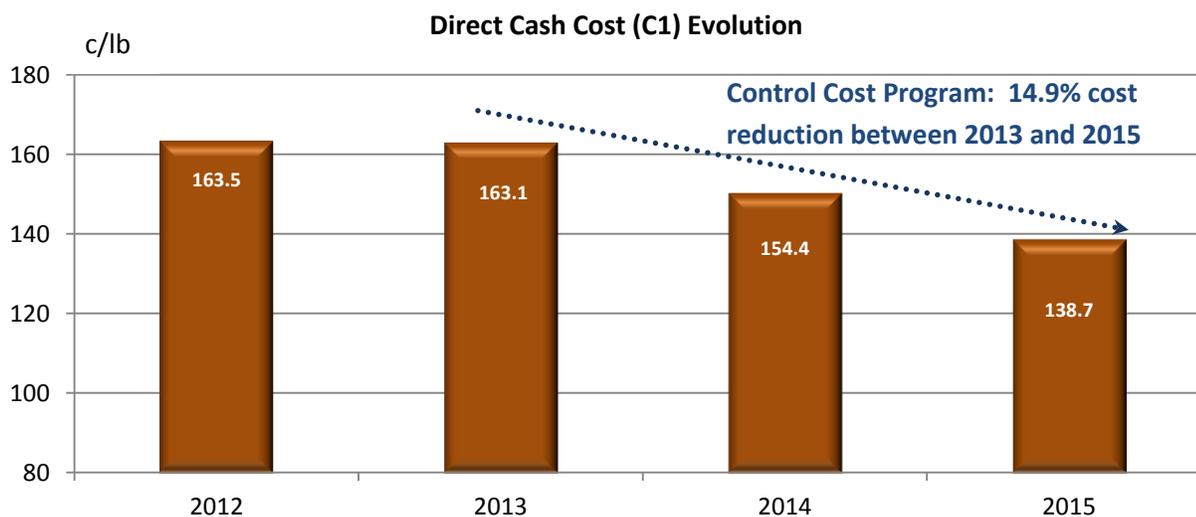


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Consolidated Revenues.- The twelve months of 2015 revenues decreased 15.4% to US\$11.7 billion from US\$13.8 billion in the same period of 2014 principally due to lower own copper revenues of 18.6%, as a direct consequence of a 19.9% decreased in the LME average copper price partially offset by 5.1% higher volume sold. On the other hand, revenues coming from molybdenum decreased 41.5% in the same period of time mainly due to a 41.7% depressed molybdenum price. Finally, other by-products and services revenues decreased by 4.7% as of December 31, 2015 compared to the same period for 2014 mainly due to lower volume and price of anodic slimes sold partially offset by higher volume and price of sulfuric acid sold.

Consolidated Costs.- Unit cash costs will vary with the fluctuations in payable production and average realized prices for by-products. In the twelve months ended December 31, 2015, CODELCO's cash cost was 138.7 cents per pound, compared to 150.4 cents per pound in the same period of 2014. This 7.8% decrease is primarily attributable to:

1. Lower operational costs: savings mainly in energy and fuel.
2. Lower third party expenses.
3. Favorable exchange rate movements.



CAPITAL EXPENDITURE: STRUCTURAL PROJECTS

El Teniente New Mine Level.- The execution progress reaches 36.3%. Nonetheless, in order to successfully overcome the project challenges, the development is being reformulating to better respond to the geo-mechanical conditions encountered in its implementation, incorporating the latest knowledge in mining project development.

Chuquicamata Underground.- The execution progress reaches 25.8%, developing ventilation tunnels and interior mine works as well as main entrance tunnels.



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RT Sulphides Phase II.- Progressing the detail engineering studies (68.4% progress) and currently, developing early works to prepare the land for the construction of future facilities. On January 2016, the environmental impact study has been approved by the authority.

Andina Plant Reallocation.- Under construction with an advance of 20.5%. The project is being reformulated in order to be adjusted to the challenges of the Andina Division future development.

Salvador Inca Pit.- Proceeding with the prefeasibility study. The study has been extended to increase the geo-mining-metallurgical information to define key design parameters and analyze different alternatives.

Andina Expansion.- The project is progressing regarding its reformulation to create an alternative that requires less investment, optimizes water consumption and reduces environmental impacts. The prefeasibility study has been started.

CAPITALIZATION PROGRAM

On October 2015, the State of Chile approved the first capital injection for US\$600 million, and affectively received it on December, related to the multi-year capitalization law, promulgated a year ago. This law allocates up to a maximum of US\$3 billion to CODELCO in the form of a capital injection by the Chilean Treasury over the period from 2014 to 2018. On the same date the multi-year capitalization law was promulgated, the President of Chile announced a commitment to authorize CODELCO to retain earnings up to an additional U.S.\$1 billion (US\$200 million of which was already authorized by the Ministries of Finance and Mining on June 30, 2014 and later another US\$225 million was authorized on June 30, 2015) over the same 2014-2018 period.

IMPAIRMENTS AND OTHER NON-CASH CHARGES

The new outlook for metal prices, together with the recognition and adjustment of production plans, has pushed the miners to reassess their assets value, according to IFRS rules. Therefore, during 2015 the mining industry has posted significant impairments and other non-cash charges, reaching US\$ 60 billion.

Codelco is not exempt from this situation and its assessment resulted in impairments and other non-cash charges that impacted consolidated financial statements 2015 in US\$ 3.2 billion (this figure includes the minority interest of Mitsui in the joint venture that owns 29.5% of Anglo American Sur: 20% Codelco and 9.5% Mitsui). Anglo American Sur impairments are responsible for 76% of the mentioned consolidated figure.

Besides the impairments, this purchase is still an excellent acquisition done by Codelco as it paid only US\$ 875 million for an asset that the market valued for US \$ 4.4 billion in 2012 and, after impairments, book value is still US\$ 2.8 billion, more than 3 times what Codelco paid for it.



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Importantly, these accounting adjustments do not affect the cash flow of the Company neither for its operation, nor its capex program or the resources delivered to the Chilean Treasury.

AVERAGE METAL PRICE

	LME Copper (US\$/lb.)	COMEX Copper (US\$/lb.)	Molybdenum (US\$/lb.)
1Q 2015	2.64	2.66	8.47
2Q 2015	2.75	2.77	7.45
3Q 2015	2.38	2.40	5.75
4Q 2015	2.22	2.20	4.75
Average 2015	2.50	2.51	6.59
1Q 2014	3.19	3.24	9.93
2Q 2014	3.08	3.10	13.45
3Q 2014	3.17	3.16	12.62
4Q 2014	3.00	2.98	9.22
Average 2014	3.11	3.12	11.30
Variation: 4Q 2015 vs. 4Q 2014	(6.7)%	(8.3)%	(17.4)%
Variation: 4Q 2015 vs. 3Q 2015	(26.0)%	(26.2)%	(48.5)%
Variation: 2015 vs. 2014	(19.9)%	(19.6)%	(41.7)%

CASH FLOWS

CODELCO slightly decreased net operating cash flows to US\$ 3.4 billion in 2015 compared to US\$ 3.5 billion in the same period for 2014 principally due to the decrease of goods and services sales and dividends received, partially offset by lower payments to suppliers, payments on behalf of employees and taxes paid, reflecting the positive affect of a higher exchange rate and the cost reduction program.

CASH AND DEBT

As of December 31, 2015, CODELCO had consolidated cash and cash equivalents of US\$1.7 billion compared to US\$ 1.3 billion at the same date of 2014. As of December 31, 2015, CODELCO's net financial debt* achieved US\$ 12.3 billion compared to US\$ 11.6 billion at December 31, 2014. As of December 31, 2015 main debt movements compared to the same date of 2014, include the issuance of CODELCO 2025 bond for US\$ 2 billion on September 9, 2015 in the international capital markets. Regarding the bank market, after the end of 2014 debt increase considers withdraws of two existing bilateral loans for a total of US\$ 57.3 million and a US\$ 133.7 million, each,



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for the molybdenum project. On the other hand, Since January 2015 CODELCO had paid debt maturities for US\$815.5 million, all of them related to bilateral loans.

*Net of swaps effects, leasing and cash and cash equivalents. Does not include the loan from Mitsui, non-recourse to Codelco, to execute the Anglo American Sur Option



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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Profit (loss)	1/1/2015 12/31/2015	1/1/2014 12/31/2014	Var Amnt	%
Revenue	11,693,492	13,826,677	(2,133,185)	(15.4)
Cost of sales	(9,916,805)	(10,111,412)	194,607	(1.9)
Gross profit	1,776,687	3,715,265	(1,938,578)	(52.2)
Other Income, by function	152,889	98,346	54,543	55.5
Distribution costs	(12,435)	(9,343)	(3,092)	33.1
Administrative expenses	(363,494)	(451,122)	87,628	(19.4)
Other expenses, by function	(2,086,728)	(1,620,977)	(465,751)	28.7
Other gains (losses)	20,885	37,682	(16,797)	(44.6)
Profit (losses) from operating activities	(512,196)	1,769,851	(2,282,047)	(128.9)
Finance income	17,198	19,744	(2,546)	(12.9)
Finance costs	(524,847)	(464,671)	(60,176)	13.0
Share of profit of associates and joint ventures accounted for using the equity method	(2,501,652)	247,994	(2,749,646)	(1,108.8)
Foreign exchange differences	465,320	378,819	86,501	22.8
Profit for the period before tax	(3,056,177)	1,951,737	(5,007,914)	(256.6)
Income tax expense	728,398	(1,240,823)	1,969,221	(158.7)
Profit for the period	(2,327,779)	710,914	(3,038,693)	(427.4)
Profit (loss) attributable to:				
Profit attributable to owners of the parent	(1,492,216)	721,927	(2,214,143)	(306.7)
Loss attributable to non-controlling interests	(835,563)	(11,013)	(824,550)	7487.1
Profit for the period	(2,327,779)	710,914	(3,038,693)	(427.4)



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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	12/31/2015	12/31/2014
Assets		
Current Assets		
Cash and cash equivalents	1,747,718	1,310,616
Other current financial asset	10,202	31,748
Other current non-financial assets	34,611	31,652
Trade and other current receivables	1,876,863	2,177,782
Accounts receivables due from related companies, current	21,057	9,488
Inventory	2,097,026	2,237,791
Current tax asset	270,412	189,883
Total current assets	6,057,888	5,988,960
Non-current asset		
Inventories, non-current	185,470	168,421
Other non-current financial assets	36,291	62,413
Other non-current non-financial assets	27,908	35,915
Non-current receivables	85,069	124,675
Accounts receivables due from related companies, non-current	224	224
Investment accounted for using the equity method	4,091,817	6,798,706
Intangible assets other than goodwill	186,082	167,062
Property, Plant and Equipment, net	22,767,239	21,904,361
Investment property	5,854	5,829
Total non-current asset	27,385,954	29,267,606
TOTAL ASSETS	33,443,843	35,256,566



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Liabilities

	12/31/2015	12/31/2014
Current liabilities		
Other current financial liabilities	1,166,210	986,168
Trade and other current payables	1,306,715	1,443,650
Accounts payables to related companies, current	163,366	150,640
Other current provisions	661,623	435,365
Current tax liabilities	16,253	2,225
Current employee benefit accruals	446,212	453,752
Other current non- financial liabilities	100,738	104,035
Total current liabilities	3,861,116	3,575,835
Non-current liabilities		
Other non-current financial liabilities	14,026,931	12,951,242
Accounts payables to related companies, non-current	157,049	193,710
Other non-current provisions and accrued expenses	1,176,187	1,438,825
Deferred tax liabilities	3,257,605	4,204,009
Non-current employee benefit accruals	1,228,227	1,363,241
Other non-current non-financial liabilities	3,907	4,192
Total non-current liabilities	19,849,906	20,155,219
Total liabilities	23,711,022	23,731,054
Equity		
Issued Capital	2,524,423	2,524,423
Retained earnings	33,623	1,793,557
Other Reserves	6,131,920	5,343,797
Equity attributable to owners of the parent	8,689,966	9,661,777
Non-controlling interests	1,042,855	1,863,735
Total equity	9,732,821	11,525,512
TOTAL LIABILITIES AND EQUITY	33,443,843	35,256,566



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CONSOLIDATED STATEMENTS OF CASH FLOWS

	1/1/2015 12/31/2015	1/1/2014 12/31/2014
Cash flow provided by (used in) operating activities:		
Cash receipts provided by operating activities		
Cash flows provided by sales of goods and rendering of services	12,134,350	14,153,053
Other cash flows provided by operating activities	1,775,106	1,655,763
Types of cash payments		
Payments to suppliers for goods and services	(6,829,745)	(7,881,636)
Payments to and on behalf of employees	(1,672,219)	(2,091,504)
Other cash flows used in operating activities	(1,975,383)	(2,251,720)
Dividends received	211,142	495,690
Income taxes paid	(247,888)	(578,946)
Net cash flows provided by operating activities	3,395,363	3,500,700
Cash flows provided by (used in) investing activities:		
Other payments to acquire equity or debt instruments of other entities	(65,511)	(22,502)
Purchases of property plant and equipment	(4,260,783)	(3,799,708)
Purchases of intangible asset	-	-
Interest received	8,328	4,651
Other inflows (outflows) of cash	35,565	(705)
Net cash flows from (used in) investing activities	(4,282,401)	(3,818,264)
Cash flows used in financing activities:		
Capital injection	600,000	
Proceeds from current borrowings	2,331,000	3,885,490
Repayments of borrowings	(1,042,821)	(1,910,687)
Dividends paid	-	(660,582)
Interest paid	(550,536)	(468,176)
Other inflows (outflows) of cash	-	-
Net cash flows used in financing activities	1,337,643	846,045
Net increase (decrease) in cash and cash equivalents before foreign exchange difference	450,605	528,481
Foreign Exchange Rate Net increase (decrease) in cash and cash equivalents	(13,503)	31,466
Net increase (decrease) in cash and cash equivalents	437,102	559,946
Cash and cash equivalents at beginning of period	1,310,616	750,670
Cash and cash equivalents at end of period	1,747,718	1,310,616



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COMPANY PROFILE

CODELCO is the world's largest copper producer engaging primarily in the exploration, development and extraction of ores bearing copper and by-products, the processing of ore into refined copper and the sale of copper and by-products. CODELCO is 100% owned by the Republic of Chile and controls approximately 8% of the world proven and probable copper reserves; as such term is defined by the U.S. Geological Survey. In 2015, CODELCO had an estimated 10% share of the total world copper production, with production of approximately 1.89 million metric tons (including CODELCO's share in the El Abra deposit, which is mined by Sociedad Contractual Minera El Abra, and its share in Anglo American Sur) and an estimated 10% share of the world's molybdenum production with own production of approximately 27,684 metric tons.

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