

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED BALANCE SHEETS

	As September 30th	
	<u>2008</u>	<u>2007</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
ASSETS		
Current Assets:	<u>4.335.212</u>	<u>5.664.684</u>
Cash	41.322	28.265
Time deposits	482.941	1.809.966
Marketable securities	5.882	1.825
Trade receivables, net	531.438	1.406.184
Notes receivable	116	18.313
Other receivable, net	286.538	284.874
Due from related companies	120.874	16.244
Inventories, net	2.087.272	1.602.308
Income taxes recoverable	124.747	106.751
Prepaid expenses	30.110	31.257
Deferred taxes	615.097	237.382
Other current assets	8.875	121.315
Property, Plant and Equipment:	<u>7.895.142</u>	<u>6.972.232</u>
Land	67.321	58.398
Buildings and infrastructure	9.315.663	7.968.158
Machinery and equipment	7.444.023	7.139.697
Other plant and equipment	178.483	117.086
Technical appraisal revaluation	368.148	368.218
Accumulated depreciation	(9.478.496)	(8.679.325)
Other Assets:	<u>1.836.483</u>	<u>1.828.733</u>
Investments in related companies	1.069.535	966.186
Investments in other companies	1.540	1.749
Goodwill	19.613	20.788
Negative Goodwill	(320)	(361)
Long-term receivables	198.233	194.427
Due from related companies	0	53.743
Intangibles	23.491	17.804
Accumulated amortization	(6.550)	(6.690)
Other assets	530.941	581.087
Total Assets	<u><u>14.066.837</u></u>	<u><u>14.465.649</u></u>

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED BALANCE SHEETS

	As September 30th 2008 ThUS\$	2007 ThUS\$
LIABILITIES AND EQUITY		
Current Liabilities:	3.482.399	2.564.177
Banks and financial institutions:		
Current	600.502	43.028
Current portion of long-term debt	306.252	308.359
Current portion of bonds payable	357.682	57.514
Accounts payable	705.659	618.551
Notes payable	11.152	10
Miscellaneous payables	331.316	85.595
Due to related companies	123.159	132.757
Accruals	594.769	734.668
Withholdings	141.198	106.336
Income taxes payable	247.222	410.813
Deferred income	57.959	63.153
Other current liabilities	5.529	3.393
Long-Term Liabilities:	6.538.400	6.779.711
Due to banks and financial institutions	400.000	700.000
Bonds payable	2.964.172	3.256.462
Notes payable	77.075	80.168
Miscellaneous payables	142.323	109.179
Due to related companies	439.774	474.124
Accruals	1.637.646	1.345.150
Deferred taxes	740.740	715.639
Other long-term liabilities	136.670	98.989
Minority interest	3.310	4.140
Equity:	4.042.728	5.117.621
Paid-in capital	1.524.423	1.524.423
Other reserves	1.758.484	1.657.047
Retained earnings	759.821	1.936.151
Accumulated earnings	500.000	400.000
Net income for the period	1.594.595	2.353.914
Profits distribution to the Chilean Treasury	(1.334.774)	(817.763)
Total Liabilities and Equity	14.066.837	14.465.649

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED INCOME STATEMENTS

Nine months ended September 30th

	<u>2008</u> ThUS\$	<u>2007</u> ThUS\$
Operating Income :	4.822.812	6.765.666
Sales of own copper	8.323.169	9.805.551
Sales of copper acquired from third parties	891.379	601.165
Sales of own moly	1.352.786	1.321.141
Sales of moly acquired from third parties	3.415	36.383
Sales of by-products	1.473.656	1.114.191
Sales	<u>12.044.405</u>	<u>12.878.431</u>
Cost of own copper	(5.042.102)	(4.228.071)
Cost of copper acquired from third parties	(880.470)	(617.114)
Cost of own moly	(95.095)	(87.786)
Cost of moly acquired from third parties	(5.221)	(34.944)
Cost of by-products	(923.316)	(906.032)
Cost of sales	<u>(6.946.204)</u>	<u>(5.873.947)</u>
Gross profit	5.098.201	7.004.484
Administrative and selling expenses	(275.389)	(238.818)
Non-Operating Income and expense:	(992.318)	(1.073.615)
Interest income	44.158	60.336
Equity in income of related companies	288.888	359.940
Other income	227.097	149.060
Equity in losses of related companies	(7.307)	(6.573)
Amortization of goodwill	(882)	(882)
Interest expenses	(175.919)	(180.546)
Other expenses	(1.499.814)	(1.413.317)
Price-level restatement	(610)	(1.204)
Foreign exchange differences	132.071	(40.429)
Income before income taxes and minority interest	3.830.494	5.692.051
Income taxes	(2.238.467)	(3.340.048)
Income before minority interest	1.592.027	2.352.003
Minority interest	2.537	1.911
Net income	1.594.564	2.353.914
Amortization of negative goodwill	31	0
Net income for the period	<u>1.594.595</u>	<u>2.353.914</u>

Mario Allende Gallardo
Manager of Administration and Controller

Gonzalo Zamorano Martínez
Chief Accounting

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED CASH FLOW STATEMENTS

Nine months ended September 30th

	<u>2008</u> ThUS\$	<u>2007</u> ThUS\$
CASH FLOWS FROM OPERATING ACTIVITIES :		
Collections of accounts receivable	13.369.184	13.231.614
Interest income collected	16.911	51.571
Dividends and other distributions collected	207.852	397.232
Other income collected	1.245.088	750.674
Payments to suppliers and personnel	(7.243.338)	(5.866.270)
Interest paid	(61.365)	(51.413)
Income taxes paid	(2.090.042)	(2.867.950)
Law 13,196 and other expenses paid	(1.822.144)	(1.278.804)
Value added tax and other similar taxes paid	(843.556)	(638.264)
	2.778.590	3.728.390
CASH FLOWS FROM FINANCING ACTIVITIES :		
Loans obtained	4.217.100	3.206.700
Profits distribution to the Chilean Treasury	(2.988.652)	(2.067.800)
Loan payments	(3.924.367)	(2.828.700)
	(2.695.919)	(1.689.800)
CASH FLOWS FROM INVESTING ACTIVITIES :		
Proceeds from sales of other investments	14.070	0
Other investments	63.833	61.365
Purchases of property, plant and equipment	(1.491.392)	(1.050.234)
Investments in related companies	(151.654)	(1.340)
Investments in financial instruments	0	(666)
Loans to related companies	(27.390)	(8.010)
Other investment disbursements	(34.478)	(32.792)
	(1.627.011)	(1.031.677)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(1.544.340)	1.006.913
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	2.074.485	833.143
CASH AND CASH EQUIVALENTS AT END OF PERIOD	530.145	1.840.056

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED CASH FLOW STATEMENTS

	Nine months ended September 30th	
	2008 ThUS\$	2007 ThUS\$
RECONCILIATION BETWEEN NET INCOME AND CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period	1.594.595	2.353.914
Income from sale of assets	(9.408)	(1.039)
Proceeds from sales of property, plant and equipment	(9.408)	(1.039)
Debits (credits) to income which do not represent Cash flows :	844.418	584.881
Depreciation	456.018	409.207
Amortization of assets	234.528	183.038
Write-offs and provisions	578.566	337.200
Equity in income of related companies	(288.888)	(359.940)
Equity in losses of related companies	7.307	6.573
Amortization of goddwill	882	882
Amortization of negative goddwill	(31)	0
Price-level restatement	610	1.204
Foreign exchange differences	(132.071)	40.429
Other credits to income which do not represent cash flows	(19.556)	(33.712)
Other debits to income which do not represent cash flows	7.053	0
(Increase) in assets that affect operating cash flows :	179.983	314.660
Accounts receivable	291.270	63.202
Inventories	(382.722)	(79.781)
Other assets	271.435	331.239
Increase in liabilities that affect operating cash flows :	171.539	477.885
Accounts payable associated whith operating activies	40.435	(13.510)
Interest payable	10.953	(17.420)
Income tax payable	225.858	300.491
Value added tax and other similar taxes payable	(105.707)	208.324
Minority interest	(2.537)	(1.911)
Net cash flows provided by operating activities	2.778.590	3.728.390