

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED BALANCE SHEETS

| | As september 30th | |
|---------------------------------------|--------------------------|--------------------------|
| | 2007 | 2006 |
| | ThUS\$ | ThUS\$ |
| ASSETS | | |
| Current Assets: | <u>5.664.684</u> | <u>4.200.457</u> |
| Cash | 28.265 | 52.016 |
| Time deposits | 1.809.966 | 637.202 |
| Marketable securities | 1.825 | 212 |
| Trade receivables, net | 1.406.184 | 1.440.218 |
| Notes receivable | 18.313 | 8.234 |
| Other receivable, net | 284.874 | 198.920 |
| Due from related companies | 16.244 | 16.890 |
| Inventories, net | 1.602.308 | 1.521.432 |
| Income taxes recoverable | 106.751 | 98.002 |
| Prepaid expenses | 31.257 | 30.173 |
| Deferred taxes | 237.382 | 190.670 |
| Other current assets | 121.315 | 6.488 |
| Property, Plant and Equipment: | <u>6.972.232</u> | <u>6.468.080</u> |
| Land | 58.398 | 54.951 |
| Buildings and infrastructure | 7.968.158 | 7.283.288 |
| Machinery and equipment | 7.139.697 | 6.790.562 |
| Other plant and equipment | 117.086 | 102.233 |
| Technical appraisal revaluation | 368.218 | 368.754 |
| Accumulated depreciation | (8.679.325) | (8.131.708) |
| Other Assets: | <u>1.828.733</u> | <u>1.999.867</u> |
| Investments in related companies | 966.186 | 1.215.772 |
| Investments in other companies | 1.749 | 1.251 |
| Goodwill | 20.788 | 21.964 |
| Negative Goodwill | (361) | 0 |
| Long-term receivables | 194.427 | 166.673 |
| Due from related companies | 53.743 | 46.700 |
| Intangibles | 17.804 | 21.625 |
| Accumulated amortization | (6.690) | (6.744) |
| Other assets | 581.087 | 532.626 |
| Total Assets | <u><u>14.465.649</u></u> | <u><u>12.668.404</u></u> |

INTERIM CONSOLIDATED BALANCE SHEETS

| | As september 30th | |
|--|-------------------|-------------|
| | <u>2007</u> | <u>2006</u> |
| | ThUS\$ | ThUS\$ |
| LIABILITIES AND EQUITY | | |
| Current Liabilities: | 2.564.177 | 2.678.300 |
| Banks and financial institutions: | | |
| Current | 43.028 | 79.820 |
| Current portion of long-term debt | 308.359 | 313.333 |
| Current portion of bonds payable | 57.514 | 44.195 |
| Accounts payable | 618.551 | 604.733 |
| Notes payable | 10 | 125 |
| Miscellaneous payables | 85.595 | 74.058 |
| Due to related companies | 132.757 | 168.283 |
| Accruals | 734.668 | 458.211 |
| Withholdings | 106.336 | 90.764 |
| Income taxes payable | 410.813 | 750.617 |
| Deferred income | 63.153 | 81.987 |
| Other current liabilities | 3.393 | 12.174 |
| Long-Term Liabilities: | 6.779.711 | 5.842.383 |
| Due to banks and financial institutions | 700.000 | 600.000 |
| Bonds payable | 3.256.462 | 2.711.279 |
| Notes payable | 80.168 | 83.424 |
| Miscellaneous payables | 109.179 | 96.708 |
| Due to related companies | 474.124 | 501.103 |
| Accruals | 1.345.150 | 1.122.010 |
| Deferred taxes | 715.639 | 646.257 |
| Other long-term liabilities | 98.989 | 81.602 |
| Minority interest | 4.140 | 3.265 |
| Equity: | 5.117.621 | 4.144.456 |
| Paid-in capital | 1.524.423 | 1.524.423 |
| Other reserves | 1.657.047 | 1.332.909 |
| Retained earnings | 1.936.151 | 1.287.124 |
| Accumulated earnings | 400.000 | 0 |
| Net income for the period | 2.353.914 | 2.655.167 |
| Profits distribution to the Chilean Treasury | (817.763) | (1.368.043) |
| Total Liabilities and Equity | 14.465.649 | 12.668.404 |

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED INCOME STATEMENTS

Nine months ended September 30th

| | <u>2007</u> | <u>2006</u> |
|---|-------------------------|-------------------------|
| | ThUS\$ | ThUS\$ |
| Operating Income : | 6.766.234 | 7.321.615 |
| Sales of own copper | 9.805.551 | 9.091.809 |
| Sales of copper acquired from third parties | 601.165 | 1.303.041 |
| Sales of own moly | 1.321.141 | 1.193.114 |
| Sales of moly acquired from third parties | 36.383 | 44.879 |
| Sales of by-products | 1.114.191 | 1.021.564 |
| Sales | <u>12.878.431</u> | <u>12.654.407</u> |
| Cost of own copper | (4.228.071) | (2.785.053) |
| Cost of copper acquired from third parties | (617.114) | (1.281.205) |
| Cost of own moly | (87.786) | (222.033) |
| Cost of moly acquired from third parties | (34.944) | (58.113) |
| Cost of by-products | (906.032) | (758.784) |
| Cost of sales | <u>(5.873.947)</u> | <u>(5.105.188)</u> |
| Gross profit | 7.004.484 | 7.549.219 |
| Administrative and selling expenses | (238.250) | (227.604) |
| Non-Operating Income and expense: | (1.074.183) | (1.045.347) |
| Interest income | 60.336 | 36.506 |
| Equity in income of related companies | 359.940 | 346.441 |
| Other income | 95.843 | 104.656 |
| Equity in losses of related companies | (6.573) | (5.536) |
| Amortization of goodwill | (882) | (882) |
| Interest expenses | (180.546) | (172.527) |
| Other expenses | (1.360.668) | (1.397.264) |
| Price-level restatement | (1.204) | (335) |
| Foreign exchange differences | (40.429) | 43.594 |
| Income before income taxes and minority interest | 5.692.051 | 6.276.268 |
| Income taxes | <u>(3.340.048)</u> | <u>(3.622.767)</u> |
| Income before minority interest | 2.352.003 | 2.653.501 |
| Minority interest | <u>1.911</u> | <u>1.666</u> |
| Net income for the period | <u><u>2.353.914</u></u> | <u><u>2.655.167</u></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>2007</u> <u>ThUS\$</u> | <u>2006</u> <u>ThUS\$</u> |
|---|------------------------------|------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES : | | |
| Collections of accounts receivable | 13.231.614 | 13.845.966 |
| Interest income collected | 51.571 | 29.272 |
| Dividends and other distributions collected | 397.232 | 0 |
| Other income collected | 750.674 | 545.608 |
| Payments to suppliers and personnel | (5.866.270) | (6.061.855) |
| Interest paid | (51.413) | (49.977) |
| Income taxes paid | (2.867.950) | (3.465.347) |
| Law 13,196 and other expenses paid | (1.278.804) | (1.081.649) |
| Value added tax and other similar taxes paid | (638.264) | (557.050) |
| | <hr/> | <hr/> |
| Net cash provided by operating activities | <u>3.728.390</u> | <u>3.204.968</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES : | | |
| Loans obtained | 400.000 | 150.000 |
| Profits distribution to the Chilean Treasury | (2.067.800) | (1.857.009) |
| Loan payments | 0 | (153.200) |
| Other investment disbursements | (22.000) | 0 |
| | <hr/> | <hr/> |
| Net cash used in financing activities | <u>(1.689.800)</u> | <u>(1.860.209)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES : | | |
| Proceeds from sales of property, plant and equipment | 0 | 391 |
| Proceeds from sales of other investments | (666) | 9.619 |
| Other investments | 61.365 | 51.578 |
| Purchases of property, plant and equipment | (1.050.234) | (754.879) |
| Investments in related companies | (1.340) | (10.517) |
| Loans to related companies | (8.010) | (138.860) |
| Other investment disbursements | (32.792) | (30.303) |
| | <hr/> | <hr/> |
| Net cash used in investing activities | <u>(1.031.677)</u> | <u>(872.971)</u> |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | <u>1.006.913</u> | <u>471.788</u> |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD | <u>833.143</u> | <u>217.642</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | <u>1.840.056</u> | <u>689.430</u> |

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED CASH FLOW STATEMENTS

Nine months ended September 30th

| | 2007 ThUS\$ | 2006 ThUS\$ |
|---|------------------------------|------------------------------|
| RECONCILIATION BEWEEN NET INCOME AND CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net income for the period | 2.353.914 | 2.655.167 |
| Income from sale of assets | <u>(1.039)</u> | <u>(1.384)</u> |
| Proceeds from sales of property, plant and equipment | (1.039) | (1.384) |
| Debits (credits) to income which do not represent Cash flows : | <u>584.881</u> | <u>398.674</u> |
| Depreciation | 409.207 | 389.641 |
| Amortization of assets | 183.038 | 192.474 |
| Write-offs and provisions | 337.200 | 222.506 |
| Equity in income of related companies | (359.940) | (346.441) |
| Equity in losses of related companies | 6.573 | 5.536 |
| Amortization of goddwill | 882 | 882 |
| Price-level restatement | 1.204 | 335 |
| Foreign exchange differences | 40.429 | (43.594) |
| Other credits to income which do not represent cash flows | (33.712) | (22.665) |
| (Increase) in assets that affect operating cash flows : | <u>314.660</u> | <u>(918.604)</u> |
| Accounts receivable | 63.202 | (277.903) |
| Inventories | (79.781) | (500.832) |
| Other assets | 331.239 | (139.869) |
| Increase in liabilities that affect operating cash flows : | <u>477.885</u> | <u>1.072.781</u> |
| Accounts payable associated whith operating activies | (13.510) | 845.240 |
| Interest payable | (17.420) | 18.146 |
| Income tax payable | 300.491 | 591.340 |
| Value added tax and other similar taxes payable | 208.324 | (381.945) |
| Minority interest | (1.911) | (1.666) |
| Net cash flows provided by operating activities | <u><u>3.728.390</u></u> | <u><u>3.204.968</u></u> |