



CodeLco Financial Results January- September 2013

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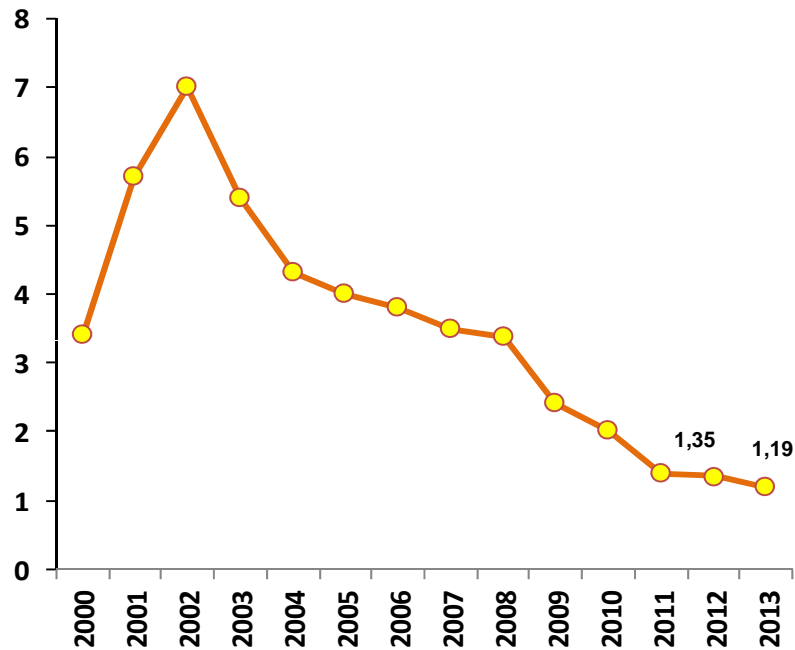
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Press Conference
29 November 2013

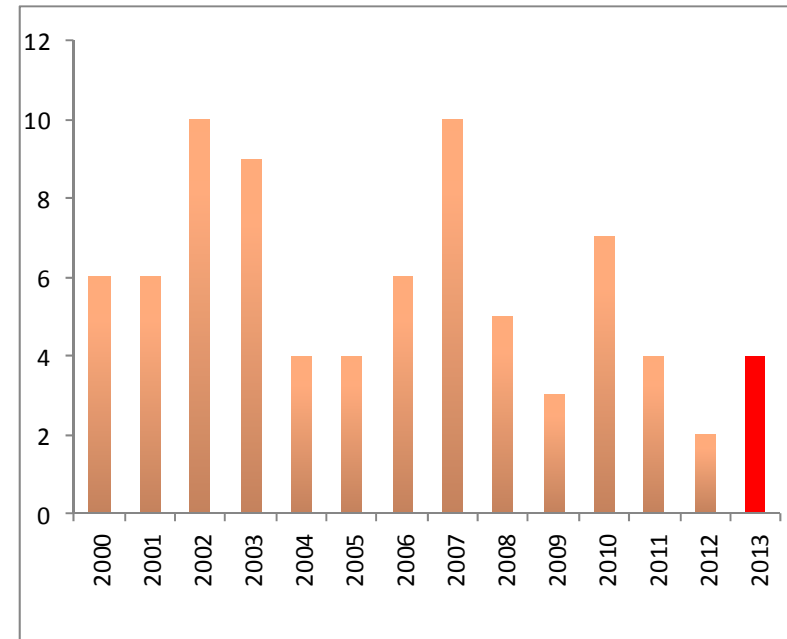


Accident Rate January - September 2013

Accident Frequency Rate - Staff & Contractors
(Lost Time Incidents / Million hours worked)



Staff & Contractor Fatalities
(Fatal Accidents)



- The accident frequency rate during this period is the best in company history at 1.19.
- Unfortunately, there were 4 fatalities, 3 contractors 1 employee.
- The Occupational Health & Safety Structural Growth Project currently focuses on the following work :
 - Implementation of a special Occupational Health and Safety Standards for contractors and subcontractors.
 - Verification controls and critical risk management.

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Highlights January – September 2013

- **New Codelco Division** : On 1st January Minera Gaby subsidiary officially became Gabriela Mistral Division .
- **Employee Strike** : There was a 7-day strike at Radomiro Tomic Division at the end of March; on 9 April another 24-hour strike hit all Codelco operations . In September, after a 14-day legal strike at Salvador Division, a collective agreement was signed that benefits 1,122 employees.
- **Port Strike**: Port workers went on a 20-day strike, of which 15 days were in March, delaying shipments of 60,000 tons of copper, which were shipped during the following quarters.
- **Capitalisation**: In July, the Government decided to raise capital charged to the 2012 retained earnings of Anglo American Sur: US\$1 billion.
- **Corporate Governance** : appointed Blas Tomic Errázuriz as a new Codelco Director and reappointed Gerardo Jofré Miranda for a new period; he was also ratified as Chairman of the Board. Both directors have been appointed for a 4-year period until May 2017 .

A Shareholders' Meeting was held in April, the Ministers of Finance and Mining were also at the meeting and together with the Board of Directors, the 2012 financial statements, annual report and balance sheet were reviewed.

Also in April, April new managers assumed positions at three North District divisions: Juan Medel, General Manager at Radomiro Tomic; Claudio Olguin, General Manager at Ministro Hales, and Óscar Jiménez, General Manager at Gabriela Mistral .

- **International Bonds**: In August, Codelco issued USD 750 million in 10-year bonds, with annual coupon of 4.5 % and annual yield of 4.517%.
- **Energy**: In April, Codelco and GNL Mejillones agreed on a contract to use the Natural Liquefied Gas Regastification Terminal at Mejillones.

In March, Codelco successfully completed its ERNC Credit Tender Process for the period 2013-2017, fully complying with the ERNC legal requirements. The contracts were awarded to Norvind and Arauco. .

In February, Luz Minera gas plant started its environmental impact assessment, project located in Mejillones.

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Key Events January – September 2013

- **Investments & projects** : Progress of structural growth projects as at 30 September :
 - **Ministro Hales**: completing implementation phase. On 20 August completed mine pre-stripping and now commissioning its plants. Total progress is 98.9 %.
 - **New El Teniente Mine Level**: in implementation phase (total progress is 15 %), which consists of building the mina tunnels, ventilation adits, development of mine interior and Maitenes – Confluencia road.
 - **Chuquicamata Underground Mine**: completing construction of early works : main tunnels and ventilation shafts, air extraction shafts and work inside mine, total progress 62.9 %.
 - **Andina Expansion 244** : currently processing its Environmental Impact Assessment, preparing answers to requirements set by authorities and community at ICSARA.
 - **RT Sulphide Expansion** : currently processing its Environmental Impact Assessment, submitted to the Environmental Assessment Service, of Antofagasta, II Region.

- **New uses for copper** : In September, Codelco and the Ministry of Health delivered 70 complete modules equipped with antimicrobial copper at the intensive care units at the former Santiago Posta Central. Also during this period the Intensive Care Unit at Roberto del Río Children's Hospital was completed; 6 rooms and 2 ICU rooms were equipped with copper touch surfaces

In March, Codelco and Celulosa Arauco launched a new product that uses the antimicrobial properties of copper: Vesto melamine. In August, Codelco and Textil Monarch, launched antimicrobial copper clothes for Crystal Skin Children.

- **Sustainability & CSR** : Codelco promoted a new Children's Symphony Orchestra in Diego de Almagro. This initiative is similar to those implemented in Los Andes, Mejillones and Til Til.

For the sixth consecutive year, Codelco awarded 2,150 higher education scholarships to the children of contractors.

In January, Codelco received the Sello Pro Pyme award, given by the Ministry of Economy to companies that have committed to pay its small and medium-sized enterprise suppliers within a period of 30 days. Codelco has more than 9,500 suppliers, 43% are SMEs.

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Performance January – September

Output and Price Data

	2013	2012
Own Copper Production (1,000 metric tons)	1.310	1.253
Own Copper Production - Divisions (1,000 metric tons)	1.184	1.188
Molybdenum Production (1,000 metric tons)	16,2	14,8
Acid Surplus Production (1,000 tons)	1.984	2.292
Silver Production (*) (ton)	195	217
Gold Production (*) (ton)	1,6	1,8
Copper Sales (**) (1,000 metric tons)	1.257	1.252
Own copper	1.168	1.145
Third-party copper	89	107
Molybdenum Sales – (1,000 metric tons)	16	15
LME copper prices (cl/lb)	334,7	361,2
Metals Week molybdenum prices (US\$/kg)	23,2	29,3
Sulphuric acid prices (US\$/ton)	90	147
Gold prices (US\$/oz)	1.457	1.652
Silver prices (US\$/oz)	25	31
Exchange rate	488	489
CPI	109,4	107,7

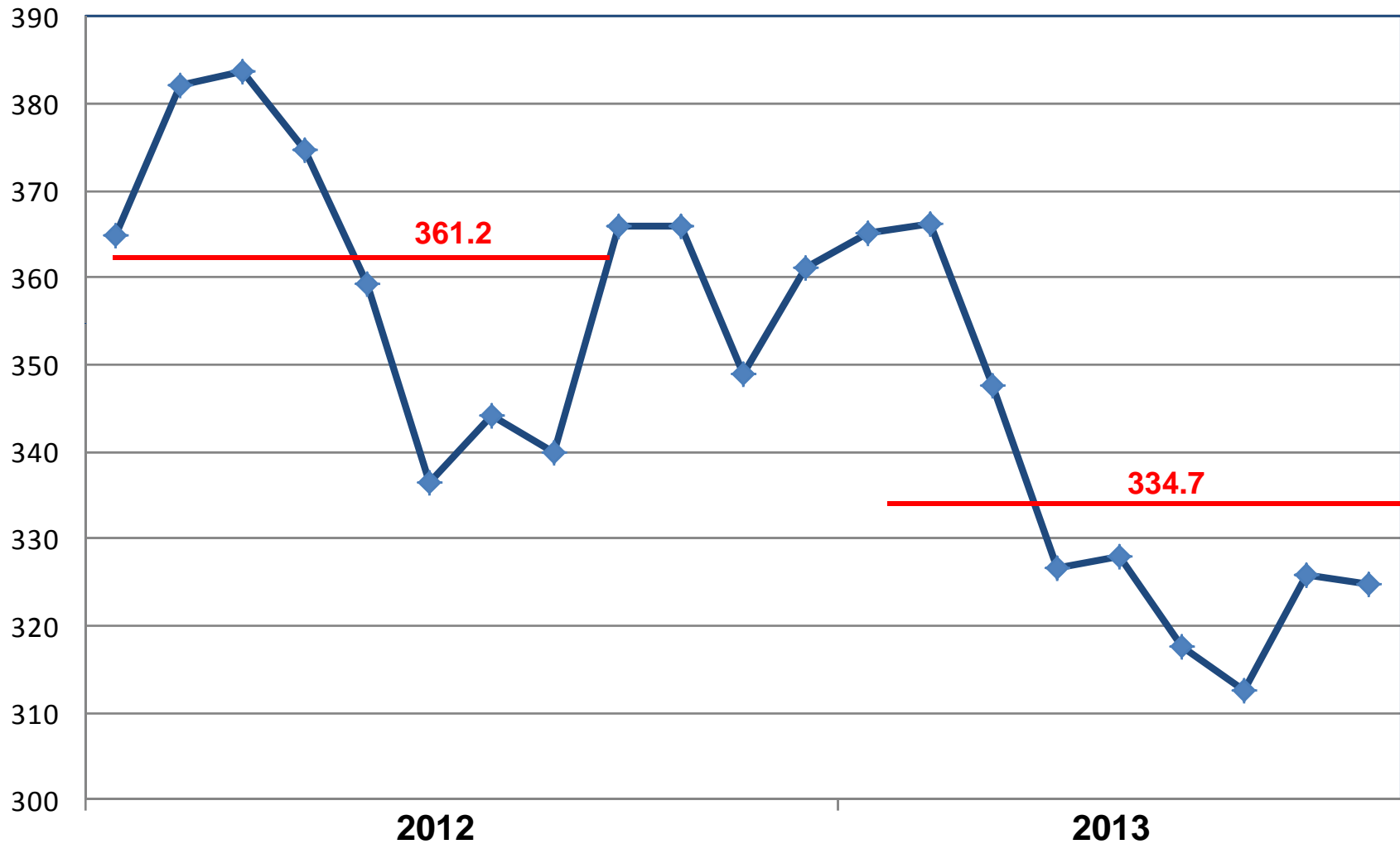
(*) Gold and silver contained in anode slimes, concentrates, anodes and blister

(**) Includes third-party minerals

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Copper Price Chart (c/lb) 2012 - 2013

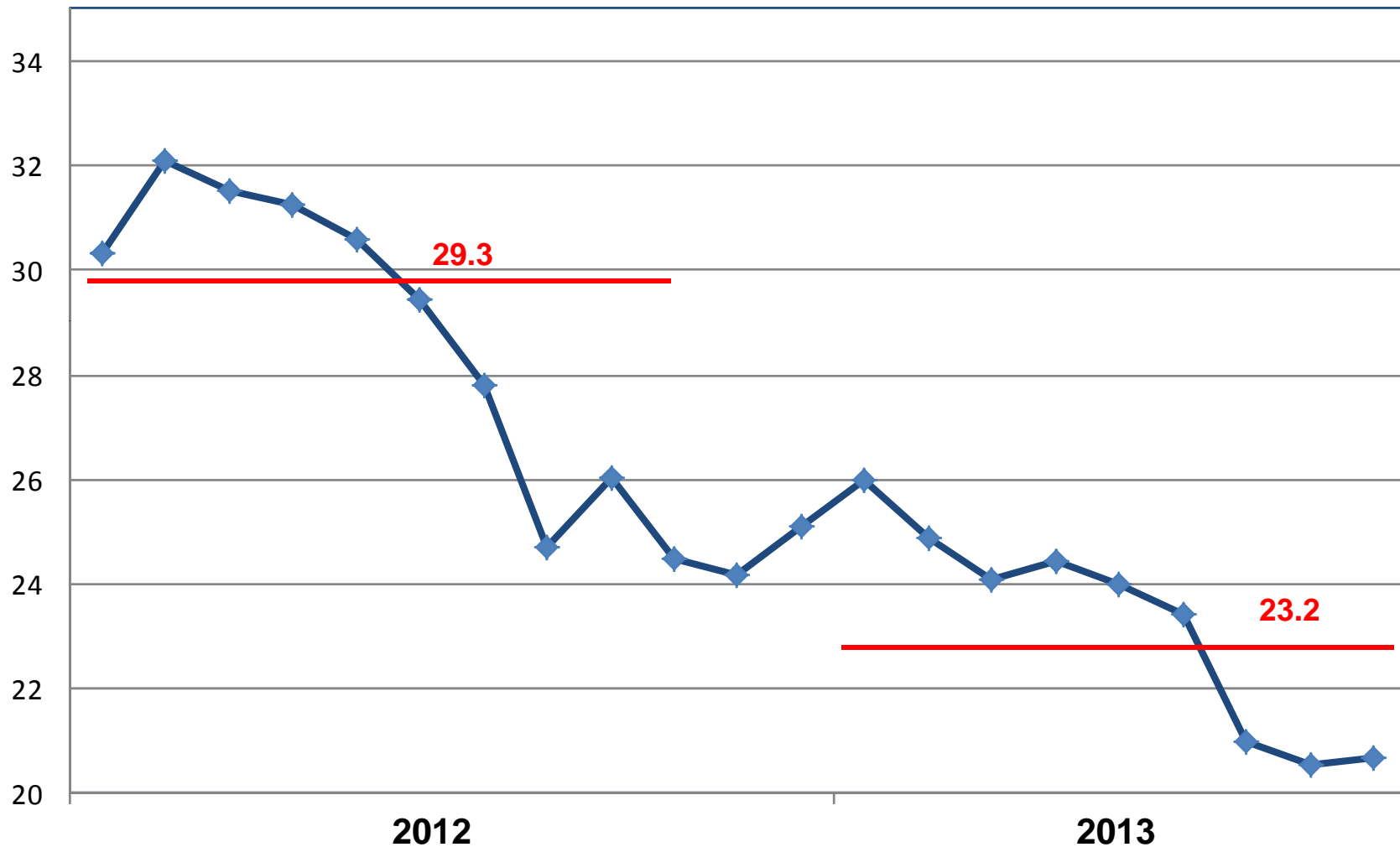


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Molybdenum Price Chart (US\$/Kg)

2012 - 2013



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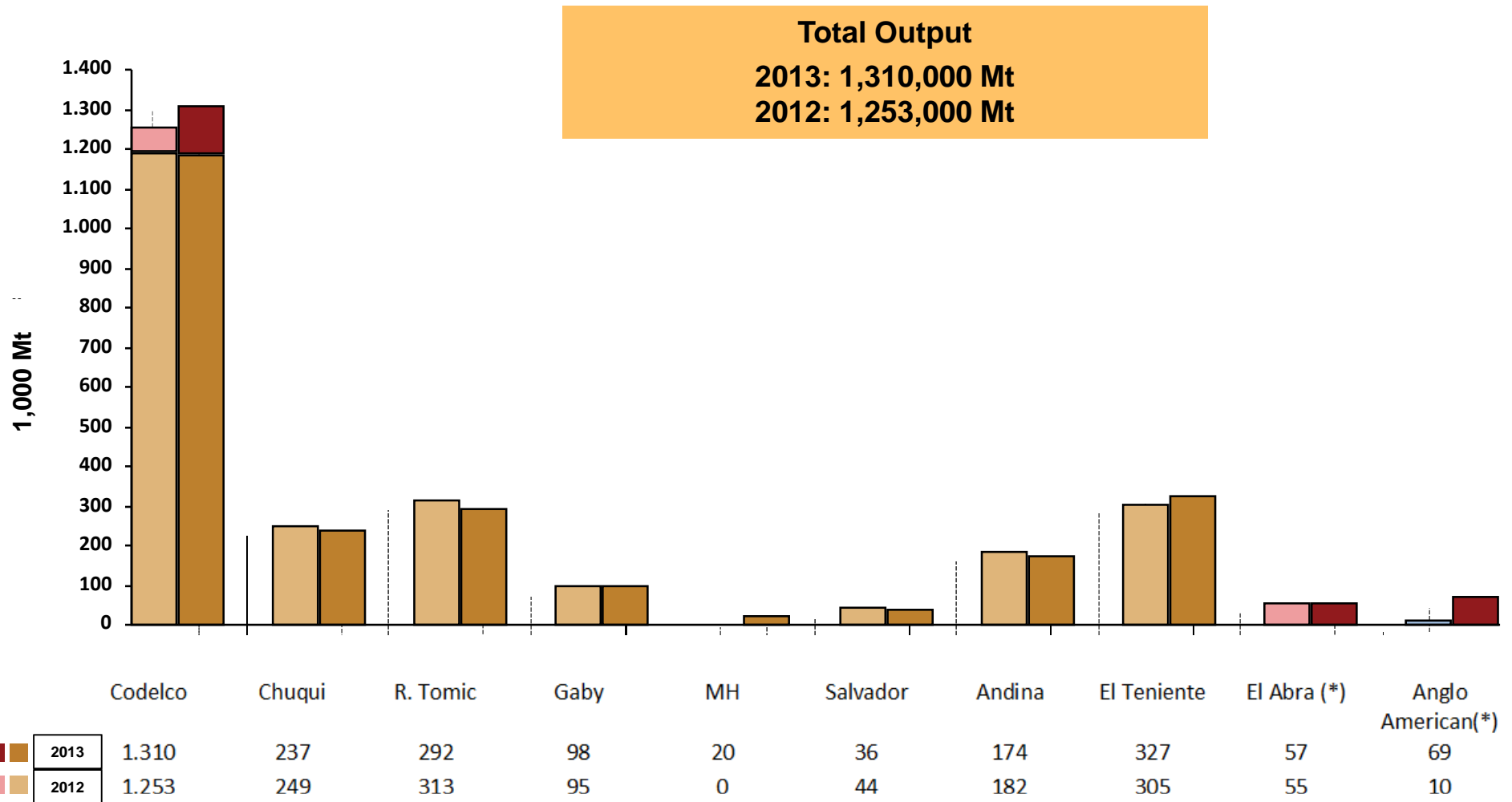
Copper Output

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Copper Production

January - September / 2012 - 2013



(*) Output reflects codelco's stake in: El Abra 49%, Anglo American 20%



Codelco Results

Costs

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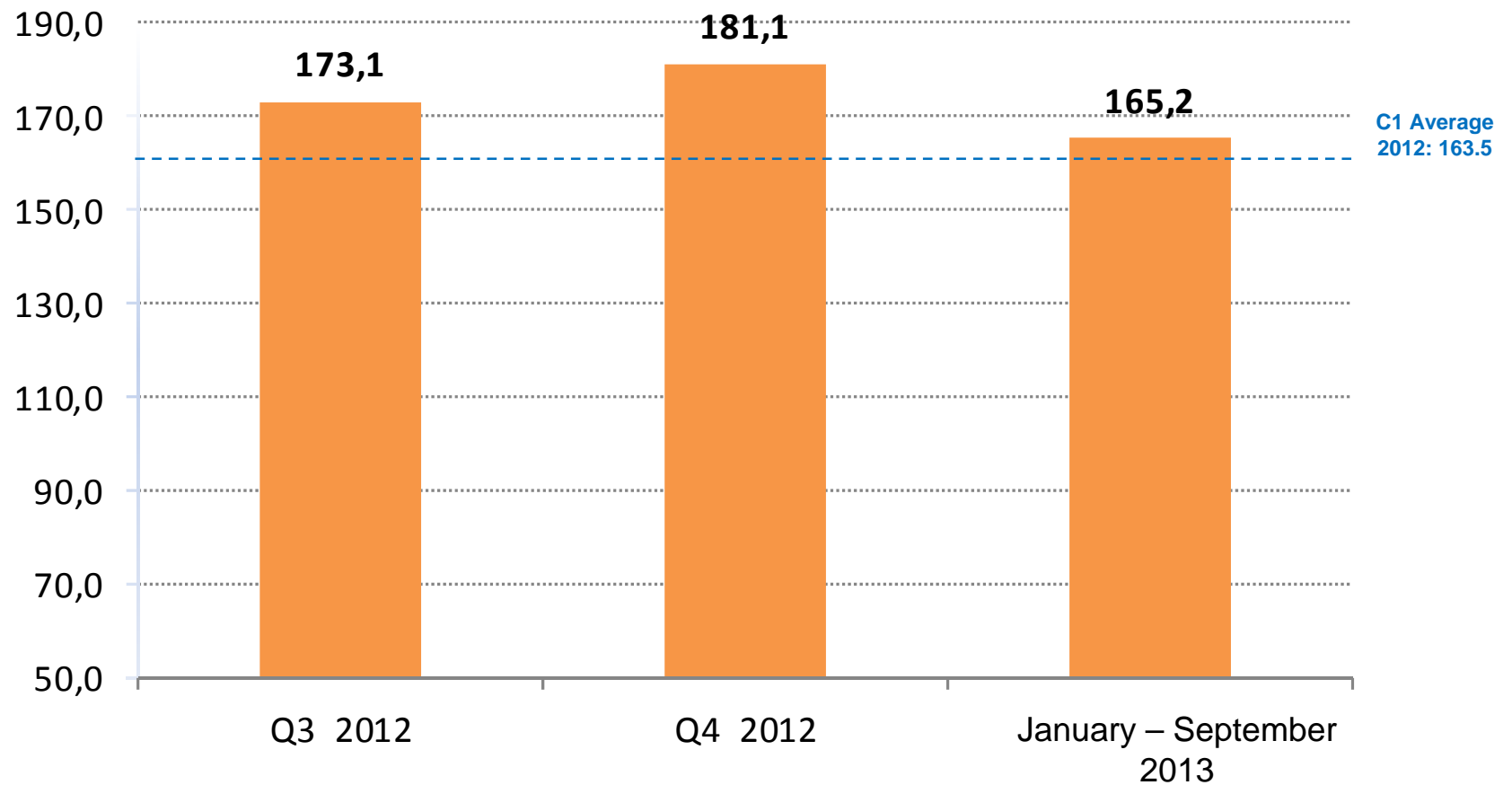
Direct Costs January – September 2013 vs 2012 (US c/lb of copper)

	2013	2012	Var (%)
Total costs & expenses	233,8	264,5	-12%
TC/RC costs	6,3	4,8	
By-product credit	-21,5	-27,7	
Net Cathode Cost (C3)	218,6	241,7	-10%
Depreciation & amortization	-46,1	-41,5	
Financial expenses	-6,9	-9,1	
Total non-operating expenses	3,3	-23,0	
Corporate Office expenses	-3,6	-4,5	
Cost C1	165,2	163,5	1%

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C1 Cost Graph (c/lb)



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Total C1 Cost Variance Analysis

(US c/lb of copper)

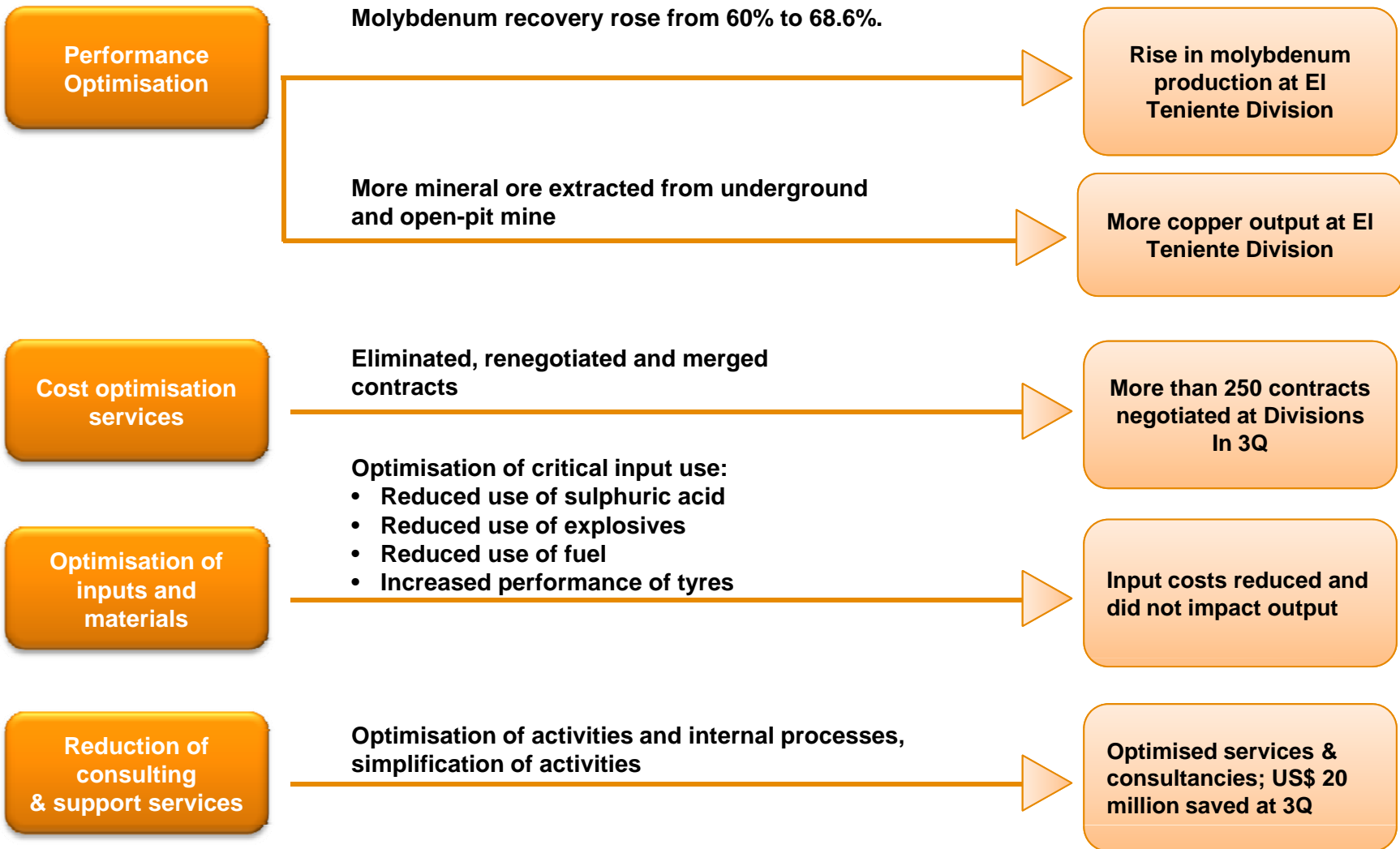
C1 cost 2012	163,5
Effect of CPI, Exchange Rate & US PPI	1,5
Lower by-product credit	7,6
Lower electricity prices	-1,3
Lower services & input prices	-3,1
Subtotal	4,7
Lower services	-1,8
Lower input costs	-3,6
Copper mine variables	0,8
Processing & other costs	1,1
Salaries, benefits, & others	0,5
Subtotal	-2,9
C1 Cost Jan – Sept 2013	165,2
Difference	1,7

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Productivity Improvement and Cost Reduction

Examples 3rd Quarter 2013



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Codelco Financial Results

Pre-Tax Profits and Earnings

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Income Statement

January - September (US\$ millions)

	2013	2012
Copper sales revenue	8.808	9.252
Copper sales cost	-6.233	-5.688
Gross profit – copper sales	2.575	3.564
Gross profit – by-product & other product sales	291	560
GROSS PROFIT	2.866	4.124
Non-operating income	-194	-701
PRE-TAX PROFIT excluding Anglo American Sur	2.672	3.423
Non-operating income – Acquisition Anglo American Sur	0	3.517
PRE-TAX PROFIT including Anglo American Sur	2.672	6.940
COMPARABLE PROFIT (*)	2.099	5.362

(*)Equivalent to Codelco's profit applying the same tax requirements as private-sector companies

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Pre-Tax Profit Distribution

January - September (US\$ millions)

	2013	2012
Reserve Tax Law No.13.196	858	912
Income Tax	950	2.132
Specific Mining Tax	95	180
Profit	769	3.716
TOTAL PRE-TAX PROFIT	2.672	6.940
COMPARABLE PROFIT (*)	2.099	5.362

(*) Equivalent to Codelco's profit applying the same tax requirements as private-sector companies.

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