CODELCO - CHILE

Interim Unaudited Consolidated Financial Statements as of September 30, 2011
(Translation of interim consolidated financial statements originally issued in Spanish – see Note I.2)

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(January - September 2011)

(Translation of interim consolidated financial statements originally issued in Spanish – see Note I.2)

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CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2011 and December 31, 2010
(In thousands of US dollars - ThUS$)
(Translation of interim consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes	9/30/2011	12/31/2010
Assets			
Current Assets			
Cash and cash equivalents	1	894,711	874,039
Other current financial assets	12	130,066	195,138
Other current non-financial assets		38,396	33,607
Trade and other current receivables	2	1,316,780	2,714,006
Accounts receivables due from related companies, current	3	48,315	157,954
Inventories	4	2,169,499	1,782,506
Current tax assets	6.a	160,906	194,226
Total current assets		4,758,673	5,951,476
Non-current assets			
Other non-current financial assets	12	136,254	181,125
Other non-current non-financial assets	11	204,105	203,505
Non-current receivables	2	166,321	198,785
Accounts receivables due from related companies, non-current	3	101,017	104,896
Investment accounted for using the equity method	8	833,613	1,260,774
Intangible assets other than goodwill	10	16,552	21,556
Property, plant and equipment, net	7	13,026,389	12,351,430
Investment property		5,639	5,494
Total non-current assets		14,489,890	14,327,565
TOTAL ASSETS		19,248,563	20,279,041

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of September 30, 2011 and December 31, 2010
(In thousands of US dollars - ThUS$)
(Translation to English of interim consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes	9/30/2011	12/31/2010
Liabilities and Equity			
Liabilities			
Current liabilities			
Other current financial liabilities	13	1,141,230	1,918,908
Trade and other current payables	16	1,270,125	1,803,276
Accounts payables to related companies, current	3	97,008	171,565
Other short-term provisions	17	167,672	296,713
Current tax liabilities	6.b	592,254	307,952
Current employee benefit accruals	17	412,825	689,075
Other current non- financial liabilities		45,877	56,338
Total current liabilities		3,726,991	5,243,827
Non-current liabilities			
Other non-current financial liabilities	13	5,857,891	7,189,482
Other non-current payables		384	2,658
Accounts payables to related companies, non-current	3	317,796	349,204
Other long-term provisions and accrued expenses	17	1,203,902	1,057,472
Deferred tax liabilities	5	1,079,959	711,382
Non-current employee benefit accruals	17	1,096,180	1,191,112
Other non-current non-financial liabilities		2,985	2,692
Total non-current liabilities		9,559,097	10,504,002
Total liabilities		13,286,088	15,747,829
Equity			
Issued capital		2,524,423	2,524,423
Retained earnings		1,650,910	1,329,392
Other reserves	19.a	1,785,093	675,403
Equity attributable to owners of the parent		5,960,426	4,529,218
Non-controlling interests	19.b	2,049	1,994
Total equity		5,962,475	4,531,212
TOTAL LIABILITIES AND EQUITY		19,248,563	20,279,041

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED INCOME STATEMENT
For the nine-month and three-month periods ended September 30, 2011 and 2010
(In thousands of US dollars - ThUS$)
(Translation to English of interim consolidated financial statements originally issued in Spanish – see Note I.2)

		ACCUMULATED		LAST QUARTER	
	Notes	1/1/2011 9/30/2011	1/1/2010 9/30/2010	7/1/2011 9/30/2011	7/1/2010 9/30/2010
Profit (loss)					
Revenue	20	12,864,791	10,975,627	3,984,743	4,231,982
Cost of sales		(7,411,657)	(6,533,487)	(2,552,079)	(2,371,831)
Gross profit		5,453,134	4,442,140	1,432,664	1,860,151
Other Income, by function	22.a	556,877	102,295	43,479	40,983
Distribution costs		(8,217)	(10,243)	(2,380)	(3,166)
Administrative expenses		(353,075)	(270,766)	(125,635)	(98,897)
Other expenses	22.b	(1,689,994)	(1,133,434)	(438,174)	(390,649)
Other gains (losses)		25,179	20,404	(5,981)	6,836
Finance income		31,834	22,536	9,807	10,437
Finance costs	23	(220,447)	(220,278)	(114,589)	(77,114)
Share of profit of associates and joint ventures accounted for using the equity method	8	254,402	204,610	129,858	54,156
Foreign exchange differences	25	124,859	(125,502)	82,986	(156,516)
Profit for the period before tax		4,174,552	3,031,762	1,012,035	1,246,221
Income tax expense	5	(2,573,780)	(1,764,366)	(590,719)	(733,288)
Profit for the period from continuing operations		1,600,772	1,267,396	421,316	512,933
Profit for the period from discontinued operations		-	-	-	-
Profit for the period		1,600,772	1,267,396	421,316	512,933
Profit (loss) attributable to:					
Profit attributable to owners of the parent		1,601,802	1,268,394	421,734	513,228
Loss attributable to non-controlling interests	19.b	(1,030)	(998)	(418)	(295)
Profit for the period		1,600,772	1,267,396	421,316	512,933

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the nine-month and three-month periods ended September 30, 2011 and 2010
(In thousands of US dollars - ThUS$)
(Translation to English of interim consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes	ACCUMULATED 1/1/2011 9/30/2011	ACCUMULATED 1/1/2010 9/30/2010	LAST QUARTER 7/1/2011 9/30/2011	LAST QUARTER 7/1/2010 9/30/2010
Profit for the period		1,600,772	1,267,396	421,316	512,933
Components of other comprehensive income (loss), before tax:					
Exchange differences on translation					
Gain (loss) on exchange differences on translation, before tax		(2,838)	242	(3,767)	1,359
Other comprehensive income, before tax, exchange differences on translation		(2,838)	242	(3,767)	1,359
Cash flow hedges					
Gain (loss) on cash flow hedges, before tax		1,434,564	1,556,697	763,792	630,871
Other comprehensive income before tax, exchange differences on translation		1,434,564	1,556,697	763,792	630,871
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method		92,908	60,391	(390)	59,566
Other comprehensive income (loss) before tax		1,524,634	1,617,330	759,635	691,796
Income tax relating to components of other comprehensive income:					
Income tax relating to cash flow hedges of other comprehensive income	5	(793,094)	(1,348,778)	(458,275)	(821,057)
Aggregated income tax relating to components of other comprehensive income		(793,094)	(1,348,778)	(458,275)	(821,057)
Other comprehensive income (loss)		731,540	268,552	301,360	(129,261)
Total comprehensive income		2,332,312	1,535,948	722,676	383,672
Comprehensive income attributable to					
Comprehensive income attributable to owners of the parent		2,333,342	1,536,946	723,094	383,967
Comprehensive income attributable to non-controlling interests		(1,030)	(998)	(418)	(295)
Total comprehensive income		2,332,312	1,535,948	722,676	383,672

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS – DIRECT METHOD
For the nine-month periods ended September 30, 2011 and 2010
(In thousands of US (In thousands of US dollars - ThUS$)
(Translation to English of interim consolidated financial statements originally issued in Spanish – see Note I.2)

	Notes	ACCUMULATED 1/1/2011 9/30/2011	1/1/2010 9/30/2010
Cash flow provided by operating activities:			
Cash receipts provided by operating activities			
Cash flows provided by sales of goods and rendering of services		15,279,388	11,986,211
Other cash flows provided by operating activities	26	1,460,925	1,238,707
Types of cash payments			
Payments to suppliers for goods and services		(6,713,744)	(5,631,385)
Payments to and on behalf of employees		(1,803,210)	(1,314,497)
Other cash flows used in operating activities	26	(3,225,789)	(2,478,542)
Dividends received		85,750	81,532
Income taxes paid		(2,831,687)	(1,547,441)
Net cash flows provided by operating activities		2,251,633	2,334,585
Cash flows provided by (used in) investing activities:			
Other cash flows provided by the sales of joint ventures	26	1,088,351	-
Other cash flows used to acquire interests in joint ventures		-	(803)
Loans to related companies		(3,900)	(71,500)
Purchases of property plant and equipment		(1,677,276)	(1,725,511)
Interest received		20,151	8,235
Other inflows (outflows) of cash		75,427	101,254
Net cash flows from (used in) investing activities		(497,247)	(1,688,325)
Cash flows used in financing activities:			
Proceeds from short-term borrowings		100,000	721,586
Total proceeds from borrowings		100,000	721,586
Repayments of borrowings		(517,534)	(901)
Dividends paid		(1,051,957)	(1,353,493)
Interest paid		(264,223)	(178,757)
Net cash flows used in financing activities		(1,733,714)	(811,565)
Net increase (decrease) in cash and cash equivalents before foreign exchange difference		20,672	(165,305)
Net increase (decrease) in cash and cash equivalents		20,672	(165,305)
Cash and cash equivalents at beginning of period		874,039	765,833
Cash and cash equivalents at end of period		894,711	600,528

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the nine-month periods ended September 30, 2011 and 2010
(In thousands of US dollars - ThUS$)
(Translation to English of interim consolidated financial statements originally issued in Spanish – see Note I.2)

9/30/2011	Issued Capital	Foreign currency translation reserve	Cash flow hedge reserve	Other miscellaneouns reserves	Total other reserves Note 19	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests Note 19	Total Equity
Equity as of 1/1/2011	2,524,423	2,916	(969,571)	1,642,058	675,403	1,329,392	4,529,218	1,994	4,531,212
Changes in equity									
Profit (loss)						1,601,802	1,601,802	(1,030)	1,600,772
Other comprehensive income (loss)		(2,838)	641,470	92,908	731,540		731,540	-	731,540
Comprehensive income							2,333,342	(1,030)	2,332,312
Dividends Paid						(1,254,824)	(1,254,824)		(1,254,824)
Increase (decrease) through transfers and other changes	-	-	-	378,150	378,150	(25,460)	352,690	1,085	353,775
Total increase (decrease) in equity	-	(2,838)	641,470	471,058	1,109,690	321,518	1,431,208	55	1,431,263
Equity as of 9/30/2011	2,524,423	78	(328,101)	2,113,116	1,785,093	1,650,910	5,960,426	2,049	5,962,475

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the nine-month periods beginning January 1st and ended September 30, 2011 and 2010
(In thousands of US dollars - ThUS$)
(Translation of interim consolidated financial statements originally issued in Spanish – see Note I.2)

9/30/2010	Issued Capital	Foreign currency translation reserve	Cash flow hedge reserve	Other miscellaneouns reserves	Total other reserves Note 19	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests Note 19	Total Equity
Equity as of 1/1/2010	2,524,423	2,426	(1,017,519)	1,637,733	622,640	1,294,157	4,441,220	2,007	4,443,227
Changes in equity									
Profit (loss)						1,268,394	1,268,394	(998)	1,267,396
Other comprehensive income (loss)		242	207,919	60,391	268,552		268,552	-	268,552
Comprehensive income							1,536,946	(998)	1,535,948
Dividends Paid						(1,268,394)	(1,268,394)		(1,268,394)
Increase (decrease) through transfers and other changes	-	-	-	(73,013)	(73,013)	(25,957)	(98,970)	673	(98,297)
Total increase (decrease) in equity	-	242	207,919	(12,622)	195,539	(25,957)	169,582	(325)	169,257
Equity as of 9/30/2010	2,524,423	2,668	(809,600)	1,625,111	818,179	1,268,200	4,610,802	1,682	4,612,484

The accompanying notes form an integral part of these interim unaudited consolidated financial statements.

I. GENERAL INFORMATION

1. Corporate Information

Corporación Nacional del Cobre de Chile, Codelco (hereinafter referred to as "Codelco - Chile", the "Corporation" or "the Company"), is the largest copper producer in the world. Its most important product is refined copper - primarily in the form of cathodes. The Corporation also produces copper concentrates, blister and anode copper and by-products such as molybdenum, anode slime and sulfuric acid. Codelco also manufactures wire rods in Germany, a semi-manufactured product that uses copper cathodes as raw material.

The Corporation trades its products based on a policy with the objective of selling refined copper to manufacturers or producers of semi-manufactured products.

Codelco is registered under Securities Registry No. 785 of the Chilean Superintendency of Securities and Insurance (the "Superintendency") and is subject to the supervision of said Superintendency. According to Article 10 of Law No. 20,392 (on the new Corporate Governance of Codelco), such supervision will be on the same terms as publicly traded corporations, notwithstanding the provisions in Decree Law (D.L.) No. 1,349 of 1976, which created the Comisión Chilena del Cobre ("Chilean Copper Commission").

Codelco's head office is located in Santiago, Chile, at 1270 Huérfanos, telephone number (56 2) 6903000.

Codelco Chile was formed as stipulated by D.L. No. 1,350 of 1976, which is the statutory decree of the Corporation. In accordance with the statutory decree, Codelco is a state-owned mining, industrial and commercial company, which is a separate legal entity with its own equity. Codelco - Chile currently carries out its mining business through its divisions Chuquicamata, Radomiro Tomic, Salvador, Andina, El Teniente and Ventanas. Also, in May 2008, Codelco - Chile started exploiting the deposit known as Gabriela Mistral, whose mining operations are the responsibility of its subsidiary Minera Gaby S.A., a wholly owned subsidiary of the Company. In 2010 the Company was authorized by the Board of Directors of the Corporation to invest in the operation of the new division Ministro Hales Mine, whose estimated initial operating date is at the end of 2013. The Corporation also carries out similar activities in other mining deposits in association with third parties.

In accordance with letter e) of Article 10 of Law No. 20,392, Codelco is governed by its organic standards set forth in Decree Law No. 1,350 (D.L. No. 1,350) and that of its statutes, and in matters not covered by them and, insofar as they are compatible and do not go against the provisions of these rules, the rules that govern publicly traded corporations and the common laws as applicable to them.

In accordance with D.L. No. 1,350 Section IV related to the Company's Exchange and Budget Regulations, Codelco's financial activities are conducted following a budgeting system that is composed of an Operations Budget, an Investment Budget and a Debt Amortization Budget.

The tax system applicable to Codelco's income is in accordance with Article 26 of D. L. No. 1,350, which refers to Decree Laws No. 824 on Income Tax of 1974 and Decree Law No. 2,398 (Article 2) of 1978, which are applicable. The Company's income is also subject to a tax in accordance with Law No. 20,026 of 2005 (Specific Mining Tax).

The Company is subject to Law No. 13,196, which mandates the payment of a 10% tax over the foreign currency return on the export value of copper production, including its by-products (please refer to Note 2 c).

The subsidiaries whose financial statements are included in these consolidated financial statements correspond to companies located in Chile and abroad, which are detailed in Note 2 e of Section II to the Summary Of Significant Accounting Policies.

The associates correspond to companies located in Chile and abroad, which are detailed in the Explanatory Notes Section III Note 8.

2. Basis of Presentation of the Consolidated Financial Statements

The Company's interim consolidated financial statements are stated in thousands of US dollars and were prepared based on the accounting records maintained by Codelco - Chile and its subsidiaries, and have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB").

Responsibility for the Information and Use of Estimates

The Board of Directors of the Corporation has been informed of the information included in these financial statements and expressly states its responsibility for the consistent and reliable nature of the information included in the interim consolidated financial statements as of September 30, 2011, for the effects of which IFRS principles and criteria as issued by the International Accounting Standards Board have been applied in full. The September 30, 2011 interim consolidated financial statements were approved by the Board of Directors in the meeting on November 24, 2011. The December 31, 2010 consolidated financial statements were approved by the Company's Board of Directors on March 23, 2011.

Accounting Principles

These interim consolidated financial statements reflect the financial position of Codelco Chile and subsidiaries as of September 30, 2011 and December 31, 2010, the results of their operations for the nine-month and three-month periods ended September 30, 2011 and 2010, and the changes in net equity and cash flows for the nine-month periods ended September 30, 2011 and 2010, and their related notes, all of which have been prepared and presented in accordance with IAS 34 "Interim Financial Reporting" considering the respective presentational regulations of the Chilean Superintendency of Securities and Insurance ("SVS"), which do not conflict with IFRS.

For the convenience of the reader, these interim unaudited consolidated financial statements and their accompanying notes have been translated from Spanish to English.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Significant Accounting Judgments, Estimates and Assumptions

The preparation of these consolidated financial statements in conformity with International Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the amounts of assets and liabilities recognized as of the date of financial statements and the amounts of income and expenses during the reporting period. It also requires the Corporation's management to exercise its judgment in the process of applying the Company's accounting principles. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements as follows:

a) Useful Economic Lives and Residual Values of Property, Plant and Equipment - The useful lives and residual values of property, plant and equipment assets that are used for calculating the depreciation are determined based on technical studies prepared by specialists (both internal and external). When there are indicators that could lead to changes in the estimated useful lives of such assets, these changes are determined by using technical estimates considering specific factors related to the use of the assets

The studies take into account factors specifically related to use of the assets.

b) Ore Reserves - The measurements of ore reserves are based on estimates of the ore resources that are economically exploitable, and reflect the technical considerations of the Corporation regarding the amount of resources that could be exploited and sold at prices exceeding the total cost associated with the extraction and processing.

The Corporation applies judgment in determining the ore reserves, and as such, possible changes in these estimates could significantly impact the estimates of net revenues over time. For such reason, these changes would lead to modifications in the usage estimates of certain assets and of the amount of certain decommissioning and restoration costs.

The Corporation estimates its reserves and mineral resources based on the information composed by the Competent Persons of the Corporation, defined and regulated by the Chilean Law N° 20.235. The estimations are based on the JORC (Joint Ore Reserves Committee) methodology, taking into consideration the historical information of the cost of goods sold and copper prices at an international market.

The Corporation also periodically reviews such estimates, supported by world-class external experts, who certify the determined reserves.

c) Impairment of Assets - The Corporation reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss with regard to the carrying amount. In the evaluation of impairment, the assets are grouped into cash generating units ("CGU's") to which the assets belong. The recoverable amount of these assets or CGU's is calculated as the present value of the cash flows expected to be derived from such assets, considering a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. If the recoverable amount of the assets is less than their carrying amount, an impairment loss exists.

The Corporation defines the CGUs and also estimates the timing and cash flows that such CGUs should generate. Subsequent changes in the grouping of the CGU, or changes in the assumptions supporting the estimates of cash flows or the discount rate, could impact the carrying amounts of the corresponding assets.

The Corporation has assessed and defined that the CGUs are constituted at the level of each of its current operating divisions.

The review for impairment includes subsidiaries and associates.

d) Provisions for Decommissioning and Site Restoration Costs - An obligation to incur in decommissioning and site restoration costs when environmental disturbance is caused by the development or ongoing production of a mining property. Costs are estimated on the basis of a formal closure plan and are reassessed annually or as of the date such obligations become known.

As of each reporting date, the provision represents the management's best estimate of the present value of future dismantling and restoration costs that will be required. The changes in future estimated costs are recognized in the statement of financial position by increasing or decreasing the rehabilitation liability and the rehabilitation asset if the initial estimate was originally recognized as part of the measurement of the asset in accordance with IAS 16 Property, Plant and Equipment. Any reduction in the liability due to dismantling, and therefore any deduction to the asset due to dismantling, cannot exceed the book value of the asset. If it does, any excess over the book value of the asset is recognized in the income statement accounts.

If the change in estimate results in an increase in the decommissioning and site restoration liability and therefore an addition to the carrying value of the asset, the entity is required to consider whether this is an indication of impairment of the asset as a whole and test for impairment in accordance with IAS 36. If the revised asset net of decommissioning and site restoration provisions exceeds the recoverable value, that portion of the increase is charged directly to expense. Any decommissioning and site restoration costs that arose as a result of the production phase of a mine, should be expensed as incurred.

The costs arising from the installation of a plant or other site preparation projects are discounted at net present value, provided for and capitalized at the beginning of each project, as soon as the obligation to incur such costs arises. These decommissioning costs are charged to net income over the life of the mine, through depreciation of the asset. The depreciation is included in operating costs, while the unwinding of the discount in the provision is included in finance costs.

e) Accrual for Employee Benefits - Employee benefits costs for severance payments and health benefits for services rendered by the employees are determined based on actuarial calculations using the Projected Credit Unit Method, and are charged to profit or loss on an accrual basis.

The Corporation uses assumptions to determine the best estimate for these benefits. Such estimates, as well as assumptions, are determined together with an external actuary. These assumptions include demographic assumptions, mortality and morbidity, discount rate and expected salary increases and rotation levels, among other factors. Although the Corporation believes that the assumptions used are appropriate, a change in these assumptions could affect net income.

f) Accruals for Open Invoices - The Corporation uses information on future copper prices, through which it recognizes adjustments to its revenues and trade receivables, due to the conditions of its provisional invoicing. These adjustments are updated on a monthly basis.

g) Fair Value of Derivatives and Other Instruments - Management may use its judgment to choose an adequate and proper valuation method for the instruments that are not quoted in an active market. The Corporation applies customary valuation techniques used by other professionals in the industry. In the case of derivative financial instruments, assumptions are based on the observable market inputs, adjusted in conformity with the specific features of the instruments.

h) Lawsuits and Contingencies - The Corporation assesses the probability of lawsuits and contingency losses on an ongoing basis according to estimates performed by its legal advisors. For cases in which management and the Corporation's legal advisors believe that a favorable outcome will be obtained or when the results are uncertain and the lawsuits are still pending resolution, no provisions are recognized.

Although these above-mentioned estimates have been made based on the best information available as of the date of issuance of these interim consolidated financial statements, it is possible that future developments may force the Corporation to modify these estimates in upcoming periods. Such modifications, if occurred, would be adjusted prospectively, recognizing the effects of the change in estimate on the corresponding future consolidated financial statements, as required by IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors".

2. Significant accounting policies

a) Period covered - The accompanying consolidated financial statements of Corporación Nacional del Cobre de Chile include:

- Statements of Financial Position as of September 30, 2011 and December 31, 2010.
- Statements of Comprehensive Income for the nine and three-month periods ending September 30, 2011 and 2010, respectively.
- Statements of Changes in Equity for the nine-month periods ending September 30, 2011 and 2010, respectively.
- Statements of Cash Flows for the nine-month periods ending September 30, 2011 and 2010, respectively.

b) Basis of Preparation - The interim consolidated financial statements of the Corporation for the nine months ended September 30, 2011 have been prepared in conformity with IFRS, as issued by the IASB.

The interim consolidated statement of financial position as of December 31, 2010 and the statements of comprehensive income, of net equity and of cash flows for the nine months ended September 30, 2010, included for comparative purposes, have been prepared in conformity with IFRS, on a consistent basis with the criteria used by the Company for the same period ended September 30, 2011.

These consolidated financial statements have been prepared based on the accounting records kept by the Corporation.

c) Functional Currency - The functional currency of Codelco is the US dollar, which is the currency of the primary economic environment in which the Corporation operates and the currency in which it receives its revenues. Transactions other than those in the Corporation's functional currency are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency are retranslated at closing exchange rates. Gains and losses from foreign currency translation are included in profit or loss within the line item "Foreign Exchange differences".

The presentation currency of the interim consolidated financial statements of Codelco is the US dollar.

The functional currency of subsidiaries, associates and joint ventures, likewise corresponds to the currency of the primary economic environment in which those entities operate and the currency in which they receive their revenues, as established in IAS 21. However, regarding those subsidiaries and associates that correspond only to an extension of the operations of Codelco (entities that are not self-sufficient and whose main transactions are performed with Codelco), the functional currency is also the US dollar, as this is the functional currency of Codelco.

When the indicators are mixed and the functional currency is not obvious, management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions under which each entity operates.

d) Basis of Consolidation - The consolidated financial statements incorporate the financial statements of the Corporation and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. In the consolidation process, all significant balances and transactions between the consolidated companies have been fully eliminated, and the equity share of non-controlling interests has been recognized and presented as “Non-controlling Interests”. The consolidated financial statements take into account the elimination of intercompany balances, transactions and unrealized profit and loss between the consolidated companies, including foreign and local subsidiaries. The Companies incorporated in the consolidation are detailed as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Tax Payer Number	Company	Country	Functional Currency	Entity Share Percentaje				
				9/30/2011			12/31/2010	9/30/2010
				Direct	Indirect	Total	Total	Total
Foreign	Chile Copper Limited	England	GBP	100.000	-	100.000	100.000	100.000
Foreign	Codelco Services Limited	England	GBP	-	100.000	100.000	100.000	100.000
Foreign	Codelco Group USA Inc.	United States of America	USD	100.000	-	100.000	100.000	100.000
Foreign	Codelco Metals Inc.	United States of America	USD	-	100.000	100.000	100.000	100.000
Foreign	Codelco International Limited	Bermuda	USD	100.000	-	100.000	100.000	100.000
Foreign	Codelco Technologies Ltd.	Bermuda	USD	-	100.000	100.000	100.000	100.000
Foreign	Codelco do Brasil Mineracao	Brazil	BRL	-	100.000	100.000	100.000	100.000
Foreign	Codelco Kupferhandel GmbH	Germany	EURO	100.000	-	100.000	100.000	100.000
Foreign	Metall Agentur GmbH	Germany	EURO	-	100.000	100.000	100.000	100.000
Foreign	Ecometales Limited	Anglonormands	USD	-	100.000	100.000	100.000	100.000
59.087.530-9	Ecometales Ltd. Agencia en Chile	Chile	USD	-	100.000	100.000	100.000	100.000
76.561.210-1	Mining Information Communications and Monitoring S.A.	Chile	USD	66.000	-	66.000	66.000	66.000
78.712.170-5	Compañia Minera Picacho (SCM)	Chile	USD	99.990	0.010	100.000	100.000	100.000
78.860.780-6	Compañia Contractual Minera los Andes	Chile	USD	99.970	0.030	100.000	100.000	100.000
76.063.022-5	Inca de Oro S.A.	Chile	USD	-	-	-	100.000	100.000
79.566.720-2	Isapre Chuquicamata Ltda.	Chile	CLP	98.300	1.700	100.000	100.000	100.000
81.767.200-0	Asociacion Garantizadora de Pensiones	Chile	CLP	96.690	-	96.690	96.690	96.690
88.497.100-4	Clínica San Lorenzo Limitada	Chile	CLP	99.900	-	99.900	99.900	99.950
76.521.250-2	San Lorenzo Institución de Salud Previsional Ltda,	Chile	CLP	-	100.000	100.000	99.900	99.900
89.441.300-K	Isapre Río Blanco Ltda.	Chile	CLP	99.990	0.010	100.000	100.000	100.000
96.817.780-K	Ejecutora Hospital del Cobre Calama S.A.	Chile	USD	99.990	0.010	100.000	100.000	100.000
96.819.040-7	Complejo Portuario Mejillones S.A.	Chile	USD	99.990	0.010	100.000	100.000	100.000
96.854.500-0	Instituto de Innovación en Minería y Metalurgia S.A.	Chile	USD	99.930	-	99.930	99.930	99.930
96.876.140-4	Santiago de Río Grande S.A.	Chile	USD	99.990	0.010	100.000	100.000	100.000
96.991.180-9	Biosigma S.A.	Chile	USD	66.670	-	66.670	66.670	66.670
Foreign	Biosigma Bermudas Ltda. (Bermudas)	Bermuda	USD	-	-	-	66.670	66.670
99.569.520-0	Exploraciones Mineras Andinas S.A.	Chile	USD	99.900	0.100	100.000	100.000	100.000
99.573.600-4	Clinica Río Blanco S.A.	Chile	CLP	99.000	1.000	100.000	100.000	100.000
76.064.682-2	Centro de Especialidades Médicas Río Blanco Ltda.	Chile	CLP	99.000	1.000	100.000	100.000	-
76.152.263-5	Minera Gaby SpA	Chile	USD	99.900	0.100	100.000	100.000	100.000
77.773.260-9	Sociedad de Inversiones Copperfield Ltda.	Chile	USD	99.990	0.010	100.000	100.000	100.000
76.883.610-8	Energía Minera S.A.	Chile	USD	99.000	1.000	100.000	100.000	100.000
76.043.396-9	Innovaciones en Cobre S.A	Chile	USD	0.100	99.900	100.000	100.000	100.000
76.082.774-6	Inversiones Tocopilla 2B S.A.	Chile	USD	99.990	0.010	100.000	100.000	100.000
76.148.338-2	Sociedad de Procesamiento de Molibdeno Ltda.	Chile	USD	99.900	0.100	100.000	-	-
76.082.158-6	Inversiones Mejillones 2 S.A.	Chile	USD	34.800	65.200	100.000	100.000	100.000
76.167.903-1	Inversiones Mineras Acrux SpA.	Chile	USD	100.000	-	100.000	-	-
76.124.156-7	Centro de Especialidades Médicas San Lorenzo Ltda.	Chile	USD	-	100.000	100.000	-	-
70.905.700-6	Fusat (Special Purpose Entity)	Chile	CLP	-	-	-	-	-

For the purposes of these interim consolidated financial statements, subsidiaries, associates, acquisitions and disposals and joint ventures are defined as follows:

- **Subsidiaries -** A subsidiary is an entity over which the Corporation has power to govern its operating and financial policies in order to obtain benefits from its activities. The interim consolidated financial statements include all assets, liabilities, revenues, expenses and cash flows of Codelco and its subsidiaries, after eliminating all inter-company balances and transactions. For partially owned subsidiaries, the net assets and net earnings attributable to minority shareholders are presented as “Non-controlling interests” in the consolidated statements of financial position and consolidated statement of income.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Likewise, on consolidation, the Corporation incorporates those entities in which it does not hold any direct or indirect ownership interest but instead represent special purpose entities, in accordance with the criteria established in SIC Interpretation 12, Consolidation - Special Purpose Entities.

- Associates - An associate is an entity over which Codelco is in the position to exercise significant influence, but not to control or jointly control, through the power to participate in the financial and operating policy decisions of that entity.

  Codelco's share of the net assets of such entities is included in the interim consolidated financial statements by using the equity method. This requires recording the initial investment at cost and then, in subsequent periods, adjusting the carrying amount of the investment to reflect Codelco's share in the income of associates, less any impairment of goodwill and any other changes in the associate's net assets.

- Acquisitions and Disposals - The results of businesses acquired are incorporated in the consolidated financial statements from the acquisition date; the results of businesses sold during the period are incorporated into the consolidated financial statements up to the effective date of disposal. Gains or losses from the disposal are calculated as the difference between the sale proceeds (net of expenses) and the net assets attributable to the ownership interest that has been sold.

- Joint Ventures - The entities that qualify as joint ventures, in which joint control exists over the operating and financial decisions, are accounted for using the equity method.

- Special Purpose Entities (SPE's) - Although Codelco is not the owner of Fundación de Salud El Teniente (FUSAT), the relationship between the Corporation and the mentioned foundation gives rise to the definition of control laid out in IFRS and their interpretations. As a result of this, the consolidated financial statements of FUSAT are included in Codelco's consolidation process in accordance with the procedure described in IAS 27, including the following entities:

Entity	Country	Equity share percentage	
		9/30/2011	12/31/2010
Centro de Servicios Médicos Porvenir Ltda.	Chile	99.00%	99.00%
Inmobiliaria Centro de Especialidades Torre Médica S.A.	Chile	75.09%	75.09%
Inmobiliaria e Inversiones Rio Cipreces Ltda.	Chile	99.99%	99.99%
Prestaciones de Servicios de la Salud Intersalud Ltda.	Chile	99.00%	99.00%
Institución de Salud Previsional Fusat Ltda.	Chile	99.69%	99.69%

e) Foreign currency transactions - Monetary assets and liabilities denominated in foreign currency have been translated into U.S. dollars at the closing exchange rate of the period.

At the reporting period-end, monetary assets and liabilities denominated in currency other than the functional currency, indexed in unidades de fomento (UF or inflation index-linked units of account) (9/30/2011: Ch$ 22,012.69; 12/31/2010: Ch$ 21,455.55), are translated into U.S. dollars at the closing exchange rates.

Income and expenses denominated in Chilean pesos have been translated into U.S. dollars at the exchange rate at the date when the transaction was recorded in the accounting records.

Exchange differences are recognized in net income in accordance with IFRS.

The financial statements of subsidiaries, associates and jointly controlled entities, whose functional currency is different from the presentation currency of Codelco, are translated using the following procedures:

- Assets and liabilities for each statement of financial position presented shall be translated at the closing rate at the date of that statement of financial position.

- Income and expenses for each statement of comprehensive income or separate income statement presented shall be translated at average exchange rates of the reporting period.

All resulting exchange differences are recognized as a separate component of net equity.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The exchange rates used in each period are as follows:

Ratio	Period-end exchange rates		
	9/30/2011	12/31/2010	9/30/2010
USD / CLP	0.00192	0.00214	0.00207
USD / GBP	1.56348	1.54059	1.57109
USD / BRL	0.53062	0.60107	0.59091
USD / EURO	1.34282	1.32802	1.36351

f) Offsetting Balances and Transactions: As a general standard, assets and liabilities, income and expenses, are not offset in the financial statements, except for those cases in which offsetting is required or is allowed by some standard and the presentation is a reflection of the transaction.

Income or expenses arising from transactions which, for contractual or legal reasons, consider the possibility of offsetting and which the Corporation intends to liquidate for their net value or realize the assets and pay the liabilities simultaneously, are stated net in the statement of income.

g) Property, plant and equipment and depreciation - Property, plant and equipment items are initially recognized at cost. After their initial recognition, they are recorded at cost, less any accumulated depreciation and any accumulated impairment losses.

The costs of property, plant and equipment items related to the extension, modernization or improvement representing an increase of the productivity, capacity or efficiency or an increase in the useful life of the assets is capitalized as cost of the corresponding assets.

Furthermore, investments in assets acquired under lease contracts with purchase options that meet the characteristics of a finance lease are included in this item. These items are not legally owned by the Corporation until the corresponding purchase option is exercised.

Items included in property, plant and equipment are depreciated in accordance with the straight-line method over their economic useful lives, which are summarized in the following table:

Item	Minimun useful life	Maximun useful life
Buildings	15 years	40 years
Plant and equipment	2 years	35 years
Fixtures and fittngs	2 years	15 years
Motor vehicles	5 years	25 years
Mining Operations	20 years	35 years
Construction in progress (Mine development)	1 years	5 years
Land improvements	10 years	35 years
Other	57 months	293 months

The assets maintained under finance leases are depreciated during the estimated period of the lease contract or in accordance with the useful life of the assets, whichever is lower.

Estimated useful lives, residual values and the depreciation method are reviewed at each year end, recording prospectively the effect of any change in estimates.

The profit or loss from disposal or withdrawal of an asset is calculated as the difference between the price obtained in the disposal and the value recorded in the ledgers recognizing the charge or credit to net income for the year.

Work in progress includes the amounts invested in the construction of property, plant and equipment assets and in mining development projects. Works in progress are transferred to assets in operation once the testing period has terminated and when they are available for use, and start to be depreciated as of that moment.

The ore deposits owned by the Corporation are recorded in the accounting records at US$1 (one US dollar) and the economic value of these deposits differs from the accounting value.

Borrowing costs that are directly attributable to the acquisition or construction of assets that require a substantial period of time before they are ready for use or sale will be considered as part of the cost of property, plant and equipment items.

h) Impairment of Property, Plant and Equipment and Intangible Assets - Property, plant and equipment items and intangible assets of definite useful life are reviewed for impairment, in order to verify whether there is any indication that the carrying value cannot be recovered. If such an indicator exists, the recoverable amount of the assets is estimated to determine the extent of the impairment loss. Where the asset does not generate cash flows independently from other assets, Codelco estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

For such purposes, each division of the Corporation has been defined as a cash generating unit.

The measurement of impairment includes subsidiaries and associates.

The recoverable amount of an asset will be the higher of the fair value less costs to sell the asset and its value in use. When evaluating the value in use, the estimated future cash flows are discounted using an interest rate, before taxes, that shows the market evaluations corresponding to the time value of money and the specific risks of the asset, for which the future cash flow estimates have not been adjusted.

If the recoverable value of an asset or cash generating unit is estimated to be less than its carrying amount, an impairment loss is immediately recognized, reducing the carrying amount up to its recoverable amount with a charge to net income. In case of a subsequent reversal of the impairment, the carrying amount increases to the reviewed estimate of the recoverable amount, but only to the point that it does not exceed the carrying amount that would have been determined if no impairment had been recognized previously. A reversal is recognized as a decrease in the charge for depreciation for the year.

For cash generating units (CGU's), future cash flow estimates are based on the estimates of future production levels, future prices of basic products and future production costs. IAS 36 "Impairment of Assets" includes a series of restrictions to the future cash flows that can be recognized regarding the restructurings and future improvements related to expenses. When calculating the value in use, it is also necessary to base the calculations on the current exchange rates at the moment of the measurement.

i) Exploration, Mine Development and Mining Operations Costs and Expenses - The Corporation has defined an accounting criterion for each of these costs and expenses.

Development expenses for deposits under exploitation whose purpose is to maintain production levels are charged to net income when incurred.

Expenses for exploration and drillings of deposits include the expenses destined to locate mineralized areas to determine their potential for commercial exploitation and are charged to net income when incurred.

Pre-operating and mine development expenses (PP&E) incurred during the execution of a project and until its start-up are capitalized and amortized in relation to the future production of the mine. These costs include extraction of waste material, constructing the mine's infrastructure and other works carried out prior to the production phase.

Finally, the costs for the delimitation of new areas or deposit areas in exploitation and of mining operations (PP&E) are recorded in property, plant and equipment and are charged to net income during the period in which the benefits are obtained.

j) Income Taxes and Deferred Taxes - Codelco and its Chilean subsidiaries record Income Tax based on the net taxable income determined as per the standards established in the Income Tax Law and Article 2 of the D.L. 2,398, as well as the specific tax on mining referred to in Law 20,026 of 2005. Its foreign subsidiaries record income tax according to the taxation standards of each country.

Deferred taxes due to temporary differences and other events that generate difference between the accounting and tax bases for assets and liabilities are recorded in accordance with the standards established in IAS 12 "Income taxes".

In addition, a deferred tax is recognized for the net income of subsidiaries, associates, originated by withholding taxes on remittances of dividends paid by such companies to the Corporation.

k) Inventories - Inventory is stated at cost, which does not exceed its net realizable value. The net realizable value represents the estimated sales price less all finishing costs and marketing, sales and distribution expenses. Costs have been determined according to the following methods:

- Finished Products and Products in Process: This inventory is stated at average production cost, according to the absorption costing method, including labor and the depreciation of property, plant and equipment, the amortization of intangible assets and the indirect expenses of each period.

- Materials in Warehouse: This inventory is stated at acquisition cost, and the Corporation determines an allowance for obsolescence considering the permanence in stock of slow moving materials in the warehouse.

- Materials in Transit: This inventory is stated at cost incurred until the period-end date. Any difference, due to the estimate of a lower net realizable value of the inventory, in relation to its accounting value, is adjusted with a charge to net income.

l) Dividends - The payment obligation of net revenues presented in the financial statements, as determined in Article 6 of D.L. 1,350, is recognized based on the accrued payment obligation.

m) Employee Benefits - Codelco recognizes accruals for employee benefits when there is a current obligation as a result of the services provided.

The contract conditions stipulate, subject to compliance with certain conditions, the payment of an employee termination benefit when an employment contract ends. In general, this corresponds to one monthly salary per year of service and considering the components of the final remunerations which are contractually defined as the basis for the indemnity. This benefit has been defined as a long-term benefit.

Codelco has also agreed to post-employment medical care for certain employees, which are paid based on a fixed percentage of the monthly tax base of the employees covered by this agreement. This benefit has been defined as a post-employment medical care benefit.

The employee termination benefit obligation and the post-employment medical plans are calculated in accordance with valuations performed by an independent actuary, using the projected unit credit method, which are updated on a regular basis. The obligation recognized in the statement of financial position represents the net present value of the employee termination benefit obligation and the post-employment medical benefit. Actuarial gains and losses are recognized immediately in the statement of comprehensive income within operating costs.

Management uses assumptions to determine the best estimate of these benefits. Such assumptions include an annual discount rate, mortality and morbidity tables, expected increases in compensation and future permanence, among other factors.

In accordance with its operating optimization programs to reduce costs and increase labor productivity by incorporating new current technologies and/or practical management best practices, the Corporation has established employee retirement programs by means of related addenda to employee contracts or collective union agreements with benefits that encourage employees to retire. Accordingly, the required accruals are established based on the accrued obligation at current value.

n) Provisions for Dismantling and Restoration Costs - An obligation, legal or constructive, arises when dismantling and restoration costs are incurred as a result of alterations caused by a mining activity (in development or in production). Costs are estimated on the basis of a formal closing plan and are subject to periodic review.

The costs arising from the obligation to dismantle the installation of a plant or other project for the preparation of the site, discounted at their net present value, are accrued and capitalized at the beginning of each project, at which time the obligation to incur such costs is arises.

These dismantling costs are recorded in income via the depreciation of the asset that gave rise to this cost, and the provision is used when the dismantling takes place. Subsequent changes in the estimates of liabilities related to dismantling are added to or deducted from the costs of the related assets in the period in which the adjustment is made.

The restoration costs are accrued at their net present value against operating income, and the provision is used in the period during which the restoration works are performed. Changes in measurement of the liability related to the location of the mining activity are recorded in operating income.

The effects of updating the liability, due to the discount rate and/or time, are recorded as finance costs.

o) Leases – (Codelco as a lessee) - Leases are classified as finance leases when the terms of the lease substantially transfer all risks and benefits of the property to the lessee. All other leases are classified as operating leases. Costs of leases classified under operating leases are charged to income as a function of the term of the lease. Assets acquired via finance leases are recognized as assets at the beginning of the lease at the lesser of fair value or present value of the minimum lease payments, deducted at the interest rate implicit in the contract. Interest is charged as a part of finance costs, at a constant periodic rate, for the same term as depreciation of the asset. The corresponding lease obligations net of finance costs are included in other current or non-current financial liabilities, as applicable.

By virtue of the stipulations of International Financial Reporting Interpretations Committee ("IFRIC") 4 "Determining Whether an Arrangement Contains a Lease," the determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement as of the initial date: if compliance with the arrangement depends upon the use of a specific asset or assets, or if it grants the right to use an asset, even if that right is not explicitly specified in the arrangement. For arrangements entered into before January 1, 2005, the initial date is considered to be January 1, 2005, in accordance with the transitional requirements of IFRIC 4.

All firm purchase contracts ("take-or-pay") of a relevant nature or that fulfill certain conditions established in IFRIC 4 are reviewed in order to find indicators of an implicit lease.

p) Revenue Recognition - Revenue is recorded when ownership rights and obligations have been substantially transferred to the purchaser, according to the shipment or dispatch of the products, in conformity with the agreed upon conditions and are subject to variations related to the content and/or sales price at their liquidation date. Notwithstanding the foregoing, there are certain contracts for which the rights and obligations are substantially transferred based on receipt of the product at the buyer's destination point, and for these contracts revenue is recorded at the moment of transfer.

Sales contracts include a provisional price at the shipment date, whose final price is generally based on the price recorded in the London Metals Exchange ("LME"). Recognition of sales revenue for copper and other commodities is based on the estimates of the future spread of metal price ("LME") and/or the spot price at the date of shipment, with a subsequent adjustment made upon final determination and presented as part of "Revenue". The terms of sales contracts with third parties contain provisional pricing arrangements whereby the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the "quotation period"). As such the final price will be fixed on the dates indicated in the contracts. Adjustments to the sales price occurs based on movements in quoted market prices ("LME") up to the date of final settlement. The period between provisional invoicing and final settlement can be between one and six months. Changes in fair value over the quotation period and up until final settlement are estimated by reference to forward market prices for the applicable metals.

Sales in the national market are recorded in conformity with the regulations that govern domestic sales as indicated in Articles 7, 8 and 9 of Law No. 16,624, modified by Article 15 of Decree Law No. 1,349 of 1976, on the determination of the sales price for the internal market.

As indicated in the note related to hedging policies in the metal futures market, the Corporation enters into operations in the futures market. The net results of these contracts are added to or discounted from the revenues.

q) **Derivative Contracts -** Codelco uses derivative financial instruments to reduce the risk of fluctuations in the sales prices of its products and of exchange rates.

Derivatives are initially recognized at fair value at the date on which the derivative is entered into and subsequently updated at fair value at each reporting date.

The effective part of the changes in fair value of the derivatives that are allocated as "effective cash flow hedges", is recognized directly in equity, net of taxes, in the item "Cash flow hedge reserves", while the ineffective part is recorded in net income. The amount recognized in net equity is not transferred to the income statement account until the results of the hedged operations are recorded in the income statement or until the maturity date of such operations.

A hedge is considered highly effective when the changes in fair value or in the cash flows of the underlying item attributable to the hedged risk, are offset with the changes in the fair value or in the cash flows of the hedge instruments, with effectiveness between a range of 80% - 125%. The corresponding unrealized profit or loss is recognized in comprehensive income for the period, only in those cases in which the contracts are liquidated or when they no longer comply with hedging characteristics.

The total fair value of the hedge derivatives is classified as a non-current asset or liability, if the remaining maturity of the hedged item is greater than 12 months, and as a current asset or liability, if the remaining maturity of the hedged item is lower than 12 months.

All derivatives designated as hedge instruments are classified as current or non-current assets or liabilities, respectively, depending on the maturity date of the derivative.

The derivative contracts entered into by the Corporation are originated by the application of the risk hedge policies indicated below, and are recorded as indicated for each case:

- *Hedging Policies for Exchange Rates and Interest Rates*

  From time to time the Corporation enters into exchange rate and interest rate hedge transactions to cover exchange rate variations between the US dollar and the other currencies its transactions are conducted in.

  Pursuant to the policies established by the Board of Directors these operations are only performed when there is a recognized assets or liabilities, forecast highly probable transactions or firm commitment, and not for investment or speculative reasons. Generally these transactions are designated as cash flow hedges, whereby the effective portion of the gain or loss on the hedging instrument is recognized directly as other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the income statement in other operating expenses.

Amounts recognized as other comprehensive income are transferred to the income statement when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognized in equity is transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, becomes ineffective, or if its designation as a hedge is revoked, any cumulative gain or loss previously recognized in other comprehensive income remains in other comprehensive income until the forecast transaction or firm commitment affects profit or loss

- *Hedging Policies in the Metal Futures Markets*

In accordance with the policies approved by the Board of Directors the Corporation entered into contracts in order to hedge future metal prices, backed by physical production, in order to minimize the inherent risks in price fluctuations.

The hedging policies seek to protect expected cash flows from the sale of products by fixing the prices for a portion of future production, while to the extent necessary adjusting physical contracts to its standard commercial policies. When the sales agreements are fulfilled and the future contracts are settled, income from sales and futures operations is offset.

At each reporting date, these futures contracts are recorded and adjusted to marked-to-market and recorded at the settlement date of the hedging operations, as a part of the sales revenue of the products.

Hedging operations carried out by the Corporation are not of a speculative nature.

- *Embedded Derivatives*

The Corporation has established a procedure that allows for evaluation of the existence of embedded derivatives in financial and non-financial contracts. Where there is an embedded derivative, and if the host contract is not recorded at fair value, the procedure determines whether the characteristics and risks of the embedded derivative are not closely related to the host contract, in which case it requires a separate recording.

The procedure consists of an initial characterization of each contract that allows for distinguishing of those in which an embedded derivative could exist. In that case, the contract is submitted to a more in-depth analysis. If as a result of this evaluation it is determined that the contract has an embedded derivative that needs to be recorded separately, it is valued and the movements in its fair value are recorded in comprehensive income in the consolidated financial statements.

r) Financial Information by Segment - For the purposes of IFRS 8, *Operating Segments* it has been defined that the segments are defined as the Operating Divisions, plus the Gabriela Mistral mine operation, which make up Codelco. Income and expenses of the parent company are distributed in the defined segments.

s) Presentation of Financial Statements - For the purposes of IAS 1, *Presentation of the Financial Statements*, the Corporation establishes the presentation of its statement of financial position classified in "current and non-current" and of its statements of income in conformity with the "by function" method and its cash flows using the direct method.

t) Current and Non-Current Financial Assets - The Corporation determines the classification of its investments upon initial recognition and reviews these at each closing date. This classification depends on the purpose for which such investments were acquired.

In this section the following categories are observed:

- *Financial Assets at Fair Value through Profit or Loss*:

  This category includes those financial assets acquired for trading or sale in the short term. Their initial and subsequent recognition is performed at fair value, which is obtained as of the observable date in the market. The gains and losses from variations in fair value are included in net income for the period.

- *Loans Granted and Accounts Receivable*:

  These correspond to financial assets with fixed or determined payments, and which are not quoted in an active market. They arise when the Corporation provides - for valuable consideration - cash, goods or services directly to a debtor without the intention of negotiating the accounts receivable that are generated by the transaction. Its initial recognition is at fair value, which includes the transaction costs that are directly attributed to the acquisition or issuance of it. Subsequent to the initial recognition, these are stated at amortized cost, recognizing in the income statement the accrued interest according to the effective interest rate and the possible losses in value of these assets.

  A loss in value of the financial assets stated at amortized cost is caused when there is objective evidence that the Corporation will not be able to recover all amounts in accordance with the original terms.

  The amount of loss in value is the difference between the carrying amount and the net present value of the future cash flows discounted at the effective interest rate, and it is recognized as an expense in the income statement.

If in subsequent periods there is evidence of a recovery in the value of the financial asset stated at amortized cost, the recognized impairment loss will be reversed as long as it does not generate an amount in the financial asset ledgers that exceeds the one recorded prior to the loss. The accounting of the reversal is recognized in net income for the period.

Finally, an account receivable is not considered recoverable when situations arise such as the dissolution of the company, lack of identifiable assets for its execution or a legal pronouncement.

u) Financial Liabilities - Financial liabilities are recognized initially at fair value, net of the incurred transaction costs. As the Corporation does not own any financial liabilities held for trading, subsequent to their initial recognition, the financial liabilities are valued at amortized cost, using the effective interest rate method, recognizing the interest expenses based on the effective profitability.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or when appropriate, a shorter period when the associated liability has a prepayment option that is considered to be exercised.

Trade accounts payable and other payables are financial liabilities that do not explicitly accrue interest and are recorded at their nominal value.

The financial liabilities are derecognized when the liabilities are paid or expire.

v) Allowance for Doubtful Accounts - The Corporation maintains an allowance for doubtful accounts, based on the experience and analysis of Management regarding the portfolio of trade accounts receivable and the aging of the items.

w) Intangible Assets - Intangible assets are measured on initial recognition at cost. Amortization, where appropriate, is recognized in accordance with IAS 38. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses, if any. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Currently intangible assets are amortized using the straight-line method over periods between 4 and 19 years. The amortization expense on intangible assets with finite lives is recognized in profit or loss in the expense category consistent with the function of the intangible assets.

Research costs are expensed as incurred.

x) Statement of Cash Flows - For the purposes of preparing the statement of cash flows, the Corporation has defined the following:

Cash and cash equivalents in the statement of financial position include cash at banks and on hand, and short term deposits and other highly liquid short term investments with an original maturity of three months or less. In the statement of financial position, bank overdrafts are classified as external resources in current liabilities.

Operating Activities: These are the activities that constitute the main source of operating income for the Corporation, as well as other activities that cannot be classified as investment or financing activities.

Investing Activities: These correspond to acquisition or sale activities or disposal through other methods of long-term assets and other investments not included in cash and cash equivalents.

Financing Activities: These are activities that cause changes in the size and composition of net equity and of financial liabilities.

y) Law No. 13,196 - The amount for this concept is presented in the statement of income in the item Other expenses, by function.

aa) Cost of Sales - Cost of sales is determined according to the absorption cost method, including the direct and indirect costs, depreciation, amortization and any other expenses associated with the production process.

ab) Environment - The Corporation adheres to the principles of sustainable development, which foster the economic development while safekeeping the environment and the health and safety of its collaborators. The Corporation recognizes that these principles are key for the wellbeing of its collaborators, care for the environment and success in its operations.

ac) Classification of Current and Non-Current Balances - In the Interim consolidated statement of financial position, the balances are classified according to their maturities, that is, as current those with a maturity equal or inferior to twelve months and as non-current those with a greater maturity. Where there are obligations whose maturity is less than twelve months, but whose long-term refinancing is insured upon a decision by the Company, through credit agreements available unconditionally with long-term maturity, these could be classified as non-current liabilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

3. New accounting pronouncements not yet effective

As of the issuance date of these interim consolidated financial statements, the following IFRS and IFRIC interpretations have been issued by the IASB. Their application was not mandatory [1]:

New IFRS	Date of mandatory application	Summary
IFRS 9, Financial Instruments	Annual periods beginning on or after January 1, 2013	Financial assets must be entirely classified on the basis of the business model of the entity for financial asset management and the characteristics of contractual cash flows of financial assets. Financial assets under this standard are measured either at amortized cost or fair value. Only financial assets classified as measured at amortized cost must be tested for impairment.
IFRS 10, Consolidated Financial Statements	Annual periods beginning on or after January 1, 2013	Establishes a single control model that applies to all entities (including special purpose entities). In addition, this standard requires that management exercise professional judgment in determining which entity is controlled and must be consolidated.
IFRS 11, Joint Agreements	Annual periods beginning on or after January 1, 2013	Establishes only two forms of joint agreements (joint ventures and joint operations). This standard uses the principle of control of IFRS 10 to determine whether there is joint control. There is no option for accounting for joint control entities (JCEs) using proportional consolidation. In the case of joint ventures, these must be accounted for using the equity method. For joint operations, which include jointly controlled assets, initial joint operations and initial joint control entities (JCEs) their assets, liabilities, income and expenses are recognized.
IFRS 12, Disclosure of interests in other entities	Annual periods beginning on or after January 1, 2013	Establishes the disclosures of IAS 27, IAS 31 and IAS 28. A number of new disclosures are included in this standard.
IFRIC 20: Stripping Costs in the Production Phase of a Surface Mine	Annual periods beginning on or before January 1, 2013.	Establishes criteria for the recognition and measurement of assets for the concept of stripping costs in the production phase.

IFRS Amendments	Date of mandatory application	Summary
IFRS 13, Fair Value	Annual periods beginning on or after January 1, 2013	Establishes a single source to measure fair value. Does not change when an entity must use fair value. The standard changes the definition of fair value. Additionally incorporates certain new disclosures.
IAS 1 Presentation of Financial Statements	Annual periods beginning on or after July 1, 2012.	Modifications are related to the presentation of Other Comprehensive Income items, giving the option to expose income for the period and comprehensive income. In addition, modifies paragraphs on disclosure of information on income for the period and other comprehensive income.
IAS 12, Deferred taxes – Recovery of Underlying Asset.	Annual periods beginning on or after January 1, 2012.	Deferred taxes on investments in properties measured at fair value shall be recognized on the basis of sales, unless the entity has a model that demonstrates that it will be consumed during the business. In addition deferred taxes on non-depreciable assets measured under the revaluation model, must be measured on the basis of sales
IAS 19, Employee Benefits	Annual periods beginning on or after January 1, 2013	Changes the accounting for defined benefit plans the termination benefits. For modification of defined benefits and plan assets, the focus of the broker is eliminated, recognizing past service costs in an accelerated manner. Changes in the defined benefits obligation and plan assets are broken down into three components: service costs, net interest on defined benefit, net liabilities (assets). Net interest is calculated using the rate of return for high quality corporate bonds. This could be lower than the rate currently used to calculate expected return on plan assets, resulting in a decrease in net income for the year.

[1] IAS, International Accounting Standards; IFRS, International Financial Reporting Standards; IFRIC, International Financial Reporting Interpretation Committee

Management is currently in the process of evaluating the initial effects of the application of the standards, amendments and interpretations that will be adopted in the consolidated financial statements of the Corporation in the respective years indicated. In order to determine the eventual impact that these pronouncements will have on the Corporation's financial statements, studies are being conducted of each of the pronouncements detailed above.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

EXPLANATORY NOTES

1. Cash and cash equivalents

Cash and cash equivalents are detailed as follows:

Items	9/30/2011 ThUS$	12/31/2010 ThUS$
Cash On hand	2,591	3,319
Bank Balances	17,052	17,012
Time deposits	862,838	741,579
Mutual Funds	12,230	61,855
Resale Agreements	-	50,274
Total Cash and Cash Equivalents	894,711	874,039

Time deposits have a maturity of 90 days or less from their date of acquisition and they are valued at cost plus interest at their corresponding interest rate.

The Corporation does not maintain any significant amounts of cash and cash equivalents that are not available for use.

2. Trade and other receivables

a) Accrual for open sales invoices

As mentioned in Article of Summary of Significant Accounting Policies, the Corporation adjusts its revenues and balances from trade accounts receivable, based on future copper prices, by recording an accrual for open sales invoices.

When the future price of copper is lower than the provisional invoice amount, this provision is presented in the Statement of Financial Position as follows:

- Customers that have debt balances with the Corporation are presented in Current Assets, decreasing the amounts owed by these customers.

- Customers that do not have debt balances with the Corporation are presented in the item Trade and other payables under Current Liabilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

When the future copper price is higher than the provisional invoice price, the provision is presented in current assets, increasing the amounts owed by customers.

Based on this, current assets as of September 30, 2011 and December 31, 2010 include an accrual of ThUS$ (436,193) y ThUS$ 406,837, respectively, in current assets.

b) Trade and other receivables

The following chart shows the amounts of Trade and other receivables, with their corresponding allowances:

Items	Current (ThUS$)		Non- Current (ThUS$)	
	9/30/2011 ThUS$	12/31/2010 ThUS$	9/30/2011 ThUS$	12/31/2010 ThUS$
Trade Receivables (1)	997,946	2,349,685	-	-
Allowance for doubtful accounts (2)	(2,079)	(2,343)	-	-
Subtotal trade receivables, Net	995,867	2,347,342	-	-
Other Receivables(3)	327,108	370,878	166,321	198,785
Allowance for doubtful accounts (2)	(6,195)	(4,214)	-	-
Subtotal other receivables, Net	320,913	366,664	166,321	198,785
Total	1,316,780	2,714,006	166,321	198,785

(1) Trade accounts receivable are generated by the sale of the Corporation's products, which are generally sold on a cash basis or via bank letters of credit.

(2) The Corporation records an allowance for doubtful accounts, based on the management's experience with and analysis of the characteristics of the accounts receivable portfolio, and on the age of the entries.

(3) Other receivables include the amounts owed mainly by:

- Personnel of the Corporation, including short-term loans and mortgage loans, payment for which is withheld on a monthly basis from employee paychecks. The mortgage loans are backed by mortgage guarantees.
- Claims for insurance companies.
- Liquidations to the Central Bank as per Law 13,196.
- Advance payments to suppliers and contractors, to be discounted from the corresponding payment statements.
- Accounts receivable for toll services (Fundición Ventanas).

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The movement of the allowance for doubtful accounts in the periods January to September 2011 and 2010 is detailed as follows:

Movements of allowance for doubtful accounts	9/30/2011 ThUS$	9/30/2010 ThUS$
Opening balance	6,557	4,558
Increases	2,325	10
Write-offs/applications	(608)	(236)
Movement, subtotal	1,717	(226)
Final Balance	8,274	4,332

Past due and not impaired balances are detailed as follows:

Past-due and not impaired	9/30/2011 ThUS$	12/31/2010 ThUS$
Less than 90 days	14,861	18,814
Between 90 days and 1 year	2,598	378
More than 1 year	5,665	3,572
Total past-due and not impaired	23,124	22,764

3. Related Party Disclosures

a) Related operations conducted via persons

In accordance with the new Corporate Governance Law, the members of Codelco’s Board of Directors, with respect to business operations conducted with related persons, are subject to the stipulations of Title XVI of the Chilean Corporations Law (regarding operations with related parties in public corporations and their subsidiaries).

Notwithstanding the points described above, in accordance with what is stipulated in the final paragraph of article 147b) of Title XVI (mentioned above), which contains standards for exception with respect to the approval process for operations with related parties, the Corporation has established a general “habituality” policy (communicated to the Chilean Superintendency of Securities and Insurance as an Essential Event), that specifies which operations are habitual, understanding these to be those activities that are conducted commonly with related parties within the line of business, that contribute to its business interests and that are necessary for the normal progress of Codelco's activities.

In turn, consistent with the legal framework referred to above, the Corporation has revised its internal regulatory framework, which regulates its business operations with related persons and companies and with the Corporation's personnel. As a result of this, during the current year the Board of Directors approved an update of the Codelco Corporate Standard No. 18 ("NCC No. 18" for its acronym in Spanish) and of its corresponding administrative process.

As a consequence of this, without the authorization detailed in NCC No. 18 and of the Board of Directors when required by Law or by the Corporation's Statutes, Codelco may not enter into legal acts or contracts in which one or more of its Directors; its Executive Chairman, members of the Divisional Management Committees; Vice-presidents; Legal Counsel; General Auditor; Divisional General Managers; advisors to executive management; personnel who participate in evaluation, recommendation or adjudication processes for purchases and/ or the contracting of goods and services, and personnel who hold leadership positions, including their spouses, children and other family members up to the second degree of consanguinity or affinity, who have an inherent interest, directly, be this via representation by third parties or as representatives of another person. Likewise, the NCC No. 18 standard detailed above stipulates that it is mandatory that contract managers for the Corporation make a declaration of related persons, and that they disqualify themselves when persons who fulfill the conditions detailed above exist within the scope of their duties.

This prohibition also includes companies in which said persons have a property or management-based relationship, be this directly or by means of the representation of other natural or legal persons, as is the case as well for persons by means of whom they participate in the ownership or management of these companies.

For regulatory purposes, leadership roles are defined as roles at a second, third and fourth hierarchical level within the organization of the Corporation.

The Company's Board of Directors has been made aware of the transactions regulated by Codelco Corporate Standard No. 18, and in accordance with this standard, it is applicable to issue a statement accordingly.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

These operations include those that are included in the following table, for the total amounts indicated, which should be executed in the terms specified by each respective contract:

Entity	Taxpayer number	Country	Nature of the relationship	Description of the transaction	1/1/2011 9/30/2011 Amount ThUS$	1/1/2010 9/30/2010 Amount ThUS$	7/1/2011 9/30/2011 Amount ThUS$	7/1/2010 9/30/2010 Amount ThUS$
Domingo Iraola Vera	2.320.212-3	Chile	Executive´s relative	Services	8,531	59	94	26
Cosando Construcción y Montaje Ltda.	77.755.770-K	Chile	Executive´s relative	Services	3,716	-	-	-
Ernst &Young Ltda.	77.802.430-6	Chile	Director´s relative	Services	-	17	-	-
Servicios Aridam S.A.	76.033.531-2	Chile	Executive´s relative	Services	12,022	184	-	-
Ecometales Ltd.	59.097.530-9	Chile	Subsidiary	Services	5,178	26,200	-	26,200
Fundación de Salud El Teniente	70.905.700-6	Chile	Special Purpose Entities	Services	5,606	-	5,606	-
Clinica Río Blanco S.A.	99.573.600-4	Chile	Subsidiary	Services	1,407	1,841	1,407	1,841
Club Deportes Cobresal	70.658.400-5	Chile	One employee is the President of the Club	Services	-	340	-	-
CAID S.A.	76.069.751-6	Chile	Executive´s relative	Services	-	442	-	-
ANMAR S.A.	76134358-0	Chile	Director´s ownership	Services	438	-	438	-
B. BOSCH. S.A.	84.716.400-K	Chile	Executive´s relative	Services	-	195	-	-
CIS Ingenieros Asociados Ltda.	88.422.600-7	Chile	Director´s ownership	Services	26	-	26	-
E-CL S.A.	88.006.900-4	Chile	Associate	Services	900	-	-	-
Irene Astudillo Fernández	8.972.584-4	Chile	Executive´s relative	Services	-	74	-	-
Sinclair Knight Merz (Chile) Ltda	76.334.600-5	Chile	Executive´s relative	Services	123,479	169	-	48
Entel S.A.	92.580.000-7	Chile	Director´s relative	Services	-	70	-	70
San Lorenzo Institucion de Salud Previsional Ltda.	76.521.250-2	Chile	Subsidiary	Services	-	1,341	-	1,341
Mining Industry Robotic Solutions S.A.	76.869.100-2	Chile	Subsidiary	Services	-	25	-	25
Salomón Sack S.A.	90.970.000-0	Chile	Director´s ownership	Services	303	-	33	-

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Key Personnel of the Corporation

In accordance with the policy established by the Board of Directors and its related regulation, those transactions affecting the Directors, its Executive President, Vice presidents, Corporate Auditor, the members of the Divisional Boards of Directors and Divisional General Managers should be approved by this Board.

During 2011 and 2010, the members of the Board of Directors have received the following amounts as per diems, salaries and fees:

Entity	Tax payer number	Conuntry	Nature of the relationship	Description of the transaction	1/1/2011 9/30/2011		1/1/2010 9/30/2010		7/1/2011 9/30/2011		7/1/2010 9/30/2010	
					Amount ThUS$	Effects on net income (charges)/ credits ThUS$	Amount ThUS$	Effects on net income (charges)/ credits ThUS$	Amount ThUS$	Effects on net income (charges)/ credits ThUS$	Amount ThUS$	Effects on net income (charges)/ credits ThUS$
Santiago González Larraín	6.499.284-8	Chile	Chairman of the board	Director's fees	-	-	4	(4)	-	-	-	-
Andrés Velasco Brañes	6.973.692-0	Chile	Director	Director's fees	-	-	4	(4)	-	-	-	-
Nicolás Majluf Sapag	4.940.618-5	Chile	Director	Director's fees	-	-	45	(45)	-	-	-	-
Nicolás Majluf Sapag	4.940.618-5	Chile	Director	Fees	-	-	7	(7)	-	-	-	-
Jorge Bande Bruck	5.899.738-2	Chile	Director	Director's fees	79	(79)	66	(66)	26	(26)	23	(23)
Jorge Bande Bruck	5.899.738-2	Chile	Director	Fees	-	-	5	(5)	-	-	-	-
Jorge Candia Díaz	8.544.205-8	Chile	Director	Compensation	-	-	15	(15)	-	-	-	-
Jorge Candia Díaz	8.544.205-8	Chile	Director	Director's fees	-	-	11	(11)	-	-	-	-
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Compensation	34	(34)	61	(61)	10	(10)	31	(31)
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Director's fees	59	(59)	52	(52)	19	(19)	26	(26)
Gustavo González Jure	6.866.126-9	Chile	Director	Director's fees	-	-	11	(11)	-	-	-	-
Alberto Arenas de Mesa	8.718.414-5	Chile	Director	Director's fees	-	-	18	(18)	-	-	-	-
Jaime Gutiérrez Castillo	6.772.588-3	Chile	Director	Compensation	30	(30)	50	(50)	-	-	29	(29)
Jaime Gutiérrez Castillo	6.772.588-3	Chile	Director	Director's fees	26	(26)	41	(41)	-	-	8	(8)
Andrés Sanfuentes Vergara	4.135.157-8	Chile	Director	Director's fees	-	-	18	(18)	-	-	-	-
Gerardo Jofré Miranda	5.672.444-3	Chile	Chairman of the board	Director's fees	119	(119)	77	(77)	40	(40)	34	(34)
Marcos Büchi Buc (1)	7.383.017-6	Chile	Director	Director's fees	-	-	55	(55)	-	-	23	(23)
Fernando Porcile Valenzuela	4.027.183-k	Chile	Director	Director's fees	59	(59)	29	(29)	19	(19)	29	(29)
Andrés Tagle Dominguez	5.895.255-9	Chile	Director	Director's fees	59	(59)	29	(29)	19	(19)	29	(29)
Marcos Lima Aravena	5.119.963-4	Chile	Director	Director's fees	99	(99)	55	(55)	33	(33)	23	(23)
Juan Luis Ossa Bulnes	3.638.915-K	Chile	Director	Director's fees	59	(59)	29	(29)	19	(19)	29	(29)

(1) During the nine-month period from January 1 to September 30, 2011, the Corporation has not issued any payment instrument for the concept of remunerations to Mr. Marcos Büchi Buc, derived from his participation as Corporation Director, since he has expressly and irrevocably waived those payments, as well as any present or future collection action for that concept. Regarding the amounts referring to Board fees for 2010, although the relevant payment documents had been issued, they were not cashed at the time by Mr. Büchi, due to his waiving collection of those amounts, and they were written-off.

Through Supreme Decree of the Treasury Department No. 257, dated March 3, 2010, the method for determining the remunerations of the Corporation's directors was established. This document details the calculation method of such remunerations, as per the following:

a. The monthly salary of the directors of Codelco is fixed in the amount of Ch$3,000,000 - (three million Chilean pesos) for participating in the Board meetings.

b. A unique monthly salary of Ch$6,000,000 - (six million Chilean pesos) is established for the Chairman of the Board.

c. In the case of the directors that shall participate in a Board Committee, whether the one referred to in Article 50 bis) of law No. 18,046 or another established by the by-laws of the Corporation, they shall receive a single additional monthly amount of Ch$1,000,000 - (one million Chilean pesos) for their participation, notwithstanding the number of committees in which they participate. In addition, the director holding the chair of the Directors' Committee shall receive a single monthly remuneration for his participation in committees of Ch$2,000,000 - (two million Chilean pesos).

d. The compensation established in this legal document will be valid for a period of two years, as of March 1, 2010, and was adjusted as of January 10, 2011, according to the same provisions that govern the general salary adjustment of the employees of the Public Sector of the Republic of Chile.

The short-term benefits related to the main executives of the Corporation, paid during the period January - September 2011, amount to ThUS$ 5,574 (2010: ThUS$ 4,818).

Non-current benefits during the January – September 2011 period amount to ThUS $ 42.

The criteria used to determine the remunerations of the executives were established by the Board on January 29, 2003.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In the period being reported, no payments are recorded for the main executives of Codelco for the concept of staff severance indemnities, termination benefits, or post employment benefits.

There are no share-based benefit plans.

c) Operations with Codelco Investees

In addition, the Corporation performs necessary commercial and financial transactions with entities in which it has capital ownership. The financial transactions correspond mainly to loans in checking accounts.

The commercial operations with related companies refer to the purchase and sale of products or services, at market conditions and prices and which do not consider interest or indexation. These companies are the following: Sociedad GNL Mejillones S.A., , Copper Partners Investment Company Ltd., Copper for Energy , Sociedad Contractual Minera Purén, Kairos Mining S.A., MI Robotic Solutions S.A., Sociedad Contractual Minera El Abra, Electroandina S.A., Agua de La Falda S.A., Ecosea Farming S.A., Comotech S.A., E-CL S.A., Deutsche Geissdraht GmbH and Inca de Oro S.A.

The Corporation does not establish an allowance for doubtful accounts for the main items receivable from their related companies, as these have been registered by including the relevant safeguards in the respective debt contracts.

Accounts receivable from and payable to related companies as of September 30, 2011 and December 31, 2010, are detailed as follows:

Account receivables due from related companies:

Taxpayer number	Company	Country	Nature of the relationship	Indexation currency	Current		Non- Current	
					9/30/2011	12/31/2010	9/30/2011	12/31/2010
					ThUS$	ThUS$	ThUS$	ThUS$
76.775.710-7	GNL Mejillones S.A.	Chile	Associate	USD	40,054	52,655	100,760	104,672
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	USD	1,868	1,217	-	-
Foreign	Copper Partners Invest. Company Ltd.	Bermuda	Joint Venture	USD	6,388	100,121	-	-
77.773.260-9	Sociedad de Inversiones Copperfield Ltda.	Chile	Associate	USD	-	2,453	33	-
96.801.450-1	Agua de la Falda S.A.	Chile	Associate	USD	-	-	224	224
76.024.442-2	Ecosea Farming S.A.	Chile	Associate	CLP	-	64	-	-
76.009.778-0	Comotech S.A.	Chile	Associate	CLP	-	165	-	-
76.023.022-5	Inca de Oro S.A.	Chile	Associate	CLP	5	-	-	-
76.869.100-2	Mining Industry Robotic Solutions S.A.	Chile	Associate	CLP	-	1,279	-	-
Total					48,315	157,954	101,017	104,896

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Accounts payables to related companies:

Taxpayer number	Company	Country	Nature of the relationship	Indexation currency	Current		Non- Current	
					9/30/2011	12/31/2010	9/30/2011	12/31/2010
					ThUS$	ThUS$	ThUS$	ThUS$
Foreign	Copper Partners Investment Company Ltd.	Bermuda	Joint venture	USD	36,666	36,666	317,796	345,324
Foreign	Deutsche Geissdraht GmbH	Germany	Associate	EURO	3,800	2,081	-	-
76.781.030-K	Kairos Mining S.A.	Chile	Associate	CLP	-	13,845	-	-
88.006.900-4	E-CL S.A.	Chile	Associate	USD	-	53,091	-	3,880
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	USD	41,406	50,670	-	-
76.775.710-7	GNL Mejillones S.A.	Chile	Associate	USD	15,132	15,146	-	-
	Otras sociedades				4	66	-	-
Total					97,008	171,565	317,796	349,204

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The transactions performed between the Corporation and its related companies during the nine months ended September 30, 2011 and 2010 are detailed in the next chart together with their corresponding effects on profit or loss:

Taxpayer number	Company	Description if the transaction	Country	Indexation Currency	1/1/2011 9/30/2011		1/1/2010 9/30/2010		7/1/2011 9/30/2011		7/1/2010 9/30/2010	
					Amount	Effects on net income (charges)/ credits	Amount	Effects on net income (charges)/ credits	Amount	Effects on net income (charges)/ credits	Amount	Effects on net income (charges)/ credits
					ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Foreign	Copper Partners Investment Co. Ltd.	Sale of products	Bermudas	USD	96,676	96,676	108,284	108,284	29,706	29,706	36,480	36,480
76.775.710-7	Sociedad GNL Mejillones S.A.	Purchase of energy	Chile	USD	190,667	(190,667)	53,842	(53,842)	104,468	(104,468)	53,842	(53,842)
76.775.710-7	Sociedad GNL Mejillones S.A.	Loan	Chile	USD	-	-	71,500	-	-	-	-	-
76.775.710-7	Sociedad GNL Mejillones S.A.	Commissions received	Chile	USD	569	569	450	450	193	193	-	-
76.775.710-7	Sociedad GNL Mejillones S.A.	Loan interest	Chile	USD	3,846	3,846	3,566	3,566	1,219	1,219	-	-
96.701.340-4	SCM El Abra	Dividends received	Chile	USD	85,750	-	49,000	-	49,000	-	49,000	-
96.701.340-4	SCM El Abra	Purchase of products	Chile	USD	314,710	(314,710)	324,311	(324,311)	117,132	(117,132)	109,847	(109,847)
96.701.340-4	SCM El Abra	Sale of products	Chile	USD	83,118	83,118	15,875	15,875	60,323	60,323	2,611	2,611
96.701.340-4	SCM El Abra	Purchase of services	Chile	USD	960	(960)	893	(893)	-	-	28	(28)
96.701.340-4	SCM El Abra	Commissions received	Chile	USD	86	86	112	112	84	84	36	36
88.006.900-4	E-CL S.A.	Interest and commissions	Chile	USD		-	-	-	-	-	-	-
88.006.900-4	E-CL S.A.	Purchase of energy	Chile	USD	-	-	348,796	(348,796)	-	-	119,753	(119,753)
88.006.900-4	E-CL S.A.	Gas Supply	Chile	USD	-	-	-	-	-	-	-	-

d) Additional Information

The current and non-current account payable to the company Copper Partners Investment Company Ltd., corresponds to the balance of an advance payment received (US$550 million) due to the commercial agreement with the company Minmetals.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The current and non-current receivables from Sociedad GNL Mejillones S.A. refers to a loan agreement signed with the company, with a maturity of December 31, 2016 and accrues an interest of Libor 180 days+3% until September 30, 2010. From July 1, 2010 to December 31, 2012 the interest rate is Libor 90 days+3% and afterwards the rate is being fixed at Libor 90 days +4.5% until the full payment by Sociedad GNL Mejillones S.A.

4. Inventories

Inventories as of September 30, 2011, December 31, 2010 is detailed as follows:

Items	9/30/2011 ThUS$	12/31/2010 ThUS$
Finished products	548,187	418,394
Subtotal finished products, net	548,187	418,394
Products in process	1,177,117	1,055,664
Subtotal products in process, net	1,177,117	1,055,664
Material in wharehouse and others	508,853	381,932
Obsolescence allowance adjustment	(64,658)	(73,484)
Subtotal material in wharehouse and others, net	444,195	308,448
Total	2,169,499	1,782,506

Movements	9/30/2011 ThUS$
Initial Balance	(73,484)
Additions	(13,168)
Reversals	21,994
Final Balance	(64,658)

The value of finished products is stated net of unrealized profit corresponding to the purchase and sales operations of associates and subsidiaries, and which according to accounting standards need to be discounted from the entries that originated them.

The inventory recognized as an expense in the cost of sales during the nine months ended September 30, 2011 and 2010, corresponds to finished products and amounts to ThUS$7,355,003 and ThUS$6,497,015, respectively.

Codelco has not written off inventory that has been recognized in the Statement of Income by function.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

5. Deferred taxes and income taxes

This provision is stated in the item Current Tax Liabilities, in current liabilities, net of monthly provisional tax payments and other tax credits (Note 6).

In accordance with Law 20,455 related to reconstruction due to the earthquake, the income tax rates were changed for tax years 2012 and 2013 (fiscal years 2011 and 2012) to 20% and 18.5%, respectively. In fiscal year 2013 the income tax rate will revert back to 17%.

The effect of this tax rate change resulted in recognizing a deferred tax asset of ThUS$ 22,735, with a credit to income, as of December 31, 2010. The deferred taxes that will be reversed in tax years 2012 and 2013 (fiscal years 2011 and 2012) amount to ThUS$ 17,379 and ThUS$ 5,356, respectively.

In accordance with Law 20,469 regarding the Specific Mining Tax, that changes the current income tax rate (5%) to be applied from tax year 2012 onwards, the Company has estimated a tax rate of 5.68% for that tax year.

Deferred tax assets and liabilities are detailed as follows:

Deferred tax assets	9/30/2011 ThUS$	12/31/2010 ThUS$
Provisions	949,079	671,737
Unrealized gains	49,157	49,246
Finance lease	22,496	18,862
Specific mining tax	45,571	7,452
Derivatives - futures	438,134	1,232,505
Advances from clients	202,043	217,734
Derivatives interest rate swaps	54,017	52,740
Health care plans	20,401	20,081
Others	48,858	31,754
Total tax deferred assets	1,829,756	2,302,111

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Deferred tax liabilities	9/30/2011 ThUS$	12/31/2010 ThUS$
Financial liabilities under effective interest rate	2,749	8,000
Price-level restatement of property, plant and equipment	737,472	832,594
Valuation of employee termination benefit	110,892	200,568
Accelerated depreciation	2,052,640	1,915,741
Provisions	143	46,808
Others	5,819	9,782
Total tax deferred liabilities	2,909,715	3,013,493

The effect of deferred taxes affecting equity is summarized as follows:

Deferred taxes affecting Equity	9/30/2011 ThUS$	12/31/2010 ThUS$
Cash flow Hedge	(793,094)	(63,560)
Total deferred taxes affecting Equity	(793,094)	(63,560)

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

A reconciliation of taxes considering the legal tax rate and the calculation of the taxes actually paid is detailed as follows:

Items	9/30/2011				
	Taxable base 20%	Taxable base 40%	Tax Rate 20%	Additional tax rate 40%	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Profit (loss) before taxes	4,174,552	4,174,552	834,910	1,669,821	2,504,731
Permanent Differences 20%	(539,999)	-	(108,000)	-	(108,000)
Permanent Differences 40%	-	(370,670)	-	(148,268)	(148,268)
Income from corporations and others	(150,710)	(150,710)	(30,142)	(60,284)	(90,426)
Income from contractual companies	(178,658)	-	(35,732)	-	(35,732)
Income from Isapres (Private health insurance companies)	(1,237)	-	(247)	-	(247)
Foreign exchange differences	(2,838)	(2,838)	(568)	(1,135)	(1,703)
Specific mining tax	(320,531)	(320,531)	(64,106)	(128,212)	(192,318)
Dividends receivable	-	(10,566)	-	(4,226)	(4,226)
Others	113,975	113,975	22,795	45,590	68,385
Specific mining tax net of deferred tax	-	-	-	-	274,627
Effect of subsidiaries	-	-	-	-	50,689
Total tax expense			726,910	1,521,554	2,573,780

Items	9/30/2010				
	Taxable base 17%	Taxable base 40%	Tax Rate 17%	Additional tax rate 40%	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Profit (loss) before taxes	3,031,762	3,031,762	515,400	1,212,705	1,728,105
Permanent Differences 17%	(395,776)	-	(67,282)	-	(67,282)
Permanent Differences 40%	-	(148,190)	-	(59,276)	(59,276)
Income from corporations and others	(41,236)	(41,236)	(7,010)	(16,494)	(23,504)
Income from contractual companies	(171,001)	-	(29,070)	-	(29,070)
Income from Isapres (Private health insurance companies)	(1,259)	-	(214)	-	(214)
Foreign exchange differences	634	634	108	254	362
Specific mining tax	(202,791)	(202,791)	(34,474)	(81,116)	(115,590)
Dividends receivable	-	85,341	-	34,136	34,136
Others	19,877	9,862	3,379	3,945	7,324
Specific mining tax net of deferred tax	-	-	-	-	202,304
Deferred tax adjustments of tax rate variation			(29,629)		(29,629)
Effect of subsidiaries	-	-	-	-	(9,858)
Total tax expense			418,490	1,153,430	1,764,366

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

6. Current tax assets and liabilities

a) Current tax assets

This item shows the right to collect VAT fiscal credit, income taxes and other taxes receivable, and is detailed as follows:

Item	9/30/2011 ThUS$	12/31/2010 ThUS$
VAT fiscal credit	147,995	153,347
Other taxes	8,741	5,153
Income tax	4,170	35,726
Total	160,906	194,226

b) Current tax liabilities

This item shows the income tax liabilities, net of monthly provisional payments:

Item	9/30/2011 ThUS$	12/31/2010 ThUS$
Income tax payable	592,254	307,952
Total	592,254	307,952

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

7. Property, Plant and Equipment

a) The balances of Property, plant and equipment at September 30, 2011 comparative with December 31, 2010, are as follows:

Property, Plant ande Equipment, gross	9/30/2011 ThUS$	12/31/2010 ThUS$
Construction in progress	2,768,856	2,756,793
Land	124,396	108,087
Buildings	3,257,993	3,163,952
Plan and Equipment	10,536,463	9,767,914
Fixtures and fitings	34,025	35,600
Motor vehicles	1,262,709	1,106,413
Lan Improvements	3,256,368	3,067,271
Mining Operations	3,030,171	2,670,080
Mine development	778,830	737,544
Other Assets	740,857	735,895
Total Property, Plant ande Equipment, gross	25,790,668	24,149,549

Property, Plant ande Equipment, accumulated depreciation	9/30/2011 ThUS$	12/31/2010 ThUS$
Construction in progress	348	-
Land	-	-
Buildings	1,987,684	1,905,162
Plan and Equipment	5,901,891	5,407,138
Fixtures and fittings	24,422	24,123
Motor vehicles	701,818	643,353
Lan Improvements	1,909,334	1,820,174
Mining Operations	1,481,985	1,305,938
Mine development	341,543	316,568
Other Assets	415,180	375,663
Total Property, Plant ande Equipment, accumulated depreciation	12,764,205	11,798,119

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Property, Plant ande Equipment, net	9/30/2011 ThUS$	12/31/2010 ThUS$
Construction in progress	2,768,508	2,756,793
Land	124,396	108,087
Buildings	1,270,309	1,258,790
Plan and Equipment	4,634,572	4,360,776
Fixtures and fittings	9,603	11,477
Motor vehicles	560,891	463,060
Lan Improvements	1,347,034	1,247,097
Mining Operations	1,548,186	1,364,142
Mine development	437,287	420,976
Other Assets	325,677	360,232
Total Property, Plant ande Equipment, net	13,026,463	12,351,430

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Movement of Property, plant and equipment

Movements	Construction in Progress	Land	Buildings	Plant and Equipment	Fixtures and fittings	Motor vehicles	Land Improvements	Mining Operations	Mine development	Other assets	Total
Opening Balance as of 1/1/2010	2,492,101	106,924	1,190,164	4,028,205	6,158	453,887	1,023,198	1,156,339	346,673	406,784	11,210,433
Additions	2,227,531	172	4,761	16,383	705	27	-	324,906	-	39,618	2,614,103
Disposals	(55,184)	(198)	(14,981)	(26,520)	(523)	(6,820)	(8,838)	(26,957)	-	(57,506)	(197,527)
Capitalizations	(1,661,144)	55	166,091	923,208	6,361	105,288	335,136	4,901	107,015	13,089	-
Depreciation and Amortization	-	-	(97,258)	(600,038)	(1,610)	(92,054)	(102,023)	(317,433)	(32,910)	(47,303)	(1,290,629)
Reclassifications	(242,132)	-	11,088	727	439	2,732	4,562	222,386	198	-	-
Impairment	-	-	-	1,867	-	-	-	-	-	-	1,867
Others	(4,379)	1,134	(1,075)	16,944	(53)	-	(4,938)	-	-	5,550	13,183
Total movements	264,692	1,163	68,626	332,571	5,319	9,173	223,899	207,803	74,303	(46,552)	1,140,997
Final Balance as of 12/31//2010	2,756,793	108,087	1,258,790	4,360,776	11,477	463,060	1,247,097	1,364,142	420,976	360,232	12,351,430

Movements	Construction in Progress	Land	Buildings	Plant and Equipment	Fixtures and fittings	Motor vehicles	Land Improvements	Mining Operations	Mine development	Other assets	Total
Opening Balance as of 1/1/2011	2,756,793	108,087	1,258,790	4,360,776	11,477	463,060	1,247,097	1,364,142	420,976	360,232	12,351,430
Additions	1,422,371	17,612	129,083	8,602	1,149	10	-	225,132	-	9,250	1,813,209
Disposals	(8,506)	-	-	(11,033)	(106)	(4,253)	-	-	-	(647)	(24,545)
Capitalizations	(1,317,555)	-	81,095	842,151	240	174,865	181,110	-	41,285	-	3,191
Depreciation and Amortization	(405)	-	(82,544)	(502,367)	(1,721)	(73,378)	(88,101)	(274,418)	(24,975)	(42,152)	(1,090,061)
Reclassifications	(90,641)	-	14,346	(53,910)	137	613	6,928	233,330	-	(563)	110,240
Impairment	-	-	-	-	-	-	-	-	-	-	-
Others	6,451	(1,303)	(130,461)	(9,647)	(1,573)	(26)	-	-	-	(443)	(137,002)
Total movements	11,715	16,309	11,519	273,796	(1,874)	97,831	99,937	184,044	16,311	(34,555)	675,033
Final Balance as of 9/30/2011	2,768,508	124,396	1,270,309	4,634,572	9,603	560,891	1,347,034	1,548,186	437,287	325,677	13,026,463

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

c) The value of construction in progress, is directly associated with the operating activities of the Corporation and its subsidiaries, and relates to the acquisition of equipment and projects in construction.

d) The Corporation has contracted insurance policies to cover the potential risks to which the various elements of property, plant and equipment are subject, and any claims that could arise from their activities. These policies provide adequate coverage of the potential risks.

e) Interest costs capitalized for the period from January 1 to September 30, 2011 amount to ThUS$ 24,006, calculated based on an annual capitalization rate of 4.14%, and ThUS$ 7,058 for the same period in the year 2010, calculated based on a capitalization rate of 4.26%.

f) Restrictions on ownership and assets given in guarantee.

The Corporation currently has no ownership restrictions on Property, Plant and Equipment assets.

In addition, under no circumstance has management granted assets in guarantee to third parties to allow performance of its normal business activities or as a commitment to secure the payment of its obligations.

8. Investments accounted for using the equity method

The following table sets forth the carrying amount and the share of profit of the investments accounted for using the equity method:

Items	Equity Method		Accrued net income		Accrued net income	
	9/30/2011	12/31/2010	1/1/2011 9/30/2011	1/1/2010 9/30/2010	7/1/2011 9/30/2011	7/1/2010 9/30/2010
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Investments in associates accounted for using the equity method	673,110	1,234,139	205,868	194,453	86,768	47,839
Joint Ventures	160,503	26,635	48,534	10,157	43,090	6,317
Total	833,613	1,260,774	254,402	204,610	129,858	54,156

a) Associates

Agua de la Falda S.A.

As of September 30, 2011, Codelco has a 43.28% interest in Agua de la Falda S.A., with the remaining 56.72% owned by Minera Meridian Limitada.

The line of business of this company is to exploit deposits of gold and other minerals, in the third region of the country.

Sociedad Contractual Minera El Abra

Sociedad Contractual Minera El Abra was formed in 1994. As of September 30, 2011, Codelco has a 49% interest in Sociedad Contractual Minera El Abra, with the remaining 51% owned by Cyprus El Abra Corporation, a subsidiary of Freeport-McMoRan Copper & Gold Inc.

Company activities involve the extraction, production and marketing of copper cathodes.

Sociedad Contractual Minera Purén

At September 30, 2011, Codelco has a 35% interest in Sociedad Contractual Minera Purén, with the remaining 65% owned by Compañía Minera Mantos de Oro.

This company's line of business is to explore, identify, survey, investigate, develop and exploit mineral deposits in order to extract, produce and process ore.

Kairos Mining S.A.

As of September 30, 2011, Codelco has a 40% interest in Kairos Mining S.A., with the remaining 60% owned by Honeywell Chile S.A.

Its line of business is to provide automation and control services for industrial and mining activities and to license technology and software licenses.

Mining Industry Robotic Solutions S.A.

As of September 30, 2011, Codelco has a 36% interest in Mining Industry Robotic Solutions S.A., with the remainder owned by Support Company Limited with 53%, Nippon Mining & Metals Co. Ltd., 9% and Kuka Roboter GmbH, 2%.

The company's line of business is the research, design, creation, invention, manufacture, installation, supply, maintenance and marketing in any form or type of robot products, technology products of a robotic nature or complementary supplies necessary for the marketing and maintenance of those products that can be used in the mining and metals industry and related services; to produce under license, license and market the licensing of products, processes and technology services of a robotic nature for the mining and metallurgical industry, as well as any other form of use by third parties of products or services based on such technology. In addition, the company can also form all types of companies and participate as a partner or shareholder in any existing company.

Sociedad GNL Mejillones S.A.

As of September 30, 2011, Codelco has a 37% interest in Sociedad GNL Mejillones S.A., with the remaining 63% owned by Suez Energy Andino S.A. These interests were established on November 5, 2010 when the Corporation did not increase the capital agreed upon by the meeting of shareholders of such company. Before the actual increase, both the Corporation and Suez Energy Andino S.A. had a 50% interest each.

Its line of business is the production, storage, marketing, transportation and distribution of all types of fuel, and the acquisition, construction, maintenance and operation of infrastructure facilities and construction projects necessary for transport, reception, processing and storage both in Chile and abroad, singly or in partnership with third parties.

Comotech S.A.

As of September 30, 2011, Codelco has a 33.33% interest in Comotech S.A. through its indirect subsidiary Innovaciones en Cobre S.A., Molibdenos y Metales S.A. and Universidad de Chile. Each of the two companies owns a 33.33% interest.

The company's line of business is to carry out research activities to increase the demand for molybdenum at the national and international level through new and better applications, uses and/or markets.

E-CL S.A.

On November 6, 2009, Codelco and Suez Energy Andino S.A. (at that date, the indirect controller of E-CL S.A. through Inversiones Mejillones S.A. and Inversiones Tocopilla Ltda.) agreed to execute and sign the acts and contracts for the defined merger process to gather into a single company all of the shares and rights that Codelco and Suez Energy Andino S.A. own in E-CL

S.A., Electroandina S.A., and other companies dedicated to the production, distribution and electric energy supply to industrial customers and mining companies established in the north of Chile.

Therefore, as of December 31, 2010, a 40% equity interest in E-CL S.A. is held by Codelco (with a 16.35% interest held directly by Codelco, and 23.65% through Inversiones Mejillones 2 S.A.) and 52.4% by Suez Energy Andino S.A., with a 7.6% remainder held by minority shareholders.

Subsequently, on January 27, 2011, Codelco placed 424,251,415 shares issued by E-CL S.A. (representative of 40% of this company's share capital), equivalent to a total amount of Ch$509,101,698,000, equivalent to ThUS$ 1,051,558, based on the observed US dollar exchange rate as of the current date.

Net financial income after taxes generated by this operation was ThUS$ 29,819.

Inca de Oro S.A.

On June 1, 2009 Codelco's Board authorized the formation of a company destined to developing studies to allow continuity of the Inca de Oro Project.

As of December 31, 2010, Codelco had full ownership of Inca de Oro S.A. (79.74% direct and 20.26% through its subsidiary Sociedad Contractual Minera Los Andes).

Subsequently, on February 15, 2011, the association of Codelco and Minera PanAust IDO Ltda. was approved in respect to the Inca de Oro deposit, which implies that the latter will have 66% share of Inca de Oro S.A. and Codelco shall maintain a 34% share.

This operation generated net gain after taxes in the amount of US$ 22 million for Codelco.

Copper for Energy S.A.

As of September 30, 2011, Codelco has a 25% interest in the share capital, International Copper Association Ltd., has a 25%, Fundación Chile has a 25%, and Universidad de Chile has a 25%.

Copper for Energy S.A.'s line of business is to develop and commercialize new products and applications for copper, destined to make the most efficient use of energy and/ or to generate and utilize renewable energy; conducting and ordering research, carrying out studies and projects, rendering of training services and activities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Associates	Taxpayer number	Functional Currency	Equity interest		Equity Method		Accrued net income		Accrued net income	
			9/30/2011	12/31/2010	9/30/2011	12/31/2010	1/1/2011 9/30/2011	1/1/2010 9/30/2010	7/1/2011 9/30/2011	7/1/2010 9/30/2010
			%	%	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Deutsche Geissdraht GmbH	Foreign	EURO	40.00%	40.00%	4,284	4,141	1,486	1,230	569	435
Agua de la Falda S.A.	96.801.450-1	USD	43.28%	43.28%	5,605	5,810	(152)	(13)	79	23
Sociedad Contractual Minera El Abra	96.701.340-4	USD	49.00%	49.00%	616,714	542,625	159,840	171,284	51,108	59,215
Minera Purén SCM	76.028.880-2	USD	35.00%	35.00%	19,271	5,407	13,863	(577)	1,787	(2,311)
Sociedad GNL Mejillones S.A.	76.775.710-7	USD	37.00%	50.00%	-	-	31,529	(36,482)	33,490	(37,413)
Kairos Mining S.A.	76.781.030-K	CLP	40.00%	40.00%	108	105	18	2	20	19
MI Robotic Solutions S.A.	76.869.100-2	CLP	36.00%	36.00%	1,787	2,537	(537)	(360)	(107)	(97)
E - CL S.A.	88.006.900-4	USD	-	40.00%	-	672,409	-	59,495	-	28,090
Inca de Oro S.A.	73.063.022-5	USD	34.00%	-	23,946	-	(115)	-	(185)	-
Others					1,395	1,105	(64)	(126)	7	(122)
TOTAL					673,110	1,234,139	205,868	194,453	86,768	47,839

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The following tables provide details of the assets, liabilities and major movements in investments in associates accounted for using the equity method and their respective results during the nine months ended September 30, 2011 and December 31, 2010:

Assets and liabilities	9/30/2011 ThUS$	12/31/2010 ThUS$
Current assets	770,440	1,462,328
Non- Current assets	1,695,612	4,013,708
Current liabilities	514,898	891,539
Non- Current liabilities	429,155	1,373,837

Net income	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Revenue	1,264,734	1,071,568	185,734	180,748
Cost of sales	(816,040)	(795,602)	(106,185)	(204,471)
Profit for the period	448,694	275,966	79,549	(23,723)

Movements of investment in associates	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$
Opening balance	1,234,139	1,100,156
Contributions	22,259	-
Net income for the period	205,868	194,453
Foreign exchange differences	(238)	(93)
Transfer of negative equity	(22,107)	64,510
Sale of E-CL ownership interest	(672,409)	-
Other comprehensive income	(9,422)	(37,882)
Other	(84,980)	(93,053)
Final Balance	673,110	1,228,091

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Joint ventures

At September 30, 2011, the Corporation participates in the Copper Partners Investment Company Limited Joint venture. This partnership dates from March 2006 when Codelco Chile through its subsidiary Codelco International Ltd., executed the agreement with Album Enterprises Limited (a subsidiary of Minmetals) to form the company, in which both companies hold equal interests.

Identification of the company	Equity interest percentage
Copper Partners Investment Company Limited	50%

Assets and Liabilities	9/30/2011 ThUS$	12/31/2010 ThUS$
Current Assets	126,905	138,824
Non- Current Assets	317,796	345,324
Current Liabilities	38,270	258,021
Non- Current Liabilities	85,429	172,858

Net income	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Revenue	385,363	307,548	119,981	109,290
Cost of sale	(288,296)	(287,235)	(33,802)	(96,657)
Profit for the period	97,067	20,313	86,179	12,633

Investment Movements of the investment in Joint Ventures	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$
Opening Balance	26,635	-
Net income for the period	48,534	10,157
Distribution	37,650	(12,431)
Transfer of negative equities	-	(64,341)
Other comprehensive income	47,684	76,013
Final Balance	160,503	9,398

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

c) Fair value of investments for which there are published price quotations

Investments in associates for which there are public quoted prices, have the following value for the Corporation, as set forth in the following table[1]:

Entity	9/30/2011 ThUS$	12/31/2010 ThUS$
E-CL S.A. (Ex Edelnor S.A.)	-	2,755,536
Investment atributable to the Corporation 40%	-	1,102,214

d) Interest in negative equity

The Corporation, at September 30, 2011 and December 31, 2010, has an interest in the following negative equities (amounts expressed in ThUS$):

Entity	Equity interest percentage	Negative equity	
		9/30/2011 ThUS$	12/31/2010 ThUS$
Sociedad GNL Mejillones S.A.	37%	(56,403)	(116,152)

e) Additional information about unrealized profit

The Corporation has recognized unrealized profit for purchases and sales of products, mining properties, property, plant and equipment and ownership rights. The most significant transactions include the transaction carried out in 1994 for the initial contribution of mining properties to Sociedad Contractual Minera El Abra.

The balance of unrealized profit to be recognized as of September 30, 2011 is ThUS$86,240 September 30, 2010 ThUS$87,435. This figure is shown by deducting the investment in this company.

Codelco carries out copper purchases and sales with this company. At September 30, 2011, and December 31, 2010, the value of finished products in Inventories does not have an unrealized profit accrual.

[1] The fair value is determined from the quoted prices and the company's market presence, provided as financial background on the site http://www.bolsadesantiago.com

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

9. Subsidiaries

The following tables present a detail of the assets, liabilities and results of the Corporation's subsidiaries, prior to consolidation adjustments:

Assets and Liabilities	9/30/2011 ThUS$	12/31/2010 ThUS$
Current Assets	953,635	338,871
Non- Current Assets	590,770	721,681
Current Liabilities	462,823	231,351
Non- Current liabilities	305,303	297,303

Net income	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Revenue	2,085,597	1,293,203	645,579	448,655
Cost of sales	1,960,127	1,234,476	660,488	424,894
Profit for the period	125,470	58,727	(14,909)	23,761

10. Intangible assets other than goodwill

a) Balance of Intangible Assets

Intangible Assets, gross	9/30/2011 ThUS$	12/31/2010 ThUS$
Software licences	922	474
Water rights	12,172	12,172
Electricity rights	13,044	8,780
Other	5,203	9,361
Total Intangible assets, gross	31,341	30,787

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Intangible assets, accumulated amortization	9/30/2011 ThUS$	12/31/2010 ThUS$
Software licences	437	346
Water rights	6,550	6,550
Electricity rights	2,599	2,335
Other	26	-
Total Intangible assets, accumulated amortization	9,612	9,231

Intangible Assets, net	9/30/2011 ThUS$	12/31/2010 ThUS$
Software licences	485	128
Water rights	5,622	5,622
Electricity rights	6,181	6,445
Other	4,264	9,361
Total Intangible assets, net	16,552	21,556

b) Movement of Intangible Assets

Movements (thousands of US$)	Software licences	Water rights	Electricity rights	Other	Total
Openind balance as of 1/1/2010	218	5,622	6,796	8,744	21,380
Additions	18	-	-	-	18
Disposals	(1)	-	-	-	(1)
Capitalized osst	(90)	-	-	-	(90)
Amortización	(21)	-	(351)	-	(372)
Other	4	-	-	617	621
Total Movements	(90)	-	(351)	617	176
Final movement as of 12/31/2010	128	5,622	6,445	9,361	21,556

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Movements (thousands of US$)	Software licences	Water rights	Electricity rights	Other	Total
Openind balance as of 1/1/2011	128	5,622	6,445	9,361	21,556
Additions	206	-	-	3,899	4,105
Disposals	(81)	-	-	(1,514)	(1,595)
Amortización	(44)	-	(264)	(48)	(356)
Reclasificaciones	277	-	-	379	656
Other	(1)	-	-	(7,813)	(7,814)
Total Movements	357	-	(264)	(5,097)	(5,004)
Final movement as of 9/30/2011	485	5,622	6,181	4,264	16,552

c) Research and Development

Disbursements for research and development recognized as expenses for the period	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
	54,479	40,075	27,894	21,358

11. Other non-current non-financial assets

Other non-current non-financial assets included in the interim consolidated statement of financial position as of September 30, 2011 and December 31, 2010 are detailed as follows:

Other non-current financial assets	9/30/2011 ThUS$	12/30/2010 ThUS$
Anglo American Purchase Option (1)	155,700	155,700
Law No. 13,196 asset (2)	35,446	38,199
Others	12,959	9,606
TOTAL	204,105	203,505

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

(1) On December 19, 2008, Empresa Nacional de Minería (ENAMI) assigned Codelco Chile the right to acquire up to 49% of the shares of Anglo American Sur S.A. This right may be exercised by the Corporation until 2027, deciding whether or not to exercise it every three years.

(2) This corresponds to the recording of the commitment related to Law N°13,196, for the advance payment received for the copper sales contract signed with Copper Partners Investment Company Limited. This amount will be amortized according to the shipments made.

12. Current and non-current financial assets

Current and non-current financial assets included in the statement of financial position are detailed as follows:

Classification in the statement of financial position	9/30/2011				
	At fair value though profit and loss	Loans and receivables	Hedging derivatives	Available for sale	Total financial assets ThUS$
Cash and Cash equivalents	12,230	882,481	-	-	894,711
Trade and other current receivables	436,193	880,587	-	-	1,316,780
Rights receivables, non current	-	166,321	-	-	166,321
Due from related companies, current	-	48,315	-	-	48,315
Due from related companies, non - current	-	101,017	-	-	101,017
Other current financial assets	-	6,717	123,349	-	130,066
Other non - current financial assets	-	9,073	127,181	-	136,254
TOTAL	448,423	2,094,511	250,530	-	2,793,464

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Classification in the statement of financial position	12/31/2010				
	At fair value though profit and loss	Loans and receivables	Hedging derivatives	Available for sale	Total financial assets ThUS$
Cash and Cash equivalents	61,855	812,184	-	-	874,039
Trade and other current receivables	406,837	2,307,169	-	-	2,714,006
Rights receivables, non current	-	198,785	-	-	198,785
Due from related companies, current	-	157,954	-	-	157,954
Due from related companies, non - current	-	104,896	-	-	104,896
Other current financial assets	-	8,117	187,021	-	195,138
Other non - current financial assets	-	7,826	173,299	-	181,125
TOTAL	468,692	3,596,931	360,320	-	4,425,943

- Financial assets designated at fair value through profit or loss: At September 30, 2011, this category mainly includes unfinished product sale invoices and mutual fund investments made by Codelco Chile subsidiaries.

- Loans granted and receivable: These correspond to financial assets with fixed or determinable payments that are not traded in an active market.

  No material impairments were recognized in accounts receivable.

- Hedging derivatives: Correspond to the receivable balances for derivative contracts, for the exposure generated by existing operations. The detail of derivative transactions is included in Note 28.

- Available-for-sale financial assets: These correspond primarily to non-derivative financial assets that are specifically designated as available for sale or are not classified as: a) loans and receivables, b) investments held to maturity or c) financial assets carried at fair value through profit or loss (IAS 39, paragraph 9).

  Within the period presented, there was no reclassification of financial instruments among the different categories established under IAS 39.

13. Interest-bearing borrowings

Current and non-current interest-bearing borrowings correspond to Borrowings from financial institutions, Bond obligations and Finance leases, which are recorded by the Corporation at amortized cost using the effective interest rate method.

These items are generated by the following situations:

- *Borrowings from financial institutions:*

The loans obtained by the Corporation for up to a twelve-month term, contracted at the market interest rate to finance its production operations oriented towards the foreign market.

The loans obtained by the Corporation for terms that exceed twelve month are mainly to finance the investments required for production processes.

- *Bond obligations:*

On November 18, 2002, the Corporation issued and placed bonds on the domestic market, under the rules of the Superintendency of Securities and Insurance. These bonds were issued for a nominal amount of UF7,000,000, in a single series denominated Series A, and consist of 70,000 bonds for UF100 each. These bonds are payable in a single installment on September 1, 2012, with a 4.0% annual interest rate and with bi-annual interest payments.

On November 30, 2002, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$435,000. These bonds are payable in a single installment on November 30, 2012, with a 6.375% annual interest rate and with bi-annual interest payments.

On October 15, 2003, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 15, 2013, with a 5.5% annual interest rate and with bi-annual interest payments.

On October 15, 2004, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 15, 2014, with a 4.750% annual interest rate and with bi-annual interest payments.

On May 10, 2005, the Corporation issued and placed bonds on the domestic market for a nominal amount of UF6,900,000, in a single series denominated Series B, and consist of 6,900 bonds for

UF1,000 each. These bonds are payable in a single installment on April 1, 2025, with a 3.29% annual interest rate and with bi-annual interest payments.

On September 21, 2005, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on September 21, 2035, with a 5.6250% annual interest rate and with bi-annual interest payments.

On October 19, 2006, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 24, 2036, with a 6.15% annual interest rate and with bi-annual interest payments.

On January 20, 2009, the Corporation issued and placed bonds on the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$600,000. These bonds mature in a single installment on January 15, 2019, at an interest rate of 7.5% per annum with interest paid bi-annually.

On November 4, 2010 the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$1,000,000. These bonds mature in a single installment on November 4, 2020, at an interest rate of 3.75% per annum with interest paid bi-annually.

- *Financial debt commissions and expenses:*

Obtaining financial resources generates, in addition to the interest rate, fees and other expenses charged by the financial institutions, and the Corporation receives the net value of the loans. These expenses are amortized based on the effective interest rate determined using the amortized cost method.

- *Finance leases:*

Finance lease transactions are generated for service contracts, principally for buildings and machinery.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The following tables detail the composition of the item "other financial liabilities, current and non-current."

Items	9/30/2011					
	Current			Non- Current		
	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$
Loans from financial entities	16,093	-	16,093	1,197,437	-	1,197,437
Bonds	367,851	-	367,851	4,304,328	-	4,304,328
Financial Lease	26,302		26,302	110,652	-	110,652
Hedge obligations	-	723,710	723,710	-	160,198	160,198
Other financial liabilities	7,274	-	7,274	85,276	-	85,276
Total	417,520	723,710	1,141,230	5,697,693	160,198	5,857,891

Items	12/31/2010					
	Current			Non- Curent		
	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$
Loans from financial entities	340,613	-	340,613	1,296,050	-	1,296,050
Bonds	61,933	-	61,933	4,647,841	-	4,647,841
Financial Lease	17,367	-	17,367	122,503	-	122,503
Hedge obligations	-	1,493,312	1,493,312	-	1,028,308	1,028,308
Other financial liabilities	5,683	-	5,683	94,780	-	94,780
Total	425,596	1,493,312	1,918,908	6,161,174	1,028,308	7,189,482

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At September 30, 2011, the detail of Borrowings from financial institutions and Bond obligations is as follows:

9/30/2011														
Taxpayer number	Country	Loans with financial entities	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal Rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
Foreign	United States of America	Exporf pre-funding	Bank of Tokyo-Mitsubishi	12/22/2015	Floating	US$	100,000	Maturity	Quarterly	1.11%	1.20%	25	99,659
Foreign	Bermuda	Exporf pre-funding	HSBC Bank Bermuda Limited	12/17/2015	Floating	US$	162,500	Maturity	Quarterly	1.20%	1.32%	64	161,831
Foreign	United States of America	Exporf pre-funding	BBVA Bancomer	9/27/2014	Floating	US$	400,000	Maturity	Quarterly	0.54%	0.58%	0	399,608
Foreign	Canada	Exporf pre-funding	Export. Dev. Canada	12/28/2015	Floating	US$	250,000	Maturity	Quarterly	1.16%	1.28%	16	248,932
Foreign	England	Exporf pre-funding	Banco Santander Londres	11/30/2015	Floating	US$	75,000	Maturity	Quarterly	1.17%	1.29%	77	74,695
Foreign	United States of America	Exporf pre-funding	Banco Santander	12/23/2015	Floating	US$	100,000	Maturity	Quarterly	1.21%	1.33%	23	99,574
Foreign	United States of America	Exporf pre-funding	Sumitomo Mitsui Banking	2/18/2016	Floating	US$	100,000	Maturity	Quarterly	1.18%	1.25%	48	99,672
Foreign	Germany	Credit line	HSBC Trinkaus & Burkhardt		Floating	Euro						6,400	
Foreign	Germany	Credit line	Deutsche Bank		Floating	Euro						7,480	
			Other institutions									1,960	13,466
TOTAL												16,093	1,197,437

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Bonds	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal Rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
BCODE-A	Banco de Chile - B. en UF	9/1/2012	Fixed	U.F.	7,000,000	Maturity	Semi annual	3.96%	4.45%	295,135	-
144-A REG.S	JP-Morgan	11/30/2012	Fixed	US$	435,000	Maturity	Semi annual	6.38%	6.48%	9,495	434,515
144-A REG.S	JP-Morgan	10/15/2013	Fixed	US$	500,000	Maturity	Semi annual	5.50%	5.57%	12,848	499,319
144-A REG.S	HSBC USA	10/15/2014	Fixed	US$	500,000	Maturity	Semi annual	4.75%	4.99%	11,096	496,653
BCODE-B	Banco de Chile - B. en UF	4/1/2025	Fixed	U.F.	6,900,000	Maturity	Semi annual	4.00%	3.24%	-	315,130
144-A REG.S	JP-Morgan	9/21/2035	Fixed	US$	500,000	Maturity	Semi annual	5.63%	5.78%	927	490,072
144-A REG.S	The Deutsche Bank	10/24/2036	Fixed	US$	500,000	Maturity	Semi annual	6.15%	6.22%	13,527	495,782
114-A REG.S	JP-Morgan	1/15/2019	Fixed	US$	600,000	Maturity	Semi annual	7.50%	7.79%	9,538	590,542
114-A REG.S	HSBC USA	11/4/2020	Fixed	US$	1,000,000	Maturity	Semi annual	3.75%	3.98%	15,285	982,315
TOTAL										367,851	4,304,328

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At December 31, 2010, the detail of Borrowings from financial institutions and Bond obligations is as follows:

12/31/2010													
Taxpayer number	Country	Loans with financial entities	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal Rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
Foreign	United States of America	Exporf pre-funding	Bank of Tokyo-Mitsubishi	12/22/2015	Floating	US$	100,000	Maturity	Quarterly	1.05%	1.15%	-	99,602
Foreign	Bermuda	Exporf pre-funding	HSBC Bank Bermuda Limited	12/17/2015	Floating	US$	162,500	Maturity	Quarterly	1.15%	1.27%	-	161,695
Foreign	United States of America	Exporf pre-funding	BBVA Bancomer	9/27/2014	Floating	US$	400,000	Maturity	Quarterly	0.45%	0.45%	-	399,509
Foreign	United States of America	Exporf pre-funding	Bank of Tokyo-Mitsubishi	6/29/2011	Floating	US$	100,000	Maturity	Quarterly	0.65%	0.65%	100,005	-
Foreign	United States of America	Exporf pre-funding	Banco Santander	12/9/2011	Floating	US$	200,000	Maturity	Quarterly	0.95%	0.95%	200,030	-
Foreign	Canada	Exporf pre-funding	Export. Dev. Canada	12/28/2015	Floating	US$	250,000	Maturity	Quarterly	1.10%	1.22%	-	248,752
Foreign	Canada	Exporf pre-funding	Export. Dev. Canada	3/26/2012	Floating	US$	200,000	Maturity	Quarterly	0.95%	0.95%	-	200,000
Foreign	England	Exporf pre-funding	Banco Santander Londres	11/30/2015	Floating	US$	75,000	Maturity	Quarterly	1.14%	1.26%	-	74,639
Foreign	United States of America	Exporf pre-funding	Banco Santander	12/23/2015	Floating	US$	100,000	Maturity	Quarterly	1.15%	1.27%	-	99,503
			Other institutions									40,578	12,350
TOTAL												340,613	1,296,050

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Bonds	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal Rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
BCODE-A	Banco de Chile - B. en UF	9/1/2012	Fixed	U.F.	7,000,000	Maturity	Semi annual	4.00%	3.24%	4,389	319,000
144-A REG.S	JP-Morgan	11/30/2012	Fixed	US$	435,000	Maturity	Semi annual	6.38%	6.48%	2,528	434,222
144-A REG.S	JP-Morgan	10/15/2013	Fixed	US$	500,000	Maturity	Semi annual	5.50%	5.57%	6,044	499,092
144-A REG.S	HSBC USA	10/15/2014	Fixed	US$	500,000	Maturity	Semi annual	4.75%	4.99%	5,219	495,913
BCODE-B	Banco de Chile - B. en UF	4/1/2025	Fixed	U.F.	6,900,000	Maturity	Semi annual	3.29%	4.45%	3,196	342,976
144-A REG.S	JP-Morgan	9/21/2035	Fixed	US$	500,000	Maturity	Semi annual	5.63%	5.78%	8,003	489,931
144-A REG.S	The Deutsche Bank	10/24/2036	Fixed	US$	500,000	Maturity	Semi annual	6.15%	6.22%	5,914	495,730
114-A REG.S	JP-Morgan	1/15/2019	Fixed	US$	600,000	Maturity	Semi annual	7.50%	7.79%	20,665	589,839
114-A REG.S	HSBC USA	11/4/2020	Fixed	US$	1,000,000	Maturity	Semi annual	3.75%	3.98%	5,975	981,138
TOTAL										61,933	4,647,841

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At September 30, 2011, the detail of amounts due undiscounted that the Corporation has with financial institutions is as follows:

9/30/2011					Current			Non- Current			
Debtor´s name	Currency	Effective interest rate	Nominal rate	Type or amortization	Less than 90 days	More than 90 days	Total Current	One to three years	Three to five years	More than five years	Non- current Total
BBVA BANCOMER	US$	0.58%	0.54%	Quarterly	550	1,661	2,211	404,409	-	-	404,409
BANCO SANTANDER LONDRES	US$	1.29%	1.17%	Quarterly	222	672	894	1,784	76,114	-	77,898
HSBC BANK BERMUDA LIMITED	US$	1.32%	1.20%	Quarterly	493	1,490	1,983	3,955	164,970	-	168,925
THE BANK OF TOKYO M.	US$	1.20%	1.11%	Quarterly	534	844	1,378	2,241	101,400	-	103,641
BANCO SANTANDER S.A.	US$	1.33%	1.21%	Quarterly	305	921	1,226	2,445	101,527	-	103,972
EXPORT DEVELOP CANADA	US$	1.28%	1.16%	Quarterly	735	2,221	2,956	5,895	253,682	-	259,577
SUMITOMO MITSUI BANKING	US$	1.25%	1.18%	Quarterly	298	899	1,197	2,387	101,704	-	104,091
BONO 144-A REG. 2012	US$	6.48%	6.38%	Semi annual	13,866	13,866	27,732	448,866	-	-	448,866
BONO 144-A REG. 2013	US$	5.57%	5.50%	Semi annual	13,750	13,750	27,500	541,250	-	-	541,250
BONO 144-A REG. 2014	US$	4.99%	4.75%	Semi annual	11,875	11,875	23,750	47,500	511,875	-	559,375
BONO 144-A REG. 2035	US$	5.78%	5.63%	Semi annual	-	28,125	28,125	56,250	42,188	1,048,438	1,146,876
BONO 144-A REG. 2036	US$	6.22%	6.15%	Semi annual	15,375	15,375	30,750	61,500	61,500	1,130,375	1,253,375
BONO 144-A REG. 2019	US$	7.79%	7.50%	Semi annual	-	45,000	45,000	90,000	90,000	712,500	892,500
BONO 144-A REG. 2020	US$	3.98%	3.75%	Semi annual	18,750	18,750	37,500	75,000	75,000	1,168,750	1,318,750
				Total ThUS$	76,753	155,449	232,202	1,743,482	1,579,960	4,060,063	7,383,505
BONO BCODE-A 2012	U.F.	4.45%	3.96%	Semi annual	-	7,277,255	7,277,255	-	-	-	-
BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semi annual	-	276,000	276,000	414,000	552,000	9,384,000	10,350,000
				Total U.F.	-	7,553,255	7,553,255	414,000	552,000	9,384,000	10,350,000
				Subtotal ThUS$	-	318,648	318,648	17,465	23,287	395,882	436,634
				Total ThUS$	76,753	474,097	550,850	1,760,947	1,603,247	4,455,945	7,820,139

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At December 31, 2010, the detail of amounts due undiscounted that the Corporation has with financial institutions is as follows:

12/31/2010					Current			Non- Current			
Debtor´s name	Currency	Effective interest rate	Nominal rate	Type or amortization	Less than 90 days	More than 90 days	Total Current	One to three years	Three to five years	More than five years	Non- current Total
BBVA BANCOMER S.A.	US$	0.45%	0.45%	Quarterly	453	1,358	1,811	405,061	-	-	405,061
BANCO SANTANDER S. A.	US$	0.95%	0.95%	Quarterly	360	201,465	201,825	-	-	-	-
EDC	US$	0.95%	0.95%	Quarterly	471	1,435	1,906	200,482	-	-	200,482
BANCO SANTANDER LONDRES	US$	1.26%	1.14%	Quarterly	141	718	859	2,575	75,846	-	78,421
HSBC BANK BERMUDA LIMITED	US$	1.27%	1.15%	Quarterly	395	1,477	1,872	5,615	164,434	-	170,049
BANK OF TOKYO MITSUBISHI LTD.	US$	1.15%	1.05%	Quarterly	237	816	1,053	3,158	101,103	-	104,261
BANCO SANTANDER S.A.	US$	1.27%	1.15%	Quarterly	263	890	1,153	3,458	101,210	-	104,668
EDC	US$	1.22%	1.10%	Quarterly	666	2,091	2,757	8,271	252,933	-	261,204
BONO 144-A REG. 2012	US$	6.48%	6.38%	Semi annual	11,555	16,177	27,732	461,191	-	-	461,191
BONO 144-A REG. 2013	US$	5.57%	5.50%	Semi annual	7,944	19,556	27,500	550,340	-	-	550,340
BONO 144-A REG. 2014	US$	4.99%	4.75%	Semi annual	6,861	16,889	23,750	567,556	-	-	567,556
BONO 144-A REG. 2035	US$	5.78%	5.63%	Semi annual	6,094	22,031	28,125	84,375	84,375	1,008,594	1,177,344
BONO 144-A REG. 2036	US$	6.22%	6.15%	Semi annual	9,738	21,013	30,751	92,250	92,250	1,090,144	1,274,644
BONO 144-A REG. 2019	US$	7.79%	7.50%	Semi annual	1,750	43,250	45,000	135,000	135,000	652,125	922,125
BONO 144-A REG. 2020	US$	2.98%	3.75%	Semi annual	12,917	24,583	37,500	112,500	112,500	1,112,083	1,337,083
				Total ThUS$	59,845	373,749	433,594	2,631,832	1,119,651	3,862,946	7,614,429
BONO BCODE-A 2012	U.F.	3.24%	4.00%	Semi annual	43,899	233,357	277,256	7,191,769	-	-	7,191,769
BONO BCODE-B 2025	U.F.	4.45%	3.29%	Semi annual	92,000	184,000	276,000	828,000	828,000	8,958,500	10,614,500
				Total U.F.	135,899	417,357	553,256	8,019,769	828,000	8,958,500	17,806,269
				Subtotal ThUS$	6,230	19,133	25,363	367,660	37,959	410,695	816,314
				Total ThUS$	66,075	392,882	458,957	2,999,492	1,157,610	4,273,641	8,430,743

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Payment commitments for financial leasing transactions are summarized in the following table:

Financial Leasing	9/30/2011			12/31/2010		
	Gross ThUS$	Interst ThUS$	Net ThUS$	Gross ThUS$	Interst ThUS$	Net ThUS$
Less than one year	41,529	(15,227)	26,302	36,810	(19,443)	17,367
Between one and five years	88,420	(30,408)	58,012	99,176	(48,376)	50,800
More than five years	101,567	(48,927)	52,640	123,539	(51,836)	71,703
Total	231,516	(94,562)	136,954	259,525	(119,655)	139,870

14. Fair Value of financial assets and liabilities

As the book value of financial assets and liabilities is a reasonable approximation of their fair value, no incremental disclosures are required in accordance with IFRS 7.

15. Fair value hierarchy

Each of the estimated market values for the Corporation's portfolio of financial instruments, is based on a calculation and data input methodology. Each of these methodologies has been analyzed to determine to which of the following levels they can be assigned:

- Level 1 corresponds to Fair Value measurement methodologies through market quotes (unadjusted) in active markets and considering the same valued Assets and Liabilities.

- Level 2 corresponds to Fair Value measurement methodologies using market quote data, not included in Level 1, that are either directly (prices) or indirectly (derived from the prices) observable for the valued Assets and Liabilities.

- Level 3 corresponds to Fair Value measurement methodologies that use valuation techniques that include data on the valued Assets and Liabilities that are not supported by observable market data.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Based on the methodologies, inputs, and previous definitions the following market levels have been established for the financial instruments portfolio held by the Corporation at September 30, 2011:

Financial Assets and liabilities at fair value with an effect in profit and loss statement	9/30/2011			
	Level 1 ThUS$	Level 2 ThUS$	Level 3 ThUS$	Total ThUS$
Financial Assets:				
Provisionally priced sales contracts	-	436,193	-	436,193
Cross Currency Swap	-	123,401	-	123,401
Mutual fund units	12,230	-	-	12,230
Metals Futures	127,129	-	-	127,129
Financial Liabilities:				
Metals Futures	857,353	-	-	857,353

No transfers between different levels of market values were observed for the reporting period.

16. Trade and other payables

Total trade and other payables, current and non-current, are detailed as follows:

Item	Current Liabilities	
	9/30/2011 ThUS$	12/31/2010 ThUS$
Trade payables	951,406	1,292,895
Dividends payable	-	173,134
Payables to employees	20,888	31,310
Other payables	297,831	305,937
Total	1,270,125	1,803,276

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

17. Other accrued expenses and provisions

Other short-term accrued expenses and provisions as of the indicated dates are detailed as follows:

Other provisions	Current		Non- Current	
	9/30/2011 ThUS$	12/31/2010 ThUS$	9/30/2011 ThUS$	12/31/2010 ThUS$
Trade (1)	4,334	38,191	-	-
Operating (2)	38,873	22,835	-	-
Law No. 13,196	96,740	202,711	-	-
Sundry (3)	27,725	32,976	26,081	48,466
Closure (4)	-	-	1,043,064	887,142
Contingencies	-	-	134,757	121,864
Total	167,672	296,713	1,203,902	1,057,472

Accrual for employee benefits	Current		Non- Current	
	9/30/2011 ThUS$	12/31/2010 ThUS$	9/30/2011 ThUS$	12/31/2010 ThUS$
Employees' collective bargaining agreements	152,713	203,301	-	-
Employee termination benefit	45,572	37,283	682,155	809,177
Bonus	36,807	4,524	-	-
Salaries (5)	674	-	-	-
Vacation	125,079	150,000	15	-
Medical care programs (6)	478	480	362,879	304,876
Retirement plans (7)	48,601	282,414	-	-
Others	2,901	11,073	51,131	77,059
Total	412,825	689,075	1,096,180	1,191,112

(1) Corresponds to a sales-related accrual, which includes charges for freight, loading, and unloading that were not invoiced at the end of the period.
(2) Corresponds to a provision for customs duties, freight on purchases, electricity, among others.
(3) Includes an accrual for uncompleted invoices for product purchases, which lowers the current provision and accrued expenses balance.
(4) Corresponds to a provision for future closure costs primarily related to tailing dams, mine closure and other assets.
(5) Corresponds to commitments with the Corporation’s employees which have been accrued at the date of closure of the financial statements.

(6) Corresponds to an accrual for contributions to medical care institutions agreed upon with current and former employees.
(7) Corresponds to an accrual for employees who have agreed to retire in accordance with plans in force for personnel retirement.

18. Employee benefits

Employee termination benefit and medical care plans

The employee termination benefit accrual covers the employee termination liabilities to be paid to employees when they leave the Corporation based on the agreements in the employment contracts or collective bargaining agreements.

The medical care plan accrual is to cover payment obligations that the Corporation has contracted with its employees, according to contracts or collective bargaining agreements, to partially cover the costs of medical services.

These accruals are recorded in the statement of financial position, at the present value of estimated future obligations. These obligations are calculated using actuarial methods and assumptions defined by independent actuaries. The discount rate applied is determined on the basis of the rates of financial instruments in the same currency in which the obligations are to be paid and with similar maturities.

The results from adjustments and changes in actuarial variables are charged or credited to the income statement in the period in which they occur.

I. Actuarial Assumptions for Determining the Employee Termination Benefit Accrual

Actuarial assumptions	
Discount rate	6.35% to 20 years
Turnover rate - resignation	3.11% Men --- 0.25% Women
(Average) wage increase	0.9% - Annual
Men's retirement age	65
Women´s retirement age	60

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

II. Reconciliation of Benefit for Years of Service balances

Movements of expenses according to the nature of the Benefits	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$
Opening balance	846,460	719,585
Cost	35,723	27,590
Finance expense	25,333	25,828
Indemnities paid	(97,310)	(14,111)
Subtotal	810,206	758,892
(Gains) Losses from foreign exchange differences	(82,479)	80,851
Final balance	727,727	839,743

III. Expenses by nature of the benefits

Expenses according to the nature of the Benefits	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Short-term benefits	1,216,050	1,088,988	415,846	383,964
Post-employment benefits	79,638	1,990	2,976	(5,508)
Employee termination benefits	63,569	4,054	2,527	302
Benefits for years of service	35,723	27,590	9,933	8,816
Total	1,394,980	1,122,622	431,282	387,574

19. Net equity

In accordance with article 6 of Decree Law 1,350 of 1976, it is established that, before March 30 of each year, the Board must approve the company's Business and Development Plan for the next three-year period. Taking that plan as a reference, and keeping in mind the company's balance sheet for the immediately previous year, and in order to ensure its competitiveness, before June 30 of each year the amounts that the company shall allocate to the formation of capitalization funds and reserves shall be determined by founded decree from the Ministries of Mining and Treasury.

Net income shown in the balance sheets, after deducting the amounts referred to in the previous paragraph, shall belong to the State and become part of the Nation's general income.

As of September 30, 2010, there is a dividends balance payable corresponding to net income for that period less advances delivered to the Government in the same period, which is recognized as a payment obligation in trade and other accounts payable in current liabilities in the amount of ThUS$ 419,019. As of September 30, 2011, no dividends payable were provisioned due to the Corporation's authorized net income withholding policy.

In the financial statement "Statement of Changes in Net Equity" the changes experienced in the Corporation's equity are disclosed.

Due to the bylaws that govern the Corporation, these financial statements do not consider disclosure of information related to earnings per share.

The movement and composition of other equity reserves is presented in the Consolidated Statement of Changes in Net Consolidated Equity.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

a) Other reserves

Other equity reserves are listed in the table below, as of the dates indicated in each case.

Other reserves	9/30/2011 ThUS$	12/31/2010 ThUS$
Foreign exchange differences on translation reserves	78	2,916
Cash flow hedge reserves	(328,101)	(969,571)
Other reserves	2,113,116	1,642,058
Total	1,785,093	675,403

b) Non-controlling equity interests

The details of non-controlling equity interests, included in liabilities and net income, are listed in the table below, as of the dates indicated in each case.

Company	Net Equity		Profit (loss)		Profit (loss)	
	9/30/2011	12/31/2010	1/1/2011 9/30/2011	1/1/2010 9/30/2010	7/1/2011 9/30/2011	7/1/2010 9/30/2010
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Asociación Garantizadora de Pensiones	20	24	(1)	(3)	-	(2)
Biosigma S.A.	1,251	1,023	(873)	(1,007)	(286)	(329)
Instituto de Innovación en Minería y Metalurgia S.A.	3	4	-	1	-	1
Clínica San Lorenzo Ltda.	-	11	-	-	-	-
Micomo S.A.	758	914	(156)	11	(130)	34
Fundación de Salud El Teniente	17	18	-	-	(2)	1
TOTAL	2,049	1,994	(1,030)	(998)	(418)	(295)

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

20. Operating income

The following table shows the sources of the Corporation's consolidated revenue.

Items	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Revenue from sales of the Corporation´s copper	11,429,399	9,912,425	3,477,400	3,784,374
Revenue from sale of third parties´ copper	1,063,594	880,443	406,191	319,481
Revenue from sales of molybdenum	586,560	503,976	215,127	180,525
Revenue from sales of other products	769,579	395,256	212,618	191,955
Loss in futures market	(984,341)	(716,473)	(326,593)	(244,353)
Total	12,864,791	10,975,627	3,984,743	4,231,982

21. Expenses by nature

The Corporation's consolidated expenses by nature are detailed as follows:

Items	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Personnel Expenses	1,216,050	1,088,988	415,846	383,964
Depreciation	751,419	663,224	254,774	226,706
Amortization	344,415	294,677	111,587	99,056
Total	2,311,884	2,046,889	782,207	709,726

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

22. Other revenues and expenses by function

Other revenues and expenses by function are detailed in the following tables:

a) Other income by function

Items	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Penalties to suppliers	16,190	5,567	5,484	2,146
Realized income	-	3,583	-	1,194
Outsourcing	4,856	4,578	1,608	1,598
Miscellaneous sales (net)	73,016	77,400	19,457	30,569
Sale of E-CL S.A.	375,080	-	-	-
Sale of Inca de Oro	44,800	-	-	-
Other income	42,935	11,167	16,930	5,476
Total	556,877	102,295	43,479	40,983

b) Other expenses by function

Items	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Law No. 13,196	(1,126,813)	(845,637)	(375,876)	(322,234)
Research expenses	(54,479)	(40,075)	(21,564)	(13,627)
Bonus for the end of collective bargaining	(156,444)	(181,209)	13,193	(28,129)
Retirement plan	(63,569)	(4,054)	(2,527)	(302)
Right off property, plant and equipment	(12,255)	(15,908)	(12,255)	(15,908)
Medical care plan	(79,638)	(1,990)	(2,976)	5,508
Actuarial results	(135,907)	-	-	-
Other Expenses	(60,889)	(44,561)	(36,169)	(15,957)
Total	(1,689,994)	(1,133,434)	(438,174)	(390,649)

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

23. Finance costs

Finance costs are detailed as follows:

Items	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Bond interests	(113,360)	(125,330)	(78,523)	(41,393)
Bank loan interests	(13,069)	(5,437)	(4,842)	(3,451)
Exchange differences on severance indemnity provision	(25,333)	(25,828)	(8,736)	(5,587)
Exchange differences on other non-current provisions	(50,582)	(44,175)	(15,830)	(22,066)
Other	(18,103)	(19,508)	(6,658)	(4,617)
Total	(220,447)	(220,278)	(114,589)	(77,114)

24. Operating segments

In Section II, "Summary of Significant Accounting Policies" it has been indicated that, in conformity with IFRS No. 8, "Operating Segments", its operating segments are determined according to the Divisions that make up Codelco. The revenues and expenses of the Parent Company, are distributed among the defined segments.

Mining sites in operation, in which the Corporation carries out its extractive and processing production processes, are managed divided into its Chuquicamata, Radomiro Tomic, Salvador, Andina and El Teniente divisions. The Ventanas division, which is also included among these divisions, is dedicated exclusively to smelting and refining processes. Each of these divisions operates under separate management, all of which report to the Executive President. Additionally, in May 2008, the Gabriela Mistral mine site was added to the divisions specified above. The characteristics of each division and its respective mine sites are detailed as follows:

Chuquicamata
Types of mine sites: open pit mines
Operating: since 1915
Location: Calama - Region II
Products: electrorefined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Radomiro Tomic
Types of mine sites: open pit mines
Operating: since 1997.
Location: Calama - Region II
Products: electrorefined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Salvador
Type of mine: underground mine
Operating: since 1926
Location: Salvador - Region III
Products: electrorefined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Andina
Type of mines: underground and open pit mines
Operating: since 1970
Location: Los Andes - Region V
Product: copper concentrate

El Teniente
Type of mine: underground mine
Operating: since 1905
Location: Rancagua - Region VI
Products: fire-refined copper and copper anodes

Gabriela Mistral
Type of mine: open pit mine
Operating: since 2008
Location: Calama - Region II

Products: electrolytic (electro-obtained) cathodes

The exploitation of the "Mina Ministro Hales" mine was authorized on November 19, 2010, forming a new division with an estimated opening date of operation at the end of 2013.

Parent Company Distribution

Revenue and expenses controlled by the Parent Company are allotted to the Divisions based on the criteria detailed as follows.

Main items are allocated according to the following criteria:

Sales and Cost of Sales of Parent Company commercial transactions

- Distribution to the Operating Divisions is made proportionally to the value of the products and sub-products invoiced by each Division.

Other income, by function

- Other income by function, associated and identified with each individual Division, is allotted directly.
- Recognition of realized profits and other income by function of subsidiaries is distributed in proportion to the operating income of each Division.
- The remaining other income is distributed in proportion to the addition of balances of "other income" and "finance income" of the respective Divisions.

Distribution costs

- Expenses associated and identified with each Division are allotted directly.
- Distribution costs of subsidiaries are allotted in proportion to the operating income of each Division.

Administrative Expenses

- Administrative expenses associated and identified with each Division are allotted directly.
- Administrative expenses are recorded in cost centers associated with the sales function. Administrative expenses of subsidiaries are distributed in proportion to the operating income of each Division.
- Administrative expenses recorded in cost centers associated with the supply function are allocated in relation to material account balances in each division warehouse
- The remaining administrative expenses are distributed in relation to operating cash expenses of each Division.

Other Expenses, by function

- Expenses associated and identified with each Division are allotted directly.
- Expenses for pre-investment studies and other expenses of subsidiaries by function are distributed in proportion to the operating income of each Division

Other Earnings

- Other earnings associated and identified with each individual Division are allotted directly
- Other earnings of subsidiaries are distributed in proportion to the operating income of each Division.

Finance Income

- Finance income associated and identified with each Division is allotted directly.
- Finance income of subsidiaries is distributed in proportion to the operating income of each Division.
- The remaining finance income is distributed in relation to the operating cash expenses of each Division.

Finance costs

- Finance costs associated and identified with each Division in particular are allotted directly.
- Finance costs of subsidiaries are distributed in proportion to the operating income of each Division.

Share in profit (losses) of Associates and joint ventures, which are accounted for using the equity method

- The share in profit or losses of associates and joint ventures identified for each individual Division is allotted directly.

Foreign currency translation

- Foreign currency translation identifiable with each individual Division is allotted directly.
- Foreign currency translation of subsidiaries is distributed in proportion to the operating income of each Division.
- The remaining foreign currency translation is distributed in relation to operating cash expenses of each Division.

Contribution to the Treasury of Chile Law No. 13,196

- The amount of the contribution is distributed and accounted for in relation to values invoiced and accounted for in the copper and sub-product exports of each Division, subject to taxation.

Income tax income (expenses)

- First category income tax (corporate), of D.L. 2,398 and specific mining tax are distributed based on the pre-tax income of each Division, considering for this purpose the income and expenses distribution criteria of the Parent Company and subsidiaries mentioned above.
- Other tax expenses are distributed in proportion to the first category income tax, specific mining tax and D.L. 2,398 allotted to each Division.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Financial information organized by operating segment is detailed as follows

From 1/1/2011 to 9/30/2011											
Segments	Chuquicamata	R. Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Total Codelco	Subsidiaries and Parent net	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of the Corporation´s copper	3,008,881	2,681,740	807,603	1,343,877	2,496,500	401,998	702,284	-	11,442,883	511,916	11,954,799
Revenue from sales from third parties' copper	-	-	-	-	-	4,904	-	-	4,904	1,101,555	1,106,459
Revenue from sales of molybdenum	323,978	21,880	24,795	72,711	143,196	-	-	-	586,560	-	586,560
Revenue from sales of other products	356,753	-	112,655	8,807	149,432	261,262	-	-	888,909	(119,330)	769,579
Revenue from futures market	(263,048)	(233,947)	(72,961)	(135,927)	(219,353)	-	(58,994)	-	(984,230)	(111)	(984,341)
Revenue between segments									-	(568,265)	(568,265)
Revenue from regular actitivities	3,426,564	2,469,673	872,092	1,289,468	2,569,775	668,164	643,290	-	11,939,026	925,765	12,864,791
Cost of sales of the Corporation´s copper	(1,939,295)	(831,079)	(644,029)	(625,657)	(960,553)	(422,526)	(353,283)	-	(5,776,422)	(801,137)	(6,577,559)
Cost of sales from third parties' copper	-	-	-	-	-	(4,210)	-	-	(4,210)	(1,059,232)	(1,063,442)
Cost of sales of molybdenum	(57,471)	(10,299)	(8,424)	(15,205)	(25,734)	-	-	-	(117,133)	-	(117,133)
Cost of sales of other products	(243,626)	61,997	(93,632)	6,166	(76,527)	(276,361)	-	-	(621,983)	119,330	(502,653)
Cost of sales between segments	7,964	5,740	2,027	2,997	5,973	1,553	1,495	-	27,749	821,381	849,130
Cost of sales	(2,232,428)	(773,641)	(744,058)	(631,699)	(1,056,841)	(701,544)	(351,788)	-	(6,491,999)	(919,658)	(7,411,657)
Gross Profit	1,194,136	1,696,032	128,034	657,769	1,512,934	(33,380)	291,502	-	5,447,027	6,107	5,453,134
Other revenue per function	102,042	36,722	24,735	29,656	102,835	12,411	8,109	-	316,510	240,367	556,877
Distribution costs	(1,996)	(1,353)	(475)	(777)	(1,499)	(360)	(346)	-	(6,806)	(1,411)	(8,217)
Administrative expenses	(93,308)	(50,266)	(27,446)	(35,469)	(76,574)	(13,314)	(21,653)	2	(318,028)	(35,047)	(353,075)
Other expenses per function	(490,901)	(288,980)	(98,622)	(148,556)	(529,911)	(62,994)	(67,789)	(234)	(1,687,987)	(2,007)	(1,689,994)
Other gains (losses)	-	-	-	-	-	-	-	-	-	25,179	25,179
Finance income	10,075	3,923	2,083	2,760	8,097	867	976	2	28,783	3,051	31,834
Finance costs	(75,555)	(9,455)	(13,915)	(47,470)	(38,847)	(2,388)	(26,230)	-	(213,860)	(6,587)	(220,447)
Share in the profit (loss) of associates and joint ventures accounted by the equity method	94,805	68,469	24,044	35,683	71,244	18,524	1,374	-	314,143	(59,741)	254,402
Exchange differences	62,635	7,612	13,954	24,328	51,474	7,981	4,070	(1,437)	170,617	(45,758)	124,859
Profit (loss) before taxes	801,933	1,462,704	52,392	517,924	1,099,753	(72,653)	190,013	(1,667)	4,050,399	124,153	4,174,552
Income tax expenses	(465,529)	(910,891)	(14,908)	(319,147)	(682,570)	58,296	(114,850)	1,000	(2,448,599)	(125,181)	(2,573,780)
Profit (loss)	336,404	551,813	37,484	198,777	417,183	(14,357)	75,163	(667)	1,601,800	(1,028)	1,600,772

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

From 1/1/2010 to 9/30/2010											
Segments	Chuquicamata	R. Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Total Codelco	Subsidiaries and Parent net	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of the Corporation´s copper	3,456,216	1,624,976	769,108	802,969	2,158,681	449,718	639,377	-	9,901,045	419,290	10,320,335
Revenue from sales from third parties' copper	-	-	-	-	-	108,470	-	-	108,470	771,972	880,442
Revenue from sales of molybdenum	268,224	-	31,996	75,431	128,325	-	-	-	503,976	-	503,976
Revenue from sales of other products	92,021	-	83,676	12,616	68,026	204,593	-	-	460,932	(65,675)	395,257
Revenue from futures market	(271,673)	(117,128)	(56,881)	(59,216)	(164,791)	-	(45,973)	-	(715,662)	(811)	(716,473)
Revenue between segments									-	(407,910)	(407,910)
Revenue from regular actitivities	3,544,788	1,507,848	827,899	831,800	2,190,241	762,781	593,404	-	10,258,761	716,866	10,975,627
Cost of sales of the Corporation´s copper	(2,045,363)	(546,127)	(588,799)	(391,685)	(868,001)	(458,912)	(283,357)	-	(5,182,244)	(636,131)	(5,818,375)
Cost of sales from third parties' copper	-	-	-	-	(329)	(110,367)	-	-	(110,696)	(768,449)	(879,145)
Cost of sales of molybdenum	(51,509)	-	(10,545)	(13,496)	(22,355)	26	-	-	(97,879)	-	(97,879)
Cost of sales of other products	(73,959)	-	(75,836)	(3,159)	(79,456)	(230,038)	-	-	(462,448)	95,644	(366,804)
Cost of sales between segments	(824)	(354)	(192)	(208)	(516)	(178)	(141)	-	(2,413)	631,129	628,716
Cost of sales	(2,171,655)	(546,481)	(675,372)	(408,548)	(970,657)	(799,469)	(283,498)	-	(5,855,680)	(677,807)	(6,533,487)
Gross Profit	1,373,133	961,367	152,527	423,252	1,219,584	(36,688)	309,906	-	4,403,081	39,059	4,442,140
Other revenue per function	18,034	11,536	7,904	22,557	34,319	2,578	134	-	97,062	5,233	102,295
Distribution costs	(2,031)	(894)	(3,056)	(556)	(1,510)	(445)	(340)	-	(8,832)	(1,411)	(10,243)
Administrative expenses	(77,769)	(23,642)	(22,310)	(22,607)	(69,147)	(13,313)	(17,250)	-	(246,038)	(24,728)	(270,766)
Other expenses per function	(506,175)	(139,459)	(104,782)	(72,106)	(214,984)	(38,519)	(54,835)	-	(1,130,860)	(2,574)	(1,133,434)
Other gains (losses)	-	-	-	-	-	-	-	-	-	20,404	20,404
Finance income	8,751	2,103	1,694	2,465	4,764	681	994	-	21,452	1,084	22,536
Finance costs	(74,072)	(6,957)	(4,562)	(41,000)	(57,083)	(10,004)	(22,452)	-	(216,130)	(4,148)	(220,278)
Share in the profit (loss) of associates and joint ventures accounted by the equity method	81,430	30,206	16,208	18,314	44,051	15,210	1,256	-	206,675	(2,065)	204,610
Exchange differences	(33,936)	(6,243)	(9,315)	(12,835)	(52,671)	(5,490)	(4,334)	-	(124,824)	(678)	(125,502)
Profit (loss) before taxes	787,365	828,017	34,308	317,484	907,323	(85,990)	213,079	-	3,001,586	30,176	3,031,762
Income tax expenses	(458,041)	(485,326)	(14,743)	(196,056)	(543,971)	58,128	(122,966)	-	(1,762,975)	(1,391)	(1,764,366)
Profit (loss)	329,324	342,691	19,565	121,428	363,352	(27,862)	90,113	-	1,238,611	28,785	1,267,396

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The assets and liabilities related to each operating segment, including the Corporation's corporate center (Parent Company) as of September 30, 2011 and as of December 31, 2010 are detailed in the following tables:

9/30/2011										
Balance Sheet Item	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Subsidiares and Parent net	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current Assets	1,349,887	563,995	313,964	198,132	604,839	210,433	204,245	61,292	1,251,886	4,758,673
Non-current assets	2,797,716	1,244,601	515,077	3,193,193	2,903,522	289,115	1,058,836	677,713	1,810,117	14,489,890
Current Liabilities	469,283	131,656	110,645	169,514	287,945	114,452	124	46,129	2,397,243	3,726,991
Non-current liabilities	959,845	193,753	235,611	179,095	658,136	31,788	11,850	-	7,289,019	9,559,097

12/31/2010										
Balance Sheet Item	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Subsidiares and Parent net	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current Assets	1,697,367	524,568	489,662	467,567	795,830	310,335	251,597	4,318	1,410,232	5,951,476
Non-current assets	3,118,643	1,233,388	428,352	3,042,902	2,771,088	278,212	916,073	131,803	2,407,104	14,327,565
Current Liabilities	696,405	93,134	113,621	285,423	459,953	138,851	541	42,692	3,413,207	5,243,827
Non-current liabilities	827,355	118,390	164,582	174,766	597,336	35,300	11,552	93,641	8,481,080	10,504,002

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Revenue classified by geographical area is detailed as follows:

Revenue per geographical areas	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Total revenue from local customers	1,521,494	1,041,716	917,976	497,793
Total revenue from foreign customers	11,343,297	9,933,911	3,066,767	3,734,189
Total	12,864,791	10,975,627	3,984,743	4,231,982

Revenue per geographical areas	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Asia	6,709,151	5,686,779	2,290,359	2,014,214
Europe	2,751,376	2,039,049	802,731	706,162
Others	3,404,264	3,249,799	891,653	1,511,606
Total	12,864,791	10,975,627	3,984,743	4,231,982

Sales are allocated to different geographical areas depending on the residence of the clients that have signed sales contracts with Codelco.

Non-current assets other than financial instruments, deferred tax assets, Post-employment benefit assets, and rights arising under insurance contracts, are located mainly in Chile, with exceptions if not being significant, located in foreign subsidiaries, and that do not exceed more than 1% of such assets.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

25. Foreign exchange differences

According to Decree Law 1,350, the Corporation maintains its accounting records in United States dollars (US$), recording transactions in currencies other than U.S. dollars at the exchange rate current at the date of each transaction and subsequently updating them, when necessary, according to the exchange rate determined by the Superintendency of Securities and Insurance as of closing reporting for each of the financial statements.

The following table summarizes the foreign exchange differences in Codelco Chile and subsidiaries' consolidated statements of income:

Gain (Loss) from foreign exchange differences recognized in income	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$	7/1/2011 9/30/2011 ThUS$	7/1/2010 9/30/2010 ThUS$
Gain from foreign exchange differences	256,977	31,501	80,725	(71,015)
Loss from foreign exchange differences	(132,118)	(157,003)	2,261	(85,501)
Total foreign exchange differences	124,859	(125,502)	82,986	(156,516)

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

26. Statement of cash flows

The following table shows the items that comprise other collections and payments from operating activities in the Statement of Cash Flows:

Other collections from operating activities	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$
VAT Refund	1,033,296	904,794
Others	427,629	333,913
Total	1,460,925	1,238,707

Other payments for operating activities	1/1/2011 9/30/2011 ThUS$	1/1/2010 9/30/2010 ThUS$
Contribution to the Chilean Treasury (Law No. 13,196)	(1,231,443)	(873,005)
Finance hedges and sales	(960,352)	(685,133)
VAT and other similar taxes paid	(1,033,994)	(920,404)
Total	(3,225,789)	(2,478,542)

On Februrary, 15, the association of Codelco with Minera PanAust IDO Ltda. was approved in relation to the mine site Inca de Oro. Additionally, Codelco became the holder of an equity interest of 34%, down from 100%, ceding control of Inca de Oro S.A. to PanAust IDO Ltda.

Other collections from investing activities	1/1/2011 9/30/2011 ThUS$
Sale of ECL-S.A.	1,055,351
Sale of Inca de Oro S.A.	33,000
Total	1,088,351

On February 15, 2011, the association of Codelco and Minera PanAust IDO Ltda. was approved in respect to the Inca de Oro deposit, which implies that the latter will have 66% share of Inca de Oro S.A. and Codelco shall maintain a 34% share.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Loss of control over subsidiaries	1/1/2011 9/30/2011 ThUS$
Total consideration received	33,000
Consideration consisting of cash and cash equivalents	33,000
Cash and cash equivalents loss in the subsidiaries	575
Assets and liabilities other than cash or cash equivalents in the subsidiaries(*)	3,154

(*) Statement of Financial Position as of December 31, 2010

27. Financial risk management, objectives and policies

Codelco has created committees within its organization to generate strategies with which to minimize the financial risks to which it may be exposed.

The Market Risk Management Committee and the Vice-presidency of Management and Finance are responsible for this.

The Market Risk Management Committee is also responsible for analyzing and proposing financial hedging operations to the Corporation’s Board of Directors, to issue standards and to control the execution of the authorizations given by the Board.

The risks to wich Codelco is exposed are detailed as follows, along with a brief description of the management procedures that are carried out in each case.

a. Financial risks

- Exchange rate risk:

According to IFRS 7, exchange rate risk is understood to be the risk that arises from financial instruments that are denominated in foreign currencies, that is, a currency other than the Corporation's functional currency (U.S. dollar).

Codelco’s activities that generate this exposure correspond to funding in UF, accounts payable and receivable in Chilean pesos, other foreign currencies used in its business operations and obligations with employees.

The majority of transactions in currencies other than US$ are denominated in Chilean pesos.

Considering financial assets and liabilities as of September 30, 2011, a positive or negative fluctuation of 10 Chilean pesos versus the US$ (with all other variables constant), could affect profits by +/ - US$ 22 million before taxes. This result is obtained by identifying the main cash entries affected by foreign currency translation, be they assets or liabilities, with the purpose of measuring the impact on income that a variation of +/- 10 Chilean pesos would have with respect to the real foreign currency exchange rate, using the presentation date of the financial statements.

- Interest rate risk:

This risk is generated by interest rate fluctuations in Codelco's investment and financing activities. This movement can affect future cash flows or the market value of fixed rate financial instruments.

These rate variations refer to U.S. dollar variations, mostly with respect to the LIBOR rate. To manage this risk, Codelco maintains an adequate combination of fixed and variable rate debt, which is complemented by the possibility of using interest-rate derivatives to meet the strategic guidelines defined by Codelco's Corporate Finance Department.

On the basis of net debt as of September 30, 2011, it is estimated that a variation of one percentage point in the interest rates for financial credit liabilities subject to a variable interest rate would give rise to a variation in finance expense of approximately US$ 3 million, before tax. This estimation is made by identifying all liabilities that are subject to variable interest rates, the amount of which as of the closing date of the financial statements may change as the result of a change of one percentage point in the variable interest rates referred to above.

Total fixed and variable interest rate obligations maintained by Codelco as of September 30, 2011, amount to ThUS$ 4,672,179 y ThUS$ 1,213,530, respectively.

b. Market risks

- Commodity price risk:

As a result of its commercial operations and activities, the Corporation's income is mainly exposed to the volatility of copper prices and certain sub-products such as gold and silver.

Copper and molybdenum concentrate sale agreements and copper cathode sale agreements generally provide for provisional pricing of sales at the time of shipment, with final pricing based on the monthly average London Metal Exchange ("LME") copper price or the monthly average market molybdenum price for specified future periods. Such a provisional sale contains an embedded derivative which is required to be separated from the host contract. The host contract is the sale of metals contained in the concentrate or cathode at the provisional invoice price, and the embedded derivative is the forward contract for which the provisional sale is subsequently adjusted. At each reporting date, the provisionally priced metal sales are marked-to-market, with adjustments (both gains and losses) being recorded in revenues in the consolidated income statement. Forward prices at the period end are used for copper sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of a futures market.

As of September 30, 2011, if the future price of copper were to vary by + / - 5% (with the other variables constant), net income would vary by + / - US$141 million as a result of the mark to market adjustment of sales revenue at provisional prices current at September 30, 2011 (ThTMF 320). For the indicated estimate, all physical sales contracts were identified that will be valued according to the average of the month immediately prior to the closing date of the financial statements, after which the definitive liquidation price will be estimated if there is a difference of +/- 5% with respect to the known future price on that date for the given period.

In order to protect its cash flows and, if necessary, adjust its sales contracts to its commercial policy, the Corporation performs transactions in the futures market.

At each reporting date, these futures contracts are recorded and adjusted to marked-to-market and recorded at the settlement date of the hedging operations, as a part of the sales revenue of the products.

Forward prices at the period end are used for copper concentrate and cathode sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of a futures market.

As of September 30, 2011, a one cent (US$ 0.01) variation in the price per pound of copper, because of the effect on derivative instrument contracts entered into by the Corporation, would result in a variation in revenue or payments for existing contracts (exposure) of US$4 million.

This calculation is obtained by simulating the curves for future copper prices, which are used to value all those derivative instruments maintained by the Corporation; in this way estimating by how much the exposure of these instruments would vary, if there were an increase/ decrease of US ¢ 1 in the price of a pound of copper.

No hedging contracts have been entered into for the specific purpose of mitigating the price risk caused by fluctuations in the price of production supplies.

c. Liquidity risk

The Corporation ensures that it has sufficient resources, such as pre-approved credit lines (including refinancing), in order to meet short-term requirements, after considering the necessary working capital for its operations and any other commitments it has.

In this sense, Codelco Chile maintains resources at its disposal sufficient to meet its obligations, whether in cash, liquid financial instruments or credit facilities. .

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In addition, the Finance Department constantly monitors the Company's cash flow projections based on short and long term projections and available financing alternatives. In addition, the Company estimates that it has enough room to increase the level of borrowing for the normal requirements of its operations and investments established in its development plan.

In this context, according to current existing commitments with creditors, the cash requirements to cover financial liabilities classified by maturity and presented in the statement of financial position are detailed as follows:

Maturities of financial liabilities at September 30, 2011	Less than one year ThUS$	Between one and five years ThUS$	More than five years ThUS$
Loans from financial institutions	16,093	1,197,437	-
Bonds	367,851	1,430,487	2,873,841
Finance leases	26,302	58,012	52,640
Derivatives	723,710	160,198	-
Other financial liabilities	7,274	85,276	-
Total	1,141,230	2,931,410	2,926,481

d. Credit risk

This risk comprises the possibility that a third party does not fulfill its contractual obligations, thereby causing a loss for the Corporation.

Given the Corporation's sales policy, principally with cash and advance payments and bank letters of credit, the uncollectibility of client debt balances is minimal. This is complemented by the familiarity

the Corporation has with its clients and the length of time it has operated with them. Therefore, the credit risk of these transactions is not significant.

In general, the Corporation's other accounts receivable have a high credit quality according to the Corporation's valuations, based on each debtor's solvency analysis and payment history.

The maximum credit risk exposure as of September 30, 2011 is reliably represented by the financial asset items presented in the Corporation's Statement of Financial Position.

The Corporation's accounts receivable do not include customers with balances that could be classified as a significant concentration of debt and would represent a material exposure for Codelco. This exposure is distributed among a large number of clients and other counterparties.

The client items include allowances, which are not significant, based on review of the debt balances and the clients' characteristics, to cover possible insolvencies.

Explanatory note 2 in "Trade and other receivables" presents overdue balances that have not been impaired.

The Corporation estimates that unimpaired amounts overdue over 30 days are recoverable, based on clients' historical payment behavior and their existing credit ratings.

As of September 30, 2011 and December 31, 2010, there are no receivable balances that have been renegotiated.

Codelco works with major banks, which have high national and international ratings, and continually assesses them; therefore, the risk that could affect the availability of the Corporation's funds and financial instruments is not significant.

Also, in some cases, to minimize credit risk, the Corporation has contracted credit insurance policies through which it transfers to third parties the commercial risk associated with some aspects of its business.

During the Third quarter of 2011 and 2010, no assets have been obtained as a result of the execution of guarantees contracted to insure the collection of third party debt.

Personnel loans are mainly generated by mortgage loans, according to programs included in collective agreements, which are guaranteed by housing mortgages which are paid for through payroll discounts.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

28. Derivatives contracts

As stated in the Board of Directors' policy, ratified on March 27, 2009, the Corporation has operations to hedge cash flows, to minimize the risk of foreign exchange rate variations and sales price variations, detailed as follows:

a. Exchange rate hedges

The Corporation has interest rate hedging transactions for a total of ThUS$123,401, which mature in September 2012 and April 2025.

The following table summarizes the exposure of the financial hedges contracted by the Corporation:

Hedge Item	Bank	Type of derivative Contract	Maturity	Currency	Amount of the hedge item ThUS$	Swap value ThUS$	Exposure ThUS$
Bond UF 2012	Banco Chile - JP Morgan	Swap	9/1/2012	US$	295,325	164,482	11,201
Bond UF 2025	Credit Suisse	Swap	4/1/2025	US$	291,106	208,519	112,200
Total					586,431	373,001	123,401

The current methodology used to valorize the Swap

The current methodology for valuing the currency swap, using the bootstrapping technique from the Mid and Mid Swap rates for Libor build curves (zero) in UF and USD respectively, from market information.

b. Cash flows and commercial policy adjustment hedging contracts

The Corporation performs transactions in the futures market, recording their results at maturity. These results are added to or subtracted from sales revenue. This addition or subtraction is made because sales revenue incorporates the positive or negative effect of market prices. At September 30, 2011, these operations generated lower net income of ThUS$ 980,778 (plus an effect of higher net income equivalent to ThUS$111 in subsidiaries), which is detailed below:

b.1. Commercial operations of current copper contracts

The purpose of these contracts is to adjust the price of shipments to the price defined in the Corporation's related policy, defined in accordance with the London Metal Exchange (LME). As of September 30, 2011, the Corporation performed futures market transactions that represent 494,079 metric tons of fine copper. These hedging operations are part of the Corporation's commercial policy.

The current contracts as of September 30, 2011 present a ThUS$118,504 positive exposure, and their final result will only be known at their maturity, offsetting the hedging transactions with revenue from the sale of the hedged products.

The transactions completed between January 1 and September 30, 2011 generated a net positive effect on net income of ThUS$1,981, which is deducted from the amounts paid for purchase contracts and added to the values received for sales contracts of the products affected by these pricing transactions.

b.2. Commercial Transactions of Current Gold and Silver Contracts

As of September 30, 2011 the Corporation maintains contracts for pricing the sale of gold for ThTOZ 3 and silver for ThTOZ 412.

The positive exposure at that date is ThUS$1,602.

The transactions completed between January 1 and September 30, 2011 generated a negative effect on net income of ThUS$1,706, which is subtracted from the amounts received for the sales contracts of the products affected by these pricing transactions. These hedging transactions mature in January 2012.

b.3. Cash flow hedging operations backed by future production

Also, to hedge future cash flows by ensuring the sale price of part of its production, copper futures transactions have been entered into for 200,400 tons of fine copper (TMF). The copper futures sales contracts mature in January 2013.

The current futures contracts as of September 30, 2011 present a ThUS$850,330 negative exposure, and their final result will only be known at their maturity, offsetting their effects with the sale of the hedged products.

The futures transactions completed between January 1 and September 30, 2011, related to production sold, generated a lower income of ThUS$977,091, which is the result of offsetting the hedging transaction and sales revenue from the sale of the products affected by this pricing. These results are presented by reducing net operating income.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The following table summarizes the exposure of the metal hedges contracted by the Corporation:

9/30/2011	Maturity Date						
ThUS$	2011	2012	2013	2014	2015	Following	Total
Flex Com Copper (Assets)	89,627	34,201	1,843	-	-	-	125,671
Flex Com Copper (Liabilities)	(6,814)	(353)	-	-	-	-	(7,167)
Flex Com Gold/Silver	1,567	35	-	-	-	-	1,602
Copper Pricing	(141,296)	(655,603)	(53,431)	-	-	-	(850,330)
Metal options	-	-	-	-	-	-	-
Total	(56,916)	(621,720)	(51,588)	-	-	-	(730,224)

12/31/2010	Maturity Date						
ThUS$	2011	2012	2013	2014	2015	Following	Total
Flex Com Copper (Assets)	186,631	116	-	-	-	-	186,747
Flex Com Copper (Liabilities)	(26,830)	(5,970)	-	-	-	-	(32,800)
Flex Com Gold/Silver	211	33	-	-	-	-	244
Copper Pricing	(1,339,596)	(991,649)	(77,162)	-	-	-	(2,408,407)
Metal options	-	-	-	-	-	-	-
Total	(1,179,584)	(997,469)	(77,162)	-	-	-	(2,254,216)

9/30/2011	Maturity Date						
Th TM/Onzas	2011	2012	2013	2014	2015	Following	Total
Copper futures[TM]	145.0	304.9	43.3	0.5	0.5	-	494.1
Gold/ Silver futures [MOZ]	334.6	80.4	-	-	-	-	415.0
Copper pricing [TM]	33.6	154.3	12.5	-	-	-	200.4
Metal Options [TM]	-	-	-	-	-	-	-

12/31/2010	Maturity Date						
Th TM/Onzas	2011	2012	2013	2014	2015	Following	Total
Copper futures[TM]	393.7	54.2	-	0,5	-	0,5	448.9
Gold/ Silver futures [MOZ]	916.6	80.4	-	-	-	-	997.0
Copper pricing [TM]	198.7	154.3	12.5	-	-	-	365.5

29. Contingencies and restrictions

i. Litigations and contingencies

There are various lawsuits and legal actions initiated by or against the Company, which derive from its operations and the industry in which it operates. In general, these are civil, tax, labor and mining litigations, all related to the Corporation's activities.

In the opinion of Management and its legal advisors, the lawsuits in which the Company is being sued do not represent significant loss contingencies. Codelco defends its rights and employs all corresponding relevant legal instances, resources and procedures.

The most significant lawsuits that involve Codelco are related to the following matters:

- Tax Lawsuits: There are several tax lawsuits due to Internal Revenue Service tax assessments, for which the Corporation has filed the corresponding opposition.

- Labor Lawsuits: Labor lawsuits filed by workers of the Andina Division against the Corporation, relating to occupational illness (silicosis).

- Mining and Other Lawsuits derived from operations: The Corporation has been participating and will probably continue to participate as a plaintiff and defendant in certain lawsuits relating to its operations and mining activities, through which it seeks to exercise or oppose certain actions or exceptions with regard to certain mining concessions that have been established or are pending constitution, and its other activities. The amounts related to these processes have not been currently determined and do not significantly affect Codelco's development.

A case by case analysis of these lawsuits has shown that there are a total of 305 cases that have a clearly estimated value. It is estimated that 120 of these, which represent 39% of the total and which amount to ThUS$72,269, could have a negative impact on the Corporation. There are also 46 lawsuits, representing 36% of the total and which amount to ThUS$47,871, about which there is no certainty that the outcome would be unfavorable for Codelco. For the 139 remaining cases, amounting to ThUS$12,848, the Corporation's legal advisors believe that an unfavorable outcome is unlikely. In addition, there are 108 lawsuits for undetermined amounts; it is believed that the result of 26 of these could be unfavorable to Codelco.

Additionally, the Corporation is in the process of responding to, by the corresponding deadlines, a resolution of the Internal Revenue Service that originates from a review of taxable income from prior years related to a product sales contract signed with a related company.

The necessary provisions have been made for the lawsuits with probable losses and their legal costs. These provisions are recorded as contingency provisions.

As is public knowledge, the Corporation has submitted Appeals for Protection before the respective Courts of Appeals, challenging the findings reported by the Labor Department, deriving from inspections performed under the framework of Law No.20,123, which regulates subcontracted work schemes and temporary service firms. Five of these appeals were accepted and one was rejected, the latter of which has been appealed by the Corporation. All appeals are currently pending in the Supreme Court.

ii. Other Commitments

a) On April 29, 2008, the Company, jointly with other companies in the mining sector, entered into an electricity generation supporting contract with Gas Atacama Generación S.A. in the Norte Grande Interconnected System (SING), in force from March 1, 2008 to December 31, 2011, the expense for which will be accrued according to the participating companies' consumption. Codelco is responsible for covering a maximum of US$194.71 million in that period.

b) On February 29, 2010, the Board agreed to continue mining operations of the Salvador Division until 2016, and if market and operating conditions are maintained, until 2021. Both extensions are subject to the condition that management improvements and cost reduction commitments made by the Division are met. These commitments were filed at the Board of Directors in August 2010. And the extension was approved.

c) On May 31, 2005, Codelco, through its subsidiary Codelco International Ltd. signed an agreement with Minmetals to form a company, Copper Partners Investment Company Ltd., in which both companies have an equal equity interest. A 15-year copper cathode sales contract to that associated company was agreed upon, as well as a purchase contract from Minmetals to the latter for the same period and for equal monthly shipments to complete a total of 836,250 metric tons. Each shipment shall be paid by the buyer at a price formed by a fixed re-adjustable component plus a variable component, which depends on current copper prices at the time of shipment.

In addition, Codelco granted Minmetals an option to purchase, at market price, a non-controlling interest in a company that would exploit the Gaby deposit, subject to the conditions established and authorized by Codelco to carry out this initiative.

On September 23, 2008, Codelco Chile and Minmetals agreed to indefinitely suspend the rights and obligations related to the option on the Gabriela Mistral Deposit. Any possible replacement of this option will require an agreement between both parties. Likewise, both companies agreed to work together, on a case by case basis, in the study of new international copper mining business and exploration opportunities, mainly in Latin America and Africa.

During the first quarter of 2006 and on the basis of the negotiated financial terms, financing contracts were formalized with the China Development Bank allowing Copper Partners Investment Company Ltd. to make the US$550 million advance payment to Codelco in March 2006.

As of September 30, 2011, the contract is operational, and monthly shipments began in June 2006.

On the basis of the agreements with Minmetals, Codelco's Board of Directors authorized hedging transactions for a total of 139,325 tons, by Copper Partners Investment Company Ltd., which were completed during the months of January and March 2006 and were settled during the third quarter of 2011. Copper Partners Investment Company Ltd. assumed the results of the hedging transactions.

With regard to financial obligations incurred by the associate Copper Partners Investment Company Ltd. with the China Development Bank, Codelco Chile and Codelco International Ltd. must meet certain commitments, mainly relating to the delivery of financial information. In addition, Codelco Chile must maintain 51% ownership of Codelco International Limited.

According to the Sponsor Agreement, dated March 8, 2006, the Codelco International Ltd. subsidiary gave its participation in Copper Partners Investment Company Limited as a guarantee to the China Development Bank.

d) On January 30, 2009, the Corporation informed Anglo American Sur S.A. of its decision to postpone exercising the option it holds – which initially belonged to Empresa Nacional de Minería (ENAMI) and was transferred to Codelco for consideration - to acquire up to 49% of the shares of said company, for the next contract period from January 1 to 31, 2012.

On February 22, 2010 Codelco made an advance payment of the price of the surrender option for the purchase of Enami's shares in Anglo American Sur S.A. for the amount of ThUS$163,935 in three installments, the first two installments of ThUS$60,000 and paid on the 22 and 25 of February, 2010, respectively, and a third installment for the balance, paid on March 1st, 2010.

e) The Corporation has signed gas supply contracts with its associate GNL Mejillones S.A., which began operations in October 2010, and through this contract, the associate agrees to sell part of a minimum equivalent to 27 Terra BTU's (British Thermal Units) per year during the 2010 - 2012 period. Additionally, the Corporation has signed an option contract together with other participating mining companies that includes the option to:

- Acquire the right to the long-term use of the terminal's capacity from the end of the contract, or

- To acquire the company's shares; the companies are committed to choosing one or other of these two alternatives.

On September 30, 2011, the Corporation has guarantees for 37% of the total exposure of the derivative transactions made by GNL Mejillones S.A., up to a maximum of ThUS$266,400.

f) Law 19,993 dated December 17, 2004, which authorized the purchase of the Fundición y Refinería Las Ventanas assets from ENAMI, established that the Corporation must ensure that the smelting and refining capacity required is maintained, without any restriction and limitation, for treating the products of the small and medium mining sector sent by ENAMI, under the form of toll production mode or another form agreed upon by the parties.

g) Obligations with the public for bond issues means that the Corporation must meet certain restrictions related to limits on pledges and leaseback transactions on its principal assets and on its ownership interest in subsidiaries.

The Corporation, as of September 30, 2011 and 2010, has met these conditions.

h) On January 20, 2010, the Corporation signed two energy supply contracts with Colbún S.A., which includes energy and power purchases for a total of 351 MW. The contract provides a discount for that energy consumption due to lower demand from Codelco's SIC divisions with respect to the amount of contracted power. The discount is equivalent to the value of the sale of that energy on the spot market.

In addition, through a supplementary agreement, Codelco has ensured the supply by Colbún of 159 MW, adapted to Codelco's long-term energy and power requirements from the SIC of approximately 510 MW.

This contract is based on energy production from Colbún's Santa María thermal power station, which is currently under construction. This plant is coal-fired, and therefore the electric energy tariff rate applied for the energy supplied to Codelco is linked to the price of coal.

Through these contracts, which operate through take or pay, the Corporation agrees to pay for the contracted energy and Colbún undertakes to return at market price the energy not consumed by Codelco.

i) On November 6, 2009, Codelco signed the following long-term electric energy supply contracts with ELECTROANDINA S.A.

- This Contract replaces the one signed on November 22, 1995, for the supply of electricity to the Chuquicamata work center, for a 15-year term beginning in January 2010 for between

200 and 280 MW in power and all associated electric energy. The approximate cost of the contract is US$1,380 million for the whole period.

- Modification of the contract dated December 21, 1995 for the Radomiro Tomic work center, for a maximum power of 110 MW, in which new prices are established, for the power and energy contemplated in the contract as well as their new adjustment formulas from January 2010.

j) On December 31, 2009, Codelco has signed a purchase contract with Empresa Nacional de Electricidad S.A., for the purchase of power and electricity from the Central Interconnected System (SIC) to meet Codelco's requirements for its Salvador Division.

The contract is effective as of April 1, 2010 and up to March 31, 2013. The agreed maximum power is HP 70 (MW) and HFP 71 (MW).

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

30. Guarantees

The Corporation has received and granted guarantees as a result of its activities.

The guarantees given by Codelco include those granted to financial institutions. The main ones are detailed in the following tables:

Direct Guarantees provided to Financial Institutions				
Creditor por the Guarantee	Type of Guarantee	9/30/2011		9/30/2010
		Maturity	ThUS$	ThUS$
Macquarie Bank Limited	Standby Letter - Banco Intesa Sanpaolo	May-11	-	165,000
Macquarie Bank Limited	Standby Letter - Banco Intesa Sanpaolo	May-11	-	-
Koch Supply & Trading LP	Standby Letter - Banco Intesa Sanpaolo	Jun-11	-	-
Koch Supply & Trading LP	Standby Letter - Banco Intesa Sanpaolo	Jun-11	-	-
Koch Supply & Trading LP	Standby Letter - Banco Santander Chile	Oct-2011	55,000	55,000
Koch Supply & Trading LP	Standby Letter - Banco Santander Chile	Apr-11	-	-
Total			55,000	220,000

Indirect Guarantees provided to Financial Institutions					
Creditor por the Guarantee	Type of Guarantee	Relationship	Type of Guarantee	9/30/2011	9/30/2010
				ThUS$	ThUS$
Barclays Bank PLC	Sociedad GNL Mejillones S.A.	Associate	Guarantor	74,000	100,000
Morgan Stanley Capital Group INC.	Sociedad GNL Mejillones S.A.	Associate	Guarantor	148,000	200,000
Koch Supply & Trading LP	Sociedad GNL Mejillones S.A.	Associate	Guarantor	44,400	60,000
China Development Bank	Copper Partners Investment Co. Ltd.	Joint venture	Rights	58,650	26,635
Total				325,050	386,635

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The documents obtained as guarantees principally cover supplier and contractor obligations related to the various projects in progress. Considering the large amount of documents received and the large number of suppliers and contractors, the information regarding these guarantees, is grouped according to the Operating Divisions that have received them.

Guarantees received by third parties		
Division	9/30/2011 ThUS$	9/30/2010 ThUS$
Andina	50,750	50,026
Chuquicamata	69,629	52,652
Casa Matriz	199,455	140,949
Radomiro Tomic	8,500	-
Salvador	1,360	536
Ministro Hales	60	-
El Teniente	59,406	66,461
Ventanas	3,047	2,040
Total	392,207	312,664

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

31. Balances in foreign currency

a) Assets by Type of Currency

Item	9/30/2011 ThUS$	12/31/2010 ThUS$
Liquid assets	1,024,777	1,069,177
US Dollars	997,047	983,905
Euros	2,296	558
Other currencies	2,257	21,780
Non-indexed Ch$	22,095	62,934
U.F.	1,082	-
Cash and Cash equivalents	894,711	874,039
US Dollars	870,320	792,409
Euros	179	-
Other currencies	2,257	21,779
Non-indexed Ch$	20,873	59,851
U.F.	1,082	-
Other current financial assets	130,066	195,138
US Dollars	126,727	191,496
Euros	2,117	558
Other currencies	-	1
Non-indexed Ch$	1,222	3,083
U.F.	-	-
Short and long terms receivables	1,632,433	3,175,641
US Dollars	1,139,927	2,628,357
Euros	115,301	67,926
Other currencies	11,666	459,333
Non-indexed Ch$	363,865	18,835
U.F.	1,674	1,190
Trade and other receivables	1,316,780	2,714,006
US Dollars	987,265	2,363,430
Euros	113,791	67,926
Other currencies	11,666	265,486
Non-indexed Ch$	202,384	15,974
U.F.	1,674	1,190

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Item	9/30/2011 ThUS$	12/31/2010 ThUS$
Rights receivables, non-current	166,321	198,785
US Dollars	3,335	3,585
Euros	1,510	-
Other currencies	-	193,847
Non-indexed Ch$	161,476	1,353
U.F.	-	-
Due from related companies, current	48,315	157,954
US Dollars	48,310	156,446
Euros	-	-
Other currencies	-	-
Non-indexed Ch$	5	1,508
U.F.	-	-
Due from related companies, non-current	101,017	104,896
US Dollars	101,017	104,896
Euros	-	-
Other currencies	-	-
Non-indexed Ch$	-	-
U.F.	-	-
Rest of assets	16,591,353	16,034,223
US Dollars	13,885,377	11,754,576
Euros	338,743	460,807
Other currencies	24,136	3,530,536
Non-indexed Ch$	1,678,650	250,197
U.F.	664,447	38,107
Total Assets	19,248,563	20,279,041
US Dollars	16,022,351	15,366,838
Euros	456,340	529,291
Other currencies	38,059	4,011,649
Non-indexed Ch$	2,064,610	331,966
U.F.	667,203	39,297

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Liability by type of currency

Current liabilities by currency	9/30/2011		12/31/2010	
	Up to 90 days ThUS$	From 90 days to 1 year ThUS$	Up to 90 days ThUS$	From 90 days to 1 year ThUS$
Current Liabilities	1,275	3,725,716	3,324,919	1,918,908
US Dollars	65	2,819,862	3,072,346	1,904,206
Euros	-	16,642	-	3,979
Other currencies	-	1,351	95,386	25
Non-indexed Ch$	145	589,525	336	-
U.F.	1,065	298,336	156,851	10,698
Other current financial liabilities	1,275	1,139,955	-	1,918,908
US Dollars	65	825,720	-	1,904,206
Euros	-	13,880	-	3,979
Other currencies	-	-	-	25
Non-indexed Ch$	145	2,625	-	-
U.F.	1,065	297,730	-	10,698
Bank loans	-	16,093	-	340,613
US Dollars	-	253	-	336,440
Euros	-	13,880	-	1,060
Other currencies	-	-	-	-
Non-indexed Ch$	-	1,960	-	-
U.F.	-	-	-	3,113
Secured debentures	-	367,851	-	61,933
US Dollars	-	72,716	-	54,348
Euros	-	-	-	-
Other currencies	-	-	-	-
Non-indexed Ch$	-	-	-	-
U.F.	-	295,135	-	7,585

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Current liabilities by currency	9/30/2011		12/31/2010	
	Up to 90 days ThUS$	From 90 days to 1 year ThUS$	Up to 90 days ThUS$	From 90 days to 1 year ThUS$
Finance lease	1,275	25,027	-	17,367
US Dollars	65	22,432	-	17,116
Euros	-	-	-	226
Other currencies	-	-	-	25
Non-indexed Ch$	145	-	-	-
U.F.	1,065	2,595	-	-
Others	-	730,984	-	1,498,995
US Dollars	-	730,319	-	1,496,302
Euros	-	-	-	2,693
Other currencies	-	-	-	-
Non-indexed Ch$	-	665	-	-
U.F.	-	-	-	-
Other current liabilities	-	2,585,761	3,324,919	-
US Dollars	-	1,994,142	3,072,346	-
Euros	-	2,762	-	-
Other currencies	-	1,351	95,386	-
Non-indexed Ch$	-	586,900	336	-
U.F.	-	606	156,851	-

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Non-current liabilities by currency	9/30/2011				12/31/2011			
	1 to 3 years ThUS$	3 to 5 years ThUS$	5 to 10 years ThUS$	More than 10 years ThUS$	1 to 3 years ThUS$	3 to 5 years ThUS$	5 to 10 years ThUS$	More than 10 years ThUS$
Non - current liabilities	4,933,919	1,650,608	1,640,006	1,334,564	6,024,775	1,579,613	1,570,977	1,328,637
US Dollars	4,090,347	1,576,987	1,617,160	985,788	4,594,673	1,579,613	1,570,977	985,661
Euros	-	-	-	-	476	-	-	-
Other currencies	811,243	-	-	-	2,444	-	-	-
Non-indexed Ch$	-	35,914	1,466	-	1,022,154	-	-	-
U.F.	32,329	37,707	21,380	348,776	405,028	-	-	342,976
Other non - current financial liabilities	1,333,442	1,650,608	1,572,857	1,300,984	2,710,255	1,579,613	1,570,977	1,328,637
US Dollars	1,333,442	1,576,987	1,572,857	985,854	2,257,146	1,579,613	1,570,977	985,661
Euros	-	-	-	-	476	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	35,914	-	-	64,921	-	-	-
U.F.	-	37,707	-	315,130	387,712	-	-	342,976
Bank Loans	399,608	797,829	-	-	212,350	1,083,700	-	-
US Dollars	399,608	784,363	-	-	212,350	1,083,700	-	-
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	-	-	-	-	-	-	-
U.F.	-	13,466	-	-	-	-	-	-
Secured Debentures	933,834	496,653	1,572,857	1,300,984	1,252,314	495,913	1,570,977	1,328,637
US Dollars	933,834	496,653	1,572,857	985,854	933,314	495,913	1,570,977	985,661
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	-	-	-	-	-	-	-
U.F.	-	-	-	315,130	319,000	-	-	342,976
Financial Lease	-	110,652	-	-	122,503	-	-	-
US Dollars	-	50,497	-	-	53,315	-	-	-
Euros	-	-	-	-	476	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	35,914	-	-	-	-	-	-
U.F.	-	24,241	-	-	68,712	-	-	-
Others	-	245,474	-	-	1,123,088	-	-	-
US Dollars	-	245,474	-	-	1,058,167	-	-	-
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	-	-	-	64,921	-	-	-
U.F.	-	-	-	-	-	-	-	-
Other non - current financial liabilities	3,600,477	-	-	-	3,314,520	-	-	-
US Dollars	2,756,905	-	-	-	2,337,527	-	-	-
Euros	-	-	-	-	-	-	-	-
Other currencies	811,243	-	-	-	2,444	-	-	-
Non-indexed Ch$	-	-	-	-	957,233	-	-	-
U.F.	32,329	-	-	-	17,316	-	-	-

32. Sanctions

As of September 30, 2011 and 2010, neither Codelco Chile nor its Directors and Managers have been sanctioned by the Superintendency of Securities and Insurance or any other administrative authorities.

33. Subsequent events

a) On October 12, 2011, the Corporation reported as an essential event that it had entered into a credit contract with Mitsui & Co., Ltd. (Mitsui) for up to US$6,750 million, payable until August 1, 2012, with the purpose of financing the exercise of the purchase option of which Codelco is the holder for up to 49% of the share value in the company Anglo American Sur S.A., the legal successor of Compañía Minera Disputada de Las Condes.

Based on the information provided by Anglo American, on July 29, 2011, the amount of the credit mentioned above is deemed to be sufficient to finance the purchase of 49% of the share value available, and will be granted, with a guarantee by Codelco, to a subsidiary company of Codelco, Inversiones Mineras Acrux SpA (Acrux), to which the shares acquired will subsequently be contributed.

By virtue of the complementary agreements with Mitsui, Codelco has a hedge mechanism for certain risks associated with the fulfillment of its obligations under the mentioned credit contract, by virtue of which it has the right, but not the obligation, to transfer to Mitsui shares representing 50% of the total of shares issued by Acrux, at a determined subscription price, but subject to certain adjustments (with an implicit value assigned to the 49% of shares in Anglo American Sur S.A. of approximately US$ 9,760 million), against the capitalization of part of the credit granted to Acrux. In that case, the balance of the current debt with Mitsui will be modified and will be payable for 5 years, being guaranteed with a surety over the Acrux shares and without a personal guarantee by Codelco.

On October 28, 2011, and based on the information provided to Codelco by Anglo American on July 29, 2011 as a part of Anglo American's compliance with the contracts containing the purchase right, the Corporation's Board of Directors agreed to exercise the right to purchase the maximum share value that is permitted in conformity with the purchase option mentioned above, which represents 49% of the total shares of Anglo American Sur S.A., which was reported as an essential event.

On November 9, 2011, Anglo American reported having sold 24.5% of the shares in Anglo American Sur S.A. for US$ 5,390 million to Mitsubishi Corporation, signaling that in this way the shares for which Codelco has a purchase option are reduced. Given the above situation, on November 14, 2011, Codelco presented a protection appeal against Anglo American, which sought to protect its property rights over the 49% purchase option over Anglo American Sur S.A. As a result of this appeal, the courts issued a cease and desist order, preventing Anglo American from carrying out any new sale of the shares that it holds as of the date of the order.

b) On October 19, 2011, Codelco's Board of Directors approved, subject to the control landmarks typical of this kind of project, an investment of US$ 875 million for the construction of early construction projects for the Underground Chuqicamata Mine Project, a decision that permits the initiation of construction of the initial infrastructure of the project that will transform the mine from an open pit mine to an underground operation.

The early construction projects assume a job that will extend for approximately five years and that are part of the so-called critical route of the project; that is to say, that they must be carried out in advance in order to avoid a delay in the initiation of operations of the Chuqicamata Subterránea mine, for which the date for initiating production is the first semester of 2019.

c) On October 27, 2011, it was reported that Codelco successfully made an offering on the international financial markets, through the issuance of bonds in the amount of US$ 1,150 million. The bonds were issued with a term of 10 years, with interest accrual of 3.875% annually and a performance of 4.048% annually.

These resources permit the refinancing of liabilities, and anticipate an important part of the financing of investments for the year 2012.

The Corporation's Management is not aware of any other significant events of a financial nature or otherwise that occurred between January 1, 2011 and the date of issuance of these financial statements (November 24, 2011) that could affect them.

34. Environment

Each of CODELCO's operations is subject to national, regional and local regulations related to protection of the environment and natural resources, including standards relating to water, air, noise and disposal and transportation of dangerous residues, among others. Chile has adopted environmental regulations that have obligated the companies that operate in the country, including CODELCO, to carry out programs to reduce, control or eliminate relevant environmental impacts. CODELCO has executed and shall continue to execute a series of environmental projects to comply with these regulations.

Consequently with the Letter of Values approved in 2010, CODELCO is governed by a series of internal policies and regulations that frame its commitment to the environment, including the Sustainable Development Policy (2003) and the Corporate Security, Occupational Health and Environmental Management Policy (2007).

The environmental management systems of the divisions and the Parent Company, structure their efforts in order to comply with the commitments assumed by the Corporation's environmental policies, incorporating planning, operation, verification and activities review elements. As of September 30, 2011, they have received ISO 14001 certification for the environmental management of the Chuquicamata, Radomiro Tomic, Andina, Salvador, El Teniente and Ventanas Division, Gaby Operation and the Parent Company.

To comply with the Circular N°1.901 from 2008 of the Chilean Superintendency of Securities and Insurance, below are the details of the Corporation's main expenditures related to the environment during the periods between January 1 and September 30, 2011 and 2010, respectively and the projected future expenses for the second quarter of the current year:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

It is worth noting that these payments are recorded as part of the Corporation's assets.

Environmental Investments Projected Future Expenses	Fourth Quarter 2011 ThUS$
Total Codelco	94,970
Chuquicamata	1,167
Expansion of Talabre reservoir, 7th stage, Chuquicamata	1,167
Andina	23,717
Infrastructure improvements for Ovejería and Los Leones - Projected	1,000
Line enhancement for main wall stirrups	377
Construction of water trap for ballast deposit - projected	4,343
Improvement tunnel N°3 handling for Ovejería	834
Drainage construction DL D2 to port - projected	1,841
Acid water treatment DLN and projected	9,905
Construction of plug for evacuation tower N°1	196
Slope Improvements and protection	993
Acquisition of independent pump equipment - projected	200
Infrastructure improvement - spillage control	1,000
Construction of curb for Ovejeria re-washing canal	3,028
El Teniente	52,802
Construction of 5th stage in Caren Reservoir	49,232
Liquid waste sewage solution - Sewel	2,977
Online monitoring canal residue - Tte - Projected	70
Expansion of re-washing channel, Cascade 4	189
Expansion of Route 5 re-washing channel	334
Minera Gaby	9,971
Installation of gravel dump - phase IV	8,183
Optimization Dust Collection System - phase II	376
Vision detection system	148
Vision detection system on Granulometric profile	64
Integral solution on the flexibility and vulnerability on water systems	1,200
Ventanas	7,313
Environmental mitigation regarding to the copper concentrate stock incident at Ventana´s project	7,313

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Environmental Investments Real Nominal Expense	9/30/2011 ThUS$	9/30/2010 ThUS$
Total Codelco	52,638	34,483
Chuquicamata	97	-
Expansion of Talabre reservoir, seventh stage, Chuquicamata	97	-
Salvador	-	1,334
Implementation of the solution for handling of liquid waste and water	-	1,006
Solution for oxygen plant water treatment and water plants	-	328
Andina	10,165	6,708
Remediation works- Residue Transport Tunnels	-	1,299
Construction of uptake tower N°3 for Ovejería reservoir	-	2,565
Line enhancement of main wall stirrup at Ovejería reservoir	393	139
Emergency construction hydraulic barrier	-	2,157
Construction of water trap for ballast deposit - projected	3,867	253
Construction of plug for evacuation tower N°1	202	257
Slope Imporvements and protection	1,032	-
Acquisition of independent pump equipment	209	-
Improvement of tunnel 3 handling of Ovejería residue- projected	881	-
Drainage construction DL D2 to port - Projected	1,793	-
Mejora control descarga espesador relave	-	38
Construction of curb for Ovejería re-washing canal	1,788	-
El Teniente	37,104	25,058
Construction of the 5th stage in Caren Reservoir	34,640	20,719
Decontamination of conditioning of laboratory	-	133
Liquid waste sewage solution - Sewel	2,433	4,206
Expansion of re-washing channel, Cascade 4	8	-
Expansion of Route 5 re-washing channel	23	-
Ventanas	-	1,383
Overhaul interchange W23	-	246
Construction of a new temporary storage facility (respel)	-	1,137
Minera Gaby	5,272	-
Installation of gravel dump - phase IV	5,272	-

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