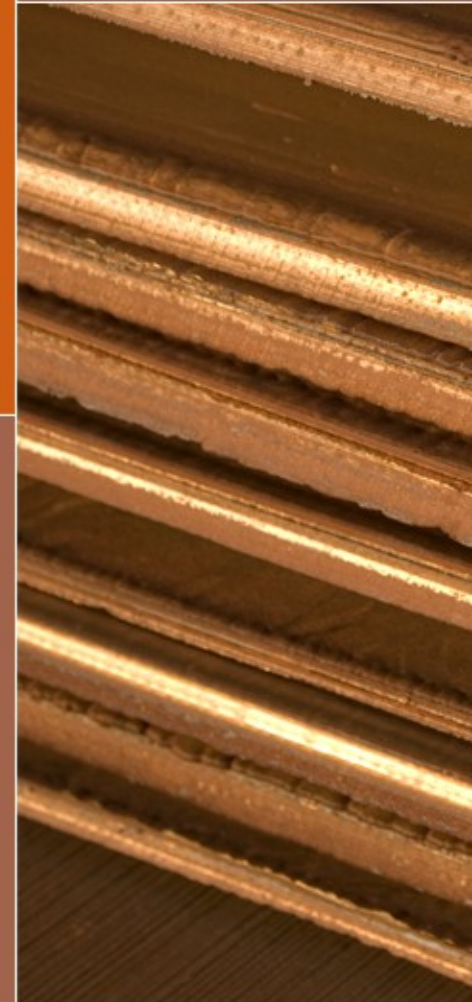




Financial Report Codelco January – March 2010

**Diego Hernández,
President & CEO**

Press Conference | 27 May 2010



May 2010

Total Accident Rate January-March

(Staff & contract workers)

	2010	2009
Codelco Norte	3.25	2.88
Salvador	2.26	1.93
Andina	1.77	2.87
Ventanas	5.32	4.46
El Teniente	1.57	1.90
Codelco	2.60	2.77

Accident Rate : Lost time accidents per 1 million hours worked.



Income Statement January-March

Production & price information

	2010	2009
Copper Sales – (1,000 metric tons)	420	434
own copper	352	360
third-party copper	67	73
Molybdenum sales - (1,000 metric ton)	5	4
Own copper production - (1,000 metric tons)	383	371
Molybdenum production - (1,000 metric tons)	4	5
LME copper prices (c/lb)	328.6	155.8
Metals Week molybdenum prices (US\$/kg)	35.4	19.5
Exchange rate	519.0	607.1

Note: As of 2010, Codelco applies the IFRS to prepare its financial statements. For comparison purposes, the financial statements 1Q 2009 were prepared adopting the same standards.



Income Statements January-March

(in millions of US\$)

	2010	2009
Sales revenue own copper	2,557	1,461
Costs of sales own copper	-1,129	-1,112
Gross profit own copper sales	1,428	349
Gross profit by-products & other products	225	58
GROSS PROFIT	1,652	407
Other income & expenses	-222	-190
Related-company income	50	58
PRE-TAX PROFIT	1,480	275

Note: As of 2010, Codelco applies the IFRS to prepare its financial statements. For comparison purposes, the financial statements 1Q 2009 were prepared adopting the same standards.



Pre-Tax Distribution January-March

(in millions of US\$)

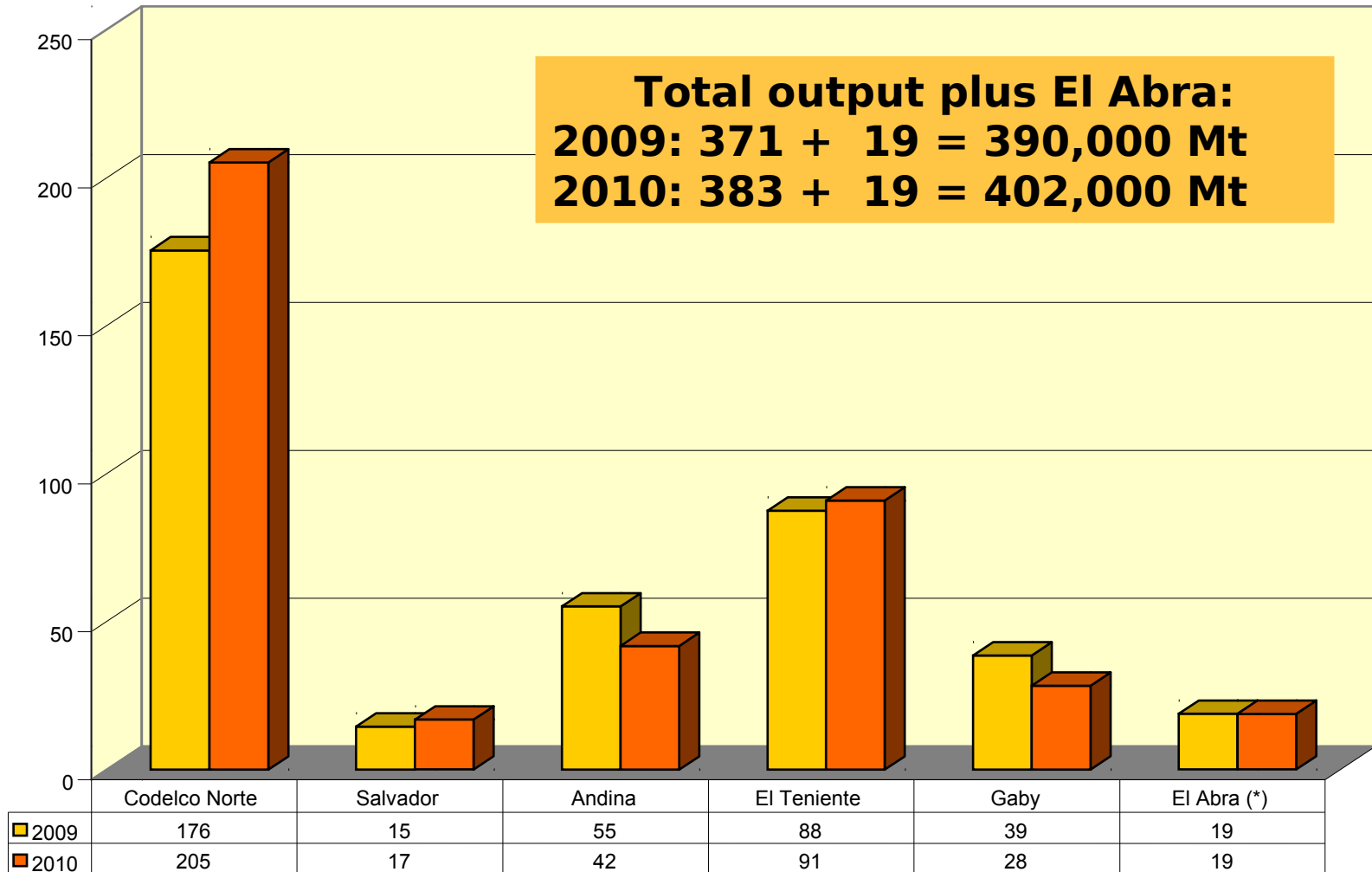
	2010	2009
Reserve Tax Law No. 13,196	257	130
Income Tax (57%)	652	69
Specific mining tax	66	7
Net profit	505	69
TOTAL PROFIT	1,480	275
COMPARABLE NET PROFIT (*)	1,177	219

(*) Equivalent to Codelco's profits applying the same tax basis as private sector companies



Copper Output - Own & Subsidiaries January-March

(in thousands of fine metric tons)



(*) Share of production relative to Codelco's ownership interest



Costs

Items included	Total Cost & Expenses	Net Cathode Cost C3	Direct Cash Cost C1
Operating cost	✓	✓	✓
Non-operating expenses	✓	✓	-
Head Office	✓	✓	-
Interest expense	✓	✓	-
Depreciation & amortization	✓	✓	-
Treatment & refining costs (TC-RC)	-	✓	✓
By-product credits	-	✓	✓



Codelco Costs January-March

(US\$ c/lb of copper)

	2010	2009
Total costs & expenses	180.5	163.1
Cathode treatment & refining costs (TC-RC)	3.3	3.6
By-product credits	-22.1	-19.4
Net Cathode Cost (C3)	161.7	147.3
Depreciation & amortization	-35.9	-31.4
Non-operating expenses	-19.9	-17.1
Head Office expenses	-3.6	-3.6
Direct Cash Cost (C1)	102.3	95.2



Costs & Expenses Variation Analysis

(US\$ c/lb of copper)

Total Costs & Expenses 1Q 2009	163.1
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Increase in input prices	2.0
Effect of CPI/Exchange Rate	13.3

Subtotal	15.3
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Mining variable management (ore grade, recovery)	-14.3
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Less processing	11.4
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Higher depreciation & amortization	5.5
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Other minor net expenses	-0.5
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Total Costs & Expenses 1Q 2010	180.5
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Difference	17.4
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Net Cathode Costs Variation Analysis

(US\$ c/lb of copper)

Net Cathode Cost (C3) 1Q 2009	147.3
Higher total costs & expenses	17.4
Lower TC/RC costs	-0.3
Higher by-product credits	-2.7
Net Cathode Cost (C3) 1Q 2010	161.7
Difference	14.4



Material Events– 1st Quarter 2010

- **Accident Rate:** The total accident frequency rate dropped to 2.6. However, up to April the Company had to regret 5 fatal accidents.
- **Corporate Governance:** In February, Codelco's new Corporate Governance Law was applied. The first Board of Directors assumed their positions on 1 March.
- **Impact of earthquake on operations:** The earthquake had little impact on mining sites and operations: there were no personal losses and only minor material damage. Due to electricity shortage and power cut, operations at Salvador, Ventanas, Andina and El Teniente Divisions were temporarily suspended. In total, production losses are estimated at 11,300 tons of fine copper and lower cathode output by 2,600 tons, at Ventanas Division.
- **Investments & projects:** The 2010 investment plan was approved and totalled US\$ 2.3 billion. Key projects in progress: Radomiro Tomic Sulphide deposit, Phase I: 98.7%; Andina Expansion Plan, Phase I: 95%, and Pilar Norte deposit: 96.1%.

As at the first quarter, other structural projects are developing basic engineering or feasibility studies. In the case of the Chuquicamata Underground Mine project, Codelco submitted an Environmental Impact Statements to be processed in the Environmental Impact Assessment System.

- **Certifications:** Codelco is the world's first copper mining company to begin registering its commercial products in order to comply with REACH standards (Registration, Evaluation, and Authorisation of Chemicals) that will be fully in force in the European Community as of January 2011.



Material Events– 1st Quarter 2010

- **Human Resources & Labour Relations** : After 2 days on strike at the beginning of January, trade unions No. 1, 2 and 3 at Chuquicamata operations accepted the offer made by the company.

Codelco and Minera Gaby S.A. Receive Equal Seal from the National Service for Women (SERNAM), for implementing good labour practices on gender equality. Furthermore, Codelco Norte was certified as a Healthy Work Place. Salvador and El Teniente already have this certification.

- **CSR:** Codelco signed an agreement with the Chilean General Commissioner at Expo Shanghai, becoming one of the key sponsors of the Chilean Pavilion at the World Expo. Codelco will use this platform to promote copper, especially, its bactericidal properties.

Mori's CSR survey 2010 recognised Codelco as the most reliable company and it came first in Corporate Social Responsibility; it has led this ranking ever since this survey is applied, quantitatively improving over last year.

- **Energy:** Codelco signed two long-term contracts (15 and 30-year terms) with Colbún, to supply electricity to Salvador, Andina, Ventanas and El Teniente Divisions for a 510 MW equivalent. During this period, GNL Mejillones - liquefied natural gas terminal - received its first methane shipment. In terms of Non-Conventional Renewable Energy, the first stage for a wind park in Calama was put to tender, up to 50 MW.

