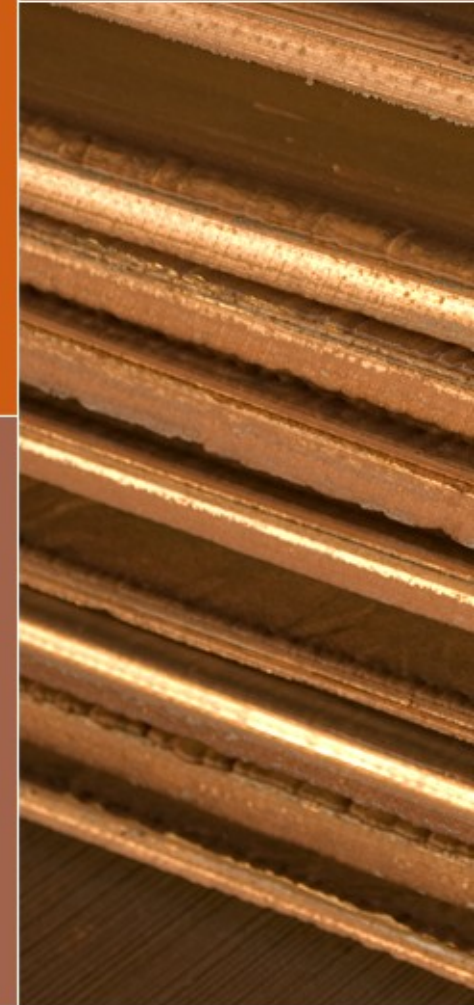




Financial Report Codelco January - September 2010

**Diego Hernández,
Codelco CEO**

Press Conference | 25 November 2010



NOVEMBER 2010

Total Accident Rate January-September (Staff + Contract Workers)

	2010	2009
Codelco Norte	2.66	2.42
Salvador	1.73	2.86
Andina	1.67	1.41
Ventanas	3.50	3.18
El Teniente	1.52	2.51
Codelco	2.04	2.47
Gaby	2.13	3.48

Accident Rate : lost time accidents per 1 million hours worked

Income Statement January-September

Output and Price Information

	2010	2009
Copper Sales – (1,000 metric tonnes)	<u>1,407</u>	<u>1,398</u>
Own copper	1,165	1,155
Third-party copper	242	244
Molybdenum Sales – (1,000 metric tonnes)	15	16
Own Copper Production – (1,000 metric tonnes)	1,208	1,214
Molybdenum Production – (1,000 metric tonnes)	15	16
LME copper prices (c/lb)	325.2	211.5
Metals Week molybdenum prices (US\$/kg)	34.8	24.2
Exchange Rate	520.3	573.2

Note: In 2010, Codelco applied IFRS standards to prepare its financial statements. For comparison purposes, financial statements for January-September 2009 were prepared adopting IFRS standards, therefore differ to statements reported in 2009.



Income Statement January-September

(in millions of US\$)

	2010	2009
Sales revenue own copper	7,770	5,395
Costs of sales own copper	-3,652	-3,333
Gross profit own copper sales	4,119	2,062
Gross profit by-products & other products	603	367
GROSS PROFIT	4,721	2,429
Other income & expenses	-792	-705
Related company income	200	157
PRE-TAX PROFIT	4,129	1,881

Nota: As of 2010, Codelco applies IFRS to prepare its financial statements. For comparison purposes, the financial statements corresponding to January-September 2009 were prepared adopting these standards, therefore differ to the statements reported in 2009.



Pre-Tax Profit Distribution January-June

(in millions of US\$)

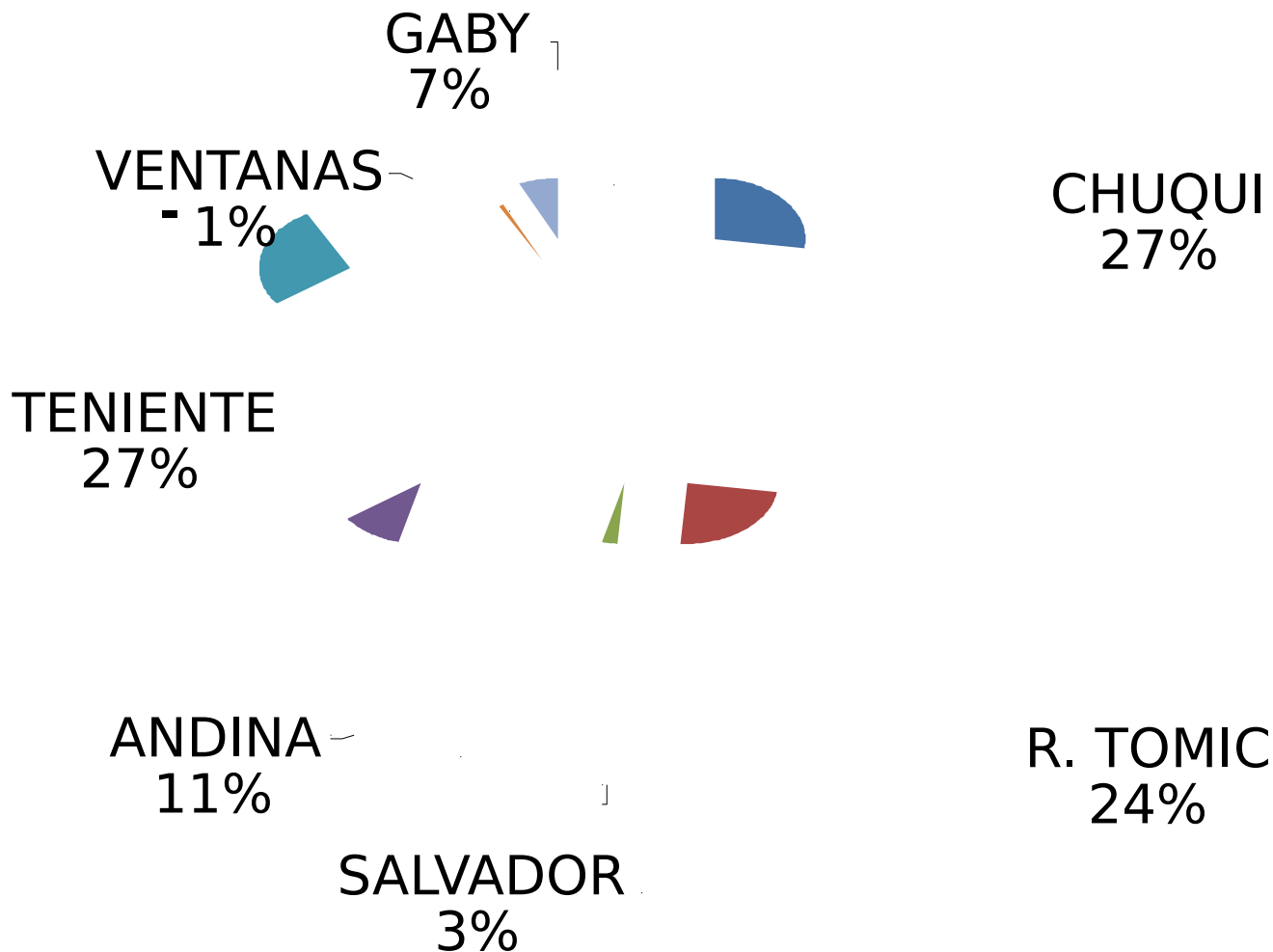
	2010	2009
Reserve Tax Law No. 13.196	866	650
Income Tax (57%)	1,709	653
Specific Mining Tax	202	87
Profit	1,352	491
TOTAL PROFIT	4,129	1,881
COMPARABLE NET PROFIT	3,288	1,497

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



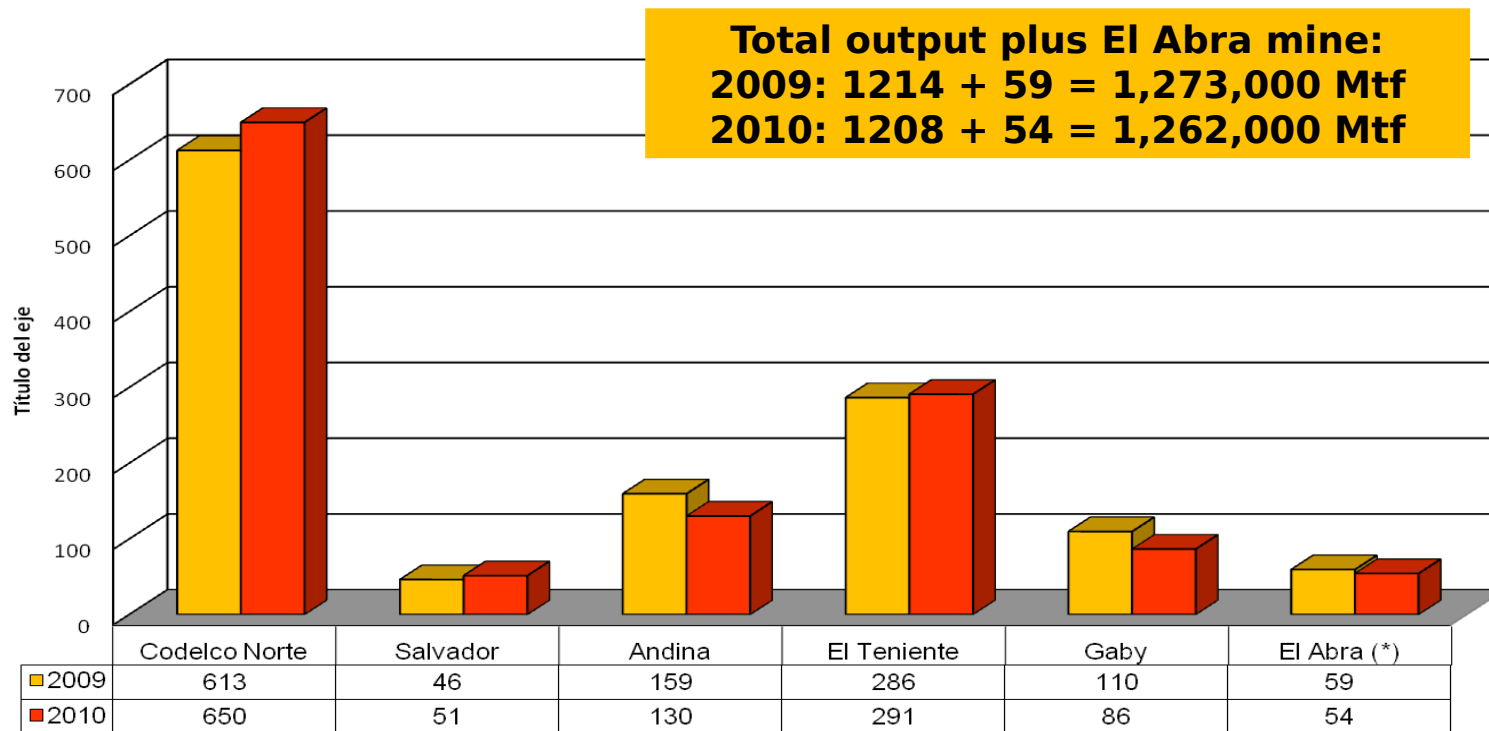
Pre-Tax Profit Distribution January-September 2010

(in millions of US\$)



Copper Output - Own & Subsidiaries - January-September

(in thousands of fine metric tonnes)



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



Costs

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



Codelco Costs - January-September

(US\$ c/lb of copper)

	2010	2009
Total Costs & Expenses	181.9	157.7
Cathode treatment & refining (TC-RC)	2.2	3.4
By-product credit	-26.7	-22.9
Net Cathode Cost (C3)	157.4	138,2
Depreciation & amortization	-35.3	-29.1
Non-operating expenses	-17.6	-13.4
Corporate Centre expenses	-2.9	-3,3
Direct Cash Cost (C1)	101.6	92.4



Total Costs & Expenses Variation Analysis

(US\$ c/lb of copper)

Total Costs & Expenses January-September 2009 **157.7**

Increase in input prices	1.4
Effect of CPI, Exchange Rate and US PPI	11.6
Subtotal	13.0

Mining Variables (improved ore grades)	-6.2
Less processing	9.2
Higher depreciation	5.9
Other higher net costs	2.3

Total Costs & Expenses January-September 2010 **181.9**

Variation **24.2**



Net Cathode Costs Variation Analysis

(US\$ c/lb of Copper)

Net Cathode Cost (C3) January-September 2009	138.2
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Higher total costs & expenses	24.2
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Lower TC/RC costs	-1.2
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More by-product credits	-3.9
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Net Cathode Cost (C3) January-September 2010	157.4
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Variation	19.2
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Direct Cash Cost C1 Variation Analysis

(US\$ c/lb of Copper)

Direct Cash Cost (C1) January-September 2009	92.4
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Higher net cathode cost	19.2
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Deduction Depreciation & Amortization	-6.3
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Deduction Non-Operating Expenses	-4.2
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Deduction Corporate Centre Expenses	0.4
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Direct Cash Cost (C1) January-September 2010	101.6
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Variation	9.2
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Material Events – 3Q 2010

Accident Rate: The total accident frequency rate dropped to 2.04. However, by November Codelco has had to regret 6 fatal accidents.

Mining Safety : Codelco actively and from the very beginning helped to rescue the 33 miners trapped in the San José mine, with a team of 100 workers, who helped throughout the rescue effort.

Corporate Governance: In February, Codelco's new Corporate Governance Law was applied. The first Board of Directors assumed their positions on 1 March. Furthermore, on 11 May, the President of the Republic, Sebastián Piñera, appointed three new Board members, who replaced those appointed by President Bachelet.

Organisational Changes: In September Codelco underwent organisational changes, the Shared Services Vice Presidency was dissolved and most of its functions were grouped under the New Administration and Finance Vice Presidency. Ministro Hales Division and two Operations Vice Presidencies were also created.

Impact of Earthquake on Operations: The earthquake had little impact. Due to electricity shortage, production losses were estimated at 11,300 tonnes of fine copper and a lower cathode output by 2,600 tonnes.

Investments and Projects: The investment plan was approved and totalled US\$ 2.3 billion. At the end of the third quarter, the Andina Expansion Plan Phase I was completed and started operations; Pilar Norte deposit was completed as well as RT Sulphide Deposit - Phase I; Gaby Project Phase II is currently starting operations.

Chuquicamata Underground, El Teniente New Mine Level and Andina Phase II structural projects are still at a basic engineering stage (feasibility). Ministro Hales Mine project completed its feasibility study which was approved by the Board of Directors.



Material Events – 3Q 2010

Human Resources and Labour Relations : After 2 days on strike at the beginning of January, trade unions No. 1, 2 and 3 at Chuquicamata operations accepted the Company's offer. In July, early negotiations concluded with trade unions No. 2 and 6 at Salvador Division.

Contract Workers: In August 2,000 scholarships were given to the children of Codelco contract and subcontract workers.

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. During this period, GNL Mejillones started operations.

Technology: The Operations Integrated Centre was opened at Andina Division, where reliable real-time mining data is recorded and processed.

In June, the 5th Technological Gathering was held in Calama, with 400 participants.

Biosigma bioleaching plant 83% completed.

Copper Bactericides: In May, the contact surfaces in public areas at the Head Office were coated with copper, reducing bactericidal level up to 97%. The type of alloys used are Cu+ brand, developed by ICA, launched in Shanghai, as one of the activities at the Chilean Stand at the World Expo.

In October, Codelco and other organisations held the International Antimicrobial Copper Seminar: Scientifically Proven, to promote its use in hospitals and public and private areas.

Exploration Deal: In August, Codelco and Antofagasta Minerals agreed a joint exploration deal to explore the Cumbres prospect in the 2nd Region.

