

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED BALANCE SHEETS

	As June 30th	
	<u>2009</u>	<u>2008</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
ASSETS		
Current Assets:	<u>3.621.598</u>	<u>4.393.759</u>
Cash and bank	24.929	60.467
Time deposits	455.347	173.552
Marketable securities	6.794	8.397
Trade receivables, net	813.428	1.433.545
Notes receivable	123	358
Other receivable, net	271.952	242.294
Due from related companies	114.269	56.140
Inventories, net	1.414.124	2.010.978
Recoverable taxes	358.324	150.528
Prepaid expenses	10.872	23.041
Deferred taxes	144.431	149.215
Other current assets	7.005	85.244
Property, Plant and Equipment:	<u>8.477.298</u>	<u>7.727.347</u>
Land	81.606	67.237
Buildings and infrastructure	9.462.618	8.970.465
Machinery and equipment	8.365.529	7.400.411
Other plan and equipment	197.205	177.126
Technical appraisal revaluation	367.683	368.148
Accumulated depreciation	(9.997.343)	(9.256.040)
Other Assets:	<u>2.181.005</u>	<u>1.910.959</u>
Investments in related companies	1.250.661	1.081.459
Investments in other companies	2.192	1.713
Goodwill	18.731	19.906
Negative Goodwill	0	(331)
Long-term receivables	203.542	204.297
Due from related companies	0	60.752
Intangibles	26.823	23.877
Accumulated amortization	(6.550)	(6.550)
Other assets	685.606	525.836
Total Assets	<u><u>14.279.901</u></u>	<u><u>14.032.065</u></u>

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INTERIM CONSOLIDATED BALANCE SHEETS

	As June 30th	
	<u>2009</u>	<u>2008</u>
	ThUS\$	ThUS\$
LIABILITIES AND EQUITY		
Current Liabilities:	<u>2.191.746</u>	<u>2.857.167</u>
Banks and financial institutions:		
Current	608.380	81.649
Current portion of long-term debt	1.070	300.253
Current portion of bonds payable	52.583	336.819
Dividends payable	84.671	0
Accounts payable	604.306	814.507
Notes payable	1.182	1.195
Miscellaneous payables	58.071	299.928
Due to related companies	127.220	151.218
Accruals	480.072	482.248
Withholdings	127.041	131.691
Income taxes payable	7.045	175.465
Deferred income	27.668	73.109
Other current liabilities	12.437	9.085
Long-Term Liabilities:	<u>8.134.977</u>	<u>6.589.204</u>
Due to banks and financial institutions	928.158	400.322
Bonds payable	3.582.181	2.970.144
Notes payable	73.981	77.075
Miscellaneous payables	314.946	152.563
Due to related companies	409.274	449.883
Accruals	1.905.048	1.658.140
Deferred taxes	847.893	735.440
Other long-term liabilities	73.496	145.637
Minority interest	<u>2.921</u>	<u>3.282</u>
Equity:	<u>3.950.257</u>	<u>4.582.412</u>
Paid-in capital	1.524.423	1.524.423
Other reserves	1.772.977	1.760.276
Retained earnings	<u>652.857</u>	<u>1.297.713</u>
Accumulated earnings	500.000	500.000
Net income for the period	152.857	1.389.146
Profits distribution to the Chilean Treasury	0	(591.433)
Total Liabilities and Equity	<u><u>14.279.901</u></u>	<u><u>14.032.065</u></u>

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED STATEMENTS OF INCOME

	Six months ended June 30th	
	<u>2009</u>	<u>2008</u>
	<u>ThUS\$</u>	<u>ThUS\$</u>
Operating Income :	1.002.778	4.130.021
Sales of own copper	3.570.145	6.105.989
Sales of copper acquired from third parties	167.912	664.998
Sales of own moly	220.794	956.165
Sales of moly acquired from third parties	0	3.415
Sales of by-products	693.941	996.580
Sales	<u>4.652.792</u>	<u>8.727.147</u>
Cost of own copper	(2.810.051)	(3.101.658)
Cost of copper acquired from third parties	(179.657)	(661.978)
Cost of own moly	(62.743)	(61.257)
Cost of moly acquired from third parties	0	(5.055)
Cost of by-products	(446.571)	(595.315)
Cost of sales	<u>(3.499.022)</u>	<u>(4.425.263)</u>
Gross profit	1.153.770	4.301.884
Administrative and selling expenses	(150.992)	(171.863)
Non-Operating Income and expense:	(643.908)	(748.605)
Interest income	11.344	32.525
Equity in income of related companies	122.869	224.891
Other income	75.057	116.565
Equity in losses of related companies	(35)	(4.116)
Amortization of goodwill	(588)	(588)
Interest expenses	(129.104)	(115.356)
Other expenses	(519.307)	(1.061.266)
Price-level restatement	(84)	(562)
Foreign exchange differences	(204.060)	59.302
Income before income taxes and minority interest	358.870	3.381.416
Income taxes	<u>(206.787)</u>	<u>(1.994.012)</u>
Income before minority interest	152.083	1.387.404
Minority interest	<u>774</u>	<u>1.722</u>
Net profit	152.857	1.389.126
Amortization of negative goodwill	<u>0</u>	<u>20</u>
Net income for the period	<u><u>152.857</u></u>	<u><u>1.389.146</u></u>

Héctor Espinoza Villarroel
Manager of Controller

Gonzalo Zamorano Martínez
Chief Accounting

CORPORACION NACIONAL DEL COBRE DE CHILE

INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30th	
	<u>2009</u>	<u>2008</u>
	ThUS\$	ThUS\$
NET CASH FLOWS FROM OPERATING ACTIVITIES :		
Collections of accounts receivable	4.247.440	8.938.898
Interest income collected	2.025	14.978
Dividends and other distributions collected	15.800	52.500
Other income collected	701.079	778.708
Payments to suppliers and personnel	(3.401.388)	(4.619.819)
Interest paid	(120.126)	(39.366)
Income taxes paid	(56.983)	(1.454.557)
Law N°. 13,196 and other expenses paid	(369.720)	(1.306.631)
Value added tax and other similar taxes paid	(450.028)	(529.230)
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Net cash provided by operating activities	568.099	1.835.481
NET CASH FLOWS FROM FINANCING ACTIVITIES :		
Loans obtained	1.043.623	52.426
Bonds payable	600.000	0
Profits distribution to the Chilean Treasury	0	(2.349.797)
Loan payments	(1.002.599)	(300.000)
Bond payments	(300.000)	0
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Net cash used in financing activities	341.024	(2.597.371)
NET CASH FLOWS FROM INVESTING ACTIVITIES :		
Proceeds from sales of other investments	0	14.070
Other investments income	34.386	48.509
Purchases of property, plant and equipment	(761.461)	(1.109.774)
Investments in related companies	(59.074)	0
Investments in financial instruments	(1.128)	0
Other investment disbursements	(21.741)	(22.984)
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Net cash used in investing activities	(809.018)	(1.070.179)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT	100.105	(1.832.069)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	386.965	2.074.485
CASH AND CASH EQUIVALENTS AT END OF PERIOD	487.070	242.416

CORPORACION NACIONAL DEL COBRE DE CHILE
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS

	Six months ended June 30th	
	2009	2008
	ThUS\$	ThUS\$
RECONCILIATION BEWEEN NET INCOME AND CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period	152.857	1.389.146
Proceeds from sales of assets	(2.371)	(8.967)
Proceeds from sales of property, plant and equipment	(2.371)	(8.967)
Charges (credits) to income which do not represent Cash flows :	710.420	728.056
Depreciation	339.527	286.652
Amortization of assets	192.284	158.752
Write-offs and provisions	187.003	543.679
Equity in income of related companies	(122.869)	(224.891)
Equity in losses of related companies	35	4.116
Amortization of goddwill	588	588
Amortization of negative goddwill	0	(20)
Price-level restatement, net	84	562
Foreign exchange differences	204.060	(59.302)
Other credits to income which do not represent cash flows	(90.292)	0
Other debits to income which do not represent cash flows	0	17.920
(Increase) decrease in assets that affect operating cash flows :	75.575	(321.645)
Accounts receivable	(317.811)	(546.103)
Inventories	132.508	(306.428)
Other assets	260.878	530.886
Increase (decrease) in liabilities that affect operating cash flows	(367.608)	50.613
Accounts payable associated whith operating activies	(242.818)	199.202
Interest payable	(2.964)	(5.626)
Income tax payable	3.693	154.101
Value added tax and other similar taxes payable	(125.519)	(297.064)
Minority interest	(774)	(1.722)
Net cash provided by operating activities	568.099	1.835.481