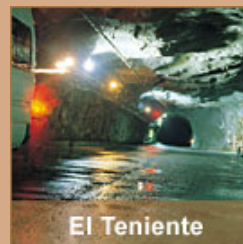
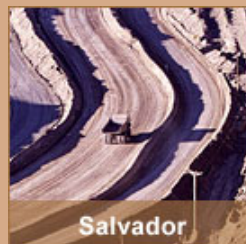




Financial Statements

January – December 2008

José Pablo Arellano, President & CEO
Press Conference
27 February 2008



Global accident rate Q4 2008 (own and contract workers)

	2008	2007
Codelco Norte	3.39	3.68
Salvador	3.39	3.82
Andina	3.34	3.80
Ventanas	2.64	5.15
El Teniente	3.86	3.18
Codelco	3.39	3.51

Accident rate= number of lost –time accidents per 1.000,000 hours worked

2008 Results(*)

Productions & price information

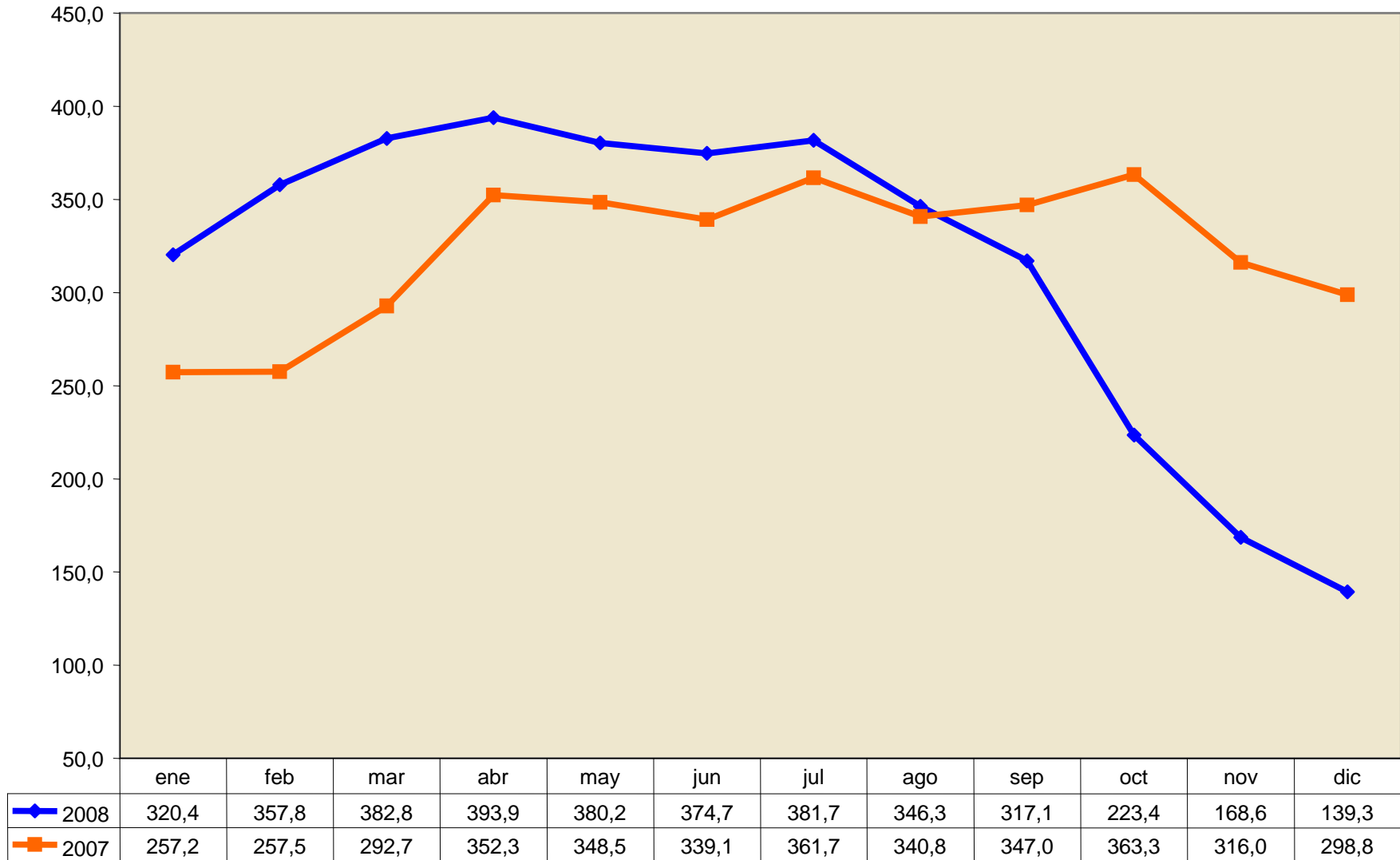
	2008	2007
Copper sales (1,000 metric tons)	1,927	1,968
Of own production	1,525	1,619
Of third parties	402	349
Own copper production (1,000 metric tons)	1,466	1,583
Molybdenum sales (1,000 metric tons)	24	28
Molybdenum productions (1,000 metric tons)	21	28
LME Copper price (c/lb)	315.3	323.2
Metals Week Moly price(US\$/kg)	62.7	66.6
Exchange rate (CLP/US\$)	522.5	522.5
Inflation	139.9	128.7

(*) Individual Financial Statements

Monthly prices for 1 pound of copper Grade A cathode – BML

cents US\$

ctvos x lb



2008 Income statement (*)

Million US\$

	2008	2007
Revenues from sale of its own copper ore	8,742	10,886
Cost of sales of its own copper ore	-4,765	-3,612
Sales margin of its own copper ore	3,977	7,274
Margin for by-products and others	1,600	1,710
Administrative and selling expenses	-350	-338
OPERATING RESULTS	5,227	8,646
Non-operating results	-579	-714
Results from related companies	320	519
PRE-TAX PROFIT	4,968	8,451

(*) Individual Financial Statements

Pre-tax profit distribution Q4 2008

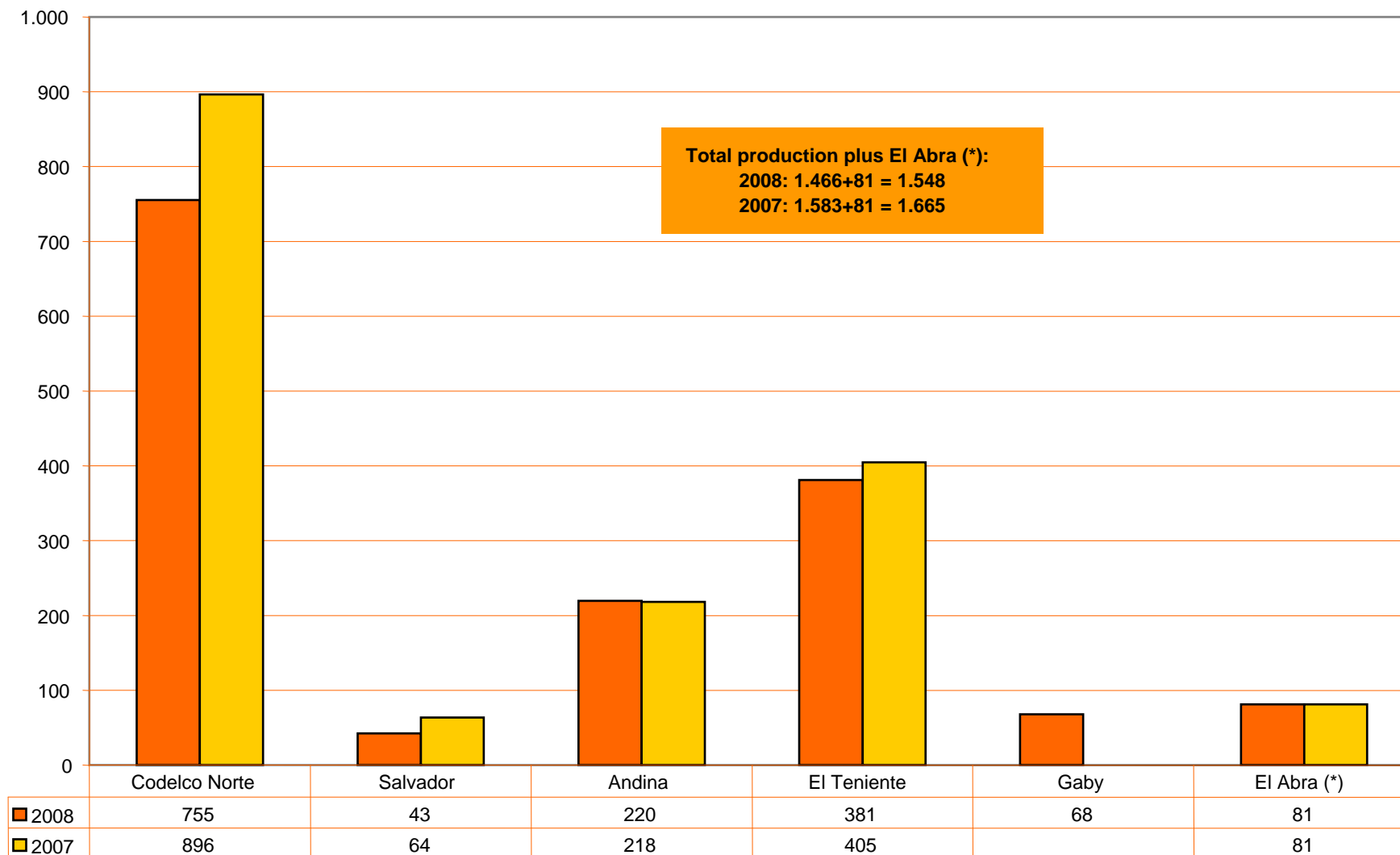
Million de US\$

	2008	2007
Reserve Law N° 13.196 tax	1,160	1,390
Income tax (57%)	2,026	3,737
Mining tax	215	343
Net Profit	1,567	2,982
TOTAL PROFIT	4,968	8,451
COMPARABLE NET PROFIT (*)	3,953	6,752

(*) Equivalent to the profit Codelco would obtain by applying the same taxation regime that private companies face (17%).

Production of its own copper and affiliates

1,000 Fine metric tons



(*) Share of production that relates to Codelco

Cost types

Concepts included	Total costs and expenses	Net cathode cost C3	Direct cash cost C1
Cash operating costs	✓	✓	✓
Other operating costs	✓	✓	-
Head Office	✓	✓	-
Financial costs	✓	✓	-
Depreciation and amortization	✓	✓	-
Treatment and refining charges (TC-RC)	-	✓	✓
By-product credits	-	✓	✓

(*) Cargos de tratamiento y refinación *falta traducir este texto*

2008 Codelco Costs

US c/lb of copper

	2008	2007
Total cost and expenses	178.0	142.3
Treatment and refining charges (TC-RC)	3.8	1.5
By-product credits	-62.2	-57.1
Non-operating expenses		
Net Cathode Cost (C3)	119.6	86.7
Depreciation and amortization	-29.8	-23.2
Non-operating expenses	-15.6	-19.7
Head Office costs	-4.0	-4.1
Direct Cash Cost (C1)	70.2	39.7

Net cathode cost variation analysis

US c/lb of copper

NET CATHODE COST 2007 (C3) 86.7

Increase un consumable costs 9.8

Electrical energy tariff adjustments 3.8

CPI and exchange rate effect 5.3

Sub total 18.9

Lower production due to lower ore grade 17.4

Lower production due to climate effects and contractos conflicts 2.4

Higer depreciation and amortization 4.9

Lower non-operating expenses -7.9

Higer equivalent cost to cathode costs 2.3

Higer by-product credit -5.1

NET CATHODE COST 2008 (C3) 119.6

Difference 32.9

2008 Highlights

- **Accident frequency rate:** the global accident frequency rate decreased to 3.39, resulting in the best rate ever attained by Codelco. Nevertheless, in 2008 the company regretted 5 fatal accidents.
- **Copper antibacterial property:** In February 2008, U.S. EPA officially registered more than 300 copper alloys as antimicrobial. It was an historical first, making copper metals the first and only solid surface material to be recognized by the EPA.
- **Copper's bactericidal effects:** The International Copper Association has undertaken a Worldwide Initiative to prove copper's bactericidal effect in Intensive Care Units of Hospitals in USA, U.K., Germany, Japan, South Africa and Chile. Codelco participates in this initiative testing the impact of copper touch surfaces at the ICU of the Hospital del Cobre in Calama, providing evidence of the positive effect of these surfaces in reducing nosocomial infection rates.
- **Conflict with contractors:** operations disruption due to violence carried out by a group of subcontracted workers in April and in early May.
- **Gabriela Mistral Mine:** Gaby project ends successfully. This is the second ore deposit completely launched by Codelco. In May, the first cathode was harvested; in November it attained total operations and in December it was officially inaugurated by President Bachelet.

2008 Highlights

- **Projects:** In Codelco Norte Division the construction of the project Sulfuros Radomiro Tomic begins operations, progress reports a 27% development; the project Mina Ministro Hales concludes the conceptual engineering phase; Andina Phase 1 reaches 50% construction development; at El Teniente, the Pilar Norte project has progressed 64%. As far as structural projects are concerned, pre-feasibility research is underway for Underground Chuqui and New Level at El Teniente Mine. In Salvador, the San Antonio project's conceptual engineering phase has begun.
- **Exploration:** Codelco confirmed the discovery of Casualidad, the first Cu-Fe-Au type ore deposit based on a basic exploration program carried out in the Second Region. Jointly with Virgo Mining explorations, these should contain mining resources beyond 400 million tons. Exploration is done jointly with Río Tinto for Esteli, Paloma and Exploradora.
- **Energy:** the GNL plant begins construction in Mejillones after environmental approval, currently 50% developed. Next, an International Tender for Electrical Power Supply for the Central Interconnected System Divisions is set forth. For Gaby, proceedings for a 40MW wind farm is initiated. Codelco subscribes to the Large Scale Mining Protocol for Power Efficiency.
- **Carbon Bonds:** The Chicago Climate Exchange authorized Codelco to issue carbon bonds on a voluntary transactions basis in the US market. The issuance of these bonds is based on reducing emissions at two Codelco smelting plants, totaling 140 thousand tons.

2008 Highlights

- **Certifications:** ISO 14001 for environmental management and the OHSAS 18001 for work health and safety certifications were renewed at all divisions.
- **Innovation and technology:** The New Business Management office in China held a Technological Seminar in Shanghai, generating interesting business opportunities. In July, Fourth Technology Approach Seminar was carried out in Calama. During the following month, a business exploration visit took place in Silicon Valley; 6 relevant IT, communications and automation companies were visited. During the year's third quarter, Codelco signed an agreement with INTEL to develop technology research and development for the mining industry.
- **Non-conflict collective-bargaining:** Four collective bargaining processes were held in 2008 (at headquarters, Andina Division; and two at Ventanas Division) applying the advanced model. Every process ended by subscribing collective agreements
- **Codelco Good Neighbor:** In an alliance with Santiago's Metro, Codelco launched the Copper Corner, located in Santiago's Main Square Metro Station. This was done to sell products made by inmates from the Colina 1 prison and textile products from copper fiber. The El Teniente Division celebrated a 25 year convention with CONAF for more than 3.200 hectares of reforested land and over 3 million trees planted in the Sixth Region. Over 7 thousand people were trained and were granted access to the company's Sence remnants.