



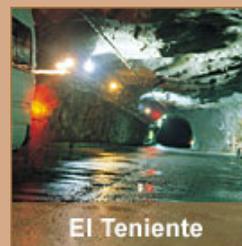
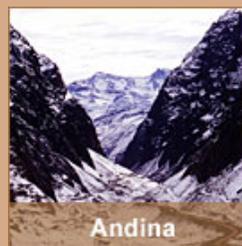
# Financial Statements

## CodeLco

### January – September 2009

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José Pablo Arellano, President & CEO  
Press Conference  
29 October 2009



## Global accident rate January-September 2009 (Own and contract workers)

	2009	2008
Codelco Norte	2.42	3.64
Salvador	2.86	2.97
Andina	1.30	3.76
Ventanas	3.18	3.55
El Teniente	2.51	4.09
<b>Codelco</b>	<b>2.47</b>	<b>3.57</b>
Gaby	3.48	

Accident rate: number of lost time accidents per 1,000,000 hours worked

# Results January-September (\*)

Production and price information

	2009	2008
<b>Copper sales (1,000 metric tons)</b>	<b>1,448</b>	<b>1,385</b>
of own production	1,204	1,095
of third parties	244	289
<b>Molybdenum sales (1,000 metric tons)</b>	<b>16</b>	<b>19</b>
<b>Own copper production (1,000 metric tons)</b>	<b>1,214</b>	<b>1,047</b>
<b>Molybdenum production (1,000 metric tons)</b>	<b>16</b>	<b>15</b>
<b>LME Copper price (c/lb)</b>	<b>211.5</b>	<b>361.3</b>
<b>Metals Week Moly price (US\$/kg)</b>	<b>24.3</b>	<b>73.1</b>
<b>Exchange rate (CLP/US\$)</b>	<b>573.2</b>	<b>483.1</b>
<b>Inflation</b>	<b>99.0</b>	<b>96.5</b>

(\*) Individual financial statements

# Results January-September (\*)

(Million US\$)

	2009	2008
Income from exploitation of own products	5.537	7.242
Cost of exploitation of own products	-3.413	-3.455
Margin from exploitation of own products	2.124	3.787
Margin from exploitation of sub products and others	361	1.392
Margin from exploitation	2.486	5.178
Sales and administration costs	-224	-276
<b>OPERATING INCOME</b>	<b>2.261</b>	<b>4.903</b>
Non-operating income	-429	-363
Income from related companies	229	324
<b>PRE-TAX PROFIT</b>	<b>2.061</b>	<b>4.864</b>

(\*) Individual financial statements

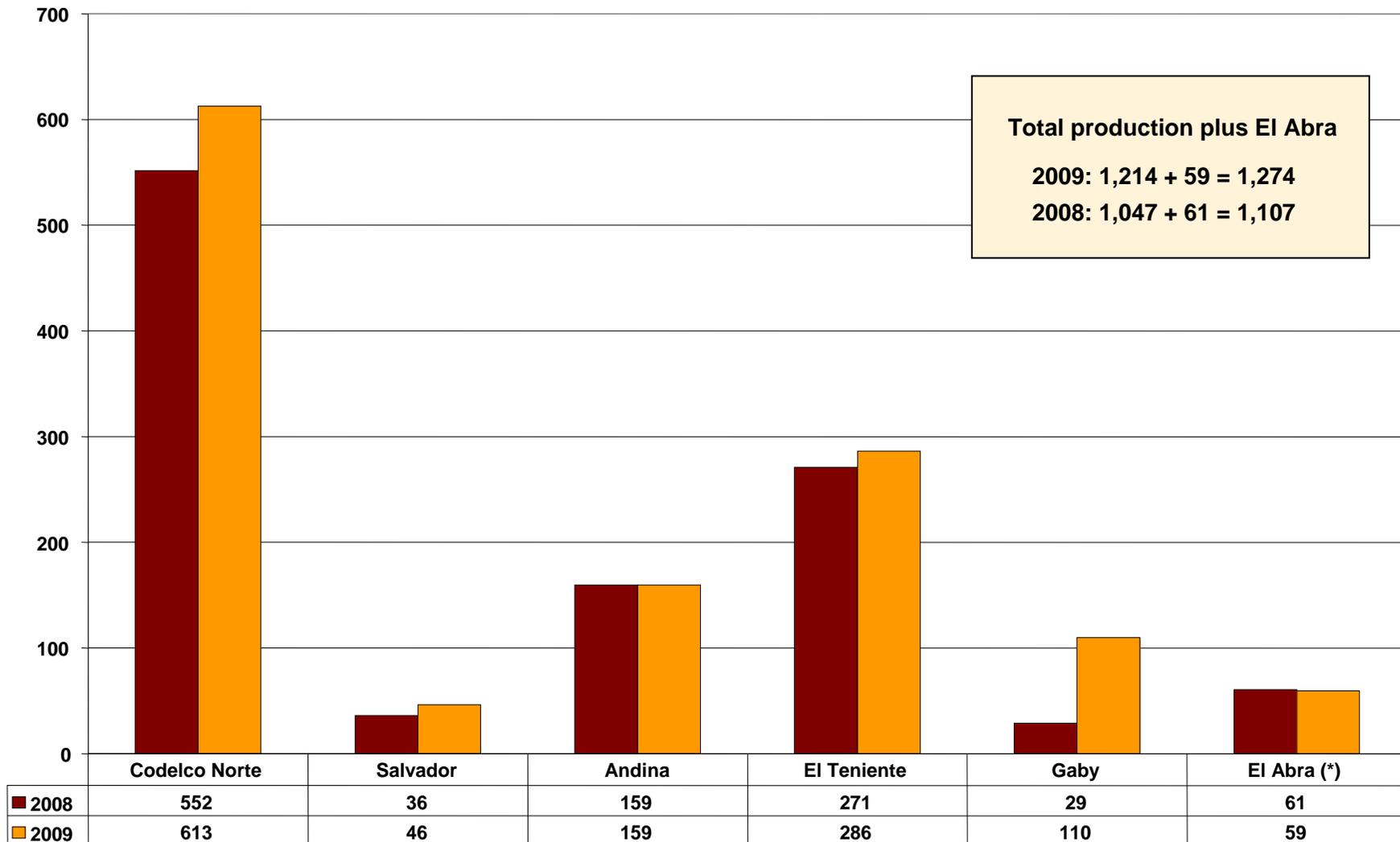
# Pre-tax profit distribution January-September

(Million US\$)

	2009	2008
Reserve Law N° 13,196 tax	650	1.036
Income tax (57%)	692	2.027
Specific mining tax	91	207
Net profit	629	1.595
<b>TOTAL PROFIT</b>	<b>2.061</b>	<b>4.864</b>
<b>COMPARABLE NET PROFIT</b>	<b>1.652</b>	<b>3.880</b>

# Copper production, own and third party January-September

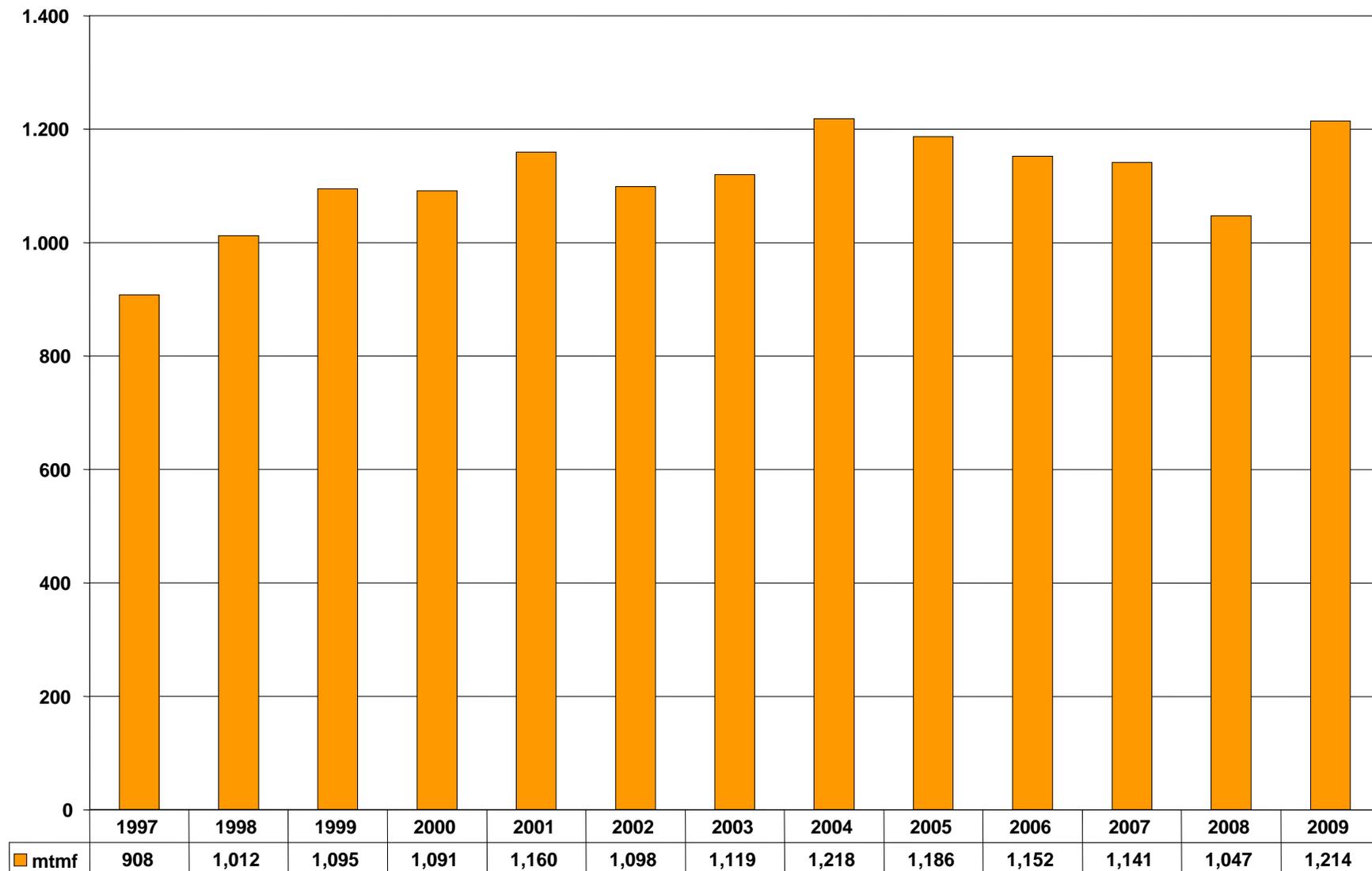
(Thousands of fine metric tons)



(\*) Share of production that relates to Codelco

# Own copper production January-September

(Thousand fine metric tons)



# Costs

Concepts included	Total costs and expenses	Net cathode cost C3	Direct cash cost C1
Operating costs	✓	✓	✓
Non-operating costs	✓	✓	-
Head office	✓	✓	-
Financial costs	✓	✓	-
Depreciation and amortization	✓	✓	-
Treatment and refining charges (TC-RC)	-	✓	✓
Sub product credit	-	✓	✓

# Codelco Costs January-September

(US\$ /lb of copper)

	2009	2008
<b>Total costs and expenses</b>	<b>157.7</b>	<b>180.7</b>
+ Treatment and refining charges (TC-RC)	3.4	2.3
- Sub product credits	-22.9	-72.1
<b>Net cathode cost (C3)</b>	<b>138.2</b>	<b>110.9</b>
- Depreciation and amortization	-29.1	-29.8
- Financing costs	-6.2	-5.7
- Non-operational costs	-7.6	-7.5
- Head office costs	-2.9	-4.7
<b>Direct cash cost (C1)</b>	<b>92.4</b>	<b>63.2</b>

# Net cathode costs variation analysis

(US\$ /lb of copper)

<b>Total costs and expenses January-September 2008</b>	<b>180.7</b>
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Variation of input prices	2.5
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Power rate compensation 2008	-4.7
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Inflation, exchange rate & US inflation effect	-8.2
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<b>Subtotal</b>	<b>-10.4</b>
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Mining variable management (Higher processing, higher grade, higher recovery and others)	-13.5
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Higher productivity of inputs	-2.9
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Higher depreciation and amortization	4.1
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Other net variations	-0.3
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<b>Total costs and expenses January-September 2009</b>	<b>157.7</b>
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Difference	-23.0
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# Net cathode cost variation analysis

(US\$ /lb of copper)

<b>Net Cathode Cost (C3) January–September 2008</b>	<b>110.9</b>
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Lower total costs and expenses	-23.0
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Higher TC/RC charges	1.1
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Lower sub product credits	49.2
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<b>Net Cathode Cost (C3) January–September 2009</b>	<b>138.2</b>
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Difference	27.3
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# Relevant Facts January-September 2009

• **Accident rate:** record indicators despite the regrettable death of three workers at the Codelco Norte, Andina and El Teniente Divisions.

• **Work indicators:** Reduction in corporate absenteeism: the rate fell from 4.92 in the same period of 2008 to 4.05 in 2009; for overtime, the indicator fell from 5.39 in the 2008 period to 3.74 in 2009. Both facts support cost reduction in a meaningful way.

• **Project advancement:** The four structural projects (Chuquicamata Underground Mine, Ministro Hales Mine, New Andina Phase II and New Level El Teniente Mine), are currently developing feasibility studies (basic engineering). Among the main projects under development, RT Sulphides (in Codelco Norte) is 86.8% complete; Andina Phase I Development Plan is 77% complete, and El Teniente North Pilar is 85,2% complete.

**Energy:** Codelco agreed to sign two contracts with Colbún of 15 and 30 years duration for electricity supply to the divisions served by the SIC power grid. In the north, the Mejillones LNG plant works are 92% complete. Codelco called an international tender to build a wind farm at Minera Gabriela Mistral, in addition it presented an environmental impact statement to build a wind farm in Calama.

**Postponement of the option for 49% of Los Bronces:** In January Codelco said it would postpone its option to purchase Los Bronces, owned by AngloAmerican.

**US\$600 million bond issue in New York:** Codelco was the first company in Latin America to raise finance in international markets since July 2008.

# Relevant Facts January-September 2009

- **First world patent for bioleaching microorganism:** INAPI awarded Codelco subsidiary BioSigma a patent for the invention of Wenelén, the first Chilean microorganism that accelerates the process to recover copper from low grade minerals. Codelco leads the ranking of companies that obtain industrial patents in Chile.
- **Educational scholarships:** 2,000 higher education scholarships were awarded to children of workers at contractor companies.
- **Exploration:** Codelco signed an agreement with the Government of Ecuador to explore in the central south zone of the country. In addition, it created exploration associations in Chile with Rio Tinto and Pucobre.
- **Social Responsibility:** The Mori CSR survey awarded Codelco first place as the most socially responsible company in Chile; and the CERC survey once again highlighted Codelco as the biggest contributor to the country (33%).
- **Transparency & Information:** In addition to compliance with the Transparency Law, Codelco issued its tenth Sustainability Report, and from May began publishing quarterly its main environmental indicators on its webpage [www.codelco.com](http://www.codelco.com)
- **Copper uses:** following the harvest in April of the first salmon produced using copper cages, Codelco subsidiary EcoSea Farming SA began implementing a leasing model for copper alloy cultivation cages and the modeling and design of a submersible copper alloy cage for exposed environments.

In the Codelco Norte Hospital, research into the bactericidal properties of copper showed an average 90% reduction in the total bacterial load in objects covered with copper or copper alloys compared to those without this metal. This is a preliminary result of a world study being undertaken by Codelco, ICA, UNTEC and Innova Chile Corfo.