CODELCO – CHILE

Consolidated Financial Statements as of
December 31, 2013

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

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CORPORACION NACIONAL DEL COBRE DE CHILE

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As of December 31, 2013 and December 31, 2012

(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

	Notes	12/31/2013	12/31/2012	1/1/2012
Assets				
Current Assets				
Cash and cash equivalents	1	750,670	1,263,823	1,382,876
Other current financial assets	11	5,627	8,709	193,237
Other current non-financial assets		27,108	24,015	36,413
Trade and other current receivables	2	2,186,182	2,376,013	2,154,811
Accounts receivables due from related companies, current	3	30,883	29,442	56,357
Inventory	4	2,244,011	2,431,965	2,014,838
Current tax assets	6	179,759	400,660	68,388
Total current assets		5,424,240	6,534,627	5,906,920
Non-current assets				
Other non-current financial assets	11	93,707	132,999	102,593
Other non-current non-financial assets	10	39,662	37,680	203,950
Non-current receivables	2	138,896	171,699	132,721
Accounts receivables due from related companies, non-current	3	224	41,305	75,860
Investment accounted for using the equity method	8	7,494,982	7,636,636	945,055
Intangible assets other than goodwill		18,623	19,178	12,292
Property, plant and equipment, net	7	20,126,811	17,067,949	13,217,003
Investment property		18,018	18,004	17,789
Total non-current assets		27,930,923	25,125,450	14,707,263
Total Assets		33,355,163	31,660,077	20,614,183

The accompanying notes form an integral part of these Consolidated Financial Statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of December 31, 2013 and December 31, 2012
(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

	Notes	12/31/2013	12/31/2012	1/1/2012
Liabilities and Equity				
Liabilities				
Current liabilities				
Other current financial liabilities	12	1,160,301	864,779	1,643,424
Trade and other current payables	15	1,572,697	2,245,592	1,782,459
Accounts payables to related companies, current	3	153,949	143,364	126,850
Other current provisions	16	221,392	209,895	210,514
Current tax liabilities	6	15,723	50,205	137,267
Current employee benefit accruals	16	567,555	549,975	459,251
Other current non-financial liabilities		87,139	75,162	56,317
Total current liabilities		3,778,756	4,138,972	4,416,082
Non-current liabilities				
Other non-current financial liabilities	12	10,847,842	9,262,324	6,395,154
Other non-current payables		-	-	319
Accounts payables to related companies, non-current	3	230,692	275,011	308,616
Other non-current provisions and accrued expenses	16	1,387,890	1,554,167	1,013,441
Deferred tax liabilities	5	3,398,044	2,922,907	1,407,785
Non-current employee benefit accruals	16	1,298,367	1,323,294	1,092,966
Other non-current non-financial liabilities		5,952	4,390	3,094
Total non-current liabilities		17,168,787	15,342,093	10,221,375
Total liabilities		20,947,543	19,481,065	14,637,457
Equity				
Issued capital		2,524,423	2,524,423	2,524,423
Retained earnings		2,590,388	4,293,246	1,705,680
Other reserves	18	5,245,707	3,261,937	1,744,603
Equity attributable to owners of the parent		10,360,518	10,079,606	5,974,706
Non-controlling interests	18	2,047,102	2,099,406	2,020
Total equity		12,407,620	12,179,012	5,976,726
Total liabilities and equity		33,335,163	31,660,077	20,614,183

The accompanying notes form an integral part of these Consolidated Financial Statements.

CORPORACION NACIONAL DEL COBRE DE CHILE

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

As of December 31, 2013 and December 31, 2012
(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

	Notes	1/1/2013 12/31/2013	1/1/2012 12/31/2012
Profit (loss)			
Revenue	19	14,956,283	15,860,432
Cost of sales		(10,801,815)	(10,607,900)
Gross profit		4,154,468	5,252,532
Other Income, by function	21.a	162,552	4,092,339
Distribution costs		(11,057)	(12,654)
Administrative expenses		(471,562)	(543,531)
Other expenses	21.b	(1,513,434)	(2,232,631)
Other gains (losses)		52,249	35,400
Profit (losses) from operating activities		2,373,216	6,591,455
Finance income		28,851	59,023
Finance costs	22	(327,113)	(406,278)
Share of profit of associates and joint ventures accounted for using the equity method	8	444,133	457,230
Foreign exchange differences	24	212,823	(165,801)
Profit for the period before tax		2,731,910	6,535,629
Income tax expense	5	(1,617,339)	(2,545,468)
Profit for the period		1,114,571	3,990,161
Profit (loss) attributable to:			
Profit attributable to owners of the parent		1,073,204	3,982,801
Loss attributable to non-controlling interests	18.b	41,367	7,360
Profit/ (loss) for the period		1,114,571	3,990,161

The accompanying notes form an integral part of these Consolidated Financial Statements.

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONTINUATION)
As of December 31, 2013 and December 31, 2012
(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

	Notes	1/1/2013 12/31/2013	1/1/2012 12/31/2012
Profit/ (loss) for the period		1,114,571	3,990,161
Components of other comprehensive income (loss), before tax:			
Exchange differences on conversion			
Gain (loss) on exchange differences on conversion, before tax		(389)	1,326
Other comprehensive income, before tax, exchange differences on conversion		(389)	1,326
Cash flow hedges			
Gain (loss) on cash flow hedges, before tax		(7,992)	646,416
Other comprehensive income, before tax, cash flow hedges		(7,992)	646,416
Other comprehensive income, before tax, gains (losses) for defined benefit plans		(28,181)	(43,323)
Share of other comprehensive income (loss) of associates and joint ventures accounted for using the equity method, before tax		(1,592)	(6,418)
Other comprehensive income (loss), before tax		(38,154)	598,001
Income tax related to other comprehensive income:			
Income tax related to cash flow hedges of other comprehensive income	5	4,961	(379,740)
Income tax relating to defined benefit plans other comprehensive income		16,908	25,994
Aggregated income tax related to components of other comprehensive income		21,869	(353,746)
Other comprehensive income (loss)		(16,285)	244,255
Reclassifiable other comprehensive income items to profit or loss in subsequent periods		(5,012)	261,584
Other comprehensive income for items not reclassifiable to profit or loss in subsequent periods		(11,273)	(17,329)
Total comprehensive income		1,098,286	4,234,416
Comprehensive income attributable to:			
Comprehensive income attributable to owners of the parent		1,056,919	4,227,056
Comprehensive income attributable to non-controlling interests	18.b	41,367	7,360
Total comprehensive income		1,098,286	4,234,416

The accompanying notes form an integral part of these Consolidated Financial Statements.

CORPORACION NACIONAL DEL COBRE DE CHILE

CONSOLIDATED STATEMENTS OF CASH FLOWS – DIRECT METHOD

As of December 31, 2013 and December 31, 2012

(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

	Notes	1/1/2013 12/31/2013	1/1/2012 12/31/2012
Cash flow provided by (used in) operating activities:			
Cash receipts provided by operating activities			
Cash flows provided by sales of goods and rendering of services		15,106,688	16,932,810
Other cash flows provided by operating activities	25	2,139,686	2,161,881
Types of cash payments			
Payments to suppliers for goods and services		(9,092,233)	(10,002,524)
Payments to and on behalf of employees		(2,049,725)	(1,945,274)
Other cash flows used in operating activities	25	(2,684,856)	(3,562,098)
Dividends received		604,854	276,672
Income taxes paid		(887,094)	(1,777,896)
Net cash flows provided by operating activities		3,137,320	2,083,571
Cash flows provided by (used in) investing activities:			
Cash flow used in the purchase of non-controlling interests		-	(2,799,795)
Other payments to acquire equity or debt instruments of other entities		(14,999)	-
Otros pagos para adquirir participaciones en negocios conjuntos y asociadas		-	(31,408)
Purchases of property plant and equipment		(4,437,366)	(3,687,182)
Purchase of intangible assets		(9,983)	-
Interest received		22,743	43,137
Other inflows (outflows) of cash		(34,184)	(3,795)
Net cash flows from (used in) investing activities		(4,473,789)	(6,479,043)
Cash flows provided by (used in) financing activities:			
Proceeds from issuance of shares		-	1,100,000
Total amounts from loans		4,038,608	5,481,146
Repayments of loans		(2,053,841)	(1,505,414)
Dividends paid		(775,801)	(106,000)
Interest paid		(363,410)	(541,988)
Other inflows (outflows) of cash		(37,610)	(151,006)
Net cash flows from (used in) financing activities		807,946	4,276,737
Net increase (decrease) in cash and cash equivalents before foreign exchange difference		(528,523)	(118,735)
Effect of exchange rate changes		15,370	(318)
Net increase (decrease) in cash and cash equivalents		(513,153)	(119,053)
Cash and cash equivalents at beginning of period	1	1,263,823	1,382,876
Cash and cash equivalents at end of period	1	750,670	1,263,823

The accompanying notes form an integral part of these Consolidated Financial Statements.

CORPORACION NACIONAL DEL COBRE DE CHILE

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

As of December 31, 2013 and December 31, 2012
(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

December 31, 2013	Issued capital	Foreign currency conversion reserve	Cash flow hedge reserve	Reserve of actuarial gains and losses in defined benefits plans Note 17	Other miscellaneous reserves	Total other reserves Note 18	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests Note 18	Total Equity
Initial balance as of 1/1/2013	2,524,423	1,609	(5,673)	-	3,368,247	3,364,183	4,189,769	10,078,375	2,103,195	12,181,570
Increase (decrease) from changes in accounting policies*	-	-	-	(102,246)	-	(102,246)	103,477	1,231	(3,789)	(2,558)
Opening balance reformulated	2,524,423	1,609	(5,673)	(102,246)	3,368,247	3,261,937	4,293,246	10,079,606	2,099,406	12,179,012
Changes in equity										
Profit for the period							1,073,204	1,073,204	41,367	1,114,571
Other comprehensive income (loss)		(389)	(3,031)	(11,273)	(1,592)	(16,285)		(16,285)	-	(16,285)
Comprehensive income								1,056,919	41,367	1,098,286
Dividends Paid							(775,801)	(775,801)		(775,801)
Increase (decrease) through transfers and other changes	-	-	-	-	2,000,055	2,000,055	(2,000,261)	(206)	(93,671)	(93,877)
Total increase (decrease) in equity	-	(389)	(3,031)	(11,273)	1,998,463	1,983,770	(1,702,858)	280,912	(52,304)	228,608
Final balance as of 12/31/2013	2,524,423	1,220	(8,704)	(113,519)	5,366,710	5,245,707	2,590,388	10,360,518	2,047,102	12,407,620

The accompanying notes form an integral part of these Consolidated Financial Statements.
*3. New standards and interpretations adopted by the Corporation

CORPORACION NACIONAL DEL COBRE DE CHILE
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
As of December 31, 2013 and December 31, 2012
(In thousands of US dollars - ThUS$)

(Translation to English of Consolidated Financial Statements originally issued in Spanish – see Note I.2)

December 31, 2012	Issued capital	Foreign currency conversion reserve	Cash flow hedge reserve	Reserve of actuarial gains and losses in defined benefits plans Note 17	Other miscellaneous reserves	Total other reserves Note 18	Retained earnings	Equity attributable to owners of the parent	Non-controlling interests Note 18	Total Equity
Initial balance as of 1/1/2012	2,524,423	283	(272,349)	-	2,101,586	1,829,520	1,709,068	6,063,011	2,020	6,065,031
Increase (decrease) from changes in accounting policies	-	-	-	(84,917)	-	(84,917)	(3,388)	(88,305)	-	(88,305)
Opening balance reformulated	2,524,423	283	(272,349)	(84,917)	2,101,586	1,744,603	1,705,680	5,974,706	2,020	5,976,726
Changes in equity										
Profit for the period							3,982,801	3,982,801	7,360	3,990,161
Other comprehensive income (loss)		1,326	266,676	(17,329)	(6,418)	244,255		244,255	-	244,255
Comprehensive income								4,227,056	7,360	4,234,416
Dividends Paid							(106,000)	(106,000)		(106,000)
Increase (decrease) through transfers and other changes	-	-	-	-	1,273,079	1,273,079	(1,289,235)	(16,156)	2,090,026	2,073,870
Total increase (decrease) in equity	-	1,326	266,676	(17,329)	1,266,661	1,517,334	2,587,566	4,104,900	2,097,386	6,202,286
Final balance as of 12/31/2012	2,524,423	1,609	(5,673)	(102,246)	3,368,247	3,261,937	4,293,246	10,079,606	2,099,406	12,179,012

The accompanying notes form an integral part of these Consolidated Financial Statements.
*3. New standards and interpretations adopted by the Corporation

I. GENERAL INFORMATION

1. Corporate Information

Corporación Nacional del Cobre de Chile, Codelco (hereinafter referred to as "Codelco - Chile", the "Corporation"), is the largest copper producer in the world. It's most important product is refined copper, primarily in the form of cathodes. The Corporation also produces copper concentrates, blister and anode copper and by-products such as molybdenum, anode slime and sulfuric acid. Codelco also manufactures wire rods in Germany, a semi-manufactured product that uses copper cathodes as raw material through an associated company (discussed in Note 8).

The Corporation trades its products based on a policy with the objective of selling refined copper to manufacturers or producers of semi-manufactured products.

These products contribute to diverse fields of community development, particularly those intended to improve areas such as public health, energy efficiency, and sustainable development, among others.

Codelco is registered under Securities Registry No. 785 of the Chilean Superintendency of Securities and Insurance (the "SVS") and is subject to the supervision of said SVS. According to Article 10 of Law No. 20.392 (on the new Corporate Governance of Codelco), such supervision will be on the same terms as publicly traded companies, notwithstanding the provisions in Decree Law (D.L.) No. 1.349 of 1976, which created the Comisión Chilena del Cobre ("Chilean Copper Commission").

Codelco's head office is located in Santiago, Chile, at 1270 Huérfanos, telephone number (56 2) 26903000.

Codelco Chile was formed as stipulated by D.L. No. 1.350 of 1976, which is the statutory decree of the Corporation. In accordance with the statutory decree, Codelco is a state-owned mining, industrial and commercial company, which is a separate legal entity with its own equity. Codelco Chile currently carries out its mining business through its divisions Chuquicamata, Radomiro Tomic, Salvador, Andina, El Teniente, Ventanas and Gabriela Mistral. The Gabriela Mistral division is in charge of the ore deposit of the same name, whose operations were, until December 31, 2012, the responsibility of its subsidiary Minera Gaby SpA., a wholly owned subsidiary of the Corporation which was absorbed by Codelco on that date. In 2010 the Corporation was authorized by its Board of Directors to invest in the operation of the new division Ministro Hales Mine, whose estimated initial operating date is during the last quarter of 2013. The Corporation also carries out similar activities in other mining deposits in association with third parties.

In accordance with letter e) of Article 10 of Law No. 20.392, Codelco is governed by its organic standards set forth in Decree Law No. 1.350 (D.L. No. 1.350) and that of its statutes, and in matters not covered by them and, insofar as they are compatible and do not go against the provisions of these rules, the rules that govern publicly traded companies and the common laws as applicable to them.

In accordance with D.L. No. 1.350 Section IV related to the Company's Exchange and Budget Regulations, Codelco's financial activities are conducted following a budgeting system that is composed of an Operations Budget, an Investment Budget and a Debt Amortization Budget.

The tax system applicable to Codelco's income is in accordance with Article 26 of D. L. No. 1.350, which refers to Decree Laws No. 824 on Income Tax of 1974 and Decree Law No. 2.398 (Article 2) of 1978, as applicable. The Corporation's income is also subject to a Specific Mining Tax in accordance with Law No. 20.026 of 2005.

The Corporation is subject to Law No. 13.196, which mandates the payment of a 10% tax over the foreign currency return on the actual sale revenue of copper production, including its by-products.

The subsidiaries whose financial statements are included in these consolidated financial statements correspond to companies located in Chile and abroad, which are detailed in Note 2.d of Section II to the Summary of Significant Accounting Policies.

The associates correspond to companies located in Chile and abroad, which are detailed in the Explanatory Notes Section III Note 8.

2. Basis of Presentation of the Consolidated Financial Statements

The Corporation's consolidated financial statements are stated in thousands of US dollars and were prepared based on the accounting records maintained by Codelco Chile and its subsidiaries, and have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (hereinafter "IASB").

Responsibility for the Information and Use of Estimates

The Board of Directors of the Corporation has been informed of the information included in these financial statements and expressly states its responsibility for the consistent and reliable nature of the information included in the consolidated financial statements as of December 31, 2013, for the effects of which IFRS principles issued by the IASB have been applied in full. The December 31, 2013 Consolidated Financial Statements were approved by the Board of Directors in a meeting on March 27, 2014.

Accounting Principles

These consolidated financial statements reflect the financial position of Codelco Chile and its subsidiaries as of December 31, 2013 and December 31, 2012, also, the results of their operations for the periods ended December 31, 2013 and 2012, the changes in net equity and cash flows for the periods ended December 31, 2013 and 2012, and their related notes, all of which have been prepared and presented in accordance with IAS 34 “Presentation of Financial Statements” which considers the respective regulations of the Chilean Superintendency of Securities and Insurance (“SVS”), and do not conflict with IFRS.

For the convenience of the reader, these consolidated financial statements and their accompanying notes have been translated from Spanish to English.

II. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. Significant Accounting Judgments, Estimates and Assumptions

The preparation of these consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the amounts of assets and liabilities recognized as of the date of financial statements and the amounts of income and expenses during the reporting period. It also requires the Corporation’s management to exercise its judgment in the process of applying the Corporation’s accounting principles. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements as follows:

a) Useful economic lives and residual values of property, plant and equipment - The useful lives and residual values of property, plant and equipment assets that are used for calculating the depreciation are determined based on technical studies prepared by specialists (internal or external). When there are indicators that could lead to changes in the estimated useful lives of such assets, these changes are determined by using technical estimates considering specific factors related to the use of the assets.

   The studies consider specific factors related to the use of assets.

b) Ore reserves - The measurements of ore reserves are based on estimates of the ore resources that are economically exploitable, and reflect the technical considerations of the Corporation regarding the amount of resources that could be exploited and sold at prices exceeding the total cost associated with the extraction and processing.

The Corporation applies judgment in determining the ore reserves, and as such, possible changes in these estimates could significantly impact the estimates of net revenues over time. For such reason, these changes would lead to modifications in the usage estimates of certain assets and of the amount of certain decommissioning and restoration costs.

The Corporation estimates its reserves and mineral resources based on the information composed by the Competent Persons of the Corporation, defined and regulated by the Chilean Law N° 20.235. The estimates are based on the JORC (Joint Ore Reserves Committee) methodology, taking into consideration the historical information of the cost of goods sold and copper prices in the international market.

The Corporation also periodically reviews such estimates, supported by world-class external experts, who certify the determined reserves.

c) Impairment of assets - The Corporation reviews the carrying amount of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss with regard to the carrying amount. In the evaluation of impairment, the assets are grouped into cash generating units ("CGU's") to which the assets belong. The recoverable amount of these assets or CGU's is calculated as the present value of the cash flows expected to be derived from such assets, considering a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. If the recoverable amount of the assets is less than their carrying amount, an impairment loss exists.

The Corporation defines the CGU's and also estimates the timing and cash flows that such CGU's should generate. Subsequent changes in the grouping of the CGU, or changes in the assumptions supporting the estimates of cash flows or the discount rate, could impact the carrying amounts of the corresponding assets.

Estimation of factors influencing the calculation of cash flows, such as the price of copper or treatment charges and refining charges, among others, are determined based on studies conducted by the Corporation, which are in turn supported by certain standards over time. Any changes to these criteria may impact the recoverable amount of the assets on which is performing the impairment tests. The Corporation has evaluated and defined the CGU are made at the level of each of its current operating divisions.

The Corporation has assessed and defined that the CGU's are constituted at the level of each of its current operating divisions.

The review for impairment includes subsidiaries, associates and joint arrangements.

d) Provisions for decommissioning and site restoration costs - The Corporation is obligated to incur in decommissioning and site restoration costs when environmental disturbance is caused by the development or ongoing production of a mining property. Costs are estimated on the basis of a formal closure plan and are reassessed annually or as of the date such obligations become known.

For these purposes, a defined list of mine sites, installations and other equipment assigned to this process, considered at the engineering level profile, the cubing of assets that will be subject to removal and restoration, weighted by a structure of market prices of goods and services, reflecting the best knowledge at the time to carry out such activities, as well as techniques and more efficient construction procedures to date. In the process of valuation of the activities mentioned, the assumptions of the exchange rate for tradable goods and services must be made, and the discount rate applied to update the relevant cash flows over time, which reflects the time value of money and includes the risks associated with liabilities, which is determined based on the currency in which disbursements will be made.

The provision as of a reporting date represents management's best estimate of the present value of the future decommissioning and site restoration costs required. Changes to estimated future costs are recognized in the statement of financial position by either increasing or decreasing the rehabilitation liability and rehabilitation asset if the initial estimate was originally recognized as part of an asset measured in accordance with IAS 16 Property, Plant and Equipment. Any reduction in the decommissioning and site restoration liability and therefore any deduction from the decommissioning and site restoration asset may not exceed the carrying amount of that asset. If it does, any excess over the carrying value is taken immediately to profit or loss.

If the change in estimate results in an increase in the decommissioning and site restoration liability and therefore an addition to the carrying value of the asset, the entity is required to consider whether this is an indication of impairment of the asset as a whole and test for impairment in accordance with IAS 36. If the revised asset net of decommissioning and site restoration provisions exceeds the recoverable value, that portion of the increase is charged directly to profit or loss statement. Any decommissioning and site restoration costs that arose as a result of the production phase of a mine should be expensed as incurred.

The costs arising from the installation of a plant or other site preparation projects are discounted at net present value, provided for and capitalized at the beginning of each project, as soon as the obligation to incur such costs arises. These decommissioning costs are charged to net income over the life of the mine, through depreciation of the asset. The depreciation is included in operating costs, while the unwinding of the discount in the provision is included in finance costs.

e) Accrual for employee benefits - Employee benefits costs for severance payments and health benefits for services rendered by the employees are determined based on actuarial calculations using the Projected Credit Unit Method, and are charged to profit or loss on an accrual basis.

The Corporation uses assumptions to determine the best estimate for these benefits. Such estimates, as well as assumptions, are determined together with an external actuary. These assumptions include demographic assumptions, mortality and morbidity, discount rate and expected salary increases and rotation levels, among other factors. Although the Corporation believes that the assumptions used are appropriate, a change in these assumptions could affect net income.

f) Accruals for open invoices - The Corporation uses information on future copper prices, through which it recognizes adjustments to its revenues and trade receivables, due to the conditions of its provisional invoicing. These adjustments are updated on a monthly basis and the accounting principle on “Revenue recognition” is referred to in letter q) of the section 2 “Significant accounting policies” of the current document.

g) Fair Value of Derivatives and Other Instruments - Management may use its judgment to choose an adequate and proper valuation method for the instruments that are not quoted in an active market. The Corporation applies customary valuation techniques used by other professionals in the industry. In the case of derivative financial instruments, assumptions are based on the observable market inputs, adjusted in conformity with the specific features of the instruments.

h) Lawsuits and contingencies - The Corporation assesses the probability of lawsuits and contingency losses on an ongoing basis according to estimates performed by its legal advisors. For cases in which management and the Corporation’s legal advisors believe that a favorable outcome will be obtained or when the results are uncertain and the lawsuits are still pending resolution, no provisions are recognized.

Although these above-mentioned estimates have been made based on the best information available as of the date of issuance of these consolidated financial statements, it is possible that future developments may force the Corporation to modify these estimates in upcoming periods. Such modifications, if occurred, would be adjusted prospectively, recognizing the effects of the change in estimate on the corresponding future consolidated financial statements, as required by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

2. Significant accounting policies

a) Period covered - The accompanying consolidated financial statements of Corporación Nacional del Cobre de Chile include:

- Statements of Financial Position as of December 31, 2013 and December 31, 2012.

- Statements of Comprehensive Income for the periods ending December 31, 2013 and 2012.
- Statements of Changes in Equity for the period ending December 31, 2013 and 2012.
- Statements of Cash Flows for the period ending December 31, 2013 and 2012.

b) Basis of preparation - The consolidated financial statements of the Corporation for the period ended as of December 31, 2013 have been prepared in conformity with IFRS, as issued by the IASB.

The consolidated statement of financial position as of December 31, 2012, and the statements of comprehensive income, of net equity and of cash flows for the period ended December 31, 2012, included for comparative purposes, have been prepared in conformity with IFRS, on a consistent basis with the criteria used by the Corporation for the period ended December 31, 2013.

These consolidated financial statements have been prepared based on the accounting records kept by the Corporation.

c) Functional Currency - The functional currency of Codelco is the US dollar, which is the currency of the primary economic environment in which the Corporation operates and the currency in which it receives its revenues. Transactions other than those in the Corporation's functional currency are translated at the exchange rate prevailing at the date of the transactions. Monetary assets and liabilities denominated in currencies other than the functional currency are retranslated at closing exchange rates. Gains and losses from foreign currency conversion are included in the period profit or loss within the line item "Foreign Exchange differences".

The presentation currency of the consolidated financial statements of Codelco is the US dollar.

The functional currency of subsidiaries, associates and joint ventures, likewise corresponds to the currency of the primary economic environment in which those entities operate and the currency in which they receive their revenues, as established in IAS 21. However, regarding those subsidiaries and associates that correspond only to an extension of the operations of Codelco (entities that are not self-sufficient and whose main transactions are performed with Codelco), the functional currency is also the US dollar, as this is the functional currency of Codelco.

When the indicators are mixed and the functional currency is not obvious, management uses its judgment to determine the functional currency that most faithfully represents the economic effects of the underlying transactions, events and conditions under which each entity operates.

d) Basis of consolidation - The consolidated financial statements incorporate the financial statements of the Corporation and its subsidiaries.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Corporation obtains control, and continue to be consolidated until the date when such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies.

In the consolidation process, all significant balances and transactions between the consolidated companies have been fully eliminated, and the equity share of non-controlling interests has been recognized and presented as “Non-controlling Interests” The consolidated financial statements take into account the elimination of intercompany balances, transactions and unrealized profit and loss between the consolidated companies, including foreign and local subsidiaries. The companies incorporated in the consolidation are detailed as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Taxpayer Number	Company	Country	Currency	12/31/2013 Entity Share Percentage			12/31/2012 Entity Share Percentage
				Direct	Indirect	Total	Total
Foreign	Chile Copper Limited	England	GBP	100.00	-	100.00	100.00
Foreign	CK Metall Agentur GmbH	Gemany	EURO	-	100.00	100.00	100.00
Foreign	Codelco do Brasil Mineracao	Brazil	BRL	-	100.00	100.00	100.00
Foreign	Codelco Group Inc.	United States of America	USD	100.00	-	100.00	100.00
Foreign	Codelco International Limited	Bermuda	USD	100.00	-	100.00	100.00
Foreign	Codelco Kupferhandel GmbH	Germany	EURO	100.00	-	100.00	100.00
Foreign	Codelco Metals Inc.	United States of America	USD	-	100.00	100.00	100.00
Foreign	Codelco Services Limited	England	GBP	-	100.00	100.00	100.00
Foreign	Codelco Shanghai Company Limited	China	USD	100.00	-	100.00	100.00
Foreign	Codelco Technologies Ltd.	Bermuda	USD	-	100.00	100.00	100.00
Foreign	Codelco USA Inc.	United States of America	USD	-	100.00	100.00	100.00
Foreign	Ecometales Limited	Anglonormandars	USD	-	100.00	100.00	100.00
Foreign	Exploraciones Mineras Andinas Ecuador EMSAEC S.A.	Ecuador	USD	-	100.00	100.00	-
Foreign	Cobrex Prospeccao Mineral	Brazil	BRL	-	51.00	51.00	-
78.712.170-5	Compañía Minera Picacho (SCM)	Chile	USD	99.99	0.01	100.00	100.00
78.860.780-6	Compañía Contractual Minera los Andes	Chile	USD	99.97	0.03	100.00	100.00
79.566.720-2	Isapre Chuquicamata Ltda.	Chile	CLP	98.30	1.70	100.00	100.00
81.767.200-0	Asociación Garantizadora de Pensiones	Chile	CLP	96.69	-	96.69	96.69
88.497.100-4	Clinica San Lorenzo Limitada	Chile	CLP	99.90	0.10	100.00	100.00
76.521.250-2	San Lorenzo Institución de Salud Previsional Ltda.	Chile	CLP	-	100.00	100.00	99.90
89.441.300-K	Isapre Río Blanco Ltda.	Chile	CLP	99.99	0.01	100.00	100.00
96.817.780-K	Ejecutora Hospital del Cobre Calama S.A.	Chile	USD	99.99	0.01	100.00	100.00
96.819.040-7	Complejo Portuario Mejillones S.A.	Chile	USD	99.99	0.01	100.00	100.00
96.854.500-0	Instituto de Innovación en Mineria y Metalurgia S.A.	Chile	USD	99.93	0.07	100.00	100.00
96.876.140-4	Santiago de Rio Grande S.A.	Chile	USD	99.99	0.01	100.00	100.00
76.024.442-2	Ecosea Farming S.A.	Chile	USD	85.03	-	85.03	-
96.991.180-9	Biosigma S.A.	Chile	USD	66.67	-	66.67	66.67
99.569.520-0	Exploraciones Mineras Andinas S.A.	Chile	USD	99.90	0.10	100.00	100.00
99.573.600-4	Clinica Río Blanco S.A.	Chile	CLP	99.00	1.00	100.00	100.00
76.064.682-2	Centro de Especialidades Médicas Río Blanco Ltda.	Chile	CLP	99.00	1.00	100.00	100.00
77.773.260-9	Sociedad de Inversiones Copperfield Ltda.	Chile	USD	99.99	0.01	100.00	100.00
76.883.610-8	Energía Minera S.A.	Chile	USD	99.00	1.00	100.00	100.00
76.043.396-9	Innovaciones en Cobre S.A.	Chile	USD	0.05	99.95	100.00	100.00
76.148.338-2	Sociedad de Inversiones Copperfield Ltda.	Chile	USD	99.90	0.10	100.00	100.00
76.167.903-1	Inversiones Mineras Acrux SpA	Chile	USD	-	67.80	67.80	67.80
76.173.357-5	Inversiones Gacrux SpA	Chile	USD	100.00	-	100.00	100.00
76.231.838-5	Inversiones Mineras Nueva Acrux SpA	Chile	USD	-	67.80	67.80	67.80
76.237.866-3	Inversiones Mineras Los Leones SpA	Chile	USD	100.00	-	100.00	100.00
76.173.783-K	Inversiones Mineras Becrux SpA	Chile	USD	-	67.80	67.80	67.80
76.124.156-7	Centro de Especialidades Médicas San Lorenzo Ltda.	Chile	USD	-	100.00	100.00	100.00
76.255.061-K	Central Eléctrica Luz Minera SpA	Chile	USD	100.00	-	100.00	100.00
76.255.054-7	Planta Recuperadora de Metales SpA	Chile	USD	100.00	-	100.00	100.00
76.255.667-7	MCM Equipos S.A.	Chile	USD	100.00	-	100.00	100.00
70.905.700-6	Fusat	Chile	CLP	-	-	-	-
76.334.370-7	Inst. de Salud Previsional Fusat. Ltda.	Chile	CLP	-	99.70	99.70	99.70
78.394.040-K	Centro de Servicios Médicos Porvenir Ltda.	Chile	CLP	-	99.00	99.00	99.00
96.796.530-8	Inmobiliaria Centro de Especialidades Torre Médica S.A.	Chile	CLP	-	75.00	75.00	75.00
77.928.390-9	Inmobiliaria e Inversiones Rio Cipreces Ltda.	Chile	CLP	-	99.90	99.90	99.90
77.270.020-2	Prestaciones de Servicios de la Salud Intersalud Ltda.	Chile	CLP	-	99.00	99.00	99.00

For the purposes of these consolidated financial statements, subsidiaries, associates, acquisitions and disposals and joint ventures are defined as follows:

- Subsidiaries - A subsidiary is an entity over which the Corporation has power to govern its operating and financial policies in order to obtain benefits from its activities under the conditions of IFRS 10. The consolidated financial statements include all assets, liabilities, revenues, expenses and cash flows of Codelco and its subsidiaries, after eliminating all inter-company balances and transactions. For partially owned subsidiaries, the net assets and net earnings attributable to non-controlling shareholders are presented as "Non-controlling interests" in the consolidated statements of financial position and consolidated statement of income.

- Associates - An associate is an entity over which Codelco is in the position to exercise significant influence, but not to control or jointly control, through the power to participate in the financial and operating policy decisions of that entity.

  Codelco's share of the net assets of such entities is included in the consolidated financial statements by using the equity method. This requires recording the initial investment at cost and then, in subsequent periods, adjusting the carrying amount of the investment to reflect Codelco's share in the income of associates, less any impairment of goodwill and any other changes in the associate's net assets.

  The Corporation makes adjustments to the proportional gains or losses obtained by the associate after the acquisition, in order to consider the effects that may exist in the depreciation of fair value of the assets according to the date of acquisition.

- Acquisitions and Disposals - The results of businesses acquired are incorporated in the consolidated financial statements from the acquisition date; the results of businesses sold during the period are incorporated into the consolidated financial statements up to the effective date of disposal. Gains or losses from the disposal are calculated as the difference between the sale proceeds (net of expenses) and the net assets attributable to the ownership interest that has been sold.

  Upon the occurrence of operations that generate a loss of control over a subsidiary, the valuation of investment which results from the loss of control in the subsidiary must be based on the fair values of such companies.

  If at the time of acquisition of an investment in an associate, Codelco´s share in the net fair value of identifiable assets and liabilities of the associate is higher than the cost of the investment, the Corporation recognizes revenue in the period in which such purchase was made.

- Joint Ventures - The entities that qualify as joint ventures, in which joint control exists over the operating and financial decisions, are accounted for using the equity method.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

e) Foreign currency transactions - Monetary assets and liabilities denominated in foreign currency have been translated into U.S. dollars at the closing exchange rate of the period.

At the reporting period-end, monetary assets and liabilities denominated in currency other than the functional currency, indexed in unidades de fomento (UF or inflation index-linked units of account) (12/31/2013: US$44.52; 12/31/2012: US$47.51; 1/1/2012: US$43.03), are translated into U.S. dollars at the closing exchange rates of each period.

Income and expenses denominated in Chilean pesos have been translated into U.S. dollars at the exchange rate at the date when the transaction was recorded in the accounting records.

Exchange differences are recognized in net income in accordance with IFRS.

The financial statements of subsidiaries, associates and jointly controlled entities, whose functional currency is different from the presentation currency of Codelco, are translated using the following procedures:

- Assets and liabilities for each statement of financial position presented shall be translated at the closing rate at the date of that statement of financial position.

- Income and expenses for each statement of comprehensive income shall be translated at average exchange rates of the reporting period.

- All resulting exchange differences are recognized as a separate component of net equity.

The exchange rates used in each period are as follows:

Relation	Exchange rates		
	12/31/2013	12/31/2012	1/1/2012
USD/CLP	0.00191	0.00208	0.00193
USD/GBP	1.65153	1.61629	1.55087
USD/BRL	0.42452	0.48957	0.53588
USD/EURO	1.38064	1.32188	1.29618

f) Offsetting Balances and Transactions: As a general standard, assets and liabilities, income and expenses, are not offset in the financial statements, except for those cases in which offsetting is required or is allowed by some standard and the presentation is a reflection of the transaction.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Income or expenses arising from transactions which, for contractual or legal reasons, consider the possibility of offsetting and which the Corporation intends to liquidate for their net value or realize the assets and pay the liabilities simultaneously, are stated net in the statement of income.

g) Property, plant and equipment and depreciation - Property, plant and equipment items are initially recognized at cost. After their initial recognition, they are recorded at cost, less any accumulated depreciation and any accumulated impairment losses.

The costs of property, plant and equipment items related to the extension, modernization or improvement representing an increase of the productivity, capacity or efficiency or an increase in the useful life of the assets is capitalized as cost of the corresponding assets.

Furthermore, investments in assets acquired under finance lease contracts are not legally owned by the Corporation until the corresponding purchase option is exercised.

Items included in property, plant and equipment are depreciated in accordance with the straight-line method over their economic useful lives, which are summarized in the following table:

Items	Minimum useful life	Maximum useful life
Buildings	15 years	50 years
Plant and equipment	2 years	35 years
Fixtures and fittings	2 years	15 years
Motor vehicles	5 years	25 years
Mining operations	20 years	35 years
Construction in progress (mine development)	1 year	5 years
Land improvements	10 years	35 years
Other	5 years	24 years

The straight-line depreciation method mentioned above, based on calculation procedures that enable the detection of significant changes, does not differ materially from depreciation results based on calculations which detect changes in production units.

The assets maintained under finance leases are depreciated during the estimated period of the lease contract or in accordance with the useful life of the assets, whichever is lower.

Estimated useful lives, residual values and the depreciation method are reviewed at each year end, recording prospectively the effect of any change in estimates.

The profit or loss from disposal or withdrawal of an asset is calculated as the difference between the price obtained in the disposal and the value recorded in the ledgers recognizing the charge or credit to net income for the year.

Work in progress includes the amounts invested in the construction of property, plant and equipment assets and in mining development projects. Works in progress are transferred to assets in operation once the testing period has terminated and when they are available for use, and start to be depreciated as of that moment.

The ore deposits owned by the Corporation are recorded in the accounting records at US$1 (one US dollar).

Without limiting the foregoing, reserves and resources acquired as part of acquisitions of shares in companies where the economic value of such properties differs from the carrying amount are recorded at fair value less any accumulated losses for impairment, and deducting the value associated with the use and/or consumption of such reserves.

Borrowing costs that are directly attributable to the acquisition or construction of assets that require a substantial period of time before they are ready for use or sale will be considered as part of the cost of property, plant and equipment.

h) **Impairment of property, plant and equipment and intangible assets -** Property, plant and equipment and intangible assets of definite useful life are reviewed for impairment, in order to verify whether there is any indication that the carrying value cannot be recovered. If such an indicator exists, the recoverable amount of the assets is estimated to determine the extent of the impairment loss. Where the asset does not generate cash flows independently from other assets, Codelco estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs.

For assets with indefinite useful lives, the estimated recoverable amount is performed at the end of each year.

If the asset does not generate cash flows that are independent from other assets, Codelco determines the recoverable amount of the CGU to which the asset belongs.

For such purposes, each division of the Corporation has been defined as a cash generating unit.

The measurement of impairment includes subsidiaries and associates.

The recoverable amount of an asset will be the higher of the fair value less costs to sell the asset and its value in use. When evaluating the value in use, the estimated future cash flows are discounted using an interest rate, before taxes, that shows the market evaluations corresponding to the time value of money and the specific risks of the asset, for which the future cash flow estimates have not been adjusted.

If the recoverable value of an asset or cash generating unit is estimated to be less than its carrying amount, an impairment loss is immediately recognized, reducing the carrying amount up to its recoverable amount with a charge to net income. In case of a subsequent reversal of the impairment, the carrying amount increases to the reviewed estimate of the recoverable amount, but only to the point that it does not exceed the carrying amount that would have been determined if no impairment had been recognized previously. A reversal is recognized as a decrease in the charge for depreciation for the year.

For CGU's, future cash flow estimates are based on the estimates of future production levels, future prices of basic products and future production costs. IAS 36 "Impairment of Assets" includes a series of restrictions to the future cash flows that can be recognized regarding the restructurings and future improvements related to expenses. When calculating the value in use, it is also necessary to base the calculations on the current exchange rates at the moment of the measurement.

i) **Exploration, mine development and mining operations costs and expenses -** The Corporation has defined an accounting criterion for each of these costs and expenses.

Development expenses for deposits under exploitation whose purpose is to maintain production levels are charged to net income when incurred.

Expenses for exploration and drillings of deposits include the expenses destined to locate mineralized areas to determine their potential for commercial exploitation. The accounting policy for these expenses has been defined by the Corporation in accordance with IFRS 6 paragraph 9, which will mainly be treated as expenses in profit or loss in the period when the expenses occurred until there is certainity that the project is economically viable.

Pre-operating and mine development expenses (PP&E) incurred during the execution of a project and until its start-up are capitalized and amortized in relation to the future production of the mine. These costs include extraction of waste material, constructing the mine's infrastructure and other works carried out prior to the production phase.

Finally, the costs for the delimitation of new areas or deposit areas in exploitation and of mining operations (PP&E) are recorded in property, plant and equipment and are charged to net income during the period in which the benefits are obtained.

j) **Deferred stripping –** Costs that arise by removing mine waste materials (overburden) to gain access to mineral ore deposits in open pits that are in production, incurred in order to access mineral deposits that are in production, or incurred in order to access mineral deposits are recognized in property, plant and equipment, provided they meet the following criteria set out in IFRIC 20:

- It is probable that the future economic benefits associated with the stripping activity will flow to the entity.

- It is possible to identify the component of an ore body for which access has been improved as a result of the stripping activity.
- The costs relating to the improved access to that component can be measured reliably.

The amounts recognized in property, plant and equipment are depreciated according to units of production method extracted from the ore body related to the stripping activity which generated this amount.

k) Income taxes and deferred taxes - Codelco and its Chilean subsidiaries record Income Tax based on the net taxable income determined as per the standards established in the Income Tax Law and Article 2 of the D.L. 2.398, as well as the specific tax on mining referred to in Law 20.026 of 2005. Its foreign subsidiaries record income tax according to the taxation standards of each country.

Deferred taxes due to temporary differences and other events that generate difference between the accounting and tax bases for assets and liabilities are recorded in accordance with the standards established in IAS 12 “Income taxes”.

In addition, a deferred tax is recognized for the net income of subsidiaries, associates, special purpose entities and joint ventures, originated by withholding taxes on remittances of dividends paid by such companies to the Corporation.

l) Inventory - Inventory is stated at cost, which does not exceed its net realizable value. The net realizable value represents the estimated sales price less all finishing costs and marketing, sales and distribution expenses. Costs have been determined according to the following methods:

- Finished products and products in process: This inventory is stated at average production cost, according to the absorption costing method, including labor and the depreciation of property, plant and equipment, the amortization of intangible assets and the indirect expenses of each period.

- Materials in warehouse: This inventory is stated at acquisition cost, and the Corporation determines an allowance for obsolescence considering the permanence in stock of slow moving materials in the warehouse.

- Materials in transit: This inventory is stated at cost incurred until the period-end date. Any difference, due to the estimate of a lower net realizable value of the inventory, in relation to its accounting value, is adjusted with a charge to net income.

m) Dividends - The payment obligation of net revenues presented in the financial statements, as determined in Article 6 of D.L. 1.350, is recognized based on the accrued payment obligation.

n) Employee benefits - Codelco recognizes accruals for employee benefits when there is a current obligation as a result of the services provided.

The contract conditions stipulate, subject to compliance with certain conditions, the payment of an employee termination benefit when an employment contract ends. In general, this corresponds to one monthly salary per year of service and considers the components of the final remunerations which are contractually defined as the basis for the indemnity. This benefit has been defined as a long-term benefit.

Codelco has also agreed to post-employment medical care for certain employees, which are paid based on a fixed percentage of the monthly tax base of the employees covered by this agreement. This benefit has been defined as a post-employment medical care benefit.

The employee termination benefit obligation and the post-employment medical plans are calculated in accordance with valuations performed by an independent actuary, using the projected unit credit method, which are updated on a regular basis. The obligation recognized in the statement of financial position represents the net present value of the employee termination benefit obligation and the post-employment medical benefit. Actuarial gains and losses are recognized immediately in the statement of other comprehensive income.

Management uses assumptions to determine the best estimate of these benefits. Such assumptions include an annual discount rate, mortality and morbidity tables, expected increases in compensation and future permanence, among other factors.

In accordance with its operating optimization programs to reduce costs and increase labor productivity by incorporating new current technologies and/or practical management best practices, the Corporation has established employee retirement programs by means of related addenda to employee contracts or collective union agreements with benefits that encourage employees to retire. Accordingly, the required accruals are established based on the accrued obligation at current value. In case of employee retirement programs which involve multiyear periods, the provisioned obligations for these concepts are updated considering a discount rate determined by financial instruments for the same currency used to pay the obligations and similar maturities.

o) Provisions for dismantling and restoration costs - An obligation, legal or constructive, arises when dismantling and restoration costs are incurred as a result of alterations caused by a mining activity (in development or in production). Costs are estimated on the basis of a formal closure plan and are subject to yearly reviews.

The costs arising from the obligation to dismantle the installation of a plant or other project for the preparation of the site, discounted at their net present value, are accrued and capitalized at the beginning of each project, at which time the obligation to incur such costs is arises.

These dismantling costs are recorded in income via the depreciation of the asset that gave rise to this cost, and the provision is used when the dismantling takes place. Subsequent changes in the estimates of liabilities related to dismantling are added to or deducted from the costs of the related assets in the period in which the adjustment is made.

The restoration costs are accrued at their net present value against operating income, and the provision is used in the period during which the restoration works are performed. Changes in measurement of the liability related to the location of the mining activity (discount rate or time) are recorded in operating income and depreciated based on the useful lives of assets which give rise to these changes.

The effects of updating the liability, due to the discount rate and/or time, are recorded as finance costs.

p) Leases – (Codelco as a lessee) Leases are classified as finance leases when the terms of the lease transfer all risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Lease costs under operating leases are charged to income over the lease term. Assets acquired under finance leases are recognized as assets at the start of the lease at either the fair value or the present value of minimum lease payments for the discounted lease at the contracted interest rate, whichever is lower. Interest is charged in the finance costs, at a fixed periodic rate, in the same depreciation period of the asset. The lease obligations net of financing costs are included in other current or non-current liabilities, as appropriate.

Under the provisions of International Financial Reporting Interpretations Committee ("IFRIC") 4 (IFRIC 4) titled "Determining whether an Arrangement Contains a Lease", an arrangement is, or contains a lease at the start date, if it uses a specific asset or assets or if it grants the right to use the asset, even if that right is not explicitly specified. For agreements occurring before January 1, 2005, the start date is considered as January 1, 2005 in accordance with the transitional requirements of IFRIC 4.

All take-or-pay contracts and any other service and supply contracts that meet the conditions established in IFRIC 4, are reviewed for indicators of an embedded leasing.

q) Revenue recognition - Revenue is recorded when ownership rights and obligations have been substantially transferred to the purchaser, according to the shipment or dispatch of the products, in conformity with the agreed upon conditions and are subject to variations related to the content and/or sales price at their liquidation date. Notwithstanding the foregoing, there are certain contracts for which the rights and obligations are substantially transferred based on receipt of the product at the buyer’s destination point, and for these contracts revenue is recorded at the moment of transfer.

Sales contracts include a provisional price at the shipment date, whose final price is generally based on the price recorded in the London Metals Exchange ("LME"). In the majority of cases, the recognition of sales revenue for copper and other commodities is based on the estimates of the future spread of metal price on the LME and/or the spot price at the date of shipment, with a subsequent adjustment made upon final determination and presented as part of "Revenue". The terms of sales contracts with third parties contain provisional pricing arrangements whereby the selling price for metal in concentrate is based on prevailing spot prices on a specified future date after shipment to the customer (the "quotation period"). As such the final price will be fixed on the dates indicated in the contracts. Adjustments to the sales price occurs based on movements in quoted market prices on the LME up to the date of final settlement. The period between provisional invoicing and final settlement can be between one and nine months. Changes in fair value over the quotation period and up until final settlement are estimated by reference to forward market prices for the applicable metals.

Sales in the national market are recorded in conformity with the regulations that govern domestic sales as indicated in Articles 7, 8 and 9 of Law No. 16.624, modified by Article 15 of Decree Law No. 1.349 of 1976, on the determination of the sales price for the internal market.

As indicated in the note related to hedging policies in the markets of metal derivatives, the Corporation enters into operations in the markets of metal derivatives. The net results of these contracts are added to or discounted from revenues.

Additionally the Corporation recognizes revenue for providing services, mainly related to the processing of minerals bought from third parties. Revenue is recognized when the amounts can be measured reliably and when the services have been provided.

r) Derivative contracts - Codelco uses derivative financial instruments to reduce the risk of fluctuations in the sales prices of its products and of exchange rates.

Derivatives are initially recognized at fair value at the date on which the derivative is entered into and subsequently updated at fair value at each reporting date.

The effective part of the changes in fair value of the derivatives that are allocated as "effective cash flow hedges", is recognized directly in equity, net of taxes, in the item "Cash flow hedge reserves", while the ineffective part is recorded in the statements of comprehensive income on lines Finance expenses or Finance income depending on the effect generated by the ineffectiveness. The amount recognized in net equity is not transferred to other comprehensive income account until the results of the hedged operations are recorded in the statements of comprehensive income or until the maturity date of such operations.

A hedge is considered highly effective when the changes in fair value or in the cash flows of the underlying item attributable to the hedged risk, are offset with the changes in the fair value or in the cash flows of the hedge instruments, with effectiveness between a ranges of 80% - 125%.

The corresponding unrealized profit or loss is recognized in comprehensive income for the period, only in those cases in which the contracts are liquidated or when they no longer comply with hedging characteristics.

The total fair value of the hedge derivatives is classified as a non-current asset or liability, if the remaining maturity of the hedged item is greater than 12 months, and as a current asset or liability, if the remaining maturity of the hedged item is lower than 12 months.

All derivatives designated as hedge instruments are classified as current or non-current assets or liabilities, respectively, depending on the maturity date of the derivative.

The derivative contracts entered into by the Corporation are originated by the application of the risk hedge policies indicated below, and are recorded as indicated for each case:

- *Hedging policies for exchange rates*

  From time to time the Corporation enters into exchange rate and interest rate hedge transactions to cover exchange rate variations between the US dollar and the other currencies its transactions are conducted in. Pursuant to the policies established by the Board of Directors these operations are only performed when there are recognized assets or liabilities, the forecast of highly probable transactions or firm commitments, and not for investment or speculative reasons.

  The results of foreign exchange insurance operations are recorded at the maturity or liquidation date of the respective contracts.

- *Hedging policies in the metal derivatives markets*

  In accordance with the policies approved by the Board of Directors the Corporation entered into contracts in order to hedge future metal prices, backed by physical production, in order to minimize the inherent risks in price fluctuations.

  The hedging policies seek to protect expected cash flows from the sale of products by fixing the prices for a portion of future production, while to the extent necessary adjusting physical contracts to its standard commercial policies. When the sales agreements are fulfilled and the derivative contracts are settled, income from sales and derivative operations is offset.

  At each reporting date, these derivative contracts are recorded and adjusted to marked-to-market and recorded at the settlement date of the hedging operations, as a part of the sales revenue of the products.

  Hedging operations carried out by the Corporation are not of a speculative nature.

- *Embedded derivatives*

  The Corporation has established a procedure that allows for evaluation of the existence of embedded derivatives in financial and non-financial contracts. Where there is an embedded derivative, and if the host contract is not recorded at fair value, the procedure determines whether the characteristics and risks of the embedded derivative are not closely related to the host contract, in which case it requires a separate recording.

  The procedure consists of an initial characterization of each contract that allows for distinguishing of those in which an embedded derivative could exist. In that case, the contract is submitted to a more in-depth analysis. If as a result of this evaluation it is determined that the contract has an embedded derivative that needs to be recorded separately, it is valued and the movements in its fair value are recorded in comprehensive income in the consolidated financial statements.

s) Financial information by segment - For the purposes of IFRS 8, Operating Segments the segments are defined as Codelco’s Divisions, plus the Ministro Hales Division, whose operation is expected to begin at the end of 2014 (at the end of the year 2013, the mine is operating with its pre-stripping, its concentrator finished loading tests and is now beginning its operational phase; only missing the roasting plant). Income and expenses of the Head Office are distributed in the defined segments.

t) Presentation of Financial Statements - For the purposes of IAS 1, *Presentation of the Financial Statements*, the Corporation establishes the presentation of its statement of financial position classified in "current and non-current" and of its statements of income in conformity with the "by function" method and its cash flows using the direct method.

With respect to the Statements of Other Comprehensive Income (loss) on currency exchange rate cash flow hedges and share of associates and joint ventures accounted for using the equity method, could have an effect of future Statements of Comprehensive Income (loss), while the Statement of Other Comprehensive Income (loss) of actuarial defined benefit plans will not have future effects on the Statement of Comprehensive Income.

u) Current and non-current financial assets - The Corporation determines the classification of its investments upon initial recognition and reviews these at each closing date. This classification depends on the purpose for which such investments were acquired.

In this section the following categories are observed:

- *Financial assets at fair value through profit or loss*:

  This category includes those financial assets acquired for trading or sale in the short term. Their initial and subsequent recognition is performed at fair value, which is obtained as of the observable date in the market. The gains and losses from variations in fair value are included in net income for the period.

- *Loans granted and accounts receivable*:

  These correspond to financial assets with fixed or determined payments, and which are not quoted in an active market. Their initial recognition is at fair value, which includes the transaction costs that are directly attributed to the issuance of it. Subsequent to the initial recognition, these are stated at amortized cost, recognizing in the statements of comprehensive income the accrued interest according to the effective interest rate and the possible losses in value of these assets.

  A loss in value of the financial assets stated at amortized cost is caused when there is objective evidence that the Corporation will not be able to recover all amounts in accordance with the original terms.

  The amount of loss in value is the difference between the carrying amount and the net present value of the future cash flows discounted at the effective interest rate, and it is recognized as an expense in the statements of comprehensive income.

If in subsequent periods there is evidence of a recovery in the value of the financial asset stated at amortized cost, the recognized impairment loss will be reversed as long as it does not generate an amount in the financial asset ledgers that exceeds the one recorded prior to the loss. The accounting of the reversal is recognized in net income for the period.

Finally, an account receivable is not considered recoverable when situations arise such as the dissolution of the company, lack of identifiable assets for its execution or a legal pronouncement.

v) **Financial liabilities -** Financial liabilities are recognized initially at fair value, net of the incurred transaction costs. As the Corporation does not own any financial liabilities held for trading, subsequent to their initial recognition, the financial liabilities are valued at amortized cost, using the effective interest rate method, recognizing the interest expenses based on the effective profitability.

The effective interest rate method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or when appropriate, a shorter period when the associated liability has a prepayment option that is considered to be exercised.

Trade accounts payable and other payables are financial liabilities that do not explicitly accrue interest and are recorded at their nominal value.

The financial liabilities are derecognized when the liabilities are paid or expire.

w) **Allowance for doubtful accounts -** The Corporation maintains an allowance for doubtful accounts, based on the experience and analysis of Management regarding the portfolio of trade accounts receivable and the aging of the items.

x) **Cash and cash equivalents and Statement of Cash Flows prepared by direct method -** Cash equivalents are comprised of highly liquid investments, which have a limited risk in relation to possible changes in value, and maturities of which are less than 90 days from date of purchase.

For the purposes of preparing the statement of cash flows, the Corporation has defined the following:

Cash and cash equivalents in the statement of financial position include cash at banks and on hand, and short term deposits and other highly liquid short term investments with an original maturity of three months or less. In the statement of financial position, bank overdrafts are classified as external resources in current liabilities.

- Operating activities: These are the activities that constitute the main source of operating income for the Corporation, as well as other activities that cannot be classified as investment or financing activities.

- Investing activities: These correspond to acquisition or sale activities or disposal through other methods of long-term assets and other investments not included in cash and cash equivalents.

- Financing activities: These are activities that cause changes in the size and composition of net equity and of financial liabilities.

y) Law No. 13.196 – According to Law No. 13.196, the return on foreign currency of Codelco´s copper export sales based on the actual sales revenue, including byproducts is taxed at 10%. The amount for this concept is presented in the statement of income in the item other expenses, by function.

z) Cost of sales - Cost of sales is determined according to the absorption cost method, including the direct and indirect costs, depreciation, amortization and any other expenses associated with the production process.

aa) Environment - The Corporation adheres to the principles of sustainable development, which foster the economic development while safekeeping the environment and the health and safety of its collaborators. The Corporation recognizes that these principles are key for the wellbeing of its collaborators, care for the environment and success in its operations.

ab) Classification of current and non-current balances - In the consolidated statement of financial position, the balances are classified according to their maturities, that is, as current those with a maturity equal to or less than twelve months and as non-current those with a greater maturity. Where there are obligations whose maturity is less than twelve months, but whose long-term refinancing is insured upon a decision by the Corporation, through credit agreements available unconditionally with long-term maturity, these could be classified as non-current liabilities.

3. New standards and interpretations adopted by the Corporation

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those applied in the preparation of the annual consolidated financial statements of the Corporation for the year ended December 31, 2012, except for the adoption of new standards and interpretations effective from January 1, 2013, which are:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

a) IAS 19 Employee Benefits (revised 2011) (IAS 19-R)

The Corporation until December 31, 2012 recognized in profit for the period its actuarial gains and losses. IAS 19-R establishes the recognition of actuarial results as part of the Statement of Other Comprehensive Income and permanently excludes these from the profit and loss for the period. Other modifications include new disclosures, such as quantitative sensitivity of the variables set for the calculation of the defined benefit giving rise to the liabilities.

IAS 19-R requires retrospective application of the associated effects, implying re-statements of previous years' financial statements.

The adoption of the new version of the standard mentioned above implies reclassifications of acturial earnings and losses from retained earnings (losses) through other respective comprehensive income, influencing the statement of financial position as follows:

Effects at January 1, 2012	Retained earnings ThUS$	Reserve of gains /(losses) on defined benefit plans ThUS$
Balance prior to the application of IAS 19-R	1,709,068	-
Adjustments for application of IAS 19-R	84,917	(84,917)
Balance with application of IAS 19-R	1,793,985	(84,917)

Effects at December 31, 2012	Retained (losses) earnings ThUS$	Reserve of gains /(losses) on defined benefit plans ThUS$
Balance prior to the application of IAS 19-R	4,189,769	-
Adjustments for application of IAS 19-R	102,246	(102,246)
Balance with application of IAS 19-R	4,292,015	(102,246)

b) IAS 1 Presentation of items in other comprehensive income – Modifications to IAS 1

The amendments made to the IAS 1 require separation of the items of Other Comprehensive Income which may be reclassified to the Statement of Comprehensive Income in the future (e.g. net results from cash flow hedges or exchange rate of foreign operations) of those items that standards do not allow to be reclassified to Comprehensive Income (e.g. gains and losses from benefits plans).

The amendment affects only the presentation of the Statement of Comprehensive Income and has no impact on the financial position of the Corporation.

c) IAS 1 Comparative reporting requirement – Explanatory amendment

It is required to include comparative information in the notes to the financial statements when there is a voluntary disclosure beyond the minimum comparative period.

IAS 1 also requires the presentation of an additional Statement of Financial Position when a retrospective accounting change is made and that items of the Financial Statements are reclassified, as long as any of those changes have a material effect on the Statement of Financial Position at the beginning of the previous period. The amendment clarifies that the additional Statement of Financial Position is not required to include comparative information in related notes.

d) IFRS 10 Consolidated Financial Statements and IAS 27 Consolidated and Separate Financial Statements.

IFRS 10 replaces IAS 27 "Consolidated and Separate Financial Statements" in sections related to consolidated financial statements and SIC 12 "Consolidation Special Purpose Entities". IFRS 10 changes the definition of control such that an investor controls an investee when it is exposed, or has rights, to variable returns from its involvement in the investee and has the potential to affect those returns through its power over the investee. The application of IFRS 10 had no impact on the determination of control or consolidation of investments held by the Corporation.

e) IFRS 11 Joint Arrangements

IFRS 11 replaces IAS 31 "Interests in Joint Ventures" and SIC 13 "Jointly-controlled Entities – Non-monetary Contributions by Venturers". IFRS 11 removes the option to account for jointly controlled entities (JCE's) using proportional consolidation, leaving as the only option, the equity method. The application of IFRS 11 had no impact on the Consolidated Financial Statements of the Corporation.

f) IFRS 12 Disclosure of Interests in Other Entities

This standard establishes requirements for disclosures related to an entity´s interests in subsidiaries, joint arrangements, associates and structured entities. The additional disclosure requirements are presented in Note 8 and 9, and are related to summarize financial information of material subsidiaries and associates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

g) IFRS 13 Fair Value Measurement

IFRS 13 establishes a single source of fair value measurements. This standard provides guidance on how to measure fair value when it is required or permitted by IFRS. The application of IFRS 13 has not materially affected the fair value measurements of the Corporation.

h) IFRIC 20 Stripping Costs in the Production Phase of a Surface Mine

IFRIC 20 indicates that the costs of waste removal activities in surface mine in a production phase (stripping of production phase), incurred with the purpose of granting access to an ore body, are recognized as part of Property, Plant and Equipment and are amortized based on units of production extracted from the mineralized zone specifically related to the respective removal activity that generates this amount.

The accounting treatment applied by the Corporation before the adoption of IFRIC 20 differed from the requirements of IFRIC 20 and established an amortization criterion based on linear amortization of the capitalized removal costs.

These Consolidated Financial Statements were prepared in accordance with IFRIC 20, which applies as of January 1, 2013. Adopting IFRIC 20 resulted in a change in the accounting policy of the Corporation, as defined by IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”.

This involved making adjustments based on the criteria of IFRIC 20, so that the existing balances at December 31, 2011 in respect of stripping in the production phase (discussed by other accounting criteria based on IFRIC 20), are assigned as initial balance for purposes of applying IFRIC 20.

The impacts of this standard on the comparative amounts presented in the Consolidated Financial Statements at December 31, 2013, were as follows:

Effects of IFRIC 20 Retained earnings, as of January 1, 2012	ThUS$
The balance of retained earnings, as of January 1st, 2012 under prior accounting policies	1,709,068
Adjustments to the balances prior to applying IFRIC 20, net of deferred taxes	(88,305)
The balance of retained earnings, as of January 1, 2012 adjusted by IFRIC 20	1,620,763

Effects of IFRIC 20 Property, Plant and Equity, net as of December 31, 2012	ThUS$
The balance of Property, Plant and Equity net as of December 31, 2012 under prior accounting policies	17,044,931
Adjustments to IFRIC 20	23,018
Adjusted balance of Property, Plant and Equity as of December 31, 2012	17,067,949

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Effects of IFRIC 20 gain (loss), after taxes for the year ending as of December 31, 2012	ThUS$
Gain (loss) before taxes under prior accounting policies as of December 31, 2012 before applying IFRIC 20	3,650,960
Adjustments to IFRIC 20	97,512
Gain (loss), after taxes for the year ending as of December 31, 2012 under IFRIC 20	3,748,472

IFRIC 20 Effects on Retained Earnings from associates, as of December 31, 2012	ThUS$
Associated IFRIC 20 adjustment attributable to owners of the parent	(7,976)
Associated IFRIC 20 adjustment attributable to noncontrolling interests	(3,789)
IFRIC 20 Total effect on retained earnings from associates as of December 31, 2012.	(11,765)

4. New accounting pronouncements

As of the issuance date of these consolidated financial statements, the following IFRS and IFRIC interpretations have been issued by the IASB. Their application was not mandatory (1):

New IFRS	Date of mandatory application	Summary
IFRS 9, Financial Instruments	Subject upon decision	Financial assets must be entirely classified on the basis of the business model of the entity for financial asset management and the characteristics of contractual cash flows of financial assets. Financial assets under this standard are measured either at amortized cost or fair value. Only financial assets classified as measured at amortized cost must be tested for impairment.
IFRIC 21, Levies	Annual periods beginning on or after January 1, 2014	IFRIC 21 is an interpretation of IAS 37 *Provisions, Contingent Liabilities and Contingent Assets*. IAS 37 sets out criteria for the recognition of a liability, one of which is the requirement for the entity to have a present obligation as a result of a past event (known as an obligating event). The Interpretation clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Amendments to IFRS	Date of mandatory application	Summary
IFRS 10, Consolidated Financial Statements IFRS 12, Disclosure of interests in other entities IAS 27, Separate Financial Statements	Annual periods beginning on or after January 1, 2014	The amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosures of interests in other entities and IAS 27 Separate Financial Statements come from proposals in the Exposure Draft Investment Entities published in August, 2011. The amendments define an investment entity and introduce an exception to consolidate certain subsidiaries owned by investment entities. These amendments require that an investment entity record these subsidiaries at fair value through profit or loss in accordance with IFRS 9 Financial Instruments in its consolidated financial statements and separate. The amendments also introduce new disclosure requirements related to investment entities in IFRS 12 and IAS 27.
IAS 32, Financial Instrument Presentation	Annual periods beginning on or after January 1, 2014	Clarifies the requirements regarding the application of compensations between financial entries.
IAS 36, Impairment of Assets	Annual periods beginning on or after January 1, 2014	Modifies the requirements for disclosure of information about the recoverable amount of impaired assets based on fair value less costs of sales. These amendments are related to IFRS 13 Fair Value Measurement issue. The amendments must be applied retroactively.
IAS 39, Financial Instruments: Recognition and Measurement	Annual periods beginning on or after January 1, 2014	Provides an exception to the requirement for discontinuing the hedge accounting on situations in which the OTC derivatives which has been designated in hedging instrument, is both of direct or indirectly novated to a central counterparty as a consequence of laws or regulations.
IAS 19, Employee benefits	Annual periods beginning on or after July 1, 2014	Simplify the accounting treatment for contribution benefits not associated with service years of employees; for example, contributions of employees that are calculated according to fixed percentages of salary.
IFRS 3, Business Combinations (Annual Improvements to IFRS 2010–2012 cycle)	Annual periods beginning on or after January 1, 2014	It refers to the consideration of fair value in the valuation of contingent assets and liabilities in a business combination.
IAS 40, Investment Property (Annual Improvements to IFRS 2011–2013 cycle)	Annual periods beginning on or after January 1, 2014	Professional judgment is used to distinguish acquisition operations of investment properties and business combinations.

(1) IAS, International Accounting Standard, IFRS, International Financial Reporting Standard, IFRIC, International Financial Reporting Interpretations Committee

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Management is currently in the process of evaluating the initial effects of the application of the standards, amendments and interpretations that will be adopted in the consolidated financial statements of the Corporation in the respective years indicated, anticipating that they would not have significant impacts.

I. EXPLANATORY NOTES

1. Cash and cash equivalents

Cash and cash equivalents are detailed as follows:

Items	12/31/2013 ThUS$	12/31/2012 ThUS$
Cash on hand	9,281	4,703
Bank balances	38,256	33,439
Time deposits	701,195	1,124,459
Mutual funds – Money market	1,431	11,137
Resale agreements	507	90,085
Total Cash and cash equivalents	750,670	1,263,823

Valuation of time deposits is made on an accrual basis with an interest rate associated with each of these instruments.

The Corporation does not maintain any significant amounts of cash and cash equivalents that are not available for use.

2. Trade and other receivables

a) Accrual for open sales invoices

As mentioned in the Article of Summary of Significant Accounting Policies, the Corporation adjusts its revenues and balances from trade accounts receivable, based on future copper prices, by recording an accrual for open sales invoices.

When the future price of copper is lower than the provisional invoice amount, this provision is presented in the Statement of Financial Position as follows:

- Customers that have debt balances with the Corporation are presented in Current Assets, decreasing the amounts owed by these customers.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

- Customers that do not have debt balances with the Corporation are presented in the item Trade and other payables under Current Liabilities.

When the future copper price is higher than the provisional invoice price, the provision is presented in current assets, increasing the amounts owed by customers.

Based on the above-mentioned, trade receivables as of December 31, 2013 and of December 31, 2012 include a positive accrual of ThUS$124,905 and of ThUS$36,534, respectively, related to the accrual of open invoices.

b) Trade and other receivables

The following chart shows the amounts of Trade and other receivables, with their corresponding allowances:

Items	Current		Non-current	
	12/31/2013 ThUS$	12/31/2012 ThUS$	12/31/2013 ThUS$	12/31/2012 ThUS$
Trade receivables (1)	1,591,384	1,616,493	1,882	-
Allowance for doubtful accounts (3)	(2,694)	(1,925)	-	-
Subtotal trade receivables, net	1,588,690	1,614,568	1,882	-
Other receivables (2)	602,495	767,153	137,014	171,699
Allowance for doubtful accounts (3)	(5,003)	(5,708)	-	-
Subtotal other receivables, net	597,492	761,445	137,014	171,699
Total	2,186,182	2,376,013	138,896	171,699

(1) Trade receivables are generated by sales of the Corporation, which are generally sold for cash or by bank guarantee.

(2) Other receivables include the amounts owed mainly by:

- Personnel of the Corporation, including short-term loans and mortgage loans, payment for which is withheld on a monthly basis from employee paychecks. The mortgage loans are backed by mortgage guarantees.
- Claims from insurance companies.
- Liquidations to the Central Bank as per Law 13,196.
- Advance payments to suppliers and contractors, to be discounted from the corresponding payment statements.
- Accounts receivable for toll services (Ventanas' Smelter).

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

- Tax credit exporter VAT remainder susceptible to refund and other taxes receivable in the amount of ThUS$ 163,642 and ThUS$ 226,910 at December 31, 2013 and December 31, 2012 respectively.

(3) The Corporation maintains an allowance for doubtful accounts, based on the experience and analysis of Management regarding the portfolio of trade accounts receivable and the aging of the entries.

The movement of the allowance for doubtful accounts for the year ended December 31, 2013 is detailed as follows:

Movements of allowance for doubtful accounts	12/31/2013 ThUS$
Opening balance	7,633
Increases	388
Write-offs/applications	(324)
Movement, subtotal	64
Final balance as of 12/31/2013	7,697

Past due and not impaired balances are detailed as follows:

Maturity	12/31/2013 ThUS$	12/31/2012 ThUS$
Less than 90 days	20,182	22,250
Between 90 days and 1 year	659	2,108
More than 1 year	4,217	8,334
Total past-due and not impaired	25,058	32,692

3. Balance and related party disclosures

a) Transactions with the Board of Directors

According to the New Corporate Governance Law, Codelco's Board Members were affected in business with related parties, as described in Title XVI of the Corporations law (regarding transactions with related parties in publically traded companies and their affiliates).

As provided in the final paragraph of Article 147 b) of Title XVI, which contains exceptions regarding the approval process for related party transactions, the Corporation has set a general policy of regularity (reported to the SVS as a material fact), which establishes common transactions ordinarily made with its related parties within their line of business, contributes to their social interest and are necessary for Codelco's normal developmental activities.

In addition, consistent with the legal framework, the Corporation maintains within its internal framework a specific policy about transactions with persons and companies related to Codelco personnel. Codelco Corporate Standard No. 18 (NCC No. 18), whose latest version currently in force was approved by the Executive President and the Board.

Codelco, without the authorization indicated in NCC No. 18 and the Board of Directors, when required by Law or the Corporate Statute, shall not enter into contracts involving one or more Directors, Executive President, members of the Committee of Managing Directors, Vice President, Legal Counsel, General Auditor, General Manager, Senior Management or staff who must make recommendations and/or has the authority to resolve tenders, purchases and assignments and/or purchases of goods and services and the staff that holds management positions (until the fourth hierarchical level in the organization), including their spouses, children and other relatives up to the 2nd degree of relation, with an interest in itself, directly, or represented by third parties or on behalf of another person. The NCC No. 18 obligates the Corporation's contract to declare all such relationships, as well as remove related job responsibilities from any member within these positions who may be involved.

This prohibition also includes the companies in which such individuals are involved through ownership or management, whether directly or through representation of other natural persons or legal entities, or individuals who have ownership or management interests in those companies.

The Board of Directors has been informed of the transactions covered by Codelco Corporate Standard No. 18, and upon which it must decide, according to this standard.

Among these operations are those indicated in the following chart, for the total amounts indicated, which need to be executed in the periods specified by each contract:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Taxpayer Number	Country	Nature of the relationship	Description of the transaction	1/1/2013 12/31/2013 Amount ThUS$	1/1/2012 12/31/2012 Amount ThUS$
Ecometales Limited (Chilean agency)	59.087.530-9	Chile	Affiliate	Services	45,753	10,713
Fundación Orquesta Sinfónica Infantil de los Andes	65.018.784-9	Chile	Founder	Services	169	279
Club de Deportes Cobresal	70.658.400-5	Chile	Employee Pres. Club	Services	355	653
Fundación de Salud El Teniente	70.905.700-6	Chile	Affiliate	Services	-	11,094
Centro de Capacitación y Recreación Radomiro Tomic	75.985.550-7	Chile	Other related	Services	-	700
Codelco Shanghai Company Limited.	Foreigner	China	Affiliate	Services	-	400
Services Aridam S.A.	76.033.531-2	Chile	Employee's relative	Services	-	9,306
Centro de Especialidades Médicas Río Blanco Ltda.	76.064.682-2	Chile	Affiliate	Services	6,954	11,390
Anmar S.A.	76.134.358-0	Chile	Employee's relative	Services	-	1,525
Sociedad de Procesamiento de Molibdeno Ltda.	76.148.338-2	Chile	Affiliate	Services	20,836	-
Nucleo Educativo S.A.	96.940.740-K	Chile	Director's ownership	Services	-	175
Consultora Jannet Troncoso C.E.I.R.L.	76.174.237-K	Chile	Employee's relative	Services	137	41
Kairos Mining S.A.	76.781.030-K	Chile	Other related	Services	-	56,065
Biosigma S.A	96.991.180-9	Chile	Affiliate	Services	-	17
Inversiones Raúl Martínez E.I.R.L.	76.791.980-8	Chile	Executive's related	Services	125	-
Prestaciones de Servicios de la Salud Intersalud Ltda.	77.270.020-2	Chile	Affiliate	Services	3,428	-
Fundacion Educacional Chuquicamata	72.747.300-9	Chile	Founder	Services	2,650	-
Cosando Construcción y Montaje Ltda.	77.755.770-K	Chile	Employee's relative	Services	10,778	4,228
Anglo American Sur S.A.	77.762.940-9	Chile	Investee	Services	20	-
Inmobiliaria e Inversiones Rio Cipreses	77.928.390-9	Chile	Affiliate	Services	276	-
Hatch Ingenieros y Consultores Ltda.	78.784.480-4	Chile	Employee's relative	Services	-	973
Institutión de Salud Previsional Chuquicamata Ltda.	79.566.720-2	Chile	Affiliate	Services	52,000	3,637
Sinclair Knight Merz (Chile) Ltda.	76.334.600-5	Chile	Executive family		-	21
Empresa Nacional de Telecomunicaciones S.A	92.580.000-7	Chile	Director family	Services	515	-
CIS Ingenieros Asociados S.A.	88.422.600-7	Chile	Director's ownership	Services	1,044	24
Institución de Salud Previsional Río Blanco Ltda.	89.441.300-K	Chile	Affiliate	Services	43,552	-
Salomón Sack S.A.	90.970.000-0	Chile	Director's ownership	Supplies	301	1,036
Sociedad Contractual Minera El Abra	96.701.340-4	Chile	Investee	Purchase of rights	10,005	-
Instituto Innovación en Minería y Metalúrgica	96.854.500-0	Chile	Affiliate	Services	-	40,200
S y S Ingenieros Consultores Ltda.	84.146.100-2	Chile	Employee's relative	Services	-	85
Clínica Río Blanco S.A	99.573.600-4	Chile	Affiliate	Services	5,352	9,633
B. Bosh S.A	84.716.400-K	Chile	Employee's relative	Supplies	28	-
Finning Chile S.A	91.489.000-4	Chile	Employee's relative	Supplies	310,398	-
Minera Gaby S.A	76.685.790-6	Chile	Ex Subsidiary	Services	-	561
Exploraciones Mineras Andinas S.A	99.569.520-0	Chile	Affiliate	Services	128,537	-
Inversiones Gacrux SpA	76.173.357-5	Chile	Affiliate	Services	118	-
Inversiones Mineras Acrux SpA	76.167.903-1	Chile	Affiliate	Services	117	-
Inversiones Mineras Becrux SpA	76.173.783-K	Chile	Affiliate	Services	111	-

b) Key Personnel of the Corporation

In accordance with the policy established by the Board of Directors and its related regulation, those transactions affecting the Directors, its Executive President, Vice presidents, Corporate Auditor, the members of the Divisional Management Committees and Divisional General Managers should be approved by this Board.

During the periods of 2013 and 2012, the members of the Board of Directors have received the following amounts as per diems, salaries and fees:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Taxpayer Number	Country	Nature of the relationship	Description of the relationship	1/1/2013 12/31/2013 Amount ThUS$	1/1/2012 12/31/2012 Amount ThUS$
Jorge Bande Bruck	5.899.738-2	Chile	Director	Director's fees	39	108
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Payroll	71	47
Raimundo Espinoza Concha	6.512.182-4	Chile	Director	Director's fees	111	95
Gerardo Jofré Miranda	5.672.444-3	Chile	Chairman of the Board	Director's fees	166	162
Marcos Büchi Buc (1)	7.383.017-6	Chile	Director	Director's fees	-	-
Fernando Porcile Valenzuela	4.027.183-K	Chile	Director	Director's fees	111	95
Andrés Tagle Domínguez	5.895.255-9	Chile	Director	Director's fees	111	95
Marcos Lima Aravena	5.119.963-4	Chile	Director	Director's fees	138	135
Juan Luis Ossa Bulnes	3.638.915-K	Chile	Director	Director's fees	109	95
Blas Tomic Errázuriz	5.390.891-8	Chile	Director	Director's fees	58	-
Augusto González Aguirre	6.826.386-7	Chile	Director	Payroll	133	44
Augusto González Aguirre	6.826.386-7	Chile	Director	Director's fees	111	27

(1) During the periods from January 1st to December 31st, 2013 and 2012, the Corporation has not issued any payment instrument for the concept of remunerations to Mr. Marcos Büchi Buc, derived from his participation as Corporation Director, since he has expressly and irrevocably waived those payments, as well as any present or future collection action for that concept.

Through Supreme Decree of the Treasury Department No. 302, dated February 29, 2012, the method for determining the remunerations of the Corporation's directors was actualized. This document details the calculation method of such remunerations, as per the following:

a. The monthly salary of the directors of Codelco for participating in Board meetings fixed in the amount of Ch$ 3,282,300 - (three million two hundred and eighty two thousand three hundred Chilean pesos).

b. A unique monthly salary of Ch$ 6,564,600 - (six million five hundred and sixty four thousand six hundred Chilean pesos) is established for the Chairman of the Board.

c. Directors that shall participate in a Board Committee, whether the one referred to in Article 50 bis) of law No. 18.046 or another established by the by-laws of the Corporation, receive a single additional monthly amount of Ch$ 1,094,100 - (one million ninety four thousand and one hundred Chilean pesos) for their participation, notwithstanding the number of committees in which they participate. In addition, the director holding the chair of the Directors' Committee shall receive a single monthly remuneration for his participation in committees of Ch$ 2,188,200 - (two million one hundred eighty eight thousand and two hundred Chilean pesos).

d. The compensation established in this legal document will be valid for a period of two years, starting from March 1st, 2012, and was adjusted by 5% as of January 1st, 2013, following the same standards that apply to the employees of the public sector of the Republic of Chile.

The short-term benefits related to the executives of the Corporation, paid during the period January – December 2013, amount to ThUS$ 10,641 (2012: ThUS$ 10,773).

The criteria used to determine the remunerations of the executives were established by the Board on January 29, 2003.

There were no non-current benefit payments during the periods from January 1st to December 31, 2013 and 2012, different than those mentioned in the previous paragraph.

There are no share-based benefit plans.

c) Operations with Codelco Investees

In addition, the Corporation performs necessary commercial and financial transactions with entities in which it has capital ownership. The financial transactions correspond mainly to loans in checking accounts.

The commercial operations with related companies refer to the purchase and sale of products or services, at market conditions and prices and which do not consider interest or indexation. These companies, for the periods of 2013 and 2012, are the following: Sociedad GNL Mejillones S.A., Copper Partners Investment Corporation Ltd., Copper for Energy, Sociedad Contractual Minera Purén, Kairos Mining S.A., MI Robotic Solutions S.A., Sociedad Contractual Minera El Abra, Agua de La Falda S.A., Ecosea Farming S.A., Comotech S.A., Deutsche Geissdraht GmbH, Inca de Oro S.A. and Anglo American Sur S.A..

The Corporation does not establish an allowance for doubtful accounts for the main items receivable from their related companies, as these have been registered by including the relevant safeguards in the respective debt contracts.

Accounts receivable from and payable to relate companies as of December 31, 2013 and of December 31, 2012, are detailed as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Accounts receivable from related companies

Taxpayer Number	Entity	Country	Nature of the relationship	Indexation currency	Current		Non-current	
					12/31/2013	12/31/2012	12/31/2013	12/31/2012
					ThUS$	ThUS$	ThUS$	ThUS$
76.024.442-2	Ecosea Farming S.A.	Chile	Associate	CLP	-	480	-	59
76.775.710-7	GNL Mejillones S.A.	Chile	Associate	USD	23,125	19,238	-	41,022
76.781.030-K	Kairos Mining S.A.	Chile	Other investments	CLP	-	147	-	-
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	USD	17	3,232	-	-
96.801.450-1	Agua de la Falda S.A.	Chile	Associate	USD	-	-	224	224
76.133.034-9	Copper for Energy S.A.	Chile	Associate	USD	6	-	-	-
Foreign	Copper Partners Invest. Company Ltd.	Bermuda	Joint venture	USD	7,735	6,345	-	-
Totals					30,883	29,442	224	41,305

Accounts payable to related companies

Taxpayer Number	Entity	Country	Nature of the relationship	Indexation currency	Current		Non-current	
					12/31/2013	12/31/2012	12/31/2013	12/31/2012
					ThUS$	ThUS$	ThUS$	ThUS$
76.775.710-7	GNL Mejillones S.A.	Chile	Associate	USD	-	2,686	-	-
76.869.100-2	Mining Industry Robotic Solutions S.A.	Chile	Associate	CLP	-	93	-	-
77.762.940-9	Anglo American Sur S.A.	Chile	Associate	USD	65,153	45,618	-	-
96.701.340-4	Sociedad Contractual Minera El Abra	Chile	Associate	USD	51,370	58,372	-	-
Foreign	Copper Partners Investment Company Ltd.	Bermuda	Joint venture	USD	33,610	33,610	230,692	275,011
Foreign	Deutsche Geissdraht GmbH	Germany	Associate	EURO	3,816	2,985	-	-
Totals					153,949	143,364	230,692	275,011

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The transactions performed between the Corporation and its related companies during the periods of 2013 and 2012 are detailed in the next chart together with their corresponding effects on profit or loss:

Taxpayer number	Entity	Nature of the relationship	Country	Indexation currency	1/1/2013 12/31/2013		1/1/2012 12/31/2012	
					Amount	Effects on net income (charges) /credits	Amount	Effects on net income (charges) /credits
					ThUS$	ThUS$	ThUS$	ThUS$
Foreign	Copper Partners Investment Co. Ltd.	Sales of products	Bermuda	USD	117,626	117,626	131,950	131,950
Foreign	Copper Partners Investment Co. Ltd.	Dividends received	Bermuda	USD	165,000	-	175,500	-
77.762.940-9	Anglo American Sur S.A.	Dividends received	Chile	USD	280,252	-	-	-
77.762.940-9	Anglo American Sur S.A.	Purchase of products	Chile	USD	574,006	(574,006)	142,384	(142,384)
77.762.940-9	Anglo American Sur S.A.	Sales of products	Chile	USD	2,349	2,349	-	-
76.775.710-7	Sociedad GNL Mejillones S.A.	Purchase of energy	Chile	USD	12,921	(12,921)	152,086	(152,086)
76.775.710-7	Sociedad GNL Mejillones S.A.	Collection of loans	Chile	USD	37,112	1,423	61,417	-
76.775.710-7	Sociedad GNL Mejillones S.A.	Loan interests	Chile	USD	-	-	1,295	1,295
76.775.710-7	Sociedad GNL Mejillones S.A.	Guarantee fee	Chile	USD	63	63	753	753
76.781.030-K	Kairos Mining S.A.	Purchase of services	Chile	CLP	-	-	14,248	(14,248)
76.781.030-K	Kairos Mining S.A.	Dividends received	Chile	CLP	-	-	96	-
76.869.100-2	Mining Industry Robotic Solutions S.A	Purchase of services	Chile	CLP	-	-	523	(523)
96.701.340-4	SCM El Abra	Dividends received	Chile	USD	158,760	-	63,700	-
96.701.340-4	SCM El Abra	Purchase of products	Chile	USD	549,308	(549,308)	499,742	(499,742)
96.701.340-4	SCM El Abra	Sales of products	Chile	USD	23,850	23,850	65,857	65,857
96.701.340-4	SCM El Abra	Purchase of services	Chile	USD	6,206	(6,206)	1,732	(1,732)
96.701.340-4	SCM El Abra	Commissions received	Chile	USD	189	189	156	156
Foreign	Deutsche Geissdraht GmbH	Dividends received	Germany	EURO	943	-	1,381	-
73.063.022-5	Inca de Oro S.A.	Contribution	Chile	USD	1,547	-	6,764	-
76.028.880-2	Minera Purén SCM	Dividends received	Chile	USD	-	-	14,000	-

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

d) Additional Information

The current and non-current account payable to the company Copper Partners Investment Company Ltd., corresponds to the balance of an advance payment received (ThUS$550,000) due to the commercial agreement with the company Minmetals.

The current and non-current receivables balance from Sociedad GNL Mejillones S.A. refers to a loan agreement signed with the company, with a maturity of December 31, 2016 and an interest rate of Libor 90 days +3.5%.

The product purchase transaction with Anglo American Sur S.A., corresponds to the normal operations of both companies made to acquire copper and other products. In addition, certain contracts between the Corporation's subsidiary Inversiones Mineras Nueva Acrux S.p.A. (of which Mitsui is a non - controlling shareholder) and Anglo American Sur S.A., the latter agreed to sell a portion of its annual copper production to the subsidiary.

As of August 24, 2012, the Corporation, with the approval of their respective Board of Directors, made the purchase of shares of Anglo American Sur SA, Inversiones Anglo American Sur SA, Rut: 77.762.890-9, whose operation meant a cash outlay of ThUS$ 2,799,795 through subsidiary Inversiones Mineras Becrux SpA, which said amount, inclusive of the amount of ThUS$ 1,100,000 related to the interest acquired by Mitsui.

4. Inventories

Inventories as of December 31, 2013 and December 31, 2012 are detailed as follows:

Items	12/31/2013 ThUS$	12/31/2012 ThUS$
Finished products	639,034	736,064
Subtotal finished products, net	639,034	736,064
Products in process	1,166,900	1,196,720
Subtotal products in process, net	1,166,900	1,196,720
Material in warehouse and other	488,198	581,128
Obsolescence allowance adjustment	(50,121)	(81,947)
Subtotal material in warehouse and other, net	438,077	499,181
Total Inventory	2,244,011	2,431,965

Inventories recognized as cost of operation for the periods ended at December 31, 2013 and 2012 correspond to finished goods and amount to ThUS$ 10,760,122 and ThUS$ 10,781,926, respectively.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In the materials category "warehouse and others", the Corporation discloses a reclassification of strategic inventories to Property, Plant and Equipment in December 31, 2013. They amount to ThUS$ 83,763

The change in the obsolescence provision is described in the following table:

Obsolescence allowance movements	ThUS$
Initial Balance 1/1/2013	(81,947)
Period allowance	(13,146)
Allowance reversal	44,972
Final Balance 12/31/2013	(50,121)

As of December 31, 2013 and 2012 Codelco has not written off inventory that has been recognized in the Statements of Comprehensive Income.

For the period ended December 31, 2013, the book value of inventories - under evaluation of the concept of net realizable value under IAS N° 2 - amounted to ThUS$ 229,047. Product of the evaluation, the Corporation inventory adjustments on those assets whose book value exceeds its net realizable value, reaching the balance of this adjustment to the date indicated in the amount of ThUS$ 25,354, which is deducted from the aforementioned figure. The adjustment for the year ended December 31, 2012, was ThUS$ 48,937, while the adjusted book value inventories at December 31, 2012, corresponds to ThUS$ 262,773.

Codelco, along with Sociedad Contractual Minera El Abra, purchase and sell copper. At December 31, 2013, the value of finished goods inventories for this category had an unrealized profit provision of ThUS$ 6,238. At December 31, 2012, an unrealized provision of ThUS$ 6,971 was filed.

The Corporation enters into transactions for the purchase and sale of copper with Anglo American Sur S.A. The value of finished goods inventories for this category at December 31, 2013, has an unrealized profit provision of ThUS$ 3,336. At December 31, 2012, no provision was introduced as unrealized.

5. Deferred taxes and income taxes

This provision is stated in the item Current Tax Assets, in current assets, net of monthly provisional tax payments and other tax credits (Note 6).

For the Specific Tax on Mining Activities, in accordance with Law 20.469, a tax rate of 5% was estimated for this fiscal period.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Deferred tax assets and liabilities are detailed as follows:

Deferred tax assets	12/31/2013 ThUS$	12/31/2012 ThUS$
Provisions	1,145,649	1,046,454
Unrealized gains	32,046	43,783
Finance lease	18,706	28,078
Derivatives – futures	8,535	9,112
Advances from clients	163,380	185,173
Hedged Swap derivatives of exchange rates	4,892	-
Tax loss	-	28,265
Health care plans	14,654	14,654
Other	3,123	7,081
Total deferred tax assets	1,390,994	1,362,600

Deferred tax liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
IFRIC 20 First adoption	13,820	13,812
Derivatives - exchange rate	-	706
Specific mining tax	61,802	41,236
Price-level restatement of P,P&E IFRS first time adoption	1,041,494	752,988
Valuation of employee termination benefit	82,757	109,646
Accelerated depreciation	2,780,984	2,520,323
Anglo American Sur S.A. investment	669,230	695,669
Income from fair value of mining properties	80,377	80,382
Other	58,574	70,745
Total deferred tax liabilities	4,789,038	4,285,507

The effect of deferred taxes affecting equity is summarized as follows:

Deferred taxes affecting Equity	12/31/2013 ThUS$	12/31/2012 ThUS$
Cash Flow Hedge	4,961	(379,740)
Defined Benefit Plans	16,908	25,994
Total deferred taxes affecting equity	21,869	(353,746)

A reconciliation of taxes considering the legal tax rate and the calculation of the taxes actually paid is detailed as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Items	12/31/2013				
	Taxable Base 20% ThUS$	Taxable Base 40% ThUS$	Tax rate 20% ThUS$	Additional Tax rate 40% ThUS$	Total ThUS$
Profit (losses) before taxes	2,731,910	2,731,910	546,382	1,092,764	1,639,146
Permanent differences 20%	(283,814)	-	(56,763)	-	(56,763)
Permanent differences 40%	-	(140,026)	-	(56,010)	(56,010)
Income from corporations and other	(180,923)	(42,650)	(36,185)	(17,060)	(53,245)
Income from contractual companies	(169,287)	-	(33,857)	-	(33,857)
Income from Isapres (Private health insurance companies)	(1,229)	-	(246)	-	(246)
Foreign exchange differences	(2,252)	(2,252)	(450)	(901)	(1,351)
Specific mining tax	(110,599)	(110,599)	(22,120)	(44,240)	(66,360)
Dividends	165,000		33,000	-	33,000
Others	30,038	30,038	6,008	12,015	18,023
Absorption Minera Gaby SpA	(14,563)	(14,563)	(2,913)	(5,824)	(8.737)
Fair value amortization Anglo American Sur S.A.	-	-	-	-	(29,222)
Specific mining tax, net from deferred tax	-	-	-	-	131,165
Effect of subsidiaries	-	-	-	-	(10,977)
Total tax expense			489,619	1,036,754	1,617,339

Items	12/31/2012				
	Taxable Base 20% ThUS$	Taxable Base 40% ThUS$	Tax rate 20% ThUS$	Additional Tax rate 40% ThUS$	Total ThUS$
Profit (losses) before taxes	6,535,629	6,535,629	1,307,126	2,614,252	3,921,378
Permanent differences 18.5%	(606,282)	-	(121,256)	-	(121,256)
Permanent differences 40%	-	(4,418,905)	-	(1,767,562)	(1,767,562)
Income from corporations and other	(310,676)	(310,676)	(62,135)	(124,270)	(186,405)
Income from contractual companies	(180,054)	-	(36,011)	-	(36,011)
Income from Isapres (Private health insurance companies)	(458)	-	(92)	-	(92)
Foreign exchange differences	2,556	2,556	511	1,022	1,533
Specific mining tax	(163,635)	(163,635)	(32,727)	(65,454)	(98,181)
Receive dividends	-	-	-	-	-
Other	45,985	(27,542)	9,198	(11,017)	(1,819)
Investment in Anglo American Sur S.A	-	(3,517,690)	-	(1,407,076)	(1,407,076)
Fair value acquired mining properties	-	(401,918)	-	(160,767)	(160,767)
Specific mining tax, net of deferred tax	-	-	-	-	235,817
Rate criterion of closure law	-	-	-	-	43,076
Exchange Rate difference	-	-	-	-	101,944
Effect of subsidiaries	-	-	-	-	132,071
Total tax expense			1,185,870	846,690	2,545,468

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

6. Current tax assets and liabilities

In both areas the income tax receivables and tax liabilities to net income of monthly provisional payments are recorded respectively.

7. Property, Plant and Equipment

a) The balances of Property, plant and equipment at December 31, 2013 compared with December 31, 2012, are as follows:

Property, Plant and Equipment, gross	12/31/2013 ThUS$	12/31/2012 ThUS$
Work in progress	7,710,714	5,515,165
Land	126,792	119,265
Buildings	3,598,214	3,430,809
Plant and equipment	11,873,805	11,465,565
Fixtures and fittings	47,599	35,648
Motor vehicles	1,646,457	1,434,168
Land improvements	3,943,872	3,751,829
Mining operations	4,451,724	3,350,053
Mine development	1,163,561	986,283
Other assets	1,258,693	1,223,265
Total Property, Plant and Equipment, gross	35.821.431	31,312,050

Property, Plant and Equipment, accumulated depreciation	12/31/2013 ThUS$	12/31/2012 ThUS$
Work in progress	-	-
Land	-	-
Buildings	2,252,824	2,128,436
Plant and equipment	7,388,801	6,660,692
Fixtures and fittings	32,058	27,286
Motor vehicles	845,974	806,856
Land improvements	2,256,779	2,082,906
Mining operations	1,965,717	1,595,044
Mine development	573,777	475,417
Other assets	378,690	467,464
Total Property, Plant and Equipment, gross	15,694,620	14,244,101

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Property, Plant and Equipment, net	12/31/2013 ThUS$	12/31/2012 ThUS$
Work in progress	7,710,714	5,515,165
Land	126,792	119,265
Buildings	1,345,390	1,302,373
Plant and equipment	4,485,004	4,804,873
Fixtures and fittings	15,541	8,362
Motor vehicles	800,483	627,312
Land improvements	1,687,093	1,668,923
Mining operations	2,486,007	1,755,009
Mine development	589,784	510,866
Other assets	880,003	755,801
Total Property, Plant and Equipment, gross	20,126,811	17,067,949

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Movement of Property, plant and equipment:

Movements	Work in progress	Land	Buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Land improvements	Mining operations	Mine development	Other assets	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of 1/1/2013	5,515,165	119,265	1,302,373	4,804,873	8,362	627,312	1,668,923	1,755,009	510,866	755,801	17,067,949
Additions	4,294,697	1	-	2,261	28	1,668	-	455,900	-	9,001	4,763,556
Disposals	(2,158)	-	(1,367)	(7,625)	(153)	(9,762)	-	(920)	-	(4,938)	(26,923)
Capitalizations	(1,833,635)	8,655	102,281	563,044	896	263,342	183,102	514,332	193,260	4,723	-
Depreciation and amortization	-	-	(129,229)	(640,509)	(3,341)	(100,888)	(219,786)	(401,832)	(114,342)	(78,091)	(1,688,018)
Reclassifications	(230,736)	-	71,973	(105,460)	9,895	18,682	32,775	158,113	-	127,521	83,763
Dismantling asset	-	-	(8,618)	(74,935)	(38)	(2)	(6,560)	-	-	-	(90,153)
Others	(32,619)	(1,129)	7,977	(56,645)	(108)	131	27,639	5,405	-	65,986	16,637
Total movements	2,195,549	7,527	43,017	(319,869)	7,179	173,171	18,170	730,998	78,918	124,202	3,058,862
Final balance 12/31/2013	7,710,714	126,792	1,345,390	4,485,004	15,541	800,483	1,687,093	2,486,007	589,784	880,003	20,126,811

Movements	Work in progress	Land	Buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Land improvements	Mining operations	Mine development	Other assets	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance as of 1/1/2012	3,320,333	101,057	1,267,656	4,582,960	10,264	539,512	1,341,482	1,306,237	428,326	319,175	13,217,002
Additions	3,921,379	3	16,808	7,446	304	34	-	493,025	-	414,905	4,853,904
Disposals	(20,010)	-	(1,900)	(11,814)	-	(1,087)	(6)	(14,279)	-	(16)	(49,112)
Capitalizations	(1,585,623)	10,992	82,949	506,584	791	200,367	379,438	222,573	195,122	-	13,193
Depreciation and amortization	-	-	(109,539)	(586,455)	(2,267)	(90,171)	(138,757)	(349,013)	(112,589)	(63,695)	(1,452,486)
Reclassifications	(190,746)	6,202	(433)	(70,723)	(510)	(20,497)	49,027	96,466	7	85,407	(45,800)
Impairment	-	-	-	(8,380)	(335)	-	-	-	-	-	(8,715)
Closure provision	-	-	50,824	441,937	227	12	38,688	-	-	-	531,688
Others	69,832	1,011	(3,992)	(56,682)	(112)	(858)	(949)	-	-	25	8,275
Total movements	2,194,832	18,208	34,717	221,913	(1,902)	87,800	327,441	448,772	82,540	436,626	3,850,947
Final balance 12/31/2012	5,515,165	119,265	1,302,373	4,804,873	8,362	627,312	1,668,923	1,755,009	510,866	755,801	17,067,949

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

c) The value of construction in progress, is directly associated with the operating activities of the Corporation and its subsidiaries, and relates to the acquisition of equipment and projects in construction.

d) The Corporation has contracted insurance policies to cover the potential risks to which the various elements of property, plant and equipment are subject, and any claims that could arise from their activities during the period, these policies provide adequate coverage of the potential risks.

e) Borrowing costs capitalized for the period from January 1 to December 31, 2013 amounted to ThUS$ 178,412, calculated on an annual capitalization rate of 3.81% and while the amount corresponding to same period in 2012 was ThUS$ 96,805 on an annual rate of 4.18% capitalization.

f) The item "Other assets" under "Property, plant and equipment" includes:

Other assets, net	12/31/2013 ThUS$	12/31/2012 ThUS$
Leasing assets	66,061	80,745
Mining properties from purchase of Anglo American Sur S.A. shares	402,000	402,000
Others	411,942	273,056
Total other assets, net	880,003	755,801

g) With the exception of assets under lease whose legal title corresponds to the lessor, the Corporation currently has no ownership restrictions relating to assets belonging to Property, plant and equipment.

h) The Corporation at December 31, 2013 had strategic inventory reclassification for property, plant and equipment, equal to the amount of ThUS $ 83,763.

Codelco has not granted “Property, plant and equipment” assets as collateral to third parties in order to enable the realization of its normal business activities or as a commitment to support payment obligations.

8. Investments accounted for using the equity method

The following table sets forth the carrying amount and the share of profit of the investments accounted for using the equity method:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Items	Equity Method		Accrued Net Income	
	12/31/2013 ThUS$	12/31/2012 ThUS$	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Investments in associates accounted for using the equity method	7,341,196	7,458,310	304,549	300,177
Joint Ventures	153,786	178,326	139,584	157,053
Total	7,494,982	7,636,636	444,133	457,230

a) Associates

Agua de la Falda S.A.

As of December 31, 2013, Codelco has a 43.28% interest in Agua de la Falda S.A., with the remaining 56.72% owned by Minera Meridian Limitada.

The line of business of this company is to exploit deposits of gold and other minerals, in the third region of the country.

Sociedad Contractual Minera El Abra

Sociedad Contractual Minera El Abra was formed in 1994. As of December 31, 2012, Codelco has a 49% interest in Sociedad Contractual Minera El Abra, with the remaining 51% owned by Cyprus El Abra Corporation, a subsidiary of Freeport-McMoRan Copper & Gold Inc.

Company activities involve the extraction, production and marketing of copper cathodes.

Sociedad Contractual Minera Purén

As of December 31, 2013, Codelco has a 35% interest in Sociedad Contractual Minera Purén, with the remaining 65% owned by Compañía Minera Mantos de Oro.

This company’s line of business is to explore, identify, survey, investigate, develop and exploit mineral deposits in order to extract, produce and process ore.

Kairos Mining S.A.

Until November 26, 2012 Codelco maintained a 40% interst in Kairos Mining S.A., with the remaining 60% majority owned by Honeywell Chile S.A. Kairos Mining S.A. provides automation and control services for industrial and mining activities and to license technology and software licenses.

On November 26, 2012, the Corporation sold part of its stake to Honeywell Chile S.A., After the sale, Codelco held a 5% share on December 31, 2013, while the remaining 95% was held by Honeywell Chile S.A, resulting in revenue before tax was ThUS$ 13.

Mining Industry Robotic Solutions S.A.

Until the May 17, 2013, Codelco had a 36% stake of its capital shares, 53% was owned by Support Company Limited, 9% by Nippon Mining & Metals Co. Ltd., and 2% by Kuka Roboter GmbH.

On May 17, 2013, Codelco and Support Company Limited, agreed to enter into a transaction whereby the Corporation sold its stake to Support Company Limited. The result of this operation before tax was ThUS $ 731.

Sociedad GNL Mejillones S.A.

As of December 31, 2013, Codelco has a 37% interest in Sociedad GNL Mejillones S.A., with the remaining 63% owned by Suez Energy Andino S.A. These interests were established on November 5, 2010 when the Corporation did not increase the capital agreed upon by the meeting of shareholders of such company. Before the actual increase, both the Corporation and Suez Energy Andino S.A. had a 50% interest each.

This company's line of business is the production, storage, marketing, transportation and distribution of all types of fuel, and the acquisition, construction, maintenance and operation of infrastructure facilities and construction projects necessary for transport, reception, processing and storage both in Chile and abroad, singly or in partnership with third parties.

Comotech S.A.

As of December 31, 2013, Codelco has a 48.19% interest in Comotech S.A. through its indirect subsidiary Innovaciones en Cobre S.A.

The company's line of business is to carry out research activities to increase the demand for molybdenum at the national and international level through new and better applications, uses and/or markets.

Inca de Oro S.A.

On June 1st, 2009 Codelco's Board authorized the formation of a company destined to developing studies to allow continuity of the Inca de Oro Project.

On February 15, 2011, the association of Codelco and Minera PanAust IDO Ltda. was approved in respect to the Inca de Oro deposit, with 66% of the share of Inca de Oro S.A.

held by Minera PanAust IDO Ltda. and Codelco maintains a 34% share. Before the materialization of this association, Codelco owned the 100% of the society.

The financial effects from this operation generated a profit before income tax of ThUS$ 33,668 during the period ended at December 31, 2011.

Copper for Energy S.A.

As of December 31, 2013, Codelco has a 25% interest in the share capital of International Copper Association Ltd., a 25% interest in Fundación Chile and a 25% interest in Universidad de Chile.

Copper for Energy S.A.'s line of business is to develop and commercialize new products and applications for copper, destined to make the most efficient use of energy and/ or to generate and utilize renewable energy; conducting and ordering research, carrying out studies and projects, rendering of training services and activities.

Deutsche Giessdraht GmbH

As of December 31, 2013, Aurubis and Codelco through its affiliate, Codelco Kupferhandel GmbH, have a 60% and 40% interest, respectively.

The company produces wire rods in its Emmerich, Germany facility.

Anglo American Sur S.A.

On August 24, 2012, the company Inversiones Mineras Acrux SpA. (Acrux) and its affiliates (the shares divided between Mitsui & Co. Ltd. (Mitsui) and Codelco, but with Codelco maintaining control), acquired a 29.5% share interest in Anglo American Sur S.A. (AAS), of which, 24.5% corresponds to the indirect ownership of Codelco on AAS.

Subsequently, on November 26, 2012, Codelco sold 44,900 of its shares of Acrux to its partner Mitsui, generating a profit before tax of ThUS$ 7,626.

After the above mentioned sale, Codelco reduced its indirect share interest in AAS to 20%, while Mitsui increased its participation to 9.5%.This situation remains without changes as of December 31, 2012.

At December 31, 2013, the control of AAS belongs to Inversiones Anglo American Sur S.A. with a 50.06% share interest, while the non-controlling interest corresponds to Acrux through its subsidiary Inversiones Mineras Becrux SpA., with a 29.5% and Mitsubishi group with a 20.44%.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The principal activities of the Company are the exploration, extraction, exploitation, production, processing and trading of minerals, concentrates, precipitates, copper bars and all metallic and non-metallic minerals, all fossil substances and liquid and gaseous hydrocarbons naturally presented. This includes the exploration, exploitation and use of all natural energy sources capable of industrial use and the products or by-products obtained, as well as any other related, connected or complementary activities in which the shareholders agree.

The following table demonstrates the equity value and accrued results of investments in associates:

Associates	Taxpayer Number	Functional Currency	Equity Interest		Equity Method		Accrued Net Income	
			12/31/2013	12/31/2012	12/31/2013	12/31/2012	1/1/2013 12/31/2013	1/1/2012 12/31/2012
			%	%	ThUS$	ThUS$	ThUS$	ThUS$
Deutsche Geissdraht GmbH	Foreign	EURO	40.00%	40.00%	3,627	3,820	1,311	1,347
Agua de la Falda S.A.	96.801.450-1	USD	43.28%	43.28%	5,589	5,639	(86)	(92)
Sociedad Contractual Minera El Abra	96.701.340-4	USD	49.00%	49.00%	838,225	805,973	169,433	182,465
Minera Purén SCM	76.028.880-2	USD	35.00%	35.00%	8,833	9,096	(263)	62
Sociedad GNL Mejillones S.A.	76.775.710-7	USD	37.00%	37.00%	56,582	48,304	8,699	68,805
Kairos Mining S.A.	76.781.030-K	CLP	5.00%	5.00%	-	-	-	11
MI Robotic Solutions S.A.	76.869.100-2	CLP	36.00%	36.00%	-	1,615	(270)	(851)
Inca de Oro S.A.	73.063.022-5	USD	34.00%	34.00%	53,423	51,847	(90)	270
Anglo American Sur S.A.	77.762.940-9	USD	29.50%	29.50%	6,374,917	6,529,527	126,095	47,503
Other					-	2,489	(280)	657
TOTAL					7,341,196	7,458,310	304,549	300,177

In respect of investments in associates accounted for under the equity method, then the following tables with details of assets and liabilities at December 31, 2013 and December 31, 2012 are presented as well as the major movements and respective results for the years ended December 31, 2013 and 2012.

Assets and liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	1,912,177	2,404,840
Non-Current assets	6,759,726	6,736,527
Current liabilities	1,145,842	1,012,443
Non-Current liabilities	1,290,594	1,671,681

Net Income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue	4,566,849	4,858,975
Cost of sales	(3,314,082)	(3,329,363)
Profit for the period	1,252,767	1,529,612

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Movements of Investment in Associates	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Opening balances	7,458,310	748,284
Contributions	1,547	6,764
Purchase of participation	-	2,799,795
Adjustments fair value participation	-	3,690,205
Dividends	(439,955)	(79,177)
Net income for the period	304,549	300,177
Foreign exchange differences	(561)	(64)
Negative wealth transfer	-	(15,462)
Sale of companies	270	-
Other comprehensive income	(486)	(5,039)
Other	17,522	12,827
Final balance	7,341,196	7,458,310

From the tables associated with significant breakdown of assets and liabilities at December 31, 2013 and December 31, 2012 are presented as well as the major movements and their results for the year ended 31 December 2013 and 31 December 2012.

Sociedad Contractual Minera El Abra

Assets and liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	764,600	803,647
Non-Current assets	1,347,536	1,266,058
Current liabilities	106,474	129,860
Non-Current liabilities	186,001	146,081

Net Income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue	1,133,969	1,236,970
Cost of sales	(781,681)	(850,050)
Profit for the period	352,288	386,920

Anglo American Sur S.A.

Assets and liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	1,097,744	1,536,213
Non-Current assets	4,867,265	4,978,694
Current liabilities	1,004,062	840,307
Non-Current liabilities	831,799	1,276,319

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Net Income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue	3,295,507	3,186,268
Cost of sales	(2,417,262)	(2,232,318)
Profit for the period	878,245	953,950

b) Joint ventures

At December 31, 2013, the Corporation participates in the Copper Partners Investment Company Limited Joint venture. This partnership dates from March 2006 when Codelco Chile through its subsidiary Codelco International Ltd., executed the agreement with Album Enterprises Limited (a subsidiary of Minmetals) to form the company, in which both companies hold equal interests.

Assets and liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	43,089	54,397
Non-current assets	272,299	308,621
Current liabilities	7,822	6,370
Non-current liabilities	-	-

Net Income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue and other comprehensive income	407,925	447,503
Cost of sales	(128,757)	(133,397)
Profit (losses)	279,168	314,106

Movements of the investment in joint ventures	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Opening balance	178,326	196,771
Net income for the period	139,584	157,053
Dividends	(165,000)	(175,500)
Other comprehensive income	875	-
Other	1	2
Final balance	153,786	178,326

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Additional Information	12/31/2013 ThUS$	12/31/2012 ThUS$
Cash and cash equivalent	12,369	20,934

c) Additional information about unrealized profit

The Corporation has recognized unrealized profit for purchases and sales of products, mining properties, property, plant and equipment and ownership rights. The most significant transactions include the transaction carried out in 1994 for the initial contribution of mining properties to Sociedad Contractual Minera El Abra.

The balance of unrealized profit at December 31, 2013 corresponds to ThUS$ 53,409 (December 31, 2012: ThUS$ 72,972), an amount which represents deductions of investments in this entity.

Codelco carries out copper purchase and sales with the company. At December 31, 2013, the value of finished products inventories category presents a unrealized provision of ThUS$ 6,238. On December 31, 2012, there was an unrealized profit accrual of ThUS$ 6,971.

Moreover, Codelco carries out copper purchases and sales with this company with Anglo American Sur S.A, the value of finished products for the category Inventories at December 31, 2013, has a provision for unrealized ThUS$ 3,336. At December 31, 2012, there was no accrual of unrealized profit on December 31, 2012.

The Company has recorded unrealized gains for the purchase of rights to use GNL terminal of Contractual Minera El Abra, to December 31, 2013, corresponds to ThUS$ 3,920. To December 31, 2012 balance no records for this item.

d) Share in companies acquired at fair value versus carrying amount

The acquisition by Codelco of its participation in Anglo American Sur S.A., on August 24, 2012, was recorded based on the acquisition method, which involved the initial recognition of an investment in the amount of ThUS$ 6,490,000, corresponding to the percentage of the share interest acquired (29.5%) over the fair value of the net assets of the company, while the book value at the acquisition date was ThUS$ 1,699,795.

In determining the fair value of the net assets of the acquired share interest, the Corporation considered both the resources and mineral reserves that can be recovered reliably and the assessment of intangibles and all other considerations about assets and contingent liabilities was performed.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The fair value of the assets acquired and liabilities assumed at the acquisition date are as follows:

	Balance at Fair Value August 24, 2012 (US$ million)
Property, plant and equipments	17,718
Intangibles	-
Mining resources	10,450
Water rights	28
Non-current assets	28,196
Inventories	211
Trade receivable and other receivables	693
Hedging instruments	1
Recoverable taxes	36
Cash and cash equivalents	599
Current assets	1,540
Total Assets	29,736
Capital	1,241
Retained earnings	2,895
Other reserves	18,510
Total Equity	22,646
Trade payables and other payables	1,599
Provision for employees benefits	76
Deferred taxes	4,925
Provisions	220
Non-Current liabilities	6,820
Trade payables and other payables	258
Provisions	12
Current liabilities	270
Total Liabilities	29,736

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The allocation of the purchase price to fair value between the identifiable assets and liabilities has been prepared by management using its best estimates and taking into account all relevant information available at the time of the acquisition of Anglo American Sur S.A.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The transaction has not resulted in the acquisition of control of the acquired company.

The Corporation used the model of discounted cash flows to estimate cash flow projections, based on the life of the mines. These projections are based on estimated production and future prices of minerals, operating costs and capital costs at the date of acquisition, among other estimates. Additionally, resources and potential resources to explore are not included in the plan because they have been valued separately using a market model. These resources include the concept of "Mineral Resources". As part of this process and the application of the discounted cash flow model, the fair value of the net assets of Anglo American Sur S.A. valued at US$ 22,646 million in proportion to the ownership by Inversiones Mineras Becrux SpA (29.5%) which amounts to US$ 6,681 million at fair value.

On December 31, 2013 and December 31, 2012 neither the amount recognized for the total consideration transferred, nor the range of estimates or assumptions used to determine reasonable values at the acquisition date have changed.

The earnings before tax, corresponding to the proportion of the gains of Anglo American Sur S.A. recognized for the period ended December 31, 2013 was ThUS$ 259,082, while the adjustment for depreciation and decrease in the fair value of the net assets of the company recognized at the acquisition date, meant an effect of lower profit before tax of ThUS$ 129,651 and is decreasing the item "Equity in earnings (losses) of associates and joint ventures accounted for using the equity method" of the comprehensive income statement.

9. Subsidiaries

The following tables present a detail of the assets, liabilities and results of the Corporation's subsidiaries, prior to consolidation adjustments:

Assets and liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	423,173	509,590
Non-current assets	6,923,084	7,134,568
Current liabilities	251,115	478,875
Non-current liabilities	1,093,414	1,789,191

Net Income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue	2,022,221	2,458,238
Cost of sales	(1,811,126)	(2,363,448)
Profit (losses) for the period	211,095	94,790

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

10. Other non-current non-financial assets

Other non-current non-financial assets included in the consolidated statement of financial position as of December 31, 2013 and 2012 is detailed as follows:

Other non-current financial assets	12/31/2013 ThUS$	12/31/2012 ThUS$
Law No. 13,196 asset (1)	27,230	30,862
Other	12,432	6,818
TOTAL	39,662	37,680

(1) Corresponds to the recording of the commitment related to Law No. 13.196, for the advance payment received for the copper sales contract signed with Copper Partners Investment Company Limited. This amount will be amortized according to the shipments made.

11. Current and non-current financial assets

Current and non-current financial assets included in the statement of financial position are detailed as follows:

Classification in the statement of financial position	12/31/2013				
	At fair value though profit and loss	Loans and receivables	Hedging derivatives	Available for sale	Total financial assets ThUS$
Cash and cash equivalents	1,431	749,239	-	-	750,670
Trade and other current receivables	124,905	2,061,277	-	-	2,186,182
Accounts receivables, non – current	-	138,896	-	-	138,896
A/R due from related companies, current	-	30,883	-	-	30,883
A/R due from related companies, non – current	-	224	-	-	224
Other current financial assets	-	3,899	1,728	-	5,627
Other non - current financial assets	-	9,829	83,878	-	93,707
Total	126,336	2,994,247	85,606	-	3,206,189

Classification in the statement of financial position	12/31/2012				
	At fair value though profit and loss	Loans and receivables	Hedging derivatives	Available for sale	Total financial assets ThUS$
Cash and cash equivalents	11,137	1,252,686	-	-	1,263,823
Trade and other current receivables	36,534	2,339,479	-	-	2,376,013
Accounts receivables, non – current	-	171,699	-	-	171,699
A/R due from related companies, current	-	29,442	-	-	29,442
A/R due from related companies, non – current	-	41,305	-	-	41,305
Other current financial assets	-	7,825	884	-	8,709
Other non - current financial assets	-	11,820	121,179	-	132,999
Total	47,671	3,854,256	122,063	-	4,023,990

- Financial assets designated at fair value through profit or loss: At December 31, 2013, this category mainly includes unfinished product sale invoices and mutual fund investments made by Codelco Chile subsidiaries.

  The effects on results of open invoices are determined by the differences between the provisional price at the date of shipment and the futures price curve of products, as explained under the title Accounting policies (letter p of number 2 of Chapter II), while mutual funds affect the result by the change in fair value of shares.

- Loans granted and receivables: These correspond to financial assets with fixed or determinable payments that are not traded in an active market.

  The effects on the period's statements of comprehensive income generated by these assets, come mainly from financial interest gains and from the exchange rate differences related to the balances in currencies other than the functional currency.

  No material impairments were recognized in accounts receivable.

- Hedging derivatives: Correspond to the receivable balances for derivative contracts for the exposure generated by existing operations and which affect the period profit and loss from the liquidation of these operations. The detail of derivative transactions is included in Note 27.

- Available-for-sale financial assets: These correspond primarily to non-derivative financial assets that are specifically designated as available for sale or are not classified as: a) loans and receivables, b) investments held to maturity or c) financial assets carried at fair value through profit or loss (IAS 39, paragraph 9).

  Within the period presented, there was no reclassification of financial instruments among the different categories established under IAS 39.

12. Interest-bearing borrowings

Current and non-current interest-bearing borrowings correspond to Borrowings from financial institutions, Bond obligations and Finance leases, which are recorded by the Corporation at amortized cost using the effective interest rate method. The following tables detail the composition of the item "other financial liabilities, current and non-current."

The tables below show the composition of the other financial liabilities, current and non-current.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

	12/31/2013					
	Current			Non-current		
Items	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$
Loans from financial entities	520,893	-	520,893	3,030,057	-	3,030,057
Bonds	611,929	-	611,929	7,662,388	-	7,662,338
Financial Lease	21,243	-	21,243	76,240	-	76,240
Hedge obligations	-	5,125	5,125	1,245	-	1,245
Other financial liabilities	1,111	-	1,111	77,912	-	77,912
Total	1,155,176	5,125	1,160,301	10,847,842	-	10,847,842

	12/31/2012					
	Current			Non-current		
Items	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$	Loans and other payables ThUS$	Hedge derivatives ThUS$	Total ThUS$
Loans from financial entities	219,686	-	219,686	2,577,896	-	2,577,896
Bonds	594,006	-	594,006	6,511,090	-	6,511,090
Financial Lease	35,601	-	35,601	91,306	-	91,306
Hedge obligations	-	14,537	14,537	-	1,533	1,533
Other financial liabilities	949	-	949	80,499	-	80,499
Total	850,242	14,537	864,779	9,260,791	1,533	9,262,324

These items are generated by the following situations:

- Borrowings from financial institutions:

The loans obtained by the Corporation to finance its production operations oriented towards the foreign market.

On August 23, 2012, the subsidiary Inversiones Gacrux SpA (Gacrux), agreed to funding from Oriente Copper Netherlands BV (a subsidiary of Mitsui & Co. Ltd.) for approximately US$1,863 million, renewable monthly until November 26, 2012, after which, if not paid or renegotiated, will automatically become a loan with a 7.5 years maturity from the date of disbursement, and an annual rate of Libor + 2.5%. This credit has no personal guarantees ("non-recourse") on Codelco's part.

Codelco's indirect subsidiary Codelco Inversiones Mineras Becrux SpA used this funding for the acquisition of 24.5% of the shares of Anglo American Sur S.A. and other related expenses.

On October 31, 2012, new terms of the amended Credit Agreement were agreed, which remains without personal guarantees of Codelco ("non-recourse"), and establish a fixed rate of 3.25% per annum and a duration 20 years, to be payable in 40 semi-annual quotas of principal and interest. Under previous agreements, Mitsui is entitled to additional interest equivalent to one-third of the savings that result to Gacrux from the difference between refinanced credit and the Credit Agreement originally signed. Furthermore, Mitsui (through a subsidiary) held an option to purchase from Gacrux an additional 15.25% of the shares issued by the company Inversiones Mineras Acrux SpA. ("Acrux"), at a fixed price by approximately US$ 998 million, to be used in full to prepay Gacrux's debt under the Credit Agreement.

Subsequently, on November 26, 2012, Mitsui materialized the purchase of additional 15.25% share interest in Acrux, so Codelco reduced its debt with Mitsui, which at December 31, 2013, has a balance of ThUS$ 812,846.

- *Bond obligations:*

On October 15, 2003, the Company issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$ 500,000. This bond was paid on October 15, 2013.

On October 15, 2004, the Company issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$ 500,000. These bonds mature in a single installment on October 15, 2014, with an interest rate of 4.750% per annum with interest paid semiannually.

On May 10, 2005, the Corporation issued and placed bonds in the domestic market for a nominal amount of UF6,900,000, in a single series denominated Series B, and consists of 6,900 bonds for UF1,000 each. These bonds are payable in a single installment on April 1, 2025, with a 4% annual interest rate and with bi-annual interest payments.

On September 21, 2005, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on September 21, 2035, with a 5.6250% annual interest rate and with bi-annual interest payments.

On October 19, 2006, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$500,000. These bonds are payable in a single installment on October 24, 2036, with a 6.15% annual interest rate and with bi-annual interest payments.

On January 20, 2009, the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$600,000. These bonds mature in a single installment on January 15, 2019, at an interest rate of 7.5% per annum with interest paid bi-annually.

On November 4, 2010 the Corporation issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of ThUS$1,000,000. These bonds mature in a single installment on November 4, 2020, at an interest rate of 3.75% per annum with interest paid bi-annually.

On November 3, 2011, the Corporation issued and placed bonds in the U.S. market under Rule 144A and Regulation S, for a nominal amount of ThUS$1,150,000. These bonds mature in a single installment on November 4, 2021, with an interest rate of 3.875% per annum, with interest paid bi-annually.

On July 17, 2012, the Company issued and placed bonds in the U.S. market under Rule 144-A and Regulation S, for a nominal amount of US$ 2,000 million. The ThUS$ 1,250,000 with an interest rate of 3% per annum mature on July 17, 2022 and the ThUS$750,000 with an interest rate of 4.25% mature on July 17, 2042, and each have interest paid annually.

On August 13, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$ 750,000, which will mature in a single installment on August 12, 2023, with a coupon of 4.5% per annum with interest paid semiannually.

On October 18, 2013, the Corporation issued and placed bonds in the U.S. market, under Rule 144-A and Regulation S, for a nominal amount of ThUS$ 950,000, which will mature in a single installment on October 18, 2043, with a coupon of 5.625% per annum with interest paid semiannual.

- Financial debt commissions and expenses:

  Obtaining financial resources generates, in addition to the interest rate, fees and other expenses charged by the financial institutions, and the Corporation receives the net value of the loans. These expenses are amortized based on the effective interest rate determined using the amortized cost method.

- Finance leases:

  Finance lease transactions are generated for service contracts, principally for buildings and machinery.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At December 31, 2013, the detail of Borrowings from financial institutions and Bond obligations is as follows:

12/31/2013													
Taxpayer number	Country	Loans with financial entities	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payments of interest	Nominal rate	Effective Interest rate	Current Balance ThUS$	Non-current Balance ThUS$
Foreign	USA	Syndicated credit	BBVA Bancomer	9/27/2014	Floating	US$	400,000,000	3 annual installments of principal at maturity	Quarterly	0.45%	0.50%	133,254	-
97.036.000-K	Chile	Bilateral Credit	Banco Santander S.A.	11/30/2015	Floating	US$	75,000,000	Maturity	Quarterly	1.09%	1.21%	82	74,849
Foreign	Bermuda	Bilateral Credit	HSBC Bank Bermuda Limited	12/17/2015	Floating	US$	162,500,000	Maturity	Quarterly	1.09%	1.21%	76	162,172
Foreign	USA	Bilateral Credit	Bank of Tokyo-Mitsubishi	12/22/2015	Floating	US$	100,000,000	Maturity	Quarterly	1.00%	1.09%	22	99.824
97.036.000-K	Chile	Bilateral Credit	Banco Santander S.A.	12/23/2015	Floating	US$	100,000,000	Maturity	Quarterly	1.10%	1.21%	25	99,794
Foreign	USA	Bilateral Credit	Export. Dev. Canada	12/28/2015	Floating	US$	250,000,000	Maturity	Quarterly	1.05%	1.16%	7	249,489
Foreign	USA	Bilateral Credit	Sumitomo Mitsui Banking	2/18/2016	Floating	US$	100,000,000	Maturity	Quarterly	1.07%	1.17%	39	99,819
Foreign	USA	Bilateral Credit	Mizuho Corporate Bank Ltd	10/13/2016	Floating	US$	100,000,000	Maturity	Quarterly	0.84%	1.12%	186	99,260
Foreign	USA	Bilateral Credit	Bank Of Tokyo Mitsubishi Ltd.	10/14/2016	Floating	US$	250,000,000	Maturity	Quarterly	0.74%	1.05%	411	247,930
Foreign	USA	Bilateral Credit	HSBC Bank USA. N.A.	10/11/2016	Floating	US$	250,000,000	Maturity	Quarterly	0.84%	1.15%	501	247,965
Foreign	USA	Bilateral Credit	Export Dev Canada	11/3/2016	Floating	US$	250,000,000	Maturity	Quarterly	0,74%	1.10%	334	247,543
Foreign	USA	Bilateral Credit	Mizuho Corporate Bank Ltd	9/16/2018	Floating	US$	300,000,000	Maturity	Quarterly	0.86%	1.09%	111	297,022
Foreign	USA	Bilateral Credit	Bank of America N.A.	10/11/2018	Floating	US$	300,000,000	Maturity	Monthly	0.89%	1.10%	592	297,273
Foreign	Japan	Bilateral Credit	Bank of Tokyo Mitsubishi Ltda	5/24/2019	Floating	US$	8,700,000	Semi-annual principal installments	Semi-annual	0.90%	1.01%	8	8,668
Foreign	Japan	Bilateral Credit	Japan Bank International Cooperation	5/24/2022	Floating	US$	20,300,000	Semi-annual principal installments	Semi-annual	0.80%	0.81%	17	20,221
97.036.000-K	Chile	Bilateral Credit	Banco Santander S.A.	1/29/2014	Floating	US$	300,000,000	Maturity	Monthly	0.06%	0.06%	300,001	-
Foreign	Netherland	Bilateral Credit	Oriente Copper Netherlands B.V.	11/26/2032	Fixed	US$	874,959,000	Semiannual installments of principal	Semi annual	3.25%	3.60%	45,509	767,337
Foreign	Germany	Credit Line	HSBC Trinkaus & Burkhardt		Floating	Euro				1.42%	1.42%	18,374	-
Foreign	Germany	Credit Line	Deutsche Bank		Floating	Euro				1.42%	1.42%	16,620	-
			Other institutions									4,724	10,891
											TOTAL	520,893	3,030,057

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Bonds	Country	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal Rate	Effective interest rate	Current Balance ThUS$	Non-current balance ThUS$
144-A REG.S	United States of America	10/15/2014	Fixed	US$	500,000,000	Maturity	Semi annual	4.75%	4.99%	504,359	-
114-A REG.S	United States of America	1/15/2019	Fixed	US$	600,000,000	Maturity	Semi annual	7.50%	7.79%	21,035	592,912
114-A REG.S	United States of America	11/4/2020	Fixed	US$	1,000,000,000	Maturity	Semi annual	3.75%	3.98%	6,215	986,344
114-A REG.S	United States of America	11/4/2021	Fixed	US$	1,150,000,000	Maturity	Semi annual	3.88%	4.07%	7,386	1,135,353
144-A REG.S	United States of America	7/17/2022	Fixed	US$	1,250,000,000	Maturity	Semi annual	3.00%	3.16%	17,221	1,233,848
144-A REG.S	United States of America	8/13/2023	Fixed	US$	750,000,000	Maturity	Semi annual	4.50%	4.75%	12,931	735,854
BCODE-B	Chile	4/1/2025	Fixed	U.F.	6,900,000	Maturity	Semi annual	4.00%	3.24%	3,117	328,541
144-A REG.S	United States of America	9/21/2035	Fixed	US$	500,000,000	Maturity	Semi annual	5.63%	5.78%	8,080	490,537
144-A REG.S	United States of America	10/24/2036	Fixed	US$	500,000,000	Maturity	Semi annual	6.15%	6.22%	5,997	495,953
144-A REG.S	United States of America	7/17/2042	Fixed	US$	750,000,000	Maturity	Semi anual	4.25%	4.40%	14,638	731,138
144-A REG.S	United States of America	10/18/2043	Fixed	US$	950,000,000	Maturity	Semi annual	5.63%	5.76%	10,950	931,908
TOTAL										611,929	7,662,388

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

At December 31, 2012, the detail of Borrowings from financial institutions and Bond obligations is as follows:

12/31/2012													
Taxpayer Number	Country	Loans with financial entities	Institution	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
Foreign	United States of America	Syndicated credit	BBVA Bancomer	09/27/2014	Floating	US$	400,000,000	3 annual installments of principal at maturity	Quarterly	0.51%	0.57%	133,350	133,136
97036000-K	Chile	Bilateral Credit	Banco Santander S.A.	11/30/2015	Floating	US$	75,000,000	Maturity	Quarterly	1.16%	1.28%	85	74,781
Foreign	Bermuda	Bilateral Credit	HSBC Bank Bermuda Limited	12/17/2015	Floating	US$	162,500,000	Maturity	Quarterly	1.16%	1.28%	97	162,015
Foreign	United States of America	Bilateral Credit	Bank of Tokyo-Mitsubishi	12/22/2015	Floating	US$	100,000,000	Maturity	Quarterly	1.06%	1.15%	22	99,744
97036000-K	Chile	Bilateral Credit	Banco Santander S.A.	12/23/2015	Floating	US$	100,000,000	Maturity	Quarterly	1.16%	1.28%	27	99,691
Foreign	United States of America	Bilateral Credit	Export. Dev. Canada	12/28/2015	Floating	US$	250,000,000	Maturity	Quarterly	1.11%	1.23%	24	249,234
Foreign	United States of America	Bilateral Credit	Sumitomo Mitsui Banking	02/18/2016	Floating	US$	100,000,000	Maturity	Quarterly	1.14%	1.23%	44	99,746
Foreign	United States of America	Bilateral Credit	Mizuho Corporate Bank Ltd	10/13/2016	Floating	US$	100,000,000	Maturity	Quarterly	0.93%	1.21%	197	99,006
Foreign	United States of America	Bilateral Credit	Bank Of Tokyo Mitsubishi Ltd.	10/14/2016	Floating	US$	250,000,000	Maturity	Quarterly	0.84%	1.15%	468	247,220
Foreign	United States of America	Bilateral Credit	HSBC Bank United States of America. N.A.	10/11/2016	Floating	US$	250,000,000	Maturity	Quarterly	0.95%	1.26%	549	247,258
Foreign	United States of America	Bilateral Credit	Export Dev Canada	11/3/2016	Floating	US$	250,000,000	Maturity	Quarterly	0.81%	1.18%	356	246,695
Foreign	Netherlands	Bilateral Credit	Oriente Copper Netherlands B.V.	11/26/2032	Fixed	US$	874,959,000	Semiannual installments of principal	Semi annual	3.25%	3.60%	44,612	809,035
Foreign	Germany	Credit Line	HSBC Trinkaus & Burkhardt		Floating	Euro				1.38%	1.38%	19,818	-
Foreign	Germany	Credit Line	Deutsche Bank		Floating	Euro				1.38%	1.38%	17,585	-
			Other institutions									2,452	10,335
											TOTAL	219,686	2,577,896

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Bonds	Country	Maturity	Rate	Currency	Amount	Type of amortization	Payment of interest	Nominal rate	Effective interest rate	Current Balance ThUS$	Non-current Balance ThUS$
144-A REG.S	United States of America	10/15/2013	Fixed	US$	500,000,000	Maturity	Semi annual	5.50%	5.57%	505,771	-
144-A REG.S	United States of America	10/15/2014	Fixed	US$	500,000,000	Maturity	Semi annual	4.75%	4.99%	5,220	497,966
144-A REG.S	United States of America	1/15/2019	Fixed	US$	600,000,000	Maturity	Semi annual	7.50%	7.79%	21,140	591,807
144-A REG.S	United States of America	11/4/2020	Fixed	US$	1,000,000,000	Maturity	Semi annual	3.75%	3.98%	6,008	984,386
144-A REG.S	United States of America	11/4/2021	Fixed	US$	1,150,000,000	Maturity	Semi annual	3.88%	4.07%	7,139	1,133,794
144-A REG.S	United States of America	7/17/2022	Fixed	US$	1,250,000,000	Maturity	Semi annual	3.00%	3.16%	17,027	1,232,384
BCODE-B	Chile	4/1/2025	Fixed	U.F.	6,900,000	Maturity	Semi annual	4.00%	3.24%	3,340	353,728
144-A REG.S	United States of America	9/21/2035	Fixed	US$	500,000,000	Maturity	Semi annual	5.63%	5.78%	8,080	490,324
144-A REG.S	United States of America	10/24/2036	Fixed	US$	500,000,000	Maturity	Semi annual	6.15%	6.22%	5,808	495,874
144-A REG.S	United States of America	11/4/2042	Fixed	US$	750,000,000	Maturity	Semi annual	4.25%	4.40%	14,473	730,827
									TOTAL	594,006	6,511,090

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The undiscounted amounts due to the Corporation maintained with financial institutions, is as follows:

12-31-2013					Current			Non-Current			
Debtor's Name	Currency	Effective Interest Rate	Nominal Rate	Payment of Interest	Less than 90 days	More than 90 Days	Current Total	One to Three Years	Three to Five Years	More than Five Years	Non-Current Total
BBVA BANCOMER	US$	0.50%	0.45%	Quarterly	149	133,642	133,791	-	-	-	-
BANCO SANTANDER S.A.	US$	1.21%	1.09%	Quarterly	206	632	838	75,827	-	-	75,827
HSBC BANK BERMUDA LIMITED	US$	1.21%	1.09%	Quarterly	444	1,363	1,807	164,302	-	-	164,302
THE BANK OF TOKYO M.	US$	1.09%	1.00%	Quarterly	252	755	1,007	101,010	-	-	101,010
BANCO SANTANDER S.A.	US$	1.21%	1.10%	Quarterly	277	833	1,110	101,110	-	-	101,110
EXPORT DEVELOP CANADA	US$	1.16%	1.05%	Quarterly	662	1,977	2,639	252,653	-	-	252,653
SUMITOMO MITSUI BANKING	US$	1.17%	1.07%	Quarterly	268	811	1,079	101,359	-	-	101,359
MIZUHO CORPORATE BANK LTD	US$	1.12%	0.84%	Quarterly	215	639	854	101,712	-	-	101,712
BANK OF TOKYO-MITSUBISHI LTD.	US$	1.05%	0.74%	Quarterly	475	1,410	1,885	253,775	-	-	253,775
HSBC BANK USA, N.A.	US$	1.15%	0.84%	Quarterly	1,066	1,072	2,138	254,281	-	-	254,281
EXPORT DEVELOP CANADA	US$	1.10%	0.74%	Quarterly	471	1,397	1,868	253,741	-	-	253,741
MIZUHO CORPORATE BANK LTD	US$	1.09%	0.86%	Quarterly	654	1,977	2,631	5,256	304,595	-	309,851
BANK OF AMERICA N.A.	US$	1.10%	0.89%	Quarterly	1,363	1,363	2,726	5,444	305,436	-	310,880
BANK OF TOKYO MITSUBISHI LTD.	US$	1.01%	0.90%	Semi-annual	-	79	79	3,406	4,419	1,092	8,917
JAPAN BANK INTERNATIONAL COOPERATION	US$	0.81%	0.80%	Semi-annual	-	162	162	4,643	5,999	10,273	20,915
BANCO SANTANDER S.A.	US$	0.06%	0.06%	Quarterly	300,015	-	300,015	-	-	-	-
ORIENTE COPPER NETHERLANDS B.V	US$	3.60%	3.25%	Semi-annual	-	79,913	79,913	155,568	149,735	886,802	1,192,105
BONO 144-A REG. 2014	US$	4.99%	4.75%	Semi-annual	-	523,750	523,750	-	-	-	-
BONO 144-A REG. 2019	US$	7.79%	7.50%	Semi-annual	22,500	22,500	45,000	90,000	90,000	622,500	802,500
BONO 144-A REG. 2020	US$	3.98%	3.75%	Semi-annual	-	37,500	37,500	75,000	75,000	1,075,000	1,225,000
BONO 144-A REG. 2021	US$	4.07%	3.88%	Semi-annual	-	44,563	44,563	89,125	89,125	1,283,688	1,461,938
BONO 144-A REG. 2022	US$	3.16%	3.00%	Semi-annual	18,750	18,750	37,500	75,000	75,000	1,400,000	1,550,000
BONO 144-A REG. 2023	US$	4.75%	4.50%	Semi-annual	16,875	16,875	33,750	67,500	67,500	918,750	1,053,750
BONO 144-A REG. 2035	US$	5.78%	5.63%	Semi-annual	14,063	14,063	28,126	56,250	56,250	978,125	1,090,625
BONO 144-A REG. 2036	US$	6.22%	6.15%	Semi-annual	-	30,750	30,750	61,500	61,500	1,053,500	1,176,500
BONO 144-A REG. 2042	US$	4.40%	4.25%	Semi-annual	15,938	15,938	31,876	63,750	63,750	1,515,000	1,642,500
BONO 144-A REG. 2043	US$	5.76%	5.63%	Semi-annual	-	53,438	53,438	106,875	106,875	1,309,219	1,522,969
				Total ThUS$	394,643	1,006,152	1,400,795	2,519,087	1,455,184	11,053,949	15,028,220
BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semi-annual	138,000	138,000	276,000	552,000	552,000	8,694,000	9,798,000
				Total U.F.	138,000	138,000	276,000	552,000	552,000	8,694,000	9,798,000
				Subtotal ThUS$	6,132	6,132	12,263	24,526	24,526	386,288	435,341
				Total Th US$	400,775	1,012,284	1,413,058	2,543,613	1,479,710	11,440,237	15,463,561

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

12/31/2012					Current			Non-current			
Debtor´s Name	Currency	Effective interest rate	Nominal rate	Payment of interest	Less than 90 days	More than 90 days	Current Total	One to three years	Three to five years	More than five years	Non-current Total
BBVA BANCOMER	US$	0.57%	0.51%	Quarterly	340	134,212	134,552	133,851	-	-	133,851
BANCO SANTANDER S.A.	US$	1.28%	1.16%	Quarterly	220	673	893	76,766	-	-	76,766
HSBC BANK BERMUDA LIMITED	US$	1.28%	1.16%	Quarterly	471	1,460	1,931	166,321	-	-	166,321
THE BANK OF TOKYO M.	US$	1.15%	1.06%	Quarterly	268	801	1,069	102,149	-	-	102,149
BANCO SANTANDER S.A.	US$	1.28%	1.16%	Quarterly	293	880	1,173	102,352	-	-	102,352
EXPORT DEVELOP CANADA	US$	1.23%	1.11%	Quarterly	694	2,120	2,814	255,627	-	-	255,627
SUMITOMO MITSUI BANKING	US$	1.23%	1.14%	Quarterly	288	860	1,148	2,308	100,288	-	102,596
MIZUHO CORPORATE BANK LTD	US$	1.21%	0.93%	Quarterly	467	475	942	1,894	100,950	-	102,844
BANK OF TOKYO-MITSUBISHI LTD.	US$	1.15%	0.84%	Quarterly	1,077	1,071	2,148	4,272	252,142	-	256,414
HSBC BANK USA, N.A.	US$	1.26%	0.95%	Quarterly	1,204	1,819	3,023	4,219	252,420	-	256,639
EXPORT DEVELOP CANADA	US$	1.18%	0.81%	Quarterly	520	1,542	2,062	4,123	252,067	-	256,190
ORIENTE COPPER NETHERLANDS B.V.	US$	3.60%	3.25%	Semi annual	-	71,829	71,829	139,392	133,705	821,504	1,094,601
BONO 144-A REG. 2013	US$	5.57%	5.50%	Semi annual	-	527,500	527,500	-	-	-	-
BONO 144-A REG. 2014	US$	4.99%	4.75%	Semi annual	-	23,750	23,750	523,750	-	-	523,750
BONO 144-A REG. 2019	US$	7.79%	7.50%	Semi annual	22,500	22,500	45,000	90,000	90,000	667,500	847,500
BONO 144-A REG. 2020	US$	3.98%	3.75%	Semi annual	-	37,500	37,500	75,000	75,000	1,112,500	1,262,500
BONO 144-A REG. 2021	US$	4.07%	3.88%	Semi annual	-	44,563	44,563	89,125	89,125	1,328,250	1,506,500
BONO 144-A REG. 2022	US$	3.16%	3.00%	Semi annual	18,750	18,750	37,500	75,000	75,000	1,437,500	1,587,500
BONO 144-A REG. 2035	US$	5.78%	5.63%	Semi annual	14,063	14,063	28,126	56,250	56,250	1,006,250	1,118,750
BONO 144-A REG. 2036	US$	6.22%	6.15%	Semi annual	-	30,750	30,750	61,500	61,500	1,084,250	1,207,250
BONO 144-A REG. 2042	US$	4.40%	4.25%	Semi annual	15,938	15,938	31,876	63,750	63,750	1,546,875	1,674,375
				Total ThUS$	77,093	953,056	1,030,149	2,027,649	1,602,197	9,004,629	12,634,475
BONO BCODE-B 2025	U.F.	3.24%	4.00%	Semi annual	138,000	138,000	276,000	552,000	552,000	8,970,000	10,074,000
				Total U.F.	138,000	138,000	276,000	552,000	552,000	8,970,000	10,074,000
				Subtotal ThUS$	6,567	6,567	13,135	26,269	26,269	426,872	479,410
				Total ThUS$	83,660	959,623	1,043,284	2,053,918	1,628,466	9,431,501	13,113,885

Nominal and effective interest rates presented above correspond to annual rates.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Payment commitments for financial leasing transactions are summarized in the following table:

Financial Leasing	12/31/2013			12/31/2012		
	Gross ThUS$	Interest ThUS$	Net ThUS$	Gross ThUS$	Interest ThUS$	Net ThUS$
Less than one year	31,190	(9,947)	21,243	38,785	(3,184)	35,601
Between one and five years	78,175	(29,151)	49,024	76,538	(27,996)	48,542
More than five years	44,438	(17,222)	27,216	84,499	(41,735)	42,764
Total	153,803	(56,320)	97,483	199,822	(72,915)	126,907

Commitment to future payments for operating leases and lease payments recognized in the statements of comprehensive income are summarized in the following table:

Future payments for operating leases	12/31/2013 ThUS$	12/31/2012 ThUS$
Less than one year	900,787	753,718
Between one and five years	492,528	386,619
More than five years	297,745	324,428
TOTAL	1,691,060	1,464,765

Rental fees recognized in the Statement of Comprehensive Income	12/31/2013 ThUS$	12/31/2012 ThUS$
Minimum payments for operating leases	282,029	208,854

13. Fair Value of financial assets and liabilities

As the carrying amount of financial assets and liabilities is a reasonable approximation of their fair value, no incremental disclosures are required in accordance with IFRS 7.

14. Fair value hierarchy

Each of the estimated market values for the Corporation’s portfolio of financial instruments is based on a calculation and data input methodology. Each of these methodologies has been analyzed to determine to which of the following levels they can be assigned:

- Level 1 corresponds to Fair Value measurement methodologies through market quotes (unadjusted) in active markets and considering the same valued Assets and Liabilities.

- Level 2 corresponds to Fair Value measurement methodologies using market quote data, not included in Level 1, that are either directly (prices) or indirectly (derived from the prices) observable for the valued Assets and Liabilities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

- Level 3 corresponds to Fair Value measurement methodologies that use valuation techniques that include data on the valued Assets and Liabilities that are not supported by observable market data.

Based on the methodologies, inputs, and previous definitions the following market levels have been established for the financial instruments portfolio held by the Corporation at December 31, 2013:

Financial assets and liabilities at fair value with an effect in profit and loss statement	12/31/2013			
	Level 1 ThUS$	Level 2 ThUS$	Level 3 ThUS$	Total ThUS$
Financial Assets:				
Provisionally priced sales contracts	-	124,905	-	124,905
Cross currency swap	-	83,879	-	83,879
Mutual fund units	1,431	-	-	1,431
Metals futures	1,728	-	-	1,728
Financial Liabilities:				
Metals futures	9,921	-	-	9,921

No transfers between different levels of market values were observed for the reporting period.

15. Trade and other payables

Total trade and other payables, current and non-current, are detailed as follows:

Items	Current Liabilities	
	12/31/2013 ThUS$	12/31/2012 ThUS$
Trade payables	1,287,112	1,775,773
Payables to employees	18,796	23,611
Withholdings	109,767	116,905
Tax withholdings	70,943	167,146
Other payables	86,079	162,157
Total	1,572,697	2,245,592

16. Other provisions

Other short-term accrued expenses and provisions as of the indicated dates are detailed as follows:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Other provisions	Current		Non-current	
	12/31/2013 ThUS$	12/31/2012 ThUS$	12/31/2013 ThUS$	12/31/2012 ThUS$
Trade (1)	9,859	13,880	-	-
Operating (2)	79,732	36,014	-	-
Law No. 13.196	65,773	112,014	-	-
Sundry	66,028	47,987	2,502	6,869
Closure, decommissioning and restoration (3)	-	-	1,336,842	1,471,157
Contingencies	-	-	48,546	76,141
Total	221,392	209,895	1,387,890	1,554,167

Accrual for employee benefits	Current		Non-current	
	12/31/2013 ThUS$	12/31/2012 ThUS$	12/31/2013 ThUS$	12/31/2012 ThUS$
Employees' collective bargaining agreements	218,964	214,598	-	-
Employee termination benefit	51,005	48,717	790,939	749,358
Bonus	6,113	4,888	-	-
Vacation	162,125	153,925	-	-
Medical care programs (4)	820	576	349,339	373,703
Retirement plans (5)	118,652	113,112	147,512	128,696
Other	9,876	14,159	10,577	71,537
Total	567,555	549,975	1,298,367	1,323,294

(1) Corresponds to a sales-related accrual, which includes charges for freight, loading, and unloading that were not invoiced at the end of the period.

(2) Corresponds to a provision for customs duties, freight on purchases, electricity, among others.

(3) Corresponds to future asset retirement provision costs primarily related to tailing dams, closures of mine operations and other assets. The value is calculated in present value discounted at a real annual discount rate before tax of 3.04% in Chilean pesos, (in 2011 cash flows were expressed in Chilean pesos discounted at a rate of 3% in real terms), and reflects the corresponding assessments of the value of money in time, that the market is being affected. The discount rate includes the risks associated to the liability that is being determined, except those that are included in the cash flows. The discount period varies between 11 and 82 years.

The new law on mine and mining facilities closure, published in the Official newspaper on November 11, 2011, will have effects in future periods on this provision, as mentioned in Note 29, "Contingencies and restrictions."

The Company determines and records the liability in accordance with the accounting policies mentioned in note 2, letter o) of the Accounting Policies.

(4) Corresponds to an accrual for contributions to medical care institutions agreed upon with current and former employees.

(5) Corresponds to an accrual for employees who have agreed or expected to agree to retire in accordance with plans in force for personnel retirement.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

In respect of these plans, and following the ending of the collective bargaining process that the Codelco - Chuquicamata administration had during the month of December 2012 with the unions of that Division, the Collective Agreement subscribed to by the parties established a scheduled voluntary retirement plan. As a result, the Corporation recognized a provision for this in current and noncurrent liabilities in the amounts of ThUS$73,371 and ThUS$128,696, respectively. The values are discounted at a discount rate equivalent to that used for the calculation of provisions for employee benefits that are part of the account balances at December 31, 2013 and December 31, 2012.

Movements of Other provisions were as follows:

Movements	1/1/2013 12/31/2013			
	Provision for mine closure ThUS$	Contingencies ThUS$	Other provisions ThUS$	Total ThUS$
Opening balance	1,471,157	76,141	6,869	1,554,167
Annual cost	(42,327)	-	3,909	(38,418)
Financial expenses	33,476	-	-	33,476
Payment of liabilities	(19,041)	(17,579)	(165)	(36,785)
Foreign exchange rate differences	(101,947)	4,539	258	(97,150)
Reclassifications	-	9,235	(5,919)	3,316
Other variations	(4,476)	(23,790)	(2,450)	(30,716)
Final balance	1,336,842	48,546	2,502	1,387,890

17. Employee benefits

a. Provisions for post employment benefits and other long term benefits

Provision for post employment benefits corresponds to medical care plans and is intended to cover the payment obligations that the Corporation has contracted with its employees, according to contracts or collective bargaining agreements, to partially cover the costs of medical services.

Both long term benefits are based on the agreements in the employment contracts or collective bargaining agreements signed between the Corporation and workers.

These accruals are recorded in the statement of financial position, at the present value of estimated future obligations. The discount rate applied is determined on the basis of the rates of financial instruments in the same currency in which the obligations are to be paid and with similar maturities.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The basis for the registration of these obligations are denominated in Chilean pesos, therefore the amount include in the Corporation´s financial statements represents exposure to financial risk of exchange rate.

The results from adjustments and changes in actuarial variables are charged or credited to the statements of other comprehensive income in the period in which they occur.

During 2013 period, there were no significant changes in post-employment benefits plans.

Actuarial assumptions for calculating the employee termination benefit accrual are as follows:

Assumptions	12/31/2013		12/31/2012	
	IPAS	Health Plan	IPAS	Health Plan
Annual Discount Rate	5.60%	6.00%	5.75%	6.00%
Voluntary Annual Turnover Rate for Retirement (Men)	3.11%	3.11%	3.11%	3.11%
Voluntary Annual Turnover Rate for Retirement (Women)	0.25%	0.25%	0.25%	0.25%
Salary Increase (real annual average)	1.08%	1.08%	1.08%	1.08%
Future Rate of Long-Term Inflation	3.00%	3.00%	3.00%	3.00%
Inflation Health Care	4.08%	4.08%	4.08%	4.08%
Mortality tables used for projections	RV-2009	RV-2009	RV-2009	RV-2009
Average duration of future cash flows (years)	9.11	20.41	10.00	20.00
Expected Retirement Age (Men)	65	65	65	65
Expected Retirement Age (Women)	60	60	60	60

The discount rates correspond to the price in the secondary market of government bonds issued in Chile. Annual inflation corresponds to the long-term goal publicly declared by the Central Bank of Chile. Rotation rates were determined by reviewing the experience of the Corporation, by studying the cumulative expenditures for the last three years on the current (analysis executed by causal) behavior. Growth rates of compensable revenues respond to the long-term trend observed in reviewing the historical salaries paid by the Corporation. The mortality tables used for the actuarial calculations correspond to numbers issued by the Superintendency of Securities and Insurance , and these are used because they are an appropriate representation of the Chilean market and the lack of comparable statistical series to develop own studies. Financial liabilities term corresponds to average maturity of payment flows of the respective defined benefit. Retirement ages are defined in the scheduled withdrawal of AFP, which is a parameter generally accepted in the Chilean market.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Reconciliation of post employment benefit and other long term benefits provision:

Movements	1/1/2013 12/312013		1/1/2012 12/312012	
	Retirement Plan ThUS$	Health Plan ThUS$	Retirement Plan ThUS$	Health Plan ThUS$
Initial balance	798,075	374,279	737,700	337,383
Service cost	70,793	2,439	59,202	6,470
Financial cost	21,344	11,212	22,098	8,235
Paid contributions	(29,620)	(20,297)	(41,857)	(13,282)
Other operational costs	40,731	(12,550)	8,939	34,384
Subtotal	*901,323*	*355,083*	*786,082*	*373,190*
(Gains) / Losses on Foreign exchange rate	(59,379)	(4,924)	11,993	1,089
Final Total	841,944	350,159	798,075	374,279

The technical revaluation of the liability for severance benefits for years of service, was completed with a net effect of ThUS$ 40,731, in equity, which decomposes in an actuarial gain of ThUS$ 1,685 at December 31, 2013, for changes in demographic assumptions; a loss of ThUS$ 7,560 by the revaluation of financial assumptions; and finally, the recognition of a higher provision of ThUS$ 34,856, the effect of the historical behavior of severance payments, the fair value exceeded the actuarial valuation assumptions. Similar to the latter, for the obligation generated by health benefit plans, has given an actuarial gain of ThUS$ 12,550.

The balance at 31 December 2013 comprises a portion of ThUS$ 51,005 and ThUS$ 820 in the short term, corresponding to compensation for years of service and Health Plans respectively. At December 31, 2014 the balance is projected to be ThUS$ 854,919 for the provision of compensation and ThUS$ 352,825 for health benefits. The compensation payment flows over the next twelve months, reaching an expected monthly average of ThUS$ 4,250 for severance and ofThUS$68 per concept of health benefit plans.

Following the review of the sensitivities on the provisions made, from an average scenario, at a low or high scenario with unit percentage change, respectively, and the two separate effects of reduction or increase of the book value of these provisions states:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Severence Benefits for Years of Service	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	4.600%	5.600%	6.600%	3.96%	-3.49%
Financial effect on the real increase in income	0.580%	1.080%	1.580%	-0.59%	0.45%
Demographic effect of job rotations	2.610%	3.110%	3.610%	-0.09%	0.09%
Demographic effect on mortality tables	-25.00%	RV09 SVS, Chile	25.00%	2.17%	-2.52%
Health Benefits and Other	Low	Medium	High	Reduction	Increase
Financial effect on interest rates	5.000%	6.000%	7.000%	9.39%	-7.29%
Financial effect on health inflation	3.582%	4.082%	4.582%	-3.90%	4.44%
Demographic effect, planned retirement age	58 / 63	60 / 65	62 / 67	3.07%	-2.92%
Demographic effect on mortality tables	-25.00%	RV09 SVS, Chile	25.00%	5.33%	-4.19%

b. Provision for termination benefits

The Corporation under its operational optimization programs seeks to reduce costs and increased labor productivity, facilitated by the incorporation of modern technologies and/or best management practices, has established personnel severance programs, using the corresponding addendum to contracts or collective bargaining agreements, with benefits that encourage retirement, for which necessary provisions are made based on the accrued obligation at present value.

At December 31, 2013 and December 31, 2012, a running balance is presented by these obligations ThUS$ 118,652, and ThUS$ 113,112 respectively, while non-current balance represents ThUS$ 147,512 and ThUS$ 128,696 respectively, the latter associated with the provision related to the term of the collective bargaining process that the Administration argued Codelco Chuquicamata during the month of December 2012 with workers Unions that Division. These values have been discounted using a discount rate equivalent to that used for calculating employee benefits provisions and whose outstanding balances are part of the accounting balances at December 31, 2013 and December 31, 2012.

c. Employee benefits expenses by nature of the benefits

The costs associated with employee benefits classified by their nature, are:

Expenditure by Nature of Employee Benefits	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Benefits - Short term	1,957,895	1,814,171
Benefits - Post employment	2,439	6,470
Benefits - Termination	71,192	218,570
Benefits by years of service	70,793	59,202
Total	2,102,319	2,098,413

18. Net equity

In accordance with article 6 of Decreto Law 1.350 of 1976, it is established that, before March 30 of each year, the Board must approve the corporation's Business and Development Plan for the next three-year period. Taking that plan as a reference, and keeping in mind the Corporation's balance sheet for the immediately previous year, and in order to ensure its competitiveness, before June 30 of each year the amounts that the Corporation shall allocate to the formation of capitalization funds and reserves shall be determined by founded decree from the Ministries of Mining and Treasury.

Net income shown in the balance sheets, after deducting the amounts referred to in the previous paragraph, shall belong to the State and becomes part of the Nation's general income.

On June 26, 2012, pursuant to Decree Law No. 674 of the Ministries of Mining and Finance the capitalization of reserve funds amounting to US$ 800 million, corresponding to part of the profits generated by Codelco in 2011 was approved. Additionally and according to the provisions of decree law No. 1.160 the Ministries of Mining and Finance, of 2010, authorized the retention of profits before tax for the year 2011 in an amount equivalent to US$ 473 million through earnings obtained from the sale of electricity assets.

Pursuant to Exceptional Decree Law No. 217 of June 28, 2013 of the Ministry of Finance, the capitalization of accounting profit generated by operating the purchase of Anglo American Sur S.A. shareholding, amounting to US$ 1,000 million.

On December 13, 2013 and by Exempt Finance Decreto No. 415, the Corporation authorized capitalization of US$ 1,000 million under the accounting profits generated by the purchase of shares of Anglo American Sur SA, arising from the fair value measurement of this operation, in accordance with applicable accounting standards.

As of December 31, 2013 and December 31, 2012, no dividends payable were provisioned.

In the financial statement "Statement of Changes in Net Equity" the changes experienced in the Corporation's equity are disclosed.

Due to the bylaws that govern the Corporation, these financial statements do not consider disclosure of information related to earnings per share.

The movement and composition of other equity reserves is presented in the Consolidated Statement of Changes in Net Consolidated Equity.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

a) Other reserves

Other equity reserves are listed in the table below, as of the dates indicated in each case.

Other reserves	12/31/2013 ThUS$	12/31/2012 ThUS$
Foreign exchange differences on conversion reserves	1,220	1,609
Cash flow hedge reserves	(8,704)	(5,673)
Capitalization fund and reserves	4,729,556	2,729,556
Reserve of gains (losses) of defined benefit plans	(113,519)	(102,246)
Other reserves	637,154	638,691
Total other reserves	5,245,707	3,261,937

b) Non-controlling equity interests

The details of non-controlling equity interests, included in liabilities and net income, are listed in the table below, as of the dates indicated in each case.

Company	non-controlling participation		Net Equity		Profit (loss)	
	12/31/2013 %	12/31/2012 %	12/31/2013 ThUS$	12/31/2012 ThUS$	1/1-2013 ThUS$	1/1/2012 ThUS$
Biosigma S.A.	33.30%	33.30%	439	762	(1,119)	(1,270)
Inversiones Gacrux SpA	32.20%	32.20%	2,046,231	2,098,607	42,471	8,842
Ecosea Farming S.A.	14.97%	-	420	-	15	-
Others	-	-	12	37	-	(212)
Total			2,047,102	2,099,406	41,367	7,360

Between January 1 and 31 December 2013, Inversiones SA Gacrux presented paid dividends to non-controlling participations of ThUS$ 89,561.

The percentage of non-controlling interest over the assets of Inversiones Mineras Acrux SpA is equal to 32.2% and generates a non-controlling interest in the affiliated company Inversiones Gacrux SpA, which had the following figures in its statement of financial position, income statements and cash flow statement:

Assets and Liabilities	12/31/2013 ThUS$	12/31/2012 ThUS$
Current assets	182,195	2,363
Non-current assets	6,374,917	6,567,659
Current liabilities	86,475	44,663
Non-current liabilities	771,727	809,035

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Results	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenues	181,675	-
Expenses	(95,872)	(63,653)
Profit (loss) of the period	85,803	(63,653)

Cash Flow	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Net Cash flow from operating activities	188,730	15
Net Cash flow from investing activities	174	(2,799,795)
Net Cash flow from financing activities	(81,285)	2,802,142

19. Operating income

The following table shows the sources of the Corporation's consolidated revenue.

Item	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Revenue from sales of the Corporation's copper	12,022,179	13,556,369
Revenue from sales of copper bought to third parties	1,897,401	1,668,961
Revenue from sales of molybdenum	493,389	544,041
Revenue from sales of other products	544,650	855,636
Loss in futures market	(1,336)	(764,575)
Total	14,956,283	15,860,432

20. Expenses by nature

The Corporation's consolidated expenses by nature are detailed as follows:

Item	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Personnel Expenses	1,957,895	1,814,171
Depreciation	1,152,739	1,005,027
Amortization	595,281	601,139
Total	3,705,915	3,420,337

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

21. Other revenues and expenses by function

Other revenues and expenses by function are detailed in the following tables:

a) Other income by function

Item	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Penalties to suppliers	14,290	16,583
Delegated Administration	4,655	4,518
Miscellaneous sales (net)	23,499	58,525
Compensation by insurance companies	380	16,538
Stock option revaluation Anglo American Sur	-	3,517,690
Fair value of acquired mining utilities	-	401,918
Profits from sales of Inv. Mineras Acrux SpA. Shares	-	7,626
Utility realized en associates	19,563	13,268
Other income	100,165	55,673
Total	162,552	4,092,339

b) Other expenses by function

Item	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Law No. 13.196	(1,156,637)	(1,269,908)
Research expenses	(67,856)	(102,285)
Bonus for the end of collective bargaining	(103,093)	(418,006)
Expenses plan	(71,192)	(218,570)
Penalty fixed assets	(11,739)	(20,981)
Medical care plan	(2,439)	(6,470)
Operating expenses: acquisition of Anglo American Sur shares	-	(136,322)
Additional bonos for contractors	(96,170)	-
Other Expenses	(4,308)	(60,089)
Total	(1,513,434)	(2,232,631)

22. Finance costs

Finance costs are detailed as follows:

Item	1/1/2013 12/31/2013 ThUS$	1/1/2013 12/31/2013 ThUS$
Bond interests	(168,362)	(289,219)
Bank loan interests	(55,240)	(26,597)
Exchange differences on severance indemnity provision	(21,344)	(22,098)
Exchange differences on other non-current provisions	(55,300)	(36,077)
Other	(26,867)	(32,287)
Total	(327,113)	(406,278)

23. Operating segments

In Section II, "Summary of Significant Accounting Policies" it has been indicated that, in conformity with IFRS No. 8, "Operating Segments", the operating segments are determined according to the Divisions that make up Codelco. The revenues and expenses of the Head Office, are distributed among the defined opening segments.

Mining sites in operation, in which the Corporation performs extraction and processing, are organized in divisions: Chuquicamata, Radomiro Tomic, Salvador, Andina, El Teniente and Gabriela Mistral. Additionally the Ventanas division is added even though it is operating solely as a smelter and refinery, and Ministro Hales that is estimated to be opened in the first quarter of 2014 (at the end of 2013, the mine was already operating its full pre-stripping and the concentrator finished loading tests and is about to start its operating phase, only missing the roasting plant). Those operations are administered independently and are reporting directly to the Executive President. The details and operations related to each mine are the following:

Chuquicamata

Types of mine sites: open pit mines
Operating: since 1915
Location: Calama – Region II
Products: electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Radomiro Tomic

Types of mine sites: open pit mines
Operating: since 1997.
Location: Calama – Region II
Products: electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Salvador

Type of mine: underground mine and open pit mine
Operating: since 1926
Location: Salvador – Region III
Products: electro refined and electrolytic (electro-obtained) copper cathodes and copper concentrate

Andina

Type of mines: underground and open pit mines
Operating: since 1970
Location: Los Andes – Region V
Product: copper concentrate

El Teniente
Type of mine: underground mine
Operating: since 1905
Location: Rancagua – Region VI
Products: fire-refined copper and copper anodes

Ministro Hales
In charge of the future development of the open pit mine Ministro Hales whose authorization is dated November 19, 2010.The estimated date for the start of operations is the first quarter of 2014.

Gabriela Mistral
Type of mine: open pit mine
Operating: since 2008
Location: Calama – Region II
Products: electrolytic (electro-obtained) cathodes

a) Head Office Distribution

Revenue and expenses controlled by the Head Office are allotted to operating segments based on the criteria detailed as follows.

Main items are allocated according to the following criteria:

Sales and Cost of Sales of Head Office commercial transactions

- Distribution to the operating segments made proportionally to the value of the products and sub-products invoiced by each division.

Other income, by function

- Other income by function, associated and identified with each operating segment, is allotted directly.
- Recognition of realized profits and other income by function of subsidiaries is distributed in proportion to the operating income of each operating segment.
- The remaining other income is distributed in proportion to the addition of balances of “other income” and “finance income” of the respective operating segment.

Distribution costs

- Expenses associated and identified with each operating segment are allotted directly.
- Distribution costs of subsidiaries are allotted in proportion to the operating income of each operating segment.

Administrative Expenses

- Administrative expenses associated and identified with each segment are allotted directly.
- Administrative expenses are recorded in cost centers associated with the sales function. Administrative expenses of subsidiaries are distributed in proportion to the operating income of each operating segment.
- Administrative expenses recorded in cost centers associated with the supply function are allocated in relation to material account balances in each division warehouse
- The remaining administrative expenses are distributed in relation to operating cash expenses of each operating segment.

Other Expenses, by function

- Expenses associated and identified with each operating segment are allotted directly.
- Expenses for pre-investment studies and other expenses of subsidiaries by function are distributed in proportion to the operating income of each operating segment.

Other Earnings

- Other earnings associated and identified with each individual operating segment are allotted directly
- Other earnings of subsidiaries are distributed in proportion to the operating income of each operating segment.

Finance Income

- Finance income associated and identified with each operating segment is allotted directly.
- Finance income of subsidiaries is distributed in proportion to the operating income of each operating segment.
- The remaining finance income is distributed in relation to the operating cash expenses of each operating segment.

Finance costs

- Finance costs associated and identified with each operating segment in particular are allotted directly.
- Finance costs of subsidiaries are distributed in proportion to the operating income of each operating segment.

Share in profit (losses) of Associates and joint ventures, which are accounted for using the equity method

- The share in profit or losses of associates and joint ventures identified for each individual operating segment is allotted directly.

Foreign currency conversion

- Foreign currency conversion identifiable with each individual operating segment is allotted directly.
- Foreign currency conversion of subsidiaries is distributed in proportion to the operating income of each operating segment.
- The remaining foreign currency conversion is distributed in relation to operating cash expenses of each operating segment.

Contribution to the Treasury of Chile Law No. 13.196

- The amount of the contribution is distributed and accounted for in relation to values invoiced and accounted for in the copper and sub-product exports of each operating segment, subject to taxation.

Income tax income (expenses)

- First category income tax (corporate), of D.L. 2.398 and specific mining tax are distributed based on the pre-tax income of each operating segment, considering for this purpose the income and expenses distribution criteria of the Head Office and subsidiaries mentioned above.

- Other tax expenses are distributed in proportion to the first category income tax, specific mining tax and D.L. 2.398 allotted to each operating segment.

b) Transactions between segments

Transactions between segments are made up mainly by products processing services (or maquilas), which are recognized as revenue for the segment that makes maquilas and as the cost of sales for the segment that receives the service. Such recognition is performed in the period in which these services are provided, as well as disposal of both factors on corporate financial statements.

c) Cash flow from segments

The operating segments defined by the Corporation, maintain a cash management which refers mainly to operational activities that need to be covered periodically with fixed funds constituted in each of these segments and whose amounts are not significant in the context of the category Corporate balances cash and cash equivalents.

Conversely, activities such as obtaining financing, investment and payment of relevant duties are mainly based at the Head Office.

d) Impairment

No reversals of impairment were made during the twelve months ended December 31, 2013 and 2012, respectively.

e) Anglo American Sur S.A. participation

The effect of the result of the acquisition of Anglo American Sur S.A. on the assets and liabilities of the Corporation are shown separately.

The following tables detail the financial information organized by operating segments:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

From 1/1/2013 to 12/31/2013											
Segments	Chuquicamata	R. Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Total Segments	Subsidiaries, associates and Head office, net	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of the Corporation´s copper	2,434,670	2,557,653	752,018	1,634,777	3,242,284	476,663	909,419	-	12,007,484	14,695	12,022,179
Revenue from sales of copper bought from third parties	-	-	-	51,856	-	83,083	-	-	134,939	1,762,462	1,897,401
Revenue from sales of molybdenum	141,172	26,524	21,944	145,070	158,679	-	-	-	493,389	-	493,389
Revenue from sales of other products	113,065	-	74,121	4,665	105,427	250,015	(2,643)	-	544,650	-	544,650
Revenue from futures market	1,248	922	(1,380)	(208)	(4,630)	-	1,309	-	(2,739)	1,403	(1,336)
Revenue between segments	128,815	-	20,530	392	651	61,505	-	-	211,893	(211,893)	-
Revenue from regular activities	2,818,970	2,585,099	867,233	1,836,552	3,502,411	871,266	908,085	-	13,389,616	1,566,667	14,956,283
Cost of sales of the Corporation´s copper	(1,937,561)	(1,414,307)	(850,867)	(1,034,347)	(1,903,854)	(490,062)	(673,664)	-	(8,304,662)	5,653	(8,299,009)
Cost of sales of copper bought from third parties	-	-	-	(37,528)	-	(84,045)	-	-	(121,573)	(1,753,086)	(1,874,659)
Cost of sales of molybdenum	(70,922)	(24,969)	(15,089)	(38,637)	(42,400)	-	-	-	(192,017)	-	(192,017)
Cost of sales of other products	(24,798)	-	(42,551)	(240)	(92,989)	(275,552)	-	-	(436,130)	-	(436,130)
Cost of sales between segments	(296,087)	166,538	(45,230)	19,991	56,074	(113,179)	-	-	(211,893)	211,893	-
Cost of sales	(2,329,368)	(1,272,738)	(953,737)	(1,090,761)	(1,983,169)	(962,838)	(673,664)	-	(9,266,275)	(1,535,540)	(10,801,815)
Gross Profit	489,602	1,312,361	(86,504)	745,791	1,519,242	(91,572)	234,421	-	4,123,341	31,127	4,154,468
Other revenue per function	36,167	6,343	11,045	4,228	12,406	2,334	3,982	4,498	81,003	81,549	162,552
Distribution costs	(181)	(41)	(36)	(218)	(256)	-	-	-	(732)	(10,325)	(11,057)
Administrative expenses	(45,428)	(20,965)	(23,787)	(29,470)	(77,532)	(12,252)	(47,891)	(10,884)	(268,209)	(203,353)	(471,562)
Other expenses per function	29,884	(37,698)	(149,014)	(23,814)	(103,459)	(3,998)	(11,753)	(28)	(299,880)	(56,917)	(356,797)
Law 13,196	(247,071)	(256,475)	(81,071)	(148,883)	(284,482)	(48,477)	(90,178)	-	(1,156,637)	-	(1,156,637)
Other gains (losses)	-	-	-	-	-	-	-	-	-	52,249	52,249
Finance income	2,229	1,004	774	341	3,156	423	150	32	8,109	20,742	28,851
Finance costs	(113,050)	(26,060)	(6,755)	(128,175)	(60,730)	(5,231)	(29,752)	93,012	(276,741)	(50,372)	(327,113)
Share in the profit (loss) of associates and joint ventures accounted by the equity method	62	-	426	1,136	-	-	-	-	1,624	442,509	444,133
Exchange differences	104,123	22,700	15,482	19,246	44,205	8,735	10,142	4,331	228,964	(16,141)	212,823
Profit (loss) before taxes	256,337	1,001,169	(319,440)	440,182	1,052,550	(150,038)	69,121	90,961	2,440,842	291,068	2,731,910
Income tax expenses	(125,759)	(628,972)	202,265	(284,678)	(673,730)	88,936	(38,522)	(7,325)	(1,467,785)	(149,554)	(1,617,339)
Profit (loss)	130,578	372,197	(117,175)	155,504	378,820	(61,102)	30,599	83,636	973,057	141,514	1,114,571

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

From 1/1/2012 to 12/31/2012												
Segments	Chuquicamata	R. Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Total Segments	Subsidiaries, associates and Head office, net	Participacition of Anglo American Sur	Total Consolidated
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Revenue from sales of the Corporation´s copper	3,031,820	3,235,066	704,655	1,791,456	3,304,523	455,473	1,058,421	-	13,581,414	(25,045)	-	13,556,369
Revenue from sales of copper bought from third parties	-	-	-	-	-	94,717	-	-	94,717	1,574,244	-	1,668,961
Revenue from sales of molybdenum	222,108	42,380	24,763	100,192	154,598	-	-	-	544,041	-	-	544,041
Revenue from sales of other products	216,207	-	95,268	8,950	241,560	293,901	-	-	855,886	(250)	-	855,636
Revenue from futures market	(163,893)	(195,229)	(39,792)	(116,313)	(190,211)	-	(59,032)	-	(764,470)	(105)	-	(764,575)
Revenue between segments	101,312	-	44,323	1,273	1,459	62,315	-	-	210,682	(210,682)	-	-
Revenue from regular activities	3,407,554	3,082,217	829,217	1,785,558	3,511,929	906,406	999,389	-	14,522,270	1,338,162	-	15,860,432
Cost of sales of the Corporation´s cooper	(2,330,624)	(1,499,992)	(777,199)	(927,794)	(1,621,932)	(471,960)	(601,496)	-	(8,230,997)	(4,444)	-	(8,235,441)
Cost of sales of cooper bought from third parties	-	-	-	-	-	(106,891)	-	-	(106,891)	(1,539,773)	-	(1,646,664)
Cost of sales of molybdenum	(69,583)	(24,702)	(15,997)	(24,417)	(41,039)	-	-	-	(175,738)	-	-	(175,738)
Cost of sales of other products	(63,038)	(3)	(51,989)	(505)	(143,485)	(291,037)	-	-	(550,057)	-	-	(550,057)
Cost of sales between segments	(231,605)	139,477	(78,388)	9,795	26,334	(76,295)	-	-	(210,682)	210,682	-	-
Cost of sales	(2,694,850)	(1,385,220)	(923,573)	(942,921)	(1,780,122)	(946,183)	(601,496)	-	(9,274,365)	(1,333,535)	-	(10,607,900)
Gross Profit	712,704	1,696,997	(94,356)	842,637	1,731,807	(39,777)	397,893	-	5,247,905	4,627	-	5,252,532
Other revenue per function	56,708	9,724	9,832	5,722	44,385	1,803	6,913	178	135,265	29,840	3,927,234	4,092,339
Distribution costs	(101)	(65)	(43)	(187)	(236)	-	-	-	(632)	(12,022)	-	(12,654)
Administrative expenses	(65,390)	(52,736)	(24,958)	(34,409)	(76,044)	(14,322)	(36,946)	458	(304,347)	(239,184)	-	(543,531)
Other expenses per function	535,860	1,297	(47,045)	(89,088)	(35,744)	(23,393)	(7,085)	42	(736,906)	(89,495)	(136,322)	(962,723)
Law 13,196	/306,646)	(304,490)	(73,765)	(153,965)	(284,861)	(47,871)	(98,310)	-	(1,269,908)			(1,269,908)
Other gains (losses)	-	-	-	-	-	-	-	-	-	35,400	-	35,400
Finance income	4,005	1,701	889	1,436	6,460	899	465	25	15,880	43,143	-	59,023
Finance costs	(89,037)	(22,209)	(5,281)	(132,569)	(78,146)	(3,573)	(62,543)	(32)	(393,390)	(12,888)	-	(406,278)
Share in the profit (loss) of associates and joint ventures accounted by the equity method	159	-	(90)	294	-	-	(31,033)	-	(30,670)	487,900	-	457,230
Exchange differences	(80,094)	(10,615)	(25,070)	(28,897)	(35,311)	(4,687)	(9,302)	1,544	(192,432)	26,631	-	(165,801)
Profit (loss) before taxes	(303,552)	1,319,604	(259,887)	410,974	1,272,280	(130,921)	160,052	2,215	2,470,765	273,952	3,790,912	6,535,629
Expenses by taxes on profits	138,888	(885,691)	158,072	(284,911)	(825,989)	79,262	(129,879)	(4,553)	(1,754,801)	(31,540)	(759,127)	(2,545,468)
Profit (loss)	(164,664)	433,913	(101,815)	126,063	446,291	(51,659)	30,173	(2,338)	715,964	242,412	3,031,785	3,990,161

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

The assets and liabilities related to each operating segment, including the Corporation's head office as of December 31, 2013 and of December 31, 2012 are detailed in the following tables:

12/31/2013

Account	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Subsidiaries, associates and Head office, net	Participation Anglo American Sur	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	1,052,825	741,528	410,839	336,743	785,660	250,815	368,231	168,686	1,110,302	198,611	5,424,240
Non-current assets	3,721,726	1,620,915	691,550	3,782,954	4,244,771	261,878	1,084,670	3,799,355	2,347,704	6,375,400	27,930,923
Current liabilities	526,944	218,826	180,856	237,748	450,063	175,146	124,236	135,123	1,659,755	70,059	3,778,756
Non-current liabilities	1,065,178	260,946	178,384	233,453	796,866	39,143	79,831	38,214	13,681,941	794,831	17,168,787

12/31/2012

Account	Chuquicamata	Radomiro Tomic	Salvador	Andina	El Teniente	Ventanas	G. Mistral	M. Hales	Subsidiaries, associates and Head office, net	Participation Anglo American Sur	Consolidated Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	1,348,606	850,741	449,560	309,229	854,587	206,191	550,637	120,102	1,841,693	3,281	6,534,627
Non-current assets	3,304,986	1,535,565	637,243	3,507,881	3,716,190	252,403	1,049,336	2,222,911	2,069,180	6,829,755	25,125,450
Current liabilities	849,472	232,009	164,586	219,207	510,923	156,769	219,483	249,908	1,491,943	44,672	4,138,972
Non-current liabilities	1,252,439	260,746	160,320	253,355	829,236	39,255	93,336	-	10,989,800	1,463,606	15,342,093

Revenue classified by geographical area is detailed as follows:

Revenue per geographical areas	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Total revenue from local customers	1,295,272	1,270,364
Total revenue from foreign customers	13,661,011	14,590,068
Total	14,956,283	15,860,432

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Revenue per geographical areas	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
China	3,543,606	4,147,385
Rest of Asia	2,591,990	3,216,510
Europe	2,215,853	2,616,138
America	3,383,076	3,672,924
Others	3,221,758	2,207,475
Total	14,956,283	15,860,432

The main customers of the Corporation are listed in the following table:

Principal Clients	Country	1/1/2013 12/31/2013 ThUS$
Southwire Company	USA	788,969
Nexans France	France	636,798
Trafigura Pte Ltd	Singapore	473,703
Red Kite Master Fund Ltd.	USA	473,561
Wanxiang Resources	China	370,828
Mitsui & Co., Ltd.	Japan	370,267
N.V. Umicore S. A.	Belgium	302,726
Cobre Cerrillos S.A.	Chile	280,561
Lg International Corporation	South Korea	242,347
Hangzhou Tianan Economic	China	230,438
Total		4,170,198

Sales are allocated to different geographical areas depending on the residence of the clients that have signed sales contracts with Codelco.

Non-current assets other than financial instruments, deferred tax assets, Post-employment benefit assets, and rights arising under insurance contracts, are located mainly in Chile, with no significant exceptions, located in foreign subsidiaries, and which do not exceed more than 1% of such assets.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

24. Foreign exchange differences

According to Decree Law 1.350, the Corporation maintains its accounting records in United States dollars (US$), recording transactions in currencies other than U.S. dollars at the exchange rate current at the date of each transaction and subsequently updating them, when necessary, according to the exchange rate determined by the Superintendency of Securities and Insurance as of closing reporting for each of the financial statements.

The following table summarizes the foreign exchange differences included in the consolidated statements of income:

Gain (loss) from foreign exchange differences recognized in income	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Gain from foreign exchange differences	292,666	131,329
Loss from foreign exchange differences	(79,843)	(297,130)
Total foreign exchange differences, net	212,823	(165,801)

25. Statement of cash flows

The following table shows the items that comprise other collections and payments from operating activities in the Statement of Cash Flows:

Other collections from operating activities	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
VAT Refund	1,807,834	1,749,426
Other	331,852	412,455
Total	2,139,686	2,161,881

Other payments for operating activities	1/1/2013 12/31/2013 ThUS$	1/1/2012 12/31/2012 ThUS$
Contribution to the Chilean Treasury (Law No. 13,196)	(1,197,555)	(1,263,896)
Finance hedges and sales	(50,808)	(780,529)
VAT and other similar taxes paid	(1,436,493)	(1,517,673)
Total	(2,684,856)	(3,562,098)

26. Financial risk management, objectives and policies

Codelco has created committees within its organization to generate strategies with which to minimize the financial risks to which it may be exposed.

The risks to which Codelco is exposed are detailed as follows, along with a brief description of the management procedures that are carried out in each case.

a. Financial risks

- Exchange rate risk:

According to IFRS 7, exchange rate risk is understood to be the risk that arises from financial instruments that are denominated in foreign currencies, that is, a currency other than the Corporation's functional currency (U.S. dollar).

Codelco's activities that generate this exposure correspond to funding in UF, accounts payable and receivable in Chilean pesos, other foreign currencies used in its business operations and obligations with employees.

The majority of transactions in currencies other than US$ are denominated in Chilean pesos.

Taking the assets and financial liabilities as of December 31, 2013 as the base, a fluctuation (positive or negative) of 10 Chilean pesos against the U.S. dollar (keeping the other variables constant), could affect profits by US$ 63 million or result in losses of US$ 47 million, before taxes. This result is obtained by identifying the principle areas affected by exchange rate, including assets and financial liabilities, in order to measure the impact on income that a variation of +/- 10 Chilean pesos would have to US$, with respect to the real exchange rate as of the date of this financial statement.

Codelco has signed deposits in national currency to cover the effects of exchange rate fluctuations between the dollar and the Chilean peso due to the obligations of the Corporation held in Chilean pesos.

As of December 31, 2013, Codelco does not have balance of these deposits, while at December 31, 2012, the balance is US$ 539 million.

- Interest rate risk:

This risk is generated by interest rate fluctuations in Codelco's investment and financing activities. This movement can affect future cash flows or the market value of fixed rate financial instruments.

These rate variations refer to U.S. dollar variations, mostly with respect to the LIBOR rate. To manage this risk, Codelco maintains an adequate combination of fixed and variable rate debt, which is complemented by the possibility of using interest-rate derivatives to meet the strategic guidelines defined by Codelco's Corporate Finance Department.

It is estimated that, on the basis of net debt as of December 31, 2013, a 1% change in interest rates on the financial liabilities subject to variable interest rates would mean approximately a US$ 22 million change in finance costs, before tax. This estimation is made by identifying the liabilities assigned to variable interest, accrued at the end of the financial statements, which may vary with a change of one percentage point in variable interest rates.

Total fixed and variable interest rate obligations maintained by Codelco as of December 31, 2013, amount to ThUS$ 9,087,163 and ThUS$ 2,738,104 respectively.

b. Market risks

- Commodity price risk:

As a result of its commercial operations and activities, the Corporation's income is mainly exposed to the volatility of copper prices and certain sub-products such as gold and silver.

Copper and molybdenum concentrate sale agreements and copper cathode sale agreements generally provide for provisional pricing of sales at the time of shipment, with final pricing based on the monthly average market price for specified future periods. The host contract is the sale of metals contained in the concentrate or cathode at the provisional invoice price, and the embedded derivative is the forward contract for which the provisional sale is subsequently adjusted. At the reporting date, the provisionally priced metal sales are marked-to-market, with adjustments (both gains and losses) being recorded in revenues in the consolidated statements of comprehensive income. Forward prices at the period end are used for copper sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of assets futures market.

At December 31, 2013, if the future price of copper will vary by + / - 5% (with the other variables constant), the result would vary + / - US$ 195 million before taxes as a result of setting the mark to market of sales revenue to provisional prices in effect at December 31, 2013 (MTMF 562). To estimate indicated, all those physical sales contracts be valued according to the average of the month immediately following the close of the financial statements, and proceeds to estimate what the final settlement price if there is a difference of + identified / - 5% with respect to the future price known to date to this period.

In order to protect your cash flow and adjusted, where necessary, their sales contracts to trade policy, the Corporation has operations in future markets. At the date of presentation of the financial statements, these contracts are adjusted to fair value, recorded this effect, the settlement date of the hedging transactions as part of net product sales.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Forward prices at the period-end are used for copper sales, while period-end average prices are used for molybdenum concentrate sales due to the absence of assets derivative market.

At December 31, 2013, a variation of U.S. ¢ 1 in the price per pound of copper, considering derivatives contracted by the Corporation, involves a change in income or payments for existing contracts (exposures) of ThUS$ 1 before taxes. This calculation is obtained from a simulation curves future copper prices, which are used to assess all those subscribed derivative instruments by the Corporation; estimating so, how would vary the exposure of these instruments, if there is an increase / U.S. ¢ 1 decrease in the price per pound of copper.

No hedging transactions with the specific aim to mitigate the price risk caused by fluctuations in prices of production inputs.

c. Liquidity risk

The Corporation ensures that it has sufficient resources, such as pre-approved credit lines (including refinancing), in order to meet short-term requirements, after considering the necessary working capital for its operations and any other commitments it has.

In this sense, Codelco Chile maintains resources at its disposal sufficient to meet its obligations, whether in cash, liquid financial instruments or credit facilities.

In addition, the Finance Department constantly monitors the Corporation's cash flow projections based on short and long term projections and available financing alternatives. In addition, the Corporation estimates that it has enough room to increase the level of borrowing for the normal requirements of its operations and investments established in its development plan.

In this context, according to current existing commitments with creditors, the cash requirements to cover financial liabilities classified by maturity and presented in the statement of financial position are detailed as follows:

Maturities of financial liabilities at December 31, 2013	Less than a year ThUS$	Between one and five years ThUS$	More than five years ThUS$
Loans from financial institutions	520,893	2,233,831	796,226
Bonds	611,929	-	7,662,388
Finance leases	21,243	49,024	27,216
Derivatives	5,125	1245	-
Other financial liabilities	1,111	77,912	-
Total	1,160,301	2,362,012	8,485,830

d. Credit risk

This risk comprises the possibility that a third party does not fulfill its contractual obligations, thereby causing a loss for the Corporation.

Given the Corporation's sales policy, principally with cash and advance payments and bank letters of credit, the uncollectibility of client debt balances is minimal. This is complemented by the familiarity the Corporation has with its clients and the length of time it has operated with them. Therefore, the credit risk of these transactions is not significant.

In general, the Corporation's other accounts receivable have a high credit quality according to the Corporation's evaluations, based on each debtor's solvency analysis and payment history.

The maximum credit risk exposure as of December 31, 2013 is represented by the financial asset items presented in the Corporation's Statement of Financial Position.

The Corporation's accounts receivable do not include customers with balances that could be classified as a significant concentration of debt and would represent a material exposure for Codelco. This exposure is distributed among a large number of clients and other counterparties.

The client items include allowances, which are not significant, designed to cover possible insolvencies. These provisions are determined based on review of the debt balances and the clients' characteristics, to cover possible insolvencies.

Explanatory note 2 in "Trade and other receivables" presents overdue balances that have not been impaired.

The Corporation estimates that unimpaired amounts overdue over 30 days are recoverable based on clients' historical payment behavior and their existing credit ratings.

As of December 31, 2013 and December 31, 2012, there are no receivable balances that have been renegotiated.

Codelco works with major banks, which have high national and international ratings, and continually assesses them; therefore, the risk that could affect the availability of the Corporation's funds and financial instruments is not significant.

Also, in some cases, to minimize credit risk, the Corporation has contracted credit insurance policies through which it transfers to third parties the commercial risk associated with some aspects of its business.

During the period January-December 2013 and 2012, no assets have been obtained as a result of the execution of guarantees contracted to insure the collection of third party debt.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Personnel loans are mainly generated by mortgage loans, according to programs included in collective agreements, which are guaranteed by housing mortgages which are paid for through payroll discounts.

27. Derivatives contracts

As stated in the Board of Directors' policy, ratified on March 27, 2009, the Corporation has operations to hedge cash flows, to minimize the risk of foreign exchange rate variations and sales price variations, detailed as follows:

a. Exchange rate hedges

The Corporation has protection measurements from exchange rate variations, whose net deferred tax exposure amounts to ThUS$ 5,690, which will expire in April 2025.

The following table summarizes the exposure of the financial hedges contracted by the Corporation:

December 31, 2013

Hedge Item	Bank	Type of derivative contract	Maturity	Currency	Amount of the hedge item ThUS$	Financial Obligation: Hedging Instrument ThUS$	Exposure ThUS$	Asset ThUS$	Liability ThUS$
Bono UF Matur. 2025	Credit Suisse (EE.UU)	Swap	4/1/2015	US$	306,582	208,519	83,838	264,632	(348,470)
Total					306,582	208,519	83,838	264,632	(348,470)

December 31, 2012

Hedge Item	Bank	Type of derivative contract	Maturity	Currency	Amount of the hedge item ThUS$	Financial Obligation: Hedging Instrument ThUS$	Exposure ThUS$	Asset ThUS$	Liability ThUS$
Bono UF Matur. 2025	Credit Suisse (EE.UU)	Swap	4/1/2015	US$	328,523	208,519	121,180	298,773	(419,953)
Total					328,523	208,519	121,180	298,773	(419,953)

Neither at December 31, 2013 nor at December 31, 2012, were there cash deposits for guarantees.

The current methodology for valuing the currency swap, using the bootstrapping technique from the Mid and Mid Swap rates build curves (zero) in UF and USD respectively, from market information.

b. Cash flows and commercial policy adjustment hedging contracts

The Corporation performs transactions in the metal derivatives market, recording their results at maturity. These results are added to or deduced from sales revenue. This addition or deduction is made because sales revenue incorporates the positive or negative effect of market prices. At December 31, 2013, these operations generated a higher net realized income of ThUS$ 2,739 (plus an effect of higher net income equivalents to ThUS$ 1,403 in subsidiaries), which is detailed below:

b.1. Commercial operations of current copper contracts

The purpose of these contracts is to adjust the price of shipments to the price defined in the Corporation's related policy, defined in accordance with the London Metal Exchange (LME). As of December 31, 2013, the Corporation performed derivative market transactions of copper that represent 328,850 metric tons of fine copper. These hedging operations are part of the Corporation's commercial policy.

The current contracts as of December 31, 2013 presenting a ThUS$ 9,808 negative exposure, and their final result will only be known at their maturity, offsetting the hedging transactions with revenue from the sale of the hedged products.

The transactions completed between January 1st and December 31, 2013 generated a net negative effect on net income of ThUS$ 2,039, which is deducted from the amounts paid for purchase contracts and added to the values received for sales contracts of the products affected by these pricing transactions.

b.2. Commercial Transactions of Current Gold and Silver Contracts

As of December 31, 2013 the Corporation maintains contracts for derivatives the sale of gold for MOZT 37 and silver for MOZT 1.832.

The contracts outstanding at December 31, 2013 show a positive exposure of ThUS $1,655. The final result will only be known at the expiration of such operations, after offsetting between hedging and income from the sale of the goods.

The transactions completed between January 1st and December 31, 2013 generated a positive effect on net income of ThUS$ 15,682 which are added to the amounts received from the sales contracts and the sales of porducts related to these transactions. These hedging transactions mature in April 2014.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b.3. Cash flow hedging operations backed by future production

The Corporation does not hold actual transactions at December 31, 2013, resulting from these operations, which allowed protecting future cash flows, by way of ensuring the sales prices levels of production.

Exposure of metal hedges is summarized in the following tables, as referred to in point b above:

December 31, 2013			Maturity date				
ThUS US$	2014	2015	2016	2017	2018	Upcoming	Total
Flex Com Copper (Asset)	5,516	40	-	-	-	-	5,556
Flex Com Copper (Liability)	(14,119)	(1,245)	-	-	-	-	(15,364)
Flex Com Gold/Silver	1,655	-	-	-	-	-	1,655
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	(6,948)	(1,205)	-	-	-	-	(8,153)

December 31, 2012			Maturity date				
ThUS US$	2013	2014	2015	2016	2017	Upcoming	Total
Flex Com Copper (Asset)	685	-	-	-	-	-	685
Flex Com Copper (Liability)	(13,012)	(3,032)	-	-	-	-	(16,044)
Flex Com Gold/Silver	-	-	-	-	-	-	-
Price setting	-	-	-	-	-	-	-
Metal options	-	-	-	-	-	-	-
Total	(12,328)	(3,032)	-	-	-	-	(15,359)

December 31, 2013			Maturity date				
Th of TM/Ounces	2014	2015	2016	2017	2018	Upcoming	Total
Copper Futures [TM]	279.0	50.0	-	-	-	-	329.0
Gold/Silver Futures [MOZ]	1,869.0	-	-	-	-	-	1,869.0
Copper price setting [TM]	-	-	-	-	-	-	-
Copper Options [TM]	-	-	-	-	-	-	-

December 31, 2012	Maturity date					
Th of TM/Ounces	2013	2014	2015	2016	2017	Upcoming	Total
Copper Futures [TM]	323.0	51.0	-	0.5	-	-	374.5
Gold/Silver Futures [MOZ]	-	-	-	-	-	-	-
Copper price setting [TM]	-	-	-	-	-	-	-
Copper Options [TM]	-	-	-	-	-	-	-

28. Contingencies and restrictions

a) Litigations and contingencies

There are various lawsuits and legal actions initiated by or against the Corporation, which derive from its operations and the industry in which it operates. In general, these are civil, tax, labor and mining litigations, all related to the Corporation's activities.

In the opinion of Management and its legal advisors, the lawsuits in which the Corporation is being sued, and could have negative results; do not represent significant loss contingencies or cash flows. Codelco defends its rights and employs all corresponding relevant legal instances, resources and procedures.

The most significant lawsuits that involve Codelco are related to the following matters:

- Tax Lawsuits: There are several tax lawsuits due to Internal Revenue Service tax assessments, for which the Corporation has filed the corresponding opposition.

- Labor Lawsuits: Labor lawsuits filed by workers of the Andina Division against the Corporation, relating to occupational illness (silicosis).

- Mining and Other Lawsuits derived from operations: The Corporation has been participating and will probably continue to participate as a claimant and defendant in certain lawsuits relating to its operations and mining activities, through which it seeks to exercise or oppose certain actions or exceptions with regard to certain mining concessions that have been established or are pending constitution, and its other activities. These processes do not currently have a fixed amount and not essentially affect the development of Codelco.

A case by case analysis of these lawsuits has shown that there are a total of 208 cases that have a clearly estimated value. It is estimated that 126 of these, which represent 60.58% of the total and which amount to ThUS$ 48,546, could have a negative impact on the Corporation. There are also 71 lawsuits, representing 34.13% of the total and which amount to ThUS$ 278, about which there is no certainty that the outcome would be unfavorable for Codelco. For the 11 remaining cases, amounting to ThUS$ 145, the Corporation's legal advisors believe that an unfavorable outcome is unlikely. In addition, there are 107 lawsuits for undetermined amounts. It is believed that the result of 39 of these could be unfavorable to Codelco.

The Corporation received two Liquidations N ° 45, 46 and 47, issued on 29 June, 2012 by the Large Taxpayers Internal Revenue Service (SII), all relating to the audit of the transactions that the Corporation has the associate company Copper Partners Investment Company Limited, for which Codelco has asked the Review of the Performance Audit (RAF), adding to similar review requested by Overstock N ° 1 and N ° 2 and SDF Ex. Resolution No. 1 issued dated July 30, 2010 by the Division of Control of IBS in relation to transactions of the same species before indicated. IBS, date of December 23, 2013, invited the Corporation for the conciliation procedure. January 21, 2014, the SDF exempted its resolution N ° 178/2014, Branch Control is delivered in the revision of the supervisory action, under the Liquidations N ° 1 and N ° 2 and SDF Ex. The Corporation launched an attempt to reposition that service, requesting in January 27, 2014, the reconsideration of the resolution N ° 178/2014. In March 4, 2014, the IBS in response granted the application of evidentiary procedure special made by the company.

For litigation costs and potential loss, the necessary provisions exist, which are recorded as contingency provisions.

As is public knowledge, the Corporation has submitted Appeals for Protection before the respective Courts of Appeals, challenging the findings reported by the Labor Department, deriving from inspections performed under the framework of Law No.20.123, which regulates subcontracted work schemes and temporary service firms. Five of these appeals were accepted and one was rejected, the latter of which has been appealed by the Corporation. All appeals are currently pending in the Supreme Court.

b) Other Commitments

i. On February 29, 2010, the Board agreed to continue mining operations of the Salvador Division until 2016, and if market and operating conditions are maintained, until 2021, both extensions are subject to the condition that management improvements and cost reduction commitments made by the Division are met, these commitments were filed at the Board of Directors in August 2010, and the extension was approved.

ii. On May 31, 2005, Codelco, through its subsidiary Codelco International Ltd. signed an agreement with Minmetals to form a company, Copper Partners Investment Company Ltd., in which both companies have an equal equity interest. A 15-year copper cathode sales contract to that associated company was agreed upon, as well as a purchase contract from Minmetals to the latter for the same period and for equal monthly shipments to complete a total of 836,250 metric tons. Each shipment shall be paid by the buyer at a price formed by a fixed re-adjustable component plus a variable component, which depends on current copper prices at the time of shipment.

During the first quarter of 2006 and on the basis of the negotiated financial terms, financing contracts were formalized with the China Development Bank allowing Copper Partners Investment Company Ltd. to make the US$550 million advance payment to Codelco in March 2006.

As of December 31, 2013, the contract is operational, and monthly shipments began in June 2006.

With regard to financial obligations incurred by the associate Copper Partners Investment Company Ltd. with the China Development Bank, Codelco Chile and Codelco International Ltd. must meet certain commitments, mainly relating to the delivery of financial information. In addition, Codelco Chile must maintain 51% ownership of Codelco International Limited.

According to the Sponsor Agreement, dated March 8, 2006, the Codelco International Ltd. subsidiary gave its participation in Copper Partners Investment Company Limited as a guarantee to the China Development Bank.

Subsequently, on March 14, 2012, Copper Partners Investment Company Ltd. paid off his debt to the abovementioned bank. As of December 31, 2013, Codelco does not hold any indirect guarantee regarding its participation in this associated company.

iii. Regarding the financing agreement signed on August 23, 2012, between the subsidiary, Gacrux Inversiones SpA and Mitsui & Co. Ltd. for the acquisition of the 24.5% stake in Anglo American Sur S.A, which was subsequently amended on October 31, 2012, includes a pledge over the shares that the subsidiary has on Acrux Inversiones SpA (shared participation with Mitsui and minority shareholder in Anglo American Sur S.A.), in order to ensure compliance with the obligations that the financial agreement contemplates.

This pledge extends to the right to collect and receive from Acrux, dividends which have been agreed in the corresponding meetings of shareholders of the company and any other distributions paid or payable to Gacrux respect of the pledged shares.

iv. The Corporation has signed gas supply contracts with its associate GNL Mejillones S.A., which began operations in October 2010, and through this contract, the associate agrees to sell part of a minimum equivalent to 27 Terra BTU's (British Thermal Units) per year during the 2010 - 2012 period. Additionally, the Corporation has signed an option contract together with other participating mining companies that includes the option to:

- Acquire the right to the long-term use of the terminal's capacity from the end of the contract, or

- To acquire the company's shares; the companies are committed to choosing one or other of these two alternatives.

On December 31, 2013, the Corporation does not have guarantees of the derivative transactions made by GNL Mejillones S.A.

v. Law 19,993 dated December 17, 2004, which authorized the purchase of the Fundición y Refinería Las Ventanas assets from ENAMI, established that the Corporation must ensure that the smelting and refining capacity required is maintained, without any restriction and limitation, for treating the products of the small and medium mining sector sent by ENAMI, under the form of toll production mode or another form agreed upon by the parties.

vi. Obligations with the public for bond issues means that the Corporation must meet certain restrictions related to limits on pledges and leaseback transactions on its principal assets and on its ownership interest in subsidiaries.

The Corporation, at December 31, 2013 and 2012, has complied with these conditions.

vii. On January 20, 2010, the Corporation signed two energy supply contracts with Colbún S.A., which includes energy and power purchases for a total of 351 MW. The contract provides a discount for that energy consumption due to lower demand from Codelco's SIC divisions with respect to the amount of contracted power. The discount is equivalent to the value of the sale of that energy on the spot market.

In addition, through a supplementary agreement, Codelco has ensured the supply by Colbún of 159 MW, adapted to Codelco’s long-term energy and power requirements from the SIC of approximately 510 MW.

This contract is based on energy production from Colbún’s Santa María thermal power station, which is currently under construction. This plant is coal-fired, and therefore the electric energy tariff rate applied for the energy supplied to Codelco is linked to the price of coal.

Through these contracts, which operate through take or pay, the Corporation agrees to pay for the contracted energy and Colbún undertakes to return at market price the energy not consumed by Codelco.

These contracts have maturity date in 2027 and 2045.

viii. On November 6, 2009, Codelco signed the following long-term electric energy supply contracts with ELECTROANDINA S.A.(associate until January 2011), with a maturity in 2017:

- This Contract replaces the one signed on November 22, 1995, for the supply of electricity to the Chuquicamata work center, for a 15-year term beginning in January 2010 for between 200 and 280 MW in power and all associated electric energy. The approximate cost of the contract is US$1,380 million for the whole period.

- Modification of the contract dated December 21, 1995 for the Radomiro Tomic work center, for a maximum power of 110 MW, in which new prices are established, for the power and energy contemplated in the contract as well as their new adjustment formulas from January 2010.

ix. On November 11, 2011, Law No. 20.551 was published in the Official Journal, which regulates the tasks and closure of mining facilities. Additionally, on November 22, 2012, the Decreto Supremo No. 41 of the Ministerio de Minería, which approves the Regulations of this law was published in the Diario Oficial.

This law requires the Corporation, among other requirements, to provide financial guarantees to the State to ensure the implementation of closure plans. It also establishes the obligation to make contributions to a fund which aims to cover the costs of post-closure activities.

The Corporation, in accordance with the mentioned regulation, must provide to SERNAGEOMIN the Mine Closure Plan in October 2014, while in April 2015 it must submit a proposal for the creation of guaranties. In the month of June 2015, Codelco should create guarantees for the initial 20% of the obligation under the regulations of this Code. The remaining 80% should be adjusted proportionately each year over the remaining period of fourteen years. The guarantee will be determined in present value of all actions and measures within the mine closure plan.

The Corporation is in the process of updating its mine closure plan and the process of valuation, which must comply with the requirements of Law No. 20,551, considering that the accounting liability record caused by this obligation, differs from the law's requirement, mainly by differences concerning the horizon that is considered for the projection of flows, in which the law requires the determination of the obligations in terms of mineral reserves, while the financial-accounting approach incorporates some of its mineral resources. Therefore, the discount rate established by law, may differ from that used by the Corporation under the criteria set out in IAS 37 and described in Note 2, letter o) of Main Accounting Policies.

x. In order to finance investments and refinance liabilities during the third quarter of 2013 the Corporation signed some bilateral financial institutions financing of US$ 1,200 million. These agreements establish periods of availability of funds, which give the borrower the flexibility to draw funds when required. At the end of the third quarter, Codelco had turned US$ 600 million under these agreements. "

xi. On May 24, 2012, the Corporation has signed with Japan Bank for International Cooperation and Bank of Tokyo-Mitsubishi UFJ Ltd., a financing contract for up to US$ 320 million for the development, construction and operation of a plant metal processing in the second region of Chile, of which at December 31, 2013, have been drawn ThUS$ 29,000.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

xii. On August 24, 2012, Codelco through its subsidiary Inversiones Mineras Nueva Acrux (Nueva Acrux) SpA (which minority shareholder is Mitsui), signed a contract with Anglo American Sur S.A.. Under this contract Codelco agreed to sell a portion of its annual copper production to the mentioned subsidiary, who in turn agrees to purchase such production.

Such annual portion is determined by the share of Codelco's indirect subsidiary, Inversiones Mineras Becrux SpA (also shared ownership with Mitsui), maintained for the shares of Anglo American Sur S.A.

In turn, Nueva Acrux agrees to sell to Mitsui, the products purchased under the agreement described in the preceding paragraphs.

The term of the contract will occur when the shareholders agreement of Anglo American Sur S.A ends or other events related to the completion of mining activities of the company take place.

29. Guarantees

The Corporation as a result of its activities has received and given guarantees.

The following tables list the main guarantees given to financial institutions:

Direct Guarantees provided to Financial Institutions				
Creditor of the Guarantee	Type of guarantee	12/31/2013		12/31/2012
		Maturity	ThUS$	ThUS$
Oriente Copper Netherlands B.V.	Pledge on shares	Nov-32	877,813	877,813
Total			877,813	877,813

Indirect Guarantees given to Financial Institutions					
Creditor of the Guarantee	Debtor guaranteed	Relationship	Type of guarantee	12/31/2013 ThUS$	12/31/2012 ThUS$
Barclays Bank PLC	Sociedad GNL Mejillones S.A.	Associate	Guarantee	-	37,000
Morgan Stanley Capital Group INC.	Sociedad GNL Mejillones S.A.	Associate	Guarantee	-	148,000
Koch Supply & Trading LP	Sociedad GNL Mejillones S.A.	Associate	Guarantee	-	44,400
Total				-	229,400

As for the documents received as collateral, they cover mainly obligations of suppliers and contractors related to the various development projects. Below are given the amounts received as collateral, grouped according to the Operating Divisions that have received these amounts:

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Guarantees received from third parties		
Division	12/31/2013 ThUS$	12/31/2012 ThUS$
Andina	40,112	23,469
Chuquicamata	39,424	51,784
Casa Matriz	580,823	483,711
Radomiro Tomic	7,233	19,164
Salvador	31,626	42,149
Ministro Hales	1,648	7,925
El Teniente	80,345	74,274
Ventanas	3,628	4,184
Gabriela Mistral	845	21,075
Total	785,684	727,735

30. Balances in foreign currency

a) Assets by Type of Currency

Item	12/31/2013 ThUS$	12/31/2012 ThUS$
Liquid assets	756,297	1,272,532
US Dollars	703,513	702,901
Euros	31,712	1,626
Other currencies	4,474	6,208
Non-indexed Ch$	14,691	560,976
U.F.	1907	821
Cash and Cash Equivalents	750,670	1,263,823
US Dollars	699,809	699,317
Euros	31,373	1,168
Other currencies	4,474	4,761
Non-indexed Ch$	13,107	557,756
U.F.	1907	821
Other current financial assets	5,627	8,709
US Dollars	3,704	3,584
Euros	339	458
Other currencies	-	1,447
Non-indexed Ch$	1,584	3,220
U.F.	-	-
Short and long term receivables	2,356,185	2,618,459
US Dollars	1,808,056	1,907,509
Euros	69,143	114,457
Other currencies	1,717	20,985
Non-indexed Ch$	473,598	568,730
U.F.	3,671	6,778
Trade and other receivables	2,186,182	2,376,013
US Dollars	1,776,949	1,837,446
Euros	68,174	113,241
Other currencies	1,699	20,920
Non-indexed Ch$	335,689	397,628
U.F.	3,671	6,778

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Item	12/31/2013 ThUS$	12/31/2012 ThUS$
Rights receivables, non-current	138,896	171,699
US Dollars	-	2
Euros	969	1,216
Other currencies	18	65
Non-indexed Ch$	137,909	170,416
U.F.	-	-
Due from related companies, current	30,883	29,442
US Dollars	30,883	28,815
Euros	-	-
Other currencies	-	-
Non-indexed Ch$	-	627
U.F.	-	-
Due from related companies, non-current	224	41,305
US Dollars	224	41,246
Euros	-	-
Other currencies	-	-
Non-indexed Ch$	-	59
U.F.	-	-
Rest of assets	30,242,681	27,777,062
US Dollars	27,396,894	24,738,635
Euros	383,148	431,024
Other currencies	28,506	32,335
Non-indexed Ch$	2,103,094	2,166,828
U.F.	331,039	408,240
Total Assets	33,355,163	31,668,053
US Dollars	29,908,463	27,349,045
Euros	484,003	547,107
Other currencies	34,697	59,528
Non-indexed Ch$	2,591,383	3,296,534
U.F.	336,617	415,839

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

b) Liability by type of currency:

Current liability by currency	12/31/2013		12/31/2012	
	Up to 90 days ThUS$	90 days to 1 year ThUS$	Up to 90 days ThUS$	90 days to 1 year ThUS$
Current liabilities	3,025,377	753,379	3,325,680	813,292
US Dollars	2,156,736	741,045	1,980,142	775,889
Euros	59,610	-	5,520	37,403
Other currencies	3,773	-	1,184	-
Non-indexed Ch$	795,943	6380	1,330,388	-
U.F.	9,315	5,954	8,446	-
Other current financial liabilities	412,234	748,067	51,487	813,292
US Dollars	371,179	741,045	45,409	775,889
Euros	34,994	-	-	37,403
Other currencies	-	-	-	-
Non-indexed Ch$	1,583	2,328	1,009	-
U.F.	4,478	4,694	5,069	-
Bank loans	337,406	183,487	400	219,286
US Dollars	302,412	181,887	-	181,883
Euros	34,994	-	-	37,403
Other currencies	-	-	-	-
Non-indexed Ch$	-	844	-	-
U.F.	-	756	400	-
Obligations	62,384	549,545	-	594,006
US Dollars	59,267	549,545	-	594,006
Euros	-	-	-	-
Other currencies	-	-	-	-
Non-indexed Ch$	-	-	-	-
U.F.	3,117	-	-	-
Finance lease	6,208	15,035	35,601	-
US Dollars	4,374	9,613	30,715	-
Euros	-	-	-	-
Other currency	-	-	-	-
Non-indexed Ch$	473	1,484	217	-
U.F.	1,361	3,938	4,669	-
Others	6,236	-	15,486	-
US Dollars	5,126	-	14,694	-
Euros	-	-	-	-
Other currencies	-	-	-	-
Non-indexed Ch$	1,110	-	792	-
U.F.	-	-	-	-
Other current liabilities	2,613,143	5,312	3,274,193	-
US Dollars	1,785,557	-	1,934,733	-
Euros	24,616	-	5,520	-
Other currencies	3,773	-	1,184	-
Non-indexed Ch$	794,360	4,052	1,329,379	-
U.F.	4,837	1,260	3,377	-

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Non- Current liability by currency	12/31/2013				12/31/2012			
	1 to 3 years ThUS$	3 to 5 years ThUS$	5 to 10 years ThUS$	More than 10 years ThUS$	1 to 3 years ThUS$	3 to 5 years ThUS$	5 to 10 years ThUS$	More than 10 years ThUS$
Non-Current liabilities	8,074,278	607,395	4,741,700	3,745,414	7,512,271	974,667	3,942,371	2,912,783
US Dollars	6,903,208	602,033	4,714,661	3,416,873	5,937,436	974,667	3,942,371	2,559,055
Euros	-	-	-	-	-	-	-	-
Other currencies	29	-	-	-	-	-	-	-
Non-indexed Ch$	1,000,803	736	1284	-	1,515,446	-	-	-
U.F.	170,238	4,626	25,755	328,541	59,389	-	-	353,728
Other non-current financial liabilities	1,754,617	607,395	4,740,416	3,745,414	1,465,498	974,667	3,942,371	2,879,788
US Dollars	1,731,231	602,033	4,714,661	3,416,873	1,441,452	974,667	3,942,371	2,526,060
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	4,349	736	-	-	-	-	-	-
U.F.	19,037	4,626	25,755	328,541	24,046	-	-	353,728
Bank loans	1,639,536	594,295	28,889	767,337	828,936	939,925	-	809,035
US Dollars	1,638,156	594,295	28,889	767,337	827,164	939,925	-	809,035
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	-	-	-	-	-	-	-
U.F.	1,380	-	-	-	1,772	-	-	-
Obligations	-	-	4,684,311	2,978,077	497,966	-	3,942,371	2,070,753
US Dollars	-	-	4,684,311	2,649,536	497,966	-	3,942,371	1,717,025
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	-	-	-	-	-	-	-	-
U.F.	-	-	-	328,541	-	-	-	353,728
Finance Lease	35,924	13,100	27,216	-	56,564	34,742	-	-
US Dollars	15,009	7,738	1,461	-	34,290	34,742	-	-
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	3,258	736	-	-	-	-	-	-
U.F.	17,657	4,626	25,755	-	22,274	-	-	-
Others	79,157	-	-	-	82,032	-	-	-
US Dollars	78,066	-	-	-	82,032	-	-	-
Euros	-	-	-	-	-	-	-	-
Other currencies	-	-	-	-	-	-	-	-
Non-indexed Ch$	1,091	-	-	-	-	-	-	-
U.F.	-	-	-	-	-	-	-	-
Other liabilities non current	6,319,661	-	1,284	-	6,046,773	-	-	32,995
US Dollars	5,171,661	-	-	-	4,495,984	-	-	32,995
Euros	-	-	-	-	-	-	-	-
Other currencies	29	-	-	-	-	-	-	-
Non-indexed Ch$	996,454	-	1,284	-	1,515,446	-	-	-
U.F.	151,201	-	-	-	35,343	-	-	-

31. Sanctions

As of Decmeber 31, 2013 and December 31, 2012, neither Codelco Chile nor its Directors and Managers have been sanctioned by the Superintendency of Securities and Insurance or any other administrative authorities.

32. Subsequent events

The Company's management is not aware of significant events of financial or other nature, that would affect the financial statements, occurred between 1st January 2014 and the date of issuance of these financial statements (March 27, 2014).

33. Environmental Expenditures

Each of Codelco's operations is subject to national, regional and local regulations related to protection of the environment and natural resources, including standards relating to water, air, noise and disposal and transportation of dangerous residues, among others. Chile has introduced environmental regulations that have companies, including Codelco, to carry out programs to reduce, control or eliminate relevant environmental impacts. Codelco has executed and shall continue to execute a series of environmental projects to comply with these regulations.

Pursuant to the Letter of Values approved in 2010, Codelco is governed by a series of internal policies and regulations that frame its commitment to the environment, including the Sustainable Development Policy (2003) and the Corporate Security, Occupational Health and Environmental Management Policy (2007).

The environmental management systems of the divisions and the Head Office, structure their efforts in order to comply with the commitments assumed by the corporation's environmental policies, incorporating planning, operating, verifying and reviewing elements. As of December 31, 2013, they have received ISO 14001 certification for the environmental management of Chuquicamata, Radomiro Tomic, Andina, Salvador, El Teniente, Ventanas Division, Gabriela Mistral and the Head Office.

To comply with the Circular N°1.901 of 2008 of the Chilean Superintendency of Securities and Insurance, you find below details of the Corporation's main expenditures related to the environment during the period from January, 1, 2013 to December, 31, 2013, and the projected future expenses.

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Project Name	Disbursements 12/31/2013				12/31/2012	Expenditures	
		Project Status	Amount ThUS$	Asset/Expenditure	Asset Item / Expenditure	Amount ThUS$	Amount ThUS$	Estimated Date
	Chuquicamata		129,519			100,244	164,912	
Codelco Chile	Talambre dam extension, 7th stage	In Process	58,170	Asset	P,P & E	34,253	9,909	2014
Codelco Chile	Expansion capacity Talabre dam, 8th stage	Finished	-	Asset	P,P & E	2,864	-	-
Codelco Chile	Emergency restoration system dust control crushing plant 2 ° / 3 °	In Process	5,061	Asset	P,P & E	265	8,424	2014
Codelco Chile	Foundry enlargement fifth cps	In Process	72	Asset	P,P & E	-	33,706	2015
Codelco Chile	Replacement of circulation pot 1A and 2A	In Process	14	Asset	P,P & E	-	45,103	2019
Codelco Chile	Acid plants	In Process	54,129	Expenditure	Administrative expenses	56,022	52,503	2014
Codelco Chile	Solid waste	In Process	3,314	Expenditure	Administrative expenses	3,919	2,531	2014
Codelco Chile	Tailings	In Process	5,448	Expenditure	Administrative expenses	-	6,226	2014
Codelco Chile	Acid drainage	In Process	511	Expenditure	Administrative expenses	-	513	2014
Codelco Chile	Water treatment plant	In Process	1,505	Expenditure	Administrative expenses	2,921	1,704	2014
Codelco Chile	Environmental Monitoring	In Process	1,294	Expenditure	Administrative expenses	-	4,293	2014
	Salvador		44,721			48,777	341,973	
Codelco Chile	Dust collection improvement	In Process	2,245	Asset	P,P & E	4,029	4,543	2014
Codelco Chile	Trench construction of hazardous waste	Finished	-	Asset	P,P & E	705	-	-
Codelco Chile	Construction V stage of tailing treatment	In Process	3,116	Asset	P,P & E	4,477	-	2013
Codelco Chile	Constuction north wall camber 2nd stage	In Process	56	Asset	P,P & E	-	2,394	2014
Codelco Chile	Improvement of integrated gas collection process	In Process	724	Asset	P,P & E	-	281,584	2019
Codelco Chile	Construction of sanitary filling	In Process	111	Asset	P,P & E	-	735	2014
Codelco Chile	Tailings	In Process	2,564	Expenditure	Administrative expenses	-	1,792	2014
Codelco Chile	Acid plants	In Process	33,872	Expenditure	Administrative expenses	38,445	48,049	2014
Codelco Chile	Solid waste	In Process	1,035	Expenditure	Administrative expenses	976	1,318	2014
Codelco Chile	Water treatment plant	In Process	728	Expenditure	Administrative expenses	145	1,558	2014
Codelco Chile	Environmental Management, Monitoring and Acessories	In Process	1,252	Expenditure	Administrative expenses	-	2,864	2014
	Andina		189,334			56,606	198,520	
Codelco Chile	Construction of water trap for east ballast deposit	In Process	6,110	Asset	P,P & E	3,780	4,203	2014
Codelco Chile	District warehouse installation	Finished	-	Asset	P,P & E	316	-	-
Codelco Chile	Drains expansion stage 5	In Process	1,130	Asset	P,P & E	14,753	-	2013
Codelco Chile	Drain water treatment	In Process	1,223	Asset	P,P & E	3	545	2014
Codelco Chile	Drain internal water treatment E1	In Process	7,907	Asset	P,P & E	746	3,492	2014
Codelco Chile	Drainage water treatment	In Process	78,922	Asset	P,P & E	27,279	49,529	2014
Codelco Chile	Water Normative Phase 2	In Process	10,140	Asset	P,P & E	350	29,380	2015
Codelco Chile	Building evacuation and capturing towers	In Process	6,890	Asset	P,P & E	2,312	17,392	2014
Codelco Chile	Construction of tailings canal	In Process	2,972	Asset	P,P & E	877	-	2013
Codelco Chile	Rebuilding of dam injection wells	In Process	989	Asset	P,P & E	-	-	2013
Codelco Chile	Improvement of interception filters	In Process	807	Asset	P,P & E	3,285	-	2013
Codelco Chile	Rebuilding of bypass cameras	In Process	323	Asset	P,P & E	-	-	2013
Codelco Chile	Construction site emergency plan	In Process	472	Asset	P,P & E	-	3,248	2014
Codelco Chile	Dam logistics taxes	In Process	1,297	Asset	P,P & E	-	14,052	2014
Codelco Chile	Solid waste	In Process	2,920	Expenditure	Administrative expenses	1,721	2,354	2014
Codelco Chile	Water treatment plant	In Process	3,982	Expenditure	Administrative expenses	1,184	4,718	2014
Codelco Chile	Trailings	In Process	63,251	Expenditure	Administrative expenses	-	67,638	2014
Codelco Chile	Acid drainage	In Process	-	Expenditure	Administrative expenses	-	1,969	2014
	Subtotal		363,575			205,627	705,405	

(In thousands of US dollars of the United States of America, except as indicated in other currency or unit)

Entity	Project Name	Disbursements 12/31/2013				12/31/2012	Expenditures	
		Project Status	Amount ThUS$	Asset/Expenditure	Asset Item / Expenditure	Amount ThUS$	Amount ThUS$	Estimated Date
	El Teniente		210,894			120,869	212,909	
Codelco Chile	Construction of 5th phase of Carén	Finished	-	Asset	P,P & E	4,319	-	-
Codelco Chile	Monitoring online of tailings	Finished	-	Asset	P,P & E	6,744	-	-
Codelco Chile	Apliation of tailing 4	Finished	-	Asset	P,P & E	754	-	-
Codelco Chile	Apliation of tailing Route 5	In Process	-	Asset	P,P & E	795	-	-
Codelco Chile	Construction of 6th phase of Carén	In Process	9,724	Asset	P,P & E	5,407	-	2013
Codelco Chile	Environmental reconstruction of courts	In Process	145	Expenditure	Administrative expenses	-	6,707	2015
Codelco Chile	Acid plants	In Process	96,321	Expenditure	Administrative expenses	87,226	94,248	2014
Codelco Chile	Solid waste	In Process	2,947	Expenditure	Administrative expenses	3,570	3,626	2014
Codelco Chile	Water treatment plant	In Process	25,145	Expenditure	Administrative expenses	12,054	21,131	2014
Codelco Chile	Tailings	In Process	76,612	Expenditure	Administrative expenses	-	87,197	2014
	Gabriela Mistral		3,081			40	2,769	
Codelco Chile	Implementation wastewater treatment system	Finished	23	Asset	P,P & E	40	-	2013
Codelco Chile	Environmental monitoring	In Process	-	Expenditure	Administrative expenses	-	-	2013
Codelco Chile	Solid waste	In Process	1,703	Expenditure	Administrative expenses	-	1,651	2013
Codelco Chile	Water treatment plant	In Process	1,355	Expenditure	Administrative expenses	-	1,118	2013
	Ventanas		38,579			46,495	97,104	
Codelco Chile	Mitigation of environmental concentrator stock	Finished	-	Asset	P,P & E	2,613	-	-
Codelco Chile	Standization of rainwater pools	Finished	-	Asset	P,P & E	1,642	-	-
Codelco Chile	Cold load system Cps N 2	Finished	-	Asset	P,P & E	1,290	-	-
Codelco Chile	Arsenic supply in electric oven	In Process	241	Asset	P,P & E	25	130	2013
Codelco Chile	Increase uptake Mat.	In Process	40	Asset	P,P & E	2,234	-	2013
Codelco Chile	Increase uptake Mp He	In Process	65	Asset	P,P & E	6,483	-	2013
Codelco Chile	Cold load mechanical system Cps N°1 y 3	In Process	1,129	Asset	P,P & E	2,946	-	2013
Codelco Chile	Catching second gases	In Process	110	Asset	P,P & E	-	24,777	2016
Codelco Chile	Catching racking gases	In Process	487	Asset	P,P & E	-	16,158	2015
Codelco Chile	Treatment of gases in line	In Process	84	Asset	P,P & E	-	15,291	2015
Codelco Chile	Acid plants	In Process	26,211	Expenditure	Administrative expenses	22,970	26,485	2013
Codelco Chile	Solid waste	In Process	3,004	Expenditure	Administrative expenses	1,164	1,932	2013
Codelco Chile	Environmental monitoring	In Process	1,442	Expenditure	Administrative expenses	-	2,135	2013
Codelco Chile	Effluent treatment plant	In Process	5,766	Expenditure	Administrative expenses	5,128	10,196	2013
	Radomiro Tomic		3,065			2,636	3,406	
Codelco Chile	Solid waste	In Process	1,143	Expenditure	Administrative expenses	2,278	1,349	2014
Codelco Chile	Environmental monitoring	In Process	275	Expenditure	Administrative expenses	-	926	2014
Codelco Chile	Effluent treatment plant	In Process	1,647	Expenditure	Administrative expenses	358	1,131	2014
	Ecometales Limited		328			703		
Ecometales Limited	Smelting plant of foundry dust	In Process	328	Expenditure	Administrative expenses	703	829	2014
Subtotal			255,947			170,743	316,188	
Total			619,521			376,370	1,021,593	

Thomas Keller Lippold Chief Executive Officer	Iván Arriagada Herrera Chief Financial Officer
Héctor Espinoza Villarroel Controller	Gonzalo Zamorano Martínez General Accountant