CAP S.A. AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013

IN THOUSANDS OF UNITED STATES DOLLARS

This document consists of the following sections:

- **Consolidated Financial Statements**
- **Notes to the Consolidated Financial Statements**

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INDEPENDENT AUDITORS' REPORT

To the Shareholders and Directors of
CAP S.A.

We have audited the accompanying consolidated financial statements of CAP S.A. and subsidiaries, which comprise the consolidated statement of financial position as of December 31, 2014, and the related consolidated statements of comprehensive income, changes in equity, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with the instructions and standards for the preparation and presentation of financial information issued by the Superintendency of Securities and Insurance described in Note 3 to the consolidated financial statements. Management is also responsible for designing, implementing and maintaining relevant internal control for the preparation and fair presentation of consolidated financial statements that are free from any material misstatements, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion on the regulatory basis of accounting

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of CAP S.A. and subsidiaries at December 31, 2014 and the results of its operations and cash flows for the year then ended, in accordance with instructions and standards for the preparation and presentation of financial information issued by the Superintendency of Securities and Insurance described in Note 3.

Accounting Basis

As described in Note 3 of the consolidated financial statements, by virtue of its authority, on October 17, 2014 the Superintendency of Securities and Insurance issued Official Circular No. 856 instructing the supervised entities to record against equity, in the respective year, the differences in deferred tax assets and liabilities that arise as a direct effect of the increase in the first category tax rate introduced by Law 20,780, changing the framework for the preparation and presentation of financial information adopted up to that date, given that the previous framework (IFRS) requires that it be adopted in an integral, explicit and unreserved manner. At December 31, 2014 and for the year then ended, the quantification of the change of the accounting framework is described in Note 3. Our opinion is not modified with respect to this matter.

Other - matter

We have previously performed an audit in accordance with auditing standards generally accepted in Chile, of the accompanying consolidated financial statements of CAP S.A. and subsidiaries at December 31, 2013, prepared in accordance with International Financial Reporting Standards (IFRS), and in our report dated January 31, 2014, based on our audit, we express an audit opinion without modifications on those consolidated financial statements.

The accompanying consolidated financial statements have been translated into English solely for the convenience of readers outside Chile.

Deloitte

March 06, 2015
Santiago, Chile

Daniel Fernández P.

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED
AS OF DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS - ThUS$)

Assets	Note	12.31.2014 ThUS$	12.31.2013 ThUS$
Current assets			
Cash and cash equivalents	6	131,156	111,193
Other financial assets, current	6	217,004	197,832
Other non-financial assets, current	12	12,336	30,636
Trade and other current receivable, current	7	268,449	463,202
Accounts receivable from related entities, current	8	3,124	4,032
Inventories, current	9	362,123	418,499
Tax assets, current	11	165,713	130,207
		1,159,905	**1,355,601**
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners			
Total non current assets other than assets or disposal groups classified as held for sale or held for distribution to owners	17	**7,841**	**-**
Total current assets		**1,167,746**	**1,355,601**
Non-current assets			
Other financial assets, non current	6	36,963	37,350
Other non-financial assets, non-current	12	29,673	22,854
Non-current receivables	7	9,421	6,820
Investments accounted for using the equity method	14	7,858	11,183
Intangible assets other than goodwill	15	774,188	813,266
Goodwill		1,767	1,767
Property, plant and equipment	16	3,691,706	3,428,978
Investment property	18	6,649	-
Deferred tax assets	19	19,036	13,673
Total non-current assets		**4,577,261**	**4,335,891**
Total assets		**5,745,007**	**5,691,492**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED
AS OF DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS - ThUS$)

Equity and liabilities	Note	12.31.2014 ThUS$	12.31.2013 ThUS$
Liabilities			
Current liabilities			
Other financial liabilities, current	20	367,690	136,148
Trade and other current payables	22	469,540	586,467
Accounts payable to related entities , current	8	50,759	76,774
Other short-term provisions	23	8,357	21,355
Current tax liabilities	11	5,419	10,769
Current provisions for employee benefits	25	21,556	38,160
Other current non-financial liabilities	24	3,354	4,315
Total current liabilities other than liabilities included in disposal groups classified as held for sale		**926,675**	**873,988**
Total current liabilities		**926,675**	**873,988**
Non-current liabilities			
Other non-current financial liabilities	20	902,290	795,383
Other long-term provisions	23	23,274	15,287
Deferred tax liabilities	19	463,083	352,330
Non-current provisions for employee benefits	25	84,411	115,212
Other non-current non-financial liabilities	24	185,617	301,600
Total non-current liabilities		**1,658,675**	**1,579,812**
Total liabilities		**2,585,350**	**2,453,800**
Equity			
Issued capital	26	379,444	379,444
Retained earnings (accumulated losses)	24	1,487,838	1,561,343
Other reserves	26	(13,968)	(17,856)
Equity attributable to owners of parent		**1,853,314**	**1,922,931**
Non-controlling interest	27	1,306,343	1,314,761
Total equity		**3,159,657**	**3,237,692**
Total equity & liabilities		**5,745,007**	**5,691,492**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE RESULTS, BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Income statement	Note	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Profit (Loss)			
Revenues	28	1,789,755	2,304,739
Cost of sales	9	(1,479,482)	(1,598,710)
Gross profit		**310,273**	**706,029**
Other income	28	18,898	10,602
Distribution Costs		(20,238)	(28,680)
Administrative expenses		(86,770)	(116,336)
Other expenses	28	(60,258)	(130,425)
Other gains (losses)	28	6,205	(789)
Profit (loss) from operating activities		**168,110**	**440,401**
Financial income	29	5,311	13,444
Financial costs	30	(69,615)	(40,560)
Share of profit (loss) of associates and joint ventures accounted for using the equity method	14	(2,037)	(1,070)
Exchange differences	36	1,854	(7,305)
Results for indexation units	36	2,400	525
Profit (loss) before tax		**106,023**	**405,435**
Income tax expense	19	(21,315)	(123,197)
Profit (loss) from continuing operations		**84,708**	**282,238**
Profit (loss) from discontinued operations		-	-
Profit (loss)		**84,708**	**282,238**
Profit (loss) attributable to:			
Profit (loss), attributable to owners of the parent	26	55,514	183,171
Profit (loss), attributable to non-controlling interests	26	29,194	99,067
Profit (loss)		**84,708**	**282,238**
Earnings per share			
Basic earnings (loss) per share from continuing operations		US$	US$
Basic earnings (loss) per share from continuing operations		0.371460	1.225649
Basic earnings per share from discontinued operations		-	-
Basic earnings (loss) per share		**0.371460**	**1.225649**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE RESULTS, BY FUNCTION
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Statement of other comprehensive income	Note	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Profit (loss)		**84,708**	**282,238**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss, before tax			
Remeasurement of defined benefit obligation		(138)	4,270
Other comprehensive income will not be reclassified subsequently to profit or loss, before tax		**(138)**	**4,270**
Item that may be reclassified subsequently to profit or loss			
Exchange difference on translating :			
Exchange differences arising during the year, before tax		(1,514)	(969)
Other comprehensive income, before tax, exchange differences on conversion		**(1,514)**	**(969)**
Available-for-sale financial assets			
Cash flow hedge			
Gain (loss) on cash flow hedge, before tax		6,976	(2,134)
Other comprehensive income, before tax, cash flow hedge		**6,976**	**(2,134)**
Hedges of net investments in foreign operations		-	-
Other comprehensive income that may be reclassified subsequently to profit or loss, before tax		5,462	(3,103)
Other comprehensive income, before tax		**5,324**	**1,167**
Income tax relating to components of other comprehensive income is not reclassified to profit or loss			
Income tax relating remeasurement of defined benefit obligation		29	(854)
Income tax relating to components of other comprehensive income is not reclassified to profit or loss		**29**	**(854)**
Income tax relating to components of other comprehensive income is reclassified to profit or loss			
Income tax related to cash flow hedges of other comprehensive income		(1,465)	427
Income tax relating to components of other comprehensive income is reclassified to profit or loss		**(1,465)**	**427**
Other comprehensive income		**3,888**	**740**
Total comprehensive income		**88,596**	**282,978**
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		59,402	183,911
Comprehensive income, attributable to non-controlling interests		29,194	99,067
Total comprehensive income		**88,596**	**282,978**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS, DIRECT,
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

Statement of cash flows	Note	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Cash flows from (used in) operating activities			
Classes of cash receipts from operating activities:			
Receipts from sales of goods and rendering of services		2,071,743	2,542,272
Other cash receipts from operating activities		1,062	25,192
Classes of cash payments			
Payments to suppliers for goods and services		(1,551,136)	(1,334,318)
Payments to and on behalf of employees		(265,467)	(284,202)
Cash flow from (used in) operating activities		256,202	948,944
Interest received		2,972	7,933
Income tax refund (paid)		36,635	(141,329)
Other inflows (outflows) of cash		(33,675)	(38,757)
Net cash flow from (used in) operating activities		262,134	776,791
Cash flows from (used in) investing activities			
Cash flows used in acquisitions of non- controlling interests		-	(15,065)
Other payments for acquiring equity or debt instruments of other entities		(1)	(20,889)
Proceeds of sales of property, plant & equipment		1,739	262
Purchases of property, plant & equipment		(450,184)	(974,791)
Cash advances and loans to third		(538)	(1,803)
Payments derived from contracts of future, to term, of options and of financial barter		(4,231)	(4,143)
Interest received		248	308
Other inflows (outflows) of cash	6	(21,118)	205,983
Net cash flow from (used in) investment activities		(474,085)	(810,138)
Cash flows from (used in) financing activities			
Proceeds from issuing shares		10,245	25,223
Total proceeds from borrowings		**539,332**	**252,184**
Proceeds of long-term loans		330,375	135,050
Proceeds from short-term borrowings		208,957	117,134
Repayments of borrowings		(185,883)	(175,102)
Payments of finance lease liabilities		(6,589)	(1,015)
Dividends paid		(105,134)	(229,794)
Interest paid		(19,854)	(23,115)
Other inflows (outflows) of cash		-	277
Net cash flow from (used in) financing activities		232,117	(151,342)
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes		20,166	(184,689)
Effects of exchange rate change on cash and cash equivalents			
Effects of exchange rate change on cash and cash equivalents		(203)	585
Net increase (decrease) in cash and cash equivalents		**19,963**	**(184,104)**
Cash and cash equivalents at beginning of period		111,193	295,297
Cash & cash equivalents at end of period	**6**	**131,156**	**111,193**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

As of December 31, 2014	Note N°	Capital shares ThUS$	Foreing currency translation reserve ThUS$	Cash Flow hedging reserve ThUS$	Equity- settled employee benefits reserve ThUS$	Other Reserve ThUS$	Total Reserve ThUS$	Retained earnings ThUS$	Attributable to owners of the parent ThUS$	Non- controlling interest ThUS$	Total ThUS$
Opening balance at 01.01.2014	**24**	**379,444**	**2,929**	**(20,799)**	**(477)**	**491**	**(17,856)**	**1,562,797**	**1,924,385**	**1,315,274**	**3,239,659**
Increase (decrease) from changes in accounting policies		-	-	-	-	-	-	-	-	-	-
Increase (decrease) through correction		-	-	-	-	-	-	(1,454)	(1,454)	(513)	(1,967)
Beginning Balance Restated		**379,444**	**2,929**	**(20,799)**	**(477)**	**491**	**(17,856)**	**1,561,343**	**1,922,931**	**1,314,761**	**3,237,692**
Changes in equity											
Comprehensive income											
Profit (loss)								55,514	55,514	29,194	84,708
Other comprehensive income			(1,514)	5,511	(109)		3,888		3,888	-	3,888
Comprehensive income									59,402	29,194	88,596
Dividends paid	**24**							(45,895)	(45,895)	(25,149)	(71,044)
Increase (decrease) through transfers and other changes, equity							-	(83,124)	(83,124)	(12,463)	(95,587)
Total Changes in equity		**-**	**(1,514)**	**5,511**	**(109)**	**-**	**3,888**	**(73,505)**	**(69,617)**	**(8,418)**	**(78,035)**
Closing balance To December 31, 2014	**24**	**379,444**	**1,415**	**(15,288)**	**(586)**	**491**	**(13,968)**	**1,487,838**	**1,853,314**	**1,306,343**	**3,159,657**

The accompanying notes are an integral part of these consolidated financial statements

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013
(IN THOUSANDS OF U.S. DOLLARS – ThUS$)

As of December 31, 2013	Note N°	Capital shares ThUS$	Foreing currency translation reserve ThUS$	Cash Flow hedging reserve ThUS$	Changes in Equity- settled employee benefits reserve ThUS$	Other Reserve ThUS$	Total Reserve ThUS$	Retained earnings ThUS$	Attributable to owners of the parent ThUS$	Non-controlling interest ThUS$	Total ThUS$
Opening balance at 01.01.2013	**24**	**379,444**	**3,898**	**(19,092)**	**-**	**342**	**(14,852)**	**1,473,221**	**1,837,813**	**1,270,597**	**3,108,410**
Increase (decrease) from changes in accounting policies		-	-	-	(3,893)	-	(3,893)	3,893	-	-	-
Increase (decrease) through correction		-	-	-	-	-	-	(1,099)	(1,099)	(388)	(1,487)
Beginning Balance Restated		**379,444**	**3,898**	**(19,092)**	**(3,893)**	**342**	**(18,745)**	**1,476,015**	**1,836,714**	**1,270,209**	**3,106,923**
Changes in equity											
Comprehensive income											
Profit (loss)								183,171	183,171	99,067	282,238
Other comprehensive income			(969)	(1,707)	3,416		740		740	-	740
Comprehensive income									183,911	99,067	282,978
Dividends paid	**24**							(97,843)	(97,843)	(78,476)	(176,319)
Increase (decrease) through transfers and other changes, equity						149	149		149	23,961	24,110
Total Changes in equity		**-**	**(969)**	**(1,707)**	**3,416**	**149**	**889**	**85,328**	**86,217**	**44,552**	**130,769**
Closing balance To December 31, 2013	**24**	**379,444**	**2,929**	**(20,799)**	**(477)**	**491**	**(17,856)**	**1,561,343**	**1,922,931**	**1,314,761**	**3,237,692**

The accompanying notes are an integral part of these financial statements

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1. General information

CAP S.A. (hereinafter "Company") was established in Chile by public deed dated April 27, 1946 under the name of Compañía de Acero del Pacífico S.A., being legally declared as established by the Finance Ministry Decree No. 3418. Subsequently, in February 1981 it was renamed Compañía de Acero del Pacífico S.A. de Inversiones and in May 1991 it adopted the name of CAP S.A., currently used.

CAP S.A. is a publicly traded corporation, its Tax ID number is 91,297,000-0, it is registered in the Securities Registry of the Superintendency of Securities and Insurance under No. 0131 and its legal registered address is No. 220 Gertrudis Echenique, Las Condes, Santiago de Chile.

The majority shareholder of CAP S.A. is Invercap S.A. with 31.32% of its ownership interest, as such it is in a position to exercise significant influence, but it has no control over the investee, as it is not exposed and has no right to the variable returns of the involvement in the investee and has no power to affect the investee returns.

For the purpose of the definition given in title XV of Law No.18,045, it is concluded that Invercap S.A. qualifies as the controller of CAP S.A.

2. Description of the business

The Company's main activity is to invest in any kind of incorporeal property, including shares, bonds, debentures, savings and capitalization plans, shares or rights in companies or mutual funds and any kind of securities as well as administering such investments.

The Company's specific purposes are to promote, organize and set up companies of any nature and purpose, to buy or sell shares and social rights; provide managerial, financial and legal, engineering, auditing and other necessary services for the better development of companies in which it is a shareholder or partner; or of third party companies; coordinate the management of the companies of which it is a shareholder or partner to maximize productivity and profitability.

CAP S.A. is the parent of the following direct and indirect subsidiaries registered in the Superintendency of Securities and Insurance:

Direct subsidiaries registered in the Special Register of Reporting Entities:

Compañía Siderúrgica Huachipato S.A.
Compañía Minera del Pacífico S.A.

Direct subsidiary registered in the Securities Registry:

Intasa S.A. (Since December 2013)

Indirect subsidiaries registered in the Securities Registry:

Cintac S.A.
Intasa S.A. (Until November 2013)

Additionally, CAP S.A. is the parent of the following direct subsidiaries not registered in the Superintendency of Securities and Insurance:

Puerto Las Losas S.A.
Port Investments Limited N.V.

Cleanairtech Sudamerica S.A.
Novacero S.A.
Tecnocap S.A.
Abastecimientos CAP S.A.
Ecocap S.A. (Since 2013)

The Corporate purpose of the Company is consolidate its position in the steel business, efficiently managing its three business areas**: iron ore (CAP Mining)**, steel production **(CAP Steel) and CAP Steel Solutions**, using the best technology available, being competitive in terms of costs and complying with strict measures for the safety and protection of the environment where it operates.

CAP Mining conducts its business through its subsidiary Compañía Minera del Pacífico S.A. (CMP) and its subsidiaries (Sociedad de Ingeniería y Movimiento de Tierra del Pacífico S.A., Compañía Distribuidora de Petróleos del Pacífico S.A., Manganesos Atacama S.A., Minera Hierro Atacama S.A., CMP Services Asia Limited and Pacific Ores and Trading N.V.) whose main purpose is to evaluate, develop and exploit mineral ores; process and trade their products; develop complementary, derived, secondary or supplying of raw materials, supplies or services industries, or directly or indirectly related with the above purposes; provide geological and mining research, engineering, industrial and mechanical maintenance, construction and earthmoving services; create and establish companies for the purposes of achieving any of these goals.

CAP Mining is the largest producer of iron ore and pellets in the Pacific coast, with extensive known resources and reserves and ever-expanding exploitation programs to ensure continuity of operations for many decades.

For management purposes, Compañía Minera del Pacífico S.A. is organized into four main units:

- **Huasco Valle**y (*Valle del Huasco*): Includes the pellet plant activities, Los Colorados (formerly Compañía Minera Huasco S. A.), Mina El Algarrobo and Puerto Gualcoda II.

- **Elqui Valley** (*Valle del Elqui*): Includes the activities of Mina El Romeral and Puerto Guayacán.

- **Copiapó Valley** (*Valle de Copiapó*): Comprises of the activities of the Planta Magnetita and Puerto Totoralillo.

- **Other:** Includes overall management of the Company and the results of the subsidiaries.

CAP Steel operates through its subsidiary Compañía Siderúrgica Huachipato S.A. (CSH), which has its facilities in the Municipalidad de Talcahuano, Eighth Region of Chile.

Compañía Siderúrgica Huachipato S.A. is an integrated industry plant that produces pig iron as a result of reduction of the ore in blast furnaces, transforms pig iron into liquid iron in a steel mill, from which it obtains sheets and steel billets of continued melt (semi-finished products), which are then rolled to deliver higher added value products to the market, such as hot laminated bars and slabs. This subsidiary ceased the operations of its cold rolling, zincalume and tin plate plant temporarily in 2012. At December 31, 2013 the management decided to write off the assets related to those production lines, as the related products are not considered in the future business plan.

In June 2013, due to the situation that the subsidiary as result of the overproduction in the global steel industry, it decided to focus its activities in the production of long products, that is, bars for the supply of the mining and the construction industries, which are the segments with the highest projection in the market, due to the characteristics of the local demand for steel.

The subsidiary meets all the legal conditions, has normal production conditions, and operates two thirds of its operating capacity. The gradual implementation of the cost reduction and operating strategy, will allow the subsidiary to ensure the continuity of its profitable operations in the short term. Through its parent Company, the subsidiary is able to access the financial system to finance its operations. In accordance with the management, this determines its ability to continue as a going concern, as established by the accounting standards under with these consolidated financial statements are issued

Compañía Siderúrgica Huachipato S.A. sells their steel products to distributors and construction companies, processors and industrial companies, manufacturers of metal packaging, wire drawers, tubes and profiles factories, metals workshops and mines.

CAP Steel Solutions conducts its business through Intasa S.A. and subsidiaries (Tubos Argentinos S.A. and Steel House do Brasil Comercio Ltda.) and Novacero S.A. and subsidiaries: Cintac S.A. and subsidiaries (Instapanel S.A., Centroacero S.A. and Tubos y Perfiles Metálicos S.A.). Its main purpose is the manufacture, distribution, sale, representation, import and export of all kinds of steel and metal products; the execution of civil works, housing construction, installation and manufacture of specialty products in which goods manufactured by the Company are used, organizing transportation to complement these purposes, the sale, import and export of all kinds of movable goods in order to complement its activities.

The Company has in its product portfolio solutions to several market needs, serving multiple economic sectors such as construction, real estate, industrial, commercial, road construction and mining, among others.

In Argentina, CAP Steel Solutions has the subsidiary Tubos Argentinos S.A. whose main activities the Company are the cutting of coils, the pressing of cold, hot and galvanized rolled sheet and the manufacture and sale of seamed steel pipes, and steel pipes and profiles for dry construction. The Company has two plants, one located at Talar de Pacheco in the province of Buenos Aires and another at Justo Daract in the province of San Luis, Argentina Republic.

According to the current currency exchange framework in Argentina to be able to access US dollars, Intasa S.A. and its subsidiary are continually implementing a way to transfer funds to Intasa S.A. for remittances of dividends and other payments.

In Brazil, the subsidiary Tubos Argentinos S.A., together with Intasa S.A., have set up the Company Steel House Do Brasil Comercio Ltda., headquartered in the city of Porto Alegre, which began its operations in January 2010. The principal business of this Company is the commercialization in the south of Brazil of galvanized profiles for dry construction, under the trade name STEEL HOUSE, produced at the San Luis plant in Argentina.

It also has the subsidiary Tubos y Perfiles Metálicos S.A. (Tupemesa) in Lima, Peru which operates successfully in the market for tubular steel products, with a broad range of products of high quality standards.

The incorporation of the steel solutions group to the traditional businesses of the CAP Group has allowed the strengthening of steel consumption in Chile and an improvement in the consolidated returns as a result of participating in the whole steel value chain.

3. Summary of significant accounting policies

Accounting principles

The consolidated financial statements of the Company for the year ended December 31, 2014 have been prepared in accordance with Standards of the Superintendency of Securities and Insurance (SVS), which considers International Financial Reporting Standards (IFRS), except in the treatment of the direct effect of the increase in the first category tax rate introduced by Law N° 20.780, as stipulated in Official Circular N° 856 of the SVS, as specified in Note 3.3 i).

The consolidated financial statements of the Company as of December 31, 2013 have been prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

These consolidated financial statements are presented in thousands of US dollars and have been prepared based on the accounting records kept by CAP S.A. and its subsidiaries (hereinafter the "Group" or the "Company"). The Board of Directors has approved these consolidated financial statements at its meeting date March 6, 2015.

These consolidated financial statements presents fairly the financial position of CAP S.A. and subsidiaries as of December 31, 2014 and 2013, and the results of its operations, changes in equity and cash flows for the years then ended.

Responsibility for the information and estimates made

The Board of Directors of CAP S.A. is aware of the information contained in these consolidated financial statements and declares that it is responsible for the truthfulness of the information included in them, and for the application of the principles and standards issued by the Superintendency of Securities and Insurance, as described in Note 3.3 i).

Preparation of these consolidated financial statements, requires the use of estimates and assumptions made by Company´s management the CAP S.A. and its subsidiaries. These estimates are based on Management's best knowledge of the amounts, events or actions reported at the date of issue of these consolidated financial statements. However, future events may cause modification (up or downwards) in future periods, which would be done prospectively in accordance with IAS 8, recognizing the effects of the change in estimate in the respective future consolidated financial statements. Details of the significant accounting estimates and criteria are specified in detail in Note 5.

3.1 Significant Accounting Policies Adopted

The following are the significant accounting policies adopted in the preparation of these consolidated financial statements.

(a) Periods covered - These consolidated financial statements of CAP S.A. and subsidiaries comprise the statements of financial position at December 31, 2014 and 2013, and the statements of comprehensive income for the twelve month periods ended December 31, 2014 and 2013, the statements of changes in equity and the statements of cash flows for the twelve month periods ended December 31, 2014 and 2013.

(b) Bases of preparation - The consolidated financial statements of the CAP Group for the year ended December 31, 2014 have been prepared in accordance with the Standards of the Superintendency of Securities and Insurance as stipulated in Note 3.3 i).

The consolidated financial statements for the year ended December 31, 2013 have been prepared International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) and represent the full, explicit, and unreserved adoption of these international standards.

These consolidated financial statements have been prepared from the accounting books kept by CAP S.A. and its Subsidiaries.

The financial statements have been prepared based on the historical cost. Usually, the historical cost is based on the fair value of the consideration provided for the goods and services. The fair value is the price that would be received from selling an asset or paid to transfer a liability in a transaction between players in the market at the measurement date, regardless if this price is observable or estimated by using other valuation technique. The Company considers the characteristics of the assets and liabilities, if the players in the market take those characteristics when fixing the price of the asset or liability at the measurement date. The fair value for the purpose of measurement and/or disclosure in the financial statements is calculated in that way, except for the measurements that have some similarities with the market value, but that are not fair value, such as the net realizable value of IAS 2 or the value in use of IAS 36.

(c) Basis of consolidation - The consolidated financial statements include the financial statements of the parent Company and the companies controlled by the Company. The control is achieved when the Company:

- Has the power over the investee
- Is exposed, or has the right, to the variable returns from its ownership with investee, and
- Is able to use its power to affect the investment returns.

The Company evaluated the control based on all the events and circumstances and the conclusion is re-evaluated if exist any indication that are changes in at least one of the three elements detailed above.

When the Company has less than the majority of the voting rights of an investee, achieved the control when the voting rights are enough and give the unilateral practical ability to manage the significant activities of the investee. The Company considers all the events and circumstances to assess if the voting rights in the investee are enough to give it the power, including:

- The size of the ownership in the Company's voting rights in regard to the size and scattering of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from contractual agreements; and
- Any event and/or additional circumstances indicating that the Company has, or does not have, the ability to lead the significant activities when decisions are required to be taken, including patterns of voting behavior in previous shareholders meetings.

The consolidation of a subsidiary starts when the Company obtains control over the subsidiary and finishes when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or sold during the year are included in the statement of comprehensive income from the date on which the Company obtains control over the subsidiary until the date when the Company ceases to control the subsidiary.

The gains or loss of each component of other comprehensive income are attributed to owners of the Company and the non-controlling interests. Total comprehensive income of the subsidiaries is attributed to the owners of the Company and non-controlling interests, even if the result non-controlling interests having a deficit balance.

All the significant intercompany transactions and balances are fully eliminated in consolidation. The Company has also recognized the non-controlling interest that is the percentage of ownership of third parties in subsidiaries, which has been incorporated separately in the consolidated equity of CAP S.A.

Subsidiaries - A subsidiary is an entity over which the group directly or indirectly exercises control as defined above. Those entities in which despite not holding this level of ownership interest, it is understood that the entities activities are performed to the benefit of the Company that it is exposed to most of the risks and benefits of the related entities, are also consolidated by this method.

When evaluating whether the Company controls another entity, the existence and effect of the potential voting rights currently exercised are considered. Subsidiaries are consolidated as of the date on which control is transferred to the group, and they are excluded from the consolidation on the date when the control ceases.

The Company owns certain organizations related to sports clubs, health services and educational services, which are controlled by the Company; however, these organizations have not been consolidated since they do not have a material effect on the consolidated financial statements of the Group.

The table sets forth the direct and indirect subsidiaries that have been consolidated by the CAP Group:

				Shareholding percentage			
Tax No.	Company	Address	Relationship	12.31.2014			12.31.2013
				Direct	Indirect	Total	Total
94637000-2	Compañía Siderúrgica Huachipato S.A.	Chile	Direct subsidiary	99.999	0.000	99.999	99.999
94638000-8	Compañía Minera del Pacífico S.A.	Chile	Direct subsidiary	74.999	0.000	74.999	74.999
79942400-2	Compañía Distribuidora de Petróleos del Pacífico Ltda.	Chile	Indirect sub.	0.000	74.999	74.999	74.999
79807570-5	Sociedad de Ingeniería y Movimientos de Tierra del Pacífico Ltda.	Chile	Indirect sub.	0.000	74.999	74.999	74.999
0-E	Pacific Ores & Trading N.V.(*)	Dutch Antilles	Indirect sub.	0.000	0.000	0.000	74.999
0-E	Pacific Ores & Trading B.V.(*)	Holland	Indirect sub.	0.000	0.000	0.000	74.999
90915000-0	Manganesos Atacama S.A.	Chile	Indirect sub.	0.000	74.184	74.184	74.184
76498850-7	Puerto Las Losas S.A.	Chile	Direct subsidiary	51.000	0.000	51.000	51.000
76800010-7	Minera Hierro Atacama S.A.(**)	Chile	Indirect sub.	0.000	0.000	0.000	74.999
0-E	CMP Services Asia Limited	Hong Kong	Indirect sub.	0.000	74.999	74.999	74.999
94235000-7	Abastecimientos CAP S.A.	Chile	Direct subsidiary	50.000	43.750	93.750	93.750
76369130-6	Tecnocap S.A.	Chile	Direct subsidiary	99.927	0.064	94.991	94.999
76399380-9	Ecocap S.A.	Chile	Direct subsidiary	99.731	0.268	99.999	99.000
76399400-7	Cleanairtech Sudamérica S.A.	Chile	Direct subsidiary	51.000	0.000	51.000	51.000
0-E	P.O.R.T. Investments Ltd. N.V.	Dutch Antilles	Direct subsidiary	100.000	0.000	100.000	100.000
0-E	P.O.R.T. Finance Ltd. N.V.	Dutch Antilles	Indirect sub.	0.000	100.000	100.000	100.000
96925940-0	Novacero S.A.	Chile	Direct subsidiary	52.682	0.000	52.682	52.682
99503280-5	Intasa S.A.	Chile	Direct subsidiary	57.787	16.101	73.888	73.888
0-E	Tubos Argentinos S.A. (Argentina)	Argentina	Indirect sub.	0.000	73.888	73.888	73.888
0-E	Steel House Do Brasil Comercio Ltda.	Brasil	Indirect sub.	0.000	73.888	73.888	73.888
92544000-0	Cintac S.A.	Chile	Indirect sub.	11.031	26.832	37.863	37.863
0-E	Steel Trading Co. Inc. (Bahamas)	Bahamas	Indirect sub.	0.000	37.863	37.863	37.863
96919030-3	Conjuntos Estructurales S.A.(***)	Chile	Indirect sub.	0.000	0.000	0.000	37.863
0-E	Tubos y Perfiles Metálicos S.A. (Perú)	Perú	Indirect sub.	0.000	37.863	37.863	37.863
96705210-8	Cintac S.A. (ex Acero Cintac S.A.)	Chile	Indirect sub.	0.000	37.863	37.863	37.863
96859640-3	Instapanel (ex Varco Pruden Chile S.A.)	Chile	Indirect sub.	0.000	0.000	0.000	37.863
76721910-5	Inmobiliaria Cintac S.A.	Chile	Indirect sub.	0.000	37.863	37.863	37.863
99537280-0	Tecnoacero S.A.(***)	Chile	Indirect sub.	0.000	0.000	0.000	37.863
99553700-1	Tecnoacero Uno S.A.(***)	Chile	Indirect sub.	0.000	0.000	0.000	37.863
76734400-7	Centroacero S.A. ex Nueva Centroacero S.A.(***)	Chile	Indirect sub.	0.000	0.000	0.000	37.863

All the companies have the U.S. dollar as their functional currency.

(*) The main purpose of PACIFIC NV and its subsidiary PACIFIC BV was to act as sales agents for Compañía Minera del Pacífico S.A.. The Group discontinued the operations of these companies operating as sales agents. These companies were legally wound down in December, 2014.

(**) A Board Meeting of the subsidiary Compañía Minera del Pacífico, dated on June 20, 2014, agreed to purchase all of the shares of MHA owned by IMOPAC, whereby MHA was taken over as of August 1, 2014.

(***) In order to continue making progress in optimizing the processes and adoption of best practices in the operations of the Steel Business, on May 28, 2014, the Board Meeting of Cintac S.A. approved the restructuring of the Cintac Group. In 2014, Instapanel S.A., Centroacero S.A., Conjuntos Estructurales S.A., Tecnoacero S.A. and Tecnoacero Uno S.A. began to form part of Cintac S.A.I.C., via a gradual process of dissolutions and takeovers.

On December 31, 2014, the Extraordinary Shareholders' Meeting of the subsidiaries Cintac S.A.I.C. and Inmobiliaria Cintac S.A. approved the takeover of Sociedad Cintac S.A.I.C., with Inmobiliaria Cintac S.A. being the continuator. The merger will become effective on January 1, 2015.

Non-controlling interests - A controlling entity will present the non-controlling interest in the consolidated statement of financial position under equity, separately from the equity of the owners of the controlling Company.

Changes in the ownership interest of a parent in a subsidiary that do not result in loss of control over the subsidiaries are recorded as equity transactions. Book values of the Company's interest and the non-controlling interests are adjusted to reflect the change in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the parent.

Associates and joint ventures: An associate is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an investee, but it is not control or joint control over those policies.

A joint venture is a joint arrangement in which the parties having the joint control of the agreement have rights over the net assets of the joint arrangement. Joint control is the contractual agreement to share the control over an agreement that exists only when the decisions of significant activities require the unanimous consent of the parties that share the control.

Gain or loss, assets and liabilities of the associates and/or joint ventures are included in the financial statements by using the equity method, except when the investment is classified as held for sale, in which case it is recorded in conformity with IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations. Under the equity method, the investments in associates and/or joint ventures are initially recorded at cost, and are subsequently adjusted based on the changes that it has after the acquisition, the portion of net assets of the associate that is for the Company, less any impairment of the individual investments.

When the group's interest in the losses of an associate or joint venture exceeds its interest in them, the entity will stop recognizing its interest in the additional losses. The interest in an associate or joint venture shall be the book value of the investment in the associate or joint venture calculated in accordance with the equity method, together with any long-term interest that is, in substance, part of the net investment of the entity in the associate or joint venture.

An investment in an associate and/or joint venture shall be recorded by using the equity method from the date on which it becomes an associate or joint venture. At the time of acquisition of the investment in an associate or joint venture, any excess of the cost of the investment and the Company's interest in the net fair value of the identifiable assets and liabilities of the investee, shall be recorded as goodwill and included in the book value of the investment. Any excess of the entity's interest in the net fair value of the investee's identifiable assets and liabilities over the cost of the investment, after re-evaluating, shall be recognized immediately in profit or loss in the period in which the investment was acquired.

The Company’s jointly-controlled entities are as follows:

	Ownership percentage	
	12.31.2014	12.31.2013
Armacero Industrial y Comercial S.A	50%	50%

(d) Business combinations – Business combinations are recorded by using the acquisition method. This involves the recognition of the identifiable assets (including intangible assets not previously recorded) and liabilities (including contingent liabilities and excluding future restructurings) of the business acquired at fair value. If these business combinations imply acquiring control of an investment in which the Company has significant influence or joint control, such prior participation is recorded at fair value presenting the effect on profit or loss.

(e) Currency – The functional currency of the Company has been determined as the currency of the primary economic environment in which it operates. Transactions other than those performed in the functional currency are translated at the rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in

currencies other than the functional currency are translated at the closing exchange rate. Gains and losses on conversion are included in net income or loss for the year under exchange differences.

The Group's presentation currency is the U.S. dollar. In the consolidation, items of the statement of comprehensive income corresponding to entities with a functional currency other than the US dollar are translated to the latter at the average exchange rates. Items in the statement of financial position are translated at closing date exchange rates. Exchange differences arising from the translation of these entities net assets are recorded in equity and presented as a separate translation reserve.

(f) Foreign currency translation - Transactions in a currency other than the functional currency are considered as foreign currency transactions and are recognized in the functional currency at the exchange rate at the date of the transaction. Assets and liabilities denominated in Chilean pesos, Argentine pesos, Peruvian soles and Unidades de Fomento are translated to US dollars at the exchange rates prevailing at the closing date of financial statements, as follows:

	12.31.2014	**12.31.2013**
Chilean pesos per US$	606.75	524.61
Argentine pesos per US$	8,551	6,521
Peruvian soles per US$	2.89	2.80
Unidad de Fomento (pesos)	24,627.10	23,309.56

(g) Offsetting of balances and transactions – As a general rule, assets and liabilities, revenues 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 substance of the transaction.

Revenues and expenses from transactions which, contractual or according to law, include the possibility of settlement on a net basis, and the Group intends either to settle the net amount or to realize the asset and settle the liability simultaneously, are shown net in the statement of comprehensive income.

(h) Property, plant and equipment – Property, plant and equipment are recorded at cost, excluding periodic maintenance costs, less accumulated depreciation and accumulated impairment losses.

The cost of the items of property, plant and equipment comprises their purchase price plus all costs directly attributable to bringing the asset to the location and condition for its operating use in the manner intended by management and the initial estimate of any cost for dismantling and removing the asset or restoring the site on which it is located.

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

The costs of expansion, modernization or improvements that represent an increase in productivity, capacity or efficiency or an increase in useful life are capitalized by increasing the carrying amount of the assets.

The costs of repairs, preservation and maintenance are charged to comprehensive income for the year in which they are incurred. It is important to note that certain elements of the Group's property, plant and equipment require periodic reviews. In this case, the elements to be replaced are presented separately from the rest of the assets and with a disaggregation level that allows them to be depreciated in the period between the current and the following repair.

At the reporting date or whenever there is an indication that there may be impairment of assets, the recoverable amount will be compared with the net carrying amount. Any recognition or reversal of an impairment loss arising as a result of such comparison is presented as a debit or credit to comprehensive income, as appropriate.

Also, this item includes investments made in assets acquired under lease agreements meeting the conditions of a financial lease in accordance with IAS 17. These assets do not legally belong to the Company until the purchase option is exercised.

Spare parts associated with fixed assets with a turnover of more than twelve months are classified in property, plant and equipment and they are charged to profit or loss in the period in which they are used by the fixed asset to which they belong.

The gain or loss on the disposal or retirement of an asset is calculated as the difference between the proceeds of its disposal and its carrying amount, and it is recognized in comprehensive income for the period.

(i) Depreciation - The items of property, plant and equipment are depreciated using the straight-line method, through the distribution of the assets' acquisition costs minus the expected residual value between the assets' estimated years of useful life.

The residual value and useful life of the elements of property, plant and equipment are reviewed annually and depreciation begins when the assets are available for use.

Land is separately recognized from the buildings or facilities that may be on it. It is understood that its useful life is indefinite and is not therefore subject to depreciation. Likewise, other assets, which include balances of construction works in progress, are depreciated from the date when they are in use according to their nature.

The useful life of property, plant and equipment used in mining works is determined based on technical studies prepared by internal and external specialists. These studies are also used for new purchases of property, plant and equipment or when there are indications that the useful lives of these assets should be changed.

The technical studies take into account certain factors for the determination of the useful life of certain assets, including:

- Production expectations of units or volumes,
- Quality of additions to the production process, and
- Extraction and processing method.

(j) Assets available for sale and discontinued operations - Non-current assets whose carrying value is recovered via a sales operation, not their continuous use, are classified as available for sale and discontinued operations.

This condition is considered to be met only when the sale is highly probable and the asset is available for immediate sale in its current condition. The sale is anticipated to be completed within one year of the date of classification.

These assets are valued at the lower of their carrying value and their fair value less costs to sell.

(k) Investment Properties - The company recognizes as investment properties those properties held for lease or to obtain goodwill on their sale as a result of future increases in their respective market prices.

Investment properties are recorded initially at cost, including transaction costs. After initial recognition, investment properties are valued at cost less any accumulated depreciation and accumulated impairment losses.

An investment property is written off when it is sold or when the investment property is removed from use on a permanent basis and no future economic benefits are expected from its sale. Any gain or loss arising from writing off the property (calculated as the difference between the net income from the sale and the carrying amount of the asset) is included in profit or loss for the period in which the property is written off.

Investment properties, excluding land, are depreciated on a straight-line basis over the estimated months of useful life, corresponding to:

	Financial useful life in years
Buildings	30 y 80

(l) Mine development - The costs incurred during the execution of a project and until its start-up are capitalized and amortized in relation to future mineral production. These costs include the extraction of sterile overload, the construction of mine infrastructure and works prior to normal operating work.

(m) Cost of removal to access ore - The costs of activities of removal of overburden in open-pit deposits that are in production phase incurred in order to access ore deposits, are recognized in property, plant and equipment, provided that the following criteria in IFRIC 20 are complied:

- It is probable that future economic benefits associated with these removal activities will become cash flows for the Company.
- It is possible to identify the components of the ore body to which the Company will access as a result of these removal activities.
- The cost related to these removal activities may be measured reasonably.

The amounts recognized in property, plant and equipment are amortized based on production units extracted from the ore-bearing zone specifically related to the respective removal activity that generated those amounts.

(n) Goodwill – Goodwill arises when the acquisition cost is higher than the fair value of the identifiable assets, liabilities and contingent liabilities of the entity acquired. Goodwill is initially measured at cost and subsequently is measured at cost less impairment losses, if any.

Goodwill is annually tested to determine whether there are indications of impairment or more frequently when there are events or changes in circumstances indicating that the carrying amount might be impaired. Impairment of goodwill is determined by assessing the recoverable amount of the cash-generating unit (or group of cash-generating units) to which the goodwill relates.
When the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the carrying amount of the cash-generating unit (or group of cash-generating units) to which the goodwill has been allocated, an impairment loss is recognized. Impairment losses related to goodwill cannot be reversed in future periods.

(o) Intangible assets – Intangible assets with a finite useful life acquired separately are measured initially at cost. Subsequent to initial recognition, they measured at cost less any accumulated amortization and any accumulated impairment losses.

(p) Impairment of non-financial assets – Intangible assets with an indefinite useful life and goodwill are not amortized and are annually tested for impairment.

Assets subject to amortization are tested for impairment if there is objective evidence that as a result of one or more events occurring after initial recognition, the carrying amount may not be recoverable.

For the purposes of assessing impairment losses, assets are grouped together at the lowest level at which there are identifiable separate cash flows (cash generating units).

An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher between the fair value of an asset less costs of sale and its value in use. In evaluating value in use, the estimated future cash flows are discounted to their present value using a discount pre-tax rate that reflects current market assessments of time value of money and the risks specific to the asset for which the future cash flows have not been adjusted.

If the recoverable amount of an asset or cash generating unit is less than its carrying amount, the latter is reduced to the recoverable amount. Impairment is recognized immediately as depreciation. If impairment is subsequently reversed, the carrying amount is increased to the revised estimate of the recoverable amount, but it should not exceed the carrying amount that would have been determined had no impairment losses for the asset had been previously recognized. A reversal is immediately recorded as a reduction of the depreciation charge.

Non-financial assets other than goodwill that have suffered an impairment loss are reviewed at the date of each statement of financial position in case reversals of the loss have occurred.

In the case of mining properties, estimated future cash flows are based on estimates of the amounts of proven and probable reserves, and on assumptions about future production levels, future commodity prices, future production costs and capital investment projects. IAS 36 “Impairment of assets” includes a series of restrictions on the future cash flows that may be recognized with respect to future restructurings and improvements related to expenses. In calculating the value in use, it is also necessary for these to be based on exchange rates in force at the time of the appraisal.

As of December 31, 2014, CAP S.A. and its subsidiaries evaluated the future cash flows and discount rates updated, according to the current business plan and determined that no additional impairment provisions required.

(q) Useful economic lives of assets and estimated mineral reserves

i. Useful economic life of assets - The useful life of property, plant and equipment that are used to calculate the depreciation is determined based on technical studies prepared by internal experts. Additionally, these studies are used for new purchases of properties, plant and equipment or when there are indicators that useful lives of these assets should be changed.

The studies consider some factors to calculate the useful life of certain assets including:

- Expected units or production volume;
- Quality of inputs into the production process; and
- Method of extraction and processing.

ii. Iron ore reserves - Estimates of ore reserves are based on estimates of ore resources and reflect management’s beliefs regarding the amount of resources that could be recovered and sold at prices that exceed the total cost associated with the extraction and processing. The estimates of reserves are internally prepared by using standard methods of the mining industry and supported by historical experience and management’s assumptions regarding production cost and market prices.

Management applies its judgment to calculate probable resources to exploit. Therefore, possible changes in these estimates could have a significant impact on profits as a result of changes in useful lives of certain assets and the recognition of certain decommissioning and restoration costs that require being re-evaluated.

(r) Financial assets – Financial assets are classified into the following categories:

- Financial assets at fair value through profit and loss.
- Held-to-maturity investments.
- Available-for-sale financial assets.
- Loans and accounts receivable.

Classification depends on the nature and purpose of the financial assets and is determined on initial recognition.

- **Financial assets at fair value through profit and loss** – Their feature is that they are mainly held to be sold in the near future in order to obtain return and liquidity. These instruments are measured at fair value and variations in their value are recognized in profit and loss when they are incurred.

- **Held-to-maturity investments –** Are non-derivative financial assets with determinable payments and fixed maturities that the Group's management has the intention and ability to hold to maturity. Where the Group sells a significant amount of the held-to-maturity financial assets, the complete category would be reclassified as available-for-sale.

These financial assets are included in non-current assets except for those whose maturity is less than 12 months from the date of the statement of financial position.

- **Available - for - sale financial assets -** Available-for-sale financial assets are non-derivative financial assets specifically designated in this category or that are not classified in any of the previous categories. These financial assets are included in non-current assets unless management intends to dispose of the investment within 12 months from the date of the statement of financial position.

- **Loans and receivable –** Are recorded at their amortized cost, which corresponds to the cash disbursed less repayments of principal made, plus interest accrued but not collected in the case of loans and at present value for accounts receivable. They are included in current assets, except for those with maturities over 12 months from the statement of financial position date which are classified as non-current assets. Loans and receivable are included in trade and other current receivables in the statement of financial position.

Effective interest rate method – Correspond to the method of calculating the amortized cost of a financial asset and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all the fees and points received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts), over the expected life of the financial asset.

Purchases and sales of financial assets are recognized at their trade date, i.e. the date on which the Group is committed to acquire or sell the asset.

Impairment of financial assets – Financial assets, other than those measured at fair value through profit and loss, are assessed at the date of each statement of financial position to establish whether there is any evidence of impairment indicators. Financial assets are impaired when there is objective evidence, as a result of one or more events that occurred after the initial recognition of the asset that have impacted the estimated future cash flows of the financial asset.

In the case of financial assets measured at amortized cost, the impairment loss is the difference between the carrying amount of the asset and the present value of the estimated future cash flows discounted at the financial assets original effective interest rate. As of December 31, 2014, the impairment tests carried out indicate that no impairment loss exists.

Derecognition of financial assets - The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset have expired or when substantially all the risks and rewards inherent to the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the risks and rewards of ownership of the financial asset, the asset shall continue to be recognized, as well as a liability, for the cash flows received.

(s) Financial liabilities – Financial liabilities are classified either as financial liability "at fair value through profit and loss" or as "other financial liabilities".

- **Financial liabilities at fair value through profit and loss** – Financial liabilities are classified at fair value through profit and loss when they are held for trading or are designated at fair value through profit and loss.

- **Other financial liabilities** – Other financial liabilities, including loans, are measured initially at the cash amount received net of transaction costs. They are subsequently measured at amortized cost using the effective interest rate method, recognizing the interest expense on the basis of effective interest rate.

- **Effective interest rate method** – Correspond to the method of calculating the amortized cost of a financial liability and of allocating the 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 related liability has a prepayment option that it is expected of being exercised.

As of the close of these consolidated financial statements, the effective interest rate does not differ significantly from the nominal interest rate of the financial liabilities. Financial loans are presented at their net value, i.e. deducting the associated issuance costs.

The Group derecognizes the financial liabilities only when the obligations are paid, cancelled or have expired.

Modifications of the conditions of a financial loan are booked as the extinction of a financial liability only when such modifications are substantial.

- **Classification as liability or equity** – Debt and equity instruments are classified either as financial liabilities or as equity according to the substance of the contractual agreement.

- **Equity instruments** – An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. The equity instruments issued by the Group are recognized at the amount of the consideration received, net of direct issuance costs. Currently, the Group has only issued shares of a single series.

Capital increases made through assets and liabilities received other than cash and cash equivalents are recognized at their fair value.

(t) Derivative and hedging financial instruments - The derivative contracts entered into by the Group to hedge the risk exposure to exchange rates and interest rates fluctuations are mainly forward exchange contracts and currency and interest rate swaps. All of them relate to hedging contracts therefore the effects of changes in the fair value of this type of instrument are recognized as hedging assets or liabilities to the extent that the hedge of the item has been determined effective according to its purpose. A hedge is considered to be highly effective when changes in the fair value or in the underlying cash flows attributable to the risk hedged are compensated by changes in the fair value or cash flows of the hedging instrument, with effectiveness in the range of 80% - 125%. The corresponding gain or loss is recognized in comprehensive income for the year only in those cases in which the contracts are settled or no longer meet the requirements of a hedging contract; otherwise they are recognized in equity.

Derivatives are recognized initially at fair value at the date of signing the derivative contract and are subsequently measured at fair value on the date of each reporting period. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for similar maturities.

The total fair value of hedging derivatives is classified as non-current asset or liability if the remaining maturity is more than 12 months and as current asset or liability if the remaining maturity is less than 12 months.

Cash flow hedges - The effective portion of changes in the fair value of derivatives denominated and qualified as cash flow hedges is deferred in equity, in an equity reserve called "cash flow hedge". Any gain or loss on the ineffective portion is recognized immediately in the statement of comprehensive income and included in the financial income (costs) line. The amounts deferred in equity are recognized as gains or losses in the periods in which the hedged item is recognized in profit or loss, in the same line of the statement of comprehensive income in which the hedged item was recognized. However, when the anticipated hedged transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously deferred in equity are transferred to equity and included in the initial valuation of the cost of the asset or liability.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminates or exercised, or no longer qualifies for hedge accounting. Any deferred gain or loss deferred in equity at that time remains in equity and is recognized in gains or losses when the forecasted transaction occurs. When it is no longer likely that a forecasted transaction will occur, the accumulated gain or loss that was deferred in equity is immediately recognized in profit or loss.

Embedded derivatives – The Company and its subsidiaries have established a procedure that allows then assessing the existence of embedded derivatives in financial and non-financial arrangements. If an embedded derivative exists, and if the host contract is not recognized at fair value, the procedure to determine whether the characteristics and risks of it are closely related to the host contract, in whose case a separate recognition is required.

The procedure consists of an initial characterization of each contract in order to identify those in which there might exist an embedded derivative. In such case, the contract is analyzed in further detail. If such evaluation determines that the contract contains an embedded derivative that needs to be recognized separately, it is measured and the movements in its fair value are recognized in comprehensive income in the consolidated financial statements.

To date the analysis performed concluded that there are no embedded derivatives in the contracts of the Company and its subsidiaries that require being separately recorded.

(u) Inventories – Inventories are shown at cost using the following methods:

- **Finished and in-process products:** at the average monthly production cost which includes the depreciation of fixed assets and the amortization of mining properties.

- **Raw materials, supplies and consumption spare parts:** at acquisition cost.

- **Stockpiled ore:** at the lower of average monthly extraction cost or its recoverable amount.

- **Raw materials and supplies in transit:** at acquisition cost.

The cost assigned to inventories does not exceed their net realization value.

The cost price includes direct materials costs and any handling costs, indirect costs incurred in transforming the raw materials into finished goods and general expenses incurred in transforming the raw materials into finished goods, and general expenses incurred in moving inventories to their current location and conditions.

Net realization value represents the estimated sale price minus all estimated costs of completion, and costs that will be incurred in marketing, sales and distribution processes.

(v) Statement of cash flows – The Group has defined the following for the purposes of preparing the statement of cash flows:

Cash and cash equivalents includes cash, time deposits with financial entities, mutual fund shares and other highly liquid short-term investments that are readily convertible and have a low risk of changes in their value with an original maturity of up to three months. In the statement of financial position, bank overdrafts are classified as third party resources in current liabilities.

- **Operating activities:** Corresponds to the Group's principal revenue-producing activities and other activities that are not classified as investing or financing activities.

- **Investing activities:** Corresponds to the acquisition, disposal or disposition by other means of long-term assets and other investments not included in cash equivalents.

- **Financing activities:** Corresponds to activities that result in changes in the size and composition of net equity and of liabilities of a financial nature.

(w) Income tax – The Company and its Chilean subsidiaries determine taxable income and calculate their income tax in accordance with current legislation. Its foreign subsidiaries do so under the regulations of their respective countries.

Deferred taxes originating in temporary differences and other events creating differences between the accounting and tax bases of assets and liabilities are recorded as stipulated in IAS 12 "Income tax", except for the application in 2014 of Official Circular 856 issued by the Superintendency of Securities and Insurance on October 17, 2014, which stipulates that any differences in deferred tax assets and liabilities caused as a direct effect of the increase in the first category tax rate introduced by Law 20,780, must be accounted for in the respective year against equity (See note 3.3 i).

Similarly, the subsidiary, Compañía Minera del Pacífico S.A., recognizes the temporary differences arising from tax and financial items that result from the determination of the Operating Taxable Result (OTR) for the purpose of calculating the specific mining tax.

Corporate taxes are recognized in comprehensive income or in equity within the statement of financial position depending on where the resulting gains or losses have been recognized. The differences between the carrying amount of assets and liabilities and their tax base result in balances of deferred tax assets and liabilities that are calculated using the tax rates expected to be effective when the assets and liabilities are realized.

Variations during the year in deferred tax assets and liabilities are recognized in the consolidated statement of comprehensive income or directly in the equity within the statement of financial position, as appropriate.

Deferred tax assets are recognized only when it is expected that sufficient future taxable income will be available to recover deductions for temporary differences.

Non-monetary tax assets and liabilities determined in Chilean pesos or in the corresponding local currency are translated to the Company's functional currency at the closing exchange rate of each period. Variations in the exchange rate give rise to temporary differences.

x) Provisions - Provisions are recognized when the Company has a present obligation (whether legal or constructive) as a result of a past event, it is probably the Company will have to pay the obligation, and its amount could be reliably estimated.

The amount recognized as a provision must be the best estimate of the disbursement needed to pay the present obligation at the end of the reporting period, taking into account the risks and uncertainties inherent to the obligation. When a provision is measured using the estimated cash flow method to pay the present obligation, its carrying value represents the current value of such cash flows (when the effect of the time value of the money is significant).

When a third party is expected to recover some or all of the economic benefits required to cancel a provision, an account receivable is recognized as an asset, if it is practically certain that the disbursement will be received and the amount of the account receivable can be measured reliably.

(y) Employee benefits - Employment terms establish the payment of a severance indemnity for years of service when a work contract expires. Normally this corresponds to the proportion of one month for each year of service, based on the final salary. This benefit has been defined as a long-term benefit.

On the other hand, the Company and some of its subsidiaries have agreed a year of service award with certain of their employees, which is paid on the basis of an incremental percentage in their salary according to a specific table. This benefit has been defined as a long-term benefit.

The provisions for severance indemnities and year of service awards are calculated based on valuations prepared by an independent actuary, using the projected unit credit method, which are periodically updated. The obligation recognized in the statement of financial position represents the present value of the obligation for severance

indemnities and year of service awards. Actuarial gains and losses are recognized immediately in other comprehensive income.

The costs associated with employee benefits, related to the services provided by employees during the year, are charged to comprehensive income in the corresponding period.

Management makes assumptions for determining the best estimate of these benefits. These expectations and assumptions are established in conjunction with an actuary independent from the Company, and include an annual discount rate, expected salary increases, turnover rate, etc.

The amount of the net actuarial liabilities accrued at year-end is presented in current and non-current employee benefits provisions in the consolidated statements of financial position.

(z) Contingent liabilities - Contingent liabilities are obligations arising from past events whose existence is subject to the occurrence or non-occurrence of events not wholly within the control of the Company, or present obligations arising from past events whose amount cannot be reliably estimated or it is not probable that an outflow of resources will be required for its settlement.

The Company does not record any contingent assets or liabilities, except for those arising from contracts with valuable consideration, which are recorded as a provision and reviewed at each balance sheet date to be adjusted to better reflect their best estimate. At this date, analyses performed show that the Company and its subsidiaries do not have any contracts meeting the characteristics of contracts with valuable consideration.

(aa) Provisions for decommissioning and restoration costs - An obligation to incur in decommissioning and restoration costs arise when the environment is altered as a result of the development or ongoing production of a mining property. The costs are estimated based on a formal closure plan and are subject to a regular reviews.

The costs arising from setting up a plant or another project for the preparation of its location, discounted at their net present value, are provisioned and capitalized at the beginning of each project, as soon as the obligation to incur these costs arises. These decommissioning costs are charged to comprehensive income over the life of the mine by means of the depreciation of the asset and amortization or deduction from the provision. Depreciation is included in operating costs while amortization is included as a finance cost.

Costs of restoration due to damages in the location, which are generated progressively during production, are provisioned at their net present value when the damage is caused and charged to comprehensive income for the period as extraction continues.

Provisions for decommissioning and restoration and environmental provisions are determined at the present value at the time the obligation is known. Environmental costs are estimated also using the work of an external specialist and/or internal experts. Management uses its judgment and experience in provisioning and amortizing these estimated costs over the useful life of the mine.

(ab) Revenues – Revenues are recognized when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. The following specific criteria should also be met before recognizing revenue.

- **Sale of goods –** Revenue from the sale of goods is recognized when the Company has transferred to the buyer the significant risks and rewards of ownership of the goods; this normally occurs when the goods are dispatched.

  The price of sale of ore is now not a fixed value, but a variable price. This value is structured based on a price formula using as a reference the Platts 62% Fe CFR China price published in Daily Platts, an international publication commonly used in the iron and steel industry. The price formula is applied over a period of time known as the Settlement Period (SP). The SP is negotiable and may be extended for a few months after shipment, so at each year-end the subsidiary CMP uses the information on future prices of the products sold to quantify the potential differences between the temporary and definitive prices, and the Company uses this to make adjustments to its trade receivables and balances.

- **Revenue from services –** Revenue from services rendered is recognized by reference to the stage of completion of the services at the end of the reporting period, to the extent that the amount of revenue can be measured reliably.

- **Interest gained –** Income is recognized as interest accrues on the basis of the principal outstanding and the applicable interest rate.

- **Revenue generated by industrial promotion –** The indirect subsidiary Tubos Argentinos S.A. has recognized in operating revenue the effects of the industrial promotion granted through fiscal credit certificates by the Argentine Federal Administration of Public Revenues.

(ac) Earnings per share - Basic earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders of the parent entity by the weighted average number of ordinary shares outstanding during the period.

The Company has no carried out any kind of transaction of potential diluting effect that suggests diluted earnings per share would differ from the basic earnings per share.

(ad) Dividends - The distribution of dividends to shareholders is recognized as a liability at the end of each reporting date in accordance with the dividend policy agreed by the Ordinarys Shareholders Meeting, which corresponds to 50% of distributable profits, determined as discussed in Note 26 to the complete consolidated financial statements.

(ae) Leases - There are two kinds of leases:

- **Financial leases –** This is the case when the lessor transfers substantially all the risks and rewards incidental to ownership of the asset leased. The ownership of the asset may or may not be transferred.

When the Group's companies act as lessees of an asset under a financial lease, the cost of the assets leased is presented in the consolidated statement of financial position according to the nature of the asset under the contract, and simultaneously a liability is recognized in the consolidated statement of financial position for the same amount. This amount will be the lesser of the leased asset's fair value and the present value of the minimum lease payments to the lessor plus, if applicable, the price for exercising the purchase option.

These assets are amortized following criteria similar to that applied to the items property, plant and equipment for its own use.

The interest expenses derived from the financial updating of the liability recognized are charged to "Finance costs" in the consolidated statement of comprehensive income.

- **Operating leases –** These are leases in which the ownership of the leased asset and substantially all the risks and benefits that fall upon the asset remain with the lessor.

(af) Classification of balances as current or non-current – In the consolidated statement of financial position, balances are classified their maturities, i.e. current those maturing at no more than twelve months, and non-current being those maturing at over that term. Where there are obligations maturing at less than twelve months but whose long-term refinancing is assured at the Company's discretion, by committed available loan agreements with long-term maturities, they may be classified as non-current liabilities.

(ag) Environment – The Group adheres to the principles of Sustainable Development which harmonize the economic development, protecting the environments, safety and health of its employees.

The Company and its subsidiaries recognizes that these principles are key to the well-being of its collaborators, care of the environment and to achieve the success of its operations.

3.2 New accounting standards

a) The following new and revised standards and interpretations have been adopted in these financial statements:

New Interpretations	**Effective date**
IFRIC 21, Levies This new interpretation provides guidance on when to recognize a liability for a tax levy by a government, both for levies accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets and those in which the time and amount of the rate is certain. The interpretation identifies the event generating the obligations for the recognition of a liability as the activity causing the payment of the rate, according to relevant legislation. The following guidance is offered on recognition of a liability for paying levies: - The liability is recognized progressively, if the generating event happens over a period of time - If the obligation is activated when reaching a minimum threshold, the liability is recognized when it reaches that minimum threshold.	Annual periods beginning on or after January 1, 2014
Amendment to IFRS	**Effective date**
IAS 32, *Financial Instrument: Presentation – clarifying requirements for offsetting financial assets and liabilities* Modifies the accounting and disclosure requirements related to offsetting financial assets and liabilities. Specifically, it clarifies the meaning of "currently has the legally enforceable right to offsetting" and "simultaneous realization". Early application is allowed.	Annual periods beginning on or after January 1, 2014
Investment Entities – Amendments to IFRS 10, Consolidated Financial Statements; IFRS 12 Disclosure of Interests in Other Entities, and IAS 27 Separate Financial Statements. It provides an exception to the consolidation of subsidiaries under IFRS 10 Consolidated Financial Statements for entities meeting the definition of "investment entity", such as certain investment funds. Instead, such entities will measure their investments in subsidiaries at fair value through profit or loss under IFRS 9 Financial Instruments or IAS 39 Financial Instruments: Recognition and Measurement. The amendments also require additional disclosures as to whether the entity is considered an investment entity, details of the entity's unconsolidated subsidiaries and the nature of the relationship, and certain transactions between the investment entity and its subsidiaries. Furthermore, the amendments require that an investment entity should account for its investment in a subsidiary in the same way in its consolidated financial statements as in its individual financial statements (or only provide individual financial statements if all of the subsidiaries are unconsolidated). The effective date for this amendment is for periods beginning on or after January 1, 2014. Early application is allowed.	Annual periods beginning on or after January 1, 2014
IAS 36, *Impairment of Assets - Disclosures of the recoverable amount for non-financial assets* IAS 36 Impairment of the value of assets is amended to reduce the circumstances in which the recoverable amount of the assets or cash generating units is required to be disclosed, clarify the required disclosures, and introduce an explicit requirement to disclose the discount rate used to determine impairment (or reversals), where the recoverable amount is determined (based on the fair value less disposal costs), using the fair value technique.	Annual periods beginning on or after January 1, 2014

IAS 39, *Financial Instruments: Recognition and Measurement --Novation of derivatives and continuation of hedge accounting* This amendment allows hedge accounting (under IAS 39) to continue when a derivative is novated to a central counterpart and certain conditions are met. A novation indicates an event where the original parties to a derivative agree that one or more offsetting counterparts should replace the original counterpart to become the new counterpart for each of the parties. In order to apply the amendments and continue with hedge accounting, the novation to a central party must occur as a consequence of a law or regulation or the introduction of laws or regulations. The amendment must be applied for annual periods beginning on or after January 1, 2014. Early application is allowed.	Annual periods beginning on or after January 1, 2014
IAS 19, *Employee Benefits – Defined benefit plans: Contributions staff* The amendments allow the contributions that are independent of the number of years of service to be recognized as a reductions in cost per service in the period in which the service is provided, instead of allocating the contributions to periods of service. Other contributions from employees or third parties are required to be attributed to periods of service using either the contributions formula of the plan or on a linear basis. The amendments are effective for periods beginning on or after July 1, 2014, early application is allowed.	Annual periods beginning on or after July 1, 2014
Improvements Annual Cycle 2010-2012, improvements to six IFRS. IFSR 2, Share-based payments. Amends the definitions of "conditions for acquiring rights" and "market conditions", and adds the definitions of "performance conditions" and "service conditions". IFRS 3, Business Combinations. Accounting for contingent considerations in a business combination, and in accounting for a liability or asset at fair value at year-end. IFRS 8, Operating Segments. Requires the disclosure of judgments made by management in applying the aggregation criteria to operating segments. IFRS 13, Fair Value Measurements. Clarifies that the issue of IFRS 13 and the amendment to IFRS 9 and IAS 39 do not eliminate the possibility of measuring certain short-term credits and payables without discounting. IAS 16, Property, Plant and Equipment, IAS 38, Intangible Assets. Clarifies that the gross amount of property, plant and equipment is adjusted consistently with a revaluation of the carrying value. IAS 24, Related Party Disclosures. Payments to entities rendering Administration services must be disclosed.	Annual periods beginning on or after July 1, 2014
Improvements Annual Cycle 2011-2013, improvements to four IFRS. IFRS 1, First-time Adoption of IFRS. Clarifies what versions of IFRS may be used in initial adoption. IFRS 3, Business Combinations. Clarifies that IFRS 3 excludes joint ventures from its scope. IFRS 13, Fair Value Measurements. Scope of the portfolio exception (paragraph 52). IAS 40, Investment Property. Interrelation of IFRS 3 and IAS 40, when classifying property as investment property or occupied property.	Annual periods beginning on or after July 1, 2014

The application of these standards has not had a significant impact on the amounts reported in these financial statements; however, they could affect the accounting of future transactions or agreements.

b) The following new standards and interpretations have been issued, but they are not yet effective:

New IFRS	**Effective date**
IFRS 9, *Financial Instruments* This Standard introduces new requirements for classifying and measuring financial assets. IFRS 9 specifies how an entity should classify and measure its financial assets at amortized cost or fair value. It requires that all financial assets should be classified entirely based on the	Annual periods beginning on or after January 1, 2018

entity's business model for managing financial assets and the characteristics of the contractual cash flows of the financial assets. Financial assets are measured either at amortized cost or fair value. Only financial assets classified as measured at amortized cost will be tested for impairment. On November 19, 2013, IASB issued a revised version of IFRS 9, which introduces a new chapter in IFRS 9 on hedge accounting, implementing a new model of hedge accounting designed to be closely aligned with how the entities carry out risk management activities when hedging exposure to financial and non-financial risks. The revised version of IFRS 9 allows an entity to only apply the requirements introduced in IFRS 9 (2010) for presenting gains and losses on financial liabilities designed to be measured at fair value through profit or loss, without applying the other requirements of IFRS 9, which means that the portion of the change in fair value involving the typical credit risk of the entity may be presented in other comprehensive income instead of in profit or loss.	
IFRS 14, *Regulatory Account Referral* This standard allows an entity adopting IFRS for the first time to continue with the "deferred regulatory accounts" as under the previous GAAP, both in initial adoption of IFRS and in subsequent financial statements.	Annual periods beginning on or after January 1, 2016
IFRS 15, *Revenue from contracts with customers* IFRS 15 provides a single, five-step, principle-based model that will be applied to all contracts with customers. The model's five steps are: - Identify the contract with the customer - Identify the performance obligations in the contract - Determine the price of the transaction - Assign the transaction price of the performance obligations in the contracts - Recognize income when the entity meets a performance obligation. Guidance is offered on such issues as the point at which revenue is recognized and several related matters. New revenue disclosures are also introduced.	Annual periods beginning on or after January 1, 2017

Amendment to IFRS	**Effective date**
Accounting for acquisitions by interests in joint ventures (Amendments to IFRS 11) It amends IFRS 11 Joint Ventures to require that an entity acquiring an interest in a joint venture where the activity is a business (as defined in IFRS 3, Business Combinations), should: - apply all of the business combinations representing the principles of IFRS 3 and other IFRS - disclose the information required by IFRS 3 and other IFRS for business combinations.	Annual periods beginning on or after January 1, 2016
Clarifying acceptable methods of Depreciation and Amortization (Amendments to IAS 16 and IAS 38) Clarifies that a method of amortization based on income generated by an activity that includes the use of an asset is not appropriate for property, plant and equipment. - It introduces a refutable assumption that a method of amortization that is based on income generated by an activity that includes the use of an intangible asset is inappropriate, that it may only be used in limited circumstances in which the intangible asset is expressed as a measure of income, or when an extreme correlation can be shown between income and the consumption of the economic benefits of the intangible asset. - It adds a guideline that future reductions in the price of sale of an element produced using an asset may indicate the expectation of technological or commercial obsolescence of the asset, which, in turn, may reflect a reduction in the future economic benefits incorporated into the asset.	Annual periods beginning on or after January 1, 2016

Agriculture: Bearer plants (Amendments to IAS 16 and IAS 41) It introduces the term "bearer plants" in the sphere of application of IAS 16, instead of IAS 41, which allows this kind of asset to be accounted for as property, plant and equipment and subsequent measurement of initial recognition based on cost or revaluation according to IAS 16. The definition of "bearer plants" as a live plant used in the production or supply of agricultural products, which is expected to have products for more than one point and has the remote risk of being sold as agricultural products.	Annual periods beginning on or after January 1, 2016
Method of participation in separate financial statements (Amendments to IAS 27) It allows investments in subsidiaries, joint ventures and associates to be valued optionally using the equity method, in the individual financial statements.	Annual periods beginning on or after January 1, 2016
Sale or Contribution of assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28). Modification to clarify the treatment of the sale or contribution of an investor's assets to an associate or joint venture, as follows: - It requires full recognition in the investor's financial statements of the gains or losses from the sale or contribution of assets constituting a business (As defined in IFRS 3, Business Combinations) - It requires partial recognition of the gains or losses when the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the interests of the investors not related to that associate or joint venture. These requirements are applied independently of the legal method of transaction, for example, if the sale or contribution of the assets is caused by a transfer of the investor's shares in a subsidiary owning the assets (which results in a loss of control over the subsidiary) or by the direct sale of the same assets.	Annual periods beginning on or after January 1, 2016
Disclosure Initiative (Amendments to IAS 1) On December 18, 2014, IASB added a disclosure initiative to its 2013 work program to supplement the work being done on the Conceptual Framework Project. The initiative is made up of a series of smaller projects whose purpose is to study the possibilities of improving the presentation and disclosure of principles and requirements of already existing standards.	Annual periods beginning on or after January 1, 2016
Investment entities: Application of the Consolidation exception (Amendments to IFRS 10, IFRS 12 and IAS 28) On December 18, 2014, IASB published Investment Entities: application of the Consolidation exception, amendments to IFRS 10 Consolidated Financial Statements, IFRS 12 Disclosure of interests in other entities, and IAS 28 Investments in Associates and Joint Ventures (2011) to address issues arising in the context of the application of the consolidation exception for investment entities.	Annual periods beginning on or after January 1, 2016
Improvements Annual Cycle 2012-2014, improvements to four IFRS. *It amends the following standards:* IFRS 15 – It adds a specific guideline in IFRS 5 for cases in which an entity reclassifies an asset held for sale to one held for distribution or vice-versa, and the cases in which those held for distribution are discontinued. IFRS 7 - Additional guidance to clarify whether a service provision contract is the continued implication of a transferred asset, and clarifications on disclosures of offsets in condensed interim financial statements. IAS 9 - Clarifies that high quality corporate bonuses used in estimating the discount rate for post-employment benefits must be denominated in the same currency as the benefits payable. IAS 34 - Clarifies the meaning of "in any part of the interim report" and requires a cross-reference.	Annual periods beginning on or after July 1, 2016

Management estimates that the adoption of this standard will not have a significant impact on the consolidated financial statements of the Group.

3.3 Accounting changes, corrections and reclassifications

i. Accounting Changes

By virtue of its authority the Superintendency of Securities and Insurance (SVS) on October 17, 2014, issued Official Circular N°856, instructing the supervised entities to record against equity in the respective year the differences in deferred tax assets and liabilities that arise a direct effect of the increase in the first category tax introduced by Law 20,780.

This pronouncement differs from the International Financial Reporting Standards (IFRS), which require that the effect will be recorded against profit or loss.
This instruction issued by the SVS meant a change in the framework for the preparation and presentation of the financial information adopted up to the date, given the previous framework (IFRS) requires that it be adopted in an integral, explicit and unreserved manner.

The effect of this change in the accounting bases meant a charge to retained earnings in the amount of ThUS$83.360, which according to IFRS, should be presented under profit or loss.

For all other matters related to the presentation of the financial statements, the Company uses the International Financial Reporting Standards as issued by the International Accounting Standards Board IASB)

ii. Corrections and reclassifications

- The financial statements of the subsidiary Tubos Argentinos S.A. at December 31, 2013 and January 1, 2013 have been restated to reflect the effects of the correction of the deferred tax balance, caused by the difference in the valuation of accounting and tax fixed assets, which is the result of the variation in the Argentinean peso to US dollar exchange rate.

  The effects at December 31, 2013 and January 1, 2013 were as follows:

	12.31.2013	01.01.2013
	Adjustment ThUS$	**Adjustment ThUS$**
Assets totals	(475)	(212)
Liabilities totals	(1,492)	(1,275)
Equity:	**(1,967)**	**(1,487)**
Retained earning	(1,099)	(1,099)
Non-controlling interest	(388)	(388)
Profit (loss), attributable to owners of the parent	(355)	-
Profit (loss), attributable to non-controlling interests	(125)	-

- The subsidiary Compañía Siderúrgica Huachipato S.A. has made certain reclassifications in its financial statements at December 31, 2013:

Prior Item	New Presentation	ThUS$
CURRENT ASSETS Other non-financial assets	NON-CURRENT ASSETS Property, plant and equipment	112
NON-CURRENT ASSETS Other non-financial assets	NON-CURRENT ASSETS Property, plant and equipment	2,023
NON-CURRENT ASSETS Other non-financial assets	NON-CURRENT ASSETS Non-current rights receivable	770
OTHER INCOME BY FUNCTION	REVENUE	8,177
OTHER EXPENSES BY FUNCTION	COST OF SALE	4,453

4. Financial risk management and hedge definitions

The following, the risks of the Company and its subsidiaries, a characterization and quantification of these as well as a description of the mitigation measures are presented.

In the normal course of its businesses and financing activities, the Company is exposed to various financial risks that may significantly affect the economic value of its cash flows and assets, and thus its profits. The risk management policies are approved and revised periodically by CAP S.A. and its subsidiaries.

4.1 Market risk

This is the possibility that fluctuations in market variables such as interest rates, exchange rates, product prices, etc., result in economic losses due to the devaluation of cash flows or assets or the valuation of liabilities due to their denomination or indexation.

The policies for managing these risks are established by the Company defining specific strategies in function of periodic analyses of trends in the variables that influence exchange and interest rates.

- **Exchange rate risk**

The Group is exposed to exchange rate risk given the nature of its operations, which involve transactions in currencies other than the U.S. dollar, principally in Chilean and Argentine pesos, these being non-significant as the Company's functional currency is the US dollar.

CAP Holding

The principal exposed items in the statement of financial position are financial investments denominated in pesos and UF time deposits, and dividend payment obligations which are denominated in Chilean pesos. The Group has arranged hedges to mitigate the exchange risk on such items.

In order to mitigate these risks, CAP S.A. has signed forward and cross-currency swap contracts for the entire amount of its financial investments and dividend payments in currencies other than the dollar, whereby the Company pays its counterparties cash in pesos and UF equal to the cash flows from its investments and dividend payments in those currencies, and receives cash flows in dollars, thus being freed from the exchange risk described.

CAP Mining

The subsidiary Compañía Minera del Pacífico S.A. is exposed to exchange risk due to the nature of its business, which involves transactions in currencies other than the US dollar, principally Chilean pesos.

The Company's management has decided to enter into hedging operations to mitigate foreign exchange rate risks of operating expenses and financial investments.

In 2014, the Company liquidated the US dollar to peso cash flow hedge contracts.

CAP Steel

The subsidiary Compañía Siderúrgica Huachipato S.A. is exposed to exchange rate risk due to the nature of its operations which involve transactions in currencies other than the U.S. dollar, mainly in Chilean pesos.

The principal items in the balance sheet of CSH are its accounts receivable (mostly denominated in Chilean pesos) and financial liabilities contracted in local currency.

CAP Steel Processing

The principal exposed items of the statement of financial position in the direct subsidiary Cintac S.A. are accounts receivable (denominated mostly in Chilean pesos), financial investments in time deposits in Chilean pesos and financial debt in local currency.

The Company's management has decided to carry out hedge operations to mitigate the exchange risks of the account receivable.

The subsidiary Intasa S.A. is exposed to exchange risk due to the nature of its operations which involve transactions in currencies other than the dollar, mainly in Argentine pesos.

Cleanairtech Sudamérica S.A.

The subsidiary Cleanairtech Sudamérica S.A. is exposed to exchange risk due to the nature of its business which involves transactions in currencies other than the US dollar, specifically cash flows in UF (pesos) that have to be paid during the construction of the seawater desalination plant and aqueduct.

The Company's management has decided to contract hedges to mitigate the exchange risks on its operating expenses and financial obligations.

The Company has dollar–UF cash-flow hedge instrument contracts to cover its investment disbursements.

- **Interest rate risk**

The Group's financing structure comprises of a mixture of sources of funds with fixed and floating rates. The financing portion at floating rates, usually at 3 or 6-month LIBOR plus a spread exposes the Company to changes in its financial expenses depending on fluctuations in LIBOR.

Policies for managing these risks are established by the Company, defining specific strategies as a function of periodic analyses of trends in the variables that influence exchange and interest rates.

CAP Holding

The Company has entered into an interest-rate swap to fix the rate applicable to its Series F of domestic bonds for ThUS$171,480.

CAP Mining

Currently, its financial obligations are mostly finance lease operations at fixed rates and the syndicated loan taken out with the Bank of Tokio, which is subject to a variable rate (libor).

CAP Steel

The financing structure of Compañía Siderúrgica Huachipato S.A. mainly relates to financing provided by the Parent through an operating current account, at LIBOR plus a spread of 2.5%. In addition but to a lesser extent, there are also finance lease contracts at fixed interest rates.

CAP Steel Processing

The financing structure of the CINTAC S.A. Group is mainly composed of floating interest rates. The portion at floating rates consists of a portion at 180-day LIBOR plus a spread for its financing in U.S. dollar.

The financing structure of Intasa S.A. and subsidiaries considers a source of financing subject to a fixed rate. The policies to manage these risks are established by Intasa S.A. Intasa S.A. defines specific strategies based on regular analyses of the tendencies of the variables influencing exchange and interest rates.

As of December 31, 2014 the interest rates of financial obligations of Intasa S.A. and subsidiaries are fixed by means of contracts. Therefore, there is no variation between the cash flows intended to pay interest and the provisional amounts at year-end of these consolidated financial statements. These rates are periodically reviewed by the Company's management and its subsidiaries.

Cleanairtech Sudamérica S.A.

The subsidiary Cleanairtech Sudamérica S.A. has signed a IRS contract to cover the variable interest rate for 80% of the principal due during the term of the project finance. Al cierre de los presentes estados financieros consolidados, el monto de esta cobertura asciende a ThUS$ 189,846.

Financial consolidated debt

The total financial debt, including interests accrued, of CAP S.A. as of December 31, 2014 is summarized in the following table, detailed by debt at fixed rates and debt at floating rates:

	12.31.2014		
	Fixed rate ThUS$	**Variable rate ThUS$**	**Total ThUS$**
Short-term bank debt	159,574	150,030	309,604
Long-term bank debt	752	544,747	545,499
Financial overdraft	6,437	-	6,437
Financial leases	160,620	-	160,620
International bonds	55,371	-	55,371
Local bonds	166,089	-	166,089
Hedging instruments	26,360	-	26,360
Total	**575,203**	**694,777**	**1,269,980**

As of December 31, 2014, there is no significant variation in the Company’s profits due to changes in interest rates. At the end of both periods, the interest rates on financial debt are contractually fixed for a 6-month period so there is no variation between the cash outflows for paying interest and the amounts provisioned at the closing date of these consolidated financial statements.

These rates are revised periodically by the Company's management.

4.2 Credit risk

This risk refers to the capacity of third parties to meet their financial obligations with CAP S.A. and subsidiaries. The items exposed to this risk fall into 3 categories:

- **Financial assets -** Correspond to balances of cash and cash equivalents, time deposits and marketable securities in general. The Company's ability to recover these funds upon their maturity depends on the solvency of the bank where they are deposited, so the credit risk exposure over cash and cash equivalents is limited as the funds are deposited with banks with high credit ratings granted by international credit-rating agencies and limited by amounts for each financial entity according to the Parent's current investment policy.

- **Trade debtors -** The risk of uncollectible trade receivables of the Group is significantly low and where a provision has been made to cover doubtful collections. The estimate of this allowance includes certain debtors which show certain default payment indicators.

- **Derivative counterparty obligations** - Correspond to the fair value in favor of the Company and Subsidiaries under derivative contracts outstanding with banks.

  To mitigate this risk, the Company has a derivatives management policy that specifies credit-quality parameters that financial institutions must meet in order to be considered eligible as counterparties.

4.3 Liquidity risk

This risk relates to the CAP Group's capacity to pay or refinance its financial commitments at reasonable market prices and its capacity to carry out its business plans with stable sources of funding.

The Company estimates that the generation of cash flows to meet its financial obligations is sufficient, permitting eventual distributions of dividends to its shareholders.

On the other hand, the Company estimates that the level of indebtedness is adequate to cover its normal operating and investment requirements as established in its five-year plan.

The following table shows the maturity schedule for the financial obligations of CAP S.A. and subsidiaries as of December 31, 2014:

	Expiration Year					
	2015 ThUS$	**2016 ThUS$**	**2017 ThUS$**	**2018 ThUS$**	**2019 & followings ThUS$**	**Total ThUS$**
Bank loans	322,950	83,609	34,442	21,805	392,297	855,103
Financial overdraft	6,437	-	-	-	-	6,437
Financial leases	29,490	28,000	27,216	28,208	47,706	160,620
International bonds	-	-	-	-	55,371	55,371
Local bonds	-	-	-	166,089	-	166,089
Hedging instruments	8,813	-	-	-	17,547	26,360
Total	**367,690**	**111,609**	**61,658**	**216,102**	**512,921**	**1,269,980**

4.4 Commodity prices risk

The Group's operations are exposed to variations in commodity prices, principally of coal, steel, iron and inputs necessary for production (oil, energy, chemicals, etc.), whose levels are determined by supply and demand in the different markets.

4.5 Sensitivity analysis

i) Exchange rate risk

The following sensitivity analysis shows the impact of the variation in the US dollar / Chilean peso exchange rate on the Company's results. This impact is produced as a consequence of the valuation of peso-denominated expenses and the translation of financial assets (including cash, trade creditors, debtors, etc).

CAP S.A. has a creditor accounting position with respect to currencies other than the US dollar (i.e. assets greater than liabilities denominated in currencies other than the US dollar), amounting to US$ 101 million, of which US$ 26 million is hedged by derivative instruments, which leaves a net exposure of US$ 75 million. If the exchange rate (mainly Chilean pesos against the dollar) appreciates or depreciates by 10%, it is estimated that the effect on the Company's results would be a gain or loss of US$ 7.5 million respectively.

ii) Interest rate risk:

CAP S.A. follows a policy of hedging interest rates on its debt through derivative instruments, in order to reduce risks in case of fluctuations in interest rates in the most probable expected rates scenario. The Company's financial investments are agreed at fixed interest rates, thus eliminating the risk of fluctuations in market interest rates.

CAP S.A. has financial debt at floating rates amounting to US$ 694.7 million. This amount is therefore exposed to variations in interest flows as a result of changes in market interest rates. In the event of an increase or decrease of 10% (on the average funding rate, equivalent to 2.26% p.a.), it is believed that the Company's annual financial expenses would rise or fall by US$ 16.77 million.

5. Estimates and assumptions made by management in applying accounting policies

The application of IFRS requires the use of estimates and assumptions that will affect the amounts of assets and liabilities reported on the date of the financial statements and the amounts of revenue and expenses generated during the reporting period. The Group's management will necessarily make judgments and estimates that will have a significant effect on the figures shown in the consolidated financial statements under IFRS, and changes in these assumptions and estimates could also have a significant impact on these.

A detail of such estimates and judgments used is as follows:

5.1 Estimated economic useful lives of assets and mineral reserves - The useful lives of property, plant and equipment used to calculate depreciation are determined based on technical studies prepared by internal and external specialists. The mineral reserves of CAP Group's mining properties have been estimated by using a model based on the respective useful life of the mine by using the production-unit method over proven and probable reserves. The assumptions valid for determining a mineral reserve could change to the extent there is new information available.

The depreciation of assets related directly to the production processes could be impacted by an expansion or reduction of actual production in the future, other than that established in the actual production budget, based on proven and probable reserves. This could occur if there is any significant change in any variable or assumption used in estimating the mineral reserves.

These factors might include:

- Expected units or production volume;
- Quality of inputs into the production process; and
- Method of extraction and processing.

5.2 Impairment of assets - At the close of each period, or the date considered necessary, the Company reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that these assets might be impaired. In this impairment evaluation, assets that do not generate cash flows independently are grouped in appropriate cash-generating units (CGU). The recoverable amount from these assets or CGUs is the higher of their recoverable amount (discounted cash flow method) and their carrying amount.

The management necessarily applies its judgment in the grouping of assets that do not generate independent cash flows and also in the estimate and frequency of the underlying cash-flow values in the calculation values and the interest rate used. Subsequent changes in the grouping of CGUs or the frequency of the cash flows and interest rates could affect the carrying amount of the respective assets.

5.3 Costs of restoration and environmental rehabilitation - The provisions for restoration and environmental costs are made at the present value as soon as the obligation is known. The costs incurred in decommissioning associated with each project are capitalized and charged to comprehensive income over the useful life of the project through the depreciation of the assets and/or development of the discounted provision. Subsequent restoration costs are measured at present value and charged to comprehensive income according to the progress of the extraction damage. The costs are estimated by using the work of an external specialist and/or internal experts. The management applies its judgment and experience in providing for and depreciating these estimated costs over the useful life of the mine.

5.4 Estimate of doubtful accounts and obsolete inventories - The Company has estimated the risk of payment default of its accounts receivable and of the inventory obsolescence, for which percentage allowances have been established for tranches of maturities less credit insurance taken, and the turnover of its products taken into account, respectively.

5.5 Employee benefit - Expected costs of severance indemnities related to services rendered by employees and other long-term benefits during the year are charged to earnings. Any actuarial profits or losses, which may result from differences between real and expected results or changes in actuarial assumptions, are directly recognized in other comprehensive income.

Assumptions related to expected costs are established in conjunction with an external actuary. These assumptions include population assumptions, the discount rate and expected increases in remunerations. Even though the management believes that assumptions used are appropriate, a change in these assumptions could significantly affect the Company's results.

5.6 Fair value of derivatives and other financial instruments - As discussed in Note 4, management uses its judgment for selecting an appropriate valuation technique for the instruments that are not quoted in an active market. The techniques applied are those commonly used by market professionals. In the case of derivative financial instruments, assumptions are made based on rates quoted in the market, adjusted according to the specific characteristics of the instrument. Other financial instruments are measured by using an analysis of revised cash flows based on assumptions, where possible, from observable market prices or rates.

5.7 Litigation and contingencies - The Company periodically evaluates the probability of loss on its litigation and contingencies according to estimates made by its legal advisers. Where the Company’s management and lawyers believe that a favorable outcome will be obtained or the outcomes are uncertain and the litigations are still in process, no provisions are made.

5.8 Obsolescence - The Company has estimated the risk of obsolescence of its inventories as a function of its condition and turnover of it, and its net realizable values.

6. Cash and cash equivalents and investment in financial instruments, current and non-current.

6.1 Cash and cash equivalents

The detail of cash and cash equivalents and investments in financial instruments as of December 31, 2014 and 2013 is as follows:

	Cash and cash equivalents	
	12.31.2014 ThUS$	12.31.2013 ThUS$
Cash and banks	23,007	17,530
Time deposits	75,568	28,766
Mutual funds	32,581	64,897
Total	131,156	111,193

- Time deposits classified as cash and cash equivalents, mature within three months from the date of their acquisition and accrue interest at market rates for this type of investment.

- Mutual funds correspond to fixed-income funds, in peso and dollar-denominated, which are recognized at the corresponding value of the quote at the closing date of these consolidated financial statements. The fair value of these investments is the result of the number of quotes held times the latest price of the unit publicly market quoted, for each of the mutual funds invested, which is also the redemption value of this investment. Changes in fair value of other financial assets at fair value through profit and loss are recognized within “finance income” in the consolidated statement of comprehensive income.

- Cash and cash equivalents have no restrictions on their availability.

6.2 Information on the consolidated statement of cash flows

These are the details of the breakdown of the item other inflows (outflows) of cash included in the item investing activities.

	12.31.2014 ThUS$	12.31.2013 ThUS$
Rescue of investment in time deposits	135,000	358,544
Investments in time deposits and other financial instruments	(180,000)	(136,288)
Other in flows (outflows) of cash	23,882	(16,273)
Total	(21,118)	205,983

(*) This item is mainly relates to balances in current accounts in commercial banks of the subsidiary Cleanairtech Sudamérica S.A., which are subject to restrictions by agent banks of Project Finance.

6.3 Other current and non-current financial assets.

	Other Current Financial Assets financial instruments	
	12.31.2014 ThUS$	12.31.2013 ThUS$
Time deposits	180,673	135,759
Hedge assets (Note 10)	7	3,781
Others	36,324	58,292
Total	217,004	197,832

- Time deposits classified as other current financial assets mature in over three months from the date of their placement and accrue interest at market rates for this type of investment.

- Other financial assets refer to balances in current accounts with commercial banks of the subsidiary Cleanairtech Sudamérica S.A. which are subject to restrictions by the project finance agent banks, as detailed in Note 20.

- The Company has made no investing or financing transactions that do not require the use of cash and cash equivalents.

	Other Non-current Financial financial instruments	
	12.31.2014 ThUS$	12.31.2013 ThUS$
Investments of equity instruments in other companies (*)	15,699	15,699
Corporates bonds (**)	20,887	20,887
Other financial Assets	377	764
Total	36,963	37,350

(*) The investments in equity instruments of other companies are 40,900,898 shares of the Australian Company Hot Chili Limited, whose instruments are traded in the Australian Stock Exchange. This Company's activities are buying copper and undertaking copper projects by using products extracted from Chile. Currently, the Company is undertaking four important projects related to this product.

(**) The corporate bonds are debt securities, the interest rate of which is fixed. The weighted average interest of these securities is 4.47% The bonds have maturity dates from January 15, 2018 to October 7, 2019. The involved entities comply with a minimum credit rating.

7. Trade and other receivables

The detail of trade and other receivables as of December 31, 2014 and 2013 is as follows:

Type of debtors

a) The detail at the level of accounts is the following:

12.31.2014	Total current			Total non- current		
Trade debtors and other accounts receivable	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$
Debtors for credit operations	253,348	(6,246)	247,102	-	-	-
Sundry Debtors	4,969	(496)	4,473	2,721	-	2,721
Sub total trade debtors	**258,317**	**(6,742)**	**251,575**	**2,721**	**-**	**2,721**
Advance payments	2,643	-	2,643	-	-	-
Other accounts receivable	14,312	(81)	14,231	6,771	(71)	6,700
Total	**275,272**	**(6,823)**	**268,449**	**9,492**	**(71)**	**9,421**

12.31.2013	Total current			Total non- current		
Trade debtors and other accounts receivable	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$	Assets before provisions ThUS$	Provisions trade debtors ThUS$	Trade debtor assets, net ThUS$
Debtors for credit operations	451,088	(8,511)	442,577	-	-	-
Sundry Debtors	6,069	(496)	5,573	1,201	-	1,201
Sub total trade debtors	**457,157**	**(9,007)**	**448,150**	**1,201**	**-**	**1,201**
Advance payments	1,590	-	1,590	-	-	-
Other accounts receivable	13,579	(117)	13,462	5,676	(57)	5,619
Total	**472,326**	**(9,124)**	**463,202**	**6,877**	**(57)**	**6,820**

b) The following provides a detail of the balances as of December 31, 2014 and 2013 by maturity:

12.31.2014												
Aging of accounts receivable	Current ThUS$	Overdue between 1 and 30 days ThUS$	Overdue between 31 and 60 days ThUS$	Overdue between 61 and 90 days ThUS$	Overdue between 91 and 120 days ThUS$	Overdue between 121 and 150 days ThUS$	Overdue between 151 and 180 days ThUS$	Overdue between 181 and 210 days ThUS$	Overdue between 211 and 250 days ThUS$	Overdue more than 251 days ThUS$	Total Current ThUS$	Total non-current ThUS$
Gross Trade Receivables	181,112	37,537	23,677	6,568	259	907	331	478	1,872	6,718	259,459	-
Provision for impairment	(481)	(528)	(386)	(205)	(69)	(14)	(121)	(105)	(104)	(4,729)	(6,742)	-
Other accounts receivable, gross	15,218	-	-	-	-	-	-	-	-	595	15,813	9,492
Provision for impairment	-	-	-	-	-	-	-	-	-	(81)	(81)	(71)
Total	195,849	37,009	23,291	6,363	190	893	210	373	1,768	2,503	268,449	9,421

12.31.2013												
Aging of accounts receivable	Current ThUS$	Overdue between 1 and 30 days ThUS$	Overdue between 31 and 60 days ThUS$	Overdue between 61 and 90 days ThUS$	Overdue between 91 and 120 days ThUS$	Overdue between 121 and 150 days ThUS$	Overdue between 151 and 180 days ThUS$	Overdue between 181 and 210 days ThUS$	Overdue between 211 and 250 days ThUS$	Overdue more than 251 days ThUS$	Total Current ThUS$	Total non-current ThUS$
Gross Trade Receivables	408,858	24,796	5,276	1,851	566	501	87	372	337	9,371	452,015	-
Provision for impairment	(610)	(881)	(174)	(71)	(93)	(318)	(66)	(173)	(161)	(6,461)	(9,007)	-
Other accounts receivable, gross	19,211	27	-	-	-	-	-	-	-	1,073	20,311	6,877
Provision for impairment	-	-	-	-	-	-	-	-	-	(117)	(117)	(57)
Total	427,459	23,942	5,102	1,780	473	183	21	199	176	3,866	463,202	6,820

The Company has made an allowance for doubtful accounts based on the solvency of the debtors and the collection times of invoices. The estimate of this allowance contemplates debtors showing certain indications of payment difficulties at the end of period.

The fair values of trade debtors and other accounts receivable correspond to their commercial values.

c) The following is an analysis of past-due and unpaid accounts receivable by type of portfolio:

12.31.2014

Ageing of accounts receivable, by type of portfolio	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
	Number Customer	Gross Amount ThUS$	Number Customer	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	1,114	196,330	-	-	1,114	196,330
Due between 1 and 30 days	388	37,537	-	-	388	37,537
Due between 31 and 60 days	521	23,677	-	-	521	23,677
Due between 61 and 90 days	86	6,568	-	-	86	6,568
Due between 91 and 120 days	388	259	-	-	388	259
Due between 121 and 150 days	73	907	-	-	73	907
Due between 151 and 180 days	125	331	-	-	125	331
Due between 181 and 210 days	41	478	-	-	41	478
Due between 211 and 250 days	35	1,872	-	-	35	1,872
Overdue more than 251 days	297	7,313	-	-	297	7,313
Total	3,068	275,272	-	-	3,068	275,272

12.31.2013

Ageing of accounts receivable, by type of portfolio	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
	Number Customer	Gross Amount ThUS$	Number Customer	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	1,200	428,069	-	-	1,200	428,069
Due between 1 and 30 days	758	24,823	-	-	758	24,823
Due between 31 and 60 days	370	5,276	-	-	370	5,276
Due between 61 and 90 days	227	1,851	-	-	227	1,851
Due between 91 and 120 days	432	566	-	-	432	566
Due between 121 and 150 days	49	501	-	-	49	501
Due between 151 and 180 days	41	87	-	-	41	87
Due between 181 and 210 days	43	372	-	-	43	372
Due between 211 and 250 days	28	337	-	-	28	337
Overdue more than 251 days	435	10,444	-	-	435	10,444
Total	3,583	472,326	-	-	3,583	472,326

CAP S.A. and its subsidiaries have no accounts receivable relating to refinanced debt.

d) The following shows protested debts and those under judicial recovery:

Portfolio protested and in judical recovery	12.31.2014		12.31.2013	
	Number Customers	Amount ThUS$	Number Customers	Amount ThUS$
Protested notes receivable	12	128	12	235
Documents in legal recovery	37	3,154	195	2,703
Total	**49**	**3,282**	**207**	**2,938**

e) The movement in provisions for accounts receivable was as follows:

12.31.2014	Total current		Total non- current	
Provisions and write-offs	Number of Operations	Amount ThUS$	Number of Operations	Amount ThUS$
Provision non-restructured portfolio	4,292	(9,124)	366	(57)
Increase in the period	623	740	-	-
Write-offs in the period	(302)	902	(91)	(14)
Recoveries in the period	(134)	659	-	-
Total	**4,479**	**(6,823)**	**275**	**(71)**

12.31.2013	Total current		Total non- current	
Provisions and write-offs	Number of Operations	Amount ThUS$	Number of Operations	Amount ThUS$
Provision non-restructured portfolio	3,961	(8,590)	594	(228)
Increase in the period	82	(1,092)	-	-
Write-offs in the period	(2)	(844)	(228)	171
Recoveries in the period	251	1,402	-	-
Total	**4,292**	**(9,124)**	**366**	**(57)**

8. Balances and transactions with related entities

8.1 Shareholders - The detail of major shareholders as of December 31, 2014 is as follows:

Shareholder	Number of shares	Participation %
Invercap S.A.	46,807,364	31.32%
Mitsubishi Corporation	28,805,943	19.27%
Banco de Chile por Cuenta de Terceros	7,662,245	5.13%
Banco Itau por cuenta de Inv. extranjeros	6,412,923	4.29%
Banco Santander-Chile para inv. Extranjeros	3,932,093	2.63%
Fundación CAP	3,288,069	2.20%
Banchile Corredores de Bolsa S.A.	3,281,511	2.20%
Larraín Vial S.A. Corredora de Bolsa	2,956,601	1.98%
South Pacific Investments S.A.	1,370,426	0.92%
A.F.P. Provida S.A. Fondo Tipo C	1,367,824	0.92%
A.F.P. Santa Maria S.A. Fondo Tipo C	1,317,580	0.88%
Inversiones Rand Limitada	1,291,759	0.86%
Various	40,953,774	27.40%
Total	149,448,112	100%

At December 31, 2014 and 2013 the number of shareholders of the Company is 4,101 and 4,476, respectively.

Principal controller

In accordance with the concepts defined in IFRS 10, consolidated financial statements, the Company has no controller. As indicated in Note 1, for the purposes of the definition given in chapter 15 of Law 18,045, Invercap S.A. is in the position of controller of CAP S.A.

8.2 Balances and transactions with related entities

Accounts receivable:

				12.31.2014		
				Total current		
Company	Tax No.	Type relationship	Country of Origin	Less than 90 days	More Than 90 days	Total Current
Armacero Industrial y Comercial S.A.	78.170.790-2	Joint venture	Chile	647	-	647
Ultramar Agencia Marítima Ltda.	80.992.000-3	Common Director (until 2013)	Chile	80	-	80
Energía de la Patagonia y Aysen S.A.	76.062.001-7	Invercap S.A. Subsidiary	Chile	5		5
Mitsubishi Corporation	O-E	Shareholder	Japón	2,392	-	2,392
Total				**3,124**	**-**	**3,124**

				12.31.2013		
				Total current		
Company	Tax No.	Type relationship	Country of Origin	Less than 90 days	More than 90 days	Total Current
Armacero Industrial y Comercial S.A.	78.170.790-2	Joint venture	Chile	1,733	-	1,733
Ultramar Agencia Marítima Ltda.	80.992.000-3	Common Director	Chile	172	-	172
Empresa Eléctrica Guacolda S.A.	96.635.700-2	Common Director	Chile	1		1
Mitsubishi Corporation	O-E	Shareholder	Japón	2,126	-	2,126
Total				**4,032**	**-**	**4,032**

Accounts receivable to Armacero Industrial y Comercial S.A. and Energía de la Patagonia y Aysén S.A., corresponds to business transactions, accrues no interest and is payable monthly.

The account receivable to Ultramar Agencia Marítima Ltda. arises from business transactions, accrues no interest and is payable monthly.

The account receivable from Mitsubishi Corporation, arises principally to the sale of minerals, accrues no interest and is payable monthly.

There are no accounts receivables to related entities classified as non-current as of the close of these consolidated financial statements.

No collateral has been provided or received for accounts receivable from related entities, and payment of these is made in cash. As of the close of these consolidated financial statements, there is no evidence of non-payment of balances of accounts receivable outstanding with related entities, so the Company has made no estimates for doubtful accounts nor has booked charges for this concept during the period.

Account payables

				12.31.2014		
				Current		
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**More than 90 days**	**Total Current**
Empresa Eléctrica Guacolda S.A.	96.635.700-2	Common Director until 2013	Chile	634		634
BHP Billiton Mitsubishi Alliance	O-E	Related through of Mitsubishi shareholder	Australia	9,716	8,471	18,187
Mitsubishi Corporation	O-E	Shareholder	Japón	6,443	-	6,443
Invercap S.A.	96.708.470-0	Shareholder	Chile	12,419	-	12,419
M.C. Inversiones Ltda.	79.866.800-5	Related through subsidiary	Chile	13,076	-	13,076
Total				**42,288**	**8,471**	**50,759**

				12.31.2013		
				Current		
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**More than 90 days**	**Total Current**
Agrocomercial As Ltda.	77.805.520-1	Related through subsidiary	Chile	-	1,080	1,080
BHP Billiton Mitsubishi Alliance	O-E	Related through of Mitsubishi shareholder	Australia	10,399	10,115	20,514
Mitsubishi Corporation	O-E	Shareholder	Japón	10,625	-	10,625
Invercap S.A.	96.708.470-0	Shareholder	Chile	18,810	-	18,810
M.C. Inversiones Ltda.	79.866.800-5	Related through subsidiary	Chile	25,745	-	25,745
Total				**65,579**	**11,195**	**76,774**

There are no accounts payable to related entities classified as non-current as of December 31, 2014.

The balance payable to BHP Billiton Mitsubishi Alliance, related through the shareholder Mitsubishi Co., relates to coal imports and accrues interest at an average rate of 0.94% annually.

The current account payable of CAP S.A. to Mitsubishi Corporation relates to dividends payable for the year 2014 and 2013.

The account payable to Empresa Eléctrica Guacolda S.A. arises from services, does not bear interest and matures monthly.

In September 2012, the subsidiary CMP signed an electricity sale contract with Guacolda S.A. whereby the latter promises to sell and deliver to CMP the electricity it consumes in its mining-industrial facilities and services related to their production process, located mainly in the regions of Atacama and Coquimbo. Supplies will be made during the period January 1, 2016 to December 31, 2027.

The account payable to Invercap S.A. It corresponds to the provision for the recognition of the dividend policy to distribute the CAP S.A. and Novacero S.A. for 2014 and 2013.

The account payable to MC Inversiones Ltda. Corresponds to the provision of dividends payable in 2014 and 2013.

The other current accounts receivable and payable relate to business transactions corresponding to transactions payable within the terms established for each of them.

No collateral has been provided or received for accounts payable to related entities, and payment of these is made in cash.

Most significant transactions and its effects on income:

					Accumulated 12.31.2014		Accumulated 12.31.2013	
Company	**Tax No.**	**Origin country**	**Relationship**	**Currency**	**Amount** ThUS$	**Effect on income (charge) credit** ThUS$	**Amount** ThUS$	**Effect on income (charge) credit** ThUS$
Ultramar Agencia Maritima Ltda.	80.992.000-3	Chile	Services sold	Dollar	869	731	623	523
			Services purchased	Dollar	272	(229)	218	(183)
Empresa Eléctrica Guacolda S.A.	96.635.700-2	Chile	Services sold	Dollar	6	5	33	28
			Services purchased	Dollar	16,394	(13,777)	-	-
Naviera Ultranav Ltda	92.513.000-1	Chile	Purchase of products & services	Dollar	-	-	8,155	(3,721)
			Sales of service	Dollar	-	-	7	6
Armacero Industrial y Comercial S.A.	78.170.790-2	Chile	Sale of products	Dollar	6,863	5,767	12,212	10,262
			Purchase of products	Dollar	1	-	-	-
Agrocomercial AS Ltda.	77.805.520-1	Chile	Loan	Dollar	-	-	1,080	-
			Interest paid	Dollar	-	-	10	(10)
Invercap S.A.	96.708.470-0	Chile	Sales of service	Dollar	60	53	63	59
			Advice received	Dollar	120	(120)	120	120
			Transfers	Dollar	8	-	(9)	-
			Interest	Dollar	-	-	14	(14)
			Dividends	Dollar	21,437	-	48,277	-
Mitsubishi Corporation	O-E	Japan	Sales	Dollar	105,289	105,289	157,604	157,604
			Sales commissions	Dollar	6,561	(6,561)	9,887	(9,887)
			Purchase of Coal	Dollar	-	-	3,553	-
			Purchase of products	Dollar	-	-	9	(9)
			Dividends paid	Dollar	13,106	-	29,711	-
MC Inversiones Ltda.	79.866.800-5	Chile	Sales of service	Dollar	67	67	102	102
			Services purchased	Dollar	21	(21)	36	(36)
			Dividends paid	Dollar	10,991	-	73,365	-
BHP Billiton Mitsubishi	O-E	Australia	Purchase of products	Dollar	30,146	-	53,165	-
			Interest	Dollar	137	(137)	495	(495)
Energía de la Patagonia y Aysen S.A.	76.062.001-7	Chile	Sales of service	Dollar	51	44	-	-

8.3 Administration and Senior management

The Senior management and other people that assume the management of CAP S.A., as well as the shareholders, individuals or companies, which they represent, have not participated in any unusual and/or relevant transactions, as of December 31, 2014 and 2013.

The Company is managed by a Board of Directors composed of 7 members, who serve for 3-year term, with possibility of reelection..

8.4 Directors' Committee

In conformity with Article 50 bis of the Companies Law 18,046, CAP S.A have a Directors' Committee composed of 3 members,with the faculties contemplated in that article.

8.5 Compensation and other benefits

In conformity with Article 33 of the Companies Law 18,046, the Board each year set the remuneration of the directors of CAP S.A. In April 2014, the Board set the directors' remuneration for the period May 2014 to April 2015 at 0.75% of the earnings for 2014. The Board also set the remuneration of the members of the Directors' Committee.

Amounts paid during the period ended as of December 31, 2014 and 2013 include the members of the Directors Committee are detailed as follows:

		Accumulated 12.31.2014			Accumulated 12.31.2013		
Name	**Tittle**	**CAP Board** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$	**CAP Board** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$
Sr. Roberto de Andraca	President	346	64	-	468	131	-
Sr. Sven Von Appen (1)	Director	-	-	-	192	-	12
Sr. Fernando Reitich (2)	Director	-	-	-	220	-	19
Sr. Eddie Navarrete	Vice President	173	24	16	234	69	-
Sr. Tokuro Furukawa	Director	173	16	-	234	17	-
Sr. Rodolfo Krause	Director	173	-	21	29	-	7
Sr. Osamu Sasaki	Director	173	-	-	234	-	-
Sr. Hernán Orellana	Director	173	-	21	234	-	23
Sr. Mario Seguel	Director	49	-	-	-	-	-
Total		**1,260**	**104**	**58**	**1,845**	**217**	**61**

(1) Replaced by Rodolfo Krause in September, 2013.
(2) Resigned from his tittle as Director on October 15, 2013, to take over as General Manager of CAP S.A.

- **Board advisory expenses** – Advisory expenses of ThUS$20 were incurred in the year.The board had no advisory expenses for the years ended December 31, 2013.

- **Remuneration of members of Senior Management who are not Directors** - The members of senior management of the Company and its subsidiaries, president and managers reporting directly to the president, have received a total remuneration of ThUS$ 3,243 and ThUS$ 3,496 in 2014 and 2013.

- **Accounts receivable, payable and other transactions** - There are no account receivables and/or payables between the Company and its Directors and Managers.

- **Other transactions** - There are no other transactions between the Company and its Directors and the Company Managers.

- **Guarantees established by the Company in favor of the Directors** – During the periods ended as of December 31, 2014 and the year ended December 31, 2013, the Company has not undertaker this type of transaction.

- **Incentive plans for key executives and managers** - The Company has no incentive plans for its executives and managers. However, the management at its discretion may grant benefits to some executives depending on the income reported in the respective financial period.

- **Indemnities paid to main executives and managers** - No indemnities have been paid to executives or managers in 2014.

- **Guarantee clauses, Company Board of Directors and Management** - The Company has not agreed upon guarantee clauses with its directors and management.

- **Retribution plans associated with shares traded**- The Company does not engage in this type of operation.

9. Inventory

9.1 Inventory is detailed as follow:

	Total current	
	12.31.2014 ThUS$	**12.31.2013 ThUS$**
Materials, raw materials and spare parts	221,076	210,785
Mining products	21,016	19,472
Finished goods	82,392	117,281
Goods in process	23,589	40,443
Other products	17,664	34,524
Provision for obsolescence	(3,614)	(4,006)
Total	**362,123**	**418,499**

The management of the Company and subsidiaries believes that inventories will be realized within one year. The Company has estimated the risk of obsolescence of its inventories as a function of their condition and turnover.

Steel products include an adjustment for net realizable value as of December 31, 2014 and 2013 of ThUS$ 939 and ThUS$ 1,435, respectively.

Tubos Argentinos S.A. subsidiary has granted a floating pledge over its inventories in favor of Siderar S.A.I.C., to guarantee the trade operations by ThUS$2,150 (note 33.4).

No committed stocks as guarantees for the repayment of debts as of December 31, 2014.

9.2 Cost of inventory

Consumption recognized as expenses during the periods ended are as follow:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Materials, raw materials and spare pa	118,056	96,936
Finished products	1,360,364	1,501,278
Others	1,062	496
Total	1,479,482	1,598,710

Inventory costs include depreciation expense.

9.3 Inventories at fair value.

Inventories at fair value are as follows:

Concept	12.31.2014 01.01.2014 ThUS$	12.31.2013 01.01.2013 ThUS$
Inventories at fair value less costs of sales	83,134	74,549
Rebate in value of inventory	(939)	(1,435)
Adjustment for net realizable value (or fair value) of period, inventories	(939)	(1,435)

10. Derivative instruments

Following its financial risk management policy described in Note 4, the Company enters into financial derivatives to hedge its exposure to changes in interest rate and currency (exchange rates).

Interest rate derivatives (Interest rate swaps ('IRS')) are used to set the variable interest rates on financial debt.

Currency derivatives are used to set the exchange rate of the U.S. dollar in respect to the Chilean peso (CLP) and Unidad de Fomento (UF), due to investments or to existing obligations in these currencies. These instruments correspond mainly to forwards and Cross-Currency Swaps.

As of December 31, 2014, the Company and its subsidiaries classifies all its derivatives as "cash flow hedges".

As of December 31, 2014, CAP S.A. has an interest rate swap (IRS) to set the rate associated with series F local bonds by ThUS$ 171,480.

As of December 31, 2014, the subsidiary Cleanairtech Sudamérica S.A. has signed IRS contracts to hedge the variable interest rate risk for 80% of the capital owed in conformity to the term of the Finance Projects signed with Credit Agricole; the amount hedged by Phase I is ThUS$110,370, and by Phase II is ThUS$90,075. As of December 31, 2014, these contracts have a net liability of ThUS$7,248.

As of December 31, 2014, the indirect subsidiary Cintac S.A. has currency derivatives by ThUS$ 40,000, which expire in January, 2015. These instruments are designed to hedge the cash flows of accounts receivable As of December 31, 2014, they have a net liability of ThUS$666.

As of December 31, 2013, the Company and its subsidiaries classifies all its derivative instruments as cash-flow hedges.

As of December 31, 2013, the parent CAP S.A. has an interest rate swap (IRS) to set the rate associated with series F local bonds for ThUS$ 171,480.

As of December 31, 2013, the parent CAP S.A. has currency hedge instruments for ThUS$ 100,000, which have monthly maturities from January 2014 to April 2014. Such hedges are designed to hedge cash flows for future payments of dividends.

As of December 31, 2013 the subsidiary CMP has currency hedge instruments for ThUS$ 150,000, which have monthly maturities from January 2014 to March 2014. Such hedges are designed to hedge operating and investing cash flows.

As of December 31, 2013, the subsidiary Cleanairtech Sudamérica S.A. has cash flow hedge instruments for ThUS$ 206, for phase 1 of the seawater desalination plant project and US$ 17,181 for phase 2 of that project to hedge cash flows in UF/Chilean pesos, that should be paid during the construction phase of the seawater desalination plant. As of December 31, 2013 have a net asset position of ThUS$ 260 for phase 1, while the net value is zero for phase 2. Similarly, Cleanairtech has an IRS agreement to hedge the variable interest rate risk for 80% of the principal balance during the life of the Project Finance with Credit Agricole. The amount hedged by phase 1 is ThUS$ 84,858 and by phase 2 is ThUS$ 46,668. As of December 31, 2013 it has a net asset position of ThUS$ 3,158.

As of December 31, 2013, the subsidiary Cintac classifies all its derivative instruments as cash flow hedges. At December 31, 2013, the Company has currency hedge instruments for ThUS$ 15,641, which have monthly maturities from January 2014 to March 2014. Such hedges are designed to hedge cash flows from accounts receivable. As of December 31, 2013 it has a net liability position of ThUS$ 37.

The detail of hedging instruments as of December 31, 2014 and 2013, with their net valuation on those dates, is as follows:

	12.31.2014		**12.31.2013**	
Hedge assets	**Current**	**Non-current**	**Current**	**Non-current**
	ThUS$	ThUS$	ThUS$	ThUS$
Exchange rate hedge				
Cash flow hedge (note 6.3)	7	-	3,781	-
Total	7	-	3,781	-

Hedge liabilities	12.31.2014 Current ThUS$	12.31.2014 Non-current ThUS$	12.31.2013 Current ThUS$	12.31.2013 Non-current ThUS$
Exchange rate hedge				
Cash flow hedge	666	-	8,849	-
Interest rate hedge				
Cash flow hedge	8,147	17,547	1,476	22,763
Total (Note 20.1)	8,813	17,547	10,325	22,763
Net position	(8,806)	(17,547)	(6,544)	(22,763)

The hedge instruments portfolio of CAP S.A. is detailed as follows:

Hedge instrument	Fair value hedge instruments 12.31.2014 ThUS$	12.31.2013 ThUS$	Hedged underlying	Hedged Risk	Type of hedge
Forward	-	(4,160)	Payment of dividends	Exchange rate	Cash Flow
Forward	(666)	-	Accounts receivable and payable	Exchange rate	Cash Flow
Forward	-	(4,652)	Operational and investment flow	Exchange rate	Cash flow
Cross Currency Swap	-	(37)	Accounts payable	Exchange rate	Cash flow
Interest Rate Swap	(18,439)	(24,239)	Bonds payable (Bonds)	Interest rate	Cash flow
Interest Rate Swap	(7,248)	3,781	Financial Liabilities	Interest rate	Cash flow
Total	**(26,353)**	**(29,307)**			

During the periods ended as of December 31, 2014 and 2013, the Company has recognized net profits of ThUS$147 and a net loss of ThUS$2,823, respectively, due to hedge ineffectiveness on the cash flow hedge operations.

These are the fair value and the breakdown by maturity of notional or contractual values of derivative instrument operations contracted by CAP as of December 31, 2014 and 2013.

12.31.2014

Hedge	Fair Value ThUS$	Period expected to be held in cash flows – Notional Value: 0 a 90 days ThUS$	91 a 365 days ThUS$	1 a 3 years ThUS$	3 a 5 years ThUS$	5 + years ThUS$	Total ThUS$
Exchange rate hedge	**(666)**	**(666)**	**-**	**-**	**-**	**-**	**(666)**
Cash flow hedge	(666)	(666)	-	-	-	-	(666)
Interest rate hedge	**(25,687)**	**-**	**(12,419)**	**(30,151)**	**(7,317)**	**(11,064)**	**(60,950)**
Cash flow hedge	(25,687)	-	(12,419)	(30,151)	(7,317)	(11,064)	(60,950)
Total	**(26,353)**	**(666)**	**(12,419)**	**(30,151)**	**(7,317)**	**(11,064)**	**(61,616)**

12.31.2013

Hedge	Fair Value ThUS$	Period expected to be held in cash flows – Notional Value: 0 a 90 días ThUS$	91 a 365 días ThUS$	1 a 3 años ThUS$	3 a 5 años ThUS$	Posteriores ThUS$	Total ThUS$
Exchange rate hedge	**(8,849)**	**(5,830)**	**(964)**	**-**	**-**	**-**	**(6,794)**
Cash flow hedge	(8,849)	(5,830)	(964)	-	-	-	(6,794)
Interest rate hedge	**(20,458)**	**(4,839)**	**(9,434)**	**(34,088)**	**(6,580)**	**(12,944)**	**(67,884)**
Cash flow hedge	(20,458)	(4,839)	(9,434)	(34,088)	(6,580)	(12,944)	(67,884)
Total	**(29,307)**	**(10,669)**	**(10,397)**	**(34,088)**	**(6,580)**	**(12,944)**	**(74,678)**

The effects of these operations will be registered in income for the year in which the expected cash flows are realized.

Fair Value hierarchy

The fair value of financial instruments recognized in the statement of financial position, has been determined using the following hierarchy, according to the entry data used for perform the valuation.

Level 1 corresponds to fair value measurement methodologies through market shares (with no adjustments) in active markets and considering the same valued assets and liabilities.

Level 2 corresponds to fair value measurement methodologies through data from market quotations that are not included in level 1 and are observable for valued assets and liabilities, directly (prices) or indirectly (derived from prices).

Level 3 corresponds to fair value measurement methodologies through valuation techniques that include data on valued assets and liabilities and are not supported by data from observable markets.

As of December 31, 2014 and 2013, the calculation of the fair value of all financial instruments subject to valuation have been determined on the basis of Level 2 of the aforementioned hierarchy.

11. Current tax assets and liabilities

Current tax assets and liabilities as of December 31, 2014 and 2013 are as follows:

Assets

	Total current	
	12.31.2014	**12.31.2013**
	ThUS$	ThUS$
Monthly provisional payments	106,640	160,855
VAT fiscal credit & other recoverable taxes	75,214	88,351
Income tax	(14,831)	(102,690)
Provisional payments for absorbed earnings	4,369	7,774
Specific tax on mining activities	(9,629)	(34,136)
Residual Income Tax	3,950	10,053
Total	**165,713**	**130,207**

Liabilities

	Total current	
	12.31.2014	**12.31.2013**
	ThUS$	ThUS$
VAT fiscal debit & other taxes payable	2,858	4,813
Income tax	2,561	5,956
Total	**5,419**	**10,769**

12. Other non-financial assets, current and non-current

The detail of other non-financial assets, current and non-current as of December 31, 2014 and 2013 is as follows:

	Total current		Total non-current	
	12.31.2014 ThUS$	12.31.2013 ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$
Payments in advance to Supliers	12	6,840	-	-
Advanced Insurance	49	2,200	-	-
Advanced rents	496	245	-	-
Personnel bonus	1,511	1,138	1,165	941
Other prepaid expenses	9,621	17,826	22,440	16,459
Others	647	2,387	6,068	5,454
Total	**12,336**	**30,636**	**29,673**	**22,854**

13. Investments in subsidiaries

The consolidated financial statements include the financial statements of the Parent Company and the controlled companies (Note 3). The following table detailed information of subsidiaries as of December 31, 2014 and 2013:

	12.31.2014					
Subsidiary	Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Ordinary revenues ThUS$	Net profit (loss) attributable to controller ThUS$
Compañía Minera del Pacífico S.A.	329,182	3,234,954	524,796	928,508	942,099	113,248
Compañía Siderúrgica de Huachipato S.A.	238,466	692,085	373,639	122,920	548,933	(27,016)
Novacero S.A.	250,395	134,083	168,310	32,966	296,553	1,670
Puerto Las Losas S.A.	2,546	49,958	930	-	1,995	(2,163)
Abastecimientos CAP S.A.	5,155	1	1	-	-	(10)
Tecnocap S.A.	5,813	56,961	4,610	36,748	8,256	(157)
Port Investments Ltd.	39	5,601	39	15,824	-	(163)
Cleanairtech Sudamérica S.A.	102,033	372,008	104,376	240,234	24,732	(277)
Intasa S.A.	25,538	9,415	14,574	5,214	90,668	(286)
Ecocap S.A.	393	-	-	2	-	(41)

	12.31.2013					
Subsidiary	Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Ordinary revenues ThUS$	Net profit (loss) attributable to controller ThUS$
Compañía Minera del Pacífico S.A.	442,035	3,022,035	516,983	776,476	1,430,557	402,329
Compañía Siderúrgica de Huachipato S.A.	356,376	719,571	450,534	140,693	665,698	(117,679)
Novacero S.A.	230,943	148,697	148,657	47,374	360,778	1,162
Puerto Las Losas S.A.	2,025	52,256	5,779	2,596	2,049	(2,862)
Abastecimientos CAP S.A.	5,164	1	-	-	-	(15)
Tecnocap S.A.	13,311	61,110	1,288	73,057	2,692	491
Port Investments Ltd.	147	15,699	18	15,774	-	(21)
Cleanairtech Sudamérica S.A.	105,084	287,461	118,623	152,014	1,158	(1,440)
Intasa S.A.	29,760	10,056	18,377	4,021	99,963	(49)
Ecocap S.A.	432	-	-	-	-	(31)

Unrealized gains

CAP S.A. recognized unrealized profits as of December 31, 2014 and 2013, in proportion to its participation, by products sold of the Compañía Siderúrgica Huachipato S.A. and which are in the inventories of Armacero Industrial y Comercial S.A.

In addition, CAP S.A. has recognized the following unrealized results for transactions between companies of the Group:

Company	Concept	Accumulated 12.31.2014	Accumulated 12.31.2013
		ThUS$	ThUS$
CAP S.A.	Interest collected to Tecnocap S.A.	(1,033)	(1,107)
Tecnocap S.A.	Energy Sales to CMP S.A. and Cleanairetch S.A.	(3,690)	(1,528)
CAP S.A.	Interests, sales and project services collected to Cleanairtech	(16,875)	(16,518)
Cleanairtech Sudamerica S.A	Sale of desalinated water to CMP S.A.	(2,661)	-
		(24,259)	**(19,153)**

Information about foreign investments

As of December 31, 2014 and 2013, the Company and its subsidiaries, have not contracted hedge liabilities for their foreign investments.

Additional information

- On May 25, 2009, the production activities of the subsidiary CMP, Manganesos Atacama S.A., were suspended due to weak demand for its products. Its accumulated stocks are sufficient to meet its existing commitments over the next 2 years. The future business plan of this subsidiary is currently being analyzed. This subsidiary's assets are not significant in the context of these consolidated financial statements.

On August 1, 2014, the subsidiary CMP took over Minera Hierro Atacama when it purchased 100% of its shares.

The Extraordinary Shareholders' Meeting of Puerto Las Losas S.A., held on January 16, 2014, agreed to increase the company's capital from US$ 52,606,941.14, divided into 3,212,865 fully subscribed and paid-in, no-par-value shares, to US$ 60,437,629.12, divided into 3,691,110 no-par-value shares, by issuing 478,245 cash shares, fully subscribed by the shareholders of the subsidiary, at a price of US$ 16.3738 per share, with US$ 5,625,061 being paid on 31.01.2014, and the balance of US$ 2,205,626.98 being paid, by offsetting up to the amount of the contribution, with the subsidiary's debts towards its shareholders at 31.01.2014, using a proportion of 51% CAP S.A. and 49% Agrocomercial As Limitada.

- The Extraordinary Shareholders Meeting of Cleanairtech Sudamérica S.A, held on December 7, 2012, agreed to increase its capital, in order to finance Phase II of the desalination plant to permit an expansion of capacity from 200 liters per second to 400 liters and the construction of associated aqueducts, mainly in order to meet the consumption needs of Cía. Minera del Pacífico S.A. and other mining projects that require desalinated water. The capital was increased from US$59,314,011.88, fully paid, to US$119,791,491.88, divided into 60,000,000 ordinary and nominative shares of no par value, through the issue of 30,000,000 new shares for payment to be subscribed at a minimum price per share of US$2.015961. The Shareholders agreed unanimously that the new shares be placed at that value, payable in cash and to be fully subscribed and paid within 3 years from December 7, 2012. The current Shareholders that attended the meeting promised to subscribe and pay the following number of shares before December 31, 2012: Mitsubishi Corporation subscribed and paid 2,813,663 for US$ 5,672,109 and CAP S.A. subscribed and paid 2,928,507 shares for US$ 5,903,623. During 2013 the payment of the aforementioned capital increase was made. Mitsubishi paid US$ 23,961,857 for 11,886,337 shares and CAP S.A. paid US$ 24,939,889 for 12,371,492 shares

Accordingly, as of December 31, 2013, a 100% of the aforementioned capital increase was paid. The ownership of Cleanairtech Sudamérica S.A. is made up of: Mitsubishi Corporation with 29,400,000 shares equivalent to 49% of the ownership and CAP S.A. with 30,600,000 shares equivalent to 51% of the ownership, and the Company's capital is now ThUS$ 119,791, divided into 60,000,000 no-par value registered ordinary shares of the same series.

On January 30, 2014, the Extraordinary Shareholders' Meeting of Cleanairtech Sudamérica S.A. agreed to increase the capital stock from ThMUS$119,791, divided into 60,000,000 fully subscribed and paid in shares, to ThUS$134,472, divided into 67,267,400 ordinary, registered shares of the same value, by issuing 7,267,400 new cash shares, which shall be subscribed at a minimum value per share of 2.02 US dollars. As of December 31, 2014, the above increase has been fully paid in, with ownership of Cleanairtech Sudamérica S.A. being shared by Mitsubishi Corporation, with 32,961,026 shares, equivalent to a 49% interest, and CAP S.A., with 34,306,374 shares, equivalent to a 51% interest.

- The Extraordinary Meeting of the Shareholders of Ecocap S.A., a direct subsidiary of Tecnocap S.A., held on December 30, 2013 agreed to increase the Company's capital from US$ 19,719.98 divided into 10,000 shares to US$ 7,339,195.88 divided into 3,725,347 no-par value registered ordinary shares of the same series by issuing 3,715,470 new shares, which should be subscribed at a minimum price per share of 1.97 US dollars, the local currency of the United States. The shareholders of Ecocap S.A. (Tecnocap S.A. and Abastecimientos CAP S.A.) relinquished their preference right to subscribe such new shares on behalf of CAP S.A. Therefore, at December 31, 2013 CAP S.A. subscribed and paid all that issue of shares for US$ 7,319,457.09, and so now it has 99.73% of the ownership of Ecocap S.A.

- The Extraordinary Meeting of Shareholders of Intasa S.A., a direct subsidiary of Novacero S.A., held on September 13, 2013 agreed to increase the corporate capital from US$ 6,029,127.83 divided into 350,817,195 shares to US$ 12,529,127.83 by issuing 233,812,950 new no-par value registered ordinary shares of the same series. The price of the share will be US$ 0.0278 and all the issued shares will be offered on a prorate basis solely to Intasa's shareholders. The aforementioned capital increase is aimed at taking part of the capital increase of its subsidiary Tubos Argentinos S.A., so that Tubos Argentinos S.A. pays a significant part of its financial liabilities past-due in 2013 and extended for a short period, and also reducing the risks related to the variations in exchange rates and their indirect effect on the income of Intasa S.A. This new issue of shares has a 180 day period from the date of this meeting, so that the shares are fully subscribed and paid-in.

As of December 31, 2013 CAP S.A. subscribed and paid in 233,632,070 shares for US$ 6,494,972. Novacero S.A. does not take part of this new issue of shares. Therefore, CAP S.A. now has 57.79% of the ownership of Intasa S.A.

- At the Extraordinary Shareholders Meeting of Tecnocap S.A. held on June 03, 2014 it was agreed to increase the capital by US$21,499,998.85 through the issuance of 10,913,705 ordinary shares. At the Shareholders' Meeting of Tecnocap S.A., Compañía Minera del Pacífico S.A. and Compañía Siderúrgica Huachipato S.A., waived their right of preferential warrant. According to the above, the Meeting conferred to the Board of Directors of the Company the placement of new shares, who agreed to offer to the shareholder CAP S.A, the warrant of the total shares corresponding to the capital increase. The price of each share subscribed and acquired through this document by CAP S.A. amounts to US$1.97, and therefore the total price of the subscribed shares is of US$21,499,998.85, which is paid through offsetting up to the mentioned amount, with the debts held as of this date by Tecnocap S.A. with CAP S.A. Consequently the new capital of Tecnocap S.A. turns into the amount of US$21,539,438.80 divided in 10,933,705 ordinary no par value shares, and its ownership is made by CAP S.A. with 99.926% and the remaining 0.074% in hands of Compañía Siderúrgica Huachipato S.A. and Compañía Minera del Pacífico S.A., in equal portions.

On August 13, 2014, CINTAC S.A.I.C., acquired 100 shares of its direct subsidiary CONJUNTOS ESTRUCTURALES S.A., through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18.046 on Corporations, on August 24, 2014 the company CONJUNTOS ESTRUCTURALES S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

On August 20, 2014, at the Extraordinary Shareholders' Meeting of the direct subsidiary CINTAC SAIC, was agreed to carry out a capital increase in the amount of 13,900,879 shares, equivalent to US$13,002,882.58, which were

subscribed 100% by the majority shareholder CINTAC S.A., through the contribution and ownership transfer of 999,999 shares of the Company CENTROACERO S.A., company whose line of business is indicated by its name, which is accepted by the shareholders of CINTAC SAIC.

On August 20, 2014,, CINTAC S.A.I.C., acquired 1 share of its direct subsidiary CENTROACERO S.A. through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18,046 on Corporations, on Sunday, August 31, 2014 the company CENTROACERO S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

On August 20, 2014,, CINTAC S.A.I.C., acquired 1 share of its direct subsidiary INSTAPANEL S.A. through which it acquired 100% of the shares in which the capital of the latter is divided and in conformity with the established in No. 2 of Article 103 of Law 18,046 on Corporations, on August 31, 2014 the company INSTAPANEL S.A. was legally dissolved, as 100% of its shares were owned by CINTAC S.A.I.C.

Business combinations

The Board of Directors of CAP S.A. at its meeting held on February 9, 2010 agreed to the following:

i) To approve a transaction by accepting the offer of M.C. Inversiones Limitada ("MCI") to become a shareholder of Compañía Minera del Pacífico S.A. (CMP) by means, in the first place, of the merger by absorption of Compañía Minera Huasco S.A. (CMH) in which it is currently the holder of 50% of the ownership interest, and in exchange receiving 15.9 % of the issued capital of CMP, and subsequently, subscribing and paying in cash US$401,000,000 of a capital increase in CMP, as a result MCI would increase its direct ownership interest in CMP to 25%.

ii) This transaction assumes the total economic value of the equity of CMH is US$1,046,000,000 and that the entire equity of CMP has an economic value of US$2,771,000,000. In all, considering the contribution of 50% ownership interest of CMH for US$ 523,000,000, plus the capital increase of US$ 401,000,000, MCI's offer is for US$924,000,000 for the 25% ownership interest in CMP.

iii) The transaction is subject to the signing of a shareholder agreement and a marc contract establishing that, subject to the ratification referred to in iv) below, the merger will be effective once the transaction is approved by the Chinese free-competition authorities, among other conditions precedent.

iv) Call for an extraordinary shareholders meeting for March 10, 2010 to ratify this transaction.

v) Appoint Celfin Capital Servicios Financieros S.A., solely for compliance with number 5 of article 147 of Law 18,046, as independent valuator to report on the conditions of the transaction, its effects and its potential impact for the Company and the conclusions of the case. The report of the independent valuator will be made available to shareholders at the corporate offices and on the Company's web site on the next business day following its receipt.

vi) Similarly and at the same time, shareholders will be provided with the report of the chief executive officer that the board took into consideration for adopting its resolution for approving the transaction, which includes the valuation made by the JP Morgan Investment Bank and refers to the fairness opinion prepared by that bank with respect to the transaction.

On March 10, 2010, was held the Extraordinary Shareholders Meeting of CAP S.A., which with the consenting vote of 80.85% of the shares issued with voting rights, agreed to ratify the resolution adopted by the Company's Board of Directors.

On April 9, 2010, the Board of Directors of the subsidiary CMPagreed to call for an extraordinary shareholders meeting for April 27, 2010 in order to discussed and approve the following:

a. The merger by absorption or incorporation of CMH into the subsidiary CMP. The subsidiary CMP would absorb CMH, acquiring all its assets and liabilities, and replacing it in all its rights and obligations in accordance with Chapter IX, article 99 of Law 18,046. The merger would be effective from April 30, 2010 or at the date the meeting may decide.

As a result of the merger, all the equity and shareholders of CMH would be incorporated into the subsidiary CMP, and CMH would be dissolved without the need for its liquidation. With respect to the termination of business of CMH, and as established in article 69 of the tax code, it will not be necessary to give notice provided the subsidiary CMP is fully liable, in the merger deed, for all the taxes due by CMH. Nevertheless, CMH should prepare a termination of business balance sheet at the date of its extinction and/or termination and the subsidiary CMP should pay the income taxes determined, within the two months following the termination of its activities and the other taxes within the legal terms, notwithstanding its liability for other taxes that may be due.

The approval of the merger by the meeting would grant dissident shareholders the right to withdraw from the subsidiary CMP against the payment by it of the value of the shares at the date of the meeting. Dissident shareholders may only exercise their right to withdraw within 30 days of the date of the meeting and only for all the shares held registered in the shareholders register of CMP at the beginning of the meeting. A dissident shareholder is that which at the meeting opposes the merger agreement adopted by it or, not having attended the meeting, shows their dissidence in writing to CMP within the stated term. The payment of the share price to the dissident shareholders should be made within the 60 days following the date of the meeting approving the merger.

b. Discuss and approve the following information that would serve as the basis for the above merger:

   i. Expert report on the merger by absorption of CMH by CMP, prepared by Jorge Quiroz C. Consultores Asociados S.A.

   ii. Balance sheet of CMP as of February 28, 2010 audited by Deloitte, and balance sheet of CMH as of February 28, 2010 audited by Deloitte

c. Discuss and approve the share exchange ratio of 0.6331047619 shares approximately of the subsidiary CMP for each share of CMH, held by shareholders other than CMP.

d. Increase the issued capital to comply with and carry out this merger, in an amount equivalent to the subscribed and paid capital of CMH on the effective date of the merger, deducting the amount corresponding to the ownership interest percentage of CMP in CMH on that date, through the issuance of 664,760 new ordinary, nominal, single series and no par value shares, to be paid in full to the shareholders of CMH, except for CMP, in the proportion corresponding to share exchange ratio referred to in the preceding paragraph.

e. Adopt all the agreements necessary for carrying out the above merger, as well as the powers believed convenient for legalizing, materializing and carrying out the merger agreed by the shareholders, especially those that permit the transfer of all the assets and liabilities of the Company absorbed.

f. Increase the issued capital, prior to the capitalization of the retained earnings of the merged Company, by US$401,003,152 through the issuance of 508,954 ordinary, nominal, single series and no par value shares, which should be subscribed for a minimum value of US$787.8966 approximately each within a maximum three-year term from the date of the meeting.

g. Adopt all the agreements necessary for carrying out the capital increase, as well as the powers believed convenient for legalizing, materializing and carrying out the capital increase agreed by the shareholders.

h. To amend the by-laws and prepare an integrated text.

14. Investments accounted for using equity method

Equity method

As of December 31, 2014 and 2013: the associates and joint ventures accounted for using the equity method and their movements are detailed as follows:

As of December 31, 2014

Company	Relationship	Number of shares ThUS$	Participation 12.31.2014 %	Balance as of 01.01.2014 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Reversal of dividends ThUS$	Equity reserve ThUS$	Total 12.31.2014 ThUS$
Minera Hierro Antofagasta S.A. (1)	Associate	212,766	17.54	-	-	-	(5)	-	-	-
Armacero Industrial y Comercial S.A.	Joint Venture	3,877,633	50	11,163	-	-	(2,032)	221	(1,514)	7,838
Inmobiliaria y Constr. San Vicente	Associated	-	0.49	20	-	-	-	-	-	20
Total				**11,183**	**-**	**-**	**(2,037)**	**221**	**(1,514)**	**7,858**

As of December 31, 2013

Company	Relationship	Number of shares ThUS$	Participation 12.31.2013 %	Balance as of 01.01.2013 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Reversal of dividends ThUS$	Equity reserve ThUS$	Total 12.31.2013 ThUS$
Minera Hierro Antofagasta S.A. (1)	Associate	212,766	17.54	1	-	-	(125)	-	-	-
Armacero Industrial y Comercial S.A.	Joint Venture	3,877,633	50	11,380	-	-	(946)	-	729	11,163
Inmobiliaria y Constr. San Vicente	Associated	-	0.49	20	-	-	1	-	(1)	20
Total				**11,401**	**-**	**-**	**(1,070)**	**-**	**728**	**11,183**

(1) On February 4, 2010, the subsidiary CMP acquired 212,766 shares in Minera Hierro Antofagasta S.A. for ThUS$5,000, equivalent to 17.54% of its issued capital, through the payment of a capital increase by that Company. As a result of this investment, the subsidiary CMP recognized goodwill of ThUS$4,125.

On May 3, 2011 the subsidiary CMP, announced its decision not to proceed with the mine exploration stages of that Company, being released from increasing its capital.

Financial information about the investments in associates and joint venture

	12.31.2014					
Company	**Current assets** ThUS$	**Non-current assets** ThUS$	**Current liabilities** ThUS$	**Non-current liabilities** ThUS$	**Ordinary revenues** ThUS$	**Profit (Loss)** ThUS$
Inmobiliaria y Constructora San Vicente Ltda.	1,404	2,834	464	-	236	349
Minera Hierro Antofagasta S.A.	452	1,757	2,371	-	-	(28)
Armacero Industrial y Comercial S.A.	15,865	17,699	7,681	10,328	37,491	(4,063)
Total	**17,721**	**22,290**	**10,516**	**10,328**	**37,727**	**(3,742)**

	12.31.2013					
Company	**Current assets** ThUS$	**Non-current assets** ThUS$	**Current liabilities** ThUS$	**Non-current liabilities** ThUS$	**Ordinary revenues** ThUS$	**Profit (Loss)** ThUS$
Inmobiliaria y Constructora San Vicente Ltda.	1,620	3,205	306	563	154	137
Minera Hierro Antofagasta S.A.	499	265	1,515	-	-	(716)
Armacero Industrial y Comercial S.A.	23,114	24,105	21,209	3,684	48,765	(1,892)
Total	**25,233**	**27,575**	**23,030**	**4,247**	**48,919**	**(2,471)**

15. Intangible assets

15.1 The detail of intangible assets is as follows:

					12.31.2014		
Classification	**Intangible assets**	**Proprietary**	**Useful life**	**Finalization or Total consumption assets**	**Gross value** ThUS$	**Accumulated amortization/ impairment of value** ThUS$	**Net value** ThUS$
Otros Activos Intangibles	Water rights	CMP S.A.	16	12-2030	2,681	(188)	2,493
Derechos de Minería	Mining property	CMP S.A.	28	12-2042	957,255	(187,428)	769,827
Programas de Computador	Software licenses	CSH S.A.	4	06-2019	909	(276)	633
Otros Activos Intangibles	Easements	CMP S.A.	16	12-2030	1,041	(293)	748
Otros Activos Intangibles	Others	PLL S.A.	3	06-2018	428	-	428
Otros Activos Intangibles	Others	Cintac SAIC	-	12-2014	59	-	59
	Total				962,373	(188,185)	774,188

					12.31.2013		
Classification	**Intangible assets**	**Proprietary**	**Useful life**	**Finalization or Total consumption assets**	**Gross value** ThUS$	**Accumulated amortization/ impairment of value** ThUS$	**Net value** ThUS$
Otros Activos Intangibles	Water rights	CMP S.A.	16	12-2028	2,681	(151)	2,530
Derechos de Minería	Mining property	CMP S.A.	28	12-2028	957,255	(148,148)	809,107
Programas de Computador	Software licenses	CSH S.A.	4	10-2015	377	(31)	346
Otros Activos Intangibles	Easements	CMP S.A.	16	12-2028	1,041	(245)	796
Otros Activos Intangibles	Others	PLL S.A.	3	06-2018	428	-	428
Otros Activos Intangibles	Others	Cintac SAIC	-	12-2013	59	-	59
	Total				961,841	(148,575)	813,266

15.2 Movements of identifiable intangible assets during 2014 and 2013, were as follows:

As of December 31, 2014

	Water rights ThUS$	**Software, net ThUS$**	**Software licenses, net ThUS$**	**Easements ThUS$**	**Others ThUS$**	**Mining Property ThUS$**	**Total ThUS$**
Beginning balance as of January 1, 2	2,530	-	346	796	487	809,107	813,266
Additions	-	-	532	-	-	-	532
Amortization expense	(37)	-	(245)	(48)	-	(39,280)	(39,610)
Total movement	(37)	-	287	(48)	-	(39,280)	(39,078)
Ending balance as of 12.31.2014	**2,493**	**-**	**633**	**748**	**487**	**769,827**	**774,188**

As of December 31, 2013

	Water rights ThUS$	**Software, net ThUS$**	**Software licenses, net ThUS$**	**Easements ThUS$**	**Others ThUS$**	**Mining Property ThUS$**	**Total ThUS$**
Beginning balance as of January 1, 2	2,568	593	2	844	487	850,511	855,005
Additions	-	-	377	-	-	-	377
Amortization expense	(38)	(593)	(33)	(48)	-	(41,404)	(42,116)
Total movement	(38)	(593)	344	(48)	-	(41,404)	(41,739)
Ending balance as of 12.31.2013	**2,530**	**-**	**346**	**796**	**487**	**809,107**	**813,266**

15.3 Additional information about movements of intangible assets is provided below:

Current period

Disclose detail information	Licenses and franchises, no internally generated			Licenses and franchises		
	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	377	31	346	377	31	346
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill	-	(245)	245	-	(245)	245
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.						
Increase (decrease) through transfers, intangible assets other than goodwill.	532	-	532	532	-	532
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.	532	-	532	532	-	532
Dispositions and service withdrawals, intangible assets other than goodwill.						
Increase (decrease) in intangible assets other than goodwill	532	245	287	532	245	287
Intangible assets other than goodwill	**909**	**276**	**633**	**909**	**276**	**633**

Previous period

Disclose detail information	Licenses and franchises, no internally generated			Licenses and franchises		
	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated Depreciation, amortization and impairment	Carrying amount
Reconciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	-	-	0	-	-	0
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill	-	(31)	31	-	(31)	31
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.						
Increase (decrease) through transfers, intangible assets other than goodwill.	377	-	377	377	-	377
Increase (decrease) through transfers and other changes, intangible assets other than	377	-	377	377	-	377
Dispositions and service withdrawals, intangible assets other than goodwill.						
Increase (decrease) in intangible assets other than goodwill	377	31	346	377	31	346
Intangible assets other than goodwill	377	31	346	377	31	346

Current period

Disclose detail information	Intellectual Property, Patents			Intellectual property, patents and other		
	Carrying amount in gross terms	Accumulated depreciation, amortization and	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Conciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	2,681	151	2,530	2,681	151	2,530
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill.	0	(37)	37	-	(37)	37
Increase (decrease) through transfers and other changes, intangible assets other than goodwill						
Increase (decrease) in intangible assets other than goodwill	-	37	(37)	-	37	(37)
Intangible assets other than goodwill	**2,681**	**188**	**2,493**	**2,681**	**188**	**2,493**

Previous period

Disclose detail information	Intellectual Property, Patents			Intellectual property, patents and other		
	Carrying amount in gross terms	Accumulated depreciation, amortization and	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Conciliation of changes in intangible assets other than goodwill						
Intangible assets other than goodwill	2,681	113	2,568	2,681	113	2,568
Changes in intangible assets other than goodwill						
Amortization, intangible assets other than goodwill.	0	(38)	38	-	(38)	38
Increase (decrease) through transfers and other changes, intangible assets other than goodwill						
Increase (decrease) in intangible assets other than goodwill	-	38	(38)	-	38	(38)
Intangible assets other than goodwill	**2,681**	**151**	**2,530**	**2,681**	**151**	**2,530**

Current period

Disclose detail information	Other intangible assets no internally generated			Other intangible assets			Intangible assets other than goodwill		
	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Intangible assets other than goodwill	958,783	143,393	810,390	958,783	148,393	810,390	961,841	148,575	813,266
Changes in intangible assets other than goodwill									
Amortization, intangible assets other than goodwill	-	(39,328)	39,328	-	(39,328)	39,328	-	(39,610)	39,610
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.									
Increase (decrease) through transfers, intangible assets other than goodwill.	-	-	-	-	-	-	532	-	532
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.	-	-	-	-	-	-	532	-	532
Dispositions and service withdrawals, intangible assets other than goodwill.									
Increase (decrease) in intangible assets other than goodwill	-	39,238	(39,238)	-	39,328	(39,328)	532	39,610	(39,610)
Intangible assets other than goodwill	**958,783**	**187,721**	**771,062**	**958,783**	**187,721**	**771,062**	**962,373**	**188,185**	**774,188**

Previous period

Disclose detail information	Other intangible assets no internally generated			Other intangible assets			Intangible assets other than goodwill		
	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount	Carrying amount in gross terms	Accumulated depreciation, amortization and impairment	Carrying amount
Intangible assets other than goodwill	958,783	106,941	851,842	958,783	106,941	851,842	961,464	107,054	854,410
Changes in intangible assets other than goodwill									
Amortization, intangible assets other than goodwill	-	(41,452)	41,452	-	(41,452)	41,452	-	(41,521)	41,521
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.									
Increase (decrease) through transfers, intangible assets other than goodwill.	-	-	-	-	-	-	377	-	377
Increase (decrease) through transfers and other changes, intangible assets other than goodwill.	-	-	-	-	-	-	377	-	377
Dispositions and service withdrawals, intangible assets other than goodwill.									
Increase (decrease) in intangible assets other than goodwill	-	41,452	(41,452)	-	41,452	(41,452)	377	41,521	41,144
Intangible assets other than goodwill	**958,783**	**148,393**	**810,390**	**958,783**	**148,393**	**810,390**	**961,841**	**148,575**	**813,266**

Additional information

- In the subsidiary CMP, during 2010 there was an addition of ThUS$957,255 relates to the inclusion of the mining properties that owned to Compañía Minera Huasco S.A. and which, as discussed in Note 13, were acquired by Compañía Minera del Pacifico S.A. following its merger with Compañía Minera Huasco S.A. The values were obtained from the report that determined the fair value of Compañía Minera Huasco S.A. as of April 30, 2010, prepared by Jorge Quiroz C. Consultores Asociados S.A. This mining property is amortized over the extraction of its reserves.

- The monthly amortization of the mining properties is in proportion of monthly feeding of ore to the plant. It is estimated that the reserves will last until 2042 under the current Company's estimates.

- The amortization of water rights and easement is made on a monthly basis, in equals quotas calculated based on the useful life of the main asset that is supplied. In this case, the useful life of the asset is until 2030.

- Other intangible assets are mainly offshore concessions of the subsidiary Puerto las Losas S.A. (PLL).

The Company does not have intangible assets whose title is restricted and/or pledged as security for liabilities. It also does not have commitments to acquire new intangible assets. As of December 31, 2014 and 2013 there are no fully amortized intangible assets still in use.

16. Property, plant and equipment

16.1 Classes of property, plant and equipment

Property, plant and equipment by class as of December 31, 2014 and 2013, net and gross values, are as follows:

Property, plant & equipment, net	**12.31.2014 ThUS$**	**12.31.2013 ThUS$**
Work in progress	1,376,835	1,430,538
Land	344,957	347,636
Buildings and infrastructure	641,269	388,540
Plant, machinery & equipment	1,038,104	1,001,695
Furniture & office machinery	1,186	918
Information Technology Equipment	205	54
Mining reserves	196,522	182,978
Vehicles	2,894	3,783
Other property, plant & equipment	89,734	72,836
Total property, plant & equipment	3,691,706	3,428,978

Property, plant & equipment,gross	12.31.2014 ThUS$	12.31.2013 ThUS$
Work in progress	1,376,835	1,430,538
Land	344,957	347,636
Buildings and infrastructure	1,061,215	784,027
Plant, machinery & equipment	2,505,243	2,375,800
Furniture & office machinery	6,238	5,492
Information Technology Equipment	1,192	996
Mining reserves	483,618	463,393
Vehicles	9,986	8,991
Other property, plant & equipment	199,949	178,017
Total property, plant & equipment	5,989,233	5,594,890

The accumulated depreciation of property, plant and equipment is as follows:

Accumulated depreciation	12.31.2014 ThUS$	12.31.2013 ThUS$
Work in progress	(419,946)	(395,487)
Plant, machinery & equipment	(1,467,139)	(1,374,105)
Furniture & office machinery	(5,052)	(4,574)
Information Technology Equipment	(987)	(942)
Mining reserves	(287,096)	(280,415)
Vehicles	(7,092)	(5,208)
Other property, plant & equipment	(110,215)	(105,181)
Total accumulated depreciation	(2,297,527)	(2,165,912)

Restrictions on fixed assets granted in guarantee

Cleanairtech Sudamérica S.A

On April 18, 2012 signed a loan agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., for the project financing of the first phase of the seawater desalination plant, being developed by the Company. Together with the first disbursement of the loan from these banks, all the assets of the phase I of Cleanairtech Sudamérica S.A. were committed in guarantee.

On September 10, the Company signed another credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method. As well as in phase 1 with the first disbursement of the banks under the aforementioned credit agreement, all the assets of phase 2 of Cleanairtech Sudamérica S.A. were committed in guarantee.

As of December 31, 2014 and 2013, the fixed assets committed amount to ThUS$350,106 and ThUS$ 287,461, respectively. (Note 33)

Other restrictions on fixed assets.

Tecnocap S.A.

On June 26, 2014, the subsidiary Tecnocap S.A. signed a credit agreement with Banco Itaú for ThUS$43,000. This contract stipulates the obligation for Tecnocap S.A. to not sell, transfer, assign, lease or dispose of in any other way assets, land, equipment, machinery, permits, rights, concessions and, in general, any and all essential elements for the normal operation of the Project, except for its ordinary lines of business. At December 31, 2014, the fixed assets subject to this restriction, amount to ThUS$ 56,878. (Note 33).

Tubos Argentinos S.A.

The indirect subsidiary Tubos Argentinos S.A. has constituted a first grade collateral mortgage to Banco de la Provincia de Buenos Aires on the plant located on the premises in El talar, Province of Buenos Aires, for the loan received as part of the Bicentenary Production Financing Program. (Note 33)

Property, plant and equipment fully depreciated still in use

As of December 31, 2014 and 2013, there were no significant items of property, plant and equipment fully depreciated that are still in use.

16.2 Movement:

Movements in property, plant and equipment, were as follows:

As of December 31, 2014

Property, plant & equipment, net	Work in progress ThUS$	Land ThUS$	Buildings and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Beginning balance as of January 1, 2014	1,430,538	347,636	388,540	1,001,695	918	54	3,783	182,978	72,836	3,428,978
Additions	323,007	-	40,478	21,090	344	196	790	20,126	14,019	420,050
Reclassifications fixed assets	-	-	-	4,893	-	-	-	-	-	4,893
Reclassifications	(378,109)	2,832	258,528	92,983	852	-	(355)	8,597	14,672	-
Retirements & Disposals	2,038	(177)	(1,584)	(3,290)	(3)	-	(96)	-	-	(3,112)
Write off work in progress	(639)	-	-	-	-	-	-	-	-	(639)
Depreciation	-	-	(35,495)	(84,599)	(911)	(45)	(1,178)	(15,179)	(10,947)	(148,354)
Decrease by transfer to investment property	-	(2,669)	(3,980)	-	-	-	-	-	-	(6,649)
Decrease by transfer to assets held for sale	-	(2,665)	(5,176)	-	-	-	-	-	-	(7,841)
Asset impairment	-	-	-	-	-	-	-	-	-	-
Other increases (decreases)	-	-	(42)	5,332	(14)	-	(50)	-	(846)	4,380
Ending balance as of December 31, 2014	**1,376,835**	**344,957**	**641,269**	**1,038,104**	**1,186**	**205**	**2,894**	**196,522**	**89,734**	**3,691,706**

As of December 31, 2013

Property, plant & equipment, net	Work in progress ThUS$	Land ThUS$	Buildings and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Beginning balance as of January 1, 2013	920,630	348,092	347,492	758,395	1,908	39	3,414	94,879	85,419	2,560,258
Additions	616,335	643	2,063	356,312	212	37	462	94,625	251	1,070,940
Reclassifications fixed assets	-	-	-	(2,284)	-	-	-	-	(4,834)	(7,118)
Reclassifications	(106,225)	-	69,412	35,760	(854)	-	978	-	929	-
Retirements & Disposals	(202)	-	-	(282)	(86)	-	-	-	-	(570)
Write off work in progress	-	-	-	(45,146)	-	-	-	-	-	(48,398)
Write off parts detained lines	-	(1,089)	(2,163)	(6,627)	-	-	-	-	-	(6,627)
Depreciation	-	-	(21,861)	(79,067)	(262)	(22)	(1,071)	(6,526)	(6,986)	(115,795)
Decrease by transfer to investment property	-	-	-	-	-	-	-	-	-	-
Decrease by transfer to assets held for sale	-	-	-	-	-	-	-	-	-	-
Asset impairment	-	-	(6,403)	(15,366)	-	-	-	-	(1,231)	(23,000)
Other increases (decreases)	-	-	-	-	-	-	-	-	(712)	(712)
Ending balance as of December 31, 2013	**1,430,538**	**347,646**	**388,540**	**1,001,695**	**918**	**54**	**3,783**	**182,978**	**72,836**	**3,428,978**

16.3 Additional information about movements of property, plant and equipment is provided below:

Current Period

Disclose detailed information on property, plant and equipment	Land			Buildings			Land and buildings		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	347,636	-	**347,636**	784,027	395,487	**388,540**	**1,131,663**	**395,487**	**736,176**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment			-	32,565		32,565	32,565	-	32,565
Depreciation, property, plant and equipment			-		(27,582)	27,582	-	(27,582)	27,582
Increase (decrease) through transfers and other changes, property, plant and equipment									
Increase (decrease) through transfers and property, plant and equipment	**2,832**	-	**2,832**	**(3,980)**	-	**(3,980)**	**(1,148)**	-	**(1,148)**
Increase (decrease) through transfers from (to) investment property, property, plant and equipment			-	(3,980)		(3,980)	(3,980)	-	(3,980)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	2,832		**2,832**	-		-	2,832	-	2,832
Increases (decreases) due to other changes, property, plant and equipment			-	255,363	(3,123)	258,486	255,363	(3,123)	258,486
Increase (decrease) through transfers and other changes, property, plant and equipment	**2,832**	-	**2,832**	**251,383**	**(3,123)**	**254,506**	**254,215**	**(3,123)**	**257,338**
Dispositions and service withdrawals, property, plant and equipment									
Dispositions, property, plant and equipment	2,669		2,669			-	2,669	-	2,669
Withdrawals, property, plant and equipment	177		177	1,584	-	1,584	1,761	-	1,761
Dispositions and service withdrawals, property, plant and equipment	**2,846**	-	**2,846**	**1,584**	-	**1,584**	**4,430**	-	**4,430**
Decreases classified as held for sale, property, plant and equipment	2,665		2,665	5,176		5,176	7,841	-	7,841
Disminución por la pérdida de control de una subsidiaria, propiedades, planta y equipo			-			-	-	-	-
Increase (decrease) in property, plant and equipment	**(2,679)**	-	**(2,679)**	**277,188**	**24,459**	**252,729**	**274,509**	**24,459**	**250,050**
Property, plant and equipment at end of period	**344,957**	-	**344,957**	**1,061,215**	**419,946**	**641,269**	**1,406,172**	**419,946**	**986,226**

Previous period

Disclose detailed information on property, plant and equipment	Land			Buildings			Land and buildings		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	**348,082**		**348,082**	**712,552**	**365,060**	**347,492**	**1,060,634**	**365,060**	**695,574**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment	643		643	8,739		8,739	9,382	-	9,382
Acquisitions through business combinations, property, plant and equipment			-	1,194		1,194	1,194	-	1,194
Depreciation, property, plant and equipment			-		(21,861)	21,861	-	(21,861)	21,861
Impairment losses recognized in profit or loss, property, plant and equipment			-		(8,566)	8,566	-	(8,566)	8,566
Increase (decrease) through transfers and property, plant and equipment	**(1,089)**	**-**	**(1,089)**	**5,053**	**-**	**5,053**	**3,964**	**-**	**3,964**
Incrementos (disminuciones) por transferencias desde (hacia) propiedades de inversión, propiedades, planta y			-			-	-	-	-
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(1,089)		(1,089)	5,053		5,053	3,964	-	3,964
Increases (decreases) due to other changes, property, plant and equipment			-	58,652		58,652	58,652	-	58,652
Increase (decrease) through transfers and other changes, property, plant and equipment	**(1,089)**	**-**	**(1,089)**	**63,705**	**-**	**63,705**	**62,616**	**-**	**62,616**
Dispositions and service withdrawals, property, plant and equipment									
Dispositions, property, plant and equipment			-	2,163		2,163	2,163	-	2,163
Dispositions and service withdrawals, property, plant and equipment	**-**	**-**	**-**	**2,163**	**-**	**2,163**	**2,163**	**-**	**2,163**
Increase (decrease) in property, plant and equipment	**(446)**	**-**	**(446)**	**71,475**	**30,427**	**41,048**	**71,029**	**30,427**	**40,602**
Property, plant and equipment at end of period	**347,636**	**-**	**347,636**	**784,027**	**395,487**	**388,540**	**1,131,663**	**395,487**	**736,176**

Current period

Disclose detailed information on property, plant and equipment	Machinery			Transportation Equipment			Vehicles		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	2,375,800	1,374,105	**1,001,695**	8,991	5,208	**3,783**	**8,991**	**5,208**	**3,783**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment	4,893		4,893	790		790	790	-	790
Acquisitions through business combinations, property, plant and equipment	21,090		21,090	-		-	-	-	-
Depreciation, property, plant and equipment		(84,599)	84,599		(1,178)	1,178	-	(1,178)	1,178
Increase (decrease) through transfers and other changes, property, plant and equipment									
Increase (decrease) through transfers and property, plant and equipment	**16,139**	**-**	**16,139**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) through transfers from construction in progress, property, plant and equipment	16,139		16,139	-	-	-	-	-	-
Increases (decreases) due to other changes, property, plant and equipment	90,611	8,435	82,176	205	706	(501)	205	706	(501)
Increase (decrease) through transfers and other changes, property, plant and equipment	**106,750**	**8,435**	**98,315**	**205**	**706**	**(501)**	**205**	**706**	**(501)**
Dispositions and service withdrawals, property, plant and equipment									
Withdrawals, property, plant and equipment	3,290		3,290	-	-	-	-	-	-
Dispositions and service withdrawals, property, plant and equipment	**3,290**	**-**	**3,290**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) in property, plant and equipment	**129,443**	**93,034**	**36,409**	**995**	**1,884**	**(889)**	**995**	**1,884**	**(889)**
Property, plant and equipment at end of period	**2,505,243**	**1,467,139**	**1,038,104**	**9,986**	**7,092**	**2,894**	**9,986**	**7,092**	**2,894**

Previous period

Disclose detailed information on property, plant and equipment	Machinery			Transportation Equipment			Vehicles		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	1,986,294	1,227,899	**758,395**	7,551	4,137	**3,414**	**7,551**	**4,137**	**3,414**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment	1,848		1,848			-	-	-	-
Acquisitions through business combinations, property, plant and equipment			-	329		329	329	-	329
Depreciation, property, plant and equipment		(79,067)	79,067		(1,071)	1,071		(1,071)	1,071
Impairment losses recognized in profit or loss, property, plant and equipment		(67,139)	67,139			-		-	-
Increase (decrease) through transfers and other changes, property, plant and equipment									
Increase (decrease) through transfers and property, plant and equipment	**33,710**	**-**	**33,710**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) through transfers from construction in progress, property, plant and equipment	33,710		33,710			-	-	-	-
Increases (decreases) due to other changes, property, plant and equipment	406,737		406,737	1,111		1,111	1,111	-	1,111
Increase (decrease) through transfers and other changes, property, plant and equipment	**440,447**	**-**	**440,447**	**1,111**	**-**	**1,111**	**1,111**	**-**	**1,111**
Dispositions and service withdrawals, property, plant and equipment									
Dispositions, property, plant and equipment	52,050		52,050			-	-	-	-
Withdrawals, property, plant and equipment	739		739			-	-	-	-
Dispositions and service withdrawals, property, plant and equipment	**52,789**	**-**	**52,789**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) in property, plant and equipment	**389,506**	**146,206**	**243,300**	**1,440**	**1,071**	**369**	**1,440**	**1,071**	**369**
Property, plant and equipment at end of period	**2,375,800**	**1,374,105**	**1,001,695**	**8,991**	**5,208**	**3,783**	**8,991**	**5,208**	**3,783**

Current period

Disclose detailed information on property, plant and equipment	Office equipment			Computer equipment			Mining properties			Mining assets		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment												
Property, plant and equipment at beginning of period	**5,492**	**4,574**	**918**	**996**	**942**	**54**	**463,393**	**280,415**	**182,978**	**463,393**	**280,415**	**182,978**
Changes in property, plant and equipment												
Increases other than those from business combinations, property, plant and equipment	344	-	344	-	-	-	-	-	-	-	-	-
Acquisitions through business combinations, property, plant and equipment	-	-	-	-	-	-	20,226		20,226	20,226	-	20,226
Depreciation, property, plant and equipment	**-**	**(911)**	**911**	**-**	**(45)**	**45**	**-**	**(15,179)**	**15,179**	**-**	**(15,179)**	**15,179**
Increase (decrease) through transfers and other changes, property, plant and equipment												
Increase (decrease) through transfers and property, plant and equipment	**797**	**-**	**797**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) through transfers from construction in progress, property, plant and equipment	797		797	-	-	-	-	-	-	-	-	-
Increases (decreases) due to other changes, property, plant and equipment	(392)	(433)	41	196	-	196	(1)	(8,498)	8,497	(1)	(8,498)	8,497
Increase (decrease) through transfers and other changes, property, plant and equipment	**405**	**(433)**	**838**	**196**	**-**	**196**	**(1)**	**(8,498)**	**8,497**	**(1)**	**(8,498)**	**8,497**
Dispositions and service withdrawals, property, plant and equipment												
Withdrawals, property, plant and equipment	3	-	3	-	-	-	-	-	-	-	-	-
Dispositions and service withdrawals, property, plant and equipment	**3**	**-**	**3**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) in property, plant and equipment	**746**	**478**	**268**	**196**	**45**	**151**	**20,225**	**6,681**	**13,544**	**20,225**	**6,681**	**13,544**
Property, plant and equipment at end of period	**6,238**	**5,052**	**1,186**	**1,192**	**987**	**205**	**483,618**	**287,096**	**196,522**	**483,618**	**287,096**	**196,522**

Previous period

Disclose detailed information on property, plant and equipment	Office equipment			Computer equipment			Mining properties			Mining assets		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment												
Property, plant and equipment at beginning of period	**6,220**	**4,312**	**1,908**	**959**	**920**	**39**	**368,768**	**273,889**	**94,879**	**368,768**	**273,889**	**94,879**
Changes in property, plant and equipment												
Increases other than those from business combinations, property, plant and equipment	212		212	37		37			-	-	-	-
Acquisitions through business combinations, property, plant and equipment			-			-	96,633		96,633	96,633	-	96,633
Depreciation, property, plant and equipment		**(262)**	**262**		**(22)**	**22**		**(6,526)**	**6,526**		**(6,526)**	**6,526**
Increase (decrease) through transfers and other changes, property, plant and equipment												
Increase (decrease) through transfers and property, plant and equipment	**(1,266)**	**-**	**(1,266)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(1,266)		(1,266)			-			-	-	-	-
Increases (decreases) due to other changes, property, plant and equipment	412		412			-	(2,008)		(2,008)	(2,008)	-	(2,008)
Increase (decrease) through transfers and other changes, property, plant and equipment	**(854)**	**-**	**(854)**	**-**	**-**	**-**	**(2,008)**	**-**	**(2,008)**	**(2,008)**	**-**	**(2,008)**
Dispositions and service withdrawals, property, plant and equipment												
Dispositions, property, plant and equipment	86		86			-			-	-	-	-
Dispositions and service withdrawals, property, plant and equipment	**86**	**-**	**86**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Increase (decrease) in property, plant and equipment	**(728)**	**262**	**(990)**	**37**	**22**	**15**	**94,625**	**6,526**	**88,099**	**94,625**	**6,526**	**88,099**
Property, plant and equipment at end of period	**5,492**	**4,574**	**918**	**996**	**942**	**54**	**463,393**	**280,415**	**182,978**	**463,393**	**280,415**	**182,978**

Current period

Disclose detailed information on property, plant and equipment	Property, plant and equipment in finance lease			Work in progress			Other property, plant and equipment		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	188,670	4,829	**183,841**	1,248,412		**1,248,412**	171,473	100,352	**71,121**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment			-	323,007		323,007	14,019		14,019
Acquisitions through business combinations, property, plant and equipment			-			-			-
Depreciation, property, plant and equipment		(4,811)	4,811	-		-		(6,136)	**6,136**
Increase (decrease) through transfers and other changes, property, plant and equipment									
Increase (decrease) through transfers and property, plant and equipment	-	-	-	**(378,109)**	-	**(378,109)**	-	-	-
Increase (decrease) through transfers from (to) investment property, property, plant and equipment			-			-			-
Increase (decrease) through transfers from construction in progress, property, plant and equipment			-	**(378,109)**		**(378,109)**	-	-	-
Increases (decreases) due to other changes, property, plant and equipment			-	(639)		(639)	10,716	(7,186)	17,902
Increase (decrease) through transfers and other changes, property, plant and equipment	-	-	-	**(378,748)**	-	**(378,748)**	**10,716**	**(7,186)**	**17,902**
Dispositions and service withdrawals, property, plant and equipment									
Withdrawals, property, plant and equipment	-	-	-	2,038	-	2,038	-	-	-
Dispositions and service withdrawals, property, plant and equipment	-	-	-	**2,038**	-	**2,038**	-	-	-
Increase (decrease) in property, plant and equipment	-	**4,811**	**(4,811)**	**(57,779)**	-	**(57,779)**	**24,735**	**(1,050)**	**25,785**
Property, plant and equipment at end of period	**188,670**	**9,640**	**179,030**	**1,190,633**	-	**1,190,633**	**196,208**	**99,302**	**96,906**

Previus period

Disclose detailed information on property, plant and equipment	Property, plant and equipment in finance lease			Work in progress			Other property, plant and equipment		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment									
Property, plant and equipment at beginning of period	**188,670**	**1,644**	**187,026**	**755,529**		**755,529**	**160,087**	**96,593**	**63,494**
Changes in property, plant and equipment									
Increases other than those from business combinations, property, plant and equipment			-	25,768		25,768	251		251
Acquisitions through business combinations, property, plant and equipment			-			-	(39)		(39)
Depreciation, property, plant and equipment		(1,954)	1,954			-		(5,032)	5,032
Impairment losses recognized in profit or loss, property, plant and equipment		(1,231)	1,231			-			-
Increase (decrease) through transfers and other changes, property, plant and equipment									
Increase (decrease) through transfers and property, plant and equipment	-	-	-	**(37,909)**	-	**(37,909)**	**(2,008)**	-	**(2,008)**
Increase (decrease) through transfers from (to) investment property, property, plant and equipment			-	(25,049)		(25,049)	(2,008)		(2,008)
Increase (decrease) through transfers from construction in progress, property, plant and equipment			-	(12,860)		(12,860)			-
Increases (decreases) due to other changes, property, plant and equipment			-	505,180		505,180	13,182	(1,273)	14,455
Increase (decrease) through transfers and other changes, property, plant and equipment	-	-	-	**467,271**	-	**467,271**	**11,174**	**(1,273)**	**12,447**
Dispositions and service withdrawals, property, plant and equipment									
Dispositions, property, plant and equipment			-	156		156			-
Dispositions and service withdrawals, property, plant and equipment	-	-	-	**156**	-	**156**	-	-	-
Increase (decrease) in property, plant and equipment	-	**3,185**	**(3,185)**	**492,883**	-	**492,883**	**11,386**	**3,759**	**7,627**
Property, plant and equipment at end of period	**188,670**	**4,829**	**183,841**	**1,248,412**	-	**1,248,412**	**171,473**	**100,352**	**71,121**

Current period

Disclose detailed information on property, plant and equipment	Property, plant and equipment		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment			
Property, plant and equipment at beginning of period	**5,594,890**	**2,165,912**	**3,428,978**
Changes in property, plant and equipment			
Increases other than those from business combinations, property, plant and equipment	375,618	-	375,618
Acquisitions through business combinations, property, plant and equipment	41,316	-	41,316
Depreciation, property, plant and equipment		(148,354)	148,354
Increase (decrease) through transfers and other changes, property, plant and equipment			
Increase (decrease) through transfers and property, plant and equipment	**(362,321)**	-	**(362,321)**
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(3,980)	-	(3,980)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	(358,341)	-	(358,341)
Increases (decreases) due to other changes, property, plant and equipment	357,332	(16,739)	374,071
Increase (decrease) through transfers and other changes, property, plant and equipment	**(4,989)**	**(8,826)**	**3,837**
Dispositions and service withdrawals, property, plant and equipment			
Dispositions, property, plant and equipment	**2,669**	-	**2,669**
Withdrawals, property, plant and equipment	7,092	-	7,092
Dispositions and service withdrawals, property, plant and equipment	**9,761**	-	**9,761**
Increase (decrease) in property, plant and equipment	**394,343**	**131,615**	**262,728**
Property, plant and equipment at end of period	**5,989,233**	**2,297,527**	**3,691,706**

Previus period

Disclose detailed information on property, plant and equipment	Property, plant and equipment		
	Amount in books in gross terms	Accumulated depreciation, amortization and impairment	Amount in books
Reconciliation of changes in property, plant and equipment			
Property, plant and equipment at beginning of period	**4,534,712**	**1,974,454**	**2,560,258**
Changes in property, plant and equipment			
Increases other than those from business combinations, property, plant and equipment	37,498	-	37,498
Acquisitions through business combinations, property, plant and equipment	98,117	-	98,117
Depreciation, property, plant and equipment		(115,795)	115,795
Impairment losses recognized in profit or loss, property, plant and equipment		(76,936)	76,936
Increase (decrease) through transfers and other changes, property, plant and equipment			
Increase (decrease) through transfers and property, plant and equipment	**(3,509)**	-	**(3,509)**
Increase (decrease) through transfers from (to) investment property, property, plant and equipment	(27,057)	-	(27,057)
Increase (decrease) through transfers from construction in progress, property, plant and equipment	23,548	-	23,548
Increases (decreases) due to other changes, property, plant and equipment	983,266	(1,273)	984,539
Increase (decrease) through transfers and other changes, property, plant and equipment	**979,757**	**(1,273)**	**981,030**
Dispositions and service withdrawals, property, plant and equipment			
Dispositions, property, plant and equipment	**54,455**	-	**54,455**
Withdrawals, property, plant and equipment	739	-	739
Dispositions and service withdrawals, property, plant and equipment	**55,194**	-	**55,194**
Increase (decrease) in property, plant and equipment	**1,060,178**	**191,458**	**868,720**
Property, plant and equipment at end of period	**5,594,890**	**2,165,912**	**3,428,978**

16.4 Write-off and impairment loss recognized in the period

In June 2013, the subsidiary Compañía Siderúrgica Huachipato S.A. adopted the policy of focusing on the production of long products for the mining industry and the construction industry. As a result of this change in September 2013 it ceased the operation of one of the blast furnaces temporarily and stopped producing hot rolling. Other measures included the permanent stoppage of the production lines of cold rolling, tin plate, zincalume and Rengo roll.

This decision implied recording as of December 31, 2013 a write-off of US$ 39.7 million net of taxes for the units that will not operate in accordance with the current five-year business plan. Also, a provision for impairment of assets net of taxes for US$ 18.4 million was established to reflect the financial impact on the production re-structuring, established in the aforementioned plan.

The above implied assuming a total charge of US$ 58.1 million net of taxes in the financial income as of December 31, 2013, including US$ 13.6 million net of taxes that were already provisioned as of June 30, 2013.

The production lines of cold rolling, tin plate, zincalume and Rengo roll permanently stopped had a book value of US$ 55.0 million, including the related spare parts. As a result of the write-off, a recoverable amount of US$ 5.3 million was established in accordance with the valuation made by Casey Equipment Co. and Traders International Ltd.. This amount was shown in other non-financial assets.

As of December 31, 2013, the value of the write-offs was presented in Other Expenses by Function in the Statement of Comprehensive Income by Function and written down from Property, Plant and Equipment in the Classified Statement of Financial Position.

For the calculation of the asset impairment, the value in use of the assets has been calculated from the expected future cash flows in accordance with the five-year business plan approved by the Board of Directors of that subsidiary on December 20, 2013. The discount rate used for that calculation was 9.59%.

The total amount of this adjustment is shown in other expenses by function in the statement of comprehensive income by function, and deducted from property, plant and equipment in the classified statement of financial position.

As of December 31, 2014, the Company evaluated cash flows and discount rates updated according to the current business plan and determined that no additional impairment provisions are required.

16.5 Additional information

In Compañía Siderúrgica Huachipato S.A and Compañía Minera del Pacífico S.A., the fixed assets correspond mainly to land, constructions, infrastructure works, machinery and equipment in mines, pellet plant, ore shipping port, steel plant and wharf. They also include the industrial plants of the Cintac Group in Chile, and the industrial plants of Tupemesa in Lima, Peru, and Tasa in Argentina.

The Construction and infrastructure works also include assets corresponding to the Power Line of Tecnocap S.A. and the water desalination plant of Cleanairtech Sudamerica S.A.

- **Properties and buildings measured at fair value**

As part of the first-time adoption of IFRS process, the Group decided to measure certain assets at fair value as the deemed cost on the transition date of January 1, 2009. The fair value of land amounted to ThUS$305,572, determined by an external specialist from the industry in which the Group operates.

- **Inactive temporarily assets**

As of December 31, 2014 the subsidiary Compañía Siderúrgica Huachipato S.A. has the hot slab rolling line and one blast furnace temporarily stopped; however, it is considering to re-start operating them in the future in accordance with the Company's business plan. Therefore, they will still be depreciated in accordance with IAS 16.

In an Ordinary Meeting held on December 20, 2013 the Board of Directors was informed of these measures and approved the 2014 annual budget and five-year business plan.

The Company has taken precautions for their preservation so that it does not lose its production capacity.

- **Mine development**

The item “mine development” from the subsidiary Compañía Minera del Pacífico S.A. is mainly related to the movement of materials incurred before the mine exploitation phase. Its depreciation is calculated based on the proportion of monthly feeding of ore to the plants.

- **Borrowing costs capitalized during the year**

As is specified in note 3.1 (h), the subsidiaries Cleanairtech Sudamérica S.A. and Compañía Minera del Pacifico S.A. have included interest expense from financing of the "Desalination Plant" project and the mining projects, respectively, in the cost of Property, plant and equipment.

As of December 31, 2014 and 2013 the accumulated amounts that are part of the related assets are ThUS$ 15,374 and ThUS$ 5,280, respectively. The capitalized interest during 2013 and 2012 are ThUS$ 8,329 and ThUS$ 4,302, respectively.

- **Work in progress**

Work in progress as of December 31, 2014 and 2013 amounts to ThUS$ 1,376,835 and ThUS$ 1,430,538, respectively. These are directly related to the Company’s operating activities, including the acquisition of equipment and buildings.

The most important works in progress include the following:

1) In Compañía Minera del Pacífico S.A.,by ThUS$ 1,364,348 as of December 31, 2014, (ThUS$ 1,117,155 as of December 31, 2013) are associated directly with operational activities of the subsidiary, including acquisitions of equipment and constructions. The balance as of December 31, 2013 includes mainly work in progress corresponding to Cerro Negro Norte and Ampliación Valle del Huasco.

2) In Compañía Siderúrgica Huachipato S.A., by ThUS$ 6,980 as of December 31, 2014 (ThUS$ 15,851 as of December 31, 2013), whose investments are for energy efficiency, the wharf and raw material management, roll grinder, road improvement, tree planting, access, green spaces, and other minor projects.

3) In Cintac S.A., the ThUS$ 5,120 as of December 31, 2014 (ThUS$ 7,834 as of December 31, 2013) are associated mainly with the Company's operational activities, acquisition of equipment and constructions.

4) In Intasa S.A. by ThU$ 248 as of December 31, 2014 (ThUS$ 255 as of December 31, 2013) mainly in the acquisition of equipment and buildings.

5) In CAP S.A. by ThUS$ 139 as of December 31, 2014 (ThUS$ 2,167 as of December 31, 2013), principally construction and renovation projects.

6) In 2014, the Company started operations of the Desalination plant, which provides desalinated water to the project of the subsidiary, Compañía Minera del Pacifico S.A. (Cerro Negro Norte) and Compañía SCM Lumina

Copper Chile. Its useful life is estimated at 20 years. Cleanairtech Sudamérica S.A., ThUS$ 287,276 as of December 31, 2013.

7) In the last semester of 2013, the Power Line of the subsidiary Tecnocap S.A., which provides energy to the projects of subsidiaries Compañía Minera del Pacifico S.A. (Cerro Negro Norte), Cleanairtech Sudamérica S.A. (Seawater desalination plant) and Puerto Punta Totoralillo, started operating. Its useful life is estimated at 20 years.

Policy for estimating decommissioning and restoration costs

Obligations arise for decommissioning and restoration expenses when the environment is affected by the site preparation and construction of a facility and/or by carrying out some works or activities. These costs are estimated at the start of the project based on a formal closure plan of works and are subject to periodic reviews.

The estimated costs arising from the obligation to dismantle a facility are updated to present value and incorporated in property, plant and equipment, with a provision being recognized as the corresponding entry. These decommissioning costs are charged to income over the term of the works together with the depreciation of the asset and are part of cost of sales, and the use of the respective provision is made at the time the decommissioning takes place.

Restoration costs are estimated at the start of the works at their present value and recognizing a provision against profits. The provision is used when the restoration works expenses are incurred.

The effects of updating the provisions, due to the effect of the discount rate or the passage of time, are recognized as a finance expense.

In estimating decommissioning and restoration costs an external specialist and internal experts is used, as well as the judgment and experience of the Company's management.

- **Assets under finance leases**

Other property, plant and equipment and, Work in progress, include the following assets acquired under finance leases:

	12.31.2014		
	Gross Value ThUS$	**Depreciation ThUS$**	**Net Value ThUS$**
Land under financial leases	1,704	-	1,704
Buildings under financial leases	12,470	(2,174)	10,296
Machinery & equipment under financial leases	8,799	(1,187)	7,612
Plant & equipment under financial leases	163,601	(3,960)	159,641
Total	**186,574**	**(7,321)**	**179,253**

	12.31.2013		
	Gross Value ThUS$	**Depreciation ThUS$**	**Net Value ThUS$**
Land under financial leases	1,704	-	1,704
Buildings under financial leases	12,471	(1,843)	10,628
Machinery & equipment under financial leases	8,357	(227)	8,130
Plant & equipment under financial leases	163,602	(3,928)	159,674
Motor vehicles under financial leases, net	24	(20)	4
Total	**186,158**	**(6,018)**	**180,140**

Land and buildings under finance lease include the amount of the corporate building acquired under a lease contract with purchase option with Banco Crédito e Inversiones. This contract has monthly maturities and ends in 2016. Machinery and equipment under net financial lease correspond to a Babcock & Wilcox furnace bought under this method from Precisión S.A. with monthly maturities of 28 installments plus a purchase option, the payment of installments of which started in February 2013.

Finance leases of machinery and equipment include computer equipment and industrial tools acquired under lease contracts with purchase options. The contracts are denominated in UF and their term varies between 1 and 3 years.

Finance leases of plant and equipment include various contracts for vehicles and mining equipment acquired by the subsidiary CMP. The average annual interest rate on these contracts is 3.67% and their maturities are up to 7 years.

The present value of future minimum lease payments under financial leases is as follows:

	12.31.2014			12.31.2013		
	Gross ThUS$	**Interest** ThUS$	**Present value** ThUS$	**Gross** ThUS$	**Interest** ThUS$	**Present value** ThUS$
Less than one year	35,496	(6,007)	29,490	25,470	(4,674)	20,796
Between one and five yea	122,709	(11,108)	111,601	129,263	(14,452)	114,811
More than five years	20,123	(594)	19,529	37,485	(1,156)	36,329
Total	**178,328**	**(17,709)**	**160,620**	**192,218**	**(20,282)**	**171,936**

Payments of leases and subleases recognized as expenses.

Lease and sublease payments, including depreciation and interest on the leased assets, recognized as expenses at period-end, are presented below:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	**01.01.2013 12.31.2013 ThUS$**
Contingent rents recognized as an expense, classified as finance	4,739	2,600
	4,739	2,600

Insurance

The Group has insurance policies covering the potential risks to which the various elements of property, plant and equipment are exposed, as well as possible claims that may be made in course of its business. Such insurance policies adequately cover those risks.

Mine development

Mine development corresponds mainly to movement of materials made before exploitation of the mine. Its depreciation is calculated based on the proportion of monthly feed of ore to the Plants.

- **Depreciation expense**

The depreciation of assets is calculated on a straight-line basis over their corresponding useful lives.

The useful life has been determined based on the expected natural deterioration, technical or commercial obsolescence deriving from changes and/or improvements in production, and changes in market demand for the products obtained from the operation of these assets.

Respect to the item mine development from the subsidiary CMP, its depreciation is calculated based on the proportion of monthly feeding of ores to the plants. At December 31, 2014 and 2013 have been recorded in income (cost of sale) ThUS$ 15,179 and ThUS$ 4,516, respectively.

The estimated useful lives by classes of asset are as follows:

	Average minimum useful life years	**Average maximum useful life years**	**Average weighted useful life years**
Buildings and infrastructure	20	67	44
Plant, machinery and equipment	5	66	36
Computer equipment	3	8	6
Vehicles and others	9	19	14
Other property, plant and equipment	16	30	23

The residual value and useful lives of assets are revised and adjusted if necessary, at the closing date of the financial statements.

The charge to comprehensive income for depreciation of property, plant and equipment included in the cost of sales and administrative expenses is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	**01.01.2013 12.31.2013 ThUS$**
In cost of sales	136,459	106,750
In administrative & selling expens	1,331	1,996
Other expenses by function	368	103
Total	138,158	108,849

Regarding the item "Mine Development", the amortization is determined based on the monthly feed rate of minerals to the Plants. As of December 31, 2014 and 2013 have been recorded in income/(loss) (Operating costs) ThUS$15,179 and ThUS$4,516, respectively for this item.

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Depreciation of projects (*)	10,196	6,946
Total	10,196	6,946

(*) This concept relates to depreciation from the start-up of certain equipment and machinery belonging to investment projects in a development stage as of the close of these financial statements.

17. Non-current assets or Disposal Groups of assets classified as held for sale.

On October 29, 2014, the Board of the subsidiary Cintac S.A. approved the tender for the sale of land and buildings located in Santa Marta, where Centroacero S.A. operated.

	12.31.2014		
	ThUS$	UF	UF/M2
Investments Property Class			
Lands	2,665	66,000	
Sheds and warehouses	5,176	126,000	
	7,841	192,000	2.6

As described in Note 3.1 j) the non-current assets and the groups held for sale have been recorded at the lower of the carrying amount or fair value less costs to sell.

18. Investments Property

The composition and movement of the investment property as of December 31, 2014 and 2013 are detailed below.

Property, plant & equipment

	12.31.2014 ThUS$	12.31.2013 ThUS$
Land	2,669	-
Buildings and infrastructure	3,980	-
Total Investment property	6,649	-

Investment properties, gross

	12.31.2014 ThUS$	12.31.2013 ThUS$
Land	2,669	-
Buildings and infrastructure	5,042	-
Total	7,711	-

Investment properties, gross Accumulated depreciation	12.31.2014 ThUS$	12.31.2013 ThUS$
Buildings and infrastructure	(1,062)	-
Total accumulated depreciation	(1,062)	-

The fair value of the investment properties was obtained through internal valuations.
These valuations were determined based on market evidence of transaction prices for similar properties.

19. Income tax and deferred taxes

19.1 Income tax recognized in profits for the year

Income tax recognized in profits during the periods ended December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014	**01.01.2013 12.31.2013**
	ThUS$	ThUS$
Income tax income (expense)	(17,392)	(108,646)
Mining specific tax	(9,629)	(34,136)
Other Current tax income (expense)	8,291	(1,769)
Total Current tax income (expense), net	(18,730)	(144,551)
Deferred income taxes income (expense)		
Income (expense) due to deferred taxes related to the creation and reversal of temporary differences	13,654	24,409
Credit (charge) for deferred taxes for the temporary tax loss difference	52	497
Tax benefit for tax losses	2,079	-
Other charges	(9)	-
Income (expense) due to deferred taxes on temporary differences of fixed assets	(18,361)	(3,552)
Total income (expense) due to deferred taxes, net	(2,585)	21,354
Total income (expense) due to income tax	(21,315)	(123,197)

19.2 Reconciliation of accounting profit and tax profit

The following is the reconciliation of the legal tax rate current in Chile and the effective rate applicable to the Group:

Reconciliation accounting result and fiscal result

	Accumulated	
	01.01.2014 12.31.2014	**01.01.2013 12.31.2013**
	ThUS$	ThUS$
Profit (loss) before taxes	106,023	405,435
Legal Tax rate	21%	20%
Tax (expense) income using the statutory rate	(22,264)	(81,087)
Tax effect of non-taxable revenue	1,246	(480)
Tax benefit of tax losses	2,911	499
Effect of taxes specific to mining	(9,629)	(34,136)
Tax effect of income without credit	-	(9,723)
Effect of temporary differences of taxes specific to minir	1,246	2,180
Tax effect of nondeductible from tax expenses	(158)	(2,713)
Provision valuation	774	-
Difference previous year	7,832	-
Tax effect of change in tax rates	408	-
Other increase (decrease) in statutory tax charge	(3,681)	2,263
Total adjustment to tax expense using statutory rate	949	(42,110)
Tax (Expense) Income using the effective rate	(21,315)	(123,197)

Reconciliation between tax statutory rate and effective tax rate

Legal tax rate	21.00%	20.00%
Effect of taxes specific mining	7.90%	7.88%
Tax Effect of income without credit	0.00%	2.40%
Provision de valuación	(0.73%)	0.00%
Tax Effect of change in tax rate	(0.38%)	0.00%
Other increase (decrease) in statutory tax charge	(7.70%)	0.11%
Total adjustments to tax statutory rate (%)	(0.91%)	10.39%
Effective tax rate (%)	20.09%	30.39%

The tax rate used for the reconciliation as of December 31, 2014 and 2013, corresponds to a corporate tax rate of 21% that entities have to pay on taxable income under current tax regulations. The specific tax rate applicable to mining activities as of December 31, 2014 is 5.00%. (5.72% in 2013).

The indirect argentinian (indirect) Tubos Argentinos S.A. has a rate of 35%.

The Peruvian subsidiary (indirect) Tupemesa has an income tax rate of 30% for 2014, 28% in 2015, 27% in 2017 and 26% as of 2019.

Chilean Tax Reform

On September 29, 2014, a tax reform law was published in the Official No. 20,780 "Tax Reform amending the system of income taxation and introducing various adjustments in the tax system" Law.

Among the main changes, the Act adds a new semi integrated tax system, which can be used as an alternative to integrated manner imputed rent regime. The Company may choose to change the tax system attributed rate of 25% by the Extraordinary Shareholders to be held during the last quarter of 2016, two months before the effective date of the tax return. In that case, the semi integrated system provides a gradual increase in the tax rate notch for commercial years 2014, 2015, 2016, 2017 and 2018 onwards, increasing it to 21%, 22.5%, 24%, 25.5% and 27% respectively.

The effects of applying these new rates to calculating first category tax generated a higher charge to profit and loss for current taxes of ThUS$408.

As specified in Note 3.3 i), for deferred tax the provisions of Official Circular N° 856 of the Superintendency of Securities and Insurance, which specify that any differences in assets and liabilities by reason of deferred taxes, caused as a direct effect of the increase in the first category tax rate, should be accounted for against equity in the respective year, were considered. As of December 31, 2014, the Company recorded a charge to retained earnings for ThU$83,360, reducing the equity attributable to the equity holders of the controller. See note 26.4.

Regarding to the increase in the on mining specific tax rate by Law N° 20,469, which stipulates that Chilean companies, such as CMP, may benefit from a fixed tax system similar to that available on the D.L. 600 Foreign Investment Statutes, CMP decided not to choose the fixed tax system permitted by the law.

19.3 Deferred taxes

The detail of deferred tax assets and liabilities as of December 31, 2014 and 2013 is as follows:

Deferred tax assets, relating to:	**12.31.2014 ThUS$**	**12.31.2013 ThUS$**
Provision for doubtful accounts	1,291	1,847
Obsolescence provision	1,733	1,512
Vacations Provision	4,961	4,139
Provision seniority award	4,443	7,992
Lease payables	-	129
Post employment benefits	1,005	880
Property, plant & equipment	63	73
Impairment of property, plant & equipment (*)	5,662	4,600
Disposal of fixed assets (*)	13,189	9,936
Tax losses	25,171	900
Hedge instruments	4,286	4,553
Others	30,039	30,603
Total deferred tax assets	91,843	67,164

Deferred tax liabilities, relating to:

	12.31.2014 ThUS$	12.31.2013 ThUS$
Property, plant & equipment	273,021	187,065
Compensation for years of service	3,172	3,468
Prepaid expenses	8,809	5,570
Inventories	3,730	4,610
Deferred charges, bonds and swaps	2,003	2,135
Intangible assets (**)	244,778	202,973
Others	377	-
Total deferred tax liabilities	535,890	405,821
Net Value	(444,047)	(338,657)

(*) Includes the effect of the impairment of fixed assets recognized by the subsidiary CSH as summarized in note

(**) Liabilities generated as a result of CMP's merger with CMH during 2010.

Deferred taxes are shown in the statement of financial position as follows:

Detail:	12.31.2014 ThUS$	12.31.2013 ThUS$
Assets Not Current	19,036	13,673
Liabilities Not Current	(463,083)	(352,330)
Net	(444,047)	(338,657)

19.4 Balances of deferred taxes

Deferred tax assets/ (liabilities) are derive from the following movements:

Movement in deferred tax liabilities

	12.31.2014 ThUS$	12.31.2013 ThUS$
Deferred tax assets (liabilities), opening balance	(338,657)	(353,507)
Effect in other comprehensives income	(1,436)	427
Effect in profit (losses)	(2,585)	21,354
Effect of exchange rate	(103,529)	-
Others	2,160	(6,931)
Total changes in assets (liabilities) due to deferred taxes	(105,390)	14,850
Ending balance of assets (liabilities) due to deferred taxe	(444,047)	(338,657)

(*) Effect on deferred taxes, accounted for against total equity of official letter 856 of the SVS (See note 3.3 i)).

20. Other current and non-current financial liabilities

The detail of interest-bearing borrowings for the periods ended December 31, 2014 and 2013 is as follows:

20.1 Obligations with financial entities:

Current	**12.31.2014** ThUS$	**12.31.2013** ThUS$
Loans from financial entities	323,600	97,939
Bonds payable	1,749	1,970
Overdrafts	6,437	7,602
Finance Leasing	29,490	20,796
Enabled Expenses related to loans	(2,399)	(2,484)
Hedge liabilities (see note 10)	8,813	10,325
Total	**367,690**	**136,148**

Non-current	**12.31.2014** ThUS$	**12.31.2013** ThUS$
Loans from financial entities	549,419	407,155
Bonds payable	227,183	235,305
Finance Leasing	131,130	151,140
Capitalized Expenses related to loa	(22,989)	(20,980)
Hedge liabilities (see note 10)	17,547	22,763
Total	**902,290**	**795,383**

20.2 Capitalized expenses from financial obligations

The details of expenses capitalized at December 31, 2014 and 2013 are as follows:

		Current		**Non-current**	
Concept	**Company**	**12.31.2014 ThUS$**	**12.31.2013 ThUS$**	**12.31.2014 ThUS$**	**12.31.2013 ThUS$**
Syndicated Loan Bank of Tokio Mitsubishi l	CAP	607	614	153	769
Bond serie F	CAP	1,749	1,749	4,181	5,929
Internacional bond type 144-A	CAP	-	71	1,542	1,543
Syndicated Loan Credit Agricole	Cleanairtech	-	-	14,100	12,589
Others	Cintac S.A.I.C	43	50	86	150
Syndicated Loan Bank of Tokio Mitsubishi l	CMP	-	-	2,927	-
Total		**2,399**	**2,484**	**22,989**	**20,980**

- In CAP, the capitalized expenses related to credits are mainly expenses from the placement of the international type 144-A bond and the series F bond. These expenses also include legal expenses and fees arising from obtaining the syndicated credit signed with Bank of Tokyo Mitsubishi UFJ. These expenses are amortized under the effective interest rate method.

- In Cleanairtech Sudamérica S.A., the capitalized expenses related to credits are mainly legal expenses fees arising from obtaining the syndicated credit signed with Credit Agricole. These expenses are amortized under the effective interest rate method.

- In Cintac S.A.I.C., the capitalized expenses related to credits are expenses incurred in obtaining financing through lease transactions. These expenses are amortized under the effective interest rate method.

- In CMP, the capitalized expenses related to credits, correspond to expenses incurred in obtaining the syndicated loan signed with Bank of Tokyo, these expenses are amortized according to the effective rate method.

20.3 Maturities and currencies of obligations with financial entities:

The following is a detail of borrowings from financial entities and overdraft:

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.83%	Variable	Libor 180 + 1.25	Semestral	-	100,607	100,607	50,000	-	-	-	-	50,000
94,638,000-8	CMP	Chile	97,032,000-7	Banco Estado	Chile	USD	0.56%	Fija	0.56%	Anual	-	30,025	30,025	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,032,000-6	BCI	Chile	USD	0.70%	Fija	0.70%	Anual	-	50,143	50,143	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Banco Santander	Chile	USD	0.56%	Fija	0.56%	Anual	-	50,045	50,045	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Bank of Tokio	Chile	USD	1.58%	Variable	1.58%	Anual	-	457	457	-	-	-	200,000	-	200,000
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	0.88%	Variable	0.88%	Mensual	1,965	1,413	3,378	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	1.61%	Variable	1.61%	Mensual	19,366	9,580	28,946	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	1.33%	Variable	1.33%	Mensual	-	1,261	1,261	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	4.92%	Variable	4.92%	Mensual	-	12,650	12,650	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	4.92%	Variable	4.92%	Mensual	-	7,999	7,999	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	0.81%	Variable	0.81%	Mensual	2,205	-	2,205	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,336	3,336	3,333	3,335	-	-	-	6,668
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,336	3,336	3,333	3,334	-	-	-	6,667
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,337	3,337	3,333	3,335	-	-	-	6,668
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	3.63%	Variable	3.63%	Semestral	-	3,336	3,336	3,336	3,335	-	-	-	6,671
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	USD	14.30%	Fija	14.30%	Mensual	4	-	4	-	188	188	188	269	833
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.75%	Fija	24.75%	Mensual	3,503	-	3,503	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Rio	Argentina	ARS	27.00%	Fija	27.00%	Mensual	368	-	368	-	-	-	-		-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	40.00%	Fija	40.00%	Mensual	23	-	23	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	30.00%	Fija	30.00%	Mensual	107	-	107	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	21.17%	Fija	21.17%	Mensual	2,432	-	2,432	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.08%	Variable	Libor 180 + 0.0275	Semestral	7,635	10,686	18,321	15,892	16,407	16,938	17,487	168,440	235,164
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.48%	Variable	Libor 180 + 0.0315	Semestral	-	4,218	4,218	4,349	4,511	4,679	4,764	18,445	36,748
										Total	**37,608**	**292,429**	**330,037**	**83,576**	**34,445**	**21,805**	**222,439**	**187,154**	**549,419**

As of December 31, 2013

											12.31.2013								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91297000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.62%	Variable	Libor 180 + 1.25	Semestral	712	-	712	100,000	100,000	-	-	-	200,000
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	1.12%	Variable	Lib.3M + Spr.	Mensual	-	4,920	4,920	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,949,000-3	Banco HSBC	Chile	USD	0.95%	Variable	Lib.3M + Spr.	Mensual	216	-	216	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	0.92%	Variable	Lib.3M + Spr.	Mensual	13,471	-	13,471	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	1.39%	Variable	Lib.3M + Spr.	Mensual	3,760	-	3,760	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	1.46%	Variable	Lib.3M + Spr.	Mensual	5,661	10,965	16,626	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	1.12%	Variable	Lib.3M + Spr.	Mensual	17,808	-	17,808	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,053,000-2	Banco Security	Chile	USD	1.29%	Variable	Lib.3M + Spr.	Mensual	2,371	-	2,371	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	3.65%	Variable	Lib.3M + Spr.	Semestral	-	3,350	3,350	3,370	6,668	-	-	-	10,038
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	3.65%	Variable	Tab 6M +Spr.	Semestral	-	3,350	3,350	3,369	6,668	-	-	-	10,037
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	3.65%	Variable	Tab 6M +Spr.	Semestral	-	3,351	3,351	3,369	6,668	-	-	-	10,037
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	3.65%	Variable	Lib.6M + Spr.	Semestral	-	3,350	3,350	3,370	6,668	-	-	-	10,038
76,498,850-7	Puerto Las Losas S.A.	Chile	97,006,000-6	Bco.Credito e Inversiones	Chile	USD	2.15%	Variable	2.15%	Mensual	1,745	868	2,613	2,596	-	-	-	-	2,596
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.00%	Fija	24.00%	Mensual	2,780	-	2,780	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	33.50%	Fija	33.50%	Mensual	900	-	900	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	26.00%	Fija	26.00%	Mensual	191	-	191	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	25.00%	Fija	25.00%	Mensual	408	-	408	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	30.00%	Fija	36.00%	Mensual	2,470	-	2,470	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	24.50%	Fija	24.50%	Mensual	367	-	367	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	26.50%	Fija	26.50%	Mensual	601	-	601	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	20.86%	Fija	20.86%	Mensual	2,665	-	2,665	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.10%	Variable	Libor 180 + 2.75	Semestral	1,489	-	1,489	17,127	17,127	13,700	13,701	102,754	164,409
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	3.10%	Variable	Lib.6M + Spr.	Mensual	8,476	9,298	17,774	-	-	-	-	-	-
										Total	**66,091**	**39,450**	**105,541**	**133,201**	**143,799**	**13,700**	**13,701**	**102,754**	**407,155**

20.4 The details of lease transactions that accrue interest are as follows:

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fixed	Fija 3.76%	Monthly	4,833	14,974	19,807	20,551	21,326	22,129	22,962	19,529	106,497
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Ar	Chile	USD	3.20%	Fixed	Fija 3.20%	Monthly	1,366	4,165	5,531	5,708	5,890	6,079	5,215	-	22,892
79,807,570-5	IMOPAC	Chile	97,006,000-6	Banco Crédito Inversione	Chile	USD	5.73%	Fixed	Fija 5.73%	Monthly	164	-	164	-	-	-	-	-	-
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversione	Chile	UF$	6.35%	Fixed	6.35%	Monthly	535	1,657	2,192	1,736	-	-	-	-	1,736
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	USD	11.04%	Fixed	11.04%	Monthly	790	963	1,753	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Credito del Perú	Perú	USD	2.80%	Variable	2.80%	Monthly	-	43	43	-	-	5	-	-	5
										Total	**7,688**	**21,802**	**29,490**	**27,995**	**27,216**	**28,213**	**28,177**	**19,529**	**131,130**

As of December 31, 2013

											12.31.2013								
											Current			Non-current					
Tax No, debtor	Debtor	Country of origin	Tax No, Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fixed	Fija 3.76%	Monthly	-	13,043	13,043	20,176	20,936	21,724	22,542	31,115	116,493
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Ar	Chile	USD	3.20%	Fixed	Fija 3.20%	Monthly	-	1,355	1,355	5,708	5,532	5,890	6,079	5,214	28,423
79,807,570-5	IMOPAC	Chile	97,006,000-6	Banco Crédito Inversione	Chile	USD	5.73%	Fixed	Fija 5.73%	Monthly	118	360	478	-	-	164	-	-	164
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversione	Chile	UF$	6.35%	Fixed	6.35%	Monthly	551	1,706	2,257	2,400	1,901	-	-	-	4,301
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fixed	11.04%	Monthly	908	2,595	3,503	1,727	-	-	-	-	1,727
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	USD	12.00%	Fixed	12.00%	Monthly	3	-	3	32	-	-	-	-	32
Extranjero	Tupemesa	Perú	Extranjero	Banco Credito del Perú	Perú	USD	2.80%	Variable	2.80%	Monthly	46	111	157	-	-	-	-	-	-
										Total	**1,626**	**19,170**	**20,796**	**30,043**	**28,369**	**27,778**	**28,621**	**36,329**	**151,140**

20.5 The detail of the undiscounted amounts outstanding (estimations of cash flows that the group will have to spend) of the obligations with financial institutions is as follows:

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.83%	Variable	Libor 180 + 1.25	Semestral	-	100,000	100,000	50,000	-	-	-	-	50,000
94,638,000-8	CMP	Chile	97,032,000-7	Banco Estado	Chile	USD	0.56%	Fija	0.56%	Anual	-	30,126	30,126	-	-	-	-	-	-
94,638,000-8	CMP	Chile	97,032,000-6	BCI	Chile	USD	0.70%	Fija	0.70%	Anual	-	50,210	50,210	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Banco Santander	Chile	USD	0.56%	Fija	0.56%	Anual	-	50,209	50,209	-	-	-	-	-	-
94,638,000-8	CMP	Chile	13-5611741	Bank of Tokio	Chile	USD	1.58%	Variable	1.58%	Anual	141	1,620	1,761	-	-	-	200,000	-	200,000
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	0.88%	Variable	0.88%	Mensual	1,961	1,413	3,374	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	1.61%	Variable	1.61%	Mensual	19,366	9,580	28,946	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	1.33%	Variable	1.33%	Mensual	-	1,261	1,261	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	4.92%	Variable	4.92%	Mensual	-	3,333	3,333	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	4.92%	Variable	4.92%	Mensual	-	3,333	3,333	3,335	3,335	-	-	-	6,670
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	0.81%	Variable	0.81%	Mensual	2,199	-	2,199	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	3.66%	Variable	3.66%	Semestral	-	7,997	7,997	3,333	3,333	-	-	-	6,666
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	3.66%	Variable	3.66%	Semestral	-	12,648	12,648	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	3.66%	Variable	3.66%	Semestral	-	3,333	3,333	3,333	3,333	-	-	-	6,666
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	3.63%	Variable	3.63%	Semestral	-	3,333	3,333	3,333	3,333	-	-	-	6,666
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Provincia Bs As	Argentina	USD	14.30%	Fija	14.30%	Mensual	9	-	9	188	188	188	-	188	752
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.75%	Fija	24.75%	Mensual	3,575	-	3,575	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-99924210-9	Banco Rio	Argentina	ARS	27.00%	Fija	27.00%	Mensual	376	-	376	-	-	-	-		-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	40.00%	Fija	40.00%	Mensual	110	-	110	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	30.00%	Fija	30.00%	Mensual	24	-	24	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	21.17%	Fija	21.17%	Mensual	2,475	-	2,475	-	-	-	-	-	-
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	USD	3.08%	Variable	Libor 180 + 0,0275	Semestral	11,451	11,451	22,902	22,902	22,901	22,902	22,902	114,508	206,115
76,339,130-6	Tecnocap S.A.	Chile	76,645,030-k	Banco Itaú Chile	Chile	USD	3.48%	Variable	Libor 180 + 0.0315	Semestral	-	5,571	5,571	5,581	5,591	5,602	5,613	19,643	42,030
										Total	**41,687**	**295,418**	**337,105**	**92,005**	**42,014**	**28,692**	**228,515**	**134,339**	**525,565**

As of December 31, 2013

											12.31.2013								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP	Chile	59,002,220-9	The Bank of Tokyo	USA	USD	1.62%	Variable	Libor 180 + 1.25	Semestral	-	1,620	1,620	103,050	101,000	-	-	-	204,050
92,544,000-0	Cintac	Chile	97,032,000-8	Banco BBVA	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	-	4,938	4,938	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	13,500	-	13,500	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	3,762	-	3,762	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	5,671	11,050	16,721	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,018,000-1	Banco Scotia	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	17,822	-	17,822	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,006,000-6	Banco Crédito Inversiones	Chile	USD	Lib.6M + Spr.	Variable	Lib.6M + Spr.	Semestral	-	3,795	3,795	3,982	6,668	-	-	-	10,650
92,544,000-0	Cintac	Chile	97,030,000-7	Banco Estado	Chile	USD	Lib.6M + Spr.	Variable	Lib.6M + Spr.	Semestral	-	3,796	3,796	3,980	6,668	-	-	-	10,648
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	Lib.6M + Spr.	Variable	Lib.6M + Spr.	Mensual	10,804	6,970	17,774	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97949000-3	Banco HSBC	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	216	-	216	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	97,949,000-3	Banco Security	Chile	USD	Lib.3M + Spr.	Variable	Lib.3M + Spr.	Mensual	2,373	-	2,373	-	-	-	-	-	-
92,544,000-0	Cintac	Chile	76,645,030-K	Banco Itau	Chile	USD	Tab 6M +Spr.	Variable	Tab 6M +Spr.	Semestral	-	3,795	3,795	3,980	6,668	-	-	-	10,648
92,544,000-0	Cintac	Chile	97,036,000-K	Banco Santander	Chile	USD	Tab 6M +Spr.	Variable	Tab 6M +Spr.	Semestral	-	3,794	3,794	3,982	6,668	-	-	-	10,650
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	24.00%	Fija	24.00%	Mensual	2,786	-	2,786	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	33.50%	Fija	33.50%	Mensual	925	-	925	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	26.00%	Fija	26.00%	Mensual	195	-	195	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	25.00%	Fija	25.00%	Mensual	417	-	417	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	36.00%	Fija	36.00%	Mensual	2,544	-	2,544	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	24.50%	Fija	24.50%	Mensual	374	-	374	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	26.50%	Fija	26.50%	Mensual	614	-	614	-	-	-	-	-	-
30-62286204-9	Tubos Argentinos S.A.	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	20.86%	Fija	20.86%	Mensual	2,711	-	2,711	-	-	-	-	-	-
76,498,850-7	Puerto Las Losas S.A.	Chile	97,006,000-6	Banco Crédito Inversiones	Francia	USD	3.40%	Variable	3.40%	Mensual	1,747	941	2,688	2,728	-	-	-	-	2,728
76,399,400-7	Cleanairtech Sudamérica S.A.	Chile	Extranjero	Credit Agricole	Perú	USD	3.10%	Variable	Libor 180 + 2.75to3	Semestral	1,545	2,824	4,369	19,530	29,295	14,214	21,321	116,934	201,294
											68,007	**43,523**	**111,530**	**141,232**	**156,967**	**14,214**	**21,321**	**116,934**	**450,668**

20.6 Leasing not discounted:

As of December 31, 2014

											12.31.2014								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fija	3.76%	Mensual	6,037	18,111	24,148	24,148	24,148	24,148	24,147	20,123	116,714
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentari	Chile	USD	3.20%	Fija	3.20%	Mensual	1,587	4,761	6,348	6,348	6,348	6,348	5,289	-	24,333
79,807,570-5	Imopac	Chile	97,006,000-6	Banco de Crédito e Inversiones	Chile	USD	5.73%	Fija	5.73%	Mensual	166	-	166	-	-	-	-	-	-
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fija	6.35%	Mensual	590	1,769	2,359	2,359	-	-	-	-	2,359
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fija	11.04%	Mensual	1,149	2,417	3,566	-	-	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	2.80%	Variable	2.80%	Mensual	-	82	82	-	-	8	-	-	8
										Total	**9,529**	**27,140**	**36,669**	**32,855**	**30,496**	**30,504**	**29,436**	**20,123**	**143,414**

As of December 31, 2013

											12.31.2013								
											Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Tax No. Creditor	Creditor	Country of origin	Currency	Effective interest rate	Rate	Nominal interest rate	Repayments	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
94,638,000-8	CMP	Chile	97,030,000-7	Banco Estado	Chile	USD	3.76%	Fija	3.76%	Mensual	-	16,099	16,099	24,148	24,148	24,148	24,148	32,196	128,788
94,638,000-8	CMP	Chile	97,032,000-8	Banco Bilbao Viscaya Argentari	Chile	USD	3.20%	Fija	3.20%	Mensual	-	1,587	1,587	6,348	6,348	6,348	6,348	5,289	30,681
79,807,570-5	Imopac	Chile	97,006,000-6	Banco de Crédito e Inversiones	Chile	USD	5.73%	Fija	5.73%	Mensual	125	373	498	166	-	-	-	-	166
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fija	6.35%	Mensual	650	1,949	2,599	2,598	1,949	-	-	-	4,547
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	USD	11.04%	Fija	11.04%	Mensual	1,132	3,396	4,528	2,381	-	-	-	-	2,381
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	2.80%	Variable	2.80%	Mensual	46	111	157	32	-	-	-	-	32
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	USD	12.00%	Fija	12.00%	Mensual	3	-	3	-	-	-	-	-	-
										Total	**1,956**	**23,515**	**25,471**	**35,673**	**32,445**	**30,496**	**30,496**	**37,485**	**166,595**

20.7 The maturities and currencies of bonds payable are as follows:

As of December 31, 2014

												31.12.2014								
										Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	539	539	-	171,480	-	-	-	171,480
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	1,210	1,210	-	-	-	-	55,703	55,703
Issue & placement costs												-		(1,749)						(5,723)
													Total	-						221,460

As of December 31, 2013

												31.12.2013								
										Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	571	571	-	-	-	-	171,480	171,480
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	1,399	1,399	-	-	-	-	63,825	63,825
Issue & placement costs												-		(1,820)						(7,472)
													Total	150						227,833

20.8 Detail of maturities and currencies of bonds issued (cash flows not discounted):

As of December 31, 2014

													31.12.2014								
		Country of		N° of							Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	origin	Identification	Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	2.250%	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	2,246	**2,246**	4,541	4,529	176,009	0	0	185,079
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	2,065	**2,065**	4,177	4,165	4,165	4,165	70,865	87,537
												Total	**-**	**4,311**	**4,311**	**8,718**	**8,694**	**180,174**	**4,165**	**70,865**	**272,616**

As of December 31, 2013

													31.12.2013								
		Country of		N° of							Amortization	Term	Current			Non-current					
Tax No. debtor	Debtor	origin	Identification	Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	of capital	(Years)	Less than 90 days	Over 90 days	Total	1 to 3 years	2 to 3 years	3 to 4 years	4 to 5 years	Over 5 years	Total Non current
91,297,000-0	CAP S.A.	Chile	Bond Series F	434	USD	2.250%	Libo 180 + 2.25%	Variable	Semi-annual	171,480,000	At maturity	10	-	2,246	**2,246**	4,535	4,535	0	0	180,538	189,608
91,297,000-0	CAP S.A.	Chile	International bond type 144-A	External	USD	7.375%	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	4,773	**4,773**	4,780	4,779	3,570	3,570	149,804	166,503
												Total	**-**	**7,019**	**7,019**	**9,315**	**9,314**	**3,570**	**3,570**	**330,342**	**356,111**

Additional information

a. Amendment agreement of CAP S.A.

On April 15, 2011, the syndicated loan agreement was amended with The Bank of Tokyo- Mitsubishi UFJ Ltd., as the agent bank. The principal modifications were the following:

- Increase in the amount of the loan from ThUS$150,000 to ThUS$200,000.
- Semi-annual repayments are maintained but the dates changed, the first being on October 17, 2014 and the last on April 17, 2016.
- The guarantees of the subsidiaries Compañía Siderúrgica Huachipato S.A. (CSH) and Compañía Minera del Pacifico S.A. (CMP) are released.
- The table for calculating the applicable margin was modified, increasing the margin bands and reducing the "spread" applied.

b. Loan agreement (project finance) of Cleanairtech Sudamérica S.A.

The subsidiary Cleanairtech Sudamérica S.A., on April 18, 2012, signed a loan agreement with Crédit Agricole CIB (agent bank), Corpbanca and Mizuho Corporate Bank, Ltd., to provide project financing for the first phase of the seawater desalination project being developed by this Company. On October 12, 2012, an amendment was signed to this loan agreement, resulting in the following conditions:

- Loan amount: ThUS$ 143,500
- Interest rate: Libor 180 days + 2.75% (years 1 to 10) and 3% (year 10 onward)
- All Cleanairtech's assets are charged in guarantee in favor of the creditor bank on receiving the first disbursement.
- Any other debt acquired by the Company shall be subordinated to the payment of the obligations under the project finance loan agreement
- Repayment: semi-annually from August 15, 2014.
- Final maturity: February 15, 2027.

On June 18, 2013 Sumitomo Mitsui Banking Corporation bought 46% of the ownership of Crédit Agricole CIB (agent bank) by means of a private agreement between both parties.

On June 23, 2014, the company amended its credit agreement with Banco Credit Agricole CIB (Agent Bank), in which it increased its share from 16.26% to 28.49% and increased the value of the credit from ThUS$ 123,000 to ThUS$ 139,855.

On September 10 the Company signed a credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method that is executing that subsidiary under the following conditions:

- Amount of the credit: Up to ThUS$ 130,000
- Interest rate: 180 day Libor + 3%
- All Cleanairtech's assets become part of the guarantee on behalf of the creditor bank when receiving the first disbursement.
- Any other debt assumed by the Company will be subject to the payment of obligations arising from the credit agreement (Project Finance).
- Repayment of principal: on a quarterly basis from February 15, 2015
- Termination of the credit: August 15, 2027

c. Financing agreement of Tecnocap S.A.

The subsidiary Tecnocap S.A. entered into a financing agreement with Banco Itau Chile, on June 27, 2014, in the amount of ThUS$43,000 to be used to finance the costs produced during the construction phase of the electrical transmission line. Next are presented the conditions of the agreement:

- Amount of the loan: ThUS$43,000
- Interest rate: Libor 180 days + 3.15%
- Amortization of capital: every six months, starting on December 25, 2014. A total of 18 installments.
- Termination of credit: June 25, 2023.

Financing Cintac S.A.

a) In September 2008 the Company contracted two long-term loans maturing in 5 years with Banco Santander Madrid for ThUS$ 30,000 with a 2 year of grace period and semiannual repayments at a 180 day Libor plus 1.30% on an annual basis, of these approximately ThUS$ 21,409 were for the repayment of short-term debts that the Company had in import letters of credit. The balance was left in cash and time deposits at year-end. In December 2012 the Company prepaid these loans and contracted a new long-term loan maturing in 5 years with Banco Santander Chile for ThUS$ 15,000 with half-yearly repayments at a 180-day Libor rate plus 3.3% on an annual basis. This loan was intended to prepay the long-term debt that the Company had with Banco Santander Madrid. At December 31, 2014 and 2013 the non-current balance is ThUS$ 6,668 (ThUS$ 10,038), respectively. As a result of the above, the Company recognized the write-off of the old financial liability and recorded the new financial obligation in conformity with IFRS. The financial costs from the refinancing are part of the costs of the transaction and are considered in the calculation of the effective interest rate in the statement of income.

b) On April 9, 2009, the indirect subsidiary Cintac S.A. refinanced short-term bank loans as long term for the dollar equivalent of ThCh$18,000,000 through loans obtained from BCI for ThCh$9,000,000 and the Banco Estado for ThCh$9,000,000, respectively. Both loans have a term of 5 years with 2 years of grace and semi-annual repayments, with an annual interest rate of nominal TAB plus 1.65%. In December 2012, the Company prepaid these loans and signed new 5-year loans with Banco BCI for ThU$15,000 and Banco Estado for US$15,000 with semi-annual repayments and a rate of LIBOR 180 days plus 3.3%, both to prepay the obligations with those banks in Chilean pesos.

As of December 31, 2014 and 2013, the non-current balance outstanding amounts to ThUS$16,714 ThUS$20,074, respectively. As a result of this, the old financial debt was written down in the books and a new financial obligation was booked in accordance with IFRS. The financial costs of the refinancing form part of the transaction cost and are taken into account in the determination of the effective rate in the statement of results.

c) In May 2006, the Company carried out a factoring with recourse transaction with BCI Factoring for ChTh$ 15,931,877 (historic) against invoiced receivables from customers for the same amount. The proceeds were used to finance the investment in Imsatec Chile S.A. and Latin American Enterprises S.A. (Cintac S.A.I.C), on January 5, 2013 this was paid with a credit extended by Banco Itaú at a 180-day Libor rate plus 1.30% on an annual basis for 5 years with half-yearly repayments, the balance at December 31, 2012 (ThUS$ 14,462) and that was paid on January 5, 2013.

As of December 31, 2014 and 2013 the portion with maturity in the short term of the long-term credits indicated in (a) and (b) above for ThUS$ 10,293 (ThUS$ 10,050), respectively, was also included.

CMP Financing

At December 31, 2014, the subsidiary has the following bank loans.

On February 10, 2014, the subsidiary CMP signed a credit agreement with Banco Estado. The main terms and conditions are as follows:

- Amount of credit: ThUS$ 30,000
- Fixed interest rate: 0.85% per year
- Amortization of capital and interest: At maturity, 7 November, 2014.
- Extinction of credit: 7 November, 2014.

On April 16, 2014, the subsidiary CMP signed a credit agreement with Bank of Tokyo Mitsubishi UFJ, Ltd. (Agent Bank), HSBC Bank USA NA, Mizuho Bank Ltd., Societe Generale, Sumitomo Mitsui Banking Corporation New York Branch, Export Development Canada and Natixis New York Branch, for financing of working capital, investments and exports. This credit agreement does not consider guarantees. The main terms and conditions are as follows:

- Amount of credit: Line of credit committed to for up to ThUS$ 350,000
- Interest rate: Libor 180 days + 1.25%
- Amortizations: At maturity.
- Maturity: April 16, 2019.
- The Company made its first withdrawal of ThUS$ 200,000 on May 9, 2014.

On August 05, 2014, the subsidiary CMP signed a credit agreement with Banco de Crédito e Inversiones.
The terms and conditions are as follows:

- Amount of credit: ThUS$50,000
- Start date: August 05, 2014.
- Fixed interest rate: 0.698% per year
- Maturity: May 04, 2015.

On November 03, 2014, the subsidiary CMP signed a credit agreement with Banco Santander. The terms and conditions are as follows:

- Amount of credit: ThUS$50,000
- Start date: November 03, 2014.
- Fixed interest rate: 0.56% per year
- Maturity: July 30, 2015.

On November 07, 2014, the Company signed a credit agreement with Banco Estado. The terms and conditions are as follows:

- Amount of credit: ThUS$30,000
- Start date: November 07, 2014.
- Fixed interest rate: 0.56% per year
- Maturity: August 04, 2015.

Obligations under bond issuances

On September 18, 2006, the Company issued a bond for US$ 200 million in the international market, at a price of 99.761% maturing in 2036. This issuance was prepaid on September 15, 2011, at redemption of only 67%.

On May 15, 2008, the Company issued in the market its Series F bonds for US$ 171,480,000, with a term of 10 years and an interest rate of 180-day LIBOR + 2.25%. An interest-rate swap contract was signed for this issue to fix the LIBOR stipulated for these bonds at 4.58%.

Since July 17 to November 26, 2013 the Company has made early partial redemptions of the international bond through the payment of capital for ThUS$ 2,805.

In 2014, the Company has made several early redemptions of the International Bond, by means of a capital payment, for ThUS$7,935.

21. Financial instruments

21.1 Financial instruments by category, Financial Assets

The accounting policies relating to financial instruments have been applied to the following categories:

As of December 31, 2014	Held to maturity ThUS$	Loans and accounts receivables ThUS$	Assets fair value with changes in results ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Derivative financial instruments	-	-	-	7	7
Trade debtors & accounts receivable	-	277,863	-	-	277,863
Accounts receivable to related entities	-	3,124	-	-	3,124
Cash and cash equivalents	131,156	-		-	131,156
Other financial assets	248,040	5,927	-	-	253,967
Total financial assets	**379,196**	**286,914**	**-**	**7**	**666,117**

As of December 31, 2013	Held to maturity ThUS$	Loans and accounts receivables ThUS$	Assets fair value with changes in results ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Derivative financial instruments	-	-	-	3,781	3,781
Trade debtors & accounts receivable	-	470,022	-	-	470,022
Accounts receivable to related entities	-	4,032	-	-	4,032
Cash and cash equivalents	111,193			-	111,193
Other financial assets	228,654	582	2,165	-	231,401
Total financial assets	**339,847**	**474,636**	**2,165**	**3,781**	**820,429**

(1) As of December 31, 2014 and 2013 the derivative instrument assets are presented net of liabilities for the same concept, respectively.

21.2 Financial instruments by category, Financial Liabilities

The accounting policies relating to financial instruments have been applied to the following categories:

As of December 31, 2014	Loans and accounts payable ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Loans that accrue interest	383,998	-	383,998
Trade creditors and payable	469,540	-	469,540
Accounts payable to related entities	50,759	-	50,759
Hedge Liabilities	-	26,360	26,360
Other financial liabilities	859,622	-	859,622
Total financial liabilities	**1,763,919**	**26,360**	**1,790,279**

As of December 31, 2013	Loans and accounts payable ThUS$	Hedge derivatives (1) ThUS$	Total ThUS$
Loans that accrue interest	726,699	-	726,699
Trade creditors and payable	586,467	-	586,467
Accounts payable to related entities	76,774	-	76,774
Hedge Liabilities	-	33,088	33,088
Other financial liabilities	171,744	-	171,744
Total financial liabilities	**1,561,684**	**33,088**	**1,594,772**

(1) As of December 31, 2014 and 2013, derivative instruments are presented net of assets for the same concept.

21.3 Fair value of the group's assets and liabilities measured at fair value on a recurring basis

Some of the group's financial assets and liabilities are measured at fair value at each reporting year-end. The table below provides information on how the fair values of financial assets and liabilities are calculated (particularly the technique(s) of valuation and inputs used).

Financial asset/ liability	Fair values as of:		Fair value hierarchy	Valuation technique(s) and key input(s)	Significant unobservable input(s)	Relationship of unobservable inputs to fair value
	12-31-2014	12-31-2013				
1) Foreing currency forward contract (see note 10)	Assets ThUS$0 - Liabilities ThUS$666	Liabilities MUS$ 8,849	Level 2	Discounted cash flow. Future cash flows are estimated based on forward exchange rate (from observable forward exchange rates at the end of the reporting period) and contract forward rate, discounted at a rate that reflects the credit risk of various counterparties.	Non	Non
2) Interest rate swap (see note 10)	Assets ThUS$7 - Liabilities (designated to hedging) - ThUS$25,694	Assets ThUS$3,781 - Liabilities (designated to hedging) ThUS$24,239	Level 2	Discounted cash flow. Future cash flows are estimated based on forward interest rate (from observable yield curves at the end of reporting period) and contract interest rate, discounted at a rate that reflects the credit risk of various	Non	Non

IFRS 13 Fair value measurement

The group has applied IFRS 13 for the first time in the current year. IFRS 13 establishes a single guiding source for fair value measurements and disclosures of fair value measurements The scope of IFRS is broad; the fair value measurement requirements of IFRS 13 apply to financial instruments and non-financial instruments, for which other IFRS require or allow fair value measurements and disclosures of fair value measurements.

IFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the main (or the most favorable) market at the measurement date under current market conditions. In accordance with IFRS 13 fair value is the exit price, regardless if that price is directly observable or estimated by using other valuation technique.

21.4 Interest rate and exchange rate risks, assets

The exposure of the financial assets to interest rate risks and currency risks is as follows:

As of December 31, 2014

	Financial assets			
	Total ThUS$	**Flotating rate ThUS$**	**Fixed rate ThUS$**	**Without interest ThUS$**
Dollar	483,451	6,882	655,238	(178,669)
Peruvian soles	184	-	-	184
Argentine pesos	11,768	-	-	11,768
Chilean pesos	170,079	-	4,930	165,149
Other currencies	635	-	-	635
Total financial assets	**666,117**	**6,882**	**660,168**	**(933)**

As of December 31, 2013

	Financial assets			
	Total ThUS$	**Flotating rate ThUS$**	**Fixed rate ThUS$**	**Without interest ThUS$**
Dollar	570,760	-	172,089	398,671
Peruvian soles	232	-	-	232
Argentine pesos	15,130	-	-	15,130
Chilean pesos	233,722	-	21,461	212,261
Other currencies	585	-	-	585
Total financial assets	**820,429**	**-**	**193,550**	**626,879**

21.5 Interest rate risks and currency risks, Liabilities

The exposure of the financial liabilities to interest-rate risks and currency risks is as follows:

As of December 31, 2014

	Financial liabilities				Financial liabilities rate	
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Without interest ThUS$	Average rate %	Average term years
Dollar	1,636,539	674,128	564,086	398,325	1.80%	12
UF	5,188	-	3,928	1,260	5.35%	5
Peruvian soles	346	-	-	346	0.00%	2
Argentine pesos	10,032	-	7,189	2,843	16.89%	1
Chilean pesos	138,131	20,649	-	117,482	0.00%	5
Other currencies	43	-	-	43	0.00%	1
Total financial liabilities	**1,790,279**	**694,777**	**575,203**	**520,299**		

As of December 31, 2013

	Financial liabilities				Financial liabilities rate	
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Without interest ThUS$	Average rate %	Average term years
Dollar	1,401,523	359,661	560,080	481,782	2.45%	12
UF	7,823	-	6,558	1,265	5.35%	5
Peruvian soles	668	-	-	668	0.00%	2
Argentine pesos	13,647	-	10,382	3,265	16.89%	1
Chilean pesos	171,056	-	-	171,056	0.00%	5
Other currencies	55	-	-	55	0.00%	1
Total financial liabilities	**1,594,772**	**359,661**	**577,020**	**658,091**		

22. Trade and other accounts payables

The detail of trade creditors, various dry creditors and other accounts payable as of December 31, 2014 and 2013 is as follows:

	Current	
	12.31.2014 ThUS$	12.31.2013 ThUS$
Trade creditors	217,649	399,583
Various creditors	21,560	15,552
Advance payment for sale of min	125,716	65,455
Dividends payable	17,818	28,396
Withholdings	3,331	5,569
Documents to pay	83,466	71,912
Total	**469,540**	**586,467**

- Trade payables mainly includes operating accounts payable and obligations related to capital projects that are being executed by the group. The average period for its payment is 30 days; therefore, their fair value does not differ significantly from their book value. These accounts payable have no associated interest and there is no ownership relationship with the creditors.

The current trade creditors according to their term are presented below:

Current Period

	12.31.2014			
	Goods ThUS$	**Services ThUS$**	**Other ThUS$**	**Total ThUS$**
1 to 30 days	57,817	26,921	68,411	153,149
Between 31 and 60 days	2,229	350	55,609	58,188
Between 61 and 90 days	608	2	1	611
Between 91 and 120 days	1,373	183	6	1,562
Between 121 and 365 days	3,176	23	-	3,199
More than 365 days	940	-	-	940
Total	**66,143**	**27,479**	**124,027**	**217,649**
Period average pay bills on time (days)	31	27	30	30

Previous Period

	12.31.2013			
	Goods ThUS$	**Services ThUS$**	**Other ThUS$**	**Total ThUS$**
1 to 30 days	105,570	200,994	72,158	378,722
Between 31 and 60 days	1,949	753	-	2,702
Between 61 and 90 days	1,242	11	-	1,253
Between 91 and 120 days	410	57	-	467
Between 121 and 365 days	1,005	-	1,800	2,805
More than 365 days	63	-	-	63
Total	**110,239**	**201,815**	**73,958**	**386,012**
Period average pay bills on time (days)	32	30	30	30

The table below presents the trade creditors according to their expired term:

Current Period

At December 31, 2014, the Company does not present expired creditor accounts.

Previous Period

	12.31.2013			
	Goods ThUS$	**Services ThUS$**	**Other ThUS$**	**Total ThUS$**
1 to 30 days	-	-	-	-
Between 31 and 60 days	12,876	695	-	13,571
Between 61 and 90 days	-	-	-	-
Between 91 and 120 days	-	-	-	-
Between 121 and 365 days	-	-	-	-
More than 365 days	-	-	-	-
Total	**12,876**	**695**	**-**	**13,571**
Average payment period expired accounts (	46	46	-	46

These are the details of the main creditors and their percentage of representation in total trade payables.

Current Period

Suppliers	Tax number	Customer	12.31.2014 %
Snc Lavalin Chile S.A.	79,563,120-8	CMP S.A.	6.33%
Empresa Nacional de Electricidad S.A	91,081,000-6	CMP S.A.-CSH S.A.	4.93%
Acciona Cerro Negro S.A.	76,181,135-5	CMP S.A.-Cleanairtech S.A.	3.44%
Abengoa Chile S.A.	96521,440-2	Cleanairtech S.A.	3.22%
Empresa Transporte Ferroviario S.A.	96,545,600-7	CMP S.A.	2.27%
Araya Hnos.S.A.	78,567,810-9	CMP S.A.	1.92%
Orica Chile S.A.	95,467,000-7	CMP S.A.	1.31%
Naviera Ultranav Ltda.	92,513,000-1	CSH S.A.	1.17%
Acreedores Menores al 1%		Grupo CAP	75.41%
			100.00%

Previous Period

Suppliers	Tax number	Customer	12.31.2013 %
Abengoa Chile S.A.	96,521,440-2	Cleanairtech S.A.	12.44%
Acciona Cerro Negro S.A.	76,181,135-5	Cleanairtech S.A.	8.28%
Snc Lavalin Chile S.A.	79,563,120-8	CMP S.A.	4.72%
Araya Hnos.S.A.	78,567,810-9	CMP S.A.	1.79%
Servicios Mineros y Remotos Ltda.	76,117,696-k	CMP S.A.	1.75%
AIG Chile Cía. Seguros Generales S.A	99,288,000-7	CMP S.A.	1.66%
Echeverría, Izquierdo, Montajes	96,870,780-9	CMP S.A.	1.63%
Acciona Agua S.A.U. Agencia en Ch	59,061,500-5	Cleanairtech S.A.	1.62%
Empresa De Montajes Industriales	96,684,600-3	CMP S.A.	1.46%
Amec International Ingeniería	76,938,030-2	CMP S.A.	1.15%
Empresa Nacional de Electricidad S.A	91,081,000-6	CSH S.A.	1.01%
Acreedores restantes menores al 1%		Grupo CAP	62.49%
Total			100.00%

- Pre-payments for sale of ore are advances from clients. The main creditors are summarized in note 24.

- Dividends payable are mainly related to the recognition of the Company's dividend policy to the unrelated shareholders.

- Documents to pay are mainly accounts payable to foreign suppliers of the subsidiaries Compañía Siderúrgica Huachipato S.A. and Cintac S.A.I.C. These are the details of the main creditors:

Current Period

Creditors	Country	12.31.2014 ThUS$
Samsung C and T Corporation	China	27,276
Duferco	China	14,039
Coquecol S.A.C.I.	Colombia	10,041
Teck Coal Limited	Canadá	9,383
Avic	China	8,752
Jiangyin	China	4,699
Cumic Steel Limited	Korea	2,216
Huntsman Internacional	EE.UU.	1,696
SRI Steel Resources LLC	EE.UU.	1,538
Tianjin Zhihengtai	China	455
Cia. Española de Laminación S.L	España	275
Otros		3,096
Totales		**83,466**

Previous Period

Creditors	Country	12.31.2013 ThUS$
Deacero S.A. de C.V.	Mexico	25,639
Duferco	China	19,533
Teck Coal Limited	Canadá	12,114
Sansung	Korea	10,489
Siderar	Argentina	1,577
Daewoo	China	728
Otros		1,832
Totales		**71,912**

23. Provisions

23.1 The detail of provisions is as follows:

	Current		Non-Current	
	12.31.2014 ThUS$	12.31.2013 ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$
Provision for lawsuits	1,374	2,365	-	-
Provision for restoration	374	-	13,125	14,343
Provision for results participatic	-	3,182	-	-
Volume discounts	381	1,916	-	-
Operational provision	901	2,339	-	-
Other provisions	5,327	11,553	10,149	944
Total other provisions	**8,357**	**21,355**	**23,274**	**15,287**

23.2 The movements in provisions are as follows:

As of December 31, 2014

Current	Provision for lawsuits ThUS$	Provision for restoration MUS$	Provision for results participation ThUS$	Volume Discounts ThUS$	Operationals Provision ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 201	2,365	-	3,182	1,916	2,339	11,553
Additional provisions	-	374	-	-	2,987	6,912
Use of provision	(717)	-	(3,182)	(6,586)	(4,425)	(15,410)
Reversal provision	(548)	-	-	-	-	(1,577)
Increase (decrease) in foreign exchange	(293)	-	-	(259)	-	(201)
Other increases (decreases)	567	-	-	5,310	-	4,050
Ending balance as of December 31, 201	1,374	374	-	381	901	5,327

Non-Current	Provision for Restoration ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 2014	14,343	944
Additional provisions	7,113	10,149
Use of provision	(8,331)	(944)
Ending balance as of December 31, 2014	13,125	10,149

As of December 31, 2013

Current	Provision for lawsuits ThUS$	Participation dividends ThUS$	Volume Discounts ThUS$	Operationals Provision ThUS$	Other provisions ThUS$
Beginnings balance as of January 1, 2013	251	2,779	3,720	-	14,808
Additional provisions	82	68	-	-	1,125
Use of provision	(139)	(2,930)	(12,797)	2,339	(5,043)
Increase (decrease) in foreign exchange	(6)	-	4	-	(121)
Other increases (decreases)	2,177	3,265	10,989	-	793
Ending balance as of December 31, 2013	2,365	3,182	1,916	2,339	11,563

Non-Current	Provision for restoration ThUS$	Other Provisions ThUS$
Initial balance as of January 1, 2013	13,280	640
Additional provisions	416	3,596
Other increases (decreases)	647	(3,292)
Ending balance as of December 31, 2013	14,343	944

24. Other non-financial liabilities

The detail of other liabilities as of December 31, 2014 and 2013 is as follows:

	Current		Non-Current	
	12.31.2014 ThUS$	12.31.2013 ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$
Mineral sales advance Cargill International	-	-	25,400	32,325
Mineral sales advance Glencore AG. (*)	-	-	39,096	53,621
Mineral sales advance Deutsche Bank (*)	-	-	47,616	141,735
Mineral sales advance Pioneer Metals (*)	-	-	-	5,107
Mineral sales advance Prosperity Steel (*)	-	-	63,257	68,100
Others	3,354	4,315	10,248	712
Total	3,354	4,315	185,617	301,600

(*) These correspond to mineral sales advances. The current liabilitie is ThUS$ 125,716 in 2014 (ThUS$65,455 as of December 31, 2013), and is shown in Trade creditors and other accounts payable (Note 22).

The decrease in non-current liabilities with Deutsche Bank AG is due mainly to the fact that, in November, 2014, an early termination of contract was signed with that company for two of the three contracts for advances on sales, which will mean that the subsidiary Compañía Minera Del Pacifico S.A. will have to pay MUS$78,874 on January 26, 2015 for the total amount of pending advanced payments.

25. Current and non-current personnel benefits and expenses

The Group have established a provision for severance indemnities and for aging prize to be paid to employees under collective bargaining agreements.

The detail of the main concepts included in the personnel benefits provision as of December 31, 2014 and 2013 is the following:

	Current		Non-Current	
Provisions for employee benefits	12.31.2014 ThUS$	12.31.2013 ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$
Vacation Provision	8,489	9,512	11,487	9,461
Provision for severance indemnities	2,432	1,748	60,019	72,221
Aging prize	5,385	5,948	11,323	32,018
Personnel provisions other	5,225	20,833	1,582	1,512
Profit Sharing	25	119	-	-
Total	21,556	38,160	84,411	115,212

The provision for personnel benefits is determined based on an actuarial calculation.

The movement in provisions is as follows:

As of December 31, 2014

Current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2014	9,512	1,748	5,948	20,833	119
Additional provisions	19,502	1,354	2,561	3,598	8
Use of provision	(25,862)	(15,074)	(15,752)	(17,952)	(100)
Clasification to long term	988	11,554	6,702	-	-
Increase (decrease) in foreign exchange ra	(585)	(210)	(781)	(2,292)	(2)
Other increases (decreases)	4,934	3,060	6,707	910	-
Ending balance as of december 31, 2014	8,489	2,432	5,385	5,225	25

Non-current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Beginning balance as of January 1, 2014	9,461	72,221	32,018	1,512	-
Additional provisions	4,359	17,283	1,905	157	-
Use of provision	(66)	(8,826)	(2,363)	-	-
Clasification to short term	(988)	(11,554)	(6,702)	-	-
Increase (decrease) in foreign exchange ra	(1,279)	(9,100)	(4,233)	(60)	-
Other increases (decreases)	-	109	(9,302)	(27)	-
Endind balance as of december 31, 2014	11,487	60,019	11,323	1,582	-

As of December 31, 2013

Current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Initial balance as of January 1, 2013	13,375	4,026	10,825	18,158	253
Additional provisions	7,418	490	2,644	18,729	651
Use of provision	(10,601)	(33,889)	(10,407)	(17,505)	(774)
Clasification to long term	227	31,506	3,802	-	-
Increase (decrease) in foreign exchange ra	(851)	(323)	(916)	(1,806)	(25)
Other increases (decreases)	(56)	(62)	-	3,257	14
Ending balance as of december 31, 2013	9,512	1,748	5,948	20,833	119

Non-current	Vacation provision ThUS$	Provision for Severance Indemnities ThUS$	Aging Prize ThUS$	Personnel Provisions Other ThUS$	Profit sharing ThUS$
Initial balance as of January 1, 2013	10,728	95,751	51,836	485	-
Additional provisions	795	18,493	6,203	1,045	-
Use of provision	(2)	(1,431)	(491)	-	-
Clasification to short term	(227)	(31,506)	(3,802)	(18)	-
Reversal provision	0	(6)	-	-	-
Increase (decrease) in foreign exchange ra	(966)	(7,500)	(4,350)	-	-
Other increases (decreases)	(867)	(1,580)	(17,378)	-	-
Ending balance as of december 31, 2013	9,461	72,221	32,018	1,512	-

The transfer of the long-term part of the severance indemnities originates in an early retirement plan promoted by the subsidiary Compañía Siderúrgica de Huachipato. On July 18, 2013, Company Management agreed with labor unions N° 1 and N° 2 to offer workers on the general payroll a voluntary retirement plan, under given conditions. Also, on July 26, 2013, as part of the process of readapting the organizational structure, the retirements of some executives were formalized. Subsequently in December, a second period of voluntary retirements was opened with a bigger impact on staffing than the previous processes.

This is reconciliation of the balances of provisions for post-employment benefits:

Current Period

Movements	01.01.2014 12.31.2014	
	Severance indemnities ThUS$	Aging prize ThUS$
Opening balance	**73,969**	**37,966**
Cost of service	3,378	6,311
Interest cost	3,535	1,671
Contribution paid	(19,875)	(8,196)
Actuarial variation	3,401	(2,190)
Other operational costs	4,115	(16,400)
Subtotal	**68,523**	**19,162**
(Gain) losses for exchange differences	(6,072)	(2,454)
Ended balance	**62,451**	**16,708**

Previous Period

Movements	01.01.2013 12.31.2013	
	Severance indemnities ThUS$	Aging prize ThUS$
Opening balance	**99,777**	**62,661**
Cost of service	4,939	7,386
Interest cost	4,770	4,470
Contribution paid	(38,009)	(11,163)
Actuarial variation	4,270	(3,648)
Other operational costs	10,543	(15,605)
Subtotal	**86,290**	**44,101**
(Gain) losses for exchange differences	(12,321)	(6,135)
Ended balance	**73,969**	**37,966**

Furthermore, the effect that a variation of one percentage point in the discount rate, together with the same variation in the inflation rate directly linked to that discount rate, would have on the provision for the severance indemnities payment at December 31, 2014 and 2013, is presented in the table below:

Current Period

Variation of discount rate and inflation	+1 percentage point ThUS$	-1 percentage point ThUS$
Balance at 12.31.2014	62,451	62,451
Actuarial variation	(1,379)	3,359
Balance after actuarial variation	**61,072**	**65,810**

Previous Period

Variation of discount rate and inflation	+1 percentage ThUS$	-1 percentage ThUS$
Balance at 12.31.2013	73,969	73,969
Actuarial variation	5,198	(3,260)
Balance after actuarial variation	**79,167**	**70,709**

Furthermore, the effect that a variation of one percentage point in the discount rate, together with the same variation in the inflation rate directly linked to that discount rate, would have on the provision for aging prize at December 31, 2014 and 2013, is presented in the table below.

Current Period

Effect discount rate and inflation	+1 percentage ThUS$	-1 percentage ThUS$
Balance at 12.31.2014	16,708	16,708
Actuarial variation	(1,084)	89
Balance after actuarial variation	**15,624**	**16,797**

Previous Period

Effect discount rate and inflation	+1 percentage ThUS$	-1 percentage ThUS$
Balance at 12.31.2013	37,966	37,966
Actuarial variation	(1,797)	(6,593)
Balance after actuarial variation	**36,169**	**31,373**

Classes of employee expenses

Employee expenses as of December 31, 2014 and 2013 are as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	**01.01.2013 12.31.2013 ThUS$**
Wages and salaries	127,094	169,021
Short term benefits to employees	31,295	40,161
Severance indemnities	19,134	20,790
Aging prize	(4,636)	1,952
Other staff costs	46,044	58,283
Total	**218,931**	**290,207**

The principal assumptions used for the actuarial calculation are:

Actuarial bases used	12.31.2014	12.31.2013
Discount rate	6.00%	6.00%
Rotation Index	1.00%-5.00%	1.00%-2.00%
Rotation Index - retirement due to business needs	1.00%-4.50%	1.00%-2.00%
Expected salary increases	0.80%-1.50%	1.00%-1.75%
Retirement age		
Men	65 years	65 years
Women	60 years	60 years
Mortality table	RV-2009	RV-2009

The actuarial study was prepared by the independent actuary, Raúl Benavente, based on the assumptions provided by the management.

26. Net equity information to be disclosed

26.1 Subscribed and paid in capital and number of shares:

As of the dates of the balances of financial position, subscribed and paid-in capital and number of shares is detailed as follows:

Number of shares

Series	Number of shares subscribed	Number of paid-in shares	Amount of shares with voting rights
Single	149,448,112	149,448,112	149,448,112

Capital

Series	Subscribed capital ThUS$	Paid-in capital ThUS$
Single	379,444	379,444

26.2 Dividend policy and reserve for proposed dividends.

Under current legislation, at least 30% of the net profits for the year should be distributed as cash dividends unless unanimously agreed otherwise by all shareholders at a Shareholders Meeting.

The Ordinary Shareholders meeting held on April 15, 2014 agreed the following dividend policy:

1. To continue with the policy of distributing 50% of distributable earnings as the final dividend.

2. The Board also authorized the distribution of interim dividends against the year 2014 provided that earnings are generated during that year and there are no accumulated losses.

3. The Board is authorized to distribute eventual dividends against accumulated earnings if considered convenient.

In accordance with the dividend policy agreed by the Shareholders Meeting, the Company has made a reserve of ThUS$ 33,425 for proposed dividends as of December 31, 2014 and ThUS$ 97,843 as of December 31, 2013, equivalent to 50% of distributable earnings.

The Board Meeting held on September 12, 2014 agreed to distribute an eventual dividend of 50 pesos per share in October, 2014, equivalent to a total of ThUS$12,670 charged to retained earnings.

The dividends declared during the years 2014 and 2013 were the following:

Dividend Type	Number	Amount ThUS$	Payment Date	
Interim	113	46,706	15-01-2013	
Final	114	47,102	26-04-2013	
Final	115	17,227	25-07-2013	
Interim	116	12,427	25-07-2013	
Interim	117	30,292	24-10-2013	
Interim	118	21,365	16-01-2014	
Final	119	20,336	15-04-2014	
Final	120	14,260	24-07-2014	
Eventual	121	12,470	16-10-2014	
Interim	122	12,315	15-01-2015	(*)

(*) Accrued amount value as of December 31, 2014

26.3 Other reserves

The detail of other reserves for each period is as follows:

	12.31.2014 ThUS$	12.31.2013 ThUS$
Hedge reserves effect	(15,288)	(20,799)
Equity- settled employee benefits reserve	(586)	(477)
Conversion reserve	1,415	2,929
Others	491	491
Total	**(13,968)**	**(17,856)**

26.4 Tax Reform Effect

Under the provisions of Circular No. 856 of the Superintendency of Securities and Insurance, a charge to income (losses) has been recorded in the amount of ThUS$83,360 for deferred taxes recognized as a direct effect of the increase of the first category tax rate; described in Note 3.3 i).

26.5 Distributable net profits

As required by SVS, in Circular 1983 of July 30, 2010, the Board on August 30, 2010, established as policy to exclude the following concepts from the profits for the year for the purpose of calculating its distributable profits:

- The results of the fair value of assets and liabilities corresponding to CAP S.A. arising from the 50% of the previous interest ownership that its subsidiary CMP had in Compañía Minera Huasco S.A., that are not realized as a result of the merger with that Company.

The detail of distributable profits is as follows:

	12.31.2014 ThUS$	12.31.2013 ThUS$
Total Gain	55,514	183,526
Adjustment as per policy:		
Realization of profit from the business combination of CMP with Cia Minera Huasco S.A. conducted during the year	11,335	7,922
Distributable net income	**66,849**	**191,448**

(*) Before of accounting change adjustment for ThUS$ 355.

As stated above, the unrealized amount arising from the combination of businesses of the subsidiary CMP and Cia. Minera Huasco S.A. is as follows:

	12.31.2013	12.31.2014	
	Effects of CMP-CMH merge ThUS$	**Non-distribuitable earnings realized in** ThUS$	**Non-distributable earnings for realized** ThUS$
Gain on combination of businesses	419,716	-	419,716
Realization of fair value (*)	(73,769)	(20,521)	(94,290)
Deferred taxes	(25,494)	5,408	(20,086)
Non-distributable CMP subsidiary	320,453	(15,113)	305,340
Participation non distributable net income of CAP S.A. (74,999%)	240,336	(11,335)	229,001

(*) The gain in fair value from the combination of businesses (merger) of CMP and Cia. Minera Huasco S.A. is realized by the amortization of the mining properties and the depreciation of the fixed assets revalued at fair value.

26.6 Adjustments for first-time adoption of IFRS

The Group has adopted the policy of recording first-time IFRS adoption adjustments separately from the rest of retained earnings (losses) and maintaining the balance in the account Accumulated earnings (losses) in equity, recording the part of the accumulated gain coming from first-adoption adjustments that are realized.

The following table shows the portion of the principal first-time IFRS adoption adjustments that have been considered as unrealized and the evaluation of their realization as of December 31, 2014 and 2013:

	First-adoption adjustments ThUS$	12.31.2013 Amount realized in year and variation ThUS$	12.31.2013 Balance to be realized ThUS$	12.31.2014 Amount realized in year and variation ThUS$	12.31.2014 Balance to be realized ThUS$
Appraisal as attributed cost of land	305,572	(91)	305,481	(168)	305,313
Property, plant & equipment at revalued cost	19,949	(4,334)	15,615	(859)	14,756
Negative goodwill	16,445	-	16,445	-	16,445
Remeasurement of fixed assets due to change in functional currency and other IFRS	11,669	(7,818)	3,851	-	3,851
Deferred taxes	(60,118)	2,066	(58,052)	146	(57,906)
Total	**293,517**	**(10,177)**	**283,340**	**(881)**	**282,459**

26.7 Capital management

Capital management refers to the management of the Company's equity. The Group's capital management policies have the following objectives:

- To ensure the normal functioning of its operations and the long-term continuity of the business.
- To ensure the financing of new investments in order to maintain sustained growth over time.
- To maintain a suitable capital structure in line with the economic cycles that affect the business and the nature of the industry.
- To maximize the value of the Company, providing an adequate return for its shareholders.

The capital requirements are incorporated based on the Company's financing needs, taking care to maintain an adequate level of liquidity and complying with the financial covenants included in current loan agreements. The Company manages its capital structure by adjusting it to the predominant economic conditions in order to mitigate the risks associated with adverse market conditions and take advantage of opportunities that might present themselves for improving the Company's liquidity.

27. Non-controlling interest

The detail by Company of the effects of the participation by third parties in the equity and results of subsidiary companies in each of the years is as follows:

Company	Non-controller share 12.31.2014 %	Non-controller share 12.31.2013 %	Noncontrolling interest on equity 12.31.2014 ThUS$	Noncontrolling interest on equity 12.31.2013 ThUS$	Share in results Accumulated 01.01.2014 12.31.2014 ThUS$	Share in results Accumulated 01.01.2013 12.31.2013 ThUS$
Manganeso Atacama S.A.	0.48000	0.48000	39	40	(2)	(3)
Cìa. Siderúrgica Huachipato S	0.0001	0.0001	1	1	-	-
Cìa. Minera del Pacífico S.A.	25.0001	25.0001	1,102,743	1,117,687	28,312	100,583
Novacero S.A.	47.3200	47.3200	45,244	45,217	790	208
Cintac S.A.	38.0360	38.0360	67,857	67,782	1,323	453
Intasa S.A.	11.6496	11.6496	1,767	1,805	(33)	(66)
Puerto Las Losas S.A.	49.0000	49.0000	25,271	22,494	(1,060)	(1,402)
Cleanairtech S.A.	49.0000	49.0000	63,421	59,735	(136)	(706)
Total			1,306,343	1,314,761	29,194	99,067

28. Revenues, other income, expenses by function and other gains (losses).

28.1 Revenues

The detail of revenues as of December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Proceeds from sale of Mineral	**942,099**	**1,430,557**
Proceeds from sale of mineral	670,395	1,063,524
Proceeds from sale of pellets	229,589	328,315
Mineral products other	42,115	38,718
Proceeds from sale of Steel	**548,933**	**665,698**
Proceeds from sales of steel	490,383	641,877
Product other	58,550	23,821
Proceeds from sales of steel processing	**422,204**	**466,640**
Proceeds from sale of processed steel	379,810	455,198
Proceeds from sales of service	512	1,089
Revenue from resale	6,899	4,454
By-products and other	34,983	5,899
(Elimination intercompany transactions)	(123,481)	(258,156)
Total	1,789,755	2,304,739

28.2 Other income

The detail of other income as of December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Customer delayed payments	16	145
Sale of services	549	152
Other income and re-adjustmen	17,729	9,610
Sale of scrap and by-products	604	695
Total	18,898	10,602

28.3 Other expenses by function

The detail of other expenses by function as of December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Drilling and exploration	15,552	15,105
Management non-operating expenses	17,202	24,421
Impairment of fixed assets (*)	-	23,000
Writte-off stopped lines (*)	-	49,685
Impairment of stock	5,147	-
Others	22,357	18,214
Total	60,258	130,425

(*) As stated in note 16.3, the subsidiary Compañía Siderúrgica Huachipato adopted the policy of focusing on the production of long products for the mining and the construction industry. As a result of this change in September it ceased the operation of one of its blast furnaces and stopped producing hot rolling. Other measures included the stoppage of the production lines of cold rolling, tin plate, and zincalume.

This decision has involved including at December 31, 2013 a write-off of US$ 39.7 million net of taxes for the units that will not operate in accordance with the current five-year business plan. Also, a provision for impairment of assets net of taxes for US$ 18.4 million was established to reflect the financial impact on the production re-structuring established in the aforementioned plan. The above involved assuming a total charge of US$ 58.1 million in the financial income at December 31, 2013, including US$ 13.6 million net of taxes that were already provisioned at June 30, 2013.

28.4 Other gains (losses)

The detail of other gains (losses) as of December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Sales of projects	4,800	-
Others	1,405	(789)
Total	6,205	(789)

29. Financial income

The principal items of finance income as of December 31, 2014 and 2013 are:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Investments held to maturity	5,083	7,889
Hedge instruments	-	5,555
Others	228	-
Total	5,311	13,444

Finance income from financial assets, by category, is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Investments in time deposits and mutual fu	4,258	6,857
Investments in mutual funds	825	1,032
Interest on hedging instruments	1	5,555
Others	227	-
Total	5,311	13,444

30. Financial costs

The principal items of finance costs as of December 31, 2014 and 2013 are:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	01.01.2013 12.31.2013 ThUS$
Interest expense, bank loans	12,534	11,204
Foreign suppliers expense	509	965
Interest expense, bonds	9,222	9,670
Expense/income of net financial derivatives valuati	28,225	8,308
Activated financial expense	2,444	2,443
Interest on leasing	1,363	1,085
Other financial expenses	15,318	6,885
Total	**69,615**	**40,560**

31. Depreciation and amortization

The detail for the years ended December 31, 2014 and 2013 is as follows:

	Accumulated	
	01.01.2014 12.31.2014 ThUS$	**01.01.2013 12.31.2013 ThUS$**
Depreciation	138,158	108,849
Amortization of Intangibles	39,610	42,116
Other amortization	-	113
Total	177,768	151,078

32. Operating segments

The following analysis of business and geographic segments is required by IFRS 8, Operating Segments, to be presented by entities whose capital or debt instruments are traded publicly, or which are in the process of issuing shares or debt instruments in the securities market. If an entity whose securities are not publicly traded decides to disclose segment information voluntarily in the financial statements complying with IFRS, the entity should comply fully with the requirements of IFRS 8.

Segments by business

For management purposes, the Group is organized into four large operative divisions - CAP Mining, CAP Steel, CAP Steel Processing and CAP Holding. These divisions are the basis on which the Group reports its primary informational segments. The principal products and services of each of the divisions are the following:

CAP Mining - the extraction of minerals and their subsequent processing and domestic and external sale.

CAP Steel - the production of finished steel from a production of liquid steel by reduction of iron ore in blast furnaces.

CAP Steel Processing - the processing of steel through the subsidiaries Cintac S.A. and Intasa S.A. whose objectives are the creation of solutions in steel mainly for the construction, industry and infrastructure sectors in Chile and abroad.

CAP Holding: Corresponds to the corporate management center.

Profits by Segments

	Acumulated											
	01.01.2014 12.31.2014						01.01.2013 12.31.2013					
	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$	Mining ThUS$	Steel ThUS$	Steel processing ThUS$	Others (1) ThUS$	Eliminations (1) ThUS$	Total ThUS$
Operating Income	942,099	548,933	387,221	34,983	(123,481)	1,789,755	1,430,557	665,698	460,741	5,899	(258,156)	2,304,739
Cost of sales	(710,049)	(537,671)	(334,072)	(20,436)	122,746	(1,479,482)	(787,654)	(672,116)	(389,099)	(6,773)	256,932	(1,598,710)
Gross margin	**232,050**	**11,262**	**53,149**	**14,547**	**(735)**	**310,273**	**642,903**	**(6,418)**	**71,642**	**(874)**	**(1,224)**	**706,029**
Other revenues, by function	16,415	1,622	150	26,718	(26,007)	18,898	8,326	2,989	-	35,230	(35,943)	10,602
Distribution costs	-	-	(20,238)	-	-	(20,238)	-	-	(28,680)	-	-	(28,680)
Administrative expenses	(43,146)	(31,868)	(19,580)	(18,183)	26,007	(86,770)	(58,209)	(46,115)	(23,985)	(23,737)	35,710	(116,336)
Other expenses, by function	(52,228)	(8,009)	-	(21)	-	(60,258)	(54,305)	(76,006)	-	(114)	-	(130,425)
Other gains (losses)	-	-	107	6,098	-	6,205	-	-	(342)	(447)	-	(789)
Profit (loss) from operating activities	**153,091**	**(26,993)**	**13,588**	**29,159**	**(735)**	**168,110**	**538,715**	**(125,550)**	**18,635**	**10,058**	**(1,457)**	**440,401**
Financial income	1,581	-	648	13,524	(10,442)	5,311	2,102	-	687	18,948	(8,293)	13,444
Financial costs, net	(22,820)	(10,575)	(6,594)	(36,724)	7,098	(69,615)	(5,320)	(10,087)	(7,871)	(25,808)	8,526	(40,560)
Share in profit of associates accounted for using the method of participation	(8)	(3)	(87)	54,641	(56,580)	(2,037)	(31)	95	(15)	180,264	(181,383)	(1,070)
Exchange differences	11,070	119	(3,712)	(8,966)	3,343	1,854	5,133	273	(8,118)	(4,507)	(86)	(7,305)
Result by readjustment unit	-	443	494	1,463	-	2,400	-	118	187	220	-	525
Income (loss) before tax	**142,914**	**(37,009)**	**4,337**	**53,097**	**(57,316)**	**106,023**	**540,599**	**(135,151)**	**3,505**	**179,175**	**(182,693)**	**405,435**
(Expense) income for income tax	(29,668)	9,993	(1,246)	(394)	-	(21,315)	(138,270)	17,472	(2,392)	473	(480)	(123,197)
Income (loss) after tax	**113,246**	**(27,016)**	**3,091**	**52,703**	**(57,316)**	**84,708**	**402,329**	**(117,679)**	**1,113**	**179,648**	**(183,173)**	**282,238**

(1) These columns show elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group.

Assets and Liabilities by Segments

	12.31.2014					
	Mining	Steel	Steel processing	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	329,182	238,466	275,933	735,675	(411,510)	1,167,746
Non-current assets	3,234,954	692,085	143,498	2,861,724	(2,355,000)	4,577,261
Total Assets	**3,564,136**	**930,551**	**419,431**	**3,597,399**	**(2,766,510)**	**5,745,007**
Current liabilities	524,796	373,639	182,884	254,157	(408,801)	926,675
Non-current liabilities	928,508	122,920	38,180	609,337	(40,270)	1,658,675
Total Liabilities	**1,453,304**	**496,559**	**221,064**	**863,494**	**(449,071)**	**2,585,350**

	12.31.2013					
	Mining	Steel	Steel processing	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	442,035	356,376	260,591	772,085	(475,486)	1,355,601
Non-current assets	3,022,035	719,571	158,390	2,948,796	(2,512,901)	4,335,891
Total Assets	**3,464,070**	**1,075,947**	**418,981**	**3,720,881**	**(2,988,387)**	**5,691,492**
Current liabilities	516,983	450,534	167,034	208,948	(469,511)	873,988
Non-current liabilities	776,476	140,693	52,887	721,012	(111,256)	1,579,812
Total Liabilities	**1,293,459**	**591,227**	**219,921**	**929,960**	**(580,767)**	**2,453,800**

(1) These columns show elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group.

Cash flows by segment

	Acumulated											
	01.01.2014 12.31.2014						01.01.2013 12.31.2013					
	Mining	Steel	Steel processing	Others (1)	Eliminations (1)	Total	Mining	Steel	Steel processing	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Cash flows from (used in) operating activities	126,718	343,884	60,418	142,432	(411,318)	262,134	789,982	383,363	58,963	230,337	(685,854)	776,791
Cash flows from (used in) investing activities	(299,403)	(10,183)	(4,530)	(169,303)	9,335	(474,084)	(654,886)	(28,471)	(10,419)	(54,221)	(62,141)	(810,138)
Cash flows from (used in) financing activities	176,465	(334,227)	(39,106)	27,002	401,983	232,117	(294,473)	(356,510)	(40,098)	(208,256)	747,995	(151,342)
	3,780	**(526)**	**16,782**	**131**	**-**	**20,167**	**(159,377)**	**(1,618)**	**8,446**	**(32,140)**	**-**	**(184,689)**

(1) These columns include the elimination adjustments on consolidation and the results generated by CAP S.A. and the other companies of the group .

Other information by segment

Geographic segments

The four divisions of CAP S.A. operate in three principal geographic areas, the North, Center and South of Chile. The composition of each geographic segment is as follows:

North - Through CAP Mining, the Group operates iron-ore mines in the north of Chile. (Huasco Valley, Elqui Valley and Copiapó Valley).

Center - Through CAP Holding and CAP Steel Processing, the group has operations in the center of Chile. (Metropolitan Region).

South - Through CAP Steel, the Group operates its steel-making plant in the southern part of Chile. (Talcahuano, 8th Region).

Main clients and level of dependence

This is the information on CAP group's clients representing more than 10% of income in their respective segments:

As of December 31, 2014

Customers	Tax Number	Segment	% Revenues segment	% Revenues CAP group
Deutsche Bank AG	O-E	Mining	21.36%	8.15%
Prosperity Steel United Singapure	O-E	Mining	12.40%	4.75%
Compañía Siderúrgica Huachipato S.	94,637,000-2	Steel	12.38%	1.74%
Moly - Cop Chile S.A.	92,244,000-K	Steel	53.05%	2.57%
Ind. Chilena Alam. Inchalam S.A.	91,868,000-4	Prod. Wire	11.92%	0.58%
Sodimac S.A.	96,792,430-K	Prod. Steel	13.86%	2.32%

As of December 31, 2013

Customers	Tax Number	Segment	% Revenues segment	% Revenues CAP group
Moly - Cop Chile S.A.	92,244,000-K	Steel	28.72%	8.22%
Sodimac S.A.	96,792,430-K	Prod. Steel	8.28%	1.66%

In the mining segment income from sales to the related Compañía Siderúrgica Huachipato S.A. represents 12.38 % of its total income as of December 31, 2014.

Geographical distribution of clients

This is the information on the destination of CAP group's sales segmented by the geographical area of its clients:

As of December 31, 2014

Local market	% Revenues
Chile	45.99%

Foreing Market	% Revenues
Bahrein	6.29%
Brazil	1.33%
China	34.58%
Japan	6.75%
Peru	1.12%
Otros	3.94%

As of December 31, 2013

Local market	% Revenues
Chile	44.70%

Foreing Market	% Revenues
Bahrein	5.71%
China	37.42%
Indonesia	3.07%
Japan	6.11%
Otros	2.99%

33. Guarantees to third parties

33.1 Direct guarantees

	Debtor		Committed assets			Outstanding balance		Release of security	
Creditor	Name	Relationship	Type of security	Currency	Book value ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$	2015 ThUS$	2016 onward ThUS$
Corporación Nacional del Cobre	Centroacero	Customer	Bank Guarantee	USD	-	-	10	-	-
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	USD	-	-	10	-	-
Bateman Chile S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	-	-	24	-	-
Andriz Chile limitada	Cintac SAIC	Customer	Bank Guarantee	PESOS	-	-	31	-	-
Minera Escondida Ltda.	Instapanel S.A.	Customer	Bank Guarantee	USD	-	-	22	-	-
Tecnofastatco S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	-	-	2	-	-
Tecnofastatco S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	-	-	2	-	-
Tecnofastatco S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	-	-	2	-	-
Servicio Nacional de Aduanas	Cintac S.A.I.C.	Customer	Bank Guarantee	USD	-	-	6	-	-
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	USD	1	1	-	-	1
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	195	195	195	-	195
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	126	126	126	-	126
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	177	177	192	-	177
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	1	1	1	1	-
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	519	519	519	519	-
Ministerio de Bienes Nacionales	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	85	85	80	-	85
Dirección Regional de Viavilidad Ata	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	-	-	31	-	-
Soc. Concesionaria Valles del Desiert	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	-	-	133	-	-
I.Municipalidad Caldera	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	9	9	-	9	-
Ministerio de Obras Públicas	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	305	305	-	305	
Abengoa	Tecnocap S.A.	Supplier	Bank Guarantee	USD	-	3,590	3,930	-	3,590
				Total	1,418	5,008	5,316	834	4,174

As mentioned in Note 16.1, on April 18 the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., to finance the first phase of the Seawater

Desalination Project being developed by that Company, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Phase I of Cleanairtech Sudamérica S.A. were delivered as a guarantee.

On September ,10 the Company signed another credit agreement with Crédit Agricole CIB (agent bank) and Mizuho Corporate Bank Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami branch, to finance phase 2 of the seawater desalination project under the Project Finance method. As well as in phase 1 with the first disbursement of the banks under the aforementioned credit agreement, all the assets of phase 2 of Cleanairtech Sudamérica S.A. were pledged as collateral to the aforementioned banks.

As of December 31, 2014 the amount of committed fixed assets is ThUS$ 350,106.

33.2 Indirect guarantees

	Debtor		Committed Assets			Outstanding balance		Release of security	
Creditor	Name	Relationship	Type of security	Currency	Book value ThUS$	12.31.2014 ThUS$	12.31.2013 ThUS$	2015 ThUS$	2016 onward ThUS$
International bond in US$	CAP S.A.	Parent	Solidarity	USD	56,913	56,913	65,224	1,210	55,703
					56,913	56,913	65,224	1,210	55,703

- Compania Siderurgica Huachipato S.A. and Compañía Minera del Pacífico S.A. granted their joint guarantee to CAP S.A., supporting the issue and placement on the market of the International Bond in the amount of ThUS$200,000. On September 15, 2011, the International Bond was prepaid, but only 66.685%. could be settled. During 2014, partial redemptions were made of this bond, and as of December 31, 2014 a balance of ThUS$56,913 was still outstanding, including interest.

- The subsidiary Compañía Siderúrgica Huachipato S.A. signed a leasing agreement with Banco de Crédito e Inversiones to finance the construction of the corporate building for a sum of ThUS$ 14,232, whose first installment was paid in September 2008 and the last is payable in 2016.

- The indirect subsidiaries Cintac S.A.I.C. and Instapanel S.A. (through Cintac S.A.I.C.) are joint and several guarantors of loans contracted by their Parent with Banco de Crédito e Inversiones and Banco Estado.

- On July 1, 2011, the board of the Company agreed to authorize the granting of the guarantee of CAP S.A. to cover contracts signed with CAP Mining customers for the future production of the Cerro Negro Norte project and increased production from Los Colorados mine and pellets plant in Huasco valley, which could include in certain cases, the advance payment of US$75 per ton annually of purchase commitments, plus other conditions, for up to 10 years. As of December 31, 2013, advance payments received by the subsidiary CMP related to this guarantee amount to ThUS$101,855

- On May 27, 2014, at the Extraordinary Shareholders' Meeting of CMP, was agreed the granting by CMP of a first degree pledge of property securities and a first degree pledge commitment of the property securities in conformity with Law 4,287, in relation to all the shares that Tecnocap S.A. has or will have, and prohibition to sell and encumber such shares, all with the aim of guaranteeing the obligations that the company Tecnocap S.A. will acquire when signing a bank financing agreement.

- On May 28, 2014 during the Extraordinary Shareholders' Meeting of subsidiary Cia Siderurgica Huachipato, was approved the signing and subscription by the Company of a first degree pledge of property securities in favor of Banco Itau and a promise of a first degree pledge of property securities in favor of Banco Itau, on all shares that owned or that will be owned by Tecnocap S.A.. The pledge of shares will be established in order to ensure each and every one of the obligations of Tecnocap S.A. in favor of Banco Itau under the credit agreement, the promissory note, derivative contracts and other financing documents, including payments of

principal adequately indexed plus interest, commissions, fees and other obligations that have been contracted and will be contracted in the future.

- On June 26, 2014, the subsidiary Tecnocap S.A. entered into a credit agreement with Banco Itau. Among the main limitations of this agreement is established the obligation of the subsidiary, in favor of the creditor, as a third party commitment, that the shareholders of the Company shall not cede or transfer their shares held in Tecnocap S.A. which could lead to loss of control of the debtor by CAP SA, without the prior written consent of the creditor. Also it agrees not to sell, transfer, assign, lease or otherwise dispose of or sell the assets, land, equipment, machinery, permits, rights, concessions and, in general, all essential elements for the normal operation of the Project except in the ordinary course of business.

33.3 Collateral received from third parties

As of December 31, 2014, insurance policies contracted and guarantees received are as follows:

The Company and its subsidiaries have insurance contracts on their fixed assets and civil liability for US$4,656 million, amounts that the projects that are already in operation have already incorporated. The maximum annual amount for compensations, varies according to the type of policy and company affected by the loss possible loss.

The following are the guarantees received from third parties:

	Accumulated 12.31.2013 ThUS$	Accumulated 12.31.2012 ThUS$
Securities & notes received from suppliers & contractors to guarantee work & advances	156,343	341,504
Worker's mortgage guarantees for mortgage loans and otl	184	1,227
Values in guarantee for sales	1,799	11,185
Collateral received for contracts (bank ballots and other)	36,459	19,558
Total	**194,785**	**373,474**

The indirect subsidiary Cintac S.A.I.C. has received mortgages from customers amounting to ThUS$ 1,396.

33.4 Commitments

Direct commitments

	Accumulated	
	Accumulated 12.31.2014 ThUS$	Accumulated 12.31.2013 ThUS$
Commitments to one year	652,053	1,177,342
Commitments over a year	2,292,845	5,102,294
Total	**2,944,898**	**6,279,636**

These commitments refer to mineral sales under contracts with domestic and foreign customers, valued at the sales prices prevailing at the end of each period. These prices are agreed on FOB or CIF terms and are negotiated annually. The average contract term is three years and there are no fines for default as the contracts provide options regarding the volumes shipped each year.

Other commitments

1) Purchase orders and consignments

	Accumulated	
	Accumulated 12.31.2014 ThUS$	Accumulated 12.31.2013 ThUS$
Purchase orders placed	368,390	652,704
Consignment stock	2,325	2,094
Total	**370,715**	**654,798**

2) Other

The subsidiary Tubos Argentinos S.A. has granted a floating pledge over its inventories in favor of Siderar S.A.I.C. to guarantee commercial operations of ThUS$2,150.

As of December 31, 2014 and December 31, 2013 Intasa S.A. is guarantor of Tubos Argentinos S.A. to respond jointly for the banking obligations with Banco Patagonia Sudameris (granted for and on behalf of Banco Credito e Inversiones S.A.) in the amount of ThUS$4,000.

In August 2005, Tubos Argentinos S.A. granted a joint, outright, unconditional and main bond, payable to Banco Patagonia S.A., to guarantee for 10 years all obligations with said bank, for up to the maximum amount of ThUS$3,000.

On September 9, 2008, it was submitted to the Superintendency of Securities and Insurance, the registration application of bonds of Cintac S.A. in the Securities Register under the provisions of Law No 18,045 and Section IV of the general standard of such Superintendency.

On November 4, 2008, the Superintendency of Securities and Insurance recorded the registration of the bonds line of Cintac S.A. in the Securities Register, under registration No. 556 as of the same date, for an amount of UF 1,500,000, with a maturity of 10 years starting on September 3, 2008.

As of December 31, 2013, Cintac S.A. has not placed any of these bonds.

Association agreement

On September 5, 2005, the subsidiary Compañía Minera del Pacífico S.A. (CMP) signed a tailings purchase agreement with Compañía Contractual Minera Candelaria (CCMC) relating to the Candelaria copper mine located in the district of Tierra Amarilla in Chile's 3rd Region. Under this agreement, CCMC commits to sell CMP fresh tailings sufficient to reach an estimated production of 3,000,000 tons of iron concentrates. The agreement runs until December 31, 2022.

This contract was amended on March 9, 2011 to authorize CMP to process iron-ore minerals at the Magnetite Plant.

Purchase option contract for mining rights with Sociedad Minera el Aguila Limitada.

The subsidiary CMP has signed a contract in virtue of which it provides Sociedad Minera El Águila Limitada the purchase option, and irrevocably offers to sell, assign, and transfer the latter an installment equivalent to 65% of each of the mining rights identified in the contract signed by the parties, and also an installment equivalent to 65% of the exploration representations and concessions identified in the contract. The details of exploitation concessions are as follows: Basin A, 1:51, basin B, 1:28, basin C, 1:51, basin D, basin E, Choapa, 1:10, Elqui, 1:14, Limarí, 1:15, Loa, 1:6, Maipo, 1:10, Toltén, 1:14. The details of exploration concessions are as follows: Cachiyuyito 1, Chachiyuyito 2

and Cachiyuyito 3. The price of the purchase and sale of the installment offered is equivalent in Chilean pesos, local currency, to one hundred thousand United States dollars.

The above option is in force until January 5, 2015. The Board Meeting of the subsidiary CMP, held on December 15, 2014, agreed to extend the effective date until April 30, 2015.

If Sociedad Minera el Aguila Limitada accepts the sale offer, the mining rights plus the manifestations and exploitation concessions will be acquired by a legal mining Company in which the subsidiary CMP will hold 35% of the shares and at the same time the subsidiary CMP and Sociedad Minera el Aguila Limitada are obliged to transform that legal mining Company into a mining contractual Company.

The rights and obligations of the shareholders in the mining contractual Company referred to shall be governed by a shareholders' agreement, legalized as an appendix to the mining rights quota option contract.
The Company has committed not to sell, encumbrance, dispose, commit to sell, mortgage, grant options or commit acts or sign contracts of any kind over the mining rights, or over the minerals contained therein while the term for Minera el Aguila Limitada to exercise the option remains open.

Projects in progress in the subsidiary Cía. Minera del Pacífico S.A.

- In August 2010, the Company's board approved the Cerro Negro Norte project, consisting of the exploitation of the Cerro Negro Norte mine located in the district of Copiapó, in Chile's 3rd Region. This project has environmental approval dated October 7, 2009. In January 2014 the Company informed the Superintendency of Securities and Insurance that the start-up of the operation will be in May 2014 with an estimated total cost of MUS$ 1,200. Such project will produce 4 million tons of feed pellets on an annual basis.

- In August 2010, the Company's board approved a project for increased production in the Huasco Valley which consists of increasing the annual production capacity at the Huasco pellets plant by 2,000,000 tons of pellet feed. The normal operation of the project started in December 2013 with an estimated total investment of MUS$ 442.

- In September, 2012, the Company's Board of Directors approved he continuation of the mining activities of its ore deposit Minas El Romeral, in the community of La Serena, via the "Romeral Phase V" project. The project will mean a production of about 36 million tons of iron ore, over a period of 14 years, with an annual production of 2,500,000 tons. The estimated investment is about MUS$129 and its operation will start towards the end of 2015.

Sales Advances

The subsidiary CMP, durante el año 2011 se firmaron los siguientes contratos de ventas a largo plazo que implican anticipos de ventas:

- Agreement with Prosperity Steel United Singapore Pte. Ltd. from Singapore for the purchase and sale of 500,000 annual tons of feed pellets for a 10 year period starting from April 1, 2013. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales. At December, 2014 the total pre-payment has been received, of which ThUS$ 12,500 were received in 2013 and the rest was received in prior years.

- In September 2012, a contract was signed with Deutsche Bank AG, Germany, for the sale of 560,000 tons of pellets feed during 2013 and 960,000 tons of pellet feed annually between 2014 and 2017 inclusive. The buyer commits to pay the Company the sum of ThUS$ 75,000 as an advance, which was received in full on September 21, 2012.

- In November 2012 it signed the agreement with Glencore AG from Switzerland for the purchase and sale of 1,000,000 annual tons of feed pellets between 2013 and 2019, inclusive. The purchaser promises to pay the Company ThUS$ 75,000 as a pre-payment for sales, which was fully received on February 27, 2013.

- In February 2013 it signed another agreement with Prosperity Steel United Singapore Pte. Ltd. from Singapore for the purchase and sale of 500,000 annual tons of feed pellets for a 10 year period starting from April 1, 2014. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales, which was fully received on June 10, 2013.

- In June 2013 it signed another agreement with Deutsche Bank AG from Germany for the purchase and sale of 500,000 annual tons of feed pellets between 2013 and 2018, inclusive. The purchaser promises to pay the Company ThUS$ 37,500 as a pre-payment for sales, which was fully received on June 24, 2013.

- In October 2013 it signed another agreement with Deutsche Bank AG from Germany for the purchase and sale of 1,000,000 annual tons of feed pellets between 2014 and 2018, inclusive. The purchaser promises to pay the Company ThUS$ 75,000 as a pre-payment for sales, which was fully received on October 10, 2013.

- In October 2013 the Subsidiary CMP entered into a contract with Cargill International Trading PTE Ltd. from Singapore, for the purchase of 500,000 annual tons of feed pellets for 5 year period from October 21, 2013. The purchaser agrees to pay the company the amount ThUS$ 37,500 in advance sales, which was fully received on November 4, 2013.

- In November, 2014, an early termination of contract was signed with the company Deutsche Bank AG, for the first two advances on sales contracts, which will mean that the Subsidiary CMP will have to pay MUS$ 78,874 for all of the pending advanced payments on January 26, 2015.

Mineral transportation contract from Los Colorados to the pellets plant

In October 2011, the subsidiary CMP formalized the renewal of the contract with Empresa de Transportes Ferroviario S.A. for the transportation of minerals from the Los Colorados mines to the pellets plant. The term of the contract is from July 1, 2011 to December 31, 2029. The provider of the service committed to sell the Company the transport equipment and other assets related to the provision of the service should the contract be terminated before December 2028 for any reason imputable to this supplier.

Port services contracts

- In April 2011, the subsidiary CMP signed a service contract with Santa Fe Mining, by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Santa Fe Mining from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

- In March 2012, CMP signed a services contract with Hierro Taltal S.C.M. by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Hierro Taltal S.C.M. from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

- In April 2013, CMP signed a services contract with Compañía Minera Don Daniel S.C.M. by which the Company commits to provide the services of reception, storage or temporary stockpiling, handling and shipment of iron ore produced by Hierro Taltal S.C.M. from its mining properties or for which it has exploitation rights, to be shipped through CMP's Punta Totoralillo mechanized port.

Equipment leasing agreement for Mina El Romeral

In September, 2013, the subsidiary CMP signed a lease agreement with Banco Bilbao Viscaya Argentaria for renewal of the trucks in Mina Los Colorados. The total value of the trucks is ThUS$29,778.

Lease of equipment for Mina Los Colorados

- In September 2013 the subsidiary CMP signed a lease with Banco Bilbao Viscaya Argentina for the renewal of trucks in Mina Los Colorados. The estimated total value of such trucks is ThUS$ 29,778.

Electricity supply agreement with Guacolda S.A.

- In September 2012 the subsidiary CMP signed an electricity purchase and sale agreement with Guacolda S.A., in which the latter is obliged to sell and provide the subsidiary with electricity that it consumes in its mining and industrial facilities and services related to its production process, mainly located in Atacama Region and Coquimbo Region. The supply will be provided between January 1, 2016 and December 31, 2027.

Sales agreement of electric power project to Endesa

- In February 2009 CAP S.A. signed an agreement where it sells, assigns and transfers to Endesa S.A. several studies for the engineering, environmental and economic feasibility of a power plant project in Huasco, Atacama Region, in land owned by the group. Also, Endesa intends to execute a power plant project in this land that in its initial phase includes 370 megawatts as gross output and may be extended to other generating units in the future. For this agreement in June 2013 Endesa paid CAP US$ 4,800,000 for having obtained a favorable environmental rating of the studies for the installation of the project. Future payments depend on the power to be installed in the following phases. US$ 45,000 is for each MW as gross output of the installed initial phase. The following phases involve US$ 25,000 for each MW as gross output additional to the MW that were included in the initial phase of the project.

Desalination plant contracts

On March 3, 2011, the subsidiary Cleanairtech Sudamerica S.A. signed an engineering, supply and construction contract with Acciona Agua S.A.U. Agency in Chile, which includes the design, supply and construction of the project called "Copiapó Valley seawater desalination plant". The base project's price is ThUS$81,949 and the term for execution 24 months.

On the same date, the subsidiary Cleanairtech Sudamerica S.A. signed a contract with Acciona Agua S.A.U. Agency in Chile, for the operation and maintenance of the desalination plant for a period of 20 years. The contract price is a fixed monthly charge based on the base guaranteed minimum capacity of the plant.

In October 2012, the subsidiary CMP signed a desalinated water sale contract with the subsidiary of CAP, Cleanairtech Sudamérica S.A., whereby the latter is obliged to produce, sell and deliver to the Cerro Negro Norte project a maximum volume of 200 liters per second of desalinated water. The term opf the contract is 20 years from the start-up of the service, although this term may be extended according to the needs of both parties. This contract becomes effective in 2013.

On October 4, 2012, a transmission (Cerro Negro Norte Mine and Punta Totoralillo Desalination Plant Electricity Transmission Line) service contract was signed between Cleanairtech Sudamérica S.A., CAP S.A., Cía.Minera del Pacífico S.A. and Tecnocap S.A. The purpose of the contract will be:

- The provision of transmission services by Tecnocap to Cleanairtech S.A. from the Cardones substation to the Totoralillo substation;
- The operation, maintenance and administration of the transmission line by Tecnocap.
- Payment for the services by Cleanairtech to Tecnocap.

On January 4, 2013, the Cleanairtech Sudamérica S.A. and SCM Minera Lumina Copper Chile signed an agreement where Cleanairtech promises to meet the needs of the work site called Proyecto Minero Caserones, and also other projects owned by third parties.

The client will be able to require the delivery of a total maximum volume of desalinated water up to 170 liters per second in accordance with the weekly daily delivery program. From that amount 50 liters are for Caldera delivery point and 120 liters per second for Canal Mal Paso delivery point.

The supplier will do its best to supply water to the client on or before January 1, 2014. From the start-up date the supplier should be able to supply up to 100% of the client's requirements in accordance with the monthly program. Otherwise, fines will be applied depending on the cause of non-compliance in accordance with the agreement.

The client will pay the price of desalinated water production and pressure in US dollars on a monthly basis.

On January 25, 2013 Cleanairtech Sudamérica S.A. and Acciona Agua S.A.U. Agency in Chile signed an agreement, the objective of which is to extend the desalination plant of 200 liters per second to a plant with an effective production of 400 liters per second.

Aqueduct-Concentrates duct contracts

On March 14, 2012, Cleanairtech Sudamérica S.A. signed an engineering, supply and construction contract with Acciona Cerro Negro S.A., which includes the design, supply and construction of the project called "Cerro Negro Norte-Totoralillo Plant Aqueduct". The base project's price is ThUS$ 80,740 and the term for execution is 16 months.

On March 14, 2012, the subsidiary CMP signed a contract with Acciona Cerro Negro Norte S.A. for the construction of a CNN-Planta Totoralillo concentrates duct between the Cerro Negro Norte mine and the desalination plant located in the coastal sector of Totoralillo port. The construction contract began to operate on November 30, 2012.

On January 4, 2013 Cleanairtech Sudamérica S.A. and Abengoa Chile S.A. signed Tierra Amarilla and Ramal to Caldera water supply system agreement to carry desalinated water from the desalination plant located in Puerto Totoralillo area, north of Caldera, to a distribution area located in Cardones area, near Tierra Amarilla district. The agreement also includes the design and construction of a branch line of approximately 4 km to Caldera, which has its connection point in km 28.7 of the main line approximately.

Tierra Amarilla and Ramal to Caldera water supply system agreement

On January 4, 2013, a contract was signed between Cleanairtech Sudamérica S.A and Abengoa Chile S.A. to develop a project to produce and convey desalinated water in the Atacama region.

The plant has a maximum production capacity of 600 liters per second. The first phase of the project has an initial capacity of 200 liters per second. The second phase of the project is aimed at increasing its capacity to 400 liters per second.

On September 2, 2013 Cleanairtech Sudamérica S.A. and Abengoa Chile S.A. signed Tierra Amarilla - Ramales to Canal Mal Paso and Planta Magnetita water supply system agreement to produce and carry desalinated water in Atacama Region. This agreement includes the construction of a branch line of approximately 18 km to Canal Mal Paso in Tierra Amarilla and a branch line of approximately 5 km to Planta Magnetita owned by CMP.

Electricity Transmission Line Contract

The subsidiary Tecnocap S.A. signed a contract with Abengoa Chile for carrying out the electricity transmission line project at Punta Totoralillo. According to the administrative bases to the contract, Abengoa Chile has provided performance bonds which totaled ThUS$ 3,590 as of December 31, 2014.

The construction of the electric transmission line finished during the second half of 2013 and the line is operating at the year-end of these consolidated financial statements. This electric transmission line will supply electricity to the desalination plant, Puerto Punta Totoralillo and Cerro Negro Norte.

Electricity sale agreements and non-conventional renewable energy source (NCRES) agreements with Amanecer Solar SPA and Sunedison Chile Construction Limitada

On January 28, 2013, the subsidiary CMP signed an agreement for a 20 year period with Amanecer Solar SPA y Sunedison Chile Construction Limitada for the purchase of photovoltaic electricity. The energy will be generated by a plant with a annual capacity of 100 MW. The above will comply with local requirements, as from 2016 the subsidiary CMP should validate the use of a percentage of non-conventional renewable energy sources (NCRES). Such energy will be used for the operation of Cerro Negro from 2015.

33.5 Contingencies that could result in losses for the Group

i) There are 9 tax settlement claims by the Chilean Internal Revenue Service, all involving tax stamp and all ruled in favor by the Supreme Court, rejecting the appeal for annulment filed by the Council for the Defense of the State. There are also five claims for drawings, also involving stamp tax, three of which have been ruled on by the Supreme Court and the other two are still in the Tax Courts pending a hearing. Currently, we are waiting for the Santiago Court of Appeal to issue a resolution ordering the Chilean IRS to comply with the decision of the court and issue a resolution voiding the Settlements and Drawings issued. The contingency at December 31, 2014 is about ThUS$2,115 plus any adjustments, interest and fines that might apply.

No provision has been made in view of the opinions of the Company's legal and taxation advisers that it is reasonable to believe that no contingency is likely to result.

(ii) The subsidiary CMP is being sued by Agrícola Konavle Ltda. before the Freirina civil court in order to annul the settlement signed by the Company with third parties which allegedly would alter the western border of the Estancia Higuera de Las Minillas property, superposing on an area of approximately 9,470 hectares of another property of the plaintiff, land which consequently it requests be returned. The proceedings are still in the discussion stage, but no losses are expected to result.

(iii) The subsidiary CMP is plaintiff in the legal proceeding for the collection of debt against former client Perwaja Steel Sdn. Bhd. in the amount of US$1,436,845.96. This case is in hands of the High Court of Kuala Lumpur, Malaysia, and after that court extended for 180 days the period of moratorium that prevents the collections against the debtor, which expires accordingly on January 22, 2015. The company is aware that the high indebtedness of Perwaja and the preferential claims on its assets make it difficult to recover the debt; accordingly the company decided to adjust the value negatively.

(iv) The subsidiary CMP is sued jointly in an ordinary labor proceedings by Adrian Patricio Araya Corrotea, before the Labor Court of La Serena, whose purpose is the payment of a damages indemnity for a total of CLP$448.4 million, due to the responsibility of the Company in the injuries suffered by the plaintiff in a labor accident occurred when he worked as an employee of a contracting company. The lawsuit is in the discussion stage, and it is not expected that the Company will suffer losses in this regard.

(v) As of December 31, 2014, the subsidiary Compañía Siderúrgica Huachipato S.A. is defendant in claims related to civil cases, which have been provisioned in the amount of ThUS$1,178.

(vi) In September 2011 the subsidiary Tubos Argentinos S.A. filed an ordinary lawsuit against the Federal Administration of Public Revenues regarding the illegal actions carried out by the Department of Promotional Schemes of the Internal Revenue Service, who at the time of crediting the relevant promotional benefits corresponding to Tubos Argentinos S..A failed to apply the restatement established in Resolution (ME) No. 1280/92. The purpose of the aforementioned restatement is to express in uniform values the services and payments of the industrial promotional regime, in effect in the Province of San Luis. According to the development of the trial and the estimates made by lawyers, at the closing date of the period under review, the Company has a good chance of obtaining a favorable outcome.

33.6 Liens of any kind that could affect the Group's assets.

As mentioned in Note 16.1, on April 18 the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd., to finance the first phase of the Seawater Desalination Project being developed by the subsidiary, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Cleanairtech Sudamérica S.A. will be delivered as a guarantee.

On September 10, 2013, the subsidiary Cleanairtech Sudamérica S.A. signed a credit agreement with Crédit Agricole CIB (Agent Bank) and Mizuho Corporate Bank, Ltd., Banco Itaú Chile and Banco de Crédito e Inversiones S.A., Miami Branch, to finance the second phase of the seawater desalination plant being developed by the subsidiary, as a Project Finance. Together with the first disbursement of the Banks under the above credit agreement, all of the assets of Cleanairtech Sudamérica S.A. will be delivered as a guarantee. At December 31, 2014, the amount of the committed assets is ThUS$364,206.

On June 27, 2014, the subsidiary Tecnocap S.A. signed a credit agreement with Banco Itaú Chile to finance part of the costs of construction of the Power Line owned by the subsidiary. Together with the disbursement from the Bank under the above credit agreement, which occurred on December 31, 2014, all of the assets of Tecnocap were delivered in guarantee; the amount of the assets committed is ThUS$ 56,878.

On May 27, 2014, the Extraordinary Shareholders' Meeting of the subsidiary CMP agreed that CMP should furnish a first priority security interest and promise of a first priority security interest in accordance with Law 4,287 on all of the shares held or to be held in the future by Tecnocap S.A., and the prohibition to encumber or dispose of those shares, all of the above in order to secure obligations contracted by Tecnocap S.A. by reason of entering into a bank financing agreement.

On May 28, 2014, the Extraordinary Shareholders' Meeting of the subsidiary Cía Siderúrgica Huachipato approved the Company entering into and signing a first priority security interest to Banco Itaú and a promise of a first priority security interest to Banco Itaú on all of the shares held or to be held in the future by Tecnocap S.A.. The pledge of stock will be furnished to guarantee each and every one of the obligations of Tecnocap towards Banco Itaú under the credit agreement, promissory note, derivative contracts and other financing documents, including duly adjusted payments of capital plus interest, commissions, fees and other obligations that have been contracted or may be contracted in the future.

33.7 Management restrictions and financial covenants

The three credit agreements signed by the subsidiary CMP and Deutsche Bank AG for the purchase and sale of feed pellets that gave rise to a pre-payment for sales for ThUS$ 75,000, ThUS$ 37,500 and ThUS$75,000 paid in September 2012, June 2013 and October 2013, require that the subsidiary complies with the following level of financial consolidated indicators, calculated for a rolling period that considers the last twelve months:

i) Coverage of financial expenses - The quotient between EBITDA and net financial expenses should be equal to or greater than 2.5 times. EBITDA is defined as gross profit less administrative expenses and distribution expenses plus depreciation expenses and amortization.

ii) Equity - The minimum level of equity should be ThUS$ 550,000.

iii) Leverage ratio - The quotient between net leverage (NL) and EBITDA should be equal to or lower than 4.0 times. The net leverage is total financial obligations less the balances in cash, time deposits and marketable securities for the amount exceeding ThUS$ 5,000.

The Company has complied with all the limitations, restrictions and obligations in accordance with the aforementioned agreement.

On April 16, 2014, the direct subsidiary CMP signed a credit agreement with Bank of Tokyo Mitsubishi UFJ, Ltd. (Agent Bank), HSBC Bank USA NA, Mizuho Bank Ltd., Societe Generale, Sumitomo Mitsui Banking Corporation

New York Branch, Export Development Canada and Natixis New York Branch, for financing of working capital, investments and exports. This credit agreement does not consider guarantees. The main terms and conditions are as follows:

- Amount of credit: Line of credit committed to for up to ThUS$ 350,000
- Interest rate: Libor 180 days + 1.25%
- Amortizations: At maturity
- Maturity: April 16, 2019.

This financing requires that the subsidiary should comply with the following levels of consolidated financial indicators, calculated for a mobile period that considers the last twelve months:

i) Coverage of Financial Expenses - The EBITDA to net financial expenses ratio must be more than or equal to 2.5 times. The EBITDA is defined as the gross earnings less administrative and distribution expenses, plus depreciation expenses and plus amortization.

ii) Leverage Ratio – The net financial debt (EFN) to EBITDA ratio must be equal to or less than 4.0 times. The net financial debt is the total obligations of a financial nature less cash balances, time deposits and securities involving amounts of more than ThUS$5,000.

iii) Equity - The minimum level of equity must be ThUS$550,000.

These covenants must be calculated based on the financial statements of CAP S.A.
The Company has complied fully with all of the limitations, restrictions and obligations imposed by the agreement referred to above.

The credit agreements signed by CAP S.A. with local and foreign banks and the issue of bonds placed in the local market require that the Company complies with the following level of consolidated financial indicators, calculated for a rolling period that considers the last twelve months:

i) Coverage of financial expenses - Form January 2011 the quotient between EBITDA and net financial expenses should be equal to or greater than 2.5 times.
ii) EBITDA is defined as gross profit less administrative expenses and distribution expenses plus depreciation expenses and amortization.
iii) Net leverage to equity - The quotient between net leverage (NL) and equity should be equal to or lower than 1.2 times. NL is all the consolidated financial obligations less the balances in cash, time deposits and marketable securities.
iv) Equity - The minimum level of equity should be ThUS$ 550,000.
v) Leverage ratio - From January 2011 the quotient between net leverage and EBITDA should be equal to or lower than 4.0 times.

The net leverage is total financial obligations less the balances in cash, time deposits and marketable securities for the amount exceeding ThUS$ 5,000. These are the accounts under IFRS and the methodology used to calculate CAP group's leverage at year-end of these interim consolidated financial statements.

Net financial debt

Concept / Account NIIF	Note	Values 12.31.2014 ThUS$	12.31.2013 ThUS$
Assets			
Cash and banks	(6.1)	23,007	17,530
Time deposits	(6.1)	75,568	28,766
Mutual funds	(6.1)	32,581	64,897
Time Deposits more than 90 days	(6.3)	180,673	135,759
Hedging Assets	(10)	7	3,781
Other financial assets	(6.3)	36,324	58,648
Corporate bonds	(6.3)	20,887	20,887
Current liabilities			
Loans from financial entities	(20.1)	(323,600)	(97,939)
Bonds payable (Notes)	(20.1)	(1,749)	(1,970)
Overdrafts	(20.1)	(6,437)	(7,602)
Finance Leasing	(20.1)	(29,490)	(20,796)
Capitalized expenses related to credits	(20.2)	2,399	2,484
Hedging Liabilities	(10)	(8,813)	(10,325)
Pasivos No corrientes			
Loans from financial entities	(20.1)	(549,419)	(407,155)
Bonds payable (Notes)	(20.1)	(227,183)	(235,305)
Finance Leasing	(20.1)	(131,130)	(151,140)
Capitalized expenses related to credits	(20.2)	22,989	20,980
Hedging Liabilities	(10)	(17,547)	(22,763)
Total net Financial Debt		**(900,933)**	**(601,263)**

At year-end of these interim consolidated financial statements, the aforementioned financial indicators show the following values

Indicator	Description	Unit	Limited	Values 12.31.2014	12.31.2013
Net Interest Expense Coverage	EBITDA last 12 months / (expense last 12 months - Financial revenue last 12 months)	Times	Greater than or equal to 2,5 veces	5.25	22.66
Net Financial Debt to Equity	Net financial debt / Equity	Times	Less than or equal to 1,2 veces	0.29	0.19
EBITDA (Leverage Ratio)	Net financial debt / EBITDA last 12 months	Times	Less than or equal to 4,0 veces	2.36	0.84
Equity	Equity Total	ThUS$	Greater than ThUS$ 550.000	3,159,657	3,237,692

This is the calculation methodology and the figures used to calculate the ratios in the table above:

Ebitda last 12 months		**Values**	
		12.31.2014	**12.31.2013**
		ThUS$	**ThUS$**
Gross Profit		310,273	706,029
Administrative expenses		(86,770)	(116,336)
Distribution costs		(20,238)	(28,680)
Depreciation		138,158	108,849
Amortization		39,610	42,116
Ebitda last 12 months		**381,033**	**711,978**

Net financial expense coverage		**Values**	
		12.31.2014	**12.31.2013**
Ebitda		**ThUS$**	**ThUS$**
Ebitda last 12 months	(a)	**381,033**	**711,978**
Financial expenses net			
(-) Financial expenses last 12 months		(69,615)	(40,560)
(-) Capitalized financial interests		(8,329)	(4,302)
(+) Financial income last 12 months		5,311	13,444
(=) Earnings (loss) financial net	(b)	**(72,633)**	**(31,418)**
Net financial expenses coverage	(a / b)	**5.25** (**)	**22.66**

(**) Figures are presented in absolute value

Net Financial Liabilities to Equity		**Values**	
		12.31.2014	**12.31.2013**
		ThUS$	**ThUS$**
Total net debt	(c)	(900,933)	(601,263)
Equity	(d)	3,159,657	3,237,692
Net Financial Liabilities to Equity	(c / d)	**0.29** (**)	**0.19**

Net debt to EBITDA		**Values**	
		12.31.2014	**12.31.2013**
		ThUS$	**ThUS$**
Net financial debt	(e)	(900,933)	(601,263)
Ebitda last 12 months	(f)	381,033	711,978
Net debt to EBITDA	(e / f)	**2.36** (**)	**0.84** (**)

(**) These ratios are shown in absolute values.

Also, CAP S.A. is subject to several other restrictions and limitations:

a) Limitations to dispose or sell all or a substantial part of its assets.

b) Limitations to provide guarantees over assets: For the series F bond line, CAP S.A. has agreed to keep assets free from liens, security guarantees, burdens, restrictions or any type of privilege (called restricted liens) for an amount equivalent to at least 0.5 times the amount of its total current liabilities at year-end of the interim consolidated financial statements. This indicator shows the following values:

Indicator	Description	Unit	Limited	Values 12.31.2014	Values 12.31.2013
Liens restricted	(Assets at book value - assets with liens) / current	Times	Mayor o igual a 0,5 veces	2.00	2.10

This is the calculation methodology and the figures used to calculate the ratios in the table above:

Restricted liens		**Values**	
		12.31.2014	**12.31.2013**
		ThUS$	**ThUS$**
(+) Total assets		5,744,694	5,691,492
(-) Assets with liens (Cleanairtech - Tecnocap)		(406,984)	(348,554)
(-) Sales Prepayments secured by CAP		(101,855)	(108,277)
(-) Direct guarantees		(5,008)	(5,316)
(-) Indirect guarantees		(56,913)	(65,224)
(=) Net Assets (Unrestricted)	(g)	5,173,934	5,164,121
Liabilities (Total liabilities)	(h)	2,585,508	2,453,800
Indicator	(g / h)	**2.00**	**2.10**

c) obligation to provide financial information on a quarterly basis

d) obligation to update the commitments with third parties

Also, due to the loan agreements signed during 2012 and 2013, the indirect subsidiary Cintac S.A. has to meet certain obligations mainly related to providing periodical financial information and complying with certain financial indicators related to the net leverage ratio to equity, coverage of financial expenses and net financial debt to EBITDA and minimum equity.

Such agreements state that the financial indicators should be complied from the financial statements for the year ended at December 31, 2013. These are the indicators that should be complied:

i. Net financial debt / EBITDA - At initial measurement from December 31, 2013 it should not be greater than 3.5 times. For these purposes, net financial debt is understood as the total short-term and long-term obligations with banks, plus short-term and long-term bonds and debentures, less cash, marketable securities and by EBITDA, the operating income, plus depreciation and amortization for the year.

ii. Coverage of financial expenses / EBITDA - At initial measurement from December 31, 2013 the quotient between EBITDA and net financial expenses should not be lower than 3.5 times.

iii. Net financial debt / equity: At initial measurement from December 31, 2013 the quotient between net leverage and equity should be equal to or lower than 1.2 times.

iv. Minimum equity - At initial measurement from December 31, 2013 the minimum equity should be equal to or greater than 1,800,000 *unidades de fomento* (UF) (inflation index-linked units of account). For these purposes equity is understood as the debtor's total equity.

At December 31, 2014, the financial indicators specified above have the following values.

Indicator	Description	Unit	Values 12.31.2014
Net financial debt / EBITDA	(Financial liabilities, less cash and cash equivalents) / EBITDA	Times	3.36
Financial expenses net hedge	EBITDA / Net financial expenses	Times	4.01
Net financial debt / Equity	Financial debt / Equity	Times	0.37
Equity	Equity Total	UF	4,397,866

At December 31, 2014, the indirect subsidiary Cintac S.A. has complied with the above financial indicators.

Novacero S.A. promised to keep at least a 51% interest in Cintac S.A.

The bank obligation of the indirect subsidiary Puerto Las Losas S.A. during 2008 with Banco de Crédito e Inversiones requires that this subsidiary meets certain obligations mainly related to providing periodical financial information, not agreeing on capital reductions without prior approval by the bank, not distributing profits if it is has not paid the obligations, and not changing its corporate purpose, except for extensions of its corporate purpose that may be agreed without written approval of the aforementioned bank.

The Company and its subsidiaries have complied and comply with all the limitations, restrictions and obligations in accordance with the credit agreements and issue of the aforementioned bonds.

34. The environment

The detail of disbursements related to the environment in the periods to December 31, 2014 and 2013 is as follows:

	Accumulated	
Concept	**01.01.2014 12.31.2014 ThUS$**	**01.01.2013 12.31.2013 ThUS$**
Monitoring of air quality	84	4
Monitoring and analysis	360	544
Advising and improvement projects	8,252	12,567
Waste Management	17	42
Wastewater treatment	94	150
Others	247	118
Total	**9,054**	**13,425**

The detail of expenses to be disbursed after to December 31, 2014 are as follows:

Expenses to be made

Concept	**12.31.2014 ThUS$**
Pretriles ponds	600
Channelling rainwater ZOMARE	250
Monitoring and analysis	39
Advisory & improvement projects	12,079
Waste management	15
Storage Hazardous Substances	1,700
Others	3,692
Total	**18,375**

35. Assets and liabilities by currency

Assets

IFRS Heading	Currency	12.31.2014 ThUS$	12.31.2013 ThUS$
Cash and cash equivalents	Non-indexed Arg $	49	781
	Non-indexed Ch$	47,817	45,502
	US$	82,544	64,733
	Peruvian soles	586	112
	Others	160	65
Other financial assets current	$ Arg no reajustable	-	2,165
	Non-indexed Ch$	1,263	1,085
	US$	215,741	194,582
Other non-financial assets, current	Non-indexed Arg $	47	43
	Non-indexed Ch$	10,545	17,033
	US$	1,744	11,137
	UF	-	2,423
Trade and other receivables, net, current	Non-indexed Arg $	11,707	12,164
	Non-indexed Ch$	105,939	179,479
	US$	150,178	270,919
	Peruvian soles	150	120
	Others	475	520
Accounts receivable from related entities, current	Non-indexed Ch$	676	2,173
	US$	2,448	1,859
	US$	362,123	418,499
Current tax assets	Non-indexed Arg $	129	620
	Non-indexed Ch$	91,681	119,350
	US$	69,931	8,903
	Peruvian soles	3,952	1,251
	Others	20	83
Non-current assets or Disposal Groups of assets classified as held for sale	US$	7,841	-
Other financial assets, non-current	Non-indexed Ch$	326	582
	US$	36,637	36,768
Other non-financial assets, non-current	Non-indexed Arg $	661	-
	Non-indexed Ch$	23,670	18,135
	US$	5,342	4,719
Rights receivable, non-current	Non-indexed Arg $	12	20
	Non-indexed Ch$	8,148	5,671
	US$	1,261	1,129
Investments accounted for using the equity method	US$	7,858	11,183
Intangible assets other than goodwill	US$	774,188	813,266
Property, plant and equipment, net	US$	3,691,706	3,428,978
Goodwill	US$	1,767	1,767
Investments Properties	US$	6,649	-
Deferred tax assets	Non-indexed Ch$	-	1,842
	US$	18,973	11,768
	UF	63	63
Total		**5,745,007**	**5,691,492**

Liabilities as of December 31, 2014

IFRS Heading	Currency	Up to 90 days	90 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years
Other financial liabilities, current	Non-indexed Arg $	6,437	-	-	-	-	-
	Non-indexed Ch$	666	20,649	-	-	-	-
	US$	79,156	258,590	-	-	-	-
	UF	535	1,657	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	2,843	-	-	-	-	-
	Non-indexed Ch$	58,633	48,314	-	-	-	-
	US$	160,772	196,865	-	-	-	-
	UF	1,260	-	-	-	-	-
	Peruvian soles	810	-	-	-	-	-
	Others	43	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed Ch$	69	1,078	-	-	-	-
	US$	38,349	11,263	-	-	-	-
Other short-term provisions	Non-indexed Arg $	196	-	-	-	-	-
	Non-indexed Ch$	2,129	1,236	-	-	-	-
	US$	3,896	810	-	-	-	-
	Peruvian soles	90	-	-	-	-	-
Current tax liabilities	Non-indexed Arg $	2,015	-	-	-	-	-
	Non-indexed Ch$	3,231	114	-	-	-	-
	US$	49	-	-	-	-	-
	Otras	10	-	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	495	995	-	-	-	-
	Non-indexed Ch$	5,226	13,812	-	-	-	-
	US$	481	-	-	-	-	-
	Peruvian soles	537	-	-	-	-	-
	Others	10	-	-	-	-	-
Other current non-financial liabilities	Non-indexed Ch$	2,754		-	-	-	-
	US$	600	-	-	-	-	-
Other non-current financial liabilities	US$	-	54,295	360,121	258,108	115,139	112,891
	UF	-	-	1,736	-	-	-
Other Long Term Provisions	US$	-	-	6,417	3,066	7,665	6,126
Deferred tax liabilities	Non-indexed Arg $	-	-	1,332	-	-	-
	US$	5,070	-	89,739	58,825	143,886	164,231
Non-current provisions for employee benefits	Non-indexed Ch$	-	-	27,452	9,848	26,372	20,610
	US$	-	-	129	-	-	-
Other non-current non-financial liabilities	Non-indexed Ch$	-	-	36	-	-	-
	US$	-	-	140,049	28,275	17,257	-
Total		**376,362**	**609,678**	**627,011**	**358,122**	**310,319**	**303,858**

Liabilities as of December 31, 2013

IFRS Heading	Currency	Up to 90 days	90 days to 1 year	1 to 3 years	3 to 5 years	5 to 10 years	Over 10 years
Other financial liabilities, current	Non-indexed Arg $	10,382	-	-	-	-	-
	Non-indexed Ch$	37	-	-	-	-	-
	US$	54,263	69,209	-	-	-	-
	UF	551	1,706	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	3,265	-	-	-	-	-
	Non-indexed Ch$	79,450	91,153	-	-	-	-
	US$	217,452	193,159	-	-	-	-
	UF	1,265	-	-	-	-	-
	Peruvian soles	668	-	-	-	-	-
	Others	55	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed Ch$	60	356	-	-	-	-
	US$	61,379	14,979	-	-	-	-
Other short-term provisions	Non-indexed Arg $	201	-	-	-	-	-
	Non-indexed Ch$	3,491	3,610	-	-	-	-
	US$	10,935	3,095	-	-	-	-
	Peruvian soles	23	-	-	-	-	-
	Others	-	-	-	-	-	-
Current tax liabilities	Non-indexed Arg $	725	-	-	-	-	-
	Non-indexed Ch$	4,918	554	-	-	-	-
	US$	4,567	-	-	-	-	-
	Otras	5	-	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	371	-	-	-	-	-
	Non-indexed Ch$	10,151	26,672	-	-	-	-
	US$	165	-	-	-	-	-
	Peruvian soles	293	499	-	-	-	-
	Others	9	-	-	-	-	-
Other current non-financial liabilities	Non-indexed Ch$	2,950		-	-	-	-
	US$	1,365	-	-	-	-	-
Other non-current financial liabilities	US$	-	-	310,130	83,800	270,384	126,768
	UF	-	-	4,301	-	-	-
Other Long Term Provisions	US$	-	-	4,019	2,050	5,125	4,093
Deferred tax liabilities	Non-indexed Ch$	-	-	-	-	-	3,092
	US$	196	-	63,346	44,322	112,501	128,873
Non-current provisions for employee benefits	Non-indexed Ch$	-	-	34,098	17,053	39,550	24,511
Other non-current non-financial liabilities	Non-indexed Ch$	-	-	712	-	-	-
	US$	-	-	196,113	76,225	28,550	-
Total		**469,192**	**404,992**	**612,719**	**223,450**	**456,110**	**287,337**

36. Exchange differences and indexation adjustments

The following details the effects of exchange differences and indexation adjustments booked in the results for the year:

36.1 Exchange differences

Heading	Currency	Accumulated 01.01.2014 12.31.2014 ThUS$	Accumulated 01.01.2013 12.31.2013 ThUS$
Current Assets	Non-indexed Arg $	(3,714)	(5,029)
	Non-indexed $	(53,351)	(107,713)
	Others	(104)	(98)
Non-Current Assets	Non-indexed Arg $	(203)	(157)
	Non-indexed $	(7,184)	(7,591)
	Others	(44)	-
Total Assets		**(64,599)**	**(120,588)**
Current Liabilities	Non-indexed Arg $	3,576	4,869
	Non-indexed $	43,488	85,968
	Others	9	8
Non-Current Liabilities	Non-indexed $	19,381	22,438
Total Liabilities		**66,454**	**113,283**
Total Exchange differences		**1,854**	**(7,305)**

Note 35 provide a detail of the assets and liabilities that generate the exchange differences shown above.

36.2 Indexation adjustments

Heading	Currency	Accumulated 01.01.2014 12.31.2014 ThUS$	Accumulated 01.01.2013 12.31.2013 ThUS$
Current Assets	Non-indexed Arg	2,666	145
Non-Current Assets	Non-indexed Arg	31	405
Total Assets		**2,697**	**550**
Current Liabilities	Non-indexed Arg	175	(15)
	Others	(147)	(31)
Non-Current Liabilitie	Non-indexed Arg	-	200
	Non-indexed $	(118)	(76)
	Others	(207)	(103)
Total Liabilities		**(297)**	**(25)**
Total Exchange differences		**2,400**	**525**

Note 35 provide a detail of the assets and liabilities that generate the indexation adjustments shown above.

37. Subsequent events

On January 15, 2015, interim dividend 122 of CLP$ 50 per share was paid, as agreed to by the Board Meeting held on December 4, 2014.

No other significant events have occurred between January 1 and March 06, 2015, the issuance date of these consolidated financial statements that might affect them.

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