CAP S.A. AND SUBSIDIARIES

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED MARCH 31, 2013

IN THOUSANDS OF UNITED STATES DOLLARS

This document consists of the following sections:

- **Interim Consolidated Financial Statements**
- **Notes to the Interim Consolidated Financial Statements**
- **Consolidated Material Information**
- **Management's Analysis**
- **Sworn declaration of responsibility**

CAP S.A. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED.
AS OF MARCH 31, 2013 AND DECEMBER 31, 2012

Assets	Note	31.03.2013 ThUS$	31.12.2012 ThUS$
Current assets			
Cash & cash equivalents	6	325,194	295,297
Other financial assets, current	6	306,491	416,036
Other non-financial assets, current	12	45,976	43,031
Trade and other current receivable	7	385,649	450,607
Accounts receivable from related entities, current	8	2,768	6,509
Inventories	9	523,077	474,222
Current tax assets	11	90,593	78,654
Total current assets other than assets or disposal groups classified as held for sale or held for distribution to owners		**1,679,748**	**1,764,356**
Total current assets		**1,679,748**	**1,764,356**
Non-current assets			
Other non-current financial assets	6	7,476	1,567
Other non-financial assets, non-current	12	6,328	7,066
Non-current receivables	7	6,239	7,243
Investments accounted for using equity method	14	11,580	11,401
Intangible assets other than goodwill	15	846,826	855,005
Goodwill		1,767	1,767
Property, plant & equipment	16	2,728,054	2,502,198
Deferred tax assets	17	14,118	16,023
Total non-current assets		**3,622,388**	**3,402,270**
Total assets		**5,302,136**	**5,166,626**

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

CAP S.A. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION, CLASSIFIED.
AS OF MARCH 31, 2013 AND DECEMBER 31, 2012

Equity and liabilities	Note	31.03.2013 ThUS$	31.12.2012 ThUS$
Liabilities			
Current liabilities			
Other financial liabilities, current	18	129,914	156,480
Trade and other current payables	20	526,339	485,405
Accounts payable to related entities , current	8	95,139	116,587
Other short-term provisions	21	18,871	21,558
Current tax liabilities	11	12,468	25,226
Current provisions for employee benefits	23	47,502	46,637
Other current non-financial liabilities	22	5,563	5,773
Total current liabilities other than liabilities included in disposal groups classified as held for sale		**835,796**	**857,666**
Total current liabilities		**835,796**	**857,666**
Non-current liabilities			
Other non-current financial liabilities	18	611,227	562,205
Other long-term provisions	21	14,036	13,920
Deferred tax liabilities	17	366,324	369,530
Non-current provisions for employee benefits	23	164,686	158,800
Other non-current non-financial liabilities	22	176,113	96,095
Total non-current liabilities		**1,332,386**	**1,200,550**
Total liabilities		**2,168,182**	**2,058,216**
Equity			
Issued capital	24	379,444	379,444
Retained earnings (accumulated losses)	24	1,494,851	1,473,221
Other reserves	24	(20,352)	(14,852)
Equity attributable to owners of parent		**1,853,943**	**1,837,813**
Non-controlling interest	25	1,280,011	1,270,597
Total equity		**3,133,954**	**3,108,410**
Total equity & liabilities		**5,302,136**	**5,166,626**

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

CAP S.A. AND SUBSIDIARIES
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE RESULTS, BY FUNCTION.
FOR THE PERIODS OF THREE MONTHS ENDED MARCH 31, 2013 AND 2012
(FIGURES IN THOUSANDS OF US DOLLARS)

Income statement	Note	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Profit (Loss)			
Revenues	26	486,635	593,101
Cost of sales	9	(347,173)	(411,095)
Gross profit		**139,462**	**182,006**
Other income, by function	26	3,387	2,803
Distribution Costs		(6,442)	(6,172)
Administrative expenses		(28,629)	(29,332)
Other expenses, by function	26	(15,662)	(15,786)
Other gains (losses)	26	3,776	15,233
Profit (loss) from operating activities		**95,892**	**148,752**
Financial income	27	12,382	8,683
Financial costs	28	(9,183)	(9,087)
Share of profit (loss) of associates and joint ventures accounted for using equity method	14	(30)	(41)
Exchange differences	34	1,148	3,255
Results for indexation units	34	102	111
Profit (loss) before tax		**100,311**	**151,673**
Income tax expense	17	(33,308)	(35,829)
Profit (loss) from continuing operations		**67,003**	**115,844**
Profit (loss) from discontinued operations		-	-
Profit (loss)		**67,003**	**115,844**
Profit (loss) attributable to:			
Profit (loss), attributable to owners of the parent	24	45,145	84,244
Profit (loss), attributable to non-controlling interests	25	21,858	31,600
Profit (loss)		**67,003**	**115,844**
Earnings per share			
Basic earnings (loss) per share from continuing operations		US$	US$
Basic earnings (loss) per share from continuing operations		0.302078	0.563701
Basic earnings (loss) per share		**0.302078**	**0.563701**

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

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF OTHER COMPREHENSIVE RESULTS.
FOR THE PERIODS OF THREE MONTHS ENDED MARCH 31, 2013 AND 2012
(FIGURES IN THOUSANDS OF US DOLLARS)

Statement of other comprehensive income	Note	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Profit (loss)		67,003	115,844
Components of other comprehensive income, before tax:			
Exchange difference on translation:			
Gains (losses) on exchange differences on translation, before tax		190	812
Other comprehensive income, before tax, exchange differences on translation		190	812
Cash flow hedge			
Cash flow hedges	10	(5,690)	7,126
Other comprehensive income, before taxes, cash flow hedges		(5,690)	7,126
Other comprehensive income, before tax		**(5,500)**	**7,938**
Other comprehensive income		**(5,500)**	**7,938**
Total comprehensive income		**61,503**	**123,782**
Comprehensive income attributable to			
Comprehensive income, attributable to owners of parent		39,645	92,182
Comprehensive income, attributable to non-controlling interests	25	21,858	31,600
Total comprehensive income		**61,503**	**123,782**

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

CAP S.A. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS, DIRECT,
FOR THE PERIODS ENDED MARCH 31, 2013 AND 2012
(FIGURES IN THOUSANDS OF US DOLLARS)

Statement of cash flows	Note	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Cash flows from (used in) operating activities			
Classes of cash receipts from operating activities:			
Receipts from sales of goods and rendering of services		717,463	668,003
Other cash receipts from operating activities		8,664	2,662
Classes of cash payments			
Payments to suppliers for goods and services		(351,377)	(325,879)
Payments to and on behalf of employees		(69,987)	(61,627)
Other payments for operation activities		-	(26)
Interest paid		(1,116)	(1,130)
Interest received		2,800	3,186
Income tax refund (paid)		(47,464)	(14,278)
Other inflows (outflows) of cash		(8,942)	(2,852)
Net cash flow from (used in) operating activities		250,041	268,059
Cash flows from (used in) investing activities			
Cash flows used in acquisitions of non- controlling interests		(4,860)	(2,318)
Proceeds of sales of property, plant & equipment		173	23
Purchases of property, plant & equipment		(247,624)	(103,371)
Collections proceeding from contracts of future, to term, of options and of financial operations		5,130	3,570
Revenues from related entities		-	13
Interest received		118	185
Other inflows (outflows) of cash		96,575	96,922
Net cash flow from (used in) investment activities		(150,488)	(4,976)
Cash flows from (used in) financing activities			
Proceeds from issuing shares		5,294	-
Total proceeds from borrowings		**50,781**	**25,828**
Proceeds of long-term loans		31,304	-
Proceeds from short-term borrowings		19,477	25,828
Repayments of borrowings		(52,261)	(29,241)
Payments of finance lease liabilities		(417)	(752)
Dividends paid		(69,234)	(44,031)
Interest paid		(4,010)	(2,842)
Other inflows (outflows) of cash		-	(550)
Net cash flow from (used in) financing activities		(69,847)	(51,588)
Net increase (decrease) in cash and cash equivalents before the effect of exchange rate changes		29,706	211,495
Effects of exchange rate change on cash and cash equivalents			
Effects of exchange rate change on cash and cash equivalents		191	308
Net increase (decrease) in cash and cash equivalents		**29,897**	**211,803**
Cash and cash equivalents at beginning of period		295,297	133,467
Cash & cash equivalents at end of period	**6**	**325,194**	**345,270**

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

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED MARCH 31, 2013 AND 2012
(FIGURES IN THOUSANDS OF US DOLLARS)

To March 31, 2013	Note N°	Changes in capital	Changes in other reserves				Changes in retained earnings	attributable to dominant company	Changes in minority participations	Total equity
		common shares capital in shares ThUS$	Translation reserves ThUS$	Hedging reserves ThUS$	Other Reserves ThUS$	Total Reserves ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Opening balance at 01.01.2013	**24**	**379,444**	**3,898**	**(19,092)**		**(14,852)**	**1,473,221**	**1,837,813**	**1,270,597**	**3,108,410**
Increase (decrease) from changes in accounting policies		-	-	-	-	-	-	-	-	-
Increase (decrease) for bug fixes		-	-	-	-	-	-	-	-	-
Beginning Balance Restated		**379,444**	**3,898**	**(19,092)**	**-**	**(15,194)**	**1,473,221**	**1,837,813**	**1,270,597**	**3,108,410**
Changes in equity										
Comprehensive income										
Profit (loss)							45,145	45,145	21,858	67,003
Other comprehensive income			190	(5,690)		(5,500)		(5,500)		(5,500)
Comprehensive income								39,645	21,858	61,503
Dividends paid	**24**						(23,515)	(23,515)	(12,444)	(35,959)
Total Changes in equity		**-**	**190**	**(5,690)**	**-**	**(5,500)**	**21,630**	**16,130**	**9,414**	**25,544**
Closing balance To March 31, 2013	**24**	**379,444**	**4,088**	**(24,782)**	**342**	**(20,352)**	**1,494,851**	**1,853,943**	**1,280,011**	**3,133,954**

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

CAP S.A. AND SUBSIDIARIES
STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIODS ENDED MARCH 31, 2013 AND 2012
(FIGURES IN THOUSANDS OF US DOLLARS)

		Changes in capital	Changes in other reserves							
To March 31, 2012	**Note N°**	**common shares capital in shares ThUS$**	**Translation reserves ThUS$**	**Hedging reserves ThUS$**	**Other Reserves ThUS$**	**Total Reserves ThUS$**	**Changes in retained earnings ThUS$**	**attributable to dominant company ThUS$**	**Changes in minority participations ThUS$**	**Total equity ThUS$**
Opening balance at 01.01.2012	**24**	**379,444**	**2,793**	**(26,962)**	**-**	**(24,169)**	**1,368,803**	**1,724,078**	**1,246,348**	**2,970,426**
Increase (decrease) from changes in accounting policies		-	-	-	-	-	-	-	-	-
Increase (decrease) for bug fixes		-	-	-	-	-	-	-	-	-
Beginning Balance Restated		**379,444**	**2,793**	**(26,962)**	**-**	**(24,169)**	**1,368,803**	**1,724,078**	**1,246,348**	**2,970,426**
Changes in equity										
Global results										
Earnings (loss)							84,244	84,244	31,600	115,844
Other comprehensive results			812	7,126		7,938		7,938		7,938
Total global results								92,182	31,600	123,782
Dividends paid	**24**						(43,499)	(43,499)	(25,435)	(68,934)
Total Changes in equity		-	**812**	**7,126**	-	**7,938**	**40,745**	**48,683**	**6,165**	**54,848**
Closing balance To March 31, 2012	**24**	**379,444**	**3,605**	**(19,836)**	-	**(16,231)**	**1,409,548**	**1,772,761**	**1,252,513**	**3,025,274**

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

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NOTES TO THE FINANCIAL STATEMENTS

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1. General information

The Company was constituted in Chile by public deed dated April 27, 1946 with the name Compañía de Acero del Pacífico S.A., being declared legally operative by Finance Decree 3,418. Later, in February 1981, it became known as Compañía de Acero del Pacífico S.A. de Inversiones and in May 1991 adopted its current name of CAP S.A.

CAP S.A. is an open corporation, with tax number 91.297.000-0, registered in the Securities Register of the Chilean Superintendency of Securities and Insurance (SVS) under No.0131 and its legal domicile is Gertrudis Echeñique 220, Las Condes, Santiago, Chile.

The largest shareholder in CAP S. A. is Invercap S. A., with a 31.32% shareholding, which gives it a position to exercise a significant influence but not control over its operative and financial policies. For the purposes of the definition given Chapter XV of Law 18.045, it is concluded that Invercap S.A. is the controller of CAP S.A..

2. The business

The principal activity of the Company is to invest capital in any kind of incorporeal assets such as shares, bonds, debentures, savings and capitalization plans, quotas or rights in companies or mutual funds and any kind of titles or securities, and to manage these investments.

The Company's specific objects are to promote, organize and constitute companies of any kind and object, buy and sell shares and corporate rights; provide managerial services, financial and legal advice, engineering, auditing, and others necessary for the better performance of the companies in which it is a shareholder or partner, or of other companies; coordinate the management of the companies in which it is a shareholder or partner to obtain the highest level of productivity and profitability.

CAP S.A. is the parent company of the following direct and indirect subsidiary companies which are registered with the SVS:

Direct subsidiaries registered in the Special Register of Reporting Companies:

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

Indirect subsidiaries registered in the Securities Register:

Cintac S.A.
Intasa S.A.

CAP S.A. is also the parent of the following direct subsidiaries not registered with the SVS:

Puerto Las Losas S.A.
Port Investments Limited N.V.
Cleanairtech Sudamerica S.A.
Novacero S.A.
Tecnocap S.A.
Abastecimientos CAP S.A.

The objective of **CAP S.A.** is to consolidate its position in the steel business by efficiently managing its three business areas: **iron-ore mining (CAP Mining), steel production (CAP Steel) and CAP Steel Solutions**, using the best available technologies, being competitive in its costs and complying with strict safety and environmental protection measures where it carries out its activities.

CAP Mining carries on its business through the subsidiary Compañía Minera del Pacífico S.A. (CMP) and its subsidiaries, (Sociedad de Ingeniería y Movimiento de Tierra del Pacífico S.A., Cía. Distribuidora de Petróleos del Pacífico S.A., Manganesos Atacama S.A., Minera Hierro Atacama S.A. and Pacific Ores and Trading N.V.), whose main objects are to evaluate, develop and exploit mine deposits; process and sell their products; develop complementary, derivative and secondary industries or suppliers of raw materials, inputs or services, or related directly or indirectly to these objects; provide geological and mining research, engineering, mechanical and industrial maintenance, construction and earth-movement services; and create and establish companies for the carrying out of any of these objects.

CAP Mining is the largest producer of iron ore and pellets on the Pacific coast, with ample known resources and reserves and in constant expansion through exploration programs in order to guarantee the continuity of operations for many decades.

Cía. Minera del Pacífico S.A. is organized for management purposes into four principal units:

- **Huasco Valley**: Comprises the activities of the pellets plant, Los Colorados (formerly Compañía Minera Huasco S.A.), El Algarrobo mines and Guacolda II port.
- **Elqui Valley**: Comprises the activities of El Romeral mine and Guayacán port.
- **Copiapó Valley**: Comprises the activities of the magnetite plant and Totoralillo port.
- **Others**: Comprises the general administration of the company and the results of the subsidiaries.

CAP Steel carries on its business through the subsidiary Compañía Siderúrgica Huachipato S.A. (CSH) which has its installations in the city of Talcahuano in Chile's Eighth Region.

CSH is an integrated steel business, the only one of its kind in Chile. It makes its products from naturally-existing raw materials (iron ore, coal and limestone) which guarantee steel of high purity and quality. Its advanced technological development provides it with high standards of productivity and efficiency.

CSH sells its products to steel distributors and construction, processing and industrial companies, manufacturers of metallic packaging, wire drawers, makers of pipes and profiles, workshops and mines.

CAP Steel Solutions carries on its business through Novacero S.A. and subsidiaries: Cintac S.A. and subsidiaries (Instapanel S.A., Centroacero S.A. and Tubos y Perfiles Metálicos S.A.), and Intasa S.A. and subsidiaries (Tubos Argentinos S.A. and Steel House do Brasil Comercio Ltda.). Its principal object is to manufacture, distribute, trade, represent, import and export all kinds of steel and metallurgical products; the carrying out of civil works, house building, installation and making of special products in which the company's products are used, the organization of transport complementing these objects, the trading, import and export of all kinds of movable assets that complement its activities.

This group has solutions in its product range for the most varied market needs, at the same time serving Chile's economic sectors like construction, housing, industrial, commercial, roads and mining, among others.

In Argentina, CAP Steel Solutions has the subsidiary Tubos Argentinos S.A. whose principal activities 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 at Talar de Pacheco in the province of Buenos Aires and the other at Justo Daract in the province of San Luis. The company obtained an industrial promotion concession consisting of tax rebates of decreasing percentages that expired in 2011. Under the present exchange controls regime in Argentina for access to US dollars, Intasa S.A. and its subsidiary are analyzing the way for transferring funds to Intasa S.A. with respect to dividend and other payments.

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 to high quality standards.

In Brazil, the subsidiary Tubos Argentinos S.A. together with Intasa S.A. formed the company Steel House Do Brasil Comercio Ltda., headquartered in the city of Porto Alegre, which began 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.

The incorporation of the steel solutions group into the traditional businesses of the CAP Group has permitted the promotion of steel consumption in Chile and an improvement in consolidated returns as a result of the participation in the whole steel value chain.

3. Summary of principal accounting policies applied

Accounting principles

These interim consolidated financial statements are shown in thousands of United States dollars and have been prepared from the accounting records of CAP S.A. and its subsidiaries (the "Group" or the "Company") and in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), and approved by the board at its meeting held on May 3, 2013.

These consolidated financial statements faithfully reflect the financial position of CAP S.A. and subsidiaries as of March 31, 2013 and December 31, 2012 and the results of its operations for the periods of three months ended March 31, 2013 and 2012, changes in equity and cash flows for the periods ended March 31, 2013 and 2012.

Responsibility for the information and estimates made

The management of CAP S.A. and of its subsidiaries is responsible for the information contained in these interim consolidated financial statements.

The preparation of these interim consolidated financial statements in accordance with IFRS requires the use of estimates and assumptions made by the management of CAP S.A. and its subsidiaries. These estimates are based on the management's best knowledge of the amounts reported, events or actions, at the date of these consolidated financial statements. However, it is possible that events in the future may cause these to be modified (up or downward) in following periods, which would be done prospectively in accordance with IAS 8, booking the effects of the change in estimates in the corresponding future consolidated financial statements. The detail of the significant estimates and accounting criteria is contained in Note 5.

3.1 Principal Accounting Policies Adopted

The following are the principal accounting policies adopted in the preparation of these consolidated financial statements. These policies have been defined based on the IFRS current as of March 31, 2013, and have been applied uniformly in all the periods shown in these interim consolidated financial statements.

(a) Periods covered – These consolidated financial statements of CAP S.A. and subsidiaries comprise the statements of financial position as of March 31, 2013 and December 31, 2012, the statements of comprehensive results for the periods of three months March 31, 2013 and 2012, the statements of changes in equity and cash flows for the periods ended March 31, 2013 and 2012.

(b) Preparation – These interim consolidated financial statements have been prepared in accordance with IFRS and the requirements and options issued by the Chilean Superintendency of Securities and Insurance (SVS), and represent the full, explicit and unreserved adoption of these international standards.

These interim consolidated financial statements have been prepared from the accounting books maintained by the parent company and the other entities forming part of the CAP group.

(c) Consolidation - The consolidated financial statements incorporate the financial statements of the Parent Company and the companies controlled by it. All significant intercompany transactions and balances have been eliminated in the consolidation, and recognition has been given to the non-controller interest that corresponds to third parties' percentage participations in the subsidiaries, which is shown separately in the consolidated equity of CAP S.A..

Subsidiaries – A subsidiary is an entity over which the Group exercises control, directly or indirectly, understood to be the power to be able direct the operative and financial policies of a company to obtain benefits from its activities. This power is generally evident, although not always, by holding directly or indirectly of 50% or more of the rights in the entity. Entities are also consolidated by this method in which, despite not having this percentage participation, it is understood that its activities are carried out for the benefit of the Company, this being exposed to all the risks and benefits of the dependent entity.

When evaluating whether the Company controls another entity, the existence and effect of the potential voting rights which are being exercised are taken into account. The subsidiaries are consolidated from the date on which control is transferred to the Group and are excluded on the day this ceases.

The following table shows the detail of the direct and indirect subsidiaries that have been consolidated by the CAP Group:

				Shareholding percentage			
Tax No.	Company	Address	Relationship	31.03.2013			31.12.2012
				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	74.999	74.999	74.999
0-E	Pacific Ores & Trading B.V.	Holland	Indirect sub.	0.000	74.999	74.999	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	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	60.000	34.999	94.999	94.999
76399380-9	Ecocap S.A.	Chile	Indirect sub.	0.000	95.000	95.000	95.000
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	29.704	26.832	56.536	37.863
0-E	Tubos Argentinos S.A. (Argentina)	Argentina	Indirect sub.	0.000	56.536	56.536	37.863
0-E	Steel House Do Brasil Comercio Ltda.	Brasil	Indirect sub.	0.000	56.536	56.536	37.863
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	37.863	37.863	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	37.863	37.863	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	37.863	37.863	37.863
99553700-1	Tecnoacero Uno S.A.	Chile	Indirect sub.	0.000	37.863	37.863	37.863
76734400-7	Centroacero S.A. ex Nueva Centroacero S.A.	Chile	Indirect sub.	0.000	37.863	37.863	37.863

All the companies have the US dollar as their functional currency.

Associates: An associate is an entity over which the Company is in a position to exercise a significant influence but not control or joint control, through being able to participate in decisions over operative and financial policies. The Group's participation in the net assets, results after taxes and reserves after the acquisition of associates, are included in the consolidated financial statements. This requires the booking of the investment initially at cost and then, in later periods, adjusting the book value to reflect the Group's participation in the results of the associate, less impairment in value and other changes in the net assets of the associate, e.g. dividends.

Joint ventures: Joint ventures are those in which the situation described in the previous point is by agreement with other shareholders or jointly with them.

A joint venture is that in which there is joint control, which is produced only when the strategic decisions of the activities, whether financial or operative, require the unanimous consent of the parties sharing the control.

The joint ventures in which the Company is involved are:

	Percentage participation	
	31.03.2013	31.12.2012
Armacero Industrial y Comercial S.A.	50%	50%

Special purpose entity (SPE): An SPE is an organization constituted for a defined purpose or limited life. Frequently these SPEs serve as intermediary organizations. An SPE will be consolidated when the relationship between the entity that consolidates and the SPE indicates that the former controls the latter. The Group has certain organizations relating to sports clubs, and health and education services, which are controlled by the Company but these organizations have not been consolidated as they have no material effect on the Group's consolidated financial statements.

(d) Combinations of businesses – Combinations of businesses are booked using the purchase method. This involves showing the identifiable assets (including intangible assets previously not booked) and liabilities (including contingent liabilities and excluding future restructurings) of the business acquired at fair value. If these combinations of businesses imply acquiring control of an investment in which the Company has significant influence or joint control, such prior participation is booked at fair value showing the effect in results.

e) Investments booked under the participation method – Participations in companies over which the Group exercises control jointly with another company or in which it has a significant influence are shown under the participation method. In general, significant influence is presumed to exist in cases where the Group has a participation of over 20%.

The participation method consists of booking the investment for the fraction of the equity that represents the Company's participation in the adjusted capital of the entity. If the investment is negative, the participation is shown as zero unless there is a commitment by the Company to replenish the equity position of the entity, in which case the corresponding provision is made.

Dividends received from these companies are shown deducted from the value of the investment, and the results obtained by these companies are included in the statement of comprehensive results under Result of participation in the earnings (losses) of associates and joint ventures booked using the participation method.

(f) Currency – The Company's functional currency has been determined as the currency of the principal economic environment in which it operates. Transactions other than those carried out in the functional currency are translated at the exchange rate on the date of the transaction. Monetary assets and liabilities expressed in currencies other than the functional currency have been translated at the closing exchange rate. Gains and losses on the translation have been included in the earnings or losses for the year under Exchange differences.

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

(g) Currency translation - Transactions in a currency other than the functional currency are considered as foreign currency transactions and are booked in the functional currency at the exchange rate current on the date of the operation. Assets and liabilities in Chilean pesos, Argentine pesos, Peruvian soles and Unidades de Fomento are translated to US dollars at the exchange rates on the closing date of the financial statements, as follows:

	31.03.2013	**31.12.2012**
Chilean pesos per dollar	472.03	479.96
Argentine pesos per dollar	5.122	4.918
Unidad de fomento (pesos)	22,869.38	22,840.75
Peruvian soles per dollar	2.59	2.55

(h) Offsetting of balances and transactions – As a general rule, neither assets and liabilities nor revenues and expenses are offset in the financial statements except in cases where offsetting is required or permitted by some regulation and this presentation is a reflection of the basis of the transaction.

Revenues and expenses arising from transactions that contractually or according to law contemplate the possibility of offset and the Group has the intention of settling for the net amount or realizing the asset and paying the liability simultaneously are shown net in the comprehensive results account.

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

The cost of the elements of property, plant and equipment comprises the acquisition price plus all costs directly related to the location of the asset and its preparation for use as forecast by the management and the initial estimate of any cost for dismantling and retirement of the element or its physical relocation.

It also includes as the cost of the elements of property, plant and equipment, interest costs in the financing directly attributable to the acquisition or construction of assets that require a substantial period of time before being ready for use or sale.

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

The costs of repairs, conservation and maintenance are charged to comprehensive results for the year in which they are incurred. Some elements of the Group's property, plant and equipment require periodic revisions. In this case, the elements to be replaced are shown separated from the rest of the assets and with a level of separation that enables them to be amortized in the period between the present and the next repair.

At the date of closing or whenever there is an indication that there may be impairment of the assets, the recoverable amount is compared with the net book value. Any booking or reversal of a loss of value arising as a result of the comparison is shown as a charge or credit to comprehensive results.

This heading also includes investments made in assets acquired under leasing 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 has been exercised.

The gain or loss on the disposal or retirement of an asset is calculated as the difference between the disposal proceeds and the book value, the charge or credit being taken to the comprehensive results for the period

(j) Depreciation - The elements of property, plant and equipment are depreciated using the straight-line method, through the distribution of acquisition costs of the assets less the residual value expected over the estimated years of useful life of the assets.

The residual value and useful life of the elements of property, plant and equipment are revised annually and depreciation starts when the assets are ready for use.

Land is shown separately from the buildings or installations that may be placed on it. It is understood that its useful life is indefinite and is not therefore subject to depreciation. Other assets, which include works in progress, are depreciated from their placement 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 acquisitions of property, plant and equipment or when there are indications that the useful lives of these assets should be changed.

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

- Expectations of production units or volumes,
- Quality of additions to the production process, and
- Method of extraction and processing.

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

(l) Stripping Ratio.- The surface operations of a mine require the removal of covering material and other waste elements in order to access the mineral to be extracted. These clearing costs in the mineralized zones, also called "stripping cost", are incurred prior to the entry into production (pre-operating) or once in production, depending on the stage in which incurred.

Stripping costs incurred prior to the start of operations are capitalized as mine development costs and are taken to results on the basis of the useful life of the mine.

Stripping costs incurred during the production phase to remove additional covering or sterile material are deferred and charged to operating costs based on the coefficient of the sterile to mineral ratio, averaged over the life of the mine (the stripping ratio).

(m) Goodwill – Goodwill arises when there is a positive difference between the acquisition cost and the fair value of the identifiable assets, liabilities and contingent liabilities of the entity acquired. Goodwill is initially measured at cost and later at cost less any loss for impairment.

Goodwill is revised annually to determine whether there are any indications of impairment or, more often, whether events or changes in circumstances indicate that the book value might have deteriorated. Impairment is determined for the goodwill by evaluating the amount recoverable of the cash-generating unit (or group of cash-generating units) to which the goodwill is related. When the amount recoverable from the cash-generating unit (or group of cash-generating units) is less than the book value of the cash-generating unit to which the goodwill has been assigned, a loss for impairment is booked. A loss for impairment related to goodwill cannot be reversed in future periods.

(n) Intangible assets – Intangible assets with a finite useful life acquired separately are measured initially at cost. They are then shown at cost less any accumulated amortization and any accumulated loss for impairment

(ñ) Impairment of non-financial assets – Intangible assets with an indefinite useful life and reduced values are not amortized but are subjected annually to tests of losses for impairment.

Assets subject to amortization are tested for impairment losses provided there is objective evidence that as a result of one or more events occurring after the initial booking, the book value may not be recoverable.

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

A loss for impairment is booked when the book value of an asset exceeds its recoverable amount. The recoverable amount is the greater of the fair value of an asset less sale costs and its value in use. In evaluating the latter, estimated future cash flows are discounted to their present value using a discount rate before tax that reflects current market appraisals of the value of money over time and the specific risks of the asset, for which no estimates of future cash flows have been adjusted.

If it is believed that the recoverable amount of an asset or cash generating unit is less than its book value, the latter is reduced to the recoverable value. Impairment is booked immediately in results. If impairment is reversed later, the book value rises to the revised estimate of the value recoverable, but up to the point where it does not exceed the book value that had been determined, if no prior impairment had been booked. A reversal is immediately shown as a reduction of the charge for depreciation.

Non-financial assets other than goodwill that have suffered a loss through impairment are subjected to revisions at each date of the statement of financial position in case reversals of the loss have occurred.

Assets subject to the above methodology are:

- Investments in subsidiary companies
- Investments in associate companies
- Investments in joint ventures

In the case of mine 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 investment projects. IAS 36 "Impairment of assets" includes a series of restrictions on the future cash flows that may be booked with respect to future restructurings and improvements related to the expenses. In calculating the value in use, it is also necessary for these to be based on current exchange rates at the time of the appraisal.

(o) Estimated economic useful lives of assets and mineral reserves

i. Economic useful life of assets – The useful life of property, plant and equipment which is used for calculation of the depreciation is determined based on technical studies prepared by internal specialists. These studies are also used for new acquisitions of property, plant and equipment, or when there are indications that the useful lives of these assets should be changed.

The studies consider certain factors for the determination of the useful life or certain assets, including for example:

- Production unit or volume expectations
- Quality of material entering the production process, and
- Method of extraction and processing.

ii. Reserves of iron ore - Estimates of mineral reserves are based on estimates of mineral resources and reflect the management's estimates with respect to the amount of resources that might be recovered and sold at prices exceeding the total costs of extracting and processing. Estimates of reserves are produced internally using standard methods in the mining industry, supported by the management's experience and assumptions with respect to production costs and market prices.

The management applies its judgment in the determination of probable exploitable resources, for which possible changes in these estimates could impact significantly on net revenue as a result of the change in the useful lives of certain assets and the booking of certain dismantling and restoration costs that have to be re-evaluated.

(p) Financial assets – Financial assets are classified in the following categories:

- Financial assets at fair value through results.
- Investment held to maturity.

- Financial assets available for sale.
- Loans and accounts receivable.

The classification depends on the nature and purpose of the financial assets and is determined at the time of the initial booking.

- **Financial assets at fair value through results –** Their characteristic is that they are mainly held to be sold in the near future in order to obtain gains and liquidity. These instruments are shown at fair value and variations in their value are shown in results at the time they occur.

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

- **Financial assets held to maturity –** These **r**elate to non-derivative financial assets with known payments and fixed maturities that the Group's management has the intention and capacity to hold until their maturity. Should the Group sell a significant amount of the financial assets held to maturity, the complete category is 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.

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

Effective interest rate method – Method for calculating the amortized cost of a financial asset and of the assignment of interest income over the whole related period. The effective interest rate relates to the rate that exactly discounts the estimated net future cash flows receivable (including all the charges and income 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.

Acquisitions and disposals of financial assets are shown on their trading date, i.e. the date on which the Group is committed to acquire or sell an asset.

- **Impairment of financial assets –** Financial assets, other than those valued at fair value through results, are evaluated at the date of each statement of financial position to establish the presence of indicators of impairment. Financial assets are impaired when there is objective evidence that, as a result of one or more events occurring after the initial booking, the estimated future cash flows of the investment will be affected

In the case of financial assets valued at amortized cost, the loss for impairment is the difference between the book value of the asset and the present value of the estimated future cash flows discounted at the original effective interest rate of the financial asset. As of March 31, 2013, impairment tests carried out indicate that no impairment has been observed.

- **Retirements of financial assets**- The Company retires a financial asset when the contractual rights to the cash flows have expired or when substantially all the risks and benefits inherent in the ownership of the financial asset are transferred to another entity. If the Company retains substantially all the rights and benefits of ownership of the financial asset, the asset will continue to be booked as well as a liability booked for the cash flows received.

(q) Financial liabilities – Financial liabilities are classified either as at fair value through results or as Other financial liabilities.

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

- **Other financial liabilities –** Other financial liabilities, including loans, are valued initially at the amount effectively received net of transaction costs. They are later valued at amortized cost using the effective interest-rate method, showing the interest cost on the basis of the effective return.

- **Effective interest-rate method -** Method for calculating the amortized cost of a financial liability and of the assignment of interest income over the whole related period. The effective interest rate relates to the rate that exactly discounts the estimated net future cash flows payable over the expected life of the financial liability, or when appropriate, a shorter period when the related liability has a prepayment option that it is believed will be 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 shown at their net value, i.e. after deducting associated issue costs.

The Group writes down 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 debt or equity –** Debt and equity instruments are classified either as financial liabilities or equity according to the substance of the contractual agreement.

- **Equity instruments –** An equity instrument is any contract that demonstrates a residual participation in the assets of an entity after deducting all its liabilities. Equity instruments issued by the Group are shown at the amount of the consideration received, net of direct issue costs. The Group currently has only issued shares of the one series.

Capital increases in the form of assets and liabilities received other than in cash and cash equivalents are shown at their fair value.

(r) Derivative and hedging financial instruments - Derivative contracts signed by the Group to cover risks related to exchange and interest-rate fluctuations relate mainly to forward currency contracts and currency and interest-rate swaps. All relate to hedge contracts so the effects of changes in the fair value of this type of instrument are shown in hedge assets and liabilities to the extent that the hedge of the item has been declared as 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 hedge instrument, with an effectiveness in the range of 80% - 125%. The corresponding gain or loss is shown in the comprehensive results for the year only in those cases where the contracts are liquidated or cease to meet the characteristics of a hedge contract; otherwise they are shown in equity.

Derivatives are booked initially at fair value at the time of signing the derivative contract and are later again valued at fair value on the date of each closing. The fair value of forward currency contracts is calculated with reference to current forward exchange rates for similar maturities.

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

Cash-flow hedges – The effective portion of the changes in fair value of derivative instruments that are denominated and qualify as cash-flow hedge instruments are deferred in equity in a reserve called Cash-flow hedges. The gain or loss related to the ineffective portion is shown immediately in the statement of comprehensive results, in the line Other gains or losses. The amounts deferred in equity are shown as gains or losses in the periods in which the item hedged is booked in gains or losses, on the same line of the statement of comprehensive results where the item hedged was booked. However, when the foreseen transaction hedged results in the booking of a non-financial

asset or liability, the gains and losses previously deferred are transferred from equity and are included in the initial valuation of the cost of that asset or liability.

The booking of a hedge is discontinued when the Company cancels the hedge relationship, when the hedge instrument matures or is sold, terminated or exercised, or no longer qualifies for booking as a hedge. Any deferred gain or loss in equity at that time is maintained in equity and is booked when the foreseen transaction is finally booked in gains or losses. When it is no longer likely that a foreseen transaction will occur, the accumulated gain or loss that was deferred in equity is immediately shown in gains or losses.

The booking of a hedge is discontinued when the Company cancels the hedge relationship, when the hedge instrument matures or is sold, terminated or exercised, or no longer qualifies for booking as a hedge. Any deferred gain or loss in equity at that time is maintained in equity and is booked when the foreseen transaction is finally booked in gains or losses. When it is no longer likely that a foreseen transaction will occur, the accumulated gain or loss that was deferred in equity is immediately shown in gains or losses.

Implicit derivatives – The Company and its subsidiaries have established a procedure for evaluating the existence of implicit derivatives in financial and non-financial contracts. Should there be an implicit derivative, and if the principal contract is not booked at fair value, the procedure determines whether its characteristics and risks are closely related to the principal contract; if not, a separate booking is required.

The procedure consists of an initial characterization of each contract in order to identify those in which there might be an implicit derivative. In this case, the contract is analyzed in greater depth. If such evaluation determines that the contract contains an implicit derivative that needs to be booked separately, this is valued and the movements in their fair value are shown in the comprehensive results account in the interim consolidated financial statements.

The analyses made to date indicate that there are no implicit derivatives in the contracts of the Company and its subsidiaries that need to be booked separately.

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

- **Finished products and those being processed:** at the average monthly production cost which includes the depreciation of fixed assets and the amortization of mine properties.

- **Raw materials, supplies and consumption spares:** at average cost.

- **Stockpiled ore:** the lower of the average monthly extraction cost and the recoverable value.

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

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

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

The net realization value represents the estimated sale price less all estimated termination costs and costs that will be incurred in the commercialization, sales and distribution processes.

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

Cash and cash equivalents include cash, time deposits with credit entities, mutual fund quotas and other very-liquid and easily-realizable short-term investments with a low risk of changes in their value and an original term of up to three months. In the statement of position, bank overdrafts are classified as outside resources in current liabilities.

- **Operating activities:** Activities that are the Group's principal source of ordinary revenue, plus other activities that cannot be classified as for investment or financing.

- **Investment activities:** The acquisition, disposal or disposition by other means of long-term assets and other investments not included in cash and its equivalents.

- **Financing activities:** Activities that produce changes in the size and composition of equity and liabilities of a financial nature.

(u) Income tax – The Company and its Chilean subsidiaries determine their 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 from timing differences and other events that create differences between the financial and tax treatment of assets and liabilities are shown in accordance with IAS 12 "Income taxes".

The subsidiary Compañía Minera del Pacífico S.A. similarly books the timing differences arising between tax and financial items that result from the determination of the operating taxation result for the purposes of calculating the specific mining tax.

Corporation taxes are booked in the comprehensive results account or equity accounts in the statement of financial position depending on where the resultant gains or losses have been booked. Differences between the book value of the assets and liabilities and their fiscal base generate balances of deferred tax assets and liabilities that are calculated using the fiscal rates expected to be in effect when the assets and liabilities are liquidated.

Variations produced in the period in deferred tax assets and liabilities are shown in the results account of the consolidated statement of comprehensive results or directly in the equity accounts of the statement of financial position, as the case may be.

Deferred tax assets are shown only when the Group expects to have sufficient future taxable earnings to recover the deductions for timing differences.

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

(v) Provisions – Obligations outstanding at the date of the statement of financial position arising as a consequence of past events that might result in equity damage for the Company, and whose amount and timing of cancellation are unknown, are shown as provisions for the present value of the most probable amount that the Company will have to disburse to settle the obligation.

Provisions are reviewed periodically and quantified taking into account the best available information at the time of each closing.

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

The Company and some of its subsidiaries have also agreed a long-service bonus with some of their employees, which is paid on the basis of a percentage increase in wage according to a defined table. This has been defined as a long-term benefit.

Provisions for severance payments and long-service bonuses are calculated based on valuations prepared by an independent actuary using the projected credit-unit method, which are updated periodically. The obligation shown in the statement of financial position represents the present value of the obligation for severance payments and long-

service bonuses. Actuarial gains or losses are shown immediately in the statement of comprehensive results in the cost of sales or administrative expenses, as appropriate.

The costs of employee benefits are charged to comprehensive results in the period in which they accrue.

The management makes assumptions for determining the best estimate of these benefits. This expectation, and the assumptions, are established jointly with the Company's external actuary, and include an annual discount rate, expected increases in remunerations, future permanence, etc.

The amount of the net actuarial liabilities accrued to the end of the period is shown in Provisions, non-current, in the consolidated statement of financial position.

(x) Provisions and contingent liabilities – Relate to present legal or assumed obligations arising from past events whose settlement is expected to involve an outflow of funds whose amount and timing can be estimated reliably.

Contingent liabilities are obligations arising from past events whose information is subject to the occurrence of events outside the control of the company, or present obligations arising from past events whose amount cannot be estimated reliably or in whose settlement there is unlikely to be an outflow of funds.

The Company does not book contingent assets or liabilities except those deriving from contracts of an onerous nature which are booked as a provision and reviewed on the date of each statement of financial position to adjust them to show the best estimate.

(y) Provisions for dismantling and restoration costs - An obligation to incur dismantling and restoration costs arises when an alteration to the environment is produced caused by the development or production of a mining property. The costs are estimated based on a formal closure plan and are subject to a periodic revision.

Costs arising from the installation of a plant or other project for the preparation of its location, discounted to their net present value, are provisioned and capitalized at the start of each project, when the obligation to incur these costs originates. These dismantling costs are charged to comprehensive results 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 the operating costs while amortization is treated as a financing cost.

Restoration costs due to damages in the location, which are generated progressively during production, are provisioned at their net present values when the damage is caused, and charged to comprehensive results for the period as extraction advances.

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

(z) Booking of revenue – Revenue is booked as soon as it is probable that the economic benefits will flow to the Company and can be measured reliably. The following specific criteria should also be met before booking revenue:

- **Sale of goods –** Revenue from the sale of goods is booked when the risks and significant benefits of ownership of the goods have been transferred to the buyer; this normally happens with the dispatch of the goods.

- **Provision of services** – Ordinary revenue related to the provision of services is booked considering the progress of these at the date of closing, provided the result of the transaction can be estimated reliably.

- **Interest income –** Income is booked as interest accrues as a function of the principal outstanding and the applicable interest rate.

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

(aa) Earnings per share – Basic earnings per share are calculated as the relationship between the earnings (loss) for the period attributable to the Company and the weighted average number of its common shares in circulation during that period.

The Company has not carried out any kind of operation with a potentially diluting effect that suggests that diluted earnings per share are different to basic earnings per share.

(ab) Dividends - The distribution of dividends to shareholders is booked as a liability at the end of each period in the financial statements as a function of the dividend policy agreed by the ordinary shareholders meeting, which corresponds to 50% of distributable earnings, determined as shown in Note 24.

(ac) Leases – There are two kinds of leases:

- **Financial leases –** These are where the lessor transfers substantially all the risks and benefits inherent in the ownership of the asset leased. The ownership of the asset may or may not be transferred.

When Group companies act as lessees of an asset under a financial lease, the cost of the assets leased is shown in the consolidated statement of financial position according to the nature of the asset concerned, and is simultaneously booked as a liability in the consolidated statement of financial position for the same amount. This amount will be the lesser of the fair value of the asset leased and the sum of present values of the amounts payable to the lessor plus, if applicable, the price for exercising the purchase option.

These assets are amortized by following criteria similar to those applied to the whole of the property, plant and equipment for its own use.

Financial expenses deriving from the financial updating of the liability booked are charged to Financial costs in the consolidated comprehensive results.

- **Operative leases –** These are leases in which the ownership of the asset leased and substantially all the risks and benefits related to the asset remain with the lessor.

(ad) Classification of balances as current and non-current – Balances in the consolidated statement of financial position are classified as a function of their maturities, i.e. current being those maturing within twelve months, and non-current being those maturing after that period. Should there be obligations maturing at less than twelve months but whose long-term refinancing is assured, these may be classified as non-current liabilities at the discretion of the Company, under committed available loan agreements with long-term maturities.

(ae) The environment – The Group adheres to the principles of sustainable development which balance economic development with care for the environment and the safety and health of its personnel.

The Company recognizes that these principles are key to the wellbeing of its personnel, care for the environment and the success of its operations.

3.2 New accounting pronouncements

a) The following new standards and interpretations have come into effect in 2013:

Amendments to IFRS	**Date of obligatory application**
IFRS 10, *Consolidated financial statements*	Annual periods begun or after January 1, 2013
IFRS 11, *Joint agreements*	Annual periods begun or after January 1, 2013

IFRS 12, *Disclosures of participations in other entities*	Annual periods begun or after January 1, 2013
IFRS 13, *Measurements of fair value*	Annual periods begun or after January 1, 2013
IAS 27 (2011), *Separated financial statements*	Annual periods begun or after January 1, 2013
IAS 28 (2011), *Investments in associates and joint ventures*	Annual periods begun or after January 1, 2013

Amendments to IFRS	**Date of obligatory application**
IFRS 7, Financial instruments: Disclosures – *Transfers of financial assets-Modifications to disclosures regarding the netting of financial assets & liabilities*	Annual periods begun or after January 1, 2015
IAS 19, *Employee benefits (2011)*	Annual periods begun or after January 1, 2013

New Interpretations	**Date of obligatory application**
CFRS 20, *Costs of Clean Up in Production Phase of an Open-Cast Mine*	Annual periods begun or after January 1, 2013

b) The following new standards and interpretations have been issued but their date of application is not yet effective:

New IFRS	**Date of obligatory application**
IFRS 9, *Financial instruments*	Annual periods begun or after January 1, 2015

Amendments to IFRS	**Date of obligatory application**
IFRS 10, IFRS 11 & IFRS 12 – Consolidated financial statements, Joint ventures & Disclosures of participations in other entities – Guidelines for transition	Annual periods begun or after January 1, 2014
IFRS 12, *Disclosures of participations in other entities*	Annual periods begun or after January 1, 2014
IAS 27 (2011), *Separated financial statements*	Annual periods begun or after January 1, 2014
IAS 32, *Financial Instruments: Presentation – Clarification of requirements for netting of financial assets & liabilities*	Annual periods begun or after January 1, 2014

The Company's management believes that the future adoption of the above standards and interpretations will have no significant impact the Group's consolidated financial statements

4. Financial risk management and hedge definitions

The following shows the definition of the risks faced by the Company and its subsidiaries including their nature and amounts, plus a description of the mitigation measures currently in use:

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 results. 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 and exchange rates, product prices, etc., produce losses due to the devaluation of cash flows or assets or the valuation of liabilities due to their denomination or indexation.

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

- **Exchange risk** – The Group is exposed to exchange risk given the nature of its operations, which involve transactions in currencies other than the US dollar, principally in Chilean and Argentine pesos, these being of little significance as the Company's functional currency is the US dollar.

CAP Holding Company

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

In order to mitigate these risks, CAP S.A. has signed forward and cross-currency swap contracts for the whole of its financial investments in currencies other than the dollar, whereby the Company pays to its counterparties cash flows in pesos and UF equal to the flows from its investments in those currencies, and receives from them 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 because of 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 carry out hedging operations to mitigate exchange risks on its operating expenses and financial investments.

The Company has dollar/peso cash-flow hedge contracts to cover its operating and investment disbursements.

CAP Steel

The subsidiary Compañía Siderúrgica Huachipato 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 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 Solutions

The principal exposed items of the statement of financial position for 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 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.

The Company's management has decided to contract hedges to mitigate the exchange risk on accounts receivable.

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 Phase I 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 a mixture of sources of funds at fixed and floating rates. The 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.

The Company has policies for managing these risks, defining specific strategies as a function of periodic analyses of trends in the variables that influence exchange and interest rates.

CAP Holding Company

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

CAP Mining

Its financial debt consists only of leasing transactions which are at fixed interest rates.

CAP Steel

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

CAP Steel Solutions

The financing structure of the CINTAC S.A. group is mainly subject to floating interest rates. The portion with floating rates consists of a 180-day LIBOR floating rate plus a spread for its dollar financing.

The financing structure of Intasa S.A. and subsidiaries consists of funding at fixed rates. As of March 31, 2013, the interest rates of the financial debt of Intasa S.A. and subsidiaries are fixed contractually and there is therefore no variation between the flow of funds for the payment of interest and the amounts provisioned at the close of these consolidated financial statements.

Cleanairtech Sudamérica S.A.

The subsidiary Cleanairtech Sudamérica S.A. has signed an interest-rate swap contract to cover the variable interest rate for 80% of the principal due during the term of the project finance.

Consolidated financial debt

The total financial debt of the CAP S.A. group as of March 31, 2013, including accrued interest and hedge instruments, is summarized below, showing the amounts at fixed rates and those at floating rates:

	31.03.2013		
	Fixed rate ThUS$	**Variable rate ThUS$**	**Total ThUS$**
Short-term bank debt	5,908	92,008	97,917
Long-term bank debt	61,709	262,802	324,511
Financial overdraft	9,425	-	9,425
Financial leases	41,187	-	41,187
International bonds	65,208	-	65,208
Local bonds	164,287	-	164,287
Hedging instruments	38,606	-	38,606
Total	**386,330**	**354,810**	**741,141**

As of March 31, 2013, there is no significant variation in the Company's results due to changes in interest rates. At the end of the period, the interest rates on the most significant financial debt are fixed contractually for a 6-month period so there is no variation between the flows for paying interest and the amounts provisioned at the closing date of these 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 –** These consist of balances of cash and cash equivalents, time deposits and marketable securities in general. The Company's ability to recover these funds on their maturity depends on the solvency of the bank where they are deposited, so the credit risk to which cash and cash equivalents are exposed is limited as the funds are deposited with banks with high credit ratings granted by international rating agencies and limited by amount for each financial entity according to the Parent's current investment policy.

- **Trade debtors –** The risk of non-payment by the Group's trade debtors is significantly low and an allowance is made to cover any doubtful accounts. The estimate of this allowance contemplates certain debtors which show a history of overdue payments.

- **Derivative counterparty obligations** – These relate to the market value in favor of the Company under derivative contracts outstanding with banks.

  To mitigate this risk, the Company follows 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 amortize or refinance at reasonable market prices its financial commitments acquired and to carry out its business plans with stable sources of funding.

The Company believes that the generation of cash flows to meet its financial obligations is sufficient, permitting eventual distributions of dividends to its shareholders.
The Company also believes that the level of debt is adequate to cover its normal operating and investment requirements as established in its five-year plan.

The following table shows the maturity structure of principal and interest of the financial obligations of CAP S.A. and subsidiaries as of March 31, 2013:

	Expiration Year					
	2013 ThUS$	2014 ThUS$	2015 ThUS$	2016 ThUS$	2017 & followings ThUS$	Total ThUS$
Bank loans	97,176	79,498	66,051	77,726	101,977	422,428
Financial overdraft	-	9,425	-	-	-	9,425
Financial leases	5,391	8,823	24,900	2,073	-	41,187
International bonds	174	-	-	-	65,034	65,208
Local bonds	48	-	-	-	164,239	164,287
Hedging instruments	8,001	-	-	-	30,605	38,606
Total	**110,790**	**97,746**	**90,951**	**79,799**	**361,855**	**741,141**

4.4 Commodity price risk

The Group's operations are exposed to variations in commodity prices, principally those of coal, steel, iron and the 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 risk

The following sensitivity analysis shows the impact of a variation in the US dollar / Chilean peso exchange rate on the Company's results. The impact on the results is produces as a consequence of the valuation of expenses in pesos and the re-conversion of the monetary financial instruments (including cash, trade creditors, debtors, etc.).

CAP S.A. has a liability accounting position with respect to currencies other than the US dollar (i.e. liabilities greater than assets denominated in currencies other than the US dollar), amounting to US$ 7.41 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$ 0.74 million.

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 the event of fluctuations in interest rates in the most probable expected rate 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$ 354.81 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 2.52% p.a.), it is believed that the Company's annual financial expenses would rise or fall by US$ 0.89 million.

5. Management's estimates and assumptions 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 period of the report. The Group's management will necessarily make judgments and estimates that will have a

significant effect on the figures shown in the financial statements under IFRS, and changes in these assumptions and estimates could also have a significant impact on these.

The following is a detail of the estimates and judgments used:

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 on a model based on the respective useful life of the mine using the production-unit method on proven and probable reserves. The assumptions valid for determining a mineral reserve can change depending on the availability of new information.

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

These factors might include:

- Expectations of production units or volumes;
- Quality of inputs to the production process;
- Changes in proven and probable reserves;
- The ore grade of reserves differs significantly from time to time;
- Differences between the present commodity price and assumed prices used in the estimate of mineral reserves;
- Unforeseen operational events at mines, and
- Changes in capital, mining operations, processing and recovery costs, discount rates and currency fluctuations that negatively impact on the viability of the mineral reserves.

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

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 book values of the respective assets.

5.3 Costs of restoration, dismantling and environmental reclamation – The provisions for restoration, dismantling and environmental costs are made at present value as soon as the obligation is known. The costs incurred in dismantling associated to each project are capitalized and charged to comprehensive results over the useful life of the project through the depreciation of the assets and/or development of the discounted provision. Later restoration costs are valued at present value and charged to comprehensive results according to the progress of the damage caused by extraction. The costs are estimated using the work of an external specialist and/or internal experts. The management applies its judgment and experience in providing for and amortizing 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 non-payment of its accounts receivable and of inventory obsolescence, for which percentage allowances have been established for bands of maturities less the application of credit insurance taken, and the turnover of its products, respectively.

5.5 Provision for employee benefits – The expected costs of severance payments for years of service and other long-term benefits during the year are charged to results for the period. Any actuarial gain or loss, which can arise from differences between actual and expected results or changes in actuarial assumptions, is shown in the cost of sales or administrative costs, as appropriate.

Assumptions referring to expected costs are made together with an external actuary of the Company, and include demographic assumptions, the discount rate and expected increases in remunerations. Although management believes that the assumptions used are appropriate, a change in these could significantly impact on the Company's results.

5.6 Fair value of derivatives and other financial instruments – As described in Note 4, the management follows its criteria of selecting an appropriate valuation technique for instruments that are not quoted on an active market. These are techniques commonly used by market professionals. In the case of financial derivative instruments, assumptions are made based on rates quoted on the market, adjusted according to the specific characteristics of the instrument. Other financial instruments are valued using an analysis of the updating of cash flows based on assumptions supported, when possible, by observable market prices or rates.

5.7 Litigation and contingencies – The Company evaluates periodically the probability of loss on its litigation and contingencies according to estimates made by its legal advisers. No provisions are made when the Company's management and lawyers believe that favorable results will be obtained or the results are uncertain and the legal proceedings are still continuing.

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

6. Cash and cash equivalents, and investment in financial instruments

6.1 Cash and cash equivalents

The detail of cash and cash equivalents and investments in financial instruments as of March 31, 2013 and December 31, 2012 is as follows:

	Cash and cash equivalents	
	31.03.2013	**31.12.2012**
	ThUS$	**ThUS$**
Cash and banks	24,471	24,383
Time deposits	244,427	188,145
Mutual funds	56,296	82,769
Total	325,194	295,297

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

- Mutual funds relate to peso and dollar fixed-income funds which are shown at the value of the respective quota on the date of closing of these consolidated financial statements. The fair value of these investments is the result of the number of quotas held times the latest price of the quota reported publicly to the market, for each of the mutual funds invested, which is also the redemption value of this investment. Changes in the fair value of other financial assets at fair value with changes to results are booked in Financial income in the consolidated statement of comprehensive results.

- Cash and cash equivalents have no restrictions on their availability

6.2 Other current and non-current financial assets

	Other Current Financial Assets financial instruments	
	31.03.2013 ThUS$	31.12.2012 ThUS$
Time deposits	290,851	352,035
Investments	-	42,166
Hedge assets (Note 10)	2,328	12,190
Others	13,312	9,645
Total	306,491	416,036

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

- Financial investments refer to investment instruments that mature in a term of over three months and less than one year from their date of acquisition and accrue market interest for this type of investment.

- Other financial assets refer to balances in checking 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 18.

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

	Other Non-current Financial Assets financial instruments	
	31.03.2013 ThUS$	31.12.2012 ThUS$
Trade debtors & other accounts receivable	7,476	1,567
Total	7,476	1,567

7. Trade debtors and other accounts receivable

Trade debtors and other accounts receivable

The detail of these as of March 31, 2013 and December 31, 2012 is as follows:

Type of debtors

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

31.03.2013	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	372,629	(8,226)	364,403	-	-	-
Sundry Debtors	6,433	(496)	5,937	1,601	-	1,601
Sub total trade debtors	**379,062**	**(8,722)**	**370,340**	**1,601**	**-**	**1,601**
Advance payments	2,791	-	2,791	-	-	-
Other accounts receivable	12,654	(136)	12,518	4,882	(244)	4,638
Total	**394,507**	**(8,858)**	**385,649**	**6,483**	**(244)**	**6,239**

31.12.2012	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	432,772	(7,953)	424,819	-	-	-
Sundry Debtors	12,765	(496)	12,269	1,599	-	1,599
Sub total trade debtors	**445,537**	**(8,449)**	**437,088**	**1,599**	**-**	**1,599**
Advance payments	4,640	-	4,640	-	-	-
Other accounts receivable	9,020	(141)	8,879	5,872	(228)	5,644
Total	**459,197**	**(8,590)**	**450,607**	**7,471**	**(228)**	**7,243**

b) The following provides a detail of the balances as of March 31, 2013 and December 31, 2012 by term to maturity:

31.03.2013												
Ageing 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	327,375	26,868	6,019	3,381	1,976	225	581	239	222	6,240	373,126	-
Provision for impairment	(767)	(1,092)	(258)	(201)	(82)	(140)	(231)	(119)	(126)	(5,706)	(8,722)	-
Other accounts receivable, gross	20,791	-	-	-	-	-	-	-	-	590	21,381	6,483
Provision for impairment	-	-	-	-	-	-	-	-	-	(136)	(136)	(244)
Total	347,399	25,776	5,761	3,180	1,894	85	350	120	96	988	385,649	6,239

31.12.2012												
Ageing 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	391,259	26,049	6,564	1,426	436	274	249	188	103	6,703	433,251	-
Provision for impairment	(762)	(1,082)	(273)	(89)	(165)	(210)	(180)	(122)	(64)	(5,502)	(8,449)	-
Other accounts receivable, gross	25,358	-	-	-	-	-	1	-	-	587	25,946	7,471
Provision for impairment	-	-	-	-	-	-	-	-	-	(141)	(141)	(228)
Total	415,855	24,967	6,291	1,337	271	64	70	66	39	1,647	450,607	7,243

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 period-end.

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:

31.03.2013

	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
Ageing of accounts receivable, by type of portfolio	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	1,680	348,166	-	-	1,680	348,166
Due between 1 and 30 days	913	26,868	-	-	913	26,868
Due between 31 and 60 days	450	6,019	-	-	450	6,019
Due between 61 and 90 days	484	3,381	-	-	484	3,381
Due between 91 and 120 days	112	1,976	-	-	112	1,976
Due between 121 and 150 days	70	225	-	-	70	225
Due between 151 and 180 days	106	581	-	-	106	581
Due between 181 and 210 days	43	239	-	-	43	239
Due between 211 and 250 days	42	222	-	-	42	222
Overdue more than 251 days	470	6,830	-	-	470	6,830
Total	4,370	394,507	-	-	4,370	394,507

31.12.2012

	Portfolio not restructured		Portfolio restructured		Total portfolio, gross	
Ageing of accounts receivable, by type of portfolio	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$	Number Customers	Gross Amount ThUS$
Current	1,712	416,617	-	-	1,712	416,617
Due between 1 and 30 days	1,165	26,049	-	-	1,165	26,049
Due between 31 and 60 days	460	6,564	-	-	460	6,564
Due between 61 and 90 days	279	1,426	-	-	279	1,426
Due between 91 and 120 days	343	436	-	-	343	436
Due between 121 and 150 days	79	274	-	-	79	274
Due between 151 and 180 days	54	250	-	-	54	250
Due between 181 and 210 days	40	188	-	-	40	188
Due between 211 and 250 days	39	103	-	-	39	103
Overdue more than 251 days	481	7,290	-	-	481	7,290
Total	4,652	459,197	-	-	4,652	459,197

As of the close of these consolidated financial statements, 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:

	31.03.2013		31.12.2012	
Portfolio protested and in judical recovery	**Number Customers**	**Amount ThUS$**	**Number Customers**	**Amount ThUS$**
Protested notes receivable	26	168	17	265
Documents in legal recovery	228	2,713	189	2,343
Total	**254**	**2,881**	**206**	**2,608**

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

31.03.2013	Total current		Total non- current	
Provisions and write-offs	**Number of Operations**	**Amount ThUS$**	**Number of Operations**	**Amount ThUS$**
Provision non-restructured portfolio	3,599	(8,619)	594	(228)
Increase in the period	264	(56)	-	-
Write-offs in the period	120	(85)	(6)	(16)
Recoveries in the period	-	(98)	-	-
Total	**3,983**	**(8,858)**	**588**	**(244)**

31.12.2012	Total current		Total non- current	
Provisions and write-offs	**Number of Operations**	**Amount ThUS$**	**Number of Operations**	**Amount ThUS$**
Provision non-restructured portfolio	4,311	(9,948)	592	(201)
Increase in the period	(306)	(83)	-	-
Write-offs in the period	(44)	1,354	-	-
Recoveries in the period	-	-	(2)	(27)
Currency translation difference	-	87	-	-
Total	**3,961**	**(8,590)**	**590**	**(228)**

8. Balances and transactions with related entities

8.1 Shareholders – The largest shareholders as of March 31, 2013 are:

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	8,310,332	5.56
Banco Itau por cuenta de Inv. extranjeros	4,695,575	3.14
Banco Santander-Chile para inv. Extranjeros	3,728,268	2.49
Banchile Corredores de Bolsa S.A.	3,394,514	2.27
Fundación CAP	3,288,069	2.20
Larraín Vial S.A. Corredora de Bolsa	2,951,202	1.97
Celfin Capital S.A. Corredora de Bolsa	1,355,901	0.91
South Pacific Invesments S.A.	1,317,580	0.88
A.F.P. Santa Maria S.A. Fondo Tipo C	1,267,779	0.85
Inversiones Rand Limitada	1,224,010	0.82
Various	42,301,575	28.32
Total	149,448,112	100.00

Principal controller

In accordance with the concepts defined in IAS 27, consolidated and separate 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

				31.03.2013		
				Total current		
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**Over 90 days**	**Total**
Armacero Industrial y Comercial S.A.	78.170.790-2	Joint venture	Chile	2,071	-	2,071
Sociedad Naviera Ultragas Ltda.	80.927.500-0	In Common Director	Chile	1	-	1
Mitsubishi Corporation	O-E	Shareholder	Japón	695	-	695
Invercap S.A.	96.708.470-0	Shareholder	Chile	1	-	1
Total				**2,768**	**-**	**2,768**

				31.12.2012		
				Total current		
Company	**Tax No.**	**Type relationship**	**Country of Origin**	**Less than 90 days**	**Over 90 days**	**Total**
Armacero Industrial y Comercial S.A.	78.170.790-2	Joint venture	Chile	2,153	-	2,153
Ultramar Agencia Marítima Ltda.	80.992.000-3	In Common Director	Chile	112	-	112
Mitsubishi Corporation	O-E	Shareholder	Japón	4,182	-	4,182
Invercap S.A.	96.708.470-0	Shareholder	Chile	62	-	62
Total				**6,509**	**-**	**6,509**

The account receivable from Armacero Industrial y Comercial S.A. relates to business transactions, payable within the terms established for each one.

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

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

The account receivable from Invercap S.A. arises from administrative services provided by CAP S.A., which accrue no interest and are payable monthly.

There are no accounts receivable from related entities classified as non-current as of the close of these interim 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 interim 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.

Accounts payable

Company	Tax No.	Type relationship	Country of Origin	31.03.2013 Current Less than 90 days	Over 90 days	Total Current
Empresa Eléctrica Guacolda S.A.	96.635.700-2	In Common Director	Chile	14	-	14
Ultramar Agencia Marítima Ltda.	80.992.000-3	In Common Director	Chile	4	-	4
Agrocomercial As Ltda.	77.805.520-1	Related through subsidiary	Chile	1,073	-	1,073
Sociedad Naviera Ultragas Ltda.	80.927.500-0	In Common Director	Chile	1,037	-	1,037
BHP Billiton Mitsubishi Alliance	O-E	Related to Mitsubishi shareholder through	Australia	17,869	12,777	30,646
Mitsubishi Corporation	O-E	Shareholder	Japón	16,803	-	16,803
Invercap S.A.	96.708.470-0	Shareholder	Chile	29,657	-	29,657
M.C. Inversiones Ltda.	79.866.800-5	Related through subsidiary	Chile	15,905	-	15,905
Total				**82,362**	**12,777**	**95,139**

Company	Tax No.	Type relationship	Country of Origin	31.12.2012 Current Less than 90 days	Over 90 days	Total Current
Empresa Eléctrica Guacolda S.A.	96.635.700-2	0 Director Común	Chile	14	-	14
Agrocomercial As Ltda.	77.805.520-1	Related through subsidiary	Chile	1,038	-	1,038
Sociedad Naviera Ultragas Ltda.	80.927.500-0	In Common Director	Chile	522	-	522
BHP Billiton Mitsubishi Alliance	O-E	Related to Mitsubishi shareholder through	Australia	23,892	12,027	35,919
Mitsubishi Corporation	O-E	Shareholder	Japón	21,453	-	21,453
Invercap S.A.	96.708.470-0	Shareholder	Chile	37,009	-	37,009
M.C. Inversiones Ltda.	79.866.800-5	Related through subsidiary	Chile	20,632	-	20,632
Total				**104,560**	**12,027**	**116,587**

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

The balance payable to BHP Billiton Mitsubishi Alliance, related through the shareholder Mitsubishi Co., corresponds to coal imports and accrues interest at an average rate of 1.73% annually.

The current account payable to Mitsubishi Corporation relates to dividends payable by CAP for the year 2013 and 2012.

The account payable to Invercap S.A. relates to the provision for dividends payable by CAP and Novacero S.A. for 2013 and 2012.

The current account payable to MC Inversiones Ltda. relates to the provision for dividends payable for the years 2013 and 2012 by CMP.

The other current accounts receivable and payable relate to business 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 their effects on results

Company	Tax No.	Country of origin	Relationship Type	Currency	Accumulated 31.03.2013 Amount ThUS$	Accumulated 31.03.2013 Effect on results (charge) credit ThUS$	Accumulated 31.12.2012 Amount ThUS$	Accumulated 31.12.2012 Effect on results (charge) credit ThUS$
Ultramar Agencia Maritima Ltda.	80.992.000-3	Chile	Services sold	Dollar	53	44	511	429
			Services purchased	Dollar	163	(137)	245	(206)
Empresa Eléctrica Guacolda S.A.	96.635.700-2	Chile	Services sold	Dollar	1	1	5	4
			Services purchased	Dollar	-	-	14	(12)
Sociedad Naviera Ultragas Ltda	80.927.500-0	Chile	Purchase of products & services	Dollar	4,957	(2,240)	18,200	-
			Sales of service	Dollar	7	6	8	7
Armacero Industrial y Comercial S.A.	78.170.790-2	Chile	Sale of products	Dollar	4,126	3,467	16,639	13,982
Invercap S.A.			Advice received	Dollar	30	(30)	120	(120)
			Transfer of funds	Dollar	301	-	-	-
Mitsubishi Corporation	O-E	Japan	Sales	Dollar	21,543	21,543	144,327	144,327
			Sales commissions	Dollar	1,869	(1,869)	9,843	(9,843)
			Purchase of products	Dollar	6	(6)	53	(53)
MC Inversiones Ltda.	79.866.800-5	Chile	Administrative expenses	Dollar	-	-	197	197
BHP Billiton Mitsubishi	O-E	Australia	Purchase of products	Dollar	12,751	-	76,285	-
			Interest paid on purchase	Dollar	181	(181)	1,140	(1,140)

8.3 Directors and senior management

The members of the senior management and other persons involved in the management of CAP, and the shareholders or persons or entities representing them, have not participated in unusual and/or relevant transactions of the Company as of March 31, 2013 and 2012.

The Company is administered by a board of directors of 7 members, elected for a period of 3 years with the possibility of being re-elected.

8.4 Directors' Committee

In accordance with article 50 bis of the Corporations Law 18,046, CAP S.A has a Directors' Committee of 3 members who have the powers contemplated in that article.

8.5 Remuneration and other benefits

In accordance with article 33 of the Corporations Law 18,046, the ordinary shareholders meeting sets each year the remuneration of the directors of CAP S.A. In April 2012, the meeting set the directors' remuneration for the period May 2012 to April 2013 at 0.75% of the earnings for 2012. The meeting also set the remuneration of the members of the Directors' Committee.

The amounts paid in the periods January to March 2013 and 2012 to the directors of CAP were as follows:

		Accumulated 31.03.2013			Accumulated 31.03.2012		
Name	**Position**	**Board of CAP** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$	**Board of CAP** ThUS$	**Board of subsidiaries** ThUS$	**Directors' Committee** ThUS$
Sr. Roberto de Andraca	Chairman	45	16	-	43	15	-
Sr. Sven Von Appen	Vice chairman	23	-	6	22	-	6
Sr. Akira Kudo (*)	Director	-	-	-	22	-	-
Sr. Fernando Reitich	Director	23	-	6	22	-	6
Sr. Eddie Navarrete	Director	23	6	2	22	6	2
Sr. Tokuro Furukawa	Director	23	-	-	22	-	-
Sr. Rodolfo Krause (**)	Director	-	-	-	22	-	6
Sr. Osamu Sasaki	Director	23	-	-	-	-	-
Sr. Hernán Orellana	Director	23	-	6	-	-	-
Total		183	22	20	175	21	20

(*) Replaced by Osamu Sasaki in April 2012.
(**) Replaced by Hernán Orellana in April 2012.

- **Board advisory expenses –** The board incurred no advisory expenses in the periods ended March 31, 2013 and 2012.

- **Remuneration of senior management who are not directors –** The members of the senior management of the Company and its subsidiaries, president and managers reporting directly to the president, have received a total remuneration of ThUS$ 942 and ThUS$ 901 to March 31, 2013 and 2012 respectively.

- **Accounts receivable and payable and other transactions** – There are no accounts receivable and/or payable between the Company and its directors and managers.

- **Other transactions –** There are no other transactions between the Company and its directors and managers.

- **Guarantees by the Company in favor of the directors –** The Company has not carried out this type of operation during the quarters to March 2013 or 2012.

- **Incentive plans for the principal 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 earnings reported in the respective financial period.

- **Indemnities paid to senior executives and managers –** No indemnities have been to executives or managers during the March 2013 quarter.

- **Guarantee clauses, directors and management of the Company –** The Company has agreed no guarantee clauses with its directors and management.

- **Incentive plans linked to the share price –** The Company does not carry out this type of operation.

9. Inventories

9.1 The detail of these is as follows:

	Total current	
	31.03.2013 ThUS$	31.12.2012 ThUS$
Materials, raw materials and spare parts	249,443	249,599
Mining products	95,786	40,607
Finished goods	101,018	114,543
Goods in process	53,889	51,792
Other products	30,867	25,389
Obsolescence provision	(7,926)	(7,708)
Total	523,077	474,222

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

Steel products include an adjustment to net realization value in results amounting to ThUS$ 6,422 as of March 31, 2013 and ThUS$ 8,822 as of December 31, 2012.

There are no other inventories charged to cover debt compliance as of March 31, 2013.

9.2 Inventory cost booked as expense

The following are the inventories booked as expense in the cost of sales during the years ended March 31, 2013 and 2012:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Materials, raw materials and spare parts	18,513	16,091
Finished products	340,958	394,543
Goods in process	26	461
Total	359,497	411,095

10. Derivative instruments

The Company and its subsidiaries, following the financial risk management policy described in Note 4, contracts financial derivatives to hedge its exposure to variations in interest and exchange rates.

Interest-rate derivatives are used to fix the floating interest rate on financial debt and relate to an interest-rate swap (IRS).

Currency derivatives are used to fix the exchange rate of the dollar against the peso (CLP) and Unidad de Fomento (UF), resulting from investments or existing obligations in currencies other than the dollar. These instruments relate mainly to forwards and cross-currency swaps.

As of March 31, 2013, the Company and its subsidiaries classify all their derivative instruments as cash-flow hedges. As described in Note 4, the Company during April and May 2011 redeemed in advance its Series D and E bond issues, both of which were hedged by cross-currency swaps (IRS) which were fully liquidated and their effects booked in the results for the period.

As of March 31, 2013 the subsidiary CMP has no hedge instruments. As of December 31, 2012, this subsidiary has a dollar/peso hedge amounting to a total of ThUS$ 90,000, which have monthly maturities from January to February 2013.

As of March 31, 2013 the subsidiary Cleanairtech Sudamérica S.A. books cash-flow hedges to cover flows in (UF) pesos that have to be paid during the construction stage of the seawater desalination plant, which at the close of these financial statements show a net asset position of ThUS$212. In addition, Cleanairtech Sudamerica S.A. has signed IRS contracts to cover the variable interest-rate risk for 80% of the principal due during the term of the project financing signed with Credit Agricole. These contracts as of the end of the year show a net liability position of ThUS$1,298.

As of March 31, 2013 the indirect subsidiary Cintac S.A. contracted financial derivatives to hedge its exchange-risk exposure. Currency derivatives are used to fix the dollar/peso exchange rate with respect to accounts receivable in currencies other than the dollar. These instruments are mainly forwards.

The detail of hedge instruments as of March 31, 2013 and December 31, 2012, with their valuation on those dates, is as follows:

	31.03.2013		31.12.2012	
Hedge assets	**Current**	**Non-current**	**Current**	**Non-current**
	ThUS$	ThUS$	ThUS$	ThUS$
Exchange rate hedge				
Cash flow hedge	2,328	-	12,190	-
Rate hedge interest rate				
Cash flow hedge	-	-	-	-
Total	2,328	-	12,190	-

Hedge liabilities	31.03.2013 Current ThUS$	31.03.2013 Non-current ThUS$	31.12.2012 Current ThUS$	31.12.2012 Non-current ThUS$
Exchange rate hedge				
Cash flow hedge	4,078	-	3,996	-
Fair value hedges		-		-
Interest rate hedge				
Cash flow hedge	3,924	30,604	3,451	33,240
Total	8,002	30,604	7,447	33,240
Net position	(5,674)	(30,604)	4,743	(33,240)

The detail of the hedge instruments of CAP S.A. and its subsidiaries is as follows:

Hedge instrument	Fair value hedge instruments 31.03.2013 ThUS$	Fair value hedge instruments 31.12.2012 ThUS$	Items hedged	Risk covered	Type of hedge
Forward	-	4,351	Payment of dividends	Exchange rate	Cash Flow
Forward	(5)	-	Financial Liabilities	Exchange rate	Fair value
Forward	-	7,839	Financial investments	Exchange rate	Cash flow
Cross Currency Swap	(1,957)	(3,421)	Financial investments	Exchange rate	Cash flow
Cross Currency Swap	212	(576)	Bonds payable	Exchange rate	Cash flow
Interest Rate Swap	(33,230)	(34,128)	Bonds payable (Bonds)	Interest rate	Cash flow
Interest Rate Swap	(1,298)	(2,562)	Bonds payable	Interest rate	Cash flow
Total	(36,278)	(28,497)			

Valuation levels

The fair value of financial instruments booked in the statement of financial position has been determined in the following order, according to the entry data used for making the valuation.

Level 1: Prices quoted on active markets for identical instruments.

Level 2: Prices quoted on markets for similar assets and liabilities or other valuation techniques for which all the important inputs are based on observable market data.

Level 3: Valuation techniques for which not all the important inputs are based on observable market data.

As of March 31, 2013 and December 31, 2012, the calculation of the fair value of all the financial instruments subject to valuation has been determined based on Level 2.

11. Current tax assets and liabilities

Current tax assets and liabilities as of March 31, 2013 and December 31, 2012 are as follows:

Assets

	Total current	
	31.03.2013	**31.12.2012**
	ThUS$	ThUS$
Monthly provisional payments	8,937	14,070
VAT fiscal credit & other recoverable taxes	56,680	47,973
Income tax	123	(343)
Provisional payments for absorbed earnings	8,069	16,038
Residual Income Tax	16,784	916
Total	**90,593**	**78,654**

Liabilities

	Total current	
	31.03.2013	**31.12.2012**
	ThUS$	ThUS$
Monthly provisional payments	(190,366)	(143,665)
VAT fiscal debit & other taxes payable	663	686
Income tax	152,476	129,143
Specific tax on mining activities	50,815	40,847
Others	(1,120)	(1,785)
Total	**12,468**	**25,226**

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

The detail of other non-financial current and non-current assets as of March 31, 2013 and December 31, 2012 is as follows:

	Total current		Total non-current	
	31.03.2013	**31.12.2012**	**31.03.2013**	**31.12.2012**
	ThUS$	**ThUS$**	**ThUS$**	**ThUS$**
Payments in advance to Supliers (proyects)	23,962	22,616	-	-
Advanced Insurance	1,294	1,953	-	-
Advanced rents	317	365	-	-
Personnel bonus	2,393	2,790	-	-
Other prepaid expenses	13,671	10,572	3,642	4,341
Others	4,339	4,735	2,686	2,725
Total	45,976	43,031	6,328	7,066

13. Investment in subsidiaries

The consolidated financial statements include the financial statements of the Parent Company and the controlled companies (Note 3). The following is detailed information on the subsidiaries as of March 31, 2013 and December 31, 2012:

	31.03.2013					
Company	**Current assets ThUS$**	**Non-current assets ThUS$**	**Current liabilities ThUS$**	**Non-current liabilities ThUS$**	**Ordinary revenues ThUS$**	**Net earnings (loss) attributable to controller ThUS$**
Compañía Minera del Pacífico S.A.	636,404	2,457,236	456,325	533,989	264,618	82,313
Compañía Siderúrgica de Huachipato S.A.	421,313	774,777	418,180	201,928	189,048	(21,615)
Novacero S.A.	264,440	154,312	164,043	65,665	111,312	2,570
Puerto Las Losas S.A.	2,893	53,708	5,216	3,462	197	(845)
Abastecimientos CAP S.A.	5,172	-	-	-	-	(9)
Tecnocap S.A.	8,854	56,039	16,455	55,779	-	(51)
Port Investments Ltd.	56	10,766	7	5,608	-	(21)
Cleanairtech Sudamérica S.A.	77,700	95,465	30,809	60,661	-	(18)

	31.12.2012					
Company	**Current assets ThUS$**	**Non-current assets ThUS$**	**Current liabilities ThUS$**	**Non-current liabilities ThUS$**	**Ordinary revenues ThUS$**	**Net earnings (loss) attributable to controller ThUS$**
Compañía Minera del Pacífico S.A.	686,076	2,263,394	424,868	433,364	1,405,931	354,497
Compañía Siderúrgica de Huachipato S.A.	401,992	780,531	386,402	198,524	920,178	(66,851)
Novacero S.A.	272,864	154,213	186,372	52,673	466,852	6,853
Tecnocap S.A.	8,087	53,529	24,877	44,029	-	333
Abastecimientos CAP S.A.	5,180	-	-	-	-	(15)
Puerto Las Losas S.A.	3,289	54,269	5,328	3,462	2,804	(1,531)
Port Investments Ltd.	88	5,835	18	810	-	35
Cleanairtech Sudamérica S.A.	75,606	73,181	32,078	47,495	-	559

Unrealized Income

CAP S.A. booked unrealized income as of March 31, 2013 and December 31, 2012 in proportion to its percentage participation, for inventories of products sold by Compañía Siderúrgica Huachipato S.A. and which are in the inventories of Armacero Industrial y Comercial S.A.

Information on foreign investments

Neither the Company nor its subsidiaries have contracted debt to hedge their foreign investments as of March 31, 2013 and December 31, 2012.

The subsidiary Compañía Minera del Pacífico S.A. discontinued in 2008 the operations of its subsidiaries Pacific Ores and Trading N.V. and Pacific Ores and Trading B.V., which operated as sales agents.

These companies have no significant movement nor are their assets significant in the context of these interim consolidated financial statements.

Additional information

- A board meeting of Compañía Minera del Pacífico S.A. (CMP) held on January 24, 2007 agreed to constitute a closely-held corporation in which CMP would have a 99% holding and its subsidiary IMOPAC Ltda. the remaining 1%. The company was constituted with those shareholdings on February 9, 2007 with the name Minera Hierro Atacama S.A., with an initial capital of US$ 1,000,000 divided into 10,000 shares of no par value. As of March 31, 2013, the paid capital amounts to ThUS$ 110, of which CMP contributed ThUS$ 100 and its subsidiary IMOPAC Ltda. ThUS$ 10.

- An extraordinary shareholders meeting of Puerto Las Losas held on March 22, 2011, agreed to increase its capital by US$ 6,037,515.14 through the issue of 368,733 shares for payment, of no par value. Of these CAP S.A. subscribed for 188,054 shares at a cost of US$ 3,079,166.11 and Agrocomercial AS Ltda. subscribed for 180,679 shares at a cost of US$ 2,958,409.03. As of March 31, 2013, the shareholders have paid in the full amount of the capital increase.

- The extraordinary shareholders meeting of Cleanairtech Sudamérica S.A held on December 7, 2012 agreed to increase the capital in order to finance phase II of the desalination plant to permit the expansion of capacity from 200 liters to 400 liters per second and the construction of related aqueducts, mainly in order to meet the consumption needs of Cía. Minera del Pacífico and other mining projects that require desalinized water. The capital was increased from US$59,314,011.88, which is fully paid, to US$119,791,491.88 divided into 60,000,000 ordinary and nominative shares, of equal and no par value, through the issue of 30,000,000 new shares for payment, to be subscribed at a minimum of US$2.015961 per share. The shareholders agreed unanimously that the new shares should be placed at that value, payable in cash, and be fully subscribed and paid within 3 years from December 7, 2012. The present shareholders attending the meeting promised to subscribe and pay by December 31, 2012 for the following number of shares: Mitsubishi Corporation subscribed and paid for 2,813,663 shares for a total of US$5,672,109 and CAP S.A. subscribed and paid for 2,928,507 shares for a total of US$5,903,623.

  The ownership of Cleanairtech Sudamérica S.A. as of March 31, 2013 was therefore composed of Mitsubishi Corporation, with 20,327,326 shares equivalent to a 49% holdings and CAP S.A., with 21,157,014 shares equivalent to 51% of the capital, and the company's capital is ThUS$ 81,693, divided into 41,484,340 ordinary and nominative shares of the one series and of no par value.

- On May 25, 2009, the production activities of the CMP subsidiary Manganesos Atacama S.A. were suspended due to weak demand for its products. Its accumulated stocks are sufficient to meet its 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.

Combinations of business

The board of CAP S.A. resolved the following on February 9, 2010:

i) Approve a transaction to accept 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%, and receiving 15.9 % of the share capital of CMP, and later, subscribing and paying in cash US$ 401,000,000 in a capital increase of CMP, with which MCI would increase its direct shareholding to 25% of CMP.

ii) This transaction assumed the total economic value of the equity of CMH at US$ 1,046,000,000 and that the whole equity of CMP had an economic value of US$ 2,771,000,000. In all, considering the contribution of 50% of CMH for US$ 523,000,000, plus the capital increase of US$ 401,000,000, MCI's offer equated to US$ 924,000,000 for 25% of CMP.

iii) The transaction is subject to the signing of a shareholders' agreement and a framework agreement 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 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 evaluator to report of the conditions of the transaction, its effects and its potential impact for the Company and its conclusions. The report of the independent evaluator will be made available to shareholders at the corporate offices and on the Company's web site on the business day next following its receipt.

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

On March 10, 2010 the extraordinary shareholders meeting of CAP S.A., with the consenting vote of 80.85% of the shares issued with voting rights, agreed to ratify the resolution adopted by the board of the Company.

On April 9, 2010, the board of the subsidiary Cía. Minera del Pacífico S.A. (CMP) agreed to call an extraordinary shareholders meeting for April 27, 2010 to consider 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.

   All the equity and shareholders of CMH would be incorporated into the subsidiary CMP, and CSH 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 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 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 exchange of approximately 0.6331047619 shares of the subsidiary CMP for each share of CMH, held by shareholders other than CMP.

d. Increase the 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 percentage holding of CMP in CMH on that date, through the issue of 664,760 new ordinary and registered shares of the one series and of no par value, to be paid in full to the shareholders of CMH, except for CMP, in the proportion corresponding to exchange referred to in the previous 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 capital, following the capitalization of the accumulated earnings of the merged company, by US$ 401,003,152 through the issue of 508,954 ordinary and registered shares for payment of the one series and no par value, which should be subscribed for a minimum value of approximately US$ 787.8966 each within a maximum term of three years 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. Amend the bylaws and establish a restated text that reflects the following matters:

i) The company shall have an indefinite life.
ii) The company's capital increase in the terms stated above.
iii) The board to comprise 7 members and their respective alternates.
iv) The quorum for constitution of the board shall be the absolute majority of the directors established in the bylaws and that resolutions be adopted by the simple majority of the directors present.
v) The participation in board meeting by technological means.
vi) Amend the powers and obligations of the board.
vii) Amend the clause relating to matters for the ordinary shareholders meeting.
viii) Amend the clause relating to matters for the extraordinary shareholders meeting.
ix) Amend the clause relating to the shares that can participate in the meetings.
x) Amend the quorum for constitution of meetings.
xi) Incorporate certain restrictions on share transfers in the company.
xii) Establish that the company should always appoint external auditors.
xiii) Establish that differences arising between the shareholders as such or between them and the company or its administrators, be submitted to an arbitrator appointed jointly by the parties or, in the absence of agreement, by the Arbitration and Mediation Center of the Santiago Chamber of Commerce from among its members.
xiv) Amend the first transitory clause and eliminate the other transitory clauses.

i. Revoke and renew the whole board of directors of the company, due to the amendment to the Company's bylaws.

On April 23, 2010, the communication was received stating that, according to the anti-monopolies law of the People's Republic of China, it was decided to authorize the merger transaction between CMP and Compañía Minera Huasco S.A..

The extraordinary shareholders meeting of CMP was held on April 27, 2010 which approved the merger of CMH and CMP, the capital increase of the merged company, the amendment of its bylaws, the revocation of the board and election of a new board, and the other points on the agenda of the extraordinary shareholders meeting of April 9, 2010, through the following resolutions:

Resolution 1 – Be informed of and approve the values that appear in the following documents:
(i) Expert report on the merger of CMH and Compañía Minera del Pacífico S.A. 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.

Resolution 2 - The merger by incorporation of CMH into the subsidiary CMP, the latter absorbing CMH, acquiring all its assets and liabilities, and replacing it in all its rights and obligations. The merger would be effective from April 30, 2010.

With the approved merger, CMP incorporates all the assets, liabilities and equity of CMH at book value, which is its fair value, and all the shareholders of CMH, which company will be dissolved on the effective date of the merger without the need to be liquidated.
It was also agreed that the subsidiary CMP would be liable for the payment of all taxes payable according to its termination balance sheet, as established in article 69 of the Tax Code.

The Company will book the tax value of the assets and liabilities of CMH in accordance with article 64 of the Tax Code and Circular 45 of the Internal Revenue Service dated July 16, 2001.

Resolution 3 - Approve the exchange of approximately 0.6331047619 shares of the subsidiary CMP for each share of CMH, held by shareholders other than CMP.

Resolution 4 – The capital increase of CMP from US$ 214,813,815.70 divided into 3,521,126 registered shares of no par value, to US$ 225,313,815.70 divided into 4,185,886 registered shares of no par value, to carry out the agreed merger. This capital increase would be with the issue of 664,760 ordinary registered shares of the one series and no par value, to be issued by the company's board to the shareholders of CMH, except CMP, to be paid with the equity of CMH as a result of being absorbed by CMP.

Resolution 5 – Authorize the board of CMP to issue the above shares as a result of the capital increase necessary for carrying out the merger and distribute these directly among the shareholders of CMH, except CMP, exchanging their shares in CMH for shares in CMP based on the exchange approved by the meeting. The board is also authorized to carry out all the actions necessary for the performance, carrying out and compliance with the resolutions adopted by the meeting as soon as possible, without any limitation or exclusion, especially those that permit the transfer of all the assets and liabilities of the absorbed company.

Right to withdrawal

According to No.2 of article 69 of Law18,046, the approval by the meeting of the merger of CMP and CMH provides dissident shareholders with the right to withdraw from the subsidiary CMP.

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. Dissident shareholders may only exercise their right to withdrawal 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.

The meeting unanimously agreed that, being a corporation whose shares are not traded on an exchange, dissident shareholders not exercising their right to withdraw within the legal term are paid at the book value of the share, as established in the regulations to Law 18,046. It was also agreed to require the general manager of the company to make the legal publications and send the letters to shareholders on this matter.

Capital increase

Resolution 6 – Increase the capital of the already-merged CMP, presently amounting to US$ 225,313,815.70, to US$ 486,220,369.40, through the capitalization of the accumulated earnings at this date, amounting to US$ 260,906,553.70. It was agreed therefore not to issue new shares or modify the number of shares into which the capital is divided.

Increase the capital of CMP, already merged and the capitalization of accumulated earnings completed, from US$ 486,220,369.40, divided into 4,185,886 ordinary registered shares of the one series and no par value, to US$ 887,223,521.40, i.e. by US$ 401,003,152, through the issue of 508,954 registered shares for payment, of the one series and no par value, to be subscribed for a minimum amount of approximately US$ 787.8966 each, within a term of 3 years from the date of the meeting. The shares for payment will be offered exclusively to the company's shareholders.

In accordance with article 28 of the regulations to Law 18.046, it is noted that the chairman provided shareholders with the fullest and reasoned information concerning the elements of valuation of the new shares for payment, and indicating the present book value of the share.

It was also agreed that payment for the shares representing the capital increase would be in cash or by bankers draft, electronic funds transfer or any other instrument representing payment in cash.
It was finally agreed that CMP should use the proceeds of the capital increase to repay the whole amount due by CMP to CAP S.A., plus interest on the inter-company account, within 3 business days of the date of payment of the

subscription of the shares agreed to be issue by the meeting; and the balance to cover the company's own business needs. A "business day" is any day other than a Saturday, Sunday or any other day when commercial banks in Santiago, Chile or Tokyo, Japan, are authorized or ordered to close.

Resolution 7 – Authorize the board to proceed and agree with the broadest powers the terms of the issue and placement of the shares necessary for carrying out the agreed capital increase and their subscription and payment. The board of CMP was also authorized to (i) set the date of the start of the legal pre-emptive option period; (ii) issue the new shares, and (iii) offer and place in the legal pre-emptive option period for the new shares, exclusively among the shareholders in CMP.

Right to pre-emptive subscription
The chairman explained to shareholders their right to pre-emptive subscription of the share agreed to be issued, pro rata to the participation of each shareholder, in accordance with article 25 of Law 18.046.
The shareholder CAP S.A. stated its intention to cede its pre-emptive option to subscribe for the shares of the agreed capital increase in favor of M.C. Inversiones Limitada.

Resolution 8 – The meeting agreed to amend the bylaws of CMP in all the proposed matters.

Resolution 9 – Revoke the whole of the board of CMP and appoint the following persons as the new directors of the company, and their alternates: Jaime Charles Coddou, Sergio Verdugo Aguirre, Ernesto Escobar Elissetche, Raúl Gamonal Alcaíno, Arturo Wenzel Alvarez, Tokuro Furukawa and Yuichi Ichikawa, and their respective alternates Jorge Domínguez Cruzat, René Camposano Larraechea, Andrés del Sante Scroggie, Roberto de Andraca Adriasola, Stefan Franken Osorio, Noriyuki Tsubonuma and Takeaki Doi. This board will remain in place for the term of 3 years, as established in the bylaws.

The following details the assets and liabilities of Compañía Minera Huasco S.A. acquired on April 30, 2010. These amounts were obtained from the report for determining the fair value of Compañía Minera Huasco S.A. as of that date, prepared by Jorge Quiroz C. Consultores Asociados S.A.:

	Fair Value 30.04.2010 ThUS$
Current assets	
Cash & cash equivalents	100,809
Trade debtors & other accounts receivable	42,192
Accounts receivable from related entities, current	17,280
Inventories	9,459
Payments in advance	548
Current tax assets	12,080
Other currents assets	179
Total current assets	**182,547**
Non-current assets	
Property, plant & equipment	151,033
Intangible assets other than goodwill	958,260
Other non current assets	309
Total non-current assets	**1,109,602**
Total assets	**1,292,149**
Current Liabilities	
Other financial liabilities, current	1,223
Trade creditors & other accounts payable	15,187
Accounts payable to related entities, current	10,540
Other provisions	763
Current tax liabilities	15,620
Current provisions for employee benefits	3,450
Total current liabilities	**46,783**
Non-current liabilities	
Leasing creditors	2,751
Deferred tax liabilities	180,821
Total non-current liabilities	**183,572**
Equity	**1,061,794**
Total equity & liabilities	**1,292,149**

14. Investments in associates booked by the participation method

Participation method

The following are the principal investments in associates and joint ventures booked under the participation method as of March 31, 2013 and December 31, 2012:

As of March 31, 2013

Company	Relationship	Number of shares ThUS$	Participation to 31.12.2012 %	Balance at 01.01.2012 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Reversal of dividends ThUS$	Equity reserve ThUS$	Total al 31.03.2013 ThUS$
Minera Hierro Antofagasta S.A. (1)	Associated	212,766	17.54	1	-	-	(19)	-	-	-
Armacero Industrial y Comercial S.A.	Joint Venture	3,877,633	50	11,380	-	-	(11)	-	191	11,560
Inmobiliaria y Constr. San Vicente Ltda.	Associated	-	0.49	20	-	-	-	-	-	20
Total				11,401	-	-	(30)	-	191	11,580

As of December 31, 2012

Company	Relationship	Number of shares ThUS$	Participation to 31.12.2011 %	Balance at 01.01.2011 ThUS$	Additions ThUS$	Write downs ThUS$	Participation in earnings / (loss) ThUS$	Dividends ThUS$	Equity reserve ThUS$	Total al 31.12.2012 ThUS$
Minera Hierro Antofagasta S.A. (1)	Associated	212,766	17.54	60	-	-	(73)	-	14	1
Armacero Industrial y Comercial S.A.	Joint Venture	3,877,633	50	10,555	-	-	(277)	-	1,102	11,380
Inmobiliaria y Constr. San Vicente Ltda.	Associated	-	0.49	20	-	-	(1)	-	1	20
Total				10,635	-	-	(351)	-	1,117	11,401

(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 share capital, through the payment of a capital increase by that company. As a result of this investment, the subsidiary CMP booked goodwill of ThUS$4,125 on the basis of information available at that time. The current business of this associate is mainly the exploration of its mining claims in the search for exploitable resources. According to available information and the present activities of Minera Hierro Antofagasta S.A., CMP has written off the goodwill determined in the operation.

On May 3, 2011 the subsidiary CMP announced its decision not to proceed with the mine exploration stages of that company, being released from its obligation to increase the capital paid to date.

Financial information on investments in associates

	31.03.2013					
Company	**Current assets** ThUS$	**Non-current assets** ThUS$	**Current liabilities** ThUS$	**Non-current liabilities** ThUS$	**Ordinary revenues** ThUS$	**Profit (Loss)** ThUS$
Inmobiliaria y Construct San Vicente Ltda.	1,660	3,363	324	659	83	(62)
Minera Hierro Antofagasta S.A.	542	289	977	-	-	(108)
Armacero Industrial y Comercial S.A.	20,693	18,853	16,162	263	14,267	(22)
Total	22,895	22,505	17,463	922	14,350	(192)

Company	31.12.2012 Current assets ThUS$	Non-current assets ThUS$	Current liabilities ThUS$	Non-current liabilities ThUS$	Ordinary revenues ThUS$	Profit (Loss) ThUS$
Inmobiliaria y Construct San Vicente Ltda.	1,675	3,334	315	659	318	(172)
Minera Hierro Antofagasta S.A.	530	283	851	-	-	(417)
Armacero Industrial y Comercial S.A.	19,625	18,326	14,954	237	63,672	(554)
Total	21,830	21,943	16,120	896	63,990	(1,143)

15. Intangible assets

15.1 The detail of intangible assets is as follows:

	31.03.2013 Proprietary	Finalization or Total consumption assets	Gross value ThUS$	Accumulated amortization/ impairment of value ThUS$	Net value ThUS$
Mining property	CMP S.A.	12-2028	957,255	(114,603)	842,652
Software	CSH S.A.	06-2013	3,378	(3,167)	211
Software	CAP S.A.	06-2013	1,367	(1,282)	85
Water rights	CMP S.A.	12-2028	2,681	(122)	2,559
Software licenses	CMP S.A.	12-2012	2,550	(2,550)	-
Easements	CMP S.A.	12-2028	1,041	(209)	832
Others	PLL S.A.	06-2018	428	-	428
Others	Cintac SAIC	12-2013	59	-	59
Total			968,759	(121,933)	846,826

	31.12.2012 Proprietary	Finalization or Total consumption assets	Gross value ThUS$	Accumulated amortization/ impairment of value ThUS$	Net value ThUS$
Mining property	CMP S.A.	12-2028	957,255	(106,744)	850,511
Software	CSH S.A.	06-2013	3,378	(2,956)	422
Software	CAP S.A.	06-2013	1,367	(1,196)	171
Water rights	CMP S.A.	12-2028	2,681	(113)	2,568
Software licenses	CMP S.A.	12-2012	2,550	(2,548)	2
Easements	CMP S.A.	12-2028	1,041	(197)	844
Others	PLL S.A.	06-2018	428	-	428
Others	Cintac SAIC	12-2013	59	-	59
Total			968,759	(113,754)	855,005

15.2 Movements in identifiable intangible during the periods 2013 and 2012 were as follows:

To March 31, 2013

	Water rights ThUS$	Software, net ThUS$	Software licenses, net ThUS$	Easements ThUS$	Others ThUS$	Mining Properties ThUS$	Total ThUS$
Initial balance at January 1, 2012	2,568	593	2	844	487	850,514	855,005
Additions	(1)	-	(1)	-	-	(1)	-
Amortization	(8)	(297)	(1)	(12)	-	(7,861)	(8,179)
Total movement	(9)	(297)	(2)	(12)	-	(7,862)	(8,179)
Closing balance at 31.03.2013	2,559	296	-	832	487	842,652	846,826

Year 2012

	Water rights ThUS$	Software, net ThUS$	Software licenses, net ThUS$	Easements ThUS$	Others ThUS$	Mining Properties ThUS$	Total ThUS$
Initial balance at January 1, 2011	2,606	1,780	214	892	493	890,152	896,134
Additions	-	-	-	-	-	-	-
Amortization	(38)	(1,187)	(212)	(48)	(6)	(39,638)	(41,129)
Total movement	(38)	(1,187)	(212)	(48)	(6)	(39,638)	(41,129)
Closing balance at 31.12.2012	2,568	593	2	844	487	850,514	855,005

The Company has no intangible assets with restrictions and/or granted as security for liabilities, neither does it have commitments to acquire new intangible assets. As of March 31, 2013 there are no fully-amortized intangible assets still in use

16. Property, plant and equipment

16.1 Classes of property, plant and equipment

Net and gross values by class of property, plant and equipment as of March 31, 2013 and 2012 are as follows:

Property, plant and equipment, net

	31.03.2013 ThUS$	31.12.2012 ThUS$
Ongoing construction	1,166,224	920,630
Land	348,083	348,082
Constructions and infrastructure	343,720	347,492
Plant, machinery & equipment	707,361	721,349
Furniture & office machinery	1,836	1,908
Information Technology Equipment	48	39
Mining reserves	93,730	94,879
Vehicles	2,504	2,604
Other property, plant & equipment	64,548	65,215
Total property, plant & equipment	2,728,054	2,502,198

Property, plant and equipment, gross

	31.03.2013 ThUS$	31.12.2012 ThUS$
Ongoing construction	1,166,224	920,630
Land	348,083	348,082
Constructions and infrastructure	722,306	720,907
Plant, machinery & equipment	2,018,374	2,018,019
Furniture & office machinery	6,280	5,827
Information Technology Equipment	974	959
Mining reserves	368,769	368,768
Vehicles	6,805	6,741
Other property, plant & equipment	164,086	163,743
Total property, plant & equipment	4,801,901	4,553,676

Restrictions on fixed assets granted in guarantee

The subsidiary Cleanairtech Sudamérica S.A. signed a loan agreement on April 18 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 drawing of the loan from these banks, all the assets of Cleanairtech Sudamérica S.A. were charged in guarantee. As of March 31, 2013 the amount of fixed assets so charged is ThUS$ 95,391.

The Company as of March 31, 2013 has not charged any other specific fixed assets as security for its obligations.

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

Accumulated depreciation	31.03.2013 ThUS$	31.12.2012 ThUS$
Constructions and infrastructure	(378,586)	(373,415)
Plant, machinery & equipment	(1,311,013)	(1,296,670)
Furniture & office machinery	(4,444)	(3,919)
Information Technology Equipment	(926)	(920)
Mining reserves	(275,039)	(273,889)
Vehicles	(4,301)	(4,137)
Other property, plant & equipment	(99,538)	(98,528)
Total accumulated depreciation	(2,073,847)	(2,051,478)

Fully depreciated fixed assets still in use

There are no significant fully-depreciated fixed assets as of March 31, 2013 that are still in use.

16.2 Movement:

The accounting movement of property, plant and equipment, net, in the periods to March 31, 2013 and December 31, 2012 was as follows:

To March 31, 2013

Property, plant & equipment, net	Ongoing construction ThUS$	Land ThUS$	Contructions and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Initial balance at January 1, 2013	920,630	348,082	347,492	721,349	1,908	39	2,604	94,879	65,215	2,502,198
Additions	249,508	2	1,126	1,351	39	15	55	-	824	252,920
Reclassifications	(3,904)	(1)	255	3,650	-	-	17	1	(18)	-
Retirements & write downs	(10)	-	-	(253)	(18)	-	(8)	-	-	(289)
Charge for depreciation	-	-	(5,153)	(18,822)	(93)	(6)	(164)	(1,150)	(1,495)	(26,883)
Other increases (decreases)	-	-	-	86	-	-	-	-	22	108
Closing balance at March 31, 2013	**1,166,224**	**348,083**	**343,720**	**707,361**	**1,836**	**48**	**2,504**	**93,730**	**64,548**	**2,728,054**

Year 2012

Property, plant & equipment, net	Ongoing construction ThUS$	Land ThUS$	Contructions and infrastructure ThUS$	Plant, machinery & equipment ThUS$	Furniture & office machinery ThUS$	Information technology equipment ThUS$	Vehicles ThUS$	Mining Reserves ThUS$	Others ThUS$	Total ThUS$
Initial balance at January 1, 2012	289,414	333,625	350,519	714,026	1,603	33	2,115	94,550	55,378	1,841,263
Additions	708,976	14,990	449	31,156	437	27	1,023	63,788	12,083	832,929
Reclassifications	(76,911)	(533)	17,185	52,210	333	-	59	-	7,657	-
Retirements & write downs	(849)	-	(140)	(1,167)	-	-	(14)	-	(25)	(2,195)
Charge for depreciation	-	-	(20,521)	(75,203)	(465)	(21)	(594)	(63,459)	(9,903)	(170,166)
Other increases (decreases)	-	-	-	327	-	-	15	-	25	367
Closing balance at December 31, 2012	**920,630**	**348,082**	**347,492**	**721,349**	**1,908**	**39**	**2,604**	**94,879**	**65,215**	**2,502,198**

16.3 Additional information

The fixed assets mainly comprise, land, buildings, infrastructure, machinery and equipment in mines, pellets plant, mineral loading ports, steel mill and mooring, in Compañía Siderúrgica Huachipato S.A. and Compañía Minera del Pacífico S.A. They also include the industrial plants of the subsidiaries Cintac, Centroacero and Instapanel in Chile and those of Tupemesa in Lima, Peru, and Tasa in Argentina.

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

As part of the IFRS first-adoption process, the Group decided to book certain plots of land at fair value as the attributed cost on the transition date of January 1, 2009. The fair values of land amounted to ThUS$ 305,572, as determined by an external specialist in the Group's industry.

- **Temporarily idle assets**

In Compañía Siderúrgica Huachipato S.A. it was decided as of March 31, 2013, to suspend temporarily the production of cold-rolled sheets. The residual value of the assets involved in this cold roller is ThUS$ 51,096 and they have continued to be depreciated in accordance with IAS 16. No provisions have been made for this temporary stoppage.

- **Construction in progress**

Construction in progress as of March 31, 2013 amounts to ThUS$ 1,166,224 and as of December 31, 2012 to ThUS$ 920,630. 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., for ThUS$973,774 as of March 31, 2013 (ThUS$ 760,067 as of December 31, 2012), directly related to the acquisition of equipment and buildings, principally relating to the Cerro Negro Norte and Huasco Valley expansion projects.

2) In Compañía Siderúrgica Huachipato S.A., for ThUS$29,638 as of March 31, 2013 (ThUS$ 24,468 as of December 31, 2012), whose most important investments are for energy efficiency, quay and raw materials management, roller rectifier, toad improvements, tree planting, access, green areas and other minor items.

3) In Cintac S.A., for ThUS$ 10,004 as of March 31, 2013 (ThUS$ 11,782 at December 31, 2012), directly related to the company's business activities, mainly in installations and machinery.

4) In Intasa S.A. for ThU$ 14 as of March 31, 2013 (ThUS$ 33 as of December 31, 2012) mainly in the acquisition of equipment and buildings.

5) In CAP S.A. for ThUS$ 1,359 as of March 31, 2013 (ThUS$1,083 as of December 31, 2012), principally construction and renovation projects.

6) In Cleanairtech Sudamerica S.A. for ThUS$ 95,391 as of March 31, 2013 (ThUS$ 69,669 as of December 31, 2012), for the construction of the desalination plant.

7) In Tecnocap S.A. for ThUS$ 56,039 as of March 31, 2013 (ThUS$ 53,528 as of December 31, 2012), essentially for the construction of electricity transmission lines.

Policy for estimating dismantling and restoration costs

Obligations arise for dismantling and restoration expenses when the environment is affected by the preparation of the location and erection of an installation and/or carrying out some work or task. These costs are estimated at the start of the project based on a formal works closure plan originating them, and are subject to periodic revision.

The estimated costs arising from the obligation to dismantle an installation are updated to present value and incorporated in fixed assets, having a provision as the cross-entry. These dismantling costs are charged to results over the life of the work together with the depreciation of the asset and form part of the cost of sales, and the use of the respective provision is made at the time the dismantling takes place.

Restoration costs are estimated at the start of the works at their present value, making a provision against results. 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 booked as a financial expense.

The work of an external specialist and internal experts, plus the judgment and experience of the Company's management, is used to estimate dismantling and restoration costs.

- **Assets under financial leases**

Other property, plant and equipment includes the following assets acquired under financial leases:

	31.03.2013 ThUS$	**31.12.2012** ThUS$
Land under financial leases, net	1,808	1,808
Buildings under financial leases, net	11,538	11,625
Machinery & equipment under financial leases, net	8,738	8,955
Plant & equipment under financial leases, net	16,740	16,740
Motor vehicles under financial leases, net	46	62
Total	38,870	39,190

Leased land and buildings include the value of the corporate building acquired under a leasing agreement with purchase option with Banco Crédito e Inversiones. As of March 31, 2013, the net value amounts to ThUS$ 13,346. The contract provides for 96 equal payments of UF 4,873.79 plus VAT, with an annual interest rate of 6.35%, plus a purchase option of the same amount. This contract is payable from September 15, 2008 in monthly installments and finally expires in 2016.

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

Financial 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 6.18% and their maturities are up to 4 years.

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

	31.03.2013			31.12.2012		
	Gross	**Interest**	**Present value**	**Gross**	**Interest**	**Present value**
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Less than one year	8,169	(1,266)	6,903	8,615	(921)	7,694
Between one and five years	29,059	(4,325)	24,734	15,021	(2,364)	12,657
More than five years	9,841	(486)	9,355	-	-	-
Total	**47,069**	**(6,077)**	**40,992**	**23,636**	**(3,285)**	**20,351**

Insurance

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

Accident at Punta de Totoralillo port

On December 18, 2011, the loading conveyer belt transfer tower of Punta Totoralillo port caught fire, making it impossible to load ships. Repairs have now been completed and the port has been operating since the end of March 2012. As of December 31, 2012 the subsidiary Compañía Minera del Pacifico S.A. books an insurance claim receivable of ThUS$ 6,767, which is shown in Sundry debtors (Note 7).

The final indemnity was received from the insurance company during January 2013, amounting to ThUS$ 6,767. The loss for the company was ThUS$ 500, corresponding to the respective deductible.

- **Depreciation charge**

The depreciation of the 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.

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

	Minimum average useful life years	**Maximum Average life years**	**Weighted average useful life years**
Buildings and infrastructure	20	67	44
Plant, machinery and equipment	5	66	36
Equipment Information Technology	3	8	6
Vehicles and other	9	19	14
Other property, plant and equipment	16	30	23

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

The charge to comprehensive results for depreciation of fixed assets included in the cost of sales and administrative expenses is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	**01.01.2012 31.03.2012 ThUS$**
In cost of sales	24,408	42,646
In administrative & selling expenses	254	221
Other expenses by function	14	24
Total	24,676	42,891

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	**01.01.2012 31.03.2012 ThUS$**
Depreciation of projects (*)	2,207	1,204
Total	2,207	1,204

(*) 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. Income tax and deferred taxes

17.1 Income tax shown in results for the year

Income tax booked in results during the periods ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013	**01.01.2012 31.03.2012**
	ThUS$	ThUS$
Income tax income (expense)	(23,787)	(36,375)
Credit (charge) for current tax	(52)	2,135
Current tax income (expense)	(9,553)	(13,072)
Total Current tax income (expense), net	(33,392)	(47,312)
Deferred income taxes income (expense)		
Income (expense) due to deferred taxes related to the creation and reversal of temporary differences	10,929	8,582
Reclassification valuation provision	(170)	(246)
Credit (charge) for deferred taxes for the temporary tax loss difference	-	(902)
Tax benefit for tax losses	-	1,972
Other charges	(17)	(14)
Income (expense) due to deferred taxes on temporary differences of fixed assets	(10,658)	2,091
Total income (expense) due to deferred taxes, net	84	11,483
Total income (expense) due to income tax	(33,308)	(35,829)

17.2 Reconciliation of accounting result and tax result

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

	Accumulated	
	01.01.2013 31.03.2013	**01.01.2012 31.03.2012**
	ThUS$	ThUS$
Anual profit (loss) before taxes	100,311	151,673
Legal Tax rate	20%	18,50%
Tax (expense) income using the statutory rate	(20,062)	(28,057)
Tax effect of non-taxable revenue	250	9
Tax benefit of tax losses	(4,481)	1,972
Effect of taxes specific to mining	(9,553)	(13,072)
Effect of temporary differences of taxes specific to mining	231	2,268
Tax effect of nondeductible from tax expenses	59	759
Provision valuation	(170)	(270)
Other increase (decrease) in statutory tax charge	418	562
Total adjustment to tax expense using statutory rate	(13,246)	(7,772)
Tax (Expense) Income using the effective rate	(33,308)	(35,829)

The tax rate used for the reconciliation as of March 31, 2013 corresponds to a corporate tax rate of 20% that entities have to pay on their taxable income under current tax regulations. The specific tax rate applicable to mining activities as of March 31, 2013 is 7.02%.

The tax rate used for the reconciliation as of March 31, 2012 corresponds to a corporate tax rate of 18.5% that entities have to pay on taxable income under current tax regulations. The specific tax rate applicable to mining activities as of March 31, 2012 is 7.62%.

The specific tax applicable to mining activities, contained in Law 20,469, establishes that Chilean companies like CMP may accept a system of a fixed tax rate similar to that provided in DL600 for foreign investment. CMP decided not to opt for the fixed rate permitted under that law.

The indirect subsidiary Tubos Argentina S.A. has a corporate income tax rate of 35%.

17.3 Deferred taxes

The detail of deferred tax assets and liabilities as of March 31, 2013 and December 31, 2012 is as follows:

Deferred tax assets booked relating to:	**31.03.2013 ThUS$**	**31.12.2012 ThUS$**
Provision for doubtful accounts	4,658	4,659
Obsolescence provision	614	614
Holiday Provision	4,668	4,975
Provision seniority award	13,465	13,073
Lease payables	10,260	412
Fiscal losses	-	403
Derivative instruments and hedging	6,121	6,841
Others	13,267	19,649
Total deferred tax assets	53,053	50,626

Deferred tax liabilities booked relating to:	**31.03.2013 ThUS$**	**31.12.2012 ThUS$**
Depreciation property, plant & equipment	176,222	170,814
Compensation for years of service	5,354	5,390
Prepaid expenses	1,535	1,711
Inventories	7,514	9,486
Deferred charges, bonds and swaps	2,502	2,624
Intangible assets (*)	212,132	214,108
Total deferred tax liabilities	405,259	404,133
Net Value	(352,206)	(353,507)

(*) 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:	**31.03.2013 ThUS$**	**31.12.2012 ThUS$**
Assets Not Current	14,118	16,023
Liabilities Not Current	(366,324)	(369,530)
Net	(352,206)	(353,507)

17.4 Balances of deferred taxes

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

Movement in deferred tax liabilities	31.03.2013 ThUS$	31.12.2012 ThUS$
Deferred tax assets (liabilities), opening balance	(353,507)	(327,410)
Increase (decrease) in asset (liability) due to deferred taxes	(7)	(24,790)
Others	1,308	(1,307)
Total changes in assets (liabilities) due to deferred taxes	1,301	(26,097)
Ending balance of assets (liabilities) due to deferred taxes	(352,206)	(353,507)

18. Other financial debt, current and non-current.

The detail of interest-bearing loans for the years ended March 31, 2013 and December 31, 2012 is as follows:

18.1 Obligations with financial entities:

Current	31.03.2013 ThUS$	31.12.2012 ThUS$
Loans from financial entities	105,831	133,196
Bonds payable	2,044	2,083
Overdrafts	9,425	8,872
Finance Leasing	7,102	7,381
Enabled Expenses related to loans	(2,490)	(2,499)
Hedge liabilities	8,002	7,447
Total	**129,914**	**156,480**

Non-current	31.03.2013 ThUS$	31.12.2012 ThUS$
Loans from financial entities	318,713	289,191
Bonds payable	238,110	238,110
Finance Leasing	34,085	12,362
Enabled Expenses related to loans	(10,285)	(10,698)
Hedge liabilities	30,604	33,240
Total	**611,227**	**562,205**

18.2 Maturities and currencies of obligations with financial entities:

The following shows the detail of loans from financial entities, overdrafts and financial leases:

As of March 31, 2013

												31.03.2013						
												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	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP	Chile	59.002.220-9	The bank of Tokyo	USA	US$	1.85%	Variable	Libor 180 + 1,25	Semi annual		1,777	-	1,777	100,000	100,000	-	200,000
92.544.000-0	Cintac	Chile	97.032.000-8	Banco Bbva	Chile	US$	1.39%	Variable	Lib.3M + Spr.	Monthly		4,939	2,773	7,712	-	-	-	-
92.544.000-0	Cintac	Chile	97.023.000-9	Banco Corpbanca	Chile	US$	1.14%	Variable	Lib.3M + Spr.	Monthly		527	-	527	-	-	-	-
92.544.000-0	Cintac	Chile	97.949.000-3	Banco HSBC	Chile	US$	0.73%	Variable	Lib.3M + Spr.	Monthly		448	-	448	-	-	-	-
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	1.48%	Variable	Lib.3M + Spr.	Monthly		6,368	11,646	18,014	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	1.30%	Variable	Lib.3M + Spr.	Monthly		10,922	5,598	16,520	-	-	-	-
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	1.65%	Variable	Lib.3M + Spr.	Monthly		2,446	-	2,446	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	1.35%	Variable	Lib.3M + Spr.	Monthly		12,459	1,189	13,648	-	-	-	-
92.544.000-0	Cintac	Chile	97.018.000-1	Banco Scotia	Chile	US$	1.55%	Variable	Lib.3M + Spr.	Monthly		5,406	438	5,844	-	-	-	-
92.544.000-0	Cintac	Chile	97.053.000-2	Banco Security	Chile	US$	2.04%	Variable	Lib.3M + Spr.	Monthly		8,921	253	9,174	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	3.80%	Variable	Lib.3M + Spr.	Semi annual		-	1,803	1,803	6,666	6,668	-	13,334
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	3.81%	Variable	Tab 6M +Spr.	Semi annual		-	1,814	1,814	6,665	6,668	-	13,333
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	3.81%	Variable	Tab 6M +Spr.	Semi annual		-	1,814	1,814	6,665	6,668	-	13,333
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	3.81%	Variable	Lib.6M + Spr.	Semi annual		-	1,814	1,814	6,666	6,668	-	13,334
76.498.850-7	Puerto Las Losas S.A.	Chile	97.006.030-8	Bco.Credito e Inversiones	Chile	US$	3.46%	Fixed	3.46%	Monthly		1,799	433	2,232	2,598	864	-	3,462
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	5.50%	Fixed	5.50%	Quarterly		807	-	807	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.73%	Fixed	4.73%	Quarterly		174	500	674	1,000	-	-	1,000
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.79%	Fixed	4.79%	Quarterly		86	250	336	48	-	-	48
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly		144	-	144	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly		3,593	-	3,593	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly		200	-	200	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000845-4	Banco Rio	Argentina	ARS	19.00%	Fixed	19.00%	Monthly		583	-	583	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	18.00%	Fixed	18.00%	Monthly		1,148	-	1,148	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	18.25%	Fixed	18.25%	Monthly		765	-	765	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	19.00%	Fixed	19.00%	Monthly		569	-	569	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly		3,207	-	3,207	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	21.25%	Fixed	21.25%	Monthly		470	-	470	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	16.50%	Fixed	16.50%	Monthly		770	-	770	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.50%	Fixed	16.50%	Monthly		1,817	-	1,817	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	20.00%	Fixed	20.00%	Monthly		96	-	96	-	-	-	-
76.399.400-7	Cleanairtech Sudamérica S.A.	Francia	45-0566494	Credit Agricole	Chile	US$	3.32%	Variable	Libor 180 días + 2,75%	Semi annual		-	154	154	7,583	15,165	37,913	60,661
Foreign	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	US$	2.70%	Variable	Lib.6M + Spr.	Monthly		14,336	-	14,336	208	-	-	208
											Total	**84,777**	**30,479**	**115,256**	**138,099**	**142,701**	**37,913**	**318,713**

As of December 31, 2012

											31.12.2012						
											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	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP	Chile	59002220-9	The bank of Tokyo	USA	US$	1.96%	Variable	Libor 180 + 1,25	Semi annual	-	814	814	100,000	100,000	-	200,000
92.544.000-0	Cintac	Chile	97.032.000-8	Banco Bbva	Chile	US$	1.67%	Variable	Lib.4M + Spr.	Annual	8,021	4,921	12,942	-	-	-	-
92.544.000-0	Cintac	Chile	97.023.000-9	Banco Corpbanca	Chile	US$	2.34%	Variable	Lib.3M + Spr.	Monthly	9,829	-	9,829	-	-	-	-
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	1.22%	Variable	Lib.3M + Spr.	Monthly	18,779	-	18,779	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	1.50%	Variable	Lib.3M + Spr.	Monthly	5,801	-	5,801	-	-	-	-
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	1.56%	Variable	Lib.3M + Spr.	Monthly	2,446	-	2,446	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	1.58%	Variable	Lib.3M + Spr.	Monthly	21,305	-	21,305	-	-	-	-
92.544.000-0	Cintac	Chile	97.018.000-1	Banco Scotia	Chile	US$	1.69%	Variable	Lib.3M + Spr.	Monthly	11,594	-	11,594	-	-	-	-
92.544.000-0	Cintac	Chile	97.053.000-2	Banco Security	Chile	US$	1.79%	Variable	Lib.3M + Spr.	Monthly	6,838	3,235	10,073	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	CLP	3.81%	Variable	Tab 6M +Spr.	Semi annual	-	1,672	1,672	6,665	6,668	-	13,333
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	CLP	3.81%	Variable	Tab 6M +Spr.	Semi annual	-	1,671	1,671	6,665	6,668	-	13,333
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	3.81%	Variable	Lib.6M + Spr.	Semi annual	-	1,671	1,671	6,666	6,668	-	13,334
92.544.000-0	Cintac	Chile	96.720.830-2	BCI Factorng SA	Chile	CLP	6.94%	Fixed	fija 6,94%	Semi annual	14,413	-	14,413	-	-	-	-
76.498.850-7	Puerto Las Losas S.A.	Chile	97.006.030-8	Bco.Credito e Inversiones	Chile	US$	3.46%	Fixed	3.46%	Monthly	-	2,194	2,194	2,598	864	-	3,462
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	6.00%	Fixed	6.00%	Quarterly	807	-	807	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.73%	Fixed	4.73%	Quarterly	176	501	677	1,165	-	-	1,165
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.81%	Fixed	4.81%	Quarterly	86	249	335	133	-	-	133
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	3,660	-	3,660	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	204	-	204	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000845-4	Banco Rio	Argentina	ARS	19.90%	Fixed	19.90%	Monthly	295	-	295	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	17.00%	Fixed	17.00%	Monthly	1,195	-	1,195	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	18.00%	Fixed	18.00%	Monthly	675	-	675	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly	593	-	593	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly	3,495	-	3,495	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	20.75%	Fixed	20.75%	Monthly	497	-	497	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	16.50%	Fixed	16.50%	Monthly	797	-	797	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.16%	Fixed	16.16%	Monthly	1,284	-	1,284	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	17.25%	Fixed	17.25%	Monthly	41	-	41	-	-	-	-
76.399.400-7	Cleanairtech Sudamérica S.A.	Francia	45-0566494	Credit Agricole	Chile	US$	3.01%	Fixed	Libor 180 días + 0,0275	Semi annual	280	-	280	9,703	11,090	23,565	44,358
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Chile	US$	2.70%	Fixed	Lib.6M + Spr.	Monthly	12,029	-	12,029	73	-	-	73
										Total	**125,140**	**16,928**	**142,068**	**133,668**	**131,958**	**23,565**	**289,191**

18.3 The following is a detail of interest-bearing leases:

Current period

											31.03.2013						
											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	3 to 5 years	Over 5 years	Total Non current
94.638.000-8	CMP	Chile	97.006.030-6	Banco Crédito Inversiones	Chile	US$	6.60%	Fixed	Fixed 6,60%	Monthly	402	-	402	-	-	-	-
94.638.000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	US$	6.10%	Fixed	Fixed 6,10%	Monthly	5	-	5	-	-	-	-
94.638.000-8	CMP	Chile	97.030.000-7	Banco Estado	Chile	US$	3.82%	Fixed	Fixed 3,82%	Monthly	-	-	-	5,763	7,418	9,355	22,536
79.807.570-5	IMOPAC	Chile	97.006.030-6	Banco Crédito Inversiones	Chile	US$	5.73%	Fixed	Fixed 5,73%	Monthly	114	349	463	526	-	-	526
94.637.000-2	CSH	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	574	1,776	2,350	6,550	-	-	6,550
94.637.000-2	CSH	Chile	96.980.910-9	Precisión S.A.	Chile	US$	11.04%	Fixed	11.04%	Monthly	847	2,792	3,639	4,321	-	-	4,321
Extranjero	Tupemesa	Perú	Extranjero	Banco Credito del Perú	Perú	US$	2.80%	Variable	2.80%	Monthly	199	-	199	150	-	-	150
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	12.00%	Fixed	12.00%	Monthly	15	29	44	2	-	-	2
										Total	**2,156**	**4,946**	**7,102**	**17,312**	**7,418**	**9,355**	**34,085**

Previous period

											31.12.2012						
											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	3 to 5 years	Over 5 years	Total Non current
94-638.000-8	CMP	Chile	97-006.030-8	Banco Crédito Inversiones	Chile	US$	6.60%	Fixed	Fixed 6,60%	Monthly	296	402	698	-	-	-	-
94.638.000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	US$	6.10%	Fixed	Fixed 6,10%	Monthly	8	5	13	-	-	-	-
79.807.570-5	IMOPAC	Chile	97.006.030-6	Banco Crédito Inversiones	Chile	US$	5.73%	Fixed	Fixed 5,73%	Monthly	112	345	457	643	-	-	643
94.637.000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	555	1,718	2,273	7,024	-	-	7,024
94.637.000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fixed	11.04%	Monthly	990	2,824	3,814	4,678	-	-	4,678
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	US$	2.80%	Variable	2.80%	Monthly	63	-	63	13	-	-	13
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	12.00%	Fixed	12.00%	Monthly	18	44	62	4	-	-	4
11.401.499/0001-65	Steel House do Brasil Comercio Ltda	Brasil	49.925.225/0001-48	Banco Itau	Brasil	Otras	13.95%	Fixed	13.95%	Monthly	1	-	1	-	-	-	-
										Total	**2,043**	**5,338**	**7,381**	**12,362**	**-**	**-**	**12,362**

18.4 The detail of amounts due not discounted to present value (estimates of cash flows that the Group should disburse) of obligations with financial entities is as follows:

As of March 31, 2013

											31.03.2013						
											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	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP	Chile	59.002.220-9	The bank of Tokyo	USA	US$	1.85%	Variable	Libor 180 + 1,25	Semi annual	1,850	1,850	3,700	156,013	50,463	-	206,475
92.544.000-0	Cintac	Chile	97.032.000-8	Banco Bbva	Chile	US$	1.39%	Variable	Lib.3M + Spr.	Monthly	4,944	2,785	7,729	-	-	-	-
92.544.000-0	Cintac	Chile	97.023.000-9	Banco Corpbanca	Chile	US$	1.14%	Variable	Lib.3M + Spr.	Monthly	528	-	528	-	-	-	-
92.544.000-0	Cintac	Chile	97.949.000-3	Banco HSBC	Chile	US$	0.73%	Variable	Lib.3M + Spr.	Monthly	448	-	448	-	-	-	-
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	1.48%	Variable	Lib.3M + Spr.	Monthly	6,382	11,707	18,089	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	1.30%	Variable	Lib.3M + Spr.	Monthly	10,949	5,621	16,570	-	-	-	-
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	1.65%	Variable	Lib.3M + Spr.	Monthly	2,453	-	2,453	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	1.35%	Variable	Lib.3M + Spr.	Monthly	12,488	1,195	13,683	-	-	-	-
92.544.000-0	Cintac	Chile	97.018.000-1	Banco Scotia	Chile	US$	1.55%	Variable	Lib.3M + Spr.	Monthly	5,417	440	5,857	-	-	-	-
92.544.000-0	Cintac	Chile	97.053.000-2	Banco Security	Chile	US$	2.04%	Variable	Lib.3M + Spr.	Monthly	8,945	254	9,199	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	3.80%	Variable	Lib.3M + Spr.	Semi annual	-	2,234	2,234	7,501	6,993	-	14,494
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	3.81%	Variable	Tab 6M +Spr.	Semi annual	-	2,246	2,246	7,502	6,990	-	14,492
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	3.81%	Variable	Tab 6M +Spr.	Semi annual	-	2,245	2,245	7,503	6,993	-	14,496
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	3.81%	Variable	Lib.6M + Spr.	Semi annual	-	2,245	2,245	7,501	6,989	-	14,490
76.498.850-7	Puerto Las Losas S.A.	Chile	97.006.030-8	Bco.Credito e Inversiones	Chile	US$	3.46%	Fixed	3.46%	Monthly	1,830	500	2,330	2,842	888	-	3,730
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	5.50%	Fixed	5.50%	Quarterly	811	-	811	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.73%	Fixed	4.73%	Quarterly	187	500	687	1,000	-	-	1,000
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.79%	Fixed	4.79%	Quarterly	89	250	339	48	-	-	48
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	151	-	151	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	3,759	-	3,759	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	209	-	209	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000845-4	Banco Rio	Argentina	ARS	19.00%	Fixed	19.00%	Monthly	592	-	592	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	18.00%	Fixed	18.00%	Monthly	1,165	-	1,165	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	18.25%	Fixed	18.25%	Monthly	777	-	777	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	19.00%	Fixed	19.00%	Monthly	578	-	578	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly	3,250	-	3,250	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-604731101-8	Banco Comafi	Argentina	ARS	21.25%	Fixed	21.25%	Monthly	478	-	478	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	16.50%	Fixed	16.50%	Monthly	781	-	781	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.50%	Fixed	16.50%	Monthly	1,842	-	1,842	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	20.00%	Fixed	20.00%	Monthly	98	-	98	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	US$	2.70%	Variable	Lib.6M + Spr.	Monthly	14,479	-	14,479	150	-	-	150
76.399.400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	US$	3.32%	Variable	Libor 180 + 2,75%	Semi annual	79	10,788	10,867	14,329	15,192	33,746	63,267
										Total	**85,559**	**44,860**	**130,418**	**204,389**	**94,508**	**33,746**	**332,642**

As of December 31, 2012

											31.12.2012						
											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	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP	Chile	59.002.220-9	The bank of Tokyo	USA	US$	1.96%	Variable	Libor 180 + 1,25	Semi annual	1,960	1,960	3,920	107,350	101,470	-	208,820
92.544.000-0	Cintac	Chile	97.032.000-8	Banco Bbva	Chile	US$	1.67%	Variable	Lib.3M + Spr.	Monthly	8,050	4,944	12,994	-	-	-	-
92.544.000-0	Cintac	Chile	97.023.000-9	Banco Corpbanca	Chile	US$	2.34%	Variable	Lib.3M + Spr.	Monthly	9,869	-	9,869	-	-	-	-
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	US$	1.22%	Variable	Lib.3M + Spr.	Monthly	18,826	-	18,826	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	US$	1.50%	Variable	Lib.3M + Spr.	Monthly	5,808	-	5,808	-	-	-	-
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	1.56%	Variable	Lib.3M + Spr.	Monthly	2,448	-	2,448	-	-	-	-
92.544.000-0	Cintac	Chile	76.645.030-K	Banco Itau	Chile	US$	1.58%	Variable	Lib.3M + Spr.	Monthly	21,332	-	21,332	-	-	-	-
92.544.000-0	Cintac	Chile	97.018.000-1	Banco Scotia	Chile	US$	1.69%	Variable	Lib.3M + Spr.	Monthly	11,600	-	11,600	-	-	-	-
92.544.000-0	Cintac	Chile	97053000-2	Banco Security	Chile	US$	1.79%	Variable	Lib.3M + Spr.	Monthly	6,847	3,258	10,105	-	-	-	-
92.544.000-0	Cintac	Chile	97.006.000-6	Banco Crédito Inversiones	Chile	CLP	3.81%	Variable	Tab 6M +Spr.	Semi annual	2,983	1,671	4,654	8,077	6,990	-	15,067
92.544.000-0	Cintac	Chile	97.030.000-7	Banco Estado	Chile	CLP	3.81%	Variable	Tab 6M +Spr.	Semi annual	2,983	1,671	4,654	8,077	6,993	-	15,070
92.544.000-0	Cintac	Chile	97.036.000-K	Banco Santander	Chile	US$	3.81%	Variable	Lib.6M + Spr.	Semi annual	-	1,671	1,671	8,077	6,989	-	15,066
92.544.000-0	Cintac	Chile	96.720.830-2	BCI Factorng SA	Chile	CLP	6.94%	Fixed	6.94%	Semi annual	14,521	-	14,521	-	-	-	-
76.498.850-7	Puerto Las Losas S.A.	Chile	97.006.030-8	Bco.Credito e Inversiones	Chile	US$	3.46%	Fixed	3.46%	Monthly	-	2,330	2,330	2,842	888	-	3,730
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	US$	6.00%	Fixed	6.00%	Quarterly	812	-	812	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.73%	Fixed	4.73%	Quarterly	189	501	690	1,165	-	-	1,165
30-62286204-9	Tubos Argentinos SA	Argentina	97.006.030-8	Banco BCI	USA	US$	4.81%	Fixed	4.81%	Quarterly	89	249	338	133	-	-	133
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	3,788	-	3,788	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	18.50%	Fixed	18.50%	Quarterly	212	-	212	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000845-4	Banco Rio	Argentina	ARS	19.90%	Fixed	19.00%	Monthly	300	-	300	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-58018941-1	Banco Itau	Argentina	ARS	17.00%	Fixed	17.00%	Monthly	1,212	-	1,212	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	18.00%	Fixed	18.00%	Monthly	685	-	685	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000173-5	Banco Galicia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly	601	-	601	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.00%	Fixed	16.00%	Monthly	3,542	-	3,542	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-60473101-8	Banco Comafi	Argentina	ARS	20.75%	Fixed	20.75%	Monthly	506	-	506	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	33-53718600-9	Banco HSBC	Argentina	ARS	16.50%	Fixed	16.50%	Monthly	808	-	808	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	ARS	16.16%	Fixed	16.16%	Monthly	1,301	-	1,301	-	-	-	-
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000319-3	Banco Frances	Argentina	ARS	17.25%	Fixed	17.25%	Monthly	42	-	42	-	-	-	-
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	US$	2.70%	Variable	Lib.6M + Spr.	Monthly	12,029	-	12,029	73	-	-	73
76.399.400-7	Cleanairtech Sudamérica S.A.	Chile	45-0566494	Credit Agricole	Francia	US$	3.01%	Variable	Libor 180 + 0,0275	Semi annual	1,074	1,757	2,831	13,210	13,604	29,599	56,413
										Total	**134,416**	**20,012**	**154,428**	**149,004**	**136,934**	**29,599**	**315,537**

18.5 Leasing not discounted:

As of March 31, 2013

											31.03.2013						
											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	3 to 5 years	Over 5 years	Total Non current
94.638.000-8	CMP	Chile	97.006.030-6	Banco de Crédito e Inversiones	Chile	USD	6.60%	Fixed	6.60%	Monthly	408	-	408	-	-	-	-
94.638.000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	USD	6.10%	Fixed	6.10%	Monthly	5	-	5	-	-	-	-
94.638.000-8	CMP	Chile	97.030.000-7	Banco Estado	Chile	USD	3.82%	Fixed	3.82%	Monthly	-	-	-	7,029	8,435	9,841	25,305
79.807.570-5	Imopac	Chile	97.006.030-6	Banco de Crédito e Inversiones	Chile	USD	5.73%	Fixed	5.73%	Monthly	124	374	498	540	-	-	540
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	708	2,126	2,834	7,084	-	-	7,084
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fixed	11.04%	Monthly	981	3,396	4,377	5,777	-	-	5,777
30-62286204-9	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	USD	12.00%	Fixed	12.00%	Monthly	15	29	44	2	-	-	2
										Total	**2,241**	**5,925**	**8,166**	**20,432**	**8,435**	**9,841**	**38,708**

As of December 31, 2012

											31.12.2012						
											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	3 to 5 years	Over 5 years	Total Non current
94.638.000-8	CMP	Chile	97.006.030-6	Banco de Crédito e Inversiones	Chile	USD	6.60%	Fixed	6.60%	Monthly	306	407	713	-	-	-	-
94.638.000-8	CMP	Chile	97.036.000-k	Banco Santander	Chile	USD	6.10%	Fixed	6.10%	Monthly	8	5	13	-	-	-	-
79.807.570-5	Imopac	Chile	97.006.030-6	Banco de Crédito e Inversiones	Chile	USD	5.73%	Fixed	5.73%	Monthly	125	373	498	664	-	-	664
94637000-2	CSH	Chile	97006000-6	Banco Crédito Inversiones	Chile	UF$	6.35%	Fixed	6.35%	Monthly	696	2,087	2,783	7,654	-	-	7,654
94637000-2	CSH	Chile	96980910-9	Precisión S.A.	Chile	US$	11.04%	Fixed	11.04%	Monthly	1,132	3,396	4,528	6,230	-	-	6,230
Foreing	Tubos Argentinos SA	Argentina	30-50000661-3	Banco Patagonia	Argentina	USD	12.00%	Fixed	12.00%	Monthly	18	44	62	4	-	-	4
Extranjero	Tupemesa	Perú	Extranjero	Banco Crédito del Perú	Perú	USD	2.80%	Variable	2.80%	Monthly	75	-	75	42	-	-	42
11.401.499/0001-65	Steel House do Brasil Comercio Ltda	Brasil	49.925.225/0001-48	Banco Itau	Brasil	Otras	13.95%	Fixed	13.95%	Monthly	1	-	1	-	-	-	-
										Total	**2,361**	**6,312**	**8,673**	**14,594**	**-**	**-**	**14,594**

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

Current period

31.03.2013															31.03.2013			
										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	(Yars)	Less than 90 days	Over 90 days	Total	1 to 3 years	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP S.A.	Chile	Bond Series F	434	US$	Libo 180 + 2,25%	Variable	Semi-annual	171,480,000	At maturity	10	1,799	-	1,799	-	-	171,480	171,480
91.297.000-0	CAP S.A.	Chile	International bond type 144-A	External	US$	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	245	245	-	-	66,630	66,630
Issue & placement costs												-	-	(1,820)	-	-		(8,839)
													Total	224				229,271

Previous period

31.12.2012															31.12.2012			
										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	(Yars)	Less than 90 days	Over 90 days	Total	1 to 3 years	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP S.A.	Chile	Bond Series F	434	US$	Libo 180 + 2,25%	Variable	Semi-annual	171,480,000	At maturity	10	609	-	609	-	-	171,480	171,480
91.297.000-0	CAP S.A.	Chile	International bond type 144-A	Externo	US$	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	1,474	1,474	-	-	66,630	66,630
Issue & placement costs												-	-	(1,820)	-	-	-	(9,293)
														-	-	-	-	-
													Total	263				228,817

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

Current period

31.03.2013																			31.03.2013
													Current			Non-current			
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	Amortization of capital	Term (Yars)	Less than 90 days	Over 90 days	Total	1 to 3 years	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP S.A.	Chile	Bond Series F	434	US$	2.250%	Libo 180 + 2,25%	Variable	Semi-annual	171,480,000	At maturity	10	3,544	-	**3,544**	23,805	19,044	176,241	219,090
91.297.000-0	CAP S.A.	Chile	International bond type 144-A	External	US$	7.375%	7.375%	Fixed	Semi-annual	66,630,000	At maturity	30	-	2,512	**2,512**	12,450	9,966	89,759	112,175
												Total	**3,544**	**2,512**	**6,056**	**36,255**	**29,010**	**266,000**	**331,265**

Previous period

31.12.2012																			31.12.2012
													Current			Non-current			
Tax No. debtor	Debtor	Country of origin	Identification	N° of Registry	Currency	Effective interest rate	Nominal interest rate	type of rate	payment of interest	Nominal value	Amortization of capital	Term (Yars)	Less than 90 days	Over 90 days	Total	1 to 3 years	3 to 5 years	Over 5 years	Total Non current
91.297.000-0	CAP S.A.	Chile	Bond Series E	434	US$	2.250%	Libo 180 + 2,25%	Fixed	Semi-annual	171,480,000	At maturity	10	5,110	-	**5,110**	30,660	20,440	176,590	227,690
91.297.000-0	CAP S.A.	Chile	Bond Series F	Externo	US$	7.375%	0.07375	Fija	Semi-annual	66,630,000	At maturity	30	-	2,512	**2,512**	12,450	9,966	89,759	112,175
												Total	**5,110**	**2,512**	**7,622**	**43,110**	**30,406**	**266,349**	**339,865**

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 applicable spread.

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: Up to ThUS$ 123,000
- 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 drawing.
- 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.

Financing of Cintac S.A.

a. In September 2008, Cintac S.A. signed two long-term loan agreements with Banco Santander, Madrid, for ThUS$ 30,000 for a term of 5 years, with 2 years grace, and with semi-annual repayments at a rate of Libor 180 days plus a spread of 1.30% annually. Of this amount, approximately ThUS$ 21,409 was used to prepay short-term debts related to import letters of credit. The balance remained in cash and time deposits at the closing date of the financial statements. In December 2012, the company prepaid these loans and signed a new 5-year loan with Banco Santander Chile for ThUS$15,000, including semi-annual repayments as a rate of Libor 180 days plus 3.3% annually, used to prepay the long-term loan the company has with Banco Santander, Madrid. As of March 31, 2013 and December 31, 2012 the non-current balance outstanding amounts to ThUS$13,333 and ThUS$13,333 respectively. As a result, 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.

b. On April 9, 2009, the indirect subsidiary Cintac S.A.I.C. refinanced short-term bank loans at long term for the dollar equivalent of ThCh$ 18,000,000 through loans obtained from Banco de Crédito e Inversiones for ThCh$ 9,000,000 and Banco Estado for ThCh$ 9,000,000. Both loans have a term of 5 years with 2 years 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 March 31, 2013 and December 31, 2012, the non-current balance outstanding amounts to ThUS$26,667and ThUS$21,667 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, Cintac S.A. carried out a with-recourse factoring transaction with BCI Factoring for ChTh$ 15,931 million (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 repaid by a loan granted by Banco Itau at a rate of LIBOR 180 days plus a spread of 1.30% for a 5-year term with semi-annual repayments as of December 31, 2012 (ThUS$14,462) and was repaid on January 5, 2013.

As of March 31, 2013 and December 31, 2012, the short-term portion of the long-term loans mentioned in (a) and (b) above, for ThUS$7,245 (ThUS$5,014) respectively, are also included.

Obligations under bond issues

On May 15, 2008, the Company placed bonds on the domestic market: Series E for UF 2,000,000, a term of 5 years and a placement yield of 3.75%. On May 16, 2011, the Company partially redeemed these bonds in advance, with the payment of principal of UF 1,964,000, leaving a balance of UF 36,000 of this issue outstanding. Later, on October 25, 2011, it made a further partial redemption of UF29,000, and the balance of the Series E of UF 7,000 was redeemed on June 14, 2012.

On May 15, 2008, the Company placed on 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%.

19. Financial instruments

19.1 Financial instruments by category, Financial Assets

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

As of March 31, 2013	Held to maturity ThUS$	Loans and receivables ThUS$	Assets at fair value through profit or loss ThUS$	Hedge derivatives ThUS$ (1)	Total ThUS$
Derivative financial instruments	-	-	-	2,116	2,116
Trade debtors & accounts receivable	-	391,888	-	-	391,888
Accounts receivable related entities	-	2,768	-	-	2,768
Cash and cash equivalents	325,194	-	-	-	325,194
Other financial assets	279,163	7,476	25,000	212	311,851
Total financial assets	**604,357**	**402,132**	**25,000**	**2,328**	**1,033,817**

As of December 31, 2012	Held to maturity ThUS$	Loans and receivables ThUS$	Assets at fair value through profit or loss ThUS$	Hedge derivatives ThUS$ (1)	Total ThUS$
Derivative financial instruments	-	-	-	12,190	12,190
Trade debtors & accounts receivable	-	457,850	-	-	457,850
Accounts receivable related entities	-	6,509	-	-	6,509
Cash and cash equivalents	295,297	-	-	-	295,297
Other financial assets	403,846	1,567	-	-	405,413
Total financial assets	**699,143**	**465,926**	**-**	**12,190**	**1,177,259**

(1) As of March 31, 2013 and December 31, 2012, derivative instrument assets are shown net of liabilities for the same concept.

19.2 Financial instruments by category, Financial Debt

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

As of March 31, 2013	Loans and accounts payable ThUS$	Hedge derivatives ThUS$ (1)	Total ThUS$
Interest-bearing loans	661,743	-	661,743
Trade creditors and payable	526,339	-	526,339
Accounts payable related entities	95,139	-	95,139
Liabilities Coverage	-	38,606	38,606
Other financial liabilities	40,792	-	40,792
Total financial liabilities	**1,324,013**	**38,606**	**1,362,619**

As of December 31, 2012	Loans and accounts payable ThUS$	Hedge derivatives ThUS$ (1)	Total ThUS$
Interest-bearing loans	658,398	-	658,398
Trade creditors and payable	485,405	-	485,405
Accounts payable related entities	116,587	-	116,587
Liabilities Coverage	-	40,687	40,687
Other financial liabilities	19,600	-	19,600
Total financial liabilities	**1,279,990**	**40,687**	**1,320,677**

(1) As of March 31, 2013 and December 31, 2012, derivative instrument liabilities are shown net of assets for the same concept.

19.3 Interest-rate and exchange risks, assets

The exposure of the Company's financial assets to interest-rate and exchange risks is as follows:

As of March 31, 2013

	Financial assets			
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Interest free ThUS$
Dollar	674,124	-	324,703	349,421
UF	212	-	-	212
Peruvian soles	361	-	-	361
Argentine pesos	14,642	-	-	14,642
Chilean pesos	344,022	-	32,845	311,177
Other currencies	456	-	5	451
Total financial assets	**1,033,817**	**-**	**357,553**	**676,264**

As of December 31, 2012

	Financial assets			
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Interest free ThUS$
Dollar	735,899	-	87,568	648,331
Peruvian soles	315	-	-	315
Argentine pesos	11,961			11,961
Chilean pesos	428,485	-	41,862	386,623
other currencies	599	-	-	599
Total financial assets	**1,177,259**	**-**	**129,430**	**1,047,829**

19.4 Interest-rate and exchange risks, Liabilities

The exposure of the Company's financial liabilities to interest-rate and exchange risks is as follows:

As of March 31, 2013

	Financial liabilities				Rate financial liabilities	
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Interest free ThUS$	Average rate %	Average term years
Dollar	1,124,109	342,376	447,192	334,541	2.81%	12
UF	12,573	2,295	8,900	1,378	5.35%	5
Peruvian soles	415	-	-	415	0.00%	2
Argentine pesos	17,834	-	13,359	4,475	16.89%	1
Chilean pesos	207,617	-	-	207,617	7.52%	5
Other currencies	71	-	-	71	0.00%	1
Total financial liabilities	**1,362,619**	**344,671**	**469,451**	**548,497**		

As of December 31, 2012

	Financial liabilities				Rate financial liabilities	
	Total ThUS$	Floating rate ThUS$	Fixed rate ThUS$	Interest free ThUS$	Average rate %	Average term years
Dollar	1,085,631	188,150	501,612	395,869	3.06%	12
UF	13,174	-	1,774	-	5.35%	5
Peruvian soles	1,541	-	-	1,541	0.00%	2
Argentine pesos	16,252	-	12,736	3,516	16.89%	1
Chilean pesos	192,886	-	14,413	178,473	7.52%	5
Other currencies	11,193	-	-	11,193	0.00%	1
Total financial liabilities	**1,320,677**	**188,150**	**530,535**	**590,592**		

20. Trade creditors and other accounts payable

The detail of trade creditors, sundry creditors and other accounts payable as of March 31, 2013 and December 31, 2012 is as follows:

	Current	
	31.03.2013 ThUS$	31.12.2012 ThUS$
Trade creditors	411,506	355,132
Sundry creditors	5,258	5,825
Advance payment for sale of minera	9,197	11,509
Dividends payable	45,547	57,650
Withholdings	3,624	6,617
Notes payable	34,713	27,922
Other accounts payable	16,494	20,750
Total	**526,339**	**485,405**

The average term for payments to suppliers is 30 days so the fair value does not differ significantly from the book value.

21. Provisions

21.1 The detail of current and non-current provisions is as follows:

	Current		Non-Current	
	31.03.2013 ThUS$	31.12.2012 ThUS$	31.03.2013 ThUS$	31.12.2012 ThUS$
Provision for lawsuits	277	251	-	-
Provision for restoration	-	-	13,280	13,280
Provision for results participation	760	2,779	-	-
Partipation Directory	1,241	-	-	-
Volume discounts	2,493	3,720	-	-
Provision operational	7,371	-	-	-
Other provisions	6,729	14,808	756	640
Total other provisions	18,871	21,558	14,036	13,920

21.2 The movement in provisions is as follows:

To March 31, 2013

Current	Provision for lawsuits ThUS$	Provision for results participation ThUS$	Participation Directory MUS$	Volume Discounts ThUS$	Provision operational ThUS$	Other provisions ThUS$
Initial balance at January 1, 2013	251	2,779	-	3,720	-	14,808
Additional provisions	45	476	1,241	-	-	8,234
Provisions used	(19)	-	-	(6,195)	-	(984)
Transfer to short term	-	-	-	-	-	-
Reversal provision	-	(2,495)	(183)	-	-	-
Increase (decrease) in foreign exchange	-	-	-	130	-	89
Other increases (decreases)	-	-	183	4,838	7,371	(15,418)
Closing balance at March 31, 2012	277	760	1,241	2,493	7,371	6,729

Non-Current	Provision for restoration ThUS$	Other Provisions ThUS$
Initial balance at January 1, 2013	13,280	640
Additional provisions	-	116
Closing balance at March 31, 2013	13,280	756

Year 2012

Current	Provision for lawsuits ThUS$	Provision for results participation ThUS$	Volume Discounts ThUS$	Other provisions ThUS$
Initial balance at January 1, 2012	213	11,290	4,518	8,139
Additional provisions	184	81	18,021	8,864
Provisions used	(131)	(7,970)	(33,406)	(341)
Increase (decrease) in foreign exchange	(15)	378	649	335
Other increases (decreases)	-	(1,000)	13,938	(2,189)
Closing balance at December 31, 2012	251	2,779	3,720	14,808

Non-Current	Provision prepaid bons ThUS$	Provision for restoration ThUS$	Other Provisions ThUS$
Initial balance at January 1, 2012	12,283	5,814	1,303
Additional provisions	-	7,466	-
Provisions used	(12,283)	-	(663)
Closing balance at December 31, 2012	-	13,280	640

22. Other non-financial liabilities

The detail of other liabilities as of March 31, 2013 and December 31, 2012 is as follows:

	Current		Non-Current	
	31.03.2013 ThUS$	31.12.2012 ThUS$	31.03.2013 ThUS$	31.12.2012 ThUS$
Income for sales in advance	967	998	-	-
Advance sales Mineral Glencore AG. (*)	-	-	75,000	-
Advance sales Mineral Deutsche Bank (*)	-	-	65,984	65,984
Mineral sale advance Pioneer Metals (*)	-	-	5,107	5,107
Advance sale mineral Prosperity Steel (*)	-	-	30,000	25,000
Others	4,596	4,775	22	4
Total	5,563	5,773	176,113	96,095

(*) These relate to mineral sales advances. The short-term portion booked in this respect amounts to ThUS$ 9,197 in 2013 (ThUS$11,509 as of December 31, 2012), and is shown in Trade creditors and other accounts payable (Note 20).

23. Employee benefits and expenses, current and non-current

The Group has made a provision to cover severance payments and long-service awards to be paid to personnel under collective agreements.

The detail of the main concepts included in the employee benefits provision as of March 31, 2013 and December 31, 2012 is the following:

Provisions for employee benefits

	Current		Non-Current	
Concept	31.03.2013 ThUS$	31.12.2012 ThUS$	31.03.2013 ThUS$	31.12.2012 ThUS$
Holiday Provision	12,544	13,375	9,760	10,728
Compensation for years of service	1,451	4,026	100,095	95,751
Seniority bonus provision	10,271	10,825	54,338	51,836
Other personnel provisions	22,824	18,158	493	485
Profit Sharing	412	253	-	-
Total personnel provisions	47,502	46,637	164,686	158,800

The provisions for severance payments and long-service awards are determined based by an actuarial calculation, using an annual discount rate of 6%.

The principal assumptions used for the actuarial calculation are:

Actuarial bases used	31.03.2013	31.12.2012
Discount rate	6.00%	6.00%
Expected rate of wage increases	1,00%-1,75%	1,00%-1,75%
Rotation Index	1.00%	1.00%
Rotation Index - retirement due to business needs	1.00%	1.00%
Age of retirement		
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.

The movement in provisions is as follows:

To March 31, 2013

Current	Holiday provision ThUS$	Compensation for years of service ThUS$	Seniority bonus ThUS$	Other personnel provisions ThUS$	Profit sharing ThUS$
Initial balance at January 1, 2013	13,375	4,026	10,825	18,158	253
Additional provisions	1,934	241	789	4,470	253
Provisions used	(4,097)	(3,854)	(1,523)	(1,965)	(125)
Clasification to short term	252	85	647	8	-
Increase (decrease) in foreign exchange rate	239	83	180	1,264	22
Other increases (decreases)	841	870	(647)	889	9
Closing balance at march 31, 2013	12,544	1,451	10,271	22,824	412

Non-current	Holiday provision ThUS$	Compensation for years of service ThUS$	Seniority bonus ThUS$	Other personnel provisions ThUS$	Profit sharing ThUS$
Initial balance at January 1, 2013	10,728	95,751	51,836	485	-
Additional provisions	72	3,349	244	-	-
Provisions used	(5)	(1,730)	(447)	-	-
Clasification to short term	(252)	(85)	(647)	(8)	-
Reversal provision	-	-	10	-	-
Increase (decrease) in foreign exchange rate	181	2,134	2,051	-	-
Other increases (decreases)	(964)	676	1,291	16	-
Closing balance at march 31, 2013	9,760	100,095	54,338	493	-

Year 2012

Current	Holiday provision ThUS$	Compensation for years of service ThUS$	Seniority bonus ThUS$	Other personnel provisions ThUS$	Profit sharing ThUS$
Initial balance at January 1, 2012	10,420	2,348	8,983	20,006	261
Additional provisions	5,766	436	2,155	4,954	498
Provisions used	(7,907)	(8,191)	(11,159)	(10,238)	(635)
Clasification to short term	397	9,266	10,110	-	-
Reversal provision	-	-	-	(350)	-
Increase (decrease) in foreign exchange rate	602	167	736	248	85
Other increases (decreases)	4,097	-	-	3,538	44
Closing balance at december 31, 2012	13,375	4,026	10,825	18,158	253

Non-current	Holiday provision ThUS$	Compensation for years of service ThUS$	Seniority bonus ThUS$	Other personnel provisions ThUS$
Initial balance at January 1, 2012	6,597	81,304	55,045	448
Additional provisions	4,016	18,144	2,193	-
Provisions used	(28)	(2,335)	(878)	-
Clasification to short term	(397)	(9,266)	(10,110)	-
Reversal provision	-	-	-	-
Increase (decrease) in foreign exchange rate	540	7,923	5,586	37
Other increases (decreases)	-	(19)	-	-
Closing balance at december 31, 2012	10,728	95,751	51,836	485

Classes of personnel expenses

Personnel expenses for the years ended March 31, 2013 and 2012 are as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Wages and salaries	40,330	32,526
Short term benefits to employees	15,250	16,772
Compensation for years of service	4,580	4,560
Seniority award	2,159	2,622
Other staff costs	11,398	9,569
Total	**73,717**	**66,049**

24. Equity

24.1 Subscribed and paid capital and number of shares:

The Company's capital as of March 31, 2013 is made up as follows:

Number of shares

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

Capital

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

24.2 Dividend policy and reserve for proposed dividends.

Under current legislation, at least 30% of the earnings 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 11, 2012 agreed the following dividend policy:

1. To continue with the policy of distributing 50% of distributable earnings as the final dividend. It was therefore agreed to propose to the shareholders meeting of 2013 that, provided earnings are produced in 2012, 50% of the earnings be distributed as a final dividend.

2. The board was also authorized to agree the distribution of interim dividends against the year 2012 provided earnings are generated during that year and there are no accumulated losses.

3. The board was also 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$ 23,515 for proposed dividends as of March 31, 2013 and ThUS$ 126,363 as of December 31, 2012, equivalent to 50% of distributable earnings.

The dividends declared during the periods 2013 and 2012 were the following:

Dividend Type	Number	Amount ThUS$	Payment Date
Interim	108	43,176	1/11/2012
final	109	46,001	4/20/2012
final	110	44,670	7/24/2012
final	111	32,375	10/26/2012
Interim	112	15,063	10/26/2012
Interim	113	46,706	1/15/2013

24.3 Other reserves

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

	31.03.2013 ThUS$	31.12.2012 ThUS$
Hedge reserves	(24,782)	(19,836)
Conversion reserve	4,088	3,605
Others	342	-
Total	**(20,352)**	**(16,231)**

24.4 Distributable net earnings

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

- The results of the fair value of assets and liabilities corresponding to CAP S.A. arising from its subsidiary CMP's 50% prior shareholding in Compañía Minera Huasco S.A., that are not realized as a result of the merger with that company. These results will be reintegrated in earnings in the year in which they are realized.

The detail of distributable earnings is as follows:

	31.03.2013 ThUS$	31.03.2012 ThUS$
Total Gain	45,145	84,244
Adjustment as per policy:		
Embodiment of utility from the business combination with CMP Cia Minera Huasco S.A. conducted during the year	1,886	2,753
Distributable net income	**47,031**	**86,997**

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

	31.12.2012	31.03.2013	
Calculation of non-distributable income of subsidiary CMP	**Effects of CMP-CMH merge** ThUS$	**Non-distribuitable earnings realized in the** ThUS$	**Non-distributable earnings for realized** ThUS$
Gain on combination of businesses	419,716		419,716
Realization of fair value (*)	(52,151)	(3,341)	(55,492)
Deferred taxes	(30,898)	826	(30,072)
Non-distributable net income CMP subsidiary	336,667	(2,515)	334,152
Share non distributable net income of CAP S.A. (74,999%)	252,497	(1,886)	250,611

(*) The gain in fair value from the combination of businesses (merger) of CMP and Cia. Minera Huasco S.A. in 2010 is realized by the amortization of the mining claims and the depreciation of the fixed assets revalued at fair value by the subsoidiary CMP.

24.5 IFRS first-adoption adjustments

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

The following table shows the portion of the principal IFRS first-adoption adjustments that have been considered as unrealized and the evaluation of their realization as of March 31, 2013 and December 31, 2012:

		31.12.2012		31.03.2013	
	First-adoption adjustments at 01-01-2009 ThUS$	**Amount realized in year ThUS$**	**Balance to be realized ThUS$**	**Amount realized in year ThUS$**	**Balance to be realized ThUS$**
Appraisal as attributed cost of land	305,572	(91)	305,481	-	305,481
Property, plant & equipment at revalued cost	19,949	(3,106)	16,843	(307)	16,536
Negative goodwill	16,445	-	16,445	-	16,445
Remeasurement of fixed assets due to change in functional currency and other IFRS adjustments	11,669	(7,818)	3,851	-	3,851
Deferred taxes	(60,118)	1,857	(58,261)	52	(58,209)
Total	**293,517**	**(9,158)**	**284,359**	**(255)**	**284,104**

24.6 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 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.

25. Non-controller participation

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:

	Non-controller share		Noncontrolling interest on equity		Share in results Accumulated	
Company	**31.03.2013**	**31.12.2012**	**31.03.2013**	**31.12.2012**	**01.01.2013 31.03.2013**	**01.01.2012 31.03.2012**
	%	**%**	**ThUS$**	**ThUS$**	**ThUS$**	**ThUS$**
Manganeso Atacama S.A.	0.59000	1.09000	29	100	-	-
Cìa. Siderúrgica Huachipato S.A.	0.0001	0.0002	1	1	-	-
Cìa. Minera del Pacífico S.A.	25.0001	25.0005	1,100,869	1,097,829	20,578	27,764
Novacero S.A.	47.3200	47.3200	45,584	45,337	620	1,502
Cintac S.A.	38.0360	38.0360	68,092	67,495	1,193	2,673
Intasa S.A.	19.3657	38.0360	1,923	2,024	(110)	(185)
Puerto Las Losas S.A.	49.0000	49.0000	23,482	23,896	(414)	(297)
Cleanairtech S.A.	49.0000	5.0000	40,031	33,915	(9)	143
Total			1,280,011	1,270,597	21,858	31,600

26. Ordinary revenue, other revenue, expenses by function and other gains (losses)

26.1 Ordinary revenues

The detail of ordinary revenues for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Proceeds from sale of Mineral	**264,618**	**321,179**
Proceeds from sale of mineral	193,316	233,055
Proceeds from sale of pellets	65,967	84,886
Other mineral products	5,335	3,238
Proceeds from sale of Steel	**189,048**	**256,922**
Proceeds from sales of processed steel	185,021	254,554
Sales of services	4,027	2,368
Ingresos por venta de Procesamiento de Acero	**111,312**	**116,196**
Proceeds from resale	110,374	114,840
Proceeds from services	115	486
Revenue from resale	823	870
Products and other	**197**	**468**
(Elimination intercompany transactions)	**(78,540)**	**(101,664)**
Total	486,635	593,101

26.2 Other revenue

The detail of other revenue by function for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Sale of limestone	501	189
Sale of services	628	843
Other income and adjustments	1,802	1,771
Sale of scrap and by-products	456	-
Total	3,387	2,803

26.3 Other expenses by function

The detail of other expenses by function for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Drilling and exploration	4,215	6,916
Management non-operating expenses	8,617	5,225
Freight for steel sales	1,200	1,786
Others	1,630	1,859
Totales	15,662	15,786

26.4 Other gains (losses)

The detail of other gains (losses) for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
International Bond Reevalución rescue (*)	-	12,163
Lower cost estimate contingent liabilities	-	3,070
Conducting project development results by	3,453	-
Others	323	-
Totales	3,776	15,233

(*) As stated in Note 21, the management of CAP S.A. in 2012 decided not to continue with its bond re-purchase program, as authorized by the board on July 7, 2011, proceeding to reverse the prepayment costs provisioned as of December 31, 2011 for the eventual prepayment of the foreign bond issue.

27. Financial income

The detail of financial income for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Investments held to maturity	6,670	3,458
Hedge contracts	5,712	5,225
Total	12,382	8,683

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

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Investments in time deposits and mutual funds	6,510	3,226
Investments in mutual funds	63	172
Interest on hedging contracts	5,712	5,225
Others	97	60
Total	12,382	8,683

28. Financial costs

The detail of financial costs for the years ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Interest expense, bank loans	2,832	3,035
Foreign suppliers expense	312	571
Interest expense, bonds	2,471	2,527
Expense/income of net financial derivatives valuation	2,290	1,778
Amortization expense activated	607	672
Interest on leasing	215	-
Other financial expenses	456	504
Total	**9,183**	**9,087**

29. Depreciation and amortization

The detail for the periods ended March 31, 2013 and 2012 is as follows:

	Accumulated	
	01.01.2013 31.03.2013 ThUS$	01.01.2012 31.03.2012 ThUS$
Depreciation	24,676	42,891
Amortization of Intangibles	8,179	10,822
Other amortization	28	28
Total	32,883	53,741

30. Operative segments

The following analysis of business and geographic segments is required by IFRS 8 - Financial information by segments, to be shown by entities whose capital or debt instruments are traded publicly, or which are in the process of placing shares or debt instruments on 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 Company. These divisions form the basis on which the Group reports its primary information segments. The principal products and services of each of its 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 objects are the creation of solutions in steel mainly for the construction, industry and infrastructure sectors in Chile and abroad.

CAP Holding Company: Corresponds to the corporate management headquarters.

Results by segment

	Acumulated											
	01.01.2013 31.03.2013						01.01.2012 31.03.2012					
	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	264,618	189,048	111,312	197	(78,540)	486,635	321,179	256,922	122,549	468	(108,017)	593,101
Cost of sales	(131,587)	(196,681)	(93,724)	(1,015)	75,834	(347,173)	(147,871)	(268,049)	(102,260)	(1,177)	108,262	(411,095)
Gross margin	**133,031**	**(7,633)**	**17,588**	**(818)**	**(2,706)**	**139,462**	**173,308**	**(11,127)**	**20,289**	**(709)**	**245**	**182,006**
Other revenues, by function	1,589	2,177	-	6,998	(7,377)	3,387	1,698	1,090	-	10,257	(10,242)	2,803
Distribution costs	-	-	(6,442)	-	-	(6,442)	-	-	(6,172)	-	-	(6,172)
Administrative expenses	(12,145)	(13,041)	(6,331)	(4,256)	7,144	(28,629)	(15,064)	(13,488)	(6,097)	(4,685)	10,002	(29,332)
Other expenses, by function	(14,135)	(1,521)	-	(6)	-	(15,662)	(13,767)	(2,019)	-	-	-	(15,786)
Other gains (losses)	-	-	14	3,762	-	3,776	-	-	(47)	15,280	-	15,233
Profit (loss) from operating activities	**108,340**	**(20,018)**	**4,829**	**5,680**	**(2,939)**	**95,892**	**146,175**	**(25,544)**	**7,973**	**20,143**	**5**	**148,752**
Financial income	4,649	-	160	9,368	(1,795)	12,382	3,226	-	309	6,708	(1,560)	8,683
Financial costs, net	(339)	(2,397)	(1,820)	(6,655)	2,028	(9,183)	(95)	(2,423)	(2,147)	(6,222)	1,800	(9,087)
Share in profit of associates accounted for using the method of participation	(31)	(12)	-	37,774	(37,761)	(30)	66	94	2,235	66,539	(68,975)	(41)
Exchange differences	(542)	(10)	828	871	1	1,148	(2,251)	3,820	1,736	(52)	2	3,255
Result by readjustment unit	-	80	22	-	-	102	-	23	91	(3)	-	111
Income (loss) before tax	**112,077**	**(22,357)**	**4,019**	**47,038**	**(40,466)**	**100,311**	**147,121**	**(24,030)**	**10,197**	**87,113**	**(68,728)**	**151,673**
(Expense) income for income tax	(29,764)	742	(1,449)	(2,837)	-	(33,308)	(36,067)	4,538	(1,732)	(2,568)	-	(35,829)
Income (loss) after tax	**82,313**	**(21,615)**	**2,570**	**44,201**	**(40,466)**	**67,003**	**111,054**	**(19,492)**	**8,465**	**84,545**	**(68,728)**	**115,844**

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

Assets and Liabilities by Segment

	31.03.2013					
	Mininga	Steel	Steel processing	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	636,404	421,313	264,440	732,064	(374,473)	1,679,748
Non-current assets	2,457,236	774,777	154,312	2,713,267	(2,477,204)	3,622,388
Total Assets	**3,093,640**	**1,196,090**	**418,752**	**3,445,331**	**(2,851,677)**	**5,302,136**
Current liabilities	456,325	418,180	164,043	164,146	(366,898)	835,796
Non-current liabilities	533,989	201,928	65,665	601,591	(70,787)	1,332,386
Total Liabilities	**990,314**	**620,108**	**229,708**	**765,737**	**(437,685)**	**2,168,182**

	31.12.2012					
	Mininga	Steel	Steel processing	Others (1)	Eliminations (1)	Total
	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$	ThUS$
Current assets	686,076	401,992	272,864	797,705	(394,281)	1,764,356
Non-current assets	2,263,394	780,531	154,213	2,677,580	(2,473,448)	3,402,270
Total Assets	**2,949,470**	**1,182,523**	**427,077**	**3,475,285**	**(2,867,729)**	**5,166,626**
Current liabilities	424,868	386,402	186,372	248,861	(388,837)	857,666
Non-current liabilities	433,364	198,524	52,673	574,805	(58,816)	1,200,550
Total Liabilities	**858,232**	**584,926**	**239,045**	**823,666**	**(447,653)**	**2,058,216**

(1) These columns include the elimination adjustments on consolidation and the balances generated by CAP S.A.

Cash flows by segment

	Acumulated											
	01.01.2013 31.03.2013						01.01.2012 31.03.2012					
	Mininga	Steel	Steel processing	Others (1)	Eliminations (1)	Total	Mininga	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	284,896	101,700	20,627	60,955	(218,137)	250,041	224,744	189,662	12,344	2,926	(161,617)	268,059
Cash flows from (used in) investing activities	(199,334)	(8,090)	(3,131)	54,167	5,900	(150,488)	(19,179)	(6,096)	(1,971)	22,270	-	(4,976)
Cash flows from (used in) financing activities	(2,946)	(93,348)	(19,463)	(166,333)	212,243	(69,847)	(752)	(183,244)	(13,399)	(15,814)	161,621	(51,588)
	82,616	**262**	**(1,967)**	**(51,211)**	**6**	**29,706**	**204,813**	**322**	**(3,026)**	**9,382**	**4**	**211,495**

(1) These columns include the elimination adjustments on consolidation and the balances generated by CAP S.A.

Other information by segment

Geographic segments

The four divisions of CAP S.A. operate in 3 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 Company 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).

31. Guarantees to third parties

31.1 Direct guarantees

	Debtor		Committed assets			Outstanding balance		Release of security	
Creditor	Name	Relationship	Type of security	Currency	Book value ThUS$	31.03.2013 ThUS$	31.12.2012 ThUS$	2013 ThUS$	2014 onward ThUS$
BCI factoring	Cintac S.A.	Customer	Bank Guarantee	UF	-	-	14,413	-	-
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	USD	10	10	10	-	10
Corporación Nacional del Cobre	Cintac SAIC	Customer	Bank Guarantee	USD	10	10	10	-	10
Bateman Chile S.A.	Instapanel S.A.	Customer	Bank Guarantee	PESOS	24	24	24	-	24
Andriz Chile limitada	Cintac SAIC	Customer	Bank Guarantee	PESOS	31	31	31	-	31
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	207	207	201	-	207
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	134	134	132	-	134
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	205	205	204	-	205
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	1	1	1	-	1
Directemar	Puerto Las Losas S.A.	Supplier	Bank Guarantee	UF	550	550	540	-	550
Acciona Agua S.A.	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	USD	-	-	34,504	-	-
Ministerio de Bienes Nacionales	Cleanairtech Sudamerica S.A.	Supplier	Bank Guarantee	UF	116	116	-	29	87
Abengoa	Tecnocap S.A.	Supplier	Bank Guarantee	USD	4,285	4,285	7,712	-	4,285
				Total	5,573	5,573	57,782	29	5,544

As mentioned in Note 16.1, the subsidiary Cleanairtech Sudamérica S.A. signed a loan agreement on April 18 with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank, Ltd. for the project financing of the first phase of the seawater desalination plant the company is developing. On the first drawing from the banks under this agreement, all the assets of Cleanairtech Sudamérica S.A. will be charged in guarantee. As of March 31, 2013 the amount of assets charged is ThUS$ 95,391.

31.2 Indirect guarantees

	Debtor		Committed Assets			Outstanding balance		Release of security	
Creditor	Name	Relationship	Type of security	Currency	Book value ThUS$	31.03.2013 ThUS$	31.12.2012 ThUS$	2013 ThUS$	2013 onward ThUS$
International bond in US$	CAP S.A.	Parent	Solidarity	US$	66,876	66,876	68,104	246	66,630
					66,876	66,876	68,104	246	66,630

- Compañía Siderúrgica Huachipato S.A. and Compañía Minera del Pacífico S.A. granted their joint and several guarantees for the obligations of CAP S.A. with respect to the issue and placement on the domestic market of bonds in Unidades de Fomento Series D for UF 4,000,000 and Series E for UF 2,000,000, and international bond for Th$ 200,000. The whole of Series D was prepaid on April 1, 2011 and UF 1,993,000

was prepaid of the Series E on May 15 and October 25, 2011, leaving a balance of UF 7,000 which was prepaid on June 14, 2012. On September 15, 2011, the international bond was prepaid although it was only possible to liquidate 66.685%, leaving a balance of ThUS$ 66,630. Both companies are also joint and several guarantors of CAP S.A. for the issue of Series F US dollar bonds on the domestic market, whose total amount outstanding, including accrued interest, is ThUS$ 173,277 as of March 31, 2013. A bond-holders meeting of the Series E and F bonds held on December 22, 2011 approved the elimination and release of the guarantees of CMP and CSH in favor de CAP for these instruments, and on February 7, 2012, the Superintendency of Securities and Insurance approved these modifications.

- 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 company with Banco de Crédito e Inversiones and Banco Estado.

- The indirect subsidiary Cintac S.A.I.C. has pledged invoices in guarantee of a factoring operation with a financial entity amounting to ThUS$ 14,232 (historic).

- 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 customers of CAP Mining 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.

31.3 Collateral received from third parties

As of March 31, 2013, insurance policies contracted and guarantees received are as follows:

The Company and its subsidiaries have insurance policies covering their fixed assets and civil liability for a total amount of approximately ThUS$ 3,284,737 and other business risks for the projects of the subsidiary Cía. Minera del Pacífico like Cerro Negro Norte, APVH, electricity transmission line and desalination plant amounting to a total of ThUS$1,542,877. The maximum annual claim varies according to the policy and company affected by the claim.

The following are the guarantees received from third parties:

	Accumulated 31.03.2013 ThUS$	Accumulated 31.12.2012 ThUS$
Securities & notes received from suppliers & contractors to guarantee work & advances	215,343	219,154
Worker's mortgage guarantees for mortgage loans and others	1,985	2,259
Values in guarantee for sales	13,311	26,776
Collateral received for contracts (bank ballots and other)	24,174	18,314
Total	**254,813**	**266,503**

The indirect subsidiary Instapanel S.A. has received from customers performance bonds, guarantees, pledges and mortgages for ThUS$1,129, in the ordinary course of its business.

The indirect subsidiary Cintac S.A.I.C. has received mortgages from customers amounting to ThUS$447.

31.4 Commitments

Direct commitments

	Accumulated	
	31.03.2013 ThUS$	31.12.2012 ThUS$
Commitments to one year	1,644,223	1,403,865
Commitments over a year	5,692,320	4,952,660
Total	**7,336,543**	**6,356,525**

These commitments refer mainly to iron-ore 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 actually delivered each year.

Other commitments

1) Purchase orders and consignments

	Accumulated	
	Accumulated 31.03.2013 ThUS$	Accumulated 31.12.2012 ThUS$
Purchase orders placed	1,065,238	1,287,486
Consignment stock	1,737	2,089
Total	**1,066,975**	**1,289,575**

2) Others

The foreign 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 up to a total of ThUS$2.150.

As of March 31,2013 and 2012, Intasa S.A. guarantees Tubos Argentinos S.A. with respect to its obligations with Banco Patagonia Sudameris for a period of ten years up to a maximum of ThUS$ 4,000 and with Bci Miami for ThUS$3,000.

In August 2005, Tubos Argentinos S.A. gave its guarantee in favor of Banco Patagonia S.A. to cover for 10 years all the obligations with that bank up to a maximum sum of ThUS$ 3,000.

On September 9, 2008, a request was made to the Chilean Superintendency of Securities and Insurance to register a line of bonds of Cintac S.A. in the Securities Register, as required by Law 18,045 and Section IV of the general regulations of that authority.

On November 4, 2008, the SVS registered a line of bonds of Cintac S.A. in the Securities Register, under No.556 of that date, for a maximum amount of UF 1,500,000, with a 10-year term as from September 3, 2008.

As of March 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 to CMP fresh tailings sufficient to reach an estimated annual 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 fines at the magnetite plant.

Minera Hierro Antofagasta Project

Under a share subscription agreement signed in February 4, 2010, the subsidiary CMP subscribed for shares representing a 37.5% holding in Minera Hierro Antofagasta S.A., the remaining 62.5% belonging to SBX.

Payments for the shares subscribed were to be made on the following dates and in the following amounts:

a) Within 10 days of the date of the share subscription agreement, CMP would pay the sum of ThUS$ 5,000, corresponding to 212,766 shares equivalent to 17.54% of the capital.
b) Within 30 days from the date on which CMP decides, at its discretion, to continue the exploration of its stage 2, CMP would pay the sum of ThUS$ 2,500, corresponding to 100,000 shares. Should CMP decide not to continue such exploration, it will not be obliged to make the above payment, without any further liability.
c) Within 30 days from the date on which CMP decides, at its discretion, to continue the exploration of its stage 3, CMP would pay the sum of ThUS$ 7,511.2 corresponding to 287,234 shares. Should CMP decide not to continue such exploration, it will not be obliged to make the above payment, without any further liability.

On May 3, 2011 CMP announced its decision not to continue with that company's mine exploration stages 2 and 3, thus being released from payment of the share subscription price mentioned in the above paragraphs.

Purchase option contract for mining rights with Sociedad Minera el Aguila Limitada.

The subsidiary CMP has signed a contract granting Sociedad Minera el Aguila Limitada the option to buy, and offering irrevocably to sell, assign and transfer to the latter, a quota equal to 65% of each of the mining rights detailed in the contract, plus a quota equal to 65% of the manifestations and exploitation concessions detailed in the contract. The detail of the exploitation concessions is the following: Basin A, 1 to 51; Basin B, 1 to 28; Basin C, 1 to 51; Basin D, Basin E; Choapa, 1 to 10; Elqui, 1 to 14; Limarí, 1 to 15; Loa, 1 to 6; Maipo, 1 to 10; Toltén, 1 to 14. The details of the exploration concessions are as follows: Cachiyuyito 1; Cachiyuyito 2 and Cachiyuyito 3. The quota price offered is the equivalent in Chilean pesos of US$ 100,000.

Should Sociedad Minera el Aguila Limitada accept 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 will be 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. An

initial investment is estimated at ThUS$574.500. The project has its environmental approval, dated October 7, 2009. In December 2011, the company informed the SVS that the amount of this investment had risen to approximately ThUS$800,000.

Total disbursements to March 31, 2013 were ThUS$ 492,000, of which ThUS$ 96,500 corresponds to the year 2013.

- In August 2010, the company's board approved the Huasco Valley increased production project which consists of increasing the annual production capacity at the Huasco pellets plant by 2,000,000 tons of pellet feed annually, with 68% iron content. According to the basic engineering studies, the total investment in the project amounts to ThUS$413,000. Total disbursements to March 31, 2013 were ThUS$ 409,800 of which ThUS$ 70,800 relates to the year 2013.

Sales Advances

The following long-term sales contracts were signed by the subsidiary CMP during 2011 which include sales advances:

- Contract with Prosperity Steel United Singapore Pte. Ltd., Singapore, for the sale of 500,000 tons annually of pellets feed, for a 10-year term from April 1, 2013. The buyer commits to pay CMP an amount of ThUS$ 37,500 as an advance against sales. As of March 31, 2013 a total of ThUS$30,000 has been received of which ThUS$5,000 was received in 2013 and the rest in previous 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, a contract was signed with Glencore A.G., Switzerland, for the purchase of 1,000,000 tons annually of pellets feed between 2013 and 2019 inclusive. The buyer promised to pay the subsidiary ThUS$75.000 as a sales advance, which was fully received on February 27, 2013.

Mineral transportation contract from Los Colorados to the pellets plant

In October 2011, the subsidiary CMP formalized the renewal of its contract with Empresa de Transportes Ferroviario S.A. for the transportation of minerals from 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 commits to sell to 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.

Service contract with Santa Fe Mining

- In April 2011, the subsidiary CMP signed a service contract with Santa Fe Mining whereby CMP provides the service of receiving, storing or temporary stockpiling, handling and loading of iron ore produced by Santa Fe Mining from its own properties or over which it has the exploitation rights, to be loaded by the mechanized port of Punta Totoralillo owned by CMP. This contract has been operative since April 2012.

- In March 2012, the subsidiary CMP signed a service contract with Hierro Taltal S.C.M. whereby CMP provides the service of receiving, storing or temporary stockpiling, handling and loading of iron ore produced by Hierro Taltal S.C.M. from its own properties or over which it has the exploitation rights, to be loaded by the mechanized port of Punta Totoralillo owned by CMP.

Equipment leasing agreement for El Romeral mines

- In November 2012, the subsidiary CMP signed a leasing agreement with Banco del Estado de Chile for equipment for the continuation of El Romeral mines project. The equipment will be delivered at the end of 2013 and early 2014. The estimated total cost of the equipment is ThUS$130,000.

Electricity supply contract with Guacolda S.A.

- In September 2012, the subsidiary CMP signed an electricity supply contract with Guacolda S.A. whereby the latter supplies the subsidiary with the electricity it needs at its mining installations located primarily in the regions of Atacama and Coquimbo. Supplies will be made from January 1, 2016 to December 31, 2027.

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 is 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 of 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 3, 2013 a contract was signed between Cleanairtech Sudamérica S.A. and SCM Minera Lumina Copper Chile, whereby Cleanairtech is committed to meet the needs of the mine called Proyecto Minero Caserones, and other projects of third parties.

The customer has the right to a maximum of 170 liters per second of desalinated water in accordance with a weekly program of daily deliveries. Of this volume, 50 liters are for delivery in Caldera and 120 liters in Canal Mal Paso.

The company will use of its best efforts to begin the supply of water to the customer by January 1, 2014.

The customer will pay monthly in US dollars for cost of the production and delivery of desalinated water.

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.

Electricity Transmission Line Contract

The subsidiary Tecnocap S.A. signed a contract with Abengoa Chile for the execution of the electricity transmission line project at Punta Totoralillo. According to the administrative bases to the contract, Abengoa Chile has provided performance bonds which total ThUS$4,285 as of March 31, 2013.

31.5 Contingencies that could result in losses for the Group

(i) There are nine tax assessments brought by the Internal Revenue Service, all regarding stamp taxes, of which two are subject to appeals to the appeals court and one awaiting appeal to the Supreme Court, which have still not been heard. The remaining six are pending before the Santiago tax tribunals. The remaining six claims are pending the resolution of the Santiago taxation tribunals. There are also five tax claims, again with respect to stamp taxes, pending resolution. As of March 31, 2013, this contingency is ThUS$ 2,726 plus indexation and any fines that might be applied.

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 sued by Gladys Barraza Galleguillos, before the Freirina civil court, for the payment of damages totaling Ch$4,290,000,000 for non-contractual civil liability for the occupation of land for the catchment, storage and pumping installations to supply the Huasco pellets plant, the same as referred to previously. No losses for the company are expected for these proceedings.

(iii) 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.

(iv) The former indirect subsidiary Varco Pruden S.A. (now merged with Instapanel) has a civil lawsuit amounting to approximately ThUS$ 26. The legal advisers of the company cannot determine the result of this litigation.

(v) As of March 31, 2013, Compañía Siderúrgica Huachipato S.A. has received lawsuits against it relating to civil causes. In the opinion of its legal advisers, it is believed that these could affect the company's results by ThUS$ 85.

31.6 Liens of any kind that could affect the Group's assets.

As stated in Note 31.1, the subsidiary Cleanairtech Sudamérica S.A. signed a loan agreement on April 18, 2012 with Crédit Agricole CIB, Corpbanca and Mizuho Corporate Bank Ltd. for the project financing of the first phase of the seawater desalination plant that the company is developing. On the first drawing from the banks under this agreement, all the assets of Cleanairtech Sudamérica S.A.

31.7 Management restrictions and financial covenants

The loan agreement signed between the subsidiary CMP and Deutsche Bank AG for the sale of pellet feed, which involved an advance of ThUS$ 75,000, which was paid in September 2012, requires the subsidiary to meet the following consolidated financial covenants, calculated on the basis of rolling twelve-month periods:

i) Financial expense coverage - The ratio of EBITDA to net financial expenses should be at least 2.5:1. EBITDA is defined as the gross margin less administrative and distribution expenses and plus the charge for depreciation and amortization.

ii) Equity – The minimum level should be ThUS$ 550,000.

iii) Leverage Ratio – net financial debt to EBITDA should be no higher than 4.0:1. Net financial debt is the total of financial obligations less cash balances, time deposits and marketable securities for an amount exceeding ThUS$ 5,000.

The company has fully complied with all the limitations, restrictions and obligations imposed by the above agreement.

The loan agreements signed between CAP S.A. with local and foreign banks and for the bond issues placed on the domestic market, require the Company to meet the following consolidated financial covenants, calculated on the basis of rolling twelve-month periods:

i) Financial expense coverage – The ratio of EBITDA to net financial expenses should be at least 2.5:1.
ii) EBITDA is defined as the gross margin less administrative and distribution expenses and plus the charge for depreciation and amortization.
iii) Net Financial Debt to Equity - The net financial debt (NFD) to equity ratio must not exceed 1.2:1. NFD refers to all consolidated financial debt less cash balances, time deposits and marketable securities.
iv) Equity – The minimum level of equity must be ThUS$ 550,000.
v) Leverage Ratio – Since January 2011, net financial debt to EBITDA should be no higher than 4.0:1.

Net financial debt is the total of financial obligations less cash balances, time deposits and marketable securities for an amount exceeding ThUS$ 5,000.

The above ratios were the following as at the closing of these interim consolidated financial statements:

			Values	
Indicator	Description	Unit	31.03.2013	31.12.2012
Net Interest Expense Coverage	EBITDA last 12 months / (expense last 12 months - Financial revenue last 12 months)	Times (*)	(118.34)	(329.53)
Net Financial Debt to Equity	Net financial debt / Equity	Times	0.03	-
EBITDA (Leverage Ratio)	Net financial debt / EBITDA last 12 months	Times	0.16	0.01
Equity	Equity Total	THUS$	3,133,954	3,108,410

(*) Negative figure indicates that CAP net positive financial results (income) in the period.

CAP S.A. is also subject to the following other restrictions and limits:

a) Limitations on being able to dispose of or sell all or a substantial part of its assets.

b) Limitations on granting collateral over assets. For the bonds Series F, CAP S.A. has agreed to maintain assets free of encumbrances, guarantees, charges, restrictions or any kind of privilege (called negative covenants) to an amount equivalent to at least 0.5 times the amount of its total liabilities, as of the closing of its interim consolidated financial statements. This indicator is currently as follows:

			Values	
Indicator	Description	Unit	31.03.2013	31.12.2012
Liens restricted	(Assets at book value - assets with liens) / current liabilities	Times (*)	2.41	2.45

c) Obligation to provide quarterly financial information

d) Obligation to remain current under its commitments with third parties.

The indirect subsidiary Cintac S.A. is committed under loan agreements to provide periodic financial information and comply with financial ratios related to net financial debt to equity, financial expense coverage and net financial debt to EBITDA.

In addition, Novacero S.A. is committed to maintain at least a 51% shareholding in Cintac S.A.

The bank loan granted in 2008 to the indirect subsidiary Puerto Las Losas S.A. by Banco de Crédito e Inversiones requires this subsidiary to meet certain obligations, mainly referring to the provision of periodic financial information, not agreeing to capital reductions without the bank's prior consent, not distributing earnings if it is not current with the payment of its obligations, and not modifying or changing its business, except for extensions of it that might be agreed without the written consent of the bank.

The Company and its subsidiaries have complied and are fully in compliance with all the limitations, restrictions and obligations imposed by the loan agreements and bond issue indentures mentioned above.

32. The environment

The detail of disbursements related to the environment in the periods ended March 31, 2013 and 2012 is as follows:

Expenses incurred

	Accumulated	
Concept	**01.01.2013 31.03.2013 ThUS$**	**01.01.2012 31.03.2012 ThUS$**
Monitoring and analysis	177	367
Advising and improvement projects	3,655	2,199
Waste Management	19	16
Wastewater treatment	29	45
Others	23	48
Total	**3,903**	**2,675**

The detail of funds to be disbursed after March 31, 2013 is as follows:

Expenses to be made

Concept	**31.03.2013 ThUS$**
Monitoring and analysis	150
Advising and improvement projects	7,738
Waste management	21
EOR Plant Redesign	297
Secondary capture steel powders	200
Waste management area	281
Others	959
Total	**9,646**

33. Assets and liabilities by currency

Assets

IFRS Heading	Currency	31.03.2013 ThUS$	31.12.2012 ThUS$
Cash and cash equivalents	Non-indexed Arg $	14	15
	Non-indexed Ch$	71,262	101,977
	US$	253,570	193,026
	Peruvian soles	310	253
	Others	38	26
Other financial assets current	Non-indexed Ch$	27,918	97,431
	US$	278,361	318,605
	UF	212	-
Other non-financial assets, current	Non-indexed Arg $	46	36
	Non-indexed Ch$	21,457	23,225
	US$	19,991	15,520
	Peruvian soles	224	-
	Others	4,258	4,250
Trade and other receivables, net, current	Non-indexed Arg $	14,613	11,928
	Non-indexed Ch$	239,302	222,726
	US$	131,265	215,318
	Peruvian soles	51	62
	Others	418	573
	US$	2,768	6,509
	US$	523,077	474,222
Current tax assets	Non-indexed Arg $	1,562	2,043
	Non-indexed Ch$	66,273	72,984
	US$	21,960	2,910
	Peruvian soles	627	551
	Others	171	166
Other financial assets, non-current	Non-indexed Ch$	837	647
	US$	6,639	920
Other non-financial assets, non-current	Non-indexed Ch$	4,126	4,817
	US$	2,202	2,249
Rights receivable, non-current	Non-indexed Arg $	15	18
	Non-indexed Ch$	4,703	5,704
	US$	1,521	1,521
Investments accounted for using the equity method	US$	11,580	11,401
Intangible assets other than goodwill	US$	846,826	855,005
Property, plant and equipment, net	US$	2,728,054	2,502,198
Capital gain	US$	1,767	1,767
Deferred tax assets	Non-indexed Arg $	204	212
	Non-indexed Ch$	6,120	6,354
	US$	7,794	9,457
Total		**5,302,136**	**5,166,626**

Liabilities, as of March 31, 2013

Liabilities

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 $	13,362	-	-	-	-	-
	Non-indexed Ch$	2,338	653	-	-	-	-
	US$	74,318	34,598	-	-	-	-
	UF	2,869	1,776	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	4,472	-	-	-	-	-
	Non-indexed Ch$	81,846	111,863	-	-	-	-
	US$	139,104	187,190	-	-	-	-
	UF	1,378	-	-	-	-	-
	Peruvian soles	415	-	-	-	-	-
	Others	71	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed Ch$	10,917	-	-	-	-	-
	US$	84,222	-	-	-	-	-
Other short-term provisions	Non-indexed Arg $	278	-	-	-	-	-
	Non-indexed Ch$	3,296	1,699	-	-	-	-
	US$	7,114	6,473	-	-	-	-
	Others	11	-	-	-	-	-
	Non-indexed Arg $	346	-	-	-	-	-
Current tax liabilities	Non-indexed Ch$	5,566	9	-	-	-	-
	US$	279	6,268	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	125	127	-	-	-	-
	Non-indexed Ch$	14,004	32,267	-	-	-	-
	US$	-	139	-	-	-	-
	Peruvian soles	800	-	-	-	-	-
	Others	-	40	-	-	-	-
Other current non-financial liabilities	Non-indexed Ch$	4,365		-	-	-	-
	US$	1,005	193	-	-	-	-
	US$	-	-	202,293	99,167	225,545	77,672
Other Long Term Provisions	US$	-	-	3,603	1,898	4,745	3,790
Deferred tax liabilities	Non-indexed Ch$	-	-	-	-	-	6,037
	US$	-	-	67,089	45,080	114,965	133,153
Non-current provisions for employee benefits	Non-indexed Ch$	-	-	45,822	26,670	57,622	34,572
Deferred tax liabilities	Non-indexed Ch$	-	-	4	-	-	-
	US$	-	-	105,672	62,937	7,500	-
Total		**452,501**	**383,295**	**431,033**	**235,752**	**410,377**	**255,224**

Liabilities, as of December 31, 2012

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 $	12,736	-	-	-	-	-
	Non-indexed Ch$	14,591	533	-	-	-	-
	US$	101,769	22,803	-	-	-	-
	UF	1,774	-	-	-	-	-
	Others	556	1,718	-	-	-	-
Trade accounts payable and other payables	Non-indexed Arg $	3,516	-	-	-	-	-
	Non-indexed Ch$	87,625	77,459	-	-	-	-
	US$	153,239	160,130	-	-	-	-
	Peruvian soles	1,541	-	-	-	-	-
	Others	1,895	-	-	-	-	-
Accounts payable to related entities, current	Non-indexed Ch$	12,678	-	-	-	-	-
	US$	103,909	-	-	-	-	-
Other short-term provisions	Non-indexed Arg $	251	-	-	-	-	-
	Non-indexed Ch$	3,227	2,572	-	-	-	-
	US$	9,206	5,949	-	-	-	-
	Peruvian soles	341	-	-	-	-	-
	Others	12	-	-	-	-	-
Current tax liabilities	$ Arg no reajustable	296	-	-	-	-	-
	Non-indexed $	3,538	464	-	-	-	-
	US$	3,987	16,941	-	-	-	-
Current provisions for employee benefits	Non-indexed Arg $	358	-	-	-	-	-
	Non-indexed Ch$	14,231	30,974	-	-	-	-
	US$	-	139	-	-	-	-
	Peruvian soles	913	-	-	-	-	-
	Others	22	-	-	-	-	-
Other current non-financial liabilities	Non-indexed Ch$	4,399	-	-	-	-	-
	US$	1,174	200	-	-	-	-
	US$	-	-	223,600	69,524	197,041	65,016
	Others	-	-	7,024	-	-	-
Other Long Term Provisions	US$	-	-	2,089	966	2,415	8,450
	US$	-	-	67,904	45,594	116,119	133,695
Non-current provisions for employee benefits	Non-indexed $	-	-	45,180	25,653	55,869	32,098
Other non-financial liabilities, non-current	Non-indexed Ch$	-	-	4	-	-	-
	US$	-	-	60,159	35,932	-	-
Total		**537,784**	**319,882**	**405,960**	**177,669**	**371,444**	**245,477**

34. Exchange differences and indexation adjustments

The following details the effects of exchange differences and indexation adjustments booked in the results for the period:

Exchange differences

Heading	Currency	Accumulated 01.01.2012 31.03.2013 ThUS$	Accumulated 01.01.2011 31.03.2012 ThUS$
Current Assets	Non-indexed Arg $	(673)	(367)
	Non-indexed $	11,111	55,532
	Others	(26)	(86)
Non-Current Assets	Non-indexed Arg $	(9)	(7)
	Non-indexed $	384	1,250
Total Assets		**10,787**	**56,322**
Current Liabilities	Non-indexed Arg $	766	148
	Non-indexed $	(6,326)	(41,418)
	Others	3	8
	Non-indexed $	(4,084)	(11,972)
	Others	2	168
Total Liabilities		**(9,639)**	**(53,067)**
Total Exchange differences		**1,148**	**3,255**

Note 33 provides a detail of the assets and liabilities that generate the exchange differences shown above.

34.2 Indexation adjustments

Heading	Currency	Accumulated 01.01.2013 31.03.2013 ThUS$	Accumulated 01.01.2012 31.03.2012 ThUS$
Current Assets	Chilean pesos	118	204
Non-Current Assets	Chilean pesos	(2)	4
Total Assets		**116**	**208**
Current Liabilities	Chilean pesos	(1)	(5)
	Others	(2)	(28)
Non-Current Liabilities	Chilean pesos	(2)	(15)
	Others	(9)	(49)
Total Liabilities		**(14)**	**(97)**
Total Exchange differences		**102**	**111**

Note 33 provides a detail of the assets and liabilities that generate the indexation adjustments shown above.

35. Subsequent events

On April 18, 2013, the ordinary shareholders meeting of CAP approved the annual report and financial statements for 2012, the dividend policy and distribution, the appointment of Deloitte as the external auditors, the remuneration of the board, the annual report on the actions of the Directors' Committee, the remuneration of its members and the Committee's expense budget, the appointment of credit-rating agencies, and report on transactions with related parties.

According to the approved dividend policy, of the distributable earnings for 2012 amounting to US$252,724,021.21, a final dividend is distributed of 50% of these, i.e. US$126,362,010.61 from which US$61,769,129.88 is deducted, being the amount of interim dividends Nos.112 and 113 for 2012 paid in October 2012 and January 2013, thus leaving a balance of US$64,592,880.73. This amount will be paid as final dividend No.114 of Ch$150 per share, payable from April 26 and an additional dividend to be paid in July 2013 for the remainder of the distributable earnings.

Final dividend No.114 was paid on April 26 of Ch$150 per share as a charge against the earnings for 2012, as agreed by the ordinary shareholders meeting of April 18, 2013.

No other significant events have occurred between April 1 and May 3, 2013, the date of issue of these interim consolidated financial statements, that might affect them.

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CAP S.A. AND SUBSIDIARIES

MATERIAL INFORMATION TO MARCH 31, 2013

The material information of CAP S.A. and subsidiaries reported during the period January - March 2013 is as follows:

15.01.2013

Interim dividend No.113 for Ch$ 150 per share was paid as a charge to earnings of 2012, as agreed at the board meeting of December 20, 2012.

18.04.2013

The ordinary shareholders meeting of CAP approved the annual report and financial statements for 2012, the dividend policy and distribution, the appointment of Deloitte as the external auditors, the remuneration of the board, the annual report on the actions of the Directors' Committee, the remuneration of its members and the Committee's expense budget, the appointment of credit-rating agencies, and report on transactions with related parties.

According to the approved dividend policy, of the distributable earnings for 2012 amounting to US$252,724,021.21, a final dividend is distributed of 50% of these, i.e. US$126,362,010.61 from which US$61,769,129.88 is deducted, being the amount of interim dividends Nos.112 and 113 for 2012 paid in October 2012 and January 2013, thus leaving a balance of US$64,592,880.73. This amount will be paid as final dividend No.114 of Ch$150 per share, payable from April 26 and an additional dividend to be paid in July 2013 for the remainder of the distributable earnings.

26.04.2013

Final dividend No.114 for Ch$ 150 per share was paid as a charge to earnings of 2012, as agreed at the ordinary shareholders meeting held on April 18, 2013.

MANAGEMENT'S ANALYSIS OF THE CONSOLIDATED FINANCIAL STATEMENTS AS OF MARCH 31, 2013

1. Report under International Financial Reporting Standards (IFRS)

The CAP Group adopted IFRS (International Financial Reporting Standards) as from January 1, 2010, as those under which it maintains its books of account and prepares its financial statements reported to the SVS, stock exchanges and the public in general.

2. Comparative analysis and principal trends noted

Ratios and other indicators are shown in the attached appendix.

Consolidated earnings before tax to March 31, 2013 amounted to ThUS$ 45,145, a reduction of 46.4% from the ThUS$ 84,244 produced in 1Q12.

This was a result of revenue and EBITDA to March 2013, amounting to ThUS$ 486,635 and ThUS$ 137,246 respectively, representing falls of 18.0% and 31.5% compared to the ThUS$ 593,101 and ThUS$ 200,215 respectively for the 2012 period.

The reduction in revenue and the resulting reduced earnings in 1Q13 were the result of the delay of some shipments to 2Q13 due to the strike of port workers in March 2013 which affected the provisions of stevedoring services including in our own ports; and the low mineral stocks at the beginning of the year.

Analysis of the businesses:

Our subsidiary CMP (CAP Mining) produced revenue in 1Q13 of ThUS$ 259,282, 18.4% less than in 1Q12, as a result of a 24.3% reduction in deliveries to 1,855 ThMT and a 7.7% increase to US$ 139.8 in the average price for ton of the shipments.

The reduced volume delivered in 1Q13 reflects the low level of stocks at the beginning of the year and the delay in shipments which will be recovered in 2Q13, as explained above, in order to reach the programmed level of mining shipments.

The revenue of our steel-making subsidiary CSH (CAP Steel) of ThUS$185,021in 1Q12 reflects a fall of 27.3% with respect to 1Q12, due to the combined effect of a 19.4% fall in the tonnage delivered, to 243.879 MT, principally caused by the large stocks of steel on the domestic market as a result of the increase in imports in 2012; and a 9.8% reduction, to US$ 758.7 per MT, in the average price of the shipments, in line with variations in the international prices of steel products.

The 2012 results of the steel-processing group (GPA) showed reduced revenue to ThUS$ 111,312, 8.2% less than in 1Q12, caused by a 0.7% fall in deliveries to 98,000 tons and a 7.5% reduction in the average price per ton to US$ 1,131.1.
At the end of 1Q13, the CAP Group has a cash position of ThUS$ 631,685. As the total gross financial debt was ThUS$ 741,141, the net consolidated financial debt amounts to just ThUS$ 109,456.

3. Summary of the period January-March 2013

The earnings of the CAP Group to March 31, 2013 were ThUS$ 45,145.

At the beginning of 2013, except for the events in the Korean peninsula which have been evolving since then towards a less strident situation, other political and economic strains around the world show evidence of growing restraint. The hard adjustment process in the euro zone is giving way in several of its member countries to growing resistance and inducing the authorities to relax their actions. The American economy faces the huge challenge of controlling its deficits and thus it debt, and its recovery is being reflected in increased activity and a reduction in the

high unemployment rate. China meanwhile continues to focus on the development of its physical infrastructure, recently complemented by the search for increased domestic spending for the benefit of its population.

In the case of Chile, in an election year, the economy continues showing strong dynamism so the attention of economists is oriented to monitoring public and private spending, noting certain inflationary pressures especially in the real estate sector and the evolution of the exchange rate whose fall is severely damaging the export and import-substitution sectors. In addition, there is growing concern in the business sector about talk of a new tax reform, increases in mining royalties and other initiatives that could translate into large increases in public spending.

The mining activities of the CAP Group show the maintenance of stable demand for our products, especially by Chinese steel producers in a price environment which still continues to be firmer than those initially projected for this year. Internally, we are in the final stage of the investment program which will materialize (1) in July this year with the start-up of the expansion of production in Huasco valley (by another 2 million tons annually) and (2) early next year with the start-up of the Cerro Negro Norte mine (of 4 million tons capacity annually), to increase the annual sales tonnage to 16 million tons in 2014 and 18 million in 2015.

In steel production, CAP Steel is showing the effects of the difficult situation faced by the global steel industry. Despite this, work started in the quarter on the re-lining of the No.1 blast furnace and the company continues with a strong commercial presence evidenced by the launch of new products in a market whose prices do not permit positive and stable returns. This reality has led the company's management to seek cost and expense reductions that make its operation in adverse circumstances viable.

A good level of deliveries is foreseen in the steel-processing business, reflecting the competitiveness of the Cintac group and the participation of its companies in construction activities and infrastructure development, sectors that continue to show dynamism. Its margins however have fallen in line with the behavior of its raw material prices.

4. Markets analysis

Iron:

The average price to March 31, 2013 rose by 7.7% to US$ 139.8 per MT, compared to the average for 1Q12 od US$ 129.8.

In terms of volume, deliveries, 1Q13 reached 1,855 ThMT, 24.3% less than the 2,450 ThMT in 1Q12, with export shipments of 1,449 ThMT, 27.3% less than the 1,9931 ThMT of the year before, and deliveries to the domestic market of 406 ThMT, a reduction of 11.2% with respect to the 457 ThMT delivered in 1Q12.

With respect to the product mix, the proportion of pellet feed rose by 65.2%, reducing that of pellets to 23.5% of deliveries, with the consequent reduction in the average iron-products price.

As a result, the sales of CAP Mining to March 31, 2013 amounted to ThUS$ 264,618, 17.6% down on those to March 31, 2012.

Steel:

The average price in 1Q13 was US$ 758.7, 9.8% lower than US$ 841.3 per ton in 1Q12.

Deliveries reached 243,879 MT in 1Q13, 19.4% lower than in 1Q12. This time, all these deliveries were to the domestic market, and were 19.0% down on those to this market in 1Q12, given the stocks adjustment currently faced by the national market, especially in flat products.

Regarding the product mix, CSH has reoriented its production by increasing the proportion of long products to which domestic demands is increasingly directed.

As a result, the revenues of CAP Steel reached ThUS$ 189,048 in to March 31, 2013, a reduction of 26.4% compared to 1Q12.

Steel processing**:**

The quarterly average price in 1Q13 was US$ 1,132.1, 7.5% less than the average of US$ 1,224.3 in 1Q12. Delivers amounted to 98 thousand tons, 0.7% less than the 99 thousand tons in 1Q12.

The revenues of Novacero S.A., the company that consolidates the steel-processing business, including the subsidiary Argentina Intasa S.A., amounted to ThUS$ 111,312 in 1Q13, 8.2% less than the ThUS$ 121,275 in 1Q12.

Cost of sales

Comparing consolidated costs (measured as a percentage of revenues), there was an increase from 69.3% in 1Q12 to 71.3% in 1Q13. This increase mainly reflects the reduced average prices of the steel-production and steel-processing businesses.

Administrative and selling expenses

Administrative and selling expenses as a percentage of sales were 7.6% and 6.0% in 1Q13 and 1Q12 respectively. These costs in absolute terms amounted to ThUS$ 35,071 and ThUS$ 35,504 in the respective quarters, remaining flat in the steel-production and steel-processing businesses, but showing some increases in the holding company and mining business. Overall, and considering the reduction in consolidated revenue in 1Q13, it was not possible to maintain the percentage level of 1Q12.

Financial expenses and exchange differences

CAP's consolidated financial expenses remained stable, passing from ThUS$ 9,087 in 1Q12 to ThUS$ 9,183 in 1Q12, as a result of the moderate increase in the Group's debt level.
mainly because the result in 2011 included ThUS$ 35,419 of expenses incurred in bond prepayments. Since

As a result of the returns on the investment of average cash balances and gains on forward sales of dollars in 1Q13, financial income rose from ThUS$ 8,683 in 1Q12 to ThUS$ 12,382 in 1Q13.

Net financial expenses therefore fell from ThUS$ 404 to ThUS$ (3,199) in the respective quarters 1Q12 and 1Q13.

Exchange rate fluctuations produced a positive result of ThUS$ 1,148 in 1Q13, compared to ThUS$ 3,255 in 1Q12. In both cases, this exchange difference is produced by variations in the value of the dollar applied to temporary mismatches in asset and liability accounts in pesos.

Business trends

Being intimately associated with economic development in China and Asia in general, iron business prospects continue to be positive despite the fear of increases in supplies on the international market, suggested by various analysts for several years without materializing, and also contradicted by delays in major projects under construction in Brazil, Africa and even Australia. This however has generated a certain uncertainty with respect to the price trend for the rest of the year, which we do not share.

In the international steel market, weaknesses persist that are common to a sector that is using around 75% of its global installed capacity and while Chinese production is directed to internal development, exports from this origin are heavily pressured by the global steel price. Even when the favorable dynamism of the Chilean economy could eventually bring CAP Steel to operation at full capacity, a significant reduction in costs and expenses to the minimum compatible with a sustainable operation is essential.

Finally, it will not be possible to return to acceptable levels of profitability in our steel-processing activity while the current import pressure continues.

5. Analysis of the statement of cash flows and liquidity

Operating activities

In operating activities, the positive balance of ThUS$ 250,041 was the result of goods and services sales proceeds of ThUS$ 717,463 plus other collections of ThUS$ 8,644, partially compensated by payments to suppliers of ThUS$ (351,377), personnel of ThUS$ (69,987), tax payments of ThUS$ (47,464) and other payments of ThUS$ (7,258).

Investment activities

Investment activities generated a negative flow of ThUS$ (150,488), produced by the incorporation of property, plant and equipment of ThUS$ (247,624), (80.5% corresponding to investments of CAP Mining, 3.3% to CAP Steel, 1.3% to the Steel Processing business and 14.9% to investments in the desalination plant, the electricity transmission line to connect the Cerro Negro Norte mine and magnetite plant in the 3rd Region and the corresponding aqueducts) plus other payments of ThUS$(4,860), partially offset by the receipt in cash of maturing time deposits for ThUS$ 101,996.

Financing activities

Cash flow from financing activities shows a negative balance of ThUS$ (69,847) due to loan repayments ThUS$ (52,261), interest of ThUS$ (4,010), and dividend payments of ThUS$ (69,234), partially compensated by the drawing of loans for ThUS$ 55,658.

This all resulted in a net total cash flow for the period of ThUS$ 29,706.

The Company's current ratio is 2.01:1 at the end of March 2013, which compares with 2.06:1 at the end of December 2012.

6. Book and economic values of the principal assets

Regarding the market or economic value of the assets of the CAP Group, inventories are valued by including the direct acquisition costs, total fixed or variable direct production costs and the corresponding depreciation of the property, plant and equipment used in processing, plus other indirect production costs.

Under the IFRS convergence process, the land of the CAP Group was valued at its fair value according to an appraisal booked at January 1, 2009 for the determination of its attributed cost at that date.

7. Market risks

Accounting in dollars and exchange rate

CAP S.A. and its Chilean subsidiaries have the dollar as their functional currency. They therefore keep their books in that currency which enables them to value a large part of their assets, liabilities and equity in that currency.

The same occurs with the results accounts, where revenue and expenses are credited and charged respectively in that currency when they accrue or occur.

This frees these companies from carrying out monetary correction, as occurs with entities that keep their accounts in pesos, thus avoiding the distortions this creates, while allowing a comparison of figures from one year to another without having to make restatements in line with changes in the consumer price index.

In CAP therefore, assets and liabilities booked and controlled in pesos and currencies other than the US dollar generate an exchange difference at the date of the statement of financial position if the value of the US dollar (the exchange rate) changes with respect to those currencies. This exchange difference is credited/charged to the result for the period.

The Company therefore aims to maintain its assets and liabilities in different currencies matched or satisfactorily balanced according to the state of international and domestic foreign exchange markets and thus prevent its results from being adversely affected for this reason. It therefore occasionally carries out currency swap transactions or purchases of currency futures contracts.

Commodities

CAP's businesses, all traded internationally, reflect in their prices the cyclical variations in global and domestic supply and demand.

However, neither iron nor steel are commodities, except in a very restricted sense, as the specific chemical composition of each kind of iron or steel, an essential element in the buying decisions of a large number of customers, generates a wide variety of types. This is why, even though there has recently been a growing importance in iron futures trading, there are no exchanges for trading these products with sufficient liquidity and there are only some markets where futures are traded in limited types of products, with little depth

Debt in other currencies and interest rates

In addition to the cyclical nature of its revenues, CAP's statement of results is exposed to the effects of its financial policies which determine the proportion of debt to be held in different currencies and the applicable fixed or floating interest rates.

CAP has historically preferred to borrow in US dollars, with the exception of its bond placements in UF on the domestic market. These instruments are covered by cross-currency swaps to dollars preferably from the same date as their placement.

Assets and liabilities under hedge transactions are shown at their fair value on the respective dates of the financial statements.

CAP S.A. and subsidiaries

Financial indicators
Apendix to management´s analysis as of 31.03.2013

		As of 31.03.2013	As of 31.12.2012	As of 31.03.2012
Solvency				
Current ratio	times	2.01	2.06	2.45
Current assets/Current liabilities				
Acid test	times	0.76	0.83	1.22
(Cash & cash equivalents + Other current financial assets)/Current liabilities				
Cash Generation				
EBITDA last 12 months	ThUS$	700,547	763,516	1,157,314
Gross earnings – Administrative Expenses + Depreciation – Distribution expenses+ Amortization				
Debt				
Total Financial Debt	ThUS$	741,141	718,685	629,369
Other current financial liabilities + Other non-current financial liabilities				
Net Financial Debt	ThUS$	109,456	7,352	(389,308)
Total Financial Debt - (Cash & cash equivalents + Other current financial assets)				
Net Financial Debt to EBITDA	times	0.16	0.01	(0.34)
Net Financial Debt/EBITDA last 12 months				
Net Financial Debt to Equity	times	0.03	-	(0.13)
Net Financial Debt /Equity				
Net Financial Expense Coverage	times	(118.34)	(329.53)	20.07
EBITDA last 12 months/(Financial expenses last 12 months – Financial income last 12 months)				
Short-Term to Total Debt	%	39	42	45
Current liabilities/Total liabilities				
Long-Term to Total Debt	%	61	58	55
Non-current liabilities/Total liabilities				
Activity				
Inventory Turnover	times	0.68	3.55	0.82
Cost of sales/Inventories				
Permanence of Inventories	days	136	98	111
(Inventories/Cost of sales)*days of the period				
Profitability				
Return on Equity	%	2.14	10.54	3.83
Earnings (Loss) / Equity				
Return on Assets	%	1.26	6.34	2.38
Earnings (Loss)/ Total assets				
Earnings per Share	US$	0.30	1.54	0.56
Earnings (Loss) attributable to owners of the controller/Number of issued shares				
Dividend Yield*	%	3.82	3.63	2.71
Dividends last 12 months / closing share price				

* Considers only dividends distributed by CAP S.A.
(**) Negative value of the index is that CAP has positive net financial results in the period.

DECLARACIÓN JURADA DE RESPONSABILIDAD

RUT : 91.297.000-0

RAZON SOCIAL : CAP S.A.

En Sesión de Directorio celebrada el 03 de Mayo de 2013, los abajo individualizados se declaran responsables respecto de la veracidad de la información incorporada en el presente informe referido al 31 de marzo de 2013, de acuerdo al siguiente detalle:

Estados financieros de acuerdo a IFRS, según se indica:

- Estado de Situación Financiera
- Estado de Resultados Integrales
- Estado de Flujo de Efectivo
- Estado de Cambios en el Patrimonio Neto
- Notas Explicativas a los Estados Financieros

Nombre	RUT	Cargo	Firma
Roberto de Andraca Barbás	3.011.487-6	Presidente del Directorio	
Sven von Appen Behrmann	2.677.838-7	Vicepresidente del Directorio	
Fernando Reitich Sloer	48.106.405-8	Director	
Eddie Navarrete Cerda	2.598.242-8	Director	
Osamu Sasaki	P. TZ0770690	Director	
Tokuro Furukawa Yamada	22.464.577-5	Director	
Hernán Orellana Hurtado	8.818.570-6	Director	
Jaime Charles Coddou	5.812.044-8	Gerente General	

Santiago, 03 de mayo de 2013