

# Highlights

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- Net earnings up 2.1% to US\$1,382.1 million
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- Total dividends for the year up 2.9% to US 49.6 cents per share – including special dividends of US 41.0 cents per share
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- Copper production of 428,100 tonnes, 8.0% below 2006
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- Molybdenum production up 4.1% to 10,200 tonnes
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- Average LME copper price up 5.9% to US 323.3 cents per pound
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- Average market molybdenum price up 21.8% to US\$30.2 per pound
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- Group weighted average cash costs\* (net of by-product credits) down 21.4% to US 31.6 cents per pound due to higher by-product credits and lower tolling charges
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- Further volume growth at transport and water businesses
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- US\$1.5 billion Esperanza project approved with first production expected at the end of 2010
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- Feasibility studies at Reko Diq in Pakistan and Antucoya in Chile started in 2008
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- Increased mineral resource estimates at Reko Diq in Pakistan and encouraging preliminary exploration results at Los Pelambres and the Sierra Gorda district in Chile
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\* Cash costs are a measure of the cost of operational production expressed in terms of US cents per pound of payable copper produced. Cash costs are stated net of by-product credits and include tolling charges for concentrates for Los Pelambres. Cash costs exclude depreciation, financial income and expenses, hedging gains and losses, exchange gains and losses and corporation tax for all three mines. By-product calculations do not take into account unrealised mark-to-market gains for molybdenum at the beginning or end of each period.

	US Dollars		Sterling <sup>(1)</sup>	
	2007 US\$m	2006 US\$m	2007 £m	2006 £m
Turnover	<b>3,826.7</b>	3,870.0	<b>1,913.0</b>	2,104.9
EBITDA <sup>(2)</sup>	<b>2,824.0</b>	2,957.3	<b>1,411.7</b>	1,608.5
Profit before tax	<b>2,750.2</b>	2,859.0	<b>1,374.8</b>	1,555.0
Net earnings <sup>(3)</sup>	<b>1,382.1</b>	1,354.3	<b>690.9</b>	736.6
Capital expenditure <sup>(4)</sup>	<b>466.0</b>	539.0	<b>233.0</b>	293.2
Net assets	<b>4,906.5</b>	3,948.1	<b>2,464.1</b>	2,017.5
	2007 US cents	2006 US cents	2007 pence	2006 pence
Earnings per share	<b>140.2</b>	137.4	<b>70.1</b>	74.7
Dividends per ordinary share proposed in relation to year <sup>(5)</sup>				
Ordinary dividends – interim	<b>3.2</b>	3.2		
– final	<b>5.4</b>	5.0		
Special dividends – interim	<b>3.0</b>	2.0		
– final	<b>38.0</b>	38.0		
Total	<b>49.6</b>	48.2		

(1) The sterling numbers are for illustrative purposes only. For 2007, an average rate of £1 = US\$2.0004 (2006 – US\$1.8386) has been used for the income statement and a year-end rate of £1 = US\$1.9912 (2006 – US\$1.9569) has been used for the balance sheet.

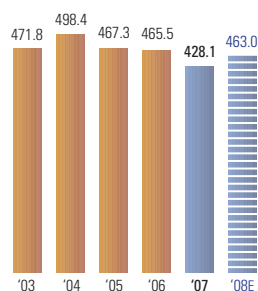
(2) EBITDA refers to Earnings Before Interest, Tax, Depreciation and Amortisation (defined in Note 5(a)(i)(vii) to the financial statements on page 95). EBITDA is reconciled to operating profit from subsidiaries and joint ventures in the Financial Review on page 26.

(3) Net earnings refer to profit for the financial year attributable to equity holders of the Company.

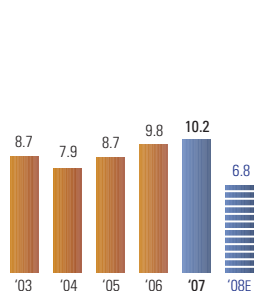
(4) Capital expenditure represents purchases of property, plant and equipment stated on an accruals basis (see Note 13 to the financial statements on page 105).

(5) Dividends are paid in either sterling or US dollars. The conversion rate for final dividends to be paid in sterling will be set on 13 May 2008.

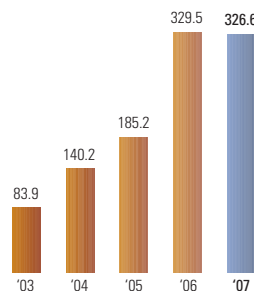
## Highlights continued



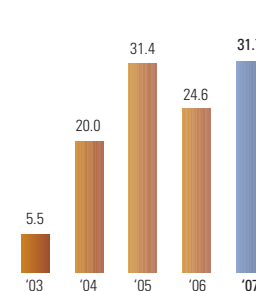
Group copper production  
'000 tonnes<sup>(1)</sup>



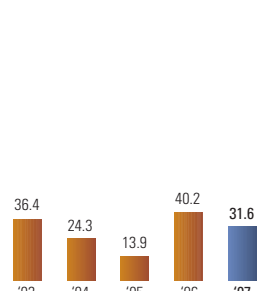
Group molybdenum production  
'000 tonnes<sup>(1)</sup>



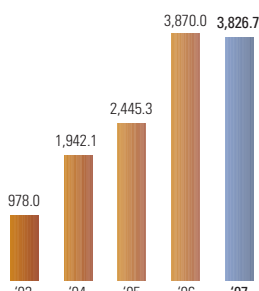
Realised copper price  
US cents per pound<sup>(2)</sup>



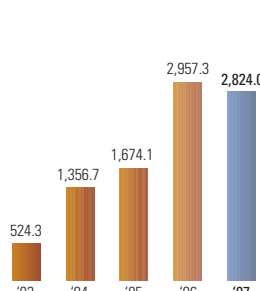
Realised molybdenum price  
US dollars per pound<sup>(2)</sup>



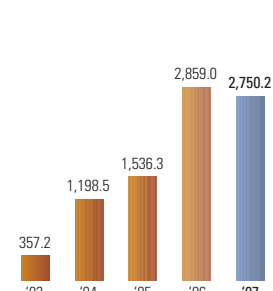
Group cash costs  
US cents per pound<sup>(3)</sup>



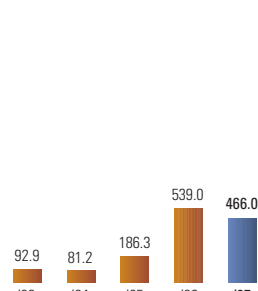
Turnover  
US\$ million<sup>(4)</sup>



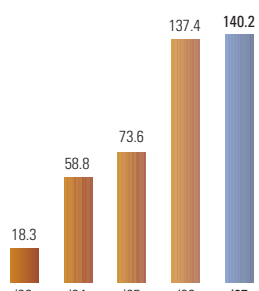
EBITDA  
US\$ million<sup>(4)</sup>



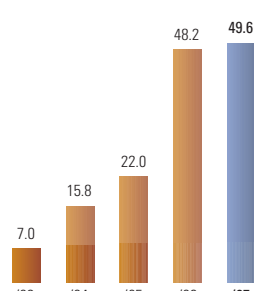
Profit before tax  
US\$ million<sup>(4)</sup>



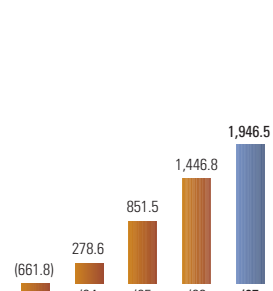
Capital expenditure  
US\$ million



Earning per share  
US cents<sup>(4)(8)</sup>



Dividends per share  
US cents<sup>(5)(6)(7)(8)</sup>



Net (debt)/cash  
US\$ million<sup>(2)</sup>

- (1) Forecasts for Group copper and molybdenum production for 2008 are based on estimates at the date of this report and may be periodically revised during the year.
- (2) Realised copper and molybdenum prices are determined by comparing revenues from copper and molybdenum sales respectively (grossed up for tolling charges for concentrates) with sales volumes for each mineral in the year and are further explained on page 33.
- (3) Cash costs are an industry measure of the cost of production and are further explained in the footnote on page 2.
- (4) Information for the years 2004 to 2007 is stated under IFRS. Information for the year 2003 is stated under UK GAAP based on the 2004 financial statements, without adjustment for any changes in UK GAAP which would have applied in 2005, 2006 or 2007.
- (5) Dividends per share refers to the ordinary dividend per share proposed in relation to each year and does not relate to the amount deducted from equity under IFRS.
- (6) The lighter colour part denotes the special dividends of US 8.0 cents in 2004, US 14.0 cents in 2005, US 40.0 cents in 2006 and US 41.0 cents in 2007. Excluding the special dividends, the ordinary dividend per share proposed in relation to each year was US 7.8 cents in 2004, US 8.0 cents in 2005, US 8.2 cents in 2006 and US 8.6 cents in 2007.
- (7) The 2003 dividend per share excludes the dividend in specie of shares ('the demerger dividend'). Ordinary shareholders in the Company received one share in Andsberg Limited for each share held in the Company on 1 October 2003. The Andsberg shares carried a redemption value until 30 October 2003 of US 22.2 cents per share (restated). Andsberg's principal asset was the Group's 33.6% investment in Quiñenco S.A.
- (8) Earnings per share and dividends per share for the years 2003 to 2005 have been restated for the effects of the 4-for-1 bonus issue on 19 June 2006.