

MINERA MICHILLA S.A.
UNAUDITED FINANCIAL STATEMENTS
FOR THE FIRST HALF ENDED 30 JUNE 2008 AND 2007

(TRANSLATION FROM SPANISH VERSION
FILED WITH SUPERINTENDENCIA DE VALORES Y SEGUROS
DE CHILE 27TH AUGUST 2008)

MINERA MICHILLA S.A.**BALANCE SHEETS AT JUNE 30, 2008 AND 2007**
(In thousands of US dollars -ThUS\$)

ASSETS	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
CURRENT ASSETS:		
Cash at bank and in hand	395	114
Time deposits	23,447	23,593
Marketable securities	11,650	7,507
Trade debtors	11,423	27,385
Sundry debtors	9,194	2,571
Accounts receivable from related companies	1,000	520
Refundable taxes	5,121	2,198
Inventories	28,404	17,070
Prepaid expenses	826	329
Deferred taxes	346	580
Other current assets	13	13
Total current assets	91,819	81,880
FIXED ASSETS:		
Mining properties	13,622	13,622
Construction and infrastructure	71,493	73,377
Machinery and equipment	79,102	76,223
Other fixed assets	110,436	98,288
Technical revaluation of fixed assets	4,104	4,104
Accumulated depreciation and amortization	(236,799)	(216,568)
Total fixed assets net	41,958	49,046
OTHERS:		
Investments in other companies	97	103
Deferred taxes	1,949	600
Others	214	255
Total other assets	2,260	958
TOTAL ASSETS	136,037	131,884

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

LIABILITIES AND SHAREHOLDERS' EQUITY	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
CURRENT LIABILITIES:		
Accounts payable	11,899	2,443
Sundry creditors		600
Accounts payable to related companies	705	2,254
Accruals and withholdings	18,367	20,205
Income tax	574	9,015
Total current liabilities	<u>31,545</u>	<u>34,517</u>
LONG TERM LIABILITIES:		
Accruals	<u>8,771</u>	<u>7,841</u>
Total long term liabilities	<u>8,771</u>	<u>7,841</u>
SHAREHOLDERS' EQUITY:		
Paid-in capital	78,422	78,422
Reserve for fixed asset technical revaluation	219	219
Interim dividends	(35,000)	(65,000)
Net income for the period	<u>52,080</u>	<u>75,885</u>
Total shareholders' equity	<u>95,721</u>	<u>89,526</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>136,037</u></u>	<u><u>131,884</u></u>

MINERA MICHILLA S.A.

STATEMENTS OF INCOME

FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2008 AND 2007

(In thousands of US dollars -ThUS\$)

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
OPERATING REVENUE	173,840	170,550
OPERATING COSTS	<u>(98,049)</u>	<u>(74,082)</u>
OPERATING MARGIN	75,791	96,468
ADMINISTRATIVE AND SELLING EXPENSES	<u>(8,918)</u>	<u>(7,497)</u>
OPERATING INCOME	<u>66,873</u>	<u>88,971</u>
OTHER INCOME (EXPENSES):		
Financial income	1,049	2,156
Other income	925	1,887
Financial expenses	(36)	(102)
Other expenses	(35)	(32)
Exchange differences	<u>(3,751)</u>	<u>610</u>
OTHER (EXPENSES) INCOME	<u>(1,848)</u>	<u>4,519</u>
INCOME BEFORE INCOME TAX	65,025	93,490
INCOME TAX	<u>(12,945)</u>	<u>(17,605)</u>
NET INCOME FOR THE PERIOD	<u><u>52,080</u></u>	<u><u>75,885</u></u>

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

MINERA MICHILLA S.A.STATEMENTS OF CASH FLOWS
FOR THE SIX MONTH PERIODS ENDED JUNE 30, 2008 AND 2007
(In thousands of US dollars -ThUS\$)

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
RECONCILIATION BETWEEN NET CASH FLOW FROM OPERATING ACTIVITIES AND NET INCOME FOR THE PERIOD:		
Net income for the period	52,080	75,885
Gain on sale of assets:		
Gain on sale of assets	(113)	
Charges (credits) to income that do not represent cash flows:		
Depreciation	6,267	6,405
Amortization	6,544	3,017
Write-offs and accruals	702	1,017
Exchange differences	3,751	(610)
Other (credits) charges to income that do not represent cash flows	24	(304)
Variation of assets affecting cash flow:		
Decrease (increase) in trade debtors	10,223	(11,870)
(Increase) decrease in inventories	(12,092)	1,006
Decrease in deferred taxes	218	77
Increase in other assets	(12,644)	(7,550)
Variation of liabilities affecting cash flow:		
Increase in accounts payable and sundry creditors	4,835	4,070
Decrease in value added tax and other similar taxes payable	(2,219)	(219)
(Decrease) increase in deferred taxes	(585)	343
Net cash provided by operating activities	<u>56,991</u>	<u>71,267</u>
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Sale of fixed assets	113	
Purchase of fixed assets	(11,890)	(3,920)
Other loans to related companies		(248)
Net cash used in investment activities	<u>(11,777)</u>	<u>(4,168)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Dividend paid	<u>(52,825)</u>	<u>(105,429)</u>
Net cash used in financing activities	<u>(52,825)</u>	<u>(105,429)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,611)	(38,330)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>43,103</u>	<u>69,544</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u><u>35,492</u></u>	<u><u>31,214</u></u>

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

MINERA MICHILLA S.A.

NOTES TO THE FINANCIAL STATEMENTS

(In thousands of U.S. dollars - ThUS\$)

1. NATURE OF THE COMPANY'S OPERATIONS

The corporate purpose of the Company is the exploration, development, exploitation, production, commercialization of minerals, concentrates, precipitates, cathodes and copper bars and bars of non-ferrous metals, and products and sub-products obtained there from; and the exploitation of mining properties, including all the stages of the mining industry.

According to the requirements of Law N°20,026 on the Specific Mining Tax published in the Official Gazette of 6/16/2005, and the relevant regulations issued by the Superintendence of Securities and Insurance ("SVS") through its Exempt Resolutions 549 of 9/23/2005 and 39 of 2/3/2006, the Company shall deliver its Quarterly and Audited Annual Financial Statements, and an Annual Report, to the SVS, in the manner and at the time stipulated in such Resolutions.

2. SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

a. Basis of presentation - The financial statements at June 30, 2008 and 2007 have been prepared in accordance with accounting principles generally accepted in Chile.

b. Basis of preparation - The official accounting records of the Company are maintained in US dollars. Transactions in Chilean pesos have been translated into US dollars at the exchange rates prevailing on the date of the transaction.

Assets and liabilities in Chilean pesos were translated into US dollars at the exchange rate current at period end of Ch\$526.05 per US\$1 (June 30, 2007: Ch\$526.86 per US\$ 1).

c. Time deposits - Time deposits are stated at original investment amount plus accrued interest at the close of the period.

d. Marketable securities - Marketable securities include investments in fixed income mutual funds, which are stated at period-end value of the respective unit.

e. Estimate for uncollectible accounts - Considering the age and risk of its accounts receivable, the Company has decided not to constitute an allowance for uncollectible accounts.

f. Inventory - Inventory is valued in accordance with the following criteria:

- Finished products and products in process are stated at the monthly average production cost.
- Materials and supplies are stated at weighted average acquisition cost.

The cost of inventories does not exceed its estimated net realizable value.

g. Fixed assets - Fixed assets are presented at acquisition or revaluation cost. Depreciation for the period has been calculated based on the straight-line method, over the estimated useful lives of the assets, except for values disbursed for mining concessions that are amortized based on production, considering economically exploitable ore reserves.

Assets acquired under a Finance Lease (Note 6) are not legally owned by the Company, and therefore it cannot freely dispose of these assets until it exercises its purchase option.

According to the 2007 – 2009 business plan approved by the Board of Directors in October 2006, supported by highly certain mining reserves, in January 2007 the Company modified the remaining useful life of its fixed assets, to distribute their depreciation over the same period. This modification implied a ThUS\$1,785 higher depreciation charge at June 2007.

The costs of the mine development stages correspond to:

- Exploring and prospective drilling of ore deposits.

Costs for locating mineralized areas, and determining their possible commercial exploitation are debited to construction in progress. Once results are concluded and analyzed, they are charged to income if not feasible.

- Mine pre-operation expenses

Expenses incurred from the moment the Company determines that the exploitation of an ore deposit is feasible until the moment of start-up, are capitalized and amortized in relation with mineral production.

- Development expenses of ore deposits being exploited.

The expenses for maintaining production volumes are charged to costs when incurred.

h. Mining licenses - Mining licenses paid for mining properties that are not under operation are amortized during the period.

i. Investments in other companies - Investments in other companies are stated at cost and represent principally the contribution in Minera Pampa Fénix S.C.M. The Company owns 90% of this mining company. The non-consolidation of the aforementioned subsidiary does not affect the interpretation of the current financial statements, as its assets, liabilities, results and cash flows are not significant.

j. Vacations - The annual cost of personnel vacations is recognized as an expense in the financial statements on the accrual basis.

k. Income tax and deferred taxes - The Company determines provisions for first category income tax and specific mining tax, based on the Net Taxable Income and Operating Taxable Income, respectively, determined in accordance with the Income Tax Law.

Deferred taxes on temporary differences, tax losses and other events creating differences between the accounting and tax base of assets and liabilities, are recorded following Technical Bulletin N°60 of the Chilean Institute of Accountants and its complements and modifications.

l. Severance indemnity - The Company has accrued severance indemnity at the present value of the projected cost of the benefit, applying a 6.5% annual discount.

m. Mine closure - The Company provides for mine closure and abandonment of installations cost at net present value considering a discount rate of 6.5% and pursuant to corporate policies and environmental obligations subscribed with government organizations.

n. Operating revenue - These include product sales and the result of future contracts that determine sales prices. Sales revenue is recorded when the risk and product ownership are substantially transferred to the buyer.

ñ. Derivative contracts - The Company has entered into derivative contracts to cover the variation experienced by the price of copper. As these contracts were defined as coverage of expected transactions, the unrealized result has been deferred, as established by Technical Bulletin N°57 of the Chilean Institute of Accountants.

o. Statements of cash flows - In the statement of cash flows, the Company has considered as cash equivalent all readily disposable financial investments maturing within 90 days, including time deposits and mutual fund units.

p. Reclassifications - Some items in the Financial Statements at June 30, 2007 have been reclassified for reasons of uniformity.

3. TIME DEPOSITS

The detail is as follows:

	Currency	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Time deposits overseas	US\$	6,650	18,553
Time deposits local	US\$	<u>16,797</u>	<u>5,040</u>
Total		<u><u>23,447</u></u>	<u><u>23,593</u></u>

4. TRADE DEBTORS

The distribution of this item broken down by geographical destination is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Europe	10,976	21,546
Asia Pacific		5,834
North America	447	
Latin America		5
	<hr/>	<hr/>
Total	<u>11,423</u>	<u>27,385</u>

5. INVENTORIES

The detail of inventories at the respective period-end is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Products in process	10,978	10,092
Supplies and materials	5,162	3,816
Finished products	12,264	3,162
	<hr/>	<hr/>
Total	<u>28,404</u>	<u>17,070</u>

6. FIXED ASSETS

Fixed assets are stated as indicated in Notes 2g and 2h. The detail is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Mining properties	<u>13,622</u>	<u>13,622</u>
Construction and infrastructure	<u>71,493</u>	<u>73,377</u>
Machinery and equipment	<u>79,102</u>	<u>76,223</u>
Investments in development and prospecting	91,045	85,551
Furniture and fixtures, equipment	3,939	3,914
Works in progress	14,213	5,073
Leased assets		3,000
Other fixed assets	<u>1,239</u>	<u>750</u>
Total other fixed assets	110,436	98,288
Fixed asset technical revaluation	<u>4,104</u>	<u>4,104</u>
Total fixed assets - gross	<u>278,757</u>	<u>265,614</u>
Accumulated depreciation	(134,310)	(123,534)
Depreciation for the period	(6,267)	(6,405)
Increased value of accumulated depreciation as a result of technical revaluation of fixed assets	(4,104)	(4,104)
Accumulated amortization	(85,574)	(79,508)
Amortization for the period	<u>(6,544)</u>	<u>(3,017)</u>
Total accumulated depreciation	<u>(236,799)</u>	<u>(216,568)</u>
Total fixed assets - net	<u><u>41,958</u></u>	<u><u>49,046</u></u>

7. ACCOUNTS PAYABLE

The detail of this item at each period-end is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Invoices payable	10,351	129
Creditors for imports	384	1,181
Withholdings to contractors	1,145	1,115
Others	<u>19</u>	<u>18</u>
Total	<u><u>11,899</u></u>	<u><u>2,443</u></u>

8. SUNDRY CREDITORS

The detail of this item is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Leasing obligations		612
Deferred interest		(12)
	<hr/>	<hr/>
Total	<hr/> <hr/>	<hr/> <hr/> 600

The leasing obligations correspond to machinery and equipment financing. They are expressed in US dollars, and accrue an average annual interest of 4.68%.

9. BALANCES AND TRANSACTIONS WITH RELATED COMPANIES

a. Accounts receivable from/payable to related companies:

	Relationship	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Receivables - short-term:			
Minera El Tesoro	Indirect	467	
Antofagasta Minerals S.A.	Shareholder	40	320
Madeco S.A.	Indirect	454	182
Minera Los Pelambres	Indirect	38	17
Antofagasta Railway agencia en Chile	Indirect	1	1
		<hr/>	<hr/>
Total		<hr/> <hr/> 1,000	<hr/> <hr/> 520
Payables - short-term:			
Antofagasta Minerals S.A.	Shareholder	366	18
Antofagasta Railway agencia en Chile	Indirect	117	209
Minera Los Pelambres	Indirect		17
Madeco S.A.	Indirect	222	48
Minera El Tesoro	Indirect		1,962
		<hr/>	<hr/>
Total		<hr/> <hr/> 705	<hr/> <hr/> 2,254

The balances receivable and payable are stated in Chilean pesos and do not accrue interest or indexation.

b. The main transactions with related companies are as follows:

Entity	Relationship	Transaction	Amount of the Transaction		Effect on income Charge (Credit)	
			June 30, 2008	June 30, 2007	June 30, 2008	June 30, 2007
			ThUS\$	ThUS\$	ThUS\$	ThUS\$
Antofagasta Minerals S.A.	Shareholder	Administrative services	714	714	600	600
		Expense refunds	2,345	31	1,971	26
		Recovery of expenses	297	651		
		Rental income	74	51	(62)	(51)
Antofagasta Railway agencia en Chile	Indirect	Transport services	973	433	818	364
		Recovery of expenses	4	4		
Minera Los Pelambres	Indirect	Rental income	125	102	(125)	(102)
		Administrative services		17		14
Madeco S.A.	Indirect	Copper sales	1,549	1,160	(705)	(472)
		Purchase of materials	239	37	200	31
Minera El Tesoro	Indirect	Sale of materials	2,275	280		
		Purchase of materials	92	2,560		
		Sea Terminal service	387	790	(325)	(664)
		Sundry		1		
Banco de Chile	Indirect	Time deposits	8,157	4,105	(104)	(73)

10. ACCRUALS AND WITHHOLDINGS

The detail of this item at each period-end is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Short term:		
Monthly expenses accrual	1,058	4,947
Sundry US dollar accrual	12,874	8,723
Extraordinary bonus provision		2,117
Staff vacations accrual	999	829
Futures market accrual	1,244	595
Withholdings payable	2,192	2,994
Total	18,367	20,205
Long term:		
Mine closure	8,344	1,562
Severance indemnities	427	6,279
Total	8,771	7,841

11. INCOME TAX AND DEFERRED TAXES

a. Refundable taxes

The balance at each period-end is as follows:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
VAT Recoverable	5,121	2,168
Mining licenses	<u> </u>	<u> 30</u>
Total	<u><u>5,121</u></u>	<u><u>2,198</u></u>

b. Income tax

The First Category Income Tax provision at June 30, 2008, was ThUS\$10,894 (ThUS\$15,853 in June 2007), calculated in conformity with the Income Tax Law.

The specific mining tax provision was ThUS\$2,907 (ThUS\$1,765 in June 2007).

The calculated Income Tax provision is presented in income tax payable in current liabilities net of monthly provisional payments, training credits, and other credits.

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Income tax accrual	(10,894)	(15,853)
Additional tax, special Tax Law Art. 21 Income Tax Law	(17)	(4)
Specific mining tax accrual	(2,907)	(1,765)
Provisional monthly payments	10,136	6,368
Provisional monthly specific mining tax payments	3,086	2,234
Sence training expenses	21	5
Credit from donations made	<u> 1</u>	<u> </u>
Total	<u><u>(574)</u></u>	<u><u>(9,015)</u></u>

c. Deferred taxes

At June 30 each year, the detail of the accumulated balances for deferred taxes is as follows:

	June 30, 2008			June 30, 2007		
	Assets		Liabilities	Assets		Liabilities
	Short term	Long term	Long term	Short term	Long term	Long term
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Temporary differences						
Inventories	328			308		
Fixed asset depreciation			351			1,400
Vacation provision	170			141		
Provision for mine closure costs		1,418			1,273	
Provision for leasing and others	(152)	164		131	152	
Others		718			544	
Total deferred taxes	346	2,300	351	580	1,969	1,400
Complementary accounts - net of accumulated amortization						(31)
Total	346	2,300	351	580	1,969	1,369

Deferred taxes are presented in the balance sheet as shown below:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Current deferred tax assets	346	580
Total current assets	346	580
Long term deferred tax assets	2,300	1,969
Long term deferred tax liabilities	(351)	(1,369)
Total net long term asset	1,949	600

The composition of the charge to income for income tax, after the effect of deferred taxes is recognized, is as follows:

	June 30, 2008	June 30, 2007
	ThUS\$	ThUS\$
Current tax expense		
Income tax	(10,894)	(15,853)
Additional tax, special Tax Law Art. 21 Income Tax Law	(17)	(4)
Specific mining tax	(2,907)	(1,765)
Surplus (deficit) of prior year income tax	506	(278)
Deferred taxes		
Effect of the variation of assets and liabilities from deferred taxes	329	256
Effect of amortization of complementary accounts and others		(31)
Effect of specific mining tax	38	70
	<u>(12,945)</u>	<u>(17,605)</u>
Total net charge to income	<u>(12,945)</u>	<u>(17,605)</u>

12. SHAREHOLDERS' EQUITY

The following are the equity movements during the periods:

	Paid-in capital	Reserve for technical revaluation	Retained earnings	Interim dividend	Net income for the period	Total
	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Balance at January 1, 2008	78,422	219		(109,000)	126,825	96,466
Transfer 2007 net income			126,825		(126,825)	
Final dividend			(126,825)	109,000		(17,825)
Interim dividend				(35,000)		(35,000)
Net income for the period					52,080	52,080
Balance at June 30, 2008	<u>78,422</u>	<u>219</u>		<u>(35,000)</u>	<u>52,080</u>	<u>95,721</u>
Balance at January 1, 2007	78,422	219	4,409	(50,000)	86,021	119,071
Transfer 2006 net income			86,021		(86,021)	
Final dividend			(90,430)	50,000		(40,430)
Interim dividend				(65,000)		(65,000)
Net income for the period					75,885	75,885
Balance at June 30, 2007	<u>78,422</u>	<u>219</u>		<u>(65,000)</u>	<u>75,885</u>	<u>89,526</u>

In the Ordinary General Shareholders Meeting held on April 27, 2007, the shareholders in attendance unanimously agreed to approve and ratify the Board of Directors decision to pay a US\$50 million dividend with charge to 2006 net income, at US\$1.906984613 per share, which was paid to the shareholders beginning on September 5, 2006, b) approve a dividend payment with charge to 2006 retained earnings of US\$4,408,701.35, at US\$0.168146513 per share, and c) approve a dividend payment of US\$36,020,536.37, at US\$1.373812172 per share, with charge to 2006 earnings, which must be placed at the shareholders disposal from April 30, 2007 onward.

As a result, the dividend paid by the Company to the shareholders with charge to 2006 income is US\$86,020,536.37 and with charge to retained earnings is US\$4,408,701.35.

In Board Meeting N° 302 on May 28, 2007, it was unanimously agreed to distribute an interim dividend of US\$65 million, at US\$2.479079997 per share, against 2007 earnings, which was paid to the shareholders from June 06, 2007 onward.

In Board Meeting N° 306 on September 24, 2007, it was unanimously agreed to distribute an interim dividend of US\$44 million, at US\$1.678146460 per share, against 2007 earnings, which was paid to the shareholders from October 16, 2007 onward.

The Ordinary General Shareholders Meeting held on April 25, 2008, unanimously agreed to distribute final dividends of US\$17,824,565.23, at the rate of US\$0.679823433, which will be paid to the shareholders from April 30, 2008.

The extraordinary Board Meeting held on April 4, 2008, unanimously agreed to distribute an interim dividend of US\$35 million, at the rate of US\$1.334889229, which will be paid to the shareholders from June 5, 2008.

13. OTHER INCOME AND EXPENSES

a. Other income:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Rental income	274	191
Net income from sale of fixed assets	113	11
Sea Terminal service	250	322
Recovery of written-of debt		1,352
Other income	288	11
	<u>925</u>	<u>1,887</u>
Total	<u><u>925</u></u>	<u><u>1,887</u></u>

b. Other expenses:

	June 30, 2008 ThUS\$	June 30, 2007 ThUS\$
Other expenses	35	32
Total	<u><u>35</u></u>	<u><u>32</u></u>

14. FUTURE OPERATIONS AND OPTIONS

The Company holds the following hedge contracts at each period-end:

a. Outstanding positions at June 30, 2008:

At June 30, 2008, the Company holds Min-Max options for 17,425 MT, with monthly maturities, from July to December, 2008. These options have a floor of US\$2.92 per pound of fine copper, and a cap of US\$4.09 per pound of fine copper.

b. Outstanding positions at June 30, 2007:

At June 30, 2007 the Company holds Min-Max options for 9,400 MT, with monthly maturities, from July to December, 2007. These options have a floor of US\$2.89 per pound of fine copper and a cap of US\$3.69 per pound of fine copper during the second semester.

At June 30, 2007, the Company has Future Contracts for 8,400 MT, with 1,400 MT maturing every month, from July to December 2007. The average price of these contracts is US\$3.08 per pound of fine copper.

c. Result of operations that matured during the period:

June 30, 2008	Gain ThUS\$	Loss ThUS\$	Total ThUS\$
Options	<u> </u>	<u>(6,889)</u>	<u>(6,889)</u>
Total	<u> </u>	<u>(6,889)</u>	<u>(6,889)</u>
June 30, 2007	Gain ThUS\$	Loss ThUS\$	Total ThUS\$
Fixed price	1,997	(2,104)	(107)
Options	<u>1,054</u>	<u>(815)</u>	<u>239</u>
Total	<u>3,051</u>	<u>(2,919)</u>	<u>132</u>

The result of these operations is presented net in revenue in the income statement.

15. CONTINGENCIES AND COMMITMENTS

As a result of the earthquake on November 14, 2007 the Company recorded a provision for the damages in facilities and losses in inventories of products in process for ThUS\$9,276, as well as the recoverability of ThUS\$7,776, considering that the Company has insurance policies in force that cover these risks.

16. SUBSEQUENT EVENTS

On July 25, 2008 the Company received US\$2 million from the insurance company Royal Sunalliance on account of the advance of the payment of damages caused by the earthquake mentioned in Note 15.

Between July 1, and the date of issue of these financial statements, there have been no other subsequent events that could significantly affect the balances or interpretation of these financial statements.

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