

MINERA MICHILLA S.A.
UNAUDITED FINANCIAL STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008 AND 2007

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

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

ASSETS	2008 ThUS\$	2007 ThUS\$
CURRENT ASSETS:		
Cash at bank and in hand	937	177
Time deposits	33,692	66,391
Marketable securities		1,026
Trade debtors	12,775	24,250
Sundry debtors	8,199	2,105
Accounts receivable from related companies	839	361
Refundable taxes	3,863	4,700
Inventories	27,595	18,505
Prepaid expenses	832	1,015
Deferred taxes	371	572
Other current assets	12	13
Total current assets	89,115	119,115
FIXED ASSETS:		
Mining properties	13,622	13,622
Construction and infrastructure	71,509	73,635
Machinery and equipment	79,320	76,666
Other fixed assets	113,686	100,336
Technical revaluation of fixed assets	4,104	4,104
Accumulated depreciation and amortization	(243,181)	(221,245)
Total fixed assets net	39,060	47,118
OTHERS:		
Investments in other companies	306	303
Deferred taxes	2,334	1,021
Others		36
Total other assets	2,640	1,360
TOTAL ASSETS	130,815	167,593

The accompanying notes form an integral part of these financial statements

LIABILITIES AND SHAREHOLDERS' EQUITY	2008 ThUS\$	2007 ThUS\$
CURRENT LIABILITIES:		
Accounts payable	9,414	3,003
Sundry creditors		392
Accounts payable to related companies	387	1,134
Accruals and withholdings	27,298	21,115
Dividends payable	1	44,000
Income tax		10,536
	<u>37,100</u>	<u>80,180</u>
LONG TERM LIABILITIES:		
Accruals	<u>9,112</u>	<u>8,581</u>
Total long term liabilities	<u>9,112</u>	<u>8,581</u>
SHAREHOLDERS' EQUITY:		
Paid-in capital	78,422	78,422
Reserve for fixed asset technical revaluation	219	219
Net income for the period	(70,000)	(109,000)
	<u>75,962</u>	<u>109,191</u>
Total shareholders' equity	<u>84,603</u>	<u>78,832</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	<u><u>130,815</u></u>	<u><u>167,593</u></u>

MINERA MICHILLA S.A.

STATEMENTS OF INCOME

FOR THE NINE - MONTH PERIODS ENDED SEPTEMBER 30, 2008 AND 2007

(In thousands of US dollars -ThUS\$)

	2008 ThUS\$	2007 ThUS\$
OPERATING REVENUE	271,543	253,293
OPERATING COSTS	<u>(161,031)</u>	<u>(112,531)</u>
OPERATING MARGIN	110,512	140,762
ADMINISTRATIVE AND SELLING EXPENSES	<u>(14,046)</u>	<u>(11,895)</u>
OPERATING INCOME	<u>96,466</u>	<u>128,867</u>
OTHER INCOME (EXPENSES):		
Financial income	1,519	2,948
Other income	1,611	2,255
Financial expenses	(47)	(151)
Other expenses	(27)	(58)
Exchange differences	<u>(4,532)</u>	<u>640</u>
OTHER (EXPENSES) INCOME	<u>(1,476)</u>	<u>5,634</u>
INCOME BEFORE INCOME TAX	94,990	134,501
INCOME TAX	<u>(19,028)</u>	<u>(25,310)</u>
NET INCOME FOR THE PERIOD	<u><u>75,962</u></u>	<u><u>109,191</u></u>

The accompanying notes form an integral part of these financial statements

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

	2008	2007
	ThUS\$	ThUS\$
RECONCILIATION BETWEEN NET CASH FLOW FROM OPERATING ACTIVITIES AND NET INCOME FOR THE PERIOD:		
Net income for the period	75,962	109,191
Gain on sale of assets:		
Gain on sale of assets	(114)	
Charges (credits) to income that do not represent cash flows:		
Depreciation	9,461	9,664
Amortization	9,741	4,479
Write-offs and accruals	1,521	2,142
Exchange differences	4,532	(640)
Other (credits) charges to income that do not represent cash flows	16	(374)
Decrease (increase) in assets affecting cash flow:		
Trade debtors	8,871	(8,735)
Inventories	(11,283)	(429)
Deferred taxes	194	85
Other assets	(15,123)	(6,014)
Increase (decrease) in liabilities affecting cash flow:		
Accounts payable and sundry creditors	11,442	4,472
Value added tax and other similar taxes payable	522	(2,749)
Deferred taxes	(970)	(764)
Net cash provided by operating activities	<u>94,772</u>	<u>110,328</u>
CASH FLOW FROM INVESTMENT ACTIVITIES:		
Sale of fixed assets	114	
Purchase of fixed assets	(15,535)	(6,754)
Other loans to related companies		(95)
Net cash used in investment activities	<u>(15,421)</u>	<u>(6,849)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Payment of dividends	(87,825)	(105,429)
Net cash used in financing activities	<u>(87,825)</u>	<u>(105,429)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(8,474)	(1,950)
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>34,629</u></u>	<u><u>67,594</u></u>

The accompanying notes form an integral part of these financial statements

MINERA MICHILLA S.A.

NOTES TO THE FINANCIAL STATEMENTS

(In thousand 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 20.026 on the Specific Mining Tax published in the Official Gazette of June 16, 2005, and the relevant regulations issued by the Superintendence of Securities and Insurance ("SVS") through its Exempt Resolutions 549 of September 23, 2005 and N°39 of February 3, 2006, the Company shall deliver its Audited Quarterly and 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 POLICIES

a. Basis of presentation - The financial statements at September 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 \$551.31 for US\$1 (September 30, 2007: \$511,23 for US\$1).

c. Time deposits - Time deposits are stated at original investment amount plus accrued interests at the close of each 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. Allowance 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\$2,689 higher depreciation charge at September 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 vacation is recognized as an expense in the financial statements on the accrual basis.

k. Income tax and deferred taxes - The Company determines provisions for the 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 create differences between the accounting and tax base of assets and liabilities, are recorded according to Technical Bulletin N°60 and its complements of the Chilean Institute of Accountants.

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 rate.

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 the 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.

o. Derivative contracts - The Company has entered into derivative contracts to cover the variation in 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 Accounts.

p. 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.

q. Reclassifications - For comparative purposes, certain reclassifications have been made in the financial statements at September 30, 2007.

3. TIME DEPOSITS

The detail is as follows:

	Currency	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Time deposits overseas	US\$		7,403
Time deposits local	US\$	33,692	58,988
Total		33,692	66,391

4. TRADE DEBTORS

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

	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Europe	7,834	8,897
Asia Pacific	2,352	10,427
North America		4,146
Latin America	2,589	780
Total	<u>12,775</u>	<u>24,250</u>

5. INVENTORIES

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

	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Products in process	13,292	10,369
Supplies and materials	6,612	3,938
Finished products	7,691	4,198
Total	<u>27,595</u>	<u>18,505</u>

6. FIXED ASSETS

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

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Mining properties	<u>13,622</u>	<u>13,622</u>
Construction and infrastructure	<u>71,509</u>	<u>73,635</u>
Machinery and equipment	<u>79,320</u>	<u>76,666</u>
Investments in development and prospecting	91,749	85,551
Furniture and fixtures, equipment	3,940	3,914
Works in progress	16,761	7,121
Leased assets		3,000
Other fixed assets	<u>1,236</u>	<u>750</u>
Total other fixed assets	113,686	100,336
Fixed asset technical revaluation	<u>4,104</u>	<u>4,104</u>
Total fixed assets - gross	<u>282,241</u>	<u>268,363</u>
Accumulated depreciation	(134,301)	(123,490)
Depreciation for the period	(9,461)	(9,664)
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>(9,741)</u>	<u>(4,479)</u>
Total accumulated depreciation	<u>(243,181)</u>	<u>(221,245)</u>
Total fixed assets - net	<u><u>39,060</u></u>	<u><u>47,118</u></u>

7. ACCOUNTS PAYABLE

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

	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Invoices payable	8,189	2,026
Creditors for imports		80
Withholdings to contractors	1,209	879
Others	16	18
	<u>9,414</u>	<u>3,003</u>
Total	<u><u>9,414</u></u>	<u><u>3,003</u></u>

8. SUNDRY CREDITORS

The detail of this item is as follows:

	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Short term:		
Leasing obligations		397
Deferred interest		(5)
	<u>-</u>	<u>392</u>
Total	<u><u>-</u></u>	<u><u>392</u></u>

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:

	Tipo de relación	September 30, 2008 ThUS\$	September 30, 2007 ThUS\$
Receivables - short-term:			
Minera El Tesoro	Indirect	447	278
Antofagasta Minerals S.A.	Shareholder	37	64
Madeco S.A.	Indirect	354	
Minera Los Pelambres	Indirect		18
Antofagasta Railway Agencia en Chile	Indirect	1	1
Total		839	361
Payables - short-term:			
Antofagasta Minerals S.A.	Shareholder	182	663
Antofagasta Railway agencia en Chile	Indirect	164	295
Madeco S.A.	Indirect		58
Minera El Tesoro	Indirect	41	118
Total		387	1,134

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:

Company	Relation-ship	Transaction	Amount of Transaction		Effect on Income Charge (Credit)	
			Sept. 2008 ThUS\$	Sept. 2007 ThUS\$	Sept. 2008 ThUS\$	Sept. 2007 ThUS\$
Antofagasta Minerals S.A.	Shareholder	Administrative services	1,071	1,071	900	900
		Expense refunds	3,795	794	3,189	667
		Recovery of expenses	64	601		
		Rental income	92	78	(92)	(78)
Antofagasta Railway Agencia en Chile	Indirect	Transport services	1,524	1,004	1,280	844
		Recovery of expenses	6	5		
Minera Los Pelambres	Indirect	Rental income	184	155	(184)	(155)
		Administrative services		17		14
Madeco S.A.	Indirect	Copper sales	4,518	1,549	(2,183)	(618)
		Purchase of materials	292	64	246	54
Minera El Tesoro	Indirect	Sale of materials	4,985	531		
		Purchase of materials	616	2,763		
		Sea Terminal service	487	897	(410)	(754)
		Sundry	213	1		
Minera Esperanza	Indirect	Time deposits	1		1	
		Recovery of expenses	1		1	
Banco de Chile	Indirect	Time deposits	10,690	16,710	(212)	(102)

10. ACCRUALS AND WITHHOLDINGS

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

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Short term:		
Monthly expenses accrual	1,347	6,575
Sundry US dollar accrual	21,889	8,430
Extraordinary bonus provision		1,129
Staff vacations accrual	1,141	994
Futures market accrual		1,402
Withholdings payable	2,921	2,585
	<hr/>	<hr/>
Total	27,298	21,115
	<hr/> <hr/>	<hr/> <hr/>
Long term:		
Mine closure	1,692	1,618
Severance indemnities	7,420	6,963
	<hr/>	<hr/>
Total	9,112	8,581
	<hr/> <hr/>	<hr/> <hr/>

11. INCOME TAX AND DEFERRED TAXES

a. Refundable taxes

The balance at each period-end is as follows:

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
VAT Recoverable	2,380	4,700
Income tax accrual, net of credits	1,015	
Specific mining tax accrual	468	
	<hr/>	<hr/>
Total	3,863	4,700
	<hr/> <hr/>	<hr/> <hr/>

b. Income tax

The First Category Income Tax provision at September 30, 2008, was ThUS\$16,126 (ThUS\$23,054 in September 2007), calculated in conformity with the Income Tax Law.

The specific mining tax provision was for ThUS\$4,164 (ThUS\$2,680 in September 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.

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Income tax accrual	(16,126)	(23,054)
Additional tax, special Tax Law Art. 21 Income Tax Law	(20)	(6)
Specific mining tax accrual	(4,164)	(2,680)
Provisional monthly payments	17,099	11,158
Provisional monthly specific mining tax payments	4,632	4,008
Sence training expenses	53	
Credit from donations made	9	38
	<u>1,483</u>	<u>(10,536)</u>
Total	<u>1,483</u>	<u>(10,536)</u>

c. Deferred taxes

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

	September 30, 2008			September 30, 2007		
	Asset		Liability	Asset		Liability
	Short term	Long term	Long term	Short term	Long term	Long term
Temporary differences	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$	ThUS\$
Inventories	328			307		
Fixed asset depreciation			78			1,132
Vacation provision	194			169		
Provision for mine closure costs		1,476			1,393	
Provision for leasing and others	(151)	164		96	158	
Others		772			587	
	<u>371</u>	<u>2,412</u>	<u>78</u>	<u>572</u>	<u>2,138</u>	<u>1,132</u>
Total deferred taxes						
Complementary accounts - net of accumulated amortization						(15)
	<u>371</u>	<u>2,412</u>	<u>78</u>	<u>572</u>	<u>2,138</u>	<u>1,117</u>
Total	<u>371</u>	<u>2,412</u>	<u>78</u>	<u>572</u>	<u>2,138</u>	<u>1,117</u>

The deferred taxes are presented in the balance sheet as shown below:

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Current deferred tax assets	371	572
	<u>371</u>	<u>572</u>
Total current assets	<u>371</u>	<u>572</u>
Long term deferred tax assets	2,412	2,138
Long term deferred tax liabilities	<u>(78)</u>	<u>(1,117)</u>
Total net long term asset	<u>2,334</u>	<u>1,021</u>

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

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Current tax expense		
Income tax	(16,126)	(23,054)
Additional tax, special Tax Law Art. 21 Income Tax Law	(20)	(6)
Specific mining tax	(4,164)	(2,680)
Surplus (deficit) of prior year income tax	506	(278)
Deferred taxes		
Effect of the variation of assets and liabilities from deferred taxes	683	642
Effect of amortization of complementary accounts and others		(47)
Effect of specific mining tax	<u>93</u>	<u>113</u>
Total net charge to income	<u>(19,028)</u>	<u>(25,310)</u>

12. SHAREHOLDERS' EQUITY

The following are the equity movements during the periods:

	Paid-in capital ThUS\$	Reserve for technical revaluation ThUS\$	Retained earnings ThUS\$	Interim dividend ThUS\$	Net income for the period ThUS\$	Total ThUS\$
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				(109,000)		(109,000)
Net income for the period					109,191	109,191
Balance at September 30, 2007	78,422	219		(109,000)	109,191	78,832
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				(70,000)		(70,000)
Net income for the period					75,962	75,962
Balance at September 30, 2008	78,422	219		(70,000)	75,962	84,603

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 was paid to the shareholders from April 30, 2008 onward.

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 was paid to the shareholders from June 5, 2008, onward.

The Board Meeting N°313 of August 25, 2008, unanimously agreed to distribute an interim dividend of US\$35 million, at the rate of US\$1.334889229 per share, which was paid to the shareholders on September 30, 2008.

13. OTHER INCOME AND EXPENSES

a. Other income:

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Rental income	403	290
Gain on sale of fixed assets	114	21
Sea Terminal service	287	342
Recovery of written-of debt		1,352
Other income	807	250
	<u>807</u>	<u>250</u>
Total	<u>1,611</u>	<u>2,255</u>

b. Other expenses:

	September 30, 2008	September 30, 2007
	ThUS\$	ThUS\$
Other expenses	27	58
	<u>27</u>	<u>58</u>
Total	<u>27</u>	<u>58</u>

14. FUTURE OPERATIONS AND OPTIONS

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

a. Outstanding positions at September 30, 2008:

At September 30, 2008, the Company holds Min-Max options for 8,650 MT, with monthly maturities, from October to December 2008. These options have a floor of US\$2.92 per pound of fine copper, and a cap of US\$4.08 per pound of fine copper.

b. Outstanding positions at September 30, 2007:

At September 30, 2007, the Company holds Min-Max options for 4,800 MT, with monthly maturities, from October to December 2007. These options have a floor of US\$2.89 per pound of fine copper, and a cap of US\$3.63 per pound of fine copper.

At September 30, 2007, the Company keeps future contracts (fixing) for 4,200 MT, maturing 1.400 MT each month from October to December 2007. These contracts have a fixed price of US\$ 3.06 per pound of fine copper.

This type of operation does not pay a premium and therefore, there is no amortization cost.

b. Result of operations that matured during the period:

September 30, 2008	Gain ThUS\$	Loss ThUS\$	Total ThUS\$
Options	<u>72</u>	<u>(7,961)</u>	<u>(7,889)</u>
Total	<u><u>72</u></u>	<u><u>(7,961)</u></u>	<u><u>(7,889)</u></u>
September 30, 2007	Gain ThUS\$	Loss ThUS\$	Total ThUS\$
Fixed price	1,997	(5,979)	(3,982)
Options	<u>1,054</u>	<u>(1,601)</u>	<u>(547)</u>
Total	<u><u>3,051</u></u>	<u><u>(7,580)</u></u>	<u><u>(4,529)</u></u>

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

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.

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

16. SUBSEQUENT EVENTS

Between October 1, 2008, and the date of issue of these financial statements, there have been no subsequent events that could significantly affect the balances or interpretation of these financial statements.

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