4Q19 Earnings Release

March 6th, 2020

4Q19 Results Conference Call

Thursday, March 12, 2020 ID: COPEC
11:00 EST (NY Time)
12:00 Santiago Time

From EE.UU.: +1 (844) 204-8586
From Chile: +56 44 208-1274
From other countries: +1 (412) 317-6346

4Q19 / 4Q18

A loss of US$ 206 million was posted, dropping on earnings of US$ 148 million YoY, explained by a non-operating income decrease of US$ 239 million, mainly related to impairments at Mina Invierno, Alxar and Arauco. The operating income decreased US$ 185 million, due to the lower performance of Arauco in a scenario of lower pulp prices.

4Q19 / 3Q19

Net income dropped US$ 228 million QoQ, due to lower non-operating income as a result of the impairments mentioned above. The company also reported a decrease in operating income, mainly in the forestry business.

EBITDA

EBITDA in 4Q19 was US$ 397 million, dropping 29.7% YoY and 18.9% QoQ, mainly because of the lower performance of the forestry business from a pulp price decrease. YTD, it was US$ 2,018 million, 27.1% down on the previous year.

Highlights

In the forestry business, Arauco made progress of 39% in the MAPA project, and the dissolving pulp project is completed. The latter is expected to start up in the second quarter of 2020. The Mina Justa project made progress of 79.2%.

Net Debt / EBITDA

Debt in 4Q19 increased to 3.4 times from the 3.2 times reported in 3Q19, mainly due to the higher debt to develop projects, along with a lower EBITDA, which was affected by a scenario of pulp price decreases. It should be highlighted that, excluding the effect of implementing the new IFRS 16, the ratio at the close of december 2019 was 3.3 times.

	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Revenues	5,641	6,240	6,057	(6.9%)	(9.6%)	23,716	23,970	(1.1%)
EBIT	102	185	287	(64.4%)	(44.8%)	848	1,755	(51.7%)
EBITDA*	**397**	**489**	**564**	**(29.7%)**	**(18.9%)**	**2,018**	**2,767**	**(27.1%)**
Non operating income	(314)	(116)	(75)	(317%)	(171.2%)	(498)	(258)	(92.9%)
Total profit	(195)	38	162	(220.0%)	(619.0%)	226	1,119	(79.8%)
Profit attributable to controllers	**(206)**	**22**	**148**	**(239.9%)**	**(1044.5%)**	**172**	**1,071**	**-83.9%**
Profit attributable to minority	11	16	15	(23.1%)	(27.1%)	54	48	12.0%
EBITDA Margin	7.0%	7.8%	9.3%	(24.5%)	(10.3%)	8.5%	11.5%	(26.3%)
EBITDA / Net interest expenses	3.7	5.3	6.8	(44.8%)	(29.6%)	5.3	8.6	(37.5%)

*EBITDA = Operating Income + Depreciation + Amortization + Fair value cost of timber harvested

Figures in US$ million

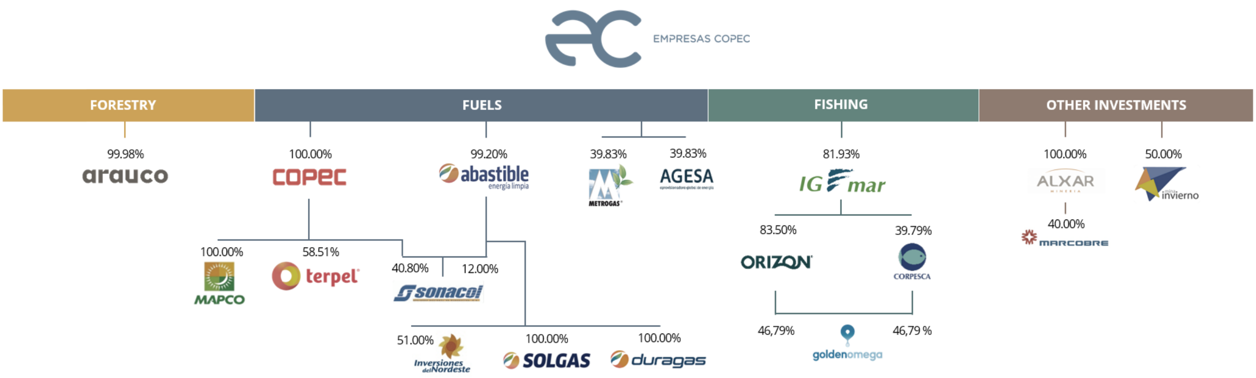
Contact information:

Cristián Palacios
Director of Finance and IR
+562 24617042
cristian.palacios@empresascopec.cl

Juan Ignacio Hurtado
Investor Relations
+562 24617015
juan.hurtado@empresascopec.cl

Camilo Milic
Investor Relations
+562 24617046
camilo.milic@empresascopec.cl

SIMPLIFIED OWNERSHIP STRUCTURE



HIGHLIGHTS

Dissolving Pulp Project Update

The Dissolving Pulp Project was completed as of February 2020 and the start-up is expected by the second quarter of 2020. Total investment for this brownfield project was approximately US$195 million.

Development of the MAPA project

MAPA Project progress as of February 2020 is 39%. Engineering and purchasing of equipment and materials advances according to schedule. During early 2020 the civil works related to main construction contracts, including steel structures and equipment preassembly at site, are advancing as expected.

The main equipment for the project has been received, including the digester, boiler buildings, boiler feed water tank, evaporators, lime kilns, DD washers, among others, mainly from Europe and China. The construction contracts for the administration offices, workshop & spare parts warehouse and the aeration lagoon modification were awarded. Currently 8,200 people are working at the site.

The start-up of the new Line 3 is expected to take place during the second quarter of 2021. At that point, the existing eucalyptus line (Line 1) will be permanently shut down.

Progress with the Mina Justa Project

As planned, the Mina Justa project had construction progress of over 79.2% as of January 24, 2020. At the close of January, 5,321 people are involved in its development, entailing an investment of around US$ 1,6 billion, and construction is expected to be completed by the end of 2020.

Alxar has a 40% interest in Mina Justa, which is its venture into the large-scale copper mining industry. The project is at Ica in Peru and is expected to attain production of up to 150 thousand tons of fine copper a year in the first few years of operation, with an average of 115 thousand tons a year in its planned 16-year life.

Sonacol Sale Process

On December 20, 2019, Copec and Abastible, jointly with Esmax Inversiones S.A., Empresa Nacional del Petróleo S.A. and Empresa Nacional de Energía Enex S.A., reported the granting of a mandate to the investment bank Goldman Sachs to structure and lead a process to assess the sale of all the shares in Sonacol of which they are the respective owners in a competitive sales process.

It is estimated that such sale could take place in a period of 14 months. Regarding this, it is worth mentioning that the subsidiaries of Empresas Copec are the joint owners of 52.8% of Sonacol.

Wildfire Season 2020

As of the end of February 2020, there have been approximately 1,600 fires in our forest plantations. The area affected reached 2,200 hectares, which had a fair value of approximately US$ 5 million.

Recognition for Good Corporate Governance Practices

Empresas Copec was distinguished, along with BCI and Banco Santander, for its good corporate governance practices. This recognition was given by the Santiago Stock Exchange in partnership with Ernst & Young (EY) considering the result of the «The Voice of the Market» survey, whose aim is to evaluate the perception of the corporate governance of the most traded companies on the local stock market.

The survey was answered by 347 directors, investors, brokers, financial market analysts, credit rating agencies, trade associations, academics and other influential players. They evaluated companies according to the following five pillars of corporate governance: business strategy, control environment, transparency, fair and equal treatment, and sustainability management.

CONSOLIDATED RESULTS

4Q19 / 4Q18. The loss attributable to the controller's owners was US$ 206 million in 4Q19, dropping US$ 354 million YoY. That was due to non-operating and operating income falling US$ 239 million and US$ 185 million, respectively.

The drop in **operating income** was mainly due to the forestry business, where Arauco had lower revenue from pulp and wood products price decreases.

The fuels business posted higher operating income driven by better margins and volumes at Terpel. There were also volume increases in Chile, driven by the dealer channel but the industrial channel had a slight decrease. Mapco had slight volume increases.

Abastible posted lower operating income, mainly because of a lower gross margin at operations in Chile, partly offset by higher operating income in Colombia and Peru. Ecuador remained stable.

The company's gross earnings fell 17.9% amounting to US$ 680 million, which mainly came from Arauco's subsidiaries of US$ 252 million; with Copec accounting for US$ 317 million; Abastible for US$ 65 million; Igemar for US$ 12 million; and Sonacol for US$ 11 million.

Non-operating income was more negative, mainly because of losses from interests in associates, largely explained by impairment at Mina Invierno, and a sharp drop in other expenses, due to asset impairments at Alxar and Arauco.

The company recognized **asset impairments** in the quarter amounting to US$ 243, according to the following detail: Inversiones Laguna Blanca, owner of 99.8% of Mina Invierno, recognized the impairment of US$ 244 million on its assets. Due to the new operating and commercial scenario of Mina Invierno, as a result of judiciary measures, Empresas Copec, given its stake of 50% in Inversiones Laguna Blanca, recognized an extraordinary loss of US$ 122 million. Additionally, the company Inversiones Alxar, owner of mining properties in Chile, recognized total impairment of US$ 44 million of its El Bronce, Choquelimpie and Botón de Oro mining assets. Moreover, Arauco recognized impairments of US$ 77 million related to capacity closures in North American panel plants and the planned detention of the Line 1 of the Arauco mill.

Effects of the new IFRS 16 in 2019

The adoption of the new accounting principle has entailed the following effects in the company's financial statements:

- Assets increase in US$ 703.8 million
- Liabilities increase in US$ 699.1 million
- Leasing expenses decrease in US$ 144.6 million
- Financial expenses increase in US$ 32.5 million
- Depreciation and Amortization increase in US$ 131.2 million
- EBITDA increase in US$ 144.6 million
- Net profits decrease US$ 9.9 millions

Income Statement	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Revenues	5,641	6,240	6,057	(6.9%)	(9.6%)	23,716	23,970	(1.1%)
Cost of sales	(4,960)	(5,410)	(5,149)	3.7%	8.3%	(20,453)	(19,805)	(3.3%)
Administration & distribution expenses	(578)	(644)	(621)	6.9%	10.2%	(2,415)	(2,411)	(0.2%)
Operating Income	**102**	**185**	**287**	**(64.4%)**	**(44.8%)**	**848**	**1,755**	**(51.7%)**
Other income	75	65	69	9.9%	15.5%	302	188	60.6%
Other expenses	(178)	(52)	(47)	(275.1%)	(243.9%)	(298)	(148)	(101.5%)
Other gains (losses)	19	(7)	10	86.5%	372.6%	21	12	78.7%
Finance costs	(121)	(106)	(100)	(21.2%)	(14.6%)	(438)	(371)	(18.2%)
Finance income	16	14	17	(8.7%)	10.4%	61	47	28.0%
Share of profits of associates	(110)	(0)	(13)	(727.2%)	(39326.2%)	(91)	62	(246.3%)
Foreign exchange differences	(10)	(27)	(5)	(113.9%)	61.2%	(39)	(32)	(21.0%)
Other results	(4)	(3)	(5)	18.2%	(38.1%)	(15)	(17)	7.7%
Non Operational income	**(314)**	**(116)**	**(75)**	**(317.3%)**	**(171.2%)**	**(498)**	**(258)**	**(92.9%)**
Income tax expense	17	(32)	(49)	133.6%	151.6%	(125)	(378)	67.0%
Total profit	(195)	38	162	(220.0%)	(619.0%)	226	1,119	(79.8%)
Profit attributable to controllers	**(206)**	**22**	**148**	**(239.9%)**	**(1,044.5%)**	**172**	**1,071**	**(83.9%)**
Profit attributable to minority	**11**	**16**	**15**	**(23.1%)**	**(27.1%)**	**54**	**48**	**12.0%**
EBIT	102	185	287	(64.4%)	(44.8%)	848	1,755	(51.7%)
Depreciation & Amortization	216	214	200	7.8%	1.0%	847	694	22.1%
Fair value cost of timber harvested	79	90	77	1.6%	(12.7%)	323	319	1.2%
EBITDA	**397**	**489**	**564**	**(29.7%)**	**(18.9%)**	**2,018**	**2,767**	**(27.1%)**

Figures in US$ million

4Q19 / 3Q19. Net income dropped US$ 228 million QoQ, explained by more negative non-operating income related to impairment, along with lower operating income, mainly in the forestry business.

The EBITDA in the **forestry** business fell 22.2%, related to a scenario of pulp price decreases.

The **fuels** business had a 13.0% drop in EBITDA measured in US dollars, due to decreases of 3.0% at Copec, 39.7% at Abastible and 16.6% at Sonacol.

Non-operating income was US$ 198 million more negative, because of income losses in associates, explained by impairment at Mina Invierno, and the mentioned impairment of mining and forestry assets.

2019 / 2018. Earnings attributable to the controller's owners amounted to US$ 172 million and were 83.9% down on those in 2018. That was mainly due to operating income dropping US$ 906 million.

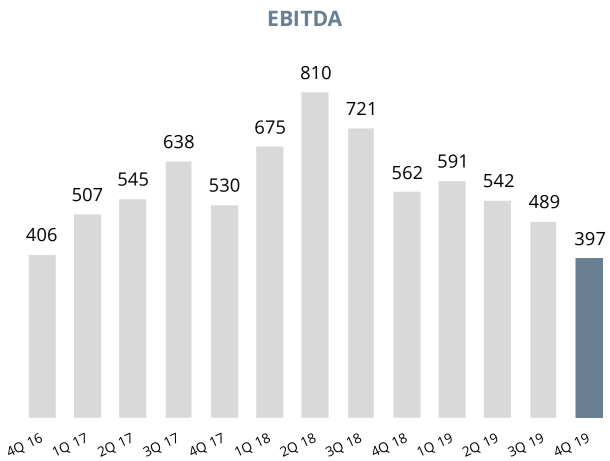
The operating income decrease was essentially due to the **forestry** business, where Arauco had lower revenue from pulp price decreases in 2019.

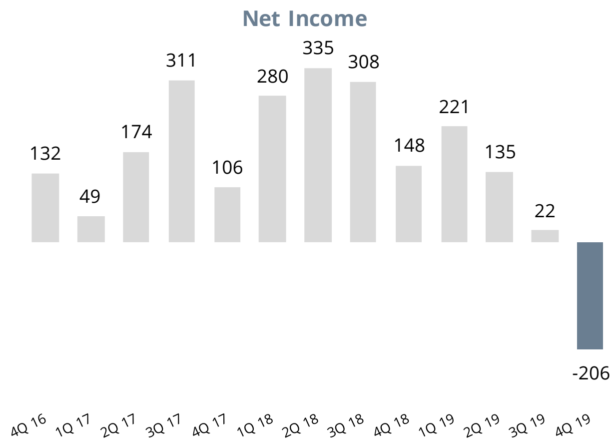
The **fuels** business had a drop in operating income, mainly at Copec Chile, due to lower margins and mainly from a decrease in the revaluation of inventories and industrial margins, but there were higher volumes. Terpel posted greater operating income, because of increased volumes and margins, along with consolidation of the assets acquired from ExxonMobil. Mapco had lower operating income but volumes increased.

Abastible posted greater operating income. There was a better performance in Colombia, Peru and Ecuador, offset by lower income in Chile.

The company's gross **earnings** dropped 21.6% amounting to US$ 3,264 million, which mainly came from Arauco's subsidiaries of US$ 1,419 million; with Copec accounting for US$ 1,338 million; Abastible for US$ 393 million; Igemar for US$ 60 million; and Sonacol for US$ 54 million.

Non-operating income was more negative, mainly due to impairment recognition at Mina Invierno, Arauco and Alxar. There were also higher financial costs at Arauco, partly offset by greater other revenue at the forestry subsidiary due to the net income generated from the sale of its stake in Puertos y Logística S.A. and a higher revaluation of biological assets.

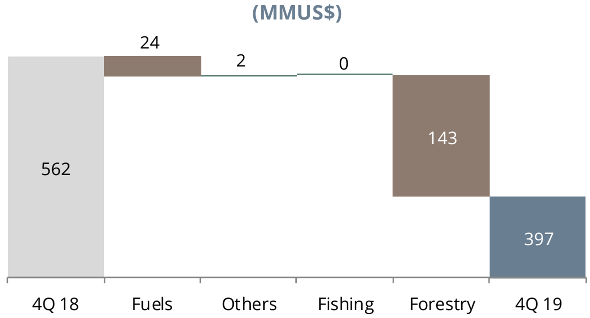




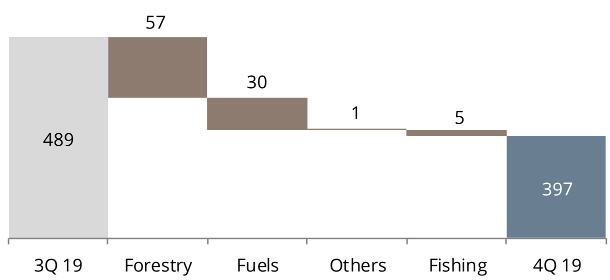
Figures in US$ million

	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Var 19 / 18
EBITDA								
Forestry	199	256	342	(41.9%)	(22.2%)	1,121	1,841	(39.1%)
Fuels	198	228	222	(10.7%)	(13.0%)	887	917	(3.2%)
Copec	151	155	169	(10.6%)	(3.0%)	645	667	(3.4%)
Abastible	34	56	39	(13.0%)	(39.7%)	179	184	(2.7%)
Sonacol	14	17	15	(4.9%)	(16.6%)	64	66	(3.6%)
Fishing	4	9	5	(6.4%)	(53.1%)	29	30	(2.0%)
Others	(5)	(4)	(7)	31.6%	(27.4%)	(19)	(20)	(5.8%)
TOTAL	**397**	**489**	**562**	**(29.4%)**	**(18.9%)**	**2,018**	**2,767**	**(27.1%)**
CAPEX								
Forestry	437	281	342	27.9%	55.5%	1,455	921	58.0%
Fuels	138	133	259	(46.7%)	3.4%	450	1,023	(56.0%)
Fishing	6	2	31	(82.4%)	356.0%	30	37	(17.4%)
Others	42	45	27	56.1%	(6.0%)	123	240	(48.8%)
TOTAL	**623**	**461**	**659**	**(5.5%)**	**35.1%**	**2,058**	**2,221**	**(7.3%)**

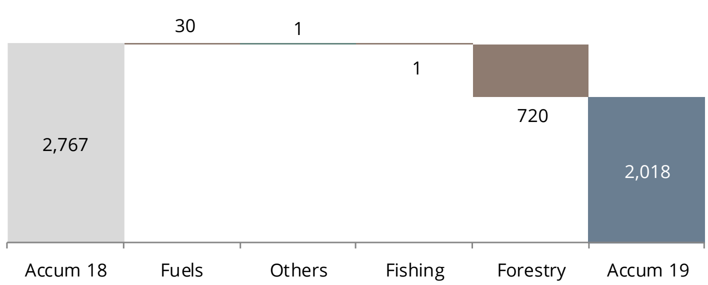
EBITDA change by business (4Q 19 v/s 4Q 18) (MMUS$)



EBITDA change by business (4Q 19 v/s 3Q 19) (MMUS$)



EBITDA change by business (Accum 19 v/s Accum 18) (MMUS$)



ARAUCO

4Q19 / 4Q18. Arauco posted a loss of US$ 92 million, which was US$ 160 million down YoY. That was due to operating income falling US$ 180 million and mainly because of lower revenue in the pulp business from price decreases in the fourth quarter of 2019. Non-operating income also dropped US$ 45 million, explained by higher other expenses, related to impairment at pulp and panel mills and increased financial costs.

Consolidated **revenue** dropped 12.9%, explained by a pulp price decrease of 31.7%, partly offset by a 6.0% volume increase. The timber business revenues dropped 2.8%, due to panel and sawn timber prices decreasing 3.4% and 11.8%, respectively, and sawn timber volumes decreasing 3.6%, which was partly offset by a 11.1% increase in the panel sales volume. The unit production costs of bleached hardwood and unbleached softwood rose 6.0% and 2.3%, respectively, and bleached softwood costs fell 15.7%.

Non-operating income was down, because of impairment at three panel mills in North America and at line 1 of the Arauco pulp mill which will stop operating when the MAPA project starts to produce. Financial costs also rose, explained by a greater debt stock, partly offset by other revenue.

MARKET STATUS

Pulp

The fourth quarter of 2019 continued to be driven by the trade war between the United States and China. Nevertheless, the price detained their downward trend and stabilized in all major markets. Inventories dropped sharply in the quarter, hitting the lowest level in the last 14 months. The paper business improved towards the end of the quarter.

Changes	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19 / 18
Volume			
Pulp	6.0%	(15.2%)	1.7%
Panels	11.1%	(8.4%)	9.1%
Sawn timber*	(3.6%)	(6.0%)	(3.4%)
Prices			
Pulp	(31.7%)	(3.0%)	(23.6%)
Panels	(3.4%)	(0.7%)	3.6%
Sawn timber*	(11.8%)	(4.9%)	(7.5%)

*Includes Plywood

In **China**, the uncertainty generated by the trade war with the United States eased after the agreement of "phase I agreement", which sets aside an increase in tariffs on certain products exported from China to the United States, including pulp. Chinese paper producers faced good demand with high margins. Their raw material costs were low, buying without insisting on getting greater discounts and acquiring inventories in ports at low prices. Prices dropped 1.5% for softwood and 5% for hardwood, the lowest decreases since the first quarter. The price difference between the two fibers remains high, at about US$ 100.

Paper demand has started to recover in **Europe**, particularly late in the fourth quarter. Despite the fact that December is normally complex since paper producers reduce inventories delaying purchases to the next year, in 2019 they acquired good volumes. Prices remained stable. The margins of paper producers are still quite low, and the improved paper demand has not sufficed to lead to price increases.

Wood Products

Sawn Timber and Remanufactured Products

2019 was challenging for the timber product line. Lower global demand, mainly because of the fallout of the trade war between the United States and China, and at the same time greater supply from different origins like Europe, Brazil and Russia, has hit volumes and prices. Improvements could be expected due to recent supply decreases by Canada, Brazil and other countries, a better relationship between the United States and China and better construction indicators in North America.

The results in 2019 were relatively positive for remanufactured products, driven by lower competition from China (arising from the trade war), a stable US market and new products launched in the market by the company. Early in 2020 demand is expected to potentially increase because of dumping accusations made by US producers against Chinese and Brazilian producers. Possible sanctions on those products could hit Arauco in different ways, as they could have a positive effect on sales in the United States but a negative effect on sawn timber sales to manufacturers in China.

ARAUCO	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	1,202	1,387	1,381	(12.9%)	(13.3%)	5,329	5,958	(10.6%)
Pulp**	527	611	666	(21.0%)	(13.7%)	2,372	3,034	(21.8%)
Wood Products**	643	739	654	(1.7%)	(13.0%)	2,821	2,754	2.4%
Forestry	33	38	30	8.2%	(13.8%)	136	114	19.0%
Others	0	0	30	(99.5%)	77.8%	0	56	(99.2%)
EBITDA*	**199**	**256**	**342**	**(41.9%)**	**(22.2%)**	**1,121**	**1,841**	**(39.1%)**
EBIT	(12)	32	168	(107.3%)	(138.4%)	278	1,114	(75.1%)
Non operating income	(116)	(72)	(71)	(63.6%)	(60.9%)	(215)	(160)	(34.2%)
Net income	**(92)**	**(29)**	**68**	**(234.3%)**	**(211.8%)**	**62**	**725**	**(91.5%)**

Figures in US$ million

*Adj. EBITDA informed by Arauco was US$211 million for 4Q19, US$238 million for 3Q19, US$342 million for 4Q18

Adj. EBITDA = Net Income + fin. costs - fin. income + tax + dep & amort + fair value cost of timber harvested - gain from changes in biologica assets + exchange rate differences

**Includes energy sales

Plywood

Just as for timber, 2019 was a challenging year. The decrease in global demand, with the exception of the United States, and greater supply mainly from Brazil, Chile and China, have led to sharp price decreases in all markets. The next few months could continue like this but with slight improvements due to supply capacity shutdown arising from low profitability, mainly in Latin America and China.

Panels (MDF, PB and Melamine)

The **Latin American market** had reasonable demand in 2019, which even grew in some important markets like Mexico, where the supply of Arauco's products increased due to the acquisition of assets. Except in Brazil and Argentina, there is a supply and demand equilibrium. In the case of Chile, the last quarter of 2019 was hit by the social unrest, and this effect may continue in 2020.

Brazil had a good start to 2019, but this faltered as of the second half of the year because of higher MDF supply and a more sluggish domestic economy than forecasted. This market is still very competitive, but the better economic growth expectations should drive higher demand in this market.

Particle board (PB) sales in the **United States** and **Canada** are still positive, driven by lower local supply and the Grayling mill entering the market. Nonetheless, a tougher 2020 is expected because of the effect in prices of the new mills entering the market and the mentioned volumes of the Grayling mill. The situation in the MDF market remains tough due to imports and new productive capacity coming on stream.

4Q19 / 3Q19. Arauco posted a loss of US$ 92 million, which was greater than the loss of US$ 29 million the previous quarter, due to lower operating and non-operating income.

Operating income was down 138.4% QoQ, on account of pulp, panel and sawn timber prices dropping 3.0%, 0.7% and 4.9%, respectively. Besides this, unit production costs of hardwood and raw fiber rose 9.6% and 3.4%, respectively. The unit production costs of softwood fell 5.7%.

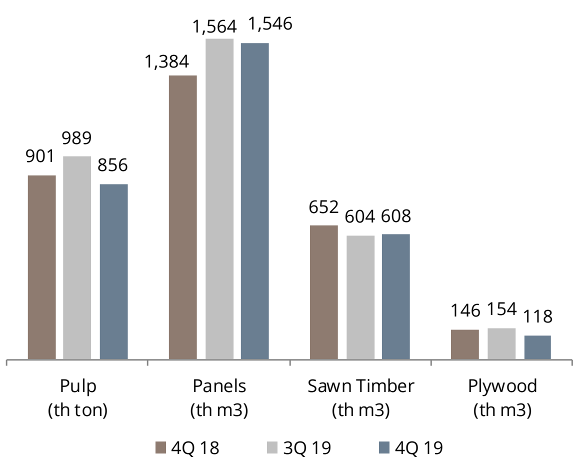
Non-operating income was US$ 44.0 million more negative, largely because of higher other expenditure from impairment at panel mills in North America and line 1 of the Arauco mill. Financial costs also increased, partly offset by higher other earnings and other revenue.

2019 / 2018. Arauco posted net income of US$ 62 million, US$ 664 million down on the previous year. That was mainly due to operating income decreasing US$ 836 million, related to lower pulp revenue from price decreases in 2019. Non-operating income dropped US$ 55 million.

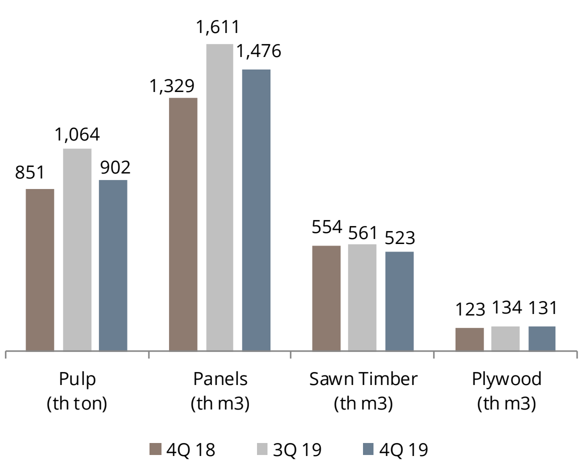
Consolidated **revenue** was down 10.5%, explained by lower pulp and sawn timber sales, partly offset by higher panel sales. Pulp revenue dropped 22.1% because of a 23.6% price decrease, offset by volumes increasing 1.7%. Timber revenues rose 2.1%, mainly due to panel volumes and prices increasing 9.1% and 3.6%, respectively. That was partly offset by sawn timber prices and volumes dropping 7.5% and 3.4%, respectively. There were higher unit production costs of bleached hardwood and raw softwood of 6.4% and 4.8%, respectively, and bleached softwood costs dropped 1.4%.

Non-operating income decreased, on account of higher financial expenses, other expenditure related to fixed asset write-offs and provisions and more unfavorable exchange rate differences. That was partly offset by increased other revenue on account of a higher revaluation of biological assets, along with the net income generated from the sale of the stake in Puertos y Logística S.A.

Production by Business



Sales Volumes by Business



COPEC

4Q19 / 4Q18. Copec posted net income of Ch$ 27,213 million in 4Q19, which was down on net income of Ch$ 59,298 million in 4Q18, due to lower non-operating income, mainly explained by the sales, in 4T18, of real state assets and the gas station network in Colombia. That was partly offset by greater operating income, because of higher gross earnings.

Consolidated EBITDA was Ch$ 122,089 million, rising 9.9% due to increases at Terpel, partly offset by the lower performance in Chile and at Mapco.

EBITDA in **Chile** was down 3.2%, with operating income dropping as a result of higher distribution costs and lower industrial margin. That was slightly offset by total **volumes** rising 0.8%, with an increase of 1.9% in the dealer channel and a 0.6% decrease in the industrial channel. This gives market share of 57.7% as of December 2019, which is an increase on the 57.0% in 4Q18.

Terpel's EBITDA was up 55.9%, due to operating income increasing related to higher volumes of lubricants and liquid fuels, along with higher liquid fuel margins and the effect of the implementation of IFRS 16. Liquid fuel sales volumes were up 4.4% in consolidated terms, explained by increases of 5.2% in Colombia, 6.4% in Panama, 13.9% in the Dominican Republic and 95.4% in Peru, partly offset by a 7.7% decrease in Ecuador. The natural gas for vehicles (NGV) business volume increased 1.0% in Colombia and 0.4% in Peru.

Mapco's EBITDA was US$ 12 million and lower than the US$ 24 million in the fourth quarter of 2018, due to a decreased fuel sales margin. Physical sales were 521 thousand m^3 and increased 1.0%.

Consolidated non-operating income was negative, mainly due to lower other revenue and largely explained by the sales, in 4T18, of real estate assets and the acquired gas stations in Colombia. There were also higher financial costs related to IFRS 16.

COPEC CONSOLIDATED (Including Terpel & Mapco)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Revenues	3,090,360	3,184,545	2,965,936	4.2%	(3.0%)	11,995,608	10,725,338	11.8%
EBITDA	**122,089**	**112,524**	**111,073**	**9.9%**	**8.5%**	**465,322**	**429,448**	**8.4%**
EBIT	72,257	68,617	65,429	10.4%	5.3%	284,614	302,083	(5.8%)
Non operating income	(16,623)	(9,799)	15,331	(208.4%)	(69.6%)	(55,595)	(43,637)	(27.4%)
Net income	**27,213**	**31,413**	**59,298**	**(54.1%)**	**(13.4%)**	**137,468**	**170,239**	**(19.3%)**
Copec Chile physical sales (thousand of m3)	2,596	2,599	2,576	0.8%	(0.1%)	10,326	9,887	4.4%
Gas stations channel	1,417	1,417	1,390	1.9%	(0.0%)	5,657	5,495	2.9%
Industrial channel	1,179	1,182	1,186	(0.6%)	(0.2%)	4,670	4,391	6.3%
Copec Chile market share	57.7%	57.7%	57.0%	1.2%	0.0%	57.8%	56.3%	2.7%

Figures in millions of Chilean pesos

TERPEL	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Revenues	6,037,873	5,929,303	5,329,366	13.3%	1.8%	22,450,899	19,065,573	17.8%
EBITDA	**237,860**	**278,101**	**152,575**	**55.9%**	**(14.5%)**	**958,610**	**744,357**	**28.8%**
EBIT	148,567	188,581	27,603	438.2%	(21.2%)	613,089	474,639	29.2%
Non operating income	(65,214)	(44,036)	44,416	(246.8%)	(48.1%)	(234,012)	(173,948)	(34.5%)
Net income								
Profit attributable to controllers	**65,346**	**93,360**	**101,264**	**(35.5%)**	**(30.0%)**	**254,828**	**227,749**	**11.9%**
Profit attributable to minority interest	0.6	0.6	(7.1)	108.2%	5.4%	(1.7)	(0.5)	(257.0%)
Terpel physical sales (thousand of m3)	2,716	2,698	2,601	4.4%	0.7%	10,470	9,810	6.7%
Colombia	2,035	2,011	1,935	5.2%	1.2%	7,814	7,425	5.2%
Panama	272	271	256	6.4%	0.6%	1,071	948	13.0%
Ecuador	315	328	341	(7.7%)	(4.0%)	1,249	1,172	6.5%
Dominican Republic	58	58	51	13.9%	0.7%	228	203	12.6%
Peru	36	31	18	95.4%	15.5%	109	62	75.9%
Gazel NGV physical sales (thousand of m3)	87	86	87	0.9%	1.9%	338	339	(0.1%)
Colombia	65	64	65	1.0%	1.9%	252	253	(0.5%)
Peru	22	22	22	0.4%	1.9%	86	85	1.2%

Figures in millions of Colombian pesos

UNITED STATES (Mapco)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Revenues	437	473	437	(0.2%)	(7.7%)	1,794	1,835	(2.2%)
EBITDA	**12**	**18**	**24**	**(49.2%)**	**(31.4%)**	**58**	**47**	**22.3%**
Mapco physical sales (thousand of m3)	521	556	516	1.0%	(6.3%)	2,142	2,103	1.9%

Figures in US$ million

4Q19 / 3Q19. Net income in the quarter dropped Ch$ 4,200 million QoQ due to non-operating factors, partly offset by higher operating income.

Operating income rose due to higher revaluation of inventories and industrial margin in Chile. That was partly offset by lower revaluation of inventories and higher administrative costs in Terpel.

Non-operating income was down Ch$ 6,823 million, mainly associated with higher other expenses related to taxes on transactions, and less favourable exchange rate differences.

Volumes in Chile had no major changes. At Terpel, volumes increased 1.2% in Colombia, 0.6% in Panama, 0.7% in the Dominican Republic and 15.5% in Peru, partly offset by a 4.0% decrease in Ecuador. The NGV volumes climbed 1.9% in Colombia and Peru. Mapco had a 6.3% decrease in physical sales.

2019 / 2018. Copec had net income of Ch$ 137,468 million, which was down on the Ch$ 170,239 million as of December 2018. Operating income dropped from lower margins and mainly in Chile. Non-operating income was more negative due to higher financial costs, exchange rate differences and other expenses by function, partly offset by higher income in associates.

Consolidated EBITDA increased 8.4% to Ch$ 465,322 million, mainly due to the effect of the new IFRS 16. There were increases at Terpel and MAPCO, partly offset by a lower EBITDA at Copec Chile, each in their local currency.

EBITDA in **Chile** dropped 7.2%, mainly as a result of lower margins related to revaluation of inventories and industrial margin. However, total volumes rose 4.4%, with increases of 2.9% in the dealer channel and 6.3% in the industrial channel. Market share is therefore 57.8% as of December 2019, which was an increase on the 56.3% as of December 2018.

Terpel's EBITDA increased 28.8%, because of higher volumes as a result of organic growth from the acquisition of ExxonMobil's assets, and increased margins related to the higher revaluation of inventories. Liquid fuel sales volumes rose 6.7% in consolidated terms, explained by increases of 5.2% in Colombia, 13.0% in Panama, 6.5% in Ecuador, 12.6% in the Dominican Republic and 75.9% in Peru. NGV volume dropped 0.5% in Colombia and increased 1.2% in Peru.

Mapco's EBITDA was US$ 58 million and up on the US$ 47 million as of December 2018, with physical sales of 2.142 thousand m^3, which was a 1.9% increase.

Consolidated non-operating income was more unfavorable, largely due to greater financial costs, less favorable exchange rate differences and higher other expenses by function, partly offset by greater income from the interest in associates.

ABASTIBLE

4Q19 / 4Q18. Abastible posted net income of Ch$ 1,358 million, which was a 67.0% decrease YoY. That was mainly due to decreased operating income, explained by a lower gross margin. Non operating income was also down.

In consolidated terms, **operating income** dropped 25.5% on the same period of last year and amounted to Ch$ 8,735 million, explained by lower margins in Chile. There were higher margins and volumes in Colombia, and lower physical sales in Perú. Ecuator remained flat. Consolidated EBITDA dropped 9.6% to Ch$ 23,045 million.

Liquefied petroleum gas volumes in Chile, Colombia and Ecuador in 4Q19 increased 1.8%, 9.0% and 4.1% to 107 thousand, 56 thousand and 123 thousand tons, respectively. That was offset by a 12.3% volume decrease in Peru with sales of 142 thousand tons in the quarter.

Non-operating income was down Ch$ 601 million, related to higher other expenses by function and other earnings, partly offset by an increase in other revenue.

4Q19 / 3Q19. Abastible's net income dropped 90.9% QoQ, explained by lower operating revenue related to the drop in sales volumes. That was offset by greater operating income in Colombia and Peru. Non-operating income was more negative, due to higher other expenses by function and lower income in associates.

Sales **volumes** dropped 28.3% in Chile due to seasonality related to higher temperatures. Peru and Ecuador had decreases of 5.6% and 0.5%, respectively. On the other hand, Colombia reported a 4.7% increase QoQ.

2019 / 2018. Abastible posted net income of Ch$ 46,057 million, which was a 12.7% increase on the previous year. That was due to a lower non-operating income loss, mainly explained by the sale of real estate assets in 2019, the impairment effects at Sonamar recognized in 2018 and higher operating income.

In consolidated terms, both **EBITDA** and **operating income** increased 5.3% and 1.3% on the same period of last year and amounted to Ch$ 115,776 million and Ch$ 79,654 million, respectively. There was a better EBITDA in Colombia and Peru from higher margins, in Ecuador from a greater volume. Operations in Chile had a lower EBITDA due to higher distribution and administration expenses, partly offset by greater volumes and margins.

Liquefied petroleum gas sales **volumes** in Chile, Colombia and Ecuador increased 1.2%, 3.1% and 3.2%, respectively, on those in the same period of last year, amounting to 493 thousand, 208 thousand and 471 thousand tons, respectively. Sales volumes in Peru dropped 0.5% to 569 thousand tons.

ABASTIBLE CONS. (Includes Chile, Colombia, Peru, Ecuador)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	214,569	219,202	220,705	(2.8%)	(2.1%)	815,700	846,896	(3.7%)
EBITDA	**23,045**	**39,317**	**25,490**	**(9.6%)**	**(41.4%)**	**122,608**	**117,616**	**4.2%**
EBIT	8,735	28,737	11,723	(25.5%)	(69.6%)	79,654	78,603	1.3%
Non operating income	(3,832)	(883)	(3,231)	(18.6%)	(334.2%)	(6,410)	(10,078)	36.4%
Net income	**1,358**	**14,904**	**4,121**	**(67.0%)**	**(90.9%)**	**46,057**	**40,871**	**12.7%**
Abastible Chile LPG physical sales (thousand of tons)	107	149	105	1.8%	(28.3%)	493	487	1.2%

Figures in million chilean pesos

NORGAS (Colombia)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	137,281	131,404	154,425	(11.1%)	4.5%	544,239	572,638	(5.0%)
EBITDA	30,687	29,726	17,968	70.8%	3.2%	111,339	85,175	30.7%
IN Colombia LPG physical sales (thousand of tons)	56	53	51	9.0%	4.7%	208	202	3.1%

Figures in million colombian pesos

SOLGAS (Peru)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	233,750	369,115	360,205	(35.1%)	(36.7%)	1,174,737	1,307,910	(10.2%)
EBITDA	33,528	17,019	32,490	3.2%	97.0%	83,106	82,246	1.0%
Solgas Perú LPG physical sales (thousand of tons)	142	150	162	(12.3%)	(5.6%)	569	572	(0.5%)

Figures in thousand soles peruanos

DURAGAS (Ecuador)	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	32	32	33	(3.0%)	(0.2%)	124	123	1.0%
EBITDA	2.9	3.7	2.8	3.8%	(21.4%)	12.4	11.3	10.0%
Duragas Ecuador LPG physical sales (thousand of tons)	123	123	118	4.1%	(0.5%)	471	456	3.2%

Figures in US$ thousands

PESQUERA IQUIQUE-GUANAYE (IGEMAR)

4Q19 / 4Q18. Igemar posted a loss of US$ 6.5 million in 4Q19, which was better than that of US$ 12.0 million in 4Q18. That is explained by higher non-operating and operating income.

The increase in operating income is explained by higher gross earnings and lower distribution costs and administration expenses.

In the quarter, 9.6 thousand tons of fishmeal, 1.5 thousand tons of fish oil, 821 thousand cases of canned fish and 3.5 thousand tons of frozen fish were sold, increasing 36.6%, 10.0%, 14.6% and 30.8%, respectively. The total fish processed amounted to 26.7 thousand tons, which remained flat YoY.

In the quarter, fishmeal, frozen fish and canned fish prices dropped 13.1%, 38.7% and 4.3%, respectively, whereas fish oil prices rose 12.4%.

Non-operating income increased US$ 5.1 million YoY, explained by lower other expenses and greater income from exchange rate differences and in associates, specifically at Caleta Vítor.

4Q19 / 3Q19. Net income rose US$ 1.3 million QoQ, due to higher non-operating income, partly offset by lower operating income.

The lower **operating income** is explained by fishmeal, fish oil and frozen fish sales volumes dropping 5.5%, 42.0% and 28.5%, respectively. That was partly offset by a 34.5% increase in the canned fish sales volume.

Non-operating income increased on account of higher exchange rate differences and income in associates, mainly from the net income of Caleta Vítor.

2019 / 2018. Igemar had a loss attributable to the controller's owners of US$ 8.7 million, and lower than the recognized loss of US$ 13.1 million 2018. Operating income increased, due to higher volumes across all the business lines of Orizon, partly offset by a higher non-operating income loss at Corpesca, lower other earnings and higher financial costs.

Operating income increased by US$ 2.0 million, mainly due to higher fishmeal, fish oil, canned and frozen fish volumes. That was partly offset by fishmeal price decreases and the costs of closing the productive activities of the mussels business, as these assets were provided by Orizon to St. Andrews and Empresa Pesquera Apiao in payment of the 20% interest in these companies.

Fishmeal, canned fish and frozen fish prices dropped 6.4%, 4.1% and 34.0%, respectively, in the quarter. The fish oil price increased 7.2%.

In the quarter the company had **physical sales** of 35.7 thousand tons of fishmeal, 11.3 thousand tons of fish oil, 2.7 million cases of canned fish and 22.2 thousand tons of frozen fish, increasing 8.9%, 16.7%, 1.5% and 16.8% respectively.

The total fish processed was 230.6 thousand tons, increasing 16.2%.

IGEMAR CONSOLIDATED	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sales	45.7	47.8	43.2	5.6%	(4.6%)	192.6	192.9	(0.2%)
EBITDA	**4.2**	**9.0**	**4.5**	**(6.4%)**	**(53.1%)**	**29.2**	**29.8**	**(2.0%)**
EBIT	0.5	5.0	(0.1)	422.5%	(90.8%)	16.1	14.1	14.1%
Non operating income	(9.7)	(15.2)	(14.8)	34.4%	36.3%	(30.4)	(29.5)	(3.2%)
Net income	**(6.5)**	**(7.8)**	**(12.0)**	**45.6%**	**16.4%**	**(8.7)**	**(13.1)**	**33.1%**
Physical sales								
Fishmeal (tons)	9,597	10,161	7,026	36.6%	(5.5%)	35,660	32,757	8.9%
Fish Oil (tons)	1,508	2,600	1,370	10.0%	(42.0%)	11,312	9,689	16.7%
Canned Fish (cases)	820,825	610,278	716,390	14.6%	34.5%	2,741,789	2,701,059	1.5%
Frozen Fish (tons)	3,564	4,985	2,725	30.8%	(28.5%)	22,192	19,007	16.8%
Total fish processed (tons)	26,707	15,258	26,700	0.0%	75.0%	230,601	198,511	16.2%

Figures in US$ million

OTHER AFFILIATES

Sonacol

Sonacol had net income of Ch$ 5,612 million in 4Q19, higher than the Ch$ 5,262 million in 4Q18, which was because of a better gross margin. That was partly offset by greater exchange rate differences and taxes.

Net income was Ch$ 25,115 million YTD, which was up on the Ch$ 23,543 million YTD 2018. That is explained by an operating income increase due to a 1.3% volume increase compared to the same period of the previous year.

OTHER ASSOCIATED COMPANIES

Metrogas & AGESA

Metrogas posted net income of Ch$ 4,314 million in 4Q19, lower than that in the same period in 2018. YTD, it posted net income of Ch$ 46,287 million, an increase on the Ch$ 42,882 million of 2018.

AGESA had net income of US$ 15.1 million in 4Q19, which was a 43.5% increase YoY. In 2019 it posted net income of US$ 56.0 million, increasing 2.8% on that of 2018.

Corpesca and Caleta Vítor

Corpesca posted a loss of US$ 21.2 million in 4Q19, which was worse than the loss of US$ 1.5 million in 4Q18.

YTD, it had a loss of US$ 30.1 million, worse than earnings of US$ 12.6 million as of December 2018. That is mainly explained by lower catches related to the anchovy closed season for some months in 2019, along with further periods of stoppage due to the presence of low-sized fish, and the effects of the reorganization of the company.

Caleta Vítor had net income of US$ 23.7 million in 4Q19, with net income of US$ 31.2 million YTD 2019, mainly explained by the results of the subsidiaries MPH and Kabsa, and the sale of a 10% stake in CJ Selecta S.A.

Laguna Blanca (Mina Invierno)

At the close of 2019, Inversiones Laguna Blanca S.A. recorded impairments in various items of its balance sheet amounting to US$ 244 million. This charge arose from an impairment test made as a result of the new operating and commercial scenario the company faces, mainly due to judiciary restrictions.

The test reviewed the presence of impairment indicators regarding the company's non-current assets, in order to determine the recoverable amounts. This evaluation determined the impairment of the items "property, plant and equipment," "intangible assets" and "recoverable taxes." Moreover, it assessed the recoverable amount of the coal inventories and that of the inventories of spare parts and components. Write-offs were recognized for both items considering their recoverability in the short term.

Due to its 50% interest in Inversiones Laguna Blanca S.A, Empresas Copec stated an extraordinary negative income of approximately US$ 122 million. The assets related to this investment amount to US$ 52 million as of December 31, 2019.

Net income from other affiliates and associates	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	4Q19 / 3Q19	Accum 19	Accum 18	Chg. 19 / 18
Sonacol*	5,612	6,785	5,262	6.6%	(17.3%)	25,115	23,543	6.7%
Camino Nevado	(160.8)	(7.9)	(4.9)	(3177.8%)	(1924.1%)	(194.6)	(3.8)	(5030.5%)
Laguna Blanca**	(138.1)	(12.0)	(4.7)	(2853.5%)	(1050.8%)	(194.6)	6.4	(3156.4%)
Metrogas*	4,314	22,631	8,293	(48.0%)	(80.9%)	46,287	42,882	7.9%
Agesa	15.1	4.9	10.5	43.5%	206.6%	56.0	54.5	2.8%
Corpesca	(21.2)	(6.4)	(1.5)	(1305.8%)	(232.8%)	(30.1)	12.6	(339.7%)
Caleta Vítor	23.7	1.2	0.0	(2853.5%)	(1050.8%)	31.2	0.0	(3156.4%)

Figures in million US$

* Figures in millions chilean pesos

** Parent company of Mina Invierno, formerly named Isla Riesco

CONSOLIDATED BALANCE SHEET ANALYSIS

Consolidated current assets as of December 31, 2019 increased 11.6% on those as of December 31, 2018. That is explained by an increase in cash and cash equivalents from securing financing for the construction of the MAPA project, along with an increase in current tax assets at Arauco and inventories at Copec. That was partly offset by lower trade receivables, mainly at Copec and Arauco, along with lower other current financial assets at parent company level. It should be highlighted that the account of assets held for sale increases in line with the sale process of the shareholding in Sonacol and Gasmar.

Non-current assets increased 5.5% as of December 31, 2019 compared to those at the close of 2018. There was an increase in property, plant and equipment at Arauco and Copec, related to lease contracts that were activated in line with the change in International Financial Reporting Standard (IFRS) 16 and the effect of the progress of works underway at Arauco. That is partly offset by the reclassifications of assets for sale.

Total current liabilities dropped 9.3% compared to those at the close of 2018. There were decreases in other financial liabilities of Igemar due to refinancing bank debt to a longer maturity, in current tax liabilities at Arauco and in other non-financial liabilities at Arauco and the parent company. That was partly offset by higher liabilities available for sale, related to the sale process of the shareholding in Sonacol and Gasmar.

Non-current liabilities rose 22.7%, mainly due to higher other financial liabilities at Arauco and to a lesser extent Copec. These are related to lease contracts shown on the balance sheet in accordance with the modification of IFRS 16, and to the issuance of debt at Arauco mainly to finance the development of the MAPA project. Igemar's refinanced debt is also included.

Simplified Balance Sheet Statement	Dec-19	Dec-18	Chg. 19 / 18
Current assets	7,034	6,304	11.6%
Non-current assets	18,134	17,184	5.5%
TOTAL ASSETS	**25,168**	**23,487**	**7.2%**
Short term financial debt	925	1,144	(19.1%)
Other current liabilities	2,169	2,266	(4.3%)
Total current liabilities	**3,094**	**3,410**	**(9.3%)**
Long term financial debt	8,348	6,321	32.1%
Other non-current liabilities	2,552	2,562	(0.4%)
Total non-current liabilities	**10,900**	**8,883**	**22.7%**
TOTAL LIABILITIES	**13,994**	**12,293**	**13.8%**
Non-controlling interests	507	485	4.5%
Shareholder's Equity	10,667	10,709	(0.4%)
TOTAL EQUITY	**11,174**	**11,194**	**(0.2%)**
Leverage*	0.62	0.49	25.6%
Net financial debt	6,933	5,531	25.3%
ROCE**	6.3%	11.6%	(5.3pp)

Figures in US$ million

* Leverage = Net financial debt / Total equity

** ROCE = (Anualized EBIT + Gain from changes in fair value of biological assets + Financial income) / (Total current assets - Total current liabilities + Non-current biological assets + Property, Plant and Equipment - Net non-current assets classified as held for sale)

Altogether, the company's shareholders' equity dropped 0.2% on that at December 2018, mainly because of other reserves, offset by retained earnings. The coverage of financial expenses decreased due to a lower EBITDA and higher financial expenses related to higher debt.

CASH FLOW STATEMENT ANALYSIS

The operating cash flow as of December 2019 dropped on the previous year, due to greater payments to suppliers of goods and services at Copec and a higher tax payment at Arauco. That was partly offset by higher charges from the sale of goods and services at Copec.

The investing cash flow was less negative, largely due to the higher cash flow used in 2018 to gain control of subsidiaries, related to Terpel acquiring ExxonMobil's assets, and to the purchase of a 40% ownership stake in Marcobre. Moreover, in April 2019 Empresas Copec and Arauco sold their interest in Puertos y Logística S.A. That was partly offset by the purchase of the assets of Masisa Mexico by Arauco in the first quarter of 2019 and the investments related to the MAPA project.

The financing cash flow had a positive change, mainly explained by a lower loan payment at Copec and greater securing of loans at Arauco, offset by a lower securing of loans at Copec in 2018 and higher payments of financial leases at Arauco and Copec.

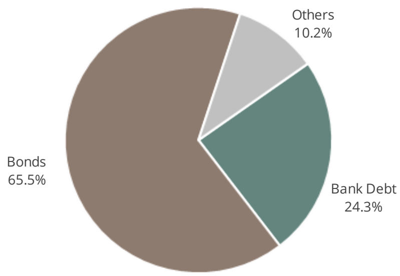
CASH FLOW STATEMENT	Dec-19	Dec-18
Cash flows from (used in) operating activities	1,448	1,710
Cash flows from (used in) investing activities	(1,718)	(1,803)
Cash flows from (used in) financing activities	811	511
Net increase (decrease) in cash and cash equivalents	**541**	**417**

Figures in million US$

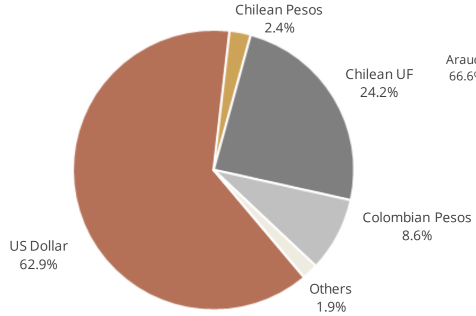
DEBT ANALYSIS

Total financial debt: MMU$ 9,273
Cash and equivalents: MMU$ 2,340
Net debt: MMU$ 6,934

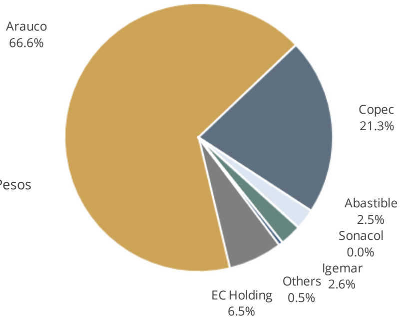
Debt by Type



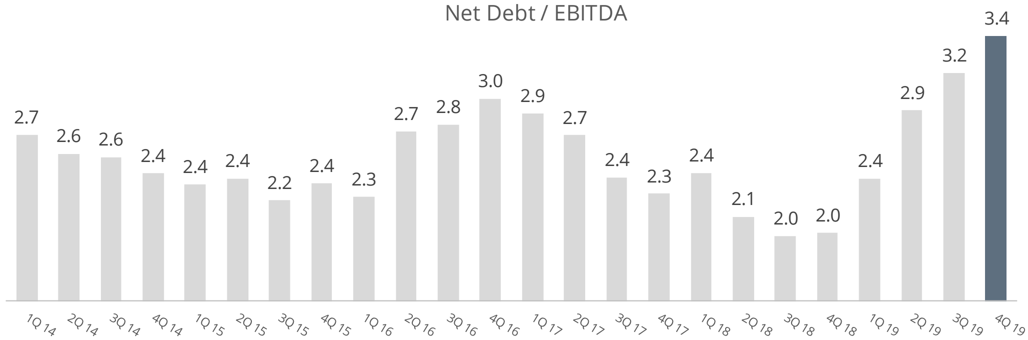
Debt by Currency



Debt by Subsidiary

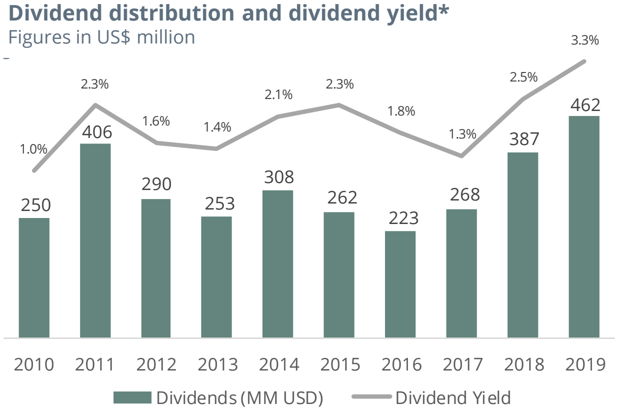


Net Debt / EBITDA



Excluding the IFRS16 effect, the ratio is 3.3

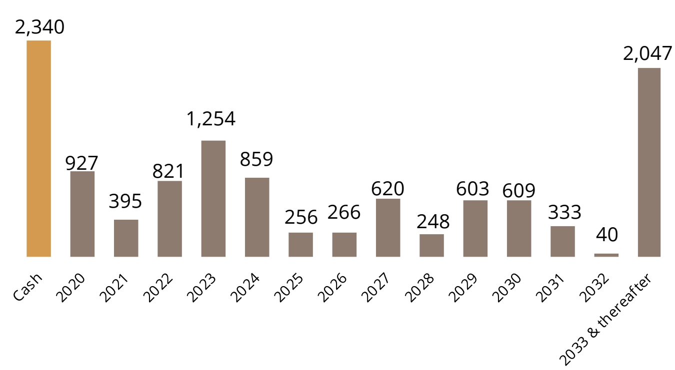
Dividend distribution and dividend yield*
Figures in US$ million



*Dividend Yield is calculated based on dividends paid per calendar year. Market value and exchange rate at the end of each period
** Dividends paid by Empresas Copec on a calendar year basis

Dividend policy of **40%** since 2002.

Financial debt maturities
Figures in US$ million



International Risk Rating	
Fitch Ratings	BBB / stable
Standard and Poor's	BBB / negative

Domestic Risk Rating	
Feller-Rate	AA / stable / 1st Class Level 1
Fitch Ratings	AA-/ stable / 1st Class Level 1

BREAKDOWN BY OPERATING SEGMENTS
(Accumulated as of december 2019)

Figures as of December 2019	Arauco	Copec	Abastible	Sonacol	Igemar	Others*	Subtotal	Elimin.	Total
Revenues from external clients	5,329,129	16,960,126	1,181,301	52,468	192,584	797	23,716,405	-	23,716,405
Revenues between segments	85	89,858	7,955	27,593	2	1,085	126,578	(126,578)	-
Interest Income	32,582	9,085	2,523	114	588	15,708	60,600	-	60,600
Interest Expense	(273,639)	(126,460)	(21,743)	(3,523)	(10,137)	(2,398)	(437,900)	-	(437,900)
Interest expense, net	**(241,057)**	**(117,375)**	**(19,220)**	**(3,409)**	**(9,549)**	**13,310**	**(377,300)**	**-**	**(377,300)**
Income (loss) from the reporting segment	**61,970**	**226,357**	**76,853**	**35,898**	**(9,413)**	**(165,809)**	**225,856**	**-**	**225,856**
EBIT	277,925	404,153	116,131	54,038	16,079	(20,142)	848,184	-	848,184
Depreciation	506,243	167,676	52,665	9,712	12,789	1,011	750,096	-	750,096
Amortization	13,137	73,058	9,961	-	366	17	96,539	-	96,539
Fair value cost of timber harvested	323,271	-	-	-	-	-	323,271	-	323,271
EBITDA	**1,120,576**	**644,887**	**178,757**	**63,750**	**29,234**	**(19,114)**	**2,018,090**	**-**	**2,018,090**
Share in income (loss) of associates	7,775	18,691	16,061	-	(2,663)	(130,992)	(91,128)	-	(91,128)
Income (expense) from income taxes	(535)	(99,617)	(29,933)	(13,394)	4,908	14,064	(124,507)	-	(124,507)
Investments by segment									
Payments for acq. prop., plant and equip.	1,002,937	237,061	104,306	19,698	10,181	19	1,374,202	-	1,374,202
Acquisition other long term assets	247,802	-	386	-	-	-	248,188	-	248,188
Payments for acq. affiliates and associates	171,841	40,346	-	-	20,000	122,920	355,107	-	355,107
Purchase of intangible assets	32,032	46,138	2,305	-	-	-	80,475	-	80,475
Other Payments for Investments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total investments	**1,454,612**	**323,545**	**106,997**	**19,698**	**30,181**	**122,939**	**2,057,972**	**-**	**2,057,972**
Country of origin of operating revenue									
Operating revenues - local (chile)	2,895,839	8,306,542	515,069	52,468	192,584	797	11,963,299	-	11,963,299
Operating revenues - foreign (foreign companies)	2,433,290	8,653,584	666,232	-	-	-	11,753,106	-	11,753,106
Total operating revenues	**5,329,129**	**16,960,126**	**1,181,301**	**52,468**	**192,584**	**797**	**23,716,405**	**-**	**23,716,405**
Assets by segment	**16,190,766**	**5,729,017**	**1,319,345**	**275,620**	**496,000**	**1,157,162**	**25,167,910**	**-**	**25,167,910**
Equity method investments	293,118	12,110	9,050	-	194,167	517,728	1,026,173	-	1,026,173
Liabilities by segments	8,821,351	3,853,800	810,435	179,810	277,864	50,612	13,993,872	-	13,993,872
Country of origin of non-current assets									
Nacionalidad activos no corrientes	7,817,259	1,704,953	503,911	-	383,661	743,709	11,153,493	-	11,153,493
Foreign	4,442,126	1,993,944	543,957	-	-	-	6,980,027	-	6,980,027
Total non-current assets	**12,259,385**	**3,698,897**	**1,047,868**	**-**	**383,661**	**743,709**	**18,133,520**	**-**	**18,133,520**

*Includes Alxar, Empresas Copec parent company and others
Figures in thousand US$

Breakdown by country

	Chile	Colombia	USA/Canada	Panama	Argentina	Brazil	Uruguay	Ecuador	Dominican Republic	Peru	México	Total
Revenues	11,963,299	5,376,239	2,724,611	748,193	395,689	542,676	439,565	298,348	458,037	367,973	401,775	23,716,405
Non-current assets	11,153,493	935,749	835,837	613,417	781,693	947,265	1,724,698	299,352	266,186	416,194	155,900	18,133,520

Figures in thousand US$

EMPRESAS COPEC

BREAKDOWN BY OPERATING SEGMENTS
(Accumulated as of december 2018)

Figures as of December 2018	Arauco	Copec	Abastible	Sonacol	Igemar	Others*	Subtotal	Elimin.	Total
Revenues from external clients	5,954,758	16,458,640	1,310,920	52,411	192,749	591	23,970,069	-	23,970,069
Revenues between segments	75	105,496	11,390	31,275	138	1,240	149,614	(149,614)	-
Interest Income	20,895	10,739	4,143	96	538	10,922	47,333	-	47,333
Interest Expense	(214,779)	(119,019)	(22,180)	(3,844)	(7,525)	(3,272)	(370,619)	-	(370,619)
Interest expense, net	**(193,884)**	**(108,280)**	**(18,037)**	**(3,748)**	**(6,987)**	**7,650**	**(323,286)**	**-**	**(323,286)**
Income (loss) from the reporting segment	**726,759**	**292,391**	**72,751**	**36,762**	**(18,651)**	**8,748**	**1,118,760**	**-**	**1,118,760**
EBIT	1,113,995	469,806	122,727	55,607	14,094	(21,719)	1,754,510	-	1,754,510
Depreciation	395,073	117,884	48,950	10,527	14,966	1,419	588,819	-	588,819
Amortization	12,349	79,605	11,962	-	776	11	104,703	-	104,703
Fair value cost of timber harvested	319,448	-	-	-	-	-	319,448	-	319,448
EBITDA	**1,840,865**	**667,295**	**183,639**	**66,134**	**29,836**	**(20,289)**	**2,767,480**	**-**	**2,767,480**
Share in income (loss) of associates	17,246	12,094	6,922	-	522	25,517	62,301	-	62,301
Income (expense) from income taxes	(226,765)	(108,675)	(34,241)	(13,630)	(3,289)	8,905	(377,695)	-	(377,695)
Investments by segment									
Payments for acq. prop., plant and equip.	675,958	228,705	119,663	19,495	16,125	36	1,059,982	-	1,059,982
Acquisition other long term assets	222,029	-	-	-	-	-	222,029	-	222,029
Payments for acq. affiliates and associates	20,072	585,160	6,606	-	20,414	234,113	866,365	(1,000)	865,365
Purchase of intangible assets	2,682	57,563	6,182	-	-	7,072	73,499	-	73,499
Total investments	**920,741**	**871,428**	**132,451**	**19,495**	**36,539**	**241,221**	**2,221,875**	**(1,000)**	**2,220,875**
Country of origin of operating revenue	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Operating revenues - local (chile)	3,679,151	8,212,379	596,600	52,411	192,749	591	12,733,881	-	12,733,881
Operating revenues - foreign (foreign companies)	2,275,607	8,246,261	714,320	-	-	-	11,236,188	-	11,236,188
Total operating revenues	**5,954,758**	**16,458,640**	**1,310,920**	**52,411**	**192,749**	**591**	**23,970,069**	**-**	**23,970,069**
Assets by segment	**14,801,137**	**5,361,864**	**1,283,750**	**293,468**	**520,175**	**1,226,881**	**23,487,275**	**-**	**23,487,275**
Equity method investments	358,053	54,477	55,025	-	166,516	522,671	1,156,742	-	1,156,742
Liabilities by segments	7,462,166	3,488,693	794,157	190,217	297,118	61,024	12,293,375	-	12,293,375
Country of origin of non-current assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Nacionalidad activos no corrientes	7,077,429	1,579,105	517,171	283,783	370,834	816,270	10,644,592	-	10,644,592
Foreign	4,282,548	1,731,594	524,837	-	-	-	6,538,979	-	6,538,979
Total non-current assets	**11,359,977**	**3,310,699**	**1,042,008**	**283,783**	**370,834**	**816,270**	**17,183,571**	**-**	**17,183,571**

*Includes Alxar, Empresas Copec parent company and others

Figures in thousand US$

Breakdown by country

	Chile	Colombia	USA/Canada	Panama	Argentina	Brazil	Uruguay	Ecuador	Dominican Republic	Peru	Mexico	Total
Revenues	12,733,881	5,150,269	2,670,158	705,751	479,698	504,589	475,652	487,105	158,445	604,521	-	23,970,069
Non-current assets	10,644,592	848,839	1,380,093	156,186	825,915	984,746	1,661,426	57,143	3,923	620,708	-	17,183,571

Figures in thousand US$

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION	Dec-19	Dec-18	Chg. 19 / 18
Revenue	23,716,405	23,970,069	(1.1%)
Cost of sales	(20,452,761)	(19,804,796)	3.3%
Gross profit	**3,263,644**	**4,165,273**	(21.6%)
Other income	302,355	188,258	60.6%
Distribution costs	(1,353,340)	(1,344,531)	0.7%
Administrative expenses	(1,062,120)	(1,066,232)	(0.4%)
Other expense	(297,898)	(147,845)	101.5%
Other gains (losses)	20,793	11,634	78.7%
Finance income	60,600	47,333	28.0%
Financial costs	(437,900)	(370,619)	18.2%
Share of profit (loss) of associates and joint ventures accounted for using equity method	(91,128)	62,301	(246.3%)
Foreign exchange differences	(39,281)	(32,468)	21.0%
Gains (losses) on net monetary position	(15,362)	(16,649)	(7.7%)
Profit (loss) before tax	**350,363**	**1,496,455**	(76.6%)
Income tax expense	(124,507)	(377,695)	(67.0%)
Profit (loss) from continuing operations	**225,856**	**1,118,760**	(79.8%)
Profit (loss)	**225,856**	**1,118,760**	(79.8%)
Profit (loss), attributable to			
Profit (loss), attributable to owners of parent	172,019	1,070,698	(83.9%)
Profit (loss), attributable to non-controlling interests	53,837	48,062	12.0%
Total profit (loss)	**225,856**	**1,118,760**	(79.8%)

Figures in thousand US$

FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME	Dec-19	Dec-18	Chg. 19 / 18
Profit (loss)	225,856	1,118,760	(79.8%)
Other comprehensive income, before tax, actuarial gain (losses) to defined benefit plans	0	0	-
Share of other comprehensive income of associates and joint ventures accounted for using equity method that will not be reclassified to profile, before tax	0	(1,657)	100.0%
Other comprehensive income that will not be reclassified to profile	(2,965)	1,022	(390.1%)
Gains (losses) on exchange differences on translation, before tax	(116,284)	(332,982)	65.1%
Other comprehensive income, before tax, exchange differences on translation	(116,284)	(332,982)	65.1%
Gains (losses) on remeasuring available-for-sale financial assets, before tax	527	(368)	243.2%
Other comprehensive income, before tax, available-for-sale financial assets	527	(368)	243.2%
Gains (losses) on cash flow hedges, before tax	1,878	34,603	(94.6%)
Reclassification adjustments on cash flow hedges, before tax	(29,227)	(15,286)	(91.2%)
Other comprehensive income, before tax, gains (losses) from investments in equity instruments	(27,349)	19,317	(241.6%)
Other comprehensive income, before tax, gains (losses) on revaluation	0	(1,940)	100.0%
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	(6,190)	10,758	(157.5%)
Share of other comprehensive income of associates and joint ventures accounted for using equity method	(7,453)	(1,709)	(336.1%)
Other comprehensive income, before tax	(128,412)	(292,837)	56.1%
Income tax relating to investments in equity instruments of other comprehensive income	(6,582)	17600.0%	(3839.8%)
Income tax relating to available-for-sale financial assets of other comprehensive income	0	63	(100.0%)
Income tax relating to cash flow hedges of other comprehensive income	6,770	(5,618)	220.5%
Income tax relating to defined benefit plans of other comprehensive income	2,737	(22)	12540.9%
Aggregated income tax relating to components of other comprehensive income	2,925	(5,401)	154.2%
Other comprehensive income	(128,452)	(297,216)	56.8%
Total comprehensive income	**97,404**	**821,544**	**(88.1%)**
Comprehensive income, attributable to owners of parent	**46,105**	**777,125**	**(94.1%)**
Comprehensive income, attributable to non-controlling interests	**51,299**	**44,419**	**15.5%**

Figures in thousand US$

FINANCIAL STATEMENTS

BALANCE SHEET - ASSETS	Dec-19	Dec-18	Chg. 19 / 18
Assets			
Current assets			
Cash and cash equivalents	2,214,887	1,713,803	29.2%
Other current financial assets	124,918	219,843	(43.2%)
Other current non-financial assets	211,141	164,240	28.6%
Trade and other receivables, current	1,675,937	1,970,882	(15.0%)
Trade and other current receivables	84,516	50,289	68.1%
Inventories	1,823,893	1,742,757	4.7%
Current biological assets	275,792	319,021	(13.6%)
Current tax assets	263,957	104,430	152.8%
Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners	**6,675,041**	**6,285,265**	**6.2%**
Non-current assets or disposal groups classified as held for sale	359,349	18,439	1848.9%
Non-current assets or disposal groups classified as held for sale or for distribution to owners	**359,349**	**18,439**	**1848.9%**
Total current assets	**7,034,390**	**6,303,704**	**11.6%**
Non-current assets			
Other non-current financial assets	108,072	83,847	28.9%
Other non-current non-financial assets	180,604	153,225	17.9%
Non-current receivables to related parties	7,456	7,867	(5.2%)
Investments accounted for using equity method	1,026,173	1,156,742	(11.3%)
Intangible assets other than goodwill	977,805	1,047,549	(6.7%)
Goodwill	413,693	432,729	(4.4%)
Property, plant and equipment	11,486,350	10,553,211	8.8%
Non-current biological assets	3,393,634	3,336,339	1.7%
Investment property	35,300	40,583	(13.0%)
Deferred tax assets	484,563	343,080	41.2%
Total non-current assets	**18,133,520**	**17,183,571**	**5.5%**
Total assets	**25,167,910**	**23,487,275**	**7.2%**

Figures in thousand US$

EMPRESAS COPEC

FINANCIAL STATEMENTS

BALANCE SHEET - LIABILITIES AND EQUITY	Dec-19	Dec-18	Chg. 19 / 18
Liabilities			
Current liabilities			
Other current financial libilities	924,951	1,144,023	(19.1%)
Trade and other current payables	1,793,854	1,744,426	2.8%
Other current payables to related parties	6,197	8,848	(30.0%)
Other short-term provisions	18,999	19,763	(3.9%)
Current tax liabilities	25,102	177,436	(85.9%)
Current provisions for employee benefits	11,810	11,155	5.9%
Other current financial liabilities	126,369	304,656	(58.5%)
Total current liabilities	**3,094,142**	**3,410,307**	**(9.3%)**
Non-current payables			
Other non-current financial liabilities	8,347,751	6,321,044	32.1%
Non-current payables	3,189	6,811	(53.2%)
Other long-term provisions	80,556	90,230	(10.7%)
Deferred tax liabilities	2,169,305	2,164,801	0.2%
Non-current provisions for employee benefits	113,753	111,463	2.1%
Other non-current non-financial liabilities	185,176	188,719	(1.9%)
Total non-current liabilities	**10,899,730**	**8,883,068**	**22.7%**
Total liabilities	**13,993,872**	**12,293,375**	**13.8%**
Equity			
Issued capital	686,114	686,114	0.0%
Retained earnings	11,283,478	11,202,802	0.7%
Other reserves	(1,302,233)	(1,179,787)	10.4%
Equity attributable to owners of parent	**10,667,359**	**10,709,129**	**(0.4%)**
Non-controlling interests	506,679	484,771	4.5%
Total equity	**11,174,038**	**11,193,900**	**(0.2%)**
Total equity and liabilities	**25,167,910**	**23,487,275**	**7.2%**

Figures in thousand US$

EMPRESAS COPEC

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS	Dec-19	Dec-18	Chg. 19 / 18
Statement of cash flows			
Cash flows from (used in) operating activities			
Classes of cash receipts from operating activities			
Receipts from sales of goods and rendering of services	26,095,229	25,565,970	2.1%
Receipts from royalties, fees, commissions and other revenue	66	0	
Receipts from premiums and claims, annuities and other policy benefits	1,201	3,457	(65.3%)
Other cash receipts from operating activities	495,977	377,202	31.5%
Payments to suppliers for goods and services	(23,097,343)	(22,561,015)	(2.4%)
Payments to and on behalf of employees	(1,080,426)	(1,029,977)	(4.9%)
Payments for premiums and claims, annuities and other policy benefits	(14,087)	(10,624)	(32.6%)
Other cash payments from operating activities	(246,891)	(287,726)	14.2%
Dividends received	7,329	10,562	(30.6%)
Interest paid	(293,293)	(192,391)	(52.4%)
Interest received	46,649	29,123	60.2%
Income taxes refund (paid)	(473,425)	(198,754)	(138.2%)
Other inflows (outflows) of cash	7,114	3,989	78.3%
Net cash flows from (used in) operating activities	**1,448,100**	**1,709,816**	**(15.3%)**

Figures in thousand US$

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS (continuation)	Dec-19	Dec-18	Chg. 19 / 18
Cash flows from (used in) investing activities			
Cash flows from losing control of subsidiaries or other businesses	117,376	0	-
Cash flows used in obtaining control of subsidiaries or other businesses	(173,256)	(605,923)	71.4%
Cash flows used in the purchase of non-controlling interests	(181,851)	(259,442)	29.9%
Other cash receipts from sales of equity or debt instruments of other entities	21,016	282,770	(92.6%)
Loans to related parties	(18,000)	(801)	(2147.2%)
Proceeds from sales of property, plant and equipment	61,173	99,557	(38.6%)
Purchase of property, plant and equipment	(1,374,202)	(1,059,982)	(29.6%)
Purchase of intangible assets	(80,475)	(73,499)	(9.5%)
Proceeds from other long-term assets	6,059	6,463	(6.3%)
Purchase of other long-term assets	(248,188)	(222,029)	(11.8%)
Cash advances and loans made to other parties	(310)	(10,755)	97.1%
Cash receipts from repayment of advances and loans made to other parties	598	60,599	(99.0%)
Cash payments for future contracts, forward contracts, option contracts and swap contracts	0	(40,063)	100.0%
Cash receipts from future contracts, forward contracts, option contracts and swap contracts	8,932	0	
Cash receipts from related parties	0	3,258	(100.0%)
Dividends received	67,408	70,998	(5.1%)
Interest received	61	4,399	(98.6%)
Other inflows (outflows) of cash	75,764	(58,810)	228.8%
Net cash flows from (used in) investing activities	**(1,717,895)**	**(1,803,260)**	**4.7%**

Figures in thousand US$

FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS (continuation)	Dec-19	Dec-18	Chg. 19 / 18
Cash flows from (used in) financing activities			
Proceeds from issuing shares	8,230	0	
Payments to acquire or redeem entity's shares	74,469	(762)	9872.8%
Proceeds from long term borrowings	2,236,138	1,836,154	21.8%
Proceeds from short term borrowings	531,619	1,307,968	(59.4%)
Proceeds from borrowings	**2,767,757**	**3,144,122**	**(12.0%)**
Loans from related parties	11	0	
Payments of borrowings	(1,430,016)	(2,081,461)	31.3%
Payments of finance lease liabilities	(139,792)	(10,804)	(1193.9%)
Proceeds from government grants	0	(485)	100.0%
Dividends paid	(301,705)	(419,319)	28.0%
Interest paid	(157,539)	(119,790)	(31.5%)
Other inflows (outflows) of cash	(10,422)	(690)	(1410.4%)
Net cash flows from (used in) financing activities	**810,993**	**510,811**	**58.8%**
Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes	**541,198**	**417,367**	**29.7%**
Effect of exchange rate changes on cash and cash equivalents	(40,114)	(45,263)	11.4%
Net increase (decrease) in cash and cash equivalents	**501,084**	**372,104**	**34.7%**
Cash and cash equivalents at beginning of period	1,713,803	1,341,699	27.7%
Cash and cash equivalents at end of period	**2,214,887**	**1,713,803**	**29.2%**

Figures in thousand US$

EXHIBIT

Adjusted EBITDA Calculation

As from 1Q13, Empresas Copec presents an alternative calculation of EBITDA, denominated "adjusted EBITDA". The methodology, adopted by the subsidiary Arauco in 2012, better suits the IFRS definition of the indicator, and has the advantage of including the profits from associates. These may be especially relevant for Empresas Copec, given the importance some associates may acquire.

	4Q 19	3Q 19	4Q 18	4Q19 / 4Q18	Accum 19	Accum 18	Chg. 19 / 18
Net Income	(195)	38	162	(220.0%)	226	1,119	(79.8%)
(-)Financial Costs	(121)	(106)	(100)	21.2%	(438)	(371)	18.2%
(-) Financial Income	16	14	17	(8.7%)	61	47	28.0%
(-) Income Tax	17	(32)	(49)	(133.6%)	(125)	(378)	(67.0%)
(+) Depr & Amort	216	214	200	7.8%	847	694	22.1%
(+) Fair value cost of timber harvested	79	90	77	1.6%	323	319	1.2%
(-) Gain from changes in fair value of biological assets	44	36	6	615.5%	155	84	83.1%
(-) Exchange rate differences	(10)	(27)	(5)	113.9%	(39)	(32)	21.0%
(-) Others*	(254)	(20)	(23)	1000.6%	(289)	(34)	743.4%
Adjusted EBITDA	409	476	594	(31.1%)	2,071**	2,815	(26.4%)

*4Q19 includes US$ 77.8 million due to provisions of property, plant and equipment in Arauco and MM US$ 165.6 in Empresas Copec (Mina Invierno + Alxar Minería). 3Q19 includes US$ 19.9 millions due to provisions of property, plant and equipment in Arauco. 4Q18 includes US$ 23 million due to provision of wildfire loss and fixed assets in Arauco and MM US$ 16 due to the sale of a real state asset in Copec.

Figures in US$ million

** Includes the income generated by the sale of Puertos y Logística S.A.

Note: Adjusted EBITDA published by Arauco includes amendments in the stumpage values of 2018. The Adjusted EBITDA published here does not include those changes in 2018 figures.

Traditional calculated EBITDA (EBITDA Operating Income + Depreciation + Amortization + Fair value cost of timber harvested), and adjusted EBITDA may differ given the methodological differences.