

# 4Q20 Earnings Release

March 5<sup>th</sup>, 2021

## 4Q20 Results Webcast

Thursday, March 11th, 2021

11:00 EST

13:00 Santiago Time

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### EBITDA

EBITDA in 4Q20 was US\$573 million, increasing 44.4% Year-on-Year (YoY), largely because of increases at Arauco and Copec. EBITDA increased 22.4% Quarter-on-Quarter (QoQ), because of higher fuel margins and a better performance of Arauco.

### 4Q20 / 4Q19

The company posted net income of US\$118 million, increasing on the loss of US\$206 million YoY, explained by less negative non-operating income due to lower impairment and losses in associates, along with a better operating performance at Arauco, Copec and Abastible.

### 4Q20 / 3Q20

Net income rose US\$20 million QoQ, on account of higher operating income in the forestry and liquid fuel businesses, partly offset by the lower operating income of Abastible. Non-operating income was more unfavorable, mainly explained by losses in associates related to impairment at Mina Invierno.

### 2020 / 2019

Year-to-date (YTD), there were earnings of US\$191 million, US\$19 million up on 2019, mainly due to more favorable non-operating income, because of lower impairment and losses in associates. That was partly offset by lower operating income from the impact of COVID-19 on forestry and liquid fuel divisions during the year.

### Highlights

In the forestry business, the MAPA project has a progress of 74.6% at the close of January. The Mina Justa project has progress of 99.8% as of February 12, 2021. On ESG, Arauco became the first certified carbon neutral forestry company, and Empresas Copec was included, for the first time, on S&P's Sustainability Yearbook 2021.

### Net Debt / EBITDA

The leverage ratio dropped from 4.6x to 4.2x. It should be highlighted that this ratio had risen lately due to the effects of low pulp prices on EBITDA, the fallout of COVID-19 on fuel volumes and a period of heavy investment.

	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Revenues	4,834	4,544	5,641	(14.3%)	6.4%	18,059	23,716	(23.9%)
EBIT	264	171	102	158.0%	53.8%	641	848	(24.4%)
<b>EBITDA*</b>	<b>573</b>	<b>468</b>	<b>397</b>	<b>44.4%</b>	<b>22.4%</b>	<b>1,802</b>	<b>2,018</b>	<b>(10.7%)</b>
Non operating income	(83)	(45)	(314)	73.5%	(85.3%)	(345)	(498)	30.7%
Total profit	132	102	(195)	167.6%	28.7%	206	226	(8.8%)
<b>Profit attributable to controllers</b>	<b>118</b>	<b>98</b>	<b>(206)</b>	<b>157.4%</b>	<b>21.4%</b>	<b>191</b>	<b>172</b>	<b>10.8%</b>
Profit attributable to minority	13	5	11	16.4%	175.7%	15	54	(71.5%)
EBITDA Margin	11.8%	10.3%	7.0%	68.5%	15.1%	10.0%	8.5%	17.2%
EBITDA / Net interest expenses	6.2	4.9	3.7	66.5%	28.2%	4.9	5.3	(7.6%)

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

Figures in US\$ million

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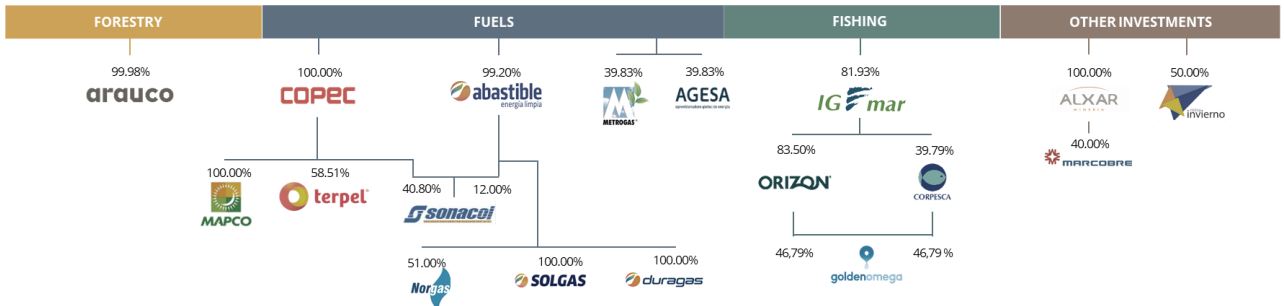
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## SIMPLIFIED OWNERSHIP STRUCTURE



## HIGHLIGHTS

### Arauco becomes the world's first certified carbon neutral forestry company

During September 2020, Deloitte officially validated Arauco's carbon neutrality for 2018 by using Deloitte Neutrality Protocol guidelines. Carbon emissions are captured by native forests, forest plantations and carbon stored in products. This represents a significant and real contribution to fight the climate crisis.

PwC audited the entire estimation process of captures and storage in forestry products and Arauco is the first company to successfully apply this protocol. The results of the certification were the following:

- Gross Emissions of 4.33 MMtCO<sub>2</sub>e, including scopes 1, 2 and 3.
- Capture of 6.93 MMtCO<sub>2</sub>e.
- Arauco achieved neutrality in 2018, generating Net Emissions of -2.59 MMtCO<sub>2</sub>e.

### Empresas Copec enters to S&P's Sustainability Yearbook 2021

The company was again recognized for its ESG developments at a global level, by being selected, for the first time, in this annual report. In order to be part of the report, companies should achieve a score in the top 30% of their sector regarding Sustainable Performance. Moreover, Empresas Copec achieved the distinction of "Industry Mover", due to the advancements when compared to the previous year.

### Forest fires

During this season, and as of the 26th of February, there have been 483 hectares affected in 1,524 fires. This compares to the 2,035 hectares affected in 1,562 fires that, as of the same date, Arauco had during the past season.

### Mina Justa project

The project had construction progress of 99.8% as of February 12, 2021. Start-up is expected during March, and the first shipments should take place in 2Q21.

### Sale of assets

Empresas Copec and its subsidiaries are currently in a process of selling the interest in Sonacol and Gasmar, and it is assessing the potential disposal of its shares in Metrogas and AGESA. If these transactions go through, they could generate non-recurring net income and help to boost the company's balance sheet in a period of heavy investment.

### Development of the MAPA project

MAPA Project progress as of the end of January 2021 was 74.6%. Arauco has already received the main equipment and parts to complete the project, and the construction and assembly of equipment continues.

In July 2020 a strategy of active search of COVID-19 contagions was implemented. There are 5 test centers on site with a capacity of performing up to 2,000 PCR exams per day, and with the ability of delivering test results in a matter of hours. This new system was inspected by local health authorities. To date, more than 170,000 PCR tests have been applied to workers of the project, with a positivity rate significantly lower than the national average informed by the Health Ministry in the daily COVID-19 report.

The government has authorized construction projects -such as MAPA- to continue even in quarantined zones, using defined procedures and notifications including complying with robust and strict sanitary standards (most of which have been in place in the Project since March 2020).

Building on COVID-19 pandemic conditions has meant a great challenge. In coordination with our contractors and subcontractors, we have taken action and enacted measures by generating protocols and reorganizing MAPA Project work systems.

We estimate that the startup will take place at the beginning of the fourth quarter of 2021. At that point the existing eucalyptus line (Line 1) will be permanently shut down in accordance with the environmental permit.

### COVID-19 and volume normalization in liquid fuels

As the restrictions due to the COVID-19 pandemic are relaxed and economic activity improves, fuel markets continue to recover, with emphasis in the gas stations channel.

- At Copec Chile, in 4Q20 the interannual volume fell 6%, which was less than the 21% decrease in 3Q20. In 4Q20, gas stations volumes increased YoY.
- At Terpel, in 4TQ20 the interannual volume dropped 12%, which was less than the 28% decrease in 3Q20. To date, gas station volumes are very close to pre pandemic levels.
- At Mapco, in 4Q20 the interannual volume was down 6%, which was less than the 7% decrease in 3Q20.

## CONSOLIDATED RESULTS

**4Q20 / 4Q19.** The net income attributable to the controller's owners was US\$118 million in 4Q20, increasing US\$325 million YoY. That was mainly because of less negative non-operating income of US\$231 million, and operating income increasing US\$161 million.

In the **forestry business**, Arauco posted an operating income increase, related to higher margins in the wood products business and greater pulp volumes in the fourth quarter of 2020.

The **fuels business** had higher operating income, mainly at Terpel, Copec Chile and Mapco, despite the effects of the coronavirus on mobility and economic activity, which led to sales volumes dropping 11.9%, 5.5% and 5.7%, respectively. Abastible had higher operating income than the previous year.

The company's **gross profit** increased 28.0% amounting to US\$871 million, which mainly came from Arauco accounting for US\$419 million; Copec for US\$343 million; Abastible for US\$90 million; Igemar for US\$10 million; and Sonacol for US\$9 million.

**Non-operating income** was less negative than in the fourth quarter of 2019, essentially because of lower other expenses and more favorable result of associates, related to greater impairment in 2019. That was partly offset by lower other earnings.

Income Statement	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Revenues	4,834	4,544	5,641	(14.3%)	6.4%	18,059	23,716	(23.9%)
Cost of sales	(3,963)	(3,826)	(4,960)	20.1%	(3.6%)	(15,238)	(20,453)	25.5%
Administration & distribution expenses	(607)	(546)	(578)	(5.0%)	(11.1%)	(2,180)	(2,415)	9.7%
<b>Operating Income</b>	<b>264</b>	<b>171</b>	<b>102</b>	<b>158.0%</b>	<b>53.8%</b>	<b>641</b>	<b>848</b>	<b>(24.4%)</b>
Other income	121	61	75	59.9%	96.5%	322	302	6.6%
Other expenses	(58)	(48)	(178)	67.1%	(21.6%)	(232)	(298)	22.1%
Other gains (losses)	(2)	2	19	(112.5%)	(222.0%)	(4)	21	(119.8%)
Financial cost	(101)	(105)	(121)	16.6%	3.1%	(413)	(438)	5.8%
Financial revenues	9	8	16	(39.5%)	13.9%	48	61	(20.8%)
Share of profits of associates	(39)	13	(110)	64.3%	(392.7%)	(25)	(91)	72.3%
Foreign exchange differences	(4)	25	(10)	63.3%	(115.4%)	(26)	(39)	33.4%
Other results	(8)	(2)	(4)	(76.0%)	(312.0%)	(15)	(15)	0.6%
<b>Non Operational income</b>	<b>(83)</b>	<b>(45)</b>	<b>(314)</b>	<b>73.5%</b>	<b>(85.3%)</b>	<b>(345)</b>	<b>(498)</b>	<b>30.7%</b>
Income tax expense	(49)	(24)	17	(395.2%)	(101.5%)	(90)	(125)	27.7%
Total profit	132	102	(195)	167.6%	28.7%	206	226	(8.8%)
<b>Profit attributable to controllers</b>	<b>118</b>	<b>98</b>	<b>(206)</b>	<b>157.4%</b>	<b>21.4%</b>	<b>191</b>	<b>172</b>	<b>10.8%</b>
<b>Profit attributable to minority</b>	<b>13</b>	<b>5</b>	<b>11</b>	<b>16.4%</b>	<b>175.7%</b>	<b>15</b>	<b>54</b>	<b>(71.5%)</b>
EBIT	264	171	102	158.0%	53.8%	641	848	(24.4%)
Depreciation & Amortization	235	211	216	8.8%	11.4%	858	847	1.3%
Fair value cost of timber harvested	74	86	79	(5.4%)	(13.3%)	302	323	(6.4%)
<b>EBITDA</b>	<b>573</b>	<b>468</b>	<b>397</b>	<b>44.4%</b>	<b>22.4%</b>	<b>1,802</b>	<b>2,018</b>	<b>(10.7%)</b>

Figures in US\$ million

**4Q20 / 3Q20. Net income** rose US\$21 million QoQ, explained by higher operating income, partly offset by more negative non-operating income.

The **forestry business** had a 22.4% increase in EBITDA, due to a better performance of the wood products business, and higher pulp volumes and prices.

The **fuels business** EBITDA increased 32.6% measured in US dollars, explained by an increase of 62.7% at Copec, offset by a 28.3% decrease at Abastible due to seasonality.

**Non-operating income** was US\$38 million more negative, because of a higher loss in associates, related to an asset impairment in Mina Invierno, and more unfavorable exchange rate differences. That was offset by higher other revenue at Arauco.

**2020 / 2019. The net income** attributable to the controller's owners YTD, net of minority interests, amounted to US\$191 million and was US\$19 million up on 2019. That was mainly due to less negative non-operating income of US\$153 million and lower tax of US\$34 million, offset by a decrease of US\$ 207 million in operating income compared to the previous year.

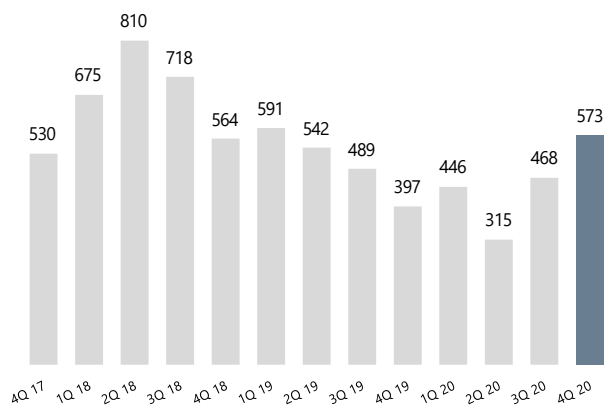
**Non-operating income** was less negative than in 2019, due to lower losses of associates of US\$66 million, lower other expenses of US\$66 million and higher other revenue of US\$20 million.

In turn, the **operating income** decrease was partly due to the forestry business, with Arauco having a drop in revenue from pulp price and volume decreases in 2020.

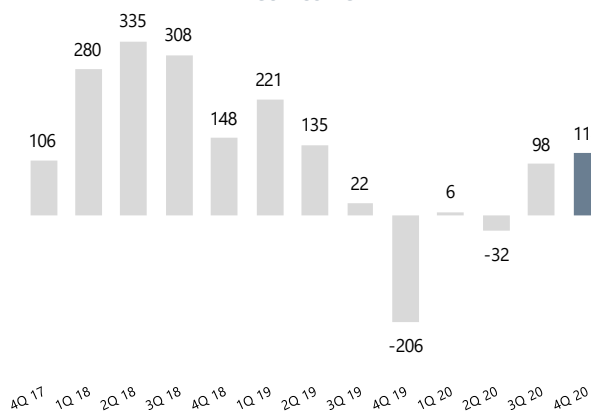
The **fuels business** had a drop in operating income, mainly at Terpel and Copec Chile, due to the effects of the sanitary crisis on fuel demand, lower margins from the revaluation of inventories and local currency depreciation on consolidating the results in US dollars. Mapco posted an operating income increase on account of higher margins. Abastible had higher operating income on the previous year, explained by the better performance of its operations in Chile and Colombia.

The company's **gross profit** dropped 13.6% amounting to US\$2,821 million, which mainly came from Arauco with US\$1,288 million; Copec with US\$1,078 million; Abastible with US\$355 million; Igemar with US\$66 million; and Sonacol with US\$35 million.

**EBITDA**



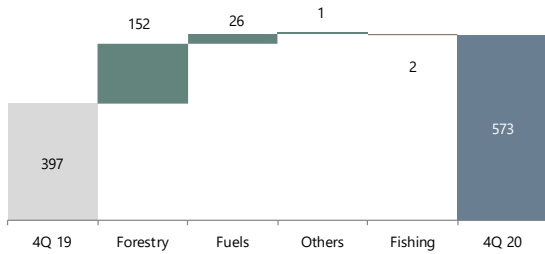
**Net Income**



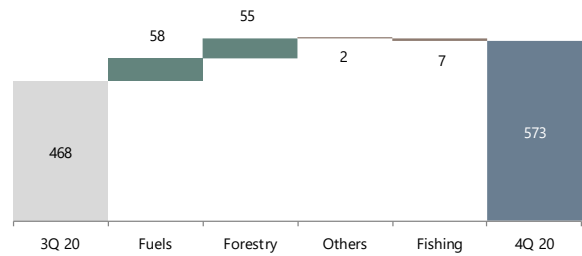
Figures in US\$ million

	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Var 20 / 19
<b>EBITDA</b>								
Forestry	351	296	199	76.6%	18.5%	1,060	1,121	(5.4%)
Fuels	224	166	198	13.0%	35.3%	718	887	(19.0%)
<i>Copec</i>	176	108	151	17.0%	62.7%	512	645	(20.7%)
<i>Abastible</i>	39	54	34	14.0%	(28.3%)	172	179	(3.7%)
<i>Sonacol</i>	9	3	14	(32.9%)	166.0%	35	64	(45.8%)
Fishing	3	9	4	(36.5%)	(71.2%)	39	29	34.9%
Others	(5)	(4)	(5)	(10.5%)	(50.8%)	(16)	(19)	(14.2%)
<b>TOTAL</b>	<b>573</b>	<b>468</b>	<b>397</b>	<b>44.4%</b>	<b>22.4%</b>	<b>1,802</b>	<b>2,018</b>	<b>(10.7%)</b>
<b>CAPEX</b>								
Forestry	457	454	437	4.6%	0.7%	1,740	1,455	19.7%
Fuels	121	54	138	(12.1%)	126.6%	314	450	(30.2%)
Fishing	4	2	6	(30.7%)	176.6%	10	30	(67.6%)
Others	30	16	42	(29.2%)	87.6%	95	123	(22.5%)
<b>TOTAL</b>	<b>612</b>	<b>526</b>	<b>623</b>	<b>(1.7%)</b>	<b>16.4%</b>	<b>2,160</b>	<b>2,058</b>	<b>4.9%</b>

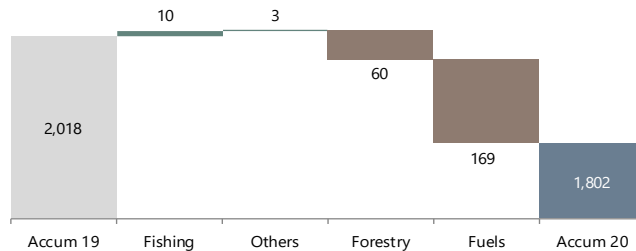
EBITDA change by business (4Q 20 v/s 4Q 19)  
(MMUS\$)



EBITDA change by business (4Q 20 v/s 3Q 20)  
(MMUS\$)



EBITDA change by business (Accum 20 v/s Accum 19)  
(MMUS\$)



## ARAUCO

**4Q20 / 4Q19.** Arauco posted **net income** of US\$75 million, which was US\$167 million up YoY. That was largely due to operating income increasing US\$152 million, related to higher margins in the wood products business, a greater pulp sales volume, and non-operating income increasing US\$101 million.

Consolidated **revenue** was up 12.5%, explained by the pulp and wood products businesses. Pulp revenue rose 9.5%, due to sales volumes and price increases of 16.0% and 0.5%, respectively. The wood products revenues rose 17.8%, because of panel volume and price increases of 4.5% and 3.1%, respectively, along with sawn timber volumes and prices increasing 25.0% and 10.5%. The unit sales costs of bleached hardwood and bleached softwood dropped 13.1% and 1.4%, respectively, but those of unbleached softwood rose 1.2%.

There was a lower **non-operating income** loss, because of a drop in other expenses, explained by impairments of panel manufacturing facilities in 2019 and higher other revenue.

Changes	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20 / 19
Volume			
Pulp	16.0%	17.8%	(0.7%)
Panels	4.5%	(1.1%)	(3.7%)
Saw n timber*	25.0%	11.9%	1.0%
Prices			
Pulp	0.5%	5.4%	(15.4%)
Panels	3.1%	5.6%	(8.1%)
Saw n timber*	10.5%	5.8%	(0.0%)

\*Includes Plywood

### Market Status

#### Pulp

The highest sales volumes and prices in the year came in the fourth quarter of 2020. There was a recovery of the printing and writing paper industry, despite the restrictions on mobility imposed by some countries due to spikes in COVID-19 cases. The tissue industry remained relatively stable, and household product consumption did not increase as in the first half of the year. The drop in supply of other pulp producers because of mill stoppages for maintenance and COVID-19 infections had a positive impact on the market. Hardwood and softwood pulp inventories fell 4 and 6 days, respectively, September through November 2020, approaching normal levels. In the fourth quarter there were signs of delays with pulp shipments and a lack of containers, entailing a higher logistical cost for some producers.

The tissue market in **China** remained relatively stable. The printing and writing paper industry had higher demand in the fourth quarter, and producers managed to implement price increases. Paper and cardboard for the packaging industry had price increases and good demand for softwood pulp, due to recycled paper restrictions in China. Hardwood prices recovered the losses of the third quarter, reaching the same levels of the second quarter of 2020, and softwood prices increased about 10% in the quarter. The price gap between softwood and hardwood continues to increase and was over US\$150 at the close of the year.

Some countries in **Europe** imposed new restrictions on mobility and confinement due to the spike in COVID-19 cases. Nevertheless, demand has improved in the printing paper and packaging industries, and there have been lower stocks in the production chains. Prices remained unchanged in the quarter.

ARAUCO	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Sales	1,353	1,203	1,202	12.5%	12.5%	4,733	5,329	(11.2%)
Pulp**	577	468	527	9.5%	23.3%	1,993	2,372	(16.0%)
Wood Products**	757	699	643	17.8%	8.3%	2,623	2,821	(7.0%)
Forestry	19	36	33	(42.3%)	(48.1%)	116	136	(14.2%)
Others	0	0	0	(79.9%)	N/A	0	0	(74.9%)
<b>EBITDA*</b>	<b>351</b>	<b>296</b>	<b>199</b>	<b>76.6%</b>	<b>18.5%</b>	<b>1,060</b>	<b>1,121</b>	<b>(5.4%)</b>
EBIT	139	83	(12)	1234.6%	68.4%	242	278	(13.0%)
Non operating income	(15)	(25)	(116)	87.0%	40.9%	(175)	(215)	19.0%
<b>Net income</b>	<b>75</b>	<b>36</b>	<b>(92)</b>	<b>181.8%</b>	<b>107.9%</b>	<b>26</b>	<b>62</b>	<b>(58.2%)</b>

Figures in US\$ million

\*Adj. EBITDA informed by Arauco was US\$381 million for 4Q20, US\$291 million for 3Q20, and US\$211 million for 4Q19

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

\*\*Includes energy sales

## Wood products

### Sawn Timber and Remanufactured Products

There was continued high demand for **sawn timber** in markets in general in the last quarter of the year, which caused prices to return to levels of early 2019.

Regarding **remanufactured products**, the good results in the United States continue, related to a strong retail sector and the recovery of house construction, repair and refurbishment sectors, which have a good level of activity. Supply is still tight because of the effect of tariffs imposed on some competitors in the United States.

### Plywood

The upward sales trend continued in the fourth quarter compared to 2019, mainly explained by greater demand in some markets like the United States, Europe and Oceania. Moreover, some competitors have had difficulties due to the COVID-19 pandemic and logistical factors.

### Panels (MDF, PB and Melamine)

The Latin American market was hit early in the year by restrictions related to COVID-19. However, since the third quarter there has been a large recovery due to the reopening of markets and some governmental measures boosting consumption. This scenario also continued up to the close of the year, with high demand for furniture making products, which had a positive impact on results and was only offset by a devaluation of the exchange rate in some countries.

**4Q20 / 3Q20.** Arauco posted **net income** of US\$75 million, which was up on the US\$ 36 million of the previous quarter, due to higher operating and non-operating income.

**Operating income** was up US\$57 million QoQ, on account of sawn timber sales volume and price increases of 11.9% and 5.8%, respectively. Panel prices increased 5.6% but volumes dropped 1.1%. Pulp prices and volumes rose 5.4% and 17.8%, respectively. Raw softwood and bleached hardwood costs increased 6.7% and 0.3%, respectively, whereas bleached softwood costs fell 2.0%.

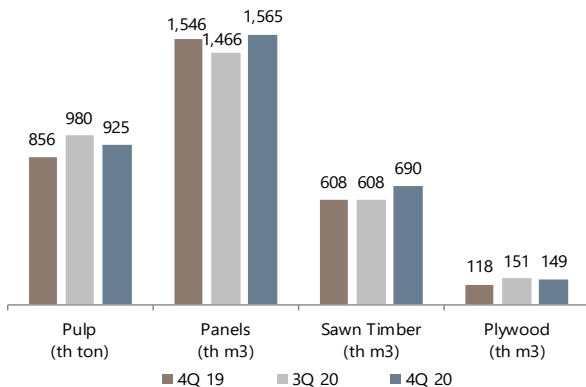
**Non-operating income** was US\$10 million less negative, mainly because of higher other revenue. That was offset by more unfavorable exchange rate differences.

**2020 / 2019.** Arauco posted **net income** of US\$26 million, US\$36 million down on the previous year. That was mainly due to operating income decreasing US\$36 million, principally related to lower pulp revenue from price and volume decreases, and higher tax. Non-operating income rose US\$41 million.

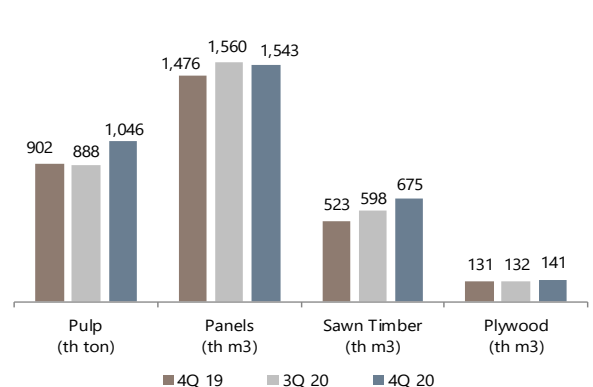
Consolidated **revenue** was down 11.2%, explained by lower pulp and wood products sales. Pulp revenue dropped 16.0% because of a 15.4% price decrease. Wood products revenues fell 7.0%, due to panel prices and volumes dropping 8.1% and 3.7%, respectively. There were lower unit sale costs of bleached hardwood, bleached softwood and raw softwood of 5.2%, 4.2% and 1.6%, respectively.

There was a lower **non-operating income** loss, on account of greater other revenue from a higher revaluation of biological assets and the recovery of fiscal credits, and a drop in other expenses due to lower fixed asset provisions and write-offs. That was partly offset by lower other earnings, related to the acquisition of Masisa's assets in Mexico in 2019.

Production by Business



Sales Volumes by Business



## COPEC

**4Q20 / 4Q19.** Copec posted net income of Ch\$40,377 million in 4Q20, which was up on earnings of Ch\$27,213 million in 4Q19. There was an increase in operating income, because of a higher sales volume in the gas stations channel and better margins, along with more favorable non-operating income.

The consolidated **EBITDA** was Ch\$127,417 million, increasing 4.4%, and mainly because of higher volumes in the gas stations channel and a better industrial margin. There were increases at Copec Chile and Terpel, and a lower EBITDA at Mapco.

The EBITDA in **Chile** rose 17.5%, mainly due to a 1.4% volume increase in the gas stations channel, partly offset by a 13.8% decrease in the industrial channel. Margins also improved, mainly related to the industrial margin, partly offset by a lower FIFO effect. The liquid fuel market share was 57.9% as of December 2020, which was an increase on the 57.8% in December 2019.

**Terpel's** EBITDA climbed 7.1%, due to lower administrative expenses and distribution costs, along with a favorable effect of the revaluation of inventories. Liquid fuel sales volumes were down 11.9% in consolidated terms, explained by decreases of 10.8% in Colombia, 17.2% in Panama, 5.7% in Ecuador, 42.2% in the Dominican Republic, and 37.0% in Peru. The NGV business volumes dropped 23.5% in Colombia and 27.1% in Peru.

**Mapco's** EBITDA was US\$6 million and lower than the US\$12 million the previous year, due to decreased margins. Physical sales were 491 thousand m<sup>3</sup>, dropping 5.7%.

Consolidated **non-operating income** was unfavorable. There was lower income in associates, mainly due to the reclassification of Sonacol as an available-for-sale asset, and lower other revenue, explained by less net income due to the sale of fixed assets.

COPEC CONSOLIDATED (Including Terpel & Mapco)	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Revenues	2,423,689	2,119,118	3,090,360	(21.6%)	14.4%	9,582,991	11,995,608	(20.1%)
<b>EBITDA</b>	<b>127,417</b>	<b>78,672</b>	<b>122,089</b>	<b>4.4%</b>	<b>62.0%</b>	<b>391,297</b>	<b>465,322</b>	<b>(15.9%)</b>
EBIT	75,362	29,988	72,257	4.3%	151.3%	191,826	284,614	(32.6%)
Non operating income	(19,305)	(18,538)	(16,623)	(16.1%)	(4.1%)	(81,616)	(55,595)	(46.8%)
<b>Net income</b>	<b>40,377</b>	<b>13,805</b>	<b>27,213</b>	<b>48.4%</b>	<b>192.5%</b>	<b>88,201</b>	<b>137,468</b>	<b>(35.8%)</b>
Copec Chile physical sales (thousand of m <sup>3</sup> )	2,454	2,047	2,596	(5.5%)	19.9%	9,005	10,326	(12.8%)
Gas stations channel	1,438	1,176	1,417	1.4%	22.3%	5,053	5,657	(10.7%)
Industrial channel	1,016	871	1,179	(13.8%)	16.7%	3,952	4,670	(15.4%)
Copec Chile market share	57.9%	58.1%	57.8%	0.1%	(0.4%)	58.8%	57.8%	1.3%

Figures in millions of Chilean pesos

TERPEL	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Revenues	4,612,314	3,818,934	6,037,873	(23.6%)	20.8%	16,389,627	22,450,899	(27.0%)
<b>EBITDA</b>	<b>254,717</b>	<b>174,605</b>	<b>237,860</b>	<b>7.1%</b>	<b>45.9%</b>	<b>564,130</b>	<b>958,610</b>	<b>(41.2%)</b>
EBIT	159,844	80,110	148,567	7.6%	99.5%	191,885	613,089	(68.7%)
Non operating income	(49,484)	(61,384)	(65,214)	24.1%	19.4%	(215,107)	(234,012)	8.1%
Net income								
<b>Profit attributable to controllers</b>	<b>94,485</b>	<b>23,959</b>	<b>65,346</b>	<b>44.6%</b>	<b>294.4%</b>	<b>(22,830)</b>	<b>254,828</b>	<b>(109.0%)</b>
Profit attributable to minority interest	3.2	2.4	0.6	458.0%	37.1%	1.0	(1.7)	159.5%
Terpel physical sales (thousand of m <sup>3</sup> )	2,393	1,956	2,716	(11.9%)	22.3%	8,164	10,470	(22.0%)
Colombia	1,815	1,456	2,035	(10.8%)	24.6%	6,130	7,814	(21.6%)
Panama	225	178	272	(17.2%)	26.5%	778	1,071	(27.4%)
Ecuador	297	280	315	(5.7%)	6.0%	1,055	1,249	(15.5%)
Dominican Republic	34	25	58	(42.2%)	35.2%	124	228	(45.8%)
Peru	22	17	36	(37.0%)	33.8%	77	109	(29.2%)
Gazel NGV physical sales (thousand of m <sup>3</sup> )	66	53	87	(24.4%)	24.1%	226	338	(33.1%)
Colombia	50	40	65	(23.5%)	25.4%	173	252	(31.4%)
Peru	16	13	22	(27.1%)	20.2%	54	86	(38.0%)

Figures in millions of Colombian pesos

MAPCO	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Revenues	363	388	437	(16.7%)	(6.2%)	1,457	1,794	(18.8%)
<b>EBITDA</b>	<b>6</b>	<b>20</b>	<b>12</b>	<b>(52.3%)</b>	<b>(71.9%)</b>	<b>75</b>	<b>58</b>	<b>28.9%</b>
Mapco physical sales (thousand of m <sup>3</sup> )	491	514	521	(5.7%)	(4.6%)	1,920	2,142	(10.4%)

Figures in US\$ thousands



**4Q20 / 3Q20. Net income** in the quarter rose Ch\$26,573 million QoQ, due to higher operating income, partly offset by lower non-operating income.

**Operating income** increased Ch\$45,374 million, on account of a volume recovery at Terpel and Copec Chile, along with a more favorable effect of the revaluation of inventories. That was offset by a drop in income at Mapco related to lower margins.

**Volumes** in Chile increased 19.9%. **Terpel's** volumes rose 24.6% in Colombia, 26.5% in Panama, 6.0% in Ecuador, 35.2% in the Dominican Republic, and 33.8% in Peru. The NGV volumes increased 25.4% in Colombia and 20.2% in Peru. **Mapco** had a 4.6% decrease in physical sales.

**Non-operating income** was Ch\$767 million more unfavorable, associated with other expenses by function and monetary correction income, partly offset by lower financial costs and higher other revenue.

**2020 / 2019.** Copec had **net income** of Ch\$88,201 million, which was down on the Ch\$137,468 million as of December 2019, explained by lower operating income and a higher non-operating loss, partly offset by lower tax.

Consolidated **EBITDA** dropped 15.9% and amounted to Ch\$391,297 million, mainly due to a volume decrease from the decreased mobility because of the sanitary crisis and a lower revaluation of inventories in Chile and Colombia. The EBITDA was down at Terpel and Copec Chile, partly offset by an increase at Mapco.

EBITDA in **Chile** dropped 3.8%, mainly as a result of the unfavorable effect of the revaluation of inventories and a 12.8% drop in volume, with decreases of 10.7% in the dealer channel and 15.4% in the industrial channel. The liquid fuel market share was therefore 58.6% as of December 2020, superior to the 57.8% at the close of 2019.

**Terpel's** EBITDA was down 41.2%, because of lower volumes and margins, the latter related to inventory revaluation losses. Liquid fuel sales volumes dipped 22.0% in consolidated terms, explained by decreases of 21.6% in Colombia, 27.4% in Panama, 15.5% in Ecuador, 45.8% in the Dominican Republic, and 29.2% in Peru. The NGV volume dropped 31.4% in Colombia and 38.0% in Peru.

**Mapco's** EBITDA was US\$75 million and up on the US\$58 million attained as of December 2019, largely due to better fuel margins. Physical sales were 1.92 million m<sup>3</sup>, which was a 10.4% decrease.

Consolidated **non-operating income** was more unfavorable, due to lower income in associates, mainly explained by Copec Aviation (former Air BP), Sonacol and Arcoprime, and a drop in other revenue, on account of a high comparative base due to the sale of real estate assets in the first half of 2019, all partly offset by positive exchange rate differences.

## ABASTIBLE

**4Q20 / 4Q19.** Abastible posted a **profit** of Ch\$20,887 million, which were up on net income of Ch\$1,358 million YoY. That was due to higher operating and non-operating income, along with favorable taxes.

In consolidated terms, **EBITDA** increased 20.8% to Ch\$27,847 million. There was a better EBITDA in Chile, Colombia and Ecuador with increases of 61.6%, 19.2% and 17.6%, respectively. That was partly offset by a 42.2% decrease in Peru.

**Volumes** in Chile, Colombia, Peru and Ecuador in 4Q20 rose 1.3%, 13.5%, 0.4% and 6.4%, respectively, YoY, amounting to 112 thousand tons, 63 thousand tons, 105 thousand tons and 130 thousand tons, respectively.

**Non-operating income** rose, mainly explained by higher other revenue and lower financial costs, offset by a drop in income in associates due to the reclassification of Sonacol and Gasmar as available-for-sale assets.

**4Q20 / 3Q20.** Abastible posted lower **earnings** of Ch\$1,971 million QoQ, explained by a drop in operating and non-operating income and partly offset by lower tax.

**Operating income** dropped Ch\$14,526 million, mainly due to lower volumes in Chile because of seasonality. The change in non-operating income was unfavorable, explained by lower other earnings and monetary correction income, partly offset by decreased other expenses and higher other revenue.

**Volumes** fell 24.6% in Chile, offset by increases of 4.8%, 10.0% and 3.2% in Colombia, Peru and Ecuador, respectively.

**2020 / 2019.** Abastible posted **net income** of Ch\$59,693 million, which was an increase on net income of Ch\$46,057 million reported the previous year. That was mainly due to higher operating income and lower tax because of foreign exchange variations. Non-operating income was down on the previous year on account of lower earnings in associates and higher other expenses.

In consolidated terms, **EBITDA** increased 9.8% to Ch\$134,573 million. There was a better EBITDA in Colombia, Chile and Ecuador with increases of 14.2%, 12.6% and 1.8%, respectively. Operations in Peru had an EBITDA decrease of 8.8%.

YTD, **volumes** in Colombia, Ecuador and Chile increased 11.1%, 2.0%, and 1.1%, respectively, on those in the same period of last year, amounting to 231 thousand tons, 480 thousand tons, and 505 thousand tons, respectively. Sales volumes in Peru dropped 7.7% to 371 thousand tons.

ABASTIBLE CONS. (Includes Chile, Colombia, Perú and Ecuador)	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Sales	196,658	225,821	214,569	(8.3%)	(12.9%)	803,302	815,700	(1.5%)
EBITDA	27,847	42,641	23,045	20.8%	(34.7%)	134,573	122,608	9.8%
EBIT	15,940	30,466	8,735	82.5%	(47.7%)	86,419	79,654	8.5%
Non operating income	(2,906)	(2,755)	(3,832)	24.2%	(5.5%)	(15,037)	(6,410)	(134.6%)
Net income	20,887	22,858	1,358	1438.2%	(8.6%)	59,693	46,057	29.6%
Abastible Chile LPG physical sales (thousand of tons)	112	148	110	1.3%	(24.6%)	505	499	1.1%

\* Figures in million chilean pesos.

NORGAS (Colombia)	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Var 20 / 19
Sales	160,520	144,766	137,281	16.9%	10.9%	554,865	544,239	2.0%
EBITDA	36,569	32,511	30,687	19.2%	12.5%	127,192	111,339	14.2%
Norgas Colombia LPG physical sales (thousand of tons)	63	61	56	13.5%	4.8%	231	208	11.1%

\* Figures in million colombian pesos.

SOLGAS (Perú)	4T 20	3T 20	4T 19	4T20 / 4T19	4T20 / 3T20	Accum 20	Accum 19	Var 20 / 19
Sales	289,372	246,532	233,750	23.8%	17.4%	956,614	1,174,737	(18.6%)
EBITDA	19,383	22,199	33,528	(42.2%)	(12.7%)	75,807	83,106	(8.8%)
Solgas Perú LPG physical sales (thousand of tons)	105	95	104	0.4%	10.0%	371	402	(7.7%)

\* Figures in thousand soles peruanos.

DURAGAS (Ecuador)	4T 20	3T 20	4T 19	4T20 / 4T19	4T20 / 3T20	Accum 20	Accum 19	Var 20 / 19
Sales	33	32	32	5.1%	5.5%	119	124	(4.5%)
EBITDA	3.4	3.7	2.9	17.6%	(7.5%)	12.7	12.4	1.8%
Duragas Ecuador LPG physical sales (thousand of tons)	130	126	123	6.4%	3.2%	480	471	2.0%

\* Figures in US\$ thousands.

\* Wholesale physical volumes are excluded

## PESQUERA IQUIQUE-GUANAYE (IGEMAR)

**4Q20 / 4Q19.** Igemar posted a loss of US\$6.1 million in 4Q20, which was better than the loss of US\$6.5 million in 4Q19. That is mainly explained by less negative non-operating income.

**Non-operating income** was less unfavorable due to positive exchange rate differences and higher other earnings. That was partly offset by a greater loss in associates.

**Operating income** dropped US\$1.1 million, explained by a lower gross profit and higher administrative expenses, partly offset by lower distribution costs.

11.0 thousand tons of fishmeal were sold in the quarter, which was a 15.3% increase. 420 thousand cases of canned fish, 587 tons of fish oil and 1.4 thousand tons of frozen fish were marketed, decreasing 48.8%, 61.7% and 60.7%, respectively. The total fish processed amounted to 24.6 thousand tons, dropping 7.8% YoY.

In the quarter, fishmeal, fish oil, canned and frozen fish **prices** increased 2.7%, 21.4%, 21.6% and 40.3%, respectively.

**4Q20 / 3Q20.** **Net income** dropped US\$4.3 million QoQ, due to lower operating income and higher tax.

The lower **operating income** is explained by fish oil, canned fish and frozen fish sales volumes dropping 69.1%, 41.0% and 69.0%, respectively, partly offset by a 14.2% increase in the fishmeal sales volume. Fishmeal and fish oil prices also dropped 6.6% and 3.5%, respectively.

**Non-operating income** rose on account of more favorable other earnings and lower financial costs, offset by higher other expenses.

**2020 / 2019.** YTD, Igemar had a loss attributable to the controller's owners of US\$2.9 million, and up on the loss of US\$8.7 million recognized YTD 2019. Operating income rose due to a higher gross margin, and there was an increase in non-operating income, explained by lower financial costs and positive exchange rate differences. That was partly offset by higher tax.

Fishmeal, canned fish and frozen fish **prices** dropped 0.5%, 5.2% and 11.5%, respectively, in the quarter. The fish oil price increased 27.9%.

The company had **sales** of 38.0 thousand tons of fishmeal, 3.2 million cases of canned fish and 27.1 thousand tons of frozen fish, increasing 6.5%, 16.1% and 24.6%, respectively. Fish oil sales were 8.6 thousand tons, dropping 23.9% on the previous year.

The total **fish processed** was 224.6 thousand tons, a 2.6% decrease.

IGEMAR CONSOLIDATED	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Sales	36.5	47.1	45.7	(20.1%)	(22.5%)	203.7	192.6	5.8%
<b>EBITDA</b>	<b>2.7</b>	<b>9.4</b>	<b>4.2</b>	<b>(36.5%)</b>	<b>(71.2%)</b>	<b>39.4</b>	<b>29.2</b>	<b>34.9%</b>
EBIT	(0.6)	5.8	0.5	(232.3%)	(110.4%)	25.9	16.1	61.1%
Non operating income	(7.2)	(7.6)	(9.7)	25.6%	4.6%	(24.9)	(30.4)	18.2%
<b>Net income</b>	<b>(6.1)</b>	<b>(1.8)</b>	<b>(6.5)</b>	<b>6.3%</b>	<b>(239.6%)</b>	<b>(2.9)</b>	<b>(8.7)</b>	<b>67.0%</b>
Physical sales								
Fishmeal (tons)	11,067	9,694	9,597	15.3%	14.2%	37,995	35,660	6.5%
Fish Oil (tons)	578	1,872	1,508	(61.7%)	(69.1%)	8,605	11,312	(23.9%)
Canned Fish (cases)	420,231	711,677	820,828	(48.8%)	(41.0%)	3,235,379	2,785,949	16.1%
Frozen Fish (tons)	1,400	4,511	3,564	(60.7%)	(69.0%)	27,077	21,730	24.6%
Total fish processed (tons)	24,623	17,156	26,707	(7.8%)	43.5%	224,591	230,601	(2.6%)

Figures in US\$ million

\*Ebitda = Operating Income + Depreciation + Amortization

## OTHER AFFILIATES

### Sonacol

Sonacol had **net income** of Ch\$4,509 million in 4Q20, down on the Ch\$5,612 million in 4Q19, explained by lower volumes.

Net income was Ch\$17,638 million YTD, which was down on the Ch\$25,115 million YTD 2019. That is explained by lower operating income due to a 20.7% volume decrease compared to the same period of the previous year and mainly because of the pandemic. It should be highlighted that Sonacol is currently classified as an "asset held for sale" on the balance sheet of Empresas Copec.

### OTHER ASSOCIATED COMPANIES

#### Metrogas & Agesa

Metrogas posted **net income** of Ch\$5,862 million in 4Q20, a 35.9% increase YoY. YTD, it reported net income of Ch\$52,193 million, up on earnings of Ch\$46,287 million in the same period of the previous year.

AGESA had net income of US\$6 million in 4Q20, which was a US\$9 million decrease YoY. YTD, it posted net income of US\$37 million, 33.2% down on that in the same period of 2019.

### Corpesca and Caleta Vitor

Corpesca posted a **loss** of US\$18.5 million in 4Q20, which was lower than the loss of US\$21.1 million in 4Q19. YTD, it had a loss of US\$34.8 million, worse than the loss of US\$30.0 million YTD 2019.

Caleta Vitor had **net income** of US\$15.5 million in 4Q20. YTD, it posted net income of US\$23.2 million as of December 2020, which was down on earnings of US\$30.0 million reported as of the fourth quarter of 2019. This is mainly explained by lower other revenue and unfavorable exchange rate differences.

### Laguna Blanca (Mina Invierno)

Inversiones Laguna Blanca S.A. posted a **loss** of US\$89.7 million in 4Q20, explained by an asset impairment of US\$ 84.4 million, due to the final shutdown of its operations.

Net income from other affiliates and associates	4Q 20	3Q 20	4Q 19	4Q20 / 4Q19	4Q20 / 3Q20	Accum 20	Accum 19	Chg. 20 / 19
Sonacol*	4,509	4,103	5,612	(19.7%)	9.9%	17,638	25,115	(29.8%)
Camino Nevado	(44.9)	(3.9)	(160.8)	72.1%	(1039.7%)	(53.4)	(194.6)	72.6%
Metrogas*	5,861.5	28,206.3	4,313.9	35.9%	(79.2%)	52,193.0	46,287.1	12.8%
Agesa	5.9	7.7	15.1	(60.6%)	(23.2%)	37.4	56.0	(33.2%)
Corpesca	(18.5)	(7.8)	(21.1)	12.0%	(138.6%)	(34.8)	(30.0)	(16.0%)
Laguna Blanca**	(82.7)	(2.5)	(254.9)	67.6%	(3187.3%)	(89.7)	(311.5)	71.2%
Caleta Vitor	15.5	4.6	23.7	(34.3%)	237.0%	23.2	31.2	(25.4%)

Figures in million US\$

\* Figures in million Chilean pesos.

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

## CONSOLIDATED BALANCE SHEET ANALYSIS

Consolidated **current assets** in 4Q20 dropped 3.4% on those as of December 31, 2019. That is explained by lower trade receivables at Copec and a drop in inventories at Arauco and Copec. There was also a decrease in cash and cash equivalents at Arauco from disbursements related to the MAPA project.

**Non-current assets** in 4Q20 rose 3.5% on those at the close of 2019. That was mainly due to an increase in property, plant and equipment at Arauco, explained by investment in the MAPA project; and higher investment in associates, related to the development of the Mina Justa project.

Total **current liabilities** fell 8.2% compared to those at the close of 2019. There was a decrease in accounts payable and principally at Copec, explained by a drop in sales and lower other financial liabilities at Arauco. That was partly offset by higher current tax liabilities at Arauco.

**Non-current liabilities** rose 7.1%, due to higher financial liabilities at Arauco, Copec and Empresas Copec. The latter closed a bank loan of US\$360 million in the third quarter of 2020, of which US\$250 million were used as a capital contribution to Arauco. That was partly offset by lower lease liabilities at Arauco.

Altogether, the company's **shareholders' equity** dropped 1.0% on that as of December 31, 2019, mainly because of lower other reserves, partly offset by an increase in retained earnings.

The financial expenses coverage ratio increased due to a higher EBITDA.

## CASH FLOW STATEMENT ANALYSIS

The **operating cash flow** as of December 2020 increased on the previous year, due to lower payments to suppliers at Copec and Arauco, along with a drop in tax and higher other charges at Arauco. That was partly offset by lower charges from sales at Copec and Arauco.

The **investing cash flow** had higher cash outlays, largely due to the investment in property, plant and equipment at Arauco and explained by the development of the MAPA project, and the sale in 2019 of the interest that Arauco and Empresas Copec had in Puertos y Logística S.A. That was partly offset by a lower cash flow to gain control of subsidiaries or other businesses, on account of the purchase of the assets of Masisa Mexico in the first quarter of 2019.

Simplified Balance Sheet Statement	Dec-20	Dec-19	Chg. 20 / 19
Current assets	6.796	7.034	(3,4%)
Non-current assets	18.378	17.761	3,5%
<b>TOTAL ASSETS</b>	<b>25.174</b>	<b>24.795</b>	<b>1,5%</b>
Short term financial debt	767	925	(17,0%)
Other current liabilities	2.074	2.169	(4,4%)
<b>Total current liabilities</b>	<b>2.842</b>	<b>3.094</b>	<b>(8,2%)</b>
Long term financial debt	9.061	8.348	8,5%
Other non-current liabilities	2.212	2.180	1,5%
<b>Total non-current liabilities</b>	<b>11.272</b>	<b>10.527</b>	<b>7,1%</b>
<b>TOTAL LIABILITIES</b>	<b>14.114</b>	<b>13.621</b>	<b>3,6%</b>
Non-controlling interests	481	507	(5,1%)
Shareholder's Equity	10.580	10.667	(0,8%)
<b>TOTAL EQUITY</b>	<b>11.060</b>	<b>11.174</b>	<b>(1,0%)</b>
Leverage*	0,68	0,62	9,1%
Net financial debt	7.488	6.933	8,0%
ROCE**	4,9%	6,3%	(1,5%)

Figures in US\$ million

\* Leverage = Net financial debt / Total equity

\*\* ROCE = (Annualized 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)

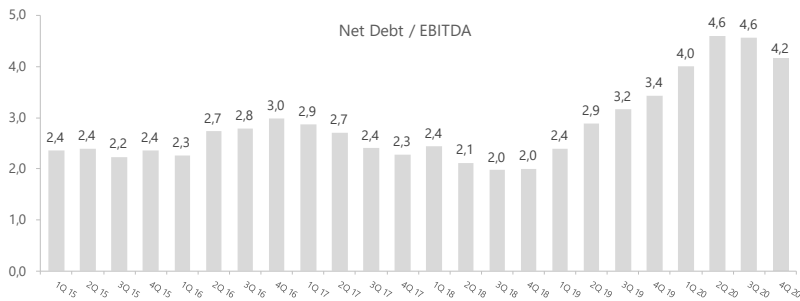
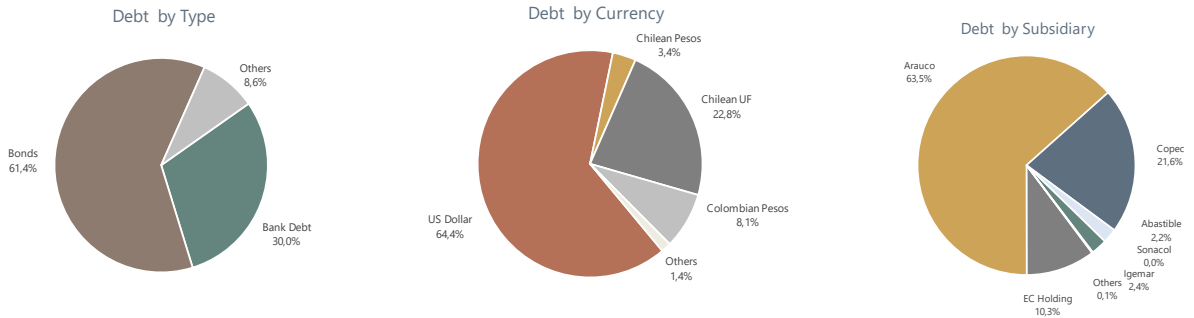
The **financing cash flow** had a negative change, mainly explained by lower proceeds from long-term loans at Arauco. That was offset by loans obtained at Empresas Copec and the subsidiary Copec, and lower dividends paid.

CASH FLOW STATEMENT	dic-20	dic-19	Chg. 20 / 19
Cash flows from (used in) operating activities	1.891	1.056	79,0%
Cash flows from (used in) investing activities	(2.132)	(1.785)	(19,4%)
Cash flows from (used in) financing activities	151	1.270	(88,1%)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(90)</b>	<b>541</b>	<b>(116,6%)</b>

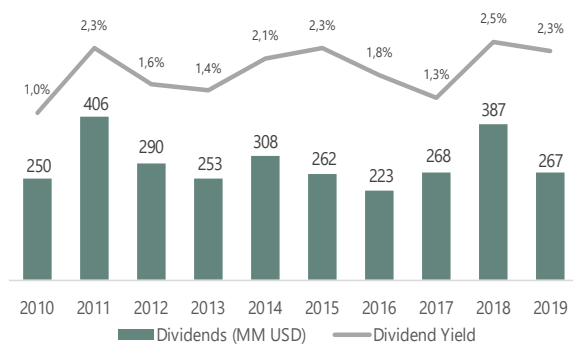
Figures in million US\$

## DEBT ANALYSIS

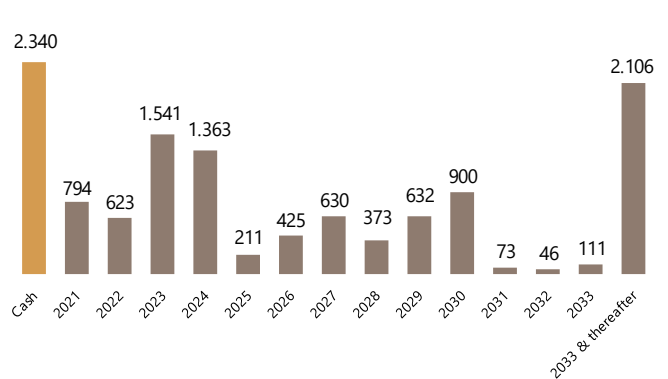
Total financial debt: MMU\$ 9,828  
 Cash and equivalents: MMU\$ 2,340  
 Net debt: MMU\$ 7,488



### Dividend distribution and dividend yield\*



### Financial debt maturities



\*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

### International Risk Rating

Fitch Ratings: BBB / stable outlook  
 Standard and Poor's: BBB- / stable outlook

### Domestic Risk Rating

Feller-Rate: AA / stable / 1<sup>st</sup> Class Level 1  
 Fitch Ratings: AA- / stable / 1<sup>st</sup> Class Level 1

## BREAKDOWN BY OPERATING SEGMENTS (Accumulated as of December 2020)

Figures as of December 2020	Arauco	Copec	Abastible	Sonacol	Igemar	Others*	Subtotal	Elimin.	Total
Revenues from external clients	4.732.799	12.063.282	1.022.027	36.983	203.645	478	18.059.214	-	18.059.214
Revenues between segments	70	60.487	5.429	22.128	17	969	89.100	(89.100)	-
Interest Income	29.449	7.347	1.926	20	377	8.855	47.974	-	47.974
Interest Expense	(268.179)	(111.630)	(16.198)	(2.738)	(7.811)	(6.093)	(412.649)	-	(412.649)
<b>Interest expense, net</b>	<b>(238.730)</b>	<b>(104.283)</b>	<b>(14.272)</b>	<b>(2.718)</b>	<b>(7.434)</b>	<b>2.762</b>	<b>(364.675)</b>	-	<b>(364.675)</b>
<b>Income (loss) from the reporting segment</b>	<b>25.305</b>	<b>107.370</b>	<b>86.725</b>	<b>22.374</b>	<b>(1.622)</b>	<b>(34.166)</b>	<b>205.986</b>	-	<b>205.986</b>
EBIT	241.744	245.377	110.533	34.584	25.898	(16.885)	641.251	-	641.251
Depreciation	500.451	195.412	51.102	-	12.996	479	760.440	-	760.440
Amortization	15.561	70.916	10.488	-	544	2	97.511	-	97.511
Fair value cost of timber harvested	302.490	-	-	-	-	-	302.490	-	302.490
<b>EBITDA</b>	<b>1.060.246</b>	<b>511.705</b>	<b>172.123</b>	<b>34.584</b>	<b>39.438</b>	<b>(16.404)</b>	<b>1.801.692</b>	-	<b>1.801.692</b>
Share in income (loss) of associates	2.317	(4.294)	1.624	-	(4.979)	(19.901)	(25.233)	-	(25.233)
Income (expense) from income taxes	(41.848)	(34.448)	(4.576)	(8.339)	(2.640)	1.812	(90.039)	-	(90.039)
<b>Investments by segment</b>									
Payments for acq. prop., plant and equip.	1.501.266	181.001	62.723	9.748	9.789	9	1.764.536	-	1.764.536
Acquisition other long term assets	207.398	-	93	-	-	-	207.491	-	207.491
Payments for acq. affiliates and associates	19.433	16.160	1.662	-	-	345.185	382.440	(249.945)	132.495
Purchase of intangible assets	12.374	40.120	2.815	-	-	-	55.309	-	55.309
<b>Other Payments for Investments</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total investments</b>	<b>1.740.471</b>	<b>237.281</b>	<b>67.293</b>	<b>9.748</b>	<b>9.789</b>	<b>345.194</b>	<b>2.409.776</b>	<b>(249.945)</b>	<b>2.159.831</b>
<b>Country of origin of operating revenue</b>									
Operating revenues - local (chile)	2.612.423	6.123.294	488.715	36.983	203.645	478	9.465.538	-	9.465.538
Operating revenues - foreign (foreign companies)	2.120.376	5.939.988	533.312	-	-	-	8.593.676	-	8.593.676
<b>Total operating revenues</b>	<b>4.732.799</b>	<b>12.063.282</b>	<b>1.022.027</b>	<b>36.983</b>	<b>203.645</b>	<b>478</b>	<b>18.059.214</b>	-	<b>18.059.214</b>
<b>Assets by segment</b>	<b>16.028.319</b>	<b>5.758.523</b>	<b>1.307.733</b>	<b>290.031</b>	<b>479.640</b>	<b>1.310.195</b>	<b>25.174.441</b>	-	<b>25.174.441</b>
Equity method investments	316.939	5.360	7.248	-	183.517	557.345	1.070.409	-	1.070.409
Liabilities by segments	8.612.684	3.885.527	772.183	189.129	273.573	380.875	14.113.971	-	14.113.971
<b>Country of origin of non-current assets</b>									
Nacionalidad activos no corrientes	8.407.898	1.730.519	528.885	-	377.519	794.731	11.839.552	-	11.839.552
Foreign	4.076.096	1.956.889	505.598	-	-	-	6.538.583	-	6.538.583
<b>Total non current assets</b>	<b>12.483.994</b>	<b>3.687.408</b>	<b>1.034.483</b>	<b>-</b>	<b>377.519</b>	<b>794.731</b>	<b>18.378.135</b>	-	<b>18.378.135</b>

\*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	Spain	Total
Revenues	9.465.538	3.591.063	2.289.794	436.103	379.200	414.622	364.794	191.318	349.578	261.610	315.594	-	18.059.214
Non current assets	11.839.552	907.667	1.398.127	264.465	741.337	695.247	1.725.736	75.462	2.999	577.926	138.275	11.342	18.378.135

Figures in thousand US\$

## BREAKDOWN BY OPERATING SEGMENTS (Accumulated as of December 2019)

CIFRAS A DICIEMBRE 2019	Arauco	Copec	Abastible	Sonacol	Igemar	Otros*	Subtotal	Elimin.	Total
Ingresos ordinarios clientes externos	5.329.129	16.960.126	1.181.301	52.468	192.584	797	23.716.405	-	23.716.405
Ingresos ordinarios entre segmentos	85	89.858	7.955	27.593	2	1.085	126.578	(126.578)	-
Ingresos por intereses	32.582	9.085	2.523	114	588	15.708	60.600	-	60.600
Gastos por intereses	(273.639)	(126.460)	(21.743)	(3.523)	(10.137)	(2.398)	(437.900)	-	(437.900)
<b>Gastos por intereses, neto</b>	<b>(241.057)</b>	<b>(117.375)</b>	<b>(19.220)</b>	<b>(3.409)</b>	<b>(9.549)</b>	<b>13.310</b>	<b>(377.300)</b>	-	<b>(377.300)</b>
<b>Ganancia (pérdida) del segmento</b>	<b>61.970</b>	<b>226.357</b>	<b>76.853</b>	<b>35.898</b>	<b>(9.413)</b>	<b>(165.809)</b>	<b>225.856</b>	-	<b>225.856</b>
Resultado operacional	277.925	404.153	116.131	54.038	16.079	(20.142)	848.184	-	848.184
Depreciación	506.243	167.676	52.665	9.712	12.789	1.011	750.096	-	750.096
Amortización	13.137	73.058	9.961	-	366	17	96.539	-	96.539
Valor justo costo madera cosechada	323.271	-	-	-	-	-	323.271	-	323.271
<b>EBITDA</b>	<b>1.120.576</b>	<b>644.887</b>	<b>178.757</b>	<b>63.750</b>	<b>29.234</b>	<b>(19.114)</b>	<b>2.018.090</b>	-	<b>2.018.090</b>
Participación resultados asociadas	7.775	18.691	16.061	-	(2.663)	(130.992)	(91.128)	-	(91.128)
Ingreso (Gasto) Impuesto a la renta	(535)	(98.617)	(29.933)	(13.394)	4.908	14.064	(124.507)	-	(124.507)
<b>Inversiones por segmento</b>									
Incorp. de prop., planta y equipo	1.002.937	237.061	104.306	19.698	10.181	19	1.374.202	-	1.374.202
Compra otros activos largo plazo	247.802	-	386	-	-	-	248.188	-	248.188
Adquisición afiliadas y asociadas	171.841	40.346	-	-	20.000	122.920	355.107	-	355.107
Compras de activos intangibles	32.032	46.138	2.305	-	-	-	80.475	-	80.475
Pagos para adquirir otras inversiones	-	-	-	-	-	-	-	-	-
<b>Total inversiones</b>	<b>1.454.612</b>	<b>323.545</b>	<b>106.997</b>	<b>19.698</b>	<b>30.181</b>	<b>122.939</b>	<b>2.057.972</b>	-	<b>2.057.972</b>
<b>Nacionalidad de Ingresos</b>									
Chile	2.895.839	8.306.542	515.069	52.468	192.584	797	11.963.299	-	11.963.299
Extranjero	2.433.290	8.653.584	666.232	-	-	-	11.753.106	-	11.753.106
<b>Total ingresos ordinarios</b>	<b>5.329.129</b>	<b>16.960.126</b>	<b>1.181.301</b>	<b>52.468</b>	<b>192.584</b>	<b>797</b>	<b>23.716.405</b>	-	<b>23.716.405</b>
<b>Activos de los segmentos</b>	<b>15.860.030</b>	<b>5.687.310</b>	<b>1.319.345</b>	<b>275.620</b>	<b>496.000</b>	<b>1.157.162</b>	<b>24.795.467</b>	-	<b>24.795.467</b>
Inversiones contabilizadas bajo el método de la participación	293.118	12.110	9.050	-	194.167	517.728	1.026.173	-	1.026.173
Pasivos de los segmentos	8.490.615	3.812.093	810.435	179.810	277.864	50.612	13.621.429	-	13.621.429
<b>Nacionalidad activos no corrientes</b>									
Chile	7.486.523	1.663.246	503.911	-	383.661	743.709	10.781.050	-	10.781.050
Extranjero	4.442.126	1.993.944	543.957	-	-	-	6.980.027	-	6.980.027
<b>Total activos no corrientes</b>	<b>11.928.649</b>	<b>3.657.190</b>	<b>1.047.868</b>	-	<b>383.661</b>	<b>743.709</b>	<b>17.761.077</b>	-	<b>17.761.077</b>

\*Incluye Alxar, Empresas Copec compañía matriz y otras

## Breakdown by country

	Chile	Colombia	USA/Canada	Panamá	Argentina	Brazil	Uruguay	Ecuador	Dominican Republic	Peru	Mexico	Spain	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	10.781.050	935.749	835.837	613.417	781.693	947.265	1.724.698	299.352	266.186	416.194	155.900	3.736	17.761.077

Figures in thousand US\$



## FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME BY FUNCTION	Dec-20	Dec-19	Chg. 20 / 19
Revenue	18.059.214	23.716.405	(23,9%)
Cost of sales	(15.237.934)	(20.452.761)	(25,5%)
<b>Gross profit</b>	<b>2.821.280</b>	<b>3.263.644</b>	(13,6%)
Other income	322.347	302.355	6,6%
Distribution costs	(1.229.083)	(1.353.340)	(9,2%)
Administrative expenses	(950.946)	(1.062.120)	(10,5%)
Other expense	(232.126)	(297.898)	(22,1%)
Other gains (losses)	(4.114)	20.793	(119,8%)
Finance income	47.974	60.600	(20,8%)
Financial costs	(412.649)	(437.900)	(5,8%)
Share of profit (loss) of associates and joint ventures accounted for using equity method	(25.233)	(91.128)	(72,3%)
Foreign exchange differences	(26.152)	(39.281)	(33,4%)
Gains (losses) on net monetary position	(15.273)	(15.362)	(0,6%)
<b>Profit (loss) before tax</b>	<b>296.025</b>	<b>350.363</b>	(15,5%)
Income tax expense	(90.039)	(124.507)	(27,7%)
<b>Profit (loss) from continuing operations</b>	<b>205.986</b>	<b>225.856</b>	(8,8%)
Profit (loss) from discontinued operations			
<b>Profit (loss)</b>	<b>205.986</b>	<b>225.856</b>	(8,8%)
<b>Profit (loss), attributable to</b>			
Profit (loss), attributable to owners of parent	190.653	172.019	10,8%
Profit (loss), attributable to non-controlling interests	15.333	53.837	(71,5%)
<b>Total profit (loss)</b>	<b>205.986</b>	<b>225.856</b>	(8,8%)

Figures in thousand US\$

## FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE INCOME	Dec-20	Dec-19	Chg. 20 / 19
<b>Profit (loss)</b>	205.986	225.856	(8,8%)
<b>Other comprehensive income that will not be reclassified to profile</b>	2.859	(2.965)	196,4%
Gains (losses) on exchange differences on translation, before tax	(197.559)	(116.284)	(69,9%)
Other comprehensive income, before tax, exchange differences on translation	(197.559)	(116.284)	(69,9%)
Reclassification adjustments on available-for-sale financial assets, before tax	0	527	(100,0%)
Cash flow hedges	0	527	(100,0%)
Reclassification adjustments on cash flow hedges, before tax	(11.407)	1.878	(707,4%)
Other comprehensive income, before tax, cash flow hedges	(67.785)	(29.227)	(131,9%)
Other comprehensive income, before tax, gains (losses) on revaluation	(79.192)	(27.349)	(189,6%)
Other comprehensive income, before tax, actuarial gains (losses) on defined benefit plans	9.592	0	-
<b>Share of other comprehensive income of associates and joint ventures accounted for using equity method</b>	10	(6.190)	100,2%
<b>Other comprehensive income, before tax</b>	(984)	(7.453)	86,8%
<b>Income tax relating to components of other comprehensive income</b>	3.027	28.337	(89,3%)
Income tax relating to defined benefit plans of other comprehensive income	(265.106)	(128.412)	(106,4%)
Income tax relating to cash flow hedges of other comprehensive income	355	(6.582)	105,4%
Income tax relating to defined benefit plans of other comprehensive income	14.588	6.770	115,5%
Aggregated income tax relating to components of other comprehensive income	330	2.737	(87,9%)
<b>Other comprehensive income</b>	<b>(246.974)</b>	<b>(128.452)</b>	<b>(92,3%)</b>
<b>Total comprehensive income</b>	<b>(40.988)</b>	<b>97.404</b>	<b>(142,1%)</b>
<b>Comprehensive income, attributable to owners of parent</b>	<b>(37.182)</b>	<b>46.105</b>	<b>(180,6%)</b>
<b>Comprehensive income, attributable to non-controlling interests</b>	<b>(3.806)</b>	<b>51.299</b>	<b>(107,4%)</b>

Figures in thousand US\$

## FINANCIAL STATEMENTS

BALANCE SHEET - ASSETS	Dec-20	Dec-19	Chg. 20 / 19
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	2.146.581	2.214.887	(3,1%)
Other current financial assets	193.670	124.918	55,0%
Other current non-financial assets	205.154	211.141	(2,8%)
Trade and other receivables, current	1.550.633	1.675.937	(7,5%)
Trade and other current receivables	41.109	84.516	(51,4%)
Inventories	1.608.652	1.823.893	(11,8%)
Current biological assets	302.710	275.792	9,8%
Current tax assets	374.166	263.957	41,8%
<b>Total current assets other than assets or disposal groups classified as held for sale or as held for distribution to owners</b>	<b>6.422.675</b>	<b>6.675.041</b>	<b>(3,8%)</b>
Non-current assets or disposal groups classified as held for sale	373.631	359.349	4,0%
Non-current assets or disposal groups classified as held for sale or for distribution to owners	<b>373.631</b>	<b>359.349</b>	<b>4,0%</b>
<b>Total current assets</b>	<b>6.796.306</b>	<b>7.034.390</b>	<b>(3,4%)</b>
<b>Non-current assets</b>			
Other non-current financial assets	125.251	108.072	15,9%
Other non-current non-financial assets	169.251	180.604	(6,3%)
Non-current rights receivables	26.670	19.870	34,2%
Non-current receivables to related parties	7.797	7.456	4,6%
Investments accounted for using equity method	1.070.409	1.026.173	4,3%
Intangible assets other than goodwill	928.072	977.805	(5,1%)
Goodwill	399.159	413.693	(3,5%)
Property, plant and equipment	11.453.955	10.684.389	7,2%
Assets by right of use	758.498	801.961	(5,4%)
Non-current biological assets	3.296.117	3.393.634	(2,9%)
Investment property	29.632	35.300	(16,1%)
Deferred tax assets	113.324	112.120	1,1%
<b>Total non-current assets</b>	<b>18.378.135</b>	<b>17.761.077</b>	<b>3,5%</b>
<b>Total assets</b>	<b>25.174.441</b>	<b>24.795.467</b>	<b>1,5%</b>

Figures in thousand US\$

## FINANCIAL STATEMENTS

BALANCE SHEET - LIABILITIES AND EQUITY	Dec-20	Dec-19	Chg. 20 / 19
<b>Current liabilities</b>			
Other current financial liabilities	637.254	795.723	(19,9%)
Liabilities on current leaseings	130.219	129.228	0,8%
Trade and other current payables	1.647.722	1.793.854	(8,1%)
Other current payables to related parties	11.522	6.197	85,9%
Other short-term provisions	21.468	18.999	13,0%
Current tax liabilities	57.926	25.102	130,8%
Current provisions for employee benefits	12.675	11.810	7,3%
Other current financial liabilities	130.117	126.369	3,0%
<b>Total current liabilities other than liabilities included in disposal groups classified as held for sale</b>	<b>2.648.903</b>	<b>2.907.282</b>	<b>(8,9%)</b>
Liabilities included in disposal groups classified as held for sale	192.622	186.860	3,1%
<b>Total current liabilities</b>	<b>2.841.525</b>	<b>3.094.142</b>	<b>(8,2%)</b>
<b>Non-current payables</b>			
Other non-current financial liabilities	8.432.485	7.689.047	9,7%
Liabilities on non current leaseings	628.138	658.704	(4,6%)
Non-current payables	1.000	3.189	(68,6%)
Non-current liabilities	1.899	0	
Other long-term provisions	68.405	80.556	(15,1%)
Deferred tax liabilities	1.887.409	1.796.862	5,0%
Non-current provisions for employee benefits	123.080	113.753	8,2%
Other non-current non-financial liabilities	130.030	185.176	(29,8%)
<b>Total non-current liabilities</b>	<b>11.272.446</b>	<b>10.527.287</b>	<b>7,1%</b>
<b>Total liabilities</b>	<b>14.113.971</b>	<b>13.621.429</b>	<b>3,6%</b>
Issued capital	686.114	686.114	0,0%
Retained earnings	11.423.726	11.283.478	1,2%
<b>Other reserves</b>	<b>(1.530.068)</b>	<b>(1.302.233)</b>	<b>17,5%</b>
Equity attributable to owners of parent	10.579.772	10.667.359	(0,8%)
<b>Non-controlling interests</b>	<b>480.698</b>	<b>506.679</b>	<b>(5,1%)</b>
<b>Total equity</b>	<b>11.060.470</b>	<b>11.174.038</b>	<b>(1,0%)</b>

Figures in thousand US\$

## FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS	dic-20	dic-19	Chg. 20 / 19
<b>Cash flows from (used in) operating activities</b>			
<b>Classes of cash receipts from operating activities</b>			
Receipts from sales of goods and rendering of services	19.683.751	26.095.229	(24,6%)
Receipts from royalties, fees, commissions and other revenue	18	66	(72,7%)
Receipts from premiums and claims, annuities and other policy benefits	671	1.201	(44,1%)
Other cash receipts from operating activities	744.958	495.977	50,2%
Payments to suppliers for goods and services	(16.713.070)	(23.097.343)	27,6%
Payments to and on behalf of employees	(1.061.308)	(1.080.426)	1,8%
Payments for premiums and claims, annuities and other policy benefits	(13.776)	(14.087)	2,2%
Other cash payments from operating activities	(360.190)	(246.891)	(45,9%)
Dividends paid	(93.388)	(301.705)	69,0%
Dividends received	73.300	74.737	(1,9%)
Interest paid	(391.831)	(450.832)	13,1%
Interest received	29.789	46.710	(36,2%)
Income taxes refund (paid)	(19.513)	(473.425)	95,9%
Other inflows (outflows) of cash	11.130	7.114	56,5%
<b>Net cash flows from (used in) operating activities</b>	<b>1.890.541</b>	<b>1.056.325</b>	<b>79,0%</b>

## FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS (continuation)	dic-20	dic-19	Chg. 20 / 19
Cash flows from (used in) investing activities			
Cash flows from losing control of subsidiaries or other businesses	3.500	117.376	(97,0%)
Cash flows used in obtaining control of subsidiaries or other businesses	(9.344)	(173.256)	94,6%
Cash flows used in the purchase of non-controlling interests	(108.234)	(181.851)	40,5%
Other cash receipts from sales of equity or debt instruments of other entities	8.431	21.016	(59,9%)
Other cash payments to acquire equity or debt instruments of other entities	459	0	
Other cash payments to acquire interests in joint ventures	(15.376)	0	
Loans to related parties	(9.450)	(18.000)	47,5%
Proceeds from sales of property, plant and equipment	33.074	61.173	(45,9%)
Purchase of property, plant and equipment	(1.764.536)	(1.374.202)	(28,4%)
Proceeds from sales of intangible assets	5	0	
Purchase of intangible assets	(55.309)	(80.475)	31,3%
Proceeds from other long-term assets	36.516	6.059	502,7%
Purchase of other long-term assets	(207.491)	(248.188)	16,4%
Cash advances and loans made to other parties	(329)	(310)	(6,1%)
Cash receipts from repayment of advances and loans made to other parties	330	598	(44,8%)
Cash receipts from future contracts, forward contracts, option contracts and swap contracts	10.264	8.932	14,9%
Cash receipts from related parties	10.000	0	
Other inflows (outflows) of cash	(64.603)	75.764	(185,3%)
<b>Net cash flows from (used in) investing activities</b>	<b>(2.132.093)</b>	<b>(1.785.364)</b>	<b>(19,4%)</b>

## FINANCIAL STATEMENTS

STATEMENT OF CASH FLOWS (continuation)	dic-20	dic-19	Chg. 20 / 19
Cash flows from (used in) financing activities			
Proceeds from issuing shares	0	8.230	(100,0%)
Payments to acquire or redeem entity's shares	0	74.469	(100,0%)
Proceeds from long term borrowings	1.078.284	2.236.138	(51,8%)
Proceeds from short term borrowings	579.945	531.619	9,1%
Proceeds from borrowings	1.658.229	2.767.757	(40,1%)
Loans from related parties	3.250	11	29.445,5%
Payments of borrowings	(1.357.392)	(1.430.016)	5,1%
Payments of finance lease liabilities	(58.718)	(51.432)	(14,2%)
Payments of lease liabilities	(80.278)	(88.360)	9,1%
Proceeds from government grants	63	0	
Other inflows (outflows) of cash	(13.706)	(10.422)	(31,5%)
<b>Net cash flows from (used in) financing activities</b>	<b>151.448</b>	<b>1.270.237</b>	<b>(88,1%)</b>
<b>Net increase (decrease) in cash and cash equivalents before effect of exchange rate changes</b>	<b>(90.104)</b>	<b>541.198</b>	<b>(116,6%)</b>
Effect of exchange rate changes on cash and cash equivalents	21.798	(40.114)	154,3%
Net increase (decrease) in cash and cash equivalents	(68.306)	501.084	(113,6%)
Cash and cash equivalents at beginning of period	2.214.887	1.713.803	29,2%
Cash and cash equivalents at end of period	2.146.581	2.214.887	(3,1%)

## 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 20	3Q 20	4Q 19	4Q20 / 4Q19	Accum 20	Accum 19	Chg. 20 / 19
<b>Net Income</b>	132	102	(195)	(167.6%)	206	226	(8.8%)
(-) Financial Costs	(101)	(105)	(121)	(16.6%)	(413)	(438)	(5.8%)
(-) Financial Income	9	8	16	(39.5%)	48	61	(20.8%)
(-) Income Tax	(49)	(24)	17	(395.2%)	(90)	(125)	(27.7%)
(+) Depr & Amort	235	211	216	8.8%	858	847	1.3%
(+) Fair value cost of timber harvested	74	86	79	(5.4%)	302	323	(6.4%)
(-) Gain from changes in fair value of biological assets	53	42	44	19.8%	183	155	18.3%
(-) Exchange rate differences	(4)	25	(10)	(63.3%)	(26)	(39)	(33.4%)
(-) Others*	(14)	(15)	(254)	(94.4%)	(91)	(289)	(68.4%)
<b>Adjusted EBITDA</b>	<b>547</b>	<b>468</b>	<b>409</b>	<b>33.6%</b>	<b>1,756</b>	<b>2,071**</b>	<b>(15.2%)</b>

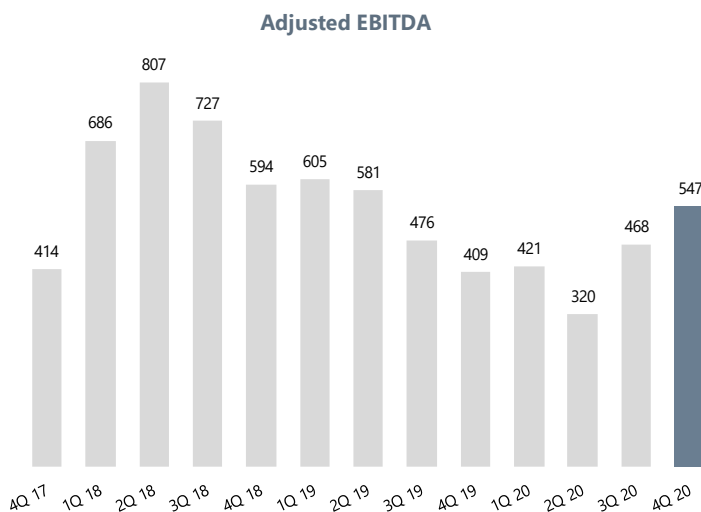
\*4Q20 includes a loss of MMUS\$ 13 related to property, plant and equipment in Arauco. 3Q20 includes MMUS\$ 14.0 related to loss from fires. 4Q19 includes MMUS\$ 77.8 due to provision of property, plant and equipment in Arauco and MMUS\$ 165.6 in Empresas Copec (Mina Invierno + Alzar Minería).

\*\* Includes the income from the sale of Puertos y Logística S.A. in 2019.

Figures in US\$ million

\*\* Adjusted 4Q20 EBITDA negatively impacted by MMMUS\$ 42 impairment in Laguna Blanca S.A. (corresponding to Empresas Copec stake on the company).

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



Figures in US\$ million