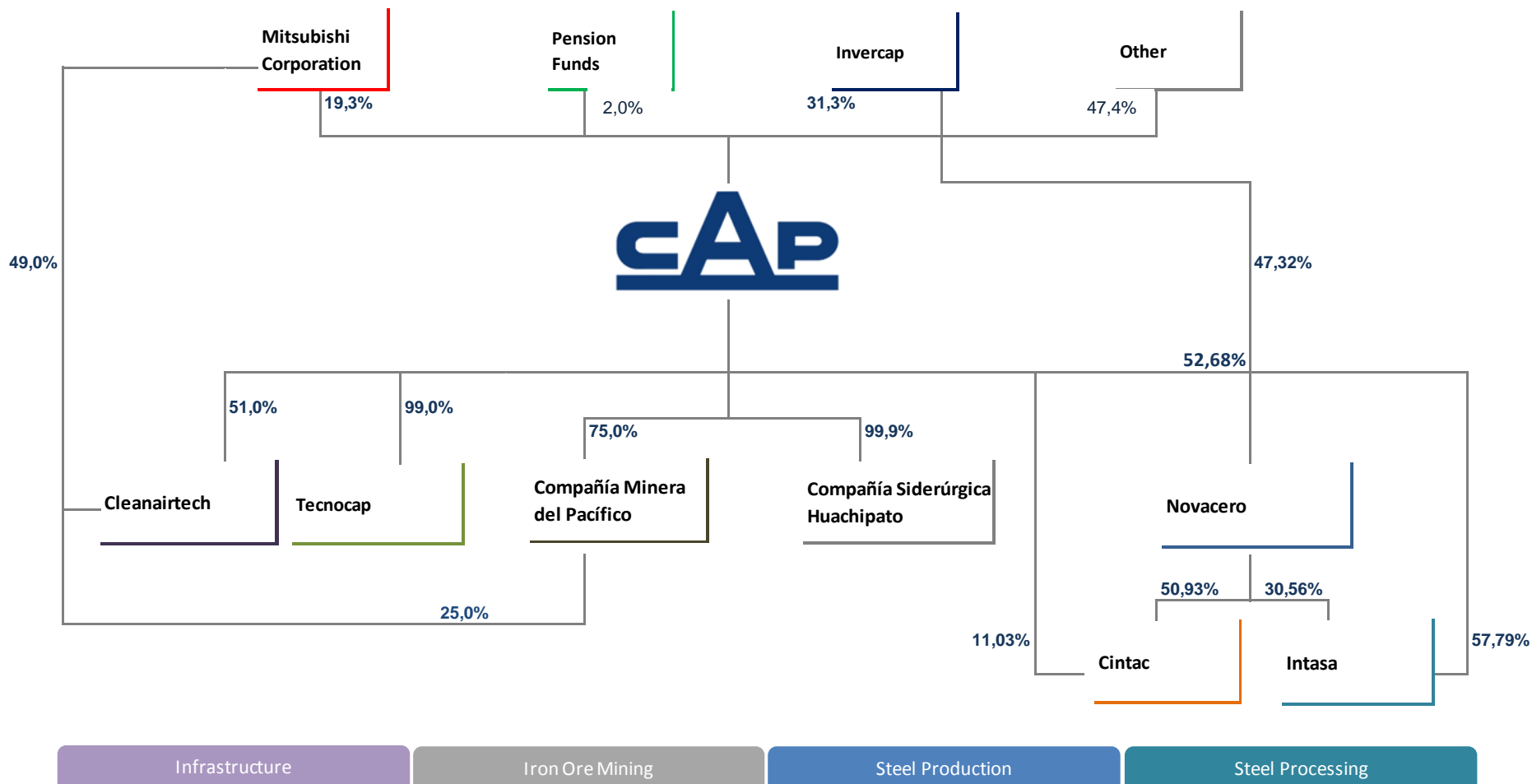


CAP Group update - November 2015



Ownership structure



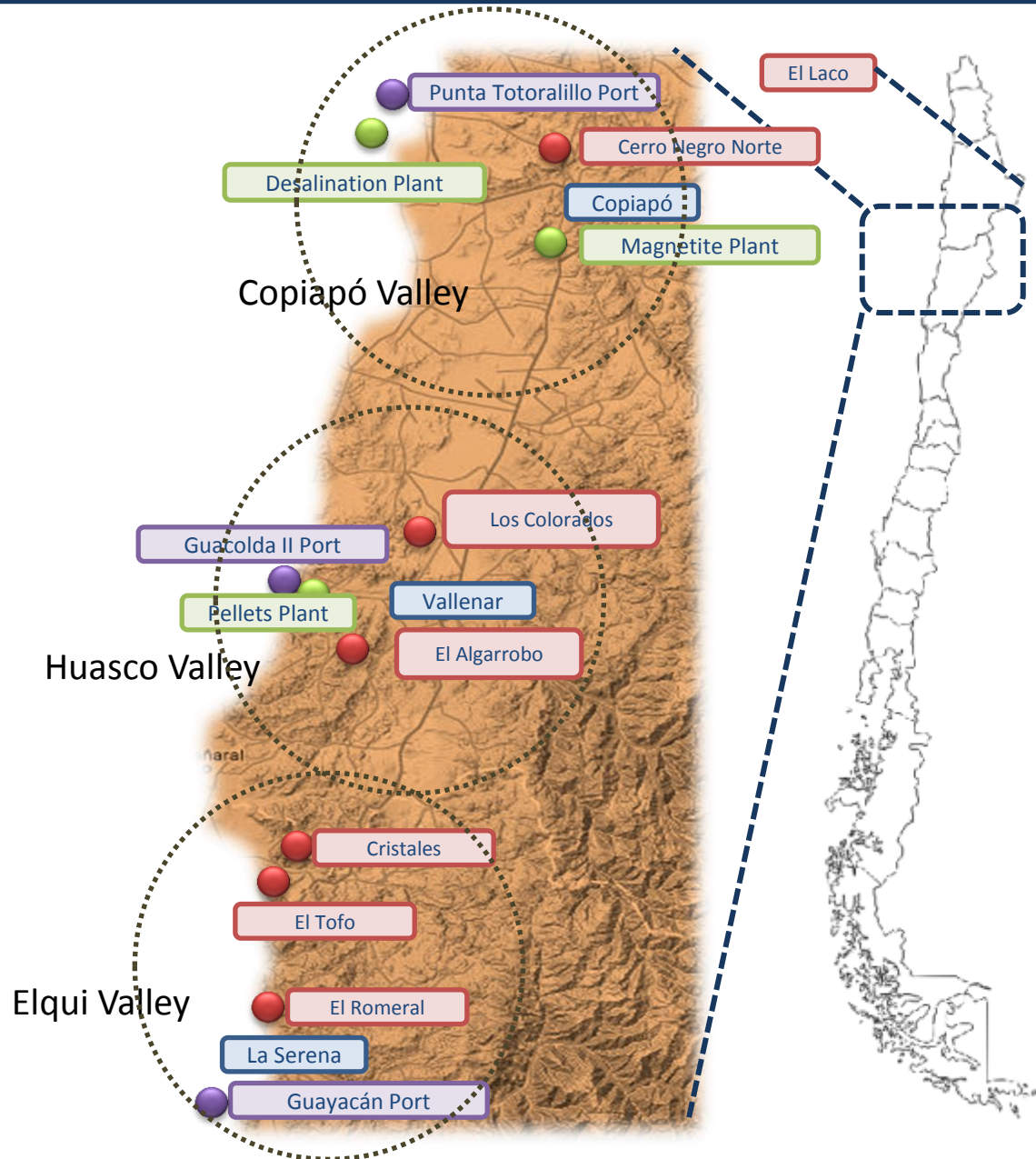
Iron ore mining



Mining sites

CAP Mining has three different areas of operation in the north of Chile, located around the cities of:

- Copiapó
- Vallenar
- La Serena



Cerro Negro Norte mine



Magnetite plant



Los Colorados mine



Pellets Plant



El Romeral mine



Hectares in exploration concessions - Chile

N°	Company	Hectares	%
1	BHP Chile Inc	1.917.100	11,33
2	Compañía Contractual Minera Los Andes	841.100	4,97
3	CAP	677.700	4,01
4	Teck Exploraciones Mineras Chile Ltda	629.700	3,72
5	Antofagasta Minerals S.A.	514.500	3,04
6	Codelco	435.500	2,57

Hectares in exploitation concessions - Chile

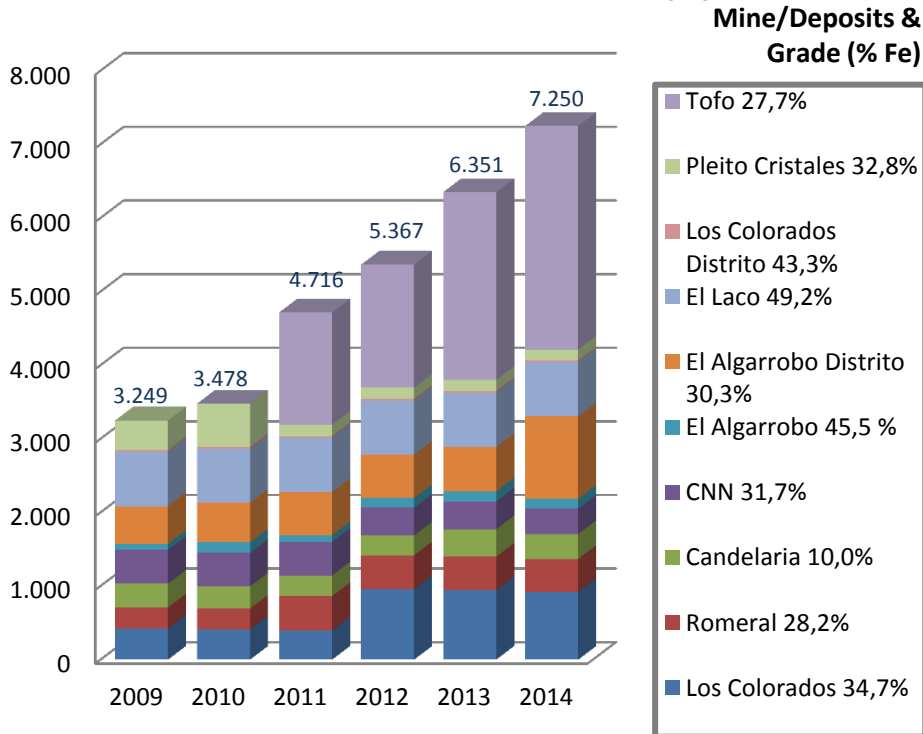
N°	Company	Hectares	%
1	Soquimich S.A.	2.861.157	20,06
2	Codelco	840.704	5,89
3	Minera Escondida Limitada	363.798	2,55
4	SCM Virginia	252.532	1,77
5	Enami	250.847	1,76
6	Antofagasta Minerals S.A.	231.392	1,62
7	CAP	205.788	1,44

- Top 3 position in exploration concessions
- More than 700.000 meters drilled over the period 2008-2014

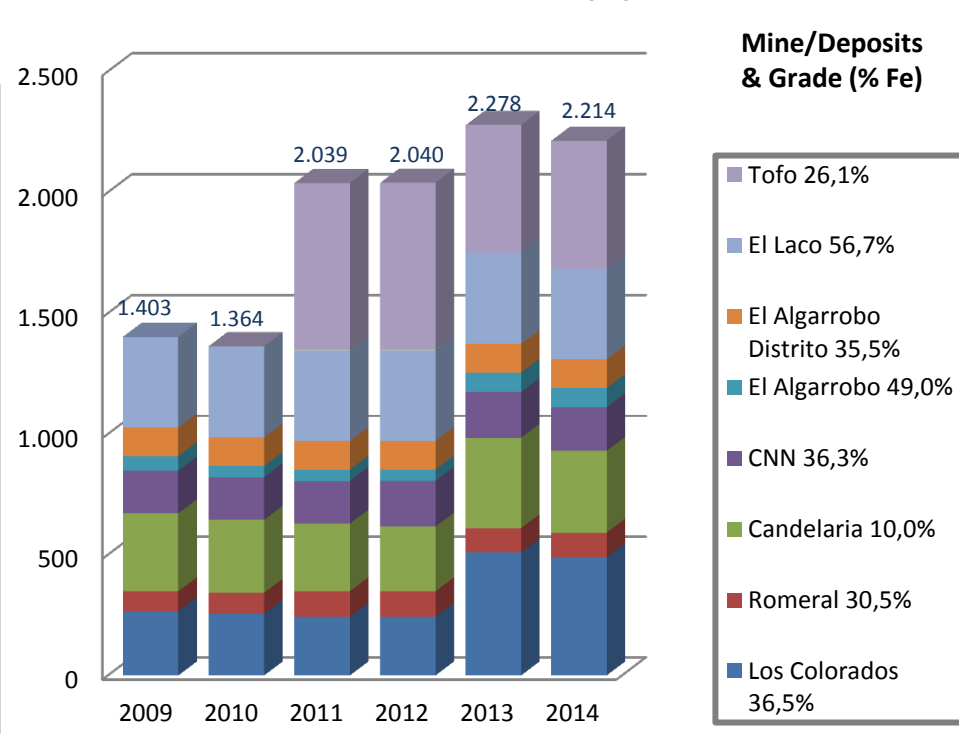
Resources and reserves of magnetic ore

As a result of continued successful exploration campaigns, iron ore resources have increased progressively over the years, reaching 7,250 million tons in 2014

Mineral resources (1)

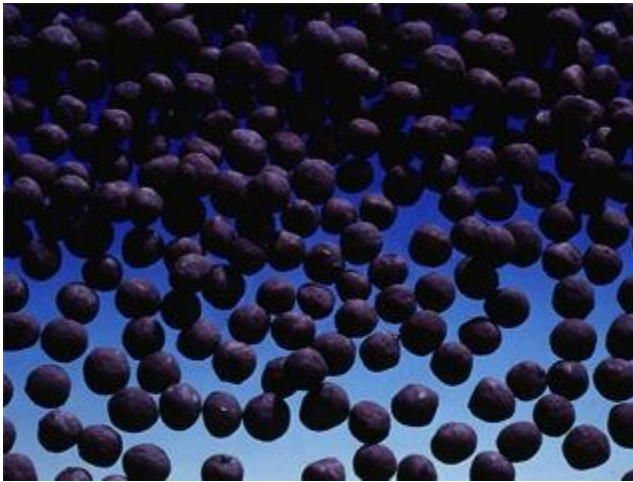


Reserves (2)



(1) Resources: Minerals measured on a geological ore content feasible of being mined. (2) Reserves: Minerals measured on a geological content feasible of being mined economically. (3) CMP has the contract for processing the tailings of the Candelaria copper mine.

BF and DR Pellets (Fe 65% - 67%)



Lumps (Fe 62%)



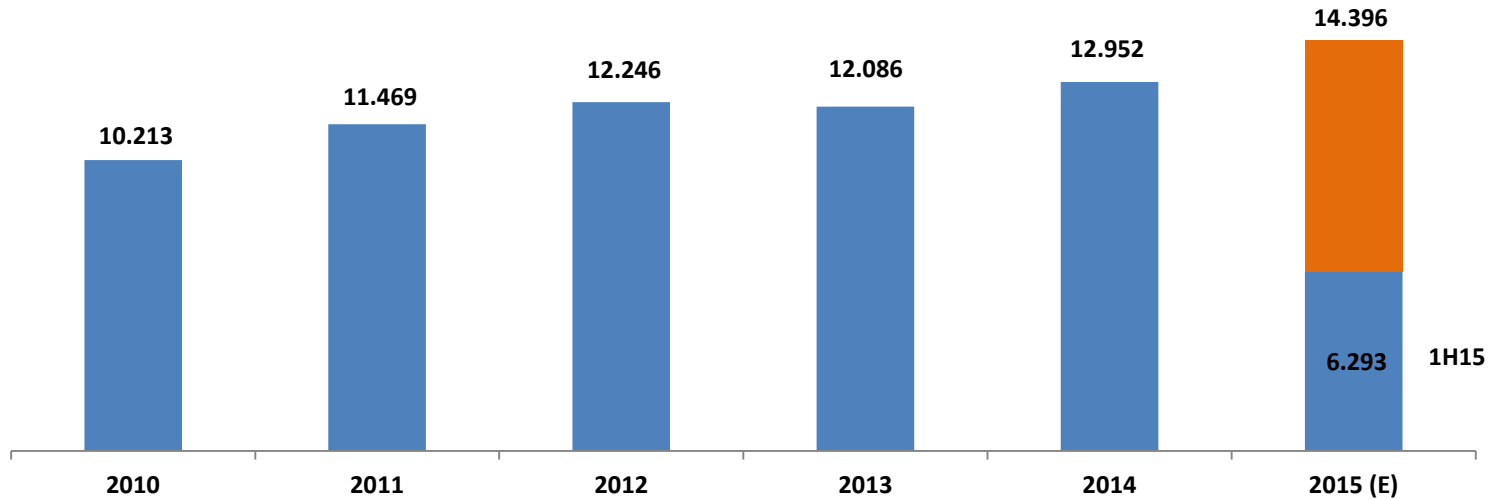
Pellet Feed (Fe 66% - 69%)



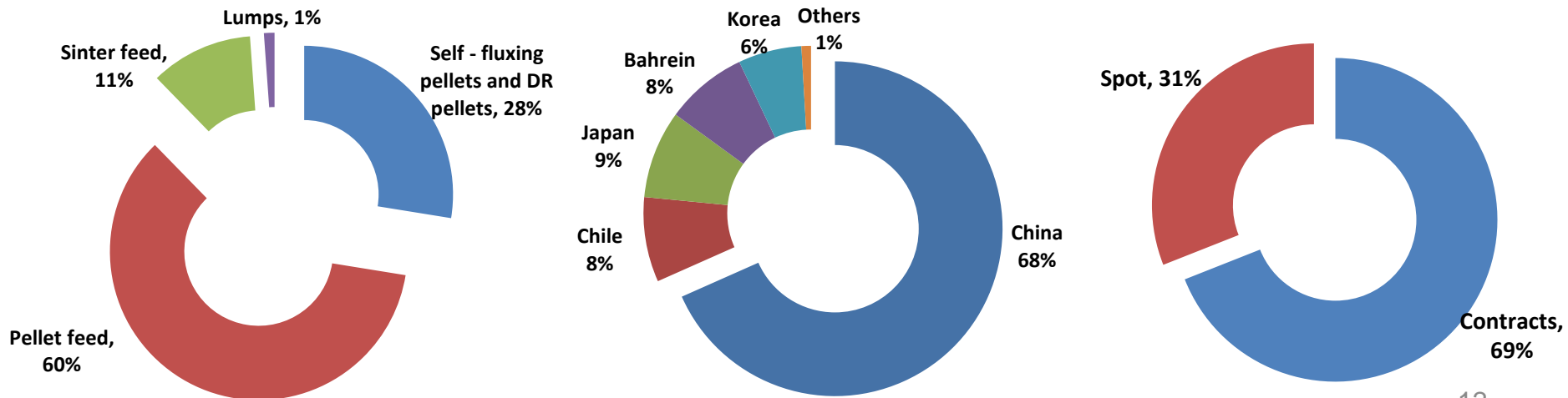
Fines (Fe 62%-63%)



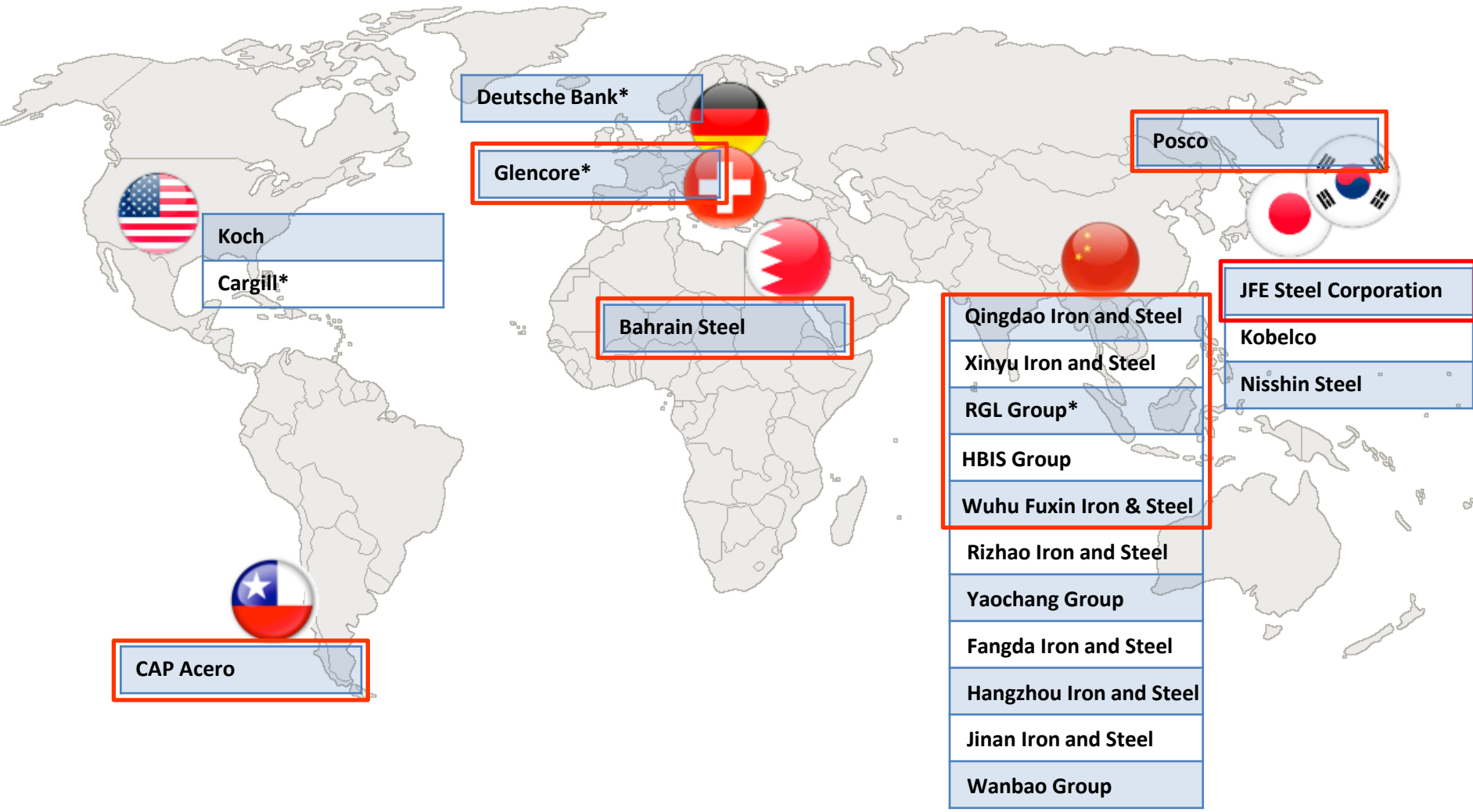
Shipments (Th.MT)



Shipments by markets and products 1H15



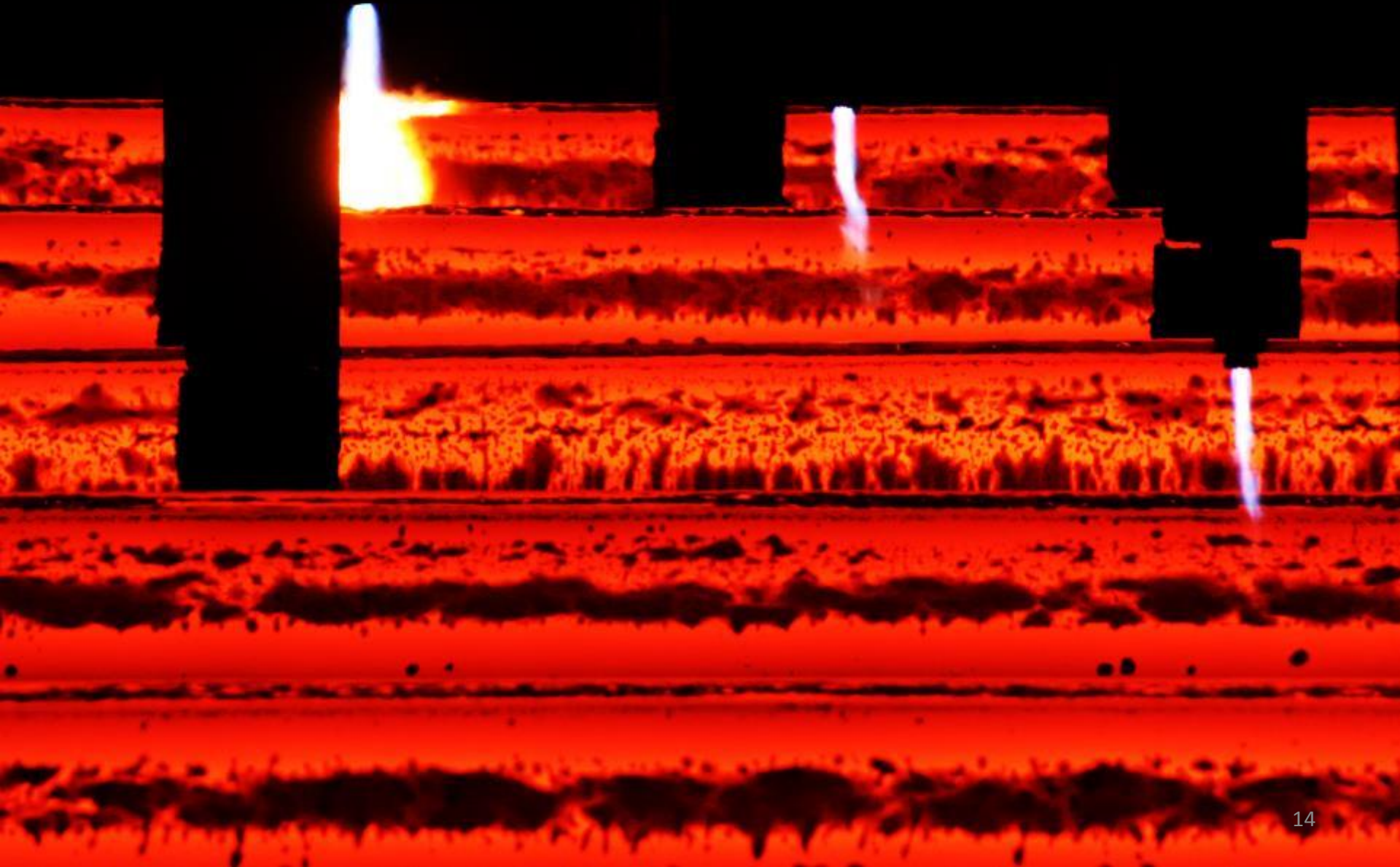
Main customers



 Top ten client, by volume, as of June 2015

* Acts as trader

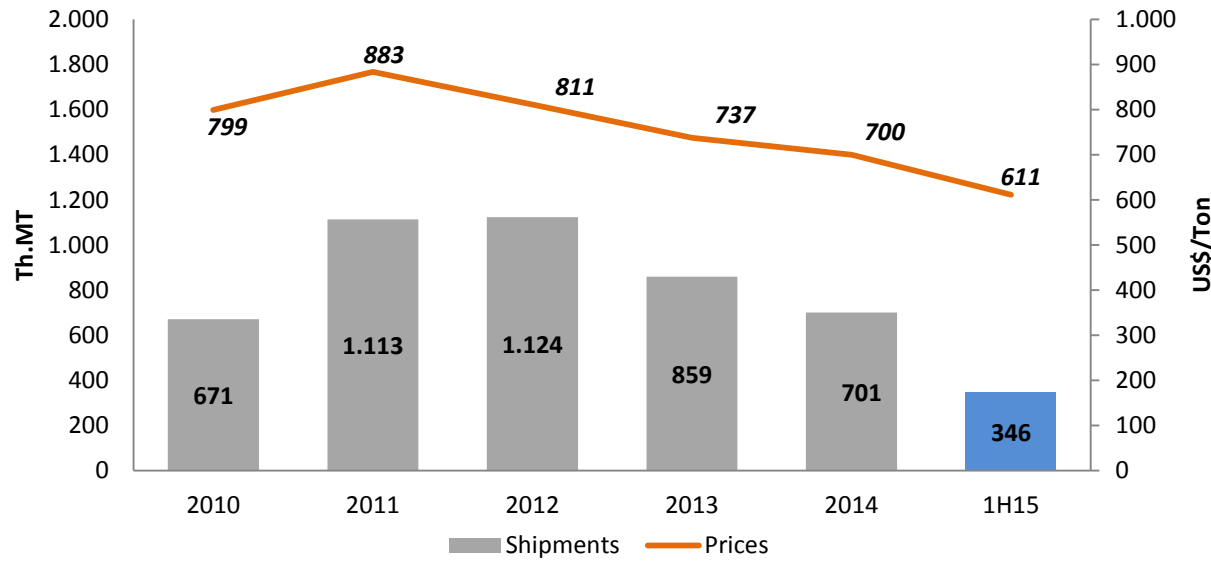
Steel production



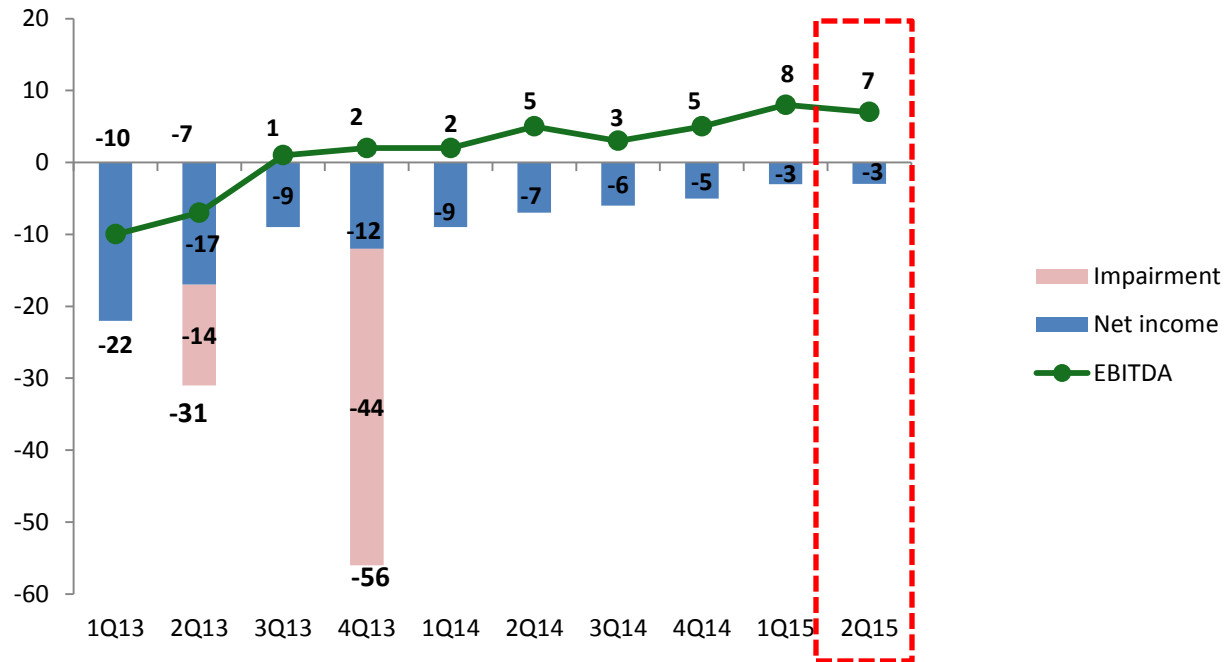
Steel focus on long products

- Steel business reorganization to produce 700 kt/y, with one blast furnace
- Strong adjustment in its industrial processes and workforce lowering costs and expenses
- Sustainable growth in long products demand mainly due to the need of grinding media supply to the mining sector

Shipments and prices



Net Income and EBITDA evolution



- Due to the reorganization and adjustment in industrial processes, the steel company has managed to generate positive cash flow over the last eight quarters

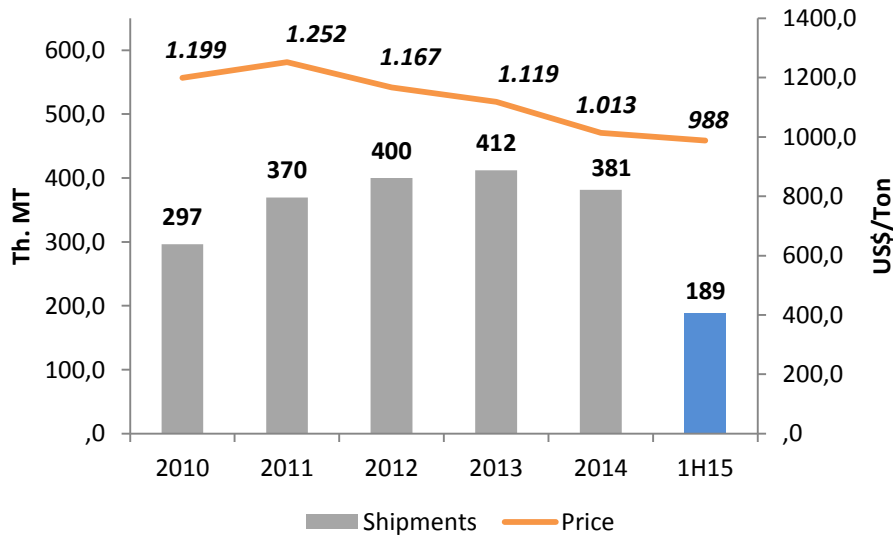


Steel processing

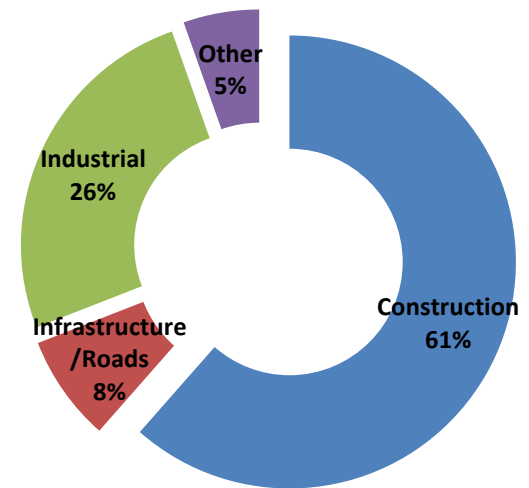
- Creates value-added solutions for the construction, industry and infrastructure sectors in Chile, Peru and Argentina
- Chile is LATAM's most intensive user of steel in construction
- Main flat steel importer of the Pacific coast of South America



Shipments and prices



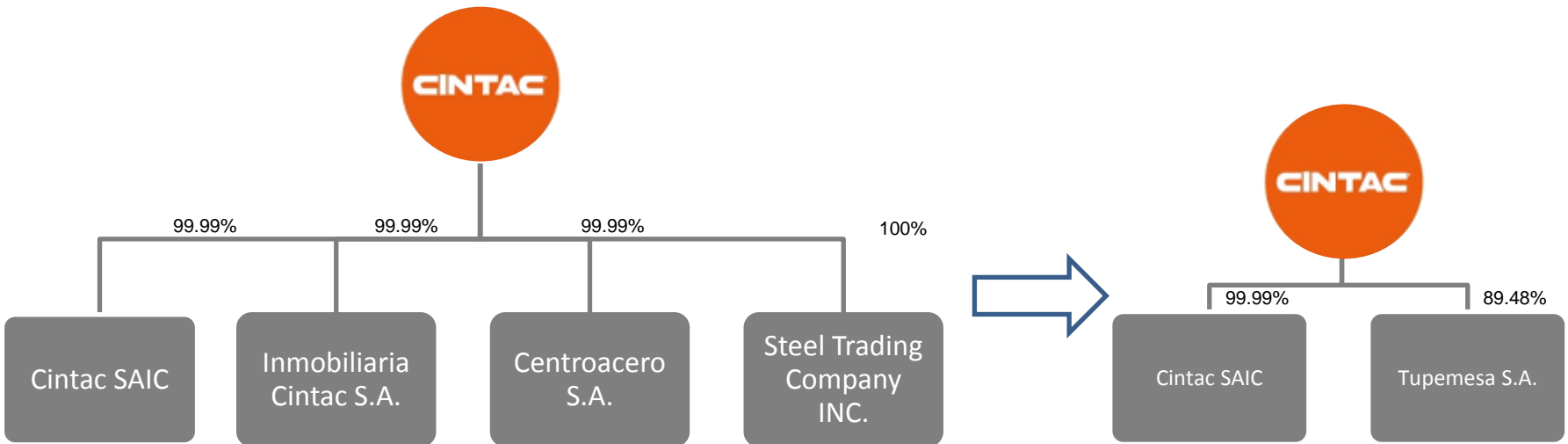
Sales by Sector June 2015



Steel processing reorganization towards a lighter and lower cost structure

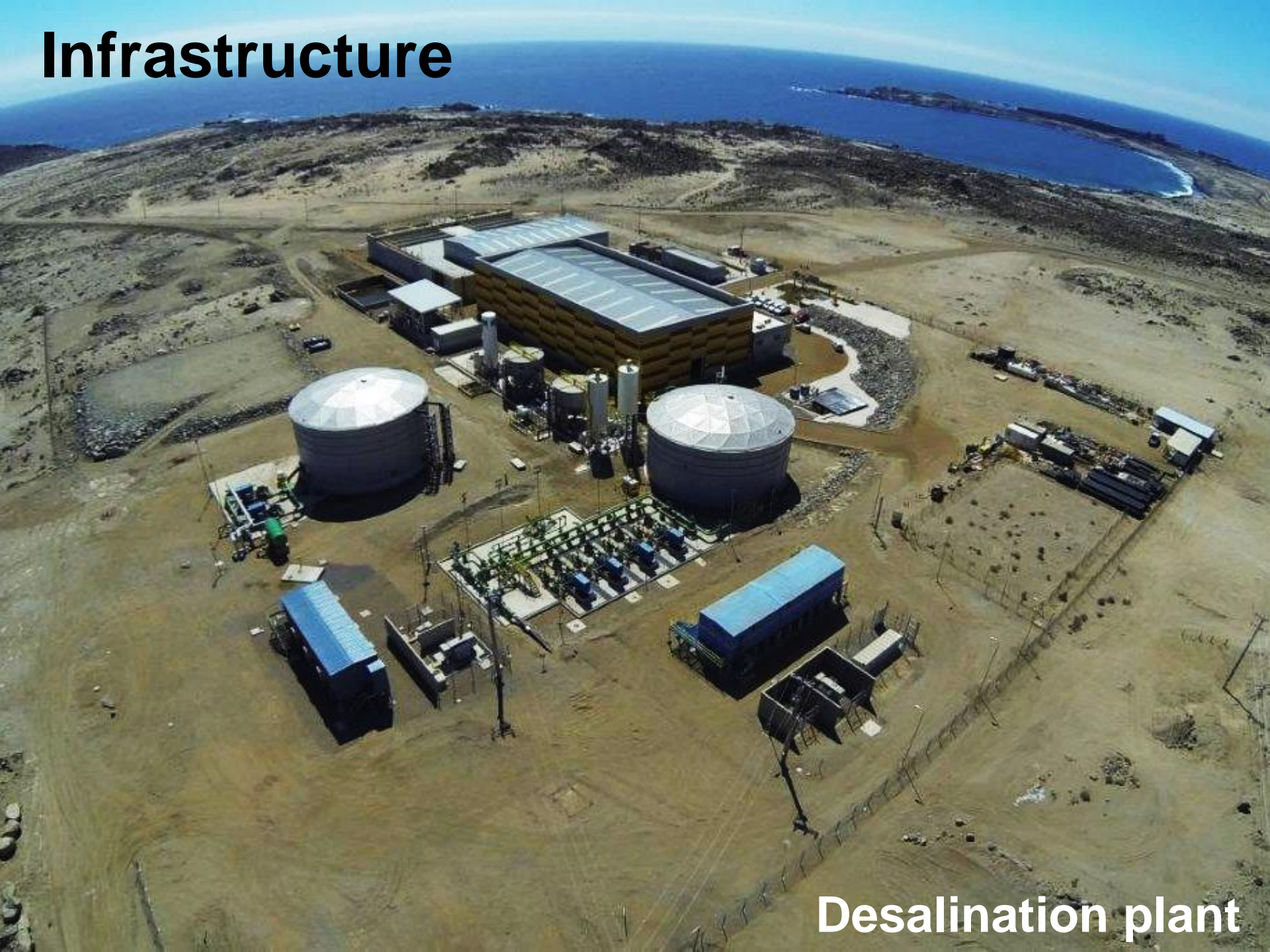
2014

2015



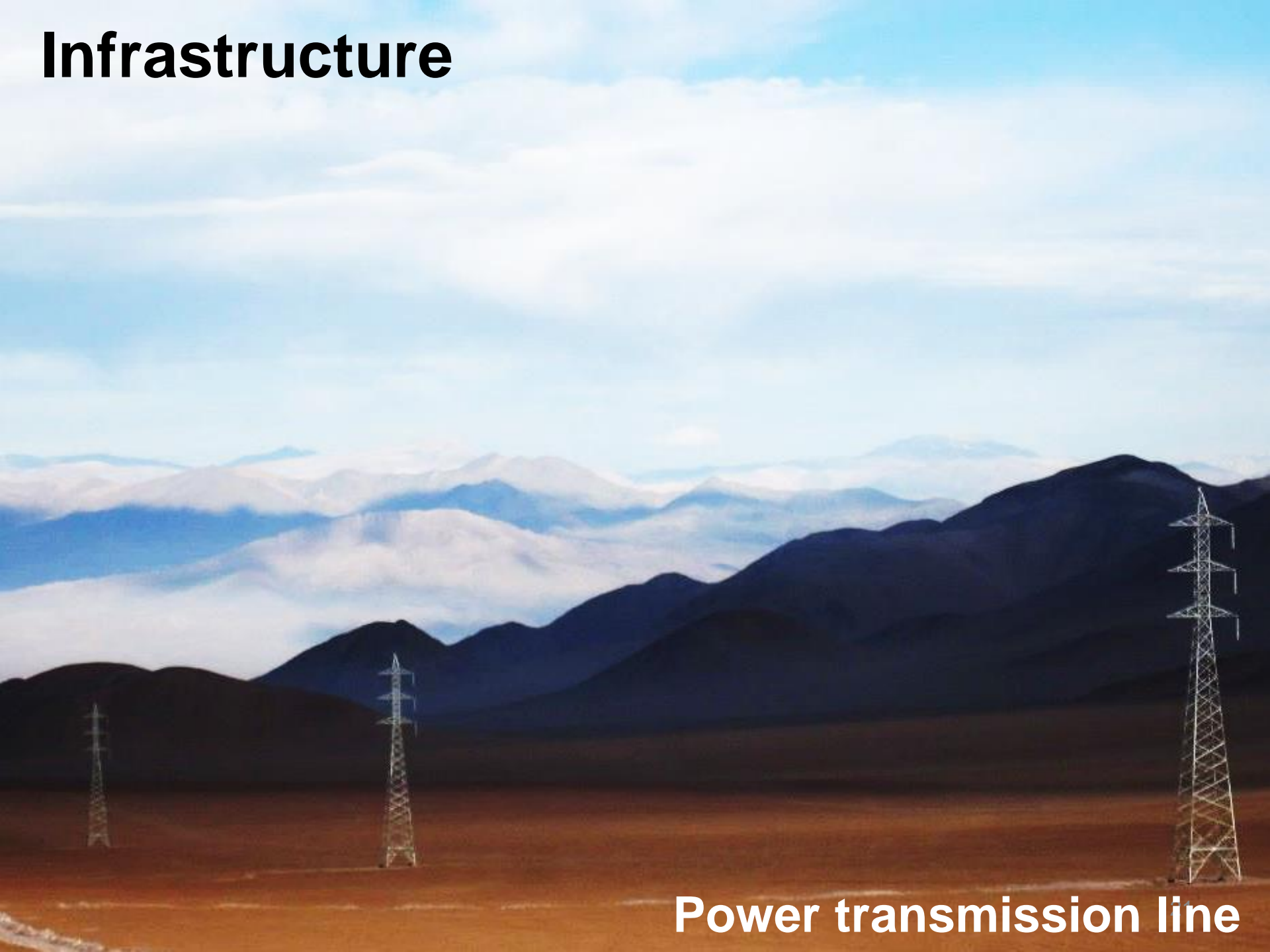
- Assets availability for rental (or sale): Centroacero, 55,600 m2, US\$1.3 million yearly
Varco Pruden, 36,000 m2, US\$0.8 million yearly
- During 2Q15, Tupemesa sold a non strategic real estate asset, generating an income of MUS\$ 2,013

Infrastructure



Desalination plant

Infrastructure



Power transmission line

Water desalination and power transmission

- Cleanairtech (desalination plant) and Tecnocap (power transmission line) started their operations during 2014. As of June 2015, the infrastructure business has contributed to the holding company as follows:

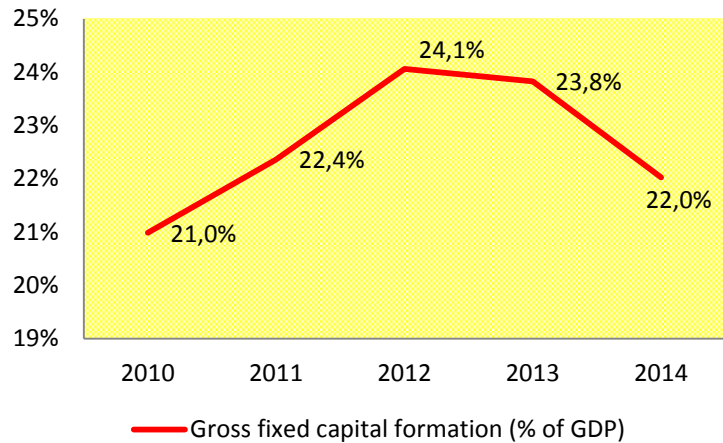
US\$ million	1H14	1H15
EBITDA	13	30
Net Income	2	6



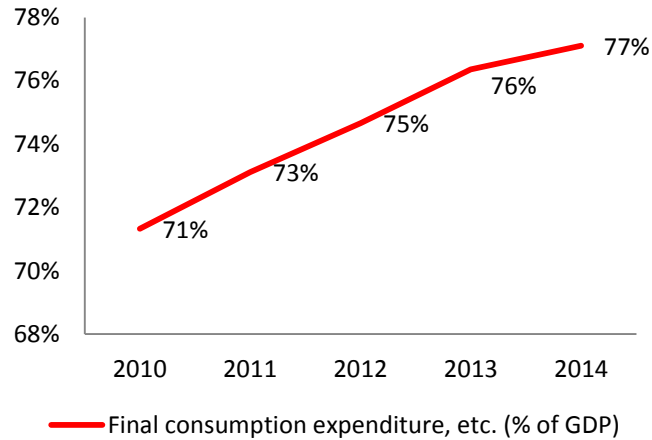


Chile economic outlook

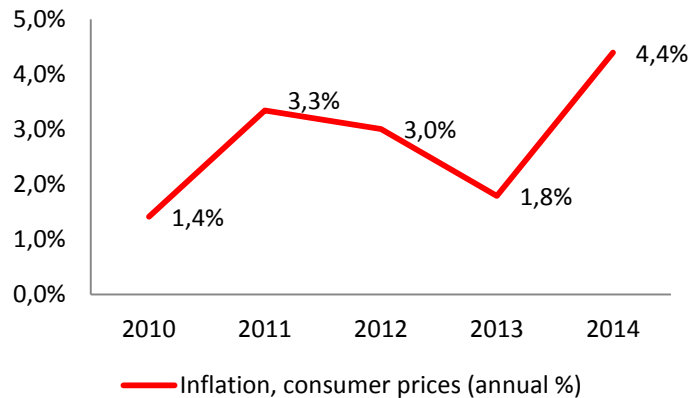
Investment



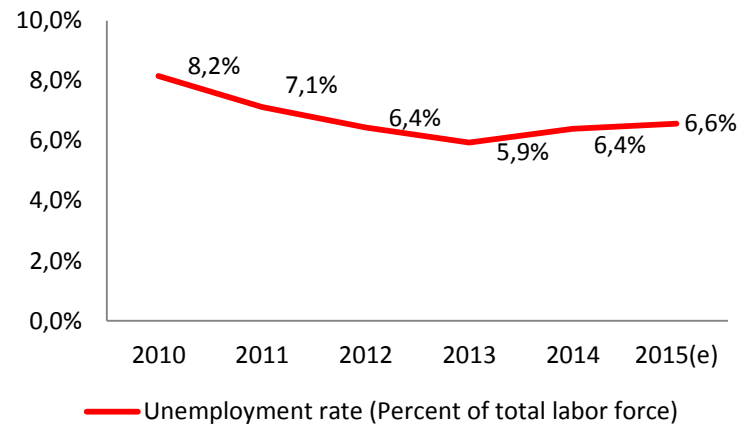
Consumption



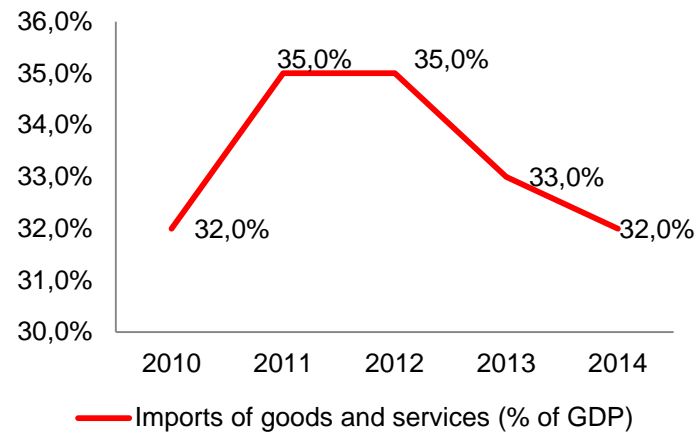
Inflation



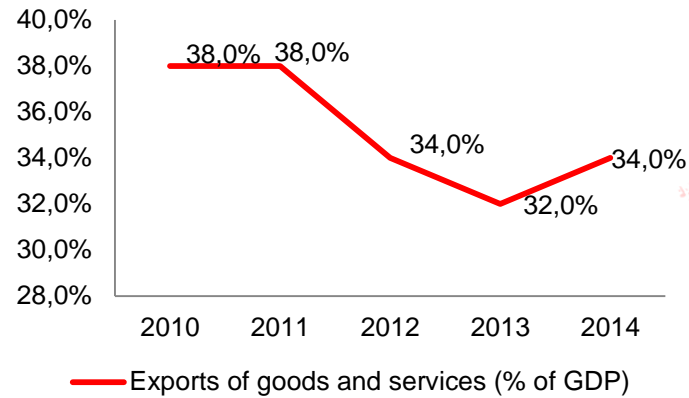
Unemployment



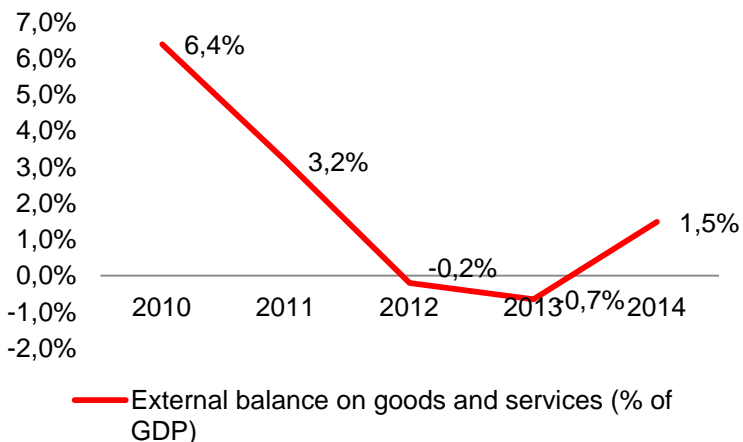
Imports



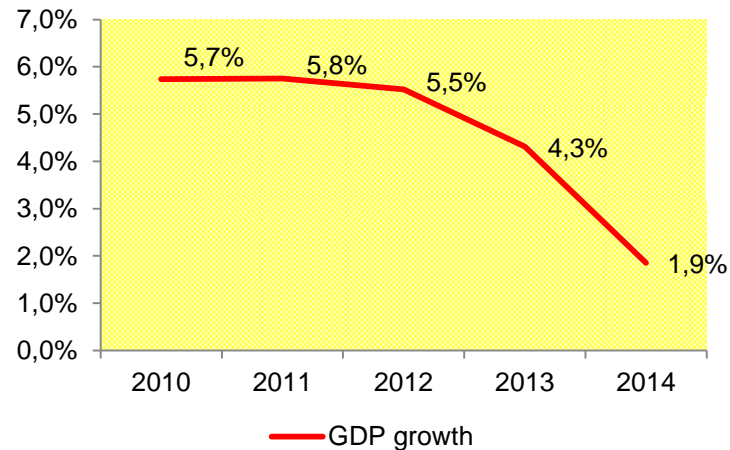
Exports



Trade balance



GDP growth



Tax reform

- Increase in corporate tax rate from 17% to 27%
- New VAT applied to the real estate sector
- Increase in stamp tax from 0.4% to 0.8%

Educational reform

- Free college/university education
- Free pre-school, elementary and high school education
- Focus in improving access to education (regardless of quality)

Labor reform

- Increasing union power
- No replacement during strike periods allowed, either with internal personnel or outsourcing

Constitutional process

- Complete review of the current constitution, approved by Pinochet and modified under the successive democratic governments

Investment as % of GDP forecast



GDP growth forecast



Unemployment rate forecast

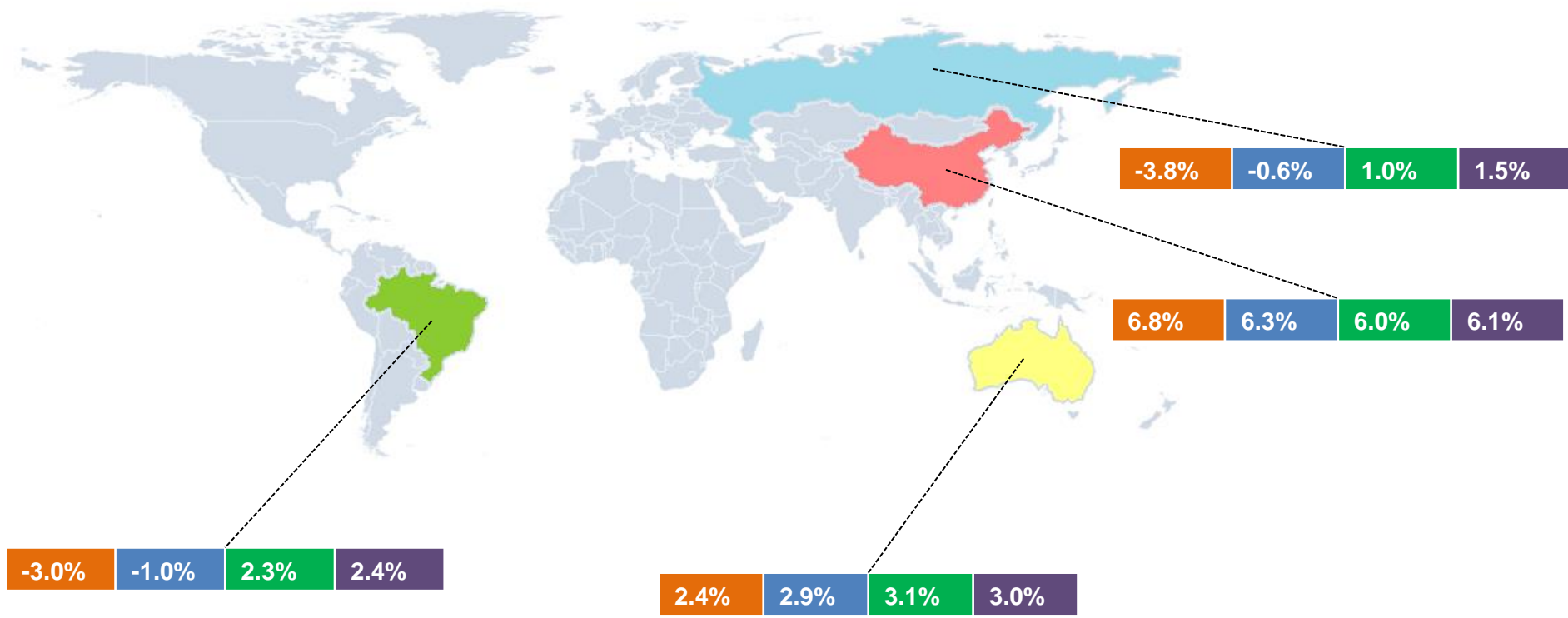


Source: IMF, October 2015





Global industry update

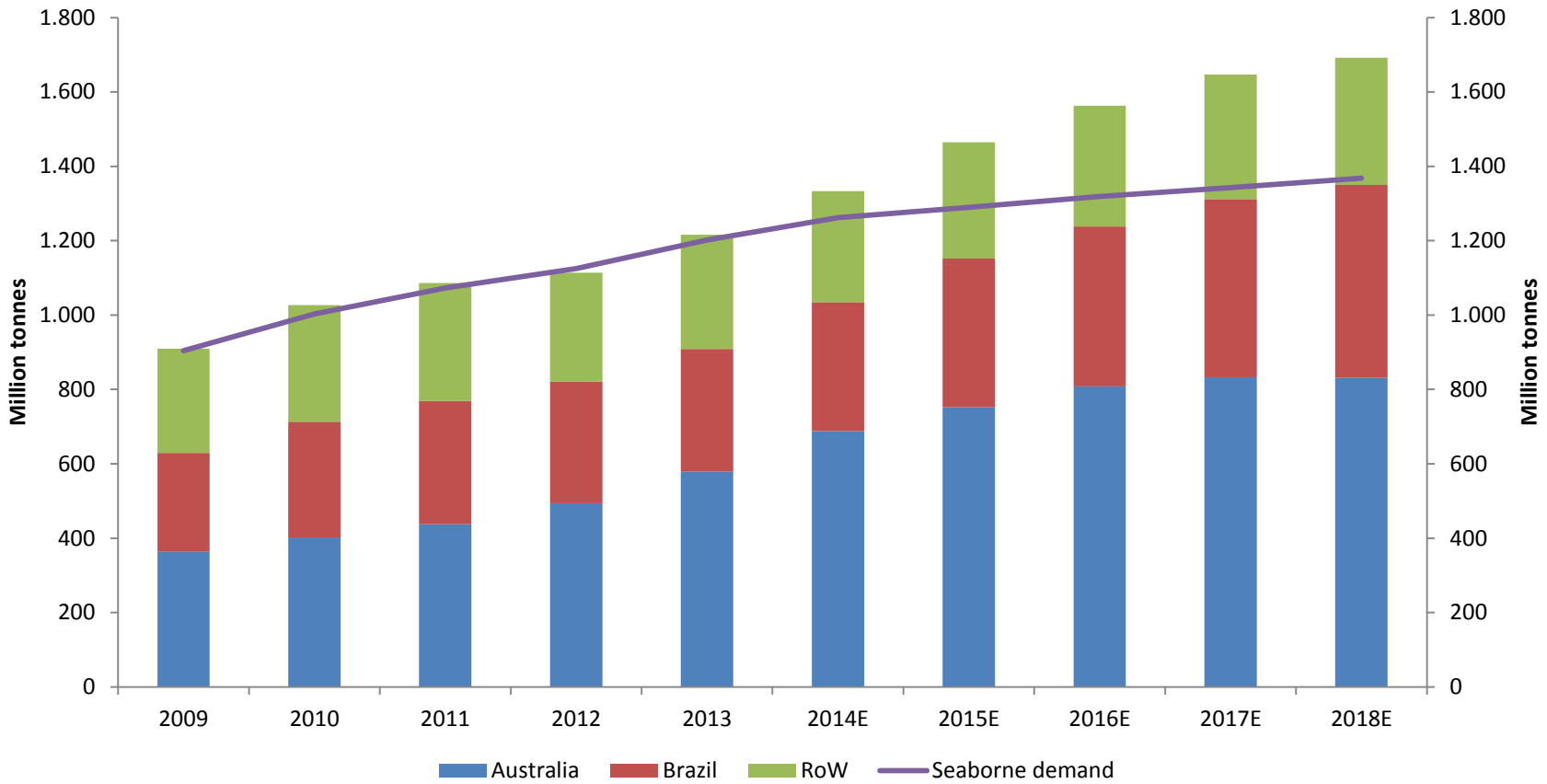


- Shift in growth strategy in China from investment to consumption
- Lower demand for commodities push prices down

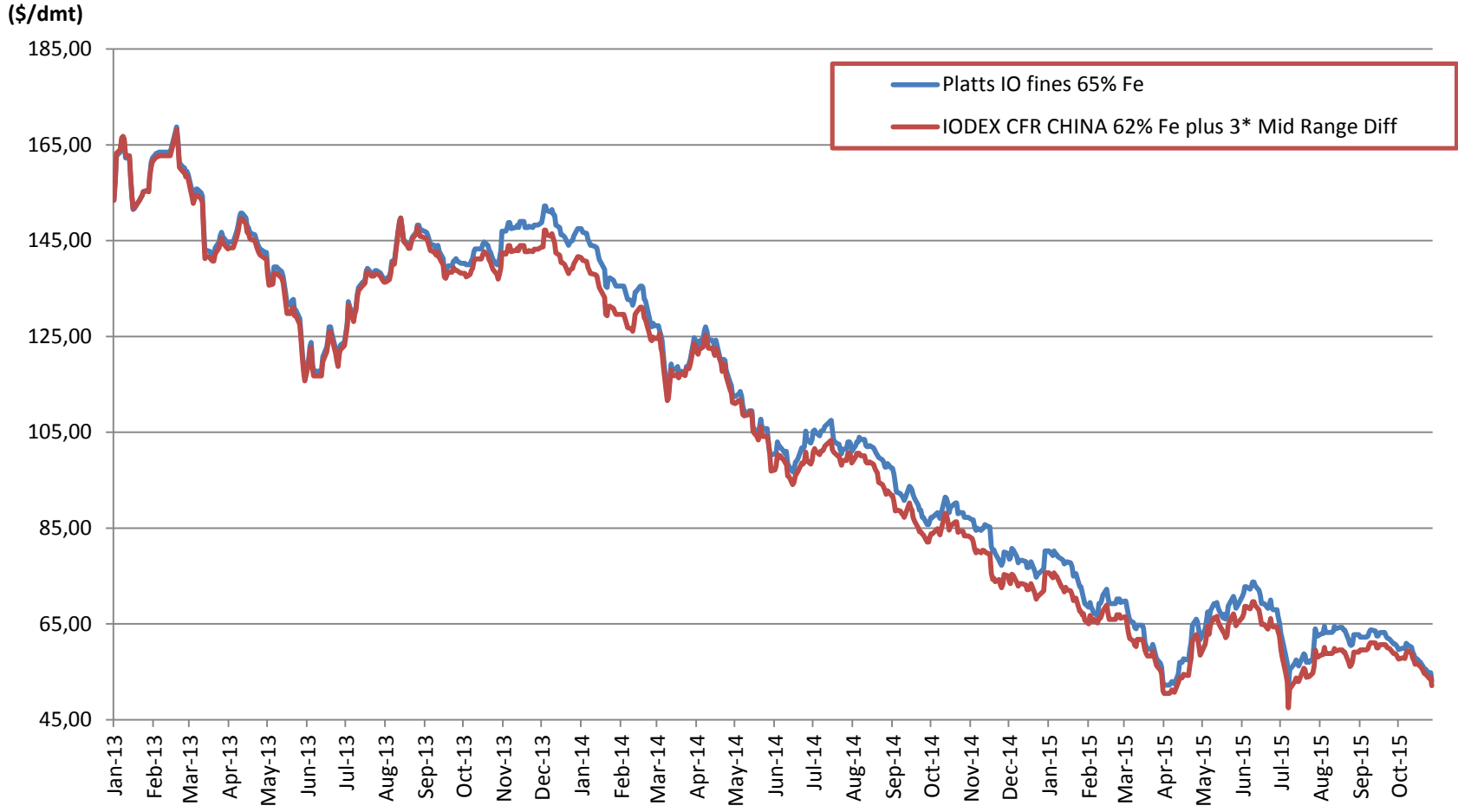
Source: IMF GDP growth estimates, October 2015



Seaborne iron ore supply/demand projection

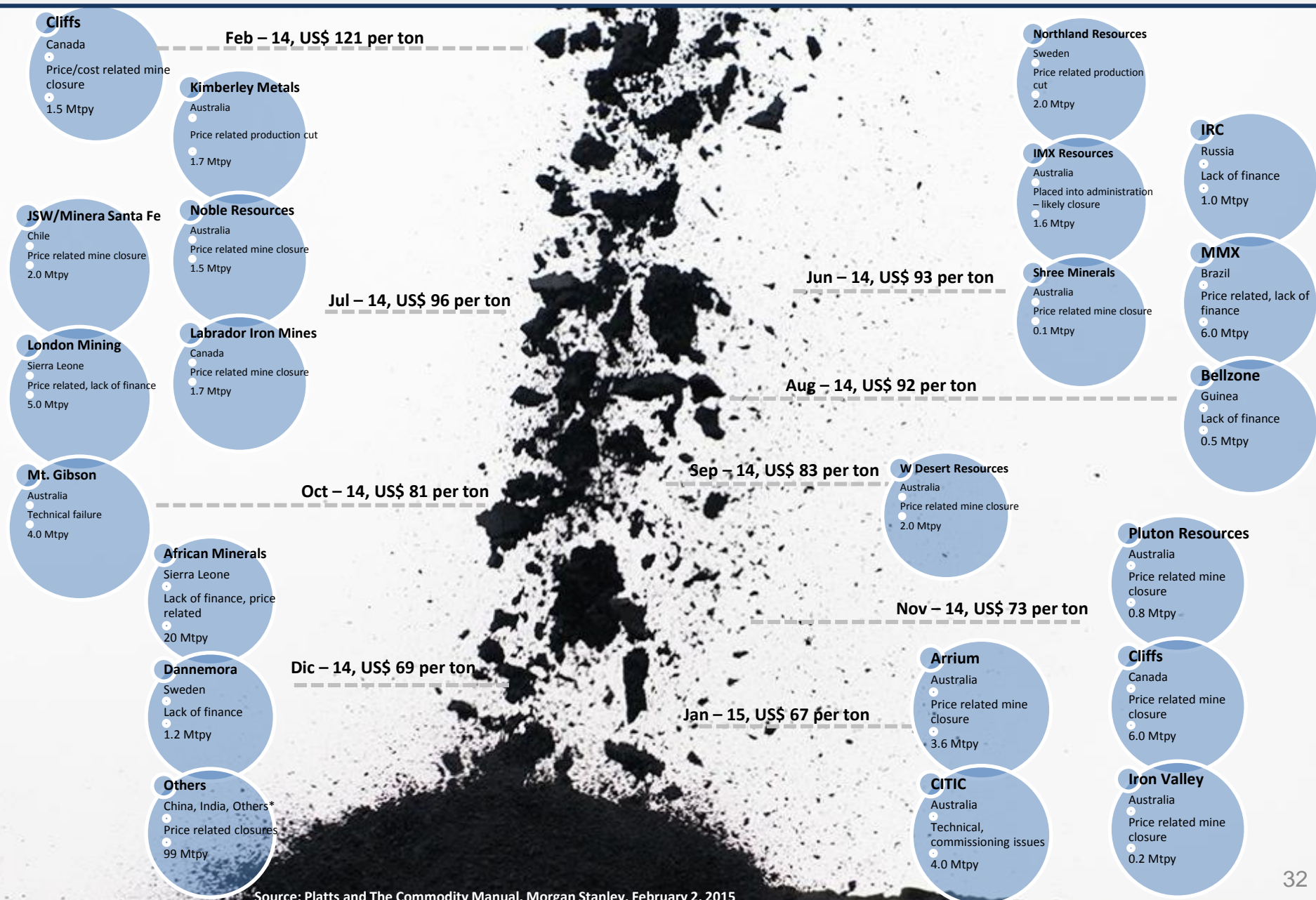


Platts IODEX and 1% diff vs Platts IO fines 65%



Source: Platts, October 2015

Iron ore production cuts: 170 Mtpy in 2014



Source: Platts and The Commodity Manual, Morgan Stanley, February 2, 2015

* Others include Iran, Canada, Malaysia, Peru, Mongolia, Indonesia, Mexico, Russia, Venezuela, USA, New Zealand, Kazakhstan, Serbia

Iron ore – production cuts in 2015

2015 Iron Ore mine production/capacity cuts (price driven)

Date	Country	Company	Asset	Mt	Price Platts 62% CFR China (US\$/dmt)	Reason/Impact
	China	Various privately owned		100		Price related closures
15-mar	USA	US Steel	Keetac pellet plant	5.5	57.0	Price / demand related
15-ene	Australia	Arrium	Southen Iron	4.0	67.6	Price related mine closure
15-mar	Brazil	Ferrous		2.2	57.0	Price / demand related
15-sep	Argentina	MCC	Sierra Grande		57.1	Price related cut - vol unknown
Total				111.7		

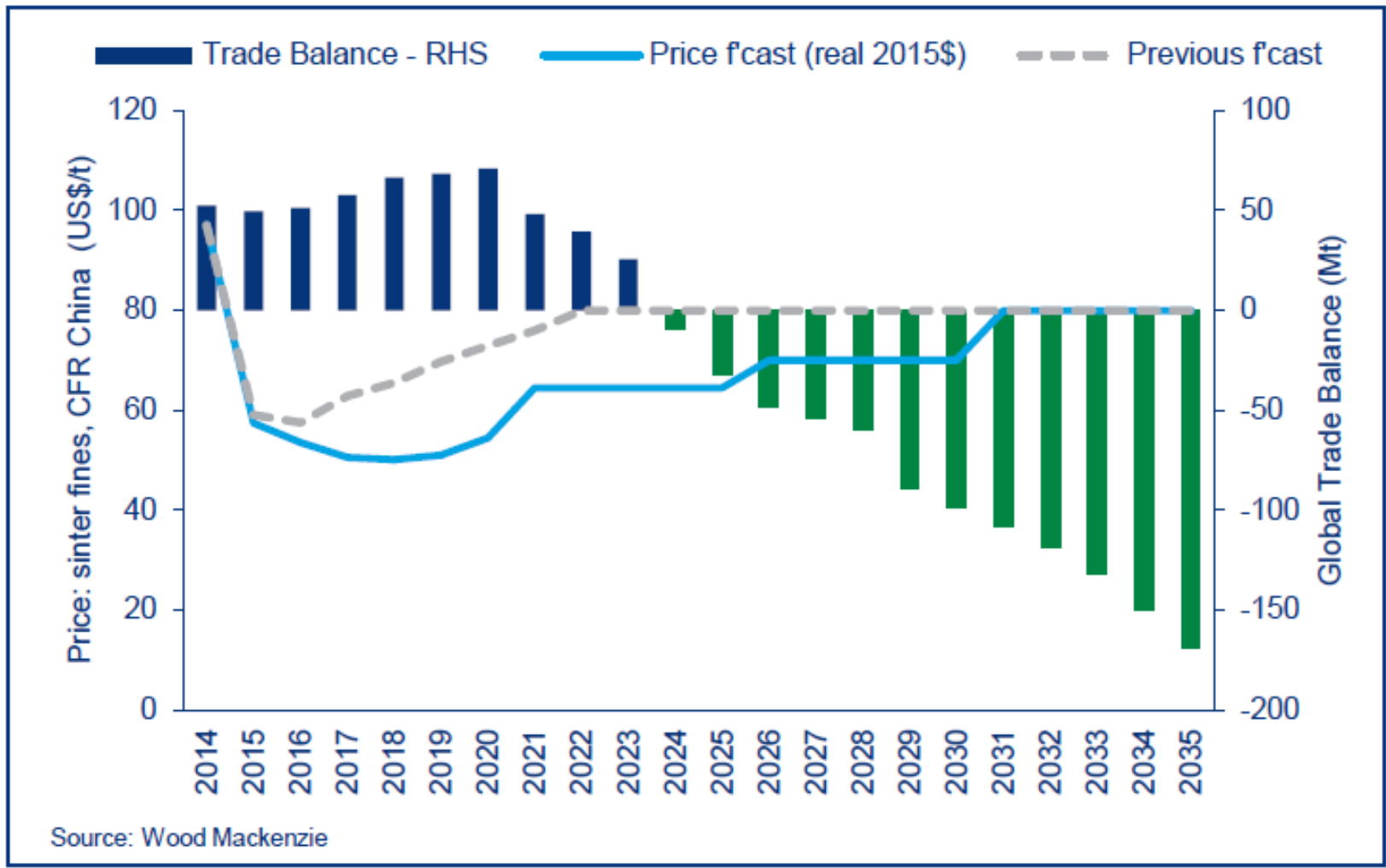
2015 Iron Ore mine production/capacity cuts (non-price driven)

15-ene	Australia	CITIC	Sino Iron	4.0	67.6	Technical, commissioning issues
15-jul	Australia	Rio Tinto	Pilbara	10.0	52.1	Weather-Infrastructure related
15-jul	South Africa	Kumba	Thabazimbi	1.0	52.1	Slope failure
Total				15.0		

Source: Morgan Stanley, October 2015

*“China’s production quantity of iron ore (crude ore) in September surveyed by the National Bureau of Statistics of China was 131,564 thousand tons, **down 4.4% from the same month last year**. Its cumulative production quantity in the period of January-September was 1,015,999 thousand tons, **down 9.0% from the same period last year**.” The Tex Report, October 29, 2015*

Iron ore – trade balance and price forecast



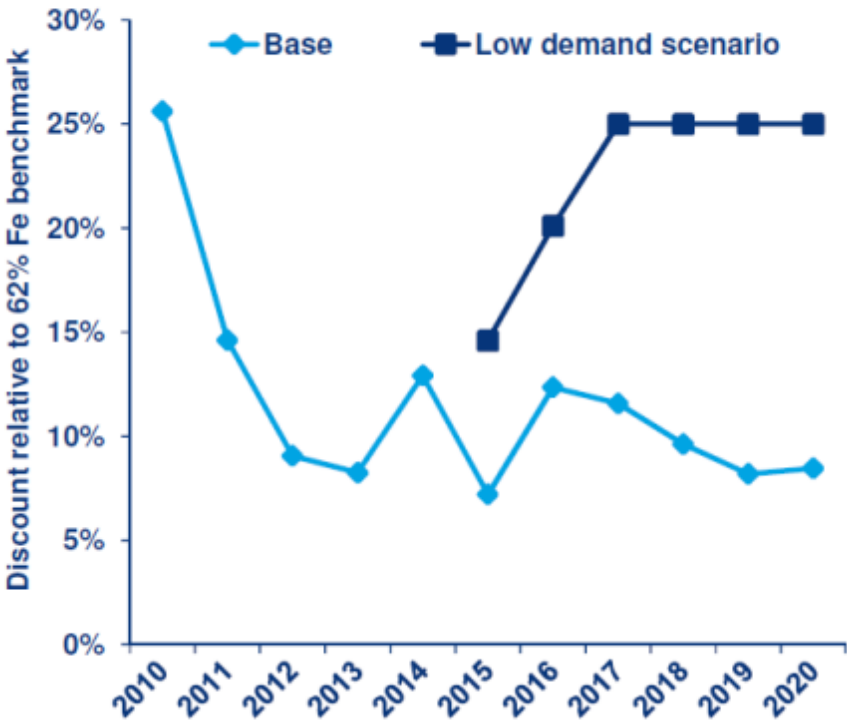


- Even though the forecasted increase in iron ore volumes has happened, the global export volumes are showing a decline in Fe grade

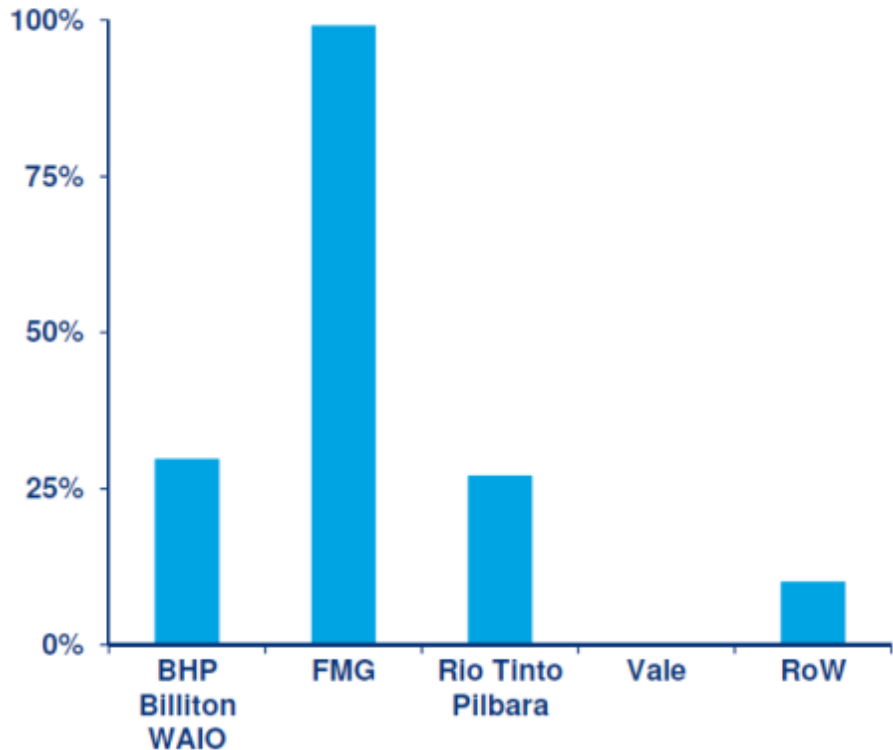
Risk of higher low grade discounts

- Under a low demand scenario, the discount for sub-60% iron ore could increase, impacting the margins of low grade producers
- Producers such as Fortescue are highly sensitive to low grade discounts

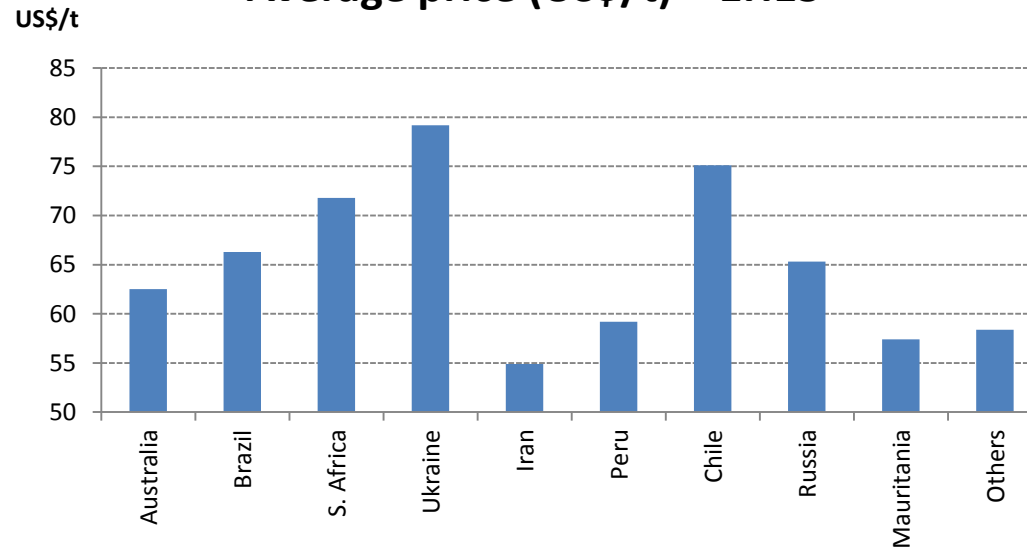
Discount for sub-60% Fe material



Proportion of ultimate production sub-60% and at risk

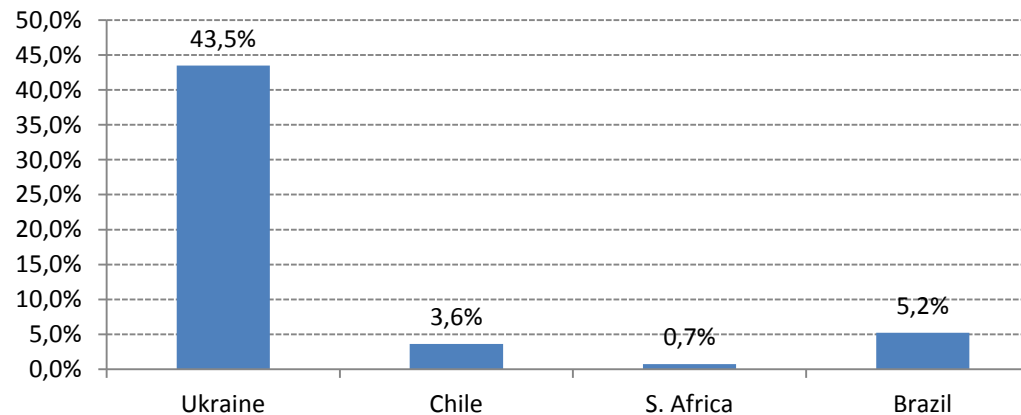


Average price (US\$/t) – 1H15



Source: China Customs Statistics

Pellets versus total imports – 1H15



Source: China Customs Statistics

Premium for higher grades ... but most concentrate producers are struggling ...

PLATTS DAILY IRON ORE PRICE ASSESSMENTS					
Platts daily iron ore assessments, December 29					
	\$/dmt	Midpoint	Change	% Chg	
IODEX 62% Fe CFR North China	67.50-68.50	68.00	0.50	0.74	
63.5/63% Fe CFR North China	69.00-70.00	69.50	0.50	0.72	
65% Fe CFR North China	76.00-77.00	76.50	0.50	0.66	
58% Fe low Al CFR North China	59.00-60.00	59.50	0.50	0.85	
58% Fe* CFR North China	55.50-56.50	56.00	0.75	1.36	
52% Fe CFR North China	37.00-38.00	37.50	0.75	2.04	
*Al = 4.0% max					
Per 1% differentials (Range 60-63.5% Fe), \$/dmt					
	Within Min-Max	\$/dmt	Change		
Per 1% Fe	60-63.5% Fe	1.30	0.00		
Per 1% Alumina	1-2.5% Al ₂ O ₃	0.50	0.00		
Per 1% Silica	4.5-6.5% SiO ₂	1.50	0.00		
	6.5-9% SiO ₂	1.75	0.00		

Source: Platts, December 2014

	2013	2014
CMP's cash cost (US\$/t)	57,4	49,2

Premium for higher grades ... but most concentrate producers are struggling ...

PLATTS DAILY IRON ORE PRICE ASSESSMENTS

Platts daily iron ore assessments, August 6

	\$/dmt	Midpoint	Change	% Chg
IODEX 62% Fe CFR North China	55.50-56.50	56.00	-1.25	-2.18
63.5/63% Fe CFR North China	57.25-58.25	57.75	-1.25	-2.12
65% Fe CFR North China	62.75-63.75	63.25	-1.25	-1.94
58% Fe low Al CFR North China	51.00-52.00	51.50	-1.25	-2.37
58% Fe* CFR North China	48.50-49.50	49.00	-1.25	-2.49
52% Fe CFR North China	38.75-39.75	39.25	-1.25	-3.09

*Al = 4.0% max

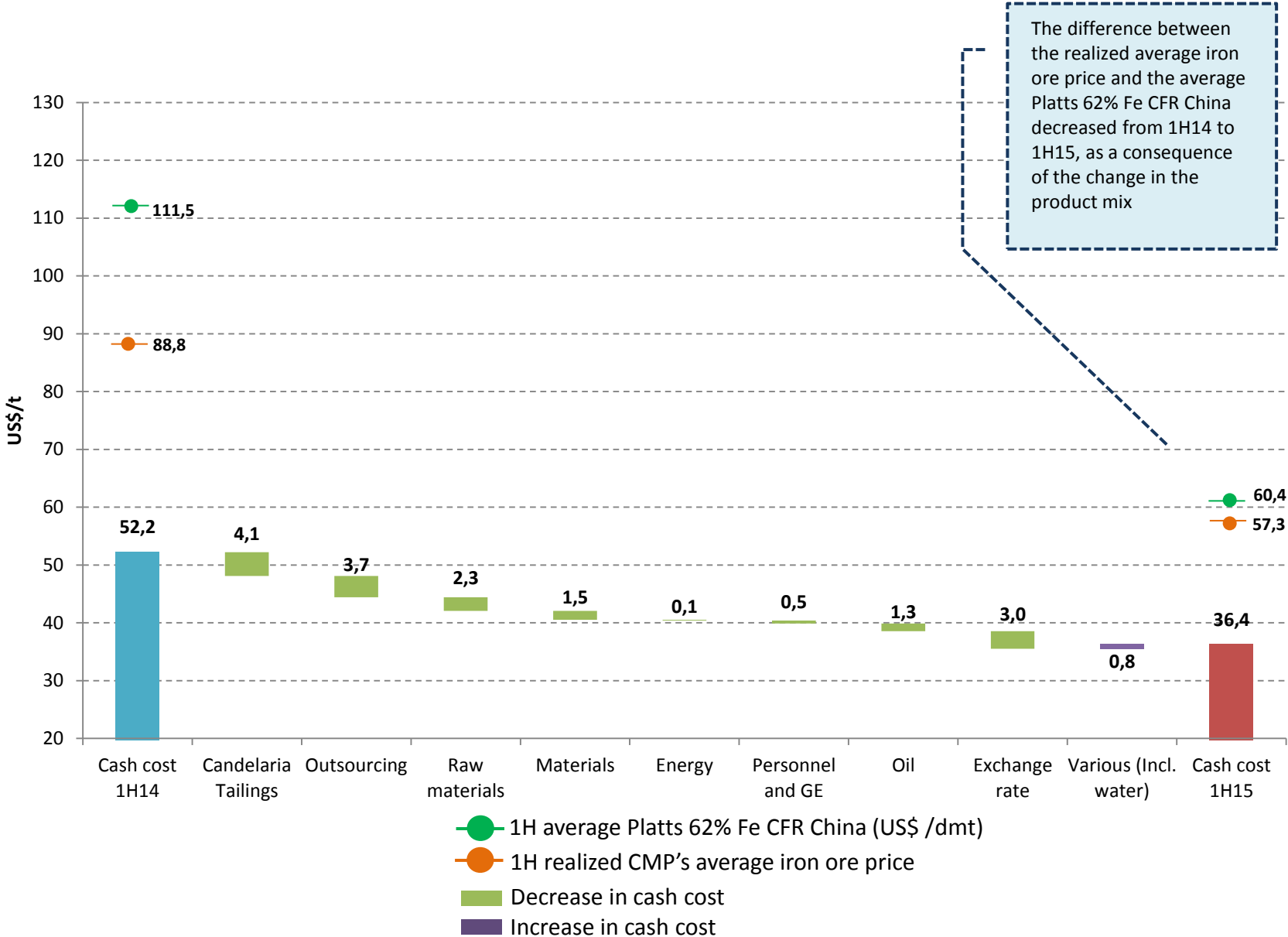
Per 1% differentials (Range 60-63.5% Fe), \$/dmt

	Within Min-Max	\$/dmt	Change
Per 1% Fe	60-63.5% Fe	0.95	0.00
Per 1% Alumina	1-2.5% Al ₂ O ₃	0.50	0.00
Per 1% Silica	4.5-6.5% SiO ₂	0.25	0.00
	6.5-9% SiO ₂	0.75	0.00
Per 0.01% Phosphorus	0.09-0.12% P	0.35	0.00

Source: Platts, August 2015

	1Q 2015	1H 2015
CMP's cash cost (US\$/t)	37,8	36,4

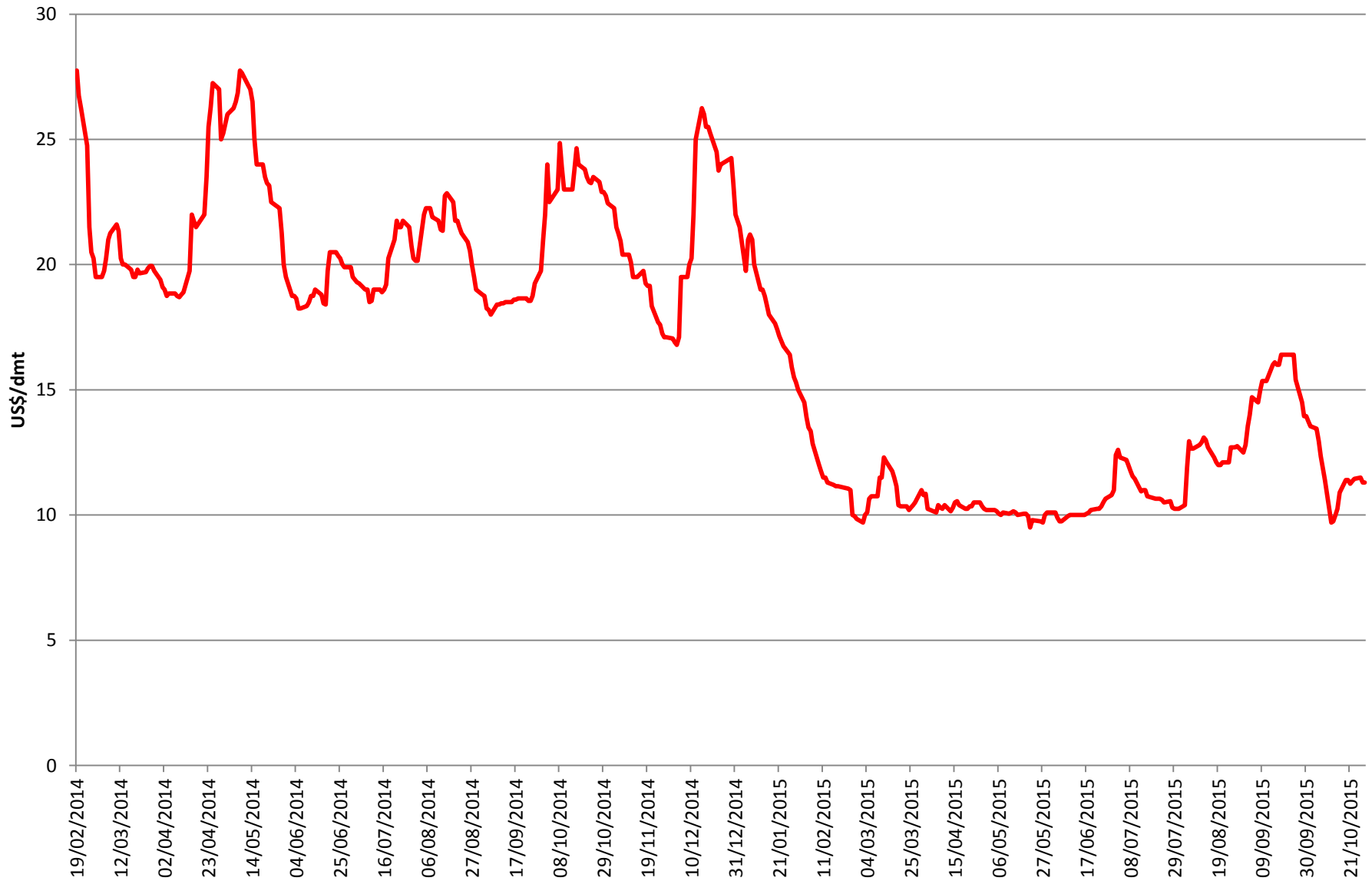
CMP's plan to improve margins has worked



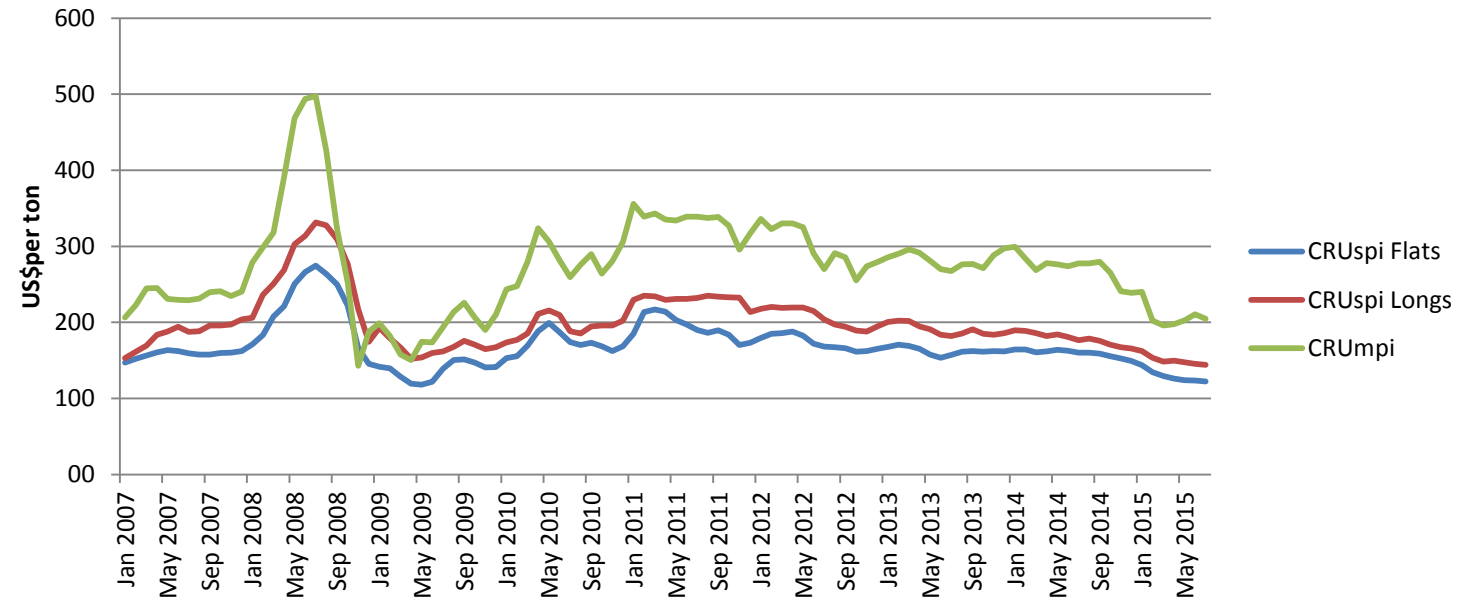
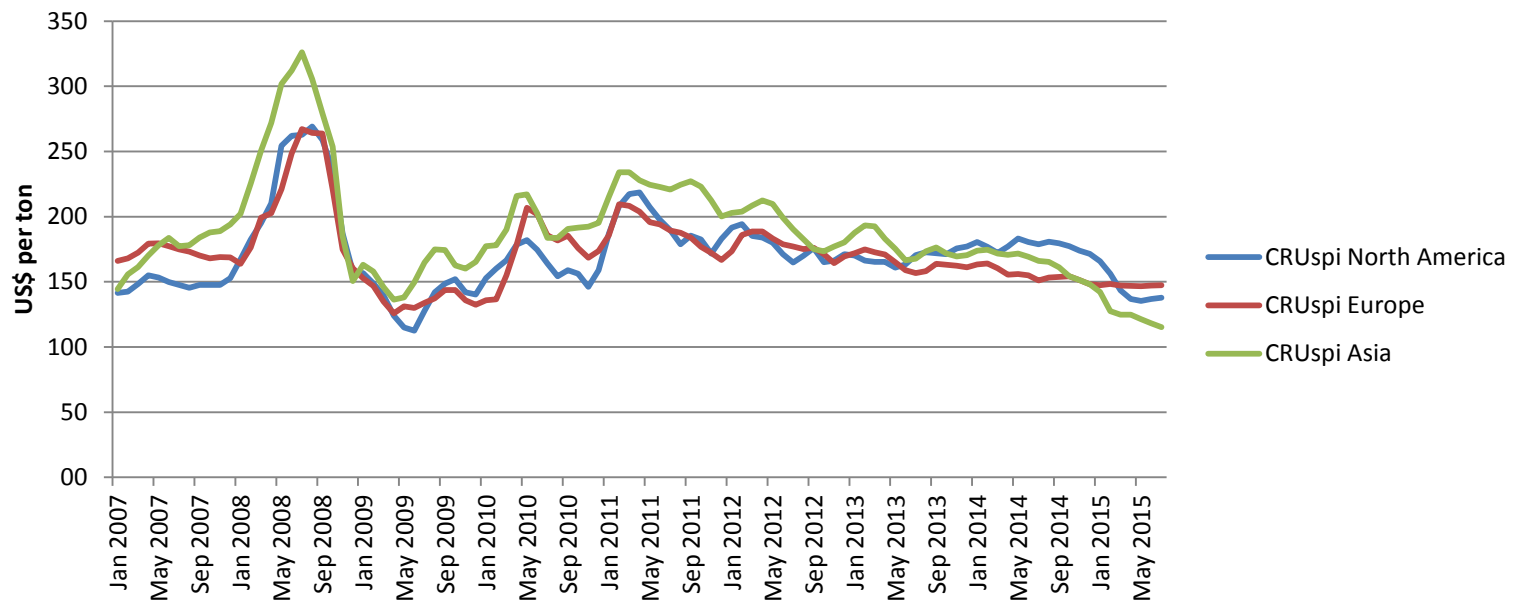
Cash cost = Cost of sales – Depreciation & Amortization [Cost of sales = Operational cost (excl. SG&A)]

	Cash Cost (US\$/t)
Magnetite plant	36.8
Cerro Negro Norte mine	36.1
Los Colorados mine	34.4
El Romeral mine	44.2
Average Cash Cost	35.9

Freight rates Brazil - China



Steel price evolution



Source: CRUspi, July 2015

CINTAC

Cintac S.A.

USD 30.000.000

April 2018
US\$24,000,000

CAP

Financial performance

CAP's financial highlights in 1H15



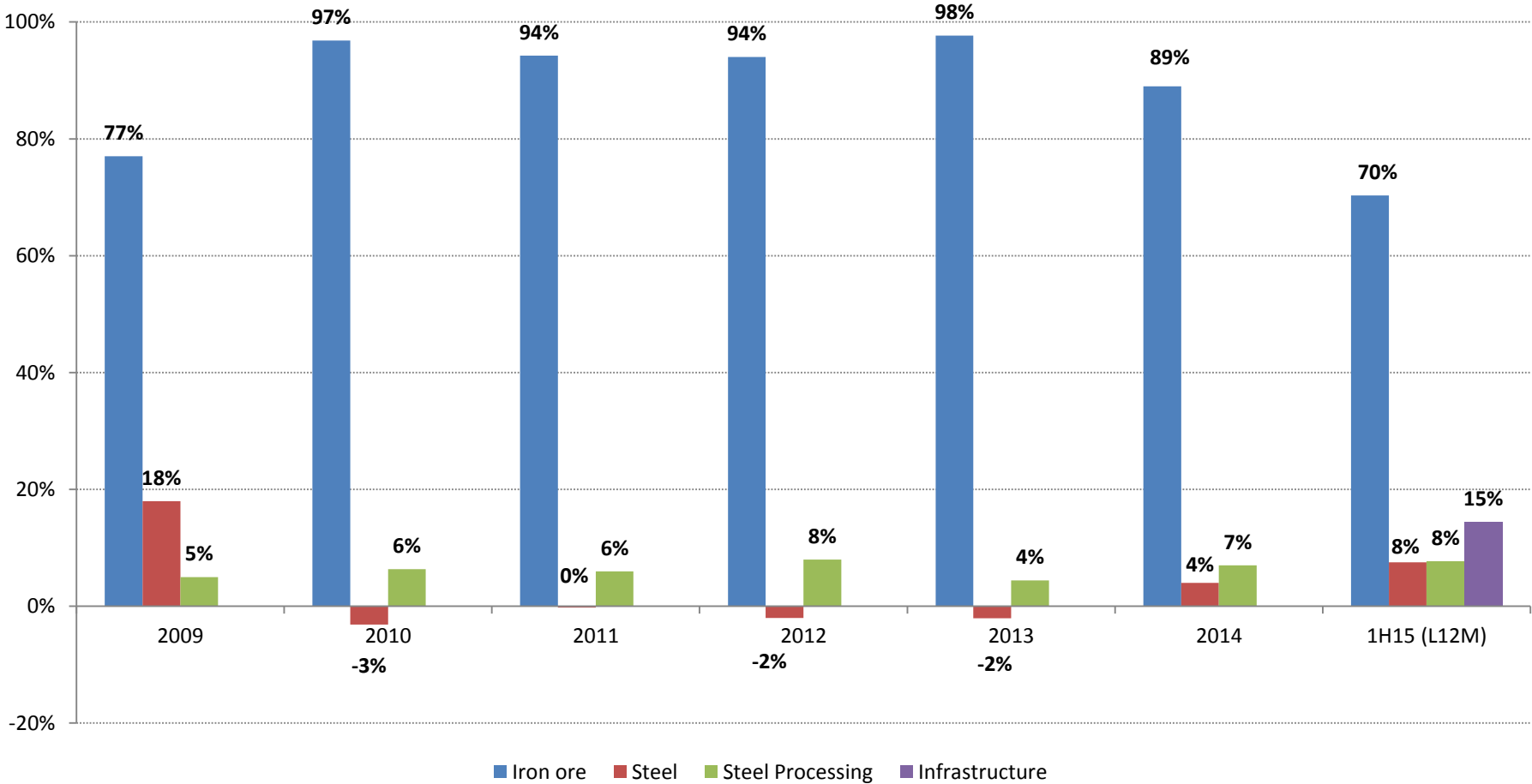
USD Million	2010	2011	2012	2013	2014	1H15
Sales	1.994	2.787	2.470	2.297	1.790	723
EBITDA (L12M)	740	1.184	764	708	381	303
EBITDA Margin	37,1%	42,5%	30,9%	30,8%	21,3%	22,0%
Net Income	590	442	234	184	56	13
Cash	981	883	711	309	348	398
Gross Financial debt	1.001	628	719	932	1.270	1.297
Net Financial debt	20	(255)	8	623	922	899
Capex	207	282	777	975	450	39
Net Financial Debt/EBITDA	-	-	-	0,88	2,42	2,97
Iron Ore Shipments (Th tons)	10.213	11.469	12.246	12.086	12.952	6.293
Platts 62% Fe CFR China (US\$/t)	146,82	169,37	130,08	135,13	96,77	60,35

CMP's financial highlights in 1H15



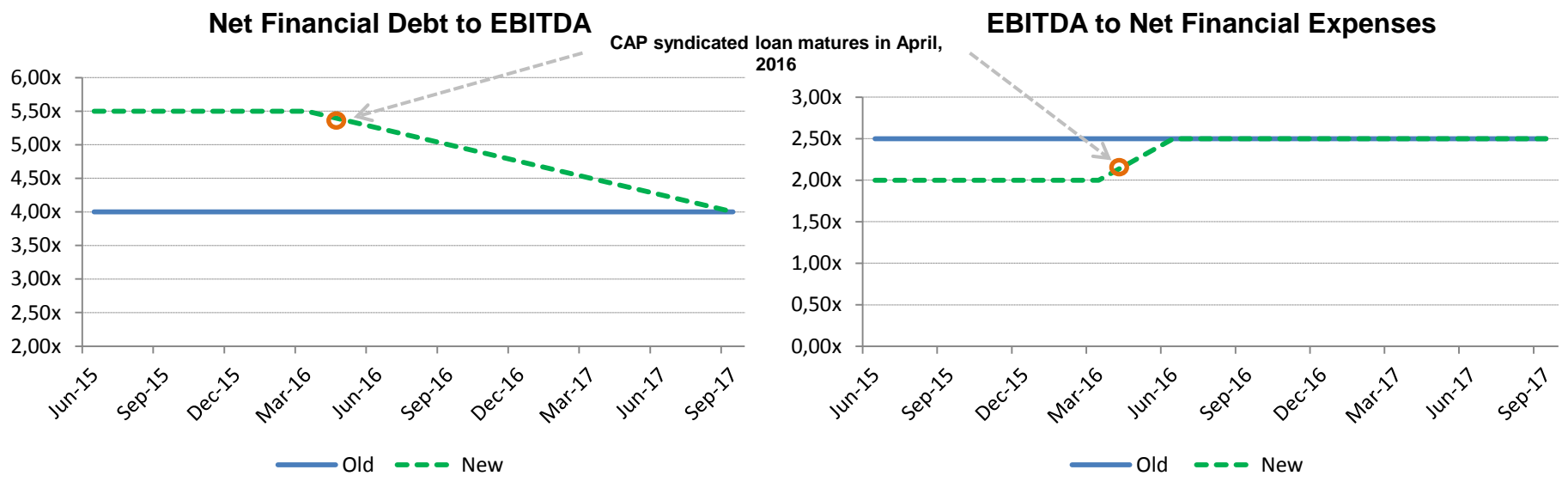
USD Million	2010	2011	2012	2013	2014	1H15
Sales	1.271	1.770	1.406	1.431	942	309
EBITDA (L12M)	782	1116	720	678	309	206
EBITDA Margin	61,5%	63,1%	51,2%	47,4%	32,8%	32,2%
Net Income	902	700	355	402	113	21
Cash	558	501	205	46	50	75
Gross Financial debt	-	-	-	159	483	572
Net Financial debt	(558)	(501)	(205)	113	433	497
Capex	121	222	655	911	299	19
Net Financial Debt /EBITDA	-	-	-	0,17	1,40	2,42
Iron Ore Shipments (Th tons)	10.213	11.469	12.246	12.086	12.952	6.293
Platts 62% Fe CFR China (US\$/t)	146,82	169,37	130,08	135,13	96,77	60,35

EBITDA contribution by business (L12M)



Relevant financial updates

Flexibilization of financial covenants with CAP and CMP lenders*



Additional liquidity available: US\$300 million

- As of today, the CAP group has access to three revolving credit facilities: CMP's, which was negotiated in 2014, and two new facilities for CAP that were closed this year

	CMP revolving credit facility (BTMU)	CAP revolving facility (EDC)	CAP Revolving facility (SMBC)
Amount	Up to US\$350 million	Up to US\$100 million	Up to US\$50 million
Tenor	5 years	5 years	3 years
Financial covenants	New	New	New
Undrawn amount	US\$150 million	US\$100 million	US\$50 million

* Covenants included in CAP's syndicated loan and CMP's revolving credit facility

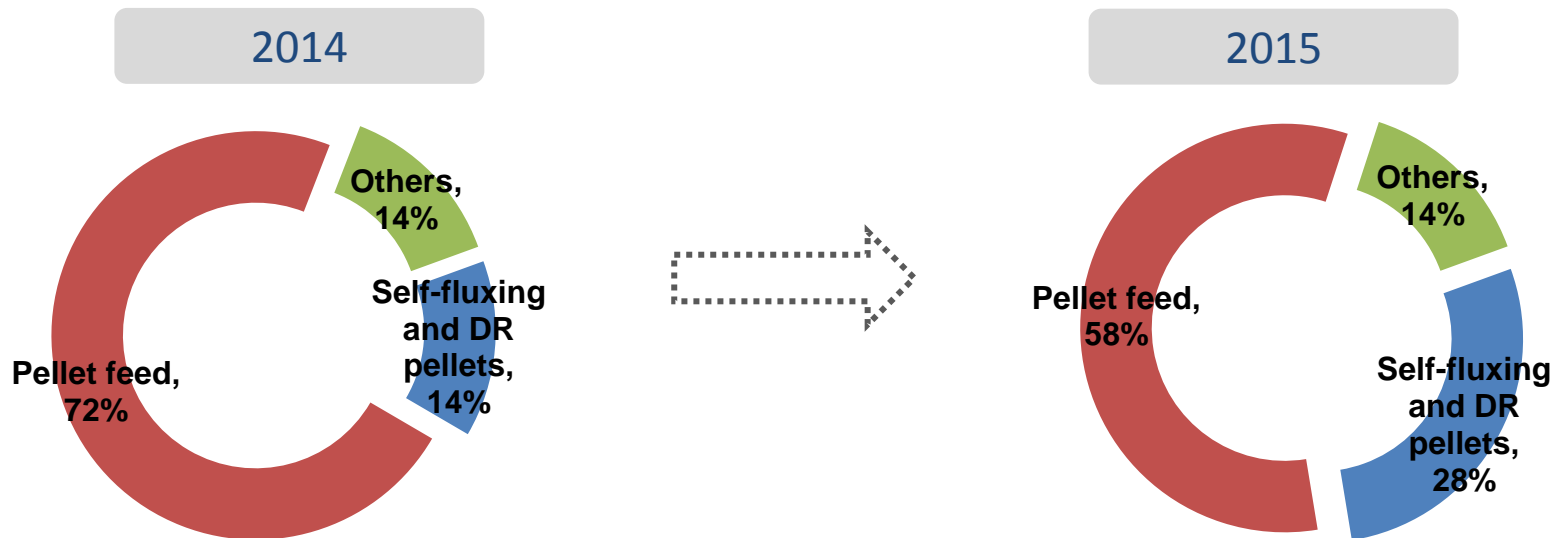
	2013	2014	2015
Fitch Ratings	BBB/Stable outlook	BBB/Stable outlook	BBB-/Stable outlook
S&P	BBB-/Stable outlook	BBB-/Stable outlook	BB+/Stable outlook

Business outlook



Reorientation of product mix

- Shipments for around 14.3 million MT in 2015 consider an increase in pellets, to a total of 4 million MT
- The change in the mix should enhance margins, as pellets have a premium over the pellet feed



Continued efforts in reducing costs and expenses, combined with a weaker Chilean Peso, lower oil prices and idle capacity in the mining services industry in Chile will **reduce the average 2014 FOB cash cost** of US\$ 49.2 per ton to **approximately US\$ 36.1 per ton in 2015**

New EBITDA from CAP infrastructure in 2015

- Cleanairtech (desalination plant) and Tecnocap (electric transmission line) started their operations during 2014 and are projected to contribute to the consolidated 2015 EBITDA and net income as follows:

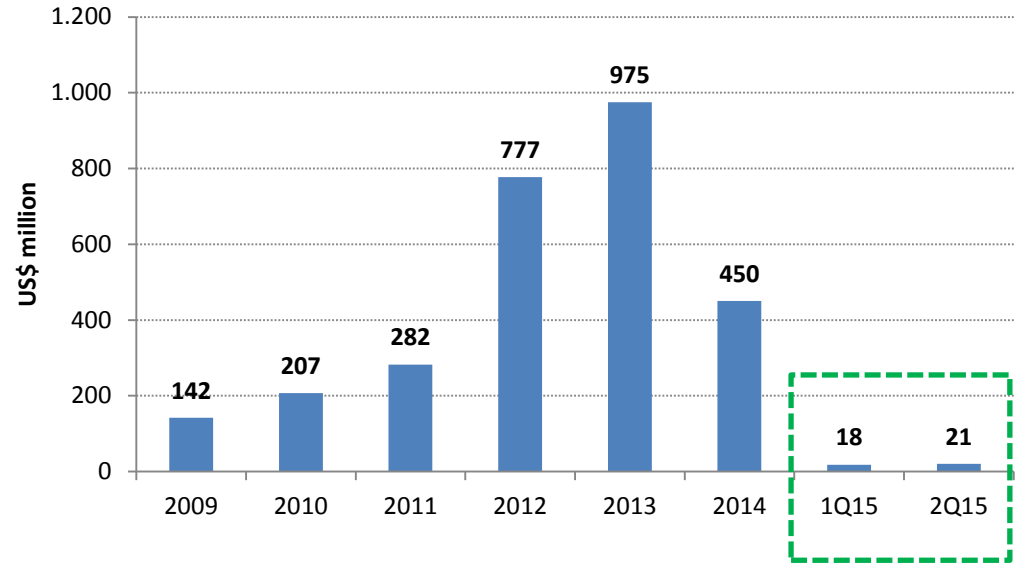
US\$ million	Cleanairtech	Tecnocap
EBITDA (E)	43,6	7,4
Net Income (E)	7,1	3,0



Protecting CAP's cash flow and liquidity levels

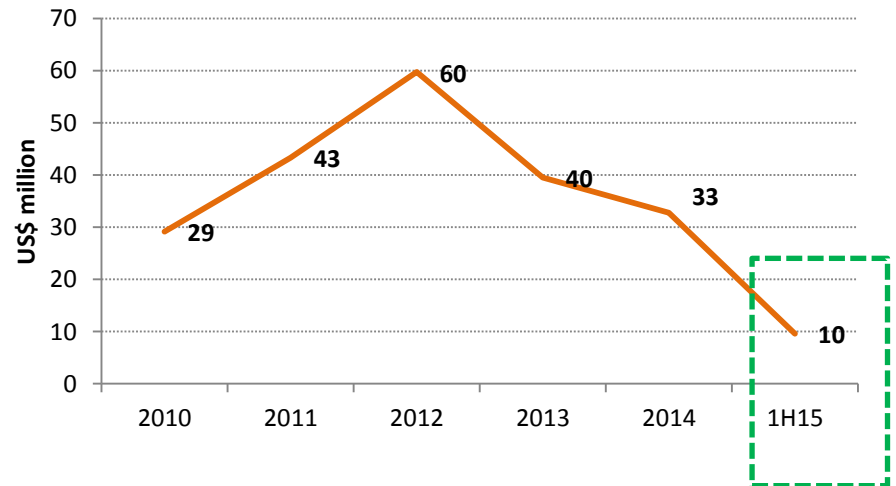
Current investment plan reached its final stage

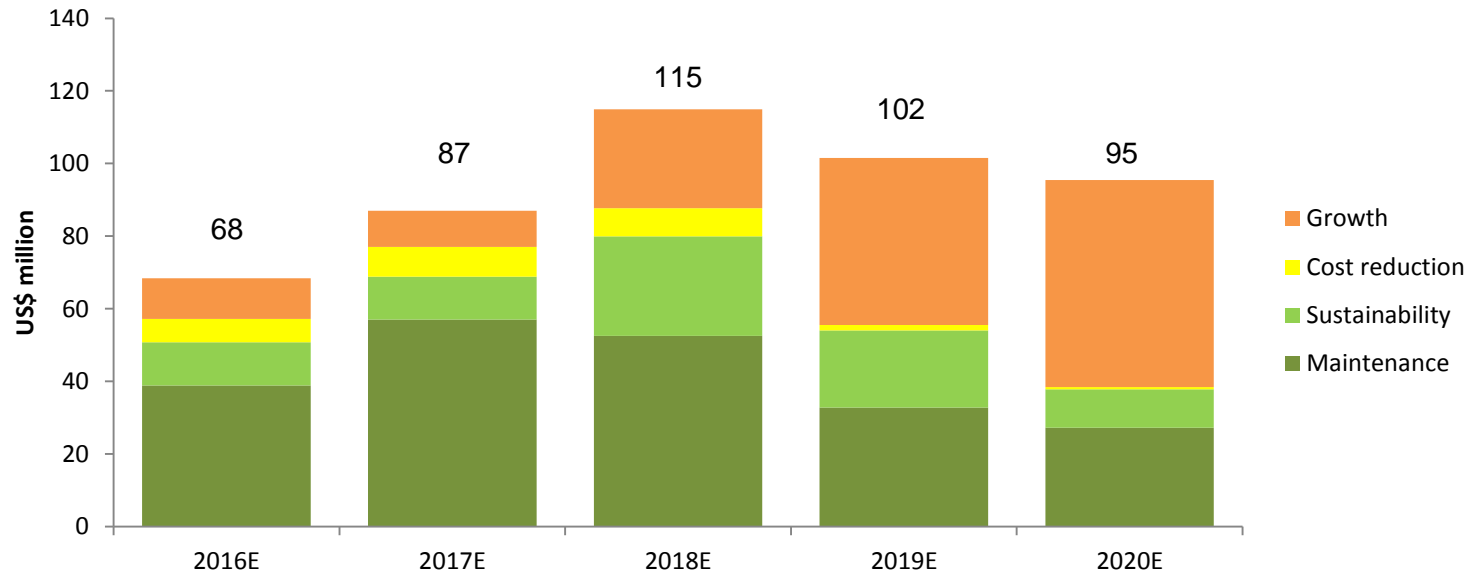
- There are **no relevant investments planned for the short-term**, therefore pressure on cash disbursements has been diminished.
- Investment rate has followed a slower pace, of around **US\$20 million per quarter**, mainly related to maintenance CAPEX



Drilling and exploration expenses reduction

- Expenses have averaged US\$41 million per year during the last 5 years.
- As of June, 2015, this concept amounts to US\$9.6 million



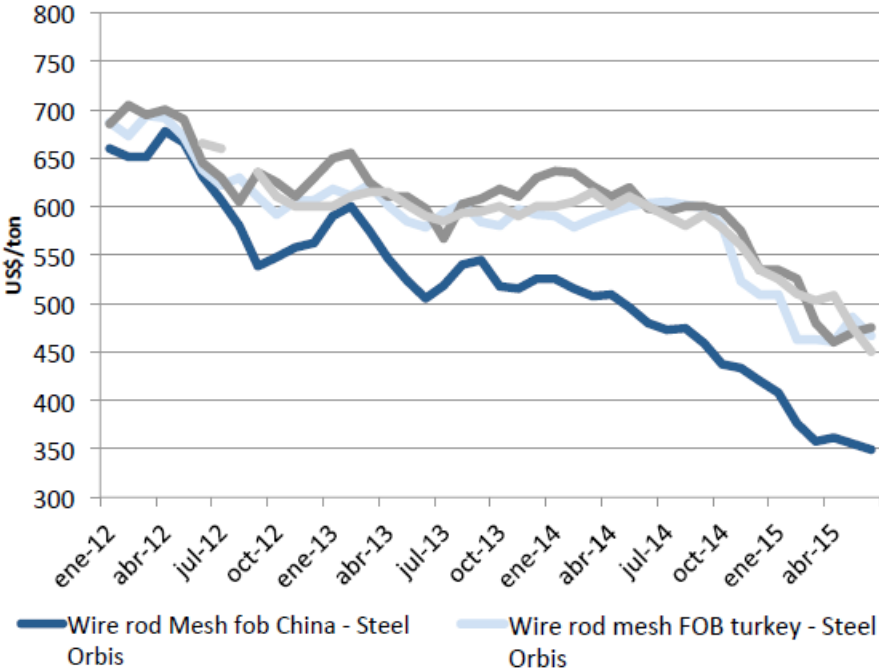


- Maintenance for the period 2016 – 2018 includes the replacement of machinery and equipment at Los Colorados mine, maintenance at the Pellets Plant and the blast furnace lining at CAP Acero, among others
- The growth CAPEX for the period 2018 – 2020 considers an increase of sinter feed production at the Huasco Valley

Steel safeguards

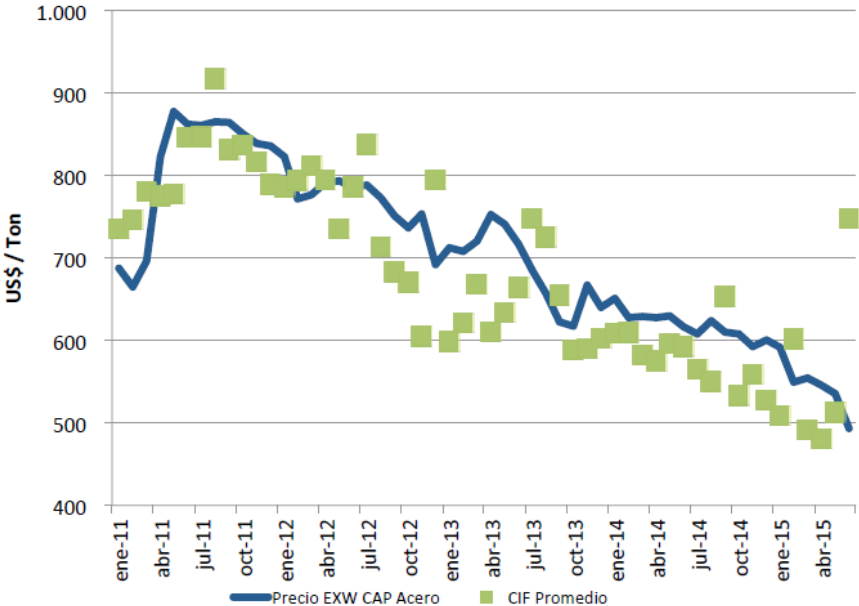
- Wire rod accounts for 20% of CAP Acero's production
- Due to the openness of the Chilean economy, CAP Acero is competing with international steel prices, highly influenced by Chinese imports
- Chilean authorities imposed a provisional safeguard of 37.8%, which will be in place for 200 days, starting in October 2015

Wire rod FOB prices in China and other markets



Source: Steel Orbis, CRU

**Wire rod price evolution
CAP Acero vs CIF imports of Chinese steel**



Source: CAP Acero, Aduana de Chile

Total capacity CAP ports: 34.8 Mt/y



Punta Totoralillo:

- 29 km north of Caldera
- Iron ore shipping
- 200,000 dwt
- Max capacity: 12 million t/y
- Effective utilization: 4.5 million t/y



Guayacán:

- Herradura bay, Coquimbo
- Iron ore shipping
- 165,000 dwt
- Max capacity: 6 million t/y
- Effective utilization: 2.7 million t/y



Guacolda II:

- Located in Huasco City
- Iron ore shipping
- 300,000 dwt
- Max capacity: 12 million t/y
- Effective utilization: 7.2 million t/y



Huachipato:

- San Vicente bay
- Unloading coal, limestone and iron ore & finished steel shipping
- Max capacity: 2 million t/y
- Effective utilization: 1 million t/y



Las Losas:

- Located in Huasco City
- Multi purpose port
- Max capacity: 2 million t/y
- Effective utilization: 0.4 million t/y



Guarello:

- Guarello island, south
- Limestone shipping
- 800 kt/y
- Max capacity: 0.8 million t/y
- Effective utilization: 0.5 million t/y

Note: Weighted average of port utilization: 47%

Under current market conditions, the protection of the company's cash flow and liquidity levels are of the utmost importance

Cost reduction initiatives and productivity improvements are at the center of management efforts

- **CAP Mining**

- Efficiency plans have resulted in significant cash cost reductions, which together with a higher grade product mix are maintaining positive margins
- Despite the current negative global environment, the company has improved its operational productivity allowing for the projection of a positive long term view.

- **CAP Steel**

- Positive cash generation attained, continuous cost cutting efforts applied towards profitability
- Studying alternative use of CSH's assets to create more value

- **CAP Steel Processing**

- Largest flat steel processor in the Pacific coast of South America
- Leader in innovative solutions for industrial and residential construction

- **CAP Infrastructure**

- Stable business supported by long term contracts
- Potential growth in the port business

This information material may include certain forward-looking statements and projections provided by CAP S.A. (the “Company”) with respect to the financial condition, results of operations, cash flows, plans, objectives, future performance, and business of the Company. Any such statements and projections reflect various estimates and assumptions by the Company concerning anticipated results and are based on the Company’s expectations and beliefs concerning future events and, therefore, involve risks and uncertainties. Such statements and projections are neither predictions nor guarantees of future events or circumstances, which may never occur, and actual results may differ materially from those contemplated (expressed or implied) by such forward-looking statements and projections. No representations or warranties are made by the Company or any of its affiliates as to the accuracy of any such statements or projections. Whether or not any such forward looking-statements or projections are in fact achieved will depend upon future events, some of which are not within the control of the Company. Accordingly, the recipient of this material should not place undue reliance on such statements. Any such statements and projections speak only as of the date on which they are made, and the Company does not undertake any obligation, and expressly disclaims any obligation, to update or revise any such statements or projections as a result of new information, future events, or otherwise

CAP Group update - November 2015

