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ANNUAL REPORT 2014

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The Company	03
History	04
CMPC's Concepts and Values	06
Chairman's Statement	07
Board of Directors and Management	10
Organisation Chart	11
Senior Management	12
CMPC Highlights	13
CMPC Forestal	14
CMPC Celulosa	16
CMPC Papeles	18
CMPC Tissue	20
Regional Presence	22
Financial Information	24
General Information	33

# INDEX

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# THE COMPANY

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## EMPRESAS CMPC S.A

Agustinas 1343, Santiago  
Taxpayer code 90.222.000-3

Established on 5 February 1920 in the Santiago Notary of Mr. Manuel Gaete Fagalde. Decree N°589.

It is a listed corporation of private equity. For the year ended 31 December 2014, CMPC had:

2,500,000,000	common shares
27,536	shareholders

The company is controlled by the Matte Group with 55.64% of the share capital.

CMPC is one of the leading companies in Latin America that produces and markets forestry products, wood pulp, paper and tissue products.

The company has diversified and balanced sales of products and export markets: it sells its products to over 45 countries and has around 30,000 customers.

It has 16,824 direct employees in the eight countries in which the company has industrial processes.

[www.cmpc.cl](http://www.cmpc.cl)

## INVESTOR RELATIONS CONTACT

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+56 2 2441 2713

**COLOMBA HENRÍQUEZ B.**

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+56 2 2441 2791



# HISTORY

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*The company is characterised by having a strong organisational culture, whose hallmark is delivery, honesty, a job well done and personal effort. The entire organisation has embraced these values throughout its 95-year history and establishment in 1920.*

## 1920

→ CMPC is established. It produces paper, cardboard and wheat straw-based pulp at the Puente Alto mill.

## 1938

→ Start-up of newsprint production in Chile at the Puente Alto paper mill.

## 1951

→ Start-up of the Valdivia paper mill, initially producing newsprint and kraft.

## 1959

→ Start-up of the Laja mill, the first pulp mill in Chile.

## 1960

→ CMPC exports the first Chilean wood pulp to South America.

## 1972

→ New paper bag facility in Chillán

## 1978

→ Construction of a moulded pulp tray mill and tissue mill in Puente Alto.

## 1985

→ Start-up of the Mulchén sawmill.

## 1986

→ Purchase of INFORSA, and sale of Papeles Bío-Bío.

## 1991

→ CMPC's first foreign investment, with the acquisition of the Argentinean nappy producer Química Estrella San Luis S.A.

→ Start-up of the new Pacífico wood pulp mill in the Araucanía region in Chile.

## 1994

→ Acquisition of IPUSA (tissue) in Uruguay and FABI (paper bags) in Argentina.

## 1995

→ Start-up of two new tissue paper mills at Talagante (Chile) and Zárate (Argentina).

→ CMPC adopts a holding structure, dividing its five business areas into subsidiaries.



## 1996

- Acquisition of the Argentinean tissue producer La Papelera del Plata.
- Start-up of the tissue business in Peru.

## 1998

- Start-up of the Maule boxboard mill in the district of Yervas Buenas, Chile

## 2000

- Creation of the CMPC Foundation.

## 2004

- Construction starts on the second line of the Santa Fe wood pulp mill, with a production capacity of 780,000 tonnes a year.

## 2006

- Acquisition of ABSORMEX in Mexico (tissue).
- Start-up of line II of the Santa Fe wood pulp mill.

## 2007

- Start-up of a plywood mill at Mininco in the Araucanía region in Chile.
- Acquisition of the Colombian company Drypers Andina, which produces and sells babies' nappies.

## 2009

- Acquisition of the Guaíba wood pulp mill in the state of Rio Grande do Sul in Brazil from Celulosa Aracruz.
- Purchase of Melhoramentos Papéis in the state of Sao Paulo in Brazil.
- Start-up of a new paper mill in Mexico.

## 2010

- A new tissue mill starts up at Gachancipá in Colombia..

## 2011

- Inauguration of a new corrugated box mill at Pichil in Osorno, Chile.

## 2012

- FSC certification of all forest equity in Chile and Brazil.
- The board approves the construction of the second wood pulp mill at Guaíba in Brazil.

## 2013

- Construction starts on the Guaíba II wood pulp mill in the state of Rio Grande do Sul in Brazil.
- Newsprint production closes down. Closure of the Papeles Río Vergara mill at Nacimiento in the Bío-Bío region.
- Corporate reorganisation of subsidiaries. The large business areas drop from five to four, with the absorption of CMPC Productos de Papel by CMPC Papeles. CMPC is therefore divided into four business areas: forestry, wood pulp, paper and tissue.

## 2014

- The corrugated box business is reorganised and the Quilicura plant is relocated
- Envases Impresos and Envases Roble Alto merge forming one single business unit.



# CONCEPTS

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*Throughout its history, CMPC has maintained a way of doing business and engaging with employees, customers and shareholders. With a 94-year tradition, the following five values summarise our vision of how we should work.*

## → RESPECT FOR PEOPLE

At CMPC we respect all the people we engage with as dignified human beings. At all our operations we value good treatment, frankness, loyalty, trust and good faith. We also take care of people's integrity and health.

## → STRICT COMPLIANCE WITH THE LEGAL REGULATIONS

We abide by the legal regulations governing our operations. All managers, executives and directors are committed to strict compliance with current legislation for all aspects involved in the development of our business.

## → CONSIDERATION FOR NEIGHBOURS' NEEDS

We forge relations of collaboration and trust with our neighbours to maximise the social benefits of our operations. We have a courteous and open attitude, identifying the needs of our neighbours and possibilities of collaboration.

## → CARE OF THE ENVIRONMENT

The company values sustainable development, taking care of the environment and natural resources so as not to affect future generations. All those who work at CMPC are committed to the environment.

## → LOYALTY WHEN COMPETING

CMPC values free competition as the essence of the market economy, enhancing the development of more and better products and services at a lower price for consumers.



# CHAIRMAN'S STATEMENT

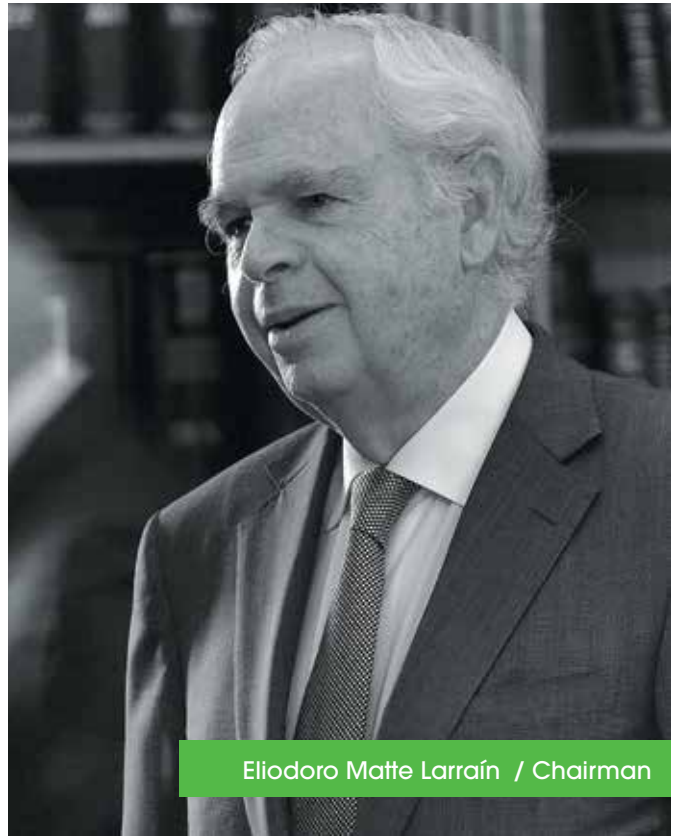
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## DEAR SHAREHOLDERS,

I am very pleased to present you the annual report, balance sheet and financial statements for the year ended 2014.

CMPC had consolidated sales of US\$4.846 billion, a 3% year-on-year decrease. That was mainly due to a drop in the short-fibre wood pulp price, to lower electric power sales to the market and the closure of newsprint operations in November 2013. Operating cash generation (EBITDA) was 2% up on 2013 and amounted to US\$985 million. Accrued net income was US\$138 million, dropping 30% on the US\$196 million in 2013. That was driven by a deferred tax charge that arose from the depreciation of the Chilean peso and the Brazilian real against the US dollar in the year.

The economic environment in 2014 was tougher and more volatile. Although the global economy continued to recover, that was uneven in countries and regions. This led to different expectations among countries, leading to a strong US dollar and more volatile financial markets. Emerging economies had a more moderate growth rate, particularly in Latin America.



Eliodoro Matte Larraín / Chairman

The drop in raw material prices in the last few months of 2014, especially oil, led to large changes in the global economic outlook. The price of other raw materials also decreased but less than for oil.

Concerning Chile, the economic slowdown was greater than initially forecasted due to external and internal factors. The former was the decline in investments in the mining industry due to an outlook of lower prices in the future. The latter was the greater uncertainty over the breadth, depth and haste of the reform agenda and the perception of a drop in the quality of public policies. Regarding this, in September the income tax amendment law was enacted making major changes



to the Chilean tax system. This amendment envisages a gradual increase in corporate tax from 20% to 27%, which started in 2014. It also makes modifications that greatly reduce reinvestment incentives by means of withheld profits, which will certainly lead to greater corporate debt.

Most of our work in 2014 was focused on the Guaíba II project being developed in the state of Rio Grande do Sul in the south of Brazil. Five years have elapsed since in December 2009 CMPC took control of what is now Celulosa Riograndense, which includes a wood pulp mill, a paper mill and forests.

As of that date, along with engaging with the local culture and addressing the challenge of getting to know and integrating the hundreds of people who work there, we started to design the expansion of this operation, an ambitious project that is now very close to being a reality. Its construction has taken 2 years and generated employment for over 9,000 people. If everything goes according to plan, by late in the first half of 2015 Guaíba II will dispatch the first bales of wood pulp to the market. As of that date, the development of the wood pulp business in Brazil will have entailed a total CMPC investment of US\$4 billion, considering the original acquisition, purchases of forests and the Guaíba II project.

This project, rather than hefty figures, has demonstrated the company's management capacity. There has been efficient planning of activities with a special focus on the safety of people. Budgets have been met and the company has gained the important and permanent support of the community in the city of Guaíba and the state of Rio Grande do Sul. Although we cannot yet

say we have completed the task, I want to give special recognition to all those who have worked with enthusiasm and great endeavour in Guaíba II.

In the Chilean forestry area, 2014 was characterised by an escalation of conflict in some areas with Mapuche communities as neighbours and where Forestal Mininco has part of its forest equity. We have expressed our concern to the authorities and exercised our rights, but the effort made has been insufficient as the Chilean State must assume its responsibility, promoting a political agreement that once and for all resolves this very serious situation. The permanent seizure of lands, arson and theft of wood have made it very difficult to develop our activity normally. With resolve we reaffirm our willingness to carry on seeking ways to help find a solution to this difficult reality. The good neighbourhood engagement, employment, enterprise and education programmes will continue to be an effective instrument to improve the quality of life and opportunities of the surrounding communities.

In the work area, for the second year running Forestal Mininco managed to be among the 50 best companies to work for in Chile in the Great Place to Work programme. Moreover, once again this subsidiary was recognised by ProHumana, a body that distinguishes the most sustainable companies in Chile.

Early the previous year, the company reorganised the paper and packing businesses in line with the ongoing quest for improvements of our processes, organisations and ways of doing things, which entailed the merger of some subsidiaries. The segment headed by CMPC Papeles now includes the boxboard businesses, with their





mills in Maule and Valdivia, Papeles Cordillera, Envases Impresos Roble Alto, Forsac, with its four operations in Chile, Argentina, Peru and Mexico, Chimolsa, Edipac and Sorepa.

The company carried out a deep restructuring process of the corrugated box business to attain greater operating efficiency, reducing costs and leveraging synergies.

The tissue business had paper sales of over 590,000 tonnes and babies' nappy sales of 2,500 million units, which were 4% and 4% increases, respectively. The women's sanitary towel and adult incontinence segments also had large growth. Despite the results being 5% down on last year, they were achieved in a context of an economic slowdown and depreciation of the local currencies in the countries where we operate.

The company undoubtedly made a very large investment of US\$1.620 billion in 2014, the highest ever in the company's history. The main projects underway, besides Guaíba II, are a new tissue paper machine at Altamira in Mexico, the electric power co-generating plants in Chile and Mexico and forestry investment.

In 2015 CMPC will complete 95 years. Above I have mentioned our values and principles and the trust in CMPC's ability to overcome its challenges. Now society is demanding greater transparency from us in companies. This is a transcendental concept we must embed daily in our work. This is where CMPC's values and principles gain renewed importance. For this company doing a good job, adhering to regulations and laws, taking care of people, communities and the environment, and being responsible and loyal when competing is not something

we apply because it is fashionable or a transitory demand but is an essential part of our company's culture ever since it was established. Of course we make mistakes, but we must be rigorous with recognising and rectifying them. These principles and values underpin CMPC's Code of Conduct, which is a guide for the actions of all its personnel.

CMPC's history intrinsically unites us to that of Chile. We have always been at the service of the country, concerned about its destiny and willing to help to make it greater. In the last few years, our country has faced a series of social demands that we must listen to, analyse and deal with as far as we can. The business world is questioned. Nevertheless, the action of businessmen and companies is undoubtedly the most effective tool we have to drive the wellbeing of society. We are convinced that the main contribution of companies to society is to deploy their creativity, seek ideas and transform them into products and services that solve people's problems. Companies are also a notable example of social inclusion. They bring together and combine the efforts of shareholders, employees, suppliers and customers who, with a common vision, organise themselves to achieve projects and offer solutions. Over its long life CMPC has clearly embodied these concepts.

I would like to end by expressing my gratitude to all those employees who work at CMPC, whose commitment and professionalism are key to the success of our company. I also thank our shareholders for their trust in our company and this Board of Directors.

**Eliodoro Matte Larraín**  
Chairman



# BOARD OF DIRECTORS

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## BOARD OF DIRECTORS

The company is headed by a Board of Directors, comprising seven members elected in a Shareholders' Meeting who remain in office for three years.

Its main function, regulated by law 18.046 on Corporations, is to manage the company. Such law addresses, among other issues, how the Board of Directors should operate, establishing the competencies, obligations and responsibilities of its members. The Board of Directors also represents the company in- and out-of-court for all acts needed to comply with the corporate purpose and to achieve this it is vested with all the management and disposition powers that the law or articles of association do not lay down as exclusive to the General Shareholders' Meeting.

This Board of Directors convenes monthly to assess and guide the company's development of economic, environmental and social aspects.

Shareholders can give their opinions on the operation of the company in the ordinary and extraordinary shareholders' meetings summoned legally.

The remuneration of the Board of Directors is variable, according to the dividends distributed to shareholders. Directors have no variable remuneration for achieving the economic, social or environmental objectives.

The Board of Directors of Empresas CMPC elected on 22 April 2014, is as follows:

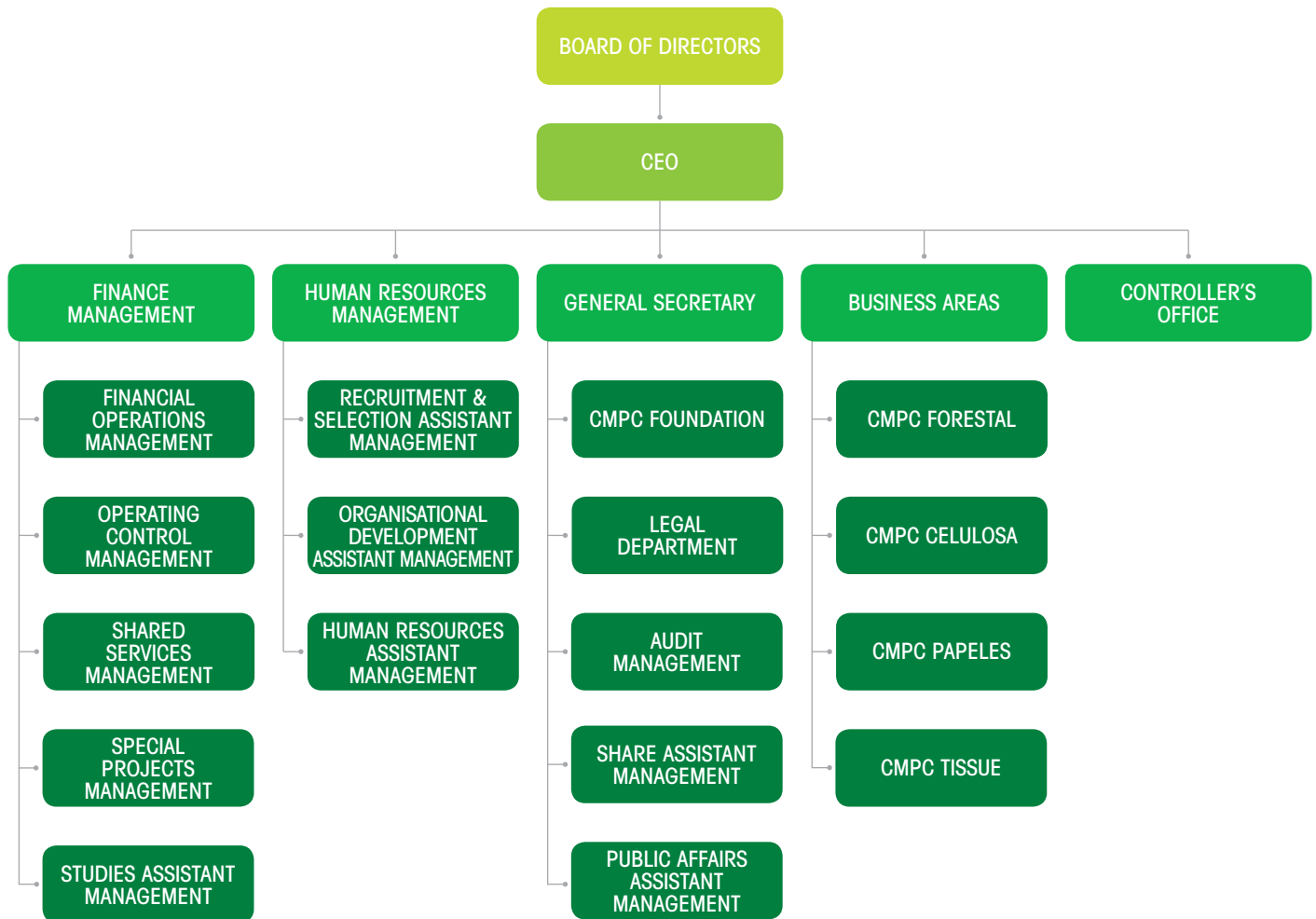
- CHAIRMAN:** → Eliodoro Matte L. / 4.436.502-2  
Industrial Civil Engineer
- DIRECTORS:**
- Jorge Gabriel Larraín B. / 4.102.581-6  
Business Engineer
  - Martín Costabal Ll. / 5.593.528-9  
Business Engineer
  - Bernardo Matte L. / 6.598.728-7  
Business Engineer
  - Erwin Hahn H. / 5.994.212-3  
Industrial Civil Engineer
  - Jorge Marín C. / 7.639.707-4  
Company Manager
  - Arturo Mackenna I. / 4.523.287-5  
Industrial Civil Engineer
- DIRECTORS' COMMITTEE:**
- Jorge Marín C.
  - Erwin Hahn H.
  - Arturo Mackenna I.

## SENIOR MANAGEMENT

- **CHIEF EXECUTIVE OFFICER:**  
Hernán Rodríguez W. / 7.051.490-7  
Industrial Civil Engineer
- **GENERAL SECRETARY:**  
Gonzalo García B. / 5.543.123-K  
Lawyer
- **CHIEF FINANCIAL OFFICER:**  
Luis Llanos C. / 7.003.064-0  
Industrial Civil Engineer
- **HUMAN RESOURCES MANAGER:**  
Jacqueline Saquel M. / 8.820.053-5  
Business Engineer
- **CONTROLLER:**  
Rodrigo Gómez F. / 9.584.951-2  
Business Engineer



# ORGANISATION CHART



# SENIOR MANAGEMENT

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TAXPAYER CODE	NAME	POSITION	APPOINTMENT DATE
7.051.490-7	Hernán Rodríguez Wilson	Chief Executive Officer	29/04/2011
7.003.064-0	Luis Llanos Collao	Chief Financial Officer	01/01/2004
5.543.123-K	Gonzalo García Balmaceda	General Secretary	01/04/1990
7.052.877-0	Francisco Ruiz-Tagle Edwards	General Manager CMPC Forestal	01/05/2011
5.744.665-K	Washington Williamson Benaprés	General Manager CMPC Celulosa	01/05/2011
7.017.293-3	Alejandro Nash Sarquis	General Manager CMPC Papeles	01/08/2014
7.117.506-5	Eduardo Serrano Spoerer	General Manager CMPC Tissue	01/08/2014
9.584.951-2	Rodrigo Gómez Fuentes	Controller	01/08/2014
12.797.047-5	Rafael Cox Montt	Legal Manager	01/01/2010
8.820.053-5	Jacqueline Saquel Mediano	Human Resources Manager	15/08/2011
6.227.256-2	Rodrigo Quiroga Correa	Shared Services Manager	01/04/2012
5.641.805-9	Ronald Wilson Grothe	Audit Manager	01/10/1998
4.837.929-K	Rodrigo Levy Wilson	Operating Control Manager	01/01/2006



# CMPC HIGHLIGHTS

Figures for the year ended December 31, 2014

→ **a 45**  
COUNTRIES  
buy the company's  
products

→ **16,824**  
DIRECT EMPLOYEES  
work in the eight countries where  
CMPC has industrial processes

→ **US\$ 985**  
MILLION  
EBDIT

→ **US\$ 15.190**  
BILLION  
total assets

→ **US\$ 8.204**  
BILLION  
the company's shareholders' equity

→ **US\$ 4.846**  
BILLION  
consolidated sales



# CMPC FORESTAL

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**GENERAL MANAGER:**

Francisco Ruiz -Tagle E.

**CHAIRMAN:**

Jorge Matte C.

**VICE-CHAIRMAN:**

Hernán Rodríguez W.

**DIRECTORS:**

Gonzalo García B.

Fernando Raga C.

Jorge Larraín M.

Leonidas Montes L.

Bernardo Matte L.

CMPC Forestal manages plantations of pine and eucalyptus in Chile, Brazil and Argentina, which are the main source of wood supply for CMPC's industrial operations. The business is managed in accordance with rigorous sustainability standards.

CMPC's plantations in Chile and Brazil are certified by the Forest Stewardship Council (FSC) and the Sustainable Forest Management Standard (CERTFOR-PEFC and CERFLOR-PEFC, respectively). The company also has FSC chain-of-custody certification for the plywood, sawn wood and remanufacturing industries.



This business area, through its subsidiary CMPC Maderas, also produces and markets sawn wood, remanufactured products and plywood panels.

CMPC's industrial operations are carried out at three sawmills: Bucalemu, Mulchén and Nacimiento, two remanufacturing facilities at Coronel and Los Ángeles, and a plywood mill located at Villa Mininco. There are also a commercial agreements with third parties, which currently operate a sawmill at Las Cañas and another in Loncoche.

Plywood and boards are marketed under the brand SELEX, which is present in Chile and in over 30 other countries.

## BUSINESS DEVELOPMENT

In 2014, there was market stability and the company achieved an EBDIT of US\$144 million, similar to that of the previous year. The sawn wood and remanufacturing businesses had results better than expected. The plywood business did not achieve the forecasted result due to the delay with the start-up of some equipment of the new

mill production line. The forestry business achieved the budgeted results in the three countries where there are operations.

In sawn wood, the Japanese market presented a demand better than it was expected, with a positive impact on prices. Demand and price levels in Middle East were similar to 2013 levels. Demand remained stable in China for sawn wood on furniture grades.

The United States, the main market for remanufactured products, maintained its economic recovery, with the real estate sector having a steady recovery. In this market, The HomeDepot USA Inc is the company's main customer.

During 2014, in different markets in which plywood is present presented an economic recovery, highlighting the United States, Europe and Latin America.

A total of 21,000 hectares were planted in Chile during 2014, with radiata pine accounting for 11,500 hectares, and Eucalyptus nitens and globulus for 9,500 hectares. The company planted 3,000 hectares in Argentina, mainly loblolly pine and Elliottii x Caribaea hybrid pine. It also planted 6,400 hectares with different types of eucalyptus in Brazil.



# CMPC CELULOSA

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**GENERAL MANAGER:**

Washington Williamson B.

**CHAIRMAN:**

Bernardo Matte L.

**VICE-CHAIRMAN:**

Hernán Rodríguez W.

**DIRECTORS:**

Gonzalo García B.  
Arturo Mackenna I.  
Andrés Echeverría S.  
Jorge Matte C.  
Sergio Colvin T.

CMPC Celulosa is a business unit that produces and markets wood pulp. Its four mills have a total production capacity of 2.8 million tonnes per annum. Three of them are in the south of Chile: Santa Fe (lines I and II), Pacífico and Laja; and one in Guaíba in the state of Río Grande do Sul in Brazil)

Its mills are mainly supplied by its own cultivated forests. These forests are unencumbered and fully traceable to the final destination, and also have CERTFOR-PEFC chain-of-custody certification in Chile, CERFLOR in Brazil and FSC in both countries.

The three mills in Chile have current integrated management systems in accordance with the ISO 14001, ISO 9001 and





OHSAS 18.001 standards. The highlight this year was securing ISO 50.001 certification to boost the energy efficiency management in the productive processes.

## BUSINESS DEVELOPMENT

Consolidated EBDIT was US\$490 million in 2014, about US\$40 million higher than the previous year.

Total wood pulp production at the four mills was 2,647,000 tonnes, 49,000 tonnes more than in 2013.

Demand for wood pulp in 2014 grew 1.1% on 2013. This lower growth compared to previous years was the outcome of a slowdown in wood pulp demand in China and virtually no demand growth in Europe.

In 2014 there was a large increase in the installed capacity for the production of short-fibre pulp. This glut led to a drop in prices in the market in such segment that continued up to the middle of the year. Nevertheless, in the third quarter the net growth of the short-fibre capacity decreased due to the

closure of some mills with higher costs. In the last quarter of the year, there was a slight upward price trend.

The long-fibre segment had a tight and stable supply and demand balance throughout the year, which maintained prices, with a slight upward trend in Europa. In China, by mid-year prices started to weaken as a result of the short-fibre replacement effect and greater supply of long fibre in Asia.

In the environmental area and as a result of a series of measures taken to prevent environmental incidents, including operating and maintenance procedure improvements, there was a large drop in environmental events compared to 2013.

In 2014, a large portion of the execution of the most important project in CMPC's history, i.e., the construction of a second production line at the Guaíba mill in the state of Rio Grande do Sul in Brazil, was developed according to budget and the original schedule. This line, entailing an investment of around US\$2.1 billion, will have a design capacity of 1.3 million tonnes a year, and is expected to be commissioned in May 2015.

The subsidiary has no customers that account for at least 10% of its revenue nor suppliers that account for 10% of all its purchases.



# CMPC PAPELES

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**GENERAL MANAGER:**

Alejandro Nash Sarquis.

**CHAIRMAN:**

Juan Carlos Eyzaguirre E.

**VICE-CHAIRMAN:**

Hernán Rodríguez W.

**DIRECTORS:**

Martín Costabal Ll.

Andrés Infante T.

Luis Llanos C.

Eliodoro Matte C.

Bernardo Matte L.

CMPC Papeles S.A. is the subsidiary that manufactures and markets boxboard, containerboard, corrugated boxes for various uses, cement and industrial bags and moulded pulp trays. It also runs a paper and paper products distribution unit and a wastepaper recycling plant.

Its companies are: Cartulinas CMPC, Papeles Cordillera, Envases Impresos Roble Alto, Forsac, Chimolsa, Edipac and Sorepa.

## BUSINESS DEVELOPMENT

CMPC Papeles had a consolidated EBDIT of US\$154 million, a 10% year-on-year decrease, largely due to the lower income



from the corrugated box business (Papeles Cordillera and Envases Impresos Roble Alto), to the shutdown of the operations of Papeles Río Vergara in late 2013 and a large increase in the cost of energy.

→ **CARTULINAS**

Had total sales of 394,000 tonnes in the year, a 4% year-on-year increase. Exports accounted for 85% of the sales. The operating efficiency of Cartulinas should be highlighted, as despite the higher energy cost of over US\$25 million in 2014 compared to 2013, it managed to reduce its operating costs due to the good performance of both Maule and Valdivia mills.

→ **PAPELES CORDILLERA:**

Had total sales of 294,000 tonnes, 15,000 tonnes less than the previous year because of lower sales in the domestic market. Papeles Cordillera was also hit by an energy cost increase of over US\$15 million in the year. Regarding this, Papeles Cordillera is fully executing a project to build a co-generating plant with a capacity of 50 MW and 60 tonnes/hour of steam, which will meet the power needs of the mill at Puente Alto. The investment will be US\$70 million and it is expected to be commissioned in August 2015.

→ **ENVASES IMPRESOS ROBLE ALTO:**

Underwent a deep restructuring process in 2014 to attain operating efficiency, reduce costs and leverage synergies in the corrugated box business and the company merged Envases Impresos and Envases Roble Alto and relocated the Quilicura mill.

It had total volume sales of 176,000 tonnes in 2014, a 9% year-on-year decrease, mainly due to lower demand from the fruit sector and lower sales in the industrial sector.

→ **CHIMOLSA:**

Had total sales of 338 million trays and pouches, which was a 7% year-on-year increase, and an EBDIT of US\$7.7 million.

→ **FORSAC:**

Had sales of 613 million sacks, a similar volume to the previous year and the EBDIT compliance of Peru and Argentina should be highlighted.

Mexico and the United States had physical sales increases of 15% and 31%, with respect to 2013, but the profitability of the business in Mexico is still below that forecasted, mainly due to exchange rate depreciation.

→ **EDIPAC:**

Had sales of 99,000 tonnes, a 15% year-on-year decrease due to lower sales in the printing and writing paper segment.

→ **SOREPA:**

Purchased 341,000 tonnes of national and imported wastepaper, a 2% year-on-year increase.

There are no customers who individually account for at least 10% of the total sales of each subsidiary.

Cartulinas, Envases Impresos, Chimolsa and Sorepa have no suppliers who individually account for at least 10% of the total sales.

Papeles Cordillera's main suppliers are Metrogas. S.A. and Chilectra.

Forsac's main supplier is Cellmark Inc.

Edipac's main supplier is International Paper Cartones S.A.



# CMPC TISSUE

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**GENERAL MANAGER:**

Eduardo Serrano S.

**CHAIRMAN:**

Arturo Mackenna I.

**VICE-CHAIRMAN:**

Hernán Rodríguez W.

**DIRECTORS:**

Jorge Larrain M.  
Jorge Matte C.  
Bernardo Matte L.  
Gonzalo García B.  
Jorge Hurtado G.

CMPC Tissue is the subsidiary that produces and commercializes toilet paper, paper towels, paper napkins, facial tissues, baby and adult incontinence diapers and feminine pads.

It is one of the leading producers of tissue products in Latin America and is focused on consumer package goods. It has industrial operations in Chile, Argentina, Brazil, Colombia, Ecuador, Mexico, Uruguay and Peru.

Products are marketed under own brands. Elite is the regional brand name. Likewise, Confort and Nova in Chile, and Higienol and Sussex in Argentina, are leading brands in the toilet paper and paper towel markets, respectively.

Disposable baby and adult incontinence diapers and feminine pads are marketed under the Babysec, Cotidian and Ladysoft brands.

## BUSINESS DEVELOPMENT

CMPC Tissue had an EBDIT of US\$209 million. Despite its results dropping 3.4% year-on-year, they were over budget for this year, and were achieved in an environment of an economic slowdown and very large depreciation of the local currencies in the countries in which it operates.

In the year, CMPC Tissue carried out an intense innovation plan in the region. It launched Nova Evolution paper towels with Atmos technology in the market. In the toilet paper area, it continued to boost regional innovation of Dúo, accounting for 9% of the sales in this category.

In **CHILE**, the company maintained its leadership of the tissue business with a 4.8% sales increase.

In **ARGENTINA**, it consolidated its leadership of the tissue business and was in third place for diapers.

In **BRAZIL**, sales were 2% up compared to the previous year for tissue products, and 49% for baby diapers. In 2014, started the conversion operation at Pernambuco in the north of the country.

In **PERU**, the company maintained its leadership with the Elite and Noble brands. It had large growth in the sanitary

area, consolidating Babysec as the second brand in Peru. Moreover, it made progress with securing permits for the new plant in Cañete, south of Lima.

In **MEXICO**, the company had an 11% increase in tissue sales with its Elite and Premier brands. However, the results were much lower than those of the previous year and budget, due to heavy competition in the tissue paper market, lower sales of sanitary products and the currency devaluation. It also purchased a site in the state of Hidalgo near the Federal District to develop a second paper mill, besides conversion and distribution.

In **URUGUAY**, the company maintained its high share of the tissue and sanitary product markets. IPUSA made a significant contribution to the product supply with exports to Brazil and Argentina.

The tissue business grew 5% and baby diapers 4% in **ECUADOR** compared to the previous year.

During the year, the company started 6 new conversion lines at the different mills of CMPC Tissue, and 3 production lines in the sanitary area with a production capacity of 380 million units of baby and adult incontinence diapers a year.

The company is undertaking co-generation projects at the plants of Talagante in Chile and Altamira in Mexico and a new double width paper machine project in Mexico.

The regional customer Walmart is the only customer that individually accounts for at least 10% of the subsidiary's revenue. There are no suppliers that individually account for 10% of the total purchases of the subsidiary.



# PRESENCE CMPC

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→  
**ARGENTINA**

**FORESTRY**

**Plantations**

57,000 hectares planted

**PAPER**

**1 paper bag mill**

Production capacity:  
63 million units

**TISSUE**

**2 mills**

Production capacity:  
99,000 tonnes



→  
**BRAZIL**

**FORESTRY**

**Plantations**

122,000 hectares planted

**WOOD PULP**

**1 mil**

Production capacity:  
465,000 tonnes

**TISSUE**

**2 mills**

Production capacity:  
131,000 tonnes



→  
**COLOMBIA**

**TISSUE**

**2 mills**

Production capacity:  
28,000 tonnes



→  
**ECUADOR**

**TISSUE**

**1 mill**

Tissue product converter  
19,000 tonnes



→  
**CHILE**

**FORESTRY**

**Plantations**

494,000 hectares planted

**3 sawmills**

Production capacity:  
960,000 m<sup>3</sup>

**2 remanufacturing mills**

Production capacity:  
190,000 m<sup>3</sup>

**1 plywood mill**

Production capacity:  
480,000 m<sup>3</sup>

**WOOD PULP**

**3 mills**

Production capacity:  
2,360 tonnes

**TISSUE**

**2 mills**

Production capacity:  
167,000 tonnes

**PAPER**

**2 boxboard mills**

Production capacity:  
430,000 tonnes

**1 corrugated paper mill**

Production capacity:  
328,000 tonnes

**4 corrugated cardboard mills**

Production capacity:  
226,000 tonnes

**1 paper distributor**

Production capacity:  
105,000 tonnes

**1 paper bag mill**

Production capacity:  
210 million units

**1 moulded product mill**

Production capacity:  
22,000 tonnes

**1 paper recycling mill**

Production capacity:  
335,000 tonnes



→  
**MEXICO**

**PAPER**

**1 paper bag mill**

Production capacity:  
169 million units

**TISSUE**

**3 mills**

Production capacity:  
88,000 tonnes



→  
**PERU**

**PAPER**

**1 paper bag mill**

Production capacity:  
230 million units

**TISSUE**

**1 mill**

Production capacity:  
71,000 tonnes



→  
**URUGUAY**

**TISSUE**

**1 mill**

Production capacity:  
34,000 tonnes



# FINANCIAL INFORMATION

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## 1.- OVERVIEW OF THE YEAR

CMPC had a consolidated EBITDA of US\$985 million for the year ended 31 December 2014, which was a 2% year-on-year increase, mainly due to greater operating cost efficiency. The EBITDA margin (EBITDA/income) improved from 19% to 20% on that of the previous year.

CMPC had consolidated net income of US\$138 million in 2014, which was a 30% decrease on the US\$196 million in 2013. That was mainly due to a higher deferred tax charge of US\$47 million, largely explained by the depreciation of the Chilean peso and Brazilian real against the US dollar.

CMPC's sales revenue in 2014 amounted to US\$4.846 billion, a 2.6% year-on-year decrease. This variation was mainly due to the lower export sales price of hardwood pulp, to lower sales of electric energy to the grid to offset the termination of long-term supply contracts, and to the shutdown of newsprint operations in November 2013. That was partly offset by a higher price of softwoodpulp and greater plywood and boxboard sales volumes.

### OVERVIEW BY SEGMENT

The forestry business in 2014 had 3% higher sales revenues to third parties on those in 2013, mainly explained by plywood sales volume increase. The EBITDA of this business had no significant variation on that of the previous year as greater sales to third parties were offset by lower sales

to subsidiaries of the same entity.

The wood pulp business in 2014, had a 5% year-on-year decrease in sales revenue to third parties, due to a lower price of hardwood pulp and lower electric energy revenues. That was partly offset by the higher price of softwood pulp. The EBITDA of this business rose 8%, mainly due to lower production costs.

The paper product business had a 6% year-on-year sales revenue decrease, mainly due to the above-mentioned shutdown of the newsprint operation and a lower sales volume of corrugated boxes and graphic papers in Chile. That was partly offset by higher export sales of boxboard. The EBITDA of this business dropped 8% on 2013, because of lower revenue and higher electric energy costs related to the termination of long-term supply contracts in force until late 2013, offset by greater efficiency of other costs and lower fixed costs.

The tissue business had good performance of sales volumes and prices expressed in local currencies. Nevertheless, currency depreciation in the countries in which CMPC operates had a negative effect on revenues expressed in US dollars, which remained at similar levels to those of the previous year. That led to a 6% year-on-year drop in EBITDA.

### OTHER INCOME





There was an accounting loss of US\$68 million for the item other profits (losses) accrued as of December 2014, mainly arising from liquidating operations with financial derivatives that exchange liabilities in Unidades de Fomento (UF<sup>(1)</sup>) for US dollars and provisions for lawsuits and potential contingencies. It should be highlighted that the mentioned derivative loss has a counter entry of an equivalent earning in the item exchange rate differences for reducing the value of the liability in UF expressed in US dollars. With this, along with the effect of variations of the remaining currencies against the US dollar, the exchange rate difference item had earnings of US\$117 million.

Regarding income tax, in 2014 there was a charge of US\$235 million against a charge of US\$178 million for the same concept in 2013. This is mainly explained by the appreciation of the US dollar against the Chilean peso and Brazilian real, which hit the valuation of the company's investments abroad and the difference between the financial value of fixed and forest assets in regard to their tax valuation.

As can be seen from comments in the above paragraphs, due to the depreciation of local currencies, particularly the Chilean peso and Brazilian real, CMPC's results reflect exchange rate difference earnings but at the same time losses from the deferred tax provision adjustment, which might be higher than the previous ones as happened in 2014. Although these provision adjustments did not entail cash flow, they did add volatility to the financial results reported. Despite the foregoing, due to the correlation of CMPC's revenue to the US dollar and the cost components indexed to local currencies, a depreciation of the Chilean peso and Brazilian real meant higher

margins measured in US dollars.

The company had financial<sup>(2)</sup> debt of US\$4.491 billion for the year ended 31 December 2014, against the US\$3.728 billion for the same period in 2013. Cash flow<sup>(3)</sup> amounted to US\$1.097 billion for the year ended 31 December 2014. CMPC's net financial debt (financial debt minus cash flow) was therefore US\$3.394 billion for the year ended 31 December 2014, a US\$689 million year-on-year increase. The net debt to EBITDA<sup>(4)</sup> ratio increased from 2.81 times for the year ended 31 December 2013 to 3.44 times for the same period in 2014. The financial debt increase was mainly due to the need of financing the Guacaba II project, which entails an investment of US\$2.1 billion and that at 31 December 2014 had accrued disbursements of US\$1.594 billion and 88% physical progress. This project, the largest ever for CMPC, will increase its wood pulp production capacity by 46%. It is expected to be commissioned by late in the second quarter of 2015, which will enable the company to reduce the net debt to EBITDA ratio and the debt level.

On 29 September 2014, Law N°20.780 was enacted that modifies the income tax system and makes changes to the Chilean tax system. This reform raises the corporate tax burden rate from 21% in 2014 to a possible 27% as of 2018. On 17 October 2014, the Chilean Superintendence of Securities and Insurance in circular letter N°856 instructed that deferred tax asset and liability differences arising as a direct effect of the increase in the first bracket tax rate of the mentioned law shall be accounted for against shareholders' equity, i.e., without an effect on income. In keeping with this, at the close of September 2014 the company recognised a charge of US\$305 million in the accrued shareholders' equity earnings account.

<sup>(1)</sup> Chilean inflation-indexed unit.

<sup>(2)</sup> Financial debt: total interest-bearing loans - other obligations + liabilities of swaps and cross currency swaps + hedging liabilities - assets from swaps and cross currency swaps - hedging assets (see notes N°8 and 22 to the consolidated financial statements).

<sup>(3)</sup> Cash flow: cash and cash equivalents + time deposits with maturity of 90 days to one year (see note N°8 to the consolidated financial statements).

<sup>(4)</sup> Considering an EBITDA accumulated over a 12-rolling month period.

## 2.- INCOME ANALYSIS

Table N°1 shows the main items of the consolidated statement of income of Empresas CMPC S.A.

**TABLE N°1: CONSOLIDATED STATEMENT OF INCOME**

(Figures given in millions of US\$)

	2014	4Q 2014	2013	4Q 2013
Total current revenue	4,846.2	1,199.1	4,974.5	1,259.5
Operating cost <sup>(1)</sup>	(3,187.1)	(788.1)	(3,311.8)	(826.2)
Operating margin	1,659.0	410.9	1,662.7	433.3
Other costs & operating expenses <sup>(2)</sup>	(673.8)	(171.6)	(698.8)	(179.1)
<b>EBITDA</b>	<b>985.3</b>	<b>239.3</b>	<b>963.9</b>	<b>254.2</b>
<i>EBITDA/operating income %</i>	20%	20%	19%	20%
Depreciation and stumpage <sup>(3)</sup>	(435.0)	(113.8)	(425.1)	(107.8)
Revenue from net biological asset growth <sup>(4)</sup>	(17.6)	(5.2)	(4.1)	(4.9)
<b>OPERATING INCOME</b>	<b>532.7</b>	<b>120.3</b>	<b>534.7</b>	<b>141.5</b>
Financial income	20.4	5.0	21.4	5.2
Financial costs	(189.5)	(50.7)	(174.3)	(45.5)
Interest in profit (loss) of related companies	(0.1)	(0.003)	8.9	2.1
Exchange rate difference	116.6	40.5	37.0	21.2
Price-level restatement	(39.4)	(12.1)	(17.9)	(8.9)
Other profits (loss)	(68.1)	(40.3)	(35.8)	(0.2)
Income tax	(234.7)	(24.3)	(178.3)	(78.0)
<b>NET INCOME (PROFIT)</b>	<b>137.8</b>	<b>38.3</b>	<b>195.6</b>	<b>37.5</b>
<i>Net margin<sup>(5)</sup></i>	3%	3%	4%	3%

<sup>(1)</sup> Sales cost less depreciation, less stumpage cost, less higher cost of the plantations harvested and sold arising from revaluation due to their natural growth (see note 13: Biological Assets).

<sup>(2)</sup> Distribution costs, administration and other operating expenses.

<sup>(3)</sup> Stumpage cost (see note 13: Biological Assets).

<sup>(4)</sup> Profit from the natural growth of plantations, less higher cost of the harvested and sold portion (see note 13: Biological Assets).

<sup>(5)</sup> Total net income (profit)/current revenue.

CMPC is a leading producer of forest products in Latin America. Its main products are sawn and remanufactured lumber, plywood panels, long- and short-fibre wood pulp, boxboard, containerboard, corrugated cardboard boxes, other packing products, and tissue and sanitary

products. CMPC is structured into four business areas: forestry, wood pulp, paper and tissue which, coordinated strategically and sharing administrative support functions, act independently to serve markets with different products and dynamics.



CMPC had a 3% sales decrease in 2014 compared to 2013 and operating costs dropped 4%. The operating margin amounted to US\$1.659 billion, with the operating margin to sales ratio increasing from 33% to 34% year-on-year.

The consolidated EBITDA of Empresas CMPC was US\$985 million for the year ended 31 December 2014, a 2% year-on-year increase. That was mainly explained by greater operating cost efficiency, higher prices of long-fibre wood pulp and an increase in sales volumes of both types of fibre. That was mainly offset by lower sales in the paper segment due to the newsprint mill shutdown, and the lower sales volume of corrugated cardboard boxes and graphical paper. In turn, despite the tissue segment selling a higher volume, it had lower sales measured in US dollars because of the depreciation of local currencies. In 2014, the EBITDA margin on current revenue was 20%, higher than the 19% in 2013.

Figure N°1 shows the EBITDA breakdown by business area. It can be seen that in 2014 the wood pulp share rose to 49% on the previous year, mainly due to lower total costs, higher prices, greater long-fibre and short-fibre wood pulp export volumes. The tissue segment share dropped to 20%, due to lower sales prices in US dollars explained by the depreciation of the Chilean peso and other currencies in the region, offset by higher sales volumes. The paper product business share fell one point to 16% on account of an increase in the relative share of the wood pulp business. The forestry business maintained its share on the previous year.

**FIG. N° 1:**  
**EBITDA BREAKDOWN BY BUSINESS AREA**  
 Given in US\$ and accrued up to December



In 2014, there was exchange rate income of US\$117 million, essentially explained by the depreciation of the Chilean peso against the US dollar in the year. In effect, as Empresas CMPC has debt in Chilean pesos and this depreciated 15.7% in 2014, liabilities in that currency lost value in US dollars. That compared favourably with the US\$37 million profit for the same item in 2013, when the Chilean peso depreciated 9.3% against the US dollar. Moreover, the item other profits (losses) had negative income of US\$68 million in 2014, largely due to liquidating financial derivatives that exchange liabilities originally issued in UF for US dollars, which have their counter entry in net income recorded in exchange rate differences.



Concerning income tax, for the year ended December 2014 there was a charge of US\$235 million, which was higher than the US\$178 million charge for this in 2013. This difference is explained by a higher charge for current income tax of US\$10 million, largely due to the effect of the depreciation of the Chilean peso against the US dollar on investments abroad, and a higher deferred tax charge of US\$47 million, mainly because of the depreciation of the Chilean peso and the Brazilian real against the US dollar, which led to a greater difference between the financial and tax bases, largely due to the revaluation of fixed assets and forest plantations <sup>(5)</sup>.

## SALES ANALYSIS

CMPC is characterised by product and market diversification. Current revenue in 2014 amounted to US\$4.846 billion, which was a 2.6% year-on-year decrease. That was mainly due to a 9% decrease in local sales revenue in Chile, driven by the newsprint mill shutdown, lower sales volumes of graphic paper and containerboard. Exports sales dropped 1%, explained by the lower price of short-fibre wood pulp sales, and no more newsprint sales, partly offset by greater sales of long-fibre wood pulp, boxboard and plywood.

Figure N°2 shows that export sales and local sales of foreign subsidiaries increased 1% in the breakdown on that of the previous year, and local sales in Chile dropped 2%.

**FIG. N° 2:**  
**BREAKDOWN OF ACCRUED SALES TO THIRD PARTIES**

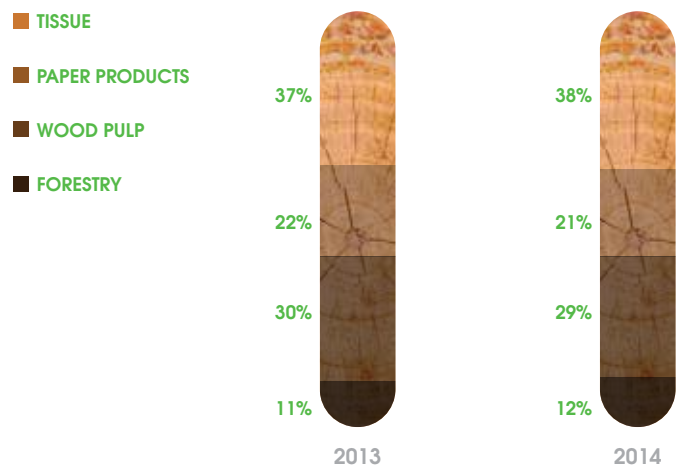
Given in US\$ and accrued up to December



Figure N°3 shows the relative share of each of CMPC's business areas of the consolidated sales.

**FIG. N° 3:**  
**BREAKDOWN OF CONSOLIDATED SALES TO THIRD PARTIES BY BUSINESS AREA**

Given in US\$ and accrued up to December



<sup>(4)</sup> See Notes 21 and 36 to the consolidated financial statements

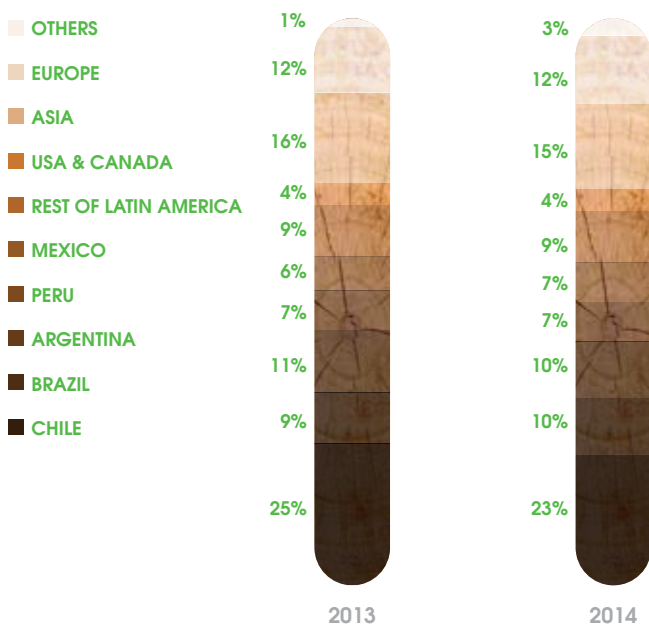


Figure N°3 shows an increase of 1% in the tissue business in the breakdown of consolidated sales to 38% in 2014. The wood pulp business decreased its relative share of the consolidated sales compared to the previous year by 1%. Combined, these two businesses accounted for 67% of the company's consolidated sales to third parties. The paper segment maintained its relative share of 21%, and the forestry business increased its relative share of consolidated sales to third parties to 12%.

Figure N°4 shows the sales breakdown by export market.

**FIG. N° 4:**  
**BREAKDOWN OF SALES TO THIRD PARTIES BY EXPORT MARKET**

Given in US\$ and accrued up to December



It can be seen that in 2014 sales in Mexico and Brazil were higher than the previous year, due to greater boxboard and plywood export sales in Mexico and greater long-fibre wood pulp export sales in Brazil. Asia had a smaller share of the sales due the lower price and volume of short-fibre wood pulp sales in that market. Argentina had a lower share of the sales because of a drop in the tissue product price on account of the depreciation of the Argentinean peso against the US dollar. Lastly, Chile had a lower share of the sales because of decreased energy sales revenues (because of rerouting electric power from the open market to own consumption), lower graphic paper and containerboard sales, and the shutdown of the newsprint operation in late 2013.

**FIG. N° 5:**  
**CONSOLIDATED SALES TO THIRD PARTIES VARIATION ANALYSIS (PRICE AND VOLUME EFFECT)**

Figures given in millions of US\$



## ANALYSIS BY BUSINESS AREA

The results by business area are shown in Table N°2.

**TABLE N°2**

Figures given in millions of US\$

ITEMS	BUSINESS AREAS (OPERATIVE AREAS) US\$ MILLION					OTHERS <sup>(2)</sup>	ADJUSTMENTS <sup>(3)</sup>	ENTITY TOTAL
	FORESTRY	WOOD PULP	PAPER	TISSUE	TOTAL AREAS			
<b>Accrued at 31 December 2014</b>								
Revenue from foreign & related customers	922.6	1,785.3	1,052.3	1,853.1	5,613.3	48.8	(815.9)	4,846.2
EBITDA by business area <sup>(1)</sup>	146.5	490.7	156.0	202.0	995.2	(14.2)	4.3	985.3
<b>Accrued at 31 December 2013</b>								
Earnings from foreign & related customers	923.2	1,780.2	1,113.6	1,853.9	5,670.8	48.7	(745.1)	4,974.5
EBITDA by business area <sup>(1)</sup>	146.4	454.0	169.6	213.8	983.8	(18.0)	(1.9)	963.9

<sup>(1)</sup> This is the gross margin plus depreciation and amortisation, plus the harvested plantation formation cost, plus the higher cost of the exploited and sold portion of plantations arising from revaluation due to their natural growth (see note N°13 to the consolidated financial statements), minus distribution costs, minus administration expenses and minus other operating expenses.

<sup>(2)</sup> These are the operations of CMPC, Inversiones CMPC, Servicios Compartidos, and Portuaria CMPC, which are not included in the main business areas.

<sup>(3)</sup> Adjustments and eliminations between operating areas of the same entity.

### FORESTRY BUSINESS

The forestry business had a 3% increase in sales to third parties in 2014 on the previous year, mainly due to a higher plywood sales volume in the Chilean and export markets, and to a greater sales volume and prices of sawlogs in Brazil and Argentina. The EBITDA had no significant variations on the previous year.

### WOOD PULP BUSINESS

Revenues from sales to third parties in 2014 dropped 5% year-on-year, mainly due to the average export sales price of short-fibre wood pulp dropping 10%, and lower

electricity sales to the Chilean central interconnected power grid (SIC). That was partly offset by a 6% increase in the average export price of long-fibre wood pulp and by higher export sales volumes of both types of fibre (short-fibre wood pulp increased 2% and long-fibre wood pulp 0.4%). Sales to other subsidiaries rose 31%, largely due to including electricity supplies that previously came from contracts with third parties. Altogether, sales revenues of the wood pulp business accrued as of December 2014 had a 0.3% year-on-year increase.

Sales costs of this business area dropped 2% compared to the previous year. The EBITDA increased by 8%, explained by lower unit production costs and improved efficiency of the Laja, Pacífico and Santa Fe mills.



## PAPER BUSINESS

The paper business revenue in 2014 dropped 6% on the previous year, mainly due to the lower sales volume in Chile of graphic paper and boxboard. In contrast, boxboard export sales prices were higher than the previous year. It should be noted that in November 2013 CMPC stopped producing newsprint due to the high electricity costs it had to face after the expiry of long-term supply contracts the company had up to late 2013.

Sales costs of this business area dropped 5% year-on-year, due to the lower sales volume and better efficiency, thereby offsetting the higher electricity costs from termination of long-term contracts. The EBITDA of this business area in 2014 dropped 8% year-on-year.

## TISSUE BUSINESS

Revenues from sales in local currency increased 16% on the previous year, due to higher prices and greater sales volumes. Despite this, the depreciation of the different local currencies, which mainly hit operations in Argentina, Chile and Brazil, meant that sales revenues measured in US dollars in 2014 remained at the same levels as in 2013 despite the sales volume increase. The EBITDA of this business area in 2014 dropped 6% on the previous year.

## 3.- TRENDS AND SIGNIFICANT EVENTS

It is not CMPC's policy to make forecasts of its results or variables that might have a major effect thereon. The consensus of industry analysts is a reasonable outlook for forestry products, if growth conditions continue in global economies. Nevertheless, it is not possible to rule out cycles of economic instability which, besides new productive capacity coming on stream, particularly in the short-fibre wood pulp market, could have effects on market stability.

The following were the main projects undertaken in the year:

- Project to expand the Guaíba wood pulp mill, located in the state of Rio Grande do Sul in Brazil. In the year, the company continued to build a second production line at the Guaíba mill, with a production capacity of 1.3 million tonnes a year of bleached short-fibre wood pulp at an investment of US\$2.1 billion. This project, the largest ever for CMPC, will increase CMPC's wood pulp production capacity by 46% and will have one of the lowest production costs in the industry. For the year ended 31 December 2014, it had invested about US\$1.594 billion with 88% progress of works. The project continues on track and commissioning is forecasted for the second quarter of 2015.
- Co-generation projects at the Puente Alto-Cordillera and Talagante mills. These are two natural gas-fired electricity generating projects at the Puente Alto and Talagante mills. These initiatives are part of the company's strategy to attain electricity self-sufficiency and greater process efficiency. Both projects, which are scheduled to be commissioned in the second half of 2015, entail a joint investment of approximately US\$102 million. The company thereby expects to have own generation of about 70 MW.



→ New paper machine and co-generation project for Absormex. The construction of this project continued in 2014 which will increase CMPC's capacity of tissue products in Mexico, and will entail an investment of around US\$127 million, including a new paper machine and various related conversion lines. Moreover, for the same location the Board approved the construction of a natural gas-fired power co-generating plant at an investment of about US\$34 million. These projects should come on stream by late 2015.

On 22 April 2014, Ordinary Shareholders' Meeting N°95 of Empresas CMPC S.A was held, which approved: i) the balance sheets, financial statements and annual report of 2013; ii) distributing a final dividend charged to 2013 of Ch\$5 per share to be paid on 7 May 2014 to those shareholders registered in the Shareholders' Registry on 30 April 2014; iii) acknowledging the dividend distribution policy in 2014 which was established as 30% of net income; iv) appointing directors pursuant to the articles of incorporation for a 3-year period; v) appointing Ernst & Young as the company's external auditor for 2014, and vi) appointing Fitch Clasificadora de Riesgo Ltda. and ICR Clasificadora de Riesgo Ltda. as the risk rating agencies in Chile for 2014.

On that same date, 22 April 2014, the 54th Extraordinary Shareholders' Meeting approved a US\$250 million capital increase of Empresas CMPC S.A., by issuing 125,000,000 cash non-par-value shares. A Board meeting of Empresas CMPC S.A., held on 5 June 2014, decided to establish the issuance price of the capital increase as Ch\$1,100 per share. The pre-emptive right period operated from 25 June 2014 up to 25 July 2014. In that period, 119,284,587 shares were subscribed, accounting for 95.43% of the total shares offered. On 7 August 2014, the Board, in keeping with that approved in the Extraordinary Shareholders' Meeting held on 22 April 2014, agreed to auction on the

Santiago Stock Exchange 5,715,413 shares corresponding to the remaining capital increase, whose pre-emptive right period ended on 25 July 2014.

As of June 2014, CMPC has been reorganising its liabilities to extend the term of the debt. On 10 June, Inversiones CMPC issued a bond of UF 5 million (approximately US\$220 million). The bond has 25-year maturity with a coupon rate of 3.5% per annum. The proceeds were allocated to pre-pay the CMPC-B bond issued in 2006 with 21-year maturity and a coupon rate of 4.2% per annum. This management of liabilities reduced financial expenses by about US\$1.2 million a year, and increased the average term of corporate debt. Also in June, CMPC refinanced loans of US\$100 million for its subsidiary in Colombia. Such loans mature in 2015 and were replaced by others with maturity in 2017. Lastly, on 10 September Inversiones CMPC placed a bond in the United States under the 144A regulation of US\$500 million with 10-year maturity. The effective placement rate was 4.786% per annum with a spread on the 10-year US Treasury bond of 2.25%. The proceeds were allocated to pre-pay a syndicated loan dated 14 October 2011 of US\$400 million.

On 29 September 2014, Law N°20.780 was enacted modifying the income tax system and making changes to the tax system. The reform increases the corporate tax rate from 21% in 2014 to 27% as of 2018. On 17 October 2014, the Chilean Superintendency of Securities and Insurance (SVS) in circular letter N°856 instructed that deferred tax asset and liability differences arising as a direct effect of the increase in the first bracket tax rate of the mentioned law shall be accounted for in the respective year against shareholders' equity, i.e., without affecting the statement of income. At the close of September 2014, the company recognised an adjustment charged to accrued earnings, which meant lower shareholders' equity of US\$305 million.





# GENERAL INFORMATION

## CAPITAL STOCK

For the year ended 31 December 2014, the company's capital stock amounted to US\$1.454 billion divided into 2,500 million shares. The equity of Empresas CMPC S.A. was US\$8,200.46 million for the year ended 31 December 2014.

## SHAREHOLDING

Table A shows the 12 majority shareholders and the number of shares held by each of them for the year ended 31 December 2014.

**TABLE A: TWELVE MAJORITY SHAREHOLDERS**

For the year ended 31 December 2014

SHAREHOLDER	Nº OF SHARES
Forestal Cominco S.A.	486,392,057
Forestal, Constructora y Comercial del Pacífico Sur S.A.	476,205,596
Forestal O'Higgins S.A.	176,476,488
Banco de Chile on behalf of third parties	144,843,113
Forestal Bureo S.A.	106,457,955
Banco Itaú Chile S.A. on behalf of foreign investors	99,113,124
A.F.P. Provida S.A. for pension funds	76,477,167
A.F.P. Habitat S.A. for pension funds	64,970,026
A.F.P. Capital S.A. for pension funds	60,022,847
A.F.P. Cuprum S.A. for pension funds	59,905,521
Inmobiliaria Ñague S.A.	52,603,021
Coindustria Ltda.	46,575,370

Table B provides a breakdown of the shares of Empresas CMPC S.A. owned by companies that directly or through some mutual relationship control 55.64% of the voting capital for the year ended 31 December 2014.

**TABLE B: BREAKDOWN OF THE SHARES OF EMPRESAS CMPC S.A. OWNED BY THE CONTROLLERS' COMPANY**

For the year ended 31 December 2014

SHAREHOLDER	Nº OF SHARES
Forestal Cominco S.A.	486,392,057
Forestal Constructora y Comercial del Pacífico Sur S.A.	476,205,596
Forestal O'Higgins S.A.	176,476,488
Forestal Bureo S.A.	106,457,955
Inmobiliaria Ñague S.A.	52,603,021
Coindustria Ltda.	46,575,370
Forestal y Minera Ebro Ltda.	14,408,280
Forestal y Minera Volga Ltda.	8,823,060
Viecal S.A.	6,501,641
Forestal Peumo S.A.	5,141,294
Forestal Calle Las Agustinas S.A.	3,863,334
Forestal Choapa S.A.	2,332,209
Puertos y Logística S.A.	1,475,040
Others	3,862,609
<b>TOTAL</b>	<b>1,391,117,954</b>



The company is indirectly controlled by the people in the way and stakes as follows, all of them are members of the Larraín Matte, Matte Capdevila and Matte Izquierdo families: Patricia Matte Larraín, taxpayer code 4.333.299-6 (6.49%) and her children María Patricia Larraín Matte, taxpayer code 9.000.338-0 (2.56%); María Magdalena Larraín Matte, taxpayer code 6.376.977-0 (2.56%); Jorge Bernardo Larraín Matte, taxpayer code 7.025.583-9 (2.56%), and Jorge Gabriel Larraín Matte, taxpayer code 10.031.620-K (2.56%). Eliodoro Matte Larraín, taxpayer code 4.336.502-2 (7.21%) and his children Eliodoro Matte Capdevila, taxpayer code 13.921.597-4 (3.27%); Jorge Matte Capdevila, taxpayer code 14.169.037-K (3.27%), and María del Pilar Matte Capdevila, taxpayer code 15.959.356-8 (3.27%). Bernardo Matte Larraín, taxpayer code 6.598.728-7 (7.79%) and his children Bernardo Matte Izquierdo, taxpayer code 15.637.711-2 (3.44%); Sofía Matte Izquierdo, taxpayer code 16.095.796-4 (3.44%), and Francisco Matte Izquierdo, taxpayer code 16.612.252-K (3.44%).

The shareholders identified above belong to the same business group by kinship, and have a formal joint agreement.

## SHARE TRANSACTIONS

Table C shows the total share transactions by number of shares, unit and total values, and by quarter in the last 3 years:

**TABLE C: QUARTERLY SHARE TRANSACTION STATISTICS**

QUARTER	N° OF SHARES	AMOUNT TRADED THCHS	AVERAGE PRICE CHS/SHARE	STOCK MARKET PRESENCE %
1 <sup>st</sup> Quarter 2012	112,414,405	229,114,935	2,038.13	100
2 <sup>nd</sup> Quarter 2012	85,840,618	164,311,508	1,914.15	100
3 <sup>rd</sup> Quarter 2012	69,412,450	126,297,509	1,819.52	100
4 <sup>th</sup> Quarter 2012	75,406,040	134,638,420	1,785.51	100
1 <sup>st</sup> Quarter 2013	70,998,894	128,564,129	1,810.79	100
2 <sup>nd</sup> Quarter 2013	91,764,188	150,072,256	1,635.41	100
3 <sup>rd</sup> Quarter 2013	100,206,655	156,541,089	1,562.18	100
4 <sup>th</sup> Quarter 2013	76,731,694	107,870,274	1,405.81	100
1 <sup>st</sup> Quarter 2014	113,232,184	140,666,798	1,242.29	100
2 <sup>nd</sup> Quarter 2014	76,223,198	94,344,519	1,237.74	100
3 <sup>rd</sup> Quarter 2014	121,803,112	167,152,588	1,372.32	100
4 <sup>th</sup> Quarter 2014	79,617,508	115,815,618	1,454.65	100



In 2014, related shareholders made company share transactions, as shown in Table D below.

**TABLE D: SHARE TRANSACTIONS BY RELATED SHAREHOLDERS**

SHAREHOLDER	SHARES OR OPTIONS TRADED			AVERAGE UNIT PRICES			TOTAL AMOUNT TRADED (THCHS)		
	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD
<b>CONTROLLING SHAREHOLDERS</b>									
Agrícola e Inmobiliaria Rapel S.A.		30,899			1,100			33,989	
Coindustria Limitada	395,830	2,328,768		1,249	1,100		494,455	2,561,645	
Forestal Bureo S.A.		5,322,897			1,100			5,855,187	
Forestal Calle Las Agustinas S.A.		193,166			1,100			212,483	
Forestal Choapa S.A.		116,610			1,100			128,271	
Forestal Cominco S.A.		24,319,602			1,100			26,751,562	
Forestal, Constructora y Comercial del Pacífico Sur S.A.		12,401,279			1,100			13,641,407	
Forestal, Constructora y Comercial del Pacífico Sur S.A.		11,409,000			1,100			12,549,900	
Forestal O'Higgins S.A.		8,823,824			1,100			9,706,206	
Forestal Peumo S.A.		257,064			1,100			282,770	
Forestal y Minera Ebro Ltda.	2,938,378	720,414		1,237	1,100		3,634,630	792,455	
Forestal y Minera Volga Ltda.		441,153			1,100			485,268	
Inmobiliaria Ñague S.A.		2,630,151			1,100			2,893,166	
María Patricia Matte Larraín		48,067			1,100			52,874	
Puertos y Logística S.A.		73,752			1,100			81,127	
Viecal S.A.		325,082			1,100			357,590	
<b>DIRECTORS</b>									
Eliodoro Matte Larraín		59,353			1,100			65,288	
Martín Costabal Llona		323			1,100			355	
Erwin Hahn Huber	7,918	281		1,263	1,100		10,001	309	
Jorge Gabriel Larraín Bunster		6,742			1,100			7,416	
Arturo Mackenna Iñiguez		281			1,100			309	
Jorge Eduardo Marín Correa		281			1,100			309	
Bernardo Matte Larraín		48,067			1,100			52,874	
<b>COMPANIES RELATED TO DIRECTORS</b>									
Constructora Santa Marta Ltda.		2,076,556			1,100			2,284,212	
Don Guillermo S.A.		2,176			1,100			2,394	
Doña María Loreto S.A.		388,527			1,100			427,380	
Inmobiliaria Tolhuaca Limitada		15,789			1,100			17,368	
Inversiones Hemaco Limitada.		737,264			1,100			810,990	
Polo Sur Sociedad de Rentas Ltda.		2,816			1,100			3,098	
Rentas Camino Mirasol Ltda.			71,419			182			12,998



SHAREHOLDER	SHARES OR OPTIONS TRADED			AVERAGE UNIT PRICES			TOTAL AMOUNT TRADED (THCHS)		
	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD	PURCHASED	1ST EMISSION SECURITIES SUBSCRIPTION	SOLD
Rentas e Inversiones San Antonio Ltda.		385,473			1,100			424,020	
Rentas Kiev Ltda.			73,579			175			12,876
Rentas Kurewen S.A.		18,493			1,100			20,342	
Rentas Las Rocas Ltda.			58,753			190			11,166
Rentas Padua Ltda.			66,795			158			10,578
Rentas San Ramón Ltda.			70,685			175			12,370
Rentas Santa Blanca Ltda.			188,618			935			176,356
Sociedad de Rentas Don Ernesto Ltda.	212,079	254,015		851	1,100		180,461	279,417	
Sociedad de Rentas Santa Marta		3,923			1,100			4,315	
<b>DIRECTORS' RELATIVES</b>									
Valentina Bunster Saavedra		1,193			1,100			1,312	
María Luz Correa Salas		6,992			1,100			7,691	
Luz María Costabal Llona		17			1,100			19	
José Tomás Eyzaguirre Larraín		81			1,100			89	
Juan Carlos Eyzaguirre Larraín		81			1,100			89	
María Patricia Eyzaguirre Larraín		6			1,100			7	
María Patricia Larraín Matte			6,947			1			7
Jorge Bernardo Larraín Matte		7,434			1,100			8,177	
Jorge Gabriel Larraín Matte		7,434			1,100			8,177	
María Magdalena Larraín Matte		7,434			1,100			8,177	
María Josefina Marin Correa			1,183			175			207
María Loreto Marin Correa		154			1,100			169	
María Luz Marín Correa		618			1,100	175		680	
Marta Eugenia Marin Correa			8,641						1,512
Francisco Matte Izquierdo		1,548			1,100			1,703	
María del Pilar Matte Capdevila		597			1,100			657	
Bernardo Matte Izquierdo	12,152	1,726	1,414	1,230	1,100	1,419	14,947	1,899	2,006
Sofía Matte Izquierdo		1,548			1,100			1,703	
<b>COMPANIES RELATED TO DIRECTORS' RELATIVES</b>									
Assets and Income	6,947	15,328		1	1,100		7	16,861	
<b>SENIOR MANAGERS</b>									
Luis Llanos Collado		1,123			1,100			1,235	
Jorge Alberto Navarrete García		630			1,100			693	
<b>RELATED TO SENIOR MANAGERS</b>									
Claudia Baboun Musalem		220			1,100			242	
Gonzalo García Mekis	8,483	85		1,289	1,100		10,935	94	
M. Josefina Mekis Martínez		52			1,100			57	
<b>TOTAL</b>	<b>3,581,787</b>	<b>73,496,389</b>	<b>548,034</b>				<b>4,345,436</b>	<b>80,846,028</b>	<b>240,077</b>



# 14

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FINANCIAL STATEMENTS 2014

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# CONSOLIDATED FINANCIAL STATEMENTS

As of December 31, 2014 and 2013

EMPRESAS CMPC S.A. AND SUBSIDIARIES  
In thousands of United States dollars (ThUS\$)



→ Report of Independent Auditors	03
→ Classified Statement of Financial Position	07
→ Statements of Changes in Equity, Net	08
→ Income Statement, by Function	09
→ Statements of Cash Flows - Direct Method	11
→ Notes to the Financial Statements	12



# REPORT OF INDEPENDENT AUDITORS

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EY Chile  
Avda. Presidente  
Bosco 5435, piso 4,  
Santiago

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## Report of Independent Auditors

(Translation of a report originally issued in Spanish - See Note 2.1)

To the Shareholders and Directors  
Empresas CMPC S.A. and Subsidiaries:

We have audited the consolidated financial statements of Empresas CMPC S.A. and Subsidiaries which comprise the statement of financial position as of December 31, 2014, and the comprehensive income statements, statements of changes in equity and statement of cash flows for the years then ended and the related notes to the consolidated financial statements.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in conformity with the financial reporting preparation and presentation instructions and standards of the Superintendency of Securities and Insurance as described in Note 2.1 to the consolidated financial statements. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with generally accepted auditing standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



# REPORT OF INDEPENDENT AUDITORS

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## Opinion on the accounting regulatory basis

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Empresas CMPC S.A. and Subsidiaries as of December 31, 2014, and the results of its operations and its cash flows for the year then ended in conformity with the financial reporting preparation and presentation instructions and standards of the Superintendency of Securities and Insurance as described in Note 2.1

## Basis of accounting

As described in Note 2.1 to the consolidated financial statements, in exercising its authority the Superintendency of Securities and Insurance issued Circular No. 856 with instructions to the entities under its supervision on October 17, 2014. According to these instructions, such entities should record against equity during the relevant year the deferred tax asset and liability differences directly resulting from the increase in the first category tax rate introduced by Law 20.780, which changed the financial reporting preparation and presentation standards adopted to date, considering the previous standards (IFRS) require the comprehensive, explicit and unqualified adoption thereof. As of December 31, 2014 and for the year then ended, quantification of the accounting standards is also described in Note 21. Our opinion does not change in respect of this matter.

## Other matters

We have previously audited the enclosed consolidated financial statements of Empresas CMPC S.A. and Subsidiaries as of December 31, 2013, in accordance with the generally accepted auditing standards in Chile. Our report dated March 6, 2014, contains the audit opinion we expressed on those consolidated financial statements, which has not been modified.



Victor Zamora Q.

EY LTDA.

Santiago, Chile  
March 6, 2015



# CONTENTS

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→ CLASSIFIED STATEMENT OF FINANCIAL POSITION	07
→ STATEMENT OF CHANGES IN EQUITY	08
→ INCOME STATEMENT, BY FUNCTION	09
→ STATEMENT OF CASH FLOWS - DIRECT METHOD	11
→ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	12
NOTE 1 - CORPORATE INFORMATION	12
NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	16
2.1. Basis of preparation	16
2.2. Basis of presentation	17
2.3. Segment reporting	18
2.4. Foreign currency transactions	18
2.5. Property, plant and equipment	19
2.6. Biological assets (forest plantations)	20
2.7. Intangible assets	20
2.8. Goodwill	21
2.9. Impairment losses on non-financial assets	21
2.10. Financial instruments	21
2.11. Hedging instruments	22
2.12. Inventory	23
2.13. Trade and other accounts receivable	24
2.14. Cash and cash equivalents	24
2.15. Issued capital	24
2.16. Trade and other accounts payable	24
2.17. Interest bearing loans	24
2.18. Current and deferred income taxes	24
2.19. Employee benefits	25
2.20. Provisions	25



2.21. Revenue recognition	26
2.22. Leases	26
2.23. Dividends distributed	27
2.24. Environment	27
2.25. Research and development	27
2.26. Advertising expenses	27
2.27. Earnings per share	27
2.28. Goods and services insurance expenses	27
NOTE 3 - RISK MANAGEMENT	27
NOTE 4 - ACCOUNTING ESTIMATES AND JUDGMENT	34
NOTE 5 - ACCOUNTING CHANGES AND CORRECTIONS	36
NOTE 6 - NEW ACCOUNTING PRONOUNCEMENTS	36
NOTE 7 - SEGMENT REPORTING	37
NOTE 8 - FINANCIAL ASSETS	43
NOTE 9 - OTHER NON-FINANCIAL ASSETS	51
NOTE 10 - TRADE AND OTHER ACCOUNTS RECEIVABLE	52
NOTE 11 - ACCOUNTS RECEIVABLE FROM RELATED PARTIES	54
NOTE 12 - INVENTORY	54
NOTE 13 - BIOLOGICAL ASSETS	55
NOTE 14 - CURRENT AND NON-CURRENT TAX ASSETS AND LIABILITIES	56
NOTE 15 - CONSOLIDATED FINANCIAL STATEMENTS	57
NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD	59
NOTE 17 - INTANGIBLE ASSETS OTHER THAN GOODWILL	61
NOTE 18 - GOODWILL	61
NOTE 19 - PROPERTY, PLANT AND EQUIPMENT	62
NOTE 20 - FINANCIAL AND OPERATING LEASES	65
NOTE 21 - DEFERRED TAXES	67
NOTE 22 - OTHER FINANCIAL LIABILITIES	71
NOTE 23 - TRADE AND OTHER ACCOUNTS PAYABLE	93
NOTE 24 - ACCOUNTS PAYABLE TO RELATED PARTIES	95
NOTE 25 - PROVISIONS AND CONTINGENT LIABILITIES	95
NOTE 26 - EMPLOYEE BENEFITS PROVISIONS	100
NOTE 27 - OTHER NON-FINANCIAL LIABILITIES	101
NOTE 28 - ISSUED CAPITAL	102
NOTE 29 - RETAINED EARNINGS (LOSSES)	102
NOTE 30 - OTHER RESERVES	103
NOTE 31 - EARNINGS PER SHARE AND DISTRIBUTABLE NET PROFIT	105
NOTE 32 - OPERATING INCOME	106
NOTE 33 - OTHER PROFITS (LOSSES)	107
NOTE 34 - FINANCE COSTS	107
NOTE 35 - FOREIGN CURRENCY TRANSLATION OF ASSETS AND LIABILITIES	107
NOTE 36 - INCOME TAX EXPENSE AND TAXABLE RETAINED EARNINGS REGISTRY	111
NOTE 37 - EXPENSES, BY NATURE	114
NOTE 38 - COMMITMENTS	114
NOTE 39 - CONTROLLER AND TRANSACTIONS WITH RELATED PARTIES	115
NOTE 40 - ENVIRONMENT	120
NOTE 41 - EVENTS AFTER THE REPORTING DATE	121



# CLASSIFIED STATEMENT OF FINANCIAL POSITION

	NOTE NO.	AS OF DECEMBER 31, 2014 THUS\$	AS OF DECEMBER 31, 2013 THUS\$
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	8	1,097,026	927,249
Other financial assets	8	49,568	185,366
Other non-financial assets	9	22,038	24,572
Trade and other accounts receivable	10	874,988	917,235
Accounts receivable from related parties	11	2,847	2,209
Inventory	12	1,037,347	1,057,951
Biological assets	13	345,684	251,568
Current tax assets	14	107,993	122,630
<b>TOTAL CURRENT ASSETS</b>		<b>3,537,491</b>	<b>3,488,780</b>
<b>NON-CURRENT ASSETS</b>			
Other financial assets	8	25,316	2,083
Other non-financial assets	9	313,657	318,596
Accounts receivable	10	39,886	40,946
Investments accounted for using the equity method	16	488	660
Intangible assets other than goodwill	17	15,696	14,904
Goodwill	18	124,055	132,291
Property, plant and equipment	19	7,807,665	6,810,573
Biological assets	13	3,182,123	3,306,716
Current tax assets	14	100,454	26,233
Deferred tax assets	21	43,240	46,072
<b>TOTAL NON-CURRENT ASSETS</b>		<b>11,652,580</b>	<b>10,699,074</b>
<b>TOTAL ASSETS</b>		<b>15,190,071</b>	<b>14,187,854</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Other financial liabilities	22	519,734	378,138
Trade and other accounts payable	23	648,603	646,865
Accounts payable to related parties	24	5,406	5,199
Other provisions	25	4,043	3,382
Current tax liabilities	14	31,713	30,493
Employee benefits provisions	26	49,462	46,079
Other non-financial liabilities	27	26,739	28,044
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,285,700</b>	<b>1,138,200</b>
<b>NON-CURRENT LIABILITIES</b>			
Other financial liabilities	22	4,123,899	3,582,714
Other provisions	25	23,014	21,317
Deferred tax liabilities	21	1,454,351	1,024,778
Current tax liabilities	14	8,809	14,657
Employee benefits provisions	26	86,809	82,655
Other non-financial liabilities	27	3,582	3,764
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>5,700,464</b>	<b>4,729,885</b>
<b>TOTAL LIABILITIES</b>		<b>6,986,164</b>	<b>5,868,085</b>
<b>SHAREHOLDERS' EQUITY</b>			
Issued capital	28	1,453,728	1,206,714
Retained earnings (losses)	29	6,949,882	7,171,047
Other reserves	30	(203,152)	(62,237)
<b>SHAREHOLDERS' EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT</b>		<b>8,200,458</b>	<b>8,315,524</b>
Non-controlling interests		3,449	4,245
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>8,203,907</b>	<b>8,319,769</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>15,190,071</b>	<b>14,187,854</b>



# STATEMENT OF CHANGES IN EQUITY

	ISSUED CAPITAL NOTE 28	FOREIGN CURRENCY TRANSLATION RESERVES NOTE 30	CASH FLOW HEDGE RESERVES NOTE 30	ACTUARIAL PROFITS OR (LOSSES) ON DEFINED BENEFIT PLANS RESERVES NOTE 30	OTHER MISCELLANEOUS RESERVES NOTE 30	OTHER RESERVES	RETAINED EARNINGS (LOSSES) NOTE 29	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	NON- CONTROLLING INTEREST	TOTAL EQUITY
	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$	THUS\$
FOR THE YEAR ENDED AS OF DECEMBER 31, 2014										
Current year beginning balance 01/01/2014	1,206,714	(179,127)	(124,116)	(8,709)	249,715	(62,237)	7,171,047	8,315,524	4,245	8,319,769
RESTATED BEGINNING BALANCE	1,206,714	(179,127)	(124,116)	(8,709)	249,715	(62,237)	7,171,047	8,315,524	4,245	8,319,769
Changes in equity										
Comprehensive income										
Profit (loss)	-	-	-	-	-	-	137,791	137,791	26	137,817
Other comprehensive income	-	(152,683)	20,033	(7,336)	(5)	(139,991)	-	(139,991)	-	(139,991)
COMPREHENSIVE INCOME	-	(152,683)	20,033	(7,336)	(5)	(139,991)	137,791	(2,200)	26	(2,174)
Equity issuance	247,014	-	-	-	-	-	-	247,014	-	247,014
Dividends	-	-	-	-	-	-	(53,444)	(53,444)	-	(53,444)
Increase (decrease) from transfers and other changes	-	-	-	-	(924)	(924)	(305,512)	(306,436)	(822)	(307,258)
TOTAL CHANGES IN EQUITY	247,014	(152,683)	20,033	(7,336)	(929)	(140,915)	(221,165)	(115,066)	(796)	(115,862)
<b>ENDING BALANCE AS OF 12/31/2014</b>	<b>1,453,728</b>	<b>(331,810)</b>	<b>(104,083)</b>	<b>(16,045)</b>	<b>248,786</b>	<b>(203,152)</b>	<b>6,949,882</b>	<b>8,200,458</b>	<b>3,449</b>	<b>8,203,907</b>
FOR THE YEAR ENDED AS OF DECEMBER 31, 2013										
Prior year beginning balance 01/01/2013	746,027	(80,059)	2,398	-	273,398	195,737	7,038,548	7,980,312	4,722	7,985,034
RESTATED BEGINNING BALANCE	746,027	(80,059)	2,398	-	273,398	195,737	7,038,548	7,980,312	4,722	7,985,034
Changes in equity										
Comprehensive income										
Profit (loss)	-	-	-	-	-	-	195,706	195,706	(73)	195,633
Other comprehensive income	-	(99,068)	(126,514)	(6,745)	(23,683)	(256,010)	-	(256,010)	-	(256,010)
COMPREHENSIVE INCOME	-	(99,068)	(126,514)	(6,745)	(23,683)	(256,010)	195,706	(60,304)	(73)	(60,377)
Equity issuance	460,687	-	-	-	-	-	-	460,687	-	460,687
Dividends	-	-	-	-	-	-	(65,171)	(65,171)	-	(65,171)
Increase (decrease) from transfers and other changes	-	-	-	(1,964)	-	(1,964)	1,964	-	(404)	(404)
TOTAL CHANGES IN EQUITY	460,687	(99,068)	(126,514)	(8,709)	(23,683)	(257,974)	132,499	335,212	(477)	334,735
<b>ENDING BALANCE AS OF 12/31/2013</b>	<b>1,206,714</b>	<b>(179,127)</b>	<b>(124,116)</b>	<b>(8,709)</b>	<b>249,715</b>	<b>(62,237)</b>	<b>7,171,047</b>	<b>8,315,524</b>	<b>4,245</b>	<b>8,319,769</b>



# INCOME STATEMENT BY FUNCTION

	NOTE NO.	FOR THE YEAR ENDED AS OF DECEMBER 31,	
		2014 THUSS	2013 THUSS
<b>INCOME STATEMENT</b>			
PROFIT (LOSS)			
Operating income	32	4,846,153	4,974,459
Cost of sales		(3,826,898)	(3,948,911)
<b>GROSS MARGIN</b>		1,019,255	1,025,548
Other income, by function	13	187,194	207,940
Distribution costs		(253,360)	(260,465)
Administrative expenses		(217,488)	(227,668)
Other expenses, by function		(202,943)	(210,688)
Other losses	33	(68,100)	(35,795)
<b>PROFIT FROM OPERATING ACTIVITIES</b>		464,558	498,872
Finance income		20,422	21,371
Finance costs	34	(189,521)	(174,298)
Shares of profits of associates and joint ventures accounted for using the equity method	16	(104)	8,879
Foreign currency translation	35	116,614	37,020
Income from indexation units		(39,427)	(17,949)
<b>PROFIT BEFORE INCOME TAXES</b>		372,542	373,895
Income tax expense	36	(234,725)	(178,262)
<b>PROFIT FROM CONTINUING OPERATIONS</b>		137,817	195,633
<b>PROFIT</b>		<b>137,817</b>	<b>195,633</b>
<b>PROFIT ATTRIBUTABLE TO</b>			
Profit attributable to owners of the parent		137,791	195,706
Profit (loss) attributable to non-controlling interests		26	(73)
<b>PROFIT</b>		<b>137,817</b>	<b>195,633</b>
<b>PROFIT PER SHARE</b>			
<b>BASIC PROFIT PER SHARE</b>			
Basic profit per share from continuing operations (US\$ per share)	31	0.0567	0.0849
Basic profit per share from discontinued operations (US\$ per share)		-	-
<b>BASIC PROFIT PER SHARE</b>		<b>0.0567</b>	<b>0.0849</b>
<b>DILUTED PROFIT PER SHARE</b>			
Diluted profit per share from continuing operations (US\$ per share)	31	0.0567	0.0849
Diluted profit per share from discontinued operations (US\$ per share)		-	-
<b>DILUTED PROFIT PER SHARE</b>		<b>0.0567</b>	<b>0.0849</b>



# INCOME STATEMENT BY FUNCTION

	NOTE NO.	FOR THE YEAR ENDED AS OF DECEMBER 31,	
		2014 THUS\$	2013 THUS\$
<b>COMPREHENSIVE INCOME STATEMENT</b>			
Profit		137,817	195,633
<b>OTHER COMPREHENSIVE INCOME</b>			
<b>COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME FOR THE YEAR, BEFORE TAXES</b>			
Other comprehensive income before taxes, actuarial (losses) on defined benefit plans		(10,437)	(6,745)
<b>OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME FOR THE YEAR, BEFORE TAXES</b>		<b>(10,437)</b>	<b>(6,745)</b>
<b>COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO INCOME FOR THE YEAR, BEFORE TAXES</b>			
<b>FOREIGN CURRENCY TRANSLATION</b>			
Profit (loss) on foreign currency translation, before taxes		(152,683)	(99,068)
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAXES, FOREIGN CURRENCY TRANSLATION</b>		<b>(152,683)</b>	<b>(99,068)</b>
<b>CASH FLOW HEDGES</b>			
(Loss) on cash flow hedges, before taxes		(25,174)	(129,553)
Reclassification adjustments on cash flow hedges, before taxes		(12,614)	(5,424)
Amounts eliminated from equity and included in the carrying amount of non-financial assets acquired or incurred through a highly probable foreseen transaction, before taxes		57,821	8,463
<b>OTHER COMPREHENSIVE INCOME, BEFORE TAXES, CASH FLOW HEDGES</b>		<b>20,033</b>	<b>(126,514)</b>
Share of other comprehensive income of associates and joint ventures accounted for using the equity method that will be reclassified to income for the year, before taxes		(5)	(23,683)
<b>OTHER COMPREHENSIVE INCOME THAT WILL BE RECLASSIFIED TO INCOME FOR THE YEAR, BEFORE TAXES</b>		<b>(132,655)</b>	<b>(249,265)</b>
<b>INCOME TAXES RELATED TO COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME FOR THE YEAR</b>			
Income taxes related to new measurements of other comprehensive income defined benefits plans		3,101	-
<b>INCOME TAXES RELATED TO COMPONENTS OF OTHER COMPREHENSIVE INCOME THAT WILL NOT BE RECLASSIFIED TO INCOME FOR THE YEAR</b>		<b>3,101</b>	<b>-</b>
<b>OTHER COMPREHENSIVE INCOME</b>		<b>(139,991)</b>	<b>(256,010)</b>
<b>COMPREHENSIVE INCOME</b>		<b>(2,174)</b>	<b>(60,377)</b>
<b>INCOME ATTRIBUTABLE TO:</b>			
Comprehensive income attributable to owners of the parent		(2,200)	(60,304)
Comprehensive income attributable to non-controlling interests		26	(73)
<b>COMPREHENSIVE INCOME</b>		<b>(2,174)</b>	<b>(60,377)</b>



# STATEMENT OF CASH FLOWS - DIRECT METHOD

	NOTE NO.	FOR THE YEAR ENDED AS OF DECEMBER 31,	
		2014 THUS\$	2013 THUS\$
STATEMENT OF CASH FLOWS			
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES			
TYPES OF PROCEEDS FROM OPERATING ACTIVITIES			
Proceeds from sale of assets and providing services		5.416.318	5.593.691
Other proceeds from operating activities		240.267	242.431
TYPES OF CASH PAYMENTS FROM OPERATING ACTIVITIES			
Payments to suppliers for goods and services		(4.080.519)	(4.317.824)
Payments to and on account of employees		(429.138)	(437.759)
Payment of premiums and services, annuities and other obligations on policies subscribed		(22.655)	(26.592)
Other operating activity payments		(189.456)	(181.827)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		934.817	872.120
Income taxes paid		(73.767)	(42.953)
NET CASH FLOWS PROVIDED BY OPERATING ACTIVITIES		861.050	829.167
CASH FLOWS PROVIDED BY (USED IN) INVESTING ACTIVITIES			
Cash flows from loss of control of subsidiaries or other businesses		-	105.746
Cash flows used in obtaining control of subsidiaries or other businesses		-	(333)
Proceeds from disposal of property, plant and equipment		871	4.181
Additions to property, plant and equipment		(1.510.638)	(799.463)
Proceeds from disposal of intangible assets		3.081	1.589
Additions to other non-current assets		(62.911)	(68.444)
Payments on future and forward contracts, options and swaps		(117.741)	(86.125)
Proceeds from future and forward contracts, options and swaps		62.633	64.590
Dividends received		-	3.586
Interest received		19.968	20.709
Other cash inflows (outflows)	8	92.119	210.931
NET CASH FLOWS (USED IN) INVESTING ACTIVITIES		(1.512.618)	(543.033)
CASH FLOWS PROVIDED BY (USED IN) FINANCING ACTIVITIES			
Proceeds from share issuance		246.292	460.687
PROCEEDS FROM LOANS		1.917.959	979.429
Proceeds from non-current loans		1.657.988	716.716
Proceeds from current loans		259.971	262.713
Loans paid		(1.045.743)	(961.953)
Dividends paid		(57.283)	(72.699)
Interest paid		(168.611)	(168.726)
Other cash outflows		(2.045)	(43)
NET CASH FLOWS PROVIDED BY FINANCING ACTIVITIES		890.569	236.695
NET INCREASE IN CASH AND CASH EQUIVALENTS, BEFORE CHANGE IN THE EXCHANGE RATE		239.001	522.829
EFFECTS OF CHANGES IN THE EXCHANGE RATE ON CASH AND CASH EQUIVALENTS			
Effects of changes in the exchange rate on cash and cash equivalents		(69.224)	(26.822)
NET INCREASE IN CASH AND CASH EQUIVALENTS		169.777	496.007
Cash and cash equivalents at beginning of year	8	927.249	431.242
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>8</b>	<b>1.097.026</b>	<b>927.249</b>



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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AS OF DECEMBER 31, 2014

## NOTE 1 - CORPORATE INFORMATION

Empresas CMPC S.A., the parent company, was established in Chile in 1920 as a stock corporation and is subject to the Chilean Corporations Act 18,046 dated October 22, 1981 and its subsequent amendments. It is registered in the Securities Registry of the Chilean Superintendency of Securities and Insurance (SVS) under number 0115. For Chilean tax purposes its taxpayer number is 90.222.000-3.

The Company is controlled by the Matte Group through shares in Empresas CMPC S.A. owned by legal entities and individuals belonging to that group (see Note 39).

The corporate address and head office of Empresas CMPC S.A. (hereinafter "CMPC", "Empresas CMPC" or "the Company") is Agustinas 1343, Santiago, Chile, telephone (56-2) 24412000.

CMPC is one of the main forestry companies in Latin America and participates in multiple segments of that industry. Its production and commercial activities are carried out through four business centers: Forestry, Pulp, Paper and Tissue. A central holding company is responsible for strategic coordination and provides administrative and financial support services and relations with external entities.

CMPC has over 636,000 hectares of forest plantations, mainly pine and eucalyptus, of which 476,000 hectares are located in Chile, 57,000 hectares in Argentina and 103,000 hectares in Brazil. The Company also has usufruct, sharecropping and lease contracts with third parties covering 38,000 hectares of forest plantations distributed in Chile and Brazil.

CMPC has 44 manufacturing plants distributed in Chile, Argentina, Peru, Uruguay, Mexico, Colombia, Brazil and Ecuador and sells mainly in Chile, Asia, Europe, the United States and the rest of Latin America. At an aggregate level, close to 77% of income is generated by exports or foreign subsidiaries and more than 23% is generated in Chile. The Company also has subsidiaries for commercial and financial operations in Europe, the United States and the Cayman Islands.

As of December 31, 2014 CMPC comprises 56 companies: Empresas CMPC S.A., the parent company, 52 subsidiaries and 3 associates. In its financial statements CMPC has consolidated all the companies in which it has control over their business operations, and in cases where it only has significant influence, these investments are carried using the equity method and its proportional share is recognized in equity and income. The total assets of the parent company as of December 31, 2014 amount to ThUS\$ 8,565,533 (ThUS\$ 8,743,793 as of December 31, 2013).



CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



The subsidiaries included in these consolidated financial statements are detailed as follows:

CONSOLIDATED COMPANY	TAXPAYER NO.	COUNTRY OF ORIGIN	FUNCTIONAL CURRENCY	INTEREST PERCENTAGE					
				DECEMBER 31, 2014			DECEMBER 31, 2013		
				DIRECT	INDIRECT	TOTAL	DIRECT	INDIRECT	TOTAL
Forestal Mininco S.A.	91.440.000-7	Chile	US\$	99.9999	0.0001	100.0000	99.9999	0.0001	100.0000
Inversiones CMPC S.A.	96.596.540-8	Chile	US\$	99.9988	0.0012	100.0000	99.9988	0.0012	100.0000
Inmobiliaria Pinares S.A.	78.000.190-9	Chile	US\$	99.9900	0.0100	100.0000	99.9900	0.0100	100.0000
Forestal y Agrícola Monte Águila S.A.	96.500.110-7	Chile	US\$	99.7480	0.0000	99.7480	99.7480	0.0000	99.7480
Papeles Río Vergara S.A.	76.150.883-0	Chile	US\$	0.0000	0.0000	0.0000	99.9000	0.1000	100.0000
CMPC Papeles S.A.	79.818.600-0	Chile	US\$	0.0000	0.0000	0.0000	0.1000	99.9000	100.0000
CMPC Papeles S.A. (ex CMPC Productos de Papel S.A.)	96.757.710-3	Chile	US\$	0.1000	99.9000	100.0000	0.1000	99.9000	100.0000
CMPC Tissue S.A.	96.529.310-8	Chile	CLP	0.1000	99.9000	100.0000	0.1000	99.9000	100.0000
CMPC Celulosa S.A.	96.532.330-9	Chile	US\$	7.4909	92.5091	100.0000	0.0480	99.9520	100.0000
Envases Roble Alto S.A.	78.549.280-3	Chile	US\$	0.0000	0.0000	0.0000	0.0000	100.0000	100.0000
Forsac S.A.	79.943.600-0	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Portuaria CMPC S.A.	84.552.500-5	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Sociedad Recuperadora de Papel S.A.	86.359.300-K	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Empresa Distribuidora de Papeles y Cartones S.A.	88.566.900-K	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Envases Impresos S.A. (merged with ERA S.A.)	89.201.400-0	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Cartulinas CMPC S.A.	96.731.890-6	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Servicios Compartidos CMPC S.A.	96.768.750-2	Chile	US\$	20.0000	80.0000	100.0000	20.0000	80.0000	100.0000
Inversiones Protisa S.A.	96.850.760-5	Chile	CLP	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Papeles Cordillera S.A.	96.853.150-6	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Chilena de Moldeados S.A.	93.658.000-9	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
CMPC Maderas S.A.	95.304.000-K	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Cooperativa Agrícola y Forestal El Proboste Ltda.	70.029.300-9	Chile	US\$	0.0000	78.2982	78.2982	0.0000	75.8776	75.8776
Bioenergías Forestales S.A.	76.188.197-3	Chile	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Inmobiliaria y Constructora San Roque S.A.	76.395.604-0	Chile	US\$	0.0000	100.0000	100.0000	0.0000	0.0000	0.0000
CMPC Inversiones de Argentina S.A.	Foreign	Argentina	ARS	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Forestal Bosques del Plata S.A.	Foreign	Argentina	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Forestal Timbauva S.A.	Foreign	Argentina	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Naschel S.A.	Foreign	Argentina	ARS	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Fabi Bolsas Industriales S.A.	Foreign	Argentina	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
La Papelera del Plata S.A.	Foreign	Argentina	ARS	0.0000	99.9924	99.9924	0.0000	99.9924	99.9924
Melhoramentos CMPC Ltda.	Foreign	Brazil	BRL	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
CMPC Celulose Riograndense Ltda.	Foreign	Brazil	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
CMPC Riograndense Ltda.	Foreign	Brazil	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Guaíba Administracao Florestal Ltda.	Foreign	Brazil	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
CMPC Investments Ltd.	Foreign	Channel Island	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Drypers Andina S.A.	Foreign	Colombia	COP	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Protisa Colombia S.A.	Foreign	Colombia	COP	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Productos Tissue del Ecuador S.A.	Foreign	Ecuador	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
CMPC Europe Ltd.	Foreign	England	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Inversiones CMPC Cayman Ltd.	Foreign	Cayman Isl.	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Tissue Cayman Ltd.	Foreign	Cayman Isl.	CLP	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Propa Cayman Ltd.	Foreign	Cayman Isl.	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Grupo ABS Internacional S.A. de CV	Foreign	Mexico	MXN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Absormex S.A. de CV	Foreign	Mexico	MXN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Convertidora de Productos Higiénicos S.A. de CV	Foreign	Mexico	MXN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Convertidora CMPC México S.A. de CV	Foreign	Mexico	MXN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Absormex CMPC Tissue S.A. de CV	Foreign	Mexico	MXN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Forsac México S.A. de CV	Foreign	Mexico	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Protisa Perú S.A.	Foreign	Peru	PEN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Papelera del Rimac S.A.	Foreign	Peru	PEN	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Forsac Perú S.A.	Foreign	Peru	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000
Compañía Primus del Uruguay S.A.	Foreign	Uruguay	UYU	0.0000	99.6100	99.6100	0.0000	99.6100	99.6100
Celulosos del Uruguay S.A.	Foreign	Uruguay	UYU	0.0000	99.6100	99.6100	0.0000	99.6100	99.6100
Industria Papelera Uruguaya S.A. (Ipusa)	Foreign	Uruguay	UYU	0.0000	99.6100	99.6100	0.0000	99.6100	99.6100
CMPC USA Inc.	Foreign	United States	US\$	0.0000	100.0000	100.0000	0.0000	100.0000	100.0000



Subsidiary Inversiones CMPC S.A. is registered in the Securities Registry of the SVS under number 0672 and prepares consolidated financial statements which are available to the public. The accounting policies followed are consistent with those applied by CMPC in the preparation of its financial statements.

Changes occurred in the contributions of interest and capital of subsidiaries included in consolidation are detailed as follows:

- i) In November 2014, subsidiary Inmobiliaria y Constructora San Roque S.A. was established in Chile with capital of ThUS\$ 10 divided into 1,000 shares. The share in the capital of this new company is as follows: Forestal Mininco S.A. 99.90% and Inversiones CMPC S.A. 0.10%.
- ii) In June 2014 subsidiary Envases Roble Alto S.A merged and was absorbed by subsidiary Envases Impresos S.A. The share in the capital of Envases Impresos S.A. is as follows: CMPC Papeles S.A. 99.90% and Inversiones CMPC S.A. 0.10%. This merger by absorption generated no effect on income.
- iii) In June 2014 subsidiary CMPC Papeles S.A. merged and was absorbed by subsidiary CMPC Productos de Papel S.A. In turn the latter changed its name to CMPC Papeles S.A. The new share in the capital of CMPC Papeles S.A. is as follows: Inversiones CMPC S.A. 99.90% and Empresas CMPC S.A. 0.10%. This merger by absorption generated no effect on income.
- iv) At the Extraordinary Shareholders' Meetings of subsidiaries CMPC Celulosa S.A. and Papeles Río Vergara S.A. held on May 30, 2014, the shareholders approved the merger of both companies, by virtue of which the former absorbed the latter. The new share in the capital of CMPC Celulosa S.A. are as follows: Inversiones CMPC S.A. 92.51% and Empresas CMPC S.A. 7.49%. This merger by absorption generated no effect on income.

Subsidiary Papeles Río Vergara S.A. located in the community of Nacimiento, VIII Region of Chile, stopped operating on November 30, 2013, as a consequence of the increase in production costs derived from the price of electric energy. This decision was reported as an essential event to the SVS on September 5, 2013 (see Note 19). Net losses in the amount of US\$ 40 million for adjustment of assets and liabilities are presented under other profits (losses) and income tax expense in the income statement as of December 31, 2013.

- v) During 2014 subsidiary Protisa Colombia S.A. increased its share capital by a total of ThUS\$ 1,000, which was paid by its shareholders CMPC Tissue S.A. 70.00%, Inversiones Protisa S.A. 29.99%, Inversiones CMPC S.A. and other subsidiaries 0.01%. In 2014, subsidiary Drypers Andina S.A. of Colombia increased its share capital by ThUS\$ 2,000, which was paid by its shareholders CMPC Tissue S.A. 70.00%, Inversiones Protisa S.A. 29.70%, Inversiones CMPC S.A. and other subsidiaries 0.30%.

Last year, subsidiary Protisa Colombia S.A. increased its share capital by a total of ThUS\$ 35,000, which was paid by its shareholders CMPC Tissue S.A. 70.00%, Inversiones Protisa S.A. 29.99%, Inversiones CMPC S.A. and other subsidiaries 0.01%. In turn in 2013, subsidiary Drypers Andina S.A. of Colombia, increased its share capital by ThUS\$ 49,000, which was paid by its shareholders CMPC Tissue S.A. 70.00%, Inversiones Protisa S.A. 29.70%, Inversiones CMPC S.A. and other subsidiaries 0.30%.

- vi) In 2014 subsidiary CMPC Celulose Riograndense Ltda. of Brazil increased its share capital by a total of ThUS\$ 351,400, which was fully paid by subsidiary CMPC Celulosa S.A. The new share capital in this subsidiary is distributed between CMPC Celulosa S.A. 99.97% and Inmobiliaria Pinares S.A. 0.03%.

Last year this subsidiary increased its share capital by a total of ThUS\$ 398,190, which was fully paid by subsidiary CMPC Celulosa S.A.

- vii) During 2014 subsidiary Melhoramentos CMPC Ltda. of Brazil increased its share capital by a total of ThUS\$ 29,000, which was paid by its shareholders CMPC Tissue S.A. 99.93% and Inversiones Protisa S.A. 0.07%.

On January 18, 2013 subsidiary Melhoramentos Papéis Ltda. of Brazil changed its name to Melhoramentos CMPC Ltda. In 2013 this subsidiary increased its share capital by a total of ThUS\$ 95,000.

- viii) During 2014 subsidiary Productos Tissue del Ecuador S.A. increased its share capital by a total of ThUS\$ 4,000 which was fully paid by subsidiaries CMPC Tissue S.A. (99.999%) and Inversiones CMPC S.A. (0.001%).

Last year, this subsidiary increased its share capital by a total of ThUS\$ 17,300.



- ix) In 2014 subsidiary Grupo ABS Internacional S.A. de CV of Mexico increased its share capital by a total of ThUS\$ 31,000, which was paid by its shareholders CMPC Tissue S.A. 99.90% and Inversiones CMPC S.A. 0.10%.
- x) In 2014 subsidiary Forsac México S.A. de CV increased its share capital by a total of ThUS\$ 6,000, which was paid by its shareholders Forsac S.A. 99.90% and CMPC Papeles S.A. 0.10%.

Considering the Company's history of profitable operations, the plans for new investments at a local and international level and its access to resources in the financial market, management declares that the principle of going concern is fully complied with.

The total workforce of CMPC and its subsidiaries as of December 31, 2014 is 16,824 employees distributed among the various operating segments detailed as follows:

SEGMENTS	MANAGERS	PROFESSIONALS & TECHNICIANS	WORKERS	TOTAL
Forestry	21	720	1,896	2,637
Pulp	32	1,041	1,032	2,105
Paper	45	129	3,460	3,634
Tissue	70	2,317	5,660	8,047
Other	15	360	26	401
<b>TOTAL</b>	<b>183</b>	<b>4,567</b>	<b>12,074</b>	<b>16,824</b>

The average number of CMPC employees during the year ended as of December 31, 2014 was 16,601.

These financial statements are consolidated and include the classified statement of financial position, comprehensive income statement, by function, statement of cash flows - direct method, statement of changes in equity, net and the accompanying notes with disclosures to those financial statement.

CMPC uses the United States dollar (hereinafter the "dollar") as its presentation and functional currency, except for subsidiaries of the tissue operating segment, which use the local currency of each country as their functional currency, because local factors prevail in their business and due to the relevance of those currencies in the functional currency allocation factors; however they also use the dollar as the presentation currency for their financial statements and to report to CMPC Holding for consolidation purposes.

Subsidiaries that carry their accounting in a currency other than the dollar, have converted their financial statements from their functional currency to the presentation currency, which is the dollar, as follows: the statement of financial position and the statement of changes in equity, net at the year-end exchange rate, and the comprehensive income statement and statement of cash flows at the daily or average monthly exchange rate, as appropriate.

These consolidated financial statements are presented in thousands of dollars (ThUS\$) and have been prepared from the accounting records of Empresas CMPC S.A. and its subsidiaries.

In the accompanying statement of financial position, assets and liabilities are classified in terms of their maturity as current those with maturities equal to or less than twelve months, and non-current, those whose maturity exceeds twelve months. In turn, in the comprehensive income statement expenses are classified by function, identifying depreciation and personnel expenses based on their nature. The statement of cash flows is presented using the direct method.

The consolidated financial statements show a true picture of the equity and financial position as of December 31, 2014, as well as the results of operations, changes in equity and consolidated cash flows produced at CMPC in the year then ended.

The figures in the statement of financial position, income statement, statement of cash flows, statement of changes in equity and respective explanatory notes are shown compared to the balances as of December 31, 2013, as required by IFRS.



The Company's management declares that these financial statements have been prepared in conformity with International Financial Reporting Standards (IFRS) and what is stated in Note 2.1.

These consolidated financial statements have been approved at the Board meeting held on March 6, 2015, where the directors authorized management to publish them and transmit them to the corresponding regulatory and market authorities. The financial statements of the subsidiaries were approved by their respective Boards.

## CAPITAL MANAGEMENT

Capital management refers to the management of the Company's equity. The objectives of CMPC in relation to capital management are to safeguard the Company's capacity to continue as a going concern, as well as ensuring a good return for its shareholders.

To meet these objectives, the Company is constantly monitoring the return obtained by each business, maintaining their correct operation and thus maximizing financial returns for its shareholders.

Part of this follow up of each business consists of ensuring that decision-making for investment in financial instruments is in line with the Company's conservative profile, and under favorable market conditions. Financial instruments are constantly monitored by the Company's Board of Directors. Among the activities relating to capital management, the Company reviews its balance of cash daily in order to make its investment decisions.

CMPC manages its capital structure so that its indebtedness does not put at risk its ability to pay its obligations or obtain an adequate return for its investors. In certain debt instruments CMPC has the obligation to maintain a ratio between financial obligations with third parties and equity (adjusted for contracts) equal to or less than 0.8. As of December 31, 2014 and 2013 this ratio was comfortably complied with, reaching levels of 0.56 and 0.46, respectively (see Note 22.2.e).

Together with the above, and as part of the financial covenants that CMPC must fulfill, at the end of each quarter the Company must maintain minimum equity (adjusted for contracts) of CLF 71,580,00 plus 85% of new capital issuances after March 31, 2012 (equivalent as of December 31, 2014 to US\$ 3,507 million and US\$ 3,641 million as of December 31, 2013), condition that is comfortably met since equity (adjusted for contracts) amounts 8,061 million as of December 31, 2014 and to 8,168 million as of December 31, 2013 (see Note 22.2.e).

## NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies adopted in the preparation of these consolidated financial statements are described below. As required by IAS 1, these policies have been designed considering IAS and IFRS in force as of December 31, 2014, together with the standard changes which became effective as of January 1, 2014, and have been consistently applied to the years presented in these consolidated financial statements when applicable.

### 2.1. BASIS OF PREPARATION

These consolidated financial statements of Empresas CMPC S.A. as of December 31, 2014 were prepared in accordance with IFRS and instructions set forth by the SVS, specifically in relation to deferred taxes derived from the Tax Reform contained in Law 20,780 published in the Official Gazette on September 29, 2014 which increased the income tax rate from 20% to 25% or 27% over a period of 4 to 5 years, respectively, depending on the adopted tax regime, whose initial effect was recorded under retained earnings (losses) in shareholders' equity. The previous criteria differs from what is indicated in IAS 12, which establishes that the effect of change in the tax rate must be recorded in income for the year in which the law modifying those taxes is published.

Certain accounting practices applied by the Company that conform to IFRS may not conform to generally accepted accounting principles in the United States ("US GAAP") or to generally accepted accounting principles in Chile ("Chilean GAAP").



For the convenience of the reader, the financial statements and their accompanying notes have been translated from Spanish to English.

The preparation of the consolidated financial statements in conformity with IFRS requires the use of certain critical accounting estimates and also requires that management exercise its judgment in the process of applying the Company's accounting policies. Note 4 to these consolidated financial statements discloses the areas that imply a higher degree of judgment or complexity or areas where the hypotheses and estimates are significant to the consolidated financial statements.

The Company generally uses cost accounting as its criteria to value its assets and liabilities, except for hedging financial instruments, certain financial assets and liabilities and biological assets which are recorded at fair value, since this manner of periodic measurement eliminates or reduces incoherence in their valuation and/or yield.

## 2.2. BASIS OF PRESENTATION

### A) SUBSIDIARIES

Subsidiaries are all companies where Empresas CMPC S.A. directly or indirectly controls most of the substantive voting rights or else has entitlements that grant it the present capacity to direct their relevant activities, considering for this purpose the potential voting rights in its power, or those belonging to third parties, exercisable or convertible as of each year-end.

CMPC is exposed or entitled to the variable returns of these companies and has the capacity to influence these amounts. Subsidiaries are consolidated as of the date on which control is transferred to Empresas CMPC S.A. and are excluded from consolidation on the date on which it ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by CMPC. This method establishes that the cost of the acquisition is the fair value of the assets acquired and liabilities incurred or assumed at the exchange date. Identifiable assets acquired and identifiable liabilities and contingencies assumed in a business combination are valued initially at their fair value as of the acquisition date. The acquisition cost in excess of the fair value of the interest of CMPC in the net identifiable assets acquired is recognized as goodwill. If the cost of acquisition is below the fair value of the net assets of the acquired subsidiary, the difference is recognized directly as profit in the income statement (Note 2.8).

### B) NON-CONTROLLING INTERESTS AND TRANSACTIONS

As part of the consolidation process, transactions, balances receivable and/or payable and unearned income from transactions between related CMPC companies are eliminated. The accounting policies of subsidiaries are consistent with those of the parent company.

Non-controlling interests are presented in net equity in the statement of financial position. The profit or loss attributable to non-controlling interests is shown in the income statement as profit (loss) for the year. Results of transactions between non-controlling shareholders and the shareholders of the companies where ownership is shared are accounted for in equity and are therefore shown in the statement of changes in equity.

### C) ASSOCIATES

Associates are all entities over which Empresas CMPC S.A. has significant influence but not control over the financial and operating policies. Investments in associates are accounted for at their formation or purchase at cost and are subsequently adjusted using the equity method. The investment of Empresas CMPC S.A. in associates includes goodwill (net of any accumulated impairment loss) identified in the acquisition (Note 2.8.).

The share of Empresas CMPC S.A. in the post-acquisition earnings or losses of its associates is recognized in the income statement and its share of post-acquisition reserves is recognized in other comprehensive income, forming part of the corresponding reserve within equity. When the share of Empresas CMPC S.A. in the losses of an associate is equal to or exceeds its investment in the associate, including any other unsecured accounts receivable, the Company does not recognize additional losses unless it has incurred obligations or made payment on behalf of the associate.



## 2.3. SEGMENT REPORTING

IFRS 8 requires entities to adopt the “management focus” for disclosing information on the results of their operating segments. In general, this is the information that management uses internally to evaluate the performance of the segments and decide on how to allocate resources to them.

CMPC presents information by segment (which correspond to business areas) based on the financial information made available for decision makers, regarding matters such as measuring profitability and allocation of investments, and on the basis of differentiation of products, as indicated in IFRS 8 Operating Segments.

As of 2013, segments thus determined, which reflect the current business management structure, are detailed as follows:

Forestry  
Pulp  
Papers  
Tissue

The Papers segment comprises the paper and paper products businesses. The latter are basically packaging, which up to the financial statements for 2012 were presented separately.

Income from areas other than the mentioned segments, related to CMPC and others not transferred to operating segments, are presented under “Other” and do not individually represent amounts that are significant enough for their designation as an operating segment.

## 2.4. FOREIGN CURRENCY TRANSACTIONS

### PRESENTATION AND FUNCTIONAL CURRENCY

Items included in the financial statements of each of the entities of CMPC are valued using the currency of the main economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in dollars, which is the functional currency of the parent company and its relevant businesses (except for the tissue business, where the functional currency is the local currency of each country) and therefore the presentation currency of the consolidated financial statements of the Company and its subsidiaries is the dollar.

### TRANSACTIONS AND BALANCES

All operations performed by Empresas CMPC S.A. or its subsidiaries in a currency other than the functional currency of each company are treated as foreign currency and are recorded at the exchange rate prevailing on the transaction date.

Balances of monetary assets and liabilities denominated in foreign currencies are presented valued at the exchange rate at each year-end. The variation between the original and closing value is recorded in foreign currency translation, except when these changes are deferred in net equity, such as cash flow hedges.

Changes in the fair value of investments in debt instruments denominated in foreign currency and classified as available for sale, if any, are separated into foreign currency translation and the increase corresponding to the profit of the investment measured in the functional currency. Foreign currency translation is recognized in income for the year and the investment’s profit is recognized in net equity.

### CMPC ENTITIES

The profit and financial position of all CMPC entities (none of which operate with the currency of a hyperinflationary economy) with a functional currency other than the presentation currency are converted to the presentation currency as follows:

- a) The assets, liabilities and equity of each statement of financial position are converted at the year-end exchange rate;



- b) The income and expenses of each income statement account are converted at the daily exchange rate or when this is not possible, the average monthly exchange rate is used as a reasonable approximation; and
- c) All resulting foreign currency translation differences are recognized in the conversion reserve in net equity.

The change determined for foreign currency translation on the investment accounted for in a company whose functional currency is different from the functional currency of the subsidiary is recorded as other comprehensive income, forming part of equity as foreign currency translation reserves.

Foreign currency translation differences generated on balances maintained in long-term current accounts between subsidiaries with different functional currencies, are eliminated from income and recorded in the foreign currency translation reserves account under net equity, since they are treated as net investment in those subsidiaries.

#### FOREIGN CURRENCY EXCHANGE RATES

As of December 31, 2014 and 2013 the exchange rates of the main foreign currencies used in the accounting processes of CMPC companies with respect to the dollar are detailed as follows:

CURRENCY		12/31/2014		31/12/2013	
		CLOSING	ACCUMULATED MONTHLY AVERAGE	CLOSING	ACCUMULATED MONTHLY AVERAGE
Chilean peso	CLP	606.75	570.37	524.61	495.31
Unidad de fomento *	CLF	0.02	0.02	0.02	0.02
Argentinean peso	ARS	8.55	8.13	6.52	5.48
New Peruvian sol	PEN	2.99	2.84	2.80	2.70
Mexican peso	MXN	14.72	13.30	13.08	12.77
Uruguayan peso	UYU	24.37	23.24	21.42	20.47
Colombian peso	COP	2,392.46	2,000.70	1,926.83	1,868.80
Euro	EUR	0.82	0.75	0.72	0.75
Brazilian real	BRL	2.66	2.35	2.34	2.16

\* The unidad de fomento (CLF) is a monetary unit denominated in Chilean pesos indexed to Chile's inflation rate. Its value is established daily beforehand, on the basis of the variation in the Consumer Price Index (CPI) for the previous month. The effects generated from restatement of assets and liabilities in CLF are recorded under income from indexation units in the income statement by function.

#### 2.5. PROPERTY, PLANT AND EQUIPMENT

Additions to property, plant and equipment are accounted for at acquisition cost. Acquisitions agreed upon in a currency other than the functional currency are converted to that currency at the exchange rate on the date of acquisition.

In the event that an asset is financed through direct and indirect loans, the policy on interest is to capitalize that interest cost during the construction or acquisition period, if the assets qualify due to the period of time to their placement in operation and the magnitude of the investment involved. The cost may also include profits or losses on qualified cash flow hedging of foreign currency purchases of property, plant and equipment transferred from net equity.

Depreciation of assets is calculated using the straight-line method, distributed systematically over their useful lives. Useful lives have been determined on the basis of the expected natural impairment, technical or commercial obsolescence derived from changes and/or improvements in production and changes in market demand for the products obtained in the operation of such assets. Land, whether forestry or industrial, is not depreciated.

The residual value and useful lives of assets are reviewed and adjusted if necessary at the end of each reporting period.

Costs derived from daily maintenance and common repairs are recognized in the income statement for the year, unlike replacement of parts or pieces and spare parts with significant useful lives, which are capitalized and depreciated over the lives of the main assets, on the basis of the component approach.



Profits and losses on disposal of property, plant and equipment are calculated comparing the proceeds to the carrying amount (net of depreciation) and are included in the income statement.

On the first-time application of IFRS (January 1, 2008), the Company reflected its main property, plant and equipment items at fair value, assimilating it to historical cost, based on the IFRS transition standard, specifically IFRS 1, paragraph D 5. Property, plant and equipment acquired as of that date, except for assets contained in newly acquired companies are valued at cost.

Property, plant and equipment items acquired through business combinations are accounted for at fair value, as required by IFRS 3 paragraph 18, and that is subsequently considered to be the cost of the asset.

## 2.6. BIOLOGICAL ASSETS (FOREST PLANTATIONS)

Forest plantations are presented in the statement of financial position at fair value. Groups of forests are accounted for at fair value at a "standing timber" level, i.e. discounting harvesting costs and transportation expenses to the point of sale.

The discounted cash flows method is used to determine fair value, i.e. updating cash flows of future operations up to the harvesting time of the forests, taking their potential growth into account. This means that the fair value of biological assets is measured as the "present value" of the harvest on the present growth cycle of productive plantations. In their first year plantations are valued at their cost of establishment.

Biological assets are recognized and measured at fair value separately from the land.

The costs of setting up forest plantations are classified as biological assets and the maintenance expenses for these assets are recorded as expenses in the year in which they are incurred and are shown as cost of sales.

Forest plantations to be harvested in the next 12 months are classified as current biological assets.

## 2.7. INTANGIBLE ASSETS

Intangible assets refer to trademarks, water rights, emission entitlements, electric line easements and expenses incurred in the acquisition and development of computer software.

### A) TRADEMARKS

CMPC has a portfolio of trademarks mostly developed internally, and some acquired from others. These are valued at their registration cost in the Public Trademarks Registry or purchase value, respectively. Disbursements incurred in trademark development are recorded as operating expenses in the period in which they are incurred. The Company considers that trademarks maintain their value through its investment in marketing and are therefore considered to have indefinite lives and are not amortized. However they are annually tested for impairment.

### B) WATER RIGHTS

Water rights acquired by the Company correspond to the right to use water from natural sources and were recorded at purchase value. Since these rights are perpetual, they are not amortized; however they are annually tested for impairment.

### C) EMISSION ENTITLEMENTS

In Chile there are emission entitlements allocated by the National Environment Commission ("CONAMA" or Comisión Nacional del Medio Ambiente), necessary for the normal operation of factories. These entitlements are recorded at purchase value, provided that payment exists; from the time the Company is in a position to exert emission controls and measurement. These entitlements are not amortizable; however, they must be annually subjected to impairment testing. The entitlements allocated by CONAMA to the Company and its subsidiaries are not recorded in the financial statement since no payment has been made for them.





#### D) ELECTRICITY EASEMENTS

The Company has paid for electricity line easements to perform power line work on third-party land, necessary for the operation of the industrial plants. Since these rights are perpetual, they are not amortized; however, they are annually tested for impairment. The values paid are capitalized as of the contract date.

#### E) COMPUTER SOFTWARE ACQUISITION AND DEVELOPMENT EXPENSES

The cost of acquiring and developing computer software that is relevant and specific to the Company is capitalized and amortized in the year in which revenue is generated from their use.

### 2.8. GOODWILL

Goodwill represents the excess between the acquisition cost and the fair value of CMPC's share in the net identifiable assets of the subsidiary on the date of acquisition. Goodwill is tested annually for impairment, recognizing the corresponding accumulated impairment loss. Profits and losses on the disposal of an entity include the carrying amount of goodwill related to the entity sold.

Goodwill originated from the acquisition of companies whose functional currency is other than the dollar is booked in the same way as if they were foreign currency assets, i.e. they are adjusted by the variation in the exchange rate of the respective currency.

Goodwill is allocated to the cash generating units (CGUs) for the purpose of impairment testing. The allocation is made to the CGUs that are expected to benefit from the business combination from which the goodwill arose. Each of these CGUs represent CMPC's investment in an industrial plant (Note 2.9).

### 2.9. IMPAIRMENT LOSSES ON NON-FINANCIAL ASSETS

Intangible assets with indefinite useful lives and goodwill, which are not amortized, are tested annually or before if there is evidence of impairment, in order to ensure that their carrying amount does not exceed their recoverable value.

Assets subject to depreciation (property, plant and equipment) are tested for impairment provided that some event or change in business circumstances indicates that the carrying amount may not be recoverable. An impairment loss is recognized when the carrying amount is greater than the recoverable value. The recoverable value of an asset is its fair value less cost of sale or its value in use, whichever is higher. In order to assess impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows.

Non-financial assets other than goodwill with impairment losses are tested on each financial statement closing date to check for possible reversal of losses. Impairment losses can be reversed only up to the amount of the losses recognized in prior periods, in order for the carrying amount of these assets not to exceed the value they would have had if such adjustments had not been made. This reversal is recorded in other profits (losses).

### 2.10. FINANCIAL INSTRUMENTS

CMPC classifies its financial instruments in the following categories: financial instruments at fair value through profit or loss, financial assets held to maturity, loans and accounts receivable and available-for-sale financial assets. Management determines the classification of its financial instruments at the time of their initial recognition, based on the purpose for which those financial instruments were acquired.

Investments are initially recognized at fair value plus transaction costs for all financial assets not controlled at fair value through profit or loss. Financial instruments at fair value through profit or loss are initially recognized at fair value and transaction costs are charged to the income statement.

Investments are derecognized when the right to receive cash flows from the investments has expired or has been transferred and the Company has substantially transferred all the risks and advantages derived from ownership.



#### (A) FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

Financial instruments at fair value through profit or loss are instruments held for trading acquired mainly for the purpose of selling them in the short-term. Derivatives are also classified as held for trading unless they are designated as hedges. Instruments in this category are classified as current assets or liabilities. They are subsequently valued by determining their fair value and recording any change in value in the income statement under other profits (losses).

#### (B) FINANCIAL ASSETS HELD TO MATURITY

Financial assets held to maturity are non-derivative financial instruments with fixed or determinable payments and fixed maturity that the management of CMPC has the positive intention and capacity to hold to maturity. These financial instruments are included in other non-current financial assets, except for those maturing in less than 12 months from the date of the financial statement, which are classified as other current financial assets. They are recognized at amortized cost and accrual of earnings on the instrument is recorded directly in the income statement.

#### (C) LOANS AND ACCOUNTS RECEIVABLE

Loans and accounts receivable are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. This category includes current trade and other accounts receivable, except for those maturing in more than 12 months from the date of the financial statement, which are classified as non-current assets. They are recognized at amortized cost, accrued income as per agreed conditions is recorded directly in the income statement.

#### (D) AVAILABLE-FOR-SALE FINANCIAL ASSETS

Available-for-sale financial assets are non-derivative instruments that are designated in this category when the Company's management plans to use these resources in the medium or long-term, before their respective maturities. They are subsequently valued at fair value, recording changes in value in equity. Once the instruments are sold, the reserve is taken to the income statement forming part of income for the year in which the instrument was sold.

As of the date of each financial statement, CMPC evaluates whether there is objective evidence that a financial instrument or group of financial instruments have suffered impairment losses.

### 2.11. HEDGING INSTRUMENTS

Derivatives are initially recognized at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value on each accounting close date. The method for recognizing the resulting profit or loss depends on whether the derivative has been designated as a hedge instrument or not, and if it has been so designated, it shall depend on the nature of the item that is being hedged. CMPC designates certain derivatives as:

- Fair value hedges on recognized assets and liabilities (fair value hedge).
- Hedges on a particular risk associated to a recognized liability or a highly probable foreseen transaction (cash flow hedge).

At inception of the transaction the Company documents the transaction relationship between the hedging instrument and the hedged item, as well as its objectives and strategy for undertaking various hedging transactions. The Company also documents its assessment, both at the beginning and end of each year, as to whether the derivatives used in hedging transactions are highly effective in offsetting changes in the fair value or cash flows of the hedged items.

The fair value of derivative instruments used for hedging purposes is disclosed in Notes 8 and 22 (hedging assets and liabilities, respectively). Movements in the cash flows hedge reserve in equity are disclosed in Note 30. The total fair value of hedging derivatives is classified as a non-current asset or liability when the hedged item matures in more than 12 months or as a current asset or liability if the hedged item matures in less than 12 months.



#### (A) FAIR VALUE HEDGE

Changes in the fair value of derivatives that are designated and qualify as fair value hedges of existing assets and liabilities are recorded in the same income statement accounts where changes in the value of those underlying assets and liabilities are recorded.

#### (B) CASH FLOW HEDGE

The objective of currency forwards and of cross currency swaps is to reduce the financial risk of income and expense flows committed in currencies other than the dollar. The objective of oil price swaps is to hedge the risk of potential changes in the cost of oil which affect the rates of pulp transportation marine freight. In particular, currency forwards entered into are used to hedge financial risks associated to the volatility of sales in euros of the lumber and cardboard product business and to hedge against changes in the price of the Brazilian currency (BRL) associated to the investment in the second pulp production line in Brazil.

Hedges are documented and tested to measure their effectiveness.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in net equity under cash flow hedge reserves. The profit or loss related to the non-effective portion is recognized immediately in the income statement under other profits (losses).

In the case of currency forwards, at the time of accrual of underlying income or at the time of payment of obligations on investments in property, plant and equipment, the amount accumulated in equity (cash flow hedge reserves) up to that date is transferred to income for the year (income or costs from operating activities) or to property, plant and equipment, respectively.

Each time the hedged obligation in a cross currency swap affects income for the year, the respective amount is reclassified from equity (cash flow hedge reserves) to adequately reflect the effects of the hedge.

#### VALUATION METHODOLOGIES:

CMPC values its derivative contracts based on computer models, which are mainly based on discounting future cash flows at relevant market rates.

This system incorporates all the relevant market information ("data") at the time of the valuation and uses the Bloomberg system as a source of Data.

Main Data:

- Closing exchange rates for each currency obtained from Bloomberg.
- Future exchange rates constructed from closing exchange rates plus "forward" points obtained directly from Bloomberg (calculated with rate differential).
- Respective interest rates obtained from Bloomberg to discount cash flows to present value. Management uses swap rates to discount cash flows more than 12 months as an approximation to the zero coupon rate.

For oil derivatives, valuation is obtained from information provided by third parties (at least two banks).

## 2.12. INVENTORY

Finished products are presented at production cost, which is lower than their net realizable value, considering production cost to be the value determined using the weighted average cost method.

The net realizable value is the estimated selling price in the ordinary course of business, less distribution and selling expenses. Should market conditions lead to their cost exceeding their net realizable value, an allowance is established for the difference in value.

Such allowance also takes into account amounts related to obsolescence due to slow turnover, technical obsolescence and products withdrawn from the market.

The cost of finished products and work in progress includes raw materials, direct labor, depreciation of industrial property, plant and equipment, other direct costs and expenses related to the production and maintenance of the industrial plant, excluding finance costs.



The allocation of indirect or fixed expenses to production considers the normal production capacity of the factory or plant that generates such expenses.

Supplies and raw materials acquired from others are valued initially at acquisition price and when consumed are included in the cost of finished products using the average cost method

### 2.13. TRADE AND OTHER ACCOUNTS RECEIVABLE

Commercial credit is presented initially at fair value, quantifying the real collection value and subsequently at amortized cost. This means that income associated to the sale is recognized separately from interest arising from implicit interest associated to the collection terms. For this determination, CMPC considers 90 days as a normal collection period. Income associated to longer payment terms is recorded as deferred income in current liabilities and the accrued portion is recorded in operating income.

In addition, doubtful accounts are estimated on the basis of an objective review of all amounts pending payment at the end of each year. Impairment losses associated to doubtful trade credit are recorded in the comprehensive income statement in the year they are produced. Trade credits are included in current assets in trade and other accounts receivable, to the extent that their estimated collection period does not exceed one year from the date of the financial statements.

### 2.14. CASH AND CASH EQUIVALENTS

Cash and cash equivalents considers cash on hand and bank account balances, time deposits and other financial investments (money market securities) maturing in less than 90 days from the date of the investment. This item also includes investments inherent to cash management such as repurchase and resale agreements with maturities as defined above.

Bank overdraft facilities used are included in interest bearing loans in current liabilities.

### 2.15. ISSUED CAPITAL

Ordinary shares are classified as net equity

### 2.16. TRADE AND OTHER ACCOUNTS PAYABLE

Accounts payable to suppliers are initially recognized at fair value and are subsequently valued at amortized cost using the effective interest rate method, for significant transactions with terms exceeding 90 days.

### 2.17. INTEREST BEARING LOANS

Interest bearing loans, classified in other financial liabilities, are initially recognized at fair value, which corresponds to the value of the debt net of directly associated transactions expenses, and are then controlled using the amortized cost method using the effective rate.

Management believes that the Company can obtain financing at a price and on terms similar to those of the outstanding debt therefore it considers the carrying amount of the debt as its fair value.

### 2.18. CURRENT AND DEFERRED INCOME TAXES

The income tax expense includes the taxes of Empresas CMPC S.A. and its subsidiaries, based on their taxable income for the year, together with tax adjustments for previous years and changes in deferred taxes.



Deferred income tax is calculated using the liabilities method, on temporary differences arising between the tax base of assets and liabilities and their carrying amounts. However, deferred tax is not recorded if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction does not affect accounting income or taxable income or loss. Deferred tax is determined using income tax rates under current laws or laws that are on the verge of being enacted, in each country of operation, on the date of the financial statement and which are expected to apply when the related deferred tax asset is realized or the deferred tax liability is settled.

Deferred tax assets are recorded when it is considered probable that the group entities will generate sufficient future taxable income against which temporary differences can be used.

In accordance with IAS 12, no deferred taxes have been recognized on temporary differences arising between the tax and accounting value generated by investments in related parties, since the Company maintains control of the time of reversal of the temporary difference. Therefore deferred tax arising from foreign currency translation or shares in other comprehensive income of associates recorded directly in net equity in the other comprehensive income statement has not been recorded.

In accordance with Circular 856 dated October 17, 2014 issued by the SVS, the Company has reflected, with a charge to retained earnings (losses) under equity, the initial effect of reflecting the increase in the tax rate from 20% to 25% or 27% as of September 30, 2014. IAS 12 establishes that the effect of a change in tax rate must be reflected in income for the year (see Note 21).

## 2.19. EMPLOYEE BENEFITS

A large number of the subsidiaries of CMPC located in Chile have collective agreements with their employees which grant all events termination benefits due to voluntary retirement or termination. This liability is therefore recognized according to technical standards using an actuarial methodology that takes into account turnover, discount rate, salary increase rate and average retirement. This value so determined is presented at present value using the projected unit credit method.

Regarding employees of foreign subsidiaries whose country legislation establishes the providing of seniority benefits to employees, this obligation is recorded on the basis of actuarial studies carried out using the projected unit credit method.

In addition, Brazilian subsidiary Melhoramentos CMPC Ltda. (formerly Melhoramentos Papéis Ltda.) signed a commitment in 1997 with the employee labor union to provide medical assistance for life to its retired employees as of that date. The amount recorded in the current financial statements refers to the actuarial calculation of the obligation generated by this commitment.

Profits or losses due to changes in actuarial variables, if any, are recognized in comprehensive income for the year in which they are produced.

The Company recognizes a liability for bonuses paid to its main executives, when it is contractually obligated or when past practices have created an implicit obligation, which is presented in current liabilities, under current employee benefits provision.

## 2.20. PROVISIONS

Provisions are recognized when CMPC has a present legal or constructive obligation as a result of past events, when it is estimated that it is probable that an outflow of funds will be required to settle the obligation and when the amount of this obligation can be reliably estimated.

Restructuring provisions are recognized in the year in which CMPC is legally or constructively committed to the plan. Relevant costs are only those which are incremental or incurred as a result of the restructuring.

The main concepts for which provisions are established with a charge to income are civil, labor and tax lawsuits.



## 2.21. REVENUE RECOGNITION

Revenue is composed of sale of products, raw materials and services, less taxes related to the sale not transferred to third parties and discounts made to customers converted at the exchange rate on the day of the transaction in consideration of the functional currency defined for each company.

Income from sale of goods is recognized after the Company has transferred the risks and benefits of ownership to the buyer and it does not have a right to dispose of them, or maintain effective control. Generally, this means that sales are recorded at the moment of transfer of the risks and benefits to customers in accordance with the terms of commercial agreements.

In general, the delivery terms of CMPC for export sales are based on Incoterms 2010, which are the official rules for interpretation of trade terms issued by the International Chamber of Commerce.

The revenue recognition structure is based on the grouping of Incoterms, into the following groups:

- "DAT (Delivered at Terminal), DAP (Delivered at Place), DDP (Delivered Duty Paid) and similar", whereby the Company is obligated to deliver the merchandise to the buyer at the port of destination or on the last means of transportation used, or at the agreed upon destination, in which case the sale is completed at the time of delivery to the purchaser, recognizing income at the time of delivery of the product.
- "CIF (Cost, Insurance & Freight) and similar", whereby the Company organizes and pays expenses for transportation abroad and certain other expenses, although CMPC ceases to be responsible for the merchandise once it has been delivered to the shipping company or air carrier in conformity with the relevant terms. The point of sale is therefore the delivery of the merchandise to the carrier engaged by the seller for transportation to the destination.
- "FOB (Free on Board) and similar terms", where the buyer organizes and pays for the transportation. Therefore, the point of sale is the delivery of the merchandise to the carrier engaged by the buyer.

Should any discrepancy exist between the trade agreements and the Incoterms defined for the operation, the terms set out in the contract shall prevail.

In case of local sales, the sale of merchandise that has been dispatched to customers is considered operating income.

Sales that fail to meet the aforementioned conditions are recognized as unearned income in current liabilities, and are subsequently recognized as operating income once the conditions of transfer of risks, benefits and ownership of the goods are met, as described above.

Should CMPC be responsible for organizing the transportation for its sale, these costs are not billed separately, they are included in income for the value of the merchandise billed to the customer and the shipment expenses are shown in cost of sales.

Operating income from sale of services is recorded when the service has been provided. A service is considered to be provided upon satisfactory reception by the customer.

## 2.22. LEASES

Leases of property, plant and equipment, where the Company has substantially all the risks and benefits of ownership, are classified as finance leases. Finance leases are recorded at inception of the lease at the fair value of the property leased. Each payment is split between the principal and financing charge in order to achieve a constant interest rate over the outstanding balance. The respective lease obligations, net of finance charges, are shown in interest-bearing loans. Property, plant and equipment items acquired under finance lease contracts are depreciated over the expected technical useful life of the asset.

Leases under which the lessor reserves all the rights and benefits of ownership, are classified as operating leases, and the lease payments are expensed throughout the term of the lease on a straight-line basis.



## 2.23. DIVIDENDS DISTRIBUTED

Dividends distributed to the shareholders are recognized as a liability on the closing date of the financial statements, in function of the dividend policy approved by the Shareholders' Meeting.

## 2.24. ENVIRONMENT

Should there be environmental liabilities, these are recorded on the basis of current interpretation of environmental laws and regulations, when a current obligation is likely to be incurred and the amount of that responsibility can be reliably estimated.

Investments in infrastructure intended to comply with environmental requirements are capitalized following the general accounting criteria for property, plant and equipment.

## 2.25. RESEARCH AND DEVELOPMENT

These expenses are presented in administrative expenses in the comprehensive income statement, and are recorded in the period in which they are incurred.

## 2.26. ADVERTISING EXPENSES

Advertising expenses are recognized in income when they are incurred.

## 2.27. EARNINGS PER SHARE

Earnings per share are calculated by dividing the net profit attributable to the shareholders that are owners of the parent company by the weighted average number of ordinary shares subscribed and paid during the year.

## 2.28. GOODS AND SERVICES INSURANCE EXPENSES

Payments of insurance policies purchased by the Company are recognized in expenses in proportion to the period of time they cover, regardless of the payment terms. Amounts paid and not consumed are recognized as other non-financial assets under current assets.

The costs of claims are recognized in income immediately after they are known. Recoverable amounts are recorded in trade and other accounts receivable as a reimbursable asset by the insurance company, calculated according to the terms of the insurance policies, once all the conditions that guarantee their recovery are met.

## NOTE 3 - RISK MANAGEMENT

Empresas CMPC and its subsidiaries are exposed to a combination of market, financial and operating risks inherent to their businesses. CMPC seeks to identify and manage such risks in the most adequate manner in order to minimize potential adverse effects. The Board of CMPC establishes the strategy and the general framework under which the Company's risk management operates, and is implemented on a decentralized basis through the different business units. At a corporate level, finance management and internal audit respectively co-ordinate and control the proper execution of the prevention and mitigation policies of the main risks identified.



### 3.1. MARKET RISK

A considerable percentage of the sales of CMPC come from products considered to be commodities, whose prices depend on the situation prevailing in the international markets in which the Company has an insignificant impact and has no control over the factors that affect prices. These factors include the fluctuation in global demand (determined mainly by the economic conditions of Asia, North America, Europe and Latin America), variations in the installed capacity of the industry, inventory levels, business strategies and competitive advantages of the main players in the forestry industry, availability of substitute products and the stage of the product's life cycle. It should be noted, that in addition to our own expansion in Guaíba, there are currently several projects for new pulp production lines recently placed in operation, under construction or in an advanced stage of development in Uruguay, Brazil and Indonesia, among others, therefore a relevant increase in the supply is foreseen in the next few years and therefore a potentially adverse effect on market prices.

It should be noted in this respect that CMPC has a diversified portfolio in terms of products and markets, with customers in more than 45 countries. This allows commercial flexibility and significant risk dispersion.

One of the main categories of products of CMPC is bleached kraft pulp, which represents 28% of consolidated sales and is commercialized to approximately 270 customers in 44 countries in Asia, Europe, America and Oceania. CMPC benefits from business diversification and the vertical integration of its operations, thus giving it certain flexibility to manage its exposure to changes in the price of pulp. The impact of a possible drop in pulp prices is partially offset with greater margins in the sale of products with more preparation, especially tissue and cardboard.

### 3.2. FINANCIAL RISK

The main financial risks identified by CMPC are: risk of financial market conditions (including foreign exchange risk and interest rate risk), credit risk and liquidity risk.

CMPC follows the policy of concentrating a large part of its financial debt and funds placement operations, foreign exchange and derivatives trading in its subsidiary Inversiones CMPC S.A. The purpose of this policy is to optimize resources, achieve economies of scale, and improve operating control. Separate borrowing by subsidiaries occurs only when it is advantageous.

#### A) RISK OF FINANCIAL MARKET CONDITIONS

i) Exchange rate risk: CMPC is exposed to exchange rate fluctuations, expressed in two forms. The first is foreign currency translation differences, derived from possible accounting mismatch existing between assets and liabilities in the statement of financial position denominated in currencies other than the functional currency, which in the case of CMPC is the United States dollar. The second relates to the exchange rate variation on the Company's investment expenses, costs and income which directly or indirectly are denominated in currencies other than the functional currency.

During the year ended as of December 31, 2014, the exports of CMPC and its subsidiaries represented approximately 45% of sales for the year, the main destinations being the markets of Asia, Europe, Latin America and the United States. Most of these export sales were denominated in dollars.

On the other hand, the domestic sales of CMPC in Chile and those of its subsidiaries in Argentina, Brazil, Colombia, Ecuador, Mexico, Peru and Uruguay, in their respective countries, represented 55% of the Company's total sales in the year. Those sales were carried out both in local currencies and in dollars.

Consequently, the flow of income in dollars or indexed to that currency is estimated at close to 62% of the Company's total sales. In turn, on the side of expenses, raw materials, supplies and spare parts required for processes such as investments in property, plant and equipment are also mostly denominated in dollars or else indexed to that currency.

In particular cases, sales are carried out or payment commitments are acquired in a currency other than the United States dollar. Derivative transactions are carried out in order to fix the exchange rates in question to avoid the foreign exchange risk of non-dollar currencies. As of December 31, 2014 a significant proportion of the estimated sales of cardboard and lumber to Europe in euros up to 2018 have been hedged.





Considering that the structure of CMPC's cash flows is highly indexed to the dollar, most liabilities have been incurred in that currency. In the case of foreign subsidiaries, as they receive revenue in local currency, a part of their debt is established in the same currency in order to reduce economic and accounting mismatches. Other mechanisms used to reduce the accounting mismatches are: managing the currency denomination of the financial investment portfolio, occasional contracting of short-term future operations and, in certain cases, transactions using options, which are subject to limits previously authorized by the Board and representing a small amount in relation to the Company's total sales.

From an accounting point of view, fluctuations in the exchange rate of local currencies have an impact on the deferred tax provision. This effect is originated by the difference in value of assets and liabilities in the financial accounting as opposed to the value reflected in the tax accounting when the functional currency (US dollar) is different from the tax currency (local currency of the respective business unit). This occurs mainly in the forestry, pulp and paper business segments of Chile and Brazil. Thus, a devaluation in the currencies of those countries in respect to the US dollar implies a higher deferred tax provision. Although these adjustments to the provision do not imply cash flows, they do introduce a volatility issue in the reported financial results.

#### SENSITIVITY ANALYSIS

CMPC has an asset accounting exposure in relation to currencies other than the dollar (more assets than liabilities denominated in currencies other than the dollar), amounting to US\$ 739 million as of December 31, 2014 (US\$ 1,969 million as of December 31, 2013). If the total exchange rates of these currencies (mainly Brazilian reales and Chilean pesos) were to appreciate or depreciate by 10%, the effect on the Company's equity is estimated to be an increase or decrease of US\$ 74 million respectively (US\$ 197 million as of December 31, 2013). The previously mentioned effect would be recorded as a credit or charge to foreign currency translation reserves and as a loss or gain for the year, detailed as follows:

	DECEMBER 31, 2014		DECEMBER 31, 2013	
	10% APPRECIATION THUS\$	10% DEPRECIATION THUS\$	10% APPRECIATION THUS\$	10% DEPRECIATION THUS\$
Effect of foreign currency translation on reserves	89,889	(89,889)	219,114	(219,114)
Effect on profit (loss)	(16,021)	16,021	(22,256)	22,256
<b>EFFECT ON NET EQUITY</b>	<b>73,868</b>	<b>(73,868)</b>	<b>196,858</b>	<b>(196,858)</b>

ii) Interest rate risk: the Company's financial investments are preferably maintained at fixed interest rates, eliminating the risk of changes in the market interest rate. For debts with variable interest rates, CMPC minimizes the risk using derivative instruments.

CMPC has financial liabilities at floating interest rates amounting to US\$ 346 million as of December 31, 2014 (US\$ 368 million as of December 31, 2013), of which US\$ 62 million are subject to interest rates based on LIBOR 180 and US\$ 284 million are subject to interest based on the Taxa de Juros de Longo Prazo (TJLP). A change of 10% in the LIBOR 180 rate implies a change in CMPC's annual finance cost of US\$ 0.02 million. A 10% change in the TJLP rate implies a change in CMPC's annual finance cost of US\$ 1.42 million.

#### B) CREDIT RISK

Credit risk arises mainly from the eventual insolvency of certain CMPC customers and therefore from the ability to collect on outstanding accounts receivable and concluding committed transactions.

CMPC manages these exposures through continuous review and evaluation of the payment capability of its customers through an internal Credit Committee that uses information from several alternate sources and through risk transfer (using letters of credit or credit insurance) or guarantees which altogether cover practically all export sales and approximately half of domestic sales.

Trade accounts receivable according to coverage as of each year-end are detailed as follows:

	12/31/2014	12/31/2013
<b>ACCOUNTS RECEIVABLE</b>	<b>100%</b>	<b>100%</b>
Credit insurance or letters of credit	65%	60%
Not covered	35%	40%



Effective management of credit risk and wide distribution and diversity of sales has resulted in very low customer portfolio credit losses, which in the current year amount to 0.11% of sales (0.16% of sales in 2013).

There are also credit risks in the execution of financial operations (counterparty risk). This risk for the Company arises when there is a likelihood that the counterparty to a financial contract will not be able to fulfill the financial obligations incurred, thus making CMPC incur a loss. To reduce this risk in its financial operations, CMPC establishes individual exposure limits by financial institution, approved periodically by the Board of Empresas CMPC S.A. In addition, CMPC follows the policy of operating with banks and financial institutions with a risk rating similar to or higher than that of the Company.

The financial institutions in which CMPC has investments are detailed as follows:

ISSUER	12/31/2014		12/31/2013	
	% PORTFOLIO	THUSS	% PORTFOLIO	THUSS
J.P. Morgan Chase Bank N.A. - United States	18.42%	210,611	6.35%	69,398
Banco Santander - Chile	15.90%	181,929	17.49%	191,377
Banco BCI - Chile	12.19%	139,494	3.00%	32,809
Banco de Chile	8.82%	100,965	2.90%	31,663
Morgan Stanley - United States	6.12%	70,023	-	-
Banco HSBC - Chile	6.12%	70,011	-	-
BancoEstado - Chile	5.25%	60,131	1.05%	11,454
BBVA Corredores de Bolsa S.A. - Chile	5.25%	60,058	3.92%	42,886
BancoEstado S.A. Corredores de Bolsa - Chile	5.08%	58,139	-	-
Banchile Corredores de Bolsa S.A. - Chile	4.53%	51,897	11.79%	128,904
Banco Corpbanca - Chile	2.66%	30,479	1.46%	15,935
BICE Agente de Valores S.A. - Chile	1.50%	17,163	9.82%	107,347
Banco BBVA - Peru	1.13%	12,893	0.82%	8,913
Banco de Crédito del Perú	1.01%	11,613	0.42%	4,576
Banco Security - Chile	0.87%	10,003	4.58%	50,017
Banco BBVA - United States	0.87%	10,001	2.15%	23,502
HSBC Bank plc - England	0.82%	9,406	0.06%	661
Banco BBVA - Chile	0.62%	7,071	5.03%	55,015
Banco Itaú - Brazil	0.52%	5,926	0.09%	935
Banco HSBC - Mexico	0.50%	5,775	0.47%	5,132
Banco Santander - Brazil	0.45%	5,167	4.06%	44,426
Banco Bradesco - Brazil	0.39%	4,466	0.04%	411
Banco BBVA Bancomer - Mexico	0.29%	3,311	0.05%	580
Banco do Brasil	0.24%	2,748	0.39%	4,211
Citibank N.A. - England	0.21%	2,436	0.30%	3,253
Banco Santander - Mexico	0.09%	1,051	0.76%	8,344
J.P. Morgan Chase Bank N.A. - Chile	0.08%	922	0.00%	9
Citibank N.A. N.Y. - United States	0.05%	550	0.00%	6
Rothschild Bank International Limited - England	0.02%	203	0.02%	210
Banco Banrisul - Brazil	0.00%	7	-	-
Banco BICE - Chile	0.00%	4	0.00%	4
Banco BCI - United States	-	-	13.19%	144,204
BNP Paribas - United States	-	-	3.16%	34,501
Itaú Chile Corredores de Bolsa Ltda.	-	-	3.45%	37,732
BancoEstado N.Y. - United States	-	-	1.98%	21,600
Banco Itaú - Chile	-	-	1.08%	11,828
BNP Paribas - France	-	-	0.03%	312
HSBC Bank USA, N.A. - United States	-	-	0.06%	678
J.P. Morgan Chase Bank N.A. - England	-	-	0.03%	318
Bank of America Merrill Lynch - England	-	-	0.00%	31
Morgan Stanley & Co. International plc - England	-	-	0.00%	23
Goldman Sachs International - England	-	-	0.00%	7
SUBTOTAL	100.00%	1,144,453	100.00%	1,093,212
Plus: cash and bank accounts		27,457		21,486
<b>TOTAL CASH AND CASH EQUIVALENTS AND OTHER FINANCIAL ASSETS</b>		<b>1,171,910</b>		<b>1,114,698</b>



### C) LIQUIDITY RISK

This risk arises should the Company not be able to fulfill its obligations as a result of insufficient liquidity. CMPC manages this risk through appropriate distribution, extension of due dates and limits on the amount of its debt, as well as by maintaining an adequate liquidity reserve and prudent management of its operating and investment cash flows.

The Company has a policy of concentrating its financial debts in subsidiary Inversiones CMPC S.A. which finances operating subsidiaries. Debts are incurred through bank loans and bonds placed in international markets and in the local Chilean market. Indebtedness of other subsidiaries occurs only when it is advantageous.

The prudent financial policy followed by CMPC, added to its market position and quality of assets, enables Empresas CMPC S.A. to have an international credit rating of BBB- according to Standard & Poor's, BBB+ according to Fitch Ratings and Baa3 according to Moody's, one of the highest in the world in the forestry, paper and pulp industry (see analysis of settlement of liabilities in Note 22.2 letter g).

It should also be noted that the Board of Empresas CMPC S.A. together with its management, have established a policy of financial objectives, beyond those required by creditors in order to maintain a solid financial position.

The financial objectives policy considers the following criteria:

- i) Cash <sup>(\*)</sup> > debt amortization + finance costs in the next 18 months.
- ii) Net financial debt <sup>(\*\*)</sup> / EBITDA < 2.5 over a horizon of 24 months.
- iii) Financial debt with third parties <sup>(\*\*\*)</sup> over equity (adjusted for contracts) < 0.50.
- iv) Interest coverage ((EBITDA + finance income) / finance costs) > 5.0.

(\*) Cash: Cash and cash equivalents plus time deposits over 90 days (see Note 8).

(\*\*) Net financial debt: financial debt with third parties less cash.

(\*\*\*) Financial debt with third parties: total interest bearing loans - other obligations + liabilities on swap and cross currency swap operations + hedging liabilities - assets on swaps and cross currency swap operations - hedging assets (see Note 22 letter e).

The Board and management constantly ensure compliance with these objectives. In case of non-compliance, the necessary measures will be taken to recover the levels defined within 6 months, either through increases in long-term debt, reduction of the dividends policy or capital increases, among other things.

## 3.3. OPERATING RISKS

### A) INDUSTRIAL AND FORESTRY OPERATING RISKS

Events that shutdown the Company's production facilities can stop us from fulfilling the needs of our customers, from reaching production goals and could force unscheduled disbursements in maintenance and investments in assets, all of which can adversely affect the profits of CMPC. The most significant events that can generate shutdowns include earthquakes, fires, equipment failures, interruption of supplies, spills, explosions, floods, droughts, terrorism and labor conflicts.

The operating risk management objectives at CMPC are to efficiently and effectively protect employees, the Company's assets, the environment and business operations in general. For this purpose, accident prevention measures and loss and insurance coverage are managed in a balanced manner. Loss prevention work is systematic and is carried out in accordance with pre-established guidelines and periodic inspections by insurance company specialist engineers. In addition, CMPC has a continuous improvement plan for its operating risk conditions in order to minimize the probability of occurrence and attenuate the possible effects of losses. Each of the Company's business units manages these plans in accordance with regulations and standards established at a corporate level.



CMPC and its subsidiaries maintain insurance coverage to protect themselves from a substantial part of their main risks. These risk transfers are purchased from high standard local insurance and international reinsurance companies. The risks associated to the operating activities of the business are permanently reevaluated to optimize coverage, according to the market's competitive offers. In general, the conditions on limits and deductibles of insurance policies are established on the basis of maximum estimated losses for each risk category and the coverage conditions offered in the market.

All the Company's infrastructure assets (buildings, installations, machinery, etc.) are reasonably covered from operating risks by insurance policies at their replacement value.

In turn, forest plantations can suffer losses due to fire and other risks of nature, which also have partial insurance coverage, with limitations due to deductibles and maximum indemnities determined in accordance with historical losses. Other risks that are not covered, such as biological risk, could adversely affect the plantations. Although in the past these factors have not caused significant damages to the plantations of CMPC, one cannot discard the occurrence of events outside historical patterns that generate significant losses, beyond the purchased coverage. It should be noted that the south zone of Chile is undergoing one of the driest summers in the last 50 years, which has generated fire hazard conditions.

## **B) CONTINUITY AND COSTS OF PROVIDING SUPPLIES AND SERVICES**

The development of CMPC's businesses involves complex logistics in which timely supply, quality and cost of supplies and services is fundamental to maintaining its competitiveness.

The industrial operations of CMPC mostly have their own energy supply from generation based on biomass and/or supply contracts. In the last few years, CMPC has increased its own generating capacity through investments in co-generation units. It continues developing a plan to invest in new units and evaluates the convenience of incorporating additional projects in the future. Notwithstanding the above, in 2014 and 2015, the Company's own generation plus current supply contracts imply a deficit in Chile of close to 10% of consumption, which will be obtained from the spot market. In addition, plants have contingency plans to cope with restricted supply scenarios; however, the weaknesses of the Chilean electrical system continue generating higher costs for CMPC. The relatively high electric energy prices in Chile continues being a cause for concern, a situation that if maintained, could affect the level of competitiveness of certain of the Company's businesses where electric energy has a relevant effect on costs.

Among CMPC's many suppliers of products and services in Chile, there are companies that provide specialized support and logistical services for its forestry and industrial operations. If these services are not performed with the required level of quality, or the contractual relationship with those companies is affected by regulations, labor conflicts or other contingencies, the operations of CMPC could be affected. One example of this is the situation of several ports in Chile, whose labor contracts implied a shutdown in January 2014.

CMPC seeks to maintain a close long-term relationship with its contractors, with which there is ongoing and systematic work on developing high standards of operation, with an emphasis on employee safety and improvement of working conditions in general.

## **C) ENVIRONMENTAL RISK FACTORS**

CMPC's operations are regulated by environmental standards in Chile and in the other countries where it operates. CMPC has characterized itself as generating a basis of sustainable development in its business management. This has enabled the Company to adapt smoothly to modifications in environmental legislation so that the impact of its operations is consistent with these standards. Future changes in these environmental regulations or in the interpretation of these laws, might have an impact on the operations of the Company's industrial plants.

It should be noted that since 2012 CMPC's plantations in Chile and Brazil have FSC® certification. These accreditations, granted by the Forest Stewardship Council®, reaffirm CMPC's concern for the environment and sustainable development and complement similar long-standing certifications.



#### D) RISKS ASSOCIATED TO COMMUNITY RELATIONS

CMPC seeks to develop smooth relations with the communities where it operates, collaborating in different areas, where we emphasize the support that the CMPC Foundation provides to the public school education process.

The mission of the CMPC Foundation is to strengthen education and culture in the communities where CMPC is present, by providing skills to local teachers and generating long-term alliances. Its objectives are to improve education results of children in elementary school and encourage good relations between the Company and neighboring communities. In 2014 its programs benefitted 7,237 students from 56 establishments in 11 communities and 7,519 hours of training were provided to 374 teachers and directors of educational establishments.

In certain zones of the Bio Bio and Araucanía regions violent events and intentional fires have continued to affect the land of farmers and forestry companies. These events have been caused by groups claiming ancestral rights over certain plots of land. The affected zones have a high level of poverty and serious social problems. To date, this situation has concentrated in specific zones and the effects on CMPC have been limited. The Company has made efforts to establish associations with the communities, generating employment and educational programs and promoting productive development and micro-entrepreneurial initiatives to mitigate the poverty situation of families living in those places. CMPC also protects 33 Mapuche cultural interest sites and 315 water catchments for consumption of water by the communities neighboring the Company's forestry areas. More details of these activities are included in CMPC's Sustainable Development Report.

As a neighbor of the different communities, the Company has an open-door and collaborative attitude toward the desires and challenges of these communities.

#### E) COMPLIANCE RISKS

This risk is associated with the Company's ability to comply with legal, regulatory, contractual, and non-contractual liability obligations, beyond the aspects covered in the factors discussed above. Every part of corporate governance at CMPC regularly reviews its operating and administrative processes in order to ensure proper compliance with the laws and regulations applicable to each of them. In addition, CMPC is renowned for maintaining a proactive attitude in matters relating to safety, the environment, labor conditions, market operation and community relations. CMPC, with a history of over 94 years, has a proven and recognized track record of rigor and prudence in the conduction of its businesses.

In compliance with Law 20,393 which establishes corporate criminal liability for assets laundering, financing of terrorism and bribery activities, an offense "Prevention Model" has been implemented in order to regulate the behavior of its employees for preventing the perpetration of these unlawful acts and trying to avoid their occurrence. This Prevention Model was implemented with the support of experts, has been certified by a qualified entity and was added to the Company's existing Internal Audit and Controllership Management processes, whose objectives include ensuring strict compliance with the applicable legal framework.

#### F) RISK OF POLITICAL AND ECONOMIC CONDITIONS IN THE COUNTRIES WHERE CMPC OPERATES

Changes in the political or economic conditions in countries where CMPC has industrial operations could affect the Company's finance income, as well as the development of its business plan.

CMPC has industrial operations in 8 countries (Chile, Argentina, Brazil, Colombia, Ecuador, Mexico, Peru and Uruguay). A large part of its property, plant and equipment items are located in Chile and 63% of sales originate in Chilean operations. In turn approximately 33% of CMPC's property, plant and equipment is located in Brazil and 13% of sales originate from operations based in that country.



The governments of the countries where CMPC operates have substantial influence over many aspects of the private sector, which include changes in tax regulations, monetary policies, exchange rates and public spending. Regulatory aspects such as labor and environmental standards also affect the operations of CMPC and its profits could be adversely affected by these changes. In September 2014, the Chilean Congress approved a Bill sent by the Government that substantially modified the tax system, significantly increasing the corporate tax burden, which will partially limit the destination of resources arising from profits to reinvestment, which up to now have been determinant in the Company's savings and investment process.

## NOTE 4 - ACCOUNTING ESTIMATES AND JUDGMENT

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed reasonable in the circumstances.

The preparation of consolidated financial statements under IFRS requires estimates and judgments concerning assets and liabilities, exposure to contingent assets and liabilities on the dates of the financial statements, and amounts of income and expenses during the year. Consequently, real results observed later could differ from these estimates.

The accounting principles and areas requiring more estimates and judgments in the preparation of the financial statements are biological assets, termination benefits obligations, litigation, other contingencies, useful lives, impairment testing and fair value of derivative contracts or other financial instruments.

### 4.1. BIOLOGICAL ASSETS

Forest plantations are shown in the statement of financial position at fair value. Consequently, forest groups are accounted for at the fair value of standing timber less harvesting costs and transfer expenses to the points of sale.

New plantations (over the last year) are valued at cost, which is equivalent to their fair value as of that date.

Fair value is determined using the discounted cash flows method, i.e. updating of cash flows from future operations up to the time of forest harvesting, taking into account potential growth. This means that the fair value of biological assets is measured as the "current value" of the harvest of the present growth cycle of productive plantations. Biological assets are recognized and measured at their fair value separately from the land.

Management therefore includes, among other things, estimates of future price levels, sales and cost trends and regular studies of the forests to establish the volumes of timber available for harvesting and their current growth rates.

The model also uses two price groups to value assets. The first group is used to value short-term sales and is based on current market values. The second group uses medium to long-term sales and is based on historic prices and forecasts of structural changes in the markets.

Long-term lumber price estimates are based on historical information from several years and on the forecasting of variables that might affect the future economic environment. The upper limit of these prices are values that have been historically observed in reality. Variations from one consecutive year to another are small and are not corrected if they are not significant. The short-term price established for the first two years of the valuation model is based on market conditions.

The percentage variations in timber prices will affect the valuation of plantations in the following way: a 5% change in average prices modifies the value of the asset by 9.3% (9.3% in 2013).



In addition, a direct costs sensitivity test was performed (including harvesting and transportation), where variations of 5% generate a change in the value of the asset of 4.4% (4.4% in 2013).

Finally, a downward variation in the discount rate of 100 bps (basis points) increases the value of plantations by 4.2% (4.3% in 2013). This test considers a base annual discount rate of 8% in Chile, 12% in Argentina and 8% in Brazil.

#### 4.2. POST-EMPLOYMENT BENEFITS OBLIGATIONS

The Company recognizes this liability in accordance with technical standards, using an actuarial methodology that considers estimates of labor turnover, discount rate, salary increase rate and average retirement. This value determined in this way is presented at actuarial value using the projected unit credit method.

#### 4.3. LITIGATION AND OTHER CONTINGENCIES

CMPC is involved in various lawsuits for which it is not possible to determine with accuracy the possible economic effects on the financial statements in case of unfavorable sentences. In cases where management and the Company's legal counsel believe that favorable results will be obtained, or that the results are uncertain and the lawsuits are pending sentencing, no provisions have been made. Where in the opinion of the Company's management and legal counsel results will be totally or partially unfavorable, provisions have been charged to expenses based on estimates of the most likely amounts payable.

These lawsuits and contingencies are detailed in Note 25 to these financial statements.

#### 4.4. USEFUL LIVES AND IMPAIRMENT TESTING

Industrial plants and equipment are depreciated on the basis of the useful lives that management has estimated for each of these production assets. This estimate might change significantly as a consequence of technological innovations and actions by competitors in response to significant changes in the variables of the industrial sector. Management will increase the depreciation charge when the present useful life is lower than the useful life previously estimated or will depreciate or eliminate technically obsolete or non-strategic assets that have been abandoned or sold.

Management considers that the assigned values and useful lives, as well as the assumptions used, are reasonable, even though different assumptions and useful lives might have a significant impact on reported amounts.

In addition, in accordance with IAS 36, as of each year-end, or before if there is any indication of impairment, CMPC evaluates the recoverable value of property, plant and equipment, grouped in cash generating units (CGUs), including proportional goodwill determined, to verify whether there are impairment losses. If as a result of this evaluation, the fair value is lower than the net carrying amount, an impairment loss is recorded as an operating item in the income statement.

#### 4.5. FAIR VALUE OF DERIVATIVE CONTRACTS OR OTHER FINANCIAL INSTRUMENTS

The fair value of financial instruments not traded in an active market is determined using valuation techniques commonly accepted in the financial market, which are based mainly on market conditions existing as of the date of each financial statement.

These valuation techniques consist of comparing market variables agreed at inception of a contract to market variables at the time of valuation to then calculate the present value of such differences, by discounting future cash flows at relevant market rates, which determines market value as of the valuation date.



## NOTE 5 - ACCOUNTING CHANGES AND CORRECTIONS

The financial statements as of December 31, 2014 present no changes in accounting policies in comparison to the financial statements as of December 31, 2013.

As indicated in Note 2.18 in accordance with instructions from the SVS the Company has recorded with a charge to shareholders' equity (retained earnings (losses)) the initial effect of the increase in the income tax rate contained in Law 20,780 published on September 29, 2014. The amount recorded with a charge to shareholders' equity for this concept is ThUS\$ 305,512.

The previous criteria differs from what is indicated in IAS 12, which establishes that the effect of changes in the tax rate must be recorded in income for the year in which the law that modifies those taxes is published.

## NOTE 6 - NEW ACCOUNTING PRONOUNCEMENTS

The following new accounting pronouncements were effectively applied as of January 1, 2014:

STANDARDS, INTERPRETATIONS AND AMENDMENTS	MANDATORY APPLICATION ON:
Amendment to IAS 32: Financial Instruments: Presentation	Annual periods beginning on or after January 1, 2014.
Amendments to IFRS 10, 12 and IAS 27: Investment Entities	Annual periods beginning on or after January 1, 2014.
IFRIC 21: Levies	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 36: Impairment of Assets	Annual periods beginning on or after January 1, 2014.
Amendment to IAS 39: Financial Instruments: Recognition and Measurement	Annual periods beginning on or after January 1, 2014.

The following new accounting pronouncements were effectively applied as of January 1, 2014.

As of the date of issuance of these consolidated financial statements, the following accounting pronouncements had been issued by the International Accounting Standards Board ("IASB") but their application was not yet mandatory:

STANDARDS, INTERPRETATIONS AND AMENDMENTS	MANDATORY APPLICATION ON:
IFRS 9: Financial Instruments: Classification and Measurement	Annual periods beginning on or after January 1, 2018.
Amendment to IAS 19: Employee Benefits	Annual periods beginning on or after July 1, 2014.
IFRS 14: Regulatory Deferral Accounts	Annual periods beginning on or after January 1, 2016.
IFRS Improvements: Corresponds to a series of improvements that amend the following standards: IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 24, IAS 38 and IAS 40.	Annual periods beginning on or after July 1, 2014.
Amendment to IFRS 11: Joint Arrangements	Annual periods beginning on or after January 1, 2016.
Amendment to IAS 16 and IAS 38: Accepted Methods for Depreciation and Amortization	Annual periods beginning on or after January 1, 2016.
Amendment to IAS 41: Production Assets	Annual periods beginning on or after January 1, 2016.
IFRS 15: Revenue from Contracts with Customers	Annual periods beginning on or after January 1, 2017.
IFRS Improvements: Corresponds to a series of improvements that amend the following standards: IFRS 5, IFRS 7, IAS 19 and IAS 34.	Annual periods beginning on or after January 1, 2016.
Amendment to IFRS 10 and IAS 28: Sale or Contribution of Assets	Annual periods beginning on or after January 1, 2016.
Amendment to IAS 27: Equity Method in Separate Financial Statements	Annual periods beginning on or after January 1, 2016.
Amendment to IAS 1: Disclosure Initiative	Annual periods beginning on or after January 1, 2016.
Amendment to IFRS 10, IFRS 12 and IAS 28: Investment Entities, application of the consolidation exception	Annual periods beginning on or after January 1, 2016.

CMPC's management believes that the adoption of the new standards, interpretations and amendments referred to above, will have no significant effects on its consolidated financial statements in the year of their first application.





## NOTE 7 - SEGMENT REPORTING

Operating segments are reported in a manner consistent with the presentation of internal reports used by management in the business analysis, management control and decision making process.

CMPC bases its designation of segments in terms of product differentiation and financial information made available to decision makers, in relation to matters such as profit measurement and investment allocation.

As of 2013 there are four segments in accordance with the management policy and structure and corporate governance: Forestry, Pulp, Paper and Tissue. Papers comprise paper products (cardboard boxes, multiply sacks and molded products) which until 2012 were presented separately.

In addition as of 2014 the figures of the Forestry and Pulp segments for 2013 reflect the operating segments of the businesses where CMPC Celulose Riograndense Ltda. and its subsidiaries in Brazil operate. The amendments required did not generate effects on the Company's shareholders' equity or results, and in accordance with IFRS 8 the comparative figures have been changed to reflect this situation. The above implied including in the Forestry segment the following amounts that until 2013 were reflected in the Pulp sector: assets in the amount of ThUS\$ 1,326,475, income from external and related customers in the amount of ThUS\$ 82,376, cost of sales in the amount of ThUS\$ 90,903, income tax expense in the amount of ThUS\$ 32,791 and losses in the amount of ThUS\$ 784 as of December 31, 2013.

The operating segments determined in this way are as follows:

### FORESTRY

The forestry segment reported by CMPC corresponds to its business area that, led by its subsidiary Forestal Mininco S.A., has the mission of managing the Company's forest resources and managing the solid lumber business. Its main products are logs for the manufacturing of cellulose pulp and solid lumber products, such as sawn lumber, remanufactured products and plywood sheets.

CMPC currently has more than 636,000 hectares of forest plantations, mainly pine and eucalyptus, of which approximately 476,000 hectares are located in Chile, 57,000 hectares in Argentina and 103,000 hectares in Brazil. Forestal Mininco S.A. and Forestal y Agrícola Monte Águila S.A. are the main subsidiaries in terms of forest resources in Chile. In addition, the Company has usufruct contracts, partnerships ("aparcerías") and leases with third parties comprising approximately 38,000 hectares of forest plantations distributed in Chile and Brazil. The Company's forest plantations have CERTFOR-PEFC (Chile), CERTFLOR-PEFC (Brazil) and FSC (Chile and Brazil) certification.

CMPC Maderas S.A. has four sawmills in the Maule and Bío Bío Regions of Chile: Las Cañas, Bucalemu, Mulchén and Nacimiento with annual production capacity of close to 1.3 million cubic meters of sawn lumber, of which it exports approximately 45%. It also has two remanufacturing plants, in Coronel and Los Ángeles, Chile, which are capable of producing approximately 190,000 cubic meters of products manufactured from dry sawn lumber (moldings, boards and laminates) and approximately 89% of its production is exported, and one plywood plant recently expanded to reach production capacity of 500,000 m<sup>3</sup> annually, which exports approximately 75% of its production.

The main wood log customers are industrial plants in the Company's pulp and paper segments. The main customers for lumber products belong mainly to the construction materials distribution sectors and are based in North America (United States and Mexico), Asia (Japan), the Middle East and Europe (Spain).



## PULP

The activities in this business area are carried out by subsidiary CMPC Celulosa S.A. This company operates 4 production lines in Chile and one in Brazil, with total annual production capacity of close to 2.7 million metric tons of pulp (plus 140,000 tons of paper of different kinds and weight). Pulp installed production capacity is 800,000 tons of bleached softwood kraft pulp (BSKP), using Radiata pine wood) and 1.9 million tons of bleached hardwood kraft pulp (BHKP) using eucalyptus wood). All of them are ISO 9001, ISO 14001 and OHSAS 18001 certified. In addition the plants in Chile have their chain of custody certified under CERTFOR-PEFC standards, guaranteeing that their raw materials come exclusively from cultivated forests or controlled origin plantations, free of controversies and perfectly traceable from the forest up to their final destination.

At the Guaíba Plant in Brazil, CMPC is carrying out an investment project in the amount of US\$ 2.1 billion for the construction of a second pulp production line with capacity to produce 1.3 million tons per year, which should begin production in 2015.

Of the total pulp produced, approximately 380,000 tons are sold to subsidiaries and the difference is exported from Chile and Brazil to more than 250 customers in America, Europe, Asia and Oceania. CMPC Celulosa S.A. is positioned among the leading companies in the world industry and has an efficient logistics network which enables it to provide an excellent dispatch service to its customers. The main external markets are based in Asia (China and South Korea), Europe (Italy, Germany and Holland) and Latin America (Venezuela and Colombia).

Subsidiary Bioenergías Forestales S.A. also forms part of this segment and has a biomass electric energy production plant located in Nacimiento (Bío Bío Region in Chile) with nominal capacity of 90 MW.

## PAPER

This business area comprises eleven subsidiaries. One of them participates in the production and marketing of cardboard and another produces paper for corrugation. There are seven subsidiaries whose line of business is the manufacturing and marketing of elaborated paper products, such as corrugated cardboard boxes, bags or industrial sacks and molded pulp trays. The business area also has a subsidiary specializing in the distribution of paper and another dedicated to paper recycling.

Subsidiary Cartulinas CMPC S.A. annually sells 425,000 tons of cardboard produced in Chile in the factories in Maule (Maule Region) and Valdivia (Los Ríos Region) to 45 countries in Latin America, Europe, Asia, North America and Oceania.

Subsidiary Papeles Cordillera S.A., located in Puente Alto (Metropolitan Region of Chile) markets a variety of paper for corrugation, wrapping, construction, lamination and industrial use paper, produced in three paper machines. One of those paper machines produces paper for corrugating based on recycled fibers and has a capacity to produce 290,000 tons annually.

The corrugated cardboard boxes business is addressed through Envases Impresos S.A., which manufactures cardboard boxes for the fruit, winemaking and salmon industry in its three plants in Chile, of which two are located in the Metropolitan Region, in Buin and Til-Til and a third in Osorno (Los Lagos Region).

Subsidiary Chimolsa S.A., whose plant is located in Puente Alto (Metropolitan Region of Chile) manufactures and markets molded pulp trays destined to the exporting of apples and avocados, and egg trays and cartons. The main customers belong to the orchards, industrial and winemaking areas and are located in South America (Chile, Peru and Argentina).

The multi-ply paper sacks business is operated by subsidiary Forsac S.A. in Chile with a plant in the city of Chillán (Bío-Bío Region of Chile); Fabi Bolsas Industriales S.A. in Argentina located in the town of Hinojo, Forsac Perú S.A., with operations in Lima, and Fosac México S.A., with operations in the city of Zapopan, state of Jalisco. The respective local markets are serviced from these different locations, particularly the cement and construction materials industry and they also export to various countries in Latin America and the United States.

In addition to these paper production subsidiaries, the segment includes Edipac S.A., a distributing company in charge of marketing paper in the Chilean market and Sorepa S.A., a company that is responsible for recollecting used cardboard boxes in Chile to be recycled as raw materials in the various CMPC paper mills.



## TISSUE

This business area is engaged in the production and selling of tissue products (toilet paper, paper towels, paper napkins and facial tissues), sanitary products (baby diapers, wipes, adult diapers and sanitary napkins) and specialized hygiene products for consumption in institutions and public places, in Chile, Argentina, Brazil, Colombia, Ecuador, Mexico, Peru and Uruguay.

The main production and marketing subsidiaries in this segment are CMPC Tissue S.A. (Chile), La Papelera del Plata S.A. (Argentina), Melhoramentos CMPC Ltda. (Brazil), Protisa Perú S.A. (Peru), Industria Papelera Uruguaya S.A., Absormex CMPC Tissue S.A. de CV (Mexico), Protisa Colombia S.A., Drypers Andina S.A. (Colombia) and Protisa Ecuador S.A.

CMPC's tissue business offers a wide range of products in terms of quality and price in the categories in which it operates. Products are mainly sold under its own brands which have achieved high levels of recognition by consumers.

Elite® is the regional trademark used by CMPC. Similarly, Confort® and Nova® in Chile and Higienol® and Sussex® in Argentina are the leading brands in their markets in the categories of toilet paper and paper towels, respectively. Disposable diapers for babies and adults, wipes, and sanitary napkins are marketed under the trademarks Babysec®, Cotidian® and Ladysoft®, respectively.

The main customers belong to the retail distribution area and are based in Latin America (Chile, Argentina, Brazil, Peru, Uruguay, Ecuador, Colombia and Mexico).

## OTHER

Revenues from areas other than the segments referred to above, referring to general administrative services (finance, procurement, accounting, information technology, human resources, port services, etc.) are not transferred to the operating segments, and are shown as "Other" and do not represent sufficiently significant individual amounts to be designated as an operating segment.

General information on income and cash flows as of December 31, 2014 and 2013 is detailed as follows:

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



DESCRIPTION	BUSINESS AREAS (OPERATING SEGMENTS) THUSS						ADJUSTMENTS & ELIMINATIONS	TOTAL ENTITY
	FORESTRY	PULP	PAPER	TISSUE	TOTAL SEGMENTS	OTHER (3)		
ACCUMULATED AS OF DECEMBER 31, 2014								
Operating income from external customers	572,732	1,425,811	997,673	1,849,937	4,846,153	-	-	4,846,153
Operating income between operating segments of the same entity	349,879	359,528	54,585	3,171	767,163	48,761	(815,924)	-
<b>INCOME FROM EXTERNAL AND RELATED CUSTOMERS</b>	<b>922,611</b>	<b>1,785,339</b>	<b>1,052,258</b>	<b>1,853,108</b>	<b>5,613,316</b>	<b>48,761</b>	<b>(815,924)</b>	<b>4,846,153</b>
Cost of sales	(941,865)	(1,399,624)	(852,263)	(1,319,790)	(4,513,542)	(2,353)	688,997	(3,826,898)
Distribution costs	(113,920)	(35,029)	(28,266)	(167,351)	(344,566)	-	91,206	(253,360)
Administrative costs	(33,258)	(54,325)	(47,412)	(66,201)	(201,196)	(62,340)	46,048	(217,488)
Raw materials and supplies used	(642,872)	(1,018,015)	(754,365)	(1,248,492)	(3,663,744)	(1,804)	658,999	(3,006,549)
Employee benefits expense	(76,312)	(99,804)	(92,333)	(232,340)	(500,789)	(26,410)	-	(527,199)
Depreciation and amortization expenses	(35,187)	(207,209)	(46,064)	(67,070)	(355,530)	(1,763)	7,563	(349,730)
Finance income	68	3,423	8,803	4,705	16,999	223,762	(220,339)	20,422
Finance costs	(40,776)	(123,285)	(19,237)	(57,261)	(240,559)	(169,301)	220,339	(189,521)
Other significant income (expense) items	11,524	(9,299)	(7,850)	(28,523)	(34,148)	(26,761)	(7,191)	(68,100)
<b>TOTAL OTHER SIGNIFICANT INCOME (EXPENSE) ITEMS</b>	<b>(29,184)</b>	<b>(129,161)</b>	<b>(18,284)</b>	<b>(81,079)</b>	<b>(257,708)</b>	<b>27,700</b>	<b>(7,191)</b>	<b>(237,199)</b>
Share in income of associates	(8)	(96)	-	-	(104)	-	-	(104)
Income tax (charge) credit	(64,341)	(108,476)	(35,476)	(9,427)	(217,720)	(17,005)	-	(234,725)
<b>EBITDA DETERMINED BY SEGMENT (1)</b>	<b>146,484</b>	<b>490,694</b>	<b>155,983</b>	<b>201,990</b>	<b>995,151</b>	<b>(14,217)</b>	<b>4,324</b>	<b>985,258</b>
<b>OPERATING PROFIT (LOSS) (2)</b>	<b>8,654</b>	<b>283,485</b>	<b>109,919</b>	<b>134,920</b>	<b>536,978</b>	<b>(15,980)</b>	<b>11,660</b>	<b>532,658</b>
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>65,479</b>	<b>344,176</b>	<b>117,367</b>	<b>(43,456)</b>	<b>483,566</b>	<b>155,219</b>	<b>(266,243)</b>	<b>372,542</b>
<b>PROFIT (LOSS)</b>	<b>1,138</b>	<b>235,700</b>	<b>81,891</b>	<b>(52,883)</b>	<b>265,846</b>	<b>138,214</b>	<b>(266,243)</b>	<b>137,817</b>
Assets	5,810,583	5,138,396	1,388,879	2,052,459	14,390,317	5,592,088	(4,792,334)	15,190,071
Investments accounted for using the equity method	274	214	-	-	488	-	-	488
Increase in non-current assets (4)	115,852	1,325,417	17,577	122,516	1,581,362	53,489	-	1,634,851
Liabilities	1,729,961	4,118,920	511,126	1,491,609	7,851,616	3,675,425	(4,540,877)	6,986,164
Asset impairment losses recognized in income	(2,671)	-	(3,670)	(6,578)	(12,919)	-	-	(12,919)
Reversal of asset impairment losses recognized in income	4	431	280	-	715	-	-	715
Cash flows from operating activities	147,313	433,574	124,744	158,459	864,090	(3,040)	-	861,050
Cash flows from investing activities	(131,333)	(1,228,848)	(141,018)	(141,556)	(1,642,755)	173,004	(42,867)	(1,512,618)
Cash flows from financing activities	(13,450)	770,139	16,159	(17,005)	755,843	91,859	42,867	890,569

- (1) Corresponds to gross profit plus depreciation and amortization, plus cost of formation of harvested plantations, plus higher cost of the exploited and sold part of the plantations derived from revaluation for their natural growth (see Note 13 Biological Assets), less distribution costs, less administrative expenses and less other expenses, by function.
- (2) Corresponds to profits (losses) before income tax expense, finance income and costs, foreign currency translation, income from indexation units, other profits (losses) and income of associates.
- (3) Corresponds to the operations of Empresas CMPC S.A., Inversiones CMPC S.A., Servicios Compartidos CMPC S.A. and Portuaria CMPC S.A. not included in the main segments.
- (4) Non-current assets do not include financial instruments, deferred tax assets or rights derived from insurance contracts.



DESCRIPTION	BUSINESS AREAS (OPERATING SEGMENTS) THUSS						ADJUSTMENTS & ELIMINATIONS	TOTAL ENTITY
	FORESTRY	PULP	PAPER	TISSUE	TOTAL SEGMENTS	OTHER (3)		
ACCUMULATED AS OF DECEMBER 31, 2013								
Operating income from external customers	555,189	1,506,111	1,062,843	1,850,316	4,974,459	-	-	4,974,459
Operating income between operating segments of the same entity	367,980	274,089	50,717	3,542	696,328	48,736	(745,064)	-
<b>INCOME FROM EXTERNAL AND RELATED CUSTOMERS</b>	<b>923,169</b>	<b>1,780,200</b>	<b>1,113,560</b>	<b>1,853,858</b>	<b>5,670,787</b>	<b>48,736</b>	<b>(745,064)</b>	<b>4,974,459</b>
Cost of sales	(931,665)	(1,427,796)	(892,583)	(1,308,526)	(4,560,570)	(1,850)	613,509	(3,948,911)
Distribution costs	(118,026)	(43,048)	(31,119)	(160,452)	(352,645)	-	92,180	(260,465)
Administrative costs	(33,351)	(51,600)	(50,916)	(69,542)	(205,409)	(66,102)	43,843	(227,668)
Raw materials and supplies used	(655,092)	(1,021,454)	(788,233)	(1,236,235)	(3,701,014)	(1,817)	592,415	(3,110,416)
Employee benefits expense	(71,409)	(104,066)	(107,092)	(242,941)	(525,508)	(27,208)	-	(552,716)
Depreciation and amortization expense	(26,856)	(206,290)	(50,545)	(66,621)	(350,312)	(1,236)	7,301	(344,247)
Finance income	31	5,141	9,810	4,184	19,166	217,209	(215,004)	21,371
Finance costs	(44,452)	(114,698)	(25,440)	(50,475)	(235,065)	(154,237)	215,004	(174,298)
Other significant income (expense) items	2,287	9,295	(47,286)	(26,004)	(61,708)	32,029	(6,116)	(35,795)
<b>TOTAL OTHER SIGNIFICANT INCOME (EXPENSE) ITEMS</b>	<b>(42,134)</b>	<b>(100,262)</b>	<b>(62,916)</b>	<b>(72,295)</b>	<b>(277,607)</b>	<b>95,001</b>	<b>(6,116)</b>	<b>(188,722)</b>
Share in income of associates	(7)	(69)	-	-	(76)	8,955	-	8,879
Income tax (charge) credit	(58,334)	(68,144)	(21,627)	(13,048)	(161,153)	(17,109)	-	(178,262)
<b>EBITDA DETERMINED BY SEGMENT (1)</b>	<b>146,441</b>	<b>453,959</b>	<b>169,633</b>	<b>213,774</b>	<b>983,807</b>	<b>(18,006)</b>	<b>(1,941)</b>	<b>963,860</b>
<b>OPERATING PROFIT (LOSS) (2)</b>	<b>34,240</b>	<b>247,669</b>	<b>119,088</b>	<b>147,153</b>	<b>548,150</b>	<b>(19,242)</b>	<b>5,759</b>	<b>534,667</b>
<b>PROFIT (LOSS) BEFORE TAXES</b>	<b>50,177</b>	<b>178,516</b>	<b>71,604</b>	<b>(20,224)</b>	<b>280,073</b>	<b>213,049</b>	<b>(119,227)</b>	<b>373,895</b>
<b>PROFIT (LOSS)</b>	<b>(8,157)</b>	<b>110,372</b>	<b>49,977</b>	<b>(33,272)</b>	<b>118,920</b>	<b>195,940</b>	<b>(119,227)</b>	<b>195,633</b>
Assets	5,812,783	4,063,544	1,572,932	2,160,873	13,610,132	5,598,323	(5,020,601)	14,187,854
Investments accounted for using the equity method	315	345	-	-	660	-	-	660
Increase in non-current assets (4)	167,889	575,862	51,026	67,870	862,647	10	-	862,657
Liabilities	1,608,468	3,226,480	600,442	1,500,530	6,935,920	3,743,553	(4,811,388)	5,868,085
Asset impairment losses recognized in income	(2,023)	-	(51,899)	(6,475)	(60,397)	-	-	(60,397)
Reversal of asset impairment losses recognized in income	1	108	18	-	127	-	-	127
Cash flows from operating activities	101,349	448,282	146,365	97,229	793,225	35,942	-	829,167
Cash flows from investing activities	(165,337)	(475,515)	(66,434)	(150,047)	(857,333)	(73,150)	387,450	(543,033)
Cash flows from financing activities	62,459	35,900	(79,717)	61,979	80,621	543,524	(387,450)	236,695

- (1) Corresponds to gross profit plus depreciation and amortization, plus cost of formation of harvested plantations, plus higher cost of the exploited and sold part of the plantations derived from revaluation for their natural growth (see Note 13 Biological Assets), less distribution costs, less administrative expenses and less other expenses, by function.
- (2) Corresponds to profits (losses) before income tax expense, finance income and costs, foreign currency translation, income from indexation units, other profits (losses) and income of associates.
- (3) Corresponds to the operations of Empresas CMPC S.A., Inversiones CMPC S.A., Servicios Compartidos CMPC S.A. and Portuaria CMPC S.A. not included in the main segments.
- (4) Non-current assets do not include financial instruments, deferred tax assets or rights derived from insurance contracts.

Each segment is measured consistently and in accordance with the Company's general accounting policies.

The accounting principles related to transactions between CMPC's subsidiaries state that these should be carried out at market prices, and consider that balances, transactions and profits or losses remain in the segment of origin and are only eliminated in the entity's consolidated financial statements.

CMPC's policy of concentrating a large part of its financial operations in its subsidiary Inversiones CMPC S.A. results in balances in current accounts between subsidiaries, which are subject to market interest rates.



Administration services provided by subsidiaries Inversiones CMPC S.A. and Servicios Compartidos CMPC S.A. are charged to each segment on the basis of actual use.

In general, there are no special conditions or criteria for transactions between subsidiaries that might affect the results or valuation of the assets and liabilities of each segment, since market conditions are used.

As of each year-end income from sales to CMPC's external customers are distributed in the following geographical areas:

MARKETS	YEAR	
	2014 THUS\$	2013 THUS\$
Chile (Company's country of domicile)	1,122,764	1,235,681
Brazil	490,292	466,059
Argentina	493,351	528,890
Peru	347,574	344,996
Mexico	331,858	317,958
Rest of Latin America	420,054	474,419
United States and Canada	198,523	185,556
Asia	748,086	781,045
Europe	569,365	575,987
Other	124,286	63,868
<b>TOTAL</b>	<b>4,846,153</b>	<b>4,974,459</b>

Revenue allocated to the different regions considers exports to those zones and local sales made by the subsidiaries domiciled in those geographic zones.

Non-current assets by geographical area that are not financial instruments, deferred tax assets or rights derived from insurance contracts, are detailed as follows:

GEOGRAPHIC AREA	12/31/2014		12/31/2013	
	%	THUS\$	%	THUS\$
Chile (Company's country of domicile)	62.49%	7,238,737	69.18%	7,366,912
Brazil	30.96%	3,586,052	23.35%	2,486,678
Argentina	2.49%	288,420	2.98%	317,429
Peru	1.12%	129,586	1.30%	138,989
Mexico	1.81%	210,113	1.74%	185,812
Colombia	0.67%	77,551	0.92%	98,518
Uruguay	0.34%	39,823	0.43%	45,794
Ecuador	0.12%	13,645	0.10%	10,747
United States	0.00%	97	0.00%	40
<b>TOTAL</b>	<b>100.00%</b>	<b>11,584,024</b>	<b>100.00%</b>	<b>10,650,919</b>



## NOTE 8 - FINANCIAL ASSETS

Financial assets in each year, classified according to the categories established in IAS 39, are detailed as follows:

CLASSES OF FINANCIAL ASSETS	CLASSIFICATION				
	FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS THUS\$	FINANCIAL ASSETS HELD TO MATURITY THUS\$	LOANS AND ACCOUNTS RECEIVABLE THUS\$	FINANCIAL ASSETS AVAILABLE FOR SALE THUS\$	TOTAL FINANCIAL ASSETS THUS\$
BALANCE AS OF DECEMBER 31, 2014					
CASH AND CASH EQUIVALENTS	401	-	1,096,625	-	1,097,026
Cross Currency Swap transactions	43,552	-	-	-	43,552
Currency forward transactions	4,819	-	-	-	4,819
Hedging assets	1,197	-	-	-	1,197
OTHER CURRENT FINANCIAL ASSETS	49,568	-	-	-	49,568
Hedging assets	25,316	-	-	-	25,316
OTHER NON-CURRENT FINANCIAL ASSETS	25,316	-	-	-	25,316
<b>TOTAL FINANCIAL ASSETS</b>	<b>75,285</b>	<b>-</b>	<b>1,096,625</b>	<b>-</b>	<b>1,171,910</b>
BALANCE AS OF DECEMBER 31, 2013					
CASH AND CASH EQUIVALENTS	416	-	926,833	-	927,249
Time deposits from 90 days to 1 year	-	-	95,996	-	95,996
Cross currency swap transactions	85,946	-	-	-	85,946
Currency forward transactions	327	-	-	-	327
Options	1,356	-	-	-	1,356
Hedging assets	1,741	-	-	-	1,741
OTHER CURRENT FINANCIAL ASSETS	89,370	-	95,996	-	185,366
Hedging assets	2,083	-	-	-	2,083
OTHER NON-CURRENT FINANCIAL ASSETS	2,083	-	-	-	2,083
<b>TOTAL FINANCIAL ASSETS</b>	<b>91,869</b>	<b>-</b>	<b>1,022,829</b>	<b>-</b>	<b>1,114,698</b>

### 8.1. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand and bank checking accounts, time deposits and other financial investments with original maturities of 90 days or less. This item also includes investments as part of cash management such as repurchase and resale agreements whose maturities are in accordance with the above, as described in IAS 7.

As of December 31, 2014 and 2013 cash and cash equivalents, classified by currency of origin are detailed as follows:

CASH AND CASH EQUIVALENTS	CHILEAN PESO THUS\$	US DOLLAR THUS\$	EURO THUS\$	ARGENTINEAN PESO THUS\$	URUGUAYAN PESO THUS\$	PERUVIAN NEW SOL THUS\$	COLOMBIAN PESO THUS\$	MEXICAN PESO THUS\$	POUNDS STERLING THUS\$	BRAZILIAN REAL THUS\$	SWEDISH CROWN THUS\$	TOTAL THUS\$
BALANCE AS OF DECEMBER 31, 2014												
Cash	99	131	2	209	4	11	-	12	-	-	-	468
Cash in current bank accounts	4,274	4,247	153	7,334	417	736	600	3,391	-	1,935	3,902	26,989
Time deposits at less than 90 days	234,043	598,793	2,875	-	-	23,820	-	3,516	550	18,314	-	881,911
Money market securities	187,257	341	60	-	-	-	-	-	-	-	-	187,658
<b>TOTAL</b>	<b>425,673</b>	<b>603,512</b>	<b>3,090</b>	<b>7,543</b>	<b>421</b>	<b>24,567</b>	<b>600</b>	<b>6,919</b>	<b>550</b>	<b>20,249</b>	<b>3,902</b>	<b>1,097,026</b>
BALANCE AS OF DECEMBER 31, 2013												
Cash	110	91	16	47	4	10	-	14	32	-	-	324
Cash in current bank accounts	4,382	4,768	23	4,838	11	1,230	2,155	2,022	1	1,732	-	21,162
Time deposits at less than 90 days	5,681	518,900	2,463	-	-	12,535	-	12,912	1,290	49,983	-	603,764
Money market securities	301,583	348	68	-	-	-	-	-	-	-	-	301,999
<b>TOTAL</b>	<b>311,756</b>	<b>524,107</b>	<b>2,570</b>	<b>4,885</b>	<b>15</b>	<b>13,775</b>	<b>2,155</b>	<b>14,948</b>	<b>1,323</b>	<b>51,715</b>	<b>-</b>	<b>927,249</b>

Cash in banks and in bank checking accounts are available resources and their carrying amount is equal to their fair value (ThUS\$ 27,457 as of December 31, 2014 and ThUS\$ 21,486 as of December 31, 2013).



Time deposits recorded at amortized cost maturing in less than 90 days are detailed as follows:

Placements are undertaken following parameters of counterparty risk authorized by the Board of CMPC. Provided these parameters are met, the counterparty is determined using diversification and financial return criteria.

ENTITIES	CURRENCY	12/31/2014 THUS\$	12/31/2013 THUS\$
J.P. Morgan Chase Bank N.A. - United States	US\$	166,757	8,200
Banco BCI - Chile	US\$	116,292	32,809
Banco Santander - Chile	CLF	110,764	-
Banco de Chile	CLP	100,933	-
Morgan Stanley - United States	US\$	70,023	6
Banco HSBC - Chile	US\$	70,011	-
Banco Santander - Chile	US\$	65,002	136,738
BancoEstado - Chile	US\$	60,010	9,602
Banco Corpbanca - Chile	US\$	30,007	12,009
Banco BCI - Chile	CLP	22,342	-
Banco BBVA - Peru	PEN	12,893	8,913
Banco de Crédito del Perú	PEN	10,927	3,622
Banco Security - Chile	US\$	10,003	50,017
Banco BBVA - United States	US\$	10,001	23,502
Banco Itaú - Brazil	BRL	5,926	935
Banco Santander - Brazil	BRL	5,167	44,426
Banco Bradesco - Brazil	BRL	4,466	411
Banco do Brasil - Brazil	BRL	2,748	4,211
Banco HSBC - Mexico	MXN	2,465	4,568
Citibank N.A. - England	EUR	2,436	2,463
Banco Santander - Mexico	MXN	1,051	8,344
Banco de Crédito del Perú	US\$	686	954
Citibank N.A. N.Y. - United States	GBP	550	-
HSBC Bank plc - England	GBP	440	500
Banco Banrisul - Brazil	BRL	7	-
Banco BICE - Chile	CLP	4	4
BancoEstado N.Y. - United States	US\$	-	21,600
BNP Paribas - United States	US\$	-	34,501
Banco BCI - United States	US\$	-	144,204
Banco de Chile	US\$	-	8,001
Banco Itaú - Chile	US\$	-	11,750
Banco Santander - Chile	CLP	-	3,825
Banco BBVA - Chile	US\$	-	25,007
BancoEstado - Chile	CLP	-	1,852
Citibank N.A. - England	GBP	-	790
<b>TOTAL</b>		<b>881,911</b>	<b>603,764</b>





Money market securities are detailed as follows:

ENTITIES	CURRENCY	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>INVESTMENTS IN INVESTMENT FUND UNITS (ABROAD):</b>			
Rothschild Bank International Limited - England	US\$	203	210
J.P. Morgan Chase Bank N.A. - United States	US\$	138	138
J.P. Morgan Chase Bank N.A. - United States	EUR	60	68
<b>MARKETABLE SECURITIES WITH RESALE AGREEMENT:</b>			
BBVA Corredores de Bolsa S.A. - Chile	CLP	60,058	42,886
BancoEstado S.A. Corredores de Bolsa - Chile	CLP	58,139	-
Banchile Corredores de Bolsa S.A. - Chile	CLP	51,897	128,904
BICE Agente de Valores S.A. - Chile	CLP	17,163	107,347
Itaú Chile Corredor de Bolsa Ltda.	CLP	-	22,446
<b>TOTAL</b>		<b>187,658</b>	<b>301,999</b>

As of December 31, 2014 and 2013 the carrying amount of time deposits and money market securities does not differ significantly from their fair value.

Cash and cash equivalents presented in the statement of cash flows are detailed as follows:

ASSETS CLASSES	12/31/2014 THUS\$	12/31/2013 THUS\$
Cash and cash equivalents	1,097,026	927,249
<b>CASH AND CASH EQUIVALENTS PRESENTED IN THE STATEMENT OF CASH FLOWS</b>	<b>1,097,026</b>	<b>927,249</b>

## 8.2. OTHER CURRENT FINANCIAL ASSETS

These assets represent investments typical of cash management, such as repurchase and resale agreements whose maturity exceeds 90 days. The cumulative results of derivative contracts subscribed in order to properly manage the Company's exchange and interest rate risks are also included. Other current financial assets also incorporate the effects of currency forward contracts used to hedge the financial risk associated with the volatility of sales in euros of the lumber products and cardboard businesses and to hedge against changes in the price of the Brazilian currency (BRL) associated to the investment project in Brazil.

As of December 31, 2014 and 2013 other financial assets are detailed as follows:

- BALANCE AS OF DECEMBER 31, 2014

### A) CROSS-CURRENCY SWAP TRANSACTIONS

ENTITIES	RIGHTS			OBLIGATIONS			FAIR VALUE OF NET ASSET THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURR.	INTEREST RATE %	AMOUNT THUS\$	CURR.	INTEREST RATE %	AMOUNT THUS\$			
J.P. Morgan Chase Bank N.A. - United States	CLF	2.68	143,038	US\$	Libor+0.58	100,306	42,732	303	Mar-01-2015
Banco Santander - Chile	CLF	2.70	40,404	US\$	3.87	40,056	348	15	Mar-01-2015
Banco Corpbanca - Chile	CLF	2.68	40,408	US\$	3.83	39,936	472	15	Mar-01-2015
<b>SUBTOTAL</b>			<b>223,850</b>			<b>180,298</b>	<b>43,552</b>	<b>333</b>	



## B) CURRENCY FORWARD TRANSACTIONS

ENTITIES	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSET THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$			
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,461	56	194	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,463	54	192	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,464	53	190	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,465	52	189	Dec-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,461	56	194	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,462	55	192	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,465	52	190	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1,517	EUR	1,465	52	189	Dec-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3,050	EUR	2,922	128	388	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3,050	EUR	2,925	125	384	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3,050	EUR	2,929	121	379	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3,050	EUR	2,930	120	378	Dec-15-2015
Banco BCI - Chile	US\$	10,016	CLP	9,587	429	429	Jan-27-2015
Banco BCI - Chile	US\$	10,016	CLP	9,587	429	429	Jan-27-2015
Banco Santander - Chile	US\$	10,024	CLP	9,603	421	420	Jan-27-2015
Banco Santander - Chile	US\$	10,024	CLP	9,603	421	420	Jan-27-2015
Banco Santander - Chile	US\$	15,024	CLP	14,389	635	635	Jan-28-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	10,015	CLP	9,635	380	381	Jan-30-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	10,015	CLP	9,635	380	381	Jan-30-2015
Banco BBVA - Chile	US\$	20,039	CLP	19,556	483	483	Feb-03-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	10,019	CLP	9,857	162	162	Feb-11-2015
Banco de Chile	CLP	10,140	CLF	10,108	32	32	Feb-11-2015
Banco BCI - Chile	CLP	12,583	US\$	12,582	1	1	Jan-22-2015
Banco BCI - Chile	CLP	9,895	US\$	9,894	1	1	Jan-22-2015
BancoEstado - Chile	CLP	9,903	US\$	9,817	86	86	Jan-08-2015
BancoEstado - Chile	CLP	4,027	US\$	3,992	35	35	Jan-09-2015
<b>SUBTOTAL</b>		<b>176,076</b>		<b>171,257</b>	<b>4,819</b>	<b>6,954</b>	

## C) HEDGING ASSETS

ENTITIES	NATURE OF RISKS COVERED	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSETS THUS\$	MATURITY
		CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$		
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,106	803	Quarterly
Banco BBVA - Chile	Cash flows from sale of lumber to Europe	US\$	944	GBP	865	79	Quarterly
Banco BBVA - Chile	Cash flows from sale of lumber to Europe	US\$	1,162	GBP	1,064	98	Quarterly
Banco BBVA - Chile	Cash flows from sale of lumber to Europe	US\$	1,198	GBP	1,097	101	Quarterly
Banco BBVA - Chile	Cash flows from sale of lumber to Europe	US\$	1,198	GBP	1,096	102	Quarterly
Banco Santander - Chile	Cash flows from sales of Edipac S.A.	US\$	779	CLP	773	6	Monthly
Banco Santander - Chile	Cash flows from sales of Edipac S.A.	US\$	497	CLP	493	4	Monthly
Banco Santander - Chile	Cash flows from sales of Edipac S.A.	US\$	280	CLP	277	3	Monthly
Banco Santander - Chile	Cash flows from sales of Edipac S.A.	US\$	46	CLP	45	1	Monthly
<b>SUBTOTAL</b>			<b>13,013</b>		<b>11,816</b>	<b>1,197</b>	
<b>TOTAL OTHER CURRENT FINANCIAL ASSETS</b>						<b>49,568</b>	



- BALANCE AS OF DECEMBER 31, 2013

A) TIME DEPOSITS AND AGREEMENTS FROM 90 DAYS TO 1 YEAR

ENTITIES	CURRENCY	THUS\$
Banco de Chile	US\$	4,501
Itaú Chile Corredor de Bolsa Ltda.	CLP	15,286
Banco Santander - Chile	CLF	16,190
Banco BBVA - Chile	US\$	30,008
Banco Santander - Chile	US\$	30,011
<b>SUBTOTAL</b>		<b>95,996</b>

Amounts related to investment and settlement of this type of instrument are shown in the statement of cash flows in other cash inflows (outflows) under cash flows provided by (used in) investing activities (ThUS\$ 210,931).

B) CROSS-CURRENCY SWAP TRANSACTIONS

ENTITIES	RIGHTS			OBLIGATIONS			FAIR VALUE OF NET ASSET THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURR.	INTEREST RATE %	AMOUNT THUS\$	CURR.	INTEREST RATE %	AMOUNT THUS\$			
J.P. Morgan Chase Bank N.A. - United States	CLF	2.68	159,406	US\$	Libor+0.58	100,330	59,076	5,145	Mar-01-2015
Banco Santander - Chile	CLF	2.70	43,839	US\$	3.87	40,056	3,783	1,387	Mar-01-2015
Banco Corpbanca - Chile	CLF	2.68	43,862	US\$	3.83	39,936	3,926	1,388	Mar-01-2015
Banco de Chile	CLF	2.88	67,210	US\$	Libor+1.82	56,952	10,258	1,074	Mar-24-2014
Banco de Chile	CLF	2.88	67,205	US\$	Libor+1.81	58,302	8,903	1,071	Mar-24-2014
<b>SUBTOTAL</b>			<b>381,522</b>			<b>295,576</b>	<b>85,946</b>	<b>10,065</b>	

C) CURRENCY FORWARDS TRANSACTIONS

ENTITIES	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSET THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$			
J.P. Morgan Chase Bank N.A. - England	SEK	3,754	US\$	3,642	112	112	Mar-14-2014
J.P. Morgan Chase Bank N.A. - England	SEK	1,871	US\$	1,821	50	50	Aug-29-2014
J.P. Morgan Chase Bank N.A. - England	SEK	1,858	US\$	1,821	37	37	Jul-10-2015
J.P. Morgan Chase Bank N.A. - England	SEK	4,671	US\$	4,552	119	119	Dec-01-2014
J.P. Morgan Chase Bank N.A. - Chile	US\$	8,508	CLP	8,499	9	9	Feb-14-2014
<b>SUBTOTAL</b>		<b>20,662</b>		<b>20,335</b>	<b>327</b>	<b>327</b>	

D) OPTIONS

ENTITIES	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSET THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$			
HSBC Bank USA, N.A. - United States	US\$	6,250	BRL	5,911	339	222	May-09-2014
HSBC Bank USA, N.A. - United States	US\$	6,250	BRL	5,911	339	222	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	6,250	BRL	5,911	339	222	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	6,250	BRL	5,911	339	222	May-09-2014
<b>SUBTOTAL</b>		<b>25,000</b>		<b>23,644</b>	<b>1,356</b>	<b>888</b>	



E) HEDGING ASSETS

ENTITIES	NATURE OF RISKS COVERED	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSETS THUS\$	MATURITY
		CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$		
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,382	EUR	4,142	240	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,382	EUR	4,144	238	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,382	EUR	4,145	237	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,382	EUR	4,142	240	Quarterly
BNP Paribas - France	Cash flows from sales of cardboard to Europe	US\$	4,359	EUR	4,280	79	Quarterly
BNP Paribas - France	Cash flows from sales of cardboard to Europe	US\$	4,359	EUR	4,282	77	Quarterly
BNP Paribas - France	Cash flows from sales of cardboard to Europe	US\$	4,359	EUR	4,283	76	Quarterly
BNP Paribas - France	Cash flows from sales of cardboard to Europe	US\$	4,359	EUR	4,279	80	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,352	EUR	4,280	72	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,352	EUR	4,282	70	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,352	EUR	4,283	69	Quarterly
J.P. Morgan Chase Bank N.A. - United States	Cash flows from sales of cardboard to Europe	US\$	4,352	EUR	4,280	72	Quarterly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	10,100	US\$	10,000	100	Monthly
Banco Itaú - Chile	Industrial project - Guaíba	BRL	15,078	US\$	15,000	78	Monthly
HSBC Bank plc - England	Price of oil	US\$	6,780	US\$	6,767	13	Monthly
<b>SUBTOTAL</b>			<b>84,330</b>		<b>82,589</b>	<b>1,741</b>	
<b>TOTAL OTHER CURRENT FINANCIAL ASSETS</b>						<b>185,366</b>	



### 8.3. OTHER NON-CURRENT FINANCIAL ASSETS

#### HEDGING ASSETS

These assets represent the accumulated results of currency forwards used to hedge the financial risk associated to the volatility of sales in euros of the lumber and cardboard products businesses and changes in the price of the currencies associated to bank obligations. In 2013 hedging assets also included oil price swaps and cross-currency swaps to hedge changes in the price of currencies associated to obligations with the public.

ENTITIES	NATURE OF RISKS COVERED	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSETS THUS\$	MATURITY
		CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$		
BALANCE AS OF DECEMBER 31, 2014							
Banco HSBC - Mexico	Bank obligations	US\$	25,000	MXN	21,690	3,310	Monthly
Banco BBVA Bancomer - Mexico	Bank obligations	US\$	25,000	MXN	21,689	3,311	Monthly
Banco Santander - Chile	Bank obligations	US\$	25,000	COP	20,676	4,324	Monthly
Banco BBVA - Chile	Bank obligations	US\$	35,000	COP	28,792	6,208	Monthly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,114	795	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,132	777	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,153	756	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,949	EUR	6,179	770	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,949	EUR	6,205	744	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,949	EUR	6,234	715	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,949	EUR	6,266	683	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,834	271	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,840	265	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,846	259	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,854	251	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,862	243	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,871	234	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,880	225	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	2,105	EUR	1,891	214	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	920	134	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	923	131	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	927	127	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	931	123	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	935	119	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	940	114	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	945	109	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	1,054	EUR	950	104	Quarterly
<b>TOTAL</b>			<b>183,795</b>		<b>158,479</b>	<b>25,316</b>	



ENTITIES	NATURE OF RISKS COVERED	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET ASSETS THUS\$	MATURITY
		CURRENCY	AMOUNT THUS\$	CURRENCY	AMOUNT THUS\$		
BALANCE AS OF DECEMBER 31, 2013							
Banco Santander - Chile	Obligations with the public	CLF	50,980	US\$	50,689	291	Biannual
Banco Santander - Chile	Obligations with the public	CLF	55,246	US\$	54,707	539	Biannual
Banco HSBC - Mexico	Bank obligations	US\$	25,000	MXN	24,436	564	Monthly
Banco BBVA Bancomer - Mexico	Bank obligations	US\$	25,000	MXN	24,420	580	Monthly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,897	12	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,901	8	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,909	EUR	6,909	-	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,949	EUR	6,928	21	Quarterly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	6,948	EUR	6,941	7	Quarterly
Bank of America Merrill Lynch - England	Price of oil	US\$	11,055	US\$	11,024	31	Monthly
Goldman Sachs International - England	Price of oil	US\$	5,524	US\$	5,517	7	Monthly
Morgan Stanley & Co. International plc - England	Price of oil	US\$	5,540	US\$	5,517	23	Monthly
<b>TOTAL</b>			<b>212,969</b>		<b>210,886</b>	<b>2,083</b>	

Hedges are documented and tested to measure their effectiveness.

Based on a comparison of critical terms, the hedges are highly effective since the hedged amounts coincide with the proportion of sales, with obligations with the public and banks and with cash flows committed in Brazilian reais associated to the Guaíba investment project in Brazil authorized to be hedged. Hedging contracts coincide with the currency in which sales and the committed cash flows of the Guaíba project are denominated and their dates coincide with the expected termination date of sales and payment of obligations, i.e. the first quarter of 2015 and the fourth quarter of 2018 in the case of sale of cardboard and lumber, in March 2039 for obligations with the public, April 2016 for bank obligations and during the first quarter of 2015 in the case of the Brazil project.

For cash flow hedges settled during the year ended December 31, 2014 profit of ThUS\$ 12,614 (profit recorded in operating income in the amount of ThUS\$ 5,161 and profit recorded in foreign currency translation in the amount of ThUS\$ 7,453) was transferred from cash flow hedge reserve to the income statement. In turn the sum of ThUS\$ 57,821 was transferred with a charge to property, plant and equipment (building in progress) due to the settlement of hedging instruments associated to the Guaíba industrial project in Brazil.

For cash flow hedges settled during the year ended December 31, 2013 a net profit of ThUS\$ 5,424 (profit recorded in operating income in the amount of ThUS\$ 4,055 and profit recorded in foreign currency translation in the amount of ThUS\$ 1,369), due to the settlement of instruments. In turn, the sum of ThUS\$ 8,463 was transferred with a charge to property, plant and equipment (building in progress) due to the settlement of hedging instruments associated to the Guaíba industrial project in Brazil.

During the years ended December 31, 2014 and 2013 no inefficiencies have been recognized for hedging instruments in the respective income.

#### 8.4. FAIR VALUE HIERARCHIES

Financial assets recorded at fair value in the statement of financial position, have been measured using the methodologies stated in IAS 39. The following parameters have been considered for the purpose of applying the criteria for determining the fair value of the financial assets:

Level I: Values or prices quoted in active markets for identical assets and liabilities.

Level II: Information from sources other than the values quoted in Level I, but observable in markets for the assets and liabilities whether directly (prices) or indirectly (derived from prices).



Level III: Information for assets and liabilities that are not based on observable market data.

As of December 31, 2014 and 2013 financial and hedging assets measured at fair value are detailed as follows:

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE	HIERARCHY USED TO DETERMINE FAIR VALUE		
	LEVEL I THUS\$	LEVEL II THUS\$	LEVEL III THUS\$
<b>BALANCE AS OF DECEMBER 31, 2014</b>			
Investment in mutual funds	401	-	-
Cross currency swap transactions	-	43,552	-
Currency forward transactions	-	4,819	-
Hedging assets	-	26,513	-
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE</b>	<b>401</b>	<b>74,884</b>	<b>-</b>
<b>BALANCE AS OF DECEMBER 31, 2013</b>			
Investment in mutual funds	416	-	-
Cross currency swap transactions	-	85,946	-
Currency forward transactions	-	327	-
Options	-	1,356	-
Hedging assets	-	3,824	-
<b>TOTAL FINANCIAL ASSETS AT FAIR VALUE</b>	<b>416</b>	<b>91,453</b>	<b>-</b>

## NOTE 9 – OTHER NON-FINANCIAL ASSETS

Other current and non-current non-financial assets are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>CURRENT</b>		
Current insurance	16,092	18,348
Deferred expenses	3,969	4,396
Other	1,977	1,828
<b>TOTAL</b>	<b>22,038</b>	<b>24,572</b>
<b>NON-CURRENT</b>		
Advance to Fibria Celulose S.A. for Losango Land - Brazil <sup>(1)</sup>	233,639	230,906
Deposit in guarantee Losango Land - Brazil <sup>(1)</sup>	65,813	65,813
Guarantees receivable from Melpaper S.A. (Melhoramentos CMPC Ltda.)	2,415	11,557
Spare parts Papeles Río Vergara S.A.	-	6,206
Discounts receivable from Metrogas S.A.	1,968	1,968
Investments in other companies	640	678
Other	9,182	1,468
<b>TOTAL</b>	<b>313,657</b>	<b>318,596</b>

- (1) Subsidiaries CMPC Celulose Riograndense Ltda. and Fibria Celulose S.A., signed an agreement that consists of CMPC Riograndense acquiring:
- Land located in the Brazilian State of Rio Grande do Sul (the "Losango Land"), which covers a surface of approximately 100,000 hectares, with approximately 38,000 hectares currently planted with eucalyptus.
  - Forestry projections ("vuelos") currently planted in the Losango Land, and the right to manage and exploit the Losango Land with new plantations.
  - Certain forest land third party lease contracts and forestry projections ("vuelos") currently planted in them over a surface of approximately 1,300 hectares.

The transaction is subject to compliance with the usual conditions for this type of transaction, including obtaining the authorizations required in accordance with the laws of Brazil.



## NOTE 10 - TRADE AND OTHER ACCOUNTS RECEIVABLE

10.1. Current trade and other accounts receivable are detailed as follows:

ACCOUNTS	12/31/2014		12/31/2013	
	THUS\$	%	THUS\$	%
Domestic market customers	215,438		219,178	
Less impairment provision	(5,685)		(6,136)	
<b>DOMESTIC MARKET CUSTOMERS, NET</b>	<b>209,753</b>	<b>23.9</b>	<b>213,042</b>	<b>23.3</b>
Export customers	378,354		368,147	
Less impairment provision	(2,104)		(1,947)	
<b>EXPORT CUSTOMERS, NET</b>	<b>376,250</b>	<b>43.0</b>	<b>366,200</b>	<b>39.9</b>
Foreign subsidiary customers	221,727		260,919	
Less impairment provision	(4,090)		(8,167)	
<b>FOREIGN SUBSIDIARY CUSTOMERS, NET</b>	<b>217,637</b>	<b>24.9</b>	<b>252,752</b>	<b>27.6</b>
Domestic market documents	23,843		29,945	
Less impairment provision	(63)		(412)	
<b>DOMESTIC MARKET DOCUMENTS, NET</b>	<b>23,780</b>	<b>2.7</b>	<b>29,533</b>	<b>3.2</b>
Foreign subsidiary documents, net	10,899	1.2	12,364	1.3
Advances to suppliers	10,969	1.3	11,618	1.3
Current accounts with third parties	5,946	0.7	6,169	0.7
Insurance claims	665	0.1	2,217	0.2
Current accounts with employees	11,451	1.3	13,926	1.5
Other	7,638	0.9	9,414	1.0
<b>TOTAL TRADE AND OTHER ACCOUNTS RECEIVABLE</b>	<b>874,988</b>	<b>100.0</b>	<b>917,235</b>	<b>100.0</b>

The aging of current trade and other accounts receivable is detailed as follows:

AGING	12/31/2014 THUS\$	12/31/2013 THUS\$
Current accounts receivable	728,317	775,949
Up to 30 days overdue	113,973	114,096
From 31 to 60 days overdue	18,128	15,006
From 61 to 90 days overdue	5,791	4,558
From 91 to 120 days overdue	4,615	3,042
From 121 to 150 days overdue	893	1,480
From 151 to 180 days overdue	714	844
From 181 to 210 days overdue	1,023	1,617
From 211 to 250 days overdue	634	1,094
More than 250 days overdue (in judicial process)	12,842	16,211
<b>TOTAL PORTFOLIO, GROSS</b>	<b>886,930</b>	<b>933,897</b>
<b>LESS IMPAIRMENT PROVISION</b>	<b>(11,942)</b>	<b>(16,662)</b>
<b>TOTAL PORTFOLIO, NET</b>	<b>874,988</b>	<b>917,235</b>

As of December 31, 2014 current debt includes three renegotiated customers in the amount of ThUS\$ 56 (ThUS\$ 179 as of December 31, 2013).





Current trade and other accounts receivable by currency, are detailed as follows:

CURRENCY		12/31/2014 THUS\$	12/31/2013 THUS\$
Chilean peso	CLP	176,606	213,534
US dollar	US\$	462,498	437,116
Euro	EUR	18,517	20,618
Argentinean peso	ARS	53,477	59,910
Uruguayan peso	UYU	7,181	6,909
Peruvian new sol	PEN	28,504	26,047
Colombian peso	COP	9,286	12,909
Mexican peso	MXN	44,854	54,714
Brazilian real	BRL	64,463	75,274
Sterling pound	GBP	9,602	10,204
<b>TOTAL PORTFOLIO, NET</b>		<b>874,988</b>	<b>917,235</b>
PLUS IMPAIRMENT PROVISION		11,942	16,662
<b>TOTAL PORTFOLIO, GROSS</b>		<b>886,930</b>	<b>933,897</b>

For trade accounts receivable overdue for more than 90 days (mainly wholesale customers that are having unforeseen economic difficulties), an estimated impairment loss has been recognized which takes into account recovering part of those overdue accounts receivable.

The movement of this impairment loss provision on trade and other accounts receivable is detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
Beginning balance	16,662	12,141
Impairment loss	5,219	7,885
Reversal of impairment loss	(586)	(379)
Uses	(7,678)	(2,334)
Foreign currency translation	(1,675)	(651)
<b>ENDING BALANCE</b>	<b>11,942</b>	<b>16,662</b>

For the year ended December 31, 2014 the net allowance for doubtful accounts was accrued on the basis of a case-by-case assessment of effective recoverability, in the amount of ThUS\$ 5,219 (ThUS\$ 7,885 as of December 31, 2013) which was recognized as lower income from operating activities for the year in the income statement. Normally, amounts charged to the allowance account are written-off when there is no longer any expectation of recovering more cash.

There are no customers that individually have outstanding accounts with the Company that exceed 10% of consolidated annual sales.

## 10.2. Non-current accounts receivable are detailed as follows:

ACCOUNTS	12/31/2014		12/31/2013	
	THUS\$	%	THUS\$	%
Advances from lumber suppliers	3,021	7.6	3,940	9.6
Acct. receivable from Municipality of Guaíba	23,327	58.4	23,828	58.2
Guarantees receivable from Fibria S.A.	10,593	26.6	11,761	28.7
Other	2,945	7.4	1,417	3.5
<b>TOTAL</b>	<b>39,886</b>	<b>100.0</b>	<b>40,946</b>	<b>100.0</b>



## NOTE 11 - ACCOUNTS RECEIVABLE FROM RELATED PARTIES

As of each year-end accounts receivable from related parties are detailed as follows:

RELATED PARTY TAXPAYER NO.	NAME OF RELATED PARTY	NATURE OF THE RELATIONSHIP WITH RELATED PARTY	COUNTRY OF ORIGIN	ACCOUNTS RECEIVABLE DETAIL	PENDING BALANCE		TYPE OF CURRENCY	TERMS OF TRANSACTION WITH RELATED PARTY	EXPLANATION OF THE NATURE OF THE CONSIDERATION ESTABLISHED TO SETTLE A TRANSACTION
					12/31/2014 THUSS	12/31/2013 THUSS			
96.573.780-4	Sociedad Industrial Pizarreño S.A.	Common director at the entity or its parent	Chile	Product sales	547	1,003	CLP	60 days	Monetary
86.113.000-2	Sociedad Industrial Romeral S.A.	Common director at the entity or its parent	Chile	Product sales	1,239	26	CLP	30 days	Monetary
90.209.000-2	Cía. Industrial El Volcán S.A.	Common director at the entity or its parent	Chile	Product sales	231	395	CLP	30 days	Monetary
96.772.810-1	Iansagro S.A.	Common director at the entity or its parent	Chile	Product sales	81	65	CLP	30 days	Monetary
77.215.640-5	Administradora de Ventas al Detalle Ltda.	Common director at the entity or its parent	Chile	Product sales	139	80	CLP	60 days	Monetary
Foreign	Alto Paraná S.A.	Common director at the entity or its parent	Argentina	Product sales	-	200	US\$	30 days	Monetary
85.805.200-9	Forestal Arauco S.A.	Common director at the entity or its parent	Chile	Lumber sales	363	192	US\$	60 days	Monetary
78.023.030-4	Sofruco Alimentos Ltda.	Common director at the entity or its parent	Chile	Product sales	141	71	CLP	30 days	Monetary
96.848.750-7	Aislantes Volcán S.A.	Common director at the entity or its parent	Chile	Product sales	90	71	CLP	30 days	Monetary
97.080.000-k	Banco Bice	Common director at the entity or its parent	Chile	Product sales	10	52	CLP	30 days	Monetary
99.513.400-4	CGE Distribución S.A.	Common director at the entity or its parent	Chile	Product sales	-	25	CLP	30 days	Monetary
93.458.000-1	Celulosa Arauco y Constitución S.A.	Common director at the entity or its parent	Chile	Sale of materials	-	16	US\$	30 days	Monetary
96.929.960-7	Orizon S.A.	Common director at the entity or its parent	Chile	Product sales	1	13	CLP	45 days	Monetary
96.656.410-5	Bice Vida Compañía de Seguros S.A.	Common director at the entity or its parent	Chile	Product sales	5	-	CLP	30 days	Monetary
	<b>TOTAL</b>				<b>2,847</b>	<b>2,209</b>			

## NOTE 12 - INVENTORY

As of each year-end inventory is detailed as follows:

INVENTORY CLASSES	12/31/2014 THUSS	12/31/2013 THUSS
Finished products	411,608	403,821
Work in progress	39,738	36,726
Raw materials	254,436	290,010
Production supplies	316,231	313,173
Agricultural and other products	26,559	24,238
Inventory impairment provision	(11,225)	(10,017)
<b>TOTAL</b>	<b>1,037,347</b>	<b>1,057,951</b>

The cost of inventory recognized as cost of sales for the year ended December 31, 2014 amounts to ThUS\$ 3,353,908 (ThUS\$ 3,453,850 in 2013).



The movement of the inventory impairment provision is detailed as follows:

	12/31/2014 THUS\$	12/31/2013 THUS\$
Beginning balance	10,017	8,351
Increase for the period	7,088	11,207
Inventory write-down (provision used)	(2,801)	(8,935)
Reversal of impairment	(2,396)	(127)
Increase (decrease) from foreign currency translation	(683)	(479)
<b>ENDING BALANCE</b>	<b>11,225</b>	<b>10,017</b>

For the year ended as of December 31, 2014 the increase in the inventory impairment provision amounted to ThUS\$ 7,088 (ThUS\$ 11,207 in 2013).

During 2014 and 2013 no inventory items have been pledged as guarantee.

The carrying amount of inventory does not exceed current realizable prices, discounting sales expenses (net realizable value).

## NOTE 13 - BIOLOGICAL ASSETS

The biological assets of CMPC are composed of forest plantations. Forest plantations that management believes will be harvested during the year are classified as current biological assets.

As of each year-end, biological assets presented in the statement of financial position are detailed as follows:

	12/31/2014 THUS\$	12/31/2013 THUS\$
Current assets	345,684	251,568
Non-current assets	3,182,123	3,306,716
<b>TOTAL</b>	<b>3,527,807</b>	<b>3,558,284</b>

As of December 31, 2014 and 2013 biological asset movements (increase, decrease and balances) are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>COST VALUE</b>		
Beginning balance as of January 1,	1,425,877	1,390,213
Additions through acquisitions from third parties and new plantations	85,176	121,732
Sale of standing timber plantations	(1,895)	(2,793)
Transfer of plantations to lumber inventory (logs)	(102,051)	(82,633)
Write-offs due to forestry casualties	(655)	(642)
<b>ENDING BALANCE COST VALUE</b>	<b>1,406,452</b>	<b>1,425,877</b>
<b>ADJUSTMENT TO FAIR VALUE</b>		
Beginning balance as of January 1	2,132,407	2,135,663
Profit due to adjustment to fair value, less estimated costs at point of sale:		
Attributable to physical changes	226,875	204,990
Attributable to price changes	(39,681)	2,950
Transfer of plantations to lumber inventory (logs)	(193,132)	(207,985)
Sale of standing timber plantations	(4,115)	(2,126)
Write-offs due to forestry casualties	(999)	(1,085)
<b>ADJUSTMENT TO FAIR VALUE ENDING BALANCE</b>	<b>2,121,355</b>	<b>2,132,407</b>
<b>TOTAL BIOLOGICAL ASSETS</b>	<b>3,527,807</b>	<b>3,558,284</b>



CMPC has more than 636,000 hectares of forest plantations, mainly pine and eucalyptus, of which 476,000 hectares are located in Chile, 57,000 hectares in Argentina and 103,000 hectares in Brasil.

As of December 31, 2014 new plantations established reached 31,472 hectares (32,342 hectares, were established in 2013, including reforestation of harvested forests).

As of each year-end, the effect of the natural growth of forest plantations, expressed at their fair value (sales price less estimated costs at point of sale), is recorded according to technical studies prepared by qualified professionals. The resulting higher or lower value is recorded in other income by function in the income statement. This income for the year ended as of December 31, 2014 reached ThUS\$187,194 (ThUS\$ 207,940 in 2013). The higher cost of the harvested and sold part as a result of this revaluation is shown as part of cost of sales and amounts to ThUS\$ 204,790 as of December 31, 2014 (ThUS\$ 212,010 in 2013), along with the cost of formation of the harvested plantations which amounted to ThUS\$ 85,274 (ThUS\$ 80,876 in 2013).

Plantation harvest is used to supply raw materials to CMPC's different industrial pulp and paper plants, sawmills and board plants, and to a lesser extent, to third parties.

The Company determines the value of its forest plantations using a model based on forest appraisal as a function of the discounted future cash flows that the plantation will produce according to the long-term harvesting programs and optimal harvesting age. This model determines the values considering variables such as future product prices, interest rates, harvesting and transportation costs and biological growth of the plantations, among others, which are reviewed periodically to ensure their validity and representativeness. During the year ended as of December 31, 2014 the Company received official subsidies relating to biological assets amounting to ThUS\$163 (ThUS\$ 338 in 2013).

The Company has usufruct contracts with third parties amounting to ThUS\$ 128,512 which cover 39,000 hectares of plantations.

## NOTE 14 - CURRENT AND NON-CURRENT TAX ASSETS AND LIABILITIES

Current tax assets are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
Remaining value added tax (credit)	56,694	55,381
Recoverable taxes on absorbed profits on tax losses for the year	668	1,140
Balance of prepaid monthly tax installments net of income taxes for the year	29,140	18,491
Other income taxes in process of recovery	21,491	47,618
<b>TOTAL</b>	<b>107,993</b>	<b>122,630</b>

Current tax liabilities are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
Income tax payable, net of prepaid monthly tax installments for the year	31,713	30,493
<b>TOTAL</b>	<b>31,713</b>	<b>30,493</b>



The reconciliation of the income tax balance to charge for the year is detailed as follows:

DESCRIPTION	12/31/2014 THUSS	12/31/2013 THUSS
Balance of prepaid monthly tax installments net of income taxes for the year	29,140	18,491
LESS:		
Balance of income tax payable net of prepaid monthly tax installments	(31,713)	(30,493)
<b>NET BALANCE OF INCOME TAXES AFTER DEDUCTING PREPAID MONTHLY TAX INSTALLMENTS FOR THE YEAR</b>	<b>(2,573)</b>	<b>(12,002)</b>
Current taxes	(109,292)	(86,724)
Single income tax	-	(13,221)
LESS:		
Prepaid monthly tax installments for the year	106,719	87,943
<b>NET INCOME TAX BALANCE AFTER DEDUCTING PREPAID MONTHLY TAX INSTALLMENTS FOR THE YEAR</b>	<b>(2,573)</b>	<b>(12,002)</b>

Non-current tax assets are detailed as follows:

DESCRIPTION	12/31/2014 THUSS	12/31/2013 THUSS
Other taxes in recovery process associated to sales and services (Argentina and Brazil)	100,454	26,233
<b>TOTAL</b>	<b>100,454</b>	<b>26,233</b>

Non-current, current tax liabilities are detailed as follows:

DESCRIPTION	12/31/2014 THUSS	12/31/2013 THUSS
Balance payable on taxes associated to sales and services (Brazil)	8,809	14,657
<b>TOTAL</b>	<b>8,809</b>	<b>14,657</b>

## NOTE 15 - CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Empresas CMPC S.A. include all companies that qualify as subsidiaries and are identified in Note 1 of these financial statements.

A summary of the information on the most significant subsidiaries, composed of the sum of the separate financial statements of each is detailed as follows:

ASSETS AND LIABILITIES OF SIGNIFICANT SUBSIDIARIES	12/31/2014		12/31/2013	
	ASSETS THUSS	LIABILITIES THUSS	ASSETS THUSS	LIABILITIES THUSS
Current	4,302,829	2,760,904	4,762,266	2,883,761
Non-current	19,193,585	8,150,621	17,429,652	6,834,543
<b>TOTAL</b>	<b>23,496,414</b>	<b>10,911,525</b>	<b>22,191,918</b>	<b>9,718,304</b>

OPERATING INCOME AND EXPENSES	YEAR	
	2014 THUSS	2013 THUSS
Sum of operating income of subsidiaries	3,234,956	3,281,200
Sum of other income statement items	(2,927,723)	(3,008,413)
<b>PROFIT OF SIGNIFICANT SUBSIDIARIES FOR THE YEAR</b>	<b>307,233</b>	<b>272,787</b>



The separate information of the most significant subsidiaries included in the consolidation perimeter in ThUS\$ is detailed as follows:

	FORESTAL MININGO S.A.		CMPC CELULOSA S.A. *		CMPC TISSUE S.A.	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Country of incorporation	Chile	Chile	Chile	Chile	Chile	Chile
Functional currency	US\$	US\$	US\$	US\$	CLP	CLP
Percentage of interest	100%	100%	100%	100%	100%	100%
Total assets	3,824,416	3,857,006	4,737,726	4,531,143	1,276,123	1,337,657
Current assets	322,702	365,411	589,248	602,902	220,338	238,371
Non-current assets	3,501,714	3,491,595	4,148,478	3,928,241	1,055,785	1,099,286
Total liabilities	963,375	859,291	2,891,007	2,850,334	740,741	684,756
Current liabilities	215,377	222,243	847,556	1,493,740	502,388	448,142
Non-current liabilities	747,998	637,048	2,043,451	1,356,594	238,353	236,614
Operating income	444,475	457,196	1,575,231	1,595,507	518,822	528,477
Profits (losses)	(9,214)	(5,567)	219,225	96,836	(62,801)	(35,030)

	CARTULINAS CMPC S.A.		INVERSIONES CMPC S.A.		CMPC CELULOSE RIOGRANDENSE LTDA.	
	12/31/2014	12/31/2013	12/31/2014	12/31/2013	12/31/2014	12/31/2013
Country of incorporation	Chile	Chile	Chile	Chile	Brazil	Brazil
Functional currency	US\$	US\$	US\$	US\$	US\$	US\$
Percentage of interest	100%	100%	100%	100%	100%	100%
Total assets	666,327	611,967	9,467,562	9,532,108	3,524,260	2,322,037
Current assets	324,211	261,173	2,608,534	3,111,860	237,796	182,549
Non-current assets	342,116	350,794	6,859,028	6,420,248	3,286,464	2,139,488
Total liabilities	137,667	114,100	4,423,190	4,337,897	1,755,545	871,926
Current liabilities	61,154	54,396	835,392	614,786	299,037	50,454
Non-current liabilities	76,513	59,704	3,587,798	3,723,111	1,456,508	821,472
Operating income	441,215	423,431	4,919	4,028	250,294	272,561
Profits (losses)	48,646	56,740	134,864	193,456	(33,487)	(33,648)

\* In May 2014 absorbed Papeles Río Vergara S.A.

The accounts receivable and payable of the parent company CMPC with the most significant subsidiaries are detailed as follows:

## ACCOUNTS RECEIVABLE

RELATED PARTY TAX NO.	RELATED PARTY NAME	COUNTRY OF ORIGIN	ACCOUNT RECEIVABLE DESCRIPTION	PENDING BALANCES		CURRENCY	TERMS OF TRANSACTIONS WITH RELATED PARTY	COMPENSATION USED TO SETTLE THE TRANSACTIONS
				12/31/2014 THUS\$	12/31/2013 THUS\$			
CURRENT ASSETS								
96.532.330-9	CMPC Celulosa S.A.	Chile	Services	1,200	244	CLP	30 days	Monetary
96.529.310-8	CMPC Tissue S.A.	Chile	Brand rental	21,827	30,579	CLP	30 days	Monetary
			Services	446	614	CLP	30 days	Monetary
96.731.890-6	Cartulinas CMPC S.A.	Chile	Services	283	154	CLP	30 days	Monetary
96.596.540-8	Inversiones CMPC S.A.	Chile	Services	-	835	CLP	30 days	Monetary
			Loans	290,311	147,062	CLP	30/360 days	Monetary



## ACCOUNTS PAYABLE

RELATED PARTY TAX NO.	RELATED PARTY NAME	COUNTRY OF ORIGIN	ACCOUNT RECEIVABLE DESCRIPTION	PENDING BALANCES		CURRENCY	TERMS OF TRANSACTIONS WITH RELATED PARTY	COMPENSATION USED TO SETTLE THE TRANSACTIONS
				12/31/2014 THUS\$	12/31/2013 THUS\$			
CURRENT LIABILITIES								
96.532.330-9	CMPC Celulosa S.A.	Chile	Services	9	9	US\$	30 days	Monetary
96.731.890-6	Cartulinas CMPC S.A.	Chile	Loans	-	1	US\$	30 days	Monetary
96.596.540-8	Inversiones CMPC S.A.	Chile	Loans	92	-	CLP	30/360 days	Monetary
96.529.310-8	CMPC Tissue S.A.	Chile	Loans	48	84	CLP	30 days	Monetary
NON-CURRENT LIABILITIES								
96.596.540-8	Inversiones CMPC S.A.	Chile	Loans	286,009	330,895	CLP	December 2018	Monetary
			Loans	51,652	51,652	US\$	December 2018	Monetary

The main transactions of the parent company with the most significant subsidiaries are detailed as follows:

RELATED PARTY TAX NO.	NAME	COUNTRY OF ORIGIN	DETAIL OF TRANSACTIONS WITH RELATED PARTY	NATURE OF TRANSACTION WITH RELATED PARTY	AMOUNT OF THE TRANSACTION		OTHER INFORMATION ON TRANSACTIONS WITH RELATED PARTIES
					YEAR ENDED AS OF 12/31/2014 THUS\$	YEAR ENDED AS OF 12/31/2013 THUS\$	
96.596.540-8	Inversiones CMPC S.A.	Chile	Loans & interest	Financial transaction	177.536	507.950	Effects on income: 12/2014 expenses of ThUS\$ 8,365; 12/2013 expenses of ThUS\$ 28,000
			Sale of services	Commercial transaction	956	943	Effects on income: 12/2014 income of ThUS\$ 956; 12/2013 income of ThUS\$ 943
96.529.310-8	CMPC Tissue S.A.	Chile	Brands and services rental	Commercial transaction	18.323	26.039	Effects on income: 12/2014 income of ThUS\$ 18,323; 12/2013 income of ThUS\$ 26,039
			Purchase of services	Commercial transaction	2	9	Effects on income: 12/2014 expenses of ThUS\$ 2; 12/2013 expenses of ThUS\$ 9
96.532.330-9	CMPC Celulosa S.A.	Chile	Services	Commercial transaction	831	819	Effects on income: 12/2014 income of ThUS\$ 831; 12/2013 income of ThUS\$ 819
96.731.890-6	Cartulinas CMPC S.A.	Chile	Rentals	Commercial transaction	244	229	Effects on income: 12/2014 income of ThUS\$ 244; 12/2013 income of ThUS\$ 229
91.440.000-7	Forestal Mininco S.A.	Chile	Loans & interest	Financial transaction	359	372	With no effect on income
			Rentals	Commercial transaction	271	188	Effects on income: 12/2014 income of ThUS\$ 271; 12/2013 income of ThUS\$ 188

## NOTE 16 - INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

CMPC has investments in associated companies whose line of business contemplates activities that are complementary to the industrial and commercial activities of CMPC.

Consorcio Protección Fitosanitaria Forestal S.A. (formerly Controladora de Plagas Forestales S.A.) is a company formed by the main forestry companies in Chile for pest control purposes.

Genómica Forestal S.A. is a company dedicated to research in Chile, which contributes to increasing the competitiveness of the forestry sector.

Bioenercel S.A. is a company whose line of business is the conversion of lignocelluloses biomass into biofuel.

These investments are recorded in accordance with IAS 28 using the equity method. The Company recognized its corresponding share of profits and losses in these companies, based on its share participation.

Commercial transactions with these companies or with their related companies are carried out at current local market prices, under fully competitive conditions and when unrealized profits exist, they are eliminated.



The share of CMPC in its associates is detailed as follows:

TAXPAYER NO.	NAME	COUNTRY OF ORIGIN	MONEDA FUNCIONAL	INTEREST %	COMPANY EQUITY THUS\$	INCOME FOR THE YEAR THUS\$	ACCRUED PROFIT THUS\$	CARRYING AMOUNT OF THE INVESTMENT THUS\$
	BALANCE AS OF DECEMBER 31, 2014							
96.657.900-5	Consorcio Protección Fitosanitaria Forestal S.A. (ex Controladora de Plagas Forestales S.A.)	Chile	CLP	29.010	567	(27)	(8)	164
76.743.130-9	Genómica Forestal S.A.	Chile	CLP	25.283	431	-	-	109
76.077.468-5	Bioenercel S.A.	Chile	CLP	20.000	1.072	(480)	(96)	215
	<b>TOTAL</b>				<b>2.070</b>	<b>(507)</b>	<b>(104)</b>	<b>488</b>
	BALANCE AS OF DECEMBER 31, 2013							
85.741.000-9	Bicecorp S.A.	Chile	CLP	-	-	-	8.955	-
96.657.900-5	Controladora de Plagas Forestales S.A.	Chile	CLP	29.010	693	(3)	(1)	201
76.743.130-9	Genómica Forestal S.A.	Chile	CLP	25.283	453	(23)	(6)	114
76.077.468-5	Bioenercel S.A.	Chile	CLP	20.000	1.724	(347)	(69)	345
	<b>TOTAL</b>				<b>2.870</b>	<b>(373)</b>	<b>8.879</b>	<b>660</b>

The shares of Bicecorp S.A. that belonged to CMPC were sold in the stock market on December 3, 2013. Profit from these transactions was a net loss of ThUS\$ 2,199 (whose presentation in the income statement as of December 31, 2013 is a credit to other profits/losses in the amount of ThUS\$ 11,022 and greater income tax expense in the amount of ThUS\$ 13,221).

As of December 31, 2014 and 2013 the assets and liabilities of associated companies are detailed as follows:

ASSETS AND LIABILITIES OF ASSOCIATES	12/31/2014		12/31/2013	
	ASSETS THUS\$	LIABILITIES THUS\$	ASSETS THUS\$	LIABILITIES THUS\$
Current	2,932	3,524	6,366	1,709
Non-current	3,305	643	2,677	4,464
<b>TOTAL</b>	<b>6,237</b>	<b>4,167</b>	<b>9,043</b>	<b>6,173</b>

As of each year-end, the income, operating expenses and results of associated companies are detailed as follows:

OPERATING INCOME AND EXPENSES	YEAR	
	2014 THUS\$	2013 * THUS\$
Sum of operating income of associates	982	977,876
Sum of other income statement items	(1,489)	(890,086)
<b>PROFIT (LOSS) OF ASSOCIATES FOR THE YEAR</b>	<b>(507)</b>	<b>87,790</b>

\* Investment in associate Bicecorp S.A. was sold in December 2013.

The decrease in the level of operations of associates is due to the sale of the shares of Bicecorp S.A. in 2013.

As of December 31, 2014 and 2013 movements of investments accounted for using the equity method are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
Beginning balance as of January 1	660	93,853
New investments in associates	-	333
Equity changes in associates	(68)	(8,390)
Share of income for the year	(104)	8,879
Sale of interest in Bicecorp S.A.	-	(94,015)
<b>ENDING BALANCE</b>	<b>488</b>	<b>660</b>

The equity changes in associates corresponds mainly to the conversion adjustment from Chilean pesos to the functional currency of CMPC.





## NOTE 17 - INTANGIBLE ASSETS OTHER THAN GOODWILL

As of December 31, 2014 and 2013 balances and movements of the main types of intangible assets are detailed as follows:

	WATER RIGHTS THUS\$	EMISSION ENTITLEMENTS THUS\$	ELECTRIC LINE EASEMENTS THUS\$	SOFTWARE THUS\$	TRADEMARKS THUS\$	TOTAL THUS\$
Beginning balance as of 01/01/2014	3,229	2,469	5,123	3,739	344	14,904
Additions	24	102	-	2,485	-	2,611
Amortization	-	-	-	(1,371)	-	(1,371)
Transfer to current trade and other accounts receivable	(88)	-	-	-	-	(88)
Variation from foreign currency translation	-	(155)	-	(205)	-	(360)
<b>ENDING BALANCE AS OF 12/31/2014</b>	<b>3,165</b>	<b>2,416</b>	<b>5,123</b>	<b>4,648</b>	<b>344</b>	<b>15,696</b>
Beginning balance as of 01/01/2013	3,219	2,575	835	3,840	77	10,546
Additions	10	-	4,288	1,771	267	6,336
Amortization	-	-	-	(1,311)	-	(1,311)
Reversal of non-current loan expens	-	-	-	(381)	-	(381)
Variation from foreign currency translation	-	(106)	-	(180)	-	(286)
<b>ENDING BALANCE AS OF 12/31/2013</b>	<b>3,229</b>	<b>2,469</b>	<b>5,123</b>	<b>3,739</b>	<b>344</b>	<b>14,904</b>

Intangible assets corresponding to software are amortized in the year in which the Company expects to generate income from their use. The rest of identifiable intangible assets have indefinite useful lives, with no restrictions on use or dominion.

## NOTE 18 - GOODWILL

As of each year-end, the balance of goodwill is detailed as follows:

INVESTOR	INVESTEES / CGU	ORIGINAL CURRENCY	12/31/2014 THUS\$	12/31/2013 THUS\$
Inversiones CMPC S.A.	CMPC Celulosa S.A., Pacifico Pulp Plant	US\$	51,081	51,081
Inversiones Protisa S.A.	La Papelera del Plata S.A., Zárate, Naschel and Roca Plants	ARS	6,881	9,023
Inversiones CMPC S.A.	CMPC Celulosa S.A., Santa Fe 1 Pulp Plant	US\$	254	254
Inversiones CMPC S.A.	Forsac S.A., Chillán Plant	US\$	5,854	5,854
CMPC Papeles S.A.	Chilena de Moldeados S.A., Puente Alto Plant	US\$	2,644	2,644
CMPC Papeles S.A.	Envases Impresos S.A., Quilicura Plant (ERA)	US\$	3,114	3,114
Forestry subsidiaries - Chile	C.A. y F. El Proboste Ltda., El Proboste Farms	US\$	221	221
CMPC Tissue S.A.	Grupo ABS International S.A. de CV, Mexico Plants	MXN	638	718
Melhoramentos CMPC Ltda.	Melhoramentos CMPC Ltda., Sao Paulo Plants	BRL	44,908	50,922
CMPC Celulose Riograndense Ltda.	Guaíba Unit, Brazil	US\$	8,460	8,460
<b>TOTAL</b>			<b>124,055</b>	<b>132,291</b>

Goodwill movements are detailed as follows:

GOODWILL	12/31/2014 THUS\$	12/31/2013 THUS\$
Beginning balance	132,291	142,691
Variation from foreign currency translation	(8,236)	(10,400)
<b>ENDING BALANCE</b>	<b>124,055</b>	<b>132,291</b>



## NOTE 19 - PROPERTY, PLANT AND EQUIPMENT

As of each year-end the net and gross values of property, plant and equipment are detailed as follows:

	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>		
Construction in progress	2,058,047	816,285
Land	1,450,578	1,445,826
Buildings	1,493,130	1,559,692
Plant and equipment	2,677,710	2,832,213
Office equipment	4,241	4,403
Supplies and accessories	2,767	3,012
Transportation equipment	2,947	2,531
Property, plant and equipment financial lease	78,457	107,226
Other property, plant and equipment	39,788	39,385
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>7,807,665</b>	<b>6,810,573</b>
<b>PROPERTY, PLANT AND EQUIPMENT, NET</b>		
Construction in progress	2,058,047	816,285
Land	1,450,578	1,445,826
Buildings	1,985,310	1,966,675
Plant and equipment	4,323,337	4,229,606
Office equipment	11,692	11,231
Supplies and accessories	10,521	9,521
Transportation equipment	6,663	5,898
Property, plant and equipment financial lease	100,547	124,929
Other property, plant and equipment	99,943	91,216
<b>TOTAL PROPERTY, PLANT AND EQUIPMENT</b>	<b>10,046,638</b>	<b>8,701,187</b>

As of December 31, 2014 and 2013 accumulated depreciation by class of property, plant and equipment is detailed as follows:

DEPRECIATION	12/31/2014 THUS\$	12/31/2013 THUS\$
Buildings	492,180	406,983
Plant and equipment	1,645,627	1,397,393
Office equipment	7,451	6,828
Supplies and accessories	7,754	6,509
Transportation equipment	3,716	3,367
Property, plant and equipment financial lease	22,090	17,703
Other property, plant and equipment	60,155	51,831
<b>TOTAL</b>	<b>2,238,973</b>	<b>1,890,614</b>

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



The accounting movement of net property, plant and equipment, is detailed as follows:

DESCRIPTION	CONSTRUCTION IN PROGRESS THUS\$	LAND THUS\$	BUILDINGS, NET THUS\$	PLANT AND EQUIPMENT, NET THUS\$	OFFICE EQUIPMENT, NET THUS\$	SUPPLIES AND ACCESSORIES, NET THUS\$	TRANSPORTA- TION EQUIPMENT, NET THUS\$	PROPERTY, PLANT AND EQUIPMENT FINANCIAL LEASE THUS\$	OTHER PROPERTY, PLANT AND EQUIPMENT, NET THUS\$	TOTAL THUS\$
MOVEMENTS FOR 2014										
Beginning balance as of January 1, 2014	816,285	1,445,826	1,559,692	2,832,213	4,403	3,012	2,531	107,226	39,385	6,810,573
Additions	1,408,519	9,445	-	-	-	-	-	1,735	4,668	1,424,367
Depreciation expense	-	-	(85,197)	(248,234)	(623)	(1,245)	(349)	(4,387)	(8,324)	(348,359)
Increase (decrease) due to transfers from construction in progress	(188,603)	4,540	41,719	134,577	564	1,083	204	-	2,655	(3,261)
Increase (decrease) in foreign exchange rate	(35,975)	(9,233)	(26,173)	(66,587)	(196)	(124)	(39)	4,801	1,404	(132,122)
Increase (decrease) due to other changes	57,821	-	3,089	25,741	93	41	600	(30,918)	-	56,467
<b>ENDING BALANCE AS OF DECEMBER 31, 2014</b>	<b>2,058,047</b>	<b>1,450,578</b>	<b>1,493,130</b>	<b>2,677,710</b>	<b>4,241</b>	<b>2,767</b>	<b>2,947</b>	<b>78,457</b>	<b>39,788</b>	<b>7,807,665</b>
ADDITIONAL INFORMATION FOR 2014										
Disbursements recognized during construction	1,486,740	9,445	-	8,050	-	-	-	1,735	4,668	1,510,638
Carrying amount (gross) of fully depreciated assets, in use	-	-	43,963	255,889	3,342	5,727	1,411	-	9,635	319,967
MOVEMENTS FOR 2013										
Beginning balance as of January 1, 2013	464,097	1,457,723	1,577,307	2,921,683	3,411	3,191	2,823	95,556	44,024	6,569,815
Additions	704,753	-	-	-	-	-	-	20,943	-	725,696
Depreciation expense	-	-	(80,878)	(246,390)	(1,185)	(662)	(395)	(4,331)	(9,095)	(342,936)
Increase (decrease) due to transfers from construction in progress	(347,368)	-	96,264	242,859	1,877	676	120	-	5,572	-
Impairment loss recognized in the income statement	-	-	(5,738)	(37,052)	(6)	(1)	(56)	-	(2)	(42,855)
Increase (decrease) in foreign exchange rate	(13,660)	(11,486)	(25,302)	(48,887)	306	(192)	39	(7,314)	(1,114)	(107,610)
Increase (decrease) due to other changes	8,463	(411)	(1,961)	-	-	-	-	2,372	-	8,463
<b>ENDING BALANCE AS OF DECEMBER 31, 2013</b>	<b>816,285</b>	<b>1,445,826</b>	<b>1,559,692</b>	<b>2,832,213</b>	<b>4,403</b>	<b>3,012</b>	<b>2,531</b>	<b>107,226</b>	<b>39,385</b>	<b>6,810,573</b>
ADDITIONAL INFORMATION FOR 2013										
Disbursements recognized during construction	799,463	-	-	-	-	-	-	-	-	799,463
Carrying amount (gross) of fully depreciated assets, in use	-	-	31,523	249,324	860	2,866	1,433	-	573	286,579

New property, plant and equipment items are accounted for at acquisition cost. Acquisitions denominated in a currency other than the functional currency are converted at the exchange rate current as of the transaction date. Acquisitions made by subsidiaries whose functional currency is not the dollar, are accounted for at the value of their functional currency, re-expressing it in dollars, at the closing exchange rate for each year.

As of December 31, 2014 the Company has no legal or contractual obligation to dismantle, remove or recondition sites where it carries out its operations. Therefore its assets do not incorporate costs associated to those requirements, except for subsidiary Protisa Ecuador S.A. which booked ThUS\$ 624 for this concept.



In order to measure the main relevant property, plant and equipment items acquired before the date of transition to IFRS, their fair value was determined on the basis of the valuation made by expert personnel. The historical cost model was used for the rest of the property, plant and equipment items.

Costs derived from daily maintenance and common repairs are recognized in income for the year, unlike the replacement of significant parts or strategic spare parts with significant useful lives, which are capitalized and depreciated over the remaining useful lives of the main assets, based on component accounting.

Profits or losses from disposal of property, plant and equipment are calculated by comparing income obtained from the sale to the carrying amount of the asset and are included in the income statement.

Depreciation of assets is calculated using the straight-line method over their respective useful lives. Their useful lives have been determined on the basis of expected natural deterioration, technical or commercial obsolescence derived from changes and/or improvements in production and changes in market demand, of products obtained in the operation of those assets.

Estimated useful lives by type of asset are detailed as follows:

	MINIMUM USEFUL LIFE	MAXIMUM USEFUL LIFE	WEIGHTED AVERAGE USEFUL LIFE
Buildings	5	85	34
Plant and equipment	5	40	18
Other property, plant and equipment	3	20	10

The residual values and useful lives of assets are reviewed and adjusted, if necessary, at each financial statement closing date.

#### IMPAIRMENT:

The Company's profit in the year ended as of December 31, 2014 has not been influenced by internal or external factors that could make it advisable to carry out other impairment tests on the Company's assets. In general there have been no significant decreases in the market value of its assets, the use of the installed capacity has not been reduced, there has been no market loss for the products or services provided by the entity (due to quality, price, substitute products, etc.) nor have there been physical damages to the assets. The interest rate in the market or other investment yield rates have not increased significantly during the year, and those increases do not affect the discount rate used in the calculation of the value in use of the assets, or their recovery value.

In 2013 the Company's Board of Directors decided to shut down the operations of the newsprint production plant of its subsidiary Papeles Río Vergara S.A. as of November 30, 2013, due to the negative impact of the increased production costs derived from the price of electricity. This situation made it advisable to test this plant for impairment and recognize a loss of US\$ 43 million for the concept of impairment of committed property, plant and equipment. The mentioned effect was determined on the basis of a technical evaluation of future use of those assets. In May 2014 this subsidiary was absorbed by CMPC Celulosa S.A.

#### PROPERTY, PLANT AND EQUIPMENT IN GUARANTEE:

To guarantee to Banco Bice compliance with each and every one of the current and future obligations of Empresas CMPC S.A. and its subsidiaries, Empresas CMPC S.A. has placed a first mortgage on floors 1 to 9 and the basement of the corporate building located at Agustinas 1343 in Santiago. The value allocated for this purpose is ThUS\$ 13,460, as per public deed dated July 22, 2011, signed before Santiago Notary Public Mr. Francisco Javier Leiva Carvajal, repertoire 4,917.



## NOTE 20 - FINANCE AND OPERATING LEASES

### 20.1. FINANCE LEASES

All the Company's finance leases are for industrial assets classified as property, plant and equipment in the statement of financial position. The net carrying amount as of December 31, 2014 and 2013 is detailed as follows:

ASSETS UNDER FINANCIAL LEASE, NET	12/31/2014 THUS\$	12/31/2013 THUS\$
Buildings	15,038	15,000
Plant and equipment	63,415	92,206
Transportation equipment	4	20
<b>TOTAL</b>	<b>78,457</b>	<b>107,226</b>

Minimum finance lease payments are detailed as follows:

FUTURE MINIMUM LEASE PAYMENTS OUTSTANDING	12/31/2014			12/31/2013		
	GROSS AMOUNT THUS\$	TOTAL INTEREST THUS\$	CURRENT VALUE THUS\$	GROSS AMOUNT THUS\$	TOTAL INTEREST THUS\$	CURRENT VALUE THUS\$
One year or less	12,454	1,395	11,059	13,159	1,157	12,002
More than one year but less than 5 years	24,305	2,303	22,002	39,975	3,010	36,965
More than 5 years	30,118	1,551	28,567	34,621	1,961	32,660
<b>TOTAL</b>	<b>66,877</b>	<b>5,249</b>	<b>61,628</b>	<b>87,755</b>	<b>6,128</b>	<b>81,627</b>

The most significant current finance leases are detailed as follows:

#### CMPC CELULOSA S.A.

On October 22, 2004, Chilean subsidiary CMPC Celulosa S.A. contracted the supply of sodium chlorate ("chlorate") for its Pacifico, Laja and Santa Fe plants with Comercial e Industrial ERCO (Chile) Limitada, Chile, for a period of thirty years, in the amount of ThUS\$ 50,000 with an annual interest rate of 7.8% and annual payments. The contract states that after 30 years the property, plant and equipment of the chlorate production plant become the property of CMPC Celulosa S.A. through the final payment of US\$ 1. The finance lease was therefore recorded effective from the starting date of operation (July 2006). This contract is reflected in assets under buildings and plant and equipment for ThUS\$ 35,833 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 36,725 (see Note 22.1).

On September 1, 2010 Chilean subsidiary CMPC Celulosa S.A. acquired a turbo generator from Comercial e Industrial ERCO (Chile) Limitada for ThUS\$ 10,071 with an annual interest rate of 9.96% and monthly payments. The contract states that after a term of 10 years the turbo generator becomes the property of CMPC Celulosa S.A. Consequently, the finance lease was recorded with its effects from the starting date of operation. With the payment of ThUS\$ 8,050, this contract was terminated in advance in June 2014, acquiring ownership of the goods.

#### FORSAC PERÚ S.A.

On April 20, 2011 subsidiary Forsac Perú S.A. signed a finance lease contract with Banco de Crédito del Perú for the acquisition of a production line for Windmoller & Holscher multi-ply paper sacks, a Fevaflex flexographic printer and an Eam-Mosca pallet packing automation system for a total amount of ThUS\$ 5,700 payable in 60 monthly installments with an annual interest rate of 4.30%. Upon expiration of the contract and through the payment of the last finance lease installment, Forsac Perú S.A. will be exercising the purchase option, thus acquiring full title to the above described assets. This contract is reflected in assets under plant and equipment for ThUS\$ 5,291 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 3,305 (see Note 22.1).

#### PROTISA PERÚ S.A.

On January 21, 2009, subsidiary Protisa Perú S.A. signed a finance lease contract with Banco de Crédito del Perú for the acquisition of a paper roll production line and packing machines, and two sanitary product machines totaling ThUS\$ 13,731. In January 2010 part of this operation (paper roll production line) for ThUS\$ 5,144 was cancelled, with the final contract remaining at PEN 24,825,306 (ThUS\$ 8,303) payable in 72 monthly installments at an annual interest rate of 7.44% expiring in January 2016. This contract is reflected in assets under plant and equipment for ThUS\$ 5,262 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 1,415 (see Note 22.1).



On December 29, 2011 the finance lease operation (which had been canceled in January 2010) took place for the acquisition of a paper roll production line for a total of PEN 36,423,575 (ThUS\$ 12,182) payable in 44 monthly installments at an annual interest rate of 6.15% expiring in August 2015. The amount and new conditions were incorporated through an addenda to the contract signed on January 21, 2009. This operation is reflected in assets under plant and equipment for ThUS\$ 10,365 and in liabilities under other current financial liabilities in the amount of ThUS\$ 2,469 (see Note 22.1).

On December 29, 2011, a finance lease contract was signed with BBVA Banco Continental del Perú for the acquisition of a paper-roll conversion line and a machine for the production of napkins for a total of PEN 11,493,224 (ThUS\$ 3,844) payable in 43 monthly installments at an annual interest rate of 6.30% expiring in July 2015. This contract is reflected in assets under plant and equipment for ThUS\$ 2,868 and in liabilities under other current financial liabilities in the amount of ThUS\$ 606 (see Note 22.1).

On May 15, 2012, a loan was obtained from Banco de Crédito del Perú as a finance lease in order to extend the PP1-PP3 Recycling Lines for the amount of PEN 15,958,164 (ThUS\$ 5,337) payable in 60 monthly installments at an annual interest rate of 6.73%, expiring in April 2019. This contract is reflected in assets under property, plant and equipment in the amount of ThUS\$ 4,967 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 4,723 (see Note 22.1).

On December 27, 2012, a loan was obtained from Banco de Crédito del Perú as a finance lease for the construction of the Pañalera 40 machine for the amount of PEN 7,968,279 (ThUS\$ 2,664) payable in 60 monthly installments at an annual interest rate of 5.92% expiring in November 2019. This contract is reflected in assets under plant and equipment in the amount of ThUS\$ 2,128 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 2,218 (see Note 22.1).

On April 16, 2013, a loan was obtained from Banco de Crédito del Perú as a finance lease for the construction of a secondary industrial effluents treatment plant for the amount of PEN 5,875,232 (ThUS\$ 1,965) payable in 60 monthly installments at an annual interest rate of 5.50%, expiring in March 2019. This contract is reflected in assets under plant and equipment in the amount of ThUS\$ 1,756 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 1,701 (see Note 22.1).

On December 27, 2013, a loan was obtained from Banco de Crédito del Perú as a finance lease for the construction of the Pañalera 30 machine for the amount of PEN 10,246,094 (ThUS\$ 3,427) payable in 60 monthly installments at an annual interest rate of 6.83% expiring in January 2019. This operation is reflected in assets under plant and equipment in the amount of ThUS\$ 3,141 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 2,882 (see Note 22.1).

On December 27, 2013, a loan was obtained from BBVA Banco Continental del Perú as a finance lease for the construction of the extension of the L-100 roll conversion line for the amount of PEN 14,466,308 (ThUS\$ 4,838) payable in 60 monthly installments at an annual interest rate of 5.35% expiring in December 2018. This contract is reflected in assets under plant and equipment in the amount of ThUS\$4,547 and in liabilities under other current and non-current financial liabilities in the amount of ThUS\$ 3,941 (see Note 22.1).

Upon the expiration of each contract and with the payment of the last finance lease installment, Protisa Perú S.A. will be exercising the purchase option, acquiring with this full ownership of the described assets.

## 20.2. OPERATING LEASES

The main operating leases subscribed by the Company, with undefined terms or terms of more than one year, correspond to the following elements:

- Warehouse storage and other real estate leases
- Crane and loader leases
- Office equipment leases (computers, printers, photocopiers, etc.)
- Forestry area vehicle (pickup truck) lease



Minimum future operating lease payments are composed as follows:

FUTURE MINIMUM LEASE PAYMENTS OUTSTANDING	12/31/2014 THUS\$	12/31/2013 THUS\$
Payable within 12 months	31,757	31,445
Payable in more than one year but less than 5 years	127,028	125,734
<b>TOTAL</b>	<b>158,785</b>	<b>157,179</b>

Certain contracts are for indefinite or automatically renewable terms, provided the parties do not express their intention to terminate the contract, which might result in payments beyond five years.

The operating lease payments recognized in the income statement are detailed as follows:

	YEAR	
	2014 THUS\$	2013 THUS\$
Lease and sublease installments recognized in the income statement	31,757	32,878

There are no special operating lease agreements that commit CMPC to terms or conditions beyond market standards.

## NOTE 21 - DEFERRED TAXES

Deferred taxes correspond to the amount of income tax the Company will have to pay (liabilities) or recover (assets) in future years, relating to temporary differences between the tax basis and the carrying amount of certain assets and liabilities. The main deferred tax asset corresponds to the entitlement of companies to use tax losses accumulated at year-end in the future. The main deferred tax liabilities payable in future years corresponds to temporary differences arising from the revaluation of biological assets (forest plantations) and the revaluation of property, plant and equipment as of the date of transition to IFRS and by the application of accelerated depreciation for tax purposes.

Due to the changes introduced by Law 20,780 dated September 29, 2014 to the Chilean Income Tax Law, which progressively increases the First Category (Corporate) Income Tax rate for Chilean companies, from 20% to 27% and instructions set forth by the SVS, in Circular 856 dated October 17, 2014, all deferred taxes have been calculated with the new rate, which as of September 30, 2014, generated a greater charge to shareholders' equity in the amount of ThUS\$ 305,512 (see Note 29), due to the net balance of previous years.

It should be noted that the financial and tax realization of previous year balances will be significantly produced in future years and arise, as previously indicated, from revaluation of non-current assets.

As of December 31, 2014 and 2013 deferred tax concepts are detailed as follows:

DESCRIPTION	12/31/2014 THUS\$	12/31/2013 THUS\$
Tax losses	111,640	102,916
Foreign currency translation	64,684	49,580
Provisions	41,157	29,918
Other liabilities	14,850	7,598
Hedging liabilities	1,146	3,358
Property, plant and equipment	(960,665)	(656,822)
Biological assets	(636,130)	(489,991)
Other assets	(17,405)	(14,549)
Inventory	(28,474)	(10,363)
Accrued income from foreign source	(1,914)	(282)
Hedging assets	-	(69)
<b>DEFERRED INCOME NET BALANCE</b>	<b>(1,411,111)</b>	<b>(978,706)</b>

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



STATEMENT OF FINANCIAL POSITION	12/31/2014 THUS\$	12/31/2013 THUS\$
DEFERRED TAX ASSETS	43,240	46,072
DEFERRED TAX LIABILITIES	(1,454,351)	(1,024,778)
<b>DEFERRED TAX NET BALANCE</b>	<b>(1,411,111)</b>	<b>(978,706)</b>

The Company estimates that the recovery terms of gross deferred tax assets will be as follows:

DESCRIPTION	12/31/2014		12/31/2013	
	LESS THAN ONE YEAR THUS\$	MORE THAN ONE YEAR THUS\$	LESS THAN ONE YEAR THUS\$	MORE THAN ONE YEAR THUS\$
Tax losses	4	111,636	1,052	101,864
Foreign currency translation	-	64,684	49,580	-
Provisions	32,882	8,275	24,867	5,051
Hedging liabilities	-	1,146	-	3,358
Other liabilities	14,850	-	7,598	-
<b>TOTAL</b>	<b>47,736</b>	<b>185,741</b>	<b>83,097</b>	<b>110,273</b>

Deferred taxes on temporary differences between the tax and book values arising from investments in related companies have not been recorded. No deferred tax has therefore been recognized for conversion adjustments and adjustments of associates directly recorded in net equity, disclosed in the other comprehensive income statement.

As of December 31, 2014 deferred tax assets arising from tax losses amount to ThUS\$ 111,640. These losses are chargeable to profits generated in the future in the companies which present this condition, detailed as follows:

SUBSIDIARIES	COUNTRY	DEFERRED TAXES ON TAX LOSSES		CHANGES WITH AN EFFECT ON INCOME (EXPENSE)	CHANGE WITH NO EFFECT ON INCOME (FOREIGN CURRENCY TRANSLATION)
		12/31/2014 THUS\$	12/31/2013 THUS\$	12/31/2014 THUS\$	12/31/2013 THUS\$
CMPC Maderas S.A.	Chile	33,564	37,382	(3,818)	-
CMPC Celulose Riograndense Ltda.	Brazil	30,476	13,379	17,097	-
Melhoramentos CMPC Ltda.	Brazil	17,674	22,979	1,262	(6,567)
Drypers Andina S.A.	Colombia	10,353	11,243	2,167	(3,057)
Grupo ABS Internacional S.A. de C.V.	Mexico	7,829	5,177	4,826	(2,174)
Envases Impresos S.A.	Chile	4,989	4,723	266	-
Protisa Colombia S.A.	Colombia	4,793	5,149	1,111	(1,467)
Forsac México S.A.	Mexico	1,573	919	653	1
Productos Tissue del Ecuador S.A.	Ecuador	354	421	(244)	177
CMPC Inversiones de Argentina S.A.	Argentina	23	12	13	(2)
Forestal Timbauva S.A.	Argentina	8	8	-	-
Constructora e Inmobiliaria San Roque S.A.	Chile	4	-	4	-
Envases Roble Alto S.A.	Chile	-	1,052	(1,052)	-
Forestal Bosques del Plata S.A.	Argentina	-	472	(360)	(112)
<b>TOTAL</b>		<b>111,640</b>	<b>102,916</b>	<b>21,925</b>	<b>(13,201)</b>

Tax losses that can be imputed against future earnings generated in companies formed in Chile, Brazil and Colombia do not have expiration dates. However, the tax losses of companies formed in Mexico expire in 10 years and for companies formed in Argentina and Ecuador tax losses expire in 5 years. Based on the normal course of business and projections, management estimates that almost all the tax losses will be used in future years.





Deferred taxes recorded for the purpose of actuarial losses on defined benefits presented in the other comprehensive income statement are detailed as follows:

DESCRIPTION	YEAR	
	2014 THUS\$	2013 THUS\$
Actuarial losses on defined benefits in Chile and Brazil	(10,437)	(6,745)
Deferred taxes	3,101	-
<b>NET ACTUARIAL LOSSES</b>	<b>(7,336)</b>	<b>(6,745)</b>

Deferred tax movements for the year are detailed as follows:

CHANGES IN DEFERRED TAXES	12/31/2014 THUS\$	12/31/2013 THUS\$
Deferred taxes, beginning balance January 1	(978,706)	(901,397)
Tax losses	8,724	(18,044)
Foreign currency translation	15,104	14,356
Provisions	11,239	(1,790)
Other liabilities	7,252	(5,710)
Hedging liabilities	(2,212)	(1,480)
Property, plant and equipment	(303,843)	(40,758)
Biological assets	(146,139)	(31,697)
Other assets	(2,856)	3,997
Inventory	(18,111)	(4,852)
Income accrued from foreign source	(1,632)	7,667
Hedging assets	69	1,002
<b>ENDING BALANCE</b>	<b>(1,411,111)</b>	<b>(978,706)</b>

Temporary differences generated by deferred taxes in 2014 and their effect on the income statement are detailed as follows:

TYPE OF TEMPORARY DIFFERENCE	DEFERRED TAXES RECOGNIZED WITH AN EFFECT ON INCOME		DEFERRED TAXES RECOGNIZED WITH NO EFFECT ON INCOME (*)		DEFERRED TAX PROFIT (LOSS) THUS\$
	INCREASE (DECREASE) ASSETS THUS\$	(INCREASE) DECREASE LIABILITIES THUS\$	INCREASE (DECREASE) ASSETS THUS\$	(INCREASE) DECREASE LIABILITIES THUS\$	
Tax losses	14,173	-	(5,449)	-	14,173
Foreign currency translation	16,523	-	(1,419)	-	16,523
Provisions	6,111	-	5,128	-	6,111
Other liabilities	4,860	-	2,392	-	4,860
Hedging liabilities	(2,400)	-	188	-	(2,400)
Property, plant and equipment	-	(117,192)	-	(186,651)	(117,192)
Biological assets	-	(29,124)	-	(117,015)	(29,124)
Other assets	-	(3,559)	-	703	(3,559)
Inventory	-	(13,554)	-	(4,557)	(13,554)
Income accrued from a foreign source	-	(1,632)	-	-	(1,632)
Hedging assets	-	(77)	-	146	(77)
<b>SUBTOTAL</b>	<b>39,267</b>	<b>(165,138)</b>	<b>840</b>	<b>(307,374)</b>	<b>(125,871)</b>



(\*) The net increase in deferred taxes recorded in 2014, without an effect on income, correspond mainly to restatement of the balances of deferred tax assets and liabilities recorded as of September 2014 at a rate of 27% which was recorded with a charge to shareholders' equity in the amount of ThUS\$ 305,512. In addition deferred tax liabilities decreased for the concept of termination benefits provisions in the amount of ThUS\$ 1,723 and an increase in deferred tax assets for the concept of unearned profits in the amount of ThUS\$1,665. On the other hand, the companies in Argentina, Ecuador, Colombia and Mexico show adjustments to shareholders' equity detailed as follows: Argentinean companies, La Papelera del Plata S.A. and Forestal Bosques del Plata S.A. present an increase in deferred tax liabilities for the concept of conversion adjustments in the amount of ThUS\$ 3,924; Ecuadorian company, Productos Tissue del Ecuador S.A. shows an increase in deferred tax assets for the concept of tax losses in the amount of ThUS\$ 244; Colombian companies, Drypers Andina S.A. and Protisa Colombia S.A. show a decrease in deferred tax assets for the concept of tax losses in the amount of ThUS\$ 1,207; Grupo ABS Internacional S.A. de CV shows a decrease in deferred tax assets for the concept of tax losses in the amount of ThUS\$ 1,099 and a decrease in deferred tax liabilities for the concept of property, plant and equipment in the amount of ThUS\$ 1,337.

In 2014, Melhoramentos CMPC Ltda. recorded deferred taxes without an effect on income which correspond to the use of tax losses for a total of ThUS\$ 4,454. This adjustment, occurred because in 2009 the Brazilian government created Law 11,941, which allowed renegotiation of refinancing (REFIS - program for late payment of taxes) under new terms in respect to deadline and interest, also considering the possibility of including new debts in the program and the possibility of paying this debt with tax losses declared in 2009. Under this law, Melhoramentos CMPC Ltda., adhered to the program and requested partial payment of REFIS with tax losses for 2011. Deferred taxes also increased for the concept of miscellaneous provisions in the amount of ThUS\$ 2,715.

Furthermore the positive effect of foreign currency translation of deferred tax balances expressed in functional currencies other than the US dollar in the amount of ThUS\$ 1,978, which is distributed in the respective deferred tax concepts is included.

Temporary differences generated by deferred taxes in 2013 and their effect on income are detailed as follows:

TYPE OF TEMPORARY DIFFERENCE	DEFERRED TAXES RECOGNIZED WITH AN EFFECT ON INCOME		DEFERRED TAXES RECOGNIZED WITH NO EFFECT ON INCOME (*)		DEFERRED TAX PROFIT (LOSS) THUS\$
	INCREASE (DECREASE) ASSETS THUS\$	(INCREASE) DECREASE LIABILITIES THUS\$	INCREASE (DECREASE) ASSETS THUS\$	(INCREASE) DECREASE LIABILITIES THUS\$	
Tax losses	(10,674)	-	(7,370)	-	(10,674)
Foreign currency translation	15,827	-	(1,471)	-	15,827
Provisions	(712)	-	(1,078)	-	(712)
Other liabilities	(5,647)	-	(63)	-	(5,647)
Hedging liabilities	(1,480)	-	-	-	(1,480)
Property, plant and equipment	-	(48,552)	-	7,794	(48,552)
Biological assets	-	(34,983)	-	3,286	(34,983)
Other assets	-	3,241	-	756	3,241
Inventory	-	(4,788)	-	(64)	(4,788)
Income accrued from a foreign source	-	7,667	-	-	7,667
Hedging assets	-	857	-	145	857
<b>TOTAL</b>	<b>(2,686)</b>	<b>(76,558)</b>	<b>(9,982)</b>	<b>11,917</b>	<b>(79,244)</b>

(\*) The net decrease in deferred taxes recorded in 2013, without an effect on income, corresponds to companies in Colombia, Peru and Argentina. Colombian companies Drypers Andina S.A. and Protisa Colombia S.A. showed a decrease in deferred tax assets for the concept of tax losses in the amount of ThUS\$ 2,324. Protisa Perú S.A. recorded an increase in deferred tax liabilities for the concept of property, plant and equipment in the amount of ThUS\$ 1,289 and Forestal Bosques del Plata S.A. recorded an increase in deferred tax assets for the current value of recoverable taxes (VAT) in the amount of ThUS\$ 600.

Furthermore, the positive effect of foreign currency translation of deferred tax balances expressed in functional currencies other than the US dollar in the amount of ThUS\$ 4,948, which is distributed in the respective deferred tax concepts is included.



## NOTE 22 - OTHER FINANCIAL LIABILITIES

As of each year-end other financial liabilities are detailed as follows:

DESCRIPTION	12/31/2014 THUSS	12/31/2013 THUSS
Current interest bearing loans	477,008	276,612
Interest rate swap transactions	4,387	10,733
Currency forward transactions	2,748	12,716
Current hedging liabilities	35,591	78,077
<b>SUBTOTAL OTHER CURRENT FINANCIAL LIABILITIES</b>	<b>519,734</b>	<b>378,138</b>
Non-current interest bearing loans	4,073,635	3,574,701
Non-current hedging liabilities	50,264	8,013
<b>SUBTOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES</b>	<b>4,123,899</b>	<b>3,582,714</b>
<b>TOTAL</b>	<b>4,643,633</b>	<b>3,960,852</b>



## 22.1. COMPOSITION OF THE BALANCE AND MATURITIES

### A) CURRENT AND NON-CURRENT INTEREST BEARING LOANS

Interest bearing loans grouped by maturity dates are detailed as follows:

#### BALANCE AS OF DECEMBER 31, 2014

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THUSS)									TOTAL	TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS						
BANK OBLIGATIONS																	
96.596.540-8	Inversiones CMPC S.A.	US\$	Banco Santander - Spain (Swedish Export Credit Corporation Agency)	-	-	2,726	2,691	2,691	2,691	2,691	8,363	21,853	Biannual	0.98%	22,876	Libor+0.65%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	25	-	74	-	-	-	-	-	99	Quarterly	15.01%	98	15.01%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	15	-	45	-	-	-	-	-	60	Quarterly	15.01%	59	15.01%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	78	143	642	-	-	-	-	-	863	Monthly	15.00%	860	15.00%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	-	52	163	-	-	-	-	-	215	Quarterly	15.01%	215	15.01%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Galicia - Argentina	6	65	195	-	-	-	-	-	266	Quarterly	15.01%	261	15.01%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	1	130	391	143	-	-	-	-	665	Quarterly	15.25%	668	15.25%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	32	60	271	-	-	-	-	-	363	Monthly	15.00%	361	15.00%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander /BBVA - Argentina	1	142	430	284	-	-	-	-	857	Quarterly	15.25%	860	15.25%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	18	34	154	-	-	-	-	-	206	Monthly	15.00%	205	15.00%*	
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés - Argentina	-	103	313	414	-	-	-	-	830	Quarterly	15.25%	834	15.25%*	
Foreign	La Papelera del Plata S.A.	ARS	Banco Citibank N.A. - Argentina	5,958	-	-	-	-	-	-	-	5,958	Maturity	26.00%	5,866	26.00%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Provincia - Argentina	33	-	558	615	615	615	616	-	3,052	Biannual	25.97%	3,097	25.97%*	
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés - Argentina	1,323	-	-	-	-	-	-	-	1,323	Maturity	27.00%	1,293	27.00%	
Foreign	La Papelera del Plata S.A.	ARS	Banco J.P. Morgan - Argentina	7,378	-	-	-	-	-	-	-	7,378	Maturity	25.50%	7,266	25.50%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Macro - Argentina	2,162	-	-	-	-	-	-	-	2,162	Maturity	26.50%	2,158	26.50%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	4,644	-	-	-	-	-	-	-	4,644	Maturity	28.00%	4,641	28.00%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Patagonia - Argentina	9,407	-	-	-	-	-	-	-	9,407	Maturity	25.00%	9,356	25.00%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	6,961	-	-	-	-	-	-	-	6,961	Maturity	26.90%	6,890	26.90%	
Foreign	Ipusa S.A.	US\$	Banque Heritage - Uruguay	1,502	-	-	-	-	-	-	-	1,502	Maturity	3.00%	1,500	3.00%	
Foreign	Ipusa S.A.	US\$	Banco Itaú - Uruguay	2,050	-	-	-	-	-	-	-	2,050	Maturity	3.00%	2,050	3.00%	
Foreign	Ipusa S.A.	US\$	Banco BBVA - Uruguay	1	650	-	-	-	-	-	-	651	Maturity	3.00%	650	3.00%	
Foreign	Ipusa S.A.	US\$	Banque Heritage - Uruguay	3	-	500	-	-	-	-	-	503	Maturity	3.00%	500	3.00%	
Foreign	Ipusa S.A.	UYU	Banco Citibank N.A. - Uruguay	4	-	-	9,849	-	-	-	-	9,853	Maturity	14.00%	9,849	14.00%*	
Foreign	Ipusa S.A.	UYU	Banque Heritage - Uruguay	1,243	-	-	-	-	-	-	-	1,243	Maturity	14.00%	1,231	14.00%	
Foreign	Ipusa S.A.	UYU	HSBC bank - Uruguay	1,960	-	-	-	-	-	-	-	1,960	Maturity	15.00%	1,949	15.00%	
Foreign	Ipusa S.A.	UYU	Banco Itaú - Uruguay	2,186	-	-	-	-	-	-	-	2,186	Maturity	15.60%	2,175	15.60%	
Foreign	Ipusa S.A.	UYU	Banco Santander - Uruguay	2,227	-	-	-	-	-	-	-	2,227	Maturity	14.82%	2,216	14.82%	
Foreign	Ipusa S.A.	UYU	Banco Santander - Uruguay	1,686	-	-	-	-	-	-	-	1,686	Maturity	14.68%	1,682	14.68%	
Foreign	Ipusa S.A.	UYU	HSBC bank - Uruguay	1,960	-	-	-	-	-	-	-	1,960	Maturity	15.00%	1,949	15.00%	
Foreign	Ipusa S.A.	UYU	Banco Itaú - Uruguay	1,511	-	-	-	-	-	-	-	1,511	Maturity	15.60%	1,510	15.60%	
Foreign	Ipusa S.A.	UYU	Banque Heritage - Uruguay	660	-	-	-	-	-	-	-	660	Maturity	14.50%	657	14.50%	
Foreign	Drypers Andina S.A.	US\$	BancoEstado - Chile - RUT 97.030.000-7 (**)	216	-	-	-	25,000	-	-	-	25,216	Maturity	1.78%	25,000	Libor+1.42%*	
Foreign	Protisa Colombia S.A.	US\$	Bank of Tokyo - Mitsubishi UFJ, Ltd. - United States (**)	-	221	-	-	38,000	-	-	-	38,221	Maturity	1.20%	38,000	Libor+0.83%*	
Foreign	Protisa Colombia S.A.	US\$	Banco Santander - Chile - RUT 97.036.000-K	355	-	-	-	37,000	-	-	-	37,355	Maturity	1.98%	37,000	Libor+1.62%*	
SUBTOTAL BANK OBLIGATIONS				55,606	1,600	6,462	13,996	103,306	3,306	3,307	8,363	195,946					

(\*) Loans obtained maturing in more than 1 year  
(\*\*) Risk managed using a swap contract

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



BALANCE AS OF DECEMBER 31, 2014

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THOUS)									TOTAL	TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS						
BANK OBLIGATIONS (CONTINUED)																	
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	2,436	-	-	-	-	-	-	-	10,856	13,292	Monthly	4.50%	13,059	4.50%*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	181	-	-	-	-	-	-	-	853	1,034	Monthly	5.50%	1,012	5.50%*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	528	-	-	-	-	-	-	-	3,597	4,125	Monthly	3.00%	4,076	3.00%*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	137	-	-	-	165	-	-	-	-	302	Monthly	12.95%	293	CDI+1.95%*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	257	-	-	-	-	-	-	-	1,778	2,035	Monthly	3.50%	2,007	3.50%*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	1,868	-	-	-	3,960	-	-	-	-	5,828	Monthly	7.32%	5,691	TJLP+2.82*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	82	-	-	-	174	-	-	-	-	256	Monthly	5.00%	252	TJLP*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	890	-	-	-	1,888	-	-	-	-	2,778	Monthly	6.92%	2,716	TJLP+1.92*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	1,090	-	-	-	-	-	3,775	-	-	4,865	Monthly	7.28%	4,738	TJLP+2.28*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	655	-	-	-	-	-	2,265	-	-	2,920	Monthly	8.28%	2,833	TJLP+3.28*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	2,501	-	-	-	5,290	-	-	-	-	7,791	Monthly	9.52%	7,556	TJLP+4.52*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	1,870	-	-	-	3,960	-	-	-	-	5,830	Monthly	8.32%	5,675	TJLP+3.82*
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	1,117	-	-	-	-	-	3,826	-	-	4,943	Monthly	13.53%	4,710	SELIC+2.28%*
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	58	-	-	-	-	878	2,108	1,231	4,275	Monthly	6.42%	4,217	ECM+2.32%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	22	-	-	-	1,731	3,461	1,732	6,946	Monthly	7.32%	6,923	TJLP+2.32%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	15	-	-	-	1,038	2,077	1,039	4,169	Monthly	8.32%	4,154	TJLP+3.32%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	9	-	-	-	-	-	-	650	659	Monthly	6.38%	650	ECM+2.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	11	-	-	-	-	-	1,250	1,261	Monthly	7.28%	1,250	TJLP+2.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	7	-	-	-	-	-	750	757	Monthly	8.28%	750	TJLP+3.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	13	-	-	-	-	-	-	909	922	Monthly	6.52%	909	ECM+2.42%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	6	-	-	-	-	-	1,870	1,876	Monthly	7.42%	1,870	TJLP+2.42%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	4	-	-	-	-	-	1,122	1,126	Monthly	8.42%	1,122	TJLP+3.42%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	926	-	4,562	10,853	10,853	10,853	10,853	33,462	82,362	Monthly	6.17%	82,109	ECM+2.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	502	10,703	21,104	21,104	21,104	21,104	63,313	158,934	Monthly	6.17%	160,548	TJLP+2.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	341	6,422	12,598	12,598	12,598	12,598	37,795	94,950	Monthly	6.17%	96,329	TJLP+3.28%*	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	2,424	4,358	19,733	26,706	26,706	26,706	26,706	80,100	213,439	Monthly	6.17%	210,481	2.50%*	
Foreign	CMPC Celulose Riograndense Ltda.	US\$	Banco Santander y Nordea Bank AB Plc (Swedish Export Credit Corporation Agency) - Sweden	899	-	4,977	9,229	9,229	9,229	9,229	50,757	93,549	Biannual	3.32%	99,539	2.35%*	
Foreign	CMPC Celulose Riograndense Ltda.	US\$	Banco Santander y Nordea Bank AB Plc (Finnish Export Credit Ltd Agency) - Finland	-	1,638	10,970	20,520	20,520	20,520	20,520	112,857	207,545	Biannual	3.50%	219,430	2.41%*	
Foreign	Absormex CMPC Tissue S.A. de CV	US\$	Bank of Tokyo - Mitsubishi UFJ, Ltd. -United States (**)	-	-	-	39,986	-	-	-	-	39,986	Maturity	1.26%	40,000	Libor+1.08%*	
Foreign	Absormex CMPC Tissue S.A. de CV	US\$	HSBC Bank USA, N.A. - United States (**)	-	-	-	39,986	-	-	-	-	39,986	Maturity	1.26%	40,000	Libor+1.08%*	
Foreign	Absormex CMPC Tissue S.A. de CV	US\$	Nordea Bank AB (publ) (Swedish Export Credit Corporation Agency) - Sweden	121	-	-	-	-	-	-	-	15,723	15,844	Maturity	2.37%	16,403	2.37%*
<b>TOTAL BANK OBLIGATIONS</b>				<b>73,668</b>	<b>8,504</b>	<b>63,829</b>	<b>194,978</b>	<b>219,753</b>	<b>107,963</b>	<b>121,829</b>	<b>430,007</b>	<b>1,220,531</b>					

(\*) Loans obtained maturing in more than 1 year  
(\*\*) Risk managed using a swap contract

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



BALANCE AS OF DECEMBER 31, 2014

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THOUS)									TOTAL	TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE	
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS							
<b>OBLIGATIONS WITH THE PUBLIC</b>																		
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	4,678	-	-	-	-	496,424	-	501,102	Maturity	6.25%	500,000	6.13%	
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	10,622	-	-	-	-	-	497,599	-	-	508,221	Maturity	4.83%	500,000	4.75%	
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	4,062	-	-	-	-	-	493,486	497,548	Maturity	4.64%	500,000	4.50%	
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	2,735	-	-	-	-	-	494,259	496,994	Maturity	4.47%	500,000	4.38%	
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	6,927	-	-	-	-	-	493,330	500,257	Maturity	4.79%	500,000	4.75%	
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series A, Reg. 413 SVS (**)	-	286,419	-	-	-	-	-	-	-	286,419	Maturity	3.22%	284,120	2.70%	
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series F, Reg. 570 SVS (**)	-	3,257	-	-	-	-	-	-	276,862	280,119	Maturity	4.55%	284,120	4.30%	
96.596.540-9	Inversiones CMPC S.A.	CLF	Obligations with the public, series G, Reg. 733 SVS (**)	-	-	1,351	-	-	-	-	-	196,473	197,824	Maturity	3.70%	202,943	3.50%	
<b>TOTAL OBLIGATIONS WITH THE PUBLIC</b>				<b>10,622</b>	<b>289,676</b>	<b>19,753</b>	<b>-</b>	<b>-</b>	<b>497,599</b>	<b>496,424</b>	<b>1,954,410</b>	<b>3,268,484</b>						
<b>FINANCIAL LEASE OBLIGATIONS</b>																		
Foreign	La Papelera del Plata S.A.	ARS	Banco Comafi - Argentina	-	4	-	-	-	-	-	-	-	4	Monthly	24.52%	4	24.52%	
Foreign	La Papelera del Plata S.A.	ARS	Banco Comafi - Argentina	-	3	-	-	-	-	-	-	-	3	Monthly	24.52%	3	24.52%	
Foreign	Forsac Perú S.A.	US\$	Banco de Crédito del Perú	98	197	901	1,248	861	-	-	-	-	3,305	Monthly	4.30%	3,305	4.30%	
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	75	150	685	957	1,009	1,065	-	-	-	3,941	Monthly	5.35%	3,941	5.35%	
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	11	23	46	-	-	-	-	-	-	80	Monthly	6.30%	80	6.30%	
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	85	172	349	-	-	-	-	-	-	606	Monthly	6.30%	606	6.30%	
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	10	20	83	-	-	-	-	-	-	113	Monthly	6.30%	113	6.30%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	303	611	1,555	-	-	-	-	-	-	2,469	Monthly	6.15%	2,469	6.15%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	58	116	541	62	-	-	-	-	-	777	Monthly	7.44%	777	7.44%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	47	95	445	51	-	-	-	-	-	638	Monthly	7.44%	638	7.44%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	51	104	481	679	725	775	67	-	-	2,882	Monthly	6.83%	2,882	6.83%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	29	60	276	386	408	431	111	-	-	1,701	Monthly	5.50%	1,701	5.50%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	7	15	69	96	101	107	28	-	-	423	Monthly	5.10%	423	5.10%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	79	159	737	1,040	1,110	1,185	413	-	-	4,723	Monthly	6.73%	4,723	6.73%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	8	17	79	110	116	122	53	-	-	505	Monthly	5.10%	505	5.10%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	7	15	69	98	105	112	109	-	-	515	Monthly	6.80%	515	6.80%	
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	32	66	303	425	451	478	463	-	-	2,218	Monthly	5.92%	2,218	5.92%	
<b>TOTAL FINANCIAL LEASE OBLIGATIONS</b>				<b>900</b>	<b>1,827</b>	<b>6,619</b>	<b>5,152</b>	<b>4,886</b>	<b>4,275</b>	<b>1,244</b>	<b>-</b>	<b>24,903</b>						
<b>OTHER OBLIGATIONS</b>																		
96.532.330-9	CMPC Celulosa S.A.	US\$	Comercial e Industrial ERCO (Chile) Ltda. - RUT 76.163.730-4	134	268	1,208	1,621	1,631	1,642	1,654	28,567	36,725	Monthly	7.80%	36,725	7.80%		
<b>TOTAL OTHER OBLIGATIONS</b>				<b>134</b>	<b>268</b>	<b>1,208</b>	<b>1,621</b>	<b>1,631</b>	<b>1,642</b>	<b>1,654</b>	<b>28,567</b>	<b>36,725</b>						
<b>TOTAL INTEREST BEARING LOANS</b>				<b>85,324</b>	<b>300,275</b>	<b>91,409</b>	<b>201,751</b>	<b>226,270</b>	<b>611,479</b>	<b>621,151</b>	<b>2,412,984</b>	<b>4,550,643</b>						
<b>TOTAL INTEREST BEARING LOANS AT FAIR VALUE</b>				<b>85,324</b>	<b>300,275</b>	<b>91,409</b>	<b>201,751</b>	<b>226,270</b>	<b>611,479</b>	<b>621,151</b>	<b>2,412,984</b>	<b>4,550,643</b>						

(\*\*) Risks management through swap and cross currency swap contracts



BALANCE AS OF DECEMBER 31, 2013

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THUS\$)									TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE	
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS	TOTAL					
BANK OBLIGATIONS																	
96.596.540-8	Inversiones CMPC S.A.	US\$	Bank of Tokyo - Mitsubishi UFJ, Ltd. - United States (**)	-	-	750	198,555	198,555	-	-	-	-	397,860	Biannual	0.90%	400,000	Libor+0.65% *
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés S.A. - Argentina	1,878	-	-	-	-	-	-	-	-	1,878	Daily	26.00%	1,878	26.00%
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés S.A. - Argentina	1,534	-	-	-	-	-	-	-	-	1,534	Daily	24.00%	1,534	24.00%
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés S.A. - Argentina	-	-	136	1,091	-	-	-	-	-	1,227	Quarterly	15.25%	1,227	15.25% *
Foreign	La Papelera del Plata S.A.	ARS	BBVA Banco Francés S.A. - Argentina	-	-	1,155	-	-	-	-	-	-	1,155	Biannual	16.75%	1,150	16.75% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	7,228	-	-	-	-	-	-	-	-	7,228	Daily	35.00%	7,228	35.00%
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	34	-	97	128	-	-	-	-	-	259	Quarterly	15.01%	256	15.01% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río - Argentina	20	-	58	77	-	-	-	-	-	155	Quarterly	15.01%	155	15.01% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Santander Río/BBVA Banco Francés S.A. - Argentina	1	-	562	749	375	-	-	-	-	1,687	Quarterly	15.25%	1,686	15.25% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	10	-	562	1,125	-	-	-	-	-	1,697	Monthly	15.00%	1,687	15.00% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	743	-	-	-	-	-	-	-	-	743	Daily	25.00%	743	25.00%
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	4	-	118	472	118	-	-	-	-	712	Monthly	15.00%	708	15.00% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Nación - Argentina	2	-	-	268	135	-	-	-	-	405	Monthly	15.00%	402	15.00% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	6,117	-	-	-	-	-	-	-	-	6,117	Daily	28.00%	6,117	28.00%
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	-	68	204	273	-	-	-	-	-	545	Quarterly	15.01%	545	15.01% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Ciudad - Argentina	14	170	511	682	170	-	-	-	-	1,547	Quarterly	15.25%	1,534	15.25% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Patagonia - Argentina	7,145	-	-	-	-	-	-	-	-	7,145	Daily	25.00%	7,145	25.00%
Foreign	La Papelera del Plata S.A.	ARS	Banco Galicia - Argentina	-	102	256	341	-	-	-	-	-	699	Quarterly	15.01%	682	15.01% *
Foreign	La Papelera del Plata S.A.	ARS	Banco Macro - Argentina	6,074	-	-	-	-	-	-	-	-	6,074	Daily	35.50%	6,074	35.50%
Foreign	La Papelera del Plata S.A.	US\$	Banco de Chile - RUT 97.004.000-5	-	-	10,084	-	-	-	-	-	-	10,084	Maturity	2.19%	10,000	Libor+1.80% *
Foreign	La Papelera del Plata S.A.	US\$	Banco Corpbanca - Chile - RUT 97.023.000-9	-	-	14,059	-	-	-	-	-	-	14,059	Maturity	2.25%	14,000	Libor+1.89% *
Foreign	Profisa Perú S.A.	PEN	BBVA Banco Continental - Peru	13	27	136	-	176	-	-	-	-	352	Monthly	6.30%	352	6.30% *
Foreign	Ipusa S.A.	US\$	Banco Lloyds TSB Banc plc. - Uruguay	-	-	1,508	-	-	-	-	-	-	1,508	Maturity	3.00%	1,500	3.00%
Foreign	Ipusa S.A.	US\$	Banco Lloyds TSB Banc plc. - Uruguay	-	1,203	-	-	-	-	-	-	-	1,203	Maturity	3.00%	1,200	3.00%
Foreign	Ipusa S.A.	US\$	Banco Citibank - Uruguay	3,277	-	-	-	-	-	-	-	-	3,277	Maturity	4.06%	3,250	4.06%
Foreign	Ipusa S.A.	US\$	Banco Citibank N.A. - Uruguay	-	2,005	-	-	-	-	-	-	-	2,005	Maturity	3.03%	2,000	3.03%
Foreign	Ipusa S.A.	UYU	Banco BBVA - Uruguay	2,071	-	-	-	-	-	-	-	-	2,071	Maturity	16.00%	2,054	16.00%
Foreign	Ipusa S.A.	US\$	Banco BBVA - Uruguay	-	1,062	-	-	-	-	-	-	-	1,062	Maturity	4.50%	1,050	4.50%
Foreign	Ipusa S.A.	US\$	Banco BBVA - Uruguay	-	1,004	-	-	-	-	-	-	-	1,004	Maturity	4.25%	1,000	4.25%
Foreign	Ipusa S.A.	UYU	Banco BBVA - Uruguay	-	708	-	-	-	-	-	-	-	708	Maturity	13.00%	700	13.00%
Foreign	Ipusa S.A.	US\$	Banco HSBC - Uruguay	-	1,517	-	-	-	-	-	-	-	1,517	Maturity	4.50%	1,500	4.50%
Foreign	Ipusa S.A.	US\$	Banco HSBC - Uruguay	-	1,370	-	-	-	-	-	-	-	1,370	Maturity	4.50%	1,350	4.50%
Foreign	Ipusa S.A.	US\$	Banco Itaú - Uruguay	1,007	-	-	-	-	-	-	-	-	1,007	Maturity	4.58%	1,000	4.58%
Foreign	Ipusa S.A.	UYU	Banco Santander - Uruguay	4,723	-	-	-	-	-	-	-	-	4,723	Maturity	13.75%	4,667	13.75%



BALANCE AS OF DECEMBER 31, 2013

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THUS\$)									TOTAL	TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS						
BANK OBLIGATIONS (CONTINUED)																	
Foreign	Ipusa S.A.	UYU	Banco Santander - Uruguay	-	2,337	-	-	-	-	-	-	-	2,337	Maturity	13.25%	2,333	13.25%
Foreign	Ipusa S.A.	US\$	Banco Santander - Uruguay	-	1,301	-	-	-	-	-	-	-	1,301	Maturity	4.59%	1,300	4.59%
Foreign	Ipusa S.A.	US\$	Banco Comercial - Uruguay	-	600	-	-	-	-	-	-	-	600	Maturity	3.50%	600	3.50%
Foreign	Drypers Andina S.A.	US\$	BancoEstado - Chile - RUT 97.030.000-7	-	-	237	-	25,500	-	-	-	-	25,737	Maturity	1.77%	25,500	Liber+1.42% *
Foreign	Protisa Colombia S.A.	US\$	Banco BBVA - Chile - RUT 97.032.000-8	203	-	-	-	20,000	-	-	-	-	20,203	Maturity	1.97%	20,000	Liber+1.62% *
Foreign	Protisa Colombia S.A.	US\$	Banco Santander - Chile - RUT 97.036.000-K	-	-	-	44,000	-	-	-	-	-	44,000	Maturity	1.97%	44,000	Liber+1.62% *
Foreign	Protisa Colombia S.A.	US\$	BancoEstado - Chile - RUT 97.030.000-7	98	-	-	10,500	-	-	-	-	-	10,598	Maturity	1.77%	10,500	Liber+1.42% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	2,764	-	-	-	-	-	-	-	15,041	17,805	Maturity	4.50%	17,409	4.50% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	206	-	-	-	-	-	-	-	1,171	1,377	Maturity	5.50%	1,342	5.50% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco Itaú / BBA - Brazil	15	-	-	-	-	-	-	-	5,430	5,445	Monthly	3.00%	5,382	3.00% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	2,183	-	-	-	-	-	6,646	-	-	8,829	Monthly	7.82%	8,513	TJLP+2.82% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	2,186	-	-	-	-	-	6,644	-	-	8,830	Monthly	8.82%	8,470	TJLP+3.82% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	2,923	-	-	-	-	-	8,877	-	-	11,800	Monthly	9.52%	11,279	TJLP+4.52% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	1,039	-	-	-	-	-	3,169	-	-	4,208	Monthly	6.92%	4,072	TJLP+1.92% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	96	-	-	-	-	-	293	-	-	389	Monthly	5.00%	377	5.00% *
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	618	-	-	-	-	-	-	4,363	4,981	Monthly	7.28%	4,899	TJLP+2.28% *	
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	374	-	-	-	-	-	-	2,618	2,992	Monthly	8.28%	2,937	TJLP+3.28% *	
Foreign	Melhoramentos CMPC Ltda.	BRL	Banco BNDES - Brazil	662	-	-	-	-	-	-	4,516	5,178	Monthly	11.28%	5,052	SELIC+2.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	46	-	-	-	-	-	738	2,809	3,593	Monthly	5.96%	3,547	ECM+2.32% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	19	-	-	-	-	1,650	4,950	6,619	Monthly	7.32%	6,600	TJLP+2.32% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	13	-	-	-	-	990	2,970	3,973	Monthly	8.32%	3,960	TJLP+3.32% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	88	-	-	505	1,213	1,213	1,213	4,952	9,184	Monthly	5.92%	9,129	ECM+2.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	60	-	1,341	2,683	2,682	2,682	10,728	20,176	Monthly	7.28%	20,187	TJLP+2.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	40	-	805	1,609	1,609	1,609	6,439	12,111	Monthly	8.28%	12,112	TJLP+3.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	42	-	4,889	5,344	5,116	5,117	20,464	40,972	Monthly	2.50%	41,072	2.50% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	8	-	-	-	-	-	-	651	659	Monthly	5.92%	651	ECM+2.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	12	-	-	-	-	-	1,418	1,430	Monthly	7.28%	1,418	TJLP+2.28% *	
Foreign	CMPC Celulose Riograndense Ltda.	BRL	Banco BNDES - Brazil	-	8	-	-	-	-	-	851	859	Monthly	8.28%	851	TJLP+3.28% *	
Foreign	Absormex CMPC Tissue S.A. de CV	US\$	Bank of Tokyo - Mitsubishi UFJ, Ltd. - United States	-	-	-	-	39,874	-	-	-	-	39,874	Maturity	1.34%	40,000	Liber+1.08% *
Foreign	Absormex CMPC Tissue S.A. de CV	US\$	HSBC Bank USA, N.A. - United States	-	-	-	-	39,874	-	-	-	-	39,874	Maturity	1.34%	40,000	Liber+1.08% *
<b>TOTAL BANK OBLIGATIONS</b>				<b>55,404</b>	<b>13,668</b>	<b>30,433</b>	<b>265,801</b>	<b>335,626</b>	<b>10,620</b>	<b>39,628</b>	<b>89,371</b>	<b>840,551</b>					

(\*) Loans obtained maturing in more than 1 year  
(\*\*) Risk managed using a swap contract



CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



BALANCE AS OF DECEMBER 31, 2013

DEBTOR'S TAX NO.	DEBTOR'S NAME	CURRENCY	CREDITOR'S NAME	INTEREST BEARING LOANS (THUS\$)									TOTAL	TYPE OF AMORTIZATION	EFFECTIVE RATE	NOMINAL VALUE OF OBLIGATION	NOMINAL RATE
				UP TO 1 MONTH	MORE THAN 1 MONTH UP TO 3 MONTHS	MORE THAN 3 MONTHS UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 2 YEARS	MORE THAN 2 YEARS UP TO 3 YEARS	MORE THAN 3 YEARS UP TO 4 YEARS	MORE THAN 4 YEARS UP TO 5 YEARS	MORE THAN 5 YEARS						
<b>OBLIGATIONS WITH THE PUBLIC</b>																	
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	4,679	-	-	-	-	-	495,684	500,363	Maturity	6.25%	500,000	6.13%
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	10,621	-	-	-	-	496,798	-	507,419	Maturity	4.83%	500,000	4.75%
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	4,063	-	-	-	-	-	492,593	496,656	Maturity	4.64%	500,000	4.50%
96.596.540-8	Inversiones CMPC S.A.	US\$	Obligations with the public - foreign, Rule 144 A	-	-	2,734	-	-	-	-	-	493,571	496,305	Maturity	4.47%	500,000	4.38%
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series A, Reg. 413 SVS (**)	-	-	2,781	309,188	-	-	-	-	-	311,969	Maturity	3.22%	311,025	2.70%
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series B, Reg. 456 SVS	-	-	2,442	-	-	-	-	-	173,663	176,105	Maturity	4.43%	177,729	4.20%
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series D, Reg. 569 SVS (**)	-	134,219	-	-	-	-	-	-	-	134,219	Maturity	3.25%	133,297	2.90%
96.596.540-8	Inversiones CMPC S.A.	CLF	Obligations with the public, series F, Reg. 570 SVS	-	-	3,566	-	-	-	-	-	302,533	306,099	Maturity	4.55%	311,025	4.30%
<b>TOTAL OBLIGATIONS WITH THE PUBLIC</b>				-	<b>134,219</b>	<b>30,886</b>	<b>309,188</b>	-	-	-	<b>496,798</b>	<b>1,958,044</b>	<b>2,929,135</b>				
<b>FINANCIAL LEASE OBLIGATIONS</b>																	
Foreign	Ipusa S.A.	US\$	Banco Santander - Uruguay	-	-	3	-	-	-	-	-	-	3	Monthly	6.50%	3	6.50%
Foreign	La Papelera del Plata S.A.	ARS	Banco Comafi - Argentina	-	1	7	3	2	-	-	-	-	13	Monthly	26.71%	13	26.57%
Foreign	La Papelera del Plata S.A.	ARS	Banco Comafi - Argentina	-	1	5	1	1	-	-	-	-	8	Monthly	26.71%	9	26.57%
Foreign	Forsac Perú S.A.	US\$	BBVA Banco Continental - Peru	86	173	175	-	-	-	-	-	-	434	Monthly	5.40%	434	5.40%
Foreign	Forsac Perú S.A.	US\$	Banco de Crédito del Perú	93	188	865	1,222	1,222	430	431	-	-	4,451	Monthly	4.30%	4,451	4.30%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	305	615	2,847	1,320	1,319	-	-	-	-	6,406	Monthly	6.15%	6,406	6.15%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	47	95	441	340	341	-	-	-	-	1,264	Monthly	7.44%	1,264	7.44%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	55	116	538	415	415	-	-	-	-	1,539	Monthly	7.44%	1,539	7.44%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	104	536	675	675	840	834	-	-	3,664	Monthly	6.83%	3,664	7.44%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	3,100	3,034	-	-	6,134	Monthly	6.73%	6,134	6.73%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	430	430	-	-	860	Monthly	5.92%	860	5.92%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	1,179	1,179	-	-	2,358	Monthly	5.50%	2,358	5.50%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	234	235	-	-	469	Monthly	5.10%	469	5.10%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	232	233	-	-	465	Monthly	5.10%	465	5.10%
Foreign	Protisa Perú S.A.	PEN	Banco de Crédito del Perú	-	-	-	-	-	75	76	-	-	151	Monthly	6.80%	151	6.80%
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	85	173	799	324	324	-	-	-	-	1,705	Monthly	6.30%	1,705	6.30%
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	11	23	105	42	43	-	-	-	-	224	Monthly	6.30%	224	6.30%
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	10	20	94	60	61	-	-	-	-	245	Monthly	6.30%	245	6.30%
Foreign	Protisa Perú S.A.	PEN	BBVA Banco Continental - Peru	75	153	698	1,005	1,005	1,116	1,117	-	-	5,169	Monthly	6.30%	5,169	6.30%
<b>TOTAL FINANCIAL LEASE OBLIGATIONS</b>				<b>767</b>	<b>1,662</b>	<b>7,113</b>	<b>5,407</b>	<b>5,408</b>	<b>7,636</b>	<b>7,569</b>	-	-	<b>35,562</b>				
<b>OTHER OBLIGATIONS</b>																	
96.532.330-9	CMPC Celulosa S.A.	US\$	Comercial e Industrial ERCO (Chile) Ltda. - RUT 76.163.730-4	133	266	1,201	1,616	1,616	1,636	1,636	30,221	38,325	Monthly	7.80%	38,325	7.80%	
96.532.330-9	CMPC Celulosa S.A.	US\$	Comercial e Industrial ERCO (Chile) Ltda. - RUT 76.163.730-4	69	139	652	1,000	1,000	1,220	1,221	2,439	7,740	Monthly	9.96%	7,740	9.96%	
<b>TOTAL OTHER OBLIGATIONS</b>				<b>202</b>	<b>405</b>	<b>1,853</b>	<b>2,616</b>	<b>2,616</b>	<b>2,856</b>	<b>2,857</b>	<b>32,660</b>	<b>46,065</b>					
<b>TOTAL INTEREST BEARING LOANS</b>				<b>56,373</b>	<b>149,954</b>	<b>70,285</b>	<b>583,012</b>	<b>343,650</b>	<b>21,112</b>	<b>546,852</b>	<b>2,080,075</b>	<b>3,851,313</b>					
<b>TOTAL INTEREST BEARING LOANS AT FAIR VALUE</b>				<b>56,373</b>	<b>149,954</b>	<b>70,285</b>	<b>583,012</b>	<b>343,650</b>	<b>21,112</b>	<b>546,852</b>	<b>2,080,075</b>	<b>3,851,313</b>					

(\*\*) Risk managed using cross currency swap contract



## B) CURRENT CROSS-CURRENCY AND INTEREST RATE SWAPS

This liability represents the accumulated income of derivative contracts signed for the purpose of adequately managing the Company's exchange rate risk and interest rate risk.

ENTITIES	RIGHTS			OBLIGATIONS			FAIR VALUE OF NET LIABILITIES THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
	CURRENCY	INTEREST RATE %	AMOUNT THUS\$	CURRENCY	INTEREST RATE %	AMOUNT THUS\$			
BALANCE AS OF DECEMBER 31, 2014									
HSBC Bank USA, N.A. - United States	US\$	Libor	80,000	US\$	1.16	80,576	576	(221)	Oct-18-2016
HSBC Bank USA, N.A. - United States	US\$	Libor	80,000	US\$	1.18	80,535	535	(268)	Oct-18-2016
J. Aron & Company - United States	US\$	Libor	50,000	US\$	4.57	51,102	1,102	(18)	Mar-01-2015
J. Aron & Company - United States	US\$	Libor	50,000	US\$	4.72	51,065	1,065	(20)	Mar-01-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	Libor	80,000	US\$	1.19	80,569	569	(236)	Oct-18-2016
J.P. Morgan Chase Bank N.A. - United States	US\$	Libor	80,000	US\$	1.15	80,540	540	(253)	Oct-18-2016
<b>TOTAL</b>			<b>420,000</b>			<b>424,387</b>	<b>4,387</b>	<b>(1,016)</b>	
BALANCE AS OF DECEMBER 31, 2013									
HSBC Bank USA, N.A. - United States	US\$	Libor	80,000	US\$	1.16	81,095	1,095	(286)	Oct-18-2016
HSBC Bank USA, N.A. - United States	US\$	Libor	80,000	US\$	1.18	81,042	1,042	(143)	Oct-18-2016
J. Aron & Company - United States	US\$	Libor	50,000	US\$	4.57	53,285	3,285	(33)	Mar-01-2015
J. Aron & Company - United States	US\$	Libor	50,000	US\$	4.72	53,174	3,174	(33)	Mar-01-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	Libor	80,000	US\$	1.19	81,105	1,105	(211)	Oct-18-2016
J.P. Morgan Chase Bank N.A. - United States	US\$	Libor	80,000	US\$	1.15	81,032	1,032	(137)	Oct-18-2016
<b>TOTAL</b>			<b>420,000</b>			<b>430,733</b>	<b>10,733</b>	<b>(843)</b>	

## C) CURRENCY FORWARD TRANSACTIONS

Balance as of December 31, 2014

ENTITIES	RIGHTS CURRENCY	RIGHTS AMOUNT THUS\$	OBLIGATIONS CURRENCY	OBLIGATIONS AMOUNT THUS\$	FAIR VALUE OF NET LIABILITY THUS\$	EFFECT ON INCOME PROFIT (LOSS) THUS\$	MATURITY
J.P. Morgan Chase Bank N.A. - England	SEK	1,562	US\$	1,821	259	(296)	Jul-10-2015
Banco BCI - Chile	CLP	10,020	CLF	10,043	23	(23)	Jan-27-2015
Banco BCI - Chile	CLP	10,020	CLF	10,043	23	(23)	Jan-27-2015
Banco BCI - Chile	CLP	10,037	CLF	10,061	24	(23)	Jan-27-2015
Banco BCI - Chile	CLP	10,037	CLF	10,061	24	(23)	Jan-27-2015
Banco Santander - Chile	CLP	15,171	CLF	15,203	32	(32)	Jan-28-2015
Banco BBVA - Chile	CLP	20,312	CLF	20,349	37	(37)	Feb-03-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	20,007	CLP	20,209	202	(202)	Jan-06-2015
Banco Santander - Chile	US\$	20,005	CLP	20,315	310	(310)	Jan-08-2015
Banco Itaú - Chile	US\$	20,006	CLP	20,315	309	(309)	Jan-08-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	20,008	CLP	20,288	280	(280)	Jan-21-2015
Banco BCI - Chile	US\$	20,007	CLP	20,441	434	(434)	Jan-20-2015
J.P. Morgan Chase Bank N.A. - Chile	US\$	20,005	CLP	20,518	513	(513)	Jan-08-2015
BancoEstado - Chile	US\$	10,003	CLP	10,281	278	(278)	Jan-21-2015
<b>TOTAL</b>		<b>207,200</b>		<b>209,948</b>	<b>2,748</b>	<b>(2,783)</b>	

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



BALANCE AS OF DECEMBER 31, 2013

ENTITIES	RIGHTS CURRENCY	RIGHTS AMOUNT THUSS	OBLIGATIONS CURRENCY	OBLIGATIONS AMOUNT THUSS	FAIR VALUE OF NET LIABILITY THUSS	EFFECT ON INCOME PROFIT (LOSS) THUSS	MATURITY
HSBC Bank USA, N.A. - United States	BRL	5.118	US\$	6,250	1,132	(465)	May-09-2014
HSBC Bank USA, N.A. - United States	BRL	5.142	US\$	6,250	1,108	(465)	May-09-2014
HSBC Bank USA, N.A. - United States	BRL	5.640	US\$	6,250	610	(489)	Mar-18-2014
HSBC Bank USA, N.A. - United States	BRL	5.390	US\$	6,250	860	(524)	Sep-10-2014
HSBC Bank USA, N.A. - United States	BRL	5.305	US\$	6,250	945	(531)	Nov-12-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.108	US\$	6,250	1,142	(849)	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.182	US\$	6,250	1,068	(469)	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.717	US\$	6,250	533	(478)	Feb-10-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.496	US\$	6,250	754	(516)	Jul-10-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.760	US\$	6,250	490	(482)	Feb-10-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	5.537	US\$	6,250	713	(520)	Jul-10-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,657	141	(74)	Mar-17-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,657	141	(75)	Jun-16-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,657	141	(75)	Sep-15-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,656	140	(73)	Dec-15-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,655	139	(71)	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,654	138	(71)	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,654	138	(71)	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.516	EUR	1,654	138	(70)	Dec-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,657	140	(71)	Mar-17-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,657	140	(74)	Jun-16-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,657	140	(74)	Sep-15-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,656	139	(75)	Dec-15-2014
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,655	138	(73)	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,654	137	(72)	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,654	137	(71)	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	1.517	EUR	1,654	137	(71)	Dec-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3.050	EUR	3,309	259	(143)	Mar-16-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3.050	EUR	3,309	259	(152)	Jun-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3.050	EUR	3,308	258	(142)	Sep-15-2015
J.P. Morgan Chase Bank N.A. - United States	US\$	3.050	EUR	3,308	258	(140)	Dec-15-2015
Banco Corpbanca - Chile	CLP	4.918	US\$	5,000	82	(82)	Feb-03-2014
BancoEstado - Chile	CLP	16.128	CLF	16,149	21	(21)	Mar-20-2014
<b>TOTAL</b>		<b>116.905</b>		<b>129,621</b>	<b>12,716</b>	<b>(7,629)</b>	

D) OPTIONS

BALANCE AS OF DECEMBER 31, 2013

ENTITIES	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET LIABILITY THUSS	EFFECT ON INCOME PROFIT (LOSS) THUSS	MATURITY
	CURRENCY	AMOUNT THUSS	CURRENCY	AMOUNT THUSS			
HSBC Bank USA, N.A. - United States	BRL	6,250	US\$	6,250	-	-	May-09-2014
HSBC Bank USA, N.A. - United States	BRL	6,250	US\$	6,250	-	-	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	6,250	US\$	6,250	-	-	May-09-2014
J.P. Morgan Chase Bank N.A. - United States	BRL	6,250	US\$	6,250	-	-	May-09-2014
<b>TOTAL</b>		<b>25,000</b>		<b>25,000</b>	<b>-</b>	<b>-</b>	



## E) HEDGING LIABILITIES

These liabilities represent the cumulative income of oil price swaps and currency forwards, used to hedge against the volatility of the cost of marine freight for transporting pulp and to hedge the financial risk due to changes in the price of currencies associated to sales of the lumber products and cardboard products businesses in euros and to obligations in reales (BRL) in reference to the investment projects in Brazil. Also includes cross-currency swaps used to hedge obligations with the public expressed in unidades de fomento (CLF).

ENTITIES	NATURE OF HEDGED RISKS	RIGHTS		OBLIGATIONS		FAIR VALUE OF NET LIABILITIES THUSS	MATURITY
		CURRENCY	AMOUNT THUSS	CURRENCY	AMOUNT THUSS		
<b>CURRENT</b>							
BALANCE AS OF DECEMBER 31, 2014							
Bank of America Merrill Lynch Banco Múltiplo S.A. - Brazil	Bank obligations	BLR	24,536	US\$	25,304	768	Monthly
Bank of America Merrill Lynch - England	Price of oil	US\$	17,851	US\$	34,883	17,032	Monthly
Goldman Sachs International - England	Price of oil	US\$	2,823	US\$	5,966	3,143	Monthly
HSBC Bank plc - England	Price of oil	US\$	904	US\$	1,614	710	Monthly
J.P. Morgan Chase Bank N.A. - United States	Price of oil	US\$	2,474	US\$	4,709	2,235	Monthly
Morgan Stanley & Co. International plc - England	Price of oil	US\$	7,589	US\$	14,968	7,379	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	9,490	US\$	10,000	510	Monthly
Banco Santander - Chile	Industrial project - Guaíba	BRL	9,468	US\$	10,000	532	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	14,189	US\$	15,000	811	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	9,377	US\$	10,000	623	Monthly
Banco Itaú - Chile	Industrial project - Guaíba	BRL	9,325	US\$	10,000	675	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	9,458	US\$	10,000	542	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	9,369	US\$	10,000	631	Monthly
<b>TOTAL</b>			<b>126,853</b>		<b>162,444</b>	<b>35,591</b>	
<b>NON-CURRENT</b>							
BALANCE AS OF DECEMBER 31, 2014							
Bank of America Merrill Lynch Banco Múltiplo S.A. - Brazil	Bank obligations	BLR	171,963	US\$	177,312	5,349	Monthly
Bank of America Merrill Lynch - England	Price of oil	US\$	25,804	US\$	26,289	485	Monthly
BNP Paribas - England	Price of oil	US\$	2,951	US\$	4,914	1,963	Monthly
HSBC Bank plc - England	Price of oil	US\$	30,490	US\$	45,422	14,932	Monthly
Morgan Stanley & Co. International plc - England	Price of oil	US\$	26,375	US\$	26,604	229	Monthly
Banco Santander - Chile	Obligations with the public	CLF	44,919	US\$	50,689	5,770	Biannual
Banco Santander - Chile	Obligations with the public	CLF	48,691	US\$	54,707	6,016	Biannual
Banco BBVA - Chile	Obligations with the public	CLF	43,669	US\$	49,711	6,042	Biannual
Banco de Chile	Obligations with the public	CLF	46,372	US\$	51,055	4,683	Biannual
Banco BCI - Chile	Obligations with the public	CLF	46,258	US\$	51,053	4,795	Biannual
<b>TOTAL</b>			<b>487,492</b>		<b>537,756</b>	<b>50,264</b>	
<b>CURRENT</b>							
BALANCE AS OF DECEMBER 31, 2013							
Deutsche Bank AG - England	Price of oil	US\$	7,333	US\$	7,352	19	Monthly
HSBC Bank plc - England	Price of oil	US\$	13,049	US\$	13,183	134	Monthly
Morgan Stanley & Co. International plc - England	Price of oil	US\$	13,584	US\$	13,676	92	Monthly
Bank of America Merrill Lynch - England	Price of oil	US\$	1,047	US\$	1,064	17	Monthly
Banco de Chile	Industrial project - Guaíba	BRL	17,153	US\$	20,000	2,847	Monthly
Banco Itaú - Chile	Industrial project - Guaíba	BRL	134,310	US\$	150,000	15,690	Monthly
Banco Santander - Chile	Industrial project - Guaíba	BRL	45,155	US\$	50,000	4,845	Monthly
BNP Paribas - France	Industrial project - Guaíba	BRL	70,970	US\$	80,000	9,030	Monthly
HSBC Bank USA, N.A. - United States	Industrial project - Guaíba	BRL	87,288	US\$	100,000	12,712	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	77,177	US\$	80,000	2,823	Monthly
J.P. Morgan Chase Bank N.A. - United States	Industrial project - Guaíba	BRL	44,329	US\$	50,000	5,671	Monthly
J.P. Morgan Chase Bank N.A. - England	Industrial project - Guaíba	BRL	245,803	US\$	270,000	24,197	Monthly
<b>TOTAL</b>			<b>757,198</b>		<b>835,275</b>	<b>78,077</b>	
<b>NON-CURRENT</b>							
BALANCE AS OF DECEMBER 31, 2013							
Bank of America Merrill Lynch - England	Price of oil	US\$	42,968	US\$	43,783	815	Monthly
BNP Paribas - England	Price of oil	US\$	4,783	US\$	4,914	131	Monthly
Deutsche Bank AG - England	Price of oil	US\$	25,723	US\$	26,436	713	Monthly
HSBC Bank plc - England	Price of oil	US\$	47,315	US\$	49,190	1,875	Monthly
J.P. Morgan Chase Bank N.A. - United States	Price of oil	US\$	4,692	US\$	4,710	18	Monthly
Morgan Stanley & Co. International plc - England	Price of oil	US\$	52,164	US\$	53,695	1,531	Monthly
Banco Itaú - Chile	Industrial project - Guaíba	BRL	9,544	US\$	10,000	456	Monthly
HSBC Bank plc - England	Industrial project - Guaíba	BRL	53,028	US\$	55,000	1,972	Monthly
Banco Santander - Chile	Industrial project - Guaíba	BRL	9,672	US\$	10,000	328	Monthly
HSBC Bank plc - England	Cash flows from sale of cardboard and lumber to Europe	US\$	20,806	EUR	20,850	44	Quarterly
Banco BBVA - Chile	Obligations with the public	CLF	49,581	US\$	49,711	130	Biannual
<b>TOTAL</b>			<b>320,276</b>		<b>328,289</b>	<b>8,013</b>	



## 22.2. ADDITIONAL INFORMATION ON THE MAIN FINANCIAL LIABILITIES

### A) INTEREST BEARING LOANS

The main loans entered into by the indicated subsidiaries are detailed as follows:

i) Inversiones CMPC S.A. with The Bank of Tokyo - Mitsubishi UFJ, Ltd. of the United States (acting as Administrative Agent): in October 2011, through its agency in the Cayman Islands the Company entered into a syndicated loan for US\$ 400 million for a 5-year term, with 4 semi-annual amortizations, at a rate of Libor plus 0.65% over the entire term of the loan. The entire loan was paid in advance in October 2014.

ii) Inversiones CMPC S.A. with Banco Santander Chile, as ECA Agent (or "EKN" means Exportkreditnämnden, the Swedish Exports Credit Guarantee Board, a Swedish government agency and guarantee institution): In April 2014 the Company obtained a loan for the amount of US\$ 24.80 million with a 9-year term, with biannual amortization, at a rate of Libor plus 0.65%. The first amortization took place in May 2014 and contemplates payments up to May 2023. The principal balance owed as of December 31, 2014 amounts to US\$ 22.88 million.

iii) La Papelera del Plata S.A. with Banco Santander Río and BBVA Banco Francés S.A. of Argentina: in June 2013 it obtained a loan for ARS 11 million (US\$ 1.29 million) at a fixed interest rate of 15.25%, with quarterly amortization of principal as of June 2014 up to June 2016, whose balance owed amounts to ARS 7.34 million (US\$ 0.86 million).

This loan of subsidiary La Papelera del Plata S.A. contemplates compliance with certain indicators calculated on its annual financial statements, referring to maintaining minimum shareholders' equity, maximum debt and level of debt coverage. As of 2014 year-end, the Company complies with these indicators.

iv) La Papelera del Plata S.A. with BBVA Banco Francés S.A. of Argentina: In December 2013 it obtained a loan for ARS 8 million (US\$ 0.94 million) at a fixed interest rate of 15.25%, with quarterly amortization of principal from December 2014 to December 2016. The balance of principal owed as of December 31, 2014 amounts to ARS 7.11 million (US\$ 0.83 million).

v) La Papelera del Plata S.A. with Banco Santander Río - Argentina: In October 2012 it entered into a loan for ARS 1.88 million (US\$ 0.22 million) at a fixed interest rate of 15.01%, with quarterly amortization of capital from October 2013 to October 2015, whose outstanding principal owed amounts to ARS 0.84 million (US\$ 0.10 million); in October 2012 it entered into a loan for ARS 1.14 million (US\$ 0.13 million) at a fixed interest rate of 15.01%, with quarterly amortization of capital from October 2013 to October 2015, whose outstanding capital owed amounts to ARS 0.51 million (US\$ 0.06 million).

vi) La Papelera del Plata S.A. with Banco de la Nación Argentina: in December 2012 it entered into a loan for ARS 11 million (US\$ 1.29 million) at a fixed interest rate of 15.00%, with monthly amortization of capital from July 2014 to December 2015, whose principal owed amounts to ARS 7.38 (US\$ 0.86 million); in March 2013 it entered into a loan for ARS 4.62 million (US\$ 0.54 million) at a fixed interest rate of 15.00%, with monthly amortization of capital from July 2014 to March 2016, whose principal owed amounts to ARS 3.10 (US\$ 0.36 million); in June 2013 it entered into a loan for ARS 2.62 million (US\$ 0.31 million) at a fixed interest rate of 15.00%, with monthly principal amortization from July 2014 to June 2016, whose principal owed amounts to ARS 1.76 (US\$ 0.21 million).

vii) La Papelera del Plata S.A. with Banco Ciudad de Argentina: in December 2012 it entered into a loan for ARS 4 million (US\$ 0.47 million) at a fixed interest rate of 15.01%, with quarterly amortization of principal from December 2013 to December 2015 whose balance of principal owed amounts to ARS 1.84 million (US\$ 0.22 million); in March 2013 it entered into a loan for payments to suppliers on investment in property, plant and equipment of ARS 10 million (US\$ 1.17 million) at a fixed interest rate of 15.25%, with quarterly amortization of principal from March 2014 to March 2016 whose balance of principal owed amounts to ARS 5.75 million (US\$ 0.67).

viii) La Papelera del Plata S.A. with Banco Galicia de Argentina: in November 2012 it entered into a loan for ARS 5 million (US\$ 0.59 million) at a fixed interest rate of 15.01%, with quarterly amortization of principal from November 2013 to November 2015 whose balance of principal owed amounts to ARS 2.27 million (US\$ 0.27 million).



ix) La Papelera del Plata S.A. with Banco de la Provincia de Buenos Aires de Argentina: in April 2014 entered into a loan for ARS 26.40 million (US\$ 3.10 million) at a fixed interest rate of 25.97%, with biannual amortization of principal from May 2015 to November 2019.

x) Industria Papelera Uruguaya S.A. with Banco Citibank N.A. - Uruguay: in December 2014 it entered into a loan for UYU 240 million (US\$ 9.85 million) at an annual interest rate of 14%, with principal amortization upon expiration on December 30, 2016 and quarterly payment of interest.

xi) Protisa Perú S.A. with BBVA Banco Continental de Perú: In December 2010 it entered into a loan for PEN 1.76 million (US\$ 0.59 million) at a fixed interest rate of 6.30%, with amortization in 48 monthly installments up to December 2015. The entire loan was paid in advance in March 2014.

xii) Drypers Andina S.A. with BancoEstado de Chile: in January 2011 it entered into a loan for US\$ 25.5 million for a 5-year term. Interest on this loan shall accrue and be paid semiannually at a rate of 180-day Libor plus 1.4% and principal amortization at expiration on July 5, 2017. In July 2014 principal was amortized in the sum of US\$ 0.50 million.

xiii) Protisa Colombia S.A. with Banco BBVA de Chile: in December 2010 it entered into a loan for US\$ 40 million at a rate of 180-day Libor plus 1.62%, with amortization of principal upon expiration on January 7, 2016. In December principal was amortized in the sum of US\$ 20 million and in July 2014 the balance of US\$ 20 million was paid.

xiv) Protisa Colombia S.A. with BancoEstado de Chile: In January 2011 it entered into a loan for US\$ 10.50 million at an interest rate of 180-day Libor plus 1.42%, with principal amortization upon expiration on January 5, 2015. The entire loan was paid in advance in July 2014.

xv) Protisa Colombia S.A. with The Bank of Tokyo - Mitsubishi UFJ, Ltd. of the United States: In August 2014 it entered into a loan for US\$ 38 million for a 3-year term and an interest rate of 180-day Libor plus 0.83%, with principal amortization at expiration on August 20, 2017.

xvi) Protisa Colombia S.A. with Banco Santander de Chile: in December 2010 it entered into a loan (renewal) for US\$ 44 million at an interest rate of 180-day Libor plus 1.62%, with amortization of principal upon expiration on July 10, 2017. In July 2014 principal was amortized in the sum of US\$ 7 million.

xvii) Melhoramentos CMPC Ltda. with Banco Itaú / BBA de Brasil (financing from Banco Nacional de Desarrollo Económico y Social - BNDES): in June 2010 it entered into long-term loans in local currency (Brazilian reales) in order to pay suppliers (Voith and Perini). The nominal values of the loans subscribed, as of December 31, 2014, are as follows: BRL 34.68 million (US\$ 13.06 million) at a fixed annual rate of 4.5%, with expiration in 2020 and BRL 2.68 million (US\$ 1.01 million) at a fixed annual interest rate of 5.5% , with expiration in 2020.

In January 2013 it obtained a long-term loan in local currency (Brazilian reales) for the acquisition of equipment from supplier Fabio Perini for a total amount of BRL 9.83 million (US\$ 3.70 million) at a fixed annual rate of 3% with monthly principal payments from March 15, 2015 to February 15, 2023 and in May 2013 it signed a long-term loan in local currency (Brazilian reales) for the acquisition of equipment from supplier Compañía Brasileña de Tecnología Industrial (CBTI) for a total amount of BRL 1 million (US\$ 0.38 million) at a fixed annual rate of 3% with monthly principal payment from July 15, 2015 to June 15, 2023.

In February 2014 it signed a long-term loan in local currency (Brazilian reales) for the acquisition of equipment from supplier Fabio Perini for a total amount of BRL 5.31 million (US\$ 2.00 million) at a fixed annual rate of 3.5% with monthly principal payments from October 15, 2015 to September 15, 2023.

In June 2014 it signed a long-term loan in local currency (Brazilian reales) for a total amount of BRL 0.86 million (US\$ 0.32 million) at a CDI (Certificados de Depósitos Interfinanciero) percentage rate plus a fixed 1.95% annual with monthly principal payments from July 9, 2014 to May 24, 2017, whose principal balance owed as of December 31, 2014 amounts to US\$ 0.29.



xviii) In August 2011 Melhoramentos Papéis Ltda. with Banco Nacional de Desenvolvimento Econômico y Social - BNDES, obtained 8 long-term loans in local currency (Brazilian reals) to finance investments in equipment and machinery for a total amount of BRL 98.6 million (US\$ 37.13 million), at an annual rate based on TJLP (Taxa de Juros de Longo Prazo) plus spread. Principal balances owed as of December 31, 2014 are as follows: at TJLP+2.82% a loan for BRL 15.11 million (US\$ 5.69 million), at a rate of TJLP+3.82% a loan for BRL 15.08 million (US\$ 5.68 million), at a rate of TJLP+4.52% three loans for a total of BRL 20.08 million (US\$ 7.56 million), at a rate of TJLP+1.92% two loans for a total of BRL 7.22 million (US\$ 2.72 million), all with monthly payments up to January 15, 2018 and a loan with an annual interest rate of only TJLP for BRL 0.66 million (US\$ 0.25 million) with monthly payments until January 15, 2018.

In June 2013 Melhoramentos Papéis Ltda. with Banco Nacional de Desenvolvimento Econômico y Social - BNDES, obtained 4 long-term loans in local currency (Brazilian reals) to finance the construction of a Distribution Center in Caieiras, for a total amount of BRL 39.2 million (US\$ 14.76 million), with monthly payments from June 15, 2014 to May 15, 2019. The interest rates applicable to the loans are annual and based on SELIC (Sistema Especial de Liquidación y de Custodia) and TJLP (Taxa de Juros de Longo Prazo) plus spread. Principal balances owed as of December 31, 2014 are as follows: at a rate of SELIC+2.28% two loans for a total of BRL 12.51 million (US\$ 4.71 million), at a rate of TJLP+2.28% a loan for BRL 12.59 million (US\$ 4.74 million) and at a rate of TJLP+3.28% a loan for BRL 7.52 million (US\$ 2.83 million).

xix) CMPC Celulose Riograndense Ltda. with Banco Nacional de Desenvolvimento Econômico y Social - BNDES: on November 28, 2011 it signed a contract for three long-term loans in local currency (Brazilian reals) to develop forestry projects for a total amount of BRL 47.67 million (US\$ 17.95 million) which are detailed as follows: loan "A" for BRL 9.54 million indexed (US\$ 3.59 million), at an average annual interest rate of ECM+2.32% (Encargos da Cesta de Moedas) with monthly payments from August 15, 2018 to July 15, 2020; loan "B" for BRL 23.84 million (US\$ 8.97 million), at an average annual interest rate of TJLP+2.32% (Taxa de Juros de Longo Prazo) with monthly payments from July 15, 2018 to June 15, 2020; loan "C" for BRL 14.30 million (US\$ 5.38 million), at an average annual interest rate of TJLP+3.32% with monthly payments from July 15, 2018 to June 15, 2020. As of December 31, 2014 BRL 46.62 million (US\$ 15.29 million) of total loans subscribed have been received.

On December 13, 2012 it signed a contract for 6 long-term loans in local currency (Brazilian reals) for development of the Guaíba 2 project for a total amount of BRL 2,510.66 million (US\$ 945.21 million) which are detailed as follows: loan "A" for BRL 208.67 million indexed (US\$ 78.56 million), at an average annual interest rate of ECM+2.28% (Encargos da Cesta de Moedas) with monthly payments from August 15, 2015 to January 15, 2023; loan "B" for BRL 521.67 million (US\$ 196.40 million), at an average annual interest rate of TJLP+2.28% (Taxa de Juros de Longo Prazo) with monthly payments from July 15, 2015 to December 15, 2022; loan "C" for BRL 313.00 million (US\$ 117.84 million), at an average annual interest rate of TJLP+3.28% with monthly payments from July 15, 2015 to December 15, 2022; loan "D" for BRL 1,000.00 million (US\$ 376.48 million), at an average annual interest rate of 2.5% with monthly payments from January 15, 2015 to December 15, 2022; loan "E" for BRL 454.83 million (US\$ 171.23 million), at an average annual interest rate of TJLP+1.88% with monthly payments from July 15, 2015 to December 15, 2022; loan "F" for BRL 12.49 million (US\$ 4.70 million), at an average annual interest rate of TJLP with monthly payments from July 15, 2015 to December 15, 2022. As of December 31, 2014 BRL 1,459.49 million (US\$ 549.47 million) of total loans subscribed have been received with an effective average annual interest rate of 6.17%.

On February 14, 2013 it signed a contract for three long-term loans in local currency (Brazilian reals) to develop forest projects for a total amount of BRL 19.66 million (US\$ 7.40 million) which are detailed as follows: loan "A" for BRL 3.93 million indexed (US\$ 1.48 million), at an average annual interest rate of ECM+2.28% (Encargos da Cesta de Moedas) with monthly payments from May 15, 2020 to April 15, 2022; loan "B" for BRL 9.83 million (US\$ 3.70 million), at an average annual interest rate of TJLP+2.28% (Taxa de Juros de Longo Prazo) with monthly payments from March 15, 2020 to February 15, 2022; loan "C" for BRL 5.90 million (US\$ 2.22 million), at an average annual interest rate of TJLP+3.28% with monthly payments from March 15, 2020 to February 15, 2022. As of December 31, 2014 BRL 7.04 million (US\$ 2.65 million) have been received.



On December 10, 2013 it signed a contract for 3 long-term loans in local currency (Brazilian reales) for development of forestry projects for a total amount of BRL 39.72 million (US\$ 14.95 million) which are detailed as follows: loan "A" for BRL 7.94 million indexed (US\$ 2.99 million), at an average annual interest rate of ECM+2.42% (Encargos da Cesta de Moedas) with monthly payments from February 15, 2021 to January 15, 2023; loan "B" for BRL 19.86 million (US\$ 7.48 million), at an average annual interest rate of TJLP+2.42% (Taxa de Juros de Longo Prazo) with monthly payments from January 15, 2021 to December 15, 2022; loan "C" for BRL 11.92 million (US\$ 4.49 million), at an average annual interest rate of TJLP+3.42% with monthly payments from January 15, 2021 to December 15, 2022. Of total loans signed, as of December 31, 2014, BRL 10.36 million (US\$ 3.90 million) of total loans subscribed have been received.

xx) CMPC Celulose Riograndense Ltda. with Swedish Export Credit Corporation (EKN) of Sweden: on December 20, 2013 it signed a loan to develop the Guaíba 2 project for US\$ 114.82 million (SEK 626.89 million and US\$ 21.12 million) at an annual rate of 2.35% with biannual principal amortization from November 2015 to May 2025. As of December 31, 2014, US\$ 99.54 million of total loans subscribed have been received.

xxi) CMPC Celulose Riograndense Ltda. with Finnish Export Credit Ltd. (Finnvera) of Finland: on December 20, 2013 it signed a loan to develop the Guaíba 2 project for US\$ 220.00 million, at an annual interest rate of 2.41% with biannual amortization of principal from November 2015 to May 2025. As of December 31, 2014, US\$ 219.43 million of total loans subscribed have been received.

xxii) Absormex CMPC Tissue S.A. de CV: in October 2012 it signed a syndicated loan for US\$ 80 million with The Bank of Tokyo - Mitsubishi UFJ, Ltd. (US\$ 40 million) and HSBC Bank USA, N.A. (US\$ 40 million), for a 3.5-year term, payable in one installment upon expiration on April 4, 2016 at an approximate interest rate of Libor+1.08% paid monthly.

xxiii) In May 2014, Absormex CMPC Tissue S.A. de CV with Nordea Bank AB (publ) (Swedish Export Credit Corporation Agency) of Sweden as lender and agent, it entered into a loan for a maximum amount of US\$ 40.80 million to finance payments to suppliers associated to the Paper Machine construction project in the state of Tamaulipas. Each payment made during the course of the project shall contemplate a portion of the following currencies and the following total amounts cannot be exceeded: US\$ 7 million, SEK 126 million and EUR 10 million. For each payment made an interest rate of 2.37% shall accrue on the dollar with biannual payments. Once the project has been completed, which is estimated to be in 2015, the disbursements made to that date will be consolidated and a single loan will begin with 17 biannual amortization payments up to 2024. As of December 31, 2014, obligations on this transaction amount to US\$ 16.40 million.

All these loans can be prepaid without cost on the interest payment dates.

Empresas CMPC S.A. derived from certain debt agreements signed with its subsidiaries Inversiones CMPC S.A., Drypers Andina S.A., Protisa Colombia S.A. (only with Banco BBVA and Banco Estado de Chile), Melhoramentos CMPC Ltda., CMPC Celulose Riograndense Ltda. and Absormex CMPC Tissue S.A. de CV, and guaranteed by it, must comply with certain financial covenants calculated in the consolidated financial statements, associated to maintaining minimum equity, maximum debt level and minimum finance expense cost coverage ratio. As of December 31, 2014, the Company complies with these indicators.

Total financial liabilities include liabilities guaranteed with mortgages on buildings for the amount ThUS\$ 13,547 (ThUS\$ 13,809 as of December 31, 2013).

## **B) OBLIGATIONS WITH THE PUBLIC (BONDS)**

i) On October 29, 2009 subsidiary Inversiones CMPC S.A. through its agency in the Cayman Islands, issued a Bond in the United States of America for the amount of US\$ 500 million, in accordance with Rule 144 A Regulation S of the United States Securities Act of 1933. The term of the loan is 10 years. The nominal interest rate is 6.13% p.a. and the effective rate is 6.25%, plus a 2.75% spread over 10-year Treasury bonds. Principal is payable on maturity of the bond, whereas interest is payable semi-annually. BNP Paribas, J.P. Morgan and Santander acted as the placement banks.

The proceeds were used to pay part of the cost of the acquisition by CMPC of the forestry and industrial assets of the Guaíba unit of Brazilian company Aracruz Celulose e Papel S.A.





ii) On January 13, 2011 subsidiary Inversiones CMPC S.A., through its agency in the Cayman Islands, issued and placed a Bond in the United States amounting to US\$ 500 million, in accordance with Rule 144 A Regulation S of the United States Securities Act of 1933. The term of the bond is 7 years. The nominal interest rate is 4.75% and the effective rate is 4.83%, plus a spread over 7-year Treasury bonds of 2.2%. Principal is payable as of the maturity date of the bond, whereas interest is paid semi-annually. The placement banks were Citigroup Global Markets Inc., Itaú BBA USA Securities Inc. and J.P. Morgan Securities LLC.

The proceeds from the issuance were for general corporate purposes.

iii) On April 18, 2012 subsidiary Inversiones CMPC S.A., through its agency in the Cayman Islands, issued and placed a Bond in the United States amounting to US\$ 500 million, in accordance with Rule 144 A Regulation S of the United States Securities Act of 1933. The term of the bond is 10 years. The nominal interest rate is 4.50% and the effective rate is 4.64%, plus a spread over 10-year Treasury bonds of 2.65%. Principal is payable as of the maturity date of the bond, whereas interest is paid semi-annually. The placement banks were Merrill Lynch, Pierce, Fenner & Smith Inc., HSBC Securities (USA) Inc., Mitsubishi UFJ Securities (USA) Inc. and J.P. Morgan Securities LLC.

The proceeds from the issuance were for general corporate purposes.

iv) On May 8, 2013 subsidiary Inversiones CMPC S.A. through its agency in the Cayman Islands, issued and placed a Bond in the United States amounting to US\$ 500 million, in accordance with Rule 144 A Regulation S, of the United States Securities Act of 1933. The term of the bond is 10 years. The nominal interest rate is 4.38%. The effective placement rate is 4.47% annually, plus a spread over 10-year US Treasury bonds of 2.70%. Interest shall be paid semi-annually and principal is amortized in one installment at maturity. The placement banks were Deutsche Bank Securities Inc. and J.P. Morgan Securities LLC.

The proceeds from the issuance were for general corporate purposes.

v) On September 10, 2014 subsidiary Inversiones CMPC S.A. issued and placed a Bond in the United States amounting to US\$ 500 million, in accordance with Rule 144 A Regulation S, of the United States Securities Act of 1933. The term of the bond is 10 years. The nominal interest rate is 4.75%. The effective placement rate is 4.79% annually, plus a spread over 10-year US Treasury bonds of 2.25%. Interest shall be paid semi-annually and principal is amortized in one installment at maturity. The placement banks were J.P. Morgan, Mitsubishi UFJ Securities and Santander.

The proceeds from the issuance were for general corporate purposes.

vi) On June 15, 2005, subsidiary Inversiones CMPC S.A., issued a Series "A" Bond registered in the Securities Registry of the SVS under 413 for an amount of 7 million unidades de fomento (CLF) equivalent to US\$ 284 million. Interest is payable semi-annually at a semi-annually compound rate of 2.70% and principal is payable in full in March 2015. On June 15, 2005, Inversiones CMPC S.A. subscribed a cross currency swap contract with J.P. Morgan Chase Bank N.A. - USA, which redenominated 50% of this Series "A" bond issued in CLF to a liability of US\$ 100 million with a floating interest rate based on Libor plus spread, whose fair value is presented in other current financial assets. The company also signed an interest rate swap with J. Aron & Company - USA whereby the Libor rate was fixed, so that the effective cost of the dollar portion (US\$ 100 million) amounts to 4.64% annually, and its fair value is presented in other current financial liabilities. This bond can be prepaid at par value as of the fifth year.

vii) On April 20, 2006 subsidiary Inversiones CMPC S.A. issued Series "B" bonds registered under 456 in the Securities Registry of the SVS, amounting to 4 million CLF, equivalent to US\$ 162 million. This obligation was paid in advance in August 2014.



viii) On March 24, 2009 subsidiary Inversiones CMPC S.A. placed two bond issuances in Chile amounting to 10 million CLF, equivalent to US\$ 406 million in two series: a) Series "D" Bond registered in the Securities Registry of the SVS under 569, for a 5-year term, for an amount of 3 million CLF (US\$ 122 million), at a placement rate of 3.25% with a spread of 125 basis points over the bonds of the Central Bank of Chile (BCU) of a similar term. The bond was issued at a nominal rate of 2.9% with semi-annual interest payments and principal payable in full on maturity, paid in March 2014. b) a 21-year Series "F" bond issuance registered under 570 in the Securities Register of the SVS, amounting to 7 million CLF (US\$ 284 million), at a placement rate of 4.55% with a spread of 135 basis points over Chilean Treasury bonds (BTU) of similar term. The bond was issued at a nominal rate of 4.3% with semi-annual interest payments and principal payable in full on maturity.

Inversiones CMPC S.A. subscribed cross currency swap contracts with local banks whose fair value is presented in other non-current financial liabilities.

ix) On April 21, 2014, subsidiary Inversiones CMPC S.A., issued a Series "G" Bond registered under 733 in the Securities Registry of the SVS, amounting to 5 million unidades de fomento (CLF) equivalent to US\$ 203 million. This obligation contemplates semi-annual interest payments with a compound annual interest rate of 3.5% and full payment of principal on April 21, 2039. This bond was also placed at a discount therefore the effective placement rate was 3.70% in CLF. The Company shall amortize the discount over the term of the instrument. This bond can be prepaid at par value as of the 5th year.

These obligations require compliance with certain financial covenants based on the financial statements of Empresas CMPC S.A. and subsidiaries. As of this year-end the Company is in compliance with these covenants which refer to maintaining minimum equity, maximum debt level and minimum finance expense cost coverage ratio.

### C) NET EFFECT OF DERIVATIVES ENTERED INTO IN CHILE

i) On August 4, 2014, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco de Chile which redenominated 1,200,000 unidades de fomento (CLF) of the Series G bond No. 733 issued for 5 million CLF to a liability in the amount of US\$ 50.61 million with a fixed interest rate of 3.47% for the entitlement in CLF and 4.50% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other non-current financial liabilities, with hedge accounting treatment.

ii) On August 4, 2014, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco BCI - Chile which redenominated 1,200,000 unidades de fomento (CLF) of the Series G bond No. 733 issued for 5 million CLF to a liability in the amount of US\$ 50.60 million with a fixed interest rate of 3.47% for the entitlement in CLF and 4.52% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other non-current financial liabilities, with hedge accounting treatment.

iii) On December 11, 2013, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco Santander - Chile which redenominated 1,237,000 unidades de fomento (CLF) of the Series F bond No. 570 issued for 7 million CLF to a liability in the amount of US\$ 53.96 million with a fixed interest rate of 4.3% for the entitlement in CLF and 5.06% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other non-current financial liabilities, with hedge accounting treatment.

iv) On December 10, 2013, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco Santander - Chile which redenominated 1,143,000 unidades de fomento (CLF) of the Series F bond No. 570 issued for 7 million CLF to a liability in the amount of US\$ 50.00 million with a fixed interest rate of 4.3% for the entitlement in CLF and 5.06% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other non-current financial liabilities, with hedge accounting treatment.

v) On December 2, 2013, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco BBVA - Chile which redenominated 1,120,000 unidades de fomento (CLF) of the Series F bond No. 570 issued for 7 million CLF to a liability in the amount of US\$ 49.02 million with a fixed interest rate of 4.3% for the entitlement in CLF and 5.15% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other non-current financial liabilities, with hedge accounting treatment.



vi) During 2013 subsidiary Inversiones CMPC S.A. signed forward hedging contracts with various national and international banks in order to hedge the financial risk associated to the price variations of the currencies associated to investment projects in Brazil (Brazilian real). The fair value is presented, based on the evolution of each contract, under other financial assets or other financial liabilities, with hedge accounting treatment. As of December 31, 2014 hedged assets amount to US\$ 267 million.

vii) On October 19, 2011, subsidiary Inversiones CMPC S.A. signed two swap contracts with J.P. Morgan Chase Bank N.A. - USA for 40% of the syndicated loan of US\$ 400 million, with which the 3-month Libor rate was fixed at 1.17%, whose fair value is presented under other financial liabilities. This loan was paid in advance in October 2014.

viii) On October 19, 2011, subsidiary Inversiones CMPC S.A. signed two swap contracts with HSBC Bank USA, N.A. for 40% of the syndicated loan of US\$ 400 million, with which the 3-month Libor rate was fixed at 1.17%, whose fair value is presented under other financial liabilities. This loan was paid in advance in October 2014.

ix) On May 7, 2010, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco Santander - Chile which redenominated 1 million CLF of the Series A bond No. 413 issued for 7 million CLF to a liability in the amount of US\$ 39.5 million with a fixed interest rate of 2.7% for the entitlement in CLF and 3.87% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other current financial assets.

x) On May 14, 2010, subsidiary Inversiones CMPC S.A. signed a cross-currency swap with Banco Corpbanca - Chile which redenominated 1 million CLF of the Series A bond No. 413 issued for 7 million CLF to a liability in the amount of US\$ 39.4 million with a fixed interest rate of 2.68% for the entitlement in CLF and 3.83% for the obligation in US dollars, respectively. As of December 31, 2014 the fair value of this contract is presented in other current financial assets.

xi) On June 15, 2005, subsidiary Inversiones CMPC S.A. signed a cross-currency swap con J.P. Morgan Chase Bank N.A. - USA which redenominated 50% of the Series A bond No. 413 issued for 7 million CLF to a liability in the amount of US\$ 100 million with a floating interest rate based on Libor plus spread, whose balance at fair value as of December 31, 2014 is presented under other current financial assets. Likewise, the Company signed two interest rate swap contracts with J. Aron & Company - USA, with which the Libor rate was fixed, so that the effective cost of the dollar portion (US\$ 100 million) amounts to 4.64%, whose fair value is presented under Other financial liabilities.

#### **D) NET EFFECT OF DERIVATIVES TAKEN ABROAD**

i) In August 2014 subsidiary Protisa Colombia S.A. signed a cross-currency swap with Banco BBVA - Chile, to hedge 92% of a loan for US\$ 38 million. Through this contract, the Libor+0.834% rate was changed to a fixed rate of 5.74% in Colombian pesos and the debt was redenominated in Colombian pesos. As of December 31, 2014 the fair value of this contract is presented under other non-current financial assets, with cash flow hedge accounting treatment.

ii) In July 2014 subsidiary Drypers Andina S.A. signed a cross-currency swap with Banco Santander - Chile, to hedge 100% of a loan for US\$ 25 million. Through this contract the Libor+1.06% rate was changed to a fixed rate of 5.88% in Colombian pesos and the debt was redenominated in Colombian pesos. As of December 31, 2014 the fair value of this contract is presented under other non-current financial assets with cash flow hedge accounting treatment.

iii) In May 2013 subsidiary Absormex CMPC Tissue S.A. de CV signed a cross-currency swap with Banco HSBC - Mexico, to hedge 62.5% of a loan for US\$ 40 million. Through this contract the Libor+1.08% rate was changed to a TIE+0.05% rate and the debt was redenominated in Mexican pesos. As of December 31, 2014 the fair value of this contract is presented under other non-current financial assets, with cash flows hedge accounting treatment.

iv) In May 2013 subsidiary Absormex CMPC Tissue S.A. de CV signed a cross-currency swap with Banco BBVA Bancomer - Mexico, to hedge 62.5% of a loan for US\$ 40 million. Through this contract the Libor+1.08% rate was changed to a TIE+0.05% rate and the debt was redenominated in Mexican pesos. As of December 31, 2014 the fair value of this contract is presented in other non-current financial assets, with cash flows hedge accounting treatment.



## E) FINANCIAL COMMITMENTS

CMPC maintains a liquidity policy whose purpose is to ensure that the debt level does not put at risk its capability to pay obligations, thus generating adequate performance for its investors.

Currently, subsidiaries Inversiones CMPC S.A., Drypers Andina S.A., Protisa Colombia S.A. (only with Bank of Tokyo - Mitsubishi), Melhoramentos CMPC Ltda., CMPC Celulose Riograndense Ltda. and Absormex CMPC Tissue S.A. de CV (only with Bank of Tokyo - Mitsubishi and Nordea Bank AB) maintain certain debt instruments, in which, Empresas CMPC S.A., by acting as guarantor, is subject to compliance with certain financial covenants.

The status of compliance with the covenants that Empresas CMPC S.A. is subject to is detailed as follows:

DEBTOR SUBSIDIARY	CREDITOR / REPRESENTATIVE OF CREDITOR	TYPE OF DEBT / AMOUNT	COVENANTS	CONDITION	12/31/2014	12/31/2013
Inversiones CMPC S.A.	Banco Santander - Spain (Swedish Export Credit Corporation Agency - Sweden)	Bank loan for ThUS\$ 22,876	Financial debt with third parties / equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
			Equity	Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)
Banco Santander - Chile	Obligations with the public. Series A Bond for 7 million unidades de fomento (ThUS\$ 284,120)	Financial debt with third parties / equity	Finance cost hedging last 12 months running	Less than or equal to 0.8	0.56	0.46
			Greater than or equal to 3.25	5.33	5.67	
			Maintain its property, plant and equipment and biological assets in the forestry, pulp, paper and paper products sectors	At least 70.00%	100%	100%
			Financial debt with third parties / equity	Less than or equal to 0.8	0.56	0.46
			Maintain its property, plant and equipment and biological assets in the forestry, pulp, paper and paper products sector	At least 70.00%	100%	100%
Obligations with the public. Series F Bond for 7 million unidades de fomento (ThUS\$ 284,120)	Financial debt with third parties / equity	Less than or equal to 0.8	0.56	0.46		
		At least 70.00%	100%	100%		
Obligations with the public. Series G Bond for 5 million unidades de fomento (ThUS\$ 202,943)	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46		
		At least 70.00%	100%	100%		
Drypers Andina S.A.	BancoEstado - Chile	Bank loan for ThUS\$ 25,000	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
Protisa Colombia S.A.	Bank of Tokyo - Mitsubishi UFJ, Ltd. - United States	Bank loan for ThUS\$ 38,000	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
			Equity	Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



DEBTOR SUBSIDIARY	CREDITOR / REPRESENTATIVE OF CREDITOR	TYPE OF DEBT / AMOUNT	COVENANTS	CONDITION	12/31/2014	12/31/2013
Melhoramentos CMPC Ltda.	Banco BNDES - Brazil	Bank loans for ThUS\$ 34,171	Financial debt / equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
CMPC Celulose Riograndense Ltda.	Banco BNDES - Brazil	Bank loans for ThUS\$ 571,312	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
	Banco Santander - Spain and Nordea Bank - Sweden (Swedish Export Credit Corporation Agency)	Bank loan for ThUS\$ 99,539	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
			Equity	Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)
	Banco Santander - Spain and Nordea Bank - Finland (Finnish Export Credit Ltd. Agency)	Bank loan for ThUS\$ 219,430	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
Finance cost hedging last 12 months running			Greater than or equal to 3.25	5.33	5.67	
Equity			Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)	
Absormex CMPC Tissue S.A. de CV	Bank of Tokyo - Mitsubishi UFJ, Ltd. and HSBC Bank USA, N.A. - United States	Bank loans for ThUS\$ 80,000	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
			Equity	Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)
	Nordea Bank AB (publ) (Swedish Export Credit Corporation Agency) - Sweden	Bank loan for ThUS\$ 16,403	Financial debt with third parties/ equity	Less than or equal to 0.8	0.56	0.46
			Finance cost hedging last 12 months running	Greater than or equal to 3.25	5.33	5.67
			Equity	Greater than or equal to 71.58 million unidades de fomento plus 85% of new capital increases (ThUS\$ 3,507,000 in 2014 and 3,641,000 in 2013)	198.6 million unidades de fomento (ThUS\$ 8,060,707)	183.97 million unidades de fomento (ThUS\$ 8,168,329)



The covenants which CMPC S.A. is subject to and their respective calculations (with the accounts and balances current as of December 31, 2014 and 2013), are detailed as follows:

#### 1.- FINANCIAL DEBT WITH THIRD PARTIES/EQUITY (ADJUSTED FOR CONTRACTS), LESS THAN OR EQUAL TO 0.8

The following accounts are considered to calculate this restriction:

FINANCIAL DEBT WITH THIRD PARTIES / TANGIBLE EQUITY (ADJUSTED TO CONTRACT), LESS THAN OR EQUAL TO 0.8	12/31/2014 THUSS	12/31/2013 THUSS
I) FINANCIAL DEBT WITH THIRD PARTIES:		
Current interest bearing loans (Note 22)	477,008	276,612
Non-current interest bearing loans (Note 22)	4,073,635	3,574,701
Current hedging liabilities (Note 22)	768	-
Non-current hedging liabilities (Note 22)	32,655	130
Less: Other obligations (Note 22)	(36,725)	(46,065)
Market value of Swap and Cross Currency Swap operations (Notes 8 and 22)	(39,165)	(75,213)
Non-current hedging assets (Note 8)	(17,153)	(1,974)
<b>TOTAL FINANCIAL DEBT WITH THIRD PARTIES</b>	<b>4,491,023</b>	<b>3,728,191</b>
II) EQUITY (ADJUSTED TO CONTRACTS):		
Equity attributable to owners of the parent (Classified Statement of Financial Position)	8,200,458	8,315,524
Less: Intangible assets other than goodwill (Classified Statement of Financial Position)	(15,696)	(14,904)
Goodwill (Classified Statement of Financial Position)	(124,055)	(132,291)
<b>TOTAL EQUITY (ADJUSTED TO CONTRACTS)</b>	<b>8,060,707</b>	<b>8,168,329</b>
<b>FINANCIAL DEBT WITH THIRD PARTIES / EQUITY (ADJUSTED TO CONTRACTS)</b>	<b>0.56</b>	<b>0.46</b>
The limit of this covenant is 0.80 and therefore it is fulfilled.		

#### 2.- FINANCE COST COVERAGE OVER THE LAST 12 MONTHS MOVING GREATER THAN OR EQUAL TO 3.25

FINANCE COSTS COVERAGE FOR THE LAST 12 MONTHS RUNNING IS GREATER THAN OR EQUAL TO 3.25	12/31/2014 THUSS	12/31/2013 THUSS
I) EBITDA* (LAST 12 MONTHS RUNNING):		
Income from operating activities (Income Statement by Function)	4,846,153	4,974,459
Cost of sales (Income Statement by Function)	(3,826,898)	(3,948,911)
Plus: Depreciation and amortization expenses (Note 37)	349,730	344,247
Cost of formation of harvested plantations (Note 13)	85,274	80,876
Higher cost of the harvested and sold part of the plantations derived from revaluation due to their natural growth (Note 13)	204,790	212,010
Less: Distribution costs (Income Statement by Function)	(253,360)	(260,465)
Administrative expenses (Income Statement by Function)	(217,488)	(227,668)
Other expenses, by function (Income Statement by Function)	(202,943)	(210,688)
<b>TOTAL EBITDA LAST 12 MONTHS RUNNING</b>	<b>985,258</b>	<b>963,860</b>
II) DIVIDENDS OF ASSOCIATES: DIVIDENDS RECEIVED CLASSIFIED AS INVESTMENT (STATEMENT OF CASH FLOWS)	-	3,586
III) FINANCE INCOME (INCOME STATEMENT BY FUNCTION)	20,422	21,371
IV) FINANCE COSTS (INCOME STATEMENT BY FUNCTION)	189,521	174,298
<b>FINANCE COST COVERAGE OVER THE LAST 12 MONTHS RUNNING ((I+II+III)/IV)</b>	<b>5.31</b>	<b>5.67</b>
The limit of this covenant is 3.25 and therefore is fulfilled.		



### 3.- EQUITY (ADJUSTED FOR CONTRACTS) GREATER THAN OR EQUAL TO CLF 71,580,000

TANGIBLE EQUITY (ADJUSTED TO CONTRACTS) GREATER THAN OR EQUAL TO CLF 71,580,000	12/31/2014 THUSS	12/31/2013 THUSS
I) TANGIBLE EQUITY REQUIRED (ADJUSTED TO CONTRACTS), EXPRESSED IN THOUSANDS OF US DOLLARS:		
Value of the Unidad de Fomento (CLF) in thousands of US dollars, as of the closing date	0,0406	0,0444
Tangible equity required (adjusted to contracts), expressed in thousands of US dollars	2,905,328	3,180,455
Tangible equity (adjusted to contracts), plus 85% of new capital increases required expressed in thousands of US dollars	3,506,882	3,641,142
II) TANGIBLE EQUITY (ADJUSTED TO CONTRACTS) :		
Equity attributable to owners of the parent (Classified Statement of Financial Position)	8,200,458	8,315,524
Less: Intangible assets other than goodwill (Classified Statement of Financial Position)	(15,696)	(14,904)
Goodwill (Classified Statement of Financial Position)	(124,055)	(132,291)
<b>TOTAL TANGIBLE EQUITY (ADJUSTED TO CONTRACTS), AS OF THE CLOSING DATE, EXCEEDS REQUIREMENTS</b>	<b>8,060,707</b>	<b>8,168,329</b>

### 4.- PROPERTY, PLANT AND EQUIPMENT AND BIOLOGICAL ASSETS

Empresas CMPC is required to maintain at least 70% of total property, plant and equipment and biological assets in the forestry, pulp paper and paper products sector. As of December 31, 2014 and 2013, 100% of the Company's property, plant and equipment and biological assets were within the mentioned sectors.

### F) FAIR VALUE OF INTEREST BEARING LOANS

Considering that the average term of CMPC's debt is 6.8 years and that the average rate accruing on those loans today is 4.5% annually, CMPC's management considers that the Company could finance its operations with liabilities, in the manner and at market conditions similar to those currently agreed for its current financial liabilities. It has therefore determined that the fair value of financial liabilities is approximate ( $\pm 1\%$ ) or equivalent to its amortized carrying amount.

### G) MATURITY OF CONTRACTED CASH FLOWS

The following is a settlement of other current and non-current financial liabilities recorded as of December 31, 2014 and 2013, expressed in final amounts on the respective payment dates:

	CARRYING AMOUNT THUSS	MATURITY OF CONTRACTED FLOWS					TOTAL THUSS
		UP TO 90 DAYS THUSS	91 DAYS UP TO 1 YEAR THUSS	MORE THAN 1 YEAR UP TO 3 YEARS THUSS	MORE THAN 3 YEARS UP TO 5 YEARS THUSS	MORE THAN 5 YEARS THUSS	
BALANCE AS OF DECEMBER 31, 2014							
FINANCIAL LIABILITIES							
Bank loans	1,220,531	89,784	56,078	786,938	120,507	250,907	1,304,214
Obligations with the public	3,268,484	315,870	100,504	283,019	1,232,082	2,498,130	4,429,605
Financial leases	61,628	518	4,942	6,936	25,494	28,987	66,877
Swaps and cross currency swaps	4,387	3,259	2,808	3,744	-	-	9,811
Foreign currency forward	2,748	2,490	259	-	-	-	2,749
Hedging liabilities	85,855	13,252	24,696	52,064	12,971	28,454	131,437
<b>TOTAL</b>	<b>4,643,633</b>	<b>425,173</b>	<b>189,287</b>	<b>1,132,701</b>	<b>1,391,054</b>	<b>2,806,478</b>	<b>5,944,693</b>

	CARRYING AMOUNT THUSS	MATURITY OF CONTRACTED FLOWS					TOTAL THUSS
		UP TO 90 DAYS THUSS	91 DAYS UP TO 1 YEAR THUSS	MORE THAN 1 YEAR UP TO 3 YEARS THUSS	MORE THAN 3 YEARS UP TO 5 YEARS THUSS	MORE THAN 5 YEARS THUSS	
BALANCE AS OF DECEMBER 31, 2013							
FINANCIAL LIABILITIES							
Bank loans	840,551	80,659	23,938	608,927	52,950	49,502	815,976
Obligations with the public	2,929,135	159,653	102,046	555,319	728,248	2,398,651	3,943,917
Financial leases	81,627	3,008	8,820	15,365	19,756	36,979	83,928
Swaps and cross currency swaps	10,733	3,259	5,131	9,811	-	-	18,201
Foreign currency forwards	12,716	2,016	8,564	2,136	-	-	12,716
Hedging liabilities	86,090	26,080	51,997	4,665	3,348	-	86,090
<b>TOTAL</b>	<b>3,960,852</b>	<b>274,675</b>	<b>200,496</b>	<b>1,196,223</b>	<b>804,302</b>	<b>2,485,132</b>	<b>4,960,828</b>



Cash flows at maturity of the financial liabilities from operations with derivatives were calculated using currency exchange and interest rates current as of the closing date of these financial statements.

#### H) FAIR VALUE HIERARCHIES

The financial and hedging liabilities accounted for at fair value in the statement of financial position, have been measured on the basis of the methodologies stated in IAS 39. The following parameters have been considered for the purpose of applying criteria in the determination of the fair value of financial liabilities:

Level I: Values or quoted prices in active markets for identical assets and liabilities.

Level II: Information from sources other than the values quoted in Level I, but observable in markets for assets and liabilities either directly (prices) or indirectly (derived from prices).

Level III: Information for assets and liabilities that are not based on observable market data.

As of December 31, 2014 and 2013, financial liabilities and hedging liabilities measured at fair value are detailed as follows:

FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE	HIERARCHY USED TO DETERMINE FAIR VALUE		
	LEVEL I THUSS	LEVEL II THUSS	LEVEL III THUSS
<b>BALANCE AS OF DECEMBER 31, 2014</b>			
Interest rate swap transactions	-	4,387	-
Currency forward transactions	-	2,748	-
Hedging liabilities	-	85,855	-
<b>TOTAL FINANCIAL LIABILITIES AT FAIR VALUE</b>	<b>-</b>	<b>92,990</b>	<b>-</b>
<b>BALANCE AS OF DECEMBER 31, 2013</b>			
Interest rate swap transactions	-	10,733	-
Currency forward transactions	-	12,716	-
Hedging liabilities	-	86,090	-
<b>TOTAL FINANCIAL LIABILITIES AT FAIR VALUE</b>	<b>-</b>	<b>109,539</b>	<b>-</b>





## NOTE 23 - TRADE AND OTHER ACCOUNTS PAYABLE

Trade and other accounts payable are detailed as follows:

### BALANCE AS OF DECEMBER 31, 2014

TYPE OF CREDITOR	CURRENCY	TRADE AND OTHER ACCOUNTS PAYABLE EXPOSED TO LIQUIDITY RISK				AMORTIZATION
		UP TO 1 MONTH THUS\$	2 TO 3 MONTHS THUS\$	4 TO 12 MONTHS THUS\$	TOTAL THUS\$	
Suppliers	CLP	198,884	15,447	1,188	215,519	Monthly
Suppliers	CLF	1,545	-	-	1,545	Monthly
Suppliers	US\$	146,062	15,429	9,724	171,215	Monthly
Suppliers	EUR	9,766	353	3,544	13,663	Monthly
Suppliers	ARS	19,357	45	32	19,434	Monthly
Suppliers	MXN	15,641	6,852	215	22,708	Monthly
Suppliers	SEK	7,293	-	10,323	17,616	Monthly
Suppliers	COP	5,331	-	-	5,331	Monthly
Suppliers	BRL	37,782	14,656	25,286	77,724	Monthly
Suppliers	PEN	18,663	1,550	158	20,371	Monthly
Suppliers	UYU	2,993	-	-	2,993	Monthly
Suppliers	GBP	49	-	-	49	Monthly
Notes payable	ARS	13,751	367	-	14,118	Monthly
Other payables	CLP	27,014	589	125	27,728	Monthly
Other payables	US\$	1,703	-	208	1,911	Monthly
Other payables	EUR	7	-	-	7	Monthly
Other payables	ARS	7,279	-	-	7,279	Monthly
Other payables	MXN	4,357	-	-	4,357	Monthly
Other payables	COP	2,059	-	-	2,059	Monthly
Other payables	BRL	18,893	-	-	18,893	Monthly
Other payables	PEN	3,470	-	-	3,470	Monthly
Other payables	UYU	613	-	-	613	Monthly
		<b>542,512</b>	<b>55,288</b>	<b>50,803</b>	<b>648,603</b>	



**BALANCE AS OF DECEMBER 31, 2013**

TYPE OF CREDITOR	CURRENCY	TRADE AND OTHER ACCOUNTS PAYABLE EXPOSED TO LIQUIDITY RISK				
		UP TO 1 MONTH THUS\$	2 TO 3 MONTHS THUS\$	4 TO 12 MONTHS THUS\$	TOTAL THUS\$	AMORTIZATION
Suppliers	CLP	223,189	4,887	346	228,422	Monthly
Suppliers	CLF	2,084	-	-	2,084	Monthly
Suppliers	US\$	140,215	24,369	979	165,563	Monthly
Suppliers	EUR	6,888	896	157	7,941	Monthly
Suppliers	ARS	39,531	144	84	39,759	Monthly
Suppliers	MXN	7,858	7,965	992	16,815	Monthly
Suppliers	SEK	98	2	-	100	Monthly
Suppliers	COP	2,173	2,398	-	4,571	Monthly
Suppliers	BRL	35,255	31,240	2,797	69,292	Monthly
Suppliers	PEN	20,281	2,119	125	22,525	Monthly
Suppliers	UYU	2,982	3,796	-	6,778	Monthly
Suppliers	GBP	322	291	176	789	Monthly
Notes payable	US\$	633	1,382	510	2,525	Monthly
Notes payable	EUR	6	-	1	7	Monthly
Notes payable	MXN	3,570	1,499	2,588	7,657	Monthly
Other payables	CLP	32,546	3,545	13	36,104	Monthly
Other payables	US\$	1,869	-	-	1,869	Monthly
Other payables	EUR	40	-	-	40	Monthly
Other payables	ARS	388	-	-	388	Monthly
Other payables	MXN	10,779	-	-	10,779	Monthly
Other payables	COP	5,428	167	167	5,762	Monthly
Other payables	BRL	14,176	-	2,718	16,894	Monthly
Other payables	UYU	-	-	201	201	Monthly
		<b>550,311</b>	<b>84,700</b>	<b>11,854</b>	<b>646,865</b>	

The amortized cost of trade and other accounts payable adequately represents the fair value of these items.

Trade and other accounts payable that are current and overdue are detailed as follows:

TRADE ACCOUNTS WITH PAYMENTS UP TO DATE	BALANCES AS OF DECEMBER 31, 2014				BALANCES AS OF DECEMBER 31, 2013			
	GOODS THUS\$	SERVICES THUS\$	OTHER THUS\$	TOTAL THUS\$	GOODS THUS\$	SERVICES THUS\$	OTHER THUS\$	TOTAL THUS\$
Up to 30 days	245,419	189,818	71,341	506,578	192,119	206,927	100,688	499,734
From 31 to 60 days	32,820	4,168	1,334	38,322	44,601	5,522	5,591	55,714
From 61 to 90 days	15,721	999	246	16,966	27,075	1,486	425	28,986
From 91 to 120 days	2,792	16	34	2,842	4,900	78	254	5,232
From 121 to 365 days	41,446	5,260	1,255	47,961	3,167	319	3,136	6,622
More than 365 days	-	-	-	-	-	-	-	-
TOTAL	338,198	200,261	74,210	612,669	271,862	214,332	110,094	596,288
<b>AVERAGE PAYMENT PERIOD IN DAYS</b>	<b>36</b>	<b>19</b>	<b>18</b>	<b>28</b>	<b>29</b>	<b>16</b>	<b>20</b>	<b>23</b>

TRADE ACCOUNTS WITH OVERDUE PAYMENTS	BALANCES AS OF DECEMBER 31, 2014				BALANCES AS OF DECEMBER 31, 2013			
	GOODS THUS\$	SERVICES THUS\$	OTHER THUS\$	TOTAL THUS\$	GOODS THUS\$	SERVICES THUS\$	OTHER THUS\$	TOTAL THUS\$
Up to 30 days	18,426	10,336	223	28,985	13,329	13,144	4,641	31,114
From 31 to 60 days	2,107	1,596	29	3,732	5,714	2,724	542	8,980
From 61 to 90 days	1,148	338	1	1,487	2,025	1,285	325	3,635
From 91 to 120 days	105	45	7	157	327	262	194	783
From 121 to 180 days	286	81	3	370	1,315	1,155	117	2,587
More than 180 days	1,017	178	8	1,203	2,675	557	246	3,478
TOTAL	23,089	12,574	271	35,934	25,385	19,127	6,065	50,577
<b>AVERAGE PAYMENT PERIOD IN DAYS</b>	<b>22</b>	<b>21</b>	<b>22</b>	<b>22</b>	<b>32</b>	<b>31</b>	<b>25</b>	<b>31</b>



## NOTE 24 - ACCOUNTS PAYABLE TO RELATED PARTIES

Accounts payable to related parties at each year-end are detailed as follows:

RELATED PARTY TAXPAYER NO.	NAME OF RELATED PARTY	NATURE OF THE RELATIONSHIP	COUNTRY OF ORIGIN	ACCOUNTS PAYABLE DESCRIPTION	PENDING BALANCES		TYPE OF CURRENCY	TERM OF TRANSACTIONS WITH RELATED PARTY	EXPLANATION OF THE NATURE OF THE CONSIDERATION ESTABLISHED TO SETTLE THE TRANSACTION
					12/31/2014 THUS\$	12/31/2013 THUS\$			
96.722.460-k	Metrogas S.A.	Common director at the entity or its parent	Chile	Gas purchase	1,592	1,915	CLP	30 days	Monetary
99.520.000-7	Cía. de Petróleos de Chile S.A.	Common director at the entity or its parent	Chile	Fuel purchase	953	1,375	CLP	60 days	Monetary
Foreign	Alto Paraná S.A.	Common director at the entity or its parent	Argentina	Pulp purchase	1,620	-	US\$	60 days	Monetary
91.806.000-6	Abastecedora de Combustibles S.A.	Common director at the entity or its parent	Chile	Gas purchase	207	236	CLP	30 days	Monetary
96.505.760-9	Colbún S.A.	Common director at the entity or its parent	Chile	Electricity purchase	124	745	US\$	30 days	Monetary
96.565.750-9	Aserraderos Arauco S.A.	Common director at the entity or its parent	Chile	Lumber purchase	-	363	US\$	60 days	Monetary
96.806.980-2	Entel PCS Telecomunicaciones S.A.	Common director at the entity or its parent	Chile	Services purchased	139	198	CLP	60 days	Monetary
99.301.000-6	Seguros Vida Security Previsión S.A.	Common director at the entity or its parent	Chile	Insurance purchase	129	155	CLP	30 days	Monetary
96.959.030-1	Puerto Lirquén S.A.	Common director at the entity or its parent	Chile	Services purchased	13	50	CLP	30 days	Monetary
92.580.000-7	Entel S.A.	Common director at the entity or its parent	Chile	Services purchased	226	39	CLP	60 days	Monetary
96.657.900-5	Consortio Protección Fitosanitaria Forestal S.A.	Associate	Chile	Services purchased	17	37	CLP	30 days	Monetary
70.360.100-6	Asociación Chilena de Seguridad	Common director at the entity or its parent	Chile	Insurance purchase	289	-	CLP	30 days	Monetary
78.512.190-2	Energy Sur Ingeniería S.A.	Common director at the entity or its parent	Chile	Services purchased	-	34	CLP	30 days	Monetary
96.697.410-9	Entel Telefonía Local S.A.	Common director at the entity or its parent	Chile	Services purchased	18	30	CLP	60 days	Monetary
93.603.000-9	Sociedad de Computación Binaria S.A.	Common director at the entity or its parent	Chile	Services purchased	-	12	CLP	60 days	Monetary
96.560.720-k	Portuaria Lirquén S.A.	Common director at the entity or its parent	Chile	Services purchased	-	8	US\$	30 days	Monetary
96.568.740-8	Gasco Glp S.A.	Common director at the entity or its parent	Chile	Product purchase	-	2	CLP	30 days	Monetary
93.628.000-5	Molibdenos y Metales S.A.	Common director at the entity or its parent	Chile	Product purchase	79	-	CLP	60 days	Monetary
	<b>TOTAL</b>				<b>5,406</b>	<b>5,199</b>			

## NOTE 25 - CONTINGENT PROVISIONS AND LIABILITIES

### 25.1. AMOUNTS PROVISIONED ARE DETAILED AS FOLLOWS:

PROVISIONS	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>CURRENT</b>		
Provision for labor, civil and tax lawsuits.	4,043	3,382
<b>TOTAL</b>	<b>4,043</b>	<b>3,382</b>
<b>NON-CURRENT</b>		
Provision for labor, civil and tax lawsuits.	23,014	21,317
<b>TOTAL</b>	<b>23,014</b>	<b>21,317</b>



Current and non-current provisions for lawsuits, correspond to estimates made according to the policy agreed by the board of CMPC, intended to cover the eventual effects that might derive from the resolution of lawsuits in which the Company is involved. These lawsuits derive from transactions which are part of the normal course of CMPC's business and whose details and scopes are not full public knowledge; therefore their detailed disclosure might affect the interests of the Company and their progress, based on legal reserves for each administrative and judicial proceeding. Therefore, based on the regulations of IAS 37, paragraph 92, even though the amounts provisioned are indicated, no further detail about them is disclosed at the close of these financial statements.

Movement of the mentioned provisions for the year are detailed as follows:

	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>CURRENT</b>		
Beginning balance	3,382	24,516
Increase for the period	2,281	532
Provision used	(662)	(20,107)
Transfer to other non-current provisions	(38)	(102)
Reversal of provisions	(137)	(346)
Decrease due to foreign currency translation	(783)	(1,111)
<b>ENDING BALANCE</b>	<b>4,043</b>	<b>3,382</b>
<b>NON-CURRENT</b>		
Beginning balance	21,317	26,437
Increase for the period	10,080	185
Labor lawsuits with a charge to Fibría S.A. (CMPC Celulose Riograndense Ltda.)	220	11,761
Miscellaneous lawsuits with a charge to Melpaper S.A. (Melhoramentos CMPC Ltda.)	(5,977)	(11,824)
Transfer to accounts payable	(138)	(1,955)
Transfer from other current provisions	38	102
Increase (decrease) from foreign currency translation	(2,526)	(3,389)
<b>ENDING BALANCE</b>	<b>23,014</b>	<b>21,317</b>

In the year ended December 31, 2014 an increase in provisions for legal claims of ThUS\$ 12,361 (ThUS\$ 717 in 2013) was recorded as expenses for the year under other profits (losses).

## 25.2. CONTINGENT LIABILITIES CONSIST OF THE FOLLOWING CONTINGENCIES AND RESTRICTIONS:

### A) DIRECT GUARANTEES

To guarantee to Banco Bice compliance with each and every one of the current and future obligations of Empresas CMPC S.A. and its subsidiaries, Empresas CMPC S.A. has established a first mortgage on floors 1 to 9 and the basement of the corporate building located at Agustinas 1343 in Santiago. The value allocated for this purpose is ThUS\$ 13,460, as per public deed dated July 22, 2011, signed before Santiago Public Notary Mr. Francisco Javier Leiva Carvajal, repertoire No. 4.917.

### B) INDIRECT GUARANTEES

Empresas CMPC S.A. has granted the following guarantees for the following operations:

(1) Current loans and bond issuances undertaken abroad by subsidiary Inversiones CMPC S.A., signed directly and through its agency in the Cayman Islands.

(2) Bond issuances in CLF undertaken in Chile by subsidiary Inversiones CMPC S.A.

In the case of indirect guarantees, the creditor of the guarantee guaranteed by Empresas CMPC S.A. is the holder of the instrument, since those instruments are transferable.

(3) Compliance by Absormex CMPC Tissue S.A. de CV (subsidiary in Mexico), with loans signed with Nordea Bank AB (Swedish Export Credit Corporation Agency in Sweden), Bank of Tokyo - Mitsubishi UFJ, Ltd. and HSBC Bank USA, N.A.



(4) Compliance by Drypers Andina S.A. (subsidiary in Colombia), with the loan this company signed with BancoEstado - Chile.

(5) Compliance by Forsac Peru S.A. with the machinery finance lease contract that this company signed with Banco Continental de Perú and Banco de Crédito de Perú.

(6) Compliance by Protisa Colombia S.A. (subsidiary in Colombia), with the loans that this company signed with Banco Santander - Chile and with Bank of Tokyo - Mitsubishi UFJ, Ltd.

(7) Compliance by Celulose Riograndense Ltda. (subsidiary in Brazil), with two loans that this company signed with Banco BNDES - Brazil, with Banco Santander and Nordea Bank AB (Swedish Export Credit Corporation (EKN) Agency in Sweden) and with Banco Santander and Nordea Bank AB (Finnish Export Credit Ltd. Agency (Finnvera) of Finland).

### C) RESTRICTIONS

Empresas CMPC S.A. as a result of certain debt contracts signed by its subsidiaries Inversiones CMPC S.A., Drypers Andina S.A., Protisa Colombia S.A. (only with Bank of Tokyo - Mitsubishi UFJ, Ltd.), Melhoramentos CMPC Ltda., CMPC Celulose Riograndense Ltda. and Absormex CMPC Tissue S.A. de CV, and guaranteed by it, must comply with certain financial covenants calculated on the consolidated financial statements, which include maintaining minimum equity, maximum debt level and minimum financial expense coverage ratio. As of December 31, 2014, the Company complies with these indicators.

Subsidiary La Papelera del Plata S.A. of Argentina as a result of a loan agreement with Banco Santander Río and BBVA Banco Francés S.A., must comply with certain indicators calculated on its annual financial statements, in reference to maintaining minimum equity, maximum debt and level of debt coverage. As of 2014 year-end the Company complies with these indicators.

### D) LAWSUITS

The following are the most significant lawsuits in which CMPC is involved, including those legal actions that present a minimum degree of possibility of occurrence, and whose claimed amounts exceed ThUS\$ 100. They also include lawsuits whose amounts claimed are undetermined.

(1) Forestal Mininco S.A. is a party in several lawsuits, mainly with landowners and farmers in reference to demarcation and other related concepts. In the opinion of our legal counsel, a favorable result is expected.

(2) Forestal Mininco S.A. is the defendant in a damage indemnity lawsuit for an approximate sum of ThUS\$ 1,027, filed before the Court of First Instance of Los Angeles. The lawsuit is at the discussion stage.

(3) Forestal Mininco S.A. is joint and several defendant in the labor lawsuits of a number of employees of a transportation company, filed at the Labor Court of Los Angeles, for a total amount of approximately ThUS\$ 4,600. The lawsuits are at the discussion stage.

(4) CMPC Maderas S.A. is the defendant in a damage indemnity lawsuit for an approximate sum of ThUS\$ 120, filed at the First Instance Court of Coronel. The lawsuit was rejected in first instance, and an appeal is pending.

(5) CMPC Maderas S.A. is the defendant in a civil summary proceeding for a sum of approximately ThUS\$ 1,921, filed at the 4th Civil Court of Santiago. The proceeding is at the discussion stage.

(6) CMPC Celulosa S.A. is involved in a tax lawsuit in the amount of ThUS\$ 6,803, derived from an appraisal of the value of an internal transfer of shares, by the Chilean Internal Revenue Service (SII) on June 30, 2001. Due to errors in the proceeding, the Company filed an action before the Supreme Court (Case No. 1767-3) which was accepted on August 5, 2005, and produced invalidation of the ongoing lawsuit. The proceeding went back to the settlement stage, which is in process of complaint and resolution. In the opinion of our legal counsel, this action should not prosper.



(7) In the lawsuit filed by CMPC Celulosa S.A. against Banco Central (whose first complaint was filed in May 1995), on May 5, 2009 the Court of Appeals of Santiago accepted the appeal filed by CMPC, establishing the specific criteria for determination of the amount owed to the Company by the Central Bank, in connection with the final judgment by the Supreme Court of August 2001, which ordered the bank to pay the promissory notes issued by it according to the calculation rules contained in them at the time of issuance and not according to a new calculation formula established subsequently by the debtor. With respect to that order, both the Central Bank and CMPC filed appeals for dismissal in form and substance before the Supreme Court. On September 12, 2011, the Supreme Court resolved the appeals filed and handed down judgment in replacement, accepting the request to settle the credit in question, reiterating in its judgment the specific criteria for determining the amount due contained in the sentence from the Court of Appeals of Santiago. On May 31, 2012, after decreeing compliance and certification of the final sentence, CMPC Celulosa S.A. requested from the Court of First Instance that the settlement of the credit be ordered. Through judicial expert the settlement value of CLP 474,542,519 (ThUS\$ 792) was determined which has been objected by CMPC Celulosa S.A. That objection is pending resolution.

(8) CMPC Celulosa S.A. is joint and several defendant in a work accidents lawsuit filed by a contractor's employee, for the amount of approximately ThUS\$ 180. The lawsuit is at the discussion stage.

(9) Papeles Cordillera S.A. is a party to a civil lawsuit filed before the Civil Court of Puente Alto, for an amount of close to ThUS\$ 119, in which the parties have been summoned to hear sentencing.

(10) In May 2006, subsidiary Inversiones Protisa S.A. received a tax assessment amounting to ThUS\$ 43,468, based on a discrepancy with the Chilean Internal Revenue Service (SII) in relation to the criteria for tax valuation and price-level restatement used by the Company in respect to its investments abroad. The company filed its defense before the SII, ratifying the criteria used and providing the legal and administrative supporting documentation for that criteria. On March 28, the SII rejected the claim filed by the Company, and in response the Company filed an appeal, which was partially accepted on June 10, 2014. Both parties filed appeals before the Supreme Court.

(11) CMPC Tissue S.A. has verified in ordinary period a non preferential loan ("crédito valista") in the bankruptcy of Jorge Rabie y Compañía S.A. for the sum of ThUS\$ 2,519.

(12) Forsac S.A. filed a tax claim, case RIT GR-15-00106-2014, in which the SII requires payment of a sum of approximately ThUS\$ 307, relating to the tax loss declared for the 2012 tax year. The case is currently at the stage of evidence being received by the Tax and Customs Court.

(13) As of December 31, 2014, subsidiary Forestal Bosques del Plata S.A. of Argentina, is involved in labor and tax lawsuits for an approximate amount of ThUS\$ 650.

(14) Subsidiary La Papelera del Plata S.A. de Argentina, faces labor and tax cases for a total nominal amount of approximately ThUS\$ 3,247.

(15) Subsidiary CMPC Celulose Riograndense Ltda. of Brazil, faces certain labor and civil lawsuits whose approximate total amount is ThUS\$ 2,495.

(16) Subsidiary Melhoramentos CMPC Ltda. (formerly Melhoramentos Papéis Ltda.) of Brazil faces civil lawsuits for an approximate amount of ThUS\$ 1,605 and labor lawsuits for an approximate sum of ThUS\$ 6,932.

(17) Subsidiary Absormex CMPC Tissue S.A. de CV, has filed a tax claim in the amount of ThUS\$ 14,000, which has been accepted by the Mexico City Superior Court, appeals are pending. In the opinion of our legal counsel, a favorable result is expected.

(18) Subsidiary Protisa Colombia S.A. is involved in lawsuits against the Municipality of Gachancipá for an approximate amount of ThUS\$ 2,401, for the concept of settlement of goodwill and compensation of mandatory assignment, processes that are at the evidence stage.



(19) Subsidiary Drypers Andina S.A. was included in two requirements of the Superintendency of Industry and Commerce (SIC) of Colombia, due to alleged collusion in the toilet paper and diaper markets in that country. Both actions were filed against all the companies that participate in the markets in question and against the individuals that would appear to be involved. Drypers Andina S.A. has rejected the accusations before the respective authorities, denying any participation whatsoever. To this effect it supported its presentation on evidence that shows that the Company did not participate in the events it is accused of participating in. In the opinion of the attorneys that are advising the Company in Colombia a favorable result is expected.

(20) Subsidiary Forsac México S.A. has filed a tax claim for approximately ThUS\$ 1,166. In the opinion of our legal counsel, a favorable result is expected.

Considering the opinion of the Company's attorneys, CMPC has established provisions for the year ended as of December 31, 2014 in the amount of ThUS\$ 12,361 (ThUS\$ 717 in 2013) to cover possible disbursements that these contingencies might cause.

#### **E) PROVISIONS AND CONTINGENCIES INCORPORATED BY BUSINESS COMBINATIONS**

1) Subsidiary Melhoramentos CMPC Ltda. (formerly Melhoramentos Papéis Ltda.) is involved in certain tax and labor lawsuits, which are being treated in an administrative and judicial manner and amount to a total of ThUS\$ 15,292, of which ThUS\$ 13,057 were already paid into a judicial trust account. The net balance of ThUS\$ 2,235 is presented under other non-current provisions, which corresponds to the maximum risk value. Likewise, subsidiary CMPC Participações Ltda. (absorbed in 2010 by Melhoramentos Papéis Ltda., currently Melhoramentos CMPC Ltda.) signed a QPA (Quota Purchase Agreement) with Melpaper (former controller of subsidiary Melhoramentos Papéis Ltda., currently Melhoramentos CMPC Ltda.) through which it received guarantees regarding lawsuits that originated due to events prior to the purchase date. Some of them materialized and Melhoramentos CMPC Ltda. (formerly Melhoramentos Papéis Ltda.) will receive the equivalent of the amount through the execution of these guarantees. Due to the above, other non-current non-financial assets includes non-current guarantees related to these lawsuits for an amount of ThUS\$ 2,415 as of December 31, 2014 (ThUS\$ 11,557 as of December 31, 2013), and it is understood that these contingencies do not generate a risk to the shareholders' equity of CMPC. In addition there are certain complaints that have been filed by employees, which are at the initial phase of the administrative and judicial lawsuits whose amounts have still not been defined since they are at the initial discussion phase of the complaint, reason for which it has not yet been quantified or evaluated.

2) Subsidiary CMPC Celulose Riograndense Ltda. faces certain labor lawsuits whose contingency has been recognized in the other non-current provisions account for an amount of MBRL 28,177 (ThUS\$ 10,593). These labor lawsuits originated from events prior to the date of purchase of this subsidiary and according to the QPA (Quota Purchase Agreement), the seller Fibria S.A. is responsible for them. Due to the above, the losses resulting from these lawsuits shall be reimbursed by Fibria S.A. and consequently they were booked in non-current accounts receivable for a value equivalent to the aforementioned provision. It is understood that these contingencies do not generate risk over CMPC's equity.

#### **F) OTHER**

Certain subsidiaries are responsible to the Central Bank of Chile for export returns shipped on consignment, in the amount of ThUS\$ 110,020 as of December 31, 2014 (ThUS\$ 128,678 as of December 31, 2013). This value represents the market price determined as of the shipping date.

Empresas CMPC S.A. has guarantees on compliance with derivative instrument contracts, signed by its subsidiaries with J.P. Morgan Chase Bank N.A. - USA, J. Aron & Company - USA, HSBC Bank - USA, HSBC Bank - England, Banco HSBC - Mexico, Banco BBVA Bancomer - Mexico, Banco Santander - Chile, Banco BBVA - Chile, Banco Corpbanca - Chile, Bank of America Merrill Lynch Banco Múltiplo S.A. - Brazil, Banco de Chile and Banco BCI - Chile, in respect to interest rates applied at nominal value in the amount of ThUS\$ 1,141,816.

#### **G) FOREIGN INVESTMENTS**

The Company's financial statements include the effect on the financial and economic position of CMPC companies located in countries such as Argentina, Uruguay, Peru, Mexico, Ecuador, Brazil and Colombia, arising from the economic environment in which they operate. Real future results will depend to a great extent on the evolution of those economies. The parent company, CMPC will continue to support the development and operation of all its businesses abroad, committing the necessary resources to carry out the activities of its subsidiaries.



## NOTE 26 - EMPLOYEE BENEFITS PROVISIONS

Employee benefits provisions are detailed as follows:

DESCRIPTION	12/31/2014		12/31/2013	
	CURRENT THUSS	NON-CURRENT THUSS	CURRENT THUSS	NON-CURRENT THUSS
Termination benefits	4,907	79,213	3,965	77,249
Medical assistance benefits	1,989	6,427	1,363	5,406
Vacation accrual	29,157	-	29,729	-
Other benefits	13,409	1,169	11,022	-
<b>TOTAL</b>	<b>49,462</b>	<b>86,809</b>	<b>46,079</b>	<b>82,655</b>

### 26.1. DATA AND MOVEMENTS

#### A) TERMINATION BENEFITS

The amount charged to income for the concept of termination benefits in 2014 and 2013 as stated in Note 2.19 is detailed as follows:

DESCRIPTION	YEAR	
	2014 THUSS	2013 THUSS
Cost of services for the current period	12,773	11,286
Finance costs	3,511	4,405
Effect of any settlement	407	650
<b>TOTAL CHARGE TO INCOME</b>	<b>16,691</b>	<b>16,341</b>

The balance of employee termination benefits is recorded in the employee benefits provisions account in current and non-current liabilities based on the probability of payment before or after 12 months from the date of the Company's statement of financial position.

The movement of termination benefits in each year is detailed as follows:

DESCRIPTION	12/31/2014 THUSS	12/31/2013 THUSS
Beginning balance	81,214	80,396
Cost of services for the current period	12,773	11,286
Finance cost	3,511	4,405
Adjustment due to actuarial calculation	6,403	6,745
Indemnity payments in the year	(8,015)	(12,887)
Adjustment for foreign currency translation	(11,766)	(8,731)
<b>ENDING BALANCE</b>	<b>84,120</b>	<b>81,214</b>
<b>CURRENT LIABILITIES BALANCE</b>	<b>4,907</b>	<b>3,965</b>
<b>NON-CURRENT LIABILITIES BALANCE</b>	<b>79,213</b>	<b>77,249</b>

As stated in Note 2.19 the effects of updating actuarial variables incorporated in the model amounted to expenses of ThUS\$ 6,403 (ThUS\$ 6,745 in 2013), which were recorded in other comprehensive income. The cumulative effect of actuarial changes made in years prior to 2014 amounted to ThUS\$ 1,964.

Relevant discount rates used to discount obligations with the Company's employees (termination benefits) are based on the yield of Central Bank of Chile bonds in CLP, at similar terms or their interpolation. In this manner a compound annual nominal discount rate in the order of 4.38% is obtained (5.48% as of December 2013).

A salary growth rate and demographic assumptions for the universe of personnel of CMPC and subsidiaries are considered in determining the variables for retirement, terminations and pensions, according to tables and standards used for this valuation methodology.





## B) MEDICAL ASSISTANCE BENEFITS

In 1997, subsidiary Melhoramentos CMPC Ltda. signed a commitment with the employee union in reference to providing medical assistance for its employees retired as of that date. This medical assistance is provided by a health institution formed by Sao Paulo, Brazil paper companies, denominated SEPACO.

The amount of the provision refers to the actuarial calculation of the present value of the obligation generated by this commitment and which considers medical assistance costs for this group, considering the employee and their spouse throughout their lives and children up to 21 years old (up to 24 years old if they are studying). The methodology used for the calculation is actuarial with an average payment term of 20 years and a discount rate of  $\pm 10\%$  (6.2% plus inflation).

## C) PERSONNEL VACATIONS

The balance of personnel vacations corresponds to the value of pending vacation days accrued by the Company's personnel, determined according to the labor legislation prevailing in each country.

## 26.2. EMPLOYEE EXPENSES

Expenses related to employees, charged to income are detailed as follows:

DESCRIPTION	YEAR	
	2014 THUSS	2013 THUSS
Wages and salaries	347,274	370,118
Social security contributions	39,995	40,074
Current employee benefits (statutory and similar bonuses)	83,010	83,821
Post-employment benefits expense, defined benefits plans	2,875	2,572
Termination benefits expense (indemnity)	16,691	16,341
Other employee expenses	37,354	39,790
<b>TOTAL CHARGED TO INCOME</b>	<b>527,199</b>	<b>552,716</b>

## NOTE 27 - OTHER NON-FINANCIAL LIABILITIES

Other current and non-current non-financial liabilities are detailed as follows:

	12/31/2014 THUSS	12/31/2013 THUSS
<b>CURRENT</b>		
Dividends accrued according to policy and payable	10,624	16,382
Customer advances	2,484	2,911
Deferred income	13,187	6,940
Other	444	1,811
<b>TOTAL</b>	<b>26,739</b>	<b>28,044</b>
<b>NON-CURRENT</b>		
Other	3,582	3,764
<b>TOTAL</b>	<b>3,582</b>	<b>3,764</b>



## NOTE 28 - ISSUED CAPITAL

The capital of Empresas CMPC S.A. amounts to ThUS\$ 1,453,728 divided into 2,500,000,000 registered shares, of equal value, without par value, that have been fully subscribed and paid.

### 2014 CAPITAL INCREASE

At the 54th Extraordinary Shareholders' Meeting held on April 22, 2014 the shareholders agreed to increase the Company's stock capital by US\$ 250 million, through the issuance of 125 million cash shares without par value.

The Board of Directors Meeting of Empresas CMPC S.A., held on June 5, 2014, agreed to set the placement price of the 125 million cash shares, for the legal preferred option period at CLP 1,100 (Chilean pesos) per share (US\$ 2.00 per share). The process of subscribing and paying the capital increase, in the legal preferred option period, began on June 25, 2014 and ended on July 25, 2014, date on which a total of 119,284,587 were subscribed and paid. The remaining 5,715,413 shares were auctioned at the Bolsa de Comercio de Santiago on August 20, 2014 at a unit price of CLP 1,432.30. This placement of shares generated a negative share premium on the sale of own shares of ThUS\$ 2,986, due to the changes in the US dollar - Chilean peso exchange rate, with which the stock capital increase was the amount of ThUS\$ 247,014.

### 2013 CAPITAL INCREASE

At the 53rd Extraordinary Shareholders' Meeting held on January 24, 2013, the shareholders agreed to increase the Company's stock capital by US\$ 500 million, through the issuance of 155,602,948 cash shares without par value, representative of that amount. The Board was also empowered to issue those shares all at once or in parts, offer and place them whenever it agrees to in conformity with the law, (they must be fully subscribed and paid in a maximum period of three years as of this date) and to set the final placement price of the mentioned shares. They also agreed to modify bylaws and adopt all agreements corresponding to the mentioned capital increase.

At the Extraordinary Board of Directors Meeting held on April 18, 2013 the directors agreed to set the placement price of the 155,602,948 cash shares, for the legal preferred option period at CLP 1,480 (Chilean pesos) per share. It was stated for information purposes that such price is equivalent to a value of US\$ 3.12 per share, using an exchange rate of CLP 473.80 per US dollar.

The process of subscribing and paying the capital increase, in the legal preferred option period, ended on June 8, 2013 with the subscription and payment of 148,249,784 shares. The remaining 7,353,164 shares were auctioned at the Bolsa de Comercio de Santiago on September 27, 2013 at a unit price of CLP 1,600. This placement of shares generated a negative share premium on the sale of own shares of ThUS\$ 39,313, due to the changes in the US dollar - Chilean peso exchange rate and other placement expenses, with which the stock capital increase amounted to ThUS\$ 460,687.

## NOTE 29 - RETAINED EARNINGS (LOSSES)

The retained earnings (losses) account as of December 31, 2014, increased as of December 31, 2013, mainly due to profit for the year and decreased by the recognition of the effect on deferred taxes due to the Tax Reform in Chile and by recognition of the agreed upon dividends policy, in accordance with the following detail:

	12/31/2014 THUSS	12/31/2013 THUSS
Retained earnings accumulated as of January 1	7,171,047	7,038,548
Profits for the year	137,791	195,706
Dividend paid with a charge to profit for the year plus provision according to dividends policy	(46,513)	(60,108)
Payment complementary to dividend accrued the previous year	(6,931)	(5,063)
Effect of tax reform on deferred taxes (see Note 21)	(305,512)	-
Other changes	-	1,964
<b>RETAINED EARNINGS ACCUMULATED</b>	<b>6,949,882</b>	<b>7,171,047</b>



As required by Circular 1,945 issued by the Chilean Superintendency of Securities and Insurance (SVS) dated September 29, 2009, the adjustments from first-time application of IFRS recorded with a credit to retained earnings (losses), pending realization are detailed as follows:

DESCRIPTION	BALANCE TO BE REALIZED AS OF 12/31/2012 THUSS	2013		2014	
		AMOUNT REALIZED IN 2013 THUSS	BALANCE TO BE REALIZED AS OF 12/31/2013 THUSS	AMOUNT REALIZED IN 2014 THUSS	BALANCE TO BE REALIZED AS OF 12/31/2014 THUSS
Property, plant and equipment (1)	871,623	(49,941)	821,682	(36,823)	784,859
Termination benefits (2)	5,329	(803)	4,526	(803)	3,723
Deferred taxes (3)	(230,291)	10,366	(219,925)	10,366	(209,559)
<b>TOTAL</b>	<b>646,661</b>	<b>(40,378)</b>	<b>606,283</b>	<b>(27,260)</b>	<b>579,023</b>

(1) Property, plant and equipment: the methodology used to quantify the realization of this concept, corresponded to the application of useful lives by type of asset used for depreciation purposes at the time of revaluation determined as of the adoption date.

(2) Termination benefits: IFRS requires that post employment benefits provided to employees in the long-term be determined based on the application of an actuarial calculation model, generating differences in respect to the previous methodology that considered current values. This actuarial calculation methodology considers in its variables an average permanence of employees of approximately 12 years, information used to quantify the realized annual balance.

(3) Deferred taxes: adjustments in the valuation of assets and liabilities generated by the application of IFRS, have meant determining new temporary differences that were recorded against retained earnings (losses) in equity. Realization of this concept has been determined in the same proportion as the items that originated it.

Retained earnings (losses) available for distribution as dividends are detailed as follows:

	12/31/2014 THUSS	12/31/2013 THUSS
Retained earnings accumulated as of year-end	6,949,882	7,171,047
Pending adjustments on first-time application of IFRS	(579,023)	(606,283)
Pending revaluation of biological assets net of deferred taxes	(1,485,225)	(1,642,416)
<b>CUMULATIVE RETAINED EARNINGS AVAILABLE FOR DISTRIBUTION</b>	<b>4,885,634</b>	<b>4,922,348</b>

## NOTE 30 - OTHER RESERVES

Other reserves that form part of the Company's equity are detailed as follows:

Foreign currency translation reserves: the amounts and balances of the foreign currency translation reserve in equity relate to the accounting effects generated in the translation of the financial statements of subsidiaries whose functional currency is other than the presentation currency of the consolidated financial statements.

The mentioned effects relate mainly to adjustment of the investment in those companies to equity value and to the foreign currency translation originated in non-current accounts receivable and/or payable between the investing company and its subsidiaries, since these are treated as the financing of investments in those subsidiaries.

The purpose of this reserve is to avoid effects on income due to changes in the exchange rate affecting the equity of subsidiaries with functional currency other than the US dollar.



Equity movements are detailed as follows:

	12/31/2014 THUS\$
Balance of foreign currency translation reserves as of January 1, 2013	(80,059)
Plus: net movements on exchange adjustments in 2013	(99,068)
Balance as of December 31, 2013	(179,127)
Plus: Net movement on exchange adjustments in 2014	(152,683)
<b>BALANCE AS OF DECEMBER 31, 2014</b>	<b>(331,810)</b>

Equity movements by company that originate them are detailed as follows:

COMPANIES	COUNTRY	FUNCTIONAL CURRENCY	FOR THE YEAR ENDED AS OF DECEMBER 31, 2014			FOR THE YEAR ENDED AS OF DECEMBER 31, 2013		
			ADJUSTMENT TO EQUITY VALUE THUS\$	FOREIGN CURRENCY TRANSLATION IN NON-CURRENT CURRENT ACCOUNTS THUS\$	TOTAL FOREIGN CURRENCY TRANSLATION THUS\$	ADJUSTMENT TO EQUITY VALUE THUS\$	FOREIGN CURRENCY TRANSLATION IN NON-CURRENT CURRENT ACCOUNTS THUS\$	TOTAL FOREIGN CURRENCY TRANSLATION THUS\$
CMPC Tissue S.A.	Chile	CLP	(47,282)	(89,879)	(137,161)	(43,601)	(44,382)	(87,983)
Melhoramentos CMPC Ltda.	Brazil	BRL	44,959	(58,417)	(13,458)	(5,719)	(22,045)	(27,764)
Ipusa S.A.	Uruguay	UYU	1,210	(2,523)	(1,313)	(1,469)	(905)	(2,374)
CMPC Inversiones de Argentina S.A.	Argentina	ARS	(1,577)	-	(1,577)	3,515	-	3,515
Bicecorp S.A.	Chile	CLP	-	-	-	16,572	-	16,572
Other			826	-	826	(1,034)	-	(1,034)
<b>TOTAL</b>			<b>(1,864)</b>	<b>(150,819)</b>	<b>(152,683)</b>	<b>(31,736)</b>	<b>(67,332)</b>	<b>(99,068)</b>

Cash flow hedges: (negative reserve of ThUS\$ 104,083 as of December 31, 2014 and ThUS\$ 124,116 as of December 31, 2013). The cash flow hedge reserve arises from the application of hedge accounting with certain financial assets and liabilities.

The part of this reserve originated by hedges on sales, costs and financial obligations will be transferred to income at the end of the term of the contracts or when the operation stops qualifying for hedge accounting, whichever comes first. The part of this reserve that arises from cash flow hedging on investment projects will be transferred to property, plant and equipment at the end of the term of the contracts or to income if the operation stops qualifying for hedge accounting, whichever comes first.

The purpose of this reserve is to affect income or assets only when hedges are settled.

The change in respect to as of December 31, 2013 corresponds to changes observed in the fair value of the financial statements used.

Actuarial profits or losses on defined benefits plan reserves (negative reserve of ThUS\$ 16,045 as of December 31, 2014 and ThUS\$ 8,709 as of December 31, 2013). This reserve is generated on the application of new variables (discount rate, salary growth increase, employee turnover, etc.) in the actuarial calculations of termination benefits in accordance with IAS 19.

Other miscellaneous reserves (reserve of ThUS\$ 248,786 as of December 31, 2014 and ThUS\$ 249,715 as of December 31, 2013). The balance corresponds to the following concepts:

- Reserve for future capital increases.
- Reserve for equity changes in associates.
- Price-level restatement of paid-in capital recorded as stated in Official Circular 456 issued by the SVS.
- Effect of share exchange through the incorporation of minority shareholders in Industrias Forestales S.A. (merger).

The variation with respect to the balance as of December 31, 2013 basically refers to expenses incurred in the capital increase performed in 2014.

The balance of these reserves is destined to future capitalizations.



## NOTE 31 - EARNINGS PER SHARE AND DISTRIBUTABLE NET PROFIT

### 31.1. BASIC AND DILUTED EARNINGS PER SHARE

	US\$/SHARE
Profit per share 2014 *	0.0567
Profit per share 2013 **	0.0849

\* Determined considering 2,429,128,918 shares equivalent to the 2,375,000,000 outstanding shares as of December 31, 2013 plus the weighted average permanence of the 125,000,000 shares paid as of December 31, 2014, in the capital increase mentioned in Note 28.

\*\* Determined considering 2,304,991,083 shares equivalent to the 2,219,397,052 outstanding shares as of December 31, 2012 plus the weighted average permanence of the 155,602,948 shares paid, as of December 31, 2013, in the capital increase mentioned in Note 28.

### 31.2. DISTRIBUTABLE NET PROFITS

The dividends policy consists in distribution of a dividend of 30% of distributable net profit for the year, through payment of interim dividends in September and December or January and a final dividend that must be agreed at the Ordinary Shareholders' Meeting, payable on the date agreed at that meeting, only if the total of interim dividends does not reach 30% of distributable net profits.

In accordance with Circular 1945 issued by the SVS dated September 29, 2009 at the meeting held on November 26, 2009 and November 8, 2012, the board agreed to establish as a general policy that for the purpose of paying the minimum mandatory dividend of 30% established in article 79 of Law 18046, the net distributable profit shall be determined on the basis of net profits purged of relevant changes in the fair value of unrealized assets and liabilities, which must be reintegrated to the calculation of net profits for the year in which those variations are realized.

Additional dividends shall be determined on the basis of the mentioned criteria in accordance with the agreement adopted at the Shareholders' Meeting in this respect.

Consequently, it was agreed that for the purpose of determining the Company's net distributable profits, i.e. net profits to be considered for the calculation of minimum mandatory dividend, the following items will be excluded from income for the year:

- I. Unrealized income corresponding to changes in fair value of forest plantations. The main adjustments to fair value of forest plantations relate to revaluation for their natural growth. The valuation of these forest assets is regulated by accounting standard IAS 41 (Biological Assets). These results will be incorporated into net profit on the sale of forest assets or their disposal by any other means.
- II. Unrealized income generated from the acquisition of other entities or companies at a value lower than the fair value of net assets (after deducting liabilities) of the acquired entity and, in general, unrealized income produced as a result of the application of paragraphs 34, 39, 42 and 58 of IFRS 3, revised, referring to business combination transactions, mainly related to adjustments derived from the acquisition and takeover process.

These results will also be reintegrated in net profits at the time of their realization. For this purpose, results will be understood as realized to the extent that the entities acquired generate profits after their acquisition, or when those entities or companies are disposed of.

- III. The effects of deferred taxes arising from unearned income derived from the application of fair value in forest plantations. These effects derive mainly from changes in fair value, changes in the income tax rate or other concepts.



Distributable net profits:

Distributable net profits, based on quantification of dividends to be distributed according to the current dividends policy, based on profits attributable to the controller are detailed as follows:

	YEAR ENDED AS OF 12/31/2014 THUSS	YEAR ENDED AS OF 12/31/2013 THUSS
Profit attributable to the parent's share	137,791	195,706
Variation in fair value of forest plantations	17,596	4,070
Deferred taxes associated to the fair value of forest plantations	(344)	584
<b>DISTRIBUTABLE PROFITS</b>	<b>155,043</b>	<b>200,360</b>
APPLICATION OF DIVIDENDS POLICY	46,513	60,108
<b>DIVIDEND PER SHARE (US\$/OUTSTANDING SHARES)</b>	<b>0,0186</b>	<b>0,0253</b>

In accordance with IFRS, the dividends agreed upon in the respective policy (30% of distributable net profit ) are recorded as of year-end.

During the years ended as of December 31, 2014 and 2013 dividends paid are detailed as follows:

DIVIDEND NO	US\$ PER SHARE (1)	CLP PER SHARE	PAYMENT DATE
Final No. 257	0.0126	6	May 9, 2013
Interim No. 258	0.0098	5	September 16, 2013
Interim No. 259	0.0094	5	December 27, 2013
Final No. 260	0.0090	5	May 7, 2014
Interim No. 261	0.0084	5	September 4, 2014
Interim No. 262	0.0065	4	September 29, 2014

(1): The exchange rate on the date of the Shareholders' Meeting is used for conversion of the final dividends to Chilean pesos (CLP) and the exchange rate on the date of closing of the corresponding shareholders' registry is used for interim dividends. The current number of outstanding shares is 2,500,000,000 shares (see Note 28).

Consequently the total amounts agreed to be paid, as of each year-end are detailed as follows:

	12/31/2014 THUSS	12/31/2013 THUSS
Dividend per ordinary share, gross	58,569	73,572
Income from dividends on ordinary shares	-	-
<b>DIVIDENDS ON ORDINARY SHARES, NET</b>	<b>58,569</b>	<b>73,572</b>

## NOTE 32 - OPERATING INCOME

Operating income for the years ended as of December 31, 2014 and 2013 is detailed as follows:

DESCRIPTION	YEAR	
	2014 THUSS	2013 THUSS
Income from domestic market	1,120,515	1,232,473
Income from exports	1,942,392	1,939,484
Income from exports of foreign subsidiaries	226,413	250,159
Income of foreign subsidiaries from domestic market	1,550,555	1,545,559
Other operating income	6,278	6,784
<b>TOTAL</b>	<b>4,846,153</b>	<b>4,974,459</b>
OPERATING INCOME ATTRIBUTABLE TO OWNERS OF THE PARENT	4,845,804	4,974,095



## NOTE 33 - OTHER PROFITS (LOSSES)

The effects on income derived from concepts other than operations are detailed as follows:

DESCRIPTION	YEAR	
	2014 THUS\$	2013 THUS\$
Income from disposal of non-current assets	1,175	2,986
Net effect due to forest and other damages	(6,942)	(6,546)
Profit (loss) from operations with financial derivatives	(40,650)	500
Provision for lawsuits and contingencies	(12,361)	(717)
Income from electric easement	3,448	1,590
Tax on the capital increase of CMPC Celulose Riograndense Ltda.	(1,363)	(1,541)
Loss from adjustment of assets and liabilities arising from the shutdown and restructuring of Papeles Río Vergara S.A.	-	(49,977)
Net effect from electric energy agreement	-	13,200
Income from the sale of Bicecorp S.A. before taxes	-	11,022
Donations	(3,826)	(4,482)
Other	(7,581)	(1,830)
<b>TOTAL</b>	<b>(68,100)</b>	<b>(35,795)</b>

## NOTE 34 - FINANCE COSTS

Finance costs as of December 31, 2014 and 2013 are detailed as follows:

DESCRIPTION	YEAR	
	2014 THUS\$	2013 THUS\$
Interest on bonds issued	147,546	137,218
Interest on bank loans	38,668	33,548
Interest on financial leases	3,307	3,532
<b>TOTAL</b>	<b>189,521</b>	<b>174,298</b>

## NOTE 35 - FOREIGN CURRENCY TRANSLATION OF ASSETS AND LIABILITIES

### A) FOREIGN CURRENCY TRANSLATION DIFFERENCES RECOGNIZED IN INCOME

Foreign currency translation differences generated as of December 31, 2014 and 2013 on balances of assets and liabilities in foreign currencies other than the functional currency, were credited (charged) to income for the year, detailed as follows:

DESCRIPTION	YEAR	
	2014 THUS\$	2013 THUS\$
Assets in foreign currency	(126,047)	(48,496)
Liabilities in foreign currency	242,661	85,516
<b>TOTAL</b>	<b>116,614</b>	<b>37,020</b>

The effects related to changes in the fair values of financial instruments including forwards, options, forwards related to investments in Chilean pesos (Ch\$) and which through these are redenominated in US dollars (US\$), cross currency swaps and swaps, other than those under hedge accounting, are recorded under other profits (losses) in the income statement.



## B) ASSETS AND LIABILITIES IN FOREIGN CURRENCY

Assets in foreign currency (other than the functional currency) affected by changes in the exchange rate are detailed as follows:

TYPE OF ASSET	CURRENCY	12/31/2014 THUSS	12/31/2013 THUSS
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	CLP	425,673	311,755
Cash and cash equivalents	EUR	3,090	2,570
Cash and cash equivalents	ARS	7,543	4,885
Cash and cash equivalents	UYU	421	15
Cash and cash equivalents	PEN	24,567	13,775
Cash and cash equivalents	COP	600	2,155
Cash and cash equivalents	MXN	6,919	14,948
Cash and cash equivalents	BRL	20,249	51,715
Cash and cash equivalents	GBP	550	1,323
Cash and cash equivalents	SEK	3,902	-
<b>SUBTOTAL CASH AND CASH EQUIVALENTS</b>		<b>493,514</b>	<b>403,141</b>
Other current financial assets	CLP	155	15,286
Other current financial assets	CLF	43,552	102,136
Other current financial assets	SEK	-	318
<b>SUBTOTAL OTHER CURRENT FINANCIAL ASSETS</b>		<b>43,707</b>	<b>117,740</b>
Other current non-financial assets	CLP	12,083	14,406
Other current non-financial assets	ARS	1,232	1,261
Other current non-financial assets	UYU	700	708
Other current non-financial assets	PEN	1,788	1,236
Other current non-financial assets	COP	265	571
Other current non-financial assets	BRL	3,864	5,027
Other current non-financial assets	MXN	2,006	1,245
Other current non-financial assets	GBP	2	1
<b>SUBTOTAL OTHER CURRENT NON-FINANCIAL ASSETS</b>		<b>21,940</b>	<b>24,455</b>
Current trade and other accounts receivable	CLP	176,760	213,534
Current trade and other accounts receivable	EUR	18,517	20,618
Current trade and other accounts receivable	ARS	53,477	59,910
Current trade and other accounts receivable	UYU	7,181	6,909
Current trade and other accounts receivable	PEN	28,504	26,047
Current trade and other accounts receivable	COP	9,286	12,909
Current trade and other accounts receivable	MXN	44,854	54,714
Current trade and other accounts receivable	BRL	64,463	75,274
Current trade and other accounts receivable	GBP	9,602	10,204
<b>SUBTOTAL CURRENT TRADE AND OTHER ACCOUNTS RECEIVABLE</b>		<b>412,644</b>	<b>480,119</b>
Current accounts receivable from related parties	CLP	2,484	1,801
<b>SUBTOTAL CURRENT ACCOUNTS RECEIVABLE FROM RELATED PARTIES</b>		<b>2,484</b>	<b>1,801</b>
Inventory	CLP	91,609	107,118
Inventory	ARS	52,850	55,555
Inventory	UYU	20,688	27,873
Inventory	PEN	34,451	35,220
Inventory	COP	20,378	25,418
Inventory	MXN	36,217	39,038
Inventory	BRL	41,224	40,650
<b>SUBTOTAL INVENTORY</b>		<b>297,417</b>	<b>330,872</b>
Current deferred tax assets	CLP	68,401	72,718
Current deferred tax assets	ARS	8,053	8,515
Current deferred tax assets	UYU	1,774	2,348
Current deferred tax assets	PEN	4,382	5,636
Current deferred tax assets	COP	2,679	9,129
Current deferred tax assets	MXN	10,190	11,121
Current deferred tax assets	BRL	9,291	9,491
<b>SUBTOTAL CURRENT DEFERRED TAX ASSETS</b>		<b>104,770</b>	<b>118,958</b>
<b>TOTAL CURRENT ASSETS</b>		<b>1,376,476</b>	<b>1,477,086</b>



CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



TYPE OF ASSET	CURRENCY	12/31/2014 THUS\$	12/31/2013 THUS\$
<b>NON-CURRENT ASSETS</b>			
Other non-current financial assets	CLF	-	830
<b>SUBTOTAL OTHER NON-CURRENT FINANCIAL ASSETS</b>		-	830
Other non-current non-financial assets	CLP	11,020	3,148
Other non-current non-financial assets	BRL	301,868	308,276
Other non-current non-financial assets	PEN	17	27
Other non-current non-financial assets	COP	752	934
Other non-current non-financial assets	MXN	-	5
<b>SUBTOTAL OTHER NON-CURRENT NON-FINANCIAL ASSETS</b>		313,657	312,390
Non-current accounts receivable	BRL	38,542	40,304
Non-current accounts receivable	CLP	817	78
Non-current accounts receivable	ARS	460	484
<b>SUBTOTAL NON-CURRENT ACCOUNTS RECEIVABLE</b>		39,819	40,866
Investments accounted for using the equity method	CLP	488	660
<b>SUBTOTAL INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD</b>		488	660
Intangible assets other than goodwill	CLP	1,411	1,594
Intangible assets other than goodwill	BRL	2,366	777
Intangible assets other than goodwill	MXN	467	871
Intangible assets other than goodwill	ARS	47	47
Intangible assets other than goodwill	COP	497	-
Intangible assets other than goodwill	UYU	211	410
<b>SUBTOTAL INTANGIBLE ASSETS OTHER THAN GOODWILL</b>		4,999	3,699
Goodwill	ARS	6,881	9,023
Goodwill	MXN	638	718
Goodwill	BRL	44,908	50,922
<b>SUBTOTAL GOODWILL</b>		52,427	60,663
Property, plant and equipment	CLP	233,680	246,596
Property, plant and equipment	ARS	73,929	91,126
Property, plant and equipment	UYU	39,611	45,384
Property, plant and equipment	PEN	109,556	118,034
Property, plant and equipment	COP	76,302	97,585
Property, plant and equipment	MXN	186,138	160,941
Property, plant and equipment	BRL	240,821	273,514
<b>SUBTOTAL PROPERTY, PLANT AND EQUIPMENT</b>		960,037	1,033,180
Non-current current tax assets	ARS	2,471	3,027
Non-current current tax assets	BRL	97,983	23,206
<b>SUBTOTAL NON-CURRENT CURRENT TAX ASSETS</b>		100,454	26,233
Deferred tax assets	CLP	471	11,122
Deferred tax assets	ARS	30	20
Deferred tax assets	UYU	884	621
Deferred tax assets	COP	14,228	14,015
Deferred tax assets	MXN	11,765	8,772
Deferred tax assets	BRL	15,287	10,921
<b>SUBTOTAL DEFERRED TAX ASSETS</b>		42,665	45,471
<b>TOTAL NON-CURRENT ASSETS</b>		<b>1,514,546</b>	<b>1,523,992</b>

CONSOLIDATED FINANCIAL STATEMENTS 2014  
(Translation of financial statements originally issued in Spanish - See Note 2.1)



Liabilities in foreign currency (other than the functional currency) affected by changes in exchange rate, presented at undiscounted values are detailed as follows

TYPE OF LIABILITY	CURRENCY	DECEMBER 31, 2014			DECEMBER 31, 2013		
		UP TO 90 DAYS THUS\$	91 DAYS UP TO 1 YEAR THUS\$	TOTAL THUS\$	UP TO 90 DAYS THUS\$	91 DAYS UP TO 1 YEAR THUS\$	TOTAL THUS\$
<b>CURRENT LIABILITIES</b>							
Other current financial liabilities	CLP	2,327	-	2,327	-	-	-
Other current financial liabilities	CLF	304,157	24,878	329,035	147,800	14,482	162,282
Other current financial liabilities	EUR	-	-	-	281	2,985	3,266
Other current financial liabilities	ARS	31,331	11,987	43,318	30,933	4,416	35,349
Other current financial liabilities	UYU	13,477	-	13,477	9,934	-	9,934
Other current financial liabilities	PEN	-	4,909	4,909	1,887	6,244	8,131
Other current financial liabilities	BRL	40,370	24,426	64,796	13,556	-	13,556
<b>SUBTOTAL OTHER CURRENT FINANCIAL LIABILITIES</b>		<b>391,662</b>	<b>66,200</b>	<b>457,862</b>	<b>204,391</b>	<b>28,127</b>	<b>232,518</b>
Trade and other accounts payable	CLP	242,369	1,313	243,682	264,167	359	264,526
Trade and other accounts payable	CLF	1,545	-	1,545	2,084	-	2,084
Trade and other accounts payable	EUR	10,126	3,544	13,670	7,830	158	7,988
Trade and other accounts payable	ARS	40,799	32	40,831	40,063	84	40,147
Trade and other accounts payable	COP	7,390	-	7,390	10,166	167	10,333
Trade and other accounts payable	UYU	3,606	-	3,606	6,778	201	6,979
Trade and other accounts payable	PEN	23,683	158	23,841	22,400	125	22,525
Trade and other accounts payable	MXN	26,850	215	27,065	31,671	3,580	35,251
Trade and other accounts payable	BRL	71,331	25,286	96,617	71,432	14,754	86,186
Trade and other accounts payable	GBP	49	-	49	613	176	789
Trade and other accounts payable	SEK	7,293	10,323	17,616	100	-	100
<b>SUBTOTAL TRADE AND OTHER ACCOUNTS PAYABLE</b>		<b>435,041</b>	<b>40,871</b>	<b>475,912</b>	<b>457,304</b>	<b>19,604</b>	<b>476,908</b>
Current accounts payable to related parties	CLP	3,373	-	3,373	4,046	-	4,046
<b>SUBTOTAL CURRENT ACCOUNTS PAYABLE TO RELATED PARTIES</b>		<b>3,373</b>	<b>-</b>	<b>3,373</b>	<b>4,046</b>	<b>-</b>	<b>4,046</b>
Other current provisions	CLP	-	91	91	-	116	116
Other current provisions	ARS	-	3,952	3,952	-	3,199	3,199
<b>SUBTOTAL OTHER CURRENT PROVISIONS</b>		<b>-</b>	<b>4,043</b>	<b>4,043</b>	<b>-</b>	<b>3,315</b>	<b>3,315</b>
Current tax liabilities	CLP	-	29,054	29,054	-	25,634	25,634
Current tax liabilities	ARS	-	397	397	-	915	915
Current tax liabilities	PEN	-	918	918	-	1,929	1,929
Current tax liabilities	COP	-	79	79	-	-	-
Current tax liabilities	BRL	-	96	96	-	1,573	1,573
Current tax liabilities	MXN	-	753	753	-	40	40
<b>SUBTOTAL CURRENT TAX LIABILITIES</b>		<b>-</b>	<b>31,297</b>	<b>31,297</b>	<b>-</b>	<b>30,091</b>	<b>30,091</b>
Current employee benefits provisions	CLP	-	30,159	30,159	-	30,167	30,167
Current employee benefits provisions	ARS	-	3,084	3,084	-	2,349	2,349
Current employee benefits provisions	PEN	-	785	785	-	366	366
Current employee benefits provisions	BRL	-	13,530	13,530	-	11,701	11,701
Current employee benefits provisions	MXN	-	22	22	-	11	11
Current employee benefits provisions	UYU	-	1,388	1,388	-	1,548	1,548
Current employee benefits provisions	COP	-	169	169	-	202	202
<b>SUBTOTAL CURRENT EMPLOYEE BENEFITS PROVISIONS</b>		<b>-</b>	<b>49,137</b>	<b>49,137</b>	<b>-</b>	<b>46,344</b>	<b>46,344</b>
Other current non-financial liabilities	CLP	-	10,624	10,624	-	16,382	16,382
Other current non-financial liabilities	PEN	-	8	8	-	7	7
Other current non-financial liabilities	ARS	-	355	355	-	778	778
Other current non-financial liabilities	MXN	-	236	236	-	12	12
Other current non-financial liabilities	BRL	-	29	29	-	47	47
<b>SUBTOTAL OTHER CURRENT NON-FINANCIAL LIABILITIES</b>		<b>-</b>	<b>11,252</b>	<b>11,252</b>	<b>-</b>	<b>17,226</b>	<b>17,226</b>
<b>TOTAL CURRENT LIABILITIES</b>		<b>830,076</b>	<b>202,800</b>	<b>1,032,876</b>	<b>665,741</b>	<b>144,707</b>	<b>810,448</b>



TYPE OF LIABILITY	CURRENCY	DECEMBER 31, 2014				DECEMBER 31, 2013			
		MORE THAN 1 UP TO 3 YEARS THUSS	MORE THAN 3 UP TO 5 YEARS THUSS	MORE THAN 5 YEARS THUSS	TOTAL THUSS	MORE THAN 1 UP TO 3 YEARS THUSS	MORE THAN 3 UP TO 5 YEARS THUSS	MORE THAN 5 YEARS THUSS	TOTAL THUSS
<b>NON-CURRENT LIABILITIES</b>									
Other non-current financial liabilities	CLF	85,520	85,520	1,365,317	1,536,357	356,439	41,243	703,735	1,101,417
Other non-current financial liabilities	EUR	-	-	-	-	-	35	-	35
Other non-current financial liabilities	ARS	1,051	-	6,273	7,324	8,161	-	-	8,161
Other non-current financial liabilities	UYU	12,645	-	-	12,645	-	-	-	-
Other non-current financial liabilities	PEN	-	21,353	-	21,353	8,561	14,344	-	22,905
Other non-current financial liabilities	BRL	522,645	51,698	30,627	604,970	88,330	52,950	49,502	190,782
<b>SUBTOTAL OTHER NON-CURRENT FINANCIAL LIABILITIES</b>		<b>621,861</b>	<b>158,571</b>	<b>1,402,217</b>	<b>2,182,649</b>	<b>461,491</b>	<b>108,572</b>	<b>753,237</b>	<b>1,323,300</b>
Other non-current provisions	ARS	89	-	-	89	-	-	-	-
Other non-current provisions	CLP	10,000	-	-	10,000	-	-	-	-
Other non-current provisions	BRL	12,925	-	-	12,925	21,317	-	-	21,317
<b>SUBTOTAL OTHER NON-CURRENT PROVISIONS</b>		<b>23,014</b>	<b>-</b>	<b>-</b>	<b>23,014</b>	<b>21,317</b>	<b>-</b>	<b>-</b>	<b>21,317</b>
Deferred tax liabilities	CLP	-	-	1,204,675	1,204,675	-	-	846,543	846,543
Deferred tax liabilities	ARS	-	-	42,212	42,212	-	-	48,153	48,153
Deferred tax liabilities	PEN	-	-	9,581	9,581	-	-	11,556	11,556
Deferred tax liabilities	BRL	-	-	197,883	197,883	-	-	118,482	118,482
<b>SUBTOTAL DEFERRED TAX LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>1,454,351</b>	<b>1,454,351</b>	<b>-</b>	<b>-</b>	<b>1,024,734</b>	<b>1,024,734</b>
Non-current tax liabilities	ARS	-	-	356	356	-	-	526	526
Non-current tax liabilities	BRL	-	-	8,453	8,453	-	-	14,131	14,131
<b>SUBTOTAL NON-CURRENT TAX LIABILITIES</b>		<b>-</b>	<b>-</b>	<b>8,809</b>	<b>8,809</b>	<b>-</b>	<b>-</b>	<b>14,657</b>	<b>14,657</b>
Non-current employee benefits provisions	CLP	7,937	7,937	63,497	79,371	8,529	8,529	68,229	85,287
Non-current employee benefits provisions	UYU	194	-	-	194	345	-	-	345
Non-current employee benefits provisions	MXN	186	-	-	186	391	-	-	391
Non-current employee benefits provisions	BRL	2,530	2,530	20,238	25,298	1,185	1,185	9,478	11,848
Non-current employee benefits provisions	ARS	-	-	-	-	79	-	-	79
<b>SUBTOTAL NON-CURRENT EMPLOYEE BENEFITS PROVISIONS</b>		<b>10,847</b>	<b>10,467</b>	<b>83,735</b>	<b>105,049</b>	<b>10,529</b>	<b>9,714</b>	<b>77,707</b>	<b>97,950</b>
Other non-current non-financial liabilities	BRL	644	-	-	644	-	-	-	-
<b>SUBTOTAL OTHER NON-CURRENT NON-FINANCIAL LIABILITIES</b>		<b>644</b>	<b>-</b>	<b>-</b>	<b>644</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>656,366</b>	<b>169,038</b>	<b>2,949,112</b>	<b>3,774,516</b>	<b>493,337</b>	<b>118,286</b>	<b>1,870,335</b>	<b>2,481,958</b>

## NOTE 36 - INCOME TAX EXPENSE AND TAXABLE RETAINED EARNINGS REGISTRY

As of December 31, 2014, balances of the taxable retained earnings registry (FUT) of Empresas CMPC S.A. classified in accordance with the corresponding tax credits are detailed as follows:

TAXABLE PROFITS (FUT):	12/31/2014 THUSS	12/31/2013 THUSS
Profit with 21% credit	3,982	-
Profit with 20% credit	18,120	29,959
Profit with 17% credit	13,859	60,870
Profit with 16.5% credit	1,132	1,228
Profit with 16% credit	6	-
Profit with 15% credit	11	46
Profit with no credit	27,720	45,623
<b>TOTAL FUT</b>	<b>64,830</b>	<b>137,726</b>
Non-taxable profit (FUNT):		
Profit on non-taxable income	346,573	382,648
<b>TOTAL FUNT</b>	<b>346,573</b>	<b>382,648</b>



The current and deferred income tax expenses as of December 31, 2014 and 2013 are detailed as follows:

INCOME TAX EXPENSE	YEAR	
	2014 THUS\$	2013 THUS\$
<b>CURRENT INCOME TAX (EXPENSE) CREDIT</b>		
Current tax	(109,292)	(86,724)
Single income tax on sale of shares of Bicecorp S.A.	-	(13,221)
Recovery of loss absorption taxes	739	1,140
Prior year adjustments and other taxes	(301)	(213)
<b>TOTAL CURRENT INCOME TAXES</b>	<b>(108,854)</b>	<b>(99,018)</b>
<b>DEFERRED TAX (EXPENSE) CREDIT</b>		
Deferred tax (expense) credit on the creation and reversal of temporary differences (Includes effect on foreign currency translation)	(125,871)	(89,239)
Income from deferred taxes on adjustment of assets and liabilities derived from the shutdown and restructuring of Papeles Río Vergara S.A.	-	9,995
<b>TOTAL DEFERRED TAXES</b>	<b>(125,871)</b>	<b>(79,244)</b>
<b>INCOME TAX (EXPENSE) CREDIT</b>	<b>(234,725)</b>	<b>(178,262)</b>

In 2014 the Company calculated and accounted for the income tax provision on the basis of taxable net income using a rate of 21% for the 2014 commercial year, in accordance with Law 20,780, published in the Official Gazette on September 29, 2014.

The main amendments introduced by the aforementioned Law 20,780 include the progressive increase in the First Category (Corporate) tax rate, which will reach 27%, as of the 2018 commercial year, if the Partially Integrated Tax System established in letter B) of article 14 of the Income Tax Law is applied. Law 20,780 establishes that taxpayers obligated to declare on the basis of their effective rate according to full accounting, can opt to apply the provisions referring to the Attributed Taxable Income system at a final rate of 25% as of the 2017 commercial year or the Partially Integrated Tax System at a rate of 27% as of 2018. When the companies are public, the chosen option must be approved at an Extraordinary Shareholders' Meeting that must be held before the 2017 commercial year effective date, with at least two thirds of voting shares. Notwithstanding, if the public company does not exercise its option, the law provides that the Partially Integrated Tax System established in letter B) of article 14 of the Income Tax Law shall be applied to it.

The effects of updating deferred tax assets and liabilities based on their reversal period have been accounted for in equity in accordance with Circular 856 issued by the SVS on October 17, 2014 (see Note 21).

As of December 31, 2014 and 2013, the current and deferred income tax expense of foreign and domestic parties is detailed as follows:

DOMESTIC AND FOREIGN INCOME TAX (EXPENSE) CREDIT	YEAR	
	2014 THUS\$	2013 THUS\$
Current foreign taxes	(16,966)	(16,962)
Current domestic taxes	(91,888)	(82,056)
<b>TOTAL CURRENT INCOME TAXES</b>	<b>(108,854)</b>	<b>(99,018)</b>
Deferred foreign taxes	(57,195)	(42,329)
Deferred domestic taxes	(68,676)	(36,915)
<b>TOTAL DEFERRED TAXES</b>	<b>(125,871)</b>	<b>(79,244)</b>
<b>INCOME TAX (EXPENSE) CREDIT</b>	<b>(234,725)</b>	<b>(178,262)</b>



The reconciliation of income tax expense using the legal rate to tax expenses using the effective rate as of December 31, 2014 and 2013 is detailed as follows:

	YEAR	
	2014 THUS\$	2013 THUS\$
PROFIT (LOSS) BEFORE TAXES	372.542	373.895
Tax results using the legal rate	(78.234)	(74.779)
Tax effect tax losses	21.925	(13.001)
Tax effect on rate differences abroad	16.897	(15.389)
Fluctuation of changes in the conversion of tax assets and liabilities	(109.749)	(57.896)
Fluctuation of changes in the conversion of tax assets and liabilities abroad	(79.736)	(44.880)
Other tax effects due to reconciliation of accounting profit and tax expense	(5.828)	27.683
<b>TAX EXPENSE USING THE EFFECTIVE RATE</b>	<b>(234.725)</b>	<b>(178.262)</b>

The reconciliation of the local tax rate to the effective rate in 2014 and 2013 is detailed as follows:

DESCRIPTION	YEAR	
	2014 %	2013 %
Tax result using the legal rate	21.00	20.00
Tax effect on tax losses	(5.89)	3.48
Tax effect on rate differences abroad	(4.53)	4.12
Fluctuation of changes in the conversion of tax assets and liabilities	29.46	15.48
Fluctuation of changes in the conversion of tax assets and liabilities abroad	21.41	12.00
Other tax effects due to reconciliation of accounting profit and tax expense	1.56	(7.40)
<b>EFFECTIVE AVERAGE TAX RATE</b>	<b>63.01</b>	<b>47.68</b>

In accordance with IFRS the Company and its subsidiaries record their operations in their functional currency which is mostly the US dollar; however, for tax purposes they carry accounting in local currency, whose balances of assets and liabilities are converted to US dollars as of each year-end, for comparison with accounting balances under IFRS, and determine in this manner, deferred taxes on differences existing between both amounts. The effect of the change in the exchange rate of the US dollar over deferred taxes has been recorded with an effect on income in the income tax expense line (ThUS\$ 189,485 with a charge to income as of December 2014, of which ThUS\$ 109,749 are domestic and ThUS\$ 79,736 are from foreign subsidiaries and a charge of ThUS\$ 102,776 as of December 2013, of which a charge to income of ThUS\$ 57,896 is domestic and ThUS\$ 44,880 is from foreign subsidiaries) which arise mainly from the exchange fluctuation on conversion of property, plant and equipment, taxable biological assets and tax losses to US dollars.



## NOTE 37 - EXPENSES, BY NATURE

The Company's main operating and administration costs and expenses in 2014 and 2013 are detailed as follows:

DESCRIPTION	YEAR	
	2014 THUS\$	2013 THUS\$
LUMBER, CHEMICALS, ENERGY	2,509,983	2,592,138
Wages and salaries	347,274	370,118
Social security contributions	39,995	40,074
Other current employee benefits	83,010	83,821
Post-employment benefits, defined benefits plan expenses	2,875	2,572
Termination benefits expenses	16,691	16,341
Other employee expenses	37,354	39,790
PAYROLL AND OTHER PERSONNEL EXPENSES	527,199	552,716
Depreciation expense	348,359	342,936
Amortization expense	1,371	1,311
DEPRECIATION AND AMORTIZATION	349,730	344,247
Administrative and marketing expenses	318,355	343,775
Research and development expenses	6,513	8,604
ADMINISTRATIVE AND MARKETING EXPENSES	324,868	352,379
Variable sales expenses	531,988	544,691
Maintenance expenses	246,986	250,875
Other miscellaneous operating expenses	9,935	10,686
OTHER EXPENSES BY NATURE	788,909	806,252
<b>TOTAL EXPENSES BY NATURE</b>	<b>4,500,689</b>	<b>4,647,732</b>

## NOTE 38 - COMMITMENTS

There are future cash flows committed to projects approved by the Company. CMPC currently has projects in progress amounting to more than US\$ 3 billion, whose completion it estimates will require future disbursements of US\$ 1.1 billion. As of December 31, 2014 the main investment cash flows committed are detailed as follows::

APPROVED PROJECTS	MILLION US\$
Guaíba Línea II Celulosa - Brazil	712
M450 operating continuity - Paper	123
Paper machine - Altamira - Mexico	46
Co-generation energy plant - Altamira - Mexico	28
Co-generation energy plant - Puente Alto - Chile	24
Co-generation energy plant - Talagante - Chile	20

The amounts are expressed at the current value of disbursements projected for 2014 to 2018.

Committed investment flows relate to projects intended to increase the production capacity of the industrial plants and to maintain and improve environmental performance.

Significant commitments as of year-end are recorded, of which the commitments for property, plant and equipment stand out.



## NOTE 39 - CONTROLLER AND TRANSACTIONS WITH RELATED PARTIES

### 39.1. IDENTIFICATION OF MAIN CONTROLLERS

The Company is controlled by Minera Valparaíso S.A. through its subsidiary Forestal Cominco S.A. and Forestal Constructora y Com. del Pacífico Sur S.A. and other legal entities and individuals related to the Matte Group. Both Minera Valparaíso S.A. and Forestal Constructora y Com. del Pacífico Sur S.A. are public companies registered in the Securities Registry of the SVS under numbers 0098 and 0059, respectively. Control is exercised through having a majority of outstanding shares and electing a majority of the Directors of Empresas CMPC S.A.

The main share interests of the controlling entities of Empresas CMPC S.A. are detailed as follows:

SHAREHOLDERS	NUMBER OF SHARES
Forestal Cominco S.A.	486,392,057
Forestal Constructora y Com. del Pacífico Sur S.A.	476,205,596
Forestal O'Higgins S.A.	176,476,488
Forestal Bureo S.A.	106,457,955
Inmobiliaria Ñague S.A.	52,603,021
Coindustria Ltda.	46,575,370
Forestal y Minera Ebro Ltda.	14,408,280
Forestal y Minera Volga Ltda.	8,823,060
Viecal S.A.	6,501,641
Forestal Peumo S.A.	5,141,294
Forestal Calle Las Agustinas S.A.	3,863,334
Other	7,669,858
<b>TOTAL</b>	<b>1,391,117,954</b>
<b>CONTROL OVER OUTSTANDING SHARES</b>	<b>55.64%</b>

### 39.2. TWELVE MAIN SHAREHOLDERS

SHAREHOLDERS	NUMBER OF SHARES	OWNERSHIP %
Forestal Cominco S.A.	486,392,057	19.46%
Forestal Constructora y Com. del Pacífico Sur S.A.	476,205,596	19.05%
Forestal O'Higgins S.A.	176,476,488	7.06%
Banco de Chile, on behalf of third parties	144,843,113	5.79%
Forestal Bureo S.A.	106,457,955	4.26%
Banco Itaú Chile S.A., on behalf of foreign investors	99,113,124	3.96%
A.F.P. Provida S.A., for pension funds	76,477,167	3.06%
A.F.P. Habitat S.A., for pension funds	64,970,026	2.60%
A.F.P. Capital S.A., for pension funds	60,022,847	2.40%
A.F.P. Cuprum S.A., for pension funds	59,905,521	2.40%
Inmobiliaria Ñague S.A.	52,603,021	2.10%
Coindustria Ltda.	46,575,370	1.86%
<b>TOTAL</b>	<b>1,850,042,285</b>	<b>74.00%</b>

As of December 31, 2014 the Company had a total of 27,536 shareholders (27,623 as of December 31, 2013).



### 39.3. COMMERCIAL TRANSACTIONS WITH ASSOCIATES AND OTHER RELATED ENTITIES

Commercial transactions with companies in its economic group and with associates are detailed as follows:

RELATED PARTY TAXPAYER NO.	NAME	NATURE OF THE RELATIONSHIP	COUNTRY OF ORIGIN	DETAIL OF TRANSACTIONS WITH RELATED PARTY	NATURE OF TRANSACTION WITH RELATED PARTY	TRANSACTION AMOUNT		EXPLANATION OF OTHER INFORMATION ON TRANSACTIONS WITH RELATED PARTIES
						YEAR ENDED AS OF 12/31/2014 THUS\$	YEAR ENDED AS OF 12/31/2013 THUS\$	
97.080.000-K	Banco BICE	Common director at its parent	Chile	Sale of dollars on the spot market	Financial transaction	160.000	19.000	Effects on income were: 12/2014 income of ThUS\$ 68; 12/2013 expenses of ThUS\$ 1
				Forward purchase of dollars	Financial transaction	80.008	-	Effects on income were: 12/2014 expenses of ThUS\$ 130
				Investments in time deposits	Financial transaction	-	4.037	Effects on income were: 12/2013 income of ThUS\$ 19
76.055.353-0	Bice Agente de Valores S.A.	Common director at its parent	Chile	Average balance invested in agreements	Financial transaction	549.514	341.339	Effects on income were: 12/2014 income of ThUS\$ 1,343; 12/2013 income of ThUS\$ 1,405
96.656.410-5	Bice Vida Compañía de Seguros S.A.	Common director at its parent	Chile	Insurance purchase	Commercial transaction	463	437	Effects on income were: 12/2014 expenses of ThUS\$ 463; 12/2013 expenses of ThUS\$ 437
79.532.990-0	Bice Inversiones Corredores de Bolsa S.A.	Common director at its parent	Chile	Brokerage on placement of shares	Financial transaction	-	23.348	No effects on income
96.657.900-5	Consortio Protección Fitosanitaria Forestal S.A.	Associate	Chile	Services purchased	Commercial transaction	439	414	Effects on income were: 12/2014 expenses of ThUS\$ 439; 12/2013 expenses of ThUS\$ 414





Significant commercial transactions with other related parties through one or more directors or executives of CMPC, are detailed as follows:

RELATED PARTY TAXPAYER NO.	NAME	NATURE OF THE RELATIONSHIP	COUNTRY OF ORIGIN	DETAIL OF TRANSACTIONS WITH RELATED PARTY	NATURE OF TRANSACTION WITH RELATED PARTY	TRANSACTION AMOUNT		EXPLANATION OF OTHER INFORMATION ON TRANSACTIONS WITH RELATED PARTIES
						YEAR ENDED AS OF 12/31/2014 THUS\$	YEAR ENDED AS OF 12/31/2013 THUS\$	
97.053.000-2	Banco Security	Common director at its parent	Chile	Average balance invested in time deposits	Financial transaction	435.123	506.122	Effects on income were: 12/2014 income of ThUS\$ 164; 12/2013 income of ThUS\$ 126
				Sale of foreign currency	Financial transaction	215.365	47.000	Effects on income were: 12/2014 income of ThUS\$ 29; 12/2013 expenses of ThUS\$ 19
91.806.000-6	Abastecedora de Combustibles S.A.	Common director at its parent	Chile	Fuel purchase	Commercial transaction	1.743	1.706	Inventory product
77.215.640-5	Administradora de Ventas al Detalle Ltda.	Common director at its parent	Chile	Sale of products	Commercial transaction	646	693	Effects on income were: 12/2014 income of ThUS\$ 425; 12/2013 income of ThUS\$ 483
70.360.100-6	Asociación Chilena de Seguridad	Common director	Chile	Insurance purchase	Commercial transaction	2.700	-	Effects on income were: 12/2014 expenses of ThUS\$ 2,700
96.848.750-7	Aislantes Volcán S.A.	Common director at its parent	Chile	Sale of products	Commercial transaction	605	606	Effects on income were: 12/2014 income of ThUS\$ 239; 12/2013 income of ThUS\$ 221
Foreign	Alto Paraná S.A.	Common director at its parent	Argentina	Sale of products	Commercial transaction	723	1.019	Effects on income were: 12/2014 income of ThUS\$ 98; 12/2013 income of ThUS\$ 277
				Products purchase	Commercial transaction	27.778	30.633	Inventory product
96.565.750-9	Aserraderos Arauco S.A.	Common director at its parent	Chile	Export collection transactions	Financial transaction	2.400	5.552	No effects on income
				Export payment transactions	Financial transaction	10.458	22.947	No effects on income
82.152.700-7	Bosques Arauco S.A.	Common director at its parent	Chile	Lumber sales	Commercial transaction	-	14	Effects on income were: 12/2013 income of ThUS\$ 4
				Lumber purchase	Commercial transaction	-	168	Inventory product
93.458.000-1	Celulosa Arauco y Constitución S.A.	Common director at its parent	Chile	Pulp purchase	Commercial transaction	2	1.278	Inventory product
				Sale of products	Commercial transaction	303	356	Effects on income were: 12/2014 income of ThUS\$ 63; 12/2013 income of ThUS\$ 98
96.547.510-9	Arauco Bioenergía S.A.	Common director at its parent	Chile	Electricity purchase	Commercial transaction	2.892	-	Effects on income were: 12/2014 expenses of ThUS\$ 2,892
99.513.400-4	CGE Distribución S.A.	Common director at its parent	Chile	Electricity purchase	Commercial transaction	2.716	13.429	Effects on income were: 12/2014 expenses of ThUS\$ 2,716; 12/2013 expenses of ThUS\$ 13,429
				Sale of electricity	Commercial transaction	1.134	1.182	Effects on income were: 12/2014 income of ThUS\$ 278; 12/2013 income of ThUS\$ 81
96.719.210-4	Transnet S.A.	Common director at its parent	Chile	Services purchased	Commercial transaction	1.659	763	Effects on income were: 12/2014 expenses of ThUS\$ 1,659; 12/2013 expenses of ThUS\$ 763
90.209.000-2	Cía. Industrial El Volcán S.A.	Common director	Chile	Sale of products	Commercial transaction	4.974	1.789	Effects on income were: 12/2014 income of ThUS\$ 1,611; 12/2013 income of ThUS\$ 757
96.505.760-9	Colbún S.A.	Common director	Chile	Electricity purchase	Commercial transaction	5.329	37.728	Effects on income were: 12/2014 expenses of ThUS\$ 5,329; 12/2013 expenses of ThUS\$ 37,728
				Sale of electricity	Commercial transaction	378	18.590	Effects on income were: 12/2014 income of ThUS\$ 271; 12/2013 income of ThUS\$ 10,207
76.218.856-2	Colbún Transmisión S.A.	Common director	Chile	Electricity purchase	Commercial transaction	324	-	Effects on income were: 12/2014 expenses of ThUS\$ 324



RELATED PARTY TAXPAYER NO.	NAME	NATURE OF THE RELATIONSHIP	COUNTRY OF ORIGIN	DETAIL OF TRANSACTIONS WITH RELATED PARTY	NATURE OF TRANSACTION WITH RELATED PARTY	TRANSACTION AMOUNT		EXPLANATION OF OTHER INFORMATION ON TRANSACTIONS WITH RELATED PARTIES
						YEAR ENDED AS OF 12/31/2014 THUS\$	YEAR ENDED AS OF 12/31/2013 THUS\$	
99.520.000-7	Compañía de Petróleos de Chile S.A.	Common director at its parent	Chile	Fuel purchase	Commercial transaction	10,944	11,698	Inventory product
92.580.000-7	Entel S.A.	Common shareholders at the parent	Chile	Services purchased	Commercial transaction	2,651	2,525	Effects on income were: 12/2014 expenses of ThUS\$ 2,651; 12/2013 expenses of ThUS\$ 2,525
96.806.980-2	Entel PCS Telecomunicaciones S.A.	Common shareholders at the parent	Chile	Services purchased	Commercial transaction	1,756	1,830	Effects on income were: 12/2014 expenses of ThUS\$ 1,756; 12/2013 expenses of ThUS\$ 1,830
96.697.410-9	Entel Telefonía Local S.A.	Common shareholders at the parent	Chile	Services purchased	Commercial transaction	243	305	Effects on income were: 12/2014 expenses of ThUS\$ 243; 12/2013 expenses of ThUS\$ 305
85.805.200-9	Forestal Arauco S.A.	Common director at its parent	Chile	Sale of lumber	Commercial transaction	1,785	1,997	Effects on income were: 12/2014 income of ThUS\$ 457; 12/2013 income of ThUS\$ 432
				Lumber purchase	Commercial transaction	421	19	Inventory product
96.772.810-1	Iansagro S.A.	Common director at its parent	Chile	Sale of products	Commercial transaction	645	489	Effects on income were: 12/2014 income of ThUS\$ 324; 12/2013 income of ThUS\$ 341
96.722.460-K	Metrogas S.A.	Common director at its parent	Chile	Gas purchase	Commercial transaction	36,550	41,819	Effects on income were: 12/2014 expenses of ThUS\$ 36,550; 12/2013 expenses of ThUS\$ 41,819
93.628.000-5	Molibdenos y Metales S.A.	Common director	Chile	Products purchase	Commercial transaction	609	367	Inventory product
96.929.960-7	Orizon S.A.	Common director at its parent	Chile	Sale of products	Commercial transaction	66	286	Effects on income were: 12/2014 income of ThUS\$ 15; 12/2013 income of ThUS\$ 117
Foreign	Savitar S.A. de C.V.	Common director at its parent	Mexico	Products purchase	Commercial transaction	528	-	Inventory product
Foreign	Soluciones Constructivas Volcán S.A.C.	Common director at its parent	Peru	Sale of products	Commercial transaction	1,296	-	Effects on income were: 12/2014 income of ThUS\$ 316
99.301.000-6	Seguros de Vida Security Previsión S.A.	Common director at its parent	Chile	Insurance purchase	Commercial transaction	2,216	2,527	Effects on income were: 12/2014 expenses of ThUS\$ 2,216; 12/2013 expenses of ThUS\$ 2,527
96.573.780-4	Sociedad Industrial Pizarreño S.A.	Common director at its parent	Chile	Sale of products	Commercial transaction	2,568	2,822	Effects on income were: 12/2014 income of ThUS\$ 1,088; 12/2013 income of ThUS\$ 933
86.113.000-2	Sociedad Industrial Romeral S.A.	Common director at its parent	Chile	Sale of products	Commercial transaction	1,678	43	Effects on income were: 12/2014 income of ThUS\$ 336; 12/2013 income of ThUS\$ 13
78.023.030-4	Sofruco Alimentos Ltda.	Common shareholders at the parent	Chile	Sale of products	Commercial transaction	545	342	Effects on income were: 12/2014 income of ThUS\$ 202; 12/2013 income of ThUS\$ 146
96.959.030-1	Puerto Lirquén S.A.	Common director at its parent	Chile	Services purchased	Commercial transaction	11,769	8,464	Effects on income were: 12/2014 expenses of ThUS\$ 11,769; 12/2013 expenses of ThUS\$ 8,464
96.656.110-6	Compañía Portuaria Andalién S.A.	Common director at its parent	Chile	Services purchased	Commercial transaction	-	63	Effects on income were: 12/2013 expenses of ThUS\$ 63

For disclosure purposes, all transactions whose annual total exceeds ThUS\$ 300 have been considered to be significant.



Financial transactions with Banco Bice, Bice Agente de Valores S.A. and with Banco Security correspond to financial and exchange transactions carried out with cash surpluses under market conditions. For financial statement presentation purposes, balances maintained at each year-end with the mentioned entities are disclosed in the accounts of the statement of financial position which represent the nature of the investment (cash and cash equivalents and other financial assets), and the specific conditions agreed for each operation can be read in each of the respective notes. Since the effects and results of certain types of transactions depend on the term and rates applicable to the invested amount, for the purpose of better disclosure, the respective amounts of those types of transactions that are presented in the accompanying table, have been averaged, using the daily invested average as criteria for the calculation methodology. This demonstrates that the interest accrued on a monthly basis and average principal represent market conditions in each year.

Transactions with Bice Inversiones Corredores de Bolsa S.A. refer to brokerage in the placement of own shares and with Bice Vida Compañía de Seguros S.A. refer to payments on voluntary pension savings withheld from the employees of certain subsidiaries.

Transactions with Consorcio Protección Fitosanitaria Forestal S.A. refer to the purchase of services performed under market conditions. Invoiced amounts are payable within 30 days.

In general transactions from sale of products with other related parties correspond to commercial transactions in the line of business, which are carried out at market values.

Transactions with Abastecedora de Combustibles S.A., mainly refer to the purchase of liquefied petroleum gas (LPG) for certain industrial plants, whose prices are indexed according to a formula which provides for changes in the consumer price index and ENAP's prices. The invoiced amounts are payable in 45 days.

Transactions with Alto Paraná S.A. correspond mainly to the purchase of pulp carried out under market conditions and agreed in US dollars. The invoiced amounts are payable within 60 days.

Purchase and sales transactions between subsidiaries of the company and Celulosa Arauco y Constitución S.A., Bosques Arauco S.A., Forestal Arauco S.A., Arauco Bioenergías S.A. and Savitar S.A. de CV de México are mainly transactions in the line of business (lumber, energy and cuttings) at market values and are due in 30 to 60 days.

Transactions with CGE Distribución S.A., correspond mainly to electric energy purchase contracts agreed in US dollars, carried out until November 14, 2014. Invoiced values are payable in 30 days.

Transactions with Transnet S.A., correspond to collection of tolls on the use of sub transmission electric energy networks in coordination with the Centro de Despacho Económico de Carga (CDEC), carried out until November 14, 2014. Values are invoiced in Chilean pesos and are payable in 30 days.

Transactions with Compañía de Petróleos de Chile S.A. (fuel), are based on contracts indexed according to ENAP's prices and are payable at 60 days. The rest of the transactions are carried out mainly in non-indexed pesos.

Transactions with Colbún S.A. and Colbún Transmisión S.A., refer to electric energy purchase contracts agreed in dollars. In turn subsidiary Bioenergías Forestales S.A. sells electric energy under similar conditions. The invoiced values are due in 30 days.

Transactions with Puerto Lirquén S.A., and Compañía Portuaria Andalien S.A. refer to purchase of port services, which are based on contracts with fixed and variable rates based on volume (tons and cubic meters) expressed in US dollars. Invoiced amounts are payable within 30 days.

Transactions with Entel S.A. and its related companies refer mainly to landline and cellular telephone services, data transfer, perimeter security and electronic commerce. There are contracts for these services that consider fixed and variable rates based on volume. Invoiced values are payable within 60 days.



Transactions with Metrogas S.A. correspond to natural gas purchase contracts, agreed in US dollars and invoiced values are payable at 30 days.

Transactions with Seguros de Vida Security Previsión S.A., refer to health insurance contracts for the employees of Empresas CMPC S.A. and subsidiaries, which are agreed in unidades de fomento (Chile) with monthly billing.

Transactions with Molibdenos y Metales S.A. relate to the purchase of industrial services and products undertaken under market conditions. Invoiced amounts are payable within 30 days.

Transactions and balances receivable from Administradora de Ventas al Detalle Ltda., Compañía Industrial El Volcán S.A., Aislantes Volcán S.A., Soluciones Constructivas El Volcán S.A.C., Sociedad Industrial Pizarreño S.A., Sofrucos Alimentos Ltda., Iansagro S.A., Sociedad Industrial Romeral S.A. and Orizon S.A. correspond to sales of the Company's products, which were carried out under market conditions.

Transactions with Aserraderos Arauco S.A. correspond to export collection services, which are performed at market values.

#### 39.4. REMUNERATIONS AND FEES OF THE BOARD AND DIRECTORS COMMITTEE AND KEY EXECUTIVES

The Ordinary General Shareholders' Meeting held on April 22, 2014 established, in the same manner as in the previous year, that the remuneration of the Board shall be 1% of ordinary dividends paid during 2014, distributed in equal parts, and doubled for the Chairman. It was also established that the remuneration of the Directors Committee shall be 0.04167% of ordinary dividends paid in 2014, i.e. a third of what each director receives.

As of December 31, 2014 board fees amounted to ThUS\$ 586 (ThUS\$ 743 as of December 31, 2013) and those of the Directors Committee amounted to ThUS\$ 74 (ThUS\$ 93 as of December 31, 2013).

Executives have an incentive plan consisting of a variable annual bonus that depends on profits and other bonuses during the course of the year, based on the achievement of strategic objectives and compliance of business profitability goals. Total gross remuneration received by the executives of CMPC, which includes these incentives, reached ThUS\$ 3,098 as of December 31, 2014 (ThUS\$ 3,104 as of December 31, 2013).

#### NOTE 40 - ENVIRONMENT

The long-term policy of Empresas CMPC S.A. is the sustainable development of its forestry and industrial activities, in harmony with the environment. Most of the subsidiaries and factories have obtained their international ISO 9,001 and 14,001 quality standard certification. In addition, vast soil areas are annually recovered and protected from erosion through forestation.

The investments of CMPC in property, plant and equipment include environmental improvements that contribute to mitigating the environmental impact of its operation. The projects whose aim is primarily environmental involved disbursements in the amount of ThUS\$ 66,821 in 2014 (ThUS\$ 11,026 in 2013).

The main disbursements for the year by subsidiary and project are detailed as follows:

Companies:	Papeles Cordillera S.A. (Puente Alto - Chile), CMPC Tissue S.A. (Talagante - Chile) and Grupo ABS Internacional S.A. de CV (Altamira - Mexico).
Project:	Co-generation Plants Project
Accounting recognition:	Non-current assets, property, plant and equipment
Amount disbursed in the year:	ThUS\$ 64,211 (ThUS\$ 65,042 accumulated as of December 2014)
Amount committed in future years:	ThUS\$ 72,057
Estimated final date of disbursements:	September 2015



Disbursement concept:

Three co-generation plants that are natural gas based, with high thermal efficiency, that produce high pressure steam and electric energy to replace that which is purchased from the public network, in addition to using the medium/low pressure steam to dry paper.

Company:	CMPC Tissue S.A.
Project:	Talagante Plant, energy saving project
Accounting recognition:	Non-current assets, property, plant and equipment
Amount disbursed in the year:	ThUS\$ 498 (ThUS\$ 696 accumulated as of December 2014)
Amount committed in future years:	ThUS\$ 1,543
Estimated final date of disbursements:	April 2015

Disbursement concept:

CMPC Tissue S.A. has primary and secondary treatment systems designed to remove solid effluent in suspension and dissolved, such as: fibers, organic fine particles and colloidal material. The objective of the project is to optimize the design of these plants and guarantee compliance with applicable standards.

Company:	CMPC Celulosa S.A.
Project:	Abatement of aerial emissions project at the Pacífico Plant.
Accounting recognition:	Non-current assets, property, plant and equipment
Amount disbursed in the year:	ThUS\$ 2,112 (ThUS\$ 2,112 accumulated as of December 2014)
Amount committed in future years:	ThUS\$ 7,258
Estimated final date of disbursements:	December 2015

Disbursement concept:

CMPC Celulosa S.A. is installing aerial emissions abatement equipment at the Pacífico Plant, specifically in the recovery boiler, in order to optimize the performance of the production plant and guarantee compliance with applicable standards.

All the projects with committed cash flows are in development as of the date of these financial statements. At CMPC, there are also other projects associated to the development of new technologies applied to mitigate the impact on the environment.

## NOTE 41 - EVENTS AFTER THE REPORTING DATE

On January 19, 2015, subsidiary Inversiones CMPC S.A. received from the SII a tax assessment in the amount of ThUS\$ 41,808, based on the discrepancy with the SII in the calculation of the Agency expenses of that company. Inversiones CMPC S.A. will appeal to the Tax and Customs Court, and has a period of 90 business days to do so from the moment of notification of the Assessment.

In January and February 2015 there have been fires that have affected significant forest surfaces. The economic effect of these fires is in the process of being evaluated.

There are no events after the presentation date of these consolidated financial statements that could significantly affect their interpretation.



# DETAIL OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In THUS\$ (thousand of dollars)

YEAR 2014	RELATED PARTY TAX N°	NAME OF RELATED PARTY		SELLER / INVESTOR													SELLER / INVESTOR																			
				90.222.000-3	96.596.540-8	91.440.000-7	96.532.330-9	96.757.710-3	96.529.310-8	96.768.750-2	84.552.500-5	76.188.197-3	96.656.410-5	96.657.900-5	91.806.000-6	FOREIGN	96.547.510-9	96.565.750-9	70.360.100-6	99.513.400-4	96.719.210-4	96.505.760-9	76.218.856-2	99.520.000-7	92.580.000-7	96.806.980-2	85.805.200-9	96.722.460-K	93.628.000-5	99.301.000-6	97.080.000-K	96.959.030-1	FOREIGN			
				EMPRESAS CMPC S.A.	INVERSIONES CMPC S.A.	FORESTAL MININCO S.A. Y SUBSIDIARIAS	CMPC CELULOSA S.A. Y SUBSIDIARIAS	CMPC PAPELES S.A. Y SUBSIDIARIAS	CMPC TISSUE S.A. Y SUBSIDIARIAS	SERVICIOS COMPARTIDOS CMPC S.A.	PORTUARIA CMPC S.A.	BIOENERGIAS FORESTALES S.A.	BICE VIDA COMPAÑIA DE SEGUROS S.A.	CONSORCIO PROTECCIÓN FITOSANITARIA FORESTAL S.A.	ABASTECEDORA DE COMBUSTIBLES S.A.	ALTO PARANÁ S.A.	ARAUCO BIOENERGIA S.A.	ASERRADEROS ARAUCO S.A.	ASOCIACIÓN CHILENA DE SEGURIDAD	CGE DISTRIBUCIÓN S.A.	TRANSNET S.A.	COLBÚN S.A.	COLBÚN TRANSMISIÓN S.A.	COMPAÑIA DE PETRÓLEOS DE CHILE S.A.	ENTEL S.A.	ENTEL PCS TELECOMUNICACIONES S.A.	FORESTAL ARAUCO S.A.	METROGAS S.A.	MOLIBDENOS Y METALES S.A.	SEGUROS DE VIDA SECURITY PREVISION S.A.	BANCO BICE	PUERTO LIRQUÉN S.A.	SAVITAR S.A. DE C.V.			
	90.222.000-3	Empresas CMPC S.A.	C	2,990																		6		42								59				
			F	177,536																																
	96.596.540-8	Inversiones CMPC S.A.	C	956																													80,008			
			F			15,300		5,028		425	489	16,311																								
	91.440.000-7	Forestal Mininco S.A. and Subsidiaries	C	900			60,664	26,393		8,367	880	10,648																						406	2,320	
			F	359	47,326																															
	96.532.330-9	CMPC Celulosa S.A. and Subsidiaries	C	831		286,001		838		11,096	1,685	23,763																							820	9,429
			F		85,518																															
	96.757.710-3	CMPC Papeles S.A. and Subsidiaries	C	3,884		165,289		3,055	12,892			72,042																							494	19
			F		95,725																															
	96.529.310-8	CMPC Tissue S.A. and Subsidiaries	C	18,925		100,247	50,579		8,591			22,927																							224	
			F		74,906																															
	96.768.750-2	Servicios Compartidos CMPC S.A.	C								188																								185	
			F	1,278																																
	96.500.110-7	Forestal y Agrícola Monte Águila S.A.	C	2		6,303			137																											
			F		374																															
	84.552.500-5	Portuaria CMPC S.A.	C						188																											27
			F																																	
	76.188.197-3	Bioenergías Forestales S.A.	C			85,490																														
			F																																	
	97.080.000-K	Banco BICE	F		160,000																															
	76.055.353-0	Bice Agente de Valores S.A.	F		839,622																															
	97.053.000-2	Banco Security	F		552,198																															
	77.215.640-5	Administradora de Ventas al Detalle Ltda.	C						646																											
	96.848.750-7	Aislantes Volcán S.A.	C					605																												
	Foreign	Alto Paraná S.A.	C			369			354																											
	96.565.750-9	Aserraderos Arauco S.A.	F		2,400																															
	93.458.000-1	Celulosa Arauco y Constitución S.A.	C			226	77																													
	99.513.400-4	CGE Distribución S.A.	C				2					1,132																								
	90.209.000-2	Cia. Industrial El Volcán S.A.	C				4,974																													
	96.505.760-9	Colbún S.A.	C		8							370																								
	85.805.200-9	Forestal Arauco S.A.	C			929	856																													
	96.772.810-1	Iansagro S.A.	C				645																													
	96.573.780-4	Sociedad Industrial Pizarreño S.A.	C				2,568																													
	86.113.200-2	Sociedad Industrial Romeral S.A.	C					1,678																												
	78.023.030-4	Sofruco Alimentos Ltda.	C				545																													
	Foreign	Soluciones Constructivas Volcán S.A.C.	C				1,296																													

\*C: Commercial transaction  
\*F: Financial transaction



# DETAIL OF SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

In THUS\$ (thousand of dollars)

YEAR 2013	SELLER / INVESTOR															SELLER / INVESTOR													
	90.222.000-3	96.596.540-8	91.440.000-7	96.532.330-9	97.757.710-3	96.529.310-8	76.150.883-0	96.768.750-2	96.500.110-7	84.552.500-5	76.188.197-3	96.656.410-5	96.657.900-5	91.806.000-6	FOREIGN	96.565.750-9	93.458.000-1	99.513.400-4	96.719.210-4	96.505.760-9	99.520.000-7	92.580.000-7	96.806.980-2	96.722.460-K	93.628.000-5	99.301.000-6	96.959.030-1		
RELATED PARTY TAX N°	NAME OF RELATED PARTY	EMPRESAS CMPC S.A.	INVERSIONES CMPC S.A.	FORESTAL MININCO S.A. Y SUBSIDIARIAS	CMPC CELULOSA S.A. Y SUBSIDIARIAS	CMPC PAPELES S.A. Y SUBSIDIARIAS	CMPC TISSUE S.A. Y SUBSIDIARIAS	PAPELES RÍO VERGARA S.A.	SERVICIOS COMPARTIDOS CMPC S.A.	FORESTAL Y AGRÍCOLA MONTE ÁGUILA S.A.	PORTUARIA CMPC S.A.	BIOENERGÍAS FORESTALES S.A.	BICE VIDA COMPAÑÍA DE SEGUROS S.A.	CONSORCIO PROTECCIÓN FITOSANITARIA FORESTAL S.A.	ABASTECEDORA DE COMBUSTIBLES S.A.	ALTO PARANÁ S.A.	ASERRADEROS ARAUCO S.A.	CELULOSA ARAUCO Y CONSTITUCIÓN S.A.	CGE DISTRIBUCIÓN S.A.	TRANSNET S.A.	COLBÚN S.A.	COMPAÑÍA DE PETRÓLEOS DE CHILE S.A.	ENTEL S.A.	ENTEL PCS TELECOMUNICACIONES S.A.	METROGAS S.A.	MOLIBDENOS Y METALES S.A.	SEGUROS DE VIDA SECURITY PREVISIÓN S.A.	PUERTO LIRQUÉN S.A.	
90.222.000-3	Empresas CMPC S.A.	C	7,174					7,165													6								
		F	530,283																										
96.596.540-8	Inversiones CMPC S.A.	C	32,791	6	14,303	1,027																							
		F			106,649	61,736																							
91.440.000-7	Forestal Mininco S.A. and Subsidiaries	C	670	39,060	18,636	13,686		8,368	22,738	841		89	408	157					893			2,009	93	432			427	1,311	
		F		129,726													22,947												
96.532.330-9	CMPC Celulosa S.A. and Subsidiaries	C	819	1,429	344,862	921	11,742	907	11,424	1,645	23,934	348	6	43				40	5			8,464	35	441		367	1,028	7,030	
		F		579,014																									
97.757.710-3	CMPC Papeles S.A. and Subsidiaries	C	3,408	899	173,135	3,269	856	12,822						852				1,238	1,532		32,580	961	135	410	30,785	553	123		
		F		231,591			4,907																						
96.529.310-8	CMPC Tissue S.A. and Subsidiaries	C	26,220	629	103,375	44,198		8,023				5,917		650	30,633				10,986	394	5,138	224	81	329	11,034	241			
		F		141,801																									
76.150.883-0	Papeles Río Vergara S.A.	C		10,017	5,825	8,582	535		1,135																				
		F		10,240																									
96.768.750-2	Servicios Compartidos CMPC S.A.	C	1,412	143																			2,182	219			279		
		F		1,672																									
96.500.110-7	Forestal y Agrícola Monte Águila S.A.	C		32	9,318																								
		F		1,866																									
76.188.197-3	Bioenergías Forestales S.A.	C			66,547																								
		F		704																									
97.080.000-K	Banco BICE	F		22,780																									
76.055.353-0	Bice Agente de Valores S.A.	F		942,287																									
97.053.000-2	Banco Security	F		392,252																									
77.215.640-5	Administradora de Ventas al Detalle Ltda.	C					693																						
96.848.750-7	Aislantes Volcán S.A.	C				606																							
Foreign	Alto Paraná S.A.	C					1,019																						
96.565.750-9	Aserraderos Arauco S.A.	F			5,552																								
93.458.000-1	Celulosa Arauco y Constitución S.A.	C			265	90																							
99.513.400-4	CGE Distribución S.A.	C				1						1,181																	
90.209.000-2	Cía. Industrial El Volcán S.A.	C				1,789																							
96.505.760-9	Colbún S.A.	C			14							18,576																	
85.805.200-9	Forestal Arauco S.A.	C			606	1,407																							
96.772.810-1	Iansagro S.A.	C				489																							
96.573.780-4	Sociedad Industrial Pizarreño S.A.	C			2,822																								
78.023.030-4	Sofruco Alimentos Ltda.	C				342																							

\*C: Commercial transaction  
\*F: Financial transaction

