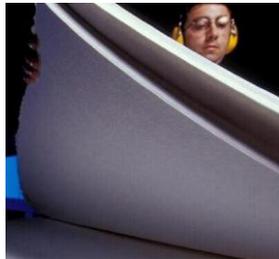


Conference Call Presentation

3rd Quarter 2014 Financial Results

Celulosa Arauco y Constitución S.A.



Gianfranco Truffello, C.F.O.
Santiago, November 24th, 2014

Disclaimer

Forward-looking statements are based on the beliefs and assumptions of Arauco's management and on information currently available to the Company. They involve risks, uncertainties and assumptions because they relate to future events and therefore depend on circumstances that may or may not occur in the future. Investors should understand that general economic conditions, industry conditions and other operating factors could also affect the future results of Arauco and could cause results to differ materially from those expressed in such forward-looking statements.

This presentation contains certain performance measures that do not represent IFRS definitions, as "EBITDA" and "Net financial debt". These measures cannot be compared with the same previously used by Arauco and the same used by other companies.

Agenda

- **Financial Review 3rd Quarter 2014**

- **Review by Business Segment & Outlook**

- **3rd Quarter and Subsequent Events**

- **Q&A**

Financial Review > 3Q 2014 Highlights

Highlights

US\$ Million	Q3 2014	
Revenues	1,348.6	(1.9% lower than Q2 2014)
Adjusted EBITDA	305.3	(0.9% lower than Q2 2014)
Net income	90.4	(28.9% lower than Q2 2014)
Net Financial Debt	4,182.4	(4.3% lower than Q2 2014)
Net financial debt / LTM Adj. Ebitda	3.6x	(2.7% lower than Q2 2014)

Financial Review > Income Statement

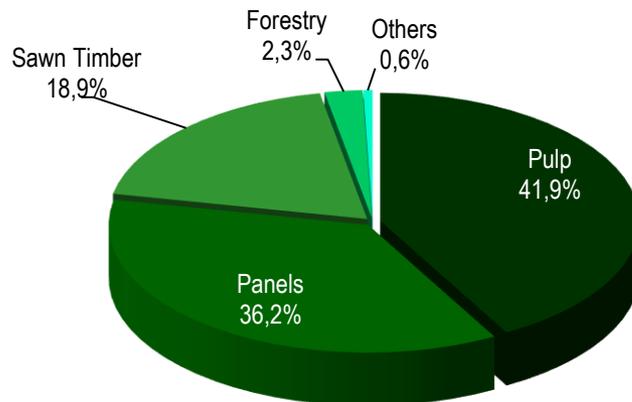
Income Statement

US\$ Million	Q3 2014	Q2 2014	QoQ
Revenue	1,348.6	1,374.6	-1.9%
Cost of sales	(940.5)	(928.4)	1.3%
Gross Profit	408.2	446.3	-8.5%
Other operating income	77.7	76.4	1.7%
Administration & Distribution costs	(278.3)	(287.1)	-3.1%
Other operating gains (expenses)	(13.7)	(24.3)	-43.5%
Financial costs (Net)	(58.9)	(52.9)	11.3%
Exchange rate differences	(13.1)	5.2	-352.1%
Income before income tax	121.9	163.6	-25.5%
Income tax	(31.4)	(36.4)	-13.7%
Net Income	90.4	127.2	-28.9%

Comments

- **Revenues:** A decrease of 1.9%, mainly explained by a decrease of pulp sales and energy sales
- **Cost of Sales:** Increased 1.3% mainly due to the ramp-up process of Montes del Plata
- **Exchange rate differences:** Main reasons of the US\$ 13.1 million loss is due the depreciation of the Brazilian Real and its impact over intercompany loans in US Dollars
- **Net Financial Cost:** An increase in the mark to market of some derivatives negatively impacted our financial costs

Sales by Business Segment Q3 2014



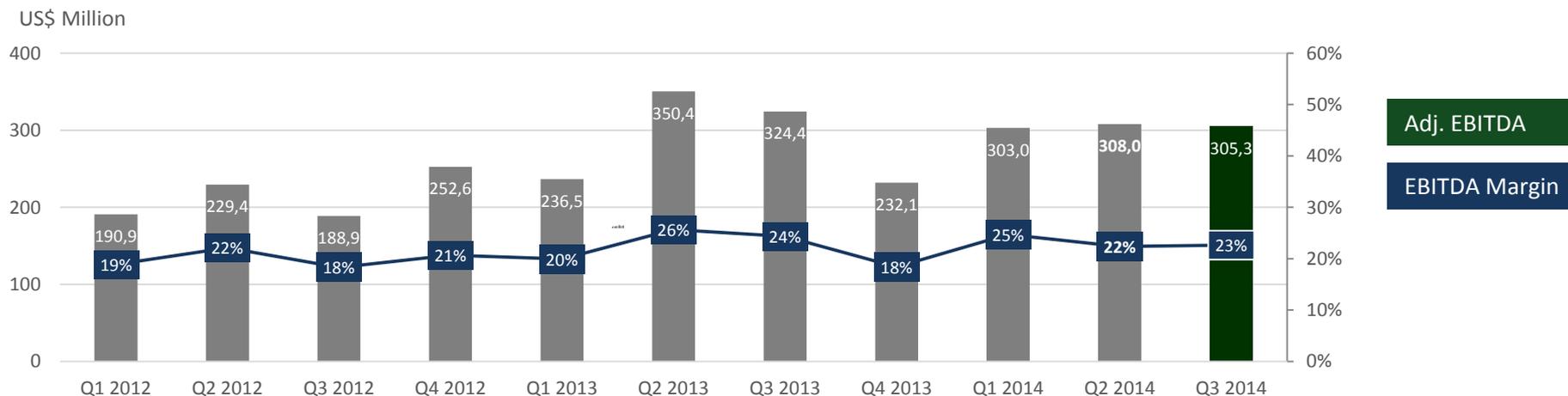
Financial Review > EBITDA

Adjusted EBITDA

In U.S. Million	Q3 2014	Q2 2014	QoQ
Net Income	90.4	127.2	-28.9%
Financial costs	67.4	56.8	18.6%
Financial income	-8.6	-3.9	117.3%
Income tax	31.4	36.4	-13.7%
EBIT	180.7	216.5	-16.5%
Depreciation & amortization, others (*)	87.7	85.2	3.0%
EBITDA	268.5	301.7	-11.0%
Fair value cost of timber harvested	90.6	78.5	15.3%
Gain from changes in fair value of biological assets	-66.8	-67.0	-0.3%
Exchange rate differences	13.1	-5.2	-352.1%
Adjusted EBITDA	305.3	308.0	-0.9%

Comments

- **Adjusted EBITDA:** remained stable, with a 0,9% decrease over 2Q14. Run rate above US\$ 1.2 billion for year 2014



Note: Numbers may not add up due to rounding

** 3Q 2014 includes a provision for forestry losses due to fire of US\$ 1.3 million and US\$ 33.3 million in YTD 2014*

Financial Review > Debt

Financial Debt

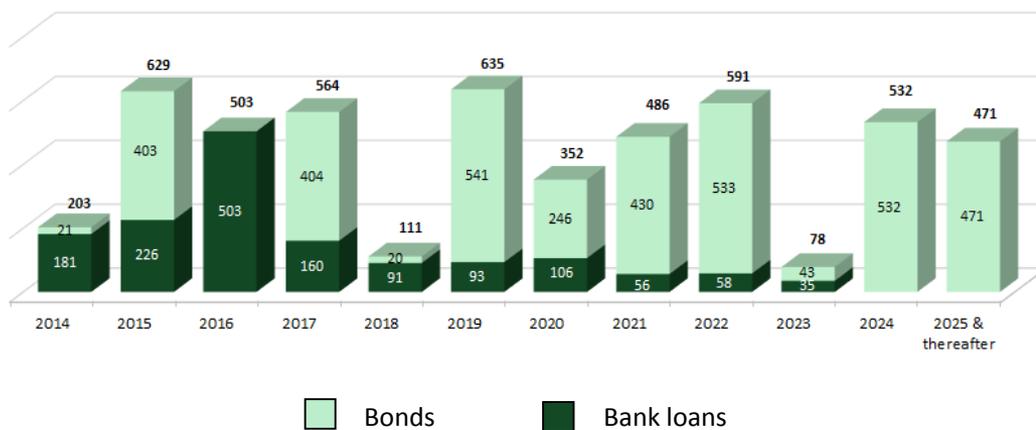
US\$ million	September 2014	June 2014	December 2013
Short term financial debt	796.1	994.0	893.5
Long term financial debt	4,358.5	4,018.7	4,133.0
TOTAL FINANCIAL DEBT	5,154.6	5,012.8	5,026.5
Cash and cash equivalents	972.2	640.7	667.2
NET FINANCIAL DEBT	4,182.4	4,372.1	4,359.3

Comments

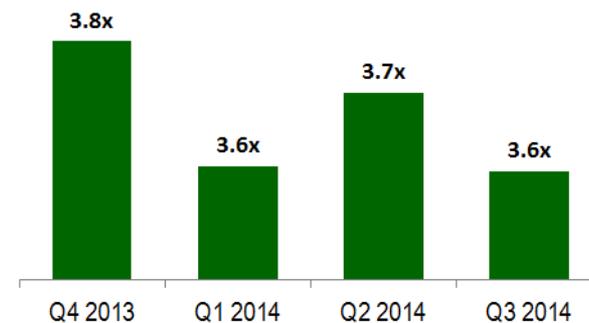
- **Net Debt/LTM Adj. EBITDA** ratio went down to **3.6x**; mainly explained by a 4.3% decrease in Net Financial Debt
- **Gross Financial Debt** increase is due to the US\$ 500 million 144A/RegS notes we issued in July. With the proceeds we prepaid US\$ 200 million of a bank loan. Also, we amortized US\$ 53 million of other bank loans. Due to the CLP depreciation, our bonds in UF decreased US\$ 75.7 million in value

Financial Debt Profile as of September 30, 2014

In US\$ Million



Net Debt/LTM Adj. EBITDA



Financial Review > Cash Flow

Cash Flow

US\$ Million	Q3 2014	Q2 2014	QoQ
Collection of accounts receivables	1,580.6	1,348.8	17.2%
Other cash receipts (payments)	82.1	89.5	-8.3%
Payments of suppliers and personnel (less)	(1,253.4)	(1,092.0)	14.8%
Interest paid and received	(59.8)	(39.3)	52.0%
Income tax paid	(15.8)	8.1	-294.0%
Other (outflows) inflows of cash, net	2.5	(2.5)	-199.7%
Net Cash Provided by (Used in) Operating Activities	336.3	312.5	7.6%
Capital Expenditures	(107.6)	(171.6)	-37.3%
Other investment cash flows	(135.8)	6.1	-2322.8%
Net Cash Provided by (Used in) Investing Activities	(243.4)	(165.5)	47.1%
Proceeds from borrowings	515.2	330.8	55.7%
Repayments of borrowings	(262.9)	(265.2)	-0.9%
Dividends paid	(0.4)	(77.7)	-99.5%
Other inflows of cash, net	(1.6)	(0.0)	3255.1%
Net Cash Provided by (Used in) Financing Activities	250.2	(12.1)	-2168.4%
Total Cash Inflow (Outflow) of the Period	343.1	134.9	154.3%
Effect of exchange rate changes on cash and cash equivalents	(11.6)	0.4	-3274.8%
Cash and Cash equivalents. at beginning of the period	640.7	505.5	26.8%
Cash and Cash Equivalents at end of the Period	972.2	640.7	51.7%

Comments

- **Cash from Operating Activities:**

- Increase in collection of accounts receivable and payment of suppliers

- **Cash from Investing Activities:**

- A decrease en capital expenditure in pulp business due to the completion of the MdP project during the previous quarter

- **Cash from Financing Activities:**

- Received US\$ 500 million in proceeds of 144A/RegS bonds
- We prepaid US\$ 200 million of a bank loan due in December 2014
- Next dividend payment is in December

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Review by Business Segment > Pulp

Pulp Sales (in US\$ million)



Note: pulp sales include energy sales

	Net Sales	Price	Volume
QoQ	-5.7%	-2.6%	-1.5%
YoY	-1.4%	0.8%	-1.3%

Pulp Production (in 000' ADt)

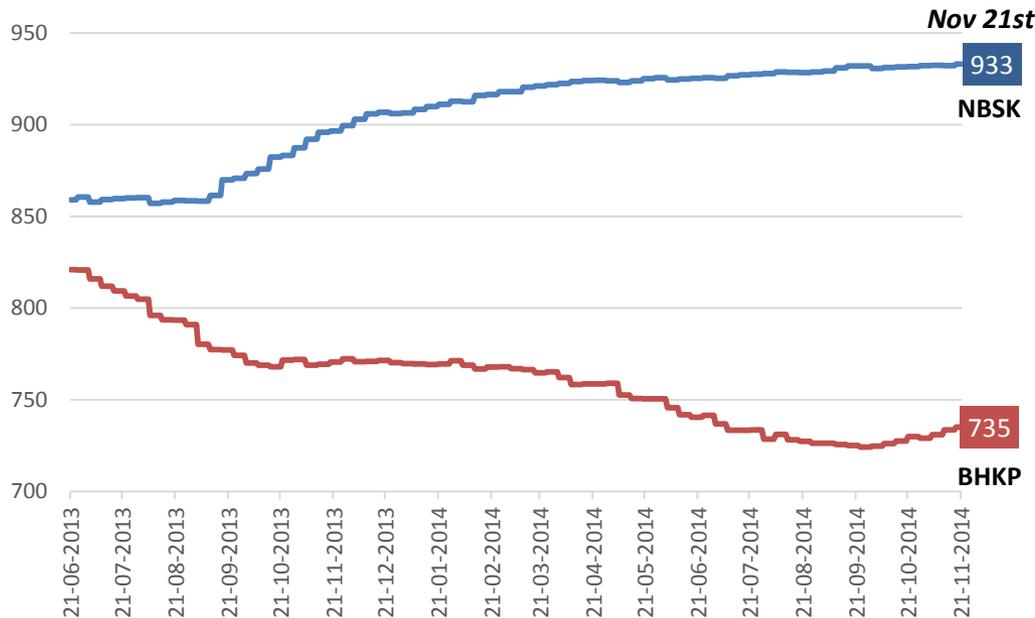
000' Adt	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Pulp production	801	794	817	668	782	769	867



- The decrease in the sales volume reflects the low demand seasonality in the Northern Hemisphere during the summer months. In spite of the sales of Montes del Plata, the decrease is also explained by higher sales during second quarter due to the normalization of stock after the port strike
- Short fiber prices were stable; long fiber prices increased 0.5% to 1.5%
- European long fiber increased 1.5% and short fiber decreased 2.5% due to summer season
- Production increased due to Montes del Plata

Review by Business Segment > Pulp > Outlook

BHKP And NBSK Indexes



Comments

- Following months in hardwood pulp with a good outlook. During the previous two months EKP increased US\$ 20/ton, and new increases are expected in the next months.
- Bleached softwood pulp will continue stable without big changes in demand and prices
- In Europe softwood still weak due to competition in NBSK
- Unbleached softwood pulp is under pressure mainly explained by the competition of “rollpulp” in U.S.A.
- Spread between NBSK and BHKP at US\$ 198/ton (previous call was at US\$ 203/ton)

Global Producers Inventory Levels

In days	Dec 2012	March 2013	June 2013	Sept 2013	Dec 2013	Mar 2014	June 2014	Sep 2014
BSPK	29	29	28	27	27	28	25	27
BHKP	34	41	41	42	38	48	40	40

Source: Bloomberg; Hawkins Wright

Review by Business Segment > Panels

Panels Sales (in US\$ million)



Note: Panels sales include energy sales

	Net Sales	Price	Volume
QoQ	5.9%	-2.7%	10.9%
YoY	-2.6%	-6.7%	5.5%

Panels Production (in 000´m3)

000' Adt	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Panels production	1,199	1,294	1,332	1,279	1,261	1,232	1,372



- Brazilian market had a strong increase in demand after the weak previous quarter mainly due to better economic scenario
- Plywood sales increased during this quarter, maintaining the same price level. Production at Nueva Aldea mill increased
- There have been improvements in demand in some areas of the United States
- Exports to Mexico remained at high levels

Review by Business Segment > Panels > Outlook



PBO demands stays strong in the market; Arauco wants to increase its sales of melamine. On the other hand, MDF continues with relatively high oversupply due to lower demand of molding producers. Plywood sales in North America should be positive in 2015, but recent competitor price cuts bring some level of concern



In Chile we announced price increases. Volume sales of Vesto remain at good levels



Despite the Brazilian market has not improved completely, the sales volume are in good levels in MDF. Inventory levels normalizing and the panels market showing initial signs of recovery



Despite of the uncertainty in the Argentinean economy, sales of MDF and PBO are stable



Sales are good in Mexico with prices going up. We have good expectations with increase of Vesto sales

Review by Business Segment > Sawn Timber

Sawn Timber Sales (in US\$ million)



Note: Sawn Timber sales include energy sales

	Net Sales	Price	Volume
QoQ	-3.5%	2.8%	-3.4%
YoY	16.4%	8.1%	4.8%

Sawn Timber Production (in 000' m3)

000' Adt	Q1 2013	Q2 2013	Q3 2013	Q4 2013	Q1 2014	Q2 2014	Q3 2014
Sawn Timber production	698	701	733	733	741	725	727



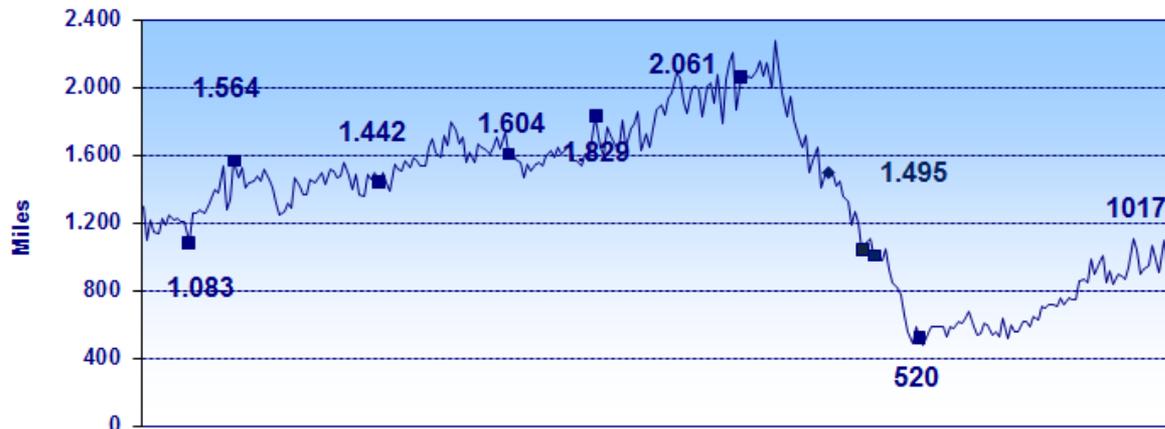
- The real estate and construction sectors in the United States showed an improvement during the second half of the year. We continue selling with stable prices
- In general, there was higher demand and better prices compared with previous quarters in the markets where Arauco sells
- Good levels of activity in Korea, Taiwan, Japan, Australia and Middle East. Sales in China remained stable at very good levels

Review by Business Segment > Sawn Timber > Outlook

- In Asia we are ending the year very positive, with strong demand and record margins. However, the Chinese new year, high stock levels of New Zealand logs and a strong US Dollar could have a negative impact during the first quarter of 2015
- Due to a higher competition coming from Europe, New Zealand and Brazil, the first shipment of 2015 to Middle East could be lower in terms of volume sales and there could be lower prices during 1Q 2015
- In Central America the demand for wood remains stable. The plywood market continues to develop and we foresee a positive outlook for the next year

US Housing Starts Index

In '000 units per year



Source: U.S. Census Bureau

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3rd Quarter and Subsequent Events

Montes del Plata Opening Ceremony

- The official opening ceremony took place in Punta Pereira, Uruguay on September 8, 2014
- Uruguay's president José Mujica attended the ceremony
- This project is the highest private investment in the history of Uruguay
- As of the fifth month of production, the pulp mill is producing at 84% of capacity



3rd Quarter and Subsequent Events

Tax Reform was Promulgated in Chile

- On September 29th, 2014, Law N°20.780 was promulgated, which included modifications to the Tax System
- The main change is a progressive increase in the Corporate Income Tax starting in year 2014 and ending in year 2018. Tax per year is:

2014	2015	2016	2017	2018
21%	22.5%	24%	25.5%	27%

- On October 17th the SVS (*Superintendencia de Valores y Seguros*) requested that the financial impact of this law due to a net increase in deferred tax liability should be registered through Equity
- Our financial statements to be submitted to the SEC will include the net effect of deferred taxes over assets and liabilities due to the tax increase in the Income Statement, according to IFRS

3rd Quarter and Subsequent Events

Sierra Pine

- On October 1, 2014, Arauco and Sierra Pine took the decision to abandon the request submitted to the Department of Justice of the United States (DOJ)
- The agreement consisted in the acquisition of the three panel mills from Sierra Pine, located in the West Coast of the U.S.
- This decision has no material effects over the results of Arauco

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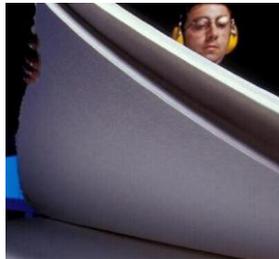
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