

arauco

**Press Release
3Q 2021**



Highlights

For more details on ARAUCO's financial statements please visit www.cmfchile.cl or www.arauco.com

Readers are referred to the documents filed by ARAUCO with the United States Securities and Exchange Commission, specifically the most recent filing on Form 20-F that identifies important risk factors that could cause actual results to differ from those contained in the forward-looking statements. All forward-looking statements are based on information available to ARAUCO on the date hereof and ARAUCO does not assume any obligation to update such statements. References herein to "U.S.\$" are to United States dollars. Discrepancies in any table between totals and sums of the amounts listed are due to rounding. This report is unaudited.

REVENUES

US\$1,705.1 million

ARAUCO's revenues reached US\$1,705.1 million during the third quarter of 2021, a 9.6% increase compared to the US\$1,555.6 million obtained during the second quarter of 2021 and a 41.7% increase compared to the third quarter of 2020.

NET INCOME

US\$511.5 million

ARAUCO's net income was US\$511.5 million, equivalent to a US\$377.6 million or 154.0% increase when compared to the US\$201.4 million obtained during the second quarter of 2021, and a US\$475.5 million increase compared to the third quarter of 2020.

ADJUSTED EBITDA

US\$922.9 million

Adjusted EBITDA reached US\$922.9 million, a 69.2% or US\$377.6 million increase compared to the US\$545.4 million obtained during the second quarter of 2021, and US\$632.2 million increase compared to the third quarter of 2020.

NET DEBT TO EBITDA

2.00x

Net Financial Debt decreased by US\$297.0 million or 6.2% compared to the last quarter.

Net Financial Debt / LTM Adjusted EBITDA ratio reached 2.00x in this quarter, a decrease compared to 2.97x in the second quarter of 2021 and the 5.43x reached during the third quarter of 2020.

CAPEX

US\$364.5 million

CAPEX reached US\$364.5 million during this quarter, a US\$37.3 decrease when compared to the US\$401.8 million from the second quarter of 2021.

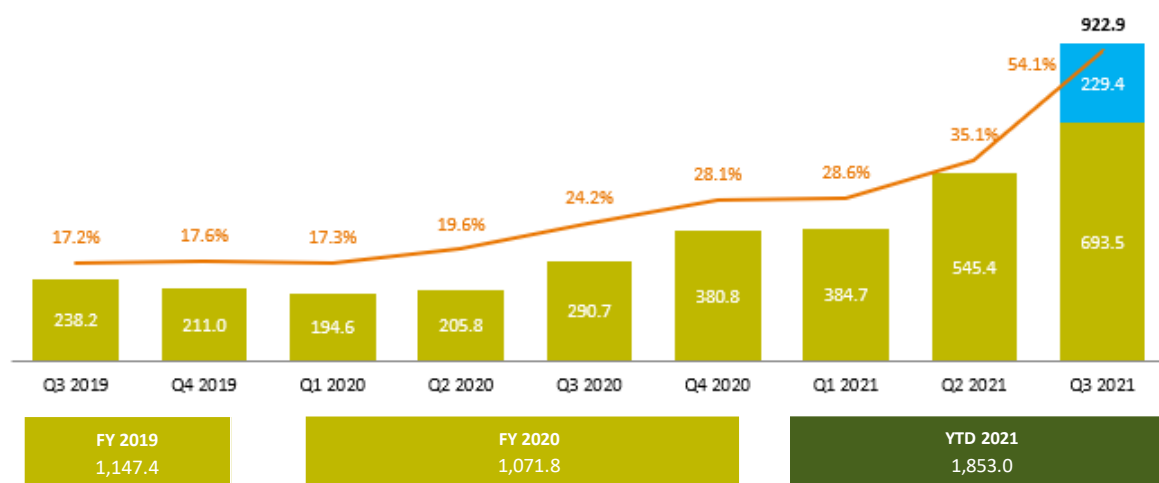
Overview

ARAUCO's net income for the third quarter of 2021 was US\$511.5 million, an increase of US\$310.1 million compared to the second quarter of 2021. This is mainly explained by the closing of the forestry asset sale we announced a few months ago, and also due to a better operational result due to higher average realized prices in our wood products segment, and higher volumes in our pulp segment. This was partially offset by a 14.5% increase in distribution costs. Our Adjusted EBITDA was 69.2% higher than that of the second quarter, reaching US\$922.9 million. The *Adjusted EBITDA margin* increased from 35.1% to 54.1% on a quarterly basis.

Net Financial Debt decreased by US\$297.0 million or 6.2% compared to the last quarter. Our *Net Debt/LTM EBITDA* ended up in 2.00x, a decrease when compared to the 2.97x reached during the second quarter of 2021.

In US\$ Million	Q3 2021	Q2 2021	Q3 2020	QoQ	YoY	YTD 2021	YTD 2020	YoY Acum
Revenue	1,705.1	1,555.6	1,202.9	9.6%	41.7%	4,607.4	3,380.0	36.3%
Net income	511.5	201.4	36.0	154.0%	1319.0%	815.3	-49.6	1744.0%
Adjusted EBITDA	922.9	545.4	290.7	69.2%	217.5%	1,853.0	691.0	168.1%
Adjusted EBITDA Margin	54.1%	35.1%	24.2%	54.4%	124.0%	40.2%	20.4%	96.7%
LTM Adj. EBITDA	2,233.8	1,601.6	902.1	39.5%	147.6%	2,233.8	902.1	147.6%
CAPEX	364.5	401.8	453.9	-9.3%	-19.7%	1,058.2	1,283.6	-17.6%
Net Financial Debt	4,463.3	4,760.3	4,901.7	-6.2%	-8.9%	4,463.3	4,901.7	-8.9%
Net Financial Debt / LTM Adj. EBITDA	2.00x	2.97x	5.43x	-32.8%	-63.2%	2.00x	5.43x	-63.2%

Adjusted EBITDA and EBITDA Margin (in US\$ Million)



Note: For Q3 2021, highlighted in blue the one-time US\$229.4 million effect on Adj. EBITDA of the recently closed forestry asset sale.

Income Statement

In US\$ Million	Q3 2021	Q2 2021	QoQ
Revenues	1,705.1	1,555.6	9.6%
Cost of sales	(923.4)	(887.2)	4.1%
Distribution costs	(182.4)	(159.3)	14.5%
Administrative expenses	(137.8)	(150.7)	-8.5%
Other income	285.2	45.4	528.5%
Other expenses	(53.0)	(33.0)	60.8%
Financial income	8.2	7.6	7.6%
Financial costs	(52.3)	(57.2)	-8.6%
Share of profit (loss) of associates and joint ventures accounted for using equity method	20.3	8.7	132.5%
Exchange rate differences	10.8	(5.2)	307.7%
Income before income tax	680.6	324.8	109.6%
Income tax	(169.1)	(123.4)	37.1%
Net income	511.5	201.4	154.0%

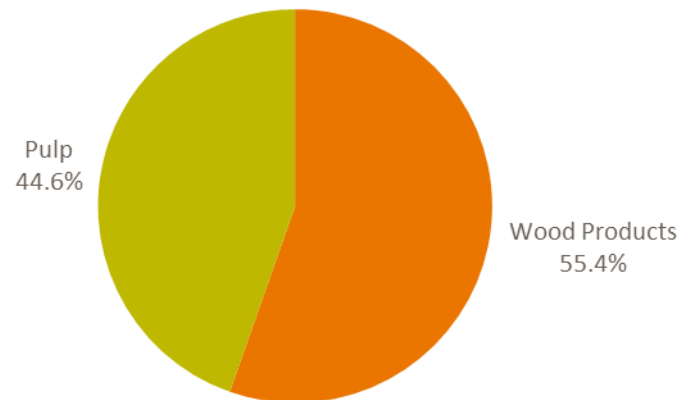
Revenues

ARAUCO's revenues reached US\$1,705.1 million in the third quarter of 2021, an increase of 9.6% when compared to the previous quarter. This variation is mostly explained by higher revenues in our wood products division, due to an 8.8% increase in average prices. Additionally, revenues for our pulp division increased by 6.9% or US\$49.0 million.

The following table shows a breakdown of our revenues by business segment:

In US\$ Million	Q3 2021	Q2 2021	QoQ
Pulp	760.8	711.9	6.9%
Wood Products	944.2	843.6	11.9%
Total	1,705.1	1,555.6	9.6%

3Q 2021 Revenue's breakdown



Cost of sales

Increased by 4.1% or US\$36.2 million compared to the second quarter of 2021. This is mostly explained by increases in forestry labor and chemical costs primarily due to the increase in sales volume both in our Pulp and Wood Products segments, partially offset by a decrease in timber costs.

In US\$ Million	Q3 2021	Q2 2021	QoQ
Timber	159.8	181.0	-11.7%
Forestry labor costs	155.9	136.5	14.2%
Depreciation and amortization	96.1	100.3	-4.2%
Depreciation for right of use	10.2	10.2	0.0%
Maintenance costs	68.1	63.2	7.7%
Chemical costs	144.1	130.5	10.4%
Sawmill services	26.0	28.1	-7.4%
Other raw materials and indirect costs	107.7	86.6	24.3%
Energy and fuel	56.8	42.8	32.7%
Cost of electricity	8.2	12.5	-34.2%
Wage, salaries and severance indemnities	90.5	95.3	-5.1%
Cost of Sales	923.4	887.2	4.1%

Administrative expenses

Decreased by 8.5% or US\$12.8 million, when compared to the previous quarter, mostly due to a decrease in, (i) wages, salaries and severance indemnities and (ii) computer services and (iii) other administration expenses.

In US\$ Million	Q3 2021	Q2 2021	QoQ
Wages, salaries and severance indemnities	59.2	62.7	-5.6%
Marketing, advertising, promotion and publications expenses	3.2	3.3	-2.9%
Insurance	6.1	6.0	1.9%
Depreciation and amortization	9.7	9.4	2.4%
Depreciation for the right of use	1.6	1.7	-1.6%
Computer services	6.3	9.6	-34.4%
Lease rentals (offices, warehouses and machinery)	1.4	1.6	-14.5%
Donations, contributions, scholarships	1.6	1.2	32.3%
Fees (legal and technical advisories)	10.4	9.3	11.9%
Property taxes, patents and municipality rights	6.3	8.2	-23.2%
Other administration expenses	32.0	37.6	-14.9%
Administrative Expenses	137.8	150.7	-8.5%

Distribution costs

Distribution costs increased by 14.5%, or US\$23.1 million due to an increase in *freight costs* caused by pandemic-related logistic issues, and to increases in sales volume.

In US\$ Million	Q3 2021	Q2 2021	QoQ
Commissions	3.4	3.6	-4.6%
Insurance	0.9	0.9	10.2%
Other selling costs	5.7	4.5	28.1%
Port services	13.9	11.8	17.8%
Freight	146.7	128.2	14.4%
Depreciation for the right of use	0.6	0.6	-5.8%
Other shipping and freight costs	11.0	9.6	14.1%
Distribution Costs	159.3	144.8	10.0%

Other income

Increased by US\$239.8 million, mainly as a result of *gains on sales of assets* owing to the closing of the forestry asset sales announced few months ago.

In US\$ Million	Q3 2021	Q2 2021	QoQ
Gain from changes in fair value of biological assets	41.5	41.8	-1%
Net income from insurance compensation	0.2	0.60	-60%
Leases received	0.5	0.19	137%
Gains on sales of assets	233.6	1.68	13,846%
Tax recovery	-	0.0	-100%
Severance, payments	-	0.0	-100%
Profit on sales of permanent investments	-	-	N/A
Other operating results	9.5	1.14	730%
Government Subsidies	-	-	N/A
Other Income	285.2	45.4	528.5%



Other expenses

Increased by 60.8% or US\$20.0 million when compared to the second quarter of 2021. This is mostly explained by an increase in *impairment provision of property, plant and equipment and others* mostly as a result of adjustments related to spare parts obsolescence.

In US\$ Million	Q3 2021	Q2 2021	QoQ
Legal payments	0.9	4.7	-80.0%
Impairment provision property, plant and equipment and others	31.0	7.9	293.3%
Operating expenses related to plant stoppages	1.3	2.1	-36.5%
Project expenses	4.8	6.1	-21.7%
Loss (gain) from asset sales	4.4	1.2	279.6%
Loss and repair of assets	0.2	0.2	16%
Loss of forests	4.2	0.6	588.6%
Other taxes	3.7	6.8	-45.9%
Research and development expenses	0.8	1.7	-50.7%
Other expenses (donations, repayments insurance)	1.7	1.8	-3.0%
Other expenses	53.0	33.0	60.8%

Foreign exchange differences

Showed a net gain of US\$10.8 million, a US\$16.0 million increase when compared to the first quarter that ended with a US\$5.2 million loss.

The main significant effects are given by the variation of local currencies in the countries where we have industrial operations, such as the Chilean Peso and the Brazilian Real.

Income tax

For the third quarter, income tax expenses reached US\$169.1 million, US\$45.7 million higher than the US\$123.4 million of the previous quarter, explained by a better pre-tax result.

Adjusted EBITDA

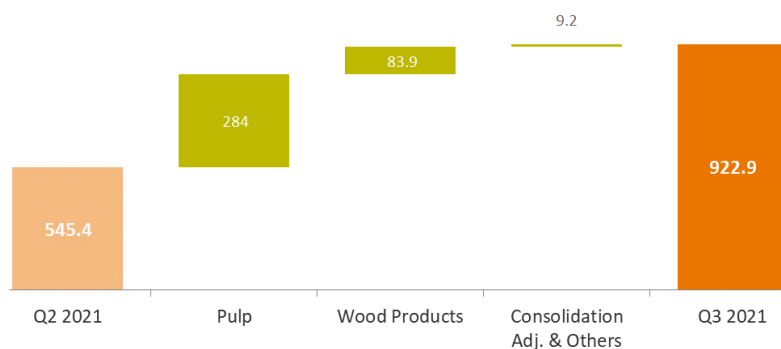
Adjusted EBITDA for the third quarter of 2021 was US\$922.9 million, a 69.2% or US\$377.6 million increase when compared to the previous quarter. This is mainly explained by the effect on results of the closing of the forestry asset sale announced a few months ago. This effect is contained in our pulp business segment and was of approximately US\$229 million.

We also saw an increase in our wood products segment Adjusted EBITDA, increasing 33% or US\$83.9 million, due mostly to higher average realized prices.

In US\$ Million	Q3 2021	Q2 2021	Q3 2020	QoQ	YoY
Net Income	511.5	201.4	36.0	154.0%	1319.0%
Financial costs	52.3	57.2	64.4	-8.6%	-18.8%
Financial income	(8.2)	(7.6)	(4.2)	7.6%	96.4%
Income tax	169.1	123.4	21.4	37.1%	690.7%
EBIT	724.7	374.4	117.7	93.6%	515.9%
Depreciation & amortization	118.3	122.4	127.8	-3.3%	-7.4%
EBITDA	843.0	496.7	245.5	69.7%	243.4%
Fair value cost of timber harvested	97.3	77.2	85.8	26.0%	13.4%
Gain from changes in fair value of biological assets	(41.5)	(41.8)	(41.9)	-0.8%	-1.0%
Exchange rate differences	(10.8)	5.2	(13.9)	307.7%	-22.0%
Others (*)	34.9	8.0	15.2	338.7%	129.6%
Adjusted EBITDA	922.9	545.4	290.7	69.2%	217.5%

(*) Includes provision from forestry fires and provisions from property, plants and equipment, and others.

Adjusted EBITDA variation by business segment (in US\$ million)



Pulp Business

During the third quarter, pulp demand remained stable, with some minor price declines in some markets towards the end of the quarter, due to the low season in the northern hemisphere. Customers in every market, but mainly in Asia, have been affected by the rise in logistics costs, which made them reduce their exports and concentrate in the domestic market. World inventories for both fibers increased between June and August 2021, short fiber increased by 8 days and long fiber by 6 days.

Global BCP Shipments		
China	▼	-9.2%
Europe	▬	1.2%
Other Asia	▼	-9.1%
USA	▼	-2.3%
Rest of the World	▲	3.2%
Total	▼	-4.7%

Last 9 months, Jan-Sep 2020 and 2021

BCP stands for Bleached Chemical Pulp. Source: Hawkins Wright.

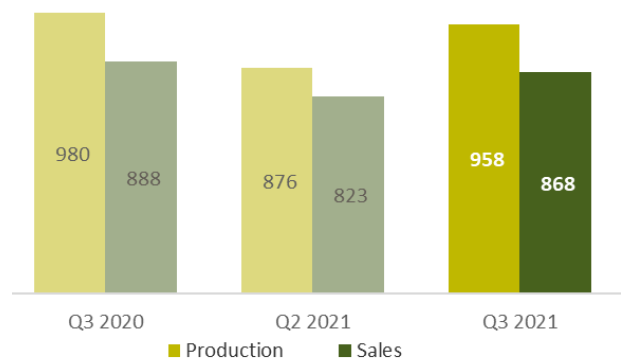
In China, pulp demand started to decline towards the end of the third quarter because mills in all type of industries had to reduce their operating rate or stop their production lines due to the government limiting energy consumption in several provinces in the country. The tissue industry started to improve, with some producers achieving some price increases to their final products. The P&W industry remained relatively stable during the quarter, with some producers trying to implement price increases. Long fiber prices remained steady through the quarter, however, short fiber prices decreased. The spread between the long and short fiber, after decreasing for several quarters, began to increase considerably, reaching US\$205 at the end of September 2021.

In Europe, pulp demand continued positively throughout the quarter, price remained unchanged at a high level, which caused the price spread with China to increase towards the end of the quarter. The tissue industry started the quarter weak, however, during the quarter it began to improve in both the At-Home and Away-from-Home segments. The P&W industry remained strong, with very good demand for their products, and producers were able to implement price increases for their final products. By the end of the quarter, some producers in the paper industry started to be affected by high energy prices, and to a lesser extent, high chemical prices.

The dissolving pulp market remained steady, with prices slightly declining due to lower demand. The viscose market, after remaining stable during the first months of the quarter, began to deteriorate due to increases in some of their costs.

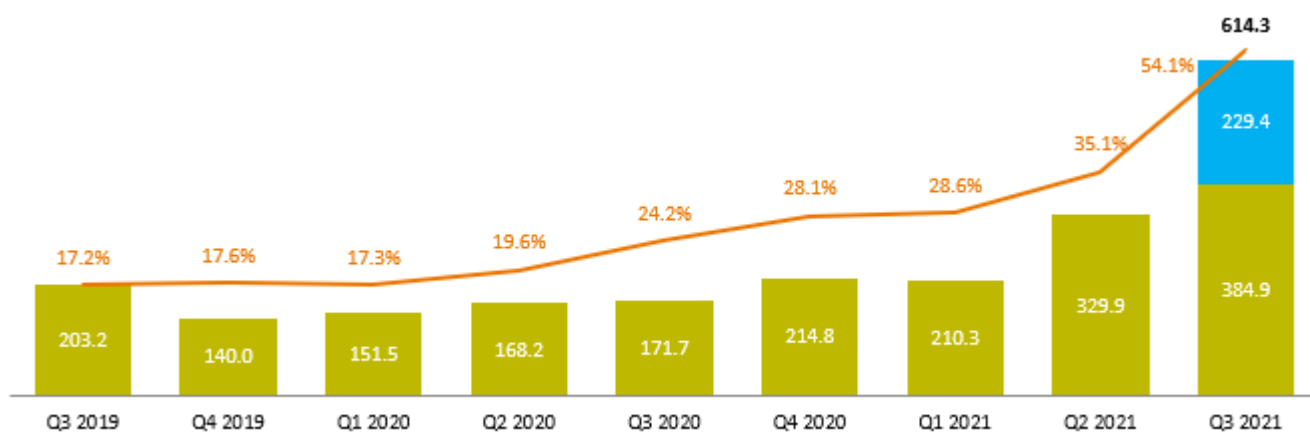
Production during the third quarter was higher than Q2, but slightly lower compared to the same period of 2020. During the quarter we had the programmed maintenance stoppage of the Licancel mill, in Chile.

Production and Sales Volume (In thousand tonnes)



The Adjusted EBITDA for our pulp business segment reached US\$614.3 million during this quarter, which translates to an 86.2% or US\$284.4 million increase compared to the second quarter of 2021.

Pulp EBITDA Mg reached 80.7%, 34.4% higher than the previous quarter.



Note: For Q3 2021, highlighted in blue you will see the one-time US\$229.4 million effect on Adj. EBITDA of the recently closed forestry asset sale.

Days of Stoppages

Mill	2021				2022	
	1Q	2Q	3Q	4Q	1Q	2Q
Arauco - Line 1	11					
Arauco - Line 2		22				
Constitución					16	
Licancel			22			
Nueva Aldea	19					13
Valdivia		13			15	
Esperanza		31				
Montes del Plata					15	

Maintenance Stoppages:
 Finished
 Planned

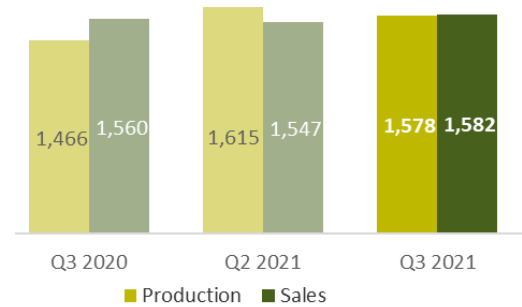
Wood Products Business

Panels

Revenues increased when compared to the second quarter, mainly as a result of a 8.8% increase in average prices. Sales volume increased 0.9%.

During the third quarter, demand continued at high levels. The foregoing is explained by an strong demand for products of home improvement and remodeling. We observed this for most of our products, such as MDF, PB and mouldings.

Production and Sales Volume: Panels ⁽¹⁾
(In thousand m³)

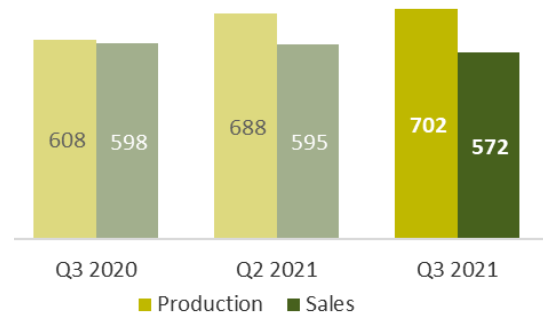


Sawn timber

During the third quarter sales volume decreased by 2.0% while average prices increased by 14.9%.

During the beginning of the third quarter, we observed strong demand and prices especially for remanufactured wood products. Sawn Timber demand decreased somewhat by mid-quarter, especially in China.

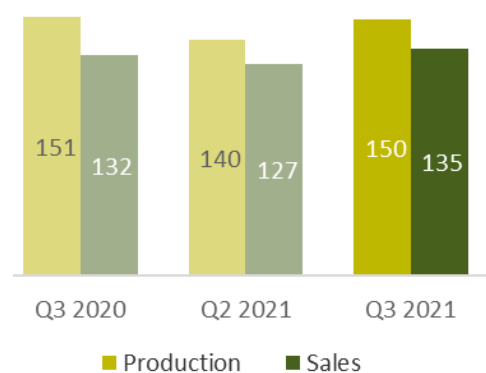
Production and Sales Volume: Sawn Timber ⁽²⁾
(In thousand m³)



Plywood

Sales volume increased by 6.5% during the third quarter, coupled with an increase in average prices of 9.5%. Higher demand in markets such as Chile, Europe, Oceania and the US, despite some effects arising from logistical issues leading to some shipping delays.

Production and Sales Volume: Plywood
(In thousand m³)



(1) Includes PB, MDF, OSB, HB, Composite Panels and Retail Panels.

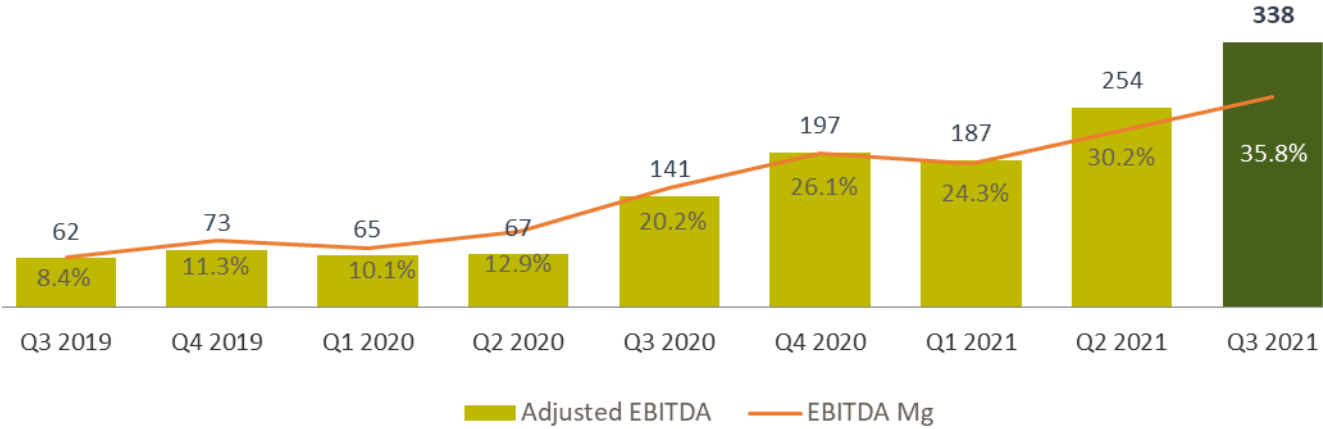
(2) Includes sawn timber, kilned sawn timber, remanufactured wood products, pallets.

Note: Sales include trading



Adjusted EBITDA for our wood products business was US\$338.4 million during the third quarter of 2021, which translates to a 33.0% or US\$83.9 million increase, compared to the previous quarter.

Wood products EBITDA Mg was 35.8%, higher than the 30.2% reached during the second quarter.



Capital Expenditures

During this quarter, capital expenditures(*) reached US\$364.5 million, US\$37.3 million lower than the previous quarter.

The biggest single item in CAPEX-related expenditures during this quarter were those related to the MAPA project, reaching approximately US\$236.1 million.

US\$ Million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Cash flow used to obtain control of subsidiaries or other businesses	-	-	-	(48.0)	-
Cash flow used to purchase in associates	-	2.5	0.0	4.8	15.2
Purchase and sale of property, plant and equipment	333.9	346.2	417.6	937.0	1,100.4
Purchase and sale of intangible assets	0.9	(0.4)	3.1	3.4	14.6
Purchase of other long-term assets	29.7	53.4	33.2	161.0	153.2
Total CAPEX (*)	364.5	401.8	453.9	1,058.2	1,283.6

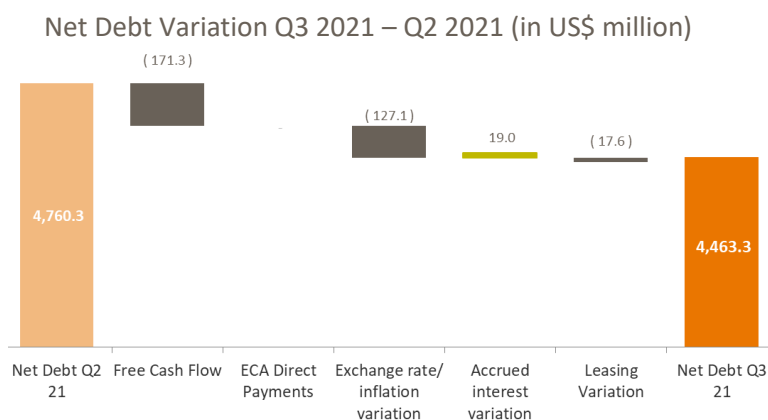
(*) On a cash basis.

Free Cash Flow

During the third quarter, free cash flow decreased by US\$81.8 million reaching inflows of US\$171.3 million. Cash from Operations increased US\$92.7 million, mostly due to the increase in EBITDA. Cash used in investment activities decreased US\$66.4 million due to a decrease in Capex. This was all offset by a US\$200.7 million decrease in Cash from Financing Activities, due to last quarter's capital injection.

US\$ Million	Q3 2021	Q2 2021	Q3 2020
Adjusted EBITDA	922.9	545.4	290.7
Working Capital Variation	(423.6)	(164.4)	76.7
Interest paid and received	(33.9)	(73.4)	(44.9)
Income tax received (paid/refunded)	(26.1)	81.0	8.7
Other cash inflows (outflows)	103.5	61.5	221.4
Cash from Operations	542.8	450.1	552.6
Capex (*)	(364.5)	(401.8)	(453.9)
Proceeds from investment activities	32.9	2.5	2.4
Other inflows of cash, net	(1.2)	0.2	1.6
Cash from (used in) Investment Activities	(332.8)	(399.2)	(449.9)
Dividends paid	-	(0.2)	(0.3)
Other inflows of cash, net	(18.3)	(17.5)	234.4
Proceeds from issue of shares	0.0	200	0
Cash from (used in) Financing Activities - Net of Proceeds and Repayments	(18.3)	182.3	234.1
Effect of exchange rate changes on cash and cash equivalents	(20.4)	19.9	(1.0)
Free Cash Flow	171.3	253.1	335.8

(*) On a cash basis.



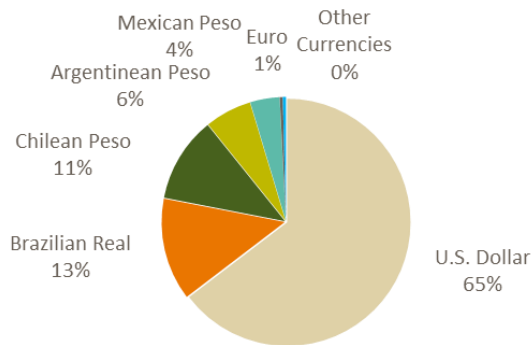


Cash

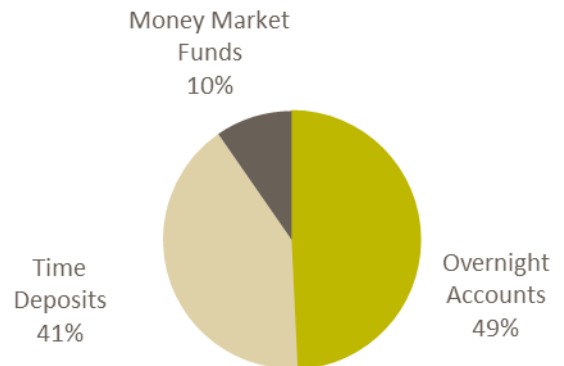
Our cash position was US\$1,323.5 million at the end of the third quarter, which translates to a 16.7% increase equivalent to US\$189.7 million when compared to the end of the second quarter of 2021. Cash provided by operational activities increased by US\$92.7 million mainly due to an increase in receipts of sales of goods, partially offset by income tax paid. Cash used in investment activities decreased US\$66.4 million mainly due to a decrease in capital expenditures. Cash provided by financing activities decreased by US\$138.7 million mainly due to the capital injection of US\$200.0 million received during the past quarter.

In terms of liquidity, and additionally to our cash position, the Company has a committed revolving credit facility for a total amount of US\$375 million, which as of the date of this report hasn't been withdrawn. This facility is due in February 2025.

Cash by Currency



Cash by Instrument



Financial Debt

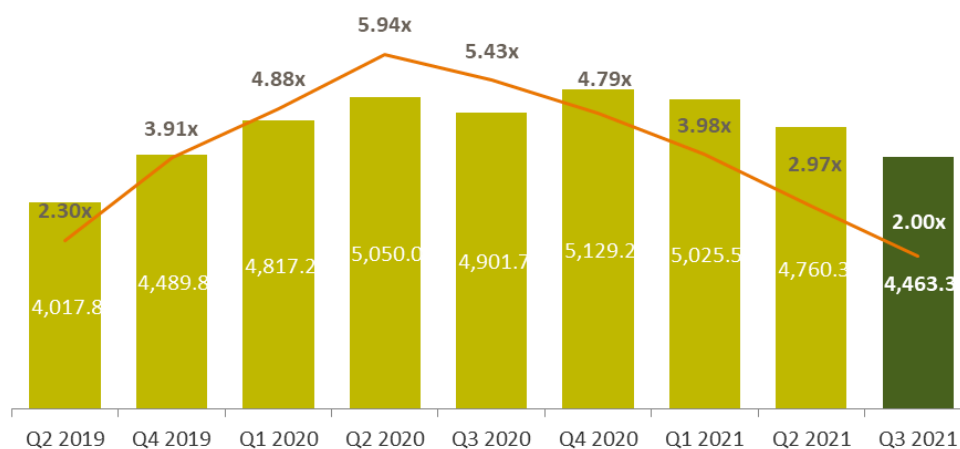
ARAUCO's total financial debt as of September 30, 2021 reached US\$5,786.7 million, a decrease of 1.8% or US\$107.3 million when compared to June 30, 2021.

Our consolidated net financial debt decreased 6.2% or US\$297.0 million when compared with June 2021.

Our leverage, measured as Net Financial Debt/LTM Adjusted EBITDA was 2.00x, which compares to the 2.97x in the last quarter.

In US\$ Million	Sep 2021	Jun 2021	Sep 2020
Short term financial debt	527.8	487.7	335.5
Long term financial debt	5,258.9	5,406.4	5,728.8
TOTAL FINANCIAL DEBT	5,786.7	5,894.0	6,064.4
Cash and cash equivalents	1,323.5	1,133.7	1,162.7
NET FINANCIAL DEBT	4,463.3	4,760.3	4,901.7
LTM Adjusted EBITDA	2,233.8	1,601.6	902.1

Net Financial Debt and Leverage (In US\$ Million)

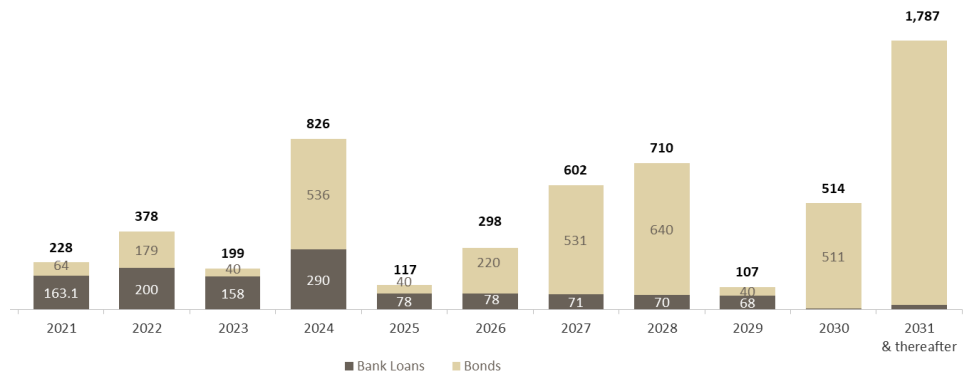


Debt Profile and Structure

Financial Debt Profile

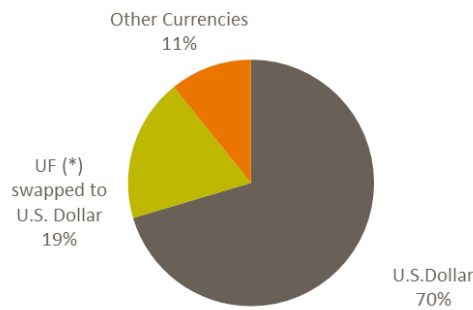
For 2021 short term bank and bond obligations (which includes accrued interest) sum up US\$227.5 million. Bank obligations include the following maturities: US\$163.1 million in bank loans including US\$17.5 million in leasing. Bond obligations for the remainder of the year sum up US\$64.5 million. These obligations include amortizations of local bonds, and interest payments of our USD-denominated bonds.

Debt Amortization Profile as of September 30, 2021 (In US\$ Million)*

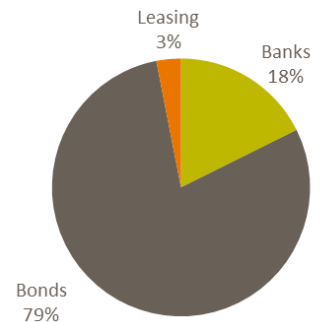


*Approximately US\$126 million of our debt payments scheduled for 2022, as of September 30, 2021, (related to our 2022 USD-bond), were redeemed at par during October 2021. See more information on the section "Subsequent Events".

Debt by Currency



Debt by Instrument



(*) UF is a Chilean monetary unit indexed to inflation.

Third Quarter

Subsequent Events and News

Agreement for Selling Forestry Assets *update*

As we informed on August, 17, 2021, with a “Material Fact” published via cmfchile.cl, the conditions precedent for the closing of the operation described on that occasion were met and, consequently, on August 17, 2021, the parties proceeded to execute the sale of 430 properties committed in the master agreement for a price of US \$ 343,668,296, plus the corresponding Value Added Tax.

Additionally, on the same date, the parties entered into a supply contract and a preferential call option to purchase pulp volume of radiata pine, a fire fighting service contract and a temporary forest property management and operational task management service contract, among others. Finally, it is noted that the parties expect to carry out the sale of the 31 remaining properties to the extent that, for each of them, certain particular conditions are met within the following months, as established in the Master Agreement.

The effects on our Income Statement and Adjusted EBITDA of the execution of the sale of such 430 properties are contained in the 3Q results.

Studies Towards Evaluating New MDF Line in Mexico

On October 29, 2021, we announced that we are beginning an Environmental Impact Assessment in México (“*Estudio de Manifestación de Impacto Ambiental*” or “MIA” as it is known in México) as part of the assessment related to the possibility of building a new production line of MDF in Zitácuaro, a city located close to Ciudad de México (DF) (about 160 kms) where we already operate a 160kt PB mill. The project, which is subject to the approval of the competent authorities and our Board of Directors, would allow us to double our production capacity of MDF in México, thus answering to the increasing demand in the furniture and construction industries.

This new MDF line -which contemplates an estimated total investment of US\$200 million- would incorporate state-of-the-art operational and environmental technology. Additionally, its supply aims to foster a circular economy model, supporting small forestry producers and safekeeping the ecosystemic values of that environment.

If all the necessary precedent conditions are met and we obtain the necessary permits and approvals, we believe we will start construction of the new line, and subsequently start producing during 2024.

Redemption of USD Notes due 2022

On October 11, 2021, we redeemed in full the outstanding amount of our 4.75% USD-denominated notes due 2022. This prepayment was done at par value, according to provisions of the Indenture and the terms and conditions of the securities representing such notes which allowed us to redeem at par three months before the final maturity date. This implied paying the outstanding 126,168,000 USD plus the corresponding accrued interest.

The rationale for this redemption is related to our strong commitment of managing our debt in accordance with our Investment Grade, and also to the positive market conditions which have allowed us to increase our liquidity.

Third Quarter

Subsequent Events and News

MAPA Project update

MAPA Project overall progress as of the end of October 2021 was 90.0%. Construction work continues, as well as the commissioning and startup of some facilities and equipment.

During the quarter, we have enacted campaigns related to a safe commissioning of the equipment within companies currently at work in the Project. We have also increased the scope of action of our “Equipo Previene” (Prevention Team) which is tasked with monitoring and supervising compliance with sanitary protocols and measures for workers of the project, both in public spaces and in local lodging facilities.

We recently communicated to clients and the market that we now estimate that the startup of the MAPA Project will take place during March of 2022. This is mainly due to delays in construction.

At that point the existing eucalyptus line (Line 1) will be permanently shut down in accordance with the environmental permit.



ARAUCO at the COP26 – UN Climate Change Conference in Glasgow

In the COP26, we announced our Climate Action Plan (“Plan de Acción Climática”) aimed at reducing our greenhouse gas emissions by 1 million tonnes by 2030. This strategy is based on three main pillars: (i) **mitigation based on science**, aimed at replacing fossil fuels in our productive processes, (ii) **conservation and restoration of ecosystems** and (iii) **circular economy**. This adds to our continuous efforts in these matters, such as our declaration as the first forestry company to be certified as carbon neutral, to our adherence to the “Science Based Targets” (SBTs) and also to the “Race to Zero”.

Dividend Policy and Payments

With respect to the Material Fact published via cmfchile.cl on September 28th, 2021, we hereby inform that both dividend payments announced on such date were paid by us to our shareholders.

On October 25th, 2021, we paid our shareholders a total of US\$200 million with respect to the aforementioned extraordinary dividend. After that, on November 5th, 2021, we paid our shareholders a total of US\$271 million as an interim dividend with respect to the financial results of the year 2021.

UPCOMING EVENTS

3Q 2021 RESULTS CONFERENCE CALL

Thursday, November 18, 2021

10:00 Santiago Time

08:00 Eastern Time (New York)

Dial in:

+1 (844) 450 3845 from the US

+56 (44) 208 1274 from Chile

+55 (11) 3181 8565 from Brazil

+1 (412) 317 6368 from other countries

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Financial Statements

Income Statement

In US\$ Million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Revenues	1,705.1	1,555.6	1,202.9	4,607.4	3,380.0
Cost of sales	(923.4)	(887.2)	(867.9)	(2,708.4)	(2,511.5)
Gross profit	781.6	668.4	335.1	1,899.0	868.5
Other income	285.2	45.4	52.8	405.6	175.6
Distribution costs	(182.4)	(159.3)	(129.6)	(486.5)	(389.8)
Administrative expenses	(137.8)	(150.7)	(122.7)	(425.0)	(376.4)
Other expenses	(53.0)	(33.0)	(33.1)	(123.5)	(141.4)
Financial income	8.2	7.6	4.2	22.6	23.7
Financial costs	(52.3)	(57.2)	(64.4)	(170.4)	(202.1)
Share of profit (loss) of associates and joint ventures accounted for using equity method	20.3	8.7	1.3	31.5	0.8
Other income (loss)	0.0	0.0	0.0	0.0	0.0
Exchange rate differences	10.8	(5.2)	13.9	(2.9)	(16.2)
Income before income tax	680.6	324.8	57.4	1,150.4	(57.3)
Income tax	(169.1)	(123.4)	(21.4)	(335.1)	7.7
Net income	511.5	201.4	36.0	815.3	(49.6)
Profit attributable to parent company	511.1	201.0	36.2	814.0	(49.3)
Profit attributable to non-parent company	0.4	0.4	(0.1)	1.3	(0.3)

Balance Sheet

In US\$ Million	30-09-2021	30-06-2020	30-09-2020
Cash and cash equivalents	1,323.5	1,133.7	1,162.7
Other financial current assets	16.5	3.3	12.7
Other current non-financial assets	174.9	208.0	153.2
Trade and other receivables-net	1,248.2	878.6	629.8
Related party receivables	7.3	5.8	8.1
Inventories	1,081.2	1,019.8	998.7
Biological assets, current	315.0	297.9	270.3
Tax assets	104.8	111.8	149.2
Non-Current Assets classified as held for sale	14.5	132.0	3.9
Total Current Assets	4,285.7	3,790.9	3,388.6
Other non-current financial assets	9.4	16.7	1.0
Other non-current and non-financial assets	99.4	117.9	122.3
Non-current receivables	14.9	15.7	6.7
Investments accounted through equity method	333.3	324.4	298.4
Intangible assets	94.2	97.1	97.9
Goodwill	58.1	59.6	58.1
Property, plant and equipment	8,942.1	8,806.7	8,314.7
Biological assets, non-current	3,134.7	3,189.7	3,300.2
Deferred tax assets	5.2	5.7	7.0
Total Non-Current Assets	12,691.4	12,633.4	12,206.2
TOTAL ASSETS	16,977.1	16,424.4	15,594.8
Other financial liabilities, current	527.8	487.7	338.0
Trade and other payables	705.3	700.2	596.4
Related party payables	7.6	3.9	3.2
Other provisions, current	0.4	0.4	0.3
Tax liabilities	94.3	56.0	23.5
Current provision for employee benefits	5.9	6.4	5.9
Other non-financial liabilities, current	519.4	50.0	39.3
Total Current Liabilities	1,860.7	1,304.5	1,006.6
Other non-current financial liabilities	5,571.8	5,517.5	5,914.2
Trade and Other payables non-current	0.0	0.0	0.0
Other provisions, non-current	28.8	29.3	30.1
Deferred tax liabilities	1,564.5	1,509.3	1,270.9
Non-current provision for employee benefits	67.9	73.9	68.5
Other non-financial liabilities, non-current	79.6	86.0	76.3
Total Non-Current Liabilities	7,312.5	7,216.1	7,359.9
Non-parent participation	25.7	26.9	29.6
Net equity attributable to parent company	7,778.1	7,876.9	7,198.7
TOTAL LIABILITIES AND EQUITY	16,977.1	16,424.4	15,594.8

Cash Flow Statement

US\$ Million	Q3 2021	Q2 2021	Q3 2020	YTD 2021	YTD 2020
Receipts from sales of goods and rendering of services	1,659.4	1,473.4	1,263.7	4,491.8	3,549.8
Other cash receipts (payments)	57.2	95.5	131.4	256.7	327.2
Payments of suppliers and personnel (less)	(1,115.9)	(1,125.2)	(807.1)	(3,308.6)	(2,942.8)
Interest paid and received	(33.9)	(73.4)	(44.9)	(146.0)	(167.2)
Income tax paid	(26.1)	81.0	8.7	103.9	36.3
Other (outflows) inflows of cash, net	2.1	(1.3)	3.5	(0.2)	1.4
Net Cash Provided by (Used in) Operating Activities	542.8	450.1	555.4	1,397.6	804.7
Capital Expenditures	(364.5)	(401.8)	(451.0)	(1,058.2)	(1,280.7)
Other investment cash flows	31.7	2.6	1.2	43.8	14.1
Net Cash Provided by (Used in) Investing Activities	(332.8)	(399.2)	(449.9)	(1,014.4)	(1,266.6)
Proceeds from borrowings	51.2	0.0	11.0	56.2	389.8
Repayments of borrowings	(32.7)	(43.5)	(414.1)	(305.4)	(479.9)
Dividends paid	0.0	(0.2)	(0.3)	(0.2)	(0.4)
Other inflows of cash, net	(18.3)	(17.5)	231.5	(54.1)	185.3
Proceeds from Issue of Shares	0.0	200.0	0.0	200.0	0.0
Net Cash Provided by (Used in) Financing Activities	0.1	138.9	(171.9)	(103.5)	94.8
Total Cash Inflow (Outflow) of the Period	210.1	189.8	(66.3)	279.8	(367.1)
Effect of exchange rate changes on cash and cash equivalents	(20.4)	19.9	(1.0)	(21.0)	(30.2)
Cash and Cash equivalents at beginning of the period	1,133.7	924.1	1,230.0	1,064.7	1,560.0
Cash and Cash Equivalents at end of the Period	1,323.5	1,133.7	1,162.7	1,323.5	1,162.7