



FOR IMMEDIATE RELEASE

MADECO S.A. ANNOUNCES
CONSOLIDATED INTERIM RESULTS FOR THE SECOND QUARTER OF 2011

Santiago, Chile – November 28, 2011 - Madeco S.A. (“Madeco”) announced its consolidated interim financial results in IFRS from IASB for the second quarter which ended September 30, 2011. All figures are expressed in U.S. Dollars. Historic financial information was calculated using the equivalent currency conversion for each amount on the corresponding date.

Madeco Highlights

- Sales volumes during the quarter decreased to 14,785 tons, down 10.2% from the third quarter 2010.
- Consolidated Revenues reached US\$114,642 thousand, remained stable compared to third quarter 2010. This is due to lower revenues in Tubes unit offset by higher revenues in Packaging and Profile units.
- Operating income for the quarter grew 3.7%, reaching US\$ 6,536 thousand. The higher result is consequence of better results in Tubes and Profiles units, partially offset by Packaging unit.
- Net income (loss) attributable to controller reached a loss of US\$ 362 thousand, compared to a gain of US\$ 6,821 thousand.

- According to interpretations of the new accounting standards (IFRS), the Company’s investment in Peru (Peruplast S.A.), through Alusa S.A., has been recognized as a joint business. As a result, the financial statements of Madeco and its subsidiaries only consolidate the holding share (50% in the case of Alusa S.A.). This change was retroactively applied in the new IFRS presentation, whereby Madeco’s Financial Statements have been restated in the years 2009 and 2008 to reflect this change. Finally, it is worth mentioning that this change in the treatment of the consolidation of the Company’s investment in Peru, does not affect Madeco’s net income.

1. Highlights of the Income Statement (Exhibit 1 and 2)

Volumes	Sales volumes at the end of September 2011 declined by 10.2% compared to same period of 3Q10. This decrease is mainly explained by lower volumes in Brass Mills unit as a consequence of closing of cooper sheet lines during the last quarter of 2010.
Revenues	<p>Consolidated revenues decreased by 0.8%, reaching to US\$114,642 thousand compared to 3Q10 figures. The mix of sales is explained by:</p> <ul style="list-style-type: none"> (i) <i>Packaging unit:</i> Revenues amounted to US\$59,728 thousand, increasing by 9.0%, mainly explained by higher revenues registered in Chile and Peru due to higher prices in raw material and higher volumes. (ii) <i>Brass Mills unit:</i> Lower revenues by 17.0% explained by a decrease in sales volumes as a consequence of closing of cooper sheets lines during the last quarter of 2010. (iii) <i>Profile unit:</i> Revenues grew by 14.4% as a consequence of better mix of sales and improvement in commercial strategy.
Gross Margin	For the 3Q11, gross margin was US\$19,654 thousand, an increase of 9.2% respect to 3Q10. This growth is mainly attributable to a better margin in Profile units increased by 40.6% as a result of better mix of sale and improvement in commercial strategy.
Operating Income¹	Operating income increased by 3.7%, reaching to US\$ 6,536 thousand compared to 3Q10. This growth is attributable to the gains obtained in the Profile unit by US\$630 thousand compared to a gain of US\$197 thousand during 3Q10. This better result is a consequence of lower activity registered during the first semester in 2010 due to the earthquake in February 2010, and improvement in commercial strategy. This effect was offset by a decrease in operating income by 12.3% in Packaging unit as a consequence of a worst performance in Argentina.
Other Income (Loss)²	<p>Considering financial results, exchange rate differences and other incomes non-related to operations; Madeco obtained a loss of US\$4.757 thousand which compares negatively with a loss of US\$ 468 thousand in 3Q10. The loss during 3Q11 is attributable to:</p> <ul style="list-style-type: none"> (i) Higher financial expenses due to an increase in gross debt as a consequence of financing the purchase of Nexans's shares and the investments in Packaging unit. (ii) Higher price level restatement, due to the loss by the exposure of brasilian currency (Real) and de depreciation of the currency against the dollar.
Income Tax	Income tax during 3Q11 totaled a charge of US\$ 949 thousand compared to a debit of US\$ 2,109 thousand registered during the same period in 2010, which is mainly

¹ Estimated as the sum of: gross margin, R&D expenses, distribution costs, marketing and administrative expenses.

² Estimated as the sum of: Other income of operations, Equity in earning (losses) of related companies, Other general expenses of operations, Financial income and expenses, Price-level restatement, and Other Incomes (losses) & Other effects.

explained by the exposure of its tax asset that Parent company had in Chilean pesos during 2010.

Minority Interest	Reflects the portion of earnings/losses corresponding to the participation of minority shareholders in the subsidiaries of Madeco (i.e Alusa, Indalum and Decker). Minority Interest reached US\$ 1,192 thousand in 3Q11, 6.0% lower than the one registered in 3Q10.
Net Income	Net income (loss) attributable to controller registered a loss of US\$ 362 thousand in 3Q11, which compares to a gain of US\$ 6,821 thousand reached in 3Q10. The gain is attributable to better operating results and higher financial expenses, price level restatement and a charge of US\$ 949 thousand compared to a debit of US\$ 2,109 thousand in income tax.

2. Analysis by Business Unit (Exhibits 3 & 4)

Packaging	<p>Revenues of Packaging units amounted to US\$59,728 thousand, an increase of 9.0% respect to same period in 2010. This growth is driven by an increase in average prices as a consequence of higher prices of raw material, partially offset by lower volumes sales. The higher revenues were registered in Chile and Peru.</p> <p>Cost of sales totaled US\$48.045 thousand, an increase of 10.3% respect to 3Q10. This increase is due to higher prices of raw materials.</p> <p>Gross Margin increased by 4.1% in comparison of 3Q10. This growth is mainly explained by higher margins in Chile and storage costs reclassification into distribution expenses.</p> <p>Selling, general and administrative expenses grew by 37.8% compared to 3Q10 due to higher distribution expenses as a consequence of reclassification of storage cost, higher volumes exported and the appreciation of Chilean local currency by 7,9%.</p> <p>Operating income amounted to US\$6,628 thousand for the period, showing a decrease of 12.3% respect to 3Q10, mainly explained by higher administrative expenses due to an improvement in organization structure during the 2011 in Argentina.</p>
Brass Mills	<p>Revenues for the period decreased 17.0%, reaching US\$39,052 thousand, compared to 3Q10, explained by higher prices in raw material offset by a decrease of 31.5% in sales volumes as a consequence of closing of cooper sheets lines during the last quarter of 2010</p> <p>Cost of sales reached to US\$35.824 thousand, decreasing by 17.8% respect to 3Q10. This growth is attributable by higher prices in raw material offset by a decrease of 29.6% in sales volumes.</p> <p>Gross Margin amounted US\$ 3,228 thousand, decreasing 6.4% respect to 3Q10 due to the divesture of the Blank Coin assets during the 2Q11.</p>

Selling, general and administrative expenses decrease by 18.7%, as a consequence of the divesture of the Blank Coin assets during the 2Q11 and a decrease in volumes sales in Chile.

Operating income for the period amounted to a gain of US\$789 thousand, 75.7% higher than the result registered during the same period in 2010; this is explained by better margins in Chile.

On June 1st, Madeco sold the subsidiary of coin blanks to Amera International AG, excluding land and buildings, which were leased through a long term contract. The sale price was US\$ 3.3 million and the transaction did not have significant impact on the income statement

Profiles

Revenues for the period registered an increase of 14.4% respect to 3Q10. This increase is attributable to better mix of sale and improvement in commercial strategy.

Gross margin reached US\$ 4,679 thousand, an increase of 40.6% compared to 3Q10. This increase is a result of more profitable mix of sales.

Selling, general and administrative expenses registered an increase of 29.3.0% over 3Q10 as a consequence of higher activity registered during the period and the appreciation of Chilean local currency by 7.9% during 2011.

Operating income reached a gain of US\$630 thousand, higher than the loss recorded in 3Q10 of US\$197 thousand. This better result is a consequence of higher activity during the period and the improvement in commercial strategy.

Corporate

This segment was created based on the interpretation of international accounting standards, due to the significance of the Company's investments (i.e. cash, time deposits and shares of Nexans received after the sale of the Wire & Cable unit of the Company). Along with this, other assets were defined as investments (assets for lease, etc.). As of September 2011, this unit has no relevant revenue with third parties. Selling, general and administrative expenses reflect the Company's corporate expenses.

3. Balance Sheet Analysis (Exhibit 5)

Assets

The Company's assets as of September 30, 2011 amounted to US\$766,472 thousand, an increase of 8.5% from US\$706,548 thousand as reported on December 31, 2010.

Current Assets of Continuing Operations

Reached US\$200,806 thousand, a decrease of 30.0% compared to the end of 2010. This lower balance is explained by a decrease in cash and cash equivalent as a consequence of financing Nexans's share purchase and lower level of inventories.

Non Current Assets

Totalled US\$565,666 thousand, an increase of 34.8% respect to the end of December 2010. This effect is explained by the purchasing of 3,051,448 shares of Nexans.

Liabilities

Total liabilities as of September 30, 2011 reached US\$243,736 thousand, higher than US\$177,715 thousand as of December 2010. This difference is mainly explained by higher financial debt as a consequence of Nexans's share acquisition.

Shareholders' Equity

As of September 30, 2011 shareholders' equity attributable to controller amounted US\$497,088 thousand, which represents a decrease of 1.9% compared to end of 2010.

Capital

Totalled US\$ 469,497 thousand, an increase of 19.9% respect to December 2010 as a consequence of a capital increase by the issuance of 1.760.974.629 shares for payment.

Other Reserves (Reserves)

Amounted a negative balance of US\$87,766 thousand by the end of September 2011, higher than the positive balance of US\$12,071 thousand reached at the end of 2010, mainly due to the market value and exchange rate differences of the investment in Nexans. It should be mentioned that the investment in Nexans is accounted as a financial asset, and therefore, unless a significant and permanent deterioration of value caused by either the exchange rate US/Euro or Nexans's shares price, any difference is recognized as an equity reserve.

Minority Interest

Totalized US\$25,648 thousand as of September 2011 compared to the balance of US\$22.372 thousand registered as of December 2010, due to the profits obtained in the Packaging unit. Minority interest reflects subsidiaries where Madeco has minority shareholders (i.e. Alusa, Decker and Indalum)

Retained Earnings / (Accumulated Losses)

Retained earnings for the period totalized US\$28,969 thousand higher than the US\$16,298 thousand posted as of December 2010. The difference between both balances is explained by the better performance during 3Q11.

Recent Events*Nexans's stock Acquisition*

Up to date, Madeco had purchased 3,135,333 of Nexans's stocks, strengthening its position in Nexans to 19.86%.

On November, 10th an extraordinary shareholder meeting of Nexans was held in Paris. These meetings were called in accordance with Nexans undertakings under the agreement signed with Madeco in order to appoint the third Madeco representative, Hubert Porte, and to update of the clauses in the Nexans bylaw regarding to use of voting rights, changing the statutory limitation of voting right from 8% to 20%.

Moreover, in accordance with the same agreement, Madeco requested the appointment of Francisco Pérez, member of the Board since May 31, 2011, at the Appointments and Compensation Committee.

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Madeco, previously Manufacturas de Cobre MADECO S.A., was incorporated in 1944 as an open corporation under the laws of the Republic of Chile, and today has operations in Chile, Peru, and Argentina. Madeco is considered, a Latin American leader, in the manufacture of finished and semi-finished products in copper, copper alloys and aluminum. The Company is also a leader in the production of flexible packaging used in packing mass consumption products like foods, sweets and cosmetics. The Company was formerly traded on the New York Stock Exchange under the ticker symbol MAD and in the over-the-counter market under the ticker symbol MADKY.

Readers are warned not to place too much reliance on the future declarations contained in the above text, which are based on the position today. The Company is under no obligation to announce publicly the results of revisions to those declarations about the future which might be made to reflect events or circumstances after today including, but without limitation to changes in the Company's strategy or in its capital expenses, or to reflect the occurrence of unforeseen events.

**Exhibit 1: P&L Statement
(YTD Sept)**

	Thousand US\$ (1)		% Variation
	YTD Sep-10	YTD Sep-11	
Revenues	306,669	337,425	10.0%
COGS	(257,160)	(277,242)	7.8%
Gross Margin	49,509	60,183	21.6%
SG&A	(33,385)	(39,095)	17.1%
Operating Income	16,124	21,088	30.8%
Other income of operations	3,761	6,619	76.0%
Equity in earning (losses) of related companies	-	-	0.0%
Other general expenses of operations	(2,183)	(3,147)	44.2%
Financial income	1,225	989	-19.3%
Financial expenses	(3,809)	(5,578)	46.4%
Price-level restatement	(153)	(1,437)	839.2%
Other Incomes (losses) & Others effects	(3,172)	3,949	-224.5%
Income (Loss) before income taxes	11,793	22,483	90.6%
Income tax	(2,321)	(6,522)	181.0%
Income (Loss) form continued operations	9,472	15,961	68.5%
Income (Loss) form discontinued operations	-	-	0.0%
Net Income (Loss)	9,472	15,961	68.5%
Net Income (Loss) attributable to minority interest	2,983	3,290	10.3%
Net Income (Loss) attributable to controller	6,489	12,671	95.3%

**Exhibit 2: P&L Statement
(Quarterly Results)**

	Thousand de US\$ (1)		% Variation
	3Q10	3Q11	
Revenues	115,608	114,642	-0.8%
COGS	(97,603)	(94,988)	-2.7%
Gross Margin	18,005	19,654	9.2%
SG&A	(11,703)	(13,118)	12.1%
Operating Income	6,302	6,536	3.7%
Other income of operations	154	(21)	-113.6%
Equity in earning (losses) of related companies	-	-	0.0%
Other general expenses of operations	(1,286)	(629)	-51.1%
Financial income	401	100	-75.1%
Financial expenses	(1,295)	(2,053)	58.5%
Price-level restatement	1,551	(2,206)	-242.2%
Other Incomes (losses) & Others effects	7	52	642.9%
Income (Loss) before income taxes	5,834	1,779	-69.5%
Income tax	2,109	(949)	-145.0%
Income (Loss) form continued operations	7,943	830	-89.6%
Income (Loss) form discontinued operations	2	-	0.0%
Net Income (Loss)	7,945	830	-89.6%
Net Income (Loss) attributable to minority interest	1,124	1,192	6.0%
Net Income (Loss) attributable to controller	6,821	(362)	-105.3%

Exhibit 3: EBITDA by Business Unit
(Quarterly Results)

3Q10

Thousand of US\$	Corporate	Tubes	Flexible Packaging	Profiles	Total
Revenues	-	47,031	54,789	13,788	115,608
COGS	-	(43,582)	(43,561)	(10,460)	(97,603)
Gross Income	0	3,449	11,228	3,328	18,005
SG&A	(1,903)	(3,000)	(3,669)	(3,131)	(11,703)
Operating Income	(1,903)	449	7,559	197	6,302
EBITDA	(1,847)	1,090	9,457	1,065	9,765

3Q11

Thousand of US\$	Corporate	Tubes	Flexible Packaging	Profiles	Total
Revenues	87	39,052	59,728	15,775	114,642
COGS	(23)	(35,824)	(48,045)	(11,096)	(94,988)
Gross Income	64	3,228	11,683	4,679	19,654
SG&A	(1,575)	(2,439)	(5,055)	(4,049)	(13,118)
Operating Income	(1,511)	789	6,628	630	6,536
EBITDA	(1,521)	1,258	8,847	1,468	10,052

Exhibit 4: EBITDA by Business Unit
(YTD Sept)

YTD Sep 10

Thousand of US\$	Corporate	Tubes	Flexible Packaging	Profiles	Total
Revenues	0	124,848	145,377	36,444	306,669
COGS	0	(113,735)	(115,697)	(27,728)	(257,160)
Gross Income	0	11,113	29,680	8,716	49,509
SG&A	(5,218)	(8,597)	(10,535)	(9,035)	(33,385)
Operating Income	(5,218)	2,516	19,145	(319)	16,124
EBITDA	(5,029)	4,721	24,570	2,263	26,525

YTD Sep 11

Thousand of US\$	Corporate	Tubes	Flexible Packaging	Profiles	Total
Revenues	220	117,939	173,397	45,869	337,425
COGS	(76)	(106,524)	(138,201)	(32,441)	(277,242)
Gross Income	144	11,415	35,196	13,428	60,183
SG&A	(4,588)	(8,056)	(15,240)	(11,211)	(39,095)
Operating Income	(4,444)	3,359	19,956	2,217	21,088
EBITDA	(4,197)	4,797	26,361	4,812	31,773

Exhibit 5: Consolidated Balance

	Thousand of US\$	
	YTD Dec 10	YTD Sep 11
Cash and Cash Equivalents	69,154	17,276
Other current financial assets	257	3,015
Other Non-Financial Assets, Current	18,487	7,075
Trade and other accounts receivables, Current	103,113	95,448
Accounts Receivable Related Institutions, Current	724	892
Inventories	78,543	68,875
Current tax assets	12,190	4,017
Current Assets in Operation, Current, Total	282,468	196,598
No Current Assets and Disposal Groups Held for Sale	4,500	4,208
Total Current Assets	286,968	200,806
Other financial assets, Non Current	200,988	330,670
Other non-financial assets, Non Current	19,361	17,519
Investment accounted using the equity method	-	-
Intangible assets other than goodwill	2,507	3,033
Goodwill	848	848
Property, Plant and Equipment	178,578	176,798
Investment Property	5,408	7,566
Deferred tax assets	11,890	29,232
Total Non-current Assets	419,580	565,666
Total Assets	706,548	766,472
Other current financial liabilities	60,509	129,085
Trade accounts payable and other payables	41,073	38,605
Accounts payable to related entities, Current	12	18
Other short-term provisions	10,315	9,315
Current tax liabilities	2,545	995
Current provisions for employee benefits	6,689	6,311
Other non-financial liabilities, Current	3,079	2,237
Current Liabilities in Operation, Current, Total	124,222	186,566
Liabilities Included in Disposal Groups Kept for Sale	-	-
Total Current Liabilities	124,222	186,566
Other financial non-current liabilities	33,341	39,211
Other long-term provisions	1,570	2,214
Deferred tax liability	9,904	8,403
Non-current provisions for employee benefits	8,677	7,341
Other non-financial liabilities, Non Current	1	1
Total non-Current Liabilities	53,493	57,170
Capital emitido	391,440	469,497
Ganancias (pérdidas) acumuladas	16,298	28,969
Primas de emisión	86,652	86,388
Acciones propias en cartera	-	-
Otras participaciones en el patrimonio	-	-
Otras reservas	12,071	(87,766)
Patrimonio Neto Atribuible a Controladora	506,461	497,088
Interés Minoritario	22,372	25,648
Total Patrimonio Neto	528,833	522,736
Liabilities and Shareholders' Equity	706,548	766,472

Exhibit 6: Consolidated Statement of Cash Flow

	Thousand of US\$	
	YTD Sep 10	YTD Sep 11
Receipts from sales of goods and services	332,622	386,402
Payments to suppliers for goods and services	(307,039)	(313,283)
Payments to and on behalf of employees	(37,429)	(39,828)
Dividend received	2,660	3,468
Interest paid	(2,510)	(3,427)
Interest received	1,103	1,281
Income taxes refunded (paid)	327	2,133
Other inputs (outputs) of cash	7,629	3,338
Net cash flows from (used in) operating activities	(2,637)	40,084
Cash flows from loss of control of subsidiaries or other businesses	-	25,950
Cash flows used for control of subsidiaries or other businesses	(42)	6,433
Cash flows used in the purchase of non-controlling interests	-	(256,220)
Amounts from the sale of property, plant and equipment	(81)	3,812
Purchases of property, plant and equipment	(18,299)	(13,947)
Purchases of intangible assets	(753)	(168)
Income taxes refunded (paid)	-	(613)
Other inputs (outputs) of cash	-	-
Net cash flows from (used in) investing activities	(19,175)	(234,753)
Amounts from the share issue	-	77,752
Total amounts from loans	35,809	227,132
Loans to related entities	-	-
Loan Payments	(25,722)	(156,108)
Payments of financial lease liabilities	(1,582)	(2,195)
Dividends paid	(30,444)	(1,208)
Other inputs (outputs) in cash	(539)	(647)
Net Cash Flows (Used in) Financing Activities	(22,478)	144,726
Net increase (decrease) in cash and cash equivalents, before the effect of changes in the exchange rate	(44,290)	(49,943)
Effects of variation in the exchange rate on cash and cash equivalents	2,869	(1,935)
Net change in cash and cash equivalents	(41,421)	(51,878)
Cash and cash equivalents, cash flow statements, Beginning Balance	114,334	69,154
Cash and Cash Equivalents, Cash Flow Statement, Final Balance	72,913	17,276