

Chairman's Speech for the Opening Ceremony of the Antucoya Mine

7/28: Antucoya Mine

First, let me say I am very honored to have the opportunity to give this speech here today.

The reason we are here today to celebrate the opening of this mine is because of the strong support of President Michelle Bachelet, Minister Aurora Williams, Minister Marcelo Mena, Minister Luis Felipe Céspedes and the rest of the Chilean government, as well as the regional government, and municipality, and also because of the significant understanding and cooperation for this project from all of the local communities without which this project could not have gone forward. We are also most grateful to the Japan Bank for International Cooperation and other international financial institutions for their assistance (and flexibility) in arranging the competitive financing.

Of course, we cannot forget the chairman and president of the Antofagasta Group, Mr. Jean-Paul Luksic and Mr. Ivan Arriagada, along with all of their people, and the General Manager and acting General Manager of Antucoya, Mr. Ramon Jorquera and Mr. Mario Martinez, together with all those from Antucoya's workers and labor union, as well as everyone else involved in the development and operation of the Antucoya mining project, including the contractors. I would like to express my deepest appreciation and heartfelt thanks to everyone for all you have done.

Marubeni, which was founded in 1858, has a nearly 160-year history and we have built a broad global network of 130 offices in 68 countries and around 450 corporate offices, subsidiaries and affiliates. We are the Japanese largest independent power producers outside Japan with more than 10,000 megawatts in electric power assets and one of the world's largest grain traders handling around 67 million tons a year. Besides metals and minerals, we are also actively involved in such infrastructure projects as water utilities, railways and as mentioned electric power. In trade and distribution, we handle such items as food products, transportation, paper and pulp, textiles, industrial machinery and other products in all the regions worldwide, including of course Chile.

Marubeni has been involved in trade between Chile and Japan for about half a century, dating back to various business investments here in the 1970s. We are mainly engaged in the export of woodchips and food commodities and other items to Japan, the import of cars, construction

machinery and chemical products to Chile and in such infrastructure as water utilities and electric power plants here.

Of course, one of our most important core businesses, copper mining, also has its roots here in Chile. Our partnership with the Antofagasta Group began in the 1990s with our participation in the Los Pelambres mine. Having established a very good and cooperative relationship with Antofagasta we have invested \$2 billion to achieve a 30% participation in the Centinela mining project in 2008 and also in 2011 we have decided to make another investment of \$1 billion for the same participation in this Antucoya project.

At that time, why we were able to make such a quite important decision from Japan to invest such a huge amount of capital, \$3 billion, in successive mega-projects half-way around the world that was due to the strong commitment of Chilean government to support and protect foreign investors like us by improving the investment environment including its legal and tax systems and furthermore, we had very strong trust and confidence in the leadership of Antofagasta under the Chairman Jean-Paul Luksic.

We have faced the numerous headwinds in developing the Antucoya project such as a huge increase of the construction costs same as other similar projects going on at that time and re-examined the project. As a result we have determined to temporarily suspend once. However, we are here today to celebrate the opening of the mine because we were able to overcome these difficulties through the strong support of every one of you here today.

The copper cathodes from the Antucoya mine is being supplied to the many of Japanese industry like electric wire and copper product manufacturers and also the electronics and automobile manufacturers in Japan. So, Chile produced copper has a deep connection to the Japanese economy and is bridging the economic development of both countries.

Bilateral relations between Chile and Japan began with the signing of the Treaty of Friendship, Commerce and Navigation in 1897 making this year the 120th anniversary of our relationship. Along with our pipe line of developing new copper mines including Centinela expansion together with the existing mine at Los Pelambres, Marubeni and Antofagasta continue to strongly contribute to the further development of the economy of both countries for decades to come. In order to continue to

contribute to the further development of Chilean economy through investment as a foreign investor, we are confident the Chilean government will continue to maintain its competitive and favorable investment environment. We look forward to another century of a strong relationship between Chile and Japan.

Thank you very much.