



**INVESTOR RELATIONS
PRESS RELEASE**

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**MADECO S.A. ANNOUNCES THE CAPITAL RESTRUCTURING
PROCESS HAS CONCLUDED**

(Santiago, Chile, April 2, 2003) Madeco S.A. ("Madeco") (NYSE ticker: MAD) announced that the capital restructuring process has concluded on April 1st, 2003. On March 4th, 2003, the Company's largest shareholder - Quiñenco S.A. and its subsidiary, Inversiones Rio Grande S.A. - subscribed and paid a total of approximately CLP\$49,400 million of the capital increase or 2,058,353,810 shares at CLP\$24 per share. On that same day, the Company paid to its bank lenders a total of CLP\$28,841 million. The remaining 70% of the debt was rescheduled for a period of seven years, which includes a grace period of three years. The applicable interest rates are TAB (*Chilean Inter-bank rate*) plus 175 basic points for loans denominated in UF and LIBOR plus 220 basic points for loans denominated in US dollars.

During the pre-emptive rights offering period and the three days after, that ended on March 22, 2003, the Company received an additional amount of CLP\$1,914 million (equivalent to 79,743,935 shares), from shareholders as part of the capital increase.

After the aforementioned period, Madeco initiated the Bond capitalization process, that ended on March, 31, 2003. The following table shows the total Bonds rescued by the Company, which were paid 50% in cash and 50% in shares (at CLP\$24 each):

Bond Serie	# of Bonds rescued	Total Amount (in UF)	Total Amount (in CLP\$)
A	150	317,742.4	5,332,861,356
C	15	125,193.0	2,101,189,221
Total		442,935.4	7,434,050,577

Therefore, the additional number of shares subscribed and paid in the Bond capitalization process totaled 154,876,051, equivalent to CLP3,717 million.



In conclusion, the total number of shares subscribed and paid in the Company's capital increase was 2,292,973,796. As a result, the number of shares outstanding as of April 1, 2003 is 2,698,484,824.

Madeco S.A. announced that it has received notification from the New York Stock Exchange ("NYSE") of its non-compliance with the exchange's requirements for continued listing because its average market capitalization was less than \$15 million over a 30 trading-day period ("minimum market capitalization"). However, as a result of its restructuring, Madeco S.A.'s market capitalization is now above the NYSE continued listing standard of minimum market capitalization and still subject to ongoing monitoring and review by the NYSE.

The Company further announced that it has been notified by NYSE that it continues to be in non-compliance with the exchange's minimum security price listing requirement which requires Madeco's American Depositary Receipts ("ADRs") to have an average closing price of not less than \$1.00 over any 30-trading-day period ("minimum security price"). However, the Company's management intends to effect a ratio change of its ADRs within 3 or 4 weeks from now, and thereby work to increase the market price of its ADRs.

The Company has decided not to make the Rights Offering available to holders of American Depositary Shares, or "ADSs", based on a New York Stock Exchange exemption which allows an issuer to exclude ADS holders in such an offering where it is impracticable or unduly expensive for that Company to offer those rights to U.S. holders of ADSs.

Neither the Rights Offering transaction nor the shares to be offered and sold in that offering are registered under the U.S. Securities Act of 1933 nor under any U.S. state securities laws. The shares will be offered and sold in a transaction outside the United States and will be offered and sold only to Non-U.S. Persons in accordance with Regulation S under the Securities Act.

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Madeco, formerly Manufacturas de Cobre MADECO S.A., was incorporated in 1944 as an open stock corporation under the laws of the Republic of Chile and currently has operations in Chile, Brazil, Peru and Argentina. Madeco is a leading Latin American manufacturer of finished and semi-finished non-ferrous products based on copper, copper alloys and aluminum. The Company is also a leading manufacturer of flexible packaging products for use in the packaging of mass consumer products such as food, snacks and cosmetics.

Readers are cautioned not to place undue reliance on the forward-looking statements included in the above text, which speak only as of the date hereof. The Company undertakes no obligation to release publicly the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances