



**INVESTOR RELATIONS
PRESS RELEASE**

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MADECO ANNOUNCES THE RESULT OF ITS CAPITAL INCREASE

(Santiago, Chile, 16 October, 2002) Madeco S.A. (“Madeco”) (NYSE ticker: MAD) notified the *Superintendencia de Valores y Seguros* (Superintendency of Securities and Insurance, or “SVS”) that the voluntary subscription period for its capital increase (which included the 5 business days subsequent to the closing of the pre-emptive rights period) was closed on October 15, 2002. The proposed capital increase amounted to a total of Ch\$63,000 million, representing 1,800 million shares at a fixed price of Ch\$35 per share.

The pre-emptive rights offering period closed on October 8, 2002, resulting in the direct subscription and payment of 19,511,028 shares as well as the issuance of mandates to the subscription agent for the subscription and payment of an additional 1,057,082,454 shares. As of the October 15th deadline, there were a total of 1,780,488,972 shares unsubscribed. As a consequence, the conditions related to the capital increase were not met.

Despite the aforementioned, Madeco continues its financial restructuring process and negotiations with its creditors, and the Company's Board of Directors will conduct an extraordinary meeting on October 17, 2002 in order to further explore possibilities to reach an agreeable solution with the parties involved.

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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 after the date hereof, including, without limitation,



changes in the Company's business strategy or planned capital expenditures, or to reflect the occurrence of unanticipated events.