

# Celulosa Arauco y Constitución S.A. Launches Tender Offer for 7.250% Notes Due 2019, 5.000% Notes Due 2021 and 4.750% Notes Due 2022

NEWS PROVIDED BY

**Celulosa Arauco y Constitución S.A. →**

19:05 ET

SANTIAGO, Chile, Oct. 12, 2017 /PRNewswire/ -- Celulosa Arauco y Constitución S.A. ("Arauco") announced today that it has commenced cash tender offers (the "Tender Offers") for up to (a) U.S.\$250,000,000 principal amount (the "2019 Notes Tender Cap") of Arauco's outstanding 7.250% Notes due 2019 (the "2019 Notes"), (b) U.S.\$200,000,000 principal amount (the "2021 Notes Tender Cap") of Arauco's outstanding 5.000% Notes due 2021 (the "2021 Notes") and (c) U.S.\$250,000,000 principal amount (the "2022 Notes Tender Cap" and, together with the 2019 Notes Tender Cap and the 2021 Notes Tender Cap, the "Tender Caps" and each a "Tender Cap") of Arauco's outstanding 4.750% Notes due 2022 (the "2022 Notes" and, together with the 2019 Notes and the 2021 Notes, the "Notes").

The Tender Offers are being made pursuant to an offer to purchase dated October 12, 2017 (the "Offer to Purchase") and the related letter of transmittal (the "Letter of Transmittal"), which set forth the terms of the Tender Offers. The following table sets forth certain information relating to the Tender Offers:

Title of Security	CUSIP and ISIN Numbers	Principal Amount Outstanding	Maximum Principal Amount Offered to Purchase	Late Tender Offer Consideration <sup>(a)</sup>	Early Tender Payment <sup>(a)</sup>	Total Consideration <sup>(a)</sup>
7.250% Notes due 2019	CUSIP: 151191AQ6 ISIN: US151191AQ67	U.S.\$499,261,000	U.S.\$ 250,000,000	U.S.\$1,060.00	U.S.\$30.00	U.S.\$1,090.00
5.000% Notes due 2021	CUSIP: 151191AT0 ISIN: US151191AT07	U.S.\$395,786,000	U.S.\$ 200,000,000	U.S.\$1,048.75	U.S.\$30.00	U.S.\$1,078.75
4.750% Notes due 2022	CUSIP: 151191AW3 ISIN: US151191AW36	U.S.\$497,456,000	U.S.\$ 250,000,000	U.S.\$ 1,040.00	U.S.\$30.00	U.S.\$1,070.00

(a) Per U.S.\$1,000 principal amount.

Following consummation of the Tender Offers, the 2019 Notes, the 2021 Notes and the 2022 Notes that are accepted for purchase will be retired and cancelled.

Holders of 2019 Notes, 2021 Notes and 2022 Notes that are validly tendered prior to or at 5:00 p.m., New York City time, on October 25, 2017 (such date and time, as it may be extended with respect to a series of Notes, the "Early Tender Date") and that are accepted for purchase will receive U.S.\$1,090.00 per U.S.\$1,000 principal amount of 2019 Notes, U.S.\$1,078.75 per U.S.\$1,000 principal amount of 2021 Notes and U.S.\$1,070.00 per U.S.\$1,000 principal amount of 2022 Notes, respectively, (each amount, the "Total Consideration" with respect to the respective series of Notes). The Total Consideration is inclusive of the Early Tender Payment (as defined below). Holders of Notes that are validly tendered after the Early Tender Date but prior to or at 11:59 p.m., New York City time, on November 8, 2017 or, in each case, any other date and time to which Arauco extends the applicable Tender Offer (such date and time, as it may be extended with respect to a Tender Offer, the applicable "Expiration Date") and that are accepted for purchase will receive the Total Consideration *minus* an amount in cash (the

"Early Tender Payment") equal to the applicable amount set forth in the table on the cover hereof under the heading "Early Tender Payment." As used herein, the Total Consideration *minus* the Early Tender Payment with respect to the relevant series of Notes is referred to as the "Late Tender Offer Consideration" with respect to such series of Notes. In addition to the applicable Total Consideration or the Late Tender Offer Consideration, all Holders of Notes accepted for purchase will also receive accrued and unpaid interest on Notes validly tendered and accepted for purchase from the applicable last interest payment date up to, but not including, the applicable settlement date.

The Tender Offers are subject to proration as described in the Offer to Purchase.

Completion of the Tender Offers is subject to certain conditions, including the availability of financing on terms and conditions satisfactory to Arauco.

This press release shall not constitute an offer to purchase or a solicitation of acceptance of the offer to purchase, which are being made only pursuant to the terms and conditions contained in the Offer to Purchase and the related Letter of Transmittal. No offer, solicitation, purchase or sale will be made in any jurisdiction in which such an offer, solicitation, or sale would be unlawful.

For additional information regarding the terms of the Tender Offers, please contact the dealer managers for the Tender Offers, J.P. Morgan Securities LLC, Latin America Debt Capital Markets, 383 Madison Avenue, New York, New York 10179, (866) 846-2874 (toll-free) and (212) 834-7279 (collect) or Merrill Lynch, Pierce, Fenner & Smith Incorporated, Liability Management Group, One Bryant Park 8th Floor, New York, New York 10036, (888) 292-0070 (toll-free) and ((646) 855-8988 (collect). Requests for a copy of the Offer to Purchase and Letter of Transmittal can also be obtained from the information agent, Global Bondholder Services Corporation, at (866) 470-3700 (toll-free) and (212) 430-3774 (collect).

Global Bondholder Services Corporation has been appointed as Tender Agent and Information Agent. All deliveries and correspondence sent to the Tender and Information Agent should be directed to Global Bondholder Services Corporation, 65 Broadway - Suite 404, New York, New York 10006, Attn: Corporate Actions.

#### **About Arauco**

We are a corporation (*sociedad anónima*) organized under the laws of Chile. Our principal executive offices are located at Avenida El Golf 150, 14th Floor, Las Condes, Santiago, Chile. Our telephone number is +562-2461-7200, and our facsimile number is +562-2461-7541.

#### **Forward-Looking Statements**

Statements in this press release may be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to risks and uncertainties. Other than statements of historical fact, information regarding activities, events and developments that we expect or anticipate will or may occur in the future, including, but not limited to, information relating to our future growth and profitability targets and strategies designed to increase total shareholder value, are forward-looking statements based on management's estimates, assumptions and projections. Forward-looking statements also include, but are not limited to, statements regarding our future economic and financial condition and results of operations, the plans and objectives of management and our assumptions regarding our performance and such plans and objectives. Many forward-looking statements may be identified by the use of words such as "intend," "believe," "expect," "anticipate," "should," "planned," "projected," "estimated" and "potential," among others. Forward-looking statements contained in this press release are predictions only and actual results could differ materially from management's expectations due to a variety of factors, including those described the section titled "Risk Factors" in our Annual Report on Form 20-F. All forward-looking statements attributable to us or persons working on our behalf are expressly qualified in their entirety by such risk factors. The forward-looking statements that we make in this press release are based on management's current views and assumptions regarding future events and speak only as of their dates. We assume no obligation to update developments of these risk factors or to announce publicly any revisions to any of the forward-looking statements that we make, or to make corrections to reflect future events or developments, except as required by the federal securities laws.

