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NO. 23 (2000)
FEBRUARY 3, 2000NO. 23 (2000)
FEBRUARY 3, 2000**COMINCO LTD.**

[CLT-T] 85,343,071 SHS.

THREE MONTHS ENDED DECEMBER 31, 1999	1999	1998
REVENUE	\$528,000,000	\$489,000,000
OPERATING PROFIT	107,000,000	39,000,000
NET EARNINGS	131,000,000	(12,000,000)
EARNINGS PER SHARE	\$1.54	(14¢)

YEAR ENDED DECEMBER 31, 1999	1999	1998
REVENUE	\$1,645,000,000	\$1,632,000,000
OPERATING PROFIT	221,000,000	100,000,000
NET EARNINGS	159,000,000	(23,000,000)
EARNINGS PER SHARE	\$1.86	(27¢)

PROFITABLE TURNAROUND POSTED - Cominco Ltd. reports financial and production results for the three months and year ended 31Dec99.

Higher zinc price resulted in an additional \$63,000,000 of revenue and higher sales volumes of zinc concentrate and refined zinc contributed an additional \$45,000,000 of revenue. The increased revenue from zinc products was partially offset by a \$53,000,000 reduction in copper revenue, due mainly to lower sales volumes from Highland Valley Copper and a reduction of \$37,000,000 in silver and gold revenue due to lower sales volumes out of Trail.

The fourth quarter earnings were a \$143,000,000 improvement over the \$12,000,000 loss incurred in the fourth quarter of 1998. The main reasons for the increased earnings were a \$68,000,000 improvement in operating profit, of which \$61,000,000 was from the company's zinc operations, \$70,000,000 in special income tax benefits and related interest income, and an \$18,000,000 reduction in expenses due to lower asset valuation write downs and provisions. These items were partially offset by higher income and resource taxes on earnings before special items.

At the zinc operations, Red Dog contributed an additional \$40,000,000 of operating profit and Trail contributed an additional \$9,000,000 to Cominco's consolidated results compared with the fourth quarter of 1998. Red Dog's improvement was due mainly to a 25% increase in zinc concentrate sales combined with the higher zinc price and the lower unit production costs attributable to the Production Rate Increase (PRI) project. Trail's improvement was due to higher sales volumes of refined zinc combined with the higher average zinc price. Promising drill results indicated significant new zinc, lead mineralization on land six miles north of Red Dog.

The resolution of various historical Canadian tax issues for the years 1975 through 1996 contributed \$44,000,000 of income tax benefits and \$7,000,000 of interest income net of tax. A reorganization of certain foreign subsidiaries completed in the fourth quarter of this year resulted in \$19,000,000 of income tax benefits.

The company's decision to abandon its interest in the Jerome copper property in Arizona accounted for most of the asset valuation write downs in the fourth quarter of 1999. The majority of the 1998 asset valuation write downs related to the Cerratepe gold, copper property in Turkey.

At 31Dec99, working capital totalled \$428,000,000 compared with \$446,000,000 at the end of 1998. Net debt (total debt less cash and short-term investments) was \$630,000,000 at the end of December, or 29% of net debt plus equity, a decrease of \$190,000,000 from the \$820,000,000 or 36% at the end of 1998.

The Red Dog Mine in Alaska produced 244,000 tonnes of zinc concentrate and 33,000 tonnes of lead concentrate in the fourth quarter of 1999 compared with 224,000 tonnes of zinc and 31,000 tonnes of lead last year. This was the first time that two comparable quarters have included the full impact of increased production from the PRI project, which began producing at design capacity on a sustainable basis in September of 1998.

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Red Dog's in-transit concentrate inventories at December 31, 1999 were 160,000 tonnes higher than at the end of 1998. This will allow higher sales to be realized in the first half of 2000.

The improvement in the Trail, BC smelter's quarterly operating profit is due mainly to the favourable zinc price and higher sales volumes of refined zinc. The Kivcet lead smelter continued to operate well, averaging 87% of design capacity in the fourth quarter 1999, including the eight-day shutdown that occurred as a result of the oxygen plant outage in October. Kivcet performed at 89% of design capacity in the fourth quarter of 1998. With the exception of silver and gold, profit margins on all of Trail's major product groups showed improvements over margins achieved in the fourth quarter of 1998. The Trail smelter produced a record 289,000 tonnes of refined zinc.

The Cajamarquilla refinery in Peru set a second consecutive quarterly production record, producing 32,000 tonnes of refined zinc in 1999 compared with 30,000 tonnes in the fourth quarter of 1998.

At the Polaris Mine on Little Cornwallis Island, NWT, zinc and lead concentrate production for the fourth quarter of 1999 was 63,000 and 12,000 tonnes respectively, or 3% and 26% lower than a year ago. The decrease was due mainly to lower feed grades to the mill. The 1999 shipping season saw record shipment levels of 245,000 tonnes of zinc and 57,000 tonnes of lead concentrate, of which Cominco's share is 77.5%.

Full production at Highland Valley Copper near Kamloops, BC was re-established by mid-October after a four-month shut down and an innovative five-year economic plan and labour agreement that ties costs to the price of copper. Copper concentrate sales volumes in the fourth quarter of 1999 were 46% below sales in the same period last year, due mainly to the time required to replenish inventories and ship concentrate to the port in Vancouver. At year end, Highland Valley's copper concentrate inventories had been built up to 109,000 tonnes compared with 148,000 tonnes at the end of 1998, of which Cominco's share is 50%. The other partners are RIO ALGOM LTD. [ROM-T] 33.6%, TECK CORP. [TEK, CDNX, T, M] 13.9% and HIGHMONT MINING CO. with 2.5%. (SEE GCNL NO.22, 2Feb2000, P.1 FOR DATA ON SALE OF AMALTEA MINE TO ECSTALL MINING)

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