MINSUR S.A.

SECOND QUARTER 2014

CONSOLIDATED RESULTS

MINSUR

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CORRECTION: MINSUR S.A. AND SUBSIDIARIES ANNOUNCE CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2014

In the 2Q14 press release issued on August 15, 2014, depreciation and amortization has been corrected. This has impacted Taboca's, Mining Division and Consolidated adjusted EBITDA. Consolidated adjusted EBITDA for 2Q14 changed from $112MM to $108.9MM. Earnings release has also been updated as a result of a correction in CAPEX reported as "Mining Exploration, M&A, and others", which affected the Mining Segment and Total CAPEX. Total CAPEX reported for 2Q14 changed from $31.2MM to $21.5MM. No other financial figures or financial statements has been affected, except for note 21-A. Please refer to this updated version.

Lima, Peru - August 22, 2014 – MINSUR S.A. and subsidiaries (BVL: MINSURI1) ("the Company" or "Minsur"), a Peruvian mining company dedicated to the exploration, processing and commercialization of tin and other minerals, announced its consolidated results for the second quarter ("2Q14") and six-month ("6M14") periods ended June 30, 2014. These results are reported in accordance with International Financial Reporting Standards (IFRS) and are expressed in U.S. dollars (US$), unless otherwise indicated.

I. OPERATING RESULTS AND FINANCIAL HIGHLIGHTS:

Mining Division Results:

- **Tin production increased 5% (+343 MT)** in 2Q14 compared to 2Q13.
- **Mining Division** sales increased **17%** in 2Q14 compared to 2Q13, mainly due to higher **tin (+1,436 MT)** and **niobium and tantalum alloy (+ 199 MT)** sales volume.
- **Exploration expenses** decreased **18%** in 2Q14 compared to 2Q13. Nevertheless, **exploration expenses** in 6M14 increased **37%** compared to 6M13, mainly explained by investments in the **Marcobre project** as well as **exploration of existing operations**.
- **Adjusted EBITDA**[1] in the **Mining Division** reached US$ 92.5 million, a 29% increase compared to 2Q13. **Adjusted EBITDA excluding exploration expenses** reached US$ 107 million, a 19% increase compared to 2Q13.

Consolidated Results:

- **Net Sales** increased **6%** for the period, mainly due to higher tin, niobium and tantalum sales volume increase, which were partially offset by lower cement and concrete sales, as a result of the slowdown of the Chilean economy which impacted the construction sector and domestic demand.
- **Adjusted EBITDA**[1] increased **29%** for the period, due to higher sales in the Mining Division and other income in the cement Division related to raw material and machinery sales.

Table 1: Summary of operating and financial results

Production							
Operational Data	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Tin (Sn)	t	7,241	6,898	5%	14,792	13,669	8%
Gold (Au)	oz	24,457	34,313	-29%	52,855	64,236	-18%

Consolidated Results					Mining Division Results					
Summary Results	Unit	2Q14	2Q13	Var (%)	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Net Sales	US$ MM	323.6	305.3	6%	240.6	204.9	17%	485.1	435.1	11%
Administrative Expenses	US$ MM	-12.2	-12.2	-1%	-12.3	-13.8	-11%	-24.9	-26.1	-5%
Exploration Expenses	US$ MM	-14.5	-17.6	-18%	-14.5	-17.6	-18%	-32.6	-23.8	37%
Adjusted EBITDA (1)	US$ MM	108.9	84.3	29%	92.5	72.0	29%	201.1	192.1	5%
Adjusted EBITDA Margin	%	34%	28%	22%	38%	35%	9%	41%	44%	-6%
Net Profit	US$ MM	38.8	31.6	23%	35.3	28.3	25%	84.7	85.9	-1%

[1] Adjusted EBITDA = Operating Income + Depreciation and Amortization

II. MAIN CONSIDERATIONS:

a. Average metal prices:

Average Tin (Sn) market price in 2Q14 was US$ 23,190 per TM, which represented an increase of 11% compared to 2Q13.

Average Gold (Au) market price in the 2Q14 was US$1,290 per ounce, a 9% decrease compared to the same period of the previous year.

Table 2: Average metal prices

Cotizaciones	Unidad	2Q14	2Q13	Var (%)
Tin	US$/t	23,190	20,905	11%
Gold	US$/oz	1,290	1,417	-9%

Source: Bloomberg

b. Exchange rate:

The Peruvian Nuevo Sol average exchange rate for 2Q14 closed at S/. 2.79 per US$1, compared to S/. 2.66 per US$1 in 2Q13, which represented a depreciation of 5% for the Peruvian Nuevo Sol.[3]

The Brazilian Real exchange rate at the end of 2Q14 was R$ 2.21 per US$1, compared to R$ 2.23 per US$ at the end of 2Q13, which represented an appreciation of 1% of the Brazilian Real[3].

Lastly, the Chilean Peso exchange rate at the end of 2Q14 was $ 574.66 per US$1, compared to $ 508.42 per US$1 at the end of 2Q13, which represented a 13% depreciation of the Chilean Peso[4].

[3] Source: Banco Central de Reserva del Perú
[3] Source: Bloomberg
[4] Source: Bloomberg

III. OPERATING MINING RESULTS:

a. San Rafael – Pisco (Peru):

Table 3: San Rafael - Pisco operating results

San Rafael - Pisco	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Operating results							
Ore Treated	TM	243,941	244,250	0%	489,891	465,085	5%
Tin production (Sn)	TM	5,620	5,858	-4%	12,588	11,626	8%
Cash Cost	US$/TM Sn	8,511	8,430	1%	7,828	7,700	2%
Financial results							
Net Sales	US$ MM	160.3	126.9	26%	345.5	280.7	23%
Sales Volume	TM	6,723	5,871	15%	14,650	12,159	20%
Ajusted EBITDA	US$ MM	84.3	70.8	19%	189.0	171.2	10%
Ajusted EBITDA Margin	%	53%	56%	-6%	55%	61%	-10%

Note: The Company is evaluating the possibility of processing tin concentrates from Taboca at the Pisco smelter, given that the Pisco smelter has spare capacity, higher recoveries and lower processing costs. Initial operating tests were conducted during 2Q14.

In 2Q14, tin production reached 5,620 tons, which represented a decrease of 4% compared to the same period of the previous year. This was mainly explained by a lower ore head grade (2.44% in 2Q14 versus 2.62% in 2Q13). Nonetheless, tin production in 6M14 reached 12,588 tons, an increase of 8% compared to 6M13. This increase in production was mainly due to: i) a 5% increase in treated ore in San Rafael when compared to 6M13, ii) higher production levels of refined tin in Pisco as a result of a 30% reduction of tin concentrates stocks levels in line with the company's working capital optimization program, and iii) production from processing tin concentrates from Taboca.

Sales reached US$ 160.3 million in 2Q14, which represented an increase of 26% (+ US$ 33.4 million) compared to the same period of the previous year. This was largely due to a 15% increase of the amount of tin sold (6,723 tons in 2Q14 versus 5,871 tons in 2Q13) and an 11% increase of the average tin market price.

Cash cost[5] per ton of tin in 2Q14 (excluding the impact of the purchase and processing of tin concentrates from Taboca) was US$ 8,511 per ton, in line with the cash cost in 2Q13. Even though tin production levels decreased by 4% when compared to 2Q13, production costs in 2Q14 decreased by 5% due to i) lesser mining infrastructure activities and ii) a reduction of tin concentrate inventory levels.

Adjusted EBITDA at San Rafael – Pisco reached US$ 84.3 million in 2Q14, an increase of 19% (+US$ 13.5 million) compared to the same period of the previous year. This was mainly due to a 24%

[5] Cash Cost = (production cost + sales expenses + change in tin concentrates inventory, excluding employee profit sharing, depreciation and amortization) / (tin Production Volume, in tons)

increase of sales, which was partially offset by an increase in cost of sales, mainly explained by higher levels of metallic tin stocks realization.

b. Pucamarca (Peru):

Table 4: Pucamarca operating results

Pucamarca	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Operating results							
Ore Treated	TM	1,516,286	1,426,493	6%	2,842,877	2,397,606	19%
Gold production (Au)	Oz	24,457	34,313	-29%	52,855	64,236	-18%
Cash Cost	US$/Oz Au	423	309	37%	364	397	-8%
Financial results							
Net Sales	US$ MM	30.5	41.1	-26%	63.3	78.7	-20%
Sales Volume	Oz	23,724	28,694	-17%	48,666	52,144	-7%
Ajusted EBITDA	US$ MM	16.1	29.1	-45%	35.6	57.8	-38%
Ajusted EBITDA Margin	%	53%	71%	-26%	56%	73%	-24%

In 2Q14, gold production reached 24,457 ounces, which represented a 29% decrease compared to the same period of the previous year. This was mainly explained by a lower head grade (0.63 g/t in 2Q14 versus 0.79 g/t in 2Q13) in line with Pucamarca's geological model and mine plan. This was partially offset by a 6% increase in ore treated mainly explained by an increase of plant capacity from 14,000 TPD to 17,500 TPD.

Pucamarca sales reached US$ 30.5 million in 2Q14, which represented a 26% decrease (-US$10 million) compared to 2Q13. This was due to i) a 17% decrease of the gold ounces sold in 2Q14 compared to 2Q13, and ii) a 9% lower average gold market price (US$1,209 in 2Q14 versus US$ 1,417 in 2Q13).

The cash cost[6] per gold ounce in 2Q14 was US$ 423, which represented a 37% increase when compared to 2Q13. This increase was due to a decrease of 25% in head ore grade in 2Q14 compared to 2Q13, in line with the mine plan, which resulted in a 29% decrease in gold ounces production, partially offset by a 3% decrease in production costs in 2Q14 compared to 2Q13.

Pucamarca's adjusted EBITDA reached US$ 16.1 million in 2Q14, a 45% decrease (-US$ 13 million) compared to the same period of the previous year. This was mainly explained by a 26% decrease of sales, partially offset by a 16% decrease of the cost of sales in 2Q14 compared to 2Q13, mainly due to a lower depreciation as a result of the extension of Pucamarca's mine life.

[6] Cash Cost = (production cost + sales expenses, excluding employee profit sharing, depreciation and amortization) / (Gold Production Volume in ounces)

c. Pitinga – Pirapora (Taboca - Brazil):

Table 5. Pitinga – Pirapora operating results

Pitinga - Pirapora	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Operating results							
Ore Treated	TM	1,369,369	1,253,962	9%	2,765,031	2,432,446	14%
Sn production	t	1,621	1,040	56%	2,204	2,043	8%
Niobium and tantalum alloy production*	t	880	727	21%	1,464	1,525	-4%
By product Cash Cost	US$/t Sn	21,165	19,523	8%	21,311	20,742	3%
Financial results							
Net Sales	US$ MM	52.6	36.9	43%	81.2	75.7	7%
Sales Volume - tin	TM	1,531	947	62%	2,243	1,969	14%
Sales Volume - NbTa alloy	TM	924	725	27%	1,566	1,370	14%
Adjusted EBITDA	US$ MM	1.1	-7.0	116%	3.3	-11.5	129%
Adjusted EBITDA Margin	%	2%	-19%	111%	4%	-15%	127%

*Niobium and Tantalum contained in alloy approx. 45%

In 2Q14, tin production reached 1,621 tons, a 56% increase compared with 2Q13. This increase was mainly due to i) a 30% increase of tin concentrate production at Pitinga (1,412 MT in 2Q14 versus 1,088 MT in 2Q13) as a result of a 9% increase in treated ore and a 20% increase in tin production recovery, and ii) the realization of tin concentrates in Pirapora.

Niobium and tantalum alloy production reached 880 tons in 2Q14, a 21% increase compared to 2Q13, mainly explained by i) a 9% increase in ore treated, ii) an increase of 2% in the niobium and tantalum head grade (0.254% in 2Q14 versus 0.248% in 2Q13), and iii) a 32% increase in niobium and tantalum production recovery.

Total sales reached US$ 52.6 million in 2Q14, an increase of 43% (+US$ 15.7 million), mainly explained by i) a higher volume of tin sold (1,531 tons in 2Q14 versus 947 tons in 2Q13); ii) a 11% increase in tin prices per MT in 2Q14, and iii) a 27% increase of the niobium and tantalum tons sold in 2Q14 (924 tons in 2Q14 versus 725 tons in 2Q13).

By-product cash cost[7] in 2Q14 reached US$ 21,165 per ton of tin, an increase of 8% (+US$ 1,642), compared to 2Q13. This was mainly explained by i) a 32% decrease of the niobium and tantalum alloy price per ton due to market constraints, ii) higher levels of inventory of products in process (tin concentrate).

Pitinga - Pirapora adjusted EBITDA reported a profit of US$1.1 million in 2Q14, a 116% improvement compared to 2Q13 (+US$ 8.1 million) mainly derived from an increase of tin, niobium and tantalum sales, and lower administrative expenses in 2Q14 compared to 2Q13.

[7] By-product cash cost = (production cost + sales expenses + change in tin and niobium and tantalum concentrates inventory, excluding employee profit sharing, depreciation and amortization – valuated production of Niobium and Tantalum) / (Tin Metal Production Volume in tons)

IV. CAPEX:

Table 6: CAPEX

CAPEX	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
San Rafael - Pisco	US$ MM	3.6	5.6	-36%	4.6	8.6	-46%
Pucamarca	US$ MM	8.5	0.0	-	9.8	3.6	174%
Pitinga - Pirapora	US$ MM	5.0	5.3	-7%	13.4	10.3	30%
Mining Exploration, M&A and others	US$ MM	2.0	0.8	158%	2.6	1.6	61%
Mining Segment	**US$ MM**	**19.1**	**11.8**	**63%**	**30.4**	**24.1**	**26%**
Cement	US$ MM	2.4	6.6	-64%	4.0	16.0	-75%
TOTAL	**US$ MM**	**21.5**	**18.4**	**17%**	**34.4**	**40.1**	**-14%**

In 2Q14, CAPEX was US$ 21.5 million, an increase of 17% compared with the same period of the previous year. Mining Division CAPEX was US$19.1 million, an increase of 63% compared to 2Q13, in line with the investment plan for the period:

- San Rafael: Increased tailings dam capacity, in line with the mine sustainability plan.
- Pisco: Interconnection to a distributor's natural gas pipeline.
- Pucamarca: Initiated construction of the second stage of a leaching pad for mine continuity and increased plant capacity from 14,000 TPD to 17,500 TPD.
- Pitinga: Increased tailings dam capacity for the medium term, as well as maintenance of critical equipment.

V. FINANCIAL RESULTS:

Table 7: Profit and Loss Statement

Consolidated Financial Results					Mining Division Results					
Financial Statements	Unit	2Q14	2Q13	Var (%)	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Net Sales	US$ MM	323.6	305.3	6%	240.6	204.9	17%	485.1	435.1	11%
Cost of Sales	US$ MM	-210.1	-185.9	13%	-135.8	-111.1	22%	-254.5	-217.6	17%
Gross Profit	**US$ MM**	**113.5**	**119.4**	**-5%**	**104.8**	**93.8**	**12%**	**230.7**	**217.6**	**6%**
Selling Expenses	US$ MM	-10.2	-13.8	-26%	-3.3	-3.0	12%	-5.5	-5.3	2%
Administrative Expenses	US$ MM	-12.2	-12.2	-1%	-12.3	-13.8	-11%	-24.9	-26.1	-5%
Exploration Expenses	US$ MM	-14.5	-17.6	-18%	-14.5	-17.6	-18%	-32.6	-23.8	37%
Other, net	US$ MM	4.0	-17.6	-123%	-4.5	-7.4	-39%	-8.1	-11.5	-29%
Operating Income	**US$ MM**	**80.6**	**58.1**	**39%**	**70.2**	**52.0**	**35%**	**159.6**	**150.8**	**6%**
Other Income (Expenses)	US$ MM	-11.5	8.7	-231%	-6.2	11.6	-153%	-9.9	9.3	-206%
Profit before Income Tax	**US$ MM**	**69.1**	**66.8**	**3%**	**64.0**	**63.6**	**1%**	**149.7**	**160.2**	**-7%**
Income Tax Expense	US$ MM	-30.3	-35.2	-14%	-28.7	-35.3	-19%	-65.0	-74.3	-12%
Net Profit	**US$ MM**	**38.8**	**31.6**	**23%**	**35.3**	**28.3**	**25%**	**84.7**	**85.9**	**-1%**
Net Profit Margin	%	12%	10%	16%	15%	14%	6%	17%	20%	-12%
Adjusted EBITDA	**US$ MM**	**108.9**	**84.3**	**29%**	**92.5**	**72.0**	**29%**	**201.1**	**192.1**	**5%**
Adjusted EBITDA Margin	%	34%	28%	22%	38%	35%	9%	41%	44%	-6%

a. Sales:

In 2Q14, sales reached US$ 323.6 million, an increase of 6% (+US$ 18.3 million) compared to 2Q13. In the Mining Division, sales reached US$ 240.6 million, an increase of 17% compared to 2Q13 (+US$ 35.7 million). This increase was explained by i) an increase of 21% in volume of tin metal sold (8,254 MT in 2Q14 vs. 6,818 MT in 2Q13), ii) a 11% increase of average tin market price, and iii) an increase of 27% in niobium and tantalum alloy sold (924 MT in 2Q14 vs. 725 MT in 2Q13). All of these were partially offset by a decrease of 17% in volume of gold sold (23,724 ounces in 2Q14 vs. 28,694 ounces in 2Q13).

Table 8: Sales volume by product – Mining Division

Sales Volume	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Tin	t	8,254	6,818	21%	16,893	14,128	20%
San Rafael - Pisco	t	6,723	5,871	15%	14,650	12,159	20%
Pitinga - Pirapora	t	1,531	947	62%	2,243	1,969	14%
Gold	oz	23,724	28,694	-17%	48,666	52,144	-7%
Niobium and Tantalum Alloy	t	924	725	27%	1,566	1,370	14%

Table 9: Sales in US$ by product – Mining Division

Sales in US$	Unit	2Q14	2Q13	Var (%)	6M14	6M13	Var (%)
Tin	US$ MM	201.1	148.6	35%	402.6	327.5	23%
San Rafael - Pisco	US$ MM	160.3	126.9	26%	345.5	280.7	23%
Pitinga - Pirapora	US$ MM	40.8	21.7	88%	57.1	46.8	22%
Consolidated Results adjustments	US$ MM	-2.8	0.0	-	-4.9	0.0	-
Gold	US$ MM	30.5	41.1	-26%	63.3	78.7	-20%
Niobium and Tantalum Alloy	US$ MM	11.8	15.2	-22%	24.1	28.9	-17%
TOTAL	**US$ MM**	**240.6**	**204.9**	**17%**	**485.1**	**435.1**	**11%**

b. Gross Profit:

Gross profit in 2Q14 reached US$ 113.5 million, a decrease of 5% when compared to 2Q13. In the Mining Division gross profit reached US$ 104.8 million, an increase of 12% (+US$ 11 million) compared to 2Q13. The improvements in the Mining Division results were due to an increase of sales of 17%. Sales increase was partially offset by an increase in cost of sales of 22% (+US$ 24.7 million). The latter is explained by i) realization of stocks of finished products (metallic tin), ii) an increase in diamond drilling, as part of the intensive exploration program at the San Rafael mine, and iii) the purchase of Pitinga’s tin concentrate as part of a pilot test.

c. Administrative Expenses:

Administrative expenses in 2Q14 were US$ 12.2 million, a decrease of 1% compared to 2Q13. It is important to note that in 2Q14 includes an adjustment due to a reclassification between administrative expenses and selling expenses in the Cement Division of US$ 2.7 million in 1Q14. Excluding this adjustment, administrative expenses in 2Q14 were US$ 14.9 million, a decrease of 40% when compared to 2Q13. In the Mining Division, administrative expenses reached US$ 12.3 million, 11% lower than 2Q13 as a result of a reduction of third-party services expenses.

d. Exploration Expenses:

In 2Q14, exploration expenses reached US$ 14.5 million, a decrease of 18% compared to 2Q13 as a result of lower greenfield exploration expenses and exploration around existing operations. Nevertheless, exploration expenses in 6M14 were US$ 32.6 million, 37% higher than in 2Q13. This was mainly due to investments associated to the Marcobre project and exploration around existing operations.

e. Adjusted EBITDA:

Adjusted EBITDA in 2Q14 reached US$ 108.9 million, an increase of 29% (+US$ 24.6 million) compared to 2Q13, while in the Mining Division, adjusted EBITDA was US$ 92.5 million, an increase of 29% (+US$ 20.5 million) compared to 2Q13

Excluding the exploration expenses, the Mining Division adjusted EBITDA reached US$ 107 million, an increase of 19% compared to the same period of 2013.

VI. LIQUIDITY

As of June 30, 2014, cash and cash equivalents totaled US$ 525.3 million, an increase of 120% compared to US$ 238.6 million reported at the end of 2013. In the Mining Division, cash and cash equivalents totaled US$ 510.1 million, 130% higher than at the end of 2013 (US$ 221.3 million). During 1Q14, Minsur issued an international bond with a nominal value of US$ 450 MM due in 2024 at a coupon rate of 6.25%, resulting in net proceeds of US$ 441.8 MM. These funds were partially used in the prepayment of a US$200 MM loan with Bank of Nova Scotia. The remaining funds will allow the Company to finance future investments.

By the close of 2Q14, total debt reached US$ 748.3 million, a 45% increase when compared to the debt at the end of 2013 (US$ 517.1 million). In the mining Division, total debt reached US$ 538.7 million, 92% higher than at the end of 2013 (US$ 280.2 million).

As a result, the Mining Division net debt to EBITDA ratio at the close of 2Q14 was 0.1x, a decrease of 60% compared to the leverage ratio reported at the end of 2013.

Table 10: Net Debt

		Consolidated Results			Mining Division		
Net Debt	Unit	2Q14	2013	Var (%)	2Q14	2013	Var (%)
Total Debt	US$ MM	748.3*	517.1	45%	538.7*	280.2	92%
Cash	US$ MM	525.3	238.6	120%	510.1	221.3	130%
Net Debt	US$ MM	222.9	278.5	-20%	28.6	58.8	-51%
Total Debt / EBITDA	x	1.6x	1.1x	-38%	1.3x	0.7x	-75%
Net Debt / EBITDA	x	0.4x	0.6x	37%	0.1x	0.2x	60%

*Excluding short term derivative financial instruments

Conference Call Information

Minsur S.A. cordially invites you to its Second Quarter 2014 Consolidated Results Conference Call

Monday, August 18, 2014

11:00 am Eastern Time

10:00 am Lima Time

To access the call, please dial:

1-800-311-9401 from within in the U.S

1-334-323-7224 from outside the U.S

Conference ID Number: 98214

COMPANY DESCRIPTION:

MINSUR was established in 1977, following the transformation of the Peruvian branch of the mining company, MINSUR Partnership Limited de Bahamas, called MINSUR Sociedad Limitada, which operated in Peru since 1966.

Mainly dedicated to exploration, exploitation and treatment of ore deposits, MINSUR is a leader in the international tin market. It has recently entered the gold market through the Pucamarca mine, which initiated operations in February 2013, the other two production units of the Company are the San Rafael mine and the Foundry and Refining Plant of Pisco.

MINSUR is also a majority shareholder of Minera Latinoamericana S.A.C., which is a main shareholder of Mineração Taboca S.A., a company that operates, in the State of Amazonas in Brazil, the Pitinga mine, where tin, Niobium and Tantalum are extracted. Taboca is also owner of the Pirapora Foundry Plant in Sao Paulo. Through its subsidiaries, Minera Latinoamericana S.A.C., owns the 73.9% of Melón, a leading Company in the production and commercialization of cement, concrete, mortar and aggregates in the Chilean market.

Lastly, MINSUR through its subsidiary Cumbres Andinas S.A., owns 70% of the shares of Marcobre S.A.C., which manages a copper ore project called Mina Justa, located in the district of San Juan de Marcona, in Ica. Cumbres Andinas S.A. is also the main shareholder of Compañía Minera Barbastro S.A.C., which has a polymetallic project in the Huancavelica region.

Note on Forward-Looking Statements

This press release may contain forward-looking statements. These statements are statements that are not historical facts, and are based on management's current view and estimates of future economic circumstances, industry conditions, Company performance and financial results. Also, certain reclassifications have been made to make figures comparable for the periods. The words "anticipates", "believes", "estimates", "expects", "plans" and similar expressions, as they relate to the Company, are intended to identify forward-looking statements. Statements regarding the declaration or payment of dividends, the implementation of principal operating and financing strategies and capital expenditure plans, the direction of future operations and the factors or trends affecting financial condition, liquidity or results of operations are examples of forward-looking statements. Such statements reflect the current views of management and are subject to a number of risks and uncertainties. There is no guarantee that the expected events, trends or results will actually occur. The statements are based on many assumptions and factors, including general economic and market conditions, industry conditions, and operating factors. Any changes in such assumptions or factors could cause actual results to differ materially from current expectations.

APPENDIX 1: CONSOLIDATED FINANCIAL STATEMENTS

Table 11: Balance Sheet

Consolidated statements of financial position US$(000)	6M14	2013
Assets		
Current assets		
Cash and cash equivalents	525,338	238,588
Bank deposits under guarantee	21,514	21,015
Trade and other receivables, net	178,482	159,465
Related parties	1,717	2,627
Inventory, net	189,284	222,806
Financial assets at fair value through profit or loss	10,600	10,129
Income tax prepayments	7,459	11,565
Prepaid expenses	3,378	1,257
Available-for-sale financial assets	4,230	3,817
	942,002	**671,269**
Non - current assets		
Trade and other receivables, net	72,557	77,519
Related parties	688	844
Investments in associates	76,328	88,648
Investments properties	104,079	115,754
Property, plant and equipment, net	862,769	887,108
Intangible assets, net	1,220,278	1,219,055
Deferred income tax asset, net	62,012	52,334
Income tax prepayments	11,651	2,764
Other non financial assets	5,309	1,384
	2,415,671	**2,445,410**
Total assets	**3,357,673**	**3,116,679**
Liabilities and equity		
Current liabilities		
Trade and other payables	176,579	200,562
Related parties	7,813	21,455
Financial obligations	130,422	153,289
Provisions	17,434	21,264
	332,248	**396,570**
Non – current liabilities		
Trade and other payables	10,452	10,662
Financial obligations	620,748	363,810
Provisions	151,181	145,773
Deferred income tax liability, net	198,122	202,085
	980,503	**722,330**
Total liabilities	**1,312,751**	**1,118,900**
Equity		
Capital stock	601,269	601,269
Investment shares	300,634	300,634
Other reserves	120,685	120,685
Other equity items	150	-642
Reinvested earnings	39,985	39,985
Cumulative translation reserve	-24,645	-30,283
Unrealizad gain	6,958	3,375
Retained earnings	721,068	682,171
Equity attributable to equity holders of the parent	**1,766,104**	**1,717,194**
Non-controlling interests	278,818	280,585
Total equity	**2,044,922**	**1,997,779**
Total liabilities and equity	**3,357,673**	**3,116,679**

Table 12: Income Statement

Consolidated statements of income US$(000)	6M14	6M13
Net sales	657,984	649,042
Cost of Sales	-410,474	-403,801
Gross Profit	**247,510**	**245,241**
Operating expenses:		
Administrative expenses	-29,781	-32,129
Selling expenses	-13,943	-19,419
Exploration expenses	-32,608	-23,796
Other, net	1,823	-14,274
Total operating expenses	-74,509	-89,618
Operating income	**173,001**	**155,623**
Other income (expenses):		
Finance income	3,420	4,017
Finance costs	-28,041	-15,447
Gain from investment in associates, net	1,549	26,869
Gain from financial assets at fair value through profit or loss	-674	-543
Dividends	-	200
Exchange difference, net	3,951	-13,126
Gain from derivative financial instruments, net	-	-
Total other income (expenses)	**-19,795**	**1,970**
Profit before income tax	**153,206**	**157,593**
Income tax expense	-65,614	-74,999
Profit for the year	**87,592**	**82,594**
Attributable to:		
Equity holders of the parent	91,467	87,520
Non-controlling interests	-3,875	-4,926
Profit for the year	**87,592**	**82,594**
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:		
Common shares	3.17	3.04
Investment shares	0.03	0.03

Table 13: Cash Flow

Consolidated statements of cash flows US$(000)	6M14	6M13
Operating activities		
Collection from customers	749,334	722,709
Interest received	536	1,608
Payments to suppliers	-366,261	-388,134
Payroll and social benefit payments	-114,334	-109,078
Tax payments and other taxes	-83,155	-74,499
Interest paid	-22,097	-3,046
Other receipts (payments) related to the activity, net	-25,532	-24,878
Net cash flows provided by operating activities	**138,491**	**124,682**
Investing activities		
Dividends from investment in associate	1,346	4,963
Proceeds from sale of property, plant and equipment	1,487	1,003
Proceeds from sale of intangibles	0	0
Repayment of investments in associates	11,871	0
Purchase of property, plant and equipment	-35,897	-33,988
Purchase of intangibles	-19,313	-19,434
Others	2,162	0
Net cash flows used in investing activities	**-38,344**	**-47,456**
Financing activities	-	-
Proceeds from borrowings	450,000	219,724
Dividends paid	-50,115	-49,544
New contributions of minority	7,740	5,880
Repayment of borrowings	-221,471	-265,886
Others	812	-3,854
Net cash flows (used in) provided by financing activities	**186,966**	**-93,680**
Net increase (decrease) in cash and cash equivalents	287,113	-16,454
Exchange difference	-363	-392
Cash and cash equivalents at beginning of year	**238,588**	**146,395**
Cash and cash equivalents at end of year	**525,338**	**129,549**