

Minsur S.A. and Subsidiaries

Interim consolidated statements of financial position

For the Nine-months period ended September 30, 2017 (unaudited) and December 31, 2016 (audited)

	Note	As of September 30, 2017 US\$(000)	As of December 31, 2016 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	5	413,413	353,343
Trade and other receivables, net	6	101,188	98,937
Inventory, net	7	116,332	100,215
Other financial assets	5,8,9,32	106,402	73,529
Income tax prepayments		195	338
Other assets		3,540	2,140
Available-for-sale financial assets		3,365	3,270
		<u>744,435</u>	<u>631,772</u>
Non-current assets			
Other financial assets	9	131,622	128,810
Trade and other receivables, net	6	59,920	53,664
Investments in associates	10	309,732	345,523
Property, plant and equipment, net	11	568,823	525,934
Intangible assets, net	12	413,067	390,688
Deferred income tax asset, net	16	91,601	85,795
Income tax prepayments		-	182
Other assets		-	1
		<u>1,574,765</u>	<u>1,530,597</u>
Total asset		<u>2,319,200</u>	<u>2,162,369</u>
Liabilities			
Current liabilities			
Trade and other payables	13	130,074	141,798
Financial obligations	14, 32	152,648	112,433
Provisions	15	33,235	33,959
Income tax		1,768	9,319
		<u>317,725</u>	<u>297,509</u>
Non-current liabilities			
Trade and other payables	13	42,129	39,450
Financial obligations	14	445,349	444,730
Provisions	15	154,876	146,470
Deferred income tax liability, net	16	41,538	38,272
		<u>683,892</u>	<u>668,922</u>
Total liabilities		<u>1,001,617</u>	<u>966,431</u>
Equity			
Capital stock	17	601,269	601,269
Investment shares		300,634	300,634
Other reserves		151,371	150,820
Other equity items		(158,317)	(189,877)
Retained earnings		422,443	332,901
Equity attributable to equity holders of the parent		<u>1,317,400</u>	<u>1,195,747</u>
Non-controlling interests		183	191
Total equity		<u>1,317,583</u>	<u>1,195,938</u>
Total liabilities and equity		<u>2,319,200</u>	<u>2,162,369</u>

Minsur S.A. and Subsidiaries

Interim consolidated income statements

For the Nine-months period ended September 30, 2017 and 2016 (unaudited)

	Note	For the specific quarter from July 1, to September 30,		For the nine months period ended September 30,	
		2017	2016	2017	2016
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	19	177,770	162,251	504,559	444,050
Cost of sales	20	(105,240)	(95,478)	(307,344)	(269,073)
Gross margin		<u>72,530</u>	<u>66,773</u>	<u>197,215</u>	<u>174,977</u>
Operating expenses					
Administrative expenses	21	(13,085)	(11,031)	(35,324)	(31,875)
Selling expenses	22	(1,890)	(222)	(4,745)	(3,345)
Other operating income	23	65,636	823	70,335	6,464
Other operating expenses	24	(55,003)	(5,544)	(82,209)	(36,038)
Total operating expenses		<u>(4,342)</u>	<u>(15,974)</u>	<u>(51,943)</u>	<u>(64,794)</u>
Operating income		<u>68,188</u>	<u>50,799</u>	<u>145,272</u>	<u>110,183</u>
Other income (expenses)					
Finance income	25	2,525	783	6,733	3,905
Finance costs	25	(11,371)	(9,607)	(32,650)	(29,232)
Exchange difference, net		5,458	(1,517)	800	12,702
Gain (loss) from investments in associates, net	10	16,262	(8,401)	8,525	(12,810)
Gain (loss) from financial assets at fair value through profit or loss		8,461	320	9,744	(1,023)
Total other income (expenses)		<u>21,335</u>	<u>(18,422)</u>	<u>(6,848)</u>	<u>(26,458)</u>
Profit before income tax		89,523	32,377	138,424	83,725
Income tax expense	16	(23,408)	(21,778)	(48,884)	(34,380)
Profit for the period		<u>66,115</u>	<u>10,599</u>	<u>89,540</u>	<u>49,345</u>
Attributable to :					
Owners of the parent		66,115	8,981	89,542	49,351
Non-controlling interests		-	1,618	(2)	(6)
Profit or loss for the period		<u>66,115</u>	<u>10,599</u>	<u>89,540</u>	<u>49,345</u>
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	26	2.293	0.368	3.106	1.712
Investment shares	26	0.023	0.004	0.031	0.017

Minsur S.A. and Subsidiaries

Interim consolidated statements of comprehensive income

For the Nine-months period ended September 30, 2017 and 2016 (unaudited)

	For the specific quarter from July 1, to September 30,		For the nine months period ended September 30,	
	2017 US\$(000)	2016 US\$(000)	2017 US\$(000)	2016 US\$(000)
(Loss) Profit for the period	66,115	10,599	89,540	49,345
Other comprehensive income				
Net Change in Cash Flow Hedges	1,910	(6,714)	3,949	(6,755)
Gains (Losses) on Investments in Equity Instruments at fair value	579	105	1,887	2,358
Exchange difference on traslation of foreing operations	26,585	(1,589)	26,036	50,819
Participation in other comprehensive income of associates and joint ventures accounted for using the equity method	(11,255)	15,422	(312)	29,382
Net comprehensive income	17,819	7,224	31,560	75,804
Total comprehensive income	83,934	17,823	121,100	125,149
Attributable to:				
Equity holders of the parents	83,934	16,205	121,102	125,155
Non-controlling interests	-	1,618	(2)	(6)
	<u>83,934</u>	<u>17,823</u>	<u>121,100</u>	<u>125,149</u>

Minsur S.A. And Subsidiaries

Interim consolidated statements of changes in equity

For the Nine-months period ended September 30, 2017 and 2016 (unaudited)

	<u>Capital Stock</u>	<u>Investment shares</u>	<u>Others Reserves</u>	<u>Other equity items</u>	<u>Other equity items</u>	<u>Reinvested earnings</u>	<u>Cumulative translation reserve</u>	<u>Unrealized Gain (loss)</u>	<u>Retained earnings</u>	<u>Total attributable to equity holders of the parent</u>	<u>Non - controlling interests</u>	<u>Total equity</u>
	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)
Balance as of January 1, 2016	601,269	300,634	120,685	-	2,382	39,985	(245,427)	(12,310)	244,830	1,052,048	62,868	1,114,916
Profit of the period	-	-	-	-	-	-	-	-	49,351	49,351	(6)	49,345
Other comprehensive income	-	-	-	-	-	-	50,819	24,985	-	75,804	-	75,804
Total other comprehensive income	-	-	-	-	-	-	50,819	24,985	49,351	125,155	(6)	125,149
Capital Contributions	-	-	-	-	-	-	-	-	-	-	5,280	5,280
Other adjustments	-	-	-	-	-	-	-	-	-	-	(67,925)	(67,925)
Balance as of September 30, 2016	601,269	300,634	120,685	-	2,382	39,985	(194,608)	12,675	294,181	1,177,203	217	1,177,420
Balance as of January 1, 2017	601,269	300,634	110,835	-	-	39,985	(195,517)	5,640	332,901	1,195,747	191	1,195,938
Profit or loss of the period	-	-	-	-	-	-	-	-	89,542	89,542	(2)	89,540
Other comprehensive income	-	-	-	-	-	-	26,036	5,524	-	31,560	-	31,560
Total other comprehensive income	-	-	-	-	-	-	26,036	5,524	89,542	121,102	(2)	121,100
Capital Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	551	-	-	-	-	-	-	551	(6)	545
Balance as of September 30, 2017	601,269	300,634	111,386	-	-	39,985	(169,481)	11,164	422,443	1,317,400	183	1,317,583

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of cash flows

For the Nine-months period ended September 30, 2017 and 2016 (unaudited)

	Note	As of September 30, 2017 US\$(000)	As of September 30, 2016 US\$(000)
Operating activities			
Collection from customers		525,001	457,307
Interest received		2,366	43
Payments to suppliers		(270,617)	(170,420)
Payroll and social benefit payments		(108,371)	(87,336)
Tax payments and other taxes		(75,716)	(49,178)
Interest paid		(37,165)	(36,131)
Other (payments) receipts related to the activity, net		1,786	(13,880)
Net cash flows (used in) provided by operating activities		37,284	100,405
Investing activities			
Sale of Financial Instruments of Patrimony or Debt of Other Entities	10 (c)	61,139	-
Proceeds from sale of property, plant and equipment		610	53
Purchase of property, plant and equipment		(45,781)	(25,931)
Purchase of intangibles		(25,453)	(12,257)
Others		(23,431)	(40,017)
Net cash flows used in investing activities		(32,916)	(78,152)
Financing activities			
Proceeds from borrowings		132,897	-
Changes in Ownership Shares of Subsidiaries that Do Not Result in Loss of Control		-	3,000
Repayment of borrowings		(78,238)	-
Dividends paid		(12)	(36)
Others		2	(20,159)
Net cash flows provided by financing activities		54,649	(17,195)
Net (decrease) increase in cash and cash equivalents		59,017	5,058
Net exchange difference		1,053	3,395
Cash and cash equivalents as of January 1	5	353,343	390,855
Cash and cash equivalents as of September 30	5	413,413	399,308