

Minsur S.A.

Interim condensed separated statements of financial position

As of June 30, 2019 (unaudited) and December 31, 2018 (audited)

	Notes	As of June 30, 2019 US\$(000)	As of December 31, 2018 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	3	133,775	200,147
Other financial assets	3,6	393,309	430,723
Trade receivables, net	4	47,722	51,984
Related parties	20	2,181	3,667
Other receivables, net	4	35,851	26,732
Payments in advances	4	1,592	1,416
Inventory, net	5	72,487	73,752
Income tax prepayments		139	17,335
Other Non-Financial assets		1,199	1,618
		<u>688,255</u>	<u>807,374</u>
Non-current assets			
Other financial assets	6	5,312	4,900
Investments in subsidiaries and associates	7	752,763	698,264
Property, plant and equipment, net	8	403,318	369,422
Intangible assets, net	9	31,007	31,059
Deferred income tax asset, net	14	39,568	30,024
Other assets	10	9,395	11,109
		<u>1,241,363</u>	<u>1,144,778</u>
Total asset		<u>1,929,618</u>	<u>1,952,152</u>
Liabilities			
Current liabilities			
Financial obligations	12	4,480	12,920
Trade payables	11	49,664	65,918
Related parties	20	6,005	5,482
Other payables	11	21,505	22,440
Provision for employees benefits	11	19,269	14,617
Provisions	13	10,881	11,313
		<u>111,804</u>	<u>132,690</u>
Non-current liabilities			
Trade and other payables	11	7,666	7,400
Financial obligations	12	448,384	448,979
Provisions	13	65,293	59,222
		<u>521,343</u>	<u>515,601</u>
Total liabilities		<u>633,147</u>	<u>648,291</u>
Equity			
Capital stock	15	601,269	601,269
Investment shares	15	300,634	300,634
Other reserves	15	174,357	174,357
Other equity items	15	(218,621)	(217,209)
Retained earnings		438,832	444,810
Total equity		<u>1,296,471</u>	<u>1,303,861</u>
Total liabilities and equity		<u>1,929,618</u>	<u>1,952,152</u>

Minsur S.A.

Interim condensed separated income statements

As of June 30, 2019 (unaudited) and June 30, 2018 (unaudited)

	Notes	For the six months period ended June 30	
		2019 US\$(000)	2018 US\$(000)
Net sales	17	271,029	254,145
Cost of sales	18	(141,061)	(118,624)
Gross margin		129,968	135,521
Operating expenses			
Administrative expenses		(18,826)	(15,768)
Selling expenses		(2,939)	(2,273)
Other operating income		11,755	187,428
Other operating expenses		(22,313)	(204,953)
Total operating expenses		(32,323)	(35,566)
Operating income		97,645	99,955
Other income (expenses)			
Finance income	19	15,113	3,861
Finance costs	19	(15,236)	(15,769)
Exchange difference, net		1,750	(761)
Gain (loss) from investments in subsidiaries and associates, net	7(b)	(4,023)	(21,275)
Gain (loss) from financial assets at fair value through profit or loss		-	101
Total other income (expenses)		(2,396)	(33,843)
Profit before income tax		95,249	66,112
Income tax expense		(35,227)	(11,937)
Profit for the period		60,022	54,175
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:			
Common shares		2.082	1.879
Investment shares		0.021	0.019

Minsur S.A.**Interim condensed separated statements of comprehensive income**

As of June 30, 2019 (unaudited) and June 30, 2018 (unaudited)

	For the six months period ended June 30	
	2019	2018
	US\$(000)	US\$(000)
Profit for the period	60,022	54,175
Other comprehensive income		
Unrealized gain (loss) related to investment in subsidiaries and associate	632	(8,482)
Exchange difference on traslation of foreing operations	(6,362)	(4,410)
Net change in non-current assets at fair value through other comprehensive income	4,318	(2,128)
Net comprehensive income	<u>(1,412)</u>	<u>(15,020)</u>
Total comprehensive income	<u>58,610</u>	<u>39,155</u>

Minsur S.A.

Interim condensed separated statements of changes in equity

As of June 30, 2019 (unaudited) and June 30, 2018 (unaudited)

	<u>Capital stock</u>	<u>Investment shares</u>	<u>Other equity items</u>	<u>Unrealized gain (loss) related to investment in subsidiaries and associate</u>	<u>Investments in equity measured at fair value through other comprehensive income</u>	<u>Cumulative translation reserve</u>	<u>Retained earnings</u>	<u>Total equity</u>
	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)	US\$(000)
Balance as of January 1, 2018	601,269	300,634	174,357	90	847	(166,977)	300,344	1,210,564
Profit of the period	-	-	-	-	-	-	54,175	54,175
Other comprehensive income	-	-	-	(8,482)	(2,128)	(4,410)	-	(15,020)
Total other comprehensive income	-	-	-	(8,482)	(2,128)	(4,410)	54,175	39,155
Other adjustments	-	-	-	-	-	-	103	103
Balance as of June 30, 2018	601,269	300,634	174,357	(8,392)	(1,281)	(171,387)	354,622	1,249,822
Balance as of January 1, 2019	601,269	300,634	174,357	(10,701)	(8,186)	(198,322)	444,810	1,303,861
Profit or loss of the period	-	-	-	-	-	-	60,022	60,022
Other comprehensive income	-	-	-	632	4,318	(6,362)	-	(1,412)
Total other comprehensive income	-	-	-	632	4,318	(6,362)	60,022	58,610
Dividends declared	-	-	-	-	-	-	(66,000)	(66,000)
Balance as of June 30, 2019	601,269	300,634	174,357	(10,069)	(3,868)	(204,684)	438,832	1,296,471

Minsur S.A.

Interim condensed separated statements of cash flows

As of June 30, 2019 (unaudited) and June 30, 2018 (unaudited)

	As of June 30, 2019 US\$(000)	As of June 30, 2018 US\$(000)
Operating activities		
Collection from customers	275,316	254,780
Other Cash Collections Relating to Operating Activities	-	468
Interest received	14,246	1,783
Payments to suppliers	(127,955)	(107,780)
Payroll and social benefit payments	(43,032)	(45,970)
Tax payments and other taxes	(28,460)	(47,731)
Interest paid	(13,636)	(14,155)
Other (payments) receipts related to the activity, net	1,423	(10,907)
Net cash flows (used in) provided by operating activities	77,902	30,488
Investing activities		
Sale of Financial Instruments of Equity or Debt of Other Entities	580,208	474,874
Dividends received	909	-
Proceeds from sale of property, plant and equipment	24	227
Purchase of Financial Instruments of Equity or Debt of Other Entities	(538,093)	(450,826)
Purchase of property, plant and equipment	(56,246)	(34,256)
Purchase of intangibles	(1,715)	(1,113)
Loan to subsidiary	-	(35,000)
Capital contribution to subsidiaries and associates	(64,320)	(73,775)
Loan to subsidiary	-	35,000
Others	-	1,889
Net cash flows used in investing activities	(79,233)	(82,980)
Financing activities		
Liabilities for financial leasing	(2,268)	(1,513)
Dividends paid	(66,000)	-
Net cash flows provided by financing activities	(68,268)	(1,513)
Net (decrease) increase in cash and cash equivalents	(69,599)	(54,005)
Net exchange difference	3,227	(122)
Cash and cash equivalents as of January 1	200,147	202,882
Cash and cash equivalents as of June 30	133,775	148,755