

Minsur S.A.**Interim condensed separated statements of financial position**

As of June 30, 2018 (unaudited) and December 31, 2017 (audited)

	Notes	2018 US\$(000)	2017 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	5	148,755	202,882
Other financial assets	5, 9	403,234	200,496
Trade receivables, net	6	45,203	44,769
Trade receivables from related parties	6, 28	4,506	3,491
Other receivables, net	6	17,179	14,423
Inventory, net	7	63,314	65,909
Income tax credit	18	36,235	-
Prepayments		586	900
		<u>719,012</u>	<u>532,870</u>
Non-current assets			
Other financial assets	8	81,430	131,713
Investments in subsidiaries and associates	10	659,403	800,969
Property, plant and equipment, net	11	319,177	302,120
Intangible assets, net	12	28,396	30,800
Deferred income tax asset, net	18	29,361	24,943
Other assets	13	5,822	6,494
		<u>1,123,589</u>	<u>1,297,039</u>
Total assets		<u>1,842,601</u>	<u>1,829,909</u>
Liabilities			
Current liabilities			
Financial obligations	15, 16	6,602	4,968
Trade payables	14	34,579	51,731
Trade payables from related parties	14, 28	3,711	7,035
Other payables	14	21,903	23,716
Provision for employees benefits	14	8,098	18,676
Provisions	17	9,958	10,642
Liability for income tax	18	-	4,354
Other liabilities	14	1	1
		<u>84,852</u>	<u>121,123</u>
Non-current liabilities			
Financial obligations	15, 16	446,294	445,520
Provisions	17	67,949	59,018
		<u>514,243</u>	<u>504,538</u>
Total liabilities		<u>599,095</u>	<u>625,661</u>
Equity			
Capital stock		601,269	601,269
Investment shares		300,634	300,634
Other reserves		174,357	174,357
Other equity items		(181,456)	(166,436)
Retained earnings		348,702	294,424
Equity attributable to equity holders of the parent		<u>1,243,506</u>	<u>1,204,248</u>
Total equity		<u>1,243,506</u>	<u>1,204,248</u>
Total liabilities and equity		<u>1,842,601</u>	<u>1,829,909</u>

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

As of June 30, 2018 (unaudited) and June 30, 2017 (unaudited)

	Notes	For the specific quarter from April 1, to June 30,		For the six months period ended June 30,	
		2018	2017	2018	2017
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	21	130,015	121,634	254,145	242,804
Cost of sales	22	(59,815)	(56,958)	(118,624)	(117,852)
Gross margin		70,200	64,676	135,521	124,952
Administrative expenses	23	(7,289)	(6,610)	(15,768)	(14,338)
Selling expenses	24	(1,087)	(686)	(2,273)	(1,333)
Other operating income	25	185,149	2,327	187,428	4,250
Other operating expenses	26	(195,233)	(11,692)	(204,953)	(21,342)
Total operating expenses		(18,460)	(16,661)	(35,566)	(32,763)
Operating income		51,740	48,015	99,955	92,189
Other income (expenses)					
Finance income	27	2,656	1,392	3,861	2,454
Finance costs	27	(8,328)	(7,735)	(15,769)	(15,307)
Exchange difference, net		(228)	66	(761)	(1,115)
Loss (gain) from investments in subsidiaries and associates, net	10	(20,777)	(17,143)	(21,275)	(28,635)
Gain (loss) from financial assets at fair value through profit or loss	9	2,684	860	101	1,996
Total other income (expenses)		(23,993)	(22,560)	(33,843)	(40,607)
Profit before income tax		27,747	25,455	66,112	51,582
Income tax	18	3,315	(15,264)	(11,937)	(27,980)
Profit (loss) for the period		31,062	10,191	54,175	23,602
Resultado por acción básica y diluida atribuible a:					
Acciones comunes	19 (i)	1.077	0.353	1.879	0.819
Acciones de inversión	19 (i)	0.011	0.004	0.019	0.008

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Interim condensed separated statements of comprehensive income

As of June 30, 2018 (unaudited) and June 30, 2017 (unaudited)

	Notes	For the specific quarter from April 1, to June 30,		For the six months period ended June 30,	
		2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
(Loss) Profit for the period		31,062	10,191	54,175	23,602
Other comprehensive income					
Net Change by Cash Flow Hedges	10	(8,044)	(1,843)	(8,330)	2,039
Unrealized gain (loss) related to investment in subsidiaries and associate	10	(1,320)	6,771	(152)	10,943
Exchange difference on traslation of foreing operations	10	(27,812)	(19,922)	(4,410)	(549)
Unrealized gain (loss) through fair value of assets hel for sale	10	(2,065)	214	(2,128)	992
		-	-	-	-
Net comprehensive income		<u>(39,241)</u>	<u>(14,780)</u>	<u>(15,020)</u>	<u>13,425</u>
Total comprehensive income		<u>(8,179)</u>	<u>(4,589)</u>	<u>39,155</u>	<u>37,027</u>

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Interim condensed separated statements of cash flows

As of June 30, 2018 (unaudited) and 30 June 2017 (unaudited)

	Notes	2018	2017
		US\$(000)	US\$(000)
Operating activities			
Collection from customers		254,780	254,823
Interest received		-	1,715
Payments to suppliers		(107,780)	(99,329)
Payroll and social benefit payments		(45,970)	(45,720)
Tax payments and other taxes		(10,907)	(44,870)
Interest paid		(14,155)	(14,762)
Dividends received		1,783	-
Other (payments) receipts related to the activity, net		(47,263)	(18)
Net cash flows (used in) provided by operating activities		30,488	51,839
Investing activities			
Loans to related entities		35,000	-
Opening of investment and sale of shares		474,874	-
Dividends received		-	2,466
Proceeds from sale of property, plant and equipment		227	22
Closure of investments		(450,826)	-
Purchase of property, plant and equipment		(34,256)	(12,402)
Purchase of intangibles		(1,113)	(5,953)
Capital contribution to subsidiaries and associates		(73,775)	(4,600)
Loans to related entities		(35,000)	-
Others		1,889	-
Net cash flows used in investing activities		(82,980)	(20,467)
Financing activities			
Principal elements of finance lease payments		(1,513)	(3,472)
Dividends paid		-	(12)
Others		-	280
Net cash flows provided by financing activities		(1,513)	(3,204)
Net (decrease) increase in cash and cash equivalents		(54,005)	28,168
Net exchange difference		(122)	265
Cash and cash equivalents as of January 1		202,882	341,139
Cash and cash equivalents as of June 30		148,755	369,572

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Interim condensed separated statements of changes in equity

As of June 30, 2018 (unaudited) and June 30, 2017 (unaudited)

	<u>Capital stock</u>	<u>Investment shares</u>	<u>Other reserves</u>	<u>Participation in other comprehensive income from investments in subsidiaries and associates</u>	<u>Cash flow hedge</u>	<u>Investments in equity measured at fair value</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)	US\$(000)
Balance as of January 1, 2017	601,269	300,634	150,820	8,544	(2,904)	(6,957)	(195,517)	339,524	1,195,413
Profit (loss) of the period	-	-	-	-	-	-	-	23,602	23,602
Other comprehensive income	-	-	-	10,943	2,039	992	(549)	-	13,425
Total other comprehensive income	-	-	-	10,943	2,039	992	(549)	23,602	37,027
Dividends declared	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2017	601,269	300,634	150,820	19,487	(865)	(5,965)	(196,066)	363,126	1,232,440
Balance as of January 1, 2018	601,269	300,634	174,357	(5,789)	5,563	767	(166,977)	294,424	1,204,248
Profit (loss) of the period	-	-	-	-	-	-	-	54,175	54,175
Others minors	-	-	-	-	-	-	-	103	103
Other comprehensive income	-	-	-	(152)	(8,330)	(2,128)	(4,410)	-	(15,020)
Total other comprehensive income	-	-	-	(152)	(8,330)	(2,128)	(4,410)	54,278	39,258
Dividends declared	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2018	601,269	300,634	174,357	(5,941)	(2,767)	(1,361)	(171,387)	348,702	1,243,506