

Minsur S.A.

Interim condensed separated statements of financial position

As of June 30, 2016 (unaudited) and December 31, 2015 (audited)

	Note	As of June 30, 2016 US\$(000)	As of December 31, 2015 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	6	323,734	383,001
Financial assets at fair value through profit or loss	9	5,069	6,412
Trade receivables, net	7	38,026	45,104
Other receivables, net	7	12,124	12,839
Related parties	7, 27	472	627
Inventory, net	8	52,441	61,432
Prepayments		2,488	181
Income tax prepayments	17 (a)	-	3,330
Other Non-Financial assets	31	353	-
		<u>434,707</u>	<u>512,926</u>
Non-current assets			
Other financial assets	10	195,835	192,498
Investments in associates	11 (a)	768,088	609,722
Property, plant and equipment, net	12	289,499	289,131
Intangible assets, net	13	24,430	24,153
Deferred income tax asset, net	17 (b)	18,777	5,092
Other assets		2	2
		<u>1,296,631</u>	<u>1,120,598</u>
Total asset		<u>1,731,338</u>	<u>1,633,524</u>
Liabilities			
Current liabilities			
Financial obligations	14	29	234
Trade payables	15	21,734	29,494
Other payables	15	20,454	19,559
Related parties	15, 27	7,241	14,932
Provision for employees benefits	15	12,561	16,470
Provisions	16	10,340	10,968
Liability for income tax	17 (a)	3,042	-
Other Liabilities	31	-	263
		<u>75,401</u>	<u>91,920</u>
Non-current liabilities			
Financial obligations	14	439,630	439,145
Provisions	16	55,309	50,411
		<u>494,939</u>	<u>489,556</u>
Total liabilities		<u>570,340</u>	<u>581,476</u>
Equity			
Capital stock	18	601,269	601,269
Investment shares	18	300,634	300,634
Other reserves	18	160,670	160,670
Other equity items	18	(186,775)	(255,355)
Retained earnings		285,200	244,830
Equity attributable to equity holders of the parent		<u>1,160,998</u>	<u>1,052,048</u>
Total equity		<u>1,160,998</u>	<u>1,052,048</u>
Total liabilities and equity		<u>1,731,338</u>	<u>1,633,524</u>

Minsur S.A.

Interim condensed separated income statements

As of June 30, 2016 and 2015 (unaudited)

	Note	For the specific quarter from April 1, to June 30,		For the six months period ended June 30,	
		2016	2015	2016	2015
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	20	120,736	122,101	228,053	255,642
Cost of sales	21	(62,323)	(69,110)	(115,974)	(142,443)
Gross margin		58,413	52,991	112,079	113,199
Operating expenses					
Administrative expenses	23	(8,285)	(9,483)	(14,105)	(17,198)
Selling expenses	22	(1,097)	(1,687)	(2,253)	(3,369)
Other operating income	24	2,558	1,716	3,707	3,723
Other operating expenses	25	(6,858)	(9,473)	(12,548)	(17,759)
Total operating expenses		(13,682)	(18,927)	(25,199)	(34,603)
Operating income		44,731	34,064	86,880	78,596
Other income (expenses)					
Finance income	26	2,728	1,244	1,631	2,654
Finance costs	26	(8,201)	(7,695)	(15,795)	(15,376)
Exchange difference, net		(129)	(371)	330	48
Gain (loss) from investments in subsidiaries and associates, net	11 (b)	(9,600)	499	(13,621)	(31,025)
Gain (loss) from financial assets at fair value through profit or loss		(752)	(209)	(1,343)	223
Total other income (expenses)		(15,954)	(6,532)	(28,798)	(43,476)
Profit before income tax		28,777	27,532	58,082	35,120
Income tax expense	17 (d)	(7,768)	(13,668)	(17,712)	(34,028)
Profit for the period		21,009	13,864	40,370	1,092
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	18 (e)	0.729	0.481	1.400	0.038
Investment shares	18 (e)	0.007	0.005	0.014	0.000

Minsur S.A.

Interim condensed separated statements of comprehensive income

As of June 30, 2016 and 2015 (unaudited)

	For the specific quarter from April 1, to June 30,		For the six months period ended June 30,	
	2016 US\$(000)	2015 US\$(000)	2016 US\$(000)	2015 US\$(000)
(Loss) Profit for the period	21,009	13,864	40,370	1,092
Other comprehensive income				
Net Change by Cash Flow Hedges	(41)	-	(41)	-
Unrealized gain (loss) related to investment in associate	3,893	602	(111)	1,864
Exchange difference on traslation of foreing operations	18,124	(7,605)	52,408	(56,398)
Net change in non-current assets or groups of assets held for sale	10,753	(5,970)	16,324	(8,558)
Net comprehensive income	<u>32,729</u>	<u>(12,973)</u>	<u>68,580</u>	<u>(63,092)</u>
Total comprehensive income	<u>53,738</u>	<u>891</u>	<u>108,950</u>	<u>(62,000)</u>

Minsur S.A.

Interim condensed separated statements of changes in equity

As of June 30, 2016 and 2015 (unaudited)

	<u>Capital Stock</u>	<u>Investment Shares</u>	<u>Legal Reserve</u>	<u>Other equity items</u>	<u>Reinvested earnings</u>	<u>Investments in equity measured at fair value</u>	<u>Cumulative translation reserve</u>	<u>Unrealized results</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)	US\$(000)
Balance as of January 1, 2015	601,269	300,634	120,261	424	39,985	-	(109,489)	7,885	717,207	1,678,176
Profit of the period	-	-	-	-	-	-	-	-	1,092	1,092
Other comprehensive income	-	-	-	-	-	1,864	(56,398)	(8,558)	-	(63,092)
Total other comprehensive income	-	-	-	-	-	1,864	(56,398)	(8,558)	1,092	(62,000)
Dividends declared	-	-	-	-	-	-	-	-	(50,000)	(50,000)
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	(2,536)	(2,536)
Balance as of June 30, 2015	601,269	300,634	120,261	424	39,985	1,864	(165,887)	(673)	665,763	1,563,640
Balance as of January 1, 2015	601,269	300,634	120,261	424	39,985	(911)	(245,427)	(9,017)	244,830	1,052,048
Profit or loss of the period	-	-	-	-	-	-	-	-	40,370	40,370
Other comprehensive income	-	-	-	-	-	(111)	52,408	16,283	-	68,580
Total other comprehensive income	-	-	-	-	-	(111)	52,408	16,283	40,370	108,950
Dividends declared	-	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Balance as of June 30, 2016	601,269	300,634	120,261	424	39,985	(1,022)	(193,019)	7,266	285,200	1,160,998

Minsur S.A.

Interim condensed separated statements of cash flows

As of June 30, 2016 and 2015 (unaudited)

	Note	As of June 30, 2016 US\$(000)	As of June 30, 2015 US\$(000)
Operating activities			
Collection from customers		240,873	254,934
Interest received		-	6,414
Payments to suppliers		(91,385)	(121,596)
Payroll and social benefit payments		(38,688)	(56,272)
Tax payments and other taxes		(26,192)	(41,193)
Interest paid		(14,760)	(13,363)
Other (payments) receipts related to the activity, net		(219)	(1,895)
Net cash flows (used in) provided by operating activities		<u>69,629</u>	<u>27,029</u>
Investing activities			
Repayment of loan to subsidiary		-	77,400
Dividends from investment in associate		1,981	2,543
Proceeds from sale of property, plant and equipment		-	25
Purchase of property, plant and equipment		(20,985)	(4,617)
Purchase of intangibles		(2,143)	(137)
Capital contribution to subsidiaries and associates		(107,520)	(102,302)
Net cash flows used in investing activities		<u>(128,667)</u>	<u>(27,088)</u>
Financing activities			
Dividends paid		(14)	(49,973)
Others		-	(677)
Net cash flows provided by financing activities		<u>(14)</u>	<u>(50,650)</u>
Net (decrease) increase in cash and cash equivalents		(59,052)	(50,709)
Net exchange difference		(215)	(7)
Cash and cash equivalents as of January 1	6	<u>383,001</u>	<u>388,712</u>
Cash and cash equivalents as of June 30	6	<u>323,734</u>	<u>337,996</u>