

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of financial position

As of December 31, 2015 (unaudited) and December 31, 2014

	Note	As of December 31, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	5	397,493	407,882
Trade and other receivables, net	6	78,298	88,711
Related parties	6, 26	444	466
Inventory, net	7	89,639	119,872
Financial assets at fair value through profit or loss	8	6,412	8,155
Income tax prepayments		3,945	9,708
Prepaid expenses		206	915
Available-for-sale financial assets		2,711	4,134
		<u>579,148</u>	<u>639,843</u>
Non-current assets			
Other financial assets	9	192,498	189,576
Trade and other receivables, net	6	45,776	51,007
Investments in associates	10	292,130	345,595
Property, plant and equipment, net	11	435,499	510,409
Intangible assets, net	12	346,979	1,055,769
Deferred income tax asset, net		48,685	52,494
Other assets		1	4,636
		<u>1,361,568</u>	<u>2,209,486</u>
Total asset		<u>1,940,716</u>	<u>2,849,329</u>
Liabilities			
Current liabilities			
Trade and other payables	13	60,209	87,287
Related parties	13, 26	15,110	11,101
Financial obligations	14	104,719	68,440
Provision for employees benefits		24,880	41,704
Provisions	15	23,617	10,786
		<u>228,535</u>	<u>219,318</u>
Non-current liabilities			
Trade and other payables	13	10,000	10,000
Financial obligations	14	452,718	466,851
Provision for employees benefits		387	453
Provisions	15	110,165	122,546
Deferred income tax liability, net		23,997	178,021
		<u>597,267</u>	<u>777,871</u>
Total liabilities		<u>825,802</u>	<u>997,189</u>
Equity			
Capital stock	17	601,269	601,269
Investment shares	17	300,634	300,634
Other reserves	17	160,671	160,671
Other equity items	17	(255,355)	(101,604)
Retained earnings	17	244,828	717,206
Equity attributable to equity holders of the parent		<u>1,052,047</u>	<u>1,678,176</u>
Non-controlling interests	17	62,867	173,964
Total equity		<u>1,114,914</u>	<u>1,852,140</u>
Total liabilities and equity		<u>1,940,716</u>	<u>2,849,329</u>

Minsur S.A. and Subsidiaries

Interim condensed consolidated income statements

For the period ended December 31, 2015 and 2014 (unaudited)

	Note	For the specific quarter from October 1, to December 31,		For the period ended December 31,	
		2015	2014	2015	2014
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	19	153,869	202,935	618,610	914,272
Cost of sales	20	(105,991)	(136,519)	(418,944)	(523,921)
Gross margin		47,878	66,416	199,666	390,351
Operating expenses					
Administrative expenses	22	(10,255)	(17,170)	(43,407)	(55,781)
Selling expenses	21	(1,810)	(4,210)	(7,906)	(12,095)
Other operating income	23	3,838	20,098	11,774	32,352
Other operating expenses	24	(39,026)	(39,968)	(98,846)	(115,507)
Other expenses		(640,528)	-	(640,528)	-
Total operating expenses		(687,781)	(41,250)	(778,913)	(151,031)
Operating income		(639,903)	25,166	(579,247)	239,320
Other income (expenses)					
Finance income	25	890	512	4,611	4,771
Finance costs	25	(13,628)	(16,295)	(46,620)	(47,892)
Gain (loss) from investments in associates, net	10 (b)	(7,041)	2,079	11,947	13,213
Gain (loss) from financial assets at fair value through profit or loss		(966)	(2,058)	(1,743)	(1,974)
Exchange difference, net		701	(15,303)	(35,279)	(23,616)
Total other income (expenses)		(20,044)	(31,065)	(67,084)	(55,498)
Profit before income tax		(659,947)	(5,899)	(646,331)	183,822
Income tax expense	16	152,229	(13,699)	108,349	(108,029)
Profit for the period		(507,718)	(19,598)	(537,982)	75,793
Attributable to :					
Owners of the parent	17 (g)	(397,721)	(17,518)	(421,830)	84,897
Non-controlling interests		(109,997)	(2,080)	(116,152)	(9,104)
Profit or loss for the period		(507,718)	(19,598)	(537,982)	75,793
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	17 (g)	-13.795	-0.608	-14.632	2.945
Investment shares	17 (g)	-0.138	-0.006	-0.146	0.029

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of comprehensive income

For the period ended December 31, 2015 and 2014 (unaudited)

	For the specific quarter from October 1, to December 31,		For the period ended December 31,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
(Loss) Profit for the period	(507,718)	(19,598)	(537,982)	75,793
Other comprehensive income				
Net Change by Cash Flow Hedges	2,424	-	2,424	-
Exchange difference on traslation of foreing operations	(6,850)	(29,252)	(135,941)	(79,206)
Unrealized gain (loss) related to investment in associate	(1,218)	(655)	6	(655)
Other comprehensive income	1,398	4,803	(20,240)	5,165
Net comprehensive income	<u>(4,246)</u>	<u>(25,104)</u>	<u>(153,751)</u>	<u>(74,696)</u>
Total comprehensive income	<u><u>(511,964)</u></u>	<u><u>(44,702)</u></u>	<u><u>(691,733)</u></u>	<u><u>1,097</u></u>
Attributable to:				
Equity holders of the parents	(401,967)	(42,622)	(575,581)	10,201
Non-controlling interests	(109,997)	(2,080)	(116,152)	(9,104)
	<u><u>(511,964)</u></u>	<u><u>(44,702)</u></u>	<u><u>(691,733)</u></u>	<u><u>1,097</u></u>

Minsur S.A. And Subsidiaries

Interim condensed consolidated statements of changes in equity

As of December 31, 2015 and 2014 (unaudited)

	<u>Capital Stock</u>	<u>Investment shares</u>	<u>Others Reserves</u>	<u>Revaluation s</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, 2014	601,269	300,634	120,685	-	(642)	39,985	(30,282)	3,375	682,171	1,717,195	169,160	1,886,355
Profit of the period	-	-	-	-	-	-	-	-	84,897	84,897	(9,104)	75,793
Other comprehensive income	-	-	-	-	4,510	-	(79,206)	-	-	(74,696)	-	(74,696)
Total other comprehensive income	-	-	-	-	4,510	-	(79,206)	-	84,897	10,201	(9,104)	1,097
Dividends declared	-	-	-	-	-	-	-	-	(50,000)	(50,000)	-	(50,000)
Capital Contributions	-	-	-	-	-	-	-	-	-	-	14,490	14,490
Other adjustments	-	-	-	-	-	-	-	-	780	780	(582)	198
Balance as of December 31, 2014	601,269	300,634	120,685	-	3,868	39,985	(109,488)	3,375	717,848	1,678,176	173,964	1,852,140
Balance as of January 1, 2015	601,269	300,634	120,685	-	3,868	39,985	(109,488)	3,375	717,848	1,678,176	173,964	1,852,140
Profit or loss of the period	-	-	-	-	-	-	-	-	(421,830)	(421,830)	(116,152)	(537,982)
Other comprehensive income	-	-	-	-	(17,810)	-	(135,941)	-	-	(153,751)	-	(153,751)
Total other comprehensive income	-	-	-	-	(17,810)	-	(135,941)	-	(421,830)	(575,581)	(116,152)	(691,733)
Dividends declared	-	-	-	-	-	-	-	-	(50,000)	(50,000)	-	(50,000)
Capital Contributions	-	-	-	-	-	-	-	-	-	-	7,290	7,290
Other adjustments	-	-	-	-	-	-	-	-	(548)	(548)	(2,235)	(2,783)
Balance as of December 31, 2015	601,269	300,634	120,685	-	(13,942)	39,985	(245,429)	3,375	245,470	1,052,047	62,867	1,114,914

Minsur S.A. and Subsidiaries

Interim condensed consolidated statements of cash flows

For the period ended December 31, 2015 and 2014 (unaudited)

	Note	As of December 31, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Operating activities			
Collection from customers		622,082	894,481
Interest received		21	6,200
Payments to suppliers		(304,515)	(371,077)
Payroll and social benefit payments		(134,477)	(160,131)
Tax payments and other taxes		(73,457)	(140,466)
Interest paid		(44,754)	(42,553)
Other (payments) receipts related to the activity, net		12,776	7,884
Net cash flows (used in) provided by operating activities		<u>77,676</u>	<u>194,338</u>
Investing activities			
Loss of control of subsidiaries or other businesses		-	11,370
Proceeds from sale of property, plant and equipment		53	16,291
Dividends received		-	1,437
Purchase of property, plant and equipment		(71,893)	(69,981)
Purchase of intangibles		(13,374)	(2,059)
Purchase of financial investments		-	(190,000)
Net cash flows used in investing activities		<u>(85,214)</u>	<u>(232,942)</u>
Financing activities			
Proceeds from borrowings		58,414	463,216
Dividends paid	17 (e)	(50,019)	(50,000)
New contributions of minority		7,290	14,490
Repayment of borrowings		(1,109)	(200,000)
Others		(4,299)	804
Net cash flows provided by financing activities		<u>10,277</u>	<u>228,510</u>
Net (decrease) increase in cash and cash equivalents		2,739	189,906
Net exchange difference		(13,128)	(3,350)
Cash and cash equivalents as of January 1	3	<u>407,882</u>	<u>221,326</u>
Cash and cash equivalents as of December 31	3	<u>397,493</u>	<u>407,882</u>