

Minsur S.A.

Interim condensed separated statements of financial position

As of March 31, 2017 (unaudited) and December 31, 2016 (audited)

	Notes	As of March 31, 2017 US\$(000)	As of December 31, 2016 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	6	100,581	260,153
Financial assets at fair value through profit or loss	6,9,10,32	291,604	124,342
Trade receivables, net	7	48,108	54,345
Related parties	7	8,402	8,559
Other receivables, net	7	9,640	11,273
Inventory, net	8	59,358	60,094
Prepayments		563	1,062
		<u>518,256</u>	<u>519,828</u>
Non-current assets			
Other financial assets	10	129,808	128,810
Investments in associates	11	840,123	824,172
Property, plant and equipment, net	12	272,972	276,687
Intangible assets, net	13	29,292	27,128
Deferred income tax asset, net	17	23,097	19,270
Other assets		-	1
		<u>1,295,292</u>	<u>1,276,068</u>
Total asset		<u>1,813,548</u>	<u>1,795,896</u>
Liabilities			
Current liabilities			
Financial obligations	32	-	1,679
Trade payables	15	31,265	38,959
Related parties	15	8,013	9,777
Other payables	15	20,713	23,684
Provision for employees benefits	15	8,126	19,747
Provisions	16	7,267	8,472
Liability for income tax	17 (a)	8,396	9,319
		<u>83,780</u>	<u>111,637</u>
Non-current liabilities			
Financial obligations	14	440,282	440,106
Provisions	16	52,023	48,406
		<u>492,305</u>	<u>488,512</u>
Total liabilities		<u>576,085</u>	<u>600,149</u>
Equity			
Capital stock	18	601,269	601,269
Investment shares		300,634	300,634
Other reserves		150,820	150,820
Other equity items		(161,774)	(189,877)
Retained earnings		346,514	332,901
Equity attributable to equity holders of the parent		<u>1,237,463</u>	<u>1,195,747</u>
Total equity		<u>1,237,463</u>	<u>1,195,747</u>
Total liabilities and equity		<u>1,813,548</u>	<u>1,795,896</u>

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

As of March 31, 2017 (unaudited) and December 31, 2016 (audited)

	Notes	For the specific quarter from January 1, to March 31,		For the three months period ended March 31,	
		2017	2016	2017	2016
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	20	121,398	107,317	121,398	107,317
Cost of sales	21	(60,907)	(53,651)	(60,907)	(53,651)
Gross margin		<u>60,491</u>	<u>53,666</u>	<u>60,491</u>	<u>53,666</u>
Operating expenses					
Administrative expenses	22	(7,746)	(5,820)	(7,746)	(5,820)
Selling expenses	23	(885)	(1,156)	(885)	(1,156)
Other operating income	24	1,923	1,149	1,923	1,149
Other operating expenses	25	(9,650)	(5,690)	(9,650)	(5,690)
Total operating expenses		<u>(16,358)</u>	<u>(11,517)</u>	<u>(16,358)</u>	<u>(11,517)</u>
Operating income		<u>44,133</u>	<u>42,149</u>	<u>44,133</u>	<u>42,149</u>
Other income (expenses)					
Finance income	26	1,200	806	1,200	806
Finance costs	26	(7,475)	(7,594)	(7,475)	(7,594)
Exchange difference, net		(1,116)	459	(1,116)	459
Gain (loss) from investments in subsidiaries and associates, net	11	(11,477)	(5,924)	(11,477)	(5,924)
Gain (loss) from financial assets at fair value through profit or loss		1,021	(591)	1,021	(591)
Total other income (expenses)		<u>(17,847)</u>	<u>(12,844)</u>	<u>(17,847)</u>	<u>(12,844)</u>
Profit before income tax		26,286	29,305	26,286	29,305
Income tax expense	17	(12,673)	(9,944)	(12,673)	(9,944)
Profit for the period		<u>13,613</u>	<u>19,361</u>	<u>13,613</u>	<u>19,361</u>
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	18 (g)	0.472	0.672	0.472	0.672
Investment shares	18 (g)	0.005	0.007	0.005	0.007

Minsur S.A.

Interim condensed separated statements of comprehensive income

As of March 31, 2017 (unaudited) and December 31, 2016 (audited)

	For the specific quarter from January 1, to March 31,		For the three months period ended March 31,	
	2017	2016	2017	2016
	US\$(000)	US\$(000)	US\$(000)	US\$(000)
(Loss) Profit for the period	13,613	19,361	13,613	19,361
Other comprehensive income				
Net Change by Cash Flow Hedges	3,882	-	3,882	-
Unrealized gain (loss) related to investment in associate	4,172	602	4,172	602
Exchange difference on traslation of foreing operations	19,373	34,284	19,373	34,284
Net change in non-current assets or groups of assets held for sale	676	1,006	676	1,006
Net comprehensive income	<u>28,103</u>	<u>35,892</u>	<u>28,103</u>	<u>35,892</u>
Total comprehensive income	<u><u>41,716</u></u>	<u><u>55,253</u></u>	<u><u>41,716</u></u>	<u><u>55,253</u></u>

Minsur S.A.

Interim condensed separated statements of changes in equity

As of March 31, 2017 (unaudited) and December 31, 2016 (audited)

	<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, 2016	601,269	300,634	120,261	424	39,985	6,578	(245,427)	(16,506)	244,830	1,052,048
Profit of the period	-	-	-	-	-	-	-	-	19,361	19,361
Other comprehensive income	-	-	-	-	-	1,006	34,284	602	-	35,892
Total other comprehensive income	601,269	-	-	-	-	1,006	34,284	602	19,361	55,253
Dividends declared	-	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Balance as of March 31, 2016	1,202,538	300,634	120,261	424	39,985	7,584	(211,143)	(15,904)	264,191	1,107,301
Balance as of January 1, 2017	601,269	300,634	120,261	424	39,985	8,875	(195,517)	(3,235)	332,901	1,205,597
Profit or loss of the period	-	-	-	-	-	-	-	-	13,613	13,613
Other comprehensive income	-	-	-	-	-	676	19,373	8,054	-	28,103
Total other comprehensive income	-	-	-	-	-	676	19,373	8,054	13,613	41,716
Dividends declared	-	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	(9,850)	-	-	-	-	-	(9,850)
Balance as of March 31, 2017	601,269	300,634	120,261	(9,426)	39,985	9,551	(176,144)	4,819	346,514	1,237,463

Minsur S.A.

Interim condensed separated statements of cash flows

As of March 31, 2017 (unaudited) and 2016 (audited)

	Notes	As of March 31, 2017	As of March 31, 2016
		US\$(000)	US\$(000)
Operating activities			
Collection from customers		131,851	113,329
Interest received		818	-
Payments to suppliers		(54,764)	(53,690)
Payroll and social benefit payments		(32,228)	(26,978)
Tax payments and other taxes		(14,821)	(11,932)
Interest paid		(14,408)	(14,409)
Net cash flows (used in) provided by operating activities		<u>16,448</u>	<u>6,320</u>
Investing activities			
Sale of Financial Instruments of Equity or Debt of Other Entities		80,986	-
Dividends received		77	77
Purchase of Financial Instruments of Equity or Debt of Other Entities		(247,060)	-
Purchase of property, plant and equipment		(6,944)	(10,331)
Purchase of intangibles		(3,340)	(763)
Capital contribution to subsidiaries and associates		-	(97,520)
Net cash flows used in investing activities		<u>(176,281)</u>	<u>(108,537)</u>
Financing activities			
Dividends paid		(12)	-
Others		-	1
Net cash flows provided by financing activities		<u>(12)</u>	<u>1</u>
Net (decrease) increase in cash and cash equivalents		(159,845)	(102,216)
Net exchange difference		273	(147)
Cash and cash equivalents as of January 1		<u>260,153</u>	<u>383,001</u>
Cash and cash equivalents as of March 31		<u>100,581</u>	<u>280,638</u>