

Minsur S.A. and Subsidiaries
Interim consolidated statements of financial position
As of June 30, 2014 (unaudited) and December 31, 2013 (audited)

	Note	2014 US\$(000)	2013 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	3	525,338	238,588
Bank deposits under guarantee		21,514	21,015
Trade and other receivables, net	4	178,482	159,465
Related parties	20	1,717	2,627
Inventory, net	5	189,284	222,806
Financial assets at fair value through profit or loss		10,600	10,129
Income tax prepayments		7,459	11,565
Prepaid expenses		3,378	1,257
Available-for-sale financial assets		4,230	3,817
		<u>942,002</u>	<u>671,269</u>
Non-current assets			
Trade and other receivables, net	4	72,557	77,519
Related parties	20	688	844
Investments in associates	6	76,328	88,648
Investments properties		104,079	115,754
Property, plant and equipment, net	7	862,769	887,108
Intangible assets, net		1,220,278	1,219,055
Deferred income tax asset, net		62,012	52,334
Income tax prepayments		11,651	2,764
Other non financial assets		5,309	1,384
		<u>2,415,671</u>	<u>2,445,410</u>
Total asset		<u>3,357,673</u>	<u>3,116,679</u>
Liabilities			
Current liabilities			
Trade and other payables		176,579	200,562
Related parties	20	7,813	21,455
Financial obligations	9	130,422	153,289
Provisions	10	17,434	21,264
		<u>332,248</u>	<u>396,570</u>
Non-current liabilities			
Trade and other payables		10,452	10,662
Financial obligations	9	620,748	363,810
Provisions	10	151,181	145,773
Deferred income tax liability, net		198,122	202,085
		<u>980,503</u>	<u>722,330</u>
Total liabilities		<u>1,312,751</u>	<u>1,118,900</u>
Equity			
Capital stock	17	601,269	601,269
Investment shares		300,634	300,634
Other reserves		120,685	120,685
Other equity items		150	(642)
Reinvested earnings		39,985	39,985
Cumulative translation reserve		(24,645)	(30,283)
Unrealized gain		6,958	3,375
Retained earnings		721,068	682,171
Equity attributable to equity holders of the parent		<u>1,766,104</u>	<u>1,717,194</u>
Non-controlling interests		278,818	280,585
Total equity		<u>2,044,922</u>	<u>1,997,779</u>
Total liabilities and equity		<u>3,357,673</u>	<u>3,116,679</u>

Minsur S.A. and Subsidiaries
Interim consolidated income statements
For the six-month periods ended June 30, 2014
and 2013 (unaudited)

	Note	For the specific quarter April 1, to June 30,		For the six-month periods ended June 30,	
		2014	2013	2014	2013
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	12	323,564	305,299	657,984	649,042
Cost of sales	13	(210,077)	(185,937)	(410,474)	(403,801)
Gross margin		<u>113,487</u>	<u>119,362</u>	<u>247,510</u>	<u>245,241</u>
Operating expenses					
Administrative expenses	15	(12,161)	(12,243)	(29,781)	(32,129)
Selling expenses	14	(10,202)	(13,781)	(13,943)	(19,419)
Exploration expenses	16	(14,505)	(17,636)	(32,608)	(23,796)
Other, net		4,013	(17,674)	1,823	(14,274)
Total operating expenses		<u>(32,855)</u>	<u>(61,334)</u>	<u>(74,509)</u>	<u>(89,618)</u>
Operating income		<u>80,632</u>	<u>58,028</u>	<u>173,001</u>	<u>155,623</u>
Other income (expenses)					
Finance income		1,639	1,747	3,420	4,017
Finance costs		(18,599)	(7,786)	(28,041)	(15,447)
Gain (loss) from investments in associates, net		1,514	25,113	1,549	26,869
Gain (loss) from financial assets at fair value through profit or loss		(546)	(123)	(674)	(543)
Dividends		-	96	-	200
Exchange difference, net		4,501	(10,271)	3,951	(13,126)
Total other income (expenses)		<u>(11,491)</u>	<u>8,776</u>	<u>(19,795)</u>	<u>1,970</u>
Profit before income tax		<u>69,141</u>	<u>66,804</u>	<u>153,206</u>	<u>157,593</u>
Income tax expense	11	(30,316)	(35,246)	(65,614)	(74,999)
Profit for the period		<u>38,825</u>	<u>31,558</u>	<u>87,592</u>	<u>82,594</u>
Attributable to :					
Owners of the parent		39,549	33,692	91,467	87,520
Non-controlling interests		(724)	(2,134)	(3,875)	(4,926)
Profit for the period		<u>38,825</u>	<u>31,558</u>	<u>87,592</u>	<u>82,594</u>
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	19	1.3726	1.1687	3.1726	3.0357
Investment shares	19	0.0137	0.0117	0.0317	0.0304

Minsur S.A. and Subsidiaries

Interim consolidated statements of comprehensive income

For the six-month periods ended June 30, 2014 and 2013
(unaudited)

	For the specific quarter April 1, to June 30,		For the six-month periods ended June 30,	
	2014 US\$(000)	2013 US\$(000)	2014 US\$(000)	2013 US\$(000)
Profit for the period	38,825	31,558	87,592	82,594
Other comprehensive income				
Exchange difference on traslation of foreing operations	(300)	(48,737)	547	(59,346)
Unrealized gain (loss) related to investment in associate	3,599	(33,736)	3,583	(29,213)
Net comprehensive income	3,299	(82,473)	4,130	(88,559)
Total comprehensive income	<u>42,124</u>	<u>(50,915)</u>	<u>91,722</u>	<u>(5,965)</u>
Attributable to:				
Equity holders of the parents	44,015	(42,087)	101,229	4,212
Non-controlling interests	<u>(1,891)</u>	<u>(8,828)</u>	<u>(9,507)</u>	<u>(10,177)</u>
	<u>42,124</u>	<u>(50,915)</u>	<u>91,722</u>	<u>(5,965)</u>

Minsur S.A. And Subsidiaries

Interim separated statements of changes in equity

As of June 30, 2014 (unaudited) and December 31, 2013 (audited)

	<u>Capital Stock</u>	<u>Investment shares</u>	<u>Reserves</u>	<u>Other equity items</u>	<u>Retained 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)
Balance as of January 1, 2013	601,269	300,634	120,685	135	39,985	56,826	35,119	557,633	1,712,286	279,229	1,991,515
Profit for the year	-	-	-	-	-	-	-	87,520	87,520	(4,926)	82,594
Other comprehensive income	-	-	-	-	-	(54,095)	(29,213)	-	(83,308)	(5,251)	(88,559)
Total other comprehensive income	-	-	-	-	-	(54,095)	(29,213)	87,520	4,212	(10,177)	(5,965)
Dividends declared	-	-	-	-	-	-	-	(50,000)	(50,000)	-	(50,000)
Capital Contributions	-	-	-	-	-	-	-	-	-	5,880	5,880
Other adjustments	-	-	-	-	-	-	-	7,090	7,090	-	7,090
Balance as of June 30, 2013	601,269	300,634	120,685	135	39,985	2,731	5,906	602,243	1,673,588	274,932	1,948,520
Balance as of January 1, 2014	601,269	300,634	120,685	(642)	39,985	(30,283)	3,375	682,171	1,717,194	280,585	1,997,779
Profit for the year	-	-	-	-	-	-	-	91,467	91,467	(3,875)	87,592
Other comprehensive income	-	-	-	761	-	5,638	3,583	(220)	9,762	(5,632)	4,130
Total other comprehensive income	-	-	-	761	-	5,638	3,583	91,247	101,229	(9,507)	91,722
Dividends declared	-	-	-	-	-	-	-	(50,000)	(50,000)	-	(50,000)
Capital Contributions	-	-	-	-	-	-	-	-	-	7,740	7,740
Other adjustments	-	-	-	31	-	-	-	(2,350)	(2,319)	-	(2,319)
Balance as of June 30, 2014	601,269	300,634	120,685	150	39,985	(24,645)	6,958	721,068	1,766,104	278,818	2,044,922

Minsur S.A. and Subsidiaries

Interim consolidated statements of cash flows

For the six-month periods ended June 30, 2014 and 2013 (unaudited)

	For the six-month periods ended June 30,	
	2014 US\$(000)	2013 US\$(000)
Operating activities		
Collection from customers	749,334	722,709
Interest received	536	1,608
Payments to suppliers	(366,261)	(388,134)
Payroll and social benefit payments	(114,334)	(109,078)
Tax payments and other taxes	(83,155)	(74,499)
Interest paid	(22,097)	(3,046)
Other receipts (payments) related to the activity, net	<u>(25,532)</u>	<u>(24,878)</u>
Net cash flows provided by operating activities	<u>138,491</u>	<u>124,682</u>
Investing activities		
Dividends from investment in associate	1,346	4,963
Proceeds from sale of property, plant and equipment	1,487	1,003
Repayment of investments in associates	11,871	-
Purchase of property, plant and equipment	(35,897)	(33,988)
Purchase of intangibles	(19,313)	(19,434)
Others	<u>2,162</u>	<u>-</u>
Net cash flows used in investing activities	<u>(38,344)</u>	<u>(47,456)</u>
Financing activities		
Proceeds from borrowings	450,000	219,724
Dividends paid	(50,115)	(49,544)
New contributions of minority	7,740	5,880
Repayment of borrowings	(221,471)	(265,886)
Others	<u>812</u>	<u>(3,854)</u>
Net cash flows provided by (used in) financing activities	<u>186,966</u>	<u>(93,680)</u>
Net (decrease) increase in cash and cash equivalents	287,113	(16,454)
Net exchange difference	(363)	(392)
Cash and cash equivalents as of January 1	<u>238,588</u>	<u>146,395</u>
Cash and cash equivalents as of Junio 30	<u>525,338</u>	<u>129,549</u>