

Minsur S.A.

Interim condensed separated statements of financial position

As of September 30, 2017 (unaudited) and December 31, 2016 (audited)

	Notes	2017 US\$(000)	2016 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	6	407,412	341,139
Financial assets at fair value through profit or loss	9,10,31	75,162	43,356
Trade receivables, net	7	53,329	54,345
Trade receivables from related parties	7,27	9,736	8,559
Other receivables, net	7	11,776	11,273
Inventory, net	8	66,981	60,094
Prepayments		1,812	1,062
		<u>626,208</u>	<u>519,828</u>
Non-current assets			
Other financial assets	10	131,622	128,810
Investments in subsidiaries and associates	11	819,343	824,172
Property, plant and equipment, net	12	280,486	276,687
Intangible assets, net	13	31,204	27,128
Deferred income tax asset, net	17	21,096	19,270
Other assets		-	1
		<u>1,283,751</u>	<u>1,276,068</u>
Total assets		<u>1,909,959</u>	<u>1,795,896</u>
Liabilities			
Current liabilities			
Financial obligations	31	39	1,679
Trade payables	15	43,328	38,959
Trade payables from related parties	15,27	6,828	9,777
Other payables	15	14,025	23,684
Provision for employees benefits	15	16,420	19,747
Provisions	16	10,385	8,472
Liability for income tax	17 (a)	1,768	9,319
		<u>92,793</u>	<u>111,637</u>
Non-current liabilities			
Financial obligations	14	440,647	440,106
Provisions	16	59,119	48,406
		<u>499,766</u>	<u>488,512</u>
Total liabilities		<u>592,559</u>	<u>600,149</u>
Equity			
	18		
Capital stock		601,269	601,269
Investment shares		300,634	300,634
Other reserves		151,371	150,820
Other equity items		(158,209)	(189,877)
Retained earnings		422,335	332,901
Equity attributable to equity holders of the parent		<u>1,317,400</u>	<u>1,195,747</u>
Total equity		<u>1,317,400</u>	<u>1,195,747</u>
Total liabilities and equity		<u>1,909,959</u>	<u>1,795,896</u>

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

As of September 30, 2017 (unaudited) and September 30, 2016 (unaudited)

	Notes	For the specific quarter from July 1, to September 30,		For the six months period ended September 30,	
		2017	2016	2017	2016
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Net sales	20	130,268	126,893	373,525	354,671
Cost of sales	21	(58,790)	(55,719)	(176,672)	(171,693)
Gross margin		71,478	71,174	196,853	182,978
Operating expenses					
Administrative expenses	22	(8,552)	(7,506)	(22,927)	(21,611)
Selling expenses	23	(896)	(1,018)	(2,699)	(1,894)
Other operating income	24	64,624	1,873	68,874	4,203
Other operating expenses	25	(52,423)	(5,169)	(73,765)	(17,717)
Total operating expenses		2,753	(11,820)	(30,517)	(37,019)
Operating income		74,231	59,354	166,336	145,959
Other income (expenses)					
Finance income	26	1,510	(811)	4,102	2,723
Finance costs	26	(7,637)	(7,572)	(22,748)	(23,092)
Exchange difference, net		(708)	(718)	(1,761)	(388)
Loss (gain) from investments in subsidiaries and associates, net	11	11,286	(21,307)	(17,331)	(36,831)
Gain (loss) from financial assets at fair value through profit or loss	9	8,462	320	9,745	-
Total other income (expenses)		12,913	(30,088)	(27,993)	(57,588)
Profit before income tax		87,144	29,266	138,343	88,371
Income tax	17	(21,137)	(20,285)	(48,909)	(37,997)
Profit (loss) for the period		66,007	8,981	89,434	50,374
Earnings per share stated in U.S. dollar (basic and diluted) attributable to:					
Common shares	18 (g)	2.290	0.312	3.102	1.712
Investment shares	18 (g)	0.023	0.003	0.031	0.017

Minsur S.A.

Interim condensed separated statements of comprehensive income

As of September 30, 2017 (unaudited) and September 30, 2016 (unaudited)

	For the specific quarter from July 1, to September 30,		For the six months period ended September 30,	
	2017 US\$(000)	2016 US\$(000)	2017 US\$(000)	2016 US\$(000)
(Loss) Profit for the period	66,007	8,981	89,434	49,351
Other comprehensive income				
Net Change by Cash Flow Hedges	1,910	(6,714)	3,949	(6,755)
Unrealized gain (loss) related to investment in subsidiaries and associate	(11,147)	15,422	(204)	29,382
Exchange difference on traslation of foreing operations	26,585	(1,589)	26,036	50,819
Unrealized gain (loss) through fair value of assets hel for sale	579	105	1,887	2,358
Net comprehensive income	<u>17,927</u>	<u>7,224</u>	<u>31,668</u>	<u>75,804</u>
Total comprehensive income	<u>83,934</u>	<u>16,205</u>	<u>121,102</u>	<u>125,155</u>

Minsur S.A.

Interim condensed separated statements of changes in equity

As of September 30, 2017 (unaudited) and September 30, 2016 (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, 2016	601,269	300,634	120,261	424	39,985	6,578	(245,427)	(16,506)	244,830	1,052,048
Profit (loss) of the period	-	-	-	-	-	-	-	-	50,374	50,374
Other comprehensive income	-	-	-	-	-	2,358	50,819	22,627	-	75,804
Total other comprehensive income	601,269	-	-	-	-	2,358	50,819	22,627	50,374	126,178
Dividends declared	-	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Balance as of September 30, 2016	1,202,538	300,634	120,261	424	39,985	8,936	(194,608)	6,121	295,204	1,178,226
Balance as of January 1, 2017	601,269	300,634	120,261	(9,426)	39,985	8,875	(195,517)	(3,235)	332,901	1,195,747
Profit (loss) of the period	-	-	-	-	-	-	-	-	89,434	89,434
Other comprehensive income	-	-	-	-	-	1,887	26,036	3,745	-	31,668
Total other comprehensive income	-	-	-	-	-	1,887	26,036	3,745	89,434	121,102
Dividends declared	-	-	-	-	-	-	-	-	-	-
Capital Contributions	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-
Balance as of September 30, 2017	601,269	300,634	120,261	(9,426)	39,985	10,762	(169,481)	510	422,335	1,316,849

Minsur S.A.

Interim condensed separated statements of cash flows

As of September 30, 2017 (unaudited) and 30 September 2016 (unaudited)

	Notes	2017	2016
		US\$(000)	US\$(000)
Operating activities			
Collection from customers		384,127	366,667
Interest received		2,333	-
Payments to suppliers		(147,247)	(129,153)
Payroll and social benefit payments		(60,717)	(52,457)
Tax payments and other taxes		(65,206)	(42,410)
Interest paid		(28,125)	(29,179)
Other (payments) receipts related to the activity, net		(23)	(343)
Net cash flows (used in) provided by operating activities		85,142	113,125
Investing activities			
Dividends received	9,11	2,466	1,991
Proceeds from sale of property, plant and equipment	24	296	-
Purchase of property, plant and equipment	12	(28,313)	(25,924)
Purchase of intangibles	13	(8,562)	(3,689)
Capital contribution to subsidiaries and associates	11	(46,200)	(184,520)
Net cash flows used in investing activities		(19,174)	(212,142)
Financing activities			
Dividends paid		(12)	(36)
Others		280	-
Net cash flows provided by financing activities		268	(36)
Net (decrease) increase in cash and cash equivalents		66,236	(99,053)
Net exchange difference		37	(212)
Cash and cash equivalents as of January 1		341,139	383,001
Cash and cash equivalents as of September 30	6	407,412	283,736