

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Unaudited interim consolidated financial statements as of June 30, 2015
and 2014 and for the three-month and six-month periods then ended

Report on review of interim consolidated financial statements

To the Board of Directors of Compañía de Minas Buenaventura S.A.A.

Introduction

We have reviewed the accompanying interim consolidated statements of financial position of Compañía de Minas Buenaventura S.A.A. (a Peruvian public corporation) and Subsidiaries (together the "Group") as of June 30, 2015, the interim consolidated statements of change in equity for the six-month periods ended June 30, 2015 and 2014, and the interim consolidated statements of profit or loss, statement of comprehensive income, and cash flows for the three-month and six-month periods ended June 30, 2015 and 2014, and explanatory notes. The Group's Management is responsible for the preparation and presentation of these interim consolidated financial statements in accordance with IAS 34 "Interim Financial Reporting" (IAS 34). Our responsibility is to express a conclusion on these interim consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Peru and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Lima, Peru
July 30, 2015

Countersigned by:

Victor Burga
C.P.C.C. Register No.14859

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Consolidated statements of financial position

As of June 30, 2015 (unaudited) and December 31, 2014 (audited)

	Note	2015 US\$(000)	2014 US\$(000)
Assets			
Current assets			
Cash and cash equivalents	4	125,276	78,512
Trade and other receivables, net	5(a)	245,530	281,604
Inventories, net	7	146,621	150,284
Income tax credit		53,926	53,746
Prepaid expenses		13,755	16,954
Derivative financial instruments	6(a)	3,623	3,688
		588,731	584,788
Assets held for sale	1(d)	16,789	18,683
		605,520	603,471
Non-current assets			
Trade and other receivables, net	5(a)	31,423	26,651
Long-term inventories, net	7(a)	9,883	34,088
Investments in associates	8(a)	2,269,603	2,224,381
Mining concessions, development costs, property, plant and equipment, net	9(a)	1,713,497	1,715,452
Investment properties, net		10,934	11,200
Deferred income tax asset, net		40,465	47,675
Intangibles, net		4,253	4,592
Other assets		4,732	4,764
		4,084,790	4,068,803
Total assets		4,690,310	4,672,274
Liabilities and shareholders' equity, net			
Current liabilities			
Bank loans	10(a)	85,807	40,000
Trade and other payables	11(a)	231,003	254,000
Provisions	12	70,450	67,895
Income tax payable		2,914	3,556
Embedded derivatives for concentrates sales, net	6(c)	8,477	9,072
Financial obligations	13(a)	46,142	69,950
Derivative financial instruments	6(b)	3,017	-
		447,810	444,473
Liabilities directly associated with the assets held for sale	1(d)	22,850	28,890
		470,660	473,363
Non-current liabilities			
Trade and other payables	11(a)	15,103	15,240
Provisions	12	94,240	63,571
Financial obligations	13(a)	338,077	313,355
Contingent consideration liability		23,026	23,026
Deferred income tax liability, net		16,570	21,594
		487,016	436,786
Total liabilities		957,676	910,149
Shareholders' equity, net			
Capital stock		750,497	750,497
Investment shares		1,396	1,396
Additional paid-in capital		219,055	219,055
Legal reserve		162,710	162,710
Other reserves		269	269
Retained earnings		2,326,996	2,328,423
Other reserves of equity		(567)	1,755
Shareholders' equity, net attributable to equity holders of the parent		3,460,356	3,464,105
Non-controlling interest		272,278	298,020
Total shareholders' equity, net		3,732,634	3,762,125
Total liabilities and shareholders' equity, net		4,690,310	4,672,274

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Interim consolidated statements of profit or loss (unaudited)

For the three and six-month periods ended June 30, 2015 and 2014

	Note	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
		2015	2014	2015	2014
		US\$(000)	US\$(000)	US\$(000)	US\$(000)
Continuing operations					
Operating income					
Net sales	15(a)	248,908	294,813	491,840	567,690
Royalty income	21(a)	7,390	7,399	16,480	15,424
Total operating income		256,298	302,212	508,320	583,114
Operating costs					
Cost of sales, excluding depreciation and amortization	16	(160,895)	(147,832)	(297,372)	(287,270)
Depreciation and amortization		(63,189)	(49,691)	(117,808)	(95,089)
Exploration in operating units	17	(22,630)	(27,425)	(45,100)	(51,155)
Mining royalties	18	(6,552)	(7,088)	(15,077)	(14,441)
Total operating costs		(253,266)	(232,036)	(475,357)	(447,955)
Gross profit		3,032	70,176	32,963	135,159
Operating expenses, net					
Administrative expenses	19	(18,831)	(22,033)	(40,347)	(49,684)
Exploration in non-operating areas		(9,704)	(14,821)	(20,401)	(25,195)
Selling expenses		(3,918)	(4,597)	(8,108)	(8,589)
Impairment loss on long-lived assets		(3,803)	-	(3,803)	-
Provision for contingencies		(58)	(3,381)	192	(10,888)
Other, net		(758)	9,423	(478)	7,948
Total operating expenses, net		(37,072)	(35,409)	(72,945)	(86,408)
Operating profit		(34,040)	34,767	(39,982)	48,751
Other income (expense), net					
Net share in the results of associates	8(b)	11,966	20,169	48,240	15,689
Financial income		970	1,841	1,614	3,647
Financial expenses		(8,273)	(3,256)	(14,152)	(6,157)
Net loss from currency exchange difference		(1,262)	(245)	(3,580)	(767)
Total other income (expense), net		3,401	18,509	32,122	12,412
Profit before income tax		(30,639)	53,276	(7,860)	61,163
Current income tax	20(a)	(2,006)	(6,939)	(7,383)	(14,744)
Deferred income tax	20(a)	2,067	(3,554)	(2,983)	(3,071)
Net profit (loss) from continuing operations		(30,578)	42,783	(18,226)	43,348
Discontinued operations					
Loss from discontinued operations	1(d)	(912)	(10,209)	(3,016)	(21,146)
Profit (loss) for the period		(31,490)	32,574	(21,242)	22,202
Attributable to:					
Equity holders of the parent		(18,746)	23,088	(1,427)	6,976
Non-controlling interest		(12,744)	9,486	(19,815)	15,226
		(31,490)	32,574	(21,242)	22,202
Basic and diluted profit (loss) per share attributable to equity holders of the parent, stated in U.S. dollars					
		(0.07)	0.08	-	0.03
Profit (loss) for continuing operations, basic and diluted per share attributable to equity holders of the parent, expressed in U.S. dollars					
		(0.06)	0.12	0.01	0.10

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Interim consolidated statements of other comprehensive income (unaudited)

For the three and six-month periods ended June 30, 2015 and 2014

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Net profit (loss)	(31,490)	32,574	(21,242)	22,202
Other comprehensive income for the period:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods				
Net change in unrealized gain (loss) on cash flow hedges of subsidiaries and associates	(2,821)	(3,742)	(3,252)	1,083
Reclassification of results in other investments	-	(114)	-	(114)
Income tax effect	790	1,330	911	(340)
	(2,031)	(2,526)	(2,341)	629
Total other comprehensive income (loss)	(33,521)	30,048	(23,583)	22,831
Attributable to:				
Equity holders of the parent	(20,903)	21,685	(3,749)	7,279
Non-controlling interest	(12,618)	8,363	(19,834)	15,552
	(33,521)	30,048	(23,583)	22,831

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Interim consolidated statements of changes in shareholders' equity (unaudited)

For the six-month periods ended June 30, 2015 and 2014

	Attributable to equity holders of the parent										
	Capital stock, net of treasury shares									Non- controlling interest US\$(000)	Total shareholders' equity, net US\$(000)
	Number of shares outstanding	Common shares US\$(000)	Investment shares US\$(000)	Additional paid-in capital US\$(000)	Legal reserve US\$(000)	Other reserves US\$(000)	Retained earnings US\$(000)	Other reserves of equity US\$(000)	Total US\$(000)		
As of January 1, 2014	253,715,190	750,497	1,396	219,055	162,663	269	2,421,238	104	3,555,222	277,307	3,832,529
Net profit	-	-	-	-	-	-	6,976	-	6,976	15,226	22,202
Other comprehensive income	-	-	-	-	-	-	303	-	303	326	629
Total other comprehensive income	-	-	-	-	-	-	7,279	-	7,279	15,552	22,831
Dividends declared and paid, note 14	-	-	-	-	-	-	(2,797)	-	(2,797)	(4,200)	(6,997)
Expired dividends	-	-	-	-	25	-	-	-	25	-	25
As of June 30, 2014	<u>253,715,190</u>	<u>750,497</u>	<u>1,396</u>	<u>219,055</u>	<u>162,688</u>	<u>269</u>	<u>2,425,720</u>	<u>104</u>	<u>3,559,729</u>	<u>288,659</u>	<u>3,848,388</u>
As of January 1, 2015	253,715,190	750,497	1,396	219,055	162,710	269	2,328,423	1,755	3,464,105	298,020	3,762,125
Net loss	-	-	-	-	-	-	(1,427)	-	(1,427)	(19,815)	(21,242)
Other comprehensive income (loss)	-	-	-	-	-	-	-	(2,322)	(2,322)	(19)	(2,341)
Total other comprehensive income (loss)	-	-	-	-	-	-	(1,427)	(2,322)	(3,749)	(19,834)	(23,583)
Dividends declared and paid, note 14	-	-	-	-	-	-	-	-	-	(5,908)	(5,908)
As of June 30, 2015	<u>253,715,190</u>	<u>750,497</u>	<u>1,396</u>	<u>219,055</u>	<u>162,710</u>	<u>269</u>	<u>2,326,996</u>	<u>(567)</u>	<u>3,460,356</u>	<u>272,278</u>	<u>3,732,634</u>

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Interim consolidated statements of cash flows (unaudited)

For the three and six-month periods ended June 30, 2015 and 2014

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Operating activities				
Proceeds from sales	250,675	266,880	482,454	533,734
Value added tax recovered	19,506	21,981	52,873	39,685
Royalties received	9,397	8,429	22,841	15,424
Dividends received	902	2,065	2,959	4,442
Interest received	855	1,704	1,797	3,829
Payments to suppliers and third parties	(183,029)	(188,407)	(361,783)	(388,141)
Payments to employees	(41,700)	(51,341)	(87,028)	(106,961)
Payments of royalties	(5,684)	(3,513)	(11,882)	(10,966)
Income tax paid	(7,121)	(12,533)	(11,262)	(17,944)
Payments of interest	(4,129)	(3,505)	(9,599)	(5,453)
Net cash and cash equivalents provided by operating activities	39,672	41,760	81,370	67,649
Investing activities				
Proceeds from sale of mining concessions and property, plant and equipment	1,886	67	2,020	90
Proceeds from collection of loans to associates	-	1,426	-	10,458
Proceeds from liquidation of investments in shares	-	80	-	80
Payments for mine development activities and acquisitions of mining concessions, property, plant and equipment	(44,514)	(60,383)	(81,632)	(133,956)
Payments for acquisitions of investment properties	-	-	-	(11,705)
Contributions in associates	-	(472)	-	(1,475)
Loans granted	-	(157)	-	(157)
Net cash and cash equivalents used in investing activities	(42,628)	(59,439)	(79,612)	(136,665)
Financing activities				
Proceeds from bank loans	-	2,321	90,000	2,321
Proceeds from financial obligations	-	108,780	10,000	183,439
Payments of bank loans	-	-	(40,000)	-
Payments of financial obligations	(4,068)	(29,053)	(9,086)	(33,593)
Dividends paid to non-controlling shareholders	(2,640)	(2,240)	(5,908)	(4,200)
Dividends paid to controlling shareholders	-	(2,797)	-	(2,797)
Net cash and cash equivalents provided by (used in) financing activities	(6,708)	77,011	45,006	145,170
Increase (decrease) in cash and cash equivalents for the period, net	(9,664)	59,332	46,764	76,154
Cash and cash equivalents at beginning of period	134,940	78,720	78,512	61,898
Cash and cash equivalents at end of period	125,276	138,052	125,276	138,052
Financing activities not affecting cash flows:				
Unrealized gain (loss) for changes in the fair value of hedging derivatives	(2,131)	(1,323)	(2,296)	383

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Interim consolidated statements of cash flows (unaudited) (continued)

For the three and six-month periods ended June 30, 2015 and 2014

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Reconciliation between net profit (loss) for the period with cash and cash equivalents provided by operating activities				
Net profit (loss) attributable to shareholders of the parent	(18,746)	23,088	(1,427)	6,976
Plus (less):				
Depreciation and amortization	63,189	50,669	117,808	96,067
Provision (reversal) of impairment of inventories	6,034	2,207	4,782	(835)
Provision for impairment of long-lived assets	3,803	-	3,803	794
Net loss from currency exchange difference	1,186	242	3,504	764
Deferred income tax expense (income)	(2,067)	3,554	2,983	3,071
Loss (gain) on sales of mining concessions, property, plant and equipment	1,639	(41)	2,953	(64)
Provision of interest payable	2,227	-	2,742	-
Accretion expense of provision for closure of mining units and exploration projects	2,560	(221)	2,835	1,222
Provision for estimated fair value of embedded derivatives related to concentrate sales and adjustments on liquidations	6,061	(13,549)	(595)	(4,100)
Allowance for doubtful accounts	846	(204)	847	19
Provision for stock appreciation rights	20	-	135	1,931
Provision for employee bonuses	(8,175)	(11,897)	-	-
Net share in the results of associates under equity method	(11,966)	(20,169)	(48,240)	(15,689)
Net profit (loss) attributable to non-controlling interest	(12,744)	9,486	(19,815)	15,226
Other provisions	7,358	19,435	191	22,293
Net changes in accounts assets and liabilities by operating activities:				
Decrease (increase) in operating assets-				
Trade and other receivables, net	8,780	(18,366)	29,474	(16,902)
Inventories, net	(3,335)	7,248	24,466	27,437
Income tax credit	(1,879)	43	(180)	(5,551)
Prepaid expenses	1,539	(1,888)	2,699	(1,055)
Increase (decrease) in liabilities -				
Trade and other payables	20,286	(3,665)	(14,359)	(46,405)
Income tax payable	(3,003)	(208)	(642)	46
Provisions	(23,941)	(4,004)	(32,594)	(17,596)
Net cash and cash equivalents provided by operating activities	<u>39,672</u>	<u>41,760</u>	<u>81,370</u>	<u>67,649</u>

Compañía de Minas Buenaventura S.A.A. and Subsidiaries

Notes to the interim consolidated financial statements (unaudited)

As of June 30, 2015 and 2014

1. Identification and business activity

(a) Identification -

Compañía de Minas Buenaventura S.A.A. (hereinafter “Buenaventura” or “the Company”) is a Peruvian publicly traded corporation incorporated in 1953 in Lima city. Buenaventura’s stock is traded on the Lima and New York Stock Exchanges through American Depositary Receipts (ADRs), which represent Company’s shares deposited in the Bank of New York. The Company’s legal domicile is located at Las Begonias Street N° 415, San Isidro, Lima, Peru.

(b) Business activity -

The Company and its Subsidiaries (hereinafter “the Group”) are principally engaged in the exploration, mining, concentration, smelting and marketing of polymetallic ores and metals.

The Company operates directly five operating mining units (Uchucchacua, Orcopampa, Julcani, Mallay y Breapampa), four mining units are paralyzed and held for sale (Poracota, Recuperada, Antapite y Shila-Paula, see (d)), and two mining units under development stage (Tambomayo and San Gabriel). In addition, the Group has a controlling interest in Sociedad Minera El Brocal S.A.A. (hereinafter “El Brocal”) which operates the Colquijirca mine, in Minera La Zanja S.R.L. (hereinafter “La Zanja”) which operates La Zanja mine, El Molle Verde S.A.C. which operates Trapiche, a mining unit at the development stage; and other entities dedicated to mining, energy, industrial and services activities.

- (c) The interim consolidated financial statements include the financial statements of the following subsidiaries:

	Country of incorporation and operation	Ownership as of June 30, 2015	
		Direct %	Indirect %
Holding of investments and mining concessions held, exploration and exploitation of minerals			
Compañía Minera Condesa S.A.	Peru	100.00	-
Compañía Minera Colquirrumi S.A.	Peru	100.00	-
Sociedad Minera El Brocal S.A.A. (*)	Peru	2.71	51.36
Inversiones Colquijirca S.A. (*)	Peru	99.99	-
S.M.R.L. Chaupiloma Dos de Cajamarca	Peru	20.00	40.00
Minera La Zanja S.R.L.	Peru	53.06	-
Minera Julcani S.A. de C.V.	Mexico	100.00	-
Compañía de Minas Buenaventura Chile Ltda.	Chile	90.00	10.00
El Molle Verde S.A.C.	Peru	99.98	0.02
Apu Coropuna S.R.L.	Peru	70.00	-
Metalúrgica Los Volcanes S.A.	Peru	100.00	-
Cerro Hablador S.A.C.	Peru	99.00	1.00
Minera Azola S.A.C.	Peru	99.00	1.00
Compañía Minera Nueva Italia S.A.	Peru	-	93.08
Electric power activity			
Consorcio Energético de Huancavelica S.A.	Peru	100.00	-
Empresa de Generación Huanza S.A.	Peru	-	100.00
Empresa de Generación Huaura S.A.C.	Peru	0.01	99.99
Services			
Buenaventura Ingenieros S.A.	Peru	99.99	0.01
BISA Construcción S.A.	Peru	-	100.00
Contacto Corredores de Seguros S.A.	Peru	0.02	99.98
BISA Argentina S.A.	Argentina	56.42	43.58
Industrial activities			
Procesadora Industrial Río Seco S.A.	Peru	100.00	-

- (*) As of June 30, 2015, the participation of the Company in the voting rights of El Brocal is 53.72 percent. Inversiones Colquijirca S.A. (hereafter “Colquijirca”), a Group’s subsidiary (99.99 percent as of June 30, 2015), has a 51.06 percent interest in El Brocal’s capital stock, through which the Group maintains an indirect share in El Brocal of 51.36 percent as of June 30, 2015.

(d) Discontinued operations-

In 2014, the Group publicly announced its decision to sell its four paralyzed mining units mentioned in note 1(b) of the consolidated financial statements as of December 31, 2014; as a consequence, they are presented as mining units held for sale. According to IFRS 5 “Non-current Assets Held for Sale and Discontinued Operations”, the related assets and liabilities are presented in the consolidated statement of financial position at the lower of cost and fair value less cost to sale. As of June 30, 2015, the Group continues with the process of selling these four discontinued mining units.

The major classes of assets and liabilities of these four mining units held for sale are presented below:

	As of June 30, 2015	As of December 31, 2014
	US\$(000)	US\$(000)
Assets		
Cash	9	18
Trade and other receivables, net	153	849
Inventories, net	2,202	2,581
Prepaid expenses	697	197
Mining concessions, development costs, property, plant and equipment, net	13,728	15,038
Assets classified as held for sale	16,789	18,683
Liabilities		
Trade and other payables	(3,693)	(5,224)
Provisions	(19,157)	(23,666)
Liabilities directly associated with the assets held for sale	(22,850)	(28,890)

The results of the four mining units held for sale for the three and six-month periods ended June 30, 2015 and 2014 are presented below:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Operating income				
Net sales	(20)	1,484	370	3,988
Operating costs				
Cost of sales, excluding depreciation and amortization	(2,001)	(1,042)	(4,296)	(4,043)
Exploration in operating units	(10)	(10,423)	(69)	(18,421)
Depreciation and amortization	-	(80)	-	(820)
Mining royalties	-	(14)	(4)	(39)
Total operating costs	(2,011)	(11,559)	(4,369)	(23,323)
Gross loss	(2,031)	(10,075)	(3,999)	(19,335)
Operating income (expenses), net				
Administrative expenses	-	(148)	(40)	(406)
Provision for contingencies	(271)	1,379	(289)	1,245
Selling expenses	(1)	(17)	(2)	(195)
Other, net	1,622	(1,383)	1,629	(2,026)
Total operating income (expenses), net	1,350	(169)	1,298	(1,382)
Operating loss	(681)	(10,244)	(2,701)	(20,717)
Other income (expense), net				
Finance income (costs), net	(252)	58	(391)	(432)
Net gain (loss) from currency exchange difference	21	(23)	76	3
Total other income (expense), net	(231)	35	(315)	(429)
Net loss of mining units held for sale	(912)	(10,209)	(3,016)	(21,146)

Basic and diluted earnings per share for three and six-month periods ended June 30, 2015 and 2014, resulting from the discontinued operations are as follow:

For the three-month periods ended June 30,		For the six-month periods ended June 30,	
2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
(0.01)	(0.04)	(0.01)	(0.07)

2. Basis of preparation and presentation, and changes in the accounting policies**2.1 Basis of preparation and presentation –**

The unaudited interim consolidated financial statements have been prepared and presented in accordance with IAS 34 - “Interim Financial Reporting”, as issued by the International Accounting Standards Board.

The unaudited interim consolidated financial statements have been prepared on a historical cost basis, from the records of the Group, except for financial assets and liabilities presented at fair value through profit or loss.

The unaudited interim consolidated financial statements are stated in U.S. dollars and all values have been rounded to the nearest thousands, except when otherwise indicated.

The unaudited interim consolidated financial statements provide comparative information for prior periods, however, do not include all information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group’s audited consolidated financial statements as of December 31, 2014 and for the year then ended.

2.2. New standards and interpretations adopted by the Group –

The accounting policies used by the Group for the preparation of the unaudited interim consolidated financial statements are consistent with those used in the preparation of annual consolidated financial statements for the year ended December 31, 2014.

There has been no rules or modifications come into effect from January 1, 2015 and have had an impact in the unaudited interim consolidated financial statements of the Group as of June 30, 2015.

In August 2014, the IASB published the “Amendments to the IAS 27: Equity method in the separate financial statements”, which allow controlling entities that are able to use the equity method to account for its investments in subsidiaries, joint arrangements and associates in the separate financial statements. Those entities that are already applying IFRS and have chosen to change the method of participation in the separate financial statements will have to apply the change retroactively. These amendments to IAS 27 are effective for those annual periods beginning in January 1, 2016, and its adoption is permitted in advance. The Group’s Management decided to apply these amendments to the IAS 27 in advance in the separate financial statements as of December 31, 2014.

3. Seasonality of operations

The Group operates continuously, without major fluctuations due to seasonal factors.

4. Cash and cash equivalents

This caption is made up as follow:

	As of June 30, 2015	As of December 31, 2014
	US\$(000)	US\$(000)
Cash	1,056	1,371
Bank accounts (i)	63,966	33,115
Time deposits (ii)	60,254	44,026
	<u>125,276</u>	<u>78,512</u>

(i) Bank accounts earn interest at floating rates based on market rates.

(ii) The detail of time deposits as of June 30, 2015 is as follows:

Currency	Bank	Original maturity	Annual interest rate	US\$(000)
U.S. dollars	Scotiabank Perú S.A.A.	6 days	0.13%	34,000
U.S. dollars	Scotiabank Perú S.A.A.	7 days	0.13%	22,000
Nuevos soles	Banco de Crédito S.A.A. – BCP	6 days	3.00%	2,836
Nuevos soles	Banco de Crédito S.A.A. – BCP	6 days	3.00%	1,418
				<u>60,254</u>

The detail of time deposits as of June 30, 2014 is as follows:

Currency	Bank	Original maturity	Annual interest rate	US\$(000)
U.S. dollars	Banco de Crédito S.A.A. – BCP	6 days	0.10%	17,000
U.S. dollars	Banco de Crédito S.A.A. – BCP	6 days	0.10%	16,000
U.S. dollars	BCP – Miami Agency	7 days	0.12%	6,500
Nuevos soles	Banco de Crédito S.A.A. – BCP	6 days	4.00%	2,348
Nuevos soles	Banco de Crédito S.A.A. – BCP	6 days	4.00%	2,013
Pesos argentinos	Santander Río	32 days	20.14%	165
				<u>44,026</u>

5. Trade and other receivables, net

(a) This caption is made up as follow:

	As of June 30, 2015	As of December 31, 2014
	US\$(000)	US\$(000)
Trade receivables, net		
Domestic customers	97,772	107,638
Foreign customers	79,064	59,377
Related parties, note 21(b)	9,687	15,081
	<u>186,523</u>	<u>182,096</u>
Allowance for doubtful accounts (b)	(21,961)	(21,741)
	<u>164,562</u>	<u>160,355</u>
Other receivables		
Value added tax credit	54,920	76,532
Refund application of value added tax	28,673	30,529
Due from third parties	13,001	13,853
Tax deposits	4,414	13,843
Claims to third parties	3,998	3,764
Guarantee funds	2,343	2,734
Loans to employees	1,575	1,588
Advanced to suppliers	1,106	720
Related parties, note 21(b)	177	334
Other accounts receivable	2,184	4,003
	<u>112,391</u>	<u>147,900</u>
Total trade and other receivables, net	<u>276,953</u>	<u>308,255</u>
Classification by maturity:		
Current portion	245,530	281,604
Non-current portion	31,423	26,651
	<u>276,953</u>	<u>308,255</u>

(b) The provision for doubtful accounts has not shown significant movement during the six-month period ended June 30, 2015. In the opinion of the Group's Management, the balance of the provision for doubtful accounts is sufficient to cover adequately the risk of default at the date of the interim consolidated statements of financial position.

6. Derivative financial instruments**(a) Hedge copper price operations -**

El Brocal's operating activities includes extraction, production, concentration and commercialization of polymetallic ores, mainly copper. The volatility of copper's price since the year 2013 has caused that El Brocal's management decided to enter into future contracts. These contracts, which have been negotiated since August 8, 2013, are intended to reduce the volatility of cash flows attributable to the fluctuations in the copper price, according to the risk strategy approved by El Brocal's Board of Directors. The contracts have a maturity date in December 2015, and they are related to 50 percent of the annual production of copper as of June 30, 2015.

As of June 30, 2015 and December 31, 2014, fair value of open futures contracts of El Brocal amounts to an asset of US\$3,623,000 and US\$3,688,000, respectively. Net change, for the six-month period ended June 30, 2015, net of deferred income tax, corresponds to an unrealized gain of US\$43,000, which is included as other comprehensive income for the period, in the unaudited interim consolidated statements of other comprehensive income.

(b) Hedge of a foreign current risk -

During the first half of the year 2015, the volatility of the foreign exchange rate between the Nuevos Soles and the U.S. dollar, which is the functional and reporting currency of Buenaventura, has driven the Group's Management to undertake hedge contracts of the foreign currency exposure by signing bank loans (see note 10).

As of June 30, 2015, the fair value of these hedging derivative financial instruments amounts to US\$3,017,000, which is included in the unaudited interim consolidated statements of other comprehensive income, net of deferred income tax of US\$845,000.

(c) Embedded derivatives for concentrates sales, net –

The Group's sales of concentrates are based on commercial contracts, under which a provisional sales value is determined based on future quotations (forward). The adjustment to sales is considered an embedded derivative, which is required to be separated from the host contract. Commercial contracts are linked to market prices of London Metal Exchange at the dates of the expected settlements of the open positions at the date of the consolidated statement of financial position.

As of June 30, 2015 and December 31, 2014, fair value of embedded derivatives for concentrates sales is presented as a liability amounted to US\$8,477,000 and US\$9,072,000, respectively. The embedded derivative does not qualify for hedge accounting; therefore, changes in its fair value are directly recognized as an adjustment to the net sales caption in the interim consolidated statements of profit or loss, see note 15(a).

7. Inventories, net

(a) This caption is made up as follow:

	As of June 30, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Finished goods	18,520	32,375
Products in process	105,021	119,239
Spare parts and supplies	45,468	40,493
	<u>169,009</u>	<u>192,107</u>
Provision for impairment of value of inventories (b)	(12,505)	(7,735)
	<u>156,504</u>	<u>184,372</u>
Classification by use:		
Current portion	146,621	150,284
Non-current portion	9,883	34,088
	<u>156,504</u>	<u>184,372</u>

(b) In the opinion of Group's Management, the provision for impairment of value of inventories adequately covers this risk as of date of the interim consolidated statements of financial position.

8. Investments in associates

(a) The composition and movement of this caption:

	Minera Yanacocha S.R.L. (c) US\$(000)	Sociedad Minera Cerro Verde S.A.A. (c) US\$(000)	Compañía Minera Coimolache S.A. US\$(000)	Other minor investments US\$(000)	Total US\$(000)
As of January 1, 2015:	1,185,971	982,206	52,685	3,519	2,224,381
Dividends received	-	-	(2,959)	-	(2,959)
Share in realized net profit (loss) (b)	34,480	7,788	5,972	-	48,240
Share in unrealized net profit (loss)	(59)	-	-	-	(59)
As of June 30, 2015:	<u>1,220,392</u>	<u>989,994</u>	<u>55,698</u>	<u>3,519</u>	<u>2,269,603</u>

(b) The net share in profit (loss) of associates is as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Minera Yanacocha S.R.L.	8,267	(12,889)	34,480	(37,374)
Sociedad Minera Cerro Verde S.A.A.	(178)	26,476	7,788	42,187
Compañía Minera Coimolache S.A.	3,877	6,086	5,972	10,877
Other minor investments	-	496	-	(1)
	<u>11,966</u>	<u>20,169</u>	<u>48,240</u>	<u>15,689</u>

(c) Investments that the Group maintains in its associates Minera Yanacocha S.R.L. (through Compañía Minera Condesa S.A.), and Sociedad Minera Cerro Verde S.A.A., represent the most significant investments of the Group. Its operations are strategic to the Group's activities and participation in their results has been important in relation to profits (losses) of the Group during the six-month periods ended June 30, 2015 and 2014. The following relevant information on these investments is as follows:

Investment in Minera Yanacocha S.R.L. -

The Company, through its subsidiary Compañía Minera Condesa S.A., holds 43.65 percent of the capital stock of Minera Yanacocha S.R.L. (hereinafter "Yanacocha"). This entity has a gold mine located in Cajamarca, Peru, and is engaged in gold production and exploration and development of gold and copper in their own concessions or concessions owned by S.M.R.L. Chaupiloma Dos de Cajamarca (Group's subsidiary), with which signed a contract of use of mineral rights.

During the last several years, Yanacocha has been developing the Conga project, which consists in two deposits of gold and porphyry of copper located at northeast of the Yanacocha operating area in the provinces of Celendin, Cajamarca and Hualgayoc, in Cajamarca region.

Due to local political and community protests by a potential impact on water resources, construction and development activities at the Conga project are suspended since November 2011. Currently, Yanacocha's

management is developing only the water sustainability activities recommended by independent experts, mainly, construction of water reservoirs, before to carrying out any development activities of the project.

Investment in Sociedad Minera Cerro Verde S.A.A. -

Sociedad Minera Cerro Verde S.A.A. (hereinafter “Cerro Verde”) is involved in extracting, producing and marketing of cathodes and copper concentrate from its mining unit located in Uchumayo, Arequipa, Peru.

Tax contingency

On June 23, 2004, Law No.28258 -Mining Royalty Law, was approved, and requires the holders of mining concessions to pay a royalty return for the exploitation of metallic and non-metallic mining resources, which is calculated using rates from one to three percent of the value of concentrate or its equivalent, according to the international market prices of the commodity published by the Ministry of Energy and Mines.

Based on the 1998 stability agreement, the payment of mining royalties was not applicable to Cerro Verde, because the contribution was created after Cerro Verde signed the stability contract with the Peruvian Government. However, under the terms of a new contract stability, Cerro Verde began paying a Special Mining Tax and mining royalties for all your production based on Law No. 29788 as of January 1, 2014. As of December 31, 2014, Cerro Verde recognized a special mining tax and mining royalties for US\$24,927,000 and US\$27,189,000, respectively, which are presented as an expense for income taxes.

The Peruvian tax authority (SUNAT) has assessed mining royalties related to ore processed by Cerro Verde’s concentrator, which commenced operations in late 2006. Such assessments cover the period from October 2006 to December 2007, as well as years 2008 and 2009. On July 23, 2013, SUNAT notified the final decision of the Tax Court confirming the assessments for the periods from October to December 2006. By means of the decision of the Tax Court, the administrative stage for the appeal of these proceedings ended.

In September 2013, Cerro Verde filed a petition for relief in relation to the observations for the periods 2006-2008 because believes that the Stability Agreement entered into with the Peruvian government in 1998 guarantees that all minerals extracted from their production unit are included in the stabilized tax and administrative regime, which does not include the obligation to pay the mining royalty. On December 17, 2014, the Eighteenth Contentious Administrative Court rendered its decision upholding the Cerro Verde’s position and nullifying SUNAT’s assessment and the Tax Tribunal’s resolution related to royalty’s payment for year 2008.

As of February 20, 2015, Cerro Verde had not received any judicial resource in relation to appeal filed by the observations of the periods 2006 to 2007. In July 2013, was held a hearing on SUNAT assessments for the year 2009, however, no decision has been issued by the Tax Tribunal for such year. The Cerro Verde’s Management believes its interpretation of the stability agreement is based on legal grounds, however, if Cerro Verde, following judicial resolutions, is ultimately obliged to pay the mining royalties, penalties would be computed bearing interest at rates of approximately 7 to 18 percent, based on the accrued year and the year these payments are performed.

In October 2013, SUNAT issued a payment order by 492 million of Nuevos Soles (US\$155 million based on current exchange rates as of June 30, 2015, including interest and penalties of US\$97 million) according to the decision of the Tax Tribunal for the period from December 2006 to December 2008.

As permitted by Law, Cerro Verde requested and has been granted an installment payment program (defers payment for six months) and thereafter satisfies the amount via 66 equal monthly payments. As of December 31, 2014, Cerro Verde has made payments amounting to 113 million of Nuevos Soles (equivalent to US\$40 million), under the installment program, which are presented as “Other accounts receivable-long term” in the statement of financial position of Cerro Verde.

As of December 31, 2014, the total claims, including interest and penalties for the year 2009 amounted to 226 million of Nuevos Soles (US\$71 million based on current exchange rates as of June 30, 2015). SUNAT can make additional claims for mining royalties, including interests and penalties for the years 2010-2013, which would be appealed by Cerro Verde. The Cerro Verde’s management believes that these claims for the years 2010-2013, if submitted by SUNAT, would result similarly to the resolution of the period from December 2006 to December 2009.

As of June 30, 2015, no amounts have been accrued for these assessments or the installment payment program, because Cerro Verde believes its 1998 stability agreement exempts it from these royalties and believes any payments will be recoverable.

9. Mining concessions, development costs, property, plant and equipment, net

(a) This caption is made up as follow:

	Cost US\$(000)	Accumulated depreciation / amortization US\$(000)	Provision for impairment of long-lived assets US\$(000)	Net cost US\$(000)
As of January 1, 2015	2,743,279	(1,027,827)	-	1,715,452
Additions	125,188	(118,367)	(3,803)	3,018
Disposals / sales / reversals	(5,774)	801	-	(4,973)
As of June 30, 2015	<u>2,862,693</u>	<u>(1,145,393)</u>	<u>(3,803)</u>	<u>1,713,497</u>
As of January 1, 2014	2,534,901	(1,000,430)	(19,011)	1,515,460
Additions	133,956	(112,970)	(794)	20,192
Disposals / sales / reversals	(90)	64	-	(26)
As of June 30, 2014	<u>2,668,767</u>	<u>(1,113,336)</u>	<u>(19,805)</u>	<u>1,535,626</u>

(b) Main additions during the six-month period ended June 30, 2015 are the following:

	US\$(000)
Increased assets related to mine closure costs due to changes in estimates of mine closure plan of La Zanja	35,939
Development costs of Tambomayo mining project of Buenaventura	19,445
Stripping costs of El Brocal	8,909
Replacement units purchased by Buenaventura	8,759
Work in progress - expansion of leach pad (stages 1A and 2A) of La Zanja	8,358
Development costs of San Gabriel mining project of Buenaventura	6,929
Operations expansion project of El Brocal	5,657
Increased assets related to mine closure costs due to changes in estimates of mine closure plan of Julcani mining unit of Buenaventura	5,388
Work in progress - improvements in tailings dam of Uchucchacua mining project of Buenaventura	3,345
Development costs of Pampa Verde pre-mining pit of La Zanja	3,027
Transfers of property, plant and equipment from the mining projects held for sale	2,484
Acquisition of other equipment acquired by La Zanja	2,012
Development costs of Trapiche mining project of El Molle Verde	1,885
Replacement units purchased by La Zanja	1,774
Work in progress - construction of housing modules of Tambomayo mining project of Buenaventura	1,463
Work in progress - installation and expansion of Uchucchacua mining project of Buenaventura	1,292
Development costs of Colquijirca mining unit of El Brocal	1,186
Work in progress - construction of pilot plant for metallurgical assays of Buenaventura	1,077
Other minors	6,259
	<u>125,188</u>

10. Bank loans

(a) This caption is made up as follow:

Bank	Currency	Term	Original maturity	Annual interest rate	US\$(000)
As of June 30, 2015:					
Banco de Crédito S.A.A.– BCP (b)	Nuevos Soles	360 days	March 2016	4.69%	38,679
Scotiabank Perú S.A.A. (b)	Nuevos Soles	180 days	July 2015	4.86%	37,660
Scotiabank Perú S.A.A. (b)	Nuevos Soles	173 days	July 2015	4.80%	9,468
					<u>85,807</u>
As of December 31, 2014:					
Banco de Crédito S.A.A. – BCP (c)	U.S. dollars	365 days	August 2015	1.50%	<u>40,000</u>

(b) During the first half of the year 2015, the volatility of the foreign exchange rate between the Nuevos Soles and the U.S. dollar, which is the functional and reporting currency of Buenaventura, has driven the Group's Management to undertake hedge contracts of the foreign currency exposure by signing bank loans. See note 6(b).

(c) This bank loan by US\$40,000,000 granted to Buenaventura in August 2014 for Banco de Crédito del Perú S.A.A. was fully repaid in March 2015 with proceeds from bank loans obtained during the first quarter of 2015.

11. Trade and other payables

(a) This caption is made up as follow:

	As of June 30, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Trade payables (b)		
Domestic suppliers	178,029	206,844
Related entities, note 21(b)	1,366	1,794
	<u>179,395</u>	<u>208,638</u>
Other payables		
Remuneration and similar benefits payable	18,678	12,879
Accounts payable to non-controlling interests	15,394	15,181
Taxes payable	11,101	13,409
Royalties payable to the Peruvian State	2,250	2,654
Dividends payable	1,029	1,117
Related parties, note 21(b)	758	-
Other liabilities	17,501	15,362
	<u>66,711</u>	<u>60,602</u>
Total trade and other payables	<u>246,106</u>	<u>269,240</u>
Classification by maturity:		
Current portion	231,003	254,000
Non-current portion	15,103	15,240
	<u>246,106</u>	<u>269,240</u>

(b) Trade payables arise mainly from acquisition of material, supplies and spare parts and services provided by third parties. These obligations are mostly denominated in U.S. dollars and have current maturities.

Notes to the interim consolidated financial statements (unaudited) (continued)

12. Provisions

This caption is made up as follow:

	As of January 1, 2015 US\$(000)	Accretion and change in mine closure plans US\$(000)	Debit (credit) in profit or loss US\$(000)	Disbursements US\$(000)	As of June 30, 2015 US\$(000)
Provision for closure of mining units and exploration projects	103,010	44,160	-	(6,708)	140,462
Provision for environmental liabilities	6,708	-	10	(255)	6,463
Provision for security contingencies	6,475	-	(326)	(206)	5,943
Provision for labor contingencies	4,729	-	(18)	(64)	4,647
Provision for obligations with local communities	2,851	-	67	(323)	2,595
Provision for environmental contingencies	1,092	-	85	(173)	1,004
Board of Directors' participation	1,385	-	819	(1,381)	823
Employee bonuses	-	-	8,915	(8,207)	708
Workers' profit sharing payable	3,916	-	287	(3,525)	678
Provision for stock appreciation rights	449	-	135	-	584
Other provisions	851	-	(60)	(8)	783
	<u>131,466</u>	<u>44,160</u>	<u>9,914</u>	<u>(20,850)</u>	<u>164,690</u>
Classification by maturity:					
Current portion	67,895				70,450
Non-current portion	63,571				94,240
	<u>131,466</u>				<u>164,690</u>

Notes to the interim consolidated financial statements (unaudited) (continued)

13. Financial obligations

(a) This caption is made up as follow:

	As of June 30, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Empresa de Generación Huanza S.A.		
Banco de Crédito del Perú S.A.A. - Finance lease (b)	193,725	199,170
Sociedad Minera El Brocal S.A.A.		
Banco de Crédito del Perú S.A.A. - Leaseback (c)	165,372	165,039
Other obligations	15,000	5,000
Buenaventura Ingenieros S.A.		
Banco de Crédito del Perú S.A.A. - Finance lease (d)	9,914	13,988
Other	<u>208</u>	<u>108</u>
Total financial obligations	<u>384,219</u>	<u>383,305</u>
Classification by maturity:		
Current portion	46,142	69,950
Non-current portion (e)	<u>338,077</u>	<u>313,355</u>
Total financial obligations	<u>384,219</u>	<u>383,305</u>

(b) On December 2, 2010, Empresa de Generación Huanza S.A. entered into a finance lease contract with Banco de Crédito del Perú, with the following terms and conditions:

- Principal: US\$119,000,000.
- Annual interest rate: Three-month Libor plus 4.00 percent.
- Term: 6 years since August 2014, with final maturity in November 2020.
- Guarantee: Leased equipment.
- Amortization: Through 26 quarterly variable installments and a final installment of US\$44,191,000.

On June 30, 2014, Banco de Crédito del Perú extended the finance lease contract above mentioned, through the addition of a new tranche with the following terms and conditions:

- Principal: US\$108,780,000.
- Annual interest rate: Three-month Libor plus 4.20 percent.
- Term: 6 years since August 2014, with final maturity in November 2020.
- Guarantee: Leased equipment.
- Amortization: Through an initial installment of US\$23,780,000, 26 quarterly variable installments and a final installment of US\$68,905,000.

- (c) On June 9, 2015, the Board of Directors of El Brocal approved the new profiling of debt balance and its corresponding installment program of the sales and finance leaseback contract through the sales of assets by the same value, including equipment, machinery and production plants located in Colquijirca mining unit, with the following terms and conditions:

- Principal: US\$166,500,000.
- Annual interest rate: Three-month Libor plus 4.75 percent.
- Term: 5.5 years on June 23, 2015, with final maturity in 2020.
- Amortization: Through 22 quarterly variable.

In connection with the above financing, El Brocal must comply the following financial ratios starting September 30, 2015:

- (i) Debt Service coverage ratio: Higher than 1.3.
- (ii) Leverage Ratio: Less than 1.0 times.
- (iii) Debt Ratio:
 - a. Less than 3.75 times as of September 30, 2015;
 - b. Less than 3.00 times as of December 31, 2015;
 - c. Less than 2.75 times from January 1, 2016 to September 30, 2016;
 - d. Less than 2.50 times as of December 31, 2016;
 - e. Less than 2.50 times from January 1, 2017 to September 30, 2017;
 - f. Less than 2.25 times as of December 31, 2017;
 - g. Less than 2.00 times as of January 1, 2018.

The financing is secured by a trust agreement on receivables, sales contracts and cash inflows on commercial contracts, and other related to the administration, use, disposal and claim of the assets specified in the contract.

- (d) On March 28, 2014, Buenaventura Ingenieros S.A. entered into a finance lease contract with Banco de Crédito del Perú, for the construction of an administrative building, with the following terms and conditions:

- Principal: US\$14,944,000.
- Annual interest rate: 4.60 percent.
- Term: 5 years and 4 months since April 2014, with final maturity in July 2019.
- Guarantee: Leased property.
- Amortization: Through 64 monthly installments of US\$208,000 each.

- (e) The non-current portion of the financial obligations held by the Group matures as follows:

Year	As of June 30,	As of December 31,
	2015 US\$(000)	2014 US\$(000)
2016	16,815	47,712
2017	40,199	58,367
2018	41,982	60,113
2019	45,307	16,659
2020	193,774	130,504
	<u>338,077</u>	<u>313,355</u>

14. Dividends declared and paid

- (a) The table below presents information about dividends declared and paid during the six-month periods ended June 30, 2015 and 2014:

Meetings / Session	Date	Dividends	Dividends
		declared and paid US\$(000)	per share US\$
Dividends declared - Year 2014			
Mandatory Annual Shareholders' Meeting	March 27, 2014	3,032	0.01
Less – Dividends on treasury shares		<u>(235)</u>	
		<u>2,797</u>	

The dividends declared as of January 31, 2014 were paid during the second quarter of 2014. During the first half of year 2015 no dividends were declared.

- (b) Dividends declared by subsidiaries and associated companies to shareholders of non-controlling interest for the three and six-month periods ended June 30, 2015 and 2014 are as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
S.M.R.L. Chaupiloma Dos de Cajamarca	<u>2,640</u>	<u>2,240</u>	<u>5,908</u>	<u>4,200</u>

15. Net sales

- (a) The table below presents the detail of net sales for the three and six-month periods ended June 30, 2015 and 2014:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Sales by product				
Gold	108,384	138,806	231,977	279,362
Silver	77,404	97,808	151,047	180,059
Copper	45,485	66,971	63,851	130,514
Lead	12,104	8,707	28,078	17,580
Zinc	28,668	6,166	56,561	12,394
	<u>272,045</u>	<u>318,458</u>	<u>531,514</u>	<u>619,909</u>
Commercial deductions	(53,575)	(41,693)	(90,102)	(78,357)
Adjustments to current period liquidations	7,274	649	9,085	(2,537)
Embedded derivatives for concentrates sales	(6,600)	11,167	(3,151)	5,230
Hedge operations	1,347	1,543	3,465	1,864
	<u>220,491</u>	<u>290,124</u>	<u>450,811</u>	<u>546,109</u>
Sales of services, electric power and other minors	<u>28,417</u>	<u>4,689</u>	<u>41,029</u>	<u>21,581</u>
	<u>248,908</u>	<u>294,813</u>	<u>491,840</u>	<u>567,690</u>

Volumes of metallic contents sold were the following:

	For the three-month periods ended June 30,		Increase (decrease)
	2015	2014	
	Gold	91,474 OZ	109,020 OZ
Silver	4,785,933 OZ	4,949,060 OZ	(163,127) OZ
Copper	8,831 TM	10,186 TM	(1,355) TM
Lead	6,309 TM	4,199 TM	2,110 TM
Zinc	13,364 TM	2,947 TM	10,417 TM

	For the six-month periods ended June 30,		Increase (decrease)
	2015	2014	
	Gold	192,707 OZ	216,258 OZ
Silver	9,583,574 OZ	9,104,294 OZ	479,280 OZ
Copper	12,462 TM	19,187 TM	(6,725) TM
Lead	15,678 TM	8,281 TM	7,397 TM
Zinc	26,899 TM	5,781 TM	21,118 TM

Net average sales prices were the following:

	For the three-month periods ended June 30,		Increase (decrease)
	2015	2014	
	US\$	US\$	US\$
Gold	1,184.86 / OZ	1,273.22 / OZ	(88.36) / OZ
Silver	16.17 / OZ	19.76 / OZ	(3.59) / OZ
Copper	5,150.32 / TM	6,575.09 / TM	(1,424.77) / TM
Lead	1,918.39 / TM	2,073.36 / TM	(154.97) / TM
Zinc	2,145.14 / TM	2,092.43 / TM	52.71 / TM

	For the six-month periods ended June 30,		Increase (decrease)
	2015	2014	
	US\$	US\$	US\$
Gold	1,203.78 / OZ	1,291.80 / OZ	(88.02) / OZ
Silver	15.76 / OZ	19.78 / OZ	(4.02) / OZ
Copper	5,123.81 / TM	6,802.20 / TM	(1,678.38) / TM
Lead	1,790.95 / TM	2,122.98 / TM	(332.03) / TM
Zinc	2,102.69 / TM	2,143.92 / TM	(41.24) / TM

- (b) During the six-month period ended June 30, 2015, net sales of the Group decreased by US\$75,000,000 compared to the same period of 2014, mainly due to the effect of declining international prices of metals, especially in: gold (decreased 7 percent), silver (decreased 20 percent) and lead (decreased 16 percent); and a 10 percent decrease in production volumes of gold.

16. Cost of sales, excluding depreciation and amortization

The composition of the item for the three and six-month periods ended June 30, 2015 and 2014 is as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Beginning balance of finished goods and products in process	112,287	109,551	116,951	129,135
Cost of production				
Services provided by third parties	60,496	70,600	117,632	126,318
Direct labor	29,691	29,432	57,202	55,779
Consumption of materials and supplies	28,731	25,949	57,092	49,634
Electricity and water	7,079	7,499	14,733	14,219
Transport	5,087	3,714	9,347	6,850
Provision for impairment of value of finished goods	6,020	170	4,769	184
Maintenance and repair	2,123	1,816	4,164	3,443
Rentals	1,949	5,646	3,448	9,480
Insurances	1,719	1,507	2,980	3,167
Other production expenses	3,614	16,943	6,955	14,056
Total cost of production of the period	146,509	163,276	278,322	283,130
Ending balance of finished goods and products in process	(97,901)	(124,995)	(97,901)	(124,995)
Cost of sales, excluding depreciation and amortization	<u>160,895</u>	<u>147,832</u>	<u>297,372</u>	<u>287,270</u>

17. Exploration in operating units

The balance of this caption decreased by US\$6,055,000, from US\$51,155,000 during the six-month period ended June 30, 2014 to US\$45,100,000 during the same period of 2015, mainly explained by the lower exploration activities of the Orcopampa mining unit of US\$5,684,000.

18. Mining Royalties

The balance of this caption increased by US\$636,000, from US\$14,441,000 during the six-month period ended June 30, 2014 to US\$15,077,000 during the same period of 2015, mainly explained by the increased mining royalties' payment to the Sindicato Minero de Orcopampa S.A. based on the valued production of mineral obtained from the concessions leased by such entity.

19. Administrative expenses

The balance of this caption decreased by US\$9,337,000, from US\$49,684,000 during the six-month period ended June 30, 2014 to US\$40,347,000 during the same period of 2015, mainly explained by lower costs of services provided by third parties of US\$6,500,000 and minor donations to third parties of US\$2,397,000.

20. Income tax

- (a) The composition of income (expense) for income taxes for the three and six-month periods ended June 30, 2015 and 2014 is as follows:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Income tax				
Current	(1,503)	(6,628)	(6,450)	(12,865)
Deferred	<u>2,352</u>	<u>(1,455)</u>	<u>(2,020)</u>	<u>(1,201)</u>
	<u>849</u>	<u>(8,083)</u>	<u>(8,470)</u>	<u>(14,066)</u>
Mining royalties and special mining tax				
Current	(503)	(311)	(933)	(1,879)
Deferred	<u>(285)</u>	<u>(2,099)</u>	<u>(963)</u>	<u>(1,870)</u>
	<u>(788)</u>	<u>(2,410)</u>	<u>(1,896)</u>	<u>(3,749)</u>
Total income tax	<u>61</u>	<u>(10,493)</u>	<u>(10,366)</u>	<u>(17,815)</u>

Currently, the Peruvian tax authority is reviewing the Company's income tax returns for the years 2009 and 2010.

- (b) Below is a reconciliation of tax expense and the accounting profit multiplied by the statutory tax rate for the three and six-month periods ended June 30, 2015 and 2014:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Profit (loss) before income tax from continuing operations	(30,639)	53,276	(7,860)	61,163
Loss before income tax from discontinued operations	(912)	(10,209)	(3,016)	(21,146)
Profit (loss) before income tax	<u>(31,551)</u>	<u>43,067</u>	<u>(10,876)</u>	<u>40,017</u>
Theoretical income tax	8,834	(12,920)	3,045	(12,005)
Permanents items and other:				
Share in the results of subsidiaries and associates	3,350	6,050	13,507	4,706
Effect of translation into U.S. dollars	(9,011)	1,435	(22,716)	(974)
Non-deductible expenses for tax	(1,675)	(1,599)	(2,041)	(5,367)
Effect of exchange difference on tax loss carry-forward	(392)	310	(815)	2
Mining royalties and special mining tax	170	(674)	90	(413)
Amortization of mining rights	(19)	(15)	(38)	(20)
Permanent items and other minor	(408)	(671)	498	4
Income (expense) income tax	<u>849</u>	<u>(8,084)</u>	<u>(8,470)</u>	<u>(14,067)</u>
Mining royalties and special mining tax	<u>(788)</u>	<u>(2,410)</u>	<u>(1,896)</u>	<u>(3,749)</u>
Total income tax	<u>61</u>	<u>(10,494)</u>	<u>(10,366)</u>	<u>(17,816)</u>

21. Related parties transactions

- (a) The main transactions made by the Group and its associates during the three and six-month periods ended June 30, 2015 and 2014 are presented below:

	For the three-month periods ended June 30,		For the six-month periods ended June 30,	
	2015 US\$(000)	2014 US\$(000)	2015 US\$(000)	2014 US\$(000)
Royalties collected from Minera Yanacocha S.R.L. by:				
S.M.R.L. Chaupiloma Dos de Cajamarca	7,390	7,399	16,480	15,424
Services rendered to Minera Yanacocha S.R.L. by:				
Buenaventura Ingenieros S.A. (execution of specific work orders)	312	(68)	570	137
Consorcio Energético de Huancavelica S.A. (electric power transmission)	253	152	522	381
Services rendered to Sociedad Minera Cerro Verde S.A.A. by:				
Buenaventura Ingenieros S.A. (engineering services)	-	468	-	829
BISA Construcción S.A. (construction services)	-	41	-	82
Services rendered to Compañía Minera Coimolache S.A. by:				
Compañía de Minas Buenaventura S.A.A. (administrative and management services)	239	258	487	514
Buenaventura Ingenieros S.A. (engineering services)	130	145	311	274
Consorcio Energético de Huancavelica S.A. (electric power transmission)	151	125	276	250
Dividends received from:				
Compañía Minera Coimolache S.A.	903	2,065	2,959	4,442
Contributions and investments made to:				
Canteras del Hallazgo S.A.C.	-	472	-	1,475
Interest income on loans granted to:				
Compañía Minera Coimolache S.A.	-	50	-	123
Sales of supplies to Compañía Minera Coimolache S.A. by:				
Compañía de Minas Buenaventura S.A.A.	17	-	41	-
Procesadora Industrial Río Seco S.A.	-	8	-	14
Minera La Zanja S.R.L.	28	8	28	10
Sales of mineral to Minera Yanacocha S.R.L. by:				
Compañía de Minas Buenaventura S.A.A.	557	-	1,265	-
Sales of energy power to Minera Yanacocha S.R.L. by:				
Empresa de Generación Huanza S.A.	402	-	808	-

- (b) As a result of the transactions indicated in paragraph (a), the Group has the following accounts receivable and payable to associates:

	As of June 30, 2015 US\$(000)	As of December 31, 2014 US\$(000)
Trade and other receivables , note 5(a) -		
Trade		
Minera Yanacocha S.R.L.	9,365	14,566
Compañía Minera Coimolache S.A.	322	515
	<u>9,687</u>	<u>15,081</u>
Other		
Compañía Minera Coimolache S.A. (c)	177	334
Minera Yanacocha S.R.L.	-	-
	<u>177</u>	<u>334</u>
	<u>9,864</u>	<u>15,415</u>
Classification by maturity:		
Current portion	9,864	15,415
Non-current portion	-	-
	<u>9,864</u>	<u>15,415</u>
Trade and other payables, note 11(a) -		
Trade		
Minera Yanacocha S.R.L.	814	410
Compañía Minera Coimolache S.A.	552	1,384
	<u>1,366</u>	<u>1,794</u>
Other		
Compañía Minera Coimolache S.A.	758	-
	<u>2,124</u>	<u>1,794</u>
Classification by maturity:		
Current portion	2,078	1,611
Non-current portion	46	183
	<u>2,124</u>	<u>1,794</u>

22. Disclosure of information on segments

Management has determined its operating segments based on reports that the Group's Chief Operating Decision Maker (CODM) uses for making decisions. The Group is organized into business units based on its products and services, activities and geographic locations. The broad categories of the Group's business units are:

- Production and sale of minerals
- Exploration and development activities
- Construction and engineering services
- Energy generation and transmission services
- Insurance brokerage
- Rental of mining concessions
- Holding of investment in shares (mainly in the associate company Minera Yanacocha S.R.L. and the Group's subsidiary S.M.R.L. Chaupiloma Dos de Cajamarca)
- Industrial activities.

The CODM monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the Group's consolidated financial statements. Also, the Group's financing and income taxes are managed at the corporate level and are not allocated to the operating segments.

Corporate information mainly includes the following:

In segment information of profit and loss -

- Sales to third parties of gold purchased by the Parent company from La Zanja mining unit and the corresponding cost of sale as well as other intercompany sales.
- Administrative expenses, other income (expenses), exchange gain (loss), finance costs and income and income tax that cannot be directly allocated to the operational mining units owned by the Parent company (Uchucchacua, Orcopampa, Julcani, Mallay and Breapampa).
- Exploration activities in non-operating areas, carried out directly by the Parent company and not by the consolidated separate legal entities.
- Participation in subsidiaries and associate companies of the Parent company, which are accounted for using the equity method.

Adjustments and eliminations mainly include the following:

In segment information of profit and loss -

- The elimination of intercompany sales.
- The elimination of intercompany cost of sales.
- The elimination of any equity pickup profit or loss of the subsidiaries of the Parent company.

	Ucchuchacua (Operational mining unit) US\$(000)	Orcopampa (Operational mining unit) US\$(000)	Julcani (Operational mining unit) US\$(000)	Mallay (Operational mining unit) US\$(000)	Breapampa (Operational mining unit) US\$(000)	Colquijirca (Operational mining unit) US\$(000)	La Zanja (Operational mining unit) US\$(000)	Exploration in operating units and Development mining project US\$(000)	Construction and engineering US\$(000)	Energy generation and transmission US\$(000)	Insure brokerage US\$(000)	Rental of Mining concessions US\$(000)	Holding of investments in shares US\$(000)	Industrial activities US\$(000)	Corporate US\$(000)	Total operational segments US\$(000)	Adjustments and eliminations US\$(000)	Total US\$(000)
As of June 30, 2015:																		
Results:																		
Continuing operations																		
Operating income																		
Net sales	74,915	135,372	28,833	16,788	17,381	91,414	82,105	-	34,949	21,464	3,666	-	-	7,719	86,108	600,714	(108,874)	491,840
Royalty income	-	-	-	-	-	-	-	-	-	-	-	16,480	-	-	-	16,480	-	16,480
Total operating income	74,915	135,372	28,833	16,788	17,381	91,414	82,105	-	34,949	21,464	3,666	16,480	-	7,719	86,108	617,194	(108,874)	508,320
Operating costs																		
Cost of sales, excluding depreciation and amortization	(58,428)	(58,160)	(14,642)	(10,344)	(8,308)	(69,142)	(57,182)	-	(29,924)	(7,525)	-	-	-	(8,372)	(85,055)	(407,082)	109,710	(297,372)
Depreciation and amortization	(6,952)	(8,838)	(6,400)	(7,625)	(8,294)	(26,242)	(42,990)	-	(321)	(5,154)	-	(37)	(114)	(4,353)	(525)	(117,845)	37	(117,808)
Exploration in operating units	(12,196)	(22,018)	(7,033)	(3,745)	(82)	-	(26)	-	-	-	-	-	-	-	-	(45,100)	-	(45,100)
Mining royalties	(724)	(12,931)	(261)	(163)	(170)	-	(828)	-	-	-	-	-	-	-	0	(15,077)	0	(15,077)
Total operating costs	(78,300)	(101,947)	(28,336)	(21,877)	(16,854)	(95,384)	(101,026)	-	(30,245)	(12,679)	-	(37)	(114)	(12,725)	(85,580)	(585,104)	109,747	(475,357)
Gross profit (loss)	(3,385)	33,425	497	(5,089)	527	(3,970)	(18,921)	-	4,704	8,785	3,666	16,443	(114)	(5,006)	528	32,090	873	32,963
Operating income (expense), net																		
Administrative expenses	(4,894)	(8,943)	(1,600)	(1,112)	(1,379)	(8,994)	(741)	(856)	(1,906)	(1,479)	(5,213)	(41)	(111)	(169)	(6,019)	(43,457)	3,110	(40,347)
Exploration in non-operating areas	-	-	-	-	-	(1,272)	(8,283)	(8,501)	-	-	-	-	-	-	(3,759)	(21,815)	1,414	(20,401)
Selling expenses	(1,510)	(457)	(645)	(688)	(62)	(3,311)	(677)	-	-	(421)	-	-	-	(334)	(2)	(8,107)	-	(8,108)
Impairment loss on long-lived assets	-	-	-	-	-	-	(3,803)	-	-	-	-	-	-	-	-	(3,803)	-	(3,803)
Other, net	34	25	(131)	53	177	100	263	70	1,556	(135)	-	-	503	26	2,706	5,247	(5,534)	(286)
Total operating income (expense), net	(6,370)	(9375)	(2,376)	(1,747)	(1,264)	(13,477)	(13,241)	(9,287)	(350)	(2,035)	(5,213)	(41)	392	(477)	(7,074)	(71,936)	(1,009)	(72,945)
Operating profit (loss)	(9,755)	24,050	(1,879)	(6,836)	(737)	(17,447)	(32,162)	(9,287)	4,354	6,750	(1,547)	16,402	278	(5,483)	(6,546)	(39,846)	(136)	(39,982)
Other income (expense), net																		
Net share in the results of associates	-	-	-	-	-	-	-	-	(559)	888	-	-	39,179	-	18,673	58,153	(9,913)	48,240
Financial income	3	2	1	-	-	10	8	-	123	18	2	-	-	-	1,446	1,614	-	1,614
Financial expenses	(98)	(95)	(69)	(23)	(8)	(4,973)	(2,534)	(50)	(730)	(4,317)	(10)	(2)	(1)	(411)	(1,898)	(15,219)	1,067	(14,152)
Net gain (loss) from currency exchange difference	315	330	163	51	1	(1,863)	(872)	(718)	473	(811)	(173)	38	(1)	(1,067)	554	(3,580)	-	(3,580)
Total other income (expense), net	220	237	95	28	(7)	(6,826)	(3,398)	(768)	(693)	(4,222)	(181)	36	39,177	(1,478)	18,747	40,968	(8,846)	32,122
Profit (loss) before income tax	(9,535)	24,287	(1,784)	(6,808)	(744)	(24,273)	(35,560)	(10,055)	3,661	2,528	(1,728)	16,438	39,455	(6,961)	12,201	1,123	(8,982)	(7,860)
Current income tax	(14)	(23)	(8)	(4)	(3)	(881)	(635)	-	(1,030)	(45)	-	(4,688)	-	-	-	-	-	(7,383)
Deferred income tax	-	-	-	-	-	359	8,231	-	(2,077)	(1,365)	-	-	(52)	240	(8,371)	(10,365)	-	(2,983)
Net profit (loss) from continuing operations	(9,549)	24,264	(1,792)	(6,812)	(747)	(24,795)	(27,964)	(10,055)	554	1,118	(1,728)	11,750	39,403	(6,721)	3,830	(9,244)	(8,982)	(18,226)
Discontinued operations																		
Loss from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(3,016)
Profit (loss) for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21,242)

	Ucchucacua (Operational mining unit) US\$(000)	Orcopampa (Operational mining unit) US\$(000)	Julcani (Operational mining unit) US\$(000)	Mallay (Operational mining unit) US\$(000)	Breapampa (Operational mining unit) US\$(000)	Colquijirca (Operational mining unit) US\$(000)	La Zanja (Operational mining unit) US\$(000)	Exploration and Development mining project US\$(000)	Construction and engineering US\$(000)	Energy generation and transmission US\$(000)	Insure brokerag US\$(000)	Rental of Mining concessions US\$(000)	Holding of investments in shares US\$(000)	Industrial activities US\$(000)	Corporate US\$(000)	Total operational segments US\$(000)	Adjustments and eliminations US\$(000)	Total US\$(000)	
As of June 30, 2014:																			
Results:																			
Continuing operations																			
Operating income																			
Net sales	107,653	127,696	29,354	21,685	60,470	101,256	93,567	-	28,535	19,538	3,044	-	-	5,268	95,854	693,919	(126,229)	567,690	
Royalty income	-	-	-	-	-	-	-	-	-	-	-	15,424	-	-	-	15,424	-	15,424	
Total operating income	107,653	127,696	29,354	21,685	60,470	101,256	93,567	-	28,535	19,538	3,044	15,424	-	5,268	95,854	709,343	(126,229)	583,114	
Operating costs																			
Cost of sales, excluding depreciation and amortization	(76,409)	(57,056)	(12,794)	(11,008)	(20,337)	(55,482)	(38,849)	-	(32,804)	(10,956)	-	-	-	(6,713)	(95,252)	(417,660)	130,390	(287,270)	
Depreciation and amortization	(7,786)	(11,982)	(6,119)	(13,289)	(17,855)	(10,869)	(18,993)	-	(396)	(3,577)	-	(37)	(115)	(3,114)	(957)	(95,089)	-	(95,089)	
Exploration in operating units	(14,338)	(27,702)	(5,500)	(3,196)	(343)	-	(76)	-	-	-	-	-	-	-	-	(51,155)	-	(51,155)	
Mining royalties	(1,050)	(12,077)	(263)	(210)	(598)	-	(243)	-	-	-	-	-	-	-	-	(14,441)	-	(14,441)	
Total operating costs	(99,583)	(108,817)	(24,676)	(27,703)	(39,133)	(66,351)	(58,161)	-	(33,200)	(14,533)	-	(37)	(115)	(9,827)	(96,209)	(578,345)	130,390	(447,955)	
Gross profit (loss)	8,070	18,879	4,678	(6,018)	21,337	34,905	35,406	-	(4,665)	5,005	3,044	15,387	(115)	(4,559)	(355)	130,999	4,160	135,159	
Operating income (expense), net																			
Administrative expenses	(6,734)	(8,965)	(1,854)	(1,507)	(4,223)	(8,055)	(3,085)	(2,383)	(5,310)	(2,798)	(4,533)	(71)	(118)	(192)	(6,550)	(56,378)	6,694	(49,684)	
Exploration in non-operating areas	-	-	-	-	-	(2,987)	(8,617)	(6,317)	-	-	-	-	-	-	(7,470)	(25,391)	196	(25,195)	
Selling expenses	(1,517)	(468)	(479)	(843)	(221)	(4,298)	(685)	-	-	(52)	-	-	-	-	(26)	(8,589)	-	(8,589)	
Other, net	(29)	585	(4,644)	62	(24)	(25)	(964)	305	3,489	5,772	44	(1)	329	(66)	(4,446)	387	(3,327)	(2,940)	
Total operating income (expense), net	(8,280)	(8,848)	(6,977)	(2,288)	(4,468)	(15,365)	(13,351)	(8,395)	(1,821)	2,922	(4,489)	(72)	211	(258)	(18,492)	(89,971)	3,563	(86,408)	
Operating profit (loss)	(210)	10,031	(2,299)	(8,306)	16,869	19,540	22,055	(8,395)	(6,486)	7,927	(1,445)	15,315	96	(4,817)	(18,847)	41,028	7,723	48,751	
Other income (expense), net																			
Net share in the results of associates	-	-	-	-	-	-	-	-	(6,620)	592	-	-	(33,105)	-	22,543	(16,590)	32,279	15,689	
Financial income	8	10	3	-	-	84	-	-	-	1,229	7	-	-	-	2,306	3,647	-	3,647	
Financial expenses	(142)	(88)	(81)	(32)	(23)	(319)	(858)	(95)	(789)	(3,826)	(5)	(2)	(1)	(322)	(179)	(6,762)	605	(6,157)	
Net loss from currency exchange difference	(10)	(8)	(5)	3	7	(118)	1	(229)	(139)	(28)	78	(47)	-	(2)	(270)	(767)	-	(767)	
Total other income (expense), net	(144)	(86)	(83)	(29)	(16)	(353)	(857)	(324)	(7,548)	(2,033)	80	(49)	(33,106)	(324)	24,400	(20,472)	32,884	12,412	
Profit (loss) before income tax	(354)	9,945	(2,382)	(8,335)	16,853	19,187	21,198	(8,719)	(14,034)	5,894	(1,365)	15,266	(33,010)	(5,141)	5,553	20,556	40,607	61,163	
Current income tax	(48)	(49)	(11)	(8)	(23)	(3,011)	(6,088)	-	-	(2,406)	-	(4,578)	(13)	2,701	(842)	(14,376)	(368)	(14,744)	
Deferred income tax	-	-	-	-	-	(4,732)	(2,988)	-	-	(60)	-	-	-	-	4,709	(3,071)	-	(3,071)	
Net profit (loss) from continuing operations	(402)	9,896	(2,393)	(8,343)	16,830	11,444	12,122	(8,719)	(14,034)	3,428	(1,365)	10,688	(33,023)	(2,440)	9,420	3,109	40,239	43,348	
Discontinued operations																			
Loss from discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(21,146)
Profit (loss) for the period	-	9,896	(2,393)	(8,343)	16,830	11,444	12,122	(8,719)	(14,034)	3,428	(1,365)	10,688	(33,023)	(2,440)	9,420	3,109	40,239	22,202	