

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

Unaudited interim consolidated financial statements as of  
September 30, 2018 and 2017 and for the three-month and nine-  
month periods then ended



**EY**

Building a better  
working world

Paredes, Burga & Asociados  
Sociedad Civil de Responsabilidad Limitada

## 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 financial statements of Compañía de Minas Buenaventura S.A.A. (a Peruvian public corporation) and Subsidiaries (together the "Group") which comprise the interim consolidated statements of financial position as of September 30, 2018, and the interim consolidated statements of profit or loss, of comprehensive income, of changes in equity, and of cash flows for the nine-month periods ended September 30, 2018 and 2017, 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 International Auditing Standards approved in Peru by the Board of Deans of the Peruvian Charter of Accountants 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

October 25, 2018

Paredes, Burga & Asociados

Countersigned by:

Katherine Villanueva

C.P.C.C. Register N° 36892

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

## Consolidated statements of financial position

As of September 30, 2018 (unaudited) and December 31, 2017 (audited)

	Note	2018 US\$(000)	2017 US\$(000)
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	3	354,945	214,551
Trade and other receivables, net	4(a)	235,996	314,308
Inventories, net	5(a)	129,202	132,287
Income tax credit		24,478	23,165
Prepaid expenses		9,906	17,551
Hedge derivative financial instruments		11,167	-
		<u>765,694</u>	<u>701,862</u>
<b>Non-current assets</b>			
Trade and other receivables, net	4(a)	39,780	44,191
Inventories, net	5(a)	4,574	3,238
Investments in associates	6(a)	1,548,156	1,536,887
Mining concessions, development costs, property, plant and equipment, net	7(a)	1,875,455	1,949,555
Investment properties, net		253	222
Deferred income tax asset, net		29,631	43,129
Prepaid expenses		26,799	27,555
Income tax credit		229	3,413
Other assets		22,050	22,761
		<u>3,546,927</u>	<u>3,630,951</u>
<b>Total assets</b>		<u>4,312,621</u>	<u>4,332,813</u>
<b>Liabilities and shareholders' equity, net</b>			
<b>Current liabilities</b>			
Bank loans	8	95,000	96,215
Trade and other payables		164,569	233,355
Provisions		100,364	76,847
Income tax payable		1,704	2,081
Financial obligations	9(a)	46,278	83,991
Hedge derivative financial instruments		-	28,705
		<u>407,915</u>	<u>521,194</u>
<b>Non-current liabilities</b>			
Trade and other payables		660	663
Provisions		186,922	164,877
Financial obligations	9(a)	553,064	549,092
Contingent consideration liability		17,570	17,570
Deferred income tax liabilities, net		27,267	15,790
		<u>785,483</u>	<u>747,992</u>
<b>Total liabilities</b>		<u>1,193,398</u>	<u>1,269,186</u>
<b>Shareholders' equity, net</b>			
Capital stock		750,497	750,497
Investment shares		791	791
Additional paid-in capital		218,450	218,450
Legal reserve		163,115	163,071
Other reserves		269	269
Retained earnings		1,763,315	1,728,847
Other reserves of equity		3,089	(13,888)
		<u>2,899,526</u>	<u>2,848,037</u>
Shareholders' equity, net attributable to owners of the parent		2,899,526	2,848,037
Non-controlling interest		219,697	215,590
<b>Total shareholders' equity, net</b>		<u>3,119,223</u>	<u>3,063,627</u>
<b>Total liabilities and shareholders' equity, net</b>		<u>4,312,621</u>	<u>4,332,813</u>

**Compañía de Minas Buenaventura S.A.A. and Subsidiaries**  
**Interim consolidated statements of profit or loss (unaudited)**

For the three-month and nine-month periods ended September 30, 2018 and 2017

	Note	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
		2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Continuing operations</b>					
<b>Operating income:</b>					
Net sales of goods	11	262,342	355,085	883,149	867,439
Net sales of services	11	3,736	8,186	13,283	20,714
Royalty income	15(a)	5,775	5,485	14,925	15,595
<b>Total operating income</b>		<u>271,853</u>	<u>368,756</u>	<u>911,357</u>	<u>903,748</u>
<b>Operating costs</b>					
Cost of sales of goods, excluding depreciation and amortization	12	(155,661)	(176,962)	(466,332)	(448,980)
Cost of services, excluding depreciation and amortization		(733)	(3,908)	(3,221)	(9,624)
Depreciation and amortization		(63,414)	(58,464)	(178,253)	(139,599)
Exploration in operating units		(22,188)	(27,591)	(69,633)	(68,793)
Mining royalties		(5,229)	(8,907)	(18,175)	(22,555)
<b>Total operating costs</b>		<u>(247,225)</u>	<u>(275,832)</u>	<u>(735,614)</u>	<u>(689,551)</u>
<b>Gross profit</b>		<u>24,628</u>	<u>92,924</u>	<u>175,743</u>	<u>214,197</u>
<b>Operating expenses, net</b>					
Administrative expenses		(15,880)	(20,226)	(61,655)	(60,940)
Exploration in non-operating areas		(9,758)	(4,388)	(24,846)	(12,216)
Selling expenses		(7,597)	(5,907)	(20,366)	(16,074)
Provision for contingencies	13	(11,611)	(1,512)	(11,292)	(13,328)
Other, net		(6,858)	(3,502)	(23,823)	(11,373)
<b>Total operating expenses, net</b>		<u>(51,704)</u>	<u>(35,535)</u>	<u>(141,982)</u>	<u>(113,931)</u>
<b>Operating profit (loss)</b>		<u>(27,076)</u>	<u>57,389</u>	<u>33,761</u>	<u>100,266</u>
<b>Other income (expense), net</b>					
Share in the results of associates	6(b)	22,151	(32,908)	71,173	8,901
Financial income		1,604	2,178	3,781	4,651
Financial costs		(9,991)	(10,369)	(28,316)	(25,838)
Net gain (loss) from currency exchange difference		(473)	(1,872)	(21)	2,343
<b>Total other income (expense), net</b>		<u>13,291</u>	<u>(42,971)</u>	<u>46,617</u>	<u>(9,943)</u>
<b>Profit (loss) before income tax</b>		<u>(13,785)</u>	<u>14,418</u>	<u>80,378</u>	<u>90,323</u>
Current income tax	14(a)	2,354	(8,188)	(11,377)	(18,846)
Deferred income tax	14(a)	(2,218)	(9,853)	(12,036)	(8,228)
<b>Profit (loss) from continuing operations</b>		<u>(13,649)</u>	<u>(3,623)</u>	<u>56,965</u>	<u>63,249</u>
<b>Discontinued operations</b>					
Profit (loss) from discontinued operations attributable to equity holders of the parent		(536)	(1,494)	(1,287)	2,145
<b>Net profit (loss)</b>		<u>(14,185)</u>	<u>(5,117)</u>	<u>55,678</u>	<u>65,394</u>
<b>Attributable to:</b>					
Owners of the parent		(10,287)	(12,023)	59,409	52,513
Non-controlling interest		(3,898)	6,906	(3,731)	12,881
		<u>(14,185)</u>	<u>(5,117)</u>	<u>55,678</u>	<u>65,394</u>
Basic and diluted profit (loss) per share attributable to equity holders of the parent, stated in U.S. dollars					
		(0.04)	(0.05)	0.23	0.21
Profit (loss) for continuing operations, basic and diluted per share attributable to equity holders of the parent, expressed in U.S. dollars					
		(0.04)	(0.04)	0.24	0.20

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

### Interim consolidated statements of other comprehensive income (unaudited)

For the three-month and nine-month periods ended September 30, 2018 and 2017

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Net profit (loss)</b>	(14,185)	(5,117)	55,678	65,394
<b>Other comprehensive income of the period:</b>				
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods</b>				
Net change in unrealized gain on cash flow hedges	5,551	(9,749)	39,873	(8,428)
Income tax effect	(2,272)	3,302	(12,397)	2,759
Unrealized results on investments	810	(1,438)	1,299	(1,101)
	4,089	(7,885)	28,775	(6,770)
<b>Other comprehensive income (loss) of the period</b>	(10,096)	(13,002)	84,453	58,624
<b>Attributable to:</b>				
Owners of the parent	(8,435)	(17,120)	76,386	48,849
Non-controlling interest	(1,661)	4,118	8,067	9,775
	(10,096)	(13,002)	84,453	58,624

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

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

For the nine-month periods ended September 30, 2018 and 2017

	Attributable to equity holders of the parent										
	Capital stock, net of treasury shares			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)	Non-controlling interest US\$(000)	Total shareholders' equity, net US\$(000)
	Number of shares outstanding	Common shares US\$(000)	Investment shares US\$(000)								
<b>As of January 1, 2017</b>	253,715,190	750,497	791	218,450	162,744	269	1,690,123	(1,783)	2,821,091	226,122	3,047,213
Net profit	-	-	-	-	-	-	52,513	-	52,513	12,881	65,394
Other comprehensive loss	-	-	-	-	-	-	-	(3,664)	(3,664)	(3,106)	(6,770)
<b>Total other comprehensive income</b>	-	-	-	-	-	-	52,513	(3,664)	48,849	9,775	58,624
Dividends declared and paid, note 10	-	-	-	-	-	-	(14,479)	-	(14,479)	(4,516)	(18,995)
Expired dividends	-	-	-	-	327	-	-	-	327	-	327
<b>As of September 30, 2017</b>	<u>253,715,190</u>	<u>750,497</u>	<u>791</u>	<u>218,450</u>	<u>163,071</u>	<u>269</u>	<u>1,728,157</u>	<u>(5,447)</u>	<u>2,855,788</u>	<u>231,381</u>	<u>3,087,169</u>
<b>As of January 1, 2018</b>	253,715,190	750,497	791	218,450	163,071	269	1,728,847	(13,888)	2,848,037	215,590	3,063,627
Net profit (loss)	-	-	-	-	-	-	59,409	-	59,409	(3,731)	55,678
Other comprehensive loss	-	-	-	-	-	-	-	16,977	16,977	11,798	28,775
<b>Total other comprehensive income</b>	-	-	-	-	-	-	59,409	16,977	76,386	8,067	84,453
Changes in the equity of investments	-	-	-	-	-	-	(18,200)	-	(18,200)	-	(18,200)
Dividends declared and paid, note 10	-	-	-	-	-	-	(7,554)	-	(7,554)	(3,960)	(11,514)
Transfer and other equity changes	-	-	-	-	-	-	813	-	813	-	813
Expired dividends	-	-	-	-	44	-	-	-	44	-	44
<b>As of September 30, 2018</b>	<u>253,715,190</u>	<u>750,497</u>	<u>791</u>	<u>218,450</u>	<u>163,115</u>	<u>269</u>	<u>1,763,315</u>	<u>3,089</u>	<u>2,899,526</u>	<u>219,697</u>	<u>3,119,223</u>

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

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

For the three-month and nine-month periods ended September 30, 2018 and 2017

	Note	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
		2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Operating activities</b>					
Proceeds from sales	4	251,382	316,646	951,930	848,880
Value added tax recovered	4	20,490	28,376	71,310	90,373
Proceeds from dividends	15	758	1,857	44,563	7,032
Royalty received	4	4,542	4,511	14,180	16,020
Interest received		747	33	902	3,150
Payments to suppliers and third-parties		(191,731)	(209,375)	(637,068)	(647,965)
Payments to employees		(38,520)	(36,553)	(126,566)	(123,552)
Payments of income taxes		(7,915)	(3,245)	(28,345)	(19,784)
Payments of interest		(8,999)	(7,184)	(22,657)	(21,355)
Payment of mining royalties		(2,663)	(5,867)	(10,944)	(14,672)
<b>Net cash and cash equivalents provided by operating activities</b>		<u>28,091</u>	<u>89,199</u>	<u>257,305</u>	<u>138,127</u>
<b>Investing activities</b>					
Proceeds from sales of mining concessions, property, plant and equipment		314	266	374	1,704
Proceeds from loan to third parties	15	-	-	-	124,800
Acquisitions of mining concessions, development costs, property, plant and equipment	7	(18,504)	(47,933)	(70,097)	(196,841)
Acquisitions of other assets		(1,526)	-	(2,992)	-
<b>Net cash and cash equivalents used in investing activities</b>		<u>(19,716)</u>	<u>(47,667)</u>	<u>(72,715)</u>	<u>(70,337)</u>
<b>Financing activities</b>					
Proceeds from bank loans	8	-	-	80,000	245,000
Payments of bank loans	8	-	-	(80,000)	(165,000)
Payments of financial obligations	9	(10,075)	(7,010)	(32,603)	(22,746)
Dividends paid to controlling interest	10	-	-	(7,554)	(14,479)
Dividends paid to non-controlling interest		(2,213)	(1,320)	(3,960)	(4,516)
Increase (decrease) of restricted bank accounts		(83)	1,635	(79)	(1,106)
<b>Net cash and cash equivalents provided by (used in) financing activities</b>		<u>(12,371)</u>	<u>(6,695)</u>	<u>(44,196)</u>	<u>37,153</u>
Net increase (decrease) in cash and cash equivalents during the period, net		(3,996)	34,837	140,394	104,943
Cash and cash equivalents at beginning of period	3	358,941	150,650	214,551	80,544
<b>Cash and cash equivalents at period-end</b>	3	<u>354,945</u>	<u>185,487</u>	<u>354,945</u>	<u>185,487</u>

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

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

As of September 30, 2018 and 2017

### 1. Identification and business activity

#### (a) Identification -

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

#### (b) Business activity -

The Company and its subsidiaries (hereinafter “the Group”), directly or associated with third parties, are principally engaged in the exploration, mining, concentration, smelting and marketing of polymetallic ores and metals.

As of September 30, 2018, the Group operates directly five operating mining units in Peru (Uchucchacua, Orcopampa, Julcani, Mallay and Tambomayo), two mining units with discontinued operations (Poracota and Shila-Paula) and one mining unit under development stage (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 mining unit; Minera La Zanja S.R.L. (hereinafter “La Zanja”), which operates La Zanja mining unit; El Molle Verde S.A.C. (hereinafter “Molle Verde”) which operates Trapiche, a mining unit at the development stage; and other entities dedicated to energy generation and transmission services and other activities. All these activities are carried out in Peru.

### 2. Basis for preparation, consolidation and 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 (hereinafter “IASB”).

The unaudited interim consolidated financial statements have been prepared on a historical cost basis, from the accounting records of the Group, except for financial assets and liabilities 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, 2017 and for the year then ended.



# Notes to the interim consolidated financial statements (unaudited)

(continued)

## 2.2. New standards and interpretations adopted by the Group -

The accounting policies used by the Group for the preparation of the consolidated financial statements are consistent with those used in the preparation of the annual consolidated financial statements as of December 31, 2017 and for the year then ended.

Certain standards and amendments apply from January 1, 2018, however, they did not impact the unaudited interim consolidated financial statements of the Group as of September 30, 2018 and, therefore, they have not been disclosed. The Group has not early adopted any standard, interpretation or modification issued and not yet effective.

## 3. Cash and cash equivalents

This caption is made up as follow:

	<b>As of September 30, 2018 US\$(000)</b>	<b>As of December 31, 2017 US\$(000)</b>
Cash	346	327
Bank accounts (i)	73,689	51,953
Time deposits (ii)	280,910	162,271
	<u>354,945</u>	<u>214,551</u>

(i) Banks accounts are freely available and earn interest at floating rates based on market rates.

(ii) As of September 30, 2018 and December 31, 2017, time deposits were kept in prime financial institutions, which generated interest at annual market rates and had original maturities of less than 90 days, according to the immediate cash needs of the Group.

# Notes to the interim consolidated financial statements (unaudited)

(continued)

## 4. Trade and other receivables, net

(a) This caption is made up as follows:

	As of September 30, 2018 US\$(000)	As of December 31, 2017 US\$(000)
<b>Trade receivables, net</b>		
Domestic clients	101,707	109,544
Foreign clients	82,236	119,388
Related entities, note 15(b)	8,062	7,348
	<u>192,005</u>	<u>236,280</u>
Allowance for doubtful accounts (c)	(22,016)	(22,823)
	<u>169,989</u>	<u>213,457</u>
<b>Other receivables</b>		
Value added tax credit	42,700	74,785
Other receivables to third parties	27,117	30,158
Refund application of value added	13,974	18,450
Advances to suppliers	7,618	4,277
Insurance claim (b)	4,855	3,716
Tax deposits	4,582	9,733
Related entities, note 15(b)	4,411	732
Derivative financial instruments settled	3,240	-
Interest receivable	2,549	1,719
Restricted bank accounts	2,293	2,372
Loans to personal	1,405	1,179
Due from for sales of assets	1,041	5,371
Other minor	80	1,911
Allowance for doubtful accounts (c)	(10,078)	(9,361)
	<u>105,787</u>	<u>145,042</u>
<b>Total trade and other receivables, net</b>	<u>275,776</u>	<u>358,499</u>
<b>Classification by maturity:</b>		
Current portion	235,996	314,308
Non-current portion	39,780	44,191
	<u>275,776</u>	<u>358,499</u>
<b>Classification by nature:</b>		
Financial receivables	219,102	265,264
Non-financial receivables	56,674	93,235
	<u>275,776</u>	<u>358,499</u>

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

(continued)

- (b) Corresponds to loss compensation related to the Rotor 2, from the 20 x 30 mill motor of El Brocal occurred in May 2017, estimated by El Brocal's Management in approximately US\$55 million, (includes material damage and loss of profits), amount which is being reviewed by El Brocal and the adjuster, according to the terms and conditions of the insurance policy issued by Rímac Seguros.

In this regard, in August 2018, Rímac Seguros granted an advance of US\$10 million, which is included under the "Other, net" caption of the consolidated statement of profit or loss as of September 30, 2018.

As of the issuance date of this report, it is pending that El Brocal submit certain documentation, so that both parties reach a final agreement. In the opinion of El Brocal's Management, it is expected that the amount of the compensation would be within the estimated amount. Also, it is estimated that the final resolution would be before the end of 2018.

- (c) In the opinion of Group's Management, allowance for doubtful accounts' balance is sufficient to cover adequately the risks of failure to date of the interim consolidated statements of financial position.

### 5. Inventory, net

- (a) This caption is made up as follows:

	<b>As of September 30, 2018 US\$(000)</b>	<b>As of December 31, 2017 US\$(000)</b>
Finished goods	6,926	6,151
Products in process	59,467	56,190
Spare parts and supplies	86,251	84,787
	<u>152,644</u>	<u>147,128</u>
Provision for impairment of value of inventory (c)	(18,868)	(11,603)
	<u>133,776</u>	<u>135,525</u>
<b>Classification by use:</b>		
Current portion	129,202	132,287
Non-current portion	4,574	3,238
	<u>133,776</u>	<u>135,525</u>

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

(continued)

- (b) Below is the composition of the classified mineral that is stored mainly in the surrounding area of the Tajo Norte mine:

	As of September 30, 2018		As of December 31, 2017	
	US\$(000)	DMT	US\$(000)	DMT
Stockpiles mineral	5,297	342,411	7,173	463,746
Fresh mineral in plant	24,388	1,469,785	11,983	835,613
Tailings mineral	-	-	279	30,110
	29,685	1,812,196	19,435	1,329,469
Provision for impairment of mineral	(1,467)		(1,467)	
	<u>28,218</u>		<u>17,968</u>	
<b>Classification by use:</b>				
Current portion	25,637		14,730	
Non-current portion	2,581		3,238	
	<u>28,218</u>		<u>17,968</u>	

The Group's Management estimates to use the long-term mineral during the 2019 and 2020 periods, in accordance with the mining plans prepared by the subsidiary El Brocal.

- (c) During 2018, the Group recorded provisions for impairment of supplies of US\$7 million and for impairment of finished and in process products of US\$0.2 million (provisions for impairment of supplies of US\$1.1 million and for loss of value of finished and in process products of US\$1.2 million were recorded during 2017). In the opinion of Group's Management, the provision for impairment of value of inventories is sufficient to cover adequately the risks of obsolescence and slow movement of this caption to the date of the interim consolidated statements of financial position.

### 6. Investments in associates

- (a) This caption is made up as follows:

	Share in equity		As of	As of
	2018	2017	September 30,	December 31,
	%	%	2018	2017
			US\$(000)	US\$(000)
<b>Associates</b>				
Sociedad Minera Cerro Verde S.A.A.	19.584	19.584	1,167,251	1,124,008
Minera Yanacocha S.R.L.	43.65	45.95	286,588	324,861
Compañía Minera Coimolache S.A.	40.095	40.095	89,783	86,183
Other minor investments			4,534	1,835
			<u>1,548,156</u>	<u>1,536,887</u>

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

(continued)

(b) The table below presents the net share in profit (loss) of associates is as follows:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
Sociedad Minera Cerro Verde S.A.A.	18,334	(30,513)	82,412	25,916
Compañía Minera Coimolache S.A.	4,668	5,578	8,994	13,557
Minera Yanacocha S.R.L.	(851)	(7,973)	(20,233)	(30,572)
	<u>22,151</u>	<u>(32,908)</u>	<u>71,173</u>	<u>8,901</u>

### 7. Mining concessions, development costs, property, plant and equipment, net

(a) This caption is made up as follows:

	Cost US\$(000)	Accumulated depreciation / amortization US\$(000)	Provision for impairment of long-lived assets US\$(000)	Net cost US\$(000)
<b>As of January 1, 2018</b>	3,596,342	(1,611,982)	(34,805)	1,949,555
Additions	117,752	(166,033)	-	(48,281)
Reclassifications	(2,819)	(3,659)	-	(6,478)
Disposals and sales	(11,658)	(7,683)	-	(19,341)
<b>As of September 30, 2018</b>	<u>3,699,617</u>	<u>(1,789,357)</u>	<u>(34,805)</u>	<u>1,875,455</u>
<b>As of January 1, 2017</b>	3,501,216	(1,510,809)	(30,382)	1,960,025
Additions (b)	207,686	(150,026)	-	57,660
Reclassifications	(14,291)	(4,108)	-	(18,399)
Mining unit sale	(117,440)	97,243	17,197	(3,000)
Disposals and sales	(4,845)	2,649	-	(2,196)
<b>As of September 30, 2017</b>	<u>3,572,326</u>	<u>(1,565,051)</u>	<u>(13,185)</u>	<u>1,994,090</u>

(b) During the nine-month period ended September 30, 2017, the main additions were related to construction and assembly of the plant of the ramp-up stage mining unit of Tambomayo for approximately US\$111.6 million.

# Notes to the interim consolidated financial statements (unaudited)

(continued)

## 8. Bank loans

As of September 30, 2018, the Group maintains bank loans amounting to US\$95 million, which were obtained for working capital purposes, have current maturity and accrue interest at market annual rates ranging from 2.00% and 2.10% (as of December 31, 2017, the Group held a loan of US\$96.2 million, which accrued interest at market annual rates ranging from 1.15% to 1.17%). These bank loans have no guarantees.

## 9. Financial obligations

(a) This caption is made up as follow:

	<b>As of September 30, 2018 US\$(000)</b>	<b>As of December 31, 2017 US\$(000)</b>
<b>Compañía de Minas Buenaventura S.A.A.(b)</b>		
BBVA Banco Continental	61,667	61,667
Banco de Crédito del Perú	61,667	61,667
CorpBanca New York Branch	61,666	61,666
Banco Internacional del Perú (Interbank)	30,000	30,000
ICBC Perú Bank	25,000	25,000
Banco Latinoamericano de Comercio Exterior S.A.	20,000	20,000
Banco de Sabadell, Miami Branch	15,000	15,000
	<u>275,000</u>	<u>275,000</u>
Debt issuance costs	(3,896)	(2,425)
	<u>271,104</u>	<u>272,575</u>
<b>Sociedad Minera El Brocal S.A.A.</b>		
Banco de Crédito del Perú – Leaseback	100,733	119,464
Debt issuance costs	(1,036)	(1,377)
	<u>99,697</u>	<u>118,087</u>
Mid-term financial obligation	77,500	80,000
	<u>177,197</u>	<u>198,087</u>
<b>Empresa de Generación Huanza S.A.</b>		
Banco de Crédito del Perú – Finance lease	151,041	162,411
<b>Contacto Corredores de Seguros S.A.</b>		
BBVA Banco Continental S.A. – Finance lease	-	10
	<u>599,342</u>	<u>633,083</u>
<b>Total financial obligations</b>		
<b>Classification by maturity:</b>		
Current portion	46,278	83,991
Non-current portion (c)	553,064	549,092
	<u>599,342</u>	<u>633,083</u>
<b>Total financial obligations</b>		

The compliance with the clauses described in the annual audited report is overseen by the Group's Management. As of September 30, 2018, Buenaventura complies with the financial ratios agreed with the banks indicated in paragraph (a).

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

(continued)

- (b) On March 28, 2018, Buenaventura restructured its financial obligation by modifying some of the clauses as follows:
- Annual interest rate: Libor of three months plus 2.15% (3% as of December 31, 2017).
  - Term: 4 years from April 2018, due in April 2022 (as of December 31, 2017, they were 5 years as of June 30, 2016, with final maturity on June 30, 2021).
  - Amortization of credit: 5 semi-annual installments of US\$55 million each since as of April 2020 (as of December 31, 2017 were 6 semi-annual installments of US\$39,285,714 as of July 2018 and a final installment of US\$39,285,716 in June of 2021).
- (c) The non-current portion of the financial obligations held by the Group matures as follows:

Year	As of September 30, 2018 US\$(000)	As of December 31, 2017 US\$(000)
Between 1 to 2 years	47,229	125,215
Between 2 to 5 years	510,767	427,680
	557,996	552,895
Debt issuance costs	(4,932)	(3,803)
	<u>553,064</u>	<u>549,092</u>

### 10. Dividends declared and paid

By means of Mandatory Annual Shareholders' Meeting held on March 27, 2018, a distribution of dividends was approved for US\$0.03 per share, equivalent to US\$8,269,037 (US\$7,554,000 net of treasury shares).

During 2017, by means of Mandatory Annual Shareholders' Meeting held on March 28, 2017, a distribution of dividends was approved for US\$0.057 per share, equivalent to US\$15,711,000 (US\$14,479,000 net of treasury shares).

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

(continued)

### 11. Net sales

The table below presents the detail of net sales by metal for the three-month and nine-month periods ended September 30, 2018 and 2017:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Sales by metal:</b>				
Gold	96,602	154,983	336,298	355,850
Silver	87,661	117,237	299,082	307,419
Copper	69,932	74,603	207,886	188,297
Zinc	26,886	46,092	138,866	131,933
Lead	23,046	24,773	69,111	67,701
Indium	-	(12)	-	66
Manganese sulfate	1,645	1,437	4,648	4,942
	<u>305,772</u>	<u>419,113</u>	<u>1,055,891</u>	<u>1,056,208</u>
Commercial deductions	(47,358)	(65,707)	(145,550)	(188,525)
Adjustments to current period liquidations	(8,629)	4,297	(9,853)	5,118
Embedded derivatives from sale of concentrate	8,131	(714)	(6,022)	2,271
Hedge operations	4,426	(1,904)	(11,317)	(7,633)
	<u>262,342</u>	<u>355,085</u>	<u>883,149</u>	<u>867,439</u>
<b>Net sales of goods</b>				
<b>Net sales of services</b>	3,736	8,186	13,283	20,714
	<u>266,078</u>	<u>363,271</u>	<u>896,432</u>	<u>888,153</u>



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

(continued)

### 12. Cost of sales, excluding depreciation and amortization

The cost of sales of goods is made up as follows:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Beginning balance of finished goods and products in process, net of depreciation and amortization</b>	39,401	64,311	37,640	58,634
<b>Cost of production:</b>				
Services provided by third parties	63,204	70,025	176,398	182,507
Consumption of materials and supplies	32,897	36,010	104,568	97,327
Direct labor	20,133	22,339	73,602	65,536
Electricity and water	12,867	11,885	39,220	32,669
Transport	8,606	5,411	22,418	11,595
Maintenance and repair	5,621	4,765	19,230	15,716
Rentals	6,239	7,904	15,955	17,425
Insurances	2,746	1,761	8,205	5,085
Other production expenses	2,424	(350)	7,190	8,337
Cost of concentrate purchased from associate	-	-	-	440
Provision (reversal) for impairment of finished goods and product in progress	(158)	394	225	1,202
<b>Total cost of production of the period</b>	154,579	160,144	467,011	437,839
<b>Final balance of products in process and finished goods, net of depreciation and amortization</b>	(38,319)	(47,493)	(38,319)	(47,493)
<b>Cost of sales of goods, excluding depreciation and amortization</b>	155,661	176,962	466,332	448,980

### 13. Provision for contingencies

During the nine-month period ended September 30, 2018, provisions were made as a result of negotiations in the Group's units with communities for US\$9,300,000 (during 2017, a provision for obligations with the communities by US\$11,816,000 was recorded).

# Notes to the interim consolidated financial statements (unaudited)

(continued)

## 14. Income taxes

- (a) Below is a reconciliation of tax expense (income and the accounting profit (loss) multiplied by the statutory tax rate:

	For the three-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018 US\$(000)	2017 US\$(000)	2018 US\$(000)	2017 US\$(000)
<b>Profit (loss) before income tax for continued operations</b>	(13,785)	14,418	80,378	90,323
Profit (loss) for discontinued operations	(536)	(1,494)	(1,287)	2,145
<b>Profit (loss) before income tax</b>	(14,321)	12,924	79,091	92,468
Theoretical loss (income) for income tax	(4,225)	3,813	23,332	27,278
<b>Permanent items and others:</b>				
Share in the results of associates	(6,534)	9,708	(20,996)	(2,626)
Effect of translation into U.S. dollars	3,297	(5,328)	5,521	(19,046)
Allowance for deferred asset	2,341	-	4,231	(183)
Exchange difference in tax - loss carryforward	2,655	2,939	2,655	7,535
Mining royalties and special mining tax	448	(503)	2,645	(235)
Permanent items	1,998	6,066	1,890	11,136
Loss (income) for income tax	(20)	16,695	19,278	23,859
Mining Royalties and Special Mining Tax	(116)	1,346	4,135	3,215
<b>Total income tax</b>	<b>(136)</b>	<b>18,041</b>	<b>23,413</b>	<b>27,074</b>
<b>Classification by type of tax:</b>				
<b>Income tax</b>				
Current	(2,358)	6,521	6,882	15,219
Deferred	2,337	10,174	12,396	8,640
	(21)	16,695	19,278	23,859
<b>Mining Royalties and Special Mining Tax</b>				
Current	4	1,667	4,495	3,627
Deferred	(119)	(321)	(360)	(412)
	(115)	1,346	4,135	3,215
<b>Total income tax</b>	<b>(136)</b>	<b>18,041</b>	<b>23,413</b>	<b>27,074</b>

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

(continued)

- (b) As of September 30, 2018, no changes have occurred in the open tax processes of the Group compared to the ones disclosed in note 28 of the consolidated annual financial statements as of December 31, 2017.

### 15. Related parties transactions

- (a) Main transactions made by the Group with its associates during the three-month and nine-month periods ended September 30, 2018 and 2017 are presented below:

	<u>For the three-month periods ended September 30,</u>		<u>For the nine-month periods ended September 30,</u>	
	<b>2018</b> US\$(000)	<b>2017</b> US\$(000)	<b>2018</b> US\$(000)	<b>2017</b> US\$(000)
<b>Incomes:</b>				
Royalties	5,775	5,485	14,925	15,595
<b>Sales:</b>				
Energy	690	542	1,932	1,515
Mineral	209	-	986	704
<b>Purchase:</b>				
Supplies	1	3	31	20
<b>Services provided:</b>				
Administrative and management services	2,216	339	2,843	1,020
Engineering services	-	578	293	2,070
Electric power transmission	71	25	220	476
<b>Dividends received by and collect:</b>				
Sociedad Minera Cerro Verde S.A.A.	-	-	39,169	-
Compañía Minera Coimolache S.A.	758	1,857	5,394	7,032
<b>Interest received from:</b>				
Sociedad Minera Cerro Verde S.A.A.	-	-	-	1,155
<b>Loans collected:</b>				
Sociedad Minera Cerro Verde S.A.A.	-	-	-	124,800

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

(continued)

- (b) As a result of the transactions indicated and other minors, the Group had the following accounts receivable and payable from/to associates:

	<b>As of September 30, 2018 US\$(000)</b>	<b>As of December 31, 2017 US\$(000)</b>
<b>Trade receivables</b>		
Minera Yanacocha S.R.L. (associate)	7,733	6,740
Compañía Minera Coimolache S.A. (associate)	329	592
Sociedad Minera Cerro Verde S.A.A. (associate)	-	16
	<u>8,062</u>	<u>7,348</u>
<b>Other receivables</b>		
Transportadora Callao (joint venture)	2,418	-
Compañía Minera Coimolache S.A. (associate)	1,876	732
Other minor	117	-
	<u>4,411</u>	<u>732</u>
	<u>12,473</u>	<u>8,080</u>
<b>Trade payables</b>		
Transportadora Callao (joint venture)	41	-
Compañía Minera Coimolache S.A. (associate)	1	15
	<u>42</u>	<u>15</u>
<b>Other payables</b>		
Compañía Minera Coimolache S.A. (associate)	1	42
Other minor	53	20
	<u>54</u>	<u>62</u>
	<u>96</u>	<u>77</u>

The trade and other receivables from related entities corresponds mainly to disbursements made to these entities in order to finance their operating activities, which generate interest at fixed market rates.

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

(continued)

### 16. 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.
- 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.).
- 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.

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

	Julcani (Operative) US\$(000)	Mallay (Operative) US\$(000)	Orcopampa (Operative) US\$(000)	Uchucchacua (Operative) US\$(000)	Brocal (Operative) US\$(000)	La Zanja (Operative) US\$(000)	Tambomayo (Operative) US\$(000)	Exploration and development US\$(000)	Energy generation and transmission US\$(000)	Insurance brokerage US\$(000)	Rental of mining concessions US\$(000)	Holding of investment in shares US\$(000)	Industrial activities US\$(000)	Corporate US\$(000)	Subtotal US\$(000)	Adjustments and eliminations US\$(000)	Total US\$(000)
<b>As of September 30, 2018</b>																	
<b>Results:</b>																	
<b>Continuing operations:</b>																	
<b>Operating income</b>																	
Net sale of goods	24,729	12,900	136,418	205,726	248,782	70,444	179,502	-	-	-	-	-	4,648	-	883,149	-	883,149
Net sale of services	-	-	-	-	-	-	-	-	47,693	6,046	-	461	14,932	-	69,132	(55,849)	13,283
Royalty income	-	-	-	-	-	-	-	-	-	-	14,925	-	-	-	14,925	-	14,925
<b>Total operating income</b>	<b>24,729</b>	<b>12,900</b>	<b>136,418</b>	<b>205,726</b>	<b>248,782</b>	<b>70,444</b>	<b>179,502</b>	<b>-</b>	<b>47,693</b>	<b>6,046</b>	<b>14,925</b>	<b>461</b>	<b>19,580</b>	<b>-</b>	<b>967,206</b>	<b>(55,849)</b>	<b>911,357</b>
<b>Operating costs</b>																	
Cost of sales, excluding depreciation and amortization	(19,618)	(9,814)	(77,059)	(111,891)	(156,410)	(52,670)	(68,636)	-	-	-	-	-	(4,600)	-	(500,698)	34,366	(466,332)
Cost of services, excluding depreciation and amortization	-	-	-	-	-	-	-	-	(20,567)	-	-	-	(6,710)	-	(27,277)	24,056	(3,221)
Depreciation and amortization	(2,593)	(1,523)	(6,484)	(19,770)	(49,316)	(25,258)	(57,770)	-	(7,035)	-	-	-	(8,474)	-	(178,223)	(30)	(178,253)
Exploration in operating units	(6,770)	(563)	(25,117)	(15,727)	(7,791)	(72)	(13,593)	-	-	-	-	-	-	-	(69,633)	-	(69,633)
Mining royalties	(183)	(110)	(12,216)	(1,796)	(1,625)	(698)	(1,547)	-	-	-	-	-	-	-	(18,175)	-	(18,175)
<b>Total operating costs</b>	<b>(29,164)</b>	<b>(12,010)</b>	<b>(120,876)</b>	<b>(149,184)</b>	<b>(215,142)</b>	<b>(78,698)</b>	<b>(141,546)</b>	<b>-</b>	<b>(27,602)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,784)</b>	<b>-</b>	<b>(794,006)</b>	<b>58,392</b>	<b>(735,614)</b>
<b>Gross profit (loss)</b>	<b>(4,435)</b>	<b>890</b>	<b>15,542</b>	<b>56,542</b>	<b>33,640</b>	<b>(8,254)</b>	<b>37,956</b>	<b>-</b>	<b>20,091</b>	<b>6,046</b>	<b>14,925</b>	<b>461</b>	<b>(204)</b>	<b>-</b>	<b>173,200</b>	<b>2,543</b>	<b>175,743</b>
<b>Operating incomes (expenses), net</b>																	
Administrative expenses	(1,844)	(1,318)	(11,776)	(18,785)	(6,525)	(2,588)	(13,174)	(1,766)	(3,017)	(7,703)	(196)	(318)	(957)	(722)	(70,689)	9,034	(61,655)
Exploration in non-operating areas	-	-	-	(11,505)	(4,520)	(4,287)	-	(2,633)	-	-	-	-	-	(3,100)	(26,045)	1,199	(24,846)
Selling expenses	(236)	(431)	(636)	(6,276)	(9,281)	(597)	(1,907)	-	(911)	-	-	-	(484)	-	(20,759)	393	(20,366)
Provision for contingencies	146	(85)	(1,254)	(9,048)	(1,341)	(23)	815	(594)	(62)	-	-	-	7	(29)	(11,468)	176	(11,292)
Other, net	(1,008)	(2,281)	(2,647)	(4,905)	8,647	(1,516)	(3,122)	(20)	401	-	-	(4)	98	(4,154)	(10,511)	(13,312)	(23,823)
<b>Total operating expenses</b>	<b>(2,942)</b>	<b>(4,115)</b>	<b>(16,313)</b>	<b>(50,519)</b>	<b>(13,020)</b>	<b>(9,011)</b>	<b>(17,388)</b>	<b>(5,013)</b>	<b>(3,589)</b>	<b>(7,703)</b>	<b>(196)</b>	<b>(322)</b>	<b>(1,336)</b>	<b>(8,005)</b>	<b>(139,472)</b>	<b>(2,510)</b>	<b>(141,982)</b>
<b>Operating profit (loss)</b>	<b>(7,377)</b>	<b>(3,225)</b>	<b>(771)</b>	<b>6,023</b>	<b>20,620</b>	<b>(17,265)</b>	<b>20,568</b>	<b>(5,013)</b>	<b>16,502</b>	<b>(1,657)</b>	<b>14,729</b>	<b>139</b>	<b>(1,540)</b>	<b>(8,005)</b>	<b>33,728</b>	<b>33</b>	<b>33,761</b>
<b>Other income (expense),net</b>																	
Share in the results of associates	-	-	-	-	-	-	-	-	6,993	-	-	(15,897)	-	68,080	59,176	11,997	71,173
Financial income	-	-	-	-	278	1,150	-	-	125	-	17	2	83	3,886	5,541	(1,760)	3,781
Financial costs	(95)	(33)	(211)	(235)	(8,114)	(1,159)	(262)	(216)	(5,485)	(2)	(2)	(2)	(682)	(12,483)	(28,981)	665	(28,316)
Net gain (loss) from currency exchange difference	12	19	119	214	266	(116)	153	2	(190)	3	(26)	-	(223)	(245)	(12)	(9)	(21)
<b>Total other income (expense), net</b>	<b>(83)</b>	<b>(14)</b>	<b>(92)</b>	<b>(21)</b>	<b>(7,570)</b>	<b>(125)</b>	<b>(109)</b>	<b>(214)</b>	<b>1,443</b>	<b>1</b>	<b>(11)</b>	<b>(15,897)</b>	<b>(822)</b>	<b>59,238</b>	<b>35,724</b>	<b>10,893</b>	<b>46,617</b>
<b>Profit (loss) before income tax</b>	<b>(7,460)</b>	<b>(3,239)</b>	<b>(863)</b>	<b>6,002</b>	<b>13,050</b>	<b>(17,390)</b>	<b>20,459</b>	<b>(5,227)</b>	<b>17,945</b>	<b>(1,656)</b>	<b>14,718</b>	<b>(15,758)</b>	<b>(2,362)</b>	<b>51,233</b>	<b>69,452</b>	<b>10,926</b>	<b>80,378</b>
Current income tax	(73)	(47)	(559)	(768)	(4,769)	(24)	(656)	-	-	-	(4,378)	(37)	(66)	-	(11,377)	-	(11,377)
Deferred income tax	-	-	-	-	(6,638)	549	-	-	(5,073)	-	-	-	301	(1,165)	(12,026)	(10)	(12,036)
<b>Profit (loss) from continued operations</b>	<b>(7,533)</b>	<b>(3,286)</b>	<b>(1,422)</b>	<b>5,234</b>	<b>1,643</b>	<b>(16,865)</b>	<b>19,803</b>	<b>(5,227)</b>	<b>12,872</b>	<b>(1,656)</b>	<b>10,340</b>	<b>(15,795)</b>	<b>(2,127)</b>	<b>50,068</b>	<b>46,049</b>	<b>10,916</b>	<b>56,965</b>
<b>Discontinued operations</b>																	
																	(1,287)
<b>Net profit</b>																	
																	<b>55,678</b>
<b>Other disclosures:</b>																	
Total assets as of September 30, 2018	24,813	16,577	50,678	137,306	774,520	163,052	499,523	367,412	365,294	4,889	7,471	534,193	107,362	2,445,053	5,498,143	(1,185,522)	4,312,621
Total liability as of September 30, 2018	15,315	7,831	37,356	61,236	341,699	76,294	25,780	25,435	199,059	2,092	2,798	415	20,073	410,057	1,225,440	(32,042)	1,193,398

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

	Uchucchacua (Operative) US\$(000)	Orcopampa (Operative) US\$(000)	Julcani (Operative) US\$(000)	Mallay (Operative) US\$(000)	Tambomayo (Operative) US\$(000)	Colquijirca (Operative) US\$(000)	La Zanja (Operative) US\$(000)	Exploration and development mining projects US\$(000)	Construction and engineering US\$(000)	Energy generation and transmission US\$(000)	Insurance brokerage US\$(000)	Rental of mining concessions US\$(000)	Holding of investment in shares US\$(000)	Industrial activities US\$(000)	Corporate US\$(000)	Sub Total US\$(000)	Adjustments and eliminations US\$(000)	Total US\$(000)
<b>As of September 30, 2017</b>																		
<b>Results:</b>																		
<b>Continuing operations:</b>																		
<b>Operating income</b>																		
Net sale of goods	200,952	183,219	36,839	29,184	55,176	230,013	125,241	-	-	-	-	-	-	4,942	34,650	900,216	(32,777)	867,439
Net sale of services	-	-	-	-	-	-	-	-	7,372	45,138	6,598	-	462	14,681	-	74,251	(53,537)	20,714
Royalty income	-	-	-	-	-	-	-	-	-	-	-	15,595	-	-	-	15,595	-	15,595
<b>Total operating income</b>	<b>200,952</b>	<b>183,219</b>	<b>36,839</b>	<b>29,184</b>	<b>55,176</b>	<b>230,013</b>	<b>125,241</b>	<b>-</b>	<b>7,372</b>	<b>45,138</b>	<b>6,598</b>	<b>15,595</b>	<b>462</b>	<b>19,623</b>	<b>34,650</b>	<b>990,062</b>	<b>(86,314)</b>	<b>903,748</b>
<b>Operating costs</b>																		
Cost of sales, excluding depreciation and amortization	(109,182)	(82,639)	(22,999)	(17,463)	(27,669)	(139,522)	(75,279)	-	-	-	-	-	-	(3,611)	(34,030)	(512,394)	63,414	(448,980)
Cost of services, excluding depreciation and amortization	-	-	-	-	-	-	-	-	(6,237)	(18,799)	-	-	-	(7,001)	-	(32,037)	22,413	(9,624)
Depreciation and amortization	(16,625)	(6,111)	(5,777)	(2,762)	(18,372)	(35,039)	(38,967)	-	(98)	(7,308)	-	-	-	(8,540)	-	(139,599)	-	(139,599)
Exploration in operating units	(21,202)	(27,741)	(10,011)	(5,074)	(3,910)	-	(855)	-	-	-	-	-	-	-	-	(68,793)	-	(68,793)
Mining royalties	(1,684)	(16,328)	(304)	(270)	(465)	(2,378)	(1,126)	-	-	-	-	-	-	-	-	(22,555)	-	(22,555)
<b>Total operating costs</b>	<b>(148,693)</b>	<b>(132,819)</b>	<b>(39,091)</b>	<b>(25,569)</b>	<b>(50,416)</b>	<b>(176,939)</b>	<b>(116,227)</b>	<b>-</b>	<b>(6,335)</b>	<b>(26,107)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(19,152)</b>	<b>(34,030)</b>	<b>(775,378)</b>	<b>85,827</b>	<b>(689,551)</b>
<b>Gross profit (loss)</b>	<b>52,259</b>	<b>50,400</b>	<b>(2,252)</b>	<b>3,615</b>	<b>4,760</b>	<b>53,074</b>	<b>9,014</b>	<b>-</b>	<b>1,037</b>	<b>19,031</b>	<b>6,598</b>	<b>15,595</b>	<b>462</b>	<b>471</b>	<b>620</b>	<b>214,684</b>	<b>(487)</b>	<b>214,197</b>
<b>Operating expenses</b>																		
Administrative expenses	(15,008)	(13,600)	(2,586)	(2,383)	(5,232)	(8,945)	(1,687)	(1,176)	(2,720)	(1,797)	(8,073)	(98)	(306)	(613)	(739)	(64,963)	4,023	(60,940)
Exploration in non-operating areas	-	-	-	-	(2,871)	(1,497)	(1,943)	(2,004)	-	-	-	-	-	-	(4,087)	(12,402)	186	(12,216)
Selling expenses	(3,535)	(763)	(456)	(831)	(370)	(7,901)	(518)	-	-	(937)	-	-	-	(596)	(167)	(16,074)	-	(16,074)
Reversal (provision) for contingencies	(7,100)	(91)	(725)	(15)	(1,005)	-	19	(4,560)	-	(9)	-	-	-	-	158	(13,328)	-	(13,328)
Other, net	(1,291)	(892)	(437)	(434)	(93)	(1,301)	(593)	(88)	200	(417)	-	(1)	(2)	(31)	(2,101)	(7,481)	(3,892)	(11,373)
<b>Total operating expenses, net</b>	<b>(26,934)</b>	<b>(15,346)</b>	<b>(4,204)</b>	<b>(3,663)</b>	<b>(9,571)</b>	<b>(19,644)</b>	<b>(4,722)</b>	<b>(7,828)</b>	<b>(2,520)</b>	<b>(3,160)</b>	<b>(8,073)</b>	<b>(99)</b>	<b>(308)</b>	<b>(1,240)</b>	<b>(6,936)</b>	<b>(114,248)</b>	<b>317</b>	<b>(113,931)</b>
<b>Operating profit (loss)</b>	<b>25,325</b>	<b>35,054</b>	<b>(6,456)</b>	<b>(48)</b>	<b>(4,811)</b>	<b>33,430</b>	<b>4,292</b>	<b>(7,828)</b>	<b>(1,483)</b>	<b>15,871</b>	<b>(1,475)</b>	<b>15,496</b>	<b>154</b>	<b>(769)</b>	<b>(6,316)</b>	<b>100,436</b>	<b>(170)</b>	<b>100,266</b>
<b>Other income (expense),net</b>																		
Share in the results of associates	-	-	-	-	-	-	-	-	-	6,344	-	-	(21,948)	-	23,326	7,722	1,179	8,901
Financial income	-	-	-	-	-	134	364	-	-	95	2	4	-	51	4,913	5,563	(912)	4,651
Financial costs	(189)	(244)	(78)	(53)	(272)	(9,445)	(1,542)	(100)	(272)	(7,712)	(4)	(2)	(1)	(712)	(6,210)	(26,836)	998	(25,838)
Net gain (loss) from currency exchange difference	70	(14)	(1)	(11)	62	250	(28)	331	97	198	(75)	(29)	(3)	391	1,105	2,343	-	2,343
<b>Total other income (expense), net</b>	<b>(119)</b>	<b>(258)</b>	<b>(79)</b>	<b>(64)</b>	<b>(210)</b>	<b>(9,061)</b>	<b>(1,206)</b>	<b>231</b>	<b>(175)</b>	<b>(1,075)</b>	<b>(77)</b>	<b>(27)</b>	<b>(21,952)</b>	<b>(270)</b>	<b>23,134</b>	<b>(11,208)</b>	<b>1,265</b>	<b>(9,943)</b>
<b>Profit (loss) before income tax</b>	<b>25,206</b>	<b>34,796</b>	<b>(6,535)</b>	<b>(112)</b>	<b>(5,021)</b>	<b>24,369</b>	<b>3,086</b>	<b>(7,597)</b>	<b>(1,658)</b>	<b>14,796</b>	<b>(1,552)</b>	<b>15,469</b>	<b>(21,798)</b>	<b>(1,039)</b>	<b>16,818</b>	<b>89,228</b>	<b>1,095</b>	<b>90,323</b>
Current income tax	(782)	(755)	(127)	(90)	(253)	(5,594)	(6,494)	-	(104)	-	-	(4,537)	(26)	(84)	-	(18,846)	-	(18,846)
Deferred income tax	-	-	-	-	-	(678)	5,962	-	(53)	(2,523)	(32)	-	-	1,182	(12,086)	(8,228)	-	(8,228)
<b>Profit (loss) from continued operations</b>	<b>24,424</b>	<b>34,041</b>	<b>(6,662)</b>	<b>(202)</b>	<b>(5,274)</b>	<b>18,097</b>	<b>2,554</b>	<b>(7,597)</b>	<b>(1,815)</b>	<b>12,273</b>	<b>(1,584)</b>	<b>10,932</b>	<b>(21,824)</b>	<b>59</b>	<b>4,732</b>	<b>62,154</b>	<b>1,095</b>	<b>63,249</b>
<b>Discontinued operations</b>																		
																		<b>2,145</b>
<b>Net profit</b>																		<b>65,394</b>
<b>Other disclosures:</b>																		
Total assets as of September 30, 2017	152,037	47,383	32,723	21,396	538,543	772,420	202,393	339,556	19,461	376,499	3,693	6,983	1,041,545	112,487	2,345,313	6,012,432	(1,706,724)	4,305,708
Total liability as of September 30, 2017	47,819	41,969	19,825	5,988	31,029	349,805	83,740	15,389	10,454	206,584	2,151	2,588	395	22,140	408,758	1,248,634	(30,095)	1,218,539

Nº 0073552



# COLEGIO DE CONTADORES PÚBLICOS DE LIMA

AV. AREQUIPA Nº 998 Y AV. ALEJANDRO TIRADO Nº 181 - SANTA BEATRIZ - LIMA  
TELEF.: 230-3000

R.U.C. 20106620106

Nº 73552

## Constancia de Habilitación

La Decana y el Director Secretario del Colegio de Contadores Públicos de Lima, que suscriben, declaran que en base a los registros de la institución, se ha verificado que

**PAREDES, BURGA & ASOCIADOS SOC. CIVIL DE RESPONSABILIDAD  
LIMITADA**

**MATRICULA : S0761**

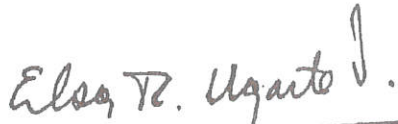
**FECHA DE COLEGIATURA : 05/11/2002**

Se encuentra, hábil a la fecha, para el ejercicio de las funciones profesionales que le faculta la Ley Nº 13253 y su modificatoria Ley Nº 28951 y conforme al Estatuto y Reglamento Interno de este Colegio; en fe de lo cual y a solicitud de parte, se le extiende la presente constancia para los efectos y usos que estime conveniente. Esta constancia tiene vigencia hasta el

**31/03/2019**

Lima,

19 de Enero de 2018

  
CPCC Elsa Rosario Ugarte Vásquez  
Decana

  
CPCC Moisés Manuel Penadillo Castro  
Director Secretario

Verifique su validez en: [www.ccpl.org.pe](http://www.ccpl.org.pe)

Comprobante de Pago: .....

113-00000246

Verifique la validez del comprobante de pago en: [www.sunat.gob.pe](http://www.sunat.gob.pe)