

Translation of a report and consolidated financial statements originally issued in Spanish - see Note 16 to the consolidated financial statements

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

Interim unaudited consolidated financial information as of June 30, 2006 and 2005 and for the three and six-month periods then ended

Translation of a report and consolidated financial statements originally issued in Spanish - see Note 16 to the consolidated financial statements

Report of Independent Auditors

To the Shareholders of **Compañía de Minas Buenaventura S.A.A.**

1. We have reviewed the accompanying consolidated balance sheet of **Compañía de Minas Buenaventura S.A.A.** (a Peruvian company) **and subsidiaries** as of June 30, 2006, the consolidated statements of income and cash flows for the three-month and six-month periods ended June 30, 2006 and 2005 and the consolidated statements of changes in shareholders' equity for the six-months periods then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to issue a report on these consolidated financial statements based on our review.

2. The financial statements of Minera Yanacocha S.R.L. (an equity accounted affiliated entity in which the Company has a 43.65 percent interest through its subsidiary Compañía Minera Condesa S.A.) and of Sociedad Minera Cerro Verde S.A.A. (an equity accounted affiliated entity in which the Company has an 18.50 and 18.214 percent interest as of June 30, 2006 and 2005, respectively), as of June 30, 2006 and 2005 and for the six-month periods then ended, have been reviewed by other auditors, whose reports have been furnished to us. In the consolidated financial statements of the Company, the Company's investment and share of the net income in Minera Yanacocha S.R.L. and Sociedad Minera Cerro Verde S.A.A., resulting from the application of the equity method of accounting, amount to S/2,518.9 million as of June 30, 2006 (S/1,718.4 million as of June 30, 2005) and to S/681.4 million for the six-month period then ended (S/318.8 million for the six-month period ended June 30, 2005), respectively.

3. We conducted our review in accordance with applicable auditing standards in Peru for interim reviews. Those standards require that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquire of company personnel and analytical procedures applied to consolidated financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express such an opinion.

4. Based on our review and on the limited reports of the auditors of Minera Yanacocha S.R.L. and Sociedad Minera Cerro Verde S.A.A., we are not aware of any material modification that should be made to the accompanying consolidated financial statements referred above to be in conformity with generally accepted accounting principles in Peru.



Translation of a report and consolidated financial statements originally issued in Spanish - see Note 16 to the consolidated financial statements

Report of Independent Auditors (continued)

5. We have previously audited, in accordance with generally accepted auditing standards in Peru, the accompanying consolidated balance sheet of **Compañía de Minas Buenaventura S.A.A. and subsidiaries** as of December 31, 2005, and the related consolidated statements of income, changes in shareholders' equity and cash flows for the year then ended. Our report dated February 17, 2006 expressed an unqualified opinion on those consolidated financial statements.

Medina, Zaldívar, Paredes & Asociados

Countersigned by:

Víctor Burga
C.P.C. Register No.14859

Lima, Peru
July 19, 2006

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

Consolidated Balance Sheets

As of December 31, 2005 (audited) and June 30, 2006 (unaudited)

	Note	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)		Note	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)
Assets					Liabilities and shareholders' equity, net				
Current assets					Current liabilities				
Cash and cash equivalents	5	332,102	466,424	143,075	Bank loans	11	26,229	60,310	18,500
Investment funds		52,884	54,264	16,646	Trade accounts payable		53,089	68,746	21,088
Gold Certificates	6	-	199,549	61,211	Dividends and other current liabilities		204,596	229,517	70,404
Trade accounts receivable		93,354	134,806	41,352	Derivative instruments	14	59,138	1,452	445
Other accounts receivable, net		19,089	14,810	4,543	Current portion of long-term debt		1,631	2,112	648
Accounts receivable from affiliates	13	66,038	62,093	19,047	Deferred income from sale of future production	14	107,079	158,409	48,592
Inventories, net		94,377	91,641	28,111	Total current liabilities		<u>451,762</u>	<u>520,546</u>	<u>159,677</u>
Current portion of prepaid tax and expenses		43,182	50,014	15,342	Other long-term liabilities		96,852	85,224	26,144
Total current assets		<u>701,026</u>	<u>1,073,601</u>	<u>329,327</u>	Derivative instruments	14	168,017	-	-
Long - term accounts receivable		5,044	4,983	1,529	Long-term debt		1,367	930	285
Prepaid tax and expenses		12,405	13,524	4,149	Deferred income from sale of future production	14	613,791	735,930	225,745
Investments in shares	7	2,502,267	2,814,236	863,263	Total liabilities		<u>1,331,789</u>	<u>1,342,630</u>	<u>411,851</u>
Property, plant and equipment, net	8	583,281	586,331	179,856	Shareholders' equity, net				
Development costs, net		163,924	169,460	51,982	Capital stock, net of treasury shares of S/49,659,000		596,755	596,755	183,054
Other assets		5,303	4,855	1,488	Investment shares, net of treasury shares of S/127,000		1,622	1,622	498
Deferred income tax and workers' profit sharing asset, net	10	308,091	372,871	114,378	Additional capital		609,734	609,734	187,035
Total assets		<u>4,281,341</u>	<u>5,039,861</u>	<u>1,545,972</u>	Legal reserve		129,276	129,276	39,655
					Other reserves		923	923	283
					Retained earnings		1,598,717	2,376,989	729,138
					Cumulative translation loss		(67,962)	(183,282)	(56,221)
					Cumulative unrealized gain on investments in shares carried at fair value		240	262	80
							<u>2,869,305</u>	<u>3,532,279</u>	<u>1,083,522</u>
					Minority interest		80,247	164,952	50,599
					Total shareholders' equity, net		<u>2,949,552</u>	<u>3,697,231</u>	<u>1,134,121</u>
					Total liabilities and shareholders' equity, net		<u>4,281,341</u>	<u>5,039,861</u>	<u>1,545,972</u>

The accompanying notes are an integral part of these consolidated balance sheets.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

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

Consolidated Statements of Income (unaudited)

For the three and six-month periods ended June 30, 2005 and 2006

	For the three-month periods ended June 30			For the six-month periods ended June 30		
	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)
Operating revenues						
Net sales, note 12	232,031	457,875	140,452	451,657	814,679	249,902
Realized income from sale of future production, note 14	23,603	42,721	13,105	41,681	85,442	26,209
Royalties income, note 13(b)	31,053	49,011	15,034	63,924	92,809	28,469
Total revenues	286,687	549,607	168,591	557,262	992,930	304,580
Costs of operation						
Operating costs, note 12	89,749	121,190	37,174	174,754	248,826	76,327
Exploration and development costs in operational mining sites	33,721	43,484	13,339	62,389	80,384	24,658
Depreciation and amortization	20,517	23,735	7,281	38,477	43,998	13,496
Total costs of operation	143,987	188,409	57,794	275,620	373,208	114,481
Gross margin	142,700	361,198	110,797	281,642	619,722	190,099
Operating expenses						
General and administrative	17,937	28,988	8,892	39,757	56,158	17,226
Exploration costs in non-operational mining sites	21,332	23,787	7,297	40,791	51,771	15,881
Royalties to third parties	7,114	13,214	4,053	13,159	21,883	6,713
Royalties to Peruvian Government	2,138	7,299	2,239	3,692	10,581	3,246
Selling	3,558	5,341	1,639	7,174	9,400	2,883
Amortization of other assets	248	223	68	496	448	137
Total operating expenses	52,327	78,852	24,188	105,069	150,241	46,086
Operating income	90,373	282,346	86,609	176,573	469,481	144,013
Other income (expenses), net						
Share in affiliated companies, net, note 7(b)	146,106	367,471	112,721	314,034	677,397	207,790
Gain (loss) from change in the fair value of derivative instruments	(4,380)	(210)	(64)	11,441	(44,086)	(13,523)
Interest income	4,802	1,567	481	8,736	4,795	1,471
Exchange difference gain (loss)	578	(15,897)	(4,876)	(2,079)	(22,223)	(6,817)
Interest expenses	(1,807)	(1,052)	(323)	(2,941)	(3,078)	(944)
Loss from change in the market value of gold certificates, note 6	-	(22,427)	(6,879)	-	(22,427)	(6,879)
Other, net	(3,325)	5,124	1,571	(8,816)	4,773	1,463
Total other income, net	141,974	334,576	102,631	320,375	595,151	182,561
Income before workers' profit sharing, income tax and minority interest	232,347	616,922	189,240	496,948	1,064,632	326,574
Workers' profit sharing, note 10	8,094	(19,680)	(6,037)	1,762	(11,787)	(3,616)
Income tax, note 10	19,225	(82,689)	(25,365)	(11,502)	(68,709)	(21,076)
Net income before minority interest	259,666	514,553	157,838	487,208	984,136	301,882
Minority interest	(8,546)	(64,455)	(19,771)	(19,838)	(114,111)	(35,003)
Net income	251,120	450,098	138,067	467,370	870,025	266,879
Basic and diluted earnings per share, of Compañía de Minas Buenaventura S.A.A., stated in Peruvian Nuevos Soles and U.S. dollars	1.97	3.54	1.09	3.67	6.84	2.10
Weighted average number of shares outstanding	127,236,219	127,221,164	127,221,164	127,236,219	127,221,164	127,221,164

The accompanying notes are an integral part of these consolidated statements.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

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

Consolidated Statements of Changes in Shareholders' Equity (unaudited)

For the three and six-month periods ended June 30, 2005 and 2006

	Shareholders' equity of Buenaventura												
	Capital stock, net of treasury shares		Investment shares S/(000)	Additional capital S/(000)	Legal reserve S/(000)	Other reserves S/(000)	Retained earnings S/(000)	Cumulative translation loss S/(000)	Cumulative unrealized gain on investments in shares carried at fair value S/(000)	Deferred income from sale of future production of subsidiary S/(000)	Total S/(000)	Minority interest S/(000)	Total shareholders' equity S/(000)
Number of shares	Common shares S/(000)												
Balance as of January 1st, 2005	126,879,832	596,755	1,683	610,659	129,276	923	799,323	(158,861)	288	(1,051)	1,978,995	40,663	2,019,658
Declared and paid dividends, note 9(a)	-	-	-	-	-	-	(74,425)	-	-	-	(74,425)	(18,250)	(92,675)
Realized revenue from sale of future production of subsidiary	-	-	-	-	-	-	-	-	-	940	940	51	991
Capitalization of accounts payable to minority interest shareholders in Minera Minasnioc S.A.C.	-	-	-	-	-	-	-	-	-	-	-	2,568	2,568
Cumulative loss for translation of investment in Minera Yanacocha S.R.L., maintained through Compañía Minera Condesa S.A and Sociedad Minera Cerro Verde S.A.A.	-	-	-	-	-	-	-	(10,130)	-	-	(10,130)	-	(10,130)
Others	-	-	-	-	-	-	-	-	-	-	-	1,078	1,078
Net income	-	-	-	-	-	-	467,370	-	-	-	467,370	19,838	487,208
Balance as of June 30, 2005	126,879,832	596,755	1,683	610,659	129,276	923	1,192,268	(168,991)	288	(111)	2,362,750	45,948	2,408,698
Balance as of January 1st, 2006	126,879,832	596,755	1,622	609,734	129,276	923	1,598,717	(67,962)	240	-	2,869,305	80,247	2,949,552
Declared and paid dividends, note 9(e)	-	-	-	-	-	-	(91,753)	-	-	-	(91,753)	(26,106)	(117,859)
Investments in shares maintained at fair value	-	-	-	-	-	-	-	-	22	-	22	-	22
Dissolution of minority interest in Minas Poracota S.A.	-	-	-	-	-	-	-	-	-	-	-	(3,300)	(3,300)
Cumulative loss for translation of investment in Minera Yanacocha S.R.L., maintained through Compañía Minera Condesa S.A and Sociedad Minera Cerro Verde S.A.A., note 7(a)	-	-	-	-	-	-	-	(115,320)	-	-	(115,320)	-	(115,320)
Net income	-	-	-	-	-	-	870,025	-	-	-	870,025	114,111	984,136
Balance as of June 30, 2006	126,879,832	596,755	1,622	609,734	129,276	923	2,376,989	(183,282)	262	-	3,532,279	164,952	3,697,231

The accompanying notes are an integral part of these consolidated statements.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

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

Consolidated Statements of Cash Flows (unaudited)

For the three and six-month periods ended June 30, 2005 and 2006

	For the three-month periods ended June 30			For the six-month periods ended June 30		
	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)
Operating activities						
Collection from customers	191,905	431,152	132,255	437,709	773,227	237,186
Collection of dividends	86,503	128,226	39,333	129,180	259,870	79,715
Collection of royalties	34,255	42,992	13,188	70,505	98,630	30,255
Recovery of value added tax receivable	6,277	7,650	2,347	12,929	31,460	9,650
Collection of interest	4,222	1,462	448	7,883	4,214	1,293
Payments to suppliers and third parties	(100,669)	(148,888)	(45,671)	(215,345)	(293,749)	(90,108)
Purchase of Gold Certificates	-	(222,841)	(68,356)	-	(222,841)	(68,356)
Payments to employees	(42,725)	(43,476)	(13,336)	(84,702)	(108,731)	(33,352)
Payments of exploration expenditures	(45,478)	(50,761)	(15,571)	(87,296)	(103,594)	(31,778)
Payments of income tax	(32,237)	(51,430)	(15,776)	(45,844)	(79,224)	(24,302)
Payments of royalties	(15,782)	(17,353)	(5,323)	(22,021)	(31,509)	(9,665)
Payments of interest	(1,807)	(1,052)	(323)	(2,941)	(3,078)	(944)
Net cash provided by operating activities	84,464	75,681	23,215	200,057	324,675	99,594
Investing activities						
Purchase of plant and equipment	(13,519)	(30,255)	(9,281)	(21,574)	(52,651)	(16,151)
Decrease (increase) on time deposits	6,930	(32,590)	(9,997)	13,860	(32,590)	(9,997)
Development cost expenditures	(14,992)	(15,558)	(4,772)	(25,090)	(28,233)	(8,660)
Payments from derivative instruments settled, net	(5,907)	(3,694)	(1,133)	(13,207)	(12,821)	(3,933)
Payments by purchase of investments in shares	(504,040)	(798)	(245)	(504,040)	(10,002)	(3,068)
Decrease (increase) of investment fund	4,053	-	-	38,869	(3,290)	(1,009)
Proceeds from sale of plant and equipment	1,372	121	37	1,372	378	116
Net cash used in investing activities	(526,103)	(82,774)	(25,391)	(509,810)	(139,209)	(42,702)
Financing activities						
Increase of bank loans, net	53,747	42,902	13,160	52,114	34,081	10,454
Increase (decrease) of long-term debt	(10,363)	(645)	(198)	(22,702)	44	13
Payments of dividends for minority interest shareholders	(18,250)	(11,919)	(3,656)	(18,250)	(26,106)	(8,008)
Payments of dividends	(74,388)	(91,753)	(28,145)	(74,388)	(91,753)	(28,145)
Net cash used in financing activities	(49,254)	(61,415)	(18,839)	(63,226)	(83,734)	(25,686)
Net increase (decrease) in cash during the period	(490,893)	(68,508)	(21,015)	(372,979)	101,732	31,206
Cash at beginning of period	708,521	502,342	154,093	590,607	332,102	101,872
Cash at period-end	217,628	433,834	133,078	217,628	433,834	133,078

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Consolidated Statements of Cash Flows (unaudited) (continued)

	For the three-month periods ended June 30			For the six-month periods ended June 30		
	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)	2005 S/(000)	2006 S/(000)	2006 US\$(000) (Note 4)
Reconciliation of net income to net cash provided by operating activities						
Net income	251,120	450,098	138,067	467,370	870,025	266,879
Add (deduct)						
Minority interest	8,546	64,455	19,771	19,838	114,111	35,003
Depreciation and amortization	20,502	24,635	7,557	39,008	45,632	13,998
Loss (gain) from change in the fair value of derivative instruments	4,380	210	64	(11,441)	44,086	13,523
Amortization of development costs	9,590	13,544	4,155	15,586	23,136	7,097
Exchange difference loss (gain), net	(578)	15,897	4,876	2,079	22,223	6,817
Loss from change in the market value of Gold Certificates.	-	22,427	6,879	-	22,427	6,879
Long-term officers' compensation, net	-	2,570	788	-	6,341	1,945
Net cost of retired plant and equipment	209	145	44	641	588	180
Amortization of other assets	248	223	68	496	448	137
Accretion Expenses	974	(4,155)	(1,274)	1,948	160	49
Share in affiliated companies, net of dividends	(59,603)	(239,245)	(73,388)	(184,854)	(417,527)	(128,076)
Realized income from sale of future production	(23,603)	(42,721)	(13,105)	(41,681)	(85,442)	(26,209)
Loss (gain) for deferred income tax and workers' profit sharing expenses	(52,183)	12,569	3,856	(45,443)	(64,780)	(19,871)
Loss (gain) from change in the fair value of investment funds	(1,469)	(197)	(60)	(1,578)	(744)	(228)
Other	(3,904)	-	-	2,382	-	-
Net changes in assets and liabilities accounts						
Decrease (increase) of operating assets -						
Gold Certificates	-	(222,841)	(68,356)	-	(222,841)	(68,356)
Trade accounts receivable	(40,126)	(26,723)	(8,197)	(13,948)	(41,452)	(12,715)
Other accounts receivable	(4,021)	1,943	596	(707)	4,340	1,331
Accounts receivable from affiliates	1,886	(5,863)	(1,798)	6,960	3,945	1,210
Inventories	(5,507)	(1,091)	(334)	(8,514)	2,375	729
Prepaid tax and expenses	(13,730)	(4,205)	(1,290)	(11,786)	(7,951)	(2,439)
Increase (decrease) of operating liabilities -						
Trade accounts payable	(10,416)	20,883	6,406	(13,812)	15,657	4,804
Other liabilities	2,149	(6,877)	(2,110)	(22,487)	(10,082)	(3,093)
Net cash provided by operating activities	84,464	75,681	23,215	200,057	324,675	99,594
Transaction that did not affect cash flows:						
Transfer from derivative instruments to deferred income from sale of future production	172,540	-	-	172,540	258,911	79,421

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

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

Notes to the Consolidated Financial Statements (unaudited)

As of June 30, 2005 and 2006

1. Business activity

Compañía de Minas Buenaventura S.A.A. (hereafter "Buenaventura" or "the Company") is a public company incorporated in 1953. It is engaged in the exploration (individually and in association with third parties), extraction, concentration and commercialization of polymetallic ores. The main activities are presented in the note 2.

2. Interim unaudited consolidated financial statements

Presentation Basis -

The accompanying interim consolidated financial statements for the three-month and six-month periods ended June 30, 2006 have been prepared in conformity with IAS 34 "Interim Financial Reporting".

The interim consolidated financial statements do not include all the information and disclosures required in the Company's annual consolidated financial statements and should be read together with the consolidated financial statements as of December 31, 2005.

Significant accounting principles and practices -

- (a) The criteria and accounting basis used by Buenaventura and its subsidiaries in preparing the accompanying interim consolidated financial statements, are similar to those used in the preparation of the Company's annual consolidated financial statements, except for the adoption of the International Accounting Standards (IAS) revised and the new International Financial Reporting Standards (IFRS), effective in Peru since January 1st, 2006. The effect of the adoption of those standards is shown below:
- IAS 1, 10, 16, 17, 24, 27, 32, 33, 39 (all revised in 2003), IAS 39 (revised in 2004) and IFRS 3, 4, 5 and 6 have not had a significant effect in the Company's accounting policies.
 - IFRS 1 (revised in 2003) has mainly affected the presentation of the minority interest as part of the shareholders' equity, net.
 - In order to comply with IFRS 2 "Share-Based Payment", the Company has recorded the fair value of the stock appreciation rights in the caption "Other current liabilities". Until December 31, 2005, such compensation was recorded at its intrinsic value. The effect of the adoption of IFRS 2 would not be significant to the consolidated financial statements as of June 30, 2006.
 - In order to comply with IAS 8 "Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies" (revised in 2003), the Company had given retroactive effect to the change

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Consolidated Statements of Cash Flows (unaudited) (continued)

in the accounting principle related to the deferred stripping costs as of June 1st, 2005 (see note 3(b) of the 2005 consolidated audited report).

- In order to comply with IAS 28 "Accounting for Investments in Associates" (modified in 2003), when an investment in an associate no longer meets the criteria to be recorded at its fair value, it should be recorded using the equity method with retroactive effects. The financial statements of prior years should be modified conveniently. Therefore, the investment in Cerro Verde has been recorded using the equity method with retroactive effects.
- Through Resolution N° 038-2005-EF/93.01 of February 3, 2006, Peruvian Accounting Standards Board (CNC in Spanish) approved to suspend until December 31, 2006, the mandatory application of the IAS 21 "Effect of the Variations in the Exchange Rates of Foreign Currencies" (revised in 2003), related to the identification and use of a functional currency. Currently, the Company's management is evaluating the indicators that allow the determination of which currency should be used in the financial statements presentation.

- (b) International Financial Reporting Standards recently issued -
- IFRS 7 – Financial Instruments: Disclosures -This standard has the purpose to provide the sufficient disclosures in the notes to the consolidated financial statements, which allow the users to evaluate the impact that the financial instruments have in the Company's financial position and performance, to understand the nature and scope of the Company's risks as a holder of this financial instruments and how Management controls these risks. This standard is in force for the annual periods beginning after January 1st, 2007 and replaces the disclosures required by IAS 32.

Reclassifications -

The Company did not make significant reclassifications to its interim consolidated financial statements for the three-month and six-month periods ended June 30, 2006 and 2005.

Notes to the Consolidated Financial Statements (unaudited) (continued)

Consolidated subsidiaries -

The interim consolidated financial statements include the financial statements of the following subsidiaries:

Subsidiaries	Ownership percentages as of				Business activity
	December 31, 2005		June 30, 2006		
	Direct %	Indirect %	Direct %	Indirect %	
Buenaventura Ingenieros S.A.	100.00	-	100.00	-	Provides advisory and engineering services related to the mining industry.
Compañía de Exploraciones, Desarrollo e Inversiones Mineras S.A.C. – CEDIMIN	44.83	55.17	44.83	55.17	Extraction, concentration and commercialization of dore and concentrates. Holds investments in S.M.R.L. Chaupiloma Dos de Cajamarca, Minas Conga S.R.L., and other affiliated companies engaged in mining activities.
Compañía Minera Condesa S.A.	99.99	-	99.99	-	Holds investments in Yanacocha, Buenaventura, and other affiliated companies engaged in mining activities.
Compañía Minera Colquirrumi S.A.	90.00	-	90.00	-	Exploration of polymetallic ores.
Consorcio Energético de Huancavelica S.A.	99.99	0.01	99.99	0.01	Provides electric power.
Contacto Corredores de Seguros S.A.	-	99.99	-	99.99	Placement of insurance contracts and administrative and technical services in insurance matters.
Inversiones Colquijirca S.A.	61.42	-	61.42	-	Extraction, concentration and commercialization of polymetallic ores, principally zinc and lead, through its subsidiary Sociedad Minera El Brocal S.A.A.
Inversiones Mineras del Sur S.A.	78.04	-	78.04	-	Extraction, concentration and commercialization of gold bars and concentrates.
Minas Conga S.R.L.	-	60.00	-	60.00	Owner of mining rights.
S.M.R.L. Chaupiloma Dos de Cajamarca	20.00	40.00	20.00	40.00	Owner of the mining concessions explored and exploited by Yanacocha.
Minera La Zanja S.R.L.	53.06	-	53.06	-	Prospection, exploration and exploitation of mineral rights. Currently is engaged in exploration activities.
Minas Poracota S.A.	50.00	-	75.00	-	Prospection, exploration and exploitation of mineral rights. Currently is engaged in exploration activities.
Minera Minasnioc S.A.C.	60.00	-	60.00	-	Prospection, exploration and exploitation of mineral rights. Currently is engaged in exploration activities.

Effective December 30, 2005 and January 2, 2006, Buenaventura acquired 50% and 25% of the capital stock of Minas Poracota S.A. (Poracota), respectively, in exchange for a payment of US\$4,501,000. According to the Shareholders' agreement signed with Teck Cominco Peru S.A. (hereafter "Teck Cominco"), if a preliminary study to be prepared by Teck Cominco and Buenaventura, indicates that there is a probability of obtaining a production greater than 300,000 ounces of gold per year, Teck Cominco will have the right to recover its position as the owner of the 50% of the capital stock of Poracota and to be the operator of the project. To this effect, Teck Cominco will prepare a feasibility study with a production of 300,000 ounces of gold, assuming the cost of this study. If the project were a smaller one, Buenaventura can opt for buying the remaining 25% of the capital stock of Poracota for US\$2,250,000.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

3. Seasonality of operations

The Company and its subsidiaries operate continuously without alterations due to seasonality.

4. Convenience translation of Peruvian Nuevos Soles amounts into U.S. dollar amounts

The interim consolidated financial statements are stated in Peruvian Nuevos Soles. U.S. dollar amounts are included solely for the reader's convenience, and were obtained by dividing Peruvian Nuevos Soles amounts by the exchange rate for selling U.S. dollars at June 30, 2006 (S/3.260 to US\$1), as published by the Superintendencia de Banca y Seguros (Superintendent of Bank and Insurance, or "SBS"). The convenience translation should not be construed as a representation that the Peruvian Nuevos Soles amounts have been, could have been or could be converted into U.S. dollars at the foregoing or any other exchange rate.

5. Cash and cash equivalents

(a) This item is made up as follows:

	As of December 31, 2005 S/(000)	As of June 30, 2006 S/(000)
Cash	1,080	8,610
Demand deposit and saving accounts	79,049	195,573
Time deposits (b)	251,973	229,651
	<hr/>	<hr/>
Cash balances included in the consolidated statements of cash flow	332,102	433,834
Time deposits with an original maturity of more than 90 days	-	32,590
	<hr/>	<hr/>
	332,102	466,424
	<hr/>	<hr/>

(b) As of June 30, 2006, it corresponds principally to time deposits in foreign currency for US\$57,855,000 and in local currency for S/41,100,000, with annual interest rates ranging from 4.55 % to 5.16% and maturities from 30 to 90 days.

6. Gold Certificates

In May 2006, the Company acquired one million participations of an Exchange Traded Fund called "Gold ETF" which is endorsed by the World Gold Council, equivalent to 100,000 gold ounces, for cost per unit of US\$68.07. As of June 30, 2006 the quotation of the Gold ETF was US\$61.23 per each participation, resulting in a net loss of S/22,427,000, which is presented in the caption "Loss from change in the market value of exchange traded funds" in the consolidated statements of income.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

7. Investments in shares

(a) This item is made up as follows:

	Equity ownership		Amount	
	As of December 31, 2005 %	As of June 30, 2006 %	As of December 31, 2005 S/(000)	As of June 30, 2006 S/(000)
Equity method investments				
Minera Yanacocha S.R.L				
Equity share	43.65	43.65	1,714,424	1,909,298
Amount paid in excess of fair value of assets and liabilities, net			94,245	89,435
			<u>1,808,669</u>	<u>1,998,733</u>
Sociedad Minera Cerro Verde S.A.				
Equity share	18.299	18.50	491,933	609,617
Amount paid in excess of fair value of assets and liabilities, net			197,754	198,633
			<u>689,687</u>	<u>808,250</u>
Investments carried at fair value				
Ferrovías Central Andino S.A.				
	10.00	10.00	2,207	2,207
Other	-		1,531	1,553
			<u>3,738</u>	<u>3,760</u>
Other				
			173	3,493
			<u>2,502,267</u>	<u>2,814,236</u>

Investment in shares increased in S/311,969,000 between June 30, 2006 and December 31, 2005 because:

	S/(000)
Share of results in affiliates	677,397
Dividends received	(259,870)
Cumulative translation loss from U.S. dollar to Peruvian Nuevos soles of investment in Minera Yanacocha S.R.L. and in Sociedad Minera Cerro Verde S.A.A.	(115,320)
Acquisition of additional shares in Sociedad Minera Cerro Verde S.A.A.	10,002
Other	(240)
	<u>311,969</u>

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

(b) The detail of share in affiliated companies is:

	For the three – month period ended June 30,		For the six – month period ended June 30,	
	2005 S/(000)	2006 S/(000)	2005 S/(000)	2006 S/(000)
Minera Yanacocha S.R.L.	131,035	281,256	289,037	538,610
Sociedad Minera Cerro Verde S.A.A.	15,834	83,817	25,620	135,206
Other	(763)	2,398	(623)	3,581
	<u>146,106</u>	<u>367,471</u>	<u>314,034</u>	<u>677,397</u>

The increase in the share of results in affiliated companies is due mainly to increase in sales by higher production, higher ore grades and higher international prices of the commercialized metals and concentrates.

8. Property, plant and equipment, net

During the six-month period ended June 30, 2006, the Company acquired property, plant and equipment for S/52,651,000 (S/21,574,000 for the six-month period ended June 30, 2005), related mainly to the cyanidation project in the mining unit of Uchucchacua and to the building of a copper flotation process in the Marcapunta Norte project of Sociedad Minera El Brocal S.A.A.

9. Shareholders' equity

(a) Declared dividends -

The information about declared dividends as of June 30, 2006 and 2005 is as follows:

Meeting/Board	Date	Declared dividends S/	Dividends per share S/
Dividends 2005			
Mandatory annual shareholder's meeting	March 31, 2005	80,623,000	0.58
Less - Dividends paid to Condesa		<u>(6,198,000)</u>	
		<u>74,425,000</u>	
Dividends 2006			
Mandatory annual shareholder's meeting	March 30, 2006	99,451,000	0.72
Less - Dividends paid to Condesa		<u>(7,698,000)</u>	
		<u>91,753,000</u>	

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

(b) As explained in note 2(a), with the purpose of making comparative the consolidated financial statements reported for the three-month and six-month periods ended June 30, 2005, the Company made the following changes:

- Has given retroactive effect as of January 1, 2005 to the change in accounting principle due to stripping costs, recorded in June 2005.
- Has given retroactive effect as of January 1, 2005 to the recognition of the investment in Cerro Verde under the equity method, made in December 2005.

Following, we describe the effect of the changes made as of January 1, 2005:

	Retained earnings S/(000)	Cumulative transaction loss S/(000)	Cumulative unrealized gain on investments in shares carried at fair value S/(000)	Minority interest S/(000)
Balance as of January 1, 2005, before changes	734,059	(148,513)	256,331	66,347
Cumulative loss of change in accounting principle due to stripping costs in El Brocal.	(10,416)	-	-	(25,684)
Gain (loss) from recognizing Cerro Verde's investment under the equity method, carried previously at its fair value	<u>75,680</u>	<u>(10,348)</u>	<u>(256,043)</u>	<u>-</u>
Balance as of January 1, 2005, after changes	<u>799,323</u>	<u>(158,861)</u>	<u>288</u>	<u>40,663</u>

10. Deferred income tax and workers' profit sharing asset, net

The deferred income tax and workers' profit sharing asset mainly includes an effect of S/307,736,000 from the deferred revenue from sale of future production and of S/14,432,000 from the officers' compensation accrual (S/245,982,000 and S/12,796,000 as of December 31, 2005, respectively). The increase of the effect in the deferred revenue from sale of future production is directly related with the modification from gold derivative instruments contracts to normal sale contracts, explained in the note 14.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

The amounts of tax and workers' profit sharing expenses presented in the consolidated statements of income for the three-month and six-month periods ended June 30, 2005 and 2006 consist of:

	2005 S/(000)	2006 S/(000)
Workers' profit sharing		
Current	(8,449)	(26,338)
Deferred	10,211	14,551
	<u>1,762</u>	<u>(11,787)</u>
Income tax		
Current	(46,734)	(118,938)
Deferred	35,232	50,229
	<u>(11,502)</u>	<u>(68,709)</u>

11. Bank loans

During the second quarter of 2006, Consorcio Energético de Huancavelica S.A. borrowed US\$10,000,000 from BBVA Banco Continental. The loans bears annual interest of 6.47 percent.

12. Net sales and Costs of operations

During the first semester of 2006, sales increased by approximately 80 percent compared to the first semester of 2005, mainly due to: (i) increase in silver and zinc prices, (ii) higher silver grades in Sociedad Minera El Brocal S.A.A. and (iii) higher production of gold and silver. (see note 15)

During the first semester of 2006, the operating costs increased by approximately 42 percent compared to the first semester of 2005, primarily due to higher production of gold and silver. (see note 15)

Notes to the Consolidated Financial Statements (unaudited) (continued)

13. Transactions with affiliated companies

- (a) As a result of the transactions presented in the paragraph below, the Company has the following accounts receivable from affiliated companies:

	As of December 31, 2005 S/(000)	As of June 30, 2006 S/(000)
Minera Yanacocha S.R.L.	65,666	60,245
Others	372	1,848
	<u>66,038</u>	<u>62,093</u>

- (b) The Company had the following transactions with its affiliated companies:

S.M.R.L. Chaupiloma Dos de Cajamarca (“Chaupiloma”) -

Chaupiloma is the legal owner of the mineral rights on the mining concessions exploited by Yanacocha, and receives a 3 percent royalty on the net sales of Yanacocha. During the three-month and six-month periods ended June 30, 2006, the royalties earned amounted to S/49,011,000 and S/92,809,000 (S/31,053,000 and S/63,924,000 for the three-month and six-month periods ended June 30, 2005) and are presented as “royalties income” in the consolidated statements of income.

Compañía Minera Condesa S.A. (“Condesa”) -

During the three-month and six-month periods ended June 30, 2006 Yanacocha paid cash dividends to Condesa of S/128,226,000 and S/259,870,000 (S/42,611,000 and S/85,288,000 for the three-month and six-month periods ended June 30, 2005).

Buenaventura Ingenieros S.A. (“Bisa”) -

Since March 2002, Buenaventura Ingenieros S.A. enters into annual master agreements with Yanacocha to perform functions related to planning, monitoring and administrating the infrastructure projects, as well as analysis, studies and work plan design required by Yanacocha in its operations. On January 1, 2005 these entities signed the service contract GEN-005/05 effective for a period of two years.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

For the three-month and six-month periods ended June 30, 2006, the revenues related to this service contract amounted to approximately S/3,324,000 and S/7,646,000, respectively (S/5,892,000 and S/7,802,000 for the three-month and six-month periods ended June 30, 2005), and is presented in the caption "net sales" of the consolidated statements of income.

Consorcio Energético de Huancavelica S.A. ("Conenhua") -

In November 2001, Conenhua signed with Yanacocha a 10-year agreement covering electric energy transmission and infrastructure operation, Yanacocha will pay an annual fee of US\$3.7 millions. During the three-month and six-month periods ended June 30, 2006, the fees amounted to approximately S/3,151,000 and S/6,374,000 (S/3,150,000 and S/6,302,000 for the three-month and six-month periods ended June 30, 2005, respectively) and are presented in the caption "net sales" of the consolidated statements of income.

14. Normal sale contracts of gold -

In 2006, Buenaventura changes the nature of its gold derivative contracts in order to qualify them as normal sale contracts. In previous years, the Company made similar modifications. As a consequence, the Company does not maintain gold derivative contracts as of June 30, 2006. However, maintains two silver derivative contracts, which fair value is S/1,452,000 as of June 30, 2006.

Movement of the deferred income from sale of future production for the three-month and six-month periods ended June 30, 2006, is shown below:

	Committed ounces of gold	Deferred income from sale of future production S/(000)
Beginning balance	1,981,000	720,870
Transfer from derivative instruments to deferred income from sale of future production	340,000	258,911
Realized income from sale of future production	(194,000)	(85,442)
Ending balance	<u>2,127,000</u>	<u>894,339</u>
Less- Non - current portion	<u>(1,749,000)</u>	<u>(735,930)</u>
	<u>378,000</u>	<u>158,409</u>

As of June 30, 2006 Buenaventura is committed to sell 2,127,000 ounces of gold at prices ranging up US\$451 per ounce until October 2012.

Translation of consolidated financial statements originally issued in Spanish -
See Note 16

Notes to the Consolidated Financial Statements (unaudited) (continued)

15. Statistical data

Statistical data of the Company related to the volume of inventories sold and average sale prices by product for the three-month and six-month periods ended June 30, 2005 and 2006 are as follows:

(a) Volumes sold:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2005	2006	2005	2006
Gold	92,078 Oz	117,345 Oz	177,306 Oz	217,611 Oz
Silver	3,520,705 Oz	4,391,009 Oz	6,770,734 Oz	8,446,007 Oz
Lead	6,933 TM	7,277 TM	13,764 TM	15,198 TM
Zinc	11,266 TM	14,409 TM	23,802 TM	27,342 TM
Copper	36 TM	32 TM	59 TM	63 TM

(b) Average sale prices:

	For the three-month period ended June 30,		For the six-month period ended June 30,	
	2005	2006	2005	2006
Gold	361.98/Oz	381.49/Oz	368.73/Oz	364.74/Oz
Silver	7.05/Oz	12.14/Oz	7.04/Oz	11.65/Oz
Lead	993.39/TM	1,112.83/TM	988.65/TM	1,159.06/TM
Zinc	1,293.45/TM	3,195.54/TM	1,264.02/TM	2,729.54/TM
Copper	3,401.45/TM	7,042.78/TM	3,313.42/TM	6,708.42/TM

16. Explanation added for English language translation

The accompanying consolidated financial statements are presented based on accounting basis generally accepted in Peru. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Peru may differ in certain respects to generally accepted accounting principles in other countries.

