



Citi Milan Symposium

Arturo Espínola
Investor Relations



Fresnillo plc

Tuesday, 29 March, 2011



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This document includes statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will”, or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include, but are not limited to, statements regarding the Fresnillo Group’s intentions, beliefs or current expectations concerning, among other things, the Fresnillo Group’s results of operations, financial position, liquidity, prospects, growth, strategies and the silver and gold industries.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Fresnillo Group’s operations, financial position and liquidity, and the development of the markets and the industry in which the Fresnillo Group operates, may differ materially from those described in, or suggested by, the forward-looking statements contained in this document. In addition, even if the results of operations, financial position and liquidity, and the development of the markets and the industry in which the Fresnillo Group operates are consistent with the forward-looking statements contained in this document, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements including, without limitation, general economic and business conditions, industry trends, competition, commodity prices, changes in regulation, currency fluctuations (including the US dollar and Mexican Peso exchange rates), the Fresnillo Group’s ability to recover its reserves or develop new reserves, including its ability to convert its resources into reserves and its mineral potential into resources or reserves, changes in its business strategy, political and economic uncertainty.

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2010 Operational Highlights

- Record attributable silver production of 38.6 million oz (up 1.7%)
- Record attributable gold production of 368,995 oz (up 33.4%)
- First year of operations at Soledad-Dipolos exceeded expectations
- Substantial increase in total resources: 1.5 billion oz of silver (up 14%) and 20.1 million oz of gold (up 44%)
- Reserves replenished: silver 442 million oz (up 18%) and gold 4.5 million oz (up 6%)
- Ciénega expansion and Saucito project development on track for start up in 1H 2011
- Feasibility study at Noche Buena concluded, permits in place and construction commencing in Q2 2011

On track to produce 65 million ounces of silver and over 400,000 ounces of gold annually by 2018



2010 Financial Highlights

- Adjusted revenue¹ up 56.1% to US\$1,473.9 million
- EBITDA² up 90.3% to US\$945.0 million, EBITDA margin increases to 67.0%, from 58.4% in 2009
- Cost controls and efficiency measures enabled Fresnillo to remain in the lowest quartile of the cost curve
- Operating profit³ up 94.4% to US\$833.4 million
- Attributable profit excluding Silverstream revaluation up 72.3% to US\$530.8 million (post Silverstream revaluation effects: up 106.6% to US\$665.0 million)
- Adjusted EPS⁴ up 72.1% to US\$0.740 per share, EPS up 106.4% to US\$0.927 per share
- Final dividend of 35.6 US cents per Ordinary Share; full year 44.8 cps
- Robust balance sheet with no debt and a strong cash position up 79.2% to US\$559.5 million

[1] Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude hedging effects and treatment and refining charges.

[2] Earnings before interest, taxes, depreciation and amortization (EBITDA) is calculated as gross profit plus depreciation less administrative and exploration expenses.

[3] Profit from continuing operations before net finance costs and income tax.

[4] Adjusted basic and diluted earnings per ordinary share from continuing operations, prior to the revaluation effects of the Silverstream contract.



Operations Review

Tuesday, 29 March, 2011

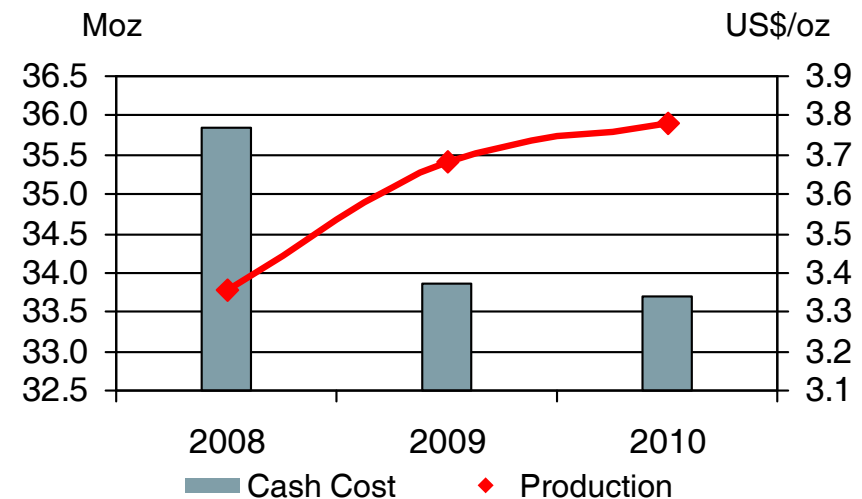


Operation Review - Fresnillo

- Ownership: 100% Fresnillo plc
- Location: Zacatecas
- Facilities: Underground mine, flotation plant
- 2010 Milling capacity: 8,000 tpd
- In operation since: 1554
- Workforce: 896 employees, 635 contractors
- Ore grade in reserves: 324 g/t Ag
- Reserves: 365.4 Moz Ag, 746 koz Au
- Mine life: 13.7 years
- 2011 Priorities:
 - Complete construction of the San Carlos Shaft
 - Evaluate future expansion in milling to maintain silver production



Financial highlights US\$m	2010	2009	% change
Adjusted revenues	783.5	557.3	40.6
Gross profit	627.0	407.7	53.8
Capital expenditure	60.7	34.6	75.4



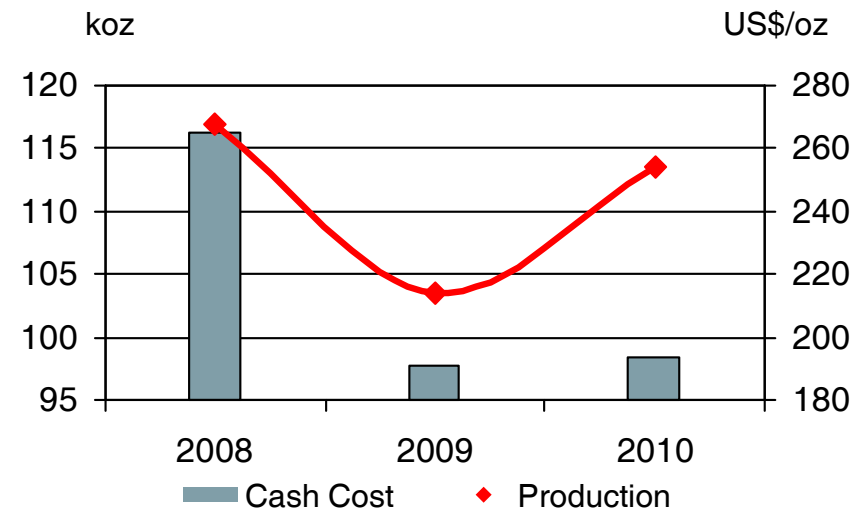


Operation Review - Ciénega

- Ownership: 100% Fresnillo plc
- Location: Durango
- Facilities: Underground mine, flotation and leaching plants
- 2010 Milling capacity: 2,500 tpd
- In operation since: 1992
- Workforce: 439 employees, 329 contractors
- Ore grade in reserves: 2.51 g/t Au
- Reserves: 840 koz Au, 43.3 Moz Ag
- Mine life: 11.3 years
- 2011 Priorities:
 - Complete expansion of the milling capacity to 930,000 tpy
 - Commission the deeper shaft



Financial highlights US\$m	2010	2009	% change
Adjusted revenues	186.4	140.2	32.9
Gross profit	116.6	80.5	44.8
Capital expenditure	65.1	41.7	56.1





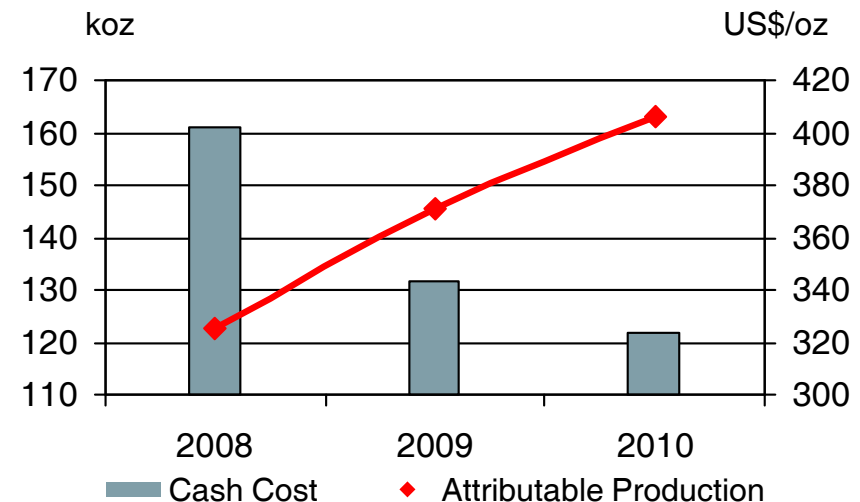
Operation Review - Herradura

- Ownership: 56% Fresnillo plc
- Location: Sonora
- Facilities: Open pit mine, heap leach / Merrill-Crowe plant
- In operation since: 1997
- Workforce: 619 employees, 128 contractors
- Ore grade in reserves: 0.83 g/t Au
- Reserves: 1.88 Moz Au
- Mine life: 10.0 years

- 2011 Priorities:
 - Continue exploration at Centauro Deep and areas of influence
 - Conduct pre-feasibility study for dynamic cyanidation plant to treat higher ore grade



Financial highlights US\$m	2010	2009	% change
Adjusted revenues	366.8	246.5	48.8
Gross profit	268.9	159.9	68.2
Capital expenditure	54.4	64.8	-16.0



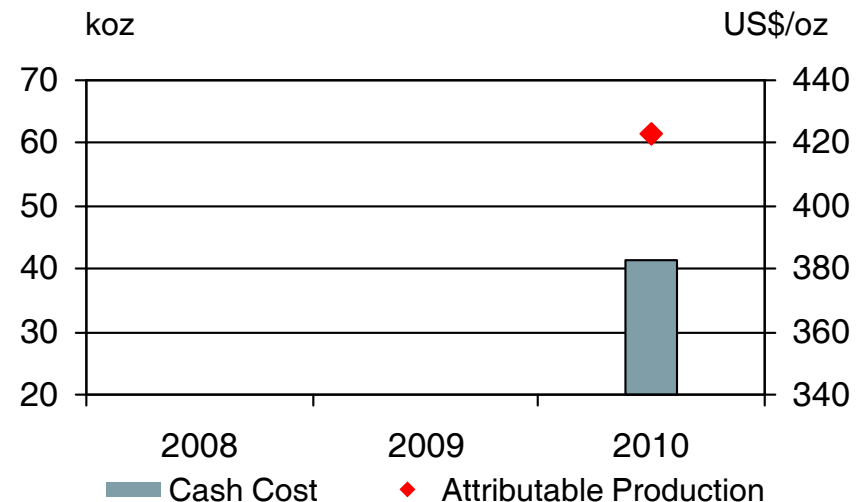


Operation Review – Soledad & Dipolos

- Ownership: 56% Fresnillo plc
- Location: Sonora
- Facilities: Open pit mine, Merrill-Crowe plant
- In operation since: 2010
- Workforce: 323 employees, 99 contractors
- Ore grade in reserves: 0.62 g/t Au
- Reserves: 590 koz Au
- Mine life: 6.3 years
- 2011 Priorities:
 - Conclude expansion to produce 72.8 attributable koz Au per year
 - Continue exploration at areas of influence



Financial highlights US\$m	2010	2009	% change
Adjusted revenues	137.2	-	N/A
Gross profit	97.7	-	N/A
Capital expenditure	35.0	57.7	39.3

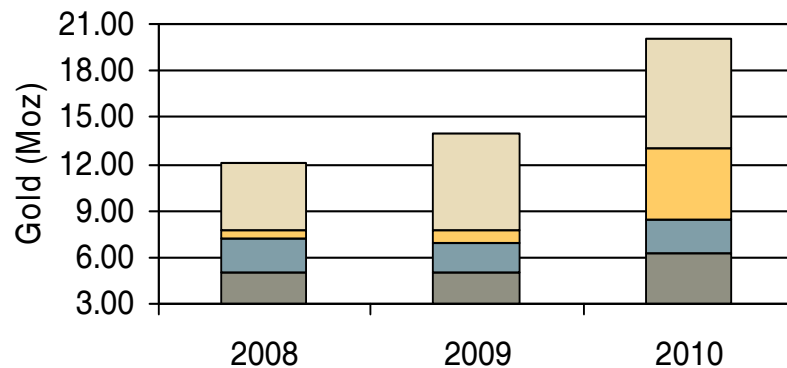
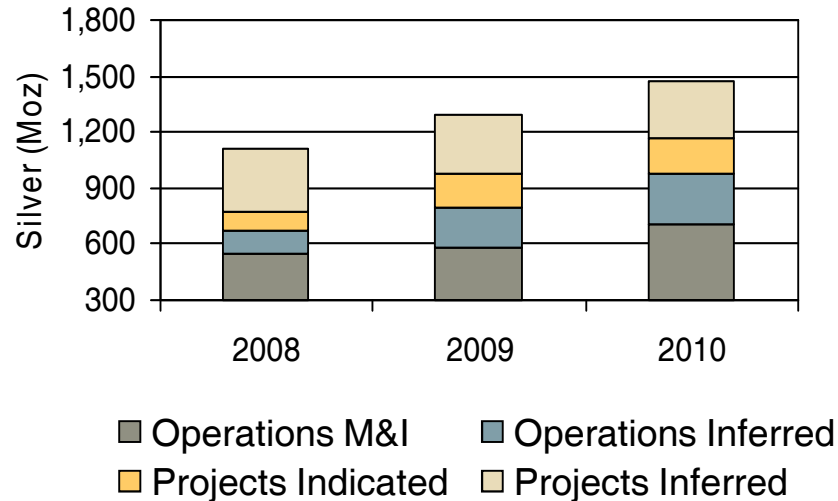




Exploration

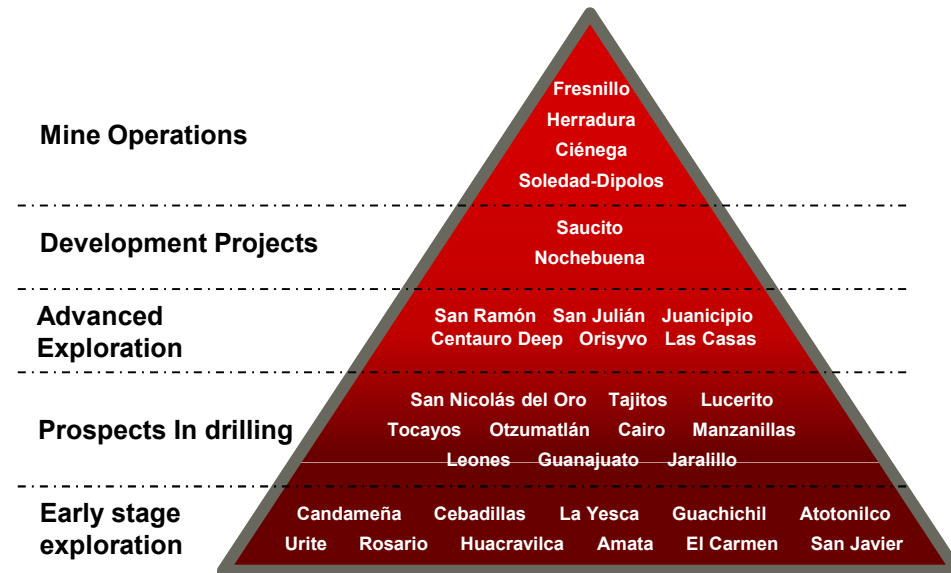
Tuesday, 29 March, 2011

Metal contained in Total Resources

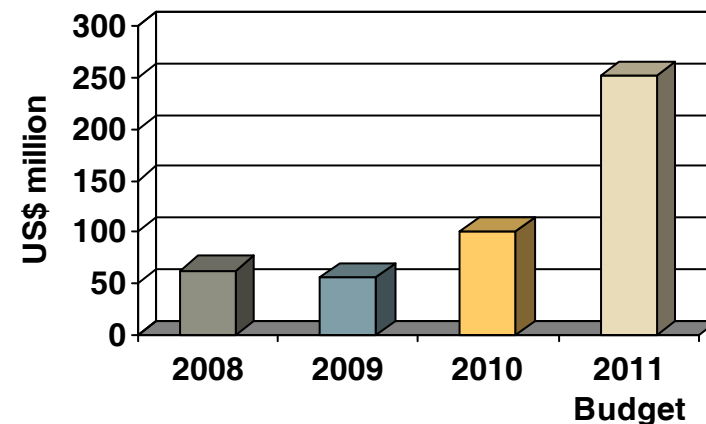


- Substantial increase in Total Resources (Measured, Indicated and Inferred):
 - Silver 1,473 Moz, up 14%
 - Gold 20.1 Moz, up 44%
- Total Reserves replenished and increased:
 - Silver 442 Moz, up 18%
 - Gold 4.51 Moz, up 6%
- 75 exploration rigs at our mines, advanced projects and prospects (341,265 meters of drilling)
- A 151.1% increase in the 2011 exploration budget, to US\$251.4 million

- New extensions of the ore bodies at Saucito, Orisyvo and Centauro Deep
- Largest land position for precious metals exploration and mining in Mexico and we continued to acquire surface rights in 2010 (increased by 8.6% to 1.9 M hectares)
- Exploration option agreements signed to explore the Candameña (Chihuahua) and Cebadillas and Yesca (Nayarit) gold properties; drilling planned for 2011
- Expanded our district exploration efforts in Guerrero, Durango, Guanajuato and Zacatecas, as well as in Peru



Exploration Investment



- On track and on budget to start commercial operations in 1H 2011
- First year production of 4.7 Moz of Ag and 22.5 koz of Au
- Ramping up to more than 9.0 Moz of silver and 45 koz of gold per year by 2013





Exploration at Saucito and Juanicipio projects



- Minera Saucito expansion
 - A new ore-shoot was discovered west of the Jarillas shaft, adding over 76 Moz of Ag and 300 koz of Au to the resources
 - Indicated & inferred resources: 362 Moz of Ag and 1.5 Moz of Au



- Minera Juanicipio (56% Fresnillo plc)
 - Audited Indicated & inferred resources (attributable): 91 Moz of Ag and 332 koz of Au
 - A pre-feasibility study will be published shortly



- **San Ramón**
 - Indicated & inferred resources: 21.8 Moz of Ag and 132 koz of Au
 - 23,681 metres of drilling, converted 46% of resources to indicated
 - Decreasing grade and block reclassification led to a 67% reduction in total resources
 - Exploration continues along the San Ramón vein where an additional 2 million tonnes of ore has been recently delineated
 - The San Ramón adit has now reached 805 metres along the main vein
 - Preparation of a pre-feasibility study will begin in 2011
- **Las Casas**
 - Indicated & inferred resources: 34 Moz Ag and 308 koz of Au
 - 34,541 metres of drilling exploring the wide silver-lead-zinc veins
 - The veins have been recognised along a 1.2 km strike
 - A scoping study will be carried out in 2011 to evaluate the economic potential of this resource

- Noche Buena
 - 470,000oz gold resources
 - Pre feasibility completed 2H 2010
 - Construction commences 2Q 2011
 - Expected annual production 75kozpa
 - Start up expected 1H 2012

- Centauro Deep
 - Indicated & inferred resources (attributable) 1.3 Moz of gold
 - Gold grades could support an underground operation
 - Potential from this zone is estimated at 25-30 million tonnes grading 3-7g/t gold, and the structures remain open



- Orisyvo
 - Indicated & inferred resources: 2.7 oz of Au in oxides and 6.51 MOz in sulphides
 - Disseminated gold values have been delineated over a 1 by 1.5km area, and through 400 metres vertical extent, with grades ranging 0.5 to 2.5g/t Au
 - The site for an exploration adit was selected and permitting is in process to initiate underground exploration in 1H 2011
 - Metallurgical testing on core samples is in progress and pilot plant testing of gold bearing material from the adit will be undertaken during 2011
 - Additional resources identified, the scoping study will be updated in 1H 2012



- San Julian
 - Indicated & inferred resources: 144 Moz of Ag and 488 koz of Au
 - 61,163 metres of drilling in 181 holes.
 - Infill drilling on the JM disseminated ore body with silver-lead-zinc values converted 101 Moz of Ag to indicated
 - Silver-gold resources were also added to the San Julián and San Atanasio veins
 - The San Julián and San Roberto ramps were extended to 5,826 and 805 metres respectively, and underground exploration has been initiated from both workings.
 - Results of the scoping study completed at year end recommend first developing the disseminated ore body and then the gold vein system. Additional exploration activities and metallurgical tests are being conducted to develop a definitive mine plan.
 - Increase in the exploration budget for both 2010 and 2011, which will allow for ramp construction and development of mining works to further validate the economic viability of the project





Conclusions

Tuesday, 29 March, 2011

- Volatile metal prices set to continue
- Focus on increasing productivity, containing costs, expanding the resource and reserve base, and strengthening our growth pipeline
- Looking ahead to 2011:
 - Improved safety performance
 - Commissioning of Saucito
 - Commissioning of expanded milling capacity and deeper shaft at Ciénega
 - Completion of Soledad-Dipolos expansion
 - Silver production to grow by 5% to 44moz
 - Gold production to grow by 8% to 400,000 oz
- Next steps:
 - Construction at Noche Buena
 - Pre-feasibility study at San Julián
 - Conduct study for dynamic cyanidation plant at Herradura

We are on track to meet our goal of producing 65 million ounces of silver per year and over 400,000 ounces of gold per year by 2018



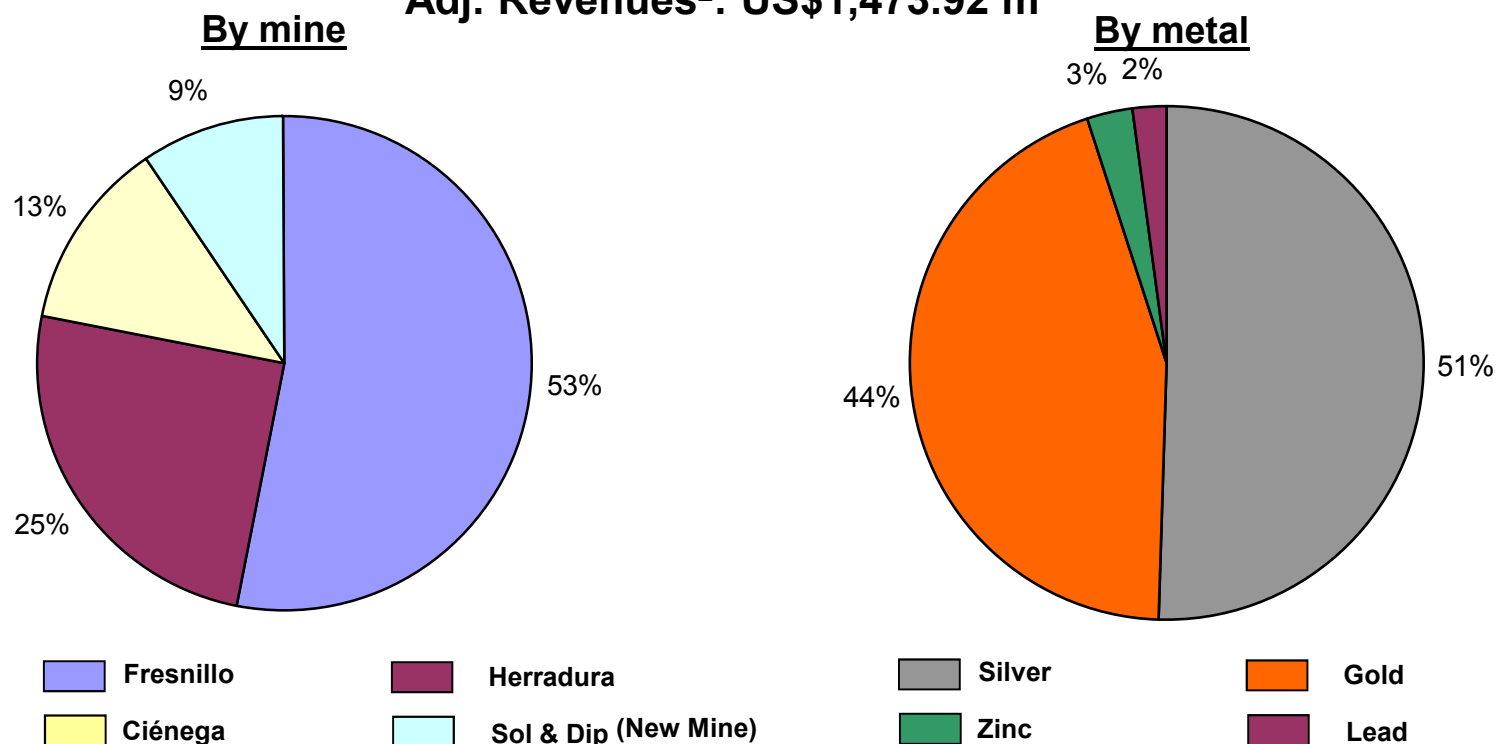
Financial Review

Tuesday, 29 March, 2011



Contribution by Mine and Metal to the Adjusted Revenues

Adj. Revenues²: US\$1,473.92 m



	Fresnillo		Ciénega		Herradura		Sol & Dip		Consol	
Gold	25.23	3.2%	133.34	71.5%	358.67	97.8%	136.06	99.2%	653.29	44.3%
Silver	714.61	91.2%	22.32	12.0%	8.09	2.2%	1.15	0.8%	746.18	50.6%
Lead	21.84	2.8%	12.54	6.7%					34.38	2.3%
Zinc	21.86	2.8%	18.21	9.8%					40.07	2.7%
TOTAL	783.54	100%	186.41	100%	366.77	100%	137.21	100%	1,473.92	100%

² Adjusted Revenue is revenue as disclosed in the income statement adjusted to exclude hedging effects and treatment and refining charges.



Cost per Tonne and Cash-Cost (IFRS)

COST PER TONNE

MINE	UNIT	2010	2009	% CHG.
Fresnillo	US\$/TON	41.73	37.24	12.1%
Ciénega	US\$/TON	65.86	61.45	7.2%
Herradura	US\$/TON	5.64	5.17	9.1%
Soledad & Dipolos	US\$/TON	5.71	-	N/A

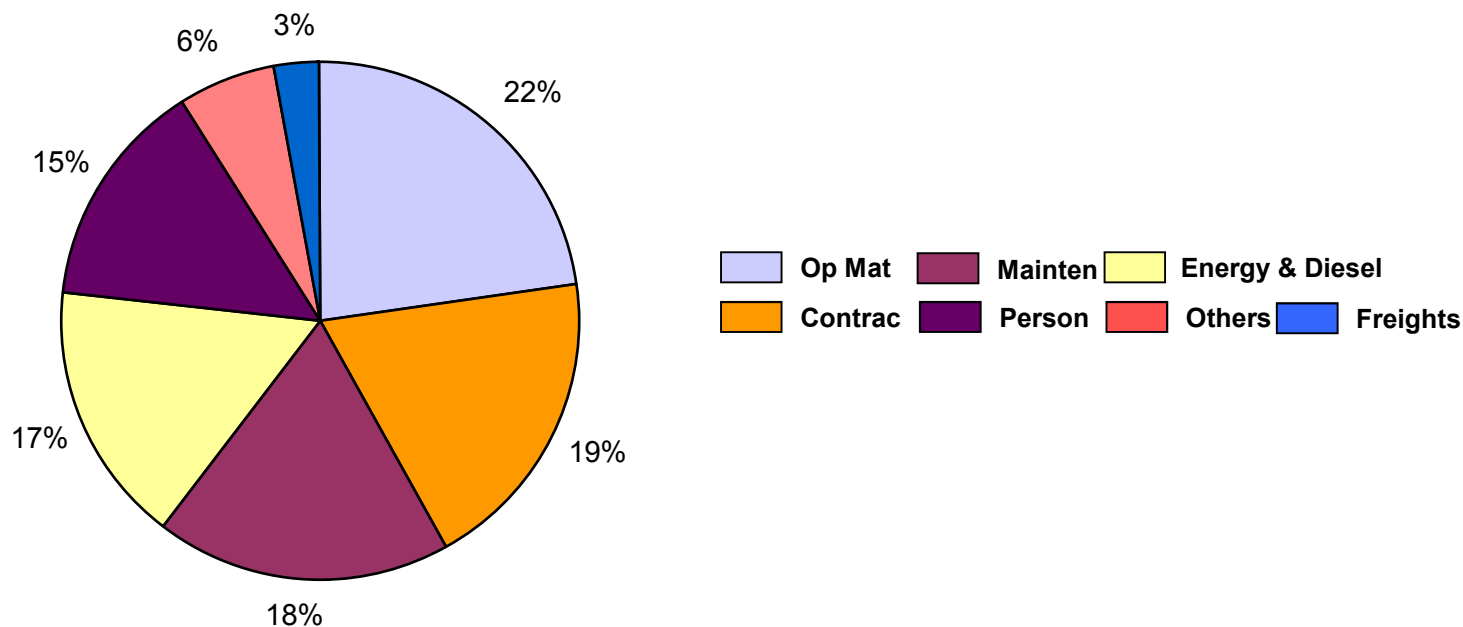
CASH COST

Fresnillo	PER OZ. SILVER	3.34	3.37	(1.1%)
Ciénega	PER OZ. GOLD	193.86	190.61	1.7%
Herradura	PER OZ. GOLD	323.83	342.90	(5.6%)
Soledad & Dipolos	PER OZ. GOLD	383.15	-	N/A



Contribution by Concept to the Adjusted Production Cost

Adj Prod Cost: US\$312.0 m



	Fresnillo		Ciénega		Herradura		Sol & Dip		Consol	
Personnel	20.04	18.8%	9.44	16.6%	11.17	11.9%	4.61	8.4%	45.25	14.5%
Maintenance and repairs	19.15	18.0%	6.45	11.4%	18.13	19.4%	12.79	23.2%	56.52	18.1%
Operating materials	20.19	18.9%	10.32	18.2%	27.27	29.1%	13.66	24.8%	71.45	22.9%
Energy	17.31	16.2%	6.24	11.0%	19.51	20.8%	8.52	15.5%	51.59	16.5%
Contractors	19.89	18.7%	16.08	28.4%	10.64	11.4%	13.19	23.9%	59.80	19.2%
Freight	2.57	2.4%	3.11	5.5%	2.49	2.7%	0.86	1.6%	9.03	2.9%
Others	7.42	7.0%	5.03	8.9%	4.43	4.7%	1.45	2.6%	18.34	5.9%
Adj Production Costs	106.58	100.0%	56.67	100.0%	93.64	100.0%	55.08	100.0%	311.97	100.0%

Note(*): In addition to labour, payments to contractors include the use of their own equipment and consumption of operating materials and fuel.

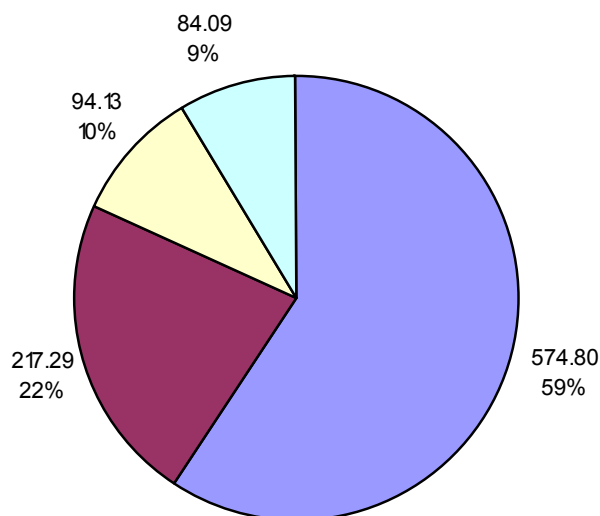


Contribution by mine to the Gross Profit

(US\$ millions)

	2010		2009		CHANGE		
	Amount	%	Amount	%	Amount	%	%
Fresnillo	574.80	59.2%	366.17	65.4%	208.62	50.8%	57.0%
Ciénega	94.13	9.7%	65.30	11.7%	28.82	7.0%	44.1%
Herradura	217.29	22.4%	128.38	22.9%	88.91	21.7%	69.3%
Soledad & Dipolos	84.09	8.7%	-	N/A	84.09	20.5%	N/A
Total for operating mines	970.31	100.0%	559.86	100.0%	410.45	100.0%	73.3%
Other subsidiaries	1.15		0.32		0.83		N/A
Hedging (losses) and gains	-		24.79		24.79		N/A
Hedging (of exchange rate)	3.02		7.08		10.10		N/A
Total Fresnillo plc	974.48		528.32		446.16		84.5%

■ Fresnillo
 ■ Herradura
 ■ Ciénega
 ■ Sol & Dip (New Mine)



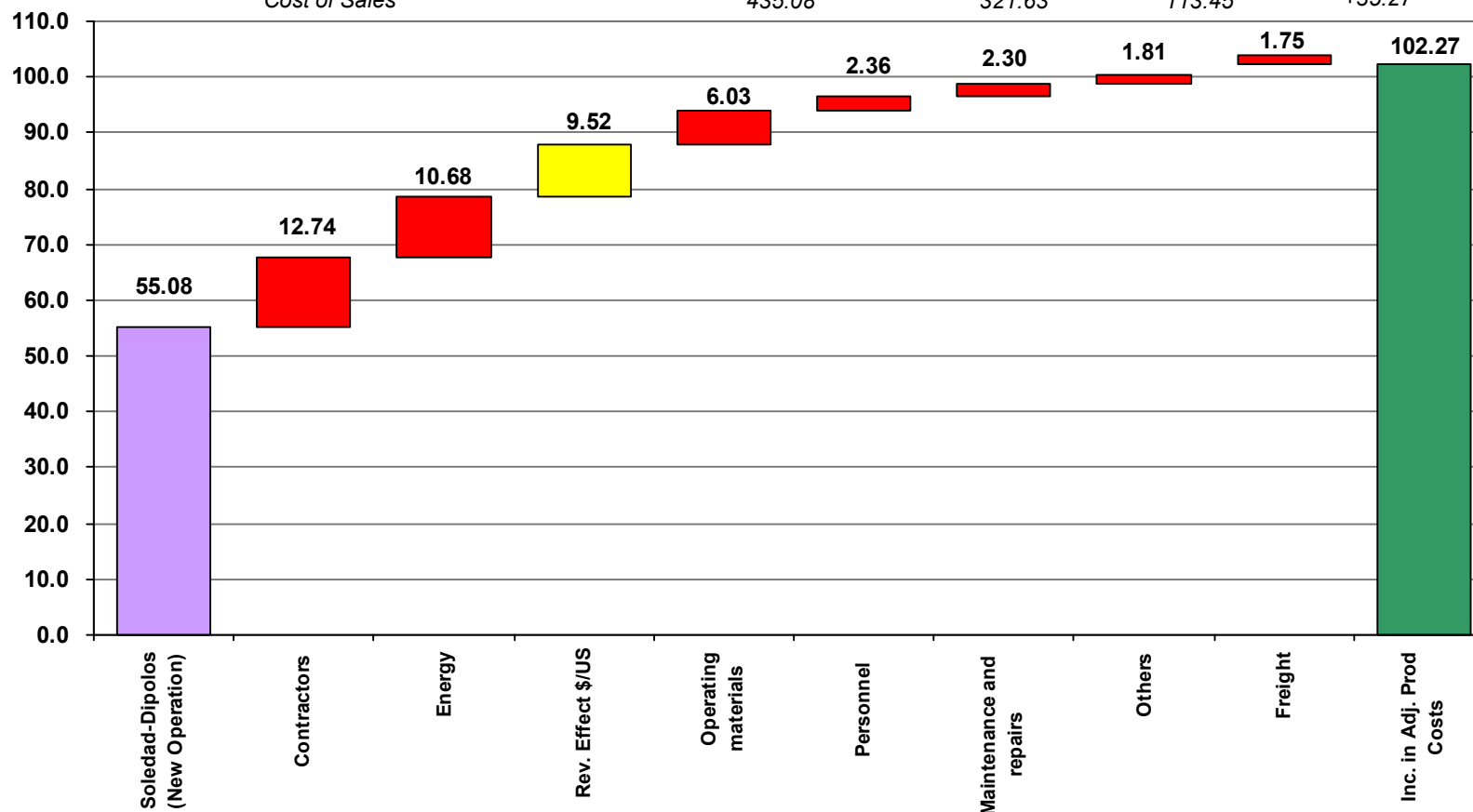
Gross Profit from operating units: US\$970.3m



Adjusted Production Cost Analysis (Consolidated)

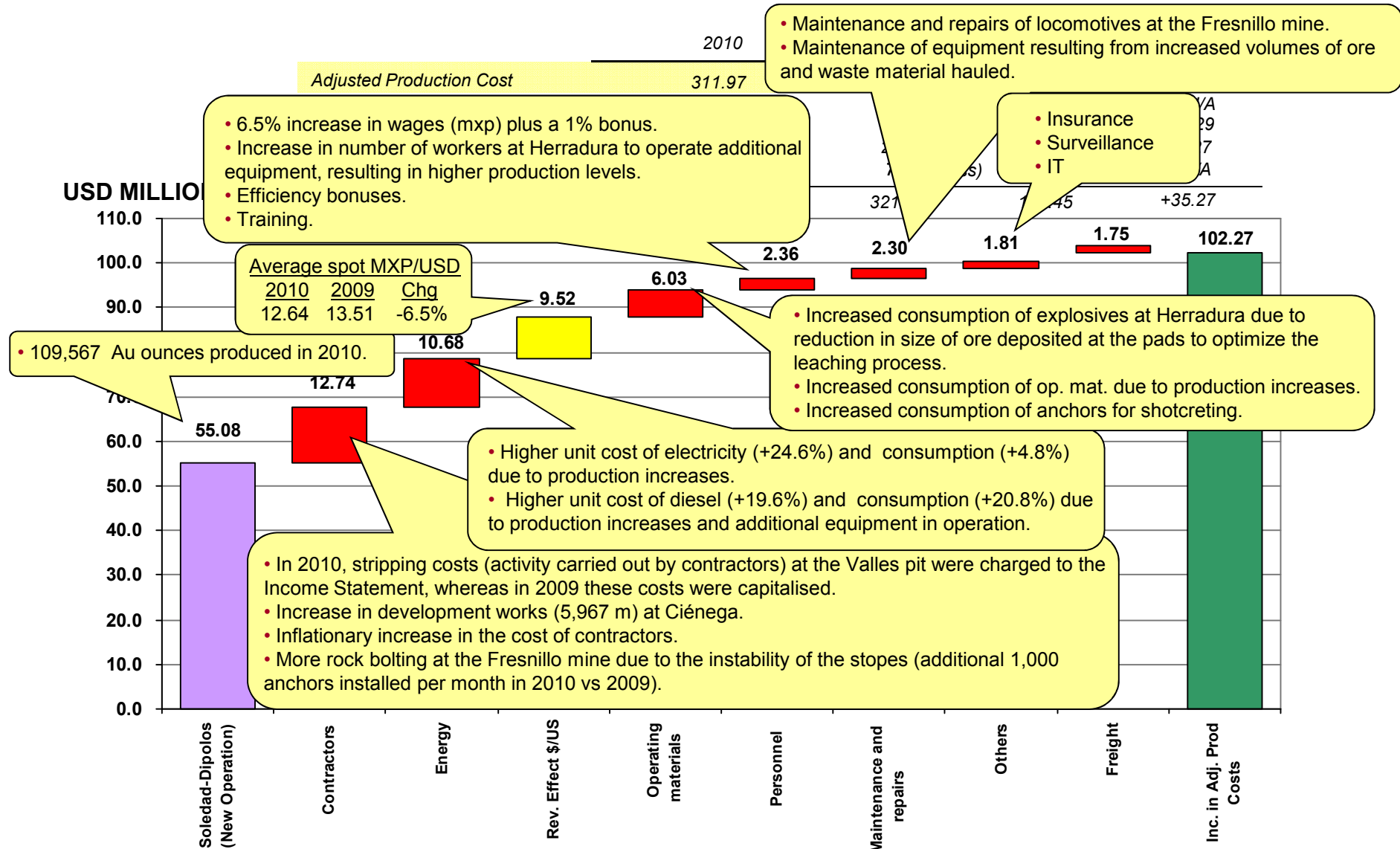
	2010	2009	CHANGE	
			\$	%
Adjusted Production Cost	311.97	209.70	102.27*	+48.77
Change in inventories	-16.77	12.94	-29.71	N/A
Depreciation	105.22	67.32	37.90	+56.29
PTU	37.68	24.58	13.10	+53.27
Hedging (mxp/usd exchange rate)	-3.02 (Profit)	7.08 (Loss)	-10.10	N/A
Cost of Sales	435.08	321.63	113.45	+35.27

USD MILLION



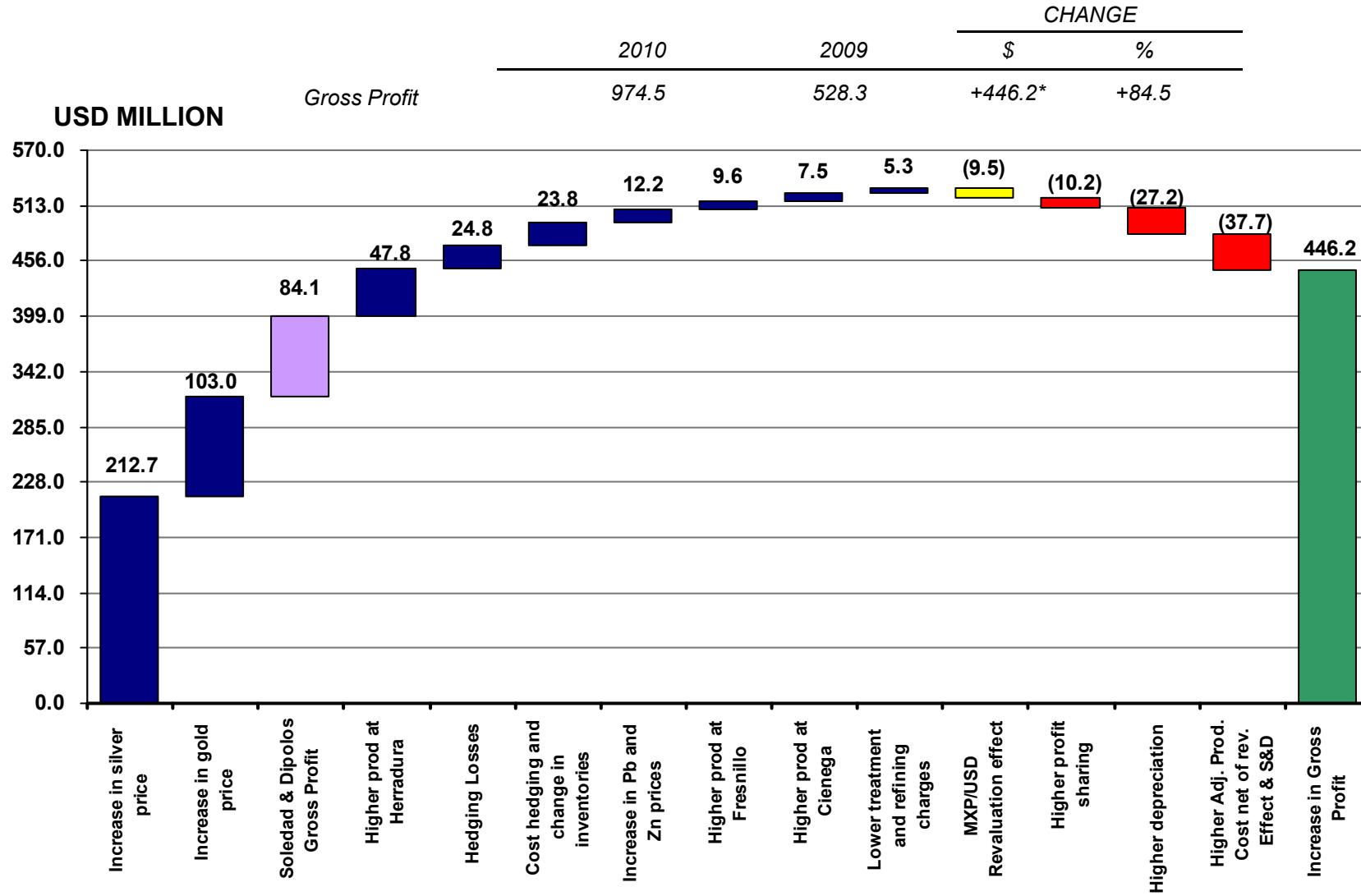


Adjusted Production Cost Analysis (Consolidated)



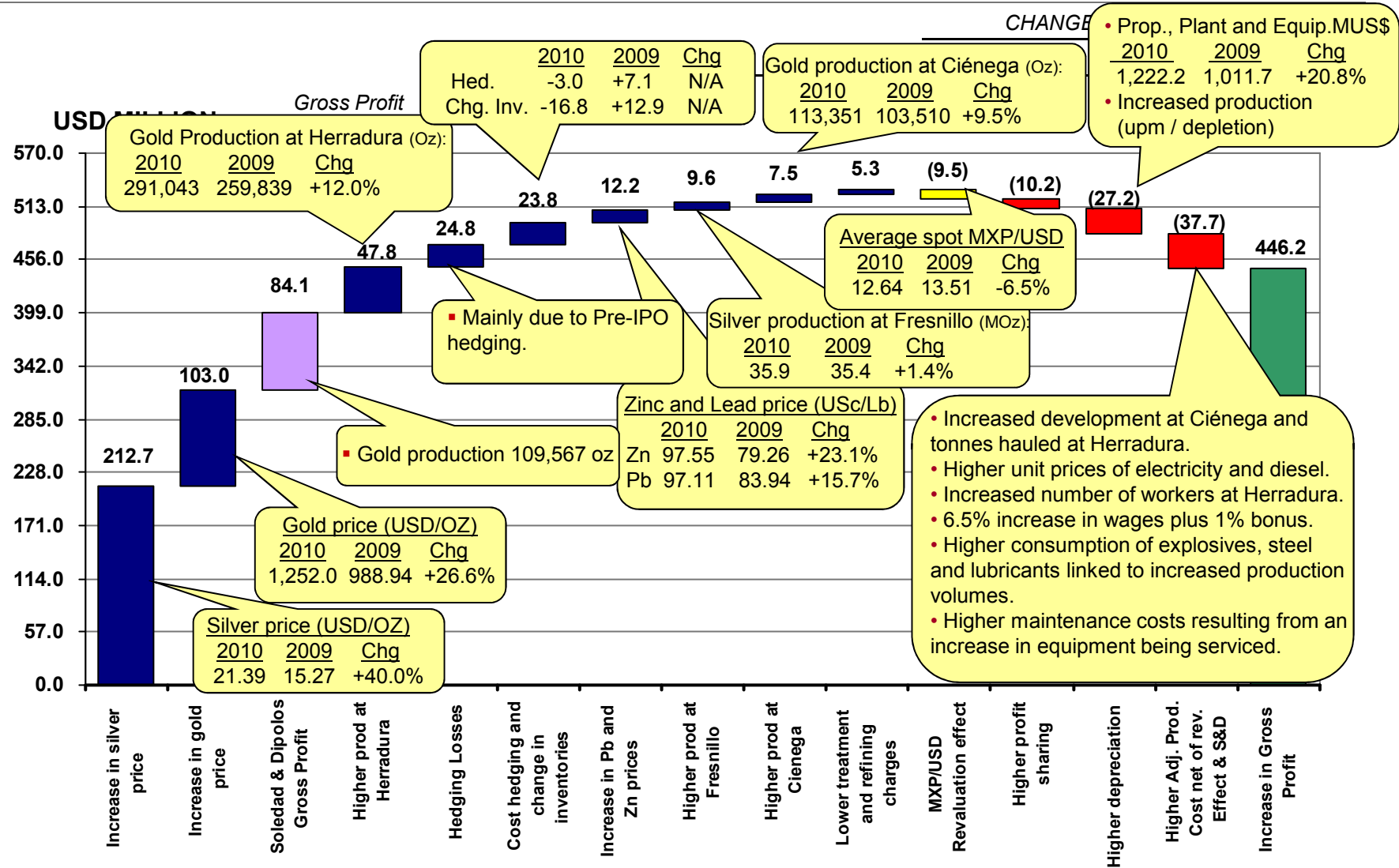


Consolidated Gross Profit Analysis





Consolidated Gross Profit Analysis





Consolidated Income Statement

CONCEPT (US\$ MILLIONS)	ACUM DECEMBER				CHANGE	
	2010	%	2009	%	\$	%
ADJUSTED REVENUES	1,473.9		944.0		530.0	56.1
HEDGING (METALS)	-		(24.8)		24.8	N/A
TREATMENT AND REFINING CHARGES	(64.4)		(69.2)		4.9	(7.0)
REVENUES	1,409.6	100.0	849.9	100.0	559.6	65.8
ADJUSTED PRODUCTION COST	(312.0)	(22.1)	(209.7)	(24.7)	(102.3)	48.8
PROFIT SHARING	(37.7)	(2.7)	(24.6)	(2.9)	(13.1)	53.3
DEPRECIATION	(105.2)	(7.5)	(67.3)	(7.9)	(37.9)	56.3
HEDGING (MXP/USD EXCHANGE RATE)	3.0	0.2	(7.1)	(0.8)	10.1	N/A
CHANGE IN INVENTORIES	16.8	1.2	(12.9)	(1.5)	29.7	N/A
COST OF SALES	(435.1)	(30.9)	(321.6)	(37.8)	(113.45)	35.3
GROSS PROFIT	974.5	69.1	528.3	62.2	446.16	84.5
ADMINISTRATIVE EXPENSES	(22.8)	(1.6)	(23.5)	(2.8)	0.8	(3.2)
CORPORATE EXPENSES	(29.8)	(2.1)	(26.4)	(3.1)	(3.5)	13.2
EXPLORATION EXPENSES	(82.1)	(5.8)	(49.1)	(5.8)	(33.0)	67.4
OTHER INCOME (EXPENSE)	(6.3)	(0.4)	(0.6)	(0.1)	(5.7)	N/A
PROFIT FROM CONTINUING OPERATIONS¹	833.5	59.1	428.8	50.4	404.7	94.4
SILVERSTREAM REVALUATION	191.8	13.6	19.4	2.3	172.4	N/A
FINANCE INCOME (EXPENSE)	0.4	0.0	(0.2)	(0.0)	0.6	N/A
FOREIGN EXCHANGE	(3.3)	(0.2)	9.5	1.1	(12.8)	N/A
PROFIT BEFORE INCOME TAX	1,022.4	72.5	457.4	53.8	564.9	123.5
INCOME TAX EXPENSE	(273.0)	(19.4)	(99.2)	(11.7)	(173.8)	175.3
PROFIT FOR THE PERIOD	749.4	53.2	358.3	42.2	391.1	109.2
ATTRIBUTABLE TO:						
EQUITY SHAREHOLDERS OF THE GROUP	665.1	47.2	322.0	37.9	343.1	106.6
MINORITY INTEREST	84.3	6.0	36.3	4.3	48.0	132.4
	749.4	53.2	358.3	42.2	391.1	109.2
EBITDA	945.0	67.0	496.7	58.4	448.3	90.3



Consolidated Income Statement without Silverstream Effect

CONCEPT (US\$ MILLIONS)	ACUM DECEMBER				CHANGE	
	2010	%	2009	%	\$	%
ADJUSTED REVENUES	1,473.9		944.0		530.0	56.1
HEDGING (METALS)	-		(24.8)		24.8	N/A
TREATMENT AND REFINING CHARGES	(64.4)		(69.2)		4.9	(7.0)
REVENUES	1,409.6	100.0	849.9	100.0	559.6	65.8
ADJUSTED PRODUCTION COST	(312.0)	(22.1)	(209.7)	(24.7)	(102.3)	48.8
PROFIT SHARING	(37.7)	(2.7)	(24.6)	(2.9)	(13.1)	53.3
DEPRECIATION	(105.2)	(7.5)	(67.3)	(7.9)	(37.9)	56.3
HEDGING (MXP/USD EXCHANGE RATE)	3.0	0.2	(7.1)	(0.8)	10.1	N/A
CHANGE IN INVENTORIES	16.8	1.2	(12.9)	(1.5)	29.7	N/A
COST OF SALES	(435.1)	(30.9)	(321.6)	(37.8)	(113.45)	35.3
GROSS PROFIT	974.5	69.1	528.3	62.2	446.16	84.5
ADMINISTRATIVE EXPENSES	(22.8)	(1.6)	(23.5)	(2.8)	0.8	(3.2)
CORPORATE EXPENSES	(29.8)	(2.1)	(26.4)	(3.1)	(3.5)	13.2
EXPLORATION EXPENSES	(82.1)	(5.8)	(49.1)	(5.8)	(33.0)	67.4
OTHER INCOME (EXPENSE)	(6.3)	(0.4)	(0.6)	(0.1)	(5.7)	N/A
PROFIT FROM CONTINUING OPERATIONS¹	833.5	59.1	428.8	50.4	404.7	94.4
SILVERSTREAM REVALUATION	-	-	-	-	-	
FINANCE INCOME (EXPENSE)	0.4	0.0	(0.2)	(0.0)	0.6	N/A
FOREIGN EXCHANGE	(3.3)	(0.2)	9.5	1.1	(12.8)	N/A
PROFIT BEFORE INCOME TAX	830.5	58.9	438.0	51.5	392.5	89.6
INCOME TAX EXPENSE	(215.4)	(15.3)	(93.7)	(11.0)	(121.7)	129.9
PROFIT FOR THE PERIOD	615.1	43.6	344.3	40.5	270.8	78.7
ATTRIBUTABLE TO:						
EQUITY SHAREHOLDERS OF THE GROUP	530.8	37.7	308.0	36.2	222.8	72.3
MINORITY INTEREST	84.3	6.0	36.3	4.3	48.0	132.4
	615.1	43.6	344.3	40.5	270.8	78.7
EBITDA	945.0	67.0	496.7	58.4	448.3	90.3

¹ Profit from continuing operations before net finance cost and income tax



Consolidated Income Statement

CONCEPT (US\$ MILLIONS)	ACUM DECEMBER				CHANGE	
	2010	%	2009	%	\$	%
ADJUSTED REVENUES	1,473.9		944.0		530.0	56.1
HEDGING (METALS)	-		(24.8)		24.8	N/A
TREATMENT AND REFINING CHARGES	(64.4)		(69.2)		4.9	(7.0)
REVENUES	1,409.6	100.0	849.9	100.0	559.6	65.8
ADJUSTED PRODUCTION COST	(312.0)	(22.1)	(209.7)	(24.7)	(102.3)	48.8
PROFIT SHARING	(37.7)	(2.7)	(24.6)	(2.9)	(13.1)	53.3
DEPRECIATION	(105.2)	(7.5)	(67.3)	(7.9)	(37.9)	56.3
HEDGING (MXP/USD EXCHANGE RATE)	3.0	0.2	(7.1)	(0.8)	10.1	N/A
CHANGE IN INVENTORIES	16.8	1.2	(12.9)	(1.5)	29.7	N/A
COST OF SALES	(435.1)	(30.9)	(321.6)	(37.8)	(113.45)	35.3
GROSS PROFIT	974.5	69.1	528.3	62.2	446.16	84.5
ADMINISTRATIVE EXPENSES	(22.8)	(1.6)	(23.5)	(2.8)	0.8	(3.2)
CORPORATE EXPENSES	(29.8)	(2.1)	(26.4)	(3.1)	(3.5)	13.2
EXPLORATION EXPENSES	(82.1)	(5.8)	(49.1)	(5.8)	(33.0)	67.4
OTHER INCOME (EXPENSE)	(6.3)	(0.4)	(0.6)	(0.1)	(5.7)	N/A
PROFIT FROM CONTINUING OPERATIONS¹	833.5	59.1	428.8	50.4	404.7	94.4
SILVERSTREAM REVALUATION	191.8	13.6	19.4	2.3	172.4	N/A
FINANCE INCOME (EXPENSE)	0.4	0.0	(0.2)	(0.0)	0.6	N/A
FOREIGN EXCHANGE	(3.3)	(0.2)	9.5	1.1	(12.8)	N/A
PROFIT BEFORE INCOME TAX	1,022.4	72.5	457.4	53.8	564.9	123.5
INCOME TAX EXPENSE	(273.0)	(19.4)	(99.2)	(11.7)	(173.8)	175.3
PROFIT FOR THE PERIOD	749.4	53.2	358.3	42.2	391.1	109.2
ATTRIBUTABLE TO:						
EQUITY SHAREHOLDERS OF THE GROUP	665.1	47.2	322.0	37.9	343.1	106.6
MINORITY INTEREST	84.3	6.0	36.3	4.3	48.0	132.4
	749.4	53.2	358.3	42.2	391.1	109.2
EBITDA	945.0	67.0	496.7	58.4	448.3	90.3

¹ Profit from continuing operations before net finance cost and income tax

Consolidated Income Statement

CONCEPT (US\$ MILLIONS)	CHANGE	
	\$	%
ADJUSTED REVENUES	530.0	56.1
HEDGING (METALS)	24.8	N/A
TREATMENT AND REFINING CHARGES	4.9	(7.0)
REVENUES	559.6	65.8
ADJUSTED PRODUCTION COST	(188.4)	(188.7)
PROFIT SHARING	(84.7)	(488.8)
DEPRECIATION	(488.8)	(488.8)
HEDGING (MXP/USD EXCHANGE RATE)		
CHANGE IN INVENTORIES		
COST OF SALES	(801.9)	(801.9)
GROSS PROFIT	(242.3)	(242.3)
ADMINISTRATIVE EXPENSES	(2.8)	
CORPORATE EXPENSES	(29.8)	
EXPLORATION EXPENSES	(82.1)	(5.9)
OTHER INCOME (EXPENSE)	(6.3)	(0.4)
PROFIT FROM CONTINUING OPERATIONS¹	833.5	59.1
SILVERSTREAM REVALUATION	191.8	191.8
FINANCE INCOME (EXPENSE)	0.4	0.0
FOREIGN EXCHANGE	(3.3)	
PROFIT BEFORE INCOME TAX	1,022.4	72.5
INCOME TAX EXPENSE	(273.0)	(19.4)
PROFIT FOR THE PERIOD	749.4	53.2
ATTRIBUTABLE TO:		
EQUITY SHAREHOLDERS OF THE GROUP	665.1	47.2
MINORITY INTEREST	84.3	6.0
	749.4	53.2
EBITDA	945.0	67.0

➤ Additional services provided by Peñoles related to: (i) the start up of commercial operations at Soledad-Dipolos, and (ii) the construction of Saucito.

➤ Fresnillo Mine	8.8	➤ Noche Buena Project	6.0
➤ Herradura Mine	8.3	➤ Herradura Corridor	5.7
➤ San Julián Project	7.5	➤ San Ramón Project	4.7
➤ Ciénega ¹ Mine	6.4	➤ Soledad-Dipolos Mine	2.3
➤ Orisyvo Mine	6.1	➤ Centauro Profundo Project	2.1
➤ Ciénega Mine	5.4	➤ Other	18.8

➤ Book Value at 31/12/10: US\$298.7m
 ➤ 2010 Amortisation: US\$62.8m
 ➤ 2010 Revaluation effect: US\$191.8m
 ➤ Fair Value: US\$427.6M

➤ Effect of the devaluation of GBP vs. USD (monetary asset position in GBP) and the revaluation of MXP vs. USD (monetary liability position in MXP).

➤ Effective tax rate 26.7%
 ➤ Effect of the revaluation of MXP vs. USD and of inflationary adjustments on Mexican taxes which have no effect on the Income Statement under USD IFRS.

¹ Profit from continuing operations before net finance cost and income tax



Consolidated Cash Flow

C O N C E P T	(US \$ millions)	2010	2009	CHANGE	
				\$	%
➔ CASH GENERATED BY OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		983.6	548.8	434.9	79.2
➔ WORKING CAPITAL		(165.9)	(37.8)	(128.1)	338.6
INCOME TAX AND PROFIT SHARING PAID		(117.0)	(120.2)	3.3	(2.7)
NET CASH FROM OPERATING ACTIVITIES		700.7	390.7	310.0	79.3
OTHER PROCEEDS					
➔ SILVERSTREAM CONTRACT		55.6	39.0	16.6	42.6
➔ SAUCITO CREDITS		25.6	10.8	14.8	137.7
CAPITAL CONTRIBUTION		2.8	0.9	1.9	215.3
NET INTEREST RECEIVED (PAID)		2.6	1.6	1.0	67.2
PROCEEDS FROM THE SALE OF PROPERTY, PLANT AND EQUIPMENT		0.1	1.0	(1.0)	(93.0)
TOTAL OTHER PROCEEDS		86.7	53.3	33.4	62.7
➔ PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(340.3)	(261.2)	(79.1)	30.3
➔ DIVIDENDS PAID		(191.1)	(93.6)	(97.5)	104.1
OTHERS		(5.9)	3.5	(9.4)	N/A
USES OF CASH		(537.3)	(351.3)	(186.0)	52.9
NET INCREASE / (DECREASE) IN CASH DURING THE PERIOD		250.1	92.6	157.4	N/A
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		(2.7)	7.6	(10.3)	N/A
CASH AND CASH EQUIVALENTS AT 1 JANUARY		312.2	212.0	100.2	47.3
CASH AND CASH EQUIVALENTS AT 31 DIC		559.5	312.2	247.3	79.2



Consolidated Cash Flow

CONCEPT	(US \$ millions)	2010	%
CASH GENERATED BY OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		983.6	79.2
WORKING CAPITAL		(165.9)	38.6
INCOME TAX AND PROFIT SHARING PAID		(117.0)	
NET CASH FROM OPERATING ACTIVITIES		700.7	
OTHER PROCEEDS			
SILVERSTREAM CONTRACT		55.6	
SAUCITO CREDITS		25.6	
CAPITAL CONTRIBUTION		2.8	
NET INTEREST RECEIVED (PAID)		2.6	
PROCEEDS FROM THE SALE OF PROPERTY, PLANT AND EQUIPMENT		0.1	
TOTAL OTHER PROCEEDS		86.7	
PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(340.3)	
DIVIDENDS PAID		(191.1)	
OTHERS		(5.1)	
USES OF CASH		(537.5)	
NET INCREASE / (DECREASE) IN CASH DURING THE PERIOD		250.1	
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		(2.7)	
CASH AND CASH EQUIVALENTS AT 1 JANUARY		312.2	
CASH AND CASH EQUIVALENTS AT 31 DIC		559.5	

- Trade and other receivables rose due to the increase in accounts receivables (increase in price and sales volumes).
- Inventories increased as a result of the higher volumes of ore deposited at the Soledad-Dipolos and ore from development works at Saucito.

- 3.1 Moz of silver. Proceeds from the Silverstream contract do not go through the Income Statement

- Proceeds generated from the development works at Saucito.

- Expansion of the Centauro pit, purchase of high-volume trucks and loaders, construction of leaching pads and acquisition of surface land at Herradura.
- Mining works, expansion of milling capacity, sinking of the shaft and purchase of land at Ciénega.
- Construction of the San Carlos Shaft.
- Stripping activities and construction of leaching pads at Soledad-Dipolos.
- Mining works, equipment and beneficiation plant at Saucito.
- Construction of the exploration ramp at San Julián.

- Final dividend (2009) \$116.2m paid in May 2010.
- Interim dividend (2010) US\$66.4 million paid in September 2010.
- US\$8.5 million dividend paid to minority shareholders.



Balance Sheet

Concept	USD millions	Dic-10	Dic-09	CHANGE %
Assets				
Cash and Investments		559.5	312.2	79.2
Trade and Other Receivables		236.7	128.4	84.3
Inventories		63.1	33.8	86.8
Prepaid Expenses		2.5	1.9	32.4
Silverstream (Long Term)		76.2	256.1	(70.3)
Silverstream (Short Term)		351.5	42.6	725.2
Derivative Financial Instruments		4.1	1.4	195.4
Property, Plant and Equipment		895.8	688.7	30.1
Other Assets (Long Term)		158.5	78.3	102.4
Total Assets		2,347.9	1,543.3	52.1
Liabilities				
Profit Sharing		39.6	25.8	53.6
Other Liabilities (Short Term)		125.4	48.4	159.2
Retirement and Pension Plan Reserves		6.4	5.8	10.5
Deferred Taxes		217.4	119.9	81.3
Other Liabilities (Long Term)		39.7	40.3	(1.6)
Total Liabilities		428.6	240.2	78.4
Stockholder's Equity		1,713.7	1,176.1	45.7
Minority Interest		205.6	127.0	61.9
Total Stockholder's Equity		1,919.3	1,303.1	47.3
Total Liabilities and Stockholder's Equity		2,347.9	1,543.3	52.1