



Interim Results 30 June 2011



Fresnillo plc

August 2, 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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Agenda

- 2011 Highlights Jaime Lomelín CEO
- Operations Review Jaime Lomelín CEO
- Exploration David Giles VP Exploration
- Financial Review Mario Arreguín CFO
- Conclusions Jaime Lomelín CEO
- Q&A



H1 2011 Operational Highlights

- Record half year silver production of 21.5 million ounces , (including the Silverstream), up 2.6%
- Record attributable gold production of 206,477 ounces, up 17.1%
- On track to achieve full year production targets of 44moz of silver (including 3.0 million ounces from the Silverstream) and 400,000oz of attributable gold
- Fresnillo plc's core operations were strengthened by the addition of Saucito as an operating mine
- Soledad-Dipolos reached its new capacity of 130,000 ounces per year
- Ciénega expanded milling capacity to 930,000 tpy became operational in June
- Construction of Nochebuena on track to start-up in H1 12
- Exploration results at San Julián, San Ramón, Centauro Deep, Nochebuena, Juanicipio and Orisyvo were encouraging

On track to produce 65 million ounces of silver and over 400,000 ounces of gold by 2018, and to support that level of production for at least 10 years



H1 2011 Financial Highlights

- Average realised silver price US\$35.74 per oz, up 99.3%
- Average realised gold price US\$1,462.31 per oz, up 24.8%
- Adjusted Revenue^[1] of US\$1,114.1m, up 75.1%
- Gross Profit of US\$774.6m, up 91.8%
- EBITDA^[2] up 92.0% to US\$757.0m, margins increased to 71.6% from 65.1%
- Attributable profit, excluding the Silverstream revaluation effects, up 102.3% to US\$422.0m (post-tax Silverstream revaluation effects: US\$66.7m)
- Cash generated by operations before changes in working capital US\$798.2m, up 90.1%
- Adjusted EPS^[3] up 102.1% to US\$0.588 per share, EPS up 121.1% to US\$0.681 per share
- Interim dividend 21.00 US cents per share, up by 128.3%.

[1] Adjusted revenue is revenue as disclosed in the income statement adjusted to exclude 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] Adjusted basic and diluted earnings per ordinary share from continuing operations, prior to the revaluation effects of the Silverstream contract.



Operations Review

August 2, 2011




Operation Review – Fresnillo District

	FRESNILLO				SAUCITO				
	H1 2011	H1 2010	Change	%	H1 2011	H1 2010*	Change	%	
Attributable production									
Silver	m oz	16.9	17.8	(1.0)	(5.4)	1.9	0.5	1.5	N/M
Gold	k oz	12.5	11.5	1.0	8.7	9.1	2.0	7.1	N/M
Lead	k t	6.7	5.8	0.9	15.5	0.6	0.1	0.5	N/M
Zinc	kt	6.6	6.0	0.6	9.4	0.3	0.0	0.3	N/M
Adjusted Revenue									
Adj Revenue	US\$ m	593.2	326.5	266.7	81.7	70.0	0.0	70.0	N/M
Contribution	%	53.2	51.3			6.3	0.0		
Costs									
Cost per tonne	US\$/t	42.3	40.0	2.3	5.7	47.0	0.0	47.0	N/M
Cost per Ag oz	US\$/oz	5.5	3.9	1.7	43.2	3.6	0.0	3.6	N/M
Gross Profit									
Gross Profit	US\$ m	451.7	224.2	227.5	101.5	46.2	0.0	46.2	N/M
Contribution	%	58.6	55.9			6.0	0.0		



[*] 2010 figures are from de development ore processed at Fresnillo mill.

Operation Review – Ciénega District

		CIÉNEGA			
					
		<u>H1 2011</u>	<u>H1 2010</u>	<u>Change</u>	<u>%</u>
<u>Attributable production</u>					
Gold	k oz	53.4	55.8	(2.4)	(4.3)
Silver	m oz	0.6	0.7	(0.1)	(14.8)
<u>Adjusted Revenue</u>					
Adj Revenue	US\$ m	108.0	84.6	23.4	27.6
Contribution	%	9.7	13.3		
<u>Costs</u>					
Cost per tonne	US\$/t	70.1	60.8	9.3	15.2
Cost per AU oz	US\$/oz	91.3	163.8	(72.6)	(44.3)
<u>Gross Profit</u>					
Gross Profit	US\$ m	54.0	43.4	10.6	24.4
Contribution	%	7.0	10.8		



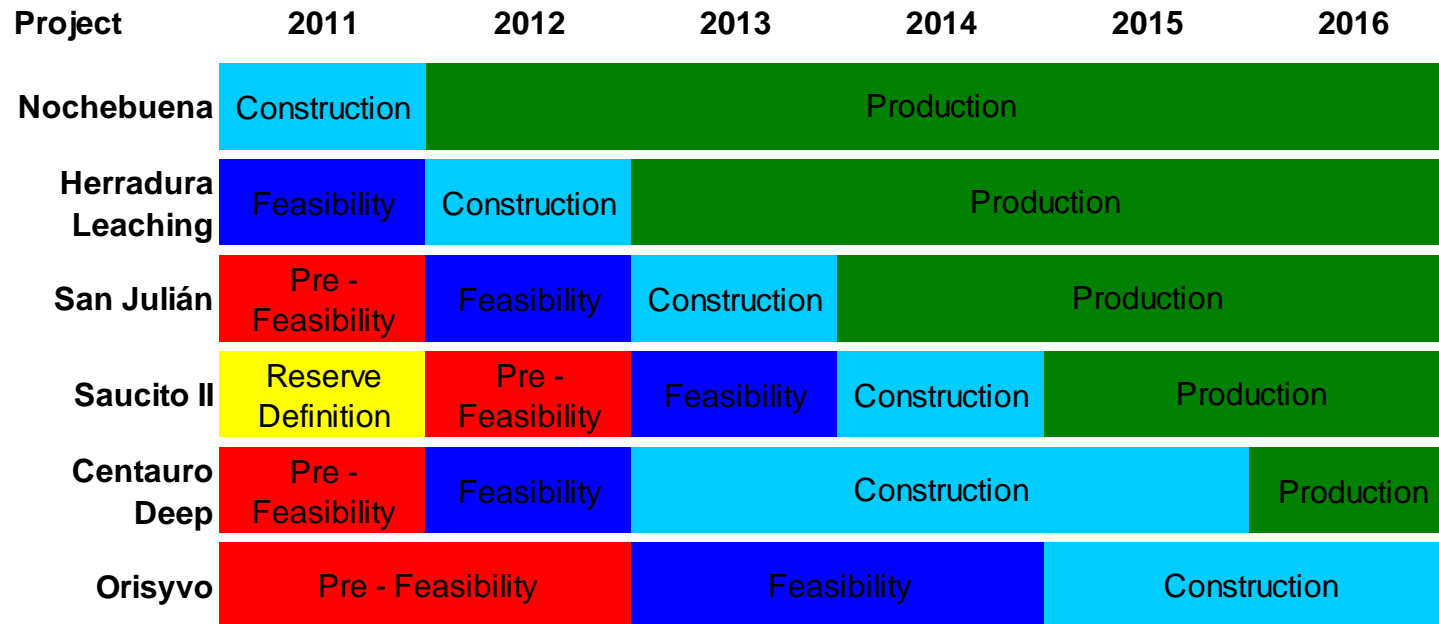
Operation Review – Herradura District

		HERRADURA				SOLEDAD-DIPOLOS			
									
		H1 2011	H1 2010	Change	%	H1 2011	H1 2010	Change	%
Attributable production									
Gold	k oz	88.2	79.6	8.7	10.9	43.3	27.5	15.7	57.2
Silver	m oz	0.1	0.1	0.0	16.4	0.0	0.0	0.0	N/M
Adjusted Revenue									
Adj Revenue	US\$ m	231.6	167.6	64.0	38.2	111.4	57.5	53.9	93.7
Contribution	%	20.8	26.3			10.0	9.0		
Costs									
Cost per tonne	US\$/t	5.5	5.0	0.5	9.8	6.1	4.6	1.5	32.3
Cost per Au oz	US\$/oz	306.8	323.5	(16.7)	(5.2)	447.0	307.3	139.7	45.5
Gross Profit									
Gross Profit	US\$ m	150.9	96.0	54.9	57.2	68.2	37.3	30.9	82.8
Contribution	%	19.6	24.0			8.8	9.3		



Estimated project delivery programme

On track to produce 65m oz of silver and over 400k oz of gold by 2018

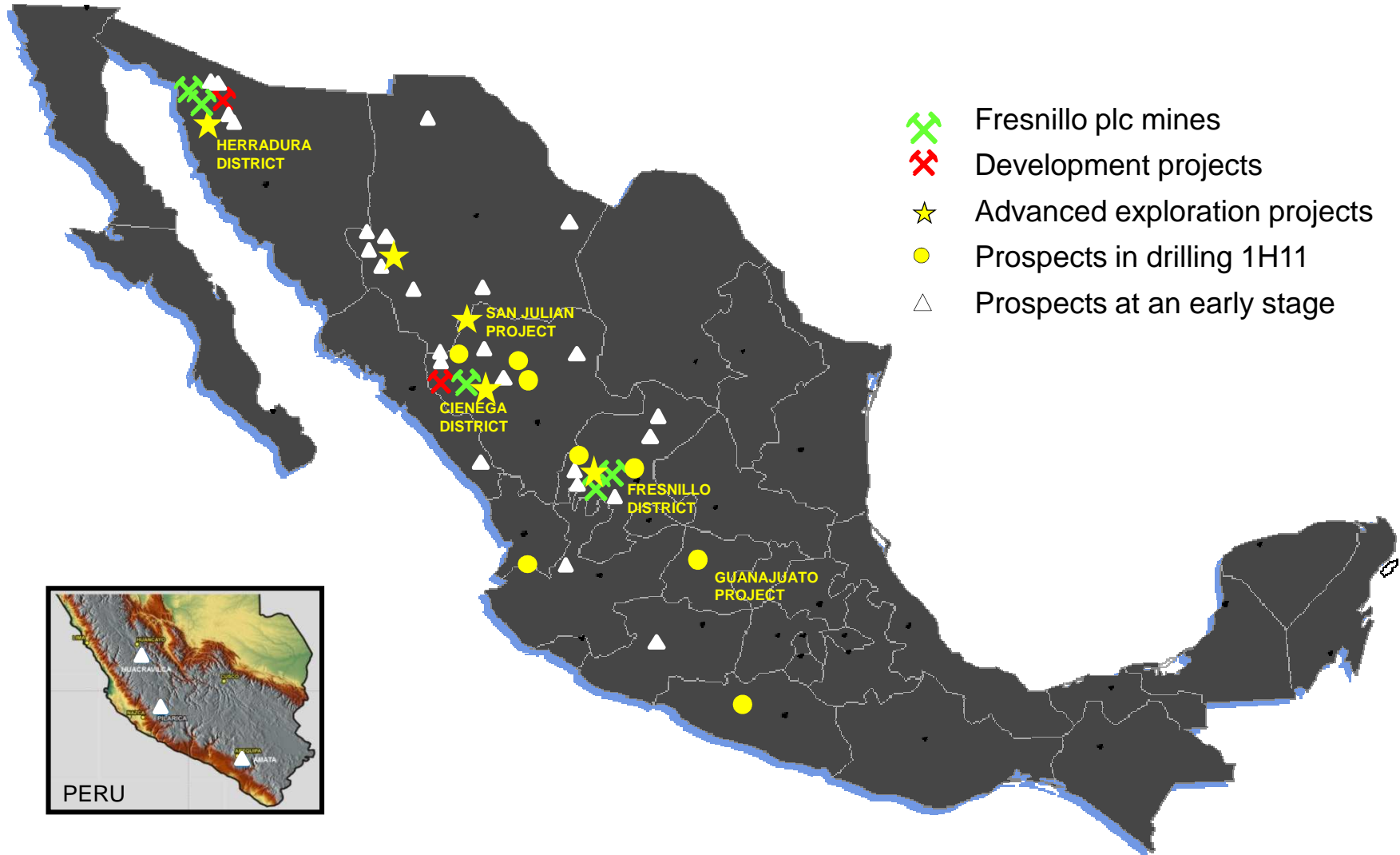


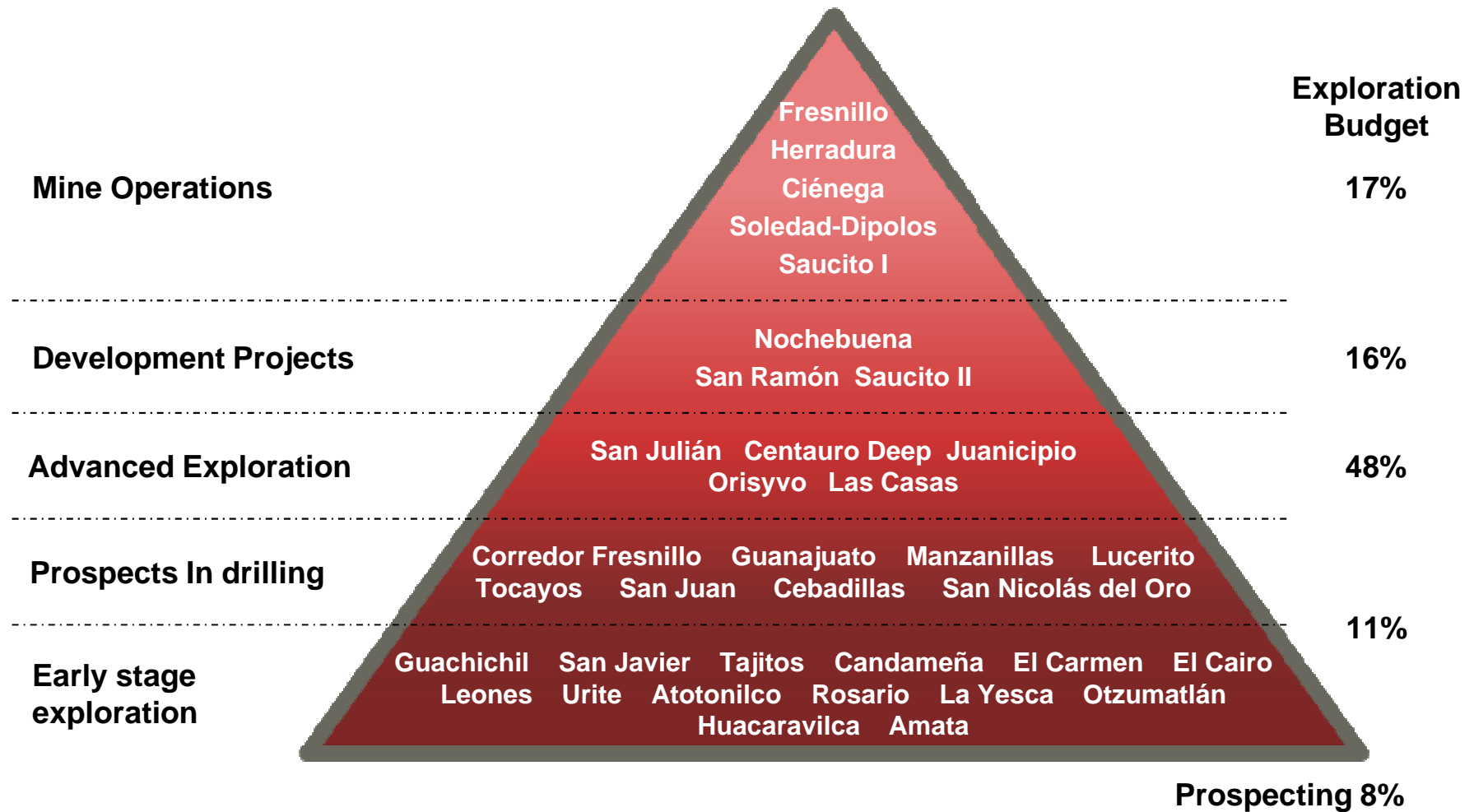


Exploration

August 2, 2011

- Exploration expenses US\$ 83.9 million
- 44 drill rigs advanced 226,500 m
- Good drilling results:
 - Herradura District: Centauro Deep and Noche Buena
 - Fresnillo District: Infill drilling at Minera Juanicipio
 - Ciénega District: San Ramón veins
 - San Julián Project: Shalom and Todos Santos veins
 - Guanajuato Project: Opulencia veins
- Scheduled advances:
 - Orisyvo (Chih.), Lucerito (Dgo.), Tocayos (Zac.), and Cebadillas (Nay.)
- Prospecting: Herradura Corridor (Sonora), Mesa Central (Zacatecas), Jalisco, Nayarit and Peru







Financial Review

August 2, 2011



Consolidated Income Statement (IFRS)

C O N C E P T	ACCUM JUNE				CHANGE	
	1H2011	%	1H2010	%	\$	%
ADJUSTED REVENUES	1,114.1		636.3		477.9	75.1
TREATMENT AND REFINING CHARGES	(57.2)		(30.6)		(26.6)	86.9
REVENUES	1,056.9	100.0	605.7	100.0	451.3	74.5
ADJUSTED PRODUCTION COST	(191.6)	(18.1)	(140.5)	(23.2)	(51.1)	36.4
PROFIT SHARING	(41.3)	(3.9)	(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION	(69.8)	(6.6)	(48.8)	(8.1)	(21.0)	43.0
HEDGING (MXP/USD EXCHANGE RATE)	4.7	0.4	2.5	0.4	2.2	87.4
CHANGE IN INVENTORIES	15.6	1.5	7.6	1.2	8.1	107.0
COST OF SALES	(282.4)	(26.7)	(201.9)	(33.3)	(80.5)	39.8
GROSS PROFIT	774.6	73.3	403.8	66.7	370.8	91.8
ADMINISTRATIVE EXPENSES	(12.2)	(1.2)	(10.9)	(1.8)	(1.3)	11.9
CORPORATE EXPENSES	(13.2)	(1.2)	(14.0)	(2.3)	0.8	(5.9)
EXPLORATION EXPENSES	(62.0)	(5.9)	(33.4)	(5.5)	(28.6)	85.7
OTHER INCOME (EXPENSE)	0.2	0.0	(0.3)	(0.1)	0.6	N/A
SELLING EXPENSES	(3.3)	(0.3)	(2.3)	(0.4)	(1.0)	43.8
PROFIT FROM CONTINUING OPERATIONS¹	684.2	64.7	342.9	56.6	341.3	99.5
SILVERSTREAM REVALUATION	93.6	8.9	17.3	2.8	76.4	N/A
FINANCE (INCOME) / EXPENSE	2.6	0.3	(0.6)	(0.1)	3.3	N/A
FOREIGN EXCHANGE	(4.4)	(0.4)	(5.1)	(0.8)	0.7	(13.9)
PROFIT BEFORE INCOME TAX	776.1	73.4	354.5	58.5	421.6	118.9
INCOME TAX EXPENSE	(222.9)	(21.1)	(95.6)	(15.8)	(127.2)	133.1
PROFIT FOR THE PERIOD	553.2	52.3	258.9	42.7	294.4	113.7
ATTRIBUTABLE TO:						
EQUITY SHAREHOLDERS OF THE GROUP	488.7	46.2	220.7	36.4	268.0	121.5
MINORITY INTEREST	64.6	6.1	38.2	6.3	26.4	69.1
	553.2	52.3	258.9	42.7	294.4	113.7
EBITDA	757.0	71.6	394.3	65.1	362.7	92.0

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



Consolidated Income Statement without Silverstream Effect (IFRS)

CONCEPT	(US\$ MILLIONS)	ACCUM JUNE				CHANGE	
		1H2011	%	1H2010	%	\$	%
ADJUSTED REVENUES		1,114.1		636.3		477.9	75.1
TREATMENT AND REFINING CHARGES		(57.2)		(30.6)		(26.6)	86.9
REVENUES		1,056.9	100.0	605.7	100.0	451.3	74.5
ADJUSTED PRODUCTION COST		(191.6)	(18.1)	(140.5)	(23.2)	(51.1)	36.4
PROFIT SHARING		(41.3)	(3.9)	(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION		(69.8)	(6.6)	(48.8)	(8.1)	(21.0)	43.0
HEDGING (MXP/USD EXCHANGE RATE)		4.7	0.4	2.5	0.4	2.2	87.4
CHANGE IN INVENTORIES		15.6	1.5	7.6	1.2	8.1	107.0
COST OF SALES		(282.4)	(26.7)	(201.9)	(33.3)	(80.5)	39.8
GROSS PROFIT		774.6	73.3	403.8	66.7	370.82	91.8
ADMINISTRATIVE EXPENSES		(12.2)	(1.2)	(10.9)	(1.8)	(1.3)	11.9
CORPORATE EXPENSES		(13.2)	(1.2)	(14.0)	(2.3)	0.8	(5.9)
EXPLORATION EXPENSES		(62.0)	(5.9)	(33.4)	(5.5)	(28.6)	85.7
OTHER INCOME (EXPENSE)		0.2	0.0	(0.3)	(0.1)	0.6	N/A
MARKET EXPENSES		(3.3)	(0.3)	(2.3)	(0.4)	(1.0)	43.8
PROFIT FROM CONTINUING OPERATIONS¹		684.2	64.7	342.9	56.6	341.3	99.5
SILVERSTREAM REVALUATION		-	-	-	-	-	N/A
FINANCE (INCOME) / EXPENSE		2.6	0.3	(0.6)	(0.1)	3.3	N/A
FOREIGN EXCHANGE		(4.4)	(0.4)	(5.1)	(0.8)	0.7	(13.9)
PROFIT BEFORE INCOME TAX		682.5	64.6	337.2	55.7	345.3	102.4
INCOME TAX EXPENSE		(195.9)	(18.5)	(90.4)	(14.9)	(105.5)	116.7
PROFIT FOR THE PERIOD		486.6	46.0	246.8	40.7	239.8	97.2
ATTRIBUTABLE TO:							
EQUITY SHAREHOLDERS OF THE GROUP		422.0	39.9	208.6	34.4	213.4	102.3
MINORITY INTEREST		64.6	6.1	38.2	6.3	26.4	69.1
		486.6	46.0	246.8	40.7	239.8	97.2

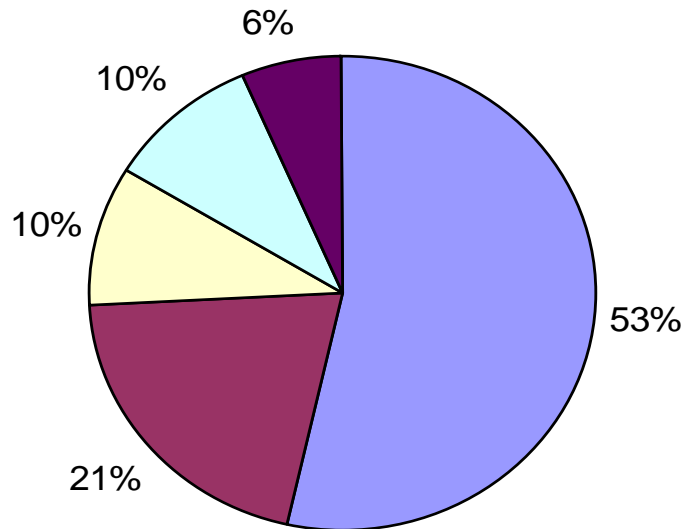
¹ Profit from continuing operations before net finance cost and income tax



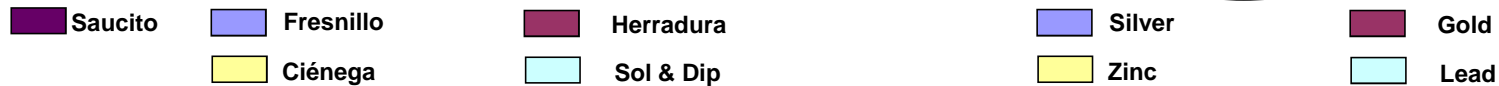
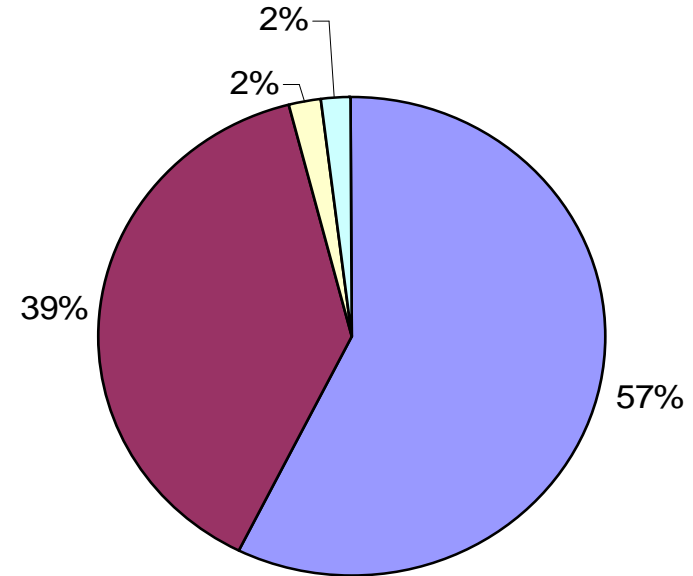
Contribution by mine and by metal to the Adjusted Revenues

Adj Revenues¹ : US\$1,114.1m

By mine



By metal



	Fresnillo		Ciénega		Herradura		Sol & Dip		Saucito		Consol	
Gold	14.67	2.5%	72.90	67.5%	222.96	96.3%	109.61	98.4%	11.42	16.3%	431.57	38.7%
Silver	552.69	93.2%	18.07	16.7%	8.67	3.7%	1.74	1.6%	57.41	82.1%	638.59	57.3%
Lead	13.71	2.3%	8.06	7.5%					0.90	1.3%	22.67	2.0%
Zinc	12.15	2.0%	8.94	8.3%					0.22	0.3%	21.31	1.9%
TOTAL	593.21	100%	107.97	100%	231.63	100%	111.35	100%	69.96	100%	1,114.13	100%



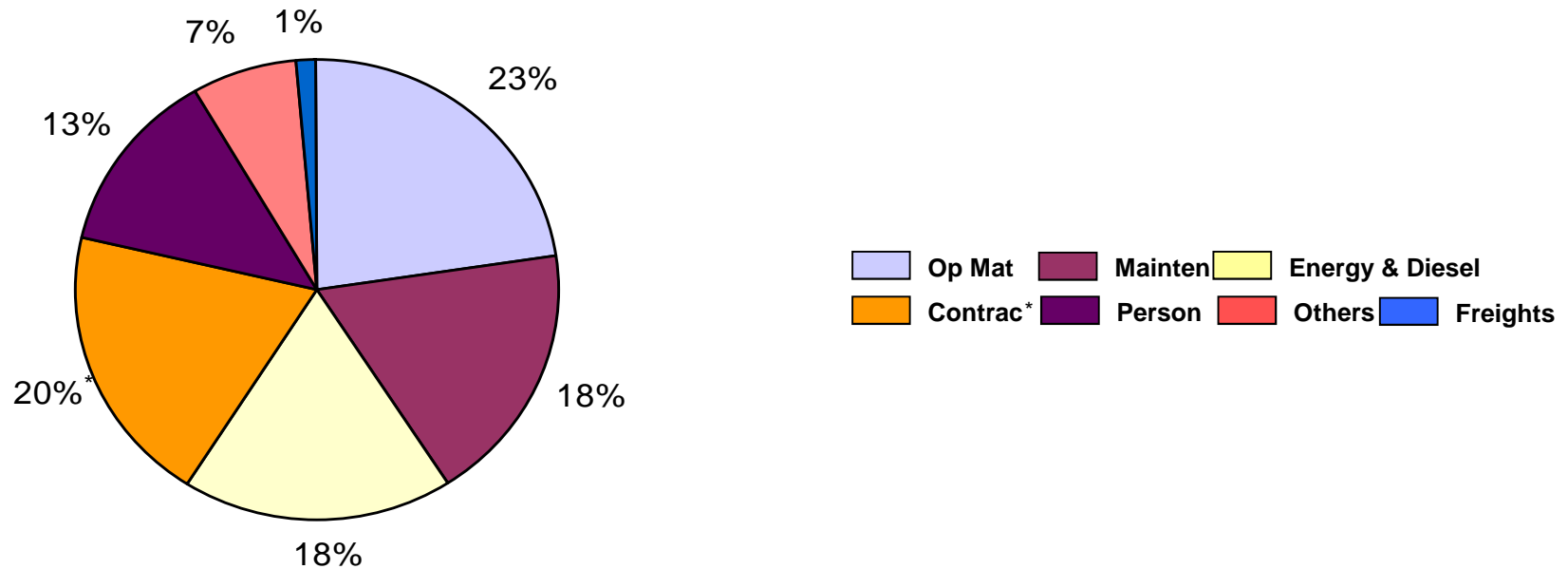
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PROFIT SHARING		(41.3)	(3.9)	(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION		(69.8)	(6.6)	(48.8)	(8.1)	(21.0)	43.0
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		553.2	52.3	258.9	42.7	294.4	113.7
EBITDA		757.0	71.6	394.3	65.1	362.7	92.0

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



Breakdown of the Adjusted Production Costs



	Fresnillo		Ciénega		Herradura		Sol & Dip		Saucito		Consol
Personnel	10.81	19.7%	5.27	17.1%	5.81	10.0%	2.80	8.3%	0.60	4.4%	25.28
Maintenance and repairs	8.85	16.1%	3.74	12.1%	13.61	23.3%	7.75	22.9%	0.72	5.3%	34.66
Operating materials	11.33	20.6%	5.90	19.1%	17.19	29.4%	7.77	23.0%	1.45	10.7%	43.63
Energy	9.27	16.9%	3.48	11.3%	13.83	23.7%	5.22	15.5%	2.86	21.0%	34.65
Contractors	10.47	19.1%	8.99	29.2%	4.32	7.4%	8.61	25.5%	5.24	38.5%	37.63
Freight	0.30	0.6%	0.43	1.4%	1.36	2.3%	0.51	1.5%	0.04	0.3%	2.65
Others	3.94	7.2%	3.02	9.8%	2.28	3.9%	1.12	3.3%	2.71	19.9%	13.07
Production Costs	54.96	100.0%	30.83	100.0%	58.40	100.0%	33.78	100.0%	13.60	100.0%	191.58

Increase in unit costs (USD)

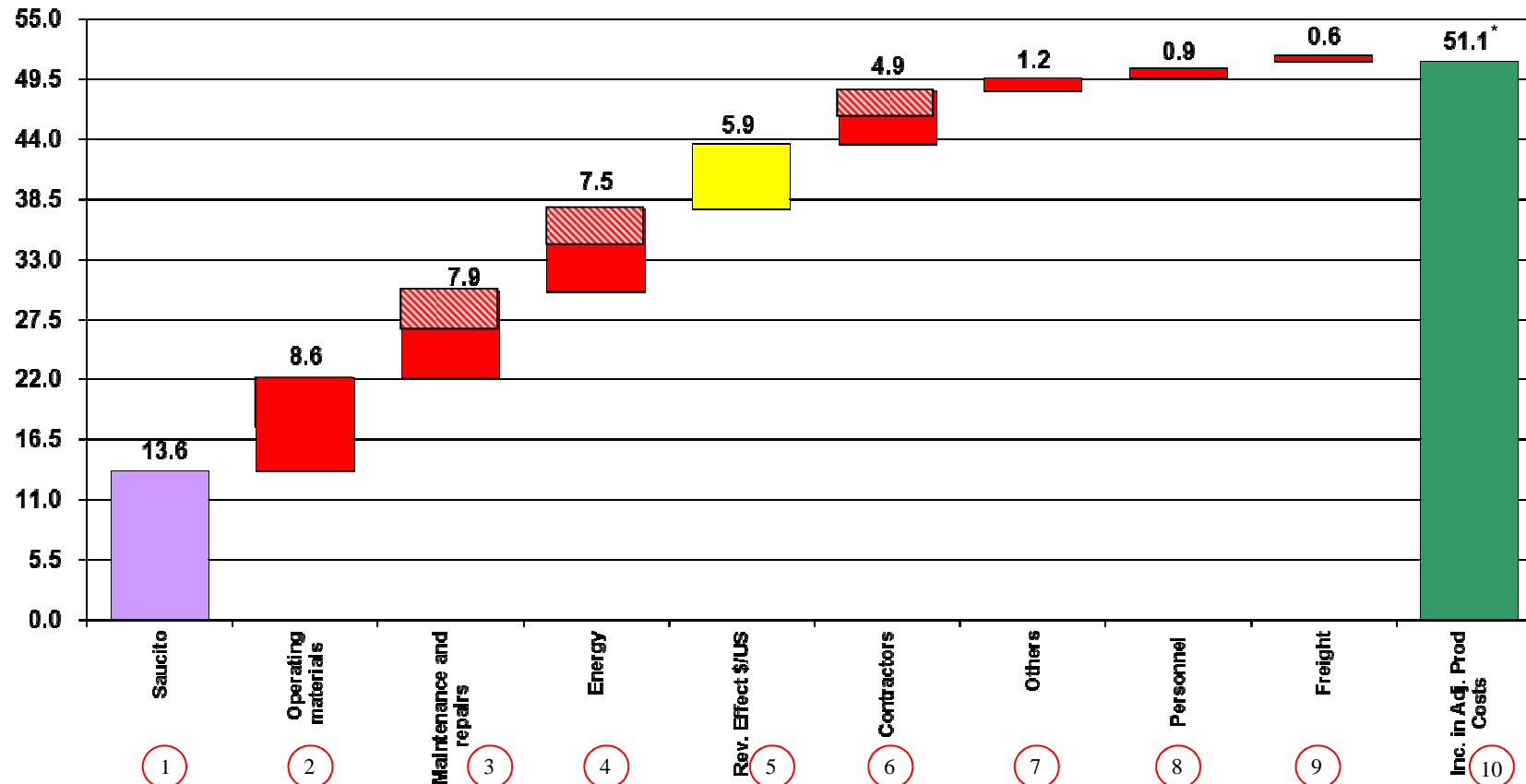
INPUTS		1H 11 VS 1H10
Energy	Electricity	11.2%
	Diesel	21.6%
Labour	Wages	13.0%
	Fringe benefits	7.7%
Operating Materials	Steel balls for milling	20.8%
	Steel for drilling	9.6%
	Explosives	12.7%
	Tyres	9.6%
	Sodium cyanide	26.7%
	Other reagents	23.3%
	Oils and other lubricants	22.1%
	Weighted average increase	13.2%



Adjusted Production Cost Analysis (Consolidated)

	1H11	1H10	CHANGE	
			\$	%
Adjusted Production Cost	191.6	140.5	51.1*	+36.4
Change in inventories	-15.6	-7.6	-8.0	+105.3
Depreciation	69.8	48.8	+21.0	+43.0
PTU	41.3	22.7	+18.6	+81.9
Hedging (mxp/usd exchange rate)	-4.7 (Profit)	-2.5 (Profit)	-2.2	+88.0
Cost of Sales	282.4	201.9	80.5	39.9

USD MILLION

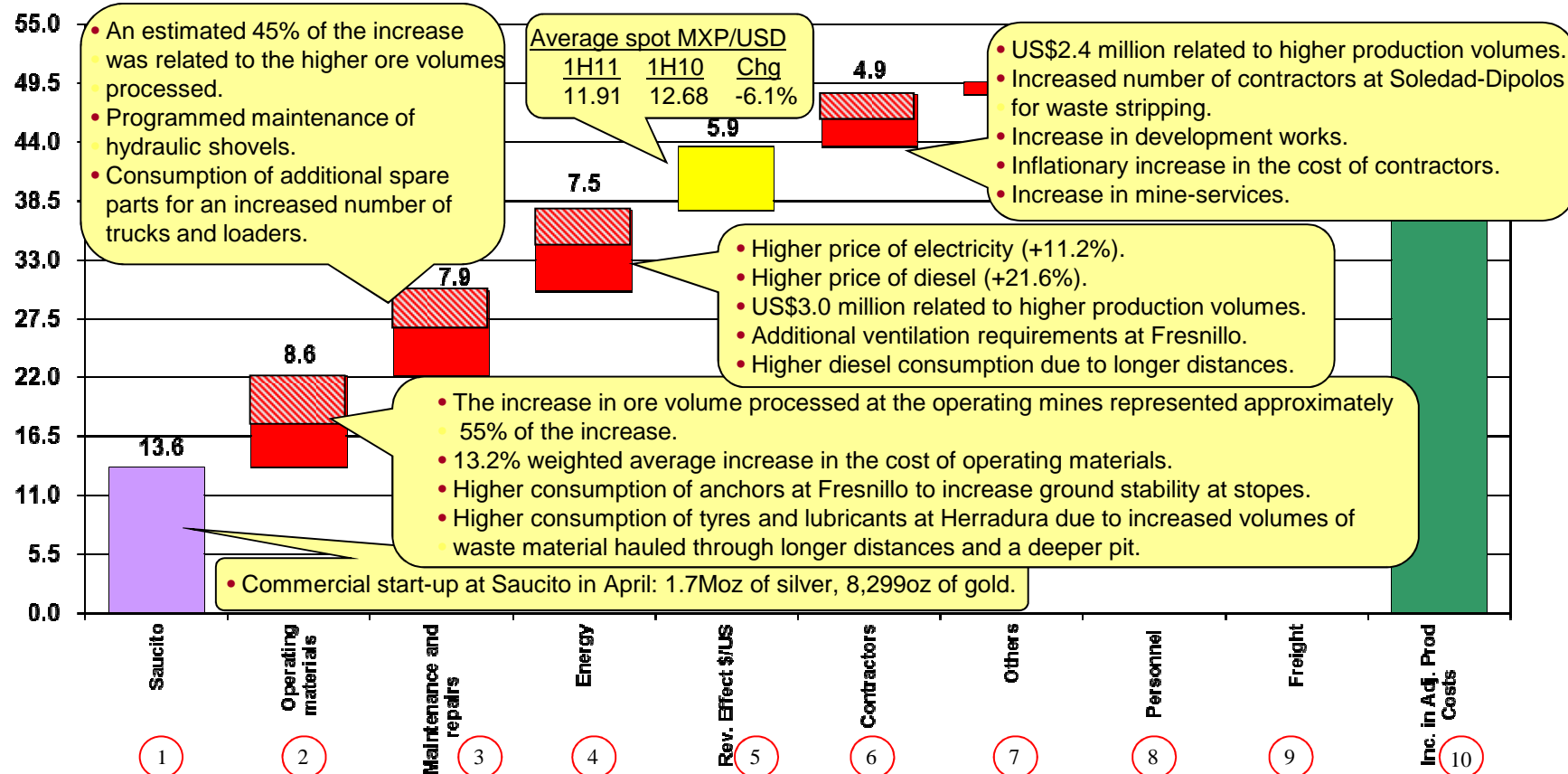




Adjusted Production Cost Analysis (Consolidated)

	1H11	1H10	CHANGE	
			\$	%
Adjusted Production Cost	191.6	140.5	51.1*	+36.4
Change in inventories	-15.6	-7.6	-8.0	+105.3
Depreciation	69.8	48.8	+21.0	+43.0
PTU	41.3	22.7	+18.6	+81.9
Hedging (mxp/usd exchange rate)	-4.7 (Profit)	-2.5 (Profit)	-2.2	+88.0
Cost of Sales	282.4	201.9	80.5	39.9

USD MILLION





Cost Per Tonne (IFRS)

COST PER TONNE*

MINE	UNIT	<u>1H2011</u>	<u>1H2010</u>	<u>% CHG.</u>
Fresnillo	US\$/TON	42.27	39.97	5.7%
Ciénega	US\$/TON	70.06	60.81	15.2%
Herradura	US\$/TON	5.52	5.03	9.8%
Soledad & Dipolos	US\$/TON	6.14	4.64	32.3%

* Cost per tonne is calculated as total production costs less depreciation, profit sharing and the exchange rate hedging effects.



Cash Cost (IFRS)

CASH COST*

MINE	UNIT	<u>1H2011</u>	<u>1H2010</u>	<u>% CHG.</u>
Fresnillo	PER OZ. SILVER	5.53	3.86	43.2%
Ciénega	PER OZ. GOLD	91.27	163.84	(44.3%)
Herradura	PER OZ. GOLD	306.75	323.48	(5.2%)
Soledad & Dipolos	PER OZ. GOLD	447.03	307.34	45.5%

* Cash cost per ounce is calculated as total cash cost (cost of sales plus treatment and refining charges less depreciation) less revenues from by-products divided by the silver or gold ounces sold.



Consolidated Income Statement (IFRS)

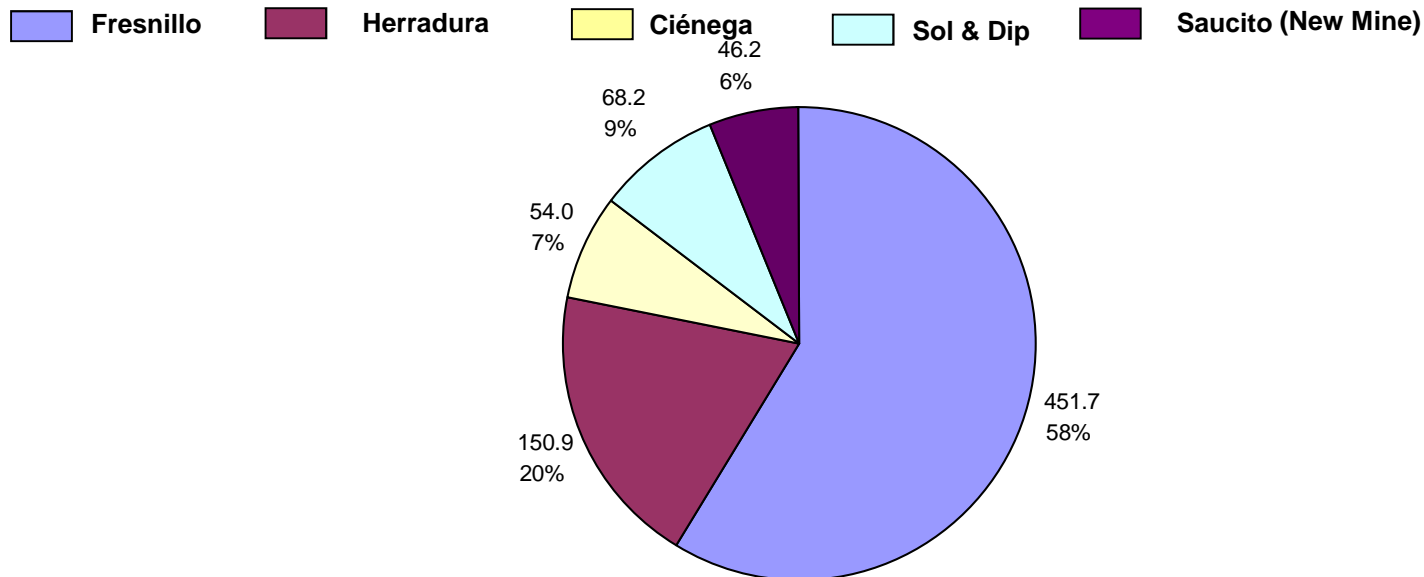
CONCEPT	(US\$ MILLIONS)	ACCUM JUNE				CHANGE	
		1H2011	%	1H2010	%	\$	%
ADJUSTED REVENUES		1,114.1		636.3		477.9	75.1
TREATMENT AND REFINING CHARGES		(57.2)		(30.6)		(26.6)	86.9
REVENUES		1,056.9	100.0	605.7	100.0	451.3	74.5
ADJUSTED PRODUCTION COST		(191.6)	(18.1)	(140.5)	(23.2)	(51.1)	36.4
PROFIT SHARING		(41.3)	(3.9)	(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION		(69.8)	(6.6)	(48.8)	(8.1)	(21.0)	43.0
HEDGING (MXP/USD EXCHANGE RATE)		4.7	0.4	2.5	0.4	2.2	87.4
CHANGE IN INVENTORIES		15.6	1.5	7.6	1.2	8.1	107.0
COST OF SALES		(282.4)	(26.7)	(201.9)	(33.3)	(80.5)	39.8
GROSS PROFIT		774.6	73.3	403.8	66.7	370.8	91.8
ADMINISTRATIVE EXPENSES		(12.2)	(1.2)	(10.9)	(1.8)	(1.3)	11.9
CORPORATE EXPENSES		(13.2)	(1.2)	(14.0)	(2.3)	0.8	(5.9)
EXPLORATION EXPENSES		(62.0)	(5.9)	(33.4)	(5.5)	(28.6)	85.7
OTHER INCOME (EXPENSE)		0.2	0.0	(0.3)	(0.1)	0.6	N/A
SELLING EXPENSES		(3.3)	(0.3)	(2.3)	(0.4)	(1.0)	43.8
PROFIT FROM CONTINUING OPERATIONS¹		684.2	64.7	342.9	56.6	341.3	99.5
SILVERSTREAM REVALUATION		93.6	8.9	17.3	2.8	76.4	N/A
FINANCE (INCOME) / EXPENSE		2.6	0.3	(0.6)	(0.1)	3.3	N/A
FOREIGN EXCHANGE		(4.4)	(0.4)	(5.1)	(0.8)	0.7	(13.9)
PROFIT BEFORE INCOME TAX		776.1	73.4	354.5	58.5	421.6	118.9
INCOME TAX EXPENSE		(222.9)	(21.1)	(95.6)	(15.8)	(127.2)	133.1
PROFIT FOR THE PERIOD		553.2	52.3	258.9	42.7	294.4	113.7
ATTRIBUTABLE TO:							
EQUITY SHAREHOLDERS OF THE GROUP		488.7	46.2	220.7	36.4	268.0	121.5
MINORITY INTEREST		64.6	6.1	38.2	6.3	26.4	69.1
		553.2	52.3	258.9	42.7	294.4	113.7
EBITDA		757.0	71.6	394.3	65.1	362.7	92.0

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



Contribution by mine to the Gross Profit

	1H 11		1H 10		CHANGE	
	US\$	%	US\$	%	US\$	%
Fresnillo	451.7	58.6%	224.2	55.9%	227.5	101.5
Herradura	150.9	19.6%	96.0	24.0%	54.9	57.2
Ciénega	54.0	7.0%	43.4	10.8%	10.6	24.4
Sol & Dipolos	68.2	8.8%	37.3	9.3%	30.9	82.8
Saucito	46.2	6.0%	-	0.0%	46.2	N/A
Total for operating mines	771.0	100.0%	400.9	100.0%	370.2	92.3
MXP/USD exchange rate hedging gains	4.7		2.5		2.2	88.0
Other subsidiaries	(1.1)		0.4		(1.5)	N/A
Total Fresnillo plc	774.6		403.8		370.8	91.8

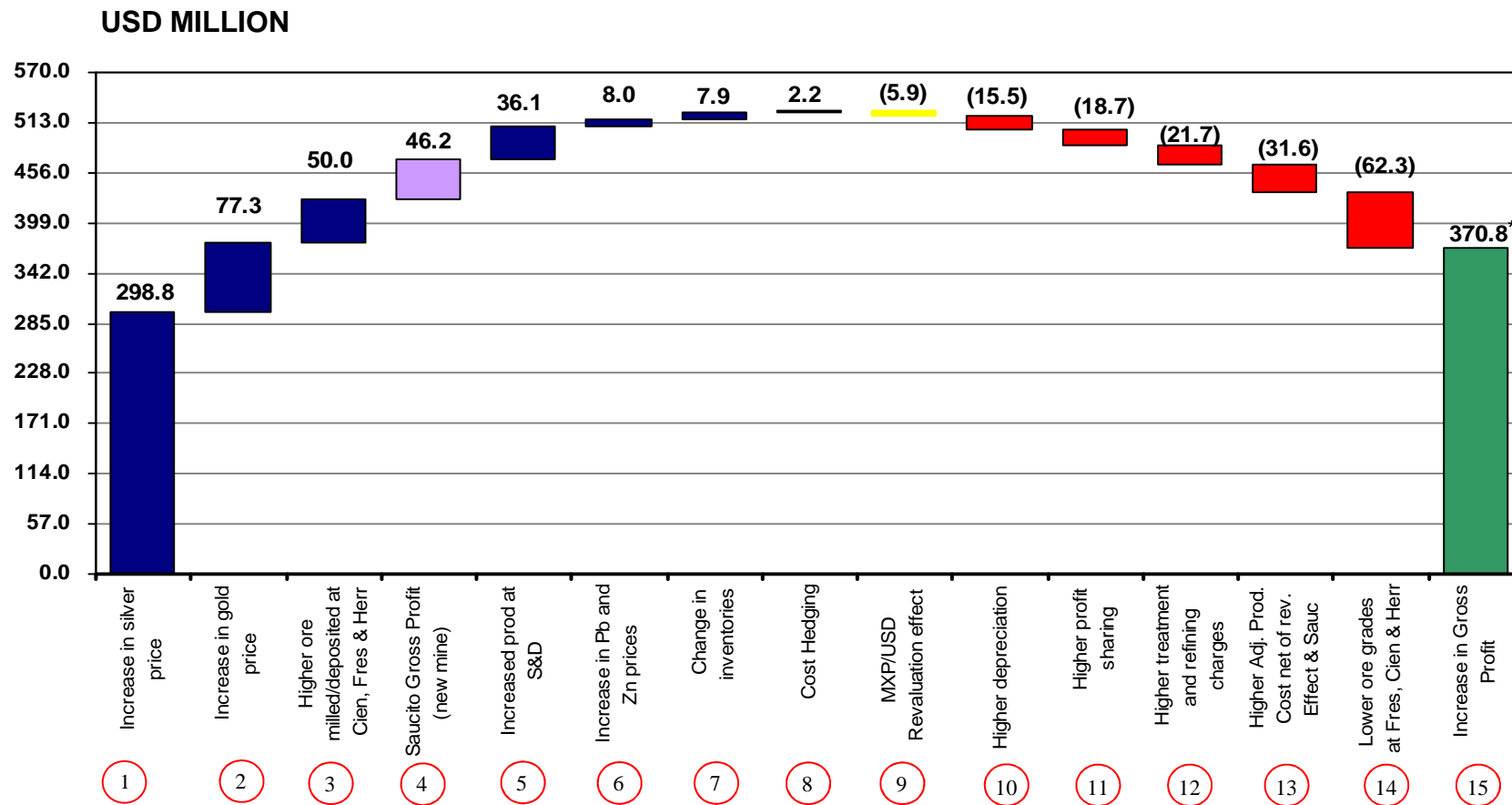


Gross Profit from operating units: US\$771.0m



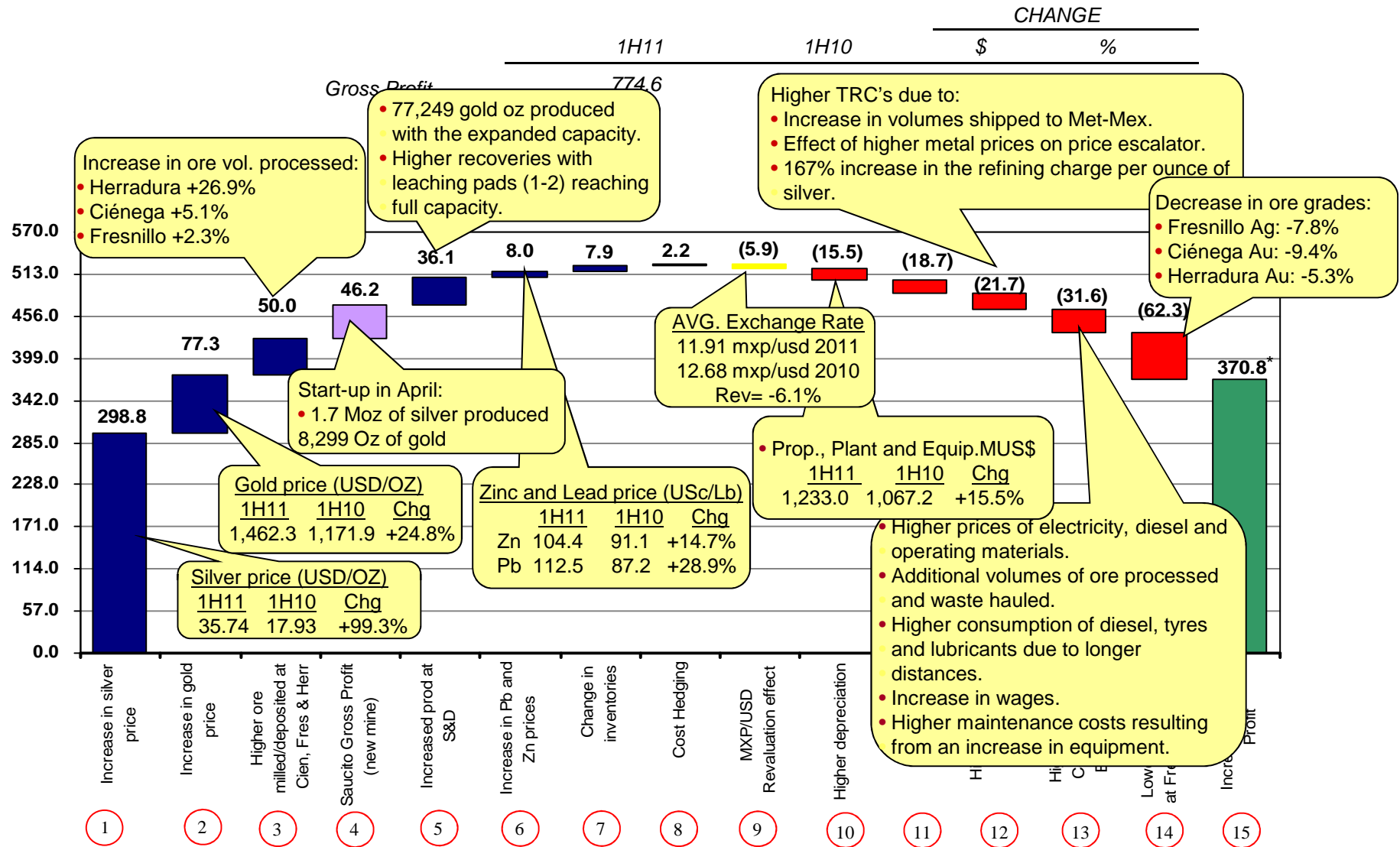
Consolidated Gross Profit Analysis

	1H11	1H10	CHANGE	
			\$	%
Gross Profit	774.6	403.8	+370.8*	+91.8





Consolidated Gross Profit Analysis





Consolidated Income Statement (IFRS)

CONCEPT	(US\$ MILLIONS)	ACCUM JUNE		CHANGE			
		1H2011	%	1H2010	%	\$	%
ADJUSTED REVENUES		1,114.1		636.3		477.9	75.1
TREATMENT AND REFINING CHARGES		(57.2)		(30.6)		(26.6)	86.9
REVENUES		1,056.9	100.0	605.7	100.0	451.3	74.5
ADJUSTED PRODUCTION COST		(191.6)	(18.1)	(140.5)	(23.2)	(51.1)	36.4
PROFIT SHARING		(41.3)	(3.9)	(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION		(69.8)	(6.6)	(48.8)	(8.1)	(21.0)	43.0
HEDGING (MXP/USD EXCHANGE RATE)		4.7	0.4	2.5	0.4	2.2	87.4
CHANGE IN INVENTORIES		15.6	1.5	7.6	1.2	8.1	107.0
COST OF SALES		(282.4)	(26.7)	(201.9)	(33.3)	(80.5)	39.8
GROSS PROFIT		774.6	73.3	403.8	66.7	370.8	91.8
→ ADMINISTRATIVE EXPENSES		(12.2)	(1.2)	(10.9)	(1.8)	(1.3)	11.9
→ CORPORATE EXPENSES		(13.2)	(1.2)	(14.0)	(2.3)	0.8	(5.9)
→ EXPLORATION EXPENSES		(62.0)	(5.9)	(33.4)	(5.5)	(28.6)	85.7
OTHER INCOME (EXPENSE)		0.2	0.0	(0.3)	(0.1)	0.6	N/A
SELLING EXPENSES		(3.3)	(0.3)	(2.3)	(0.4)	(1.0)	43.8
PROFIT FROM CONTINUING OPERATIONS¹		684.2	64.7	342.9	56.6	341.3	99.5
→ SILVERSTREAM REVALUATION		93.6	8.9	17.3	2.8	76.4	N/A
FINANCE (INCOME) / EXPENSE		2.6	0.3	(0.6)	(0.1)	3.3	N/A
FOREIGN EXCHANGE		(4.4)	(0.4)	(5.1)	(0.8)	0.7	(13.9)
PROFIT BEFORE INCOME TAX		776.1	73.4	354.5	58.5	421.6	118.9
→ INCOME TAX EXPENSE		(222.9)	(21.1)	(95.6)	(15.8)	(127.2)	133.1
PROFIT FOR THE PERIOD		553.2	52.3	258.9	42.7	294.4	113.7
ATTRIBUTABLE TO:							
EQUITY SHAREHOLDERS OF THE GROUP		488.7	46.2	220.7	36.4	268.0	121.5
MINORITY INTEREST		64.6	6.1	38.2	6.3	26.4	69.1
		553.2	52.3	258.9	42.7	294.4	113.7
EBITDA		757.0	71.6	394.3	65.1	362.7	92.0

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



Consolidated Income Statement (IFRS)

CONCEPT	(US\$ MILLIONS)	2010		CHANGE	
		1H2010	%	\$	%
ADJUSTED REVENUES		636.3		477.9	75.1
TREATMENT AND REFINING CHARGES		(30.6)		(26.6)	86.9
REVENUES		605.7	100.0	451.3	74.5
ADJUSTED PRODUCTION COST		(140.5)	(23.2)	(51.1)	36.4
PROFIT SHARING		(22.7)	(3.7)	(18.7)	82.2
DEPRECIATION		(48.8)	(8.1)	(21.0)	43.0
HEDGING (MXP/USD EXCHANGE RATE)		2.5	0.4	2.2	87.4
CHANGE IN INVENTORIES		7.6	1.2	8.1	107.0
COST OF SALES		(201.9)	(33.3)	(80.5)	39.8
GROSS PROFIT		403.8	66.7	370.8	91.8
ADMINISTRATIVE EXPENSES		(10.9)	(1.8)	(1.3)	11.9
CORPORATE EXPENSES		(11.0)	(2.3)	0.8	(5.9)
EXPLORATION EXPENSES		(1.2)			
OTHER INCOME (EXPENSE)		(1.2)			
SELLING EXPENSES		(3.2)			
PROFIT FROM CONTINUING OPERATIONS¹		684.2			
SILVERSTREAM REVALUATION		93.6			
FINANCE (INCOME) / EXPENSE		2.6			
FOREIGN EXCHANGE		(4.4)			
PROFIT BEFORE INCOME TAX		776.1			
INCOME TAX EXPENSE		(222.9)			
PROFIT FOR THE PERIOD		553.2	52.3		
ATTRIBUTABLE TO:					
EQUITY SHAREHOLDERS OF THE GROUP		488.7	46.2		
MINORITY INTEREST		64.6	6.1	26.4	69.1
		553.2	52.3	294.4	113.7
EBITDA		757.0	71.6	362.7	92.0

- Increased number of administrative personnel hired to service a larger number of mines and projects.
- Legal and advisory fees related to the new Bribery Act and UK Corporate Governance Code.

➤ Ciénega	4.5	➤ Orisyvo	5.0
➤ Fresnillo	4.0	➤ Corredor Herradura	2.6
➤ Herradura	5.3	➤ San Juan	1.0
➤ Noche Buena	5.7	➤ Soledad & Dipolos	1.4
➤ San Julián	5.6	➤ San Ramón	10.4
➤ Cent Deep	2.5	➤ Peru	1.7
➤ Saucito	1.7	➤ Manzanillas	1.4
➤ Others	9.2		

- Book value at 31/12/10: US\$427.7M
- 1H11 Amortisation: US\$59.1M
- 1H11 Revaluation effect: US\$93.6M
- Fair Value: US\$462.2M

- Effective tax rate = 28.7% vs. 30% Statutory ITR
- Effect of MXP revaluation vs USD

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



Consolidated Cash Flow (IFRS)

C O N C E P T	(US \$ millions)	1H2011	1H2010	CHANGE	
				\$	%
CASH GENERATED BY OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		798.2	419.9	378.3	90.1
➔ WORKING CAPITAL		(42.6)	(53.3)	10.7	(20.0)
INCOME TAX AND PROFIT SHARING PAID		<u>(166.2)</u>	<u>(61.0)</u>	(105.2)	172.5
NET CASH FROM OPERATING ACTIVITIES		589.4	305.6	283.8	92.9
<u>OTHER PROCEEDS</u>					
➔ SILVERSTREAM CONTRACT		56.3	21.7	34.6	159.9
CAPITAL CONTRIBUTION		0.8	1.4	(0.6)	(39.7)
NET INTEREST RECEIVED (PAID)		3.8	1.0	2.9	294.5
PROCEEDS FROM THE SALE OF PROPERTY, PLANT AND EQUIPMENT		<u>2.6</u>	<u>0.2</u>	2.3	998.0
TOTAL OTHER PROCEEDS		63.6	24.3	39.3	162.0
➔ PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(201.2)	(131.1)	(70.1)	53.5
OTHERS		(2.7)	(1.3)	(1.4)	111.9
➔ DIVIDENDS PAID		<u>(290.0)</u>	<u>(116.2)</u>	(173.8)	149.5
USES OF CASH		(493.9)	(248.6)	(245.3)	98.7
NET INCREASE / (DECREASE) IN CASH DURING THE PERIOD		159.1	81.3	77.8	95.7
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		(0.8)	(3.7)	2.9	(78.5)
CASH AND CASH EQUIVALENTS AT 01 JAN		<u>559.5</u>	<u>312.2</u>	247.3	79.2
CASH AND CASH EQUIVALENTS AT 31 JUNE		<u>717.9</u>	<u>389.8</u>	328.1	84.2



Consolidated Cash Flow (IFRS)

CONCEPT	(US \$ millions)	1H2011	1H2010	2010	%
CASH GENERATED BY OPERATIONS BEFORE CHANGES IN WORKING CAPITAL		798.2	798.2	798.2	90.1
→ WORKING CAPITAL		(42.6)	(53.3)	10.7	(20.0)
INCOME TAX AND PROFIT SHARING PAID		(166.2)	(61.0)	(105.2)	172.5
NET CASH FROM OPERATING ACTIVITIES		589.4	305.6	283.8	92.9
OTHER PROCEEDS					
→ SILVERSTREAM CONTRACT		56.3	1.0	0.0	994.5
CAPITAL CONTRIBUTION		0.8	0.0	0.0	0.0
NET INTEREST RECEIVED (PAID)		3.8	1.0	0.0	0.0
PROCEEDS FROM THE SALE OF PROPERTY, PLANT AND EQUIPMENT		2.6	0.0	0.0	0.0
TOTAL OTHER PROCEEDS		63.6	1.0	0.0	0.0
→ PURCHASE OF PROPERTY, PLANT AND EQUIPMENT		(201.2)	(201.2)	(201.2)	(201.2)
OTHERS		(2.7)	(2.7)	(2.7)	(2.7)
→ DIVIDENDS PAID		(290.0)	(290.0)	(290.0)	(290.0)
USES OF CASH		(493.9)	(493.9)	(493.9)	(493.9)
NET INCREASE / (DECREASE) IN CASH DURING THE PERIOD		159.1	159.1	159.1	159.1
EFFECT OF EXCHANGE RATE ON CASH AND CASH EQUIVALENTS		(0.8)	(0.8)	(0.8)	(0.8)
CASH AND CASH EQUIVALENTS AT 01 JANUARY		559.5	559.5	559.5	559.5
CASH AND CASH EQUIVALENTS AT 31 JUNE		717.9	717.9	717.9	717.9

• Increase in working capital resulted mainly from higher prices and volumes sold to Met-Mex Peñoles (smelting & refining).

• 1.5 MOz proceeds from the silverstream contract, which do not go through the Income Statement.

• Final dividend (2010): US\$254.9M paid in May 2011.
 • US\$35.1M dividends paid to minority (Newmont) shareholders in April 2011.

Ciénega:

- Mine development, expansion of the plant and sinking of the shaft.

Saucito:

- Development and purchase of equipment.

Herradura:

- Construction of leaching pads and dynamic cyanidation.

Soledad-Dipolos:

- Purchase of equipment and construction of leaching pads.

Fresnillo:

- Mine development and construction of the San Carlos shaft.
- Noche Buena gold project.
- Construction of the ramp at the San Julián project.
- Exploration works at Juanicipio.



Consolidated Balance Sheet (IFRS)

Concept	30-JUNE-11	31-DEC-10	Change %
Asset			
Cash and Investments	717.9	559.5	28.3
Trade and Other Receivables	239.5	236.7	1.2
Inventories	79.1	63.1	25.4
Prepaid Expenses	1.4	2.5	(43.6)
Silverstream	462.2	427.7	8.1
Derivative Financial Instruments	6.8	4.1	67.6
Property, Plant and Equipment	1,018.8	895.8	13.7
Other Assets (Long term)	157.1	158.5	(0.9)
Total Assets	2,682.8	2,347.9	14.3
Liabilities			
Profit Sharing	41.5	39.6	4.8
Other Liabilities (Short term)	121.8	125.4	(2.9)
Retirement and Pension Plan Reserves	7.3	6.4	14.3
Deferred Taxes	297.6	217.4	36.9
Other Liabilities (Long term)	42.8	39.7	7.8
Total Liabilities	511.1	428.6	19.2
Stockholder's Equity	1,935.8	1,713.7	13.0
Minority Interest	235.9	205.6	14.7
Total Stockholder's Equity	2,171.7	1,919.3	13.2
Total Liabilities and Stockholder's Equity	2,682.8	2,347.9	14.3



Conclusion



Focus on improving safety

- Reinforce our zero tolerance policy focus on health and safety performance. Regrettably we suffered two fatalities of unionised personnel, additionally, the contractors at our operations, suffered six fatalities.
- Conduct additional awareness campaigns and training
- Hire a safety consultant to identify further areas to improve its safety performance
- Conduct an audit of the Group's safety procedures
- Reinforce safety procedures with contractors

-
- 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 in 2011:
 - Silver production to grow by 5% to 44moz per year
 - Gold production to grow by 8% to 400,000 oz per year
 - Commissioning of San Carlos Shaft at Fresnillo
 - Saucito to produce 4.7 moz of silver
 - La Ciénega expansion and shaft extension fully ramped up
 - Construction of Nochebuena
 - Feasibility study of the leaching plant in 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