

Southern Peru Copper Corporation
and Subsidiaries

SUMMARY OF EARNINGS

(Unaudited)

	Three Months Ended			Twelve Months Ended		
	December 31,			December 31,		
	<u>2002</u>	<u>2001</u>	%	<u>2002</u>	<u>2001</u>	%
	(in millions, except for per share data)					
Sales	\$165.2	\$160.8	2.7	\$664.7	\$657.5	1.1
Earnings before taxes on income, minority interest of investment shares and extraordinary loss	27.0	19.6	37.8	110.0	71.5	53.8
Taxes on income	12.0	5.6	114.3	40.0	22.1	81.0
Minority interest of investment shares in income of Peruvian Branch	0.2	0.1	100.0	0.9	0.7	28.6
Earnings before extraordinary loss	14.8	13.9	6.5	69.1	48.7	41.9
Extraordinary loss, net of income tax benefit of \$3.9 in 2002 and \$1.0 in 2001	-	2.1		8.5	2.1	
Net earnings	\$14.8	\$11.8	25.4	\$60.6	\$46.6	30.0
Weighted average common shares outstanding (Basic)	80.0	80.0		80.0	80.0	
Weighted average common shares outstanding (Diluted)	80.0	80.0		80.0	80.0	
Per Comon share amounts:						
Net earnings before extraordinary loss	\$0.18	\$0.18		\$0.86	\$0.61	
Extraordinary loss from early extinguishment of debt	-	(0.03)		(0.10)	(0.03)	
Net earnings - Basic and Diluted	\$0.18	\$0.15		\$0.76	\$0.58	

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AVERAGE METAL PRICES

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	<u>2002</u>	<u>2001</u>	<u>%</u>	<u>2002</u>	<u>2001</u>	<u>%</u>
Copper (per pound - LME)	\$ 0.70	\$ 0.65	8	\$ 0.71	\$ 0.72	(1)
Copper (per pound - COMEX)	\$ 0.71	\$ 0.66	8	\$ 0.72	\$ 0.73	(1)
Silver (per ounce - COMEX)	\$ 4.52	\$ 4.27	6	\$ 4.60	\$ 4.36	6
Molybdenum (per pound - Metals Week Mean)	\$ 3.28	\$ 2.32	41	\$ 3.77	\$ 2.36	60

Metal Production and Sales

	Three Months Ended December 31,			Twelve Months Ended December 31,		
	<u>2002</u>	<u>2001</u>	<u>%</u>	<u>2002</u>	<u>2001</u>	<u>%</u>
<u>Copper (000s pounds)</u>						
Mined	209,300	218,400	(4)	763,900	754,600	1
Refined	183,700	188,400	(2)	737,500	731,200	1
Sales	205,500	218,400	(6)	805,600	817,100	(1)
<u>Silver (000s ounces)</u>						
Mined	1,150	1,097	5	3,710	3,829	(3)
Refined	1,051	830	27	3,660	3,452	6
Sales	1,158	1,005	15	4,034	3,951	2
<u>Molybdenum (000s pounds)</u>						
Mined	4,742	5,648	(16)	18,340	18,412	--
Sales	4,612	5,647	(18)	18,178	18,511	(2)

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CONDENSED CONSOLIDATED STATEMENT OF EARNINGS

(Unaudited)

	Three Months Ended		%	Twelve Months Ended		%
	December 31,			December 31,		
	2002	2001		2002	2001	
	(in thousands, except for per share data)					
Net sales	\$ 165,214	\$ 160,767	3	\$ 664,650	\$ 657,521	1
Operating costs and expenses:						
Cost of sales	109,924	108,991	1	442,477	452,648	(2)
Administrative and other expenses	6,067	7,982	(24)	27,583	30,904	(11)
Depreciation, amortization and depletion	18,508	20,058	(8)	67,840	76,285	(11)
Exploration expense	1,387	2,758	(50)	7,766	8,461	(8)
Total operating costs and expenses	<u>135,886</u>	<u>139,789</u>	(3)	<u>545,666</u>	<u>568,298</u>	(4)
Operating income	29,328	20,978	40	118,984	89,223	33
Interest income	751	2,736	(73)	2,796	16,875	(83)
Other income and (expense)	136	3,413	(96)	1,573	4,773	(67)
Interest expense	<u>(3,232)</u>	<u>(7,546)</u>	(57)	<u>(13,406)</u>	<u>(39,323)</u>	(66)
Earnings before taxes on income, minority interest of investment shares and extraordinary loss	26,983	19,581	38	109,947	71,548	54
Taxes on income	12,059	5,544	118	39,999	22,142	81
Minority interest of investment shares in income of Peruvian Branch	<u>155</u>	<u>56</u>	177	<u>857</u>	<u>696</u>	-
Earnings before extraordinary loss	14,769	13,981	6	69,091	48,710	42
Extraordinary loss from early extinguishment of debt, net of income tax benefits of \$3,876 in 2002 and \$967 in 2001	<u>-</u>	<u>2,159</u>		<u>8,536</u>	<u>2,159</u>	
Net earnings	<u>\$ 14,769</u>	<u>\$ 11,822</u>	25	<u>\$ 60,555</u>	<u>\$ 46,551</u>	30
Per common share amounts:						
Net earnings						
Earnings before extraordinary loss	\$ 0.18	\$ 0.18		\$ 0.86	\$ 0.61	
Extraordinary loss from early extinguishment of debt	-	(0.03)		(0.10)	(0.03)	
Net earnings - basic and diluted	<u>\$ 0.18</u>	<u>\$ 0.15</u>		<u>\$ 0.76</u>	<u>\$ 0.58</u>	
Dividends paid	\$ 0.09	\$ 0.05		\$ 0.36	\$ 0.36	
Weighted average common shares outstanding (Basic)	<u>80,008</u>	<u>80,001</u>		<u>80,005</u>	<u>80,002</u>	
Weighted average common shares outstanding (Diluted)	<u>80,012</u>	<u>80,006</u>		<u>80,009</u>	<u>80,004</u>	

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CONDENSED CONSOLIDATED BALANCE SHEET

	December 31, <u>2002</u>	December 31, <u>2001</u>	
	(in thousands)		
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 147,537	\$ 212,857	(30.7) %
Accounts receivable, net	60,345	83,812	(28.0)
Inventories	91,880	101,030	(9.1)
Other current assets	27,426	30,931	(11.3)
Total current assets	<u>327,188</u>	<u>428,630</u>	(23.7)
Net property	1,248,996	1,242,207	0.5
Capitalized mine stripping, net	181,558	134,570	34.9
Other assets	10,820	17,995	(39.9)
Total Assets	<u>\$ 1,768,562</u>	<u>\$ 1,823,402</u>	(3.0) %
LIABILITIES			
Current liabilities:			
Current portion of long-term debt	\$ -	\$ 122,914	(100.0) %
Accounts payable	39,377	55,602	(29.2)
Accrued liabilities	77,733	44,422	75.0
Total current liabilities	<u>117,110</u>	<u>222,938</u>	(47.5)
Long-term debt	299,043	273,121	9.5
Deferred income taxes	88,566	88,615	(0.1)
Other liabilities and reserves	14,792	15,252	(3.0)
Total non-current liabilities	<u>402,401</u>	<u>376,988</u>	6.7
MINORITY INTEREST	<u>7,676</u>	<u>14,021</u>	(45.3)
STOCKHOLDERS' EQUITY			
Common stock (a)	261,726	261,625	
Retained earnings	979,649	947,830	3.4
Total stockholders' equity	<u>1,241,375</u>	<u>1,209,455</u>	2.6
Total Liabilities, Minority Interest and Stockholders' Equity	<u>\$ 1,768,562</u>	<u>\$ 1,823,402</u>	(3.0) %
(a) Common Shares: Authorized	34,099	34,099	
Outstanding	14,108	14,103	
Class A Common Shares: Authorized and Outstanding	65,901	65,901	

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CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(Unaudited)

	Three Months Ended		Twelve Months Ended	
	December 31,		December 31,	
	<u>2002</u>	<u>2001</u>	<u>2002</u>	<u>2001</u>
	(in thousands)			
OPERATING ACTIVITIES:				
Net earnings	\$ 14,769	\$ 11,822	\$ 60,555	\$ 46,551
Extraordinary loss, pre tax	-	3,126	12,412	3,126
Depreciation and depletion	18,508	20,058	67,840	76,285
Capitalized mine stripping	(9,540)	(13,622)	(46,988)	(44,503)
Minority interest of labor shares	155	56	857	696
Cash provided from (used for) operating assets and liabilities	14,440	14,423	44,656	75,985
Other, net	(518)	(11,708)	2,912	(4,220)
Net cash provided from operating activities	<u>37,814</u>	<u>24,155</u>	<u>142,244</u>	<u>153,920</u>
INVESTING ACTIVITIES:				
Capital expenditures	(9,171)	(35,370)	(77,464)	(116,545)
Other, net	(3,923)	12	(3,774)	83
Net cash provided from (used for) investing activities	<u>(13,094)</u>	<u>(35,358)</u>	<u>(81,238)</u>	<u>(116,462)</u>
FINANCING ACTIVITIES:				
Cash paid for early extinguishment of debt	-	-	(11,404)	-
Dividends paid	(7,121)	(5,784)	(21,494)	(28,792)
Debt incurred (repaid)	-	(266,225)	(96,992)	48,782
Escrow (deposits) withdrawals on long-term loans	308	38,358	7,244	9,291
Distribution to minority interest	(59)	(94)	(305)	(462)
Treasury stock and investment share purchases, net	(119)	(99)	(8,745)	(851)
Net cash provided from (used for) financing activities	<u>(6,991)</u>	<u>(233,844)</u>	<u>(131,696)</u>	<u>27,968</u>
Effect of exchange rate changes on cash	(200)	(4,470)	1,370	(1,657)
Net increase (decrease) in cash and cash equivalents	<u>\$ 17,529</u>	<u>\$ (249,517)</u>	<u>\$ (69,320)</u>	<u>\$ 63,769</u>