

APPENDIX - B

Slide Chute of Sintered Ore Carrier

APPENDIX-B Slide Chute of Sintered Ore Carrier

The sliding chute has been developed by Kawasaki Steel Co., Ltd. and Mitsui Engineering and Shipbuilding Co., Ltd. to prevent degradation of sintered ore when loading on the ship.

The sliding chute consists of side plates, a bottom plate, several dam plates, pillars, and a small hatch on the upper deck level as shown in Fig. B-1.

(1) Principal Dimensions of Sliding Chute

In case of 135,000D.W.T. Sintered Ore Carrier "MINDANAO RIVER"

Loading capacity (sintered ore)	abt. 6000 t/h	
Small hatch size (L x B)	3.8 m x 5.0 m	
Breadth of chute	Upper part	1.5 m x 2
	Lower part	3.8 m
Inclination of side plate	42°	
Inclination of bottom plate	45°	
Number of dam plate	7	

(2) Loading Procedure

- (a) Small hatch to be opened
- (b) A shiploader to be positioned to have a clearance between ship's hand rails and under part of the shiploader to prevent damage of ship and shiploader.

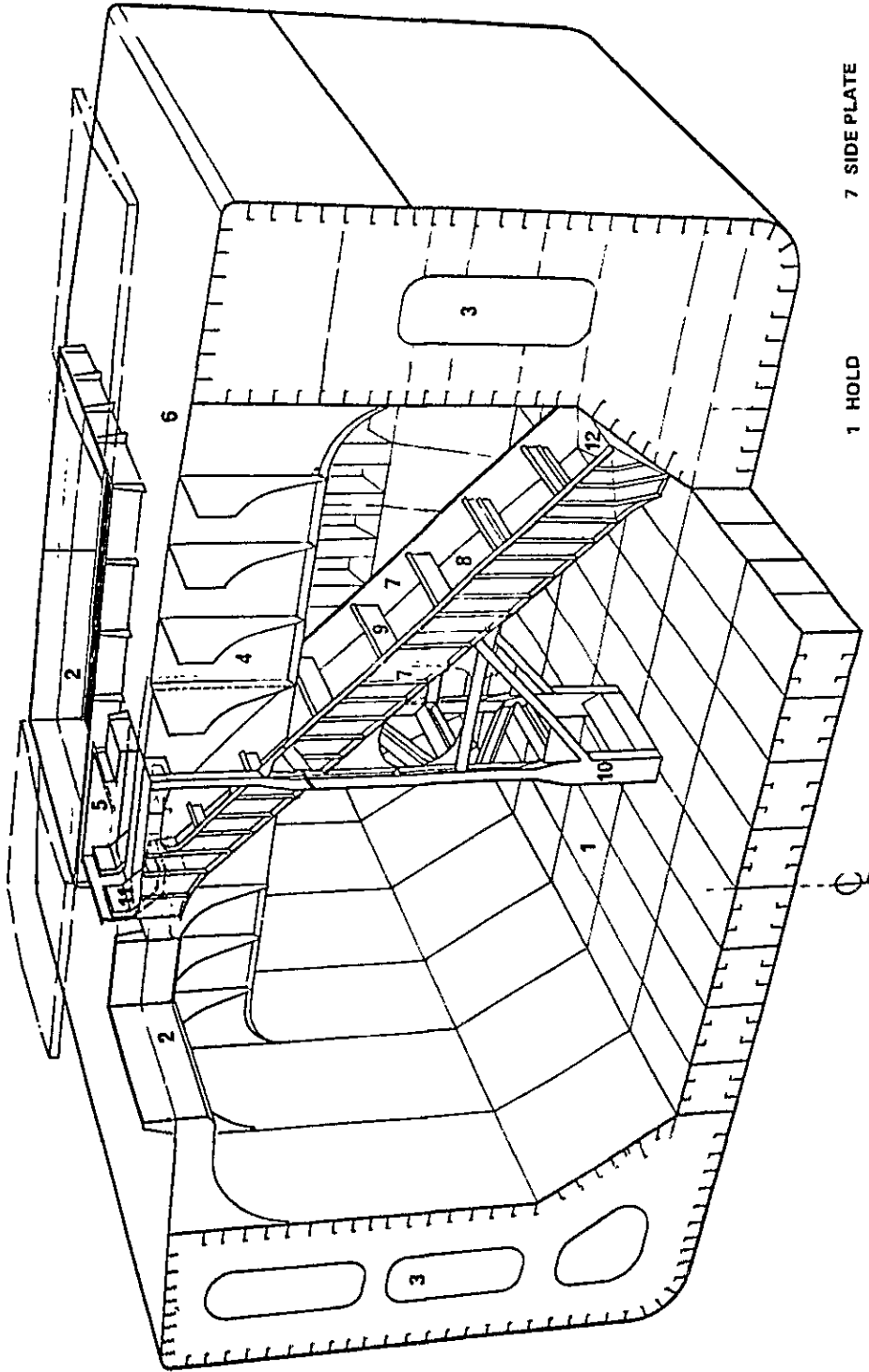
- (c) Distance between trimming chute and small hatch to be kept as small as possible.
- (d) Inclination of the trimming chute to be about 36 degrees to 45 degrees.
- (e) Direction of the trimming chute to be set opposite to the sliding chute.
- (f) The sliding chute, being positioned transversely, produces heeling moment on the ship at the loading operation.

When heel angle of ship is 3 degrees and over, the shiploader to be shifted to another hold, or heel angle of ship to be adjusted within 3 degrees by shifting ballast water according to the loading manual.

- (g) According to our estimation based on specific density of sinter 1.6t/m³ and angle of repose 36 degrees, about 18,000 tons to 20,000 tons can be loaded through the sliding chute.

Carefull attention not to make the sintered ore overflow from the small hatch to be paid.

- (h) After the shiploader to be shifted to the big hatch, distance between trimming chute and the top pile of sintered ore to be adjusted as small as possible



- | | | | |
|---|-------------|----|-------------|
| 1 | HOLD | 7 | SIDE PLATE |
| 2 | HATCH | 8 | BTM PLATE |
| 3 | WING TANK | 9 | DAM PLATE |
| 4 | SWASH BHD | 10 | PILLER |
| 5 | SMALL HATCH | 11 | SLANT PLATE |
| 6 | UPPER DK | 12 | END OPENING |

Fig. B - 1
 DW 135,000 T SINTERED ORE CARRIER
 MINDANAO RIVER
 6,000 T/H SLIDING CHUTE

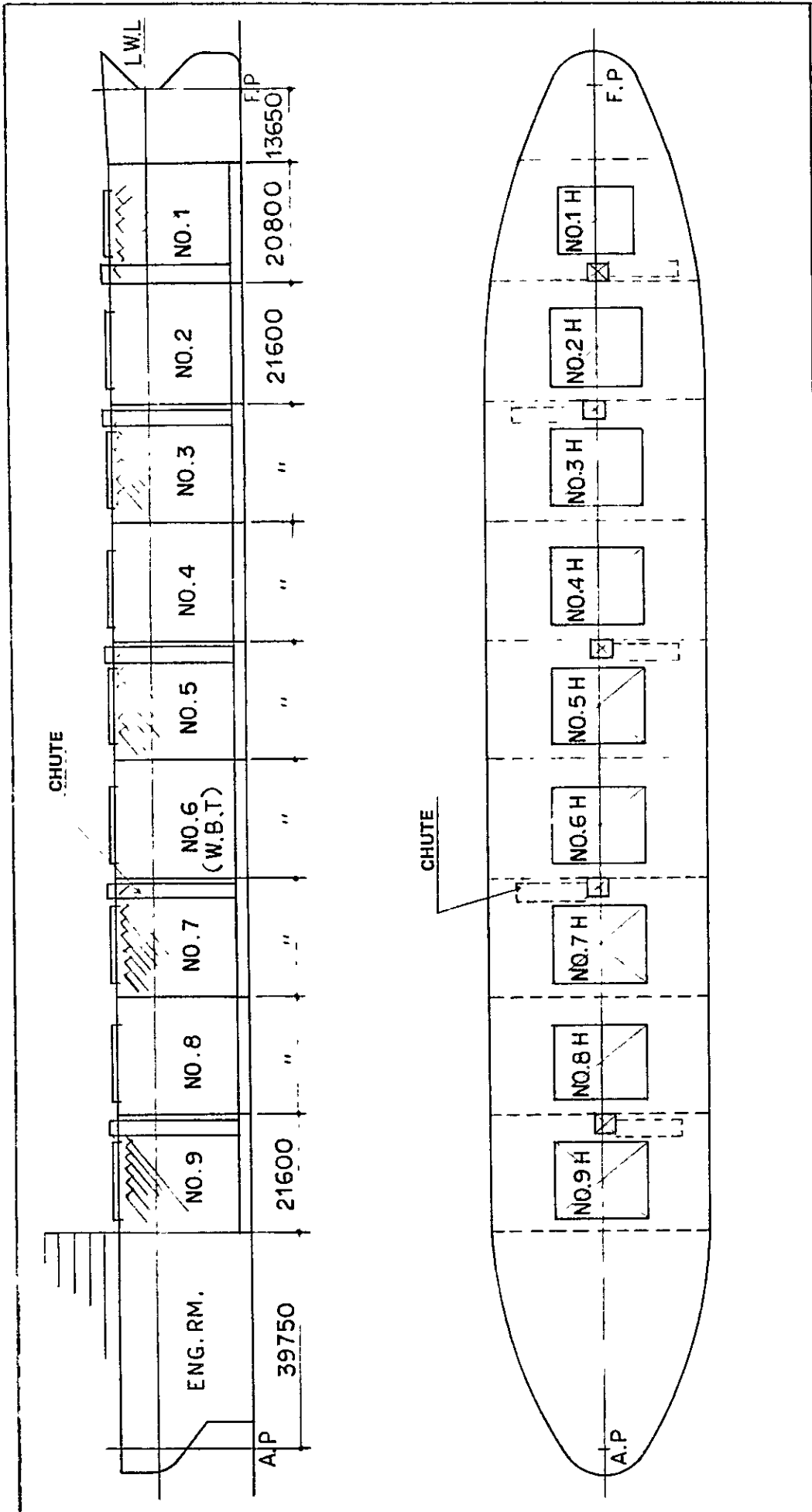
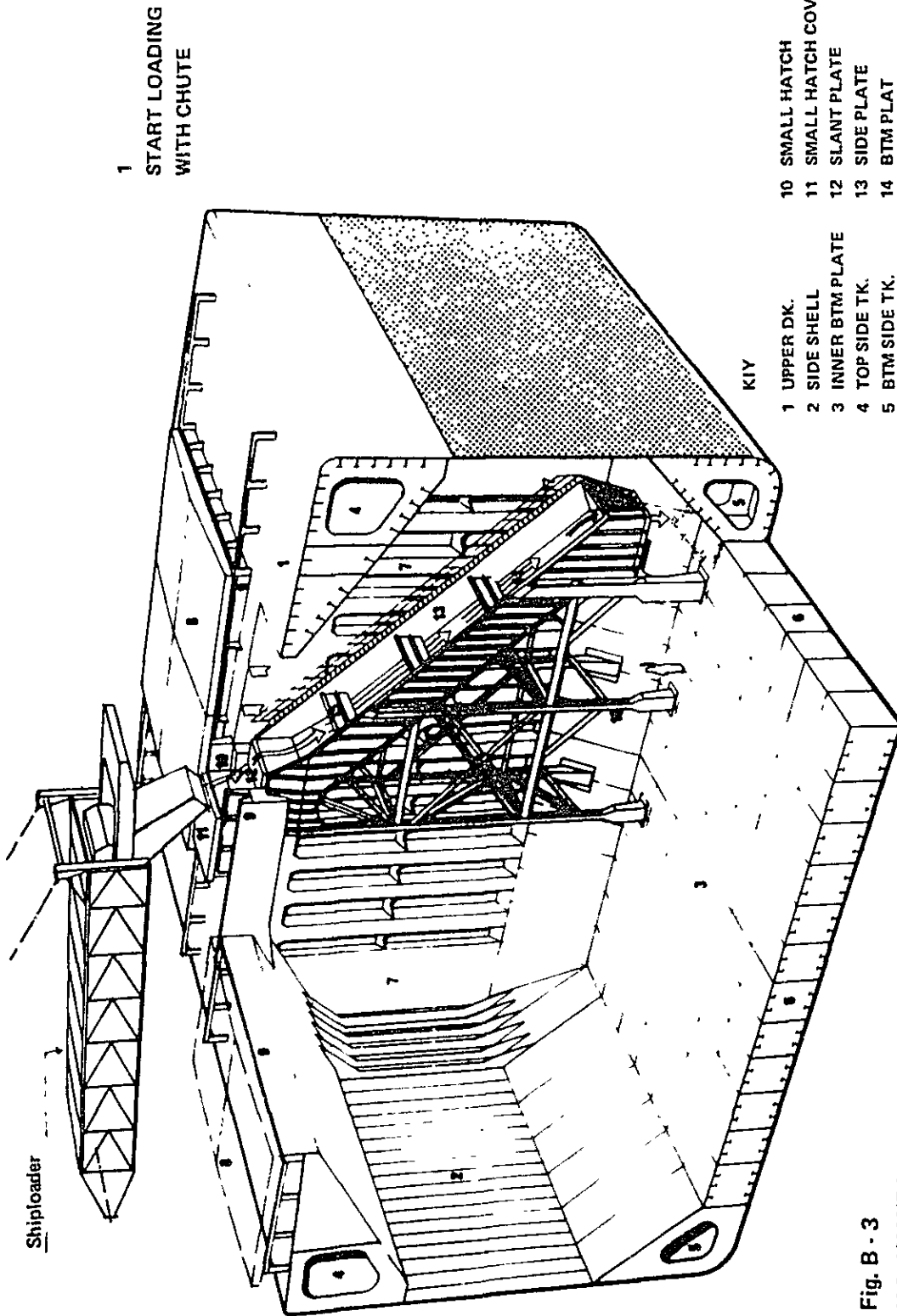


Fig. B - 2 JAPAN LINE 128,300 DWT ORE CARRIER

ARRANGEMENT OF CHUTE L x B = 247.0^M x 40.6^M

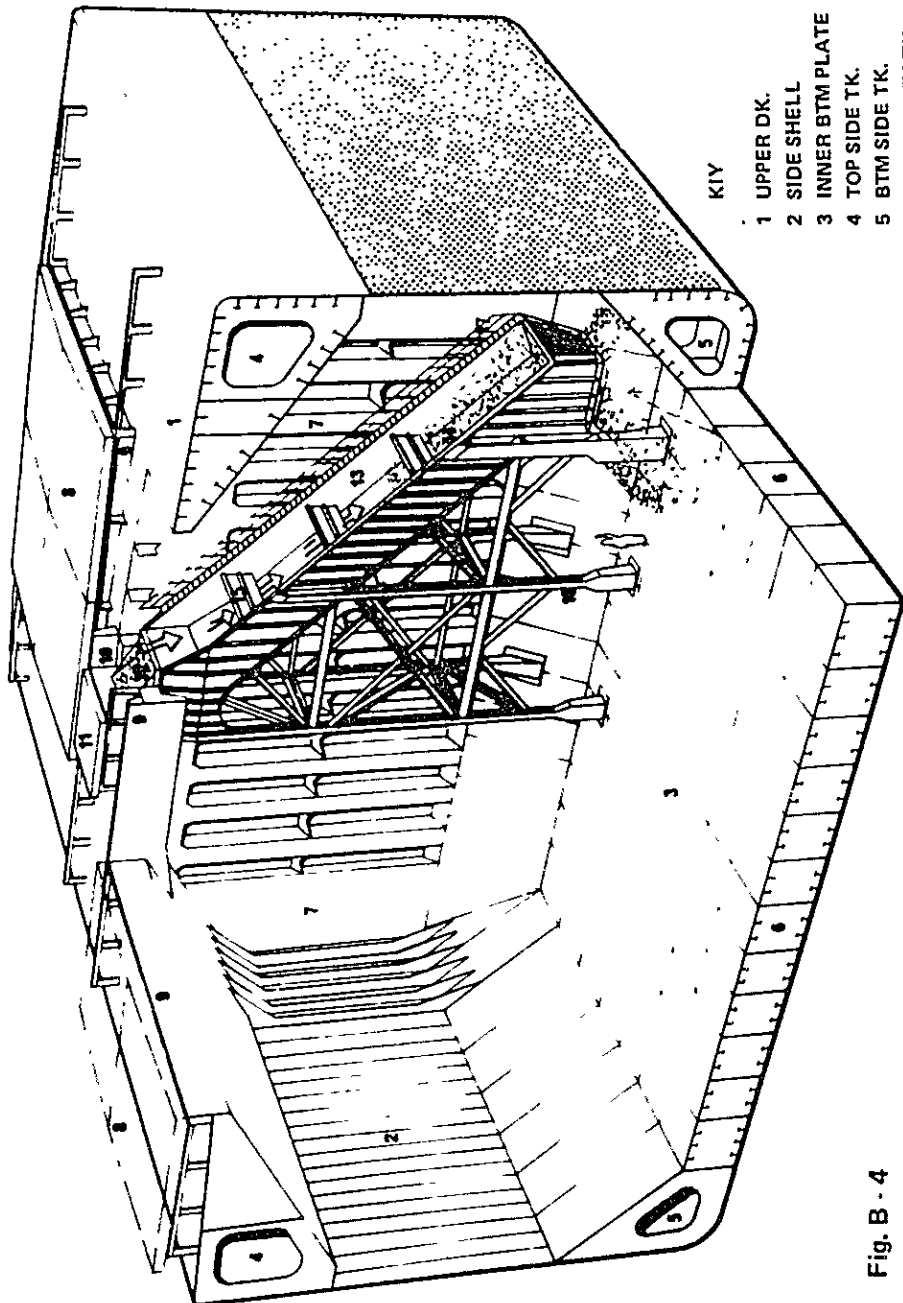


1
START LOADING
WITH CHUTE

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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

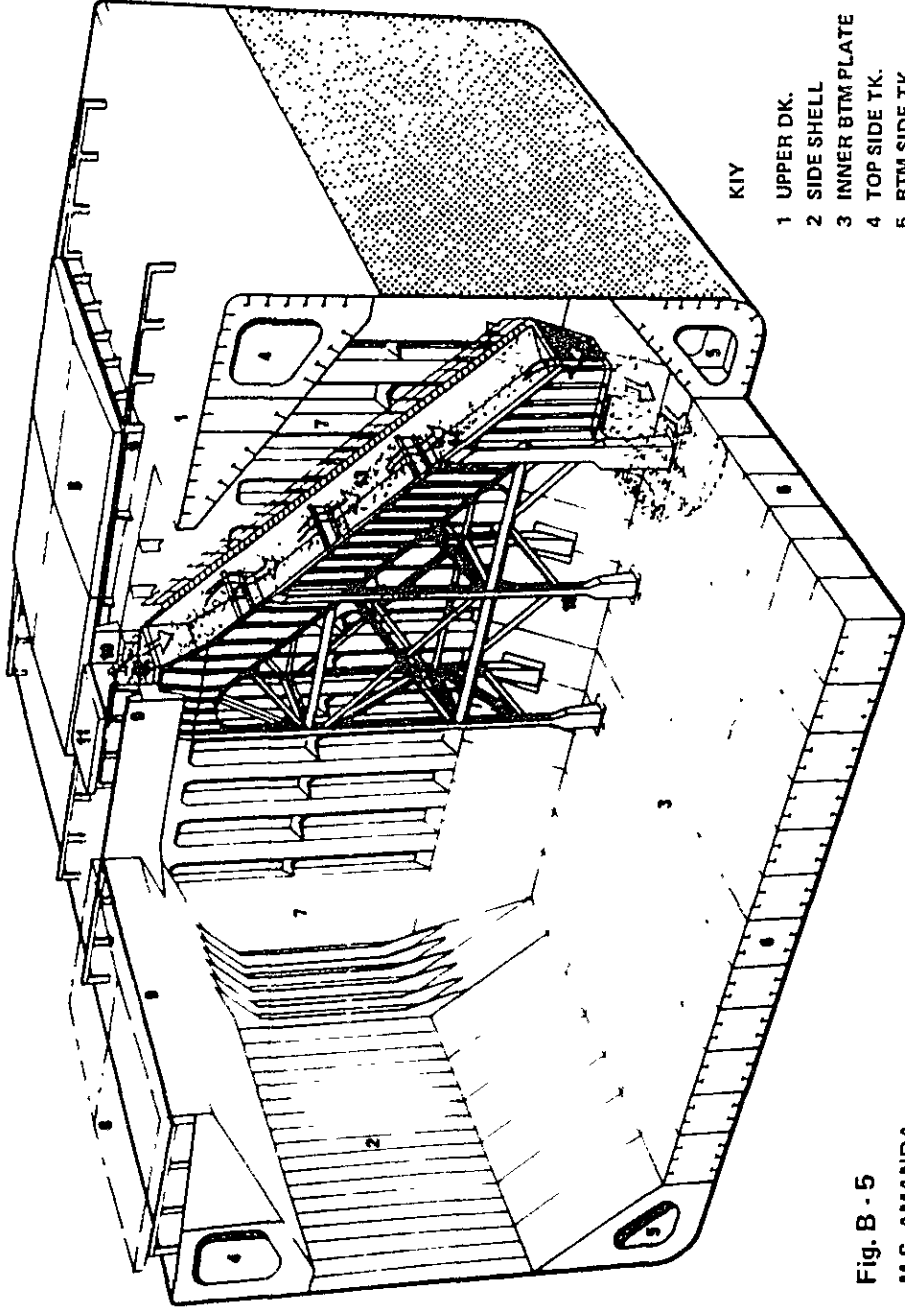
Fig. B - 3
M.S. AMANDA
DW 130 000 T SINTERED ORE CARRIER
PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE



K I Y

- 1 UPPER DK.
- 2 SIDE SHELL
- 3 INNER BTM PLATE
- 4 TOP SIDE TK.
- 5 BTM SIDE TK.
- 6 DOUBLE BTM TK.
- 7 TRANS BHD.
- 8 HATCH COVER
- 9 HTACH COAMING
- 10 SMALL HATCH COVER
- 11 SMALL HATCH COVER
- 12 SLANT PLATE
- 13 SIDE PLATE
- 14 BTM PLAT
- 15 DAM PLATE
- 16 PILLER
- 17 ACCESS LADDER
- 18

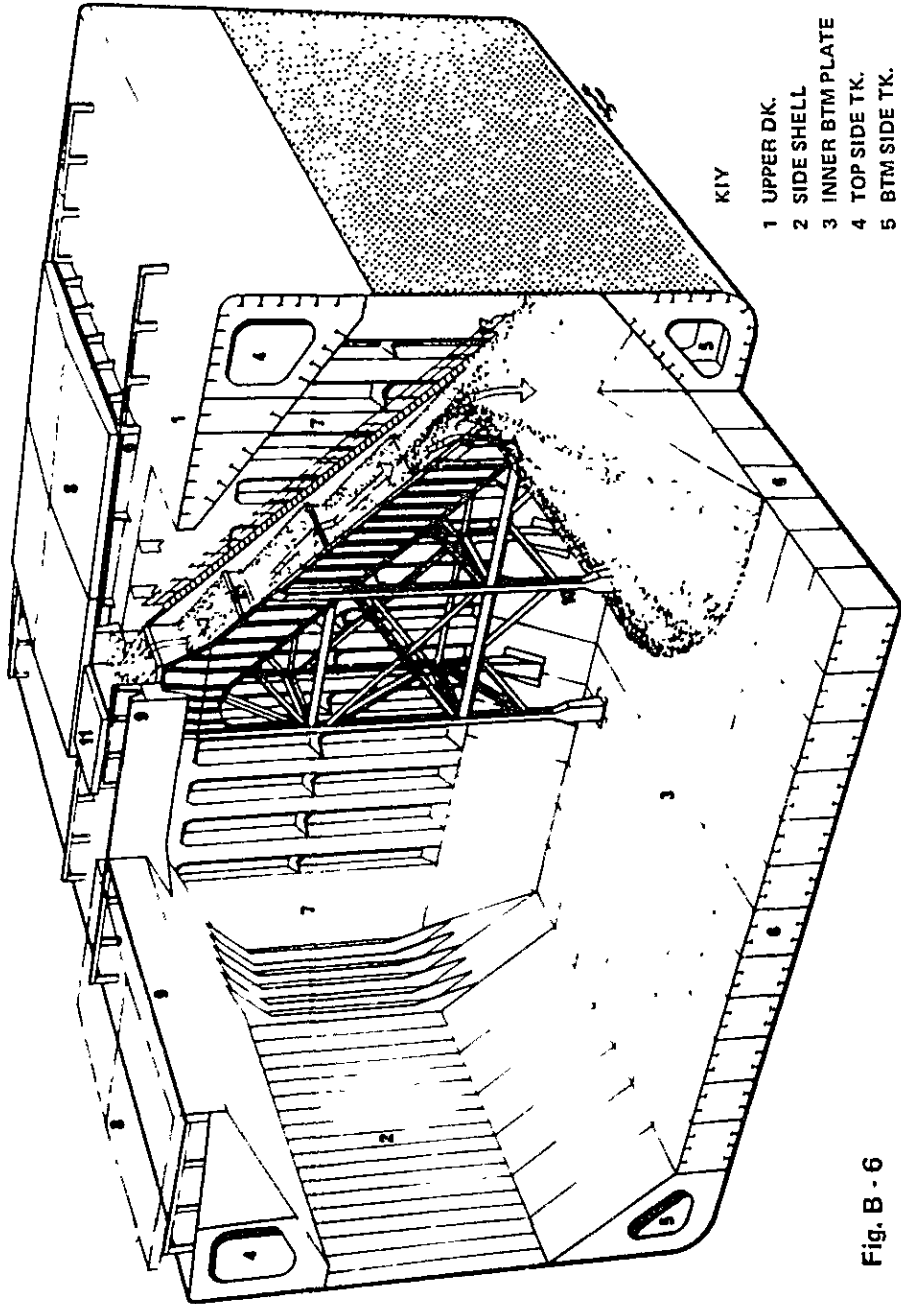
Fig. B - 4
 M.S. AMANDA
 DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE



K I Y

- | | |
|-------------------|----------------------|
| 1 UPPER DK. | 10 SMALL HATCH |
| 2 SIDE SHELL | 11 SMALL HATCH COVER |
| 3 INNER BTM PLATE | 12 SLANT PLATE |
| 4 TOP SIDE TK. | 13 SIDE PLATE |
| 5 BTM SIDE TK. | 14 BTM PLAT |
| 6 DOUBLE BTM TK. | 15 DAM PLATE |
| 7 TRANS BHD. | 16 PILLER |
| 8 HATCH COVER | 17 ACCESS LADDER |
| 9 HTACH COAMING | 18 |

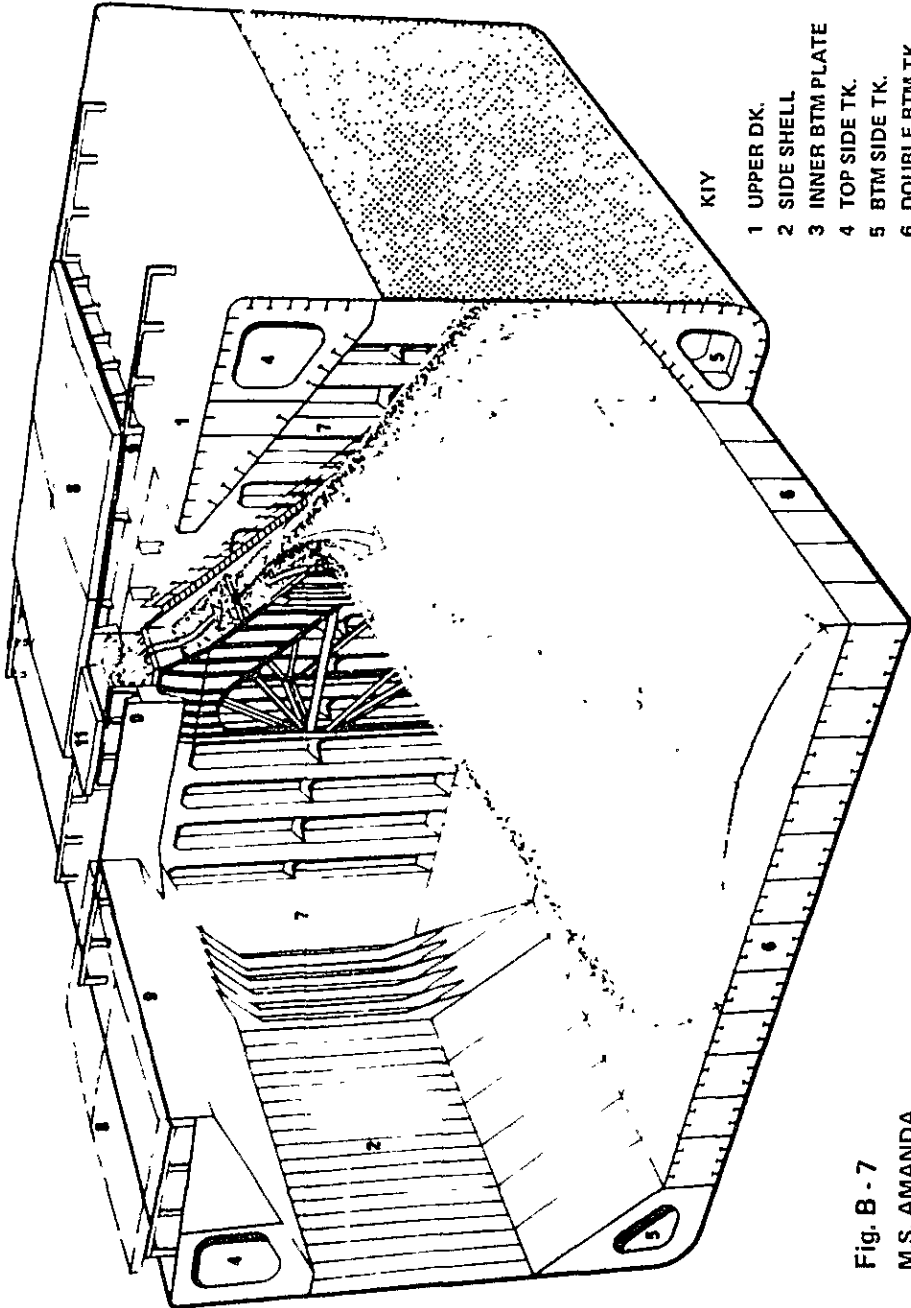
Fig. B - 5
 M.S. AMANDA
 DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE



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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 6
 M.S. AMANDA
 DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE



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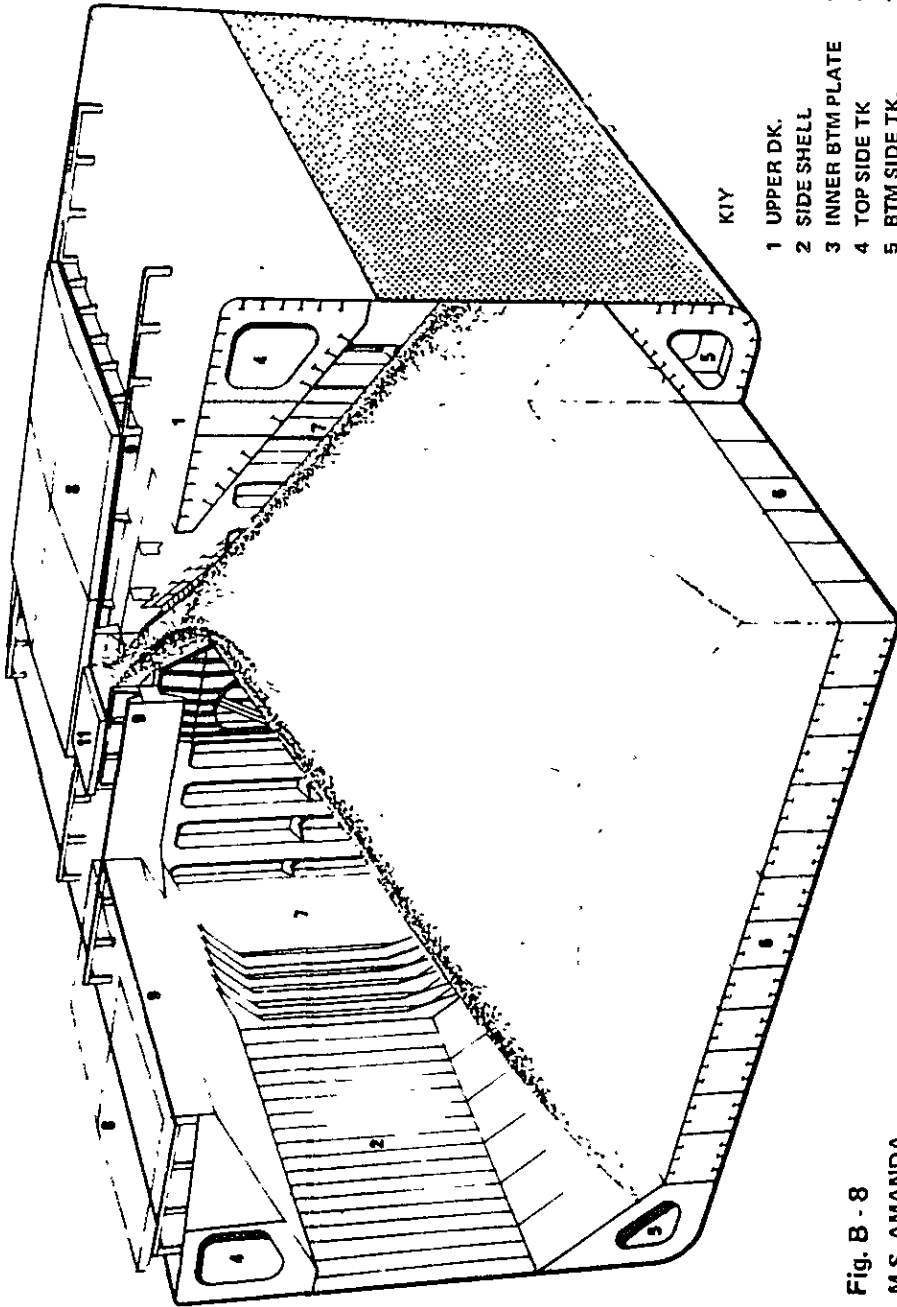
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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 7

M.S. AMANDA

DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

6
LOADING WITH CHUTE
FINISHED



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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

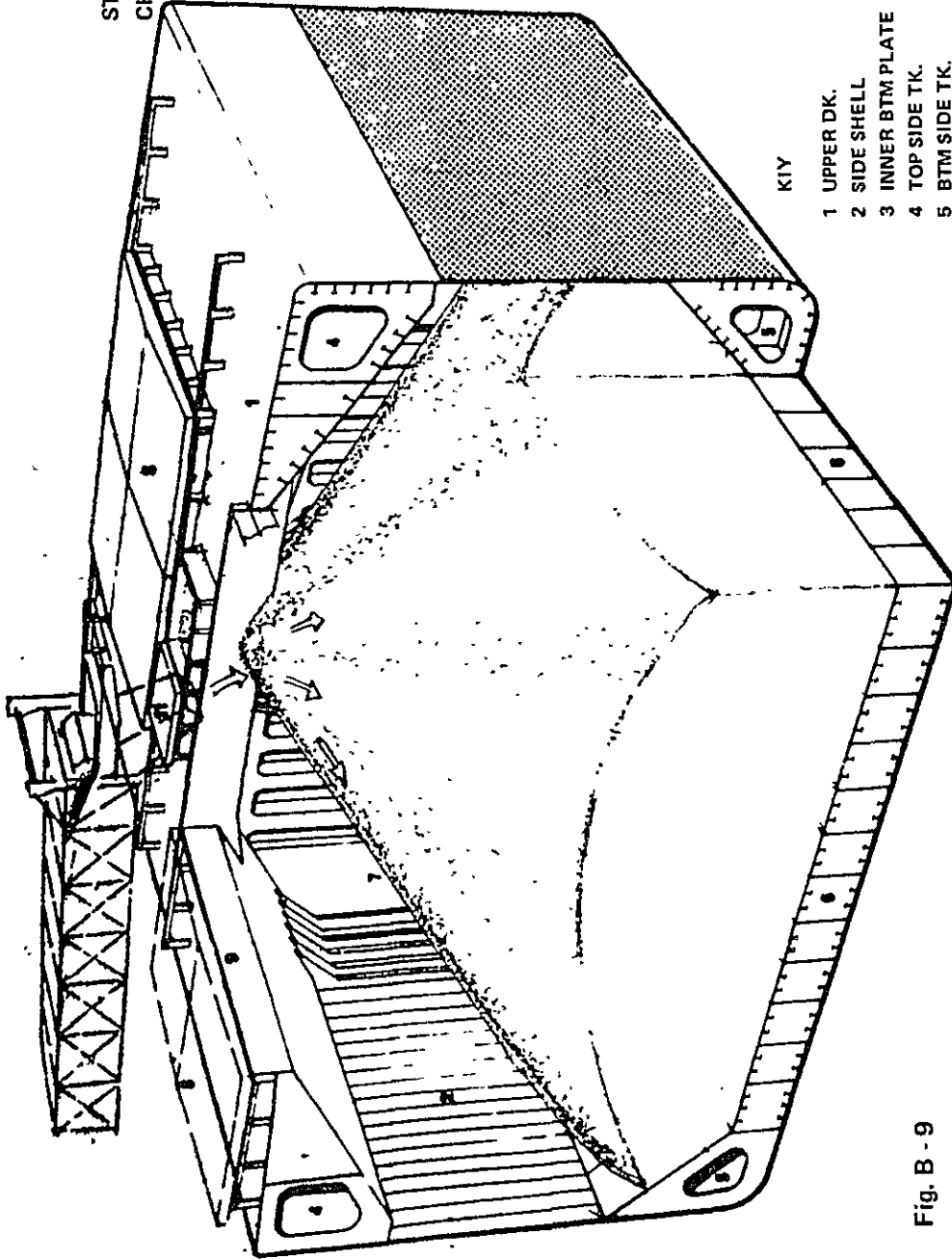
Fig. B - 8

M.S. AMANDA

DW 130 000 T SINTERED ORE CARRIER
PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

7

START LOADING WITHOUT
CHUTE



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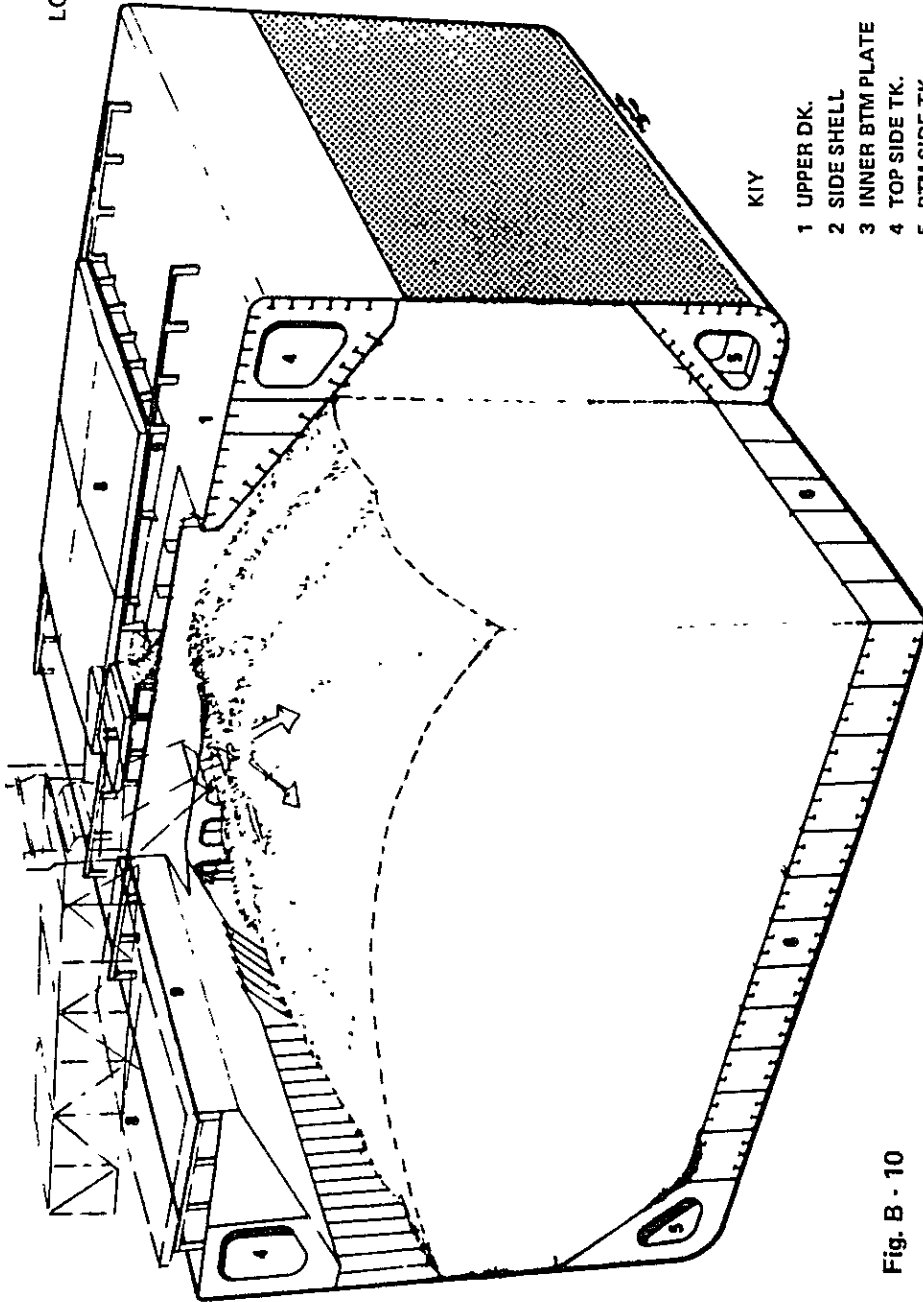
- | | | | |
|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 9

M.S. AMANDA

DW 130 000 T SINTERED ORE CARRIER
PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

LOADING FINISHED



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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

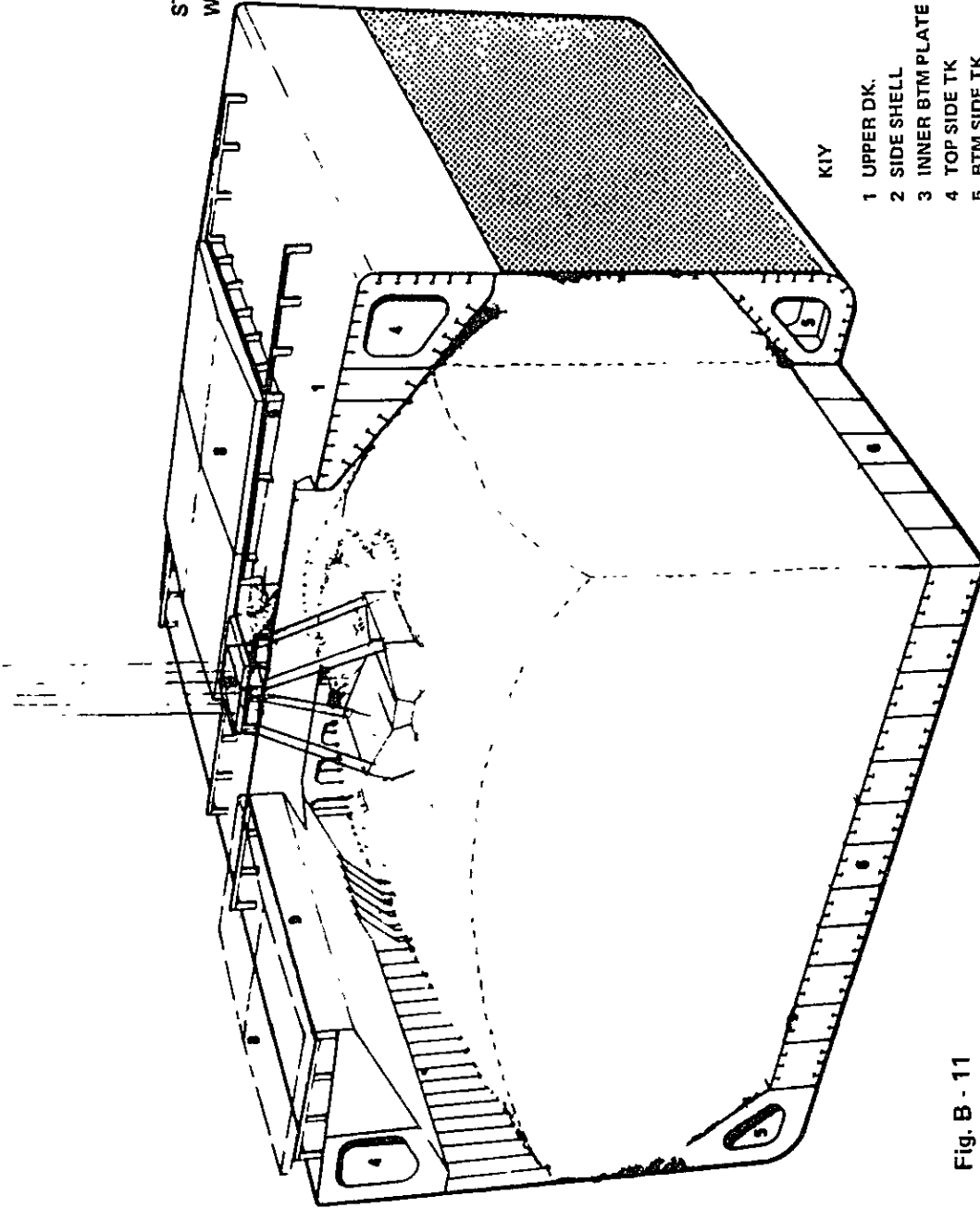
Fig. B - 10

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DW 130 000 T SINTERED ORE CARRIER
PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

9

START UNLOADING
WITH GRAB



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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

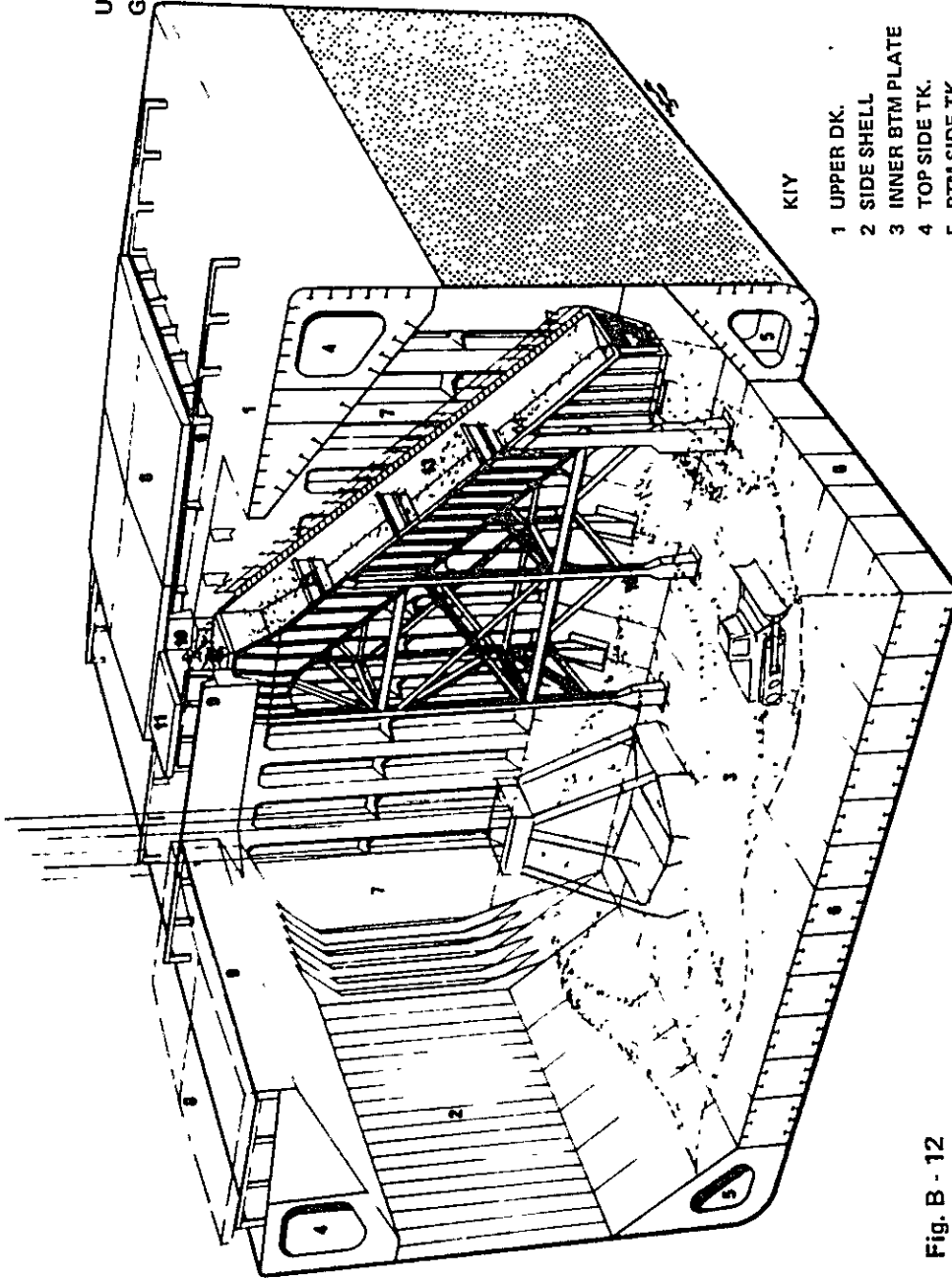
Fig. B - 11

M.S. AMANDA

DW 130 000 T SINTERED ORE CARRIER
PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

10

UNLOADING WITH
GRAB & BULLDOZER



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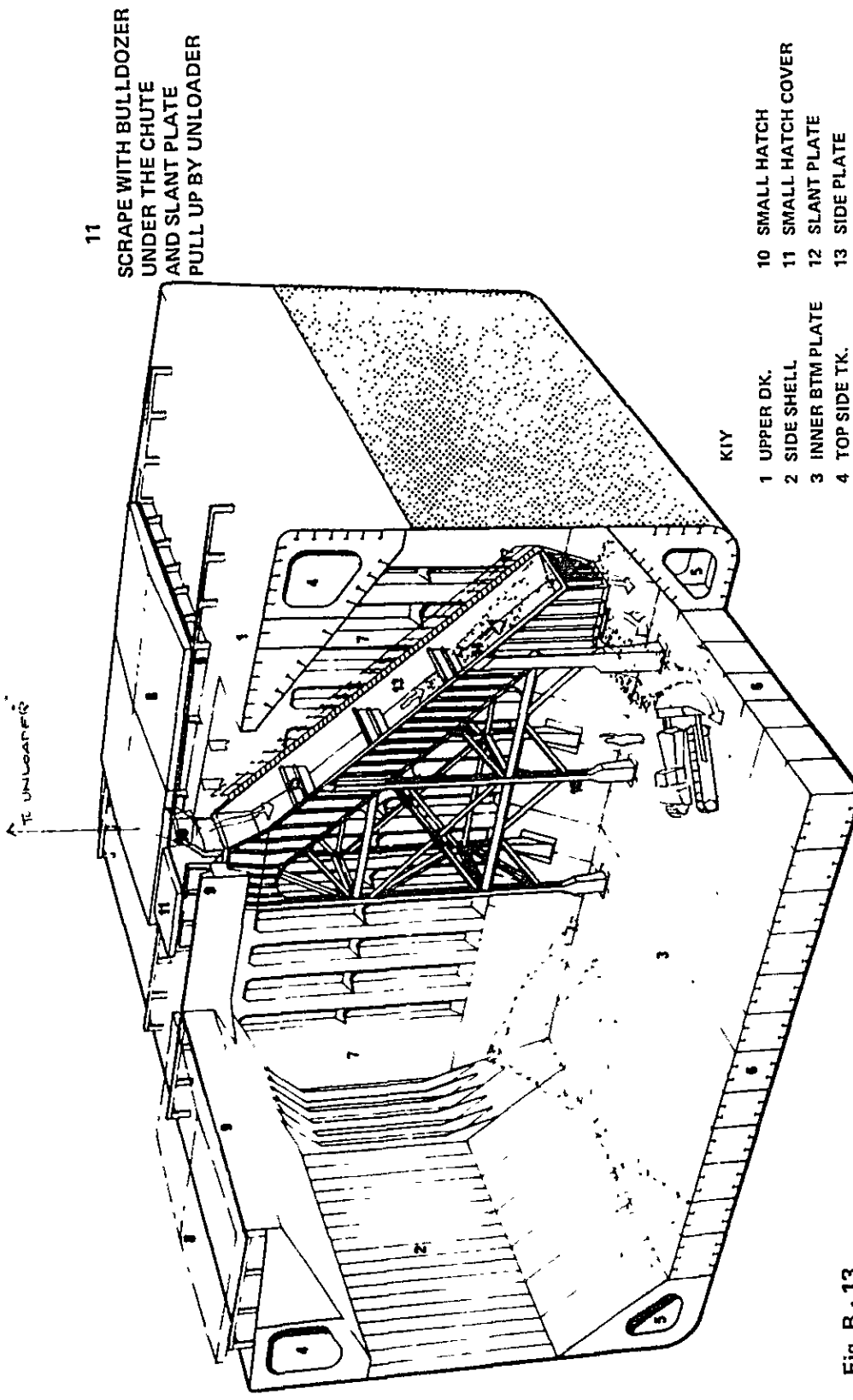
- | | | | |
|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH COVER |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 12

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DW 130 000 T SINTERED ORE CARRIER

PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

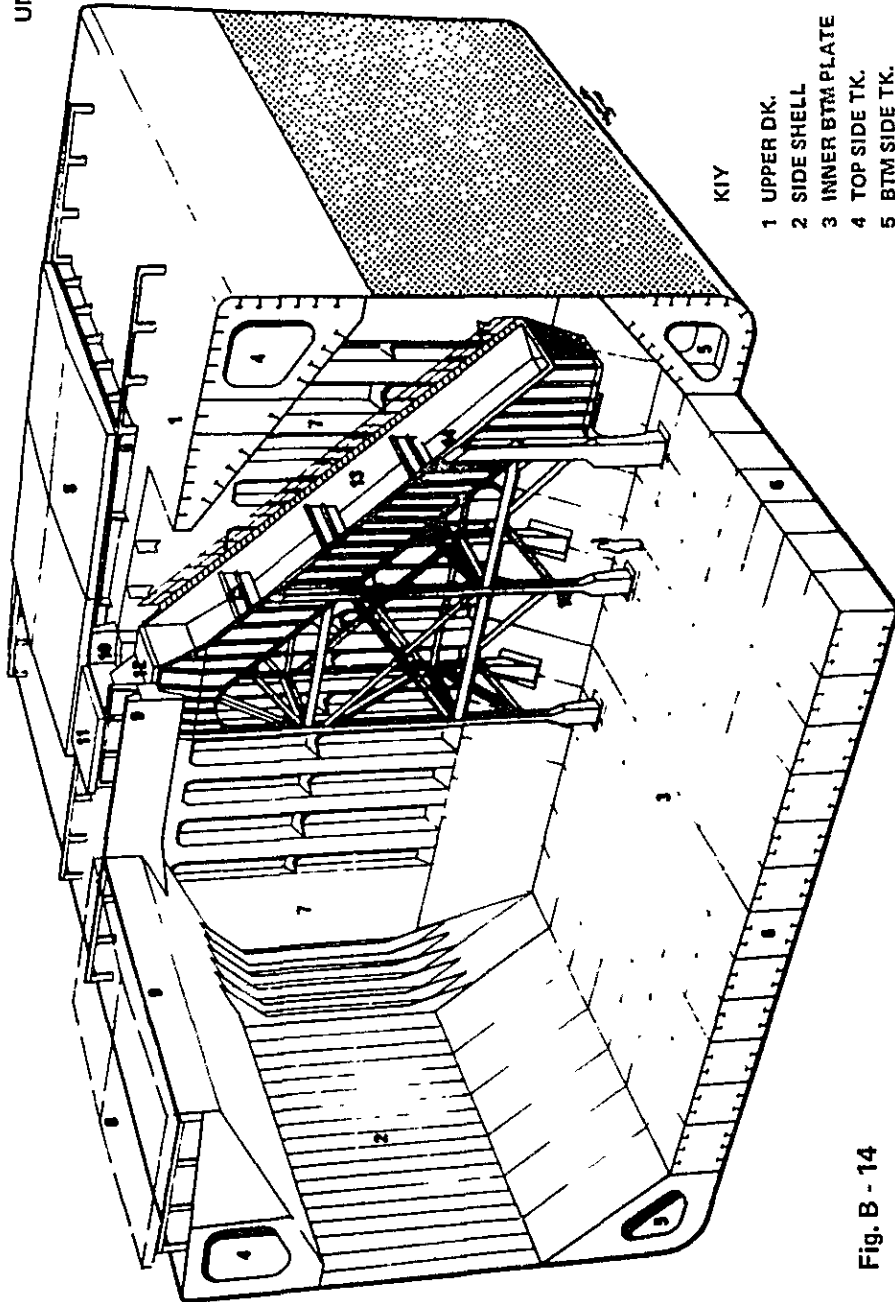


11
 SCRAPE WITH BULLDOZER
 UNDER THE CHUTE
 AND SLANT PLATE
 PULL UP BY UNLOADER

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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH |
| 2 | SIDE SHELL | 11 | SMALL HATCH COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 13
 M.S. AMANDA
 DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE



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|---|-----------------|----|-------------------|
| 1 | UPPER DK. | 10 | SMALL HATCH COVER |
| 2 | SIDE SHELL | 11 | SMALL SLANT COVER |
| 3 | INNER BTM PLATE | 12 | SLANT PLATE |
| 4 | TOP SIDE TK. | 13 | SIDE PLATE |
| 5 | BTM SIDE TK. | 14 | BTM PLAT |
| 6 | DOUBLE BTM TK. | 15 | DAM PLATE |
| 7 | TRANS BHD. | 16 | PILLER |
| 8 | HATCH COVER | 17 | ACCESS LADDER |
| 9 | HTACH COAMING | 18 | |

Fig. B - 14

M.S. AMANDA

DW 130 000 T SINTERED ORE CARRIER
 PERSPECTIVE DRAWING OF 6 000 T/H SLIDE CHUTE

APPENDIX - C

Financial Materials

APPENDIX - C Financial Materials

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*  
* MIERRO-PEPU SINTER PROJECT  
*  
* 80-05-28  
*  
* ALTERNATIVE SIMULATION CASE (1)  
*  
* SALES PRICE WHERE ROI IS 10%  
*  
*****
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PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	307	54	207	448	360	0	
** CASH BALANCE, BEGINNING	0	307	54	207	448	360	0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304	0	2,917	32,762	57,541	18,857	97,380
SUPPLIER S CREDIT	5,304	0	2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	1,997	18,857	23,485	18,857	44,338
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	0	9,917	54,262	37,541	18,857	129,380
** CASH APPLIED TO **							
FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,871	8,246
SUPPLIER S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	21	559	1,484	2,063
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,497	254	9,763	54,021	37,629	18,328	128,491
** NET CASH INCREASE/DECREASE	307	-254	154	241	-88	529	889
** CASH BALANCE, END	307	54	207	448	360	889	889

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	10,988	19,693	26,791	35,003	44,481
** CASH PROVIDED BY **								
CASH SALES	39,696	52,928	66,160	66,160	66,160	66,160	66,160	66,160
SALES AMOUNT	(43,305)	(57,740)	(72,175)	(72,175)	(72,175)	(72,175)	(72,175)	(72,175)
ACCOUNTS RECEIVABLE	(-3,609)	(-4,812)	(-6,015)	(-6,015)	(-6,015)	(-6,015)	(-6,015)	(-6,015)
COLLECTION OF RECEIVABLES		3,609	4,812	6,015	6,015	6,015	6,015	6,015
INTEREST ON TEMPORARY INVESTMENT	0	269	924	2,117	2,982	3,819	4,791	5,911
INCREASE, ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	6,912	0	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
(TOTAL)	58,618	68,502	83,450	85,725	86,590	87,427	88,398	89,518
** CASH APPLIED TO **								
COST OF GOODS SOLD	37,654	45,609	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM.	3,105	4,140	5,175	5,175	5,175	5,175	5,175	5,175
INCOME TAX	0	0	0	66	3,585	4,355	5,104	5,917
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	9,683	7,637	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)
SHORT TERM LOAN	(0)	(4,579)	(2,333)	(0)	(0)	(0)	(0)	(0)
INTEREST	8,645	8,582	7,830	7,070	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,278)	(2,708)	(2,138)	(1,568)
SHORT TERM LOAN	(0)	(415)	(140)	(0)	(0)	(0)	(0)	(0)
INCREASE, FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE, INVENTORIES	3,765	-330	-237	-13	-1	0	0	0
(TOTAL)	58,474	68,085	73,712	77,020	79,492	79,214	78,921	78,681
** NET CASH INCREASE/DECREASE	144	217	9,737	8,705	7,098	8,212	9,477	10,837
** CASH BALANCE, END	1,033	1,250	10,988	19,693	26,791	35,003	44,481	55,318

(UNIT: \$1000)

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) **

	9	10	TOTAL
** CASH BALANCE, BEGINNING	55,318	67,616	889
** CASH PROVIDED BY **			
CASH SALES	66,160	66,160	621,908
SALES AMOUNT	(72,175)	(72,175)	(678,445)
ACCOUNTS RECEIVABLE	(-6,015)	(-6,015)	(-56,537)
COLLECTION OF RECEIVABLES	6,015	6,015	50,527
INTEREST ON TEMPORARY INVESTMENT	7,191	8,642	36,647
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	6,912
LONG TERM DEBTS	()	()	0
SUPPLIER S CREDIT	()	()	()
U.S. DOLLAR LOAN	()	()	()
CAPITAL STOCK	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	114,324
(TOTAL)	90,798	92,250	831,075
** CASH APPLIED TO **			
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM.	5,175	5,175	48,643
INCOME TAX	6,784	7,715	33,533
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	11,638	11,638	104,293
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,334)	(6,334)	(44,338)
SHORT TERM LOAN	()	()	()
INTEREST	1,833	786	52,553
SUPPLIER S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	()	()	()
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,184
(TOTAL)	78,501	78,384	750,483
** NET CASH INCREASE/DECREASE	17,298	13,866	80,593
** CASH BALANCE, END	67,616	81,482	81,482

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	43,305	57,740	72,175	72,175	72,175	72,175	72,175	72,175
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	28.87	28.87	28.87	28.87	28.87	28.87	28.87	28.87
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. ADMINISTRATIVE	3,105	4,140	5,175	5,175	5,175	5,175	5,175	5,175
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MINPECO COMMISSION	866	1,155	1,443	1,443	1,443	1,443	1,443	1,443
SHIPPING COST	866	1,155	1,443	1,443	1,443	1,443	1,443	1,443
	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	2,546	7,791	13,693	13,916	13,929	13,930	13,930	13,930
INTEREST	8,645	8,582	7,830	7,070	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,278)	(2,708)	(2,138)	(1,568)
SHORT TERM LOAN	(0)	(415)	(140)	(0)	(0)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	269	924	2,117	2,982	3,819	4,791	5,911
NET INCOME BEFORE TAX	-6,099	-522	6,786	8,964	10,889	12,774	14,793	16,961
(PRE-YEAR LOSS CARRY OVER)	(0)	(6,099)	(6,621)	(0)	(0)	(0)	(0)	(0)
(TAXABLE INCOME)	(0)	(0)	(65)	(8,964)	(10,889)	(12,774)	(14,793)	(16,961)
INCOME TAX	0	0	66	3,585	4,355	5,109	5,917	6,784
NET INCOME AFTER TAX	-6,099	-522	6,720	5,378	6,533	7,664	8,876	10,176
RETAINED EARNINGS	-6,099	-6,621	99	5,477	12,010	19,674	28,550	38,726

.. PROJECTED INCOME STATEMENTS .. (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	72,175	72,175	678,445
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	28.87	28.87	28.87
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM. EXPENSES	5,175	5,175	48,643
ADMINISTRATIVE EXPENSES	1,958	1,958	18,405
VALUE ADDED TAX	1,443	1,443	13,569
MIRPECO COMMISSION	1,443	1,443	13,569
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	13,930	13,930	121,524
INTEREST	1,833	786	52,553
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	(0)	(0)	(555)
INTEREST ON TEMPORARY INVESTMENT	7,191	8,642	36,647
NET INCOME BEFORE TAX	19,288	21,787	105,618
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(0)	(0)
INCOME TAX	7,715	8,715	42,247
NET INCOME AFTER TAX	11,573	13,072	63,371
RETAINED EARNINGS	50,299	63,371	63,371

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
** ASSETS **							
CURRENT ASSETS							
CASH ON HAND AND DEPOSIT	307	54	207	448	360	2,732	10,251
TEMPORARY INVESTMENT	0	53	206	448	360	889	1,033
ACCOUNTS RECEIVABLE			1	0	0	0	0
INVENTORIES						1,843	5,608
FINISHED PRODUCTS							(3,765)
MATERIALS							(1,843)
FIXED ASSETS							
BUILDING AND STRUCTURE	8,482	8,720	18,429	72,394	109,907	125,710	114,372
MACHINERY AND EQUIPMENT							17,871
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,710	96,501
DEFERRED ASSETS	15	30	85	141	256	938	844
(TOTAL ASSETS)	8,804	8,804	18,721	72,983	110,523	129,380	125,467
** LIABILITIES **							
CURRENT LIABILITIES							
ACCOUNT PAYABLE	0	0	0	0	0	0	7,489
SHORT TERM LOAN							577
INCOME TAX PAYABLE							6,912
IMPORT TAX PAYABLE	5,304	5,304	8,221	40,983	78,523	97,380	92,076
LONG TERM DEBTS							
SUPPLIER S CREDIT	5,304	5,304	8,221	38,986	53,042	53,042	47,738
U.S. DOLLAR LOAN				1,997	25,481	44,338	44,338
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,380	99,566
** EQUITY **							
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0
RETAINED EARNINGS							-6,099
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	32,000	25,901
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,380	125,467
							115,124

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	22,044	30,735	37,833	46,045	55,523	66,160	78,658	92,523
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	9,739	18,644	25,542	33,754	43,232	54,069	66,367	80,232
ACCOUNTS RECEIVABLE	6,015	6,015	6,015	6,015	6,015	6,015	6,015	6,015
INVENTORIES	5,041	5,028	5,027	5,027	5,027	5,027	5,027	5,027
FINISHED PRODUCTS	(3,198)	(3,185)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	91,695	80,156	69,018	57,679	46,340	35,002	23,663	12,525
BUILDING AND STRUCTURE	16,638	16,022	15,406	14,790	14,173	13,557	12,941	12,325
MACHINERY AND EQUIPMENT	75,056	64,334	53,612	42,889	32,167	21,445	10,722	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	114,395	111,654	107,319	104,099	102,144	101,549	102,415	104,848
** LIABILITIES **								
CURRENT LIABILITIES	828	4,348	5,118	5,872	6,680	7,547	8,478	9,477
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	0	0	0	0	0	0	0	0
INCOME TAX PAYABLE	66	3,585	4,355	5,109	5,917	6,784	7,715	8,715
IMPORT TAX PAYABLE								
LONG TERM DEBTS	81,468	69,829	58,191	46,553	34,915	23,276	11,638	0
SUPPLIER S CREDIT	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
U.S. DOLLAR LOAN	44,338	38,004	31,670	25,336	19,002	12,668	6,334	0
(TOTAL LIABILITIES)	82,296	74,177	63,309	52,425	41,594	30,825	20,116	9,477
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	99	5,477	12,010	19,674	28,550	38,726	50,299	63,371
(TOTAL EQUITY)	32,099	37,477	44,010	51,674	60,550	70,726	82,299	95,371
(TOTAL LIABILITIES AND EQUITY)	114,395	111,654	107,319	104,099	102,144	101,550	102,415	104,848

*** HIERRO-PEKU SINTER PROJECT F/S ***
 ** INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROE= 14.01% ROI= 9.95%

	-3RD YEAR		-2ND YEAR		-1ST YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
*** CASH PROVIDED **						
CAPITAL STOCK (A)	3,500	0	7,000	21,500	0	0
LONG TERM DEBTS (B)	5,304		2,917	32,762	37,541	18,857
SUPPLIER'S CREDIT	(5,304)	()	(2,917)	(30,765)	(14,056)	()
U.S. DOLLAR LOAN	()	()	()	(1,997)	(23,485)	()
(TOTAL)	8,804	0	9,917	54,262	37,541	18,857

*** CASH GENERATED **						
NET INCOME (C)						-6,099
DEPRECIATION AND AMORTIZATION (D)						11,432
INTEREST OF LONG TERM DEBTS (E)	()	()	()	()	()	8,645
SUPPLIER'S CREDIT	()	()	()	()	()	(4,654)
U.S. DOLLAR LOAN	()	()	()	()	()	(3,990)
(TOTAL)	0	0	0	0	0	13,978
REPAYMENT OF LONG TERM DEBTS (F)	0	0	0	0	0	5,304
SUPPLIER'S CREDIT	(0)	(0)	(0)	(0)	(0)	(5,304)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	()

*** RETURN ON INVESTMENT **						
NET BALANCE CUMULATIVE (C+D-F)-(A)	-3,500	0	-7,000	-21,500	0	29
	-3,500	-3,500	-10,500	-32,000	-32,000	-31,971
DISCOUNT RATE	1,00000	.93655	.87713	.82148	.76937	.72055
PRESENT VALUE	-3,500	0	-6,140	-17,662	0	19
						3,211

*** RETURN ON INVESTMENT AND LOAN **						
NET BALANCE CUMULATIVE (C+D+E)-(A+B)	-8,804	0	-9,917	-54,262	-37,541	13,978
	-8,804	-8,804	-18,721	-72,983	-110,523	-115,602
DISCOUNT RATE	1,00000	.95370	.90954	.86743	.82726	.78896
PRESENT VALUE	-8,804	0	-9,020	-47,068	-31,056	10,271
						12,750

	3	4	5	6	7	8	9	10
** CASH PROVIDED **								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (B)	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT (C)	0	0	0	0	0	0	0	0
U.S. DOLLAR LOAN (D)	0	0	0	0	0	0	0	0
(TOTAL)	0	0	0	0	0	0	0	0

	3	4	5	6	7	8	9	10
** CASH GENERATED **								
NET INCOME (E)	6,720	5,378	6,533	7,664	8,876	10,176	11,575	13,072
DEPRECIATION AND AMORTIZATION (F)	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
INTEREST OF LONG TERM DEBTS (G)	7,690	7,070	6,023	4,975	3,928	2,880	1,833	786
SUPPLIER'S CREDIT (H)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN (I)	(3,990)	(3,848)	(3,708)	(2,708)	(2,138)	(1,568)	(998)	(428)
(TOTAL)	25,843	23,881	23,988	24,072	24,236	24,489	24,838	25,290
REPAYMENT OF LONG TERM DEBTS (J)	5,304	11,638	11,638	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT (K)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN (L)	0	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)

	3	4	5	6	7	8	9	10
** RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE (C+D-F)-(A)	12,848	5,172	6,327	7,458	8,670	9,970	11,367	12,866
	-13,517	-8,344	-2,017	5,441	14,111	24,081	35,448	48,314
DISCOUNT RATE	.50246	.44072	.38657	.33908	.29742	.26087	.22882	.20071
PRESENT VALUE	6,456	2,280	2,446	2,529	2,579	2,601	2,601	2,582

	3	4	5	6	7	8	9	10
** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE (C+D+E)-(A+B)	25,843	23,881	23,988	24,072	24,236	24,489	24,838	25,290
	-70,482	-46,601	-22,613	1,459	25,695	50,184	75,022	100,312
DISCOUNT RATE	.60788	.55289	.50287	.45738	.41601	.37838	.34415	.31302
PRESENT VALUE	15,709	13,203	12,063	11,010	10,082	9,266	8,548	7,916

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TDN)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,506	22,362	24,175	24,175	24,175	24,175	24,175	24,175
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,339	11,339	11,339	11,339	11,339	11,339	11,339	11,339
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,420	45,480	53,070	53,070	53,070	53,070	53,070	53,070
INVENTORY								
BEGINNING	3,765	3,765	3,436	3,198	3,185	3,184	3,184	3,184
END		3,436	3,198	3,185	3,184	3,184	3,184	3,184
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

(UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	25,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,175	24,175	237,271
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,339	11,339	113,386
AMORTIZATION	94	94	934
COST OF GOODS MANUFACTURED	53,070	53,070	511,462
INVENTORY			
BEGINNING	3,184	3,184	29,506
END	3,184	3,184	32,690
COST OF GOODS SOLD	53,070	53,070	508,274

(UNIT: \$1000)

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) **

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	2,233	1,980	3,192	12,627	360	
** CASH BALANCE, BEGINNING							
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304		2,917	30,765	19,780	17,968	76,734
SUPPLIER'S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	0	0	5,724	17,968	23,692
TAX PAYABLE	1,926	0	1,059	11,170	5,103	0	19,258
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	10,730	0	10,976	63,435	24,883	17,968	127,992

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,062	2,151	2,982	6,857
SUPPLIER'S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	0	80	595	675
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,497	254	9,763	54,000	37,150	17,439	127,103
** NET CASH INCREASE/DECREASE	2,233	-254	1,213	9,435	-12,267	529	889
** CASH BALANCE, END	2,233	1,980	3,192	12,627	360	889	889

(UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	1,249	1,249	4,055	11,935	21,027
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(47,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,567	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	0	717	506	752	1,109	2,048	3,121
INCREASE, ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	10,899	764	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,308	11,308	11,308	11,308	11,308	11,308	11,308	11,308
(TOTAL)	60,459	65,793	78,999	80,313	80,559	80,917	81,855	82,929
** CASH APPLIED TO **								
COST OF GOODS SOLD	37,541	45,683	53,181	52,954	52,946	52,946	52,946	52,946
SELLING, GEN. & ADM. INCOME TAX	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
		0	0	0	432	2,660	3,169	3,857
PAYMENT OF TAX PAYABLE	3,852	3,852	3,852	3,852	3,852	0	0	0
REPAYMENT OF DEBTS	5,304	5,304	10,644	12,831	10,870	8,689	8,689	8,689
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
SHORT TERM LOAN	()	()	(5,340)	(4,142)	(2,181)	()	()	()
INTEREST	6,847	7,043	6,532	5,658	4,627	3,714	2,932	2,150
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(2,132)	(2,132)	(2,132)	(2,056)	(1,752)	(1,447)	(1,142)	(838)
SHORT TERM LOAN	(60)	(734)	(700)	(379)	(131)	()	()	()
INCREASE, FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE, INVENTORIES	3,754	-328	-235	-13	-1	0	0	0
(TOTAL)	-60,314	65,576	79,000	80,313	77,754	73,037	72,763	72,669
** NET CASH INCREASE/DECREASE	144	217	-1	0	2,805	7,880	9,092	10,259
** CASH BALANCE, END	1,033	1,250	1,249	1,249	4,055	11,935	21,027	31,286

(UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	31,286	42,795	889
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(68,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(-5,708)	(-5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	4,331	5,688	17,766
INCREASE, ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	11,663
LONG TERM DEBTS	()	()	()
SUPPLIER'S CREDIT	()	()	()
U.S. DOLLAR LOAN	()	()	()
CAPITAL STOCK	11,308	11,308	113,076
DEPRECIATION & AMORTIZATION			
(TOTAL)	84,139	85,495	781,458
** CASH APPLIED TO **			
COST OF GOODS SOLD	57,946	52,946	507,038
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	4,599	5,396	20,112
PAYMENT OF TAX PAYABLE	0	0	19,258
REPAYMENT OF DEBTS	8,689	8,689	88,397
SUPPLIER'S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(3,385)	(3,385)	(23,692)
SHORT TERM LOAN	()	()	()
INTEREST	1,368	586	41,459
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(533)	(228)	(14,393)
SHORT TERM LOAN	()	()	()
INCREASE, FIXED ASSET	0	0	0
INCREASE, INVENTORIES	0	0	3,177
(TOTAL)	72,629	72,644	726,701
** NET CASH INCREASE/DECREASE	11,509	12,851	54,757
** CASH BALANCE, END	42,795	55,646	55,646

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40	27,40	27,40	27,40	27,40	27,40
COST OF GOODS SOLD	37,541	45,683	53,181	52,959	52,946	52,946	52,946	52,946
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MINPECO COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	542	5,095	10,291	10,513	10,526	10,527	10,527	10,527
INTEREST	6,847	7,043	6,532	5,658	4,627	3,714	2,932	2,150
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(2,132)	(2,132)	(2,132)	(2,056)	(1,752)	(1,447)	(1,142)	(838)
SHORT TERM LOAN	(60)	(734)	(700)	(379)	(151)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	0	212	506	752	1,109	2,046	3,121
NET INCOME BEFORE TAX	-6,304	-1,948	3,971	5,361	6,650	7,921	9,642	11,497
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(6,304)	(8,253)	(4,281)	(0)	(0)	(0)	(0)
INCOME TAX	0	0	0	432	2,660	3,169	3,857	4,599
NET INCOME AFTER TAX	-6,304	-1,948	3,971	4,929	3,990	4,753	5,785	6,898
RETAINED EARNINGS	-6,304	-8,253	-4,281	648	4,638	9,391	15,176	22,074

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40
COST OF GOODS SOLD	52,946	52,946	507,038
SELLING, GEN. & ADM. ADMINISTRATIVE	5,028	5,028	47,261
VALUE ADDED TAX	1,958	1,958	18,405
MINPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	1,370	1,370	12,878
	330	330	3,100
INCOME FROM OPERATION	10,527	10,527	89,601
INTEREST	1,368	586	41,459
SUPPLIER S CREDIT	(835)	(558)	(25,062)
U.S. DOLLAR LOAN	(533)	(228)	(14,393)
SHORT TERM LOAN	(0)	(0)	(2,004)
INTEREST ON TEMPORARY INVESTMENT	4,331	5,688	17,766
NET INCOME BEFORE TAX	13,489	15,628	65,907
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(0)	(0)
	(13,489)	(15,628)	(0)
INCOME TAX	5,396	6,251	26,363
NET INCOME AFTER TAX	8,093	9,377	39,544
RETAINED EARNINGS	30,168	39,544	39,544

PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** ASSETS **								
CURRENT ASSETS	2,233	1,980	3,192	12,627	360	2,732	10,056	11,086
CASH ON HAND AND DEPOSIT	307	53	206	448	360	889	1,033	1,250
TEMPORARY INVESTMENT	1,926	1,927	2,986	12,179	0	0	0	0
ACCOUNTS RECEIVABLE							3,423	4,567
INVENTORIES							5,597	5,269
FINISHED PRODUCTS	()	()	()	()	()	1,843	(3,754)	(3,426)
MATERIALS	()	()	()	()	()	(1,843)	(1,843)	(1,843)
FIXED ASSETS	8,482	8,720	18,429	72,373	109,408	124,322	113,108	101,894
BUILDING AND STRUCTURE							17,667	17,057
MACHINERY AND EQUIPMENT							95,442	84,837
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,373	109,408	124,322	0	0
DEFERRED ASSETS	15	30	85	141	256	938	844	750
(TOTAL ASSETS)	10,730	10,730	21,706	85,141	110,024	127,992	124,008	113,731
** LIABILITIES **								
CURRENT LIABILITIES	0	0	0	0	0	0	11,476	12,303
ACCOUNT PAYABLE							577	641
SHORT TERM LOAN							10,899	11,663
INCOME TAX PAYABLE							0	0
IMPORT TAX PAYABLE	1,926	1,926	2,985	14,155	19,258	19,258	15,406	11,555
LONG TERM DEBTS	5,304	5,304	8,721	38,986	58,766	76,734	71,430	66,126
SUPPLIER'S CREDIT	5,304	5,304	8,721	38,986	53,042	53,042	47,738	42,434
U.S. DOLLAR LOAN					5,724	23,692	23,692	23,692
(TOTAL LIABILITIES)	5,304	5,304	8,721	38,986	58,766	76,734	82,906	78,429
** EQUITY **								
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND							0	0
RETAINED EARNINGS	0	0	0	0	0	0	-6,304	-8,253
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	32,000	25,696	23,747
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	70,986	90,766	108,734	108,602	102,176

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	11,991	11,978	14,783	22,663	31,755	42,014	53,523	66,374
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	0	0	2,805	10,685	19,778	30,037	41,546	54,397
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	5,034	5,021	5,020	5,020	5,020	5,020	5,020	5,020
FINISHED PRODUCTS	(3,191)	(3,178)	(3,177)	(3,177)	(3,177)	(3,177)	(3,177)	(3,177)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	90,681	79,467	68,253	57,039	45,825	34,612	23,398	12,184
BUILDING AND STRUCTURE	16,448	15,839	15,230	14,621	14,011	13,402	12,793	12,184
MACHINERY AND EQUIPMENT	74,232	63,628	53,023	42,418	31,814	21,209	10,605	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	186	94	0
(TOTAL ASSETS)	103,329	92,008	83,505	80,071	77,862	76,813	77,015	78,558
** LIABILITIES **								
CURRENT LIABILITIES	7,085	3,375	3,423	3,931	4,619	5,361	6,158	7,014
ACCOUNT PAYABLE	767	762	762	762	762	762	762	762
SHORT TERM LOAN	6,323	2,181	0	0	0	0	0	0
INCOME TAX PAYABLE	0	432	2,660	3,169	3,857	4,599	5,396	6,251
IMPORT TAX PAYABLE	7,703	3,852	0	0	0	0	0	0
LONG TERM DEBTS	60,821	52,133	43,444	34,755	26,066	17,378	8,689	0
SUPPLIER S CREDIT	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
U.S. DOLLAR (OAH)	23,692	20,507	16,923	13,538	10,154	6,769	3,385	0
(TOTAL LIABILITIES)	67,907	55,508	46,866	38,686	30,685	22,739	14,847	7,014
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-4,281	648	4,638	9,391	15,176	22,074	30,168	39,344
(TOTAL EQUITY)	27,719	32,648	36,638	41,391	47,176	54,074	62,166	71,344
(TOTAL LIABILITIES AND EQUITY)	95,625	88,156	83,505	80,077	77,862	76,813	77,015	78,558

INTERPOL RATE OF RETURN CALCULATION ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
*** CASH PROVIDED ***						
CAPITAL STOCK (A)	3,500	0	7,000	21,500	0	0
LONG TERM DEBTS (B)	5,304	()	2,917	30,765	19,780	17,968
SUPPLIER'S CREDIT (C)	(5,304)	()	(2,917)	(30,765)	(14,056)	()
U.S. DOLLAR LOAN (D)	(0)	(0)	(0)	(0)	(5,724)	(17,968)
(TOTAL)	8,804	0	9,917	52,265	19,780	17,968

*** CASH GENERATED ***					
NET INCOME (C)					-6,304
DEPRECIATION AND AMORTIZATION (D)					11,308
INTEREST OF LONG TERM DEBTS (E)					6,787
SUPPLIER'S CREDIT (F)					(4,654)
U.S. DOLLAR LOAN (G)					(2,132)
(TOTAL)	0	0	0	0	11,790

REPAYMENT OF LONG TERM DEBTS (F)					5,304
SUPPLIER'S CREDIT (G)					(5,304)
U.S. DOLLAR LOAN (H)					()
*** RETURN ON INVESTMENT ***					
NET BALANCE (C+D-F)-(A)	-3,500	0	-7,000	-21,500	0
CUMULATIVE	-3,500	-3,500	-10,500	-32,000	-32,000
DISCOUNT RATE	1,00000	.94167	.88675	.83503	.78632
PRESENT VALUE	-3,500	0	-6,207	-17,955	0

*** RETURN ON INVESTMENT AND LOAN ***					
NET BALANCE (C+D+E)-(A+B)	-8,804	0	-9,917	-52,265	-19,780
CUMULATIVE	-8,804	-8,804	-18,721	-70,986	-90,766
DISCOUNT RATE	1,00000	.95459	.91123	.86985	.83035
PRESENT VALUE	-8,804	0	-9,037	-45,463	-16,424

	3	4	5	6	7	8	9	10
** CASH PROVIDED **								
CAPITAL STOCK	(A)	0	0	0	0	0	0	0
LONG TERM DEBTS	(B)	()	()	()	()	()	()	()
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	0	0

	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
** CASH GENERATED **								
NET INCOME	3,971	4,929	3,990	4,753	5,785	6,898	8,093	9,377
DEPRECIATION AND AMORTIZATION	11,308	11,308	11,308	11,308	11,308	11,308	11,308	11,308
INTEREST OF LONG TERM DEBTS	5,832	5,278	4,496	3,714	2,932	2,150	1,368	586
SUPPLIER'S CREDIT	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN	(2,132)	(2,056)	(1,752)	(1,447)	(1,142)	(838)	(533)	(228)
(TOTAL)	21,111	21,515	19,794	19,775	20,025	20,356	20,770	21,271
REPAYMENT OF LONG TERM DEBTS	5,304	8,689	8,689	8,689	8,689	8,689	8,689	8,689
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	(3,385)	(3,385)	(3,385)	(3,385)	(3,385)	(3,385)	(3,385)

	(K)	(L)	(M)	(N)	(O)	(P)	(Q)	(R)
** RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE	9,974	7,548	6,609	7,372	8,404	9,517	10,712	11,996
	(-18,271)	(-10,723)	(-4,114)	3,258	11,662	21,179	31,891	43,887
DISCOUNT RATE	53205	47179	41836	37098	32897	29171	25867	22938
PRESENT VALUE	5,307	3,561	2,765	2,735	2,765	2,776	2,771	2,752

	(S)	(T)	(U)	(V)	(W)	(X)	(Y)	(Z)
** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE	21,111	21,515	19,794	19,775	20,025	20,356	20,770	21,271
	(-60,165)	(-38,649)	(-18,855)	920	20,945	41,301	62,071	83,342
DISCOUNT RATE	61385	55936	50971	46446	42323	38566	35143	32024
PRESENT VALUE	12,959	12,035	10,089	9,185	8,475	7,851	7,299	6,812

*** HIFPRO-PERU SINTER PROJECT 1/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TONS)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,381	22,237	24,051	24,051	24,051	24,051	24,051	24,051
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION,	11,214	11,214	11,214	11,214	11,214	11,214	11,214	11,214
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,295	45,355	52,946	52,946	52,946	52,946	52,946	52,946
INVENTORY								
BEGINNING	3,754	3,754	3,426	3,191	3,177	3,177	3,177	3,177
END		3,426	3,191	3,178	3,177	3,177	3,177	3,177
COST OF GOODS SOLD	37,541	45,683	53,181	52,959	52,946	52,946	52,946	52,946

*** HIERRO-PERU SINTER PROJECT F/S ***
 ** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME : 1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,051	24,051	236,023
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,214	11,214	112,138
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	52,946	52,946	510,215
INVENTORY			
BEGINNING	3,177	3,177	29,432
END	3,177	3,177	32,609
COST OF GOODS SOLD	52,946	52,946	507,038

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	307	54	207	448	360	
** CASH BALANCE, BEGINNING							0
** CASH PROVIDED BY **							
CAPITAL STOCK	5,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304		2,917	32,762	37,541	18,857	97,380
SUPPLIER'S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	0	1,997	23,485	18,857	44,338
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	0	9,917	54,262	37,541	18,857	129,380

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,871	8,246
SUPPLIER'S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	21	559	1,484	2,063
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,497	254	9,763	54,021	37,629	18,328	128,491
** NET CASH INCREASE/DECREASE	307	-254	154	241	-88	529	889
** CASH BALANCE, END	307	54	207	448	360	889	889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	1,249	4,177	8,350	13,322	17,419
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,567	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0	0
INCREASE..ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	8,961	0	0	0	0	0	0	0
LONG TERM DEBTS	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
SUPPLIER'S CREDIT	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
DEPRECIATION & AMORTIZATION								
(TOTAL)	58,646	65,154	78,913	79,932	79,932	79,932	79,932	79,932

** CASH APPLIED TO **

COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. INCOME TAX	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
		0	0	0	0	249	2,171	2,590
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	6,711	12,672	11,825	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)
SHORT TERM LOAN	(0)	(1,407)	(7,368)	(187)	(0)	(0)	(0)	(0)
INTEREST	8,761	8,724	8,143	7,081	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,278)	(2,708)	(2,138)	(1,568)
SHORT TERM LOAN	(116)	(557)	(453)	(11)	(0)	(0)	(0)	(0)
INCREASE..FIXED ASSET INCREASE..INVENTORIES	3,765	-330	-237	-13	-1	0	0	0
(TOTAL)	58,501	64,937	78,914	77,004	75,759	74,961	75,835	75,206
** NET CASH INCREASE/DECREASE	144	217	-1	2,928	4,173	4,972	4,097	4,726
** CASH BALANCE, END	1,033	1,250	1,249	4,177	8,350	13,322	17,419	22,145

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	27,145	27,500	RD9
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(68,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(-5,708)	(-5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	0	0	0
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	8,961
LONG TERM DEBTS	()	()	0
SUPPLIER S CREDIT	(0)	(0)	()
U.S. DOLLAR LOAN	0	0	0
CAPITAL STOCK	11,432	11,432	114,324
DEPRECIATION & AMORTIZATION			
(TOTAL)	79,932	79,932	762,239

** CASH APPLIED TO **			
LOST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	3,009	3,428	11,445
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	11,638	11,638	106,342
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,334)	(6,334)	(44,338)
SHORT TERM LOAN	(0)	(0)	(8,961)
INTEREST	1,833	786	53,135
SUPPLIER S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	(0)	(0)	(1,137)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,184
(TOTAL)	74,578	73,949	729,645

** NET CASH INCREASE/DECREASE	5,354	5,983	32,594
** CASH BALANCE, END	27,500	33,483	33,483

PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27,400	27,400	27,400	27,400	27,400	27,400	27,400	27,400
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,026	5,028	5,028	5,028	5,028
VALUE ADDED TAX	1,175	1,566	1,958	1,956	1,958	1,958	1,958	1,956
MINPICO COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	429	4,988	10,165	10,388	10,401	10,402	10,402	10,402
INTEREST	8,761	8,724	8,143	7,081	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,846)	(3,278)	(2,708)	(2,138)	(1,568)
SHORT TERM LOAN	(116)	(557)	(453)	(11)	(0)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0	0
NET INCOME BEFORE TAX	(8,332)	(3,756)	2,021	3,307	4,378	5,427	6,474	7,521
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(8,332)	(12,088)	(10,067)	(3,756)	(0)	(0)	(0)
INCOME TAX	0	0	0	0	249	2,171	2,590	3,009
NET INCOME AFTER TAX	(8,332)	(3,756)	2,021	3,307	4,129	3,256	3,884	4,513
RETAINED EARNINGS	(8,332)	(12,088)	(10,067)	(6,760)	(2,630)	626	4,510	9,023

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27.40	27.40	27.40
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM. EXPENSES	5,028	5,028	47,261
ADMINISTRATIVE EXPENSES	1,958	1,958	18,405
VALUE ADDED TAX	1,370	1,370	12,878
MINPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	10,402	10,402	88,361
INTEREST	1,833	786	53,135
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	(0)	(0)	(1,137)
INTEREST ON TEMPORARY INVESTMENT	0	0	0
NET INCOME BEFORE TAX	8,569	9,616	35,226
(PRE-YEAR LOSS CARRY OVER)	(0)	(0)	(0)
(TAXABLE INCOME)	(8,569)	(9,616)	(0)
INCOME TAX	3,428	3,847	15,292
NET INCOME AFTER TAX	5,141	5,770	19,934
RETAINED EARNINGS	14,164	19,934	19,934

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR						-2ND YEAR		-1ST YEAR			
	1ST HALF		2ND HALF		1ST HALF		2ND HALF		1ST HALF		2ND HALF	
** ASSETS **												
CURRENT ASSETS												
CASH ON HAND AND DEPOSIT	307	54	207	448	360	2,732	11,096					
TEMPORARY INVESTMENT	307	53	206	448	360	884	1,250					
ACCOUNTS RECEIVABLE	0	1	1	0	0	0	0					
INVENTORIES	()	()	()	()	()	1,843	5,279					
FINISHED PRODUCTS	()	()	()	()	()	()	(3,436)					
MATERIALS	()	()	()	()	()	(1,843)	(1,843)					
FIXED ASSETS												
BUILDING AND STRUCTURE	8,482	8,720	18,429	72,394	109,907	125,710	103,033					
MACHINERY AND EQUIPMENT												
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,710	85,779					
DEFERRED ASSETS	15	30	85	141	256	938	750					
(TOTAL ASSETS)	8,804	8,804	18,721	72,983	110,523	129,380	114,879					
** LIABILITIES **												
CURRENT LIABILITIES												
ACCOUNT PAYABLE	0	0	0	0	0	0	8,195					
SHORT TERM LOAN												
INCOME TAX PAYABLE												
IMPORT TAX PAYABLE												
LONG TERM DEBTS	5,304	5,304	8,221	40,983	78,523	97,380	86,772					
SUPPLIER S (CREDIT	5,304	5,304	8,221	38,986	53,042	53,042	42,434					
U.S. DOLLAR LOAN				1,997	23,481	44,338	44,338					
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,380	94,967					
** EQUITY **												
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000	32,000					
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0					
RETAINED EARNINGS	3,500	3,500	10,500	32,000	32,000	32,000	23,668					
(TOTAL EQUITY)	8,804	8,804	18,721	72,983	110,523	129,380	114,879					
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,380	114,879					

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	11,999	14,913	19,086	24,058	28,155	32,881	38,255	44,218
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	0	2,928	7,101	12,073	16,170	20,896	26,251	32,234
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	5,041	5,028	5,027	5,027	5,027	5,027	5,027	5,027
FINISHED PRODUCTS	(3,198)	(3,185)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	91,695	80,356	69,018	57,679	46,340	35,002	23,663	12,325
BUILDING AND STRUCTURE	16,638	16,022	15,406	14,790	14,173	13,557	12,941	12,325
MACHINERY AND EQUIPMENT	75,056	64,334	53,612	42,889	32,167	21,445	10,722	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	104,350	95,832	88,572	82,112	74,777	68,070	61,993	56,543
** LIABILITIES **								
CURRENT LIABILITIES	949	762	1,011	2,933	3,352	3,771	4,190	4,609
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	187	0	0	0	0	0	0	0
INCOME TAX PAYABLE	0	0	249	2,171	2,590	3,009	3,428	3,847
IMPORT TAX PAYABLE								
LONG TERM DEBTS	81,468	69,829	58,191	46,553	34,915	23,276	11,638	0
SUPPLIER S CREDIT	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
U.S. DOLLAR LOAN	44,338	38,004	31,670	25,336	19,002	12,668	6,334	0
(TOTAL LIABILITIES)	82,417	70,592	59,203	49,486	38,267	27,047	15,828	4,609
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-10,067	-6,760	-2,630	626	4,510	9,023	14,164	19,934
(TOTAL EQUITY)	21,933	25,240	29,370	32,626	36,510	41,023	46,164	51,934
(TOTAL LIABILITIES AND EQUITY)	104,350	95,832	88,572	82,112	74,777	68,070	61,993	56,543

UNIT: \$1000

	-1ST YEAR		-2ND YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	1	2	1	2	
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0

UNIT: \$1000

	-1ST YEAR		-2ND YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	1	2	1	2	
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0

UNIT: \$1000

	-1ST YEAR		-2ND YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	1	2	1	2	
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0

UNIT: \$1000

	-1ST YEAR		-2ND YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	1	2	1	2	
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0
NET BALANCE CUMULATIVE	0	0	0	0	0
DISCOUNT RATE	0	0	0	0	0
PRESENT VALUE	0	0	0	0	0

** INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROI = 1.93% KUI = 6.23%

	3	4	5	6	7	8	9	10
** CASH PROVIDED **								
CAPITAL STOCK	(A)	0	0	0	0	0	0	0
LONG TERM DEBTS	(B)	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	(C)	0	0	0	0	0	0	0
U.S. DOLLAR LOAN	(D)	0	0	0	0	0	0	0
(TOTAL)		0	0	0	0	0	0	0

** CASH GENERATED **								
NET INCOME	(C)	2,021	3,307	4,129	5,256	3,884	4,515	5,141
DEPRECIATION AND AMORTIZATION	(D)	11,432	11,432	11,432	11,432	11,432	11,432	11,432
INTEREST OF LONG TERM DEBTS	(E)	7,690	7,070	6,023	4,975	3,928	2,880	1,833
SUPPLIER'S CREDIT	(F)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)
U.S. DOLLAR LOAN	(G)	(3,990)	(3,848)	(3,728)	(2,708)	(2,138)	(1,568)	(998)
(TOTAL)		21,144	21,810	21,585	19,664	19,245	18,826	18,407
REPAYMENT OF LONG TERM DEBTS	(H)	5,304	11,638	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(I)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(J)	0	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)

** RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE	(K+D-F)-(A)	8,149	3,101	3,924	5,050	3,678	4,307	4,935
		-23,682	-20,581	-16,657	-13,607	-9,929	-5,622	-687
DISCOUNT RATE		.90439	.88725	.87043	.85392	.83774	.82185	.80627
PRESENT VALUE		7,370	2,751	3,415	2,604	3,082	3,540	3,979

** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE	(K+D+E)-(A+B)	21,144	21,810	21,585	19,664	19,245	18,826	18,407
		-80,647	-58,638	-37,253	-17,590	1,655	20,481	38,887
DISCOUNT RATE		.72822	.68553	.64555	.60752	.57190	.53838	.50682
PRESENT VALUE		15,397	14,951	13,930	11,946	11,006	10,135	9,329

*** HIEPKO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

(UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,506	27,362	24,175	24,175	24,175	24,175	24,175	24,175
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION:	11,339	11,339	11,339	11,339	11,339	11,339	11,339	11,339
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,420	45,480	53,070	53,070	53,070	53,070	53,070	53,070
INVENTORY								
BEGINNING	3,765	3,765	3,436	3,198	3,185	3,184	3,184	3,184
END		3,436	3,198	3,185	3,184	3,184	3,184	3,184
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070

*** HIIPRO-PERU SINTER PROJECT f/S ***
 ** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,175	24,175	237,271
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,339	11,339	113,386
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	53,070	53,070	511,462
INVENTORY			
BEGINNING	3,184	3,184	29,506
END	3,184	3,184	37,690
COST OF GOODS SOLD	53,070	53,070	508,278


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*        R0-05-2R
*
*   HIERO-PERU SINTER PROJECT
*
*   SENSITIVITY ANALYSIS CASE (1)
*           CONSTRUCTION COST 10% UP
*
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PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	490	217	692	462	162	0	
** CASH BALANCE, BEGINNING	0	490	692	462	162	0	
** CASH PROVIDED BY **							
CAPITAL STOCK	4,000	0	8,000	22,500	0	320	34,820
LONG TERM DEBTS	5,835	4	3,209	36,396	41,705	20,041	107,191
SUPPLIER S CREDIT	5,835	0	3,209	33,841	15,462	0	58,347
U.S. DOLLAR LOAN	0	4	0	2,555	26,243	20,041	48,844
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	9,835	4	11,209	58,896	41,705	20,361	142,010

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	9,198	0	10,344	58,170	38,372	13,126	129,211
BUILDING AND STRUCTURE	721	0	5,683	7,728	4,410	348	18,891
MACHINERY AND EQUIPMENT	8,477	0	4,661	50,443	33,963	12,777	110,320
INTEREST DURING CONSTRUCTION	131	263	335	1,199	2,918	4,283	9,129
SUPPLIER S CREDIT	131	263	335	1,168	2,278	2,626	6,800
U.S. DOLLAR LOAN	0	0	0	31	640	1,658	2,329
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	9,345	278	10,734	59,426	41,405	19,934	141,121

** NET CASH INCREASE/DECREASE

490 -273 475 -530 300 427 889

** CASH BALANCE, END

490 217 692 162 462 889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	1,249	1,249	1,249	5,113	9,157
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,567	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	0	182	413	531	729	1,143	1,625
INCREASE..ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	10,405	161	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571
(TOTAL)	61,229	66,455	80,234	81,485	81,602	81,801	82,215	82,696
** CASH APPLIED TO **								
COST OF GOODS SOLD	38,690	46,965	54,664	54,224	54,210	54,210	54,209	54,209
SELLING, GEN. & ADM.	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
INCOME TAX	0	0	0	0	0	0	1,797	2,433
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,835	5,835	11,898	14,194	15,547	13,199	12,812	12,812
SUPPLIER S CREDIT	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)
U.S. DOLLAR LOAN	()	()	()	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)
SHORT TERM LOAN	()	()	(6,063)	(1,381)	(2,735)	(387)	()	()
INTEREST	9,674	9,762	9,100	8,054	6,818	5,501	4,324	3,171
SUPPLIER S CREDIT	(5,120)	(4,595)	(4,070)	(3,545)	(3,019)	(2,494)	(1,969)	(1,444)
U.S. DOLLAR LOAN	(4,396)	(4,396)	(4,396)	(4,239)	(3,611)	(2,983)	(2,355)	(1,727)
SHORT TERM LOAN	(15R)	(771)	(634)	(270)	(187)	(23)	()	()
INCREASE..FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE..INVENTORIES	3,869	-347	-255	-14	-1	0	0	0
(TOTAL)	61,084	66,238	80,235	81,485	81,602	77,937	78,170	77,653
** NET CASH INCREASE/DECREASE	144	217	-1	0	0	3,864	4,044	5,043
** CASH BALANCE, END	1,033	1,250	1,249	1,249	1,249	5,113	9,157	14,200

*** HILRO-DEPU SINTER PROJECT F/S ***
 ** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	14,200	20,343	889
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(48,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(-5,708)	(-5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	2,225	2,955	9,804
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	10,567
LONG TERM DEBTS	()	()	0
SUPPLIER'S CREDIT	()	()	()
U.S. DOLLAR LOAN	()	()	()
CAPITAL STOCK	12,571	12,571	125,715
DEPRECIATION & AMORTIZATION	83,797	84,027	785,040
(TOTAL)			
** CASH APPLIED TO **			
COST OF GOODS SOLD	54,209	54,209	519,601
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	3,087	3,788	11,104
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	12,812	12,812	117,757
SUPPLIER'S CREDIT	(5,835)	(5,835)	(58,347)
U.S. DOLLAR LOAN	(6,978)	(6,978)	(48,844)
SHORT TERM LOAN	()	()	(10,567)
INTEREST	2,018	865	59,286
SUPPLIER'S CREDIT	(919)	(394)	(27,569)
U.S. DOLLAR LOAN	(1,099)	(471)	(29,673)
SHORT TERM LOAN	()	()	(2,044)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,253
(TOTAL)	77,154	76,703	758,262
** NET CASH INCREASE/DECREASE	6,143	7,324	26,778
** CASH BALANCE, END	20,343	27,667	27,667

PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40	27,40	27,40	27,40	27,40	27,40
COST OF GOODS SOLD	38,690	46,985	54,464	54,224	54,210	54,210	54,209	54,209
SELLING, GEN. & ADH.	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
ADMINISTRATIVE	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
VALUE ADDED TAX	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
MINPECO COMMISSION	R22	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	19R	264	330	330	330	330	330	330
INCOME FROM OPERATION	-607	3,812	9,008	9,248	9,262	9,263	9,263	9,263
INTEREST	9,674	9,762	9,100	6,054	6,818	5,501	4,324	3,171
SUPPLIER'S CREDIT	(5,120)	(4,595)	(4,070)	(3,545)	(3,019)	(2,494)	(1,969)	(1,444)
U.S. DOLLAR LOAN	(4,396)	(4,396)	(4,396)	(4,239)	(3,611)	(2,983)	(2,355)	(1,727)
SHORT TERM LOAN	(15R)	(771)	(634)	(270)	(187)	(23)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	0	182	413	531	729	1,143	1,625
NET INCOME BEFORE TAX	-10,281	-5,950	91	1,608	2,975	4,492	6,082	7,717
(PRE-YEAR LOSS CARRY OVER)	(0)	(10,281)	(16,230)	(16,140)	(5,950)	(0)	(0)	(0)
(TAXABLE INCOME)	(0)	(0)	(0)	(0)	(0)	(4,492)	(6,082)	(7,717)
INCOME TAX	0	0	0	0	0	1,797	2,433	3,087
NET INCOME AFTER TAX	-10,281	-5,950	91	1,608	2,975	2,695	3,649	4,630
RETAINED EARNINGS	-10,281	-16,230	-16,140	-14,532	-11,557	-8,862	-5,213	-583

(UNIT: \$1000)

PROJECTED INCOME STATEMENTS

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40
COST OF GOODS SOLD	54,209	54,209	519,601
SELLING, GEN. & ADM. EXPENSES	5,028	5,028	47,261
ADMINISTRATIVE EXPENSES	1,958	1,958	18,405
VALUE ADDED TAX	1,370	1,370	12,878
MIMPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	9,263	9,263	77,038
INTEREST	2,018	865	59,286
SUPPLIER'S CREDIT	(919)	(394)	(27,569)
U.S. DOLLAR LOAN	(1,099)	(471)	(29,673)
SHORT TERM LOAN	(0)	(0)	(2,044)
INTEREST ON TEMPORARY INVESTMENT	2,225	2,955	9,804
NET INCOME BEFORE TAX	9,470	11,353	27,556
(PRE-YEAR LOSS CARRY OVER)	(0)	(0)	(0)
(TAXABLE INCOME)	(9,470)	(11,353)	(0)
INCOME TAX	3,788	4,541	15,645
NET INCOME AFTER TAX	5,682	6,812	11,911
RETAINED EARNINGS	5,099	11,911	11,911

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	490	217	692	162	2,732	11,182	
** ASSETS **							
CURRENT ASSETS							
CASH ON HAND AND DEPOSIT	490	217	692	162	2,732	11,182	
TEMPORARY INVESTMENT	0	0	0	0	0	0	1,250
ACCOUNTS RECEIVABLE							0
INVENTORIES							3,425
FINISHED PRODUCTS					1,843		5,712
MATERIALS							(3,869)
							(1,843)
							(1,843)
FIXED ASSETS	9,330	9,592	20,272	79,641	120,931	113,385	113,385
BUILDING AND STRUCTURE							19,667
MACHINERY AND EQUIPMENT							106,196
CONSTRUCTION IN PROGRESS	9,330	9,592	20,272	79,641	120,931	138,340	0
DEFERRED ASSETS	15	30	85	141	256	844	750
(TOTAL ASSETS)	9,835	9,839	21,049	79,944	121,649	142,010	125,218
** LIABILITIES **							
CURRENT LIABILITIES							
ACCOUNT PAYABLE	0	0	0	0	0	0	11,207
SHORT TERM LOAN							577
INCOME TAX PAYABLE							10,405
IMPORT TAX PAYABLE							0
LONG TERM DEBTS	5,835	5,839	9,049	45,444	67,149	101,356	95,521
SUPPLIER'S CREDIT	5,835	5,835	9,044	42,885	58,347	52,512	46,678
U.S. DOLLAR LOAN		4	5	2,559	28,802	48,844	48,844
(TOTAL LIABILITIES)	5,835	5,839	9,049	45,444	87,149	112,338	106,729
** EQUITY **							
CAPITAL STOCK	4,000	4,000	12,000	34,500	34,820	34,820	34,820
ALLOWANCE OF DIVIDEND							0
RETAINED EARNINGS	0	0	0	0	0	-10,281	-16,230
(TOTAL EQUITY)	4,000	4,000	12,000	34,500	34,820	24,539	18,589
(TOTAL LIABILITIES AND EQUITY)	9,835	9,839	21,049	79,944	121,649	142,010	125,218

*** HIERO-PLRU SINTER PROJECT F/S ***

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	12,068	12,054	12,053	15,917	19,961	25,004	31,147	38,471
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	0	0	0	5,864	7,908	12,951	19,094	26,418
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	5,111	5,096	5,096	5,096	5,096	5,096	5,096	5,096
FINISHED PRODUCTS	(3,268)	(3,253)	(3,253)	(3,255)	(3,253)	(3,253)	(3,253)	(3,253)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	100,907	88,430	75,952	63,474	50,997	38,519	26,041	13,564
BUILDING AND STRUCTURE	18,311	17,633	16,954	16,276	15,598	14,920	14,242	13,563
MACHINERY AND EQUIPMENT	82,597	70,797	58,998	47,198	35,399	23,599	11,800	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	113,632	101,046	88,474	79,766	71,239	63,711	57,282	52,034
** LIABILITIES **								
CURRENT LIABILITIES	5,266	3,884	1,149	2,559	3,195	3,849	4,551	5,304
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	4,503	3,122	387	0	0	0	0	0
INCOME TAX PAYABLE	0	0	0	1,797	2,433	3,087	3,788	4,541
LONG TERM DEBTS	89,687	76,874	64,062	51,250	38,437	25,625	12,812	0
SUPPLIER'S CREDIT	40,843	35,008	29,174	23,339	17,504	11,669	5,835	0
U.S. DOLLAR LOAN	48,844	41,866	34,888	27,911	20,933	13,955	6,978	0
(TOTAL LIABILITIES)	94,952	80,759	65,211	55,809	41,632	29,474	17,363	5,304
** EQUITY **								
CAPITAL STOCK	34,820	34,820	34,820	34,820	34,820	34,820	34,820	34,820
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-16,140	-14,532	-11,557	-8,862	-5,213	-583	5,099	11,911
(TOTAL EQUITY)	18,680	20,288	23,263	25,958	29,607	34,237	39,919	46,731
(TOTAL LIABILITIES AND EQUITY)	113,632	101,046	88,474	79,766	71,239	63,711	57,282	52,034

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	0	0	8,000	22,500	0	320		
** CASH PROVIDED **								
CAPITAL STOCK	4,000	0	8,000	22,500	0	320	0	0
LONG TERM DEBTS	5,835	4	3,209	36,396	41,705	20,041	0	0
SUPPLIER'S CREDIT	(5,835)	(0)	(3,209)	(35,861)	(15,462)	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(4)	(0)	(2,555)	(26,243)	(20,041)	(0)	(0)
(TOTAL)	9,835	4	11,209	58,896	41,705	20,361	0	0

	-10,281	12,571	9,516	8,991
** CASH GENERATED **				
NET INCOME	-10,281	12,571	9,516	8,991
DEPRECIATION AND AMOTIZATION (D)			(5,120)	(4,595)
INTEREST OF LONG TERM DEBTS (F)			(6,396)	(4,396)
SUPPLIER'S CREDIT				
U.S. DOLLAR LOAN				
(TOTAL)	0	0	11,807	15,613
REPAYMENT OF LONG TERM DEBTS (F)			0	0
SUPPLIER'S CREDIT			0	0
U.S. DOLLAR LOAN			0	0

	-3,544	-37,576	1,00000	1,00000
** RETURN ON INVESTMENT **				
NET BALANCE CUMULATIVE	-4,000	-4,000	-22,500	-34,820
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-4,000	0	-22,500	-320

	11,807	-130,204	87982	84666
** RETURN ON INVESTMENT AND LOAN **				
NET BALANCE CUMULATIVE	-9,835	-9,835	-11,209	-58,896
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-9,835	-9,835	-21,049	-79,944

** CASH PROVIDED **

	3	4	5	6	7	8	9	10
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (B)	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()
(TOTAL)	0	0	0	0	0	0	0	0

** CASH GENERATED **

	3	4	5	6	7	8	9	10
NET INCOME (C)	91	1,608	2,975	2,695	3,649	4,630	5,682	6,812
DEPRECIATION AND AMORTIZATION (D)	12,571	12,571	12,571	12,571	12,571	12,571	12,571	12,571
INTEREST OF LONG TERM DEBTS (E)	8,666	7,784	6,630	5,477	4,324	3,171	2,018	865
SUPPLIER'S CREDIT	(4,070)	(3,545)	(3,019)	(2,494)	(1,969)	(1,444)	(919)	(394)
U.S. DOLLAR LOAN	(4,396)	(4,239)	(3,611)	(2,983)	(2,355)	(1,727)	(1,099)	(471)
(TOTAL)	21,128	21,963	22,177	20,744	20,545	20,373	20,272	20,246
REPAYMENT OF LONG TERM DEBTS (F)	5,835	12,812	12,812	12,812	12,812	12,812	12,812	12,812
SUPPLIER'S CREDIT	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)	(5,835)
U.S. DOLLAR LOAN	()	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)	(6,978)

** RETURN ON INVESTMENT **

	3	4	5	6	7	8	9	10
NET BALANCE CUMULATIVE (C+D-F)-(A)	6,827	1,367	2,734	2,454	3,408	4,389	5,441	6,571
	-30,749	-29,382	-26,648	-24,194	-20,786	-16,397	-10,955	-4,384
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	6,827	1,367	2,734	2,454	3,408	4,389	5,441	6,571

** RETURN ON INVESTMENT AND LOAN **

	3	4	5	6	7	8	9	10
NET BALANCE CUMULATIVE (C+D+E)-(A+R)	21,128	21,963	22,177	20,744	20,545	20,373	20,272	20,246
	-93,463	-71,501	-49,324	-26,580	-8,035	12,337	32,609	52,857
DISCOUNT RATE	.76423	.72607	.68982	.65538	.62266	.59157	.56203	.53397
PRESENT VALUE	16,146	15,947	15,298	13,595	12,792	12,052	11,393	10,812

*** HIERRO-PERU SINTER PROJECT F/S ***

** DFTAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	22,645	23,501	25,314	25,314	25,314	25,314	25,314	25,314
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,844	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVEPHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	12,478	12,478	12,478	12,478	12,478	12,478	12,478	12,478
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	47,559	46,619	54,209	54,209	54,209	54,209	54,209	54,209
INVENTORY								
BEGINNING	3,869	3,869	3,522	3,268	3,253	3,253	3,253	3,253
END		3,522	3,268	3,253	3,253	3,253	3,253	3,253
COST OF GOODS SOLD	38,690	44,965	54,464	54,224	54,210	54,210	54,209	54,209

*** HIEPRO-PERU SINTER PROJECT F/S ***
 ** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	25,314	25,314	248,662
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	12,478	12,478	126,777
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	54,209	54,209	522,854
INVENTORY			
BEGINNING	3,253	3,253	30,176
END	3,253	3,253	33,428
COST OF GOODS SOLD	54,209	54,209	519,601

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*
* 80-05-2R *
*
* HIERRU-PFRU SINTER PROJECT *
*
* SENSITIVITY ANALYSIS CASE (2) *
* CONSTRUCTION COST 10% DOWN *
*
*.....

*** HIJERO-PLRU SINTER PROJECT F/S ***

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	626	396	729	519	669	
** CASH BALANCE, BEGINNING							0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	6,500	18,500	0	36	28,536
LONG TERM DEBTS	4,774	0	2,625	29,924	34,053	16,963	88,340
SUPPLIER'S CREDIT	4,774	0	2,625	27,688	12,651	0	47,738
U.S. DOLLAR LOAN	0	0	0	2,236	21,402	16,963	40,602
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,274	0	9,125	48,424	34,053	16,999	116,876

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	7,526	0	8,464	47,594	31,396	10,739	105,718
BUILDING AND STRUCTURE	590	0	4,650	6,323	3,608	285	15,456
MACHINERY AND EQUIPMENT	6,936	0	3,814	41,271	27,788	10,454	90,262
INTEREST DURING CONSTRUCTION	107	215	274	984	2,392	3,515	7,488
SUPPLIER'S CREDIT	107	215	274	956	1,864	2,148	5,564
U.S. DOLLAR LOAN	0	0	0	28	528	1,367	1,924
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	7,648	230	8,793	48,634	33,003	16,779	115,987
** NET CASH INCREASE/DECREASE	626	-230	333	-210	150	220	889
** CASH BALANCE, END	626	396	729	519	669	889	889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	5,942	12,135	18,784	25,039	32,321
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,567	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	102	611	1,356	2,054	2,760	3,499	4,361
INCREASE..ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	7,589	0	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER S CREDIT	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	10,304	10,304	10,304	10,304	10,304	10,304	10,304	10,304
(TOTAL)	56,145	64,128	78,396	80,161	80,861	81,564	82,303	83,165

** CASH APPLIED TO **

COST OF GOODS SOLD	34,629	44,665	52,163	51,955	51,943	51,943	51,942	51,942
SELLING, GEN. & ADM.	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
INCOME TAX	0	0	0	0	1,195	3,245	3,908	4,584
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	4,774	7,668	9,468	10,574	10,574	10,574	10,574	10,574
SUPPLIER S CREDIT	(4,774)	(4,774)	(4,774)	(4,774)	(4,774)	(4,774)	(4,774)	(4,774)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(5,800)	(5,800)	(5,800)	(5,800)	(5,800)
SHORT TERM LOAN	(0)	(2,894)	(4,694)	(0)	(0)	(0)	(0)	(0)
INTEREST	7,919	7,869	7,266	6,424	5,472	4,520	3,569	2,617
SUPPLIER S CREDIT	(4,189)	(3,759)	(3,330)	(2,900)	(2,470)	(2,041)	(1,611)	(1,182)
U.S. DOLLAR LOAN	(3,654)	(3,654)	(3,654)	(3,524)	(3,002)	(2,480)	(1,958)	(1,436)
SHORT TERM LOAN	(76)	(455)	(782)	(0)	(0)	(0)	(0)	(0)
INCREASE..FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE..INVENTORIES	3,663	-313	-220	-12	-1	0	0	0
(TOTAL)	56,001	63,911	73,704	73,968	74,211	75,310	75,021	74,745
** NET CASH INCREASE/DECREASE	144	217	4,692	6,193	6,650	6,254	7,283	8,420
** CASH BALANCE, END	1,033	1,250	5,942	12,135	18,784	25,039	32,321	40,741

(UNIT: \$1000)

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) **

	9	10	TOTAL
** CASH BALANCE, BEGINNING	40,741	50,583	889
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(68,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(5,708)	(5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	5,354	6,495	26,596
INCREASE, ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	7,589
LONG TERM DEBTS	()	()	0
SUPPLIER S CREDIT	()	()	()
U.S. DOLLAR LOAN	()	()	()
CAPITAL STOCK	0	0	0
DEPRECIATION & AMORTIZATION	10,304	10,304	103,045
(TOTAL)	84,161	85,299	774,184
** CASH APPLIED TO **			
COST OF GOODS SOLD	51,942	51,942	497,067
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	5,309	6,088	24,329
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	10,574	10,574	95,929
SUPPLIER S CREDIT	(4,774)	(4,774)	(47,738)
U.S. DOLLAR LOAN	(5,800)	(5,800)	(40,602)
SHORT TERM LOAN	()	()	(7,589)
INTEREST	1,665	714	48,034
SUPPLIER S CREDIT	(752)	(322)	(22,554)
U.S. DOLLAR LOAN	(914)	(392)	(24,666)
SHORT TERM LOAN	()	()	()
INCREASE, FIXED ASSET	0	0	0
INCREASE, INVENTORIES	0	0	3,117
(TOTAL)	74,519	74,546	715,737
** NET CASH INCREASE/DECREASE	9,642	10,953	60,447
** CASH BALANCE, END	50,383	61,336	61,336

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27.40	27.40	27.40	27.40	27.40	27.40	27.40	27.40
COST OF GOODS SOLD	36,629	44,665	52,163	51,943	51,943	51,943	51,942	51,942
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MIMPECO COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	1,454	6,113	11,310	11,517	11,529	11,530	11,530	11,530
INTEREST	7,919	7,869	7,266	6,424	5,472	4,520	3,569	2,617
SUPPLIER'S CREDIT	(4,189)	(3,759)	(3,330)	(2,900)	(2,470)	(2,041)	(1,611)	(1,182)
U.S. DOLLAR LOAN	(3,654)	(3,654)	(3,654)	(3,654)	(3,654)	(3,654)	(3,654)	(3,654)
SHORT TERM LOAN	(76)	(455)	(282)	(0)	(0)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	102	611	1,356	2,056	2,760	3,499	4,361
NET INCOME BEFORE TAX	-6,464	-1,654	4,655	6,450	8,113	9,769	11,460	13,274
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(6,464)	(8,118)	(3,463)	(0)	(0)	(0)	(0)
INCOME TAX	0	0	0	1,195	3,245	3,908	4,584	5,309
NET INCOME AFTER TAX	-6,464	-1,654	4,655	5,255	4,868	5,861	6,876	7,964
RETAINED EARNINGS	-6,464	-8,118	-3,463	1,792	6,660	12,521	19,397	27,361

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27.40	27.40	27.40
COST OF GOODS SOLD	51,942	51,942	497,067
SELLING, GEN. & ADM. ADMINISTRATIVE	5,028	5,028	47,261
VALUE ADDED TAX	1,958	1,958	18,405
MIRPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	11,530	11,530	99,572
INTEREST	1,665	714	48,034
SUPPLIER'S CREDIT	(752)	(522)	(22,556)
U.S. DOLLAR LOAN	(914)	(592)	(24,666)
SHORT TERM LOAN	(0)	(0)	(812)
INTEREST ON TEMPORARY INVESTMENT	5,356	6,495	26,596
NET INCOME BEFORE TAX	15,221	17,511	78,134
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(0)	(0)
INCOME TAX	6,088	6,924	31,254
NET INCOME AFTER TAX	9,133	10,587	46,880
RETAINED EARNINGS	36,694	46,680	46,880

(UNIT: \$1000)

** PROJECTED BALANCE SHEET **

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** ASSETS **								
CURRENT ASSETS								
CASH ON HAND AND DEPOSIT	626	396	729	519	669	2,732	9,964	11,010
TEMPORARY INVESTMENT	626	396	729	519	669	889	1,033	1,250
ACCOUNTS RECEIVABLE	0	0	0	0	0	0	0	0
INVENTORIES	()	()	()	()	()	1,843	5,506	4,567
FINISHED PRODUCTS	()	()	()	()	()	()	()	5,193
MATERIALS	()	()	()	()	()	()	()	()
							()	()
							()	()
							()	()
FIXED ASSETS	7,633	7,848	16,586	65,164	98,952	113,206	102,995	92,785
BUILDING AND STRUCTURE							16,094	15,539
MACHINERY AND EQUIPMENT							86,901	77,246
CONSTRUCTION IN PROGRESS	7,633	7,848	16,586	65,164	98,952	113,206	0	0
DEFERRED ASSETS	15	30	85	141	256	938	844	750
(TOTAL ASSETS)	8,274	8,274	17,400	65,824	99,877	116,876	113,804	104,545
** LIABILITIES **								
CURRENT LIABILITIES								
ACCOUNT PAYABLE	0	0	0	0	0	0	8,166	5,335
SHORT TERM LOAN							577	641
INCOME TAX PAYABLE							7,589	4,694
							0	0
IMPORT TAX PAYABLE								
LONG TERM DEBTS	4,774	4,774	7,400	37,324	71,377	88,340	83,566	78,792
SUPPLIER'S CREDIT	4,774	4,774	7,399	35,087	47,738	47,738	42,964	38,190
U.S. DOLLAR LOAN	0	0	1	2,237	23,639	40,602	40,602	40,602
(TOTAL LIABILITIES)	4,774	4,774	7,400	37,324	71,377	88,340	91,732	84,127
** EQUITY **								
CAPITAL STOCK	3,500	3,500	10,000	26,500	28,500	28,536	28,536	28,536
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	0	0	0	0	0	0	-6,464	-8,118
(TOTAL EQUITY)	3,500	3,500	10,000	28,500	28,500	28,536	22,072	20,418
(TOTAL LIABILITIES AND EQUITY)	8,274	8,274	17,400	65,824	99,877	116,876	113,804	104,545

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	16,623	22,604	29,457	35,706	42,989	51,409	61,051	72,004
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	4,693	10,886	17,535	23,789	31,072	39,492	49,134	60,087
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	4,973	4,960	4,960	4,960	4,960	4,960	4,960	4,960
FINISHED PRODUCTS	(3,130)	(3,117)	(3,117)	(3,117)	(3,117)	(3,117)	(3,117)	(3,117)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	82,574	72,563	62,153	51,942	41,731	31,521	21,310	11,099
BUILDING AND STRUCTURE	14,984	14,429	13,874	13,319	12,764	12,209	11,654	11,099
MACHINERY AND EQUIPMENT	67,590	57,934	48,279	38,625	28,967	19,311	9,656	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	99,854	95,730	92,074	88,024	85,002	83,117	82,434	83,103
** LIABILITIES **								
CURRENT LIABILITIES	762	1,957	4,008	4,670	5,346	6,072	6,851	7,687
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	0	0	0	0	0	0	0	0
INCOME TAX PAYABLE	0	1,195	3,245	3,908	4,584	5,309	6,088	6,924
IMPORT TAX PAYABLE	74,019	63,444	52,870	42,296	31,722	21,148	10,574	0
LONG TERM DEBTS	33,417	28,643	21,869	19,095	14,321	9,548	4,774	0
SUPPLIER'S CREDIT	40,602	34,802	29,001	23,201	17,401	11,601	5,800	0
U.S. DOLLAR LOAN	74,781	65,402	56,878	46,966	37,069	27,220	17,425	7,687
(TOTAL LIABILITIES)	28,536	28,536	28,536	28,536	28,536	28,536	28,536	26,536
** EQUITY **								
CAPITAL STOCK	0	0	0	0	0	0	0	0
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-3,463	1,792	6,660	12,521	19,397	27,361	36,494	46,880
(TOTAL EQUITY)	25,073	30,528	35,196	41,057	47,933	55,897	65,030	75,416
(TOTAL LIABILITIES AND EQUITY)	99,854	95,730	92,074	88,024	85,002	83,117	82,454	83,103

	-3RD YEAR		-2ND YEAR		-1ST YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
	1	2	1	2	1	2
** CASH PROVIDED **						
CAPITAL STOCK (A)	3,500	0	6,500	18,500	0	36
LONG TERM DEBTS (B)	4,774	0	2,625	29,924	34,053	0
SUPPLIER'S CREDIT	(4,774)	(0)	(2,625)	(27,688)	(12,651)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(2,236)	(21,407)	(0)
(TOTAL)	4,274	0	9,125	48,424	34,053	0

** CASH GENERATED **						
NET INCOME (C)						
DEPRECIATION AND AMORTIZATION (D)						
INTEREST OF LONG TERM DEBTS (E)						
SUPPLIER'S CREDIT						
U.S. DOLLAR LOAN						
(TOTAL)						
REPAYMENT OF LONG TERM DEBTS (F)						
SUPPLIER'S CREDIT						
U.S. DOLLAR LOAN						

** RETURN ON INVESTMENT **						
NET BALANCE (C+D-F)-(A+B)	-3,500	0	-6,500	-18,500	0	-36
CUMULATIVE	-3,500	-3,500	-10,000	-28,500	-28,500	-28,536
DISCOUNT RATE	1,00000	,94823	,89913	,85258	,80844	,76658
PRESENT VALUE	-3,500	0	-5,846	-15,773	0	-28

** RETURN ON INVESTMENT AND LOAN **						
NET BALANCE (C+D+E)-(A+B)	-4,274	0	-9,125	-48,424	-34,053	-16,999
CUMULATIVE	-4,274	-4,274	-17,400	-65,824	-99,877	-116,876
DISCOUNT RATE	1,00000	,95796	,91769	,87911	,84216	,80675
PRESENT VALUE	-4,274	0	-8,374	-42,570	-28,678	-13,714

** CASH PROVIDED **
 CAPITAL STOCK (A) 0 0 0 0 0 0 0 0 0 0
 LONG TERM DEBTS (B) 0) () () () () () () ()
 SUPPLIER'S CREDIT (C) 0) () () () () () () ()
 U.S. DOLLAR LOAN (D) 0) () () () () () () ()
 (TOTAL) 0 0 0 0 0 0 0 0 0 0

** CASH GENERATED **
 NET INCOME (E) 4,655 5,255 4,868 5,861 6,876 7,964 9,132 10,387
 DEPRECIATION AND AMORTIZATION (F) 10,304 10,304 10,304 10,304 10,304 10,304 10,304 10,304
 INTEREST OF LONG TERM DEBTS (G) 6,984 6,424 5,472 4,520 3,569 2,617 1,665 714
 SUPPLIER'S CREDIT (H) (3,330) (2,900) (2,470) (2,041) (1,611) (1,182) (752) (322)
 U.S. DOLLAR LOAN (I) (5,654) (3,524) (3,002) (2,480) (1,958) (1,436) (914) (392)
 (TOTAL) 21,944 21,983 20,644 20,686 20,749 20,886 21,102 21,405
 REPAYMENT OF LONG TERM DEBTS (J) 4,774 10,574 10,574 10,574 10,574 10,574 10,574 10,574
 SUPPLIER'S CREDIT (K) (4,774) (4,774) (4,774) (4,774) (4,774) (4,774) (4,774) (4,774)
 U.S. DOLLAR LOAN (L) (0) (5,600) (5,800) (5,800) (5,800) (5,800) (5,800) (5,800)

** RETURN ON INVESTMENT **
 NET BALANCE (C+D-F)-(A) 10,186 4,985 4,598 5,592 6,606 7,694 8,863 10,117
 CUMULATIVE -15,407 -10,422 -5,823 -232 6,375 14,069 22,932 33,049
 DISCOUNT RATE .57224 .51452 .46262 .41596 .37400 .33628 .30236 .27186
 PRESENT VALUE 5,829 2,565 2,127 2,326 2,471 2,587 2,680 2,750

** RETURN ON INVESTMENT AND LOAN **
 NET BALANCE (C+D+E)-(A+R) 21,944 21,983 20,644 20,686 20,749 20,886 21,102 21,405
 CUMULATIVE -67,185 -45,202 -26,557 -16,871 -16,878 37,764 58,866 80,271
 DISCOUNT RATE .63703 .58459 .53648 .49232 .45180 .41461 .38048 .34917
 PRESENT VALUE 13,979 12,851 11,075 9,374 8,659 8,029 7,474

*** HIERRO-PLRU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME : 1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	20,378	21,234	23,047	23,047	23,047	23,047	23,047	23,047
WATER POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,844	4,161	5,207	5,207	5,207	5,207	5,207	5,207
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	10,211	10,211	10,211	10,211	10,211	10,211	10,211	10,211
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	40,292	44,352	51,942	51,942	51,942	51,942	51,942	51,942
INVENTORY								
BEGINNING	3,663	3,663	3,350	3,130	3,117	3,117	3,117	3,117
END		3,350	3,130	3,117	3,117	3,117	3,117	3,117
COST OF GOODS SOLD	36,629	44,665	52,163	51,955	51,943	51,943	51,942	51,942

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

(UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	23,047	23,047	225,992
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION:	10,211	10,211	102,107
AMORTIZATION:	94	94	938
COST OF GOODS MANUFACTURED	51,942	51,942	500,183
INVENTORY			
BEGINNING	3,117	3,117	28,843
END	3,117	3,117	31,959
COST OF GOODS SOLD	51,942	51,942	497,067


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*                               80-05-2A
*
* HIERO-PEPU SINTER PROJECT
*
* SENSITIVITY ANALYSIS CASE (3)
*       RAW MATERIAL COST 10% UP
*
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*** HIERRO-PERU SINTER PROJECT F/S ***

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	307	54	207	448	360	

** CASH BALANCE, BEGINNING	0	307	54	207	448	360	0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304		2,917	32,762	37,541	19,105	97,629
SUPPLIER'S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	0	1,997	23,485	19,105	46,587
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	0	9,917	54,262	37,541	19,105	129,629

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,886	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,876	8,251
SUPPLIER'S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	21	559	1,489	2,069
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	2,027	2,027
(TOTAL)	8,497	254	9,763	54,021	37,629	18,517	128,681
** NET CASH INCREASE/DECREASE	307	-254	154	241	-88	588	948
** CASH BALANCE, END	307	54	707	448	360	948	948

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	948	1,102	1,335	1,336	1,336	1,336	1,336	1,336
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES	3,425	4,567	5,708	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	0	0	68	64	164	291	435
INCREASE..ACCOUNT PAYABLE	604	68	130	0	0	0	0	0
SHORT TERM LOAN	11,078	1,333	0	251	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,433	11,433	11,433	11,433	11,433	11,433	11,433	11,433
(TOTAL)	60,789	66,492	78,921	80,252	80,017	80,097	80,224	80,368
** CASH APPLIED TO **								
COST OF GOODS SOLD	39,465	48,129	56,198	55,974	55,961	55,960	55,960	55,960
SELLING, GEN. & ADM.	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
INCOME TAX	0	0	0	0	0	0	380	1,407
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	5,304	9,412	11,674	12,474	13,653	14,569	14,552
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	0	0	0	(6,370)	(6,370)	(6,370)	(6,370)	(6,370)
SHORT TERM LOAN	0	0	(4,108)	0	(80)	(1,979)	(2,896)	(2,878)
INTEREST	8,907	9,141	8,520	7,590	6,554	5,456	4,286	3,062
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(4,013)	(4,013)	(4,013)	(3,869)	(3,296)	(2,723)	(2,150)	(1,576)
SHORT TERM LOAN	(235)	(951)	(807)	(498)	(513)	(465)	(346)	(173)
INCREASE..FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE..INVENTORIES	3,947	-337	-238	-13	-1	0	0	0
(TOTAL)	60,635	66,259	78,920	80,252	80,017	80,097	80,224	80,009
** NET CASH INCREASE/DECREASE	154	233	1	0	0	0	0	359
** CASH BALANCE, END	1,102	1,335	1,336	1,336	1,336	1,336	1,336	1,695

PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	1,695	5,822	948
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(68,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(-5,708)	(-5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	640	1,142	2,832
INCREASE..ACCOUNT PAYABLE	0	0	802
SHORT TERM LOAN	0	0	12,662
LONG TERM DEBTS	()	()	0
SUPPLIER'S CREDIT	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	()
CAPITAL STOCK	0	0	0
DEPRECIATION & AMORTIZATION	11,433	11,433	114,328
(TOTAL)	80,582	81,074	768,816
** CASH APPLIED TO **			
COST OF GOODS SOLD	55,960	55,960	535,529
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	1,954	2,529	6,270
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	11,674	11,674	110,291
SUPPLIER'S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,370)	(6,370)	(44,587)
SHORT TERM LOAN	(0)	(0)	(12,662)
INTEREST	1,839	788	56,138
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(1,003)	(430)	(27,086)
SHORT TERM LOAN	(0)	(0)	(3,989)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,358
(TOTAL)	76,454	75,979	758,846
** NET CASH INCREASE/DECREASE	4,128	5,096	9,970
** CASH BALANCE, END	5,822	10,918	10,918

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	61,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	77,40	27,40	27,40	27,40	27,40	27,40	27,40	27,40
COST OF GOODS SOLD	39,465	48,129	56,198	55,974	55,961	55,960	55,960	55,960
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MINPELU COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	-1,387	2,669	7,274	7,498	7,511	7,512	7,512	7,512
INTEREST	8,907	9,141	8,520	7,590	6,554	5,456	4,286	3,062
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(4,013)	(4,013)	(4,013)	(3,869)	(3,296)	(2,723)	(2,150)	(1,576)
SHORT TERM LOAN	(235)	(951)	(807)	(496)	(513)	(465)	(346)	(173)
INTEREST ON TEMPORARY INVESTMENT	0	0	0	66	84	164	291	435
NET INCOME BEFORE TAX	-10,284	-6,692	-1,246	-24	1,041	2,220	3,517	4,885
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
INCOME TAX	0	0	0	0	0	380	1,407	1,934
NET INCOME AFTER TAX	-10,284	-6,692	-1,246	-24	1,041	1,840	2,110	2,931
RETAINED EARNINGS	-10,284	-16,776	-18,022	-18,046	-17,005	-15,165	-13,055	-10,124

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40
COST OF GOODS SOLD	55,960	55,960	535,529
SELLING, GEN. & ADM. ADMINISTRATIVE	5,028	5,028	47,261
VALUE ADDED TAX	1,958	1,958	18,605
MINPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	7,512	7,512	61,110
INTEREST	1,839	788	56,138
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(1,007)	(430)	(27,086)
SHORT TERM LOAN	(0)	(0)	(3,989)
INTEREST ON TEMPORARY INVESTMENT	649	1,142	2,832
NET INCOME BEFORE TAX	6,323	7,866	7,805
(PRE-YEAR LOSS CARRY OVER)	(0)	(0)	(0)
(TAXABLE INCOME)	(6,323)	(7,866)	(0)
INCOME TAX	2,529	3,146	9,616
NET INCOME AFTER TAX	3,794	4,719	-1,411
RETAINED EARNINGS	-6,331	-1,611	-1,611

** PROJECTED BALANCE SHEET **
(UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR	
	YEAR		YEAR		YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
** ASSETS **						
CURRENT ASSETS						
CASH ON HAND AND DEPOSIT	307	54	207	448	360	2,975
TEMPORARY INVESTMENT	307	53	206	448	360	948
ACCOUNTS RECEIVABLE	0	1	1	0	0	0
INVENTORIES	()	()	()	()	()	2,027
FINISHED PRODUCTS	()	()	()	()	()	()
MATERIALS	()	()	()	()	()	()
FIXED ASSETS	8,482	8,720	18,429	72,394	109,907	125,716
BUILDING AND STRUCTURE						17,872
MACHINERY AND EQUIPMENT						96,505
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,716
DEFERRED ASSETS	15	30	85	141	256	938
(TOTAL ASSETS)	8,804	8,804	18,721	72,983	110,523	129,629
** LIABILITIES **						
CURRENT LIABILITIES						
ACCOUNT PAYABLE	0	0	0	0	0	0
SHORT TERM LOAN						604
INCOME TAX PAYABLE						11,078
IMPORT TAX PAYABLE						0
LONG TERM DEBTS	5,304	5,304	8,221	40,983	78,523	92,325
SUPPLIER'S CREDIT	5,304	5,304	8,221	38,986	53,042	53,042
U.S. DOLLAR LOAN				1,997	25,481	44,587
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,629
** EQUITY **						
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0
RETAINED EARNINGS	0	0	0	0	0	-10,284
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	21,716
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,629
						125,722
						115,327

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	12,443	12,430	12,429	12,429	12,429	12,788	16,916	22,011
CASH ON HAND AND DEPOSIT	1,336	1,336	1,336	1,336	1,336	1,336	1,336	1,336
TEMPORARY INVESTMENT	0	0	0	0	0	359	4,487	9,582
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	5,390	5,386	5,385	5,385	5,385	5,385	5,385	5,385
FINISHED PRODUCTS	(3,372)	(3,358)	(3,358)	(3,358)	(3,358)	(3,358)	(3,358)	(3,358)
MATERIALS	(2,027)	(2,027)	(2,027)	(2,027)	(2,027)	(2,027)	(2,027)	(2,027)
FIXED ASSETS	91,699	80,360	69,021	57,682	46,342	35,003	23,664	12,325
BUILDING AND STRUCTURE	16,639	16,023	15,607	14,790	14,174	13,558	12,942	12,325
MACHINERY AND EQUIPMENT	75,059	64,337	53,614	42,891	32,168	21,446	10,723	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	104,799	93,352	81,919	70,486	59,053	47,979	40,674	34,337
** LIABILITIES **								
CURRENT LIABILITIES	9,104	9,355	8,555	6,956	5,087	2,756	3,331	3,948
ACCOUNT PAYABLE	802	802	802	802	802	802	802	602
SHORT TERM LOAN	8,303	8,554	7,753	5,774	2,878	0	0	0
INCOME TAX PAYABLE	0	0	0	380	1,407	1,954	2,529	3,146
IMPORT TAX PAYABLE								
LONG TERM DEBTS	81,716	70,042	58,369	46,695	35,021	23,347	11,674	0
SUPPLIER S CREDIT	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
U.S. DOLLAR LOAN	44,587	38,217	31,848	25,478	19,109	12,739	6,370	0
(TOTAL LIABILITIES)	90,820	79,398	66,923	53,651	40,108	26,103	15,004	3,948
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-18,022	-18,046	-17,005	-15,165	-13,055	-10,124	-6,331	-1,611
(TOTAL EQUITY)	13,978	13,954	14,995	16,835	18,945	21,876	25,669	30,389
(TOTAL LIABILITIES AND EQUITY)	104,799	93,352	81,919	70,486	59,053	47,979	40,674	34,337

	-3RD YEAR		-2ND YEAR		-1ST YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
	1	2	1	2	1	2
** CASH PROVIDED **						
CAPITAL STOCK	(A) 3,500	0	7,000	21,500	0	0
LONG TERM DEBTS	(B) 5,304	()	2,917	32,762	37,541	19,105
SUPPLIER'S CREDIT	(5,304)	()	(2,917)	(30,765)	(14,056)	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(1,997)	(23,485)	()
(TOTAL)	8,804	0	9,917	54,262	37,541	19,105

** CASH GENERATED **						
NET INCOME	(C)					
DEPRECIATION AND AMORTIZATION (D)						
INTEREST OF LONG TERM DEBTS (E)						
SUPPLIER'S CREDIT	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0
REPAYMENT OF LONG TERM DEBTS (F)	0	0	0	0	0	0
SUPPLIER'S CREDIT	(0)	(0)	(0)	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)

** RETURN ON INVESTMENT **						
NET BALANCE	(C+D-F)-(A)	-3,500	0	-21,500	0	-4,155
CUMULATIVE		-3,500	-10,500	-32,000	-32,000	-36,155
DISCOUNT RATE		1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE		-3,500	0	-21,500	0	-4,155

** RETURN ON INVESTMENT AND LOAN **						
NET BALANCE	(C+D+E)-(A+B)	-8,804	0	-54,262	-37,541	19,105
CUMULATIVE		-8,804	-8,804	-72,983	-110,523	-129,629
DISCOUNT RATE		1,00000	.98086	.94367	.92561	.90790
PRESENT VALUE		-8,804	0	-51,205	-34,748	-17,346

	3	4	5	6	7	8	9	10
** CASH PROVIDED **								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (B)	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT (C)	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN (D)	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	0	0

	3	4	5	6	7	8	9	10
** CASH GENERATED **								
NET INCOME (E)	-1,246	-24	1,041	1,840	2,110	2,931	3,794	4,719
DEPRECIATION AND AMORTIZATION (F)	11,433	11,433	11,433	11,433	11,433	11,433	11,433	11,433
INTEREST OF LONG TERM DEBTS (G)	7,712	7,092	6,041	4,991	3,940	2,889	1,839	786
SUPPLIER'S CREDIT (H)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN (I)	(4,013)	(3,869)	(3,296)	(2,723)	(2,150)	(1,576)	(1,003)	(430)
(TOTAL)	17,900	18,501	18,515	18,263	17,483	17,253	17,065	16,940

	3	4	5	6	7	8	9	10
REPAYMENT OF LONG TERM DEBTS (J)	5,304	11,674	11,674	11,674	11,674	11,674	11,674	11,674
SUPPLIER'S CREDIT (K)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN (L)	()	(6,370)	(6,370)	(6,370)	(6,370)	(6,370)	(6,370)	(6,370)

	3	4	5	6	7	8	9	10
** RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE (C+D-F)-(A)	4,883	-265	R00	1,599	1,869	2,690	3,553	4,478
	-31,636	-31,901	-31,101	-29,502	-27,633	-24,943	-21,390	-16,912
DISCOUNT RATE	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
PRESENT VALUE	4,883	-265	R00	1,599	1,869	2,690	3,553	4,478

	3	4	5	6	7	8	9	10
** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE (C+D+E)-(A+B)	17,900	18,501	18,515	18,263	17,483	17,253	17,065	16,940
	-84,782	-70,282	-51,767	-33,504	-16,021	1,232	18,297	35,237
DISCOUNT RATE	.81635	.78540	.75563	.72698	.69942	.67290	.64739	.62285
PRESENT VALUE	14,612	14,531	13,990	13,277	12,228	11,610	11,048	10,551

*** HIERHO-PERU SINTER PROJECT F/S ***

(UNIT: \$1000)

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	21,905	25,430	31,784	31,784	31,784	31,784	31,784	31,784
OPERATING COST	21,506	22,362	24,176	24,176	24,176	24,176	24,176	24,176
MAN. POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY OVERHEAD	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,750	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,339	11,339	11,339	11,339	11,339	11,339	11,339	11,339
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	43,417	47,792	55,960	55,960	55,960	55,960	55,960	55,960
INVENTORY								
BEGINNING	3,947	3,947	3,610	3,372	3,358	3,358	3,358	3,358
END		3,610	3,372	3,358	3,358	3,358	3,358	3,358
COST OF GOODS SOLD	39,465	44,129	56,198	55,974	55,961	55,960	55,960	55,960

*** HIERPO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

(UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME : 1000 TON)	2,500	2,500	25,000
RAW MATERIALS	31,784	31,784	301,611
OPERATING COST	24,176	24,176	237,275
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,207	5,207	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,339	11,339	113,390
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	55,960	55,960	538,886
INVENTORY			
BEGINNING	3,358	3,358	31,075
END	3,358	3,358	34,432
COST OF GOODS SOLD	55,960	55,960	535,529

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	307	54	207	448	360	
** CASH BALANCE, BEGINNING	0	307	54	207	448	360	0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304		2,917	32,762	37,541	18,608	97,131
SUPPLIER'S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	0	1,997	23,485	18,608	44,089
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	0	9,917	54,262	37,541	18,608	129,131

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,175
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,865	8,240
SUPPLIER'S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	21	559	1,478	2,058
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	936
INVENTORY BUILDUP	0	0	0	0	0	1,659	1,659
(TOTAL)	8,497	254	9,763	54,021	37,629	18,139	128,302
** NET CASH INCREASE/DECREASE	307	-254	156	241	-88	469	829
** CASH BALANCE, END	307	54	207	448	360	829	829

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	829	965	1,165	9,895	17,932	25,086	32,824	41,777
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(56,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,567)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,567	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	3	248	867	1,966	2,794	3,608	4,523	5,582
INCREASE IN ACCOUNT PAYABLE	551	58	114	0	0	0	0	0
SHORT TERM LOAN	6,846	0	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
(TOTAL)	56,507	65,396	79,771	81,896	82,726	83,540	84,455	85,513

** CASH APPLIED TO **

COST OF GOODS SOLD	35,844	43,490	50,417	50,194	50,181	50,180	50,180	50,180
SELLING, GEN. & ADM. INCOME TAX	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
PAYMENT OF TAX PAYABLE	0	0	0	0	2,755	4,032	4,776	5,560
REPAYMENT OF DEBTS	5,304	9,450	8,004	11,603	11,603	11,603	11,603	11,603
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	()	()	(6,298)	(6,298)	(6,298)	(6,298)	(6,298)
SHORT TERM LOAN	()	(4,146)	(2,700)	()	()	()	()	()
INTEREST	8,622	8,556	7,830	7,049	6,004	4,960	3,916	2,872
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,968)	(3,968)	(3,968)	(3,826)	(3,259)	(2,693)	(2,126)	(1,559)
SHORT TERM LOAN	()	(411)	(162)	()	()	()	()	()
INCREASE IN FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE IN INVENTORIES	3,584	-323	-237	-13	0	0	0	0
(TOTAL)	56,371	65,196	71,042	73,859	75,570	75,603	75,502	75,242

** NET CASH INCREASE/DECREASE

	136	201	8,730	8,037	7,156	7,736	8,952	10,271
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** CASH BALANCE, END

	965	1,165	9,895	17,932	25,086	32,824	41,777	52,048
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(UNIT: \$1000)

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) **

	9	10	TOTAL			
** CASH BALANCE, BEGINNING	57,048	63,736	829			
** CASH PROVIDED BY **						
CASH SALES	62,792	62,792	590,242			
SALES AMOUNT	(68,500)	(68,500)	(643,900)			
ACCOUNTS RECEIVABLE	(-5,708)	(-5,708)	(-53,658)			
COLLECTION OF RECEIVABLES	5,708	5,708	47,950			
INTEREST ON TEMPORARY INVESTMENT	6,795	8,175	36,558			
INCREASE..ACCOUNT PAYABLE	0	0	723			
SHORT TERM LOAN	0	0	6,846			
LONG TERM DEBTS			0			
SUPPLIER S CREDIT	()	()	()			
U.S. DOLLAR LOAN	(0)	(0)	(0)			
CAPITAL STOCK	0	0	0			
DEPRECIATION & AMORTIZATION	11,432	11,432	116,319			
(TOTAL)	86,727	88,107	794,638			
** CASH APPLIED TO **						
COST OF GOODS SOLD	50,180	50,180	481,027			
SELLING, GEN, & ADM,	5,028	5,028	47,261			
INCOME TAX	6,401	7,304	30,827			
PAYMENT OF TAX PAYABLE	0	0	0			
REPAYMENT OF DEBTS	11,603	11,603	103,977			
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)			
U.S. DOLLAR LOAN	(6,298)	(6,298)	(44,089)			
SHORT TERM LOAN	(0)	(0)	(6,846)			
INTEREST	1,827	783	52,419			
SUPPLIER S CREDIT	(835)	(358)	(25,062)			
U.S. DOLLAR LOAN	(992)	(425)	(26,784)			
SHORT TERM LOAN	(0)	(0)	(573)			
INCREASE..FIXED ASSET	0	0	0			
INCREASE..INVENTORIES	0	0	3,011			
(TOTAL)	75,039	74,898	718,521			
** NET CASH INCREASE/DECREASE	11,688	13,209	76,116			
** CASH BALANCE, END	63,736	76,945	76,945			

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	68,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40	27,40	27,40	27,40	27,40	27,40
COST OF GOODS SOLD	35,844	43,490	50,417	50,194	50,181	50,180	50,180	50,180
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MIRPECO COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	2,240	7,288	13,055	13,278	13,291	13,292	13,292	13,292
INTEREST	8,622	8,556	7,830	7,049	6,004	4,960	3,916	2,872
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,968)	(3,968)	(3,968)	(3,826)	(3,259)	(2,693)	(2,126)	(1,559)
SHORT TERM LOAN	(0)	(411)	(162)	(0)	(0)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	3	248	867	1,964	2,794	3,608	4,523	5,582
NET INCOME BEFORE TAX	-6,379	-1,020	6,093	8,194	10,081	11,940	13,899	16,002
(PRE-YEAR LOSS CARRY OVER)	(0)	(6,379)	(7,400)	(1,307)	(0)	(0)	(0)	(0)
(TAXABLE INCOME)	(0)	(0)	(0)	(6,887)	(10,081)	(11,940)	(13,899)	(16,002)
INCOME TAX	0	0	0	2,755	6,032	4,776	5,560	6,401
NET INCOME AFTER TAX	-6,379	-1,020	6,093	5,439	6,049	7,164	8,339	9,601
RETAINED EARNINGS	-6,379	-7,400	-1,307	4,132	10,181	17,365	25,684	35,285

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40
COST OF GOODS SOLD	50,180	50,180	481,027
SELLING, GEN. & ADM. EXPENSE	5,028	5,028	47,261
ADMINISTRATIVE EXPENSE	1,958	1,958	18,405
VALUE ADDED TAX	1,370	1,370	12,878
MINPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	13,292	13,292	115,612
INTEREST	1,827	783	52,419
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(992)	(425)	(26,784)
SHORT TERM LOAN	(0)	(0)	(573)
INTEREST ON TEMPORARY INVESTMENT	6,795	8,175	34,558
NET INCOME BEFORE TAX	18,259	20,683	97,751
(PRE-YEAR LOSS CARRY OVER)	(0)	(0)	(0)
(TAXABLE INCOME)	(18,259)	(20,683)	(0)
INCOME TAX	7,304	8,273	39,100
NET INCOME AFTER TAX	10,956	12,410	58,651
RETAINED EARNINGS	46,269	58,651	58,651

** PROJECTED BALANCE SHEET **
(UNIT: \$1000)

	-3RD YFAR		-2ND YEAR		-1ST YEAR	
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF
** ASSETS **						
CURRENT ASSETS						
CASH ON HAND AND DEPOSIT	307	54	207	448	360	2,488
TEMPORARY INVESTMENT	307	53	206	448	360	829
ACCOUNTS RECEIVABLE	0	1	1	0	0	0
INVENTORIES	()	()	()	()	()	1,659
FINISHED PRODUCTS	()	()	()	()	()	()
MATERIALS	()	()	()	()	()	()
FIXED ASSETS						
BUILDING AND STRUCTURE	8,482	8,720	18,429	72,394	109,907	125,705
MACHINERY AND EQUIPMENT						
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,705
DEFERRED ASSETS						
(TOTAL ASSETS)	15,804	15,804	30,858	141,722	256,814	256,814
** LIABILITIES **						
CURRENT LIABILITIES						
ACCOUNT PAYABLE	0	0	0	0	0	0
SHORT TERM LOAN						
INCOME TAX PAYABLE						
IMPORT TAX PAYABLE						
LONG TERM DEBITS	5,304	5,304	8,221	40,983	78,523	97,131
SUPPLIER'S CREDIT	5,304	5,304	8,221	38,986	53,042	53,042
U.S. DOLLAR LOAN				1,997	25,481	44,089
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,131
** EQUITY **						
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0
RETAINED EARNINGS	0	0	0	0	0	0
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	32,000
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,131

	1	2
	9,633	10,653
	965	1,165
	0	0
	3,425	4,567
	5,243	4,920
	(3,584)	(3,262)
	(1,659)	(1,659)
	114,367	103,029
	17,870	17,254
	96,497	85,775
	0	0
	844	750
	124,844	114,432
	7,397	3,309
	551	609
	6,846	2,700
	0	0
	91,827	86,522
	47,738	42,434
	44,089	44,089
	99,223	89,831
	32,000	32,000
	0	0
	-6,379	-7,400
	25,621	24,600
	124,844	114,432

(UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	20,287	28,310	35,466	43,202	52,155	62,426	74,114	87,323
CASH ON HAND AND DEPOSIT	1,162	1,162	1,162	1,162	1,162	1,162	1,162	1,162
TEMPORARY INVESTMENT	8,733	16,769	23,926	31,662	40,614	50,886	62,574	75,783
ACCOUNTS RECEIVABLE	4,684	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	(3,025)	(3,012)	(3,011)	(3,011)	(3,011)	(3,011)	(3,011)	(3,011)
FINISHED PRODUCTS	(1,659)	(1,659)	(1,659)	(1,659)	(1,659)	(1,659)	(1,659)	(1,659)
MATERIALS	91,691	80,353	69,015	57,676	46,338	35,000	23,662	12,324
FIXED ASSETS	16,638	16,022	15,405	14,789	14,173	13,557	12,940	12,324
BUILDING AND STRUCTURE	75,053	64,331	53,609	42,887	32,166	21,444	10,722	0
MACHINERY AND EQUIPMENT	0	0	0	0	0	0	0	0
CONSTRUCTION IN PROGRESS	657	563	469	375	281	188	94	0
DEFERRED ASSETS	112,634	109,226	104,950	101,254	98,775	97,614	97,870	99,647
(TOTAL ASSETS)	723	3,478	4,756	5,499	6,283	7,124	8,027	8,997
** LIABILITIES **								
CURRENT LIABILITIES	723	723	723	723	723	723	723	723
ACCOUNT PAYABLE	0	0	0	0	0	0	0	0
SHORT TERM LOAN	0	2,755	4,032	4,776	5,560	6,401	7,304	8,273
INCOME TAX PAYABLE	81,218	69,616	58,013	46,410	34,808	23,205	11,603	0
IMPORT TAX PAYABLE	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
LONG TERM DEBTS	44,089	37,790	31,492	25,194	18,895	12,597	6,298	0
SUPPLIER S CREDIT	81,941	73,094	62,769	51,909	41,091	30,329	19,630	8,997
U.S. DOLLAR LOAN	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
(TOTAL LIABILITIES)	0	0	0	0	0	0	0	0
** EQUITY **								
CAPITAL STOCK	-1,307	4,132	10,181	17,345	25,684	35,285	46,241	58,651
ALLOWANCE OF DIVIDEND	30,693	36,132	42,181	49,345	57,684	67,285	78,241	90,651
RETAINED EARNINGS	112,634	109,226	104,950	101,254	98,775	97,614	97,870	99,647
(TOTAL EQUITY)	112,634	109,226	104,950	101,254	98,775	97,614	97,870	99,647
(TOTAL LIABILITIES AND EQUITY)	112,634	109,226	104,950	101,254	98,775	97,614	97,870	99,647

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROE= 12.96% ROI= 9.58%

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	(A)	(B)	(C)	(D)	(E)	(F)		
CASH PROVIDED **								
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	0	0
LONG TERM DEBTS	5,304	()	2,917	32,762	37,541	18,608	0	0
SUPPLIER S CREDIT	(5,304)	()	(2,917)	(30,765)	(14,056)	()	()	()
U.S. DOLLAR LOAN	()	()	()	(1,997)	(23,285)	(18,608)	()	()
(TOTAL)	8,804	0	9,917	56,262	37,541	18,608	0	0

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	(G)	(H)	(I)	(J)	(K)	(L)		
CASH GENERATED **								
NET INCOME	()	()	()	()	()	()	()	()
DEPRECIATION AND AMOTIZATION (D)	()	()	()	()	()	()	()	()
INTEREST OF LONG TERM DEBTS (E)	()	()	()	()	()	()	()	()
SUPPLIER S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	13,675	18,557
REPAYMENT OF LONG TERM DEBTS (F)	0	0	0	0	0	0	5,304	5,304
SUPPLIER S CREDIT	()	()	()	()	()	()	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	(M)	(N)	(O)	(P)	(Q)	(R)		
RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE	-3,500	-3,500	-7,000	-21,500	0	-32,000	-252	5,107
DISCOUNT RATE	1,00000	.94090	.88529	.83296	.78373	.73741	.67501	.59581
PRESENT VALUE	-3,500	0	-6,197	-17,909	0	-169	3,043	

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	(S)	(T)	(U)	(V)	(W)	(X)		
RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE	-8,804	-8,804	-9,917	-56,262	-37,541	-18,608	13,675	18,557
DISCOUNT RATE	1,00000	.95530	.91261	.87182	.83285	.79562	.74288	.67796
PRESENT VALUE	-8,804	0	-9,050	-47,306	-31,266	-14,805	10,159	12,581

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROF= 12.96% ROI= 9.58%

	3	4	5	6	7	8	9	10
*** CASH PROVIDED ***								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (R)	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
(TOTAL)	0	0	0	0	0	0	0	0

	3	4	5	6	7	8	9	10
*** CASH GENERATED ***								
NET INCOME (C)	6,003	5,439	6,049	7,164	8,339	9,601	10,956	12,410
DEPRECIATION AND AMORTIZATION (D)	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
INTEREST OF LONG TERM DEBTS (E)	7,668	7,049	6,004	4,960	3,916	2,872	1,827	783
SUPPLIER'S (PEPIT)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN	(3,968)	(3,226)	(3,259)	(2,693)	(2,126)	(1,559)	(992)	(425)
(TOTAL)	25,197	23,920	23,485	23,556	23,687	23,905	24,215	24,625
REPAYMENT OF LONG TERM DEBTS (F)	5,304	11,603	11,603	11,603	11,603	11,603	11,603	11,603
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(0)	(6,298)	(6,298)	(6,298)	(6,298)	(6,298)	(6,298)	(6,298)

	3	4	5	6	7	8	9	10
*** RETURN ON INVESTMENT ***								
NET BALANCE (C+D-F)-(A)	12,220	5,268	5,878	6,993	8,169	9,430	10,785	12,239
CUMULATIVE	-14,924	-9,656	-3,778	3,215	11,384	20,814	31,599	43,838
DISCOUNT RATE	,52746	,46695	,41339	,36597	,32399	,28682	,25392	,22479
PRESENT VALUE	6,446	2,460	2,430	2,559	2,667	2,705	2,738	2,751

	3	4	5	6	7	8	9	10
*** RETURN ON INVESTMENT AND LOAN ***								
NET BALANCE (C+D+E)-(A+R)	25,197	23,920	23,485	23,556	23,687	23,905	24,215	24,625
CUMULATIVE	-71,707	-47,788	-24,303	-747	22,940	46,845	71,060	95,685
DISCOUNT RATE	,61871	,56464	,51529	,47026	,42916	,39165	,35742	,32619
PRESENT VALUE	15,587	13,506	12,102	11,077	10,166	9,362	8,655	8,032

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME : 1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	17,922	20,806	26,005	26,005	26,005	26,005	26,005	26,005
OPERATING COST	21,505	27,361	24,175	24,175	24,175	24,175	24,175	24,175
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,338	11,338	11,338	11,338	11,338	11,338	11,338	11,338
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	39,428	43,167	50,180	50,180	50,180	50,180	50,180	50,180
INVENTORY								
BEGINNING	3,584	3,584	3,262	3,025	3,012	3,011	3,011	3,011
END		1,262	3,025	3,012	3,011	3,011	3,011	3,011
COST OF GOODS SOLD	35,844	43,490	50,417	50,194	50,181	50,180	50,180	50,180

*** HIEMO-PERU SINTER PROJECT F/S ***

(UNIT: \$1000)

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

	9	10	TOTAL
(PRODUCTION VOLUME : 1000 TON)	2,500	2,500	23,650
RAW MATERIALS	26,005	26,005	246,773
OPERATING COST	24,175	24,175	237,266
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,338	11,338	113,381
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	50,180	50,180	484,038
INVENTORY			
BEGINNING	3,011	3,011	27,937
END	3,011	3,011	30,948
COST OF GOODS SOLD	50,180	50,180	481,027


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* 80-05-2A *  
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* MIERRO-PIPU SINTER PROJECT *  
*  
* SENSITIVITY ANALYSIS CASE (5) *  
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* INTEREST RATE OF LONG TERM LOAN 2% UP *  
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** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	307	53	206	448	360	
** CASH BALANCE, BEGINNING							0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,330	54	2,988	33,012	38,147	19,773	99,304
SUPPLIER S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	26	54	71	2,247	24,091	19,773	46,262
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,830	54	9,988	54,512	38,147	19,773	131,304

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	146	293	376	1,332	3,236	4,786	10,170
SUPPLIER S LPEDIT	146	292	372	1,298	2,531	2,917	7,556
U.S. DOLLAR LOAN	0	1	4	34	705	1,869	2,614
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,523	308	9,835	54,270	38,235	19,244	130,415
** NET CASH INCREASE/DFCREASE	307	-254	153	242	-88	529	889
** CASH BALANCE, END	307	53	206	446	360	889	889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	1,249	1,249	1,249	1,740	5,879
** CASH PROVIDED BY **								
CASH SALES	37,675	50,233	62,792	62,792	62,792	62,792	62,792	62,792
SALES AMOUNT	(41,100)	(54,800)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)	(68,500)
ACCOUNTS RECEIVABLE	(-3,425)	(-4,367)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)	(-5,708)
COLLECTION OF RECEIVABLES		3,425	4,547	5,708	5,708	5,708	5,708	5,708
INTEREST ON TEMPORARY INVESTMENT	0	0	71	266	361	564	757	1,265
INCREASE..ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	11,159	945	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,604	11,604	11,604	11,604	11,604	11,604	11,604	11,604
(TOTAL)	61,015	66,271	79,155	80,370	80,465	80,648	80,861	81,349

** CASH APPLIED TO **

COST OF GOODS SOLD	37,811	45,984	53,482	53,236	53,243	53,242	53,242	53,242
SELLING, GEN. & ADM.	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
INCOME TAX	0	0	0	0	0	0	1,624	2,429
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	5,304	10,350	12,843	14,305	15,451	11,913	11,913
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
SHORT TERM LOAN	()	()	()	()	()	()	()	()
INTEREST	10,958	11,076	10,337	9,257	7,891	6,437	4,914	3,604
SUPPLIER'S CREDIT	(5,689)	(5,105)	(4,522)	(3,938)	(3,355)	(2,771)	(2,188)	(1,605)
U.S. DOLLAR LOAN	(5,089)	(5,089)	(5,089)	(4,907)	(4,180)	(3,453)	(2,726)	(1,999)
SHORT TERM LOAN	(181)	(882)	(726)	(412)	(356)	(212)	()	()
INCREASE..FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE..INVENTORIES	3,781	-332	-740	-74	-1	0	0	0
(TOTAL)	60,871	66,054	79,156	80,370	80,465	80,157	76,722	76,216
** NET CASH INCREASE/DECREASE	144	217	-1	0	0	491	4,139	5,133
** CASH BALANCE, END	1,033	1,250	1,249	1,249	1,249	1,740	5,879	11,012

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	11,012	17,348	889
** CASH PROVIDED BY **			
CASH SALES	62,792	62,792	590,242
SALES AMOUNT	(68,500)	(68,500)	(643,900)
ACCOUNTS RECEIVABLE	(5,708)	(5,708)	(-53,658)
COLLECTION OF RECEIVABLES	5,708	5,708	47,950
INTEREST ON TEMPORARY INVESTMENT	1,857	2,610	7,710
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	12,104
LONG TERM DEBTS	()	()	0
SUPPLIER S CREDIT	(0)	(0)	(0)
U.S. DOLLAR LOAN	0	0	0
CAPITAL STOCK	11,604	11,604	116,043
DEPRECIATION & AMORTIZATION			
(TOTAL)	81,961	82,714	774,811
** CASH APPLIED TO **			
COST OF GOODS SOLD	53,242	53,242	509,987
SELLING, GEN. & ADM.	5,028	5,028	47,261
INCOME TAX	3,148	3,917	11,119
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	11,913	11,913	111,409
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,609)	(6,609)	(46,262)
SHORT TERM LOAN	(0)	(0)	(12,104)
INTEREST	2,293	983	67,750
SUPPLIER S CREDIT	(1,021)	(438)	(30,632)
U.S. DOLLAR LOAN	(1,272)	(545)	(34,350)
SHORT TERM LOAN	(0)	(0)	(2,769)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,195
(TOTAL)	75,625	75,083	750,720
** NET CASH INCREASE/DECREASE	6,336	7,631	24,091
** CASH BALANCE, END	17,348	24,980	24,980

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	41,100	54,800	68,500	68,500	68,500	68,500	68,500	66,500
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40	27,40	27,40	27,40	27,40	27,40
COST OF GOODS SOLD	37,811	45,984	53,482	53,256	53,243	53,242	53,242	53,242
SELLING, GEN. & ADM. ADMINISTRATIVE	3,017	4,022	5,028	5,028	5,028	5,028	5,028	5,028
VALUE ADDED TAX	-1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MIRPECO COMMISSION	822	1,096	1,370	1,370	1,370	1,370	1,370	1,370
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	273	4,794	9,990	10,216	10,229	10,230	10,230	10,230
INTEREST	10,958	11,076	10,337	9,257	7,891	6,437	4,914	3,604
SUPPLIER'S CREDIT	(5,689)	(5,105)	(4,522)	(3,938)	(3,355)	(2,771)	(2,188)	(1,605)
U.S. DOLLAR LOAN	(5,089)	(5,089)	(5,089)	(4,907)	(4,180)	(3,453)	(2,726)	(1,999)
SHORT TERM LOAN	(181)	(882)	(726)	(412)	(356)	(212)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	0	0	71	266	361	544	757	1,245
NET INCOME BEFORE TAX	-10,686	-6,283	-276	1,225	2,699	4,337	6,073	7,871
{PRE-YEAR LOSS CARRY OVER}	(0)	{10,686}	{16,968}	{17,244}	{ 6,559}	{ 276}	(0)	(0)
{TAXABLE INCOME}	(0)	(0)	(0)	(0)	(0)	(4,061)	(6,073)	(7,871)
INCOME TAX	0	0	0	0	0	1,624	2,429	3,148
NET INCOME AFTER TAX	-10,686	-6,283	-276	1,225	2,699	2,713	3,644	4,723
RETAINED EARNINGS	-10,686	-16,968	-17,244	-16,019	-13,319	-10,607	-6,963	-2,241

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	68,500	68,500	643,900
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	27,40	27,40	27,40
COST OF GOODS SOLD	53,242	53,242	509,987
SELLING, GEN. & ADM. EXPENSES	5,028	5,028	47,261
ADMINISTRATIVE	1,958	1,958	18,405
VALUE ADDED TAX	1,370	1,370	12,878
MINPECO COMMISSION	1,370	1,370	12,878
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION	10,230	10,230	86,652
INTEREST	2,793	983	67,750
SUPPLIER'S CREDIT	(1,021)	(438)	(30,432)
U.S. DOLLAR LOAN	(1,272)	(545)	(34,350)
SHORT TERM LOAN	(0)	(0)	(2,769)
INTEREST ON TEMPORARY INVESTMENT	1,857	2,010	7,710
NET INCOME BEFORE TAX	9,793	11,057	26,612
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(0)	(0)
INCOME TAX	3,917	4,743	15,862
NET INCOME AFTER TAX	5,876	7,114	10,750
RETAINED EARNINGS	3,635	10,750	10,750

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
** ASSETS **							
CURRENT ASSETS	307	53	448	360	2,732	10,082	11,109
CASH ON HAND AND DEPOSIT	307	53	448	360	889	1,033	1,250
TEMPORARY INVESTMENT	0	0	0	0	0	0	0
ACCOUNTS RECEIVABLE						3,425	4,567
INVENTORIES					1,843	5,292	5,292
FINISHED PRODUCTS	()	()	()	()	()	(3,781)	(3,449)
MATERIALS	()	()	()	()	(1,843)	(1,843)	(1,843)
FIXED ASSETS	8,508	8,801	72,796	110,916	127,634	116,124	104,614
BUILDING AND STRUCTURE						18,168	17,542
MACHINERY AND EQUIPMENT						97,956	87,072
CONSTRUCTION IN PROGRESS	8,508	8,801	72,796	110,916	127,634	0	0
DEFERRED ASSETS	15	30	141	256	938	844	750
(TOTAL ASSETS)	8,830	8,884	73,385	111,532	131,304	127,051	116,473
** LIABILITIES **							
CURRENT LIABILITIES	0	0	0	0	0	11,736	12,745
ACCOUNT PAYABLE						577	641
SHORT TERM LOAN						11,159	12,104
INCOME TAX PAYABLE						0	0
IMPORT TAX PAYABLE							
LONG TERM DEBTS	5,330	5,384	41,385	79,532	99,304	94,000	88,696
SUPPLIER'S CREDIT	5,304	5,304	38,986	53,042	53,042	47,738	42,434
U.S. DOLLAR LOAN	26	80	152	26,490	46,262	46,262	46,262
(TOTAL LIABILITIES)	5,330	5,384	41,385	79,532	99,304	105,736	101,441
** EQUITY **							
CAPITAL STOCK	3,500	3,500	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0
RETAINED EARNINGS	0	0	0	0	0	-10,686	-16,968
(TOTAL EQUITY)	3,500	3,500	32,000	32,000	32,000	21,314	15,032
(TOTAL LIABILITIES AND EQUITY)	8,830	8,884	73,385	111,532	131,304	127,051	116,473

(UNIT: \$1000)

PROJECTED BALANCE SHEET **

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	12,009	11,996	11,995	12,486	16,625	21,758	28,094	35,725
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	0	0	0	491	4,630	9,763	16,099	23,730
ACCOUNTS RECEIVABLE	5,708	5,708	5,708	5,708	5,708	5,708	5,708	5,708
INVENTORIES	5,052	5,038	5,038	5,038	5,038	5,038	5,038	5,038
FINISHED PRODUCTS	(3,209)	(3,195)	(3,195)	(3,195)	(3,195)	(3,195)	(3,195)	(3,195)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	95,103	81,593	70,082	58,572	47,061	35,551	24,040	12,530
BUILDING AND STRUCTURE	16,915	16,289	15,662	15,036	14,409	13,783	13,156	12,530
MACHINERY AND EQUIPMENT	76,188	65,306	54,420	43,536	32,652	21,768	10,884	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	105,769	94,151	82,546	71,433	63,968	57,496	52,228	48,255
** LIABILITIES **								
CURRENT LIABILITIES	7,621	6,691	4,300	2,387	3,191	3,911	4,660	5,505
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	6,859	5,929	3,537	0	0	0	0	0
INCOME TAX PAYABLE	0	0	0	1,624	2,429	3,148	3,917	4,743
IMPORT TAX PAYABLE	83,392	71,479	59,566	47,653	35,739	23,826	11,913	0
LONG TERM DEBTS	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
SUPPLIER'S CREDIT	46,262	39,654	33,045	26,436	19,827	13,218	6,609	0
U.S. DOLLAR LOAN	91,013	78,170	63,865	50,039	38,931	27,737	16,593	5,505
(TOTAL LIABILITIES)	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
** EQUITY **								
CAPITAL STOCK	0	0	0	0	0	0	0	0
ALLOWANCE OF DIVIDEND	-17,244	-16,019	-13,319	-10,607	-6,963	-2,241	3,635	10,750
RETAINED EARNINGS	14,756	15,981	18,681	21,393	25,037	29,759	35,635	42,750
(TOTAL EQUITY)	105,769	94,151	82,546	71,433	63,968	57,496	52,228	48,255
(TOTAL LIABILITIES AND EQUITY)	105,769	94,151	82,546	71,433	63,968	57,496	52,228	48,255

INTERNAL RATE OF RETURN CALCULATION (UNIT: \$1000) ROE=

-3RD YEAR		-2ND YEAR		-1ST YEAR	
1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF

** CASH PROVIDED **									
CAPITAL STOCK (A)	3,500	0	7,000	21,500	0	0	0	0	0
LONG TERM DEBTS (B)	5,330	54	2,988	33,012	38,147	19,773	0	0	0
SUPPLIER'S CREDIT (C)	(5,304)	()	(2,917)	(30,765)	(14,056)	()	()	()	()
U.S. DOLLAR LOAN (D)	()	()	()	()	()	()	()	()	()
(TOTAL)	8,830	54	9,988	54,512	38,147	19,773	0	0	0

** CASH GENERATED **									
NET INCOME (C)									
DEPRECIATION AND AMORTIZATION (D)									
INTEREST OF LONG TERM DEBTS (E)									
SUPPLIER'S CREDIT (F)									
U.S. DOLLAR LOAN (G)									
(TOTAL)									
REPAYMENT OF LONG TERM DEBTS (H)									
SUPPLIER'S CREDIT (I)									
U.S. DOLLAR LOAN (J)									

** RETURN ON INVESTMENT **									
NET BALANCE CUMULATIVE (C+D-F)-(A)	-3,500	0	-7,000	-21,500	0	0	0	0	0
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-3,500	0	-7,000	-21,500	0	0	0	0	0

** RETURN ON INVESTMENT AND LOAN **									
NET BALANCE CUMULATIVE (C+D+F)-(A+R)	-8,830	-8,830	-9,988	-54,512	-38,147	-19,773	11,696	15,516	15,516
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-8,830	-8,830	-9,988	-49,674	-33,701	-16,935	9,563	11,924	11,924

*** HIERRO-DEKU SINTER PROJECT F/S ***

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
*** CASH PROVIDED ***								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (B)	()	()	()	()	()	()	()	()
SUPPLIER'S CREDIT (C)	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN (D)	0	0	0	0	0	0	0	0
(TOTAL)	0	0	0	0	0	0	0	0

*** CASH GENERATED ***

	(C)	(D)	(F)	(F)	(F)	(F)	(F)	(F)
NET INCOME	-276	1,225	2,699	2,713	3,644	4,723	5,876	7,114
DEPRECIATION AND AMOTIZATION	11,604	11,604	11,604	11,604	11,604	11,604	11,604	11,604
INTEREST OF LONG TERM DEBTS	9,611	8,845	7,535	6,225	4,914	3,604	2,293	983
SUPPLIER'S CREDIT	(4,522)	(3,938)	(3,355)	(2,771)	(2,188)	(1,605)	(1,021)	(438)
U.S. DOLLAR LOAN	(5,089)	(4,907)	(4,180)	(3,453)	(2,726)	(1,999)	(1,272)	(565)
(TOTAL)	20,930	21,675	21,839	20,541	20,162	19,931	19,774	19,702
REPAYMENT OF LONG TERM DEBTS	5,304	11,913	11,913	11,913	11,913	11,913	11,913	11,913
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	(6,609)	(6,609)	(6,609)	(6,609)	(6,609)	(6,609)	(6,609)

*** RETURN ON INVESTMENT ***

	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)	(C+D-F)-(A)
NET BALANCE CUMULATIVE	6,024	916	2,391	2,404	3,335	4,414	5,567	6,806
DISCOUNT RATE	-30,344	-29,427	-27,037	-24,633	-21,298	-16,885	-11,318	-4,312
PRESENT VALUE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
DISCOUNT RATE	6,024	916	2,391	2,404	3,335	4,414	5,567	6,806

*** RETURN ON INVESTMENT AND LOAN ***

	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)	(C+D+E)-(A+R)
NET BALANCE CUMULATIVE	20,930	21,675	21,839	20,541	20,162	19,931	19,774	19,702
DISCOUNT RATE	-83,153	-61,478	-39,639	-19,098	1,064	20,995	40,768	60,470
PRESENT VALUE	15,125	14,716	13,936	12,321	11,367	10,561	9,848	9,223

*** HIERRO-PERU SINTER PROJECT F/S ***

(UNIT: \$1000)

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,678	27,534	24,347	24,347	24,347	24,347	24,347	24,347
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,210	11,210	11,210	11,210	11,210	11,210	11,210	11,210
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,592	45,652	53,242	53,242	53,242	53,242	53,242	53,242
INVENTORY								
BEGINNING	3,781	3,781	3,449	3,209	3,195	3,195	3,195	3,195
END		3,449	3,209	3,195	3,195	3,195	3,195	3,195
COST OF GOODS SOLD	37,811	45,984	53,482	53,256	53,243	53,242	53,242	53,242

*** HIEMRO-PIRU SINTER PROJECT F/S ***
 ** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME : 1000 TON)	2,500	2,500	73,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,347	24,347	238,990
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,510	11,510	115,105
AMORTILIZATION	94	94	938
COST OF GOODS MANUFACTURED	53,242	53,242	513,181
INVENTORY			
BEGINNING	3,195	3,195	29,607
END	3,195	3,195	32,801
COST OF GOODS SOLD	53,242	53,242	509,987

.....
*
* 80-05-2R
*
* HIERRO-DEMU SINTER PROJECT
*
* SENSITIVITY ANALYSIS CASE (6)
* SALES PRICE 10% UP
*
*.....

(UNIT: \$1000)

---3RD YEAR--- -2ND YEAR--- -1ST YEAR---
 1ST HALF 2ND HALF 1ST HALF 2ND HALF 1ST HALF 2ND HALF TOTAL

*** CASH PROVIDED BY ***

** CASH BALANCE, BEGINNING	0	507	54	207	448	360	0
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304	7,917	32,762	37,541	18,857	97,380	97,380
SUPPLIER S CREDIT U.S. DOLLAR LOAN	5,304	7,917	30,765	14,056	0	53,042	53,042
TAX PAYABLE	0	0	1,997	23,485	18,857	44,338	44,338
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	9,917	54,262	37,541	18,857	129,380	129,380

*** CASH APPLIED TO ***

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,871	8,246
SUPPLIER S CREDIT U.S. DOLLAR LOAN	119	239	304	1,062	2,071	2,387	6,182
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,497	254	9,763	54,021	37,629	18,328	128,491
** NET CASH INCREASE/DECREASE	307	-254	154	241	-88	529	889
** CASH BALANCE, END	307	54	207	448	360	889	889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	3,429	19,215	28,538	38,226	49,262	61,773
** CASH PROVIDED BY **								
CASH SALES	41,443	55,257	69,071	69,071	69,071	69,071	69,071	69,071
SALES AMOUNT	(45,210)	(60,280)	(75,350)	(75,350)	(75,350)	(75,350)	(75,350)	(75,350)
ACCOUNTS RECEIVABLE	(-3,767)	(-5,023)	(-6,279)	(-6,279)	(-6,279)	(-6,279)	(-6,279)	(-6,279)
COLLECTION OF RECEIVABLES	3,767	5,023	6,279	6,279	6,279	6,279	6,279	6,279
INTEREST ON TEMPORARY INVESTMENT	100	519	1,505	3,084	4,130	5,274	6,577	8,053
INCREASE, ACCOUNT PAYABLE	577	63	122	0	0	0	0	0
SHORT TERM LOAN	5,142	0	0	0	0	0	0	0
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
(TOTAL)	58,694	71,039	87,153	89,866	90,912	92,056	93,359	94,835

** CASH APPLIED TO **

COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. EXPENSE	3,181	4,241	5,302	5,302	5,302	5,302	5,302	5,302
INCOME TAX	0	0	0	3,463	5,191	6,034	6,910	7,851
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	10,446	5,304	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	()	()	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)
SHORT TERM LOAN	()	(5,142)	()	()	()	()	()	()
INTEREST	8,645	8,476	7,490	7,070	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,728)	(3,608)	(3,488)	(3,368)
SHORT TERM LOAN	()	(309)	()	()	()	()	()	()
INCREASE, FIXED ASSET	0	0	0	0	0	0	0	0
INCREASE, INVENTORIES	3,765	-330	-237	-13	-1	0	0	0
(TOTAL)	58,550	68,643	71,366	80,543	81,224	81,019	80,849	80,742
** NET CASH INCREASE/DECREASE	144	2,395	15,787	9,323	9,688	11,036	12,510	14,094
** CASH BALANCE, END	1,033	3,429	19,215	28,538	38,226	49,262	61,773	75,867

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	75,867	91,661	889
** CASH PROVIDED BY **			
CASH SALES	69,071	69,071	649,266
SALES AMOUNT	(75,350)	(75,350)	(708,290)
ACCOUNTS RECEIVABLE	(-6,279)	(-6,279)	(-59,074)
COLLECTION OF RECEIVABLES	6,279	6,279	52,745
INTEREST ON TEMPORARY INVESTMENT	9,715	11,577	50,533
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	0	0	5,142
LONG TERM DEBTS	()	()	0
SUPPLIER S CREDIT	()	()	()
U.S. DOLLAR LOAN	()	()	()
CAPITAL STOCK	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	114,324
(TOTAL)	96,497	98,359	872,771
** CASH APPLIED TO **			
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM.	5,302	5,302	49,836
INCOME TAX	8,860	9,944	48,253
PAYMENT OF TAX PAYABLE	0	0	
REPAYMENT OF DEBTS	11,638	11,638	102,522
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,334)	(6,534)	(46,338)
SHORT TERM LOAN	()	()	(5,142)
INTEREST	1,833	786	52,306
SUPPLIER S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(99)	(428)	(26,936)
SHORT TERM LOAN	()	()	(309)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,184
(TOTAL)	80,704	80,740	764,380
** NET CASH INCREASE/DECREASE	15,794	17,619	108,391
** CASH BALANCE, END	91,661	109,280	109,280

	1	2	3	4	5	6	7	8
SALES AMOUNT	45,210	60,280	75,350	75,350	75,350	75,350	75,350	75,350
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	30,14	30,14	30,14	30,14	30,14	30,14	30,14	30,14
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. ADMINISTRATIVE	3,181	4,241	5,302	5,302	5,302	5,302	5,302	5,302
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MIMPECO COMMISSION	904	1,206	1,507	1,507	1,507	1,507	1,507	1,507
SHIPPING COST	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	4,375	10,229	16,741	16,964	16,977	16,978	16,978	16,978
INTEREST	8,645	8,476	7,690	7,070	6,023	4,975	3,928	2,880
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,728)	(2,708)	(2,138)	(1,568)
SHORT TERM LOAN	(0)	(309)	(0)	(0)	(0)	(0)	(0)	(0)
INTEREST ON TEMPORARY INVESTMENT	100	519	1,505	3,084	4,130	5,274	6,577	8,053
NET INCOME BEFORE TAX	-4,170	2,272	10,555	12,978	15,084	17,276	19,627	22,150
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(4,170)	(1,898)	(0)	(0)	(0)	(0)	(0)
INCOME TAX	0	0	3,463	5,191	6,034	6,910	7,851	8,860
NET INCOME AFTER TAX	-4,170	2,272	7,092	7,787	9,051	10,366	11,776	13,290
RETAINED EARNINGS	-4,170	-1,898	5,194	12,981	22,032	32,397	44,173	57,464

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	75,350	75,350	708,290
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	30.14	30.14	30.14
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM. EXPENSE	5,302	5,302	49,836
ADMINISTRATIVE EXPENSE	1,958	1,958	18,405
VALUE ADDED TAX	1,507	1,507	14,166
MIRPECO COMMISSION	1,507	1,507	14,166
SHIPPING COST	330	330	3,100
INCOME FROM OPERATION:	16,978	16,978	150,175
INTEREST	1,833	786	52,304
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHOPT TERM LOAN	(0)	(0)	(309)
INTEREST ON TEMPORARY INVESTMENT	9,715	11,577	50,533
NET INCOME BEFORE TAX	24,860	27,769	148,402
(PRE-YEAR LOSS CARRY OVER)	(0)	(0)	(0)
(TAXABLE INCOME)	(24,860)	(27,769)	(0)
INCOME TAX	9,944	11,108	59,361
NET INCOME AFTER TAX	14,916	16,661	89,041
RETAINED EARNINGS	72,380	89,041	89,041

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
** ASSETS **							
CURRENT ASSETS	307	54	207	448	360	2,732	10,409
CASH ON HAND AND DEPOSIT	307	53	206	446	360	889	1,033
TEMPORARY INVESTMENT	0	1	1	0	0	0	0
ACCOUNTS RECEIVABLE							3,767
INVENTORIES						1,843	5,608
FINISHED PRODUCTS							(3,765)
MATERIALS						(1,843)	(1,843)
FIXED ASSETS	8,482	8,720	18,429	72,394	109,907	125,710	114,372
BUILDING AND STRUCTURE							17,871
MACHINERY AND EQUIPMENT							96,501
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,710	0
DEFERRED ASSETS	15	30	85	141	256	938	844
(TOTAL ASSETS)	8,804	8,804	18,721	72,983	110,523	129,380	125,625
** LIABILITIES **							
CURRENT LIABILITIES	0	0	0	0	0	0	5,719
ACCOUNT PAYABLE							577
SHORT TERM LOAN							5,142
INCOME TAX PAYABLE							0
IMPORT TAX PAYABLE	5,304	5,304	8,221	40,983	78,523	97,380	92,076
LONG TERM DEBTS							86,772
SUPPLIER'S CREDIT	5,304	5,304	8,221	38,986	53,042	53,042	47,738
U.S. DOLLAR LOAN				1,997	25,481	44,338	44,338
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,380	97,795
** EQUITY **							
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND							0
RETAINED EARNINGS	0	0	0	0	0	0	-4,170
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	32,000	27,830
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,380	125,625
							117,514

*** HIJERO-PERU SIMTER PROJECT F/S ***

** PROJECTED BALANCE SHEET ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	30,536	39,845	49,532	60,569	73,079	87,173	102,967	120,586
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	17,966	27,289	36,977	48,013	60,524	74,618	90,412	108,031
ACCOUNTS RECEIVABLE	6,279	6,279	6,279	6,279	6,279	6,279	6,279	6,279
INVENTORIES	5,027	5,028	5,027	5,027	5,027	5,027	5,027	5,027
FINISHED PRODUCTS	(3,198)	(3,185)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	91,695	80,556	69,018	57,679	46,340	35,002	23,663	12,325
BUILDING AND STRUCTURE	16,638	16,022	15,406	14,790	14,173	13,557	12,941	12,325
MACHINERY AND EQUIPMENT	75,056	64,534	53,612	42,889	32,167	21,445	10,722	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	122,887	120,764	119,019	118,623	119,701	122,363	126,724	152,911
** LIABILITIES **								
CURRENT LIABILITIES	4,225	5,954	6,796	7,673	8,613	9,623	10,706	11,670
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	0	0	0	0	0	0	0	0
INCOME TAX PAYABLE	3,463	5,191	6,034	6,910	7,851	8,860	9,944	11,108
IMPORT TAX PAYABLE								
LONG TERM DEBTS	81,468	69,829	58,191	46,553	34,915	23,276	11,638	0
SUPPLIER'S CREDIT	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
U.S. DOLLAR LOAN	44,338	38,004	31,670	25,336	19,002	12,668	6,334	0
(TOTAL LIABILITIES)	85,693	75,783	64,987	54,226	43,528	32,899	22,345	11,870
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	5,194	12,981	22,032	32,397	44,173	57,464	72,380	89,041
(TOTAL EQUITY)	37,194	44,981	54,032	64,397	76,173	89,464	104,380	121,041
(TOTAL LIABILITIES AND EQUITY)	122,887	120,764	119,019	118,623	119,701	122,363	126,724	152,911

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROE = 19.38% ROI = 11.95%

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** CASH PROVIDED **								
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	0	0
LONG TERM DEBTS	5,304	()	2,917	32,762	37,541	18,857	0	0
SUPPLIER'S CREDIT	(5,304)	()	(2,917)	(30,765)	(14,056)	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(1,997)	(23,485)	(18,857)	(0)	(0)
(TOTAL)	8,804	0	9,917	54,262	37,541	18,857	0	0

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** CASH GENERATED **								
NET INCOME	()	()	()	()	()	()	()	()
DEPRECIATION AND AMORTIZATION (D)	()	()	()	()	()	()	()	()
INTEREST OF LONG TERM DEBTS (F)	()	()	()	()	()	()	()	()
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	15,907	21,872
REPAYMENT OF LONG TERM DEBTS (F)	0	0	0	0	0	0	5,304	5,304
SUPPLIER'S CREDIT	(0)	(0)	(0)	(0)	(0)	(0)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** RETURN ON INVESTMENT **								
NET BALANCE CUMULATIVE	-3,500	0	-7,000	-21,500	0	0	1,958	8,400
DISCOUNT RATE	1,00000	.91524	.83767	.76667	.70769	.64222	.56233	.47104
PRESENT VALUE	-3,500	0	-5,864	-16,7483	0	0	1,101	3,957

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE CUMULATIVE	-8,804	0	-9,917	-54,262	-37,541	-18,857	15,907	21,872
DISCOUNT RATE	1,00000	.94511	.89323	.84419	.79785	.75406	.69283	.61885
PRESENT VALUE	-8,804	0	-8,858	-45,807	-29,952	-14,219	11,021	13,535

*** HIERRO-PERU SINTER PROJECT F/S ***

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROE= 19.38% IRR= 11.95%

	3	4	5	6	7	8	9	10
** CASH PROVIDED **								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (R)	()	()	()	()	()	()	()	()
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	0	0

** CASH GENERATED **								
NET INCOME (C)	7,092	7,787	9,051	10,366	11,776	13,290	14,916	16,661
DEPRECIATION AND AMORTIZATION (D)	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
INTEREST OF LONG TERM DEBTS (F)	7,490	7,070	6,023	4,975	3,928	2,880	1,833	786
SUPPLIER'S CREDIT	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN	(3,990)	(3,248)	(3,278)	(2,708)	(2,138)	(1,568)	(998)	(428)
(TOTAL)	26,215	26,289	26,506	26,773	27,136	27,603	28,181	28,879
REPAYMENT OF LONG TERM DEBTS (F)	5,304	11,638	11,638	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)

** RETURN ON INVESTMENT **								
NET BALANCE (C+D-F)-(A)	13,221	7,581	8,845	10,160	11,570	13,084	14,710	16,456
CUMULATIVE	-8,421	-840	8,004	18,164	29,734	42,819	57,529	73,984
DISCOUNT RATE	.39458	.33053	.27687	.23193	.19428	.16274	.13632	.11420
PRESENT VALUE	5,217	2,506	2,449	2,356	2,248	2,129	2,005	1,879

** RETURN ON INVESTMENT AND LOAN **								
NET BALANCE (C+D+E)-(A+R)	26,215	26,289	26,506	26,773	27,136	27,603	28,181	28,879
CUMULATIVE	-65,387	-39,097	-12,591	14,182	41,318	68,921	97,103	125,982
DISCOUNT RATE	.55277	.49375	.44103	.39394	.35188	.31431	.28075	.25077
PRESENT VALUE	14,491	12,980	11,690	10,547	9,549	8,676	7,912	7,242

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD **

(UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME :1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,114	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,506	22,362	24,175	24,175	24,175	24,175	24,175	24,175
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,846	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,339	11,339	11,339	11,339	11,339	11,339	11,339	11,339
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,420	45,480	53,070	53,070	53,070	53,070	53,070	53,070
INVENTORY								
BEGINNING		3,765	3,436	3,198	3,185	3,184	3,184	3,184
END	3,765	3,436	3,198	3,185	3,184	3,184	3,184	3,184
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070

*** MICRO-PLU SINTER PROJECT f/s ***
 ** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,175	24,175	237,271
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,544
DEPRECIATION	11,339	11,339	113,386
AMORTIZATION	94	94	918
COST OF GOODS MANUFACTURED	53,070	53,070	511,462
INVENTORY			
BEGINNING	3,184	3,184	29,506
END	3,184	3,184	32,690
COST OF GOODS SOLD	53,070	53,070	508,278

*** HIERRO-PERU SIMTEP PROJECT F/S ***

** PROJECTED CASH FLOW STATEMENTS (CONSTRUCTION) ** (UNIT: \$1000)

	-3RD YEAR		-2ND YEAR		-1ST YEAR		TOTAL
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF	
	0	307	54	207	448	360	
** CASH BALANCE, BEGINNING	0	307	54	207	448	360	0
** CASH PROVIDED BY **							
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	32,000
LONG TERM DEBTS	5,304		2,917	32,762	37,541	16,857	97,360
SUPPLIER'S CREDIT	5,304		2,917	30,765	14,056	0	53,042
U.S. DOLLAR LOAN	0	0	1,997	1,997	23,485	18,857	44,336
TAX PAYABLE	0	0	0	0	0	0	0
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0
(TOTAL)	8,804	0	9,917	54,262	37,541	16,857	129,380

** CASH APPLIED TO **

FIXED ASSETS ACQUISITION COST	8,362	0	9,404	52,882	34,884	11,932	117,465
BUILDING AND STRUCTURE	656	0	5,167	7,025	4,009	317	17,173
MACHINERY AND EQUIPMENT	7,706	0	4,237	45,857	30,875	11,616	100,291
INTEREST DURING CONSTRUCTION	119	239	304	1,083	2,630	3,871	8,246
SUPPLIER'S CREDIT	119	239	304	1,062	2,071	2,387	6,182
U.S. DOLLAR LOAN	0	0	0	21	559	1,484	2,063
PRE-OPERATIONAL EXPENSES	15	15	55	56	115	682	938
INVENTORY BUILDUP	0	0	0	0	0	1,843	1,843
(TOTAL)	8,497	254	9,763	54,021	37,629	18,328	128,491
** NET CASH INCREASE/DECREASE	307	-254	154	241	-88	529	889
** CASH BALANCE, END	307	54	207	448	360	889	889

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
** CASH BALANCE, BEGINNING	889	1,033	1,250	1,249	1,249	1,249	1,249	1,249
** CASH PROVIDED BY **								
CASH SALES	33,908	45,210	56,513	56,513	56,513	56,513	56,513	56,513
SALES AMOUNT	(36,990)	(49,320)	(61,650)	(61,650)	(61,650)	(61,650)	(61,650)	(61,650)
ACCOUNTS RECEIVABLE	(-3,082)	(-4,110)	(-5,137)	(-5,137)	(-5,137)	(-5,137)	(-5,137)	(-5,137)
COLLECTION OF RECEIVABLES		3,082	4,110	5,137	5,137	5,137	5,137	5,137
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0	0
INCREASE, ACCOUNT PAYABLE	577	63	127	0	0	0	0	0
SHORT TERM LOAN	12,781	4,507	267	5,208	4,754	4,246	3,676	3,039
LONG TERM DEBTS	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
CAPITAL STOCK	0	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
(TOTAL)	58,698	64,295	72,424	78,290	77,837	77,328	76,759	76,121

** CASH APPLIED TO **

COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. INCOME TAX	2,852	3,803	4,754	4,754	4,754	4,754	4,754	4,754
PAYMENT OF TAX PAYABLE	0	0	0	0	0	0	0	0
REPAYMENT OF DEBTS	5,304	5,304	5,304	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	(0)	(0)	(0)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)
SHORT TERM LOAN	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
INTEREST	8,977	9,492	9,297	8,828	8,374	7,866	7,296	6,659
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,778)	(3,706)	(3,638)	(3,568)
SHORT TERM LOAN	(332)	(1,324)	(1,607)	(1,758)	(2,351)	(2,890)	(3,368)	(3,778)
INCREASE, FIXED ASSET INVENTORIES	3,765	-330	-237	-13	-1	0	0	0
(TOTAL)	58,553	64,079	72,425	78,290	77,837	77,328	76,759	76,121
** NET CASH INCREASE/DECREASE	144	217	-1	0	0	0	0	0
** CASH BALANCE, END	1,033	1,250	1,249	1,249	1,249	1,249	1,249	1,249

** PROJECTED CASH FLOW STATEMENTS (OPERATING PERIOD) ** (UNIT: \$1000)

	9	10	TOTAL
** CASH BALANCE, BEGINNING	1,249	1,249	889
** CASH PROVIDED BY **			
CASH SALES	56,513	56,513	531,218
SALES AMOUNT	(61,650)	(61,650)	(579,510)
ACCOUNTS RECEIVABLE	(-5,137)	(-5,137)	(-48,292)
COLLECTION OF RECEIVABLES	5,137	5,137	43,155
INTEREST ON TEMPORARY INVESTMENT	0	0	0
INCREASE..ACCOUNT PAYABLE	0	0	762
SHORT TERM LOAN	2,324	3,325	42,307
LONG TERM DEBTS	0	0	0
SUPPLIER S CREDIT	(0)	(0)	(0)
U.S. DOLLAR LOAN	(0)	(0)	(0)
CAPITAL STOCK	11,632	11,632	114,324
DEPRECIATION & AMORTIZATION	75,607	74,607	731,766
(TOTAL)			
** CASH APPLIED TO **			
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM.	4,754	4,754	44,685
INCOME TAX	0	0	0
PAYMENT OF TAX PAYABLE	0	0	0
REPAYMENT OF DEBTS	11,638	11,638	97,380
SUPPLIER S CREDIT	(5,304)	(5,304)	(53,042)
U.S. DOLLAR LOAN	(6,334)	(6,334)	(44,338)
SHORT TERM LOAN	(0)	(0)	(0)
INTEREST	5,944	5,145	77,877
SUPPLIER S CREDIT	(835)	(358)	(25,067)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	(4,111)	(4,359)	(25,880)
INCREASE..FIXED ASSET	0	0	0
INCREASE..INVENTORIES	0	0	3,184
(TOTAL)	75,607	74,607	731,405
** NET CASH INCREASE/DECREASE	0	0	360
** CASH BALANCE, END	1,249	1,249	1,249

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
SALES AMOUNT	36,990	69,320	61,650	61,650	61,650	61,650	61,650	61,650
VOLUME (1000 TON)	1,500	2,000	2,500	2,500	2,500	2,500	2,500	2,500
AVERAGE OF UNIT PRICE (\$/TON)	24.66	24.66	24.66	24.66	24.66	24.66	24.66	24.66
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070
SELLING, GEN. & ADM. ADMINISTRATIVE	2,852	3,803	4,754	4,754	4,754	4,754	4,754	4,754
VALUE ADDED TAX	1,175	1,566	1,958	1,958	1,958	1,958	1,958	1,958
MINPECO COMMISSION	760	986	1,233	1,233	1,233	1,233	1,233	1,233
SHIPPING COST	740	986	1,233	1,233	1,233	1,233	1,233	1,233
	198	264	330	330	330	330	330	330
INCOME FROM OPERATION	-3,517	-292	3,589	3,812	3,825	3,826	3,826	3,826
INTEREST	8,977	9,492	9,297	8,828	8,374	7,866	7,246	6,659
SUPPLIER'S CREDIT	(4,654)	(4,177)	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)
U.S. DOLLAR LOAN	(3,990)	(3,990)	(3,990)	(3,848)	(3,778)	(3,708)	(3,638)	(3,568)
SHORT TERM LOAN	(332)	(1,324)	(1,607)	(1,756)	(2,351)	(2,890)	(3,368)	(3,778)
INTEREST ON TEMPORARY INVESTMENT	0	0	0	0	0	0	0	0
NET INCOME BEFORE TAX	-12,494	-9,784	-5,708	-5,016	-4,549	-4,040	-3,471	-2,833
(PRE-YEAR LOSS CARRY OVER) (TAXABLE INCOME)	(0)	(12,494)	(27,278)	(27,986)	(20,508)	(15,273)	(13,605)	(12,059)
INCOME TAX	0	0	0	0	0	0	0	0
NET INCOME AFTER TAX	-12,494	-9,784	-5,708	-5,016	-4,549	-4,040	-3,471	-2,833
RETAINED EARNINGS	-12,494	-22,278	-27,986	-33,001	-37,550	-41,590	-45,061	-47,894

** PROJECTED INCOME STATEMENTS ** (UNIT: \$1000)

	9	10	TOTAL
SALES AMOUNT	61,650	61,650	579,510
VOLUME (1000 TON)	2,500	2,500	23,500
AVERAGE OF UNIT PRICE (\$/TON)	24,66	24,66	24,66
COST OF GOODS SOLD	53,070	53,070	508,278
SELLING, GEN. & ADM. EXPENSES	4,754	4,754	44,685
ADMINISTRATIVE	1,958	1,958	18,405
VALUE ADDED TAX	1,233	1,233	11,590
MINPECO COMMISSION	1,233	1,233	11,590
SHIPPING COST	350	350	3,100
INCOME FROM OPERATION	3,826	3,826	26,547
INTEREST	5,944	5,145	77,877
SUPPLIER'S CREDIT	(835)	(358)	(25,062)
U.S. DOLLAR LOAN	(998)	(428)	(26,936)
SHORT TERM LOAN	(4,111)	(4,359)	(25,880)
INTEREST ON TEMPORARY INVESTMENT	0	0	
NET INCOME BEFORE TAX	-2,119	-1,319	-51,331
(PRE-YEAR LOSS CARRY OVER)	(10,343)	(8,422)	(0)
(TAXABLE INCOME)	(0)	(0)	(0)
INCOME TAX	0	0	
NET INCOME AFTER TAX	-2,119	-1,319	-51,331
RETAINED EARNINGS	-50,012	-51,331	-51,331

(UNIT: \$1000)

** PROJECTED BALANCE SHEET **

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
	307	54	207	448	360	2,732		
** ASSETS **								
CURRENT ASSETS							9,724	10,639
CASH ON HAND AND DEPOSIT	307						1,033	1,250
TEMPORARY INVESTMENT	0	53	206	448	360	889	0	0
ACCOUNTS RECEIVABLE		1	1	0	0	0	3,082	4,110
INVENTORIES							5,606	5,279
FINISHED PRODUCTS	()	()	()	()	()	(1,843)	(3,765)	(3,436)
MATERIALS	()	()	()	()	()	(1,843)	(1,843)	(1,843)
FIXED ASSETS	8,482	8,720	18,429	72,394	109,907	125,710	114,372	103,033
BUILDING AND STRUCTURE							17,871	17,255
MACHINERY AND EQUIPMENT							96,501	85,779
CONSTRUCTION IN PROGRESS	8,482	8,720	18,429	72,394	109,907	125,710	0	0
DEFERRED ASSETS	15	30	85	141	256	938	844	750
(TOTAL ASSETS)	8,804	8,804	18,721	72,983	110,523	129,380	124,940	114,423
** LIABILITIES **								
CURRENT LIABILITIES	0	0	0	0	0	0	13,356	17,928
ACCOUNT PAYABLE							577	641
SHORT TERM LOAN							12,781	17,288
INCOME TAX PAYABLE							0	0
IMPORT TAX PAYABLE								
LONG TERM DEBTS	5,304	5,304	8,221	40,983	78,523	97,380	92,076	86,772
SUPPLIER'S CREDIT	5,304	5,304	8,221	38,956	53,042	53,042	47,738	42,434
U.S. DOLLAR LOAN				1,997	25,481	44,338	44,338	44,338
(TOTAL LIABILITIES)	5,304	5,304	8,221	40,983	78,523	97,380	105,434	104,700
** EQUITY **								
CAPITAL STOCK	3,500	3,500	10,500	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND								
RETAINED EARNINGS	0	0	0	0	0	0	-12,494	-22,278
(TOTAL EQUITY)	3,500	3,500	10,500	32,000	32,000	32,000	19,506	9,722
(TOTAL LIABILITIES AND EQUITY)	8,804	8,804	18,721	72,983	110,523	129,380	124,940	114,423

(UNIT: \$1000)

** PROJECTED BALANCE SHEET **

	3	4	5	6	7	8	9	10
** ASSETS **								
CURRENT ASSETS	11,428	11,415	11,414	11,414	11,414	11,414	11,414	11,414
CASH ON HAND AND DEPOSIT	1,249	1,249	1,249	1,249	1,249	1,249	1,249	1,249
TEMPORARY INVESTMENT	0	0	0	0	0	0	0	0
ACCOUNTS RECEIVABLE	5,137	5,137	5,137	5,137	5,137	5,137	5,137	5,137
INVENTORIES	5,041	5,028	5,027	5,027	5,027	5,027	5,027	5,027
FINISHED PRODUCTS	(3,198)	(3,185)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)	(3,184)
MATERIALS	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)	(1,843)
FIXED ASSETS	91,695	80,356	69,018	57,679	46,340	35,002	23,663	12,325
BUILDING AND STRUCTURE	16,638	16,022	15,406	14,790	14,173	13,557	12,941	12,325
MACHINERY AND EQUIPMENT	75,056	64,334	53,612	42,889	32,167	21,445	10,722	0
CONSTRUCTION IN PROGRESS	0	0	0	0	0	0	0	0
DEFERRED ASSETS	657	563	469	375	281	188	94	0
(TOTAL ASSETS)	103,779	92,334	80,900	69,468	58,036	46,603	35,171	23,739
** LIABILITIES **								
CURRENT LIABILITIES	14,297	23,505	28,260	32,505	36,182	39,220	41,545	43,070
ACCOUNT PAYABLE	762	762	762	762	762	762	762	762
SHORT TERM LOAN	17,535	22,743	27,497	31,743	35,419	38,458	40,783	42,307
INCOME TAX PAYABLE	0	0	0	0	0	0	0	0
IMPORT TAX PAYABLE	81,468	69,829	58,191	46,553	34,915	23,276	11,638	0
LONG TERM DEBTS	37,129	31,825	26,521	21,217	15,913	10,608	5,304	0
SUPPLIER'S CREDIT	44,338	38,004	31,670	25,236	19,007	12,668	6,334	0
U.S. DOLLAR LOAN	0	0	0	0	0	0	0	0
(TOTAL LIABILITIES)	99,765	93,535	86,451	79,056	71,097	62,497	53,165	43,070
** EQUITY **								
CAPITAL STOCK	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
ALLOWANCE OF DIVIDEND	0	0	0	0	0	0	0	0
RETAINED EARNINGS	-27,986	-33,001	-37,550	-41,590	-45,061	-47,894	-50,012	-51,331
(TOTAL EQUITY)	4,014	-1,001	-5,550	-9,590	-13,061	-15,894	-18,012	-19,331
(TOTAL LIABILITIES AND EQUITY)	103,779	92,334	80,900	69,468	58,036	46,603	35,171	23,739

INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000) ROR= Z RUI= Z

	-3RD YEAR		-2ND YEAR		-1ST YEAR		1	2
	1ST HALF	2ND HALF	1ST HALF	2ND HALF	1ST HALF	2ND HALF		
CASH PROVIDED **								
CAPITAL STOCK	3,500	0	7,000	21,500	0	0	0	0
LONG TERM DEBTS	5,304	()	2,917	32,762	37,541	18,857	0	0
SUPPLIER'S CREDIT	(5,304)	()	(2,917)	(30,765)	(14,056)	()	()	()
U.S. DOLLAR LOAN	()	()	()	(1,997)	(23,485)	(18,857)	()	()
(TOTAL)	8,804	0	9,917	54,262	37,541	18,857	0	0

CASH GENERATED **							
NET INCOME							
DEPRECIATION AND AMOTIZATION (D)							
INTEREST OF LONG TERM DEBTS (F)							
SUPPLIER'S CREDIT							
U.S. DOLLAR LOAN							
(TOTAL)	0	0	0	0	0	0	0

REPAYMENT OF LONG TERM DEBTS (F)							
SUPPLIER'S CREDIT							
U.S. DOLLAR LOAN							
NET BALANCE CUMULATIVE	-3,500	-3,500	-7,000	-21,500	0	0	0
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-3,500	0	-7,000	-21,500	0	0	-3,656

NET BALANCE CUMULATIVE	-3,500	-3,500	-7,000	-21,500	0	0	0
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-3,500	0	-7,000	-21,500	0	0	-3,656

NET BALANCE CUMULATIVE	-8,804	-8,804	-9,917	-54,262	-37,541	-18,857	7,584
DISCOUNT RATE	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000	1,00000
PRESENT VALUE	-8,804	0	-9,917	-54,262	-37,541	-18,857	7,584

*** INTERNAL RATE OF RETURN CALCULATION ** (UNIT: \$1000)

	3	4	5	6	7	8	9	10
*** CASH PROVIDED **								
CAPITAL STOCK (A)	0	0	0	0	0	0	0	0
LONG TERM DEBTS (R)	0	0	0	0	0	0	0	0
SUPPLIER'S CREDIT	()	()	()	()	()	()	()	()
U.S. DOLLAR LOAN	()	()	()	()	()	()	()	()
(TOTAL)	0	0	0	0	0	0	0	0

*** CASH GENERATED **

	3	4	5	6	7	8	9	10
NET INCOME (C)	-5,708	-5,016	-4,549	-4,040	-3,471	-2,833	-2,119	-1,519
DEPRECIATION AND AMORTIZATION (D)	11,432	11,432	11,432	11,432	11,432	11,432	11,432	11,432
INTEREST OF LONG TERM DEBTS (F)	7,690	7,070	6,023	4,975	3,928	2,880	1,833	786
SUPPLIER'S CREDIT	(3,700)	(3,222)	(2,745)	(2,268)	(1,790)	(1,313)	(835)	(358)
U.S. DOLLAR LOAN	(3,990)	(3,848)	(3,778)	(2,708)	(2,178)	(1,568)	(998)	(428)
(TOTAL)	13,414	13,487	12,906	12,368	11,890	11,480	11,147	10,899
REPAYMENT OF LONG TERM DEBTS (F)	5,304	11,638	11,638	11,638	11,638	11,638	11,638	11,638
SUPPLIER'S CREDIT	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)	(5,304)
U.S. DOLLAR LOAN	()	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)	(6,334)

*** RETURN ON INVESTMENT **

	3	4	5	6	7	8	9	10
NET BALANCE CUMULATIVE (C+D-F)-(A)	420	-5,221	-4,755	-4,246	-3,676	-3,039	-2,324	-1,525
DISCOUNT RATE	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000
PRESENT VALUE	420	-5,221	-4,755	-4,246	-3,676	-3,039	-2,324	-1,525

*** RETURN ON INVESTMENT AND LOAN **

	3	4	5	6	7	8	9	10
NET BALANCE CUMULATIVE (C+D+E)-(A+R)	13,414	13,487	12,906	12,368	11,890	11,480	11,147	10,899
DISCOUNT RATE	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000	1,0000
PRESENT VALUE	13,414	13,487	12,906	12,368	11,890	11,480	11,147	10,899

*** HIERO-PLRU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	1	2	3	4	5	6	7	8
(PRODUCTION VOLUME : 1000 TON)	1,650	2,000	2,500	2,500	2,500	2,500	2,500	2,500
RAW MATERIALS	19,914	23,118	28,895	28,895	28,895	28,895	28,895	28,895
OPERATING COST	21,509	22,362	24,175	24,175	24,175	24,175	24,175	24,175
MAN POWER	767	767	767	767	767	767	767	767
MAINTENANCE MATERIAL	2,911	2,911	2,911	2,911	2,911	2,911	2,911	2,911
UTILITY	3,866	4,161	5,202	5,202	5,202	5,202	5,202	5,202
FACTORY OVERHEAD	2,550	3,090	3,863	3,863	3,863	3,863	3,863	3,863
DEPRECIATION	11,339	11,339	11,339	11,339	11,339	11,339	11,339	11,339
AMORTIZATION	94	94	94	94	94	94	94	94
COST OF GOODS MANUFACTURED	41,420	45,480	53,070	53,070	53,070	53,070	53,070	53,070
INVENTORY								
BEGINNING	3,765	3,765	3,436	3,198	3,185	3,184	3,184	3,184
END		3,436	3,198	3,185	3,184	3,184	3,184	3,184
COST OF GOODS SOLD	37,654	45,809	53,308	53,084	53,071	53,070	53,070	53,070

*** HIERRO-PERU SINTER PROJECT F/S ***

** DETAIL OF COST GOODS MANUFACTURED AND SOLD ** (UNIT: \$1000)

	9	10	TOTAL
(PRODUCTION VOLUME :1000 TON)	2,500	2,500	23,650
RAW MATERIALS	28,895	28,895	274,192
OPERATING COST	24,175	24,175	237,271
MAN POWER	767	767	7,670
MAINTENANCE MATERIAL	2,911	2,911	29,110
UTILITY	5,202	5,202	49,623
FACTORY OVERHEAD	3,863	3,863	36,564
DEPRECIATION	11,339	11,339	113,386
AMORTIZATION	94	94	938
COST OF GOODS MANUFACTURED	53,070	53,070	511,462
INVENTORY			
BEGINNING	3,184	3,184	29,506
END	3,184	3,184	32,690
COST OF GOODS SOLD	53,070	53,070	508,278

APPENDIX - D

Meteorological Data at San Nicolas

APPENDIX - D Meteorological Data at San Nicolas

1976

MONTH	WIND DIRECTION	WIND SPEED	TEMPERATURE		RELATIVE HUMIDITY	DEW POINT	ATMOSPHERIC PRESSURE	SEA WATER TEMPERATURE
			WET BULB	DRY BULB				
JANUARY	155° - 180°	10 KNOT - 18 KNOT	19.5°C	25.5°C	54 %	19.0°C - 24.2°C	1013.5	16.8°C
FEBRUARY	140° - 190°	6 - 24	20.0	26.5	58	18.0 - 24.8	1014.0	16.7
MARCH	160° - 175°	10 - 26	21.0	26.8	58	19.2 - 26.0	1013.5	16.0
APRIL	170° - 180°	15 - 25	19.0	24.0	62	18.0 - 23.0	1012.0	15.5
MAY	165° - 175°	8 - 23	15.0	22.8	54	14.5 - 21.4	1015.2	15.1
JUNE	160° - 190°	9 - 18	14.5	21.5	51	14.0 - 21.0	1013.8	14.8
JULY	170° - 178°	12 - 30	16.0	19.0	74	15.2 - 19.0	1014.7	14.2
AUGUST	165° - 190°	15 - 27	15.8	18.0	70	15.0 - 18.0	1016.2	13.5
SEPTEMBER	170° - 185°	12 - 24	15.5	18.0	74	15.0 - 17.5	1014.8	13.4
OCTOBER	155° - 170°	10 - 22	16.5	19.5	74	16.2 - 18.8	1015.0	13.0
NOVEMBER	180° - 185°	15 - 22	17.5	18.5	91	17.2 - 18.0	1016.1	13.8
DECEMBER	175° - 185°	9 - 15	19.0	22.0	83	18.6 - 21.5	1014.6	14.5

MAXIMUM INSTANTANEOUS WIND SPEED: 55 KNOT

NO RAINFALL, NO EARTHQUAKE AT THIS AREA

HIGHEST TIDE 1.06 m, LOWEST TIDE -0.15 m, MAXIMUM TIDE RANGE 1.21 m,

MEAN HIGHER HIGH WATER: 0.88 m

MEAN LOWER LOW WATER : - 0.09 m

MEAN HIGH WATER : 0.73 m

MEAN LOW WATER : 0.12 m

1977

MONTH	WIND DIRECTION	WIND SPEED	TEMPERATURE		RELATIVE HUMIDITY	DEW POINT	ATMOSPHERIC PRESSURE	SEA WATER TEMPERATURE
			WET BULB	DRY BULB				
JANUARY	140° - 160°	12 KNOT - 18 KNOT	22.0°C	26.5°C	77 %	21.2°C - 26.0°C	1013.2	15.8°C
FEBRUARY	150° - 170°	18 - 35	23.0	27.0	77	22.8 - 26.5	1013.6	16.0
MARCH	170° - 180°	20 - 30	19.5	24.5	68	19.2 - 23.8	1014.0	16.2
APRIL	155° - 170°	12 - 22	21.0	23.0	84	20.2 - 22.5	1015.0	15.1
MAY	168° - 179°	8 - 23	19.0	21.5	82	18.8 - 21.0	1013.8	14.8
JUNE	148° - 170°	15 - 35	18.0	21.0	76	17.6 - 20.2	1014.1	14.4
JULY	160° - 180°	9 - 25	17.8	21.0	67	17.0 - 20.0	1013.8	13.5
AUGUST	175° - 185°	16 - 28	17.0	20.0	74	16.8 - 18.8	1013.9	13.5
SEPTEMBER	178° - 190°	10 - 19	15.8	18.5	75	15.2 - 18.4	1016.2	13.4
OCTOBER	150° - 175°	15 - 28	15.2	18.0	73	15.0 - 17.8	1014.7	14.2
NOVEMBER	146° - 165°	16 - 25	16.0	19.0	74	15.7 - 18.8	1014.4	14.0
DECEMBER	160° - 180°	15 - 28	15.0	18.5	69	14.6 - 18.0	1015.2	15.1

MAXIMUM INSTANTANEOUS WIND SPEED: 55 KNOT

NO RAINFALL, NO EARTHQUAKE AT THIS AREA

HIGHEST TIDE 1.06 m, LOWEST TIDE -0.15 m, MAXIMUM TIDE RANGE 1.21 m,

MEAN HIGHER HIGH WATER: 0.88 m

MEAN LOWER LOW WATER : -0.09 m

MEAN HIGH WATER : 0.73 m

MEAN LOW WATER : 0.12 m

1978

MONTH	WIND DIRECTION	WIND SPEED	TEMPERATURE		RELATIVE HUMIDITY	DEW POINT	ATMOSPHERIC PRESSURE	SEA WATER TEMPERATURE
			WET BULB	DRY BULB				
JANUARY	170° - 185°	15 KNOT - 35 KNOT	19.0°C	23.5°C	72 %	18.6°C - 23.2°C	1013.8	16.5°C
FEBRUARY	175° - 180°	16 - 30	20.0	23.0	76	19.7 - 22.6	1012.5	16.6
MARCH	130° - 170°	18 - 32	19.0	23.5	65	18.2 - 23.0	1011.8	16.2
APRIL	145° - 165°	16 - 38	20.0	24.5	66	18.4 - 23.7	1013.1	15.8
MAY	155° - 195°	15 - 30	17.0	22.0	61	16.8 - 21.7	1013.6	15.0
JUNE	140° - 180°	16 - 28	18.5	21.5	75	18.2 - 21.5	1011.7	15.1
JULY	175° - 195°	15 - 20	15.5	18.5	73	15.0 - 18.2	1010.3	14.7
AUGUST	160° - 195°	15 - 38	16.5	17.5	90	16.1 - 17.0	1010.2	14.5
SEPTEMBER	150° - 185°	16 - 32	15.5	17.0	85	15.2 - 16.8	1012.6	13.8
OCTOBER	165° - 175°	10 - 20	16.0	18.0	80	15.8 - 17.6	1013.5	14.0
NOVEMBER	160° - 190°	18 - 35	19.0	22.5	72	18.6 - 22.0	1011.2	15.0
DECEMBER	150° - 180°	16 - 28	19.0	23.0	69	18.9 - 22.8	1013.0	15.6

MAXIMUM INSTANTANEOUS WIND SPEED: 55 KNOT

NO RAINFALL, NO EARTHQUAKE AT THIS AREA

HIGHEST TIDE 1.06 m, LOWEST TIDE -0.15 m, MAXIMUM TIDE RANGE 1.21 m,

MEAN HIGHER HIGH WATER: 0.88 m

MEAN LOWER LOW WATER : -0.09 m

MEAN HIGH WATER : 0.73 m

MEAN LOW WATER : 0.12 m

1979

MONTH	WIND DIRECTION	WIND SPEED	TEMPERATURE		RELATIVE HUMIDITY	DEW POINT	ATMOSPHERIC PRESSURE	SEA WATER TEMPERATURE
			WET BULB	DRY BULB				
JANUARY	160° - 180°	10 KNOT - 35 KNOT	18.0°C	24.0°C	57 %	23.1°C	(MIN) 1010.0	15.5°C
FEBRUARY	155° - 185°	10 - 31	20.0	27.0	52	26.2	1010.1	16.1
MARCH	160° - 180°	10 - 30	19.0	28.6	48	26.6	1011.0	15.8
APRIL	150° - 175°	10 - 28	22.0	26.0	71	25.2	1010.0	15.0
MAY	155° - 165°	12 - 18	19.0	23.0	69	22.8	1011.6	14.9
JUNE	165° - 190°	13 - 30	12.0	18.0	48	17.5	1011.7	14.5
JULY	145° - 180°	10 - 38	14.0	18.0	63	17.4	1011.9	14.0
AUGUST	148° - 185°	10 - 38	17.0	19.0	83	18.5	1010.2	13.8
SEPTEMBER	160° - 185°	19 - 38	17.0	25.2	59	24.0	1010.6	13.5
OCTOBER	155° - 190°	10 - 38	20.0	22.0	84	21.0	1011.1	14.0
NOVEMBER	135° - 185°	10 - 25	21.0	24.0	72	23.0	1009.8	15.0
DECEMBER								

MAXIMUM INSTANTANEOUS WIND SPEED: KNOT

HIGHEST TIDE m, LOWEST TIDE m, MAXIMUM TIDE RANGE m,

MEAN HIGHER HIGH WATER: m

MEAN LOWER LOW WATER : m

MEAN HIGH WATER : m

MEAN LOW WATER : m

APPENDIX - E

Actual Tonnage shipped at San Nicolas Pier

**APPENDIX - E Actual Tonnage shipped at San Nicolas Pier
(From Jan. 1977 thru. Nov. 1979)**

	No. of vessels	Actual loading time	Tonnage
1977		(hr)	(ton)
Jan.	8	314	670,083
Feb.	8	280	418,745
Mar.	7	293	519,178
Apr.	10	300	525,777
May	8	252	353,135
Jun.	12	345	860,891
Jul.	8	265	380,450
Aug.	14	341	719,009
Sept.	13	320	688,800
Oct.	10	339	807,128
Nov.	9	152	282,777
Dec.	8	290	438,520
Total	115	3,491	6,664,493
1978			
Jan.	3	155	284,587
Feb.	4	139	210,300
Mar.	9	323	829,653
Apr.	3	125	163,826
May	5	145	226,539
Jun.	8	300	491,491
Jul.	7	298	510,615
Aug.	7	310	469,154
Sept.	7	288	393,365
Oct.	13	320	665,768
Nov.	3	88	111,155
Dec.	9	353	761,424
Total	78	2,844	5,117,887
1979			
Jan.	6	309	464,090
Feb.	8	295	403,173
Mar.	15	340	797,071

	No. of vessels	Actual loading time	Tonnage
		(hr)	(ton)
Apr.	3	35	52,682
May	9	320	756,676
Jun.	9	288	705,588
Jul.	8	291	468,456
Aug.	9	200	417,654
Sept.	7	283	507,399
Oct.	7	274	293,284
Nov.	12	315	690,314
Total	93	2,960	5,556,387

APPENDIX - F

Alternative Plan

APPENDIX - F Alternative Plan

F.1 Plan for the Transportation by Conveyors of the Limestone to the existing Storage Yard at the Mine Site

The limestone mined at N-14 Mine is crushed there under 100 mm and transported by conveyors to the existing storage yard at the mine about 10 km away from N-14 Mine. The crushing and transportation capacities are planned to be 400 t/hr respectively, provided that the limestone is to be crushed beforehand under 500 mm at the mine site.

The limestone under 500 mm is transported by dump trucks, dumped into a hopper made of concrete and crushed under 100 mm by a gyratory crusher which is installed under the hopper. An apron feeder is installed under the crusher, which feeds the crushed limestone at a constant rate on the belt conveyor. A simple supporting structure is installed above the crusher, and a crane is provided on the structure, which serves to reject the limestone over 500 mm and also to perform the maintenance of the crusher.

Five sets of belt conveyors, each 2 km long, are installed to cover the distance of 10 km. Excepting the junctions and the parts which cross the roads, the conveyors are of stringer type.

Machine and erection cost. Approx. U.S.\$17,433,000

Operation cost: Approx. U.S.\$190,400/Year (\$0.51/ton of limestone)

Specification

- (1) Gyratory Crusher 1 set
- (a) Machinery
- Feed opening : Nominal 760 mm

Mantle diameter	Nominal 1,780 mm								
Allowable feed size	: abt. 500 x 700 x 1000 mm								
Main shaft speed	: 150 gyration/min								
Discharge opening (open side)	: 76 mm								
Eccentric throw	32 mm								
Capacity	: 400 t/hr (The feed size and proportion thereof are to be as follows)								
	<table> <thead> <tr> <th>Feed size</th> <th>Percent</th> </tr> </thead> <tbody> <tr> <td>+ 300 mm</td> <td>20 %</td> </tr> <tr> <td>300 ~ 25 mm</td> <td>68 %</td> </tr> <tr> <td>- 25 mm</td> <td>12 %</td> </tr> </tbody> </table>	Feed size	Percent	+ 300 mm	20 %	300 ~ 25 mm	68 %	- 25 mm	12 %
Feed size	Percent								
+ 300 mm	20 %								
300 ~ 25 mm	68 %								
- 25 mm	12 %								

Accessories : Lubrication system
Hydraulic system
Cooling tower (for lubrication system)

(b) Motor : 260 kw x 8p 440V
Accessories : Control unit

(2) Apron Feer 1 set

Type	: Extra heavy duty type
Width of apron	: 1,600 mm
Length	: 4,920 mm
Apron speed	: 3 m/min (0.33 ~ 3.3 m/min adjustable)
Capacity	: Max. 600 t/hr
Motor	: 15 kw x 4P 440V 160 ~ 1600 r.p.m (variable speed coupling)

Gear reducer : Reduction ration 1/30
Accessories · Control unit

(3) Overhead Crane with Grab 1 set

Hoisting load · 10 tons
Span : 7.5 m
Lift : 5 m
Hoisting speed 4.5 m/min
Traversing speed · 12.5 m/min
Travelling speed 20 m/min
Motor · Hoisting 11 kw
· Traversing 1.5 kw
· Travelling 1.5 kw x 2
Grab : With 1.5 kw motor cylinder

(4) Support structure : 7.5 m x 8.5 m x 10.4 m high
With operating room

(5) Belt conveyor

Capacity : 400 t/hr
Belt width : 750 mm
Belt speed : 150 m/min
Horizontal length : abt. 2000 m (total 10 km)
Lift · abt. 5m
Motor · 220 kw x 6P
Reducer : Reduction ratio 1/22.5
Belt weigher · 1 set

The above specification should be reviewed after detailed topographical maps of the site become available

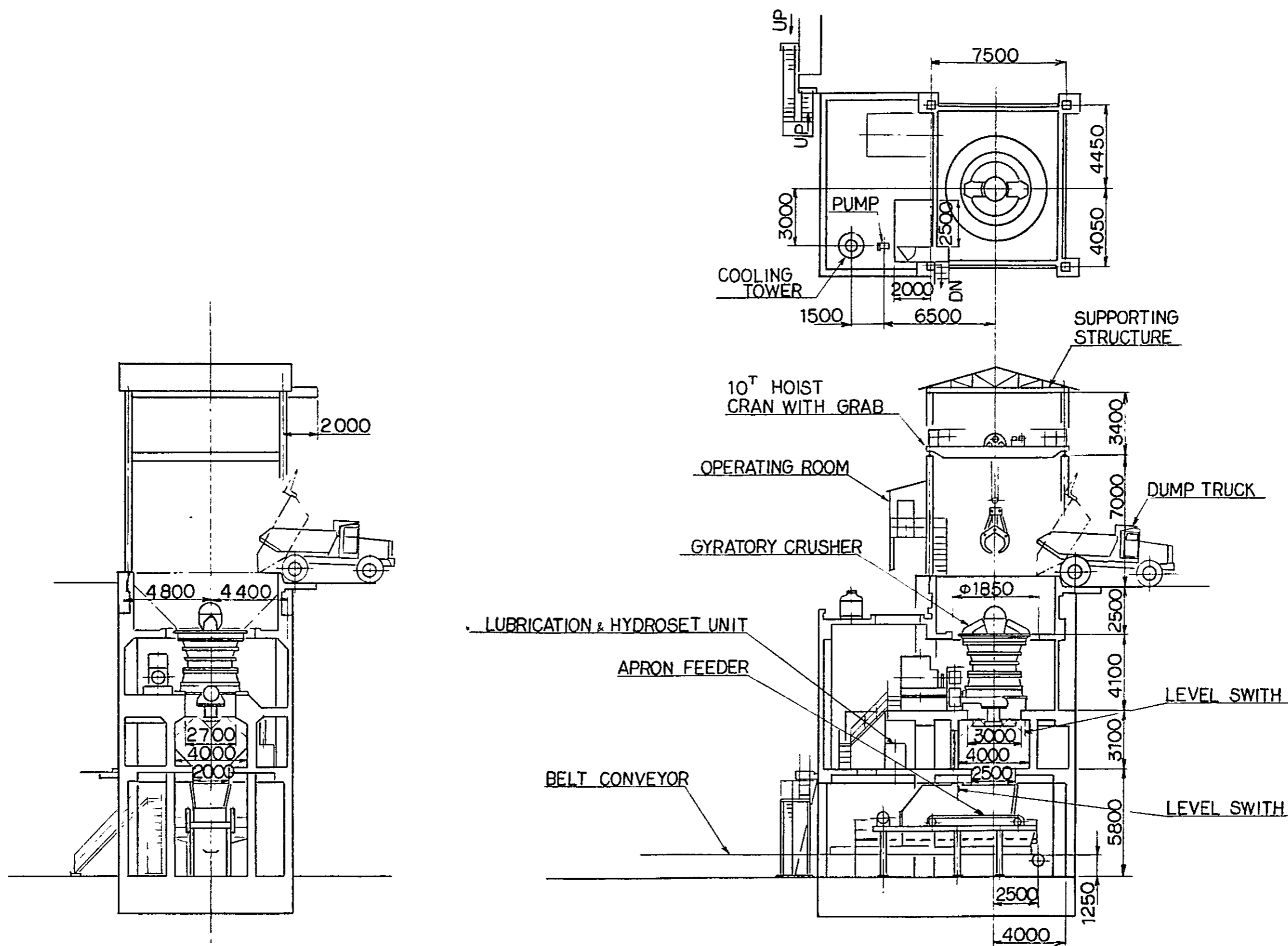


FIG. F-1
LIMESTONE MINE PRIMARY CRUSHING PLANT

F.2 Plan for Unloading of the Coke Breeze by an Unloader

An unloader of rope trolley type is installed on the existing pier. The existing travelling rails are used in common for the existing ship loader and the unloader, provided that the existing rails are extended toward the land (south) by about 70 meters. When the unloader is unloading the coke breeze, the ship loader is to rest at the north end of the pier, and when the ship loader is working, the unloader is to rest on the extended rails.

Three sets of belt conveyor are installed to transport the coke breeze from the pier to the coke breeze yard. The coke breeze is stacked at one point (fixed point) on the yard and distributed to other parts of the yard by a bulldozer, etc.

Machine and erection cost: Approx. U.S.\$3,755,000

Operation cost: Approx. U.S.\$47,900/Year (\$0.38/ton of coke breeze)

Specification

(1) Unloader	I set
Type	: Rope-trolley type bridge unloader
Capacity	: 300 t/h
Material to be handled	: Coke breeze (Bulk density 0.5)
Hoisting load	
Bucket grabbing capacity	10 m ³
self weight	5.5 ton
grabbing weight	5 ton

Speed of each motion and motor

	Speed (m/min)	Motor (kw)	Motor (r.p.m)
Bucket hoisting	80	DC. 110	720
Bucket closing	80	DC. 110	720
Trolley travel	120	DC. 33	900
Unloader travel	25	AC. 13 x 4	1200
Boom luffing	8 min/cycle	AC. 20	1200
Cab. travel	–	AC 1.5	1200

Duty cycle time of bucket: 60 sec.

Dimension

Portal span	: 10.973 m
Clearance of portal	: 6 m
Wheel base	: 10 m
Trolley travel range	: 20 m (max. distance from east side rail center)
Hopper height	: 9 m (from top of travelling rail to top of the hopper)

Maximum bucket lift

Above rail top	12.5 m
Below rail top	: 12.5 m

Wheel load

West side	23.5 t (at working in 16m/sec. wind)
	: 39 t (at rest in 55m/sec. wind)
East side	24.5 t (at working in 16m/sec. wind)
	: 38 t (at rest in 55m/sec. wind)

Travelling distance . 270 m

Power source : AC 3-phase 60Hz 4,160V

(2) Belt conveyer 3 sets

Capacity · 300 t/hr (peak 400 t/hr)

Belt width : 900 mm

Belt speed · 150 m/min

	Horizontal length (m)	Lift (m)	Motor (kw)	Remarks
U-1 BC	abt. 500	abt. 3	37	
U-2BC	abt. 480	abt. 33.5	90	With belt weigher and brake
U-3 BC	abt. 140	abt. 13	30	With back stop

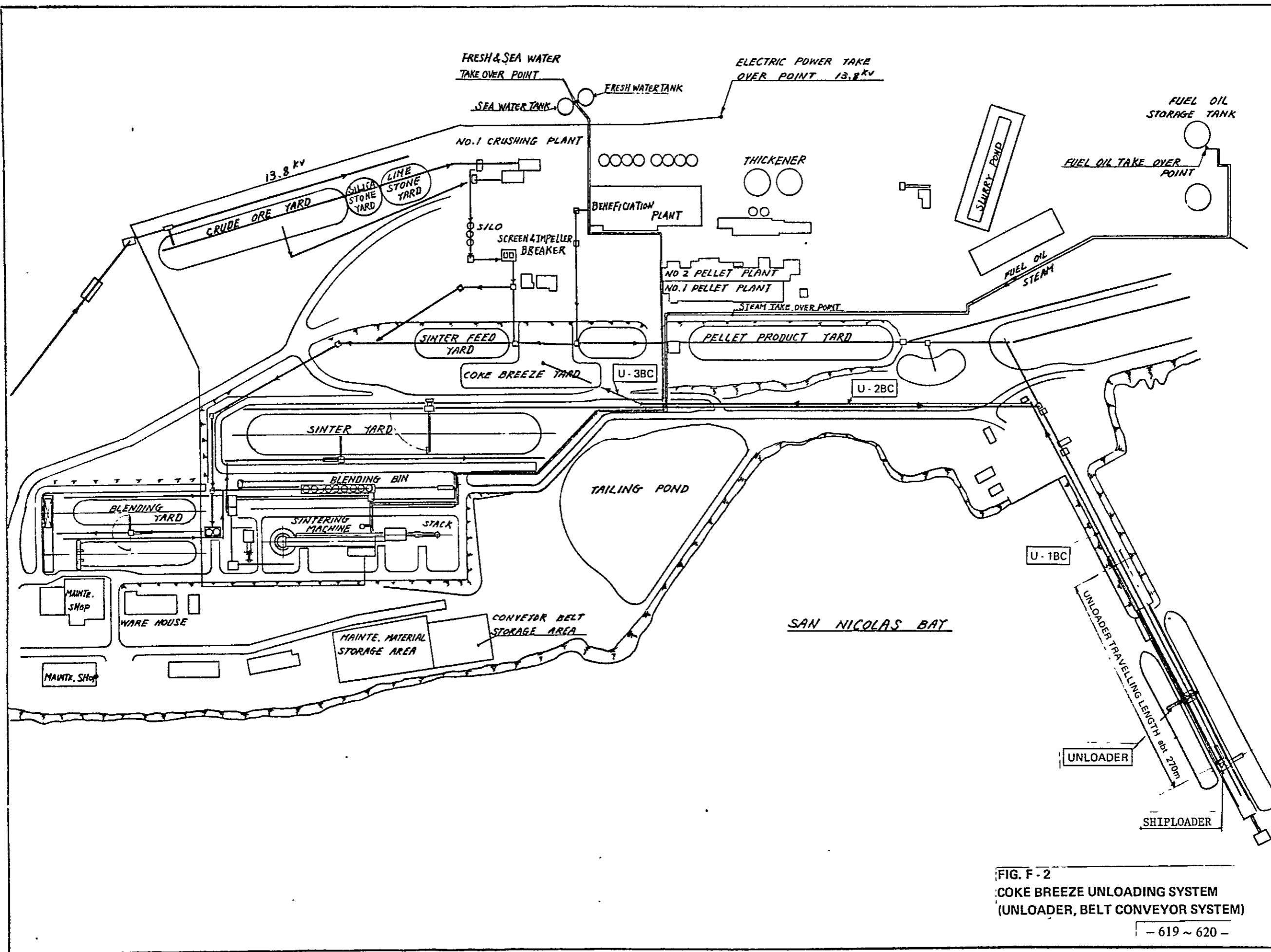
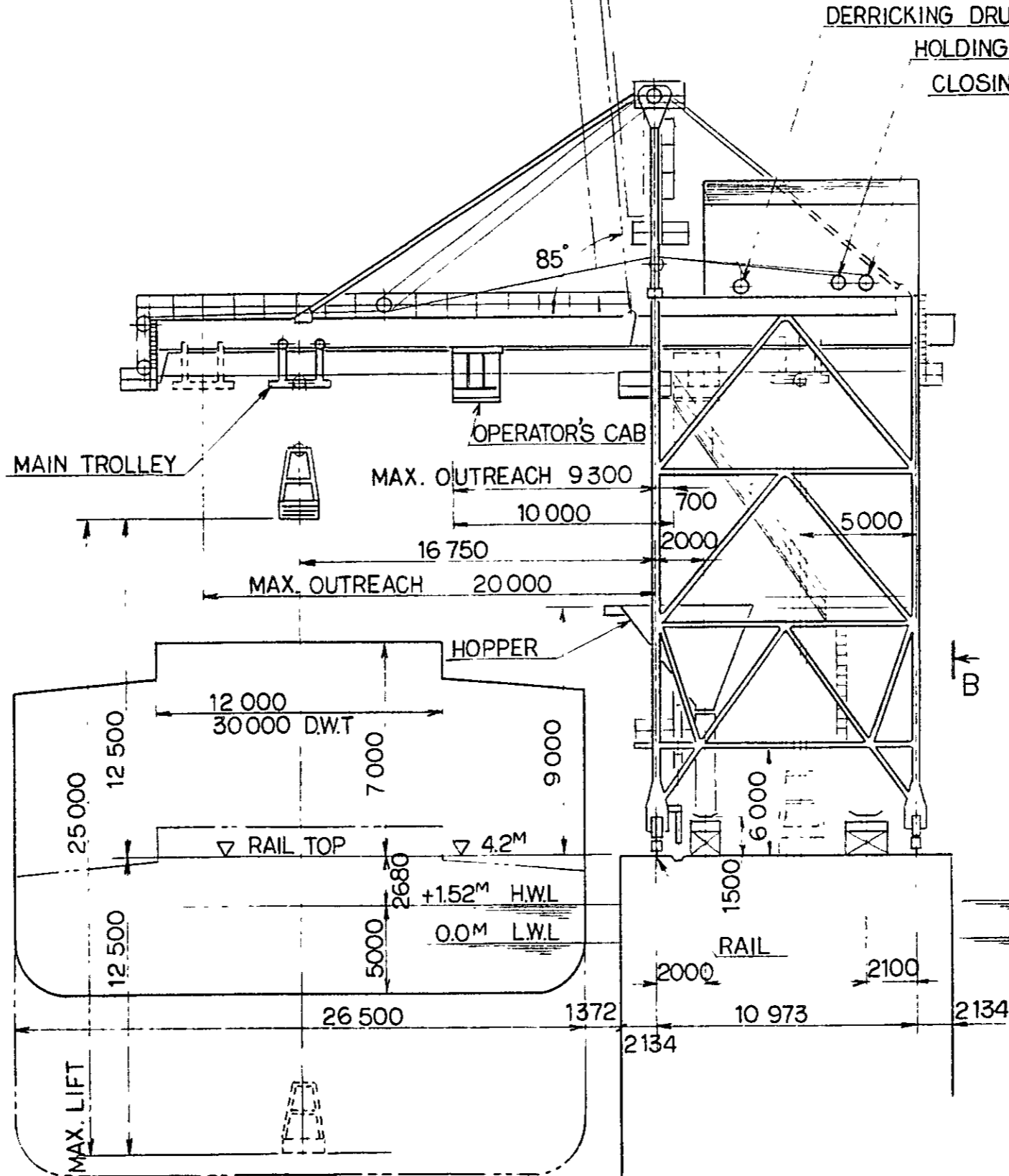
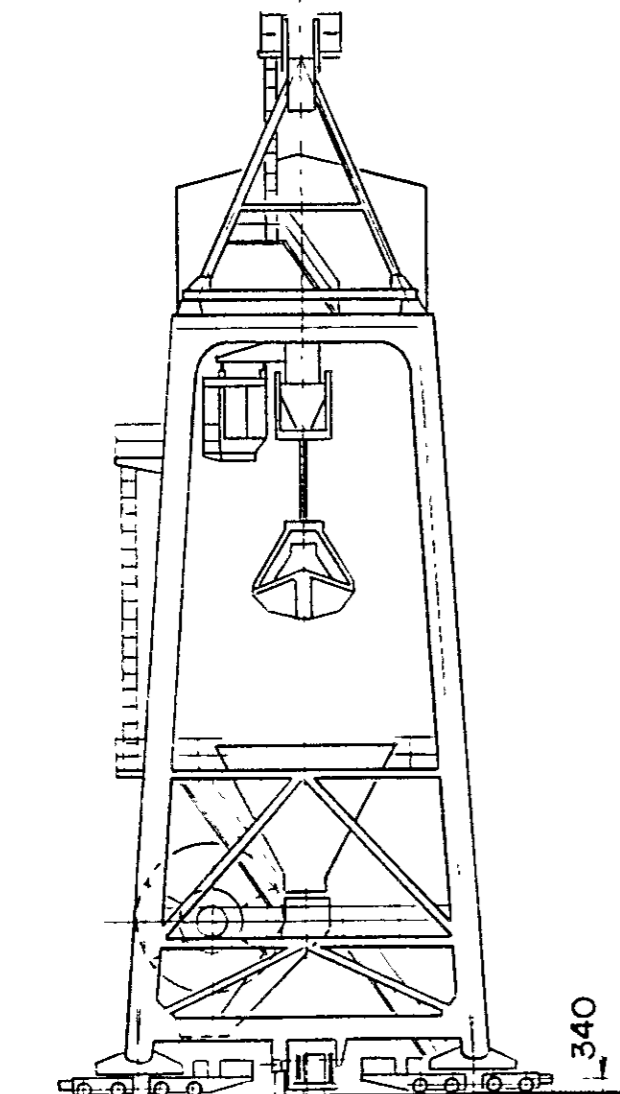


FIG. F - 2
 COKE BREEZE UNLOADING SYSTEM
 (UNLOADER, BELT CONVEYOR SYSTEM)

A — VIEW



B — VIEW

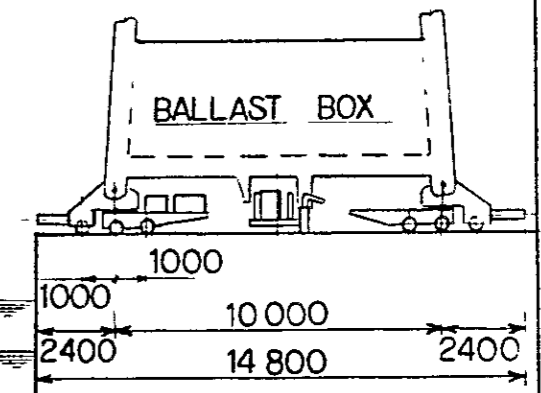


FIG. F - 3
COKE BREEZE UNLOADING
SYSTEM, UNLOADER
- 621 ~ 622 -

F.3 Flue Gas Desulfurization Plant

This plant removes the sulfur dioxide from the flue gas, using limestone as absorbent, and obtains gypsum as by-product. The flue gas desulfurization plant consists of the following 6 sections.

Sulfur dioxide absorption section

Reheating section

Oxidation section

Gypsum separation section

Absorbent preparation section

Utility section

(1) Design basis

Flue gas

Gas volume : 562,000 Nm³ /h

Pressure : + 50 mm H₂O

Temperature : 150 °C

SO_x : max. 6,000 ppm

Treated gas condition

SO_x removal efficiency : 90 % or more

Temperature : 90 °C or above

Absorbent : Limestone

By-product : Gypsum

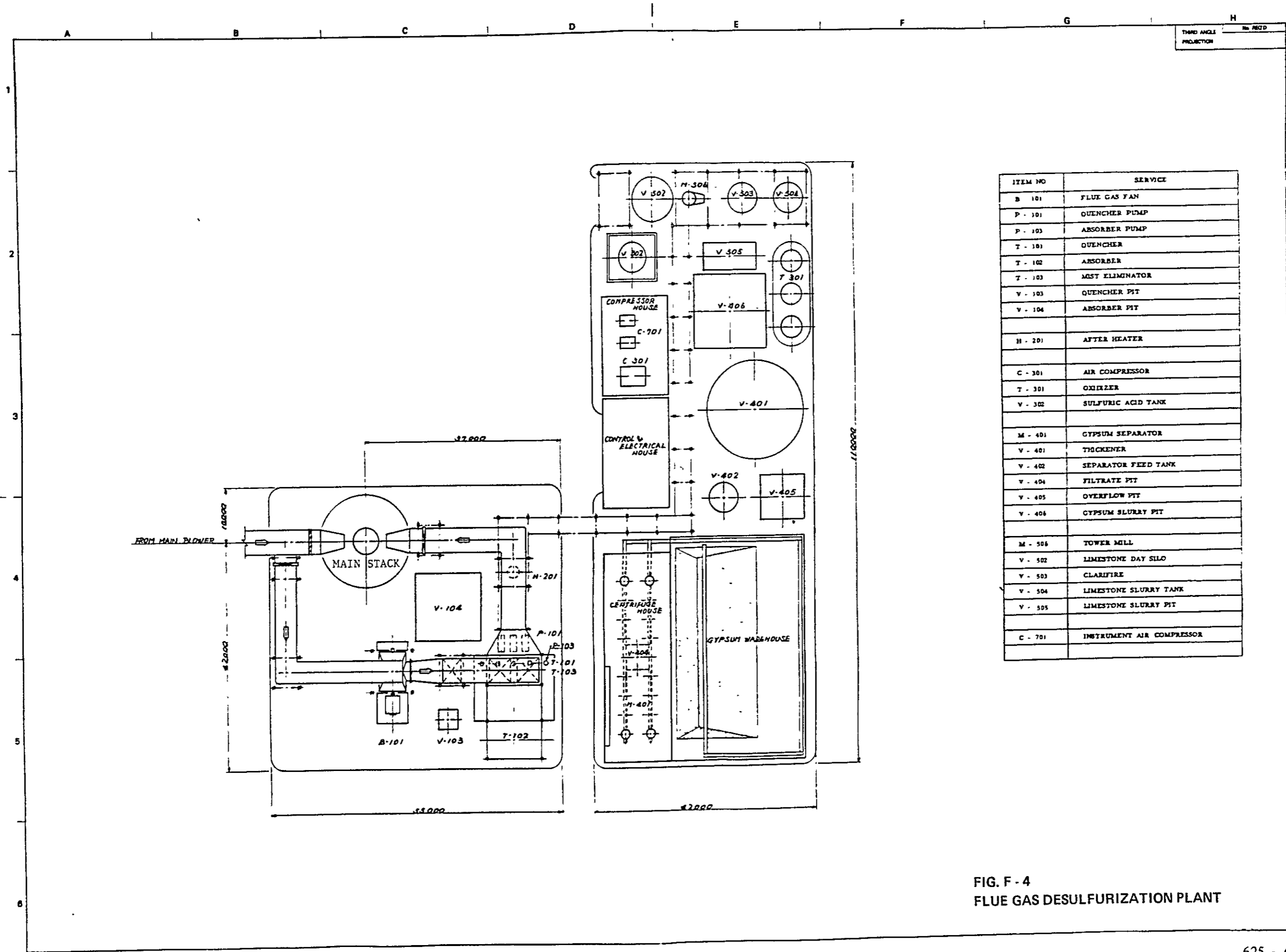
(2) Limestone and utilities consumption and gypsum production

Limestone	15.6 t/hr as 100 % CaCO_3
Sulfuric acid	. 1.6 t/hr as 100 % H_2SO_4
Fuel oil	: 720 l/hr
Electric power	: 6,390 KWH/hr
Fresh water	. 86.5 m ³ /h
Steam	. 0.15 t/hr
Gypsum	29.9 t/hr as 100 % $\text{CaSO}_4 \cdot 2\text{H}_2\text{O}$

(3) Cost

Machine and erection cost: Approx. U.S.\$42,760,000

Operation cost Approx. U.S.\$5,136,000/Year (\$2.05/ton-sintered ore)



THIRD ANGLE PROJECTION

ITEM NO	SERVICE
B - 101	FLUE GAS FAN
P - 101	QUENCHER PUMP
P - 103	ABSORBER PUMP
T - 101	QUENCHER
T - 102	ABSORBER
T - 103	MIST ELIMINATOR
V - 103	QUENCHER PIT
V - 104	ABSORBER PIT
H - 201	AFTER HEATER
C - 301	AIR COMPRESSOR
T - 301	OXIDIZER
V - 302	SULFURIC ACID TANK
M - 401	GYP-SUM SEPARATOR
V - 401	THICKENER
V - 402	SEPARATOR FEED TANK
V - 404	FILTRATE PIT
V - 405	OVERFLOW PIT
V - 406	GYP-SUM SLURRY PIT
M - 506	TOWER MILL
V - 502	LIMESTONE DAY SILO
V - 503	CLARIFIER
V - 504	LIMESTONE SLURRY TANK
V - 505	LIMESTONE SLURRY PIT
C - 701	INSTRUMENT AIR COMPRESSOR

FIG. F - 4
FLUE GAS DESULFURIZATION PLANT

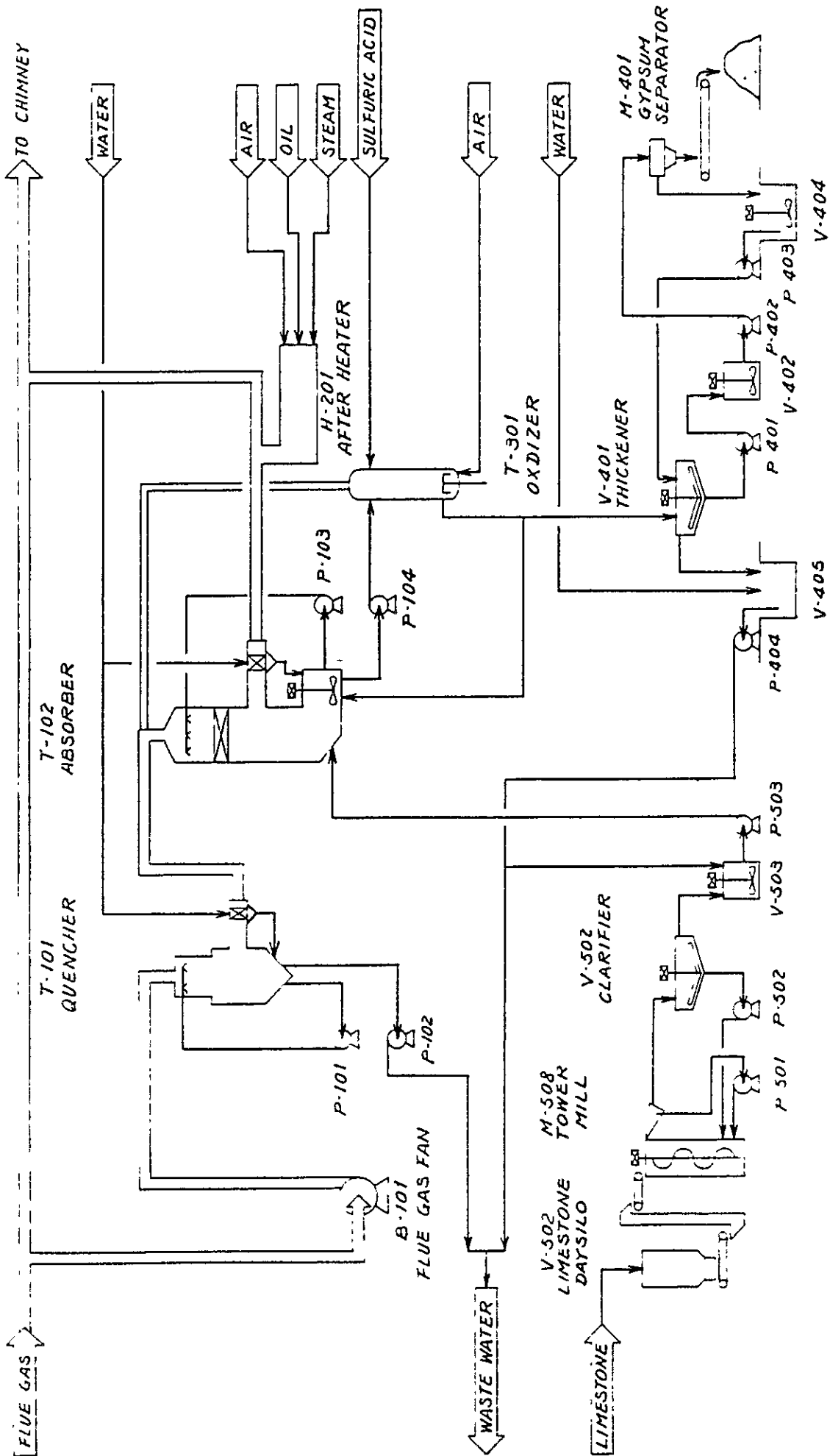


Fig. F-5 PROCESS FLOW SHEET

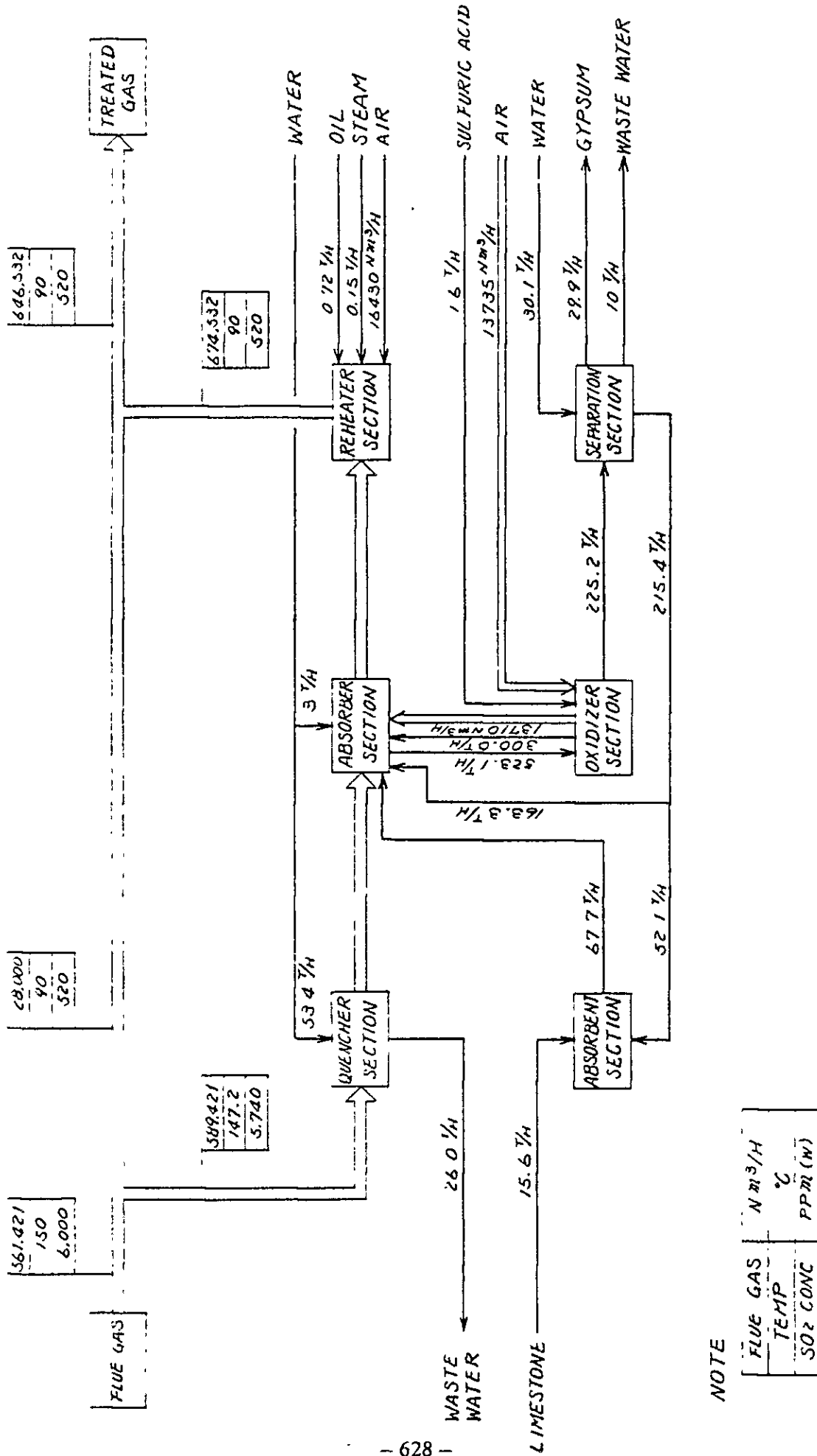


Fig. F - 6 BLOCK FLOW DIAGRAM

NOTE

FLUE GAS	N M ³ /H
TEMP	°C
SO ₂ CONC	PPM (W)

F.4 Plan for the Installation of the Main Stack at the East Side (near the blending yard)

Although this plan is advantageous in view of less influence to the periphery of the existing repair shop of the gas, including the dust, exhausted from the stacks of the dust collectors for the sintering machine and coolers, it has demerits that more earthwork is required and that the belt length is increased in comparison with the original plan.

Increment of land grading (land raising) about 45,000 m³ (4,940 m²)

Increment of belt conveyor length . about 160 m (H-1, M-3, S-9BC)

As a result, the machine and erection cost increases by approx U.S.\$395,000

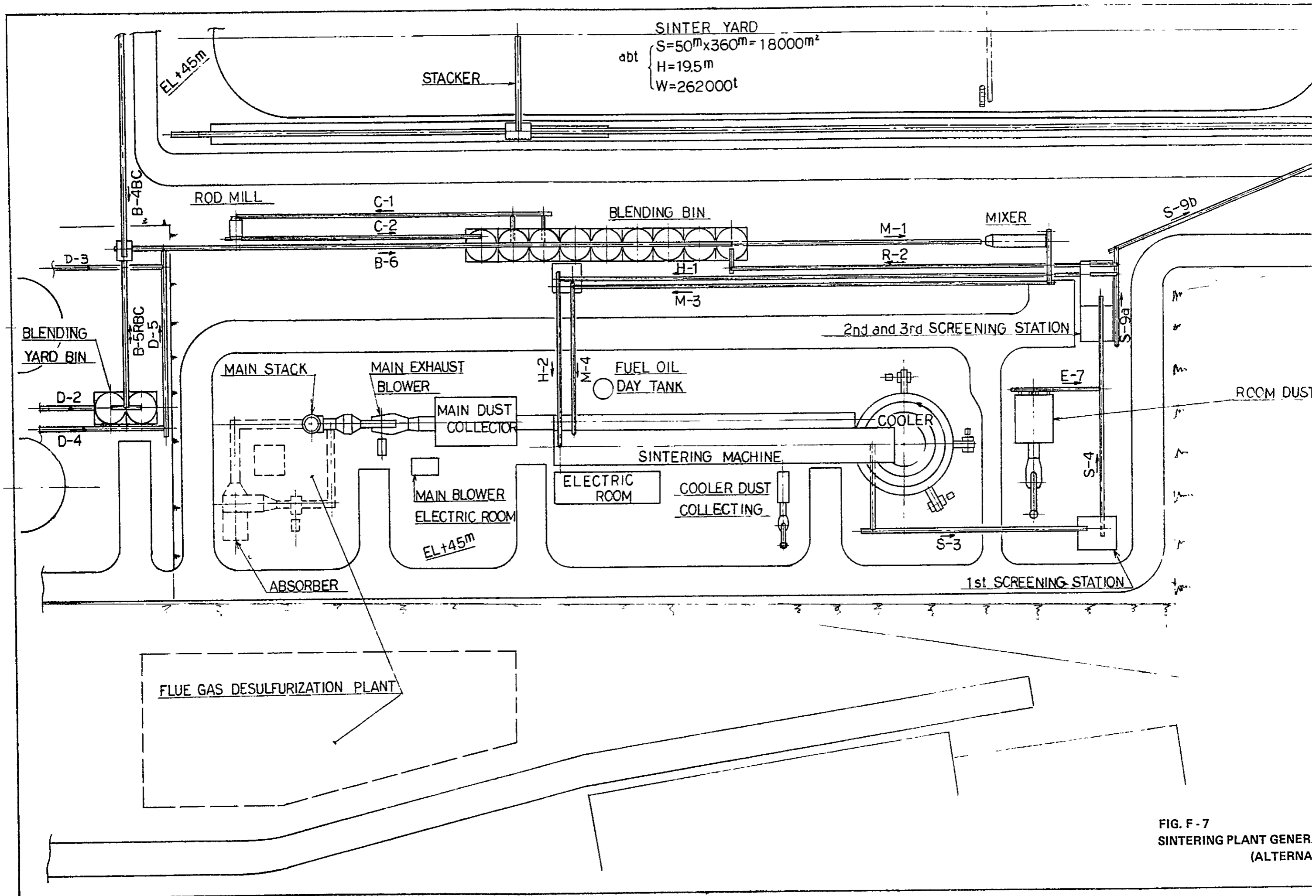


FIG. F - 7
SINTERING PLANT GENER
(ALTERNA

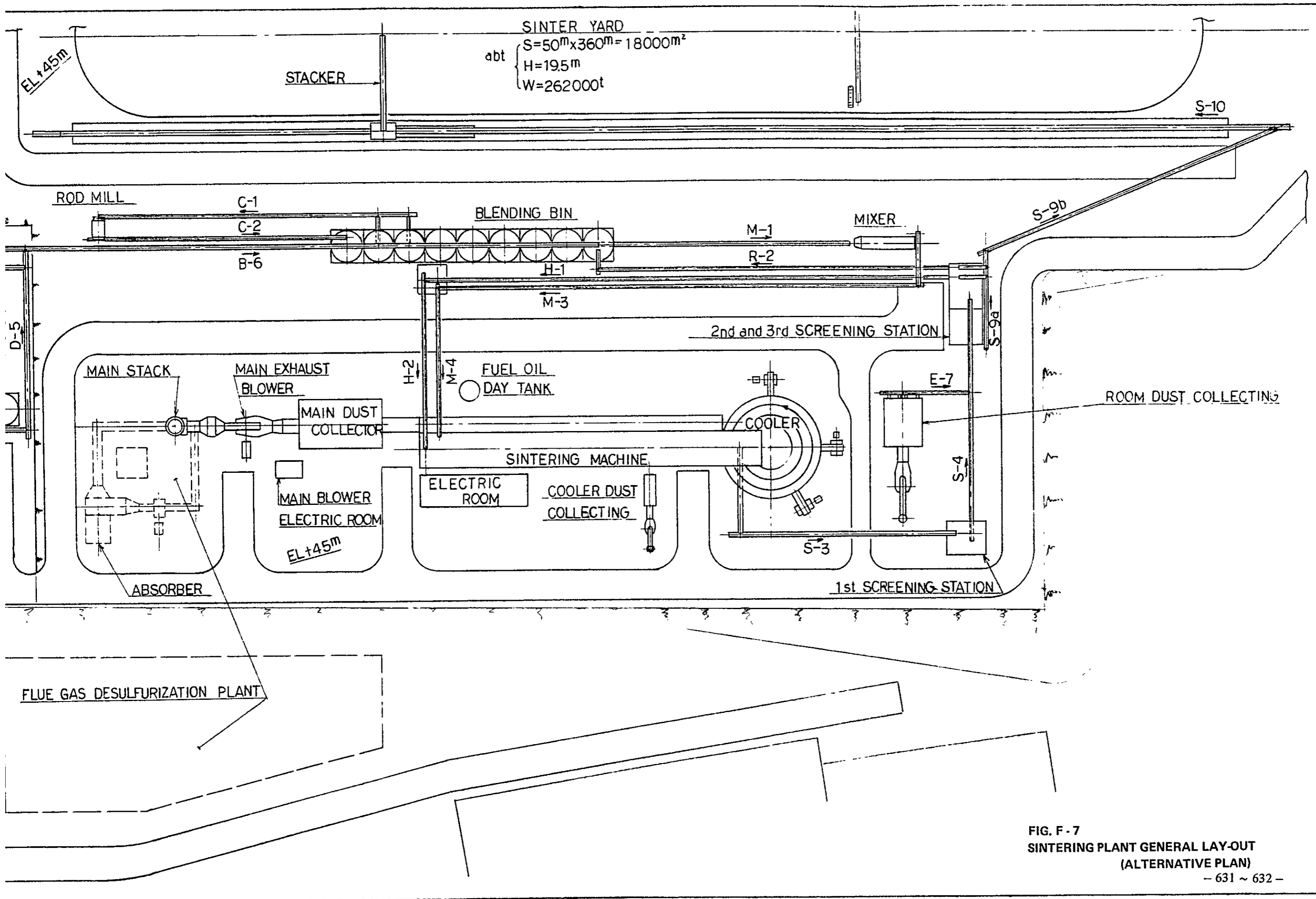


FIG. F - 7
 SINTERING PLANT GENERAL LAY-OUT
 (ALTERNATIVE PLAN)
 - 631 ~ 632 -

F. 5 Electrostatic Precipitator (One for the main waste gas dust collection and one for the room dust collection)

The principle of the electrostatic precipitator is that between the opposed collecting electrode and discharge electrode, a high DC voltage is charged to cause corona discharge so that particles passing through corona field are highly electrified, and then the charged particles are driven to the collecting electrode plate by coulomb force. The particles accumulated on the electrode are removed by gravity impact rapping system, and discharged to the outside of the precipitator by the flow conveyor and double-cone damper provided below the hopper.

Partly because of the use of sea water for beneficiation, the content of alkali metals in the sinter feed becomes high. These alkali metals are compounds having low sublime points. Therefore, they are evaporated during the sintering and discharged into the main exhaust waste gas, and there they solidify and become fine grain dust before reaching the electrostatic precipitator.

The fine grain dusts, which have little electric charge, cannot be electrified easily, and they widely diffuse again in the exhaust waste gas when they are driven to the collecting electrode plate by coulomb force, the dust collection efficiency is reduced. The electric resistance of the dust derived from alkali metals is high under the normal operation temperature, which is another factor of reducing the dust collection efficiency. Further, dust of alkali metals burns together with carbon dust on the collecting electrode plate, and such burning is apt to cause fatal thermal deformation of the plate.

Consequently, these matters should be carefully examined when the design and specification of the electrostatic precipitator are determined.

Table F.1 Specification of Electrostatic Precipitator

	For main exhaust	For room dedusting
Gas volume (m ³ /min)	18,000	6,500
Gas temperature (°C)	150	75
Gas pressure (mmAg)	-1,600	350
Dust concentration (g/Nm ³)		
at inlet	1.0	8 ~ 12
at outlet	0.08	0.08

Machine and erection cost: Approx. U.S.\$16,030,000

Operation cost: Approx. U.S.\$242,600/Year (\$0.1/ton-sintered ore)

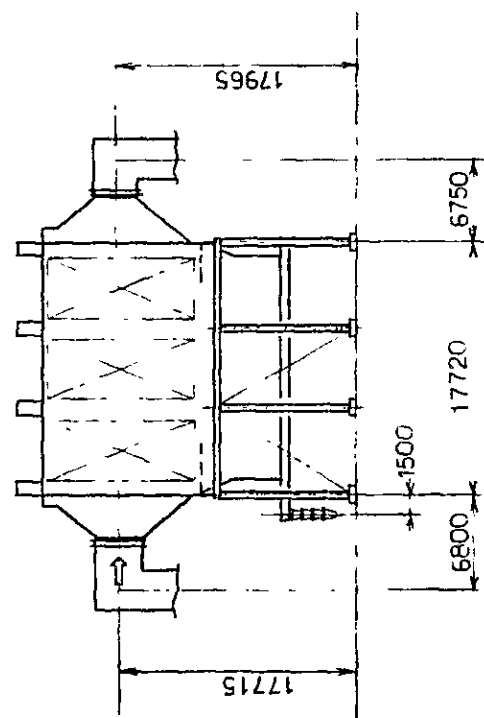
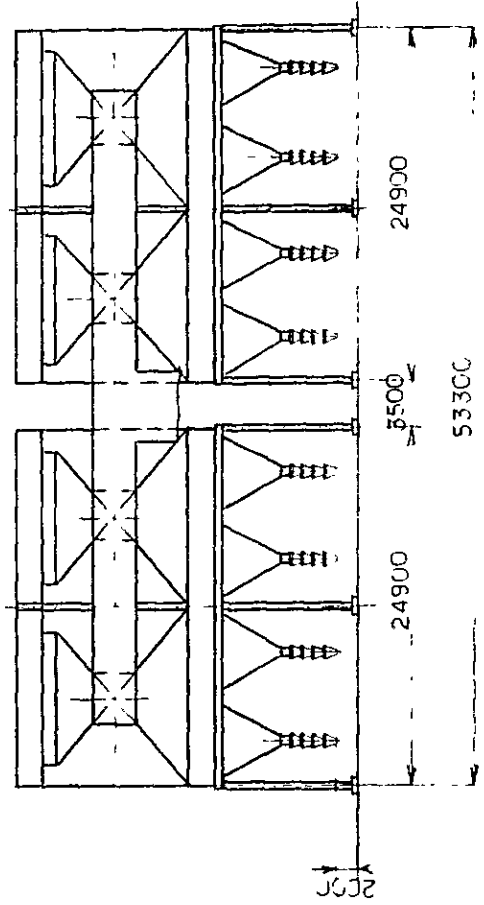


Fig. F - 8
ELECTROSTATIC PRECIPITATOR
FOR MAIN EXHAUST GAS

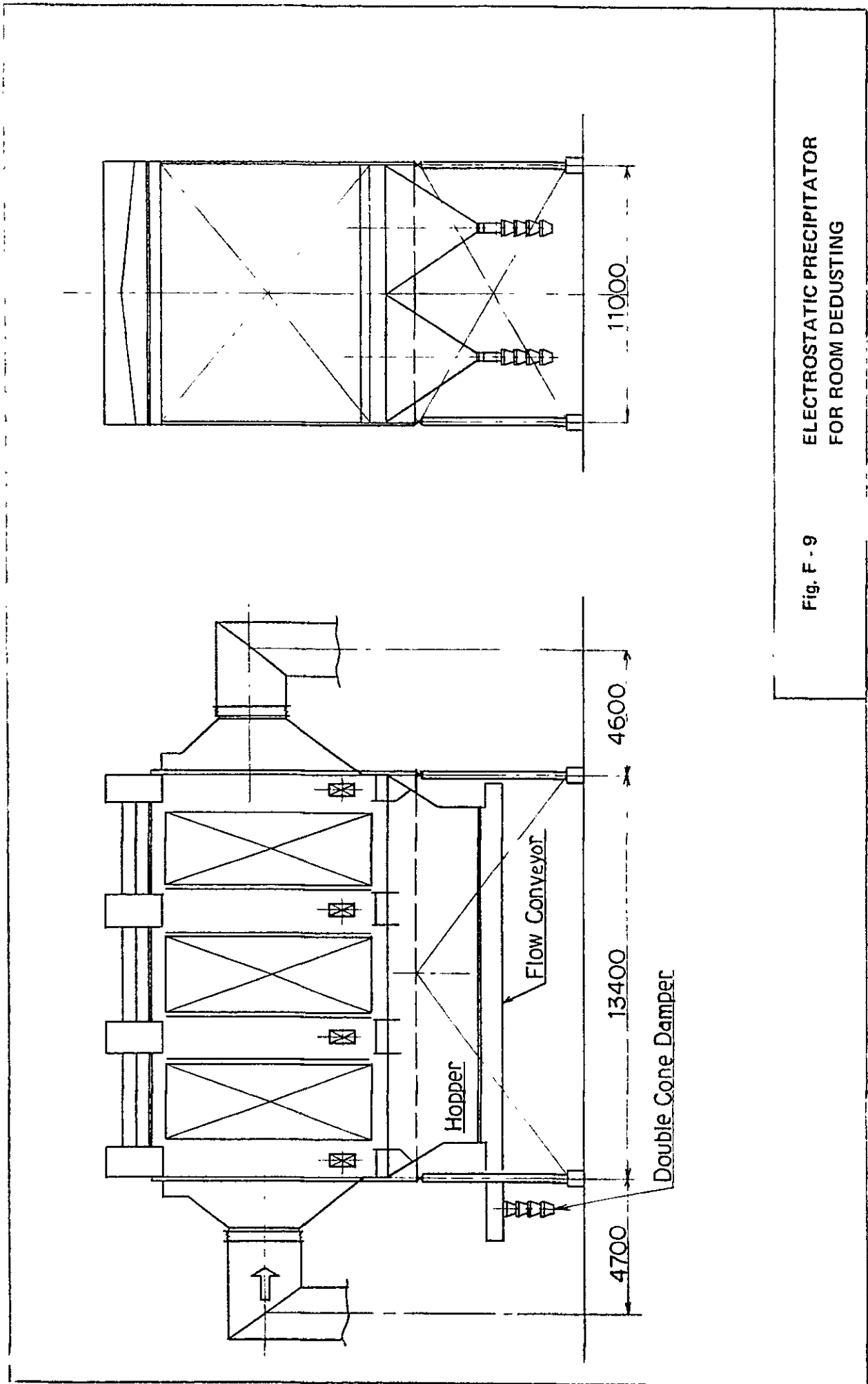


Fig. F - 9
ELECTROSTATIC PRECIPITATOR
FOR ROOM DEDUSTING

APPENDIX - G

Minutes

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APPENDIX - G Minutes

23rd April, 1980

Minutes of Discussion Held in Tokyo
about Feasibility Study on Hierro Peru Sintering

Empresa Minera del Hierro del Peru (hereinafter referred to as Hierro-Peru) and the Feasibility Study Team of the Japan International Cooperation Agency (hereinafter referred to as JICA) hereby agree to the following assumptions for the completion of the feasibility study, which were discussed between Hierro-Peru and JICA on 25th March, 28th March, and 31st March, 1980, in Tokyo, based upon 'The Record of Discussions (on Scope of Work)' dated 22nd November, 1979, and 'Interim Report of Feasibility Study on Hierro-Peru Sintering Project in Republic of Peru' dated 6th December, 1979:

- (1) Three sets of cyclone equipment only shall be installed for dust collection at the plant site.
- (2) Desulphurization equipment shall not be installed but enough space for installation of such equipment shall be provided in the design.
- (3) Enough space shall also be provided for electro-precipitation equipment, which may be installed in the future.
- (4) In addition to the above items, Hierro-Peru and JICA discussed and agreed on the assumptions for financial forecasts.

In witness whereof, the parties hereto have affixed their signatures on 31st March, 1980.



Mr. Luis Remy V.
President
Empresa Minera del
Hierro del Peru



Mr. Hiroshi Iida
Leader
Feasibility Study Team
Japan International Cooperation
Agency

