

SOUTHERN PERU COPPER CORP/
Form 424B4
June 13, 2005

[QuickLinks](#) -- Click here to rapidly navigate through this document

Filed Pursuant to Rule 424(b)(4)
Registration No. 333-124439

PROSPECTUS SUPPLEMENT
(To Prospectus dated June 8, 2005)

20,978,497 Shares

Southern Peru Copper Corporation

Common Stock

\$42.00 per share

The selling stockholders named in this prospectus supplement are selling 20,978,497 shares of our common stock. We will not receive any of the proceeds from the sale of the shares by the selling stockholders.

Our common stock is listed on the New York Stock Exchange and the Lima Stock Exchange under the symbol "PCU." The last reported sale price of our common stock on the New York Stock Exchange on June 9, 2005, was US\$43.40 per share.

Investing in our common stock involves risk. See "Risk Factors" beginning on page S-11.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the related prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

	<u>Per Share</u>	<u>Total</u>
Public offering price	\$ 42.00	\$ 881,096,874
Underwriting discounts and commissions	\$ 1.365	\$ 28,635,648
Proceeds to the selling stockholders (before expenses)	\$ 40.635	\$ 852,461,226

The underwriters may also purchase up to 1,573,387 additional shares of common stock from the selling stockholders, at the public offering price less the underwriting discounts and commissions, within 30 days from the date of this prospectus supplement. The underwriters may exercise this option to cover over-allotments, if any. If the underwriters exercise the option in full, the total underwriting discounts and commissions will be US\$30,783,322, and the total proceeds to the selling stockholders will be US\$916,395,806.

The underwriters expect to deliver the shares on or about June 15, 2005.

Citigroup

UBS Investment Bank

Merrill Lynch & Co.

Scotia Capital

BNP PARIBAS

June 9, 2005

You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We have not, and the underwriters and the selling stockholders have not, authorized anyone to provide you with information that is different. The selling stockholders are offering to sell shares of common stock only in jurisdictions where offers and sales are permitted. The information contained in this prospectus supplement is accurate only as of the date of this prospectus supplement regardless of the time of delivery of this prospectus supplement or any sale of our common stock.

TABLE OF CONTENTS

	<u>Page</u>
Prospectus Supplement	
Summary	S-1
Risk Factors	S-11
Exchange Rates	S-22
Capitalization	S-24
Price Range of Common Stock and Dividend Information	S-25
Selected Combined Financial Information	S-27
Management's Discussion and Analysis of Financial Condition and Results of Operations	S-32
Industry	S-62
Business	S-67
Management	S-105
Related Party Transactions	S-109
Principal and Selling Stockholders	S-111
Taxation	S-114
Underwriting	S-117
Forward-Looking Statements	S-120
Legal Matters	S-120
Independent Registered Public Accounting Firm	S-120
Glossary of Mining Terms	A-1
Index to Supplemental Combined Financial Statements	F-1
Prospectus	
About this Prospectus	1
Where You Can Find More Information	2
The Company	3
Use of Proceeds	3
Cautionary Notice Regarding Forward-Looking Statements	4
Description of Capital Stock	5
The Selling Stockholders	9
Plan of Distribution	10
Legal Matters	12
Independent Registered Public Accounting Firms	12

Financial and Other Information

Throughout this prospectus supplement, unless the context otherwise requires, the terms "we," "us" and "the Company" refer to Southern Peru Copper Corporation and its consolidated subsidiaries, including our recently acquired Minera México subsidiary and its consolidated subsidiaries; the terms "Southern Peru Copper Corporation" and "SPCC" refer to Southern Peru Copper Corporation and its subsidiaries, excluding Minera México and its consolidated subsidiaries; the term "Minera México" refers to our subsidiary, Minera México, S.A. de C.V., and its consolidated subsidiaries; and "selling stockholders" refers to the selling stockholders identified under "Principal and Selling Stockholders."

Many of the terms used in this prospectus supplement are defined in the glossary of mining terms, beginning on page A-1.

Financial Information

Our financial statements and other financial information included in this prospectus supplement reflect the combined accounts of Southern Peru Copper Corporation and Minera México. Effective April 1, 2005, SPCC acquired substantially all of the outstanding common stock of Minera México. The acquisition was accounted for in a manner similar to a pooling of interests as it involved the reorganization of entities under common control. Under applicable accounting requirements, the financial statements of SPCC and Minera México are combined on a historical cost basis for all the periods presented since they were under common control during all of the periods presented. The combined financial results may not be indicative of the results of operations that actually would have been achieved had the acquisition of Minera México taken place at the beginning of the periods presented and do not purport to be indicative of future results.

This prospectus supplement includes Audited Combined Financial Statements as of December 31, 2004, and for each of the years in the three-year period ended December 31, 2004. This prospectus supplement also includes certain combined financial information as of and for the years ended December 31, 2000 and 2001. The 2000 and 2001 combined financial information is unaudited and has been derived from audited stand-alone financial statements of SPCC and Minera México. Management has prepared the 2000 and 2001 combined financial information on a basis believed to be consistent with the basis on which the Audited Combined Financial Statements have been prepared.

This prospectus supplement also includes unaudited condensed combined interim financial statements as of and for the three months ended March 31, 2005 and 2004. Management believes these financial statements contain all adjustments (consisting only of normal recurring adjustments) necessary to present fairly our financial position and results of operations as of and for the three months ended March 31, 2005 and 2004. The results of operations for these periods are not necessarily indicative of the results to be expected for the full year. These unaudited condensed combined interim financial statements should be read in conjunction with our Audited Combined Financial Statements included herein.

Incorporation by Reference

We incorporate by reference certain information into the prospectus attached to this prospectus supplement. See "Where You Can Find More Information" in the attached prospectus. Information in this prospectus supplement and the attached prospectus supersedes information incorporated by reference that was filed with the Securities and Exchange Commission, or the SEC, prior to the date of this prospectus supplement.

The prospectus of which this prospectus supplement forms a part incorporates by reference our annual report on Form 10-K for 2004 and our quarterly report on Form 10-Q for the three months ended March 31, 2005. Except as otherwise expressly described therein, the information included in our

annual report on Form 10-K, and our quarterly report on Form 10-Q, including the financial statements and other financial and statistical data included therein, relates to SPCC prior to its acquisition of Minera México.

Reserves Information

Our mineral reserves are estimates based on a number of assumptions, including production costs and metals prices. Unless otherwise stated, reserves estimates in this prospectus supplement are based on three-year average metal prices as of December 31, 2004. We refer to three-year average metal prices as "current average prices."

In this prospectus supplement certain financial information is based on reserve estimates based on certain metals price assumptions. These items include the amount of mine stripping that is capitalized, units of production amortization of capitalized mine stripping and amortization of intangible assets. For SPCC, commencing in 2003, we have used reserve estimates based on current average metals prices as of the most recent year then ended to determine these items. For periods prior to 2003 for SPCC, we have used reserves estimates based on metals prices intended to approximate average prices over the long term. In calculating such items for periods ended on or prior to December 31, 2004 for Minera México, we have used reserves estimates based on these longer term price assumptions. For periods ended after December 31, 2004, such items for Minera México have been calculated using reserve estimates based on current average prices.

In calculating these items for the three-month periods ended March 31, 2004 and 2005 for SPCC, we have used reserve estimates based on current average prices as of the most recent year then ended. In calculating these items for the three-month period ended March 31, 2004 for Minera México, we have used reserves estimates based on the above mentioned longer term price assumptions. In calculating these items for the three-month period ended March 31, 2005 for Minera México, we have used reserves estimates based on current average prices as of the year ended December 31, 2004.

We also use the above mentioned longer term price assumptions in developing our mine plans. For a further discussion regarding how we calculate our reserves, see "Business Reserves."

Currency Information

Unless stated otherwise, references herein to "U.S. dollars," "dollars," "US\$" or "\$" are to United States dollars; references to "S/," "nuevo sol" or "nuevos soles" are to Peruvian nuevos soles; and references to "peso," "pesos" or "Ps." are to Mexican pesos.

Industry and Market Data

This prospectus supplement includes market share and industry data and forecasts that we obtained from or are based upon internal company surveys, market research, consultant surveys, publicly available information and industry publications and surveys. Industry publications and surveys, consultant surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable, but we cannot assure you as to the accuracy and completeness of the information. We have not independently verified any of the information from third-party sources nor have we ascertained the underlying economic assumptions relied upon therein. We do not guarantee the accuracy or completeness of this information. Similarly, internal company surveys, industry forecasts and market research, which we believe to be reliable based upon management's knowledge of the industry, have not been verified by any independent sources.

Other Information

Throughout this prospectus supplement, unless otherwise noted, all tonnages are in metric tons. To convert to short tons, multiply by 1.102. All ounces are troy ounces. All distances are in kilometers. To convert to miles, multiply by 0.621. To convert hectares to acres, multiply by 2.47.

SUMMARY

You should read this entire prospectus supplement and the accompanying prospectus, including information incorporated by reference, before making an investment in our common stock. You should also carefully consider the information set forth under "Risk Factors." In addition, certain statements include forward-looking information that involves risks and uncertainties. See "Forward-Looking Statements."

Overview

We are the world's largest publicly traded copper company as measured by reserves. Based on 2004 sales, we are the world's fifth largest copper mining company, and the third largest copper smelting and fifth largest copper refining company. We believe that we are also among the world's largest producers of molybdenum, silver and zinc.

All of our mining operations are located in Peru and Mexico and we conduct exploration activities in Peru, Mexico and Chile. We own and operate the following mines and metallurgical complexes:

Four Open-Pit Copper Mines

Our Cuajone and Toquepala mines, located in southern Peru, produced 397,366 tons of copper in 2004 (194,389 tons at Cuajone and 202,977 tons at Toquepala).

Our Cananea mine, located in northern Mexico, produced 173,428 tons of copper in 2004. We believe Cananea is among the world's largest copper mines in terms of reserves, and has the longest remaining mine life of any major open-pit copper mine in the world based on current production levels.

Our La Caridad mine, located in northern Mexico, produced 132,160 tons of copper in 2004.

Three Metallurgical Processing Complexes

Our Ilo complex, located in southern Peru, includes the world's sixth largest copper smelter and eighth largest copper refinery, a precious metal refinery and a sulfuric acid plant. We are currently modernizing the Ilo smelter facility with Isasmelt technology to reduce emissions.

Our La Caridad complex, located in northern Mexico, is a modern metallurgical facility that includes one of the world's largest copper smelters and one of the largest copper refineries, a precious metal refinery, a copper rod manufacturing plant and a sulfuric acid plant.

Our San Luis Potosí complex, located in central Mexico, includes an electrolytic zinc refinery, a copper smelter and a sulfuric acid plant.

Underground Mines and Related Processing Facilities

We own and operate five underground mines that produce various metals such as zinc, copper, silver and gold, as well as a coal mine and related production facilities, all of which are located in Mexico.

On April 1, 2005, we acquired Minera México from Americas Mining Corporation, or AMC, a subsidiary of Grupo México, S.A. de C.V., our controlling stockholder. On a stand-alone basis, Minera México, which owns the Cananea and La Caridad mines, among other assets, is the largest mining company in Mexico and the eleventh largest copper producer in the world. On April 1, 2005, we exchanged 67,207,640 newly

Edgar Filing: SOUTHERN PERU COPPER CORP/ - Form 424B4

issued shares of our common stock for the outstanding shares of Minera México, and Minera México became our 99%-owned subsidiary. Upon completion of the merger, Grupo México increased its indirect beneficial ownership of our capital stock from approximately 54.2% to approximately 75.1%.

S-1

Edgar Filing: SOUTHERN PERU COPPER CORP/ - Form 424B4

For the year ended December 31, 2004, after giving effect to our acquisition of Minera México, we had net sales of US\$3,097 million and net earnings of US\$982 million. We produced 718,007 tons of copper, 14,373 tons of molybdenum, 18.5 million ounces of silver and 133,778 tons of zinc in 2004, approximately 50% of which was sold outside of Latin America. As of December 31, 2004, we had proven and probable reserves of approximately 44.9 million tons of copper.

Competitive Strengths

Second largest copper reserves in the world. We have an estimated 44.9 million tons of proven and probable copper reserves, the second largest copper reserves in the world and the largest copper reserves of any publicly-traded company.

Highly integrated copper production. We are a highly integrated producer of copper which enables us to maintain high smelter utilization, achieve pricing premiums through value-added copper products and reduce our reliance on third parties for treatment and refinery services. For example, our Cananea and La Caridad mines provide a stable and secure source of copper concentrate for our La Caridad complex, our Cuajone and Toquepala mines supply our Ilo complex and our underground mines provide zinc and copper concentrate for our San Luis Potosí complex. Our integrated operations enable us to have significant economies of scale with reduced costs and earnings volatility.

A portfolio of low-cost operations. Our copper mines are well positioned from a cost perspective. In addition to our integrated operations, we believe we benefit from other advantages that contribute to making us a low-cost producer of copper and other metals. These include the relatively high quality of our reserves and the proximity of many of our operations to each other.

Diversified mix of operations. We operate four copper mines, with no one mine contributing more than 28% of our total mine production during 2004. We also operate three metallurgical complexes. We believe this diversity of operations reduces the impact of a major mine failure or labor disruptions at any one operation. We offer a diverse product mix that includes molybdenum, a byproduct of our copper mining operations, as well as other byproduct metals, such as zinc and silver. We believe we are one of the world's largest producers of molybdenum. Further, our operations and reserves are balanced between Peru and Mexico, countries with a tradition of mining and well-established mining laws.

Significant organic growth prospects that can be financed with internal funds. We have identified a number of potential development projects that we believe can be implemented to increase our future production capacity without major investments. These development projects, which include several brownfield projects that together could increase our production capacity by an estimated 88,000 tons (or approximately 12% of our current capacity) of copper per year, can be financed by internally generated funds and can be implemented within two to three years. We also have identified other potential brownfield and greenfield projects at our properties in Peru and Mexico and are currently conducting exploration activities in Peru, Mexico and Chile.

Management team with a track record of success over our long operating history. Our senior managers have an average of 20 years of experience with our Company or its predecessors. Our senior managers have successfully led the Company in varied economic conditions and have a track record of improving operating efficiency and reducing costs.

Business Strategies

Our objective is to increase stockholder value through earnings and cash flow growth in varied market conditions. We seek to achieve this objective by focusing on the following strategies:

Growing and expanding our operations. We intend to further realize the potential of our existing operations by expanding our production capacity and reserves, as well as exploring and developing

promising mineral deposits. We believe that our existing operations have significant growth potential that can be financed principally through internally generated cash flows. We also intend to supplement internal growth by selectively pursuing value-enhancing acquisition opportunities.

Continuing our focus on copper. We are primarily a copper producer, with approximately 68.1% of our 2004 revenues derived from copper production. We intend to continue to focus principally on the production of copper. Our earnings and cash flows are highly sensitive to movements in the price of copper, and we estimate that a US\$0.01 per pound increase in the price of copper would generate approximately US\$15.6 million of additional operating income based on our 2004 total production.

Improving the cost position of our operations. We are focused on improving our cost structure in order to maintain our profitability throughout the commodity price cycle and to generate cash flow to fund attractive investment opportunities. We seek to lower costs by (i) improving economies of scale through production expansions, (ii) investing selectively in new equipment and advanced production technologies, such as SX/EW, and (iii) fully utilizing our metallurgical facilities to capture processing margins and premiums.

Maintaining a relatively conservative capital structure. As of March 31, 2005, we had a cash balance of US\$809 million and total debt of US\$1.21 billion, giving us a net debt position of US\$402 million and a ratio of net debt to net debt plus shareholders' equity of 0.12. Since March 31, 2005, the most significant change to our cash balance was the payment of a US\$350 million dividend. We seek to maintain a relatively conservative level of financial leverage with the goal of enabling us to minimize our borrowing costs, to be opportunistic regarding growth projects and strategic investments and acquisitions and to reduce financial risks during market downturns.

Dividends. We have distributed a significant amount of our net income as dividends since 1996. We anticipate paying significant amounts of dividends for the immediately foreseeable future, although we cannot assure you that this dividend practice will be maintained.

Copper Market Conditions

Copper is a fundamental material in the world's infrastructure. Copper has unique chemical and physical properties, including high electrical conductivity and resistance to corrosion, as well as excellent malleability and ductility, that have made it a superior material for use in the electrical energy, telecommunications, building construction, transportation and industrial machinery businesses. Wire and cable products, used principally as energy cable, building wire and magnet wire, account for as much as 71% of copper consumption. Copper is also an important metal in non-electrical applications such as plumbing, roofing and, when alloyed with zinc to form brass, in many industrial and consumer applications. The building and construction industry accounts for approximately 37% of worldwide copper usage. Worldwide copper sales in 2004 were estimated to be approximately US\$48 billion based on 2004 worldwide copper sales of 16.9 million tons and the average copper price per pound in 2004 of US\$1.29.

Historically, the price of copper has been both volatile and cyclical, a reflection of current and expected economic conditions and the supply of and demand for copper.

During the 1980s and 1990s, copper prices averaged, on an annual basis, approximately US\$0.84 per pound and US\$1.01 per pound, respectively. The price of copper has increased considerably over the past few years since its 15-year low reached in November 2001, particularly since March 2003 when significant appreciation of the metal commenced. In 2004, the average copper price of US\$1.29 per pound was almost US\$0.50 higher than the previous year's average. We believe factors contributing to the current strength of copper prices include:

Reduced supply and low inventory levels. Reduction in new mine development, declining grades at existing mines and discipline among existing producers in not expanding production have all contributed to a current supply deficit. This has been aided by the significant restructuring and consolidation in the industry over the past few years. Current inventories of copper held by producers and commodity exchanges are at historically low levels. When copper inventories are low, higher copper prices generally result.

Increased demand, especially from China. Increases in worldwide industrial production as well as increased use of copper in developing countries have led to recent increases in demand for copper. China's growth in copper consumption, which accounted for approximately 40% of the increase in global market consumption of copper in 2004, has been a significant contributor to demand. Demand has also benefited from a recovery in the U.S. manufacturing sector. As producers' and commodities exchanges' inventories have decreased and industrial production and consumer confidence have increased, end users have increased their business inventories of copper as they have realized the need to have copper available, particularly on short notice.

Weakening U.S. dollar. There has been a strong inverse correlation over time between copper prices and U.S. dollar exchange rates. Approximately 92% of copper production occurs in regions where the local currency is not the U.S. dollar. Production economics for producers and the impact of raw materials costs on consumers in these regions change with movements in the exchange rate of the U.S. dollar against these regions' currencies. The current weakness of the U.S. dollar has had a significant upward impact on the price of copper in U.S. dollars.

These factors, which are all interdependent and impact prices to varying degrees, are reflected in the current market price of copper. Changes to any one of these factors will impact prices in the future.

Corporate Information

We were incorporated in Delaware in 1952. Our corporate offices are located at 2575 East Camelback Road, Suite 500, Phoenix, Arizona 85016 and our telephone number is (602) 977-6595. Our website is www.southernperu.com. The information on our website is not part of this prospectus supplement.

The Offering

Selling Stockholders	Cerro Trading Company, Inc., SPC Investors L.L.C., Phelps Dodge Overseas Capital Corporation and Climax Molybdenum B.V. See "Principal and Selling Stockholders."
This Offering	20,978,497 shares of our common stock are being offered by the selling stockholders. See "Underwriting."
Use of Proceeds	All of the shares of common stock offered in this offering will be sold by the selling stockholders. We will not receive any proceeds from the sale of these shares.
New York Stock Exchange symbol	PCU.
Over-Allotment	The selling stockholders have agreed to sell up to an aggregate of 1,573,387 additional shares of common stock if the underwriters exercise their over-allotment option. See "Underwriting."

Unless otherwise noted, the information in this prospectus supplement assumes the underwriters have not exercised their over-allotment option.

Summary Combined Financial Information

The following tables present our summary combined financial information and other data for the years indicated. These tables should be read in conjunction with the Audited Combined Financial Statements and the notes thereto included elsewhere in this prospectus supplement and are qualified in their entirety by the information contained therein. Our Audited Combined Financial Statements and the financial information in the tables below reflect our April 1, 2005 acquisition of Minera México as a combination of businesses under common control, on a historical basis in a manner similar to a pooling of interests, reflecting the financial condition and results of operations for SPCC and Minera México on a combined basis. See "Financial and Other Information Financial Information."

	Year Ended December 31,				
Statement of Earnings Data	2000(1)	2001(1)	2002	2003	2004
	(dollars in thousands, except per share data)				
Net sales	\$ 1,823,161	\$ 1,560,028	\$ 1,388,421	\$ 1,576,641	\$ 3,096,697
Cost of sales (exclusive of depreciation, amortization and depletion)	1,287,107	1,232,764	961,201	992,383	1,334,330
Selling, general and administrative	80,605	70,174	69,351	63,597	71,778
Depreciation, amortization and depletion	160,729	165,901	157,608	177,058	192,586
Exploration	19,582	15,939	13,345	17,869	15,610
Operating income	275,138	75,250	186,916	325,734	1,482,393
Interest expense	162,279	171,242	128,747	117,009	107,904
Interest capitalized	(11,012)	(9,600)	(8,220)	(5,563)	(10,681)
Interest income	(10,590)	(23,194)	(4,097)	(5,198)	(8,348)
(Gain) loss on debt prepayments	(1,246)	2,159	12,400	5,844	16,500
Gain on disposal of properties					(53,542)
Other expense (income)	2,483	435	(7,202)	4,174	9,689
Earnings (loss) before income taxes, minority interest and cumulative effect of change in accounting principle	133,224	(65,792)	65,288	209,468	1,420,871
Net earnings (loss)	\$ 20,760	\$ (109,914)	\$ 144,929	\$ 83,536	\$ 982,386
Earnings (loss) per share	\$ 0.14	\$ (0.75)	\$ 0.98	\$ 0.57	\$ 6.67
Weighted average shares outstanding basic (in thousands)	147,216	147,210	147,213	147,220	147,224
Weighted average shares outstanding diluted (in thousands)	147,216	147,212	147,217	147,225	147,224

	Year Ended December 31,				
Other Financial Information	2000(1)	2001(1)	2002	2003	2004
	(dollars in thousands, except per share data)				
EBITDA(2)	\$ 434,630	\$ 238,558	\$ 339,326	\$ 492,774	\$ 1,702,332
Capitalized mine stripping and leachable material	72,724	107,861	91,954	79,704	92,797
Capital expenditure excluding capitalized mine stripping cost and leachable materials	214,462	180,921	85,380	64,880	228,299
Cash dividends paid per share(3)	0.18	0.19	0.19	0.31	1.30

	Year Ended December 31,				
Balance Sheet Data	2000(1)	2001(1)	2002	2003	2004
	(dollars in thousands)				

Edgar Filing: SOUTHERN PERU COPPER CORP/ - Form 424B4

Year Ended December 31,

Cash, cash equivalents and marketable securities	172,895	\$	260,499	\$	175,071	\$	551,610	\$	755,974
Total assets	\$	4,454,694	4,480,582	4,419,030	4,491,028	5,319,193			
Total long-term debt, including current portion		1,690,475	1,714,334	1,621,231	1,671,231	1,330,288			
Total liabilities		2,452,944	2,633,264	2,452,538	2,385,885	2,494,314			
Total stockholders' equity		1,902,116	1,751,859	1,881,452	2,022,745	2,813,595			

S-6

Year Ended December 31,

Financial Ratios	Year Ended December 31,				
	2000(1)	2001(1)	2002	2003	2004
Gross margin(4)	20.6%	10.3%	19.4%	25.8%	50.7%
Operating income margin(5)	15.1	4.8	13.5	20.7	47.9
Net margin(6)	1.1	(7.0)	10.4	5.3	31.7
Net debt/total capitalization(7)	44.4	45.4	43.4	39.5	17.0
Total debt/EBITDA(2)	3.9x	7.2x	4.8x	3.4x	0.8x

(1) Financial information as of and for the years ended December 31, 2000 and 2001 is unaudited.

(2) EBITDA is net earnings; plus cumulative effect of change in accounting principle, minority interest, income taxes, interest expense, interest income and depreciation, amortization and depletion; minus interest capitalized. EBITDA is used as a measure of performance by our management and is not a measure of performance under generally accepted accounting principles, or GAAP. We present EBITDA because we believe it provides management and investors with useful information by which to measure our performance. EBITDA should not be construed as an alternative to (a) net income as an indicator of our operating performance or (b) cash flow from our operating activities as a measure of liquidity. EBITDA also does not represent funds available for dividends, reinvestment or other discretionary uses. Because not all companies use identical calculations, our presentation of EBITDA may not be comparable to similarly titled measures presented by other companies.

A reconciliation between EBITDA and net earnings for each of the periods presented in the table is presented beginning on page S-60.

(3) On a historical basis, without giving effect to the acquisition of Minera México, SPCC's cash dividends paid per share were \$0.34, \$0.36, \$0.36, \$0.57 and \$2.39 for the years ended December 31, 2000, 2001, 2002, 2003 and 2004, respectively.

(4) Represents net sales less cost of sales (including depreciation, amortization and depletion), divided by net sales as a percentage.

(5) Represents operating income divided by sales as a percentage.

(6) Represents net earnings divided by sales as a percentage.

(7) Represents net debt divided by net debt plus stockholders' equity.

Summary Operating Data

The following table sets out certain operating data underlying our combined financial and operating information for each of the years in the five-year period ended December 31, 2004.

	Year Ended December 31,				
Mining Production	2000	2001	2002	2003	2004
Material mined (thousands of tons)	360,871	385,666	357,635	356,600	386,364
Contained copper in concentrate (tons)	542,665	533,616	491,828	547,172	603,907
Electrowon copper metal (tons)	111,625	114,989	122,190	118,744	114,100
Total copper (tons)	654,290	648,605	614,018	665,916	718,007
Contained molybdenum in concentrate (tons)	14,090	13,869	11,747	12,521	14,373
Contained zinc in concentrate (tons)	167,798	149,252	135,442	128,760	133,778
	Year Ended December 31,				
Smelter/Refinery Production	2000	2001	2002	2003	2004
Copper metal (tons)	622,620	676,038	579,905	537,501	594,278
Zinc metal (tons)	105,879	107,005	92,012	101,069	102,556
Silver metal (ounces)	16,354,149	15,812,859	15,536,299	12,146,550	10,795,929
	Year Ended December 31,				
Net Metal Sales(1)	2000	2001	2002	2003	2004
Net copper sold (tons)	743,831	721,412	645,107	660,485	709,668
Net molybdenum sold (tons)	14,250	13,890	11,695	12,498	14,350
Net zinc sold (tons)	155,255	141,913	126,499	122,217	120,922
Net silver sold (ounces)	26,167,423	24,924,443	20,371,448	19,498,041	20,212,366
	Year Ended December 31,				
Average Realized Prices	2000	2001	2002	2003	2004
Copper price (US\$ per pound)	\$ 0.86	\$ 0.75	\$ 0.74	\$ 0.81	\$ 1.36
Molybdenum price (US\$ per pound)	2.28	2.08	3.42	5.32	20.55
Zinc price (US\$ per pound)	0.54	0.42	0.39	0.40	0.51
Silver price (US\$ per ounce)	4.91	4.25	4.52	4.87	6.35
	Year Ended December 31,				
Operating Cash Costs(2)	2000	2001	2002	2003	2004
Cash cost per pound of copper produced	\$ 0.63	\$ 0.52	\$ 0.43	\$ 0.44	\$ 0.18
Cash cost per pound of copper produced (without byproduct revenue)	0.99	0.81	0.74	0.74	0.85

(1) Includes finished metal (including blister, cathode and rod) sales and payable metal in concentrate sales to third parties, less payable metal in third-party concentrate purchases. "Payable metal" refers to the content of metal contained in concentrates that is actually valued and paid for.

(2) Operating cash costs per pound of copper produced is an overall benchmark we use and a common industry metric to measure performance. Operating cash cost is a non-GAAP measure that does not have a standardized meaning and may not be comparable to similarly titled measures provided by other companies. A reconciliation of our cash cost per pound to the cost of sales (including depreciation, amortization and depletion) as presented in the statement of earnings is presented beginning on page S-60. We have

Edgar Filing: SOUTHERN PERU COPPER CORP/ - Form 424B4

defined operating cash cost per pound as cost of sales (including depreciation, amortization and depletion); plus administrative charges, treatment and refining charges and third party copper purchases; less byproduct revenue, depreciation, amortization and depletion, workers' participation and inventory change. Operating cash costs also exclude the portion of our mine stripping costs that we capitalize. See "Management's Discussion and Analysis of Financial Condition and Results of Operations Overview Operating Cash Costs."

S-8

Summary Reserves Data

The table below details our copper and molybdenum reserves as estimated at December 31, 2004. Pursuant to SEC guidance, the reserves information in this prospectus supplement is calculated using average metals prices over the most recent three years, unless otherwise stated. We refer to these three-year average metals prices as "current average prices." Our current average prices for copper are calculated using prices quoted by COMEX, and our current average prices for molybdenum are calculated according to Platts *Metals Week*. Unless otherwise stated, reserves estimates in this prospectus supplement use US\$0.939 per pound for copper and US\$8.425 per pound for molybdenum, both current average prices as of December 31, 2004. The current average prices for copper and molybdenum were US\$0.751 and US\$3.81, respectively, as of December 31, 2003 and US\$0.760 and US\$2.88, respectively, as of December 31, 2002. For a further discussion of how we calculate our reserves, see "Business Reserves."

	Cuajone Mine(1)	Toquepala Mine(1)	Cananea Mine(1)	La Caridad Mine(1)	Total Open-Pit Mines	Immsa(2)
Mineral Reserves						
Metal prices:						
Copper (\$/lb.)	\$ 0.939	\$ 0.939	\$ 0.939	\$ 0.939	\$ 0.939	\$ 0.939
Molybdenum (\$/lb.)	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425	\$ 8.425
Cut-off grade	0.356%	0.365%	0.287%	0.325%		
Sulfide ore reserves (thousands of tons)	1,395,244	1,382,678	2,524,785	555,747	5,858,454	32,601
Average grade:						
Copper	0.616%	0.665%	0.571%	0.427%	0.590%	0.53%
Molybdenum	0.020%	0.036%		0.025%	0.027%	
Leachable material (thousands of tons)	22,763	1,887,267	1,403,481	1,197,053	4,510,564	
Leachable material grade	0.424%	0.203%	0.278%	0.195%	0.225%	
Waste (thousands of tons)	2,956,952	3,755,389	3,392,097	268,532	10,372,970	
Total material (thousands of tons)	4,374,959	7,025,334	7,320,363	2,021,332	20,741,988	
Stripping ratio	2.14	4.08	1.90	2.64	2.54	
Leachable material						
Reserves in stock (thousands of tons)	25,137					