

This document must be read together with the management report of the financial statements of Ferreyros S.A.A.

MANAGEMENT REPORT OF THE CONSOLIDATED FINANCIAL STATEMENTS OF FERREYROS S.A.A AND SUBSIDIARIES

Net sales of Ferreyros and subsidiaries during the first semester 2011 amounted to US\$ 640 million, compared to US\$ 494 million reported in the same period of the previous year, which represents a 30% growth.

On the other hand, net profit during first semester 2011 reached the amount of US\$ 38 million compared to US\$ 23 million during the same period of the previous year, which represents an important increase of 68 %.

During the first semester of 2011, Earning before interest, taxes, depreciation and amortization (EBITDA, in English) was US\$ 79 million compared to US\$ 55 million reported in the same period of the previous year, an increase of 44%.

Sales of Ferreyros and subsidiaries during the second quarter of 2011 were US\$ 337 million compared to US\$ 253 million during the same period of the previous year, a 33% growth. Likewise, net profit in second quarter of 2011 reached US\$ 23 million, a 116% increase when compared to the US\$ 11 million reported in the comparable period of 2010.

It is important to mention that results regarding 2Q 2011 had a positive impact in the first semester 2011. In this way, it is important to point out that sales in 2Q 2011 were higher than sales recorded in 1Q 2011 in despite of the uncertainty that an electoral process generates. Clients of the Company who develop activities in sectors as the mining industry, construction, energy and fishing, among others, continued placing important orders of machinery and equipment in 2Q 2011, reason for which sales of Ferreyros and subsidiaries reached in last June the amount of US\$ 127 million, compared to the monthly average from January to May, which reached US\$ 103 million.

Higher sales and gross profit as a consequence of good commercial performance during the first semester, was accomplished with a moderate increase in operating expenses and lower financial expenses, due to competitive interest rates. Likewise, appreciation of the Sol against the US dollar contributed to a higher Exchange gain compared to the same period of 2010.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Ferreyros and subsidiaries in the second quarter of 2011 and 2010 include Inti Inversiones Interamericanas Corporation, which owns Caterpillar's dealers in Guatemala, El Salvador and Belice (hereinafter Gentrac group) since January 2010.

Also include the results of the subsidiary Inmobiliaria CDR S.A.C., acquired in September 2010, which owns property as the only asset which book value amounts to S/. 46.6 million. This company had no movement during 2010.

CONSOLIDATED FINANCIAL RESULTS - SUMMARY

(In million of soles)

	Variation			Accumulated Accumulated Variation		
	2Q 2011	2Q 2010	%	06-30-11	06-30-10	%
Net sales	939.7	719.2	30.6	1,781.2	1,406.9	26.6
Gross profit	208.5	153.2	36.1	398.5	291.1	36.9
Operating profit	84.8	48.9	73.3	150.5	97.7	54.0
Net profit	63.5	29.9	112.1	106.5	65.1	63.6
EBITDA	116.9	79.5	47.1	220.7	156.8	40.8

QUARTERLY RESULTS

Net sales in 2Q 2011 reached S/. 939.7 million, a 30.6% increase when compared to S/. 719.2 million reported in the same period of 2010. If sales are considered in dollars, currency in which sales are invoiced, they reached US\$ 337.3 million in 2Q 2011, 33.3% higher than US\$ 253.1 million in 2Q 2010.

The increase in soles is lower due to an average exchange rate in sales of S/2.786 during 2Q 2011, while the average exchange rate during 2Q 2010 was S/ 2.842.

Gross profit in 2Q 2011 amounted to S/. 208.5 million, compared to S/. 153.2 million in the same period of 2010, which represents an increase of 36.1%.

Net profit of Ferreyros and subsidiaries in 2Q 2011 reached S/. 63.5 million compared to S/. 29.9 million reported in the same period of 2010, **an important growth of 112.1%**.

During 2Q 2011, Earning before interest, taxes, depreciation and amortization (EBITDA, in English) was S/. 116.9 million compared to S/. 79.5 million during the same period of the previous year, which represents an increase of 47.1%.

RESULTS FOR THE FIRST SIX-MONTH PERIOD 2011

Net sales for the first six-month period 2011 reached S/. 1,781.2 million compared to S/. S/. 1,406.9 million in the same period of the previous year, an increase of 26.6%. If sales are considered in dollars, they reached US\$ 640.7 million for the first six-month period 2011 and US\$ 494.3 million reported in 2010, which is equivalent to an increase of 29.6%. The increase is lower in soles due to the average exchange rate of S/ 2.780 in the first semester 2011, while the average exchange rate during the same period of 2010 was S/ 2.846.

Gross profit for the first six-month period 2011 was S/. 398.5 million, 36.9% higher than S/. 291.1 million reported in the same period of 2010. In percentage terms, gross margin was 22.4%, higher than 20.7% reported in 2010.

Net profit as of 06-30-11 reached S/. 106.5 million compared to S/. 65.1 million reported in the same period of the previous year, **an important increase of 63.6%**.

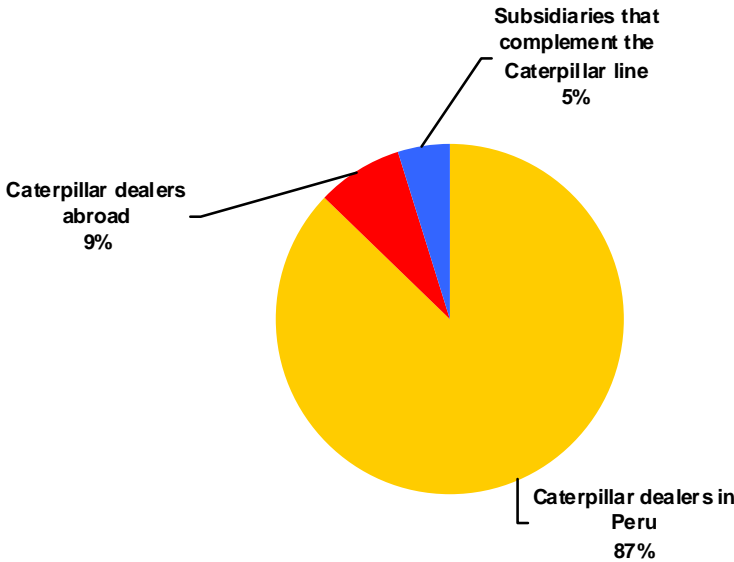
During the first semester 2011, Earning before interest, taxes, depreciation and amortization (EBITDA, in English) was S/. 220.7 million compared to S/. 156.8 million, which represents an increase of 40.8%.

In 2011, EBITDA represents 12.4% when compared to 11.1% reported in 2010.

SALES – COMMERCIAL MANAGEMENT

The Organization distributes its business in three big divisions: Caterpillar dealers in Peru, (Ferreyros, Unimaq and Orvisa), Caterpillar dealers abroad (Gentrac group) and the ones aimed to offer capital goods and services that complement the Caterpillar line (Fiansa, Mega Representaciones, Fargoline, Cresko y Ferrenergy) .

The following graph shows the composition of the sales according to the above mentioned divisions.



(In thousand of soles)

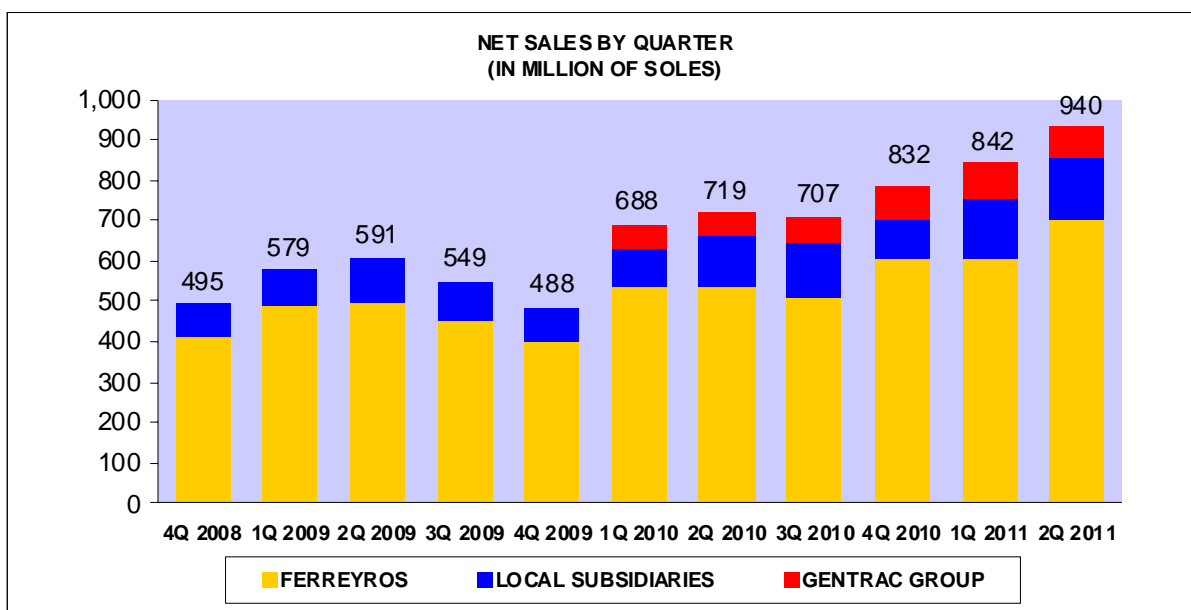
	Net Sales			Net Profit		
	2Q 2011	2T 2010	VAR %	2Q 2011	2Q 2010	VAR %
Ferreyros	707,936	533,820	32.6	55,791	23,372	138.7
Unimaq	83,994	57,034	47.3	6,718	4,171	61.1
Orvisa	26,846	23,418	14.6	1,800	1,321	36.2
Cresko	9,811	10,192	(3.7)	18	151	(88.0)
Mega Representaciones	22,102	16,997	30.0	1,342	970	38.4
Others (Fiansa,Fargoline,Ferrenergy,CDR)	12,346	22,998	(46.3)	(4,754)	(713)	567.0
Local Subsidiaries	155,099	130,640	18.7	5,124	5,900	(13.2)
Ferreyros and local subsidiaries	863,035	664,460	29.9	60,915	29,272	108.1
Subsidiaries from Centralamerica	76,646	54,782	39.9	2,583	668	286.5
Total	939,680	719,242	30.6	63,498	29,941	112.1

Sales in 2Q 2011 registered an increase of 30.6% compared to sales made in the same period of 2010, as a result of higher economic development in the country and Ferreyros and subsidiaries' efficient commercial management. In general, sales in 2Q 2011 were higher than sales recorded in the last quarters, as shown in the graph.

CONSOLIDATED NET SALES

(In million of soles)

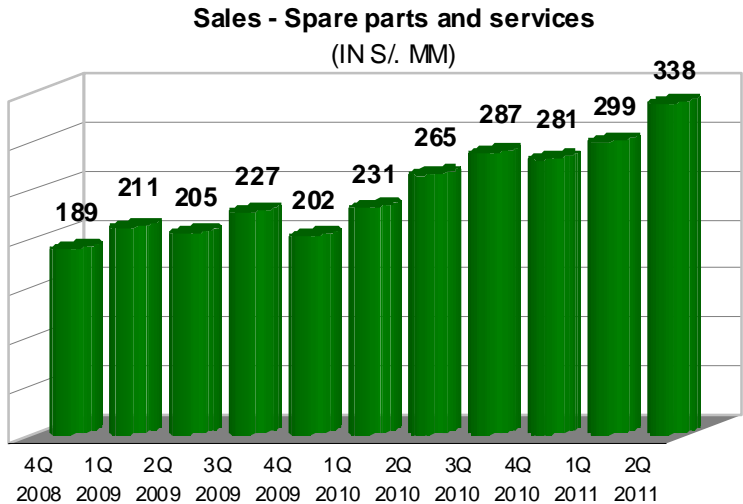
	Accumulated as of 03-31-2011	Accumulated as of 03-31-2010	Variation %
Caterpillar:			
Big mining	72.3	132.6	-45.5
Other	276.3	163.5	69.1
	<u>348.6</u>	<u>296.1</u>	17.8
Agricultural equipment	14.4	6.2	131.0
Automotive	40.4	40.5	-0.0
Used units	30.6	27.3	11.9
	<u>434.0</u>	<u>370.1</u>	<u>17.3</u>
Spare parts and services	298.7	230.7	29.5
Rental	34.7	22.7	52.6
Other sales from subsidiaries	64.5	53.9	19.8
Other sales from subsidiaries abroad	9.6	10.3	-6.9
Total	<u><u>841.5</u></u>	<u><u>687.6</u></u>	22.4



CONSOLIDATED NET SALES (In million of soles)						
	2Q 2011	2Q 2010	Variation %	Accumulated 06-30-11	Accumulated 06-30-10	Variation %
Caterpillar equipment	411.8	279.0	47.6	760.4	575.1	32.2
Agricultural equipment	18.4	8.7	110.8	32.8	15.0	119.2
Automotive	34.5	34.2	1.0	75.0	74.7	0.4
Used units	26.9	30.6	-12.1	57.5	57.9	-0.8
	491.6	352.6	39.4	925.6	722.6	28.1
Spare parts and services	337.9	264.8	27.6	636.5	495.5	28.5
Rental	38.6	27.0	42.6	73.2	49.8	47.1
Other sales from subsidiaries	61.9	64.8	-4.4	126.4	118.6	6.6
Other sales from subsidiaries abroad	9.8	10.1	-3.3	19.3	20.4	-5.1
Total	939.7	719.2	30.6	1,781.2	1,406.9	26.6

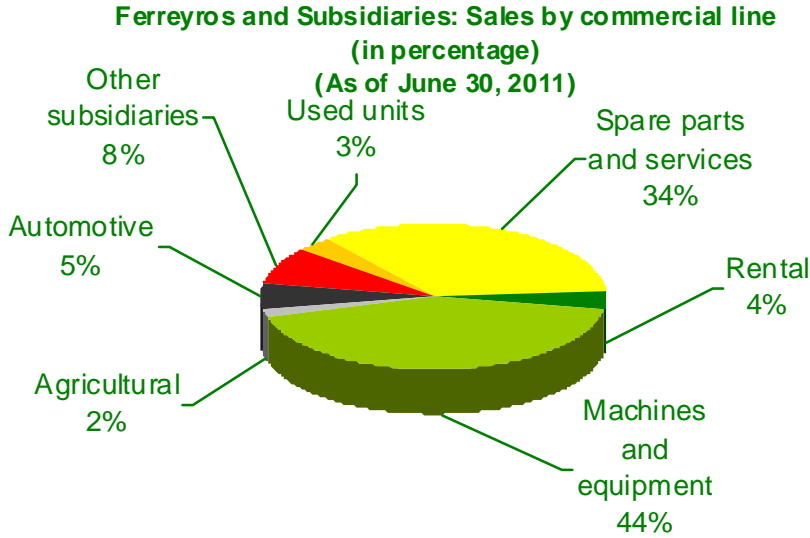
During the second quarter of 2011, many commercial lines showed an important growth. In the first place, Caterpillar equipment sold to clients of all economic sectors. It is important to stand out the increase of 63.6% achieved in the construction, infrastructure, energy sectors among others, compared to the same period of 2010. This increase is explained by higher sales made by Ferreyros (S/. 102 million), Unimaq (S/. 17.2 million) and Gentrac Group (S/. 7.3 million).

Likewise, there was an increase of 110.8% in sales of agricultural equipment, due to the market recovery, which in 2009 and during the second semester of 2010 was seriously affected by the international financial crisis.



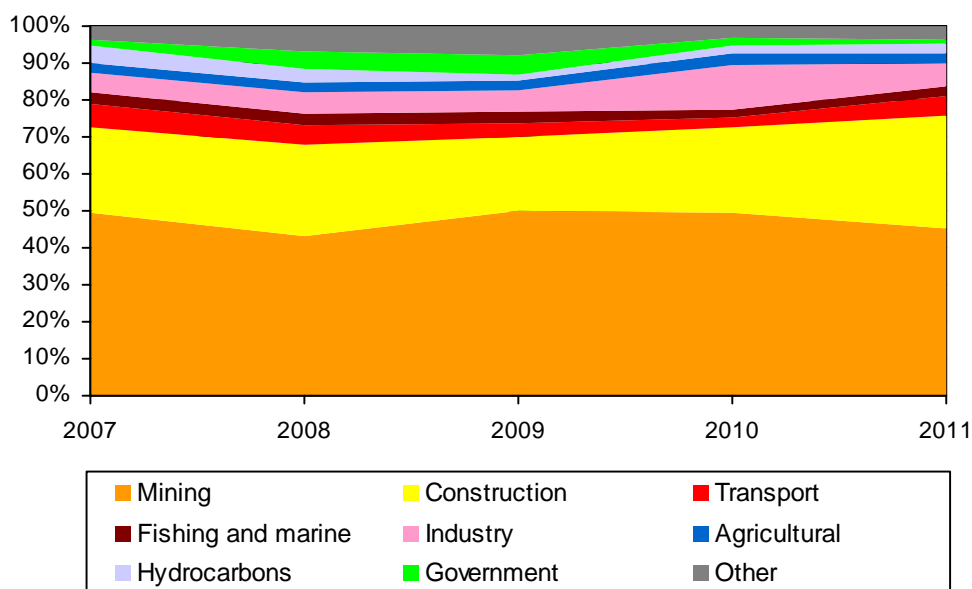
On the other hand, spare parts and services showed an increase of 27.6% compared to the same period of the previous year, as a result of higher demand, mainly, to the construction and mining sectors, and the continuous increase in the number of machines sold by Ferreyros and some subsidiaries.

Likewise, there was an increase of 42.6% in rental equipment, from the commercial line Rentafer, which is mainly explained by sales made to clients of the construction sector and the growth in units from the rental fleet.



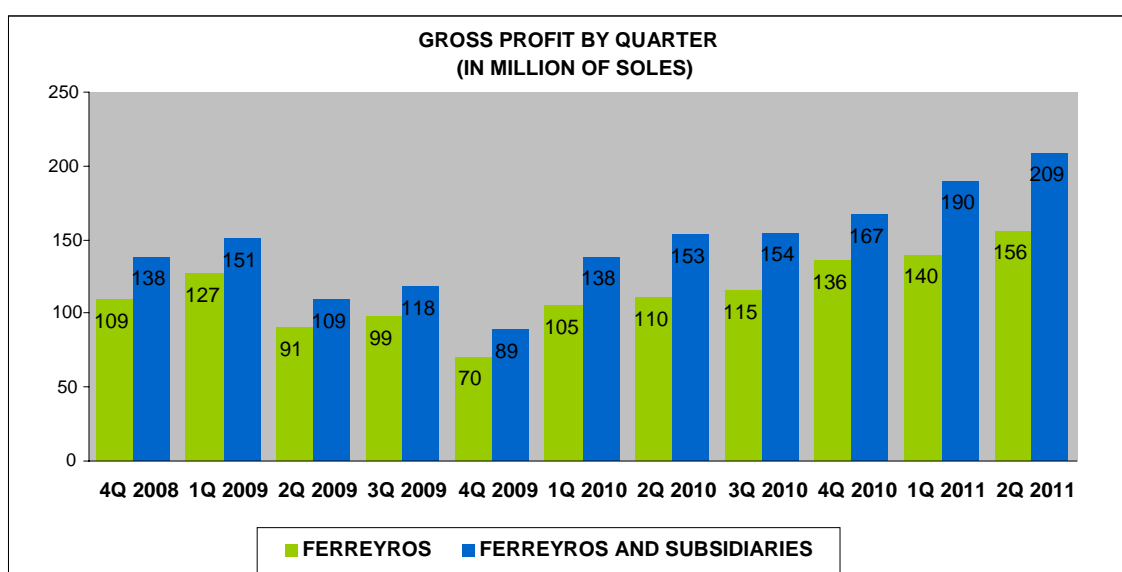
Sales from Caterpillar line accounted 85% of the total income of Ferreyros and subsidiaries, including machinery and equipment (new, used units and rental) as well as, spare parts and services.

It is important to point out that sale of spare parts and services represent 34% of the total sales of Ferreyros and subsidiaries and is the line of higher profitability and growth in the revenue stream, as a result of the large fleet of Caterpillar units operating.



Regarding sales distribution by economic sector, it should be noted sales to the mining and construction sector having a 46% and 30%, respectively, in the total sales of the second quarter of 2011.

GROSS PROFIT



Gross profit of Ferreyros and subsidiaries in 2Q 2011 reached S/.208.5 million, 36.1% higher than S/. 153.2 million reported in the same period of 2010. In percentage terms, gross margin in 2Q 2011 is 22.2%, higher than 21.31% in 2Q 2010.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses of Ferreyros and subsidiaries totaled S/. 124.6 million, 20.2% higher than the figure reported in the previous year. This variation is mainly explained by: i) an increase of 15% in variable expenses as a consequence of higher sales and ii) hiring of technicians and commercial personnel to satisfy future demand of post sale services and to increase market coverage, and iii) an increase of share in results of the Company, due to an increase of 118% in results before taxes.

Selling and administrative expenses in 2Q 2011, represent 13.3% of net sales compared to 14.4% in 2Q 2010.

OTHER INCOME (EXPENSES)

In 2Q 2011, this category represents a net income of S/. 0.9 million compared to a net expense of S/. 0.6 million reported in the same period of 2010. This slightly decrease is explained by recovery of a provision for inventory write-offs registered in previous quarter, which compensated the expense registered in previous years and recorded in 2Q 2011 by the subsidiary Fiansa.

FINANCIAL INCOME

Financial income in 2Q 2011 amounted to S/. 6.7 million compared to S/. 8.5 million reported in the same period of 2010, which represents a slightly decrease of 21.9%. The decrease was driven by lower accrued interests of long term sales to clients, mainly due to the strategy adopted by the company not to grant financing aimed to avoid risks of bad loans.

However, the Company covers financial needs of its clients through financing programs from banks and leasing institutions, as well as Caterpillar Financial Services which has an important outstanding in long-term credits granted to clients who purchase Caterpillar machinery.

FINANCIAL EXPENSES

Financial expenses in 2Q 2011 amounted to S/. 18.4 million, 0.41% lower than S/. 18.5 million reported in 2Q 2010.

It is important to mention that lower financial expense was achieved in despite of higher liabilities which financed higher investment in assets. Lower financial expense is mainly due to competitive interest rates obtained by the Company.

Ferreyros participates in the capital market through corporate bond issuances with a great support from investors. The interest rate of the issuances has decreased significantly in the last year. During 2010, the average interest rate of US\$ 40 million was 4.40%

SHARE IN THE RESULTS OF ASSOCIATED COMPANIES AND BUSINESS RECOGNIZED UNDER THE EQUITY METHOD

Ferreyros has an investment in a company of the insurance sector. This category includes income from the associated company. Income under this category totaled S/. 1.3 million in 2Q 2011, same figure registered in the same period of 2010..

FOREIGN EXCHANGE GAIN (LOSS)

During 2Q 2011, net liabilities in foreign currency showed an exchange gain of S/. 19.0 million, compared to an exchange gain of S/. 3.8 million during the same period of the previous year, as a consequence of the appreciation of the sol against US dollar which was 1.96% in 2Q 2011, compared to 0.53% in 2Q 2010.

SHARES AND INCOME TAX

Shares and income tax ending the second quarter of 2011 and 2010 have been estimated according to the current tax and accounting regulations.

NET PROFIT

Due to variations previously mentioned, net profit in 2Q 2011 reached S/. 63.5 million compared to S/. 29.9 million reported in the same period of 2010, which represents an important growth of 112.1%.

ANALYSIS OF THE BALANCE SHEET

As shown in appendix 2, total assets as of June 30, 2011, totaled S/. 2,967.5 million compared to S/. 2,354.2 million reported in the same period of 2010, which represents an increase of S/. 613.3 million (26.0%) which is explained by higher investment in inventories made to assure immediate delivery to clients and by investment in higher rental fleet to satisfy higher demand from clients. The main variations of the asset accounts that explain this difference are the following:

As a result, inventories showed a growth of S/. 457.9 million, due to higher purchases of prime products and spare parts and services, made by Ferreyros (S/. 380.7 million), Unimaq (S/. 35.2 million), Orvisa (S/. 21.2 million) and Inti (S/. 12.5 million). On the other hand, net increase in fixed asset of S/. 212.7 million, is explained by higher purchases of units for the rental fleet of S/. 187.6 million.

LIABILITIES

As of June 30, 2011, total liabilities of Ferreyros and subsidiaries reached S/. 2,106.3 million compared to S/. 1,671.6 million reported in the same period of 2010, which represents an increase of S/. 434.7 million (26.0%). The growth in assets of S/. 613.2 million was financed by an increase in liabilities of S/. 433.6 million and the increase in equity of S/. 179.6 million.

The composition of the Company's liabilities as of June 30, 2011, are shown in Appendix 4.

LIQUIDITY AND DEBT RATIOS

Consolidated current ratio as of 06-30-11 is 1.31, lower than 1.52 recorded in 06-30-10.

The company's financing strategy in second quarter 2011 was to take short-term funding pending the capital increase approved by the General Shareholders' meeting held in March 30, 2011. Additionally, the strategy was started to decrease financial expenses due to competitive interest rates obtained from short-term credits with local and foreign banks.

Due to capital market conditions during the second quarter, the Company decided to postpone the issuance and placement of shares for the following months.

Consolidated financial debt ratio as of 06-30-11 is 1.78 compared to 1.66 as of 06-30-10. For the estimation of this ratio, cash and bank balance account have been excluded as well as liabilities with suppliers that do not generate financial expenses

Consolidated total debt ratio as of 06-30-11 is 2.48 compared to 2.50 recorded in 06-30-10.

COMPANY DESCRIPTION - FERREYROS AND SUBSIDIARIES

The Organization Ferreyros is composed by Ferreyros S.A.A., the leading importer of capital goods and services in Peru, and its subsidiaries listed below. As complement to Ferreyros's operations, the parent company, which mission is detailed in the Management report of Ferreyros S.A.A, the subsidiaries contribute to the organization with higher sales and profits, extend market coverage and provide a portfolio of products and services that enriches the offer of Ferreyros's solutions. In this sense, many of Ferreyros' S.A.A customers receive products and services of several companies of the organization.

It is worth mentioning that the Organization distributes its business in three big divisions: the Caterpillar dealers in Peru, the Caterpillar dealers abroad and the ones that complement the offer of Caterpillar capital goods and services.

According to Conasev nomenclature, Ferreyros forms economic group with the following subsidiaries:

<u>Subsidiaries</u>	<u>Participation</u>
Caterpillar dealers in Peru:	
Unimaq S.A.	99.99%
Orvisa S.A.	99.00%
Caterpillar dealers abroad:	
Corporation General de Tractores S.A. – Guatemala (*)	100.00%
Compañía General de Equipos S.A. - El Salvador (*)	100.00%
General Equipment Company Ltd. – Belice (*)	100.00%
Subsidiaries aimed to offer Caterpillar capital goods and services:	
Mega Representaciones S.A.	99.99%
Cresko S.A.	99.99%
Fargoline S.A.	99.86%
Fiansa S.A.	99.99%
Ferreenergy S.A.C.	50.00%
Inmobiliaria CDR S.A.C.	99.89%

(*) Subsidiaries of Inti Inversiones Interamericanas Corp.

Find below a brief description of the subsidiaries' core business:

Unimaq S.A. is a company that serves the general construction sector by selling machines, equipment and spare parts, leasing of light equipment and post sale services. Represents Caterpillar products aimed to serve the general construction.

Orvisa S.A. is a leading company in the distribution of capital goods in the Amazon region and one of the companies with greater trading volume in the area.

It sells machinery and earthmoving equipment and forestry use, river engines, agricultural tractors, spare parts and workshop services. The portfolio of products is similar to Ferreyros.

Inti Inversiones Interamericanas Corp. is a holding company set up in late 2009.

In January 2010, Inti acquired 100% of Gentrac Corporation shares, which also owns Caterpillar's distributors in Guatemala, El Salvador and Belice. The latter are leaders, in their respective countries, in the trading of machinery and equipment, and serving mining, construction, energy, agricultural and sea sectors. They represent prestigious brands such as Caterpillar, Exxon / Mobil lubricants, Sullair compressors, among others. The core business of the 3 companies is similar to Ferreyros.

Mega Representaciones S.A. is a distributor of Good Year tires and Mobil lubricants in Peru. Develops its activities of sale and service, especially in the mining, construction, transportation, agricultural and industrial sectors. The high added value it offers makes it an important and strategically ally for its clients and the products it represents.

Cresko S.A. started to operate in October 2007 offering specialized products to some segments of the construction, mining and agricultural markets that are not covered by Ferreyros or Unimaq. It is the first company of the organization to venture into the trading of Chinese products.

Fargoline S.A. is a subsidiary that provides storage services in simple or field bonded warehouses. By late 2009, it obtained permission from Peruvian Customs to operate as a temporary warehouse, point of arrival and customs warehouse in its new complex located in Gambetta, Callao.

Fiansa S.A. is a subsidiary of the metal mechanic sector and serves costumers from mining, energy and construction sectors. Sales during second quarter of 2011 include income generated by the construction of metallic bridges, execution of metal works, electrical connections and the manufacturing and assembly of metal structures.

Ferrenergy S.A.C. Its shareholders are Ferreyros S.A.A. and Energy International Corporation, with a 50% share each. Energy International is headquartered in the United States. The second project undertaken by the company was the steam power plant of Guayabal, which generates electrical power of 18 MVV to be sold to a major oil company under a 5-year contract.

Profit and Loss Statement (NOTE)
(In thousand of nuevos soles)

	2Q 2011	%	2Q 2010	%	Var %	Accumulated 06-30-11	%	Accumulated 06-30-10	%	Var %
Net sales	939,681	100.0	719,243	100.0	30.6	1,781,161	100.0	1,406,861	100.0	26.6
Cost of sales	(731,165)	-77.8	(566,002)	-78.7	29.2	(1,382,702)	(77.6)	(1,115,719)	(79.3)	23.9
Gross profit	208,516	22.2	153,241	21.3	36.1	398,459	22.4	291,142	20.7	36.9
Selling and administrative expenses	(124,614)	-13.3	(103,674)	-14.4	20.2	(244,520)	(13.7)	(194,769)	(13.8)	25.5
Other income (Expenses), net	943	0.1	(618)	-0.1		(3,397)	(0.2)	1,352	0.1	
Operating profit	84,845	9.0	48,949	6.8	73.3	150,542	8.5	97,724	6.9	54.0
Financial income	6,666	0.7	8,538	1.2	-21.9	13,972	0.8	16,292	1.2	(14.2)
Gain (Loss) to exchange rate	19,042	2.0	3,800	0.5	401.1	21,948	1.2	17,294	1.2	26.9
Financial expenses	(18,390)	-2.0	(18,457)	-2.6	-0.4	(35,874)	(2.0)	(36,321)	(2.6)	(1.2)
Share in the results of associated companies through the equity method	1,269	0.1	1,276	0.2	-0.6	4,434	0.2	2,126	0.2	108.6
Profit before income tax	93,432	9.9	44,106	6.1	111.8	155,022	8.7	97,116	6.9	59.6
Income tax	(29,934)	-3.2	(14,165)	-2.0	111.3	(48,536)	(2.7)	(32,039)	(2.3)	51.5
Net profit	63,498	6.8	29,941	4.2	112.1	106,486	6.0	65,077	4.6	63.6
Earning per share	0.102		0.048			0.171		0.104		
EBITDA	116,937	12.4	79,506	11.1	47.1	220,706	12.4	156,767	11.1	40.8

NOTE: Some figures have been reclassified in this document, to show direct-order sales in sales and cost of sales. In the Profit and Loss Statement presented to Conasev, only the gross profit obtained from such operations is included in Other Operating Profit.

Balance Sheet Statement

(In thousand of nuevos soles)

	<u>30/06/11</u>	<u>30/06/10</u>	<u>Variación</u> %
Cash and banks	67,924	154,162	-55.9
Account receivables - Trade	602,028	602,911	-0.1
Account receivables - Other	84,346	73,621	-87.7
Inventories	1,141,658	683,783	1,450.7
Prepaid expenses	24,750	17,005	45.5
Total current assets	1,920,706	1,531,482	25.4
Long-term account receivables - Trade	85,546	114,572	-25.3
Long-term account receivables - Other			
Rental fleet	431,603	340,083	26.9
Other fixed assets	785,647	658,029	19.4
	1,217,250	998,112	22.0
Accrued depreciation	(384,701)	(378,288)	1.7
Property, plant and equipment, net	832,549	619,824	34.3
Investments	89,300	42,951	107.9
Other non current assets	39,367	45,410	-13.3
Non current assets	1,046,762	822,757	27.2
Total assets	2,967,468	2,354,239	26.0
Short-term debt	348,126	216,130	61.1
Other current liabilities	1,121,078	792,218	41.5
Current liabilities	1,469,204	1,008,349	45.7
Long-term debt	637,123	663,236	-3.9
Total liabilities	2,106,327	1,671,585	26.0
Deferred income	12,153	13,243	-8.2
Equity	848,988	669,411	26.8
Total liabilities and equity	2,967,468	2,354,239	26.0
Other financial information			
Depreciation and amortization (figures accumulated at the end of the period)	51,759	40,624	
Financial Ratios			
Current ratio	1.31	1.52	
Financial debt ratio	1.78	1.66	
Indebtedness ratio	2.48	2.50	
Book value per share	1.36	1.39	

CONSOLIDATED NET SALES (In thousand of soles)										
	2Q 2011		2Q 2010		Variation	Accumulated		Accumulated		Variation
		%		%	%	06-30-11	%	06-30-10	%	%
Caterpillar equipment	411,760	43.8	279,003	38.8	47.6	760,386	42.7	575,073	40.9	32.2
Agricultural equipment	18,408	2.0	8,731	1.2	110.8	32,798	1.8	14,961	1.1	119.2
Automotive	34,549	3.7	34,206	4.8	1.0	74,993	4.2	74,666	5.3	0.4
Used units	26,895	2.9	30,613	4.3	-12.1	57,463	3.2	57,940	4.1	-0.8
	491,613	52.3	352,553	49.0	39.4	925,639	52.0	722,640	51.4	28.1
Spare parts and services	337,856	36.0	264,799	36.8	27.6	636,546	35.7	495,456	35.2	28.5
Rental	38,554	4.1	27,042	3.8	42.6	73,227	4.1	49,765	3.5	47.1
Other sales from subsidiaries	61,908	6.6	64,767	9.0	-4.4	126,438	7.1	118,646	8.4	6.6
Other sales from subsidiaries abroad	9,750	1.0	10,082	1.4	-3.3	19,311	1.1	20,353	1.4	-5.1
Total	939,681	100.0	719,243	100.0	30.6	1,781,161	100.0	1,406,861	100.0	26.6

SALES BY ECONOMIC SECTOR (in percentage)				
	2Q 2011	2Q 2010	Accumulated	Accumulated
			06-30-11	06-30-10
Mining	46.0%	48.3%	45.5%	49.7%
Construction	30.3%	29.1%	30.3%	28.6%
Government	0.7%	2.4%	0.9%	2.6%
Transport	4.5%	2.2%	5.4%	2.7%
Industry, commerce and services	4.3%	7.0%	6.2%	6.8%
Agriculture	2.8%	2.6%	2.7%	2.7%
Fishing and marine	2.9%	2.2%	2.5%	1.7%
Hydrocarbons	3.1%	2.4%	2.6%	2.4%
Others	5.3%	3.7%	3.9%	2.8%
Total	100.0%	100.0%	100.0%	100.0%

Total Liabilities as of June 30, 2011
(In thousands of US dollars)

(A)

	Total Liabilities	Current Liabilities	Long-term liabilities		Financial Liabilities
			Current part	Long-term	
Local banks (short-term)	65,543	65,543	-	-	65,543
Foreign banks (short-term)	120,041	120,041	-	-	120,041
Local banks (long-term)	83,212	-	31,800	51,412	83,212
Foreign banks (long-term) (includes CF)	80,930	-	17,856	63,074	80,930
Local banks (long-term) (Leasing)	10,945	-	3,943	7,002	10,945
Suppliers:					
Accounts payable to Caterpillar	48,657	48,657	-	-	
Accounts payable to Caterpillar	30,534	30,534	-	-	30,534
Other	68,310	68,310	-	-	320
Corporate bonds	123,858	-	55,000	68,858	123,858
Caterpillar Financial Services	59,326	-	17,991	41,335	59,326
Other liabilities	74,579	74,579	-	-	
Total (US\$)	765,937	407,665	126,591	231,681	574,711
Total (S/.)	2,106,327	1,121,078	348,126	637,123	1,580,455

(A) Generate interest payment

This document must be read together with the management report of the consolidated financial statements of Ferreyros S.A.A. and Subsidiaries

MANAGEMENT REPORT OF THE FINANCIAL STATEMENTS OF FERREYROS S.A.A

FINANCIAL HIGHLIGHTS

(In million of soles)

	Variation			Accumulated Accumulated Variation		
	2Q 2011	2Q 2010	%	06-30-11	06-30-10	%
Net sales	703.8	536.4	31.2	1,310.4	1,069.2	22.6
Gross profit	156.4	110.3	41.9	296.0	215.7	37.2
Operating profit	70.8	36.5	94.1	121.9	74.1	64.5
Net profit	64.0	31.2	105.3	106.6	65.8	61.9
EBITDA	98.3	63.3	55.2	186.1	129.1	44.2

QUARTERLY RESULTS

Net sales during 2Q 2011 amounted to S/. 703.8 million, which represent a growth of 31.2% compared to S/. 536.4 million reported in the same period of 2010. If sales are considered in US dollars, currency in which sales are recorded, they reached US\$ 252.6 millones in 2Q 2011 and US\$ 188.7 million in 2Q 2010, which means an increase of 3.8%. The growth in soles is lower due to an average exchange rate in sales during the 2Q 2011 of S/. 2.786, while the average exchange rate in 2Q 2010 was S/. 2.842.

Gross margin in 2Q 2011, totaled S/. 156.4 million, 41.9% higher than S/. 110.3 million reported in the same period of 2010. In percentage terms, gross margin in 2Q 2011 was 22.2% higher than 20.6% in 2Q 2010.

On the other hand, net profit in 2Q 2011 reached S/. 64.0 million (6.0% of total sales), compared to S/. 31.2 million (5.8% of total sales) reported in the same period of 2010, which means **an important increase of 105.3%**.

Earning before interest, taxes, depreciation and amortization (EBITDA, in English) during 2Q 2011 amounted to S/. 98.3 million (US\$ 35.3 million), 55.2% higher than S/. 63.3 million (US\$ 22.3 million) during the same period of 2010.

RESULTS FOR THE FIRST SIX-MONTH PERIOD 2011

Net sales as of 06-30-11 reached S/. 1,310.4 million compared to S/. S/. 1,069.2 million in the same period of the previous year, an increase of 22.6%. If sales are considered in US dollars, they amounted to US\$ 471.4 million as of 06-30-11 and US\$ 375.7 million as of 06-30-10, which is equivalent to an increase of 25.5%. The increase in soles is lower due to the average exchange rate of S/. 2.780 in the first semester 2011, while the average exchange rate during the same period of 2010 was S/. 2.846.

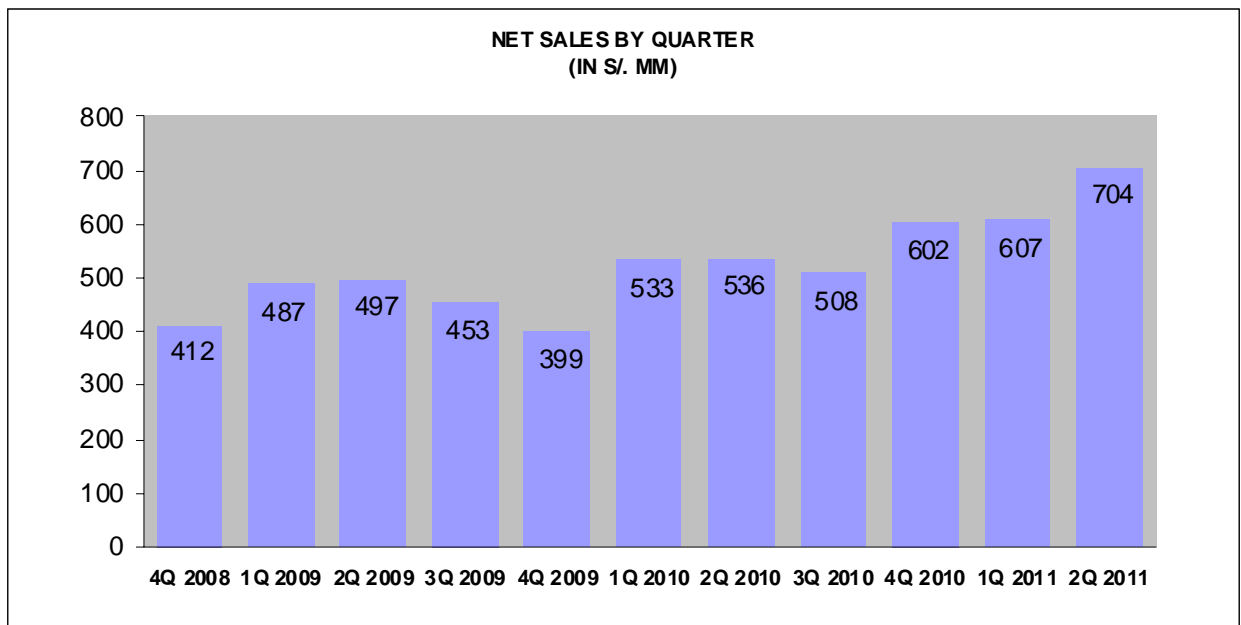
Gross profit as of 06-30-11 totaled S/. 296.0 million, 37.2% higher than S/. 215.7 million reported in the same period of 2010. In percentage terms, gross margin for the six month period 2011 was 22.6%, higher than 20.2% reported in the comparable period.

Net profit as of 06-30-11 totaled S/. 106.6 million compared to S/. 65.8 million of the same period of the previous year, **an important increase of 61.9%**.

Earning before interest, taxes, depreciation and amortization (EBITDA, in English) was S/. 186.1 million (US\$ 67.0 million) compared to S/. 129.1 million (US\$ 45.4 million) reported in the same period of 2010, which represents an increase of 44.2%.

COMMERCIAL MANAGEMENT

Sales in second quarter of 2011 registered an increase of 31.2% compared to the same period of 2010 as a result of a higher economic development in the country and the company's efficient commercial management. In general, sales during second quarter of 2011 have significantly overcome compared to sales recorded in previous quarters, as shown in the following graph.



NET SALES SECOND QUARTER 2011

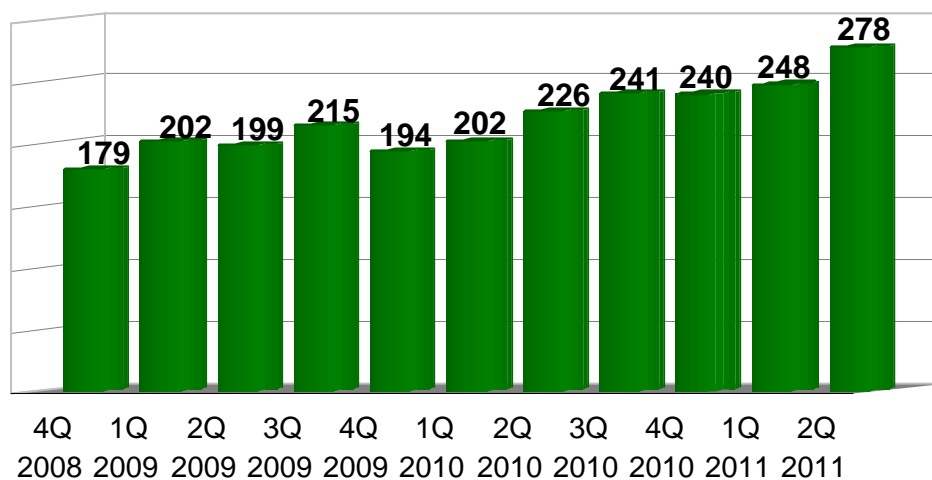
NET SALES (In million of soles)						
	2Q 2011	2Q 2010	Variation %	Accumulated 06-30-11	Accumulated 06-30-10	Variation %
Caterpillar equipment	336.7	230.3	46.2	604.5	483.0	25.2
Agricultural equipment	14.9	7.5	99.0	25.6	11.8	117.0
Automotive	36.8	34.1	8.0	75.0	74.6	0.6
Used units	20.6	23.7	-12.8	46.9	46.5	0.8
	409.1	295.5	38.4	752.0	615.9	22.1
Spare parts and service	277.8	225.6	23.1	526.0	427.4	23.1
Rental	16.9	15.2	10.7	32.4	25.9	24.9
Total	703.8	536.4	31.2	1,310.4	1,069.2	22.6

During the second quarter of 2011, there were several commercial lines that showed an important growth. In the first place, Caterpillar equipment sold to clients from all economic sectors, emphasizing the important growth of 67% in the construction, infrastructure and energy sectors, among others, compared to the same period of 2010.

Likewise, rental equipment registered a growth of 10.7%, units from the Rentafer commercial line, which is basically explained by sales made to clients from the construction sector and the increase in units from the rental fleet.

In the same way, sales of agricultural equipment showed an increase of 99%, due to the market recovery, which in 2009 and during the first semester of 2010 was seriously affected by the international financial crisis.

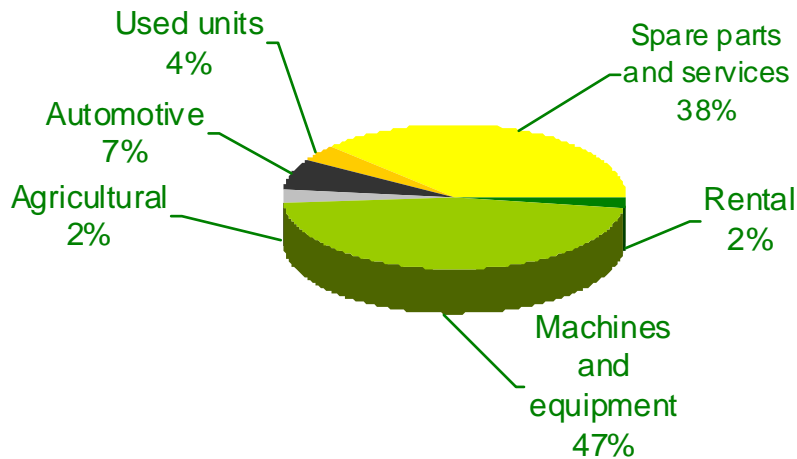
Sales – Spare parts and Services
(In US/. million)



On the other hand, sales of spare parts and services in 2Q 2011 had an important growth of 23.1% compared to the same period of 2010, due to higher demand, mainly from clients

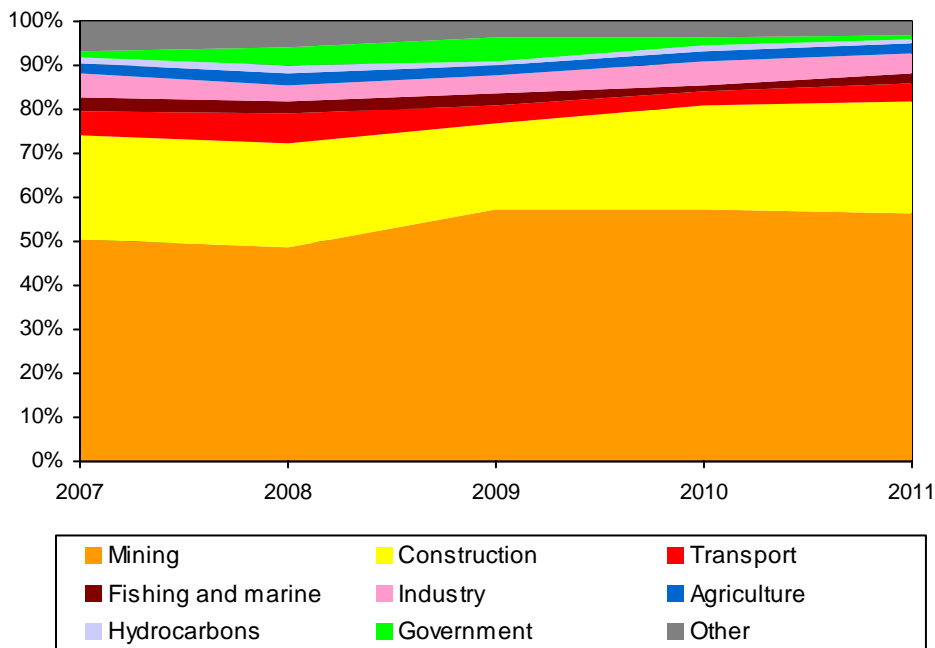
of the construction and mining sectors due to the continuous increase in the units sold by Ferreyros and some subsidiaries.

Ferreyros: Sales by commercial line
(Accumulated as of June 30, 2011)



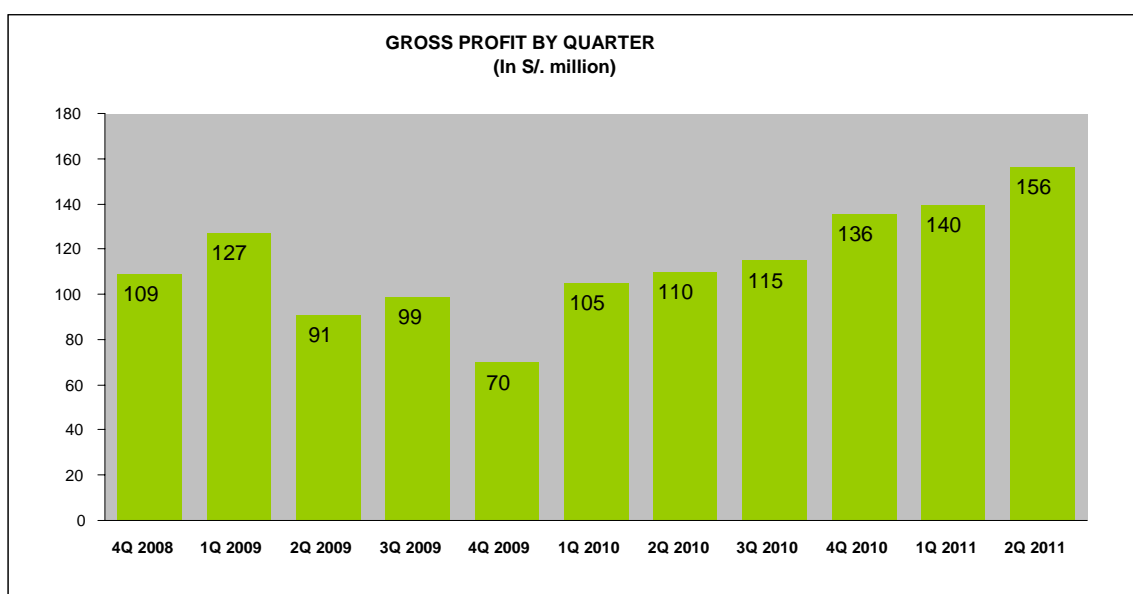
As shown above, in the second quarter of 2011, sales from the Caterpillar line accounted 91% of the total income of the Company, including machinery and equipment (new, used units and rental) as well as Caterpillar spare parts and services.

It is important to point out that, as well as in 2010, sales of spare parts and services continue maintaining 38% of the total sales of the Company and is the line of higher profitability and growth in the revenue stream, as a result of the large fleet of Caterpillar units sold by Ferreyros and subsidiaries.



Regarding sales distribution by economic sector, it should be noted that sales to the mining and construction sector continue explaining the higher volume of sales, with 56% and 27% respectively, in the total sales of the second quarter of 2011.

GROSS PROFIT



Gross profit in 2Q 2011 amounted to S/. 156.4 million compared to S/. 110.3 million in the same period of the previous year, which represents an increase of 41.9%. In percentage terms, gross margin in 2Q 2011 is 22.2% compared to 20.6% in 2Q 2010.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses in 2Q 2011 amounted to S/. 90.9 million, compared to S/. 76.7 million in the same period of 2010, which represents an increase of 18.6%. The increase is mainly, explained by : i) an increase of 16% in variable expenses as a consequence of higher net sales: ii) hiring of technicians and commercial personnel to satisfy future demand of post sale services and to increase market coverage: and iii) an increase in results of the Company, due to a net increase of 113.4% in results before taxes.

Selling and administrative expenses ending 2Q 2011 represent 12.9% of total net sales, compared to 14.3% ending 2Q 2010.

OTHER INCOME (EXPENSES), NET

In 2Q 2011, this category represents a net income of S/.5.3 million compared to a net income of S/.2.9 million reported in the same period of 2010, an increase of 83.2%. This increase in 2Q 2011 is mainly due to a recovery of a provision for inventory write-offs registered in previous quarter

FINANCIAL INCOME

Financial income in 2Q 2011 amounted to S/. 3.7 million, compared to S/. 4.1 million reported in the same period of 2010, which represent a decrease of 9.1%, due to the strategy adopted by the Company to transfer to financial institutions a great amount of

long-term financing of clients, aimed to avoid risks from bad credits. Nevertheless, the Company covers financial needs from its clients through financing programs from banks and leasing institutions, as well as Caterpillar Financial Services which has an important outstanding in long-term credits granted to clients who purchase caterpillar machinery.

FINANCIAL EXPENSES

In 2Q 2011, financial expenses totaled S/. 9.9 million, slightly lower in 4.4% than S/. 10.3 million reported in the previous year.

It is important to mention that lower financial expense was achieved in despite of higher liabilities which financed higher investment in assets. Lower financial income is mainly due to competitive interest rates obtained by the Company. Most of the liabilities were established at very competitive rates.

Ferreyros participates in the capital market through corporate bond issuances with a great support from investors. The interest rate of the issuances has decreased significantly in the last year. During 2010, the average interest rate of US\$ 40 million was 4.40%

SHARE IN THE RESULTS OF ASSOCIATED COMPANIES AND BUSSINESS RECOGNIZED UNDER THE EQUITY METHOD

In 2Q 2011, share in the results of subsidiaries, associated companies and overall business totaled S/. 9.1 million, 0.7% lower than profit of S/. 9.2 million recorded in 2Q 2010.

FOREIGN EXCHANGE GAIN (LOSS)

During 2Q 2011, net liabilities in foreign currency showed an exchange gain of S/. 15.4 million, compared to an exchange gain of S/. 2.4 million during the same period of the previous year, as a consequence of the appreciation of the sol against US dollar which was 1.96% in 2Q 2011, compared to 0.53% in 2Q 2010.

SHARES AND INCOME TAX

Shares and income tax ending the second quarter of 2011 and 2010 have been estimated according to the current tax and accounting regulations.

NET PROFIT

Due to variations previously mentioned, net profit in 2Q 2011 reached S/. 64.0 million (6.0% of total sales) compared to S/. 31.2 million (5.8% of total sales) reported in the same period of 2010, which represents an important growth of 105.3%.

ANALYSIS OF THE BALANCE SHEET

As shown in appendix 2, total assets as of June 30, 2011, totaled S/. 2,154.8 million compared to S/. 1,680.3 million reported in the same period of 2010, which represents an increase of S/. 474.5 million (28.2%) which explained higher investment in inventories made to assure immediate delivery to clients and by the investment in higher rental fleet to satisfy higher demand from some clients under this type of contracts. As a result, inventories showed a growth of S/. 386.5 million, due to higher purchases of prime

products of S/. 326.7 million and spare parts of S/. 54.0 million. On the other hand, the increase in net assets of S/. 126.5 million is mainly explained by higher purchases of units for the rental fleet of S/. 138.8 million.

The increase in Value Investments of S/. 82.7 million is explained by profits from subsidiaries recognized under the equity method, which totaled S/. 37.8 million and by the acquisition of Inmobiliaria CDR SAC for S/. 35.7 million.

As of June 30, 2011, total liabilities were S/. 1,335.9 million compared to S/. 1,008.0 million reported in the same period of 2010, which represents an increase of S/. 327.9 million (32.5%). The increase in assets of S/. 474.5 million was financed by an increase in liabilities of S/. 326.5 million and the increase in equity of S/. 148.0 million.

The composition of the Company's liabilities as of June 30, 2011, are shown in Appendix 4.

LIQUIDITY AND DEBT RATIOS

Current ratio as of 06-30-11 is 1.34, lower than 1.76 recorded in 06-30-10. This ratio is higher than the objective ratio of 1.50.

Financial debt ratio as of 06-30-11 is 1.15 compared to 0.89 as of 06-30-10. For the estimation of this ratio, cash and bank balance account have been excluded as well as liabilities with suppliers that do not generate financial expenses

Total debt ratio as of 06-30-11 is 1.63 compared to 1.50 recorded in 06-30-10.

COMPANY DESCRIPTION - FERREYROS S.A.A

Ferreyros' mission is to provide its customers with the solutions they require by offering them the capital goods and services they need to create value in the markets where they have a share. For this purpose, it imports and sells machinery, engines, vehicles and spare parts; leases machinery and equipment, and provides maintenance and repair services. A key characteristic of its customer value proposition is the well-known post-sale service which includes spare parts warehouses and workshops nationwide, as well as service personnel throughout the Peruvian territory. The Company constantly invests in staff, especially technical staff, as well as in the infrastructure of its branches and workshops. Additionally, it adapts investment in working capital to the market's changing conditions.

Ferreyros represents leading brands in the market, such as Caterpillar, Massey Ferguson, Kenworth, Iveco, Yutong, Atlas Copco Drilling Solutions, Sullair, Oldenburg, Paus, Metso and Zaccaría, among others, which are addressed to different economic sectors.

The Organization is composed by Ferreyros S.A.A., the leading importer of capital goods and services in Peru, and its subsidiaries which are listed below. As complement to Ferreyros's operations, the parent company, the subsidiaries contribute to the organization with higher sales and profits, extend the coverage of market and provide a portfolio of products and services that enriches the offer of Ferreyros's solutions. In this sense, many of Ferreyros' S.A.A customers receive products and services of several companies of the organization.

It is important to mention that the Organization distributes its business in three big divisions: Caterpillar dealers in Peru, Caterpillar dealers abroad and the ones aimed to offer capital goods and services other than Caterpillar, to different economic sectors.

According to Conasev nomenclature, Ferreyros forms economic group with the following subsidiaries:

<u>Subsidiary</u>	<u>Participation</u>
Caterpillar dialers in Peru:	
Unimaq S.A.	99.99%
Orvisa S.A.	99.00%
Caterpillar dialers abroad:	
Corporation General de Tractores S.A. – Guatemala (*)	100.00%
Compañía General de Equipos S.A. - El Salvador (*)	100.00%
General Equipment Company Ltd. – Belice (*)	100.00%
Subsidiaries aimed to complement the offer of Caterpillar capital goods and services:	
Mega Representaciones S.A.	99.99%
Fiansa S.A.	99.99%
Fargoline S.A.	99.86%
Ferrenergy S.A.C.	50.00%
Cresko S.A.	99.99%
Forbis Logistics Corp (*)	100.00%
Inmobiliaria CDR S.A.C.	100.00%

(*) Subsidiaries of Inti Inversiones Interamericanas Corp.

Profit and Loss Statement
(In thousand of nuevos soles)

	2Q 2011	%	2Q 2010	%	Var %	Accumulated 06-30-2011	%	Accumulated 06-30-2010	%	Variation %
Net sales	703,808	100.0	536,402	100.0	31.2	1,310,382	100.0	1,069,227	100.0	22.6
Cost of sales	(547,360)	(77.8)	(426,133)	(79.4)	28.4	(1,014,366)	-77.4	(853,510)	-79.8	18.8
Gross profit	156,448	22.2	110,269	20.6	41.9	296,016	22.6	215,717	20.2	37.2
Operating profit	(90,947)	(12.9)	(76,682)	(14.3)	18.6	(179,699)	-13.7	(146,958)	-13.7	22.3
Other income (Expenses), net	5,331	0.8	2,910	0.5	83.2	5,609	0.4	5,342	0.5	5.0
Operating profit	70,831	10.1	36,497	6.8	94.1	121,926	9.3	74,101	6.9	64.5
Financial income	3,721	0.5	4,095	0.8	-9.1	7,572	0.6	8,312	0.8	-8.9
Gain (Loss) to exchange rate	15,398	2.2	2,356	0.4	553.6	13,709	1.0	9,085	0.8	50.9
Financial expenses	(9,896)	(1.4)	(10,348)	(1.9)	-4.4	(19,761)	-1.5	(20,875)	-2.0	-5.3
Share in the results of associated companies through the equity method	9,119	1.3	9,181	1.7	-0.7	23,249	1.8	20,258	1.9	14.8
Profit before income tax	89,173	12.7	41,781	7.8	113.4	146,695	11.2	90,881	8.5	61.4
Income tax	(25,196)	(3.6)	(10,620)	(2.0)	137.3	(40,102)	-3.1	(25,044)	-2.3	60.1
Net profit	63,977	6.0	31,161	5.8	105.3	106,593	8.1	65,837	6.2	61.9
Earning per share	0.103		0.050			0.171		0.106		
EBITDA	98,255	14.0	63,328	11.8	55.2	186,133	14.2	129,074	12.1	44.2

Balance Sheet Statement

(In thousand of nuevos soles)

	30/06/11	30/06/10	Variation %
Cash and banks	35,037	126,795	-72.4
Account receivables - Trade	368,353	415,362	-11.3
Inventories	840,671	454,145	85.1
Account receivables - Subsidiaries	31,624	31,072	1.8
Account receivables - Other	26,890	22,770	18.1
Prepaid expenses	6,402	8,092	-20.9
Total current assets	1,308,977	1,058,236	23.7
Cuentas por cobrar comerciales a LP	12,852	14,983	-14.2
Cuentas por cobrar comerciales a LP vinculadas	10,294		
Otras cuentas por cobrar a LP	9,448		
Rental fleet	275,011	220,900	24.5
Other fixed assets	480,711	403,064	19.3
	755,722	623,964	21.1
Accrued depreciation	(256,836)	(251,528)	2.1
Property, plant and equipment, net	498,886	372,436	34.0
Investments	297,159	214,454	38.6
Other non current assets	17,162	20,144	-14.8
Non current assets	845,801	622,017	36.0
Total assets	2,154,778	1,680,253	28.2
Short-term debt	255,203	96,458	164.6
Other current liabilities	724,638	504,174	43.7
Current liabilities	979,841	600,632	63.1
Long-term debt	356,108	407,354	-12.6
Total liabilities	1,335,949	1,007,986	32.5
Deferred income	0	1,395	-100.0
Equity	818,829	670,872	22.1
Total liabilities and equity	2,154,778	1,680,253	28.2
Other financial information			
Depreciation and amortization (figures accumulated at the end of the period)	33,387	26,403	
Financial Ratios			
Current ratio	1.34	1.76	
Financial debt ratio	1.15	0.89	
Indebtedness ratio	1.63	1.50	
Book value per share	1.31	1.39	

NET SALES (In million of soles)										
	2Q 2011	%	2Q 2010	%	Variation %	Accumulated 06-30-11	%	Accumulated 06-30-10	%	Variation %
Caterpillar equipment	336,748	47.8	230,280	42.9	46.2	604,524	46.1	483,013	45.2	25.2
Agricultural equipment	14,878	2.1	7,477	1.4	99.0	25,579	2.0	11,787	1.1	117.0
Automotive	36,829	5.2	34,095	6.4	8.0	74,993	5.7	74,556	7.0	0.6
Used units	20,638	2.9	23,672	4.4	-12.8	46,892	3.6	46,506	4.3	0.8
	409,094	58.1	295,525	55.1	38.4	751,988	57.4	615,861	57.6	22.1
Spare parts and services	277,844	39.5	225,632	42.1	23.1	526,020	40.1	427,448	40.0	23.1
Alquileres	16,870	2.4	15,245	2.8	10.7	32,375	2.5	25,917	2.4	24.9
Total	703,808	100.0	536,402	100.0	31.2	1,310,382	100.0	1,069,227	100.0	22.6

SALES BY ECONOMIC SECTOR (in percentage)				
	2Q 2011	2Q 2010	Accumulated 06-30-11	Accumulated 06-30-10
Mining	56.3%	56.4%	56.9%	56.2%
Construction	26.8%	28.9%	26.1%	27.6%
Government	1.2%	1.7%	0.8%	2.4%
Transport	2.8%	2.7%	3.9%	3.2%
Agriculture	0.1%	1.7%	2.1%	1.8%
Industry, commerce and services	2.4%	2.4%	3.4%	2.2%
Fishing and marine	2.9%	1.5%	2.5%	1.4%
Hydrocarbons and energy	3.0%	0.9%	0.9%	1.4%
Others	4.6%	3.9%	3.4%	3.8%
Total	100.0%	100.0%	100.0%	100.0%

Total Liabilities as of June 30, 2011

(In thousands of US dollars)

	Total Liabilities	Current Liabilities	Long-term liabilities		Financial Liabilities
			Current part	Long-term	
Local banks (short-term)	305	305	-	-	305
Foreign banks (short-term)	114,726	114,726	-	-	114,726
Local banks (long-term)	47,659	-	20,165	27,494	47,659
Foreign banks (long-term)	-	-	-	-	-
Local banks (long-term) (Leasing)	4,569	-	1,457	3,112	4,569
Suppliers:					
Accounts payable to Caterpillar	40,565	40,565			
Accounts payable to Caterpillar	17,157	17,157			17,157
Other	36,872	36,872			
Corporate bonds	123,858	-	55,000	68,858	123,858
Caterpillar Financial Services	46,209	-	16,179	30,030	46,209
Other liabilities	53,880	53,880			
Total (US\$)	485,800	263,505	92,801	129,494	354,483
Total (S/.)	1,335,949	724,638	255,203	356,108	974,828

(A) Generate interest payment