Liability Statement

This document contains true and sufficient information on the business activity of Ferreyros S.A.A. during the period ended June 30, 2008. Notwithstanding the issuer's responsibility, the undersigned assume responsibility for its content according to the applicable legal provisions.

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Lima, July 24, 2008

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COMPANY PROFILE

Ferreyros is dedicated to the importation of capital goods for sale and lease, with a reputation for good post-sale service, for which it has spare parts warehouses and repair and maintenance shops nationwide. The company has made significant investments in training its technical personnel, as well as in the infrastructure of its business locations and repair and maintenance shops.

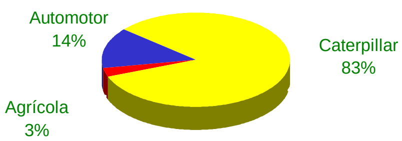
Ferreyros represents the leading brands in the market, which are oriented toward different economic sectors.

COMMERCIAL MANAGEMENT

Sales for 2Q 2008 amounted to US$ 178.7 million compared to 2Q 2007 sales of US$ 124.7, with sales of *Caterpillar* mining trucks for US$ 15 million to large mining companies being of particular significance. Additionally, *Caterpillar* machinery was were sold to companies in the construction sector for US$ 20 million.

Sales of products in the *Iveco* line grew 187.7% in 2Q 2008 compared to the same period in the preceding year in the 16 ton and over tractor truck and dump truck categories, as well as buses with more than 33 seats. Sales of these units amounted to US$ 18 million.

Ferreyros: Participación de las líneas de producto en las ventas totales
(En porcentajes)



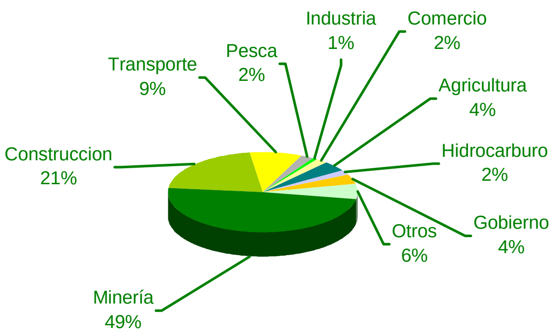
Share of product lines in total sales (in percentage)
Automotive: 14%
Agriculture: 3%
Caterpillar: 83%

Products in the *Caterpillar* line accounted for 87% of Ferreyros' total sales in 2007 and amounted to 83% of the total during the first six months of the year 2008, including income from the sale of parts and service. *Caterpillar* machinery and equipment have continued to obtain high percentages of market share. It should be noted that products in the automotive line accounted for 10% of Ferreyros' total sales in the year 2007 and 14% during the first six months of the year 2008.

According to information from the Peruvian automobile dealers' association (*Asociación de Representantes Automotrices del Perú* / ARAPER), the *Iveco* brand, which Ferreyros commercializes in Peru, was in first place in the sub-segment of 6x4 dump trucks with 360 HP or more from January through June with a 31.1% market share, as a result of sales of the Trakker model.

Cumulative sales as of June 30, 2008 amounted to US$ 358.2 million, compared to US$ 268.6 million for the same period in the previous year, which is an increase of 33.4%, as a result of good performance in nearly all of the economic sectors in which the company conducts its operations. In local currency, sales growth as of June 30 was 20.1% compared to sales for the same period in the previous year (S/. 1,020.7 million in the first semester of 2008; S/. 849.5 million in the first semester of 2007). The difference in the variances in sales in dollars, as well as in local currency, is due to the fact that the exchange rate used in each period is different (S/. 2.967 as of 06-30-08; S/. 3.169 as of 06-30-07).

The mining market accounted for the largest percentage of sales with 47.4% of the total. However, it should be noted that there was robust activity in the construction sector as a result of large private and public construction projects and, in general, the expansion of the GNP of the construction sector, whose growth in the first half of 2008, according to a source at the Central Bank (BCR) was 19.6%. These results, as well as the expected start-up of new projects, have contributed toward the construction sector's 21% share of total sales in 2Q 2008.



Share of sales by sector – 2T 2008 (in percentages) Industry, Commerce, Agriculture, Hydrocarbons, Government, Other, Mining, Construction, Transportation, Fishing

In order to maintain sustained growth in sales, Ferreyros is making a series of investments in infrastructure and the training of personnel at the head office, as well as at the branches. For the current year, plans are to invest US$42 million in fixed assets.

RESULTS FOR THE FIRST SEMESTER OF 2008

Net income for the first semester of 2008 amounted to S/. 53.2 million, compared to S/. 68.1 million for the same period in the previous year, which is a decrease of 22.0%, mainly due to the following:

1) An increase in the exchange loss of S/. 9.1 million (exchange loss of S/. 6.5 million in the first half 2008 compared to an exchange gain of S/. 2.6 million in the first half of 2007).

   The company mainly conducts its operations in United States dollars, since its products are imported. Sales prices are set in dollars and the majority of its commercial accounts receivable are in dollars. In all cases, Ferreyros' financing is in dollars.

   When there is a devaluation of the sol in relation with the dollar, as occurred in 2Q 2008 (the exchange rate increased from S/. 2.746 as of 03-31-08 to S/. 2.967 as of 06-30-08), there is an exchange loss due to the adjustment of monetary liabilities, which is not made to the inventory account. Therefore, this loss is later offset by greater gross income in the following months. If the exchange rate as of 06-30-08 remains stable without significant changes in the coming months, the exchange loss recorded as of the end of the first semester of 2008 will be recovered through higher gross income, since the inventory was recorded at a lower average exchange rate than the one in effect as of 06-30-08. As of this date, the exchange difference on liabilities directly related to inventory, recorded as an exchange loss, amounts to approximately S/. 15 million, with no adjustment to inventories.

   However, it should be mentioned that in the event of a reduction in the exchange rate, as is occurring in the month of July (the exchange rate has fallen from S/. 2.967 as of 06-30-08 to S/. 2.836 as of 07-23-08), the company would record the recovery of the exchange loss for 2Q 2008 for approximately S/. 25 million (if the exchange rate as of 07-23-08 remains stable).

2) An increase of S/. 7.0 million in financial expenses mainly due to a higher amount of liabilities subject to interest in order to finance sales growth, which has resulted in an increase in accounts receivable, inventory and the leasing fleet. In the case of inventory, there has been an additional increase related to an extension of the inventory replacement period from 3 to 5 months as a result of

greater worldwide demand for the products that the company acquires from suppliers abroad.

In the case of commercial accounts receivable, there has also been an additional increase in the short-term portfolio, mainly related to the extension of the collection period for sales of the main products that are financed by financial entities, as explained in the "Financial Income" section. The level of overdue accounts receivable has shown improvement.

3) A reduction in the company's share of the earnings of subsidiaries and affiliated companies decreased mainly due to lower profits of an affiliated company in the insurance sector, which recorded a large amount of extraordinary income in the first half of 2007 that was not repeated in 2008.

NOTEWORTHY OCCURRENCES

Ferreyros moved its operations in Chiclayo to a new location in Lambayeque, with an investment of 1.2 million dollars and an area of over 10,000 m2. This new location, located on the Northern Pan American Highway at Km. 792 in Lambayeque, is part of the investment planned by the company in order to improve its infrastructure nationwide, especially in repair and maintenance shops, in order to provide better service.

In order to expand the portfolio of products it offers to its customers, the company added a new product to it: portable Sullair compressors equipped with Caterpillar engines, as well as a range of compressed air accessories of the same brand. Sullair has plants on four continents that have manufacturing systems with ISO 9001 certification.

FINANCIAL INFORMATION

Explanations of the most significant variances on the company's financial statements corresponding to the second quarter of 2008 and 2007 are given below. For this purpose, some figures from the Income Statement have been reclassified in annexes 1 and 3, primarily to show direct-order sales, as well as sales and cost of sales. On the Income Statement presented to Conasev and the Lima stock Exchange, only the gross income obtained from such operations is included in "Other Operating Income".

ANALYSIS OF OPERATING RESULTS

NET SALES

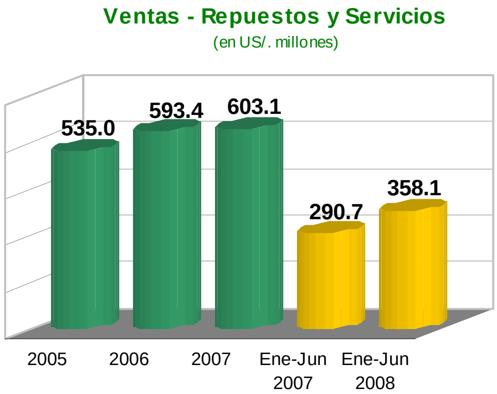
Net sales for 2Q 2008 amounted to S/. 506.6 million, compared to S/. 392.3 million for the same period in the previous year, which is an increase of 29.1%, as a result of the following:

Sales of new and used machines, engines, equipment and vehicles (main products) were 25.7% higher in 2Q 2008 (S/. 301.2 million in 2Q 2008; S/. 239.6 million in 2Q 2007), due to the following:

- A 9.9% increase in sales of *Caterpillar* equipment (S/. 194.4 million in 2Q 2008; S/. 176.9 million in 2Q 2007), as a result of growing demand for *Caterpillar* equipment from customers in the construction sector and from contractor companies working for medium-size mining companies.
- 75.1% higher sales of agricultural equipment (S/. 15.5 million in 2Q 2008; S/. 8.9 million in 2Q 2007), mainly due to sales to customers in the agricultural exportation sector and due to greater demand from clients dedicated to rice cultivation as a result of higher prices for that crop.
- 92.2% increase in automotive line sales (S/. 82.8 million in 2Q 2008; S/. 43.1 million in 2Q 2007), as result of sales of *Iveco* dump trucks for S/. 47.2 million and *Kenworth* trucks for S/.35.6 to companies mostly dedicated to highway construction and to development and exploitation works for medium-size mining companies.
- 20.5% reduction in sales of used units (S/. 8.6 million in 2Q 2008; S/. 10.8 million in 2Q 2007), mainly due to a decrease in the demand for used equipment, in both the domestic and

international markets, as a result of greater demand for new equipment.

Parts and service sales rose 32.8% in 2Q 2008 compared to the same period in the previous year (S/.197.2 million in 2Q 2008; S/.148.5 million in 2Q 2007), as a result of increased sales to large mining companies.



Sales - Parts and Service (in US/. Million)
Jan-Jun 2007 Jan-Jun 2008

Income from heavy equipment leases in 2Q 2008 rose 93.6% compared to the same period in the previous year (S/. 8.1 million in 2Q 2008; S/. 4.2 million in 2Q 2007) mainly due to higher demand for leased equipment from customers in the construction sector.

In order to satisfy growing demand, in the first half of 2008, the leasing fleet was increased from 133 units to 286 units.

SALES INCOME

Sales income in 2Q 2008 amounted to S/. 109.2 million, compared to S/. 80.6 million for the same period in the previous year; that is, an increase de 35.4%, compared to 29.1% growth in sales. In percentages, the gross margin for 2Q 2008 is greater than that of the same period in the previous year (21.6% in 2Q 2008; 20.6% in 2Q 2007). The percentage increase in the gross margin is the result of: i) a slight increase in the percentage of sales of parts and service in relation with the company's total sales (the gross profit percentage on parts and services is higher than that of the main products); and ii) exchange rate recovery, which resulted in higher sales prices in local currency.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses rose in the second quarter of 2008 to S/. 55.8 million, compared to S/. 48.3 million for the same period in the previous year; that is, an increase of 15.7% (compared to 29.1% growth in sales), mainly due to the following:

- An increase of 20.9% in variable expenses as a result of growth in sales for the period.
- An increase of 14.0% in fixed costs, mainly attributable to: i) higher remunerations to restore purchasing power lost due to inflation; ii) hiring of technical personnel to tend to future demand for repair and maintenance services; and iii) expenses related to the implementation of the Business Resources Management System *(SAP)*.

In the second quarter of 2008, selling and administrative expenses amounted to 11.0% of net sales compared to 12.3% for the same period in the previous year.

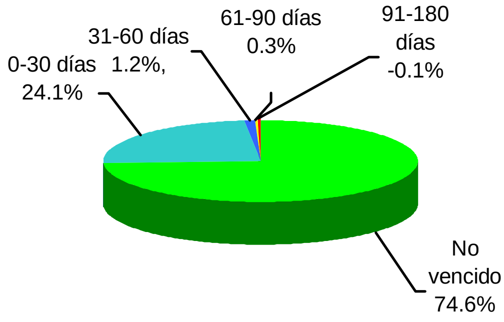
OTHER INCOME (EXPENSE)

In the second quarter of 2008, net income of S/. 1.0 million was recorded in this category, compared to a net expense of S/. 0.6 million for the same period in the previous year. In the second quarter of 2008, mainly the following concepts were included in this category: i) income of S/.0.1 million from leasing of commercial properties; ii) income of S/. 0.3 million from loans; iii) income of S/. 0.1 million from sales of fixed operating assets; and iv) other net income of S/. 0.5 million. In the second quarter of 2007, basically the following concepts were recorded in this category: i) income of S/. 0.1 million from contract terminations; ii) income of S/. 0.2 million from leasing of commercial properties; iii) income of S/. 0.3 million from loans; iv) expenses of S/. 0.2 million on sales of fixed operating assets; and v) miscellaneous expenses amounting to S/. 1.0 million.

FINANCIAL INCOME

Financial income for the second quarter of 2008 amounted to S/. 7.9 million, compared to S/. 10.1 million for the same period in the previous year, which is a decrease of 21.9%. This reduction is mainly due to the fact that in 2Q 2008, the amount of sales financed medium term by the company has been significantly less than for the same period in the previous year because Ferreyros has maintained its policy of reducing the medium-term financing offered to its customers, leaving these operations to financial entities.

The 67.1% increase in accounts receivable in this first semester in relation with the first semester of 2007 is due to growth in sales, mainly parts, services and leases, for which the payment period is 45 days on average, but they do not generate significant financial income. Additionally, cash sales of the main products, a greater proportion of which are financed by financial entities, have extended the collection period due to the documentation process that financial entities require that customers undergo. The percentage of overdue accounts receivable decreased to 1.23% over 30 days, in accordance with the company's objectives, as shown on the following graph:



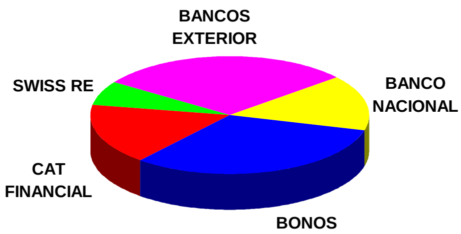
0-30 days, 31-60 days, 61-90 days, 91-189 days, Not due yet

FINANCIAL EXPENSES

Financial expenses amounted to S/. 12.9 million in the second quarter of 2008 compared to S/.9.8 million for the same period in the previous year, which is an increase of 31.4%, mainly due to an increase of S/.200.4 million in the average amount of liabilities subject to payment of interest (S/.731.6 million in 2Q 2008; S/.531.1 million in 2Q 2007). This increase is basically due to: i) increases in short-term accounts receivable, inventories and the leasing fleet, as well as ii) an increase in other fixed assets (see detailed explanation of the variance in assets in the "Analysis of the Balance Sheet" section on page 8).

Additionally, part of the increase in financial expenses is the result of a slight increase in the interest rate on liabilities in dollars. The following graph shows the share of the different financial institutions in the company's liabilities.

BANKS ABROAD, NATIONAL BANK, BONDS, CAT. FINANCIAL, SWISS RE.



SHARE OF THE EARNINGS OF SUBSIDIARIES AND AFFILIATED COMPANIES

This category includes earnings of subsidiaries and affiliated companies, recognized under the equity method.

Income for this concept amounted to S/. 4.8 million in 2Q 2008, compared to S/. 8.3 million recorded for the same period in the previous year, which is a decrease of 42.5%, mainly due to lower earnings from an affiliated company in the insurance sector, which recorded a large amount of extraordinary income in the in the year 2007.

EXCHANGE GAIN (LOSS)

In 2Q 2008, operations in foreign currency resulted in an exchange loss of S/. 36.2 million, compared to an exchange gain of S/. 1.7 million in 2Q 2007. The loss in 2Q 2008 is the result of a 7.9% devaluation of the sol in relation with the United Sates dollar. The exchange gain for 2Q 2007 was due to 0.5% appreciation of the sol in relation with the United Sates dollar. In the case of Ferreyros, the amount in cash and accounts receivable in foreign currency is less than accounts payable in the same currency.

Because the company sets its sales prices in dollars, if the exchange rate as of June 30, 2008 remains stable, in the coming months a significant portion of the exchange loss recorded as of the end of the first semester of 2008 will be recovered due to greater gross revenue, since the inventory was recorded at lower average exchange rates than those in effect as of 06-30-08.

According to international accounting standards, in the event of devaluation of the Peruvian currency, the exchange loss from the adjustment of the liability related to inventory is recorded as an exchange loss rather than greater inventory value. As of the end of June, the exchange difference on liabilities directly related to inventories, which was recorded as an exchange loss, amounted to approximately S/. 15 million.

Nevertheless, it should be noted that in the event of a reduction in the exchange rate, as has been occurring in the month of July (the exchange rate has fallen from S/. 2.967 as of 06-30-08 to S/. 2.836 as of 23-07-08), the company would record recovery of the exchange loss for 2Q 2008 for approximately S/. 25 million (if the exchange rate as of 07-23-08 remained unchanged).

PROFIT SHARING AND INCOME TAX

Profit sharing and income tax as of the end of the second quarter of 2008 and 2007 were calculated according to the tax regulations and accounting standards in force.

NET INCOME

Net income for the second quarter of 2008 amounted to S/. 11.9 million compared to S/. 30.0 million for the same period in the previous year; that is, a decrease of 60.4%, mainly due to a significant exchange loss of S/. 36.2 million (the origin and effect of which is fully explained in the "Exchange gain/loss" section), which resulted in a decrease in net income of S/. 18.1 million in relation with that obtained during the same period for the previous year.

EARNINGS BEFORE INTEREST, DEPRECIATION AND AMORTIZATION

EBITDA as of June 30, 2008 amounted to S/. 129.5 million compared to S/. 126.0 million for the same period in the previous year, which is a slight increase of 2.8%.

ANALYSIS OF THE BALANCE SHEET

ASSETS

Total assets as of June 30, 2008 amounted to S/. 1,547.2 million, compared to S/. 1,179.3 million as of June 30, 2007, which is a net increase of S/. 367.9 million. The main variances in assets are due to:

a) A net increase in Commercial Accounts Receivable (with current and long-term due dates) of S/. 94.1 million, as a result of:

    i) An increase of S/. 99.5 million due to higher sales (see explanation related to commercial accounts receivable in the "Financial Income" section, page 6).
    ii) A decrease of S/. 2.8 million due to an increase in the provision for doubtful accounts.

iii) A decrease of S/. 2.6 million due to an increase in deferred interest.

b) Net increase in Inventories in the amount of S/. 95.2 million due to:

i) An increase of S/. 99.5 million due to purchases made during the period to cover growth in sales and to adapt to longer factory replacement times due to higher worldwide demand for their products, which has increased the period from 3 to 5 months, on average.
ii) A reduction of S/. 4.3 million due to an increase in the provision for inventory write-offs.

c) Net increase in Fixed Assets of S/. 96.2 million, as a result of:
i) An increase of S/. 116.5 million due to equipment purchases for the leasing fleet.
ii) An increase of S/. 37.5 million due to purchases of other fixed assets (investments in commercial properties, repair and maintenance shop equipment, etc.).
iii) A decrease of S/. 11.9 million in sales of fixed assets.
iv) A reduction of S/. 38.5 million due to an increase in accumulated depreciation.
v) A decrease of S/. 7.0 million due to transfer of commercial property and leasing fleet to a subsidiary through a capital contribution.
vi) A decrease of S/. 0.4 million due to a reduction in the provision for write-offs of fixed assets.

d) Increase in Investments in Securities for S/. 43.9 million due to:

i) An increase of S/. 26.6 million for profits of subsidiaries recognized under the equity method.
ii) An increase of S/. 22.4 million for capital contributions to two subsidiaries dedicated to the commercialization of light equipment and customs warehousing.
iii) A decrease of S/. 3.1 due to a provision for the write-off of the investment in a subsidiary dedicated to the breeding and sale of shrimp.
iv) Other reductions totaling S/. 2.0 million.

LIABILITIES

As of June 30, 2008, total liabilities amounted to S/. 1,031.0 million, compared to S/. 732.1 million as of June 30, 2007, which is an increase of S/. 298.9 million. The detail of the company's liabilities as of June 30, 2008 is shown on annex 4.

LIQUIDITY AND DEBT RATIOS

The current ratio as of June 30, 2008 is 1.39, which is higher than the current ratio of 1.36 as of June 30, 2007.

The financial leveraging ratio as of June 30, 2008 is 1.31 compared to 0.78 as of June 30, 2007. For the calculation of this ratio, liabilities with suppliers that do not generate financial expenses and the balance of cash and banks have been excluded.