Ferreycorp

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Management Report and Discussion of the consolidated financial statements of Ferreycorp S.A.A. and subsidiaries

Second Quarter 2013

Lima, July 25th, 2013. – Ferreycorp S.A.A. and its subsidiaries (BVL: FERREYC1), a leading Corporation in the capital goods and services sector, with presence in Peru, Guatemala, El Salvador, Nicaragua and Belize, announces consolidated results for the second quarter 2013 as of June 30, 2013. Consolidated Financial results have been prepared in accordance with International Financial Reporting Standards (IFRS) and are stated in Nuevos Soles.

MAIN HIGHLIGHTS

- Consolidated sales of Ferreycorp S.A.A and its subsidiaries in Peru, Guatemala, El Salvador, Nicaragua and Belize reached record sales of US$ 1,049 million during the first six-month period of 2013, which represents an important growth of 33% compared to the same period of 2012 (US$ 791 million), as a result of higher sales of new and used Caterpillar equipment, the rental business, the supply of spare parts and services and the contribution of new businesses incorporated to the Corporation. It is important to point out that during the second quarter of 2013, sales reached a record of US$ 563 million, 36% higher compared to the same period of the previous year (US$ 414 million).

- EBITDA, during the first semester of the year showed a significant increase of 43% reaching US$ 113 million, compared to US$ 79 million reported in the same period of 2012. In local currency, Ebitda reached to S/. 297 million, 40% higher if compared to S/. 212 in the first semester 2012, as a result of higher sales with an adequate control in operating expenses. In this context, Ebitda margin during the first semester of 2013 was 10.8%, compared to 10% reported in the same period of 2012.

- Thereby, continuing with the favorable trend, the Financial net debt/ EBITDA ratio as of June 30, 2013 was 3.07, lower than 4.41 reported during similar period last year when it was impact due to the acquisition of the former-Bucyrus line of business. We shall emphasize the downward trend since the peak of 4.41 showed in second quarter last year mainly explained by a decrease in working capital as a result of a rigorous control over inventory and assets.

- It is important to mention that selling and administrative expenses represented 13% of total sales in the first six-month period of the year, compared to 15% reported in the same period of 2012.

FINANCIAL RESULTS OF FERREYRCORP AND SUBSIDIARIES - SUMMARY

(In million of soles)

	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Net sales US$ (million)	563	414	36.0	1,049	791	32.6
Net sales	1,499	1,102	35.9	2,749	2,116	29.9
Gross profit	309	244	26.6	543	451	20.4
Operating profit	118	77	52.5	190	141	34.2
Financial expenses	(26)	(22)	20.3	(49)	(41)	20.4
Gain (loss) to Exchange rate	(107)	(3)	3,274	(124)	10	
Net profit	(13)	37	-134.2	14	82	-83.2
Ebitda	181	110	64.9	297	212	40.2
Ebitda US$ (million)	68	41	65	113	79	43
Gross margin	20.6	22.2		19.8	21.3	
Operating margin	7.8	7.0		6.9	6.7	
Net margin	-0.8	3.4		0.5	3.9	
Ebitda margin	12.1	10.0		10.8	10.0	
Leverage ratio				1.30	1.47	
Net debt / Ebitda				3.07	4.41	

Ferreycorp

SECOND QUARTER MAIN HIGHLIGHTS

- **Performance of Ferreycorp S.A.A. recent acquisitions**

In the first half 2013, the shovel and drill lines, formerly known as Bucyrus, the ExxonMobil lubricant distribution business in Guatemala and Nicaragua, as well as the industrial safety items business from Tecseg, which were all recently incorporated into the corporation, contributed 14% to Ferreycorp's total sales. The following is a summary of its performance:

The distribution and support line formerly known as Bucyrus, today part of Caterpillar portfolio - composed of electrical cable loaders, hydraulic shovels, and drills, along with the respective spare parts- was successfully integrated into Ferreyros, generating total sales of US$ 156 million from June 2012 until the end of the first half 2013. As we previously mentioned, Ferreyros invested US$ 70 million in this business, according to the contract with CAT Global Mining LLC. For the purpose of presenting to investors the commercial effort associated with this line, we have included in this report a Management Analysis that includes sales, cost of sales and gross profit from those purchase orders transferred by Caterpillar to Ferreyros, according to the contract mentioned above. However, for accounting and tax purposes, only the gross margin of these operations is considered under Other Operating Income.

In Peru, Mega Representations S.A., a subsidiary of the corporation dedicated to the l management of supplies for sectors such as mining, construction and transportation, concluded the acquisition of 100% stake of Tecseg S.A., a company dedicated to the commercialization of industrial safety items, for approximately US$ 11 million during the first quarter 2013. As a comparison, during 2012 this company, prior to the operation mentioned above, generated US$ 23 million. In the first half of this year, following its incorporation into Ferreycorp, sales reached US$ 12.2 million, which were registered in Mega Representaciones beginning in January.

As we mentioned, during the first quarter, the holding for Ferreycorp's investments in Central America, Inti Inversiones Interamericanas, acquired the distribution of Exxon Mobil's lubricant line based in Guatemala, entrusting its commercialization to Gentrac, a subsidiary of the corporation that operates in that country. As a complement to that operation, Inti acquired from the same owner in Nicaragua, a company dedicated to the distribution of ExxonMobil lubricants in that territory. In this manner, the acquisition of these businesses jointly totaled US$ 17.2 million. At the same time, both reached revenues of approximately US$ 30 million in 2012, and reported sales to Ferreycorp of US$ 12.8 million during the first half 2013, after its incorporation. It is worth mentioning that these acquisitions are consistent with the representation of Exxon Mobil's lubricants that the subsidiary Cogesa has in El Salvador for over a decade ago.

- **Use of funds derived from the placement of corporate bonds in the international market by US$ 300 million**

On April 26, Ferreycorp proceeded with the closing and issuance of bonds denominated "4,875% Senior Guaranteed Notes due 2020," placed in the local and international market, for US$ 300 million. The funds raised were assigned to the subsidiaries – particularly to Ferreyros and Unimaq, the ones with the largest transaction volumes, by close to 70% -, for the purpose of adjusting the Company's debt profile to replace short and medium term financings with a better duration, to an average of 3 years with 7-year bullet amortization payments at a fixed rate.

As a result, the corporation has freed up its credit lines to finance future investments.

- **Ferreyros S.A Local bonds program upgrade**

The ratings agencies Equilibrium Clasificadora de Riesgo S. A. and Pacific Credit Rating (PCR) upgraded the ratings from A+ to AA- assigned to the pending issuances of the First Debt Securities Program of Ferreyros with a total amount of US$ 45 million and annual maturities until 2016.

As mentioned, by decision of the General Meeting of Debt Security Holders held on June 21, 2012, was grated in favor of Ferreyros S. A., debt assumed by Ferreycorp as a result of the issuances of the Second Debt Securities Program. Current issuances (first and seventh) were transferred to the subsidiary Ferreyros S.A., as the first and second issuance of the now First Debt Securities Program for Ferreyros S.A.

According to Equilibrium, the upgrade mentioned previously is based on "Ferreyros' strong competitive position with regards to the commercialization of capital goods and services, management's know-how, the company's long track record in the domestic industry, a strong corporate governance culture, support and strategic alliance held with Caterpillar Inc., and the support of Ferreycorp Holding of which Ferreyros S. A. is the most important subsidiary", characteristics that were also highlighted by PCR.

- **Distinction of Ferreycorp with "Key to the BVL" for best Corporate Governance**

For the fourth time Ferreycorp received the "Key to the BVL", a distinction of the Lima Stock Exchange that recognizes the company with corporate governance best practices in Peru. The prize, awarded by complying fully with the principles of good corporate governance, also considers stock liquidity. Ferreycorp was awarded in 2013, 2012, 2011 and 2008.

Also, Ferreycorp's stock was included again in the Good Corporate Governance Index (IBGC), as it has been every year since its creation.

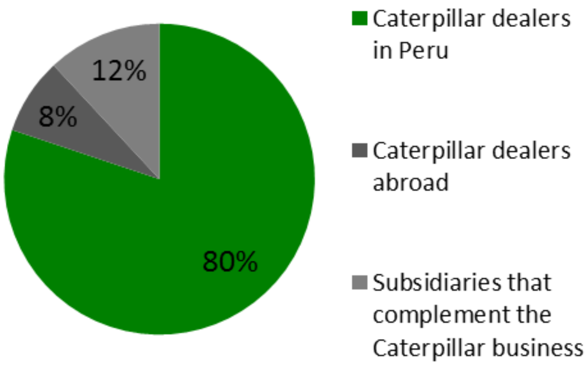
The key to the BVL was granted to Ferreycorp after a thorough validation process, carried out by a consulting firm qualified by the BVL, with respect to the evaluation undertaken by the corporation on their practices of good corporate governance during 2012. Such requirement found that Ferreycorp met 100% of the principles in this field.

COMMERCIAL MANAGEMENT

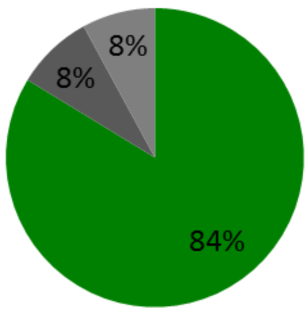
During the first six-month period 2013, Ferreycorp S.A.A and its subsidiaries in Peru, Guatemala, El Salvador, Nicaragua and Belize reached record consolidated sales levels of S/. 2,749 million, which resulted in an increase of 30% compared to the similar period of 2012. Sales in foreign currency, amounted to US$ 1,049 million during the first six-month period 2013, 33% higher than figures reported during the same period of 2012 (US$ 791 million).

It may be recalled that Ferreycorp distributes its businesses in three big divisions: Subsidiaries which are Caterpillar and allied brands dealers in Peru (Ferreyros, Unimaq and Orvisa), subsidiaries which are Caterpillar dealers and other businesses in Central America, (Gentrac corp and Mercalsa Nicaragua) and the ones aimed to offer capital goods and services other than Caterpillar for different economic sectors (Motored, Fiansa, Fargoline, Mega Representaciones, Cresko, Ferrenergy and Forbis Logistics). Sales by divisions in the first six-month period 2013 showed some variations compared to the similar period of 2012 as shown in the following graph:

Sales breakdown 1S13



Sales breakdown 1S12

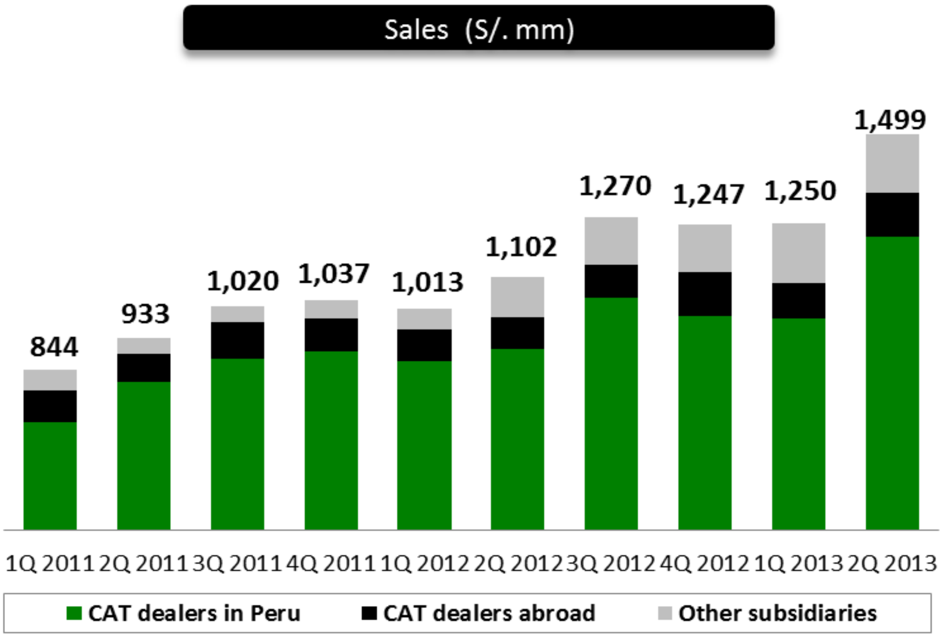


Consolidated Net Sales (S/. In Thousands)

	2Q 2013	%	2Q 2012	%	VAR %	6M13	%	6M12	%	VAR %
Ferreyros + Ferreycorp	1,020,429	68.1%	746,333	67.7%	36.7%	1,850,636	67.3%	1,485,416	70.2%	24.6%
Unimaq	137,260	9.2%	109,823	10.0%	25.0%	246,530	9.0%	204,007	9.6%	20.8%
Orvisa	58,487	3.9%	45,202	4.1%	29.4%	105,155	3.8%	81,005	3.8%	29.8%
Cateprillar dealers in Perú	1,216,176	81.2%	901,358	81.8%	34.9%	2,202,321	80.1%	1,770,428	83.7%	24.4%
Caterpillar dealers abroad	120,384	8.0%	90,480	8.2%	33.0%	218,456	7.9%	177,187	8.4%	23.3%
Motored	69,278	4.6%	55,418	5.0%	25.0%	146,919	5.3%	55,418	2.6%	165.1%
Mega Representaciones	50,305	3.4%	29,383	2.7%	71.2%	98,831	3.6%	59,636	2.8%	65.7%
Otras (Ferrenergy, Fargoline, Cresko, Fiansa, entre otras)	42,383	2.8%	25,807	2.3%	64.2%	82,120	3.0%	52,801	2.5%	55.5%
Other subsidiaries	161,966	10.8%	110,608	10.0%	46.4%	327,870	11.9%	167,855	7.9%	95.3%
Total Net Sales	**1,498,526**	**100.0%**	**1,102,446**	**100.0%**	**35.9%**	**2,748,647**	**100.0%**	**2,115,469**	**100.0%**	**29.9%**

Increase in sales showed by some **Caterpillar dealers in Peru** is mainly explained by sales of new equipment, spare parts and services to clients from different economic sectors as well as sales of the rental fleet and used equipment. Regarding **Caterpillar dealers in Central America,** the increase in sales was basically due to the acquisition of new businesses, such as distribution of Exxon Mobil lubricants in Gentrac Guatemala and Mercalsa Nicaragua, which have contributed to an increase in sales of S/. 31.2 million in the six-month period 2013. Likewise, sales of **the other subsidiaries in Peru,** show an important increase due to higher demand in the economic sectors they serve such as mining, construction and transport; higher market coverage of clients; as well as the incorporation of the industrial safety products line in Mega Representaciones, which resulted in higher sales of this subsidiary of 65.7% in the first six-month period 2013.

It is important to notice, that, in this context, the Corporation reached record sale levels during the second quarter of 2013, amounting S/. 1,499 million, 36% higher than sales recorded in the same period of 2012, as explained in the following chart.



In the second quarter of 2013, almost all the commercial lines showed an important increase compared to the same period of 2012. The increase is mainly explained by higher sales made of Caterpillar equipment (40%). It is worth noticing the Global mining sales driven by the sale of shovels and drilling equipment ex Bucyrus line made to three important clients. Likewise, remained the preference for new Caterpillar equipment from different industries. Additionally, the construction sector was the main driver for the demand of rental equipment from Ferreyros (Rentafer) and from Unimaq Cat Rental Store, as well as used equipment, which reported an increase of 50% if compared to the second quarter 2012.

Sales of units from the automotive commercial line, handle by Motored since april 2012, showed an increase of 13%, mainly explained by the increase in the demand of the economic sector sectors to which these sales are aimed, such as transport and construction, and to the transference of this business exclusively to subsidiary Motored.

In addition, it is important to notice the important growth in sales of the other commercial lines handle by the other local subsidiaries, showing an increase of 55.7% in the second quarter of 2013 compared to the similar period of the previous year. Noticing the increase in sales of Mega Representaciones (S/. 20.9 million), Ferrenergy (S/. 4.9 million), Unimaq Equipos Ligeros (S/. 6.5 million) and Fargoline (S/. 3.9 million).

Furthermore, other sales from subsidiaries in Central America showed an important increase of 211%, mainly due by, the acquisition of new businesses, such as the Exxon Mobil lubricants in Gentrac Guatemala and Mercalsa Nicaragua.

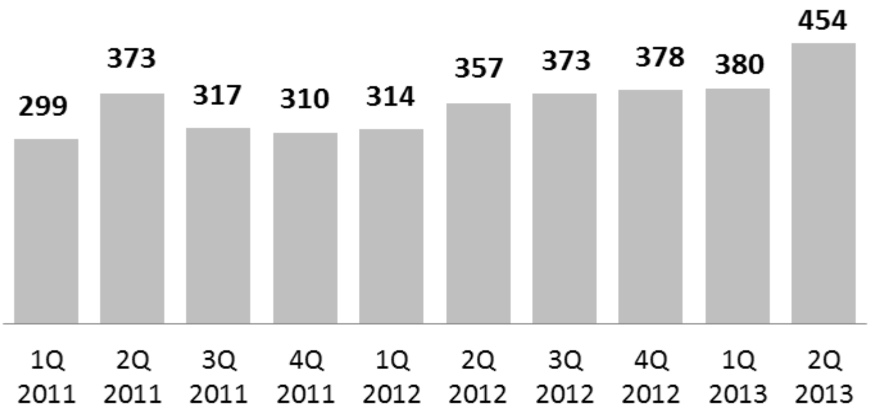
In million soles:

	2Q 2013	%	2Q 2012	%	Var %
Caterpillar Equipment:					
Mining trucks and Caterpillar machines (GM_1)	278	18.5	123	11.2	125.2
Machines and engines for other sectors	424	28.3	378	34.3	12.3
	702	**46.9**	**501**	**45.5**	**40.1**
Rental and used	118	7.9	79	7.1	50.4
Automotive	60	4.0	53	4.8	13.4
Agricultural equipment	16	1.1	79	2.3	-38.5
	896	**59.8**	**658**	**59.7**	**36.1**
Spare parts and services	454	30.3	357	32.4	26.9
Other sales from local subsidiaries	121	8.1	78	7.0	55.7
Other sales from subsidiaries abroad	28	1.9	9	0.8	211.0
Total	**1,499**	**100.0**	**1,102**	**100.0**	**35.9**

1: GM = Global mining

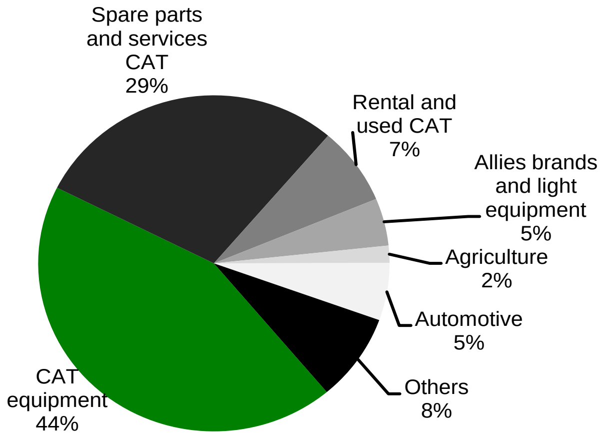
In the second quarter of 2013, sales of spare parts and services continued their growth trend, showing an increase of 27% compared to the same period of 2012, as shown in the graph below. This increase is mainly due to the number of units sold during the last years in the countries where Ferreycorp operates. It is well known, that one of main qualities of the subsidiaries of the corporation is its important post-sale service to its clients, for which it has developed important investments in inventories of spare parts and components as well as modernization of the workshops. In addition, part of the growth is also explained by the acquisition of the Bucyrus line.

Sales - Spare parts and services (S/. mm)

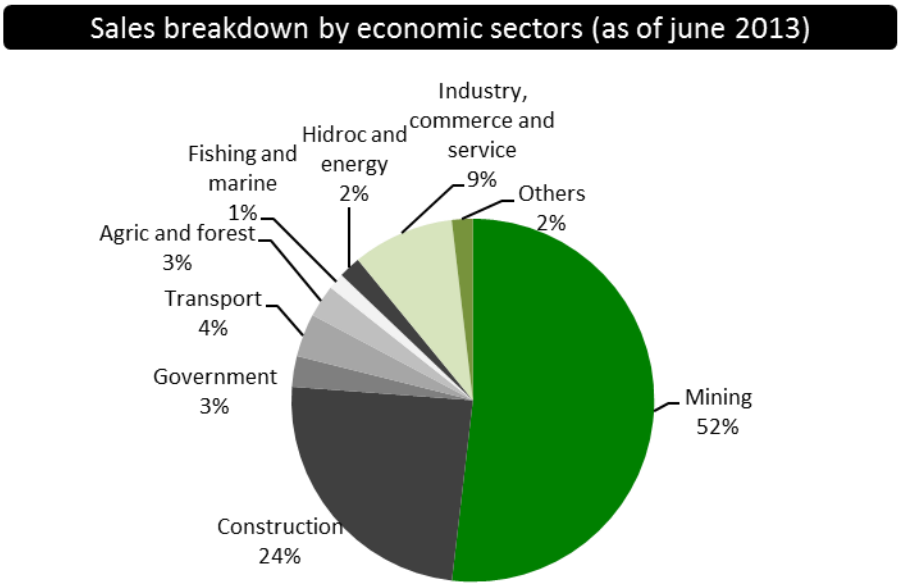


During the first six-month period 2013, sales from Caterpillar line accounted 80% of the total income, including machinery and equipment (new, used units and rental) as well as spare parts and services. It is important to point out that sale of Caterpillar spare parts and services continue to represent 29% of the total sales, is the line of higher profitability to cover infrastructure expenses and higher operating expenses to grant post-sale services with higher quality standards. In addition, is the line of higher growth in the revenue stream, as a result of the large fleet of units sold during the last years.

Sales by commercial line (as of june 2013)



Regarding distribution by economic sectors, it should be noted that sales to the mining and construction sector represent the higher volume of sales, having 51.8% and 24.3%, respectively, in total sales of the first six-month period 2013.



FINANCIAL ANALYSIS

Sales

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Net Sales	1,498.5	1,102.4	35.9	2,748.6	2,115.5	29.9

(See explanation of this variation in section: Commercial Management)

Gross Profit

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Gross Profit	309.3	244.4	26.6	543.4	451.2	20.4

Gross profit and gross margin showed a positive behavior. In percentage terms, although gross margin in the second quarter of 2013 is lower compared to the same period of the previous year (22.2%), it has been the quarter with the highest gross margin in the year. Since the fourth quarter of 2012 the gross margin has showed a continuous improvement, with 17.9% in that period, 18.7% in the first quarter of 2013 and 20.6% in the second quarter of 2013.

On the other hand, the gross margin was impact by the increase in participation of sales of machinery made to big mining companies which have higher value, but lower margin compared to other commercial lines and direct sales of drilling equipment and loading (former Bucyrus business) of US$ 62 million, which has lower margins compared to the average sales made to clients from big mining companies, due to higher value of those equipments, although the effort and cost of managing those purchase orders, is similar to the one made for equipment with lower price. Sales contribute to net sales as well as in gross profit, but decrease the percentage of the total gross margin.

Selling and Administrative expenses

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Selling and administrative expenses	195.3	167.2	16.8	365.4	312.2	17.0

Selling and administrative expenses, reached 15% as percentage of total sales in the second quarter of 2012 compared to 13% in the 2Q 201.

This positive result is mainly due to the corporation expenses control despite higher sales. Regarding the personnel expenses, the following chart shows the number of employees as of June 2013, compared to the same period of 2012, a variation of 9%. Of the total number of new employees in the payroll, 30% represents new businesses acquired in 2013.

Ferreycorp and subsidiaries	**Jun-12**	**Dic-12**	**Jun-13**
Executives	135	139	146
Administrative and Sales	2,999	3,169	3,410
Technicians	2,924	2,929	3,038
Total	**6,058**	**6,237**	**6,594**

However, there has been a nominal increase in this expenses explained by the recording of amortization of tangible asset related to the acquisition of the Bucyrus commercial line (S/. 13.2 million), expense that was not recorded during the 2Q 2012. If we exclude this amortization, other operating expenses only show an increase of 7%, much lower if compared to the increase in total sales.

Other income (expenses), net

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Other income (expenses) net	3.6	-0.1		11.8	2.5	379.9

Net income in the 2Q 2013 includes Recording of S/. 2.7 million awarded by Caterpillar in relation to warranty claims.

Financial Income

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Financial Income	5.8	4.3	34.6	11.5	10.5	9.6

Financial income include interests charge to clients for financing sales

Financial Expenses

Million of soles	2Q13	2Q12	%Var.	6M13	6M12	%Var.
Financial expenses	26.1	21.7	20.3	48.8	40.5	20.4

Variation in financial expenses in the second quarter of 2013, is explained by an increase of 8.1% in average liabilities subject to interest (S/. 1,860.8 million in 2Q 2013; S/. 1,722.1 million in 2Q 2012) and to the increase of interest rates as a result of higher long-term funding which generally have higher interest rates. The interest rate has vary since april 2013 due to the 4.875% interest rate generated regarding the international bond (plus the commission for structuring), above the corporation average interest rate. This variation is justified by the longer debt maturity. The international bond issued by Ferreycorp allowed the corporation to restructure the debt to seven years with capital amortization and interest payment at the seventh year.

Foreign Exhange Gain (Loss)

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Foreign Exhange Gain (Loss)	(107.0)	(3.2)		(124.0)	9.6	

The exchange loss in the 2Q of 2013 was caused by devaluation of the sol against the US dollar of 7.49%, compared to the 2Q of 2012, which registered an appreciation of the sol against the US dollar of 0.11%. The impact of this variations have caused a lower result of S/. 67.5 million, net of taxes.

It is important to mention that considering a financial point of view, a great amount of the Corporation's sales are made in foreign currency (US dollars), but the currency position net is widely covered by inventories, which are recorded in US dollars. As of 06-30-2013, inventories are registered at an average exchange rate of S/. 2.676, and liabilities at an exchange rate of S/. 2.783, which has lead to a reserve of inventory of S/. 32 million (only Ferreyros, without including other subsidiaries' inventory).

Net Profit

Million of soles	2Q13	2Q12	%Var.	1S13	1S12	%Var.
Net profit	(12.7)	37.0		13.7	81.9	-83.2

Due to variations previously explained, net loss of the second quarter was caused by the exchange loss registered during the second quarter of 2013, which do not consider higher value of inventory which is invoice in US dollars.

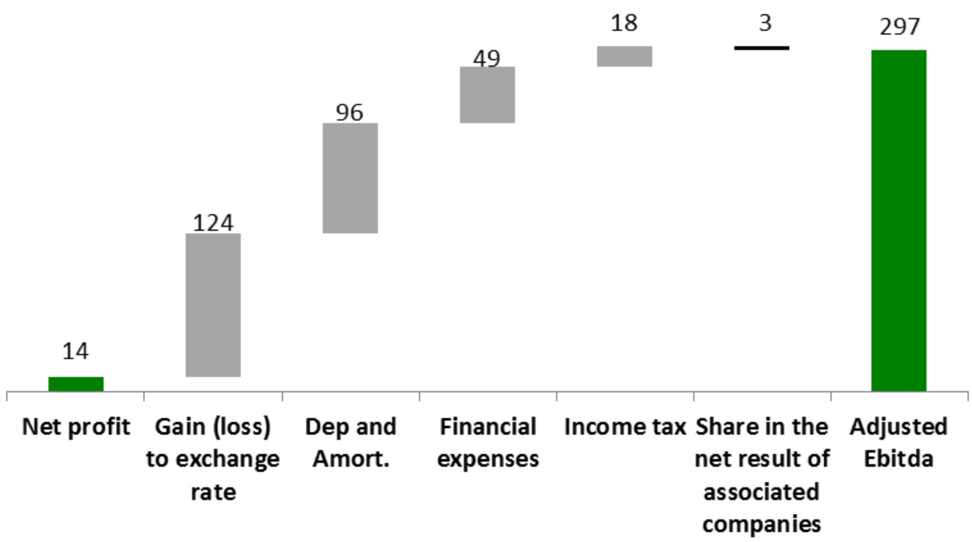
Ebitda

Million of soles	2Q13	2Q12	1S13	1S12
Net Profit (Loss) (*)	(12.7)	37.0	13.7	81.9
+ Financial expenses	26.1	21.7	48.8	40.5
+/- Foreign exchange gain (loss)	107.0	3.2	124.0	(9.6)
+ Income tax	3.3	19.2	17.7	40.0
+/- Share in the net result of associated through the equity method	(0.3)	0.4	(3.0)	(1.0)
+ Depreciation and amortization	58.0	28.5	95.8	60.0
EBITDA	181.3	110.0	297.1	211.9

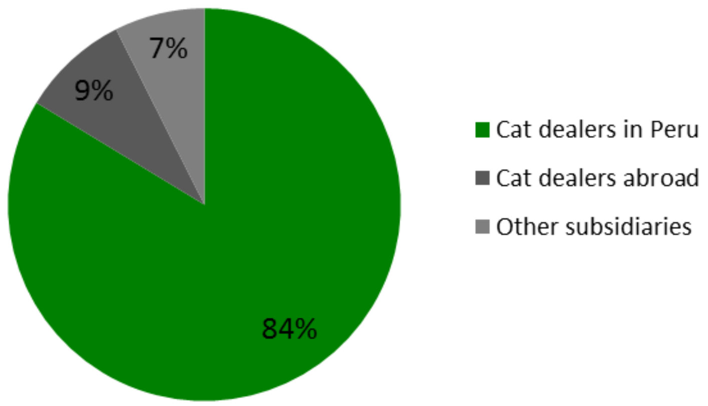
Ebitda for the 2Q2013 showed an important increase of 66%, amounting US$ 68 million compared to US$ 41 million. This represents a Ebidta margin of 12.1%. In local currency, 2Q2013 Ebitda amounted to S/. 181 million, compared to S/. 110 million in the 2Q2012, showing a 65% increase.

Ebitda as of the first six month period 2013, amounted US$ 113 million, 43% higher if compared to US$ 79 million reached during the same period 2012.

Ebitda as of june 2013 (S/. million)



Ebitda breakdown as of June 2013

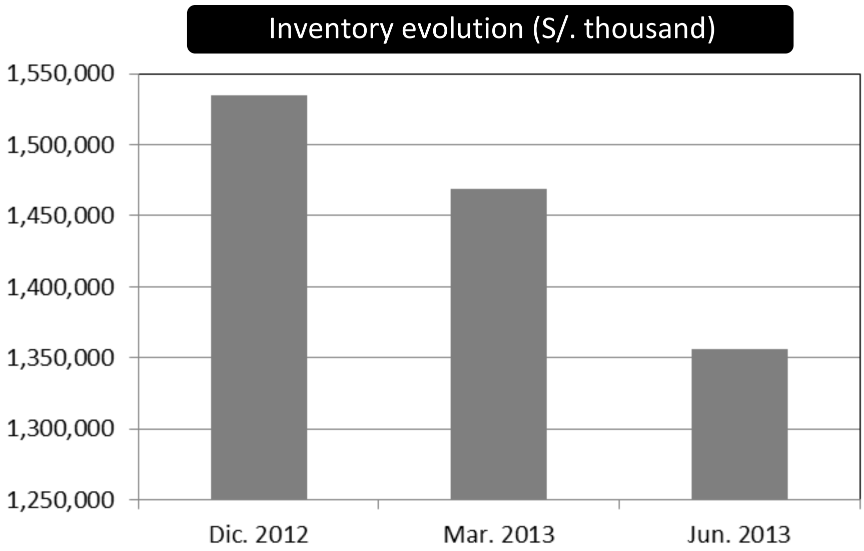


84% of the Corporation’s Ebitda is explained by the subsidiaries which are Caterpillar dealers and allied brands in Peru (Ferreyros, Unimaq y Orvisa), businesses that contribute with the highest sales and profit to the Corporation. On the other hand, 9% of Ebitda is explained by Caterpillar dealers in Central America, and 7% comes from local subsidiaries aimed to offer capital goods and services to different economic sectors.

CONSOLIDATED STATE OF FINANCIAL POSITION ANALYSIS

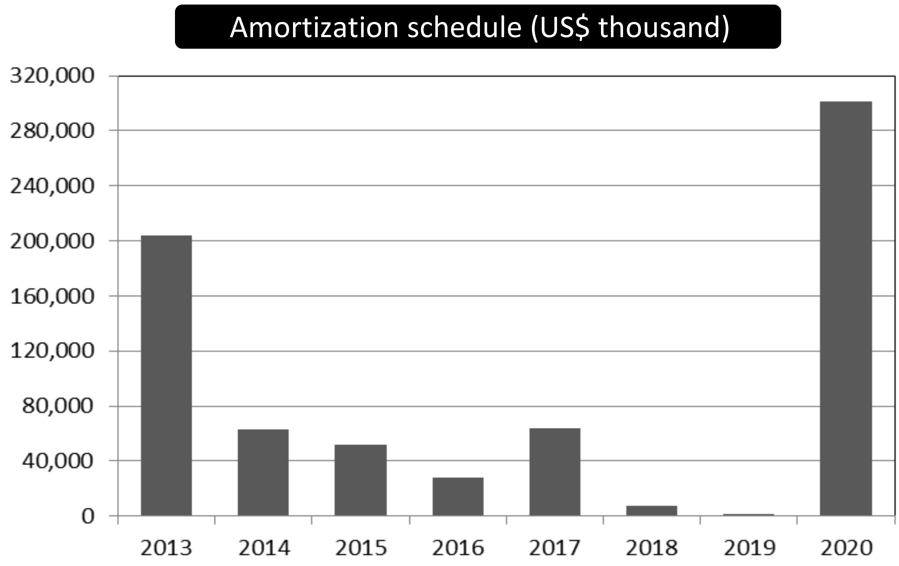
As shown in appendix 2, total assets as of June 30, 2013, amounted to S/. 4,183.4 million, compared to S/. 4,128.2 million as of June 30, 2012, meaning, a slightly increase of S/. 55.2 million (1.3%).

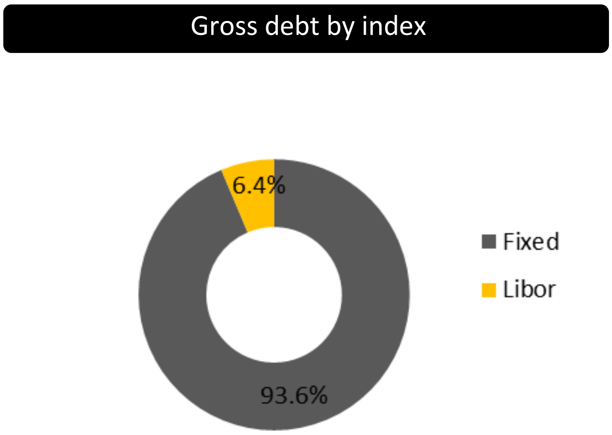
This variation was mainly caused by a net increase of S/. 119.7 millions (14.5%) in account receivables – trade, due to higher sales and cash which grew in 49%, but was partially compensated by important reduction in inventories of 11%.

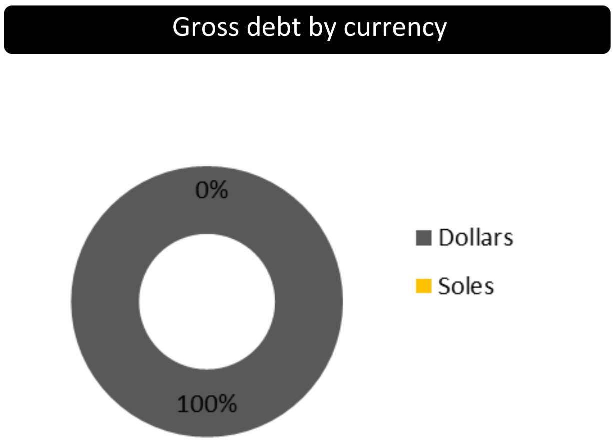


Financial liabilities during the first six-month period 2013 amounted to S/. 2,006 million, or US$ 721 million, which represent an increase of 1% in soles and a decrease of 3% in US dollars, compared to the figure as of June 30, 2012, of S/. 1,987 million, or US$ 744 million.

21.8% of financial liabilities (S/. 438 million) represent short-term debt, while other liabilities (S/. 1,568 million) represent long-term debt. Find below the maturity structure of consolidated liabilities of Ferreycorp and subsidiaries, which is taken in US dollars and at 93.6% fixed rate.







Capital Expenditure (Capex)

In million of soles	1S13	1S12
Buildings and other constructions	15.0	17.1
Machinery and equipment	23.1	29.1
Rental Fleet	40.6	38.3
Transport units, furniture and appliances	7.1	7.3
Total	85.8	97.1

Capital expenditure (Capex) during the firs six –month period was S/. 86 million (US$ 31 million), lower than 12% compared to the first semester of the previous year. The amount is divided as follows: 27% on machinery and equipment, 47% on rental fleet, 18% on infrastructure and 8% on other.

Investment in infrastructure of S/. 15 million is mainly explained by constructions and expansion of workshops and facilities in Ferreyros and the other subsidiaries that have increased the number of branches in the country to improve its coverage and improve service to their customers.

This slight decrease of 12% does not affect the operations of the corporation, and is explained in part by the start of the program between Caterpillar, Ferreyros and Unimaq, to promote rental of machinery as an additional service to customers. Having more than 600 rental machines in Ferreyros rental fleet and 449 CAT light equipment in Unimaqs rental fleet, however, affects the short-term financial indicators as these are part of "operational" fixed assets within the balance sheet, which implies additional debt for the purchase of this equipment. Based on this scenario, during the second quarter Caterpillar, Ferreyros and Unimaq initiated the Rental Program, an initiative that will allow the Company to maintain a proper fleet in order to meet customers demand, while decreasing the effect in the liabilities of the corporation as the new fleet assets will be accounted on the books of Caterpillar International Services of Peru S.A.

FINANCIAL RATIOS

	1S13	1S12
Current ratio	1.89	1.26
Financial debt ratio(1)	1.30	1.47
Total debt ratio	1.98	2.23
Financial debt net /Ebitda	3.07	4.41
Financial debt adjusted /Ebitda	2.64	2.57
Financial coverage ratio	6.08	5.23
Earning per share	1.48	1.59

Current ratio is higher due to the composition of liabilities, which as of 06-30-2013 include lower amount of short-term liabilities due to changes in the structure of liabilities (transference from short-term to long-term liabilities), as a result of funding obtained by Ferreycorp due to the issuance of international bonds.

Lower financial debt ratio(1) is the result of the increase in profits and decrease in liabilities, despite the increase in net sales.

FERREYCORP S.A.A. AND SUBSIDIARIES **APPENDIX 1**

Income Statement (NOTE)
(In thousands of nuevos soles)

	2Q 2013	%	2Q 2012	%	Var %	As of 06-30-2013	%	As of 06-30-2012	%	Var %
Net Sales	1,498,526	100.0	1,102,446	100.0	35.9	2,748,647	100.0	2,115,469	100.0	29.9
Cost of goods sold	-1,192,311	-79.6	-858,027	-77.8	39.0	-2,208,390	-80.3	-1,664,259	-78.7	32.7
Gross profit	**306,215**	**20.4**	**244,419**	**22.2**	**25.3**	**540,257**	**19.7**	**451,210**	**21.3**	**19.7**
Selling and administrative expenses	-195,328	-13.0	-167,220	-15.2	16.8	-365,371	-13.3	-312,242	-14.8	17.0
Other income (expeneses), net	3,565	0.2	-74	(0.0)		11,825	0.4	2,464	0.1	379.9
Operating profit	**114,452**	**7.6**	**77,124**	**7.0**	**48.4**	**186,711**	**6.8**	**141,431**	**6.7**	**32.0**
Financial income	5,793	0.4	4,302	0.4	34.6	11,459	0.4	10,454	0.5	9.6
Gain (loss) to exchange rate	-107,041	(7.1)	-3,172	-0.3	3,274.7	-124,029	-4.5	9,590	0.5	
Financial expenses	-26,067	-1.7	-21,665	-2.0	20.3	-48,832	-1.8	-40,547	-1.9	20.4
Share in the net result of associated through the equity method	359	0.0	-419	-0.0	-185.7	2,964	0.1	950	0.0	212.0
Profit before income tax	**-12,505**	**(0.8)**	**56,172**	**5.1**	**-122.3**	**28,273**	**1.0**	**121,879**	**5.8**	**-76.8**
Income tax	-3,294	-0.2	-19,160	-1.7	-82.8	-17,659	-0.6	-39,975	-1.9	-55.8
Net profit	**-15,799**	**(1.1)**	**37,012**	**3.4**	**-142.7**	**10,614**	**0.4**	**81,905**	**3.9**	**-87.0**
Earning per share	(0.019)		0.047			0.013		0.103		
EBITDA (adjusted)	**181,340**	**12.1**	**109,968**	**10.0**	**64.9**	**297,062**	**10.8**	**211,867**	**10.0**	**40.2**

NOTE: Some figures have been reclassified in this document to show direct order salers in sales and cost of goods sold. In the income

FERREYCORP S.A.A. AND SUBSIDIARIES

APPENDIX 2

State of Financial Position

(In thousand of nuevos soles)

	As of 06-30-2013	As of 06-30-2012	Variation %
Cash and banks	179,836	120,573	49.2
Account receivables - Trade	915,756	758,799	20.7
Inventories	1,382,021	1,554,792	-11.1
Account receivables - Other	125,586	152,414	-17.6
Prepaid expenses	43,230	20,115	114.9
Current Assets	**2,646,429**	**2,606,694**	**1.5**
Long-term account receivables - Trade	29,238	66,516	-56.0
Long-term account receivables - Other	6,486	7,763	-16.4
Rental Fleet	580,523	552,194	5.1
Other fixed assets	1,104,466	1,042,128	6.0
	1,684,989	1,594,321	5.7
Accrued depreciation	-489,906	-418,311	17.1
Property, plant and equipment, net	1,195,083	1,176,010	1.6
Investments	75,786	78,703	-3.7
Intangible assets, net and goodwill	230,370	192,544	19.6
Non current Assets	**1,536,963**	**1,521,535**	**1.0**
Total Assets	**4,183,392**	**4,128,229**	**1.3**
Short-term debt	212,591	343,236	-38.1
Other current liabilities	1,190,716	1,730,681	-31.2
Current Liabilities	**1,403,307**	**2,073,917**	**-32.3**
Long-term debt	1,351,690	739,977	82.7
Other payables	1,922	3,520	-45.4
Liabilities due to taxes to deferred earnings	21,203	29,638	-28.5
Total Liabilities	**2,778,122**	**2,847,052**	**-2.4**
Deferred income	4,820	7,299	-34.0
Equity	**1,400,450**	**1,273,878**	**9.9**
Total Liabilities and Equity	**4,183,392**	**4,128,229**	**1.3**

Other financial information		
Depreciation and amortization (figures accumulated at the end of the period)	95,758	59,981

FERREYCORP S.A.A AND SUBIDIARIES

APPENDIX 3

NET SALES

(In thousand of nuevos soles)

	2Q 2013	%	2Q 2012	%	Variation %	As of 06-30-2013	%	As of 06-30-2012	%	Variation %
Caterpillar Equipment										
Mining trucks and Caterpillar machines (GM)	277,895	18.5	123,376	11.2	125.2	536,143	19.5	185,122	8.8	189.6
Machines and engines for other sectors	424,335	28.3	377,777	34.3	12.3	734,387	26.7	759,578	35.9	-3.3
	702,230	**46.9**	**501,154**	**45.5**	**40.1**	**1,270,530**	**46.2**	**944,700**	**44.7**	**34.5**
Agricultural equipment	15,893	1.1	25,827	2.3	-38.5	27,535	1.0	48,546	2.3	-43.3
Automotive	59,813	4.0	52,746	4.8	13.4	128,981	4.7	113,829	5.4	13.3
Rental and used	118,402	7.9	78,750	7.1	50.4	205,490	7.5	164,601	7.8	24.8
	896,337	**59.8**	**658,477**	**59.7**	**36.1**	**1,632,536**	**59.4**	**1,271,676**	**60.1**	**28.4**
Spare parts and services	453,576	30.3	357,488	32.4	26.9	833,386	30.3	671,669	31.8	24.1
Other sales from local subsidiaries	120,710	8.1	77,510	7.0	55.7	232,596	8.5	153,180	7.2	51.8
Other sales from subsidiaries abroad	27,902	1.9	8,971	0.8	211.0	50,129	1.8	18,944	0.9	164.6
Total	**1,498,526**	**100.0**	**1,102,446**	**100.0**	**35.9**	**2,748,647**	**100.0**	**2,115,469**	**100.0**	**29.9**

SALES DISTRIBUTION BY ECONOMIC SECTOR

	2Q 2013	2Q 2012	As of 06-30-2013	As of 06-30-2012
Mining	50.1%	45.1%	51.8%	43.9%
Construction	26.6%	27.3%	24.3%	27.4%
Government	2.4%	4.2%	2.7%	4.9%
Transport	3.3%	8.0%	3.8%	6.7%
Industry, commerce and services	9.4%	3.3%	9.1%	5.2%
Agriculture and forest	2.9%	3.5%	2.9%	3.5%
Fishing and marine	1.2%	2.8%	1.5%	2.6%
Hydrocarbons and energy	1.9%	2.6%	2.0%	3.0%
Others	2.2%	3.2%	1.9%	2.8%
Total	**100.0%**	**100.0%**	**100.0%**	**100.0%**

FERREYCORP S.A.A. AND SUBSIDIARIES APPENDIX 4

Total Liabilities as of June 30, 2013

(In thousand of US$ Dollars)

	Total Liabilities	Current Liabilities	Long-term liabilities Current part	Long-term liabilities Long term	(A) Financial Liabilities
Local banks (short term)	39,457	39,457	-	-	39,457
Foreign banks (short term)	78,622	78,622	-	-	78,622
Local banks (long term)	48,632	-	20,206	28,426	48,632
Foreign banks (long term)	15,908	-	1,488	14,420	15,908
Local banks (long term)-Leasing	20,313	-	11,276	9,037	20,313
Suppliers:					
Accounts payable to Caterpillar (Inve	29,741	29,741	-	-	-
Accounts payable to Caterpillar	39,352	39,352	-	-	39,352
Others	95,480	92,851	-	2,629	4,022
Corporate bonds	345,038	-	24,255	320,782	345,038
Caterpillar Financial	129,566	-	19,164	110,402	129,566
Other liabilities	156,140	156,140	-	-	-
Total (US$)	**998,247**	**436,162**	**76,389**	**485,696**	**720,909**
Total (S/.)	**2,778,122**	**1,213,841**	**212,591**	**1,351,690**	**2,006,288**

(A) Generate interest payment

FERREYCORP S.A.A. AND SUBSIDIARIES APPENDIX 5

Cash Flow Statement

(In thousand of nuevos soles)

	As of 06-30-2013
Cash flows from operating activities	
Trade accounts receivables	2,282,106
Suppliers	-2,116,991
Employees and others	-171,732
Taxes	-2,054
Net Cash provided by operating activities	**-8,671**
Cash flows from investing activities	
Proceeds from sale of property, plant and equipment	5,662
Acquisition of property, plant and equipment	-85,753
Business acquisiton	-66,933
Intangibles acquisition	-3,844
Net cash used in investing activities	**-150,868**
Cash flow from financing activities	
Borrowings, net	257,184
Dividends payed	-48,194
Interest payments	-42,958
Net cash used in financing activities	**166,032**
Net increase (decrease) in cash and cash equivalents	6,493
Cash and cash equivalents at beginning of year	173,343
Cash and cash equivalents at end of year	**179,836**

COMPANY DESCRIPTION – FERREYCORP S.A.A

Ferreycorp S.A.A. and its subsidiaries (BVL: FERREYC1) is a leading importer of capital goods and services with more than 90 years of history and presence in Peru, Guatemala, El Salvador, Nicaragua and Belize. The Company has been listed on the Lima Stock Exchange (BVL) since 1962.

The corporation distributes its business in three big divisions: Companies which are Caterpillar dealers and other allied brands in Peru, Companies which are Caterpillar dealers in Central America; and Companies aimed to offer capital goods and services other than Caterpillar to different economic sectors.

DISCLAIMER

Esta nota de prensa puede contener en las declaraciones ciertas estimaciones. Estas declaraciones son hechos no históricos, y se basan en la visión actual de la administración de Ferreycorp S.A.A. y en estimaciones de circunstancias económicas futuras, de las condiciones de la industria, el desempeño de la compañía y resultados financieros. Las palabras “anticipada”, “cree”, “estima”, “espera”, “planea” y otras expresiones similares, relacionadas con la corporación, tienen la intención de identificar estimaciones o previsiones. Las declaraciones relativas a las actividades, los proyectos, las condiciones financieras y/o las operaciones de resultados de la corporación, así como la implementación de la operación principal y estrategias financieras, y de planes de inversión de capital, la dirección de operaciones futuras y los factores y las tendencias que afecten la condición financiera, la liquidez o los resultados de operaciones son ejemplos de estimaciones declaradas; tales declaraciones reflejan la visión actual de la gerencia y están sujetas a varios riesgos e incertidumbres. No hay garantía que los eventos esperados, tendencias o resultados ocurrirán realmente. Las declaraciones están basadas en varias suposiciones y factores, inclusive las condiciones generales económicas y de mercado, condiciones de la industria y los factores de operación. Cualquier cambio en tales suposiciones o factores podrían causar que los resultados reales difieran materialmente de las expectativas actuales.