

Proxy Statement

Mandatory Annual General Meeting of Ferreycorp S.A.A. 30th March 2016

Ferreycorp S.A.A 's shareholders
(ISIN **PEP736001004**; SEDOL **2320126**)

Object: **Proxy Statement for the upcoming Mandatory Annual General Meeting**

Dear Madam / Sir:

We are pleased to inform you that, as shareholders, you will receive sufficient and proper information from the corporation on all matters related to our upcoming Mandatory Annual General Meeting, to be held on March 30th 2016, at 11:00 am, in the city of Lima, at the company's headquarters, located at Jr. Cristobal de Peralta Norte No. 820, Surco district, province and department of Lima.

In case the meeting cannot be held at the date indicated before for not having reached the statutory quorum, the second summons will be held on April 6th 2016, at the same time and place.

Ferreycorp's Finance Department and the Investor Relations Department are fully available to answer any questions related to your participation in the meeting and, if it necessary, to provide you with supplementary information or documents you might require.

For any additional information, please refer to the contact below:

Investor Relations

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Main information of the Mandatory Annual General Meeting are the following:

Date of Meeting: 30th March 2016 at 11:00 am at first call

Place of the meeting: Lima, at the Company's headquarters located at Jr. Cristóbal de Peralta Norte N° 820, Surco District, Province and Department of Lima

Agenda: The items of the agenda are published at Mvnet system, on the Company's website (<https://www.ferreycorp.com.pe/informacion-para-accionistas/junta-general-de-accionistas/2016>) and on the newspaper "El Comercio" and "El Peruano".

Record date: The shareholders entitled to participate in the Annual General Meeting will be those whose shares are recorded as of March 18th 2016 (record date).

Documentation: the following documents are available on the Ferreycorp website and at "Superintendencia del Mercado de Valores-SMV): Agenda, Directors Report, Annual Financial Statements and other documents. The aforementioned documents can be downloaded at the following links:

www.ferreycorp.com.pe/informacion-para-accionistas/junta-general-de-accionistas,
www.ferreycorp.com.pe/reportes/informes-financieros/estados-financieros-auditados
www.ferreycorp.com.pe/reportes/memorias-anuales

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AGM via streaming: for 8th year, we will broadcast the shareholder meeting live via our website. We would be grateful to all shareholders that would be interested in accessing live as well as those who have appreciated the conference, to send an email to our Head of Investor Relations.

The Company would like to thank all the shareholders for their active participation and voting at the last Annual General Meeting, which was held on March 30th, 2015, with the result of a quorum of 77.59%, which made possible the approval of all items of the Agenda. The active participation of shareholders, either directly or through power of attorneys, gave to the corporate governance department great motivation to further enhanced our Company.

Corporate Governance Improvements and amendment of Shareholders Meeting Regulation

Ferreycorp makes permanent efforts to maintain the highest standards in their corporate governance practices in line with its belief of maintain excellent relations with its shareholders and create more added value for them.

The company has incorporated the practice of offering, in advance, detailed information on the matters submitted for adoption at the Mandatory Annual General Meeting duly approved by the Board. According to the new practice, as stated in art. 10 of the Shareholder Meeting Regulation, shareholders entitled to attend the meeting may be represented by another shareholder, by the bank where shares are deposited or by any other person. The representation must be granted in writing, by a simple letter tailored made for each specific Meeting, except in the case of powers granted by public deeds. The powers must be registered with at least 24 hours prior to the time fixed for Meeting. The simple letter should be addressed to the general manager and signed by the shareholder and must indicate the number of shares that are held by the shareholder, the name and identity of the designated representative and must clearly reflect the voting intention with reference to each items on the agenda for which the company will provide a correct form.

It is worth mentioning that in November 2015, the Nomination, Remuneration and Corporate Governance Committee approved the amendments to its text and published the new version of the Shareholders Meeting Regulation. Among the most important changes are the following:

- 1. Delimitation of the delegation of votes for board members and senior management of the company for representation in the Board, which states:**

when a proxy card will be granted to the chairman, a board member or general manager of the company, it will be accepted as a maximum limit of shares represented a number equivalent to 20% of the capital. The allocation of powers will be done according to the date and time of entry of the proxy cards sent to the Company. If the powers to the chairman, a board member or to the general manager exceeds the aforementioned limit, the exceeding percentage will be assigned to a secondary delegate to represent those votes, if the same shareholder has not yet appointed someone else to represent (him/her), in the power of attorney, which has been modified for this purpose.

2. Information, monitoring and publication of compliance of agreements of Annual General Meeting once a year, report to the board and shareholders of compliance with agenda items.

It was agreed that the General Manager should report once a year to the Nomination, Remuneration and Corporate Governance Committee on the implementation of the agreements. In November 2015 Ms. Mariela Garcia, general manager of the company, informed the Committee of compliance with the agenda items agreed upon the meeting held on March 2015, and the minutes were published on the Company's website to inform all the Company's Shareholders.

The items that will be submitted for approval at the next Mandatory Annual General Meeting are the following:

1. Review and approval of the 2015 Annual Report, which includes the analysis and discussion of the financial statements and corporate management.

The financial statements have been audited by EY audit firm and the Annual Report drawn up according to the rules and standards of the securities regulator, the "Superintendencia del Mercado de Valores (SMV)".

It can be viewed on the Company's website via the following link:

www.ferreycorp.com.pe/reportes/informes-financieros/estados-financieros-auditados

2. Approval of profits distribution for the year 2015

The company dividend policy provides that the cash dividend to be distributed will be 5% of the nominal value of the shares issued at the time the general meeting has been called, and may reach up to a 60% of the freely available profits. If 5% of the nominal value of the shares issued at the time the general meeting has been called, is less than 60% of the freely available profits obtained at the closing of tax year, the general meeting may distribute a larger cash dividend, up to the highest limit of 60% of the freely available profits."

The freely available profits related to year 2015 is S/. 145,589,380.93 after retaining the legal reserve.

With regards to the profits of 2015, the Board of Directors propose to distribute a cash dividend equivalent to a 60% of the freely available profits, of S/. 87,353,628.56, equal to S/. 0.08611984772 per share, which represents 8.6119% of the issued shares nominal value, without removing the calculation of the treasury shares, percentage greater to the one payed in the last

two years, to maintain a significant payment for shareholders, in line with the levels of the previous years.

Nevertheless, if we discount the shares of our own emission that have been repurchased on 23rd of February 2016, a total of 29,480,000 shares, the dividend per share would be S/.0.088697725. In this case, the percentage of the dividend per share could vary depending on the purchases that could be done until the record date.

The total amount for 2015, of S./58,235,752.40 (40%), will remain as net earnings, which will be added to the 2014 net earnings, of S./57,113,510.27, having an overall amount equal to S./115,349,262.64. This will allow appropriate financial ratios to be maintained and will allow the company to have the resources to finance the growth of the company, which may be complemented by resources of creditors.

3. Proposal to amend the Bylaws

3.1 Amendment of Art. 2° referred to social objective, to adequately reflect the current functions of the corporation.

The Bylaw currently provides for the activities of the company stating that "... The company may also intervene in all acts and enter into all contracts that the law allows and leading to the realization of its goals ..., including the incorporation of companies and the acquisition of shares and / or shares of companies either by purchase or other means or participating in capital increases. "However, as a result of the corporate reorganization carried out in 2012 in adopting the roles of the corporation, it is necessary to adapt this article of the Bylaw in order to highlight the function developed by Ferreycorp as the parent of a number of subsidiaries.

Current text of Article 2 of the Bylaws:

Article 2 "The company's objective is in the buying and selling of national and foreign products; import and export of goods and articles in general; the provision of services and making investments and commissions. The Company can also intervene in all acts and enter into all contracts that the law allows which lead to the realization of its purpose or rather, that somehow serve to the best performances of the company or agreed to collective interests, including the incorporation of companies and the purchase of shares and / or shares of companies either by purchase or other means or participating in capital increases. "

Proposal to amend the text of Article 2 of the Bylaws:

Art. 2 - The company's scope is to carry out investment activities, financing and business services, which include: i) The establishment of companies, the acquisition, the holding and management of shares, the investment in securities and participation in companies and capital increases in domestic and foreign markets; ii) conducting financial transactions in any form or nature, the issue of shares, bonds, securities or any other representative of debt or credit, financial and capital markets in Peru and / or abroad; and iii) the provision of business services in general, including those of management, the sale, the lease, the transfer of use and use of real estate or movable assets, including goods and domestic and foreign products, import and export of the same and transfer of articles in general. Without prejudice to the main scope as indicated above, the Company may subscribe for any nominee or innominate contract related to the acquisition or transfer of any kind of movable or immovable property leading to the fulfillment of its purposes, or that somehow serve for the best realization of the same or to the agreed common interests.

3.2 Incorporation of the new Title VII, referred to arbitration (Art. 55°).

The Board propose to add a new article to the Bylaw, in order to consider arbitration as the mechanism used to solve possible disputes that may arise between the Company and its shareholders, responding to corporate governance best practices. While shareholders could have always been able to use arbitration, the market recommendation, contained in the current version of the principles of corporate governance, provides that an arbitration clause should be contemplated..

Text of the new Title VII (Article 55) of the Bylaws, proposed for approval:

"TITLE VII ARBITRAGE

Article 55 - Any dispute or disagreements between (I) the company and its partners or shareholders, officers, directors and representatives; (II) among those as previously mentioned, with respect to their rights or obligations; (III) those relating to the compliance with the bylaws, adopted agreements and any other situation under the "*Ley General de Sociedades*", while the last one permits it ; and (IV) between third parties with the company; shall be subject to the final decision of an arbitral tribunal of three (3) members.

The arbitrage shall be in accordance with the law and managed by the Arbitration Center of the Chamber of Commerce of Lima or the American Chamber of Commerce of Peru (Amcham - Peru), under the choice of who raises the controversy, which will be subject to the Rules of Arbitrage of that Center and it will be held in the city of Lima.

The arbitrage agreement contained in this article will be fully effective even if at the time of contemplating the controversy, the partner or shareholder, director, manager and representative have ceased to be so, provided that the dispute originates in facts bound together to these and that occurred in the time were they had such status.

For any intervention by the judges and courts in the cases provided in the Arbitration Act or the legislation replacing, the responsibility shall be that of the judges and courts of the Judicial District of Lima. "

4. Appointment of External Auditors for 2016.

Complying with the recruitment procedure for external audit services, a contest was held in which four well- known major auditing firms participated, including the firm EY , which has been the auditor of the company for five years. The contest resulted in the selection of the company Price Waterhouse Coopers due to the winning combination of its technical and economic proposal. In this regard, in the Mandatory Annual Shareholders Meeting, the Board will recommend the appointment of Price Waterhouse Coopers as the auditor of Ferreycorp, its subsidiaries in Peru and its companies abroad by 2016.

This proposed change occurs within the approved policy set out some years ago regarding the hiring of external auditors of Ferreycorp, which includes the possibility of hiring and/or renewing the contract of the audit firm for 5 renewable years and up to 10 consecutive years, but ensuring

the independence of opinions through appropriate rotations of the partner and manager in charge. The firm EY was initially hired in 2011.

The firm PWC is a major external audit firm, characterized by its solid reputation and high recognition received amongst investors. It also has teams in Central America and Chile, where some subsidiaries of Ferreycorp operate. In its proposal, PWC presented an added value of revising the corporate tax plan.

Regarding the audit of 2015, based on the election at the Board Meeting held in March 2015:

The directors, according to the decision of the board Meeting of March 2015, proceeded in hiring the services provided by the auditing firm EY for the review of the financial statements in the year 2015, as had occurred during the previous five years, in which also approving the conditions of the contract.

This audit firm had a series of meetings with the Audit Committee, in which it presented the work plan, methodology, the team that would be in charge, the scope of changes in "NIIFs" and the tax regulations among others.

The work during 2015 was made to the satisfaction of management and the Audit Committee of the company. The company EY has accompanied the audit company with quality and within the agreed deadlines.

In 2015, the auditors of the financial statements did not provide any other services for the company.

It is noteworthy that the Board has established an Audit and Risk Committee with the following functions:

- Supervise the integrity of accounting systems through an appropriate external audit.
- Periodically review and analyze the financial statements of the company.
- Review the external audit reports on the financial statements.
- Supervise the annual work plan of the internal auditor and receive the relevant reports.
- Propose the appointment of external auditors in coordination with management.

The composition of the Audit and Risk Committee is as follows:

**Andreas von Wedemeyer Knigge,
Chairman of the Audit and Risk Committee**

He has been a Board Member of Ferreycorp SAA since 2003 and of the Board of Ferreyros S.A. since 2012. He is also currently the executive chairman and CEO of Cervesur Corporation and Chairman of the Board of various companies that make up that group (Creditex, Alprosa, Transaltisa and Proagro, among others). He is Chairman of the Board of Euromotors, Altos Andes and Renting; director of Corporación Aceros Arequipa, La Positiva Seguros y Reaseguros and of La Positiva Vida Seguros y Reaseguros and Financial Investment Corporation among others. He is

president of the Sociedad Nacional de Industrias and member of the Board of Cómex Peru, where he is also a member of the Executive Committee. He has been director and CEO of Cervecera del Sur del Perú, Chairman of the Board of Profuturo AFP, president of the Association of AFP and member of the Board of Tecsup. He is a business manager, graduating in Hamburg, Germany with studies in the Program for Management Development, Harvard Business School and the University of Piura.

Oscar Espinosa Bedoya

Executive Chairman of Ferreycorp SAA since 2008 and Chairman of the Board of Ferreyros S.A. and other subsidiaries of the corporation. He became general managing director in 1983 and joined the company in 1981. He has held senior managerial positions at the Corporación Financiera de Desarrollo (Cofide), the World Bank, the International Bank of Peru, Cosapi (from 2011 to August 2014) and other financial institutions. Currently a member of the boards of ProFuturo AFP, since March 2013; Insurance companies of La Positiva since 1996; and the Foreign Trade Society of Peru (COMEX Peru) since 2011. He is a member of the Board of UTEC University, a member of the Asociación Pro Universidad del Pacífico and the Patronato de la Universidad Antonio Ruiz de Montoya. He is also director of the Peruvian Institute of Economy (IPE), the Fulbright Commission of Peru and the Peru CARE Association. He received the IPAE in 1999. Civil Engineer from the National University of Engineering, he has postgraduate studies in Engineering, Economics and Business Administration, with different degrees and diplomas from Harvard, North Carolina State College, ISVE Italy, Kellogg School Northwestern University, the Institute of Economics of the University of Colorado and the PAD of the University of Piura.

Carlos Ferreyros Aspillaga

(Vice president)

Director member of Ferreycorp SAA since 1971 and vice president since 2008. He was Chairman of the Board from 1993 to 2008. At Ferreyros S.A. he has occupied the same position since 2012 as in the Ferreycorp SAA Board of Directors. He is a director at La Positiva and member of Grupo de los 50 (Carnegie Endowment for International Peace & Inter-American Dialogue). Business Administrator, graduated from the University of Princeton.

Manuel Bustamante Olivares

Member of the Board of Directors of Ferreycorp S.A.A. since 2011 and of the Board of Directors of Ferreyros S.A. since July 2012. President of the Risk Committee at La Positiva Seguros y Reaseguros and La Positiva Vida Seguros y Reaseguros (from 2013 to present); director at La Positiva Sanitas (since 2012); chairman of the Board of Directors of Fundación Chilca S.A. (2010 to date); director at Mastercol S.A. (2008); vice-chairman of the Board of Directors of La Positiva Vida Seguros y Reaseguros (2005 to date); president of the Audit Committee at La Positiva Vida Seguros y Reaseguros (2005 - 2012); alternate director in Corporación Financiera de Inversiones S.A. (2005); director at Transactions Financieras S.A. (since 2000); director at Dispercol S.A. (1998); director at Sociedad Andina de Inversiones en Electricidad S.A. (1996); director at Futuro Invest S.A. and Futuro Inmobiliario Camacho S.A. (1994); chairman of Profuturo AFP (1993-1999) and member of its Executive Committee (1993-2010); first vice-president of Banco Interandino (1991-1995); chairman of Banco de la Nación and member of the Foreign Debt Committee of Peru (1980-

1983); member of the Board of Directors of Corporación Financiera de Desarrollo- Cofide (1980-1983); vice-chairman of La Positiva Seguros y Reaseguros (1975 to date); founding partner and member of the Estudio Llona & Bustamante Abogados law firm (1963 - present); foreign trainer member of Shearman & Sterling in New York (1962-1963); and president of the Fundación Manuel J. Bustamante de la Fuente (1960 - to date). A lawyer by profession, with a law degree from the Law School of the Pontificia Universidad Católica of Peru

Carmen Rosa Graham Ayllón

Member of the Board of Directors of Ferreycorp S.A.A. since 2011 and of the Board of Directors of Ferreyros S.A. since July 2012. She holds directorships in Interbank and Nextel, and sits on the Executive Board of Entrepreneurs for Education and of the Asociación Pro Universidad del Pacífico. She is also chairwoman of the Board of Directors of Fundación Backus. She is an international consultant on corporate governance and management, and has previously served as rector of the Universidad del Pacífico and general manager of IBM Colombia, IBM Peru and IBM Bolivia. Graduated with a degree in Business Administration from the Universidad del Pacífico. IBM systems engineer. She holds an MBA from the Adolfo Ibáñez School of Management and has participated in various executive development programs at IBM Corporation, Georgetown University, Harvard Business School, University of Monterrey and Universidad de Piura, amongst others.

Responsibility for negotiations with and contracting the Ernst & Young audit firm will be delegated to the board of directors and management.

5. Empowment to sign public and/or private documents with respect to the resolutions adopted by this shareholders' meeting

As in previous years, the board will be asked to delegate powers to the executive chairman and to the general manager to sign such public and/or private documents as may be required to execute the resolutions approved at the general meeting.

We appreciate the attention and your participation in the Mandatory Annual General Meeting of Ferreycorp.

Regards



Patricia Gastelumendi Lukis
Gerencia Corporativa de Administración y Finanzas