

Proxy Statement
Annual General Shareholders Meeting of Ferreycorp, S.A.
Lima, 28th March 2018

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

Dear Madam / Sir:

We are pleased to inform you that, as shareholders of Ferreycorp S.A. ("Ferreycorp"), you will receive sufficient and proper information from the corporation on all matters related to the upcoming Annual General Shareholders Meeting.

We are fully available to answer any questions related to your participation in the meeting and, if 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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Date and place of the Meeting: March 28th, 2018, at 11:00 am, in first summons 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 4th, 2018, at the same time and place.

Agenda: the items of the agenda are published as "Relevant Issues" (Hechos de Importancia) on February 28th 2018 and in the newspapers El Comercio and El Peruano dated March 2nd 2018.

Record date: The shareholders entitled to participate in the Annual General Shareholders Meeting will be those whose shares are recorded as of March 16th 2018.

Documentation: The following additional documents are available on Ferreycorp's website and at the "Superintendencia del Mercado de Valores-SMV": Agenda, audited financial statements, annual reports and other documents

Voting representation in the Shareholders Meeting: Shareholders entitled to attend the Shareholders Meeting may be represented by another shareholder, custodian bank of their shares or by any other person. According to Regulations of Shareholders Meetings, the voting representation must be granted in writing, by means of a simple letter addressed to the company specifically for each Meeting, except in the case of powers granted by public deed.

The powers must be registered in the company with an anticipation of not less than 24 hours before the Annual General Meeting is to be held. The simple letter must be addressed to the general manager and signed by the shareholder, indicating the number of shares held by the shareholder, the name and the identity of the appointed representative, including the voting instructions for each of the items in the Agenda, for which the Company will provide a format.

When the representation and delegation of votes is conferred to the Chairman of the Board of Directors, to a director or to the general management of the company, a limit will be applied in accordance with good corporate governance practices. The limitation has been set at 20%. This means that it will only be assigned to the Chairman, directors and general manager the first powers of attorney receive up to 20% of the capital. In order to be able to compute this cap, the allocation of powers will be made according to the date and time of entry of the letters sent to the company. The power of attorneys received once the 20% cap has been reached, will be assigned to a second representative; for this reason we request to include a second representative in the document. Otherwise, the company will assign it.

Good Corporate Governance Practices: Ferreycorp is committed with its shareholders and in maximizing the value of the company in the long term. Therefore, it is constantly studying the incorporation and / or adaptation of practices that allow it to remain at the forefront of corporate governance, in line with its conviction of maintaining excellent relations with its shareholders and creating more value for them.

This commitment has led Ferreycorp to integrate the Good Corporate Governance Index (IBGC: Índice de Buen Gobierno Corporativo) of the Lima Stock Exchange since the launch of this distinction in 2008; to be considered among the TOP companies with best corporate governance practices in 2017, according to La Voz del Mercado, study conducted by EY and the Lima Stock Exchange (BVL); and, awarded in 2017 with The Lima Stock Exchange Key as the company with best corporate governance practices.

Also, Ferreycorp participates for more than a decade in the Companies Circle (Compañías de la Mesa Redonda Latinoamericana de Gobierno Corporativo), composed of 9 leading companies in corporate governance.

About 2017 Shareholders Meeting and its approved resolutions: In addition to the mandatory annual general shareholders' meeting, the company held a general shareholders' meeting on November 24, 2017 in order to approve the redemption of treasury shares and the reduction of the company's capital.

The Company would like to thank all the shareholders for their active participation and voting at the shareholders' meetings held during last year with the result of a quorum of 78.063% and 72.953%, respectively, which made possible the approval of all items of the Agenda. The active participation of shareholders, either directly or through power of attorneys, offered a renewed stimulus for the work of corporate governance developed by the corporation.

During the Meeting in March 2017, the general manager - responsible for the follow-up of the resolutions adopted at the meetings - informed shareholders of the compliance of the agreements of the Meeting of the previous year, which was informed to the Board of Directors and disclosed to the market. In the same way, the implementation of March 2017 Shareholders' agreements, have been informed to the board and the market and will be shown at the next Shareholders Meeting.

Regarding the items of the Agenda for 2018 Shareholders Meeting: for your best participation in the next Shareholders Meeting, or via voting representation, we are pleased to send you detailed information regarding each of the items of the agenda, approved by the board in the session celebrated on February 28th 2018, as well as the proposals to the shareholders.

1. Review and approval of the 2017 Annual Report, which includes the analysis and discussion of the financial statements and corporate management.

The audited financial statements and the Annual Report were approved by the board of directors and notified as "Relevant Issue" (Hecho de Importancia) on February 28th, 2018, having been registered in the website of the securities regulator, the "Superintendencia del Mercado de Valores (SMV)", as well as on the company's website.

The financial statements, separated and consolidated, have been audited by PwC audit firm. The Annual Report has been prepared according to the rules and standards of the securities regulator (SMV).

2. Profits distribution.

The company's dividend policy states that 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 free disposal 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 free disposal profits obtained at the closing of tax year, the shareholders meeting may distribute a larger cash dividend, up to the highest limit of 60% of the free disposal profits.

The proposal of the Board of Directors is to deliver a cash dividend of S/ 132,171,314.61, amount that does not exceed the threshold above mentioned. Cash dividend will be equivalent to S/0.135465 per share, representing 13.5465% of the issued shares nominal value.

Given that the Company still has retained earnings from previous years, the proposed cash dividend will come from retained earnings from previous years, according to a recent mechanism that establishes an order for the delivery of retained earnings, starting with the oldest ones.

After the delivery of cash dividends, the balance of retained earnings will amount to S/323,997,777. This will allow Ferreycorp to have adequate financial ratios and have resources to finance the growth of the Company.

3. Amend dividend policy to allow for advance dividend distribution and delegation of powers to the Board

The current dividend policy states that "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 free disposal 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 free disposal profits obtained at the closing of tax year, the shareholders meeting may distribute a larger cash dividend, up to the highest limit of 60% of the free disposal profits."

However, it could be that in a given year the liquidity level may justify an advance dividend distribution due to lack of alternative uses such as debt or investments, or that upon closing the year it is decided to distribute dividends before holding the Shareholders' Meeting or before

completion of the time it takes to register the agreements. The current dividend policy only makes reference to an annual distribution.

Therefore, in order to provide greater flexibility, a modification of the dividend policy is proposed, as follows:

"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 free disposal 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 free disposal profits obtained at the closing of tax year, the shareholders meeting may distribute a larger cash dividend, up to the highest limit of 60% of the free disposal profits.

The Board may propose and agree to distribute advance dividends during the corresponding year or upon closing the fiscal year up to the moment when dividends are determined, based on information from the financial statements that show the existence of distributable profits in the current fiscal year, considering not to affect the financial capacity of the company to meet the payment of its obligations based on the information presented by the general management."

4. Appointment of external auditors for fiscal year 2018.

Complying with the recruitment procedure for external audit services, in 2017 was carried out selection process by which resulted elected Gaveglio, Aparicio y Asociados Sociedad Civil de Responsabilidad Limitada, member of Price Waterhouse Coopers (PwC), due to the winning combination of its technical and economic proposal.

In the meeting held on February 28th 2017, and following the recommendation of the Audit and Risk Committee, the Board approved to propose to the Shareholders Meeting the designation of PwC as the audit firm for financial audit services, transfer pricing studies, review of affidavits of Income tax accrued for 2017 and diagnosis on the adoption of IFRS. Income from this last three services corresponded to 11%, 13% and 8%, respectively, of the total invoiced by the auditing company during 2017.

Likewise, the Board proposes to the Shareholders Meeting to re-appoint the audit firm PwC in 2018, requesting to delegate to the Board and management the negotiation and contracting of the aforementioned services for Ferreycorp and its subsidiaries in Peru and its companies abroad.

This proposal 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 and with the satisfaction from the Audit and Risk Committee regarding the services provided by the firm.

It should be mentioned that the the Audit and Risk Committee has the following functions:

- Supervise the integrity of accounting systems through an appropriate external audit.
- Review and periodically 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.

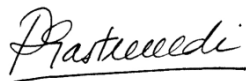
The composition of the Audit and Risk Committee is chaired by Mr. Javier Otero Nosiglia (independent director) and are members: Andreas von Wedemeyer Knigge, Óscar Espinosa Bedoya, Carlos Ferreyros Aspillaga, Juan Manuel Peña Roca and Gustavo Noriega Bentín (independent director).

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

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

Having explained the Board's proposals to the shareholders, we thank you in advance for your attention to the present and your participation in the Annual General Shareholders Meeting of Ferreycorp. We hope that the explanation of the proposals of the Board has been clear and that it facilitates your support to them.

Best regards



Patricia Gastelumendi Lukis
CFO