

Corporate Presentation

March 2014





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1.

**Ferreycorp at
a glance and
capabilities**

2.

**Financial
highlights**

Mission, vision and corporate values

+ MISSION

To provide the solutions that each customer needs, by supplying the capital goods and services that they require to create value in the markets where they operate

+ VISION

Strengthen our leadership by being recognized by our customers as the best choice, in a way we can achieve our growth targets

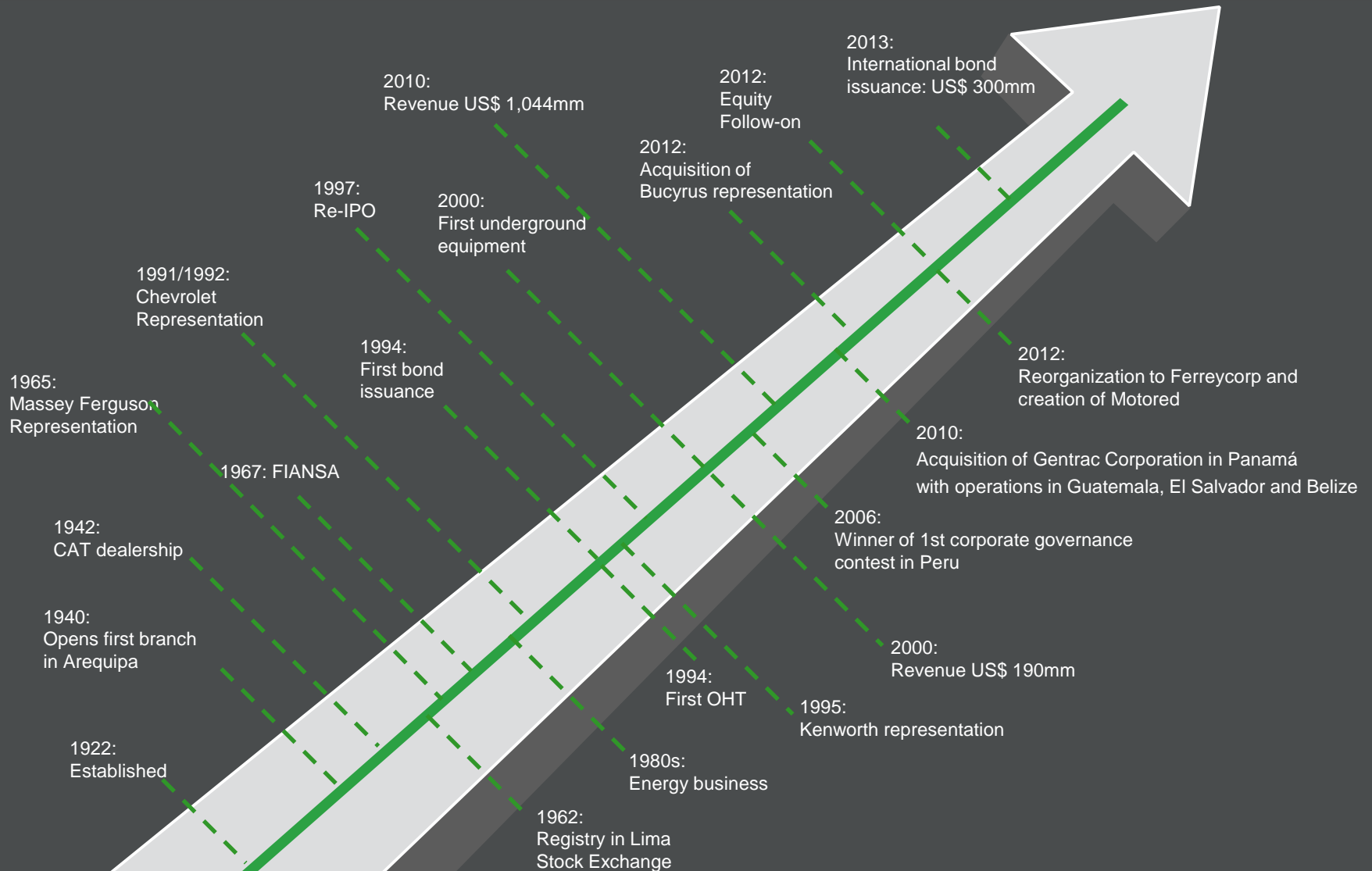
+ CORPORATE VALUES

- Integrity
- Equality
- Service oriented
- Excellence and innovation
- Respect for individuals
- Teamwork
- Commitment

+ OUR STRATEGY



Corporate history



Organization Structure



Caterpillar Dealers in Perú



As of 4Q 2013
 Revenues: US\$ 1,566MM (81%)
 Ebitda: 193MM (89%)

Caterpillar Dealers in Central America



As of 4Q 2013
 Revenues: US\$ 196MM (9%)
 Ebitda: US\$ 17MM (8%)

Other subsidiaries

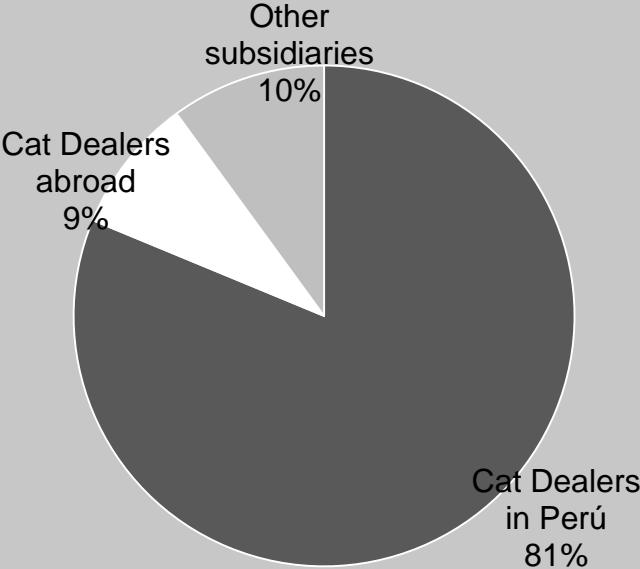


As of 4Q 2013
 Revenues: US\$ 171MM (10%)
 Ebitda: US\$ 7MM (3%)

Sales and Ebitda distribution as of 4Q 2013

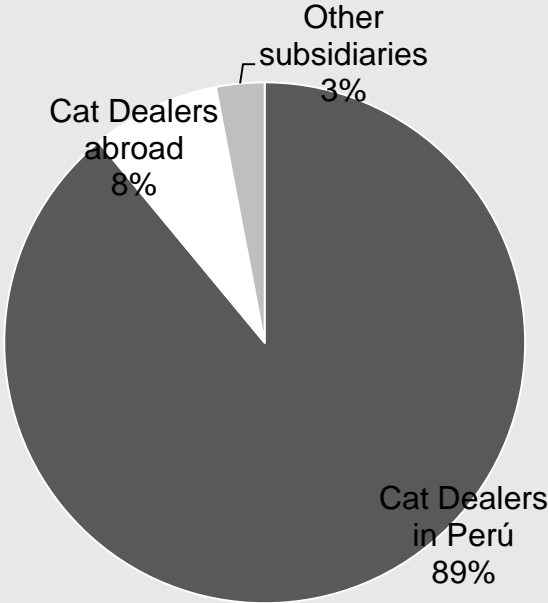


Sales



Total: US\$ 1,933mm

EBITDA



Total: US\$ 217mm

Key success factors



- 1 
- 2 
- 3 
- 4 
- 5 
- 6 
- 7 
- 8 
- 9 
- 10 

Able to take market opportunities in an attractive economy

Grow client base with presence in fast-growing sectors

Seed from established and growing fleet of equipment, increase share of wallet

Strategic alliance with Caterpillar and continuous alignment

Product portfolio and value added services portfolio and focuss in technology

Integrated business model and strategic value proposition

Difficult to replicate logistics system and distribution network

Solid profitability metrics and reinvestment to continue to grow

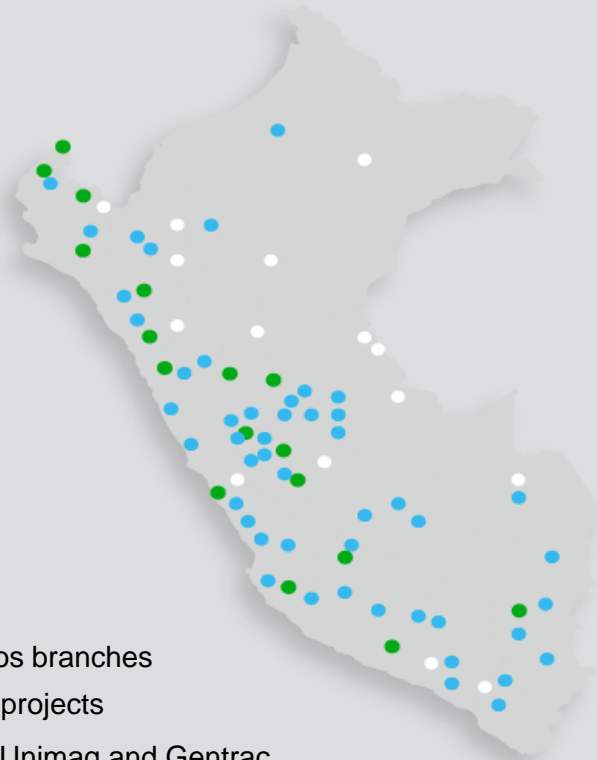
Seasoned management team and qualified workforce

Strong corporate governance and social responsibility

Nationwide coverage

Ferreyros establishment > Branches > Projects "in situ" > Branches expansion > International expansion

Local



- Ferreyros branches
- On-site projects
- Orvisa, Unimaq and Gentrac Guatemala branches

International

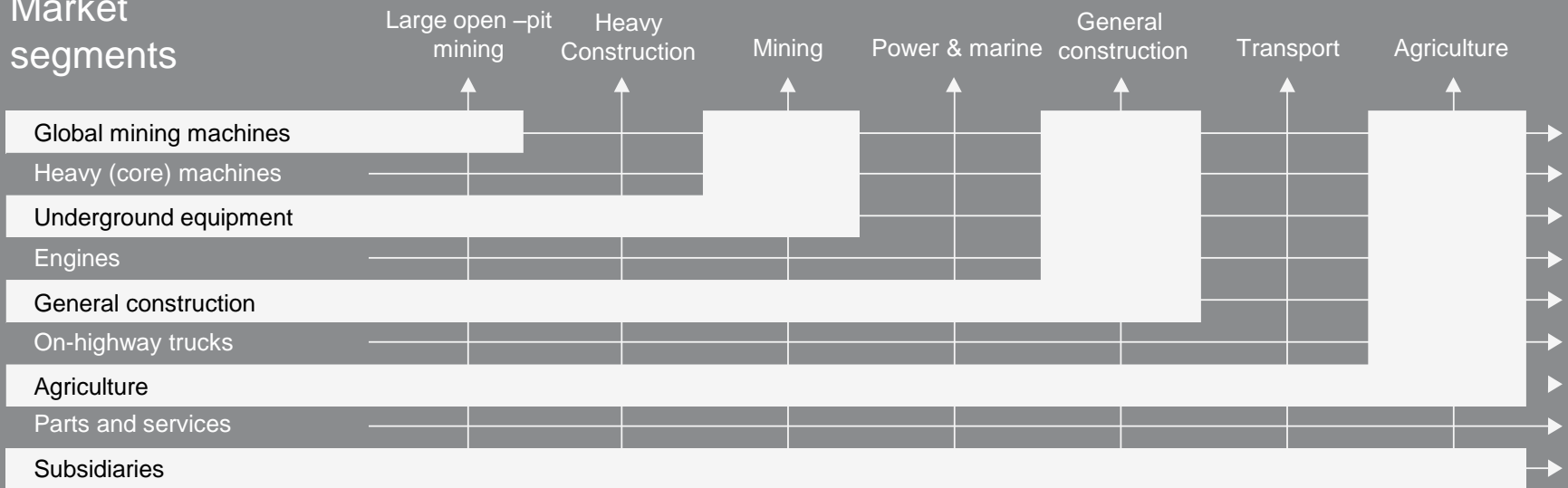


Customer-oriented matrix organization

Business platform to target different sectors in the Peruvian economy including:

- ▶ Mining division – open pit mining
- ▶ Construction and mining
- ▶ General Construction & industrial – subsidiary Unimaq
- ▶ Power, marine and hydrocarbons
- ▶ Government

Market segments



Lean logistics



Lean and efficient logistics and infrastructure

Logistics footprint

Ferreycorp integrates and administrates all the key elements in the logistic chain as a value proposition

- ▶ Vertical integration through complementary businesses :
- ▶ 1)Freight Forwarder (FORBIS) y 2)Warehouses and terminals (Fargoline)
- ▶ Efficient handling: 100,000 SKU (Sales Key Unit)
- ▶ Day 1: 83% of requests, Day 5: 95%
- ▶ 365 days, 24x7 operation, including expedited process for urgent requests
- ▶ Leading importer in Perú – green channel



CAT > Freight forwarder > Transport Air/Sea > Customs expedite > CDC + Inland > Mine site operations

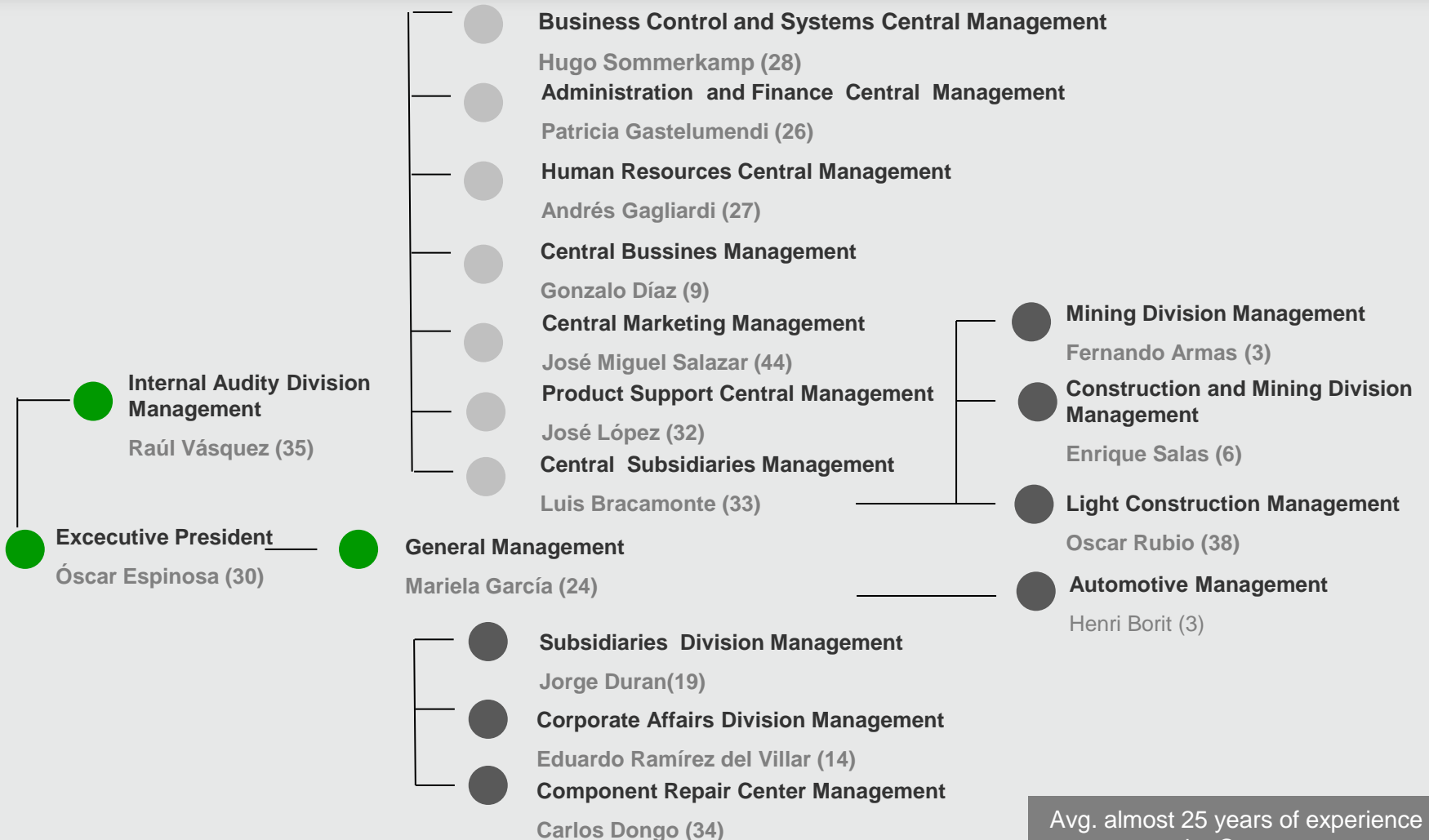
Complementary services >

Forbis Logistics

Fargoline

Ferreycorp is constantly improving efficiency and technology to ensure best practices
Guarantee 24–48 hours delivery from U.S. to Lima and between 48 – 72 hours to mine site

Seasoned management team



Avg. almost 25 years of experience in the Company

Qualified and talented workforce

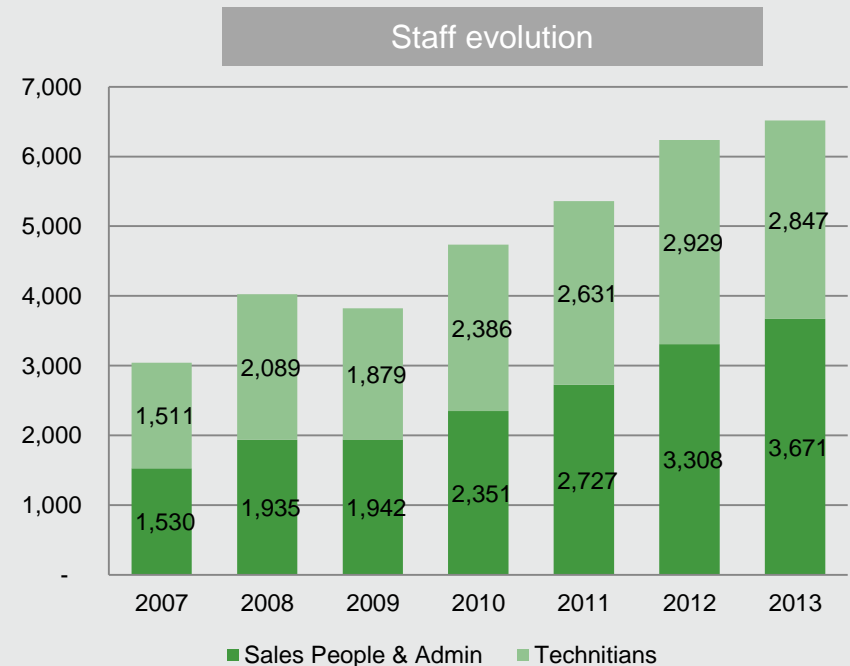
Strong commitment to have the most qualified workforce

- ▶ As of September 2013, Ferreycorp had a total of 6,519 employees
- ▶ 2,847 technicians
- ▶ 3,518 administratives and sales
- ▶ 154 executives

The company's employee population has been growing in line with the revenue's growth

Programs to retain and develop best talents:

- ▶ Leadership programs developed by Harvard Business Review and Universidad de Piura, PAD Master degree programs for management. Costs are 100% covered by Ferreycorp as a way to retain best talent
- ▶ Programs to develop technical crew
- ▶ Training programs according to Caterpillar's approach



Strong corporate governance and social responsibility



- ▶ High degree of compliance with the good corporate governance principles:
- ▶ International recognition: World Finance Award 2011 and 2012; Latin America Investor Relations Awards 2011 (LirA'11)
- ▶ Since 2005 Ferreycorp is a member of the Companies Circle of the Latin America Governance Roundtable launched by OECD and IFC: it brings together 20 leading companies with practical experience in implementing best CG practices
- ▶ Stock Market recognizes Ferreycorp among the ten companies with best Corporate Governance practices in Peru: 2013 Lima Stock Exchange Key
- ▶ Since 2008, part of the Peruvian Good Corporate Governance Index
- ▶ Self validation: high degree of compliance with the good corporate governance principles.

- ▶ Win/Win situation with all stakeholders
- ▶ Social Responsibility Programs to train low income persons in the area of influence of Ferreycorp's clients: "Jovenes con Futuro"



1.

Ferreycorp at
a glance and
capabilities

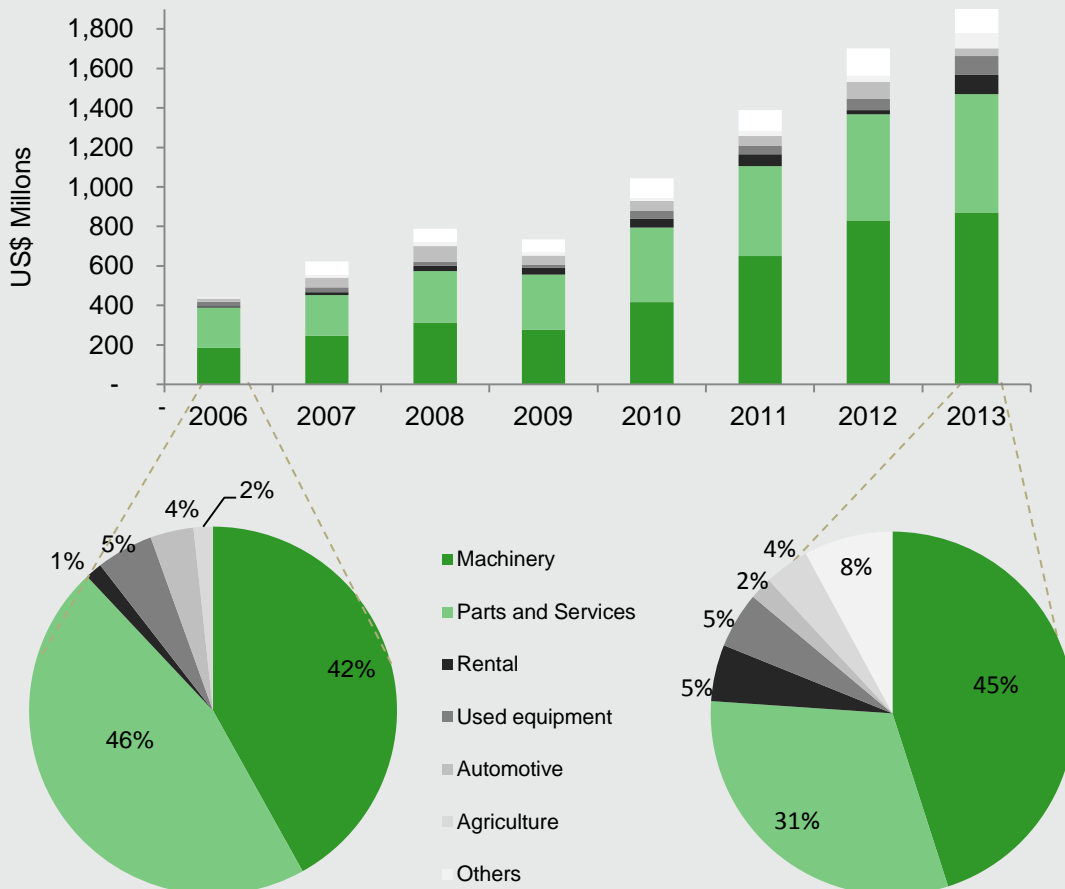
2.

Financial
highlights

Financial highlights



Sales by commercial line



- ▶ Imports and distributes capital goods and spare parts and is the leading provider of rental services. #1 importer of capital goods in Peru
- ▶ Unique Caterpillar distributor in Peru, Guatemala, El Salvador and Belize
 - ▶ More than 70 years of strategic alliance with Caterpillar
 - ▶ 60% market share of CAT products
- ▶ Business model: focus on aftermarket sales
- ▶ Coverage of key sectors in the economy including mining (large open pit mining, underground mining), construction, agriculture, power, fishing, among others.
- ▶ Shareholders: +3,000
- ▶ Market cap: ~ US\$600 MM

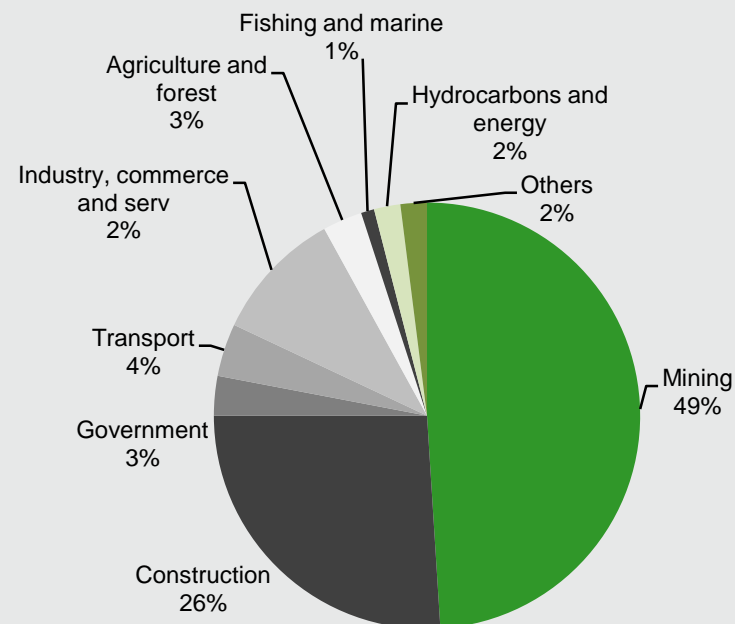
Financial highlights



Key Financials

USD MM	2010	2011	2012	2013
Revenues	1,043	1,389	1,831	1933
Ebitda	115	152	181	217
Net debt/ Ebitda	3.54	3.43	3.62	3.28

Sales by economic sectors – 4Q 2013

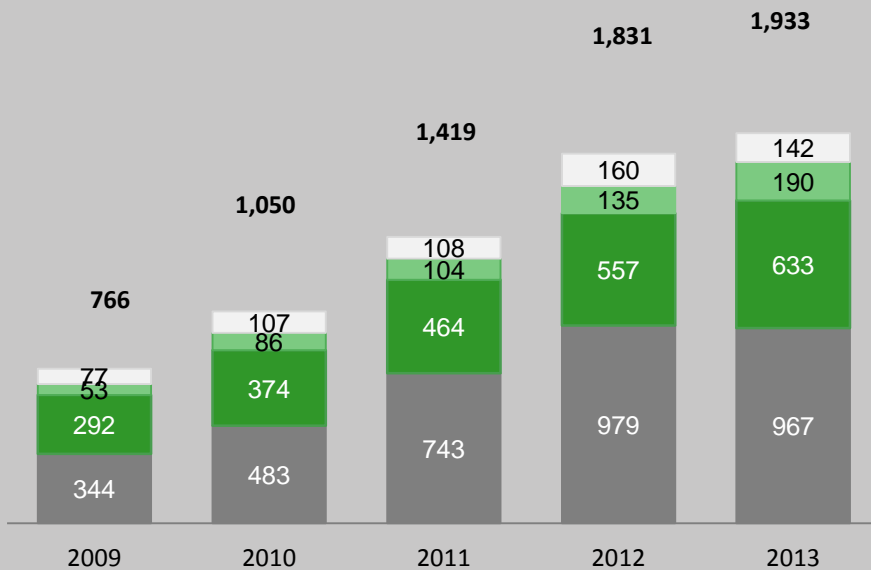


Track record of consistent financial performance

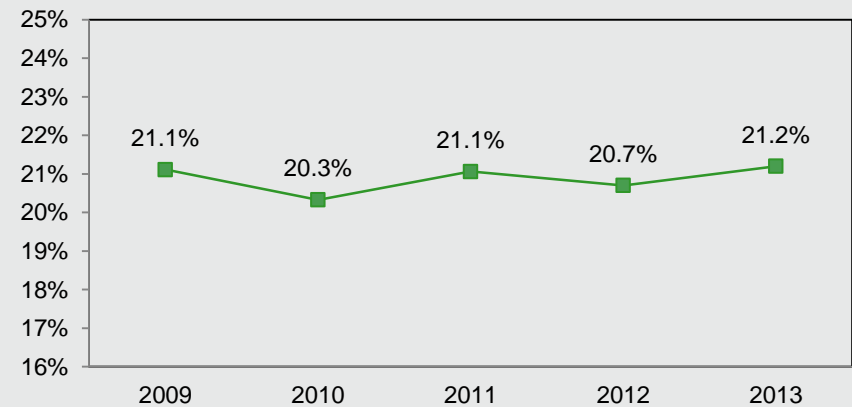


Sales (US\$mm)

■ Prime ■ Parts and services ■ Used and Rental ■ Others



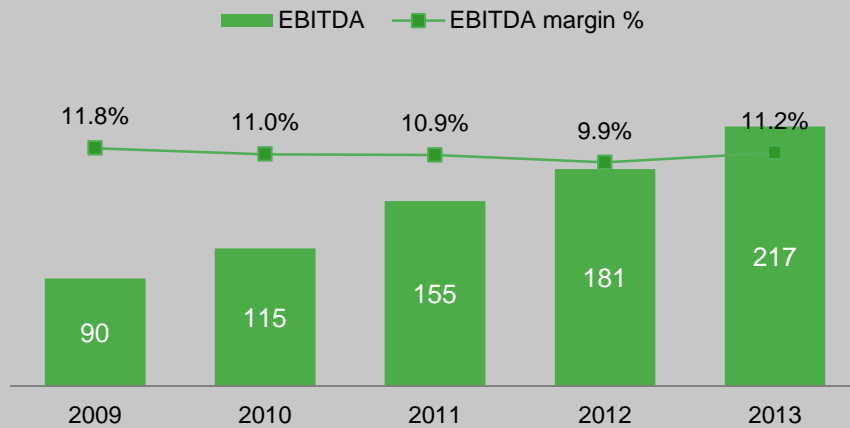
Gross Margin



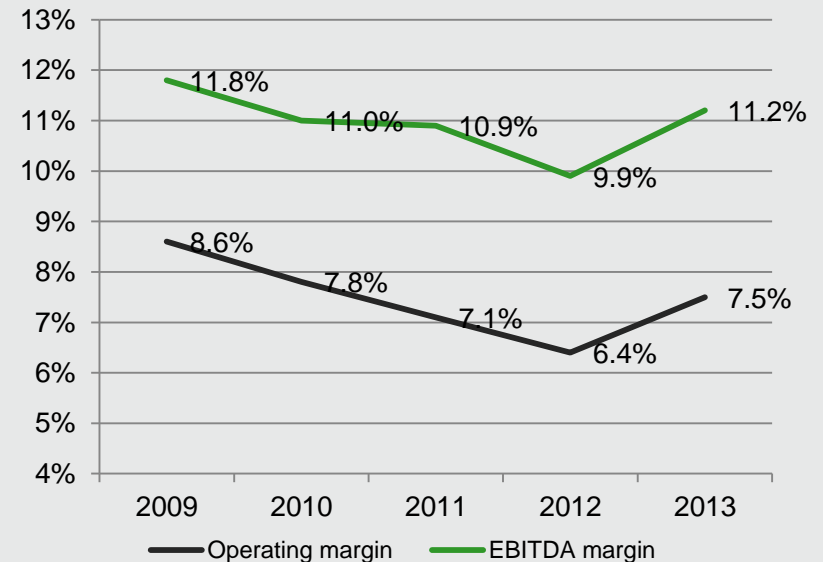
Track record of consistent financial performance



EBITDA (US\$mm) and EBITDA margin (%)

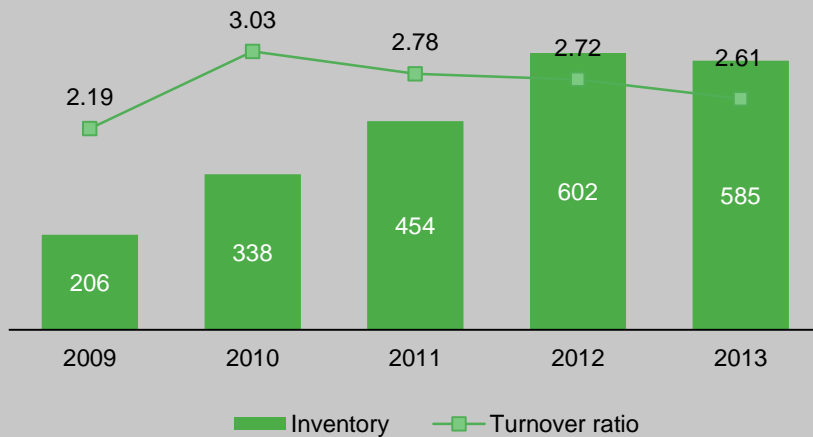


Operating and EBITDA margin

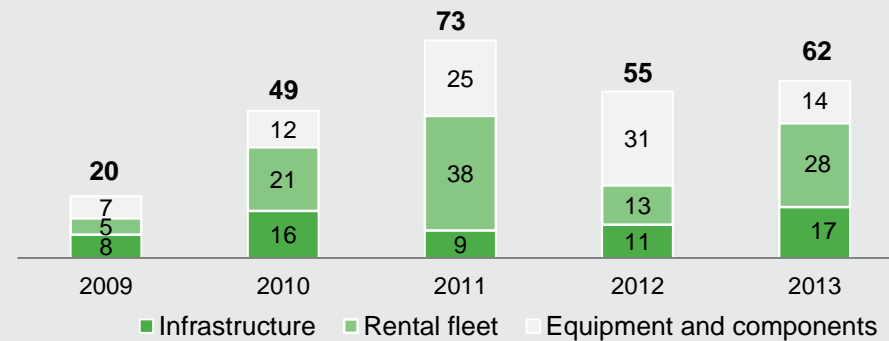


Investment in assets

Inventory evolution (US\$mm) and turnover ratio

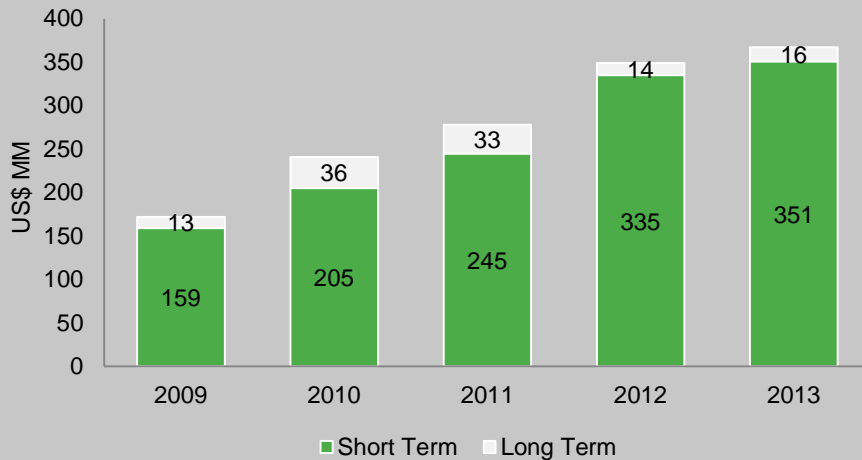


CAPEX evolution (US\$mm)

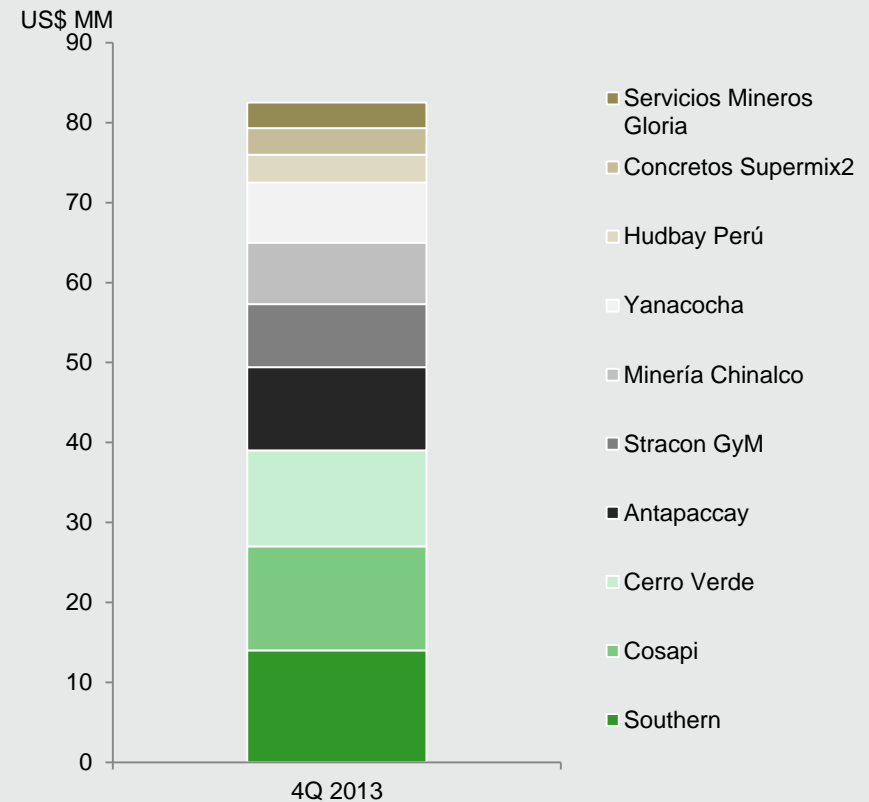


Accounts receivables

Accounts Receivable evolution by term



10 main customers (\$82.5mm)

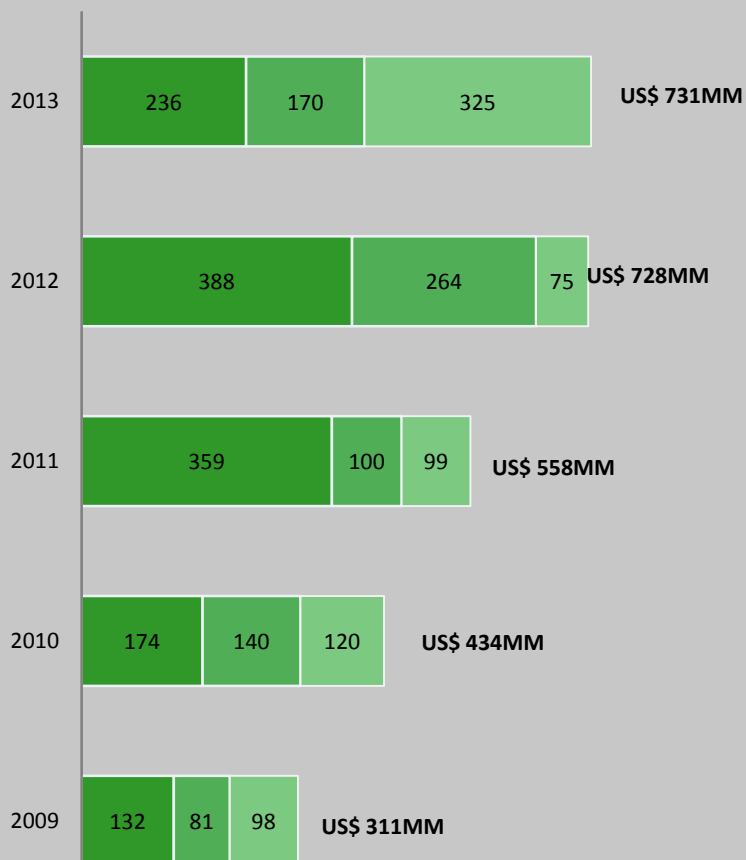


Access to diversified sources of financing



Diversified funding base (US\$mm)

■ Bancos ■ CAT Leasing Chile y Hanover ■ Bonos

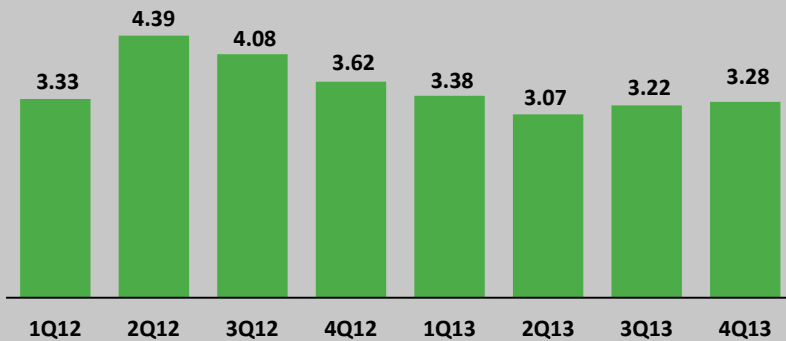


	Average Interest rate	Net Debt/ EBITDA
2013	4.40%	3.28x
2012	4.20%	3.62x
2011	4.88%	3.43x
2010	4.96%	3.2x
2009	5.25%	1.89x

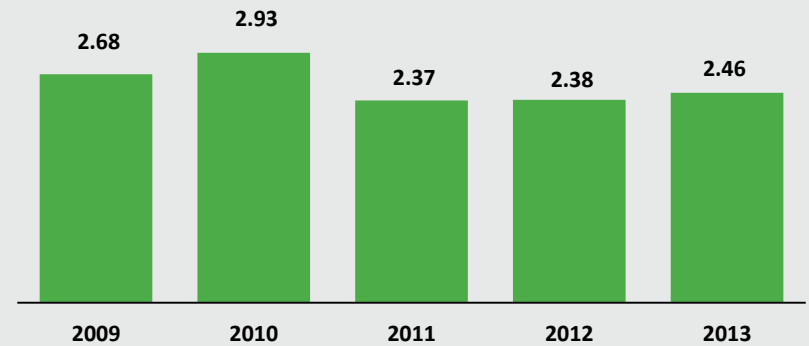
Financial ratios



Net debt to EBITDA ratio



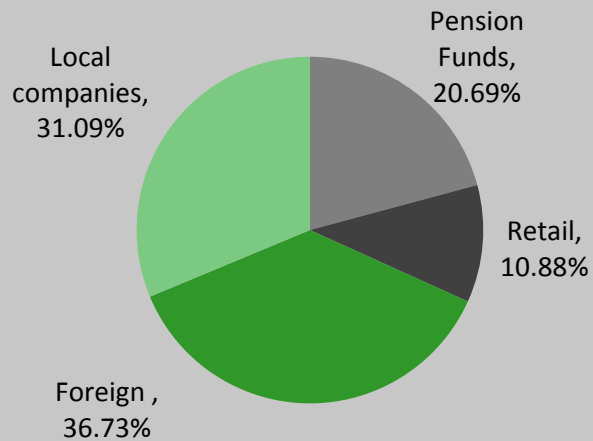
Adjusted debt to EBITDA ratio



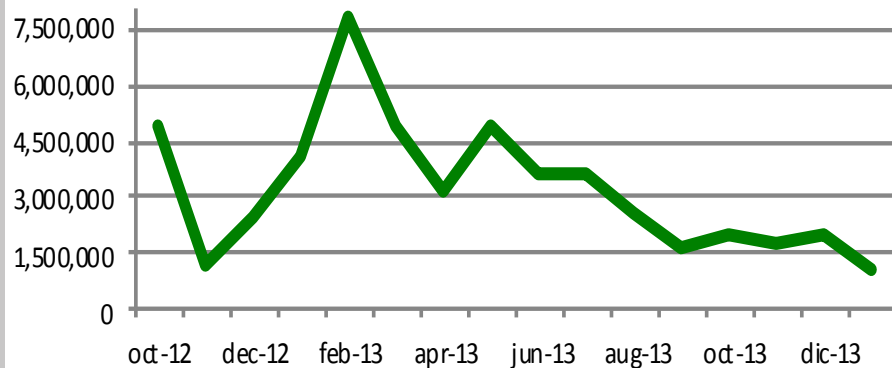
Ferreycorp in the Capital Market



Shareholders composition



Average Monthly Amount Traded – Thousand S/.



Capital S/. 945'227,102.00

Nº of stocks 945'227,102.00

Nominal value S/. 1.00

Main shareholders as of Enero 2014

Titular	%
La Positiva Vida Seguros y Reaseguros S.A	8.12%
Equinox Partners	6.44%
IN- Fondo 2 (AFP Integra)	6.36%

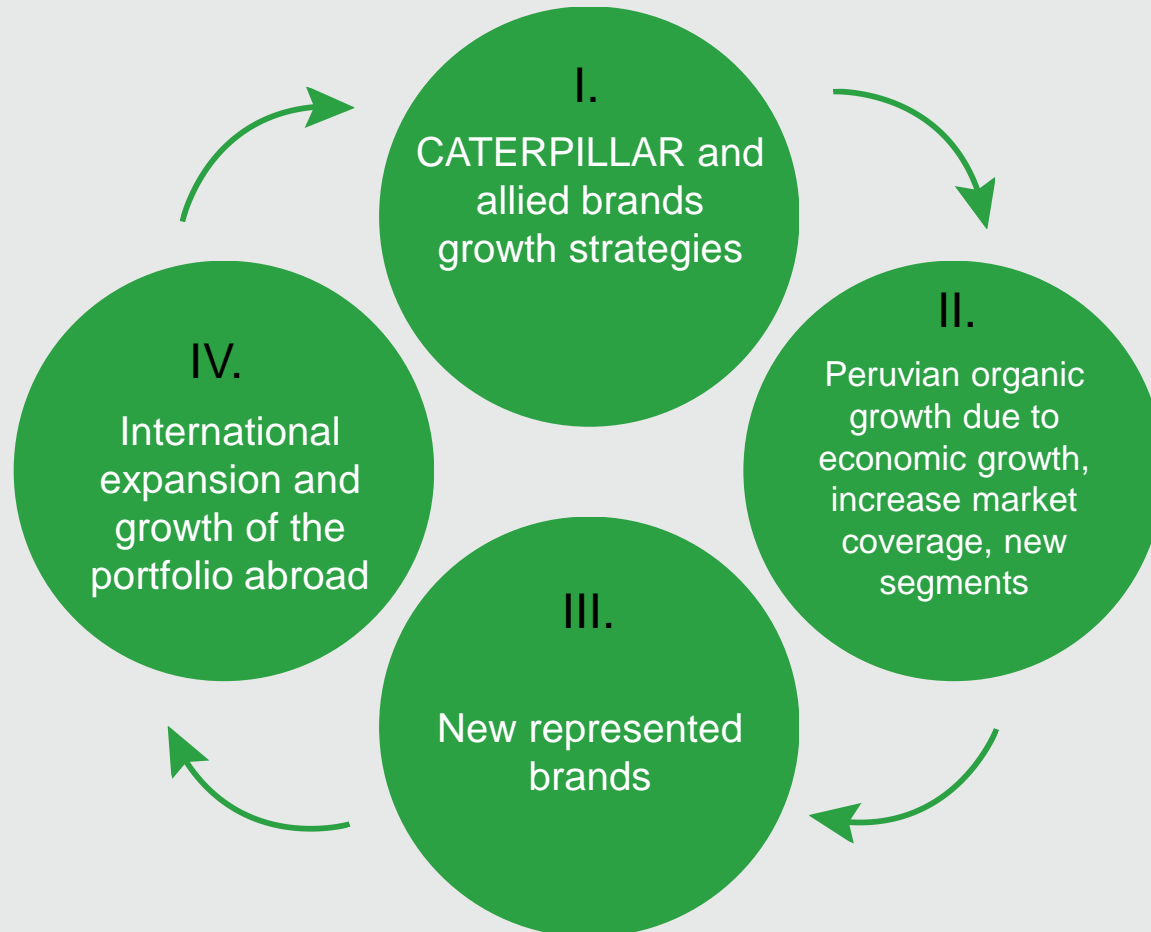
Diversified shareholders base with 3,175 as November 2013

○ More than 5% of total shares: 2 shareholders (15.12% capital)

Historical Stock Price Evolution



Growth model



Contacts

Administration and Finance Manager:
Patricia Gastelumendi

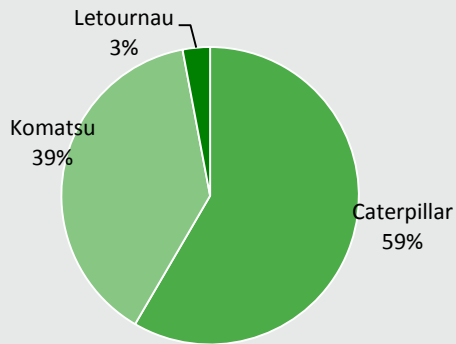
Treasury Manager:
Liliana Montalvo

Investor Relations:
Elizabeth Tamayo

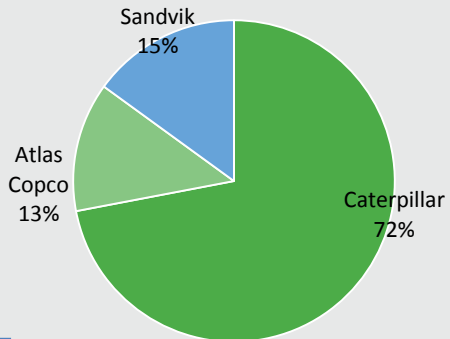
Market share

Perú

Open pit mining

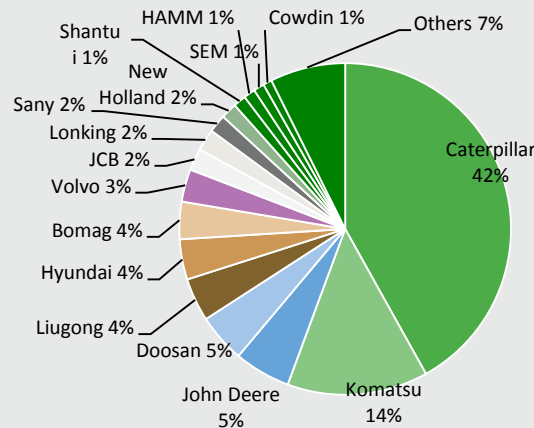


Underground mining

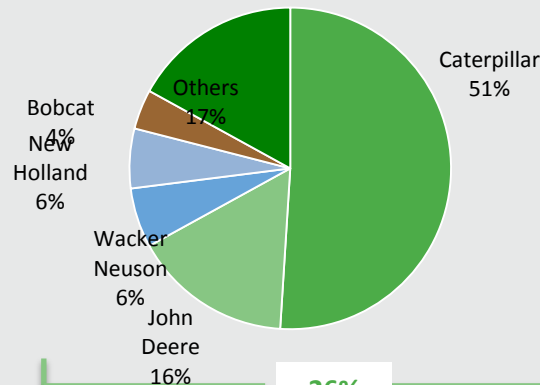


49%

Heavy construction



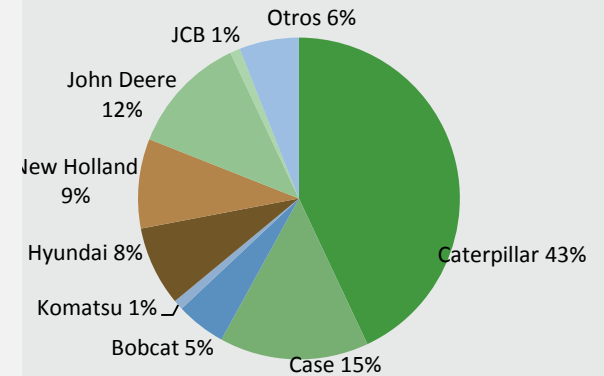
General construction



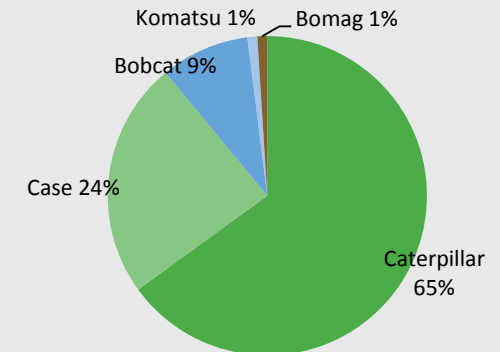
26%

Central America

Guatemala



El Salvador



9%

Source: Imports statistics /Units-FOB Rolling Dec13

Dividend policy – annual compliance



- ❑ In 1997, the company's shareholders approved the dividend policy.
- ❑ A modification was approved to assign minimum and maximum ranges. Cash dividends will amount to 5% of the capital or a ceiling equal to 60% of freely available profits. The remainder will be capitalized and distributed as stock dividends.
- ❑ The amount to be distributed every year is approved in the Annual Shareholders Meeting.
- ❑ In the 2013 Shareholders Meeting a modification was approved to assign a new maximum range: from 50% to 60% of freely available profits.

YEAR	CAPITAL	NET PROFIT (net of reserves)	% TO BE DISTRIBUTED	CASH DIVIDENDS		DIVIDENDS P/S
	SOLES	SOLES		5%	60%	
				CAPITAL	NET PROFIT	
2003	225,500,000.00	18,268,787	5.000%	11,275,000	9,134,394	0.055
2004	239,800,000.00	24,793,743	5.000%	11,990,000	12,396,872	0.055
2005	266,178,000.00	27,127,826	5.000%	13,308,900	13,563,913	0.055
2006	284,196,000.00	79,972,754	10.000%	28,419,600	39,986,377	0.110
2007	335,640,926.50	114,345,493	12.004%	40,289,899	57,172,747	0.13204
2008	415,448,500.50	72,400,381	5.000%	20,772,425	36,200,191	0.05500
2009	467,297,783.70	90,452,887	6.000%	28,037,867	45,226,443	0.06600
2010	530,961,158.80	124,528,171	6.000%	31,857,670	62,264,086	0.06600
2011	698,402,606.00	146,736,476	6.00%	41,904,156	73,368,238	0.06000
2012	803,234,873.00	158,285,551	6.00%	48,194,092	79,142,775	0.06000