

**MANAGEMENT REPORT AND DISCUSSION OF THE CONSOLIDATED FINANCIAL STATEMENTS OF
FERREYCORP S.A.A. (Former – FERREYROS S.A.A) AND SUBSIDIARIES**

Ferreycorp S.A.A, the leading importer of capital goods and services in the country, and its subsidiaries in Peru, Guatemala, El Salvador and Belice, reported consolidated sales of US\$ 485.6 million as of March 31, 2013, an increase of 28.6% compared with US\$ 377.6 million in the first quarter of 2012.

In the first quarter of 2013, the consolidated gross profit reached US\$ 90.9 million, representing an increase of 18% compared to the same period in 2012 (US\$ 77.1 million).

Meanwhile, EBITDA margin for the first quarter of 2013 reached 9.3% and amounted to US\$ 45.0 million, an 18% increase over the same period last year (US\$ 38.0 million).

During 2012 the company held a corporate reorganization which resulted in a new business structure headed by a holding company, Ferreycorp, which is parent of a number of subsidiaries related to the capital goods and related services. As part of this process, during 2012, the subsidiary Ferreros SA was created as the leading company distributor of capital goods in the country and Caterpillar dealer, among other prestigious brands. The new subsidiary Motored was established in order to attend the market with trucks and buses for various sectors. Both subsidiaries started to have individual financial information since the first quarter of this year

Before explaining the quarterly results, it is important to highlight the strong relationship between Ferreycorp and Caterpillar (CAT) of more than 70 years, sharing common values and business practices. Caterpillar, the world's leading manufacturer of heavy machinery and equipment, has a positive impact on Ferreycorp's activities by contributing with its experience and knowledge through its cooperation to develop strategic training programs, dissemination of best practices in the CAT global dealer network, specialized technical advice on trading and technical support provision for CAT products and a strong financial support for both its dealers and customers.

Ferreycorp is one of the most successful Caterpillar dealers and represents all of CAT's sales volumes in Peru, Guatemala, El Salvador and Belize. Likewise, the relationship with Caterpillar is complemented by Ferreycorp's relationship with other represented prestigious brands, which are solid and lasting relationships.

MAIN HIGHLIGHTS

1. Ferreycorp subsidiaries business acquisition

The corporate strategy includes an organic growth – through the expansion of the economic sectors the company serves and the development of the products and services portfolio – and an inorganic growth – through the acquisition of businesses that are complimentary to the capital goods distribution-. In this regard, Ferreycorp recently made the following acquisitions through its subsidiaries in Peru and abroad:

In Peru, Mega Representaciones S.A., which is a subsidiary that distributes consumables such as Goodyear tires and Mobil lubricants, acquired 100 percent of the shares representing Tecseg S.A, which is a trader of industrial safety products, for US\$ 11 million approximately. This acquisition reinforces Mega Representations role as the corporation's company dedicated to the management of consumables, expanding the portfolio of products offered to sectors such as

mining, construction and transport, using equipment and capital goods, and for whom safety is a priority. During 2012, Tecseg reported revenues of over US\$ 23 million.

In Central America, Ferreycorp acquired the Exxon Mobil lubricants distribution in Guatemala, which was assumed by the subsidiary Gentrac, which operates in this country. The distribution contract of this prestigious product line with the Mercadeo Centroamericano de Lubricantes Sociedad Anónima (Mercalsa) was completed on January 1, 2013. It is important to notice that in Central America, the subsidiary Cogesa is the Mobil distributor in El Salvador.

As part of the agreement with Mercalsa and complementing the acquisition in Guatemala, the purchase of the ExxonMobil lubricants comprehensive distribution in Nicaragua was completed on March 1, 2013. Both acquisitions added a total of US\$ 17.2 million and generated sales of approximately US\$ 30 million in 2012.

2. International bond placement of US\$ 300 million

On april, Ferreycorp successfully issued US\$ 300 million in bonds. The Bonds were oversubscribed by 5 times and were place among qualified institutional buyers within the international and domestic markets. This is Ferreycorp first fixed income instrument in the international market, after 30 years of active participation in the Peruvian capital market.

As part of this process, Ferreycorp held an international roadshow with investors in eight cities in Latin America, United States and Europe. The proceeds of this issuance, with a 4.87% annual rate, will contribute to achieve longer terms for the debt that actually has a term of 3 years with amortizations to pay a 7 years bullet principal. Thus, the corporation will released credit lines in order to finance future investments

The positive response from local and foreign investors shows the confidence and interest in Ferreycorp as well as their favorable perception of the country development. It is also shows a solid valuation of our business model, which relies on the representation of prestigious brands, particularly Caterpillar, and our ability to provide service, backed by permanent investment.

The Bonds were rated “BB+” with a Stable Outlook by international ratings agencies Moody’s and Standard & Poor’s.

The bonds were structured by Bank of America-Merrill Lynch, J.P. Morgan and BCP Capital. The bonds were placed under Rule 144A and Regulation S based on the United States Securities Act of 1933.

FINANCIAL RESULTS OF FERREYRCORP AND SUBSIDIARIES - SUMMARY

(In million of soles)

Financial results are shown below:

	1Q 2013		4Q 2012		Var	1Q 2012		Var
		%		%	%		%	%
Net Sales US\$	486		483		0.6	378		28.6
Net Sales	1,250	100.0	1,247	100.0	0.2	1,013	100.0	23.4
Gross profit	234	18.7	245	19.7	-4.5	207	20.4	13.2
Operating profit	72	5.8	71	5.7	2.1	64	6.3	12.4
Financial expenses, net	(17)	(1.4)	(21)	(1.7)	-18.5	(13)	(1.3)	34.3
Gain (loss) to exchange rate	(17)	(1.4)	25	2.0	-167.5	13	1.3	-233.1
Net profit	26	2.1	59	4.7	-55.0	45	4.4	-41.2
EBITDA	116	9.3	116	9.3	-0.4	102	10.1	13.6

Ferreycorp and subsidiaries reported first-quarter 2013 sales of US\$ 485.6 million, which represents an important increase of 28.6% compared with US\$ 377.6 million in the first quarter of 2012. The increase in soles was lower (23.4%) due to an average exchange sale rate of S/. 2.574 in the first quarter of 2013, compared with the average exchange sale rate of S/. 2.683 reported in the first quarter of 2012. It is noteworthy that the U.S. dollar is mainly used as invoice currency by the corporation.

Gross profit in the first quarter of 2013 was S/. 234.0 million, 13.2% higher compared with S/. 206.8 million in the same period of 2012. The increase in gross profit is lower than sales increase because, in percentage terms, gross margin during the first quarter of 2013 was 18.7%, lower than 20.4% reported in the same period of 2012 (see a detailed explanation in the section "Gross Profit").

Operating expenses recorded an increase of 17.3%, lower than growth in sales (see an explanation in the section "Selling and Administrative Expenses").

Operating profit reached S/. 72.3 million for the first quarter of 2013, an increase of 12.4% compared with S/. 64.3 million in the first quarter of 2012. In percentage terms, operating profit as a percentage of total sales dropped to 5.8% in the first quarter of 2013, compared with 6.3% reported in the same period of the previous year.

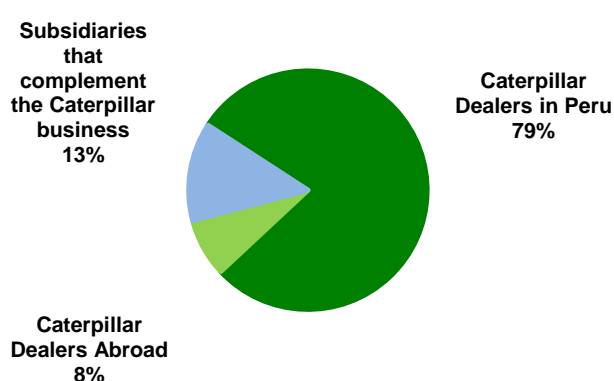
First-quarter 2013 net profit was S/. 26.4 million, a decrease of 41.2% compared with S/. 44.9 million in the first quarter of 2012. In percentage terms, net profit compared to total sales dropped to 2.1% for the first quarter of 2013, compared with 4.4% recorded during the first quarter of 2012.

On the other hand, EBITDA benefited from the increase in operating profit for the first quarter of 2013, which amounted to S/. 115.7 million (US\$ 45 million), an increase of 13.6% compared to S/. 101.9 million (US\$ 38 million) in the first quarter of 2012.

COMMERCIAL MANAGEMENT

Ferreycorp distributes its businesses in three big divisions: Caterpillar dealers in Peru (Ferreyros, Unimaq and Orvisa), Caterpillar dealers in Central America (Gentrac group), and the ones aimed to offer capital goods and services other than Caterpillar to different productive sectors (Motored, Fiansa, Fargoline, Mega Representaciones, Cresko, Ferrenergy, Forbis Logistics, among others).

The chart below shows the composition of corporation sales for the first quarter of 2013 according to this classification:

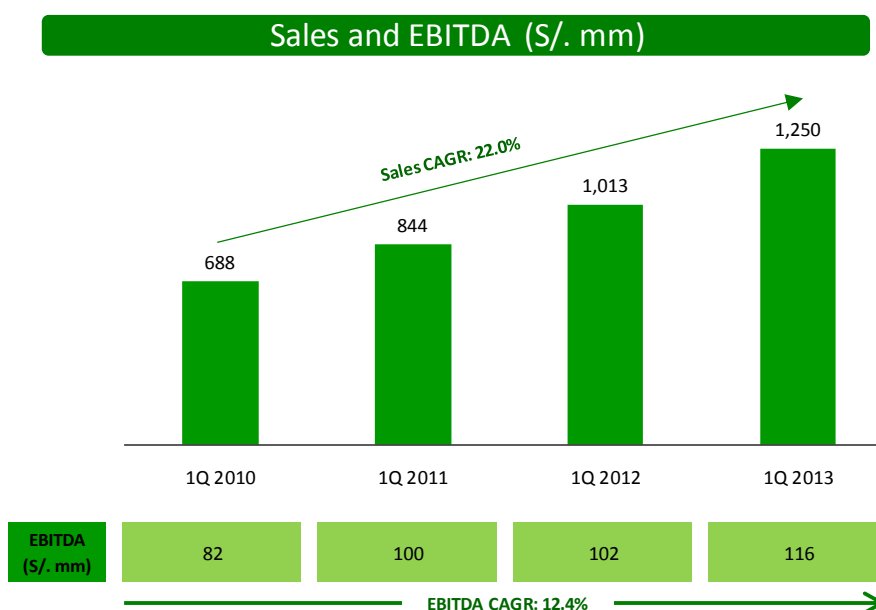
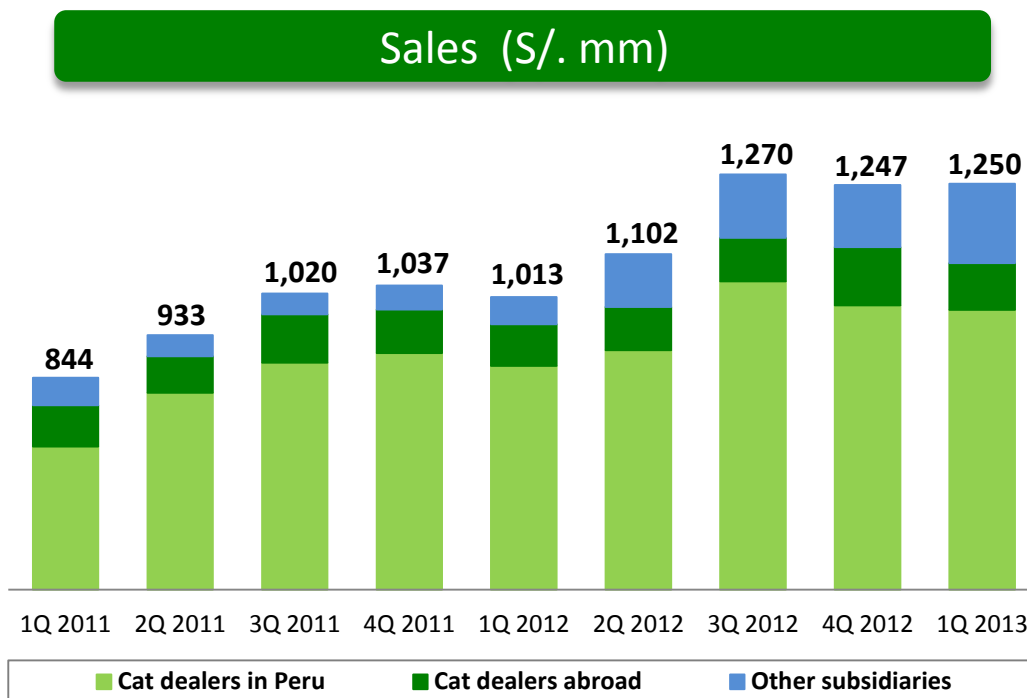


Consolidated Net Sales (\$/. In Thousands)

	1Q 2013	%	1Q 2012	%	VAR %
Ferreyros + Ferreycorp	830,207	66.4%	739,083	73.0%	12.3%
Unimaq	109,270	8.7%	94,184	9.3%	16.0%
Orvisa	46,668	3.7%	35,803	3.5%	30.3%
Caterpillar dealers in Perú	986,145	78.9%	869,069	85.8%	13.5%
Caterpillar dealers Abroad	98,072	7.8%	86,706	8.6%	13.1%
Motored	77,641	6.2%	-		
Mega Representaciones	48,526	3.9%	30,253	3.0%	60.4%
Ferrenergy	8,339	0.7%	2,415	0.2%	245.3%
Fargoline	8,334	0.7%	4,719	0.5%	76.6%
Otras (Cresko, Fiansa, entre otras)	23,064	1.8%	19,860	2.0%	16.1%
Other Subsidiaries	165,904	13.3%	57,248	5.7%	189.8%
Total Net Sales	1,250,121	100.0%	1,013,023	100.0%	23.4%

The significant increase in sales attained by the corporate's subsidiaries is basically due to expanded market coverage and more dynamic economic development showed in the mining, construction, transport, hydrocarbons and maritime sectors, among others. Additionally, new commercial lines were added by the acquisition of new businesses, as described in the section "Main Highlights", Subsection 2 ("Business Acquisition").

Sales continue to show a sustainable growth rate on a quarter-by-quarter basis (compared with the corresponding periods in prior years) as shown in the chart below:



For the first quarter of 2013, almost all the commercial lines recorded significant growth compared with the same period of 2012. Among them, it is noteworthy the increase of 318.2% in sales of Caterpillar equipment to clients from the big mining companies. Sales to the mining sector accounted for 52.1% of the total sales, compared with 39 % in the same period of 2012.

Sales of units of the automotive commercial line increased by 13.2% principally due to the rising demand in economic sectors to which these sales are aimed, such as transport and construction, and the transference of this business exclusively to subsidiary Motored, which was managed until March 31st, 2012 by Ferreyrcorp (former Ferreyros S.A).

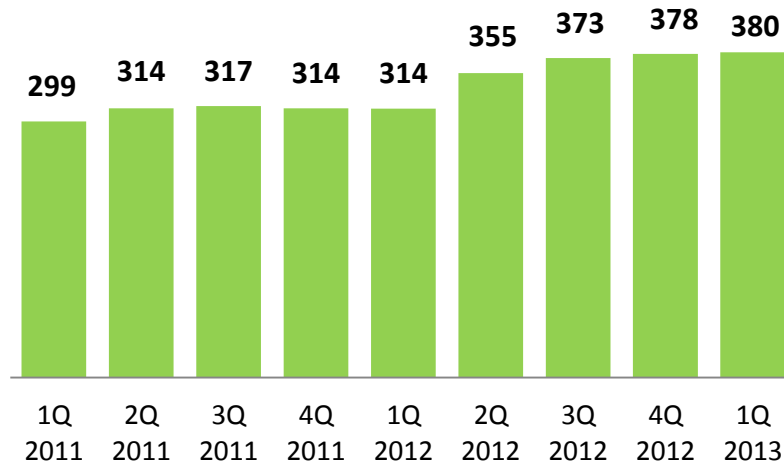
Other commercial lines managed by the rest of subsidiaries also had impressive sales growth. Their sales increased by 47.9% for the first quarter of 2013, compared with the first quarter of 2012. Among the most remarkable increases are those of Mega Representaciones (S/. 18.3 million), Ferrenergy (S/. 5.9 million), Unimaq Equipos Ligeros (S/. 4.4 million), and Fargoline (S/. 3.6 million).

	1Q 2013		1Q 2012		Var
		%		%	%
Caterpillar Equipment					
Big Mining (BM)	258	20.7	62	6.1	318.2
Other(NBM)	310	24.8	382	37.7	-18.8
	568	45.5	444	43.8	28.1
Agricultural equipment	12	0.9	23	2.2	-48.8
Automotive	69	5.5	61	6.0	13.2
Rental and used	87	7.0	86	8.5	1.4
	736	58.9	613	60.5	20.1
Spare parts and services	380	30.4	314	31.0	20.9
Other sales from local subsidiaries	112	8.9	76	7.5	47.9
Other sales from subsidiaries abroad	22	1.8	10	1.0	122.9
Total	1,250	100.0	1,013	100.0	23.4

Sales of spare parts and services continued their growth trend in the first quarter of 2013, increasing by 20.9% compared with the same period of 2012, as shown in the chart below. This increase is mainly due to the number of units sold during the last years in the country.

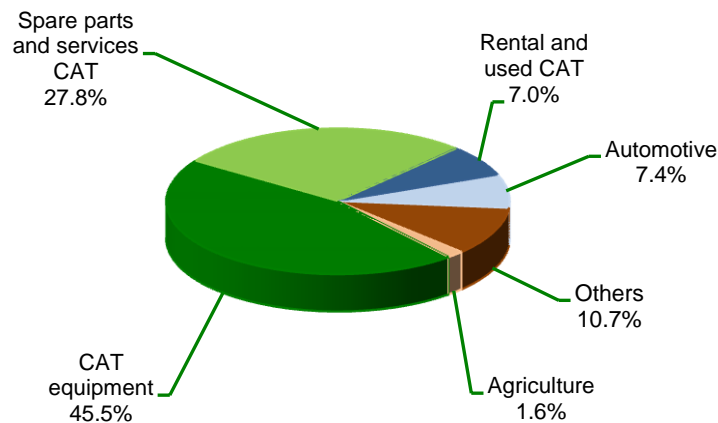
One of the main qualities of the Ferreyrcorp S.A.A. subsidiaries is their well-known and quality after-sales service, for which they have made important investments in inventories of spare parts and components as well as in the modernization of workshops throughout the country. Additionally, part of this growth is due to the incorporation of the Bucyrus line.

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



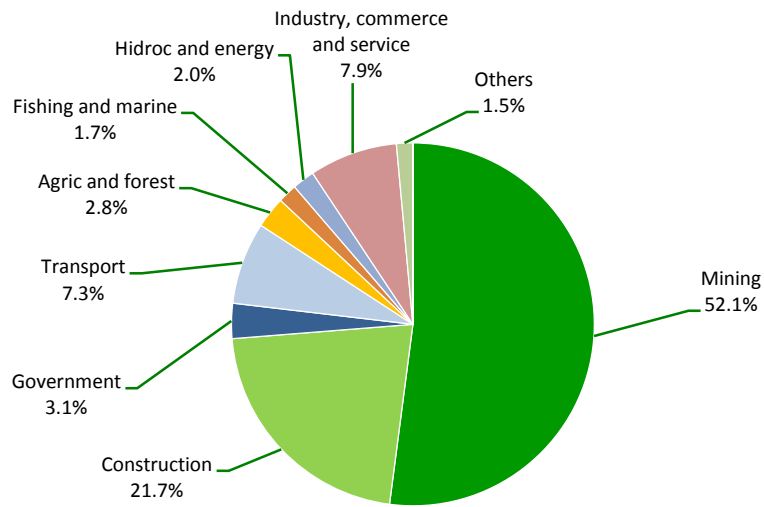
As of March 31st, 2013, sales from the Caterpillar lines accounted for 80.3% of the total income of the corporation, including the sale of machinery and equipment (new, used and rented units) as well as spare parts and services. It is important to point out that the sale of Caterpillar spare parts and services represented 27.8% of the total sales. Thus, this continues being the most profitable line and allows to cover infrastructure expenses and higher operating expenses in order to provide after-sales service with the highest quality standards. Moreover, this line has shown strong growth in the revenue stream as a result of a steady increase in the number of machine units sold by Ferreycorp and subsidiaries.

Sales by commercial line (as of march 2013)



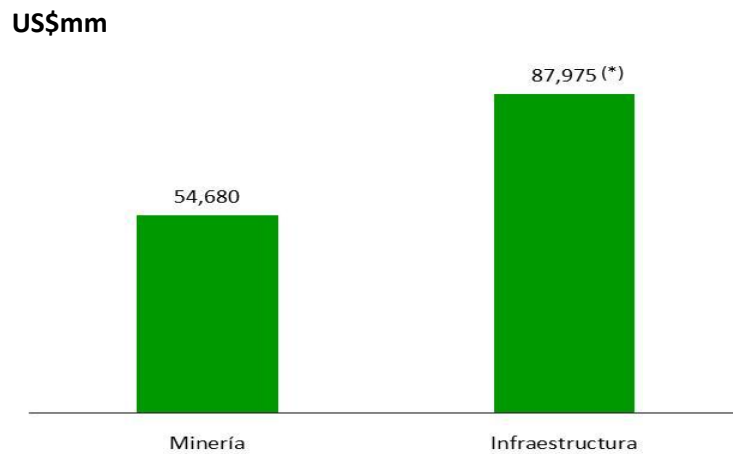
Regarding sales distribution by economic sector, it should be noted that sales volumes to the mining and construction sectors continue being at the top with an important share of 52 % and 22%, respectively, in total sales as of March 31st, 2013. It is important to mention that the mining sector includes large open-pit mining companies as well as underground mining companies, which are of long tradition in the country

Sales distribution by economic sectors (as of march 2013)



The charts below show projects in prospect in two key economic sectors served by the corporation – mining and construction – and which have been showing strong growth for the last 10 years.

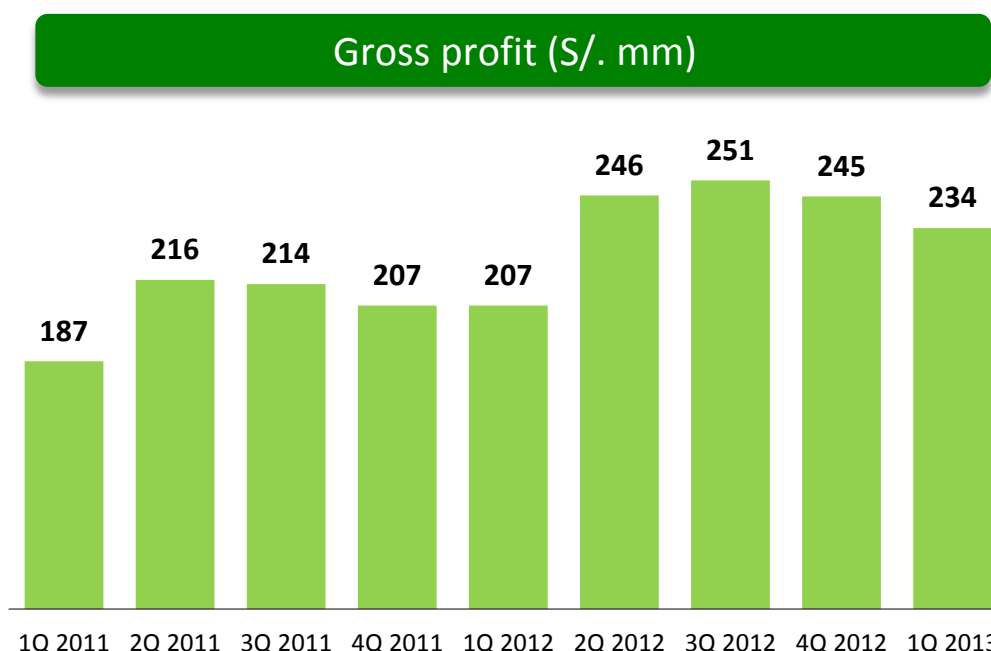
Peru: Portfolio of Projects by key economic sectors



(*) Los principales sectores incluidos son: electricidad, telecomunicaciones, carreteras e irrigación

GROSS PROFIT

Gross profit for the first quarter of 2013 amounted to S/. 234.0 million, an increase of 13.2% compared with S/. 206.8 million in the first quarter of 2012. In percentage terms, gross margin for the first quarter of 2013 dropped to 18.7% from 20.4% in the first quarter of 2012.



The gross margin is lower due to the following reasons:

- An increase in the share of big mining equipment sales in total sales, which due to their volume have a lower margin than the margin in other lines (percentage share: 1Q2013: 20.7%, 1Q2012: 6.1%). In addition many of these sales were made to a customer with lower margin than normal
- A direct sale of drilling and haulage equipment (former Bucryus' business) for US\$ 19.6 million with a lower margin than the average in sales to big mining companies due to the high price of the equipment; although the effort and cost of managing purchase orders, is similar to the lower value equipment. These sales add value in both net sales and gross profit, but reduces the overall gross margin.
- An increase in the sale of spare parts and services to customers that for their high purchase volumes and loyalty generate discounts.

SELLING AND ADMINISTRATIVE EXPENSES

Selling and administrative expenses for the first quarter of 2013 totaled S/. 170.0 million, an increase of 17.3% compared to S/. 145 million in the first quarter of 2012. This increase is lower than the increase in sales (23.4%).

The increase is mainly explained by:

- An increase in personnel expenses made to support higher sales.

- The amortization of a tangible asset related to the acquisition of the commercial line formerly known as Bucyrus (S/. 5.2 million). This expense was not recorded in the first quarter of 2012. If we exclude this amortization, the other operating expenses increased by only 13.7%

Selling and administrative expenses for the first quarter of 2013 represented 13.6% of sales, compared to 14.3% in the first quarter of 2012. The first-quarter 2013 percentage is lower than those in the third and fourth quarters of 2012, which were 13.9% and 14%, respectively.

OTHER INCOME (EXPENSES), NET

En el 1T 2013 este rubro representa un ingreso neto de S/.8.3 millones frente a un ingreso neto de S/. 2.5 millones del mismo período del año anterior. El ingreso neto del 1T 2013 incluye lo siguiente:

Net income recorded in this category was S/8.3 million for the first quarter of 2013, compared with net income of S/. 2.5 million in the first quarter of 2012. First-quarter 2013 net income was basically:

- Made up of a provision of S / . 7.2 million awarded by Caterpillar in relation to warranty claims.
- Other income for S/. 1.1 million.

FINANCIAL INCOME

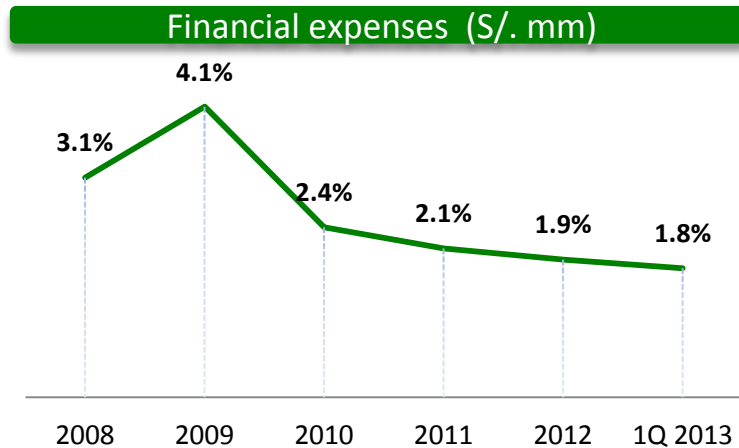
Financial income dropped to S/. 5.7 million for the first quarter of 2013, compared to S/. 6.2 million in the same period of 2012. Such decrease is explained by the decrease in sales financed by the company, as a consequence of a higher participation of financial institutions in the financing customers.

FINANCIAL EXPENSES

Financial expenses amounted to S/. 22.8 million for the first quarter of 2013, an increase of 20.6% compared to S/. 18.9 million in the same period of 2012. Such increase is due to an increase of 20.5% in average liabilities subject to interest (S/. 1.786,1 million in the first quarter of 2013; S/. 1.481,7 million in the first quarter 2012). However, this percentage increase is somewhat lower than the sales increase (23.4%)

The increase in the average financial liabilities was mainly due to higher purchases of inventories to possess units in the country that may be immediately delivered to clients, higher purchases of equipment for rental to satisfy increasing demand of this modality of contracting by some clients, and the acquisition of the distribution and client support business formerly known as Bucyrus, which has become part of the brands of Caterpillar products.

However, as shown in the chart below, financial expenses show a decline in the past few years as compared to sales.



FOREIGN EXCHANGE GAIN (LOSS)

Net liabilities in foreign currency had an exchange loss of S/. 17 million for the first quarter of 2013, compared to an exchange gain of S/. 12.8 million in the same period of 2012. In the first quarter of 2013, a 1.49% devaluation of the sol against the US dollar was recorded, compared with an appreciation of the sol against the dollar of 1.08% in the first quarter of 2012. The effect of these variations of the nuevo sol against the dollar has meant a lower net profit of S/. 19.3 million, net of tax.

It is worth mentioning that accounting wise, the corporation makes most of its sales in dollars, so the exchange net liability position is widely covered by the assets that are transferred in to dollars.

NET PROFIT

Net profit in the first quarter of 2013 totaled S/..26.4 million, a decrease of 41.2% compared with S/. 44.9 million in the same period of 2012. As explained above, the lower net income is primarily due to the exchange loss generated in the first quarter of 2013, compared to the exchange gain of the first quarter of 2012

EBITDA

1Q2013 EBITDA was favored by the increase in 1Q2013 operating income, which amounted to S/. 115.7 million (US\$ 45 million), 13.6% higher than S/. 101.9 million(US\$ 38 million) in the same period last year.

In percentage terms, the EBITDA amounts to 9.3% of net sales, compared to 10.1% as of 31-03-2012. EBITDA margin as of 31-03-2013 is below normal rates due to the lower gross margin due to the sales of the big mining machinery, the same as detailed in explaining gross profit. In sales with normal gross margin, the EBITDA margin should be higher.

RESUMEN DEL ESTADO DE SITUACION FINANCIERA CONSOLIDADO

(En millones de soles)

	As of 03-31-2013	As of 12-31-2012	Variation %	As of 03-31-2012	Variation %
Account receivables - Trade	793,666	761,220	4.3	703,275	12.9
Inventories	1,469,150	1,535,119	-4.3	1,347,448	9.0
Other current assets	232,457	317,051	-26.7	168,040	38.3
Current Assets	2,495,273	2,613,390	-4.5	2,218,763	12.5
Long-term account receivables - Trade	26,777	29,126	-8.1	68,413	-60.9
Rental Fleet	430,218	405,258	6.2	389,860	10.4
Other fixed assets	759,321	758,159	0.2	723,626	4.9
Investments	89,230	71,002	25.7	79,484	12.3
Other non current assets	228,723	195,344	17.1	51,472	344.4
Total Assets	4,029,542	4,072,279	-1.0	3,531,618	14.1
Current Liabilities	1,920,864	1,884,588	1.9	1,609,073	19.4
Non Current Liabilities	700,174	762,569	-8.2	676,774	3.5
Total Liabilities	2,621,038	2,647,157	-1.0	2,285,847	14.7
Deferred Income	3,223	1,729	86.4	6,582	-51.0
Equity	1,405,281	1,423,393	-1.3	1,239,189	13.4
Total Liabilities and Equity	4,029,542	4,072,279	-1.0	3,531,618	14.1

ANALYSIS COMPARED TO DECEMBER 31, 2012

As compared to December 31, 2013, total assets decreased by S /. 42.7 million (14.1%). This result is mainly due to the decrease in inventories by S /. 66.0 million.

ANALYSIS COMPARED TO MARCH 31, 2012

Total assets as of March 31st, 2013 increased in S/. 497.9 million or 14.1%. The main variations in the asset accounts which explain this result are: i) an increase of S/. 121.7 million in inventories due to higher purchases of goods for sale, as a consequence of the increase in sales as to maintain in the country the machinery, equipment and spare parts necessary to assure prompt delivery to clients who demand those products, and considering , in some cases, the increase in lead time of some commercial lines; additionally, the increase in inventories due to the acquisition of the commercial line formerly known as Bucyrus; ii) a net increase of S/. 76.1 million in fixed assets, which is explained by higher purchases of rental equipment (S/. 40.4 million) to meet increased demand from clients mainly in the construction sector; and iii) an important increase of S/. 177.3 million in other non-current assets basically caused by the intangible asset and goodwill recorded generated by:

- The acquisition of the distribution and client support business formerly known as Bucyrus for S/. 135.4 million;
- The acquisition of the lubricant distribution business of ExxonMobil in Guatemala for S/. 31.1 million;
- The acquisition of Mercalsa in Nicaragua for S/. 7.2 million.

The composition of Ferreycorp and subsidiaries' liabilities as of March 31st, 2013 is reported in Appendix 4, which shows the corporate strategy of diversifying financing sources through local and foreign financial institutions (including Caterpillar Financial) and the capital market in which the instruments issued by the corporation have great demand.

LIQUIDITY AND DEBT RATIOS

Current ratio as of March 31st, 2013 was 1.30, a slightly lower than current ratio of 1.38 as of March 31st, 2012. Such decrease is due to a higher share of short-term liabilities assumed considering the issue of corporate bonds onto the international market in the near future (short-term liabilities represented 73% of total liabilities as of March 31st, 2013, compared with 70 % of total liabilities as of March 31st, 2012). Short-term liabilities may be prepaid more easily with the funds to be obtained from the international bonds.

Financial debt ratio as of March 31st, 2013 was 1.15, a slightly higher than financial debt ratio of 1.11 as of March 31st, 2012. Total debt ratio as of March 31st, 2013 was 1.87, compared with the total debt ratio of 1.84 as of March 31st, 2012.

The leverage ratio as of March 31st, 2013 is 3.48, slightly higher than the 3.38 as of March 31st, 2012. The adjusted debt to Ebitda ratio as of March 31st, 2013 is 2.19 compared to 2.27 as of March 31st, 2012. Likewise, the financial expenses coverage ratio reached to 5.08 as of 31-03-2013 and 5.4 during the same period last year

Finally, the Ferreycorp and subsidiaries' equity for the full year of 2013 collects the profits generated by all the subsidiaries of the corporation.

DIVIDEND POLICY

The profit distribution policy in force is as follows: To distribute cash dividends equivalent to 5 % of the face value of shares issued at the time the annual shareholders' meeting is called, and up to 50 percent (60 percent from March 26th, 2013) of the net distributable income.

The Annual Shareholder's Meeting held on March 26, 2013 approved to distribute dividends from the net distributable income in the amount of S/. 48.194,092 million that will be paid out from Tuesday May 21, 2013 in the amount of S/. 0.06 per share.

The Annual Shareholder's Meeting held on March 28, 2012 approved to distribute dividends from the net distributable income in the amount of S/. 41,194,156, paid out in June 2012.

COMPANY DESCRIPTION - FERREYCORP AND SUBSIDIARIES

As it was mentioned in the first and second paragraph, Ferreycorp, as the Holding, consolidates the financial results of all the subsidiaries, local and abroad, and gives the policy guidelines for all the companies in the Corporation. Ferreycorp is composed by the subsidiaries, which are listed below, which contribute with higher sales and profits, extend the market coverage and provide a large portfolio of products and services aimed to have broader market coverage and satisfy the clients.

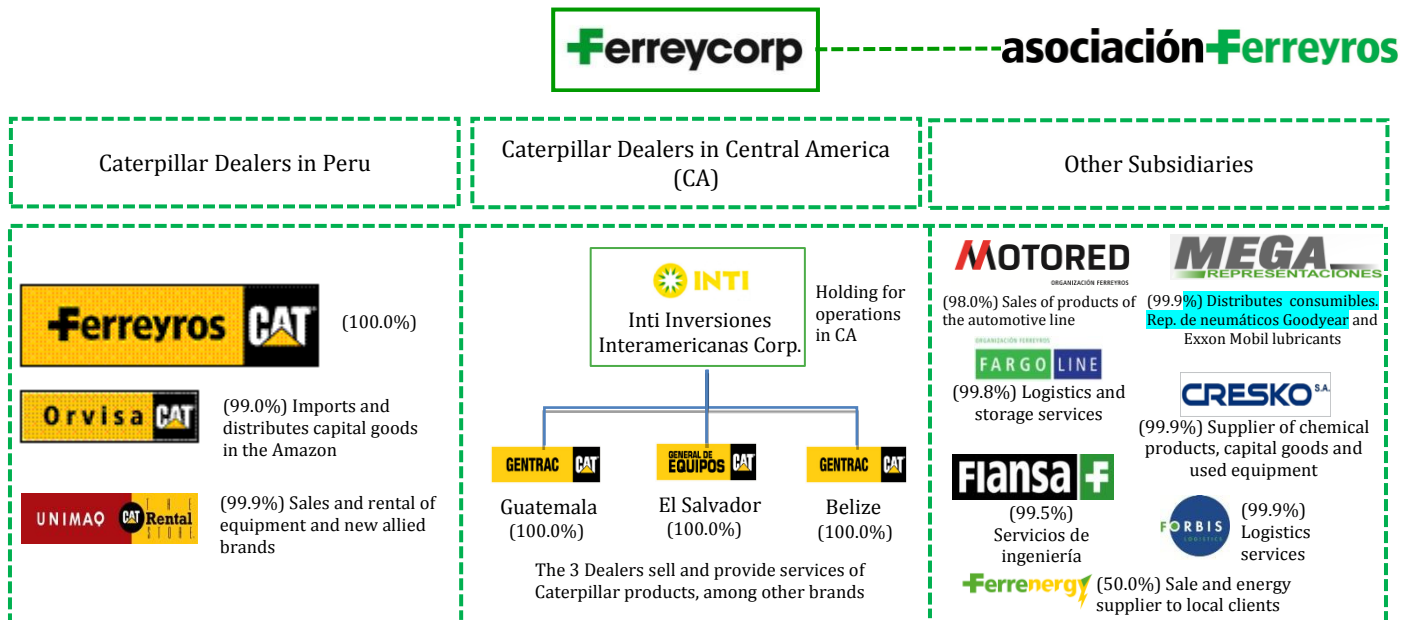
Ferreyros S.A is the subsidiary with higher operation volume of Ferreycorp which mission is to provide its clients with solutions they require by offering them the capital goods and services they need to create value in the markets where they serve. For this purpose, it imports and sells machinery, engines, vehicles and spare parts; leases machinery and equipment, and provides post-sale services including maintenance and repair services. One of the main qualities of the company is its value proposition, having important post-sale service to its clients, for which it has developed large workshops and warehouses nationwide as well as personnel throughout the country. Ferreyros S.A permanently executes important investments in training to its technician, as well as in infrastructure for its branches and workshops. Additionally, adapts investments in working capital according to the market conditions.

This subsidiary represents leading brands in the market, such as: Caterpillar, Massey Ferguson, Oldenburg, Paus, Metso and Zaccaría, among others, which are addressed to different economic economic sectors.



The corporation distributes its business in three big divisions: Caterpillar dealers in Peru, Caterpillar dealers abroad and the ones aimed to offer capital goods and services other than Caterpillar.

According to the Superintendencia del Mercado de Valores, Ferreycorp forms economic group with the following companies:



- Inmobiliaria CDR
- Forbis Logistics (USA)

Find below a brief description of the subsidiaries' core business:

Ferreyros S.A., leading importer of capital goods in Peru, handles import and selling of machinery, engines, vehicles and spare parts; leases machinery and equipment, and post-sale services including maintenance and repair services. Until June 30, 2012, this company was in the same parent company which corporate name change from Ferreyros S.A.A. to Ferreycorp S.A.A.

The economic sectors which serve are mining (open pit and underground mining), construction, agriculture, commerce, fishing, industry and energy.

Is has 12 branches, 6 offices and 22 workshops and presence in mining and construction sites with approximately 220,000 m2, representing 53% of the total sale area.

Unimaq S.A. started to operate in 1999, company that sells machines, equipment and spare parts, leasing of light equipment and post sale services. As of September 2012, rental fleet amounted to US\$49 million which represent 1238 units. In 2012, income of the rental business amounted to US\$20.3 million. Represents Caterpillar products aimed to serve the general construction. It owns 7 branches.



Orvisa S.A. started to operate in 1973, is the leading importer of capital goods and distributor in the Amazon and one of the companies with greater trading volume in the area. It sells

machinery and earthmoving equipment and forestry use, river engines, agricultural tractors, spare parts and workshop services. It serves to different economic sector such as hydrocarbons, construction, fluvial, forestry and agriculture. It owns 9 branches.



Inti- Inversiones Interamericanas Corp. is a holding company set up in late 2009.

In January 2010, Inti acquired 100% of Gentrac Corporation shares, which also owns Caterpillar's distributors in Guatemala, El Salvador and Belice. The latter, are leaders in their respective countries, in the trading of machinery and equipment. They represent prestigious brands such as Caterpillar, Exxon-Mobil lubricants, Sullair compressors, among others. The core business of the three companies is similar to Ferreyros. Inti serves different economic sectors including mining, construction, energy, agricultural and marine. It owns 7 branches.



Mega Representaciones S.A. started to operate in 2009, is a distributor of Good Year tires and Mobil lubricants in Peru. Develops its activities of sale and service, especially in the mining, construction, transportation, agricultural and industrial economic sectors. It owns 1 branch.



Motored S.A. started to operate in April 2012 to serve clients from the automotive sector. It represents brands such as Iveco, Kenworth and DAF. It has a broader portfolio of spare parts' brands and post sale services. It owns 2 branches with approximately 37,000 m², representing 9% of the total sale area.



Cresko S.A. started to operate in October 2007 offering specialized products to some segments of the construction, mining and agricultural markets that are not covered by Ferreyros or Unimaq. It is the first company of the Corporation to venture into the trading of Chinese products



Fargoline S.A. is a subsidiary that provides storage services as a temporary warehouse, point of arrival as well as customs warehouse's services, in its new complex located in Gambetta, Callao. It owns 1 branch.

Fiansa S.A. set up in 1967, is a subsidiary of the metal mechanic sector and serves costumers from mining, energy and construction sectors. Sales include income generated by the construction of metallic bridges, execution of metal works, electrical connections and the manufacturing and assembly of metal structures.

Ferrenergy S.A.C. its shareholders are Ferreyros S.A.A. and Energy International Corporation, with a 50% share each. Energy International is headquartered in the United States. The project undertaken by the company was the steam power plant of Guayabal, which generates electrical power of 18 MVV to be sold to a major oil company under a 5-year contract.

Income Statement (NOTE)

(In thousands of nuevos soles)

	1Q 2013	%	1Q 2012	%	Var %
Net Sales	1,250,121	100.0	1,013,023	100.0	23.4
Cost of sales	-1,016,079	-81.3	-806,232	-79.6	26.0
Gross profit	234,042	18.7	206,791	20.4	13.2
Selling and administrative expenses	-170,043	-13.6	-145,022	-14.3	17.3
Other income (expenses), net	8,260	0.7	2,538	0.3	225.5
Operating profit	72,259	5.8	64,307	6.3	12.4
Financial income	5,666	0.5	6,152	0.6	-7.9
Gain (loss) to exchange rate	-16,988	(1.4)	12,762	1.3	-233.1
Financial expenses	-22,765	-1.8	-18,882	-1.9	20.6
Share in the net result of associated through the equity method	2,606	0.2	1,369	0.1	90.3
Profit before income tax	40,778	3.3	65,708	6.5	-37.9
Income tax	-14,365	-1.1	-20,815	-2.1	-31.0
Net profit	26,413	2.1	44,893	4.4	-41.2
Earning per share	0.033		0.058		
EBITDA (adjusted)	115,722	9.3	101,899	10.1	13.6

NOTE: Some figures have been reclassified in this document to show direct order sales in sales and cost of sales. In the income statement presented to SMV, only the gross profit obtained from such operations is included in Other Operating profit.

State of Financial Position

(In thousand of nuevos soles)

	As of 03-31-2013	As of 03-31-2012	Variation %
Cash and banks	104,759	80,311	30.4
Account receivables - Trade	793,666	703,275	12.9
Inventories	1,469,150	1,347,448	9.0
Accoun receivables - Other	110,766	63,255	75.1
Prepaid Expenses	16,932	24,474	-30.8
Current Assets	2,495,273	2,218,763	12.5
Long-term account receivables - Trade	26,777	68,413	-60.9
Long-term account receivables - Other	6,927	8,563	-19.1
Rental Fleet	567,724	492,903	15.2
Other fixed assets	1,083,290	1,024,699	5.7
	1,651,014	1,517,602	8.8
Accrued depreciation	-461,475	-404,115	14.2
Property, plant and equipment, net	1,189,539	1,113,486	6.8
Investments	89,230	79,484	12.3
Other non current assets	221,796	42,909	416.9
Non current Assets	1,534,269	1,312,855	16.9
Total Assets	4,029,542	3,531,618	14.1
Short-term debt	346,049	285,171	21.3
Other current liabilities	1,574,815	1,323,902	19.0
Current Liabilities	1,920,864	1,609,073	19.4
Long-term debt	667,086	637,048	4.7
Other payables	1,796	3,521	-49.0
Liabilities due to taxes to deferred earnings	31,292	36,205	-13.6
Total Liabilities	2,621,038	2,285,847	14.7
Deferred Income	3,223	6,582	-51.0
Equity	1,405,281	1,239,189	13.4
Total Liabilities and Equity	4,029,542	3,531,618	14.1
Other financial information			
Depreciation and amortization (figures accumulated at the end of the period)	37,797	31,440	
Financial Ratios			
Current ratio	1.30	1.38	
Financial debt ratio	1.15	1.11	
Indebtedness ratio	1.87	1.84	
Leverage ratio	3.48	3.38	
Adjusted debt (*) to EBITDA ratio	2.19	2.27	
Financial expenses coverage ratio	5.08	5.40	
Book value per share	1.49	1.54	

(*) Excludes short term debt for inventory financing

NET SALES

(In thousand of nuevos soles)

	1Q2013	%	1Q2012	%	Variation %
Caterpillar Equipment					
Big Mining (BM)	258,248	20.7	61,746	6.1	318.2
Other(NBM)	310,053	24.8	381,801	37.7	-18.8
	568,301	45.5	443,547	43.8	28.1
Agricultural equipment	11,642	0.9	22,719	2.2	-48.8
Automotive	69,051	5.5	61,083	6.0	13.0
Rental and used	87,089	7.0	85,850	8.5	1.4
	736,082	58.9	613,199	60.5	20.0
Spare parts and services	379,797	30.4	314,181	31.0	20.9
Other sales from local subsidiaries	111,886	9.0	75,670	7.5	47.9
Other sales from subsidiaries abroad	22,227	1.8	9,973	1.0	122.9
Total	1,249,991	100.0	1,013,023	100.0	23.4

DISTRIBUCION PORCENTUAL DE LAS VENTAS POR SECTORES ECONOMICOS

	1T 2013	1T 2012
Minería	52.1%	39.0%
Construcción	21.7%	29.5%
Gobierno	3.1%	5.2%
Transporte	7.3%	6.7%
Industria, comercio y servicios	7.9%	6.2%
Agricultura y forestal	2.8%	3.6%
Pesca y marino	1.7%	2.2%
Hidrocarburos y energía	2.0%	4.4%
Otros	1.5%	3.1%
Total	100.0%	100.0%

Total Liabilities as of March 31, 2013

(In thousand of US Dollars)

	Total Liabilities	Current Liabilities	Long-term liabilities		(A) Financial Liabilities
			Current part	Long term	
Local banks (short term)	156,881	156,881	-	-	156,881
Foreign banks (short term)	64,493	64,493	-	-	64,493
Local banks (long term)	97,562	-	33,687	63,875	97,562
Foreign banks (long term)	4,260	-	1,284	2,976	4,260
Local banks (long term) (Leasing)	21,565	-	11,766	9,799	21,565
Suppliers:					
Accounts payable to Caterpillar (Inv	37,223	37,223	-	-	-
Accounts payable to Caterpillar	49,413	49,413	-	-	49,413
Other	119,950	117,321	-	2,629	3,055
Corporate bonds	72,352	-	49,256	23,096	72,352
Caterpillar Financial	192,955	-	37,668	155,287	192,955
Other liabilities	195,721	195,721	-	-	-
Total (US\$)	1,012,375	621,052	133,661	257,662	662,536
Total (S/.)	2,621,038	1,607,903	346,049	667,086	1,715,306

(A) Generate interest payment