

# Management Presentation

June 2013

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# Investment highlights

## Strong economic and financial system

- Peru is an economic success with outstanding macroeconomic performance
- The Peruvian financial system is strong and has solid performance indicators
- Banking and insurance industries with high growth potential

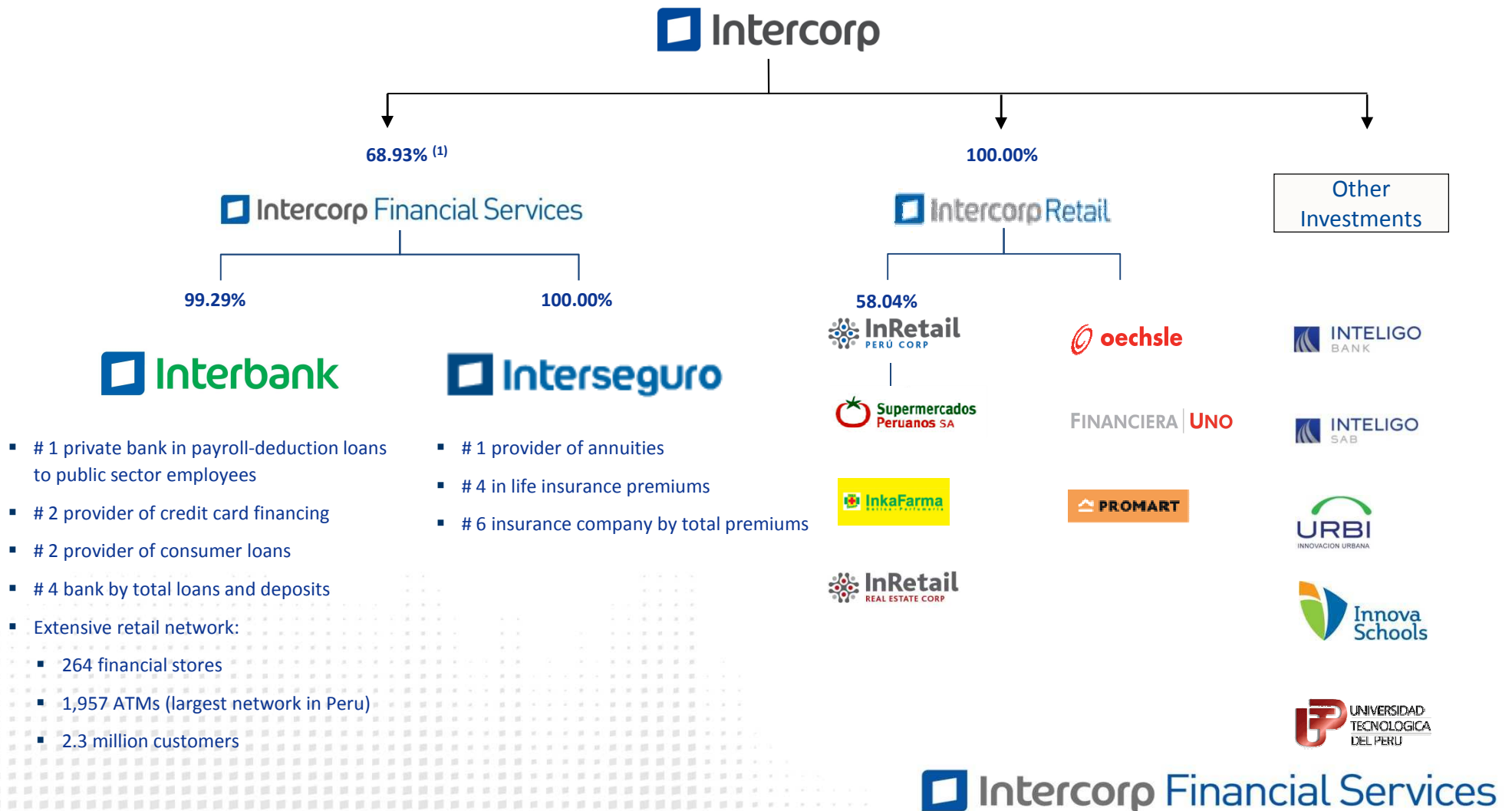
## Leading franchise in financial services

- Leading retail bank and annuities insurance company in Peru
- High quality loan and investment portfolios
- Excellent margins with a stable and low cost of funding
- Experienced management and motivated workforce

## Demonstrated ability to deliver results

- Sustained track record of healthy growth, solid financial performance and responsible capital management
- Above - average profitability

# IFS – A leading financial services company in Peru



Note: information as of March 31st, 2013

<sup>(1)</sup> Float: 31.07%

# IFS financial highlights

## Selected financial information (\$/. million)

	2010	2011	2012	March 2013	2008 to 1Q13 CAGR
Total assets	21,900	22,688	26,601	28,704	13.7%
Total loans <sup>(1)</sup>	12,085	14,125	15,435	15,864	13.7%
Retail loans <sup>(2)</sup>	5,828	7,043	7,890	7,971	15.1%
Total deposits	11,992	13,141	14,636	16,060	12.4%
Shareholder's equity <sup>(3)</sup>	2,097	2,366	2,890	3,091	20.4%
Net income <sup>(3)</sup>	499	696	706	750	
ROE <sup>(4)</sup>	26.2%	33.8%	28.2%	28.3%	
ROA <sup>(4)</sup>	2.5%	3.1%	2.8%	2.9%	
NIM (Interbank) <sup>(4)</sup>	8.2%	7.1%	7.0%	6.9%	
PDLs/Total Loans (Interbank)	1.5%	1.5%	1.8%	1.9%	

<sup>(1)</sup> Includes total performing loans

<sup>(2)</sup> Includes performing consumer and mortgage loans

<sup>(3)</sup> Attributable to IFS shareholders

<sup>(4)</sup> Last twelve months as of March 31st, 2013

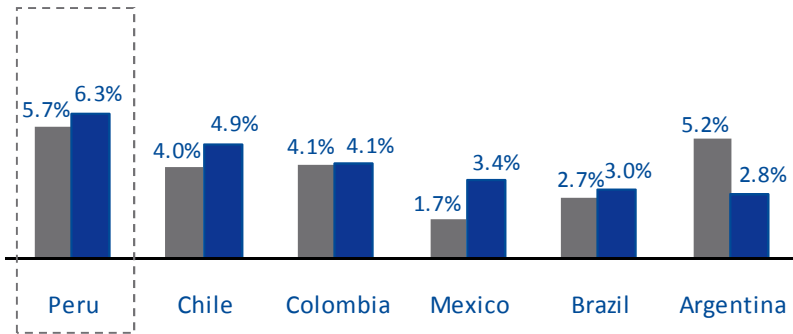
# 1. Strong economic and financial system

# Peru is an economic success...

## Impressive economic growth

Real GDP Growth

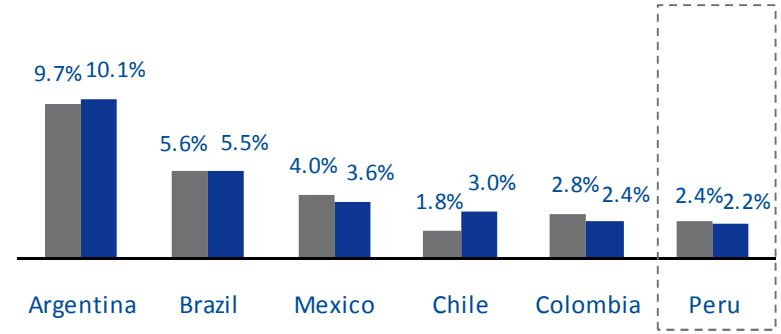
■ 08-12 Average annual growth rate  
■ 2013E <sup>(1)</sup>



## Low inflation environment

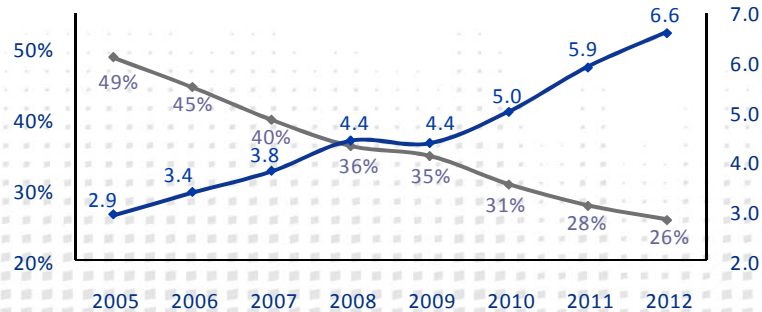
Inflation

■ 08-12 Average annual inflation rate  
■ 2013E <sup>(1)</sup>



## Increased purchasing power

— Poverty rate  
— GDP per capita (in USD thousands)



Sources: Wall Street research, INEI, Apoyo Consultoria  
<sup>(1)</sup> International Monetary Fund as of April 2013

## Strengthened middle class

Social & economic segment

Urban Peru

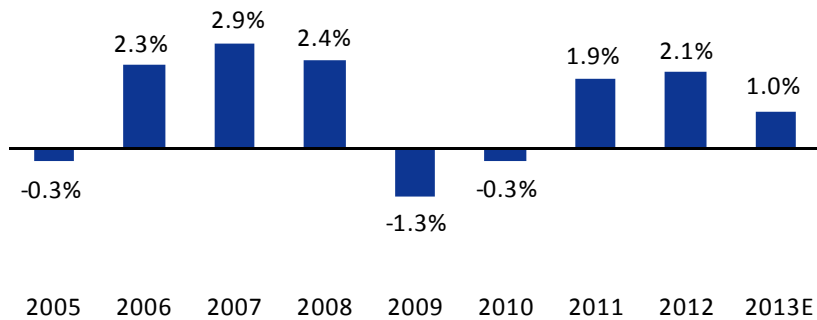
	2007	2012	
A/B	11%	15%	} +8%
C	26%	30%	
D	36%	36%	} -8%
E	27%	19%	

Intercorp Financial Services

# ...with strong macroeconomic fundamentals

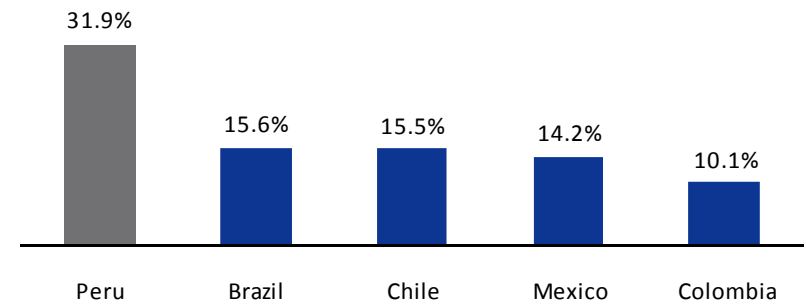
## Responsible fiscal policy

Budget Balance (% GDP)

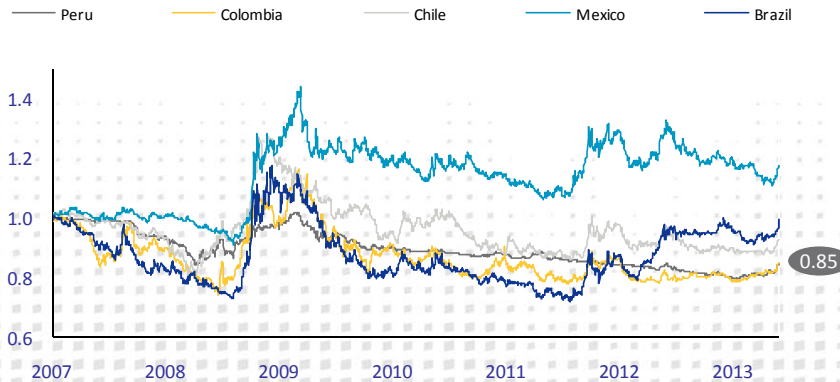


## Solid reserve position

Net International Reserves (% GDP) <sup>(1)</sup>



## Relatively stable currency (Indexed to US\$1.0) <sup>(2)</sup>



## Attractive country risk profile

External Debt <sup>(1)</sup> (% GDP)



EMBIG <sup>(2)</sup>



	Chile	Peru	Colombia	Mexico	Brazil
Fitch	A+	BBB	BBB-	BBB+	BBB
S&P	AA-	BBB	BBB	BBB	BBB
Moody's	Aa3	Baa2	Baa3	Baa1	Baa2

Sources: Wall Street research, BCRP, Bloomberg and Latin Focus

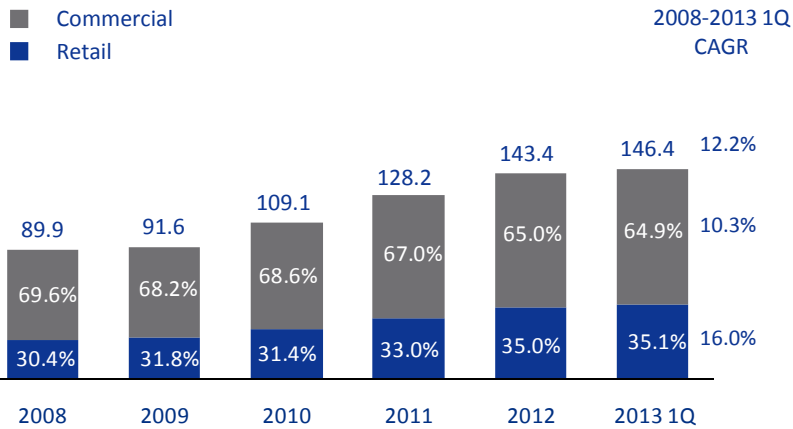
<sup>(1)</sup> As of December 31st 2012

<sup>(2)</sup> As of May 29th 2013. Bloomberg, BCRP

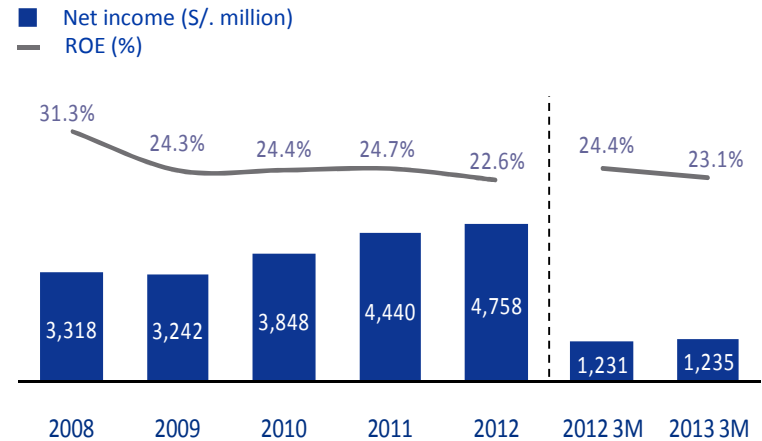


# The banking system has experienced profitable, solid growth...

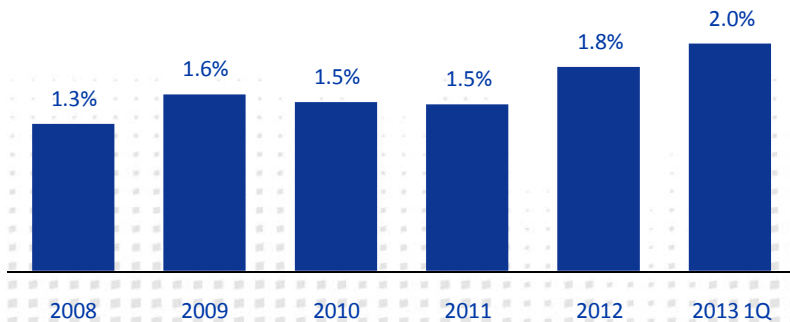
Performing loans (S/. billion) <sup>(1)</sup>



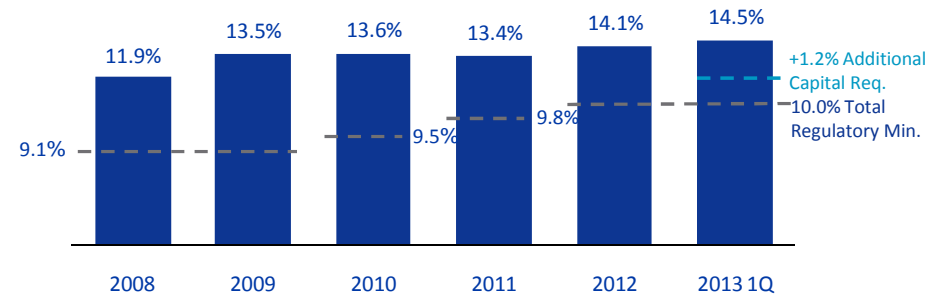
ROE (%) <sup>(1)</sup>



PDLs / Total loans (%) <sup>(1)</sup>



BIS ratio (%)



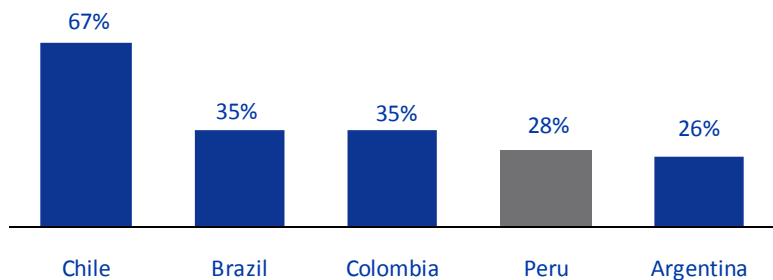
Source: ASBANC and SBS as of March 31st, 2013

(1) The banking system includes Banco del Trabajo and CrediScotia

# ...and has significant growth potential

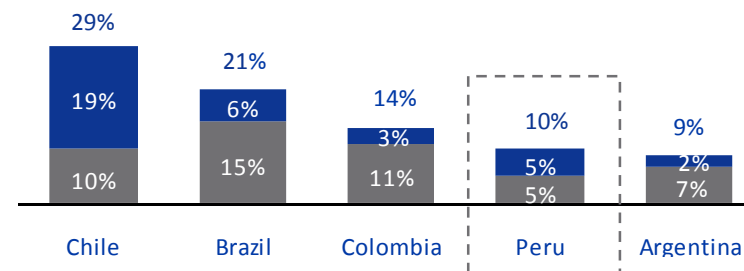
## Banking penetration <sup>(1)</sup>

Deposits / GDP (%)

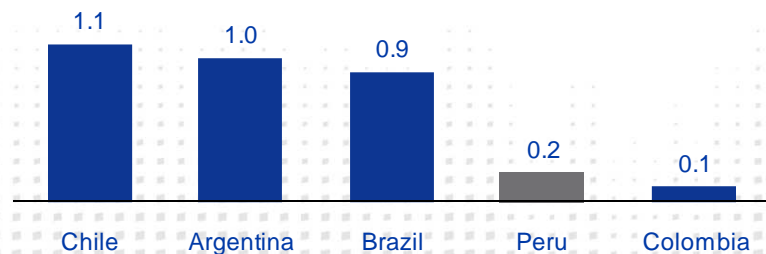


## Retail loan penetration <sup>(1)</sup>

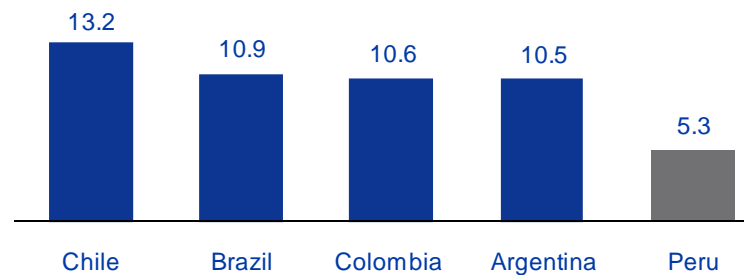
■ Mortgage loans / GDP (%)  
■ Consumer loans / GDP (%)



## Credit cards per inhabitant <sup>(2)</sup>



## Branches per 100,000 inhabitants <sup>(2)</sup>



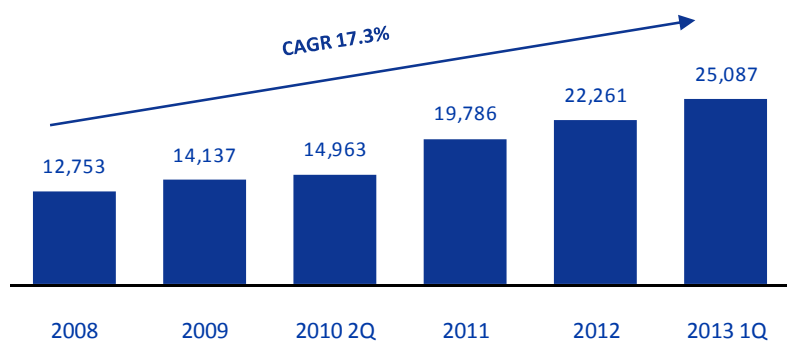
Source: Local superintendencies, Local Central Banks, Felaban, Euromonitor, IMF, Wall Street research

<sup>(1)</sup> As of December 2012

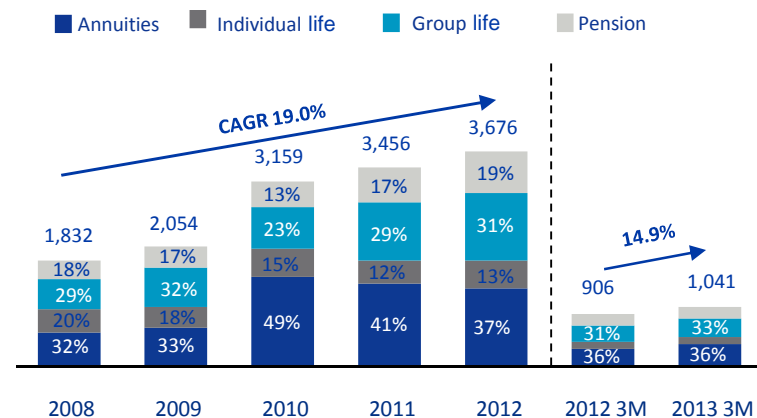
<sup>(2)</sup> As of December 2011

# High growth potential also in the insurance industry

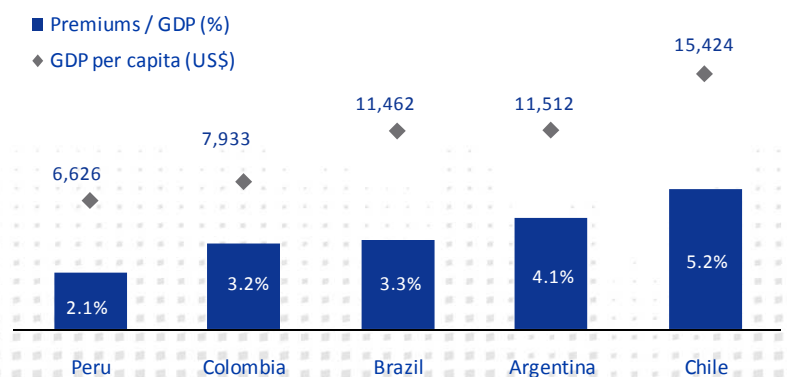
Total assets (S/. million)



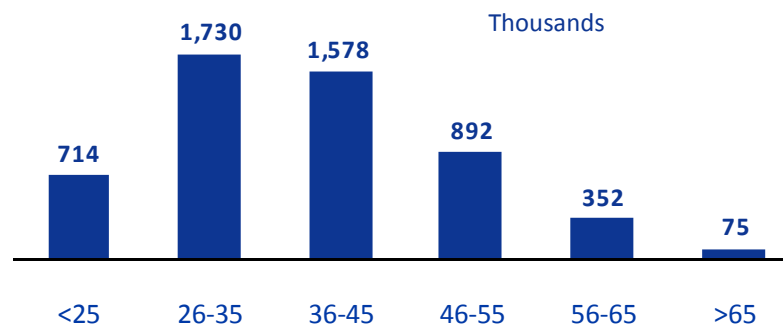
Life insurance premiums in Peru (S/. million)



Premiums / GDP & GDP per capita <sup>(1)</sup>



Affiliates to private pension system by age group <sup>(2)</sup>



<sup>(1)</sup> Source: Latininsurance and Central Banks as of December 31<sup>st</sup> 2012

<sup>(2)</sup> As of March 31<sup>st</sup> 2013

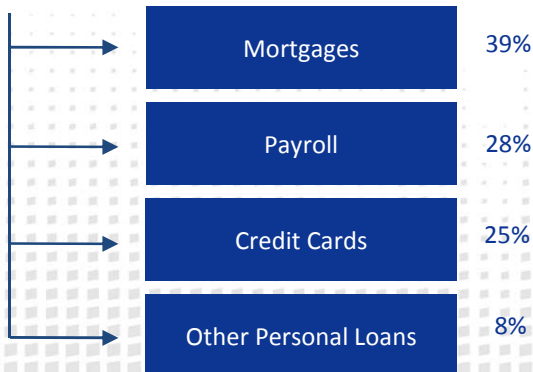
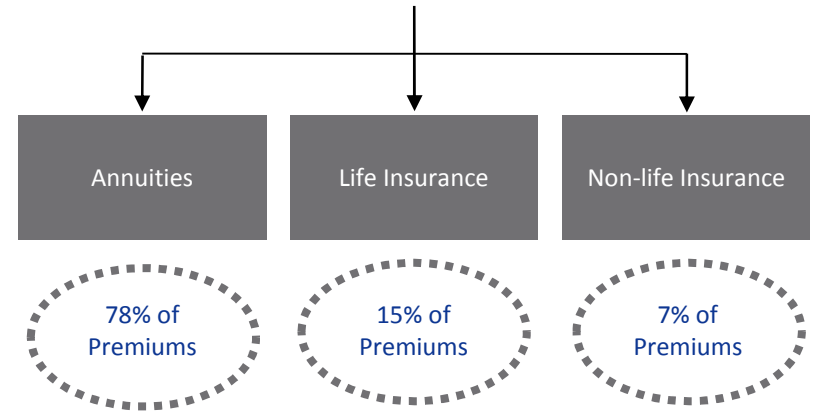
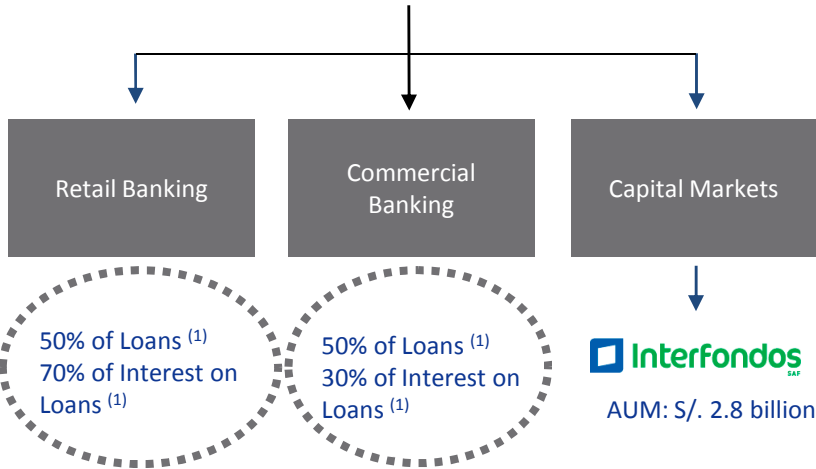
## 2. Leading franchise in financial services

# IFS: strategic focus on retail banking and annuities

InterCorp Financial Services

Interbank

Interseguro



Source: Interbank as of March 31<sup>st</sup>, 2013  
<sup>(1)</sup> Performing loans

InterCorp Financial Services

# A clear and consistent strategy

## Unique value proposition

- Convenience
- Speed
- Service

## Experienced management team & motivated workforce

- Professional management team with significant local and international experience
- Interbank is the only Peruvian company to be ranked one of the Top 20 Best Companies to Work For, ten years in a row
- Strong corporate governance

## Sound risk management

- High growth with strong asset quality
- Experienced risk management team focused on monitoring and managing risks across all business areas
- Development of data mining and customer scoring models

## Above average, profitable growth

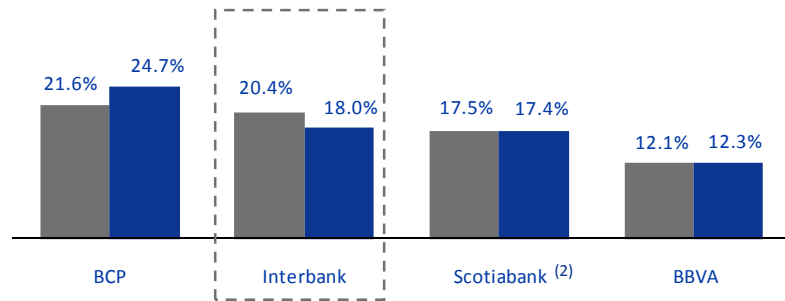
- One of the fastest growing banks in terms of performing loans (CAGR 2008-1Q13 of 13.7% vs. 12.2% for the banking system)
- As of 2012, Interbank's ROE (27.1%) was significantly higher than the banking system's average (22.6%) and ROE for Interseguro (44.1%) was the highest in the insurance industry



# Leading position in retail banking and annuities

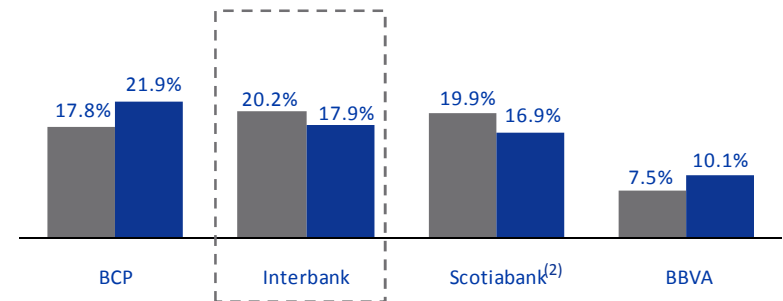
### Consumer loans market share <sup>(1)</sup>

■ 2008  
■ 2013 1Q

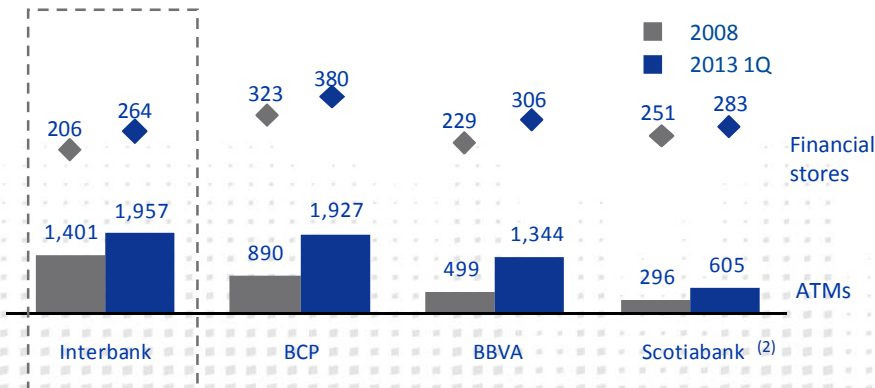


### Credit cards market share <sup>(1)</sup>

■ 2008  
■ 2013 1Q

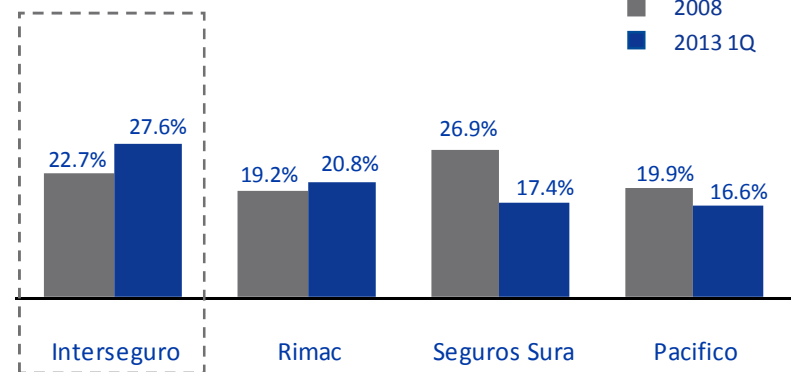


### Number of financial stores & ATMs <sup>(1)</sup>



### Market share in annuities

■ 2008  
■ 2013 1Q



Source: ASBANC as of March 31st, 2013

<sup>(1)</sup> The banking system includes Banco del Trabajo and CrediScotia

<sup>(2)</sup> Scotiabank includes Banco del Trabajo and CrediScotia

### 3. Demonstrated ability to deliver results

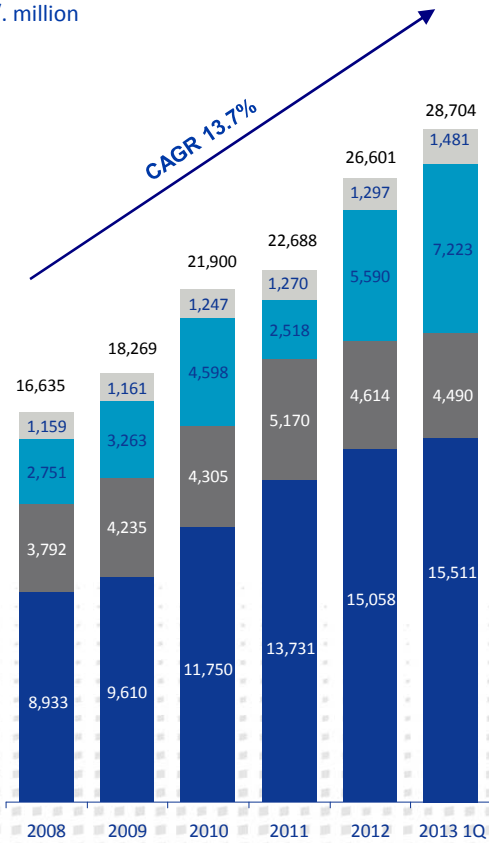


# Significant asset growth

## IFS total assets

- Loans, net
- Cash and due to banks
- Investments
- Others

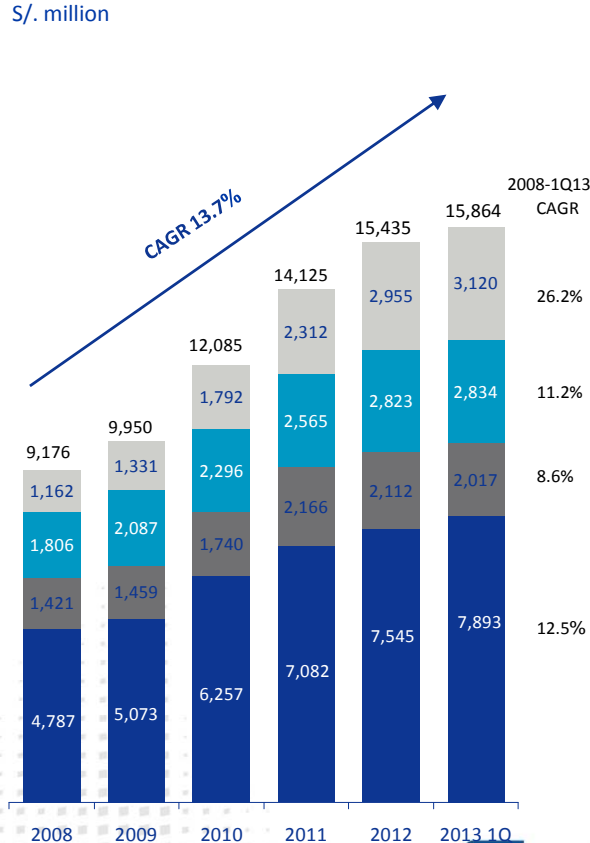
S/. million



## Interbank's performing loans

- Commercial
- Other consumer
- Credit cards
- Mortgages

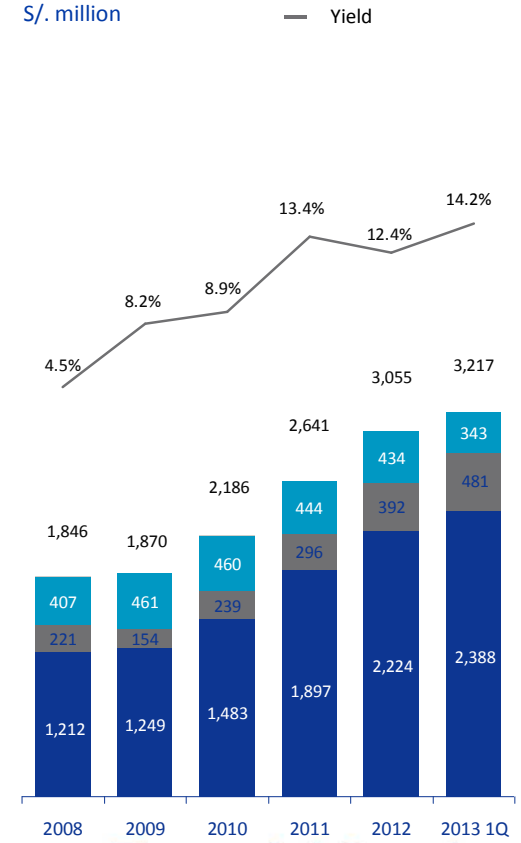
S/. million



## Interseguro's investment portfolio

- Fixed Income
- Real Estate
- Equity and Mutual Funds
- Others

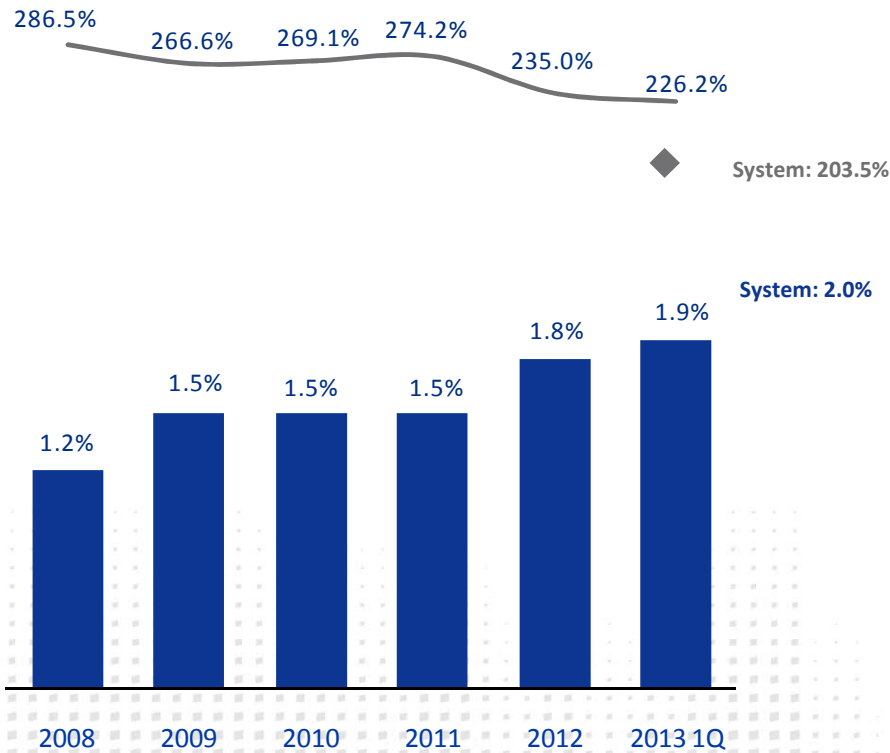
S/. million



# Strong asset quality

## PDL & Coverage ratios - Interbank

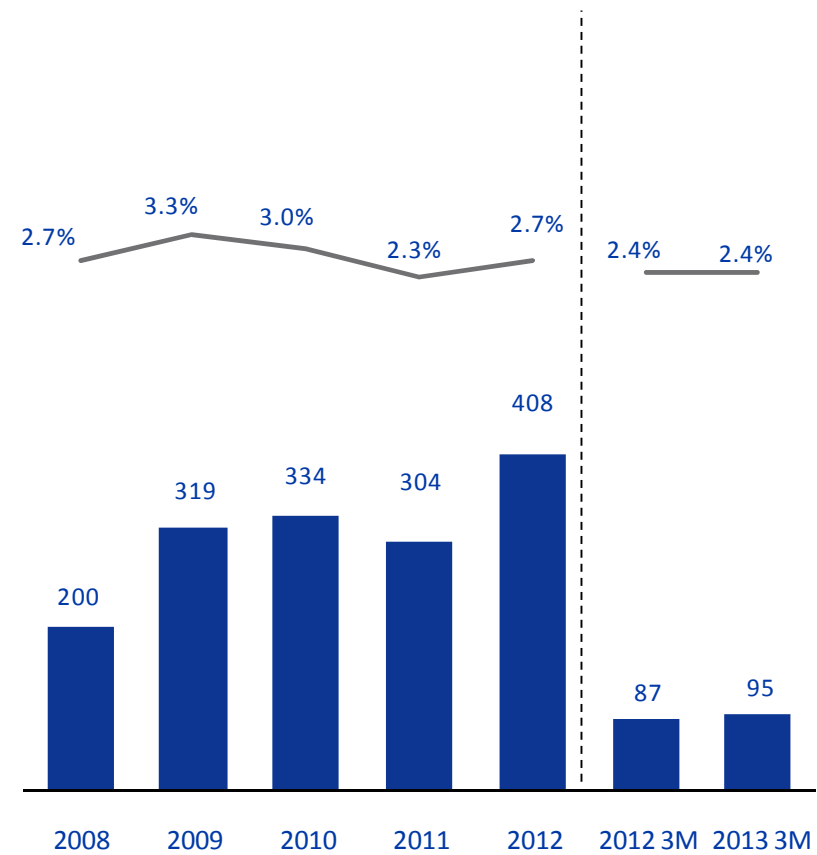
- PDL ratio
- Coverage ratio <sup>(1)</sup>



<sup>(1)</sup> Allowances / PDLs

## Loan Provision Expense - Interbank

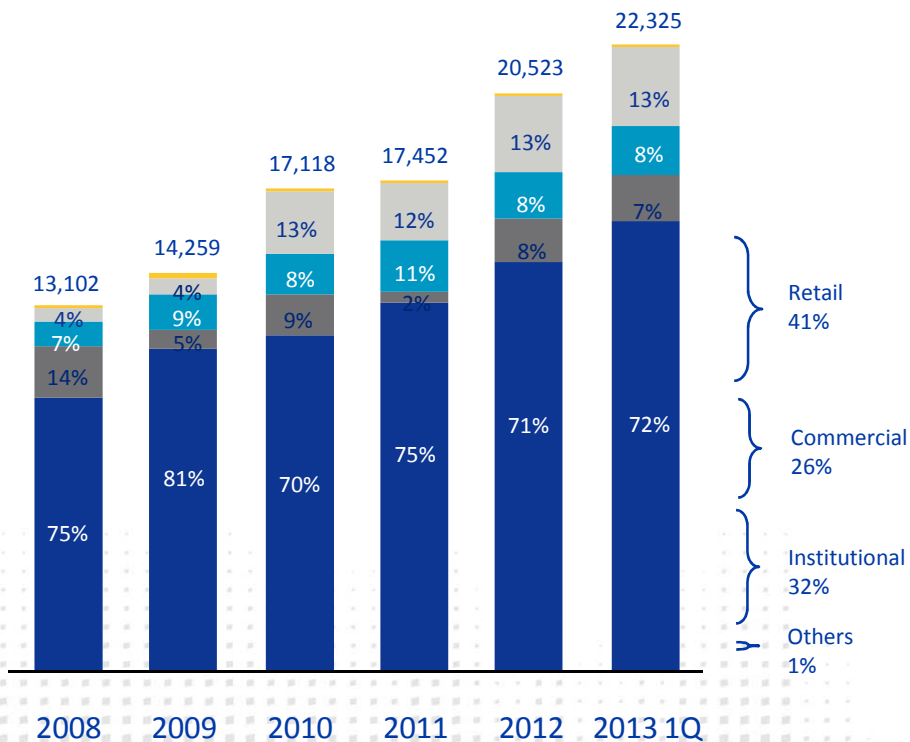
- Provision expense (\$/. million)
- Provisions / average loans



# Stable funding and responsible capital management

Funding mix - Interbank

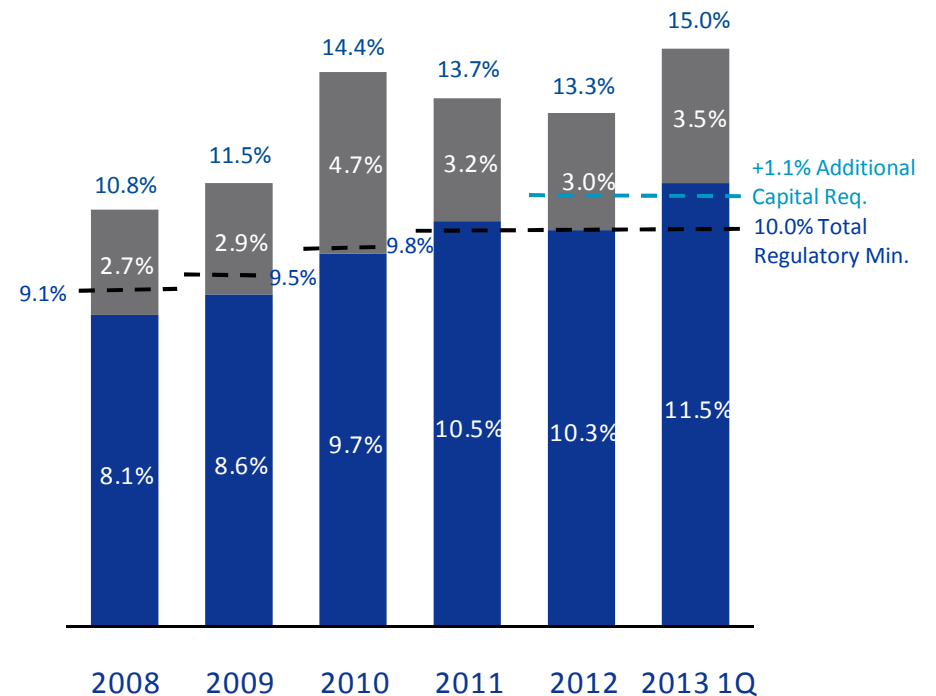
- Deposits and obligations
- Long term loans
- Inter-bank funds
- Lines of credit
- Bonds



- Retail 41%
- Commercial 26%
- Institutional 32%
- Others 1%

BIS ratio - Interbank

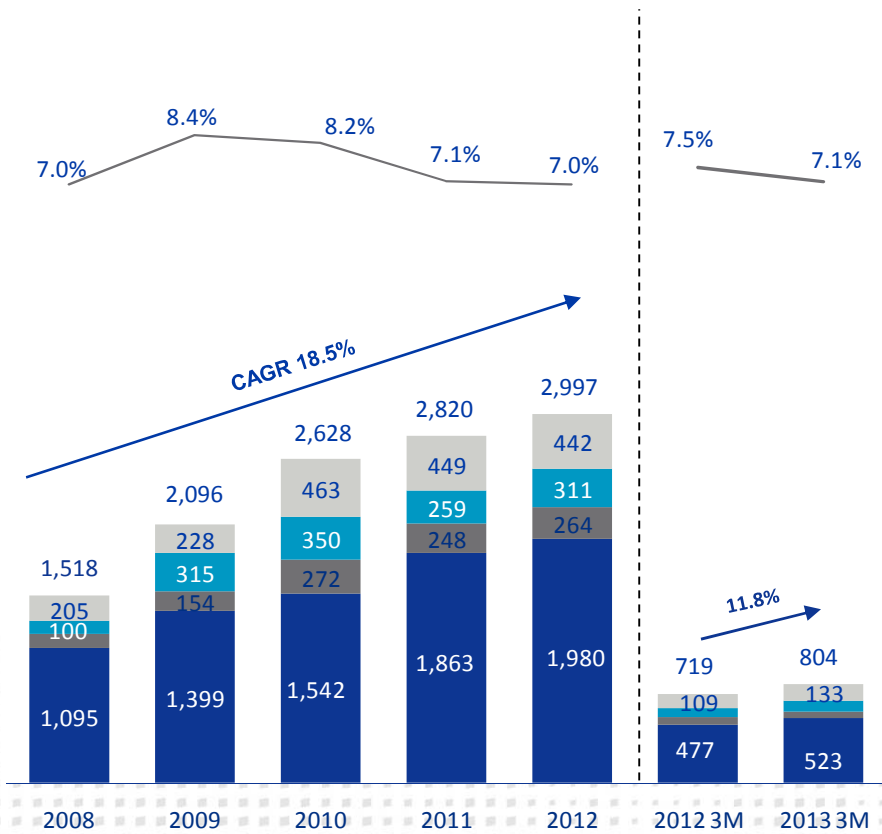
- Tier II
- Tier I



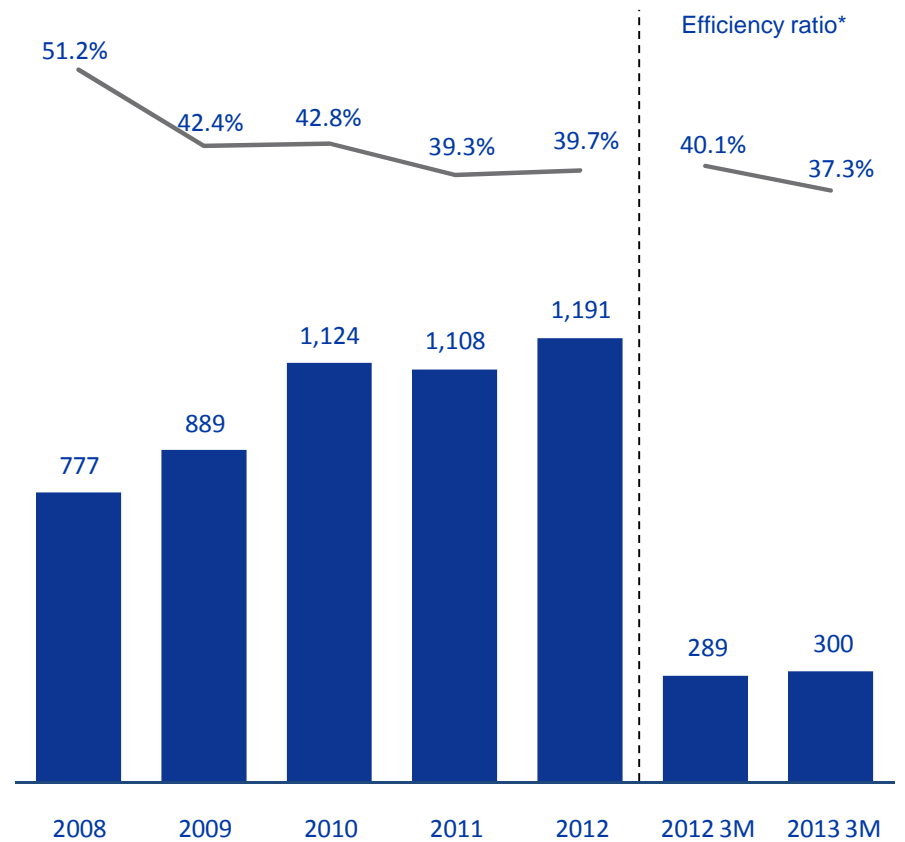
# Consistent and strong revenue growth with improvements in efficiency

Operating revenues - IFS (S/. million)

- Gross financial margin
- Total premiums
- Fee income
- NIM Interbank



Operating expenses - IFS (S/. million)

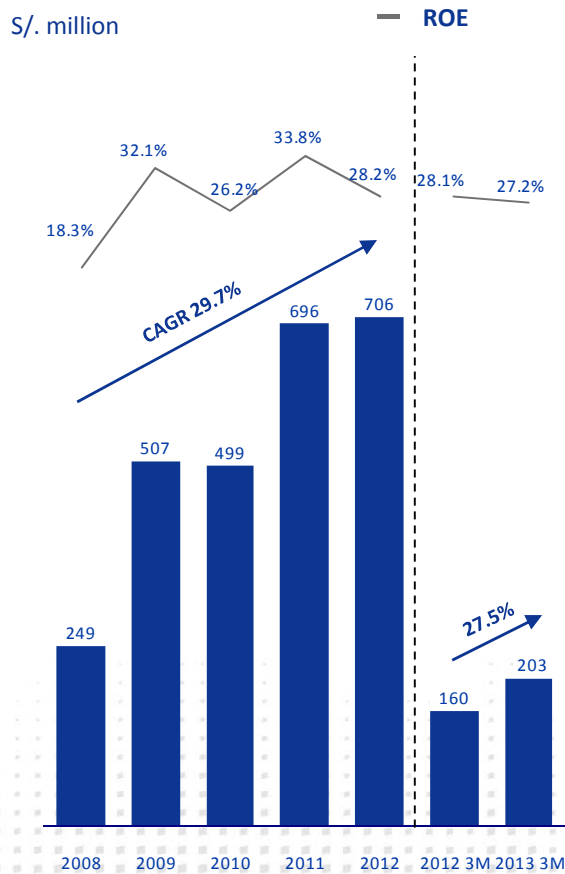


Note: Operating revenues = Gross financial margin + fee income + total premiums

\*Operating expenses / Operating revenues

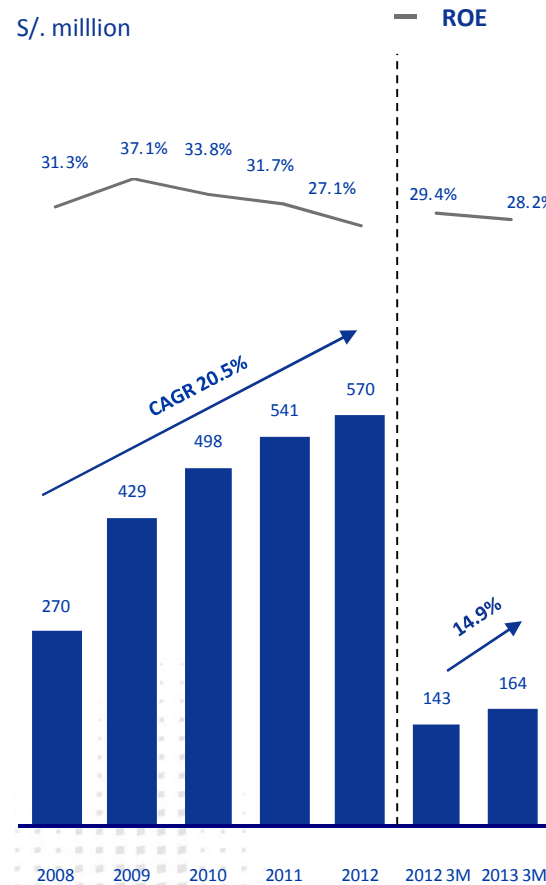
# Significant growth in net income

## Net income\* - IFS

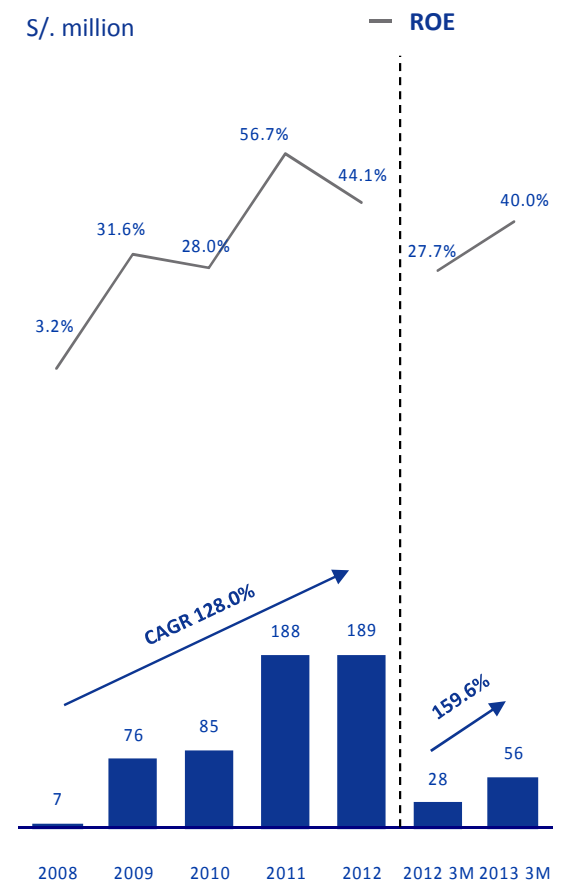


\*Attributable to IFS shareholders

## Net income - Interbank



## Net income - Interseguro



# Investment highlights

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