

First Quarter 2013 Earnings Presentation

Intercorp Financial Services

Highlights

InterCorp Financial Services:

- IFS net earnings were S/. 203.4 million in 1Q13, a 40.5% increase QoQ and a 27.5% rise YoY
- The QoQ increase was driven by investment gains reported by Interbank and Interseguro, as well as lower provisions and administrative expenses at Interbank
- YoY net earnings growth was mainly due to increases of 9.7% in gross financial margin and 25.4% in results from financial operations
- IFS ROE was 27.2% in 1Q13, above the 21.0% in 4Q12 but below the 28.1% in 1Q12
- IFS recurring net earnings decreased 5.8% QoQ and 14.5% YoY due mainly to a decrease in results from financial operations

Interbank:

- Interbank's net earnings reached a record S/. 163.8 million in 1Q13, an increase of 30.2% QoQ and 14.9% YoY
- The QoQ growth was driven by a 36.4% increase in results from financial operations as well as lower provisions and administrative expenses
- Net earnings rose YoY mainly due to investment income in results from financial operations
- Excluding non-recurring factors, earnings would have increased 9.2% QoQ, but would have decreased 3.7% YoY
- The loan portfolio expanded 14.1% YoY driven by strong growth in mortgages and commercial loans
- Recurring NIM remained stable QoQ as a lower yield on the loan portfolio was compensated by a higher return on investments
- The ratio of past due loans to total loans increased from 1.8% in 4Q12 to 1.9% in 1Q13, in line with an expected seasoning of the loan portfolio
- The BIS ratio stood at 15.0% in 1Q13, well above regulatory requirements

Interseguro:

- Net earnings increased 159.6% QoQ and 98.5% YoY due to strong investment income
- Annuity sales increased 31.6% QoQ and 26.9% YoY supported by market expansion and gains in market share
- Interseguro remained the market leader in annuities

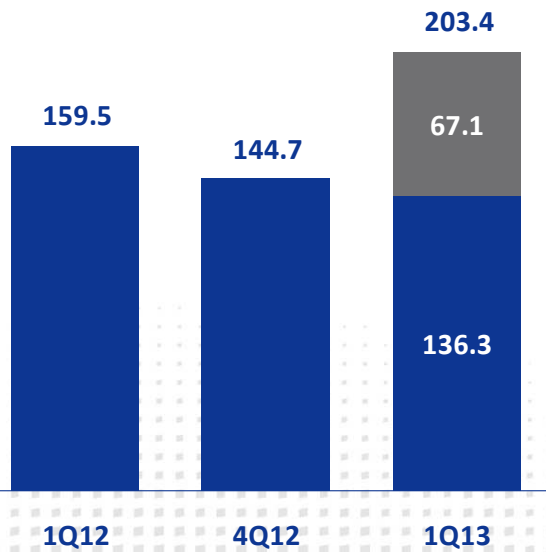
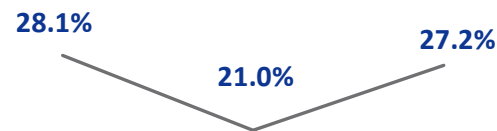
IFS 1Q13 earnings increased 40.5% QoQ and 27.5% YoY

IFS

Net income*

S/. million

ROE

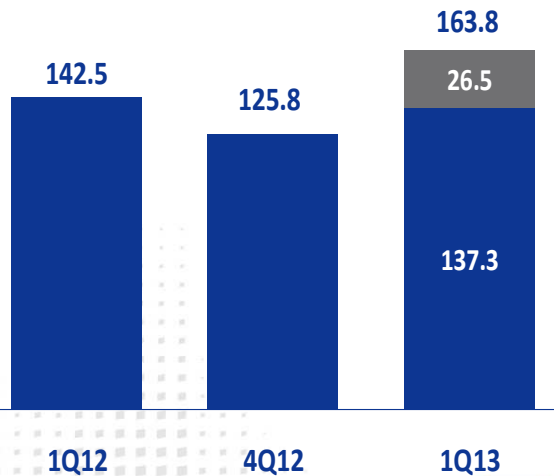
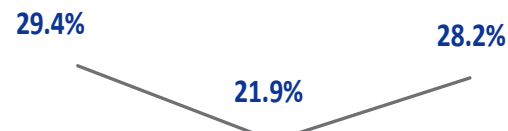


Interbank

Net income

S/. million

ROE

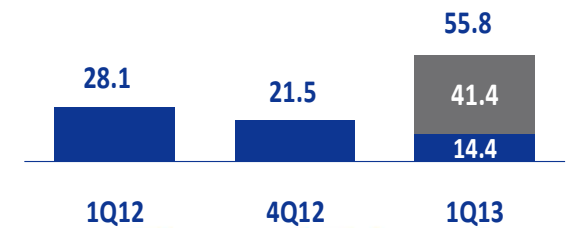
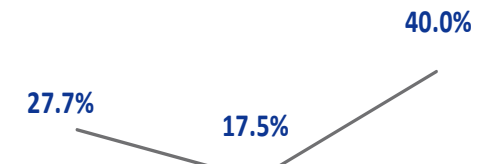


Interseguro

Net income

S/. million

ROE



*Attributable to IFS shareholders

■ Recurring ■ Non-recurring

IFS net earnings were S/. 203.4 million in 1Q13

Intercorp Financial Services' Profit and Loss Statement Summary					
S/. million	1Q12	4Q12	1Q13	%chg QoQ	%chg YoY
Financial income	603.3	622.3	661.0	6.2%	9.6%
Financial expenses	-126.1	-144.4	-137.6	-4.7%	9.2%
Gross financial margin	477.3	477.8	523.4	9.5%	9.7%
Provisions	-86.9	-116.7	-94.6	-19.0%	8.8%
Net financial margin	390.3	361.1	428.8	18.8%	9.9%
Fee income from financial services, net	60.7	68.3	57.5	-15.8%	-5.3%
Result from insurance underwriting, net	-20.6	-9.4	-21.4	127.4%	3.7%
Result from financial operations	71.9	80.1	90.1	12.6%	25.4%
Administrative expenses	-263.9	-294.4	-273.0	-7.3%	3.5%
Operating margin	238.4	205.6	282.0	37.2%	18.3%
Depreciation and amortization	-24.7	-26.0	-26.5	2.0%	7.4%
Other income (expenses)	2.5	16.4	5.7	-65.0%	130.7%
Income before tax	216.2	196.0	261.2	33.3%	20.8%
Income tax	-55.7	-50.5	-56.6	12.2%	1.7%
Net income	160.5	145.5	204.6	40.6%	27.5%
Attributable to IFS shareholders	159.5	144.7	203.4	40.5%	27.5%
EPS	1.71	1.55	2.17		
ROE	28.1%	21.0%	27.2%		

Interbank

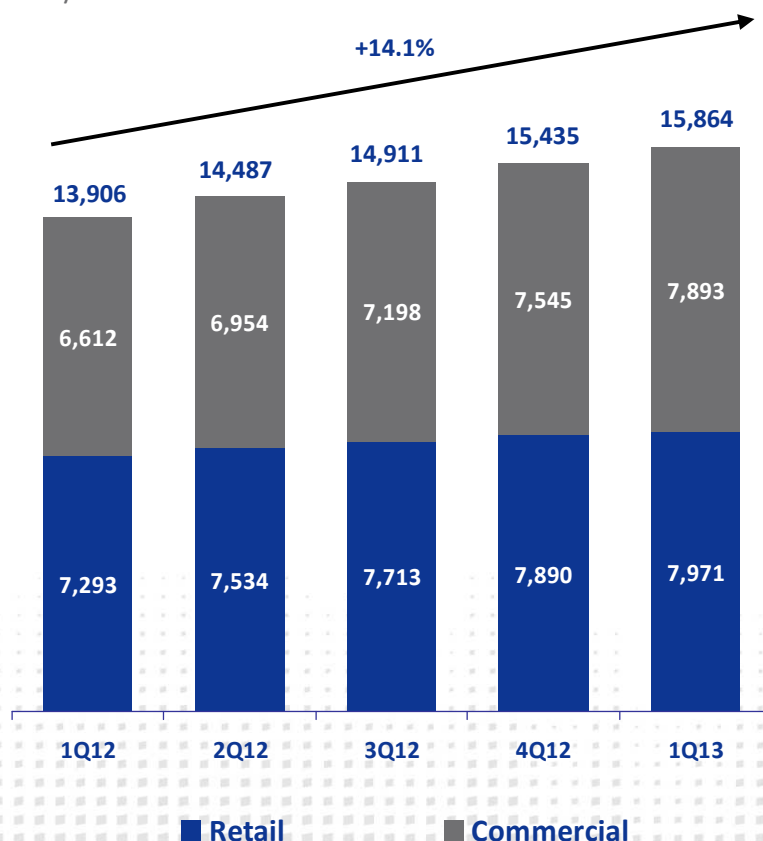
Interbank's net income increased 30.2% QoQ and 14.9% YoY

Interbank's Statement of Comprehensive Income					
S/. million	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Financial income	541.7	554.3	552.5	-0.3%	2.0%
Financial expenses	-118.1	-138.1	-138.7	0.4%	17.4%
Gross financial margin	423.6	416.1	413.8	-0.6%	-2.3%
Provisions	-86.9	-116.7	-94.6	-19.0%	8.8%
Net financial margin	336.7	299.4	319.2	6.6%	-5.2%
Fee income from financial services, net	62.8	74.4	61.1	-17.8%	-2.7%
Result from financial operations	63.6	72.1	98.4	36.4%	54.7%
Administrative expenses	-237.0	-260.6	-245.0	-6.0%	3.4%
Operating margin	226.1	185.3	233.7	26.1%	3.4%
Depreciation and amortization	-23.9	-25.3	-25.8	1.8%	7.9%
Other income (expenses)	-6.1	12.6	8.2	-35.0%	n.m.
Income before taxes	196.1	172.6	216.1	25.2%	10.2%
Income tax	-53.6	-46.8	-52.3	11.9%	-2.3%
Net income	142.5	125.8	163.8	30.2%	14.9%
ROE	29.4%	21.9%	28.2%	630 bps	-120 bps

Commercial loan growth remained strong at 4.6% QoQ and 19.4% YoY as well as mortgages with 5.6% QoQ and 27.3% YoY

Performing loans

S/. million



Breakdown of loans

S/. million

	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Consumer loans:					
Credit cards	2,243	2,112	2,017	-4.5%	-10.1%
Other consumer	2,600	2,823	2,833	0.4%	9.0%
Total consumer loans	4,843	4,935	4,850	-1.7%	0.2%
Mortgages	2,450	2,955	3,120	5.6%	27.3%
Total retail loans	7,293	7,890	7,971	1.0%	9.3%
Total commercial	6,612	7,545	7,893	4.6%	19.4%
Total loans	13,906	15,435	15,864	2.8%	14.1%

Market share in loans*

	1Q12	4Q12	1Q13	bps QoQ	bps YoY
Consumer loans:					
Credit cards	21.4%	18.4%	17.9%	-50	-350
Other consumer	19.9%	19.1%	18.7%	-40	-120
Total consumer loans	21.6%	19.7%	19.2%	-50	-240
Mortgages	12.3%	12.7%	12.8%	10	50
Total retail loans	17.2%	16.3%	16.1%	-20	-110
Total commercial	7.8%	8.2%	8.4%	20	60
Total loans	10.9%	11.0%	11.1%	10	20

*Does not include Crediscotia

Interbank's funding base grew 8.8% QoQ and 22.5% YoY

Funding Structure

S/. million	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Deposits	13,332	14,636	16,060	9.7%	20.5%
Due to banks	2,825	3,171	3,406	7.4%	20.6%
Bonds	2,048	2,707	2,809	3.7%	37.2%
Inter-bank funds	19	9	50	437.4%	168.0%
Total	18,223	20,523	22,325	8.8%	22.5%
AUM (Interfondos)	2,186	2,840	2,838	-0.1%	29.9%

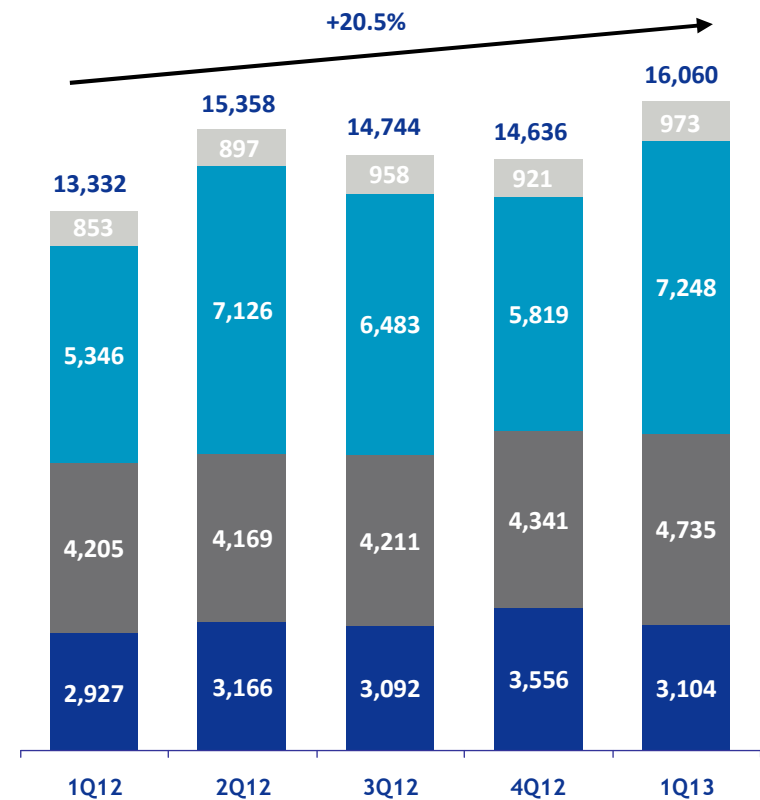
Market Share in Deposits*

	1Q12	4Q12	1Q13	bps QoQ	bps YoY
Retail Deposits	11.6%	11.1%	11.4%	30	-20
Commercial Deposits ⁽¹⁾	8.5%	9.2%	8.2%	-100	-30

*Does not include Crediscotia

⁽¹⁾ Includes demand and savings deposits

Deposit Breakdown



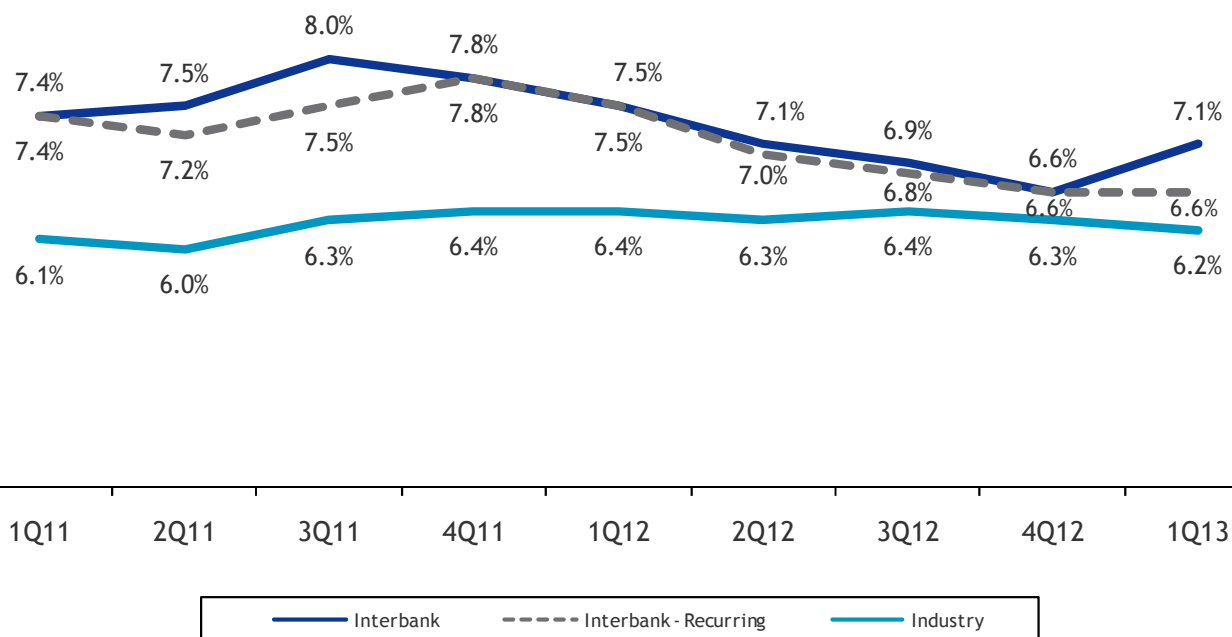
■ Demand ■ Savings ■ Time ■ Others
InterCorp Financial Services

Gross financial margin decreased 0.6% QoQ and 2.3% YoY

Interbank's Gross Financial Margin					
S/. million	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Financial income:					
Interest on loans	434.1	453.9	459.6	1.2%	5.9%
Fees on loans	77.9	72.2	61.1	-15.4%	-21.6%
Investment income & interest on cash	29.4	28.1	30.5	8.6%	3.8%
Other	0.3	0.1	1.3	n.m.	n.m.
Total Financial Income	541.7	554.3	552.5	-0.3%	2.0%
Financial expenses:					
Interest and fees on deposits	51.7	58.8	58.3	-0.8%	12.8%
Interest on due to banks and inter-bank funds	30.4	33.7	33.2	-1.7%	9.1%
Interest on bonds	34.4	44.0	45.6	3.6%	32.4%
Other	1.6	1.6	1.6	-0.9%	1.1%
Financial Expenses	118.1	138.1	138.7	0.4%	17.4%
Gross financial margin	423.6	416.1	413.8	-0.6%	-2.3%

NIM remains above the industry's average

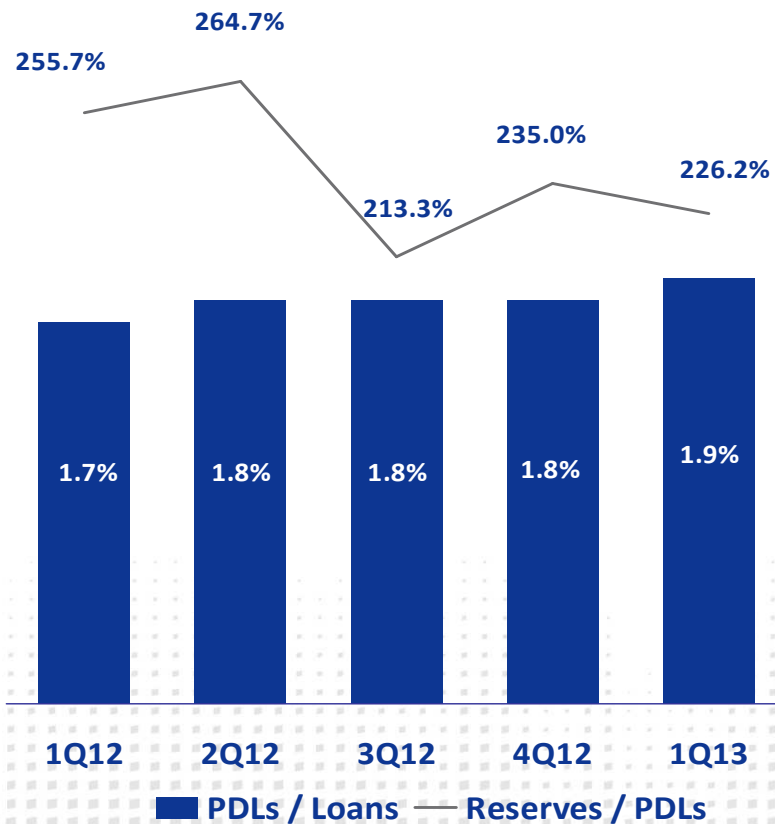
Net Interest Margin (%) *



* Excludes fees on loans and includes results from financial operations less exchange gains

Provision expenses decreased 19.0% QoQ despite PDLs picked up to 1.9% in 1Q13

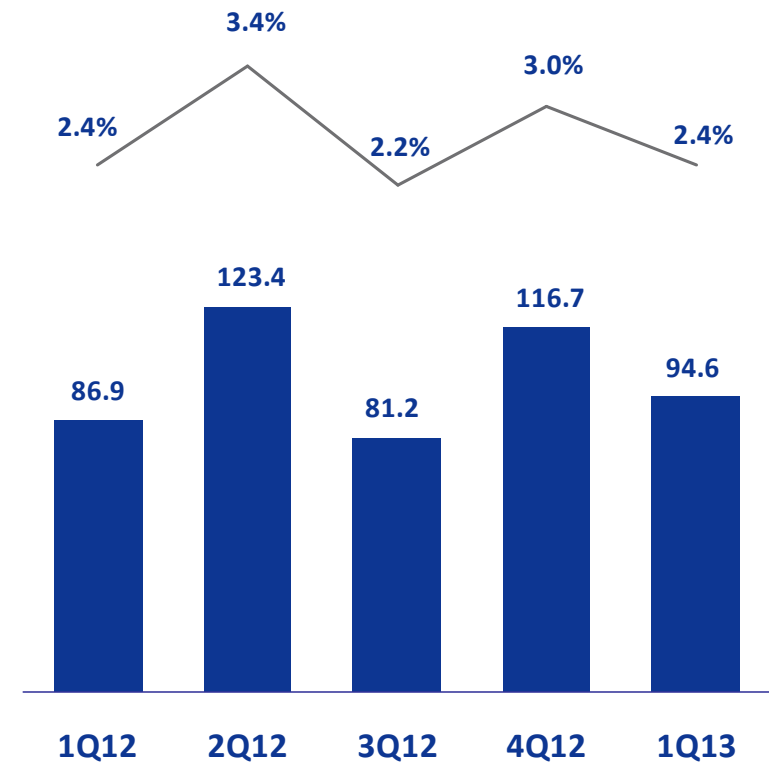
PDL & Coverage Ratios



Loan Provision Expense

S/. million

Provision expense*
Loans



 Intercorp Financial Services

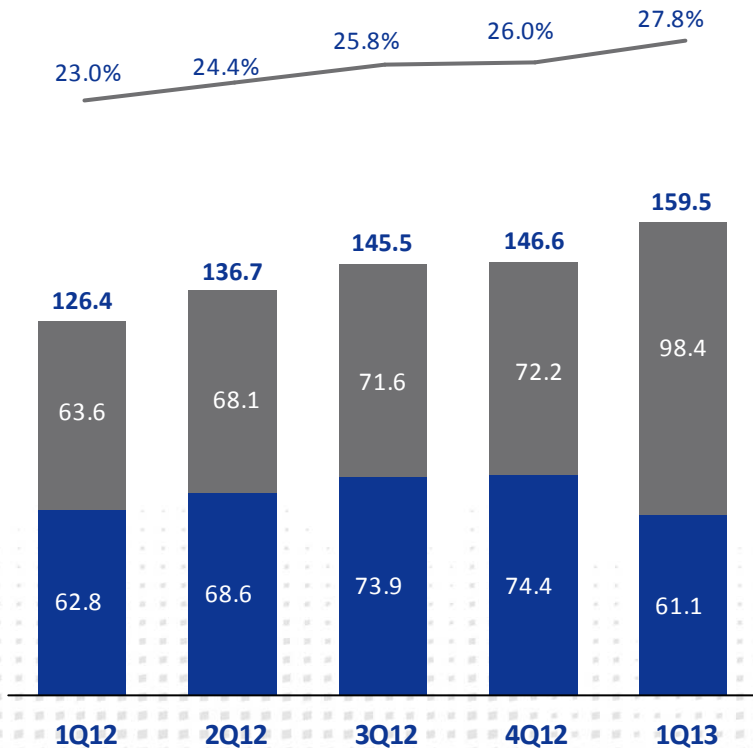
*Annualized

Fee income and results from financial operations (ROF) increased 8.9% QoQ, while operating expenses decreased 5.3% QoQ

Fee income & ROF

S/. million

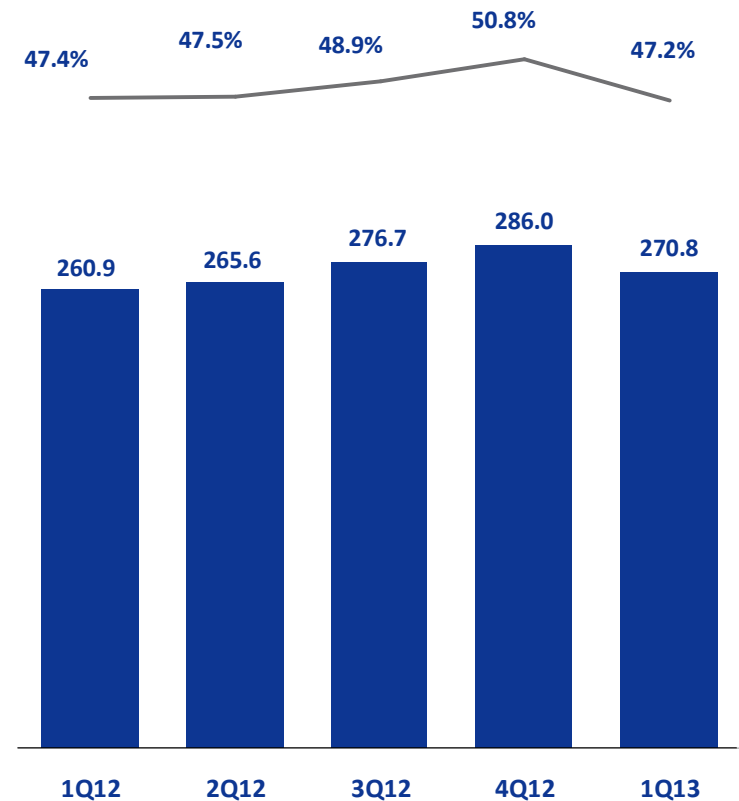
- (Fee income + ROF) / operating revenues
- ROF
- Net fee income



Operating expenses

S/. million

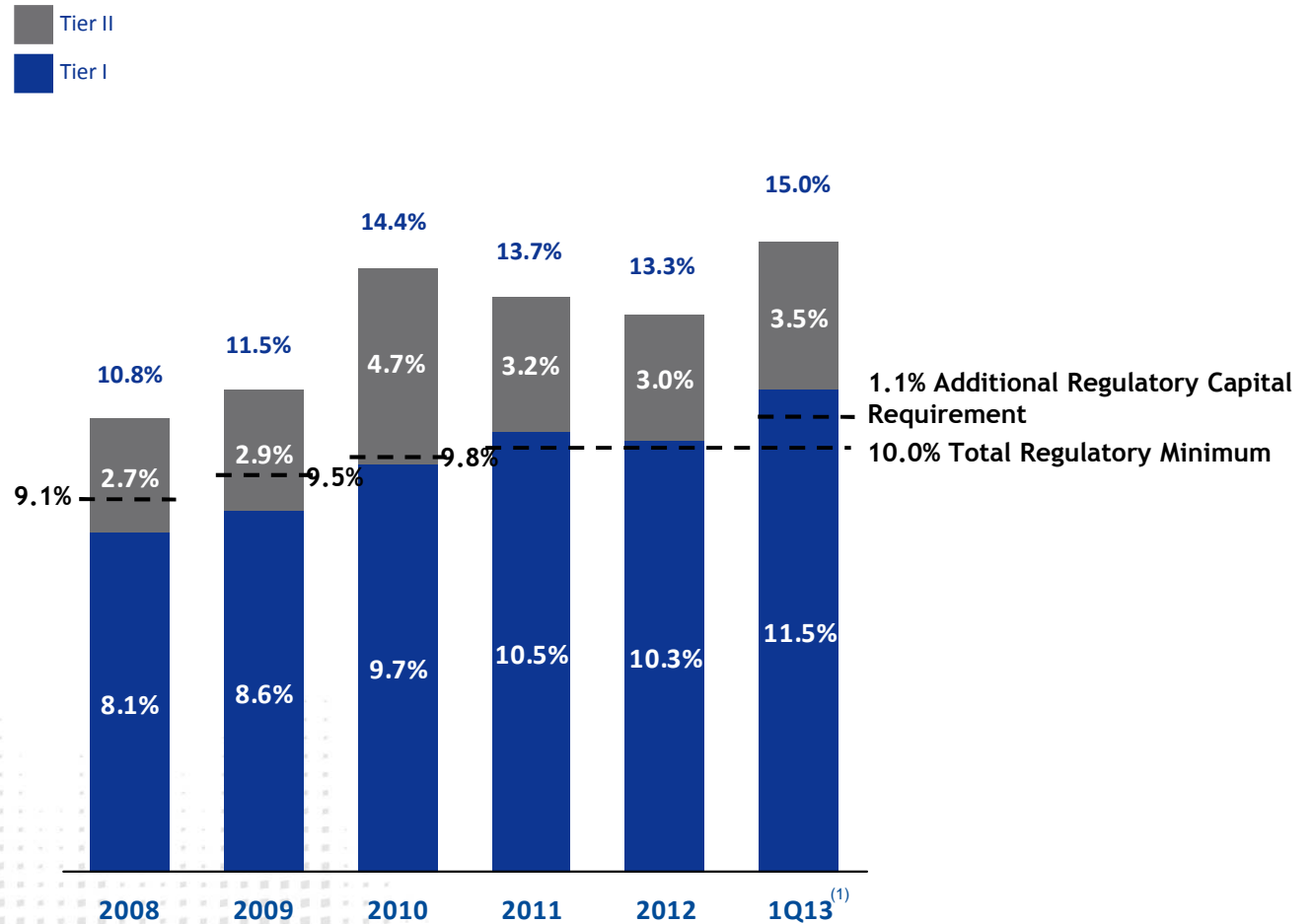
Efficiency ratio*



Intercorp Financial Services

*Cost / Income

Interbank's BIS ratio rose as a result of the capitalization of earnings



(1) In April 2010, Interbank issued US\$200 million in non-cumulative junior subordinated notes, which are considered Tier I and Tier II capital. Under Peruvian regulation, junior subordinated notes that receive Tier I capital treatment are capped at 17.65% of capital and reserves. As of March 31, 2013, 75.2% of the notes qualified as Tier I while the remaining 24.8% qualified as Tier II.

Interseguro

Interseguro's net income increased 159.6% QoQ and 98.5% YoY due to strong investment income in 1Q13

Interseguro's Profit and Loss Statement Summary

S/. million	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Premiums	110.2	111.3	134.0	20.4%	21.6%
Premiums ceded	-1.0	-1.3	-1.2	-5.8%	24.3%
Fees	-3.8	-4.0	-4.1	0.1%	5.4%
Claims	-31.3	-34.9	-39.1	12.0%	25.0%
Change in reserves	-95.1	-84.8	-113.8	34.1%	19.6%
Diverse Income, net	0.1	-0.5	0.1	n.m.	-2.9%
Technical margin	-20.9	-14.3	-24.0	67.7%	14.8%
Administrative expenses	-13.1	-24.3	-22.1	-9.0%	68.4%
Investment income, net*	62.2	60.1	101.9	69.6%	64.0%
Net income	28.1	21.5	55.8	159.6%	98.5%
ROE	27.7%	17.5%	40.0%		

*Includes exchange rate difference

Premiums increased 20.4% QoQ and 21.6% YoY, supported by a market expansion in annuities

Premiums by Business Line					
S/. million	1Q12	4Q12	1Q13	% chg QoQ	% chg YoY
Individual Life	7.1	7.7	7.9	3.6%	12.4%
Annuities	82.4	79.5	104.6	31.6%	26.9%
Group Life	11.7	15.8	12.1	-23.6%	3.6%
Disability and survivor benefits	0.1	0.0	0.0	n.m.	-24.6%
Mandatory traffic accident	6.7	5.1	6.2	22.3%	-6.6%
Non Life Insurance	2.3	3.2	3.1	-3.4%	33.7%
TOTAL	110.2	111.3	134.0	20.4%	21.6%

Investment income increased 69.6% QoQ and 64.0% YoY

Investment Portfolio					
S/. million				% chg	% chg
	1Q12	4Q12	1Q13	QoQ	YoY
Fixed Income	1,998.6	2,224.3	2,388.0	7.4%	19.5%
Equity and Mutual Funds	280.4	392.3	481.2	22.7%	71.6%
Real estate	456.1	433.6	343.3	-20.8%	-24.7%
Other	4.9	5.0	4.7	-6.7%	-5.4%
TOTAL	2,740.0	3,055.1	3,217.2	5.3%	17.4%

Investment Income, Net					
S/. million				% chg	% chg
	1Q12	4Q12	1Q13	QoQ	YoY
Income:					
Fixed Income	44.9	45.8	43.7	-4.7%	-2.8%
Interest	27.9	30.9	33.4	8.1%	19.8%
Realized Gains	17.1	15.0	10.3	-31.1%	-39.5%
Equity and Mutual Funds	9.1	6.9	10.8	56.3%	18.2%
Real estate	9.4	7.1	51.5	n.m.	n.m.
Total Income	63.5	59.8	106.0	77.1%	67.0%
Expenses	-1.2	-0.9	-0.9	-3.1%	-24.8%
Exchange difference and others	0.0	1.2	-3.1	n.m.	n.m.
Net investment income	62.2	60.1	101.9	69.6%	64.0%



 **Intercorp** Financial Services