

Second Quarter 2013 Earnings Presentation

Intercorp Financial Services

Highlights

Intercorp Financial Services:

- IFS net earnings were S/. 167.7 million in 2Q13, a 17.6% decrease QoQ and a 31.0% decline YoY
- Earnings performance QoQ and YoY was affected by non-recurring, real estate investment gains at Interseguro in both 1Q13 and 2Q12
- Excluding non-recurring items, net earnings would have decreased 5.8% QoQ and 2.4% YoY
- Gross financial margin increased 6.1% QoQ and 3.7% YoY
- IFS ROE was 23.2% in 2Q13, below the 27.2% in 1Q13 and the 42.1% in 2Q12

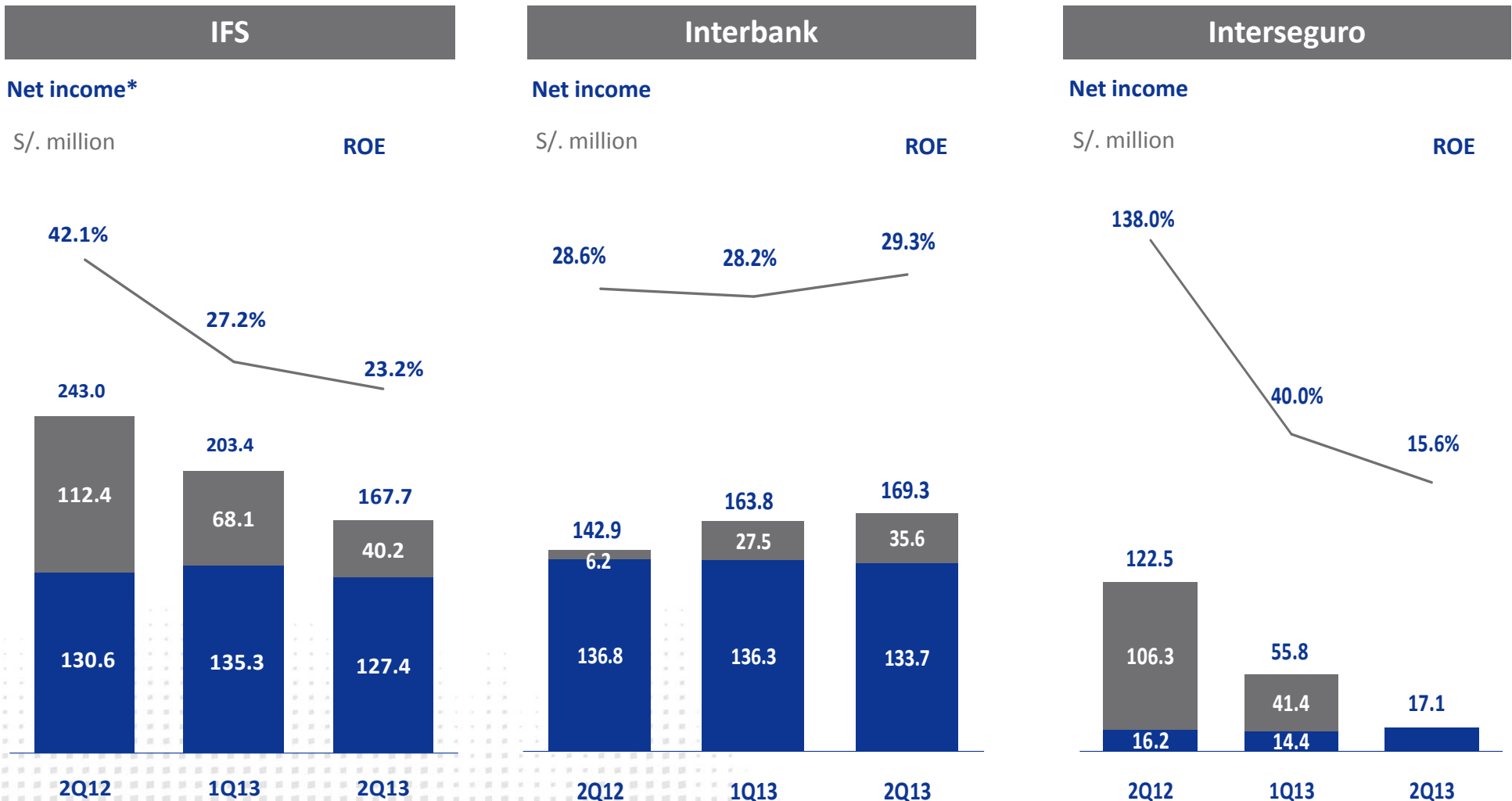
Interbank:

- Interbank's net earnings reached a record S/. 169.3 million in 2Q13, an increase of 3.4% QoQ and 18.5% YoY
- The QoQ growth was driven by higher interest on loans and investment gains, as well as a decline in provisions
- Net earnings increased YoY mainly due to growth in results from financial operations and lower provision expenses
- Excluding non-recurring factors, earnings would have decreased 1.9% QoQ and 2.2% YoY due to a reduction in fees from credit card loans and higher administrative expenses
- The loan portfolio expanded 7.5% QoQ driven by a marked acceleration in commercial loans, sustained demand for mortgages, and a return to growth in credit cards
- Deposits rose 9.9% QoQ driven by growth in commercial and retail segments
- NIM decreased 20 basis points QoQ due to lower yields on retail loans and on cash
- The past due loan ratio remained stable in the overall loan portfolio and improved 20 basis points QoQ in credit card loans
- The BIS ratio stood at 14.5% in 2Q13, well above regulatory requirements

Interseguro:

- Net earnings decreased 69.3% QoQ and 86.0% YoY due to lower investment income
- Excluding non-recurring items, net earnings would have increased 14.2% QoQ and 6.0% YoY
- Premiums increased 2.1% QoQ and 28.7% YoY
- Interseguro remained the market leader in annuities

IFS 2Q13 recurring earnings decreased 5.8% QoQ and 2.4% YoY



*Attributable to IFS shareholders

■ Recurring ■ Non-recurring

IFS net earnings were S/. 167.7 million in 2Q13

Intercorp Financial Services' Statement of Comprehensive Income					
S/. million	2Q12	1Q13	2Q13	%chg QoQ	%chg YoY
Financial income	606.5	604.6	637.8	5.5%	5.2%
Financial expenses	-130.1	-139.2	-143.8	3.3%	10.5%
Gross financial margin	476.4	465.5	494.0	6.1%	3.7%
Provisions	-123.4	-94.6	-88.9	-6.1%	-28.0%
Net financial margin	353.0	370.9	405.1	9.2%	14.8%
Fee income from financial services, net	67.2	57.5	59.2	2.9%	-11.9%
Result from insurance underwriting, net	-22.5	-21.4	-15.9	-25.9%	-29.5%
Result from financial operations	167.1	148.1	91.1	-38.4%	-45.4%
Administrative expenses	-276.1	-273.0	-286.7	5.0%	3.8%
Operating margin	288.7	282.0	252.9	-10.3%	-12.4%
Depreciation and amortization	-25.3	-26.5	-26.5	0.0%	5.1%
Other income (expenses)	20.1	5.7	8.4	46.6%	-58.2%
Income before tax	283.5	261.2	234.8	-10.1%	-17.2%
Income tax	-39.5	-56.6	-65.9	16.3%	66.7%
Net income	244.0	204.6	168.9	-17.4%	-30.8%
Attributable to IFS shareholders	243.0	203.4	167.7	-17.6%	-31.0%
EPS	2.60	2.17	1.79		
ROE	42.1%	27.2%	23.2%		

Interbank

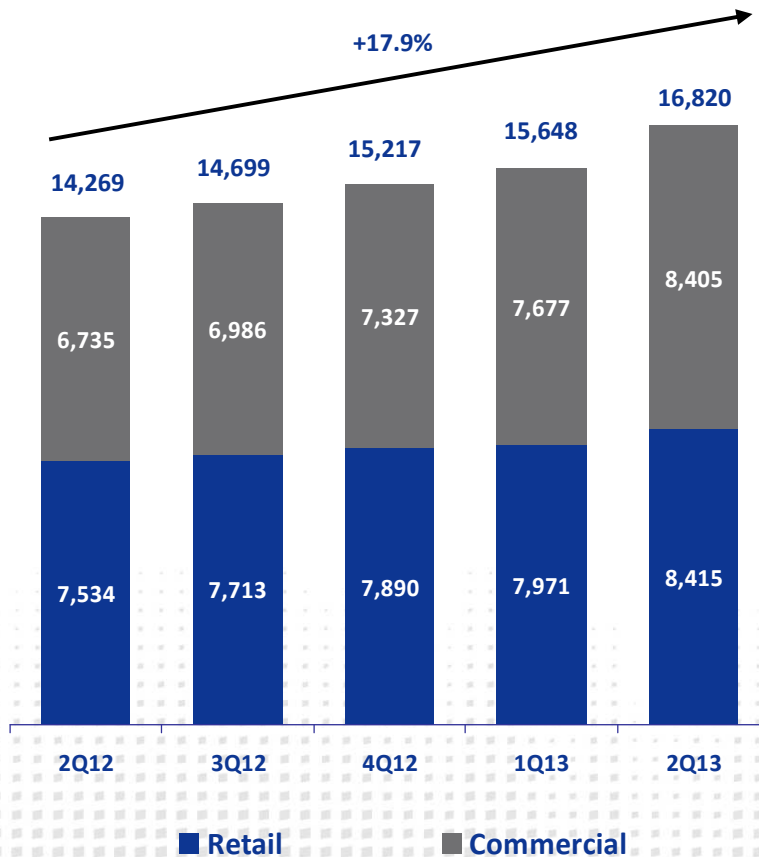
Interbank's net income increased 3.4% QoQ and 18.5% YoY

Interbank's Statement of Comprehensive Income					
S/. million	2Q12	1Q13	2Q13	% chg QoQ	% chg YoY
Financial income	553.3	552.5	572.1	3.6%	3.4%
Financial expenses	-130.6	-138.7	-143.9	3.8%	10.2%
Gross financial margin	422.7	413.8	428.2	3.5%	1.3%
Provisions	-123.4	-94.6	-88.9	-6.1%	-28.0%
Net financial margin	299.3	319.2	339.3	6.3%	13.4%
Fee income from financial services, net	68.6	61.1	64.6	5.7%	-5.8%
Result from financial operations, net	68.1	98.4	110.6	12.3%	62.3%
Administrative expenses	-241.3	-245.0	-263.5	7.5%	9.2%
Operating margin	194.7	233.7	251.0	7.4%	28.9%
Depreciation and amortization	-24.3	-25.8	-25.7	-0.4%	5.8%
Other income (expenses)	10.4	8.2	6.6	-19.3%	-36.8%
Income before taxes	180.9	216.1	231.9	7.3%	28.2%
Income tax	-38.0	-52.3	-62.6	19.6%	64.9%
Net income	142.9	163.8	169.3	3.4%	18.5%
ROE	28.6%	28.2%	29.3%	110 bps	70 bps

Loan growth strengthened to 7.5% QoQ and 17.9% YoY

Performing loans

S/. million



Breakdown of loans

S/. million	2Q12	1Q13	2Q13	% chg QoQ	% chg YoY
Consumer loans:					
Credit cards	2,218	2,017	2,103	4.3%	-5.2%
Other consumer	2,689	2,833	2,922	3.1%	8.7%
Total consumer loans	4,907	4,850	5,026	3.6%	2.4%
Mortgages	2,627	3,120	3,389	8.6%	29.0%
Total retail loans	7,534	7,971	8,415	5.6%	11.7%
Total commercial	6,735	7,677	8,405	9.5%	24.8%
Total loans	14,269	15,648	16,820	7.5%	17.9%

Market share in loans

	2Q12	1Q13	2Q13	bps QoQ	bps YoY
Consumer loans:					
Credit cards	20.2%	17.9%	17.9%	0	-230
Other consumer	19.5%	18.7%	18.5%	-20	-100
Total consumer loans	20.8%	19.2%	19.1%	-10	-170
Mortgages	12.4%	12.8%	12.8%	0	40
Total retail loans	16.8%	16.1%	16.0%	-10	-80
Total commercial	7.9%	8.4%	8.6%	20	70
Total loans	10.9%	11.1%	11.2%	10	30

Interbank's funding base grew 8.3% QoQ and 18.4% YoY

Funding Structure

S/. million				% chg	
	2Q12	1Q13	2Q13	QoQ	YoY
Deposits	15,358	16,060	17,644	9.9%	14.9%
Due to banks	2,907	3,406	3,398	-0.2%	16.9%
Bonds	2,166	2,809	2,961	5.4%	36.7%
Inter-bank funds	0	50	187	n.m.	n.m.
Total	20,431	22,325	24,189	8.3%	18.4%
AUM (Interfondos)	2,270	2,838	2,866	1.0%	26.3%

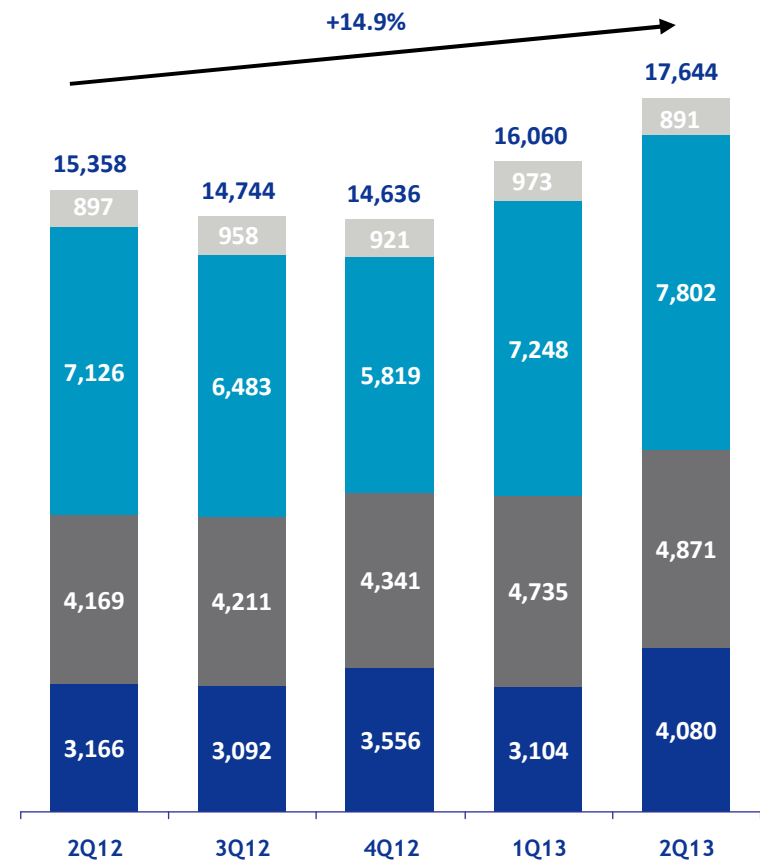
Market Share in Deposits

				bps	
	2Q12	1Q13	2Q13 ⁽¹⁾	QoQ	YoY
Retail Deposits	11.6%	11.4%	11.3%	-10	-30
Commercial Deposits ⁽²⁾	9.0%	8.2%	9.9%	170	90

⁽¹⁾ As of May 2013

⁽²⁾ Includes demand and savings deposits

Deposit Breakdown



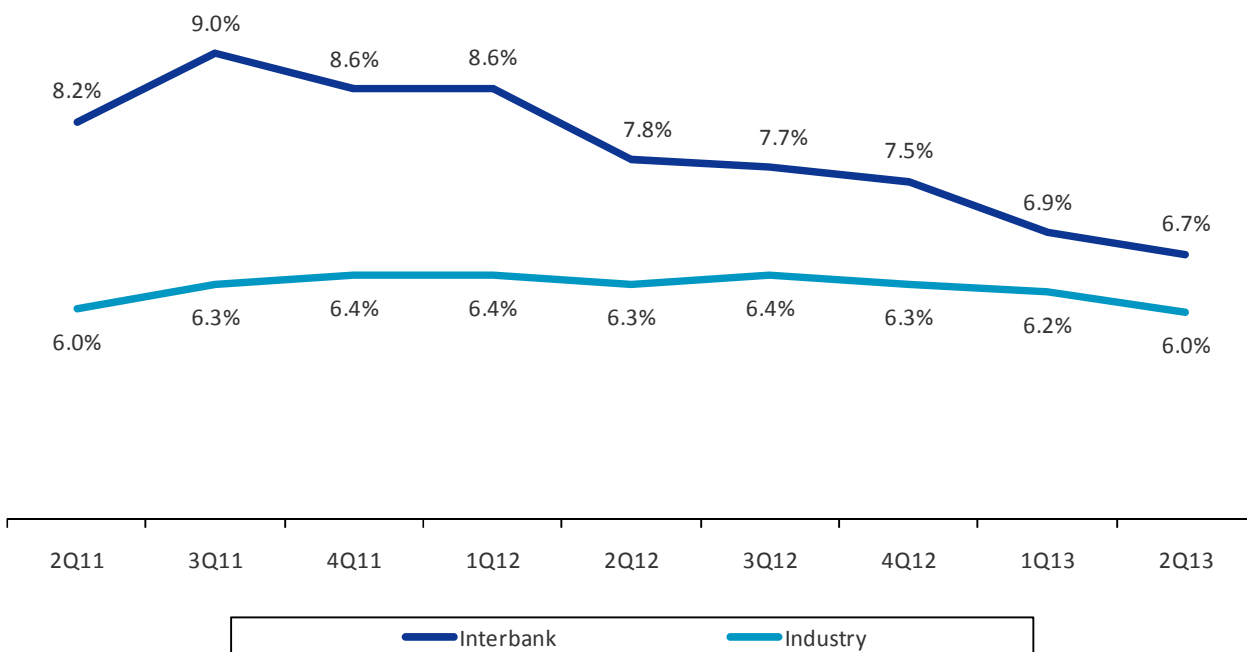
■ Demand ■ Savings ■ Time ■ Others
Intercorp Financial Services

Gross financial margin increased 3.5% QoQ and 1.3% YoY

Interbank's Gross Financial Margin					
S/. million	2Q12	1Q13	2Q13	% chg QoQ	% chg YoY
Financial income:					
Interest on loans	442.9	459.6	482.5	5.0%	8.9%
Fees on loans	76.7	61.1	63.2	3.4%	-17.7%
Investment income & interest on cash	32.8	30.5	26.2	-14.2%	-20.1%
Other	0.9	1.3	0.2	-84.5%	-77.0%
Total Financial Income	553.3	552.5	572.1	3.6%	3.4%
Financial expenses:					
Interest and fees on deposits	58.2	58.3	60.0	2.9%	3.1%
Interest on due to banks and inter-bank funds	36.5	33.2	37.4	12.9%	2.5%
Interest on bonds	34.3	45.6	44.7	-1.9%	30.4%
Other	1.6	1.6	1.8	9.7%	9.9%
Financial Expenses	130.6	138.7	143.9	3.8%	10.2%
Gross financial margin	422.7	413.8	428.2	3.5%	1.3%

NIM remains above the industry's average

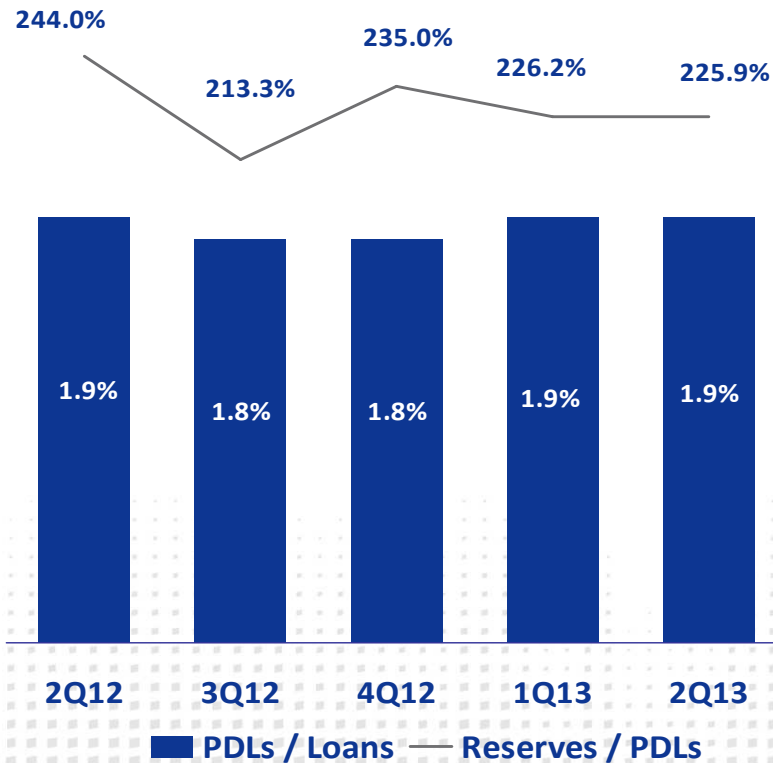
Net Interest Margin (%) *



* Gross financial margin / Average interest-earning assets. The gross financial margin includes fees on loans.

Provision expenses decreased 6.1% QoQ and 28.0% YoY while PDLs remained at 1.9% in 2Q13

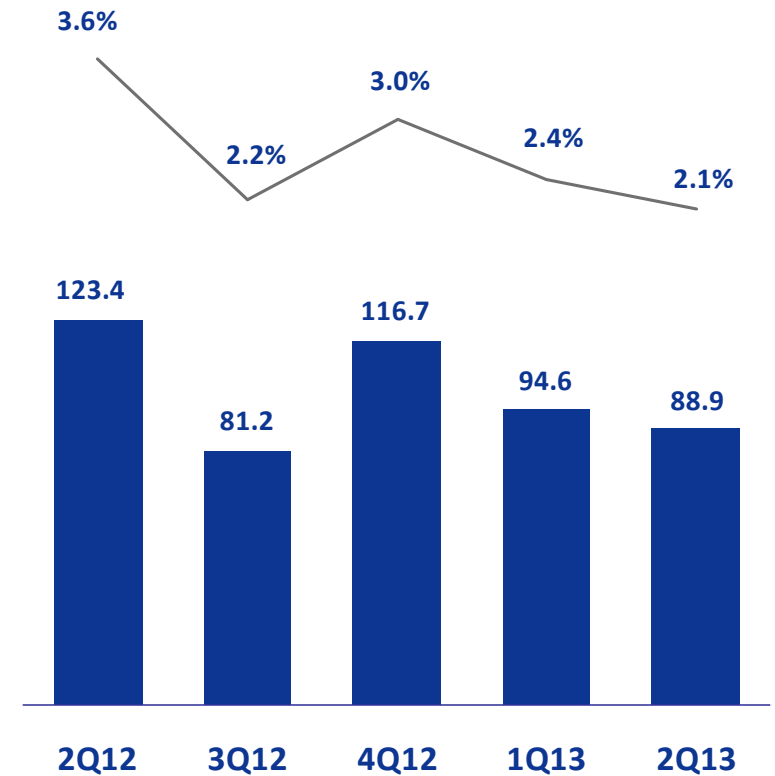
PDL & Coverage Ratios



Loan Provision Expense

S/. million

Provision expense*
Loans



 Intercorp Financial Services

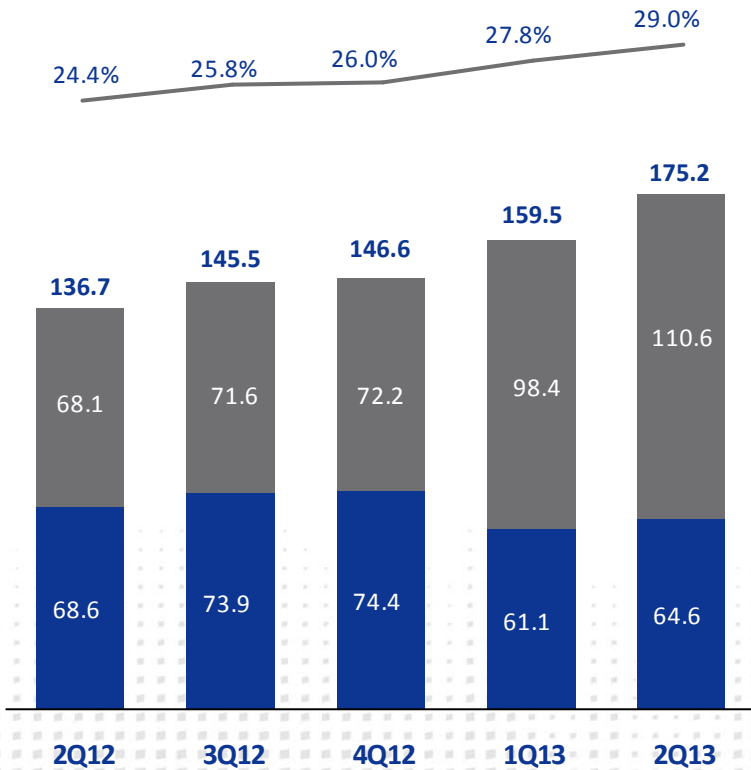
*Annualized

Fee income and results from financial operations (ROF) represented 29.0% of operating revenues in 2Q13

Fee income & ROF

S/. million

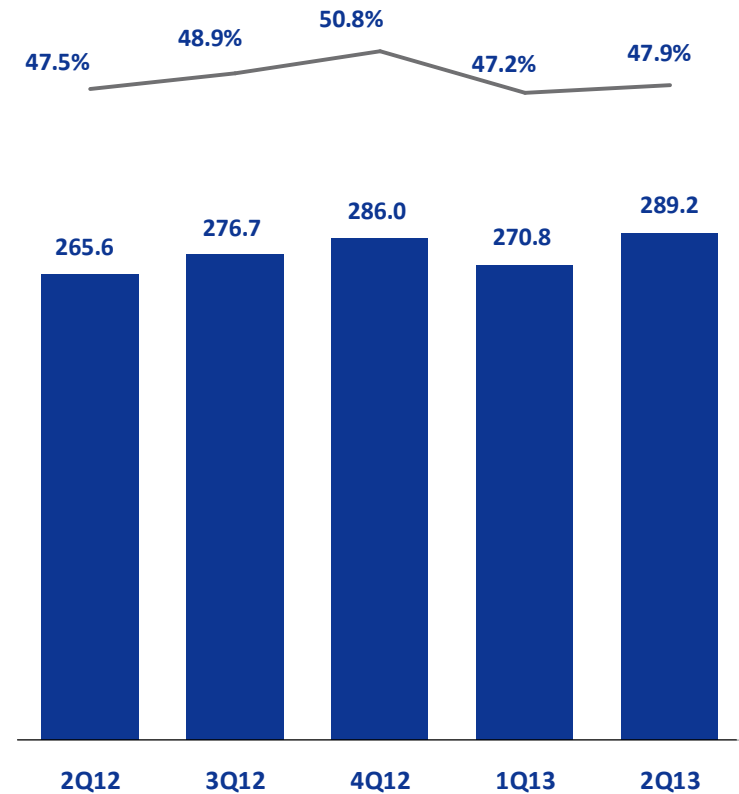
- (Fee income + ROF) / operating revenues
- ROF
- Net fee income



Operating expenses

S/. million

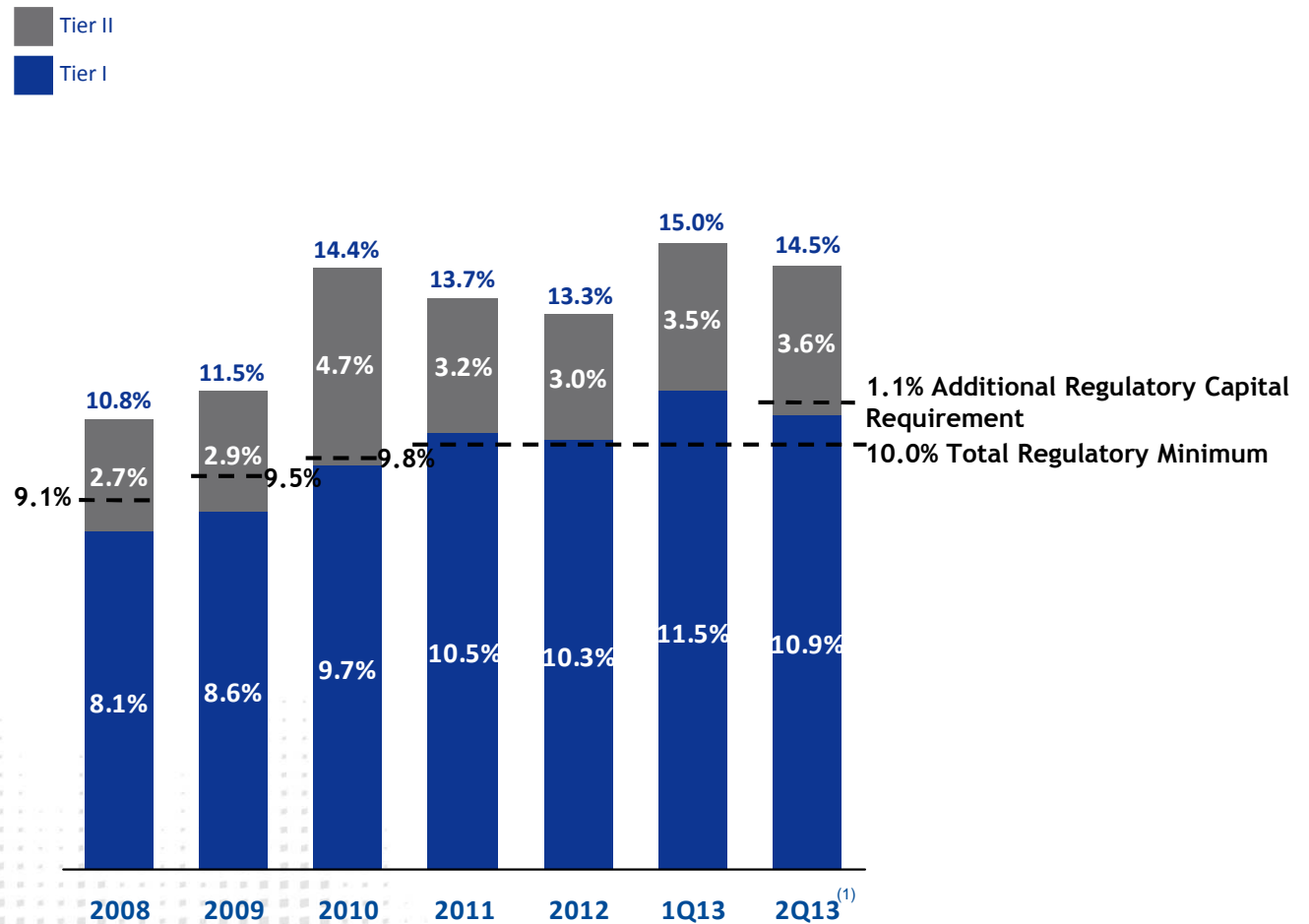
Efficiency ratio*



Intercorp Financial Services

* Cost / Income

Interbank's BIS ratio remained strong



(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 June 30, 2013, 70.0% of the notes qualified as Tier I while the remaining 30.0% qualified as Tier II.

Interseguro

Interseguro's net income in 2Q13 lacked the support of extraordinary investment gains, as opposed to 1Q13 and 2Q12

Profit and Loss Statement Summary

S/. million	2Q12	1Q13	2Q13	% chg QoQ	% chg YoY
Premiums	106.3	134.0	136.8	2.1%	28.7%
Premiums ceded	-1.2	-1.2	-1.4	16.8%	22.3%
Fees	-3.6	-4.1	-11.7	188.7%	226.6%
Claims	-40.3	-39.1	-42.6	8.9%	5.6%
Change in reserves	-85.8	-113.8	-101.5	-10.8%	18.4%
Diverse Income, net	-0.3	0.1	0.1	n.m.	n.m.
Technical margin	-24.9	-24.0	-20.3	-15.4%	-18.2%
Administrative expenses	-15.9	-22.1	-19.8	-10.3%	24.8%
Investment income, net*	163.2	101.9	57.3	-43.8%	-64.9%
Net income	122.5	55.8	17.1	-69.3%	-86.0%
ROE	138.0%	40.0%	15.6%		

*Includes exchange rate difference

Premiums increased 2.1% QoQ and 28.7% YoY

Premiums by Business Line					
S/. million	2Q12	1Q13	2Q13	% chg QoQ	% chg YoY
Individual Life	6.6	7.9	9.5	19.3%	43.6%
Annuities	76.9	104.6	93.6	-10.5%	21.8%
Group Life	13.7	12.1	24.4	101.6%	77.8%
Disability and survivor benefits	0.1	0.0	0.0	n.m.	n.m.
Mandatory traffic accident	5.9	6.2	5.9	-5.3%	-0.4%
Non Life Insurance	3.2	3.1	3.5	11.5%	10.0%
TOTAL	106.3	134.0	136.8	2.1%	28.7%

Interseguro's real estate investments grew 5.9% QoQ after an important sale of property in 1Q13

Investment Portfolio					
S/. million				% chg	% chg
	2Q12	1Q13	2Q13	QoQ	YoY
Fixed Income	2,218.0	2,388.0	2,461.0	3.1%	11.0%
Equity and Mutual Funds	272.4	481.2	425.0	-11.7%	56.0%
Real estate	385.7	343.3	363.7	5.9%	-5.7%
Other	5.1	4.7	4.9	5.5%	-2.7%
TOTAL	2,881.1	3,217.2	3,254.6	1.2%	13.0%

Investment Income, Net					
S/. million				% chg	% chg
	2Q12	1Q13	2Q13	QoQ	YoY
Income:					
Fixed Income	38.1	43.7	47.7	9.3%	25.3%
Interest	29.8	33.4	37.2	11.5%	24.9%
Realized Gains	8.3	10.3	10.5	2.2%	26.8%
Equity and Mutual Funds	10.2	10.8	22.5	108.4%	120.1%
Real estate	119.6	51.5	4.5	-91.3%	-96.3%
Total Income	168.0	106.0	74.7	-29.5%	-55.5%
Expenses	-0.7	-0.9	-1.1	24.6%	57.8%
Exchange difference and others	-4.1	-3.1	-16.4	n.m.	n.m.
Net income	163.2	101.9	57.3	-43.8%	-64.9%



 **Intercorp** Financial Services