

InterCorp Financial Services

Third Quarter 2015

Earnings Presentation

Highlights 3Q15

IFRS

Intercorp Financial Services

- 3Q15 net profit was S/. 408.6 million, a 48.6% increase YoY and 18.0% QoQ. Both yearly and quarterly increases were driven by strong operating performance at Interbank and Interseguro. At Interseguro there was a strong positive impact YoY and QoQ attributable to higher releases of technical reserves due to a higher discount rate
- 3Q15 annualized ROAE was 39.2%

Interbank

- 3Q15 net profit was S/. 242.4 million, a 29.4% growth YoY and 20.6% QoQ. The yearly performance was attributed to increases of 17.9% in net interest and similar income, 67.1% in other income and 21.8% in fee income, factors which were partially offset by a 44.0% growth in provisions. The quarterly increase was attributed to higher fees and other income, and lower provision expenses, partly offset by an increase in other expenses
- Performing loans and deposits grew 12.9% and 15.9% YoY, respectively, while retail deposits increased 18.4% YoY
- NIM improved 30 bps YoY, to 6.7% in 3Q15, while the efficiency ratio improved 610 bps YoY, to 40.5%
- 3Q15 annualized ROAE was 28.2%

Interseguro

- 3Q15 net profit* was S/. 156.2 million, a 124.9% increase YoY and 33.0% QoQ. The bottom-line result was supported by strong growth in premiums and a positive discount rate impact on technical reserves
- Net premiums increased 27.3% YoY and 19.1% QoQ due to a market recovery in annuities, where Interseguro remained as market leader with a 24.2% share
- 3Q15 annualized ROAE was 152.7%

Inteligo

- 3Q15 net profit was S/. 16.7 million, down 40.4% YoY and 66.5% QoQ due to lower results on the investment portfolio
- Core business continued to perform strongly, as net interest and similar income grew 69.4% YoY, and fee income increased 49.9% YoY
- AuM + deposits increased 14.1% YoY and 3.1% QoQ
- 3Q15 annualized ROAE was 12.6%

* Attributable to shareholders

IFS key indicators 3Q15

IFRS

Intercorp Financial Services' key indicators

S/. million

		3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Results	Net interest and similar income	515.7	599.1	623.9	4.1%	21.0%
	Fee income from financial services, net	168.6	194.0	214.8	10.8%	27.4%
	Profit for the period	275.0	346.4	408.6	18.0%	48.6%
Profitability	NIM	6.0%	6.4%	6.4%	0 bps	40 bps
	ROAE	28.3%	32.0%	39.2%	720 bps	1090 bps
	ROAA	2.9%	3.2%	3.6%	40 bps	70 bps
	EPS	2.50	3.16	3.72		
Asset quality	PDL ratio	1.9%	2.3%	2.2%	-10 bps	30 bps
	PLL / Avg. loans	1.7%	2.8%	2.2%	-60 bps	50 bps
	Coverage ratio	183.9%	168.8%	174.2%		
Insurance	Net Premiums ⁽¹⁾	168.1	179.6	214.0	19.1%	27.3%
	Adjustment of technical reserves	-74.1	-56.5	-46.7	-17.3%	-37.0%
	Net claims and benefits incurred	-46.8	-60.3	-68.8	14.1%	47.0%
	Discount rate impact on technical reserves	56.9	83.1	117.4	41.3%	106.3%
Other ratios	Efficiency ratio ⁽²⁾	41.0%	35.3%	33.3%	-200 bps	-770 bps
	BIS ratio (Interbank)	15.8%	16.5%	15.6%	-90 bps	-20 bps
	Gross loans / Deposits (Interbank)	106.4%	112.3%	104.4%		

(1) Net of premiums ceded to reinsurers

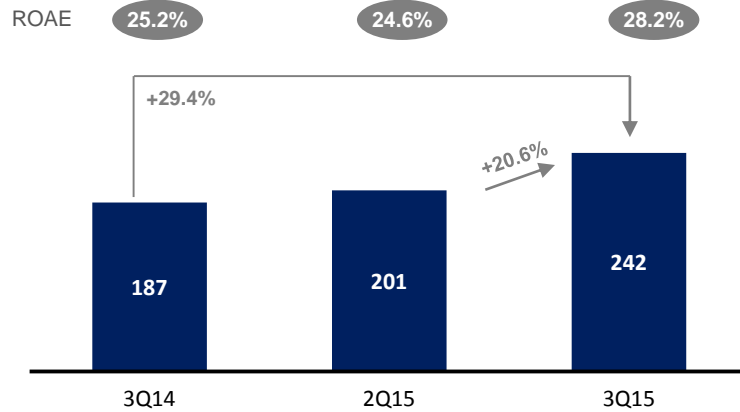
(2) Efficiency ratio is defined as (Salaries and employee benefits + Administrative expenses + Depreciation and amortization) / (Net interest + Other income + Net premiums earned)

IFS 3Q15 net profit increased 18.0% QoQ and 48.6% YoY

IFRS

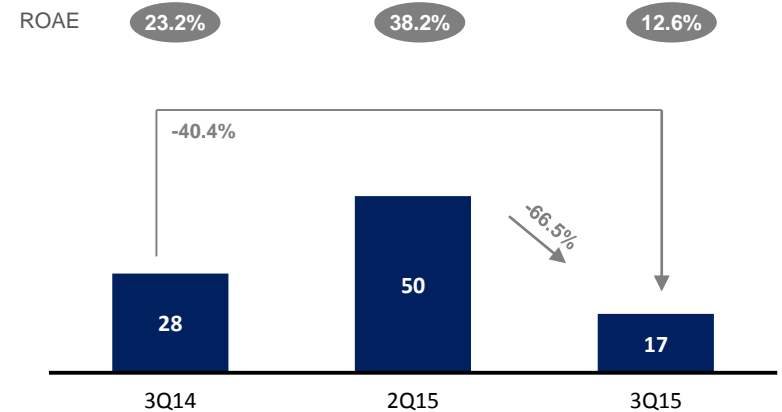
Interbank

Net profit in S/. million



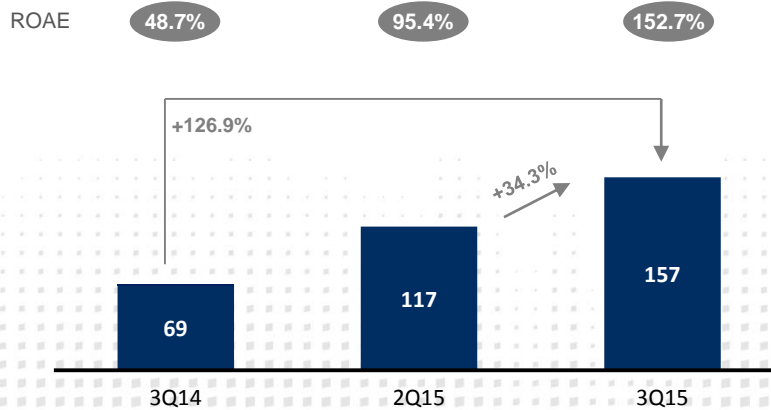
Inteligo

Net profit in S/. million



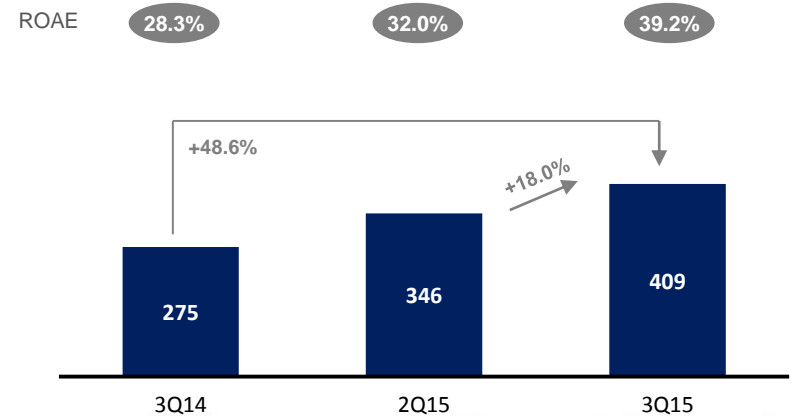
Interseguro

Net profit in S/. million



IFS

Net profit in S/. million



Interbank

Interbank's profits grew 20.6% QoQ and 29.4% YoY

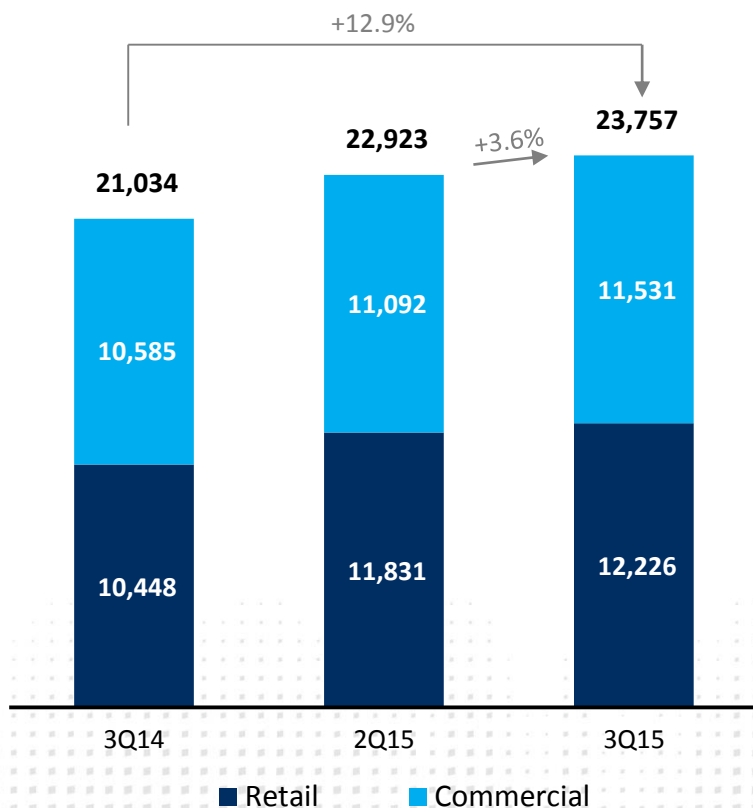
IFRS

Banking Segment's P&L Statement					
S/. million	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Interest and similar income	642.7	732.8	757.4	3.4%	17.9%
Interest and similar expenses	-187.4	-203.8	-220.5	8.2%	17.7%
Net interest and similar income	455.3	529.0	536.9	1.5%	17.9%
Provision for loan losses, net of recoveries	-97.5	-172.2	-140.4	-18.5%	44.0%
Net interest and similar income after provision for loan losses	357.9	356.7	396.6	11.2%	10.8%
Fee income from financial services, net	153.9	171.4	187.5	9.4%	21.8%
Other income	84.4	111.9	141.1	26.2%	67.1%
Other expenses	-330.1	-355.8	-376.0	5.7%	13.9%
Income before translation result and income tax	266.1	284.2	349.2	22.9%	31.2%
Translation result	-12.8	-10.0	-6.6	-34.0%	-48.3%
Income tax	-66.1	-73.2	-100.2	36.8%	51.6%
Profit for the period	187.3	201.0	242.4	20.6%	29.4%
ROAE	25.2%	24.6%	28.2%		
Efficiency ratio	46.6%	41.7%	40.5%		
NIM	6.4%	6.8%	6.7%		
NIM on loans	8.8%	9.1%	9.2%		

Performing loans grew 3.6% QoQ and 12.9% YoY

Performing loans

S/. million



Breakdown of loans

S/. million

	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Consumer loans:					
Credit cards	3,040.9	3,632.7	3,677.3	1.2%	20.9%
Other consumer	3,447.7	3,924.4	4,117.6	4.9%	19.4%
Total consumer loans	6,488.6	7,557.2	7,794.9	3.1%	20.1%
Mortgages	3,959.8	4,274.1	4,430.7	3.7%	11.9%
Total retail loans	10,448.3	11,831.3	12,225.6	3.3%	17.0%
Total commercial	10,585.3	11,092.0	11,531.0	4.0%	8.9%
Total loans	21,033.6	22,923.3	23,756.5	3.6%	12.9%

Market share in loans ⁽¹⁾

S/. million

	3Q14	2Q15	3Q15	bps QoQ	bps YoY
Consumer loans:					
Credit cards	25.0%	24.9%	24.7%	-20	-30
Other consumer	18.9%	19.2%	19.7%	50	80
Total consumer loans	21.4%	21.6%	21.8%	20	40
Mortgages	12.8%	12.6%	12.7%	10	-10
Total retail loans	17.1%	17.2%	17.4%	20	30
Total commercial	8.7%	8.1%	8.0%	-10	-70
Total loans	11.6%	11.2%	11.2%	0	-40

⁽¹⁾ Based on Local GAAP figures

Interbank's deposits grew 11.7% QoQ and 15.9% YoY

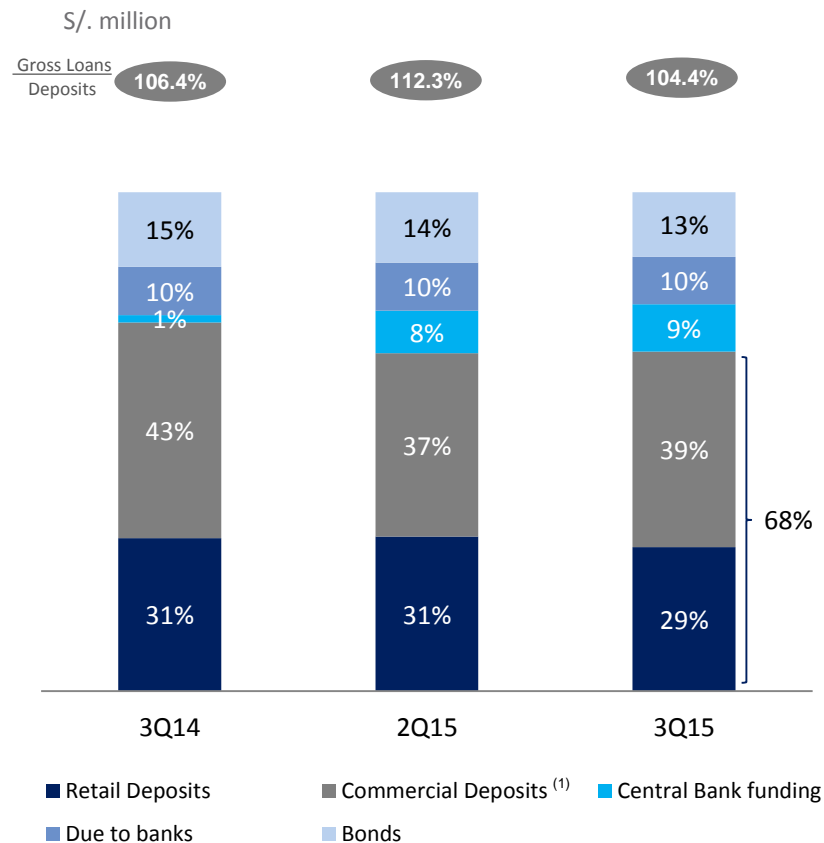
Funding structure

S/. million	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Deposits	20,302.4	21,061.9	23,528.9	11.7%	15.9%
Retail	8,427.5	9,625.6	9,975.4	3.6%	18.4%
Commercial ⁽¹⁾	11,874.9	11,436.3	13,553.6	18.5%	14.1%
Due to banks	3,060.6	5,649.6	6,558.9	16.1%	114.3%
Central Bank	404.2	2,665.2	3,266.6	22.6%	n.m.
Other	2,656.4	2,984.5	3,292.3	10.3%	23.9%
Bonds	4,116.6	4,400.3	4,488.5	2.0%	9.0%
Total	27,479.6	31,111.8	34,576.4	11.1%	25.8%
AUM (Interfondos)	2,525.8	2,696.5	2,797.1	3.7%	10.7%
Average cost of funding	-3.3%	-3.1%	-3.0%	10 bps	30 bps

Market share in deposits⁽²⁾

S/. million	3Q14	2Q15	3Q15	bps QoQ	bps YoY
Retail Deposits	12.1%	12.3%	12.2%	-10	10
Commercial Deposits	10.7%	9.9%	11.1%	120	40
Total Deposits	11.3%	10.9%	11.5%	60	20

Funding breakdown



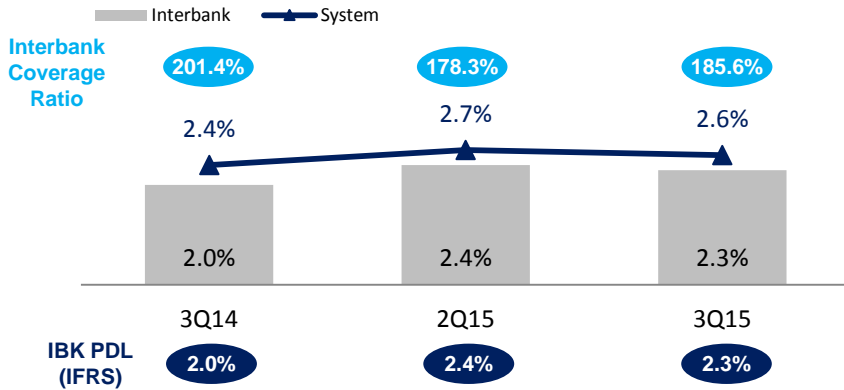
⁽¹⁾ Includes Institutional and others

⁽²⁾ Based on Local GAAP figures

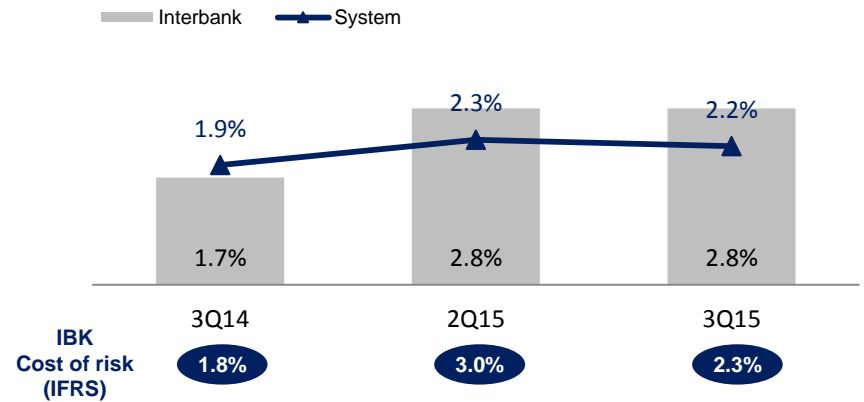
Asset quality remained strong in 3Q15

Local GAAP & IFRS figures

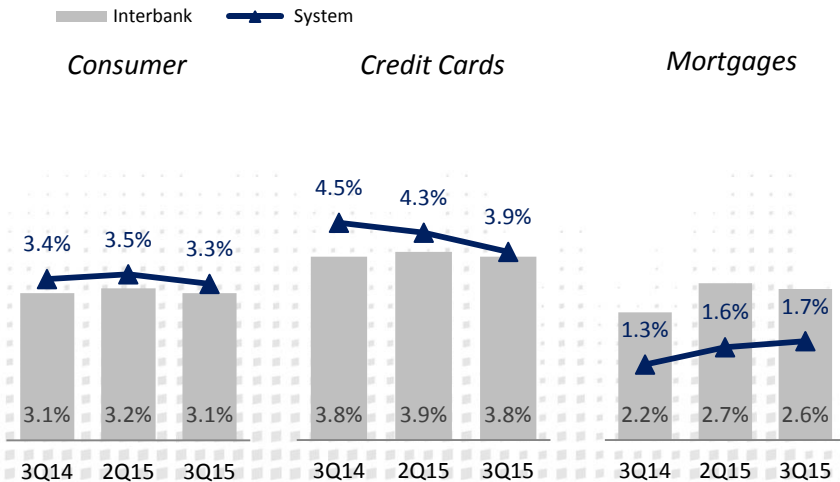
PDL vs. System



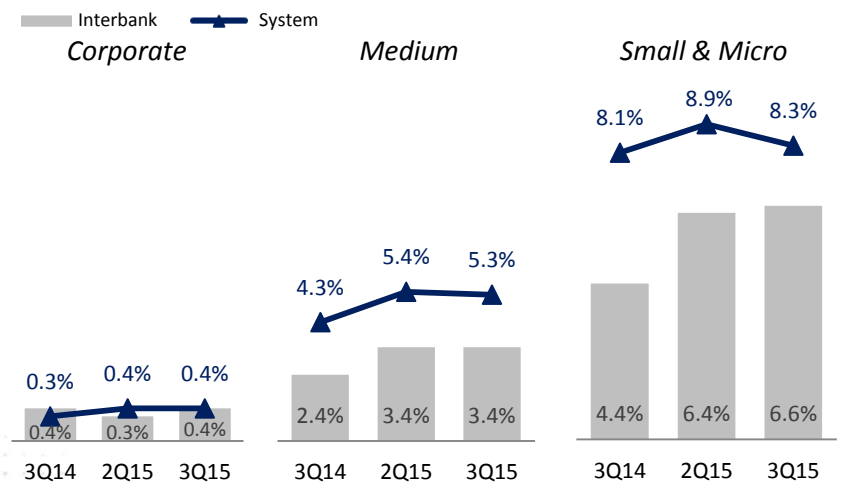
Loan provision expense vs. System



PDL retail banking vs. System



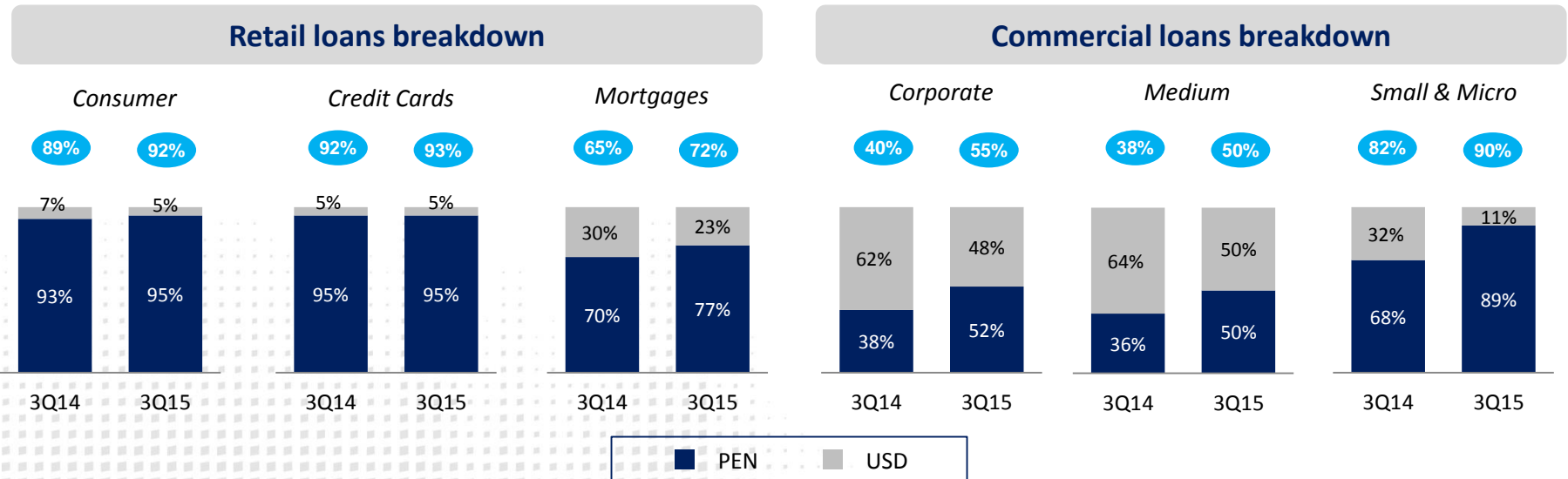
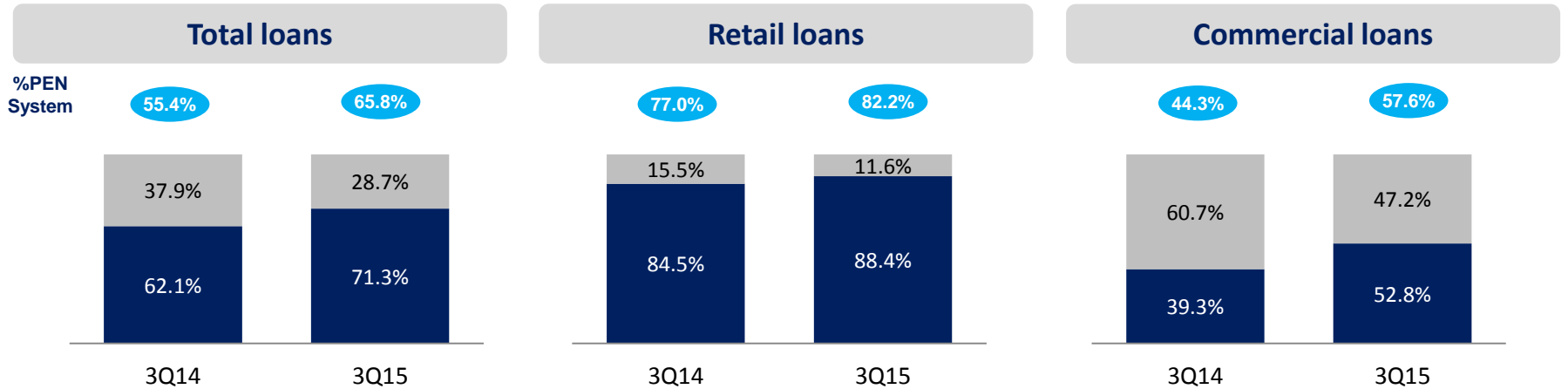
PDL commercial banking vs. System



Note: Based on SBS and company information.

Strong de-dollarization trend in the last year

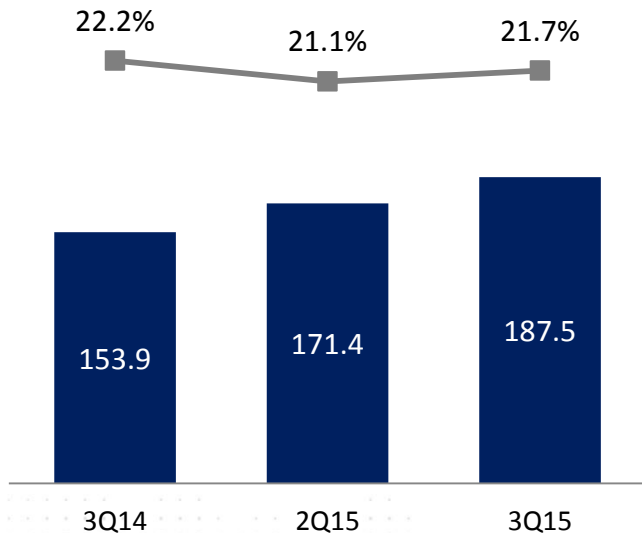
Local GAAP figures



Fee income increased 21.8% YoY and efficiency ratio continued to improve

Fee income

S/. million

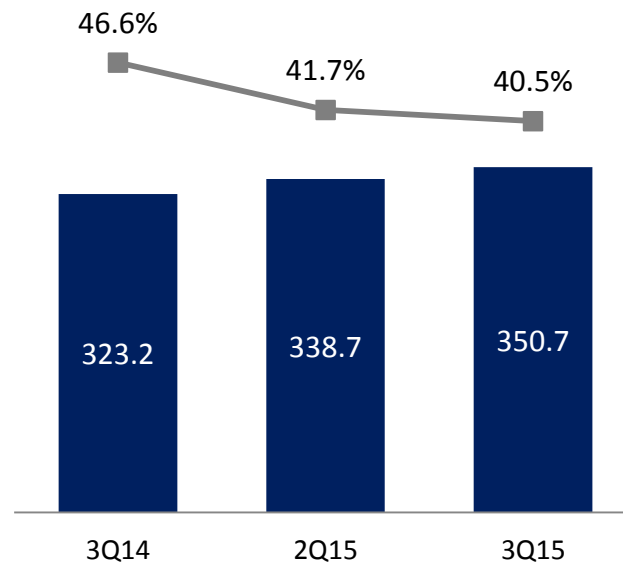


■ Net Fee income

■ Fee income / (Net interest income + Fee income + Other income)

Operating expenses

S/. million



■ Salaries, administrative and D&A expenses

■ Efficiency ratio ⁽¹⁾

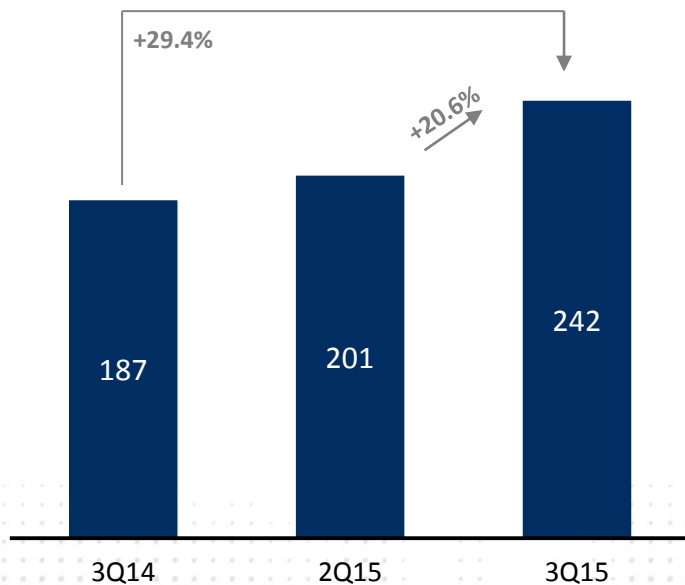
(1) Efficiency ratio is defined as (Salaries and employee benefits + Administrative expenses + Depreciation and amortization) / (Net interest income + Fee income + Other income)

Strong quarter at Interbank with solid ROAE levels

IFRS

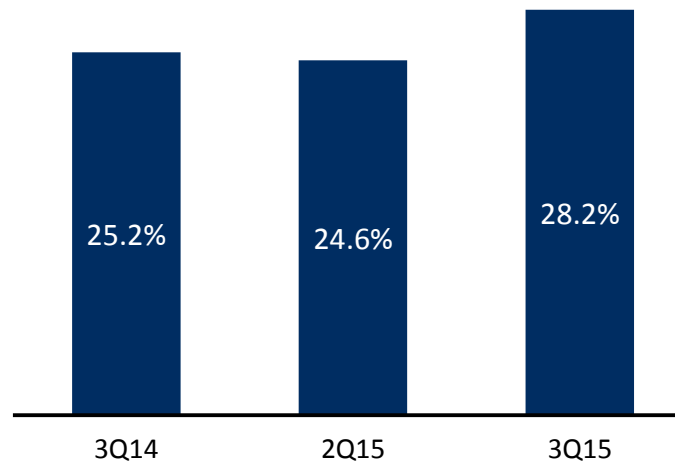
Net profit

S/. million

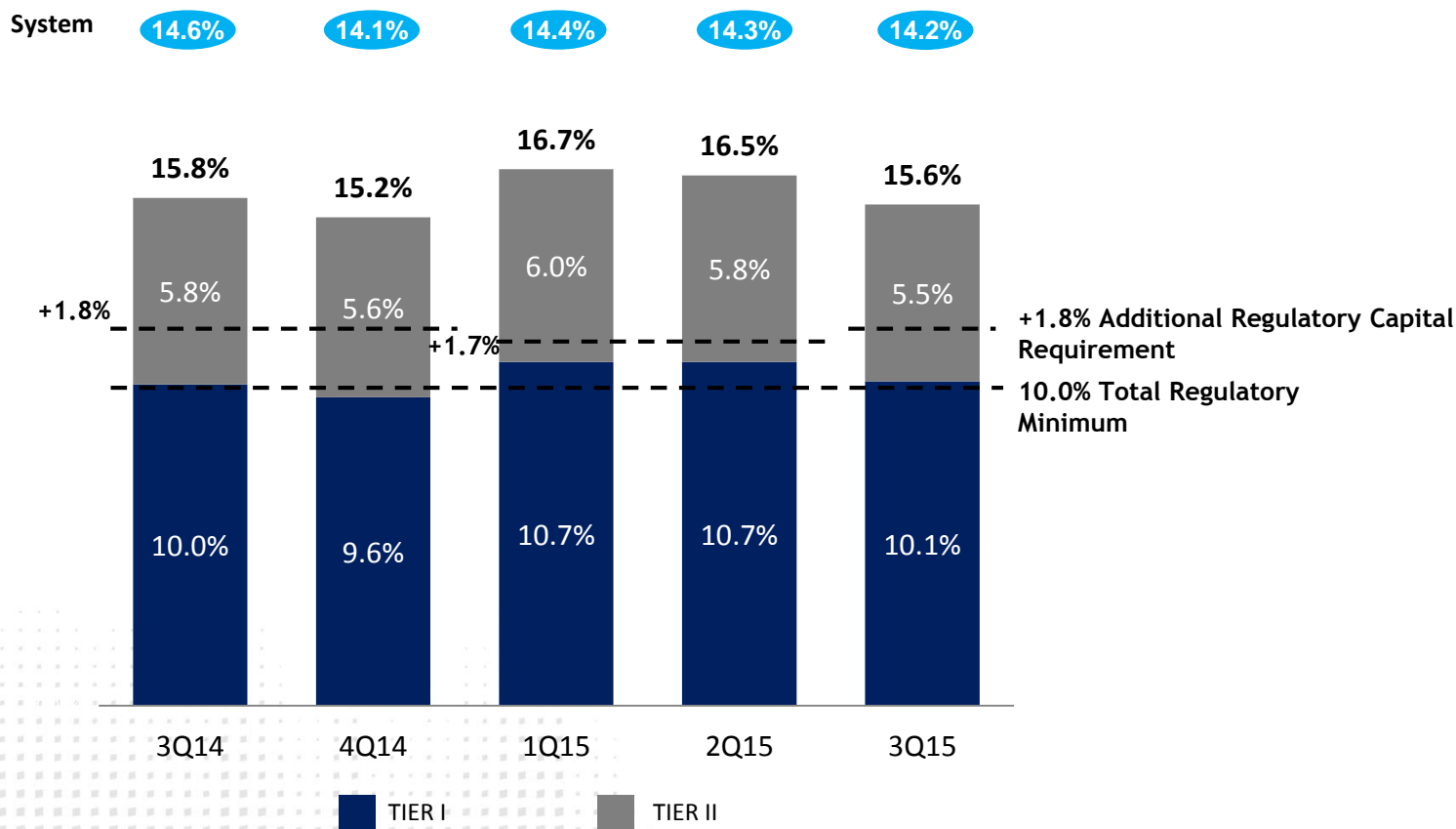


ROAE

Annualized



Interbank's BIS ratio remained above regulatory requirements and the system average



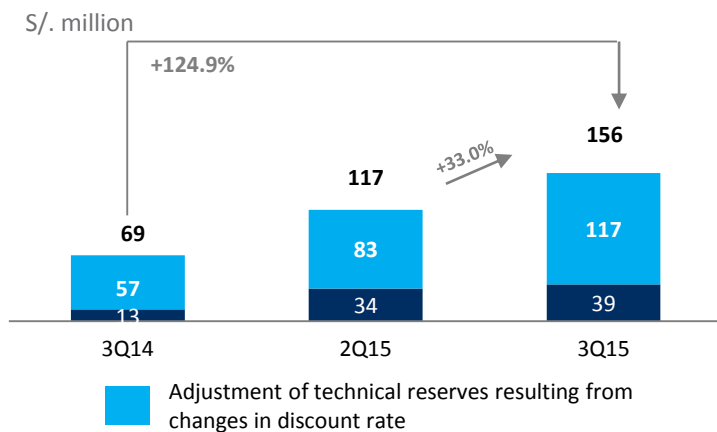
Interseguro

Interseguro's profit attributable to shareholders increased 33.0% QoQ and more than doubled YoY

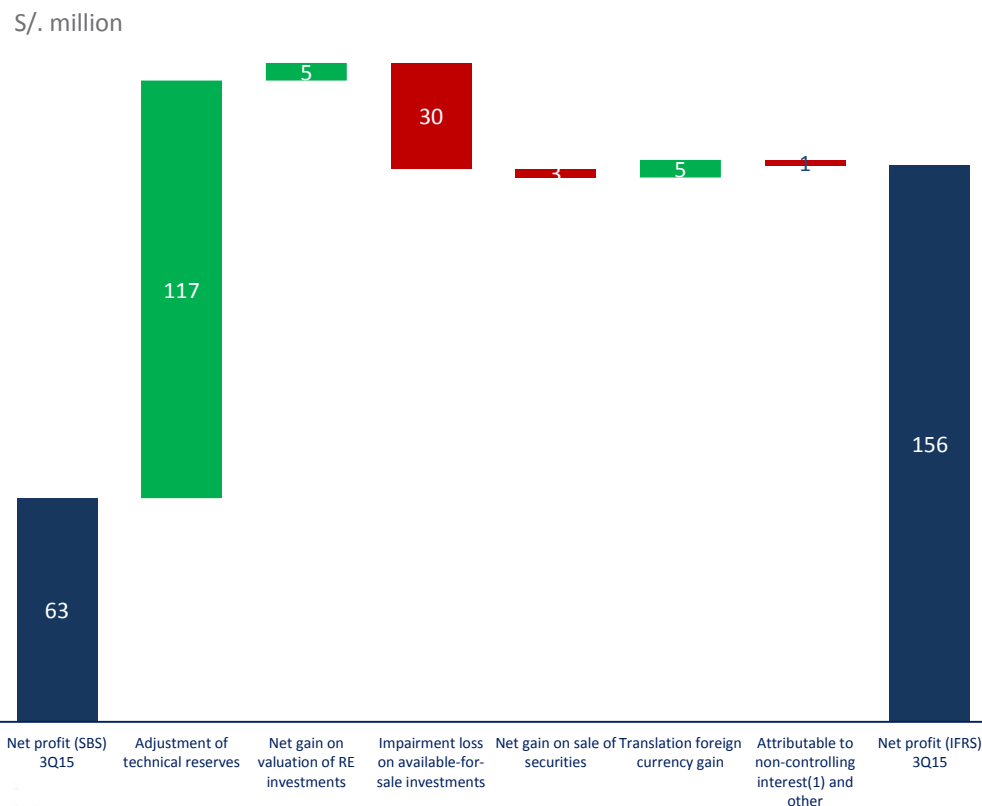
Insurance Segment's P&L Statement					
S/. million	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Net Interest and similar income	46.7	64.9	64.1	-1.2%	37.4%
Fee income from financial services, net	-0.6	-1.1	-1.0	-7.2%	67.7%
Other income	28.4	44.4	64.4	45.1%	126.5%
Total premiums earned less claims and benefits	47.1	62.9	98.5	56.7%	109.0%
Other expenses	-46.3	-53.4	-75.8	42.1%	63.9%
Income before translation result and income tax	75.4	117.7	150.2	27.6%	99.3%
Translation result	-6.0	-0.6	7.6	n.m.	n.m.
Income tax	-0.0	0.1	-0.4	n.m.	n.m.
Profit for the period	69.4	117.2	157.4	34.3%	126.9%
Attributable to non-controlling interest ⁽¹⁾	0.1	0.3	-1.2	n.m.	n.m.
Profit attributable to shareholders	69.5	117.5	156.2	33.0%	124.9%
Discount rate impacts on technical reserves	56.9	83.1	117.4	41.3%	106.3%
Profit excluding discount rate impacts	12.6	34.4	38.9	12.9%	209.1%
ROAE	48.7%	95.4%	152.7%		
Efficiency ratio	14.0%	10.4%	8.6%		

Interseguro's net profit IFRS vs. Local GAAP

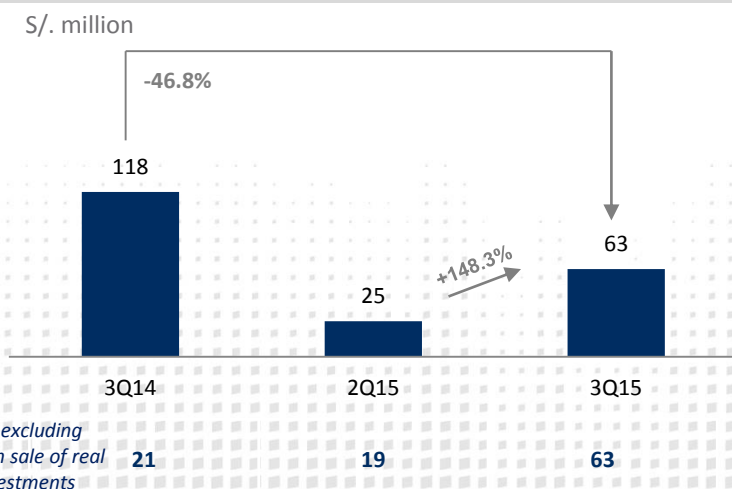
Net profit – IFRS



Net profit bridge from Local GAAP to IFRS (3Q15)

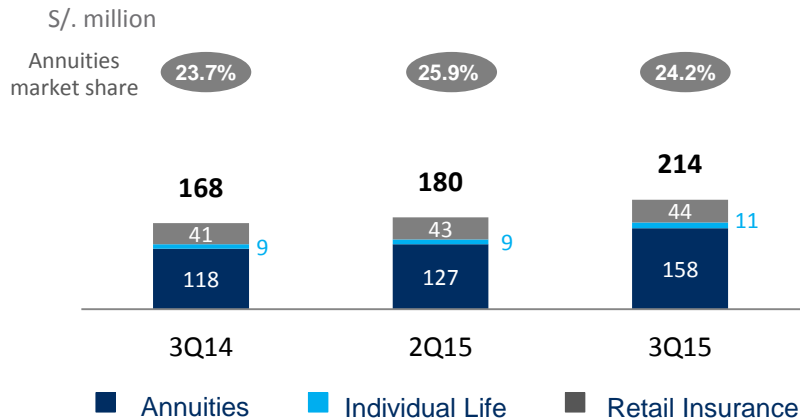


Net profit – Local GAAP

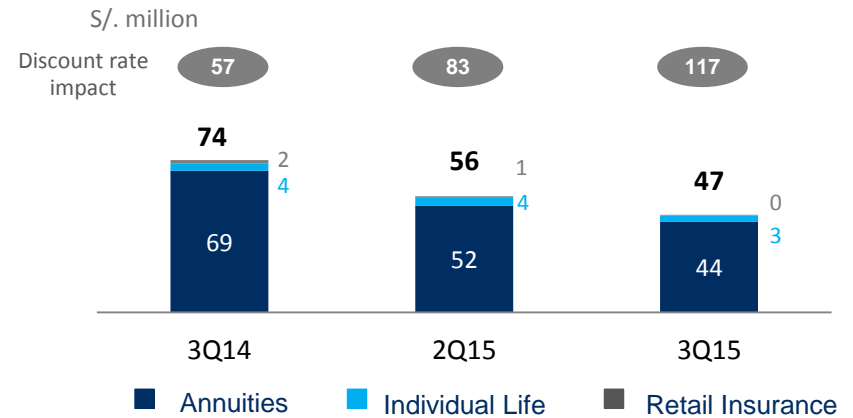


Total premiums earned less claims and benefits increased 56.7% QoQ and 109.0% YoY

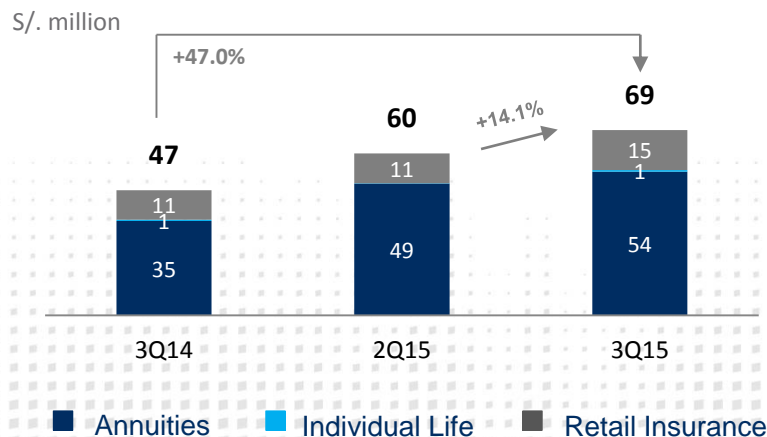
Net premiums



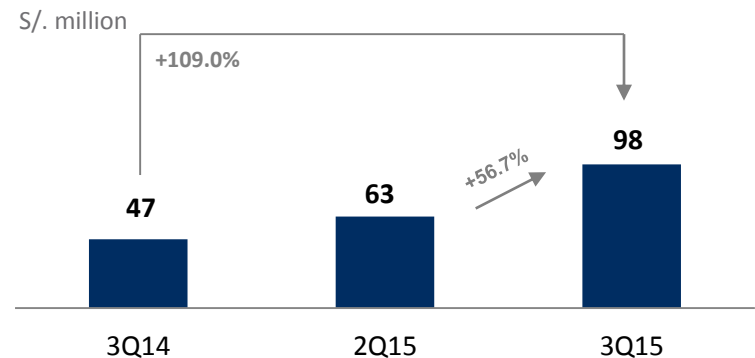
Adjustment of technical reserves



Net claims and benefits incurred



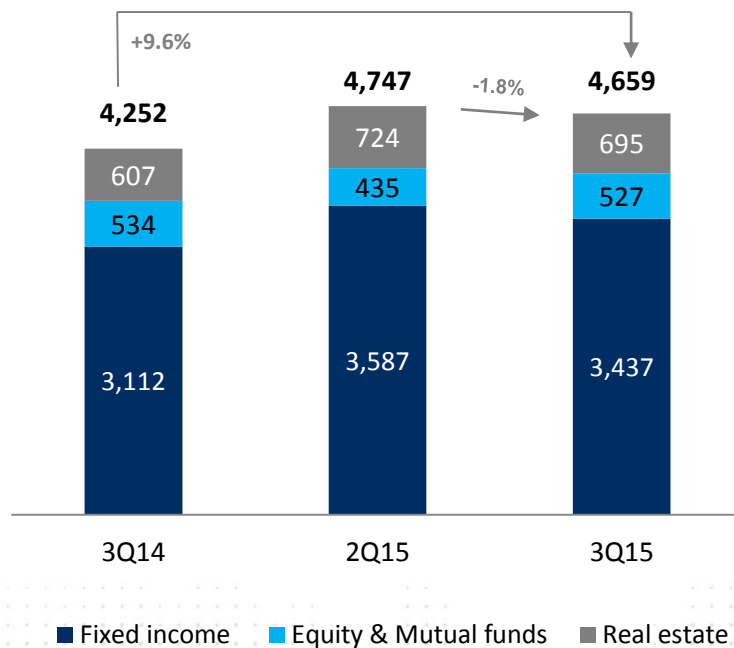
Total premiums earned less claims and benefits



Interseguro's investment portfolio grew 9.6% YoY

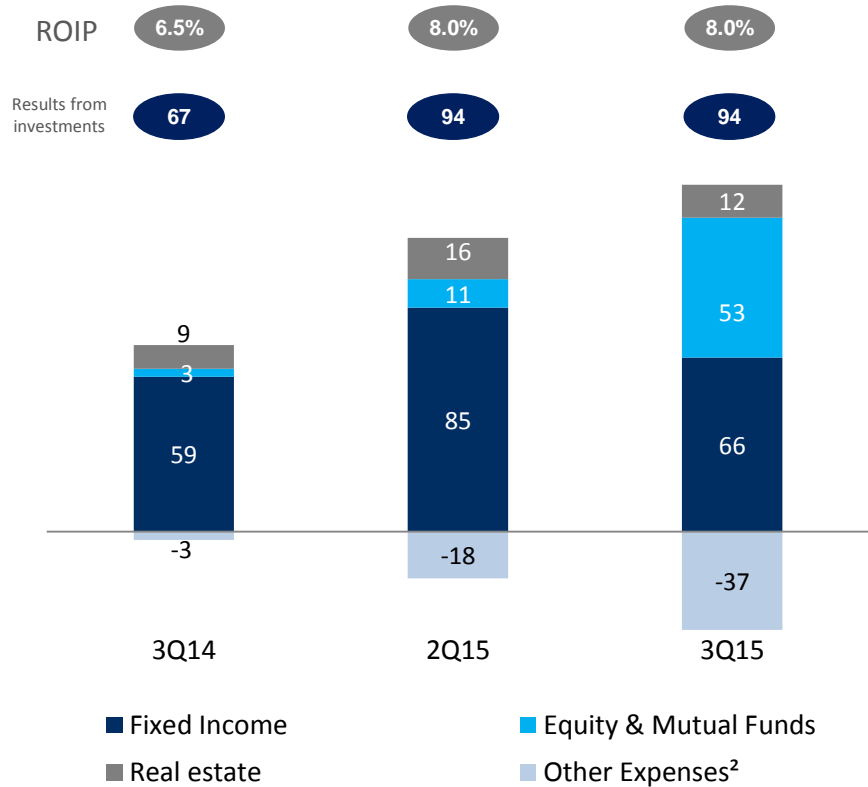
Investment portfolio

S/. million



Results from investments⁽¹⁾

S/. million



(1) Only includes transactions related to investments

(2) Other expenses includes impairment loss on available-for-sale investments

Inteligo

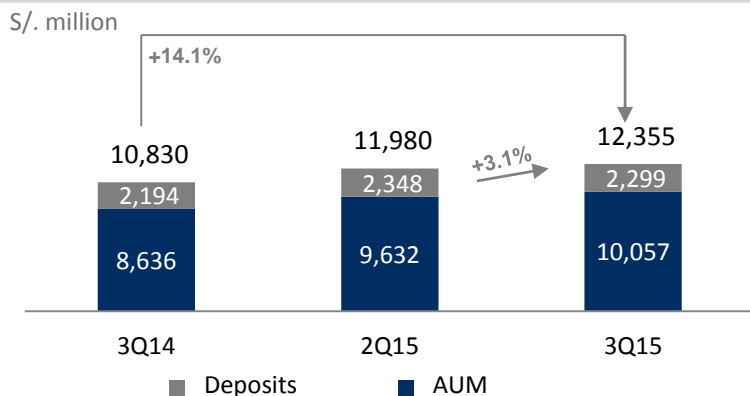
Inteligo's customer related business continued to deliver strong results

Wealth Management Segment's P&L Statement

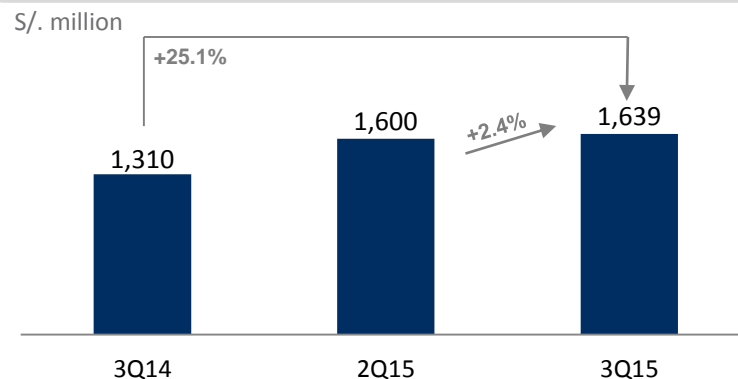
S/. million	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Interest and similar income	24.5	35.9	35.6	-0.6%	45.1%
Interest and similar expenses	-11.1	-12.8	-12.8	0.3%	15.7%
Net interest and similar income	13.5	23.1	22.8	-1.2%	69.4%
Provision for loan losses, net of recoveries	0.0	0.0	-1.9	n.m.	n.m.
Net interest and similar income after provision for loan losses	13.5	23.1	20.9	-9.3%	55.4%
Fee income from financial services, net	24.9	30.1	37.3	23.6%	49.9%
Other income	5.0	18.8	-13.8	n.m.	n.m.
Other expenses	-15.8	-22.2	-27.5	24.2%	74.7%
Income before translation result and income tax	27.6	49.9	16.8	-66.3%	-39.0%
Translation result	0.5	0.2	0.2	20.3%	-56.1%
Income tax	0.0	0.0	-0.3	n.m.	n.m.
Profit for the period	28.1	50.0	16.7	-66.5%	-40.4%
ROAE	23.2%	38.2%	12.6%		
Efficiency ratio	36.3%	30.8%	46.3%		

Inteligo's key indicators were affected by investment returns in 3Q15

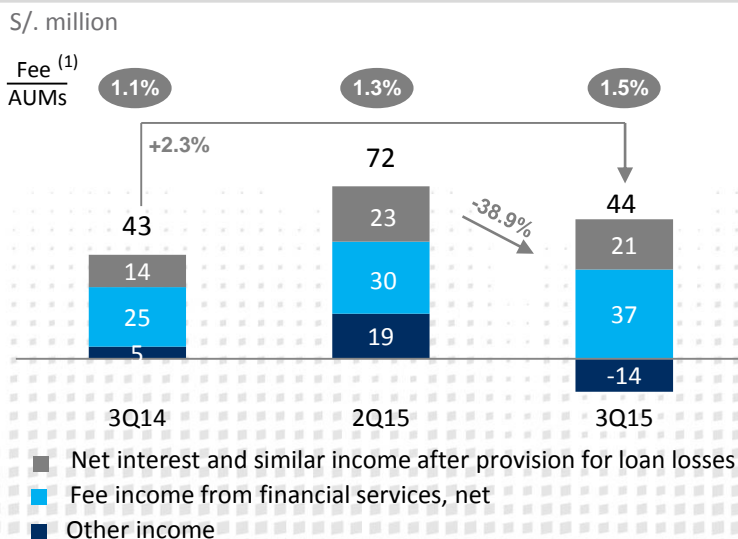
AUMs + Deposits



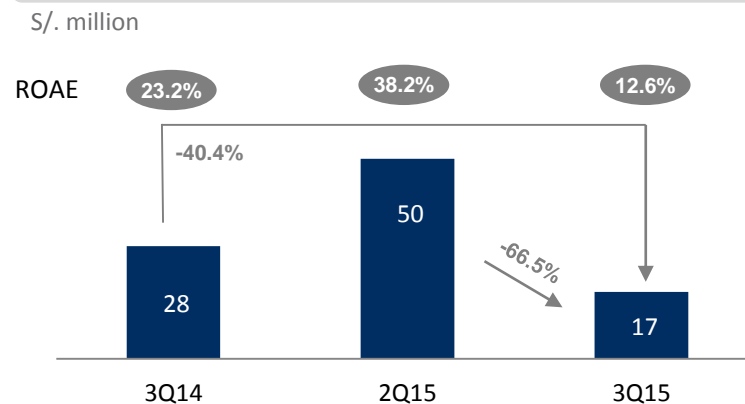
Loans



Revenues



Net profit



Summary

In 3Q15 IFS continued to deliver strong operating performance in all 3 segments

✓ **Interbank**

- ✓ 20.1% YoY growth in consumer loans and 18.4% YoY growth in retail deposits
- ✓ 2.3% PDL ratio below the system's 2.6%
- ✓ 610 bps improvement in the efficiency ratio YoY, to 40.5%

✓ **Interseguro**

- ✓ Premiums grew 19.1% QoQ and 27.3% YoY following a market contraction in 2Q15
- ✓ 9.6% YoY growth on investment portfolio

✓ **Inteligo**

- ✓ AuM + deposits increased 3.1% QoQ and 14.1% YoY
- ✓ Loans grew 2.4% QoQ and 25.1% YoY

✓ **High profitability**

- ✓ 18.0% QoQ and 48.6% YoY growth in net profit at IFS in 3Q15
- ✓ 3Q15 annualized ROAE of 39.2%

Appendix

IFS 3Q15 P&L

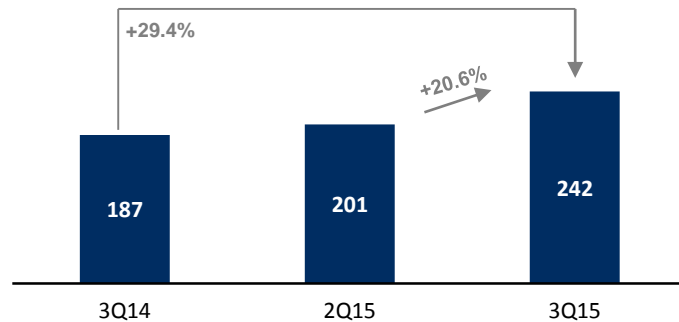
IFRS

Intercorp Financial Services' P&L statement					
S/. million	3Q14	2Q15	3Q15	%chg QoQ	%chg YoY
Interest and similar income	716.2	817.1	860.1	5.3%	20.1%
Interest and similar expense	-200.4	-218.0	-236.1	8.3%	17.8%
Net interest and similar income	515.7	599.1	623.9	4.1%	21.0%
Provision for loan losses, net of recoveries	-97.5	-172.2	-142.2	-17.4%	45.9%
Net interest and similar income after provision for loan losses	418.3	426.9	481.7	12.8%	15.2%
Fee income from financial services, net	168.6	194.0	214.8	10.8%	27.4%
Other income	116.9	178.7	191.4	7.1%	63.8%
Total premiums earned less claims and benefits	47.1	62.9	98.5	56.7%	109.0%
Net Premiums	168.1	179.6	214.0	19.1%	27.3%
Adjustment of technical reserves	-74.1	-56.5	-46.7	-17.3%	-37.0%
Net claims and benefits incurred	-46.8	-60.3	-68.8	14.1%	47.0%
Other expenses	-389.8	-427.3	-472.0	10.5%	21.1%
Income before translation result and income tax	361.1	435.1	514.4	18.2%	42.5%
Translation result	-16.1	-8.3	2.5	n.m.	n.m.
Income tax	-70.0	-80.4	-108.3	34.7%	54.7%
Profit for the period	275.0	346.4	408.6	18.0%	48.6%
Attributable to equity holders of the group	273.8	345.2	405.8	17.5%	48.2%
EPS	2.50	3.16	3.72		
ROAE	28.3%	32.0%	39.2%		
ROAA	2.9%	3.2%	3.6%		

Interbank's net profit IFRS vs. Local GAAP

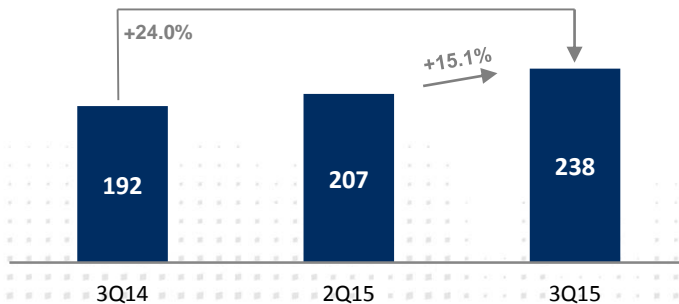
Net profit – IFRS

S/. million



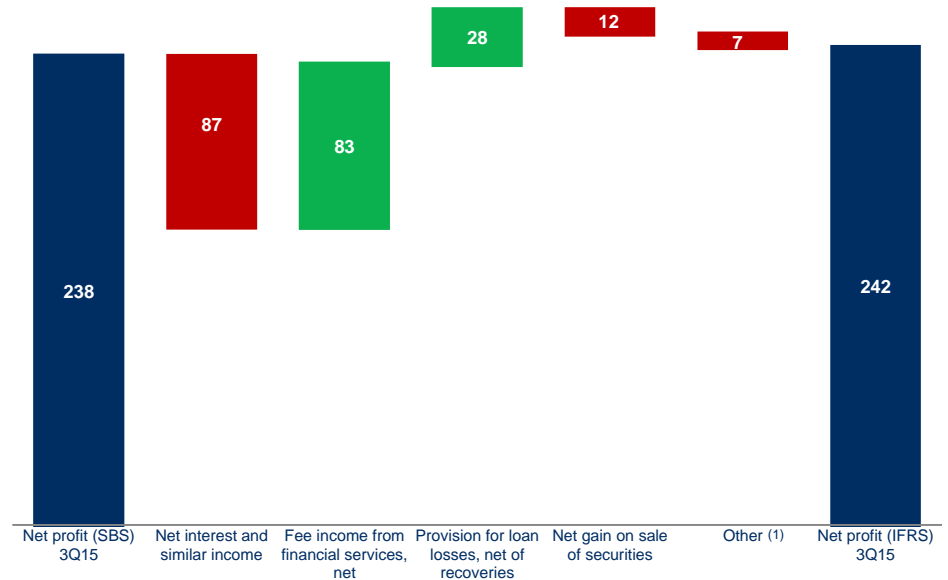
Net profit – Local GAAP

S/. million



Net profit bridge from Local GAAP to IFRS (3Q15)

S/. million



(1) Includes D&A expenses (S/. +3.3 million) and tax expenses (S/. -9.1 million)

 **Intercorp** Financial Services