

Intercorp Financial Services

Third Quarter 2017

Earnings Presentation

Highlights 3Q17

IFRS

Interbank

Higher loan growth than the market on low credit growth environment

- Performing loans grew 2.1% QoQ and 4.1% YoY, reaching an 11.4% market share in 3Q17; while deposits grew 1.1% YoY, with an 11.5% market share in 3Q17
- NIM was 5.7% in 3Q17
- Cost of risk was 3.0% in 3Q17, a 20 bps improvement QoQ; while the PDL ratio remained stable at 2.8%, below the system's average
- 3Q17 net profit was S/ 227.9 million, an increase of 9.0% QoQ and 2.9% YoY
- 3Q17 annualized ROAE was 20.0%, while the efficiency ratio stood at 41.0%

Interseguro

Growth in premiums holds strong due to the performance of Private Annuities

- Net premiums in 3Q17 increased 15.1% QoQ and 23.5% YoY, representing the second consecutive quarterly growth after the launching of Private Annuities, with total annuities increasing 30.4% QoQ and 41.9 YoY
- Interseguro's investment portfolio grew 2.8% QoQ and 7.8% YoY
- 3Q17 profit excluding discount rate impact on technical reserves was S/ 5.5 million, compared to S/ 17.2 million in 2Q17 and S/ 24.5 million in 3Q16

Inteligo

ROAE remained above 25%

- AuM + deposits decreased slightly by 0.5% QoQ but remained stable YoY
- 3Q17 net profit was S/ 42.6 million, a 23.4% decrease QoQ and a 12.1% decrease YoY, mainly explained by a S/ 3.5 million impairment loss on available for sale investments
- 3Q17 annualized ROAE was 25.3%

Intercorp Financial Services

3Q17 net profit was S/ 223.6 million, an increase of 4.0% QoQ and 7.2% YoY

- Bottom-line performance was supported by improved earnings generation at Interbank
- Excluding discount rate impact on technical reserves, IFS 3Q17 profits grew 9.6% QoQ but decreased 6.9% YoY
- ROAE excluding discount rate impact on technical reserves was 20.2%

IFS key indicators 3Q17

IFRS

Intercorp Financial Services' key indicators

S/ million

		3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Results	Net interest and similar income	657.5	642.1	668.3	4.1%	1.6%
	Fee income from financial services, net	219.0	218.2	240.4	10.2%	9.8%
	Profit for the period	208.7	215.0	223.6	4.0%	7.2%
	<i>Profit excl. discount rate impact on technical reserves</i>	287.5	244.2	267.6	9.6%	-6.9%
Profitability	NIM ⁽¹⁾	5.7%	5.5%	5.6%	10 bps	-10 bps
	ROAE	17.3%	16.4%	17.0%	60 bps	-30 bps
	<i>ROAE excl. discount rate impact on technical reserves</i>	23.5%	18.4%	20.2%	180 bps	-330 bps
	ROAA	1.7%	1.7%	1.8%	10 bps	10 bps
	EPS	1.89	2.02	2.05		
Asset quality	PDL ratio	2.5%	2.7%	2.7%	0 bps	20 bps
	PLL / Avg. loans	2.6%	3.0%	2.8%	-20 bps	20 bps
	Coverage ratio	165.8%	163.4%	160.3%		
Insurance	Net Premiums ⁽²⁾	136.2	146.1	168.1	15.1%	23.5%
	Discount rate impact on technical reserves	-78.8	-29.2	-44.0	50.7%	-44.2%
	ROIP	7.8%	5.3%	8.6%	330 bps	80 bps
Other ratios	Efficiency ratio ⁽³⁾	41.2%	40.0%	38.9%	-110 bps	-230 bps
	<i>Efficiency ratio excl. discount rate impact on technical reserves</i>	38.1%	38.9%	37.4%	-150 bps	-70 bps
	BIS ratio (Interbank)	16.1%	16.6%	16.5%	-10 bps	40 bps

(1) NIM is defined as (Net interest and similar income / Average interest-earning assets). Interest earning assets consider total loans, total investment available for sale and total cash and due from banks funds

(2) Net of premiums ceded to reinsurers

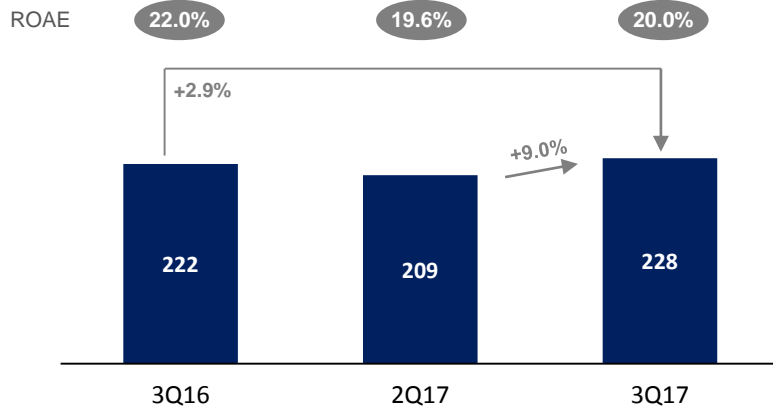
(3) Efficiency ratio is defined as (Salaries and employee benefits + Administrative expenses + Depreciation and amortization) / (Net interest and similar income + Fee income + Other income + Net premiums earned)

IFS 3Q17 net profit increased 4.0% QoQ and 7.2% YoY

IFRS

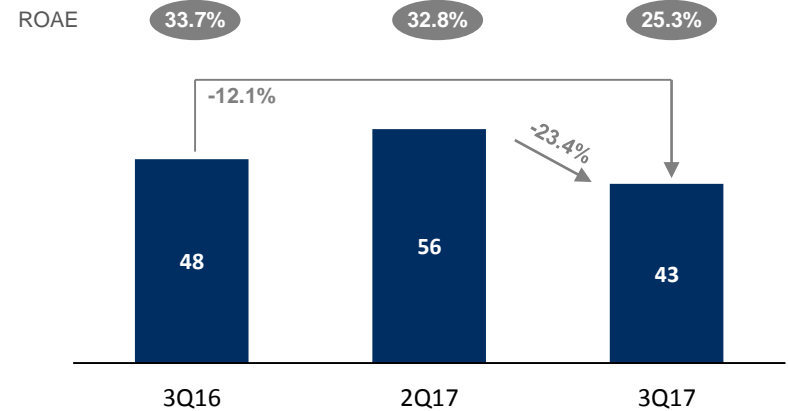
Interbank

Net profit in S/ million



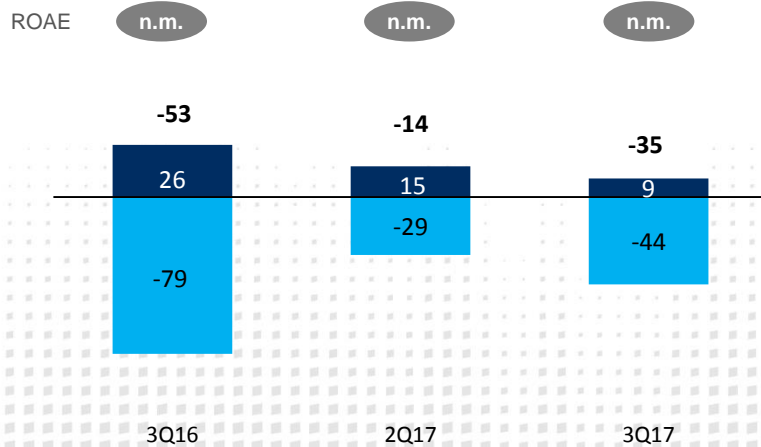
Inteligo

Net profit in S/ million



Interseguro

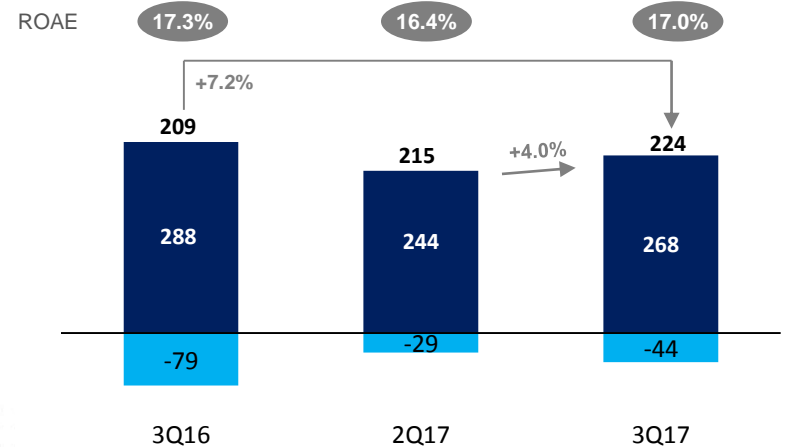
Net profit in S/ million



■ Discount Rate Impact

IFS

Net profit in S/ million



■ Discount Rate Impact

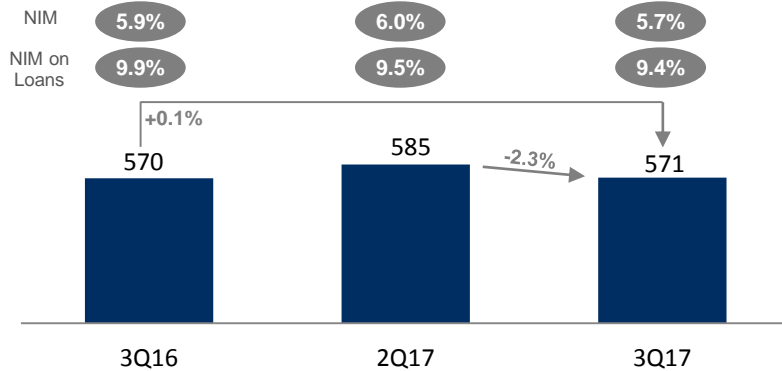
Interbank

Interbank's 3Q17 P&L analysis

IFRS

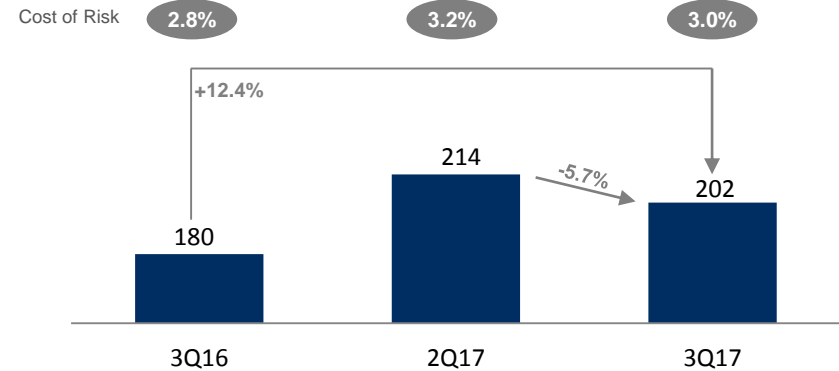
Net interest and similar income

S/ million



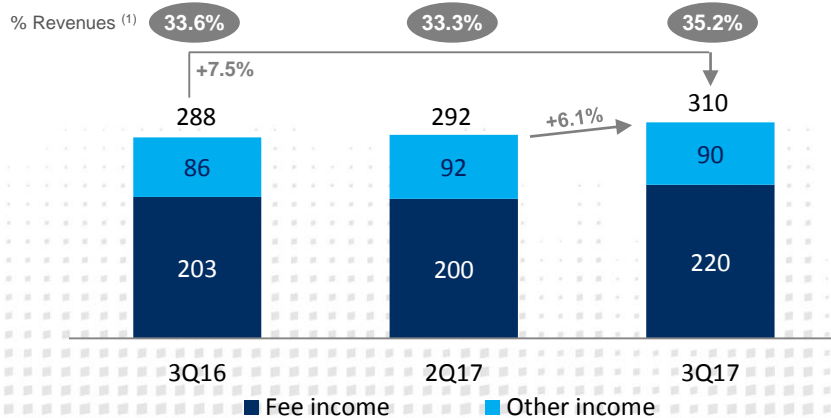
Loan provision expense

S/ million



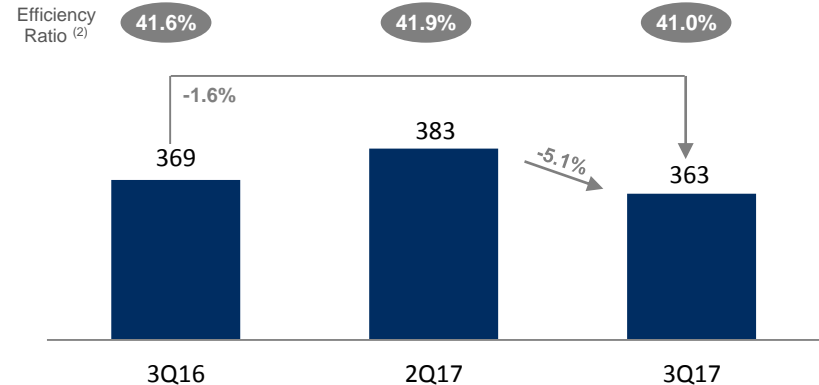
Total other income

S/ million



Other expenses

S/ million

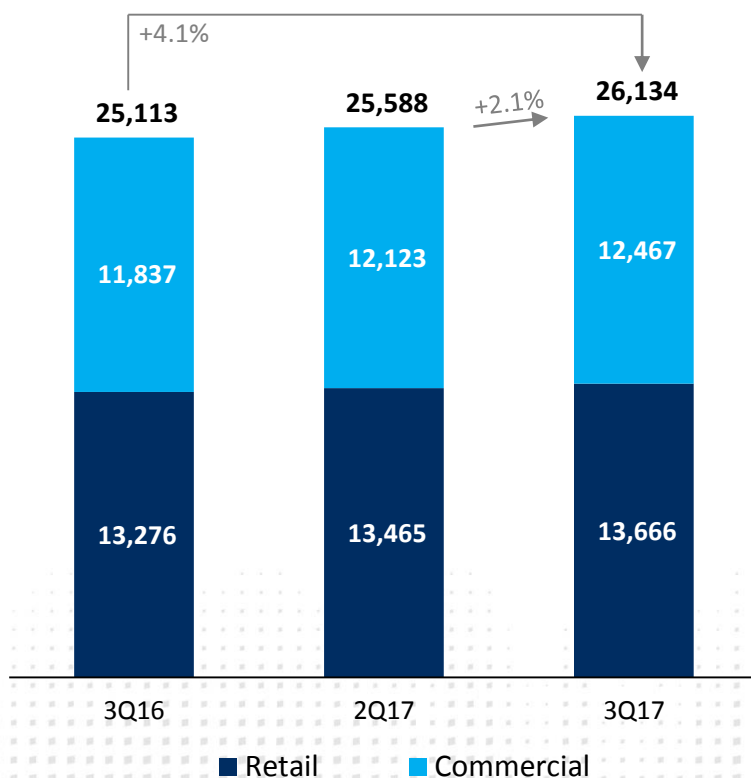


(1) Ratio is defined as (Fee income+ Other income) / (Net interest income + Fee income + Other income)
 (2) Efficiency ratio is defined as (Salaries and employee benefits + Administrative expenses + Depreciation and amortization) / (Net interest and similar income + Fee income + Other income)

Performing loans grew 2.1% QoQ and 4.1% YoY

Performing loans

S/ million



Breakdown of loans

S/ million

	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Consumer loans:					
Credit cards	3,953.9	3,759.6	3,726.8	-0.9%	-5.7%
Other consumer	4,482.1	4,662.2	4,760.5	2.1%	6.2%
Total consumer loans	8,436.0	8,421.8	8,487.2	0.8%	0.6%
Mortgages	4,839.8	5,043.3	5,179.1	2.7%	7.0%
Total retail loans	13,275.7	13,465.1	13,666.3	1.5%	2.9%
Total commercial	11,837.2	12,123.2	12,467.4	2.8%	5.3%
Total loans	25,112.9	25,588.3	26,133.7	2.1%	4.1%

Market share in loans ⁽¹⁾

S/ million

	3Q16	2Q17	3Q17	bps QoQ	bps YoY
Consumer loans:					
Credit cards	24.1%	22.7%	22.7%	1	-147
Other consumer	20.0%	19.8%	19.9%	5	-10
Total consumer loans	21.8%	21.0%	21.1%	1	-73
Mortgages	13.0%	13.2%	13.4%	11	37
Total retail loans	17.5%	17.3%	17.3%	4	-20
Total commercial	7.9%	8.2%	8.2%	3	34
Total loans	11.2%	11.4%	11.4%	1	22

⁽¹⁾ Based on Local GAAP figures

Retail deposits increased 2.3% QoQ and 5.9% YoY

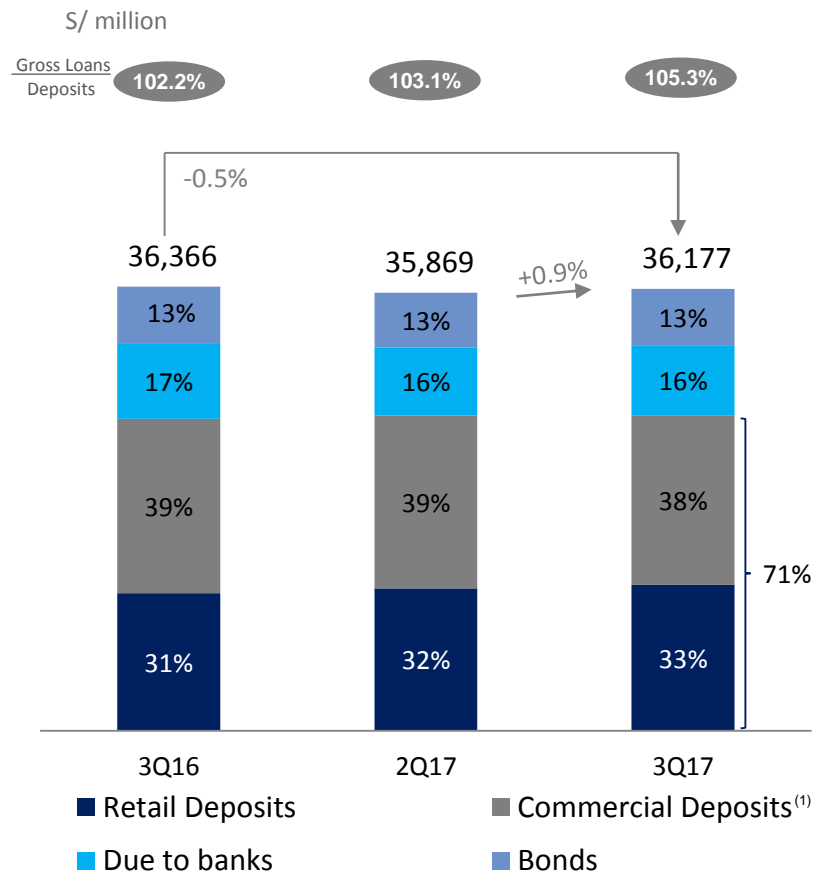
Funding structure

S/ million	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Deposits*	25,529.9	25,813.6	25,819.1	0.0%	1.1%
Retail	11,275.8	11,662.2	11,935.7	2.3%	5.9%
Commercial ⁽¹⁾	14,254.1	14,151.4	13,883.4	-1.9%	-2.6%
Due to banks	6,153.1	5,565.1	5,757.2	3.5%	-6.4%
Bonds	4,683.2	4,490.3	4,600.4	2.5%	-1.8%
Total	36,366.2	35,869.0	36,176.7	0.9%	-0.5%
AUM (Interfondos)	3,340.0	3,630.7	3,933.3	8.3%	17.8%
Average cost of funding	-3.0%	-3.0%	-2.9%	0 bps	0 bps

Market share in deposits⁽²⁾

S/ million	3Q16	2Q17	3Q17	bps QoQ	bps YoY
Retail Deposits	12.8%	12.7%	12.9%	15	11
Commercial Deposits	11.3%	11.1%	10.4%	-69	-90
Total Deposits	11.9%	11.8%	11.5%	-35	-48

Funding breakdown



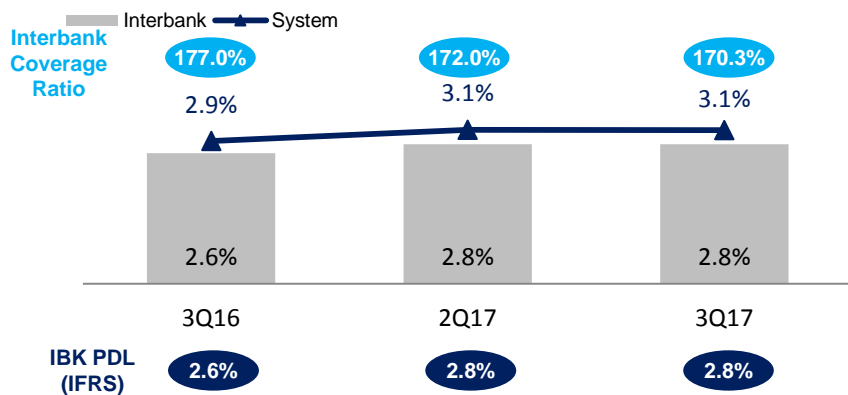
⁽¹⁾ Includes Institutional and others

⁽²⁾ Based on Local GAAP figures

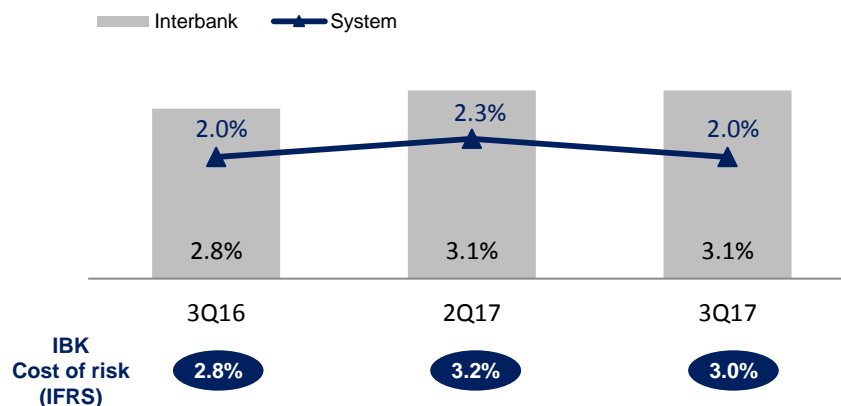
Total PDL ratio remained below the system's average in 3Q17

Local GAAP & IFRS figures

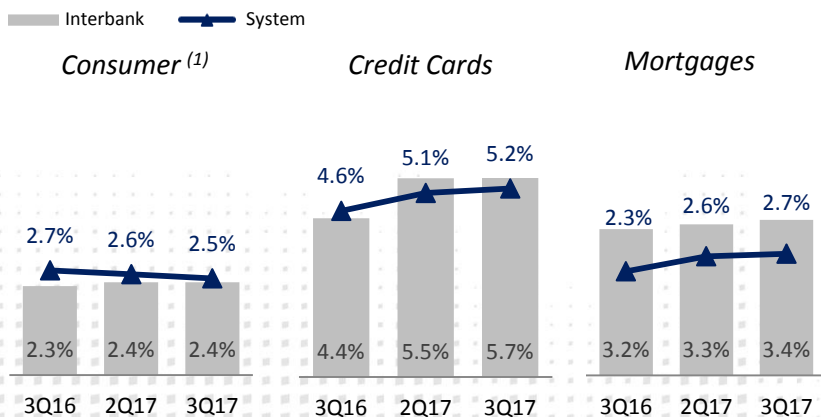
PDL vs. System



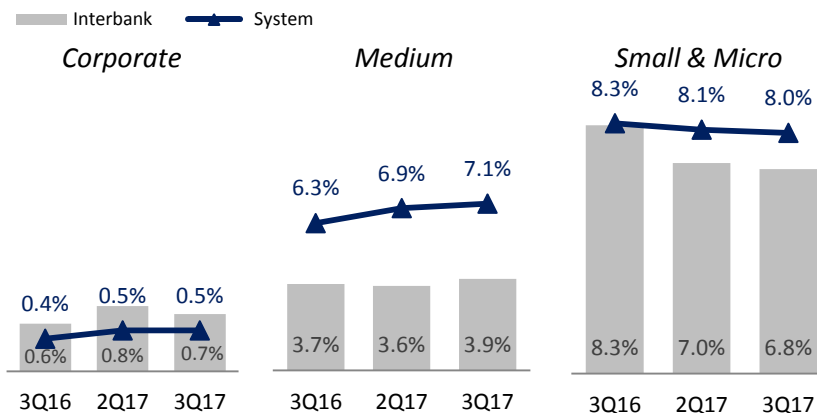
Loan provision expense vs. System



PDL retail banking vs. System



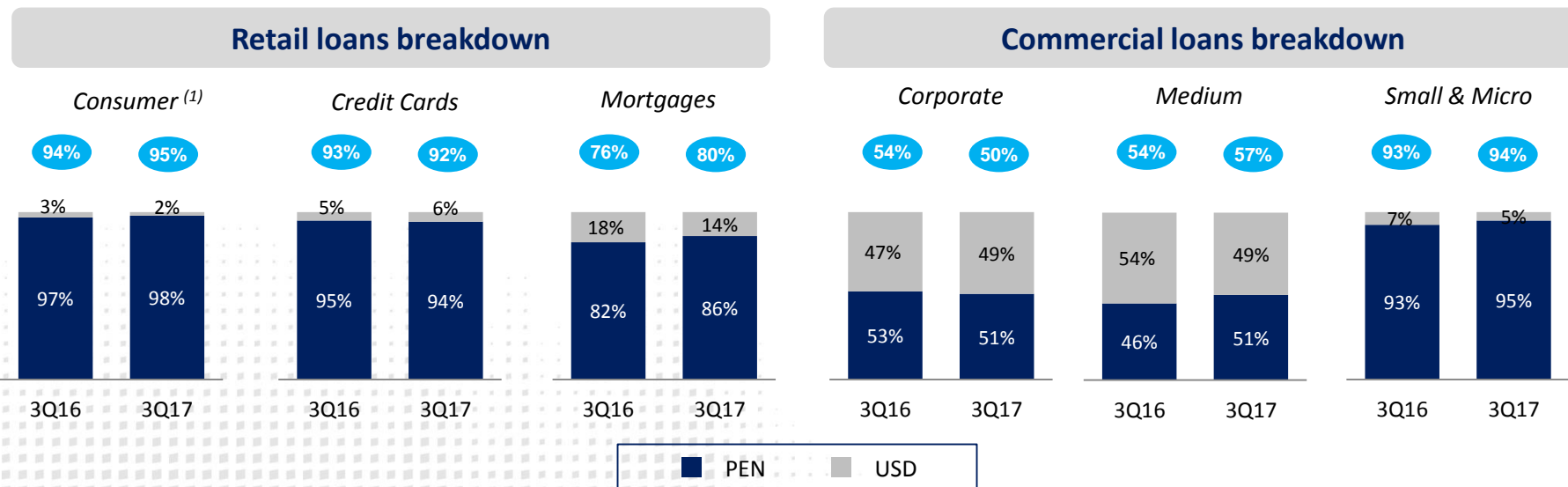
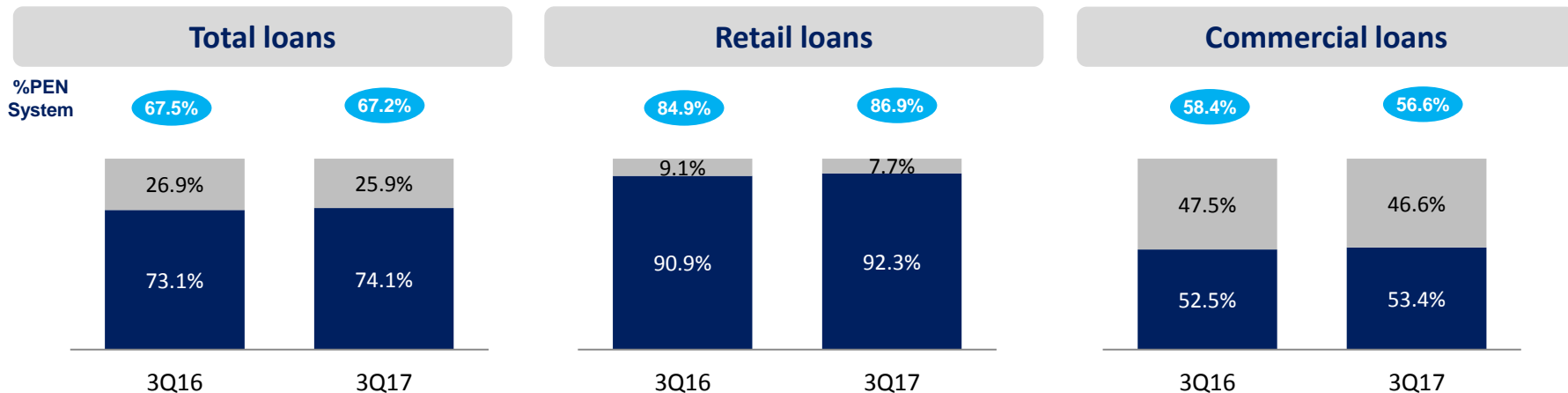
PDL commercial banking vs. System



(1) Excluding credit cards
Note: Based on SBS and company information

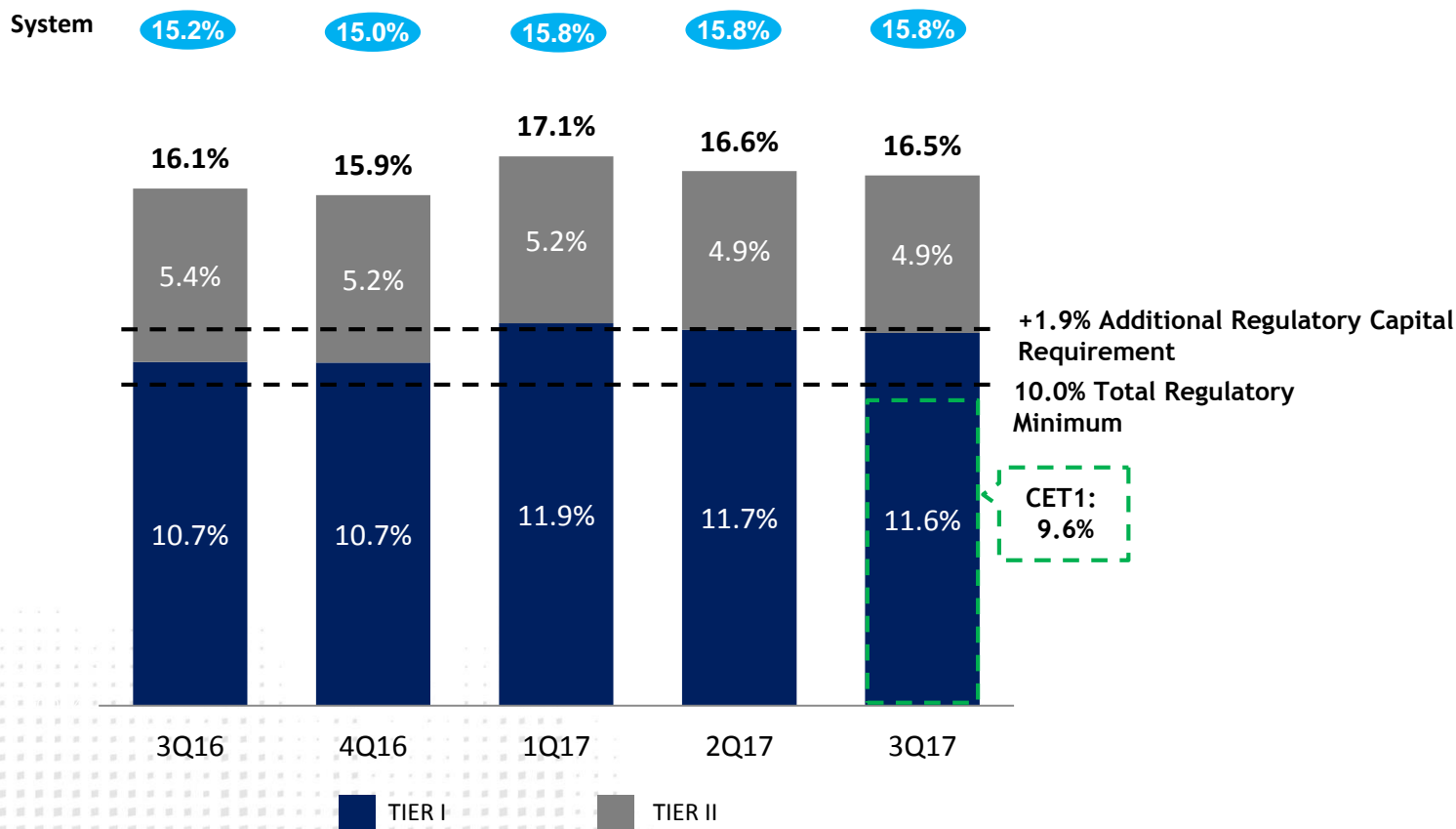
De-dollarization continued in the retail portfolio and SMEs

Local GAAP figures



(1) Excluding credit cards

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

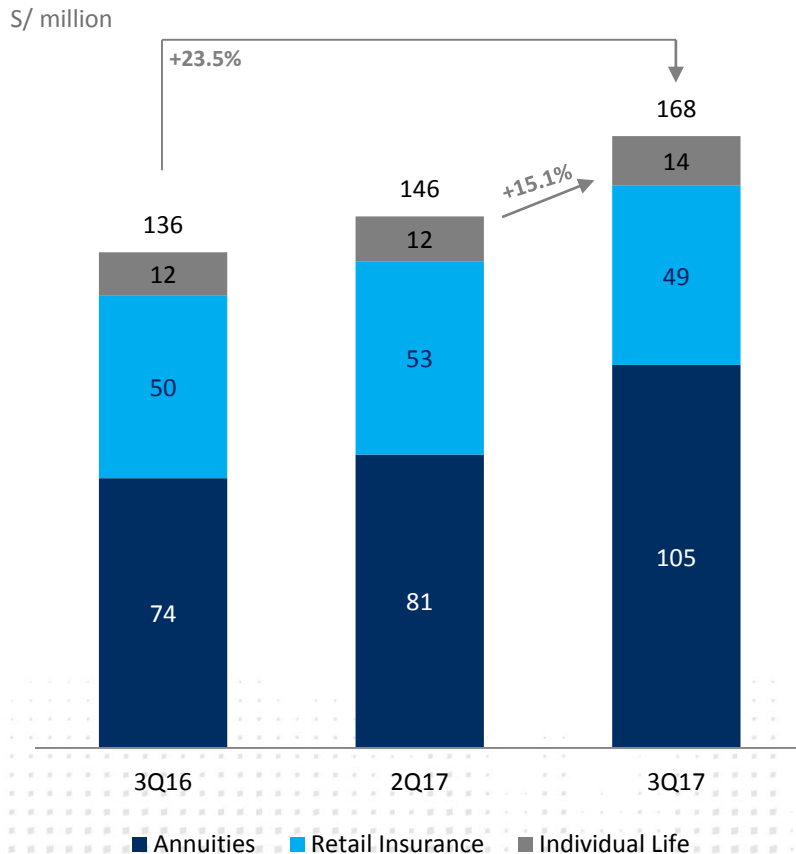


Interseguro

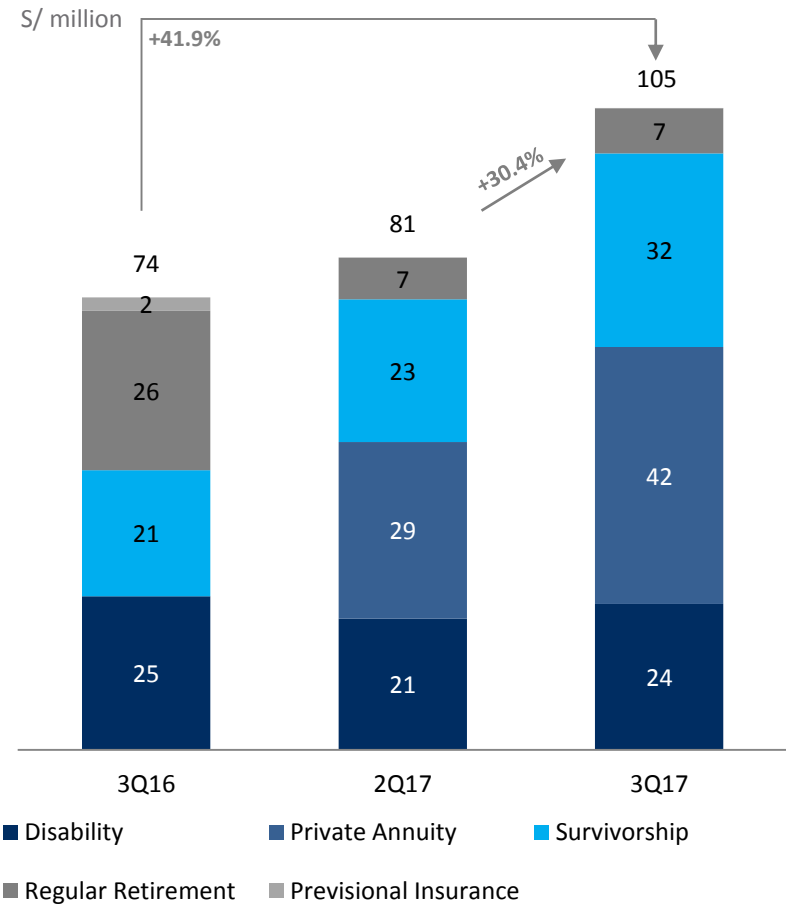
Interseguro's 3Q17 premiums analysis

IFRS

Net premiums by business unit

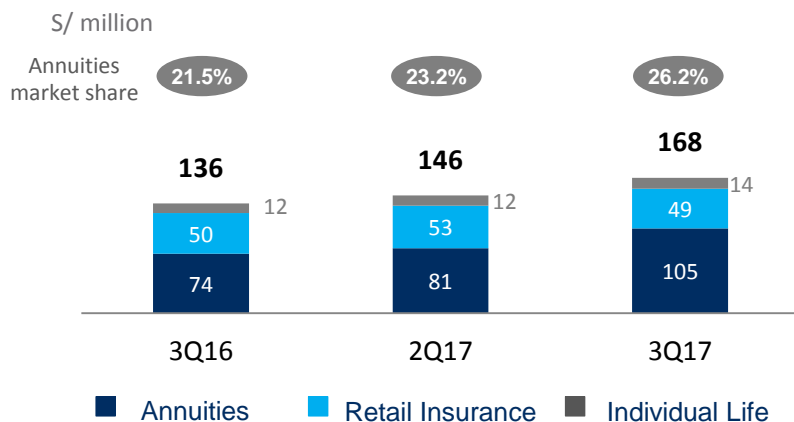


Annuities net premiums

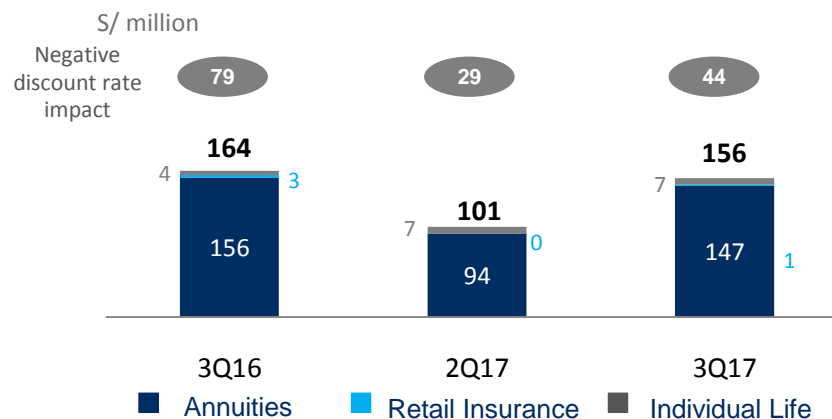


Net premiums increased QoQ and YoY driven by Annuities

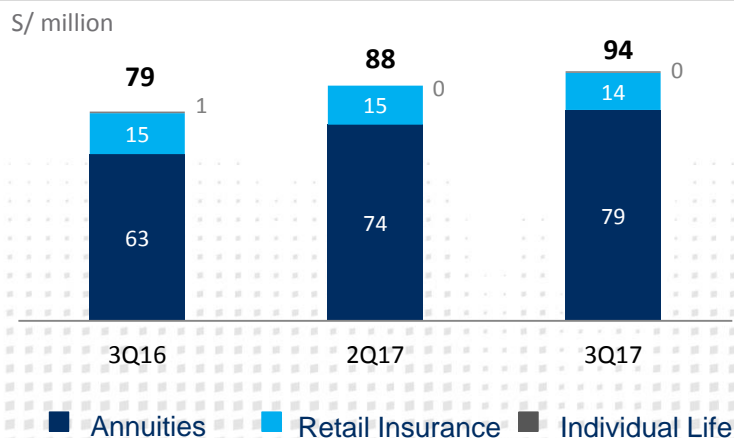
Net premiums



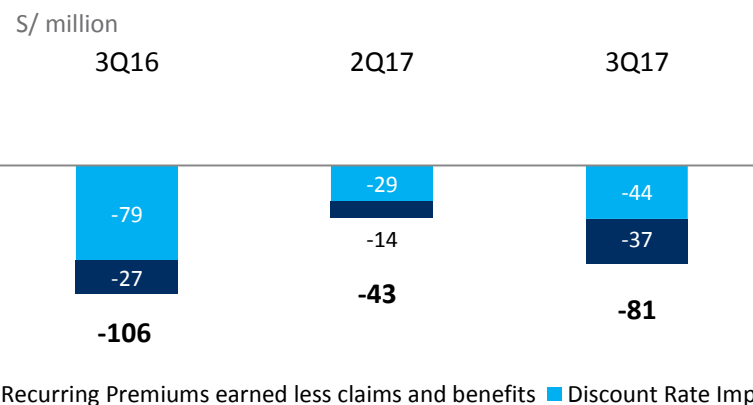
Adjustment of technical reserves



Net claims and benefits incurred



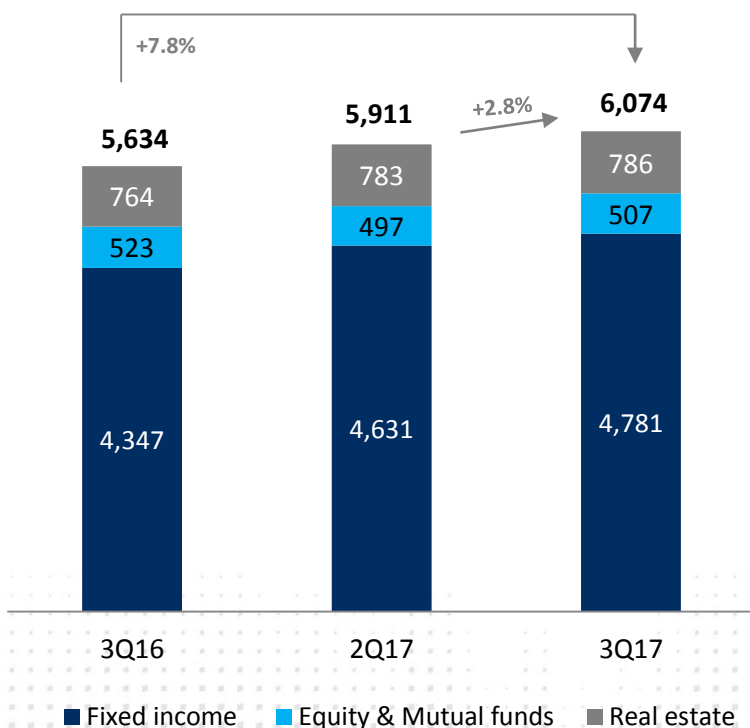
Total premiums earned less claims and benefits



Interseguro's investment portfolio grew 2.8% QoQ and 7.8% YoY

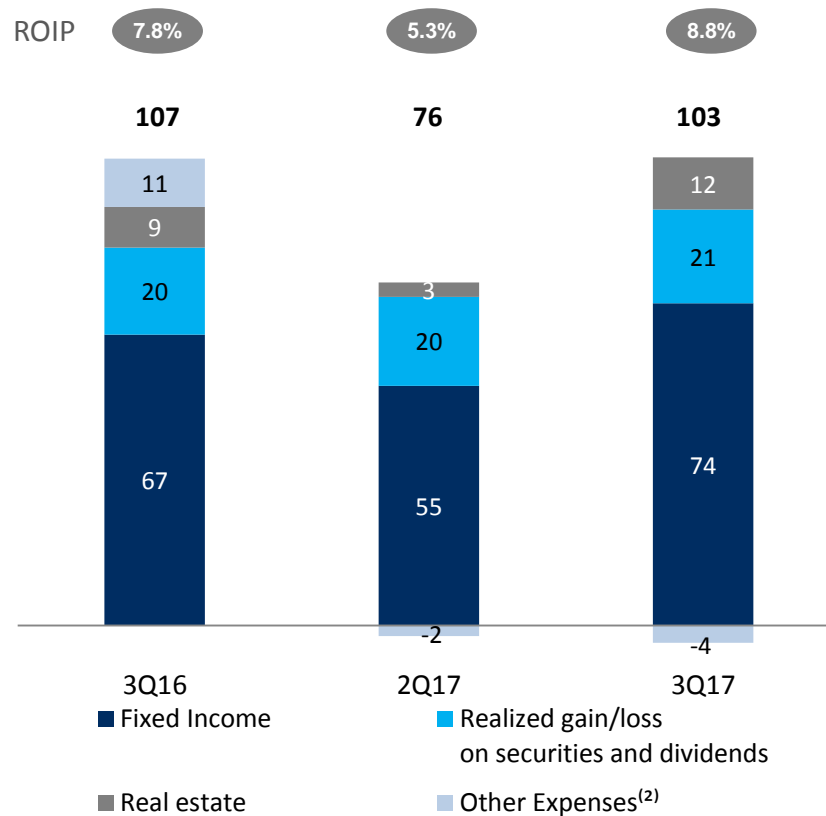
Investment portfolio

S/ million



Results from investments⁽¹⁾

S/ million

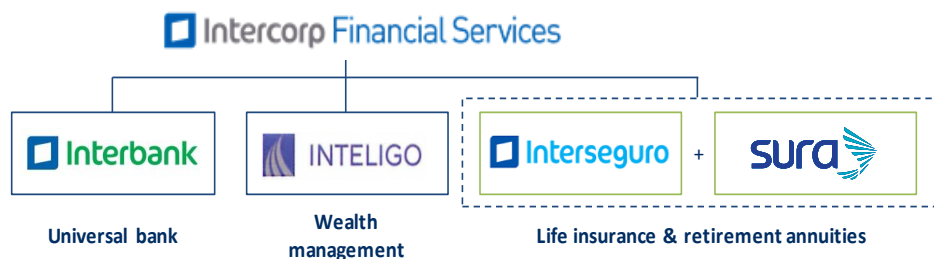


(1) Only includes transactions related to investments
 (2) Other expenses includes impairment loss on available-for-sale investments

Update of Sura acquisition and financing

Update of Sura acquisition and financing

Structure



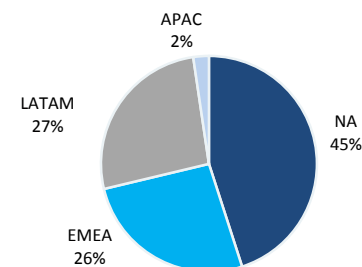
Summary of terms

Issuer:	Intercorp Financial Services Inc. ("IFS")
Format:	Rule 144 A / Regulation S
Ratings:	BBB-/BBB (S&P/Fitch)
Structure:	Senior Unsecured
Amount issued:	US\$300 million
Maturity:	October 19, 2027
Coupon:	4.125%
Benchmark / level:	10-year UST / 2.323%
Spread to UST:	T+190bps
Yield:	4.223%
Listing/Law:	Luxemburg / State of New York
Joint Bookrunners:	BAML, JP Morgan, Interbank

Timeline

- ✓ Announcement of agreement to acquire 100% of Seguros Sura and Hipotecaria Sura (SPA signed May 31, 2017)
- ✓ SBS approval of acquisition (September 28, 2017)
- ✓ Issuance of Senior Notes due 2027 to finance acquisition (October 19, 2017)
- ✓ Purchase of Sura Asset Management shares (November 2, 2017)
- ✓ Closing date for purchase of Wiese Group shares expected on November 20, 2017
- Integration into IFS 1H18

Allocation by region



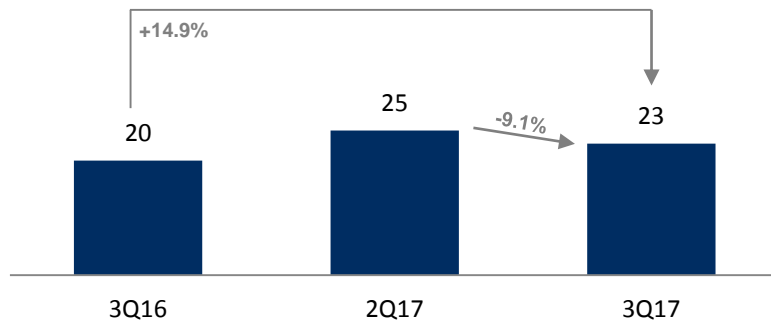
Inteligo

Inteligo's 3Q17 P&L analysis

IFRS

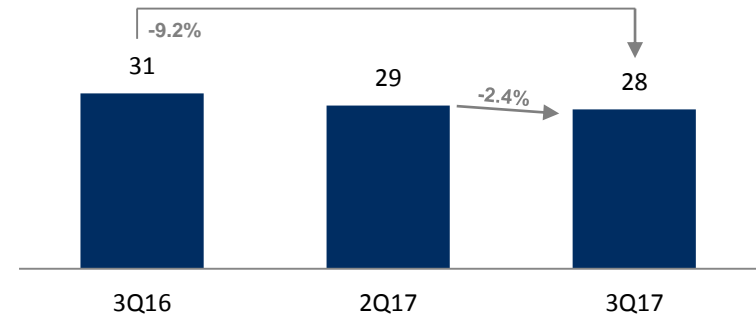
Net interest and similar income

S/ million



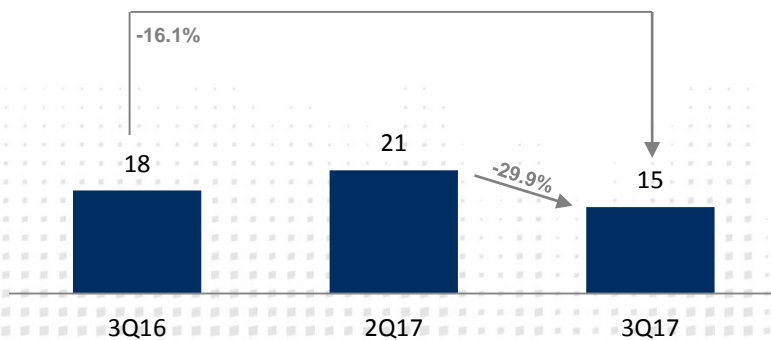
Fees from financial services

S/ million



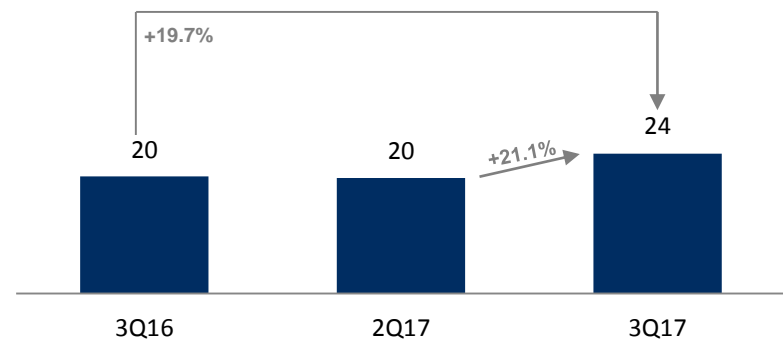
Other income

S/ million



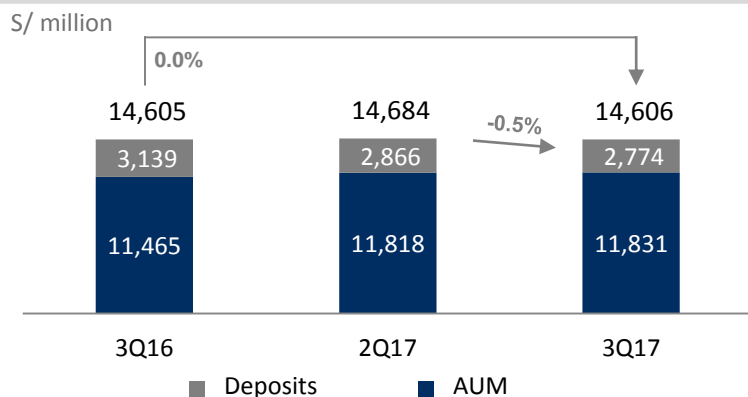
Other expenses

S/ million

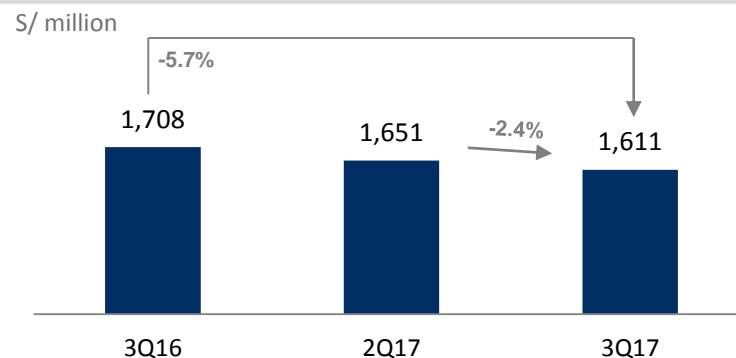


Inteligo's key indicators

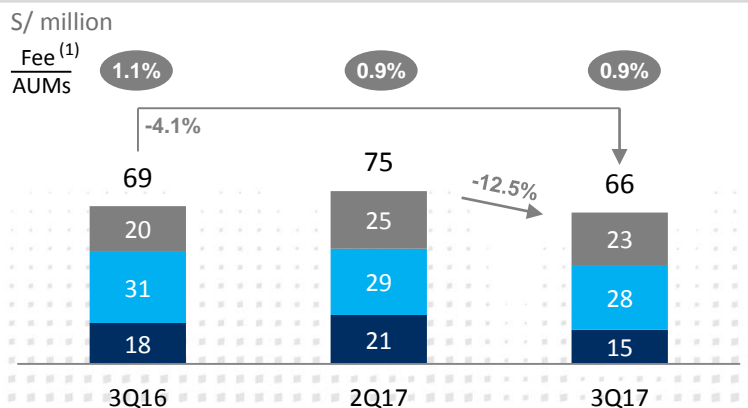
AUM + Deposits



Loans

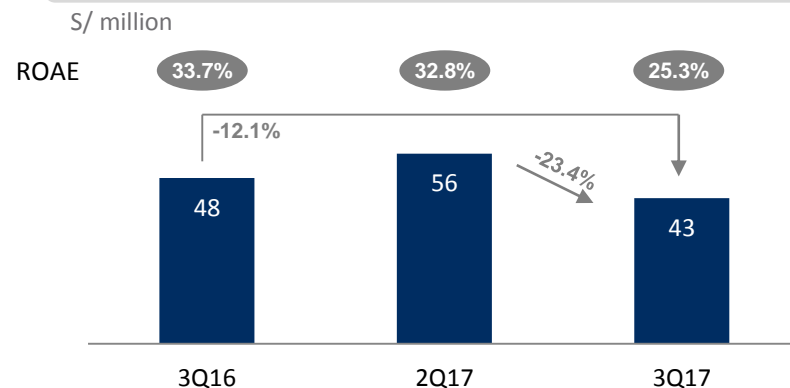


Revenues



- Net interest and similar income after provision for loan losses
- Fee income from financial services, net
- Other income

Net profit



(1) Corresponds to Inteligo Bank

Summary

Takeaways

- ✓ **Interbank: Higher loan growth than the market on low credit growth environment**
 - Performing loans grew 2.1% QoQ and 4.1% YoY, mainly due to higher activity in the commercial portfolio
 - 2.3% QoQ growth in retail deposits led to a 20 bps gain in market share, to 12.9%
 - Cost of risk was 3.0% in 3Q17, a 20 bps improvement QoQ; while the PDL ratio remained stable at 2.8%, below the system's average of 3.1%
- ✓ **Interseguro: Growth in premiums holds strong due to the performance of Private Annuities**
 - Results excluding discount rate impacts on technical reserves have been on positive ground for the fifth consecutive quarter
 - Annuities market growing after it decreased in 2016 due to regulatory impacts
 - Investment portfolio growing QoQ and YoY
- ✓ **Inteligo: ROAE remained above 25%**
 - AuM + deposits decreased slightly by 0.5% QoQ but remained stable YoY
 - Revenues decreased 12.5% QoQ and 4.1% YoY
 - 3Q17 annualized ROAE was 25.3%
- ✓ **IFS: 3Q17 net profit was S/ 223.6 million, an increase of 4.0% QoQ and 7.2% YoY**
 - Profits increased 4.0% QoQ and 7.2% YoY, mainly supported by improved earnings generation at Interbank
 - ROAE excluding discount rate impact on technical reserves was 20.2%, above the 18.4% registered in 2Q17

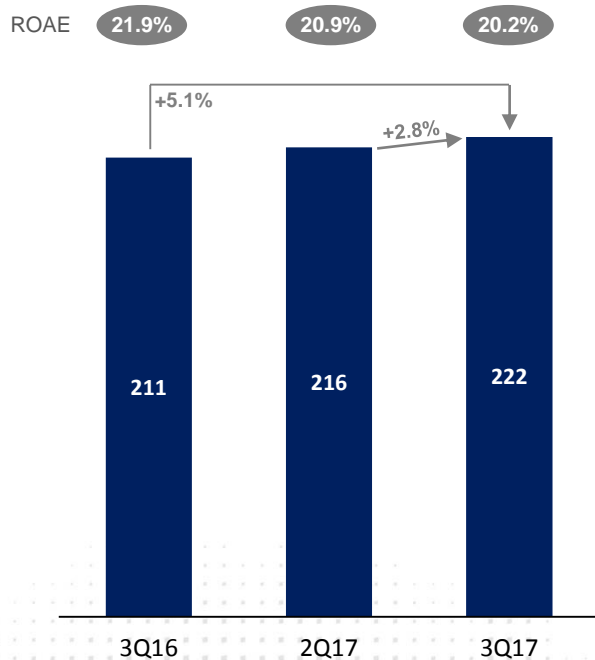
Appendix

Relevant net income*

Local GAAP & IFRS

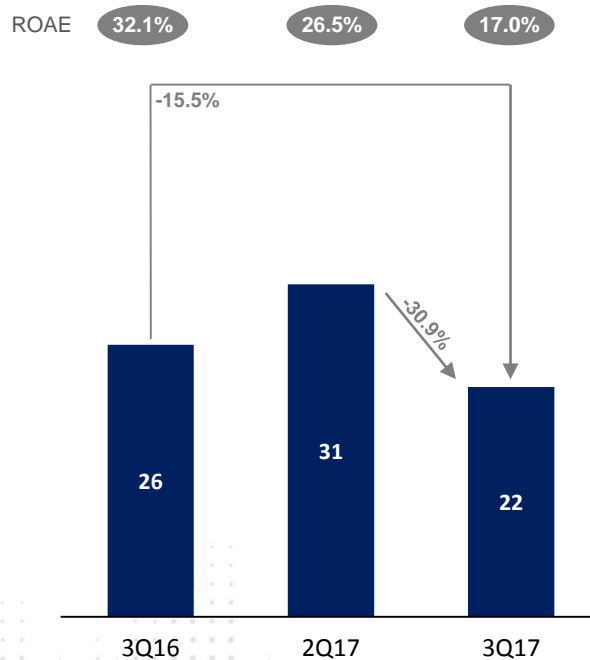
Interbank - Local GAAP

Net profit in S/ million



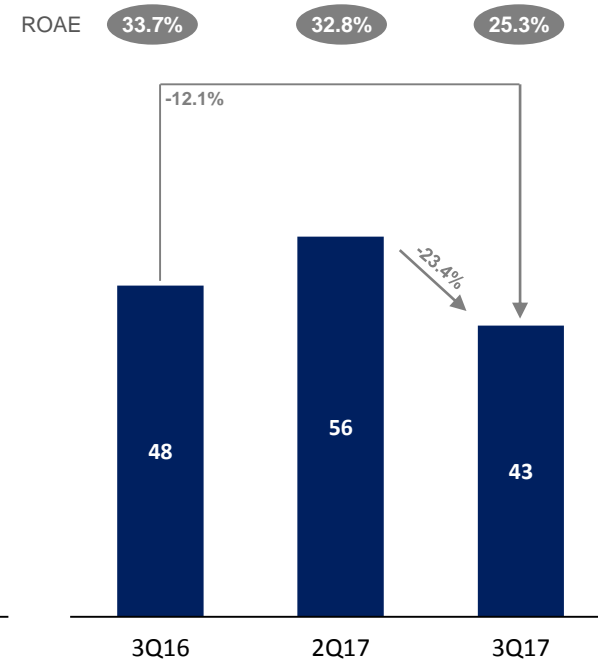
Interseguro - Local GAAP

Net profit in S/ million



Inteligo - IFRS

Net profit in S/ million



* Relevant net income for dividend payments

IFS 3Q17 P&L

IFRS

Intercorp Financial Services' P&L statement					
S/ million	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Interest and similar income	935.6	919.3	947.8	3.1%	1.3%
Interest and similar expense	-278.1	-277.2	-279.4	0.8%	0.5%
Net interest and similar income	657.5	642.1	668.3	4.1%	1.6%
Provision for loan losses, net of recoveries	-179.9	-214.3	-202.2	-5.6%	12.4%
Net interest and similar income after provision for loan losses	477.7	427.8	466.2	9.0%	-2.4%
Fee income from financial services, net	219.0	218.2	240.4	10.2%	9.8%
Other income	133.9	137.2	138.7	1.1%	3.6%
Total premiums earned less claims and benefits	-106.1	-42.9	-81.1	89.0%	-23.5%
Net Premiums	136.2	146.1	168.1	15.1%	23.5%
Adjustment of technical reserves	-163.6	-101.0	-155.7	54.2%	-4.8%
Net claims and benefits incurred	-78.7	-88.0	-93.6	6.3%	19.0%
Other expenses	-415.8	-448.2	-441.8	-1.4%	6.2%
Income before translation result and income tax	308.7	292.2	322.4	10.3%	4.4%
Translation result	-16.9	-2.3	-7.4	n.m.	n.m.
Income tax	-83.1	-74.9	-91.4	22.1%	10.0%
Profit for the period	208.7	215.0	223.6	4.0%	7.2%
Attributable to equity holders of the group	205.5	215.4	218.3	1.4%	6.3%
EPS	1.89	2.02	2.05		
ROAE	17.3%	16.4%	17.0%		
ROAA	1.7%	1.7%	1.8%		

Interbank's profits increased 9.0% QoQ and 2.9% YoY mainly due to higher fee income from financial services

IFRS

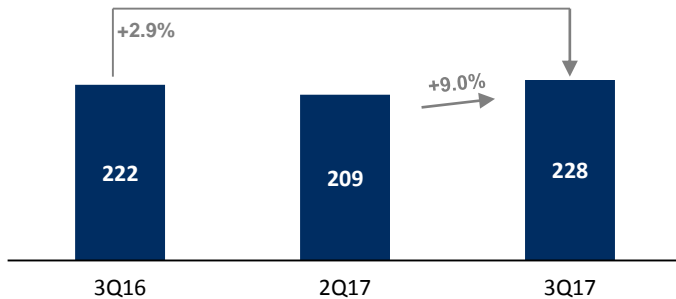
Banking Segment's P&L Statement					
S/ million	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Interest and similar income	830.6	845.1	835.3	-1.2%	0.6%
Interest and similar expenses	-260.2	-260.6	-264.3	1.4%	1.5%
Net interest and similar income	570.4	584.6	571.0	-2.3%	0.1%
Provision for loan losses, net of recoveries	-179.9	-214.3	-202.1	-5.7%	12.4%
Net interest and similar income after provision for loan losses	390.5	370.3	368.9	-0.4%	-5.5%
Fee income from financial services, net	202.6	200.2	220.1	9.9%	8.6%
Other income	85.6	91.7	89.5	-2.3%	4.6%
Other expenses	-369.2	-382.7	-363.2	-5.1%	-1.6%
Income before translation result and income tax	309.5	279.5	315.3	12.8%	1.9%
Translation result	-11.9	-1.0	-2.3	n.m.	n.m.
Income tax	-76.1	-69.4	-85.2	22.8%	12.0%
Profit for the period	221.5	209.1	227.9	9.0%	2.9%
ROAE	22.0%	19.6%	20.0%		
Efficiency ratio	41.6%	41.9%	41.0%		
NIM⁽¹⁾	5.9%	6.0%	5.7%		
NIM on loans	9.9%	9.5%	9.4%		

(1) NIM is defined as (Net interest and similar income / Average interest-earning assets). Interest earning assets consider total loans, total investment available for sale and total cash and due from banks funds

Interbank's net profit IFRS vs. Local GAAP

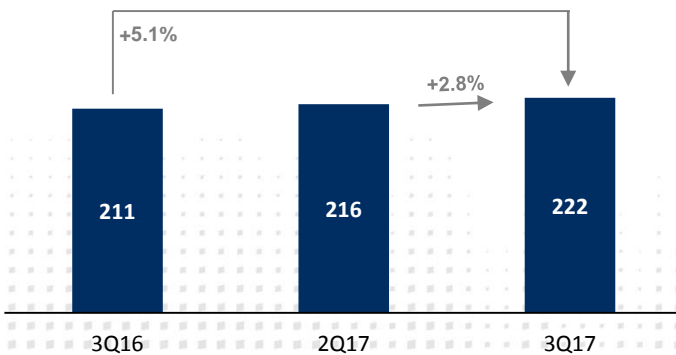
Net profit – IFRS

S/ million



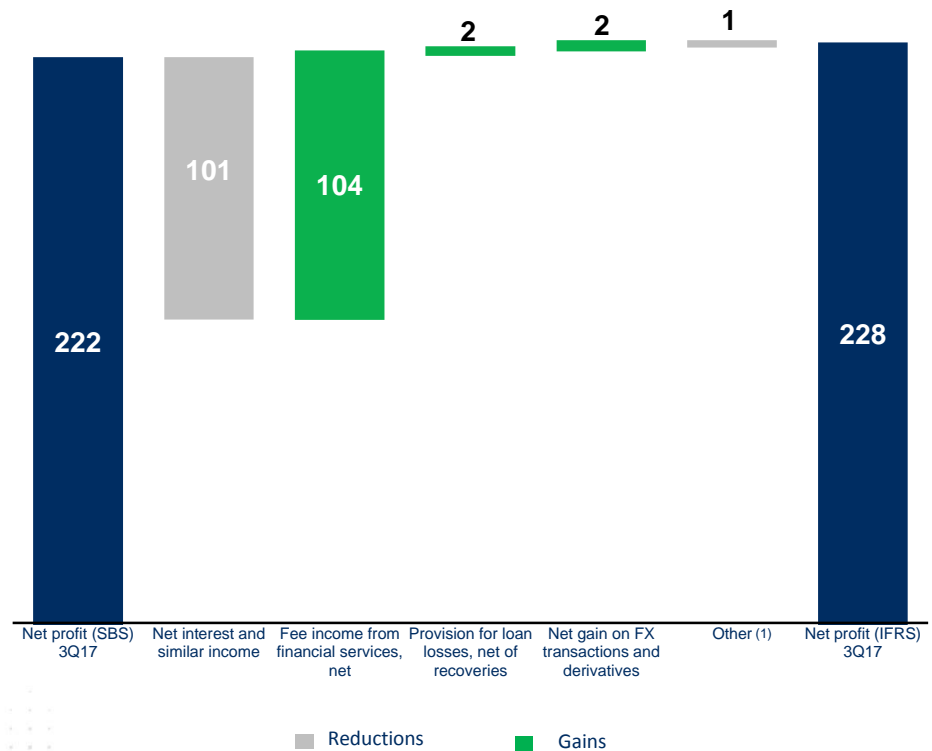
Net profit – Local GAAP

S/ million



Net profit bridge from Local GAAP to IFRS (3Q17)

S/ million



(1) Includes taxes (S/ -1.4 million), administrative expenses & depreciation (S/ -0.1million), subsidiaries consolidation and others (S/ +0.5 million)

Interseguro's results in 3Q17 were negatively impacted by discount rate impacts on technical reserves

Insurance Segment's P&L Statement

S/ million	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Net Interest and similar income	67.4	56.3	74.5	32.3%	10.5%
Fee income from financial services, net	-0.7	-0.7	-0.7	4.3%	1.1%
Other income	30.7	25.5	34.7	36.1%	13.0%
Total premiums earned less claims and benefits	-106.1	-42.9	-81.1	89.0%	-23.5%
Other expenses	-38.7	-50.7	-54.7	8.0%	41.5%
Income before translation result and income tax	-47.3	-12.5	-27.3	119.5%	-42.2%
Translation result	-4.6	-2.1	-5.8	175.5%	27.5%
Income tax	-0.8	0.8	-1.6	n.m.	109.2%
Profit for the period	-52.6	-13.8	-34.8	151.8%	-34.0%
Attributable to non-controlling interest ⁽¹⁾	-1.7	1.8	-3.7	n.m.	120.9%
Profit attributable to shareholders	-54.3	-12.0	-38.5	220.0%	-29.1%
Discount rate impact on technical reserves	-78.8	-29.2	-44.0	50.7%	-44.2%
Profit excluding discount rate impact	24.5	17.2	5.5	-67.9%	-77.5%
ROAE	n.m.	n.m.	n.m.		
ROAE excl. discount rate impact	n.m.	9.3%	5.7%		
Efficiency ratio⁽²⁾	37.7%	18.9%	20.3%		
Efficiency ratio excl. discount rate impact	17.7%	15.4%	14.9%		

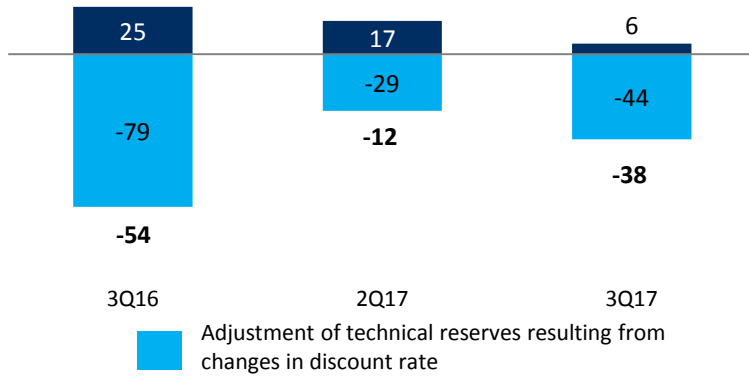
(1) Starting 4Q14, Interseguro began consolidating a real estate investment shared by Interseguro and Intercorp Real Estate Inc., a subsidiary of Intercorp Peru Ltd. Intercorp RE's part is then reported as attributable to non-controlling interest

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

Interseguro's net profit IFRS vs. Local GAAP

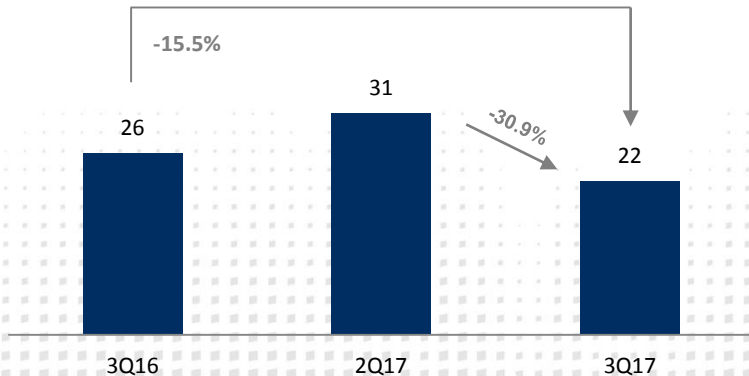
Net profit – IFRS*

S/ million



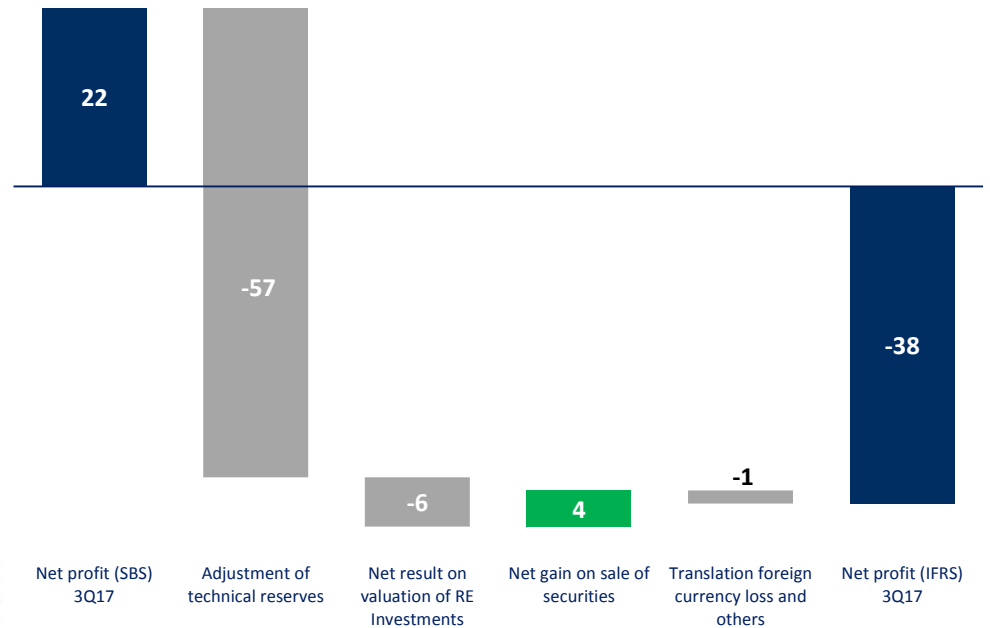
Net profit – Local GAAP

S/ million



Net profit bridge from Local GAAP to IFRS (3Q17)

S/ million

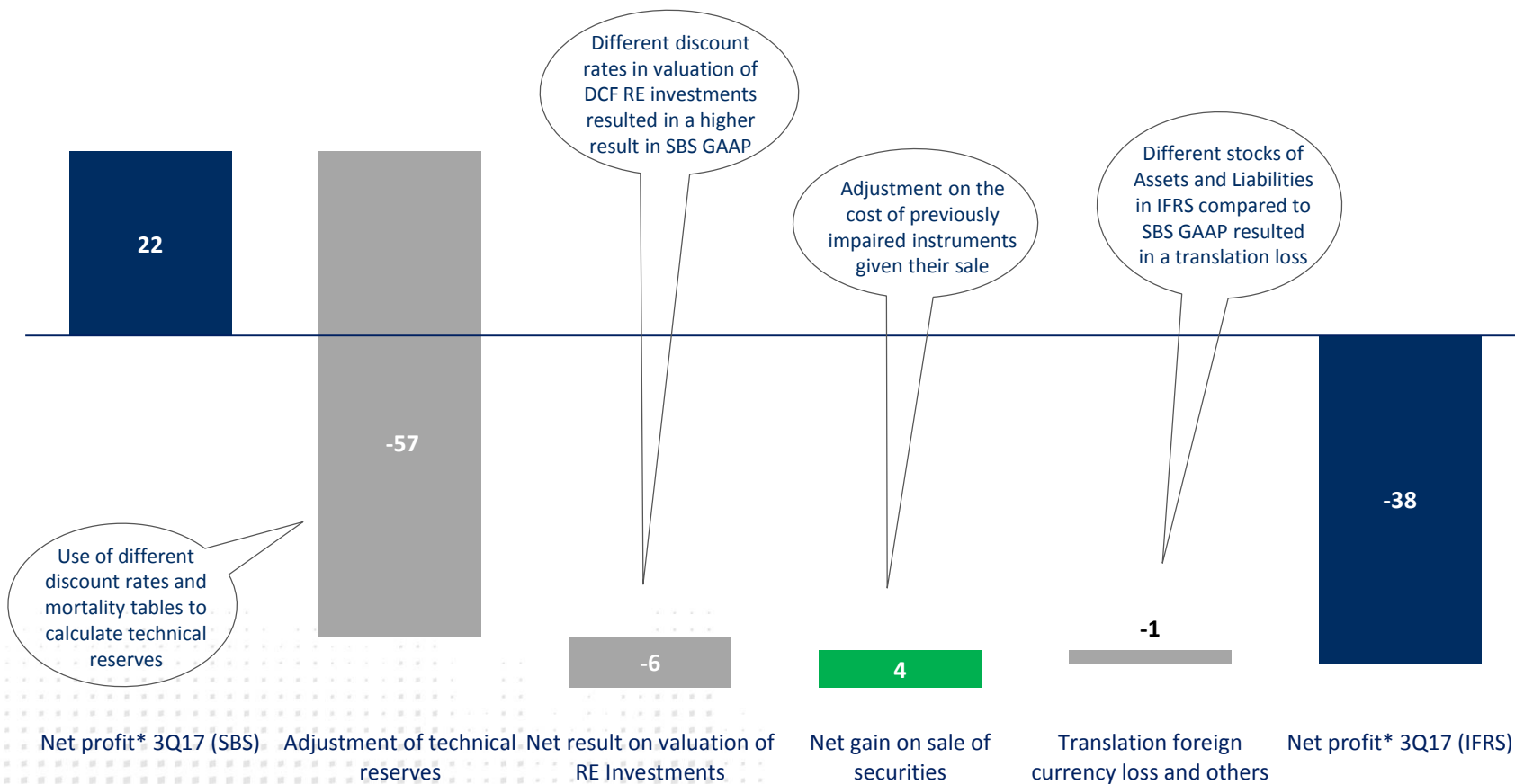


*Attributable to shareholders

Interseguro's 3Q17 net profit bridge to IFRS

Local GAAP vs. IFRS

S/ million



■ Reductions ■ Gains

*Attributable to shareholders

Inteligo's 3Q17 net profit decreased 23.4% QoQ and 12.1% YoY

Wealth Management Segment's P&L Statement

S/ million	3Q16	2Q17	3Q17	%chg QoQ	%chg YoY
Interest and similar income	34.7	39.2	36.0	-8.1%	3.9%
Interest and similar expenses	-14.9	-14.2	-13.3	-6.5%	-10.7%
Net interest and similar income	19.8	25.0	22.7	-9.1%	14.9%
Provision for loan losses, net of recoveries	0.0	0.0	0.0	n.m.	n.m.
Net interest and similar income after provision for loan losses	19.8	25.0	22.7	-9.2%	14.6%
Fee income from financial services, net	31.0	28.8	28.1	-2.4%	-9.2%
Other income	17.8	21.3	14.9	-29.9%	-16.1%
Other expenses	-20.2	-20.0	-24.2	21.1%	19.7%
Income before translation result and income tax	48.3	55.1	41.5	-24.6%	-14.0%
Translation result	-0.2	0.5	0.6	27.1%	n.m.
Income tax	0.3	0.0	0.4	n.m.	29.9%
Profit for the period	48.4	55.6	42.6	-23.4%	-12.1%
ROAE	33.7%	32.8%	25.3%		
Efficiency ratio	29.5%	26.6%	31.4%		

 **Intercorp** Financial Services