

Intercorp Financial Services Inc. Fourth Quarter 2015 Earnings

Lima, Peru, February 15, 2016. Intercorp Financial Services Inc. (Bolsa de Valores de Lima: IFS) announced today its unaudited results for the fourth quarter 2015. These results are reported on a consolidated basis under IFRS in nominal Peruvian soles.

Yearly and Quarterly Highlights:

Intercorp Financial Services:

- FY15 net profit was S/ 1,238.8 million, a 28.7% increase YoY, explained by increases of 18.7% in net interest and similar income and 27.4% in other income
- 4Q15 net profit was S/ 220.9 million, a decrease of 18.5% YoY and 45.9% QoQ, mainly a result of a negative discount rate impact at Interseguro and higher impairment losses on Inteligo's investment portfolio
- FY15 ROAE was 28.7% and 4Q15 annualized ROAE was 20.5%

Interbank:

- FY15 net profit increased 18.8% YoY, mainly due to a 16.7% growth in net interest and similar income and a 66.9% increase in other income, which was related to foreign exchange activity
- 4Q15 net profit was S/ 219.9 million, a 5.3% increase YoY and a 9.3% decrease QoQ
- In 4Q15, provision expenses increased 72.4% YoY and 30.0% QoQ, due to higher provisioning in retail loans, particularly in credit cards; partially offset by lower provision requirements related to the commercial loan portfolio
- Performing loans and deposits grew 14.9% and 22.5% YoY, respectively, ending the year with a 97.0% loan-to-deposit ratio
- FY15 ROAE was 25.4% and 4Q15 annualized ROAE was 24.2%

Interseguro:

- FY15 net profit* was S/ 311.0 million, a more than two-fold increase YoY, supported by higher operating income and net premiums earned
- 4Q15 net profit* was S/ 3.6 million, a 93.2% decrease YoY and 97.7% QoQ. The bottom-line result was mainly affected by a negative discount rate impact on technical reserves
- Net premiums in 4Q15 decreased 17.2% QoQ due to a decline in annuities, partially offset by the other lines of business. In annuities, Interseguro remained as the market leader with a 20.2% share in 4Q15 and an estimated 24.3% in FY15. YoY net premiums grew 7.2%
- FY15 ROAE was 67.1%

Inteligo:

- FY15 net profit was S/ 105.6 million, a 21.4% decrease YoY, explained by lower other income and higher other expenses despite an increase in core revenues
- 4Q15 net profit was S/ 2.6 million, down 82.9% YoY and 84.2% QoQ due to lower fee income and certain impairments on the investment portfolio
- AuM + deposits increased 23.0% YoY and 6.8% QoQ
- FY15 ROAE was 20.0%

* Attributable to shareholders

Intercorp Financial Services

SUMMARY

2015 Performance

Intercorp Financial Services' net profit was S/ 1,238.8 million in 2015, a 28.7% increase compared to 2014. The increase in profits was driven by increases of 18.7% in net interest and similar income, 27.4% in other income and 16.2% in fee income from financial services, in addition to a 20.3% decrease in adjustment of technical reserves. Such positive impacts were partially offset by growths of 51.8% in provision for loan losses and 14.9% in other expenses.

The increase in net interest and similar income was mainly due to higher loan volume at Interbank, partially offset by an increase in interest expense due to banks and correspondents, also at Interbank. Meanwhile, growth in other income was related to higher activity in foreign exchange transactions with clients.

Adjustment of technical reserves, related to Interseguro's business, decreased in 2015 due to changes in the discount rate used in the calculation of technical reserves. Such impact represented a S/ 225.7 million increase in net profit during 2015, while in 2014, discount rate impacts accounted for a S/ 57.4 million increase in profits.

IFS ROAE was 28.7% in 2015, higher than the 24.6% reported in 2014 and the 26.8% registered in 2013.

Intercorp Financial Services' P&L Statement					
S/ million	2013	2014	2015	%chg 15/14	%chg 14/13
Interest and similar income	2,405.5	2,828.7	3,342.7	18.2%	17.6%
Interest and similar expenses	-657.8	-788.9	-921.7	16.8%	19.9%
Net interest and similar income	1,747.7	2,039.8	2,421.0	18.7%	16.7%
Provision for loan losses, net of recoveries	-377.2	-425.5	-645.8	51.8%	12.8%
Net interest and similar income after provision for loan losses	1,370.5	1,614.3	1,775.2	10.0%	17.8%
Fee income from financial services, net	622.0	704.1	818.4	16.2%	13.2%
Other income	641.5	539.7	687.5	27.4%	-15.9%
Total premiums earned less claims and benefits	89.9	-20.5	105.5	n.m.	n.m.
Net Premiums	558.6	675.7	775.1	14.7%	21.0%
Adjustment of technical reserves	-294.8	-515.1	-410.6	-20.3%	74.7%
Net claims and benefits incurred	-173.8	-181.1	-258.9	43.0%	4.2%
Other expenses	-1,471.1	-1,541.0	-1,770.1	14.9%	4.7%
Income before translation result and income tax	1,252.8	1,296.6	1,616.5	24.7%	3.5%
Translation result	-12.5	-25.0	-25.1	0.3%	100.5%
Income tax	-265.8	-309.1	-352.6	14.1%	16.3%
Profit for the period	974.6	962.5	1,238.8	28.7%	-1.2%
Attributable to Equity holders of the Group ⁽¹⁾	970.2	949.1	1,231.8	29.8%	-2.2%
EPS	8.82	8.67	11.29		
ROAE	26.8%	24.6%	28.7%		
ROAA	2.9%	2.5%	2.8%		

(1) Starting 4Q14, IFS 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.

4Q15 Performance

Net profit was S/ 220.9 million in 4Q15, a decrease of 18.5% YoY and 45.9% QoQ. IFS annualized ROAE was 20.5% in 4Q15, below the 26.0% reported in 4Q14 and the 39.2% registered in 3Q15.

Intercorp Financial Services' P&L statement					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	759.1	860.1	912.0	6.0%	20.1%
Interest and similar expense	-202.7	-236.1	-259.9	10.0%	28.2%
Net interest and similar income	556.4	623.9	652.1	4.5%	17.2%
Provision for loan losses, net of recoveries	-105.8	-142.2	-182.5	28.3%	72.4%
Net interest and similar income after provision for loan losses	450.5	481.7	469.6	-2.5%	4.2%
Fee income from financial services, net	197.0	214.8	214.7	0.0%	9.0%
Other income	140.7	191.4	145.8	-23.8%	3.6%
Total premiums earned less claims and benefits	7.4	98.5	-43.8	n.m.	n.m.
Net Premiums	165.3	214.0	177.1	-17.2%	7.2%
Adjustment of technical reserves	-109.5	-46.7	-151.0	223.4%	37.9%
Net claims and benefits incurred	-48.3	-68.8	-69.9	1.6%	44.7%
Other expenses	-407.7	-472.0	-470.9	-0.2%	15.5%
Income before translation result and income tax	387.9	514.4	315.4	-38.7%	-18.7%
Translation result	-9.7	2.5	-8.8	n.m.	-9.5%
Income tax	-107.1	-108.3	-85.7	-20.9%	-19.9%
Profit for the period	271.2	408.6	220.9	-45.9%	-18.5%
Attributable to equity holders of the group ⁽¹⁾	261.3	405.8	219.5	-45.9%	-16.0%
EPS	2.39	3.72	2.02		
ROAE	26.0%	39.2%	20.5%		
ROAA	2.7%	3.6%	1.8%		

(1) Starting 4Q14, IFS 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.

Intercorp Financial Services' Statement of financial position					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Assets					
Cash and due from banks and inter-bank funds	6,668.5	9,746.6	12,676.8	30.1%	90.1%
Trading securities and investments available for sale	8,409.0	8,934.4	8,651.9	-3.2%	2.9%
Loans, net of unearned income	23,436.9	26,412.0	27,035.8	2.4%	15.4%
Allowance for loan losses	-819.7	-989.3	-1,041.6	5.3%	27.1%
Property, furniture and equipment, net	577.2	565.4	579.2	2.4%	0.3%
Other assets	2,104.4	2,225.6	2,098.7	-5.7%	-0.3%
Total assets	40,376.3	46,894.7	50,000.9	6.6%	23.8%
Liabilities and equity					
Deposits and obligations	23,381.4	25,715.0	28,487.7	10.8%	21.8%
Due to banks and correspondents	3,140.9	6,584.4	6,191.7	-6.0%	97.1%
Bonds, notes and other obligations	4,565.3	4,756.2	4,925.4	3.6%	7.9%
Insurance contract liabilities	3,743.0	4,218.0	4,477.1	6.1%	19.6%
Other liabilities	1,243.4	1,472.6	1,458.0	-1.0%	17.3%
Total liabilities	36,074.1	42,746.1	45,539.9	6.5%	26.2%
Equity					
Equity holders of IFS	4,191.0	4,034.5	4,345.6	7.7%	3.7%
Non-controlling interest	111.2	114.0	115.4	1.2%	3.7%
Total equity	4,302.3	4,148.5	4,460.9	7.5%	3.7%
Total liabilities and equity	40,376.3	46,894.7	50,000.9	6.6%	23.8%

Quarter-on-quarter performance

Profits decreased 45.9% QoQ mainly due to a higher adjustment of technical reserves as a result of a lower discount rate in 4Q15, in addition to a 28.3% increase in provision expenses and a 23.8% decrease in other income. These factors were partially offset by a 4.5% growth in net interest and similar income and controlled costs in 4Q15.

Interest and similar income increased 4.5% driven by growths of 31.8% in interest on investments available for sale at Inteligo, and 5.4% in interest on loans at Interbank; partially offset by a 10.1% increase in interest and similar expenses at Interbank.

Provision expenses increased 28.3% mainly as a result of higher provisioning in credit cards, partially offset by lower requirements in other consumer loans and commercial loans due to an improvement in asset quality in such products.

Net fee income from financial services remained stable QoQ as higher fees from credit cards at Interbank were offset by a reduction in fees from funds management services at Inteligo.

Interseguro's total premiums earned less claims and benefits declined by S/ 142.3 million QoQ, driven by a higher adjustment of technical reserves as a result of different discount rate impacts. In 3Q15 the adjustment of technical reserves had a positive discount rate impact of S/ 127.7 million whereas in 4Q15 the discount rate impact was S/ -22.6 million (negative).

Other income decreased 23.8% QoQ mainly explained by an 84.1% decrease in net gain on sale of securities at Interseguro, and lower income from derivative operations

at Interbank; partially offset by higher gains in forward transactions at Interbank and a higher net trading gain at Inteligo. Worth to mention, in 3Q15 Interseguro reported unusually high gains on sale of securities, related to the sale of an equity investment.

Other expenses remained stable QoQ as a lower impairment loss on available-for-sale investments at Interseguro was offset by higher administrative expenses at Interbank, in addition to an impairment loss on available for sale investments at Inteligo.

IFS effective tax rate increased QoQ, from 21.0% in 3Q15 to 28.0% in 4Q15, as a result of a lower profit contribution from Interseguro, whose investment income is tax-exempt.

Year-on-year performance

Profits decreased by S/ 50.3 million YoY, or 18.5%, mainly due to increases of S/ 76.7 million in provisions, S/ 63.2 million in other expenses and S/ 41.5 million in adjustment of technical reserves. Such negative impacts were partially offset by growths of S/ 95.7 million in net interest and similar income, S/ 17.7 million in fee income from financial services and S/ 11.8 million in net premiums.

Interest and similar income rose 20.1% mainly explained by a 13.9% growth in the average loan volume and a 40 basis point increase in the average yield for loans at Interbank.

Interest and similar expenses increased 28.2% YoY due to higher interest due to banks and on deposits at Interbank. The growth in interest due to banks was attributed to a higher average volume, which was related to a significant increase in local funding from the Central Bank through repo operations. Similarly, the rise in interest on deposits was also explained by a higher average volume.

Provisions for loan losses, net of recoveries increased 72.4% mainly due to higher provisioning in retail loans, particularly in credit cards, where Interbank had accumulated high levels of growth until mid-2015. This was partially offset by lower provision requirements related to the commercial loan portfolio.

Fee income from financial services grew 9.0% YoY as a result of an 11.3% increase at Interbank, which was driven by higher fees related to credit cards and saving accounts.

Interseguro's total premiums earned less claims and benefits reverted from a positive result of S/ 7.4 million in 4Q14 to a negative result of S/ -43.8 million in 4Q15. Such decline was explained by a higher adjustment of technical reserves, related to discount rate impacts, and an increase in net claims and benefits incurred. Such negative effects were partially offset by a 7.2% increase in net premiums, which was a result of higher Retail Insurance premiums.

Other income increased 3.6% YoY mainly due to higher net gain on foreign exchange transactions at Interbank, partially offset by a reduction in valuation gain from investment property at Interseguro. In 4Q14 Interseguro recognized a real estate appreciation which was not repeated in 4Q15.

Other expenses grew 15.5% due to increases of 18.4% at Interbank and 67.4% at Inteligo, partially offset by a 8.9% decline at Interseguro. The higher expense at

Interbank was related to an increase in administrative expenses, explained by higher provisions related to employees' profit-sharing, as well as higher provisions for tax and legal contingencies. The increase in other expenses at Inteligo was related to higher impairment losses on available for sale investments registered in 4Q15. The lower expenses at Interseguro were attributed to a lower impairment loss on available for sale investments.

IFS effective tax rate decreased by 30 basis points YoY, from 28.3% in 4Q14 to 28.0% in 4Q15, as a result of a new Peruvian tax regulation introduced by the government in December 2014, which led to a lower effective tax rate at Interbank.

CONTRIBUTION BY SEGMENTS

The following table shows the contribution of Interbank, Interseguro and Inteligo to Intercorp Financial Services' net profit. The performance of each of the three segments is discussed in detail in the following sections.

Intercorp Financial Services' Profit by segment					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interbank	208.7	242.4	219.9	-9.3%	5.3%
Interseguro	61.5	157.4	3.5	-97.8%	-94.3%
Inteligo	15.4	16.7	2.6	-84.2%	-82.9%
Corporate and eliminations	-14.5	-7.9	-5.1	-35.3%	-64.7%
IFS profit for the period	271.2	408.6	220.9	-45.9%	-18.5%

Interbank

SUMMARY

2015 Performance

Interbank's net profit reached \$/ 868.4 million in 2015, an 18.8% increase compared to the previous year. The main factors that contributed to this result were increases of 16.7% in net interest and similar income, 66.9% in other income and 13.7% in fee income from financial services, partially offset by growths of 51.3% and 13.5% in provisions for loan losses and other expenses, respectively. Net interest and similar income growth was mainly driven by a 16.1% increase in interest on loans, which was partially offset by growths of 49.6% in interest and fees on due to banks and correspondents and 16.7% in interest on bonds.

Interbank's ROAE was 25.4% in 2015, above the 24.9% reported in 2014.

Banking Segment's P&L Statement					
\$/ million	2013	2014	2015	%chg 15/14	%chg 14/13
Interest and similar income	2,146.4	2,534.9	2,961.4	16.8%	18.1%
Interest and similar expenses	-614.0	-732.5	-858.5	17.2%	19.3%
Net interest and similar income	1,532.4	1,802.3	2,102.9	16.7%	17.6%
Provision for loan losses, net of recoveries	-377.2	-425.5	-643.9	51.3%	12.8%
Net interest and similar income after provision for loan losses	1,155.1	1,376.8	1,459.0	6.0%	19.2%
Fee income from financial services, net	574.7	645.1	733.7	13.7%	12.3%
Other income	379.2	303.7	506.8	66.9%	-19.9%
Other expenses	-1,225.9	-1,286.9	-1,460.9	13.5%	5.0%
Income before translation result and income tax	883.1	1,038.7	1,238.6	19.2%	17.6%
Translation result	-21.1	-23.6	-49.5	109.3%	11.9%
Income tax	-247.0	-284.0	-320.7	12.9%	15.0%
Profit for the period	615.0	731.1	868.4	18.8%	18.9%
Profit excl. non-recurring factors	558.4	737.5	868.4	17.7%	32.1%
ROAE	23.7%	24.9%	25.4%		
Efficiency ratio	47.8%	45.6%	41.3%		
NIM	6.2%	6.1%	6.0%		
NIM on loans	9.5%	9.4%	9.9%		

Interest and similar income increased 16.8% driven by a 16.1% growth in interest on loans. The increase in interest on loans was attributed to a 11.6% growth in the average volume and a 50 basis point increase in the nominal average rate, from 11.9% in 2014 to 12.4% in 2015. The higher average volume was due to increases of 16.7% in retail loans and 6.5% in commercial loans. By currency, average balances of soles loans increased 24.7% while U.S. dollar loans decreased 8.4%. The higher average rate was a result of higher yields in retail and commercial loans. In retail loans, the average yield increased by 40 basis points as a consequence of higher rates on credit cards and their higher proportion over total retail loans; yet such increase was partially offset by a decline in the average rate of payroll-deduction loans. In the commercial loan portfolio, the average rate increased by 10 basis points, due to higher yields in trade finance loans.

Interest and similar expenses increased 17.2% with respect to the previous year. This was explained by growths of 49.6% in interest on due to banks and correspondents, 16.7% in interest on bonds and 3.3% in interest on deposits. Interest on due to banks increased as a result of a 71.4% growth in the average volume, partially offset by a 60 basis point decrease in the average cost. Growth in average volume was attributed to a more than ten-fold increase in local funding, which was mostly related to the repo transactions held with the Central Bank, but also explained by a 18.0% increase in funding from COFIDE. The lower average cost was mainly due to a lower proportion of funding from COFIDE over the total due to banks, as such funding bears a higher average cost.

Interest on bonds increased mainly due to a 14.8% growth in the average volume and a 10 basis point increase in the average cost. The higher volume was explained by a 12.5% average exchange rate depreciation of the sol against the U.S. dollar that resulted in a higher value of bonds denominated in dollars, which represented more than 90% of total bonds. The higher average cost was attributed to the issuance of a subordinated bond in March 2014, whose financial cost was registered partly on 2014 and completely on 2015.

The 3.3% growth in interest on deposits was due to a 10.2% increase in the average volume, partially offset by a 10 basis point reduction of the average cost. The growth in volume was attributed to increases in both retail and commercial deposits. By currency, average balances of soles deposits increased 2.7%, while dollar deposits increased 19.7%. The lower average cost was due to a decrease in the average cost of retail deposits and a decline in the proportion of institutional deposits over total deposits, as they bear a higher cost compared to other sources of deposits. Both effects were partially offset by an increase in the average cost of commercial deposits.

Provision for loan losses, net of recoveries increased 51.3% in 2015 when compared to the previous year. The increase in provision expenses was mainly a result of higher provisioning in retail loans, driven by an increase in the average volume of credit cards and other consumer loans, as well as the deterioration in credit quality registered during the year.

The 13.7% increase in fee income from financial services, net was attributable to increases of S/ 71.4 million in maintenance and mailing of accounts, transfers and credit and debit card service fees, and S/ 18.1 million in commissions from banking services. The increase in maintenance and mailing of accounts, transfers and credit and debit card service fees was related to higher volumes of credit cards and saving accounts, while the higher commissions from banking services was mainly explained by higher insurance premiums sold related to loans.

Other income grew 66.9% mainly explained by a S/ 304.4 million gain on foreign exchange transactions, partially offset by a reduction of S/ 128.9 million in net trading income, which was mainly driven by a lower income from derivative instruments that were negatively affected by the depreciation of the sol against the U.S. dollar during 2015 compared to 2014.

The efficiency ratio improved significantly, from 45.6% in 2014 to 41.3% in 2015, explained by growths of 66.9% in other income, 16.7% in net interest and similar income, and 13.7% in fee income from financial services; in addition to a controlled increase in expenses.

Income before translation result and income tax grew 19.2% in 2015, which was then negatively affected by a higher loss in translation result but positively impacted by a reduction in the effective tax rate, from 28.0% in 2014 to 27.0% in 2015. All in all, profit for the period increased 18.8% compared to 2014.

4Q15 Performance

Interbank's profits reached S/ 219.9 million in 4Q15, a S/ 11.2 million increase YoY and a S/ 22.5 million decrease QoQ. The annual growth in net profit was explained by increases of S/ 75.4 million in net interest and similar income, S/ 46.8 million in other income and S/ 20.6 million in fee income from financial services, which were partially offset by increases of S/ 76.7 million in provisions and S/ 60.5 in other expenses.

The quarterly decrease was mainly due to growths of S/ 42.1 million in provisions and S/ 12.8 million in other expenses, as well as a reduction of S/ 12.3 million in other income. These factors were partially offset by a S/ 22.9 million growth in net interest and similar income, and a S/ 14.1 million increase in fee income from financial services.

Interbank's ROAE was 24.2% in 4Q15, lower than the 26.3% reported in 4Q14 and the 28.2% registered in 3Q15.

Banking Segment's P&L Statement					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	671.8	757.4	802.5	6.0%	19.5%
Interest and similar expenses	-187.5	-220.5	-242.7	10.1%	29.5%
Net interest and similar income	484.4	536.9	559.8	4.3%	15.6%
Provision for loan losses, net of recoveries	-105.8	-140.4	-182.5	30.0%	72.4%
Net interest and similar income after provision for loan losses	378.5	396.6	377.4	-4.8%	-0.3%
Fee income from financial services, net	181.0	187.5	201.6	7.5%	11.3%
Other income	82.0	141.1	128.8	-8.8%	57.1%
Other expenses	-328.3	-376.0	-388.8	3.4%	18.4%
Income before translation result and income tax	313.2	349.2	319.0	-8.6%	1.8%
Translation result	-9.6	-6.6	-20.5	210.3%	113.3%
Income tax	-94.9	-100.2	-78.6	-21.5%	-17.1%
Profit for the period	208.7	242.4	219.9	-9.3%	5.3%
ROAE	26.3%	28.2%	24.2%		
Efficiency ratio	43.7%	40.5%	40.8%		
NIM	6.3%	6.0%	5.8%		
NIM on loans	9.9%	10.0%	10.2%		

INTEREST-EARNING ASSETS

Interbank's interest-earning assets reached S/ 40,062.9 million in 4Q15, an increase of 28.6% YoY and 6.6% QoQ.

The annual growth in interest-earning assets was mostly attributed to increases of 88.7% in cash and due from banks and 14.7% in loans. The increase in cash and due

from banks was a result of higher repo transactions with the Central Bank, while growth in loans was explained by increases in both retail and commercial portfolios.

The quarterly increase in interest-earning assets was due to growths of 27.5% in cash and due from banks, and 2.2% in loans; partially offset by a 15.5% decrease in investments available for sale. The increase in cash and due from banks was mainly a result of higher repo transactions with the Central Bank, while loan growth was mostly focused in mortgages and other consumer loans. The decrease in investments was mainly explained by lower volumes of Central Bank Certificates of Deposit (CDBCR).

Interest-earning assets					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Cash and due from banks and inter-bank funds	6,412.0	9,493.1	12,101.4	27.5%	88.7%
Investments available for sale	3,560.4	4,320.4	3,652.8	-15.5%	2.6%
Loans	21,186.9	23,783.9	24,308.7	2.2%	14.7%
Total Interest-earning assets	31,159.3	37,597.4	40,062.9	6.6%	28.6%

Loan portfolio					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Performing loans					
Retail	10,832.5	12,225.6	12,560.1	2.7%	15.9%
Commercial	10,277.2	11,531.0	11,701.4	1.5%	13.9%
Total Performing loans	21,109.7	23,756.5	24,261.5	2.1%	14.9%
Restructured and refinanced loans	140.7	231.0	249.2	7.9%	77.1%
Past due loans	540.7	567.9	589.1	3.7%	9.0%
Total gross loans	21,791.0	24,555.5	25,099.9	2.2%	15.2%
Add (less)					
Accrued and deferred interest	214.2	214.2	246.8	15.2%	15.2%
Allowance for loan losses	-818.2	-985.8	-1,037.9	5.3%	26.8%
Total direct loans, net	21,186.9	23,783.9	24,308.7	2.2%	14.7%

Performing loans grew 14.9% YoY due to increases of 15.9% in retail loans and 13.9% in commercial loans. Retail loans grew driven by growths of 18.1% in other consumer loans, 16.3% in credit cards and 13.8% in mortgages. Commercial loans grew mainly due to increases in short and medium-term lending within the corporate and middle market businesses.

Performing loans grew 2.1% QoQ as a result of increases of 2.7% in retail loans and 1.5% in commercial loans. Retail loans increased due to growths of 4.4% in mortgages, 2.7% in other consumer loans and 0.7% in credit cards. Growth in commercial loans was mainly driven by increases in short and medium-term lending, as well as higher volumes of factoring transactions; partially offset by lower leasing operations.

Breakdown of retail loans					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Consumer loans:					
Credit cards	3,183.4	3,677.3	3,703.1	0.7%	16.3%
Other consumer	3,581.4	4,117.6	4,229.9	2.7%	18.1%
Total consumer loans	6,764.8	7,794.9	7,933.0	1.8%	17.3%
Mortgages	4,067.6	4,430.7	4,627.1	4.4%	13.8%
Total retail loans	10,832.5	12,225.6	12,560.1	2.7%	15.9%

FUNDING STRUCTURE

Funding structure					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Deposits	21,124.1	23,528.9	25,880.9	10.0%	22.5%
Due to banks and inter-bank funds	3,219.1	6,558.9	6,138.5	-6.4%	90.7%
Bonds	4,197.2	4,488.5	4,689.9	4.5%	11.7%
Total	28,540.4	34,576.4	36,709.4	6.2%	28.6%
% of funding					
Deposits	74.0%	68.0%	70.5%		
Due to banks and inter-bank funds	11.3%	19.0%	16.7%		
Bonds	14.7%	13.0%	12.8%		

Interbank's total funding base increased 28.6% YoY, in line with the performance of interest-earning assets. The increase was due to growths of 90.7% in due to banks and inter-bank funds, 22.5% in deposits and 11.7% in bonds.

The yearly growth in due to banks and inter-bank funds was mainly due to a sharp increase in the funding provided by the Central Bank, while the increase in deposits was explained by growths of 46.3% in commercial deposits, 18.7% in retail deposits and 2.1% in institutional deposits. As a result, the proportion of institutional deposits to total deposits decreased from 24.4% in 4Q14 to 20.4% in 4Q15.

The YoY growth in bonds was mainly attributed to a 14.2% depreciation of the exchange rate which originated an increase in the value of bonds issued in dollars.

The bank's total funding base grew 6.2% QoQ, slightly below the growth in interest-earning assets. The quarterly growth was mainly due to increases of 10.0% in deposits and 4.5% in bonds, partially offset by a 6.4% decrease in due to banks and inter-bank funds.

The increase in deposits was explained by increases of 19.7% in commercial deposits, 7.1% in retail deposits and 0.7% in institutional deposits. As a result, the proportion of deposits to total funding increased from 68.0% in 3Q15 to 70.5% in 4Q15.

Breakdown of deposits					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
By customer service:					
Retail	9,001.1	9,975.4	10,685.9	7.1%	18.7%
Commercial	6,604.1	8,067.5	9,659.9	19.7%	46.3%
Institutional	5,161.1	5,232.2	5,269.5	0.7%	2.1%
Other	357.8	254.0	265.6	4.6%	-25.8%
Total	21,124.1	23,528.9	25,880.9	10.0%	22.5%
By type:					
Demand	5,440.0	6,312.2	8,129.8	28.8%	49.4%
Savings	6,828.1	7,919.2	8,198.6	3.5%	20.1%
Time	8,850.1	9,284.5	9,546.7	2.8%	7.9%
Other	5.9	13.0	5.8	-55.1%	-0.7%
Total	21,124.1	23,528.9	25,880.9	10.0%	22.5%

NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	671.8	757.4	802.5	6.0%	19.5%
Interest and similar expense	-187.5	-220.5	-242.7	10.1%	29.5%
Net interest and similar income	484.4	536.9	559.8	4.3%	15.6%
NIM*	6.3%	6.0%	5.8%	-20 bps	-50 bps

*Annualized. Net interest and similar income / Average interest-earning assets.

Interest and similar income					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income					
Due from banks and inter-bank funds	1.9	2.3	5.6	139.7%	197.8%
Investments available for sale	19.3	27.9	30.7	10.0%	58.9%
Loans	650.6	727.2	766.2	5.4%	17.8%
Total Interest and similar income	671.8	757.4	802.5	6.0%	19.5%
Average interest-earning assets	30,534.5	35,760.8	38,830.1	8.6%	27.2%
Average yield on assets (annualized)	8.8%	8.5%	8.3%	-20 bps	-50 bps

Interest and similar expense					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar expense					
Deposits and obligations	-80.6	-85.9	-97.5	13.4%	20.9%
Due to banks and correspondents	-37.3	-59.2	-67.3	13.8%	80.7%
Bonds, notes and other obligations	-69.6	-75.4	-77.9	3.4%	12.0%
Total Interest and similar expense	-187.5	-220.5	-242.7	10.1%	29.5%
Average interest-bearing liabilities	28,010.0	32,844.1	35,642.9	8.5%	27.3%
Average cost of funding (annualized)	-2.7%	-2.7%	-2.7%	0 bps	0 bps

QoQ Performance

Net interest and similar income increased 4.3% QoQ as the result of a 6.0% growth in interest and similar income, partially offset by a 10.1% increase in interest and similar expense.

The rise in interest and similar income was mainly due to an increase of 5.4% in interest on loans and a more than two-fold growth in interest due from banks and inter-bank funds.

The growth in interest on loans was due to a 3.0% increase in the average volume of the loan portfolio and a 20 basis point increase in the average yield, from 12.5% in 3Q15 to 12.7% in 4Q15. The higher average volume of loans was attributed to increases of 3.0% in retail loans and 2.7% in commercial loans. In the retail portfolio, higher volume was due to growths of 4.1% in mortgages and 3.8% in other consumer loans. In the commercial portfolio, volumes increased 6.2% in short and medium-term loans, partially offset by decreases of 2.8% in trade finance loans and 3.1% in leasing. The higher average rate was explained by increases of 50 basis points in the yield of the commercial portfolio and 20 basis points in the retail portfolio. The yield growth on the commercial portfolio was mainly due to higher yields on trade finance loans, while in retail loans, the higher average rate was mainly driven by higher rates in credit cards and other consumer loans.

The increase in interest due from banks and inter-bank funds was mainly explained by increases of 10 basis points in the nominal average rate and 25.7% in the average volume. The higher yield was attributed to higher rates in soles, while growth in average volume was mainly due to an increase of funds in dollars held at the Central Bank, related to repo operations in exchange of local currency funding.

The nominal average yield on interest-earning assets¹ decreased by 20 basis points QoQ, from 8.5% in 3Q15 to 8.3% in 4Q15, mainly attributable to higher volumes of cash and due from banks and inter-bank funds, which represented a greater proportion over total interest-earning assets yet bearing a lower yield compared to the other components.

Interest and similar expense rose 10.1% QoQ due to increases of 13.8% in interest due to banks and correspondents, 13.4% in interest on deposits and obligations, and 3.4% in interest on bonds, notes and other obligations.

The increase in interest due to banks and correspondents was explained by a 30 basis point increase in the nominal average cost and a 4.0% growth in the average volume. The higher cost was attributed to an increase in the average cost of local funding from Central Bank, partially offset by a lower average cost of foreign funding. The growth in volume was attributed to increases in local funding from Central Bank and foreign funding.

Interest on deposits and obligations increased by S/ 11.6 million mainly due to a 10.8% growth in the average volume and a 10 basis point increase in the average cost. The rise in average volume was mainly explained by growth in commercial and

¹ For a more accurate reporting of the nominal average yield on interest-earning assets, total cash and due from banks and inter-bank funds are considered as interest-earning assets on the rate calculation; on previous reports only the strictly interest-earning portion was considered. Such an adjustment has a negative impact of 90 bps on the previously reported 3Q15 average yield on assets.

retail deposits; while the higher average cost was driven by an increase in the cost of deposits in soles.

Interest on bonds, notes and other obligations rose by S/ 2.5 million in 4Q15 as a result of a 3.3% growth in the average volume, while the nominal average cost remained relatively stable. The higher average volume was attributable to a 5.9% depreciation of the sol against the U.S. dollar that resulted in a higher value of bonds denominated in dollars, which represented 90.8% of total bonds.

The average cost of funds² remained relatively stable QoQ, at 2.7% in 4Q15, as a result of mixed effects: the increase in the cost of due to banks and correspondents was offset by the higher proportion of deposits over the total funding base, as they bear a much lower average cost.

As a result of the above, net interest margin was 5.8% in 4Q15, 20 basis points lower than the 6.0% reported in 3Q15.

YoY Performance

Net interest and similar income grew 15.6% YoY due to an increase of 19.5% in interest and similar income, partially offset by a 29.5% rise in interest and similar expense.

The growth in interest and similar income was due to increases of 17.8% in interest on loans, 58.9% in interest on investments available for sale and a close to three-fold increase in interest due from banks and inter-bank funds.

The S/ 115.6 million growth in interest on loans was explained by increases of 13.9% in the average loan volume and 40 basis points in the average yield, from 12.3% in 4Q14 to 12.7% in 4Q15. Growth in average volume was due to increases of 16.5% in the retail portfolio and 11.4% in the commercial portfolio. The higher average volume of retail loans was due to growths of 18.8% in other consumer, 18.6% in credit cards and 12.8% in mortgages. In the commercial portfolio, volumes grew 22.1% in short and medium-term loans, and 14.9% in trade finance loans, partially offset by a 9.9% decline in leasing. The higher average yield was explained by increases of 30 basis points in the average rate of the retail portfolio and 20 basis points in the commercial portfolio, in addition to a higher proportion of retail loans within the total loan portfolio. The higher yield on the retail portfolio was mainly attributed to higher rates on credit cards, while the increase in commercial loans was attributed to higher yields on trade finance loans.

Interest on investments available for sale increased by S/ 11.4 million YoY, or 58.9%, as a result of an 80 basis point increase in the nominal average rate and an 18.4% growth in the average volume. The higher average rate, which accounted for S/ 6.6 million of the increase in interest on the investment portfolio, was due to higher returns in CDBCR, global and corporate bond portfolios. The growth in volume accounted for S/ 4.8 million of the increase and was a result of higher investments in sovereign, corporate bonds and CDBCR.

² For a more accurate reporting of the average cost of funds, total deposits are considered as interest-bearing liabilities on the rate calculation; on previous reports only the strictly interest-bearing portion was considered. Such an adjustment has a positive impact of 30 bps on the previously reported 3Q15 average cost of funding.

The S/ 3.7 million increase in interest on due from banks and inter-bank funds was explained by a 78.1% growth in the average volume and a 10 basis point increase in the nominal average rate. The higher volume was mainly attributable to an increase of dollar funds at the Central Bank, which are related to repo transactions for local currency funding. The higher average rate was mainly attributed to higher yields on time deposits at the Central Bank.

The nominal average yield on interest-earning assets³ was 8.3% in 4Q15, a 50 basis point decrease from the 8.8% registered in 4Q14, basically as a result of the greater proportion of cash and due from banks over total interest-earning assets, as they bear a much lower yield compared to the other components.

Interest and similar expense increased 29.5% YoY due to growths of 80.7% in interest due to banks and correspondents, 20.9% in interest on deposits and obligations, and 12.0% in interest on bonds, notes and other obligations.

The increase in interest due to banks and correspondents was explained by a more than two-fold growth in the average volume, partially offset by a 50 basis point decline in the average cost. The higher average volume accounted for a S/ 34.0 million increase in interest expense and was due to a significant increase in local funding from the Central Bank through repo operations. The lower nominal average cost accounted for a S/ 4.0 million decrease in interest expense and was explained by a decline in the proportion of funding from COFIDE, which bears a higher average cost within total due to banks and correspondents, as well as by a decline in the nominal average cost of foreign funding.

Interest on deposits and obligations increased by S/ 16.9 million, or 20.9%, mainly attributable to a 19.3% increase in the average volume while the nominal average cost remained relatively stable. The higher average volume accounted for a S/ 15.7 million increase in interest expense and was a result of higher commercial and retail deposits.

Interest on bonds, notes and other obligations increased by S/ 8.3 million, or 12.0%, mainly as a result of a 10.4% increase in the average volume. The growth in average volume was explained by a 14.2% depreciation of the exchange rate that resulted in a higher value of bonds issued in dollars, which represent the majority of total bonds.

The average cost of funds⁴ remained relatively stable YoY, at 2.7% in 4Q15, mainly as the decrease in the cost of due to banks and correspondents was offset by its greater proportion over the total funding base, as they bear a much higher average cost compared to deposits.

As a result of the above, net interest margin declined by 50 basis points YoY, from 6.3% in 4Q14 to 5.8% in 4Q15.

³ For a more accurate reporting of the nominal average yield on interest-earning assets, total cash and due from banks and inter-bank funds are considered as interest-earning assets on the rate calculation; on previous reports only the strictly interest-earning portion was considered. Such an adjustment has a negative impact of 40 bps on the previously reported 4Q14 average yield on assets.

⁴ For a more accurate reporting of the average cost of funds, total deposits are considered as interest-bearing liabilities on the rate calculation; on previous reports only the strictly interest-bearing portion was considered. Such an adjustment has a positive impact of 40 bps on the previously reported 4Q14 average cost of funding.

PROVISION FOR LOAN LOSSES, NET OF RECOVERIES

Provision for loan losses, net of recoveries increased 72.4% YoY and 30.0% QoQ. As a result, the annualized ratio of provision expense to average loans was 2.9% in 4Q15, above the 2.0% registered in 4Q14 and the 2.3% reported in 3Q15.

The annual increase in provisions was a result of higher provisioning in retail loans, particularly in credit cards, where the bank had accumulated high levels of growth until mid-2015. This was partially offset by lower provision requirements related to the commercial loan portfolio.

The quarterly growth was a result of higher provisioning in credit cards, partially offset by lower requirements in other consumer loans and commercial loans due to an improvement in asset quality in such products. Credit cards saw an 80 bps deterioration in its PDL ratio in 4Q15, partly an effect of the low growth QoQ in such product when compared to the industry performance.

Provision for loan losses, net of recoveries					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Provision for loan losses, net of recoveries	-105.8	-140.4	-182.5	30.0%	72.4%
Past-due-loan ratio (at end of period)	2.5%	2.3%	2.3%	0 bps	-20 bps
Provision for loan losses/average gross loans	2.0%	2.3%	2.9%	60 bps	90 bps
Coverage ratio (at end of period)	151.3%	173.6%	176.2%	260 bps	n.m.
Allowance for loan losses (at end of period)	818.2	985.8	1,037.9	5.3%	26.8%

The past-due-loan ratio remained stable at 2.3% in 4Q15 when compared with that of the previous quarter, and improved 20 basis points when compared with the 2.5% reported in 4Q14. It is worth to mention that the higher past-due-loan ratio registered in 4Q14 was attributable to the deterioration of certain commercial loans related to a specific client. As of December 2015, such loan exposures were already sorted out and sold off from the loan portfolio.

The total past-due-loan ratio remained stable QoQ as a result of lower PDL ratios in commercial and other consumer loans, which were offset by a higher PDL ratio in credit cards.

As a consequence, the coverage ratio of the past-due loan portfolio increased from 151.3% in 4Q14 and 173.6% in 3Q15 to 176.2% in 4Q15.

FEE INCOME FROM FINANCIAL SERVICES, NET

Fee income from financial services, net increased by S/ 20.6 million YoY, or 11.3%, mainly due to a S/ 24.0 million increase in fees from maintenance and mailing of accounts, interchange fees, transfers and debit card services; partially offset by a reduction of S/ 3.8 million in commissions from banking services. The increase in maintenance and mailing of accounts, interchange fees, transfers and credit and debit card service fees was a result of higher volumes of credit cards and saving accounts, while the decrease in commissions from banking services was explained by a lower deferred income for financial advisory fees.

Fee income from financial services, net increased by S/ 14.1 million QoQ, or 7.5%, mainly explained by a S/ 14.7 million increase in maintenance and mailing of

accounts, interchange fees, transfers and credit and debit card service fees; partially offset by a S/ 1.2 million increase in insurance expenses, explained by higher insurance premiums sold for Interseguro.

Fee income from financial services, net					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Income					
Maintenance and mailing of accounts, interchange fees, transfers and credit and debit card services	117.7	127.0	141.7	11.6%	20.5%
Commissions from banking services	72.4	69.5	68.6	-1.3%	-5.2%
Fees for indirect loans	14.9	15.2	15.3	0.9%	2.7%
Funds management	6.9	7.5	7.3	-3.5%	4.9%
Collection services	6.1	6.8	6.8	0.3%	12.2%
Other	9.7	7.8	10.9	40.7%	12.3%
Total income	227.6	233.7	250.6	7.2%	10.1%
Expenses					
Insurance	-34.6	-38.2	-39.4	3.0%	13.8%
Fees paid to foreign banks	-2.7	-2.5	-2.6	7.7%	-1.4%
Other	-9.3	-5.5	-7.0	26.4%	-24.5%
Total expenses	-46.6	-46.2	-49.0	6.1%	5.3%
Fee income from financial services, net	181.0	187.5	201.6	7.5%	11.3%

OTHER INCOME

Other income increased by S/ 46.8 million YoY, mainly due to an increase of S/ 103.2 million in net gain on foreign exchange transactions, partially offset by a reduction of S/ 73.4 million in net trading income, which was mainly driven by a lower income from derivative instruments that were negatively affected by the depreciation of the sol against the U.S. dollar during 2015 compared to 2014.

Other income decreased by S/ 12.3 million QoQ as a result of a S/ 60.4 million reduction in net trading income, mainly explained by lower income from derivative operations. This was partially offset by a S/ 25.1 million increase in net gain on foreign exchange transactions due to higher gains in forward transactions; in addition to the sale of a written-off loan portfolio, accounted as other in 4Q15.

Other income					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Net gain on foreign exchange transactions	57.0	135.1	160.2	18.6%	180.9%
Net gain on sale of securities	0.8	0.0	-0.0	n.m.	n.m.
Net trading (loss) income	8.5	-4.5	-64.9	n.m.	n.m.
Other	15.6	10.5	33.5	219.9%	114.8%
Total other income	82.0	141.1	128.8	-8.8%	57.1%

OTHER EXPENSES

Other expenses increased by S/ 60.5 million YoY, or 18.4%, and by S/ 12.8 million QoQ, or 3.4%. The annual growth in other expenses was a result of a 22.2% increase in administrative expenses, explained by higher provisions related to employees'

profit-sharing, as well as higher provisions for tax and legal contingencies registered in 4Q15.

The quarterly growth in other expenses was mainly due to increases of 9.3% in administrative expenses and 2.4% in depreciation and amortization, partially offset by a 3.5% reduction in salaries and employee benefits.

The efficiency ratio was 40.8% in 4Q15, below the 43.7% reported in 4Q14, and slightly above the 40.5% registered in 3Q15.

Other expenses					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Salaries and employee benefits	-140.1	-145.5	-140.5	-3.5%	0.3%
Administrative expenses	-161.3	-180.3	-197.0	9.3%	22.2%
Depreciation and amortization	-25.2	-24.9	-25.5	2.4%	1.3%
Other	-1.8	-25.3	-25.7	1.7%	n.m.
Total other expenses	-328.3	-376.0	-388.8	3.4%	18.4%
Efficiency ratio	43.7%	40.5%	40.8%	30 bps	-290 bps

REGULATORY CAPITAL

The ratio of regulatory capital to risk-weighted assets (RWA) was 15.5% in 4Q15, above the 15.2% reported in 4Q14 and slightly below the 15.6% registered in 3Q15.

The annual increase in the capital ratio was due to a 16.1% growth in regulatory capital, partially offset by a 13.3% increase in RWA. The YoY increase in regulatory capital was mainly a result of the addition of S/ 478.1 million in capital, reserves and earnings with capitalization agreement during the last twelve months; while the increase in RWA was mostly attributed to loan growth YoY.

As of 4Q15, Interbank's capital ratio of 15.5% was 390 basis points above its risk-adjusted minimum capital ratio requirement, established at 11.6%. The minimum regulatory capital ratio requirement was 10.0%, while the additional capital requirement for Interbank was 1.6% as of 4Q15.

Regulatory capital					
S/ million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Tier I capital	2,959.1	3,487.2	3,454.2	-0.9%	16.7%
Tier II capital	1,717.7	1,903.7	1,973.7	3.7%	14.9%
Total regulatory capital	4,676.8	5,390.9	5,427.9	0.7%	16.1%
Risk-weighted assets	30,845.1	34,566.0	34,951.5	1.1%	13.3%
BIS ratio	15.2%	15.6%	15.5%	-10 bps	30 bps
Tier I capital / risk-weighted assets	9.6%	10.1%	9.9%	-20 bps	30 bps

Interseguro

SUMMARY

2015 Performance

Interseguro's profit attributable to shareholders in 2015 was S/ 311.0 million, an increase of S/ 164.8 million compared to 2014. The ROAE for 2015 was 67.1%, above the 28.1% reported in 2014 and the 47.6% registered in 2013.

The yearly growth in profits was mainly due to an increase of S/ 126.0 million in total premiums earned less claims and benefits, explained by a higher release of technical reserves in 2015; in addition to S/ 53.3 million higher net interest and similar income and a gain from translation result. These factors were partially offset by a S/ 38.8 million increase in other expenses due to a higher impairment loss on available for sale investments.

Insurance Segment's P&L Statement					
S/. million	2013	2014	2015	%chg 15/14	%chg 14/13
Interest and similar income	169.7	202.2	259.6	28.4%	19.1%
Interest and similar expenses	-1.3	-7.8	-11.9	51.8%	n.m.
Net Interest and similar income	168.4	194.4	247.7	27.4%	15.5%
Fee income from financial services, net	-1.7	-2.3	-3.2	39.2%	38.0%
Other income	196.7	179.4	170.4	-5.0%	-8.8%
Total premiums earned less claims and benefits	89.9	-20.5	105.5	n.m.	n.m.
Net premiums	558.6	675.7	775.1	14.7%	21.0%
Adjustment of technical reserves	-294.8	-515.1	-410.6	-20.3%	74.7%
Net claims and benefits incurred	-173.8	-181.1	-258.9	43.0%	4.2%
Other expenses	-166.4	-184.4	-223.2	21.1%	10.8%
Income before translation result and income tax	287.0	166.7	297.2	78.3%	-41.9%
Translation result	-5.3	-8.8	14.8	n.m.	67.5%
Income tax	-0.1	-3.3	-0.1	-97.2%	n.m.
Profit for the period	281.6	154.5	312.0	101.9%	-45.1%
Attributable to non-controlling interest ⁽¹⁾	-0.1	-8.3	-1.0	-88.0%	n.m.
Profit attributable to shareholders	281.5	146.2	311.0	112.6%	-48.0%
Discount rate impacts on technical reserves	152.2	57.4	225.7	293.3%	-62.3%
Profit excluding discount rate impacts	129.3	88.9	85.3	-4.0%	-31.3%
ROAE	47.6%	28.1%	67.1%		
ROAE excl. discount rate impacts	57.8%	29.9%	94.9%		
Efficiency ratio	13.6%	17.3%	12.5%		

(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.

Net interest and similar income in 2015 was S/ 247.7 million, an increase of S/ 53.3 million YoY. Growth in 2015 was mainly due to higher interest on fixed income and equity investments as a result of increases of 13.3% in the average volume of Interseguro's investment portfolio and 78 basis points in the nominal average rate.

Other income related to investments in 2015 was S/ 156.6 million, a decrease of S/ 10.2 million compared to 2014. The yearly decline was largely explained by a lower

valuation gain from investment property by S/ 39.1 million and a decrease in rental income of S/ 14.5. These effects were partially offset by an increase of S/ 50.0 million in net gain on sale of securities.

Total premiums earned less claims and benefits were S/ 105.5 million in 2015, an increase of S/ 126.0 million YoY. This was explained by a S/ 168.3 million higher release of technical reserves due to an increase in the discount rate; as well as a S/ 99.4 million increase in net premiums, partially offset by a S/ 77.8 million increase in net claims and benefits.

The yearly growth in net premiums was mainly due to increases of S/ 78.2 million in Annuities, S/ 12.8 million in Retail Insurance and S/ 8.5 million in Individual Life. The increase in Annuities was driven by Interseguro's leadership position in such market and the subscription of a two-year contract of disability and survivorship insurance related to the Private Pension System for the period 2015-2016. The increase in Retail Insurance was observed across all business lines, particularly in Credit Life Insurance. The increase in Individual Life was attributed to a higher exchange rate.

The lower adjustment of technical reserves in 2015 was driven by the use of a higher weighted average discount rate to calculate technical reserves for Annuities.

Other expenses in 2015 were S/ 223.2 million, an increase of S/ 38.8 million YoY, mainly due to a S/ 39.5 million higher impairment loss on available-for-sale investments.

4Q15 Performance

Interseguro's profit attributable to shareholders in 4Q15 was S/ 3.6 million, a decrease of S/ 152.6 million QoQ and S/ 49.6 million YoY. The annualized ROAE in 4Q15 was 4.3%, below the 152.7% reported in 3Q15 and the 36.9% registered in 4Q14.

The QoQ reduction in profits was explained by a S/ 142.3 million decrease in total premiums earned less claims and benefits and a S/ 45.1 million reduction in net gain on sale of securities (other income). These factors were partially offset by a S/ 27.9 million decrease in impairment loss on available-for-sale investments (other expenses).

Likewise, the YoY decline was mainly due to decreases of S/ 51.2 million in total premiums earned less claims and benefits, S/ 31.8 million in valuation gain from investment property and S/ 5.7 million in net gain on sale of securities. These factors were partially offset by increases of S/ 12.0 million in translation result and S/ 11.3 million in net interest and similar income, in addition to a S/ 5.0 million reduction in impairment loss on available-for-sale investments.

Interseguro's profit excluding discount rate impacts decreased 64.1% QoQ and 49.5% YoY, mainly due to lower income related to investments.

Insurance Segment's P&L Statement					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	56.4	67.3	69.0	2.5%	22.4%
Interest and similar expenses	-2.4	-3.1	-3.6	16.1%	51.9%
Net Interest and similar income	54.0	64.1	65.3	1.9%	21.1%
Fee income from financial services, net	-0.7	-1.0	-0.5	-52.6%	-34.0%
Other income	58.9	64.4	20.6	-68.0%	-65.0%
Total premiums earned less claims and benefits	7.4	98.5	-43.8	n.m.	n.m.
Net premiums	165.3	214.0	177.1	-17.2%	7.2%
Adjustment of technical reserves	-109.5	-46.7	-151.0	223.4%	37.9%
Net claims and benefits incurred	-48.3	-68.8	-69.9	1.6%	44.7%
Other expenses	-51.2	-75.8	-46.7	-38.5%	-8.9%
Income before translation result and income tax	68.3	150.2	-5.0	n.m.	n.m.
Translation result	-3.5	7.6	8.5	11.9%	n.m.
Income tax	-3.3	-0.4	0.0	n.m.	n.m.
Profit for the period	61.5	157.4	3.5	-97.8%	-94.3%
Attributable to non-controlling interest ⁽¹⁾	-8.4	-1.2	0.1	n.m.	n.m.
Profit attributable to shareholders	53.2	156.2	3.6	-97.7%	-93.2%
Discount rate impacts on technical reserves	21.6	127.7	-22.6	n.m.	n.m.
Profit excluding discount rate impacts	31.6	28.6	26.2	-8.3%	-17.0%
ROAE	36.9%	152.7%	4.3%		
ROAE excl. discount rate impacts	25.7%	52.2%	118.8%		
Efficiency ratio	12.0%	8.7%	21.3%		

(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.

RESULT FROM INVESTMENTS

Results from Investments ⁽¹⁾					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	56.4	67.3	69.0	2.5%	22.3%
Interest and similar expenses	-2.4	-3.1	-3.6	16.1%	51.9%
Net interest and similar income	54.0	64.1	65.3	1.9%	21.0%
Fee income from financial services, net	-0.2	-0.4	-0.4	-12.5%	50.7%
Net gain on sale of securities	14.2	53.6	8.5	-84.1%	-40.0%
Net trading loss (income)	1.3	-1.9	2.5	n.m.	97.8%
Rental income	5.1	4.4	4.2	-4.5%	-17.5%
Profit from sale of investment property	0.9	-	-	n.m.	n.m.
Valuation gain from investment property	34.2	5.0	2.4	-52.0%	-93.0%
Other ⁽¹⁾	-0.2	0.9	-0.1	n.m.	-26.0%
Other income	55.2	61.6	17.1	-72.2%	-69.0%
Expenses related to rental income	-2.6	0.0	-0.3	n.m.	-86.4%
Other ⁽¹⁾	-9.8	-31.6	-3.0	-90.4%	-69.2%
Expenses	-12.4	-31.6	-3.4	-89.3%	-72.8%
Results from investments	96.8	94.1	79.1	-16.0%	-18.3%

(1) Only includes transactions related to investments.

NET INTEREST AND SIMILAR INCOME

Net interest and similar income was S/ 65.3 million in 4Q15, an increase of S/ 1.2 million or 1.9% QoQ, and S/ 11.3 million or 21.0% YoY.

The QoQ growth was mainly due to a S/ 1.7 million increase in interest and similar income, partially offset by a S/ 0.5 million increase in interest and similar expenses related to higher interest payments on subordinated debt denominated in U.S. dollars due to the exchange rate increase.

The YoY growth was mainly due to increases of 6.1% in the average volume of the investment portfolio, mainly explained by fixed income instruments, and 23 basis points in the nominal average rate.

OTHER INCOME

Other income was S/ 17.1 million in 4Q15, a decrease of S/ 44.5 million QoQ and S/ 38.1 million YoY.

The QoQ decrease was largely explained by a decrease of S/ 45.1 million in net gain on sale of securities, partially offset by a S/ 4.4 million higher net trading loss (income). Worth to mention, in 3Q15 Interseguro reported unusually high gains on sale of securities, related to the sale of an equity investment.

The YoY decrease in other income was mainly explained by reductions in valuation gain from investment property of S/ 31.8 million and in net gain on sale of securities of S/ 5.7 million. Important to notice, in 4Q14 Interseguro recognized a real estate appreciation, which led to an unusually high valuation gain from investment property in said quarter.

TOTAL PREMIUMS EARNED LESS CLAIMS AND BENEFITS

Total Premiums Earned Less Claims And Benefits					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Net premiums	165.3	214.0	177.1	-17.2%	7.2%
Adjustment of technical reserves	-109.5	-46.7	-151.0	223.4%	37.9%
Net claims and benefits incurred	-48.3	-68.8	-69.9	1.6%	44.7%
Total premiums earned less claims and benefits	7.4	98.5	-43.8	n.m.	n.m.

Interseguro's total premiums earned less claims and benefits was S/ -43.8 million, a decrease of S/ 142.3 million QoQ and S/ 51.2 million YoY.

The QoQ decrease was mainly due to a higher adjustment of technical reserves as a result of different discount rate impacts. In 3Q15 the adjustment of technical reserves had a positive discount rate impact of S/ 127.7 million whereas in 4Q15 the discount rate impact was S/ -22.6 million (negative).

The YoY decrease was mainly explained by a higher adjustment of technical reserves and an increase in net claims and benefits incurred. In 4Q14 the adjustment of technical reserves had a positive discount rate impact of S/ 21.6 million whereas in 4Q15 the discount rate impact was S/ -22.6 million (negative). The higher net claims and benefits incurred were related to Annuities.

NET PREMIUMS

Net Premiums by Business Line					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Annuities	116.1	158.3	120.0	-24.2%	3.4%
Individual Life	8.6	11.3	10.7	-5.5%	23.9%
Retail Insurance	40.6	44.4	46.4	4.6%	14.5%
Credit Life Insurance	22.0	27.0	29.0	7.5%	32.0%
Mandatory Traffic Accident (SOAT)	6.0	7.1	7.3	3.7%	22.1%
Card Protection	5.5	4.7	8.1	71.6%	49.1%
Other	7.1	5.6	1.9	-65.3%	-72.7%
Net Premiums	165.3	214.0	177.1	-17.2%	7.2%

Annuities include premiums from disability and survivorship insurance

Net premiums were S/ 177.1 million in 4Q15, a decrease of S/ 36.9 million QoQ and an increase of S/ 11.8 million YoY.

The QoQ decrease in net premiums was explained by a reduction in Annuities driven by a market contraction related to possible regulatory changes.

The YoY growth in net premiums was mainly attributable to S/ 5.8 million higher Retail Insurance premiums. It should be noted that Interseguro maintained the market leadership in Annuities.

ADJUSTMENT OF TECHNICAL RESERVES

Adjustment of Technical Reserves					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Annuities	-107.6	-44.0	-145.4	230.3%	35.2%
Individual Life	-2.3	-3.1	-5.3	73.5%	129.9%
Retail Insurance	0.4	0.4	-0.3	n.m.	n.m.
Adjustment of technical reserves	-109.5	-46.7	-151.0	223.4%	37.9%

Annuities include adjustment of technical reserves from disability and survivorship insurance

Interseguro's adjustment technical reserves was S/ 151.0 million in 4Q15, an increase of S/ 104.3 million QoQ and S/ 41.5 million YoY.

The QoQ increase was mainly due a lower weighted average discount rate to calculate technical reserves for annuities. This rate decreased from 4.83% in September 2015 to 4.81% in December 2015. This resulted in the constitution of technical reserves in 4Q15, as opposed to 3Q15 when an increase in the average discount rate allowed a release of technical reserves.

Likewise, the YoY increase was driven by changes in the weighted average discount rate. This rate increased from 4.12% in September 2014 to 4.21% in December 2014, leading to a release of technical reserves in 4Q14. In September 2015 the weighted average discount rate was 4.83%, which decreased to 4.81% in December 2015, generating the constitution of technical reserves in 4Q15.

NET CLAIMS AND BENEFITS INCURRED

Net Claims and Benefits Incurred					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Annuities	-39.9	-53.5	-57.5	7.4%	44.2%
Individual Life	-0.4	-0.6	-0.2	-69.2%	-54.7%
Retail Insurance	-8.0	-14.6	-12.2	-16.5%	52.3%
Credit Life Insurance	-4.9	-11.8	-7.9	-33.3%	62.3%
Mandatory Traffic Accident (SOAT)	-2.2	-2.1	-3.4	63.8%	52.1%
Card Protection	-0.2	0.0	-0.1	n.m.	-38.7%
Other	-0.8	-0.8	-0.9	8.0%	9.8%
Net claims and benefits incurred	-48.3	-68.8	-69.9	1.6%	44.7%

Annuities include net claims and benefits incurred from disability and survivorship insurance

Net claims and benefits incurred were S/ 69.9 million in 4Q15, an increase of S/ 1.1 million QoQ and S/ 21.6 million YoY.

The QoQ growth was due to increases of S/ 4.0 million in net claims and benefits related to Annuities, partially offset by S/ 2.4 million lower claims in Retail Insurance. The increase in Annuities was attributed to a higher number of pensioners and higher exchange and inflation rates.

The YoY growth in net claims and benefits incurred was explained by increases of S/ 17.6 million in Annuities due to a higher number of pensioners and a higher exchange rate, as well as S/ 4.2 million in Retail Insurance mainly related to Credit Life Insurance.

OTHER EXPENSES

Other Expenses					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Salaries and employee benefits	-13.5	-16.5	-14.8	-10.6%	9.3%
Administrative expenses	-5.8	-7.9	-7.8	-0.7%	35.0%
Depreciation and amortization	-0.8	-1.1	-1.2	5.3%	48.0%
Third-party commissions	-13.2	-13.8	-15.5	12.3%	17.3%
Expenses related to rental income	-2.6	0.0	-0.3	n.m.	-86.4%
Other	-15.3	-36.6	-7.1	-80.7%	-53.9%
Other expenses	-51.2	-75.8	-46.7	-38.5%	-8.9%

Other expenses were S/ 46.7 million in 4Q15, a decrease of S/ 29.1 million QoQ and S/ 4.5 million YoY.

The QoQ decrease was due to S/ 29.5 million lower other expenses, mainly explained by a decrease of S/ 27.9 million in impairment loss on available-for-sale investments (other).

The YoY decrease was mainly explained by a reduction of S/ 2.3 million in expenses related to rental income, as well as lower other expenses related to impairments. These factors effects were partially offset by slightly higher expenses in the rest of components.

Inteligo

SUMMARY

2015 Performance

Inteligo's profits reached S/ 105.6 million in 2015, a S/ 28.7 million or 21.4% decrease from the previous year. Such result was attributable to an 84.4% decrease in other income and 38.1% higher other expenses, partially offset by increases of 55.7% in net interest and similar income and 27.2% in net fee income from financial services.

Inteligo's ROAE was 20.0% in 2015, below the 28.1% reported in 2014.

Wealth Management Segment's P&L Statement					
S/. million	2013	2014	2015	%chg 15/14	%chg 14/13
Interest and similar income	99.8	104.9	139.7	33.2%	5.1%
Interest and similar expenses	-43.2	-49.0	-52.7	7.6%	13.4%
Net interest and similar income	56.6	55.9	87.1	55.7%	-1.2%
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	56.6	55.9	85.1	52.3%	-1.2%
Fee income from financial services, net	78.5	95.9	121.9	27.2%	22.2%
Other income	33.9	63.5	9.9	-84.4%	87.2%
Other expenses	-62.4	-80.8	-111.6	38.1%	29.6%
Income before translation result and income tax	106.7	134.5	105.4	-21.7%	26.1%
Translation result	3.4	1.2	0.1	-93.9%	-63.2%
Income tax	-0.7	-1.5	0.1	-104.6%	115.9%
Profit for the period	109.3	134.3	105.6	-21.4%	22.8%
ROAE	26.5%	28.1%	20.0%		
Efficiency ratio	36.9%	30.4%	37.5%		

Inteligo's net interest and similar income for 2015 was S/ 87.1 million, a S/ 31.2 million or 55.7% increase when compared with the previous year.

Interest and similar income increased by S/ 34.8 million or 33.2% during 2015, mainly attributable to higher interest on investments available for sale and higher interest on loans.

During 2015, interest and similar expenses increased by S/ 3.7 million or 7.6% when compared to the previous year, mainly as a result of an increase in interest on deposits and obligations.

Inteligo's net fee income from financial services reached S/ 121.9 million in 2015, a S/ 26.0 million or 27.2% increase compared to the previous year. Gross fees from financial services reached S/ 128.4 million in 2015, a S/ 27.3 million or 27.1% increase when compared to the previous year. The result was mainly explained by a S/ 30.7 million or 34.3% increase in revenues from funds management. Compared to 2014, expenses related to fee income from financial services reached S/ 6.5 million in 2015, a S/ 1.3 million or 25.4% increase.

Other income for 2015 was S/ 9.9 million, a S/ 53.6 million or 84.4% decrease when compared to 2014. Such decrease was attributable to a S/ 46.8 million or 86.5% decrease in net gain on sale of securities and a S/ 7.2 million or 74.0% reduction in net trading gain.

Other expenses for 2015 increased by S/ 30.8 million or 38.1% when compared to the previous year. The result was explained by a S/ 29.4 million impairment loss on available for sale investments and a S/ 7.8 million or 33.2% increase in administrative expenses.

Profit for the year reached S/ 105.6 million, a S/ 28.7 million or 21.4% decrease when compared to the previous year.

4Q15 Performance

Inteligo's net profit in 4Q15 was S/ 2.6 million, a S/ 14.1 million or 84.2% decrease QoQ and a S/ 12.8 million or 82.9% decrease YoY. The quarterly and yearly decreases were mainly attributable to lower fee income and an impairment loss on available for sale investments, partially offset by strong growth in net interest and similar income.

Assets under Management (AuMs) plus client deposits reached S/ 13,192.3 million in 4Q15, an S/ 837.0 million or 6.8% increase when compared to the previous quarter and a S/ 2,468.7 million or 23.0% increase when compared to 4Q14.

Inteligo's annualized ROAE for 4Q15 was 1.9%, lower than the 12.6% reported in 3Q15 and the 13.2% registered in 4Q14.

Wealth Management Segment's P&L Statement					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income	29.3	35.6	40.6	13.9%	38.7%
Interest and similar expenses	-13.0	-12.8	-13.7	7.2%	5.9%
Net interest and similar income	16.3	22.8	26.8	17.6%	64.7%
Provision for loan losses, net of recoveries	0.0	-1.9	0.0	n.m.	n.m.
Net interest and similar income after provision for loan losses	16.3	20.9	26.8	28.1%	64.5%
Fee income from financial services, net	26.3	37.3	23.3	-37.4%	-11.4%
Other income	0.2	-13.8	-3.5	n.m.	n.m.
Other expenses	-26.3	-27.5	-44.0	59.9%	67.4%
Income before translation result and income tax	16.5	16.8	2.6	-84.6%	-84.3%
Translation result	0.5	0.2	-0.3	n.m.	n.m.
Income tax	-1.5	-0.3	0.4	n.m.	n.m.
Profit for the period	15.4	16.7	2.6	-84.2%	-82.9%
ROAE	13.2%	12.6%	1.9%		
Efficiency ratio	41.7%	46.3%	44.4%		

ASSETS UNDER MANAGEMENT & DEPOSITS

AuMs reached S/ 10,684.7 million in 4Q15, a S/ 628.1 million or 6.2% increase QoQ and a S/ 2,262.6 million or 26.9% increase YoY.

Client deposits reached S/ 2,507.6 million in 4Q15, a S/ 208.9 million or 9.1% increase QoQ and a S/ 206.1 million or 9.0% increase YoY.

NET INTEREST AND SIMILAR INCOME

Net interest and similar income					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Interest and similar income					
Due from banks and inter-bank funds	0.1	0.1	0.1	-2.4%	-1.9%
Investments available for sale	11.4	14.4	19.0	31.8%	67.2%
Loans	17.8	21.1	21.5	1.7%	20.6%
Total interest and similar income	29.3	35.6	40.6	13.9%	38.7%
Interest and similar expense					
Deposits and obligations	-12.8	-12.7	-13.7	7.7%	7.1%
Due to banks and correspondents	-0.2	-0.1	-0.1	n.m.	n.m.
Total interest and similar expense	-13.0	-12.8	-13.7	7.2%	5.9%
Net interest and similar income	16.3	22.8	26.8	17.6%	64.7%

Inteligo's net interest and similar income in 4Q15 was S/ 26.8 million, a S/ 4.0 million or 17.6% increase when compared with 3Q15. Net interest and similar income increased by S/ 10.5 million or 64.7% when compared to the same period in the previous year.

Interest and similar income increased by S/ 5.0 million or 13.9% QoQ, mainly due to higher income and dividends on investments available for sale.

Interest and similar expense increased by S/ 0.9 million or 7.2% QoQ, mainly as a result of higher interest on deposits and obligations.

Interest and similar income increased by S/ 11.3 million or 38.7% YoY in 4Q15, mainly attributable to higher income on available for sale investments and also higher interest on loans as a result of an increase in the average volume of Inteligo's loan portfolio.

Interest and similar expense increased slightly YoY, by S/ 0.7 million or 5.9% increase when compared with 4Q14.

FEE INCOME FROM FINANCIAL SERVICES

Fees from financial services reached S/ 25.9 million in 4Q15, a decrease of S/ 13.0 million or 33.3% QoQ due to an S/ 11.7 million reduction in funds management services and a S/ 1.2 million decline in brokerage and custody services. In 4Q15 Inteligo registered a lower activity in the rebalancing of clients' portfolios, which explains the decrease in such fees when compared to 3Q15.

Expenses related to fee income from financial services increased by S/ 1.0 million or 62.8% QoQ.

Inteligo's net fee income from financial services reached S/ 23.3 million, a S/ 14.0 million or 37.4% decrease when compared to the previous quarter.

When compared with 4Q14, fees from financial services decreased by S/ 1.5 million or 5.5%. The result was attributable to both brokerage and custody, and funds management services, which decreased 21.4% and 4.2% respectively.

Expenses related to fee income from financial services increased by S/ 1.5 million YoY in 4Q15.

As a result of the above, net fee income from financial services decreased by S/ 3.0 million or 11.4% YoY in 4Q15.

Fee income from financial services, net					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Income					
Brokerage and custody services	2.2	2.9	1.7	-41.4%	-21.4%
Funds management	25.3	35.9	24.2	-32.6%	-4.2%
Total income	27.4	38.9	25.9	-33.3%	-5.5%
Expenses					
Brokerage and custody services	-0.5	-0.8	-0.5	-39.9%	-6.7%
Others	-0.6	-0.8	-2.1	n.m.	n.m.
Total expenses	-1.1	-1.6	-2.6	62.8%	130.9%
Fee income from financial services, net	26.3	37.3	23.3	-37.4%	-11.4%

OTHER INCOME

Inteligo's 4Q15 other income negative result of S/ -3.5 million in 4Q15 was explained by a lower net gain on sale of securities on the investment portfolio, partially offset by a S/ 11.2 million increase in net trading gain compared with 3Q15.

Other income decreased by S/ 3.7 million YoY in 4Q15. The result was mainly attributable to a lower net gain on sale of securities.

Other income					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Net gain on sale of securities	6.2	-6.2	-7.0	13.6%	n.m.
Net trading gain (loss)	-5.6	-7.7	3.5	n.m.	n.m.
Other	-0.4	0.0	0.0	n.m.	n.m.
Total other income	0.2	-13.8	-3.5	n.m.	n.m.

OTHER EXPENSES

Other expenses in 4Q15 increased by S/ 16.5 million or 59.9% when compared to 3Q15. The result was mainly due to a S/ 23.3 million impairment loss on available for sale investments in 4Q15.

Administrative expenses increased by S/ 1.3 million QoQ in 4Q15 due to higher third party related services, more than offset by a S/ 1.9 million reduction in salaries and employee benefits.

Other expenses					
S/. million	4Q14	3Q15	4Q15	%chg QoQ	%chg YoY
Salaries and employee benefits	-10.3	-12.1	-10.2	-15.9%	-1.0%
Administrative expenses	-6.8	-7.6	-8.9	16.8%	31.1%
Depreciation and amortization	-0.8	-1.6	-1.6	0.3%	n.m.
Impairment loss on available for sale investments	-8.5	-6.1	-23.3	n.m.	n.m.
Other	0.0	0.0	0.0	n.m.	n.m.
Total other expenses	-26.3	-27.5	-44.0	59.9%	67.4%
Efficiency ratio	41.7%	46.3%	44.4%		

Inteligo's other expenses increased by S/ 17.7 million or 67.4% YoY, mainly explained by the impairment loss previously mentioned. Important to notice, excluding impairment charges, total other expenses would have reached S/ 20.7 million in 4Q15, a S/ 0.7 million or 3.3% decrease QoQ and a S/ 2.9 million or 16.3% increase YoY.

Administrative expenses increased by S/ 2.1 million or 31.1% YoY in 4Q15 due to higher third party related services.