



 Intercorp Financial Services

# Earnings Presentation

4Q19 & 2019 Results



# Highlights

## Banking

### Strong growth and profitability in 4Q19 and FY19

- FY19 adjusted net profit<sup>(1)</sup> grew 21.2% YoY, with adjusted ROAE<sup>(1)</sup> at 21.3%
- 11.2% YoY loan growth<sup>(2)</sup>, with a 17.5% increase in retail loans, outpacing the system
- Retail deposits grew 11.5% YoY, resulting in 50 bps market share growth
- FY19 cost of risk remained stable at 2.2%, while FY19 adjusted cost of risk<sup>(3)</sup> increased 10 bps YoY, to 2.6%
- CET1 improved 100 bps YoY, to 11.6%

## Insurance

### Profitability continued to improve with FY19 ROAE at 14.2% and 4Q19 at 14.7%

- FY19 adjusted net profit<sup>(4)</sup> grew 56.5% YoY
- 6.9% YoY growth in gross premiums plus collections<sup>(5)</sup>
- ROIP<sup>(6)</sup> increased 30 bps to 6.1% in 2019
- 10.7% YoY growth in the investment portfolio

## Wealth Management

### Solid year in earnings with ROAE at 25.3%<sup>(7)</sup>

- FY19 adjusted net profit<sup>(7)</sup> up 4.1% YoY
- 4.3% YoY AUM growth in 2019, or 6.1% excluding FX effect
- Strong growth in fees for the second consecutive quarter coupled with improved market conditions by year-end

## InterCorp Financial Services

### Strong earnings growth QoQ and YoY, with adjusted ROAE<sup>(1)</sup> at 18.6%

- FY19 adjusted net profit<sup>(1)</sup> grew 19.7% YoY
- 10.6% increase in total revenues<sup>(1)</sup>; adjusted efficiency ratio<sup>(1)</sup> improved 60 bps YoY, to 34.0%
- Continued positive evolution of digital indicators

1) At our banking segment, excluding (i) the gain on sale of Interfondos from Interbank to Inteligo for S/ 52.6 million, or S/ 32.4 million after taxes, in 1Q19, and (ii) the one-off impact of a Liability Management transaction for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19. At IFS, excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

2) Excluding loan repo transactions for S/ 510.0 million recorded in 4Q19

3) Excluding (i) reversion of construction sector provisions for S/ 62.9 million in 2Q18; (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (iii) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (iv) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

4) Excluding the aggregate negative effect of new mortality tables in our insurance segment for S/ 144.8 million in 2Q18

5) Excluding gross premiums from disability and survivorship contract of S. Sura that expired in December 2018

6) ROIP excluding the impact of IFRS 9 in mark-to-market of securities and one-off impairments on financial investments was 5.7% in 2018 and 6.4% in 2019

7) Excluding asset amortization from Interfondos' acquisition for S/ 5.4 million in 2019

# Strong earnings growth in 2019

## Intercorp Financial Services

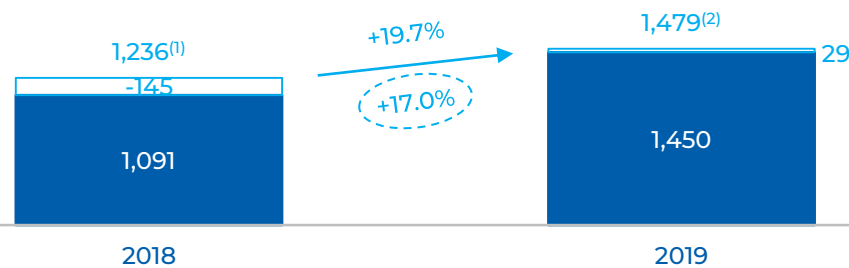
Net profit in S/ million

ROAE

18.4%<sup>(1)</sup>

18.6%<sup>(2)</sup>

17.4% excl.  
rev. of prov.<sup>(3)</sup>



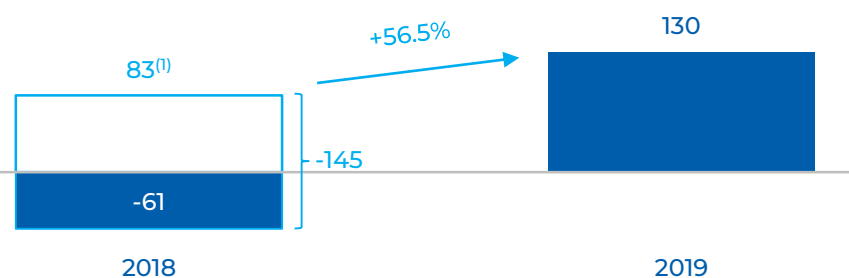
## Insurance

Net profit in S/ million

ROAE

9.4%<sup>(1)</sup>

14.2%



## Banking

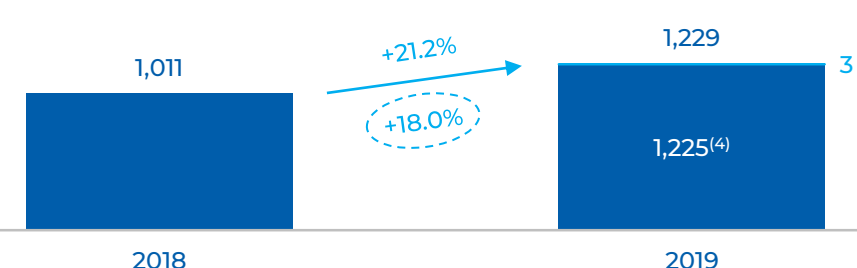
Net profit in S/ million

ROAE

20.2%

21.3%<sup>(4)</sup>

19.6% excl.  
rev. of prov.<sup>(3)</sup>



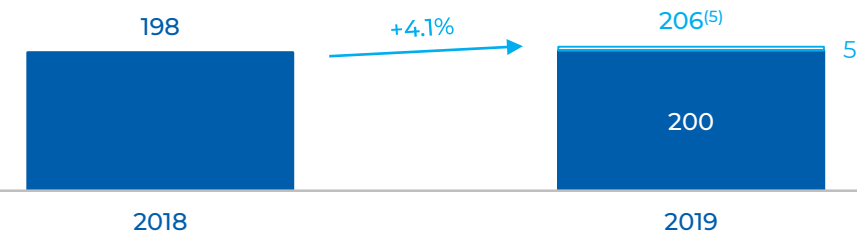
## Wealth Management

Net profit in S/ million

ROAE

25.7%

25.3%<sup>(5)</sup>



■ Reported figures □ Adjustments → Growth ○ % growth excl. adj. of provisions<sup>(3)</sup>

- 1) Excluding the aggregate negative effect of new mortality tables in our insurance segment for S/ 144.8 million in 2Q18. Including this effect, IFS' ROAE was 16.6% in 2018
- 2) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 29.0 million after taxes in 4Q19. Including this effect, IFS' ROAE was 18.3% in 2019
- 3) Excluding (i) reversion of construction sector provisions for S/ 44.3 million after taxes in 2Q18; (ii) reversion of construction sector provisions for S/ 14.2 million after taxes in 4Q18; (iii) reversion of payroll deduction loan provisions for S/ 27.4 million after taxes in 2Q19 and (iv) reversion of loan loss provisions for S/ 73.4 million after taxes in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers
- 4) Excluding (i) the gain on sale of Interfondos from Interbank to Inteligo for S/ 32.4 million after taxes in 1Q19, and (ii) the one-off impact of a Liability Management transaction for S/ 29.0 million after taxes in 4Q19
- 5) Excluding asset amortization from Interfondos' acquisition for S/ 4.0 million in 3Q19 and S/ 1.3 million in 4Q19. Including this effect, Inteligo's ROAE was 24.7%

# IFS key indicators 2019

S/ million		2018	2019	%chg YoY
IFS	Total revenues <sup>(1)</sup>	4,907.2	5,426.3	10.6%
	Net interest and similar income <sup>(2)</sup>	3,150.7	3,481.8	10.5%
	Efficiency ratio <sup>(1)</sup>	34.6%	34.0%	-60 bps
	Profit for the period	1,091.4	1,450.1	32.9%
	Adjusted profit for the period <sup>(1)</sup>	1,236.2	1,479.1	19.7%
	ROAE	16.6%	18.3%	170 bps
	Adjusted ROAE <sup>(1)</sup>	18.4%	18.6%	20 bps
	ROAA	1.8%	2.1%	30 bps
	EPS	9.85	12.80	
Banking	NIM <sup>(2)</sup>	5.5%	5.7%	20 bps
	Adjusted NIM after provisions <sup>(3)</sup>	3.9%	3.9%	0 bps
	Cost of Risk	2.2%	2.2%	0 bps
	Adjusted Cost of Risk <sup>(4)</sup>	2.5%	2.6%	10 bps
	Fees from financial services	759.5	827.1	8.9%
	BIS ratio (Regulatory Capital)	15.8%	15.2%	-60 bps
	CET1	10.6%	11.6%	100 bps
Insurance	Gross premiums plus collections <sup>(5)</sup>	782.2	835.8	6.9%
	Adjustment of technical reserves	316.8	222.5	-29.8%
	ROIP <sup>(6)</sup>	5.8%	6.1%	30 bps
Wealth Management	AUM (USD)	5,216	5,534	6.1%
	Fees from financial services	164.2	164.3	0.1%

1) Excluding (i) the aggregate negative effect of new mortality tables in our insurance segment for S/ 144.8 million in 2Q18, and (ii) the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

2) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

3) Excluding (i) the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19; (ii) reversion of construction sector provisions for S/ 62.9 million in 2Q18; (iii) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (iv) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (v) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

4) Excluding (i) reversion of construction sector provisions for S/ 62.9 million in 2Q18; (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (iii) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (iv) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

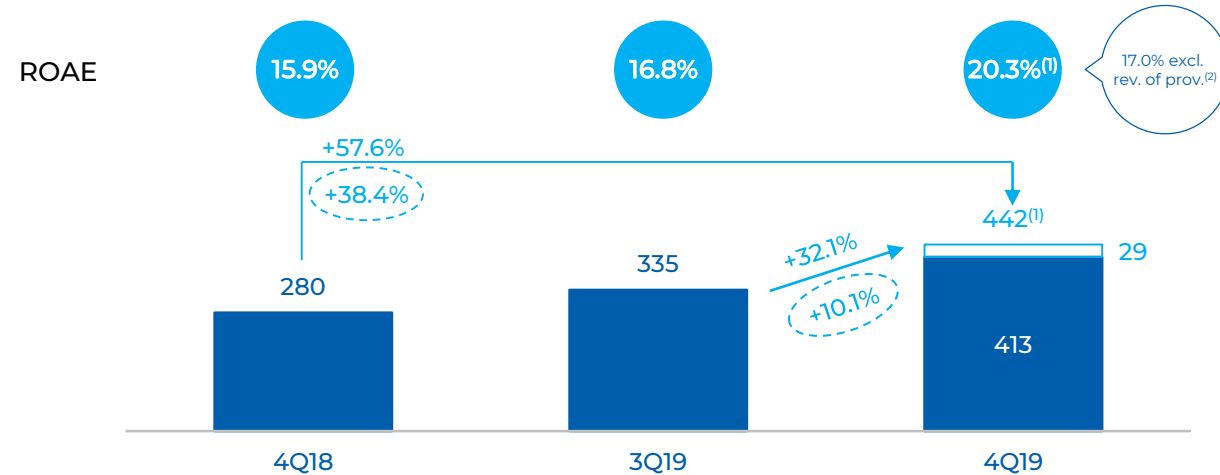
5) Gross premiums plus collections exclude gross premiums from disability and survivorship contract of S. Sura that expired in December 2018

6) ROIP excluding the impact of IFRS 9 in mark-to-market of securities and one-off impairments on financial investments was 5.7% in 2018 and 6.4% in 2019

# Strong 4Q19 earnings growth

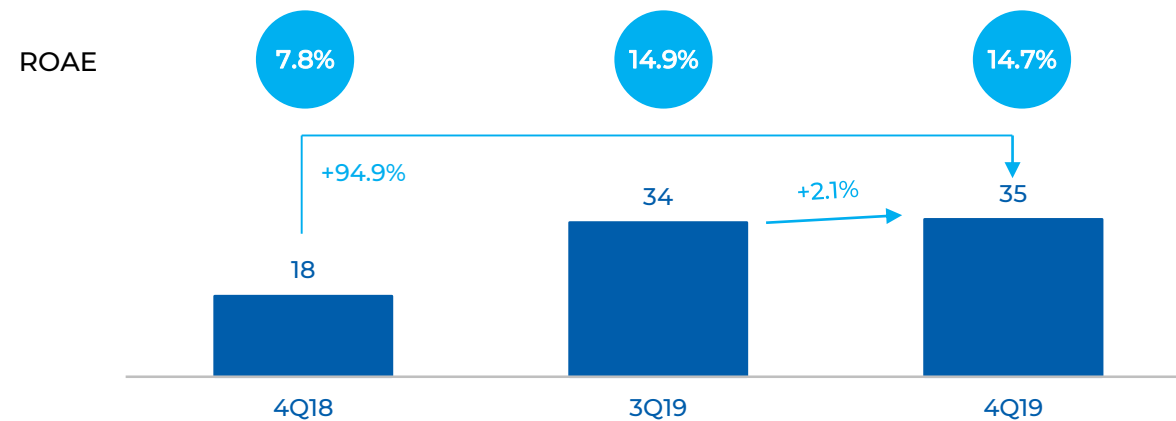
## Intercorp Financial Services

Net profit in S/ million



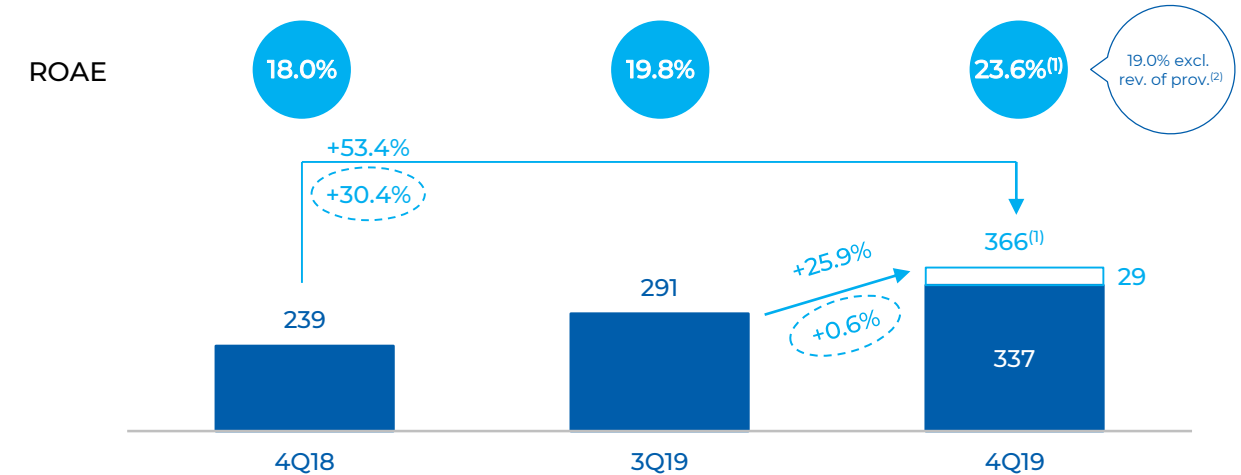
## Insurance

Net profit in S/ million



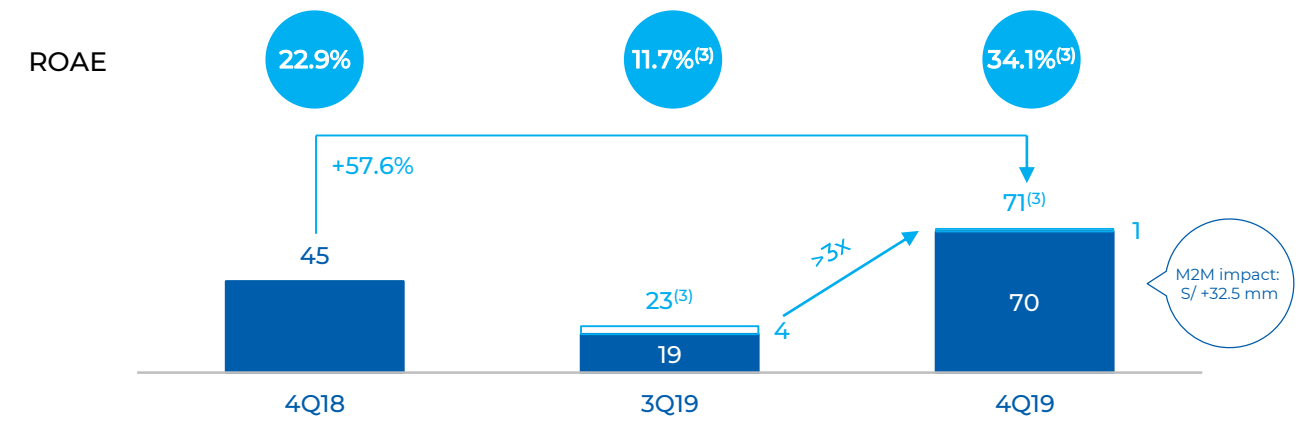
## Banking

Net profit in S/ million



## Wealth Management

Net profit in S/ million



■ Reported figures

□ Adjustments

→ Growth

○ % growth excl. adj. of provisions<sup>(2)</sup>

1) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 29.0 million after taxes in 4Q19. Including this effect, IFS' and Interbank's ROAE were 19.0% and 21.8%, respectively

2) Reversion of (i) construction sector provisions for S/ 14.2 million after taxes in 4Q18 and (ii) loan loss provisions for S/ 73.4 million after taxes in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

3) Excluding asset amortization from Interfondos' acquisition for S/ 4.0 million and S/ 1.3 million in 3Q19 and 4Q19, respectively. Including this effect, ROAE was 9.7% in 3Q19 and 33.6% in 4Q19

# IFS key indicators 4Q19

S/ million		4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
IFS	Total revenues <sup>(1)</sup>	1,271.6	1,376.0	1,447.3	5.2%	13.8%
	Net interest and similar income <sup>(1)</sup>	816.6	884.2	907.2	2.6%	11.1%
	Efficiency ratio <sup>(1)</sup>	35.3%	34.6%	33.1%	-150 bps	-220 bps
	Profit for the period	280.3	334.5	412.8	23.4%	47.2%
	Adjusted profit for the period <sup>(1)</sup>	280.3	334.5	441.8	32.1%	57.6%
	ROAE	15.9%	16.8%	19.0%	220 bps	310 bps
	Adjusted ROAE <sup>(1)</sup>	15.9%	16.8%	20.3%	350 bps	440 bps
	ROAA	1.8%	1.9%	2.3%	40 bps	50 bps
Banking	EPS	2.52	2.94	3.55		
	NIM <sup>(1)</sup>	5.7%	5.8%	5.8%	0 bps	10 bps
	Adjusted NIM after provisions <sup>(3)</sup>	3.7%	4.0%	3.8%	-20 bps	10 bps
	Cost of Risk	2.6%	2.6%	1.7%	-90 bps	-90 bps
	Adjusted Cost of Risk <sup>(2)</sup>	2.9%	2.6%	2.8%	20 bps	-10 bps
	Fees from financial services	208.8	213.4	219.7	3.0%	5.2%
	BIS ratio (Regulatory Capital)	15.8%	15.4%	15.2%	-20 bps	-60 bps
	CET1	10.6%	11.4%	11.6%	20 bps	100 bps
Insurance	Gross premiums plus collections <sup>(4)</sup>	214.4	201.6	190.9	-5.3%	-10.9%
	Adjustment of technical reserves	50.4	37.5	48.2	28.4%	-4.4%
	ROIP <sup>(5)</sup>	6.0%	6.3%	6.0%	-30 bps	0 bps
Wealth Management	AUM (USD)	5,216	5,346	5,534	3.5%	6.1%
	Fees from financial services	41.6	41.3	47.0	13.8%	13.0%

1) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

2) Excluding (i) reversion of construction sector provisions for S/ 20.1 million in 4Q18 and (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

3) Excluding (i) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers and (iii) the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

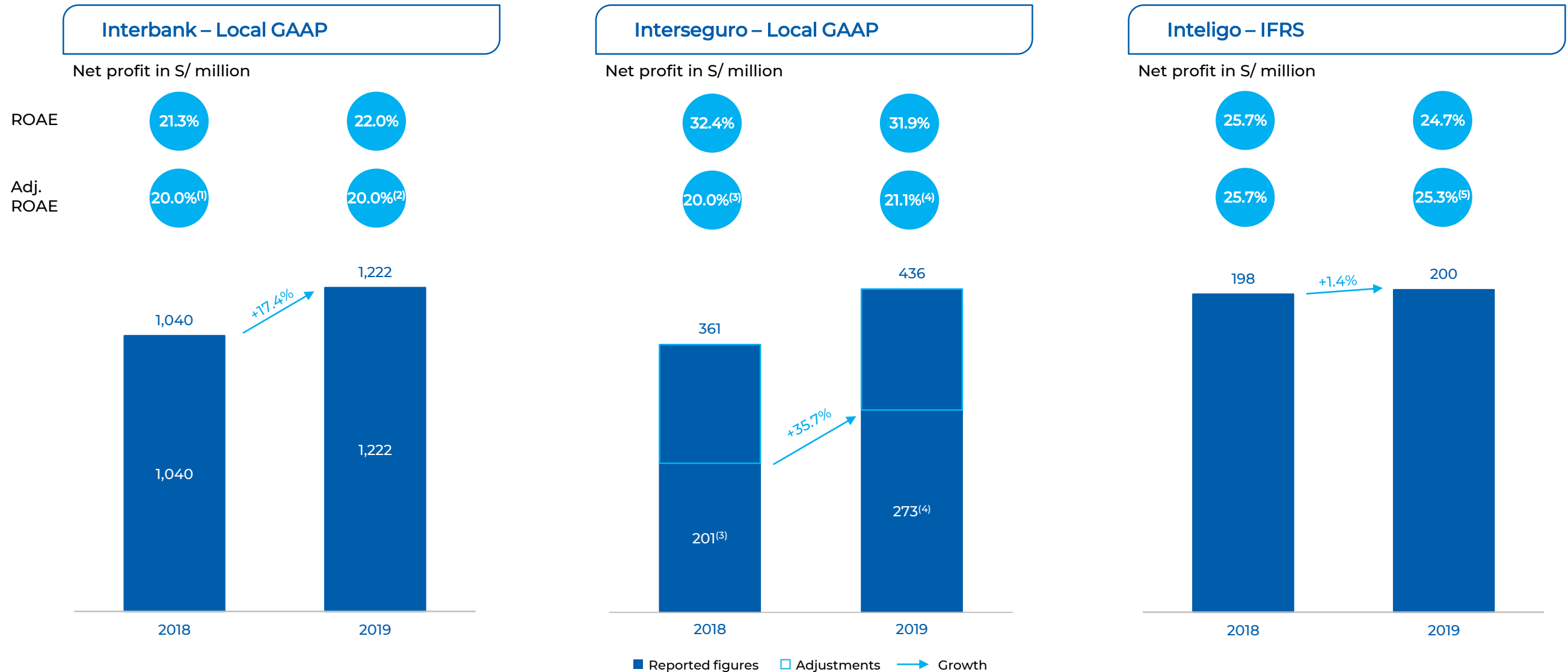
4) Gross premiums plus collections exclude gross premiums from disability and survivorship contract of S. Sura that expired in December 2018

5) ROIP excluding the impact of IFRS 9 in mark-to-market of securities and one-off impairments on financial investments was 5.0% in 4Q18, 6.2% in 3Q19 and 6.5% in 4Q19



# Relevant net income grew 17.8% in 2019

## Local GAAP & IFRS

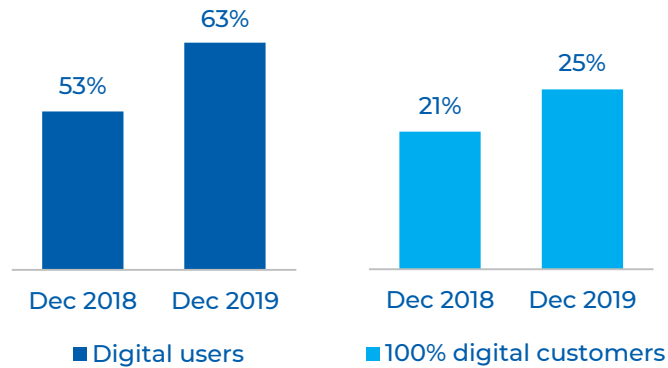


- 1) Adjusted for S/ 128.6 million due to the net gain on sale of securities, partially offset by the effect of voluntary provisions for the construction sector for S/ 100.0 million, net of taxes and workers profit sharing for S/ 28.3 million in 1Q18, as well as the reversion of such voluntary provisions for S/ 4.5 million in 1Q18, S/ 10.0 million in 2Q18 and S/ 15.5 million in 4Q18, net of taxes and workers profit sharing for S/ 1.4 million in 1Q18, S/ 3.3 million in 2Q18 and S/ 5.1 million in 4Q18
- 2) Adjusted for S/ 32.4 million due to the net gain on sale of Interfondos in 1Q19, S/ 117.0 million due to the net gain on sale of securities in 3Q19 and S/ 29.0 million due to the net one-off impact of a Liability Management transaction in 4Q19
- 3) Excluding non-recurring gain on sale of securities and change in asset allocation strategy of S.Sura's investment portfolio for S/ 139.5 million, as well as one-off valuation of real estate investments for S/ 30.3 million, partially offset by non-recurring expenses related to the acquisition of S. Sura for S/ 9.8 million in 2018
- 4) Excluding one-off valuation of real estate investments for S/ 163.0 million in 2019
- 5) Excluding asset amortization from Interfondos' acquisition for S/ 5.4 million in 2019

# Positive evolution of our digital indicators

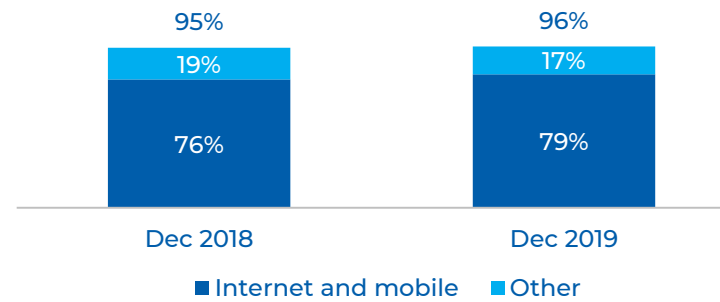
## Digital users and 100% digital customers

% of digital users and 100% digital customers

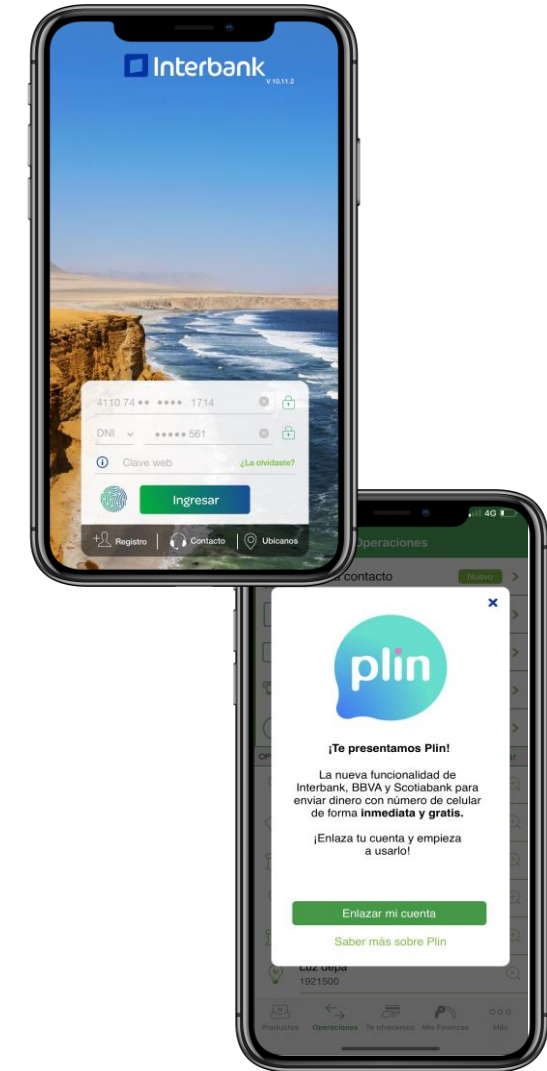


## Off-branch transactions

% of total transactions performed digitally

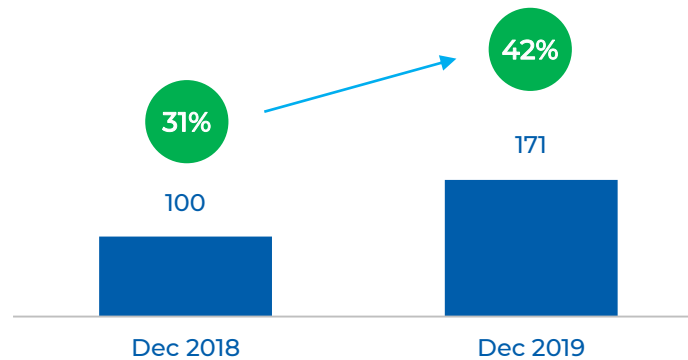


## Our digital platform



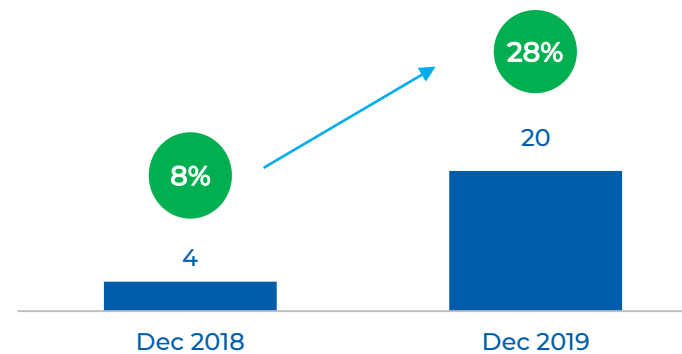
## Digital sales

N° and % of products sold digitally (thousand)



## Digital acquisition of retail customers

N° and % of monthly retail customers "born digitally" (thousand)

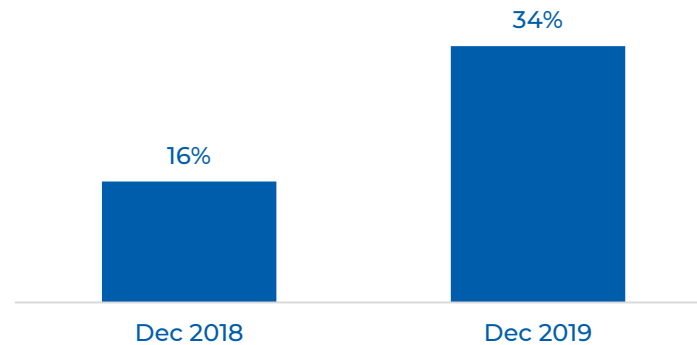




# Continuous growth in digital sales

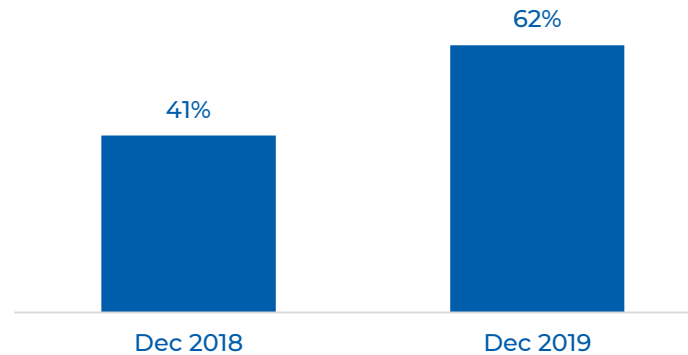
## Savings accounts

% of savings accounts opened digitally



## Business accounts (Cuenta Negocio)

% of business accounts opened digitally



## New digital features recently launched



Instant bank-to-bank transfers  
using cellphone number

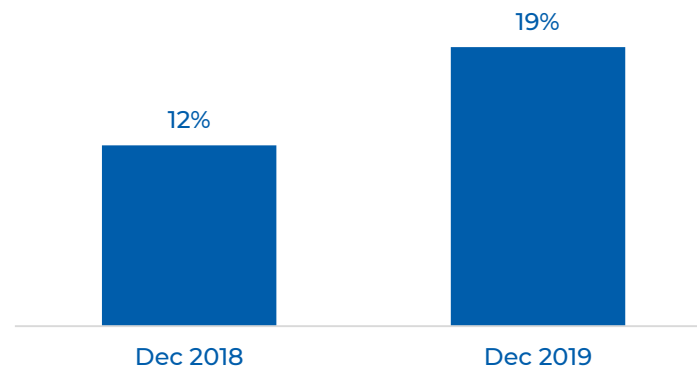


+10 million potential customers



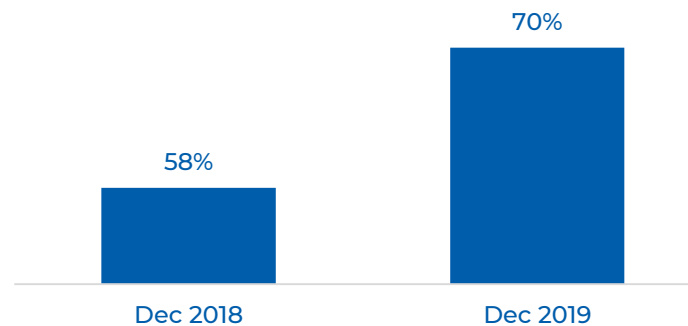
## Extracash<sup>(1)</sup>

% of Extracash<sup>(1)</sup> loans sold digitally



## SOAT<sup>(2)</sup>

% of SOAT<sup>(2)</sup> policies sold digitally



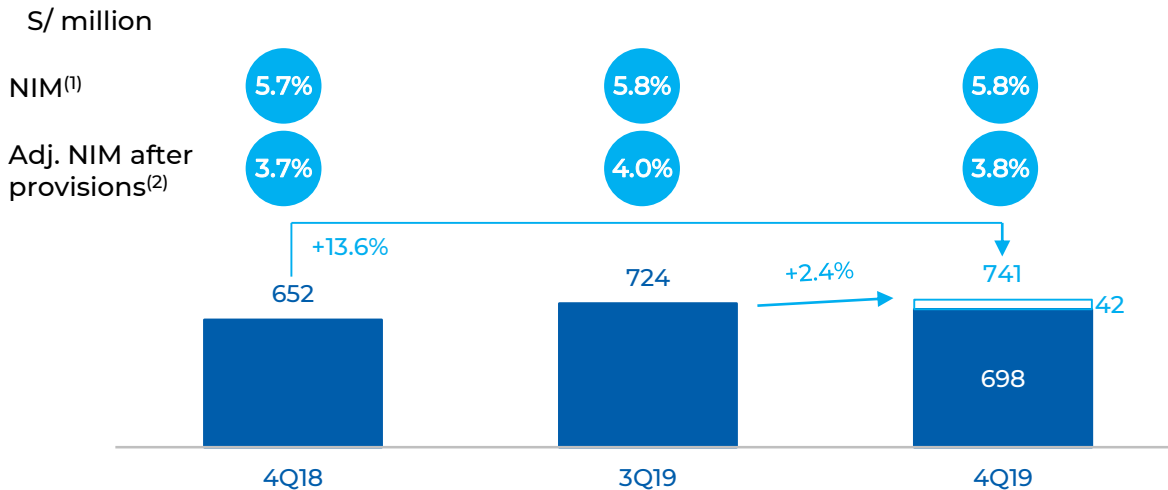


 InterCorp Financial Services

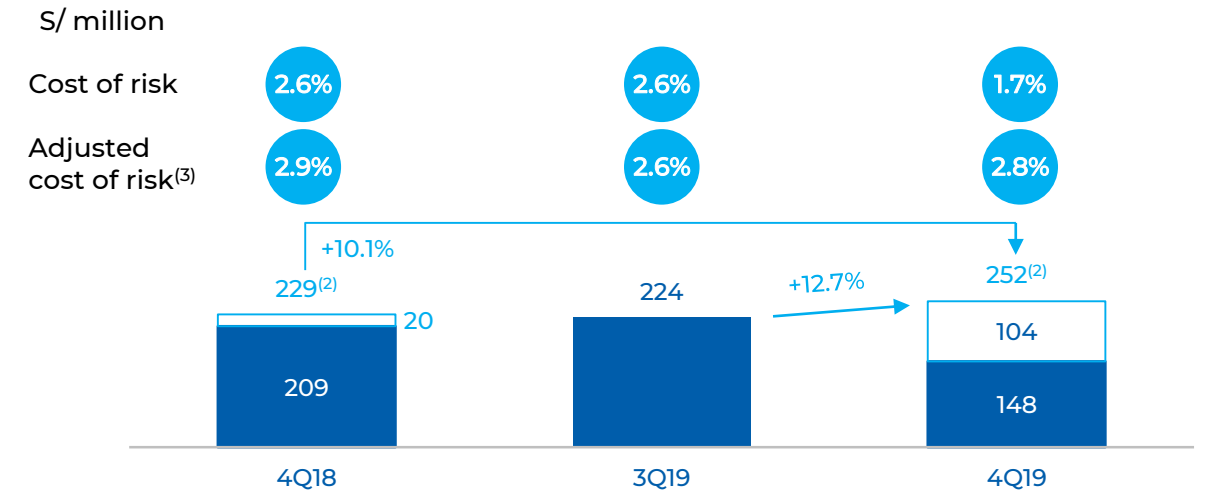
# Banking

# Core revenues growth drives improvements in efficiency ratio

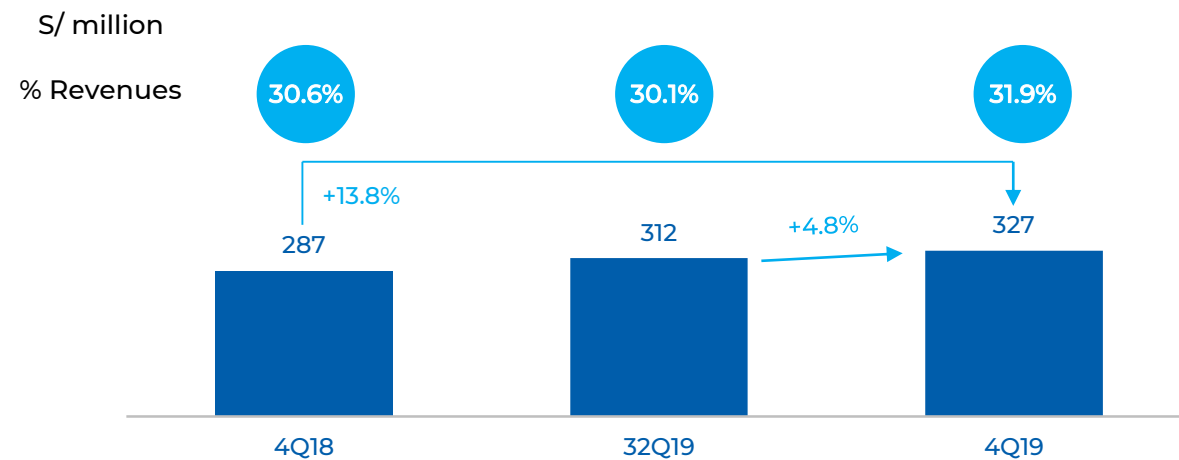
## Net interest and similar income



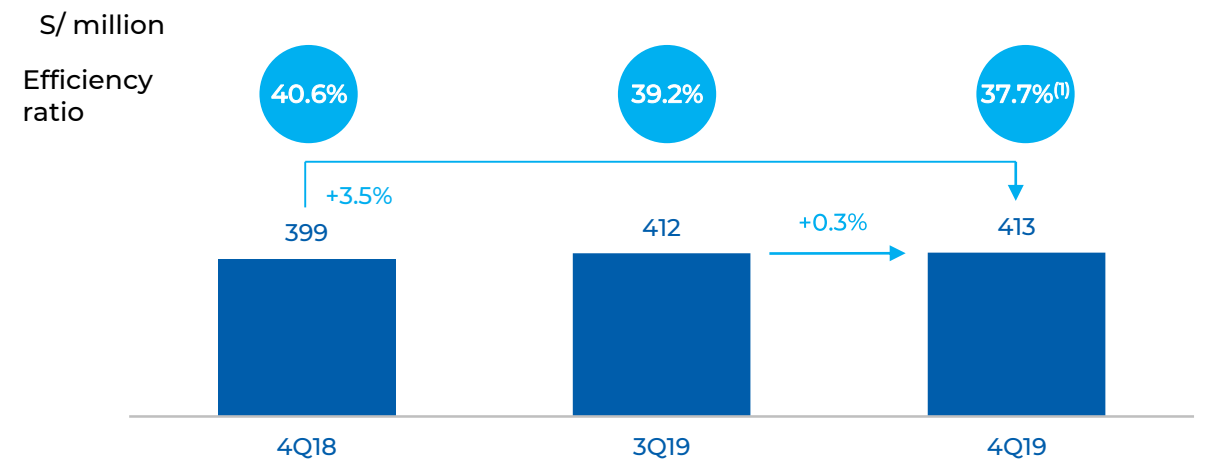
## Loan provision expense



## Total other income



## Other expenses



■ Reported figures □ Adjustments → Growth

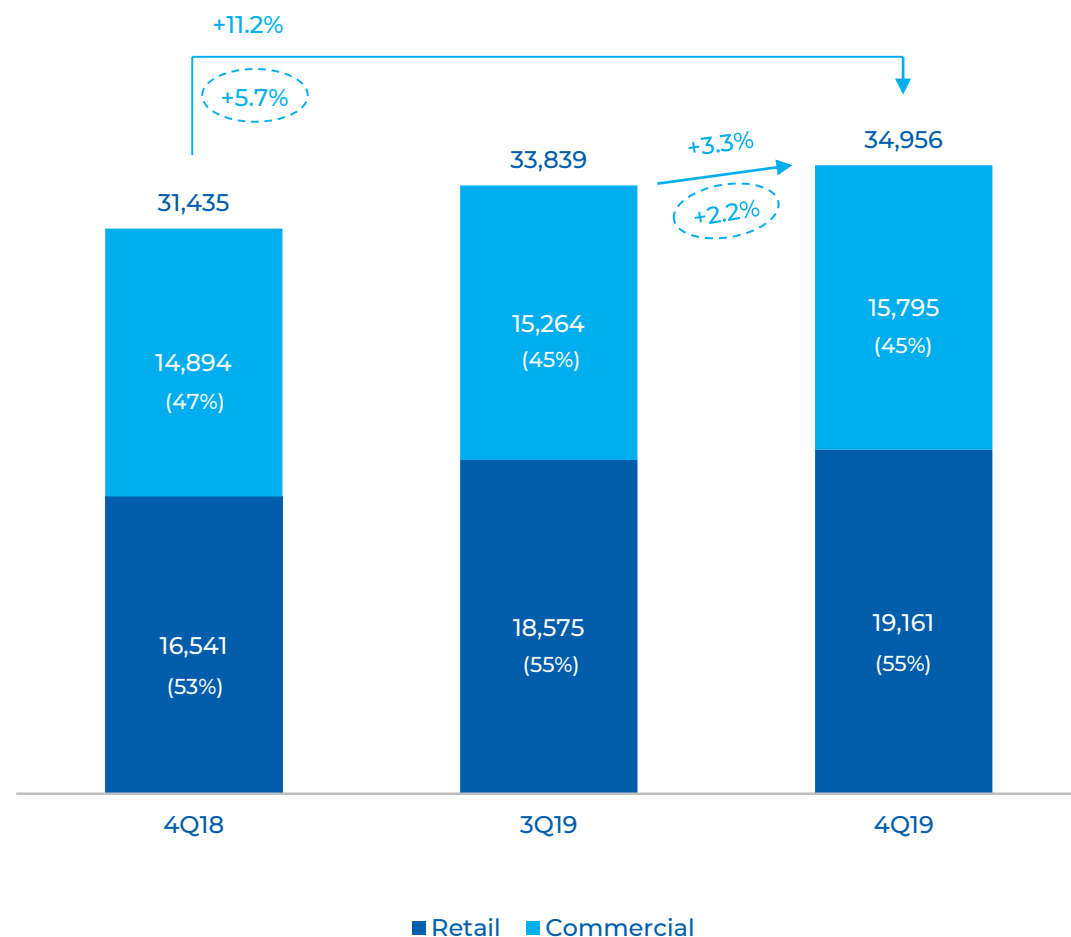
- 1) Excluding the one-off impact of a Liability Management transaction for S/ 42.5 million in 4Q19
- 2) Excluding (i) the one-off impact of a Liability Management transaction for S/ 42.5 million in 4Q19; (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18 and (iii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers
- 3) Excluding (i) reversion of construction sector provisions for S/ 20.1 million in 4Q18 and (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

# 11.2% YoY loan growth, +15.8% in retail loans

## Performing loans

S/ million

System's growth<sup>(1)</sup>



## Breakdown of loans

S/ million

	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
<b>Consumer loans</b>					
Credit cards	4,871.3	5,662.4	5,870.0	3.7%	20.5%
Other consumer	5,539.1	6,189.2	6,365.2	2.8%	14.9%
<b>Total consumer loans</b>	<b>10,410.4</b>	<b>11,851.6</b>	<b>12,235.1</b>	<b>3.2%</b>	<b>17.5%</b>
Mortgages	6,130.6	6,723.8	6,926.0	3.0%	13.0%
<b>Total retail loans</b>	<b>16,541.1</b>	<b>18,575.5</b>	<b>19,161.2</b>	<b>3.2%</b>	<b>15.8%</b>
<b>Total commercial loans<sup>(2)</sup></b>	<b>14,893.6</b>	<b>15,263.8</b>	<b>15,794.5</b>	<b>3.5%</b>	<b>6.0%</b>
<b>Total loans<sup>(2)</sup></b>	<b>31,434.7</b>	<b>33,839.3</b>	<b>34,955.7</b>	<b>3.3%</b>	<b>11.2%</b>

## Market share in loans<sup>(1)</sup>

	4Q18	3Q19	4Q19	bps QoQ	bps YoY
<b>Consumer loans:</b>					
Credit cards <sup>(3)</sup>	24.6%	27.1%	27.1%	0	250
Other consumer	20.0%	19.9%	19.8%	-10	-20
<b>Total consumer loans</b>	<b>21.9%</b>	<b>22.9%</b>	<b>22.9%</b>	<b>0</b>	<b>100</b>
Mortgages	14.2%	14.5%	14.7%	20	50
<b>Total retail loans</b>	<b>18.2%</b>	<b>18.9%</b>	<b>19.0%</b>	<b>10</b>	<b>80</b>
<b>Total commercial loans</b>	<b>8.7%</b>	<b>8.8%</b>	<b>8.9%</b>	<b>10</b>	<b>20</b>
<b>Total loans</b>	<b>12.0%</b>	<b>12.5%</b>	<b>12.6%</b>	<b>10</b>	<b>60</b>

1) Based on SBS figures

2) Excluding loan repo transactions for S/ 510.0 million recorded in 4Q19

3) Annual increase in credit cards market share was partially attributed to the exclusion of Banco Cencosud from the banking system statistics. Banco Cencosud held 3.8% of the banking system's credit cards market as of Feb-19

# Retail deposits grew 11.5% YoY, +50 bps in market share

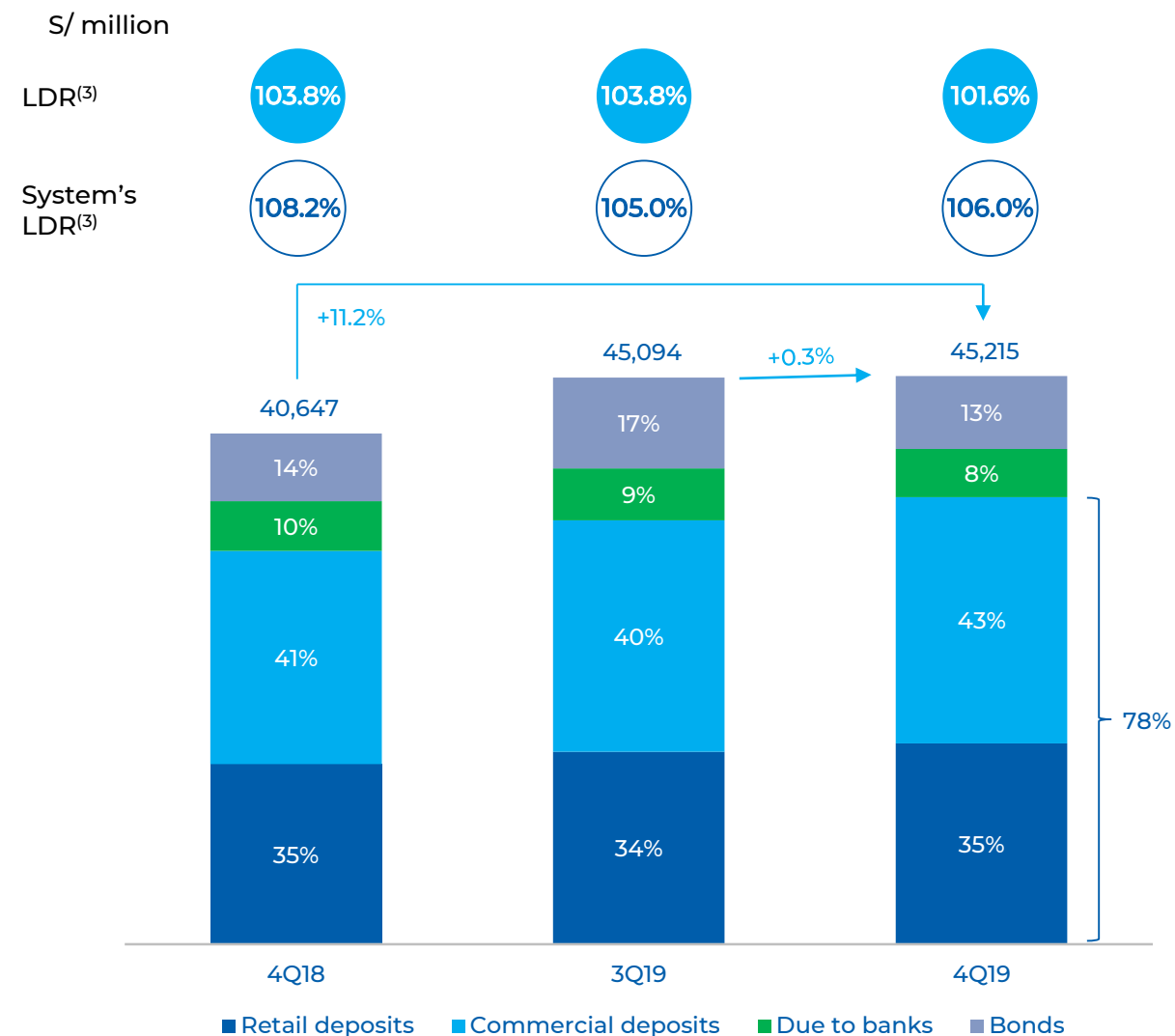
## Funding structure

S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
Deposits	31,291.8	33,741.8	35,577.8	5.4%	13.7%
Retail	14,328.4	15,316.3	15,981.9	4.3%	11.5%
Commercial <sup>(1)</sup>	16,963.4	18,425.5	19,595.9	6.4%	15.5%
Due to banks	3,968.8	4,125.9	3,831.4	-7.1%	-3.5%
Bonds	5,386.9	7,226.5	5,805.5	-19.7%	7.8%
<b>Total</b>	<b>40,647.5</b>	<b>45,094.3</b>	<b>45,214.6</b>	<b>0.3%</b>	<b>11.2%</b>
Average cost of funding <sup>(2)</sup>	2.9%	2.9%	2.8%	-10 bps	-10 bps

## Market share in deposits<sup>(2)</sup>

	4Q18	3Q19	4Q19	bps QoQ	bps YoY
Retail deposits	13.0%	13.5%	13.5%	0	50
Commercial deposits <sup>(1)</sup>	12.3%	12.1%	13.1%	100	80
<b>Total deposits</b>	<b>12.6%</b>	<b>12.7%</b>	<b>13.3%</b>	<b>60</b>	<b>70</b>

## Funding breakdown



1) Includes institutional and others

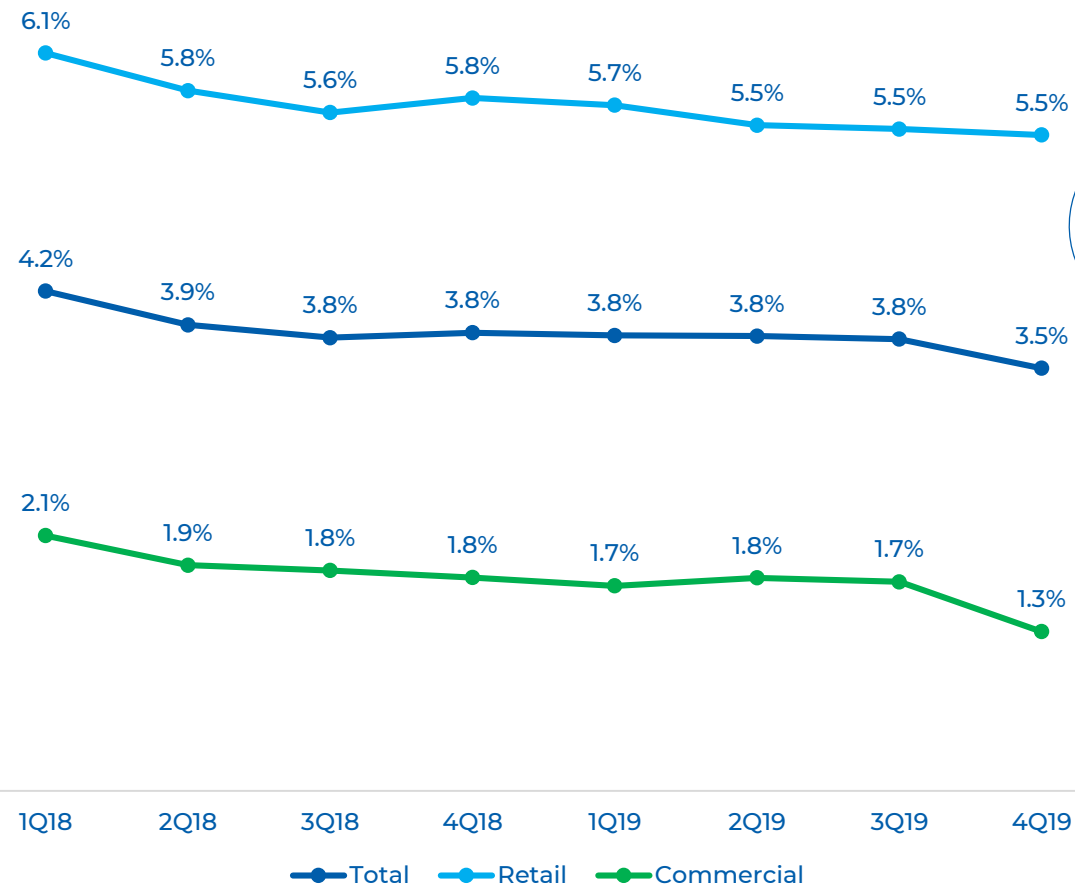
2) Average cost of funding exclude the one-off impact of a Liability Management transaction for S/ 42.5 million in 4Q19. Including this effect, Average cost of funding was 3.1% in 4Q19

3) Loan-to-deposit ratio based on SBS figures

# Gradual improvement in risk profile

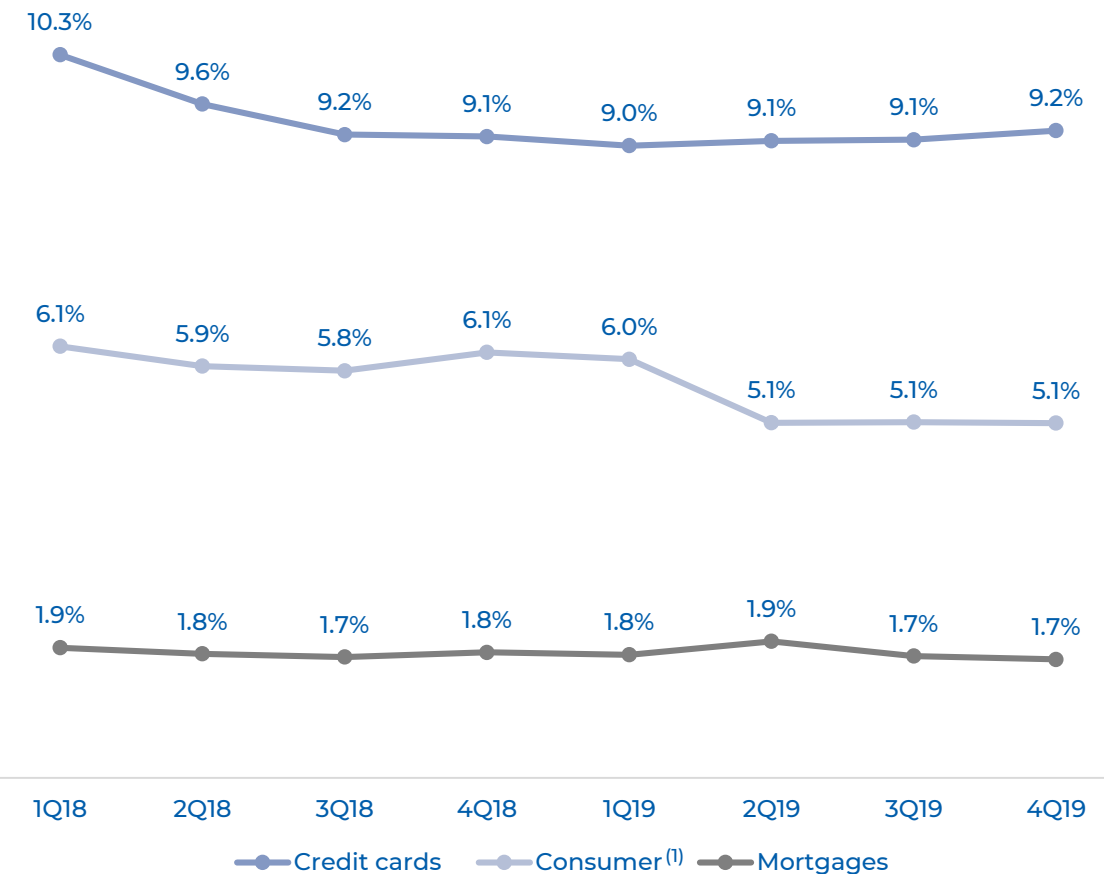
## Expected loss

Stock of provisions (% of total exposure)



## Expected loss – Retail banking by product

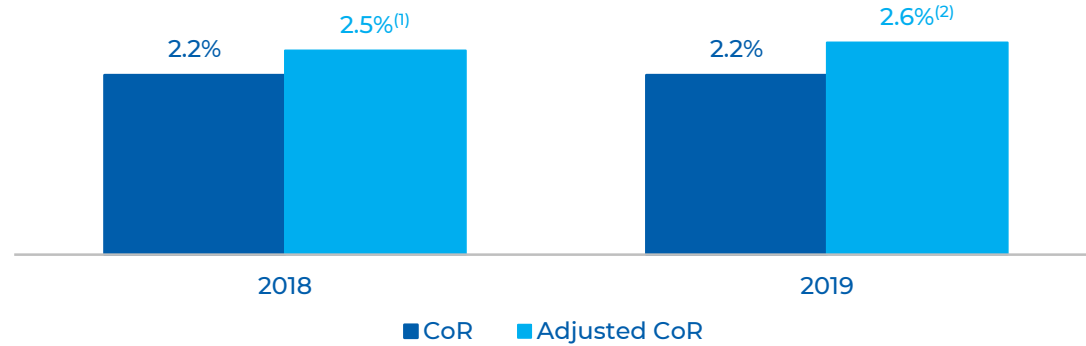
Stock of provisions (% of total exposure)





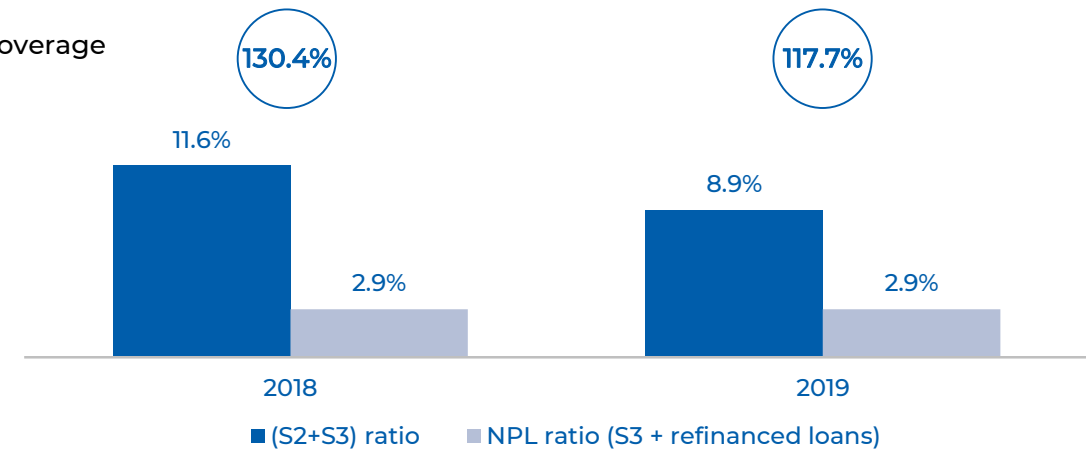
# FY19 adjusted cost of risk relatively stable

## Cost of risk

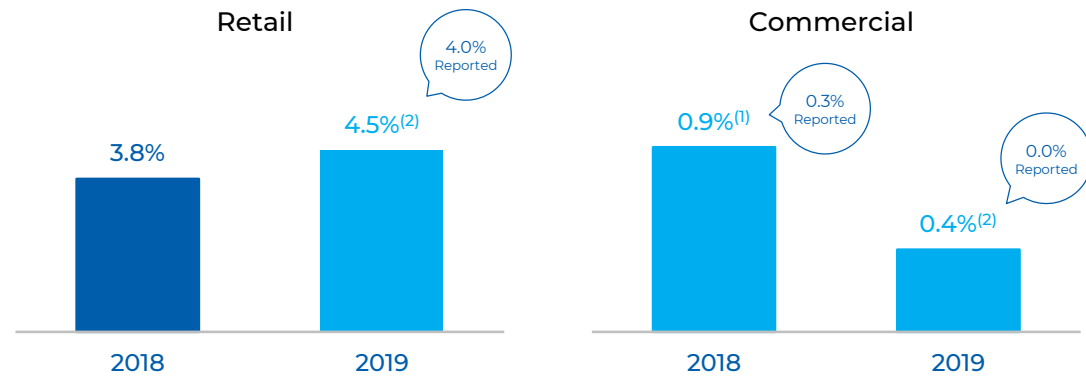


## Non-performing exposure

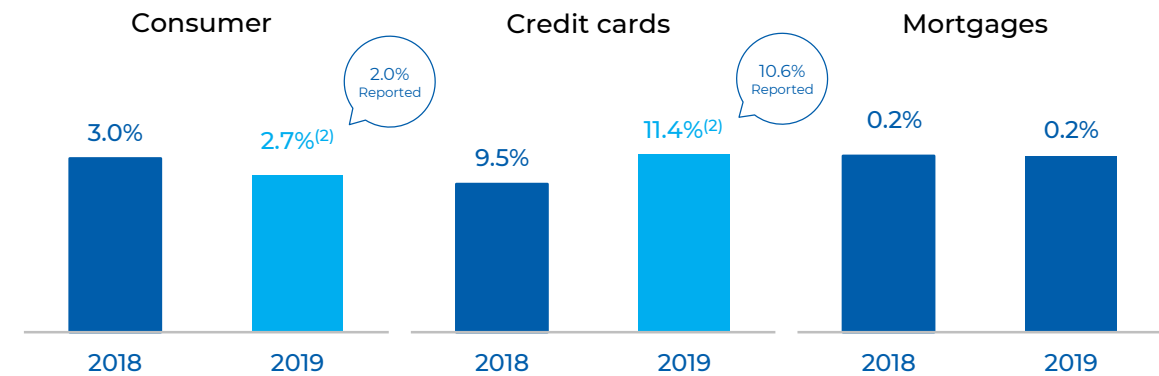
### NPL coverage ratio



## Cost of risk – Retail and commercial banking



## Cost of risk – Retail banking by product

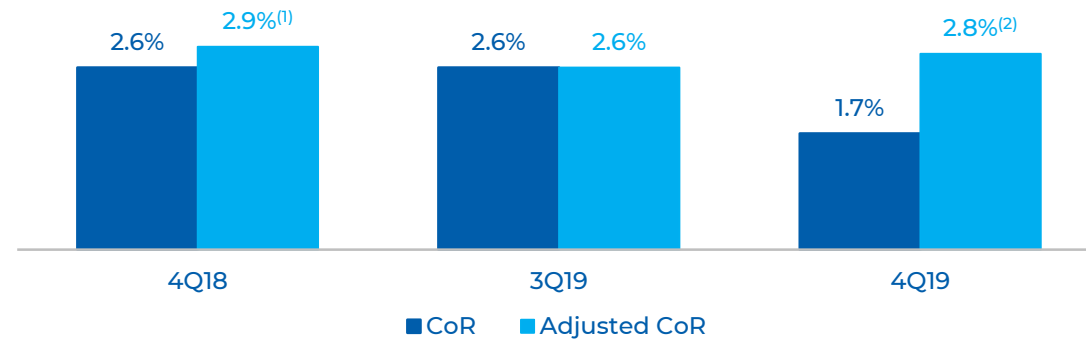


1) Excluding (i) reversion of construction sector provisions for S/ 62.9 million in 2Q18 and (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18

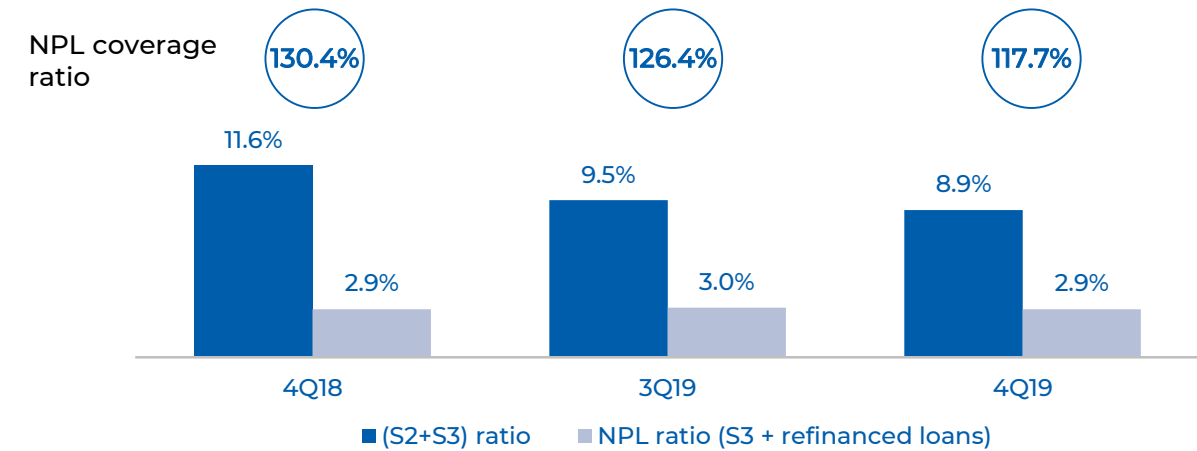
2) Excluding (i) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers: S/ 54.0 million in commercial loans and S/ 50.2 million in retail loans (S/ 46.8 million in credit cards and S/ 3.4 million in other consumer loans)

# 4Q19 adjusted cost of risk decreased 10 bps YoY

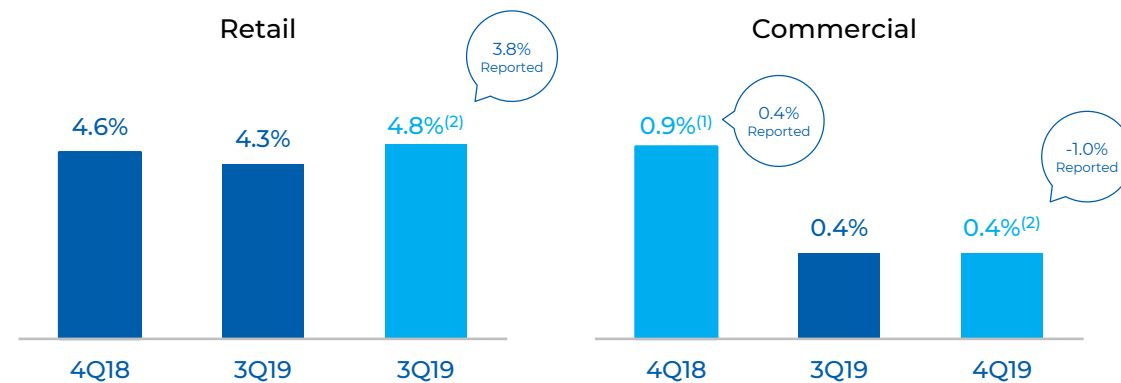
## Cost of risk



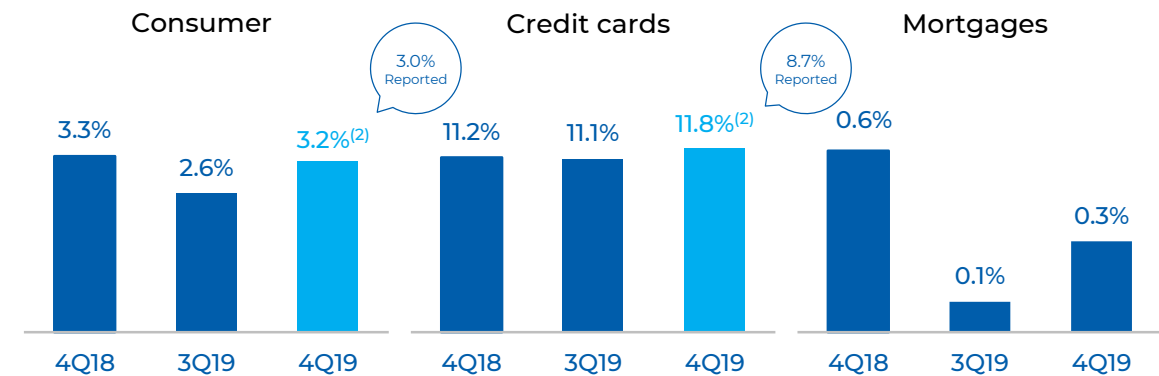
## Non-performing exposure



## Cost of risk – Retail and commercial banking



## Cost of risk – Retail banking by product



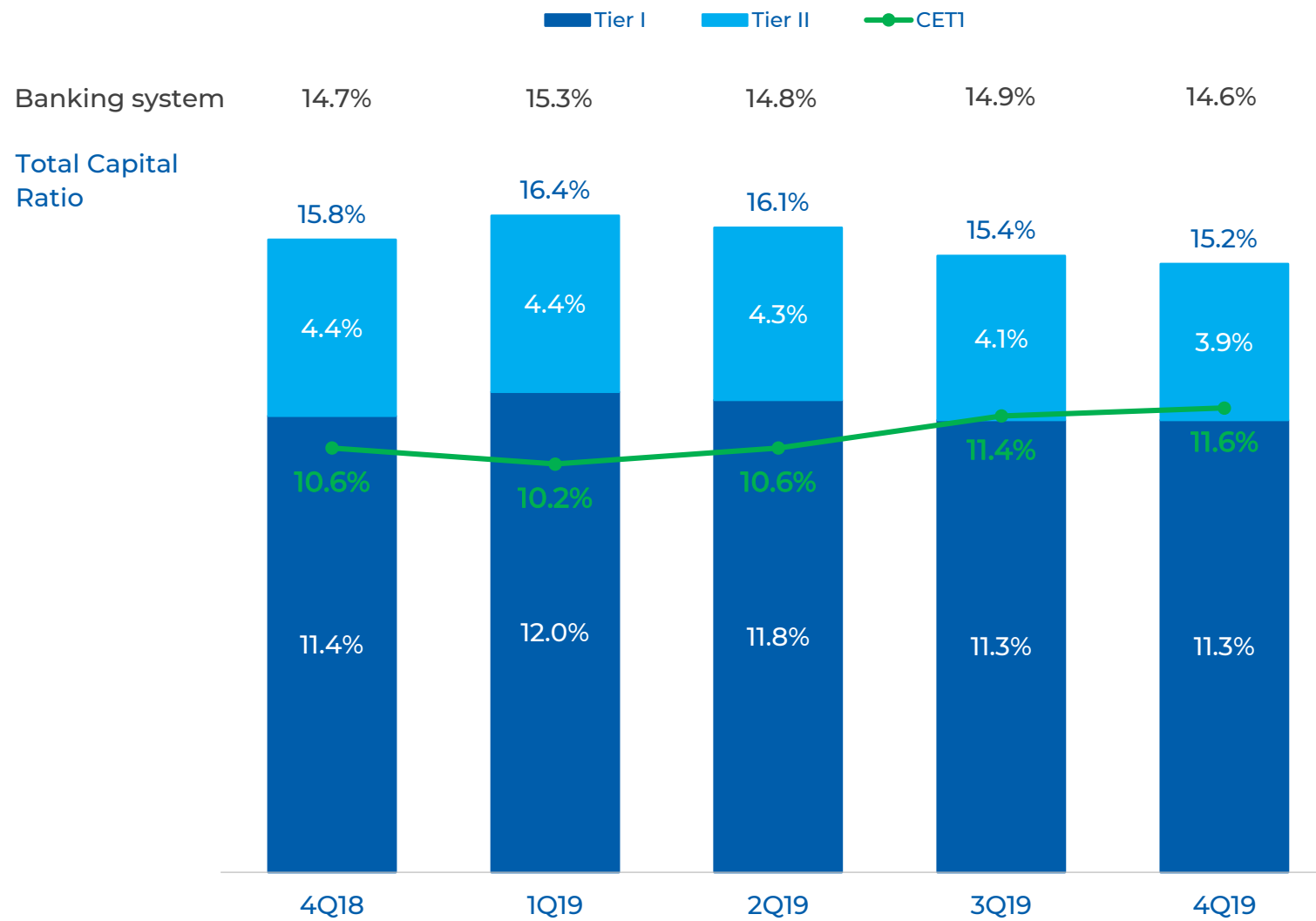
1) Excluding reversion of construction sector provisions for S/ 20.1 million in 4Q18

2) Excluding reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers: S/ 54.0 million in commercial loans and S/ 50.2 million in retail loans (S/ 46.8 million in credit cards and S/ 3.4 million in other consumer loans)

# CET1 improved 100 bps YoY

## Capital ratio evolution

Capital ratios



- Interbank's capital ratio of 15.2%, above regulatory risk-adjusted minimum capital ratio requirement of 11.6%
- 4Q19 CET1 increased YoY, to 11.6%, despite 14.2% growth in RWA

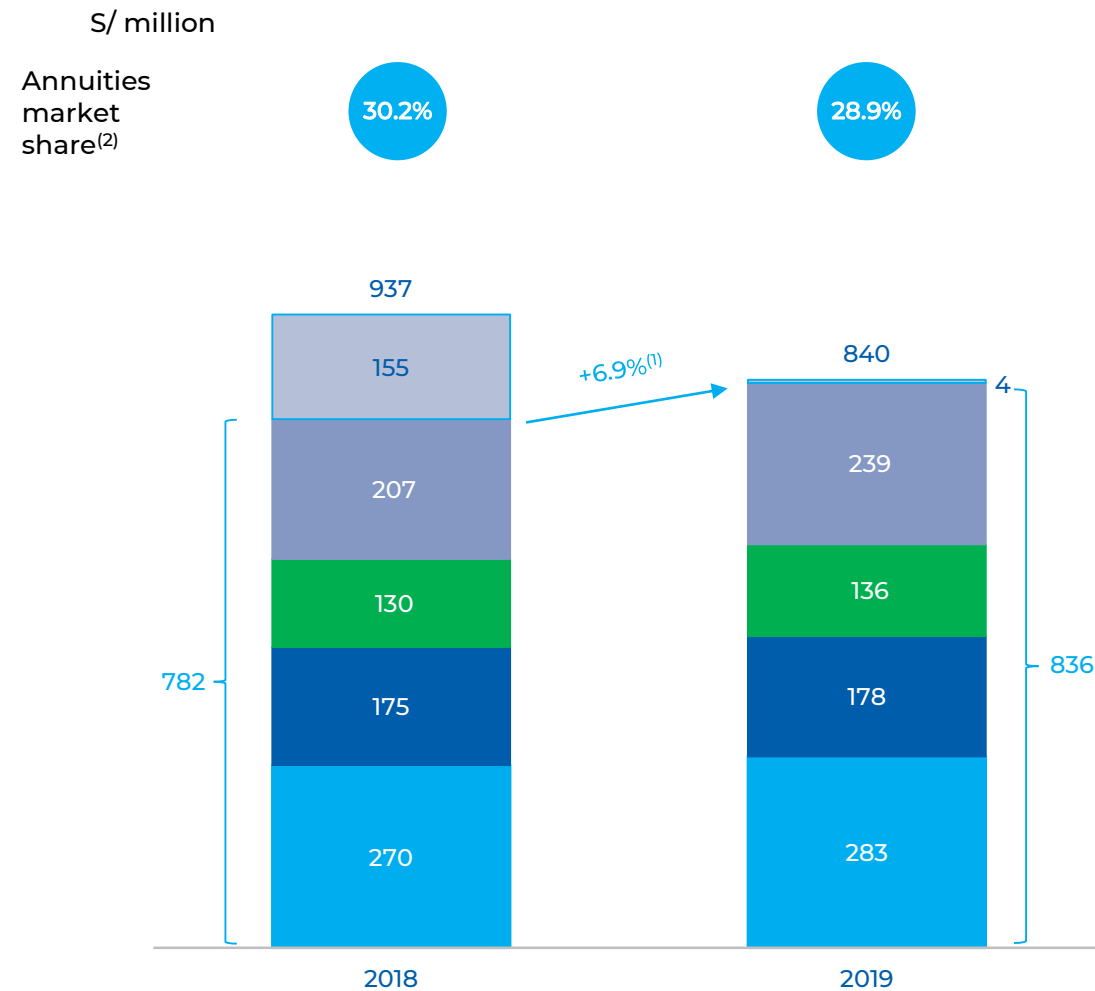


 InterCorp Financial Services

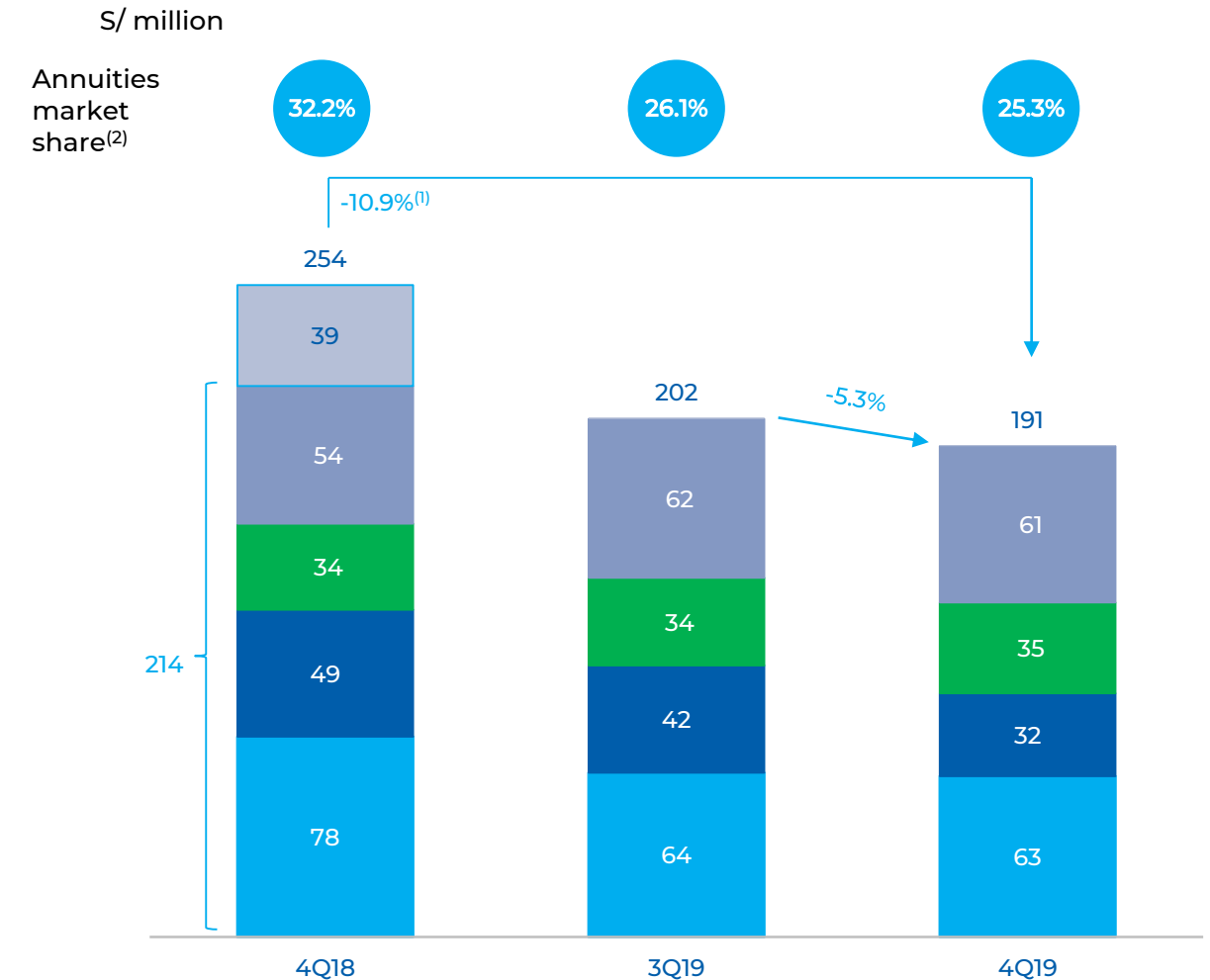
# Insurance

# FY19 gross premiums plus collections<sup>(1)</sup> increased 6.9%; Interseguro remains market leader in annuities

Yearly gross premiums plus collections by business unit



Quarterly gross premiums plus collections by business unit

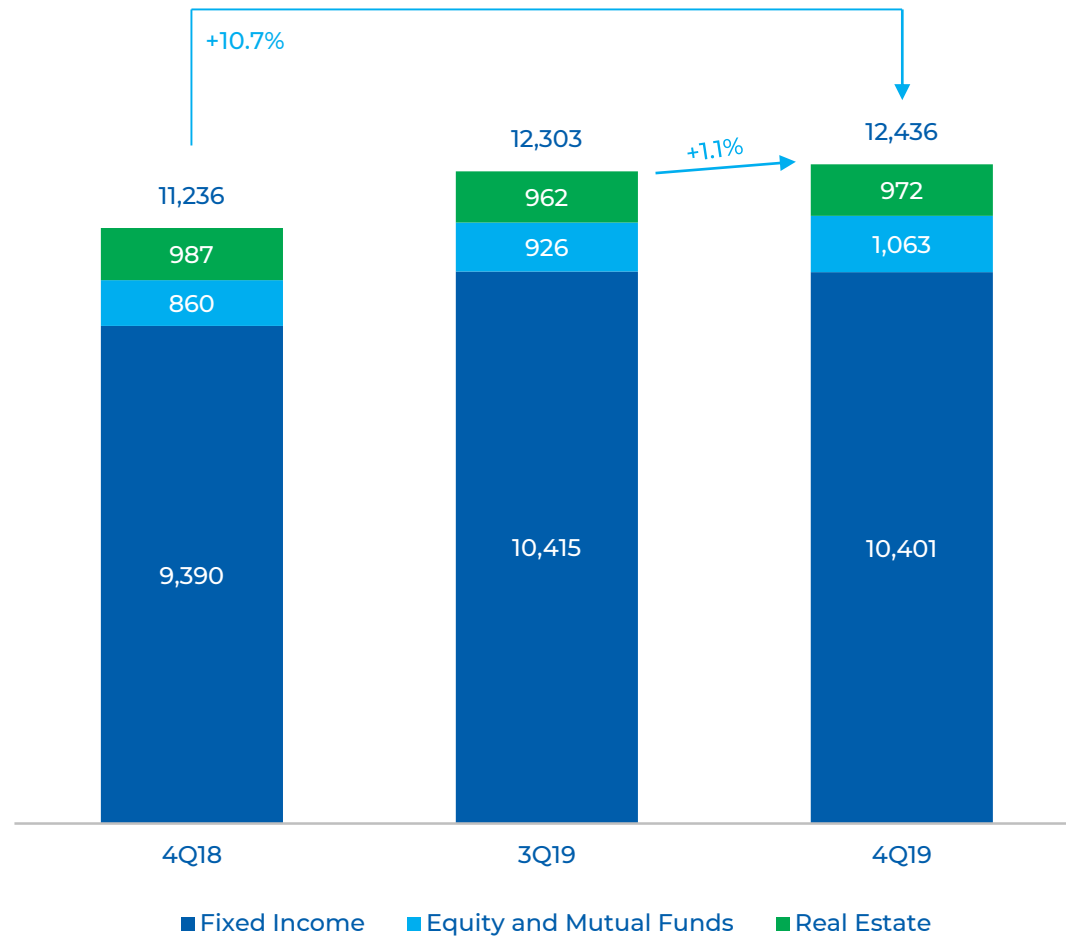


■ Annuities ■ Private Annuities ■ Individual life ■ Retail Insurance ■ D&S

# Interseguro's investment portfolio increased 10.7% YoY

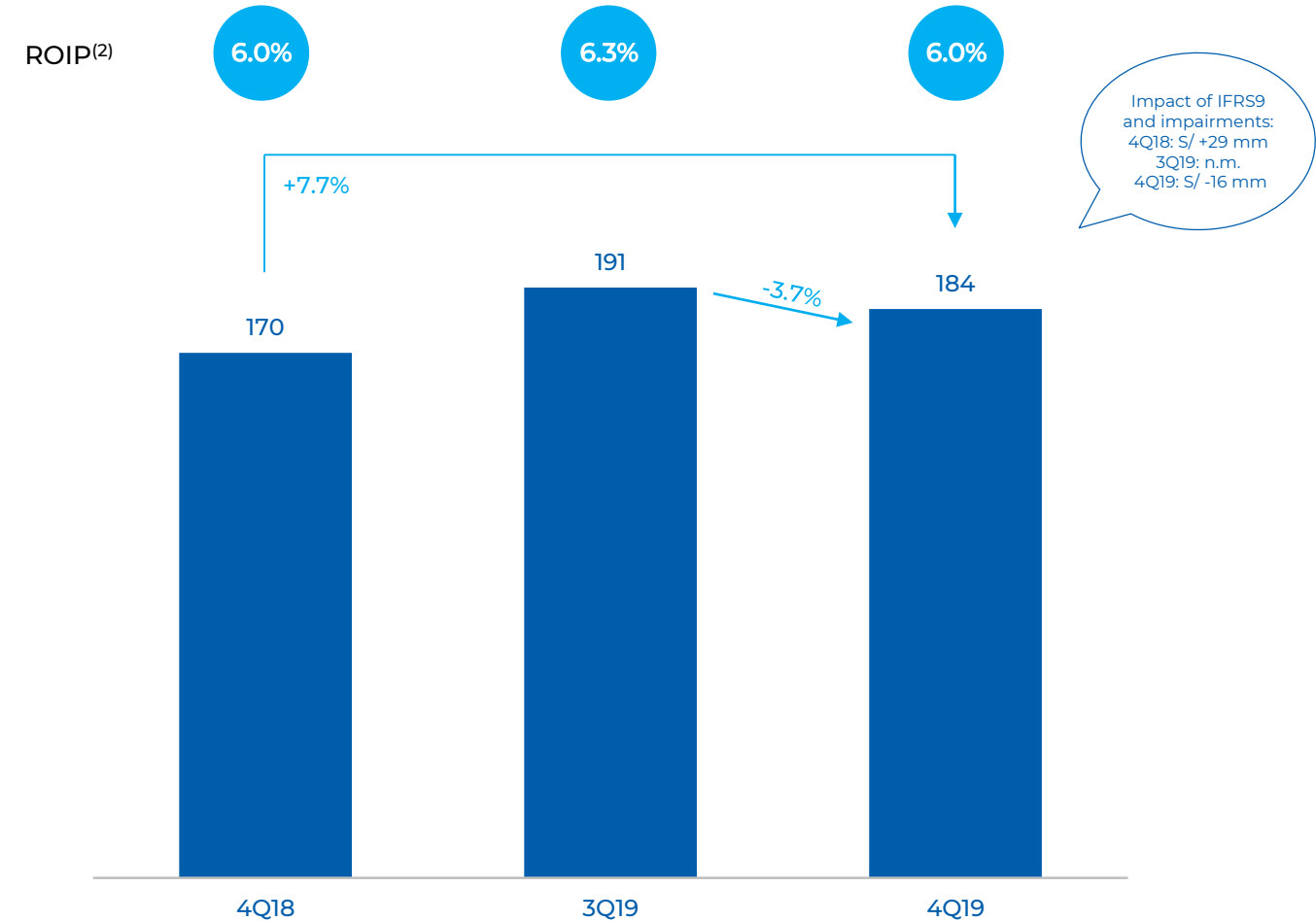
## Investment portfolio

S/ million



## Results from investments<sup>(1)</sup>

S/ million







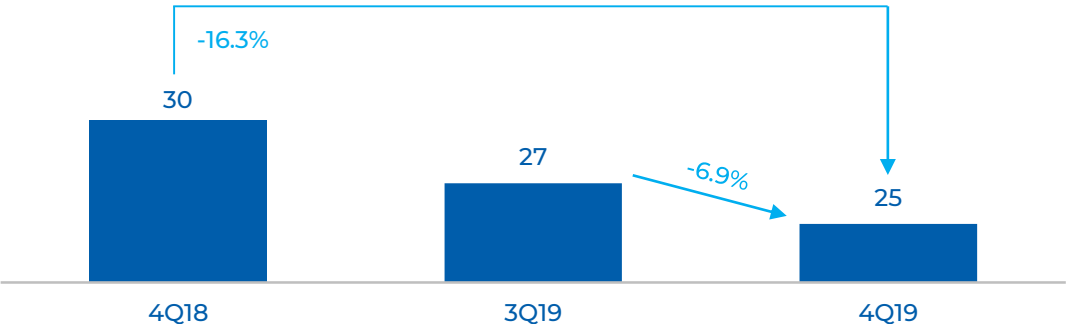
 InterCorp Financial Services

# Wealth Management

# Strong growth in other income and fees

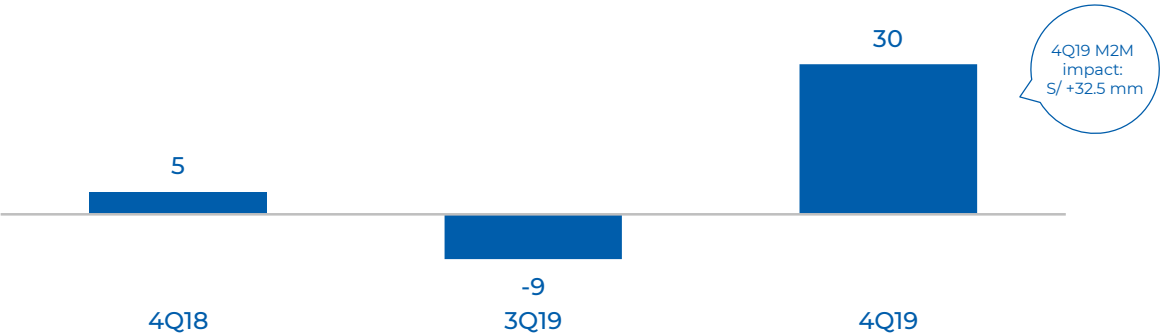
## Net interest and similar income

S/ million



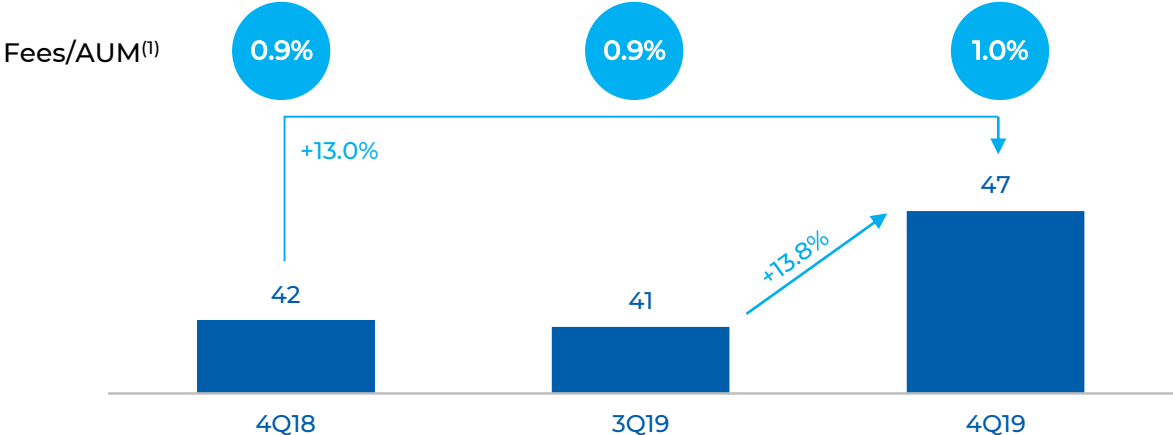
## Other income<sup>(1)</sup>

S/ million



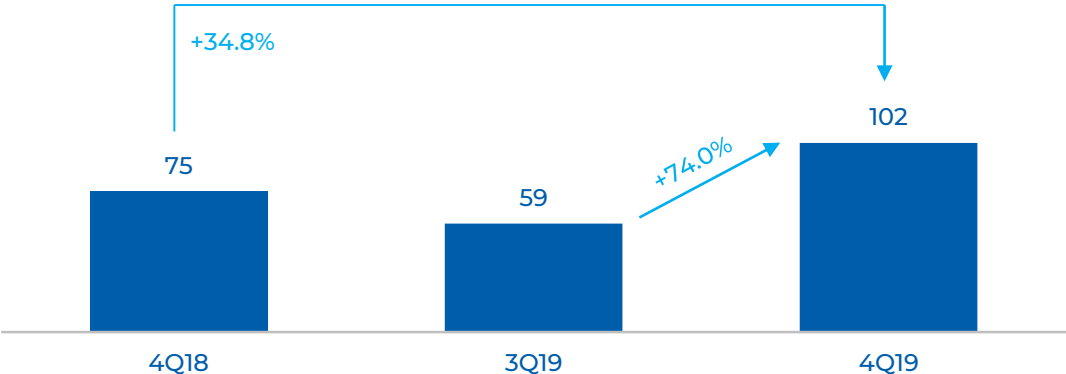
## Fees from financial services

S/ million



## Revenues

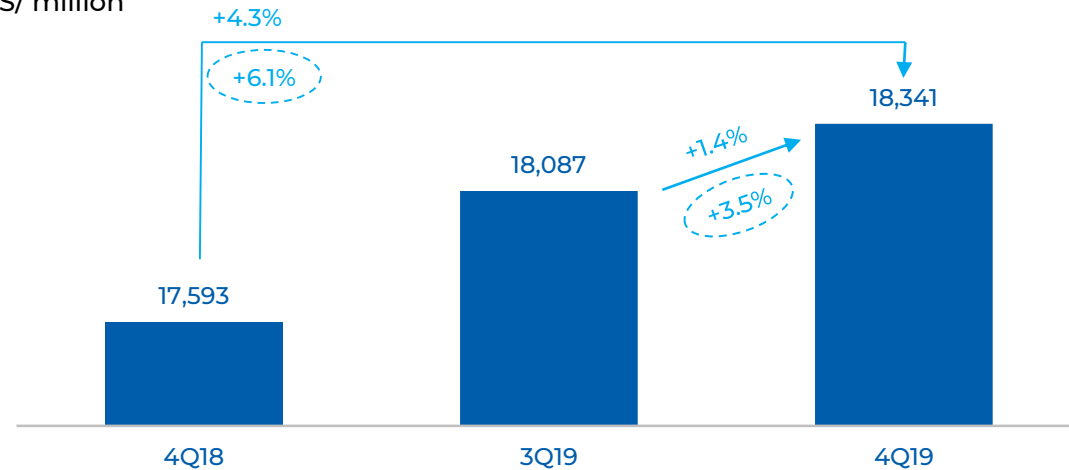
S/ million



# Sustained growth in AUM and loans

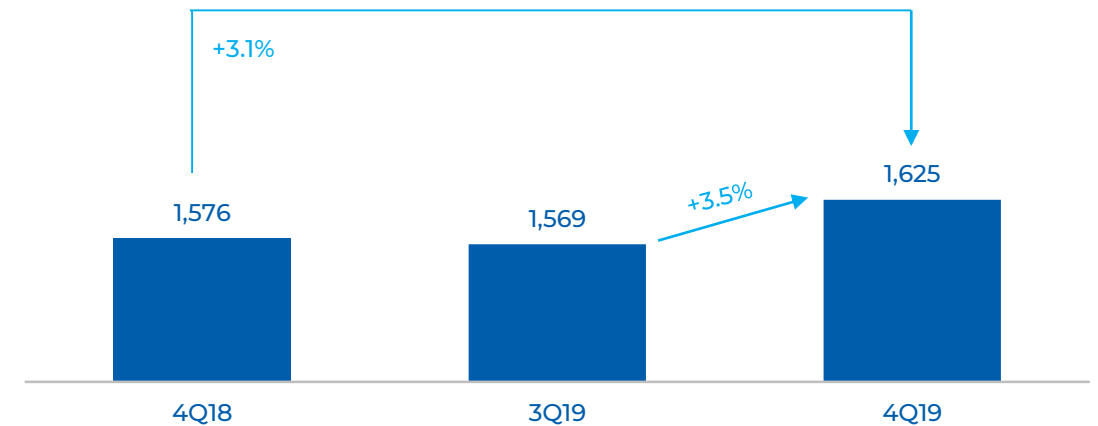
## AUM

S/ million



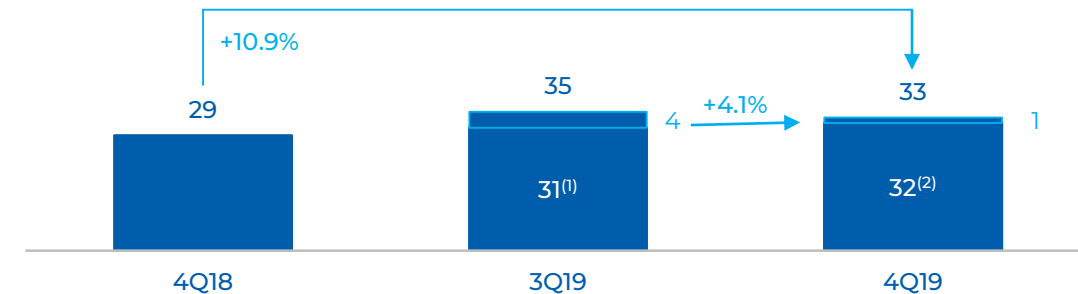
## Loans

S/ million



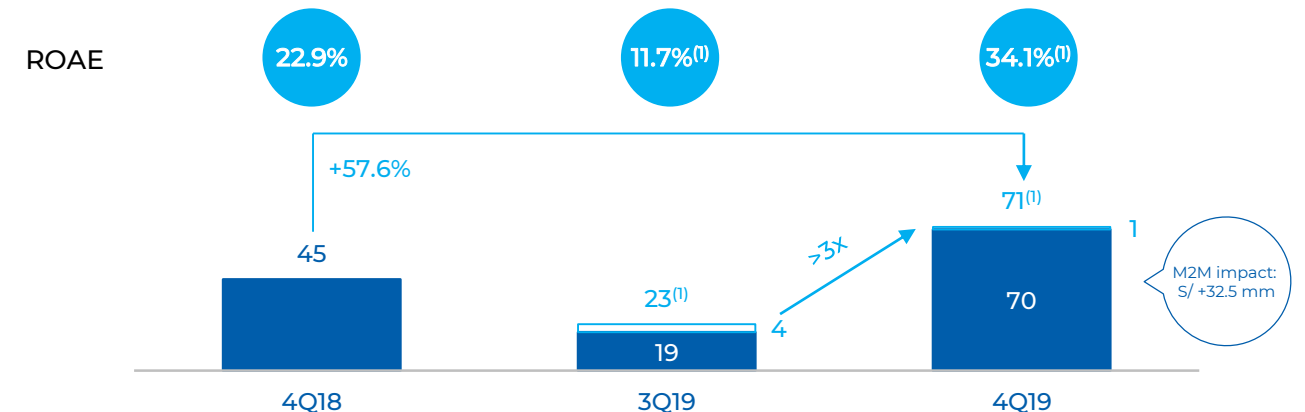
## Other expenses

S/ million



## Net profit

S/ million



■ Reported figures □ Adjustments → Reported growth → Adjusted growth ○ % change in USD



 Intercorp Financial Services

# Guidance

# Guidance FY20

## IFS

	2019	Guidance FY20
ROAE <sup>(1)</sup>	18.6%	17% - 19%

## Banking

	2019	Guidance FY20
ROAE <sup>(1)(2)</sup>	21.3%	18% - 20%

## Insurance

	2019	Guidance FY20
ROAE	14.2%	~ 15%

## Wealth Management

	2019	Guidance FY20
ROAE <sup>(3)</sup>	23.3%	~ 25%

## Banking

	2019	Guidance FY20
System loan growth <sup>(4)</sup>	5.7%	~ 7%
Loan growth <sup>(5)</sup>	11.2%	Low double-digit
NIM <sup>(1)</sup>	5.7%	5.7% - 5.9%
NIM after Prov. <sup>(1)(6)</sup>	3.9%	4.0% - 4.2%
Cost of risk <sup>(6)</sup>	2.6%	2.4% - 2.7%
Efficiency ratio <sup>(1)</sup>	37.7%	< 40%
CET1	11.6%	> 10%

- 1) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 29.0 million after taxes in 4Q19. Including this effect, IFS' ROAE was 18.3% in 2019
- 2) Excluding the gain on sale of Interfondos from Interbank to Inteligo for S/ 32.4 million after taxes in 1Q19
- 3) Excluding asset amortization from Interfondos' acquisition for S/ 4.0 million in 3Q19 and S/ 1.3 million in 4Q19. Including this effect, Inteligo's ROAE was 24.7% in 2019
- 4) Under Local GAAP
- 5) Excluding loan repo transactions for S/ 510.0 million recorded in 4Q19
- 6) 2019 reported cost of risk at 2.2%. 2019 adjusted cost of risk at 2.6%, excluding (i) reversion of payroll deduction loan provisions for S/ 38.8 million after taxes in 2Q19 and (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers





 InterCorp Financial Services

# Summary



# Takeaways

## Banking

### Strong growth and profitability in 4Q19 and FY19

- FY19 adjusted net profit<sup>(1)</sup> grew 21.2% YoY, with adjusted ROAE<sup>(1)</sup> at 21.3%
- 11.2% YoY loan growth<sup>(2)</sup>, with a 17.5% increase in retail loans, outpacing the system
- Retail deposits grew 11.5% YoY, resulting in 50 bps market share growth
- FY19 cost of risk remained stable at 2.2%, while FY19 adjusted cost of risk<sup>(3)</sup> increased 10 bps YoY, to 2.6%
- CETI improved 100 bps YoY, to 11.6%

## Insurance

### Profitability continued to improve with FY19 ROAE at 14.2% and 4Q19 at 14.7%

- FY19 adjusted net profit<sup>(4)</sup> grew 56.5% YoY
- 6.9% YoY growth in gross premiums plus collections<sup>(5)</sup>
- ROIP<sup>(6)</sup> increased 30 bps to 6.1% in 2019
- 10.7% YoY growth in the investment portfolio

## Wealth Management

### Solid year in earnings with ROAE at 25.3%<sup>(7)</sup>

- FY19 adjusted net profit<sup>(7)</sup> up 4.1% YoY
- 4.3% YoY AUM growth in 2019, or 6.1% excluding FX effect
- Strong growth in fees for the second consecutive quarter coupled with improved market conditions by year-end

## Intercorp Financial Services

### Strong earnings growth QoQ and YoY, with adjusted ROAE<sup>(1)</sup> at 18.6%

- FY19 adjusted net profit<sup>(1)</sup> grew 19.7% YoY
- 10.6% increase in total revenues<sup>(1)</sup>; adjusted efficiency ratio<sup>(1)</sup> improved 60 bps YoY, to 34.0%
- Continued positive evolution of digital indicators

1) At our banking segment, excluding (i) the gain on sale of Interfondos from Interbank to Inteligo for S/ 52.6 million, or S/ 32.4 million after taxes, in 1Q19, and (ii) the one-off impact of a Liability Management transaction for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19. At IFS, excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.0 million after taxes, in 4Q19

2) Excluding loan repo transactions for S/ 510.0 million recorded in 4Q19

3) Excluding (i) reversion of construction sector provisions for S/ 62.9 million in 2Q18; (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (iii) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (iv) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

4) Excluding the aggregate negative effect of new mortality tables in our insurance segment for S/ 144.8 million in 2Q18

5) Excluding gross premiums from disability and survivorship contract of S. Sura that expired in December 2018

6) ROIP excluding the impact of IFRS 9 in mark-to-market of securities and one-off impairments on financial investments was 5.7% in 2018 and 6.4% in 2019

7) Excluding asset amortization from Interfondos' acquisition for S/ 5.4 million in 2019



 Intercorp Financial Services

# Appendix

# IFS 4Q19 Statement of financial position

Intercorp Financial Services' Statement of financial position					
S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
<b>Assets</b>					
Cash and due from banks and inter-bank funds	8,875.4	11,710.7	11,203.4	-4.3%	26.2%
Financial investments	17,629.4	18,353.2	19,073.5	3.9%	8.2%
Loans, net of unearned interest	34,325.7	36,880.4	38,531.6	4.5%	12.3%
Impairment allowance for loans	-1,364.8	-1,465.1	-1,394.8	-4.8%	2.2%
Property, furniture and equipment, net	622.5	879.8	917.8	4.3%	47.4%
Other assets	3,656.1	5,045.8	3,187.9	-36.8%	-12.8%
<b>Total assets</b>	<b>63,744.4</b>	<b>71,404.9</b>	<b>71,519.5</b>	<b>0.2%</b>	<b>12.2%</b>
<b>Liabilities and equity</b>					
Deposits and obligations	33,682.0	36,277.2	38,093.2	5.0%	13.1%
Due to banks and correspondents and inter-bank funds	4,293.4	4,468.8	4,148.8	-7.2%	-3.4%
Bonds, notes and other obligations	6,496.8	8,339.3	6,891.1	-17.4%	6.1%
Insurance contract liabilities	10,300.5	11,453.3	11,338.8	-1.0%	10.1%
Other liabilities	1,883.4	2,385.7	2,144.2	-10.1%	13.8%
<b>Total liabilities</b>	<b>56,655.9</b>	<b>62,924.2</b>	<b>62,616.1</b>	<b>-0.5%</b>	<b>10.5%</b>
<b>Equity, net</b>					
Equity attributable to IFS' shareholders	7,048.1	8,436.2	8,856.9	5.0%	25.7%
Non-controlling interest	40.4	44.4	46.6	4.9%	15.3%
<b>Total equity, net</b>	<b>7,088.5</b>	<b>8,480.6</b>	<b>8,903.4</b>	<b>5.0%</b>	<b>25.6%</b>
<b>Total liabilities and equity net</b>	<b>63,744.4</b>	<b>71,404.9</b>	<b>71,519.5</b>	<b>0.2%</b>	<b>12.2%</b>

# IFS FY19 P&L

Intercorp Financial Services' P&L Statement					
S/ million	2017	2018	2019	%chg 19/18	%chg 18/17
Interest and similar income	3,809.0	4,321.3	4,847.2	12.2%	13.4%
Interest and similar expenses	-1,119.9	-1,170.6	-1,407.9	20.3%	4.5%
<b>Net interest and similar income</b>	<b>2,689.1</b>	<b>3,150.7</b>	<b>3,439.3</b>	<b>9.2%</b>	<b>17.2%</b>
Impairment loss on loans, net of recoveries	-827.9	-660.1	-750.8	13.7%	-20.3%
Recovery (loss) due to impairment of financial investments	-20.8	13.1	-6.8	n.m.	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>1,840.4</b>	<b>2,503.7</b>	<b>2,681.7</b>	<b>7.1%</b>	<b>36.0%</b>
Fee income from financial services, net	849.2	874.4	925.9	5.9%	3.0%
Other income	518.0	408.7	592.1	44.9%	-21.1%
Total premiums earned minus claims and benefits	-152.9	-407.5	-295.7	-27.4%	n.m.
Net Premiums	499.5	645.4	649.1	0.6%	29.2%
Adjustment of technical reserves	-240.2	-316.8	-222.5	-29.8%	31.9%
Net claims and benefits incurred	-412.3	-736.0	-722.3	-1.9%	78.5%
Other expenses	-1,710.6	-1,837.5	-1,978.3	7.7%	7.4%
<b>Income before translation result and income tax</b>	<b>1,344.1</b>	<b>1,541.9</b>	<b>1,925.7</b>	<b>24.9%</b>	<b>14.7%</b>
Translation result	15.9	-35.0	17.8	n.m.	n.m.
Income tax	-326.5	-415.5	-493.3	18.7%	27.3%
<b>Profit for the period</b>	<b>1,033.5</b>	<b>1,091.4</b>	<b>1,450.1</b>	<b>32.9%</b>	<b>5.6%</b>
<b>Adjusted profit for the period<sup>(1)(2)</sup></b>	<b>1,033.5</b>	<b>1,236.2</b>	<b>1,479.1</b>	<b>19.7%</b>	<b>19.6%</b>
<b>Attributable to IFS' shareholders</b>	<b>1,027.4</b>	<b>1,084.3</b>	<b>1,441.3</b>	<b>32.9%</b>	<b>5.5%</b>
<b>EPS</b>	<b>9.61</b>	<b>9.85</b>	<b>12.80</b>		
<b>ROAE</b>	<b>19.3%</b>	<b>16.6%</b>	<b>18.3%</b>		
<b>Adjusted ROAE<sup>(1)(2)</sup></b>	<b>19.3%</b>	<b>18.4%</b>	<b>18.6%</b>		
<b>ROAA</b>	<b>2.0%</b>	<b>1.8%</b>	<b>2.1%</b>		
<b>Efficiency ratio<sup>(1)(2)</sup></b>	<b>36.8%</b>	<b>34.6%</b>	<b>34.0%</b>		

# IFS 4Q19 P&L

Intercorp Financial Services' P&L statement					
S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
Interest and similar income	1,128.6	1,228.9	1,249.9	1.7%	10.7%
Interest and similar expenses	-312.0	-344.6	-385.1	11.7%	23.5%
<b>Net interest and similar income</b>	<b>816.6</b>	<b>884.2</b>	<b>864.7</b>	<b>-2.2%</b>	<b>5.9%</b>
Impairment loss on loans, net of recoveries	-208.8	-223.6	-147.9	-33.9%	-29.2%
Recovery (loss) due to impairment of financial investments	10.8	-1.1	-8.3	n.m.	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>618.6</b>	<b>659.5</b>	<b>708.6</b>	<b>7.4%</b>	<b>14.6%</b>
Fee income from financial services, net	232.9	229.8	250.3	8.9%	7.5%
Other income	100.4	141.9	181.9	28.1%	81.2%
Total premiums earned minus claims and benefits	-67.7	-62.9	-79.3	26.0%	17.1%
Net Premiums	172.1	157.5	156.1	-0.9%	-9.3%
Adjustment of technical reserves	-50.4	-37.5	-48.2	28.4%	-4.4%
Net claims and benefits incurred	-189.5	-182.9	-187.2	2.3%	-1.2%
Other expenses	-485.4	-498.0	-513.9	3.2%	5.9%
<b>Income before translation result and income tax</b>	<b>398.7</b>	<b>470.4</b>	<b>547.6</b>	<b>16.4%</b>	<b>37.4%</b>
Translation result	-16.7	-16.8	12.5	n.m.	n.m.
Income tax	-101.6	-119.1	-147.3	23.7%	45.0%
<b>Profit for the period</b>	<b>280.3</b>	<b>334.5</b>	<b>412.8</b>	<b>23.4%</b>	<b>47.2%</b>
<b>Adjusted profit for the period<sup>(1)</sup></b>	<b>280.3</b>	<b>334.5</b>	<b>441.8</b>	<b>32.1%</b>	<b>57.6%</b>
<b>Attributable to IFS' shareholders</b>	<b>278.6</b>	<b>332.4</b>	<b>410.3</b>	<b>23.4%</b>	<b>47.3%</b>
<b>EPS</b>	<b>2.52</b>	<b>2.94</b>	<b>3.55</b>		
<b>ROAE</b>	<b>15.9%</b>	<b>16.8%</b>	<b>19.0%</b>		
<b>Adjusted ROAE<sup>(1)</sup></b>	<b>15.9%</b>	<b>16.8%</b>	<b>20.3%</b>		
<b>ROAA</b>	<b>1.8%</b>	<b>1.9%</b>	<b>2.3%</b>		
<b>Efficiency ratio<sup>(1)</sup></b>	<b>35.3%</b>	<b>34.6%</b>	<b>33.1%</b>		

1) Excluding the one-off impact of a Liability Management transaction in our banking segment for S/ 42.5 million, or S/ 29.1 million after taxes, in 4Q19

# Banking segment's FY19 P&L

Banking Segment's P&L Statement					
S/ million	2017	2018	2019	%chg 19/18	%chg 18/17
Interest and similar income	3,346.2	3,559.1	4,074.0	14.5%	6.4%
Interest and similar expenses	-1,047.1	-1,067.7	-1,290.1	20.8%	2.0%
<b>Net interest and similar income</b>	<b>2,299.1</b>	<b>2,491.4</b>	<b>2,783.9</b>	<b>11.7%</b>	<b>8.4%</b>
Impairment loss on loans, net of recoveries	-830.5	-660.9	-750.8	13.6%	-20.4%
Recovery (loss) due to impairment of financial investments	-	-0.1	0.0	n.m.	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>1,468.7</b>	<b>1,830.5</b>	<b>2,033.2</b>	<b>11.1%</b>	<b>24.6%</b>
Fee income from financial services, net	740.5	759.5	827.1	8.9%	2.6%
Other income	368.3	309.7	434.3	40.2%	-15.9%
Other expenses	-1,399.2	-1,502.7	-1,611.5	7.2%	7.4%
<b>Income before translation result and income tax</b>	<b>1,178.2</b>	<b>1,397.0</b>	<b>1,683.1</b>	<b>20.5%</b>	<b>18.6%</b>
Translation result	13.9	-10.2	-5.6	n.m.	n.m.
Income tax	-298.6	-375.9	-449.0	19.4%	25.9%
<b>Profit for the period</b>	<b>893.5</b>	<b>1,010.9</b>	<b>1,228.5</b>	<b>21.5%</b>	<b>13.1%</b>
<b>ROAE<sup>(1)(2)</sup></b>	<b>20.1%</b>	<b>20.2%</b>	<b>21.3%</b>		
<b>Efficiency ratio<sup>(1)(2)</sup></b>	<b>40.0%</b>	<b>40.9%</b>	<b>38.0%</b>		
<b>NIM<sup>(1)</sup></b>	<b>5.5%</b>	<b>5.5%</b>	<b>5.7%</b>		
<b>NIM on loans</b>	<b>9.5%</b>	<b>9.0%</b>	<b>8.7%</b>		
<b>Adjusted NIM after provisions<sup>(1)(3)</sup></b>	<b>3.5%</b>	<b>3.9%</b>	<b>3.9%</b>		

1) Excluding the one-off impact of a Liability Management transaction for S/ 42.5 million, or S/ 29.1 million after taxes, in 4Q19

2) Excluding the gain on sale of Interfondos from Interbank to Inteligo for S/ 52.6 million, or S/ 32.4 million after taxes, in 1Q19

3) Excluding (i) reversion of construction sector provisions for S/ 62.9 million in 2Q18; (ii) reversion of construction sector provisions for S/ 20.1 million in 4Q18; (iii) reversion of payroll deduction loan provisions for S/ 38.8 million in 2Q19 and (iv) reversion of loan loss provisions for S/ 104.2 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers



# Banking segment's 4Q19 P&L

Banking Segment's P&L statement					
S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
Interest and similar income	937.7	1,038.2	1,051.7	1.3%	12.2%
Interest and similar expenses	-285.4	-314.6	-353.2	12.3%	23.8%
<b>Net interest and similar income</b>	<b>652.3</b>	<b>723.6</b>	<b>698.5</b>	<b>-3.5%</b>	<b>7.1%</b>
Impairment loss on loans, net of recoveries	-208.8	-223.6	-147.9	-33.9%	-29.2%
Recovery (loss) due to impairment of financial investments	-0.1	-0.0	0.0	n.m.	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>443.4</b>	<b>500.0</b>	<b>550.6</b>	<b>10.1%</b>	<b>24.2%</b>
Fee income from financial services, net	208.8	213.4	219.7	3.0%	5.2%
Other income	78.7	98.6	107.3	8.8%	36.4%
Other expenses	-399.0	-411.8	-413.1	0.3%	3.5%
<b>Income before translation result and income tax</b>	<b>331.9</b>	<b>400.2</b>	<b>464.5</b>	<b>16.1%</b>	<b>40.0%</b>
Translation result	-5.0	1.2	-3.3	n.m.	-33.8%
Income tax	-88.0	-110.2	-123.7	12.3%	40.7%
<b>Profit for the period</b>	<b>238.9</b>	<b>291.2</b>	<b>337.5</b>	<b>15.9%</b>	<b>41.3%</b>
<b>ROAE<sup>(1)</sup></b>	<b>18.0%</b>	<b>19.8%</b>	<b>23.6%</b>		
<b>Efficiency ratio<sup>(1)</sup></b>	<b>40.6%</b>	<b>39.2%</b>	<b>37.7%</b>		
<b>NIM<sup>(1)</sup></b>	<b>5.7%</b>	<b>5.8%</b>	<b>5.8%</b>		
<b>NIM on loans</b>	<b>8.8%</b>	<b>9.0%</b>	<b>8.5%</b>		
<b>Adjusted NIM after provisions<sup>(1)(2)</sup></b>	<b>3.7%</b>	<b>4.0%</b>	<b>3.8%</b>		

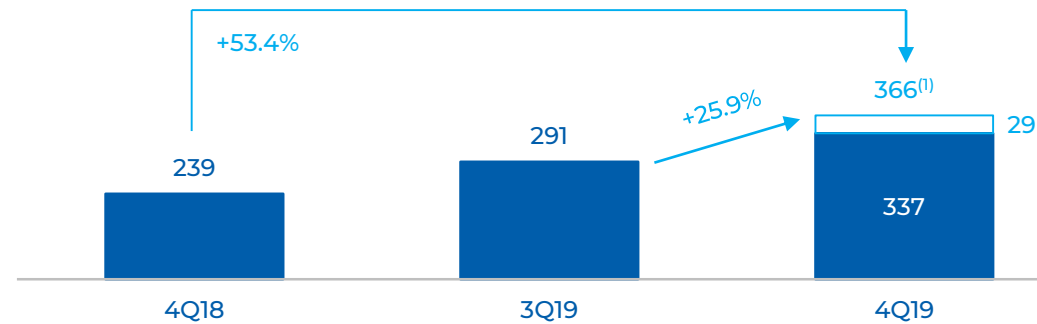
1) Excluding the one-off impact of a Liability Management transaction for S/ 42.5 million, or S/ 29.1 million after taxes, in 4Q19

2) Excluding (i) reversion of construction sector provisions for S/ 20.1 million in 4Q18 and (ii) reversion of loan loss provisions for S/ 104.1 million in 4Q19 due to fine-tuning of IFRS9 models reflecting improved risk profile on customers

# Banking segment's net profit IFRS vs. Local GAAP

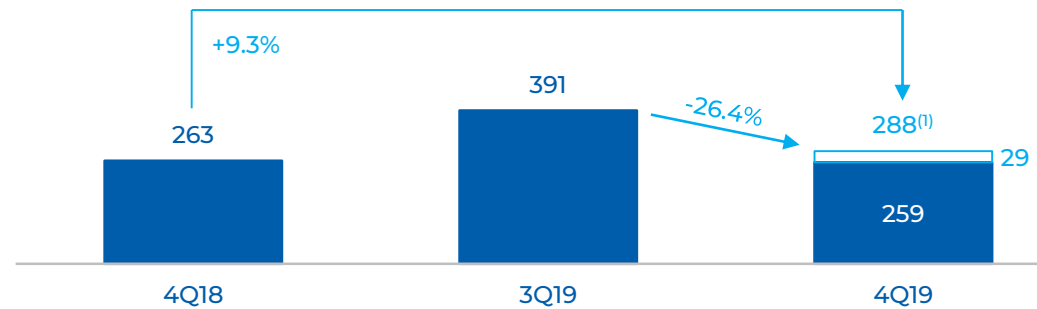
## Net profit – IFRS

S/ million



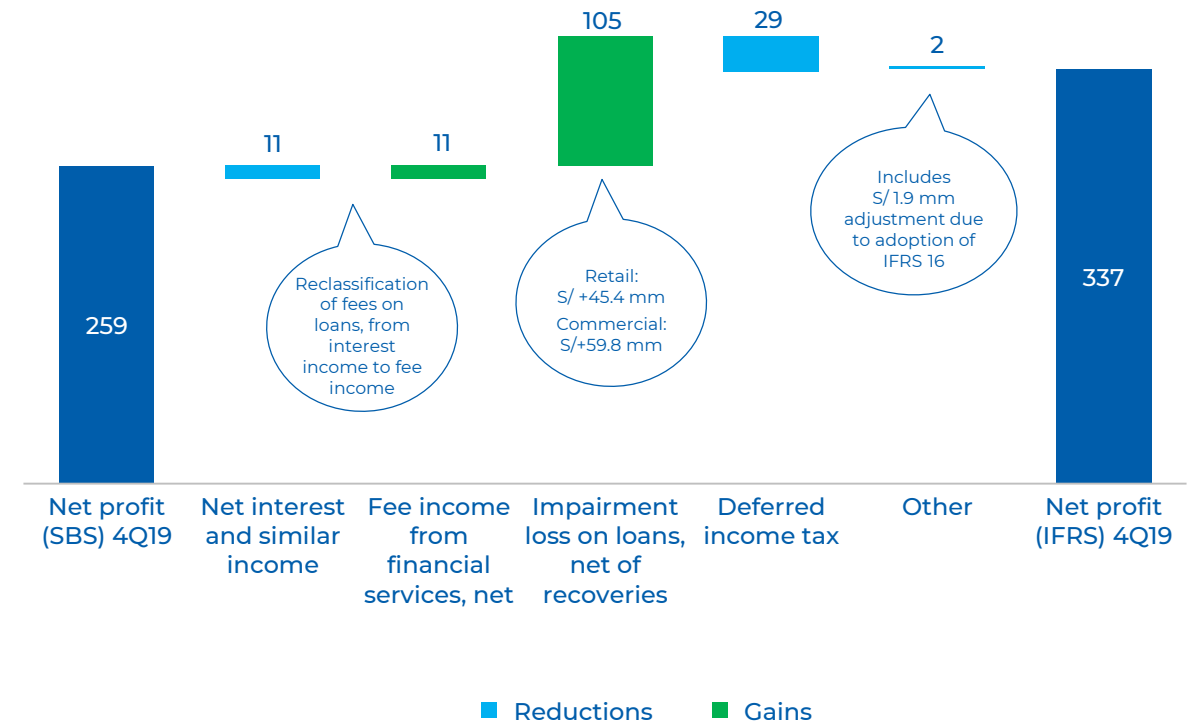
## Net profit – Local GAAP

S/ million

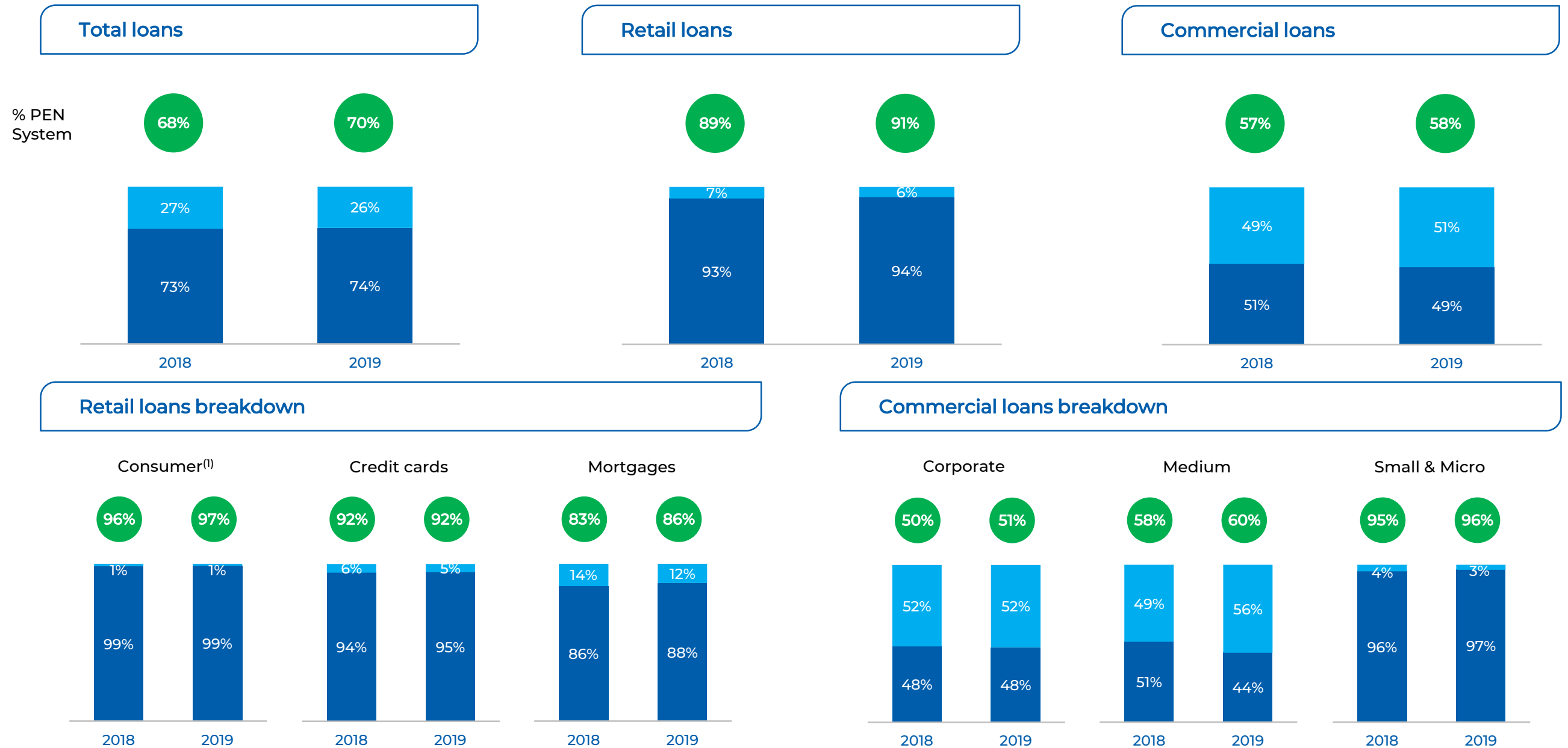


## Net profit bridge from Local GAAP to IFRS (4Q19)

S/ million



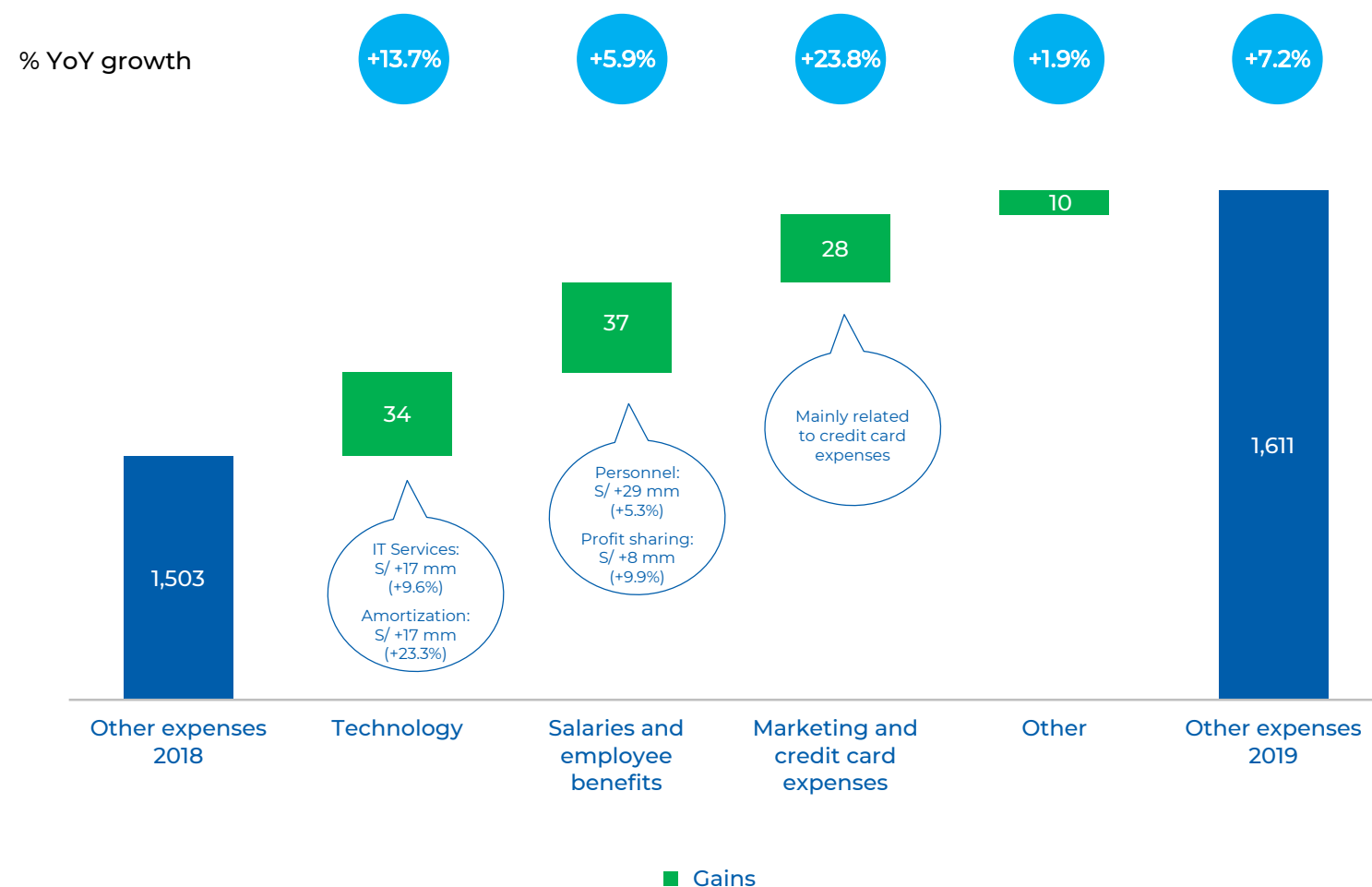
# Dollarization decreased in retail and commercial loans



# Other expenses grew 7.2% YoY in FY19

## Growth in other expenses

YoY growth in other expenses by line

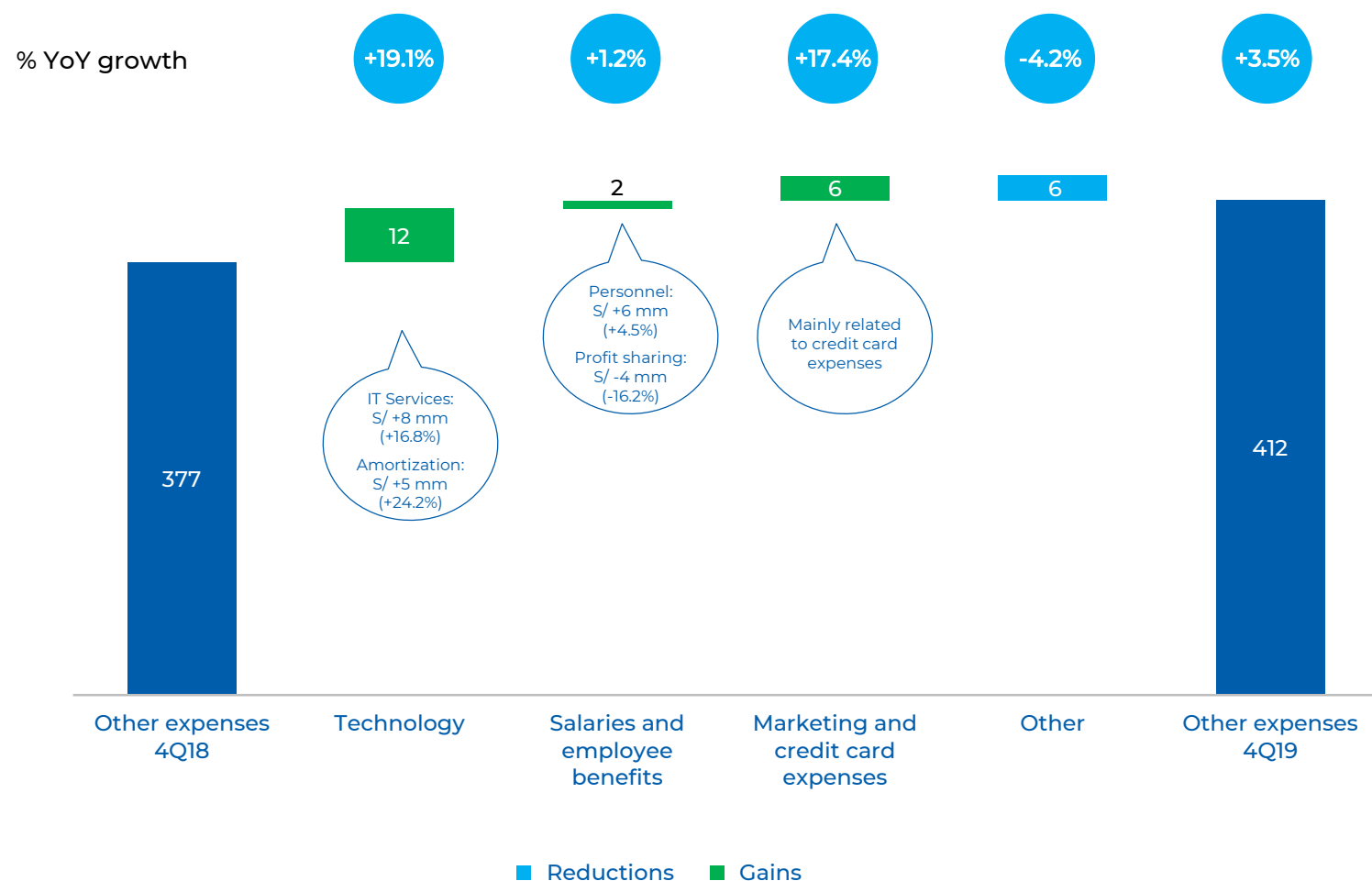


- Efficiency ratio at 39.6%<sup>(1)</sup> in 2019, compared to 40.9% in 2018
- Total expenses / Assets ratio at 3.0% in 2019, 20 bps below the 3.2% registered in 2018

# Other expenses grew 3.5% YoY in 4Q19

## Growth in other expenses

YoY growth in other expenses by line



- Efficiency ratio at 37.7%<sup>(1)</sup> in 4Q19, compared to 39.2% in 3Q19 and 40.6% in 4Q18

- Total expenses / Assets ratio at 3.1% in 4Q19, stable QoQ but 30 bps below the 3.4% registered in 4Q18

# Insurance segment's FY19 P&L

Insurance Segment's P&L Statement					
S/ million	2017	2018	2019	%chg 19/18	%chg 18/17
Interest and similar income	334.8	611.0	612.5	0.3%	82.5%
Interest and similar expenses	-19.7	-54.3	-56.4	3.8%	175.7%
<b>Net Interest and similar income</b>	<b>315.0</b>	<b>556.6</b>	<b>556.1</b>	<b>-0.1%</b>	<b>76.7%</b>
Recovery (loss) due to impairment of financial investments	-5.5	11.3	-6.2	n.m.	n.m.
<b>Net Interest and similar income after impairment loss</b>	<b>309.5</b>	<b>568.0</b>	<b>550.0</b>	<b>-3.2%</b>	<b>83.5%</b>
Fee income from financial services, net	-3.7	-4.6	-4.0	-13.3%	24.4%
Other income	112.9	67.6	169.0	n.m.	-40.1%
Total premiums earned minus claims and benefits	-152.9	-407.5	-295.7	-27.4%	n.m.
Net premiums	499.5	645.4	649.1	0.6%	29.2%
Adjustment of technical reserves	-240.2	-316.8	-222.5	-29.8%	31.9%
Net claims and benefits incurred	-412.3	-736.0	-722.3	-1.9%	78.5%
Other expenses	-226.8	-273.7	-298.7	9.2%	20.6%
<b>Income before translation result and income tax</b>	<b>39.0</b>	<b>-50.1</b>	<b>120.6</b>	<b>n.m.</b>	<b>n.m.</b>
Translation result	0.9	-11.4	9.8	n.m.	n.m.
Income tax	0.0	-	-	n.m.	n.m.
<b>Profit for the period</b>	<b>39.9</b>	<b>-61.5</b>	<b>130.4</b>	<b>n.m.</b>	<b>n.m.</b>
Attributable to non-controlling interest	-	-	-	n.m.	n.m.
<b>Profit attributable to shareholders</b>	<b>39.9</b>	<b>-61.5</b>	<b>130.4</b>	<b>n.m.</b>	<b>n.m.</b>
New mortality tables impact on technical reserves	0.1	-144.8	-	n.m.	n.m.
<b>Profit excluding change in mortality tables</b>	<b>40.0</b>	<b>83.3</b>	<b>130.4</b>	<b>56.5%</b>	<b>108.5%</b>
 ROAE	 7.0%	 n.m.	 14.2%		
ROAE excl. change in mortality tables	7.0%	9.4%	14.2%		
Efficiency ratio	15.9%	14.4%	13.1%		

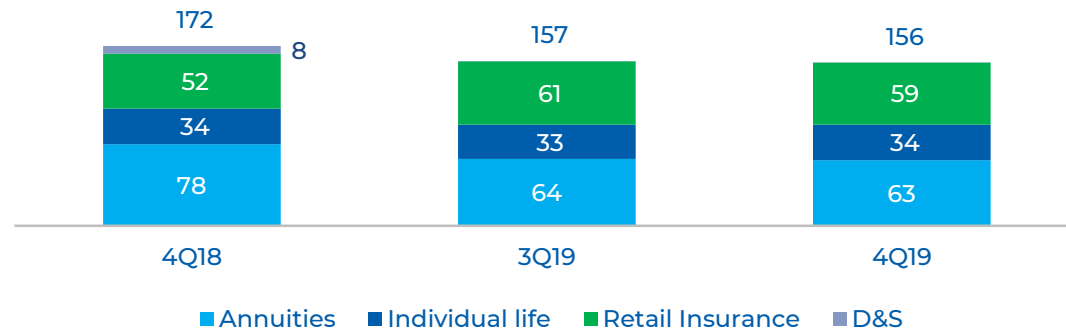
# Insurance segment's 4Q19 P&L

Insurance Segment's P&L Statement					
S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
Interest and similar income	148.5	148.0	155.6	5.2%	4.8%
Interest and similar expenses	-13.5	-14.5	-16.0	10.5%	18.5%
<b>Net Interest and similar income</b>	<b>135.0</b>	<b>133.5</b>	<b>139.6</b>	<b>4.6%</b>	<b>3.4%</b>
Recovery (loss) due to impairment of financial investments	11.0	-0.6	-8.3	n.m.	n.m.
<b>Net Interest and similar income after impairment loss</b>	<b>146.0</b>	<b>132.9</b>	<b>131.3</b>	<b>-1.2%</b>	<b>-10.1%</b>
Fee income from financial services, net	-1.1	-1.2	-0.8	-30.5%	-27.5%
Other income	19.1	54.9	50.6	-7.7%	n.m.
Total premiums earned minus claims and benefits	-67.7	-62.9	-79.3	26.0%	17.1%
Net premiums	172.1	157.5	156.1	-0.9%	-9.3%
Adjustment of technical reserves	-50.4	-37.5	-48.2	28.4%	-4.4%
Net claims and benefits incurred	-189.5	-182.9	-187.2	2.3%	-1.2%
Other expenses	-73.2	-74.8	-78.9	5.5%	7.8%
<b>Income before translation result and income tax</b>	<b>23.1</b>	<b>48.8</b>	<b>22.9</b>	<b>-53.0%</b>	<b>-0.5%</b>
Translation result	-5.3	-14.9	11.7	n.m.	n.m.
Income tax	-	-	-	n.m.	n.m.
<b>Profit for the period</b>	<b>17.8</b>	<b>34.0</b>	<b>34.7</b>	<b>2.1%</b>	<b>94.9%</b>
Attributable to non-controlling interest	-	-	-	n.m.	n.m.
<b>Profit attributable to shareholders</b>	<b>17.8</b>	<b>34.0</b>	<b>34.7</b>	<b>2.1%</b>	<b>94.9%</b>
<b>ROAE</b>	<b>7.8%</b>	<b>14.9%</b>	<b>14.7%</b>		
<b>Efficiency ratio</b>	<b>14.2%</b>	<b>11.9%</b>	<b>13.8%</b>		

# Net insurance underwriting result at S/ -79.0 million due to higher adjustment of technical reserves

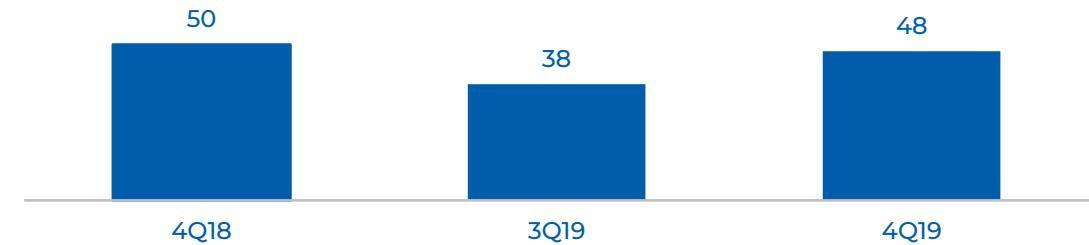
## Net premiums

S/ million



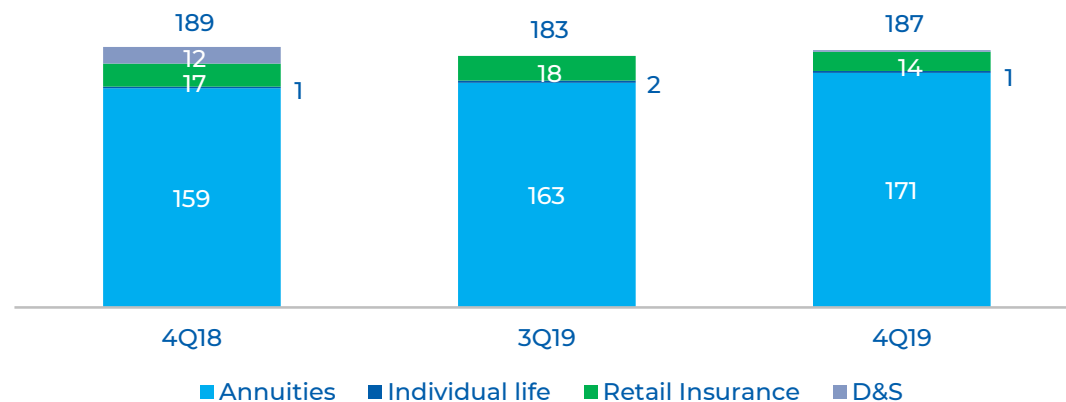
## Adjustment of technical reserves

S/ million



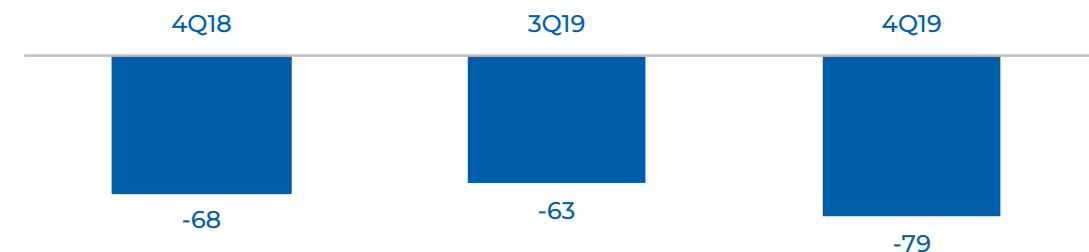
## Net claims and benefits incurred

S/ million



## Net insurance underwriting result

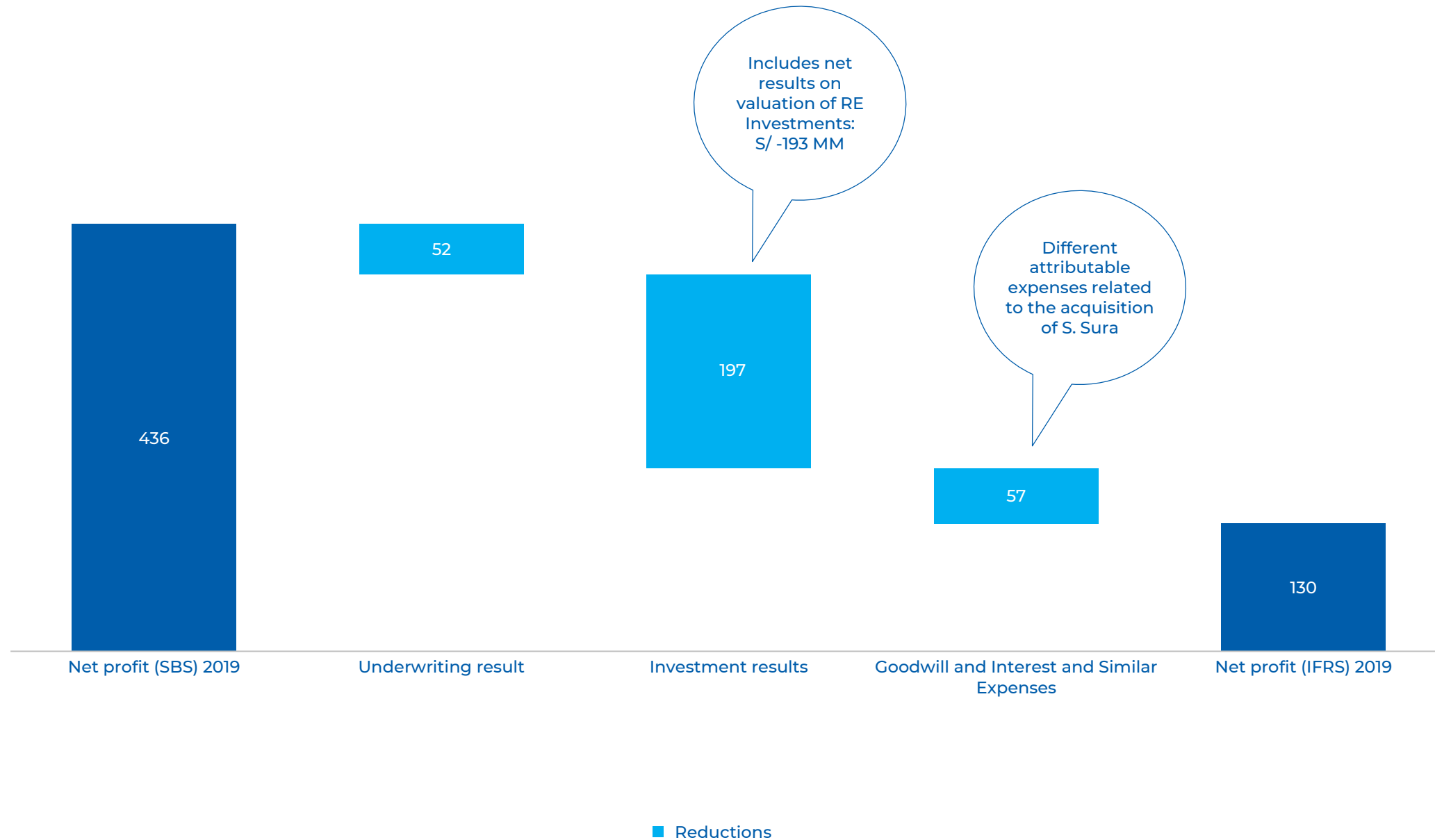
Total premiums earned minus claims and benefits (S/ million)





# Insurance segment's FY19 net profit bridge to IFRS

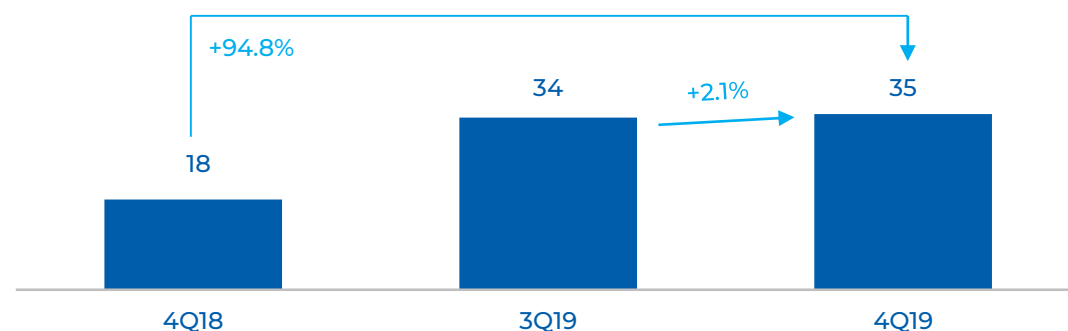
S/ million



# Insurance segment's 4Q19 net profit IFRS vs. Local GAAP

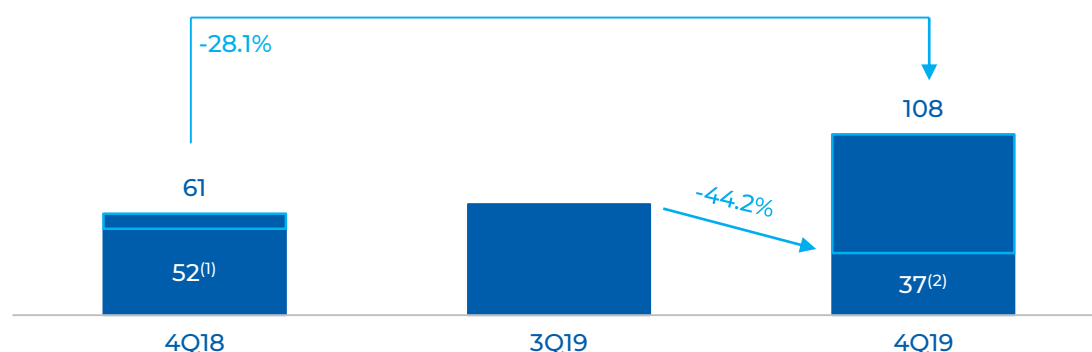
## Net profit – IFRS

S/ million



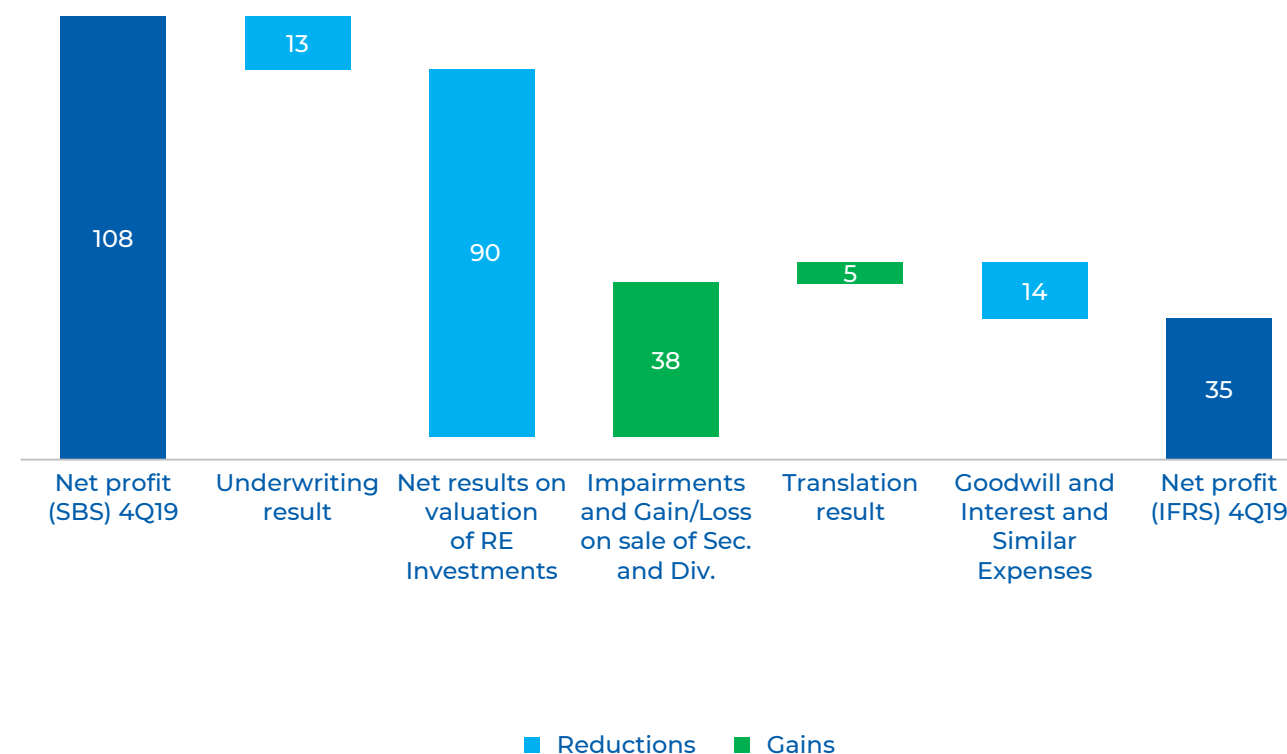
## Net profit – Local GAAP

S/ million



## Net profit bridge from Local GAAP to IFRS (4Q19)

S/ million



1) Excluding non-recurring gain on sale of securities and change in asset allocation strategy of S.Sura's investment portfolio for S/ 4.0 million, as well as one-off valuation of real estate investments for S/ 6.9 million, partially offset by non-recurring expenses related to the acquisition of S. Sura for S/ 1.9 million at Interseguro in 4Q18  
2) Excluding one-off valuation of real estate investments for S/ 71.2 million at Interseguro in 4Q19

# Wealth management segment's FY19 P&L

Wealth Management Segment's P&L Statement					
S/ million	2017	2018	2019	%chg 19/18	%chg 18/17
Interest and similar income	151.8	154.1	168.0	9.0%	1.5%
Interest and similar expenses	-53.9	-44.1	-61.5	39.4%	-18.1%
<b>Net interest and similar income</b>	<b>97.9</b>	<b>110.0</b>	<b>106.5</b>	<b>-3.2%</b>	<b>12.3%</b>
Impairment loss on loans, net of recoveries	2.5	0.8	0.0	n.m.	-69.1%
Recovery (loss) due to impairment of financial investments	-15.3	1.8	-0.7	n.m.	n.m.
<b>Net interest and similar income after impairment loss</b>	<b>85.2</b>	<b>112.6</b>	<b>105.8</b>	<b>-6.0%</b>	<b>32.1%</b>
Fee income from financial services, net	152.0	164.2	164.3	0.1%	8.0%
Other income	76.7	33.2	58.4	75.8%	-56.7%
Other expenses	-111.7	-106.5	-123.3	15.8%	-4.6%
<b>Income before translation result and income tax</b>	<b>202.2</b>	<b>203.5</b>	<b>205.3</b>	<b>0.9%</b>	<b>0.6%</b>
Translation result	1.2	-0.2	1.4	n.m.	n.m.
Income tax	-4.3	-5.7	-6.4	12.1%	33.3%
<b>Profit for the period</b>	<b>199.2</b>	<b>197.5</b>	<b>200.3</b>	<b>1.4%</b>	<b>-0.8%</b>
<b>ROAE</b>	<b>26.7%</b>	<b>25.7%</b>	<b>24.7%</b>		
<b>Efficiency ratio</b>	<b>33.5%</b>	<b>35.2%</b>	<b>37.3%</b>		

# Wealth management segment's 4Q19 P&L

Wealth Management Segment's P&L Statement					
S/ million	4Q18	3Q19	4Q19	%chg QoQ	%chg YoY
Interest and similar income	42.1	42.5	41.0	-3.5%	-2.7%
Interest and similar expenses	-12.6	-15.9	-16.3	2.2%	29.5%
<b>Net interest and similar income</b>	<b>29.5</b>	<b>26.6</b>	<b>24.7</b>	<b>-6.9%</b>	<b>-16.3%</b>
Impairment loss on loans, net of recoveries	0.0	0.0	0.0	n.m.	85.2%
Recovery (loss) due to impairment of financial investments	-0.2	-0.5	0.0	-96.4%	-91.6%
<b>Net interest and similar income after impairment loss</b>	<b>29.3</b>	<b>26.1</b>	<b>24.7</b>	<b>-5.2%</b>	<b>-15.8%</b>
Fee income from financial services, net	41.6	41.3	47.0	13.8%	13.0%
Other income	4.5	-8.9	30.0	n.m.	n.m.
Other expenses	-28.7	-34.6	-33.2	-4.2%	15.5%
<b>Income before translation result and income tax</b>	<b>46.8</b>	<b>23.9</b>	<b>68.6</b>	<b>n.m.</b>	<b>46.6%</b>
Translation result	0.1	-3.2	2.3	n.m.	n.m.
Income tax	-1.8	-1.7	-1.3	-25.7%	-29.3%
<b>Profit for the period</b>	<b>45.0</b>	<b>18.9</b>	<b>69.6</b>	<b>n.m.</b>	<b>54.6%</b>
<b>ROAE</b>	<b>22.9%</b>	<b>9.7%</b>	<b>33.6%</b>		
<b>Efficiency ratio</b>	<b>37.7%</b>	<b>58.6%</b>	<b>32.4%</b>		

# Definitions

Concept	Definition
Total revenues	Net interest and similar income + Fee income from financial services + Other income + Net premiums earned
Efficiency ratio	$\frac{\text{Salaries and employee benefits} + \text{Administrative expenses} + \text{Depreciation and amortization}}{\text{Net interest and similar income} + \text{Fee income} + \text{Other income} + \text{Net premiums earned}}$
NIM	$\frac{\text{Net interest and similar income}}{\text{Average interest-earning assets}}$
Interest earning assets	Total loans + total investment available for sale + total cash and due from banks funds
Relevant net income	Relevant net income for dividend payments
% Revenues	$\frac{\text{Fee income} + \text{Other income}}{\text{Net interest income} + \text{Fee income} + \text{Other income}}$
Loan-to-deposit ratio	Total gross loans / Deposits
Consumer loans	Consumer loans excluding credit cards
NPL coverage ratio	$\frac{\text{Stock of provisions}}{\text{Exposure under Stage 3} + \text{Refinanced loans}}$
(S2 + S3) ratio	$\frac{\text{Exposure under Stage 2 and Stage 3}}{\text{Total exposure under IFRS 9}}$
NPL ratio	$\frac{\text{Exposure under Stage 3 and refinanced loans}}{\text{Total exposure under IFRS 9}}$

# Safe Harbor for Forward-Looking Statements

This corporate presentation contains “forward looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical facts included in this corporate presentation regarding IFS’ business, financial condition, results of operations and certain of IFS’ plans, objectives, assumptions, projections, expectations or beliefs and statements regarding other future events or prospects are forward-looking statements. These statements include, without limitation, those concerning: IFS’ strategy and IFS’ ability to achieve it; IFS’ recent developments; expectations regarding sales, profitability and growth; IFS’ possible or assumed future results of operations; capital expenditures and investment plans; adequacy of capital; and financing plans. In addition, this corporate presentation includes forward-looking statements relating to IFS’ potential exposure to various types of market risks, such as macroeconomic risk, Peru specific risks, foreign exchange rate risk, interest rate risks and other risks related to IFS’ financial performance. The words “aim,” “may,” “will,” “expect,” “is expected to,” “anticipate,” “believe,” “future,” “continue,” “help,” “estimate,” “plan,” “schedule,” “intend,” “should,” “would be,” “seeks,” “estimates,” “shall,” or the negative or other variations thereof, as well as other similar expressions regarding matters that are not historical facts, are or may indicate forward-looking statements.

IFS has based these forward-looking statements on its management’s current views with respect to future events and financial performance. These views reflect the best judgment of IFS’ management but involve a number of risks and uncertainties which could cause actual results to differ materially from those predicted in IFS’ forward-looking statements and from past results, performance or achievements. Although we believe that the estimates reflected in the forward-looking statements are reasonable, such estimates may prove to be incorrect. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements. These factors include, among other things: (a) IFS’ holding company structure; (b) economic, business and political developments in Peru and globally; (c) changes in Peruvian, Panamanian and Bahamian and other foreign laws and regulations, including the adoption of new capital requirements for banks or insurance companies; (d) increased competition in the Peruvian financial services and insurance markets; (e) increased inflation; (f) exchange rate instability and government measures to control foreign exchange rates; (g) developments affecting the purchasing power of middle income consumers or consumer spending generally; (h) increases in interest rates; (i) downturns in the capital markets and changes in capital markets in general that affect policies or attitudes towards lending to Peru or Peruvian companies or securities issued by Peruvian companies; (j) IFS’ ability to keep up with technological changes; (k) the inability to obtain the capital we need for further expansion of IFS’ businesses; (l) the inability to attract and retain key personnel; (m) changes in tax laws; (n) severe weather, natural disasters and adverse climate changes; (o) changes in regional or global markets; (p) dependence on sovereign debt in IFS’ investment portfolios; (q) credit and other risks of lending, such as increases in defaults of borrowers; (r) increased costs of funding or IFS’ inability to obtain additional debt or equity financing on attractive terms or at all; (s) a deterioration in the quality of IFS’ assets; (t) allowances for impairment losses may be inadequate; (u) changes to accounting standards; (v) changes in actuarial assumptions upon which IFS’ annuity business is based; (w) failure to adequately price insurance premiums; (x) decreases in the spread between investment yields and implied interest rates in annuities; (y) dependence on information technology systems and cybersecurity risks; and (z) other risks and uncertainties.

Additionally, new risks and uncertainties can emerge from time to time, and it is not possible for IFS to predict all future risks and uncertainties, nor can IFS assess their potential impact. Accordingly, you should not place undue reliance on forward-looking statements as a prediction of actual results.

All forward-looking statements included in this corporate presentation are based on information available to IFS on the date of this corporate presentation. IFS undertakes no obligation to update publicly or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law. All other written and oral forward-looking statements attributable to IFS or persons acting on IFS’ behalf are expressly qualified in their entirety by the cautionary statements contained throughout this corporate presentation.



 **Intercorp Financial Services**