

## Intercorp Financial Services Inc. Fourth Quarter 2014 Earnings

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Lima, Peru, February 11, 2015. Intercorp Financial Services Inc. (Bolsa de Valores de Lima: IFS) announced today its unaudited results for the fourth quarter 2014. These results are reported on a consolidated basis under IFRS in nominal Peruvian Nuevos Soles.

### Yearly and Quarterly Highlights:

#### Intercorp Financial Services:

- 4Q14 net profit was S/. 272.9 million, a 0.8% decrease QoQ and a 96.8% increase YoY. The quarterly decrease was driven by earnings declines at Interseguro and Inteligo, while the YoY growth was mainly explained by strong performances at Interbank and Interseguro
- FY14 net profit was S/. 964.2 million, a 1.1% decrease YoY, explained by a S/. 220.3 million increase in the adjustment of technical reserves which negatively impacted Interseguro's profits. On the other hand, recurring net profit grew 8.0% YoY
- 4Q14 annualized ROAE was 26.2% and FY14 ROAE was 24.6%

#### Interbank:

- 4Q14 net profit was S/. 207.2 million, a 10.6% increase QoQ and a 37.5% growth YoY.
- NIM improved 25 bps QoQ and 50 bps YoY, to 6.61% in 4Q14
- FY14 net profit increased 18.6% YoY, mainly due to a 17.6% growth in net interest and similar income and a 12.3% increase in fee income from financial services
- Performing loans and deposits grew 9.0% and 4.4% YoY, respectively, while retail deposits increased 14.5% YoY
- 4Q14 annualized ROAE was 26.2% and FY14 ROAE was 24.8%

#### Interseguro:

- 4Q14 net profit\* was S/. 53.2 million, a decrease of S/. 16.3 million QoQ but an increase of S/. 79.0 million YoY. The YoY increase was mainly driven by higher total premiums earned less claims and benefits, as well as interest and similar income
- FY14 net profit\* was S/. 146.2 million, a decrease of S/. 135.3 million YoY
- Annuity sales increased 21.0% in 2014 supported by Interseguro's leadership position in a market that continues to expand
- 4Q14 annualized ROAE was 38.7% and FY14 ROAE was 28.7%

#### Inteligo:

- 4Q14 net profit was S/. 15.4 million in 4Q14, a decrease of 45.0% QoQ and a 6.9% decrease YoY. The QoQ decrease was mainly due to lower other income and higher other expenses.
- FY14 net profit was S/. 134.3 million in 2014, a 22.8% increase YoY, explained by strong performance in Fee Income and Other Income
- AuM + Deposits increased 15.8% YoY
- 4Q14 annualized ROAE was 13.2% and FY14 ROAE was 28.1%

## Intercorp Financial Services

### SUMMARY

#### 2014 Performance

Intercorp Financial Services' net profit was S/. 964.2 million in 2014, a 1.1% decrease compared to 2013. The decline in profits was driven by increases of 74.7% in adjustment of technical reserves, 12.8% in provision for loan losses and 5.3% in other expenses. Such negative impacts were partially offset by increases of 16.7% in net interest and similar income, 13.2% in fee income from financial services and 21.0% in net premiums.

Adjustment of technical reserves, related to Interseguro's business, increased in 2014 as they were unusually low in 2013 due to changes in the discount rate used in the calculation of technical reserves. Such impact represented a S/. 151.3 million increase in net profit during 2013, while in 2014, discount rate impacts accounted for a S/. 57.6 million increase in profits.

The increase in net interest and similar income was due to higher loan volume at Interbank, partially offset by an increase in interest paid on deposits and bonds, also at Interbank. IFS ROE was 24.6% in 2014, below the 26.8% reported in 2013 but higher than the 24.3% registered in 2012.

| Intercorp Financial Services' P&L Statement                            |                |                |                |               |               |
|--|----------------|----------------|----------------|---------------|---------------|
| S/. million  | 2012           | 2013           | 2014           | %chg<br>14/13 | %chg<br>13/12 |
| Interest and similar income  | 2,128.8        | 2,405.5        | 2,828.7        | 17.6%         | 13.0%         |
| Interest and similar expenses  | -566.8         | -657.8         | -788.9         | 19.9%         | 16.1%         |
| <b>Net interest and similar income</b>                                 | <b>1,562.0</b> | <b>1,747.7</b> | <b>2,039.8</b> | <b>16.7%</b>  | <b>11.9%</b>  |
| Provision for loan losses, net of recoveries                           | -400.8         | -377.2         | -425.5         | 12.8%         | -5.9%         |
| <b>Net interest and similar income after provision for loan losses</b> | <b>1,161.3</b> | <b>1,370.5</b> | <b>1,614.3</b> | <b>17.8%</b>  | <b>18.0%</b>  |
| Fee income from financial services, net                                | 671.5          | 622.0          | 704.1          | 13.2%         | -7.4%         |
| Other income   | 517.9          | 641.5          | 539.7          | -15.9%        | 23.9%         |
| Net Premiums   | 441.2          | 558.6          | 675.7          | 21.0%         | 26.6%         |
| Adjustment of technical reserves                                       | -354.3         | -294.8         | -515.1         | 74.7%         | -16.8%        |
| Net claims and benefits incurred                                       | -147.5         | -173.8         | -181.1         | 4.2%          | 17.9%         |
| Other expenses   | -1,318.3       | -1,471.1       | -1,549.6       | 5.3%          | 11.6%         |
| <b>Income before translation result and income tax</b>                 | <b>971.8</b>   | <b>1,252.8</b> | <b>1,288.0</b> | <b>2.8%</b>   | <b>28.9%</b>  |
| Translation result   | 6.5            | -12.5          | -25.0          | 100.5%        | n.m.          |
| Income tax   | -213.4         | -265.8         | -298.8         | 12.4%         | 24.6%         |
| <b>Profit for the period</b>   | <b>765.0</b>   | <b>974.6</b>   | <b>964.2</b>   | <b>-1.1%</b>  | <b>27.4%</b>  |
| <b>Profit excl. non-recurring factors</b>                              | <b>765.0</b>   | <b>899.0</b>   | <b>970.7</b>   | <b>8.0%</b>   | <b>17.5%</b>  |
| <b>Attributable to Equity holders of the Group <sup>(1)</sup></b>      | <b>760.9</b>   | <b>970.2</b>   | <b>947.6</b>   | <b>-2.3%</b>  | <b>27.5%</b>  |

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

## 4Q14 Performance

Net profit was S/. 272.9 million in 4Q14, a 0.8% decrease QoQ and a 96.8% increase YoY. IFS annualized ROAE was 26.2% in 4Q14, below the 28.3% reported in 3Q14 but above the 15.2% registered in 4Q13.

| Intercorp Financial Services' P&L statement                            |              |              |              |              |               |
|--|--------------|--------------|--------------|--------------|---------------|
| S/. million  | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY   |
| Interest and similar income  | 640.9        | 716.2        | 759.1        | 6.0%         | 18.4%         |
| Interest and similar expense   | -175.2       | -200.4       | -202.7       | 1.1%         | 15.7%         |
| <b>Net interest and similar income</b>                                 | <b>465.7</b> | <b>515.7</b> | <b>556.4</b> | <b>7.9%</b>  | <b>19.5%</b>  |
| Provision for loan losses, net of recoveries                           | -106.4       | -97.5        | -105.8       | 8.6%         | -0.5%         |
| <b>Net interest and similar income after provision for loan losses</b> | <b>359.4</b> | <b>418.3</b> | <b>450.5</b> | <b>7.7%</b>  | <b>25.4%</b>  |
| Fee income from financial services, net                                | 150.3        | 168.6        | 197.0        | 16.8%        | 31.1%         |
| Other income   | 158.1        | 116.9        | 140.7        | 20.4%        | -11.0%        |
| Total premiums earned less claims and benefits                         | -59.4        | 47.1         | 7.4          | -84.3%       | n.m.          |
| Net Premiums   | 150.8        | 168.1        | 165.3        | -1.7%        | 9.6%          |
| Adjustment of technical reserves                                       | -162.7       | -74.1        | -109.5       | 47.7%        | -32.7%        |
| Net claims and benefits incurred                                       | -47.5        | -46.8        | -48.3        | 3.3%         | 1.7%          |
| Other expenses   | -414.5       | -389.8       | -416.4       | 6.8%         | 0.5%          |
| <b>Income before translation result and income tax</b>                 | <b>193.9</b> | <b>361.1</b> | <b>379.3</b> | <b>5.0%</b>  | <b>95.6%</b>  |
| Translation result   | 5.0          | -16.1        | -9.7         | n.m.         | n.m.          |
| Income tax   | -60.2        | -70.0        | -96.7        | 38.2%        | 60.8%         |
| <b>Profit for the period</b>   | <b>138.7</b> | <b>275.0</b> | <b>272.9</b> | <b>-0.8%</b> | <b>96.8%</b>  |
| <b>Profit excl. non-recurring factors</b>                              | <b>119.6</b> | <b>275.0</b> | <b>279.4</b> | <b>1.6%</b>  | <b>133.6%</b> |
| <b>Attributable to equity holders of the group <sup>(1)</sup></b>      | <b>137.6</b> | <b>273.8</b> | <b>259.7</b> | <b>-5.1%</b> | <b>88.7%</b>  |
| <b>EPS</b>   | <b>1.25</b>  | <b>2.50</b>  | <b>2.37</b>  |              |               |
| <b>ROAE</b>  | <b>15.2%</b> | <b>28.3%</b> | <b>26.2%</b> |              |               |

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

| Intercorp Financial Services' Statement of financial position |                 |                 |                 |             |              |
|---|-----------------|-----------------|-----------------|-------------|--------------|
| S/. million   | 4Q13            | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY  |
| <b>Assets</b>   |                 |                 |                 |             |              |
| Cash and due from banks and inter-bank funds                  | 7,606.0         | 6,150.7         | 6,668.5         | 8.4%        | -12.3%       |
| Trading securities and investments available for sale         | 5,677.7         | 7,537.4         | 8,409.0         | 11.6%       | 48.1%        |
| Loans, net of unearned income                                 | 21,161.5        | 23,127.4        | 23,436.9        | 1.3%        | 10.8%        |
| Allowance for loan losses                                     | -694.4          | -791.0          | -819.7          | 3.6%        | 18.0%        |
| Property, furniture and equipment, net                        | 574.2           | 571.6           | 577.2           | 1.0%        | 0.5%         |
| Other assets  | 1,854.1         | 1,967.6         | 2,104.4         | 7.0%        | 13.5%        |
| <b>Total assets</b>   | <b>36,179.2</b> | <b>38,563.7</b> | <b>40,376.3</b> | <b>4.7%</b> | <b>11.6%</b> |
| <b>Liabilities and equity</b>                                 |                 |                 |                 |             |              |
| Deposits and obligations                                      | 22,067.5        | 22,419.4        | 23,381.4        | 4.3%        | 6.0%         |
| Due to banks and correspondents                               | 2,862.1         | 2,951.4         | 3,140.9         | 6.4%        | 9.7%         |
| Bonds, notes and other obligations                            | 3,425.0         | 4,469.3         | 4,565.3         | 2.1%        | 33.3%        |
| Insurance contract liabilities                                | 3,137.2         | 3,581.5         | 3,743.0         | 4.5%        | 19.3%        |
| Other liabilities   | 975.0           | 1,114.2         | 1,241.7         | 11.4%       | 27.4%        |
| <b>Total liabilities</b>                                      | <b>32,466.7</b> | <b>34,535.9</b> | <b>36,072.4</b> | <b>4.4%</b> | <b>11.1%</b> |
| <b>Equity</b>   |                 |                 |                 |             |              |
| Equity holders of IFS   | 3,692.2         | 3,920.8         | 4,189.5         | 6.9%        | 13.5%        |
| Non-controlling interest                                      | 20.2            | 107.0           | 114.5           | 7.0%        | 466.0%       |
| <b>Total equity</b>   | <b>3,712.4</b>  | <b>4,027.8</b>  | <b>4,304.0</b>  | <b>6.9%</b> | <b>15.9%</b> |
| <b>Total liabilities and equity</b>                           | <b>36,179.2</b> | <b>38,563.7</b> | <b>40,376.3</b> | <b>4.7%</b> | <b>11.6%</b> |

### Quarter-on-quarter performance

Profits decreased 0.8% QoQ mainly due to increases of 47.7% in adjustment of technical reserves, 6.8% in other expenses and 8.6% in provision expenses for loan losses, partially offset by increases of 7.9% in net interest and similar income and 16.8% in fee income from financial services.

Interest and similar income increased 6.0% driven by a 4.8% increase in interest on loans at Interbank, while interest and similar expense increased 1.1% QoQ.

Provision expenses increased 8.6% mainly as a result of higher provisioning in the commercial portfolio, which was affected by the deterioration of loans related to a specific client in 4Q14. However, such increase was partly offset by lower provision requirements in the retail portfolio, as a result of improvements in asset quality in consumer and mortgage loans.

Fee income from financial services increased 16.8% QoQ mainly explained by a 17.7% increase in fee income at Interbank, related to higher credit card services, maintenance and mailing of account fees and higher commissions from banking services.

Interseguro's total premiums earned less claims and benefits declined QoQ, driven by slightly lower annuity sales and a 47.7% increase in adjustment of technical reserves, which was a result of a lower release of technical reserves in 4Q14 than in 3Q14.

Other income grew 20.4% QoQ due to an increase of 106.8% in such accounts at Interseguro, which was partially offset by decreases of 96.2% and 2.9% at Inteligo and

Interbank, respectively. The increase in Interseguro's other income was related to a significant real estate appreciation recognized in 4Q14 driven by both changes in macroeconomic conditions and developments in previously underdeveloped areas.

Other expenses increased 6.8% mainly explained by increases in such accounts of 2.1% at Interbank and 66.9% at Inteligo. The increase in expenses at Interbank was mainly due to increases in salaries and employee benefits, while the increase at Inteligo was related to an impairment loss on available for sale investments in 4Q14.

IFS effective tax rate increased QoQ, from 20.3% in 3Q14 to 26.2% in 4Q14, as a result of a non-recurrent negative adjustment of S/. 6.4 million in net tax provisions resulting from lower expected future tax credits due to the new Peruvian tax regulation introduced by the government on December 2014.

### Year-on-year performance

Profits increased by S/. 134.2 million or 96.8% YoY, mainly due to increases of S/. 90.7 million in net interest and similar income, S/. 46.7 million in fee income from financial services and S/. 66.8 million in total premiums earned less claims and benefits. Such growths were partially offset by a decrease of S/. 17.4 million in other income and a S/. 1.9 million increase in other expenses.

Interest and similar income rose 18.4% mainly explained by a 12.5% increase in the average loan volume and a higher average yield for loans at Interbank.

Interest and similar expenses increased 15.7% YoY due to higher interest on bonds and deposits at Interbank. The growth in interest on bonds was attributed to two subordinated bond issuances in the last 12 months. The rise in interest on deposits was also explained by a higher average volume.

Provisions for loan losses, net of recoveries decreased 0.5% due to lower provision requirements for retail loans at Interbank, driven by an improvement in asset quality in credit cards and other consumer loans.

Fee income from financial services increased 31.1% YoY as a result of increases of 36.2% at Inteligo and 27.8% at Interbank. The increase in fee income from Inteligo was mainly explained by higher funds management fees, in line with AuM expansion, while the increase at Interbank was driven by higher fees related to credit cards and higher insurance premiums sold.

Interseguro's total premiums earned less claims and benefits reverted from a negative result of S/. 59.4 million in 4Q13 to a positive result of S/. 7.4 million in 4Q14. Such increase was a result of a 32.7% decline in adjustment of technical reserves and a 9.6% increase in net premiums which was attributed to higher sales of annuities.

Other income decreased by S/. 17.4 million, or 11.0% YoY, mainly due to a non-recurring income in 4Q13 related to the sale of equity investments by IFS to third parties, which accounted for S/. 19.1 million. Such decrease was partially offset by a S/. 3.3 million increase in other income at Interseguro as a result of larger real estate appreciation recognized in 4Q14.

Other expenses grew by S/. 1.9 million or 0.5% YoY mainly due to increases in such accounts of S/. 8.1 million at Interbank and S/. 10.6 million at Inteligo, which were

partially offset by a S/. 12.2 million decline at Interseguro. The higher expense at Interbank was related to increases in salaries and employee benefits, while the increase in other expenses at Inteligo was related to an impairment loss on available for sale investments registered in 4Q14. The lower expenses at Interseguro were attributed to a reduction in back-office personnel expenses and a lower impairment loss on available for sale investments.

IFS effective tax rate decreased from 30.3% in 4Q13 to 26.2% in 4Q14 as a result of a higher profit contribution from Interseguro, whose investment income is tax-exempt.

### 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                                     | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY  |
| Interbank                                       | 150.6        | 187.3        | 207.2        | 10.6%        | 37.5%        |
| Interseguro                                     | -25.8        | 69.4         | 64.8         | -6.6%        | -351.0%      |
| Inteligo  | 16.6         | 28.1         | 15.4         | -45.0%       | -6.9%        |
| Corporate and eliminations                      | -2.7         | -9.7         | -14.5        | 48.6%        | 432.6%       |
| <b>IFS profit for the period</b>                | <b>138.7</b> | <b>275.0</b> | <b>272.9</b> | <b>-0.8%</b> | <b>96.8%</b> |

## Interbank

### SUMMARY

#### 2014 Performance

Interbank's net profit reached S/. 729.5 million in 2014, an 18.6% increase compared to the previous year. The main factors that contributed to this result were increases of 17.6% in net interest and similar income and 12.3% in fee income from financial services, partially offset by growths of 12.8% and 5.7% in provisions for loan losses and other expenses, respectively, and a 19.9% reduction in other income. Interest and similar income grew 18.1% mainly driven by a 20.2% increase in interest on loans, which was partially offset by a 19.3% growth in interest and similar expenses, mainly related to higher average volumes across the main sources of funding, primarily bonds.

Interbank's ROAE was 24.8% in 2014, above the 23.7% reported in 2013.

| Banking Segment's P&L Statement  |                |                |                |               |               |
|--|----------------|----------------|----------------|---------------|---------------|
| S/. million  | 2012           | 2013           | 2014           | %chg<br>14/13 | %chg<br>13/12 |
| Interest and similar income  | 1,931.0        | 2,146.4        | 2,534.9        | 18.1%         | 11.2%         |
| Interest and similar expenses  | -532.9         | -614.0         | -732.5         | 19.3%         | 15.2%         |
| <b>Net interest and similar income</b>                                 | <b>1,398.1</b> | <b>1,532.4</b> | <b>1,802.3</b> | <b>17.6%</b>  | <b>9.6%</b>   |
| Provision for loan losses, net of recoveries                           | -400.8         | -377.2         | -425.5         | 12.8%         | -5.9%         |
| <b>Net interest and similar income after provision for loan losses</b> | <b>997.3</b>   | <b>1,155.1</b> | <b>1,376.8</b> | <b>19.2%</b>  | <b>15.8%</b>  |
| Fee income from financial services, net                                | 625.8          | 574.7          | 645.1          | 12.3%         | -8.2%         |
| Other income   | 260.0          | 379.2          | 303.7          | -19.9%        | 45.8%         |
| Other expenses   | -1,126.4       | -1,225.9       | -1,295.5       | 5.7%          | 8.8%          |
| <b>Income before translation result and income tax</b>                 | <b>756.8</b>   | <b>883.1</b>   | <b>1,030.1</b> | <b>16.6%</b>  | <b>16.7%</b>  |
| Translation result   | 9.6            | -21.1          | -23.6          | 11.9%         | n.m.          |
| Income tax   | -197.9         | -247.0         | -277.0         | 12.2%         | 24.8%         |
| <b>Profit for the period</b>   | <b>568.4</b>   | <b>615.0</b>   | <b>729.5</b>   | <b>18.6%</b>  | <b>8.2%</b>   |
| <b>Profit excl. non-recurring factors</b>                              | <b>568.4</b>   | <b>558.4</b>   | <b>736.0</b>   | <b>31.8%</b>  | <b>-1.8%</b>  |
| <b>ROAE</b>  | <b>25.1%</b>   | <b>23.7%</b>   | <b>24.8%</b>   |               |               |
| <b>Efficiency</b>  | <b>47.6%</b>   | <b>47.8%</b>   | <b>45.6%</b>   |               |               |
| <b>NIM</b>   | <b>6.85%</b>   | <b>6.19%</b>   | <b>6.27%</b>   |               |               |

Interest and similar income increased 18.1% driven by a 20.2% growth in interest on loans. The increase in interest on loans was attributed to a 19.6% growth in the average volume, while the average yield remained relatively stable. The higher average volume was due to increases of 21.0% in commercial loans and 18.3% in retail loans. In retail loans, the average yield increased by 70 basis points as a consequence of higher rates on credit cards, partially offset by a decline in the average rate of payroll-deduction loans. In the commercial loan portfolio, the average yield decreased by 30 basis points, due to competitive pressures in said segment throughout 2014.

Interest and similar expenses increased 19.3% with respect to the previous year. This was explained by growths of 34.4% in interest on bonds and 20.1% in interest on deposits, partially offset by a 1.7% decline in interest on due to banks. Interest on

bonds increased mainly due to a 32.6% growth in the average volume and a higher average cost. The higher volume was explained by two additional subordinated bond issuances, the first for US\$50.0 million in December 2013 and the second for US\$300.0 million in March 2014. The higher average cost was related to the contribution of these two issuances to the interest and similar expense of 2014.

The growth in interest on deposits was due to a 15.3% increase in the average volume and a higher average cost. The higher volume was attributed to growths of 26.0% in commercial deposits, 19.2% in retail deposits and 6.7% in institutional deposits. The higher average cost was due to an increase in the average cost of institutional deposits while the cost of retail and commercial deposits remained stable.

Interest on due to banks decreased as a result of a 9.3% decline in the average volume, partially offset by a 40 basis point increase in the average cost. The lower average volume was attributed to a 29.1% decline in foreign funding, partially offset by a 35.2% increase in local funding from COFIDE. The decline in foreign funding was mainly explained by a lower requirement of US dollars as a result of the subordinated bond issued in 1Q14. The increase in local funding was associated with a higher demand for short term funds in local currency and a 7.5% growth in the average volume of mortgage loans granted under government-sponsored housing programs.

Provision for loan losses, net of recoveries increased 12.8% in 2014 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, and the deterioration of certain commercial loans related to a specific client in 4Q14.

The 12.3% increase in fee income from financial services, net was attributable to increases of S/. 40.9 million in maintenance and mailing of accounts, transfers and credit and debit card service fees, and S/. 29.4 million in commissions from banking services. The increase in credit card fees was related to higher merchant fee income and cash advance fees, while the higher commissions from banking services was mainly explained by higher insurance premiums related to loans sold.

Other income declined 19.9% mainly as a result of non-recurring income from the sale of investments registered in the first half of 2013 and lower income from participation in subsidiaries during 2014.

The efficiency ratio improved from 47.8% in 2013 to 45.6% in 2014, as the result of a 17.6% increase in net interest and similar income and a controlled increase in expenses.

Income before translation result and income tax grew 16.6% in 2014. Also supported by a reduction in the effective tax rate, from 28.7% in 2013 to 27.5% in 2014, profit for the period increased 18.6% compared to 2013.

#### 4Q14 Performance

Interbank's profits reached S/. 207.2 million in 4Q14, a S/. 19.9 million increase QoQ and a S/. 56.6 million increase YoY. The quarterly increase was mainly due to a S/. 29.1 million increase in net interest and similar income and a S/. 27.1 million increase in fee income from financial services, factors which were partially offset by a S/. 8.3 million growth in provisions.



The annual growth in net profit was due to a S/. 73.3 million increase in net interest and similar income and a S/. 39.4 million increase in fee income from financial services, which were partially offset by an S/. 8.1 million increase in other expenses.

Interbank's ROAE was 26.2% in 4Q14, higher than the 25.2% reported in 3Q14 and the 22.1% registered in 4Q13.

| Banking Segment's P&L Statement  |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
| S/. million  | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY  |
| Interest and similar income  | 573.4        | 642.7        | 671.8        | 4.5%         | 17.2%        |
| Interest and similar expenses  | -162.3       | -187.4       | -187.5       | 0.1%         | 15.5%        |
| <b>Net interest and similar income</b>                                 | <b>411.1</b> | <b>455.3</b> | <b>484.4</b> | <b>6.4%</b>  | <b>17.8%</b> |
| Provision for loan losses, net of recoveries                           | -106.4       | -97.5        | -105.8       | 8.6%         | -0.5%        |
| <b>Net interest and similar income after provision for loan losses</b> | <b>304.7</b> | <b>357.9</b> | <b>378.5</b> | <b>5.8%</b>  | <b>24.2%</b> |
| Fee income from financial services, net                                | 141.6        | 153.9        | 181.0        | 17.7%        | 27.8%        |
| Other income   | 83.2         | 84.4         | 82.0         | -2.9%        | -1.5%        |
| Other expenses   | -328.8       | -330.1       | -336.9       | 2.1%         | 2.5%         |
| <b>Income before translation result and income tax</b>                 | <b>200.8</b> | <b>266.1</b> | <b>304.6</b> | <b>14.5%</b> | <b>51.7%</b> |
| Translation result   | 4.7          | -12.8        | -9.6         | -24.8%       | n.m.         |
| Income tax   | -54.8        | -66.1        | -87.8        | 32.9%        | 60.2%        |
| <b>Profit for the period</b>   | <b>150.6</b> | <b>187.3</b> | <b>207.2</b> | <b>10.6%</b> | <b>37.5%</b> |
| <b>Profit excl. non-recurring factors</b>                              | <b>150.6</b> | <b>187.3</b> | <b>213.6</b> | <b>14.1%</b> | <b>41.8%</b> |
| <b>ROAE</b>  | <b>22.1%</b> | <b>25.2%</b> | <b>26.2%</b> |              |              |
| <b>Efficiency ratio</b>  | <b>50.7%</b> | <b>46.6%</b> | <b>43.7%</b> |              |              |
| <b>NIM</b>   | <b>6.11%</b> | <b>6.36%</b> | <b>6.61%</b> |              |              |

## INTEREST-EARNING ASSETS

Interbank's interest-earning assets reached S/. 29,716.2 million in 4Q14, an increase of 2.8% QoQ and 8.6% YoY.

The quarterly increase was due to increases of 12.3% in investments available for sale, 5.8% in cash and due from banks and 0.9% in loans. The growth in investments was mainly due to increases in the volume of sovereign fixed income instruments and Central Bank Certificates of Deposit (CDBCR), whereas the increase in cash and due from banks was mainly a result of higher inter-bank funds. The growth in loans was mainly explained by increases in credit cards and other retail loans.

The annual growth in interest-earning assets was attributed to increases of 81.1% in investments available for sale and 9.8% in loans, partially offset by a 22.5% decline in cash and due from banks. The increase in investments was mainly due to higher volumes of CDBCR and fixed income investments, while growth in loans was mostly focused in consumer and mortgage loans. The decline in cash and due from banks was attributed to lower reserve requirements in local currency by the Central Bank.

| Interest-earning assets                      |                 |                 |                 |             |             |
|--|-----------------|-----------------|-----------------|-------------|-------------|
| S/. million                                  | 4Q13            | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY |
| Cash and due from banks and inter-bank funds | 5,356.7         | 3,922.3         | 4,150.7         | 5.8%        | -22.5%      |
| Investments available for sale               | 1,965.6         | 3,171.3         | 3,560.4         | 12.3%       | 81.1%       |
| Loans  | 20,034.3        | 21,816.1        | 22,005.2        | 0.9%        | 9.8%        |
| <b>Total Interest-earning assets</b>         | <b>27,356.6</b> | <b>28,909.7</b> | <b>29,716.2</b> | <b>2.8%</b> | <b>8.6%</b> |

| Loan portfolio                           |                 |                 |                 |             |             |
|--|-----------------|-----------------|-----------------|-------------|-------------|
| S/. million                              | 4Q13            | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY |
| <b>Performing loans</b>                  |                 |                 |                 |             |             |
| Retail                                   | 9,354.3         | 10,448.3        | 10,832.5        | 3.7%        | 15.8%       |
| Commercial                               | 10,016.0        | 10,585.3        | 10,277.2        | -2.9%       | 2.6%        |
| <b>Total Performing loans</b>            | <b>19,370.3</b> | <b>21,033.6</b> | <b>21,109.7</b> | <b>0.4%</b> | <b>9.0%</b> |
| <b>Restructured and refinanced loans</b> |                 |                 |                 |             |             |
| Past due loans                           | 123.9           | 138.3           | 140.7           | 1.7%        | 13.6%       |
|  | 346.6           | 430.0           | 540.7           | 25.7%       | 56.0%       |
| <b>Total gross loans</b>                 | <b>19,840.8</b> | <b>21,601.9</b> | <b>21,791.0</b> | <b>0.9%</b> | <b>9.8%</b> |
| <b>Add (less)</b>                        |                 |                 |                 |             |             |
| Accrued and deferred interest            | 193.5           | 214.2           | 214.2           | 0.0%        | 10.7%       |
| Allowance for loan losses                | -693.0          | -789.6          | -818.2          | 3.6%        | 18.1%       |
| <b>Total direct loans, net</b>           | <b>19,341.3</b> | <b>21,026.6</b> | <b>21,186.9</b> | <b>0.8%</b> | <b>9.5%</b> |

Performing loans grew 0.4% QoQ as a result of a 3.7% increase in retail loans, which was partially offset by a 2.9% reduction in commercial loans. Retail loans increased due to growths of 4.7% in credit cards, 3.9% in other consumer loans and 2.7% in mortgage loans. In credit cards, 4Q14 was the seventh consecutive quarter of solid growth, notwithstanding the past-due-loan ratio in such product remained stable at 3.6% in 4Q14 and 3Q14, and reduced from the 3.8% registered in 4Q13. Commercial loans slightly declined in volume, mainly driven by a decrease in medium-term loans and trade finance loans within the corporate business.

Performing loans grew 9.0% YoY due to increases of 15.8% in retail loans and 2.6% in commercial loans. Retail loans grew driven by growths of 25.2% in credit cards, 14.6% in other consumer loans and 10.3% in mortgage loans. Commercial loans grew mainly due to increases in medium-term loans within the corporate and middle market businesses as well as trade finance loans.

| Breakdown of retail loans   |                |                 |                 |             |              |
|-----------------------------|----------------|-----------------|-----------------|-------------|--------------|
| S/. million                 | 4Q13           | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY  |
| <b>Consumer loans:</b>      |                |                 |                 |             |              |
| Credit cards                | 2,542.7        | 3,040.9         | 3,183.4         | 4.7%        | 25.2%        |
| Other consumer              | 3,125.0        | 3,447.7         | 3,581.4         | 3.9%        | 14.6%        |
| <b>Total consumer loans</b> | <b>5,667.6</b> | <b>6,488.6</b>  | <b>6,764.8</b>  | <b>4.3%</b> | <b>19.4%</b> |
| Mortgages                   | 3,686.7        | 3,959.8         | 4,067.6         | 2.7%        | 10.3%        |
| <b>Total retail loans</b>   | <b>9,354.3</b> | <b>10,448.3</b> | <b>10,832.5</b> | <b>3.7%</b> | <b>15.8%</b> |

## FUNDING STRUCTURE

| Funding structure                 |                 |                 |                 |             |             |
|-----------------------------------|-----------------|-----------------|-----------------|-------------|-------------|
| S/. million                       | 4Q13            | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY |
| Deposits                          | 20,239.4        | 20,302.4        | 21,124.1        | 4.0%        | 4.4%        |
| Due to banks and inter-bank funds | 2,981.3         | 3,060.6         | 3,219.1         | 5.2%        | 8.0%        |
| Bonds                             | 3,068.7         | 4,116.6         | 4,197.2         | 2.0%        | 36.8%       |
| <b>Total</b>                      | <b>26,289.4</b> | <b>27,479.6</b> | <b>28,540.4</b> | <b>3.9%</b> | <b>8.6%</b> |
|                                   |                 |                 |                 |             |             |
| % of funding                      |                 |                 |                 |             |             |
| Deposits                          | 77.0%           | 73.9%           | 74.0%           |             |             |
| Due to banks and inter-bank funds | 11.3%           | 11.1%           | 11.3%           |             |             |
| Bonds                             | 11.7%           | 15.0%           | 14.7%           |             |             |

Interbank's funding base grew 3.9% QoQ, above the growth in interest-earning assets. This was mainly due to increases of 4.0% in deposits and 5.2% in due to banks and inter-bank funds. The increase in deposits was explained by increases of 6.8% in retail deposits and 6.5% in commercial deposits, partially offset by a reduction of 2.1% in institutional deposits. The increase in due to banks and inter-bank funds was driven by higher short-term local funding from COFIDE.

The bank's total funding base increased 8.6% YoY, in line with the performance of interest-earning assets. The increase was due to growths of 36.8% in bonds, 4.4% in deposits and 8.0% in due to banks and inter-bank funds.

The YoY growth in bonds was mainly explained by the issuance of subordinated bonds for US\$300.0 million in March 2014, placed in the international market. Moreover, the 6.8% depreciation of the exchange rate originated an increase in the value of bonds issued in dollars.

The YoY growth in deposits was attributed to increases of 14.5% in retail deposits and 3.5% in institutional deposits, partly offset by a decrease of 8.0% in commercial deposits. As a result, the proportion of retail deposits to total deposits increased from 38.8% in 4Q13 to 42.6% in 4Q14.

Due to banks and inter-bank funds growth was explained by an increase of 20.3% in long term loans with COFIDE, partially offset by reductions of 17.6% in long term loans with foreign correspondent banks and 47.1% in the utilization of short term credit lines with foreign correspondent banks.

| Breakdown of deposits |                 |                 |                 |             |             |
|-----------------------|-----------------|-----------------|-----------------|-------------|-------------|
| S/. million           | 4Q13            | 3Q14            | 4Q14            | %chg<br>QoQ | %chg<br>YoY |
| By customer service:  |                 |                 |                 |             |             |
| Retail                | 7,860.6         | 8,427.5         | 9,001.1         | 6.8%        | 14.5%       |
| Commercial            | 7,178.1         | 6,198.9         | 6,604.1         | 6.5%        | -8.0%       |
| Institutional         | 4,986.2         | 5,274.4         | 5,161.1         | -2.1%       | 3.5%        |
| Other                 | 214.5           | 401.6           | 357.8           | -10.9%      | 66.8%       |
| <b>Total</b>          | <b>20,239.4</b> | <b>20,302.4</b> | <b>21,124.1</b> | <b>4.0%</b> | <b>4.4%</b> |
| By type:              |                 |                 |                 |             |             |
| Demand                | 6,393.4         | 5,524.2         | 5,440.0         | -1.5%       | -14.9%      |
| Savings               | 5,371.0         | 5,921.4         | 6,828.1         | 15.3%       | 27.1%       |
| Time                  | 8,468.9         | 8,843.8         | 8,850.1         | 0.1%        | 4.5%        |
| Other                 | 5.9             | 12.9            | 5.9             | -54.4%      | -0.7%       |
| <b>Total</b>          | <b>20,239.2</b> | <b>20,302.4</b> | <b>21,124.1</b> | <b>4.0%</b> | <b>4.4%</b> |

## NET INTEREST AND SIMILAR INCOME

| Net interest and similar income        |              |              |              |               |               |
|--|--------------|--------------|--------------|---------------|---------------|
| S/. million                            | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ   | %chg<br>YoY   |
| Interest and similar income            | 573.4        | 642.7        | 671.8        | 4.5%          | 17.2%         |
| Interest and similar expense           | -162.3       | -187.4       | -187.5       | 0.1%          | 15.5%         |
| <b>Net interest and similar income</b> | <b>411.1</b> | <b>455.3</b> | <b>484.4</b> | <b>6.4%</b>   | <b>17.8%</b>  |
| <b>NIM</b>                             | <b>6.1%</b>  | <b>6.4%</b>  | <b>6.6%</b>  | <b>20 bps</b> | <b>50 bps</b> |

| Interest and similar income              |              |              |              |             |              |
|--|--------------|--------------|--------------|-------------|--------------|
| S/. million                              | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ | %chg<br>YoY  |
| <b>Interest and similar income</b>       |              |              |              |             |              |
| Due from banks and inter-bank funds      | 5.0          | 2.4          | 1.9          | -21.9%      | -62.1%       |
| Investments available for sale           | 15.3         | 19.2         | 19.3         | 0.4%        | 26.4%        |
| Loans                                    | 553.1        | 621.0        | 650.6        | 4.8%        | 17.6%        |
| <b>Total Interest and similar income</b> | <b>573.4</b> | <b>642.7</b> | <b>671.8</b> | <b>4.5%</b> | <b>17.2%</b> |
| Average interest-earning assets          | 26,912.4     | 28,630.0     | 29,313.0     | 2.4%        | 8.9%         |
| Average yield on assets (annualized)     | 8.5%         | 9.0%         | 9.2%         | 20 bps      | 70 bps       |

| Interest and similar expense              |               |               |               |             |              |
|---|---------------|---------------|---------------|-------------|--------------|
| S/. million                               | 4Q13          | 3Q14          | 4Q14          | %chg<br>QoQ | %chg<br>YoY  |
| <b>Interest and similar expense</b>       |               |               |               |             |              |
| Deposits and obligations                  | -75.3         | -83.0         | -80.6         | -2.9%       | 7.0%         |
| Due to banks and correspondents           | -38.8         | -36.8         | -37.3         | 1.4%        | -3.9%        |
| Bonds, notes and other obligations        | -48.2         | -67.6         | -69.6         | 2.9%        | 44.3%        |
| <b>Total Interest and similar expense</b> | <b>-162.3</b> | <b>-187.4</b> | <b>-187.5</b> | <b>0.1%</b> | <b>15.5%</b> |
| Average interest-bearing liabilities      | 21,779.4      | 22,835.9      | 23,934.2      | 4.8%        | 9.9%         |
| Average cost of funding (annualized)      | -3.0%         | -3.3%         | -3.1%         | 20 bps      | -10 bps      |

## QoQ Performance

Net interest and similar income increased 6.4% QoQ as the result of a 4.5% growth in interest and similar income, which was partially offset by a 0.1% increase in interest and similar expense.

The rise in interest and similar income was mainly due to increases of 4.8% in interest on loans and 0.4% in income from investments available for sale.

The growth in interest on loans was due to increases of 1.1% in the average volume of the loan portfolio and 40 basis points in the average yield, from 11.5% in 3Q14 to 11.9% in 4Q14. The higher average volume was attributed to an increase of 3.9% in retail loans, partially offset by a 2.2% decrease in commercial loans. In the retail portfolio, higher volume was due to growths of 5.9% in credit cards, 3.6% in other consumer loans and 2.7% in mortgages. In the commercial portfolio, volumes declined 17.6% in trade finance loans and 3.4% in leasing, partially offset by a 3.3% increase in medium-term loans. The higher average yield was explained by increases of 30 basis points in the retail portfolio and 40 basis points in the commercial portfolio. The yield increase on retail loans was mainly due to higher rates on credit cards and a higher proportion of these within said portfolio. In the commercial portfolio, the higher average yield on commercial loans was mainly due to increases in rates on leasing and medium-term loans.

Interest on investments available for sale increased by \$/. 0.1 million, or 0.4%, as a result of a higher average volume which was partly offset by a lower average rate on the investment portfolio. The higher average volume accounted for a \$/. 3.1 million increase in interest income and was a result of higher investments in global bonds and CDBCR holdings. The decline in the nominal average rate, from 2.7% in 3Q14 to 2.3% in 4Q14, accounted for a \$/. 3.0 million decrease in interest income and was attributable to a decline in U.S. dollars rates and a higher dollar denominated component within our investment portfolio.

The nominal average rate on interest-earning assets increased by 20 basis points QoQ, from 9.0% in 3Q14 to 9.2% in 4Q14, mainly due to a higher yield on the loan portfolio.

Interest and similar expense rose 0.1% QoQ due to increases of 2.9% in interest on bonds, notes and other obligations and 1.4% in interest due to banks and correspondents. Such increases were partially offset by a 2.9% decrease in interest on deposits and obligations.

Interest on bonds, notes and other obligations increased by \$/. 2.0 million in 4Q14 mainly as a result of a 2.9% growth in the average volume, while the nominal average cost remained stable. The higher average volume accounted for the total \$/. 2.0 million increase and was a result of a 3.3% depreciation of the nuevo sol against the U.S. dollar that resulted in a higher average volume of bonds denominated in dollars, which represent 89.8% of total bonds.

The increase in interest due to banks and correspondents was explained by a 5.8% increase in the average volume, partially offset by a 30 basis point reduction in the nominal average cost. The higher average volume was the result of an increase in

local funding from COFIDE, while the decrease in the nominal average cost was driven by a decrease in the average cost of foreign and local funding.

Interest on deposits and obligations decreased by S/. 2.4 million due to a decline in the nominal average cost, from 2.1% in 3Q14 to 1.9% in 4Q14, which was partially offset by a 5.1% increase in the average volume. The 20 basis point decline in the nominal average cost accounted for a S/. 6.3 million decrease in interest expense, while the higher average volume accounted for a S/. 3.9 million increase in interest expense and was mainly explained by growth in retail deposits.

The average cost of funds decreased from 3.3% in 3Q14 to 3.1% in 4Q14, mainly due to the lower average cost of deposits and due to banks.

### YoY Performance

Net interest and similar income grew 17.8% YoY due to increases of 17.2% in interest and similar income, partially offset by a 15.5% rise in interest and similar expense.

The growth in interest and similar income was due to increases of 17.6% in interest on loans and 26.4% in interest on investments available for sale, partially offset by a 62.1% reduction in interest due from banks and inter-bank funds.

The S/. 97.5 million growth in interest on loans was explained by increases of 12.5% in the average loan volume and 50 basis point in the average yield, from 11.4% in 4Q13 to 11.9% in 4Q14. Growth in average volume was due to increases of 16.5% in the retail portfolio and 7.7% in the commercial portfolio. The higher average volume of retail loans was due to growths of 27.7% in credit cards, 14.1% in other consumer and 10.9% in mortgage loans. In the commercial portfolio, volumes rose 12.1% in medium-term loans, 6.1% in trade finance loans and 2.0% in leasing. The higher average yield was explained by a 110 basis point increase in the average rate of the retail portfolio and a higher proportion of retail loans within the total loan portfolio, while the average rate of the commercial portfolio remained stable. The higher yield on the retail portfolio was mainly attributed to higher rates on credit cards.

Interest on investments available for sale increased by S/. 4.0 million YoY, or 26.4%, as a result of a higher average volume which was partially offset by a lower nominal average rate. The growth in volume accounted for S/. 7.6 million of the increase and was a result of higher investments in sovereign, global and corporate bonds. The lower average rate on the investment portfolio was due to lower returns in the CDBCR and global bonds portfolios.

The S/. 3.1 million decrease in interest on due from banks and inter-bank funds was explained by a 20 basis point decline in the nominal average rate, and a 25.2% decline in the average volume. The lower rate was mainly due to a reduced yield on overnight deposits in the Central Bank. The lower volume was mainly attributable to lower reserve requirements in local currency by the Central Bank.

The nominal average rate on interest-earning assets was 9.2% in 4Q14, a 70 basis point increase with respect to the 8.5% registered in 4Q13, mainly as a result of the higher yield in the loan portfolio and its higher proportion within total interest-earning assets.

Interest and similar expense increased 15.5% YoY due to growths of 44.3% in interest on bonds, notes and other obligations, and 7.0% in interest on deposits and obligations. Such increases were partly offset by a 3.9% decrease in interest on due to banks and correspondents.

Interest on bonds, notes and other obligations increased by S/. 21.4 million, or 44.3%, mainly as a result of a 37.0% increase in the average volume and a higher nominal average cost. The growth in average volume accounted for a S/. 18.8 million increase in interest expense and was explained by two subordinated bond issuances, the first for US\$50.0 million in December 2013 and the second for US\$300.0 million in March 2014. The increase in the nominal average cost, from 6.4% in 4Q13 to 6.7% in 4Q14, was also attributable to the subordinated bonds issuances.

Interest on deposits and obligations increased by S/. 5.3 million mainly attributable to a 6.4% increase in the average volume while the nominal average cost remained relatively stable. The higher average volume accounted for a S/. 4.8 million increase in interest expense and was a result of higher retail and institutional deposits.

The decline in interest on due to banks and correspondents was explained by a lower average cost, partly offset by a 1.2% growth in the average volume. The lower nominal average cost accounted for a S/. 1.9 million decrease in interest expense and was explained by a decline in the nominal average cost in local currency. The higher average volume accounted for a S/. 0.4 million increase in interest expense and was due to an increase in local funding from COFIDE, partially offset by a decrease in foreign funding.

The average cost of funds increased from 3.0% in 4Q13 to 3.1% in 4Q14, mainly as a result of two effects, the higher nominal average rate on bonds and the fact that they represented a larger portion of the total funding base.

#### Net Interest Margin

As a result of the above, net interest margin was 6.6% in 4Q14, 20 basis points higher than the 6.4% reported in 3Q14 and 50 basis points higher than the 6.1% registered in 4Q13.

#### **PROVISION FOR LOAN LOSSES, NET OF RECOVERIES**

Provision for loan losses, net of recoveries increased 8.6% QoQ and decreased 0.5% YoY. As a result, the annualized ratio of provision expense to average loans was 2.0% in 4Q14, above the 1.8% registered in 3Q14, but below the 2.2% reported in 4Q13.

The higher provision expense QoQ was a result of higher provisioning in the commercial loan portfolio, partially offset by improvements in asset quality in credit cards, which generated lower provision requirements for loan deterioration and internal alignment with other products.

The decrease in provision expenses YoY was mainly a result of lower provisioning in retail loans, driven by an improvement in asset quality in credit cards and other consumer loans.

| Provision for loan losses, net of recoveries  |        |        |        |             |             |
|---|--------|--------|--------|-------------|-------------|
| S/. million                                   | 4Q13   | 3Q14   | 4Q14   | %chg<br>QoQ | %chg<br>YoY |
| Provision for loan losses, net of recoveries  | -106.4 | -97.5  | -105.8 | 8.6%        | -0.5%       |
| Past-due-loan ratio (at end of period)        | 1.7%   | 2.0%   | 2.5%   | 50 bps      | 80 bps      |
| Provision for loan losses/average gross loans | 2.2%   | 1.8%   | 2.0%   | 20 bps      | -20 bps     |
| Coverage ratio (at end of period)             | 199.9% | 183.6% | 151.3% | n.m.        | n.m.        |
| Allowance for loan losses (at end of period)  | 693.0  | 789.6  | 818.2  | 3.6%        | 18.1%       |

The past-due-loan ratio was 2.5% in 4Q14, 50 basis points above the 2.0% reported in 3Q14 and 80 basis points above the 1.7% registered in 4Q13. The higher past-due-loan ratio QoQ was attributable to the deterioration of certain commercial loans related to a specific client in 4Q14. The PDL ratio increased YoY due to higher PDL ratios for commercial and mortgage loans, which were partially offset by lower PDL ratios for consumer loans. As a consequence, the coverage ratio of the past-due loan portfolio decreased from 199.9% in 4Q13 and 183.6% in 3Q14 to 151.3% in 4Q14.

### FEE INCOME FROM FINANCIAL SERVICES, NET

Fee income from financial services, net increased by S/. 27.1 million QoQ, or 17.7%, mainly explained by increases of S/. 15.8 million in maintenance and mailing of accounts, interchange fees, transfers and credit and debit card service fees, and S/. 10.2 million in commissions from banking services. The higher credit card fees was a result of an increased number of customers, while the increase in commissions from banking services was a result of higher transaction and savings account fees and higher insurance premiums sold for Interseguro.

The S/. 39.4 million, or 27.8%, increase YoY in fee income from financial services, net was mainly attributable to a S/. 17.7 million increase in fees from maintenance and mailing of accounts, interchange fees, transfers and debit card services, and S/. 15.4 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 due to a higher market share in credit cards, while the higher commissions from banking services was a result of higher insurance premiums sold.



| Fee income from financial services, net   |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
| S/. million   | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY  |
| <b>Income</b>   |              |              |              |              |              |
| Maintenance and mailing of accounts, interchange fees, transfers and credit and debit card services | 100.0        | 101.9        | 117.7        | 15.5%        | 17.6%        |
| Commissions from banking services   | 57.0         | 62.2         | 72.4         | 16.4%        | 26.9%        |
| Fees for indirect loans   | 11.5         | 14.3         | 14.9         | 4.2%         | 30.0%        |
| Collection services   | 4.9          | 5.9          | 6.1          | 3.1%         | 24.5%        |
| Funds management  | 7.1          | 7.0          | 6.9          | -1.6%        | -2.7%        |
| Other   | 6.8          | 5.7          | 9.7          | 71.4%        | 43.8%        |
| <b>Total income</b>   | <b>187.3</b> | <b>196.9</b> | <b>227.6</b> | <b>15.6%</b> | <b>21.6%</b> |
| <b>Expenses</b>   |              |              |              |              |              |
| Insurance   | -35.9        | -33.0        | -34.6        | 5.0%         | -3.5%        |
| Fees paid to foreign banks  | -1.5         | -1.8         | -1.9         | n.m.         | 21.5%        |
| Other   | -8.2         | -8.3         | -10.1        | 22.3%        | 23.1%        |
| <b>Total expenses</b>   | <b>-45.6</b> | <b>-43.0</b> | <b>-46.6</b> | <b>8.3%</b>  | <b>2.1%</b>  |
| <b>Fee income from financial services, net</b>  | <b>141.6</b> | <b>153.9</b> | <b>181.0</b> | <b>17.7%</b> | <b>27.8%</b> |

## OTHER INCOME

Other income decreased by S/. 2.4 million QoQ mainly due to decreases of S/. 6.1 million in net gain on sale securities and S/. 2.3 million in net gain on foreign exchange transactions, partially offset by a S/. 7.2 million gain in net trading income.

The YoY decrease of S/. 1.2 million in other income was a result of lower income from participation in subsidiaries and lower income from services to third parties, both accounted as other income. Such decreases were partially offset by higher net trading income, which was mainly driven by derivatives instruments that were positively affected by the appreciation of the U.S. dollar against the nuevo sol during 2014 compared to 2013.

| Other income                              |             |             |             |              |              |
|---|-------------|-------------|-------------|--------------|--------------|
| S/. million                               | 4Q13        | 3Q14        | 4Q14        | %chg<br>QoQ  | %chg<br>YoY  |
| Net gain on foreign exchange transactions | 58.0        | 59.3        | 57.0        | -3.8%        | -1.6%        |
| Net gain on sale of securities            | 0.7         | 6.9         | 0.8         | -88.2%       | 22.2%        |
| Net trading (loss) income                 | 2.9         | 1.3         | 8.5         | n.m.         | 194.4%       |
| Other                                     | 21.7        | 16.9        | 15.6        | -7.7%        | -28.0%       |
| <b>Total other income</b>                 | <b>83.2</b> | <b>84.4</b> | <b>82.0</b> | <b>-2.9%</b> | <b>-1.5%</b> |

## OTHER EXPENSES

Other expenses increased by S/. 6.8 million QoQ, or 2.1%, and by S/. 8.1 million YoY, or 2.5%. The quarterly growth was mainly due to increases of 4.9% in salaries and employee benefits, partially offset by reductions of 1.3% in administrative expenses and 3.6% in depreciation and amortization.

The annual growth in other expenses was a result of increases of 7.8% in salaries and employee benefits and 7.2% in depreciation and amortization, partially offset by a 4.5% reduction in administrative expenses. The increase in salaries and employee

benefits expenses was related to a higher average headcount in 4Q14 compared to 4Q13.

The efficiency ratio was 43.7% in 4Q14, below the 46.6% reported in 3Q14 and the 50.7% registered in 4Q13.

| Other expenses                 |               |               |               |                 |                 |
|--------------------------------|---------------|---------------|---------------|-----------------|-----------------|
| S/. million                    | 4Q13          | 3Q14          | 4Q14          | %chg<br>QoQ     | %chg<br>YoY     |
| Salaries and employee benefits | -129.9        | -133.6        | -140.1        | 4.9%            | 7.8%            |
| Administrative expenses        | -168.9        | -163.5        | -161.3        | -1.3%           | -4.5%           |
| Depreciation and amortization  | -23.5         | -26.1         | -25.2         | -3.6%           | 7.2%            |
| Other                          | -6.4          | -6.9          | -10.4         | n.m.            | 61.3%           |
| <b>Total other expenses</b>    | <b>-328.8</b> | <b>-330.1</b> | <b>-336.9</b> | <b>2.1%</b>     | <b>2.5%</b>     |
| <b>Efficiency ratio</b>        | <b>50.7%</b>  | <b>46.6%</b>  | <b>43.7%</b>  | <b>-290 bps</b> | <b>-700 bps</b> |

## REGULATORY CAPITAL

The ratio of regulatory capital to risk-weighted assets (RWA) was 15.2% in 4Q14, below the 15.8% reported in 3Q14, but above the 13.4% registered in 4Q13.

The annual increase in the capital ratio was due to a 30.9% growth in regulatory capital, partially offset by a 15.6% increase in RWA. The YoY increase in regulatory capital was mainly a result of the subordinated bond issuance for US\$300.0 million in March 2014.

As of 4Q14, Interbank's capital ratio of 15.2% was 340 basis points above its risk-adjusted minimum capital ratio, established at 11.8%. The minimum regulatory capital ratio requirement was 10.0%, while the additional capital requirement for Interbank was 1.8% as of 4Q14.

| Regulatory capital                           |              |              |              |                |                |
|--|--------------|--------------|--------------|----------------|----------------|
| S/. million                                  | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ    | %chg<br>YoY    |
| Tier I capital                               | 2,590.9      | 2,967.7      | 2,959.1      | -0.3%          | 14.2%          |
| Tier II capital                              | 981.2        | 1,722.8      | 1,717.7      | -0.3%          | 75.1%          |
| Total regulatory capital                     | 3,572.1      | 4,690.5      | 4,676.8      | -0.3%          | 30.9%          |
| Risk-weighted assets                         | 26,684.0     | 29,711.7     | 30,845.1     | 3.8%           | 15.6%          |
| <b>BIS ratio</b>                             | <b>13.4%</b> | <b>15.8%</b> | <b>15.2%</b> | <b>-60 bps</b> | <b>180 bps</b> |
| <b>Tier I capital / risk-weighted assets</b> | <b>9.7%</b>  | <b>10.0%</b> | <b>9.6%</b>  | <b>-40 bps</b> | <b>-10 bps</b> |

## Interseguro

### SUMMARY

#### 2014 Performance

Interseguro's profit attributable to shareholders in 2014 was S/. 146.2 million, a decrease of S/. 135.3 million compared to 2013. The ROAE for 2014 was 28.7%, below the 47.6% reported in 2013 and above the 27.1% ROAE registered in 2012.

The yearly decline in profits was mainly due to a decrease of S/. 110.4 million in total premiums earned less claims and benefits due to an unusually low adjustment of technical reserves in 2013, partially offset by an increase of S/. 32.6 million in interest and similar income, driven by growth of Interseguro's investment portfolio, and a S/. 19.0 million increase in net trading income within other income.

| Insurance Segment's P&L Statement                       |              |              |              |               |               |
|---|--------------|--------------|--------------|---------------|---------------|
| S/. million   | 2012         | 2013         | 2014         | %chg<br>14/13 | %chg<br>13/12 |
| Interest and similar income                             | 134.4        | 169.7        | 202.3        | 19.2%         | 26.3%         |
| Interest and similar expenses                           | -1.2         | -1.3         | -7.8         | n.m           | 8.6%          |
| <b>Net Interest and similar income</b>                  | <b>133.2</b> | <b>168.4</b> | <b>194.5</b> | <b>15.5%</b>  | <b>26.4%</b>  |
| Fee income from financial services, net                 | -1.0         | -1.7         | -2.3         | 38.0%         | 68.6%         |
| Other income  | 184.2        | 196.7        | 179.4        | -8.8%         | 6.8%          |
| Total premiums earned less claims and benefits          | -60.5        | 89.9         | -20.5        | n.m           | n.m           |
| Net premiums  | 442.0        | 558.6        | 675.7        | 21.0%         | 26.4%         |
| Adjustment of technical reserves                        | -355.0       | -294.8       | -515.1       | 74.7%         | -17.0%        |
| Net claims and benefits incurred                        | -147.5       | -173.8       | -181.1       | 4.2%          | 17.9%         |
| Other expenses  | -104.3       | -166.4       | -184.4       | 10.8%         | 59.6%         |
| <b>Income before translation result and income tax</b>  | <b>151.6</b> | <b>287.0</b> | <b>166.7</b> | <b>-41.9%</b> | <b>89.3%</b>  |
| Translation result                                      | -1.3         | -5.3         | -8.8         | 67.5%         | n.m           |
| Income tax  | -0.3         | -0.1         | -0.1         | -61.8%        | -54.8%        |
| <b>Profit for the period</b>                            | <b>150.0</b> | <b>281.6</b> | <b>157.8</b> | <b>-44.0%</b> | <b>87.7%</b>  |
| Attributable to non-controlling interest <sup>(1)</sup> | -0.1         | -0.1         | -11.6        | n.m           | 8.8%          |
| <b>Profit attributable to shareholders</b>              | <b>149.9</b> | <b>281.5</b> | <b>146.2</b> | <b>-48.0%</b> | <b>87.8%</b>  |
| Discount rate impacts on technical reserves             | 9.0          | 151.3        | 57.6         | -61.9%        | n.m           |
| <b>Profit excluding discount rate impacts</b>           | <b>140.9</b> | <b>130.2</b> | <b>88.6</b>  | <b>-32.0%</b> | <b>-7.6%</b>  |
| <b>ROAE</b>   | <b>27.1%</b> | <b>47.6%</b> | <b>28.7%</b> |               |               |
| <b>ROAE excl. discount rate impacts</b>                 | <b>27.5%</b> | <b>57.5%</b> | <b>30.5%</b> |               |               |
| <b>Efficiency ratio</b>                                 | <b>16.2%</b> | <b>13.5%</b> | <b>17.2%</b> |               |               |

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

Net interest and similar income in 2014 was S/. 194.5 million, an increase of S/. 26.1 million YoY. Growth in 2014 was mainly due to higher interest on investments available-for-sale as a result of a 23.1% increase in the average volume of Interseguro's investment portfolio, partially offset by a 20 basis point reduction in the nominal average rate.

Other income related to investments in 2014 was S/. 166.9 million, a decrease of S/. 22.4 million when compared to 2013. The yearly decline was largely explained by a decrease of S/. 20.8 million in profit from sale of investment property, a lower

valuation gain from investment property by S/. 11.5 million as well as a S/. 8.6 million reversal of a loss provision in 2013. These effects were partially offset by an increase of S/. 19.0 million in net trading income mainly due to the recognition in 2013 of a loss on a currency forward position that resulted from the depreciation of the nuevo sol against the US dollar.

Total premiums earned less claims and benefits were -S/. 20.5 million in 2014, a decrease of S/. 110.4 million YoY. The 2014 decline was explained by a S/. 220.3 million increase in adjustment of technical reserves, partially offset by a S/. 117.1 million increase in net premiums.

The yearly growth in net premiums was mainly due to increases of S/. 83.0 million in Annuities, S/. 29.4 million in Retail Insurance and S/. 4.6 million in Individual Life. The increase in Annuities was driven by Interseguro's leadership position in a market that grew nearly 21.0% YoY. The increase in Retail Insurance was observed in all business lines, particularly in Credit Life Insurance due to new commercial agreements with Interbank and Financiera Uno. The increase in Individual Life was driven by Interseguro's increased sales force productivity and a sound policy persistence.

The increase in adjustment of technical reserves was driven by new Annuity premiums and the use of a higher weighted average discount rate to calculate technical reserves for Annuities. New Annuity premiums led to constitute an additional S/. 136.4 million in technical reserves, whereas changes in the discount rate led to release S/. 93.6 million less in technical reserves than the amount released the previous year.

Other expenses in 2014 were S/. 184.4 million, an increase of S/. 18.0 million YoY, which was due to an increase of S/. 12.1 million in third-party commissions and an increase of S/. 6.0 million in salaries and employee benefits mainly driven by sales force commissions, both in line with business growth.

#### 4Q14 Performance

Interseguro's profit attributable to shareholders in 4Q14 was S/. 53.2 million, a decrease of S/. 16.3 million QoQ and an increase of S/. 79.0 million YoY. The annualized ROAE for 4Q14 was 38.7%, below the 48.7% reported in 3Q14 and above the -18.4% registered in 4Q13.

The QoQ decline in profits was mainly due to a S/. 39.7 million decrease in total premiums earned less claims and benefits, and a S/. 6.5 million impairment loss on available-for-sale investments, partially offset by a S/. 32.2 million increase in net gain on valuation of real estate investments (other income).

The YoY increase was mainly due to a S/. 66.8 million increase in total premiums earned less claims and benefits and a S/. 13.2 million increase in interest and similar income driven by the growth of Interseguro's investment portfolio.

| Insurance Segment's P&L Statement                       |               |              |              |               |              |
|---|---------------|--------------|--------------|---------------|--------------|
| S/. million   | 4Q13          | 3Q14         | 4Q14         | %chg<br>QoQ   | %chg<br>YoY  |
| Interest and similar income                             | 43.2          | 48.8         | 56.4         | 15.6%         | 30.6%        |
| Interest and similar expenses                           | -0.4          | -2.1         | -2.4         | 14.9%         | n.m          |
| <b>Net Interest and similar income</b>                  | <b>42.8</b>   | <b>46.7</b>  | <b>54.0</b>  | <b>15.7%</b>  | <b>26.2%</b> |
| Fee income from financial services, net                 | -0.4          | -0.6         | -0.7         | 20.5%         | 78.4%        |
| Other income  | 55.5          | 28.4         | 58.8         | 106.8%        | 6.1%         |
| Total premiums earned less claims and benefits          | -59.4         | 47.1         | 7.4          | -84.3%        | n.m          |
| Net premiums  | 150.8         | 168.1        | 165.3        | -1.7%         | 9.6%         |
| Adjustment of technical reserves                        | -162.7        | -74.1        | -109.5       | 47.7%         | -32.7%       |
| Net claims and benefits incurred                        | -47.5         | -46.8        | -48.3        | 3.3%          | 1.7%         |
| Other expenses  | -63.4         | -46.3        | -51.2        | 10.6%         | -19.2%       |
| <b>Income before translation result and income tax</b>  | <b>-24.9</b>  | <b>75.4</b>  | <b>68.3</b>  | <b>-9.4%</b>  | <b>n.m</b>   |
| Translation result                                      | -0.7          | -6.0         | -3.5         | -41.8%        | n.m          |
| Income tax  | -0.1          | -0.0         | -0.0         | n.m           | -64.8%       |
| <b>Profit for the period</b>                            | <b>-25.8</b>  | <b>69.4</b>  | <b>64.8</b>  | <b>-6.6%</b>  | <b>n.m</b>   |
| Attributable to non-controlling interest <sup>(1)</sup> | 0.0           | 0.1          | -11.6        | n.m           | n.m          |
| <b>Profit attributable to shareholders</b>              | <b>-25.8</b>  | <b>69.5</b>  | <b>53.2</b>  | <b>-23.5%</b> | <b>n.m</b>   |
| Discount rate impacts on technical reserves             | -41.6         | 56.9         | 25.5         | -55.1%        | n.m          |
| <b>Profit excluding discount rate impacts</b>           | <b>15.8</b>   | <b>12.6</b>  | <b>27.6</b>  | <b>119.6%</b> | <b>74.5%</b> |
| <b>ROAE</b>   | <b>-18.4%</b> | <b>48.7%</b> | <b>38.7%</b> |               |              |
| <b>ROAE excl. discount rate impacts</b>                 | <b>16.2%</b>  | <b>8.8%</b>  | <b>25.1%</b> |               |              |
| <b>Efficiency ratio</b>                                 | <b>30.9%</b>  | <b>14.0%</b> | <b>11.9%</b> |               |              |

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

## RESULTS FROM INVESTMENTS

| Results from Investments <sup>(1)</sup> |              |             |              |               |               |
|---|--------------|-------------|--------------|---------------|---------------|
| S/. million                             | 4Q13         | 3Q14        | 4Q14         | %chg<br>QoQ   | %chg<br>YoY   |
| Interest and similar income             | 43.2         | 48.8        | 56.4         | 15.6%         | 30.6%         |
| Interest and similar expenses           | -0.4         | -2.1        | -2.4         | 14.9%         | n.m           |
| <b>Net interest and similar income</b>  | <b>42.8</b>  | <b>46.7</b> | <b>54.0</b>  | <b>15.7%</b>  | <b>26.2%</b>  |
| Fee income from financial services, net | -0.1         | -0.2        | -0.2         | 29.6%         | 259.9%        |
| Net gain on sale of securities          | 9.8          | 12.8        | 14.2         | 11.2%         | 44.6%         |
| Net trading loss (income)               | 0.7          | 2.0         | 1.3          | -36.6%        | 74.2%         |
| Rental income                           | 8.6          | 8.1         | 5.1          | -37.4%        | -40.9%        |
| Profit from sale of investment property | 21.2         | 0.8         | 0.9          | 16.8%         | -95.7%        |
| Valuation gain from investment property | 9.2          | 2.0         | 34.2         | n.m           | 270.9%        |
| Other <sup>(1)</sup>                    | 3.3          | 0.2         | -0.2         | n.m           | n.m           |
| <b>Other income</b>                     | <b>52.7</b>  | <b>25.6</b> | <b>55.2</b>  | <b>115.3%</b> | <b>4.7%</b>   |
| Expenses related to rental income       | -2.7         | -2.0        | -2.6         | 26.4%         | -6.5%         |
| Other <sup>(1)</sup>                    | -17.7        | -2.8        | -9.8         | 249.3%        | -44.6%        |
| <b>Expenses</b>                         | <b>-20.5</b> | <b>-4.8</b> | <b>-12.4</b> | <b>156.1%</b> | <b>-39.5%</b> |
| <b>Results from investments</b>         | <b>75.0</b>  | <b>67.5</b> | <b>96.8</b>  | <b>43.4%</b>  | <b>29.1%</b>  |

(1) Only includes transactions related to investments.

## NET INTEREST AND SIMILAR INCOME

Net interest and similar income in 4Q14 was S/. 54.0 million, an increase of S/. 7.3 million QoQ and S/. 11.2 million YoY.

The QoQ growth was mainly due to an increase in interest on investments available-for-sale as a result of a 11.2% increase in the average volume of Interseguro's investment portfolio and a 6 basis point increase in the nominal average rate.

The YoY growth was mainly due to an increase in interest on investments available-for-sale as a result of a 29.7% increase in the average volume of Interseguro's investment portfolio and a 1 basis point increase in the nominal average rate.

## OTHER INCOME

Other income in 4Q14 was S/. 55.2 million, an increase of S/. 29.6 million QoQ and S/. 2.5 million YoY.

The QoQ growth was largely explained by an increase of S/. 32.2 million in valuation gain from investment property, partially offset by a decrease of S/. 3.0 million in rental income. The increase in valuation gain from investment property was due to real estate appreciation recognized in 4Q14 driven by both changes in macroeconomic conditions and developments in previously underdeveloped areas. The decrease in rental income was driven by the sale in 3Q14 of a shopping mall located near Lima's historic center.

The YoY increase in other income was mainly explained by an increase of S/. 25.0 million in valuation gain from investment property, partially offset by a lower profit from sale of investment property of S/. 20.3 million. The increase in valuation gain from investment property was due to a larger real estate appreciation recognized in 4Q14, as macroeconomic conditions changed and geographical areas where Interseguro invested further developed. The lower profit from sale of investment property was explained by the fact that in 4Q13 Interseguro realized a S/. 21.2 profit from the sale of a piece of land in Lima whereas in 4Q14 the company reported no sales of property.

## TOTAL PREMIUMS EARNED LESS CLAIMS AND BENEFITS

| Total Premiums Earned Less Claims And Benefits        |              |             |            |               |             |
|---|--------------|-------------|------------|---------------|-------------|
| S/. million   | 4Q13         | 3Q14        | 4Q14       | %chg<br>QoQ   | %chg<br>YoY |
| Net premiums  | 150.8        | 168.1       | 165.3      | -1.7%         | 9.6%        |
| Adjustment of technical reserves                      | -162.7       | -74.1       | -109.5     | 47.7%         | -32.7%      |
| Net claims and benefits incurred                      | -47.5        | -46.8       | -48.3      | 3.3%          | 1.7%        |
| <b>Total premiums earned less claims and benefits</b> | <b>-59.4</b> | <b>47.1</b> | <b>7.4</b> | <b>-84.3%</b> | <b>n.m</b>  |

Interseguro's total premiums earned less claims and benefits reached S/. 7.4 million in 4Q14, a decrease of S/. 39.7 million QoQ and an increase of S/. 66.8 million YoY.

The QoQ decrease was largely explained by an increase of S/. 35.4 million in adjustment of technical reserves. Additionally, net premiums decreased by S/. 2.8 million while net claims and benefits incurred increased by S/. 1.5 million.

The YoY growth was explained by S/. 53.2 million lower adjustment of technical reserves and by S/. 14.5 million higher net premiums.

## NET PREMIUMS

| Net Premiums by Business Line     |              |              |              |              |             |
|-----------------------------------|--------------|--------------|--------------|--------------|-------------|
| S/. million                       | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY |
| Annuities                         | 103.3        | 118.1        | 116.1        | -1.7%        | 12.3%       |
| Individual Life                   | 7.1          | 8.8          | 8.6          | -1.8%        | 21.2%       |
| Retail Insurance                  | 40.4         | 41.2         | 40.6         | -1.4%        | 0.4%        |
| Credit Life Insurance             | 19.0         | 23.2         | 22.0         | -5.1%        | 15.6%       |
| Mandatory Traffic Accident (SOAT) | 6.4          | 7.5          | 6.0          | -19.6%       | -6.4%       |
| Card Protection                   | 7.1          | 3.3          | 5.5          | 65.5%        | -23.2%      |
| Other                             | 7.9          | 7.2          | 7.1          | -1.6%        | -9.4%       |
| <b>Net Premiums</b>               | <b>150.8</b> | <b>168.1</b> | <b>165.3</b> | <b>-1.7%</b> | <b>9.6%</b> |

Annuities include premiums from pension-related insurance (disability and survivorship) which Interseguro ceased to offer in 2007 and are currently in run off.

Net premiums in 4Q14 were S/. 165.3 million, a decrease of S/. 2.8 million QoQ and an increase of S/. 14.5 million YoY.

The QoQ decline was mainly due to decreases of S/. 2.0 million in Annuities and S/. 0.6 million in Retail Insurance. The decrease in Annuities was due to a market contraction of nearly 3.6% partially offset by a market share gain of 50 basis points. The decrease in Retail Insurance was driven by reductions in Credit Life Insurance and Mandatory Traffic Accident (SOAT), partially offset by growth in Card Protection. The reduction in Credit Life Insurance premiums was due to lower premiums from Interbank credits. The increase in Card Protection premiums was due to a reversal in 3Q14 of S/. 1.3 million for uncollected premiums of policies considered cancelled as a result of a more conservative cancellation criteria.

The YoY growth in net premiums was mainly attributable to higher sales in Annuities and Individual Life. The increase in Annuities was achieved by Interseguro's leadership position in a market that increased nearly 10%. The increase in Individual Life was due to Interseguro's higher sales force productivity.

## ADJUSTMENT OF TECHNICAL RESERVES

| Adjustment of Technical Reserves        |               |              |               |              |               |
|---|---------------|--------------|---------------|--------------|---------------|
| S/. million                             | 4Q13          | 3Q14         | 4Q14          | %chg<br>QoQ  | %chg<br>YoY   |
| Annuities                               | -156.2        | -69.0        | -107.6        | 56.0%        | -31.1%        |
| Individual Life                         | -3.0          | -3.6         | -2.3          | -36.3%       | -23.3%        |
| Retail Insurance                        | -3.5          | -1.5         | 0.4           | n.m          | n.m           |
| <b>Adjustment of technical reserves</b> | <b>-162.7</b> | <b>-74.1</b> | <b>-109.5</b> | <b>47.7%</b> | <b>-32.7%</b> |

Annuities include adjustment of technical reserves from pension-related insurance (disability and survivorship) which Interseguro ceased to offer in 2007 and are currently in run off.

Interseguro's adjustment of technical reserves in 4Q14 was S/. 109.5 million, an increase of S/. 35.4 million QoQ but a decrease of S/. 53.2 million YoY.

The QoQ increase was mainly driven by the use of a higher weighted average discount rate to calculate technical reserves for annuities. The weighted average discount rate increased from 3.93% in 2Q14 to 4.12% in 3Q14 leading to release technical reserves during 3Q14. The weighted average discount rate further increased to 4.21% in 4Q14 causing an additional, although smaller, release of technical reserves.

The YoY decrease is driven by changes in the weighted average discount rates, as in 4Q14 these changes led to a release of technical reserves whereas in 4Q13 they led to constitute higher technical reserves.

## NET CLAIMS AND BENEFITS INCURRED

| Net Claims and Benefits Incurred        |              |              |              |             |             |
|---|--------------|--------------|--------------|-------------|-------------|
| S/. million                             | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ | %chg<br>YoY |
| Annuities                               | -35.2        | -35.5        | -39.9        | 12.3%       | 13.2%       |
| Individual Life                         | -0.1         | -0.5         | -0.4         | -14.0%      | 206.8%      |
| Retail Insurance                        | -12.2        | -10.8        | -8.0         | -25.7%      | -34.0%      |
| Credit Life Insurance                   | -7.8         | -7.7         | -4.9         | -37.0%      | -37.8%      |
| Mandatory Traffic Accident (SOAT)       | -2.9         | -2.3         | -2.2         | -3.2%       | -22.7%      |
| Card Protection                         | -0.0         | -0.2         | -0.2         | -11.0%      | n.m         |
| Other                                   | -1.5         | -0.6         | -0.8         | 27.4%       | -45.6%      |
| <b>Net claims and benefits incurred</b> | <b>-47.5</b> | <b>-46.8</b> | <b>-48.3</b> | <b>3.3%</b> | <b>1.7%</b> |

Annuities include claims and benefits incurred from pension-related insurance (disability and survivorship) which Interseguro ceased to offer in 2007 and are currently in run off.

Net claims and benefits incurred in 4Q14 were S/. 48.3 million, an increase of S/. 1.5 million QoQ and S/. 0.8 million YoY.

The QoQ growth was due to an increase of S/. 4.4 million in claims related to Annuities, partially offset by a decrease of S/. 2.8 million in Retail Insurance. The increase in Annuities was due to a reversal of incurred but not reported claims of pension-related insurance policies that were determined to be non-claimable in 3Q14. The decrease in Retail Insurance was due to lower Credit Life Insurance claims.

The YoY growth was due to an increase of S/. 4.7 million in Annuities, partially offset by lower claims in Credit Life Insurance of S/. 2.9 million and S/. 0.7 million in Mandatory Traffic Accident (SOAT).

## OTHER EXPENSES

| Other Expenses                    |              |              |              |              |               |
|-----------------------------------|--------------|--------------|--------------|--------------|---------------|
| S/. million                       | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY   |
| Salaries and employee benefits    | -18.2        | -15.7        | -13.5        | -13.7%       | -25.8%        |
| Administrative expenses           | -7.8         | -7.2         | -5.8         | -19.8%       | -25.8%        |
| Depreciation and amortization     | -0.7         | -0.8         | -0.8         | -3.2%        | 21.4%         |
| Third-party commissions           | -10.8        | -14.4        | -13.2        | -8.6%        | 22.3%         |
| Expenses related to rental income | -2.7         | -2.0         | -2.6         | 26.4%        | -6.5%         |
| Other                             | -23.2        | -6.1         | -15.3        | 150.7%       | -33.8%        |
| <b>Other expenses</b>             | <b>-63.4</b> | <b>-46.3</b> | <b>-51.2</b> | <b>10.6%</b> | <b>-19.2%</b> |



Other expenses in 4Q14 were S/. 51.2 million, an increase of S/. 4.9 million QoQ and a decrease of S/. 12.2 million YoY.

The QoQ growth was due to an increase of S/. 9.2 million in other expenses, partially offset by decreases of S/. 2.2 million in salaries and employee benefits and S/. 1.4 million in administrative expenses. The increase in other expenses was due to a S/. 6.5 million impairment loss on available-for-sale investments and a S/. 2.3 million tax credit loss provision registered in 4Q14. The decrease in salaries and employee benefits was mainly due to a release of provisions for vacations and a reduction in back-office personnel expenses. The decrease in administrative expenses was due to lower expenses from Interseguro's subsidiaries.

The YoY reduction in expenses was due to a S/. 7.9 million decrease in other expenses and a S/. 4.7 million decrease in salaries and employee benefits. The decrease in other expenses was due to a lower impairment loss on available-for-sale investments by S/. 7.3 million. The decrease in salaries and employee benefits was due to a reduction in back-office personnel expenses.

## Inteligo

### SUMMARY

#### 2014 Performance

Inteligo's profits reached S/. 134.3 million in 2014, a S/. 25.0 million or 22.8% increase from the previous year. The main factors that contributed to this result were increases of 5.1% in interest and similar income, 22.1% in fee income from financial services and 87.2% in other income. These results were partially offset by a 13.4% increase in interest and similar expenses and by 29.5% higher other expenses attributable to an impairment loss on available for sale investments.

Inteligo's ROAE was 28.1% in 2014, above the 26.5% reported in 2013.

| Wealth Management Segment's P&L Statement              |              |              |              |               |               |
|--|--------------|--------------|--------------|---------------|---------------|
| S/. million  | 2012         | 2013         | 2014         | %chg<br>14/13 | %chg<br>13/12 |
| Interest and similar income                            | 81.3         | 99.8         | 104.9        | 5.1%          | 22.8%         |
| Interest and similar expenses                          | -34.5        | -43.2        | -49.0        | 13.4%         | 25.2%         |
| <b>Net interest and similar income</b>                 | <b>46.8</b>  | <b>56.6</b>  | <b>55.9</b>  | <b>-1.3%</b>  | <b>21.0%</b>  |
| Fee income from financial services, net                | 61.4         | 78.5         | 95.9         | 22.1%         | 27.9%         |
| Other income   | 51.8         | 33.9         | 63.5         | 87.2%         | -34.5%        |
| Other expenses   | -59.9        | -62.4        | -80.8        | 29.5%         | 4.2%          |
| <b>Income before translation result and income tax</b> | <b>100.2</b> | <b>106.7</b> | <b>134.5</b> | <b>26.1%</b>  | <b>6.5%</b>   |
| Translation result                                     | -0.3         | 3.4          | 1.2          | -63.2%        | n.m.          |
| Income tax   | -0.7         | -0.7         | -1.5         | 112.2%        | 1.7%          |
| <b>Profit for the period</b>                           | <b>99.3</b>  | <b>109.3</b> | <b>134.3</b> | <b>22.8%</b>  | <b>10.1%</b>  |
| <b>ROAE</b>  | <b>28.3%</b> | <b>26.5%</b> | <b>28.1%</b> |               |               |

Inteligo's net interest and similar income for 2014 was S/. 55.9 million, a S/. 0.7 million or 1.3% decrease when compared with the previous year.

Interest and similar income increased by S/. 5.1 million or 5.1% during 2014, which was mainly attributable to higher interest on loans partially offset by lower interest on investments available for sale.

During 2014, interest and similar expense increased by S/. 5.8 million or 13.4% 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/. 95.9 million in 2014, a S/. 17.4 million or 22.1% increase compared to the previous year. Gross fees from financial services reached S/. 101.1 million in 2014, a S/. 20.1 million or 24.8% increase when compared to the previous year. The result was mainly explained by a S/. 17.3 million or 24.0% increase in funds management and a S/. 2.7 million or 30.8% increase in brokerage and custody services. Compared to 2013, expenses related to fee income from financial services reached S/. 5.2 million in 2014, a S/. 2.7 million or 107.0% increase.

Other income for 2014 reached S/. 63.5 million, a S/. 29.6 million or 87.2% increase when compared to 2013. Such increase was attributable to a S/. 25.5 million or 88.9% increase in net gain on sale of securities and a S/. 4.5 million or 86.6% increase in net trading gain.

Other expenses for 2014 increased by S/. 18.4 million or 29.5% when compared to the previous year. The result was explained by a S/. 15.3 million impairment loss on available for sale investments and a S/. 3.4 million or 9.5% increase in salaries and employee benefits.

Profit for the year reached S/. 134.3 million, a S/. 25.0 million or 22.8% increase when compared to the previous year.

#### 4Q14 Performance

Inteligo's net profit in 4Q14 was S/. 15.4 million, a S/. 12.7 million or 45.0% decrease QoQ and a S/. 1.2 million or 6.9% decrease YoY. The quarterly decrease was mainly attributable to lower other income and an impairment loss on available for sale for investments in 4Q14.

AuMs plus client deposits reached S/. 10,723.6 million in 4Q14, slightly lower by S/. 106.5 million or 1.0% when compared to the previous quarter, but a S/. 1,462.8 million or 15.8% increase when compared to 4Q13. The QoQ decline was attributable to a custody transfer instructed by an institutional client.

Inteligo's annualized ROAE for 4Q14 was 13.2%, lower than the 23.2% reported in 3Q14 and also lower than the 15.2% registered in 4Q13.

| Wealth Management Segment's P&L Statement              |              |              |              |               |              |
|--|--------------|--------------|--------------|---------------|--------------|
| S/. million  | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ   | %chg<br>YoY  |
| Interest and similar income                            | 23.8         | 24.5         | 29.3         | 19.2%         | 23.2%        |
| Interest and similar expenses                          | -12.5        | -11.1        | -13.0        | 17.1%         | 4.1%         |
| <b>Net interest and similar income</b>                 | <b>11.3</b>  | <b>13.5</b>  | <b>16.3</b>  | <b>20.9%</b>  | <b>44.3%</b> |
| Fee income from financial services, net                | 19.3         | 24.9         | 26.3         | 5.9%          | 36.2%        |
| Other income   | 2.0          | 5.0          | 0.2          | -96.2%        | -90.6%       |
| Other expenses   | -15.7        | -15.8        | -26.3        | 66.9%         | 67.2%        |
| <b>Income before translation result and income tax</b> | <b>16.9</b>  | <b>27.6</b>  | <b>16.5</b>  | <b>-40.2%</b> | <b>-2.3%</b> |
| Translation result                                     | 0.4          | 0.5          | 0.5          | -13.6%        | 13.4%        |
| Income tax   | -0.7         | 0.0          | -1.5         | n.m.          | n.m.         |
| <b>Profit for the period</b>                           | <b>16.6</b>  | <b>28.1</b>  | <b>15.4</b>  | <b>-45.0%</b> | <b>-6.9%</b> |
| <b>ROAE</b>  | <b>15.2%</b> | <b>23.2%</b> | <b>13.2%</b> |               |              |
| <b>Efficiency ratio</b>                                | <b>48.4%</b> | <b>36.3%</b> | <b>41.7%</b> |               |              |

## ASSETS UNDER MANAGEMENT & DEPOSITS

Inteligo's Assets Under Management (AuMs) reached S/. 8,422.1 million in 4Q14, a S/. 213.7 million or 2.5% decrease QoQ and a S/. 1,162.3 million or 16.0% increase YoY.

Client deposits reached S/. 2,301.5 million in 4Q14, a S/. 107.2 million or 4.9% increase QoQ and a S/. 300.5 million or 15.0% increase YoY.

## NET INTEREST AND SIMILAR INCOME

| Net interest and similar income                      |              |              |              |              |              |
|--|--------------|--------------|--------------|--------------|--------------|
| S/. million  | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY  |
| <b>Interest and similar income</b>                   |              |              |              |              |              |
| Interest on due from banks and inter-bank funds      | -0.2         | 0.1          | 0.1          | -10.1%       | n.m.         |
| Interest on investments available-for sale           | 8.2          | 7.4          | 11.4         | 54.8%        | 39.4%        |
| Interest on loans                                    | 15.7         | 17.1         | 17.8         | 4.1%         | 13.0%        |
| <b>Total interest and similar income</b>             | <b>23.8</b>  | <b>24.5</b>  | <b>29.3</b>  | <b>19.2%</b> | <b>23.2%</b> |
| <b>Interest and similar expense</b>                  |              |              |              |              |              |
| Interest on deposits and obligations                 | -11.7        | -11.9        | -12.8        | 6.7%         | 9.3%         |
| Interest and fees on due to banks and correspondents | -0.4         | 0.9          | -0.2         | n.m.         | -50.3%       |
| Interest on bonds, notes and other obligations       | -0.4         | 0.0          | 0.0          | n.m.         | n.m.         |
| <b>Total interest and similar expense</b>            | <b>-12.5</b> | <b>-11.1</b> | <b>-13.0</b> | <b>17.1%</b> | <b>4.0%</b>  |
| <b>Net interest and similar income</b>               | <b>11.3</b>  | <b>13.5</b>  | <b>16.3</b>  | <b>20.9%</b> | <b>44.3%</b> |

Inteligo's net interest and similar income for the 4Q14 was S/. 16.3 million, a S/. 2.8 million or 20.9% increase when compared with the 3Q14. Net interest and similar income increased by S/. 5.0 million or 44.3% when compared to the same period in the previous year.

Interest and similar income increased by S/. 4.8 million or 19.2% QoQ, mainly due to higher income on investments available for sale.

Interest and similar expense increased by S/. 1.9 million or 17.1% QoQ, mainly as a result of higher interest and fees on due to banks and correspondents and also higher interest on deposits and obligations.

Interest and similar income increased by S/. 5.5 million or 23.2% YoY in the 4Q14, 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/. 0.5 million or 4.0% increase when compared with the 4Q13.

## FEE INCOME FROM FINANCIAL SERVICES

| Fee income from financial services, net        |             |             |             |               |              |
|--|-------------|-------------|-------------|---------------|--------------|
| S/. million                                    | 4Q13        | 3Q14        | 4Q14        | %chg<br>QoQ   | %chg<br>YoY  |
| <b>Income</b>                                  |             |             |             |               |              |
| Brokerage and custody services                 | 1.9         | 4.7         | 2.2         | -53.3%        | 12.8%        |
| Funds management                               | 18.2        | 21.5        | 25.3        | 17.4%         | 38.7%        |
| <b>Total income</b>                            | <b>20.1</b> | <b>26.2</b> | <b>27.4</b> | <b>4.7%</b>   | <b>36.2%</b> |
| <b>Expenses</b>                                |             |             |             |               |              |
| Brokerage and custody services                 | -0.1        | -0.5        | -0.5        | 8.8%          | n.m.         |
| Others   | -0.8        | -0.9        | -0.6        | -29.9%        | -17.8%       |
| <b>Total expenses</b>                          | <b>-0.8</b> | <b>-1.4</b> | <b>-1.1</b> | <b>-16.4%</b> | <b>36.7%</b> |
| <b>Fee income from financial services, net</b> | <b>19.3</b> | <b>24.9</b> | <b>26.3</b> | <b>5.9%</b>   | <b>36.2%</b> |

Fees from financial services reached S/. 27.4 million in 4Q14, an increase of S/. 1.2 million or 4.7% QoQ. Funds management services contributed with a S/. 3.8 million increase when compared to the previous quarter, partially offset by S/. 2.5 million lower brokerage and custody services. In 3Q14 Inteligo was very active in new issuances of fixed income securities for its clients, which explains the decrease in such fees when compared to 4Q14.

Expenses related to fee income from financial services decreased by S/. 0.3 million or 16.4% QoQ.

Inteligo's net fee income from financial services reached S/. 26.3 million, a S/. 1.4 million or 5.9% increase when compared to the previous quarter.

When compared with the 4Q13, fees from financial services increased by S/. 7.3 million or 36.2%. The result was attributable to both brokerage and custody, and funds management services, which increased 12.8% and 38.7% respectively.

Expenses related to fee income from financial services increased by S/. 0.3 million or 36.7% YoY in 4Q14.

As a result of the above, net fee income from financial services increased by S/. 7.0 million or 36.2% YoY in 4Q14.

## OTHER INCOME

| Other income                   |            |            |            |               |               |
|--------------------------------|------------|------------|------------|---------------|---------------|
| S/. million                    | 4Q13       | 3Q14       | 4Q14       | %chg<br>QoQ   | %chg<br>YoY   |
| Net gain on sale of securities | 0.0        | 6.0        | 6.2        | 3.1%          | n.m.          |
| Net trading gain (loss)        | 2.0        | -1.0       | -5.6       | n.m.          | n.m.          |
| Other                          | 0.1        | 0.0        | -0.4       | n.m.          | n.m.          |
| <b>Total other income</b>      | <b>2.0</b> | <b>5.0</b> | <b>0.2</b> | <b>-96.2%</b> | <b>-90.6%</b> |

Inteligo's other income in 4Q14 reached S/. 0.2 million, a S/. 4.8 million or 96.2% decrease QoQ. This was the result of lower net trading gain (loss) as mark to market valuations of securities held for trading were negatively impacted by adverse market conditions. Net gain on sale of securities increased by S/. 0.2 million or 3.1% QoQ in 4Q14.

Other income decreased by S/. 1.8 million YoY in 4Q14. The result was mainly attributable to lower net trading gain (loss) which more than offset an increase in net gain on sale of securities.

## OTHER EXPENSES

| Other expenses                                    |              |              |              |              |              |
|---|--------------|--------------|--------------|--------------|--------------|
| S/. million                                       | 4Q13         | 3Q14         | 4Q14         | %chg<br>QoQ  | %chg<br>YoY  |
| Salaries and employee benefits                    | -9.1         | -9.5         | -10.3        | 7.7%         | 13.2%        |
| Administrative expenses                           | -5.8         | -5.5         | -6.8         | 23.9%        | 18.0%        |
| Depreciation and amortization                     | -0.9         | -0.8         | -0.8         | 0.1%         | -17.7%       |
| Impairment loss on available for sale investments | 0.0          | 0.0          | -8.5         | n.m.         | n.m.         |
| Other   | 0.0          | 0.1          | 0.0          | -100.0%      | -100.0%      |
| <b>Total other expenses</b>                       | <b>-15.7</b> | <b>-15.8</b> | <b>-26.3</b> | <b>66.9%</b> | <b>67.2%</b> |
| <b>Efficiency ratio</b>                           | <b>48.4%</b> | <b>36.3%</b> | <b>41.7%</b> |              |              |

Other expenses in 4Q14 increased by S/. 10.5 million or 66.9% when compared to 3Q14. The result was mainly due to an S/. 8.5 million impairment loss on available for sale investments in 4Q14, related to equity investments.

Administrative expenses increased by S/. 1.3 million QoQ in 4Q14 due to higher third party related services.

Inteligo's other expenses reached S/. 26.3 million in 4Q14, an increase of S/. 10.6 million or 67.2% YoY, mainly explained by the impairment loss previously mentioned. Excluding such charge, total other expenses would have reached S/. 17.8 million, a S/. 2.0 million or 12.7% increase QoQ and a S/. 2.1 million or 13.4% increase YoY.

Administrative expenses increased by S/. 1.0 million YoY in 4Q14 due to higher third party related services.