

IFS 4Q12 Conference Call
January 31, 2013
9:00 A.M.

Operator: This is the Peter Majeski teleconference with I-Advize for Thursday, January 31, 2013 at 8:00 a.m. Central Time. Excuse me, everyone. Welcome to the InterCorp Financial Services conference call. At the conclusion of the presentation, we will open the floor for questions, and at that time, instructions will be given if you would like to ask a question. I would now like to turn the conference over to Peter Majeski. Mr. Majeski, please begin.

Peter Majeski: Thank you, Jeff. Good morning, everyone. Welcome to InterCorp Financial Services fourth quarter 2012 earnings conference call on this, the 31st of January, 2013. Thank you for joining us today. We are pleased to have with us Ms. Michela Casassa, InterCorp's Chief Financial Officer, Ms. Claudia Valdivia, Interseguro's Chief Financial Officer, Mr. Enrique Espinoza, Interseguro's Chief Investment Officer, as well as Luis Felipe Castellanos, CEO of Interbank, and Gonzalo Basadre of Interseguro. We will be discussing Intergroup's results per the press release distributed yesterday evening. If you have not yet received a copy of the presentation or earnings release, please visit www.ifs.com.pe to download a copy, or call us in New York at 212.406.3695. It is now my pleasure to turn the call over to Ms. Michela Casassa, InterCorp's Chief Financial Officer. Ms. Casassa, you may begin.

Michela Casassa: Good morning, and welcome to InterCorp Financial Services fourth quarter 2012 conference call. We will start with a brief discussion of the highlights of InterCorp's financial performance. In 2012, IFS's recurring earnings rose 4.7 percent, due to higher financial income, partially offset by increases in provisions and administrative expenses. In the fourth quarter 2012, recurring net income declined 4 percent year on year, due to higher provision and administrative expenses, as well as a decrease in fee income, partially offset by a 4.4 percent growth in gross financial margin. Net earnings decreased 8.7 percent, quarter on quarter, driven by higher administrative and provision expenses, partially offset by increases in financial income and other income. IFS's ROE was 28.2 percent in 2012, below the 34 percent in 2011, but above the 26.2 percent in 2010.

At Interbank, in 2012, earnings rose 5.5 percent, to a record 570.4 million, driven by sustained loan growth and higher fee income. Net earnings increased 13 percent on a recurring basis. The loan portfolio grew 9.3 percent during 2012, with a significant 27.8 percent growth registered in mortgages. The efficiency ratio remained stable at 48 percent, as operating costs were contained, despite higher business activity. In the fourth quarter, net earnings were 125.8 million, in-line with the fourth quarter of the previous year. Recurring net earnings decreased 17.2 percent quarter on quarter, despite increases across all income lines, as a result of increases in provisions and administrative expenses. Recurring NIM decreased 30 basis points quarter on quarter, due to a higher cost of deposits and the \$250 million senior bond issue, which contributed to a higher average cost of funding. The past due loan ratio remained stable quarter on quarter, at 1.8 percent.

At Interseguro, in 2012, net earnings grew 0.9 percent and reached a record 189.2 million, driven by strong investment income. In the fourth quarter, net income increased 25.3 percent quarter on quarter, due to a lower technical margin loss, partially offset by higher administrative expenses. Annuity sales increased year on year, but decreased quarter on quarter, as a result of market contraction. Interseguro remained the market leader in annuities.

Please turn to the following page for a brief overview of net earnings of IFS and its two subsidiaries. On page 4, we can see a summary of the yearly earnings of InterCorp Financial Services and its two subsidiaries, where IFS's recurring net earnings increased 4.7 percent in

2012. Total net earnings were 705.7 million, a 1 percentage increase, compared to 2011. Higher earnings were driven by an 8.9 percent growth in gross financial margin, partially offset by increases of 21.3 percent in provisions and 7.3 percent in administrative expenses. Higher gross financial margin was due to increasing loan volume at Interbank and strong investment income at Interseguro, partially offset by an increase in interest paid on deposits at the Bank.

On Page 5, we can see the financials for the quarterly earnings, with a 4 percent year-on-year decrease in 2012's fourth quarter for the recurring portion. Total net earnings were 144.7 million in the fourth quarter, an 8.7 percent decrease quarter on quarter, and a 30.7 decline percent year on year. When excluding non-recurring items reported in the third quarter of 2012, and the fourth quarter 2011, net earnings decreased 13.2 percent quarter on quarter. IFS's ROE was 21 percent in the fourth quarter, below the 25 percent in the third quarter and the 37.4 percent in the fourth quarter 2011.

In the following pages, we will go through a detailed discussion of each company's quarterly performance. Please turn to Page 6 for a discussion of IFS's P&L statement. On Page 6, looking at the quarter-on-quarter performance, we can see net earnings decreased 8.7 percent, quarter on quarter, mainly due to increases of 38.8 million in administrative expenses, and 33.7 million in provisions, partially offset by increases of 36 million in financial income and 26.5 million in other income. Financial income rose 4.1 percent, partially explained by the elimination of 15.5 million in gains from the sale of investments from Interbank to IFS in the third quarter which was not repeated in the fourth quarter. Furthermore, higher financial income was driven by increases in investment income earned on IFS's individual investment portfolio and interest on cash, exchange gains and interest on loans at Interbank. Financial expenses increased 9.9 percent quarter on quarter, due to higher interest paid on bonds as a result of a \$250 million senior bond placed in late September 2012 and an increase in the cost of institutional deposits. Provision expenses grew 32.5 percent, due to an increase in provisions for internal alignment of client ratings, an increase in the past due loan ratio in the credit card portfolio and growth in commercial loans. Fee income rose 4.8 percent quarter on quarter, due to higher fees from credit and debit cards and mortgage disbursements.

Interseguro's loss from insurance underwriting decreased 52.4 percent, due to a decline in reserves as a result of lower annuity sales. Annuity sales decreased as a result of an estimated 8.5 percent market contraction. Administrative expenses grew 15.2 percent quarter on quarter, mainly due to a particularly low level of administrative expenses in the third quarter, resulting from a 26.7 million reversal produced by the transfer of two subsidiaries from Interseguro to InRetail in August 2012.

Looking at the year-on-year performance, net earnings decreased 30.7 percent year on year, mainly due to strong non-recurring investment income reported by Interseguro in the fourth quarter of the previous year. When excluding non-recurring items, net earnings declined 4 percent, as a result of higher provision and administrative expenses and a decreasing fee income, partially offset by higher gross financial margin. Financial income declined 3 percent, mainly explained by the decreases of 68 million in investment income at Interseguro and 5.1 million in exchange gains at Interbank, partially offset by an increase of 33.4 million in interest on loans and 11.7 million in interest on cash at Interbank. The decrease in investment income at Interseguro was due to a 58 million non-recurring gain on the sale of real estate investments reported in the fourth quarter of 2011. Financial expenses increased 12.5 percent year on year, due to higher interest on deposits and bonds, partially offset by a reduction in losses from derivative products. Provision expenses grew 12 percent, due to an increase in the past due loan ratio in the credit card portfolio and higher provisions for internal alignment of client ratings. Fee income declined 6.5 percent year on year, as a result of a 6.4 million increase in the elimination of commissions charged by Interbank to Interseguro, related to the sale of premiums.

Interseguro's loss from insurance underwriting decreased 53.7 percent, as a result of an increase in the elimination of commissions paid by Interseguro to Interbank, as previously mentioned, as well as higher premiums of group life and annuities and lower reserves. Administrative expenses increased 3.4 percent year on year, a lower growth rate than that of business volume.

IFS's effective tax rate rose from 19.1 percent in the fourth quarter of the previous year to 25.8 percent in the fourth quarter of 2012, as a result of a lower contribution to net earnings from Interseguro, whose investment income is tax exempt.

Please turn to Page 8 for a discussion of Interbank's performance. Interbank's net earnings were 125.8 million in the fourth quarter 2012, in-line with the fourth quarter of the previous year. Gross financial margin grew 6.3 percent year on year, but was offset by increases of 12 percent in provisions and 5.3 percent in administrative expenses. Net earnings decreased 21 percent quarter on quarter, due to increases of 9.4 percent in financial expenses and 32.4 percent in provisions, despite increases in financial income, fee income and other income. In the fourth quarter 2012, Interbank reported 7.3 million in after tax income, due to gains on the sale of investments. Excluding tax on non-recurring gains, net earnings would have decreased 17.2 percent quarter on quarter. Interbank's ROE was 21.9 percent in the fourth quarter, below the 29.8 percent reported in the third quarter, and the 27.1 percent reported in the fourth quarter of the previous year.

On Page 9, we can see performing loans grew 3.5 percent quarter on quarter, with commercial loans growing 4.8 percent in the fourth quarter, the third consecutive quarter of growth, after having decreased in the first quarter of the year. Retail loans increased 2.3 percent, mainly due to a 5.5 percent rise in mortgage loans. The growth in mortgage loans was a result of continuing demand for new housing and successful commercial efforts at Interbank. Other consumer loans grew 1.3 percent, driven mainly by increases in auto and personal loans. Credit card loans decreased 0.6 percent, as the Bank maintained a cautious approach in a response to a system-wide increase in delinquencies. Performing loans grew 9.3 percent year on year, with commercial loans growing 6.5 percent, driven by growth across most segments, including medium-term loans, leasing and discounts, partially offset by a decrease in trade finance loans. Retail loans grew 12 percent year on year, driven by increases of 27.8 percent in mortgage loans and 10.1 percent in other consumer loans, partially offset by a 2.5 percent decrease in credit cards.

In Page 10, Interbank's total funding grew 0.8 percent quarter on quarter, in-line with interest earning assets. Due to banks grew 12.6 percent, driven by increases of 16.2 percent in funding from correspondent banks, and 5.8 percent in local funding. The rise in funding from correspondent banks allowed the Bank to replace other, more volatile sources of funding for trade finance. Deposits decreased 0.7 percent, due to a 16.4 percent reduction in institutional deposits, the majority of which were replaced by lower cost transactional deposits. As a result, the proportion of institutional deposits to total deposits fell from 29.6 percent in the third quarter to 24.9 percent in the fourth quarter. The Bank's funding base grew 17.4 percent year on year, due to increases of 11.3 percent in deposits, 39.9 percent in due to banks and 32.8 percent in bonds. The growth in deposits was explained by increases of 16.8 percent in commercial deposits, 17.9 percent in institutional deposits and 4.1 percent in retail deposits. During the first half of 2012, institutional deposits grew at a higher rate than retail and commercial deposits. As a result, the proportion of institutional deposits to total deposits increased from 23.5 percent in the fourth quarter of the previous year to 24.9 percent in the fourth quarter of 2012, but decreased from the 31.8 percent reported in the second quarter. The growth in due to banks was attributed to increases of 49.1 percent in funding from correspondent banks and 24.5 percent in local funding. The increase in bonds was explained by two new bond issues. The first

was a 137.9 million subordinated bond placed in June 2012. And the second was for \$250 million in senior bonds placed in September 2012. The latter transaction consisted of the reopening of a \$400 million bond issue placed in October 2010, with a final maturity in 2020.

On Page 11, looking at the quarter-on-quarter performance, gross financial margin decreased 1.9 percent quarter on quarter, as a result of a 9.4 percent increase in financial expenses, partially offset by a 0.8 percent rise in financial income. The growth in financial income was due to increases of 111 percent in interest on cash, 12.4 percent in exchange gains and 0.9 percent in interest on loans, partially offset by a 30.3 percent decrease in investment income. Interest on cash grew 111 percent, attributed to increases of 50 basis points in the average yield and 6.6 percent in the average volume. The increase in the average yield was due to higher returns on overnight deposits in the Central Bank. The growth in volume was due to higher reserve requirements in effect as of September 2012.

Exchange gains rose 12.4 percent quarter on quarter, due to increases of 2.8 million in gains of Interbank's exchange position and 2.5 million from trading activity with clients. Interest on loans grew 0.9 percent quarter on quarter, due to an increase of 3.3 percent in the average loan volume, partially offset by a 30 basis point decrease in the average yield, from 12.7 percent in the third quarter, to 12.4 percent in the fourth quarter of the year. The higher average volume was attributed to increases of 4.2 percent in the commercial portfolio and 2.3 percent in the retail portfolio. Within the commercial portfolio, growth was due to increases of 8 percent in medium-term loans and 7.2 percent in small business loans, partially offset by an 8.1 percent increase in trade finance loans. In the retail portfolio, higher volume was explained by increases of 5.9 percent in mortgage loans and 2.4 percent in other consumer loans, partially offset by a 2.4 percent decrease in credit cards.

The decline in the average yield was due to lower yields in both the retail and commercial portfolios. The average yield on retail loans decreased 40 basis points, mainly due to lower rates on credit cards. The average yield on the commercial portfolio decreased 10 basis points, mainly due to lower rates on medium-term loans. It should be noted that the average yield on commercial loans increased gradually, totaling 40 basis points between the fourth quarter of the previous year and the third quarter of 2012. Investment income decreased 30.3 percent quarter on quarter, as a result of lower interest on the fixed income portfolio and Central Bank's certificates of deposit. The decrease in interest from fixed income investments was due to 8.3 million in non-recurring income that was registered from the sale of sovereign bonds in the third quarter, and was not repeated in the fourth quarter of the year. Excluding these non-recurring gains, investment income would have decreased 14.5 percent. Lower interest on Central Bank certificates of deposit was a result of a 44 percent reduction in the average volume, partially offset by a 10 basis point increase in the average yield. The decrease in the volume of certificates was explained by the replacement with overnight deposits at the same institution, which offered better returns in the fourth quarter.

The return on average interest earning assets was 9.7 percent in the fourth quarter, slightly below the 9.8 percent reported in the third quarter, due to a lower yield on the loan portfolio. Financial expenses rose 9.4 percent quarter on quarter, due to increases of 20 percent in interest paid on bonds, and 10.9 percent in interest on deposits. Interest on bonds grew 20.8 percent quarter on quarter, due to the full quarter effect of a \$250 million senior bond placed in late September. Interest on deposits increased 10.9 percent quarter on quarter, due to a 20 basis point rise in the average cost, partially offset by a 2.4 percent decrease in the average volume. The higher average cost was attributed to a 100 basis point increase in the cost of institutional deposits, due to lower dollar liquidity in the financial system. The average cost of funding increased 30 basis points, from 2.4 percent in the third quarter to 2.7 percent in the fourth quarter, mainly due to the higher cost of bonds and deposits.

Looking at the year-on-year performance, gross financial margin increased 6.3 percent year on year, as a result of an 8.1 percent rise in financial income, partially offset by a 13.7 percent increase in financial expenses. The growth in financial income was due to increases of 33.4 million in interest on loans and 11.7 million in interest on cash, partially offset by a 5.1 million decrease in exchange gains. The rise in interest on loans was explained by an 11.1 percent increase in the average loan volume, partially offset by a 30 basis point decrease in the average yield, from 12.7 to 12.4 on a quarterly, on a yearly basis. The higher average volume was due to increases of 14.2 percent in the retail portfolio and 8.6 percent in the commercial portfolio. Within the retail portfolio, growth was driven by increases of 27.4 percent in mortgage loans, 11 percent in payroll deduction loans, and 1.8 percent in credit cards. The higher commercial loan volume was due to increases of 17.4 percent in medium-term loans, 6.4 percent in leasing, 29.2 percent in small business loans, partially offset by a 13.2 percent decrease in trade finance loans.

The average yield on the loan portfolio decreased as a result of a lower yield on retail loans, partially offset by a higher yield on commercial loans. The yield on retail loans decreased 170 basis points, due to competitive pressures in the majority of loan products, as well as an increase in the proportion of mortgage loans within the portfolio. This proportion increased from 32.8 percent in the fourth quarter of the previous year to 37.5 percent in the fourth quarter of 2012. In the commercial portfolio, the yield increased 30 basis points, mainly due to higher rates in leasing and trade finance. The growth in interest on cash was attributed to increases of 96.5 percent in the average volume and 70 basis points in the average yield. The higher average volume was explained by increases in recent requirements and overnight deposits at the Central Bank. The increase in average yield was due to a higher return on said deposits. The return on average interest earning assets was 9.7 percent in the fourth quarter, 80 basis points below the third quarter, mainly due to lower yield on the loan portfolio and the increase in cash. Financial expenses rose 13.7 percent year on year, due to increases of 37 percent in interest on deposits and 35 percent in interest on bonds, partially offset by decreases of 39 percent in other financial expenses. The average cost of funding remained stable year on year, at 2.7 percent.

On Page 12, you can see net interest margin was 6.8 percent in the fourth quarter, below the 7.2 percent reported in the third quarter of this year, and the 7.7 percent reported in the fourth quarter of the previous year.

On Page 13, provision expenses increased 32.4 percent quarter on quarter and 12 percent year on year. As a result, the ratio of provision expenses to average loans was 3.5 percent in the fourth quarter, higher than the 2.8 percent registered in the third quarter and in-line with the 3.5 percent reported in the fourth quarter of the previous year. The quarter-on-quarter increase was due to three factors. The first was an increase in provisions related to an internal alignment of client ratings, as per the regulatory requirements that banks apply the same rating to all of a client's outstanding obligations. As a result of these requirements, even if a client is up to date with certain obligations, like mortgages or payroll loans, but is delinquent on other, such as credit card loans, the Bank must provision as if the client was delinquent with all obligations. The second factor was an increase in the past due loan ratio of the credit card portfolio, from 3.6 percent in the third quarter, to 3.9 percent in the fourth quarter. The third factor was an increase in commercial loan provisions, as a result of the 4.8 percent quarter-on-quarter growth in said portfolio. The year-on-year increase in provision expenses was due to the increase in the past due loan ratio of the credit card portfolio, which increased from 3 percent in the fourth quarter of the previous year to 3.9 percent in the fourth quarter of 2012, and the requirement for additional provisions for internal alignment of client ratings. The ratio of past due loans to total loans remained stable at 1.8 percent in the fourth quarter.

On Page 14, fee income rose 4.3 percent quarter on quarter, driven by higher fees from credit and debit cards and mortgage disbursements, partially offset by an increase in expenses associated with fee generation. Fee income declined 1.6 percent year on year, due to an 18.3 percent growth in expenses associated with fee generation, and a 4.6 percent reduction in credit and debit card fees, partially offset by a 9.9 percent increase in service fees. Administrative expenses grew 3.5 percent quarter on quarter, and 5.3 percent year on year. The quarter-on-quarter increase was mainly due to a 10.9 percent increase in expenses for services received from third parties, partially offset by a 4.7 percent decline in personnel expenses. The year-on-year increase was mainly attributed to a 10.6 percent rise in expenses for services received from third parties. This increase was due to higher expenses related to customer incentives, technology projects and office leases. Due to the moderate growth in expenses, the efficiency ratio increased from 48.3 percent in the third quarter and 49.4 percent in the fourth of the previous year, to 50.1 percent in the fourth quarter 2012.

On Page 16, the ratio of regulatory capital to risk weighted assets was 13.3 percent in the fourth quarter, below the 13.9 percent reported in the third quarter and the 13.7 percent reported in the fourth quarter of the previous year. The quarter-on-quarter decline was due to a 4.5 percent increase in risk-weighted assets, and a slight 0.1 percent decrease in regulatory capital. The quarter-on-quarter growth in risk-weighted assets was mainly attributed to loan growth. The year-on-year decrease in the capital ratio was due to a 22 percent increase in risk-weighted assets, partially offset by a 19.5 percent growth in regulatory capital. Higher risk-weighted assets were a result of growth and scheduled regulatory adjustments to the calculation of their components. In July 2012, three of these adjustments went into effect. First, the adjustment factor for credit and market risk-weighted assets was increased from 98 to 100 percent. Second, the weight given to leasing operations was raised from 80 to 100 percent. And finally, the adjustment factor for operational risk-weighted assets increased from 50 to 60 percent. The increase in regulatory capital was due to the capitalization of 296.2 million in net interest earnings over the past 12 months, and 137.9 million subordinated bond issue completed in June 2012. As of December 31, 2012, Interbank's capital ratio of 13.3 percent was 220 basis points above its risk adjusted minimum capital ratio, established at 11.1 percent. The minimum regulatory capital ratio requirement was 10 percent, while the additional capital requirement for Interbank was 1.1 percent as of December.

Now, I will turn to Claudia Valdivia for a review of Interseguro's performance.

Claudia Valdivia: Thank you, Michela. Please turn on page 17 of the presentation. The table shows the summary of Interseguro's P&L performance, where we can see a 4 percent increase in premiums year over year and a 6.3 percent decrease quarter over quarter, driven mainly by annuity premiums, due to an estimated market contraction of 8.1 percent. Administrative expenses grew 45.3 percent quarter over quarter, and 46.3 percent year over year, driven by a one-time tax provision of 7.7 million nuevo soles made in the fourth quarter of 2012, and higher consulting fees due to the implementation of technology projects. Investment income decreased year over year, but remained constant quarter over quarter. The decrease is explained mainly by a 58 million nuevo soles extraordinary real estate investment gain that Interseguro had in the fourth quarter of 2011, which included the Real Plaza malls in the Cities of Huancayo and Trujillo. As a result of factors explained before, Interseguro's net income was 21.65 million nuevo soles in the fourth quarter of 2012, a 25.3 percent increase quarter over quarter, and a 76.7 percent decrease year over year. On a yearly basis, Interseguro's net income reached a record of 189.2 million nuevo soles, an almost 1 percent increase year over year, and a decreased of 6.3 percent quarter over quarter. The year-over-year growth is mainly explained by increasing sales across nearly every Interseguro business line. The business lines with the highest growth were in the individual life, group life insurance and annuities. The quarter-over-quarter decrease is explained by lower annuity premiums, due to an estimated 8.1

percent market contraction. As of December 31, 2012, Interseguro is the leading annuity provider for the third year in a row, with an estimated 24.3 percent market share.

Finally, on Page 19, there are some details on Interseguro's investment portfolio and investment income. Interseguro's investment income was 60.1 million nuevo soles in the fourth quarter of 2012, a 1.2 percent increase quarter over quarter, and a 53.1 percent decrease year over year. The quarter-over-quarter increase was attributable to more earnings related to a sale of equity securities and to higher equity dividends received, partially offset by lower income related to fixed income instruments. The year-over-year decrease is related to an extraordinary gain, attributable to the sale of real estate investments, which included the shopping malls in the Cities of Trujillo and Huancayo, which resulted with an extraordinary gain of 68 million nuevo soles. Excluding these extraordinary income, the year-over-year result would have fallen 14.3 percent. Interseguro's investment portfolio increased 7.5 percent quarter over quarter and 15.7 percent year over year, totaling 3,055.1 million nuevo soles. This increase is tied to annuity sales as well as the price appreciation of Interseguro's overall portfolio. This concludes our discussion on Interseguro's fourth quarter results.

Operator: Thank you. At this time, ladies and gentlemen, we will open the floor for questions. If you would like to ask a question, please press the star key, followed by the one key, star one, on your touchtone phone now. Questions will be taken in the order in which they are received, and if at any time you would like to remove yourself from the queue, just press star two. Again, to pose a question, just dial star, followed by one. We are holding for questions. Again, ladies and gentlemen, if you do have a question, simply dial star, followed by one, on your touchtone phone now.

Our first question comes from Alonso Aramburu from BTG.

Alonso Aramburu: Hi, good morning, and thank you for the call. I wanted to ask you about your outlook for 2013. It looks like in recent quarters you've been under pressure on the volume side and on the NIM side. What is your outlook there as far as growth, specifically on the consumer side? How do you see margins evolving for 2013?

Michela Casassa: Good morning, Alonso, Michela speaking. About 2013, when speaking about volume growth, what we expect for next year is a recovery of credit cards, and this, too, let's say increases the retail lending volume, which will drive the total Bank lending volume growth not to levels, but a little bit higher than we saw last year. And in terms of margins, what we expect it to be a re-estimation of the NIM, first of all, because we should see a recovery of the rates in credit cards, and this is due to the latest developments of the business, now with less fee income and additional rates on credit cards, first of all, and as the volume of credit cards return to increase, this should also positively impact the mix in the retail lending portfolio, which will also put positive pressure on NIM. On the commercial portfolio side, we also expect a positive effect, and this is due to a higher proportion of mid and small business corporate, within the commercial base of loans.

Alonso Aramburu: Okay, thank you, and when you look at the possibility of the Company, it looks like your ROE has been coming down, your recurring ROE. Do you think you are at a level which, a level of somewhere between 21 and 25 percent is more of a recurring level of ROE, rather than the 30's that we saw in the last couple of years?

Michela Casassa: I guess we can confirm what we have been saying for IFS, which is to be at a level of around 25 percent.

Alonso Aramburu: Okay, thank you.

Operator: Our next question comes from Carlos Rojas from Andino Asset Management.

Carlos Rojas: Hi, thank you for the call. I have one question. This new regulation regarding fees, is it already effective in the last quarter, or is it effect in something for 2013?

Michela Casassa: Good morning. This is something that starts January 1, so basically the effect of the fee will start this year, and what we expect is also an effect on the rates, because banks have already increased rates starting January 1, so all these effects will start this month.

Carlos Rojas: Thanks.

Operator: Thank you. Again, ladies and gentlemen, if you do have a question, simply dial star, followed by one, star one, on your touchtone phone now. Everyone, there are no further questions queue. I would like to turn the call back to Ms. Casassa.

Michela Casassa: Okay. Thank you, everybody, for joining our quarterly call. I think we have one more question.

Operator: Yes, we do have a question in the queue currently. It's from Maher Saba from Compass.

Maher Saba: Okay. Could you mention how much of your credit card loans are related to Plaza-Vea?

Michela Casassa: In our outstanding portfolio of credit cards, around 40 percent is related to Plaza-Vea credit cards, as of today.

Maher Saba: Okay, thanks.

Operator: Thank you, and everyone, if you do have a question, that is star one on your touchtone phone now. We are holding for questions. Everyone, there are no further questions in the queue. I would like to turn the call back to Ms. Casassa.

Michela Casassa: Okay, thank you very much. Thank you, everybody, for joining IFS fourth quarter call. We will talk to you next quarter.

Operator: Thank you. This does conclude our teleconference for today. You may now disconnect.

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