

First Quarter 2012 Earnings Presentation

 **Intergroup**
Financial Services

Intergroup Financial Services

Highlights

Intergroup:

- Intergroup's net earnings rose 5.4% YoY, but decreased 23.6% QoQ
- When excluding non-recurring items, net earnings rose 5.8% QoQ
- YoY net earnings growth was mainly due to growth in loan volumes and overall activity at Interbank
- Intergroup's recurring ROE was 28.1% in 1Q12, above the 27.0% in 4Q11 but below the 31.1% in 1Q11

Interbank:

- Interbank reported a strong performance in 1Q12, with net earnings growth of 13.2% YoY and 12.8% QoQ
- The main drivers for earnings growth were sustained loan growth and a recovery in NIM
- Retail loans grew 20.7% YoY and 3.6% QoQ
- Recurring NIM increased for the 3rd consecutive quarter and reached 7.9% in 1Q12
- The BIS ratio rose from 13.7% in 4Q11 to 14.9% in 1Q12

Interseguro:

- Net earnings decreased 24.0% YoY and 69.5% QoQ, due to lower investment income
- Excluding non-recurring factors, net earnings would have declined 17.7% QoQ
- Annuity sales increased QoQ, but declined YoY as a result of a market contraction
- Interseguro remains the market leader in annuities

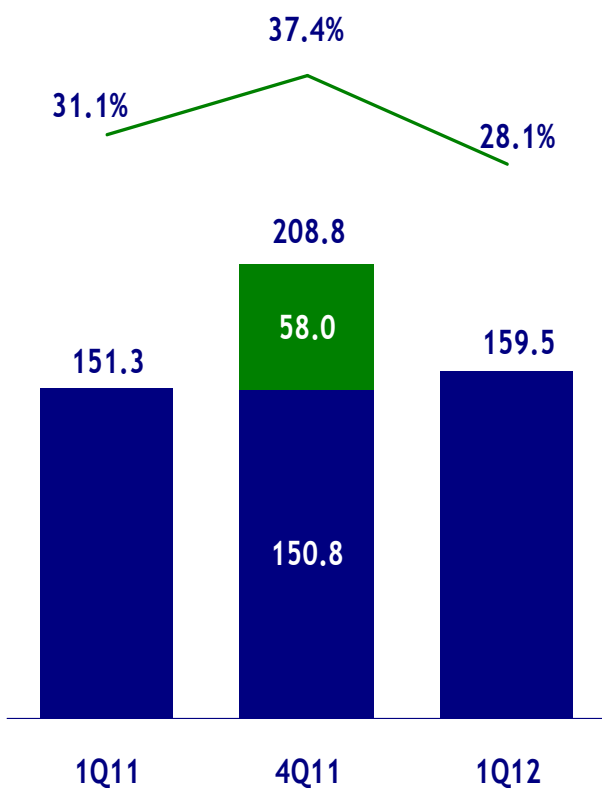
Intergroup's 1Q12 earnings increased 5.4% YoY

Intergroup

Net income*

S/. million

ROE



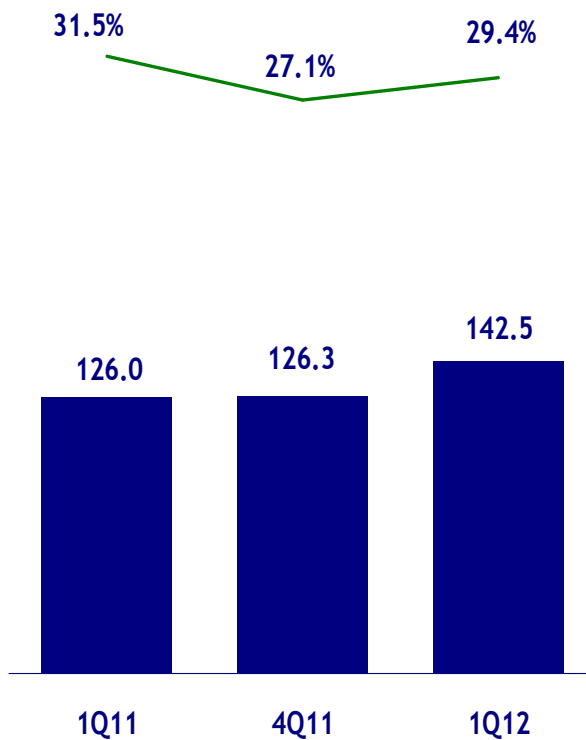
*Attributable to IFS shareholders

Interbank

Net income

S/. million

ROE



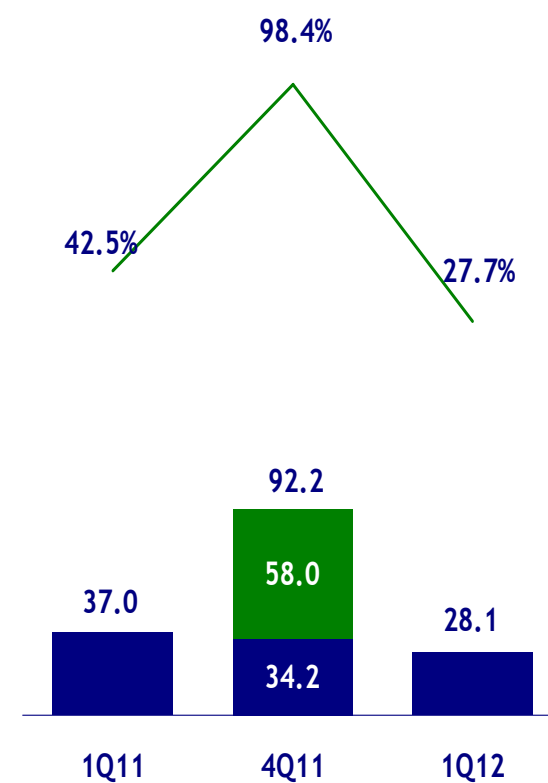
■ Recurring ■ Non-recurring

Interseguro

Net income

S/. million

ROE



Intergroup's net earnings were S/. 159.5 million in 1Q12

Intergroup's Profit and Loss Statement Summary					
S/. million	1Q11	4Q11	1Q12	%chg QoQ	%chg YoY
Financial income	581.6	674.1	630.9	-6.4%	8.5%
Financial expenses	-138.5	-135.6	-139.8	3.1%	0.9%
Gross financial margin	443.2	538.5	491.1	-8.8%	10.8%
Provisions	-78.6	-122.9	-104.7	-14.8%	33.3%
Net financial margin	364.6	415.6	386.4	-7.0%	6.0%
Fee income from financial services, net	114.1	141.5	126.4	-10.7%	10.8%
Result from insurance underwriting, net	-15.8	-20.3	-20.6	1.6%	30.9%
Administrative expenses	-240.3	-284.8	-263.7	-7.4%	9.7%
Net operating margin	222.6	252.0	228.4	-9.4%	2.6%
Depreciation and amortization	-23.0	-22.6	-24.7	9.5%	7.2%
Other income (expenses)	6.4	29.6	12.5	-57.8%	94.7%
Income before tax	206.0	259.0	216.2	-16.5%	4.9%
Income tax	-53.8	-49.4	-55.7	12.7%	3.6%
Net income	152.2	209.6	160.5	-23.4%	5.4%
Attributable to IFS shareholders	151.3	208.8	159.5	-23.6%	5.4%
EPS	1.6	2.2	1.7		
ROE	31.1%	37.4%	28.1%		

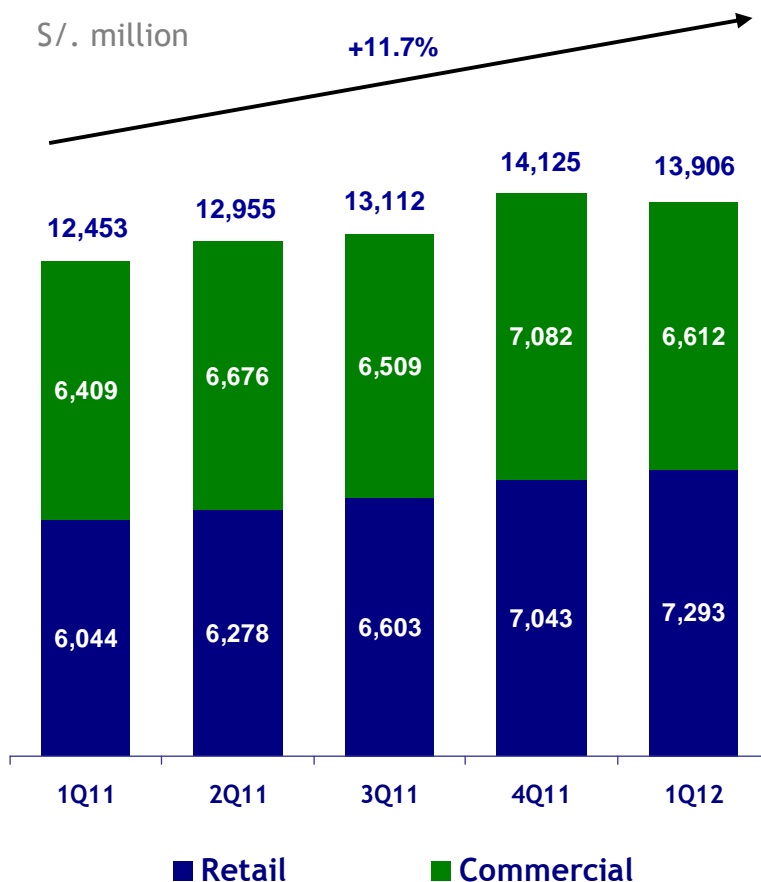
Interbank

Interbank's net income increased 12.8% QoQ and 13.2% YoY

Profit and Loss Statement Summary					
S/. million	1Q 11	4Q 11	1Q 12	% chg QoQ	% chg YoY
Financial income	498.4	538.5	560.5	4.1%	12.5%
Financial expenses	-125.5	-132.1	-131.4	-0.5%	4.8%
Gross financial margin	372.9	406.4	429.1	5.6%	15.1%
Provisions	-78.6	-122.9	-104.7	-14.8%	33.3%
Net financial margin	294.3	283.5	324.4	14.4%	10.2%
Fee income from financial services, net	117.0	140.7	128.5	-8.7%	9.9%
Administrative expenses	-214.2	-247.6	-236.8	-4.3%	10.6%
Net operating margin	197.1	176.7	216.1	22.3%	9.6%
Depreciation and amortization	-22.3	-22.5	-23.9	6.2%	7.2%
Other income (expenses)	3.1	19.5	3.9	-79.9%	27.1%
Income before taxes	177.9	173.7	196.1	12.9%	10.2%
Income tax	-51.9	-47.4	-53.6	13.1%	3.2%
Net income	126.0	126.3	142.5	12.8%	13.2%
ROE	31.5%	27.1%	29.4%		

Retail loan growth remained strong at 20.7% YoY

Performing loans



Breakdown of loans

S/. million	1Q 11	4Q 11	1Q 12	% chg QoQ	% chg YoY
Consumer loans:					
Credit cards	1,809	2,166	2,243	3.6%	24.0%
Other consumer	2,308	2,565	2,600	1.4%	12.6%
Total consumer loans	4,116	4,730	4,843	2.4%	17.6%
Mortgages	1,928	2,312	2,450	6.0%	27.1%
Total retail loans	6,044	7,043	7,293	3.6%	20.7%
Total commercial	6,409	7,082	6,612	-6.6%	3.2%
Total loans	12,453	14,125	13,906	-1.5%	11.7%

Market share in loans

S/. million	1Q 11	4Q 11	1Q 12	% chg QoQ	% chg YoY
Consumer loans:					
Credit cards	21.0%	21.1%	21.4%	0.3%	0.4%
Other consumer	21.1%	20.4%	19.9%	-0.4%	-1.2%
Total consumer loans	22.2%	21.7%	21.6%	-0.1%	-0.6%
Mortgages	11.8%	12.2%	12.3%	0.1%	0.4%
Total retail loans	17.3%	17.3%	17.2%	-0.1%	-0.1%
Total commercial	8.4%	8.4%	7.8%	-0.5%	-0.6%
Total loans	11.2%	11.3%	10.9%	-0.3%	-0.3%

Does not include Crediscotia

Core deposits grew 11.3% YoY

Funding Structure

S/. million				% chg	
	1Q 11	4Q 11	1Q 12	QoQ	YoY
Deposits and obligations	12,534	13,113	13,271	1.2%	5.9%
Due to banks	2,665	2,266	2,825	24.7%	6.0%
Bonds	2,205	2,038	2,048	0.5%	-7.1%
Interbank funds	75	83	110	33.5%	46.5%
Total	17,480	17,499	18,254	4.3%	4.4%
AUM (Interfondos)	2,489	2,161	2,186	1.1%	-12.2%

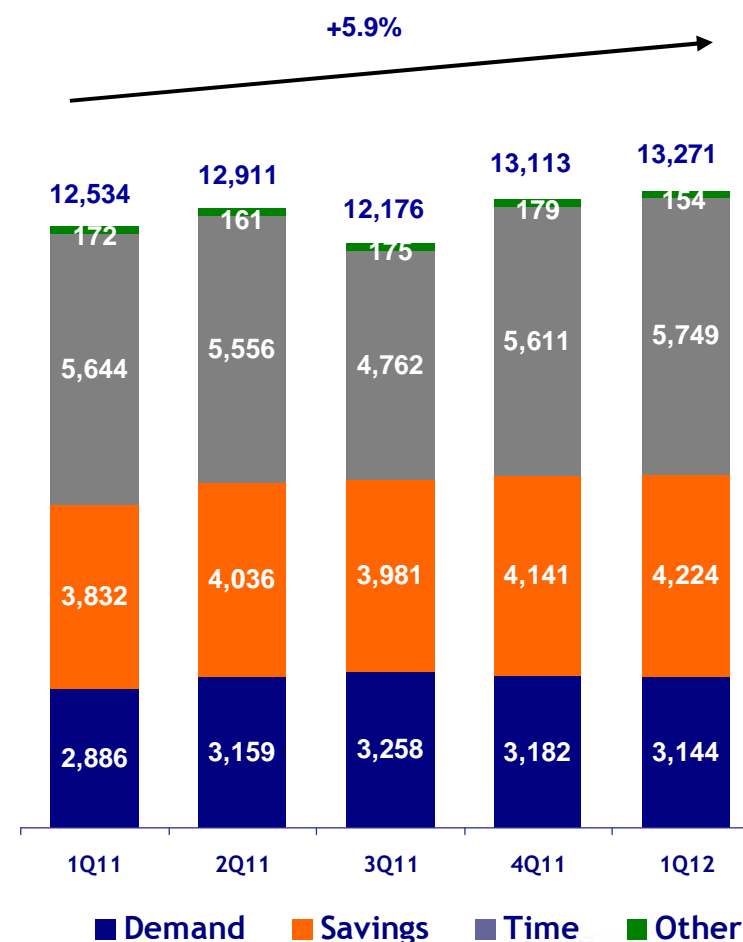
Market Share in Deposits

S/. million				% chg	
	1Q 11	4Q 11	1Q 12	QoQ	YoY
Retail Deposits	12.0%	11.9%	11.6%	-0.2%	-0.3%
Commercial Deposits ⁽¹⁾	8.9%	8.7%	8.5%	-0.2%	-0.4%

Does not include Crediscotia

⁽¹⁾ Includes demand and savings deposits

Deposit Breakdown

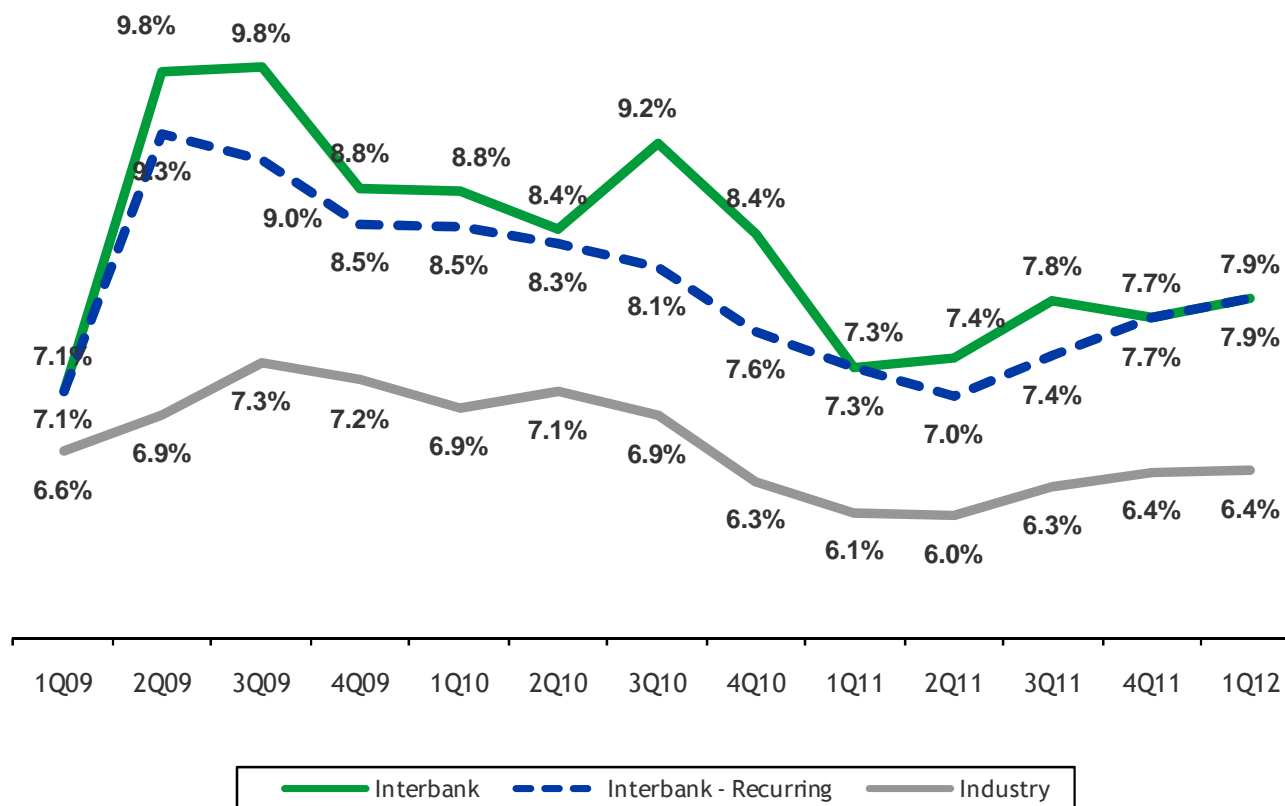


Gross financial margin increased 5.6% QoQ and 15.1% YoY

Interbank Gross Financial Margin					
S/. million	1Q 11	4Q 11	1Q 12	% chg QoQ	% chg YoY
Financial income:					
Loans	425.0	440.5	458.0	4.0%	7.8%
Investments	26.6	27.8	37.5	35.0%	40.8%
Interest on due from banks and interbank funds	9.5	2.8	4.1	44.0%	-57.2%
Exchange and derivatives gains	35.7	65.2	58.0	-11.1%	62.3%
Other	1.5	2.2	3.0	32.2%	101.1%
Total financial income	498.4	538.5	560.5	4.1%	12.5%
Financial expenses:					
Deposits	44.1	50.5	57.3	13.3%	29.7%
Other	81.3	81.6	74.2	-9.0%	-8.8%
Total financial expenses	125.5	132.1	131.4	-0.5%	4.8%
Gross Financial Margin	372.9	406.4	429.1	5.6%	15.1%

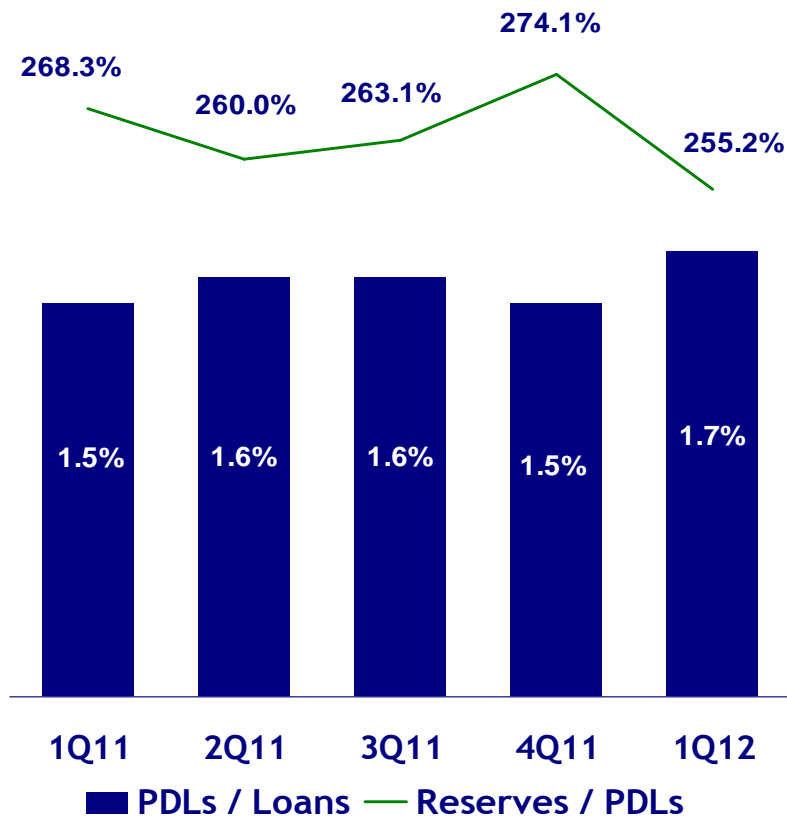
NIM has consistently increased over the last 3 quarters

Net Interest Margin (%)



Provision expenses decreased 14.8% QoQ

PDL & Coverage Ratios



Loan Provision Expense



*Annualized

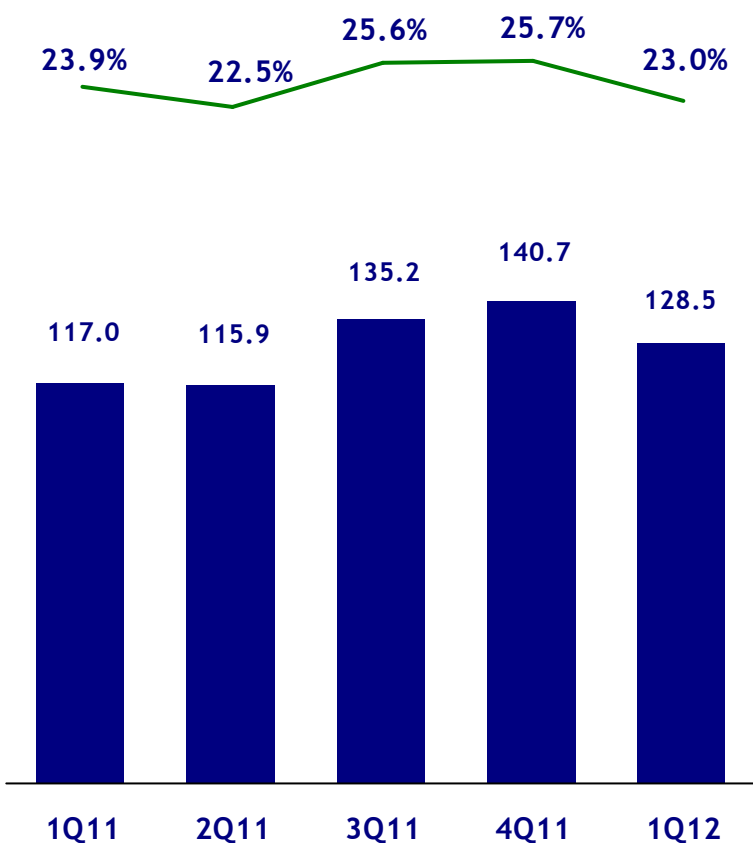
The efficiency ratio improved QoQ and YoY

Fee income

S/. million

■ Net fee income

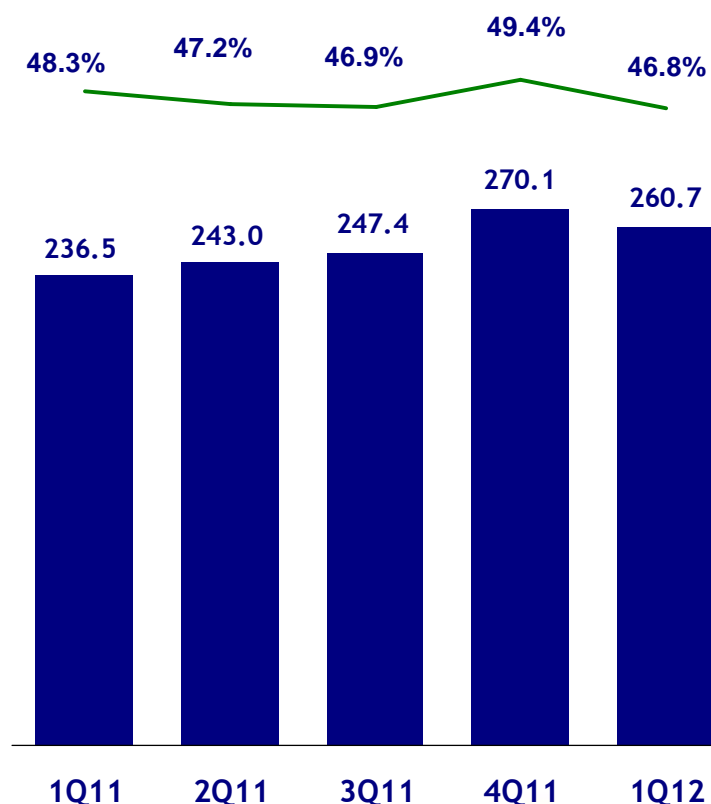
— Fee income / operating revenues



Operating expenses

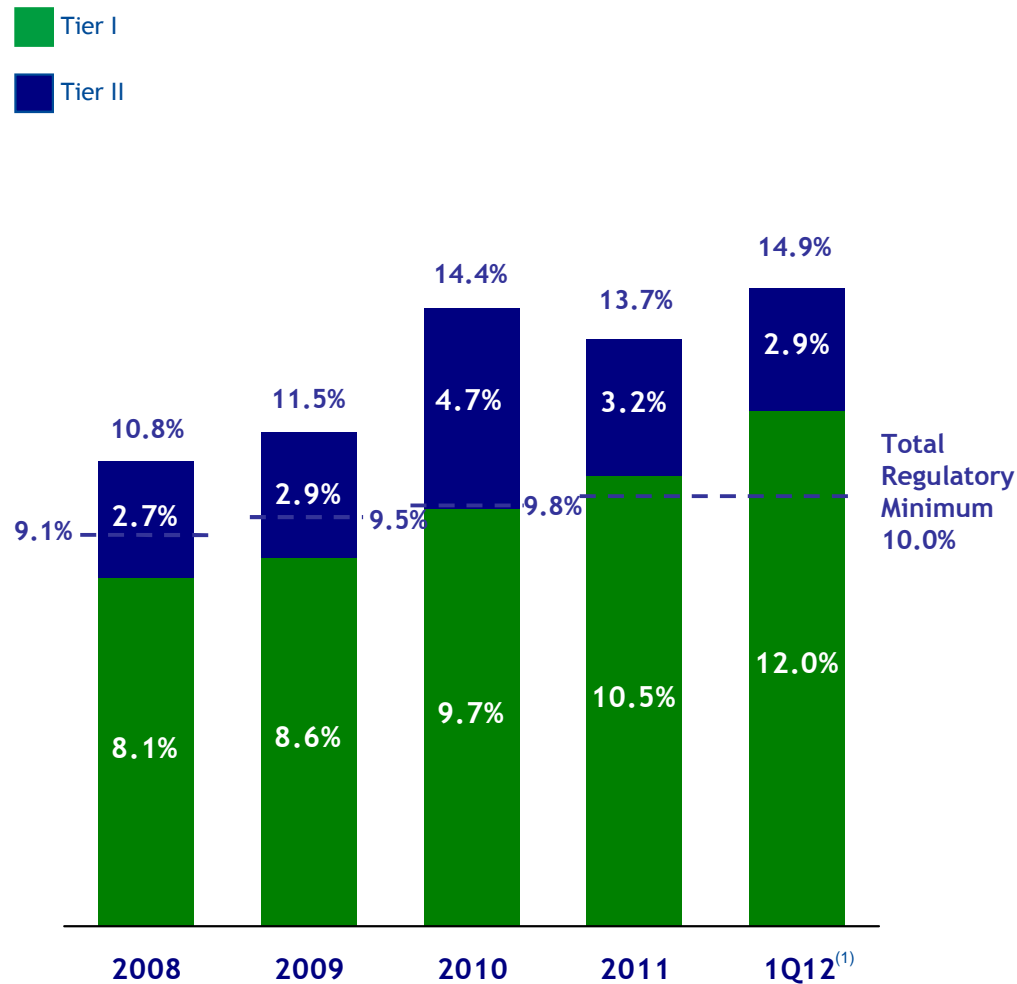
S/. million

Efficiency ratio*



*Cost / Income

Interbank's BIS ratio rose as a result of the capitalization of earnings



(1) On April 2010 Interbank issued US\$200 million in non-cumulative junior subordinated notes which are considered as Tier I and II capital. Under Peruvian regulation junior subordinated notes that receive Tier 1 capital treatment are capped at 17.65% of capital and reserves. As of March 31, 2012 only 62% of the notes qualified as Tier 1 and the remaining 38% qualified as Tier II.

Interseguro

Interseguro's net income decreased 24.0% YoY

Profit and Loss Statement Summary

S/. million	1Q11	4Q11	1Q12	% chg QoQ	% chg YoY
Premiums	124.2	107.0	110.2	3.0%	-11.3%
Premiums ceded	-1.9	-2.4	-1.0	-58.6%	-49.8%
Fees	-2.9	-4.2	-3.8	-8.8%	30.4%
Claims	-32.4	-33.3	-31.3	-6.1%	-3.5%
Change in reserves	-104.2	-86.7	-95.1	9.8%	-8.7%
Diverse Income, net	-0.8	0.2	0.1	-24.7%	n.m.
Technical margin	-18.1	-19.4	-20.9	8.0%	15.5%
Administrative expenses	-12.3	-16.6	-13.1	-21.0%	6.5%
Investment income, net*	67.4	128.1	62.2	-51.4%	-7.7%
Net income	37.0	92.2	28.1	-69.5%	-24.0%
ROE	42.5%	98.4%	27.7%		

*Includes exchange rate difference

Premiums increased 3.0% QoQ, but decreased 11.3% YoY due to a market contraction in annuities

Premiums by Business Line					
S/. million	1Q11	4Q11	1Q12	% chg QoQ	% chg YoY
Individual Life	6.1	7.0	7.1	1.1%	15.2%
Annuities	97.1	78.2	82.4	5.4%	-15.1%
Group Life	12.5	12.7	11.7	-8.4%	-6.7%
Disability and survivor benefits	0.1	0.1	0.1	0.0%	0.0%
Mandatory traffic accident	6.0	5.8	6.7	14.0%	11.5%
Non Life Insurance	2.4	3.1	2.3	-25.7%	-1.2%
TOTAL	124.2	107.0	110.2	3.0%	-11.3%

Investment income decreased 7.7% YoY

Investment Portfolio					
S/. million	1Q11	4Q11	1Q12	%chg QoQ	%chg YoY
Fixed Income	1,518.6	1,897.0	1,998.6	5.4%	31.6%
Equity and Mutual Funds	352.7	296.0	280.4	-5.3%	-20.5%
Real estate	487.0	443.5	456.1	2.8%	-6.3%
Others	4.5	4.8	4.9	1.7%	8.8%
TOTAL	2,362.8	2,641.4	2,740.0	3.7%	16.0%

Investment Income, Net					
S/. million	1Q11	4Q11	1Q12	%chg QoQ	%chg YoY
Income:					
Fixed Income	44.1	38.7	44.9	16.0%	1.9%
Interest	26.4	34.2	27.9	-18.6%	5.5%
Realized Gains	17.7	4.5	17.1	279.3%	-3.5%
Equity and Mutual Funds	15.1	7.0	9.1	30.6%	-39.4%
Real estate	8.3	82.6	9.4	-88.6%	13.1%
Total Income	67.5	128.3	63.5	-50.6%	-6.0%
Expenses	-1.2	-0.5	-1.2	122.2%	-4.1%
Exchange difference and other	1.2	0.3	0.0	n.m.	n.m.
Net investment income	67.4	128.1	62.2	-51.4%	-7.7%



Intergroup

Financial Services