

# Third Quarter 2009 Earnings Presentation

# Intergroup Financial Services

# Highlights

## Intergroup:

- Intergroup reported strong results in 3Q09, with net income growth of 15.9% QoQ and 272.6% YoY, driven by positive contributions from both subsidiaries.
- Asset quality and capitalization were strong, while efficiency improved.

## Interbank:

- Interbank's net income grew 27.0% QoQ and 147.4% YoY, driven by growth in gross financial margin and fee income, in addition to significant improvements in efficiency.
- As a result of weak demand for credit and the appreciation of the Nuevo Sol, Interbank's current loan portfolio grew 1.8% QoQ, a better rate than the market's average (-1.9% QoQ). Interbank's current loans grew 19.1% YoY.
- Gross financial margin grew 78.0% YoY, driven by higher interest on loans, higher investment returns and lower funding costs. The average funding cost decreased 120 basis points YoY.
- Asset quality and coverage strengthened, with the past due loan ratio declining from 1.7% to 1.6% QoQ, while the coverage ratio increased from 233% to 261%.
- Interbank's capital ratio increased from 11.1% to 12.2% QoQ

## Interseguro:

- Interseguro reported S/. 18.3mm in net income for 3Q09, a significant reversal from a S/.16.0mm loss reported in 3Q08.

# Net Earnings

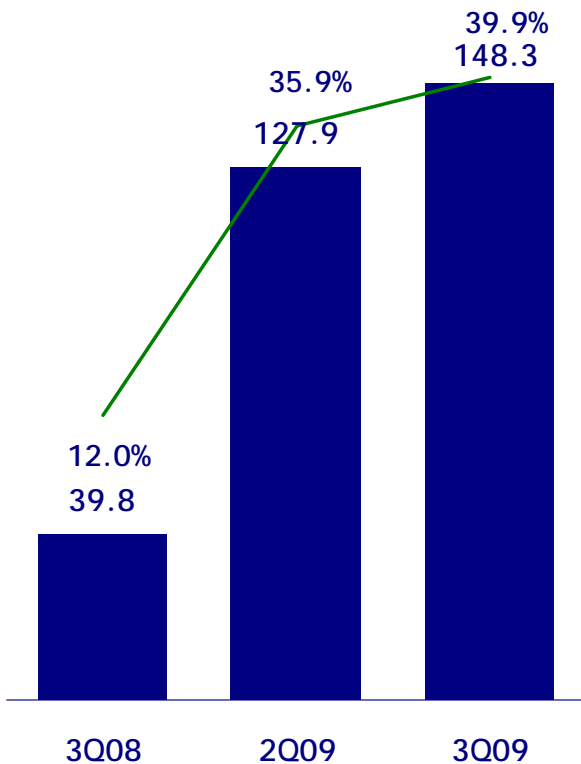
Intergroup's Profit and Loss Statement Summary					
S/. million	3Q08	2Q09	3Q09	%chg QoQ	%chg YoY
Financial income	378.4	517.3	516.5	-0.2%	36.5%
Financial expenses	-152.7	-115.9	-91.7	-20.9%	-39.9%
<b>Gross financial margin</b>	<b>225.7</b>	<b>401.4</b>	<b>424.8</b>	<b>5.8%</b>	<b>88.2%</b>
Provisions	-49.6	-97.2	-84.9	-12.7%	71.2%
<b>Net financial margin</b>	<b>176.1</b>	<b>304.2</b>	<b>339.9</b>	<b>11.7%</b>	<b>93.0%</b>
Fee income from financial services, net	82.0	87.3	111.0	27.1%	35.4%
Result from insurance underwriting, net	-18.8	-9.2	-10.3	12.0%	-45.2%
Administrative expenses	-188.4	-206.1	-220.5	7.0%	17.0%
<b>Net operating margin</b>	<b>50.9</b>	<b>176.2</b>	<b>220.1</b>	<b>24.9%</b>	<b>332.4%</b>
Depreciation and amortization	-15.2	-18.2	-18.1	-0.5%	19.1%
Other income (expenses)	30.7	11.8	-	-100.0%	-100.0%
<b>Income before tax and profit sharing</b>	<b>66.4</b>	<b>169.8</b>	<b>202.0</b>	<b>19.0%</b>	<b>204.2%</b>
Income tax and profit sharing	-29.8	-41.1	-52.7	28.2%	76.8%
Income from continuing operations	36.6	128.7	149.3	16.0%	307.9%
<b>Net income</b>	<b>36.6</b>	<b>128.7</b>	<b>149.3</b>	<b>16.0%</b>	<b>307.9%</b>
<b>Attributable to IFS shareholders</b>	<b>39.8</b>	<b>127.9</b>	<b>148.3</b>	<b>15.9%</b>	<b>272.6%</b>
<b>EPS</b>	<b>0.43</b>	<b>1.37</b>	<b>1.59</b>		
<b>ROE</b>	<b>12.0%</b>	<b>35.9%</b>	<b>39.9%</b>		

# Intergroup's net income\* increased 16% QoQ and 273% YoY

## Intergroup

S/. million

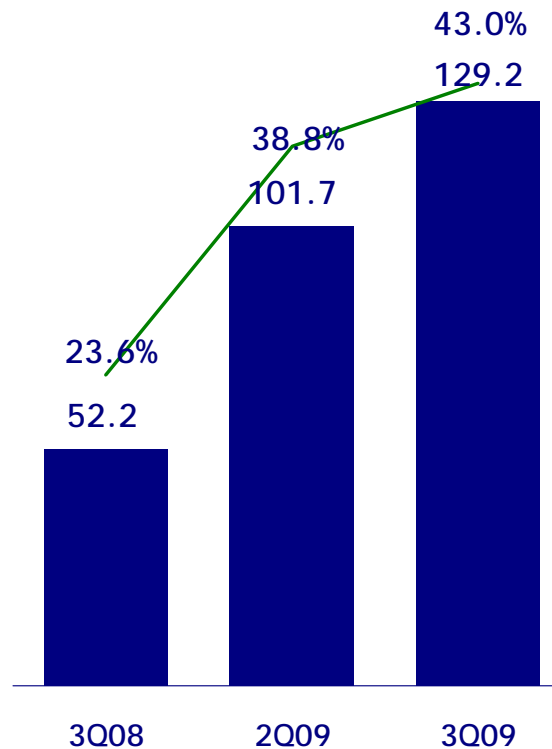
ROE



## Interbank

S/. million

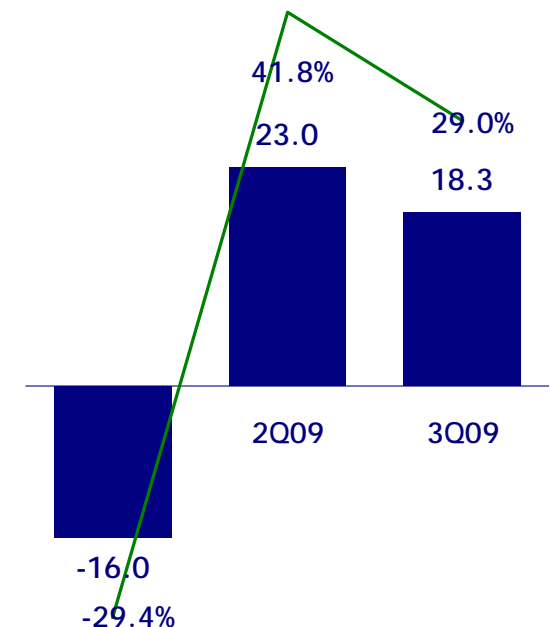
ROE



## Interseguro

S/. million

ROE



\*Attributable to IFS shareholders

# Interbank

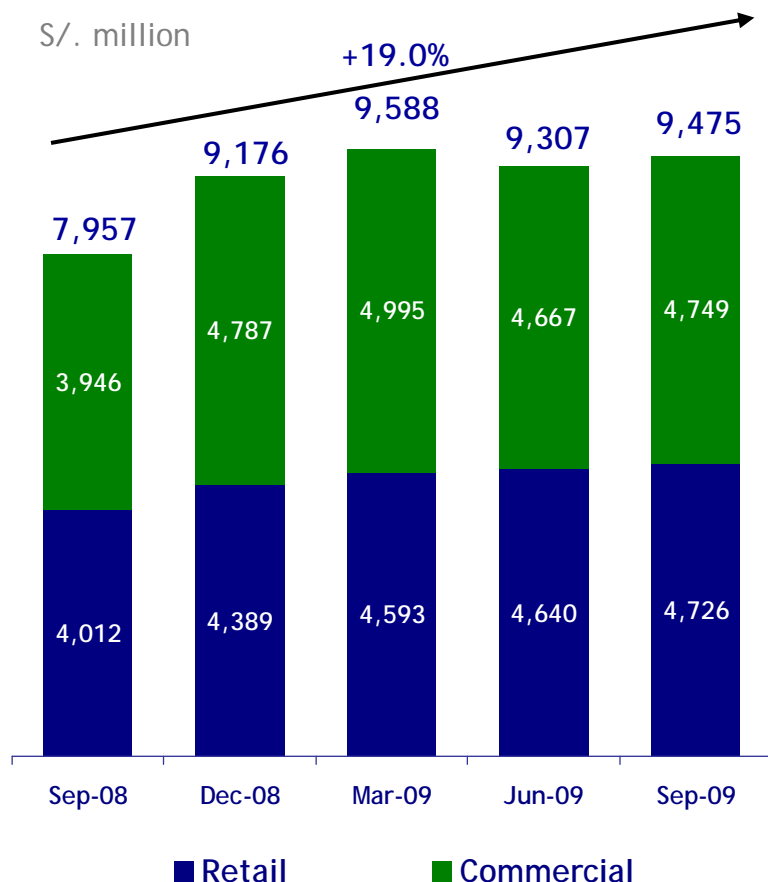
# Interbank's net income grew 27% QoQ and 147% YoY

## Profit and Loss Statement Summary

S/. million	3Q 08	2Q 09	3Q 09	% chg QoQ	% chg YoY
Financial income	322.0	470.2	466.3	-0.8%	44.8%
Financial expenses	-108.1	-109.6	-85.6	-21.9%	-20.8%
<b>Gross financial margin</b>	<b>213.9</b>	<b>360.7</b>	<b>380.7</b>	<b>5.5%</b>	<b>78.0%</b>
Provisions	-49.6	-97.5	-84.9	-12.9%	71.0%
<b>Net financial margin</b>	<b>164.2</b>	<b>263.2</b>	<b>295.8</b>	<b>12.4%</b>	<b>80.1%</b>
Fee income from financial services, net	89.5	98.6	111.9	13.6%	25.1%
Administrative expenses	-182.0	-200.4	-204.1	1.8%	12.1%
<b>Net operating margin</b>	<b>71.7</b>	<b>161.4</b>	<b>203.7</b>	<b>26.2%</b>	<b>184.2%</b>
Depreciation and amortization	-14.6	-17.3	-17.2	-0.8%	18.0%
Other income (expenses)	22.0	-5.8	-7.5	30.8%	-134.4%
<b>Income before tax and profit sharing</b>	<b>79.0</b>	<b>138.3</b>	<b>178.9</b>	<b>29.4%</b>	<b>126.4%</b>
Expenses tax and profit sharing	-26.8	-36.6	-49.7	36.0%	85.5%
<b>Net income</b>	<b>52.2</b>	<b>101.7</b>	<b>129.2</b>	<b>27.0%</b>	<b>147.4%</b>
<b>ROE</b>	<b>23.6%</b>	<b>38.8%</b>	<b>43.0%</b>		

# Loan growth remained weak in 3Q09

## Performing loans



## Breakdown of retail loans

S/. million	3Q 08	2Q 09	3Q 09	% chg QoQ	% chg YoY
<b>Consumer loans:</b>					
Credit cards	1,244.1	1,455.4	1,447.0	-0.6%	16.3%
Other consumer	1,717.1	1,959.1	2,032.8	3.8%	18.4%
<b>Total consumer loans</b>	<b>2,961.2</b>	<b>3,414.5</b>	<b>3,479.8</b>	<b>1.9%</b>	<b>17.5%</b>
Mortgages	1,050.3	1,226.0	1,246.5	1.7%	18.7%
<b>Total retail loans</b>	<b>4,011.5</b>	<b>4,640.5</b>	<b>4,726.3</b>	<b>1.8%</b>	<b>17.8%</b>

## Market Share in Loans

S/. million	3Q 08	2Q 09	3Q 09	% chg QoQ	% chg YoY
<b>Consumer loans:</b>					
Credit cards	19.1%	21.0%	21.1%	0.1%	2.0%
Other consumer	18.5%	21.5%	21.9%	0.4%	3.4%
<b>Total consumer loans</b>	<b>18.7%</b>	<b>21.0%</b>	<b>22.7%</b>	<b>1.7%</b>	<b>4.1%</b>
Mortgages	11.0%	10.5%	10.5%	0.0%	-0.5%
<b>Total retail loans</b>	<b>16.1%</b>	<b>17.3%</b>	<b>17.4%</b>	<b>0.1%</b>	<b>1.3%</b>
<b>Total Commercial</b>	<b>7.3%</b>	<b>7.7%</b>	<b>8.1%</b>	<b>0.4%</b>	<b>0.8%</b>



# Deposit growth slowed down due to lower interest rates

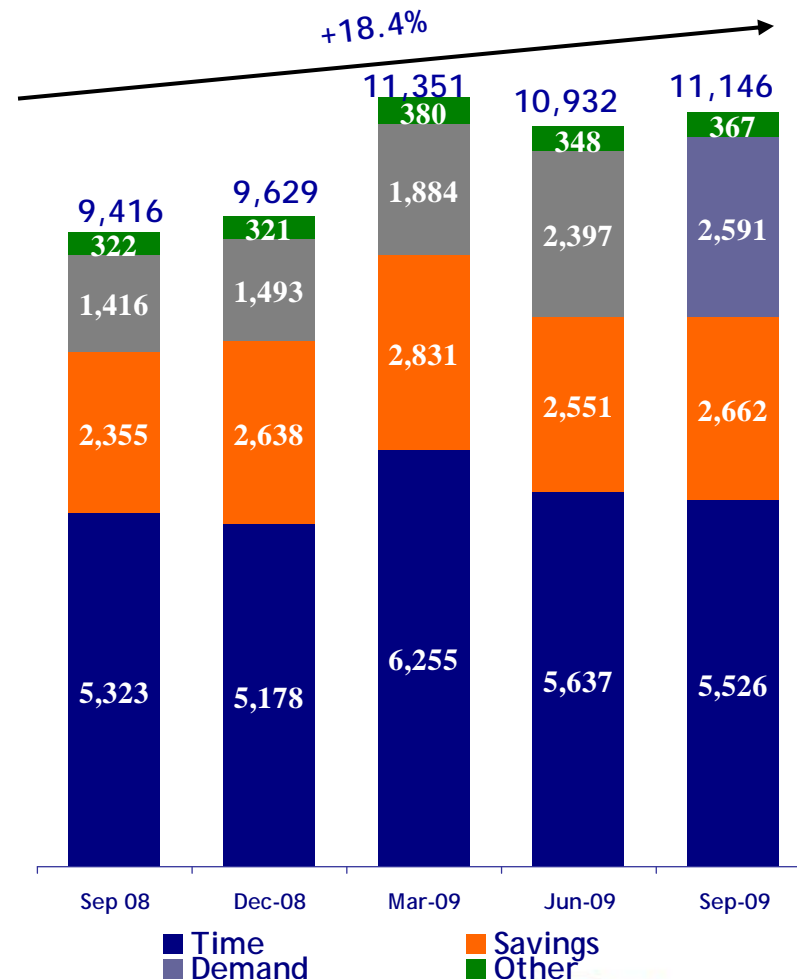
## Funding Structure

S/. million				% chg	% chg
	3Q 08	2Q 09	3Q 09	QoQ	YoY
Deposits and obligations	9,415.2	10,932.9	11,145.9	1.9%	18.4%
Due to banks	2,401.6	1,727.1	1,876.7	8.7%	-21.9%
Bonds and obligations	377.0	469.8	505.0	7.5%	34.0%
Others	222.0	253.6	102.5	-59.6%	-53.8%
<b>Total</b>	<b>12,415.7</b>	<b>13,383.4</b>	<b>13,630.2</b>	<b>1.8%</b>	<b>9.8%</b>
AUM (Interfondos)	2,007	1,513	1,839	21.5%	-8.4%

## Market Share in Deposits

S/. million				% chg	% chg
	3Q 08	2Q 09	3Q 09	QoQ	YoY
Retail Deposits	11.4%	12.5%	12.7%	0.2%	1.3%
Commercial Deposits	9.6%	9.8%	10.3%	0.5%	0.7%

## Deposit Breakdown

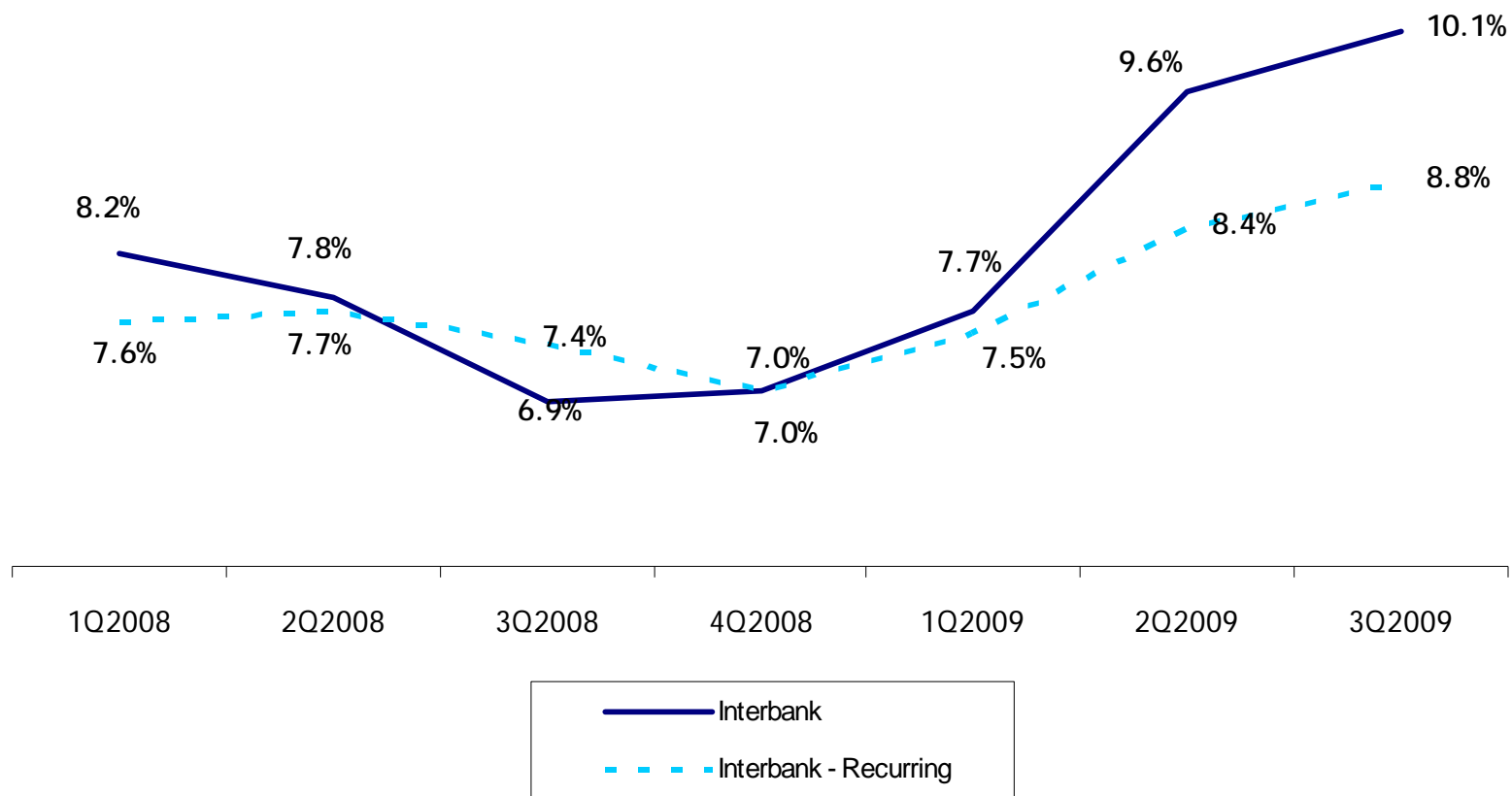


# Gross financial margin increased 6% QoQ and 78% YoY

Interbank Net Financial Margin					
S/. million	3Q 08	2Q 09	3Q 09	% chg QoQ	% chg YoY
<b>Financial income:</b>					
Loans	286.6	362.9	369.8	1.9%	29.1%
Investments	16.6	74.8	67.2	-10.2%	305.7%
Interest on due from banks and interbanks funds	12.4	2.4	2.0	-19.2%	-84.1%
Exchange difference	6.5	30.5	27.2	-10.7%	322.0%
<b>Total financial income</b>	<b>322.0</b>	<b>470.2</b>	<b>466.3</b>	<b>-0.8%</b>	<b>44.8%</b>
<b>Financial expenses:</b>					
Deposits	69.6	77.3	52.1	-32.6%	-25.1%
Others	38.6	32.3	33.5	3.8%	-13.0%
<b>Total financial expenses</b>	<b>108.1</b>	<b>109.6</b>	<b>85.6</b>	<b>-21.9%</b>	<b>-20.8%</b>
<b>Gross Financial Margin</b>	<b>213.9</b>	<b>360.7</b>	<b>380.7</b>	<b>5.5%</b>	<b>78.0%</b>

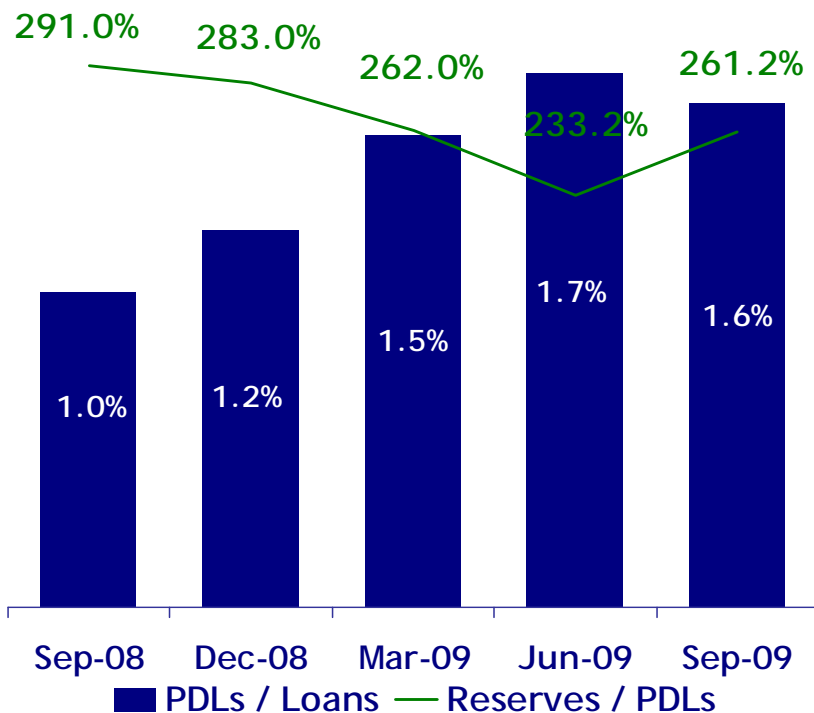
# Recurring NIM increased 140 bps YoY

## Net Interest Margin (%)



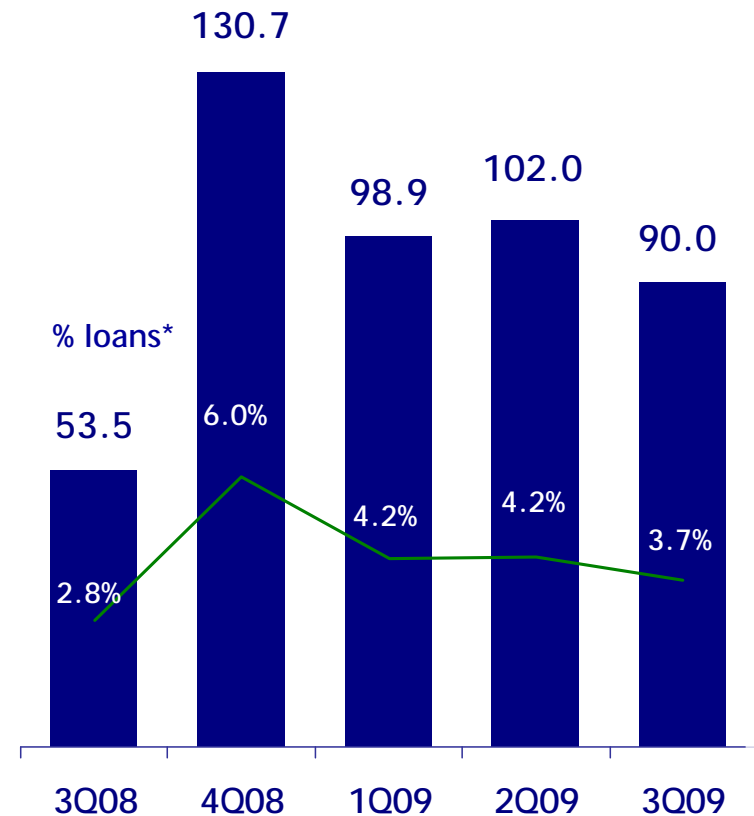
# Asset quality and coverage improved

## PDL & Coverage Ratios



## Loan Provision Expense

S/. million



\*Annualized

# Fee income increased 14% QoQ and 25% YoY

## Fee Income from Financial Services, Net

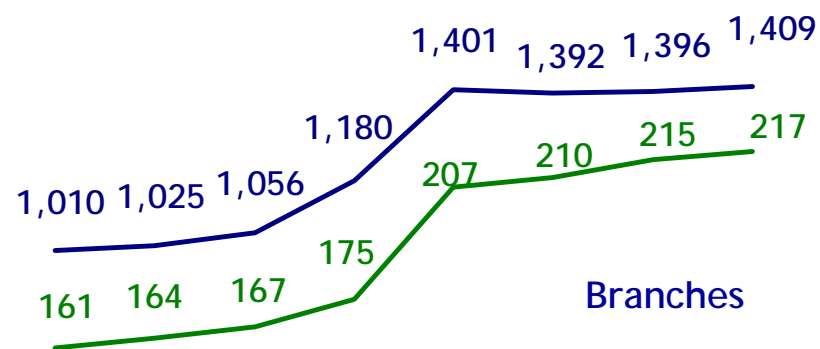
S/. million	3Q 08	2Q 09	3Q 09	% chg QoQ	% chg YoY
Credit and debit card	35.4	38.7	41.1	6.2%	16.1%
Fees for services	36.5	40.8	44.0	7.8%	20.5%
Contingent operations	6.3	7.7	9.9	28.6%	57.1%
Fund transfer services	5.3	5.0	4.9	-2.0%	-7.5%
Others	15.7	17.2	24.5	42.4%	56.1%
<b>Total</b>	<b>99.1</b>	<b>109.3</b>	<b>124.4</b>	<b>13.8%</b>	<b>25.5%</b>
Expenses relating to financial services	-9.6	-10.7	-12.4	15.9%	29.2%
<b>Fee income from financial services, net</b>	<b>89.5</b>	<b>98.6</b>	<b>111.9</b>	<b>13.5%</b>	<b>25.0%</b>

# The efficiency ratio has improved significantly

## Distribution network

Units

ATMs

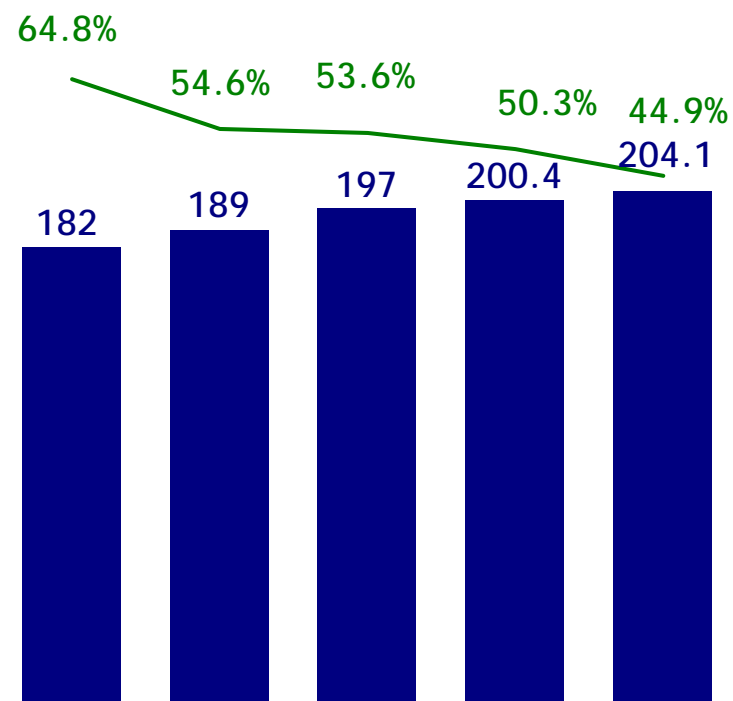


Dec-07 Mar-08 Jun-08 Sep-08 Dec-08 Mar-09 Jun-09 Sep-09

## Operating expenses

S/. million

Efficiency ratio\*



3Q08 4Q08 1Q09 2Q09 3Q09

\*Cost / Income

# Interseguro

# Interseguro posted a second consecutive quarter of strong earnings

## Profit and Loss Statement Summary

S/. million	3Q08	2Q09	3Q09	%chg QoQ	%chg YoY
Premiums	57.5	66.3	57.7	-13.0%	0.4%
Premiums ceded	-1.6	-1.9	-1.9	1.3%	21.4%
Fees	-2.0	-2.0	-2.4	24.5%	19.7%
Claims	-33.5	-28.0	-30.2	7.9%	-9.7%
Change in reserves	-38.6	-45.6	-33.7	-26.2%	-12.8%
Diverse Income, net	-1.0	0.3	-1.7	n.m.	n.m.
<b>Technical margin</b>	<b>-19.1</b>	<b>-10.8</b>	<b>-12.2</b>	<b>12.7%</b>	<b>-36.3%</b>
Adm. expenses	-8.9	-9.0	-9.3	3.2%	4.0%
Investment income, net*	12.1	42.8	39.8	-7.0%	228.6%
<b>Net income</b>	<b>-16.0</b>	<b>23.0</b>	<b>18.3</b>	<b>-20.2%</b>	<b>n.m.</b>
<b>ROE</b>	<b>-29.4%</b>	<b>41.8%</b>	<b>29.0%</b>		

\*Includes exchange rate and extraordinaries



# Premiums decreased 13% QoQ, due to lower annuity sales

## Premiums by Business Line

S/. million	3T08	2T09	3T09	%chg QoQ	%chg YoY
Individual Life	6.1	5.8	6.0	3.0%	-1.4%
Annuities	38.2	45.7	36.0	-21.4%	-5.8%
Group Life	7.3	8.9	8.3	-6.3%	13.6%
Disability and survivor benefits	0.4	0.1	0.1	-28.6%	-78.1%
Mandatory traffic accident	5.5	4.2	5.7	34.7%	4.1%
Non Life Insurance	0.0	1.5	1.6	7.6%	n.m.
<b>TOTAL</b>	<b>57.5</b>	<b>66.3</b>	<b>57.7</b>	<b>-13.0%</b>	<b>0.4%</b>

# Investment income more than tripled YoY

Investment Portfolio					
S/. million	3T08	2T09	3T09	%chg QoQ	%chg YoY
Fixed Income	1,099.3	1,281.9	1,201.0	-6.3%	9.3%
Equity and Mutual Funds	235.2	128.1	182.0	42.1%	-22.6%
Real Estate	424.8	422.3	426.2	0.9%	0.3%
Others	4.4	5.1	5.2	1.3%	16.9%
<b>TOTAL</b>	<b>1,763.6</b>	<b>1,837.5</b>	<b>1,814.4</b>	<b>-1.3%</b>	<b>2.9%</b>

Investment Income, Net					
S/. million	3T08	2T09	3T09	%chg QoQ	%chg YoY
<b>Income:</b>					
Fixed Income	18.4	35.7	25.4	-28.7%	38.2%
Interest	20.1	21.0	17.8	-15.4%	-11.5%
Trading	-1.7	14.6	7.6	-47.8%	n.m.
Equity and Mutual Funds	-16.3	7.3	3.5	-52.4%	-121.3%
Real Estate	11.0	8.1	13.1	62.5%	n.m.
Total income	13.1	51.1	42.0	-17.7%	221.4%
Expenses	-3.2	-2.2	-1.0	-54.5%	-68.4%
Exchange rate gains/losses	2.2	-6.1	-1.2	-79.6%	n.m.
<b>Net income</b>	<b>12.1</b>	<b>42.8</b>	<b>39.8</b>	<b>-7.0%</b>	<b>229.0%</b>

\* Others considered income and expenses for extraordinary write-off reversal, taxation and fiscal administrative penalties.



**Intergroup**

Financial Services