Credicorp Ltd. Reports First Quarter 2006 Earnings

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LIMA, Peru, May 11, 2006 /PRNewswire-FirstCall via COMTEX News Network/ -- Credicorp (NYSE: BAP) announced today its unaudited results for the first quarter of 2006. These results are reported on a consolidated basis in accordance with IFRS in nominal U.S. dollars.

HIGHLIGHTS

- Credicorp reported 1Q06 net income of US$ 51.2 million, continuing its earnings growth despite the political uncertainties affecting the economic and business environment in which it operates, reaching 15.4% growth QoQ and 17.4% YoY.
- BCP continues being the main driver of net income growth, with its earnings contribution to Credicorp up 25.2% QoQ as a result of solid business growth and an important currency exchange rate effect following the volatility in the soles versus the dollar.
- BCP reports solid loan growth, which reached 4.3% QoQ or 24% YoY in the retail segment, its most dynamic area, a global QoQ net loans growth of 3%, and 10% growth in interest earning assets.
- Interest income at BCP grew QoQ 2.5% to US$ 104 million. Transactional fee income, though more dynamic, reflected some seasonal effects and a strategic move geared towards increasing bank penetration through a significant reduction in account maintenance fees, which led to a drop of fee income of 1.3% QoQ. Thus, core revenues, which at BCP include gains from FX-transactions, grew 2% QoQ and 17% YoY.
- The still largely unattended retail market has allowed for further growth without surrendering NIM for the banking products. However, the significantly stronger growth in low-yielding investments compared to growth of the loan portfolio led to a drop of 7% in NIM, which reached 5.1% in 1Q06.
- ASHC, Credicorp's offshore banking operation, also reported an improved contribution of US$ 4.9 million, reflecting growth of 40% QoQ, principally as a result of an important growth in time deposits that ultimately resulted in an increased interest-earning assets position and higher interest income.
- After last year's poor performance, resulting from extraordinarily high claims, Credicorp's insurance business at PPS reported improved earnings in 1Q06 in the troubled business segments, reaching a total of US$ 3.8 million, of which US$ 2.7 million represent PPS's contribution to Credicorp's total results. This reflects, after the poor results of the previous quarters, a 200% recovery in earnings contribution QoQ and 22.7% higher YoY.
- AFP Prima, the pension fund business, is also successfully continuing its sales efforts, having grown its managed Pension Fund portfolio approximately 108% in 1Q06 and its number of affiliated clients by 42%. Results were, therefore, better than expected, with losses for the quarter of US$ 2.7 million, compared to losses of US$ 7.6 million for the 4Q05.
- These higher earnings results, coupled with continuing cost controls, contributed to the improvement of Credicorp's efficiency ratio, down to 42.5% in 1Q06 from 44.5% as of year end 2005.
- Furthermore, ROAE continues its recovery, reaching 17.4% in 1Q06.

For the full text of the report, please visit: http://www.credicorpnet.com IR CONTACTS In Peru:

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Company Description:

Credicorp Ltd. (NYSE: BAP) is the leading financial services holding company in Peru. It primarily operates via its four principal subsidiaries: Banco de Credito del Peru (BCP), Atlantic Security Holding Corporation (ASHC), El Pacifico-Peruano Suiza Compania de Seguros y Reaseguros (PPS) and Grupo Credito. Credicorp is engaged principally in commercial banking (including trade finance, corporate finance and leasing services), insurance (including commercial property, transportation and marine hull, automobile, life, health and pension fund underwriting insurance) and investment banking (including brokerage services, asset management, trust, custody and securitization services, trading and investment). BCP is the Company's primary subsidiary; as of the period ended December 31, 2005, it contributed 97.0% of Credicorp's total revenues.

Note on Forward-Looking Statements

Safe Harbor for forward-looking statements

This material includes "forward-looking statements" within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical information provided herein are forward-looking and may contain information about financial results, economic conditions, trends and known uncertainties.

The Company cautions readers that actual results could differ materially from those expected by the Company, depending on the outcome of certain factors, including, without limitation: (1) adverse changes in the Peruvian economy with respect to the rates of inflation, economic growth, currency devaluation and other factors; (2) adverse changes in the Peruvian political situation, including, without limitation, the reversal of market-oriented reforms and economic recovery measures, or the failure of such measures and reforms to achieve their goals; and (3) adverse changes in the markets in which the Company operates, including increased competition, decreased demand for financial services and other factors. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The Company undertakes no obligation to release publicly the result of any revisions to these forward-looking statements which may be made to reflect events or circumstances after the date hereof, including, without limitation, changes in the Company's business strategy or planned capital expenditures or to reflect the occurrence of unanticipated events.

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