

# **IQ04 Financial Earnings Results**

Conference Call Presentation

Call Date: Tuesday, May 4, 2004

Call Number (USA): 1-973-317-5319

Time: 10:00 am ET / Lima

# Conference Call Outline

**The Peruvian Economy**

**The Peruvian Banking System**

**Credicorp:**

**Overview**

**Banco de Credito del Peru**

**Atlantic Security Bank**

**Pacifico Peruano Suiza**

**Outlook**

# Peruvian Economy

	2000	2001	2002	2003	2004-I
<b>GDP (%)</b>	<b>3.1</b>	<b>0.6</b>	<b>5.3</b>	<b>4.0</b>	<b>3.6 (e)</b>
<b>INFLATION (%)</b>	<b>3.7</b>	<b>-0.1</b>	<b>1.5</b>	<b>2.5</b>	<b>2.8 *</b>
<b>EXCHANGE RATE</b>	<b>3.52</b>	<b>3.44</b>	<b>3.5</b>	<b>3.46</b>	<b>3.46</b>
<b>DEVALUATION (%)</b>	<b>0.5</b>	<b>-2.3</b>	<b>2.0</b>	<b>-1.5</b>	<b>-</b>
<b>FISCAL DEFICIT (%PBI)</b>	<b>3.2</b>	<b>2.5</b>	<b>2.3</b>	<b>1.8</b>	<b>0.3% (e)</b>
<b>RESERVES (US\$BN)</b>	<b>8.2</b>	<b>8.6</b>	<b>9.6</b>	<b>10.2</b>	<b>10.5</b>

\*Inflation rate accumulated during the last 12 months

# Peruvian Banking System

	1Q03	4Q03	1Q04
<b>TOTAL LOANS (US\$BN)</b>	<b>10.4</b>	<b>10.1</b>	<b>10.1</b>
<b>PDLs / TOTAL LOANS</b>	<b>7.8%</b>	<b>5.9%</b>	<b>5.8%</b>
<b>COVERAGE</b>	<b>133%</b>	<b>141%</b>	<b>143.5%</b>
<b>TOTAL DEPOSITS (US\$BN)</b>	<b>13.9</b>	<b>13.7</b>	<b>13.7</b>
<b>MUTUAL FUNDS (US\$BN)</b>	<b>1.6</b>	<b>2.0</b>	<b>2.1</b>
<b>RETURN ON EQUITY *</b>	<b>6.0 %</b>	<b>10.5%</b>	<b>11.0%</b>
<b>LOAN RATES (US\$)</b>	<b>9.0%</b>	<b>8.2%</b>	<b>8.6%</b>
<b>DEPOSIT RATES (US\$)</b>	<b>1.1%</b>	<b>0.9%</b>	<b>0.9%</b>
<b>LOAN RATES (S/.)</b>	<b>20.0%</b>	<b>20.1%</b>	<b>20.4%</b>
<b>DEPOSIT RATES (S/.)</b>	<b>3.0%</b>	<b>2.0%</b>	<b>2.0%</b>

\* Accumulated return during the quarter

# Credicorp Overview

<b>Summary of Results (USMN)</b>	<b>1Q03</b>	<b>4Q03</b>	<b>1Q04</b>
<b>Net Interest Income*</b>	<b>94.4</b>	<b>98.8</b>	<b>90.0</b>
<b>Provisions</b>	<b>34.2</b>	<b>16.2</b>	<b>19.0</b>
<b>Other Income*</b>	<b>106.9</b>	<b>89.6</b>	<b>108.8</b>
<b>Claims on Insurance Activities</b>	<b>25.2</b>	<b>23.5</b>	<b>28.7</b>
<b>Other Expenses</b>	<b>109.1</b>	<b>113.9</b>	<b>108.2</b>
<b>Merger Costs</b>	<b>15.5</b>	<b>1.1</b>	<b>1.8</b>
<b>Translation Result</b>	<b>-6.7</b>	<b>1.1</b>	<b>3.3</b>
<b>Earnings before Taxes and Min. Int.</b>	<b>10.6</b>	<b>34.8</b>	<b>44.5</b>
<b>Income Tax</b>	<b>-6.8</b>	<b>-9.8</b>	<b>-11.6</b>
<b>Minority Interest</b>	<b>-1.4</b>	<b>-1.1</b>	<b>-2.8</b>
<b>NET INCOME</b>	<b>2.5</b>	<b>23.8</b>	<b>30.1</b>
<b>EPS (US\$)</b>	<b>0.03</b>	<b>0.30</b>	<b>0.38</b>

\*Net Interest Income (NII) and Other Income (OI) have been modified retroactively due to reclassification of financial revenue lines of PPS, as a result of which NII increased by US\$5.6MM and US\$8.3MM during 1Q03 and 4Q03, respectively, and OI decreased by the same amount

# Credicorp Overview

<b>Earnings Contribution (USMN)</b>	<b>1Q03</b>	<b>4Q03</b>	<b>1Q04</b>
<b>Banco de Credito</b>	<b>8.0</b>	<b>27.4</b>	<b>25.9</b>
<b>Pacifico</b>	<b>1.1</b>	<b>-3.6</b>	<b>2.8</b>
<b>Atlantic</b>	<b>0.6</b>	<b>3.1</b>	<b>2.9</b>
<b>Tequendama*</b>	<b>-1.1</b>	<b>0.5</b>	<b>0.6</b>
<b>Credicorp &amp; Others**</b>	<b>-6.1</b>	<b>-3.6</b>	<b>-2.1</b>
<b>TOTAL INCOME</b>	<b>2.5</b>	<b>23.8</b>	<b>30.1</b>
<hr style="border-top: 1px dashed #000;"/>			
<b>Total Assets</b>	<b>8,577</b>	<b>8,299</b>	<b>8,293</b>
<b>Net Equity</b>	<b>808</b>	<b>911</b>	<b>918</b>
<b>BIS Ratio (%)</b>	<b>11.7%</b>	<b>11.4%</b>	<b>13.9%</b>

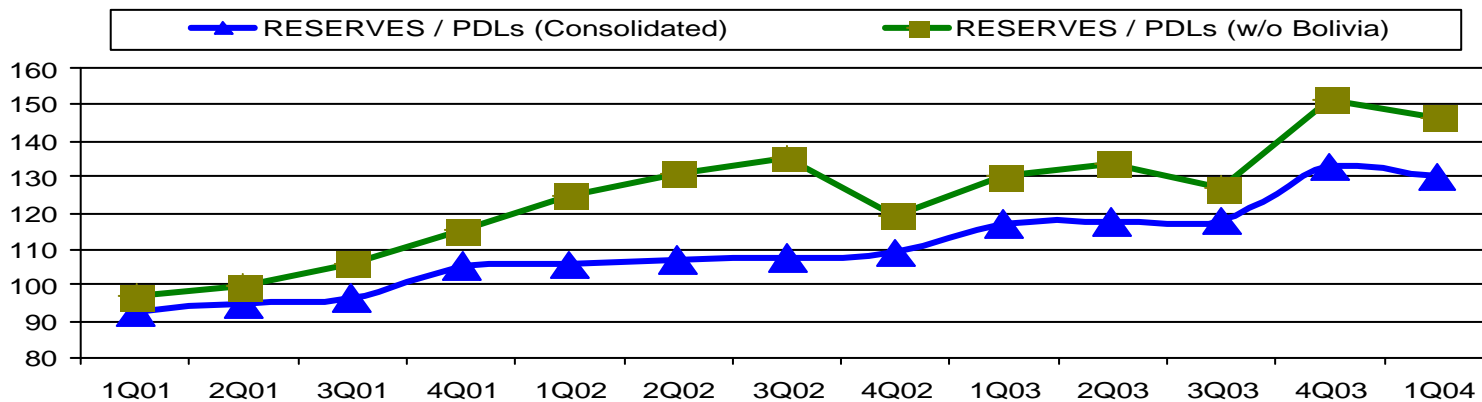
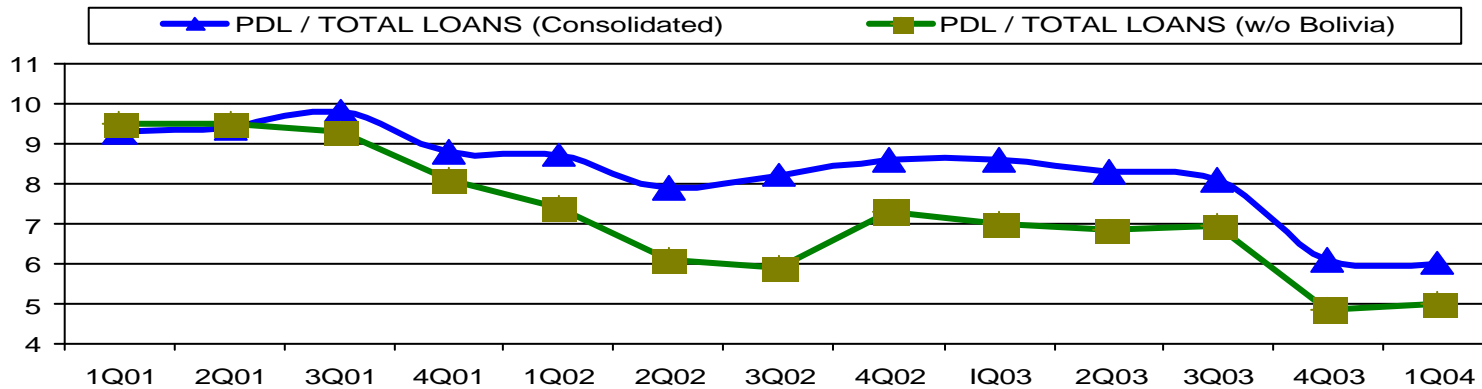
\* Excludes transfers to Credicorp and others

\*\*Includes income from ICOSA

# Credito (consolidated)

<b>Key Figures (US\$MN)</b>	<b>1Q03</b>	<b>1Q04</b>
<b>Deposits</b>	<b>6,334</b>	<b>5,627</b>
<b>Mkt%</b>	<b>38.5%</b>	<b>36,6%</b>
<b>Net Loans</b>	<b>4,004</b>	<b>3,683</b>
<b>Mkt%</b>	<b>35.3%</b>	<b>34,6%</b>
<b>Net Interest Income</b>	<b>85.0</b>	<b>75.8</b>
<b>Provisions</b>	<b>34.8</b>	<b>13.6</b>
<b>Non-Interest Income</b>	<b>74.8</b>	<b>64.3</b>
<b>Operating Expenses</b>	<b>93.9</b>	<b>87.1</b>
<b>Merger Costs</b>	<b>16.1</b>	<b>1.8</b>
<b>Gains on Inflation Adjustment</b>	<b>-7.5</b>	<b>-10.1</b>
<b>OPEX / Income</b>	<b>54.3%</b>	<b>55.7%</b>
<b>CONTRIBUTION</b>	<b>8.0</b>	<b>25.9</b>

# BCP's Loan Quality





# Atlantic

<b>Key Figures (US\$MN)</b>	<b>1Q03</b>	<b>1Q04</b>
<b>Equity</b>	<b>119</b>	<b>122</b>
<b>Net Loans</b>	<b>156</b>	<b>154</b>
<b>Investments</b>	<b>328</b>	<b>453</b>
<b>Deposits</b>	<b>573</b>	<b>638</b>
<b>Managed Funds</b>	<b>542</b>	<b>705</b>
<b>NIM</b>	<b>2.5%</b>	<b>1.9%</b>
<b>PDLs/ Loans</b>	<b>0%</b>	<b>2.4%</b>
<b>OPEX / Income</b>	<b>15.7%</b>	<b>15.7%</b>
<b>CONTRIBUTION</b>	<b>0.6</b>	<b>2.9</b>

# Pacifico

<b>Key Figures (US\$MN)</b>	<b>1Q03</b>	<b>1Q04</b>
<b>Equity</b>	<b>102</b>	<b>95</b>
<b>Investments</b>	<b>333</b>	<b>394</b>
<b>Premiums</b>	<b>73</b>	<b>70</b>
<b>Net Premiums Earned</b>	<b>36</b>	<b>42</b>
<b>-General Insurance</b>	<b>20</b>	<b>26</b>
<b>-Health Insurance</b>	<b>7</b>	<b>8</b>
<b>-Life Insurance</b>	<b>9</b>	<b>8</b>
<b>Market Share</b>	<b>29.9%</b>	<b>27.9%</b>
<b>Net Loss Ratio</b>	<b>63.5%</b>	<b>62.1%</b>
<b>Combined Ratio</b>	<b>92.4%</b>	<b>92.6%</b>
<b>CONTRIBUTION</b>	<b>1.1</b>	<b>2.8</b>

# Credicorp Overview 1Q04

## 1. Good results for Credicorp during the quarter:

- Net earnings of US\$27 MM per quarter during the last 4 quarters
- Positive trend in all the subsidiaries

## 2. Banco de Crédito de Bolivia

- Improved results during the quarter with lower provisions
- Loan portfolio clean-up concluded
- Focus on restructure operations following BCP's business model

## 3. Atlantic Security Bank

- Continued improvement in results with US\$12 MM in non- realized gains in the investment portfolio
- Reduction of risk profile of investment portfolio
- Growth in administered funds due to increased focus on wealth management

## 4. Banco Tequendama

- Improved results due to increased emphasis on retail banking and economic recovery in Colombia

# Credicorp Overview 1Q04

## 5. PPS

- Improved results due to increased retention rates and lower net claims in property and casualty
- Increased profitability and attractive growth opportunities in life insurance
- Consolidation in the health insurance business as a result of acquisition of Novasalud, with opportunities to increase “cross selling” and improve operational efficiencies

## 6. BCP

- Improved results due to lower provisioning requirements and reduction in operating expenses
- Continued pressure on business volumes due to increased corporate funding in local capital market
- Concern on the impact of the tax on financial transactions in the economy
- Positive outlook based on:
  - Lower provisioning requirements
  - Control on expenses with increased business volumes
  - Increased revenues from purchase of BSCH’s Peruvian assets and full ownership of Financiera Solución

## 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 statement 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.