

**CREDICORP LTD. AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS  
AS OF DECEMBER 31, 2017 AND 2016

**CREDICORP LTD. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
AT DECEMBER 31, 2017 AND 2016**

	Note	2017 S/(000)	2016 S/(000)		Note	2017 S/(000)	2016 S/(000)
<b>Assets</b>				<b>Liabilities and Equity</b>			
Cash and due from banks:	4			Deposits and obligations:	13		
Non-interest-bearing		6,019,776	5,568,657	Non-interest-bearing		29,382,909	28,084,691
Interest-bearing		17,202,211	11,077,112	Interest-bearing		67,787,502	57,831,696
		<u>23,221,987</u>	<u>16,645,769</u>			<u>97,170,411</u>	<u>85,916,387</u>
Cash collateral, reverse repurchase agreements and securities borrowings	5(a)	7,480,420	10,919,624	Payables from repurchase agreements and security lending	5(b)	13,415,843	15,127,999
Investments:				Due to banks and correspondents	14	7,996,889	7,493,916
Trading securities	6(a)	4,024,737	4,015,019	Banker's acceptances outstanding		532,034	491,139
Available-for-sale investments		21,732,107	17,086,774	Accounts payable to reinsurers	9(b)	235,185	233,892
Available-for-sale investments pledged as collateral	6(a)	<u>2,691,784</u>	<u>1,598,893</u>	Financial liabilities at fair value through profit or loss	3(f)(v)	168,089	209,520
		<u>24,423,891</u>	<u>18,685,667</u>	Technical reserves, insurance claims reserves and unearned premiums	15	7,443,760	6,786,189
Held-to-maturity securities		1,826,394	2,867,755	Bonds and notes issued	16	16,242,257	15,939,603
Held-to-maturity securities pledged as collateral	6(b)	<u>2,586,979</u>	<u>2,250,665</u>	Other liabilities	12	5,014,112	4,120,066
		<u>4,413,373</u>	<u>5,118,420</u>			<u>148,218,580</u>	<u>136,318,711</u>
		<u>32,862,001</u>	<u>27,819,106</u>	<b>Total liabilities</b>			
Loans, net:	7			<b>Equity</b>	17		
Loans, net of unearned income		100,477,775	94,768,901	Equity attributable to Credicorp's equity holders			
Allowance for loan losses		<u>(4,500,498)</u>	<u>(4,207,133)</u>	Capital stock		1,318,993	1,318,993
		<u>95,977,277</u>	<u>90,561,768</u>	Treasury stock		(208,937)	(209,322)
Financial assets designated at fair value through profit or loss	8	537,685	459,099	Capital Surplus		271,948	280,876
Premiums and other policies receivable	9 (a)	656,829	643,224	Reserves		14,647,709	13,539,091
Accounts receivable from reinsurers and coinsurers	9 (b)	715,695	454,187	Other reserves		1,455,594	1,209,731
Property, furniture and equipment, net	10	1,509,492	1,551,703	Retained earnings		<u>4,271,260</u>	<u>3,516,766</u>
Due from customers on acceptances		532,034	491,139			<u>21,756,567</u>	<u>19,656,135</u>
Intangible assets and goodwill, net	11	1,978,865	1,960,690	Non-controlling interest		497,136	460,376
Other assets	12	4,999,998	4,928,913			<u>22,253,703</u>	<u>20,116,511</u>
		<u>170,472,283</u>	<u>156,435,222</u>	<b>Total equity</b>			
<b>Total assets</b>				<b>Total liabilities and equity</b>		<u>170,472,283</u>	<u>156,435,222</u>

The accompanying Notes are an integral part of these financial statements.

**CREDICORP LTD. AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

	Note	<u>2017</u> S/(000)	<u>2016</u> S/(000)	<u>2015</u> S/(000)
<b>Interest and similar income</b>	21	11,030,683	10,773,055	9,784,089
<b>Interest and similar expenses</b>	21	(2,959,196)	(2,914,714)	(2,527,133)
<b>Net interest, similar income and expenses</b>		<u>8,071,487</u>	<u>7,858,341</u>	<u>7,256,956</u>
Provision for loan losses, net of recoveries	7(d)	<u>(1,789,165)</u>	<u>(1,785,495)</u>	<u>(1,880,898)</u>
<b>Net Interest, similar income after provision for loan losses</b>		<u>6,282,322</u>	<u>6,072,846</u>	<u>5,376,058</u>
<b>Other income</b>				
Commissions and fees	22	2,911,408	2,771,561	2,644,191
Net gains on foreign exchange transactions		650,228	698,159	773,798
Net gains on sales of securities		741,781	336,759	248,723
Net gains on derivatives held for trading		103,580	44,500	207,938
Net gains from exchange difference		17,394	-	46,563
Net gains on financial assets designated at fair value through profit or loss	8	67,633	51,667	-
Others	27	<u>396,683</u>	<u>344,460</u>	<u>325,666</u>
		<u>4,888,707</u>	<u>4,247,106</u>	<u>4,246,879</u>
<b>Insurance premiums and claims</b>				
Net premiums earned	23	1,808,340	1,799,115	1,733,978
Net claims incurred for life, general and health insurance contracts	24	(1,118,304)	(1,098,905)	(1,031,659)
<b>Total premiums earned less claims</b>		<u>690,036</u>	<u>700,210</u>	<u>702,319</u>
<b>Other expenses</b>				
Salaries and social benefits	25	(3,071,020)	(2,942,743)	(2,878,318)
Administrative expenses	26	(2,158,823)	(2,094,678)	(1,995,802)
Depreciation and amortization	10(a) 11(a)	(419,975)	(407,061)	(396,497)
Net loss from Exchange difference		-	(60,624)	-
Impairment loss on goodwill	11(b)	-	(94)	(82,374)
Net impairment loss on available-for-sale investments	6(a)	(766)	(14,459)	(43,801)
Net loss on financial assets at fair value through profit or loss	8	-	-	(33,500)
Others	27	<u>(635,547)</u>	<u>(609,075)</u>	<u>(534,372)</u>
<b>Total other expenses</b>		<u>(6,286,131)</u>	<u>(6,128,734)</u>	<u>(5,964,664)</u>

The accompanying Notes are an integral part of these financial statements.

**CONSOLIDATED STATEMENT OF INCOME (CONTINUATION)**

	Note	<u>2017</u> S/(000)	<u>2016</u> S/(000)	<u>2015</u> S/(000)
<b>Profit before income tax</b>		5,574,934	4,891,428	4,360,592
Income tax	18(b)	<u>(1,393,286)</u>	<u>(1,281,448)</u>	<u>(1,197,207)</u>
<b>Net profit</b>		<u>4,181,648</u>	<u>3,609,980</u>	<u>3,163,385</u>
<b>Attributable to:</b>				
Credicorp's equity holders		4,091,753	3,514,582	3,092,303
Non-controlling interest		<u>89,895</u>	<u>95,398</u>	<u>71,082</u>
		<u>4,181,648</u>	<u>3,609,980</u>	<u>3,163,385</u>
<b>Net basic and dilutive earnings per share attributable to equity holders of Credicorp Ltd. (in Soles):</b>				
Basic	28	51.49	44.23	38.91
Dilutive	28	51.35	44.15	38.84

The accompanying Notes are an integral part of these financial statements.

**CREDICORP LTD. AND SUBSIDIARIES**

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

	Note	<u>2017</u> S/000	<u>2016</u> S/000	<u>2015</u> S/000
<b>Net profit for the year</b>		4,181,648	3,609,980	3,163,385
<b>Other comprehensive income</b>				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Net (loss) gain on investments available for sale	17(d)	375,710	518,658	(635,743)
Income tax	17(d)	<u>(13,962)</u>	<u>(22,975)</u>	<u>18,503</u>
		361,748	495,683	(617,240)
Net movement on cashflow hedges	17(d)	(77,369)	(22,109)	41,069
Income tax	17(d)	<u>18,719</u>	<u>2,294</u>	<u>(1,956)</u>
		(58,650)	(19,815)	39,113
Exchange differences on translation of foreign operations	17(d)	<u>(54,227)</u>	<u>(26,571)</u>	<u>270,907</u>
		<u>(54,227)</u>	<u>(26,571)</u>	<u>270,907</u>
<b>Other comprehensive (loss) income to be reclassified to profit or loss in subsequent periods, net of income tax</b>		<u>248,871</u>	<u>449,297</u>	<u>(307,220)</u>
<b>Total comprehensive income for the year, net of income tax</b>		4,430,519	4,059,277	2,856,165
<b>Attributable to:</b>				
Equity holders of Credicorp Ltd.		4,337,616	3,961,618	2,831,612
Non-controlling interest		<u>92,903</u>	<u>97,659</u>	<u>24,553</u>
		<u>4,430,519</u>	<u>4,059,277</u>	<u>2,856,165</u>

The accompanying Notes are an integral part of these financial statements.

**CREDICORP LTD. AND SUBSIDIARIES**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015

Attributable to equity holders of Credicorp Ltd.

	Number of shares Issued, Notes 17(a) and 28 (In thousands of units)	Attributable to equity holders of Credicorp Ltd.					Other reserves			Retained earnings	Total	Non-controlling interest	Total net equity
		Capital stock	Treasury Stock	Capital surplus	Reserves	Put options	Available-for-sale investment reserve	Cash flow hedge reserve	Foreign currency translation reserve				
		S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)	S/(000)				
<b>Balances at January 1, 2015</b>	94,382	1,318,994	(208,184)	302,941	9,469,900	(340,353)	1,223,615	5,937	(206,166)	2,412,771	13,979,455	646,570	14,626,025
Changes in equity in 2015 -													
Net profit for the year	-	-	-	-	-	-	-	-	-	3,092,303	3,092,303	71,082	3,163,385
Other comprehensive income	-	-	-	-	-	-	(570,711)	39,113	270,907	-	(260,691)	(46,529)	(307,220)
Total comprehensive income	-	-	-	-	-	-	(570,711)	39,113	270,907	3,092,303	2,831,612	24,553	2,856,165
Transfer of retained earnings to reserves, Note 17(c)	-	-	-	-	1,820,483	-	-	-	-	(1,820,483)	-	-	-
Dividend distribution, Note 17(e)	-	-	-	-	-	-	-	-	-	(539,985)	(539,985)	-	(539,985)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(11,173)	(11,173)
Purchase of treasury stock, Note 17(b)	-	-	(2,452)	(70,516)	-	-	-	-	-	-	(72,968)	-	(72,968)
Share-based payment transactions	-	-	1,658	51,746	9,481	-	-	-	-	-	62,885	-	62,885
Others	-	(1)	-	-	(77,833)	-	-	-	-	(55,149)	(132,983)	(60,396)	(193,379)
<b>Balances at December 31, 2015</b>	<u>94,382</u>	<u>1,318,993</u>	<u>(208,978)</u>	<u>284,171</u>	<u>11,222,031</u>	<u>(340,353)</u>	<u>652,904</u>	<u>45,050</u>	<u>64,741</u>	<u>3,089,457</u>	<u>16,128,016</u>	<u>599,554</u>	<u>16,727,570</u>
Changes in equity in 2016 -													
Net profit for the year	-	-	-	-	-	-	-	-	-	3,514,582	3,514,582	95,398	3,609,980
Other comprehensive income	-	-	-	-	-	-	493,884	(20,400)	(26,448)	-	447,036	2,261	449,297
Total comprehensive income	-	-	-	-	-	-	493,884	(20,400)	(26,448)	3,514,582	3,961,618	97,659	4,059,277
Transfer of retained earnings to reserves, Note 17(c)	-	-	-	-	2,316,370	-	-	-	-	(2,316,370)	-	-	-
Dividend distribution, Note 17(e)	-	-	-	-	-	-	-	-	-	(653,326)	(653,326)	-	(653,326)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(34,514)	(34,514)
Purchase of treasury stock, Note 17(b)	-	-	(2,604)	(63,924)	-	-	-	-	-	-	(66,528)	-	(66,528)
Share-based payment transactions	-	-	2,260	60,629	690	-	-	-	-	-	63,579	-	63,579
Acquisition of non-controlling interest, Note 2(b)	-	-	-	-	-	340,353	-	-	-	(123,980)	216,373	(216,373)	-
Others	-	-	-	-	-	-	-	-	-	6,403	6,403	14,050	20,453
<b>Balances at December 31, 2016</b>	<u>94,382</u>	<u>1,318,993</u>	<u>(209,322)</u>	<u>280,876</u>	<u>13,539,091</u>	<u>-</u>	<u>1,146,788</u>	<u>24,650</u>	<u>38,293</u>	<u>3,516,766</u>	<u>19,656,135</u>	<u>460,376</u>	<u>20,116,511</u>
Changes in equity in 2017 -													
Net profit for the year	-	-	-	-	-	-	-	-	-	4,091,753	4,091,753	89,895	4,181,648
Other comprehensive income	-	-	-	-	-	-	357,628	(57,431)	(54,334)	-	245,863	3,008	248,871
Total comprehensive income	-	-	-	-	-	-	357,628	(57,431)	(54,334)	4,091,753	4,337,616	92,903	4,430,519
Transfer of retained earnings to reserves, Note 17(c)	-	-	-	-	2,354,954	-	-	-	-	(2,354,954)	-	-	-
Dividend distribution, Note 17(e)	-	-	-	-	-	-	-	-	-	(979,989)	(979,989)	-	(979,989)
Dividends of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(50,234)	(50,234)
Advance of dividends, Note 17(e)	-	-	-	-	(1,252,255)	-	-	-	-	-	(1,252,255)	-	(1,252,255)
Purchase of treasury stock, Note 17(b)	-	-	(2,141)	(68,867)	-	-	-	-	-	-	(71,008)	-	(71,008)
Share-based payment transactions	-	-	2,526	59,939	5,919	-	-	-	-	-	68,384	-	68,384
Others	-	-	-	-	-	-	-	-	-	(2,316)	(2,316)	(5,909)	(8,225)
<b>Balances at December 31, 2017</b>	<u>94,382</u>	<u>1,318,993</u>	<u>(208,937)</u>	<u>271,948</u>	<u>14,647,709</u>	<u>-</u>	<u>1,504,416</u>	<u>(32,781)</u>	<u>(16,041)</u>	<u>4,271,260</u>	<u>21,756,567</u>	<u>497,136</u>	<u>22,253,703</u>

The accompanying Notes are an integral part of these financial statements.

**CREDICORP LTD. AND SUBSIDIARIES**

**CONSOLIDATED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2017, 2016 AND 2015**

	Note	<u>2017</u> S/(000)	<u>2016</u> S/(000)	<u>2015</u> S/(000)
<b>CASH FLOWS AND CASH EQUIVALENTS FROM OPERATING ACTIVITIES</b>				
Profit before income tax on ongoing operations		5,574,934	4,891,428	4,360,592
Income tax		(1,393,286)	(1,281,448)	(1,197,207)
Net profit for the year		4,181,648	3,609,980	3,163,385
<b>Adjustment to reconcile net profit with net cash arising from operating activities:</b>				
Provision for loan losses	7(d)	2,057,478	2,063,209	2,052,177
Depreciation and amortization	10(a) and 11(a)	419,975	407,061	396,497
Depreciation of investment properties	12(f)	6,440	4,369	4,409
Deferred income tax	18(b)	(3,556)	28,228	(117,195)
Adjustment of technical reserves		509,051	370,964	408,808
Impairment loss on available for-sale investments	6(a)	766	14,459	43,801
Net loss (gain) on sales of securities		(741,781)	(336,759)	(248,723)
Impairment loss on goodwill	11(b)	-	94	82,374
Provision for various risks	12(d)	29,023	28,093	38,248
Net loss (gain) on financial assets designated at fair value through profit and loss	8	(67,633)	(51,667)	33,500
Fluctuation of derivative financial instruments		(103,580)	(44,500)	(207,938)
(Gain) loss on sales of property, furniture and equipment		(36,970)	45,076	17,159
Net profit from sale of seized and recovered assets	27	(2,494)	(1,377)	(4,195)
Expense on share-based compensation plan	25	62,043	73,930	65,532
Others		(17,394)	60,624	(46,563)
<b>Net changes in assets and liabilities:</b>				
<b>Net increase (decrease) in assets</b>				
Loans		(8,387,767)	(6,636,536)	(7,754,794)
Trading securities		(16,400)	(1,694,949)	232,293
Available for sale investments		(5,380,789)	562,679	(3,163,304)
Cash collaterals, receivables from reverse repurchase agreements and securities borrowings		(78,950)	(28,856)	364,837
Other assets		425,245	1,502,444	(676,176)
<b>Net increase (decrease) in liabilities</b>				
Deposits and obligations		12,779,204	(1,981,653)	6,105,203
Due to Banks and correspondents		661,747	(188,720)	(2,164,131)
Payables from repurchase agreements and security lending		1,551,904	518,755	1,063,748
Bonds and Notes issued		788,144	274,766	(1,270,797)
Other liabilities		1,680,868	1,141,323	1,211,378
Income tax paid		(1,014,907)	(1,108,641)	(945,178)
<b>Net cash flow from operating activities</b>		<u>9,301,315</u>	<u>(1,367,604)</u>	<u>(1,315,645)</u>

The accompanying Notes are an integral part of these financial statements.

	Note	<u>2017</u> S/(000)	<u>2016</u> S/(000)	<u>2015</u> S/(000)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Revenue for sale of property, furniture and equipment		44,137	47,044	44,524
Income from sales of investment property		115,705	-	-
Additions of property, furniture and equipment	10	(143,851)	(110,151)	(148,426)
Purchase of investment property	12(f)	(9,217)	(88,186)	(66,237)
Additions of intangible assets	11	(271,722)	(277,346)	(276,564)
Held-to-maturity investments		670,620	(1,550,332)	(1,135,744)
<b>Net cash flows from investing activities</b>		<u>405,672</u>	<u>(1,978,971)</u>	<u>(1,582,447)</u>
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Dividends paid	17(e)	(979,989)	(653,326)	(539,985)
Advance of dividends	17(e)	(1,252,255)	-	-
Subordinated bonds and Notes issued		(40,049)	(401,257)	666,805
Acquisition of Credicorp shares	17(b)	(71,008)	(66,528)	(72,968)
Acquisition of non-controlling interest		-	(489,866)	-
<b>Net cash flows from financing activities</b>		<u>(2,343,301)</u>	<u>(1,610,977)</u>	<u>53,852</u>
<b>Net increase (decrease) of cash and cash equivalents before effect of changes in exchange rate</b>		<u>7,363,686</u>	<u>(4,957,552)</u>	<u>(2,844,240)</u>
Effect of changes in exchange rate of cash and cash equivalents		(784,685)	(454,120)	3,199,642
<b>Cash and cash equivalents at the beginning of the year</b>		<u>16,633,196</u>	<u>22,044,868</u>	<u>21,689,466</u>
<b>Cash and cash equivalents at the end of the year</b>		<u>23,212,197</u>	<u>16,633,196</u>	<u>22,044,868</u>
<b>Additional information from cash flows</b>				
Interest received		10,935,640	10,640,157	9,748,822
Interest paid		(2,885,989)	(2,772,891)	(2,318,724)

**Reconciliation of liabilities originating from financing activities:**

	<u>Changes that generate cash flows</u>			<u>Changes that do not generate cash flows</u>			<u>At December 31, 2017</u> S/(000)
	<u>At January 1, 2017</u> S/(000)	<u>New issues</u> S/(000)	<u>Amortization of principal</u> S/(000)	<u>Exchange difference</u> S/(000)	<u>Changes in fair value</u> S/(000)	<u>Others</u> S/(000)	
Subordinated bonds:							
Amortized Cost	616,020	29,953	(70,002)	(10,382)	-	(140)	565,449
Fair value	4,881,989	-	-	(166,645)	(39,137)	5,733	4,681,940
	<u>5,498,009</u>	<u>29,953</u>	<u>(70,002)</u>	<u>(177,027)</u>	<u>(39,137)</u>	<u>5,593</u>	<u>5,247,389</u>
Hedge of fair value	(77,508)	-	-	2,512	39,250	1,456	(34,290)

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