

CREDICORP

**“Second Annual Meeting of Issuers and Investors of the
Peruvian Capital Market ”**

**Mr. Walter Bayly LI.
September 3, 2004**

AGENDA

1. CREDICORP LTD.

- **Financial Highlights**

2. CREDICORP'S MAIN SUBSIDIARIES

- **Banco de Crédito del Perú**
 - **Peruvian Banking System**
 - **Banco de Crédito BCP Consolidated**
 - **Business Units**
 - **Banco de Crédito de Bolivia**
- **Atlantic Security Holding Corp.**
- **Pacífico Peruano Suiza**
- **Banco Tequendama**

3. CREDICORP'S EARNINGS CONTRIBUTIONS

4. OVERVIEW

5. MEDIUM AND LONG TERM STRATEGIES



Financial Highlights

US\$ Millions	2001	2002	2003	2004-II
Profitability				
Net income	54.5*	42.4	80.6	62.9
Earnings per share	0.69	0.53	1.01	0.79
Return on average equity	6.9%	5.3%	9.4%	13.6%
Balance Sheet				
Total Assets	7,582	8,630	8,314	8,544
Net Loans	3,720	4,394	4,155	4,309
Deposits	5,543	6,381	6,305	6,429
Net Equity	797	824	911	941
Operations				
Operating costs / total income	52.9%	52.1%	50.6%	50.7%
Operating costs / average assets	5.0%	4.6%	4.6%	4.7%

* It includes US\$19Mn of Income from sale of B&J shares. Net US\$35.5Mn

Financial Highlights

	2001	2002	2003	2004-II
Capital Adequacy (N° of times)				
Total Assets / Net Equity	9.5	10.5	9.1	9.1
Risk weighted assets / Regul. Capital	8.1	8.1	8.8	7.4
Loan Portfolio Quality				
Past due loans / total loans	8.5%	8.3%	5.6%	4.8%
Reserves / past due loans	98.2%	104.4%	127.5%	131.8%
Other Information				
Total number of shares, net	79.5	79.7	79.7	79.8
Cash dividend per share (US\$)	0.4	0.3	0.4	N/A
Total dividend paid (US\$Mn)	31.9	23.9	31.9	N/A
Number of employees	9,375	9,226	9,314	9,347

2. CREDICORP'S MAIN SUBSIDIARIES

- **Banco de Crédito del Perú**
 - **Peruvian Banking System**
 - **Banco de Crédito BCP Consolidated**
 - **Business Units**
 - **BCB**
- **Atlantic Security Holding Corp.**
- **Pacífico Peruano Suiza**
- **Banco Tequendama**

PERUVIAN BANKING SYSTEM

PERUVIAN BANKING SYSTEM HIGHLIGHTS

	2000	2001	2002	2003	2004-
II					
M3/GDP (%)	25.0	25.5	25.5	24.5	23.8
Loans in dollars (%)⁽¹⁾	84.1	80.3	79.6	77.9	78.1
Deposits in dollars (%)⁽¹⁾	73.4	72.1	71.5	69.5	69.3
PDL / Loans (%)	9.8	9.0	7.6	5.8	5.1
Reserves / PDLs (%)	104.2	118.9	133.2	141.1	146.9
ROE (%)	3.1	4.5	8.4	10.9	11.4
Bank Depósitos (US\$Bn)	12.3	13.1	13.5	13.2	13.4
Bank Loans (US\$Bn)	11.0	10.7	10.8	10.3	10.7

(1) % of Dollar denominated loans and deposits.

Source: Superintendencia de Banca y Seguros(SBS)

PERUVIAN FINANCIAL SYSTEM - LOAN STRUCTURE

	Dec 01	Dec 02	Dec 03	Jun 04	CAGR(%) J 04/D 01
	US\$ Millions				
BANKS + LEASING					
Credit Cards / Consumer	917	1,015	1,196	1,298	14.93
Mortgages	1,032	1,150	1,322	1,423	13.71
Micro-Businesses	269	246	298	376	14.30
Comercial Loans (Incl. leasing)	9,235	9,013	7,960	8,009	-5.54
Total	11,453	11,424	10,776	11,106	-1.22
Finance companies	256	290	320	239	-2.71
Regional S&Ls					
Caja Muni+Rur+Edpym	359	499	681	751	34.34
TOTAL	12,068	12,213	11,777	12,096	0.09
MIVIVIENDA*	34	104	232	242	118.49
Corporate Bonds outstanding	1,044	1,182	1,751	1,893	26.88

Source: Superintendencia de Banca y Seguros y Boletín Semanal BCR

* Includes: Loans from banks, Financial Inst. and Regional S&Ls

PERUVIAN BANKING SYSTEM MARKET SHARE

LOANS

	2001	2002	2003	2004-II
BCP	27%	28%	33%	33%
BBVA	15%	17%	19%	19%
BWS	22%	18%	15%	14%
Interbank	8%	9%	10%	10%
Citibank	5%	5%	4%	4%
Others	24%	24%	20%	20%

(Deposits)

	2001	2002	2003	2004-II
BCP	31%	33%	36%	35%
BBVA	22%	22%	24%	25%
BWS	20%	16%	16%	16%
Interbank	7%	8%	9%	9%
Citibank	3%	3%	3%	3%
Others	18%	18%	13%	13%

Source: Superintendencia de Banca y Seguros(SBS)

BCP includes BSCHPerú's market share from year 2003

Banco de Credito  **BCP** 

STRATEGIC APPROACH

- ▶ **Simplicity**
- ▶ **Transactional Businesses and Services**
- ▶ **Market penetration in segments C and D**
- ▶ **Highly efficient and profitable distribution network**
- ▶ **Excellence in quality service: Leadership**
- ▶ **Cost Control, high level of efficiency**

BCP BUSINESS UNITS

WHOLESALE BANKING (I)

- ▶ **Corporate Banking:** provides loans and banking services to companies with annual income over US\$15 million. Corporate Banking currently has approximately one thousand clients. During 2003, the financial margin decreased due to high competition in the local capital market with excess liquidity in the system. Share in BCP's total loans decreased from 48% in 2002 to 43% in 2003. This was compensated with higher revenues from non financial income. Growth prospects are limited, lower than that of the economy as a whole. Focus as financial provider to corporations, structuring loans and capital market issues, as well as developing and improving products and transactional services.

- ▶ **Middle Market Banking:** Serves approximately to 4,200 companies with annual income between US\$1Mn and US\$15Mn, through 7 regional managers, both in Lima and in other cities nationwide. Contributes with 25% of BCP's total loans as well as 5% of total deposits. Expected growth is to match growth of GDP.

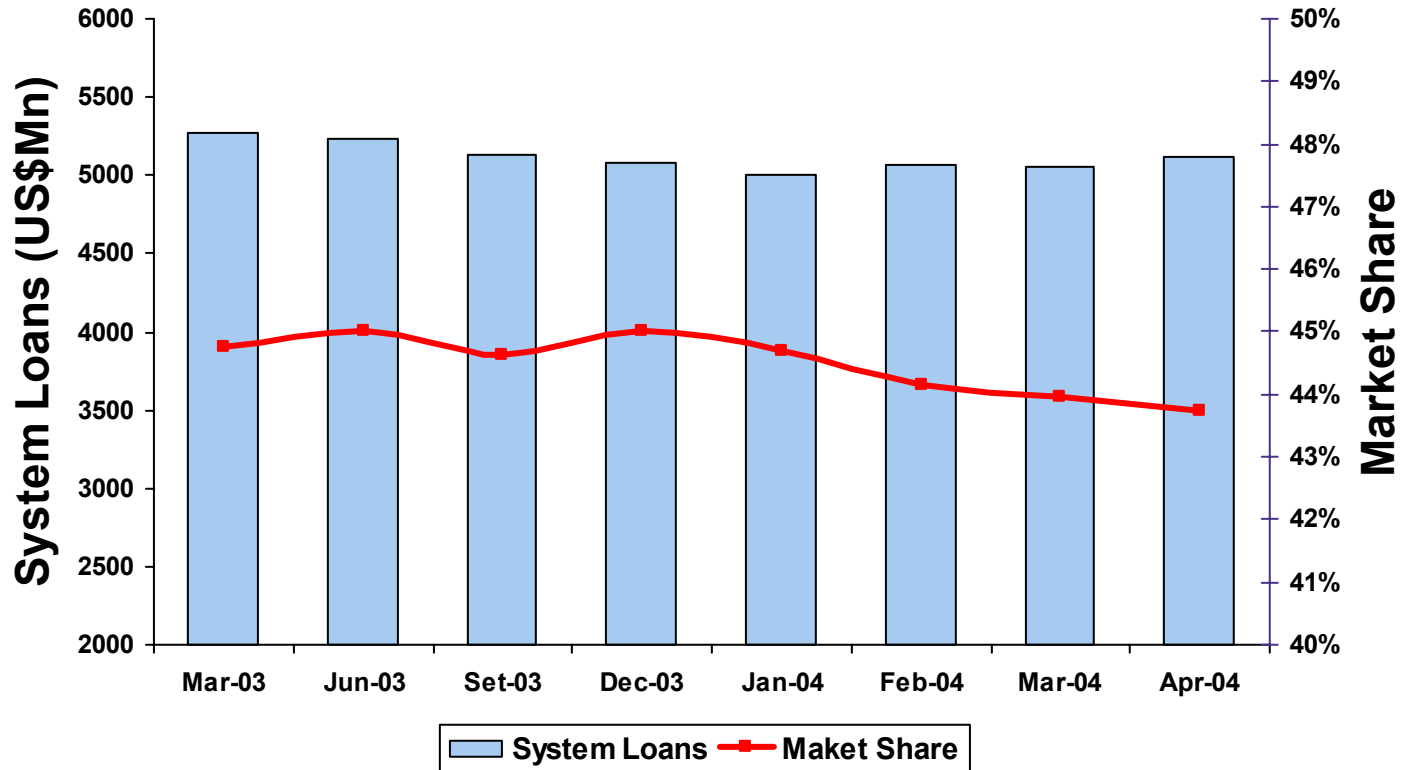
- ▶ **Institutional Banking:** Serves approximately to 600 non-profit organizations, private and public (state and local government entities, international organizations, non-governmental organizations, educational institutions). Serves clients with financial needs mostly in the form of deposits and investments, of transactional products in general and, to a lower degree, with loans.

WHOLESALE BANKING (II)

- ▶ **Corporate Finance:** Provides financial advisory services to corporate clients and middle market businesses. In 2003, the Corporate Finance Area placed corporate bonds, securitized bonds, financial leasing and short-term instruments for a total transaction volume of US\$553Mn. Likewise, operations related to middle term financing for a total of US\$372Mn were structured.
- ▶ **International Business:** is responsible of maintaining commercial relations with foreign financial institutions. BCP over US\$1.6Bn of available credit lines for foreign trade operations, medium and long term investment projects and environmental credit lines. As of June 2004, BCP financed 31.6% and 43.1% of total Peruvian imports and exports, respectively. This business area generated as of June 2004 income commissions for trade operations of US\$4.4Mn.
- ▶ **Business Finance:** Offers and manages financial leasing operations. BCP is the leader in the system with a market share of 38.4% of total leasing loans.
- ▶ **Business Services:** Develops transactional services that handles the exchange of information and money transfers to corporations, mid-size companies, institutions and micro-businesses. Annually, over 13 million electronic operations are made through electronic banking, with transactions over US\$16Bn.

WHOLESALE BANKING (III)

Wholesale Banking: Market Share



Wholesale Bank	Mar-03	Jun-03	Sep-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04
Mark. Share	44.8%	45.0%	44.6%	45.0%	44.7%	44.1%	44.0%	43.7%
System Loans	5,270	5,239	5,125	5,085	5,009	5,066	5,053	5,122
BCP Loans	2,359	2,359	2,287	2,289	2,239	2,236	2,221	2,240

WHOLESALE BANKING (IV)

US\$ Millions	Corporate Banking			Middle Market Banking			Institutional Banking		
	2002	2003	As of Jul 04	2002	2003	As of Jul 04	2002	2003	As of Jul 04
Financial Margin	59.9	54.9	23.8	46.0	50.4	27.1	5.4	6.3	3.6
Provisions for loan losses	(15.1)	(14.3)	1.2	(4.4)	(6.2)	0.6	(0.3)	(0.1)	(0.1)
NET MARGIN	44.8	40.5	25.0	41.6	44.2	27.8	5.1	6.2	3.5
Non Financial Income	26.6	33.8	19.9	23.7	27.9	17.3	6.2	7.1	4.5
NET INCOME	34.9	36.6	19.5	25.8	33.0	17.9	3.0	3.4	1.5
Markt. Share Net Income / Wholesale Banking (%)	55%	50%	50%	40%	45%	46%	5%	5%	4%
Loans	\$1,595	\$1,629	\$1,497	\$690	\$810	\$861	n.d	\$32	\$40
Spreads in loans	3.5%	2.8%	2.4%	6.3%	5.9%	4.9%	n.d	5.2%	4.2%
Deposits	\$1,052	\$1,118	\$1,166	\$224	\$387	\$434	n.d	\$642	\$680
Spreads in deposits	0.4%	0.4%	0.4%	1.5%	0.8%	0.8%	n.d	0.7%	0.7%
Clients									
Number of clients	1,003			4,233			655		

RETAIL BANKING (I)

Retail Banking Units

- ▶ **Exclusive Banking:** Profitable segment, generates high volume of business. Serves 54 thousand households with outstanding loans of US\$10 thousand and US\$20 thousand in deposits. It also offers its clients more profitable alternatives for their savings, diversifying investments through products offered by BCP's capital markets units. Exclusive banking manages mutual funds amounting to US\$638 Mn. It enhances client loyalty by offering a wide range of products, both in deposits and loans, with a lower interest rate and with an specialized service.
- ▶ **Consumer Banking:** offers traditional products to the mass consumer segment. Serves to approximately 1.6 million households. Non financial income contributes 50% of this unit's total income.
- ▶ **Business Banking:** Serves small and middle market businesses with annual sales less than US\$1 million. It has 8 thousand customers and offers speacialized consulting services through business associate who seeks business growth for their customers.
- ▶ **Small Business Banking:** Serves small and micro businesses, mostly personal and family businesses, which are offered standard and simple products. This unit has 139 thousand customers.

RETAIL BANKING (II)

Retail Banking: financial highlights by segment

Financial	Consumer		Exclusive Bank.		Business Bank.		Small Busin.Bank.		Total
Net Income (US\$Mn)	6.67		7.09		4.60		3.54		21.9
Mark. Share / Ret. Bank.(%)	30%		32%		21%		16%		100%
Loans (US\$Mn)	146.1		546.2		151.8		171.7		1,015.8
Mkt Shr. Ret. Bank. (%)	14%		54%		15%		17%		100%
Spreads in loans (%)	S/.	US\$	S/.	US\$	S/.	US\$	S/.	US\$	
	39.6%	11.4%	18.9%	4.3%	24.9%	8.0%	34.8%	16.4%	
Deposits + Mutual Funds	1,295.1		1,460.4		196.8		206.5		3,158.8
Mkt. Shr. Ret. Bank. (%)	41%		46%		6%		7%		100%
Spreads in Deposits (%)	S/.	US\$	S/.	US\$	S/.	US\$	S/.	US\$	
	1.8%	1.0%	1.6%	0.7%	2.2%	0.8%	2.1%	1.0%	
Clients	Households		Households		Clients		Clients		
N° of clients	1,653,481		54,132		8,149		139,004		-
Cross Sale	1.37		3.69		3.52		1.62		-

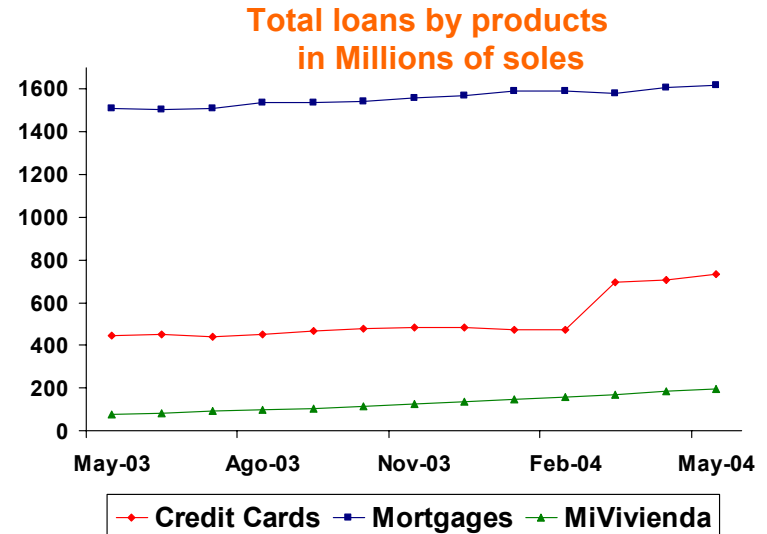
Figures as of June 2004

RETAIL BANKING (III)

Market Share by product

Market Share personal loans

	May-03	May-04
Credit Cards	23.1%	27.9%
Mortgages	39.9%	40.5%
Mi Vivienda	16.6%	21.6%



- BCP's market share in **Credit Cards** increase in March-04 due to the addition of Solución's card. Loans increased from May-03 to May-04 from S/.443Mn to S/.733Mn, respectively
- Main competitors in **Credit Cards** are CMR with 16.1%, Interbank with 14.0% and Fincor with 11.6%.
- In **Mortgages**, BCP is leader with 40.5%, followed by BBVA with 28.2% and BWS with 9.8%. Loans grew from May-03 to May-04, from S/.1,508Mn to S/.1,616Mn, respectively
- In **Mi Vivienda**, BCP is leader with 21.6%, followed by BBVA with 18.6% and BWS with 14.5%. Loans increased from May-03 to May-04 from S/.74Mn to S/.194Mn

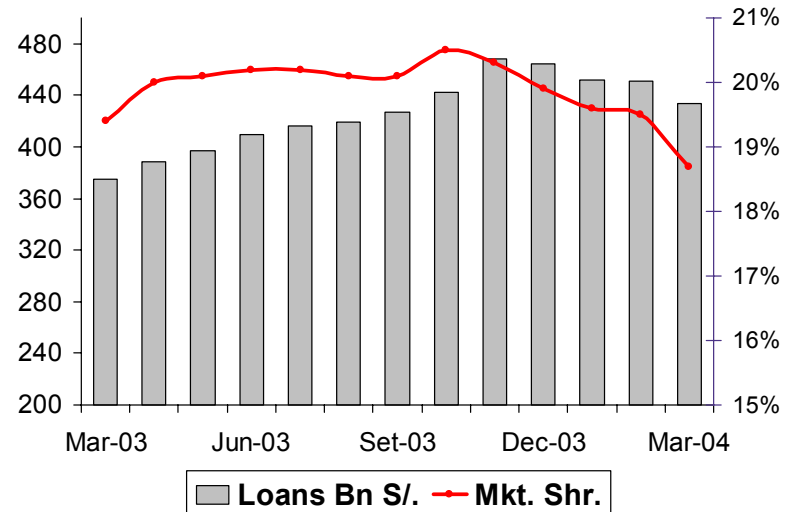
RETAIL BANKING (IV)

Market Share in micro-businesses (“PYME”)

Market Share- PYME Loans

	Mar-03	Mar-04
Pyme Loans	19.4%	18.7%

* Includes loans from BCP and Solucion



* Includes loans from BCP and Solucion

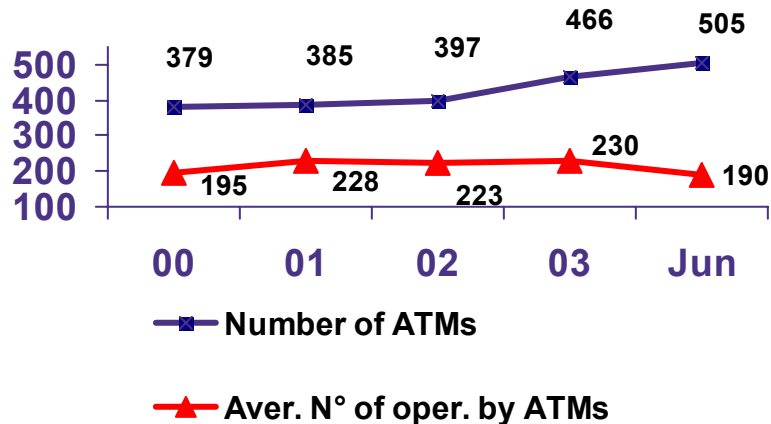
- BCP’s market share in **Pyme Loans** decreased after the merger with Solución Financiera. Loans increased from Mar-03 to Mar-04 from S/.375Bn to S/.434Bn, respectively.
- Main competitors in **Pyme Loans** are Banco del Trabajo with 11.6% and Mi Banco with 10.6%.
- From Dec 2003, we see a decrease in total banks’ market share and an increase in Cajas Municipales’ market share.

DISTRIBUTION NETWORK (I)

Market share by ATMs

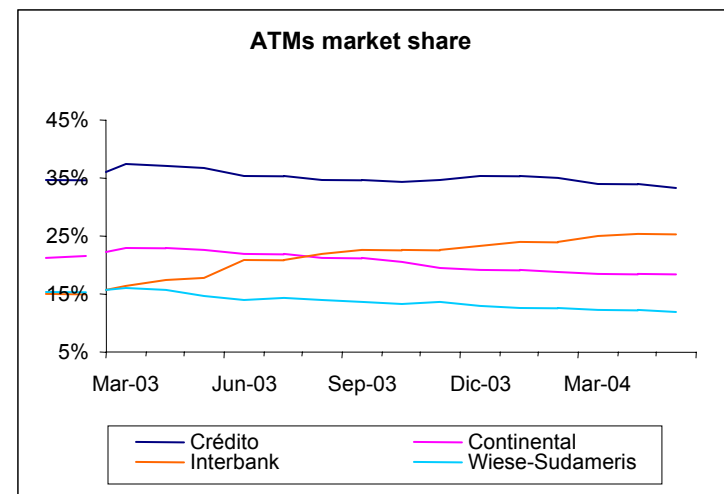
- ▶ Use of electronic channels reduce operating costs. It creates alternatives for client services
- ▶ The total number of ATMs in the system is 1,509. 1,079 in Lima and 430 in other cities. BCP is leader with 505 ATMs, followed by Interbank with 384 and BBVA with 280.
- ▶ From May-03 to May-04, Interbank increased its number of ATMs by 185.

N° of ATMs and Annual Averg. Oper. by ATMs



ATMs market share

	May-03	May-04
Total BCP	36.6%	33.4%
Lima	34.4%	32.7%
Other cities	42.1%	35.1%



DISTRIBUTION NETWORK (II)

NUMBER OF TRANSACTIONS

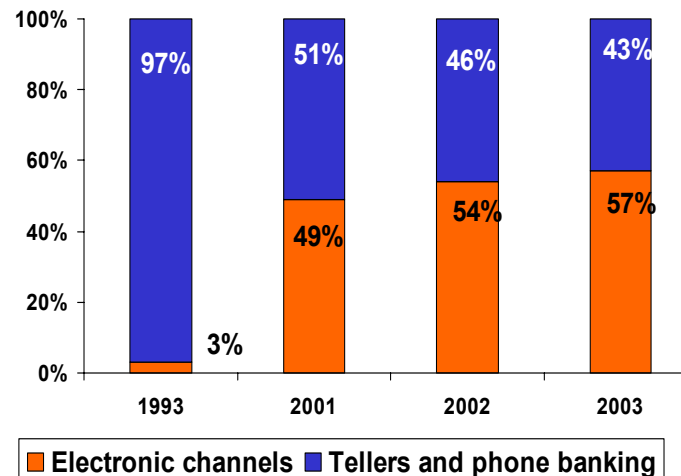
(In thousands)	Monthly Average 2002 (1)	Monthly Average 2003 (2)	Monthly Average 2004 (3)
Teller	6,167	6,567	6,565
A.T.M	2,621	2,842	2,883
Internet Banking	2,195	2,960	4,111
P.O.S.	1,019	1,154	1,233
Contact Center	554	558	630
Saldos Via BCP	1,620	1,733	1,859
Direct Debit	215	209	222
ATM - Other banks' networks	101	112	113
TOTAL	14,492	16,135	17,616

(1) Does not include BSCH Peru transactions

(2) Does not include BSCH Peru transactions during the first 2 months of the year

(3) January - June period 2004

USE OF ELECTRONIC CHANNELS



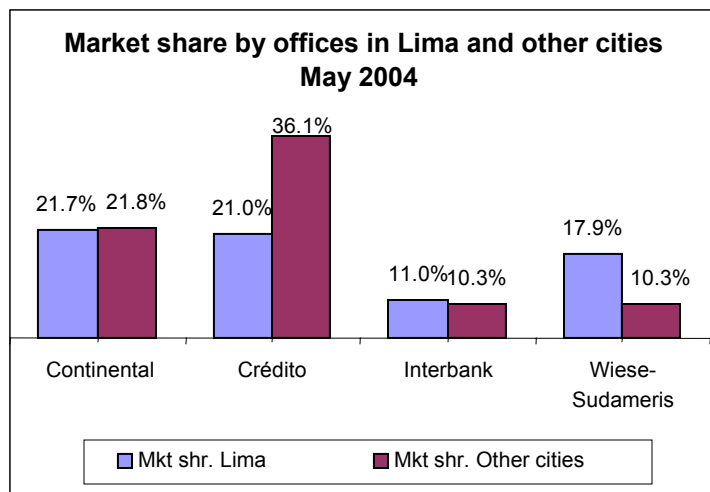
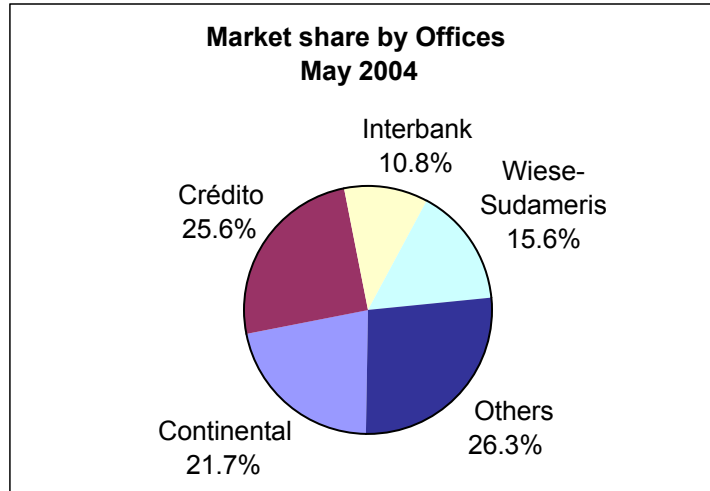
Market share by number of offices

Market Share by offices in Lima

	May-03	May-04
Total BCP	25.5%	25.6%
Lima	20.0%	21.0%
Other cities	38.5%	36.1%

Source: Asbanc

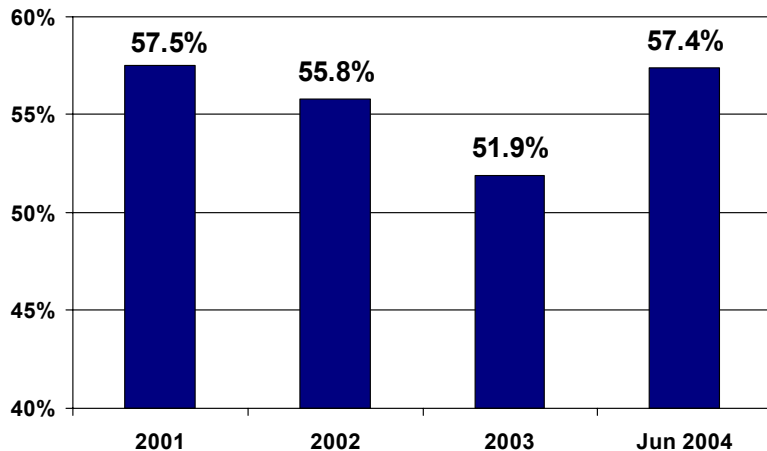
- The total number of offices in the system is 833. In Lima 581 and in other cities 252.
- In Lima, BBVA has 126 offices. It is followed by BCP and BWS with 122 and 104, respectively.
- From May-03 to May-04, BCP has opened 7 offices in Lima and closed 4 in other cities.
- BBVA and Interbank closed 1 office in Lima and BWS has opened 2 in other cities.



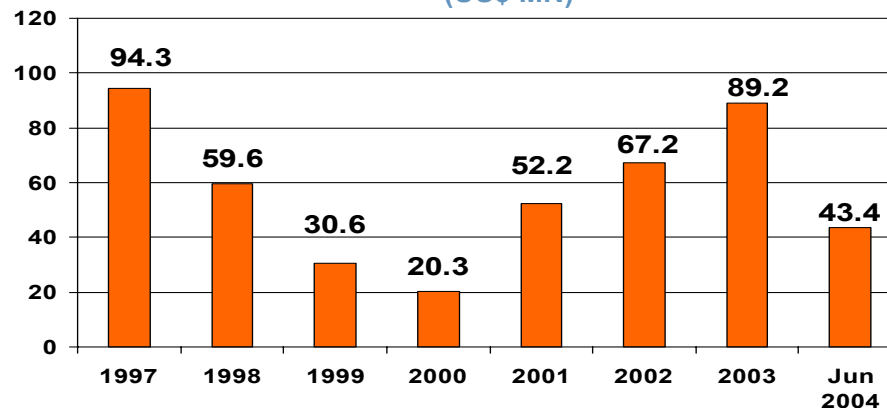
BCP'S RATIOS and FIGURES

BCP CONSOLIDATED Net Income and Ratios

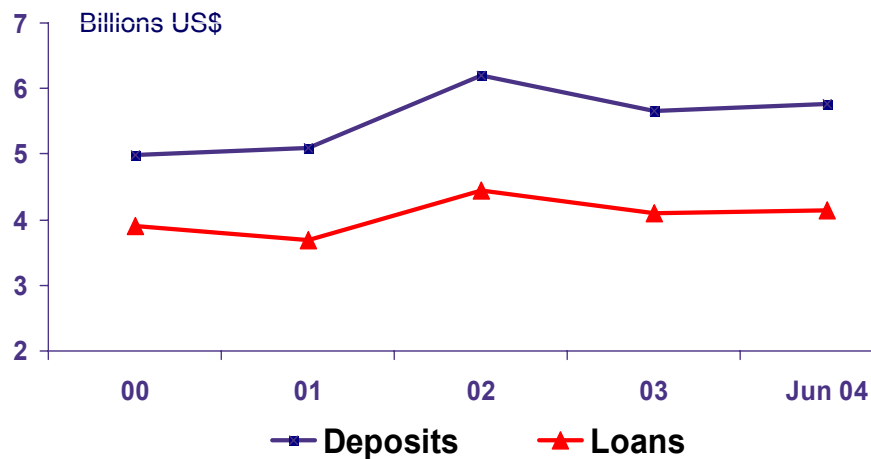
EFFICIENCY



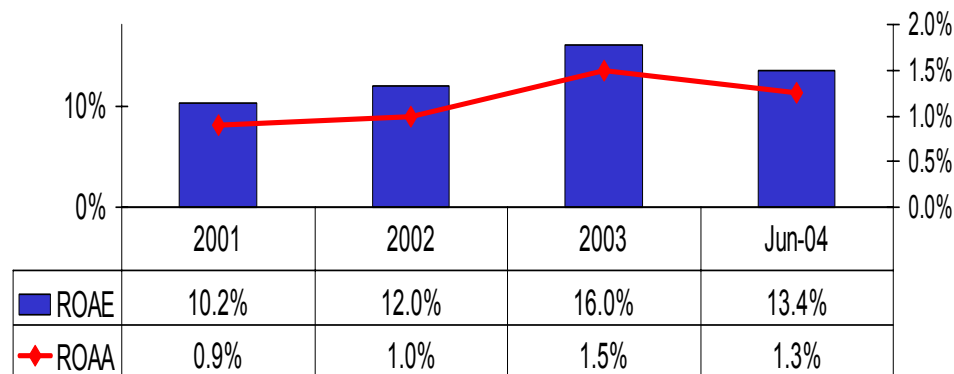
NET INCOME (US\$ MN)



DEPOSITS AND LOANS (Growth)



PROFITABILITY

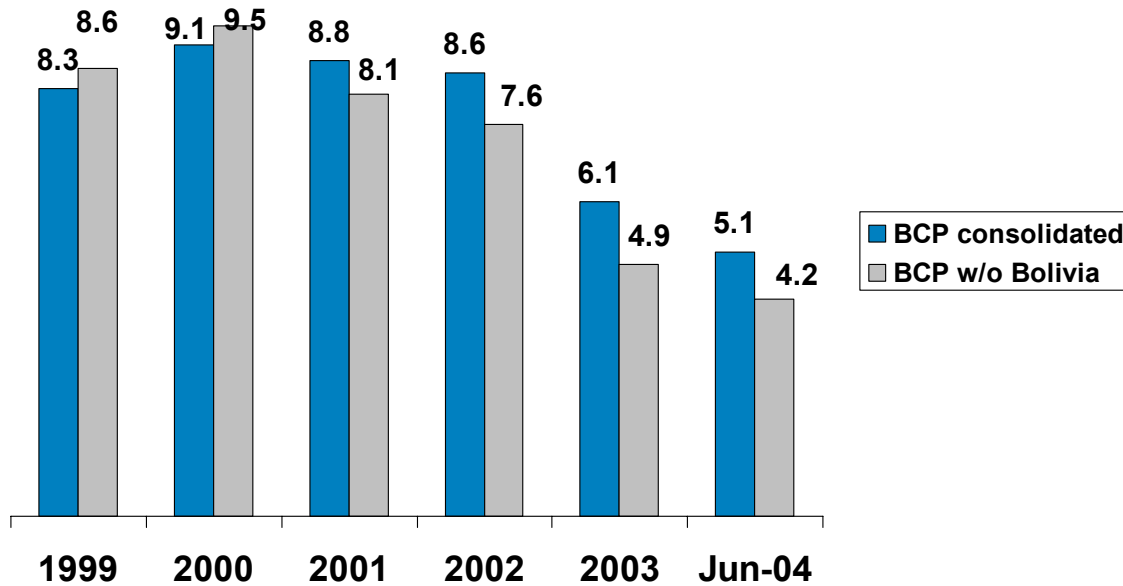


■ ROAE ◆ ROAA

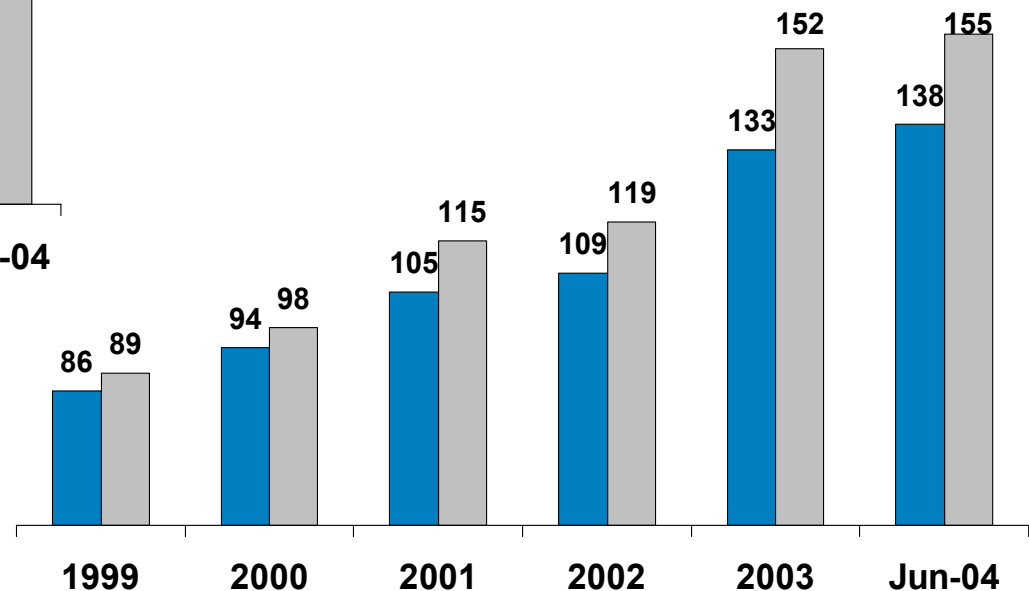
BCP CONSOLIDATED

Loan portfolio quality

Past due Ratio (%)



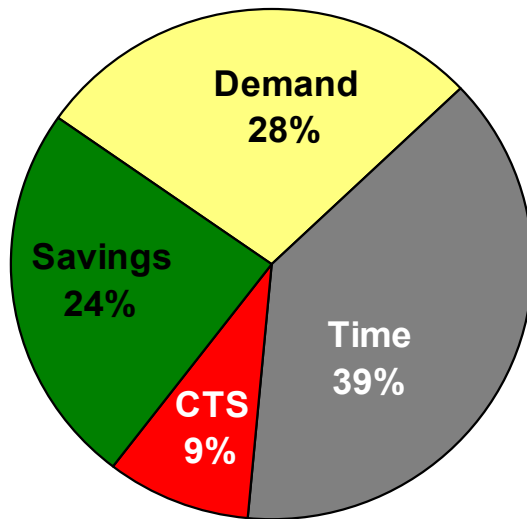
Coverage Ratio (%)



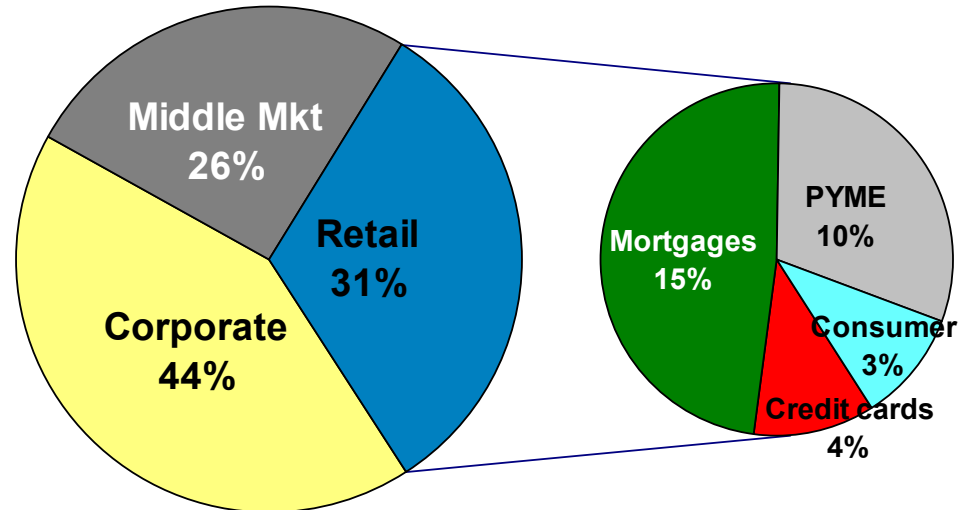
BCP CONSOLIDATED

Deposits and Loans structure

Deposits
US\$ 5,758 Mn



Loans
US\$ 4,150 Mn



<u>Loans' interest rates.</u>	<u>US\$</u>	<u>S/.</u>
Corporate	4.6%	5.9%
Middle Mkt	6.6%	7.9%
Mortgages	10.0%	- -
PYME	34.2%	50.7%
Consumer	16.3%	24.5%
Credit cards	19.2%	40.7%

Figures as of June 2004

BCP PERU

Loans by segments

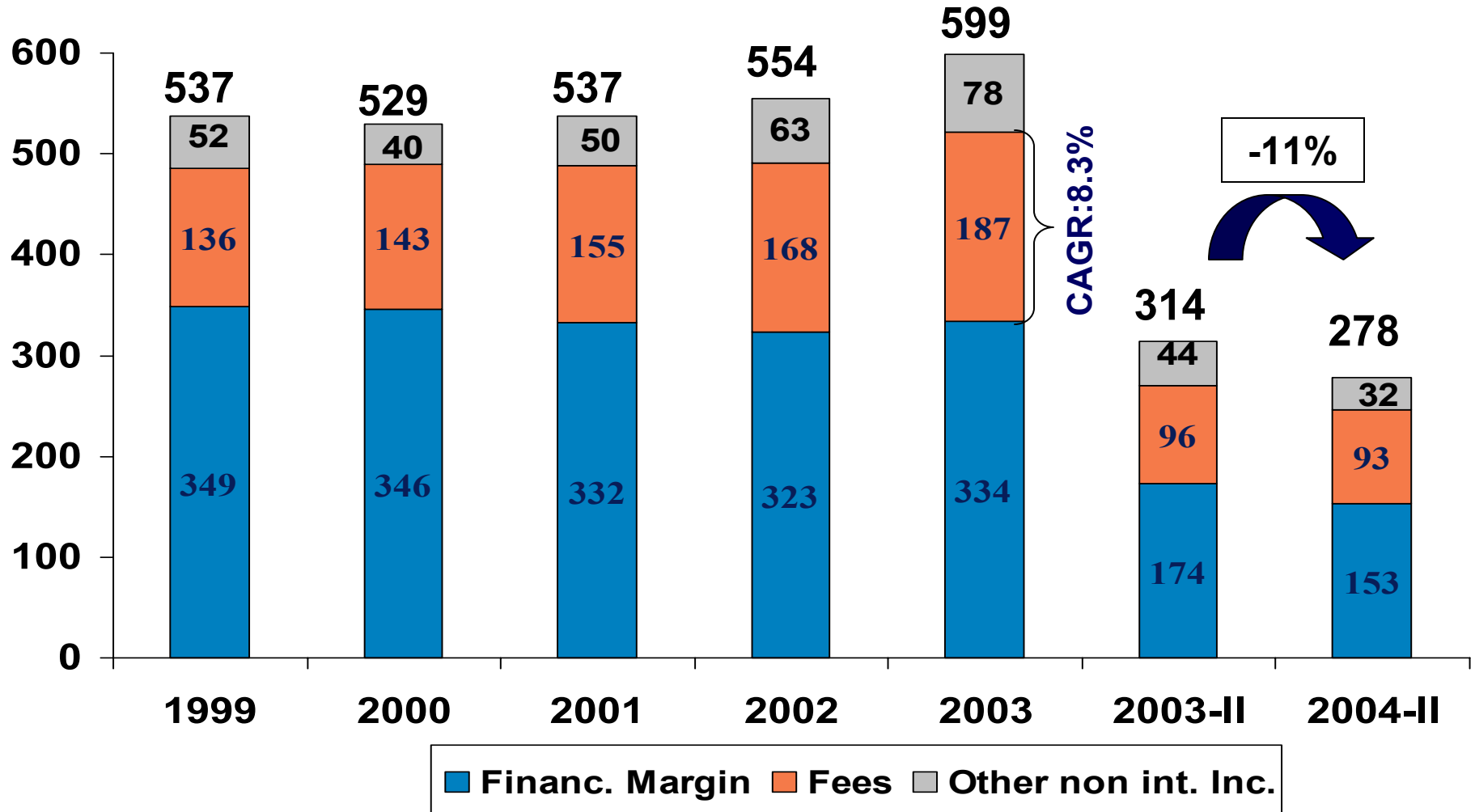
BCP Peru & Solución	Dec 01	Dec 02	Dec 03	Jun 04	CAGR(%)
	US\$ Millions				J 04/ D 01
Commercial Loans	2,400	2,570	2,689	2,748	5.6
Credit cards/Consumer	211	194	243	250	7.0
Mortgages	240	347	494	521	36.3
Micro-Businesses	71	103	141	146	33.4
Total	2,922	3,214	3,567	3,665	9.5

Source: Superintendencia de Banca y Seguros

BCP CONSOLIDATED

Interest, Fees and Non-interest Income

US\$Million



- BCB has improved its results by following an aggressive provision requirements. Its loan portfolio has been cleaned-up
- We expect that once economic and political conditions in Bolivia stabilize, BCB should provide Credicorp with more attractive returns.

	(US\$MM)	2001	2002	2003	2004-II
Total Assets		752	475	446	424
Net Equity		65	57	56	56
Deposits		569	383	362	328
Mkt. Shr. (%)		15.2	12.7	12.5	12.9
Loans		392	313	310	296
Mkt. Shr. (%)		13.6	11.7	12.2	12.0
PDLs / Loans (%)		14.2	21.6	20.7	16.5
Avg. Bolivian Bank. Syst. (%)		16.1	17.6	16.7	17.6
Reserves / PDLs (%)		57.6	62.5	76.7	76.3
Avg. Bolivian Banking Syst. (%)		56.5	63.7	74.0	70.8
Net Income		1.3	0.0	1.5	1.5

CREDICORP'S OTHER SUBSIDIARIES

Business strategy

- Increase the contribution of fee income business lines with lower risk. Managed funds increased from US\$520Mn in 2002 to US\$694Mn in June 2004.
- Re-balance investment portfolio to lower market risk. Lower profitability but more stable results and support of net equity
- Reduce risk profile of investment and loan portfolio

(US\$MM)	2001	2002	2003	2004-II
Net equity	128	110	113	141
-Unrealized Gain/losses on invest.	-8.2	-7.4	10.9	7.1
-Dividends paid to Credicorp	-5.6	-25.0	-26.7	N/A
Deposits	556	544	629	678
Net loans	176	160	152	163
Investments	330	314	430	465
Managed Funds	426	521	664	694
ROE (%)	4.3	4.8	9.8	19.4
Net Income	5.6	5.8	10.9	12.3

(US\$MM)	2001	2002	2003	2004-II
Net Equity	136	95	109	114
Total premiums	210	244	289	149
• General Insurance	97	124	166	70
• Health Insurance*	50	53	24	21
• Life Insurance	63	67	99	58
Technical Reserves	201	254	338	393
Net Income	61	10	11	19
Net claims/Net prem. Earned (%)	64	73	67	67
Combined ratio** (%)	96	103	100	97

*Includes insurance for health claims and EPS

** Net claims + Gral. Expenses and commissions / Net premiums. Years 2003 and 2004-II does not include Pacifico Vida



PACIFICOSEGUROS seguros generales

- Growth is limited, it will be following the performance of the economy.
- This business segment is experiencing reduced margins as a result of increased market competition

PACIFICOVIDA seguros de vida

- Reached a 42% growth during 2003. Growth should continue at high rates during 2004. Increased competition in this segment

PACIFICOsalUD entidad prestadora de salud

- This business line should have attractive growth opportunities during this year to the extent that government foresees a larger role for the private system.
- Acquisition of NovaSalud EPS at a cost of US\$6.5Mn. Additional merger costs estimated at US\$1.2MM
- This acquisition will consolidate market share in health insurance business combining 27% of Pacifico EPS with 39% of Novasalud.
- Growth in premiums expected at US\$76MM.



- Tequendama has benefitted from a more stable Colombian economy and the portfolio clean-up made in previous years, improving its financial results.
- During the last year, Tequendama has refocused its business towards lower risk operations in the retail segment which are contributing to improve the profitability of its operations. The contribution in total loans of Personal Banking has increased from 16.7% in Dec 2002 to 34.6% in Jul.2004

	(US\$MM)	2001	2002	2003	2004-II
Total Assets		383	265	294	301
Net Equity		38	29	29	30
Deposits		227	142	187	192
Mkt. Share (%)		0.9	0.7	0.7	0.8
Loans		245	205	232	262
Mkt. Share (%)		1.7	1.4	1.4	1.5
PDLs / Loans (%)		6.2	4.3	1.1	2.2
Reserves / PDLs (%)		67.3	69.5	238.2	135.0
Net Income		-1.8	-4.4	0.1	1.0

3. CREDICORP EARNINGS CONTRIBUTION

CREDICORP EARNINGS CONTRIBUTION

(US\$MM)	2001	2002	2003	2004-II
Banco de Crédito	45.7	59.8	91.3	53.2
Pacífico Peruano Suiza	18.7	7.0	3.3	4.7
Atlantic Security Bank	4.6	1.6	7.8	6.5
Tequendama	-1.8	-4.4	0.1	1.0
Credicorp and Others*	-12.7	-21.6	-21.9	-2.5
Net Income	54.5	42.4	80.6	62.9

* Includes income from ICOSA and losses from Tequendama, other provisions for contingencies and expenses.

4. CREDICORP OVERVIEW

CREDICORP SUMMARY

- ▶ Credicorp's results are satisfactory
 - ▶ Net Income has increased to peak levels reached in 1997 and is in line with management expectations
- ▶ The outlook for the following quarters are stable. Positive trends in most of the subsidiaries:
 - ▶ Lower provisioning requirements for the loan portfolio
 - ▶ Lower provisioning requirements of ASB investment portfolio
 - ▶ Operating cost control
 - ▶ BCB requires lower provisions without BCP support. Loan portfolio clean-up concluded. Its contributions will be positive beginning this year.
 - ▶ Tequendama is contributing positively and it is expected to improve results from a more stable economic conditions. Tequendama is refocused to retail segment, increasing the bank's profitability.
 - ▶ Growth opportunities in life insurance businesses and consolidation in health insurance segment with the acquisition of Novasalud

SUMMARY CREDICORP (cont.)

- ▶ Financial results are negatively affected by:
 - ▶ Lower financial margin
 - ▶ Small growth of business volumes
 - ▶ Lower margins in property and casualty premiums and more competition in this segment
 - ▶ Higher reserves in life insurance segment for its continued growth
 - ▶ Lower fee revenue from banking services due to the impact of ITF

CREDICORP

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**Mr. Walter Bayly LI.
September 3, 2004**