



DAVIVIENDA

Earnings Presentation

1Q15 Consolidated Results



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The financial information has been prepared under International Financial Reporting Standards (IFRS) applicable in Colombia and instructions of the Financial Superintendence of Colombia, and are presented in nominal terms. The financial statements in the quarter ended March 31 2015 will not necessarily be indicative of expected results for any other period. For comparison purposes it was built the pro forma financial statements under IFRS for the first quarters 2014 and 2015.

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First Quarter Highlights



First Quarter Highlights

Main Results

- > Net financial margin grew by **22.5%** compared to 1Q14 to **COP 815.3** billion.
- > Income before taxes grew by **9.7%** during the quarter compared to same period in 2014, totaling **COP 413.8** billion.
- > Net income grew by **1%** year over year to **COP 302** billion.
- > Net loans portfolio grew **25.6%** compared to March 2014.
- > Allowances / Gross loans² closed in **1.47%** in 1Q15.
- > Tier I ratio in 1Q15 was **7.04%** and total solvency was **12.2%**. In April, Tier I ratio closed in **8.14%**.

1. Efficiency: $((\text{Operating expenses} - \text{Goodwill}) / (\text{Gross financial margin} + \text{Operating income} + \text{Others}))$.

2. Allowances (12 months) / Gross loans.



Consumer Loans

- > Consumer loans portfolio grew **24.1%** compared to 1Q14, which represents an increase in balance of **COP 2.8** trillion.
- > Mortgage loan portfolio grew a strong **20.4%** compared to 1Q14.
- > Credit card usage in Colombia increased by **COP 225.9** billion during 1Q15, an increase of **14.8%** when compared with 1Q14.
- > Growth in disbursements of payrolls grew by **COP 169.2** billion, an annual growth of **34.2%**.
- > The growth in vehicle disbursements in Colombia during the quarter was **49.3%** more than 1Q14, representing **COP 65** billion.
- > Consumer loans in the international subsidiaries grew **19.4%** in USD compared to 1Q14, in which Costa Rica exhibited a growth of **28.5%** during the same period.



Commercial Loans

- > Commercial loans portfolio grew **28.3%** compared to 1Q14 in **COP 6.2** trillion.
- > Corporate loans segment maintained a strong annual growth of **21.5%**.
- > Construction loans balance grew by **22.1%** compared to the same quarter in 2014.
- > Disbursements to SMEs increased in **COP 189.2** billion, a growth of **27.0%** when compared to 1Q14.
- > In the international subsidiaries, commercial loans portfolio grew by **14.2%** in USD compared to 1Q14.

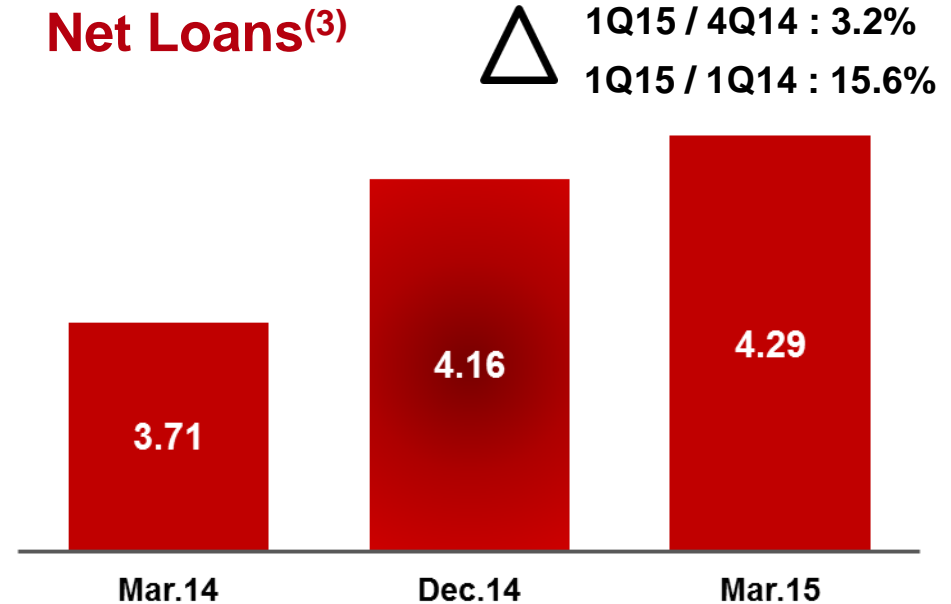
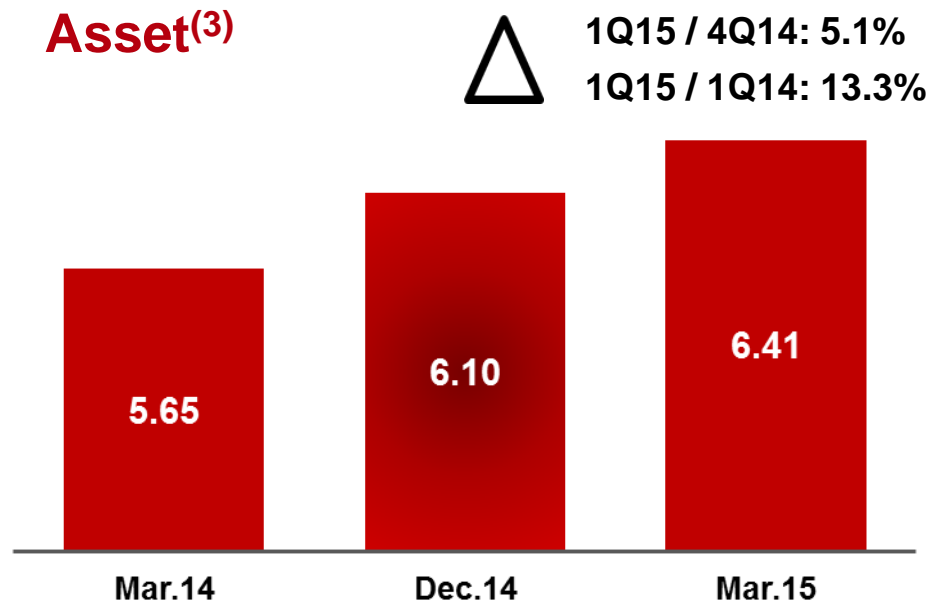


First Quarter Highlights

International Subsidiaries Results⁽¹⁾

> Net income in the international subsidiaries grew **50.3%** compared to the same quarter in 2014 and **6.2%** compared to 4Q14 up to **USD 22.3** million².

> Return on Equity of the international subsidiaries closed at **10.2%**.



1. International Subsidiaries: Costa Rica, Honduras, El Salvador and Panama.

2. Figures in local accounting consolidated for 1Q15.

3. Figures in USD billion.

Tax Reform

- > In December 2014 was approved the **wealth tax**. The rates for years 2015 to 2017 will be 1.15%, 1.0% and 0.4% of the liquid equity, respectively.
- > The payment of the wealth tax by **COP 61 billion** was recognized against the **occasional reserves**, motion approved by the General Assembly of Shareholders, in the extraordinary meeting held on 31st January, 2015.
- > In 2014 income tax base represented 34%, including 9% for equality special tax (CREE). This special purpose tax **increased another 5%** as surcharge in 2015 to 14%, increasing income tax to 39%. For 2015, surcharge represented **COP 29.6** billion paid as an advance payment.
- > **Tax on Financial Transactions** will remain unchanged until 2018.

IFRS Convergence

- > From 2015 IFRS accountability standards were implemented. The main changes in comparison to COLGAAP for **December 31st 2014 statements** are:
 - > The asset increased by **COP 609** billion under IFRS in the consolidated Balance Sheet at December 31st, 2014.
 - > The liabilities increased by **COP 124** billion at December 2014 with regard the previous standard.
 - > The equity increased by **COP 485** billion under IFRS.
 - > Net income was impacted by **COP 137** billion for the year under IFRS.

Other Highlights

General Assembly of Shareholders:

- > Dividend payment in cash by **COP 350** billion, **COP 788**/share.
- > The assembly decided to increase core capital by **COP 930** billion through a stock dividend of **COP 753** billion and reorganizing of equity of **COP 177** billion.

Local Debt Issuances:

- > In February, senior bonds were issued for **COP 700** billion with a demand of 2.4 times the total amount issued.
- > In May, **COP 400** billion of subordinated debt was issued.

FX Changes:

- > COP devaluated by **31.1%** YoY as of March and **7.7%** when compared to end of December 2014.

First Quarter 2015 Financial Results

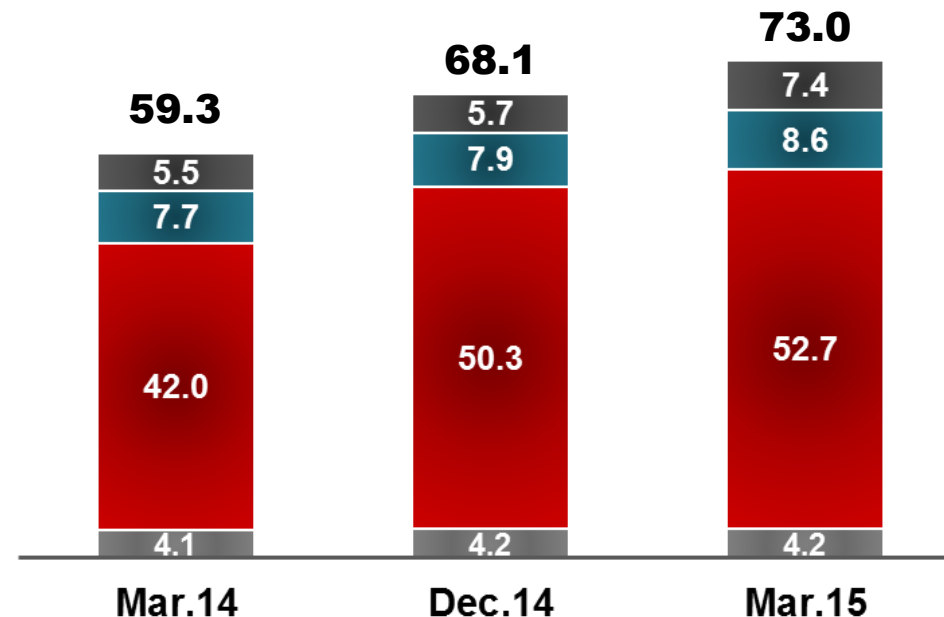


Consolidated

Assets

(COP trillion)

	Consolidated	
	1Q15 / 4Q14	1Q15 / 1Q14
Cash	29.6%	33.2%
Investments, net	8.6%	11.5%
Loans, net	4.9%	25.6%
Other assets	1.5%	4.0%
Assets	7.2%	23.0%



Asset	Mar.14	Dec.14	Mar.15	1Q15 / 4Q14	1Q15 / 1Q14
Colombia	47.8	52.9	55.6	5.0%	16.2%
International COP\$	11.5	15.2	17.4	14.9%	51.0%
International USD\$ ⁽¹⁾	5.7	6.1	6.4	5.1%	13.3%

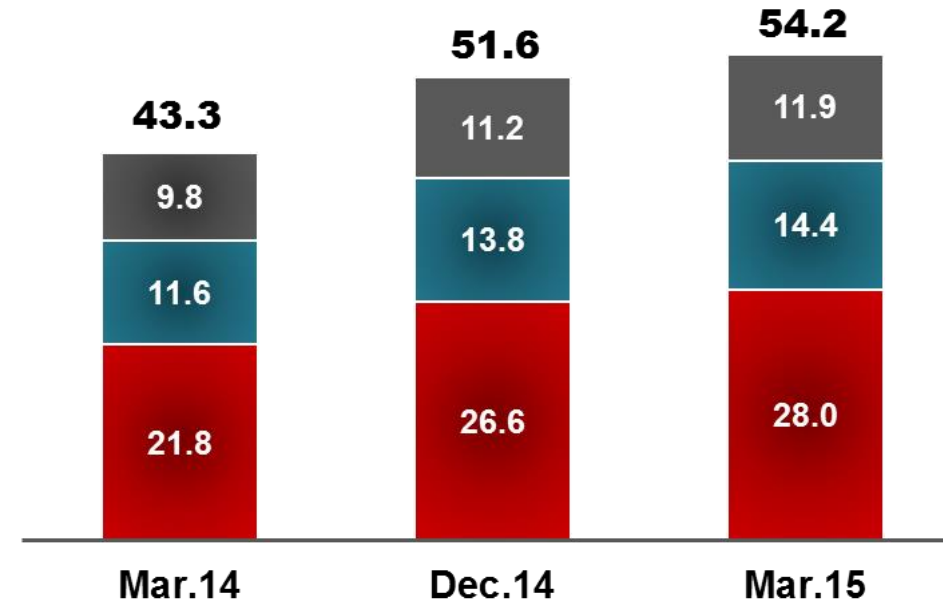
1. Local homologated figures. Do not include deletions of Colombia under the international subsidiaries by COP 912 billion.

Consolidated

Gross Loans

(COP trillion)

	Consolidated	
	1Q15 / 4Q14	1Q15 / 1Q14
Mortgage	5.8%	20.4%
Consumer	3.9%	24.1%
Commercial (1)	5.2%	28.3%
Gross Loans	5.0%	25.4%



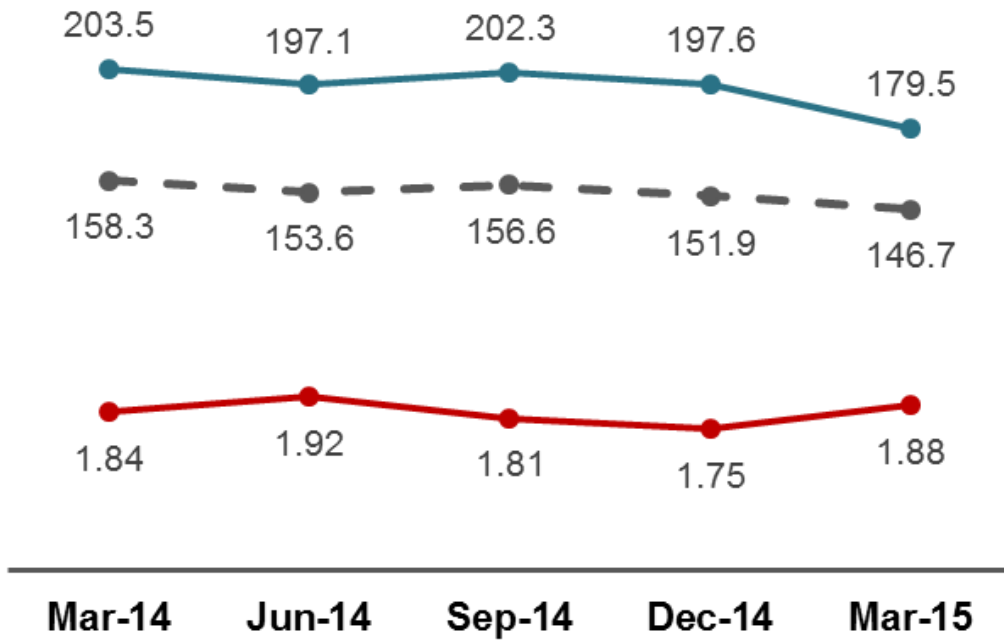
Gross Loans	Mar.14	Dec.14	Mar.15	1Q15 / 4Q14	1Q15 / 1Q14
Colombia	35.7	41.4	42.8	3.3%	19.8%
International COP\$	7.5	10.2	11.4	11.9%	51.6%
International USD\$ ⁽²⁾	3.8	4.2	4.4	3.1%	15.2%

1. Includes Microcredit.

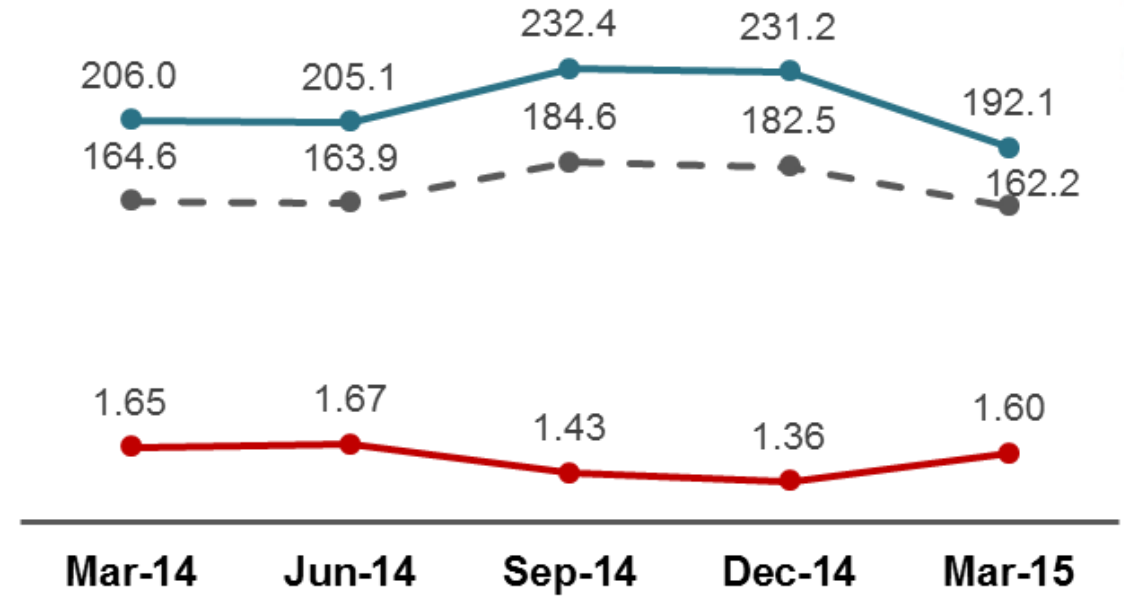
2. Figures in local homologated accounting.

Quality and Coverage (%)

Total



Commercial⁽¹⁾



—●— Coverage Consolidated

—●— Coverage IFRS Reserves

—●— Quality Consolidated

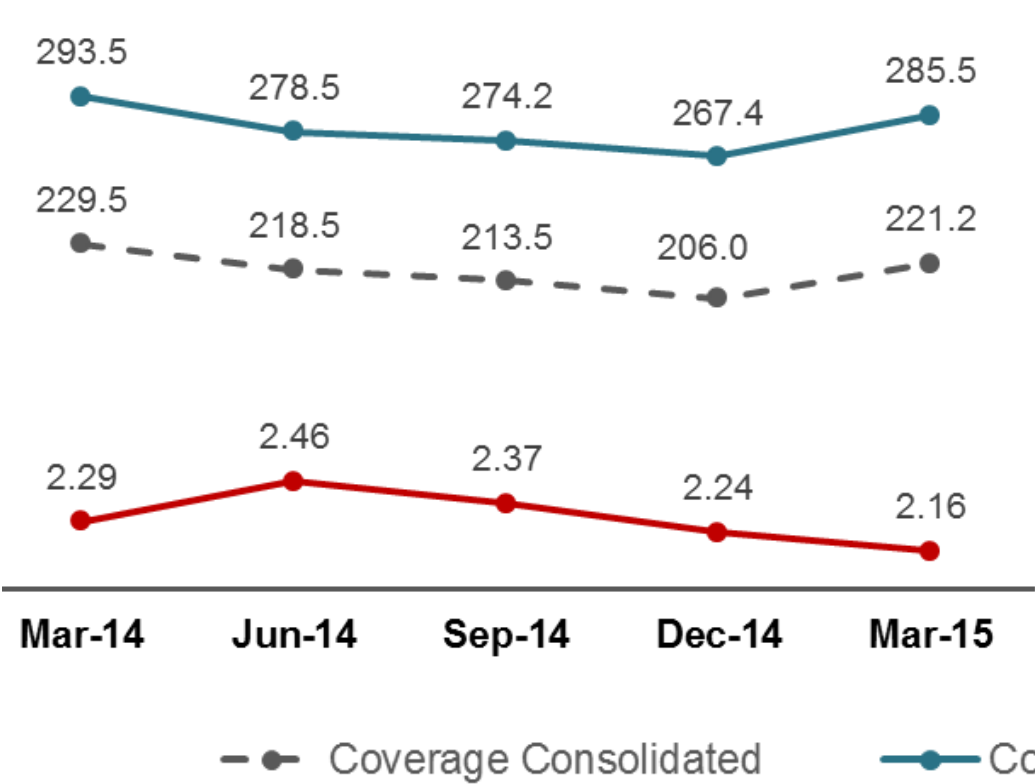
Quality: Loans >90 days.

Coverage: Allowances / Loans >90 days.

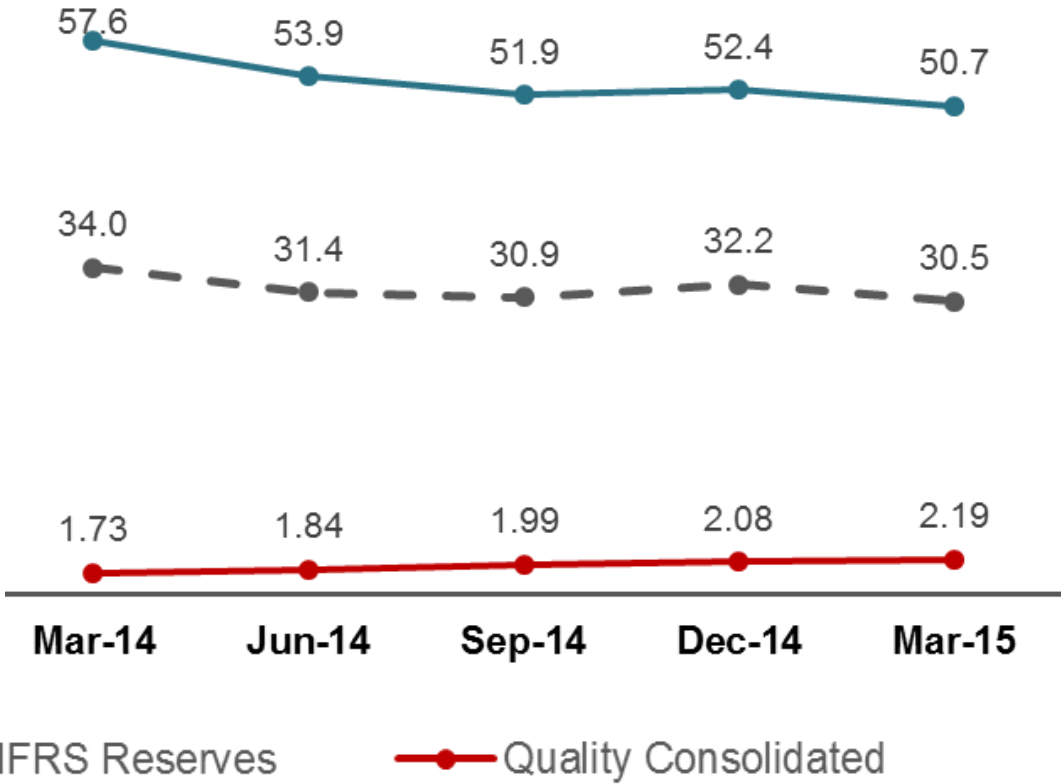
¹ Commercial includes microcredit.

Quality and Coverage (%)

Consumer



Mortgage

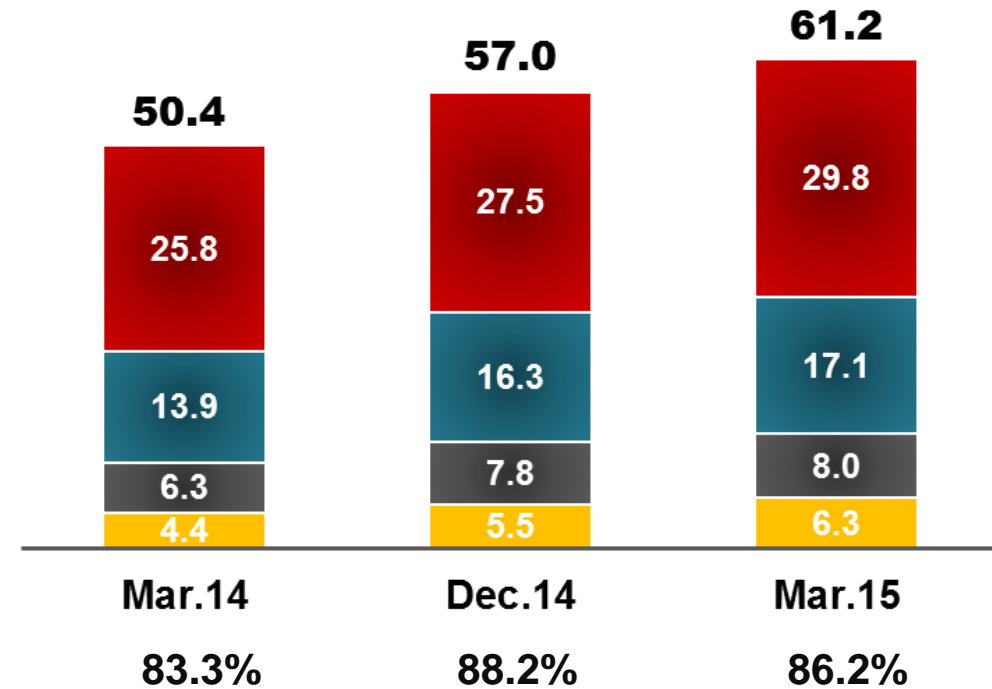


Funding Sources

(COP trillion)

	Consolidated	
	1Q15 / 4Q14	1Q15 / 1Q14
Demand Deposits	8.3%	15.2%
Term Deposits	5.3%	23.7%
Bonds	3.5%	27.6%
Credits	14.3%	41.8%
Funding Sources	7.4%	21.4%

Net Loans / Funding Sources



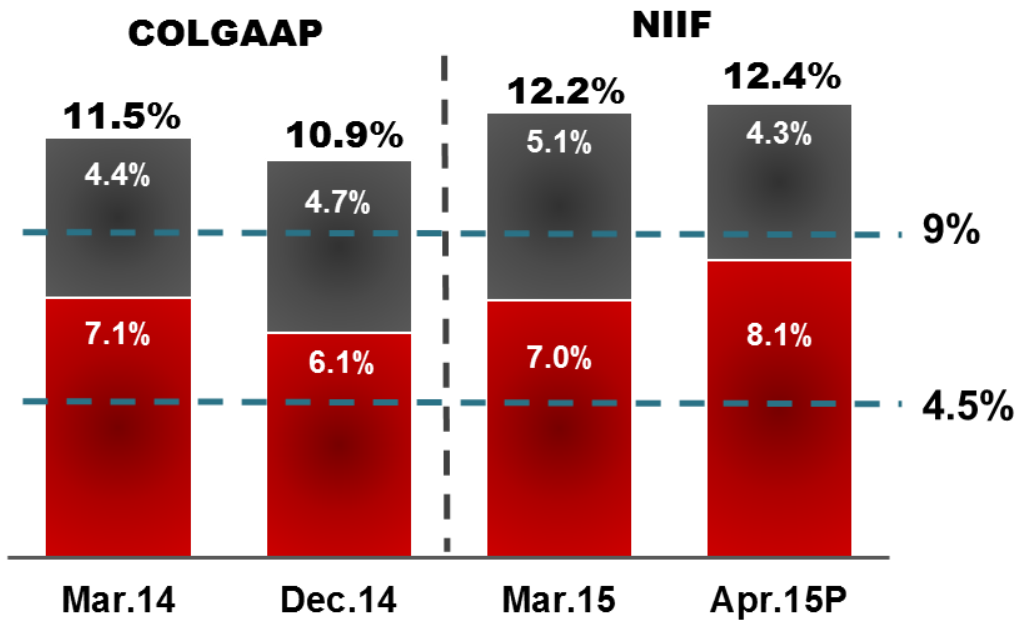
Funding Sources	Mar.14	Dec.14	Mar.15	1Q15 / 4Q14	1Q15 / 1Q14
Colombia	40.8	44.4	46.7	5.3%	14.5%
International COP\$	9.6	12.6	14.5	14.6%	50.8%
International USD\$ ⁽¹⁾	4.8	5.2	5.5	5.6%	14.4%

Capital Structure

Solvency

Equity (COP billion)

Mar.14	Dec.14	Mar.15	1Q15 / 4Q14	1Q15 / 1Q14
6,474	7,462	7,486	0.3%	15.6%



■ Tier I ■ Tier II
 - - - Minimum Required

	Capitalization Movement	(COP billion)	Increase in capital: (b.p.)
TIER 1	Increase of Legal Reserve	\$176.772	30
TIER 1	Stock Dividend payment	\$752.943	120
TIER 1	Total Core Capital Increase	\$929.715	150
TIER 2	Commitment to capitalize	\$425.000	68

> Stock dividend payment is reflected in an increase of core capital on the month of April.

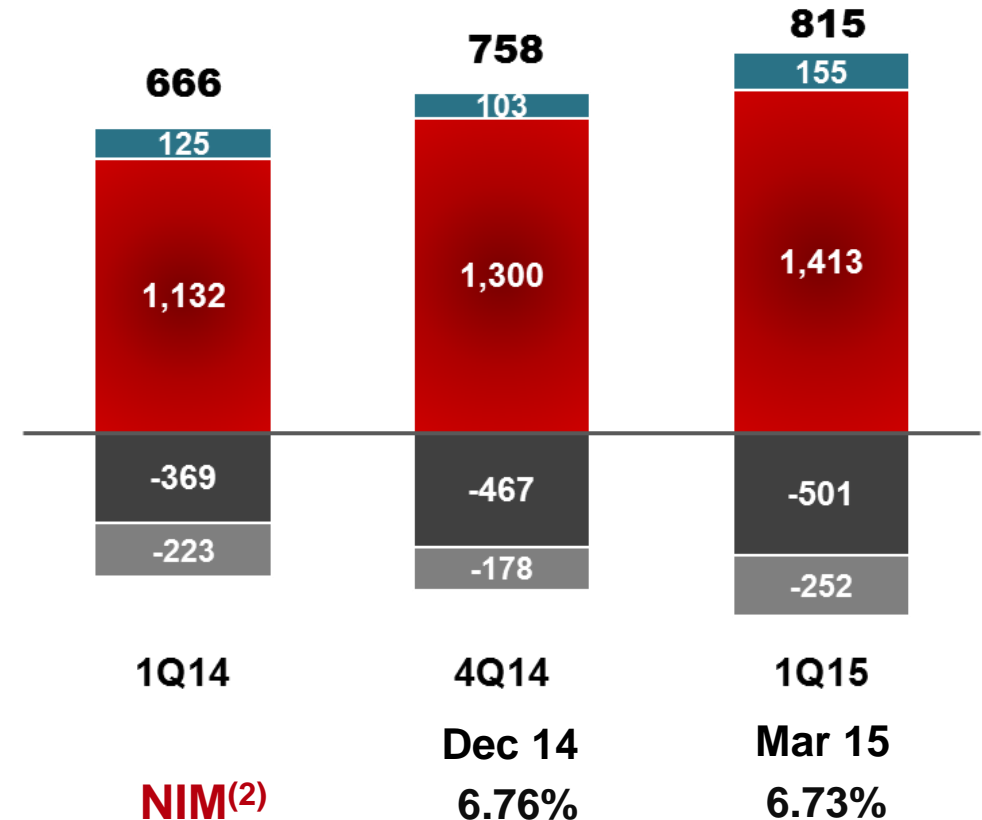
Consolidated

Financial Margin, Net

(COP billion)

	1Q15	1Q15 / 4Q14	1Q15 / 1Q14
	\$	(%)	(%)
Loan Income	1,413	8.7	24.9
Investment Income, Overnight	155	51.1	23.9
Financial Income	1,569	11.8	24.8
Financial Expenses	-501	7.4	35.9
Allowances	-252	41.9	13.3
Financial Margin, net	815	7.5	22.5

Financial Margin, net	1Q14	4Q14	1Q15	1Q15 / 4Q14	1Q15 / 1Q14
Colombia	555	660	662	0.4%	19.3%
International COP\$	111	98	153	55.8%	38.2%
International USD\$(¹)	50	57	59	2.7%	17.2%



1. Figures in local homologated accounting.

2. NIM: Gross Financial Margin (12 months) / Average Productive Assets.

Consolidated Expenses

(COP billion)

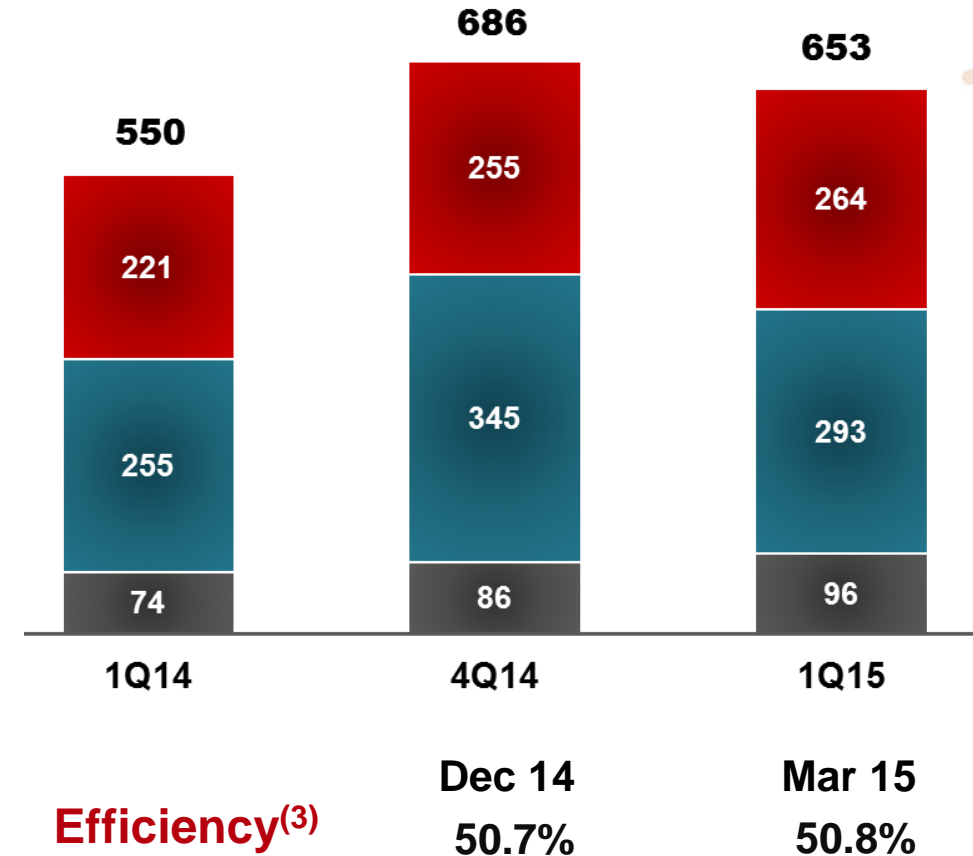
	1Q15	1Q15 / 4Q14	1Q15 / 1Q14
	\$	(%)	(%)
Personnel Expenses	264	3.5	19.5
Operating Expenses	293	-15.0	15.0
Other Expenses⁽¹⁾	96	11.6	29.3
Total Expenses	653	-4.8	18.7

Expenses	1Q14	4Q14	1Q15	1Q15 / 4Q14	1Q15 / 1Q14
Colombia	407	532	459	-13.6%	12.8%
International COP\$	143	154	194	25.6%	35.6%
International USD\$ ⁽²⁾	53	55	54	-1.0%	2.9%

1. Other expenses includes amortization and depreciation, intangibles amortization, taxes and deposits insurance.

2. Figures in local homologated accounting.

3. Efficiency (12 months) = Operative Expenses w/o Goodwill / (Gross Financial Margin + Operational Income + Other incomes and Expenses net).

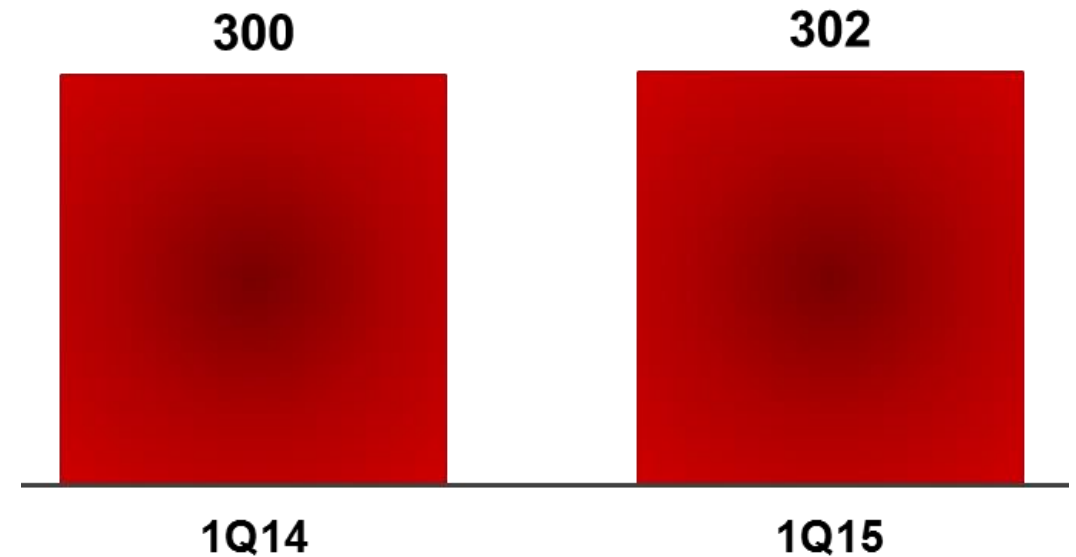


Consolidated

Net Income

(COP billion)

	1Q15	1Q15 / 1Q14
	\$	%
Financial Margin, net	815	22,5
Commisions	294	1,9
Operating Expenses	-653	18,7
Other ⁽¹⁾	-43	56,7
Income before taxes	413	9,7
Taxes	-111	43,8
Net Income⁽²⁾	302	1



ROAE⁽³⁾

12.9%

ROAA⁽⁴⁾

1.40%

1. Other includes: net changes and derivatives and other income and expenses, net.

2. Net income after eliminations, homologations and homogenizations.

3. ROAE = Net income (12 months) / Average Equity.

4. ROAA: Net Income (12 months) / Average assets.

IFRS Convergence



Main Differences COLGAAP vs. IFRS

As of December 2014

- > Assets increased by **COP 609** billion (+0.9%) mainly due to:
 - > Lower value of allowances for changing model to incurred losses by **COP 602** billion.
- > Liabilities grew by **COP 124** billion (+0.2%) mainly due to:
 - > Deferred tax liability by **COP 443** billion.
- > Equity grew by **COP 485** billion (+7.0%) mainly due to:
 - > Portfolio allowances reversal to equity reserves by **COP 602** billion.
 - > Investments exchange rate impact by **COP 220** billion.
 - > Deferred tax impact of **COP 443** billion less.
- > Net income decreased by **COP 137** billion (-13.0%) mainly due to:
 - > Investments restatement that is classified in equity by **COP 220** billion.



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Thank You!

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