



DAVIVIENDA

Roadshow Presentation

October 2017

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Financial Presentation and Other Information

The financial information included in this Presentation has been derived from Davivienda's audited consolidated financial statements as of December 31, 2015 and 2016, and Davivienda's unaudited interim consolidated financial statements as of June 30, 2017 and for the six months ended June 30, 2016 and 2017. Davivienda's financial statements have been prepared in accordance with Accounting and Financial Reporting Standards accepted in Colombia ("Colombian IFRS") as required by Law 1314/2009, regulated by Decree 2420/2015, as amended by Decree 2496/2015, Decree 2101/2016 and Decree 2131/2016. Colombian IFRS is based on International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") as in effect and officially translated into Spanish at December 31, 2013. Certain rules subsequently issued by the IASB are not applicable under Colombian IFRS.

Statement of financial position figures stated in U.S. dollars have been converted, solely for the convenience of the reader, at the rate of COP 3,050.43 per US\$ 1.00, which corresponds to the representative market rate for June 30, 2017, as reported by the Colombian Superintendence of Finance ("SFC"). Statement of profit and loss data has been translated at the rate of COP 2,921.3 per US\$1.00, which corresponds to the average representative market rate for the six months ended June 30, 2017. Because dollar amounts for the statement of profit and loss and dollar amounts for the statement of financial position have been calculated using different exchange rates, they are not comparable.

Certain of the information contained herein, including with respect to Davivienda and other banks, has been obtained from public sources. While such sources are believed to be reliable, neither Davivienda nor its affiliates assume any responsibility for the accuracy and completeness of such information.

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Today's Presenters



Efraín Forero | Chief Executive Officer

- Appointed CEO of Davivienda in 1990
- Mr. Forero has over 31 years of experience in the financial sector, having served as CEO of Delta Bolivar prior to joining Davivienda. Mr. Forero also held several positions within Compañía de Seguros Bolivar
- Mr. Forero holds a bachelor degree in Industrial Engineering from Universidad Javeriana, an Master's degree in Industrial Engineering from University of Michigan and a Specialization in Banking from La Universidad de Los Andes

Ricardo León | Executive VP, Risk and Financial Control

- Over 25 years of experience in the financial sector, including several position at the Colombian Superintendence of Finance
- Appointed Executive VP of Risk and Financial Control in 2007
- Mr. León currently sits on the board of directors of ACH
- Mr. León holds a bachelor degree in Computer Science from Universidad Piloto de Colombia and a Specialization in Finance from La Universidad de los Andes





Jaime Castañeda | VP, Treasury and International Business

- Over 26 years of experience in the financial sector
- Executive VP of Treasury and International Business since 2007
- Holds a bachelor degree in Business Administration from EAFIT University, Specialization in Top Management from INALDE business school and a master's degree in International Business from Western Sydney University

Summary of Bond Offering



Issuer	Banco Davivienda S.A.
Ranking	Senior Unsecured
Expected Rating	Baa3 BBB (Moody's Fitch)
Distribution Format	144A / Reg S
Expected Size	Benchmark
Denomination	Global Colombian Peso
Tenor; Amortization	Intermediate; Bullet
Use of Proceeds	Refinance Davivienda's existing 2.950% Senior Notes due 2018 and the remainder for general corporate purposes
Governing Law	New York
Joint Bookrunners	 



1. Davivienda at a Glance

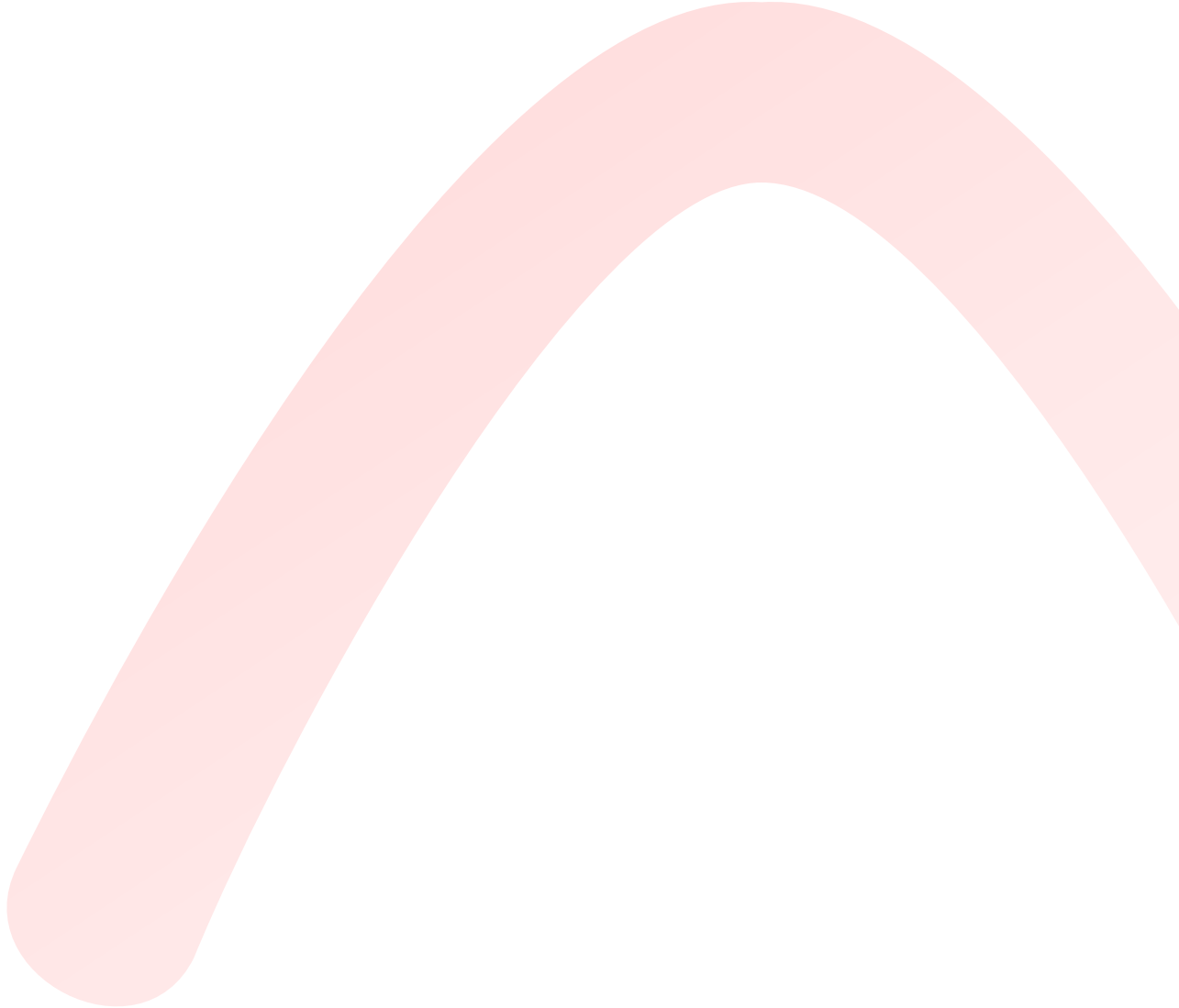
6

2. Credit Investment Highlights

10

3. Consolidated Financial Statements

26



1. Davivienda at a Glance



DAVIVIENDA

Davivienda at a Glance



Third Largest Financial Institution in Colombia and One of the Leading Banking Franchises in LatAm

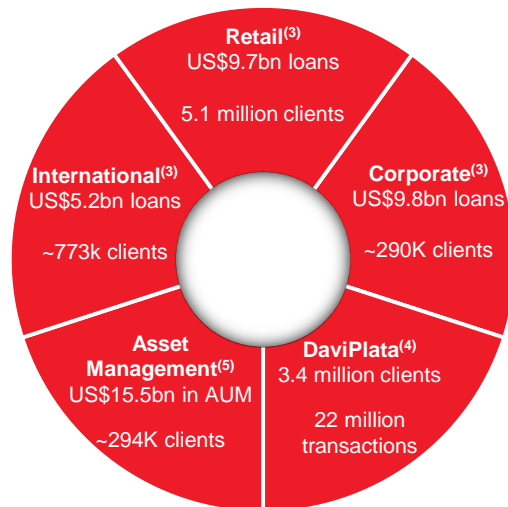
Company Description

- Incorporated in 1972, Davivienda is one of the leading banking platforms in Latin America, being the third largest financial institution in Colombia in terms of assets with a 12.9% market share⁽¹⁾
- The Company also has a presence in Panama, Costa Rica, Honduras and El Salvador through its international subsidiaries and in the United States through a branch in Miami, FL
- Davivienda provides a wide variety of banking and credit services to individuals, families and businesses, including corporations, small- and medium-sized enterprises (“SMEs”), and governmental entities
- As of June 30, 2017, Davivienda offers its services to a total of **9.2 million** clients, reaching total assets and gross loans of **US\$32.6** and **US\$25.1** billion, respectively
- Colombia represents about 80.0% of its revenues and 76.0% of the Company’s total assets

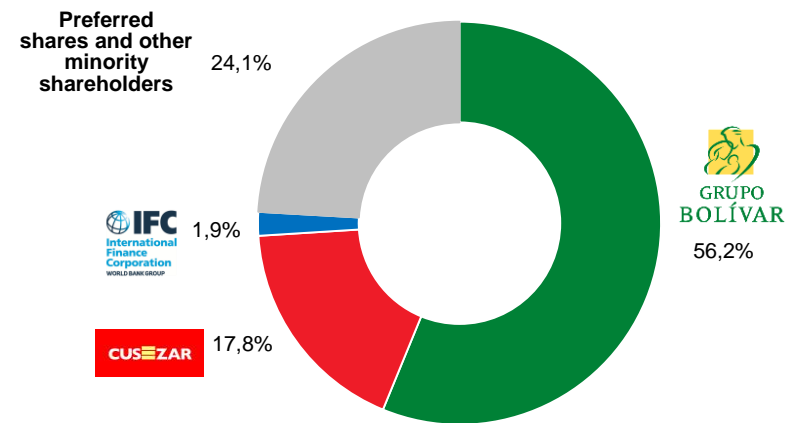
Regional Footprint⁽²⁾



Business Strategy



Ownership Structure⁽²⁾



Source: Davivienda

(1) Source: Superintendencia Financiera de Colombia. Figures as of June 30, 2017.

(2) Figures as of June 30, 2017.

(3) Figures as of June 30, 2017 before intercompany eliminations.

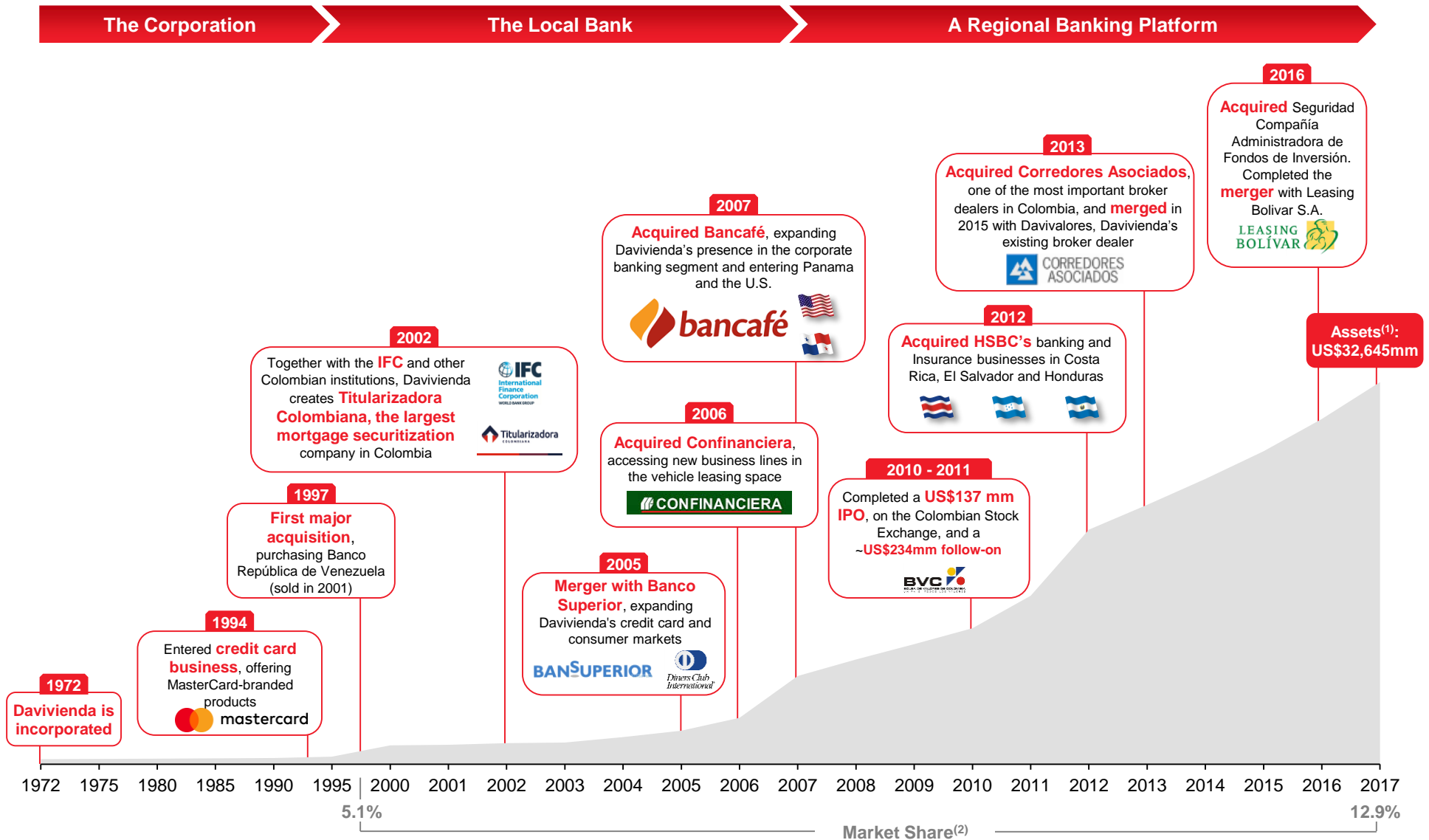
(4) Clients as of June 30, 2017; transactions for the six months ended June 30, 2017.

(5) Refers to the combined figures of Corredores Asociados (Brokerage) and Fiduciaria Davivienda (Trust Services) as of June 30, 2017.

Davivienda at a Glance (Cont'd)



Proven Track Record of Organic and Inorganic Growth



Source: Davivienda

(1) Figures as of June 30, 2017.

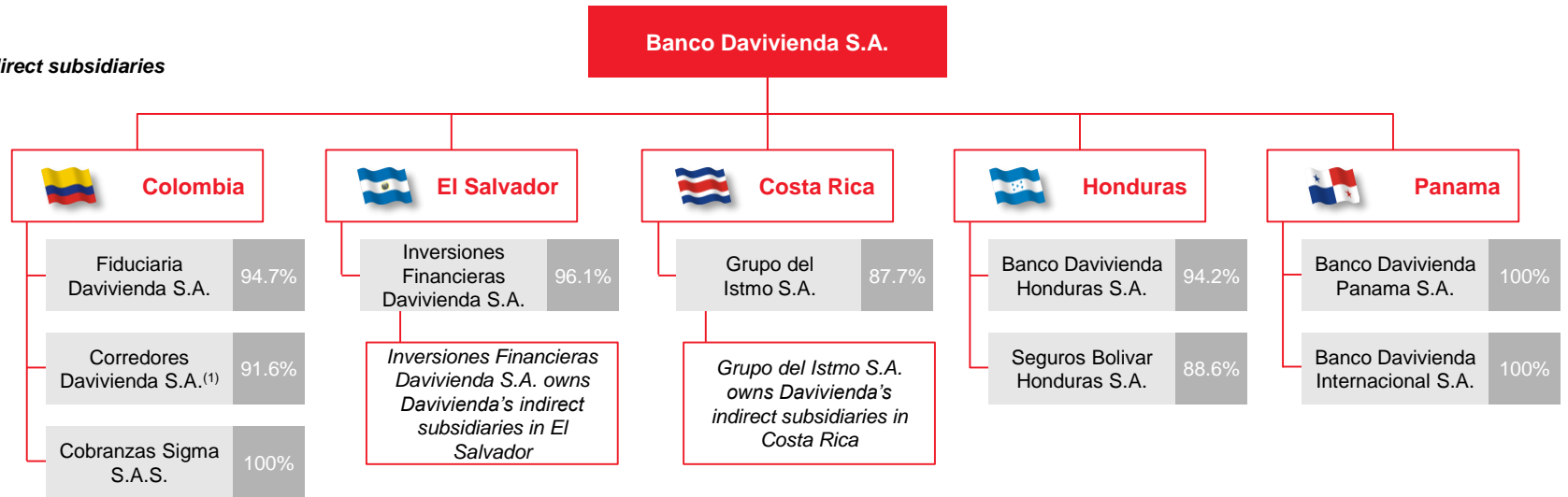
(2) Source: Superintendencia Financiera de Colombia. Refers to the unconsolidated market share in Colombia in terms of assets.

Davivienda at a Glance (Cont'd)



Fully Integrated Financial Services Platform

Davivienda S.A. direct subsidiaries



	Colombia	El Salvador	Costa Rica	Honduras	Panama
Bank	✓	✓	✓	✓	✓
Insurance		✓	✓	✓	
Brokerage	✓	✓	✓		✓
Trust	✓				
Leasing	✓		✓		

Source: Davivienda

(1) Corredores Davivienda S.A. owns 91.6% of Corredores Asociados Panamá.



2. Credit Investment Highlights



DAVIVIENDA

Credit Investment Highlights



1



Sound Macroeconomic Fundamentals and Healthy and Underpenetrated Banking System

2



One of the Leading Integrated Banking Franchises in Colombia and Central America

3



Strong and Consistent Financial and Operating Performance with a Focus on Growth and Profitability

4



Solid Balance Sheet with High Quality and Diversified Assets Supported by Robust Capitalization Levels

5



Industry Leader in Innovation and Technology

6



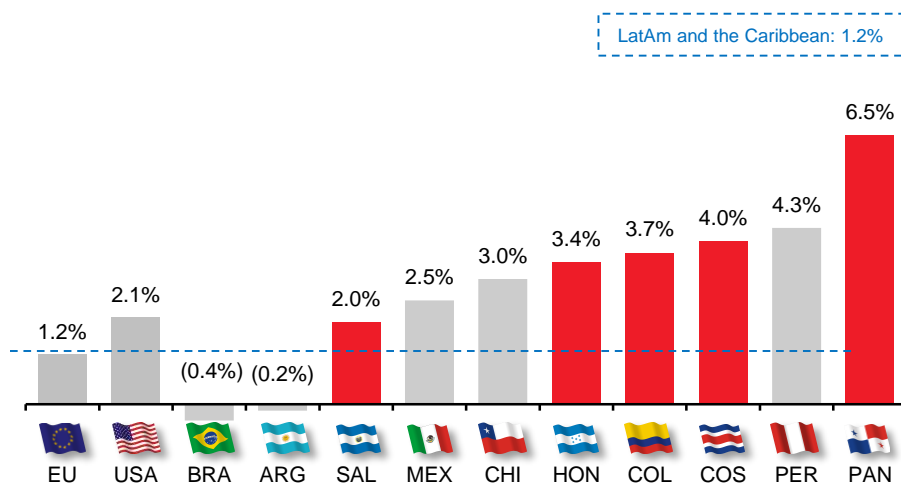
Highly Experienced and Talented Management Team Supported From Well Recognized Shareholders

The Countries Where Davivienda Operates Have Demonstrated Resilient Real GDP Growth

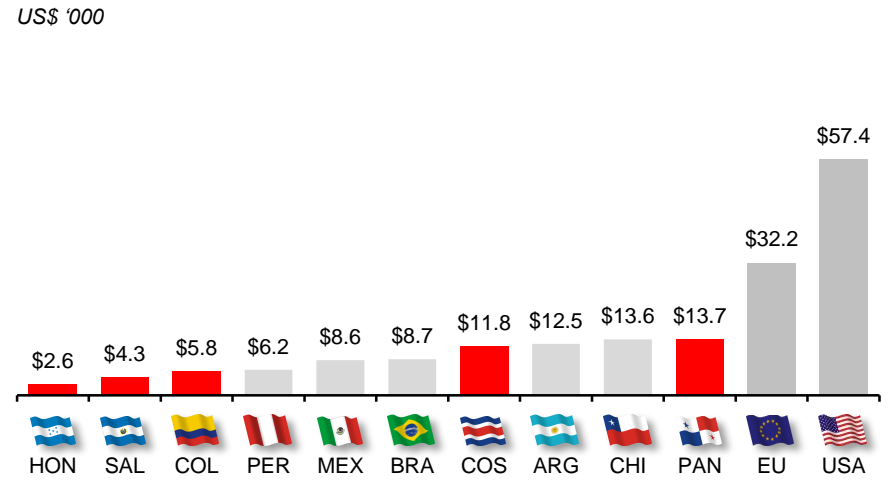


Colombia and Central America have recently outperformed their regional peers, however they still present room for economic development

Average 2012-2016 Real GDP Growth⁽¹⁾



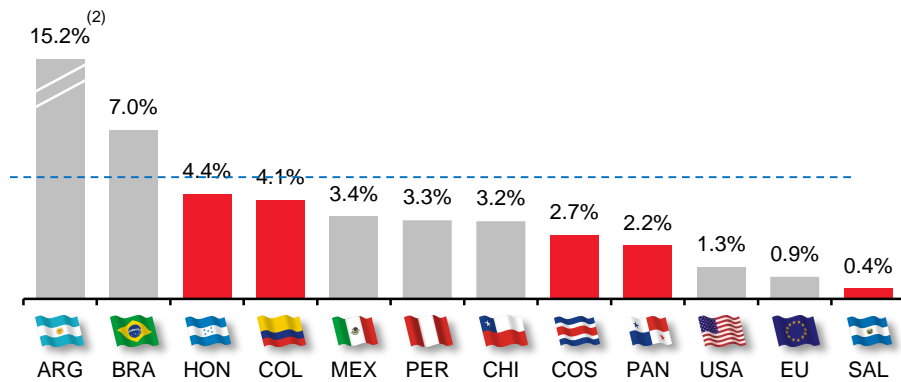
2016 Nominal GDP per Capita⁽¹⁾



Healthy Inflation History⁽¹⁾

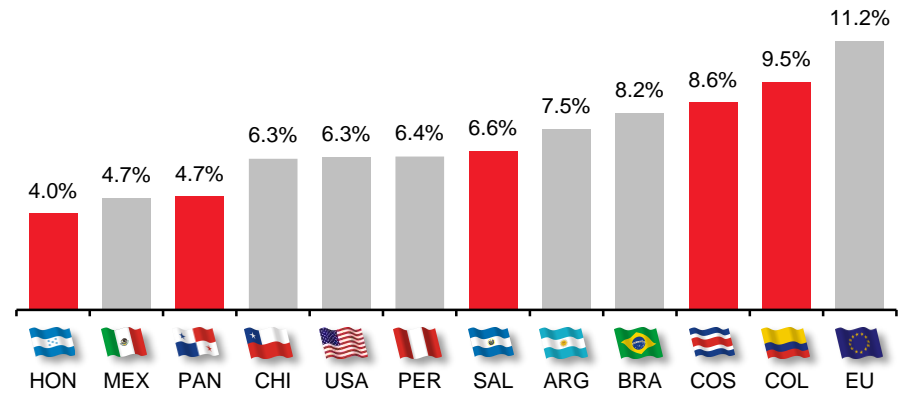
Average end of year inflation 2012-2016

LatAm and the Caribbean: 4.9%



Unemployment⁽¹⁾

Average annual unemployment 2012-2016

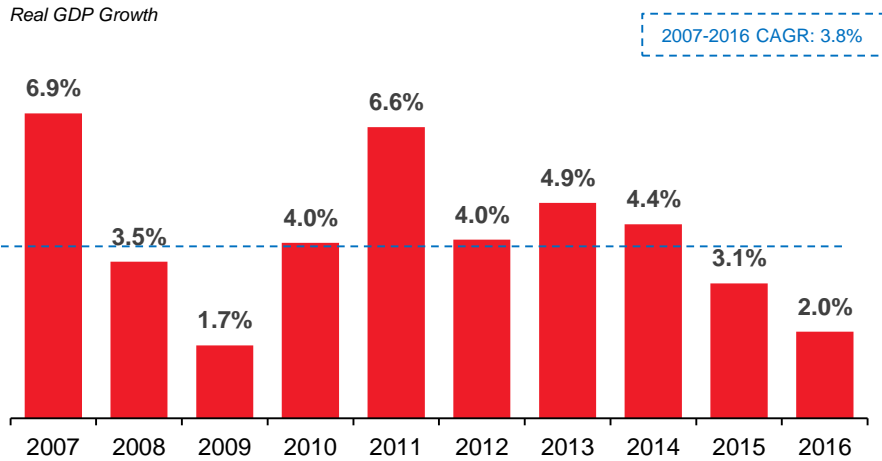


(1) Source: International Monetary Fund.
 (2) Average refers to period between 2012 and 2014.

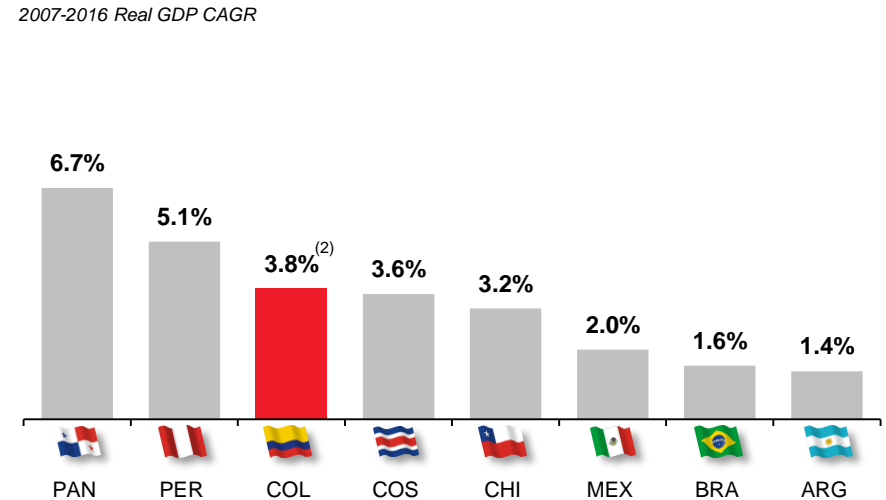
Colombia Has Positioned Itself as One of the Most Important Economies in Latin America



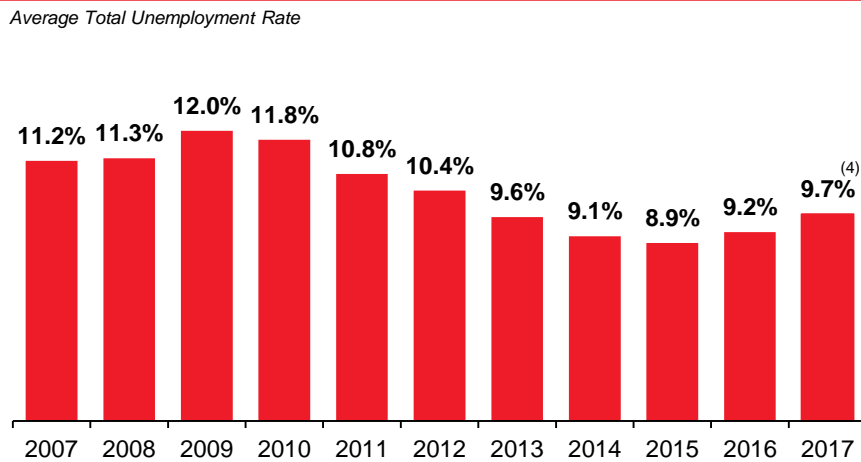
Colombia Has Presented Continuous Economic Growth⁽¹⁾⁽²⁾...



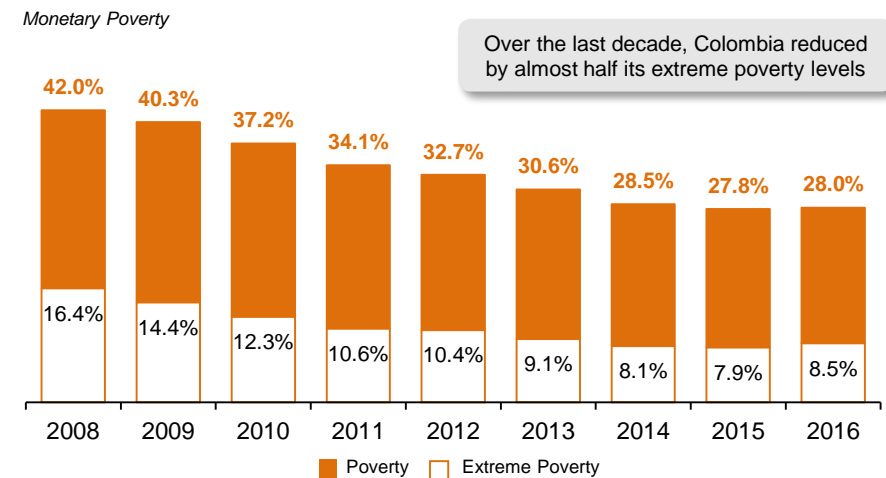
...Outperforming Most of its Regional Peers During the Last Decade⁽¹⁾⁽³⁾...



...Maintaining One-Digit Unemployment⁽¹⁾...



...and Continuously Decreasing its Poverty Rates⁽⁵⁾



(1) Source: Banco de la República.

(2) Figures for 2015 and 2016 are preliminary, preliminary figures are published in March in the year succeeding the reference period and become final two years thereafter.

(3) Source: International Monetary Fund (World Economic Outlook April 2017).

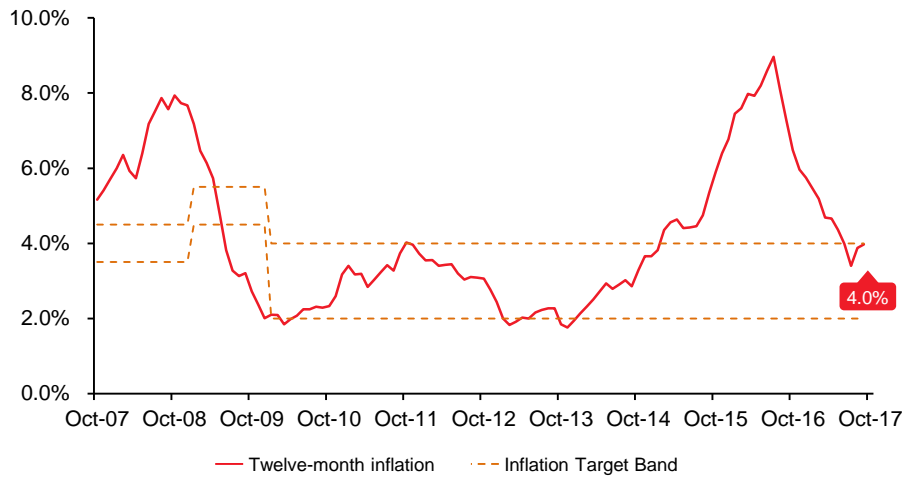
(4) 2017 figure as of August 31, 2017.

(5) Source: DANE (Gran Encuesta Integrada de Hogares).

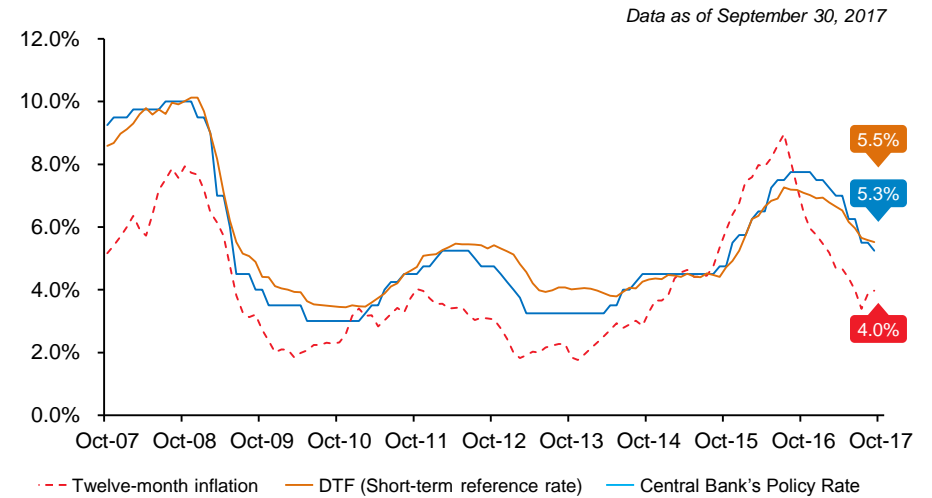
Despite Recent Price Increases, Colombia Has Been Characterized by a Successful Monetary Policy



Colombia's Track Record on its Inflation-Targeting Regime⁽¹⁾

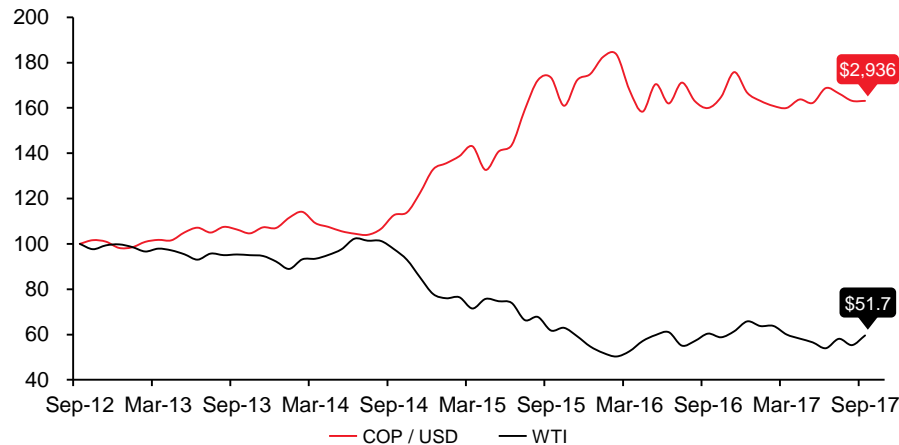


Recent Recovery Has Allowed the Colombian Central Bank to Undertake a Cutting Cycle to its Interest Rate⁽¹⁾

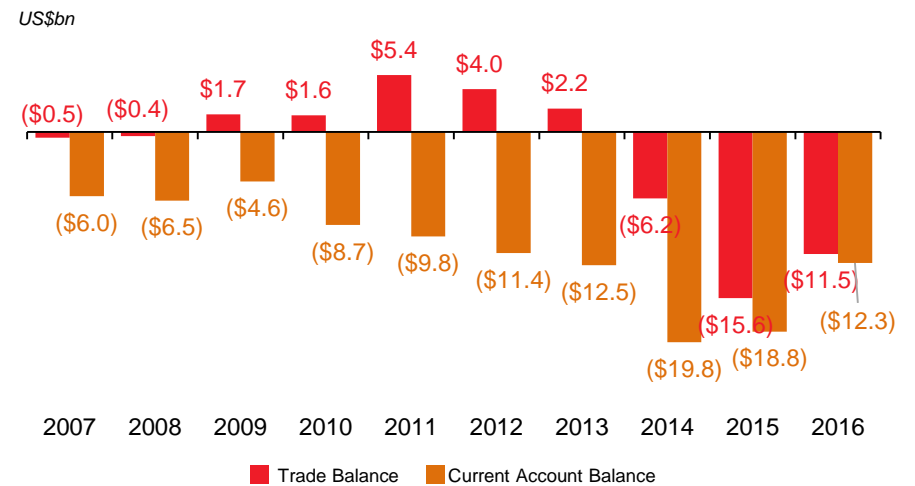


The Colombian Peso Suffered a Significant Depreciation Between 2014 and 2015, However Recent Stability in International Oil Prices Has Resulted on a More Steady Currency⁽¹⁾⁽²⁾

Indexed at 100 on September 30, 2012



Trade and Current Balance⁽¹⁾⁽³⁾



(1) Source: Banco de la República.
 (2) Source: Bloomberg as of September 30, 2017.
 (3) Figures for 2015 and 2016 are preliminary.

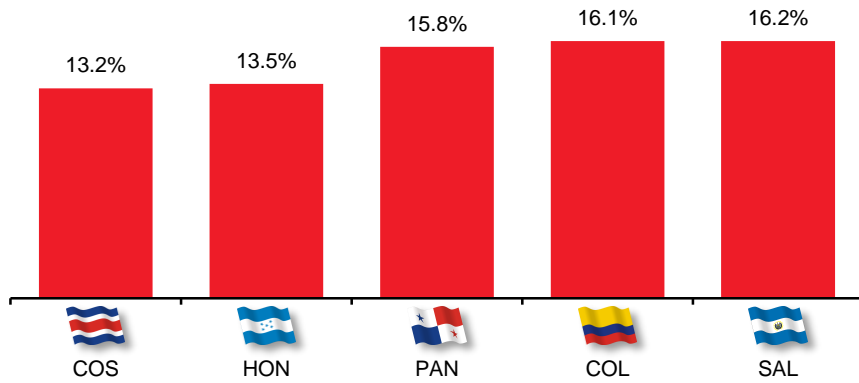
Colombia and Central America Depict Healthy and Underpenetrated Banking Systems



Room for growth through banking systems with low penetration levels

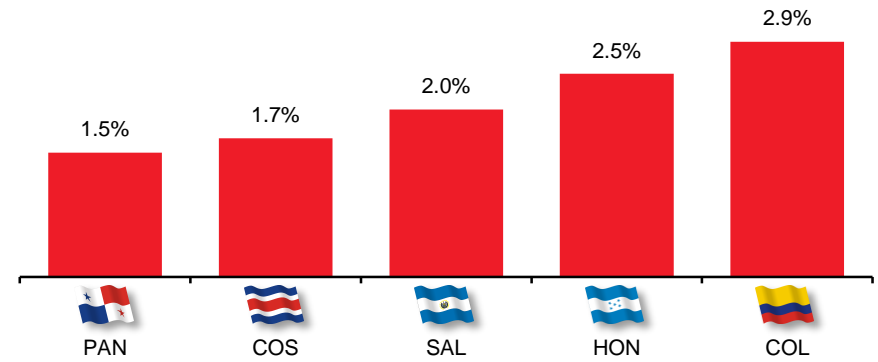
Strong Capitalization Levels⁽¹⁾...

BIS Ratio



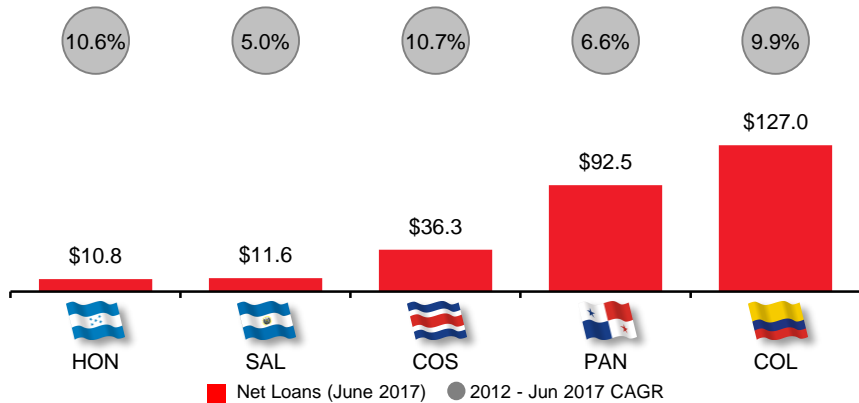
...and Sound Asset Quality Indicators⁽¹⁾

90-days NPL Ratio



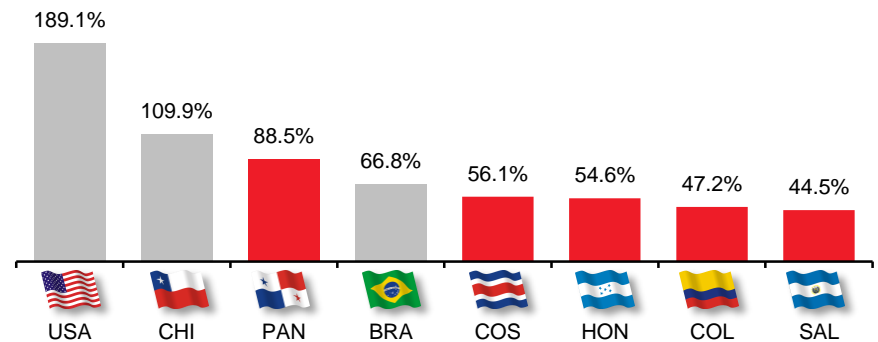
...With Growth Track Record⁽¹⁾⁽²⁾⁽⁴⁾...

US\$bn



...And Comparatively Low Credit Penetration⁽³⁾

Domestic credit to private sector by banks as % of GDP



The information provided in this page is for illustrative purposes only and it is not intended to assert that this information is actually comparable. Each of the countries represented in this page have banking systems with different regulatory requirements, financial statement standards and basis of presentation.

(1) Source: Superintendencia General de Entidades Financieras Costa Rica, Comisión Nacional de Bancos y Seguros Honduras, Superintendencia del Sistema Financiero El Salvador, Superintendencia de Bancos de Panamá, Superintendencia Financiera de Colombia, as of June 2017.

(2) Figures converted to U.S. dollars at the rate of 3,050.4 COP per 1.00 USD. Costa Rican colones have been translated to COP at the rate of 1.00 colones to 5.39 COP and amounts in Honduran lempiras have been translated to COP at the rate of 1.00 lempiras to 130.08 COP, corresponding to the exchange rates for June 30, 2017 according to the Costa Rica Central Bank and the Honduras Central Bank, respectively.

(3) Source: The World Bank. Figures as of 2015.

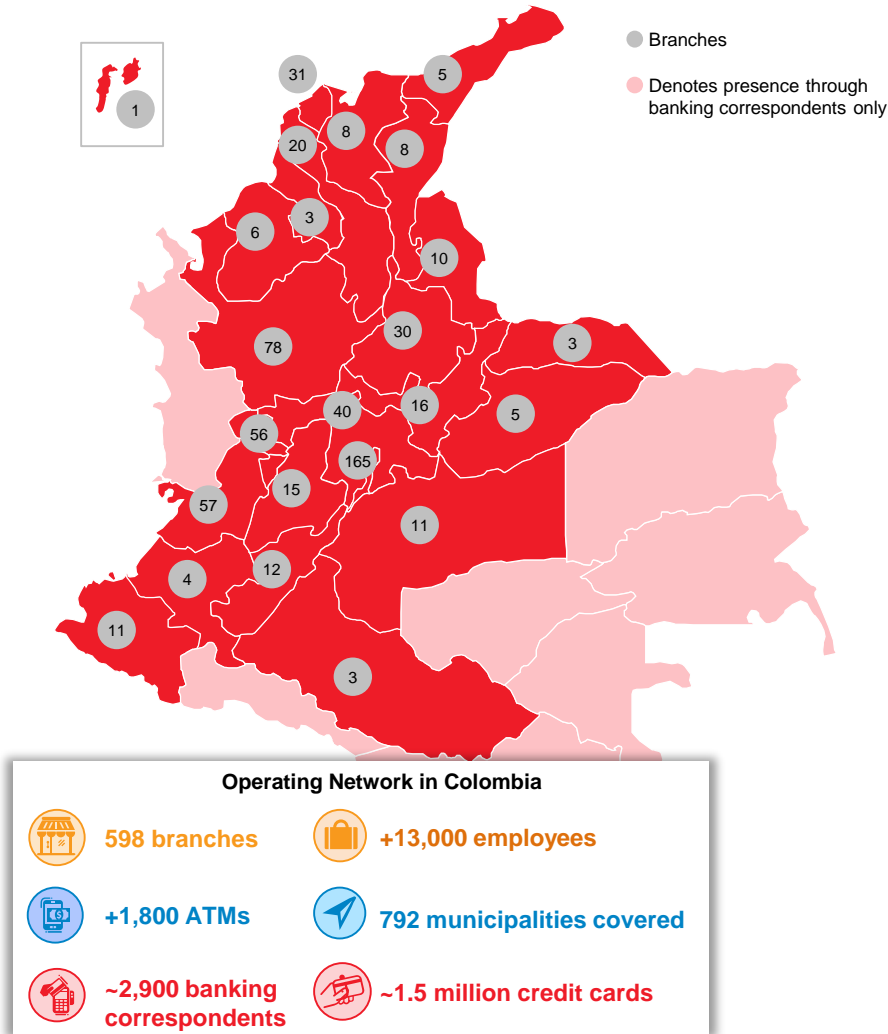
(4) Growth rates calculated in local currency.

Leading Banking Franchise in Colombia...

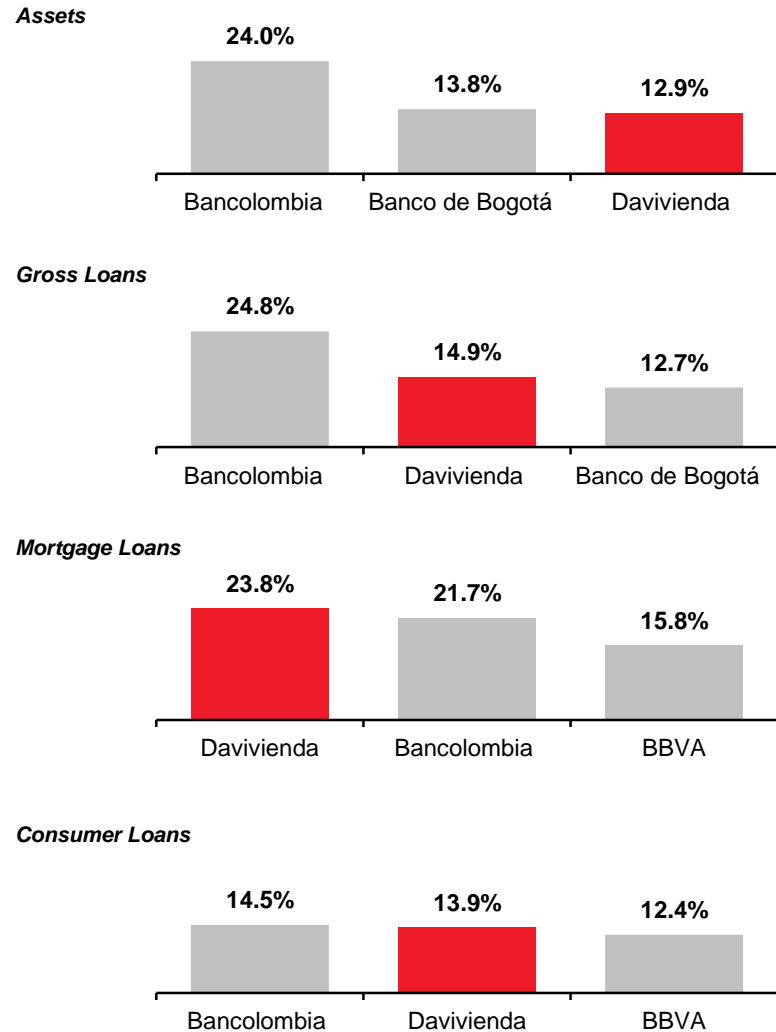


Davivienda is one of the most recognized financial brands in Colombia

Nationwide Footprint Supported by One of the Largest Distribution Networks in the Country⁽¹⁾



Leading Banking Institutions in Colombia⁽²⁾



Source: Davivienda.

(1) Figures as of June 30, 2017.

(2) Source: Superintendencia Financiera de Colombia as of June 30, 2017.



...With Presence in Key Central American Markets, Resulting in a Cohesive Regional Platform



One of the Leading Banking Platforms in the Region

- 

~9.2 million clients
- 

734 branches, including a branch in Miami, FL
- 

+2,300 ATMs
- 

+5.3 million credit, Debit and prepaid cards
- 

+17,000 employees



Figures in US\$mm ⁽¹⁾⁽²⁾		Colombia	Costa Rica	El Salvador	Panama	Honduras	Total
Assets		25,234 (#3)	2,783	2,389	1,521	1,064	32,992
Gross Loans	Total	19,264 (#2)	1,837	1,678	848	734	24,358
	Commercial	10,021 (#3)	1,106	736	646	310	12,819 ⁽³⁾
	Consumer	5,423 (#2)	274	682	35	226	6,640
	Mortgage	4,398 (#1)	487	300	186	216	5,587

Source: Davivienda.

(1) Figures as of June 30, 2017 before intercompany eliminations and homogenizations.

(2) Davivienda's rankings for Colombia based on bank's unconsolidated reported financials in the Superintendencia Financiera de Colombia.

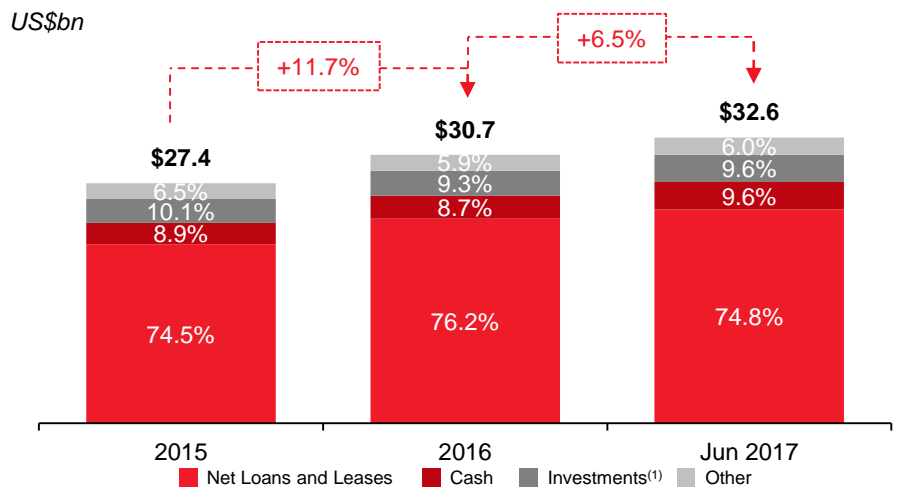
(3) Davivienda's commercial loan portfolio includes microcredit loans for the periods indicated.



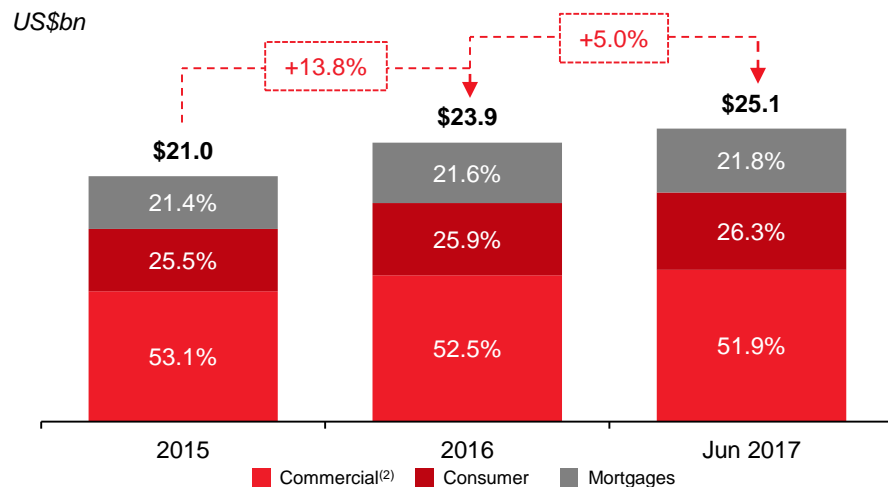
Strong Financial Performance with a Focus on Growth and Profitability

Continuous growth...

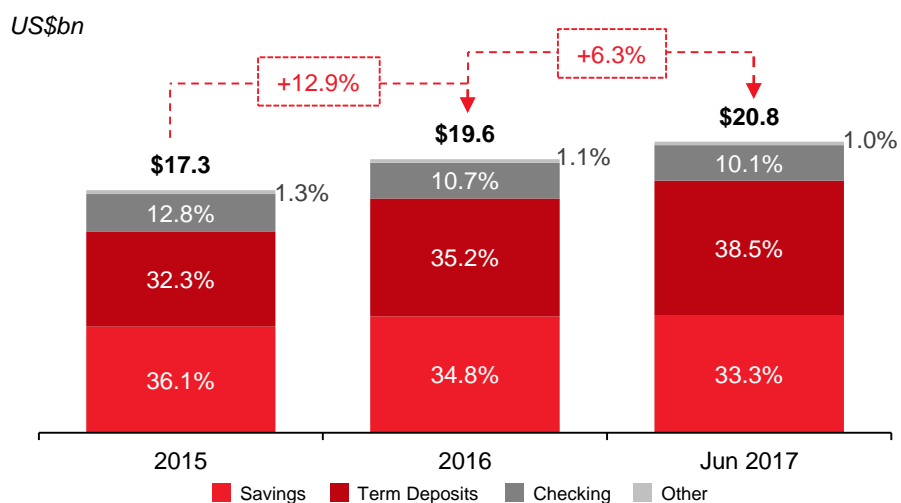
Total Assets



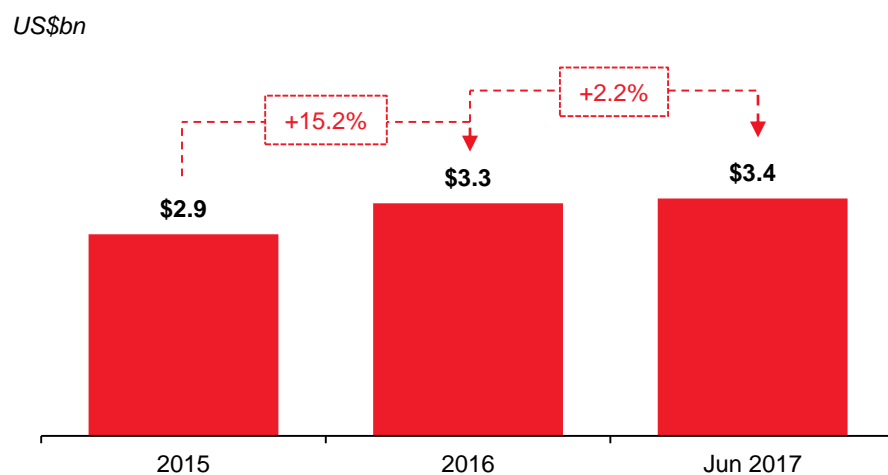
Total Gross Loans



Total Deposits



Total Shareholders' Equity



Source: Davivienda.

(1) Includes Investments measured at fair value and net investments measured at amortized cost.

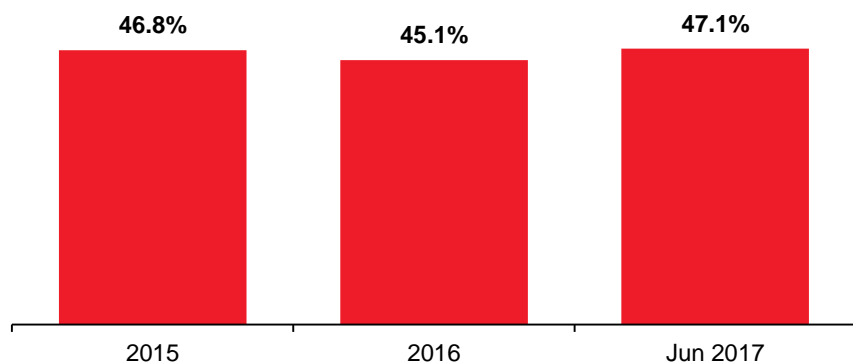
(2) Includes microcredit loans.

Strong Financial Performance with a Focus on Growth and Profitability (Cont'd)

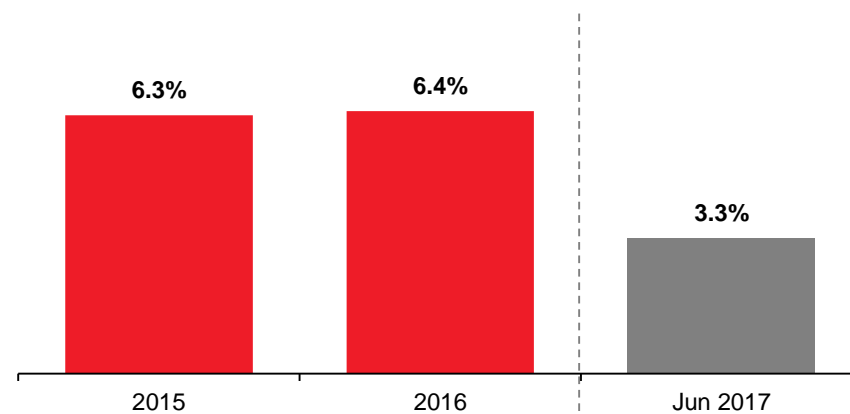


...Coupled with track record of profitability

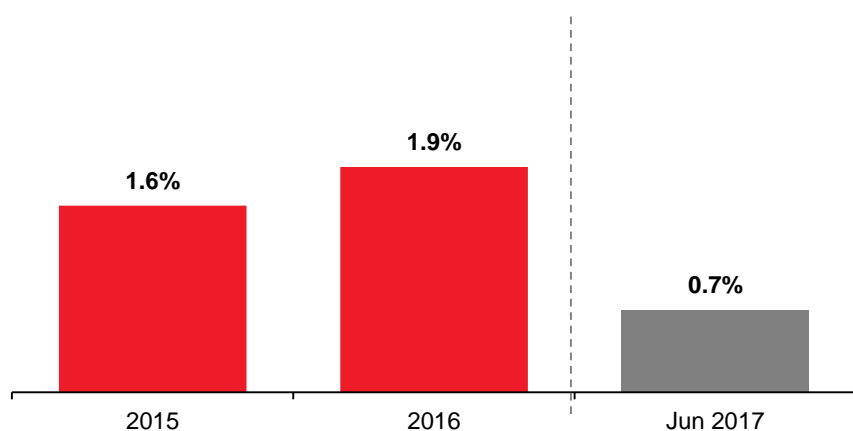
Efficiency Ratio⁽¹⁾



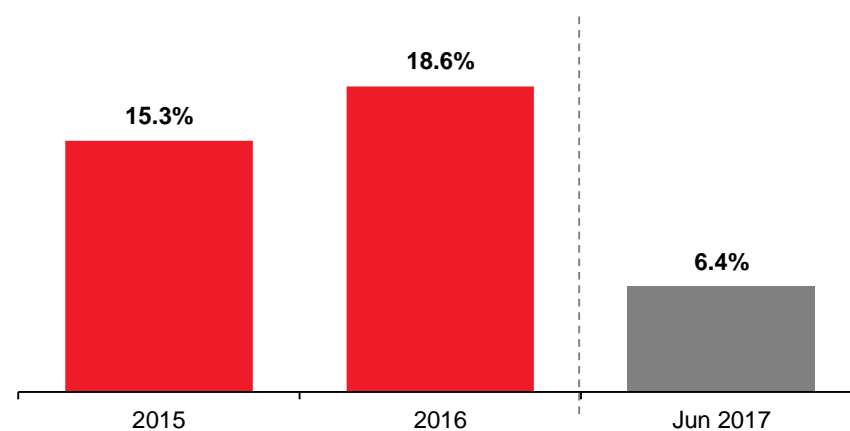
Net Interest Margin⁽²⁾



ROAA⁽³⁾



ROAE⁽⁴⁾



Source: Davivienda. Note: Ratios as of June 30, 2017 have been calculated on a six-month period basis, except for the efficiency ratio which has been calculated on an annualized basis.

(1) Refers to efficiency ratio before allowances. Calculated as non-interest expenses less goodwill amortization, divided by the sum of net interest income and total non-interest income.

(2) Calculated as net interest earned divided by average interest-earning assets (including investment securities, overnight funds and performing loans and financial leases).

(3) Calculated as net income divided by average total assets for the prior twelve months.

(4) Calculated as net income divided by average shareholders' equity for the prior twelve months.

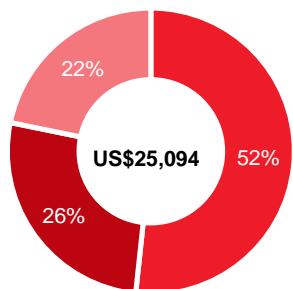


Solid Balance Sheet with a Diversified Loan Portfolio...

Originally specializing in mortgage lending, Davivienda has been able to diversify its product offering to become a full service commercial bank with controlled risk exposure

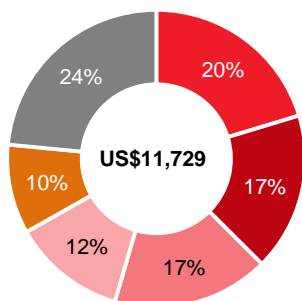
Gross Loan Portfolio⁽¹⁾

Breakdown by Type



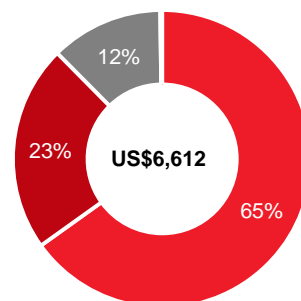
Commercial Consumer
Mortgages

Breakdown by Economic Sector⁽²⁾



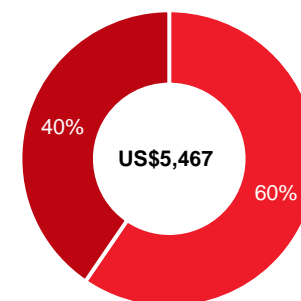
Trade Construction
Manufacturing Transport and Telecom
Utilities Other

Breakdown by Consumer



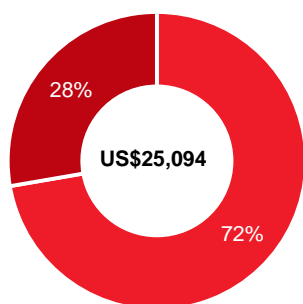
Payroll, Revolving and Other Personal Loans
Credit Cards Vehicle Loans

Mortgage⁽³⁾



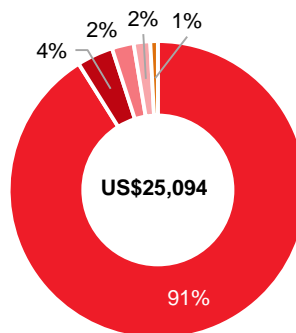
Mortgage Housing Leases

Breakdown by Currency



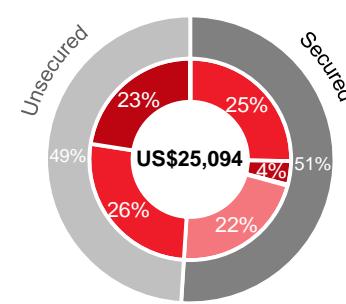
Colombian Peso Foreign Currency

Breakdown by Risk Level



"A" Normal "B" Acceptable
"C" Appreciable "D" Significant
"E" Unrecoverable

By Collateral



Commercial Consumer
Mortgages

As of June 30, 2017 Davivienda's 25 largest borrowing relationships represented approximately 11% of its loan portfolio and no single relationship represented more than 1.8% of Davivienda's loan book

Source: Davivienda.

(1) Figures as of June 30, 2017.

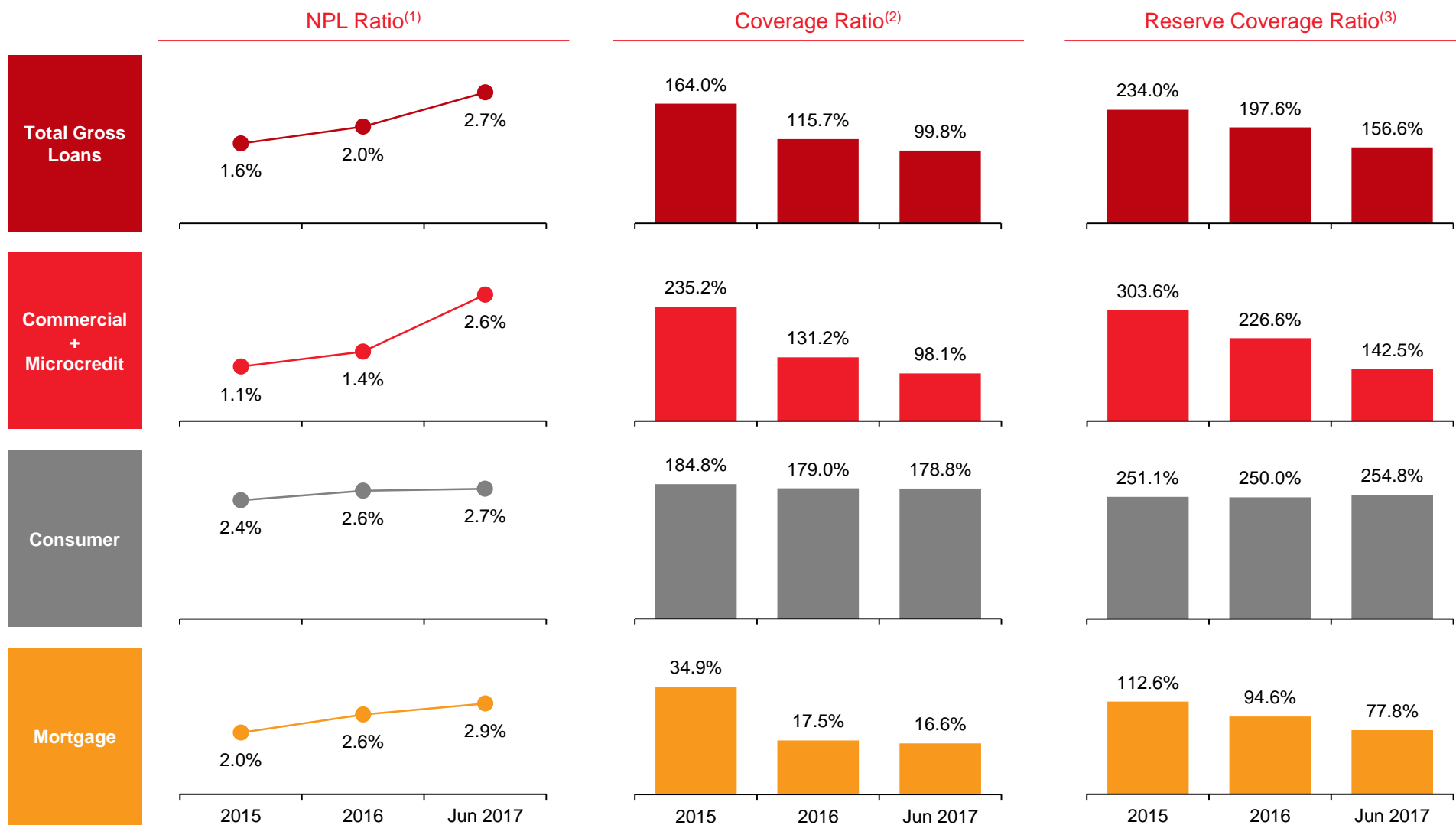
(2) Breakdown excludes US\$13,365 million of family loans for goods and services, and housing.

(3) About 40% of the mortgage portfolio corresponds to low income borrowers defined as those who qualify for public housing developments that are subsidized by the Colombian government.

...Depicting High Quality Assets...



Risk management policies in line with global best practices and credit, market and liquidity measurement and control strategies



Source: Davivienda.

(1) Calculated as 90-day non-performing loans as a percentage of total loans.

(2) Calculated as allowances for loan and accrued interest losses as a percentage of non-performing loans.

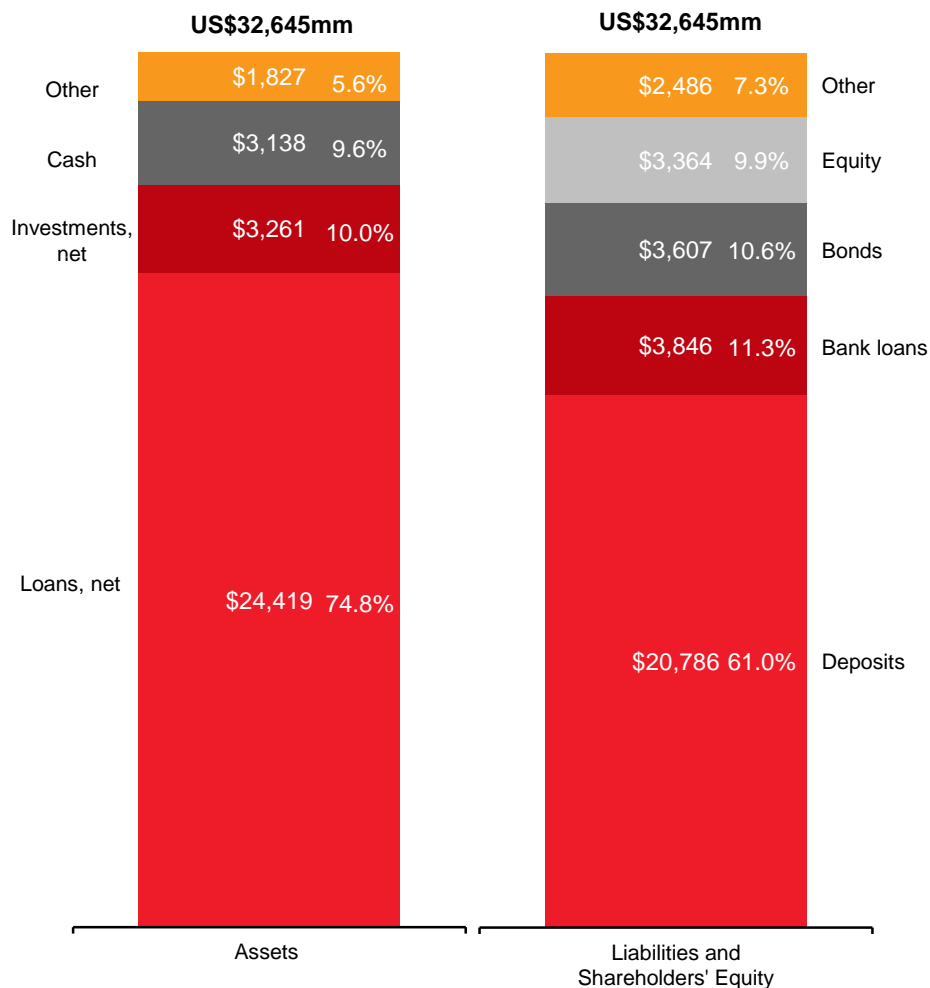
(3) Calculated as allowances recorded in equity and allowances for loan and accrued interest losses as a percentage of non-performing loans.



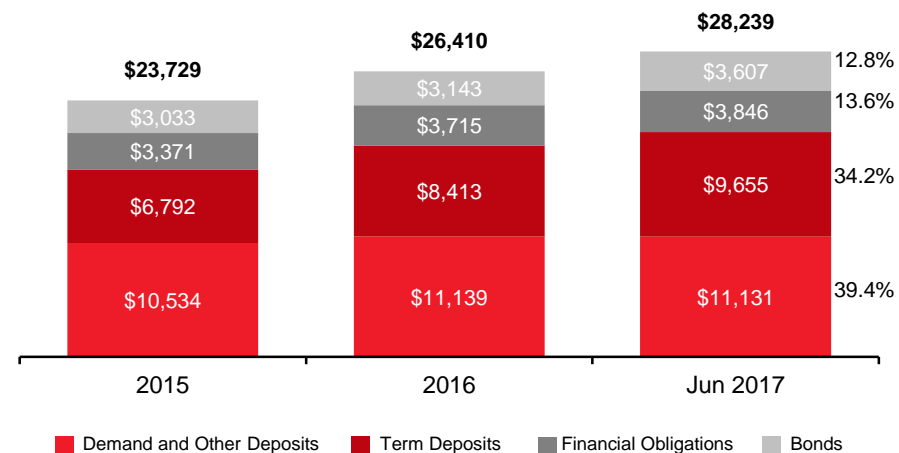
...Supported by Stable and Diversified Sources of Capital

Davivienda's loan portfolio is supported by growing funding sources

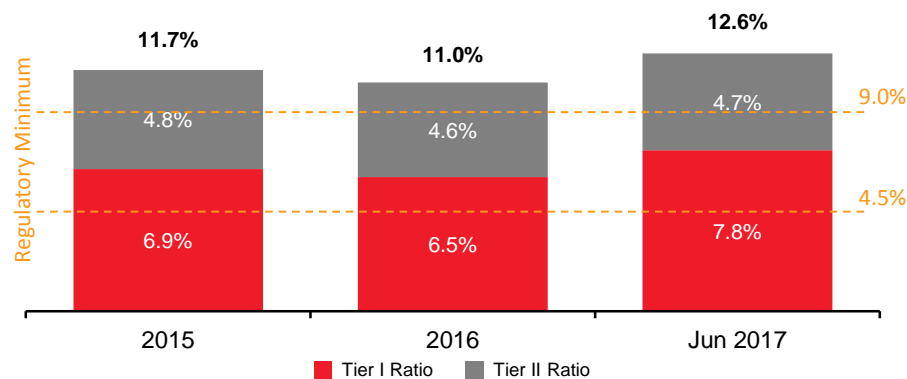
Balance Sheet Composition⁽¹⁾



Funding Evolution



Strong Capitalization⁽²⁾



Source: Davivienda

(1) Figures as of June 2017.

(2) Tier I ratio estimated as Tier I Capital over Risk Weighted Assets plus (market risk times 9.0%). Tier II ratio estimated as Tier II Capital over Risk Weighted Assets plus (market risk times 9.0%).

Industry Leader in Innovation and Technology



Pioneer in Electronic Banking Services in Colombia



With **DaviPlata**, Davivienda offers users a mobile payment and money transfer platform



The service includes the **ability to receive deposits** from any Davivienda branch in the country to a DaviPlata account free of cost, regardless of the location of the receiver



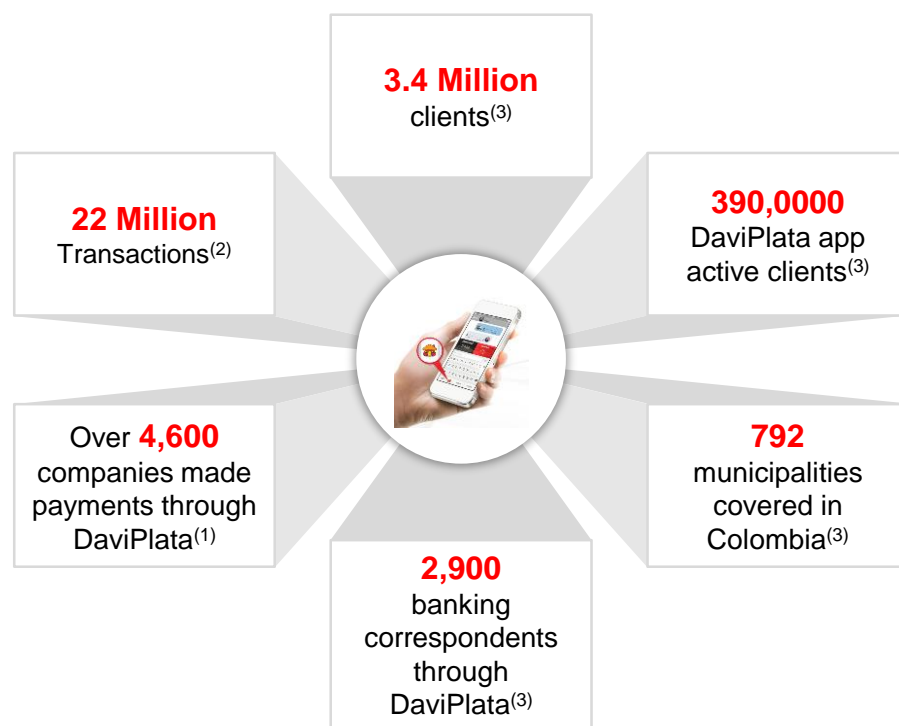
More than **4,600 companies** have made payments through the system⁽¹⁾, with income payroll and supplier transactions growing by 37% compared to 2016



Additionally, our **DaviPlata** service has allowed us to **partner with the Colombian Government** to process the payment of subsidies to 1.1 million customers in over 14 million transactions⁽²⁾



The **Casita Roja** key allows DaviPlata users to **send money to anyone in Colombia**, regardless of whether they are DaviPlata customers, through the push of a button on their cellphone keypad without having to separately launch the DaviPlata app



First Mover in Financing Strategies

- In 2002, together with the IFC and other Colombian financial institutions, Davivienda created Titularizadora Colombiana, the largest mortgage securitization agency in Colombia



- Davivienda was also the first financial institution to offer financial leases for houses as an alternative to traditional mortgages and today remains as the market leader in this segment

Source: Davivienda.

(1) Since February 2011, when DaviPlata was first introduced.

(2) Figures refer to the six months ended June 30, 2017.

(3) As of June 30, 2017.

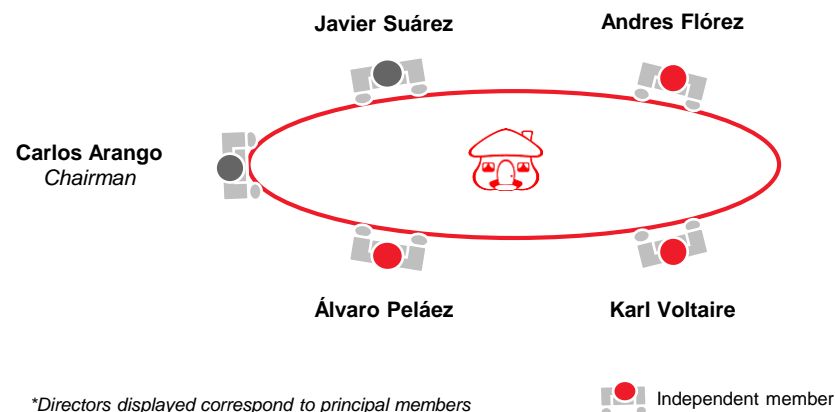
Highly Experienced and Talented Management Team...

Highly Experienced Team with an Average Tenure of 20 Years Working for Davivienda

Miguel Cortés	<ul style="list-style-type: none"> ▪ Grupo Bolivar, Chief Executive Officer since 2011 ▪ Holds a bachelor degree in economics from Stanford University and an MBA from Harvard University ▪ Has over 35 years of experience in the financial sector
Efraín Forero	<ul style="list-style-type: none"> ▪ Chief Executive Officer since 1990 ▪ Holds a bachelor degree in industrial engineering from Universidad Javeriana and an M.S. in industrial engineering from University of Michigan ▪ Has over 31 years of experience in the financial sector
Ricardo León Otero	<ul style="list-style-type: none"> ▪ Executive VP, Risk and Financial Control since 2007 ▪ Holds a bachelor degree of Computer Science from Universidad Piloto de Colombia and a specialization in Finance from Universidad de los Andes ▪ Has over 25 years of experience in the financial sector
Luz Maritza Pérez	<ul style="list-style-type: none"> ▪ Executive VP, Retail banking and Marketing since 2007 ▪ Holds a bachelor degree in industrial engineering from Universidad Javeriana and a specialization in Finance from Universidad de los Andes ▪ Has over 23 years of experience in the financial sector and 16 within Davivienda
Álvaro A. Carrillo	<ul style="list-style-type: none"> ▪ Executive VP, Corporate Banking since 2003 ▪ Holds a bachelor degree in Economics and a specialization in Finance from Universidad del Rosario ▪ Has over 26 years of experience in the financial sector
Alberto Patricio Melo	<ul style="list-style-type: none"> ▪ Executive VP, Technology since 2013 ▪ Holds a bachelor degree in Civil Engineering and Electronics from Universidad Técnica Federico Santa María de Chile ▪ Has over 28 years of experience in the financial sector
Pedro Alejandro Uribe	<ul style="list-style-type: none"> ▪ Executive VP, International Operations since 2012 ▪ Holds a bachelor degree in Industrial Engineering and Specialization in Finance from Universidad de los Andes and a masters from INALDE ▪ Has over 17 years of experience in the financial sector
Jaime Castañeda	<ul style="list-style-type: none"> ▪ VP, Treasury and International Business since 2007 ▪ Holds a bachelor degree in business administration from EAFIT University, specialization in Top management from INALDE business school and a Master in International Business from Western Sydney University ▪ Has over 26 years of experience in the financial sector.

Source: Davivienda.

Board of Directors And Corporate Governance Committees



*Directors displayed correspond to principal members

Independent member

01

Audit Committee

- Supports BoD in supervising effectiveness of internal controls
- Composed of three directors, one of whom must be a financial expert
- Reviews financial semiannual audited statements prior submission to the BoD

02

Corporate Governance Committee

- Provides assistance in the implementation of best practices of corporate governance and compliance policies
- Composed of three members, one of whom must be a BoD member

03

Compensation Committee

- Serves the BoD in an advisory and informational capacity with no executive powers
- Establishes guidelines for executive compensation
- Composed of three members, two of which must be independent and are appointed by Grupo Bolivar board

04

Corporate Risk Committee

- Defines risk management guidelines and informs the BoD and senior management of the corporate risks affecting the Company and its subsidiaries
- Works alongside several executive risk committees specialized in specific risks including credit, market and liquidity, operational and fraud risk committees among others

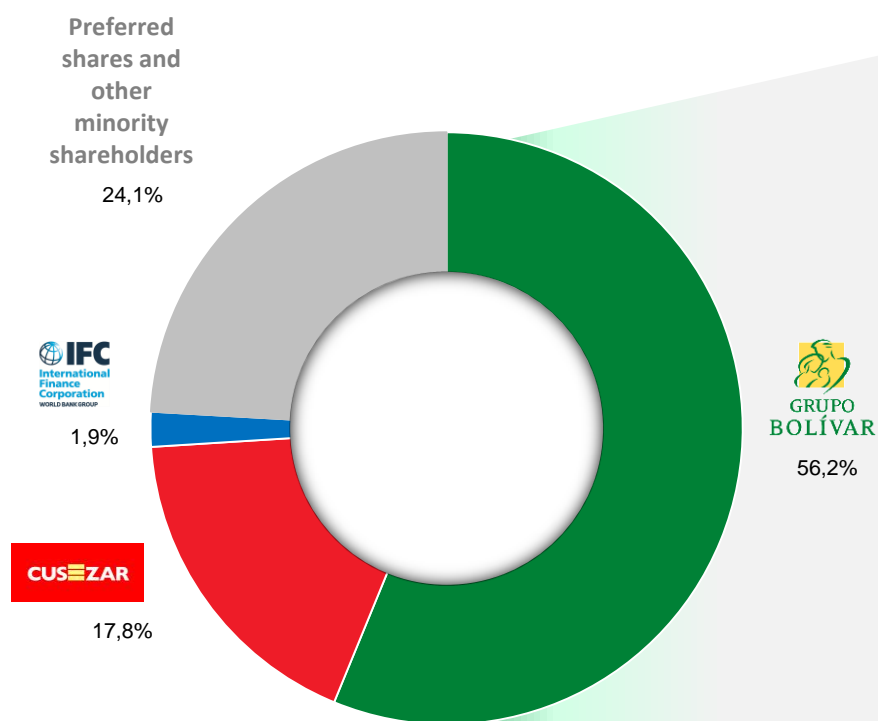
... with Support From Well Recognized Shareholders



The support from Grupo Bolivar results in continuous synergies and knowledge transfers, and produces a wide range of cross selling opportunities

Davivienda's Ownership Structure

Grupo Bolivar: One of the Most Important Financial Conglomerates in Colombia



Key Player in the Colombian Financial Industry

- Grupo Bolivar, Davivienda's controlling shareholder, is one of the largest financial conglomerates in Colombia and has more than 75 years of experience across a diversified spectrum of industries, including insurance, banking and construction

Advice on Best Practices in the Market

- Access to Grupo Bolivar's breadth of experience and exposure to multiple sectors in Colombia has allowed Davivienda to benefit from advice on best practices and technologies

Synergistic Relationship

- Davivienda also capitalizes on its relationship with other entities within Grupo Bolivar by working synergistically. For instance, Davivienda leverages Seguros Bolivar's position as one of the leading insurance companies in Colombia to offer bank insurance products and services through Davivienda's extensive distribution network
- Similarly, Davivienda also obtains synergies from Constructora Bolivar, a leading construction company in Colombia, which arise from the mortgage loans Davivienda extends to purchase real estate assets developed by Constructora Bolivar

Source: Davivienda.

3. Consolidated Financial Statements



DAVIVIENDA

Consolidated Balance Sheet Statement



Figures in COP Million ⁽¹⁾	For the Year Ended December 31,			As of June 30,	
	2015	2016	2016 (US\$m)	2017	2017 (US\$m)
Cash	7,432,562	8,106,246	2,657	9,573,311	3,138
Interbank and overnight funds	506,847	282,199	93	942,531	309
Investments measured at fair value	7,249,603	7,348,829	2,409	7,944,409	2,604
Derivatives	441,708	241,088	79	351,566	115
Loans Portfolio and financial leases operations, net	62,368,759	71,251,314	23,358	74,488,706	24,419
Accounts receivable, net	616,250	1,371,993	450	1,073,240	352
Investments measured at amortized cost, net	1,241,268	1,345,018	441	1,592,009	522
Property and equipment, net	1,268,403	833,629	273	839,617	275
Investment property	65,698	51,704	17	54,132	18
Goodwill	1,634,882	1,634,882	536	1,634,882	536
Intangibles	127,895	135,908	45	144,316	47
Other	764,425	945,207	310	943,715	309
Total Assets	83,718,300	93,548,017	30,667	99,582,434	32,645
Deposits	52,848,941	59,644,563	19,553	63,405,519	20,786
Interbank and overnight funds	1,147,302	2,175,957	713	2,797,696	917
Derivatives	365,118	241,083	79	360,384	118
Credits from banks or other obligations	8,769,168	8,913,954	2,922	8,575,054	2,811
Debt instruments issued	9,252,730	9,586,702	3,143	11,003,123	3,607
Accounts payable	989,758	1,094,310	359	1,260,216	413
Tax liabilities	1,122,452	1,238,331	406	1,134,689	372
Technical reserves	170,930	169,462	56	177,487	58
Other non-financial liabilities and estimated liabilities	335,911	438,610	144	606,286	199
Total Liabilities	75,002,309	83,502,970	27,374	89,320,454	29,281
Total equity attributable to shareholders	8,626,621	9,953,341	3,263	10,171,303	3,334
Non-controlling interest	89,371	91,705	30	90,677	30
Total Shareholders' Equity	8,715,992	10,045,047	3,293	10,261,980	3,364
Total Liabilities and Shareholders' Equity	83,718,300	93,548,017	30,667	99,582,434	32,645

Source: Davivienda.

(1) Amounts stated in U.S. dollars have been converted at the rate of COP 3,050.43 per US\$ 1.00, which corresponds to the representative market rate for June 30, 2017, as reported by the SFC.

Consolidated Profit & Loss Statement



Figures in COP Million ⁽¹⁾	For the Year Ended December 31,			For the Six Month Period Ended June 30,		
	2015	2016	2016 (US\$mm)	2016	2017	2017 (US\$mm)
Interest income	6,530,875	8,674,997	2,970	4,369,027	4,717,910	1,615
Portfolio	6,066,429	7,869,538	2,694	3,840,601	4,353,696	1,490
Investments and valuation, net	431,627	752,407	258	502,350	328,423	112
Interbank and overnight funds	32,820	53,052	18	26,076	35,790	12
Interest expenses	2,258,576	3,704,838	1,268	1,670,607	1,995,242	683
Deposits and time deposits	1,434,990	2,516,333	861	1,117,597	1,391,713	476
Deposits in current account	31,102	41,276	14	22,318	12,826	4
Savings deposits	477,128	935,030	320	402,465	518,311	177
Term Deposit Certificates	926,760	1,540,028	527	692,814	860,576	295
Credits from banks or other financial obligations	228,569	334,114	114	161,435	187,498	64
Debt Instruments issued	525,503	749,605	257	346,798	355,748	122
Other Interests	69,515	104,786	36	44,778	60,284	21
Net interest income	4,272,299	4,970,159	1,701	2,698,420	2,722,667	932
Impairment of loan portfolio and accounts receivable, net	1,154,874	1,234,705	423	742,804	942,557	323
Net Financial Margin	3,117,425	3,735,454	1,279	1,955,616	1,780,111	609
Insurance operation revenues, net	66,188	85,763	29	42,162	41,671	14
Commissions and service revenues, net	910,509	1,038,794	356	492,060	537,405	184
Result from investments in Associates and Joint Operations, net	6,623	3,228	1	1,414	1,886	1
Operational Expenditures	2,524,553	2,935,001	1,005	1,375,378	1,538,586	527
Profit (Loss) on exchanges, net	227,656	(36,707)	(13)	(23,433)	92,694	32
Derivatives, net	(84,076)	214,917	74	94,162	(8,139)	(3)
Dividends Received	5,076	5,426	2	4,391	7,059	2
Other net revenues and expenses	(8,177)	232,184	79	(1,998)	(12,819)	(4)
Operational Margin	1,716,671	2,344,059	802	1,188,997	901,282	309
Income Tax and Related taxes	424,428	509,762	174	287,052	242,198	83
Income tax and deferred complement	55,526	109,568	38	75,169	9,096	3
Profit attributable to the owners of the controlling company	1,233,122	1,717,968	588	823,163	646,016	221
Profit attributable to non-controlling companies	3,595	6,762	2	3,613	3,973	1
Profit	1,236,717	1,724,730	590	826,776	649,989	222

Source: Davivienda.

(1) Amounts stated in U.S. dollars have been converted at the rate of COP 2,921.3 per US\$ 1.00, which corresponds to the average representative market rate for the six months ended June 30, 2017, as reported by the SFC.

Consolidated Key Metrics



		For the Year Ended December 31,		As of June 30,
		2015	2016	2017
Profitability and Efficiency	Efficiency ratio ⁽¹⁾	46.8%	45.1%	47.1%
	Net interest margin ⁽²⁾	6.3%	6.4%	3.3%
	Return on average assets ⁽³⁾	1.6%	1.9%	0.7%
	Return on average equity ⁽⁴⁾	15.3%	18.6%	6.4%
Capitalization	Tier I ratio ⁽⁵⁾	6.9%	6.5%	7.8%
	Tier II ratio ⁽⁶⁾	4.8%	4.6%	4.7%
	Total Technical Capital to risk-weighted assets	11.7%	11.0%	12.6%
	Average equity / average total assets	10.0%	10.0%	10.2%
Asset Quality	PDLs/Total loans	3.6%	4.0%	5.3%
	Allowance for loan losses / PDLs	75.2%	57.0%	50.8%
	Allowance for loan losses / Loans classified as "C," "D" and "E"	86.5%	63.3%	54.1%
	Performing loans/Total loans	96.4%	96.0%	94.7%
	NPL Ratio⁽⁷⁾	1.6%	2.0%	2.7%
	Commercial (including microcredit)	1.1%	1.4%	2.6%
	Consumer	2.4%	2.6%	2.7%
	Mortgages	2.0%	2.6%	2.9%
	Coverage Ratio⁽⁸⁾	164.0%	115.7%	99.8%
	Commercial (including microcredit)	235.2%	131.2%	98.1%
	Consumer	184.8%	179.0%	178.8%
	Mortgages	34.9%	17.5%	16.6%
	Reserve Coverage Ratio⁽⁹⁾	234.0%	197.6%	156.6%
	Commercial (including microcredit)	303.6%	226.6%	142.5%
	Consumer	251.1%	250.0%	254.8%
Mortgages	112.6%	94.6%	77.8%	

Source: Davivienda. Note: Profitability ratios as of June 30, 2017 have been calculated on a six-month period basis, except for the efficiency ratio which has been calculated on an annualized basis.

(1) Refers to efficiency ratio before allowances. Non-interest expenses less goodwill amortization, divided by the sum of net interest income and total non-interest income.

(2) Net interest earned divided by average interest-earning assets (including investment securities, overnight funds and performing loans and financial leases).

(3) Net income divided by average total assets for the prior twelve months.

(4) Net income divided by average shareholders' equity for the prior twelve months.

(5) Tier I ratio estimated as Tier I Capital over Risk Weighted Assets plus (market risk times 9.0%).

(6) Tier II ratio estimated as Tier II Capital over Risk Weighted Assets plus (market risk times 9.0%).

(7) Calculated as 90-day non-performing loans as a percentage of total loans.

(8) Calculated as allowances for loan and accrued interest losses as a percentage of non-performing loans.

(9) Calculated as allowances recorded in equity and allowances for loan and accrued interest losses as a percentage of non-performing loans.