



DAVIVIENDA



Earnings Presentation

2Q16 Consolidated Results

The information presented here is exclusively for informative and illustrative purposes. It is not, nor does it pretend to be a source of legal or financial consultation regarding any issue.

The financial information and projections presented are based on information and calculations carried out internally by **DAVIVIENDA** and may be subjected to changes and adjustments. Any change in the current circumstances may affect the validity of the information or of the conclusions presented herein.

The examples given shouldn't be taken as a guarantee for future projections and it is not expressly or implicitly assumed or obliged in relation with the reserves expected in the future.

DAVIVIENDA expressly states that it does not accept any responsibility regarding actions or decisions taken or not taken based on the information presented herein. **DAVIVIENDA** does not accept any type of responsibility for loses that may result from performing the proposals or recommendations presented in this document. **DAVIVIENDA** is not responsible for any contents provided by a third party. **DAVIVIENDA** may have communicated, and may communicate in the future, information which is inconsistent with the one presented here.

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 June 30 2016 will not necessarily indicative of expected results for any other period.

Content

- > **Second Quarter Highlights**
- > **Second Quarter 2016 Financial Results**



SECOND
QUARTER
HIGHLIGHTS

Main Results

- > Accumulated net income reached **\$827** billion. Growing **41.5%** compared to 1S15.
- > ROAE¹ at June 2016 reaches **17.0%**, shows an improvement of **522 b.p.** Compared to 2Q15.
- > Efficiency² ratio shows an improvement of **527 b.p.** Compared with last year, reached **44.4%**.
- > Gross loan portfolio increased **23.2%** compared with June 2015. In Colombia portfolio grew **22.8%** annually.

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

2. Efficiency: ((Operating expenses) / (Gross financial margin + Operating income + Others)).



Second Quarter Highlights

Retail Loans

- > Retail loans¹ reached **\$32.0** trillion increasing **19.4%** compared to 2Q15.
 - > Mortgages loans portfolio reached **\$14.8** trillion, up **23.5%** compared with the same period 2015.
 - > Consumer loan portfolio reached **\$17.2** trillion increasing **16.1%** on 2Q16 compared with 2Q15.
 - > Growth in unsecured loans is highlighted in Colombia growing at **20.9%** compared with 2Q15, totalizing **\$3.7** trillion.
 - > Balance of credit card portfolio in Colombia reached **\$2.9** trillion, **19.0%** more compared with the same period of 2015.
- > Retail loans portfolio of international subsidiaries grew in USD **11.4%** compared to 2Q15, highlighting the growth in Costa Rica **25.1%**

1. Retail loans includes Consumer loans and Mortgages loans



Commercial Loans

- > Commercial loans portfolio¹ reached **\$36.6** trillion, increasing **26.7%** compared to 2Q15. While Colombia grew by **27.5%** compared to 2Q15.
 - > The growth in corporate loans in Colombia is highlighted with an annual growth of **21.1%**, totalizing **\$17.8** trillion.
 - > SME loans in Colombia closed in **\$5.2** trillion, a growth² of **19.6%** compared to 2Q15.
 - > The construction loans portfolio reached **\$3.3** trillion, a growth of **27.1%** compared to the same period of 2015.
- > Regarding our International subsidiaries, commercial loans grew **10.2%** in US dollars compared to the same quarter of 2015. In particular for Costa Rica growth was **23.9%** in US dollars.

1. Commercial loans portfolio includes Microcredit.

2. Figures include effect of the merger with Leasing Bolívar for comparative purposes.



Other Highlights



> On June 30th, 2016 Banco Davivienda capitalized Fiduciaria Davivienda **COP\$33** billion.



> On July 15th, 2016 Banco Davivienda Panamá (Intl.)¹ made an investment of **US\$30** million to Grupo del Istmo (Costa Rica) S.A.



> On July 28th, 2016 Banco Davivienda S.A. issued senior bonds for **COP\$600** billion with maturities in 3, 7 y 12 years.

1. Banco Davivienda S.A. Transferred US\$20 million to Banco Davivienda Internacional (Panamá) and this company in turn invest US\$10 million to complete the operation.

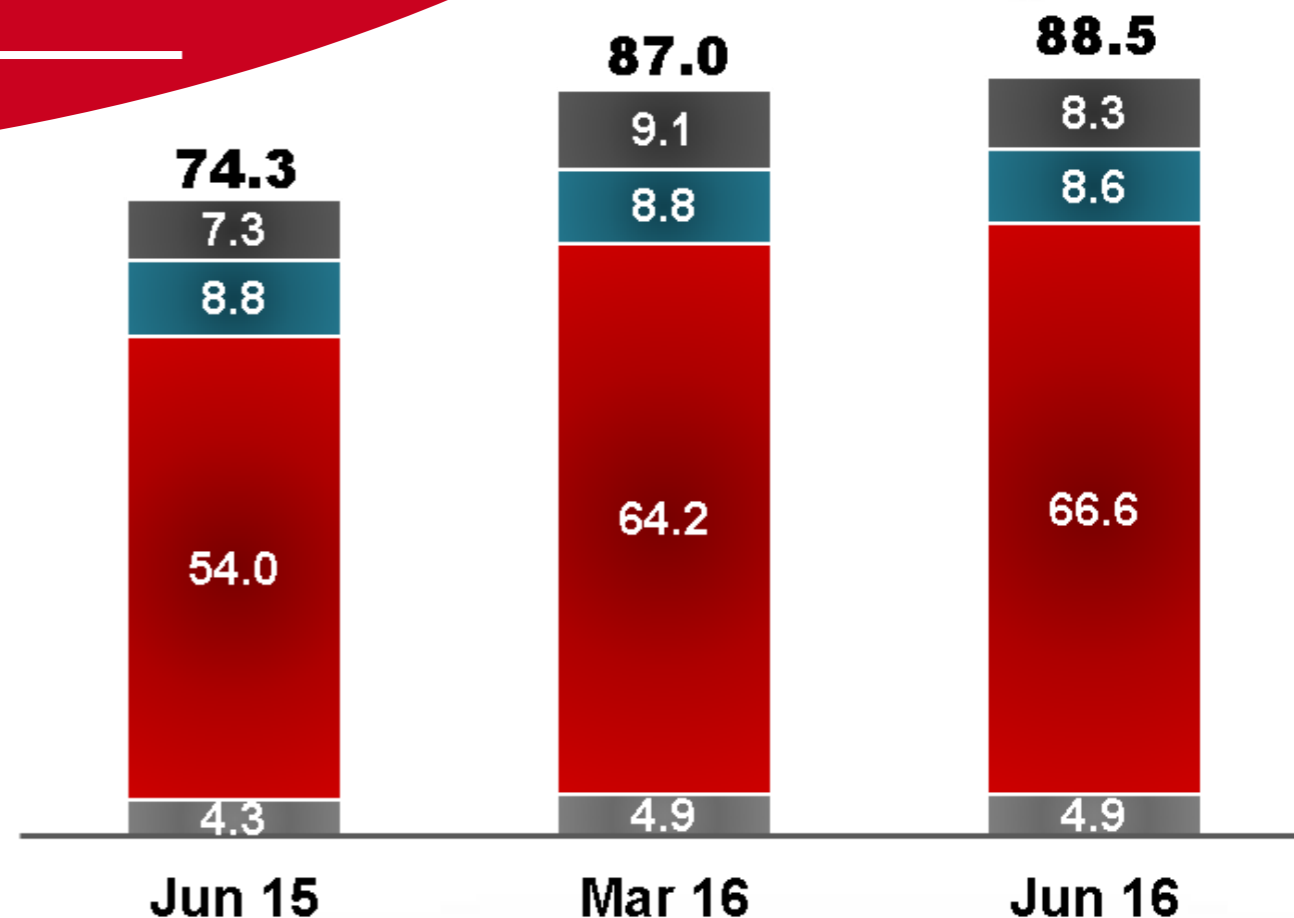


SECOND QUARTER
Financial Results
2016

Consolidated Assets

(COP Trillion)

	2Q16 / 1Q16	2Q16 / 2Q15
Cash	-8.4%	14.7%
Investments, net	-1.6%	-1.5%
Loans, net	3.6%	23.2%
Other assets	1.9%	15.8%
Assets ⁽¹⁾	1.7%	19.0%



Assets	Jun 15	Mar 16	Jun 16	2Q16 / 1Q16	2Q16 / 2Q15
Colombia	57.9	65.5	67.6	3.2%	16.7%
International	17.5	22.6	22.0	-2.7%	25.4%
International USD\$	6.7	7.5	7.5	0.1%	11.7%

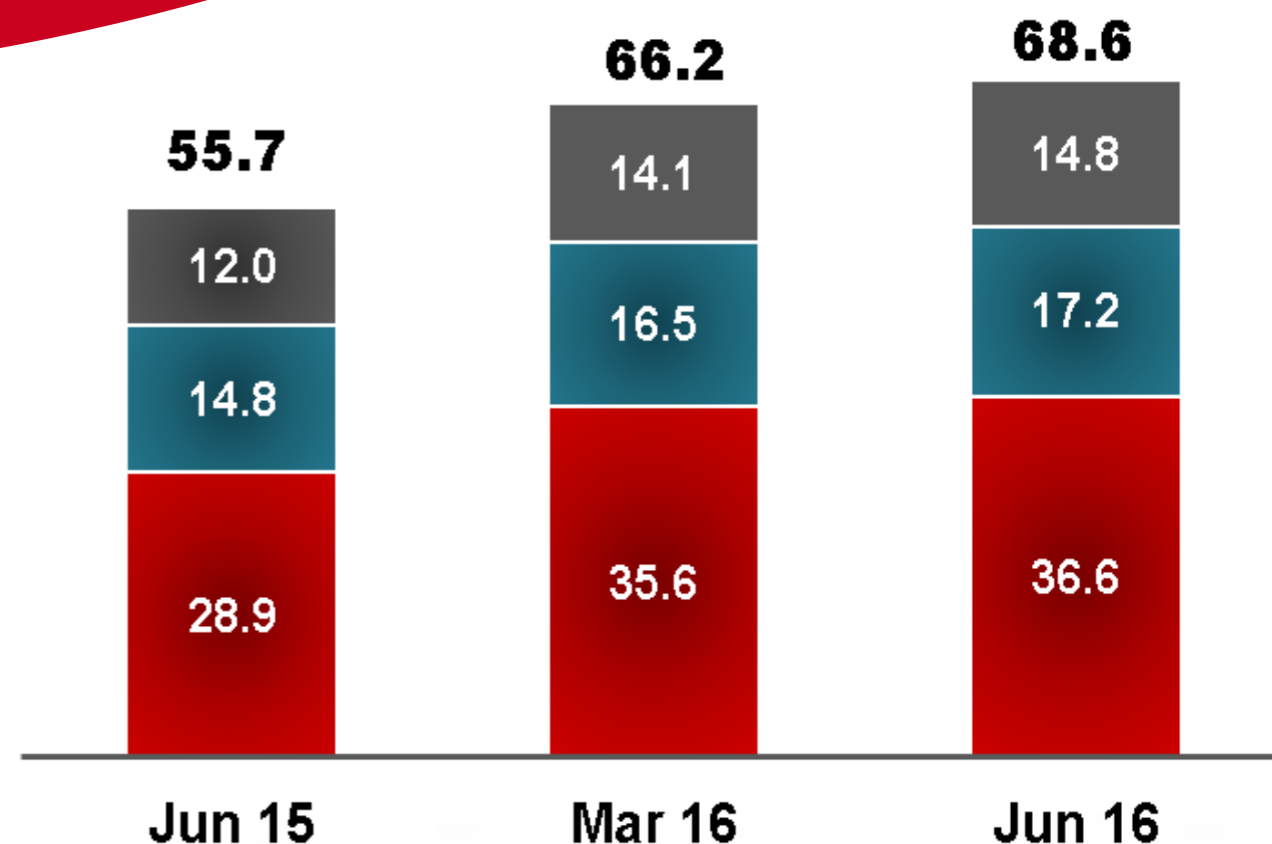
1. Includes deletions of Colombia under the international subsidiaries by COP 1,1 trillion.
Devaluation of COP 2Q16 was 12.3% Y/Y and revaluation 2.7% Q/Q.



Consolidated Gross Loans

(COP Trillion)

	2Q16 / 1Q16	2Q16 / 2Q15
Mortgage	4.4%	23.5%
Consumer	4.1%	16.1%
Commercial ⁽¹⁾	2.9%	26.7%
Gross Loans	3.5%	23.2%



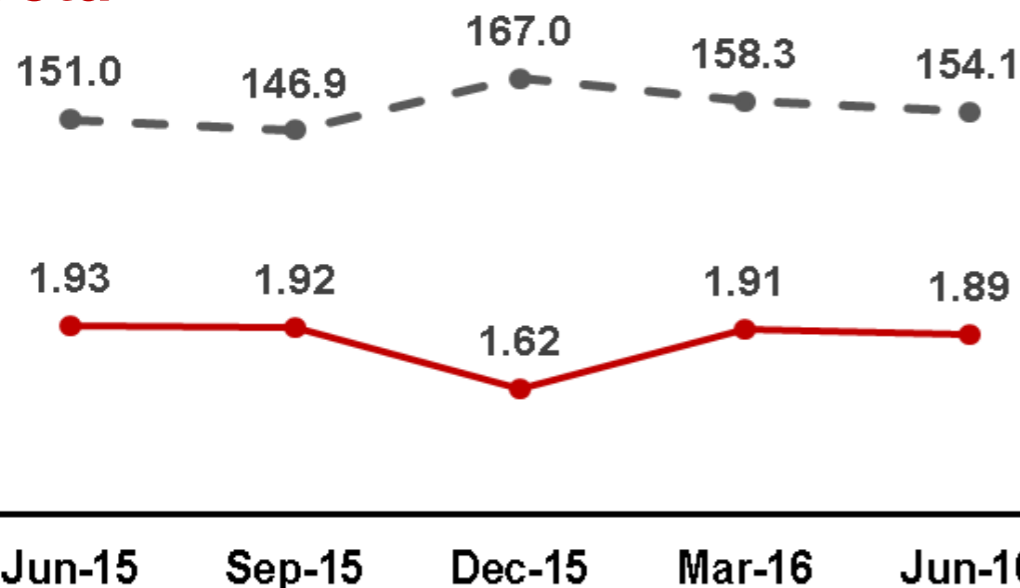
Gross Loans	Jun 15	Mar 16	Jun 16	2Q16 / 1Q16	2Q16 / 2Q15
Colombia	44.0	51.5	54.0	4.9%	22.8%
International	11.7	14.7	14.6	-1.3%	24.4%
International USD\$	4.5	4.9	5.0	1.5%	10.7%

1. Commercial Includes Microcredit.
Devaluation of COP 2Q16 was 12.3% Y/Y and revaluation 2.7% Q/Q.

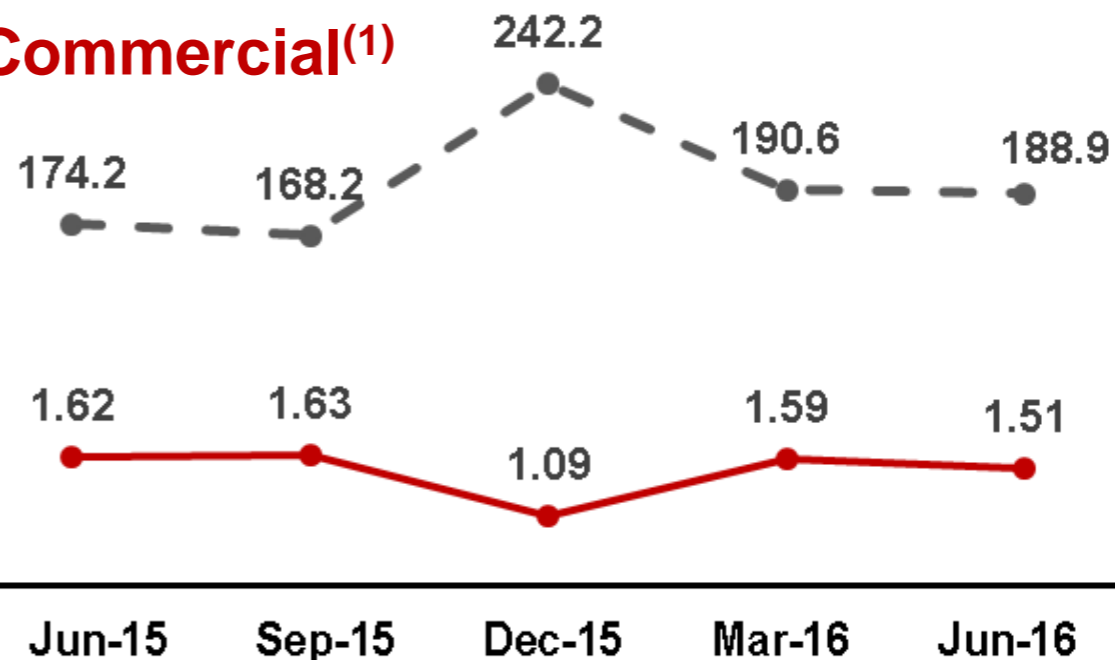


Consolidated Quality and Coverage (%)

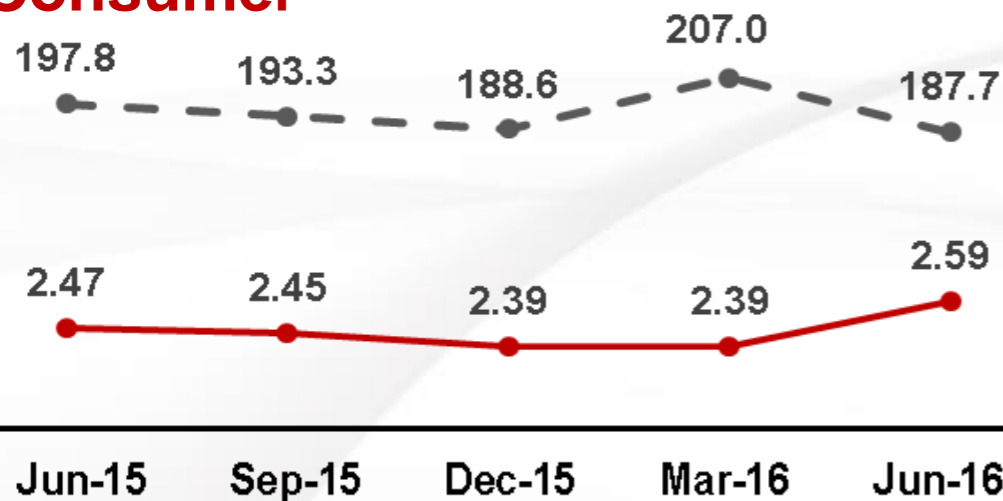
Total



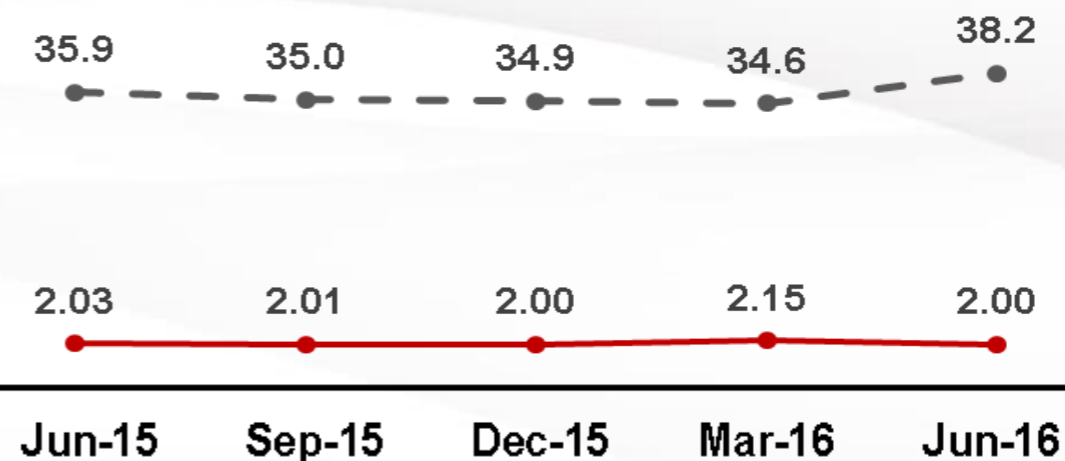
Commercial⁽¹⁾



Consumer



Mortgage



— Coverage Consolidated

— Quality Consolidated

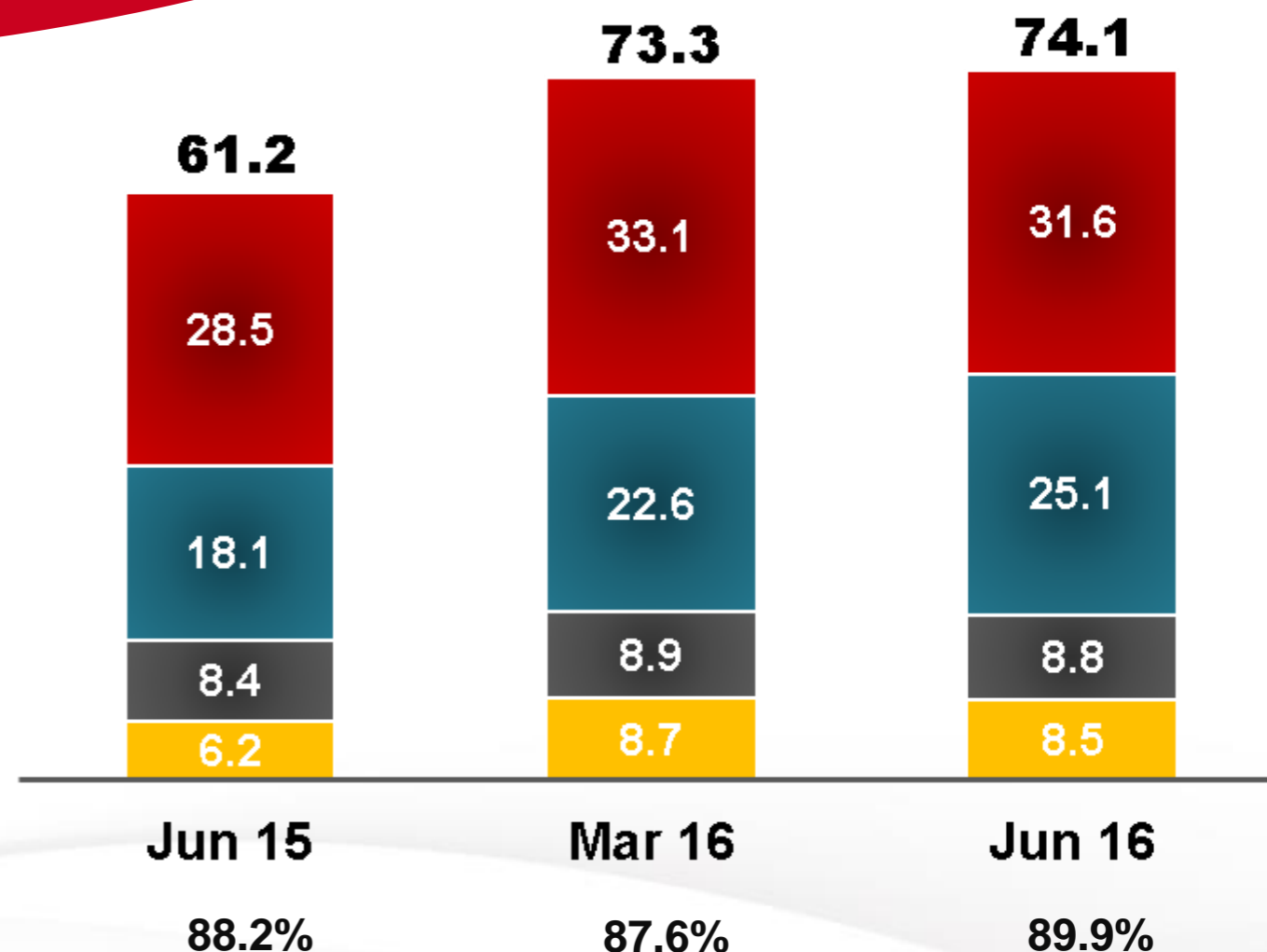
1. Commercial Includes Microcredit.
 Quality: Loans >90 days / Gross loans portfolio
 Coverage: Allowances / Loans >90 days



Consolidated Funding Sources

(COP Trillion)

	2Q16/1Q16	2Q16/1Q16
Demand Deposits	-4.5%	11.0%
Term Deposits	11.0%	38.7%
Bonds	-0.6%	4.9%
Credits	-2.0%	36.3%
Funding Sources	1.0%	20.9%



Net Loan / Funding Sources

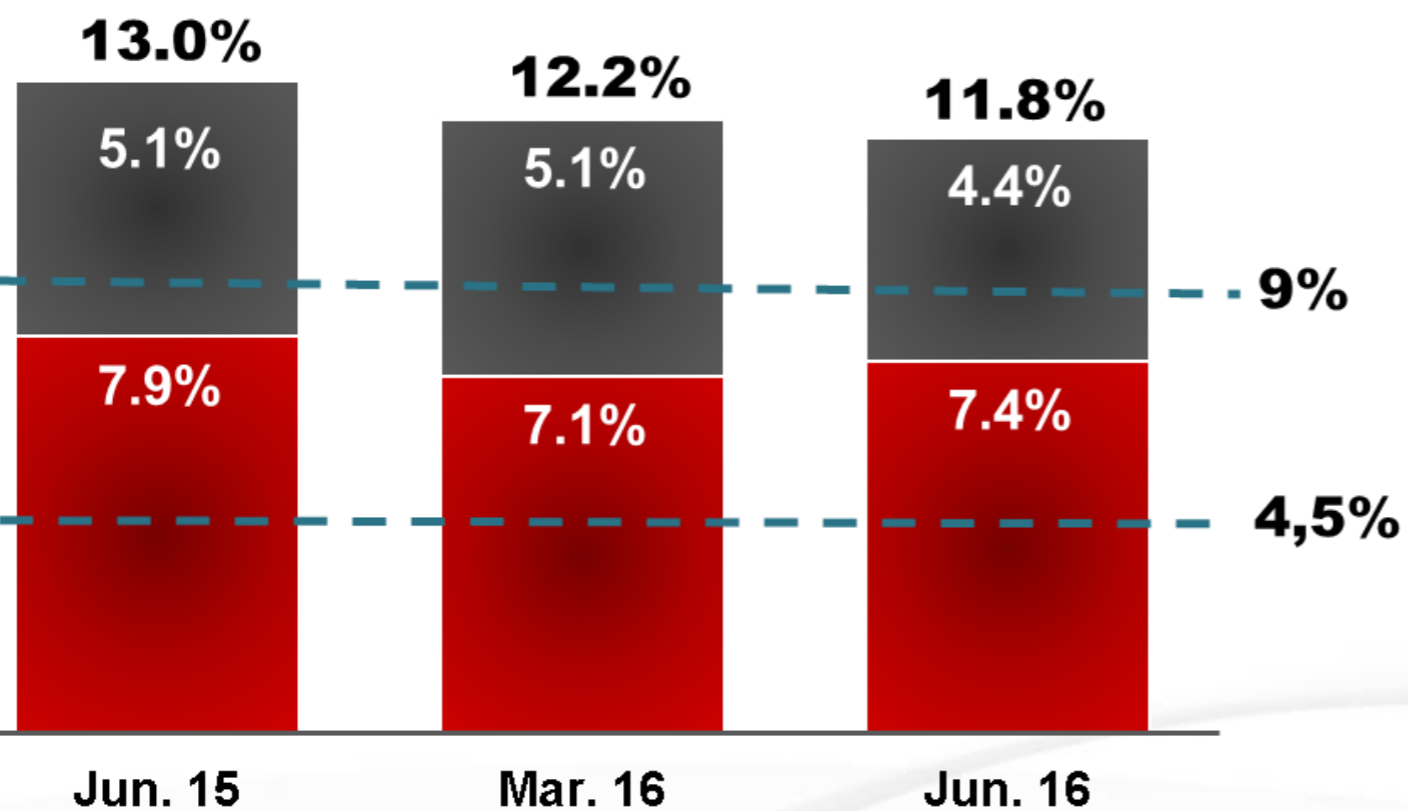
Funding Sources	Jun 15	Mar 16	Jun 16	2Q16 / 1Q16	2Q16 / 2Q15
Colombia	46.3	54.0	55.3	2.5%	19.5%
International	14.9	19.3	18.7	-2.9%	25.5%
International USD\$	5.7	6.4	6.4	-0.2%	11.7%

Devaluation of COP 2Q16 was 12.3% Y/Y and revaluation 2.7% Q/Q.



Consolidated Capital Structure

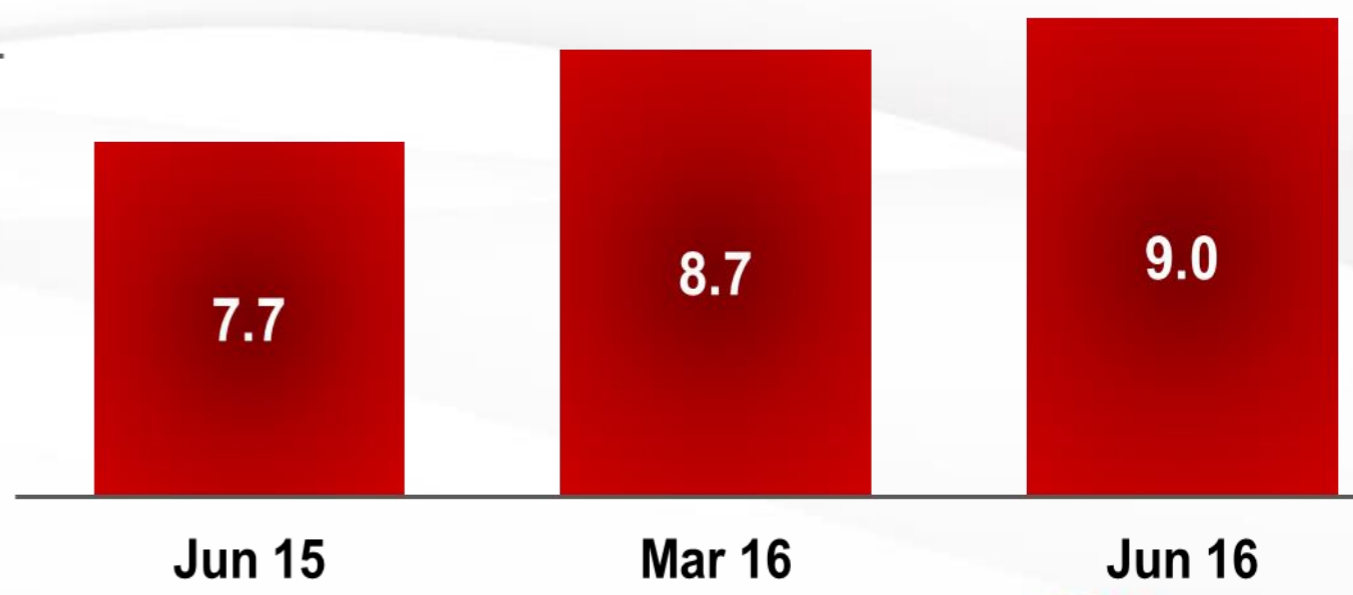
Solvency



■ Tier I ■ Tier II
- - - Minimum Required

Equity (trillion)

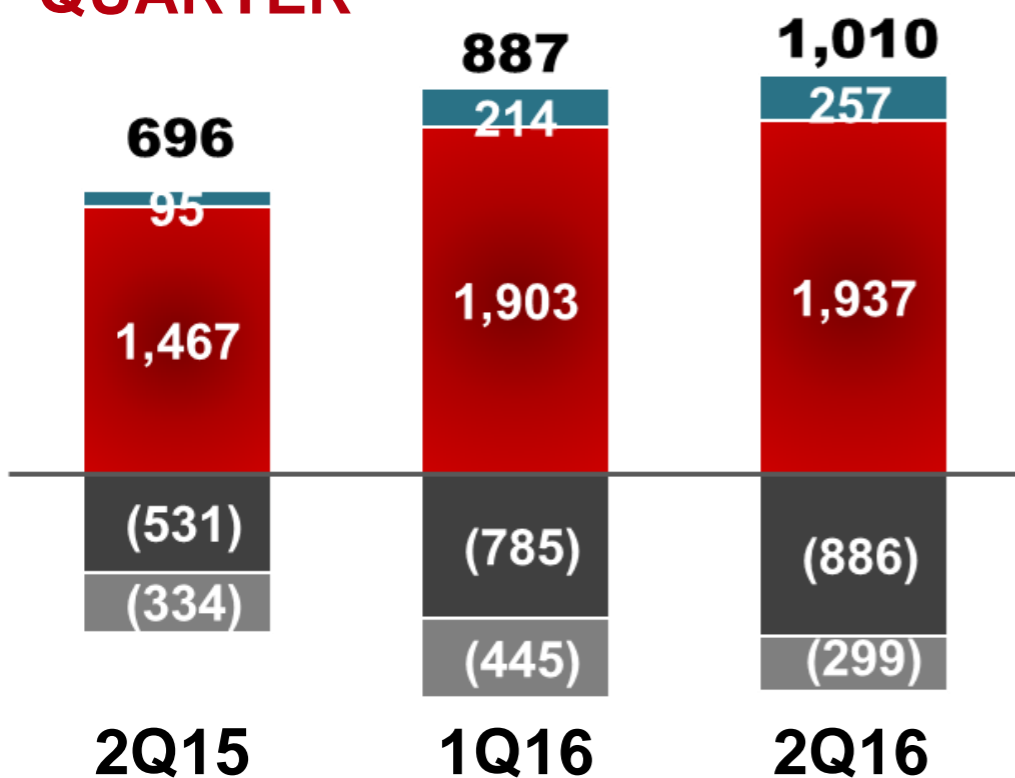
△ Y/Y: 16.9%
 △ Q/Q: 3.8%



Consolidated Financial Margin, Net

(COP Billion)

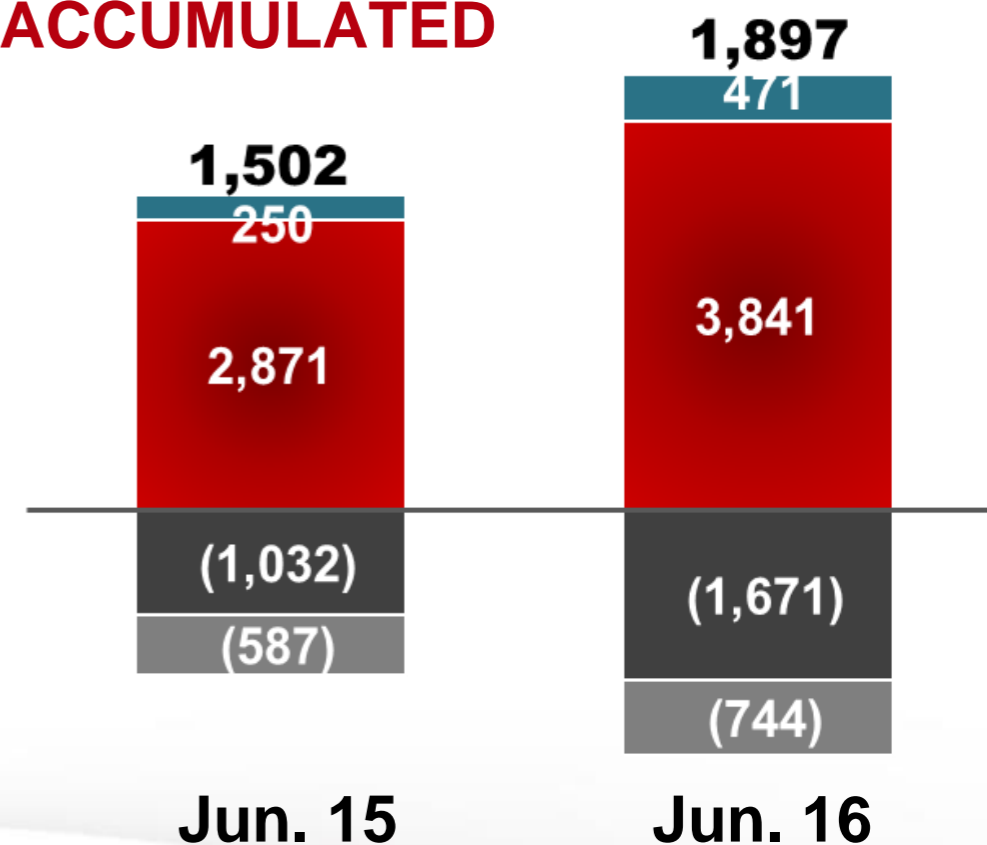
QUARTER



NIM⁽¹⁾

Mar. 15 6.63%
Jun. 16 6.65%

ACCUMULATED



2Q16 2Q16 / 1Q16 2Q16 / 2Q15

\$	(%)	(%)
1,937	1.8	32.1
257	20.2	171.2
2,195	3.7	40.5
(886)	12.8	66.8
(299)	-32.8	-10.6
1,010	13.8	45.0

Jun. 16 Jun 16 / Jun 15

\$	(%)
3,841	33.8
471	88.2
4,312	38.1
(1,671)	61.9
(744)	26.7
1,897	26.3

Loan Income
Investment Income, Overnight

Financial Income
Financial Expenses
Allowances
Financial Margin, net

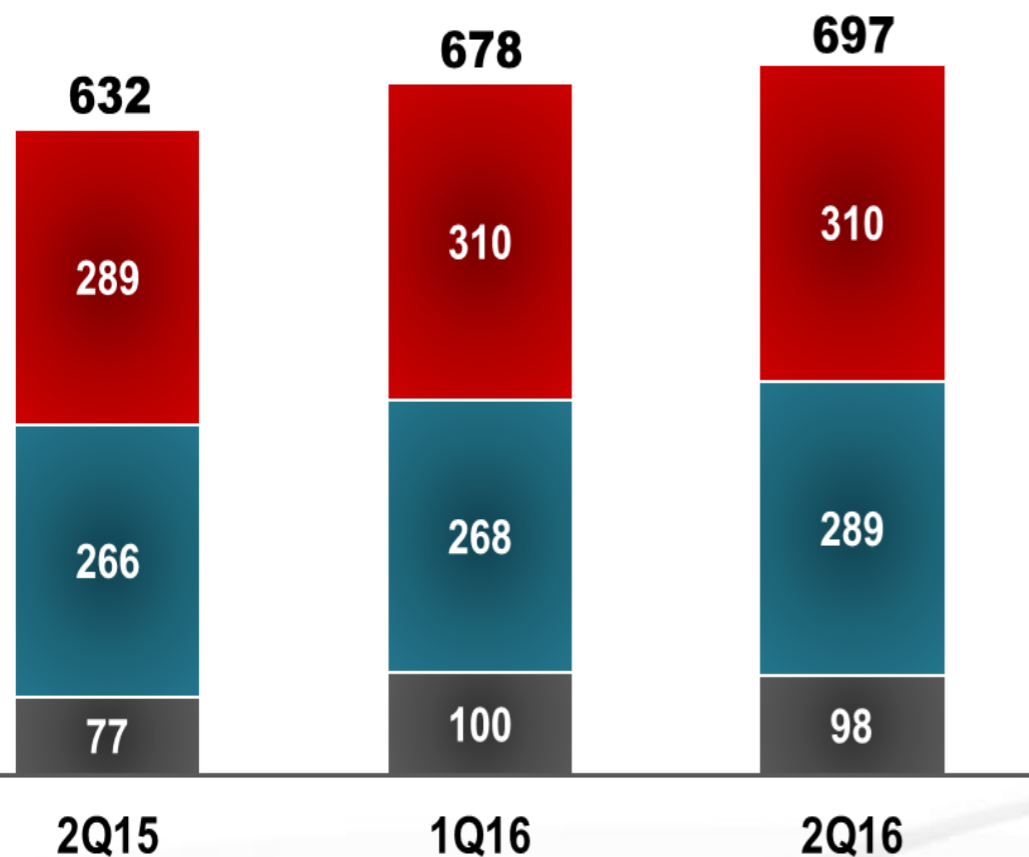
1. NIM: Gross Financial Margin (12 months) / Average Productive Assets.
Devaluation on quarter average exchange rate was 25.5% Y/Y and 3.9% Q/Q.



Consolidated Expenses

(COP Billion)

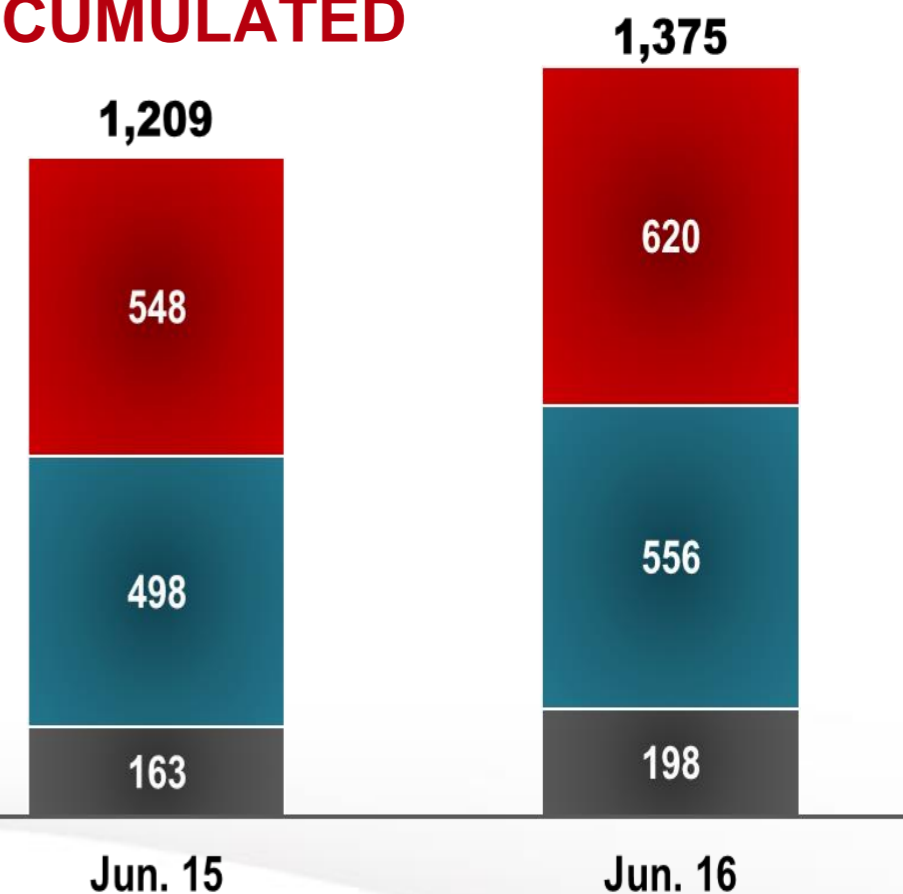
QUARTER



Efficiency⁽²⁾

Jun. 15	Jun. 16
49.7%	44.4%

ACCUMULATED



2Q16	2Q16/1Q16	2Q16/2Q15	Jun. 16	Jun 16 / Jun 15
\$	(%)	(%)	\$	(%)
310	0.2	7.4	620	13.3
289	7.9	8.4	556	11.7
98	-2.8	26.4	198	21.1
697	2.8	10.2	1,375	13.7

Personnel Expenses
Operational Expenses
Other Expenses⁽¹⁾
Total Expenses

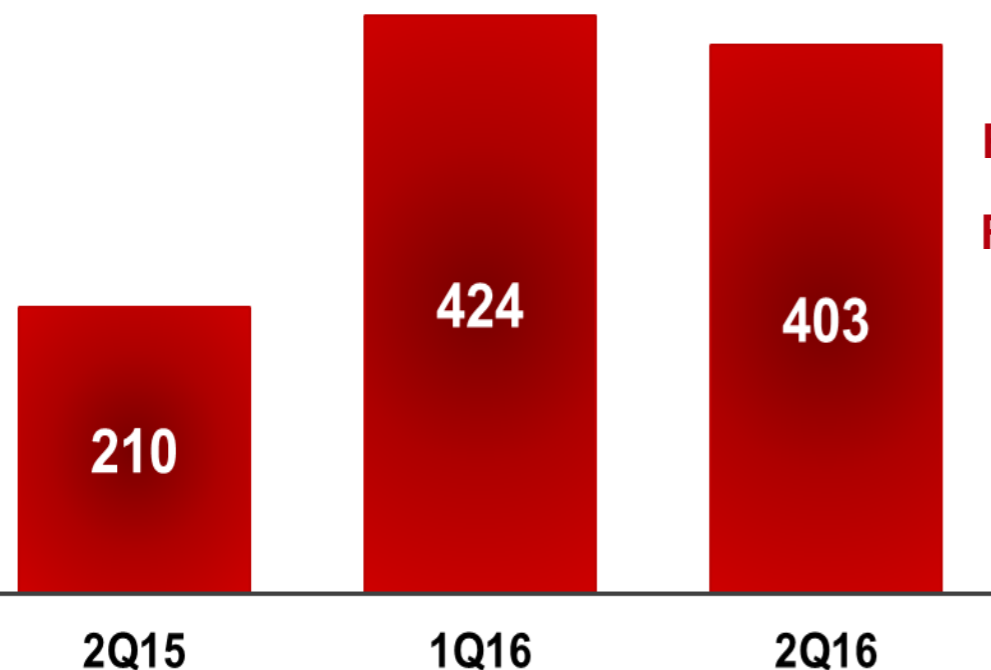
1. Other expenses includes amortization and depreciation, intangibles amortization, taxes and deposits insurance.
 2. Efficiency (12 months) = Operative Expenses / (Gross Financial Margin + Operational Income + Other incomes and Expenses net).
 Devaluation on quarter average exchange rate was 25.5% Y/Y and 3.9% Q/Q.



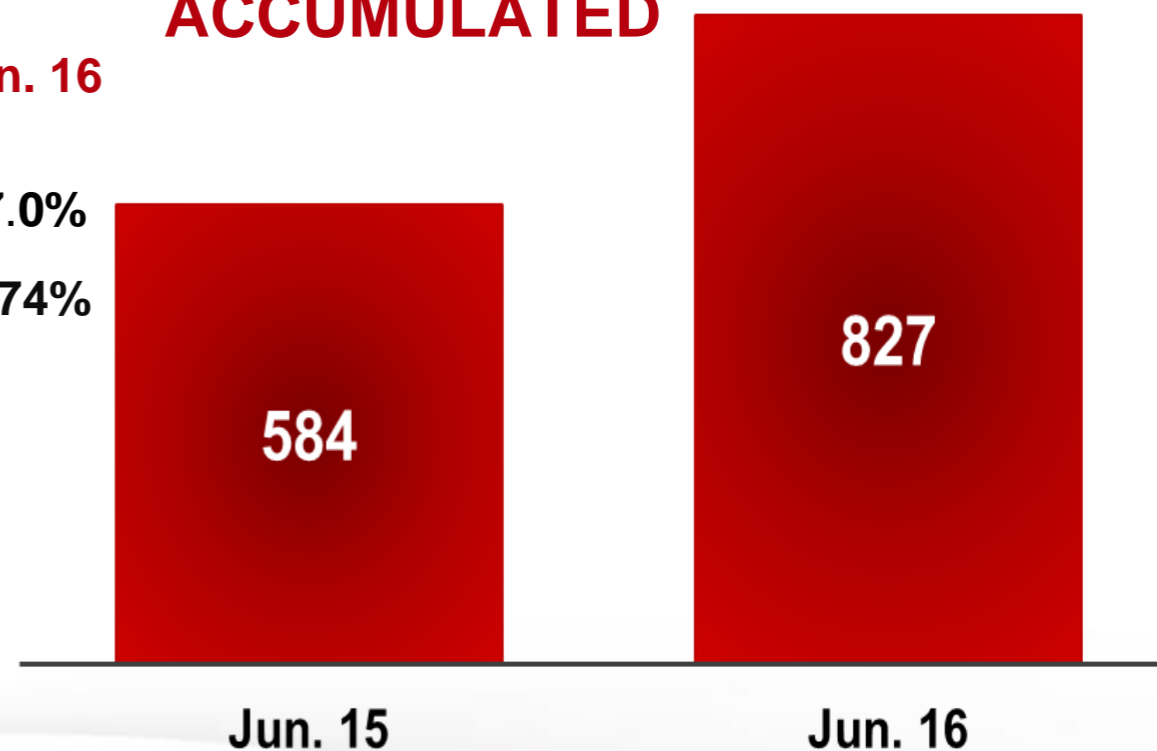
Consolidated Net Income

(COP Billion)

QUARTER



ACCUMULATED



ROAE⁽¹⁾ 11.8% 17.0%

ROAA⁽²⁾ 1.26% 1.74%

2Q16	2Q16 / 1Q16	2Q16 / 2Q15
\$	%	%

Jun. 16	Jun 16 / Jun 15
\$	%

1,010	13.8	45.0	Financial Margin, Net	1,897	26.3
284	-9.7	19.3	Operative Income	598	25.9
(697)	2.8	10.2	Operative Expenses	(1,375)	13.7
3	-95.1	-78.2	FX Changes, Derivates and Others	69	-11.8
600	1.9	89.7	Income before Tax	1,189	40.5
(197)	19.9	86.3	Taxes	(362)	38.4
403	-5.1	91.4	Net Income⁽³⁾	827	41.5

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

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

3. Net income after eliminations, homologations and homogenizations.





DAVIVIENDA
DAVIVIENDA

Thank You!

atencionainversionistas@davivienda.com

+57 1 2203495