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These balance statements have been prepared in accordance with the accountability principles generally accepted in Colombia, and they are presented in nominal terms. The P&L statement corresponding to the quarter which ended on December 31st will not necessarily constitute an indication of the expected P&L for any other period.



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  - **Without Central America**
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# Fourth Quarter Highlights



DAVIVIENDA

## Fourth Quarter Highlights

# Central America Integration

At the end of 2012 payment and rebranding was made to Davivienda subsidiaries in Central America, which represent 16.5% of Davivienda's consolidated assets. The company has a team of 3,765 employees to serve more than 800,000 customers via 150 branches and 391 ATMs in Central America.

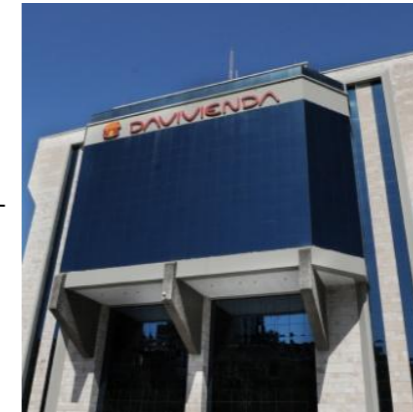
 New Coverage



 **El Salvador**  
November 30, 2012




 **Costa Rica**  
November 23, 2012



 **Honduras**  
December 7, 2012



 **Panama**  
November 22, 2012  
Change of Corporate image

# DaviPlata, a new bank inside Davivienda



- The Bank won the bidding process to administer “Más Familias en Acción” subsidy payments. DaviPlata’s customers will increase up to **1.8 million** and coverage into more than **380 municipalities**, turning DaviPlata into the **third largest electronic wallet** globally, and the first massive electronic money platform in Latin America.
- During 2012, **879** thousand people entered the Colombian financial system, 110 thousand<sup>1</sup> did it through DaviPlata (13%).

<sup>1</sup> Data as of June, 2012. Source: Asobancaria – CIFIN and DANE.



## Fourth Quarter Highlights

# Corredores Asociados, one of the most respected firms in the country



- Over **35 years** of experience in the Colombian financial market.
- Equity of **\$58 billion**<sup>1</sup> and **\$7 billion**<sup>1</sup> of accumulated net income.
- **290** qualified employees to serve more than **26,000** customers.
- Sharing principles of leadership, corporate ethics, innovation, commitment and proximity to the customer.
- Depending on the active participation of its main partners.

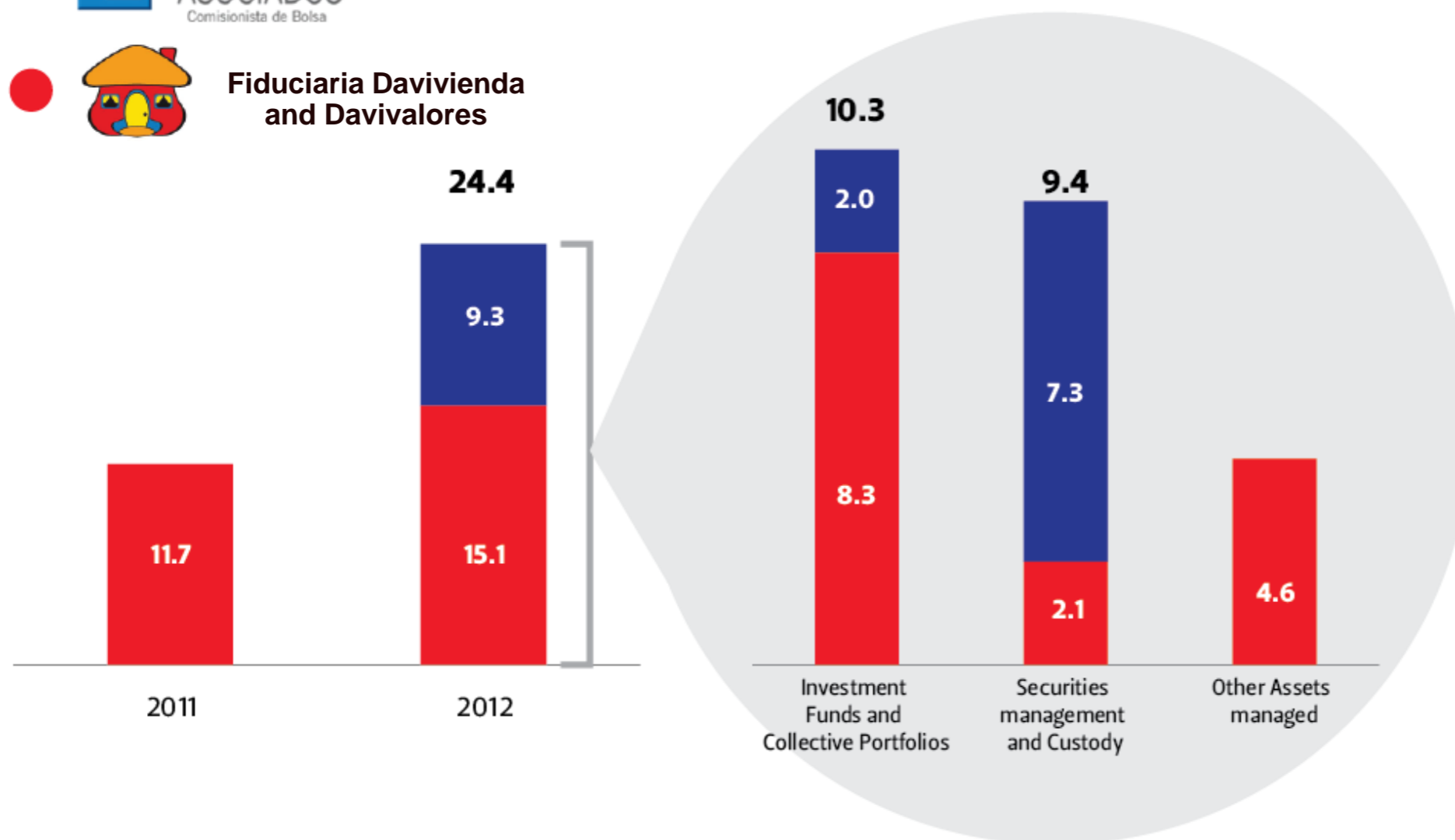
<sup>1</sup> Data as of December 31, 2012



## Fourth Quarter Highlights

# Corredores Asociados enhances one of Davivienda's key strategies

The third-party resources increased 60% for Davivienda, reaching \$24 trillion



Data as of December 31, 2012





## Fourth Quarter Highlights

# Main facts

- Davivienda supports the Government with the “100,000 viviendas” program having 21,000 houses approved
- Davivienda is leader in social housing disbursements with a market share of **38.8%**. Mortgage portfolio<sup>1</sup> is \$5.3 trillion with an annual variation of 26.5%.
- SME loan portfolio grew **15.7%** when compared to December 2011.
- Debt Issuance:
  - Local notes (February 2013):  
**\$500 Billion** Senior Notes with demand of **\$1.4 trillion**
  - International notes (January 2013):  
**US\$ 500** million Senior Notes with a demand of **US\$ 5.1 billion**  
Davivienda issued debt at low rates at any maturity, making a milestone for Colombian financial issuers.

<sup>1</sup> Source: Asobancaria

Includes Housing Leasing, does not include securitized loans.



## Fourth Quarter Highlights

# Other Recent Events

- Merger of the two Bank's trusts companies becoming the **7th** largest in Colombia with **\$13.0 trillion** of assets under management
- Davivienda created '**Mis Finanzas en Casa**', a financial education portal where Colombians can easily learn how to manage their money
- Initiated '**Cultivarte**' program, to provide an alternative use of leisure time such as entertainment, culture and education



# Fourth Quarter 2012 Results Without Central America



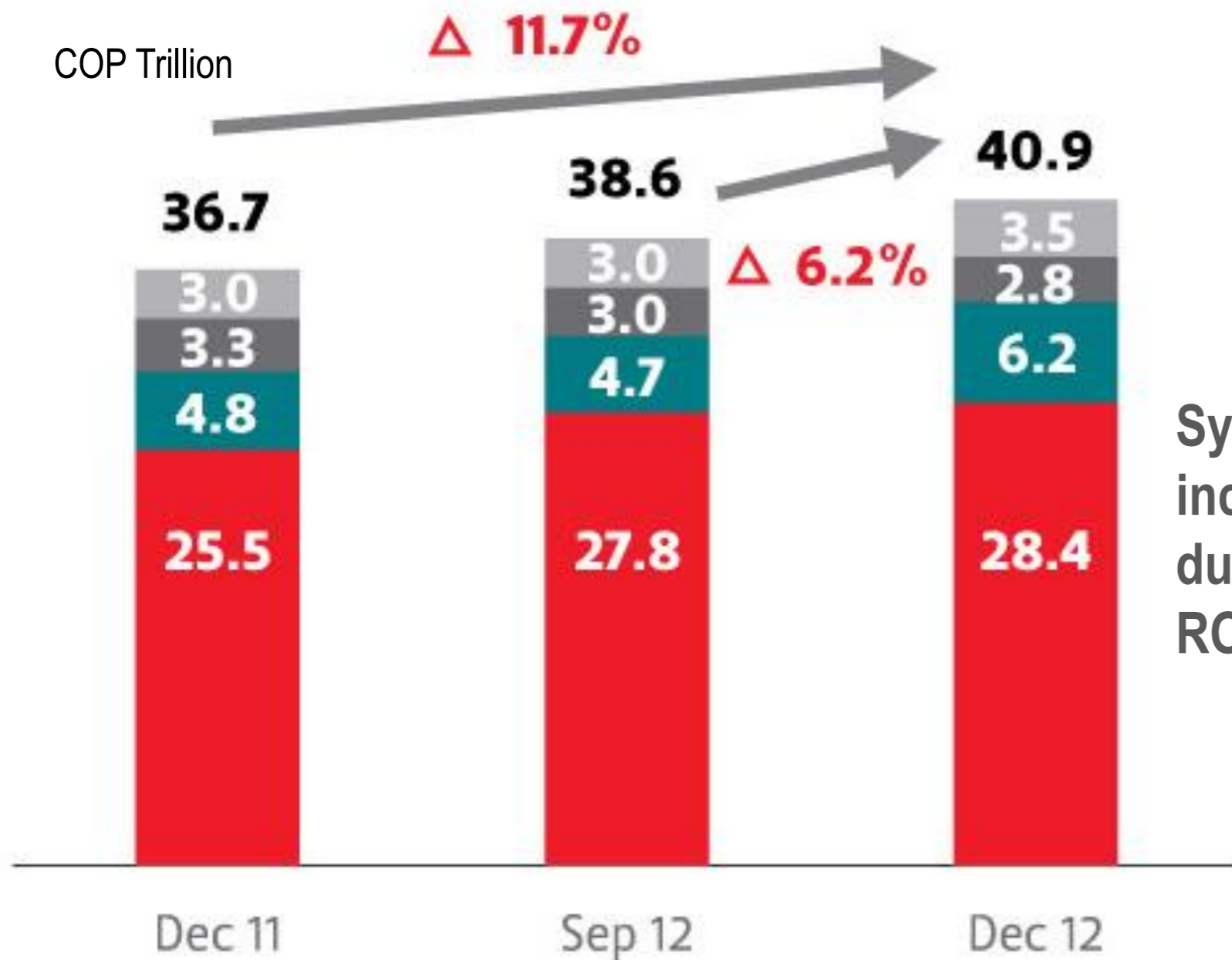
# Statement of earnings consolidation process



# Fourth Quarter 2012 Results Without Central America

## Assets

COP Trillion



System assets increased 14.3% during the year while ROA reached 2.13%<sup>1</sup>

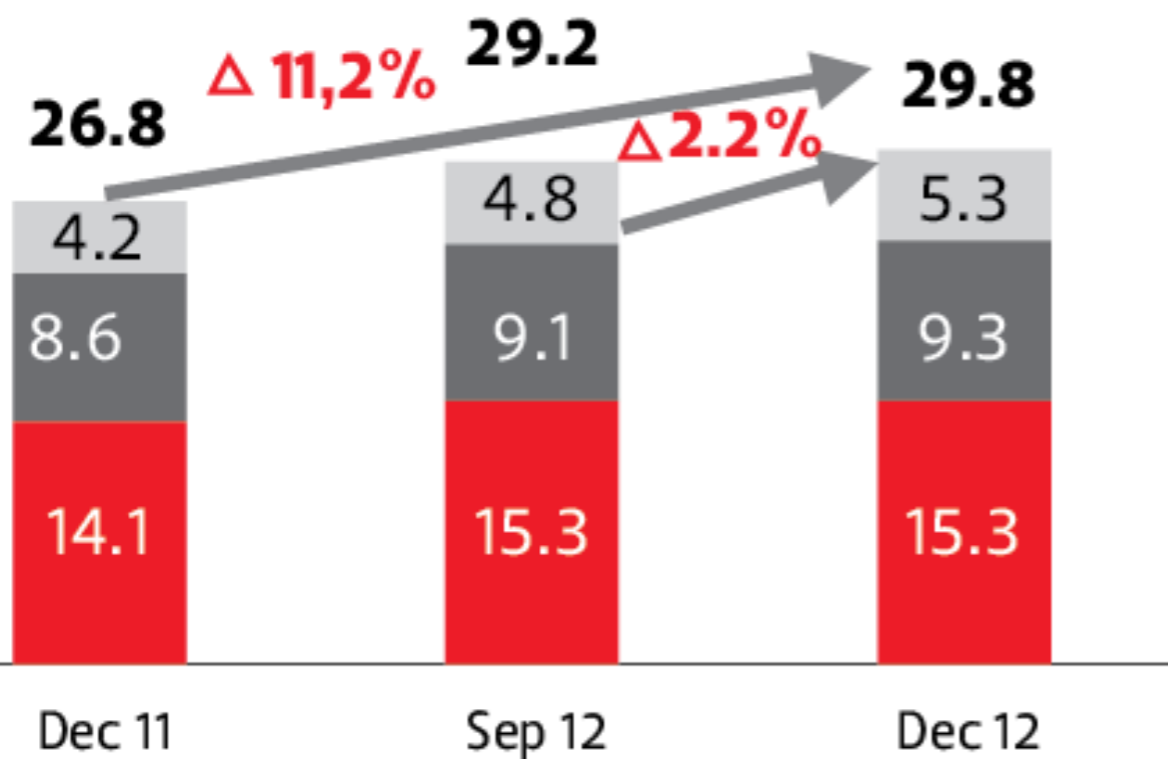
Other assets
  Cash
  Investments, net
  Loans, net

<sup>1</sup> System individual figures as of December 31, 2012



# Gross Portfolio

(COP Trillion)



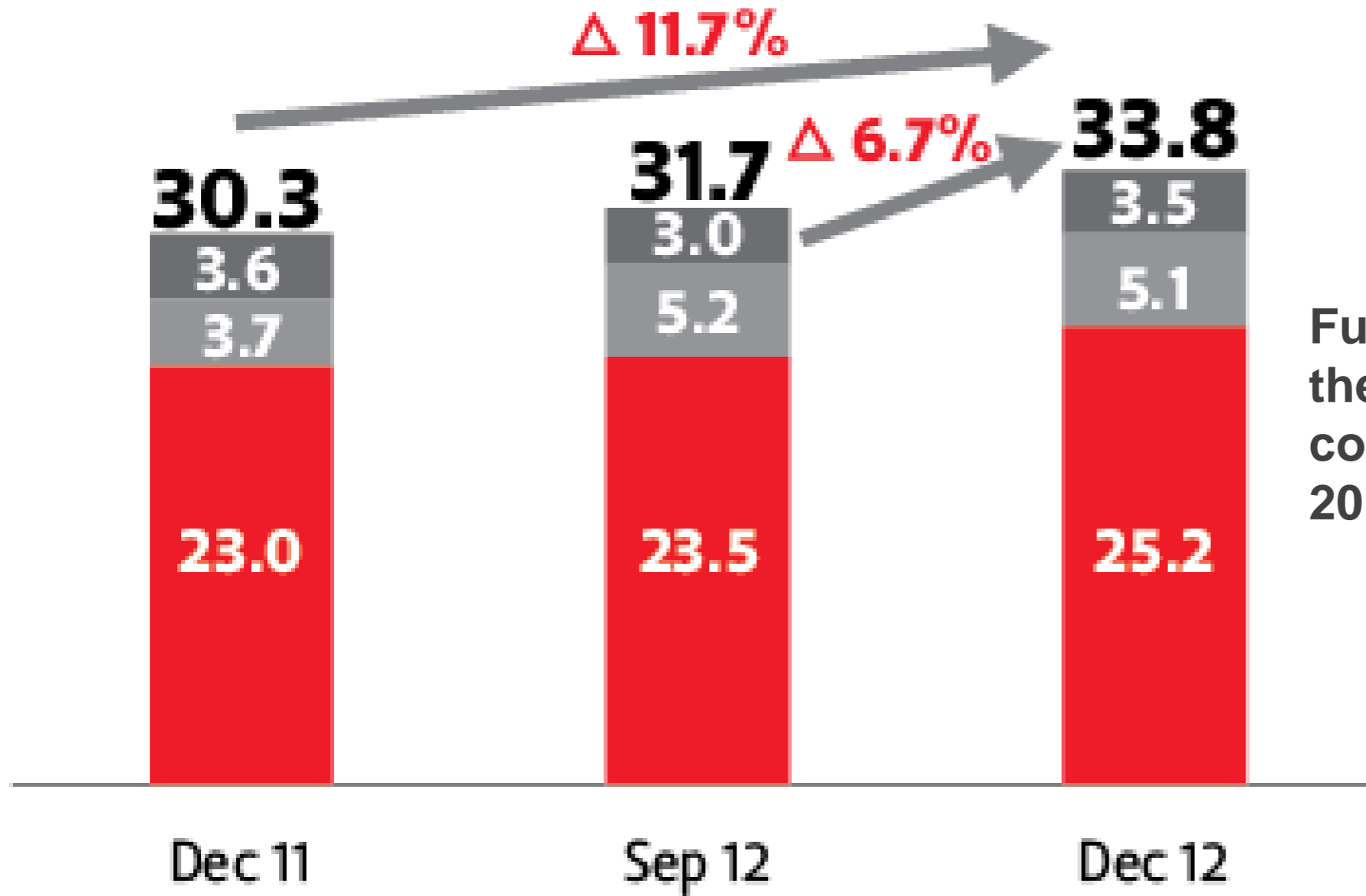
	Davivienda w/o CA		System (1)	
	Q/Q	Y/Y	Q/Q	Y/Y
Commercial (2)	-0.1%	8.4%	5.5%	13.3%
Consumer	2.0%	8.1%	3.9%	17.3%
Mortgages (3)	10.0%	26.6%	7.4%	24.2%
<b>Total</b>	<b>2.2%</b>	<b>11.2%</b>	<b>5.2%</b>	<b>15.2%</b>

1. System individual figures as of December 31, 2012
2. Commercial includes microcredits
3. Mortgages includes home leasing



# Funding Sources

(COP Trillion)



Funding sources within the system grew 14.2% compared to December 2011<sup>2</sup>

Credits (1)    
  Bonds    
  Deposits

1. Correspond to local discount credits and credits with correspondent banks  
 2. System individual figures as of December 31, 2012

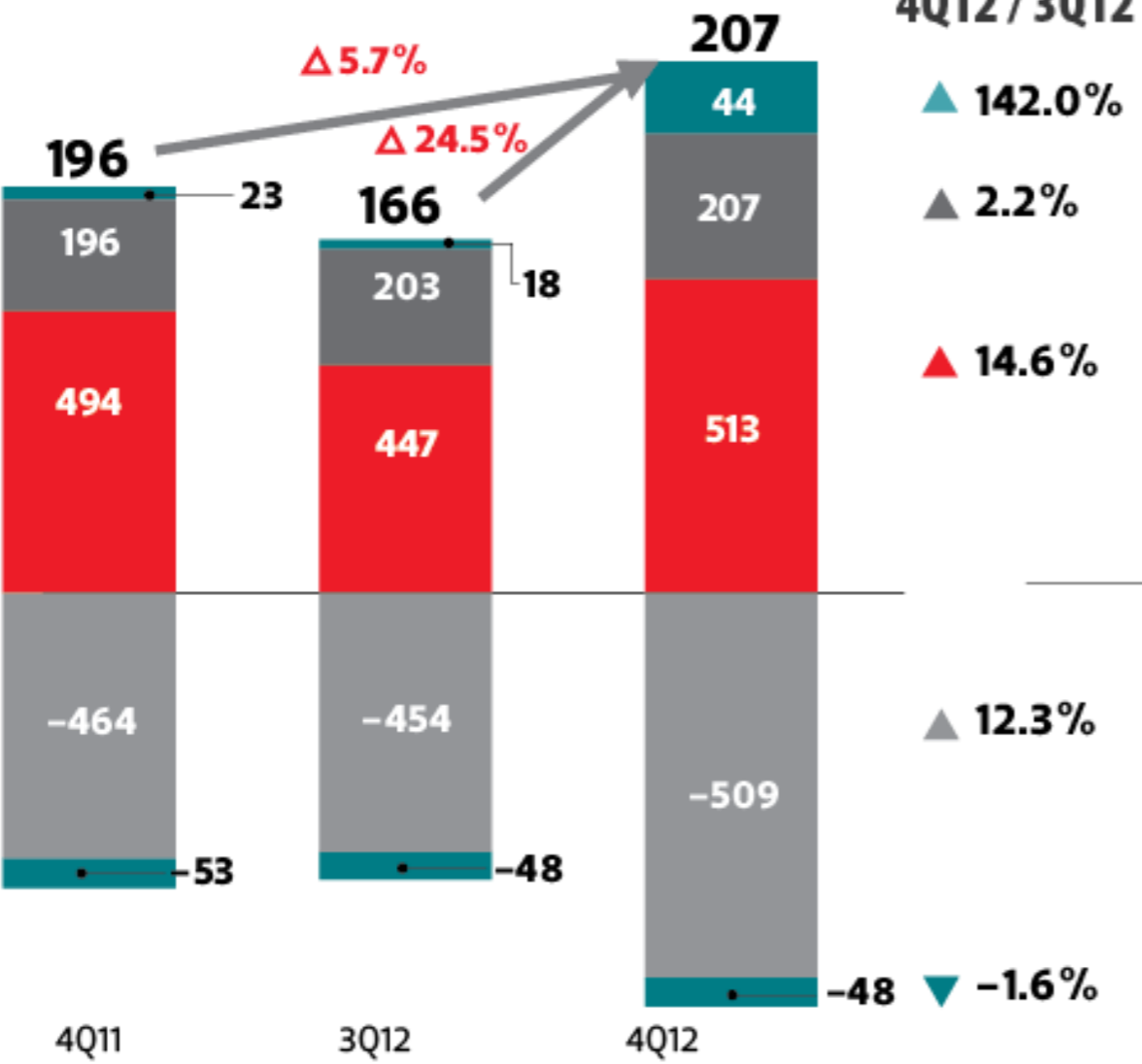


Fourth Quarter 2012 Results Without Central America

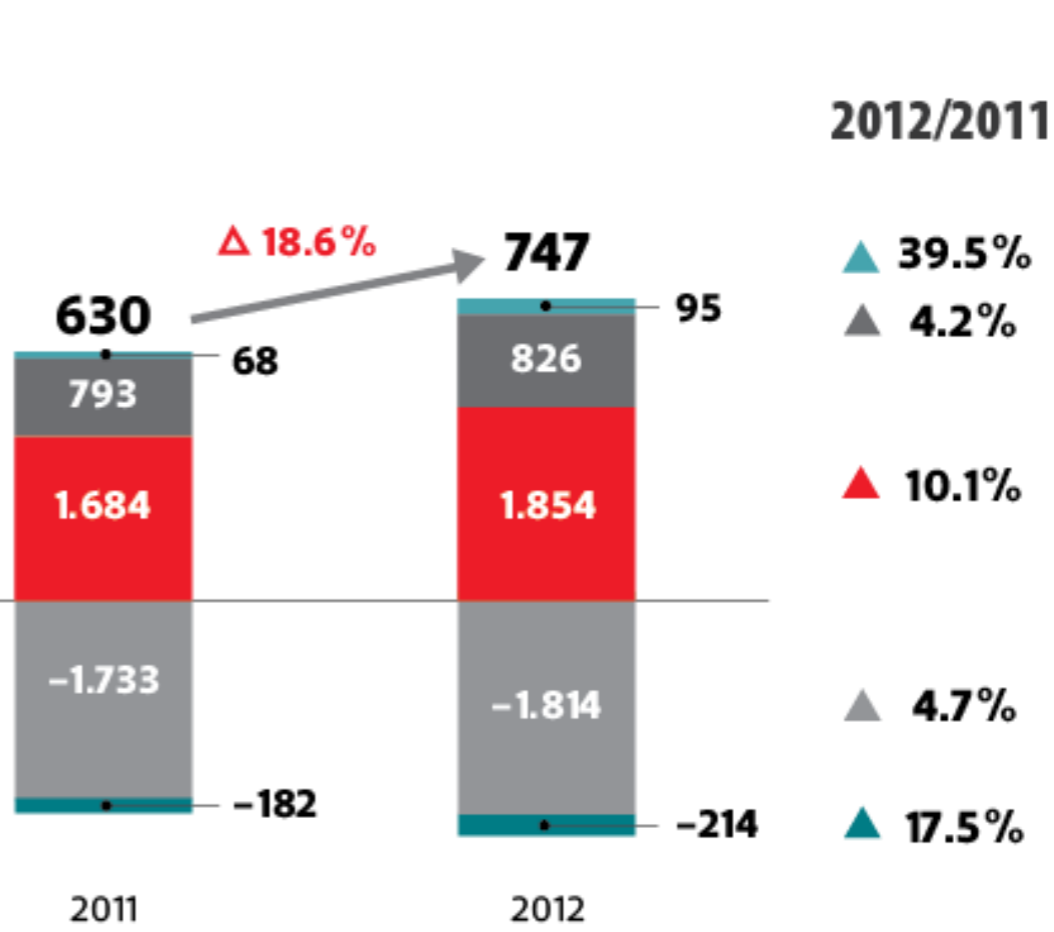
# Net Income

(COP Billion)

## Quarter



## Accumulated



■ Taxes     
 ■ Operating Expenses     
 ■ Financial Margin     
 ■ Fees and Commissions     
 ■ Non Operational



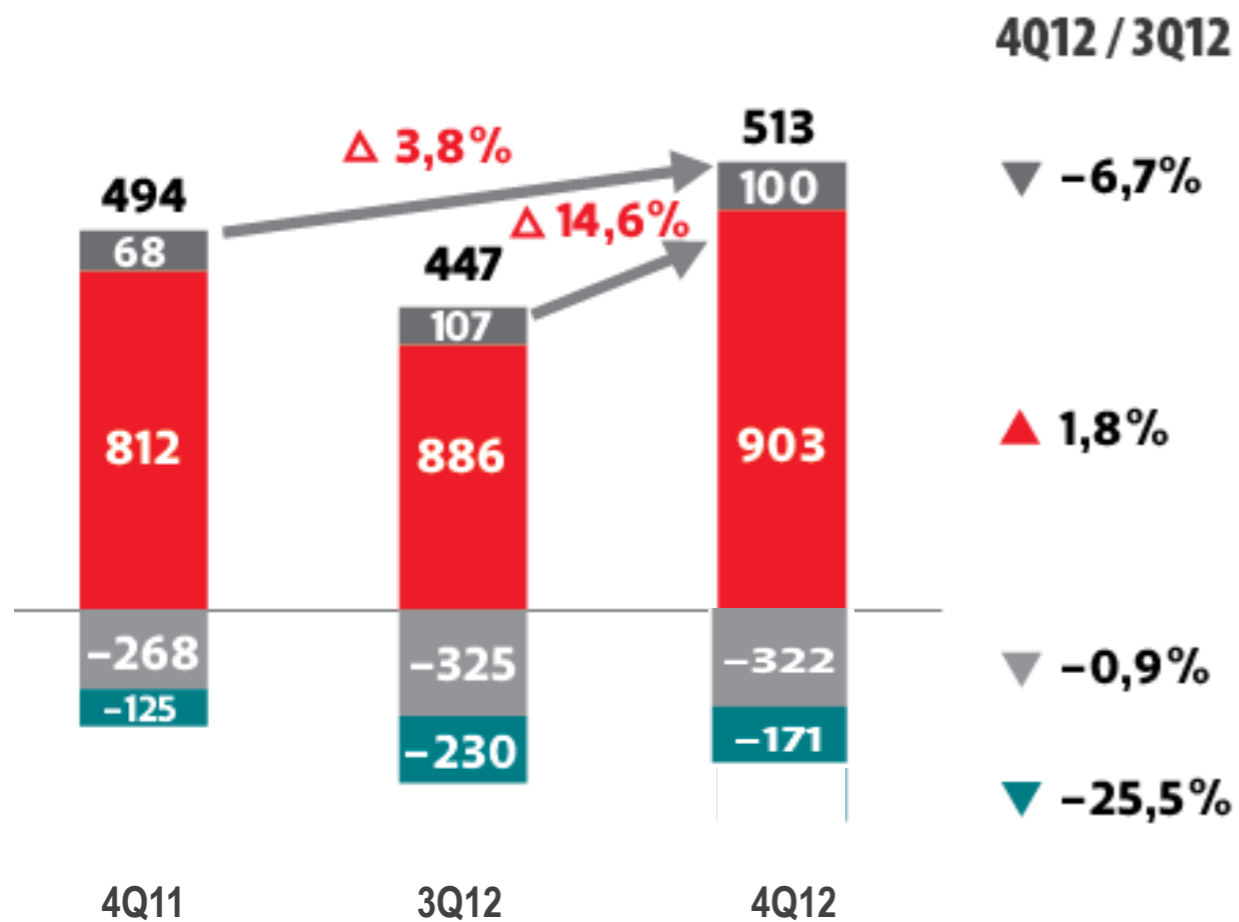


# Fourth Quarter 2012 Results Without Central America

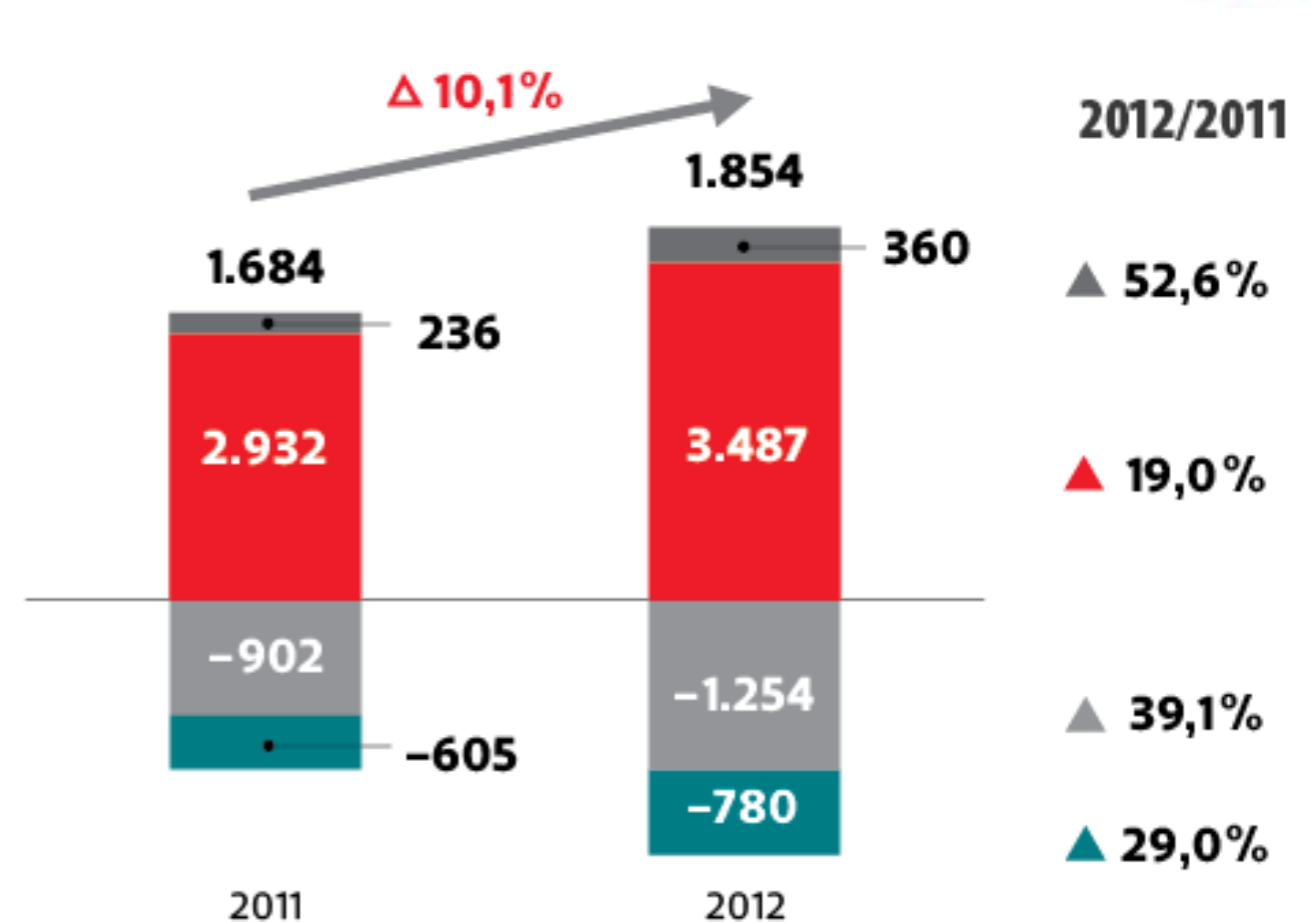
## Financial Margin, Net

(COP Billion)

### Quarter



### Accumulated



■ Allowances   ■ Financial Expenses   ■ Loan income   ■ Investment income

NIM <sup>(1)</sup>	2011	2012 w/o CA
	7.8%	7.8%

1. NIM: 12 months Gross Financial Margin / Average Interest Earning Assets.





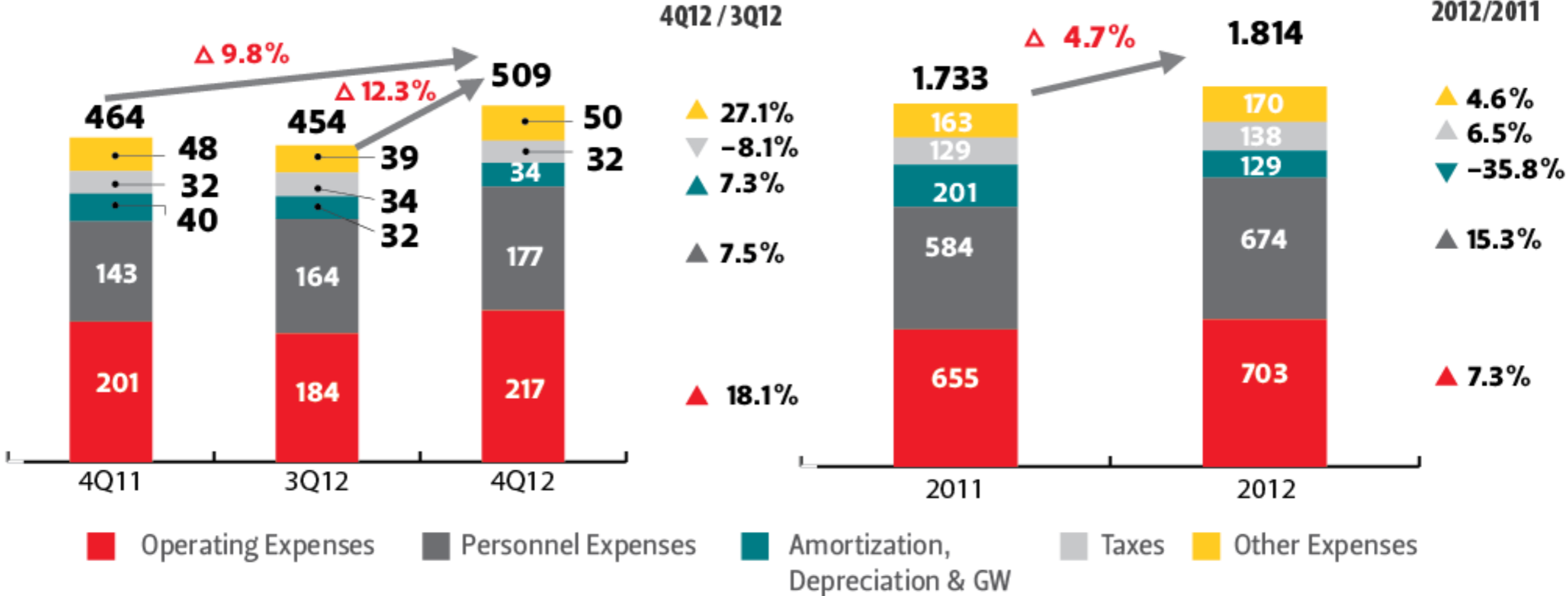
Fourth Quarter 2012 Results Without Central America

# Expenses

(COP Billion)

## Quarter

## Accumulated



EFFICIENCY (1)	2011	2012 w/o CA	2012 adjusted <sup>2</sup>
	50.9%	48.7%	48.4%

<sup>1</sup> Efficiency (12 months) = Operation expenses Good Will / (Gross Financial Margin + operating income + other income and expenses.)

<sup>2</sup> Without Central America, Extraordinary expenses of integration with Central America are eliminated.





# Impact of Central America Consolidation

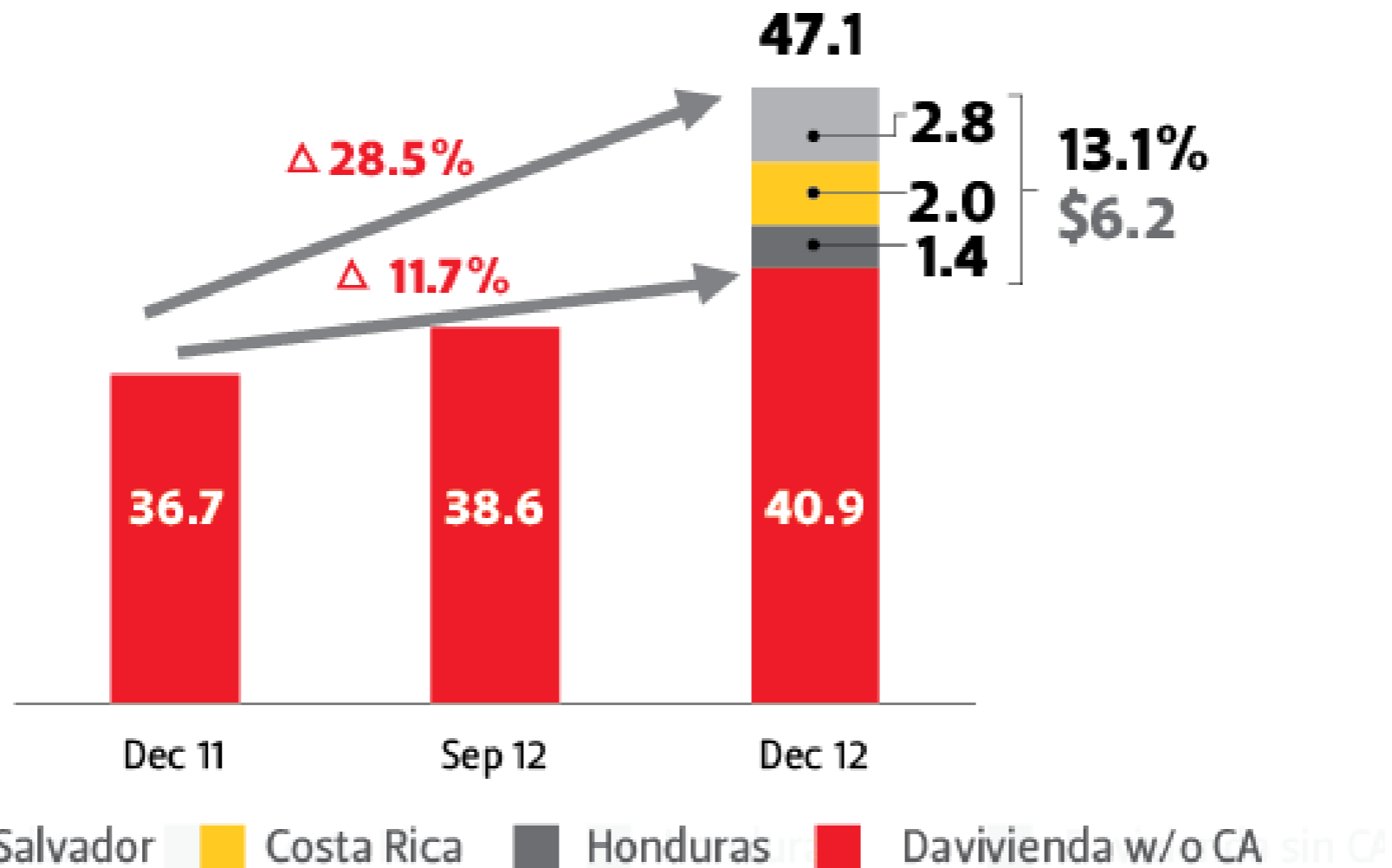


DAVIVIENDA

## Impact of Central America Consolidation

# Assets

(COP Trillion)



## ROAA (1)

2011	Sep 2012	2012 w/o CA	2012	2012 Adjusted <sup>2</sup>
1.89%	1.98%	2.22%	1.78%	2.20%

1. ROAA : Net Income (12 months) / Average Assets.

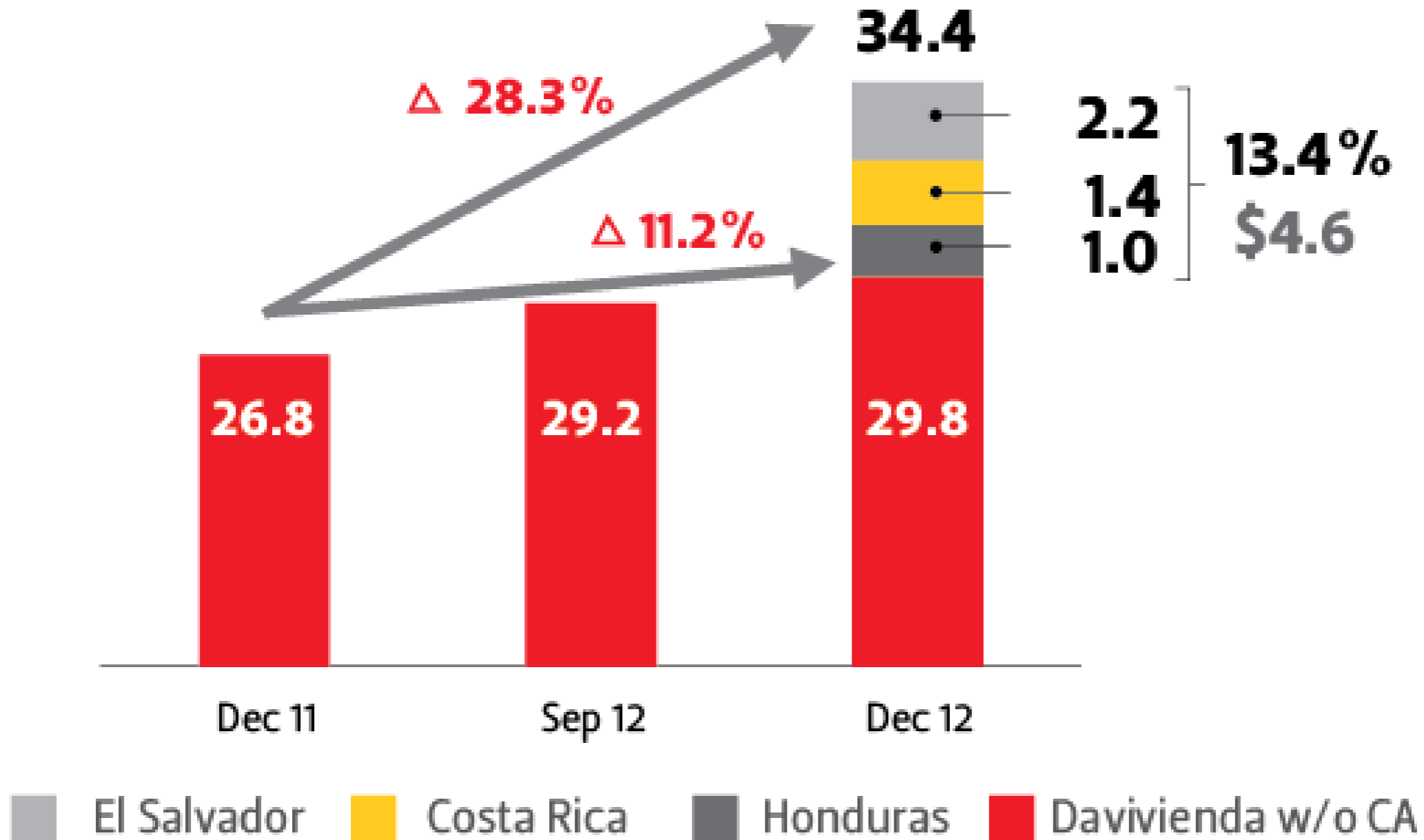
2. Standarizations of portfolio provisions, fixed assets depreciation and extraordinary Central America expenses are eliminated.



# Impact of Central America Consolidation

## Gross Portfolio

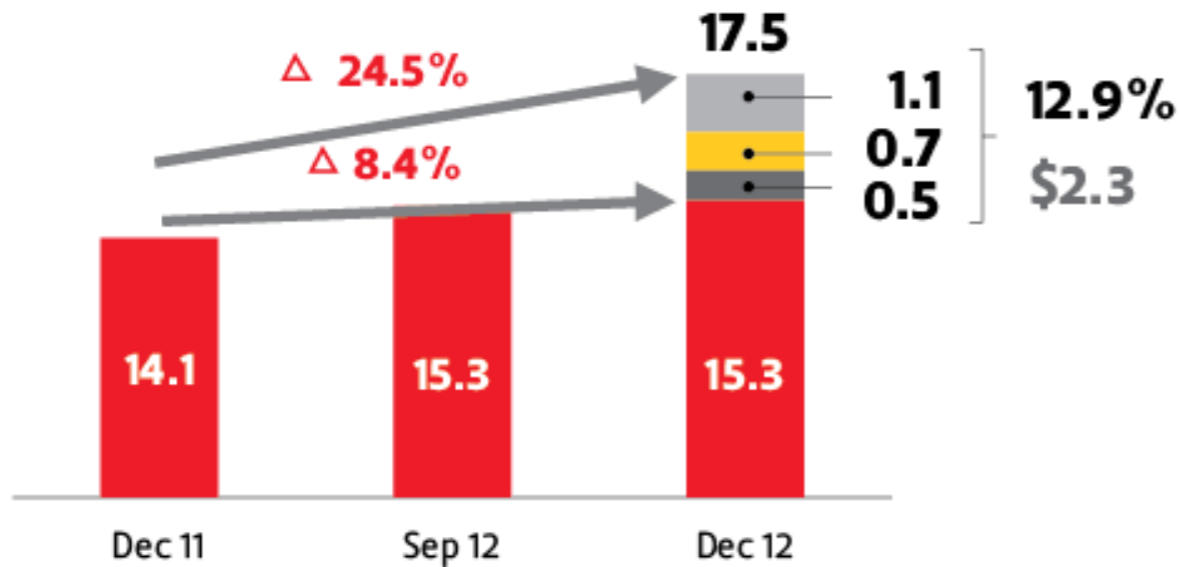
(COP Trillion)



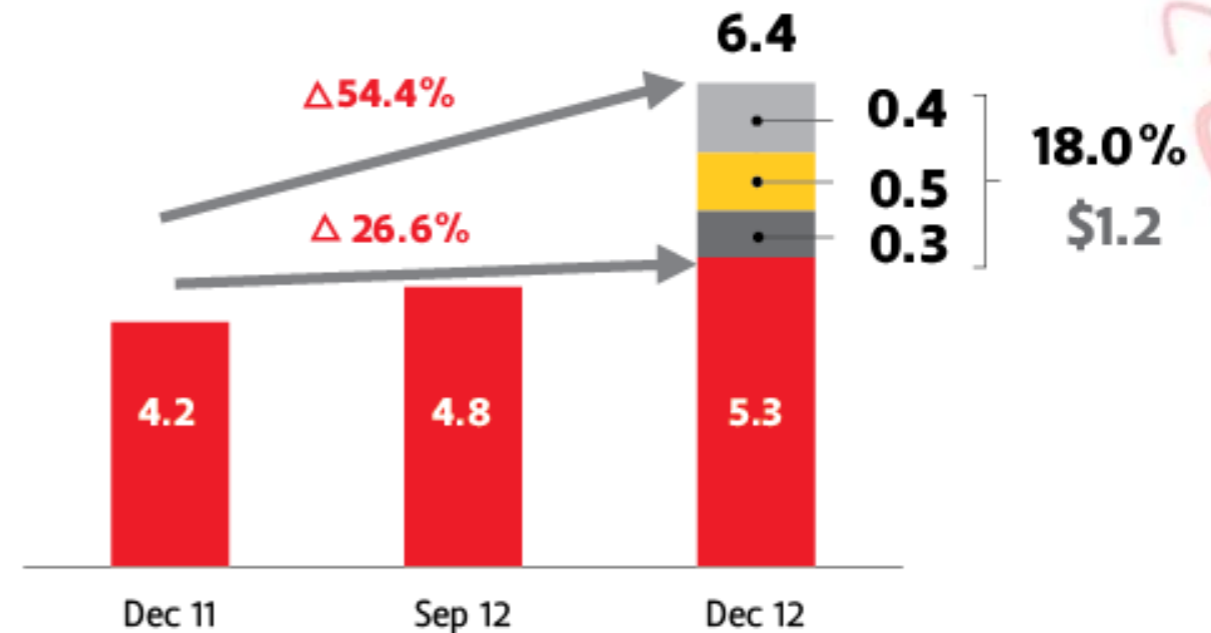
# Impact of Central America Consolidation

## Gross Portfolio

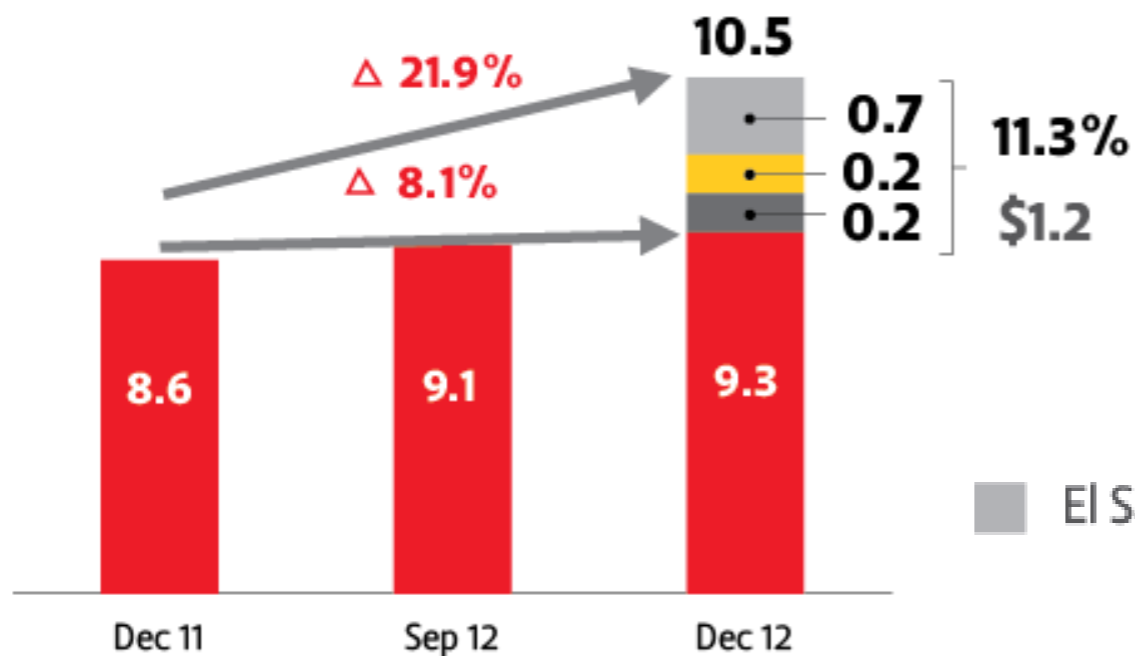
(COP Trillion) **Commercial** <sup>1</sup>



## Mortgage

<sup>2</sup>


## Consumer



El Salvador
  Costa Rica
  Honduras
  Davivienda w/o CA

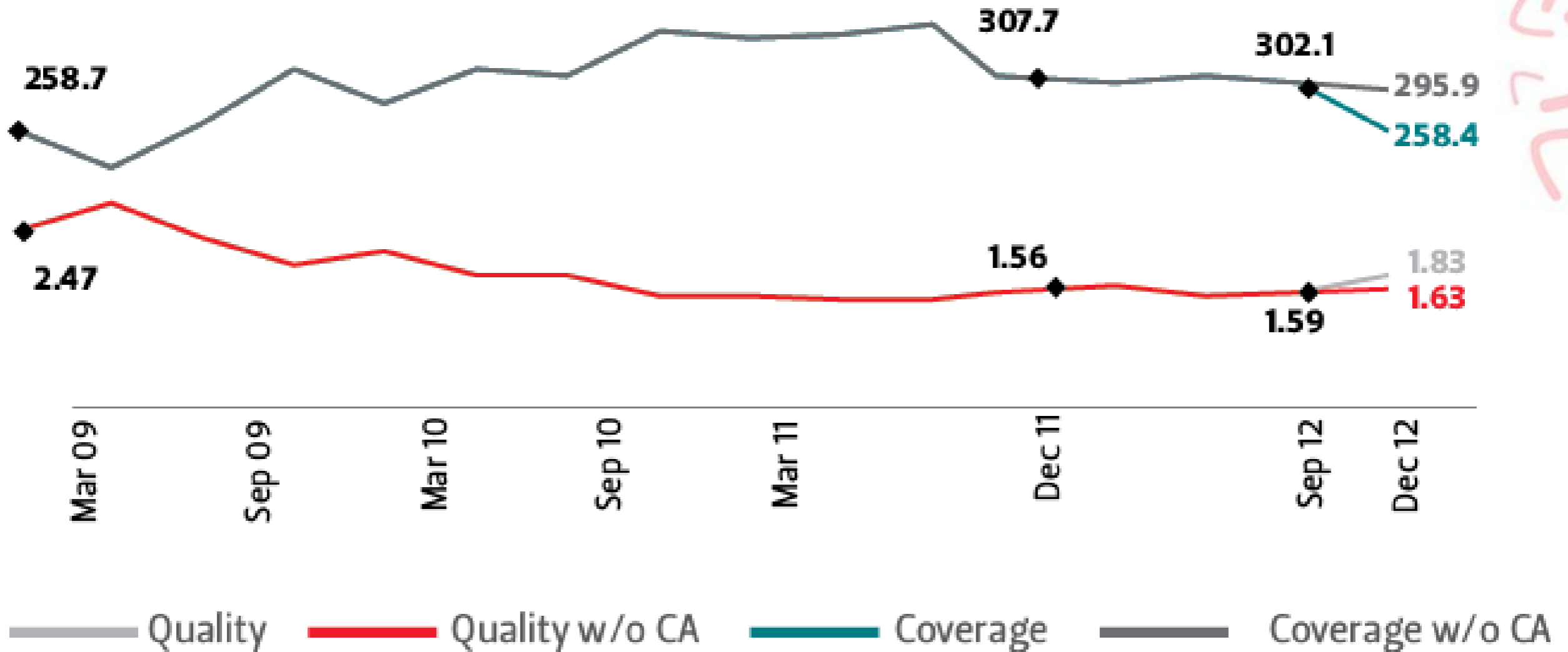
1. Commercial includes microcredits  
 2. Mortgages includes home leasing

# Impact of Central America Consolidation

## Gross Loan Portfolio

Quality and Coverage (%)

Central America Quality 3.15%  
Central America Coverage 133.2%



Quality: Loans >90 days

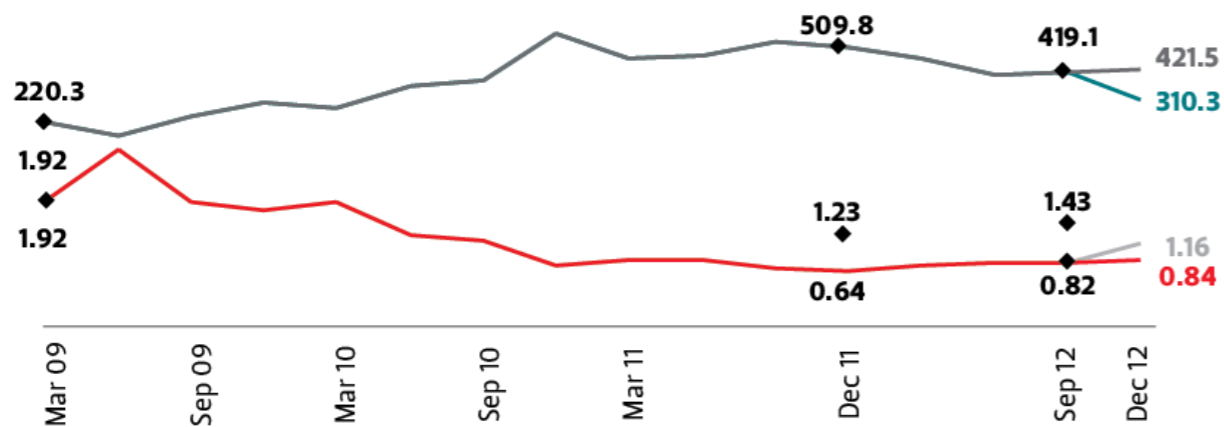
Coverage : Allowance/ Loans > 90 days



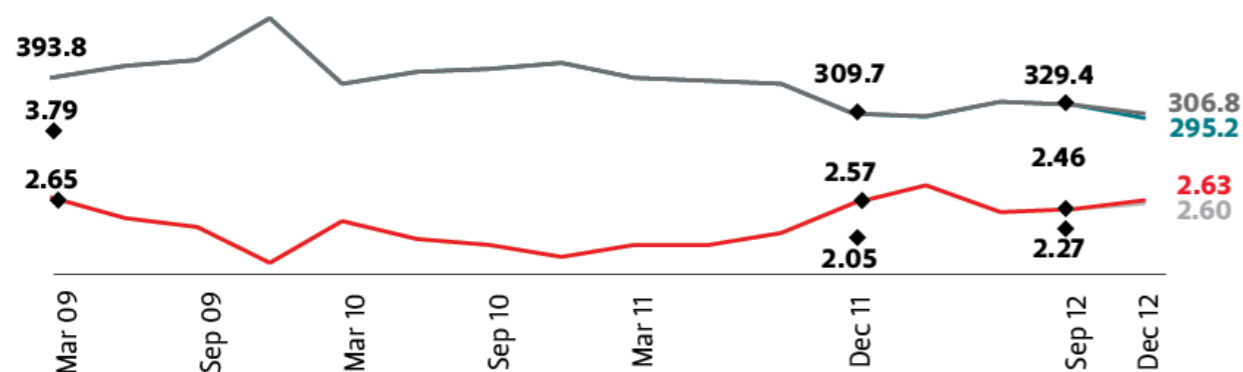
# Loan by Type

Quality and Coverage (%)

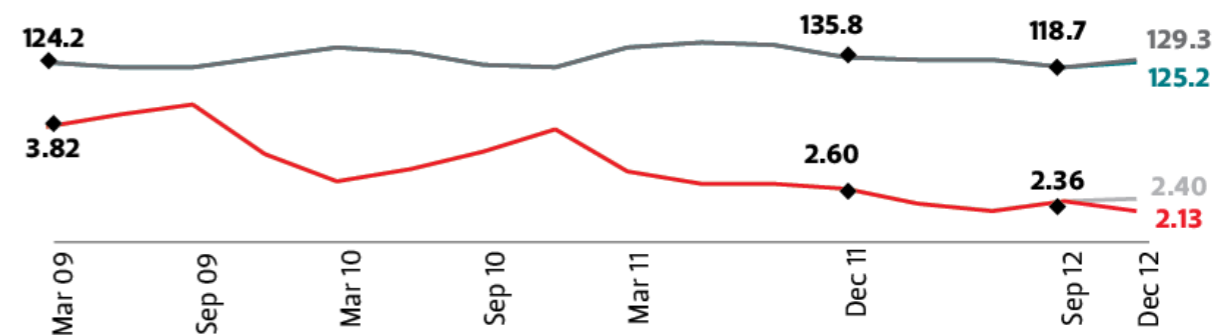
## Commercial <sup>1</sup>



## Consumer



## Mortgages <sup>2</sup>



Quality Quality w/o CA Coverage Coverage w/o CA

## Loan quality and coverage Central America

Loan portfolio	Quality	Coverage
Commercial	3.32%	121.3%
Consumer	2.37%	193.5%
Mortgage	3.60%	114.1%

System individual figures as of December 31, 2012 Quality: Loan > 90 days Coverage : Allowance/ Loan > 90 days

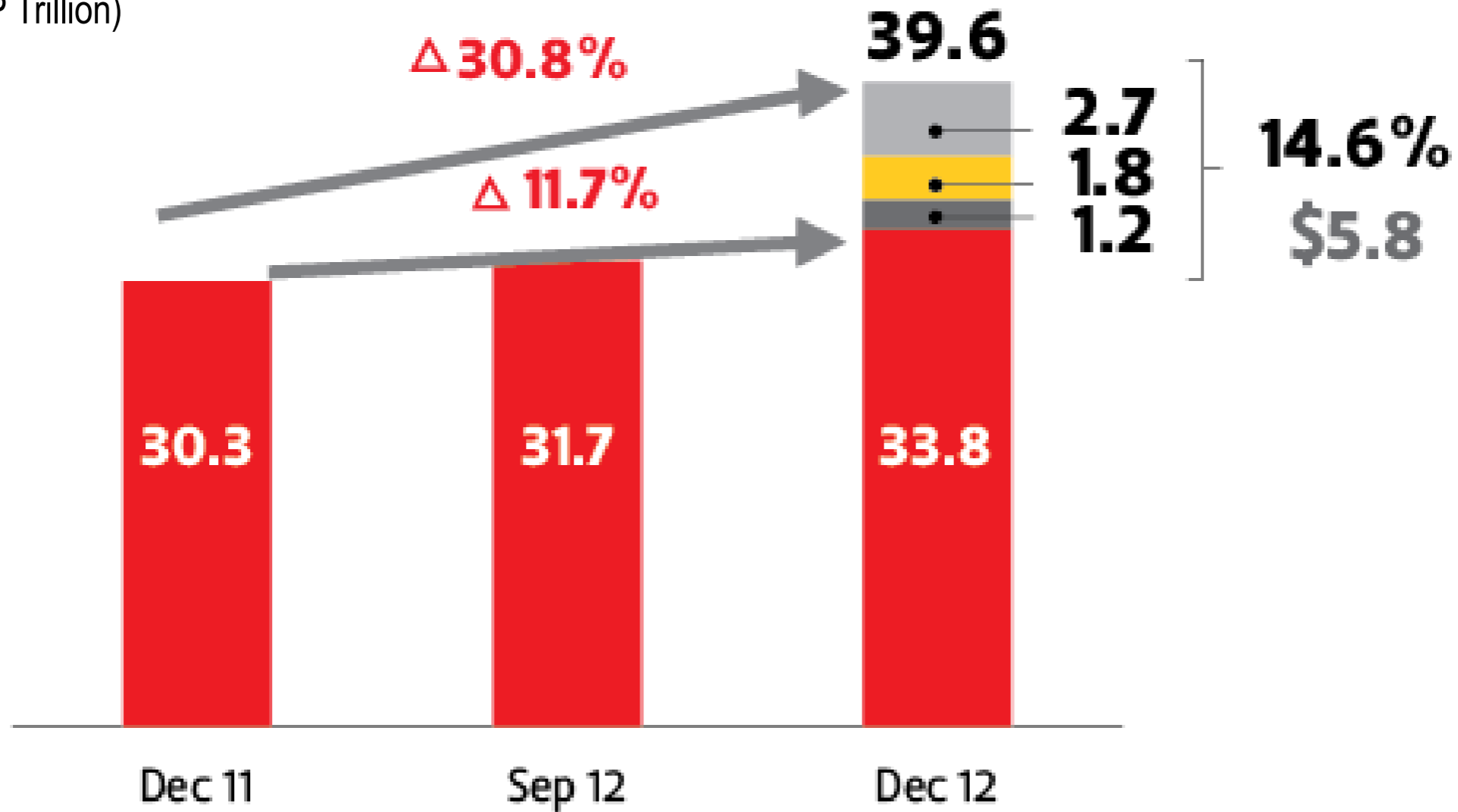
1. Commercial includes microcredits
2. Mortgages includes home leasing



Impact of Central America Consolidation

# Funding Sources

(COP Trillion)

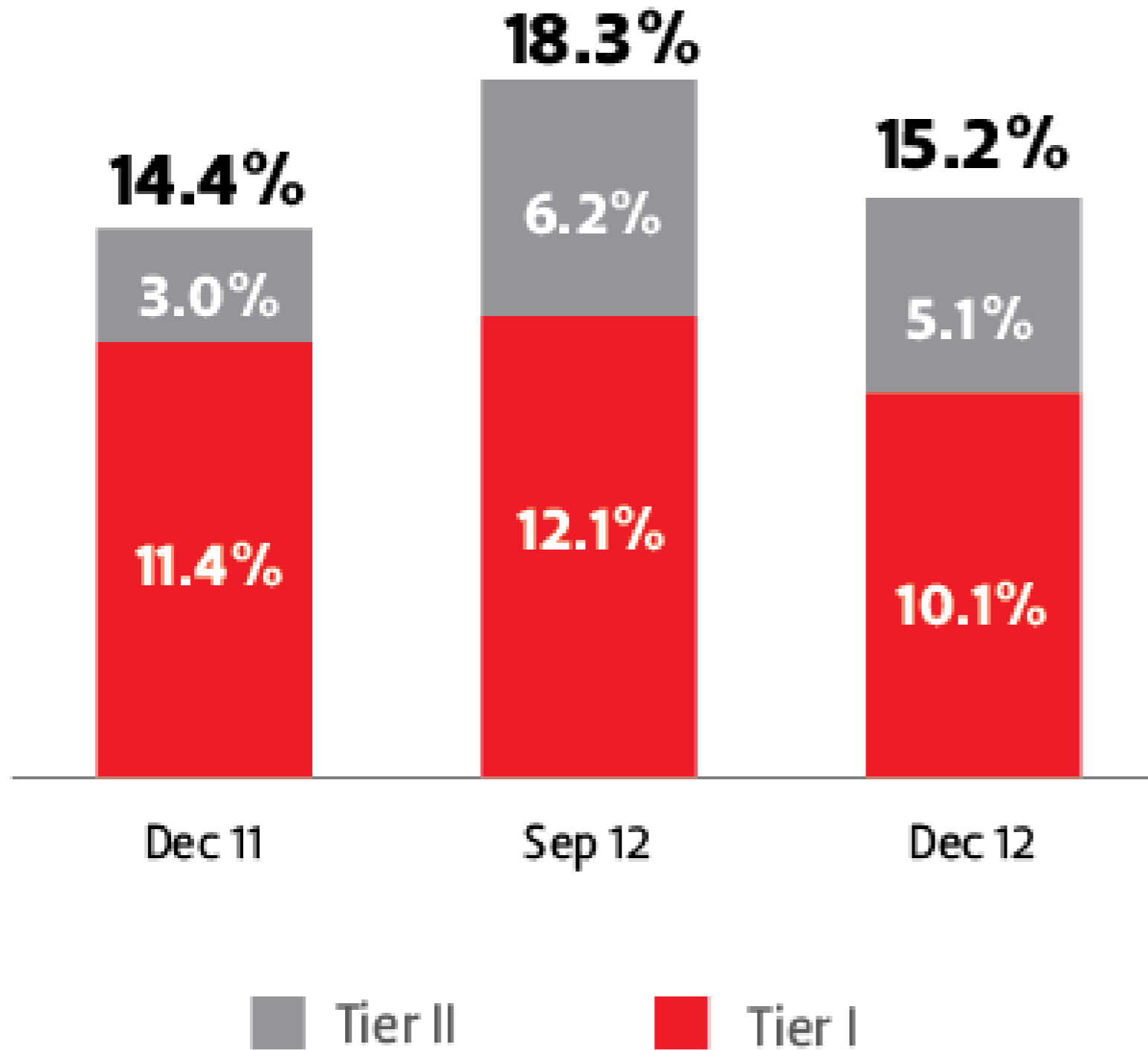


El Salvador
  Costa Rica
  Honduras
  Davivienda w/o CA

Loans, net / Funding Sources	Dec 2011	Sep 2012	Dec 2012 w/o CA	Dec 2012
	<b>84.4%</b>	<b>87.7%</b>	<b>84.0%</b>	<b>82.8%</b>

## Impact of Central America Consolidation

# Solvency



Risk weighted assets increase 21.4%. CA contributed \$ 5.9 trillion.





# Central America Result<sup>1</sup>

	US\$ thousand		COP million
	Accumulated Net income	Net income December 2012	Net income December 2012
<b>Costa Rica</b>			
Banco Costa Rica	14,422	439	776
<b>El Salvador</b>			
Banco El Salvador	16,154	-329	-581
Seguros El Salvador	2,037	353	624
<b>Honduras</b>			
Banco Honduras	6,634	856	1,513
Seguros Honduras	4,067	250	442
<b>Subtotal Central America</b>	<b>43,315</b>	<b>1,569</b>	<b>2,774</b>
Standarization Loans Provisions			-47,915
Standarization Fixed Assets depreciation			-24,095
Other standarizations, deletions and minority interest			17,612
<b>Standarizations, deletions and minority interest</b>			<b>-54,398</b>
<b>Total contribution Central America consolidated result</b>			<b>-51,624</b>

<sup>1</sup> Net income results in local accountability



# Thank You

