



# DAVIVIENDA

## Consolidated Financial Results 2Q20



MEMBER OF  
**Dow Jones  
Sustainability Indices**  
In Collaboration with RobecoSAM

DAVIVIENDA

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These financial statements have been prepared in accordance with International Financial Reporting Standards and are presented in nominal terms. The resulting statement for the closed quarter on **June 30th, 2020** shall not be necessarily indicative of results expected for any other period.

# Main Results 2Q20

## Net Profit

Accumulated Quarter  
\$ 346.2 Bn | \$ 121.6 Bn  
Y/Y: -54.2% | Y/Y: -66.4%  
ROAE: 8.6%  
Y/Y: -404bps Q/Q: -217bps

## NIM Cost-to- Income

6.29%  
Y/Y: -23bps Q/Q: 1bps  
47.3%  
Y/Y: 128bps Q/Q: 75bps

## Gross Loans

\$ 109.5 Trillion  
Y/Y: 20.0% Q/Q: 0.1%

## Capital Adequacy Ratios

Total: 11.0%  
Y/Y: -91 bps Q/Q: -29bps  
Tier I: 7.85%  
Y/Y: -66 bps Q/Q: -24bps

## PDL

Total PDL: 3.00%  
Y/Y: -69bps Q/Q: -45bps

## Relevant Facts

### Colombia:

OPEC Fund Subordinated Loan Jun. 20: Tier II ↑ \$50M USD

### Costa Rica:

Senior Bonds: ↑ \$146M USD

# Sustainable Strategy



## Economic



### Customers

**+16 M**

Consolidated  
Var. Y/Y 39.8%



### Market and Liquidity

**1.55x** Liquidity Coverage  
Ratio



### Credit

Loan loss reserves: **+20%** Y/Y



### Capital

Tier I **335 bps** Above the  
regulatory  
minimum



## Environmental

**COP 1.49 Trillion**

Green Financing

Energy Efficiency  
Sustainable Construction  
Renewable Energies  
Climate Change Adaptation  
Eco - Vehicle



## Social

**+3.5 M**

Financially Included 



1st Colombian  
Bank Member

**USD 485 M**

IFC and OPEC Fund  
loans

Women SMEs  
Social Housing  
Sustainable Construction

# DaviPlata Continues to Evolve...



## Individuals and Families

**+10 million**  
Customers in Colombia

**29% Part.**  
Adult Population

**+5.3 million**  
Dispersed Subsidies

**Market Leader**  
83% share in Colombia<sup>2</sup>

**47.1 million**  
Monetary Transactions<sup>1</sup>

**159% Y/Y.**



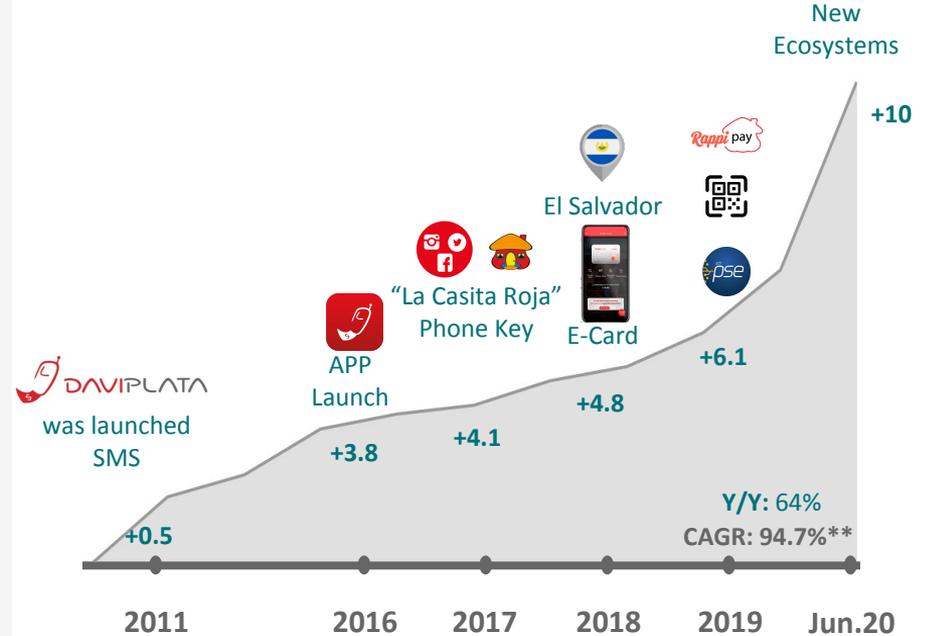
## Commerce

**Traditional** **+84 K** POS Commerce **18% Part.** POS Colombia

**Digital** **+850 K** Current E-cards **100% Acceptance** Local and International E-Commerce



## DaviPlata Customer Evolution\*



\*Figures in millions.  
\*\*Compound annual growth rate: 2011-2020

Figures as of June 30th 2020  
1. Accumulated monetary transactions  
2. Year to date

# Measures to address the current situation

## Loan Deferrals in COL

**813 k**

Benefited Customers

**+24.4 Tn**

Outstanding Amount

Deferred portion in each portfolio

**Commercial** 19%    **Consumer** 39%    **Mortgage** 37%

**Total COL** 29%

## Loan Deferrals in CAM

**222 k**

Benefited Customers

**+2.6 Bn USD**

Outstanding Amount

Deferred portion in each portfolio

**Commercial** 34%    **Consumer** 51%    **Mortgage** 61%

**Total CAM** 44%

## 'Unidos por Colombia' Program National Guarantee Fund

**24.2 Tn**  
Total Program

Working Capital  
Payroll  
Self-Employed  
Affected Sectors  
Large Companies

**880 Bn**  
Davivienda's  
Disbursements

**+33 mil**  
Customer

**16%**  
Disbursements  
Portion

## Other Programs

Bancóldex  
Finagro  
Findeter

**651 Bn**  
Disbursements  
Davivienda

**24%**  
Disbursements  
Portion

## 'Programa de Acompañamiento a Deudores' (PAD) (Debtors Relief Program)

- > Customers segmentation according to recovery potential.
- > Direct communication, case-by-case analysis and adjustments in conditions.
- > Available between: Aug. 1 - Dic. 31 2020.

DAVIVIENDA

# Business Continuity Evolution

Our response to current challenging times

## Adaptation and Response

**100%**  
Operational

> Digital Channels

**52%**  
Staff

> Working remotely

**2x**  
Capacity

> Increased attention through the Call Center

**81%**  
Branches

> Operating in flexible schedules

### Transactional Figures July vs. February

+56%



+96%



**+156%**

DAVIplata



-12%



-59%



### Transactional Figures July vs. February

+77%



+3%



**+46%**

DAVIplata



-27%



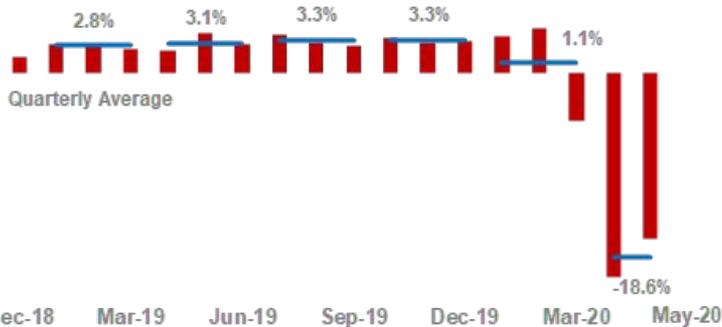
-24%



El Salvador

# Macroeconomic Fundamentals Colombia

## Monthly Economic Activity Index (Y/Y)



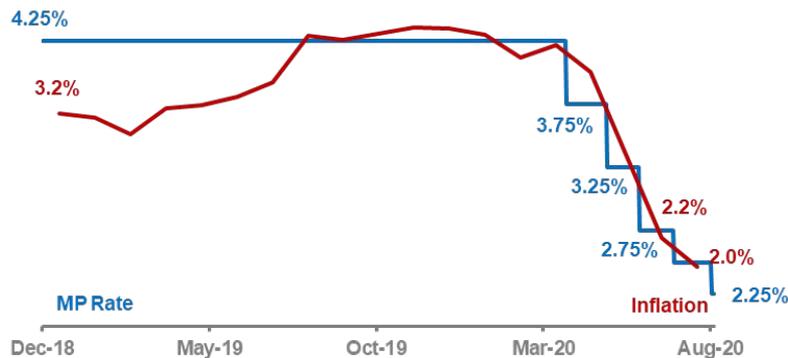
Source: National Administrative Department of Statistics (DANE)

## Exchange Rate and Oil Prices



Source: Financial Superintendence of Colombia and FED St. Louis FRED.

## Monetary Policy Rate and Inflation



Source: National Administrative Department of Statistics (DANE) and Colombia Central Bank. Monetary Policy Rate as of August 2020

## Sovereign Risk Rating

	Rating	Last Change	Outlook	Last Change
<b>Fitch</b>	BBB-	Apr. 2020	Negative	Apr. 2020
<b>Moody's</b>	Baa2	May. 2019	Stable	May. 2019
<b>S&amp;P</b>	BBB-	Dec. 2017	Negative	Mar. 2020

Source: Risk Rating Agencies

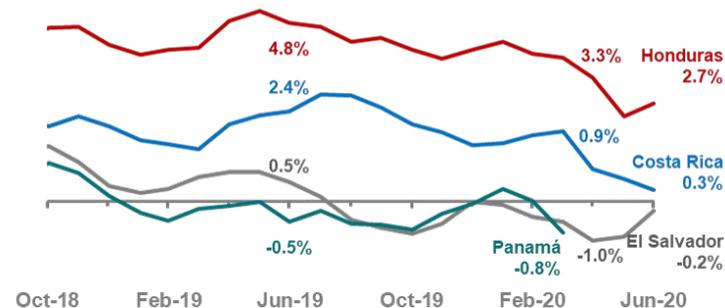
# Macroeconomic Fundamentals Central America



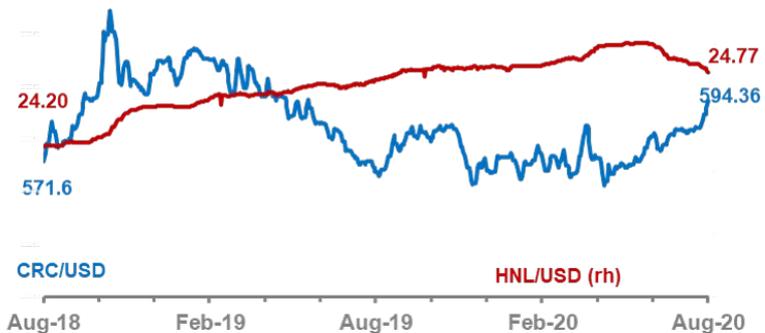
## GDP (Y/Y)



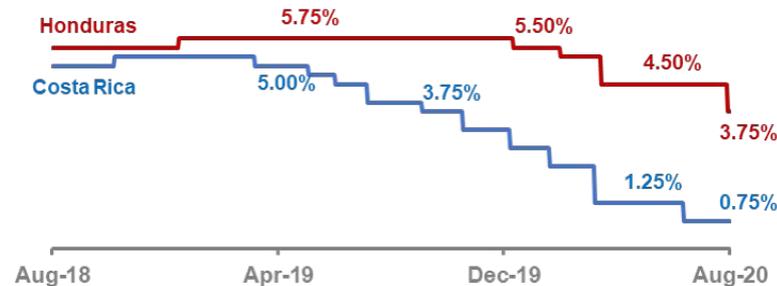
## Inflation (Y/Y)



## Exchange Rate

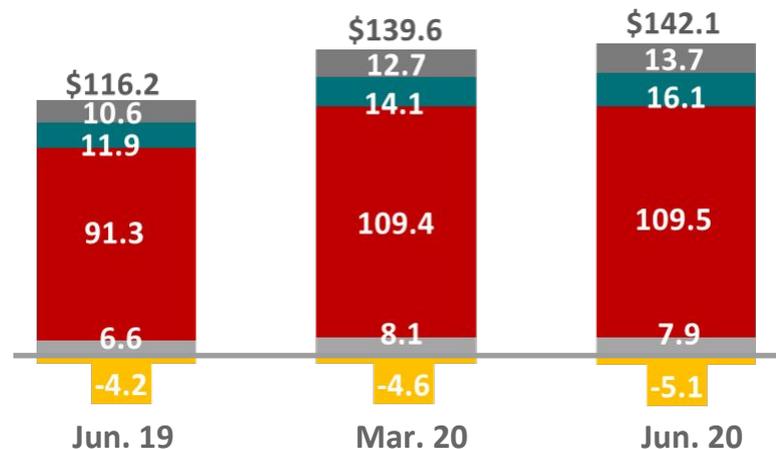


## Monetary Policy Rate



# Balance Sheet - Assets

	2Q20/1Q20	2Q20/2Q19
Cash	7.9%	28.4%
Net Investments	14.5%	35.8%
Gross loans	0.1%	20.0%
Loan Loss reserves	9.6%	20.3%
Others	-2.5%	18.6%
<b>Assets<sup>1</sup></b>	<b>1.8%</b>	<b>22.3%</b>
<b>FX Effect</b>	<b>-2.2%</b>	<b>6.6%</b>



Assets		Jun. 19	Mar. 20	Jun. 20	2Q20/1Q20	2Q20/2Q19
Colombia		89.6	102.8	106.9	3.9%	19.3%
International	COP	27.5	37.6	36.1	-4.1%	31.2%
	USD <sup>2</sup>	8.6	9.3	9.6	3.5%	12.0%

Figures in COP trillion

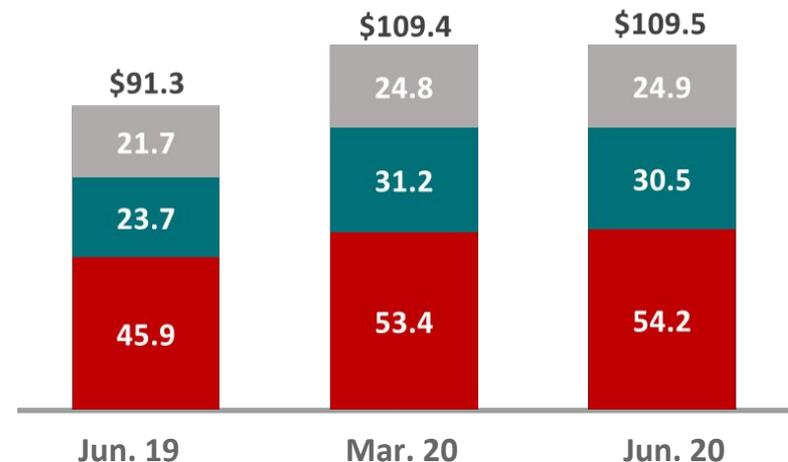
1. Consolidation accounts for 804.5 billion COP

2. Figures in billion USD

At the end of June the COP revalued 7.4% Q/Q and devalued 17.2% Y/Y

# Balance Sheet - Gross Loans

	2Q20/1Q20	2Q20/2Q19
Mortgage	0.3%	15.1%
Consumer	-2.3%	28.5%
Commercial	1.4%	18.0%
<b>Gross Loans</b>	<b>0.1%</b>	<b>20.0%</b>
FX Effect	-1.8%	6.1%



Gross Loans		Jun. 19	Mar. 20	Jun. 20	2Q20/1Q20	2Q20/2Q19
Colombia		73.0	84.8	87.2	2.8%	19.5%
International	COP	18.3	24.6	22.4	-9.0%	22.2%
	USD <sup>1</sup>	5.7	6.1	6.0	-1.8%	4.3%

Figures in COP trillion

1. Figures in billion USD

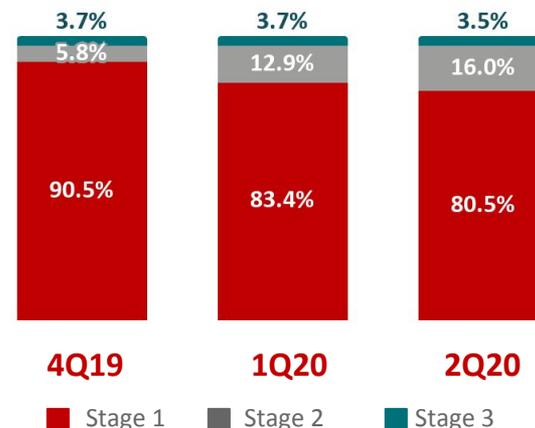
At the end of June the COP revalued 7.4% Q/Q and devalued 17.2% Y/Y

# Balance Sheet - PDL and Loans by Stages (%)

## PDL<sup>1</sup> > 90 days

Portfolio	2Q19	1Q20	2Q20
Commercial	4.22%	3.81%	3.77%
Consumer	2.35%	2.07%	0.75%
Mortgage	4.02%	4.41%	4.07%
<b>Total (90)</b>	<b>3.68%</b>	<b>3.45%</b>	<b>3.00%</b>
Mortgage <sup>2</sup> (120)	3.17%	3.50%	3.81%
<b>Total<sup>3</sup> (120)</b>	<b>3.48%</b>	<b>3.25%</b>	<b>2.94%</b>

## Loans by Stages



## Cost of Risk<sup>4</sup>

Indicator	2Q19	1Q20	2Q20
<b>12M</b>	<b>2.46%</b>	<b>2.50%</b>	<b>2.83%</b>
<b>3M Annualized</b>	<b>2.72%</b>	<b>3.24%</b>	<b>3.58%</b>

## Actions taken - COVID 19

- > Adjustments on stage classifications
- > Individual analysis for significant customers
- > Forward looking adjustments

1. PDL: Loans > 90 days / Gross Loans

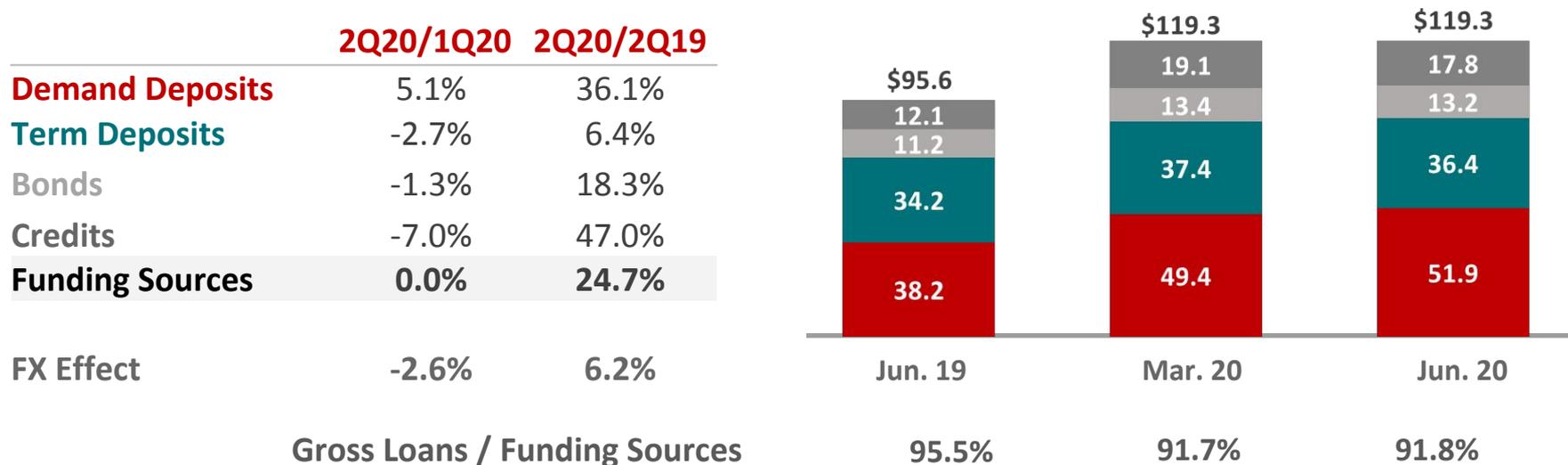
2. Mortgage >120 days / Gross Loans

3. Total (120) includes: (Mortgage > 120 days + Commercial > 90 days + Consumer >90 days) / Gross Loans

4. Cost of risk (12 Months) = Provision Expenses (12 months) / Gross Loans

Cost of risk (Annualized Quarter) = (Provision Expenses (Quarter)) / Gross loans) x 4

# Balance Sheet - Funding Sources



<b>Funding Sources</b>		<b>Jun. 19</b>	<b>Mar. 20</b>	<b>Jun. 20</b>	<b>2Q20/1Q20</b>	<b>2Q20/2Q19</b>
Colombia		72.6	87.3	88.4	1.3%	21.9%
International	COP	23.0	32.0	30.8	-3.6%	33.9%
	USD <sup>1</sup>	7.2	7.9	8.2	4.0%	14.2%

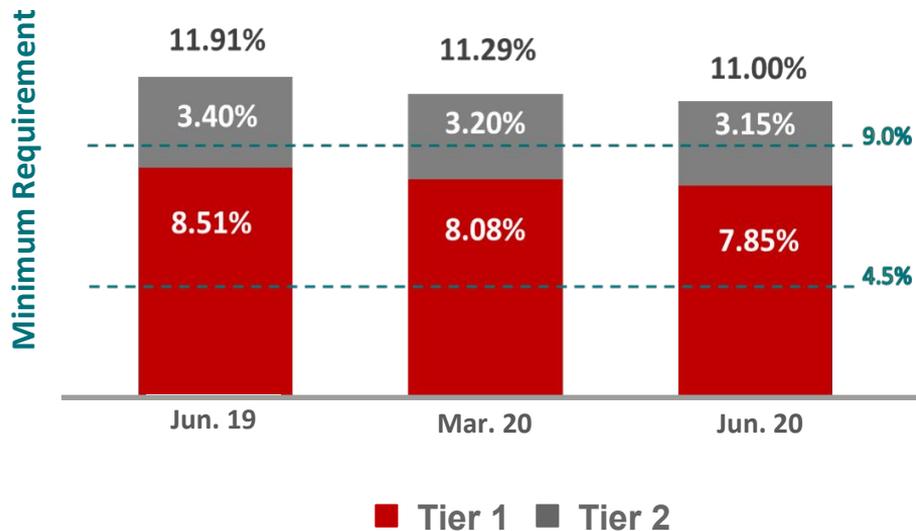
Figures in COP trillion

1. Figures in billion USD

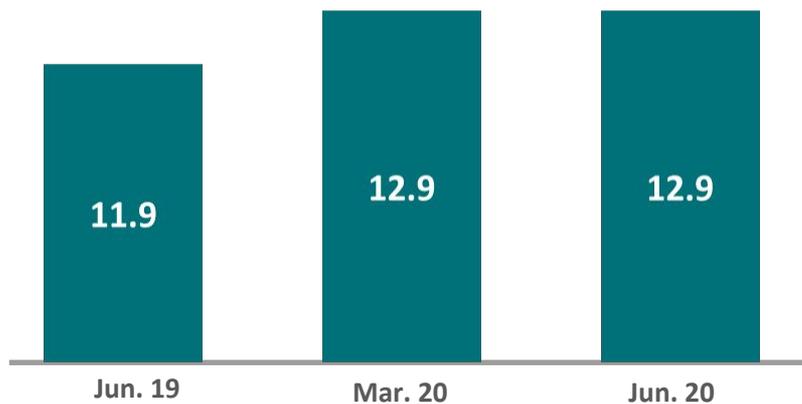
At the end of June the COP revalued 7.4% Q/Q and devalued 17.2% Y/Y

# Balance Sheet - Capital Structure

## Capital Adequacy Ratios

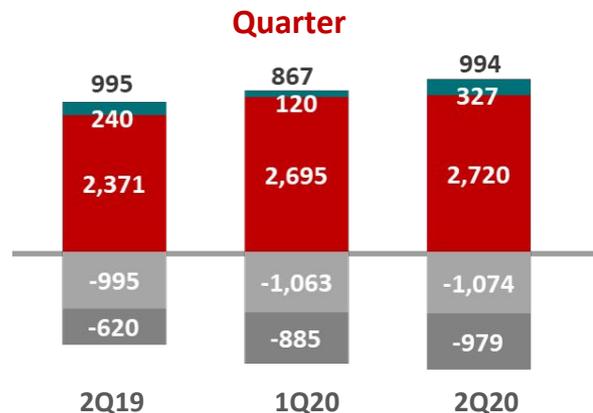


## Equity (COP Trillion)

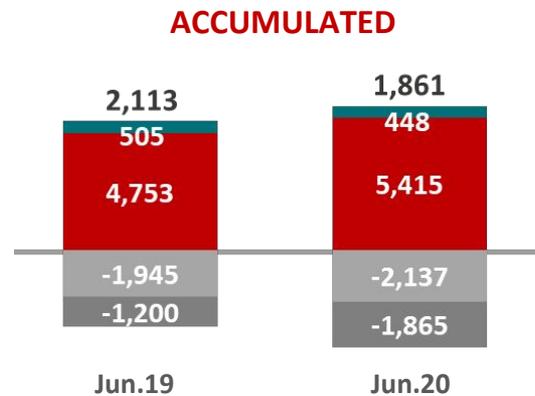


△ Jun.20/Jun.19 8.8%  
 △ Jun.20/Mar.20 0.0%

# P&L - Financial Margin



	Jun.19	Mar.20	Jun.20	
NIM <sup>1</sup>	Annualize d Quarter	6.46%	6.11%	6.39%
	12 Months	6.52%	6.28%	6.29%
Cost of Risk <sup>2</sup>	Annualize d Quarter	2.72%	3.24%	3.58%
	12 Months	2.46%	2.50%	2.83%



2Q20 \$	2Q20/1Q20 %	2Q20/2Q19 %
2,720	0.9	14.7
327	100.0	36.7
<b>3,047</b>	<b>8.2</b>	<b>16.7</b>
-1,074	1.1	7.9
<b>1,973</b>	<b>12.6</b>	<b>22.1</b>
-979	10.6	57.8
<b>994</b>	<b>14.6</b>	<b>-0.1</b>

	Jun.20 \$	Jun.20/Jun.19 %
<b>Loan Income</b>	5,415	13.9
<b>Investment Income + Interbank</b>	448	-11.3
<b>Financial Income</b>	<b>5,862</b>	<b>11.5</b>
Financial Expenses	-2,137	9.9
<b>Gross Financial Margin</b>	<b>3,725</b>	<b>12.4</b>
Provision Expenses	-1,865	55.3
<b>Net Financial Margin</b>	<b>1,861</b>	<b>-11.9</b>

Figures in COP billion. The devaluation of the average exchange rate in 2Q20 was 4.2% Q/Q and 15.8% Y/Y

1.NIM (12 Months): Gross financial margin (12 months) / Average performing assets (5 Periods)

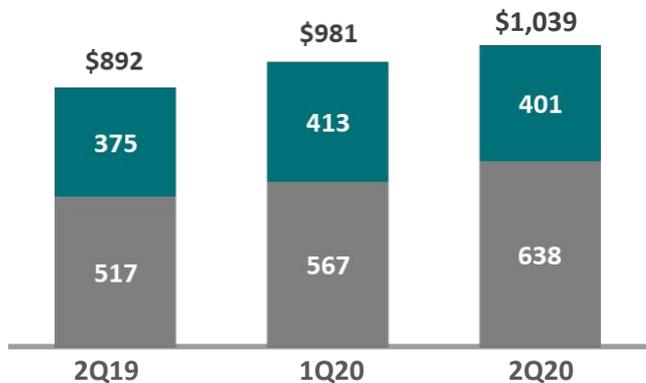
NIM (Annualized Quarter): Gross financial margin (Quarter) x 4 / Average performing assets (2 Periods)

2.Cost of risk (12 Months) = Provision Expenses (12 months) / Gross loans

Cost of risk (Annualized Quarter) = (Provision Expenses (Quarter)) / Gross loans) x 4

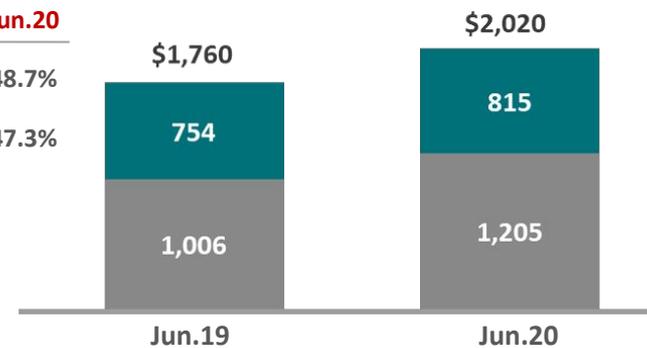
# P&L - Expenses

## QUARTER



## ACCUMULATED

	Jun.19	Mar.20	Jun.20
Cost to Income <sup>1</sup>			
Annualized Quarter	45.7%	45.1%	48.7%
12 Months	46.0%	46.5%	47.3%



**2Q20 \$**    **2Q20/1Q20 %**    **2Q20/2Q19 %**

**Jun.19 \$**    **Jun.20/Jun.19 %**

401                      -2.9                      6.9

**Personnel Expenses**

815                      8.0

638                      12.5                      23.5

**Operating Expenses and Others<sup>2</sup>**

1,205                      19.8

**1,039                      6.0                      16.5**

**Total Expenses**

**2,020                      14.8**

Figures in COP billion. Devaluation of the average exchange rate in 2Q20 was 4.2% Q/Q and 15.8% Y/Y

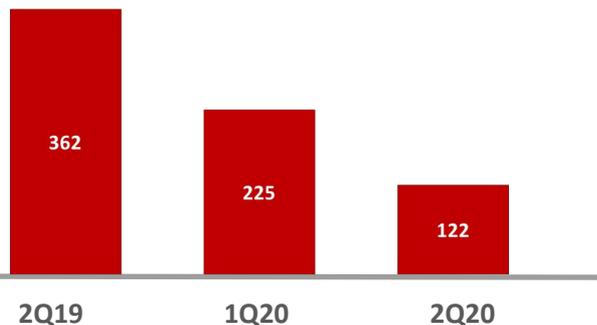
1. Other Expenses include Amortization and Depreciation, Intangibles, Amortization, Taxes and Deposits Insurance

2. Cost-to-income(12 months) = Operational Expenses (12 months) / (Gross Financial Margin + Operating Income + Other income and expenses. net)

Cost-to-income(Annualized Quarter) = Total Expenses (Quarter) / Total Income (Quarter)

# P&L - Net Income

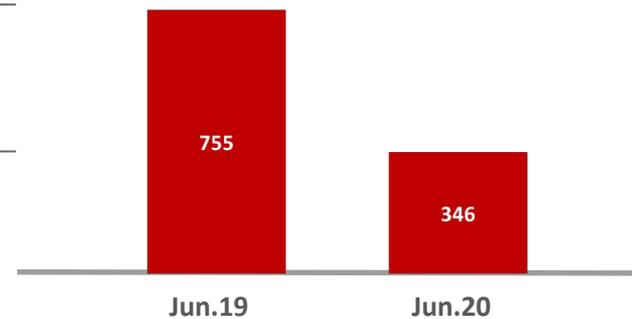
## QUARTER



Jun.19 Mar.20 Jun.20

	Jun.19	Mar.20	Jun.20
ROAE <sup>1</sup>	Annualized Quarter	12.45%	7.03%
	12 Months	12.61%	10.75%
ROAA <sup>2</sup>	Annualized Quarter	1.27%	0.69%
	12 Months	1.30%	1.08%

## ACCUMULATED



2Q20 \$ 2Q20/1Q20 % 2Q20/2Q19 %

Jun.20 \$ Jun.20/Jun.19 %

994	14.6	-0.1	Net Financial Margin	1,861	-11.9
279	-11.1	-19.2	Operating Income	593	-9.6
1,039	6.0	16.5	Operating Expenses	2,020	14.8
-110	-100.0	-100.0	FX Changes, Derivatives and Others	6	100.0
<b>124</b>	<b>-60.8</b>	<b>-72.5</b>	<b>Income Before Tax</b>	<b>440</b>	<b>-55.9</b>
2	-97.4	-97.4	Taxes	93	-61.3
<b>122</b>	<b>-45.9</b>	<b>-66.4</b>	<b>Net Income<sup>(3)</sup></b>	<b>346</b>	<b>-54.2</b>

Figures in COP billion. The devaluation of the average exchange rate in 2Q20 was 4.2% Q/Q and 15.8% Y/Y

1. ROAE (12 Months) = Net Income (12 months) / Average Equity (5 Periods)

ROAE (Annualized Quarter) = 4x (Net Income (Quarter) / Average Equity (2 Periods))

3. Net Income after deletions, homologations and homogenization

2. ROAA (12 Months) = Net Income (12 months) / Average Assets (5 Periods)

ROAA (Annualized Quarter) = 4x (Net Income (Quarter) / Average Assets (2 Periods))



# DAVIVIENDA

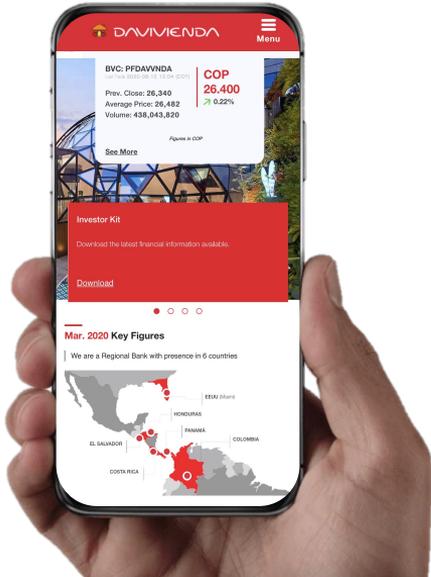
## Investor Relations and Capital Management

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Bogotá - Colombia



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# Appendix



DAVIVIENDA

# Balance - Coverage Ratios (%)

## Coverage<sup>1</sup>

Portfolio	2Q19	1Q20	2Q20
Commercial	122.0%	118.5%	128.2%
Consumer	271.4%	274.4%	821.3%
Mortgage	38.3%	39.5%	55.6%
<b>Total</b>	<b>125.1%</b>	<b>122.3%</b>	<b>154.1%</b>

## Loan Loss Reserves / Gross Loans<sup>3</sup>

Portfolio	2Q19	1Q20	2Q20
Commercial	5.1%	4.5%	4.8%
Consumer	6.4%	5.7%	6.2%
Mortgage	1.5%	1.7%	2.3%
<b>Total</b>	<b>4.6%</b>	<b>4.2%</b>	<b>4.6%</b>

## Total Reserves Coverage<sup>2</sup>

Portfolio	2Q19	1Q20	2Q20
Commercial	136.6%	142.3%	150.0%
Consumer	291.8%	305.8%	966.5%
Mortgage	68.3%	62.4%	74.8%
<b>Total</b>	<b>144.6%</b>	<b>147.0%</b>	<b>183.7%</b>

## Total Reserves / Gross Loans<sup>4</sup>

Portfolio	2Q19	1Q20	2Q20
Commercial	5.8%	5.4%	5.7%
Consumer	6.8%	6.3%	7.3%
Mortgage	2.7%	2.8%	3.0%
<b>Total</b>	<b>5.3%</b>	<b>5.1%</b>	<b>5.5%</b>

1. Coverage: Asset Allowances / Loans > 90 days

2. Total Reserves Coverage: (Asset Allowances + Equity Allowances) / Loans > 90 days

3. Asset Allowances / Gross Loans

4. Asset Allowances + Equity Allowances / Gross Loans

# Digital Transformation - Customers and Products



## No. of Customers

(Millions)

Central America



Colombia

Consolidated<sup>1</sup>

Colombia

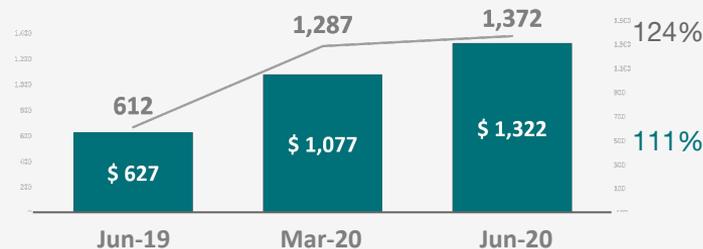
Central America

	Consolidated <sup>1</sup>	Colombia	Central America
Digital	81%	84%	45%
Y/Y	68%	70%	30%



## Total Deposits<sup>2</sup>

Y/Y



## Total Loans<sup>3</sup>

Y/Y



■ Number of products (thousands)

■ Balance (billion COP)

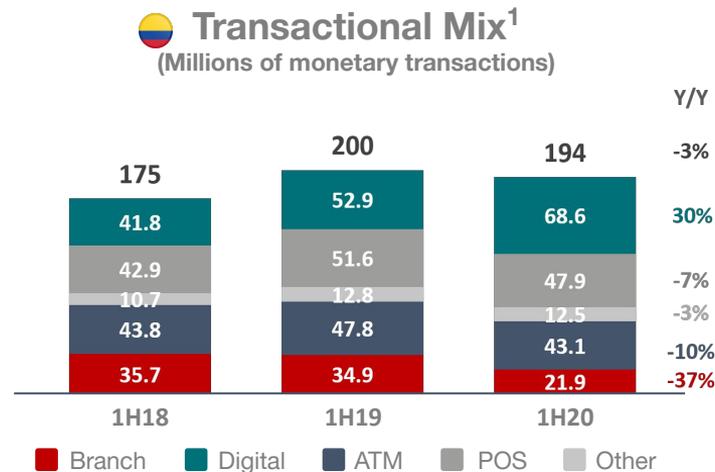
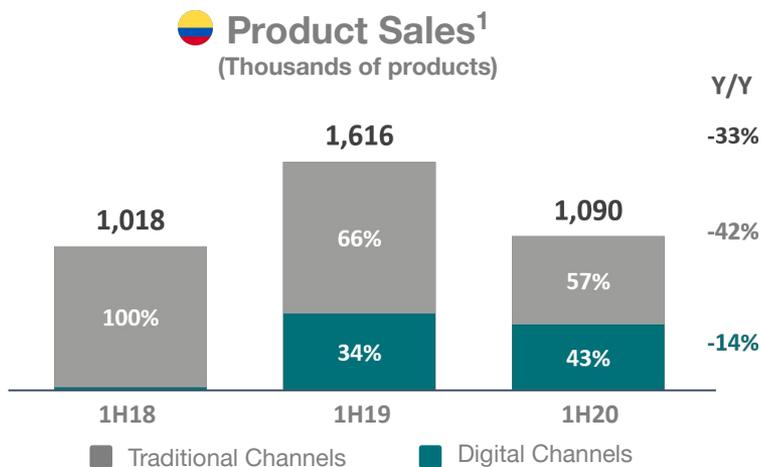
(Colombian operation figures)

2. Deposits includes savings accounts and term deposits

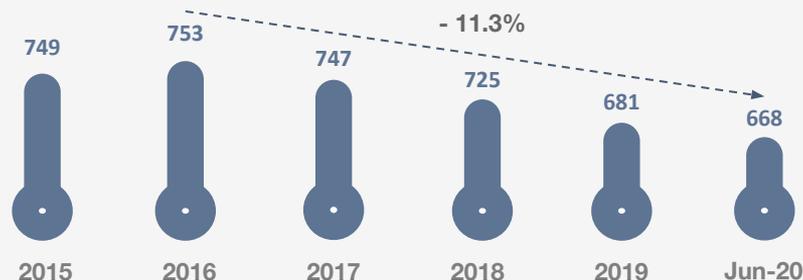
3. Loans includes payroll loans, personal loans, credit cards and payroll advance

1. Consolidated figures: includes Banco Davivienda Colombia, Corredores, Fiduciaria and Central America

# Digital Transformation - Channels



## Branch Evolution<sup>2</sup>



1. Colombian operations accumulated figures

2. Number of consolidated branches (Colombia and Central America)