



# DAVIVIENDA

Results III Quarter 2010



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# Important facts of the Quarter



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# The phenomenon of “**El Corresponsal**” during the Soccer World Cup.

- > **Best World Cup campaign** as Head of Studio Magazine “Dinero”
- > More of **19 million** of visits at the BLOG
- > Facebook **28 official groups** and non official with more of **140.000 fans**
- > **22.167** fans of “El lugar Equivocado”
- > Twitter **7.754 fans**
- > Youtube more of **12 million** of commercial views



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# Successful Emissions

## Share Emission September 20

- > **82.457** investors
- > **419 COP billion** of capitalization
- > **26 Million** of shares
- > **13.1 times** oversubscribed
- > **\$5.46 COP trillion** the total demand

## Bonds Emission October 7

- > **3.1 times** oversubscribed
- > **500 COP billion** total amount
- > **1.5 COP trillion** the total demand



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# **Approval** of the Conversion of **Bancafé Miami to a branch**

- > Approved by the OFR (Florida Office of Financial Regulation) and the FED.
- > Bancafé Miami will convert to a branch in the first quarter of 2011
- > With this new branch will permit to increase its business generation capacity



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# Results



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# Summary Results

- > Profits grow in **13%** reaching **\$402.683 COP** million
- > Gross Loan Portfolio closed the quarter in **19.9 COP** trillion and a growth of **6%** as compared to June 2010.
- > The loan portfolio quality reaching **1.8%** and the coverage maintained in excess of **200%**.
- > The Net Loans to deposits ratio plus bonds reached **94%**
- > Equity reached **\$ 3.5 COP** trillion and solvency was **15.2%**
- > The financial margin increases by **30%**

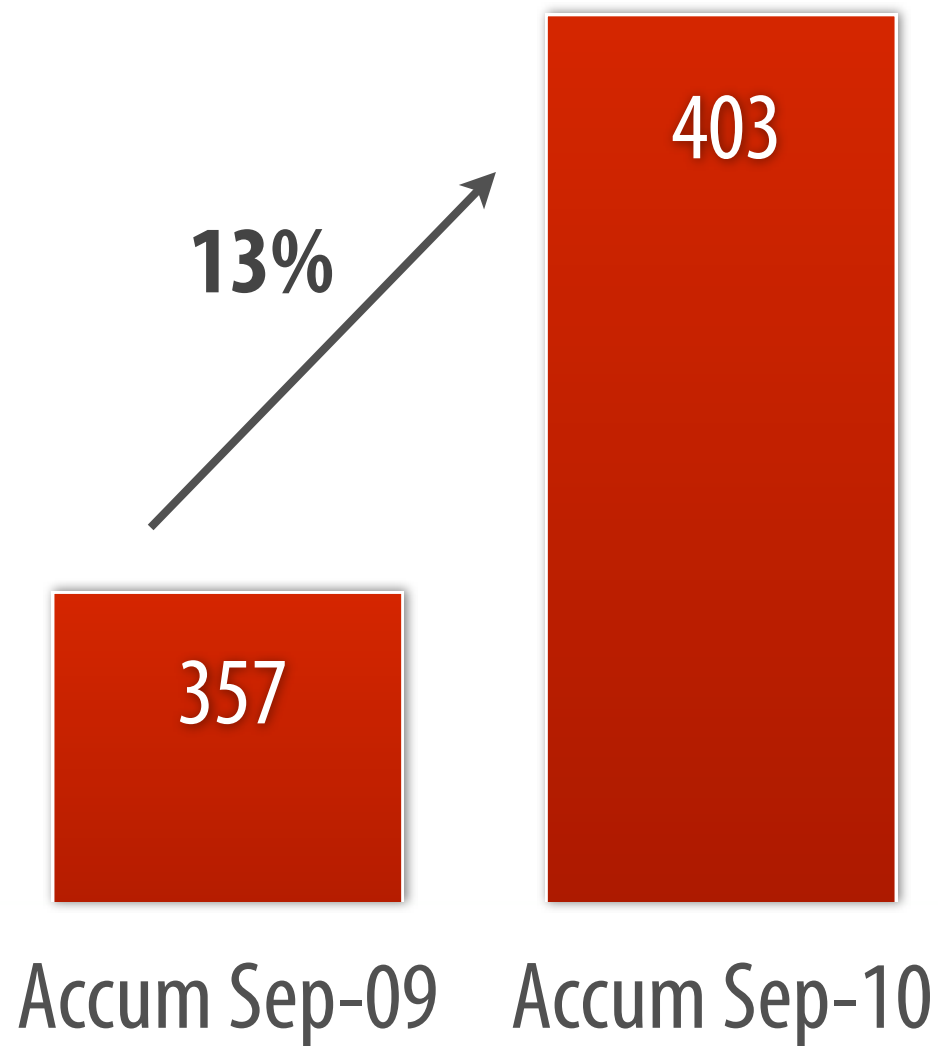


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# Results Third Quarter

# Profits

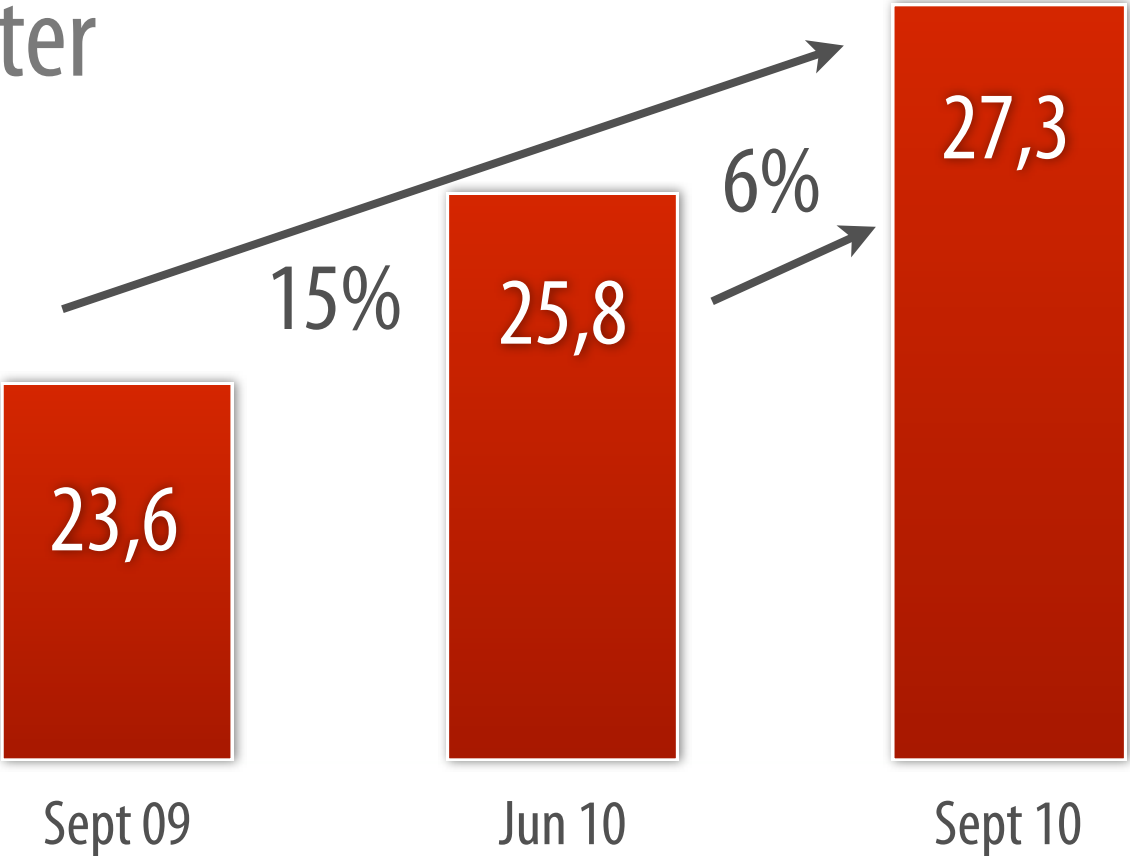


|        | ROAE (12 months) |       |       | ROAA (12 months) |      |      |
|--------|------------------|-------|-------|------------------|------|------|
|        | DAV              | SIS   | DAV*  | DAV              | SIS  | DAV* |
| Sep-09 | 19.1%            | 19.5% | 21.8% | 2.0%             | 2.3% | 2.3% |
| Sep-10 | 17.6%            | 17.3% | 20.0% | 1.9%             | 2.2% | 2.2% |

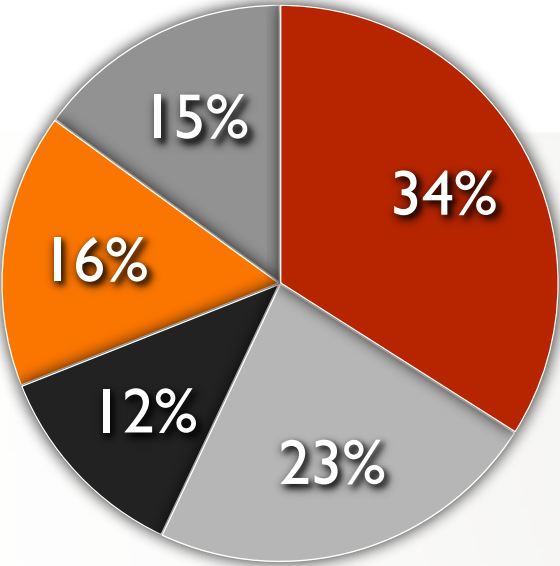
> Data in COP Billion  
> Source: Superfinanciera  
> \*Excludes Goodwill.

# Results Third Quarter

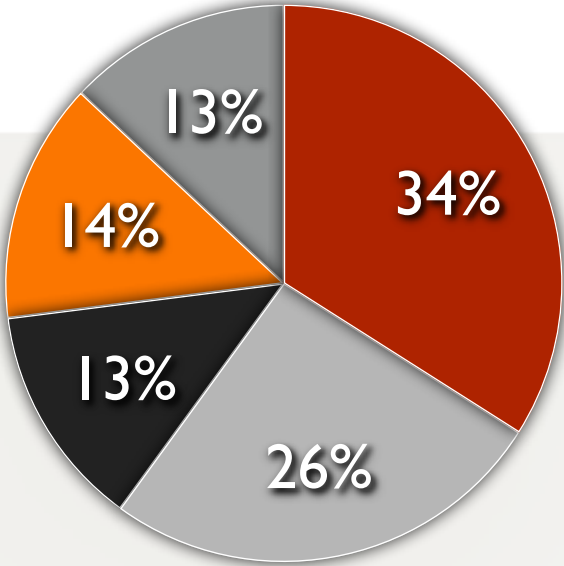
# Assets



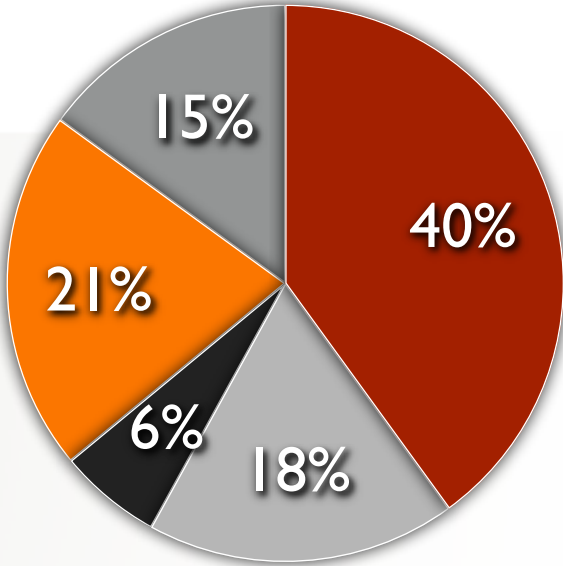
Sep 2009 Davivienda



Sep 2010 Davivienda



Sep 2010 System



Commercial Consumer Mortgages Investments Other

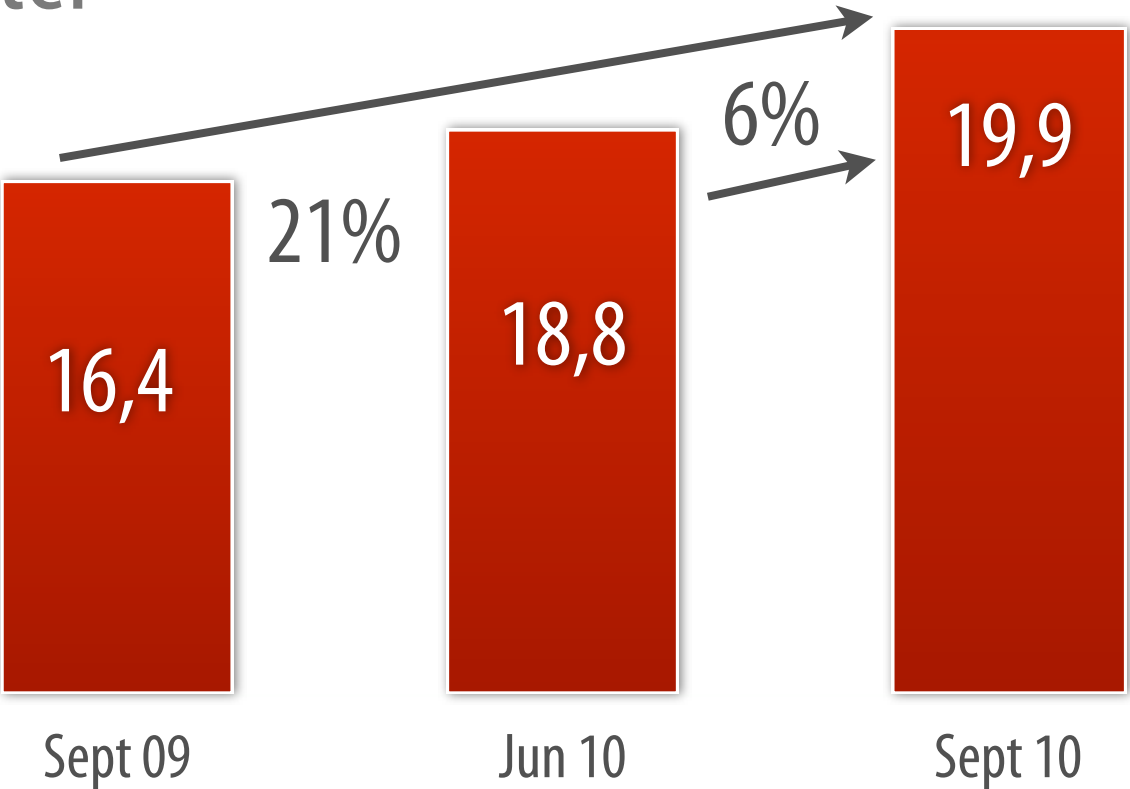
> Source: SFC. 1. Mortgage includes home leasing. Data in COP Trillion



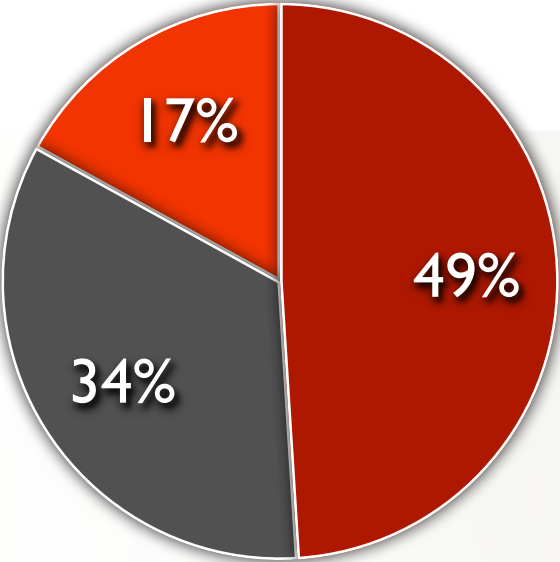


# Results Third Quarter

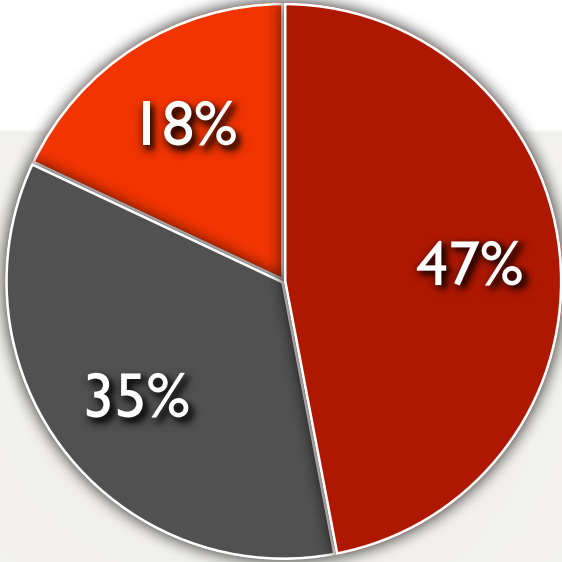
## Loans



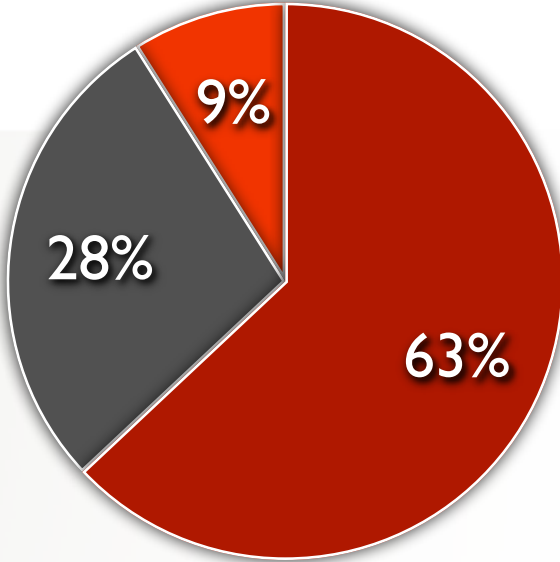
Sep 2009 Davivienda



Sep 2010 Davivienda



Sep 2010 System



● Commercial    ● Consumer    ● Mortgages

> Source: SFC. 1. Mortgage includes home leasing. Data in COP Trillion



## Results Third Quarter

# Loans in Continuous Growth, with Appropriate Quality and Coverage

|                  | Total<br>Sep-09 Sep-10 |      | Consumer<br>Sep-09 Sep-10 |      | Commercial<br>Sep-09 Sep-10 |      | Mortgages<br>Sep-09 Sep-10 |      |
|------------------|------------------------|------|---------------------------|------|-----------------------------|------|----------------------------|------|
| Loans quality    |                        |      |                           |      |                             |      |                            |      |
| Davivienda       | 2.5%                   | 1.8% | 3.7%                      | 2.9% | 1.8%                        | 1.2% | 2.3%                       | 1.6% |
| System           | 3.1%                   | 2.4% | 5.0%                      | 3.4% | 2.1%                        | 1.7% | 4.3%                       | 3.4% |
| Loans reserves   |                        |      |                           |      |                             |      |                            |      |
| Davivienda       | 247%                   | 230% | 267%                      | 211% | 254%                        | 312% | 169%                       | 156% |
| System           | 186%                   | 192% | 154%                      | 156% | 220%                        | 222% | 210%                       | 207% |
| Growth 2009-2010 |                        |      |                           |      |                             |      |                            |      |
| Davivienda       | 20.7%                  |      | 26.1%                     |      | 15.2%                       |      | 24.0%                      |      |
| System           | 17.5%                  |      | 16.0%                     |      | 12.3%                       |      | 18.1%                      |      |

- > Source: SFC. Quality: Consumer loans > 60 Days / total, Commercial > 90 days / total,
- > Mortgage > 120 days / total. Coverage: Provisions/ Past due loans



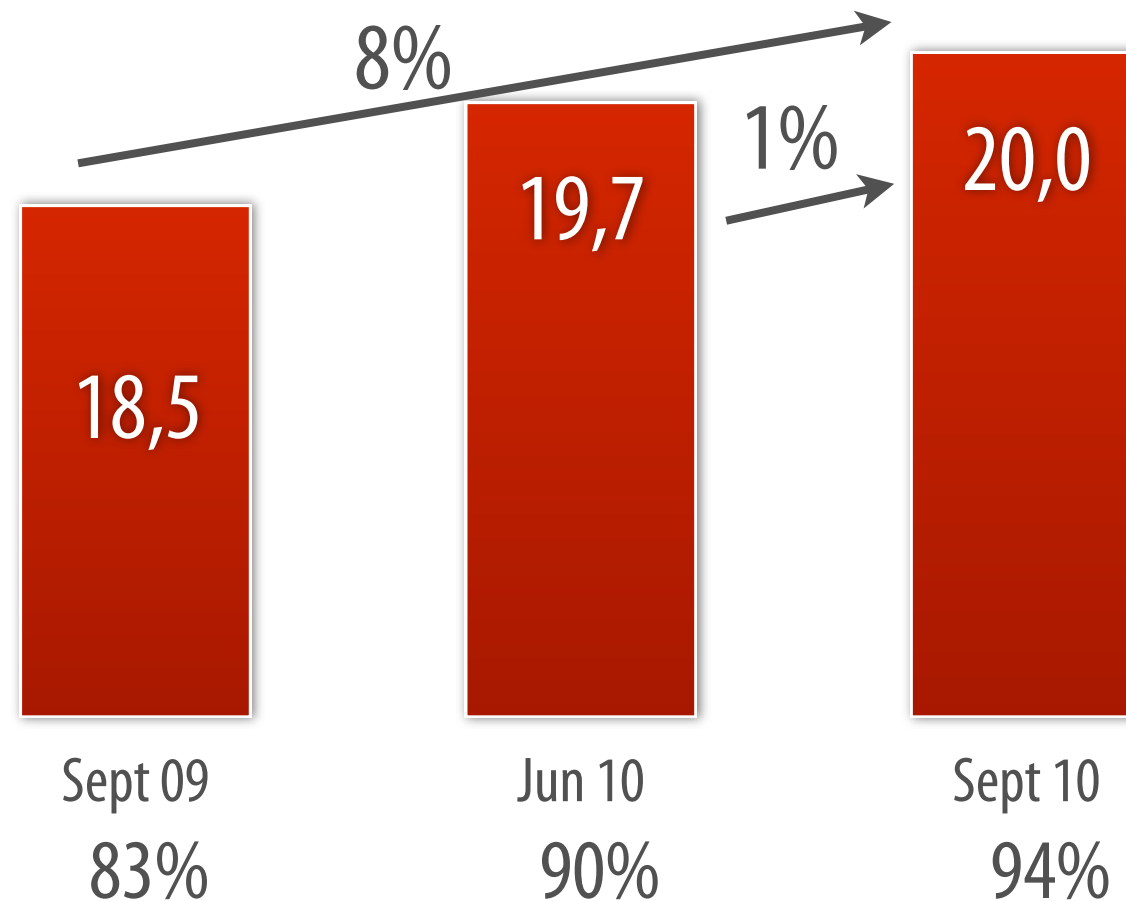
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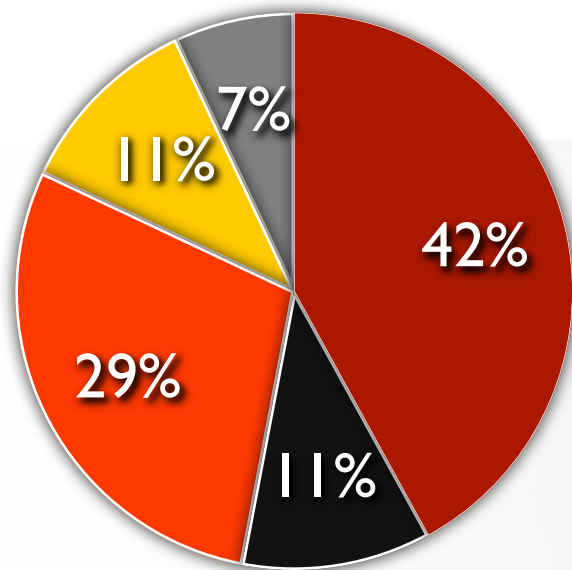
# Results Third Quarter

## Deposits and Bonds

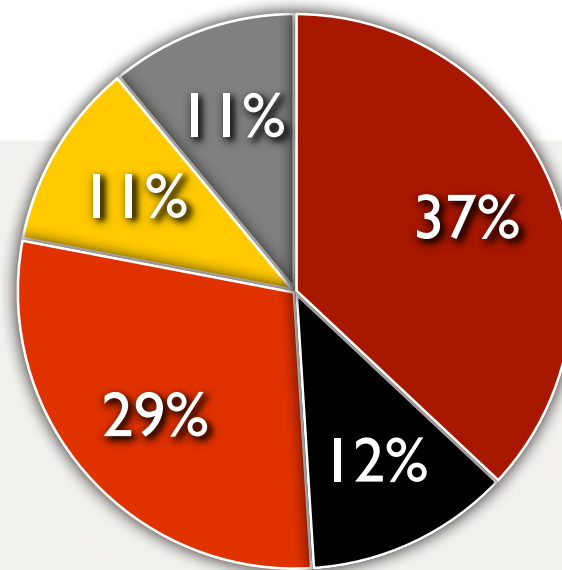


Net Loans/Deposits and Bonds

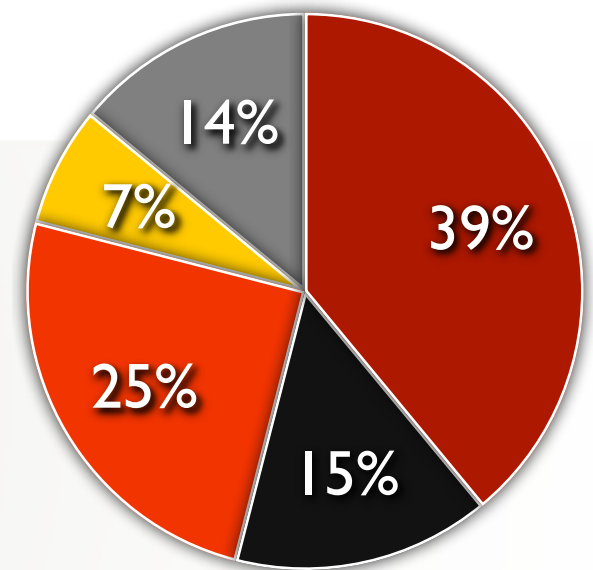
**Sep 2009 Davivienda**



**Sep 2010 Davivienda**



**Sep 2010 System**



● Savings accounts 
 ● Checking accounts 
 ● CD 
 ● Bonds 
 ● Credits and other

> Source: SFC. Data in COP Trillion

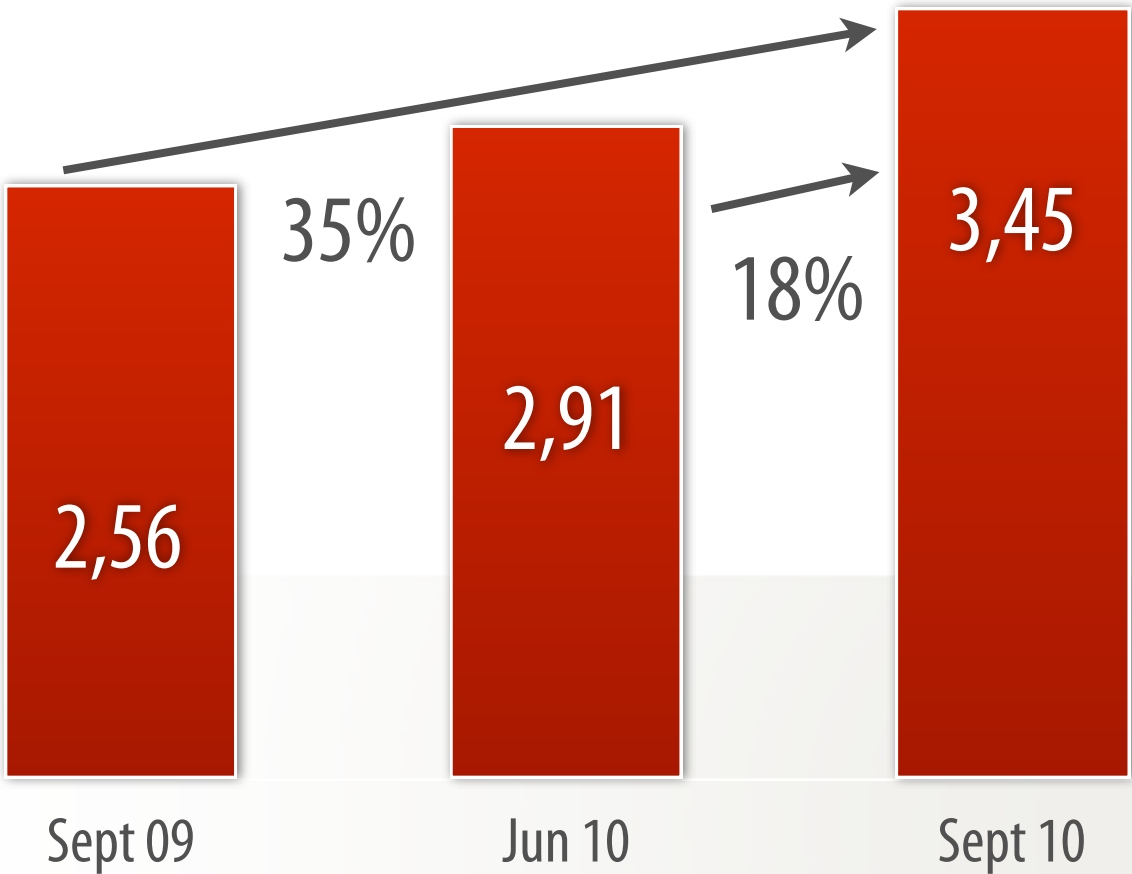


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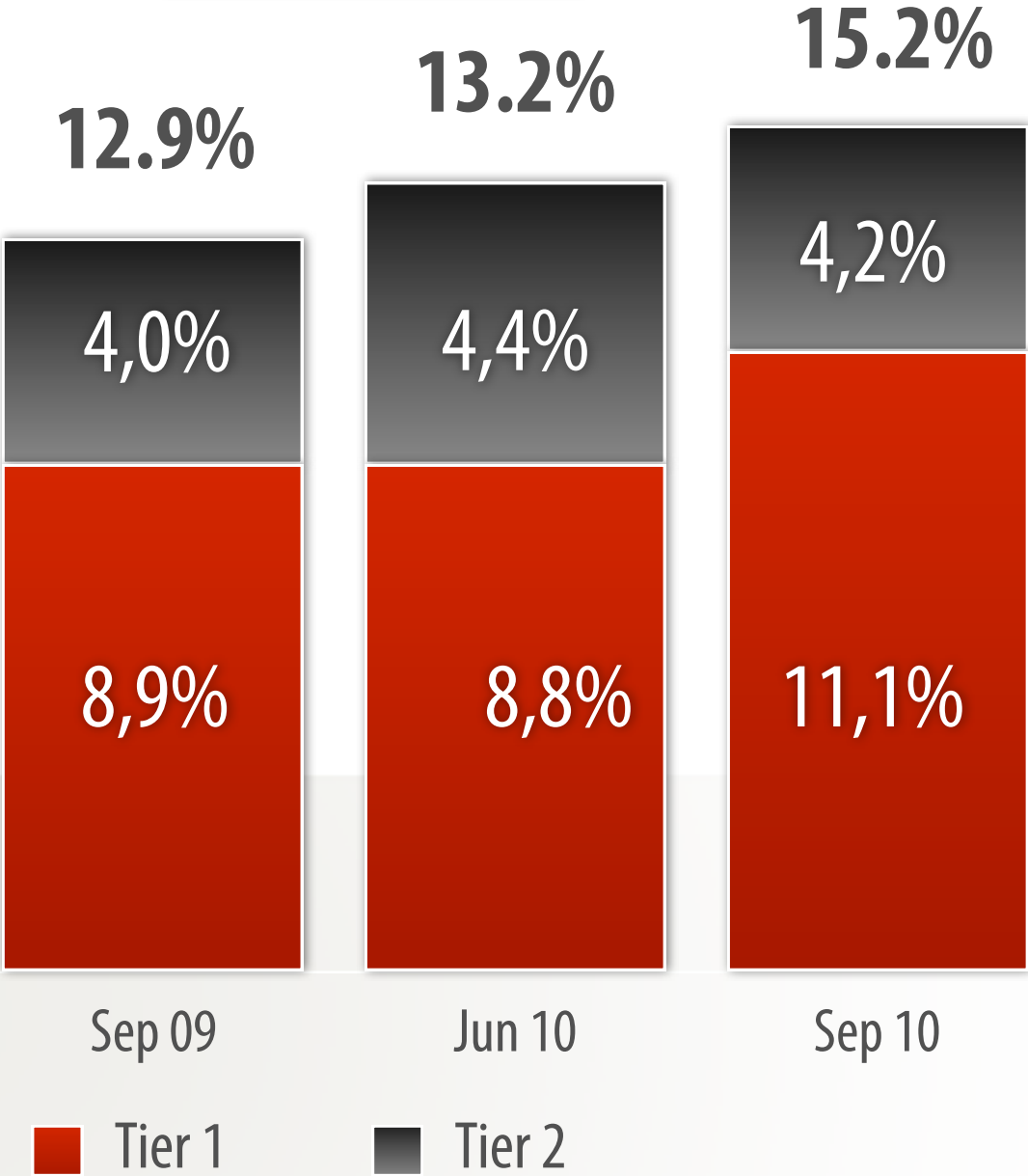
# Results Third Quarter

# Growth

Equity (Billion COP)



Solvency

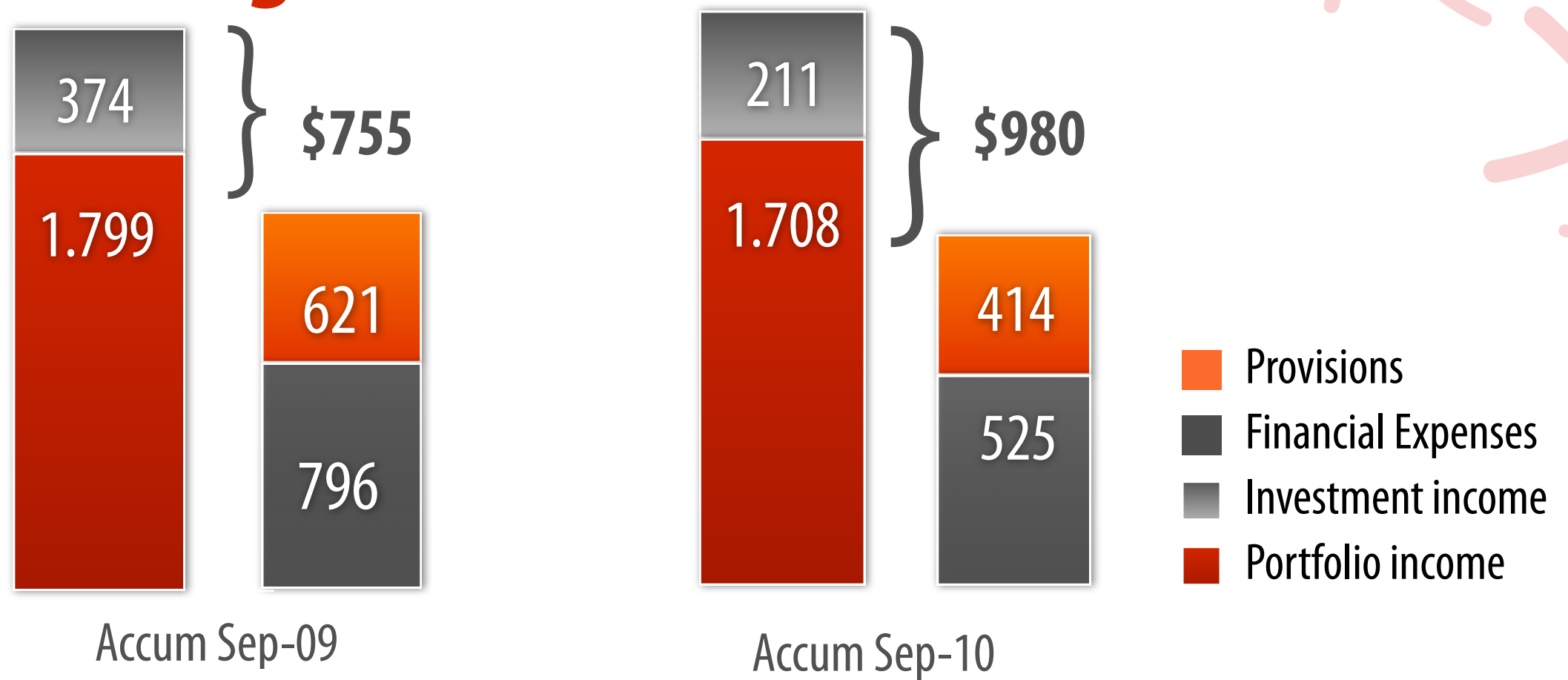


> Source: SFC. Data in COP Trillion



# Results Third Quarter

## Financial Margin



Financial (without dividends) / Average Assets\*

|        | DAV  | BCOL | BOG  | BBVA |
|--------|------|------|------|------|
| Sep-09 | 7.3% | 6.4% | 6.5% | 6.4% |
| Sep-10 | 6.9% | 5.7% | 5.4% | 6.5% |

> Source: SFC. Data in COP Billion

> \*\*annualized data.

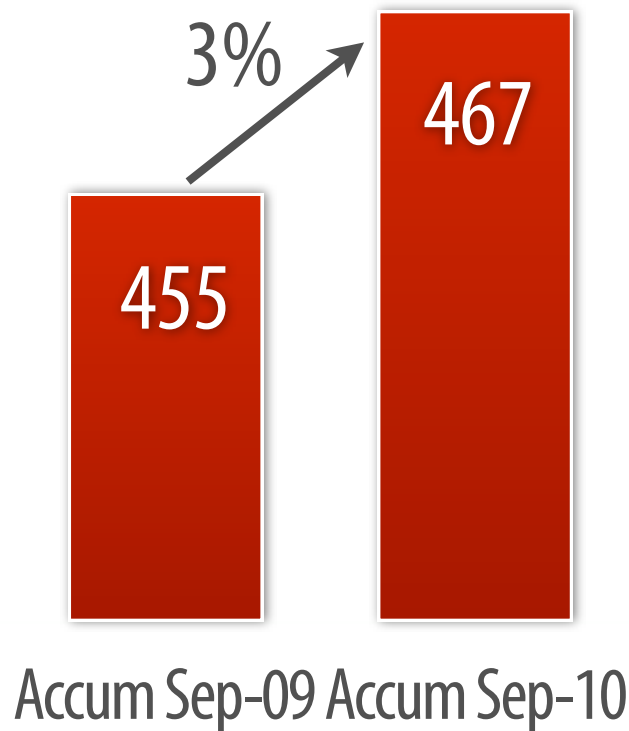


**DAVIVIENDA**

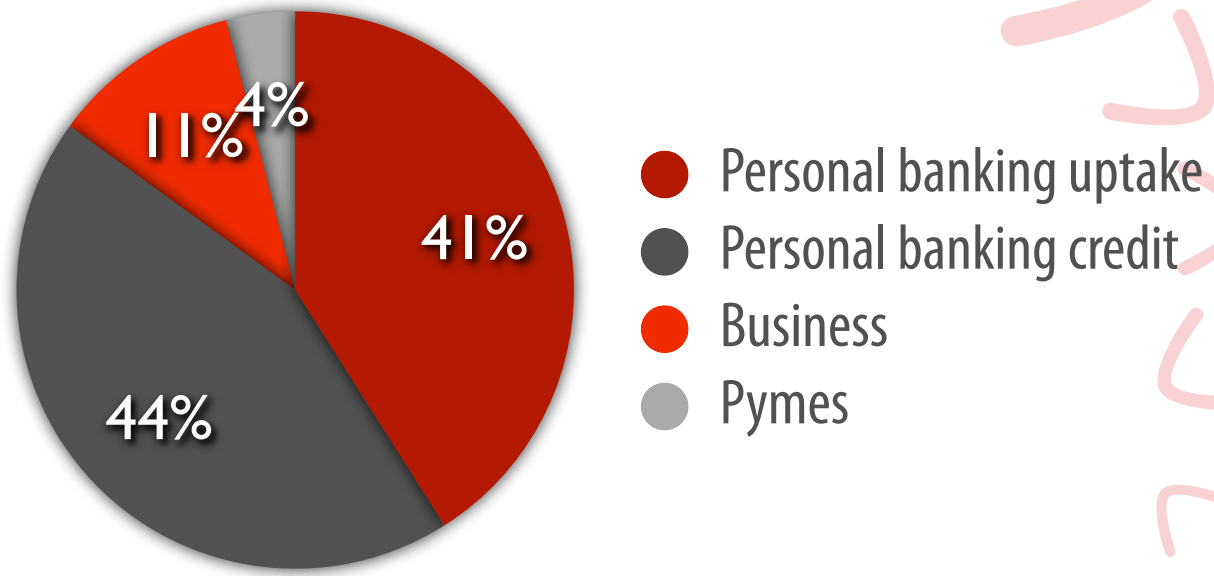
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# Results Third Quarter

## Commissions and fees



Commissions and fees  
Accum sep-10



| Commissions and fees/<br>Total revenues |       | Commissions and fees/Total<br>Expenses-Goodwill |       |
|---|-------|---|-------|
| DAV                                     | SYS   | DAV   | SYS   |
| Accum Sep-09                            | 17.8% | 54.5%   | 44.5% |
| Accum Sep-10                            | 19.7% | 46.6%   | 42.5% |

|              | DAV   | SYS   | DAV   | SYS   |
|--------------|-------|-------|-------|-------|
| Accum Sep-09 | 17.8% | 15.6% | 54.5% | 44.5% |
| Accum Sep-10 | 19.7% | 18.7% | 46.6% | 42.5% |

> Source: Superfinanciera. Data in COP Billion

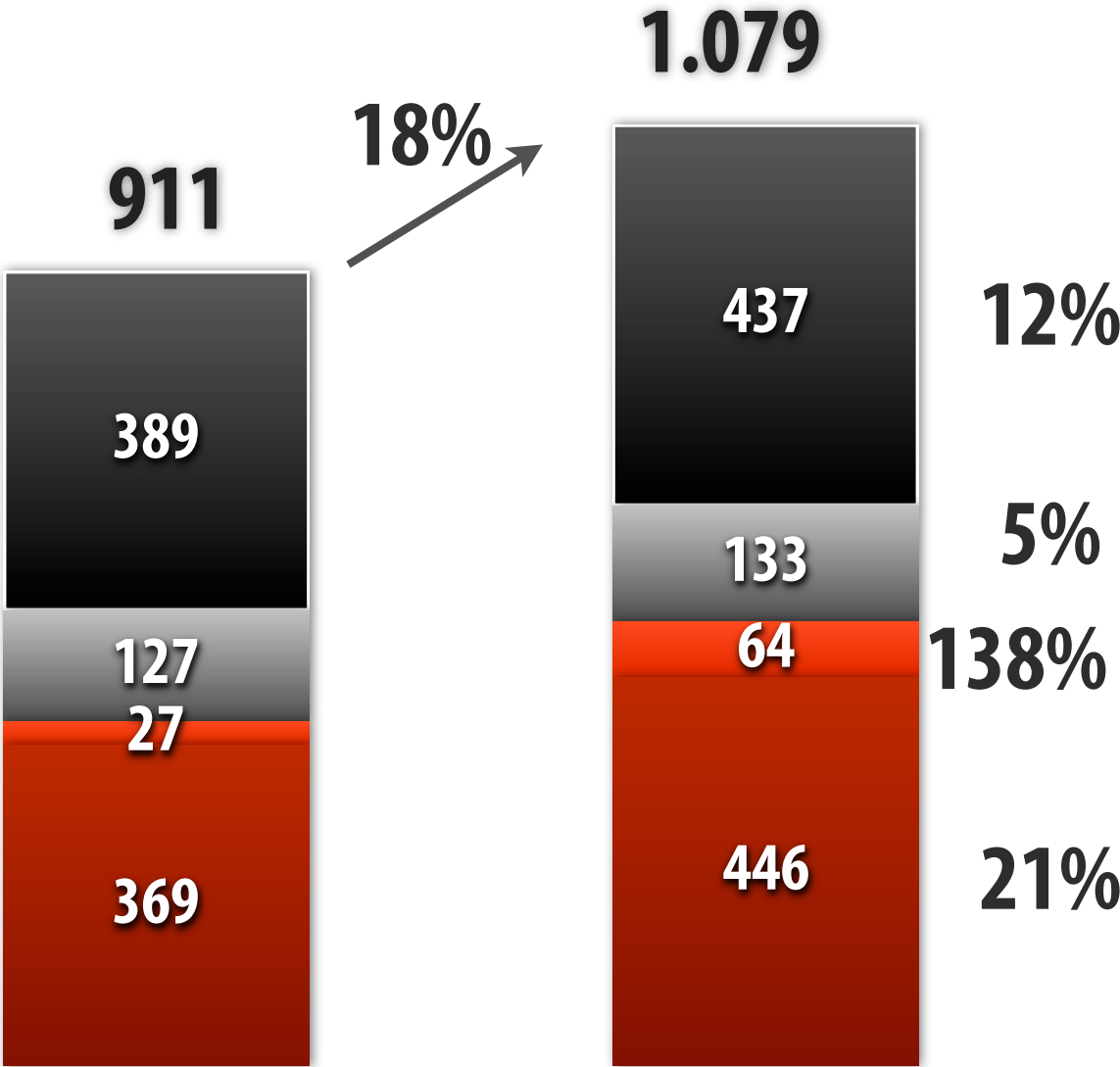




# Results Third Quarter

# Expenses

- Operation
- Amortization and Depreciation
- Taxes
- Personnel



Operating Expenses\* / Financial Margin + Commissions and fees

|              | DAV   | SYS   |
|--------------|-------|-------|
| Accum Sep-09 | 48.5% | 51.7% |
| Accum Sep-10 | 54.2% | 54.6% |

> Source: Superfinanciera. Data in COP Billion

> \*Excludes Goodwill



# Share Evolution

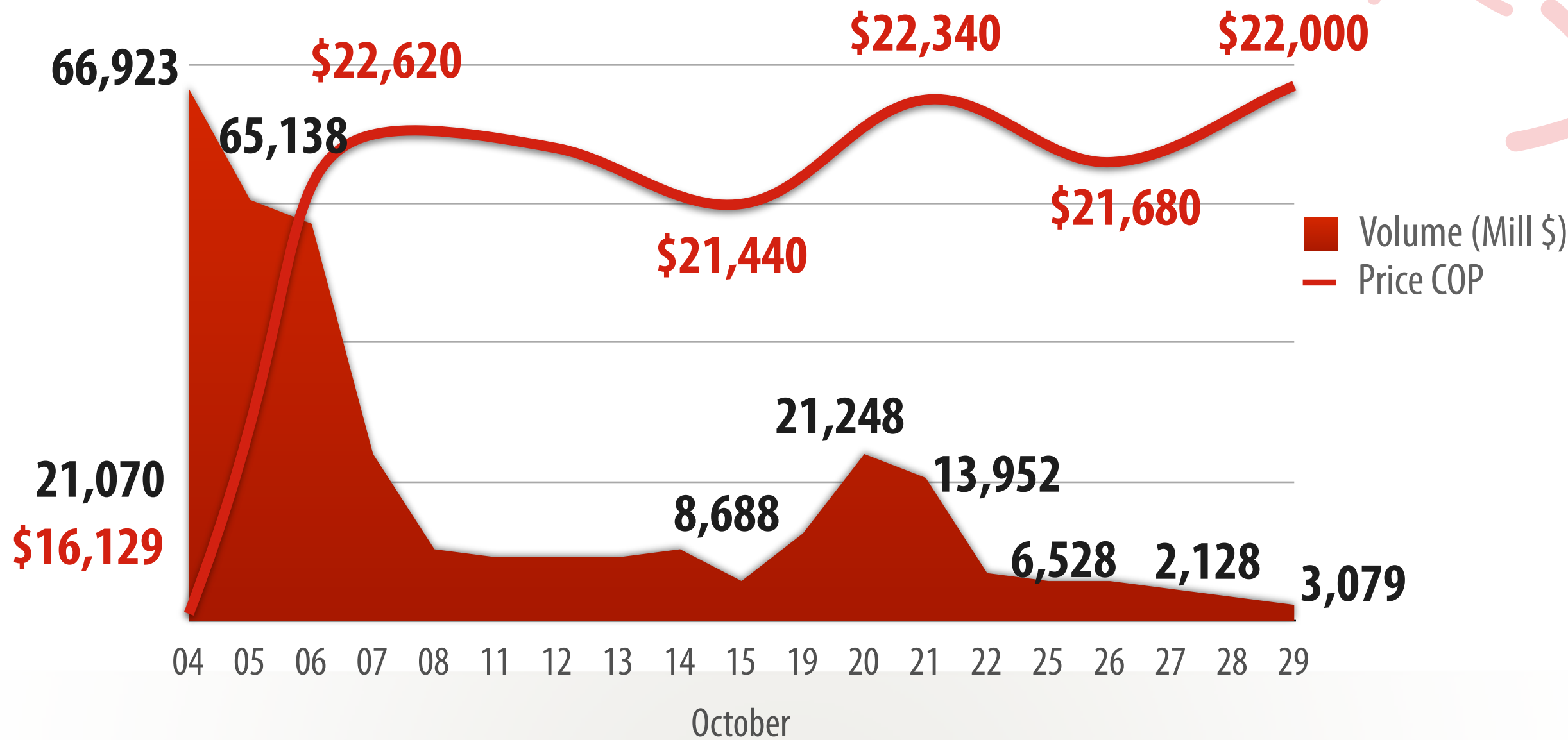


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# Share Evolution



Davivienda Appreciation 36.4%

Qtobin 29 Oct 2.60

Low Price (COP) \$19,320

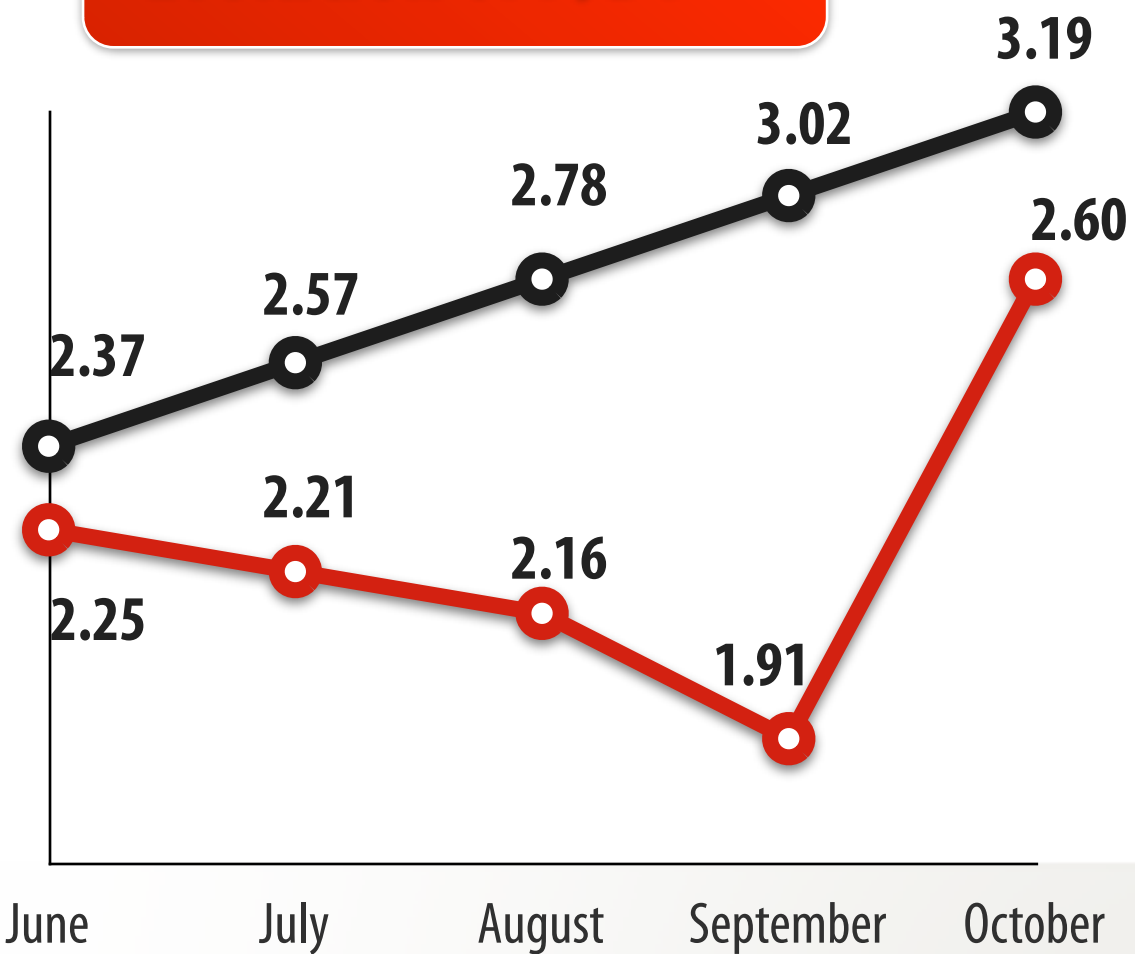
High Price (COP) \$23,000

Price to book value (COP) Sep 30 \$8,452

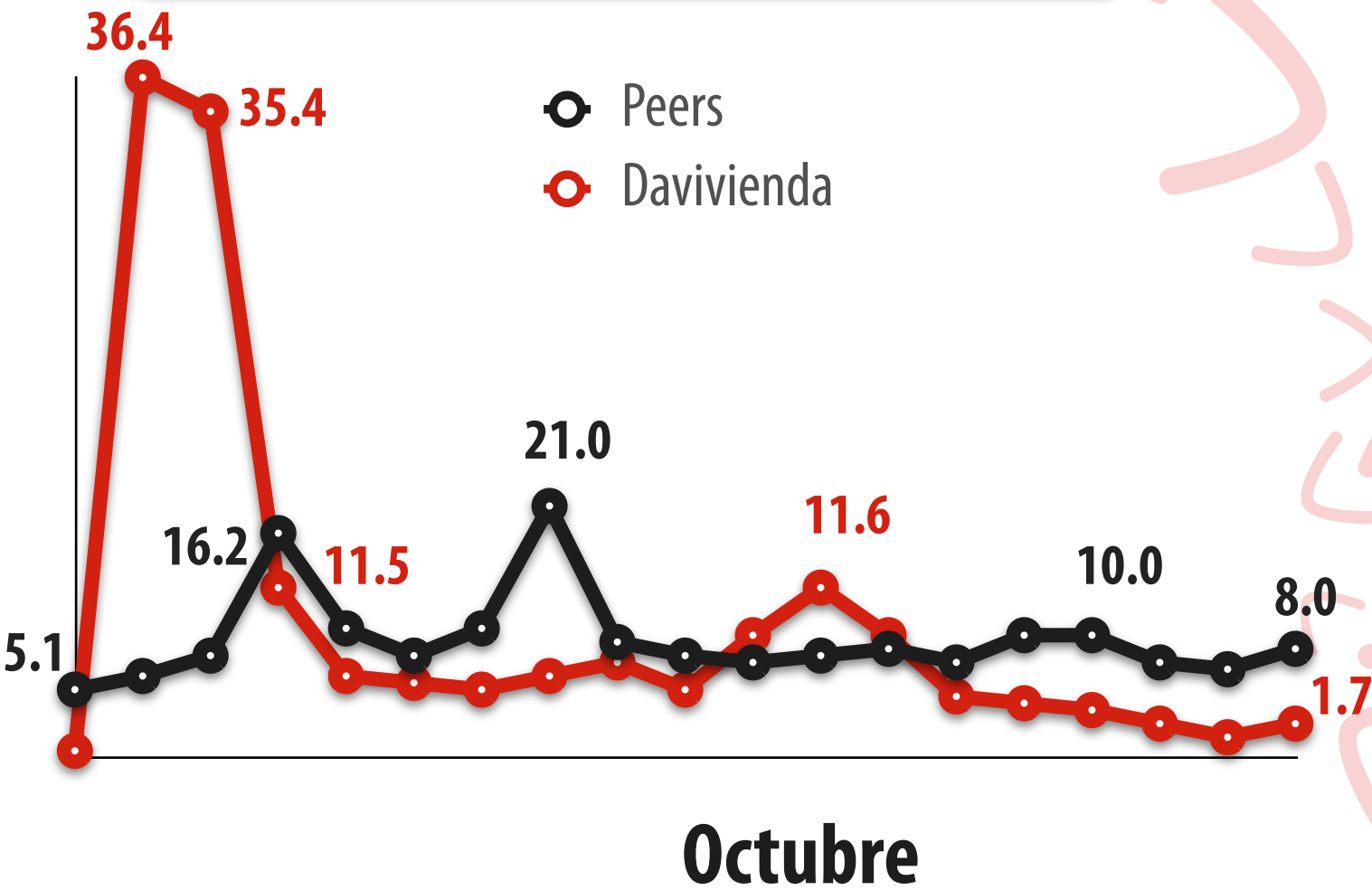


# Share Evolution

Evolution of P/BV\*



Traded Volumes Evolution



Mkt. Cap \$8.98 COP Trillion\*

|            | Volume Mill S | % Part IGBC |
|------------|---------------|-------------|
| Davivienda | 306,265       | 6.3%        |
| Peers      | 329,840       | 6.8%        |

> Share Price of Davivienda is \$16.129 COP during Junie, July, August , September Peers: Bancolombia, Aval and Banco de Bogota

> Source: Bolsa de Valores de Colombia





# Individual Financial Statements



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# Banco Davivienda

## Individual Balance Sheet

September 2009-2010

| Asset  | 2010              | 2009              | Growth %     |
|--|-------------------|-------------------|--------------|
| Cash and cash equivalents                                  | 1,692,755         | 1,621,739         | 4.4%         |
| Active positions in monetary market and related operations | 253,017           | 106,647           | 137.2%       |
| Investments  | 3,580,528         | 3,706,517         | -3.4%        |
| Credit portfolio and financial leasing                     | 18,866,414        | 15,416,413        | 22.4%        |
| Acceptances, cash and derivatives operations               | 92,744            | -24,627           | -476.6%      |
| Accounts receivable  | 307,386           | 299,583           | 2.6%         |
| Foreclosed assets, net                                     | 50,581            | 55,676            | -9.2%        |
| Properties and equipment, net                              | 361,672           | 359,669           | 0.6%         |
| Other Assets   | 1,578,637         | 1,690,008         | -6.6%        |
| Revaluation nets   | 518,751           | 443,124           | 17.1%        |
| <b>TOTAL ASSETS</b>  | <b>27,302,483</b> | <b>23,674,750</b> | <b>15.3%</b> |

> Data in COP million



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# Banco Davivienda

## Individual Balance Sheet

September 2009-2010

| Liabilities and Equity  | 2010              | 2009              | Growth %     |
|---|-------------------|-------------------|--------------|
| Deposits and current liabilities                              | 17,628,100        | 16,452,192        | 7.1%         |
| Liability positions in monetary market and related operations | 571,937           | 148,507           | 285.1%       |
| Bank acceptances outstanding                                  | 91,937            | 935               | 9,709.5%     |
| Banking credits and other financial obligations               | 1,860,359         | 1,335,590         | 39.3%        |
| Accounts payable  | 629,791           | 674,791           | -6.7%        |
| Long term-debt  | 2,567,257         | 2,164,018         | 18.6%        |
| Others liabilities  | 305,277           | 129,569           | 135.6%       |
| Estimated liabilities and allowances                          | 199,113           | 206,055           | -3.4%        |
| <b>TOTAL LIABILITIES</b>                                      | <b>23,853,545</b> | <b>21,111,655</b> | <b>13%</b>   |
| Capital stock   | 51,004            | 47,757            | 6.8%         |
| Reserves  | 269,427           | 1,939,221         | 39%          |
| Surplus   | 545,656           | 443,561           | 23%          |
| Net income  | 155,852           | 132,555           | 17.6%        |
| <b>TOTAL STOCKHOLDERS' EQUITY</b>                             | <b>3,448,939</b>  | <b>2,563,094</b>  | <b>34.6%</b> |
| <b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>             | <b>27,302,483</b> | <b>23,674,750</b> | <b>15%</b>   |

> Data in COP million



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# Banco Davivienda

## Individual Income Statement

September 2009-2010

|   | 2010             | 2009             | Growth %     |
|---|------------------|------------------|--------------|
| Direct operating income   | 3,126,590        | 2,776,093        | 12.6%        |
| Direct Operating expenses   | 1,451,074        | 1,259,291        | 15.2%        |
| <b>Direct operating Results</b>                                   | <b>1,675,516</b> | <b>1,516,802</b> | <b>10.5%</b> |
| Operating income  | 893,580          | 958,653          | -6.8%        |
| Operating expenses  | 896,282          | 730,219          | 22.7%        |
| Operating result before allowances depreciation and amortizations | 1,672,814        | 1,745,236        | -4.1%        |
| Allowances  | 1,159,154        | 1,324,616        | -12.5%       |
| Depreciations - Properties and equipment                          | 27,101           | 25,574           | 6.0%         |
| Amortizations   | 106,338          | 101,026          | 5.3%         |
| Operating income - Net  | 380,221          | 294,021          | 29.3%        |
| Non- Operating income   | 183,700          | 189,004          | -2.8%        |
| Non- Operating expenses   | 58,061           | 59,187           | -1.9%        |
| Non- Operating income - Net                                       | 125,639          | 129,817          | -3.2%        |
| Profit before income tax  | 505,860          | 423,838          | 19.4%        |
| Income tax expenses   | 103,176          | 67,016           | 54.0%        |
| <b>Net income</b>   | <b>402,684</b>   | <b>356,822</b>   | <b>12.9%</b> |

> Data in COP million



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# Consolidated Financial Statements



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# Consolidates Results

September 2010

| Company                              | Assets        | Liabilities   | Equity       | Accumulated Profit |
|--------------------------------------|---------------|---------------|--------------|--------------------|
| Banco Davivienda S.A.                | 27,302        | 23,853        | 3,448        | 402                |
| Bancafé Panamá S.A. - 99.9%          | 1,003         | 853           | 149          | 22                 |
| Confinanciera S.A. - 94.9%           | 419           | 353           | 65           | 10                 |
| Bancafé Int. Corporation S.A. - 100% | 205           | 183           | 22           | -0.5               |
| Fiduciaria Cafetera S.A. - 94.01%    | 77            | 9             | 68           | 6                  |
| Fiduciaria Davivienda S.A. - 60%     | 56            | 7             | 48           | 11                 |
| Davivalores S.A. - 79%               | 10            | 0.2           | 10           | 0.2                |
| <b>Total Bank and affiliates</b>     | <b>29,075</b> | <b>25,261</b> | <b>3,813</b> | <b>453</b>         |
| <b>Homologation and elimination</b>  | <b>-382</b>   | <b>-25</b>    | <b>-357</b>  | <b>15</b>          |
| <b>Consolidated</b>                  | <b>28,692</b> | <b>25,236</b> | <b>3,456</b> | <b>468</b>         |
| <b>September 2009</b>                | <b>25,046</b> | <b>22,489</b> | <b>2,559</b> | <b>386</b>         |
| <b>Variation</b>                     | <b>15%</b>    | <b>12%</b>    | <b>35%</b>   | <b>21%</b>         |

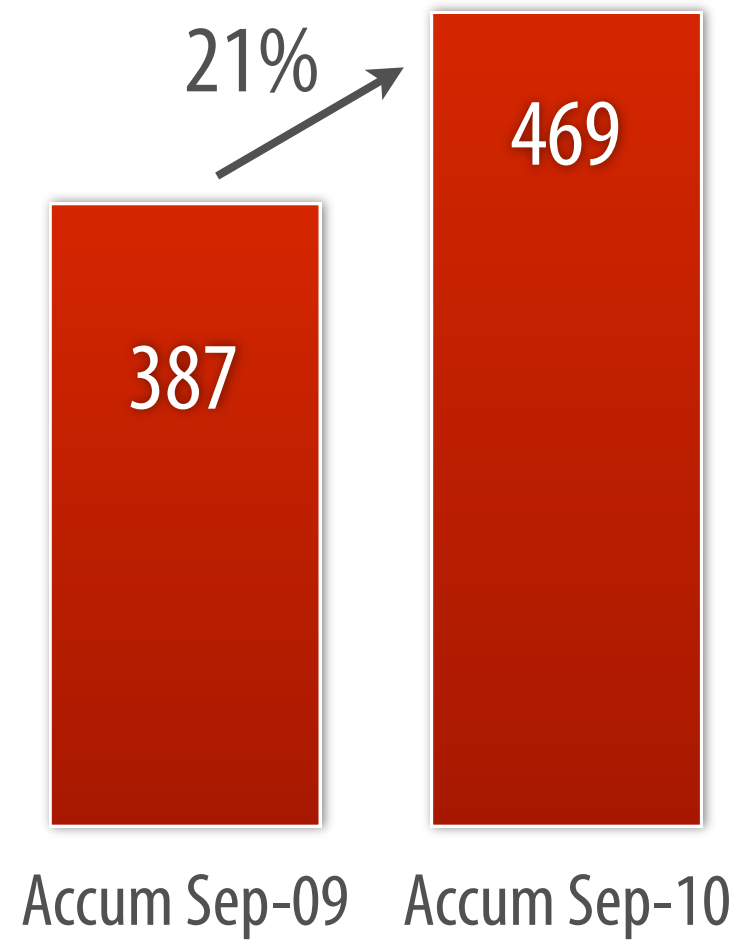
> Data in COP billion.



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# Consolidated Results

## Consolidated Profits



## Banco Davivienda profits on the total consolidated

| Accum Sep-09 | Accum Sep-10 |
|--------------|--------------|
| 92%          | 86%          |



Data in COP Billion



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**¡Thanks for your attention!**



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