



DAVIVIENDA

Quarterly
report 4Q10



DAVIVIENDA

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Important facts of the quarter

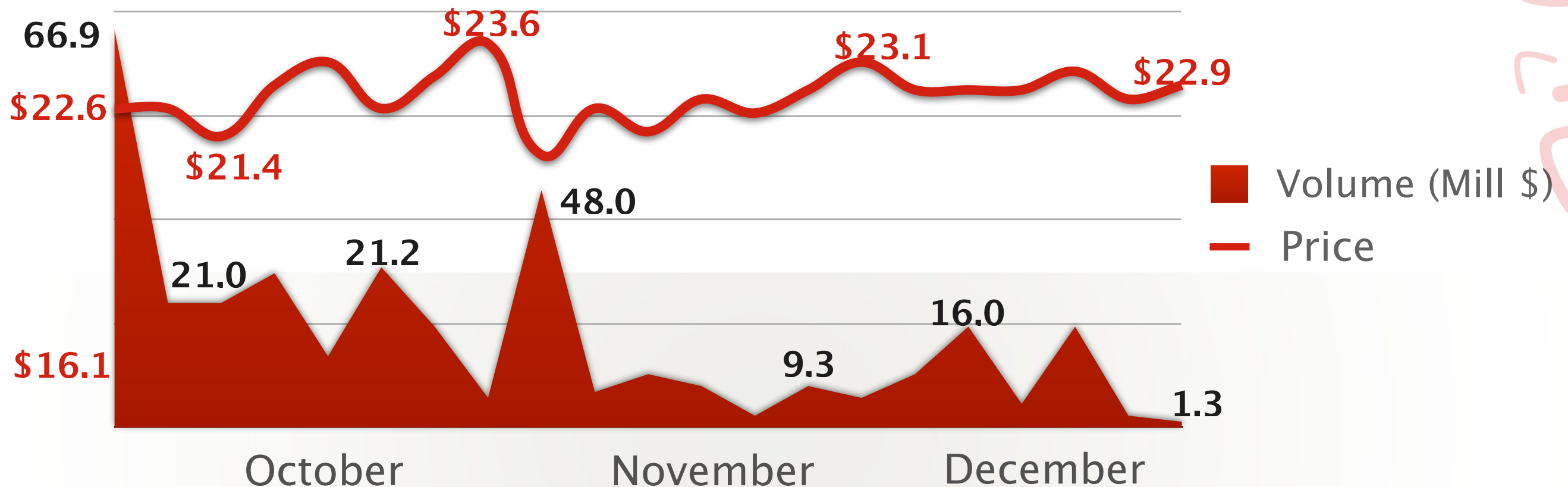


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Preferred Shares Offering

The Shares performance in the stock exchange has been considered satisfying, with a traded percentage of 3,7% in Dec10 and a year-end valuation of 42,5% increasing from \$16.129 to \$22.980. The number of ordinated shares that turned preferred was about 25.6 million.



Davivienda Appreciation 36.4%

Low Price (October 5) \$19,320

Price to Book Value (Dec 30th) \$8,745

Ecopetrol Appreciation (First 60 days) 40.7%

Qtobin* (Dec 30th) 2.63

High Price (Nov 8th) \$23,640



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Bond placement

During 2010 there was an ordinated bonds issues for **\$1 billion (COP)** and subordinated issues for **\$250 billion**

In March 2011 had place an issue of ordinated bonds for **\$600 billion** having a demand of **\$1.093 billion**.

The Davivienda's bonds were the ones traded the most on the market.

February/09	June/09	February/10	October/10
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Subordinated: \$550 Demand: \$1,263			
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Ordinary: \$450 Demand: \$1,001			
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Ordinary: \$500 Demand: \$1,183 Subordinated: \$250 Demand: \$400			
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Ordinary: \$500 Demand: \$1,556			
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Data in COP billion

DaviPlata

DaviPlata is a new financial service of easy and safe management of electronic cash for all colombian.

Login from the cellphone, Register the username from the cellphone, from any part of the country, no cost or document required.

A solution for Financial Inclusion.



DaviPlata's Transactions

To other 'Daviplata'
To Saving Accounts
To Checking Accounts

Public Services
Suppliers



DAVIPLATA

Es Efectivo para TODOS.

Es Efectivo para TODOS.

The product was launched to the market on March 6th of 2011



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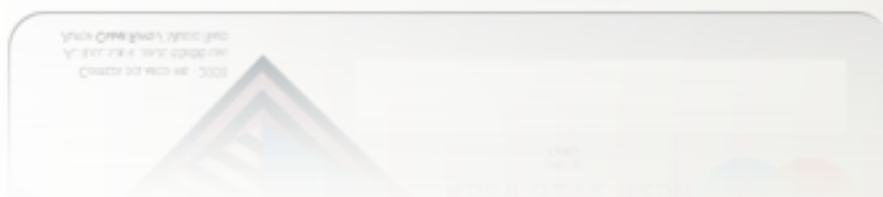
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Debit card Davivienda “Transmilenio”

The same card with two different functionalities:



- > It can be use as a rechargeable ticket for massive transport in the city.
- > Banking transactions



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Fusion between Davivienda and Granbanco

Ended up a successful
Integration with Granbanco,
reaching the position of the
3th largest bank in the
country having:

- > Shares for \$29.6 billion
- > Patrimony of \$3.57 billion
- > Net Portfolio of \$20.8 billion

This Process allowed the offer of new services for
the costumers from both banks



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Davivienda S.A.

Miami International Bank Branch

During the second semester of 2010, was approved the conversion of “Bancafé International that was a filial into a Davivienda’s branch office , receiving authorization from both american and colombian regulatory authorities.

This is an operation that strengthen the capability of generate new business with our costumers

Our new filial started to operate the 1st of January of 2011.



Consolidated results



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Summary

Consolidated Results

- > The consolidated Profits have grown **25,6%** reaching **\$579,3 billion**.
- > The gross loan portfolio was **\$20,8 billion** year-end, showing a growth of **5%** compared to 3Q10 and a **21.6%** contrasted with the 4Q09.
- > The loan portfolio quality was **3.6%** contrasting with **4.3%** that reached in 4Q09 and the **3.43%** from 3Q10, meanwhile the coverage ended up on cutoff date to **151.4%** against the **145.9%** from previous year.
- > The Deposits amount reach **\$22.4 billion** to 4th Quarter of 2010 with a growth of **9%** respecting the 4th quarter of 2009 and a **4.4%** against the 3th quarter of 2010.
- > the relation between the net portfolio and the deposits amount grew to **92,6%** while in the 4th quarter of 2009 showed a growth of **83.2%** and **91.9%** for the 3th quarter of 2010.
- > The patrimony reached **\$3.6 billion** showing a growth of **32%** respect to 2009 and the solvency took place in **13.1%**.

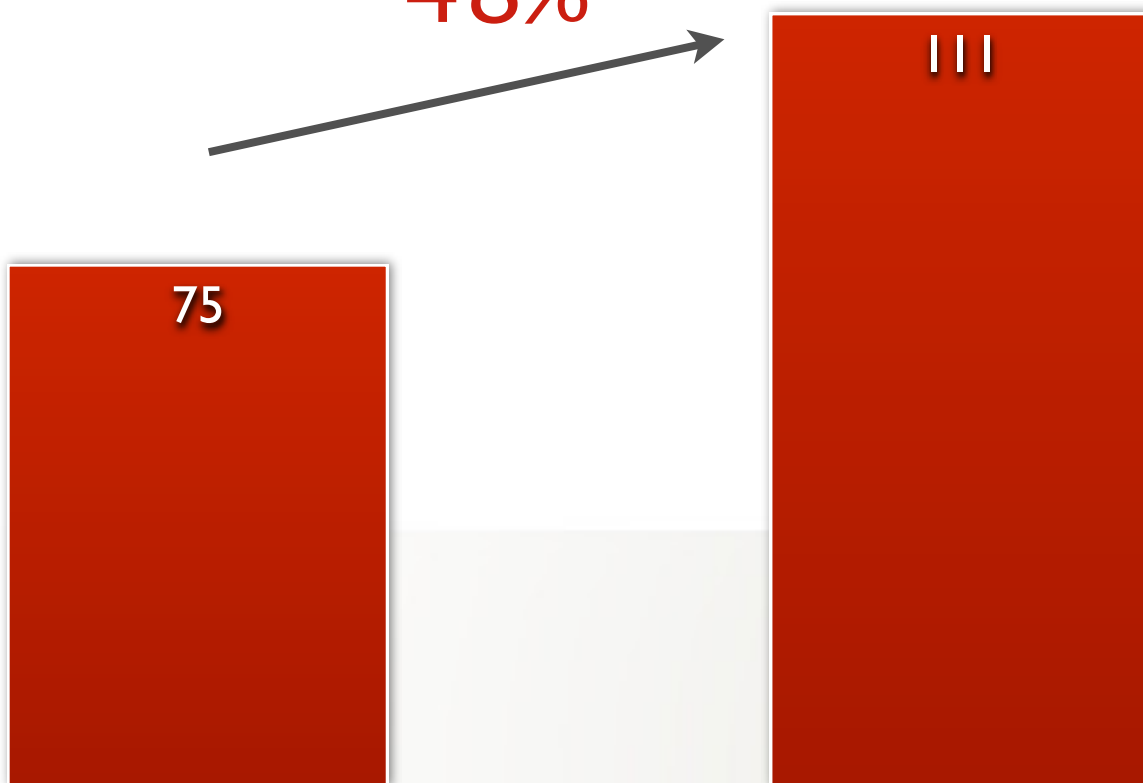


Results of the 4th Quarter

Profits

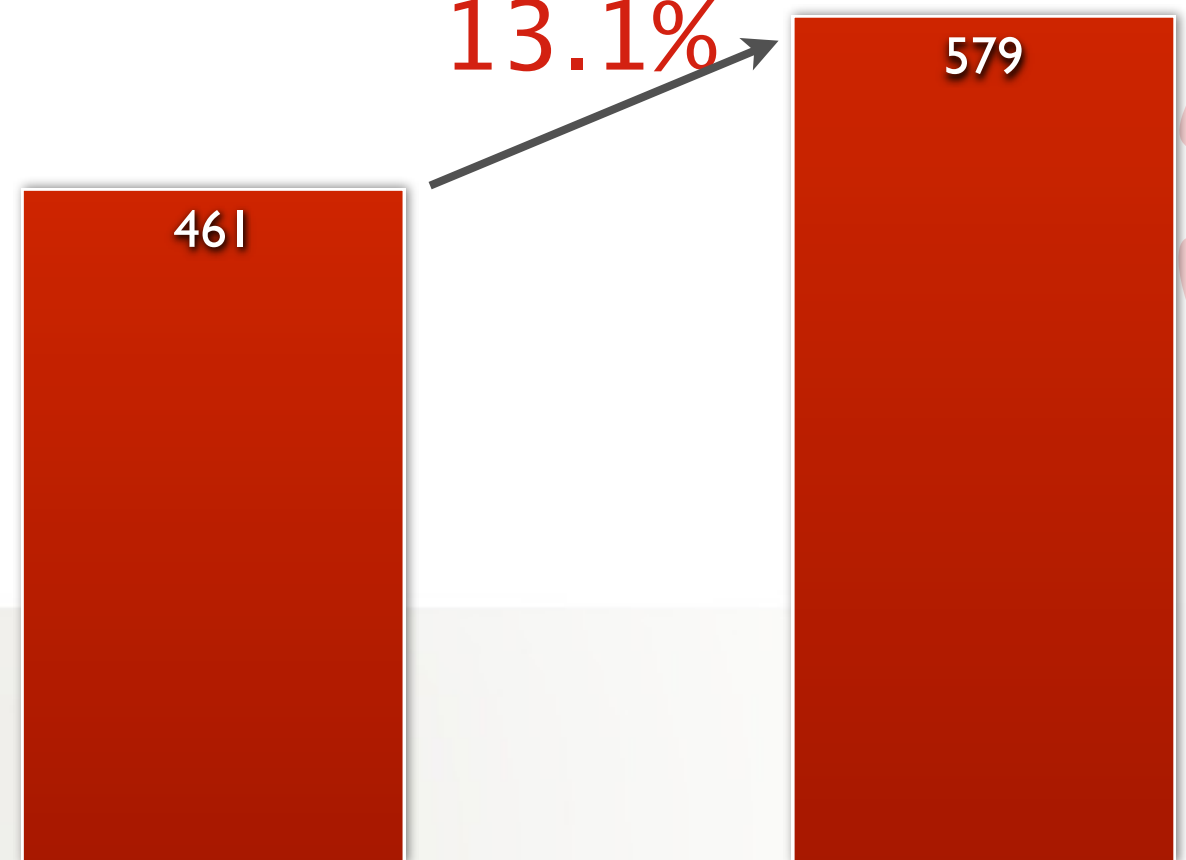
Profits 4Q09 - 4Q1010

48%



Profits 12 months

13.1%



IV Quarter/09

IV Quarter/10

Dec/09

Dec/10

Data in COP Billion
Source: SFC

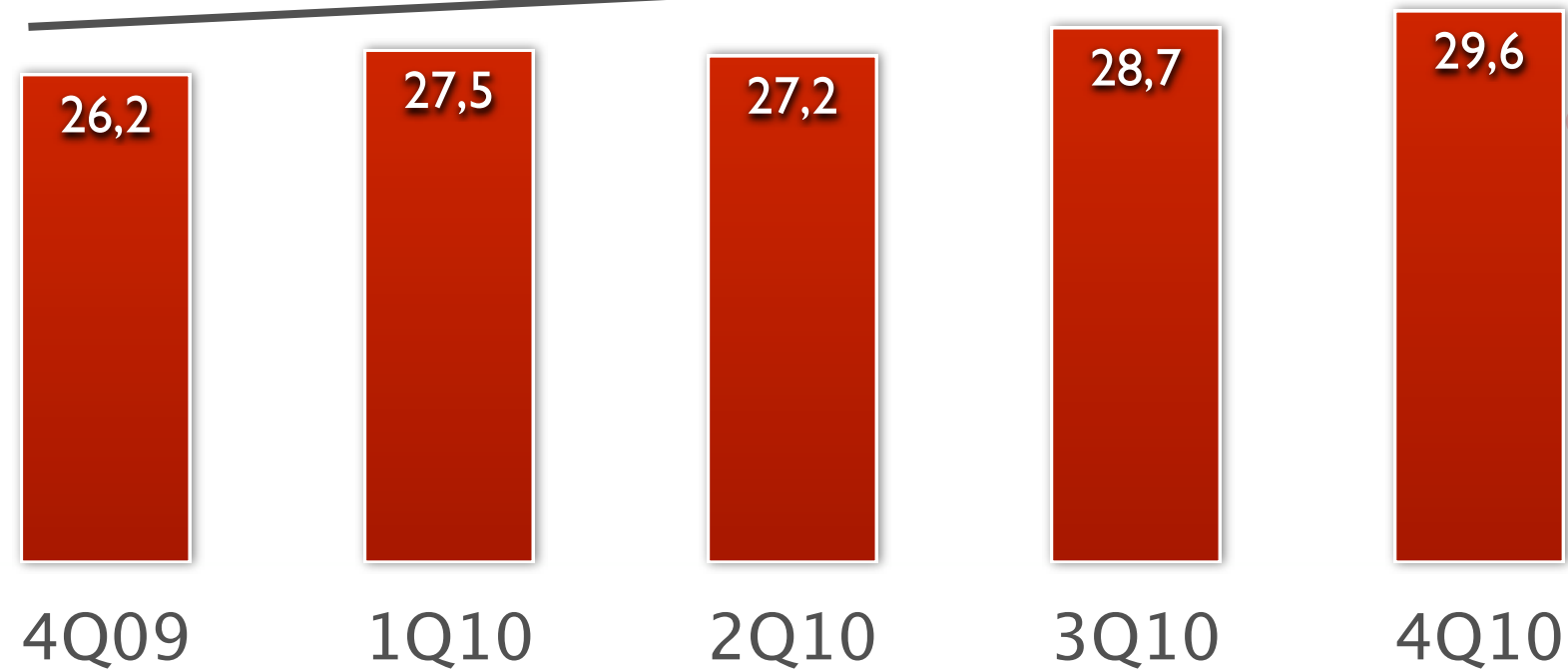


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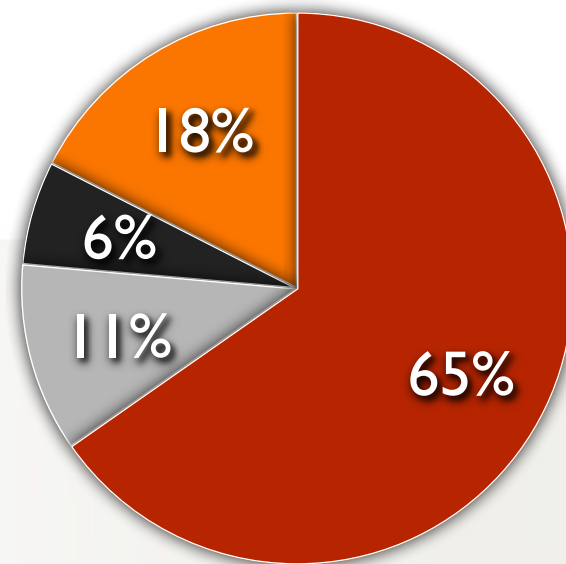
Fourth Quarter Results Assets

Davivienda's
participation in
market to Dec10:
11.6%.

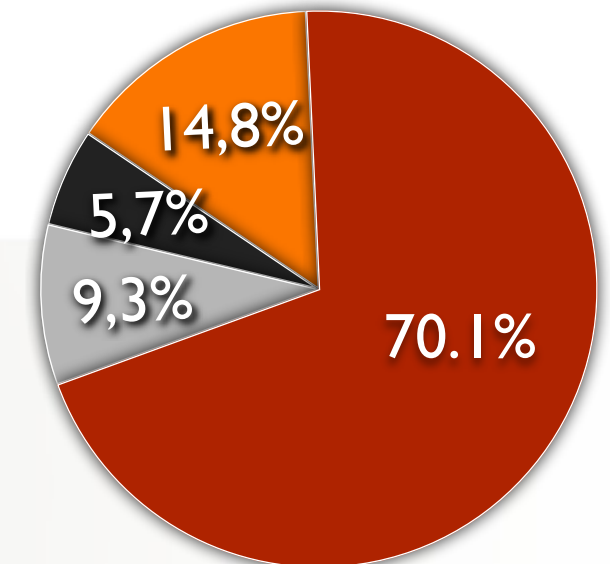
13.2%



**Dec 2009
Davivienda**



Dec 2010



● Gross Portfolio
● Disposable

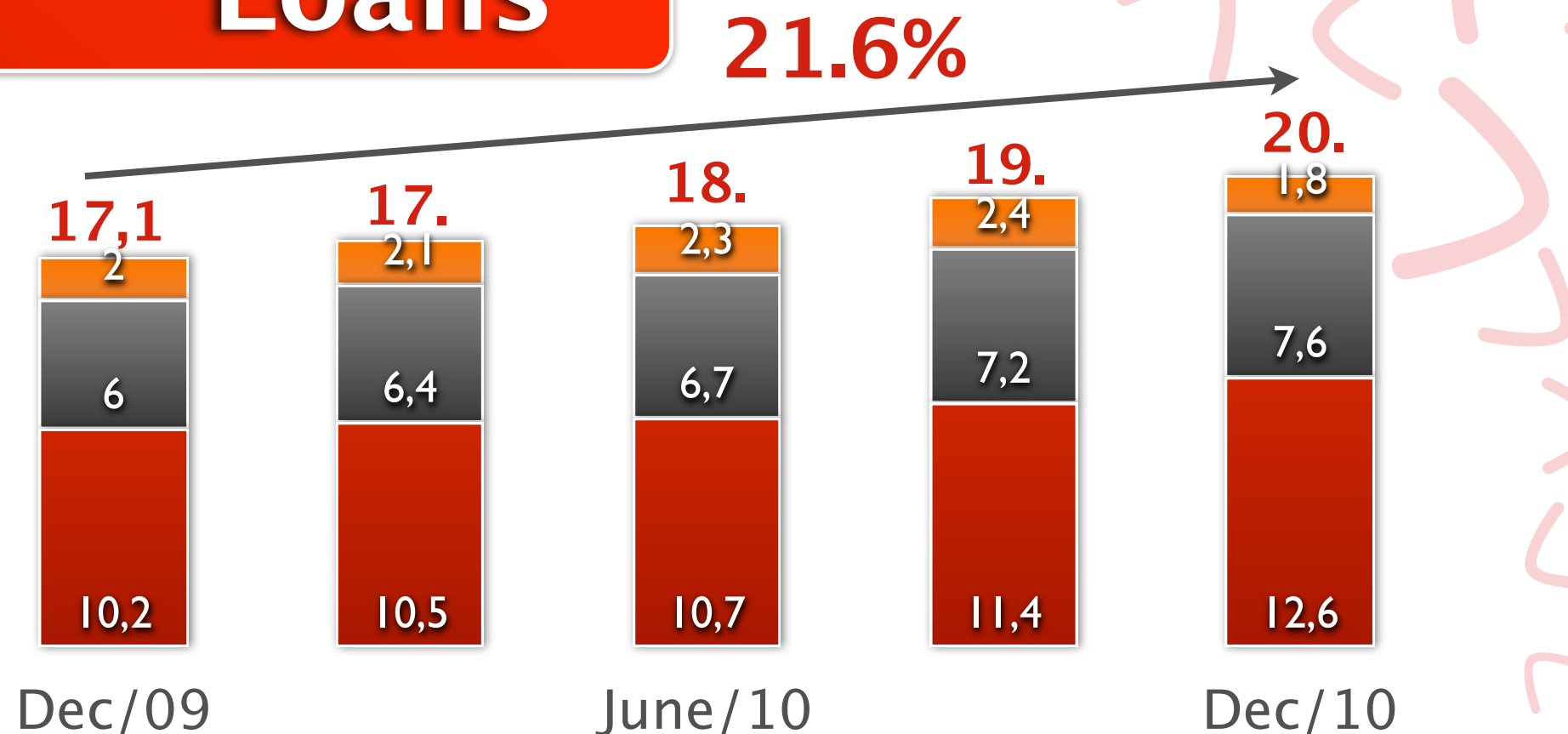
● Fixed Assets with valuation and dererred
● Net Investments

Source: SFC. 1. Mortgage includes Home Leasing. Data in COP Billion.

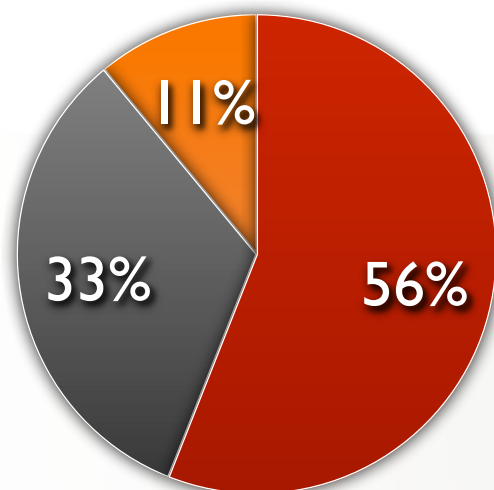


Fourth Quarter Results **Loans**

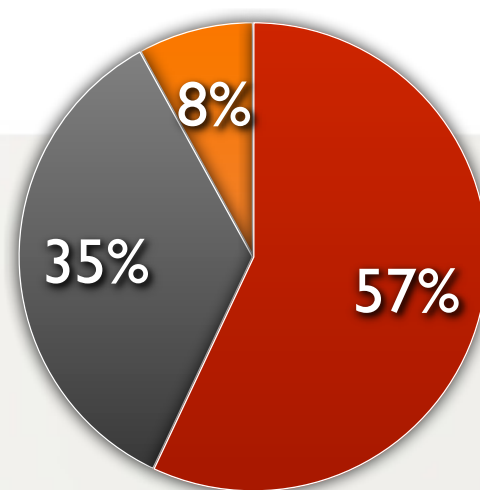
Davivienda's participation in market to Dec10: **13.7%.**



Dic 2009



Dic 2010



Commercial Consumer Mortgage

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

Fourth Quarter Results Loans

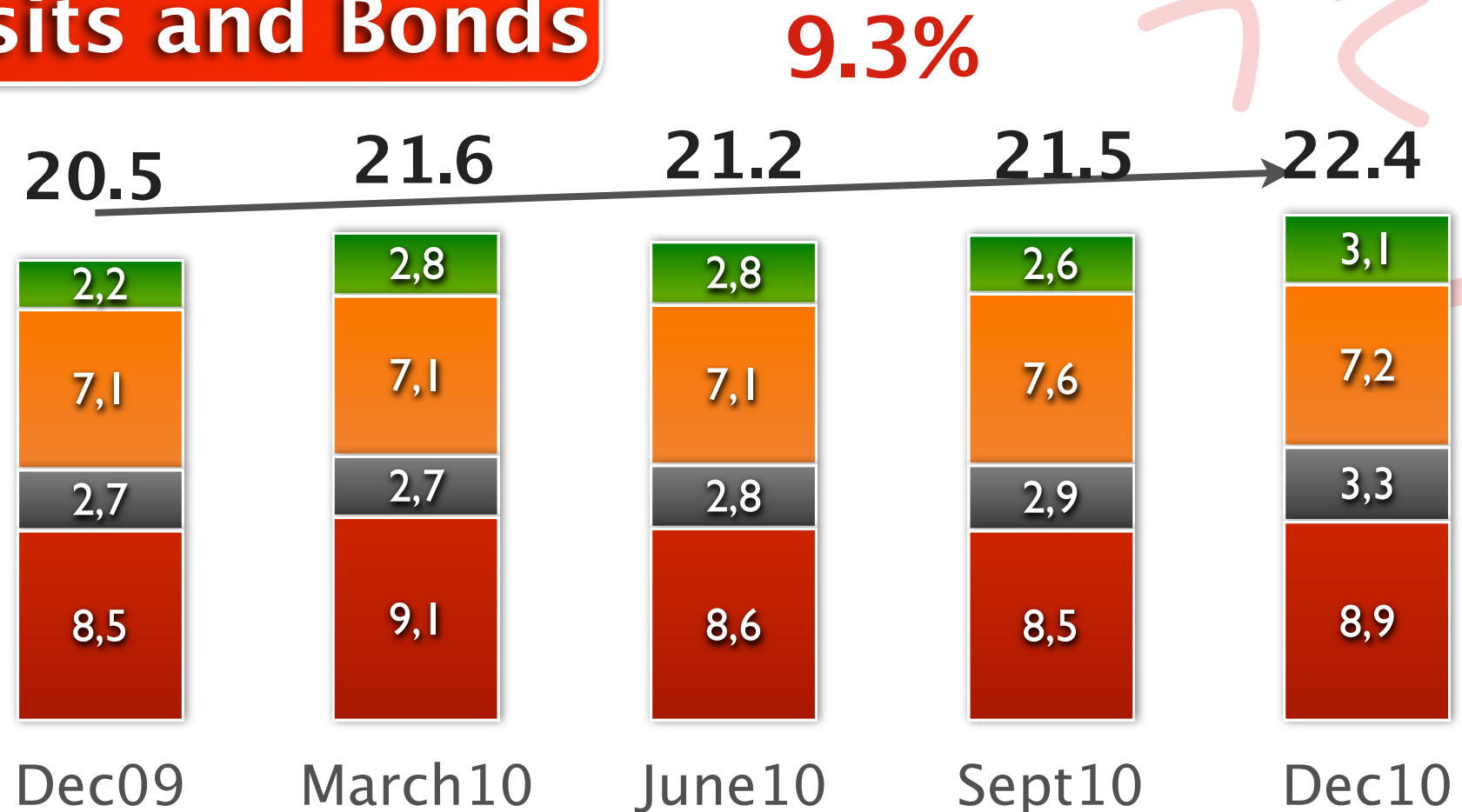
Growth, Quality y Coverage

	Total Dec09 – Dec10		Consumer Dec09 – Dec10		Commercial Dec09 – Dec10		Mortgage Dec09 – Dec10	
Loan Quality	2,2	1,6	2,8	2,7	1,7	0,7	2,1	2,0
Loan Quality Coverage	146	151	114	119	196	216	176	167

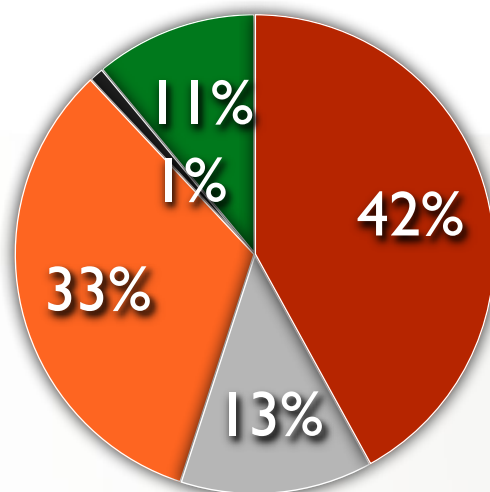
Source: SFC.
Quality: Consumer > 60 Days / total, Commercial > 90 days / total, Mortgage > 120 days / total.
Coverage: Provisions / Past due loans

Fourth Quarter Results Deposits and Bonds

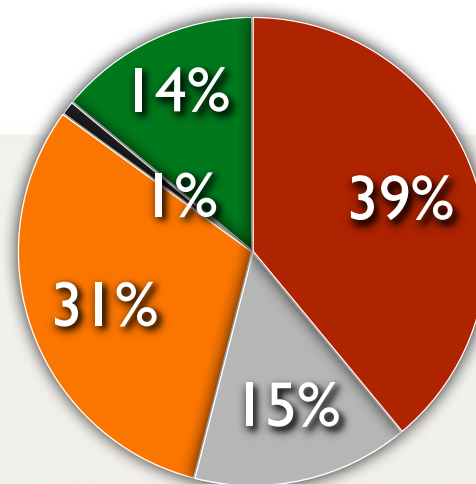
Davivienda's participation in market to Dec10: **11.8% for Deposits and 16.7% for bonds issues**



Dec 2009



Dec 2010



■ Bonds
■ Time Deposits
■ Checking Accounts
■ Saving Accounts

● Saving Accounts
 ● Checking Account
 ● Time Deposits
 ● Others
 ● Bonds

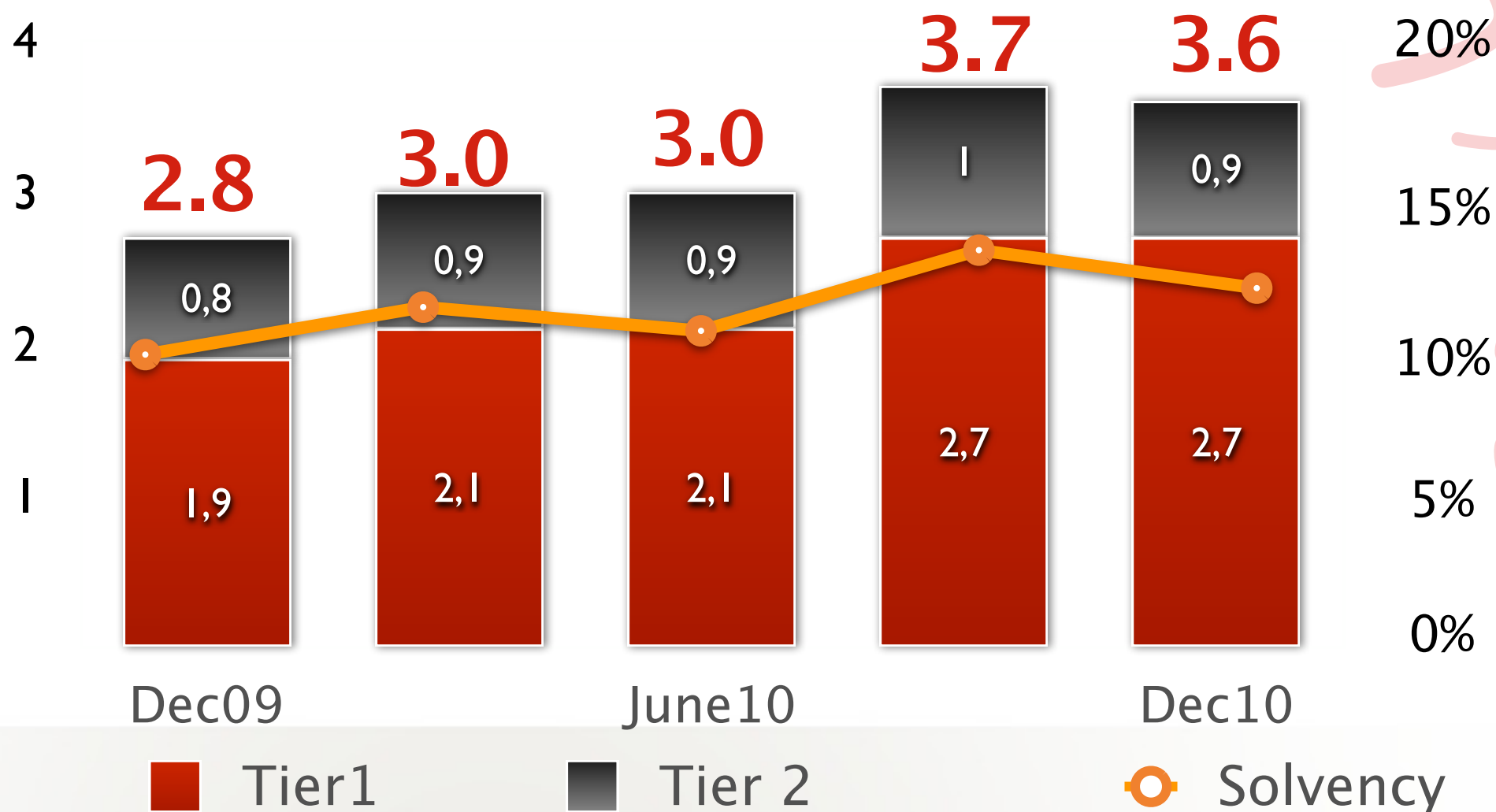
> Source: SFC.Data in COP Billon

Fourth Quarter Results

Equity and Solvency Evolution

the ROE reached **16.2%** respects to **17.1% 4Q09**

Wighted assets by risk level to Dec10 reached \$25.6 billon.



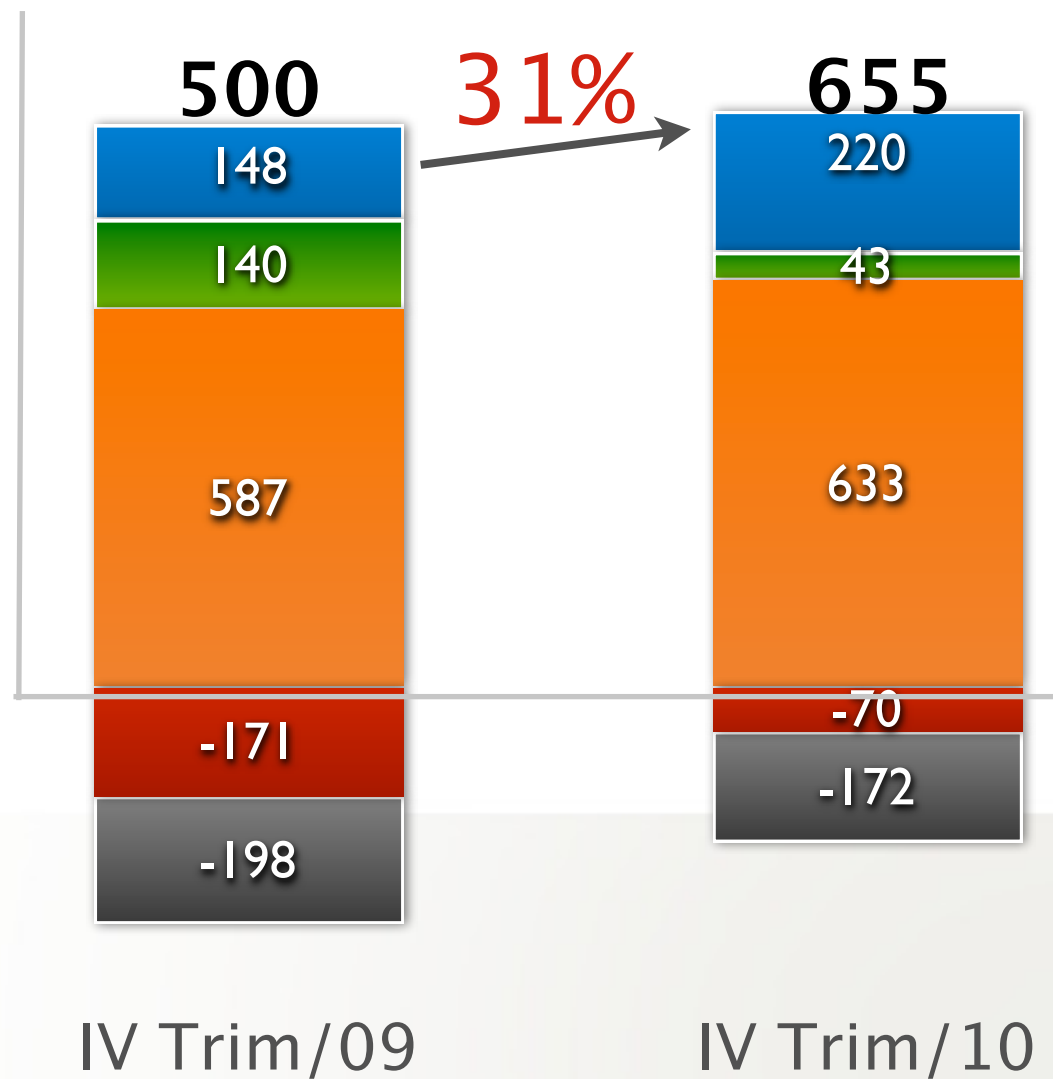
	4Q09	1Q10	2Q10	3Q10	4Q10
Solvency	12%	12,9%	12,8%	14,3%	13,1%

> Source: SFC.Data in COP Billion

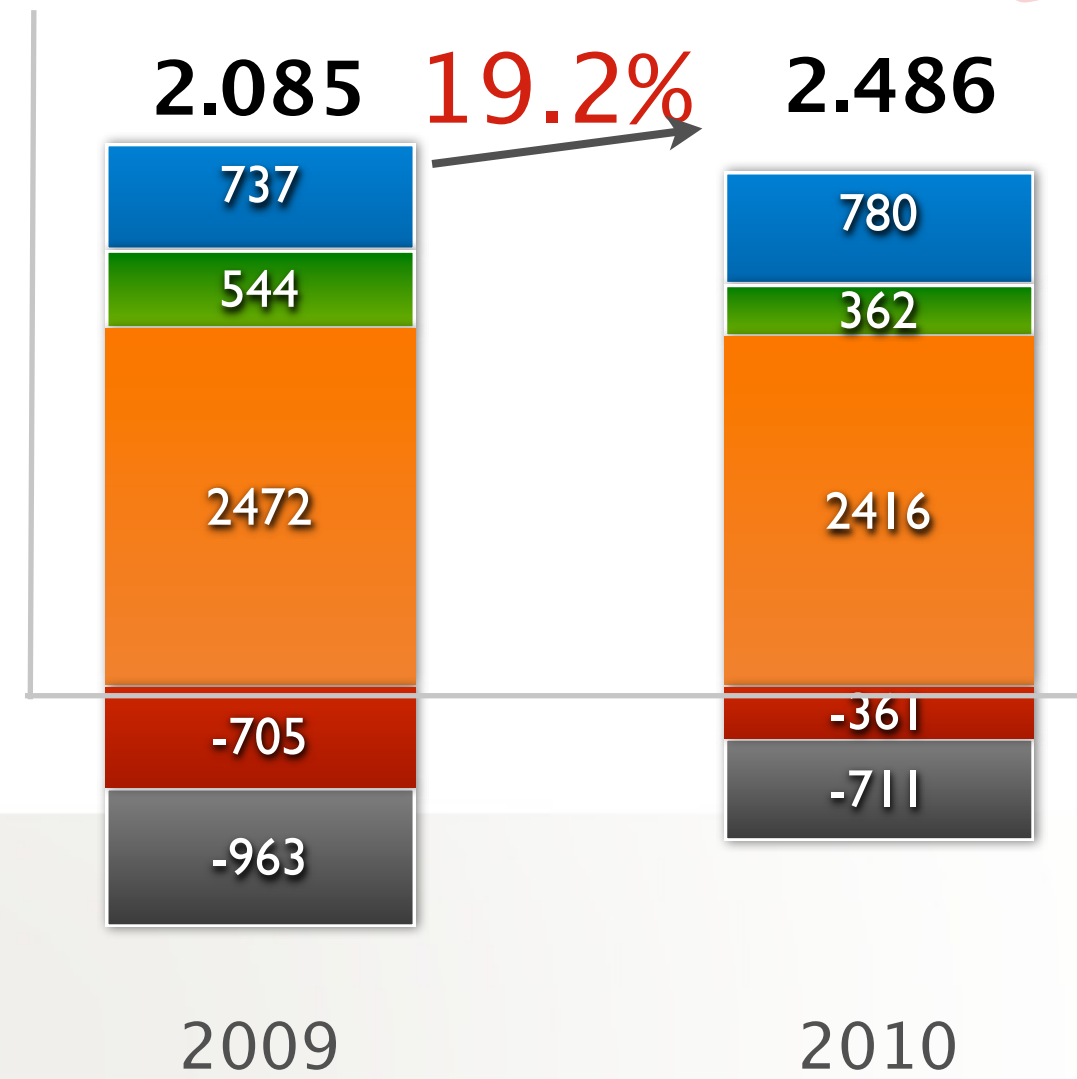
Fourth Quarter Results

Financial Margin

4Q09 to 4Q10 Margin



Aggregated Financial Margin

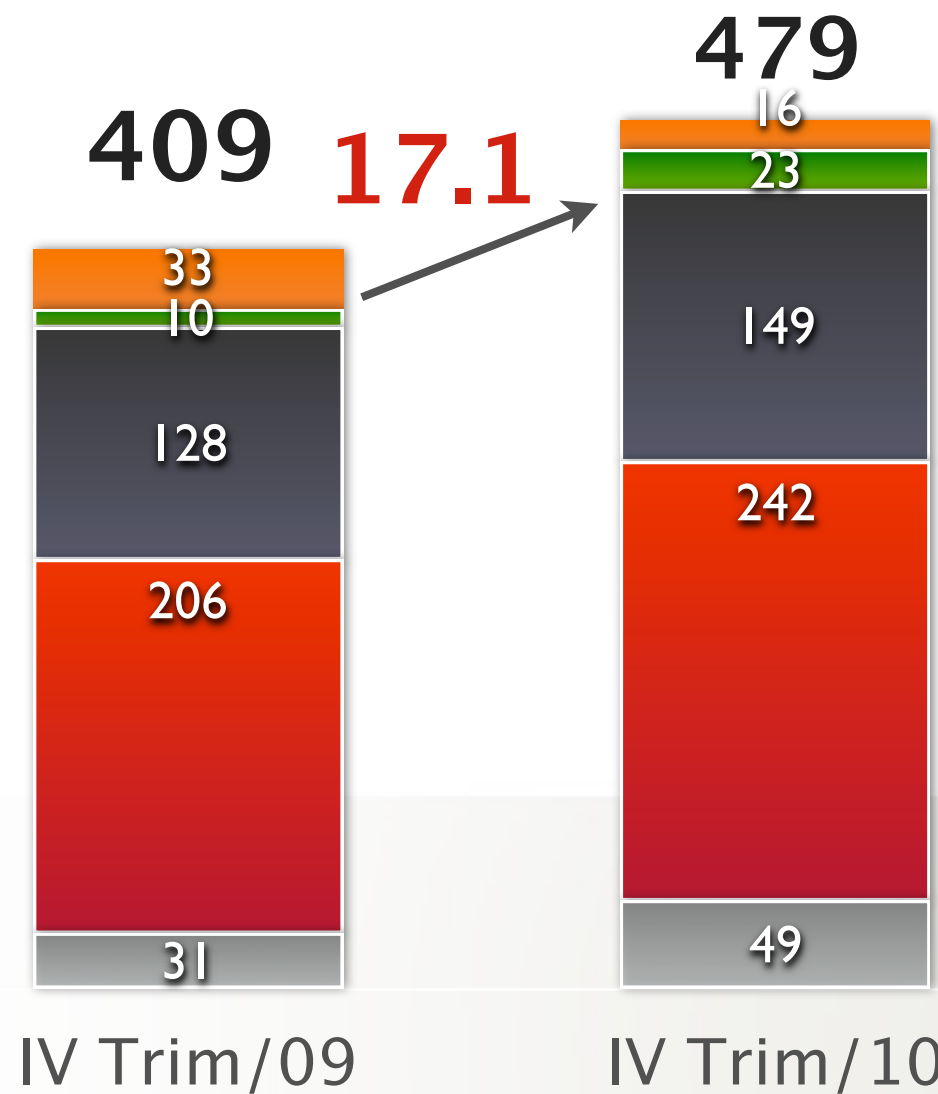


■ Provisions
 ■ Total expenses
 ■ Portfolio Income
 ■ Net Investment income
 ■ Other Income

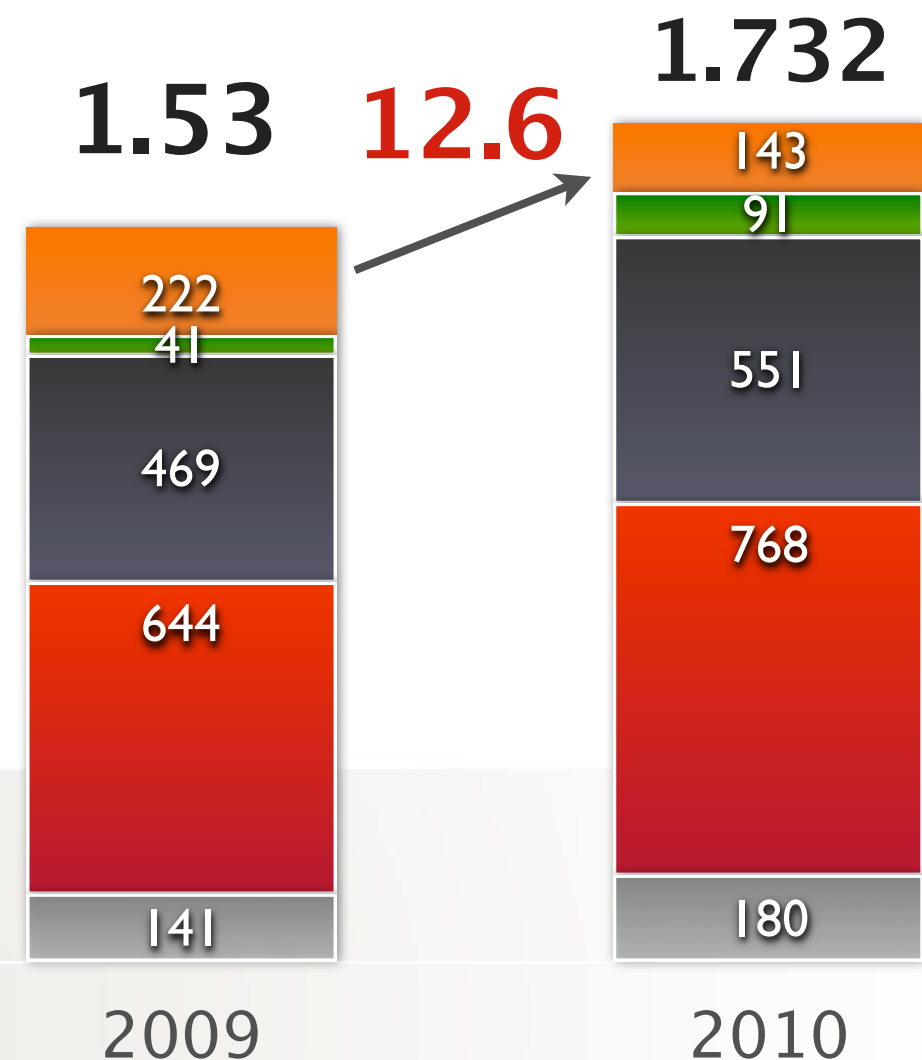
> Source: Superfinanciera. Data in COP Billion

Fourth Quarter Results Expenses

4Q09 to 4Q10 expenses



Aggregated Expenses



Amortization and Depreciation
 Taxes

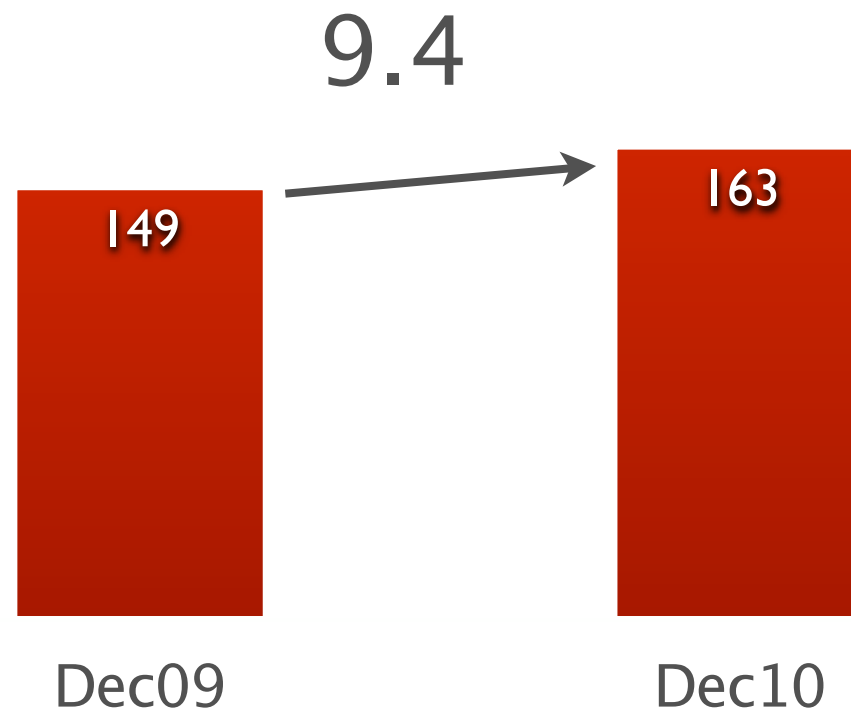
Operational expenses
 Other Expenses

Personnel

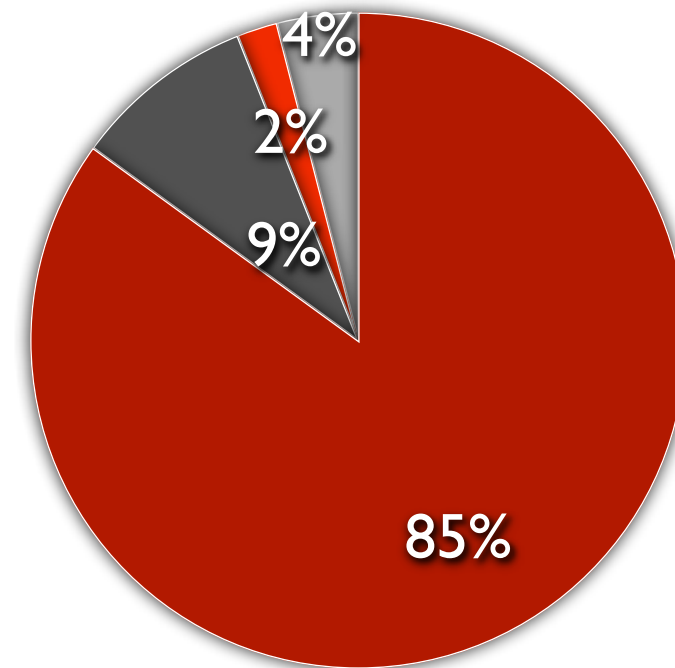
> Source: Superfinanciera. Data in COP Billion

Fourth Quarter Results

Services Income



Aggregated Services Income to Dec10



● Personal ● Commercial
● Trust Fund ● International

Services Income/ Total Income

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Dec09 Aggregated

23,1%

Dec10 Aggregated

24,5%

> Data in COP Billion

Consolidated Financial Statement



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Main figures

Company	Assets	Liabilities	Equity	Accumulated Profit
Banco Davivienda S.A.	28.237	24.668	3.569	517
Bancafé Panamá S.A. –99.9%	1.007	850	158	29
Confinanciera S.A. –94.9%	417	346	71	16
Bancafé Int. Corporation S.A. –100%	198	175	23	-0.5
Fiduciaria Cafetera S.A. –94.01%	76	7	69	7
Fiduciaria Davivienda S.A. – 60%	58	5.9	52	15
Davivalores S.A. –79%	12	1.2	11	0.4
Total Bank and affiliates	30.006	26.053	3.953	584
Homologation and elimination	-396	-12	-384	-4.3
Consolidated Dec10	29.610	26.041	3.569	579
Consolidated Dec09	26.159	23.461	2.698	461

(Data in COP Billion)



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Balance

	December 09	December 10	Variation	
Assets			\$	%
Cash and cash equivalents	1,549	1,492	-57	-3,7%
Active positions in monetary market and related operations	55	192	136	246,9%
Investments	4,576	4,392	-184	-4,0%
Credit portfolio and financial leasing	17,075	20,768	3,693	21,6%
Acceptances, cash and derivatives operations	-18	74	93	510,2%
Accounts receivable	358	337	-21	-5,9%
Foreclosed assets, net	56	60	4	6.7
Properties and equipment, net	376	370	-5	-1.4
Other assets	1,705	1,487	-218	-12,8%
Revaluation nets	427	437	10	2,4%
Total Assets	26,159	29,610	3,451	13,2%

(Data in COP Billion)



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Balance

	December/09	December/10	Variation	
Liabilities			\$	%
Deposits and current liabilities	18,342	19,348	1,006	5,5%
Liability positions in monetary market and related operations	516	58	-458	-88,8%
Bank acceptances outstanding	2	82	80	3.682%
Banking credits and other financial obligations	1,400	2,400	1,000	71,5%
Accounts payable	618	672	54	8,7%
Long term-debt	2,183	3,083	900	41,2%
Others liabilities	267	281	14	5,2%
Estimated liabilities and allowances	132	116	-16	-12,2%
TOTAL LIABILITIES	23,461	26,041	2,580	11,0%
Capital stock	45	47	2	3,9%
Reserves	1,971	2,769	798	40,5%
Surplus	433	446	13	3,0%
Profits of the last periods	29	13	-17	-56,7%
Period result	219	294	75	34,3%
TOTAL EQUITY	2,698	3,569	871	32,3%
TOTAL LIABILITIES AND EQUITY	26,159	29,610	3,451	13,2%

(Data in COP Billion)



DAVIVIENDA
AQUI LO TIENE TODO

Statement

	December 09	December 10	Variation	
			\$	%
Direct operating income	3,376	3,180	-196	-5.8%
Direct operating expenses	1,401	893	-507	-36.2%
Direct operating results	1,975	2,286	311	15.8%
Other operating income	377	378	0	0.1%%
Other operating expenses	960	1,371	412	42,9%
Other direct income and expenses - net	1,393	1,293	-100	-7,2%
Operating result before allowances depreciation and amortizations	706	361	-345	-48,8%
Provisions	35	39	4	11,3%
Depreciations - Properties and equipment	104	138	34	32,8%
Amortizations	547	754	207	37,8%
Operating income - net	134	105	-28	-21,0%
Non- operating income	128	119	-8	-7,0%
Non- operating expense	554	740	187	33,8%
Non- operating income - net	92	161	69	74.8%
Income tax expense	461	579	118	25,6%
Net income				

(Data in COP Billion)



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Financial Statements



DAVIVIENDA

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Balance

	December 10	June 10	Variation	
Assets			\$	%
Cash and cash equivalents	1,326	1,251	74,7	6,0%
Active position in monetary market and related operations	192	304	-112	37,0%
Investments	4,066	3,600	467	13,0%
Credit portfolio and financial leasing	19,819	17,766	2,054	11,6%
Acceptances, cash and derivatives operations	72	55	17	31,0%
Accounts receivable	322	301	29	7,0%
Foreclosed assets, net	52	52	0	0,0%
Properties and equipment, net	365	363	2	0,0%
Other assets	1,484	1,605	121	-7,6%
Revaluation nets	539	500	39	7,8%
TOTAL ASSETS	28,237	25,797	2,440	9,5%

(Data in COP Billion)



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Balance

	December10	June10	Variation	
LIABILITIES			\$	%
Deposits and current liabilities	18,063	17,134	929	5,4%
Liability positions in monetary market and related operations	58	139	-81	58,0%
Bank acceptances outstanding	80	65	15	23,0%
Banking credits and other financial obligations	2,385	1,693	692	41,0%
Accounts payable	645	704	-59	-8,3%
Long term-debt	3,083	2,774	309	11,1%
Others liabilities	355	376	20	5,4%
Estimated liabilities and allowances	24,668	22,883	1,785	7,8%
TOTAL LIABILITIES	51	48	3	7,0%
Capital stock	2,693	2,103	590	28,0%
Reserves	554	516	38	7,4%
Surplus	270	247	23	9,3%
Period result	3,569	2,914	655	22,5%
TOTAL EQUITY	28,237	25,797	2,440	9,5%
TOTAL LIABILITIES AND EQUITY				

(Data in COP Billon)



DAVIVIENDA
AQUI LO TIENE TODO

Statements

	December/10	June/10	Variation	
			\$	%
Direct operating income	2,210	2,048	162	7,9%
Direct operating expenses	1,003	978	26	2,6%
Direct operating results	1,207	1,070	136	12,7%
Other operating income	568	576	-7	-1,3%
Other operating expenses	688	578	110	19,0%
Operating Results	1,087	1,068	19	1,8
Provisions	717	765	-48	-6,3%
Depreciations and Amortizations	96	88	8	8,9%
Net Operating Results	274	215	59	27,6%
Non Operating Net Income	144	125	19	15,0%
Non Operating Net Expenses	66	34	32	94,7%
Non Operating Net Results	78	91	-13	14,5%
Income tax expense	83	60	23	38,8%
Net Income	270	247	23	9,3%

(Data in COP Billion)



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¡Thanks for your
attention!



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BANK RESULTS



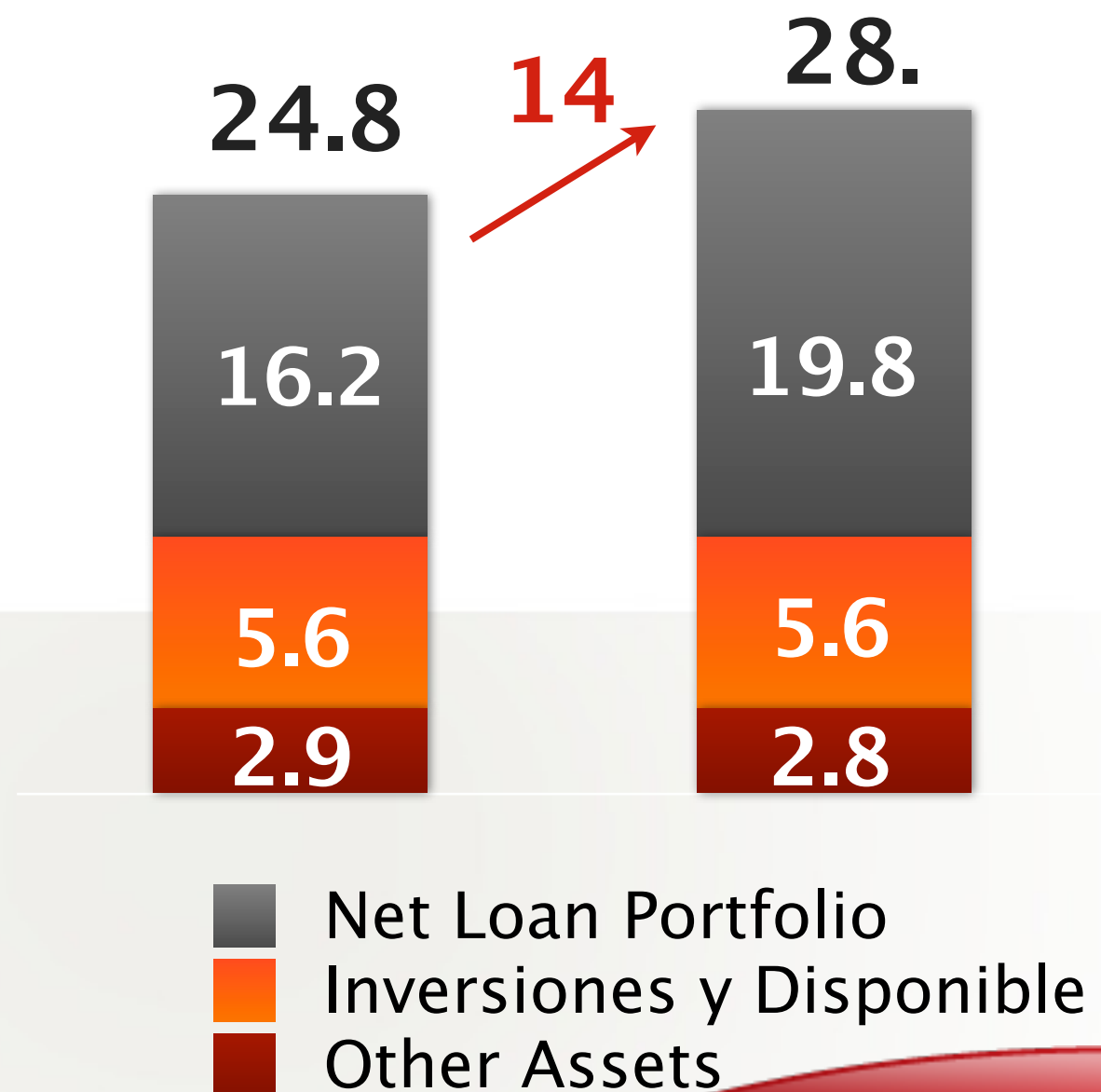
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Analysis and Asset structure

This Growth is being impulsed by the increase of **22%** in the loan portfolio that represents the **70%** of total assets.

Davivienda's Assets Behavior



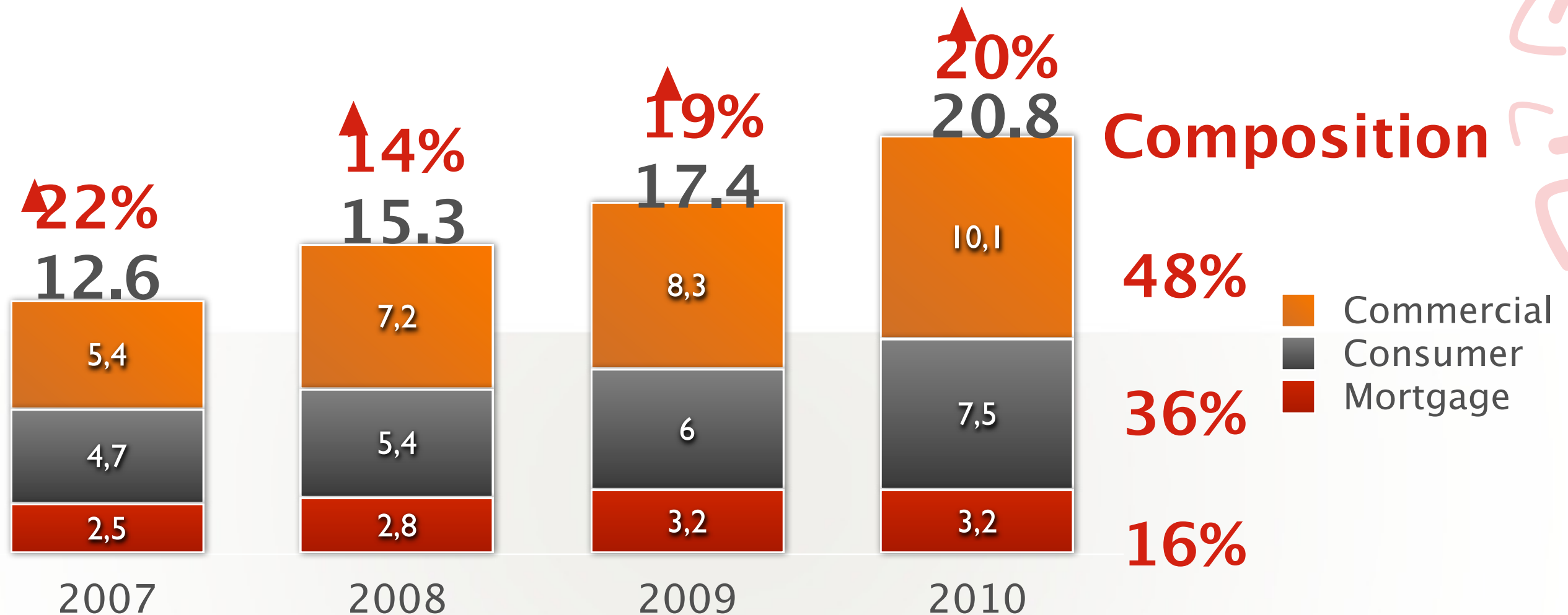
(Data in COP Billon)



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Loan Portfolio

Presented a significant increase on the loan portfolio evolution as a result of the increase in the commercial portfolio, 21,9% and the increase in the consumer portfolio about the 25%.



(Data in COP Billion)



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Loan Portfolio

Davivienda Bank – Loan Portfolio Quality Index and coverage (Dec10)

	Davivienda	
	2009	2010
Consumer	2,81%	2,65%
Commercial	1,63%	0,73%
Mortgage	2,13%	2,03%
Total	2,12%	1,62%
Coverage	287,79%	330,45%

Commercial Portfolio includes Micro-credits

Mortgage Portfolio includes Home Leasing

Quality: Consumer – 60 days/total, commercial – 90 días/total

Mortgage – 120 days/total. Coverage: Provisiones/Past due portfolio

* days Past due



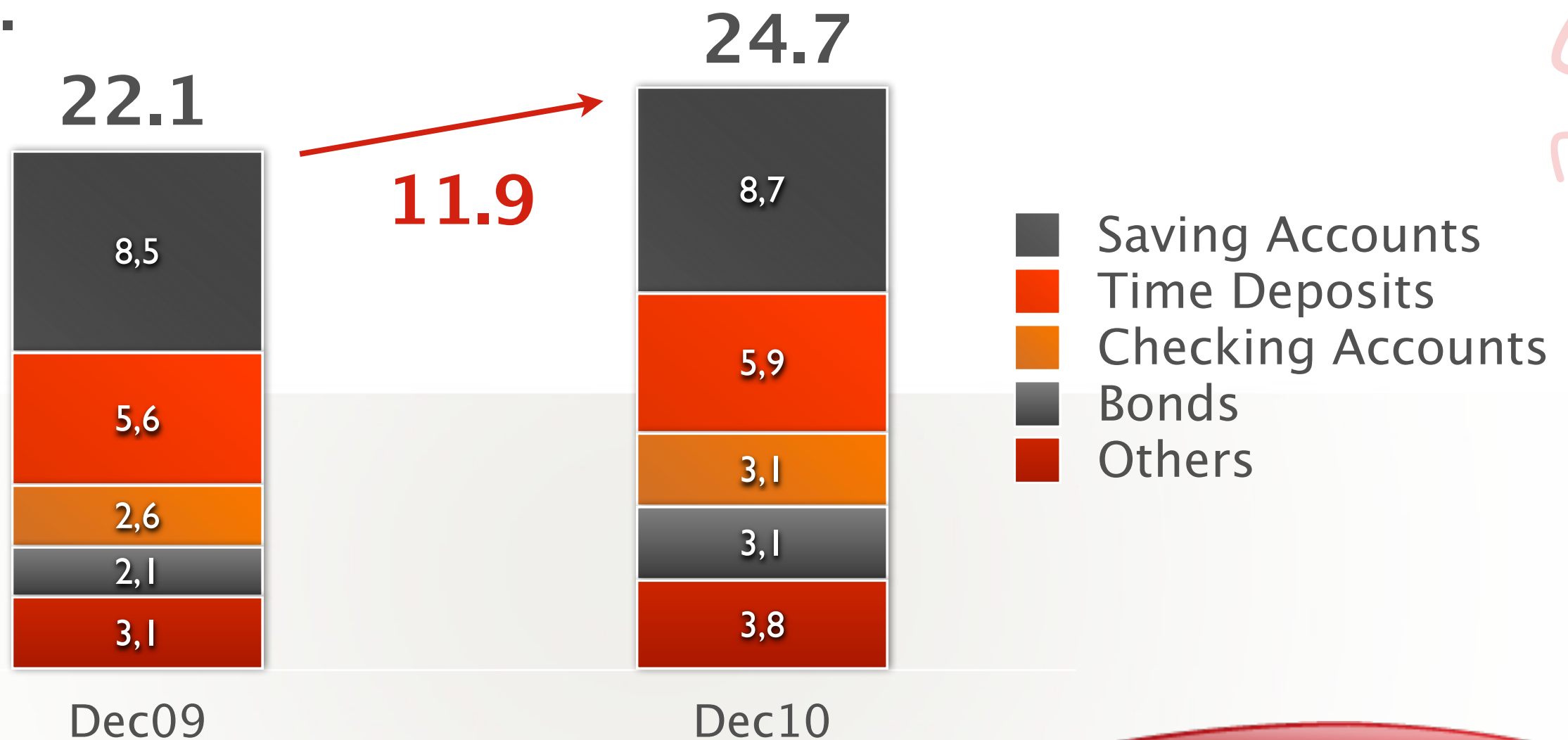
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Analysis and Liabilities structure

Liabilities grow to **\$2.6 Billion**.

Bonds Issue showed a growth of **41,2%**,
Which explains the liabilities increasing trend.

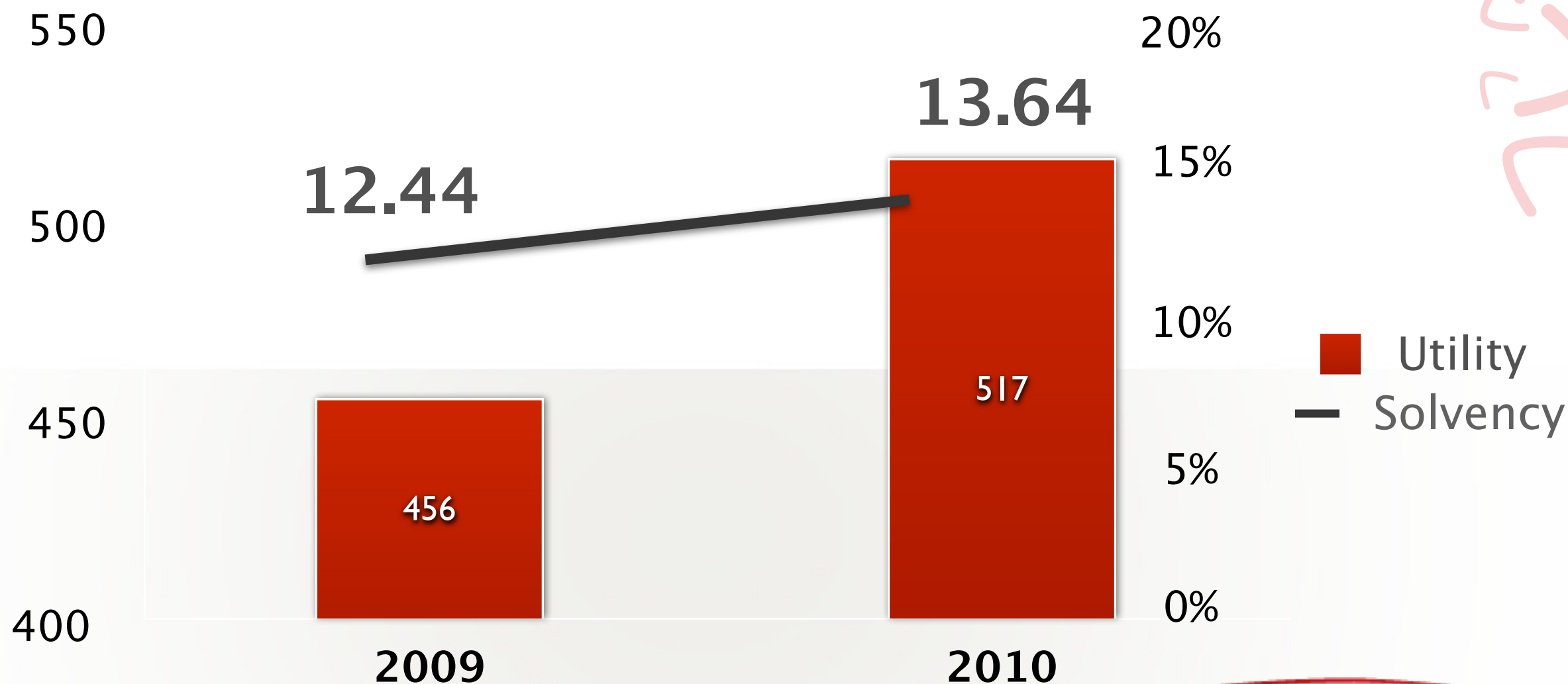


(Data in COP Billion)

Patrimony and Net income

Patrimony increased in 31%, achieving \$3.6 billion explained by the share issue of \$416 COP billion and the net income results.

Net income and Solvency Evolution



(Data in COP Billion)
Annual Utilities

Fourth Quarter Results

Loan Portfolio

Growth, Quality and Coverage

	Consumer 4Q09 – 4Q10		Commercial 4Q09 – 4Q10		Mortgage 4Q09 – 4Q10	
Loan Portfolio Quality						
Davivienda	2,8%	2,7%	1,7%	0.8%	2,1%	2,0%
Market	4,5%	2,8%	2,2%	1,4%	3,9%	3,7%
Portfolio Cover						
Davivienda	114,1%	118,6%	215,8%	233,4%	111%	121,6%
Market	172,1%	223%	227%	303,8%	80,7%	84,5%

> source: SFC. Quality: Consumer > 60 Days / total, Commercial > 90 days / total,
 > Mortgage > 120 días / total. Coverage: Provisions/ 60 Past due days Portfolio* Past due days



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