



DAVIVIENDA

# Consolidated Financial Results

## 3Q18



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



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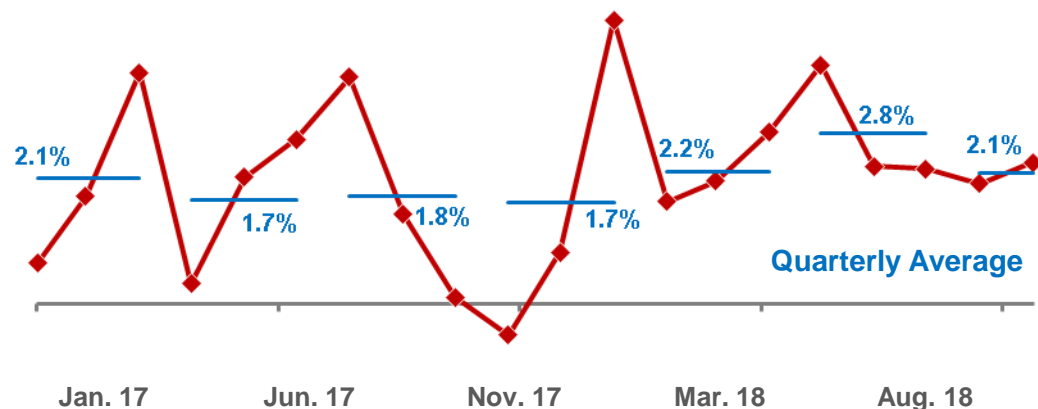
The financial information has been prepared under International Financial Reporting Standards (IFRS) applicable in Colombia and instructions of the Financial Superintendence of Colombia, and are presented in nominal terms. The financial statements for the quarter ended on September 30th 2018 will not be necessarily indicative of expected results for any other period.



# Macroeconomic Aspects Colombia

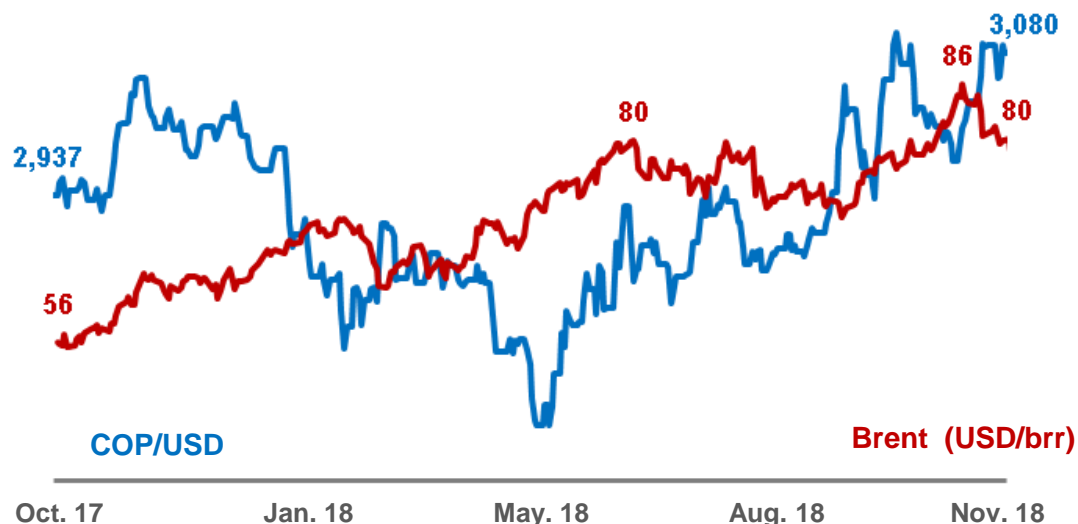
## Economic Activity Index\*

(Annual Var)



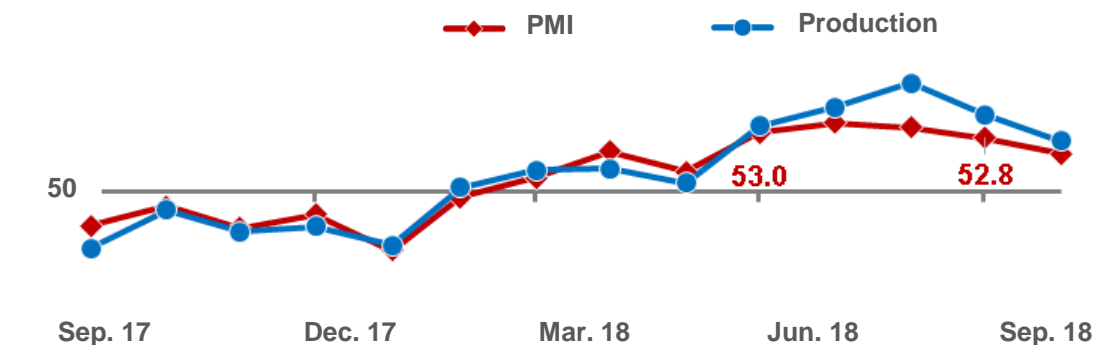
Source: DANE. \* Índice de Seguimiento a la Economía (ISE)

## COP/USD and Oil Price



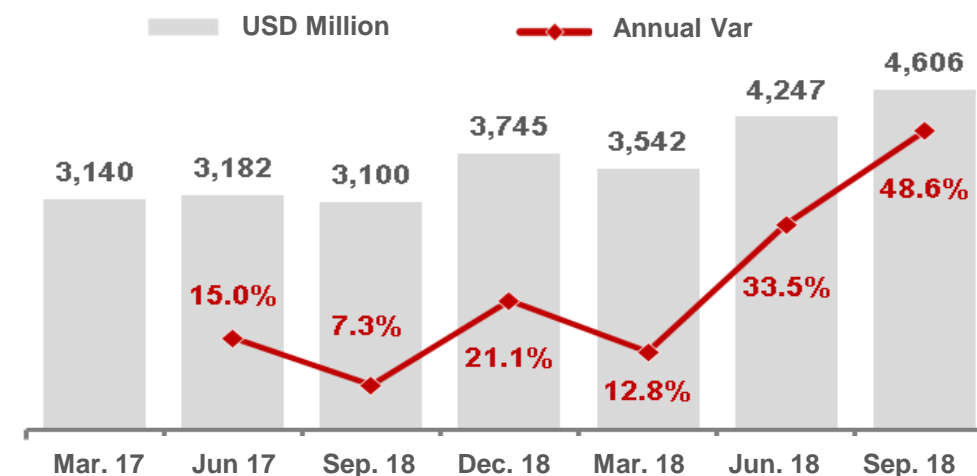
Source: Superintendencia Financiera de Colombia and Bloomberg

## Davivienda PMI



Source: Banco Davivienda

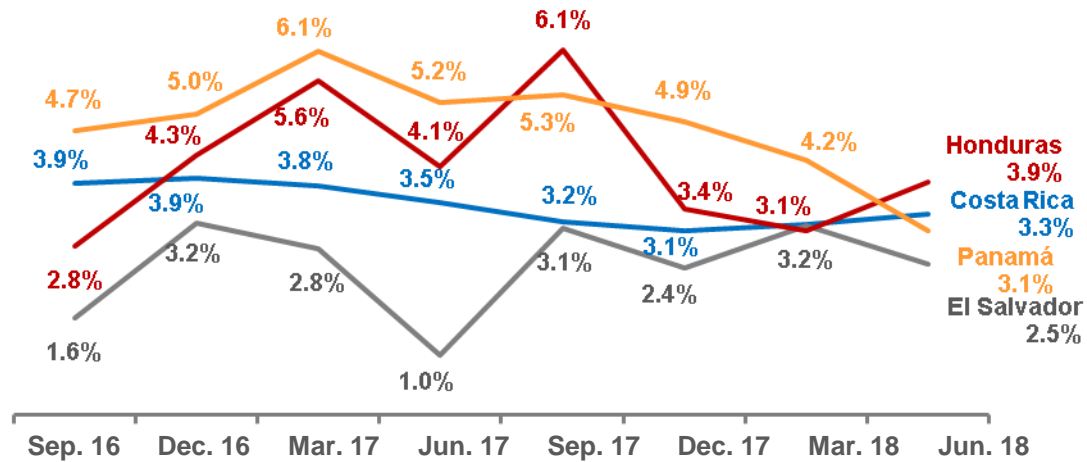
## Oil and Derivatives Exports\*



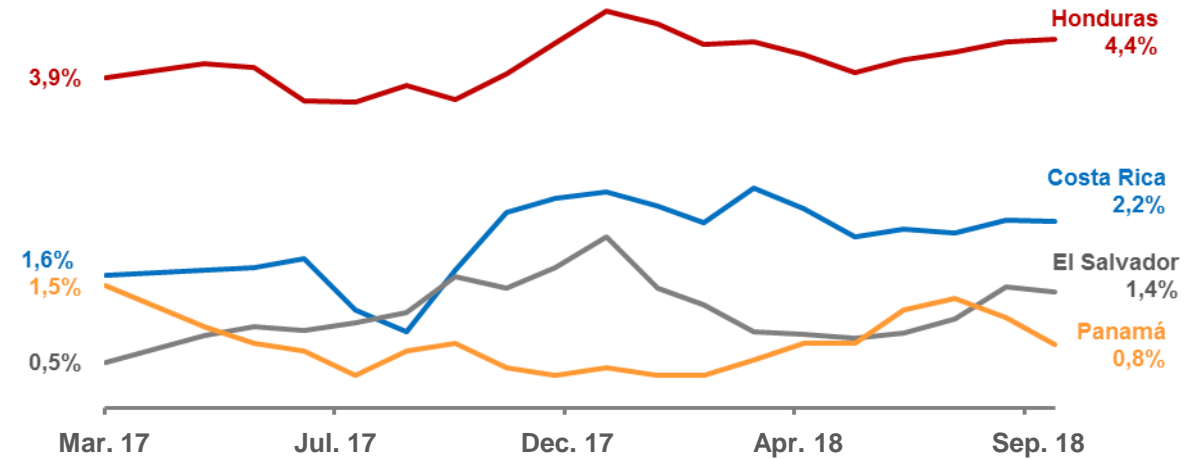
Source: DANE.

# Macroeconomic Aspects Central America

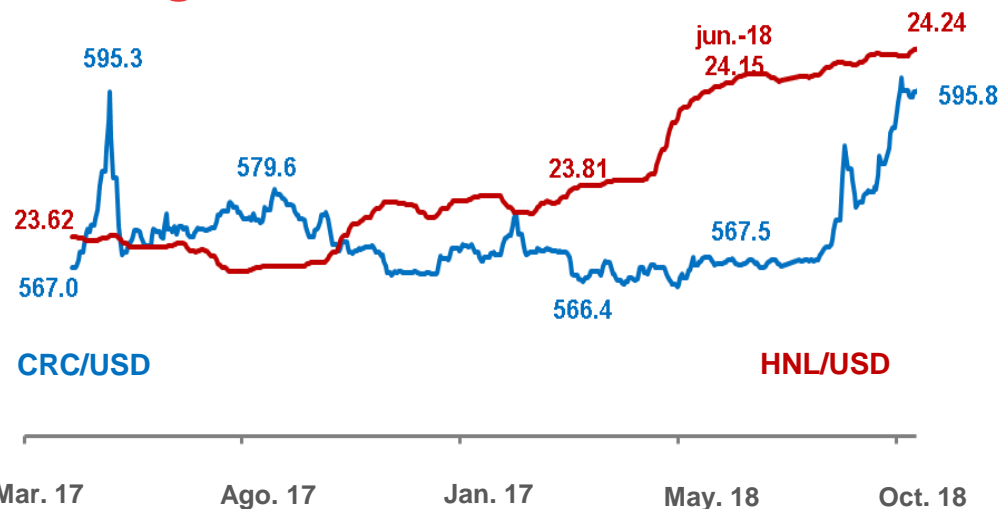
## GDP (Y/Y %)



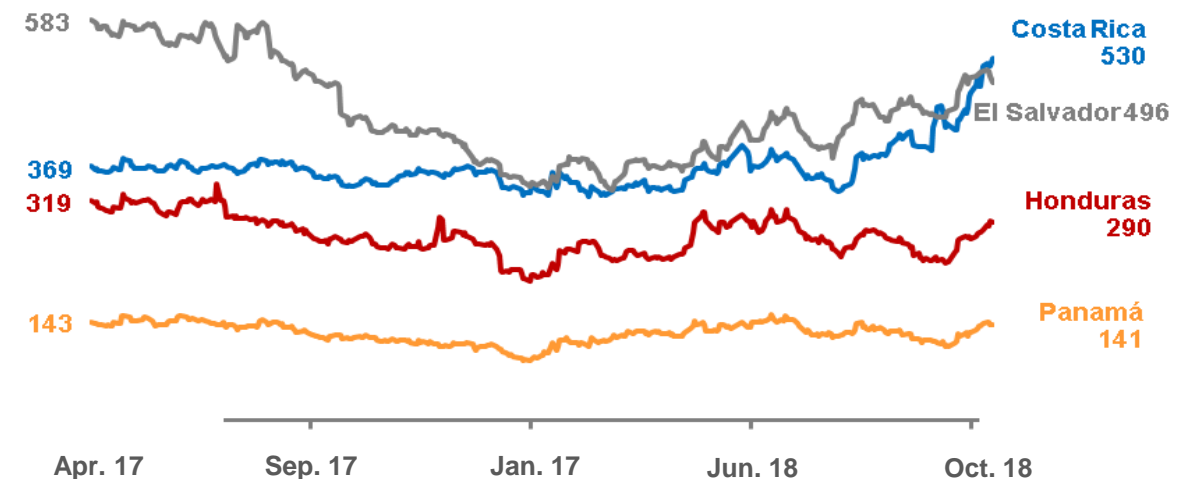
## Inflation (Y/Y)



## Exchange Rate



## EMBI



# Main Results 3Q18

## Net Income

**\$289 MM Quarterly**

↗ Q/Q: 2.9% Y/Y: 5.8%

**\$1.024 MM Accumulated**

↗ Y/Y: 10.9%

## NIM

**6.53%**

↗ Q/Q: -3bps Y/Y: +31bps

## Efficiency

**46.5%**

↗ Y/Y: -82bps

## Gross Loan

**\$83.7 Trillion**

↗ Q/Q: 2.5% Y/Y: 8.3%

## Solvency & Tier I

**Total: 12.27%**

↗ Y/Y: -24bps

**Tier I: 8.37%**

↗ Y/Y: +57bps

## NPL

**Total NPL: 3.96%**

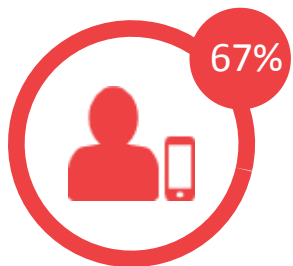
↗ Q/Q: +11bps Y/Y: +109bps

## Relevant Facts

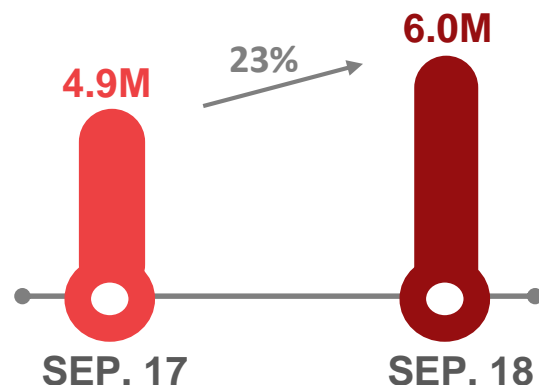
- Local senior bond issuance in Costa Rica: **USD \$35 million.**



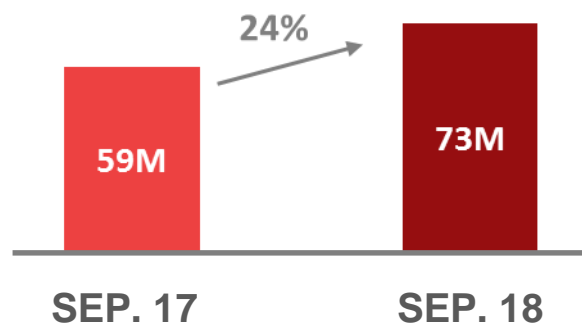
# Digital Transformation & Daviplata



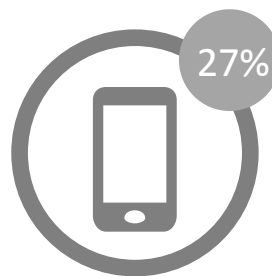
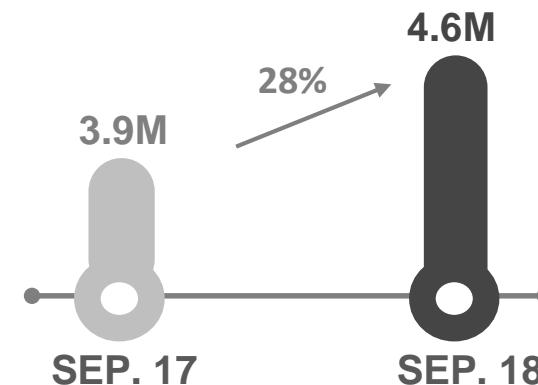
Digital Customers<sup>1</sup>



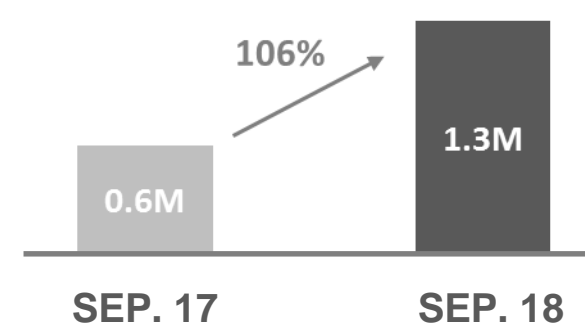
Digital Transactions<sup>2</sup>



Daviplata Customers



Daviplata App Users

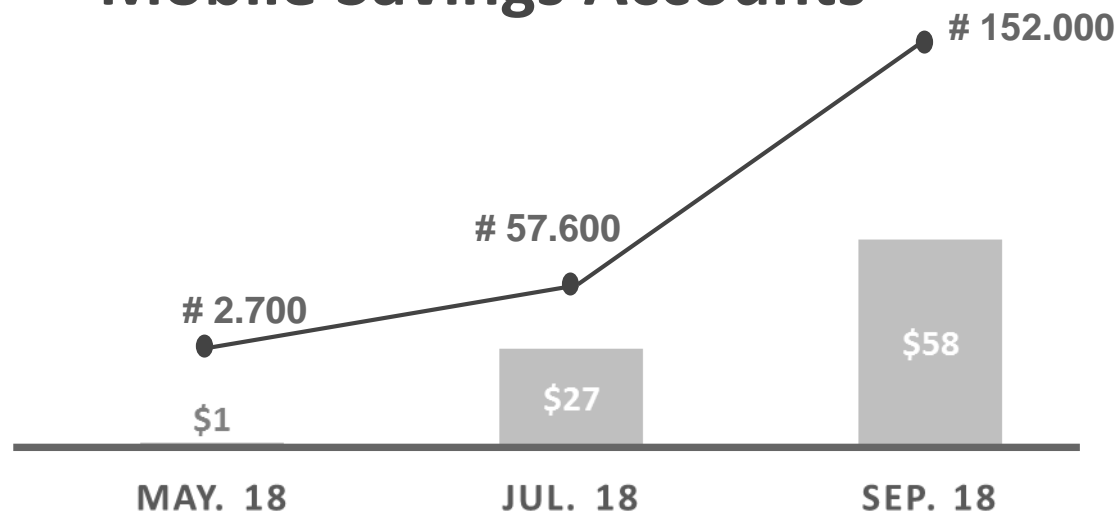


1. Digital customers included retail, commercial and Daviplata segments. Currently 67% of our customers use our digital channels.  
2. Accumulated figures in million of monetary transactions. 27% of the total transactions are done through digital channels.  
Colombia figures



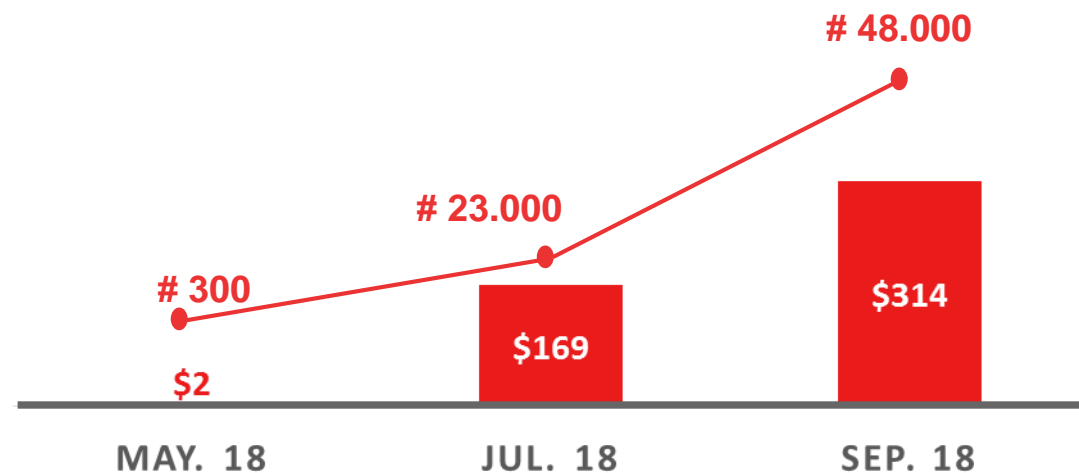
# Digital Sales & Strategic Alliances

## Mobile Savings Accounts



> 2x monthly opening rate through traditional channels.

## Unsecured Personal Mobile Loans



> 17x monthly disbursements through traditional channels<sup>1</sup>.

## Strategic Allies

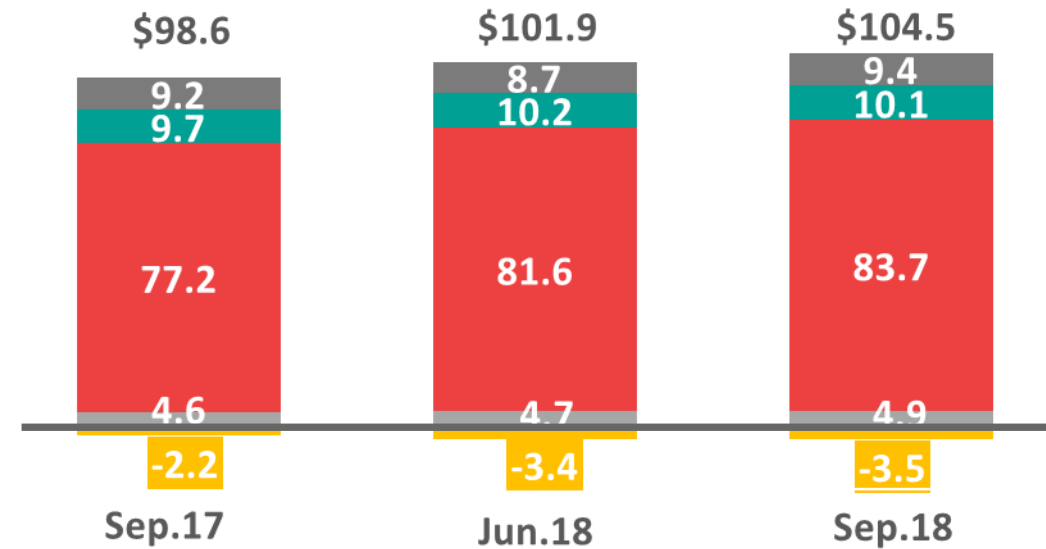


1. Compared to unsecured personal loans from amounts ≤ \$10 million pesos disbursed through traditional channels.

Graph bars: Balance in billion pesos.

# Assets

	3Q18 / 2Q18	3Q18/3Q17
Cash	8.2%	2.6%
Investment, net	(1.6%)	3.2%
Gross Loan	2.5%	8.3%
Loan Loss Reserve	4.7%	59.5%
Others	5.0%	7.2%
<b>Asset</b>	<b>2.6%</b>	<b>6.1%</b>



Assets		Sep.17	Jun. 18	Sep. 18	3Q18 / 2Q18	3Q18/3Q17
Colombia		75.9	79.0	81.2	2.7%	6.9%
International	COP\$	23.6	23.8	24.2	2.0%	2.8%
	USD\$ <sup>1</sup>	8.0	8.1	8.2	0.6%	1.5%

Figures in COP trillion.

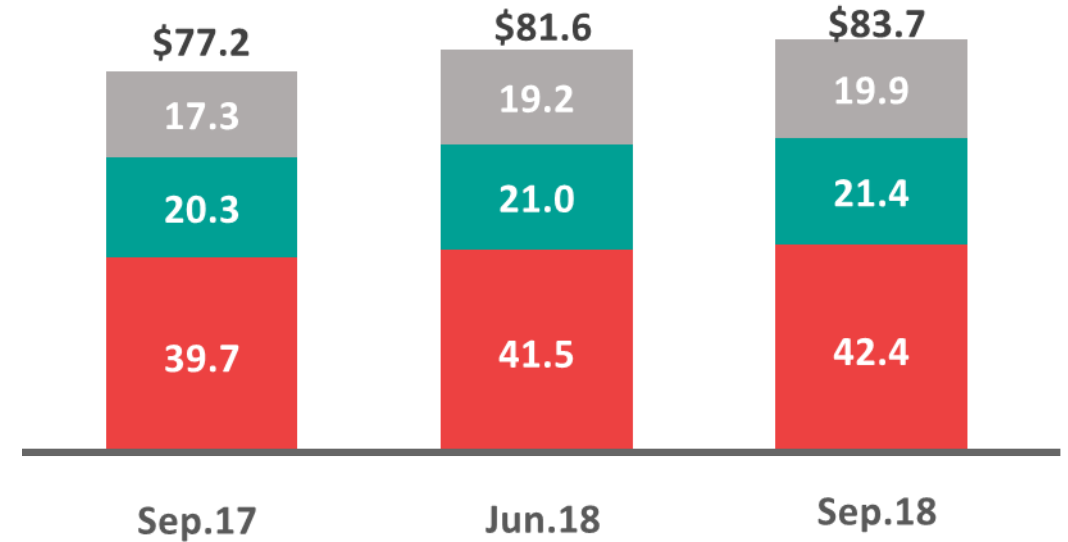
1. Figures under USD Billions. COP devaluated 1.4% during 3Q18 and 1.2% on a yearly basis





# Gross Loans

	3Q18 / 2Q18	3Q18 / 3Q17
Mortgage	3.5%	14.9%
Consumer	1.9%	5.5%
Commercial	2.3%	6.8%
Gross Loans	2.5%	8.3%



Gross Loan		Sep.17	Jun.18	Sep.18	3Q18/2Q18	3Q18/3Q17
Colombia		61.7	65.7	67.3	2.4%	9.0%
International	COP	15.5	15.9	16.4	2.6%	5.5%
	USD <sup>1</sup>	5.3	5.4	5.5	1.1%	4.2%

Figures in COP trillion.

1. Figures under USD Billions. COP devaluated 1.4% during 3Q18 and 1.2% on a yearly basis



# NPL and Coverage

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

Portfolio	3Q17	2Q18	3Q18
Commercial	2.81%	4.51%	4.73%
Consumer	2.68%	2.60%	2.51%
Mortgage	3.23%	3.81%	3.89%
<b>Subtotal (90)</b>	<b>2.87%</b>	<b>3.85%</b>	<b>3.96%</b>
Mortgage <sup>2</sup> (120)	2.35%	2.92%	2.96%
<b>Total<sup>3</sup> (120)</b>	<b>2.67%</b>	<b>3.64%</b>	<b>3.74%</b>

## Coverage<sup>4</sup>

Portfolio	3Q17	2Q18	3Q18
Commercial	102.4%	92.2%	89.8%
Consumer	177.6%	253.2%	270.3%
Mortgage	16.8%	34.3%	33.7%
<b>Total</b>	<b>99.3%</b>	<b>106.7%</b>	<b>106.0%</b>

## Total Reserves Coverage<sup>5</sup>

Portfolio	3Q17	2Q18	3Q18
Commercial	140.7%	107.1%	105.1%
Consumer	257.1%	280.2%	278.6%
Mortgage	71.9%	65.9%	65.5%
<b>Total</b>	<b>151.9%</b>	<b>127.6%</b>	<b>124.0%</b>

1. NPL: Loans > 90 days / Gross Loans Portfolio

2. Mortgage >120 days / Gross Loans Portfolio

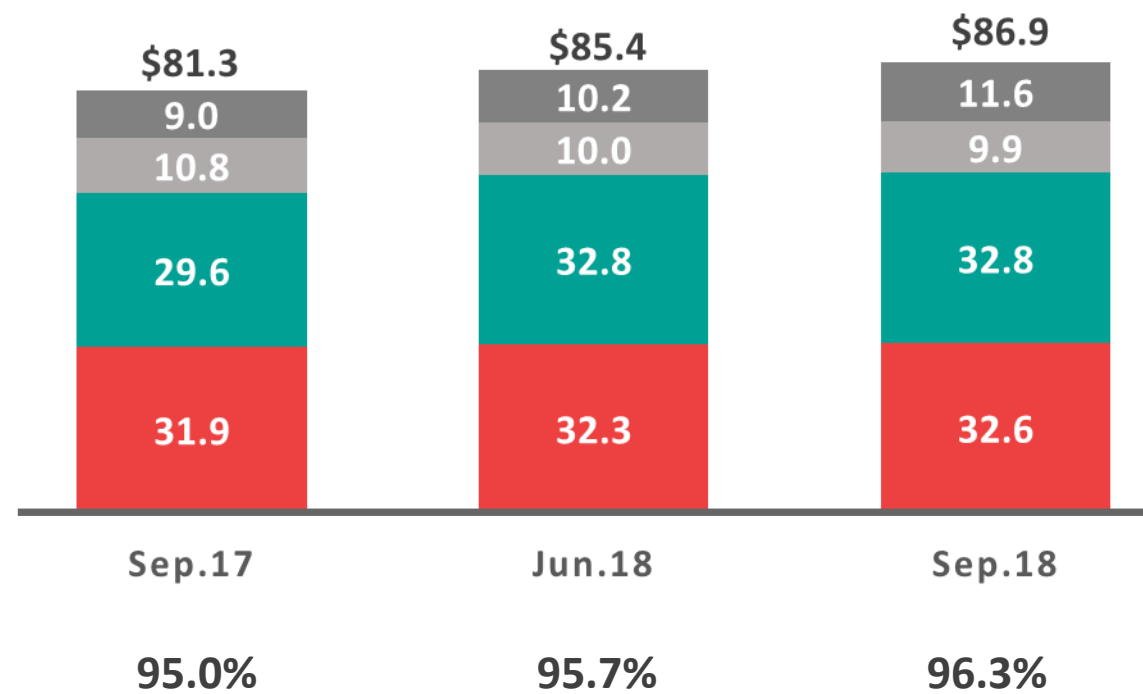
3. Total (120) includes: (Mortgage > 120 days + Commercial > 90 days + Consumer >90 days) / Gross Loans Portfolio

4. Coverage: Asset Allowances / Loans >90 days

5. Total Reserves Coverage: (Asset Allowances + Equity Allowances) / Loans > 90 day

# Funding Sources

	3T18/2T18	3T18/2T18
<b>Demand Deposits</b>	0.9%	2.3%
<b>Term Deposits</b>	0.1%	10.9%
<b>Bonds</b>	(0.9%)	(8.4%)
<b>Credits</b>	12.7%	28.0%
<b>Funding Sources</b>	<b>1.8%</b>	<b>6.9%</b>



Gross Loan / Funding Sources

Funding Sources		Sep.17	Jun.18	Sep.18	3Q18/2Q18	3Q18/3Q17
Colombia		61.2	65.3	66.2	1.4%	8.3%
International	COP	20.1	20.0	20.7	3.1%	2.7%
	USD <sup>1</sup>	6.9	6.8	6.9	1.6%	1.4%

Figures in COP trillion

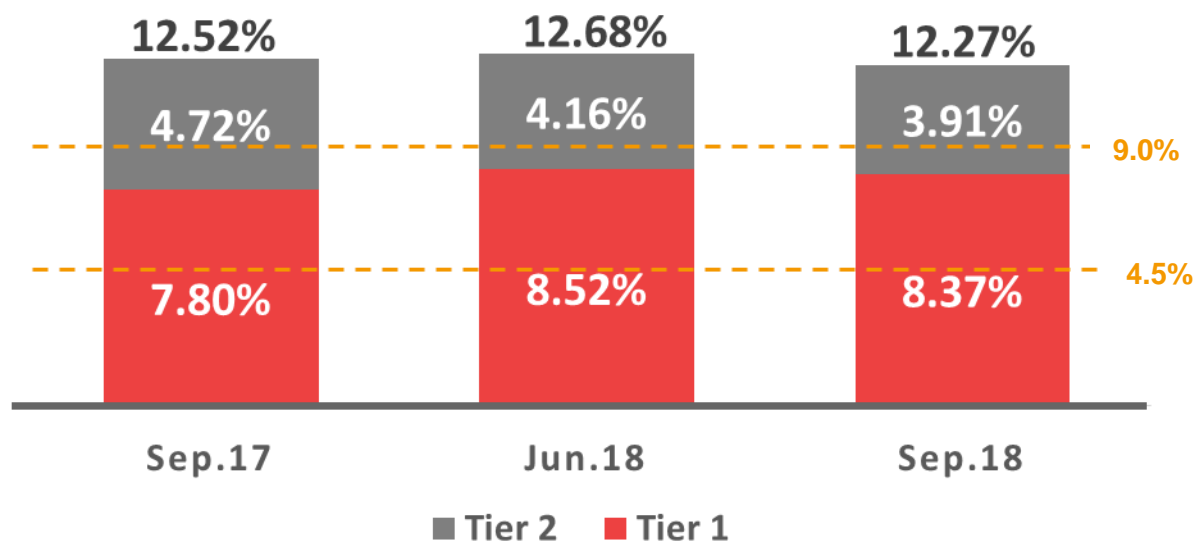
1. Figures under USD Billions. COP devaluated 1.4% during 3Q18 and 1.2% on a yearly basis.



# Capital Structure

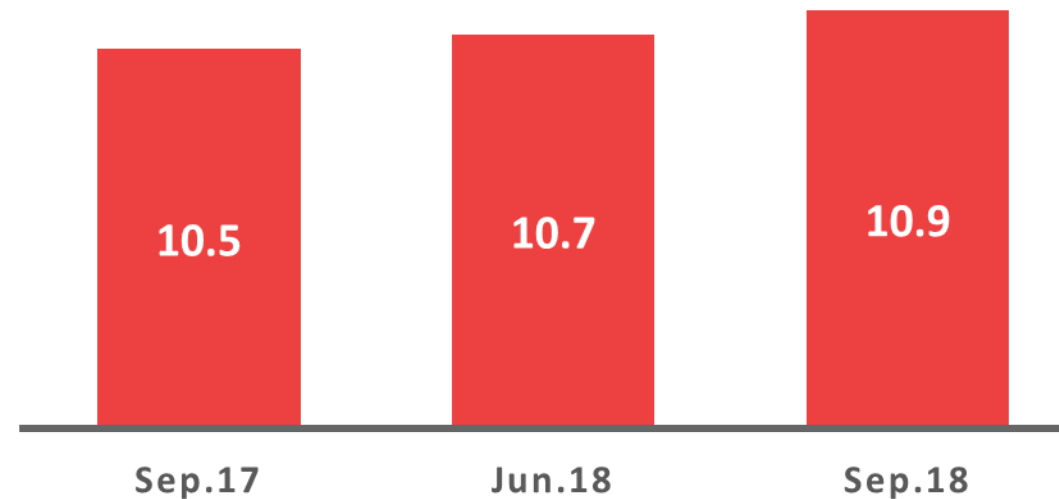
## Solvency

Minimum Required



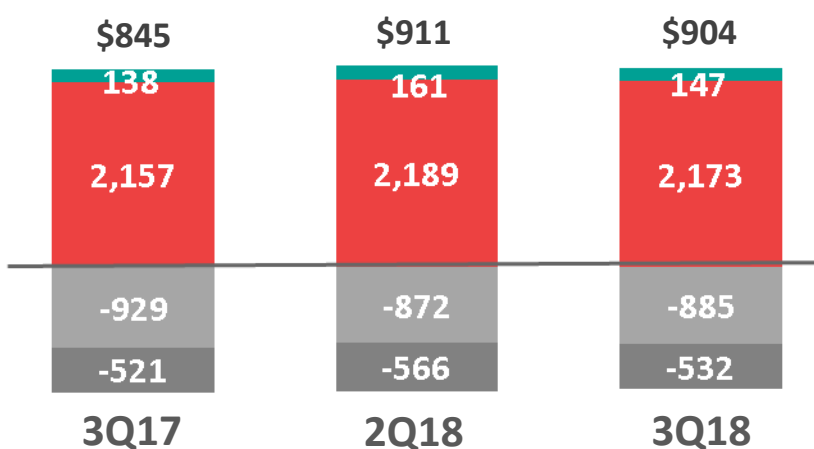
## Equity (COP Trillion)

△ Sep.18 / Sep.17 4.4%  
△ Sep.18 / Jun.18 2.7%



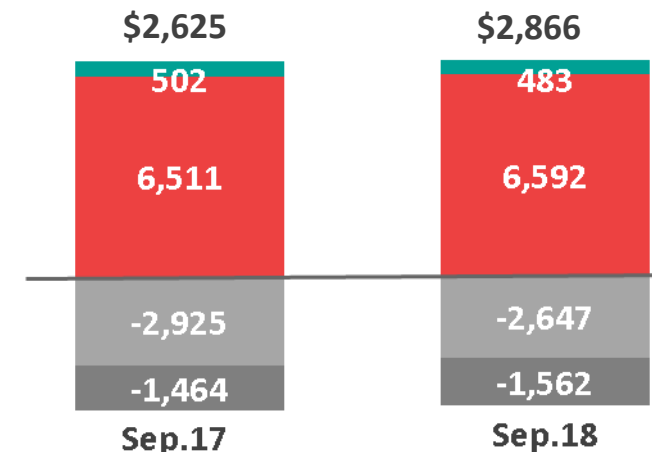
# Financial Margin, Net

## QUARTER



Ratio	Sep. 17	Jun. 18	Sep. 18
NIM <sup>1</sup>	6.22%	6.56%	6.53%
Cost of Risk <sup>2</sup>	2.13%	2.53%	2.48%

## ACCUMULATED



3Q18	3Q18/2Q18	3Q18/3Q17		Sep.18	Sep.18/Sep.17
\$	(%)	(%)		\$	(%)
2,173	(0.7)	0.7	Loan Income	6,592	1.2
147	(8.3)	6.7	Investment Income, Interbank	483	(3.8)
<b>2,320</b>	<b>(1.2)</b>	<b>1.1</b>	<b>Financial Income</b>	<b>7,075</b>	<b>0.9</b>
(885)	1.5	(4.8)	Financial Expenses	(2,647)	(9.5)
<b>1,435</b>	<b>(2.9)</b>	<b>5.1</b>	<b>Financial Margin, Gross</b>	<b>4,428</b>	<b>8.3</b>
(532)	(6.1)	2.0	Provision Expenses	(1,562)	6.7
<b>904</b>	<b>(0.8)</b>	<b>6.9</b>	<b>Financial Margin, Net</b>	<b>2,866</b>	<b>9.2</b>

Figures in COP Billion. Average exchange rate revaluated 1.8% Y/Y and devaluated 1.3% Q/Q

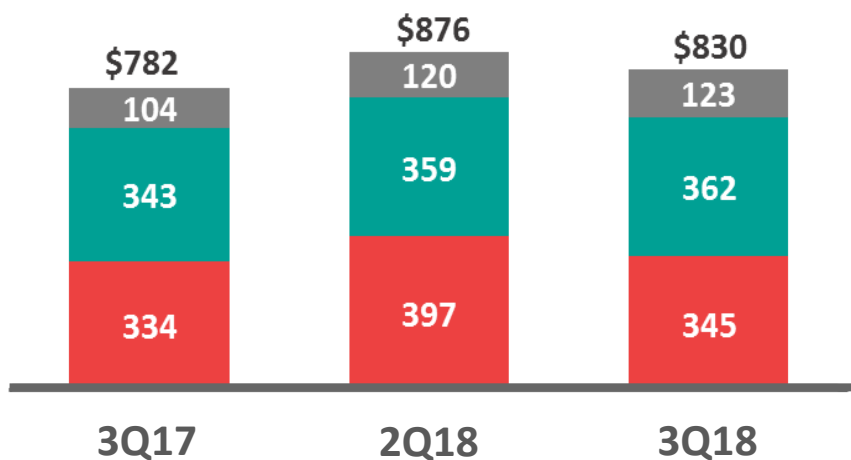
1. NIM (12 months): Gross Financial Margin (12 months) / Average Performing Assets

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



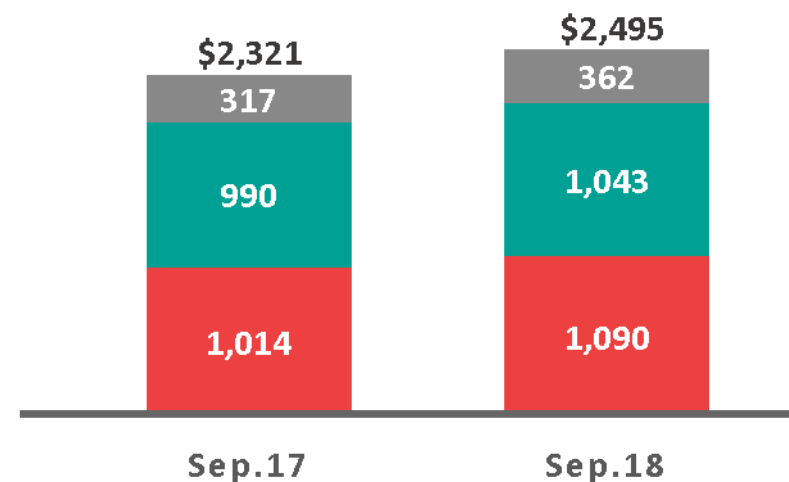
# Expenses

## QUARTER



	Sep. 17	Jun. 18	Sep. 18
Efficiency <sup>2</sup>	47.3%	46.6%	46.5%

## ACCUMULATED



3q18	3Q18/2Q18	3Q18/3Q17		Sep.18	Sep.18/Sep.17
\$	(%)	(%)		\$	(%)
345	-13.2	3.2	Personnel Expenses	1,090	7.5
362	0.8	5.3	Operating Expenses	1,043	5.4
123	2.9	18.1	Other Expenses <sup>1</sup>	362	14.0
<b>830</b>	<b>-5.3</b>	<b>6.1</b>	<b>Total Expenses</b>	<b>2,495</b>	<b>7.5</b>

Figures in COP billion. Average exchange rate revaluated 1.8% Y/Y and devaluated 1.3% Q/Q

1. Other Expenses includes Amortization and Depreciation. Intangibles Amortization. Taxes and Deposits Insurance

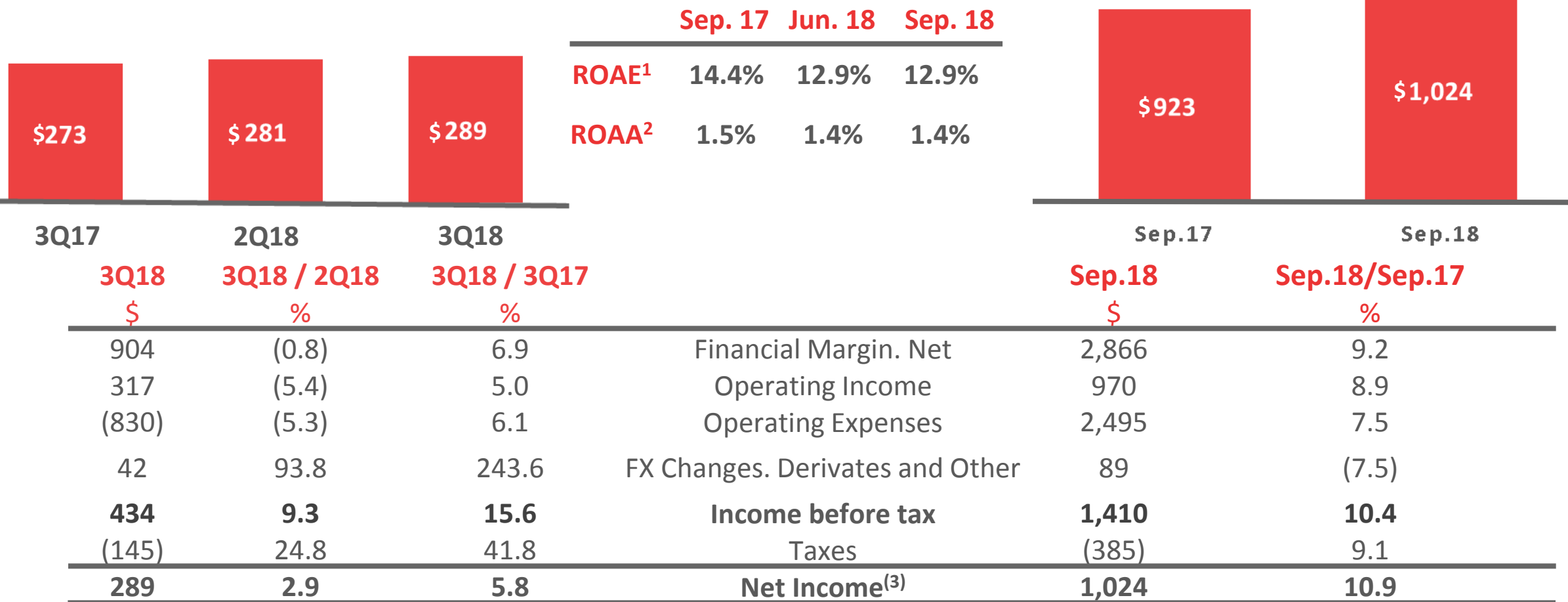
2. Efficiency (12 months) = Operational Expenses (12 months) / (Gross Financial Margin + Operational Income + Other income and expenses. net)



# Net Income

## QUARTER

## ACCUMULATED



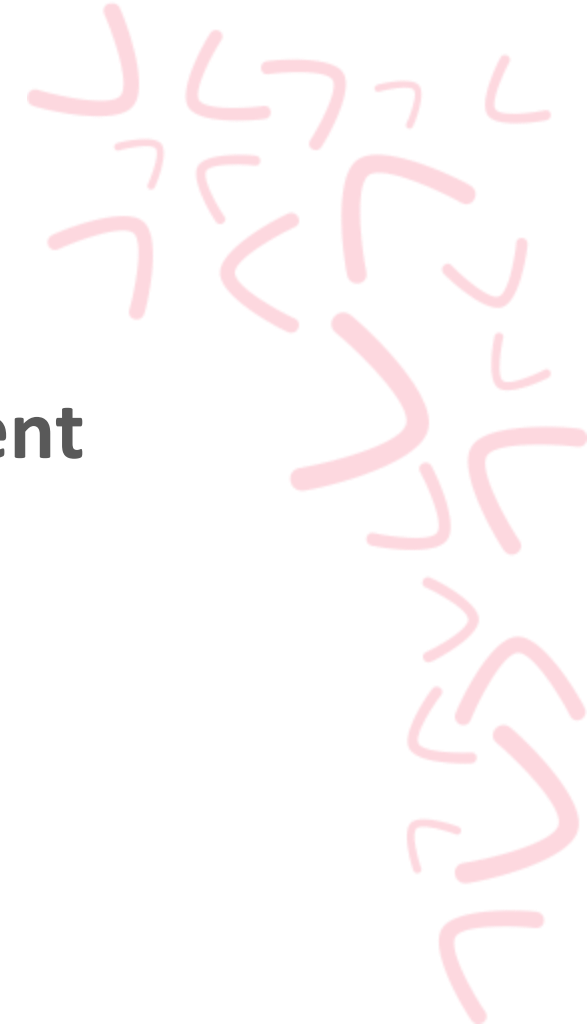
Figures in COP billion. Average exchange rate revaluated 1.8% Y/Y and devaluated 1.3% Q/Q

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

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

3. Net Income after deletions, homologations and homogenization





# Investor Relations and Capital Management

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