



DAVIVIENDA

# Consolidated Financial Results 4Q18



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



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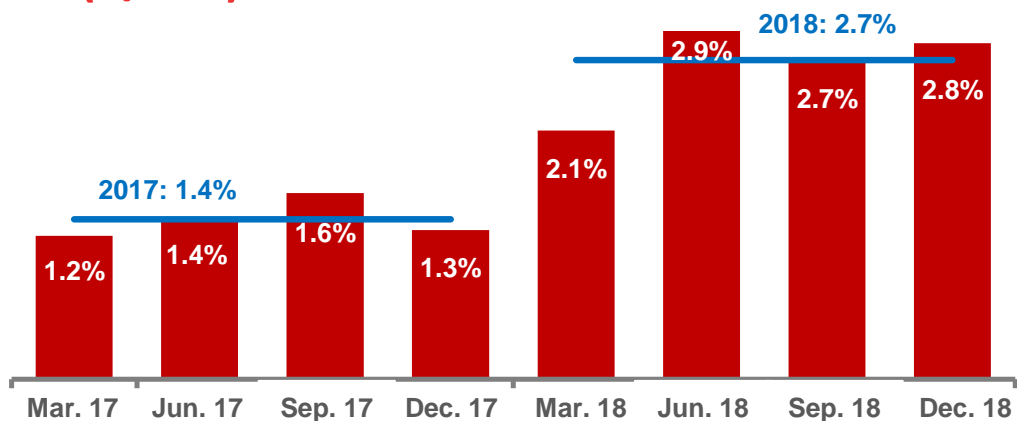
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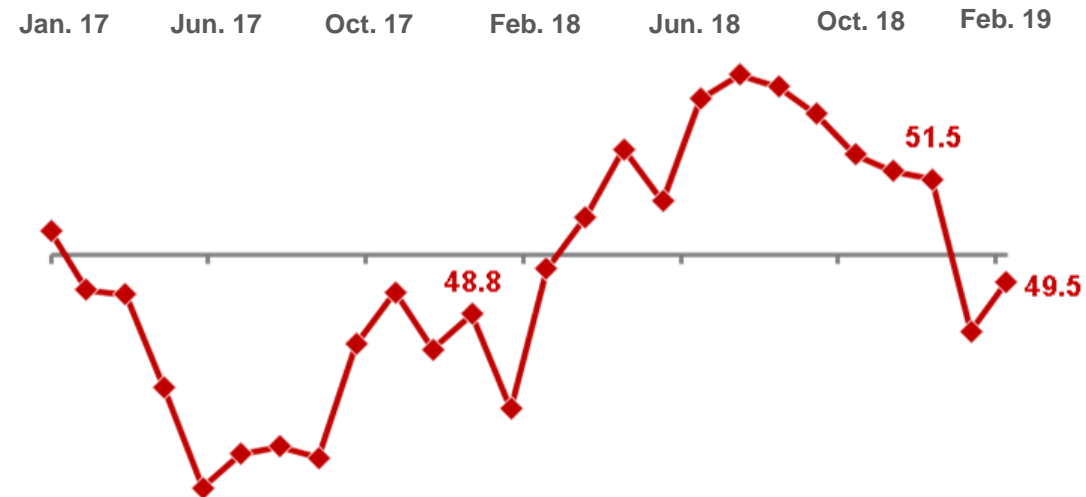
# Macroeconomic Aspects Colombia

## GDP (Y/Y %)



Source: DANE (National Department of Statistics)

## PMI



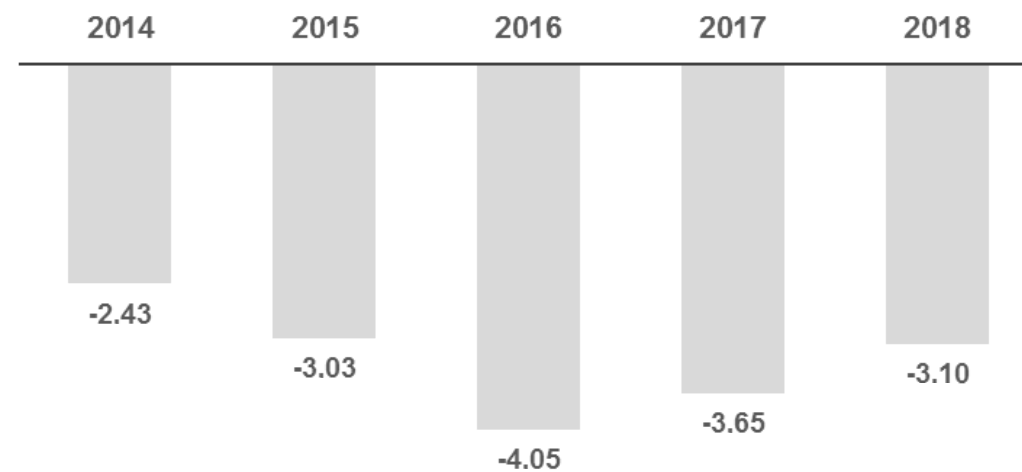
Source: Banco Davivienda

## Exchange Rate and Oil Price



Source: Superintendencia Financiera de Colombia and Bloomberg

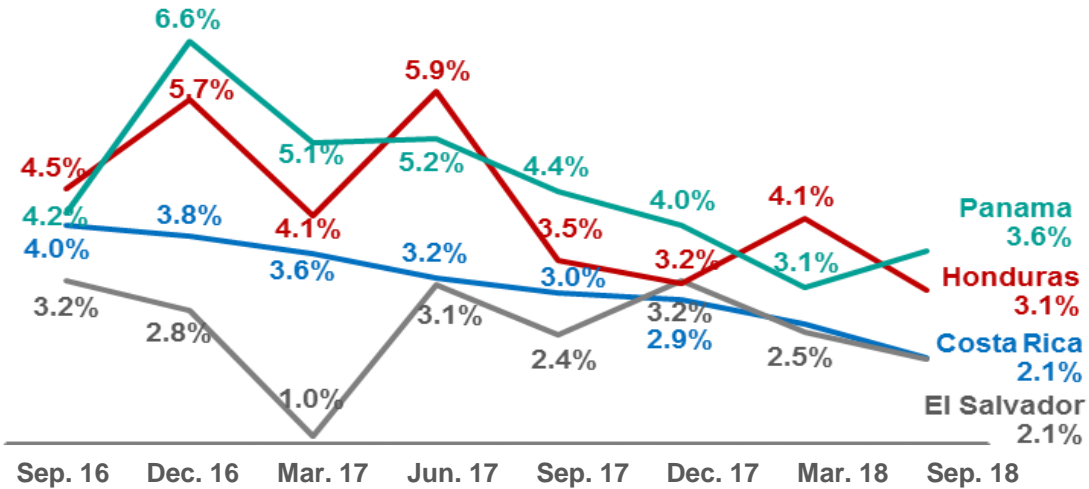
## Fiscal Balance (% GDP)



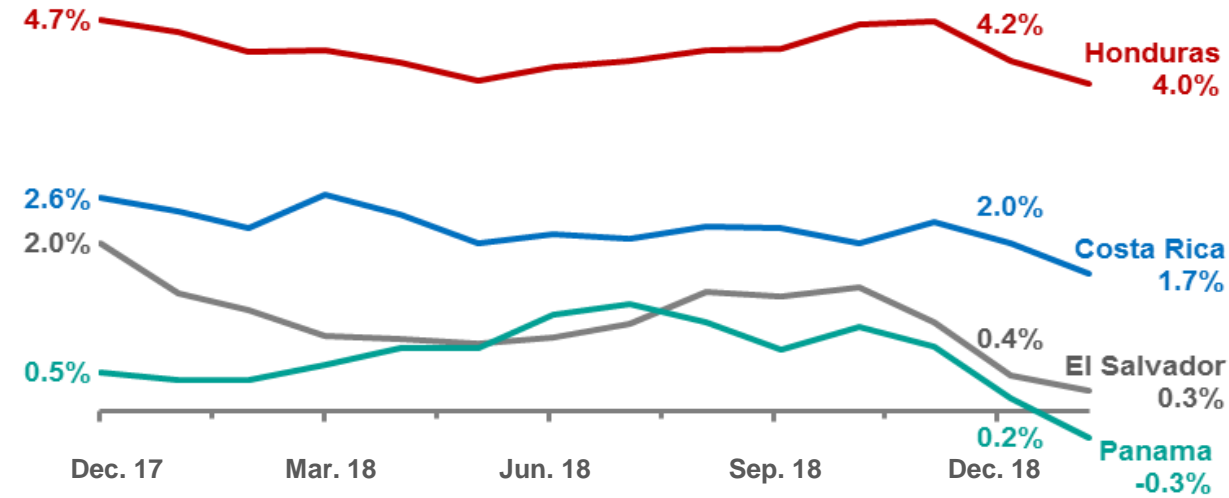
Source: Ministry of Finance

# Macroeconomic Aspects Central America

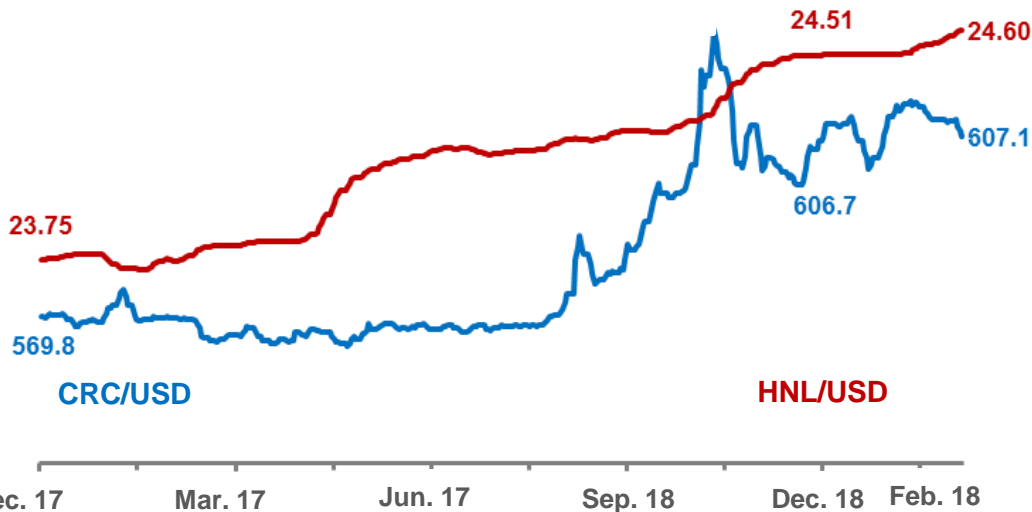
## GDP (Y/Y %)



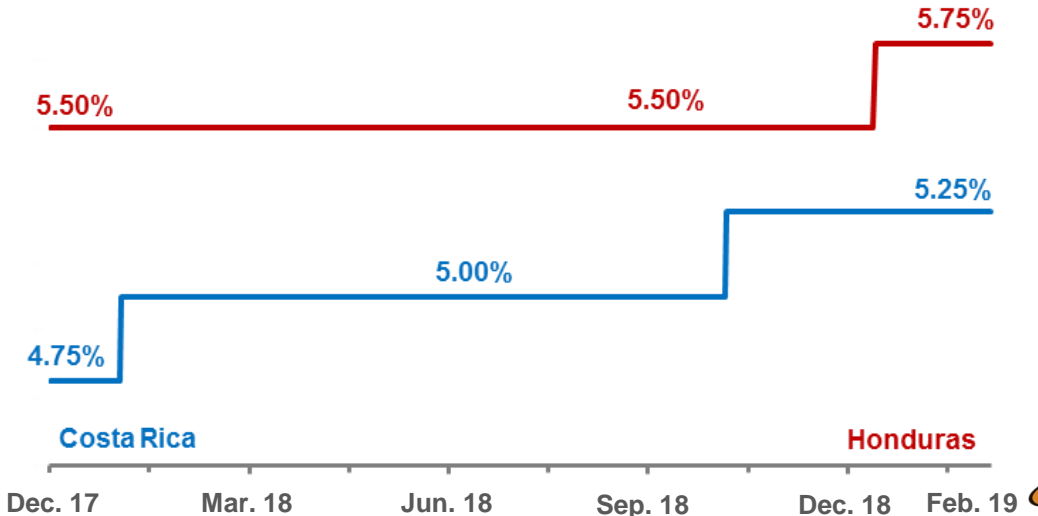
## Inflation (Y/Y)



## Exchange Rate



## Monetary Policy Rate



# Main Results 4Q18

## Net Income

**\$374 Billion Quarterly**  
✓ Q/Q: 29.6% Y/Y : 4.0%

**\$1.39 Trillion Accumulated**  
✓ Y/Y: 9.0%

## NIM

**6.49%**  
✓ Q/Q: -4bps Y/Y: +10bps

## Efficiency

**46.5%**  
✓ Y/Y: -13bps

## Gross Loans

**\$87.8 Trillion**  
✓ Q/Q: 5.0% Y/Y: 12.3%

## Capital Adequacy Ratios

**Total: 11.93%**  
✓ Y/Y: -40bps  
**Tier I: 7.98%**  
✓ Y/Y: +44bps

## PDL<sup>1</sup>

**Total PDL: 3.93%**  
✓ Q/Q: -3bps Y/Y: +117bps

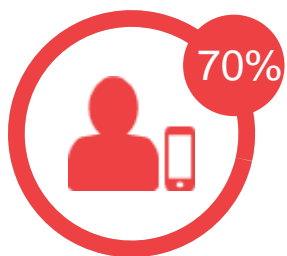
## Relevant Facts

Local senior bond issuance in Colombia:  
Nov. 18: **\$453 COP Billion.**  
Feb. 19: **\$500 COP Billion.**

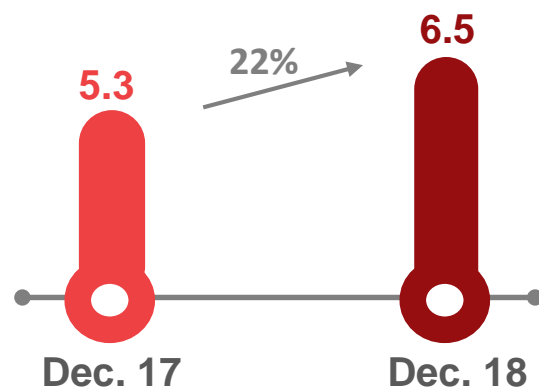
1. PDL: Past due loans > 90 days



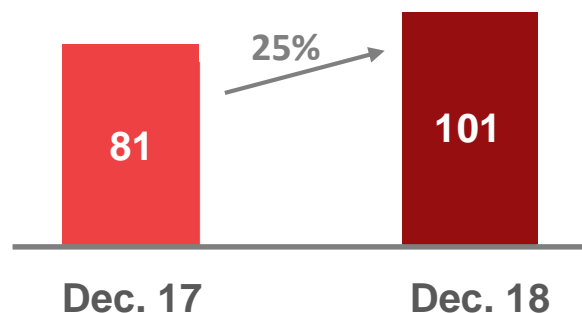
# Digital Transformation & DaviPlata



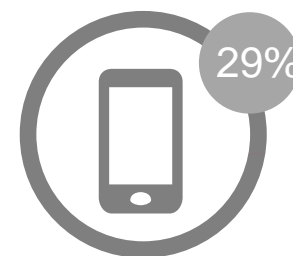
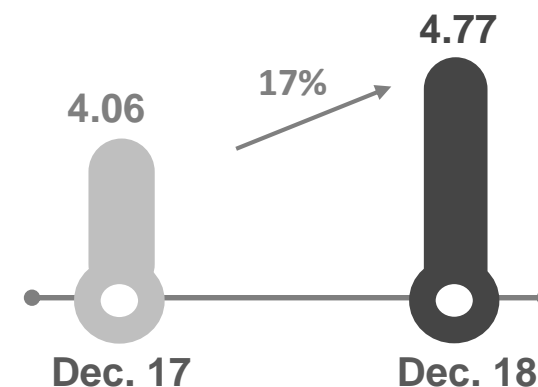
Digital Customers<sup>1</sup>



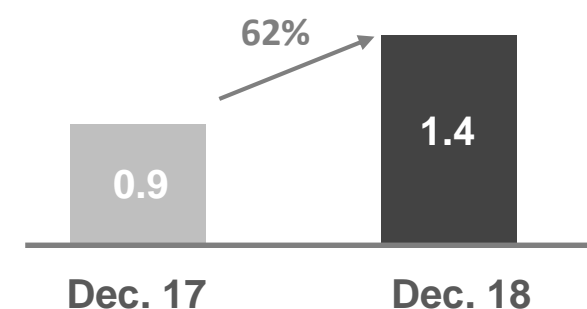
Digital Transactions<sup>2</sup>



DaviPlata Customers



DaviPlata App Users



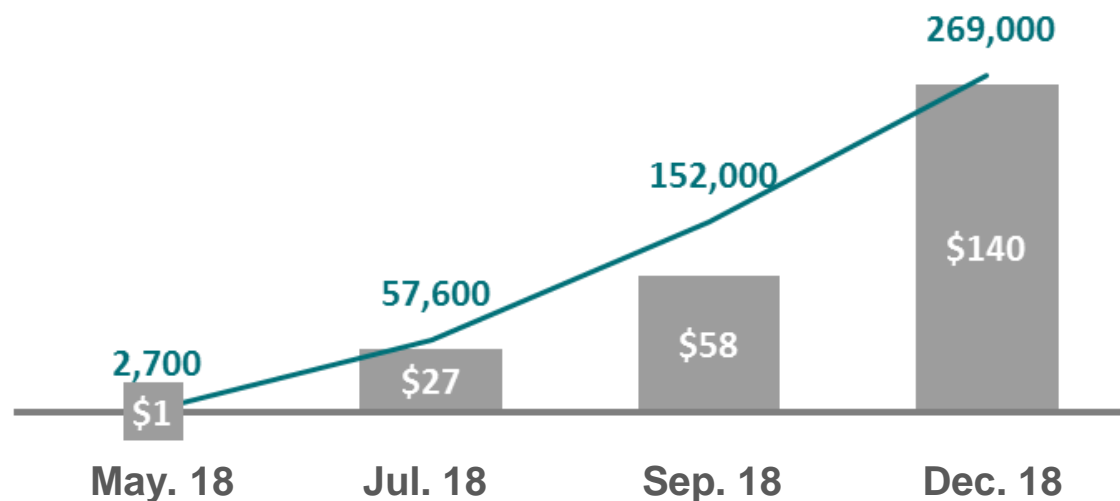
> New feature: **E- Card DaviPlata**  
Allows access to Global Ecommerce

1. Digital customers include Retail, Commercial, DaviPlata and local subsidiaries.  
2. Accumulated figures in million of monetary transactions.  
Colombia figures

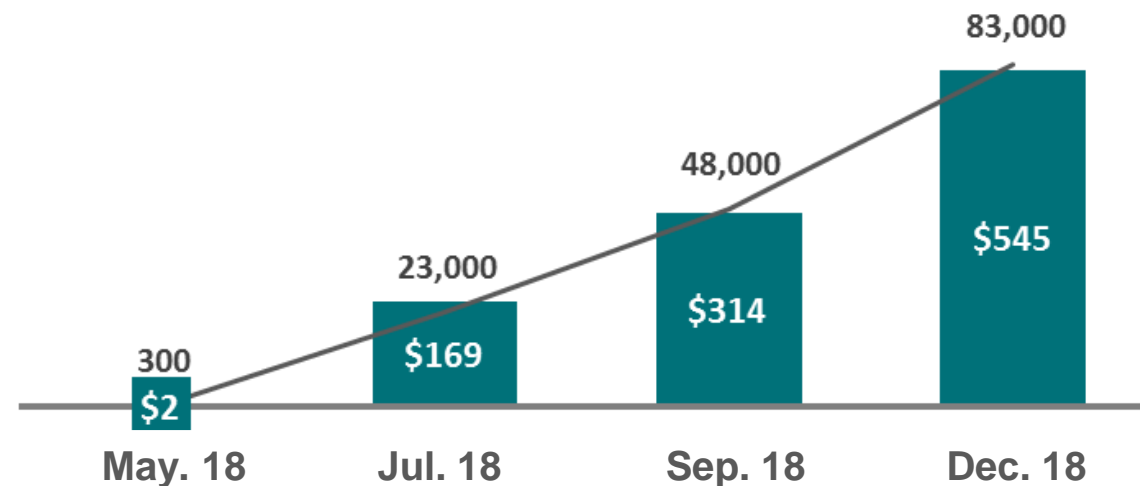


# Digital Sales

## Mobile Savings Accounts



## Unsecured Personal Mobile Loans



> In 2018, digital sales<sup>1</sup> reached **16%** of total sales. This represents an increase of **30X**.

> New Launches: **Mobile Payroll Loans**

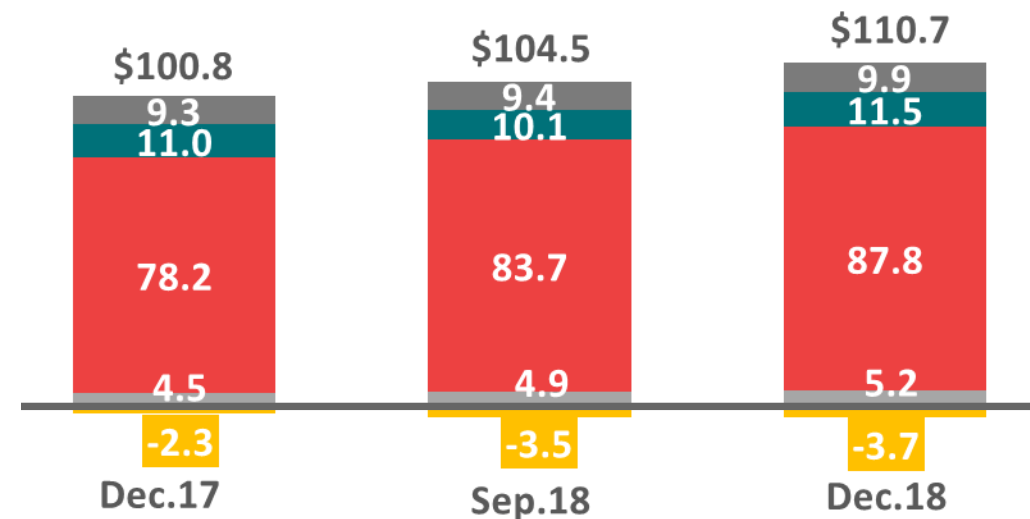
1. 100% digital sales + assisted sales

Graph bars: Balance in billion COP.

Graph Lines: Number of products.

# Assets

	4Q18/3Q18	4Q18/4Q17
Cash	5.5%	6.4%
Investments, net	14.1%	3.9%
Gross Loans	5.0%	12.3%
Loan Loss Reserves	5.6%	60.6%
Others	5.7%	15.9%
<b>Assets</b>	<b>5.9%</b>	<b>9.9%</b>



Assets		Dec.17	Sep.18	Dec.18	4Q18/3Q18	4Q18/4Q17
Colombia		77.8	81.2	84.4	4.0%	8.6%
International	COP\$	23.9	24.2	27.2	12.1%	13.5%
	USD\$ <sup>1</sup>	8.0	8.2	8.4	2.5%	4.2%

Figures in COP Trillion.

1. Figures in USD Billion.

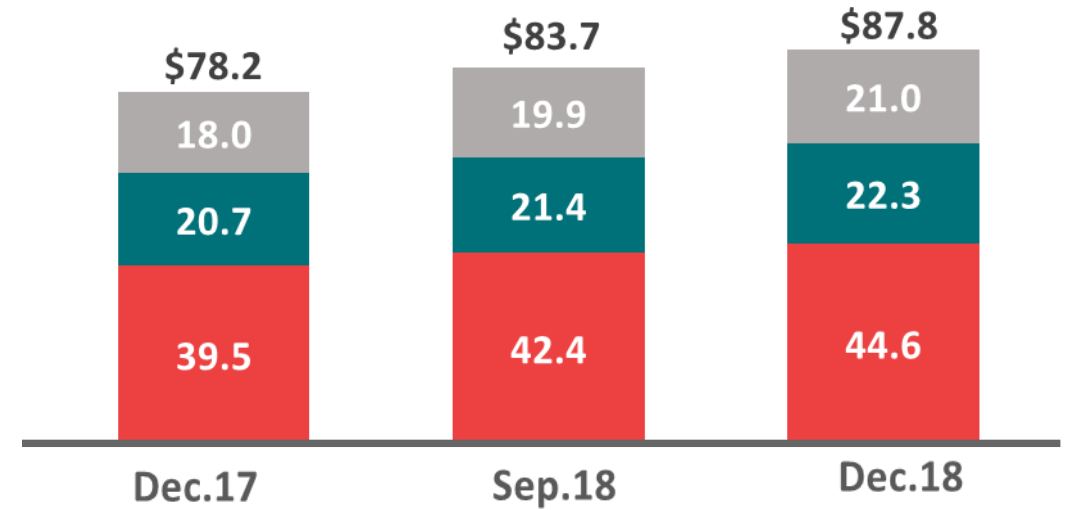
COP devaluated 9.3% during 4Q18 and 8.9% on a yearly basis





# Gross Loans

	4Q18/3Q18	4Q18/4Q17
<b>Mortgage</b>	5.5%	16.4%
<b>Consumer</b>	4.3%	7.9%
<b>Commercial</b>	5.1%	12.7%
<b>Gross Loans</b>	<b>5.0%</b>	<b>12.3%</b>



Gross Loans		Dec.17	Sep.18	Dec.18	4Q18/3Q18	4Q18/4Q17
Colombia		62.5	67.3	69.6	3.4%	11.4%
International	COP	15.7	16.4	18.2	11.5%	15.8%
	USD <sup>1</sup>	5.3	5.5	5.6	2.0%	6.4%

Figures in COP Trillion

1. Figures in USD billion.

COP devaluated 9.3% during 4Q18 and 8.9% on a yearly basis



# PDL and Coverage

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

Portfolio	4Q17	3Q18	4Q18
Commercial	2.55%	4.73%	4.62%
Consumer	2.63%	2.51%	2.55%
Mortgage	3.35%	3.89%	3.92%
<b>Subtotal (90)</b>	<b>2.76%</b>	<b>3.96%</b>	<b>3.93%</b>
Mortgage <sup>2</sup> (120)	2.52%	2.96%	3.03%
<b>Total<sup>3</sup> (120)</b>	<b>2.57%</b>	<b>3.74%</b>	<b>3.72%</b>

## Cost of Risk

Ratio	4Q17	3Q18	4Q18
<b>Total</b>	<b>2.53%</b>	<b>2.48%</b>	<b>2.36%</b>

## Coverage<sup>4</sup>

Portfolio	4Q17	3Q18	4Q18
Commercial	121.0%	89.8%	94.8%
Consumer	181.7%	270.3%	254.4%
Mortgage	16.4%	33.7%	37.7%
<b>Total</b>	<b>107.1%</b>	<b>106.0%</b>	<b>107.6%</b>

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

Portfolio	4Q17	3Q18	4Q18
Commercial	156.8%	105.1%	107.7%
Consumer	273.5%	278.6%	270.2%
Mortgage	71.3%	65.5%	67.0%
<b>Total</b>	<b>162.3%</b>	<b>124.0%</b>	<b>124.9%</b>

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

2. Mortgage >120 days / Gross Loans Portfolio

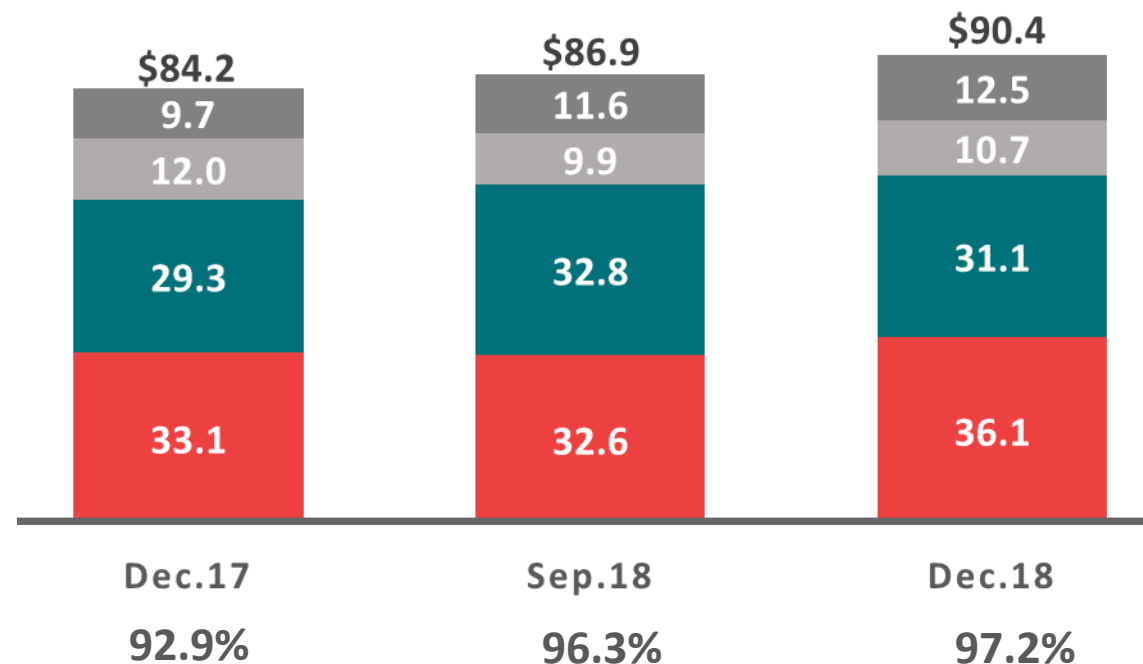
3. Total (120) includes: (Mortgage > 120 days + Commercial > 90 days + Consumer >90 days) / Gross Loans Portfolio

4. Coverage: Asset Allowances / Loans >90 days

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

# Funding Sources

	4Q18/3Q18	4Q18/4Q17
<b>Demand Deposits</b>	10.6%	8.9%
<b>Term Deposits</b>	(5.1%)	6.1%
<b>Bonds</b>	7.7%	(11.0%)
<b>Credits</b>	8.2%	29.0%
<b>Funding Sources</b>	<b>4.0%</b>	<b>7.4%</b>



## Gross Loans / Funding Sources

Funding Sources		Dec.17	Sep.18	Dec.18	4Q18/3Q18	4Q18/4Q17
Colombia		63.9	66.2	67.3	1.6%	5.4%
International	COP	20.3	20.7	23.1	11.7%	13.7%
	USD <sup>1</sup>	6.8	6.9	7.1	2.1%	4.4%

Figures in COP trillion.

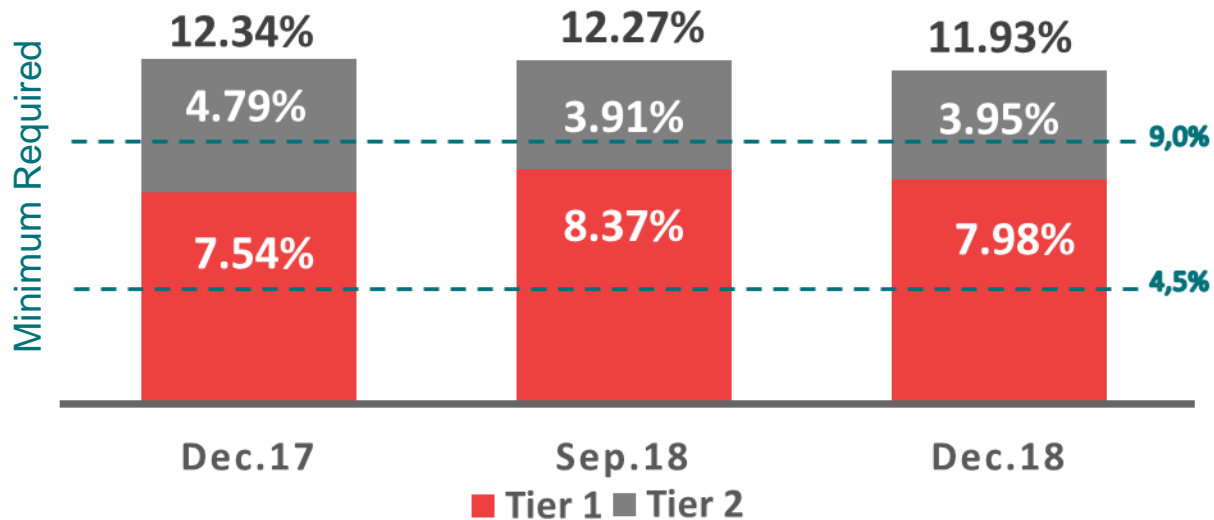
1, Figures in USD Billion.

COP devaluated 9.3% during 4Q18 and 8.9% on a yearly basis

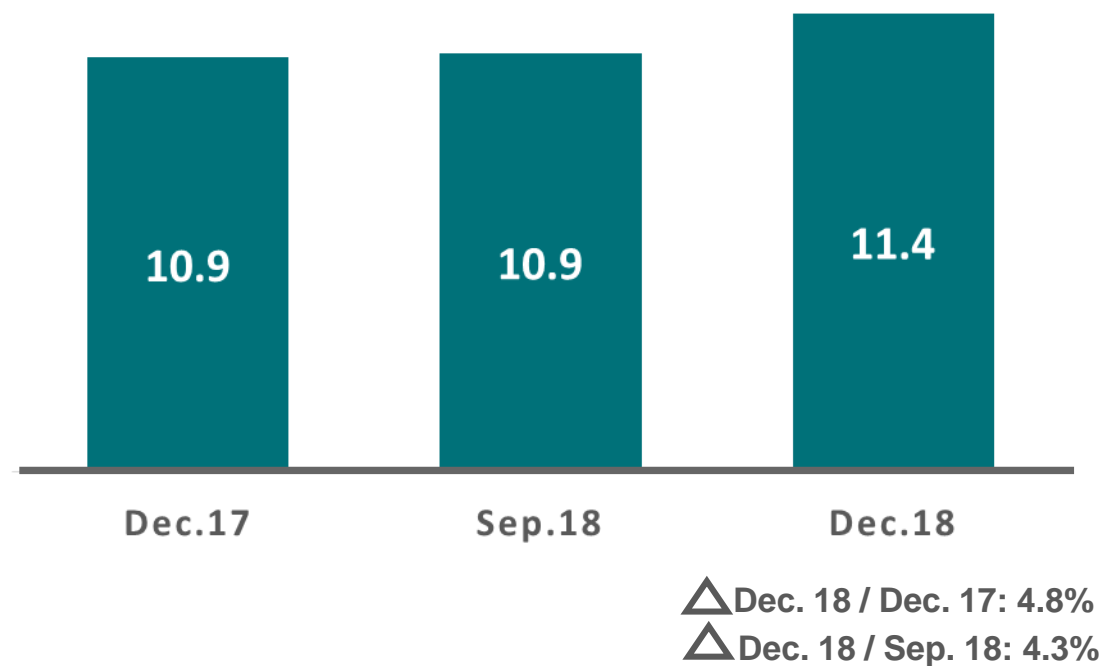


# Capital Structure

## Capital Adequacy Ratio

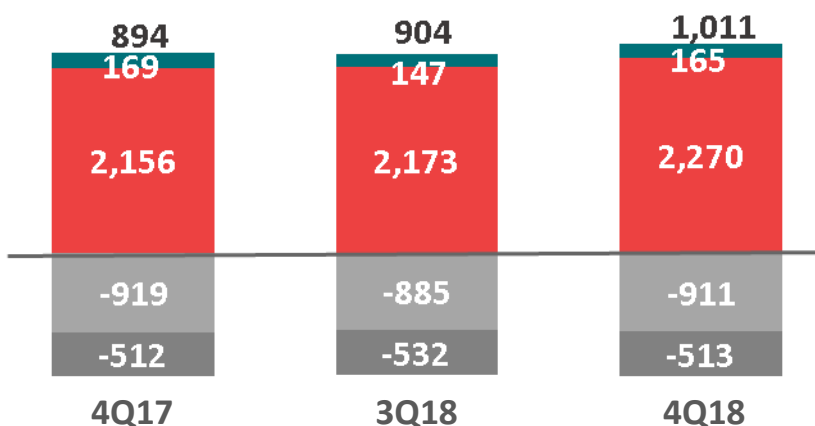


## Equity (COP Trillion)



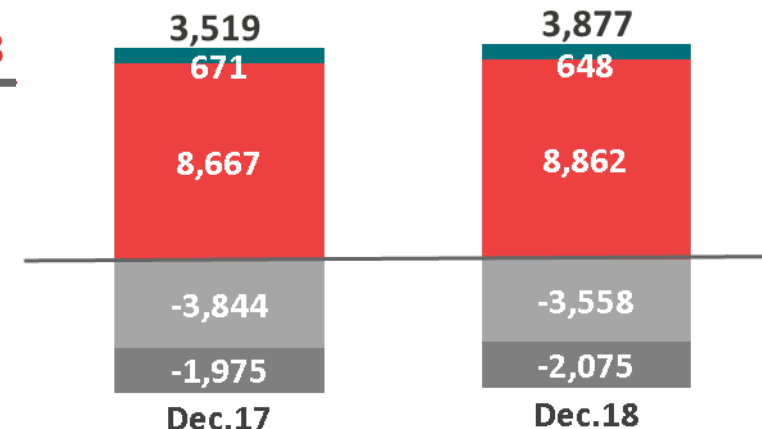
# Financial Margin, Net

## QUARTER



Ratio	Dec.17	Sep.18	Dec.18
NIM <sup>1</sup>	6.39%	6.53%	6.49%
Cost of Risk <sup>2</sup>	2.53%	2.48%	2.36%

## ACCUMULATED



4Q18 \$	4Q18/3Q18 %	4Q18/4Q17 %		Dec.18 \$	Dec.18/Dec.17 %
2,270	4.5	5.3	Loan Income	8,862	2.2
165	11.9	(2.3)	Investment Income, Interbank	648	(3.5)
<b>2,435</b>	<b>4.9</b>	<b>4.7</b>	<b>Financial Income</b>	<b>9,510</b>	<b>1.8</b>
(911)	2.9	(0.9)	Financial Expenses	(3,558)	(7.4)
<b>1,524</b>	<b>6.2</b>	<b>8.4</b>	<b>Financial Margin, Gross</b>	<b>5,951</b>	<b>8.3</b>
(513)	(3.5)	0.3	Provision Expenses	(2,075)	5.0
<b>1,011</b>	<b>11.9</b>	<b>13.1</b>	<b>Financial Margin, Net</b>	<b>3,877</b>	<b>10.2</b>

Figures in COP Billion. Average exchange rate devaluated 0.2% Y/Y and 2.5% Q/Q

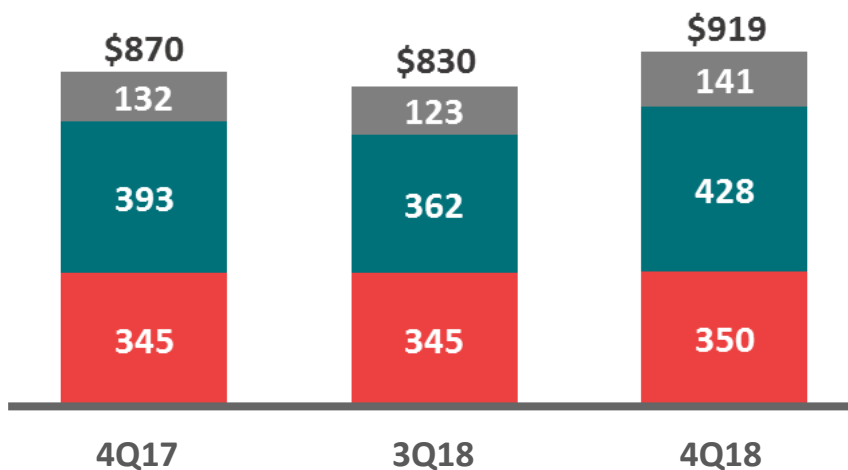
1. NIM (12 months): Gross Financial Margin (12 months) / Average Performing Assets

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



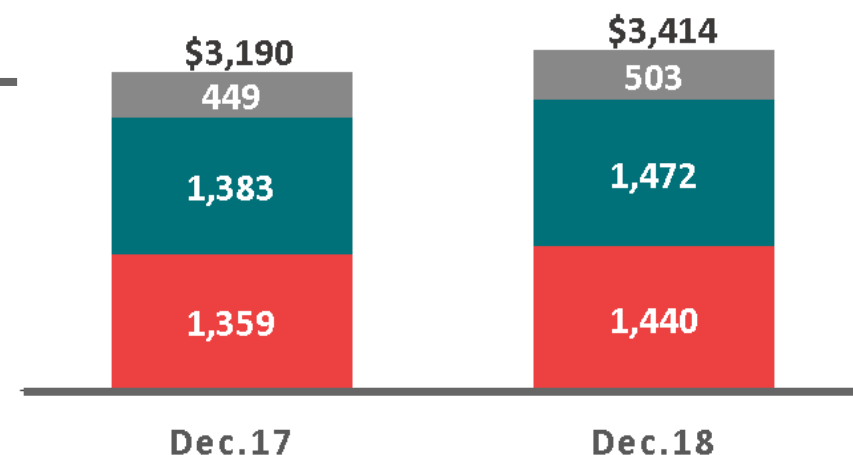
# Expenses

## QUARTER



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

## ACCUMULATED



4Q18 \$	4Q18/3Q18 %	4Q18/4Q17 %		Dec.18 \$	Dec.18/Dec.17 %
350	1.4	1.4	Personnel Expenses	1,440	6.0
428	18.5	9.0	Operating Expenses	1,472	6.4
141	14.3	7.0	Other Expenses <sup>1</sup>	503	11.9
<b>919</b>	<b>10.7</b>	<b>5.7</b>	<b>Total Expenses</b>	<b>3,414</b>	<b>7.0</b>

Figures in COP billion. Average exchange rate revaluated 0.2% Y/Y and 2.5% Q/Q

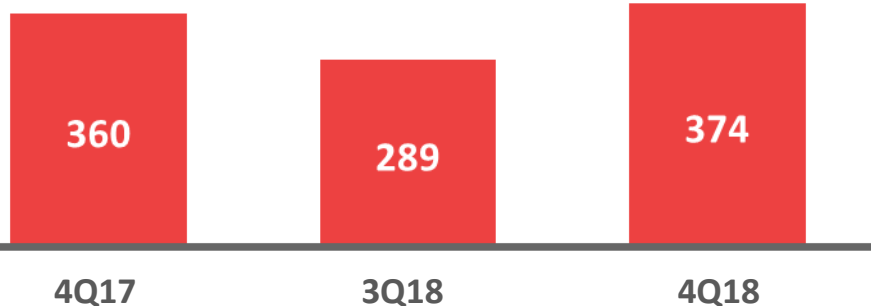
1. Other Expenses includes Amortization and Depreciation. Intangibles Amortization. Taxes and Deposits Insurance

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



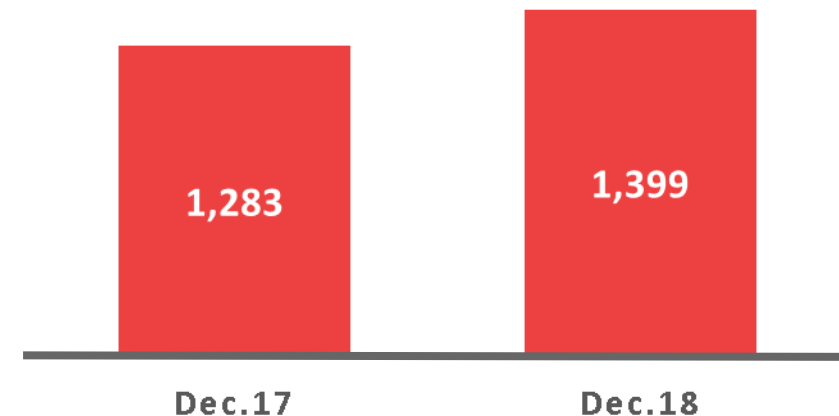
# Net Income

## QUARTER



	Dec.17	Sep.18	Dec.18
ROAE <sup>1</sup>	12.5%	13.0%	12.9%
ROAA <sup>2</sup>	1.3%	1.4%	1.4%

## ACCUMULATED



4Q18	4Q18/3Q18	4Q18/4Q17		Dec.18	Dec.18/Dec.17
\$	%	%		\$	%
1,011	11.9	13.1	Financial Margin, Net	3,877	10.2
326	2.7	0.3	Operating Income	1,296	6.6
919	10.7	5.7	Operating Expenses	3,414	7.0
49	15.3	-21.9	FX Changes, Derivatives and Others	117	(18.5)
<b>467</b>	<b>7.6</b>	<b>13.4</b>	<b>Income before tax</b>	<b>1,876</b>	<b>11.2</b>
92	(36.2)	78.7	Taxes	478	18.0
<b>374</b>	<b>29.6</b>	<b>4.0</b>	<b>Net Income<sup>(3)</sup></b>	<b>1,399</b>	<b>9.0</b>

Figures in COP billion. Average exchange rate revaluated 0.2% Y/Y and 2.5% 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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