During the second quarter of 2011, Daviplata, the new financial inclusion service of Banco Davivienda[1], reached 53,587 customers of which 44.1% correspond to new customers for the bank who have performed in the year to date over 300,000 transactions that correspond 18% to Davivienda ATMs withdrawals and 9% to transfers.

In March 2011 the first Bond issue was successfully made. $600 thousand million were placed in ordinary bonds receiving a demand of 1.55 times this value.

On the other hand, Expofamilia, in its second version, gathered over 150,000 visitors and we were able to maintain the spirit of our show as the only event held to generate opportunities and leisure space for families, where 8,298 credits were approved to obtain thus an increase of 53% as compared to the previous year. In this manner, Expofamilia consolidates as the show that provides thousands of opportunities to families.

At the closing of the second quarter of the year the Bank contributed to the acquisition of a home by 17,904 Colombian families, of which 9,736 were low income housing. Likewise, over 600,000 credits were disbursed to individuals and companies, more than 300,000 new accounts were opened and the total of new Bank customers of the period elapsed from January to June 2011 is of 322,578, not including the new customers of Daviplata.

We have brought in 143,826 new SME and business customers offering them possibilities for development thanks to our new products.

The General Stockholders' Meeting of Banco Davivienda of September 16, 2011, authorized the payment of dividends for $89 thousand million, at $220 per share.

[1]The information presented herein is exclusively of an informative and illustrative nature, and is not, or intends to be, source of legal or financial advice on any subject.
The financial information and forecasts presented are based on information and calculations made internally by DAVIVIENDA, which may be subject to changes or adjustments. Any change in the current circumstances may affect the validity of the information or of the conclusions presented.
The examples mentioned shall not be relied on as guarantee for future forecasts, and no obligation, either express or implied is assumed regarding the future expectations.
DAVIVIENDA expressly provides that it shall not accept any responsibility of any kind in respect to actions or decisions made or omitted, based on the contents of this information. DAVIVIENDA does not accept any type of liability for losses arising from the performance of proposals or recommendations made.
DAVIVIENDA is not responsible for any contents proceeding from any third party. DAVIVIENDA may have disclosed, and may so disclose in the future, information that may be inconsistent with the information contained herein.
These financial statements have been prepared in accordance with accounting principles generally accepted in Colombia and are presented in nominal terms. The income statement of the quarter ended on June 30, 2011 will not necessarily be an indication of the results expected for any other period.

Major results

Net accumulated profits as of the second quarter 2011 were $298 thousand million showing a growth of 4.5% as compared to the same accumulated period of 2010.

- Revenues from loan portfolio interest generated in the quarter was of $778 thousand million, which represents a growth of 10.8% as compared to 2Q10 and of 9.7% when compared with the previous quarter 2011. Revenues from investment portfolio closed at $74 thousand million with a growth of 25% as compared to 1Q11.
- Shares, in turn, have experienced some devaluations (however, the share reaches an increase of 34.5%) although the appreciation outlook is positive due to expectations of good corporate results of Colombian companies for the current year, especially for our bank.
- Consolidated assets at the closing of the quarter are $32.8 billion where the net portfolio for a value of $23.1 billion represents 70% and investments for a value of $4.1 billion represent 13%.
- The net loan portfolio closed the quarter with a value of $23.1 billion and a growth of 5.6% as compared to the balance recorded at the closing 1Q11 and of 24.5% when compared with the previous year, driven mainly by the consumer and corporate portfolio.
- The loan portfolio quality indicator by age was 1.7%, loan portfolio provisions for a value of $1.1 billion permit a coverage of 152.4%. Provisions represent 5.5% of gross loan portfolio.
- Borrowings reach $24.7 billion with a growth of 16.4% when compared to the previous year, this driven mainly by savings accounts (∆YoY=32.7%) and bonds (∆YoY=25.8%).
- Net loan to borrowings ratio[2] reached 94%, as compared to 89% of the previous quarter. Taking into account the rediscount obligations this ratio is 89% at the closing of 2Q11.
- The equity closed at $3.8 billion with a growth of 4,6% in respect to 1Q11 and 31.3% when compared to the previous year, this due to the issue of shares at the end of 2010. The solvency ratio decreased in the quarter 0.51% to 12.34%.

The net profit per share as of 2Q11 reported by the Bank was of $309.7 which represents a reduction of 7.3% compared to 1Q11 given the higher level of loan portfolio provisions and operating expenses and of 13% compared to the

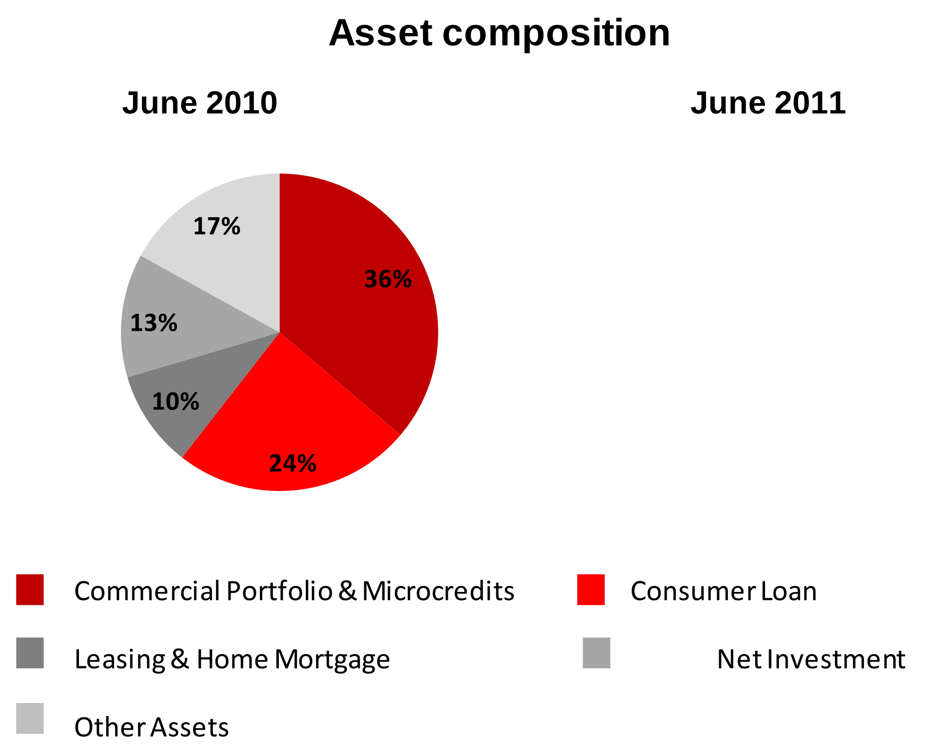
[2] Net Loan Portfolio = Gross Loan Proftfolio – Provisions
Borrowings = Deposits and Current Liabilities + Bonds

previous year. The return on average equity (ROAE) as of June 2011 was of 16.3%[3].

Balance Sheet

Assets

Assets increased by 1.5% in the quarter and 20.8% compared to 2Q10 reaching $32.8 billion. This increase is due to a large extent to the high growth of the loan portfolio (∆QoQ%=5,6% and ∆YoY%=24,1%) that represents 70% of assets.

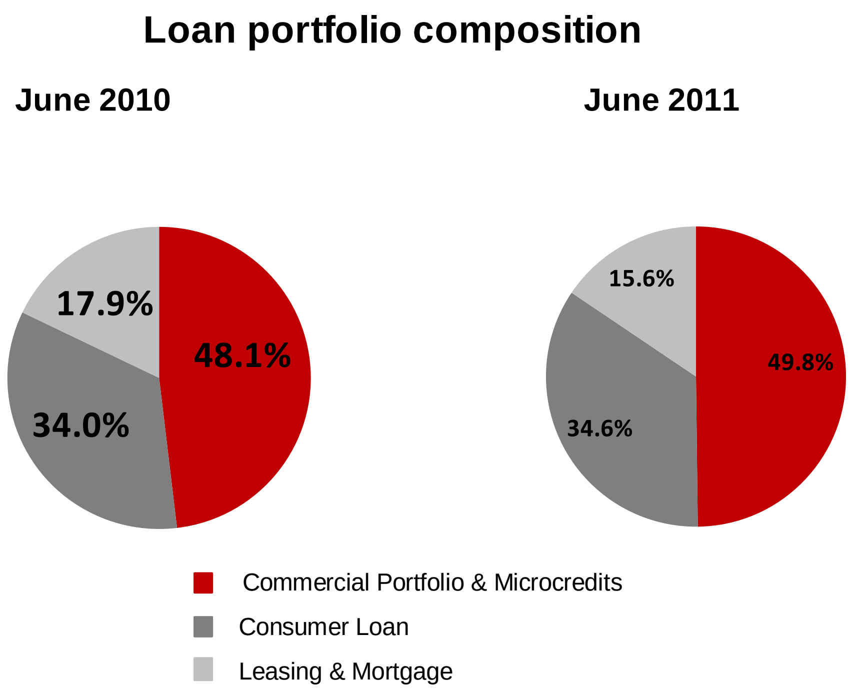


The participation of loan portfolio in the total assets went from 69% to 70% in this quarter, while investments represent 13% of the total assets.

[3] $ROAE \frac{12\ month's\ profit}{Average\ equity}$

Loan Portfolio

Regarding the net loan portfolio, at the closing of the quarter it was $23.1 billion pesos, $1,2 billion more than in 1Q11, which represents an increase of 5.6% and of 24% compared to the previous year.



The commercial portfolio gains participation and corresponds 50% of the total loan portfolio, which has permitted to increase the participation in the system in this segment, reaching 13%[4]. It had an increase of 4.5% as compared to the previous quarter and of 27.7% in respect to the same period of the previous year.

Consumer loans closes at $8.5 billion, with a growth of 6.2% in the quarter and 25.6% compared to the previous year.

Home Mortgage loans[5] reaches a balance of $3.8 billion at the closing of the quarter experiencing a growth of 7.6% as compared to the previous quarter and of 6.8% compared to the previous year. In 2Q11 a securitization took place for $101 thousand million, which generated profit in the sale for $2,500 million. The annual growth of these loans would be of 20% if we consider the receivables that the bank has securitized as of this date which amounts to $2.03 billion.

[4] Source: Financial Superintendence of Colombia. Individual results.
[5] Includes Residential Leasing

The quality of the loan portfolio by past due age shows an improvement in the indicators for the types of commercial and consumer loans in respect to 1Q11. In fact, the total indicator of the loan portfolio has improved passing from 2.03% at the closing of the second quarter 2010 to 1.72% at the closing of June 2011. On the other hand, the total portfolio coverage indicator passes from 141.9% at the closing of the second quarter 2010 to 152.4% at the closing of June 2011. The increase in coverage is due to the increase in commercial and consumer loan portfolio provisions for implementation of new technology for individual provisions under commercial and consumer reference models.

Loan portfolio quality[6] by type and coverage

	Total %		Consumer %		Commercial %		Home Mortgage %	
	June 10	June 11	June 10	June 11	June 10	June 11	June 10	June 11
Quality by age	2.0	1.7	3.2	3.0	1.3	0.9	1.9	1.7
Coverage by portfolio	141.9	152.4	112.0	118.9	190.6	213.6	182.5	194.6
Growth *	17.6%	23.3%	23.1%	25.6%	9.5%	27.7%	32.8%	6.8%

*Loan Portfolio Coverage by Rating

	June 10	March 11	June 11
Provisions on gross portfolio	5.8%	5.3%	5.2%

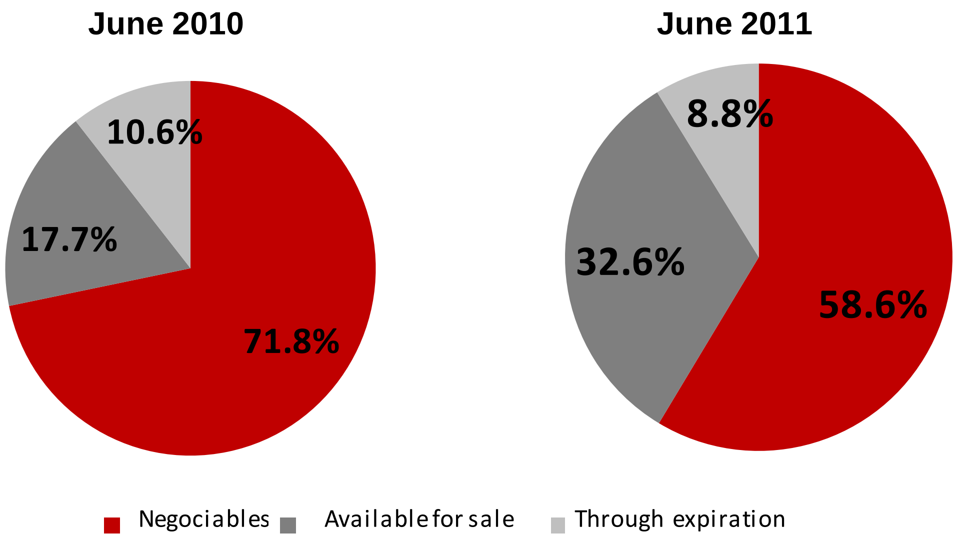
During the quarter (2Q11) the growth of provisions was 4.6& which increased the balance of reserves to $1.27 billion. In the Quarter portfolio write-offs were made for a value of $123 million, higher by $28 billion to the write-offs made in the previous quarter. On the other hand, recoveries made in the second quarter 2011 were $26 million, $17 million below those made in the first quarter of the same year. In the first quarter of 2011 there were sales of written-off portfolio for $11 thousand million.

Investment portfolio

The total investment portfolio at the closing of the quarter was $4.13 billion, experiencing a decrease of 8.5% in the quarter and a growth of 2.2% as compared to the previous year. Fixed income securities represent 97% of total investments. The portfolio of negotiable securities represent 58.8% to support the bank's liquidity.

[6] Quality: Consumer >60 Days / total, Commercial > 90 days / total,
Home Mortgage > 120 days / total. Coverage: Provisions/ Unproductive for default age
* Loan portfolio balance growth

Investment portfolio composition



Commercial Credit

As of June 30th the balance of Commercial Credits is $1.2 billion and the quarterly repayment is of $22 thousand million.

Other assets

Goods received in payment decreased 25.8% in the quarter and 30% compared to 2Q10 reaching $37 thousand million on occasion of the strategy that is being followed by the Bank for the sale of unproductive assets.

Fixed assets totaled $397 thousand million showing an increase of 6% from the previous quarter and 5% as compared to 2Q10; in the year to date the appreciation of these assets reach 468 thousand million with increase of 6.9% in respect to the previous quarter and of 18.9% in respect to 2Q10.

In this quarter the purchase option of the areas located in the Bolivar Tower was exercised, which permitted to record an appreciation for a value of $32 thousand million.

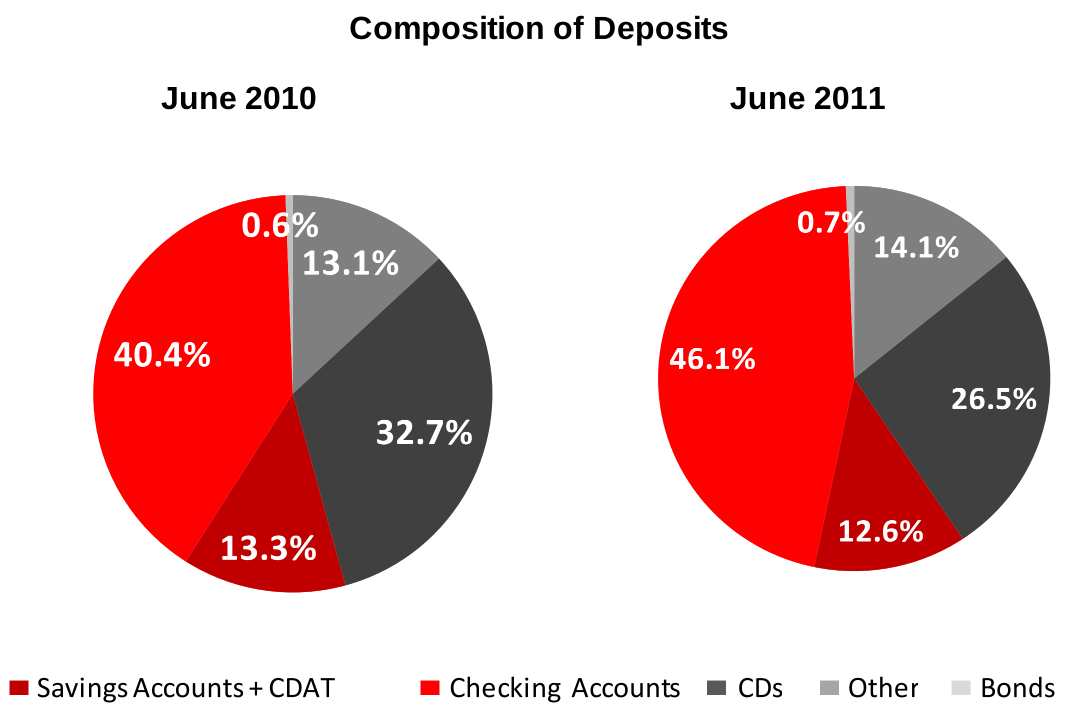
Liabilities

As of June 30, 2011 liabilities amounted to $28.9 billion showing an increase of 1.2% in the quarter and of 19.5% compared to the previous year.

Deposits and bonds reached $24.7 billion obtaining a net loans to deposits ratio[7] of 94%. In respect to the funding composition, savings accounts

[7] Deposits include savings accounts, checking accounts, CDs and Bonds.

increased 6.1% as compared to the previous quarter and 32.8% regarding the second quarter of 2010. As of June the main funding source continues to be savings accounts with 46%.



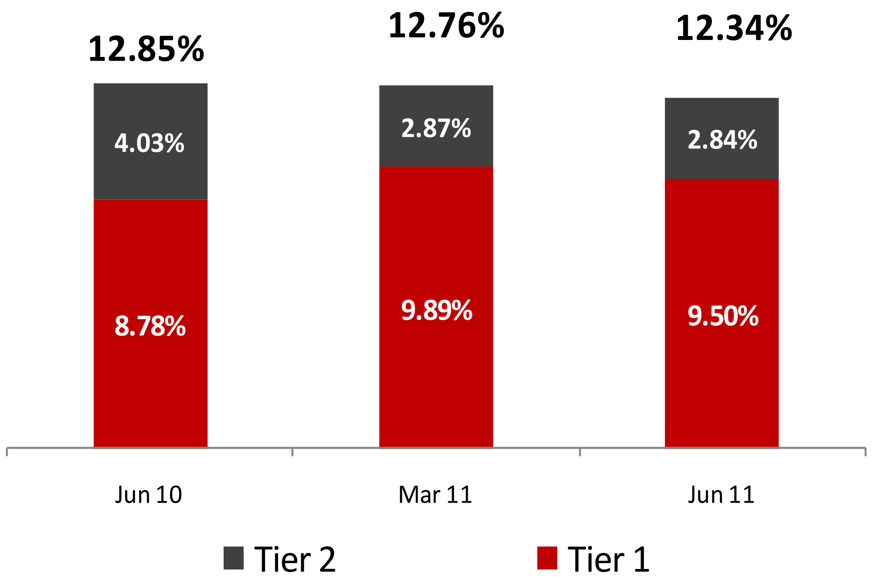
CDAT = Short Term Savings Deposit Certificate

Deposits and borrowings show a growth of 0.1% in the quarter and of 15% in the year. Financial obligations that support the funding of commercial loans show a growth of 6& in the quarter and of 59.6& in the year. Obligations in foreign currency for a value of USD$ 858 million show a growth of 10.1% in the quarter and of 115% in the year due to the values in U.S. dollars. In the quarter the bank did not make any placement of ordinary bonds.

Equity

Equity totaled $3.8 billion at the closing of the quarter showing a growth of 4.6%. The annual growth of 31.4% is explained by the generation of profits and the capitalization of $419 thousand million received in September 2010 mainly by the issue of preferential shares. Appreciations of fixed assets were recorded in the quarter for a value of $32 thousand million given the purchase option that was exercised in the areas located in the Bolivar Tower.

With this equity, the bank's consolidated reaches a solvency of 12.34% compared to 12.85% of the previous quarter, this ratio is 343 base points above the minimum regulatory level required. As of June 30, 2011 the basic equity to assets ratio weighted by risk was of 12.2, notwithstanding the growth of the portfolio. The technical equity was 3.7 billion at the close of 2Q11, there being no significant variation in respect to 1Q11.



	Jun 10	Mar 11	Jun 11
Solvency	12.81%	12.76%	12.34%
Assets weighted by risk level	22.374	26.875	28.165

Income Statement

Net profit totaled $126 thousand million in the quarter, showing a decrease of 26% as compared to the previous quarter and of 7.3% compared to the previous year given the higher level of portfolio provisions and operating expenses. Net profit per share in the quarter is of $309.7 recording a reduction of 26& compared to the previous quarter.

Interest income

Interest income generated in the quarter was of $778 thousand million, which represents a growth of 10.8% in respect to 2Q10 and of 9.7% when compared to the previous quarter of 2011. The growth in the quarter is explained by the growth of receivables, the slight increase in interest rates given the Central Bank’s contractionary policy and the increase in the income for investments in fixed income that was of 33% in respect to the previous quarter.

Provisions

Provisions expense for the quarter correspond mainly to credit portfolio amounted to $172 thousand million, which represents an increase of $63 thousand million in respect to the previous quarter and an increase of $31.4 thousand million compared to the results of the same quarter in the previous year, due to higher contracyclical provisions and to the growth of credit portfolio which compared to the second quarter of 2010 corresponds to 23.3%.

Financial Margin

The net financial margin of the quarter shows a decrease of $19.6 thousand million ($\Delta$QoQ%=-4.7%) in respect to the previous quarter given the growth of provisions (ΔQoQ%=58%). The financial margin growth in respect to the 2Q10 is of 4.2%

Commissions and income from services

Income and commissions for services for a value of $166 thousand million showed a reduction of 11.6% in the quarter due mainly to the payment of dividends for a value of $21 thousand million and an increase of 20.9% compared to the previous year.

The commissions of personal banking originated in the Bank represent 76.4% of this income and placement products show a growth of 40% in respect to the first quarter of the year and of 8% for the second quarter of 2010; on the other hand, borrowing products close with a significant reduction of 36%.

Commissions of SME banking show an increase of 14.1% compared to the previous quarter and the corporate banking presents an increase of 16.9% compared also with the first quarter of 2011.

Commissions from trust activities totaled $9.5 thousand million in the quarter shown a decrease of less than 1% and growth of 7% compared to the previous year.

Operating Profits

Operating Expenses

Personnel expenses were $149 thousand million which represent a increase of 2% in respect to the previous quarter; the annual growth of 12.3% is explained by the increase of salaries in the anniversaries and by the growth of the permanent staff given the new business lines and the reinforcement of technology projects by 6.3% during the past year.

Administration expenses were $259 thousand million in the quarter which represent an increase of 11.6% as compared to the previous quarter. The variation is explained by the increase in operating expenses that grow 11% in respect to the previous quarter, mainly due to TV advertising and point redemption programs for purchases with credit cards of all franchises. Depreciation and amortization expenses totaled $57 thousand million in the quarter, they show a growth of 15.7% in the quarter, corresponding to the amortization of the commercial credit that in the quarter is of $22 thousand million and of 30.6% in the year, given the investments in property, plant and equipment.

These expenses include amortization of commercial credit which expense in the quarter is of $22 thousand million.

BANCO DAVIVIENDA S.A AND SUBORDINATES
MAJOR CONSOLIDATED FIGURES
2Q11 – 1Q11
(Billions of pesos)

Companies	Assets	Liabilities	Equity	Profit 2Q11	Accum. Profit
Banco Davivienda S.A. (*)	31,498	27,666	3,833	120	300
Bancafé Panamá S.A. - 99.9%	1,120	963	157	5	9
Confinanciera S.A. - 94.9%	430	358	72	7	15
Fiduciaria Cafetera S.A - 94.01%	79	12	67	2	3
Fiduciaria Davivienda S.A. - 60%	56	8	48	4	8
Davivalores S.A. - 79%	11	1	10	-0.3	-1.0
TOTAL BANK & AFFILIATES	**33,193**	**29,007**	**4,186**	**137**	**335**
ELIMINATIONS & HOMOLOGATIONS	**-382**	**-27**	**-355**	**-11**	**-36**
CONSOLIDATED 2Q11	**32,812**	**28,980**	**3,831**	**126**	**298**
CONSOLIDATED 1Q11	**32,311**	**28,649**	**3,662**	**172**	**172**
CONSOLIDATED 2Q10	**27,172**	**24,255**	**2,916**	**136**	**294**
VARIATION 2Q11/1Q11	**2%**	**1%**	**5%**	**-26%**	**74%**
VARIATION 2Q11/2Q10	**21%**	**19%**	**31%**	**-7%**	**1%**

(*) As of January 1, 2011, Miami is incorporated in the individual figures of the Bank.

Results second quarter 2011 Affiliates

Panama: At the closing of June 2011 Bancafe Panama reached US$632 in total assets, which represents 11.7% increase as compared to the previous year. The most important items are investment portfolio with a 34% participation and loan portfolio that represents 48%.

Confinanciera: The growth in sales of vehicles in the country has been capitalized by Confinanciera, supporting in this way the development of the economy, by disbursing at the closing of the second quarter $150,865 million for vehicle financing, which represents a growth of 52.7% in respect to that figure in the same period of the previous year.

Fidudavivienda: At the closing of the quarter the value of managed trusts was of $3.5 billion, 16% higher than in June 2010. This result is explained mainly by the growth of real estate trust business by 38%, administration by 50% and of Voluntary Pension Fund by 5%.

Fiducafé: At the end of the second quarter of 2011 it manages assets for $7,913 million and the income received for trust commissions amounted to $11.8 thousand million. The highest contribution corresponded to structured trust business, which commissions for $9.7 thousand million grew by 8.54%.

Davivalores: During the first semester of 2011, Davivalores increased its income by 42% in respect to the same period of the previous year, reaching 1,862 million pesos. The value of assets managed reached $1.4 billion. The negative results of Davivalores profits are explained by the fact that it is going through a resizing process which has implied investments in technology, redesign of processes and reinforcement of the staff.

Consolidated Balance Sheet

Consolidated Balance Sheet as of June 2011					
Assets	**Jun 10**	**Mar 11**	**Jun 11**	**Var Jun 11/Mar 11**	**Var Jun 11/ Jun 10**
Cash	1,662	2,952	2,550	-14%	53%
Investments	4,045	4,516	4,133	-8%	2%
Loan Portfolio	18,627	21,882	23,108	6%	24%
Commercial	9,517	11,638	12,157	4%	28%
Consumer	6,730	7,955	8,450	6%	26%
Home Mortgage	3,534	3,508	3,776	8%	7%
Provisions	1,153	1,219	1,275	5%	11%
Property, plant & equipment	378	375	397	6%	5%
Appreciations	420	467	500	7%	19%
Other assets	2,040	2,119	2,124	0%	4%
Total assets	27,172	32,311	32,812	2%	21%
Liabilities & Equity	**Jun 10**	**Mar 11**	**Jun 11**	**Var Jun 11/Mar 11**	**Var Jun 11/ Jun 10**
Deposits & other liabilities	18,423	21,178	21,193	0%	15%
Savings accounts	8,563	10,711	11,367	6%	33%
Checking accounts	2,810	3,096	3,112	1%	11%
Certificates of Deposit	6,926	7,160	6,546	-9%	-5%
Bonds	2,774	3,508	3,491	0%	26%
Credits with entities	1,702	2,563	2,717	6%	60%
Other liabilities	1,356	1,400	1,579	13%	16%
Total liabilities	24,255	28,649	28,980	1%	19%
Capital	43	45	40	-11%	-7%
Reserves	2,179	2,959	2,957	0%	36%
Surplus	436	462	513	11%	18%
Profits of previous periods	-27	25	24	-4%	-189%
Profits for the period	285	172	298	0%	5%
Total equity	2,916	3,663	3,832	5%	31%
Total liabilities & equity	27,172	32,311	32,812	2%	21%

Consolidated Income Statement

Consolidated Income Statement as of June 2011					
Assets	Jun 10	Mar 11	Jun 11	Var Jun 10/ Mar 11	Var Jun 10/ Jun11
Total income	703	709	778	10%	11%
Income from loan portfolio	589	651	704	8%	20%
Commercial	192	203	222	9%	16%
Consumer	288	337	365	8%	27%
Home Mortgage	109	111	118	6%	8%
Income from investments	113	59	74	25%	-35%
Total expenses	176	183	209	14%	19%
Deposits in checking accounts	-	4	5	25%	-
Deposits in savings accounts	37	33	51	55%	38%
Certificates of Deposit	81	79	74	-6%	-9%
Credits with entities	15	18	23	28%	53%
Bonds	41	48	56	17%	37%
Gross financial margin	527	526	570	8%	8%
Provisions	140	109	172	58%	23%
Net financial margin	382	417	398	-5%	4%
Other income	137	187	166	-11%	21%
Operating expenses	364	280	410	46%	13%
Operating profit	155	225	154	-32%	-1%
Profit before taxes	173	215	158	-27%	-9%
Taxes	37	43	31	-28%	-16%
Profit for period	136	171	126	-26%	-7%