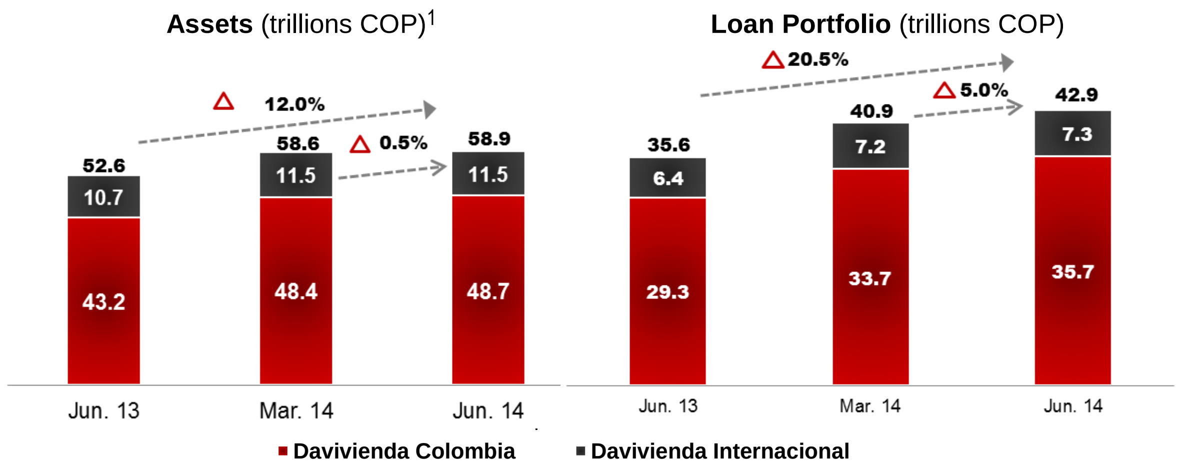
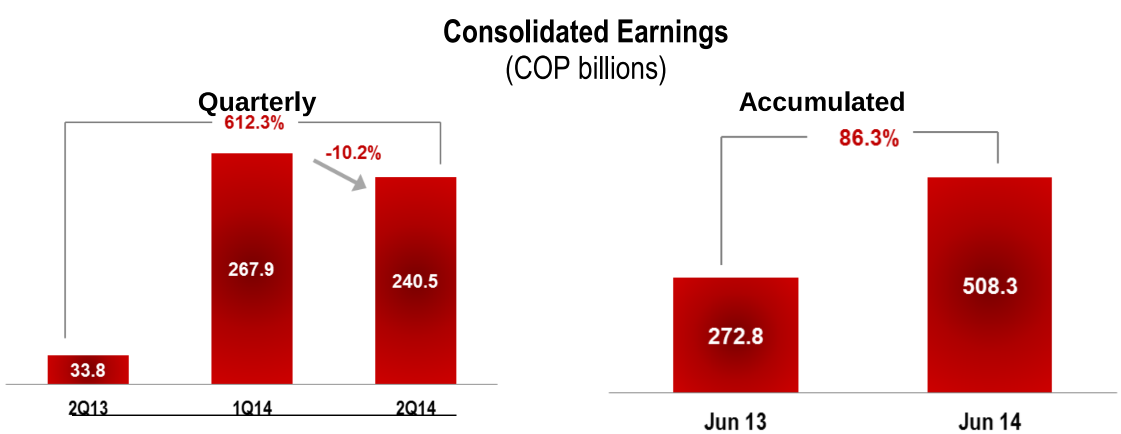
DAVIVIENDA ANNOUNCES CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2014

Due to changes in some of the information of the second quarter 2014 (2Q14), please see Fe de Erratas on page 27.

Bogotá, August 12, 2014 - Banco Davivienda (BVC: PFDAVVNDA), ("the Company", "Davivienda" or "the Bank"), a leading commercial bank in the Colombian financial market and a subsidiary of Grupo Bolivar, announced today its consolidated results today for the second quarter (2Q14) and first six months (6M14) of 2014 for the periods ended June 30, 2014. Results are expressed in Colombian Pesos (COP) and were prepared in accordance with the accounting principles accepted in Colombia.

KEY FINANCIAL DATA PERFORMANCE





[1] Total assets includes deletions and reclassifications totaling COP 1.3 trillion for June 2013, for March 2014 and for June 2014.

SUMMARY OF CONSOLIDATED RESULTS
SECOND QUARTER 2014 (2Q14)

- Accumulated net income for 6M14 was COP 508.3 billion, 86.3% higher than the figure reported at June 2013. Foreign subsidiaries contributed COP 53.9 billion to 6M14 results.

- Net income for 2Q14 reached COP 240.5 billion, 10.2% less than in 1Q14, mainly due to the higher growth rate of financial expenses (4.1%) compared to the performance of financial income (2.7%) during the quarter. In addition, compared to 1Q14, spending on net provisions increased 26.5% and dividend income from investments in non-consolidated companies decreased 83.5%.

- Compared to 2Q13, net income grew 612.3% due to the solid performance of the loan portfolio during 2Q14 and the lower earnings base of the previous year as a result of the treasury portfolio devaluation in 2Q13.

- NIM[2] closed at 7.1%, 51 basis points more than the figure reported in the previous quarter and 3 basis points higher than in 2Q13. The efficiency indicator stood at 51.5%, 299 basis points below that recorded in 1Q14 and 420 basis points lower than 2Q13. This was explained by the greater growth of total revenue compared to expenses.

- Net profit per share[3] was COP 462.2 at the end of 2Q14, down 39.4% compared to 1Q14 due to the dividends received during the first quarter of the year. With regard to 2Q13, net profit per share grew 462.2%

- Assets amounted to COP 58.9 trillion, which is 0.5% higher than 1Q14 and 12.0% more than 2Q13. Of these assets, the net loan portfolio[4] increased its share to 73.0% of the total assets, while investments[5] and cash dropped to 11.5% and 8.4%, respectively.

- The gross loan portfolio closed at COP 44.7 trillion, up 5.0% from 1Q14 and 19.9% from 2Q13, where the commercial loan portfolio had higher balance increases with growth rates of 4.9% quarterly and 17.1% annually. In addition, the mortgage portfolio had 5.6% quarterly and 40.9% annual growth rates.

- The delinquent portfolio quality indicator[6] was 1.70%, 6 basis points higher than the indicator reported in 1Q14 and 14 basis points below that of 2Q13. Portfolio provisions in the amount of COP 1.8 trillion, resulted in a coverage of 236.5%.

- Net provision expense to net portfolio ratio[7] dropped 14 basis points to 1.7%.

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[2] NIM: Accumulated gross financial margin (12 months) / average earning assets.
[3] Net profit per share in Banco Davivienda S.A.
[4] Net loan portfolio: gross loan portfolio – provisions.
[5] Investments after valuation and devaluation.
[6] Nonperforming loans > 90 days.
[7] Net provision expense (accumulated 12 months) / net portfolio.

Quarterly net provision expense was COP 206.6 billion, an increase of 26.5% compared to 1Q14, as a consequence of the increase in provisions in the commercial loan portfolio, additionally a 2.5% decrease was achieved compared to 2Q13, due to the drop in provisions of the consumer loan portfolio in Colombia.

- Profitability measured based on average assets[8] went from 1.31% in 2Q13 and 1.61% in 1Q14 to 1.91% in 2Q14.

- Equity closed at COP 6.3 trillion, up 3.8% from 1Q14 and 12.3% YoY. Return on Average Equity (ROAE)[9] was 16.5% at 2Q14, compared to the 15.0% reported in 1Q14 and 10.7% in 2Q13.

- Funding sources[10] were COP 49.4 trillion, resulting in a portfolio to funding source ratio[11] of 86.9%, 510 basis points higher than that reported in 1Q14 as a result of the 4.7% reduction in savings accounts and 1.5% in checking accounts. Compared to 2Q13, deposits grew 16.4%.

- At the end of June 2014, Davivienda was operating in 6 countries, with 6.8 million clients[12], 16.3 thousand employees, 723 offices, 2,041 ATMs and approximately 5.6 thousand banking correspondents through DaviPlata.

[8] ROAA: net income (12 months) / average assets.
[9] ROAE: net utility (12 months) / average equity.
[10] Funding sources: total deposits + bonds + institutional loans.
[11] Ratio: net loan portfolio / (total deposits + bonds + institutional loans).
[12] This includes 2.1 million DaviPlata customers.

HIGHLIGHTS FOR THE QUARTER

Debt Issuance

On May 15, Davivienda issued senior bonds on the Colombian market for COP 600 billion, in three series for terms of 36 months, 60 months and 120 months, indexed to the IBR and CPI. The issuance received demand of 1.3 times the amount of the issuance.

In addition, the IFC[13] granted to Banco Davivienda S.A. a subordinated loan of USD 172.5 million for 9 years, payable in advance, with a variable rate indexed to LIBOR, which was disbursed on July 31, 2014.

Finally, on May 8, 2014, the IFC granted a loan for USD 50 million to Davivienda in El Salvador for 7 years at a fixed rate of 3.38%.

DaviPlata Won the Shared Value Award

In May, the Bogotá Chamber of Commerce, in association with Michael Porter, granted the first Shared Value Award in May r to DaviPlata. The award recognized DaviPlata for setting an example as a business that considers the financial aspect, as well as the social and environmental aspects.

Since its launching, at June 30, 2014 2.1 million clients have enrolled, of which 49.2% are part of the DaviPlata banking system.

During 2Q14, 2,203 companies disbursed payments through DaviPlata, up 29,6% compared 2Q13 and in the first half of the year, the number of monetary transactions carried out through the service doubled for a total of COP 1.3 trillion traded.

To date we initiated a pilot program for commercializing sale life micro-insurances through the platform.

[13] Through its fund IFC Capitalization Fund, L.P.

MAIN BUSINESS RESULTS IN COLOMBIA

Mortgages

During the quarter, mortgage loan disbursements amounted to COP 873 billion, up 1.7% compared to 1Q14 and 25.2% compared to 2Q13. Cumulative disbursements from 6M14 amounted to COP 1.7 trillion, up 34.4% YoY.

It is important to point out the growth dynamic of the low-income housing disbursements, reaching a quarterly and annual growth rates of 3.4% and 45.0%. Mortgage loans over LIH increased 1.0% compared to 1Q14 and 18.9% compared to 2Q13.

Commercial Loans

Construction loan disbursements were made in the amount of COP 572 billion, up 27.5% compared to 1Q14, with a 5.9% increase in balance. Compared to 2Q13, the balance of the construction loan portfolio grew 27.5%.

Davivienda believes on infrastructure projects (4G) and has pre-approved lines on current auction processes for more than $3,5 trillion and are targeting to participate in future projects financing.

Disbursements of the SME loan portfolio amounted to COP 811 billion, up 15.9% compared to 1Q14 and 10.2% YoY, reaching quarterly and annual growth of 7.4% and 12.5%, respectively.

The balance of the corporate loan portfolio grew by 6.8% compared to 1Q14 and 18.0% compared to 2Q13, with notable disbursements in the energy[14], coffee and vehicle sectors during the quarter.

Finally, growth of the commercial loan portfolio of foreign subsidiaries was 1.9% compared to 1Q14 and 15.5% compared to 2Q13.

Consumer Loans

During the quarter, consumer loan disbursements amounted to COP 2.9 trillion, up 12.3% compared to 1Q14, with notable increases in the use of credit cards (9.2%) and the disbursement of payroll and free investment loans at 17.3% and 44.8%, respectively.

Compared to 2Q13, consumer loan disbursements rose by 12.7%, mainly due to the reopening of the free investment line of credit.

[14] Energy Generation and Distribution.

BALANCE SHEET

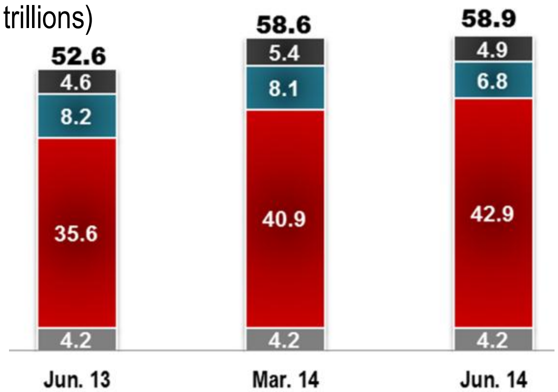
Assets

Assets at June 2014 totaled COP 58.9 trillion, explained by the increase of the net loan portfolio, which represented 73.0% of the total assets, and grew 5.0% compared to 1Q14 and 20.5% compared to 2Q13.

Consolidated ROAA[15] at the close of 1Q14 was 1.91% compared to 1.61% reported in 1Q14 and 1.31% in 2Q13.

Changes in Consolidated Assets (COP trillions)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Cash	-8.8	7.6
Investments, net	-15.7	-16.8
Loans, net	5.0	20.5
Other assets (16)	-0.5	0.2
Assets	**0.5**	**12.0**



Assets	Jun. 13	Mar. 14	Jun. 14	Q/Q (%)	Y/Y (%)
Colombia	43.2	48.4	48.7	0.6	12.7
International (17)	10.7	11.5	11.5	-0.2	7.5
International USD$	5.7	5.8	5.9	1.9	4.8

The net loan portfolio in the foreign affiliates closed at COP 7.3 trillion, with a share of 63.2% of the total foreign assets. The decrease in the assets in the foreign subsidiaries compared to 1Q14 is primarily due to the revaluation of the exchange rate (COP/USD) of 2.1%.

Cash and Interbank Loans

At June 2014, cash closed at COP 4.9 trillion, primarily explained by the performance of cash in Colombia, which fell 18.0% during the quarter and grew 9.3% compared to 2Q13.

[15] ROAA = net income (12 months) / average assets.
[16] Other assets include: Property, plant and equipment; goods received in payment, net; prepaid expenses and deferred charges; goodwill; and others.
[17] Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras.

In the foreign subsidiaries, cash was COP 2.0 trillion, growing 9.4% during the quarter, and 5.1% YoY, primarily explained by t Costa Rica where cash grew 12.2% during t2Q14 and 23.9% compared to 2Q13.

Net Investment Portfolio

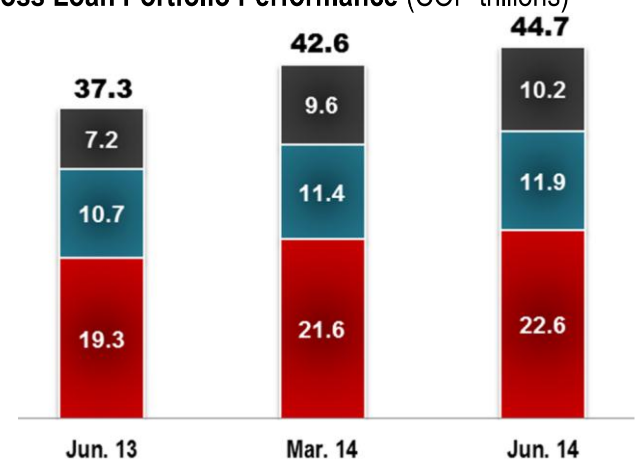
Net investments closed at COP 6.8 trillion, primarily explained in Colombia where there was a 14.2% quarterly decrease and a 15.7% annual decrease as a result of the COP 700 billion decline in guarantees received from money market operations for illiquid asset operations of securities and the COP 234 billion reduction in TES of the negotiable securities portfolio. In addition, net investments in foreign subsidiaries amounted to COP 1.7 trillion, down 12.2% from 1Q14 and down10.4% from 2Q13, primarily due to the decrease in the loan portfolio in Panama and Honduras.

The consolidated investment portfolio consists mainly of debt securities, which represented 96.5% of the total investments and 11.1% of the total assets. These in turn consist of 34.3% negotiable securities, 33.9% securities for sale and 31.8% securities up to maturity. The remaining 3.5% of the investment portfolio is represented by equity investments, which are mostly equity securities available for sale.

Gross Loan Portfolio

The gross loan portfolio closed at COP 44.7 trillion, with outstanding growth of the commercial and mortgage loan portfolios, and the acceleration in the growth of the consumer loan portfolio, which rose from an annual rate of 8.4% in March 2014 to 10.9% by the end of June.

Consolidated Gross Loan Portfolio Performance (COP trillions)



	Consolidated		Colombia		International	
	Q/Q (%)	Y/Y (%)	Q/Q (%)	Y/Y (%)	Q/Q (%)	Y/Y (%)
Mortgages (18)	5.6	40.9	7.0	48.6	-2.6	4.7
Cosumer	4.4	10.9	5.1	10.7	0.1	12.5
Commercial (19)	4.9	17.1	5.7	17.5	1.9	15.5
Gross Loans	**5.0**	**19.9**	**5.9**	**21.5**	**0.7**	**12.8**

[18] The mortgage portfolio includes residential leasing.
[19] The commercial loan portfolio includes micro-loans.

Gross Loans	Jun. 13	Mar. 14	Jun. 14	Q/Q (%)	Y/Y (%)
Colombia	30.7	35.2	37.3	5.9	21.5
International (20)	6.6	7.4	7.5	0.7	12.8
International USD$	3.5	3.8	3.9	2.8	10.0

Among foreign subsidiaries, the gross loan portfolio amounted to COP 7.5 trillion, due to the revaluation of the exchange rate (COP/USD) of 2.1% compared to 1Q14; the growth in dollars of the foreign subsidiary portfolio during 2Q14 was 2.8%.

The commercial loan portfolio has maintained its share in the gross loan portfolio at 50.6%. Annual growth in Colombia was explained mainly by the 18.0% increase in corporate banking and the construction loan portfolio with an 27.5% increase. The commercial loan portfolio in foreign subsidiaries is growing mainly in El Salvador, Panama and Costa Rica with annual increases of 28.7%, 10.8% and 10.7%, respectively.

The growth in the consumer loan portfolio has continued to accelerate, achieving an annual rate of 10.9%, explained primarily by the 24.7% annual increase in payroll loans in Colombia.

The mortgage portfolio has grown mainly in Colombia, which reported it as 7.0% higher than 1Q14 and 48.6% higher compared with 2Q13. The mortgage portfolio including the COP 1.3 trillion balance of the securitized portfolio had a growth of 4.0% compared to 1Q14 and 25.4% compared to 2Q13.

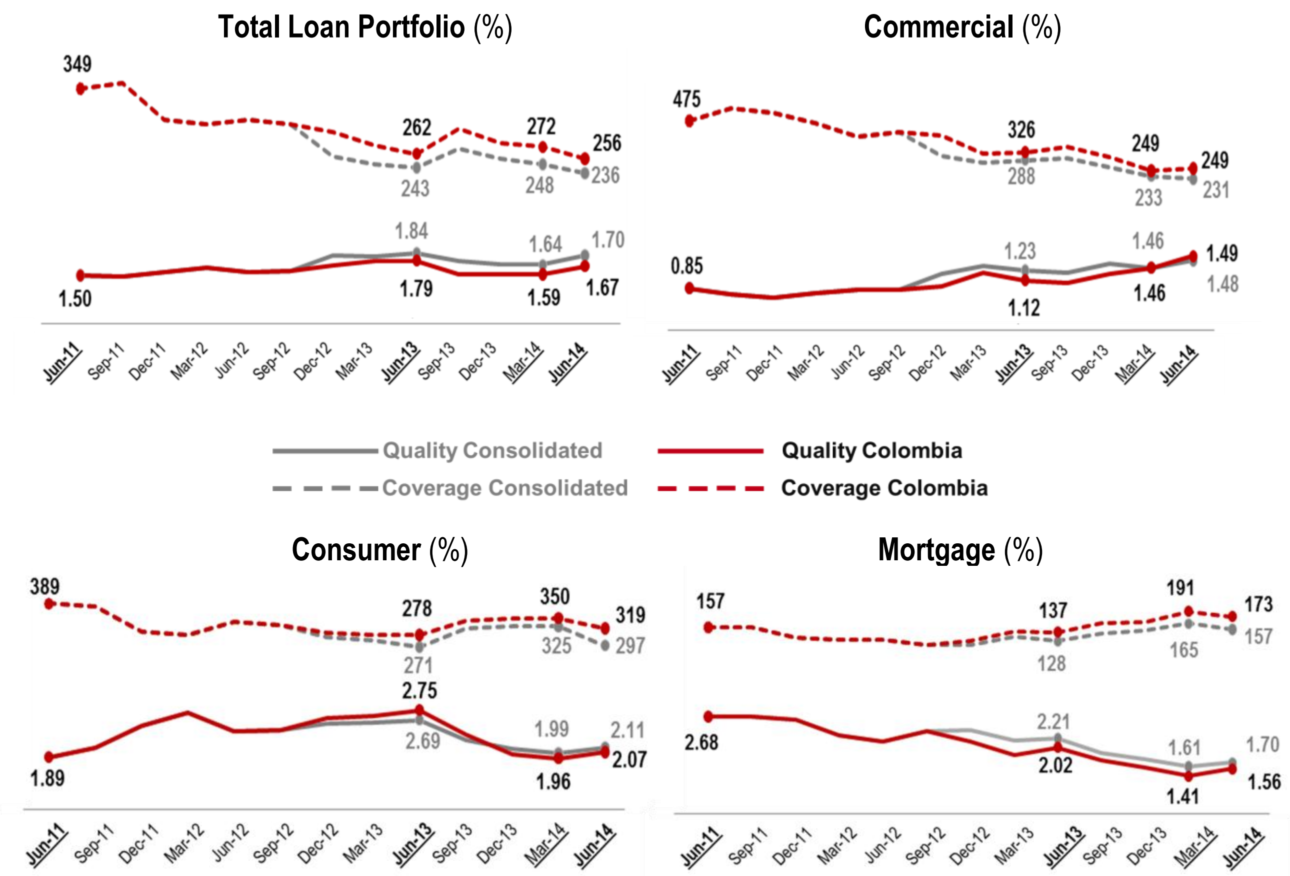
Portfolio Loan Quality by Type and Coverage

The portfolio indicator[21] at the end of 2Q14 was 1.70%, up 6 basis points from that reported at the end of 1Q14, mainly due to the 11 basis-point increase of the consumer loan portfolio indicator and the 8 basis-point increase in the mortgage portfolio. In Colombia, this was mainly due to seasonality.

The consolidated level of coverage[22] in 2Q14 was 236.5%, down from that reported in 1Q14, due to the decrease in the loan portfolio in Colombia, where total coverage dropped from 271.6% to 255.8%.From April these year, as an internal policy in Colombia it was determined not to free 100% of additional provisions for consumer portfolio, keeping an extra 25bps over the capital multiplied by losses upon default, even the norm stablishes that after 6 months of a negative alpha indicator it is not necessary to constitute an additional provision, therefore liberation of 50% was conducted

[20] Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras.
[21] Quality: nonperforming loans > 90 days / total portfolio.
[22] Coverage: provisions / non-performing loans > 90 days.

In foreign subsidiaries, the loan portfolio provision dropped 4.5% compared to 1Q14 and 13.8% in relation to 2Q13, due to the recognition of the type of guarantee and the improvements in the quality of the loan portfolio, mainly in mortgages and commercial of 28 and 2 basis points, respectively.



In 2Q14, there was a total of COP 110.1 billion in write-downs, 0.3% on the gross loan portfolio, dropping 12.9% compared to 1Q14 and 44.3% compared to 2Q13, mainly due to the decrease in write-downs of the consumer and commercial loan portfolios.

Goodwill

At the end of the second quarter of the year, goodwill stood at COP 1.6 trillion, down 1.1% compared to 1Q14, as a result of the COP 20.2 billion amortization reported during the quarter. 66.8% of the amortization was due to the goodwill of Granbanco, 15.9% of the new subsidiaries in Central America and the remaining 17.3% of Corredores Asociados. Compared to 2Q13, goodwill decreased by 2.9%.

Other Assets

Net assets received as payments were valued at COP 67.1 billion, down 15.7% from 1Q14 and 18.5% from 2Q13, due to the reduction in assets received as payment by foreign subsidiaries of 22.1% compared to 1Q14 due to the exchange rate revaluation and the sale of COP 4.4 billion in assets. In addition, was use the tax credit reported in 2013 during the 2Q14.

The 2Q13 18.5% decrease in assets received as payments was explained by the increase in provisions in international subsidiaries in assets that are 2 to 5 years old, and the sale of assets, primarily in El Salvador and Honduras.

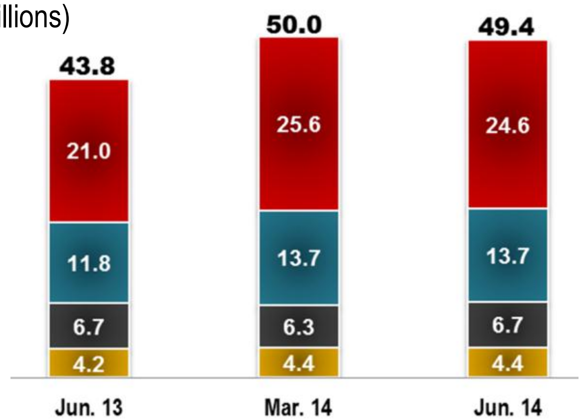
Liabilities

At the end of June 2014, liabilities closed at COP 52.5 trillion, a 0.1% growth compared to March 2014, and 11.9% compared to June 2013, the latter of which was explained by the increase in deposits, which represented 72.9% of the total liabilities, growing at an annual rate of 16.4%. Compared to March 2014, deposits declined 2.6% as a result of a 5.5% decrease in savings accounts and a 1.1% in checking accounts in Colombia due to the decline in the balance of corporate clients.

In foreign subsidiaries, liabilities totaled COP 10.1 trillion, maintaining levels similar to those reported in March 2014. In June 2013, liabilities in international subsidiaries grew 8.8%. This was mainly explained by the increase in loans with banking correspondents in El Salvador due to the loan awarded by the IFC to Davivienda in El Salvador for USD 50 million for 7 years with an interest rate of 3.38%.

Performance of Funding Sources (COP trillions)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Demand Deposits	-3.8	17.0
Term Deposits	-0.5	15.4
Bonds	6.6	0.3
Credits	0.9	5.5
Funding Sources	**-1.1**	**12.9**



	Jun. 13	Mar. 14	Jun. 14
Loans, Net/ Funding Sources(24)	**81.4%**	**81.8%**	**86.9%**

Funding Sources	Jun. 13	Mar. 14	Jun. 14	Q/Q	Y/Y
Colombia	35.0	40.4	39.8	-1.6	13.7
International (23)	8.8	9.5	9.6	0.7	9.8
International USD$	4.7	4.8	5.0	2.8	7.0

[23]Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras.

Deposits, bonds, rediscount loans and loans to banking correspondents were reported at COP 49.4 trillion, achieving a net loan portfolio to funding sources ratio[24] of 86.9%. Excluding bonds, this ratio increased to 104.5%.

Demand deposits jumped 17.0% YoY, due mainly to Colombian savings accounts that rose 23.5% and the checking accounts that increased 14.4% YoY.

Term deposits decreased compared to the previous quarter, mainly in foreign subsidiaries, falling 2.5% and grew in comparison with June 2013 primarily due to the 18.0% growth in Colombia.

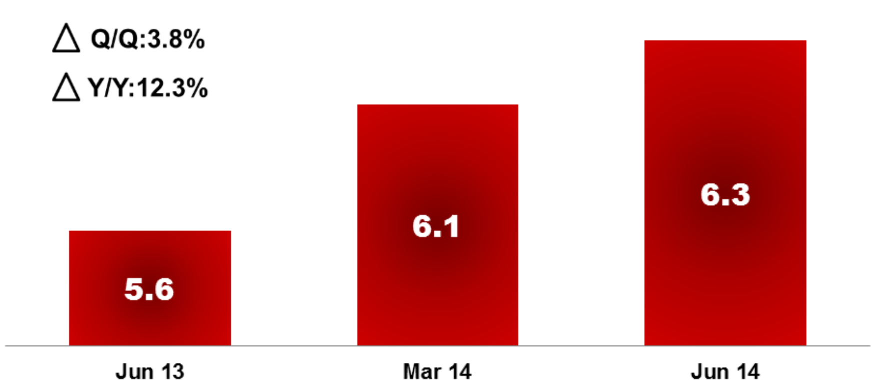
Bonds totaled COP 6.7 trillion, 95.5% of which made up the bond balance in Colombia with a 7.3% increase compared to March 2014, due to the COP 600 billion bond issuance on the Colombian market. Compared to June 2013, bonds grew 0.3%. In Colombia, foreign bonds were affected by the 2.1% quarterly devaluation of the exchange rate (COP/USD) and the maturity of the subordinated bonds issued to acquire Granbanco for USD 175 million.

Rediscount loans and loans to banking correspondents stood at COP 4.4 trillion, reporting a 5.5% increase compared to June 2013 explained by the increase in use of this funding source in Davivienda in El Salvador.

Equity

Equity closed at COP 6.3 trillion, up 3.8% from the previous quarter and 12.3% YoY.

Equity Performance (COP trillions)

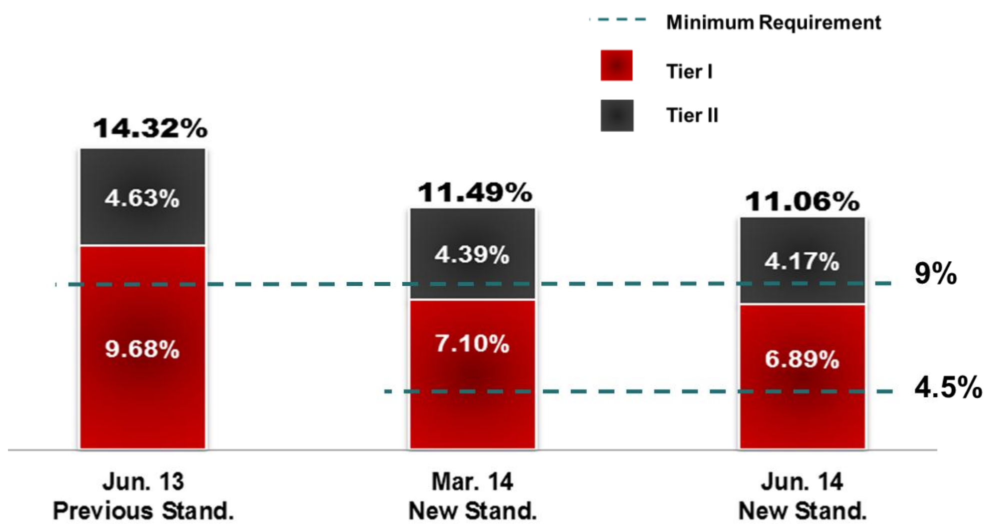


Solvency stood at 206 basis points above the minimum solvency required in Colombia (9%), reaching 11.1%. The decrease compared to March 2014 was due to the 4.6% growth of the assets weighted by risk level as a result of the 5% loan portfolio growth during the quarter.

[24] Funding sources = total deposits + bonds + institutional loans.

Technical equity closed at COP 5.8 trillion, down 0.7% from March 2013, and the ratio of core capital to assets weighted by risk level was 6.9%, 239 basis points above the required minimum (4.5%).

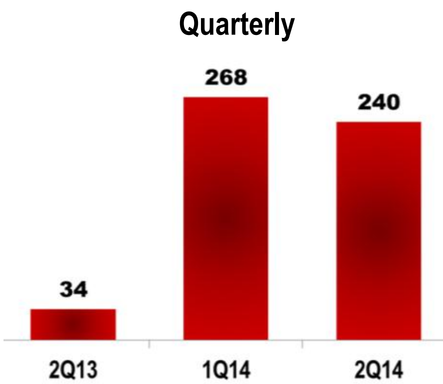
Solvency (%)

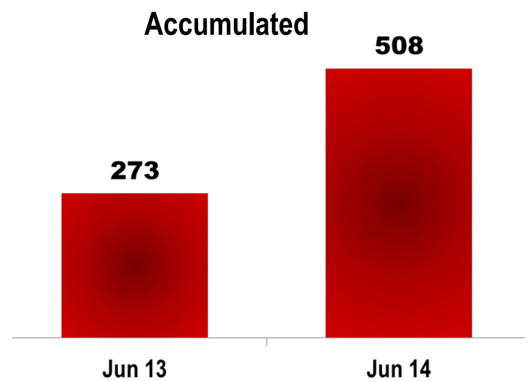


STATEMENT OF INCOME

Earnings

Profit (COP billions)





ROAE(25)

Jun. 13	Mar. 14	Jun. 14
10.7%	15.0%	16.5%

2Q14	2Q14 / 1Q14 (%)	2Q14 / 2Q13 (%)		June 2014	Jun. 14/ Jun. 13 (%)
642	-4.0	148.6	Financial Margin, net	1,311	55.1
306	-2.6	10.0	Fees & Commissions	620	11.5
-668	9.2	12.9	Total Expenses	-1,280	10.9
38	-384.9	-37.3	Other (26)	25	-59.4
-78	-13.4	-377.8	Taxes	-168	373.9
240	**-10.2**	**612.3**	**Net Income**	**508**	**86.3**

Net Income	2Q13	1Q14	2Q14	Q/Q (%)	Y/Y (%)
Colombia	10.9	245.5	208.9	-14.9	1824.8
International	22.9	22.4	31.6	41.0	37.8
International USD$	11.7	11.2	17.3	54.7	47.7

2Q14 profit declined compared to the previous quarter due to the higher growth rate of financial expenses (4.1%) compared to financial income (2.7%), the 26.5% increase in net provisions and the decrease of dividend income from investments in non-consolidated companies of 83.5%. In addition, operating expenses grew 9.2% during the quarter.

With regard to 2Q13, net profit rose, primarily explained by the 13.0% growth of the portfolio income and the income of COP 81.9 billion generated by the investment

[25] ROAE = net profit (12 months) / average equity.

[26] Others include: other net profit and expenses, other net non-operating provisions and minority interest.

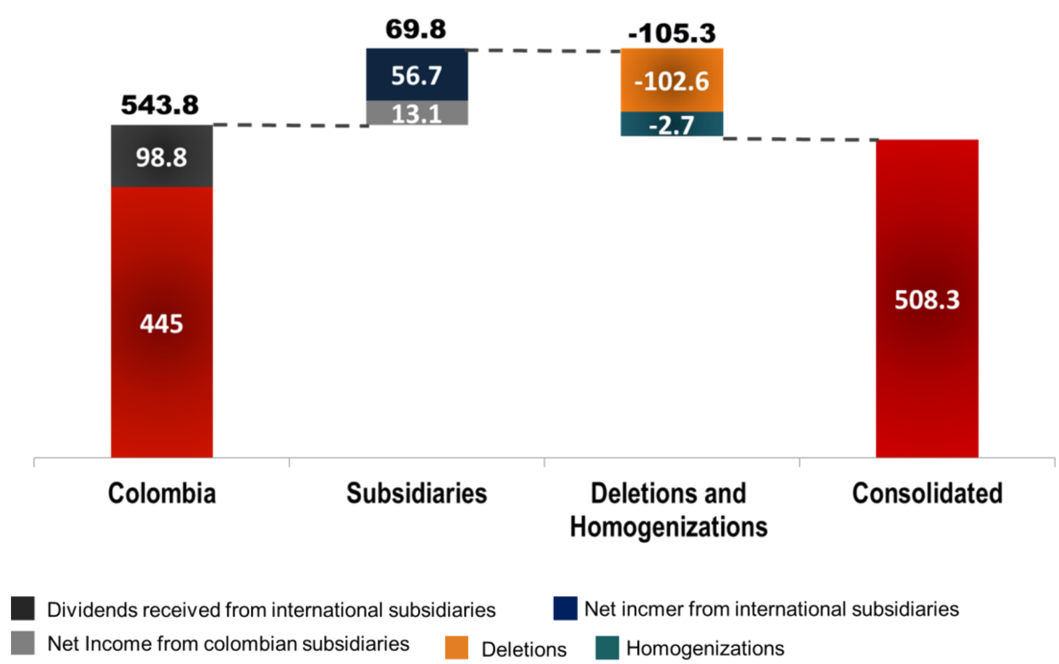
portfolio compared to net losses of COP 192.7 billion reported in the same quarter the previous year.

Foreign subsidiaries contributed COP 31.6 billion in profit during the quarter and grew 41.0% compared to 1Q14 and 37.8% in relation to the 2Q13, explained primarily by the 3.9% increase in the gross financial margin compared to 1Q14 and 32.5% YoY. In addition, operating costs dropped 2.8% compared to 1Q14 and increased 11.1% compared to 2Q13.

Therefore, the accumulated profit of the first semester of the year closed at COP 508.3 billion, up 86.3% from the first half of the previous year, with an outstanding growth of 31.2% in the gross financial margin, the 15.2% drop in net provisions and the 10.9% growth in operating expenses.

Return on average equity (ROAE) was 16.5%, 158 basis points higher than 1Q14.

Detailed Accumulated Profit (COP billions) [27]



[27] Colombia's figure includes profits of Davivienda and domestic subsidiaries. The International figure includes Panama, El Salvador, Costa Rica and Honduras according to Colombian accounting. Homogenizations includes the homogenizations of foreign subsidiaries in Colombian accounting, and deletions include the elimination of dividends received from subsidiaries, of common income, minority interest and investment at historical cost.

Income from Interest on Loans

Income from interest on loans grew 4.5% during 1Q14 and 13.0% compared to 2Q13, mainly due to a 5.3% increase in the average performing loans compared to 1Q14 and 25.4% compared to 2Q13. The average rate of the performing loans went from 11.4% in 1Q14 and 12.5% in 2Q13 --- to 11.1% in 2Q14.

Interest from the commercial loan portfolio closed at COP 407.0 billion, up 3.3% from 1Q14 and 10.4% from 2Q13. This was due to the 4.9% increase compared to 1Q14 and the 17.1% annual increase in the balance of this portfolio. Foreign subsidiaries generated COP 87.8 billion in income from the commercial loan portfolio and had a 3.1% quarterly growth and 24.5% annual growth, with a 1.9% quarterly increase in the portfolio and a 15.5% increase YoY.

Income from the consumer loan portfolio closed at COP 465.9 billion, up 3.7% from the previous quarter and up 5.1% compared to 2Q13, mainly as a result of the increase in the balances of payroll loans in Colombia.

Income from the mortgage portfolio closed at COP 278.8 billion, 7.5% growth compared to 1Q14 and 34.4% compared to 2Q13 as a result of increased mortgage lending and residential leasing.

Accumulated income of the consolidated loan portfolio at June 2014 was COP 2.3 trillion, up 4.5% compared to the first half of 2013. This was mainly due to the 33.7% interest increase from the mortgage loan portfolio and the 7.9% increase in interest from the commercial loan portfolio.

Investment Portfolio Income

The income from the investment portfolio amounted to COP 81.9 billion, dropping 15.6% compared to the previous quarter as a result of the 16.2% decrease in the balance of the debt security investment portfolio, mainly in internal debt bonds (TES) and securities received in money market operations. Compared to 2Q13, investment income rose COP 281.0 billion that was due to the negative results reported in 2Q13.

Financial Expenses

Financial expenses closed at COP 388.5 billion, up 4.1% from 1Q14 and 9.7% from 2Q13; this was primarily due to the growth in the balance of term deposits, the COP 600 billion issue in local bonds in Colombia, the growth in loans with banking correspondents in El Salvador and the 19.6% annual growth in the balance of savings accounts.

Accumulated financial expenses at June 2014 rose 6.7%, totaling COP 761.6 billion with significant increases in outlays for term deposits (15.1%) and savings accounts (14.0%).

Net Provisions

Net provision expenses for the quarter reached COP 206.6 billion, up 26.5% compared to 1Q14, as a result of the 30.9% decrease in portfolio recoveries, mainly in the consumer loan portfolio and the increase of 49.7% in the commercial loan portfolio provisions.

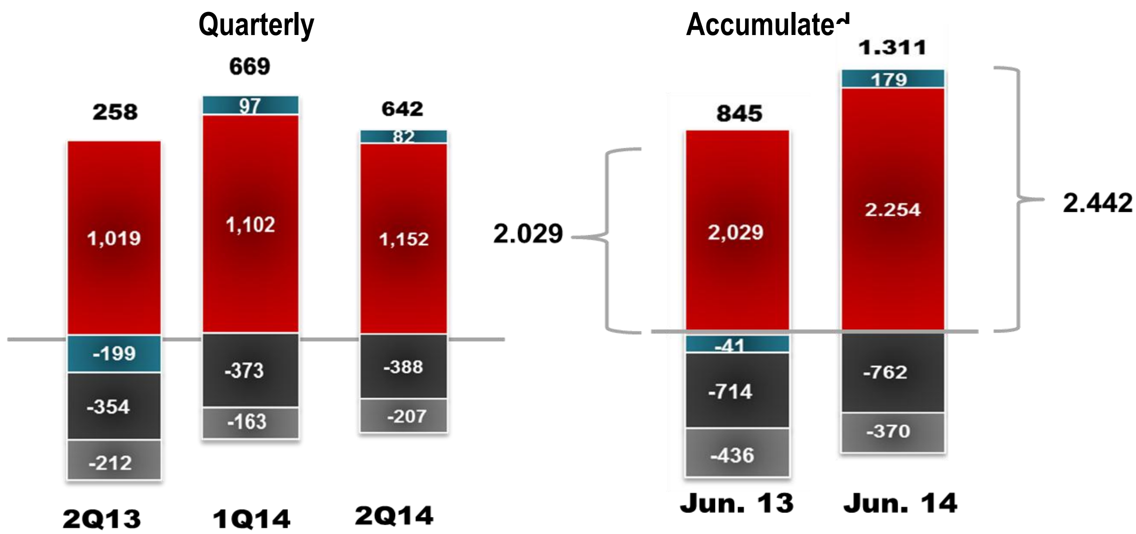
Compared to 2Q13, net provision expenses dropped 2.5%, due to the increase in recoveries of the consumer loan portfolio in Colombia.

On another note, in foreign subsidiaries, provisions grew 51.4% compared to 1Q14 as a consequence of lesser loan recoveries during the period. When compared to the 2Q13 provisions rose 29.8% as a result of the 68.4% increase in the provisions of assets received as payments compared to 1Q14 and 206.3% compared to 2Q13.

The accumulated net provision expense at 6M14 closed at COP 369.8 billion, down 15.2% compared to 6M13, due primarily to the 24.3% decrease in provisions of the consumer loan portfolio in Colombia.

Net Financial Margin

Net Financial Margin (COP billions)



NIM (28)

Jun. 13	Mar. 14	Jun. 14
7.0%	6.6%	7.1%

2Q14/1Q14 (%)	2Q14/2Q13 (%)		Accum. Jun14/ Jun 13. (%)	Colombia Accum. Jun14/ Jun 13. (%)
4.5	13.0	Loan Income	11.1	9.1
-15.6	N/A	Investment Income, Overn.	NA	N/A
2.9	**50.4**	**Subtotal Financial Income**	**22.4**	**21.9**
4.1	9.7	Financial Expenses	6.7	3.0
26.5	-2.5	Allowances	-15.2	-16.6
-4.0	**148.6**	**Financial Margin, Net**	**55.1**	**62.1**

Financial Margin, Net	2Q13	1Q14	2Q14	Q/Q (%)	Y/Y (%)
Colombia	180.2	563.2	538.2	-4.4	198.7
International	78.1	105.6	103.9	-1.6	33.0
International USD$	39.9	52.7	56.9	7.9	42.6

The net financial margin closed at COP 642.1 billion, down 4.0% from 1Q14 as a result of the growth in net provisions (26.5%) compared to financial income (2.7%). Compared to 2Q13, the financial margin grew 148.6% explained by the 50.1% increase in financial income and the 2.5% decrease in net provisions.

NIM[28] was 7.1% compared to the 6.6% reported in 1Q14, due to the increase in financial income that no longer includes COP 192.7 billion in losses from the investment portfolio in 2Q13.

[28] NIM: Accumulated gross financial margin (12 months) / average earning assets.

Operating Income

Operating income for the quarter closed at COP 306.1 billion, down 2.6% from 1Q14 as a result of the 83.4% decrease in dividend income in Colombia.

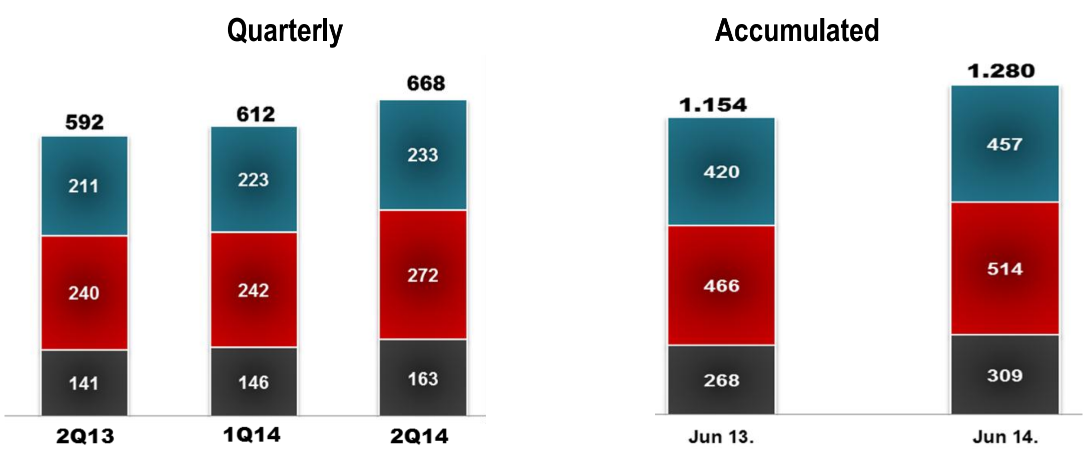
Fee and commission income grew 3.6% compared to the previous period mainly due to increase of 18.4% in DaviPlata fees, and 8.7% compared to 2Q13due to the income growth from credit card purchases in businesses and the increase of 26,9% in DaviPlata fees.

Accumulated operating income at June 2014 totaled COP 620.5 billion, up 11.5% from 6M13, primarily due to the increase in transaction income, especially in commissions from banking services, collection of business services and commissions on cashier's checks.

The fee and commission income indicator on total income[29] stood at 19.8%, down 153 basis points compared to 1Q14 and as a result of the increase in financial income.

Operating Expenses

Operating Expenses (COP billions)



Efficiency(30)

Jun. 13	Mar. 14	Jun. 14
55.7%	54.5%	51.5%

2Q14 / 1Q14 (%)	2Q14 / 2Q13 (%)		Accum. Jun 14/Jun 13. (%)
4.5	4.5	Personnel Expenses	8.8
12.2	10.3	Operating Expenses	10.3
11.3	15.4	Other Expenses (31)	15.1
9.2	**12.9**	**Total Expenses**	**10.9**

[29] Fee and commission income (12 months) / total income.
[30] Efficiency (12 months): operating expenses - goodwill / (gross financial margin + operating income + other net income and expenses).
[31] Other expenses include fees, goodwill, depreciation, tax and deposit insurance

Expenses	2Q13	1Q14	2Q14	Q/Q (%)	Y/Y (%)
Colombia	463.2	465.3	525.5	12.9	13.4
International	128.3	146.7	142.5	-2.8	11.1
International USD$	66.5	74.6	78.0	4.5	17.3

Total expenses for 2Q14 were COP 668.0 billion. This increase, compared to 1Q14, was primarily due to the 31.9% growth in expenses for fees and commissions in Colombia, particularly due to the increase in expenses on commissions from DaviPlata, vehicle loan sales commissions and derivatives.

In addition, personnel expenses rose 4.5% primarily due to the 18.5% increase in Colombia in bonuses and incentives.

Finally, professional fee expenses increased 27.4% QoQ, mainly in Colombia, as a result of the growth in expenses for software development and other technological processes.

Compared to 2Q13, total expenses rose 12.9%, mainly in Colombia, due to the 40.3% increase in professional fee and commission expenses and the 17.2% increase in salary expenses, in addition to the 27.0% increase in expenses from claims in the insurance companies, mainly in El Salvador.

Total expenses of foreign subsidiaries for 2Q14 was COP 142.5 billion, down 2.8% compared to 1Q13 and up 11.1% compared to 2Q13.

Total accumulated expenses at June 2014 closed at COP 1.3 trillion, up 10.9% compared to the same quarter of the previous year. The 12-month efficiency indicator went from 55.7% in 2Q13 and 54.5% in 1Q14 --- to 51.5% in 2Q14, primarily due to the increase in financial expenses.

Other Net Income and Expenses

In 2Q14, other net income was generated for COP 16.2 billion, due to the decrease in other expenses due to the valuation of derivatives in Colombia. Compared to 2Q13, other net income fell 69.1% as a result of the income decrease from transactions involving derivatives, repos, simultaneous operations and the valuation of subordinated bonds.

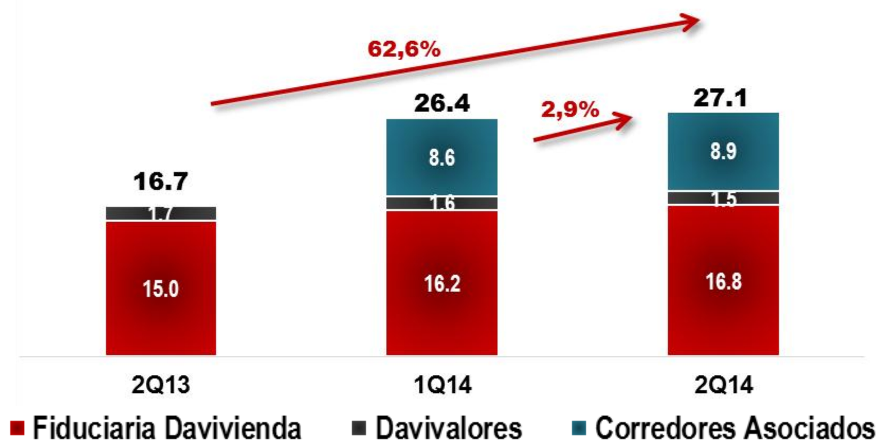
Taxes

During 2Q14, Davivienda reported COP 77.9 billion in taxes, down 13.4% from 1Q14 mainly in Colombia as a result of the increase in exempt income, mainly in leasing and low-income housing. Compared to 2Q13, taxes were COP 105.9 billion higher as a result of the profit increase.

RESULTS OF SUBSIDIARIES

Subsidiaries in Colombia

Performance of Third-Party Managed Assets (COP trillions)



The third-party managed asset portfolio increased during the quarter, mainly due to the 4.6% growth in collective portfolios and investments managed by Fiduciaria Davivienda. At Corredores Asociados, collective portfolios increased 5.6%.

Assets under the management of Davivienda through brokerage firms increased 1.3%, due to the 3.0% growth in Corredores Asociados; in Davivalores these assets dropped 5.0%.

Main Figures (COP billions)

	Assets			Equity			Net Income		
	Jun. 14	Q/Q	Y/Y	Jun. 14	Q/Q	Y/Y	2Q14	Q/Q	Y/Y
Fidudavivienda	136	-7.6%	4.7%	119	5.2%	5.7%	5.9	-13.2%	55.3%
Davivalores	21	17.7%	8.8%	18	4.7%	-2.3%	0.9	-292.6%	-289.1%
Corredores Asociados	142	-28.1%	N/A	45	-0.1%	N/A	-0.1	-136.9%	N/A
Total	**300**	**21.3%**	**145.1%**	**182**	**3.8%**	**38.8%**	**6.7**	**4.8%**	**104.7%**

The net profit of Fiduciaria Davivienda decreased compared to 1Q14, mainly due to the decrease in the revenue of the structured trust fund because of the lower valuation of the FONPET portfolio and the decreased number of businesses in the management trust. In addition, during the quarter, there was a decrease in net returns from the portfolio due to the performance of rates and higher personnel expenses as a result of increase in bonuses and incentives for the fulfillment of goals.

Compared to 2Q13, the profit of Fiduciaria Davivienda grew due to the increase in the revenue of the structured trust fund because of the higher profitability of the FONPET portfolio and a larger number of businesses in all the other business lines. In addition, the net returns of the investments portfolio increased due to valuation.

In Davivalores, profit grew in 2Q14 compared to 1Q14 and 2Q13, primarily explained by the greater commission income from the administration of Ecopetrol and Davivienda shares during 2Q14.

Profits declined in Corredores Asociados compared to 1Q14 as a result of the COP 233.0 billion loss in the investment portfolio.

Foreign Subsidiaries

Main Figures (Millions of USD)[32]

	Assets			Equity			Income		
	Jun. 14	Q/Q	Y/Y	Jun. 14	Q/Q	Y/Y	2Q14	Q/Q	Y/Y
El Salvador - Bank	2,105	2.8%	11.8%	272	2.0%	-2.2%	5.3	-7.0%	-14.3%
El Salvador - Insurance	28	1.6%	-9.2%	14	5.6%	-18.5%	0.7	-26.8%	-24.5%
Costa Rica - Bank	1,585	8.2%	14.7%	166	2.8%	-5.7%	3.3	12.6%	-22.2%
Panamá - Bank	1,321	10.1%	3.0%	133	4.7%	16.1%	3.7	4.3%	-46.4%
Panamá - Corredores Asociados	0.7	8.4%	N/A	0.6	2.9%	N/A	0.1	11.2%	N/A
Honduras - Bank	937	-0.1%	11.0%	101	0.2%	3.0%	1.3	11.4%	9.0%
Honduras - Insurance	73	1.5%	-5.1%	28	4.2%	-18.3%	1.4	163.2%	31.3%
Total	**6,050**	**5.2%**	**10.0%**	**714**	**2.6%**	**-0.5%**	**16**	**5.9%**	**-23.1%**

Portfolio Quality (%)[33]

International	Quality		Coverage	
	1Q14	2Q14	1Q14	2Q14
Commercial	1.43%	1.41%	169.8%	159.3%
Consumer	2.22%	2.35%	190.7%	173.7%
Mortgage	2.84%	2.57%	86.8%	96.2%
Total	**1.86%**	**1.82%**	**151.6%**	**147.3%**

The net income of Davivienda in El Salvador declined mainly due to the 11.5% increase in personnel expenses compared to 1Q14 and 18.1% versus 2Q13 as a result of the new law regarding compensation for voluntary retirement. In addition, spending on provisions rose 27.9% compared to 1Q14 and 93.4% compared to 2Q13.

Net income for Davivienda Costa Rica increase in comparison with 1Q14 as a result of the 9.8% growth in the income of the commercial loan portfolio and 5.9% growth of the consumer loan portfolio. Compared to 2Q13, net income dropped due to the 4.5% growth in operating expenses, mainly due to the USD 480 thousand amortization expense for core banking replacement project.

Net income for Davivienda Panama increased compared to 1Q14 as a result of the 8.2% increase in the net financial margin. Compared to 2Q13, income decreased as a consequence of expenses increasing by 11.9% and the 98.6% decrease of non-

[32] Standardized figures, non-consolidated results, exchange rate: USD 1 per 542.97 Colones and USD 1 per 20.97 Lempiras for June 2014; USD 1 per 546.08 Colones and 1 USD per 20.75 Lempiras for March 2014; and USD 1 per 498.78 Colones and USD 1 per 20.42 Lempiras for June 2013.

[33] Portfolio quality and coverage > 90 days.

operating income due to the extraordinary income of USD 4 million recorded in 2Q13 resulting from a lawsuit awarded to the Bank.

Net income of Davivienda Honduras increased in comparison with 1Q14, primarily explained by the 1.7% decrease in operating expenses and the 2.9% increase in financial income. Compared to 2Q13, growth was due to the 19.7% increase in the net financial margin. Furthermore, the profit increase from the insurance company in Honduras was due to the USD 584 thousand income from premiums.

Breakdown of Accumulated Consolidation (COP billon)

	June 2014				
Subsidiaries	Accum. Jun 13	Accum. Jun 14	% Var.	Homogenizations to Colombian Accounting	Results to Colombian Accounting
Banks	**66.7**	**50.5**	**-24%**	**-0.8**	**49.7**
El Salvador	23.2	20.6	-11%	-1.3	19.3
Costa Rica	19.2	11.8	-38%	0.8	12.7
Panamá	21.2	13.5	-36%	-5.2	8.3
Honduras	3.1	4.6	46%	4.9	9.4
Other Subsidiaries	**8.3**	**6.1**	**-26%**	**-2.0**	**4.2**
Total	**75.0**	**56.7**	**-25%**	**-2.7**	**53.9**

	Balance Sheet as of June 30, 2014 (COP Billions)									
	Consolidated					Colombia				
ASSETS	Jun 13	Mar 14	Jun 14	Jun 14 / Mar 14	Jun 14 / Jun 13	Jun 13	Mar 14	Jun 14	Jun 14 / Mar 14	Jun 14 / Jun 13
Cash	**4,597**	**5,423**	**4,944**	**-8.8%**	**7.6%**	**2,712**	**3,613**	**2,963**	**-18.0%**	**9.3%**
Investments	**8,168**	**8,059**	**6,798**	**-15.7%**	**-16.8%**	**7,608**	**7,467**	**6,409**	**-14.2%**	**-15.7%**
Loans	**35,636**	**40,895**	**42,945**	**5.0%**	**20.5%**	**29,260**	**33,702**	**35,694**	**5.9%**	**22.0%**
Commercial	19,331	21,568	22,631	4.9%	17.1%	15,405	17,117	18,098	5.7%	17.5%
Consumer	10,745	11,411	11,917	4.4%	10.9%	9,341	9,832	10,337	5.1%	10.7%
Mortage Loans+ Leasing	7,233	9,646	10,191	5.6%	40.9%	5,957	8,273	8,854	7.0%	48.6%
Allowances	-1,673	-1,729	-1,794	3.8%	7.2%	-1,442	-1,520	-1,595	4.9%	10.6%
Fixed assets	**502**	**489**	**492**	**0.7%**	**-2.0%**	**395**	**379**	**389**	**2.6%**	**-1.4%**
Reappraisal	**663**	**724**	**733**	**1.3%**	**10.6%**	**501**	**547**	**564**	**3.2%**	**12.6%**
Other assets	**2,996**	**2,978**	**2,944**	**-1.1%**	**-1.7%**	**2,705**	**2,670**	**2,639**	**-1.2%**	**-2.4%**
Total Assets	**52,561**	**58,568**	**58,856**	**0.5%**	**12.0%**	**43,180**	**48,377**	**48,658**	**0.6%**	**12.7%**
Liabilities										
Deposits	**32,889**	**39,314**	**38,288**	**-2.6%**	**16.4%**	**25,063**	**31,114**	**30,211**	**-2.9%**	**20.5%**
Saving accounts	15,407	19,335	18,421	-4.7%	19.6%	13,056	17,062	16,123	-5.5%	23.5%
Checking accounts	5,396	5,962	5,872	-1.5%	8.8%	3,651	4,224	4,176	-1.1%	14.4%
Time deposits	11,847	13,732	13,670	-0.5%	15.4%	8,160	9,588	9,630	0.4%	18.0%
Other	239	284	325	14.4%	35.9%	195	240	283	17.8%	45.0%
Long term debt	**6,660**	**6,264**	**6,678**	**6.6%**	**0.3%**	**6,455**	**5,948**	**6,380**	**7.3%**	**-1.2%**
Local	4,412	4,295	4,797	11.7%	8.7%	4,207	3,979	4,499	13.1%	7.0%
International	2,248	1,969	1,881	-4.5%	-16.3%	2,248	1,969	1,881	-4.5%	-16.3%
Development fund borrowings	**4,204**	**4,397**	**4,436**	**0.9%**	**5.5%**	**3,473**	**3,364**	**3,193**	**-5.1%**	**-8.1%**
Other liabilities	**3,187**	**2,514**	**3,142**	**25.0%**	**-1.4%**	**2,628**	**1,930**	**2,618**	**35.7%**	**-0.4%**
Total liabilities	**46,940**	**52,489**	**52,545**	**0.1%**	**11.9%**	**37,619**	**42,356**	**42,403**	**0.1%**	**12.7%**
Equity										
Capital	56	62	62	0.0%	12.0%	56	62	62	0.0%	12.0%
Retained earnings	4,568	4,974	4,985	0.2%	9.1%	4,486	4,833	4,748	-1.8%	5.8%
Surplus	725	748	747	-0.1%	3.0%	803	841	866	2.9%	7.8%
Results from previous periods	0	27	10	-64.1%	-	18	9	0	-100.0%	-100.0%
Results	273	268	508	89.8%	86.3%	199	275	535	94.4%	168.9%
Total stockholder´s equity	**5,621**	**6,079**	**6,312**	**3.8%**	**12.3%**	**5,561**	**6,021**	**6,211**	**3.2%**	**11.7%**
Total liabilities & stockholders	**52,561**	**58,568**	**58,856**	**0.5%**	**12.0%**	**43,180**	**48,377**	**48,658**	**0.6%**	**12.7%**

P&L as of June 30, 2014 (COP Billion)										
	Quarterly						Accumulated			
	Consolidated					Colombia	Consolidated			Colombia
	2Q 13	1Q 14	2Q 14	2Q14 / 1Q14	2Q14 / 2Q13	2Q14* / 2Q13*	Acum Jun 13	Acum Jun 14	Jun 14/Jun 13	Jun 14*/Jun 13*
Total income	**824**	**1,205**	**1,237**	**2.7%**	**50.1%**	**54.6%**	**1,995**	**2,442**	**22.4%**	**21.9%**
Loans	1,019	1,102	1,152	4.5%	13.0%	11.9%	2,029	2,254	11.1%	9.1%
Commercial	369	394	407	3.3%	10.4%	7.1%	742	801	7.9%	3.6%
Consumer	443	449	466	3.7%	5.1%	3.9%	885	915	3.4%	1.7%
Mortgage Loans+ Leasing	207	259	279	7.5%	34.4%	38.8%	402	538	33.7%	37.2%
Mortgage	136	165	178	7.8%	31.3%	37.7%	263	343	30.4%	35.3%
Leasing	72	94	101	7.1%	40.3%	40.3%	139	195	40.0%	40.0%
Investments	-199	97	82	-15.6%	-141.1%	-128.8%	-41	179	-538.7%	-292.6%
Interbanks	4	6	4	-38.6%	-13.9%	-1.3%	7	10	35.5%	46.0%
Financial Expenses	**354**	**373**	**388**	**4.1%**	**9.7%**	**7.4%**	**714**	**762**	**6.7%**	**3.0%**
Deposits in checking accounts	5	7	7	-6.5%	27.9%	27.9%	10	14	39.8%	39.8%
Deposits in saving accounts	78	86	89	3.0%	14.0%	13.9%	159	176	10.3%	9.2%
Deposits in certificates	133	147	153	3.4%	15.1%	13.5%	266	300	12.6%	7.7%
Credits with entities	44	40	42	3.9%	-4.2%	-16.8%	91	82	-9.4%	-21.5%
Bonds	92	88	94	6.9%	1.7%	1.7%	182	181	-0.2%	-0.2%
Repos	2	2	3	66.9%	39.0%	59.4%	5	5	-2.7%	-22.1%
Interbank funds	0	2	2	-26.5%	431.1%	431.1%	1	4	254.3%	254.3%
Gross financial margin	**470**	**832**	**849**	**2.0%**	**80.5%**	**92.3%**	**1,281**	**1,681**	**31.2%**	**32.6%**
Allowances net	212	163	207	26.5%	-2.5%	-4.8%	436	370	-15.2%	-16.6%
Net interest margin	**258**	**669**	**642**	**-4.0%**	**148.6%**	**198.7%**	**845**	**1,311**	**55.1%**	**62.1%**
Comissions and fees income	278	314	306	-2.6%	10.0%	12.6%	556	620	11.5%	12.3%
Operating expenses	592	612	668	9.2%	12.9%	13.4%	1,154	1,280	10.9%	8.9%
Other income and expenses, net	52	-21	16	-177.3%	-69.1%	-70.4%	63	-5	-107.5%	-126.5%
Operational income	**-3**	**350**	**296**	**-15.4%**	**-11291.4%**	**-968.1%**	**311**	**647**	**108.2%**	**138.3%**
Other allowances	6	7	4	-35.4%	-21.5%	15.1%	16	11	-27.2%	-34.6%
Non operatives	15	16	28	77.1%	88.2%	202.3%	15	44	185.1%	438.6%
Income before taxes and minority interest	**6**	**359**	**320**	**-10.9%**	**4881.1%**	**-1108.1%**	**310**	**679**	**118.8%**	**156.0%**
Minority interest	1	1	1	21.7%	111.5%	111.5%	2	3	36.2%	36.2%
Taxes	**-28**	**90**	**78**	**-13.4%**	**-377.8%**	**-273.9%**	**35**	**168**	**373.9%**	**814.8%**
Net income	**34**	**268**	**240**	**-10.2%**	**612.3%**	**1824.8%**	**273**	**508**	**86.3%**	**108.2%**

FE DE ERRATAS

Second Quarter 2014

Consolidated Results

Change	Page	Information	Previous Data	New Data
1	5	Pre-approved lines on current auction	$5 trillion	$3,5 trillion
2	25	Other Liabilities in Colombia as of June 2014 in billions	2,663	2,618
2	25	Total liabilities in Colombia as of June 2014 in billions	42,447	42,403
2	25	Retained earnings in Colombia as of June 2014 in billions	4,748	4,792
2	25	Total stockholder´s equity in Colombia as of June 2014 in billions	6,211	6,255

These financial statements have been prepared in accordance with generally accepted accounting principles in Colombia, and are presented in nominal terms. The statement of income for the quarter ended at June 30, 2014 will not necessarily be an indicator of the expected results for any other period.

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