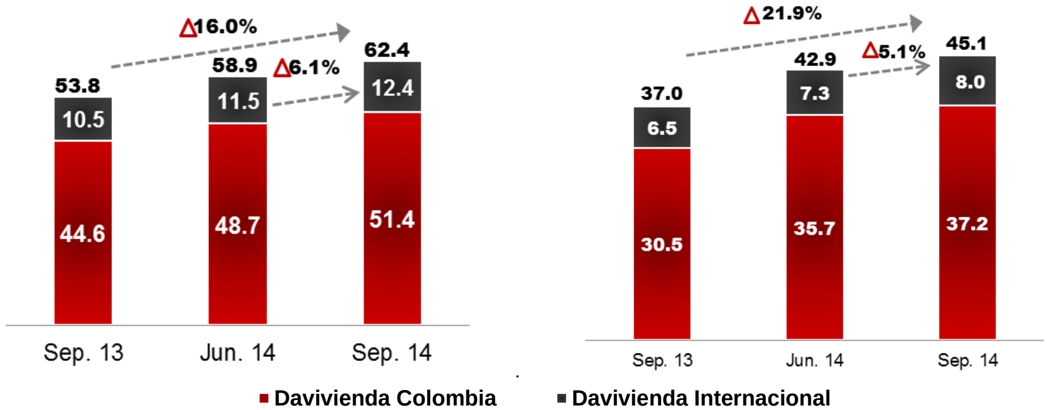
DAVIVIENDA ANNOUNCES CONSOLIDATED RESULTS FOR THE THIRD QUARTER OF 2014

Bogotá, November 20, 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, announces its consolidated results for the third quarter (3Q14) and nine months (9M14), for the periods ended September 30, 2014. Results are expressed in Colombian Pesos (COP) and were prepared in accordance with the accounting principles accepted in Colombia.

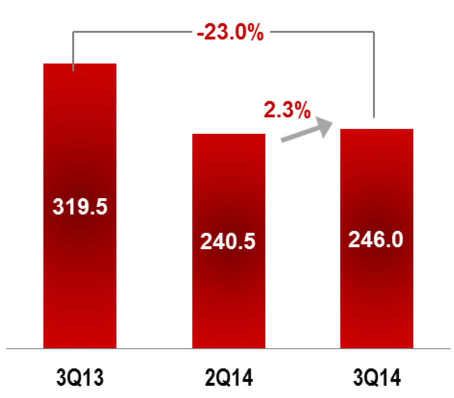
KEY FINANCIAL DATA PERFORMANCE

Assets (COP trillion)[1] **Net Portfolio** (COP trillion)

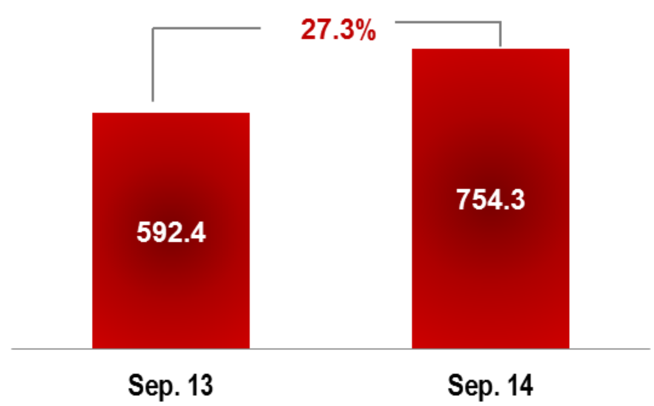


Consolidated Earnings
(COP billion)

Quarterly



Accumulated



[1] Total assets includes deletions and reclassifications totaling COP 1.3 trillion for September 2013 and June 2014, and COP 1.4 trillion for September 2014.

SUMMARY OF CONSOLIDATED RESULTS
THIRD QUARTER 2014 (3Q14)

- Accumulated net income for 9M14 was COP 754.3 billion, 27.3% higher than the figure reported for the same period of the previous year. For the 9M14, International subsidiaries contributed COP 84.8 billion .

- Net income for 3Q14 closed at COP 246.0 billion, an increase of 2.3% compared to 2Q14, mainly explained by an increase of 4.3% in gross financial margin, mainly in Colombia, and the 268.0% growth of other net income.

- Compared to 3Q13, net income decreased 23.0%, mainly due to higher growth in financial expenses (19.5%) compared to financial income (2.0%) as a result of 21.4% growth in the savings accounts balance and 19.6% growth in term deposits. Additionally, during the period, the implicit rate of term deposits in the business segment increased by 90 basis points.

- NIM[2] closed at 6.7%, 33 basis points less than that reported in the previous quarter and 46 basis points less than in 3Q13. The efficiency indicator stood at 52.5%, 103 basis points higher than 2Q14, and 223 basis points lower than 3Q13. This is explained by greater increase of accumulated expenses in 12 months (2.5%) than the accumulated income (0.5%).

- Net profit per share[3] was COP 473.8 at the end of 3Q14, up 2.5% compared to 2Q14. Net profit per share decreased by 323.7% compared to 3Q13.

- Assets reached COP 62.4 trillion, 6.1% and 16.0% higher compared to 2Q14 and 3Q13, respectively. Of these assets, cash and investments increased their share in the total assets to 9.0% and 11.7%, respectively, while, net portfolio[4] decreased its share to 72.3%.

- Gross loan portfolio closed at COP 47.0 trillion, up 5.0% compared to 2Q14 and 21.3% compared to 3Q13, where the commercial loan portfolio had greater balance increases with gowth rates of 5.1% quarterly and 21.9% annually . In addition, consumer loan portfolio had a 6.2% quarterly and 15.3% annual growth rate.

- Delinquent portfolio indicator[5] was 1.59%, 11 basis points lower than the indicator reported in 2Q14, and 5 basis points below than in 3Q13. Portfolio provisions of COP 1.9 trillion resulted in a coverage of 249.3%.

- Net provision expense to net portfolio ratio[6] increased 13 basis points, an increase of 1.8%. Quarterly net provisions expenses was COP 221.3 billion, an increase of 7.1% compared to 2Q14, as a result of an increase in net provisions of the consumer

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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] Nonperforming loans > 90 days.
[6] Net provision expenditure (accumulated 12 months) / net portfolio.

loan portfolio. Quarterly net provision expenses grew 1.2% compared to 3Q13, as a result of an increase in provisions of commercial and consumer loan portfolios.

- Profitability measured based on average assets[7] went from 1.52% in 3Q13 and 1.91% in 2Q14 to 1.75% in 3Q14.

- Equity closed at COP 6.6 trillion, up 4.4% compared to 2Q14 and 13.4% compared to 3Q13. Return on Average Equity (ROAE)[8] was 16.4% in 3Q14, compared to 16.5% reported in 2Q14, and 13.5% in 3Q13.

- Funding sources[9] were COP 53.2 trillion, resulting in a portfolio to funding source ratio[10] of 84.8%, 212 basis points lower than that reported in 2Q14 as a result of the maturity of the IPC senior bonds in July that were issued in 2009 for COP 215.0 billion. Compared to 3Q13, bonds grew 6.9% .

- At the end of September 2014, Davivienda was operating in 6 countries, with 6.8 million clients[11] , 16.4 thousand employees, 726 offices, 2,065 ATMs and approximately 5.9 thousand banking correspondents through DaviPlata.

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[7] ROAA = net income (12 months) / average assets. From September 2014 onwards a technical adjustment was made on calculation methodology

[8] ROAE = net profit (12 months) / average equity. From September 2014 onwards a technical adjustment was made on calculation methodology

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

[10] Ratio: net loan portfolio / (total deposits + bonds + institutional loans).

[11] This includes 2.1 million DaviPlata customers.

Highlights for the Quarter

Davivienda Became Part of the Dow Jones Sustainability Index

On September 11, Davivienda joined the most important sustainability index worldwide, the Dow Jones Sustainability Index - Emerging Markets category. Davivienda is joining along with 9 Colombian firms currently listedFor 2014, only 86 of the 800 companies that were invited became part of this index.

Davivienda's entry into the index, was a result of its consolidation sustainability strategy, which is based on generating value for its stakeholders through actions towards being economically feasible, environmentally responsible and socially fair.

In the Economic Category, the results in Risk Management and Anti-Crime Policy were highlighted. While in the Environmental Category, the results in Environmental Reporting and Environmental Policy were outstanding. In the Social Category, the results in Corporate Philanthropy and Financial Inclusion were highlighted.

Cultivarte Arrives to Honduras

In September, the first Cultivarte branch was opened in Honduras, in the city of Tegucigalpa, in order to expand the program's impact across Central America, in those countries where Davivienda operates.

Debt Issuance

On October 9, Davivienda issued ordinary bonds in Colombia for COP 600 billion in four series, due in 24 months, 36 months, 60 months and 120 months with coupon rates of 5.89%, 1.25%, 3.25% and 3.96%, respectively. This offering was oversubscribed by more than 2.7 times.

Securitization of Mortgages

A securitization of mortgages for COP 266 billion was made through Titularizadora Colombiana, generating a net income of COP 2.9 billion and a reimbursement provision of the portfolio for COP 5.3 billion.

Corredores Asociados and Davivalores Started the Meger Process

The Bank's Board of Directors passed the merger project of Corredores Asociados and Davivalores. On October 20, the authorization request was registered in the Colombian Financial Superintendence. The project is already in its second phase and it will be completed during 2015.

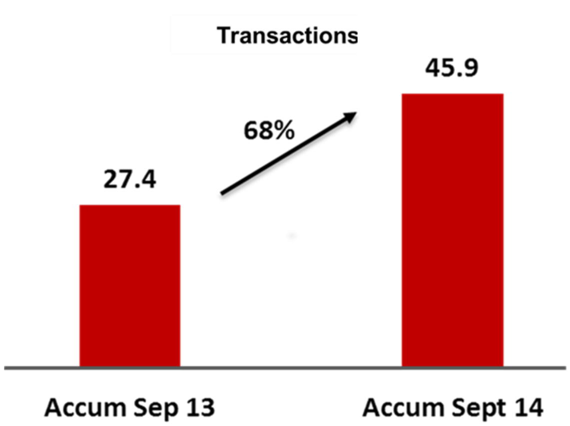
“Mis Finanzas en Casa” – FELABAN Success Story

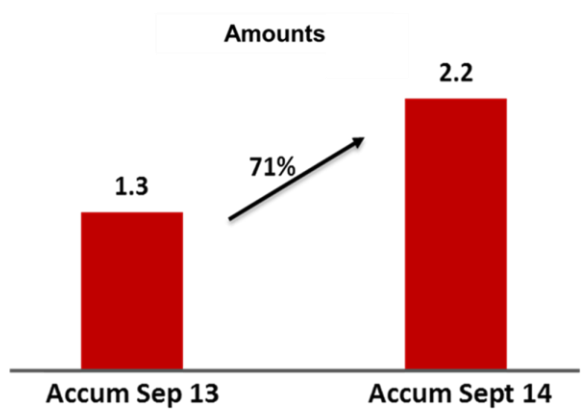
Davivienda's Financial Education program “Mis Finanzas en Casa” was selected as a Colombian success story by the Latin American Financial Education Committee (CLEF), which is part of the Latin American Federation of Banks (FELABAN), due to its high standards of quality and impact. In September, the program was presented to the most important financial entities of Latin America at the 5th Latin America Congress of on Financial Education that took placed in Asuncion, Paraguay.

DaviPlata

Currently, DaviPlata has more than 2,000 companies making transactions and 5.9 thousand banking correspondents. In 3Q14, income from payroll and supplier transactions increased 87.7% compared to 3Q13.

The number of accumulated transactions at September 2014 was 45.9 million, an increase of 68% compared to the same period of the previous year. The amount for accumulated transactions in 9M14 was COP 2.2 trillion, up 71% compared to 9M13.





MAIN BUSINESS RESULTS IN COLOMBIA

Mortgages

During the quarter, mortgage loan disbursements amounted to COP 1.1 trillion, up 31.5% compared to 2Q14 and 6.3% compared to 3Q13. Cumulative disbursements 9M14 amounted to COP 2.8 trillion, an increase of 21.6% compared to 9M13.

It is important to point out the solid growth in mortgage disbursements loans higher than LIH[12], reaching quarterly and annual growth rates of 50.3% and 11.4% respectively. LIH loan disbursements decreased 17.4% compared to 2Q14 and 12.6% compared to 3Q13.

Commercial Loans

Construction loan portfolio disbursements were COP 639 billion, an increase of 11.7% compared to 2Q14, with a 12.7% increase in balance. The balance of the construction loan portfolio increased by 34.7% compared to 3Q13.

Disbursements of the SME loan portfolio amounted to COP 906 billion, up 11.8% compared to 2Q14 and up 33.6% compared to 3Q13, reaching quarterly and annual growth rates of 5.8% and 17.2%, respectively.

The balance of the corporate loan portfolio grew by 2.6% compared to 2Q14 and 20.9% compared to 3Q13, with notable disbursements in the coffee, infrastructure and vehicle sectors during the quarter.

Consumer Loans

During the quarter, consumer loan disbursements amounted to COP 3.3 trillion, up 13.6% compared to 2Q14, with notable increases in the use of credit cards (5.1%), and the disbursements of payroll and vehicle loans at 51.5% and 25.5% respectively.

Compared to 3Q13, consumer loan disbursements increased by 19.2%, mainly due to greater disbursements in payroll (43.5%) and credit card use (6.5%).

[12] Low-income Housing

BALANCE SHEET

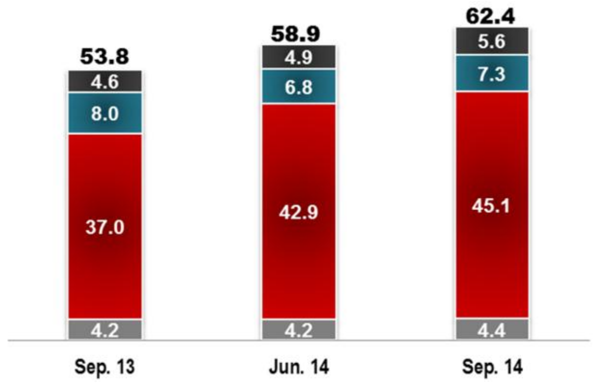
Assets

Assets as at September 2014 totaled COP 62.4 trillion, explained by the increase of the net loan portfolio, which represented 72.3% of total assets, and grew 5.1% compared to 2Q14 and 21.9% compared to 3Q13.

Consolidated ROAA[13] at the close of 3Q14 was 1.75%, compared to 1.91% reported in 2Q14 and 1.52% in 3Q13.

Evolution of Consolidated Assets (in COP trillion)

Consolidated	Q/Q (%)	Y/Y (%)
Cash	13.9	23.8
Investments, net	7.6	-9.1
Loans, net	5.1	21.9
Other assets (14)	4.7	4.2
Assets	**6.1**	**16.0**



Assets	Sep. 13	Jun. 14	Sep. 14	Q/Q (%)	Y/Y (%)
Colombia	44.6	48.7	51.4	5.7	15.3
International (15)	10.5	11.5	12.4	7.9	18.4

Net loan portfolio in international subsidiaries closed at COP 8.0 trillion, with a 64.3% share of total international assets. By discounting the depreciation of the exchange rate (COP/USD)[16], the assets of international subsidiaries increased by 0.4% compared to 2Q14 and 11.7% compared to 3Q13, mainly due to growth of the commercial and consumer loan portfolios.

Cash and Interbank Loans

At September 2014, cash closed at COP 5.6 trillion, an increase of 13.9% during the quarter, mainly explained by the cash performance in Colombia, which increased 12.3%.

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13 ROAA = Net income (12 months) / average assets

14 Other assets include: Property, plant and equipment; goods received in payment, net; prepaid expenses and deferred charges; goodwill; and others.

15 Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras. Depreciation in dollars discounted, assets in local homologated figures grow at 0.7% with respect to 2Q14 and 14.7% compared to 3Q13.

16 Depreciation of the exchange rate (COP/USD) by 7.5% quarterly and 6.0% annually.

In international subsidiaries, cash was COP 2.3 trillion and increased of 16.3% compared to 2Q14 and 42.6% compared to 3Q13. The latter is explained by 66.7% annual increase in El Salvador due to a regulatory change that implied the formation of a liquidity reserve of USD 112 million, and a 42.3% increase in Costa Rica due to an increase in deposits and institutional funding.

Net Investment Portfolio

Net investments reached COP 7.3 trillion, with quarterly growth mainly in Colombia, a 13.0% increase as a result of a larger negotiable debt securities investment portfolio (30.7%) and securities available for sale (13.6%). Net investments in Colombia decreased compared to 3Q13, mainly due to the 15.9% decrease in negotiable debt securities and 5.2% decrease in securities available for sale.

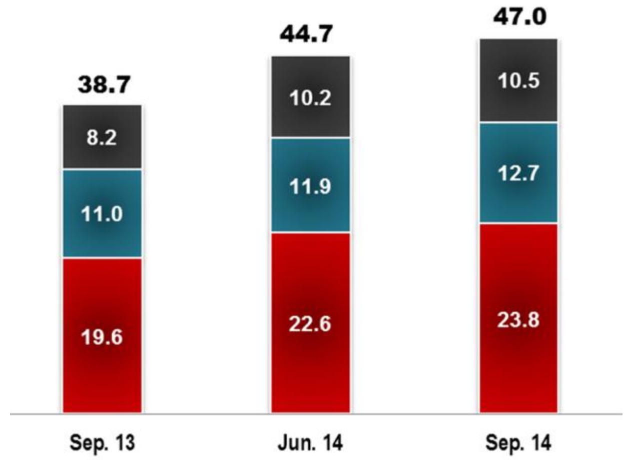
Net investments in international subsidiaries reached COP 1.5 trillion, a 11.0% and 16.0% decrease compared to 2Q14 and 3Q13, respectively, mainly explained by the reclassification of investments to cash in El Salvador, following the regulatory changes.

The consolidated investment portfolio is mainly comprised of debt securities that represent 96.8% of total investments, and equal 11.3% of total assets. In turn, these portfolio is comprised 40.0% by negotiable securities, 36.8% by securities available for sale and 23.2% by securities held to maturity. The other 3.2% of the investment portfolio is represented by equity investments, in their majority equity securities available for sale.

Gross Loan Portfolio

The gross loan portfolio closed at COP 47.0 trillion, highlighting growth in the commercial and consumer loan portfolios, while the growth dynamic of the mortgage portfolio decreased from an annual rate of 36.6% in June 2014 to 24.9% in September 2014.

Consolidated Gross Loan Portfolio Evolution (in COP trillion)



	Consolidated		Colombia		International	
	Q/Q (%)	Y/Y (%)	Q/Q (%)	Y/Y (%)	Q/Q (%)	Y/Y (%)
Mortgage (17)	3.3	28.6	2.1	31.2	11.0	14.3
Consumer	6.2	15.3	5.3	14.2	12.0	22.9
Commercial (18)	5.1	21.7	4.3	21.3	8.6	23.2
Gross Loan	**5.0**	**21.3**	**4.1**	**21.3**	**9.8**	**21.4**

Gross Loan	**Sep. 13**	**Jun. 14**	**Sep. 14**	**Q/Q (%)**	**Y/Y (%)**
Colombia	32.0	37.3	38.8	4.1	21.3
International (19)	6.7	7.5	8.2	9.8	21.4

In the international subsidiaries, the gross loan portfolio reached COP 8.2 trillion. Excluding the impact of depreciation vs, U.S. dollar during the period, the portfolio increased 2.2% compared to 2Q14 and 19.1% compared to 3Q13.

The share of the commercial loan portfolio is equal to 50.6% of the gross loan portfolio. Annual growth in Colombia is explained mainly by the 20.9% increase in corporate banking and the 34.7% increase in construction loan portfolio. The commercial loan portfolio in international subsidiaries is growing mainly in Costa Rica, Panama and El Salvador with annual increases equal to 43.2%, 19.8% and 13.8%, respectively.

The growth in the consumer loan portfolio has continued to accelerate, achieving an annual rate of 15.3%, explained primarily by the 28.7% annual increase in payroll loans in Colombia.

The mortgage portfolio has grown mainly in Colombia, which reported it as 2.1% higher than in 2Q14 and 31.2% higher compared to 3Q13. Additionally, in September, a mortgage portfolio was sold to Titularizadora Colombiana for COP 266 billion, generating

[17] The mortgage portfolio includes residential leasing.
[18] The commercial loan portfolio includes micro-loans.
[19] Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras.

income equal to COP 2.9 billion and the reimbursement portfolio provisions for COP 5.3 billion.

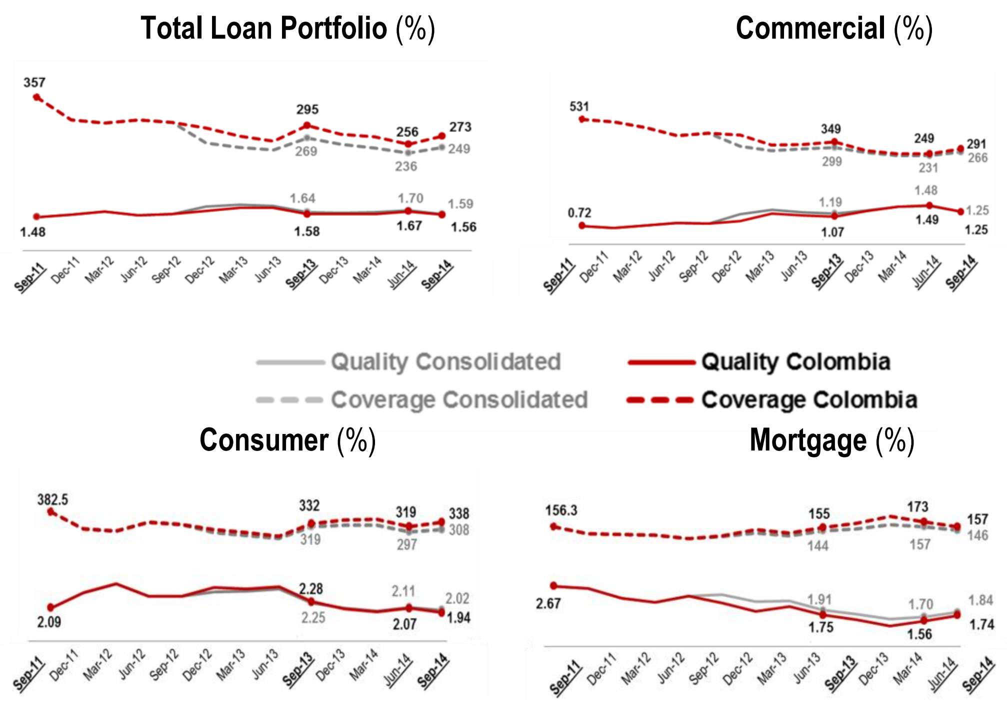
The mortgage portfolio increased 4.3% compared to 2Q14 and 21.5% compared to 3Q13, including the COP 1.5 trillion balance of the securitized portfolio .

Portfolio Loan Quality by Type and Coverage

The portfolio indicator[20] at the end of 3Q14 was 1.59%, 11 bps lower than at the end of 2Q14, mainly explained by the improvement in the commercial and consumer loan portfolio indicators which dropped 24 and 13 bps respectively, during the quarter.

The consolidated level of coverage[21] of 3Q14 was 249.3% higher that in 2Q14, mainly due to the improvement in the loan portfolio in Colombia, where levels of total coverage increased from 255.8% to 272.6%.

On the other hand, the international subsidiaries' loan portfolio provision increased 7.0% compared to 2Q14 and decreased 1.7% compared to 3Q13. The latter is due to the change in the provision model and improvements in the quality.



In 3Q14, total write-downs were COP 151.2 billion, 0.3% on gross loan portfolio, up 37.3% compared to 2Q14 and 13.9% lower than in 3Q13. This was mainly due to the increase in write-downs of the commercial loan portfolio and the annual decrease in write-downs of the consumer loan portfolio.

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[20] Quality: nonperforming loans > 90 days / total portfolio.
[21] Coverage: provisions / nonperforming loans > 90 days.

Goodwill

At the end of 3Q14, goodwill was COP 1.6 trillion, 1.3% lower compared to 2Q14 as a result of the COP 19.9 billion amortization reported during the quarter. Out of this amortization, 67.6% corresponds to the goodwill of Granbanco, 16.1% from the new subsidiaries in Central America and the other 16.3% from Corredores Asociados. Goodwill decreased by 7.4% compared to 3Q13.

Other Assets

Net assets received as payments were COP 70.4 billion in 3Q14, up 5.0% compared to the previous quarter, explained by the 10.6% increase in assets received as payments in Colombia compared to 2Q14.

The 13.2% decrease in assets received as payments, compared to 3Q13, is explained by the decrease in assets received as payments in Costa Rica as a result of sales.

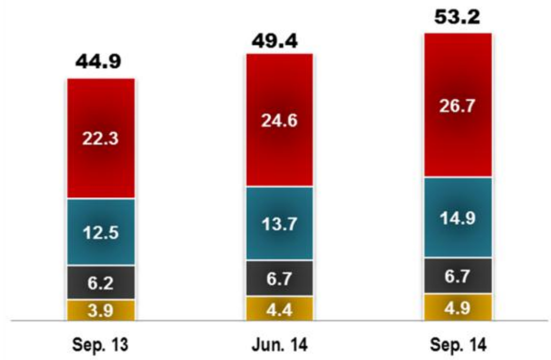
Liabilities

At the end of 3Q14, liabilities were COP 55.8 trillion, a 6.3% increase compared to 2Q14 and 16.4% increase compared to 3Q13. The latter is explained by the increase in deposits, which represented 74.5% of total liabilities, growing 19.9% annually. Deposits increased 8.7% compared to 2Q14 as a result of the 10.6% increase in savings accounts and 8.2% increase in term deposits in Colombia.

Liabilities amounted in COP 10.9 trillion in international subsidiaries, a 7.7% increase compared to 2Q14 and 20.3% compared to 3Q13, mainly due the increase in deposits in Costa Rica and Panama, with annual growth rates of 28.1% and 22.0% respectively. Additionally, rediscount loans with banking correspondents increased 14.5% compared to 2Q14 and 80.7% compared to 3Q13, mainly in Costa Rica and El Salvador.

Evolution of Funding Sources (in COP trillion)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Demand Deposits	8.6	20.1
Term Deposits	9.0	19.6
Bonds	-0.4	6.9
Credits	10.9	25.5
Funding Sources	**7.7**	**18.6**



	Sep. 13	Jun. 14	Sep. 14
Loans, Net/ Funding Sources(23)	82.5%	86.9%	84.8%

Funding Sources	Sep. 13	Jun. 14	Sep. 14	Q/Q	Y/Y
Colombia	36.3	39.8	42.8	7.5	17.9
International (22)	8.6	9.6	10.4	8.3	21.5

Deposits, bonds, rediscount loans and loans with banking correspondents were COP 53.2 trillion, achieving a net loan portfolio to funding sources ratio[23] of 84.8%. Excluding bonds, this ratio increased to 103.2%.

Demand deposits were up 20.1% compared to 3Q13, mainly due to Colombian savings accounts that increased 23.5% and checking accounts, up 19.6% compared to 3Q13.

Term deposits increased from the previous quarter, mainly due to the 8.2% and 19.6% increase in Term deposit certificates in Colombia compared to 2Q14 and 3Q13, respectively.

Bonds were COP 6.7 trillion, 69.6% of which made up the bond balance in Colombia with a 3.5% decrease compared to 2Q14 due to the maturity of the IPC local bonds issued in 2009 for COP 215 billion. Bonds increased 6.9% compared to 3Q13, due to the issuance of COP 600 billion in May 2014. Bonds issued internationally were impacted by the 6.0% depreciation during the quarter, and the 7.5% annual depreciation of the exchange rate (COP/USD).

Rediscount loans and loans with banking correspondents were COP 4.9 trillion, increasing by 10.9% and 25.5% compared to 2Q14 and 3Q13, respectively, as a result the subordinated loan with IFC for USD172.5 million disbursed on July 31, 2014.

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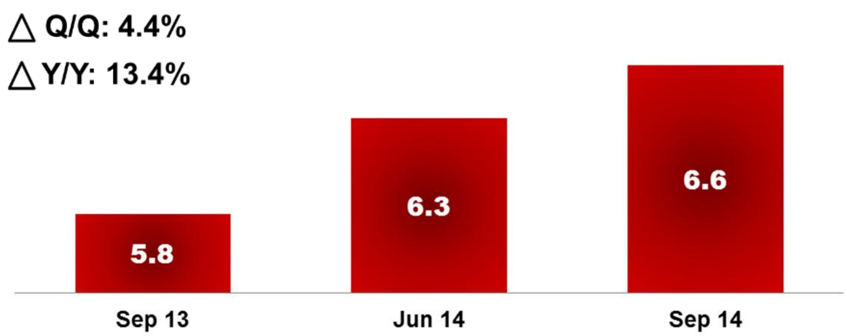
[22] Davivienda International includes: El Salvador, Costa Rica, Panama and Honduras.
[23] Funding sources = total deposits + bonds + institutional loans.

Equity

Equity was COP 6.6 trillion, up 4.4% compared to 2Q14 and up 13.4% compared to 3Q14.

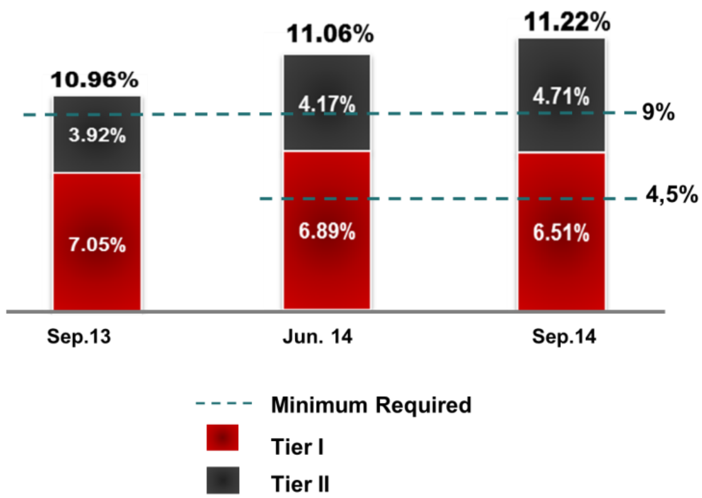
Evolution of Equity (in COP trillion)



Solvency was equal to 11.2%, 222 basis points above the minimum solvency required in Colombia (9%). The increase from 2Q14 is due to the 19.5% growth in additional equity as a result of the disbursement of the IFC subordinated loan for USD 172.5 million on July 31, 2014.

Technical capital closed at COP 6.2 trillion, up 7.5% compared to 2Q14 and up 17.1% compared to 3Q13. The ratio of core capital to assets weighted by risk level was equal to 6.5%, 246 bps above the regulatory minimum level (4.5%).

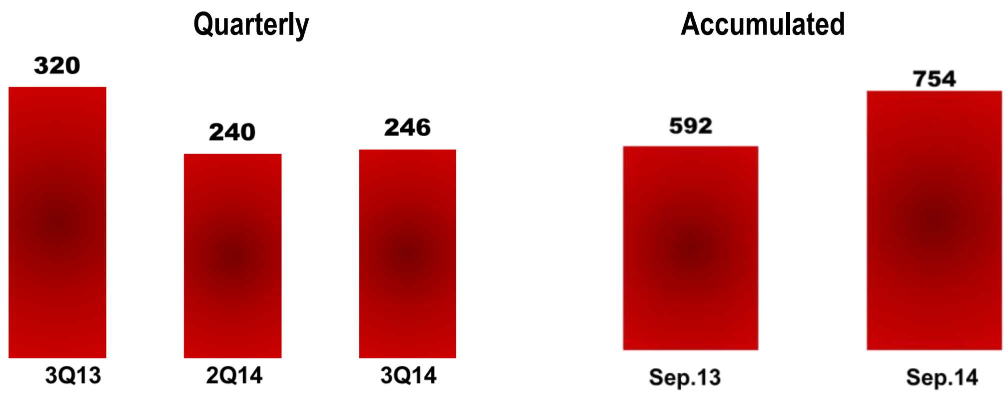
Solvency (%)



STATEMENT OF INCOME

Earnings

Earnings (COP billion)



ROAE(24)

Sep. 13	Jun. 14	Sep. 14
13.5%	16.5%	16.4%

3Q14	3Q14 / 2Q14		September 2014	Sep. 14/ Sep. 13
$	(%)		$	(%)
664	3.5	Financial Margin, net	1,975	26.9
311	1.5	Fees & Commissions	931	11.3
-670	0.3	Total Expenses	-1,950	11.5
30	-21.2	Other (25)	55	-30.5
-89	14.4	Taxes	-257	94.5
246	**2.3**	**Net Income (26)**	**754**	**27.3**

Net Income	3Q13	2Q14	3Q14	Q/Q (%)	Y/Y (%)
Colombia	281.1	208.9	215.2	3.0	-23.4
Internacional	38.5	31.6	30.8	-2.3	-19.8

3Q14 net profit increased compared to 2Q14 due to a 4.3% increase in the gross financial margin, mainly in Colombia, and an increase in other net income of 268.0% as a result of the revaluation of assets and liabilities for the adjustment due to exchange rate differences.

The net profit decreased compared to 3Q13, mainly due to higher growth in financial expenses (19.5%) than in financial income (2.0%), as a result of the 21.4% growth in savings accounts balance, and 19.6% growth in term deposits. Additionally, during the

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

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

[26] Income after deletions, standardizations and unifications.

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

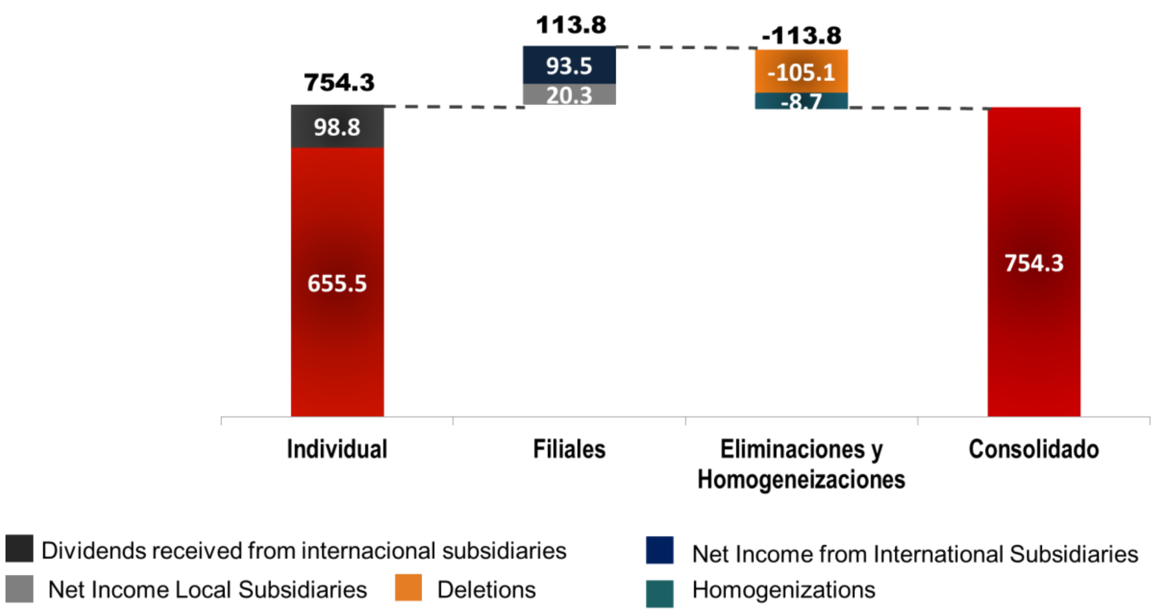
period, the implicit rate of term deposits in the business segment increased from 4.6% in 3Q13 to 5.5% in 3Q14.

In 3Q14 international subsidiaries contributed COP 30.8 billion of income, a 2.3% decrease compared to 2Q14 or 19.8% decrease compared to 3Q13, mainly due to a 6.6% increase in financial expenses compared to 2Q14. The decrease versus 3Q13 is explained by the increase in payroll expenses mainly in El Salvador resulting from the new early retirement plan law for COP 1.2 billion and an increase of COP 1.7 billion in provisions for assets received as payments.

As a result, net profit in 9M14 reached COP 754.3 billion, a 27.3% increase compared to 9M13, resulting in a notable net financial margin growth equal to 26,9%.

Return on average equity (ROAE) was 16.4%, 17 bps lower than in 2Q14.

Detailed Accumulated Profit (COP billion)[28]



Income from Interest on Loans

Income from interest on loans increased 5.9% compared to 2Q14, and 17.8% compared to 3Q13, mainly due to the 5.2% increase in average performing loans compared to 2Q14 and the 22.9% increase compared to 3Q13. The average rate of the performing loan portfolio increased from 11.1% in 2Q14 and 11.8% in 3Q13 to 10.9% in 3Q14.

[28] 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. Hmogenizations 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.

Interest from the commercial loan portfolio reached COP 440.8 billion, up 7.5% compared to 2Q14 and up 17.6% compared to 3Q13, due to an increase in the balance of the portfolio equal to 5.1% compared to 2Q14, and equal to 21.7% compared to 3Q13. International subsidiaries generated income of COP 91.8 billion resulting from the commercial loan portfolio, up 4.5% compared to 2Q14 and up 19.6% compared to 3Q13, with an increase in the balance of the portolio of 8.6% on a quarterly basis, and a 23.2% increase compared to 3Q13.

Income from the consumer loan portfolio reached COP 485.9 billion, up 4.5% compared to 2Q14 and up 10.4% compared to 3Q13, mainly due to an increase in payroll loan balances in Colombia.

Income from the mortgage portfolio reached COP 293.3 billion, up 6.0% compared to 2Q14 and up 32.6% compared to 3Q13, due to increased mortgage lending.

Consolidated loan portfolio income in 9M14 reached COP 3.5 trillion, up 13.3% compared to 9M13, mainly due to the 33.5% and 11.0% increase in interest from the mortgage and commercial loan portfolios, respectively.

Investment Portfolio Income

Investment portfolio income reached COP 87.3 billion, up 4.2% compared to 2Q14, mainly due to the 14.1% increase in the negotiable debt securities investment portfolio balance in Colombia.

Income from investments decreased 64.1% compared to 3Q13 as a result of the extraordinary income equal to COP 135 billion in 3Q13, which resulted from the valuation of residual rights for the securitization of the portfolio.

9M14 investment portfolio income reached COP 270.8 billion, up 30.9% compared to 9M13, mainly due to the increase in the mortgage and commercial portfolio income.

Financial Expenses

3Q14 financial expenses were equal to COP 421.7 billion, up 8.8% compared to 2Q14 and up 19.5% compared to 3Q13. This increase was mainly due to growth in the balance of term deposits and savings accounts, the issuance of local bonds in Colombia in December 2013 and May 2014, the subordinated loan granted by the IFC to Davivienda Colombia and loan growth with banking correspondents in El Salvador.

9M14 financial expenses increased 10.6%, reaching COP 1.2 trillion, with significant increases in term deposits outlays (16.3%) and savings accounts (15.8%).

Net Provisions

Net provisions expenses for the quarter reached COP 221.3 billion, up 7.1% compared to 2Q14, explained by the 8.7% increase in consumer portfolio provisions and the 33.7% decrease in portfolio recoveries. Additionally, as a result of securitizing the mortgage portfolio for COP 266 billion, mortgage provisions for COP 5.3 billion were repaid.

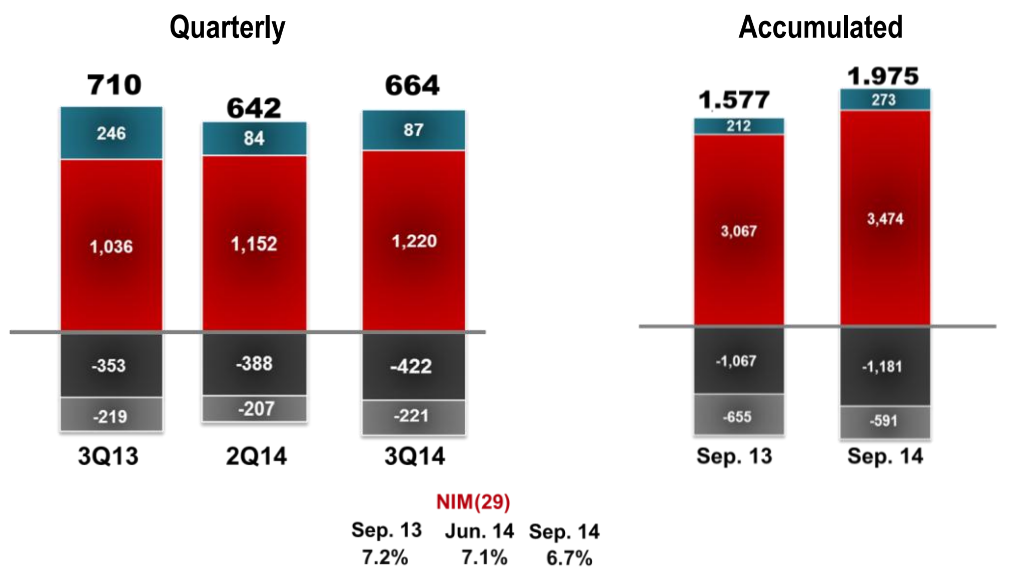
Net provision expenses increased 1.2% compared to 3Q13, due to the increase in the commercial and consumer loan portfolio provisions by 21.3% and 6.4%, respectively.

On the other hand, net provisions in international subsidiaries grew 2.1% compared to 2Q14. This increase is due to the modification of the portfolio provision in Panama, beginning on September 2014, registered in the dynamic reserve asset, and a decrease of 16.0% in recoveries, mainly in the commercial portfolio. Net provisions grew 939.2% compared to 3Q13, mainly due the modification of the portfolio provision in Panama and to homogenization growth in Panama and Costa Rica.

Net provisions in 9M14 reached COP 591.1 billion, 9.7% lower than in 9M13, largely due to the 13.2% decrease in the portfolio provisions in Colombia, mainly related to the consumer portfolio. Additionally, recoveries grew 13.5%, mainly in the commercial portfolio and recoveries of assets received as payments.

Net Financial Margin

Net Financial Margin (COP Billion)



3Q14	3Q14/2Q14	3Q14/3Q13		Accum. Sep 14	Sep 14/ Sep 13.
$	(%)	(%)		$	(%)
1,220	5.9	17.8	Loan Income	3,474	13.3
87	3.1	-64.5	Investment Income, Overn.	273	28.6
1,307	5.7	2.0	Subtotal Financial Income	**3,747**	**14.3**
-422	8.8	19.5	Financial Expenses	-1,181	10.6
-221	7.1	1.2	Allowances	-591	-9.7
664	**3.5**	**-6.5**	**Financial Margin, Net**	**1,975**	**26.9**

Net financial margin reached COP 664.1 billion, up 3.5% compared to 2Q14, as a result of portfolio income growth equal to COP 71.0 million, versus the increase in financial expenses and provisions of COP 34.1 million and COP 14.7 million, respectively. The financial margin decreased 6.5% compared to 3Q13, due to growth in financial expenses (19.5%) higher than in financial income (2.0%).

NIM[29] was 6.7%, compared to the 7.1% reported in 2Q14, due to extraordinary income reported in September 2013 as a result of the valuation of residual rights of the securitized portfolio, and the 3.6% increase in average earning assets.

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

Operating Income

3Q14 operating income reached COP 310.6 billion, up 1.5% compared to 2Q14 and up 10.8% compared to 3Q13, mainly due to 3.8% quarterly and 8.8% annual growth in commissions and fees income in Colombia.

Income from commissions and fees is up 2.6% compared to 2Q14, mainly due to an increase in credit card issuance which generate a 5.0% increase in income fees. Aditionally, increase in banking services was 5.3%. Compared to 3Q13, the 10.8% increase in operating income is a result of securities commissions from the acquisition of Corredores Asociados, and the 30.0% increase in business transactions.

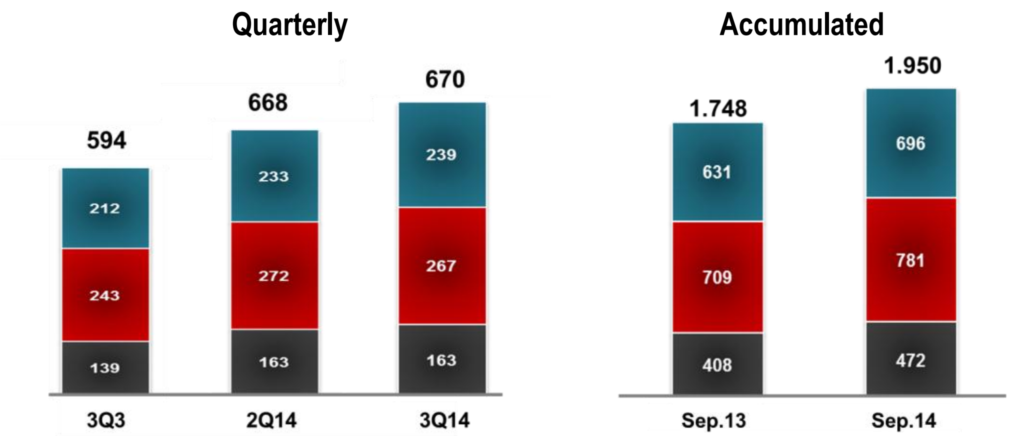
Due to the above, 9M14 operating income reached COP 931.0 billion, up 11.3% compared to 9M13.

The fee and commission income on total income[30] ratio was 20.8%, 94 bps higher than the 2Q14 ratio, as a result of the increase in other income and net expenses.

[30] Fee and commission income (12 months) / total income.

Operating Expenses

Operating Expenses (COP billion)



Efficiency(31)

Sep. 13	Jun. 14	Sep. 14
54.7%	51.5%	52.5%

3Q14 $	3Q14/2Q14 (%)	3Q14/3Q13 (%)		Accum. Sep 14 $	Sep 14/ Sep 13. (%)
239	2.6	13.2	Personnel Expenses	696	10.3
267	-1.8	9.9	Operating Expenses	781	10.2
163	0.4	17.1	Other Expenses (32)	472	15.8
670	**0.3**	**12.7**	**Total Expenses**	**1,950**	**11.5**

Total expenses for 3Q14 were COP 669.8 billion. The 0.3% increase compared to 2Q14 is mainly due to the 2.6% growth of personnel expenses in Colombia, from the inclusion of Corredores Asociados. Personnel expenses, in the international subsidiaries increased 4.4%, mainly due to personnel expenses increases in El Salvador, following the new early retirement plan law.

On the other hand, fees and commission expenses grew 7.3% compared to 2Q14, mainly due to the 29.3% expenses increases from DaviPlata commissions.

Total expenses increased 12.7% compared to 3Q13, mainly in Colombia, due to the Corredores Asociados' goodwill amortization, a 40.3% advertising and marketing expense increase related to the Football World Cup Campaign, a 14.9% personnel expense increase resulting from the consolidation of Corredores Asociados.

International subsidiaries' total expenses for 3Q14 reached COP 139.9 billion, 1.9% lower than 2Q14 and 5.7% higher compared to 3Q13.

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

Total expenses for 9M14 were COP 1.9 trillion, up 11.5% compared to 9M13. The 12-month efficiency indicator went from 54.7% in 3Q13 and 51.5% in 2Q14 to 52.5% in 3Q14, primarily due to the a higher accumulated expenses growth rate 12 month (2.5%) versus income growth (0.5%).

Other Net Income and Expenses

Other net income in 3Q14 was COP 60.3 billion, a 268.0% increase compared to 2Q14 and a 455.9% increase compared to 3Q13, due to the revaluation of assets and liabilities under our control and the increase of the adjustment for exchange rate differences. An additional 3Q14 income equal to COP 2.9 billion income resulted from from the securitization of the mortgage portfolio during September.

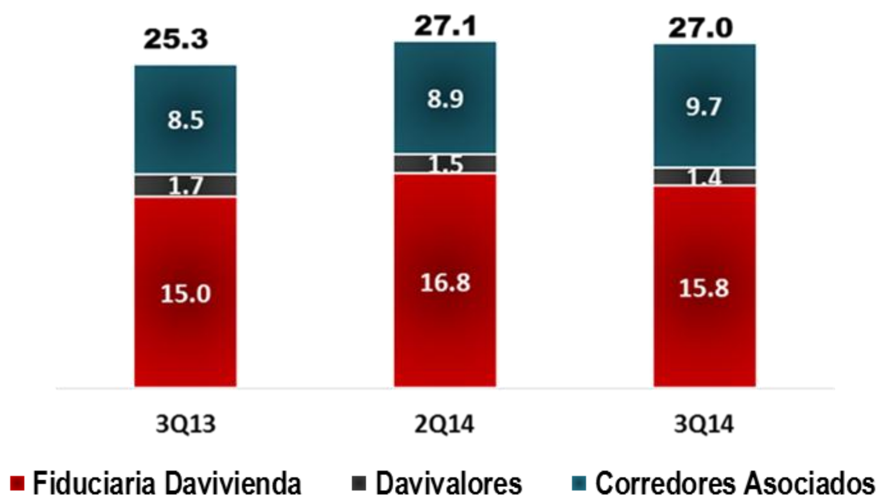
Taxes

During 3Q14, Davivienda reported taxes for COP 89.1 billion, up 14.4% compared to 2Q14 mainly in Colombia, as a result of the profit increase and the COP 21,5 billion increase in deferred taxes and non deductible charges. Taxes decreased COP 7.6 billion compared to 3Q13 mainly in Colombia, as a result of the 20,5% net income decreases.

RESULTS OF SUBSIDIARIES

Subsidiaries in Colombia

Performance of Third-Party Managed Assets (COP trillion)



The third-party managed assets portfolio increased 6.2% compared to 3Q13, explained by 31.0% growth in collective portfolios, mainly in Corredores Asociados (19.2%) and Fiduciaria Davivienda (36.8%). Additionally, assets managed by the brokerage firms increased by 4.6% compared to 3Q13.

Third-party managed assets decreased 0.6% compared to 2Q14, largely explained by the 26.6% decrease in consortia, mainly as a result of the exit of a client with assets of approximately COP 1.5 trillion.

Main Figures (COP billion)

	Assets			Equity			Income		
	Sep. 14	Q/Q	Y/Y	Sep. 14	Q/Q	Y/Y	3T14	Q/Q	Y/Y
Fidudavivienda	146	6.8%	5.3%	125	4.6%	5.7%	5.5	-7.0%	4.0%
Davivalores	21	-1.7%	7.2%	19	3.8%	1.6%	0.6	-30.0%	952.6%
Corredores Asociados	193	35.6%	53.5%	46	2.9%	1.6%	1.1	2105.4%	106.2%
Total	**359**	**19.9%**	**26.8%**	**190**	**4.1%**	**4.2%**	**7.2**	**6.8%**	**26.2%**

The net profit of Fiduciaria Davivienda decreased compared to 2Q14, mainly due to the increase in operating expenses, mainly fees for professional services and advertising expenses. Additionally, during the quarter net non-operating income decreased as a result of provisions for larger operating risks and lawsuits.

The profit of Fiduciaria Davivienda increased compared to 3Q13 due to the greater income of the investment trust as a result of the increase in the balance of managed assets. In addition, the net returns of the investment portfolio increased due to valuation.

In Davivalores, profit decreased compared to 2Q14 mainly due to the higher income reported in 2Q14 from greater commission income from the administration of Ecopetrol and Davivienda shares.

In Corredores Asociados, growth during 3Q14 is explained by the increase in Other net revenue. Compared to 3Q13 the quarterly increase is explained by the comparison base with September 2013, in which consolidation took place after the acquisition on September 27th.

Foreign Subsidiaries

Main Figures (USD million)[33]

	Assets			Equity			Income		
	Sep. 14	Q/Q	Y/Y	Sep. 14	Q/Q	Y/Y	3T14	Q/Q	Y/Y
El Salvador - Bank	2,086	-0.9%	7.6%	277	1.9%	-2.2%	4.9	-7.5%	-8.7%
El Salvador - Insurance	30	8.3%	-9.2%	14	5.4%	-17.3%	0.7	1.7%	14.5%
Costa Rica - Bank	1,664	5.0%	21.0%	171	2.9%	-4.2%	4.6	38.3%	25.9%
Panamá - Bank	1,291	-2.3%	11.9%	140	5.4%	20.0%	3.1	-14.2%	55.9%
Panamá - Corredores A	0.7	5.4%	-20.4%	0.8	22.7%	-9.6%	0.1	53.0%	70.1%
Honduras - Bank	941	0.4%	10.6%	101	0.4%	3.6%	1.7	28.0%	26.9%
Honduras - Insurance	73	0.0%	-7.5%	29	2.5%	-17.9%	1.1	-25.7%	8.3%
Total	**6,086**	**5.8%**	**12.0%**	**733**	**2.7%**	**0.5%**	**16**	**2.6%**	**15.5%**

Portfolio Quality (%)[34]

International	Quality %		Coverage %	
	2Q14	3Q14	2Q14	3Q14
Commercial	1.41	1.25	159.3	170.98
Consumer	2.35	2.5	173.7	164.95
Mortgage	2.57	2.44	96.2	96.3
Total	**1.82**	**1.74**	**147.3**	**150.1**

The net profit of Davivienda in El Salvador decreased primarily as a result of a 2.2% and 8.3% increase in operating expenses compared to 2Q14 and 3Q13, respectively, due to increased personnel costs following the new early retirement plan law and increased operating expenses of 9.9% and 11.0% compared to 2Q14 and 3Q13, respectively.

The net profit of Davivienda in Costa Rica increased, as a result of a 6.6% increase in loan portfolio revenue compared to 2Q14, and a 106.9% increase compared to 3Q13, mainly in the commercial portfolio.

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[33] Standardized figures, non-consolidated results, exchange rate: USD 1 per 539.77 Colones and USD 1 per 21.24 Lempiras for September 2014; exchange rate: USD 1 per 542.97 Colones and USD 1 per 20.97 Lempiras for June 2014; USD 1 per 499.54 Colones and 1 USD 1 per 20.54 Lempiras for September 2013.

[34] Portfolio quality and coverage > 90 days.

The net profit for Davivienda in Panama decreased compared to 2Q14 primarily as a result of a 1.5% decrease in investment income. Net profit increased 20.9% compared to 3Q13, primarily as a result of an increase in the net interest margin.

The net profit of Davivienda in Honduras increased as a result of the 2.0% and 9.2% increase in net interest margin compared to 2Q14 and 3Q13, respectively. In addition, operating income increased 1.7% and 6.9% compared to 2Q14 and 3Q13, respectively.

Balance Sheet as of September 30, 2014
(COP Billions)

	Consolidated					Colombia				
ASSETS	Sep 13	Jun 14	Sep 14	Sep 14 / Jun 14	Sep 14 / Sep 13	Sep 13	Jun 14	Sep 14	Sep 14 / Jun 14	Sep 14 / Sep 13
Cash	4,551	4,944	5,633	13.9%	23.8%	2,935	2,963	3,328	12.3%	13.4%
Investments	8,041	6,798	7,311	7.6%	-9.1%	7,573	6,409	7,241	13.0%	-4.4%
Loans	37,013	42,945	45,114	5.1%	21.9%	30,496	35,694	37,151	4.1%	21.8%
Commercial	19,558	22,631	23,793	5.1%	21.7%	15,560	18,098	18,869	4.3%	21.3%
Consumer	10,979	11,917	12,659	6.2%	15.3%	9,540	10,337	10,890	5.3%	14.2%
Mortage Loans+ Leasing	8,187	10,191	10,525	3.3%	28.6%	6,889	8,854	9,041	2.1%	31.2%
Allowances	-1,710	-1,794	-1,862	3.8%	8.9%	-1,493	-1,595	-1,649	3.4%	10.4%
Fixed assets	493	492	497	0.9%	0.7%	388	389	388	-0.4%	-0.1%
Reappraisal	666	733	745	1.6%	11.9%	505	564	563	-0.2%	11.5%
Other assets	3,027	2,944	3,122	6.1%	3.1%	2,730	2,639	2,779	5.3%	1.8%
Total Assets	53,792	58,856	62,423	6.1%	16.0%	44,626	48,658	51,449	5.7%	15.3%
Liabilities										
Deposits	34,712	38,288	41,624	8.7%	19.9%	27,128	30,211	32,977	9.2%	21.6%
Saving accounts	16,572	18,421	20,124	9.2%	21.4%	14,430	16,123	17,827	10.6%	23.5%
Checking accounts	5,442	5,872	6,328	7.8%	16.3%	3,779	4,176	4,497	7.7%	19.0%
Time deposits	12,454	13,670	14,895	9.0%	19.6%	8,713	9,630	10,418	8.2%	19.6%
Other	244	325	278	-14.6%	13.8%	206	283	235	-16.9%	14.1%
Long term debt	6,220	6,678	6,650	-0.4%	6.9%	6,018	6,380	6,304	-1.2%	4.8%
Local	3,997	4,797	4,628	-3.5%	15.8%	3,794	4,499	4,282	-4.8%	12.9%
International	2,224	1,881	2,022	7.5%	-9.1%	2,224	1,881	2,022	7.5%	-9.1%
Development fund borrowings	3,919	4,436	4,920	10.9%	25.5%	3,132	3,193	3,496	9.5%	11.6%
Other liabilities	3,130	3,142	2,641	-16.0%	-15.6%	2,621	2,618	2,132	-18.6%	-18.7%
Total liabilities	47,981	52,545	55,835	6.3%	16.4%	38,898	42,403	44,909	5.9%	15.5%
Equity										
Capital	62	62	62	0.0%	0.0%	62	62	62	0.0%	0.0%
Retained earnings	4,433	4,985	4,976	-0.2%	12.3%	4,279	4,792	4,791	0.0%	12.0%
Surplus	724	747	767	2.6%	5.9%	816	866	935	7.9%	14.6%
Results from previous periods	0	10	28	196.4%	100%	70	0	0	N/A	-100.0%
Results	592	508	754	48.4%	27.3%	501	535	752	40.7%	50.2%
Total stockholder´s equity	5,811	6,312	6,588	4.4%	13.4%	5,727	6,255	6,540	4.6%	14.2%
Total liabilities & stockholders	53,792	58,856	62,423	6.1%	16.0%	44,626	48,658	51,449	5.7%	15.3%

P&L as of September 30, 2014 (COP Billion)										
	Quartely						Accumulated			
	Consolidated					Colombia	Consolidado			Colombia
	3Q 13	2Q 14	3Q 14	3Q14 / 2Q14	3Q14 / 3Q13	3Q14* / 3Q13*	Accum. Sep 13	Accum. Sep 14	Sep 14/Sep 13	Sep 14*/Sep 13*
Total income	**1,281**	**1,236**	**1,307**	**5.7%**	**2.0%**	**0.3%**	**3,279**	**3,747**	**14.3%**	**13.2%**
Loans	1,036	1,152	1,220	5.9%	17.8%	17.6%	3,067	3,474	13.3%	11.9%
Commercial	375	410	441	7.5%	17.6%	17.1%	1,124	1,248	11.0%	7.9%
Consumer	440	465	486	4.5%	10.4%	9.1%	1,323	1,399	5.7%	4.1%
Mortgage Loans+ Leasing	221	277	293	6.0%	32.6%	37.1%	620	828	33.5%	37.5%
Mortagage	145	176	189	7.2%	30.3%	37.2%	404	528	30.7%	36.5%
Leasing	76	101	105	3.9%	37.0%	37.0%	215	299	38.9%	38.9%
Investments	243	84	87	4.2%	-64.1%	-68.6%	207	271	30.9%	36.5%
Interbanks	2	1	0	-142.6%	-111.9%	-146.9%	5	2	-65.3%	-72.3%
Financial Expenses	**353**	**388**	**422**	**8.8%**	**19.5%**	**18.8%**	**1,067**	**1,181**	**10.6%**	**7.8%**
Deposits in checking accounts	6	7	7	6.3%	21.9%	21.9%	16	21	33.2%	33.2%
Deposits in saving accounts	77	89	98	9.7%	27.2%	28.4%	236	273	15.8%	15.4%
Deposits in certificates	133	153	164	7.8%	23.6%	26.8%	399	464	16.3%	13.8%
Credits with entities	41	42	45	8.4%	10.4%	-4.1%	132	127	-3.2%	-16.2%
Bonds	90	94	96	2.5%	6.6%	6.6%	272	277	2.0%	2.0%
Repos	6	4	11	195.6%	84.2%	94.4%	13	17	37.5%	37.4%
Gross financial margin	**929**	**849**	**885**	**4.3%**	**-4.7%**	**-6.4%**	**2,211**	**2,566**	**16.0%**	**15.7%**
Allowances net	219	207	221	7.1%	1.2%	-6.6%	655	591	-9.7%	-13.2%
Net interest margin	**710**	**642**	**664**	**3.5%**	**-6.5%**	**-6.4%**	**1,557**	**1,975**	**26.9%**	**29.8%**
Comissions and fees income	280	306	311	1.5%	10.8%	12.9%	837	931	11.3%	12.5%
Operating expenses	594	668	670	0.3%	12.7%	14.8%	1,748	1,950	11.5%	10.9%
Other income and expenses, net	11	16	60	268.0%	455.9%	385.3%	73	56	-22.9%	-35.9%
Operational income	**407**	**296**	**365**	**23.2%**	**-10.2%**	**-11.8%**	**718**	**1,012**	**41.0%**	**48.4%**
Other allowances	0	5	6	8.5%	-4674.2%	2850.2%	18	20	8.9%	6.1%
Non operatives	10	29	-23	-179.6%	-330.5%	-399.2%	28	23	-16.3%	-2.4%
Income before taxes and minority interest	**417**	**320**	**337**	**5.2%**	**-19.3%**	**-20.5%**	**727**	**1,015**	**39.6%**	**48.2%**
Minority interest	1	1	1	2.1%	92.6%	92.6%	3	4	52.2%	52.2%
Taxes	**97**	**78**	**89**	**14.4%**	**-7.8%**	**-12.2%**	**132**	**257**	**94.5%**	**115.4%**
Net income	320	240	246	2.3%	-23.0%	-23.4%	592	754	27.3%	34.1%

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