



DAVIVIENDA



Earnings Presentation

4Q13 Consolidated Results

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These balance statements have been prepared in accordance with the accountability principles generally accepted in Colombia, and they are presented in nominal terms. The P&L statement corresponding to the quarter which ended on December 31, 2013 will not necessarily constitute an indication of the expected P&L for any other period.



Content

- > **Fourth Quarter Highlights**
- > **Fourth Quarter 2013 Results**



Fourth Quarter Highlights



Main Results

- > Accumulated Net Income¹: **\$851 billion**, growth of **22.3%** compared to 2012
- > Equity growth of **13.7%** compared to December 2012
- > ROAE² rose from 13.6% (2012) to **15.1%**
- > Loan allowances for the quarter decrease **38.3%** compared to 4Q12
- > Asset quality³ goes from 1.83 in 2012 to **1.63**

1. Accumulated Net Income 2013 (Consolidated)
2. ROAE (12 months) = Net income 12 months/ Average Equity.
3. Asset Quality: Loans >90 days.



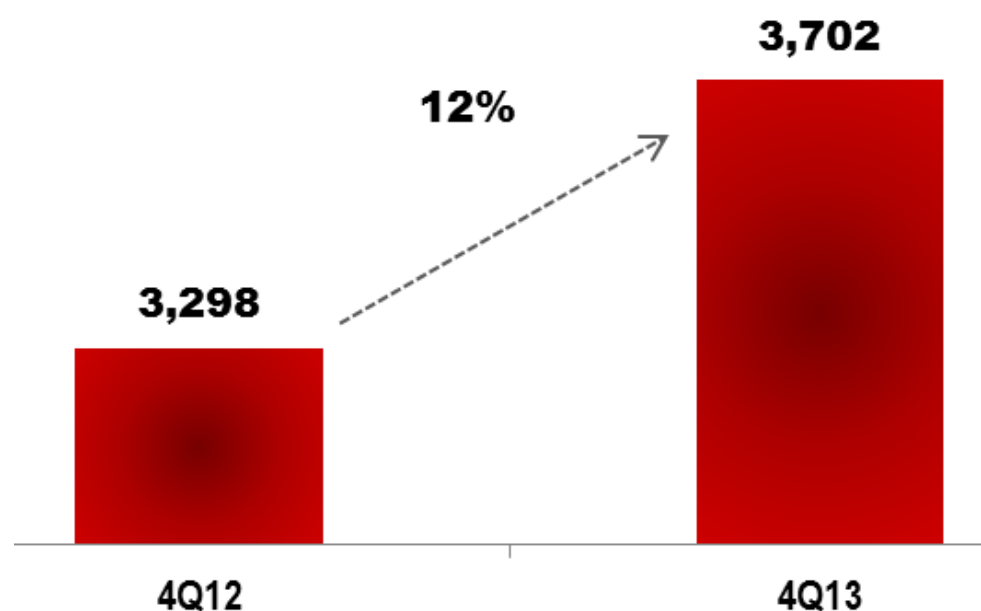
First Year of Operations of the International Subsidiaries

> Consolidated our presence and increased market share in **Central America**¹

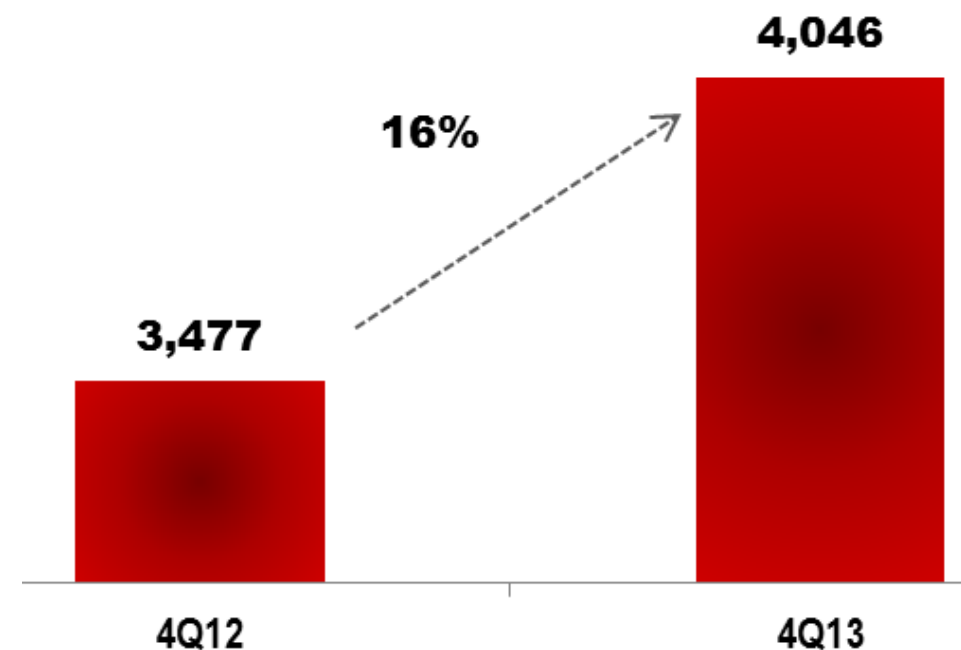
> Net income totaled **US \$65 million**²

(US\$ billions)

Net Loans



Deposits



1. Central America includes El Salvador, Costa Rica, Honduras and Panama

2. Figures in local accounting

Exchange rates as of December 31, 2013:

1 US\$ / 20.6 Lempiras

1 US\$ / 501.41 Colons



Key Commercial Results

>**Mortgage** disbursements totaled **\$1.1** trillion, **60.1%** higher than 4Q12

>**\$511** billion was disbursed for **Payroll** loans with a growth of **12.3%** compared to 4Q12

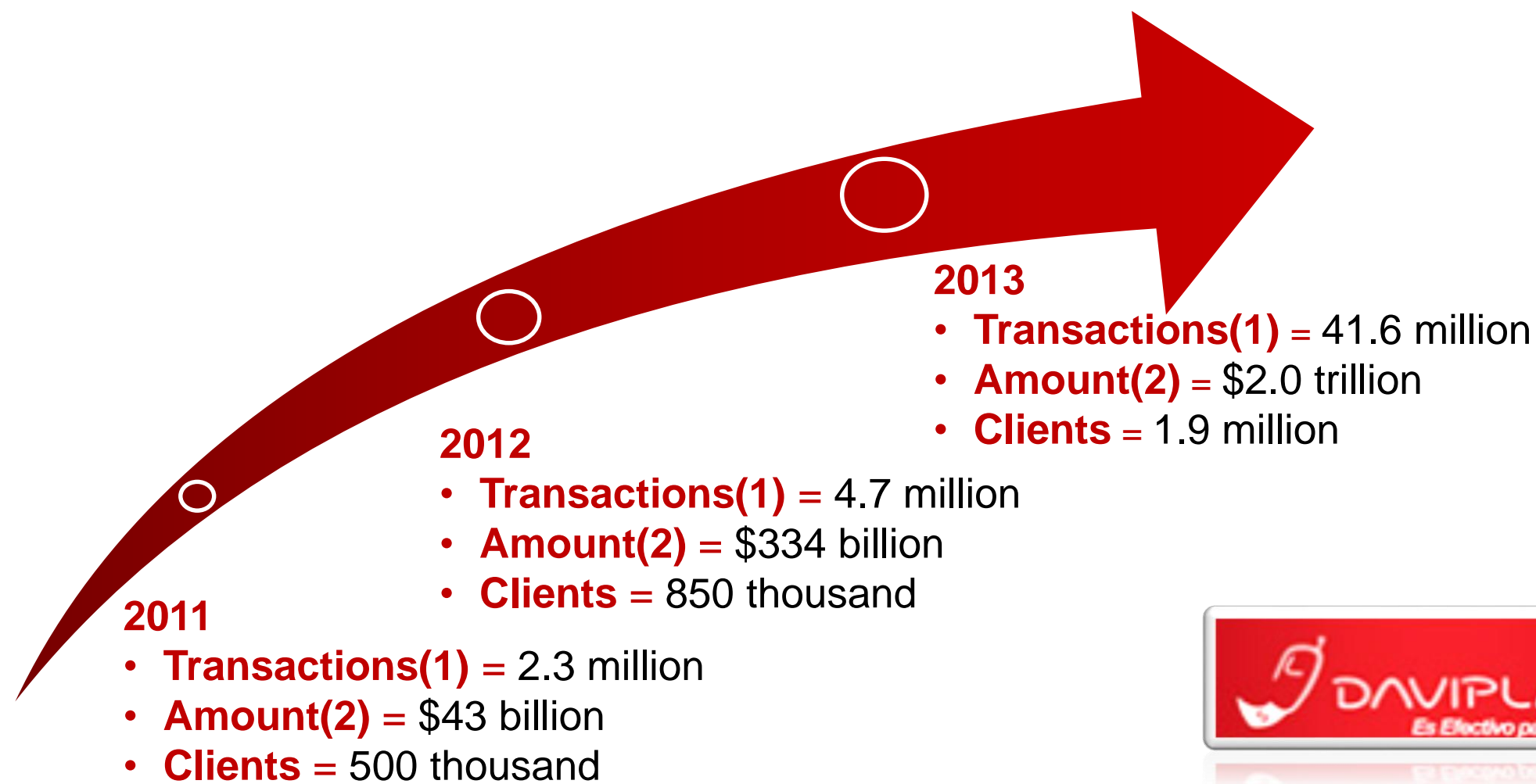
>**Construction** disbursements totaled **\$604** billion, an increase of **27.9%** compared to 3Q13 and **83.9%** in relation to 4Q12

>**\$756** billion was disbursed for **SMEs**, a growth of **11.5%** compared to 3Q13



Daviplata Continues to Grow at a National Level

- > Daviplata can now be used with 4 major Colombian mobile service providers
- > **5,300** banking correspondents in more than 835 municipalities



1. Transactions includes transfers, monetary transactions and consultations accumulated during the year
2. Amount (\$) of the transactions accumulated in the year



Debt Issuances

> In December 2013, Davivienda successfully placed an **ordinary bond** in the Colombian domestic market

> Offer: COP **\$400** billion

> Bid to cover: **2.1** times

> Maturity: **2** and **7** years

> Davivienda **El Salvador** placed 2 **ordinary** bonds in its local market

> November 2013: **US \$43** million

> Maturity: **5** and **7** years

> December 2013: **US \$30** million

> Maturity: **6** and **7** years



Cultivarte

- >A program developed for children, youth and families in municipalities to make a healthy and rewarding use of leisure time
- >During 2013, **6 new** Cultivarte locations were opened in municipalities of Antioquia and Caldas
- >At the end of 2013, there were **8** locations, with an average of **1,280** users per day, and a total of **862** children under permanent care.
- >During 2014, **20 new** Cultivarte locations will be opened in Colombia.



Fourth Quarter 2013 Results

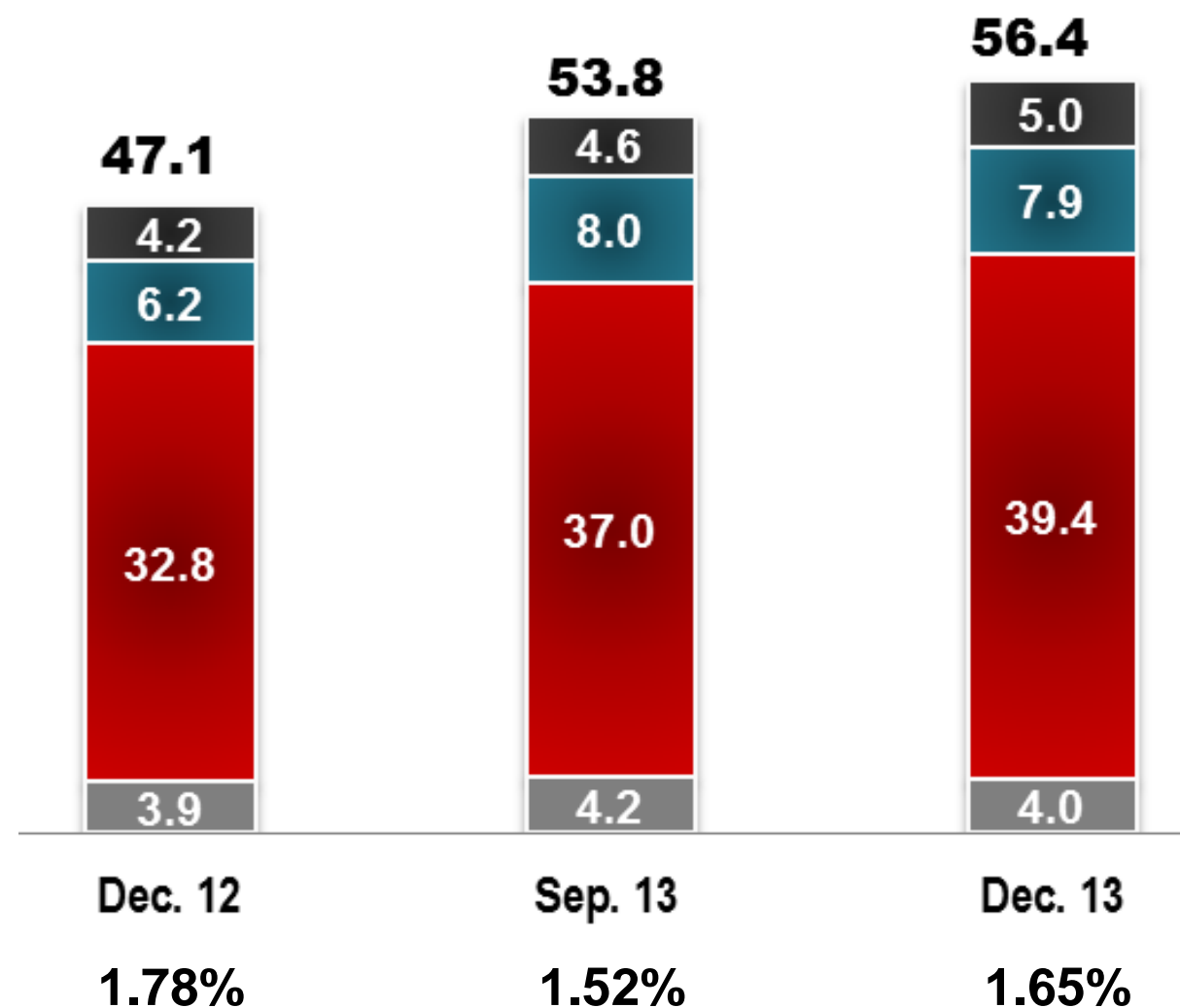


DAVIVIENDA

Assets

(COP trillions)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Cash	9.8	17.7
Investments, net	-1.4	28.3
Loans, net	6.5	20.2
Other assets	-3.9	3.5
Assets	4.8	19.6



Assets	Dec. 12	Sep. 13	Dec. 13	Q/Q (%)	Y/Y (%)
Colombia	39.5	44.6	46.6	4.4	18.1
International (2)	8.8	10.5	11.1	6.4	26.0

1. ROAA : Net Income (12 months) / Average assets

2. Davivienda International corresponds to: El Salvador, Costa Rica, Honduras and Panama

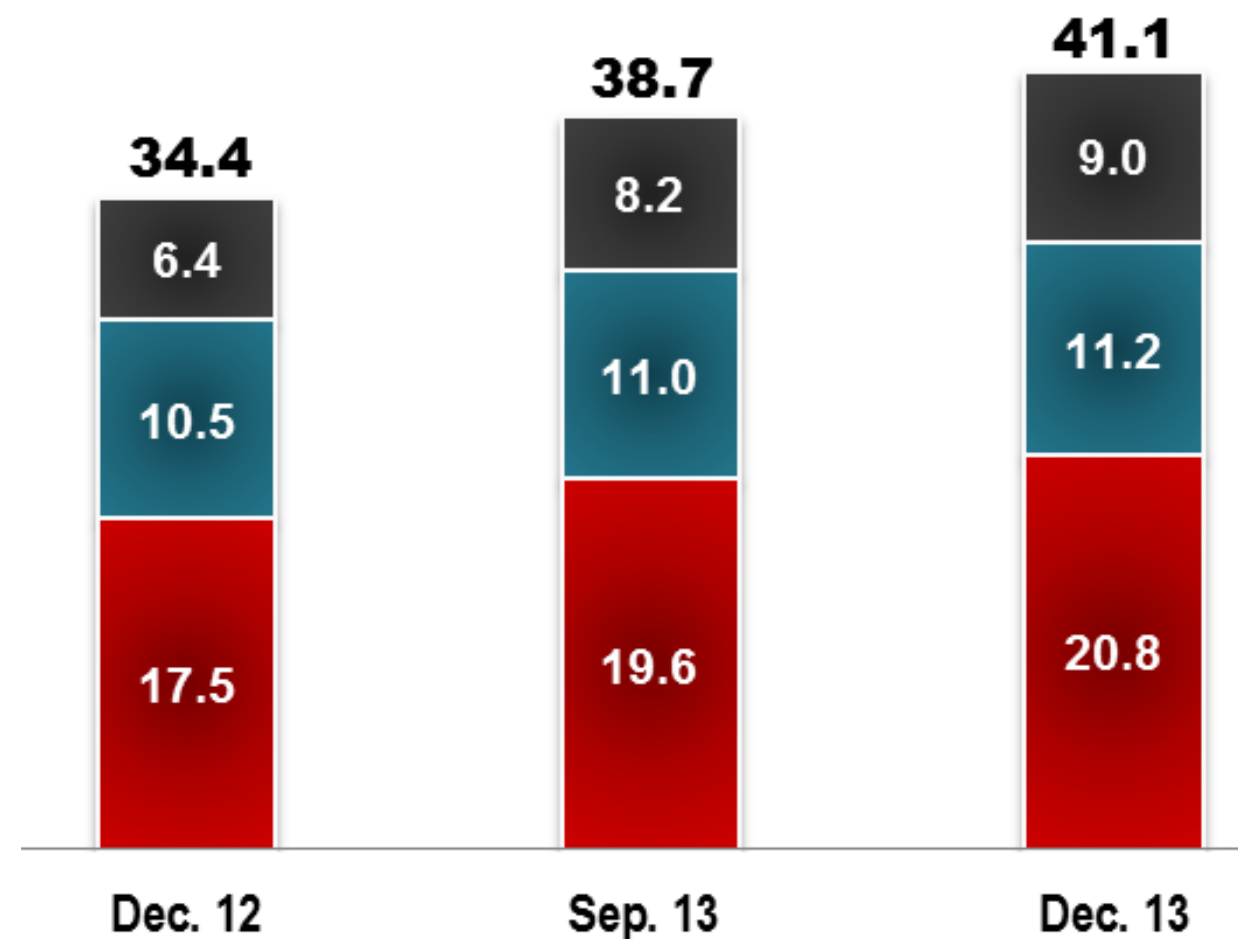


Consolidated

Gross Loans

(COP trillions)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Mortgages (1)	10.5	40.6
Consumer	2.4	7.2
Commercial (2)	6.6	19.0
Gross Loans	6.2	19.4

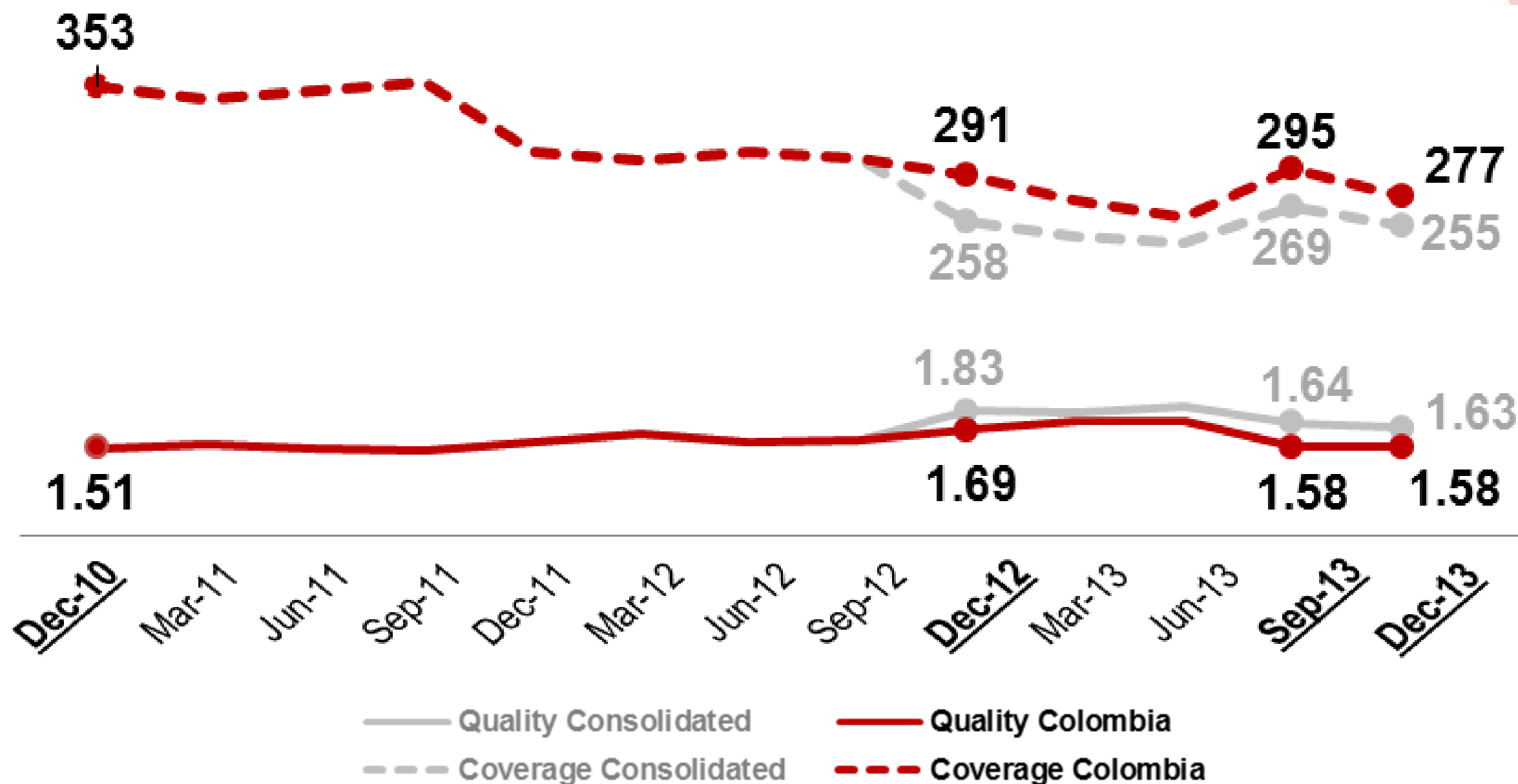


Gross Loans	Dec. 12	Sep. 13	Dec. 13	Q/Q (%)	Y/Y (%)
Colombia	28.7	32.0	34.1	6.5	18.8
International (3)	5.8	6.7	7.1	5.0	22.6

1. Mortgages includes leasing
2. Commercial includes microcredit
3. Davivienda International: El Salvador, Costa Rica, Honduras and Panama



Quality and Coverage (%)



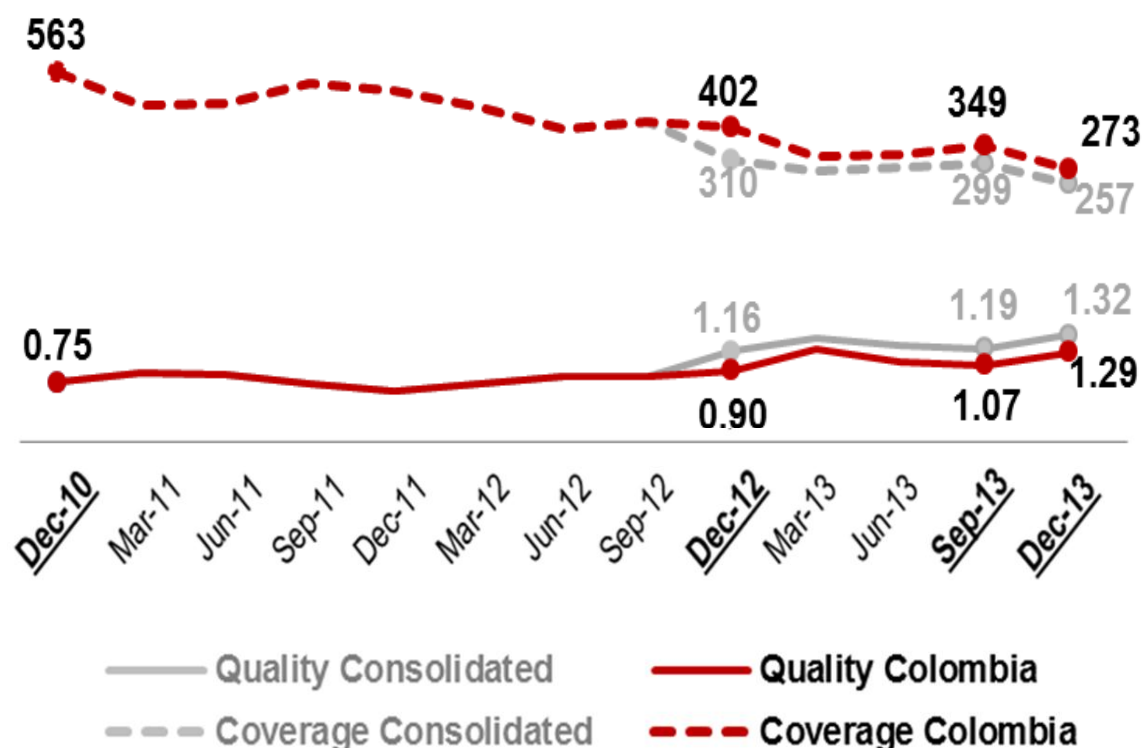
Quality: Loans > 90 days

Coverage: Allowances / Loans > 90 days



Quality and Coverage (%)

Commercial¹



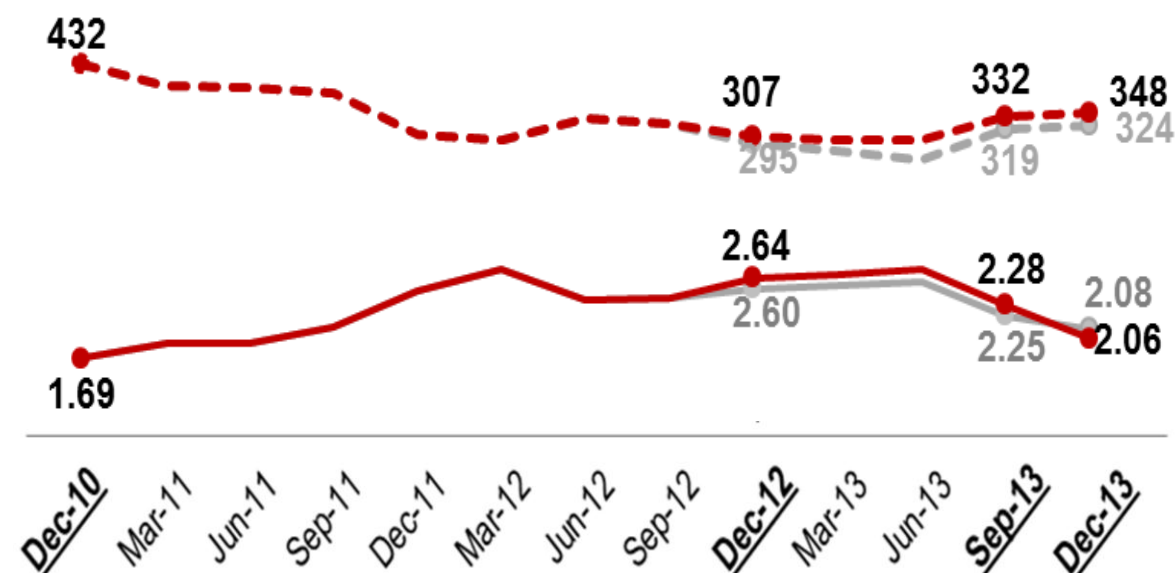
Quality: Loans > 90 days

Coverage: Allowances / Loans > 90 days

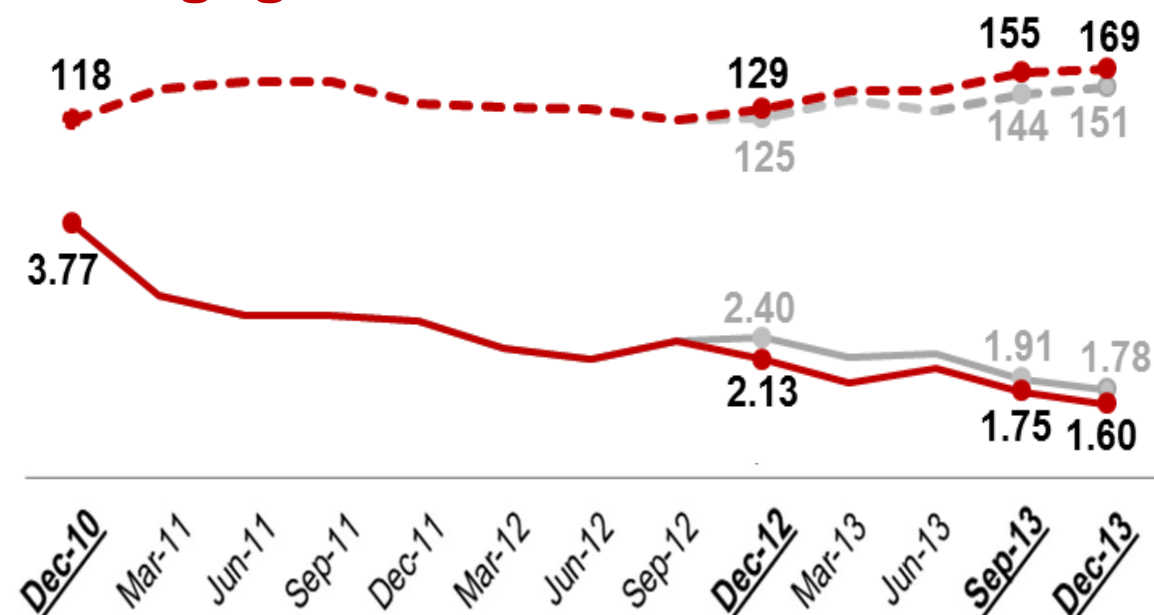
1. Commercial includes microcredit

2. Mortgages includes leasing

Consumer



Mortgages²

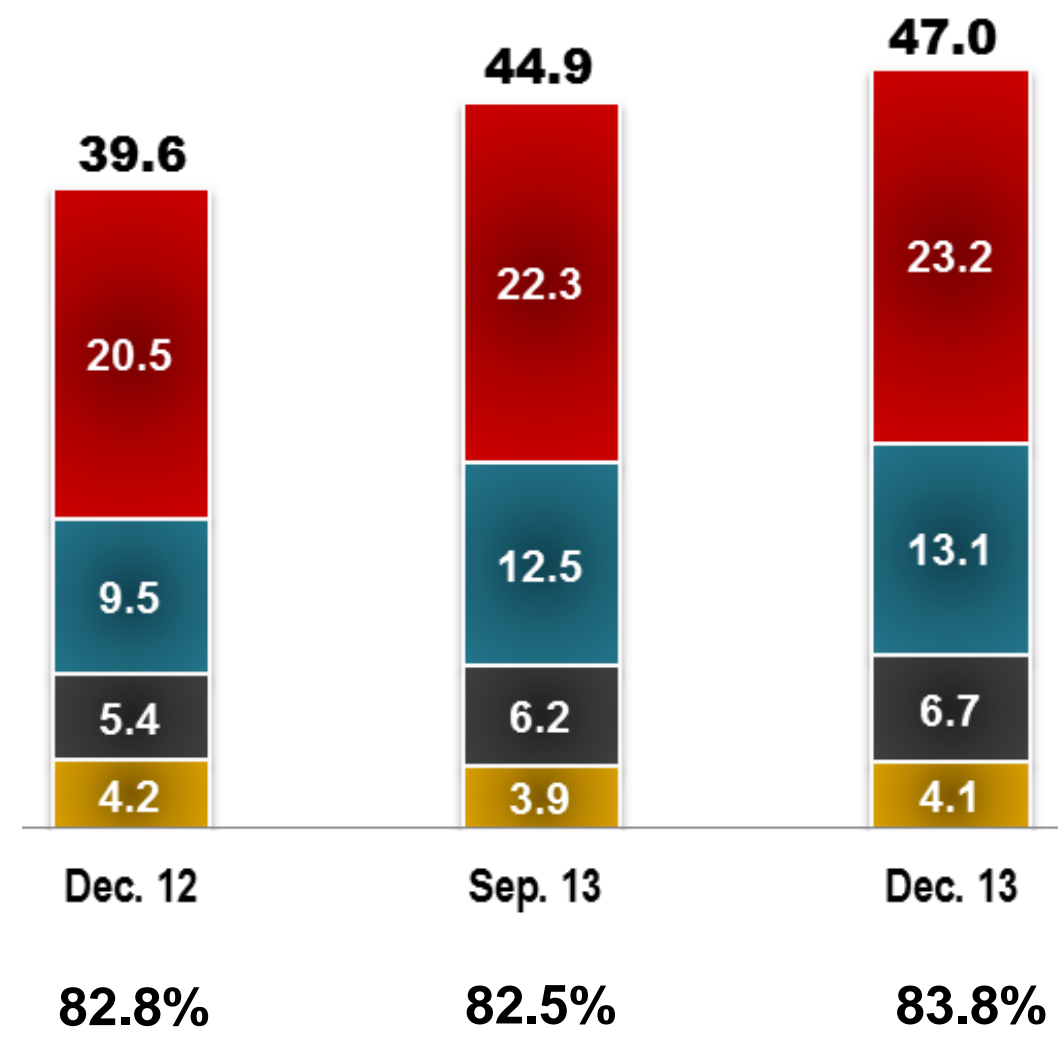


Consolidated

Funding Sources

(COP trillions)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Demand Deposits	4.3	13.1
Term Deposits	4.9	37.3
Bonds	6.9	23.9
Credits	4.5	-2.6
Funding Sources	4.9	18.7



Funding Sources	Dec. 12	Sep. 13	Dec. 13	Q/Q	Y/Y
Colombia	32.3	36.3	37.9	4.4	17.2
International	7.3	8.6	9.1	6.6	25.7

Davivienda International: El Salvador, Costa Rica, Honduras and Panama

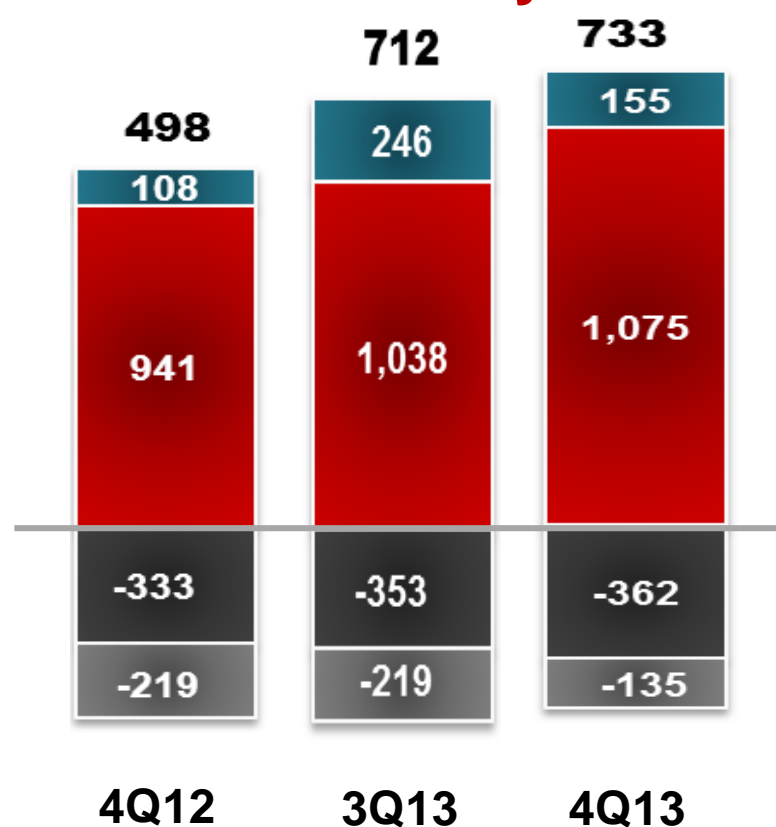
1. Funding Sources = Deposits + Bonds + Credits with entities



Financial Margin, Net

(COP billions)

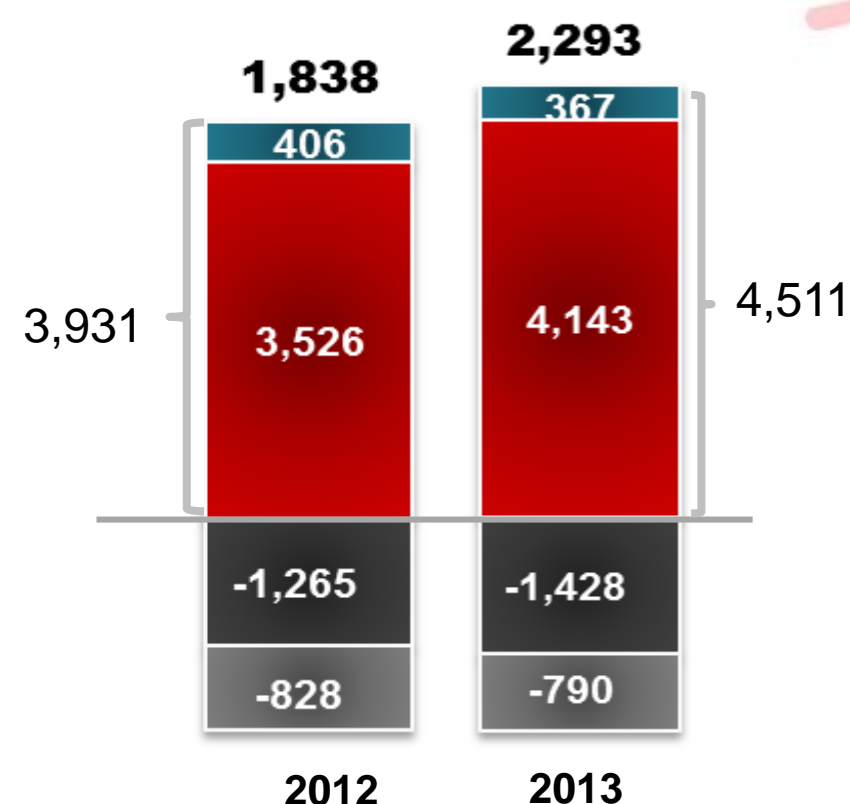
Quarterly



NIM(1)

Dec. 12 7.8% Sep. 13 7.2% Dec. 13 7.0%

Accumulated



Consolidated

4Q13/3Q13
(%)

3.5	Loan Income
-36.7	Investment Income, Overn.
-4.2	Subtotal Financial Income
2.5	Financial Expenses
-38.2	Allowances
2.9	Financial Margin, Net

Consolidated

Accum 13/Accum 12
(%)

17.5
-9.4
14.7
12.9
-4.6
24.7

Colombia

Accum 13/Accum 12
(%)

4.0
-26.6
0.9
-1.6
-3.2
4.3

Investments losses in May and June totaled \$193 billion. In July 2013, investment income from residual rights of the mortgages portfolio securitization summed \$89 billion.

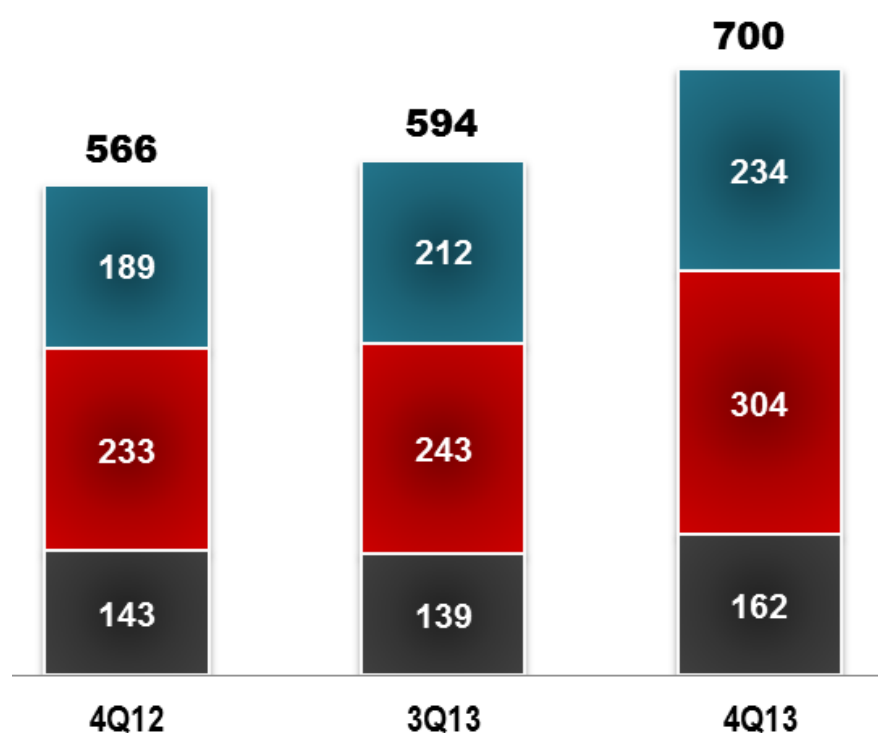
1. NIM: 12 months Gross Financial Margin / Average Interest Earning Assets



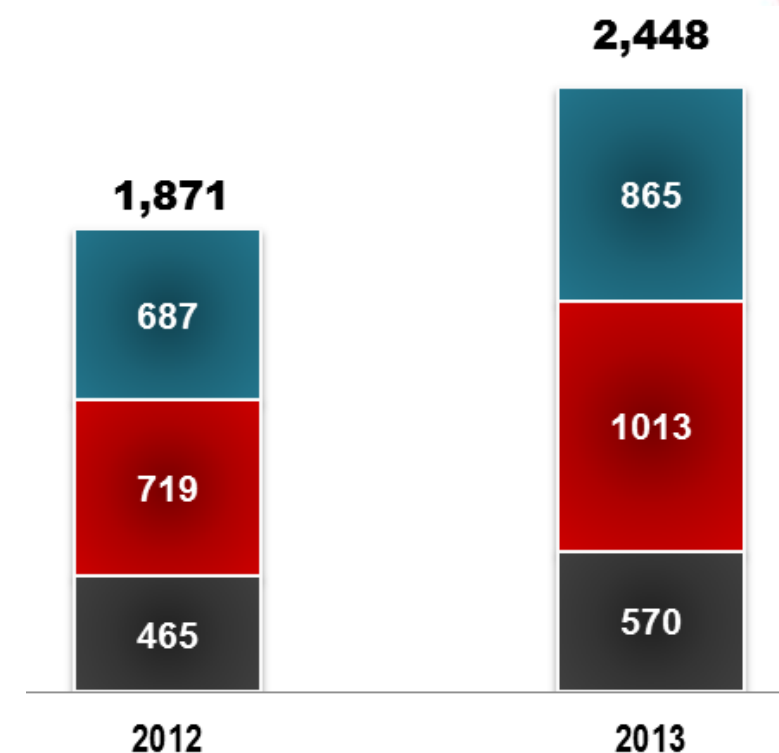
Consolidated Expenses

(COP billions)

Quarterly



Accumulated



Efficiency(1)

Dec. 12	Sep. 13	Dec. 13
49.0%	54.7%	53.8%

Consolidated		Consolidated	Colombia
4Q13/3Q13		Accum 13/Accum 12	Accum 13/Accum 12
(%)		(%)	(%)
10.6	Personnel Expenses	26.0	3.5
25.1	Operating Expenses	40.9	7.7
16.0	Other Expenses (2)	22.4	12.5
17.8	Total Expenses	30.8	7.3

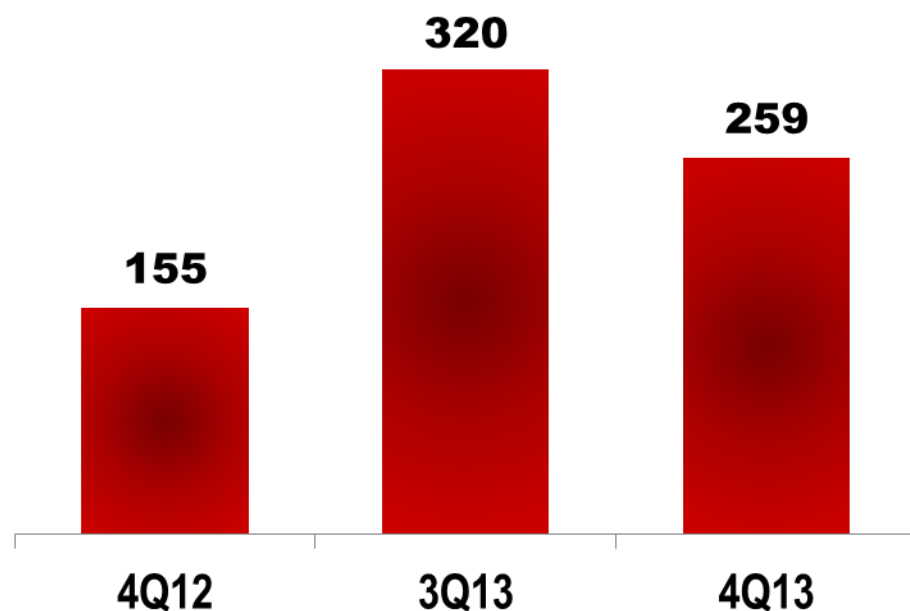
1. Efficiency (12 months) = Operation expenses Good Will /(Gross Financial Margin + operating income + other income and expenses)
2. Other expenses includes fees, goodwill, depreciation, taxes and deposit insurance



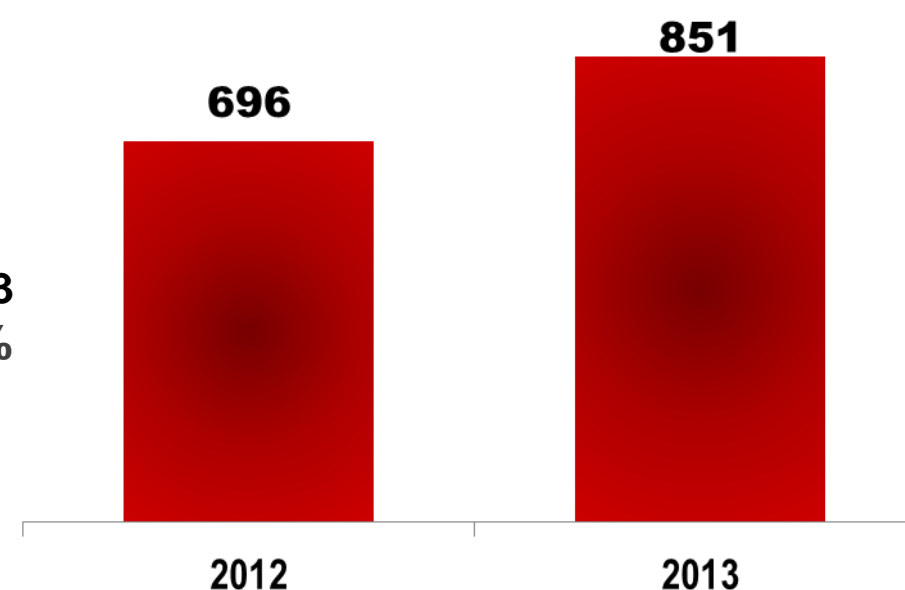
Net Income

(COP billions)

Quarterly



Accumulated



ROAE(1)

Period	ROAE(1)
Dec. 12	13.6%
Sep. 13	13.5%
Dec. 13	15.1%

4Q13	4Q13/3Q13 (%)		Accum 13	Accum 13/Accum 12 (%)
733	2.9	Financial Margin, net	2,293	24.7
307	9.7	Fees & Commissions	1,144	33.0
-700	17.8	Total Expenses	-2,448	30.8
19	7.4	Other (2)	96	15.0
-101	4.5	Taxes	-233	8.6
259	-19.0	Net Income	851	22.3

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

2. Other Expenses includes: other income and expenses, other provisions, non-operating net and minority interest

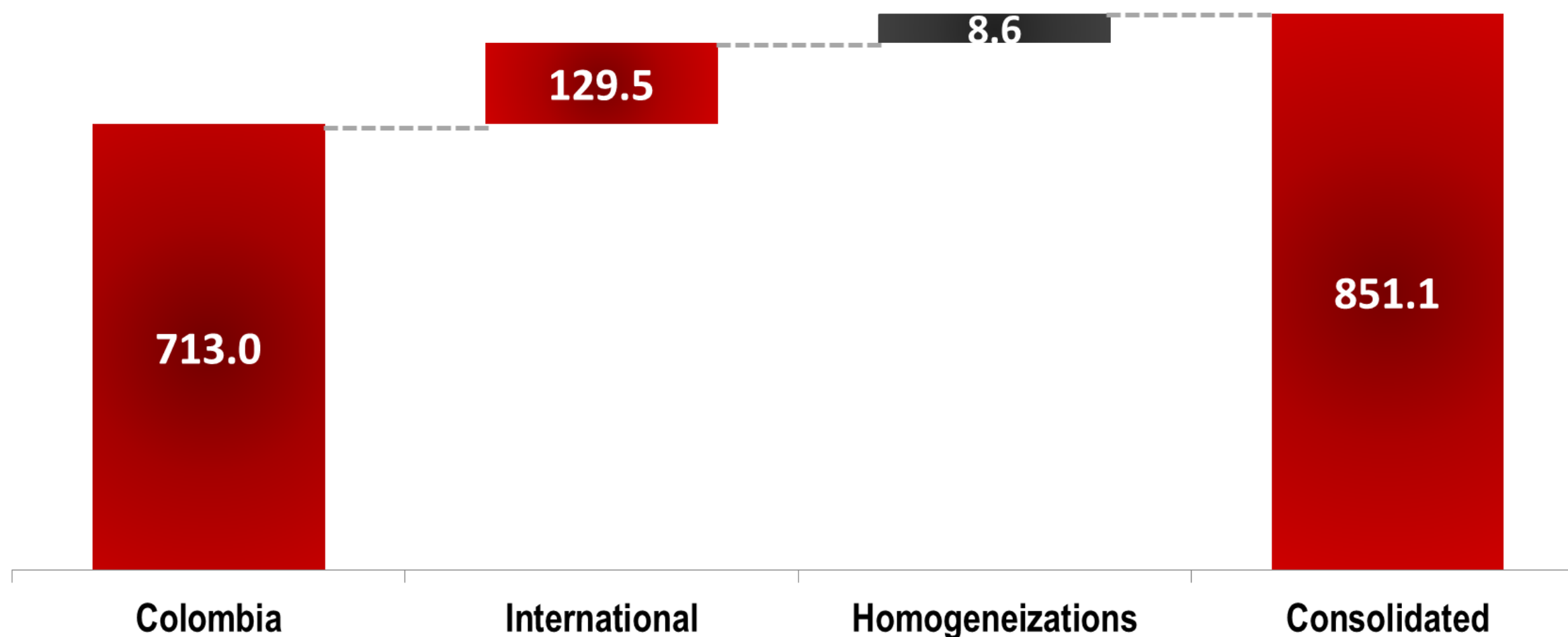
Net Income of the Colombian banking system decreased 1.1% compared to 2012 and the ROE reached 13%. Source: Financial Superintendence of Colombia



Consolidated

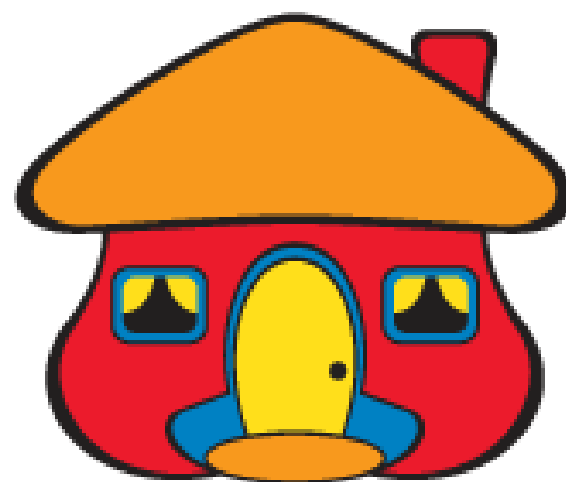
Accumulated Net Income

(COP billions)



Colombia includes Davivienda's individual net income, local subsidiaries and deletions; International includes Panama, El Salvador, Costa Rica and Honduras before standardization. Homogeneizations correspond to homogeneizations to Colombian accounting from the international subsidiaries.





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Thank You!

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