



DAVIVIENDA

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Earnings Presentation

4Q14 Consolidated Results

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These financial 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, 2014 will not necessarily constitute an indication of the expected results for any other period.



Content

- > **Fourth Quarter Highlights**
- > **Fourth Quarter 2014 Financial Results**



Fourth Quarter Highlights



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Main Results

- > Net Income for 2014¹ totaled **COP 1.06** trillion, **24.6%** higher than 2013.
- > ROAE² for December 2014 reached **16.6%**, compared to **15.1%** in 4Q13.
- > Efficiency³ ratio was **51.0%**, **260 bps** lower than 4Q13.
- > Net loan portfolio increased **24.1%** compared to December 2013.
- > NPLs⁴ up to 90 days were **1.57%**, **6 bps** lower than prior year.
- > Allowances / Net loans⁵ was **1.65%** at year-end, **35 bps** lower than the prior year.

1. Accumulated Net Income as of December 2014 (Consolidated).
2. ROAE = Net Income (12 months) / Average Equity.
3. Efficiency: ((Operating expenses - Goodwill) / (Gross financial margin + Operating income + Others)).
4. NPL = Non-performing loans.
5. Allowances (12 months) / Net loans.



Consumer Loans

- > Consumer loans portfolio grew **COP 2.4** trillion, **21.3%** higher than December 2013.
- > Payroll disbursements¹ were **COP 279.3** billion in 4Q14, **54.7%** higher than 4Q13.
- > Credit cards usage² in 4Q14, totaled **COP 204.1** billion, **11.6%** higher than 4Q13.
- > Mortgage loans portfolio grew in **COP 1.9** trillion, **21.2%** higher than 2013 year-end.
- > Davivienda maintained its leadership in the Colombian housing market, disbursing **COP 3.3** trillion, **17.2%** more than during 2013.

1. Disbursements made in Colombia.
2. Credit Cards usage in Colombia.



Commercial Loans

- > Commercial loans portfolio increased by **26.2%, COP 5.5** totaling trillion more than in 2013.
- > Colombian corporate loans segment had a growth of **21.2%** during 2014.
- > Construction loan portfolio balance grew **27.5%** compared to 4Q13.
- > In 2014, disbursements for airports, ports, civil works and mass transportations systems projects in Colombia were over **COP 1.3** trillion.
- > Disbursements in Colombia to SMEs grew by **COP 396** billion, **52.3%** higher than in 4Q13.

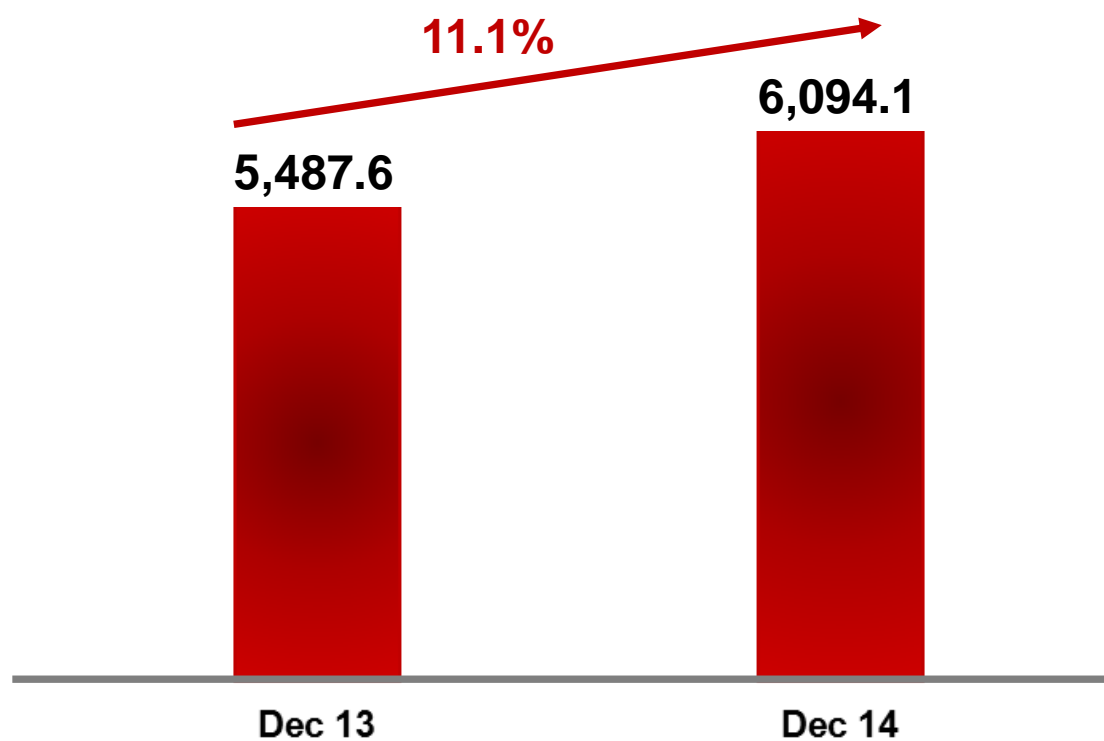


Results of International Subsidiaries

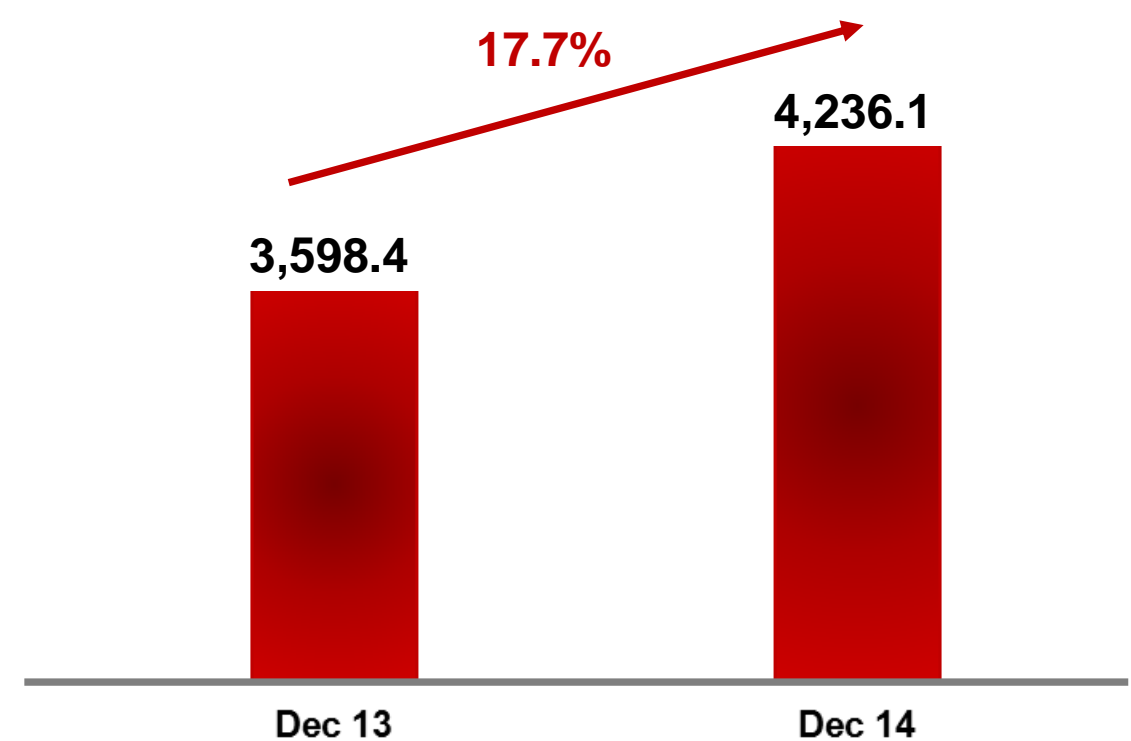
- > We consolidated our presence and our market share in **Central America**¹.
- > Net income was **US\$ 68** million².
- > The return on equity was **9.3%**.

(USD thousand)

Assets



Gross Loan Portfolio



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

2. Figures in local accounting.



Wealth Management

- > The wealth management division has more than **COP 27.7** trillion in assets under management and over **327 thousand** customers.
- > On last January 2nd Davivienda Corredores was launched.
- > Davivienda Corredores has **COP 10.9** trillion in assets under management and a portfolio of **125 thousand** customers.

An entire Organization at the service of our investor customers



INVESTMENT FUNDS



**VOLUNTARY PENSION
FUND**



**STOCKS, BONDS, TERM
DEPOSITS**



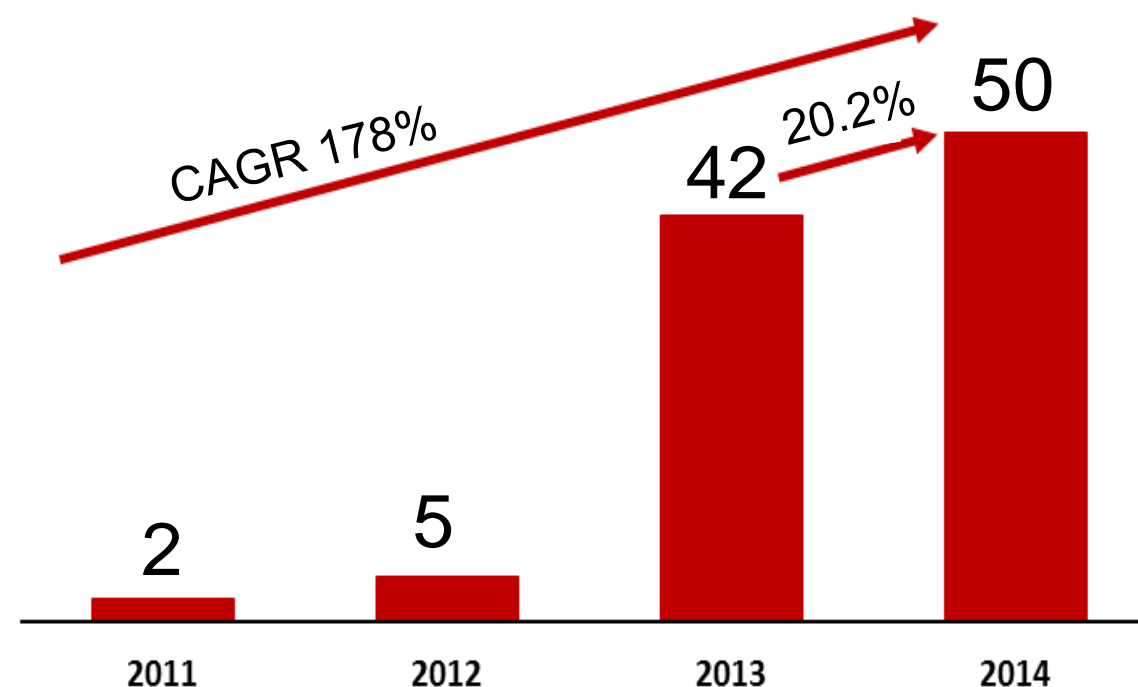
INTERNATIONAL INVESTMENTS

DaviPlata

- > DaviPlata has more than **2.2 million** customers as of December 2014.
- > **6,300** banking correspondents in more than **932** municipalities in Colombia.
- > Davivienda was selected for subsidies payment to Colombian conflict victims. These subsidies will be paid to **1.2 million** beneficiaries.



Monetary Transactions (1)



Davivienda's sustainability strategy

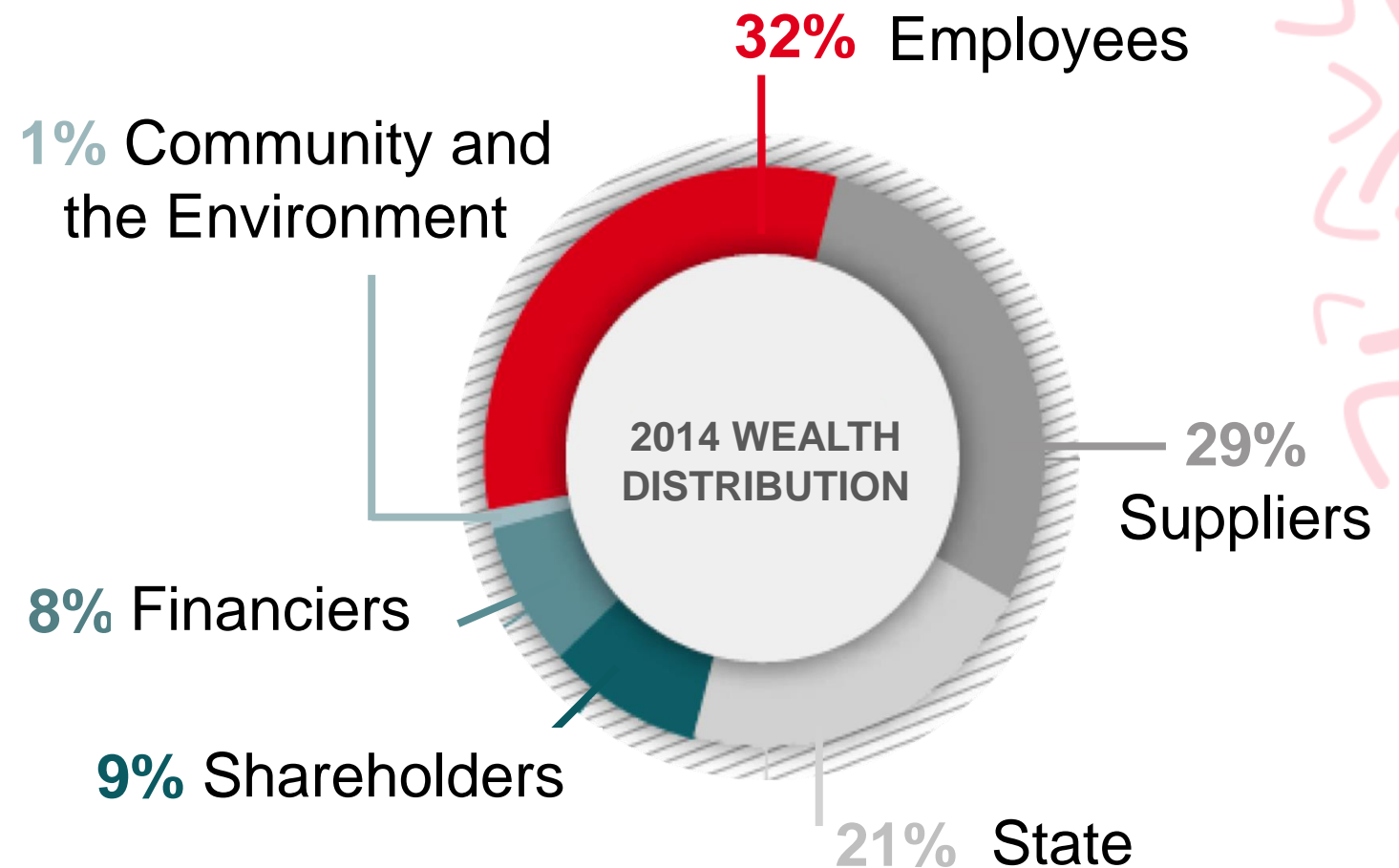
- > Working in a sustainable manner means innovating and assuming our responsibility with business consolidation, as well as with preservation of natural resources and with people progress.

Our Sustainability Strategy



Contribution to our Stakeholders

Fourth Financial Statement (COP billion)	
Income	6.926,8
Financial	5,162.0
Operating	1,746.7
Expenses	1,973.4
Financial	1,086.9
Domestic	879.6
Foreign	207.3
Operating	886.4
Domestic	521.0
Foreign	365.5
Value Added generated	4,953.4



COP 1.8 trillion
Reinvestment in the company

COP 4.9 trillion
Total value added distributed



Other Highlights



- > In November, we participated at the XIV International Auto Show, where loans were pre-approved for a total value of over **COP 430** billion for family vehicles and more than **COP 95** billion for commercial vehicles.



- > Senior bonds were issued for a face value of **COP 600** billion in October 2014.



- > In December, we securitized **COP 353** billion worth of mortgage loans.

Fourth Quarter 2014 Financial Results

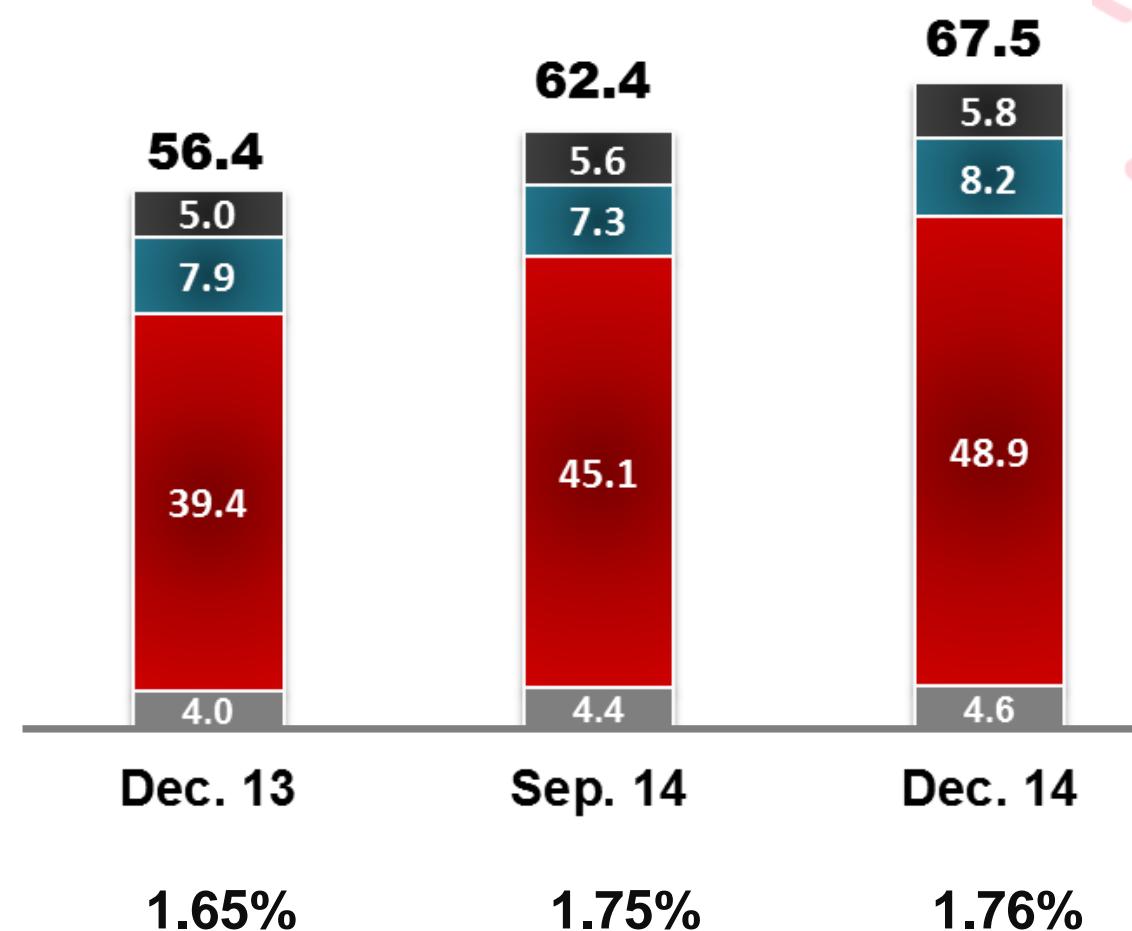


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Consolidated Assets

(COP trillion)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Cash	2.4	15.4
Investments, net	11.6	3.0
Loans, net	8.5	24.1
Other assets	5.3	14.2
Assets	8.1	19.7



Assets ⁽²⁾	Dec. 13	Sep. 14	Dec. 14	Q/Q (%)	Y/Y (%)
Colombia	46.6	51.4	54.3	5.5	16.5
International	11.1	12.4	14.9	20.5	34.0
International USD\$ (3)	5.5	6.0	6.1	1.7	11.1

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

2. Colombia figures do not include deletions of Colombia over international subsidiaries of COP 1.7 trillion.

3. Local homologated figures.

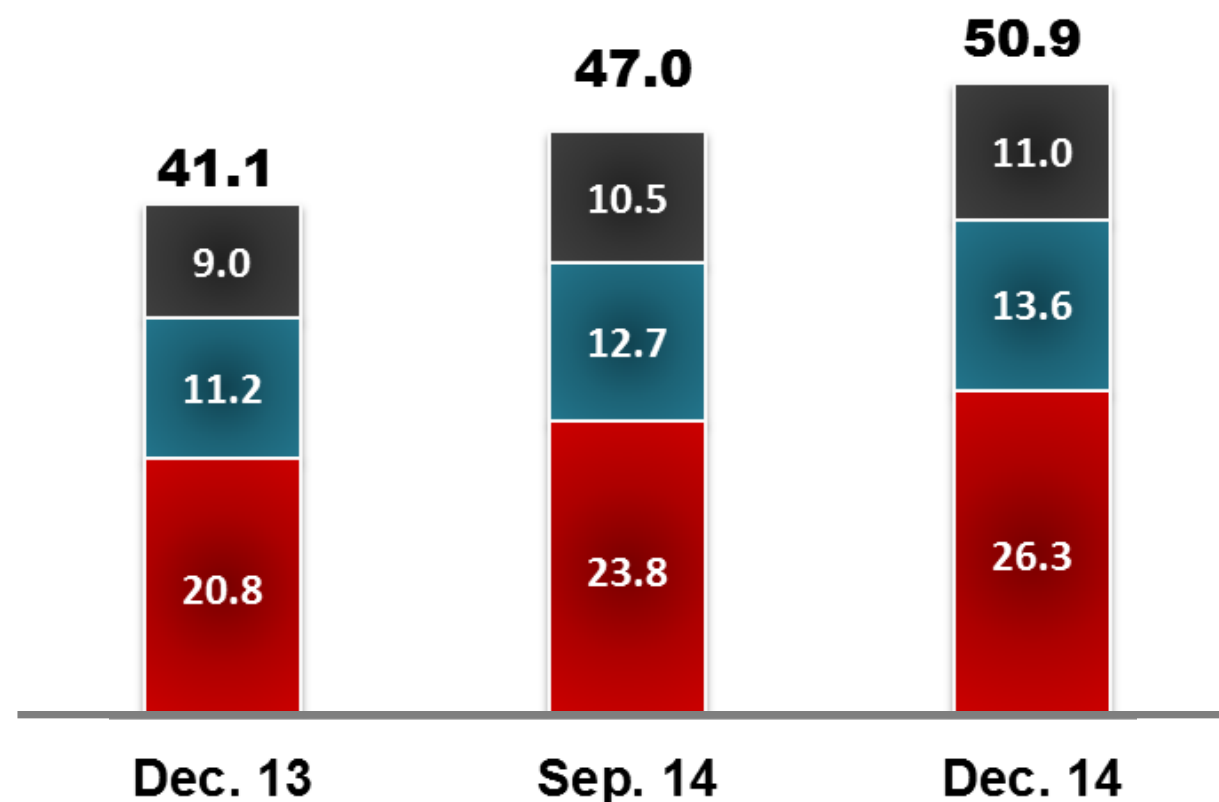
Colombian peso devaluation was 24.2% Y/Y and 17.9% Q/Q.



Gross Loans

(COP trillion)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Mortgage (1)	4.2	21.2
Consumer	7.8	21.3
Commercial (2)	10.6	26.2
Gross Loan	8.4	23.8



Gross loans	Dec. 13	Sep. 14	Dec. 14	Q/Q (%)	Y/Y (%)
Colombia	34.1	38.8	40.9	5.4	20.0
International	7.1	8.2	10.0	22.7	41.9
International USD\$ (3)	3.6	4.1	4.2	3.6	17.7

1. Mortgages includes leasing. Growth in mortgage loan portfolio including securitization (COP 1.7 trillion) was 5.8% Q/Q and 20% Y/Y.

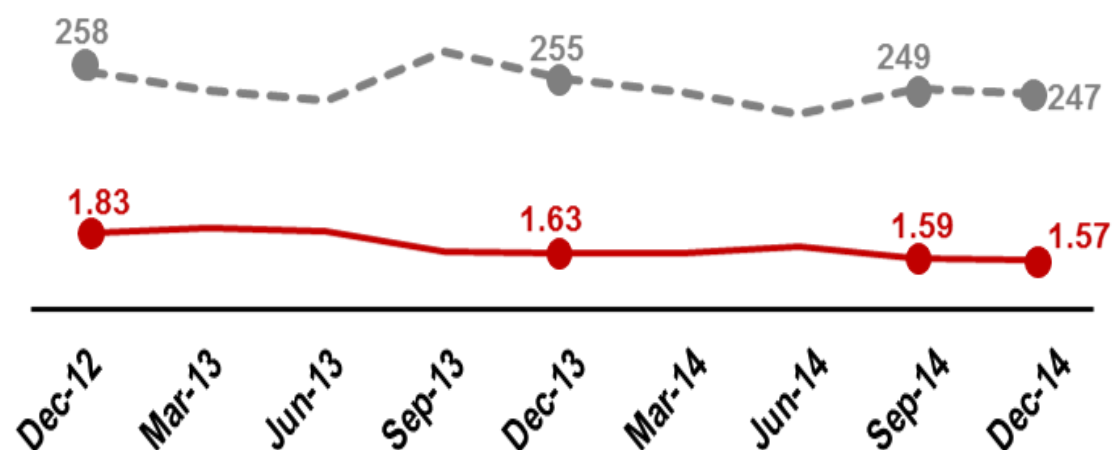
2. Commercial includes microcredit.

3. Local homologated figures.

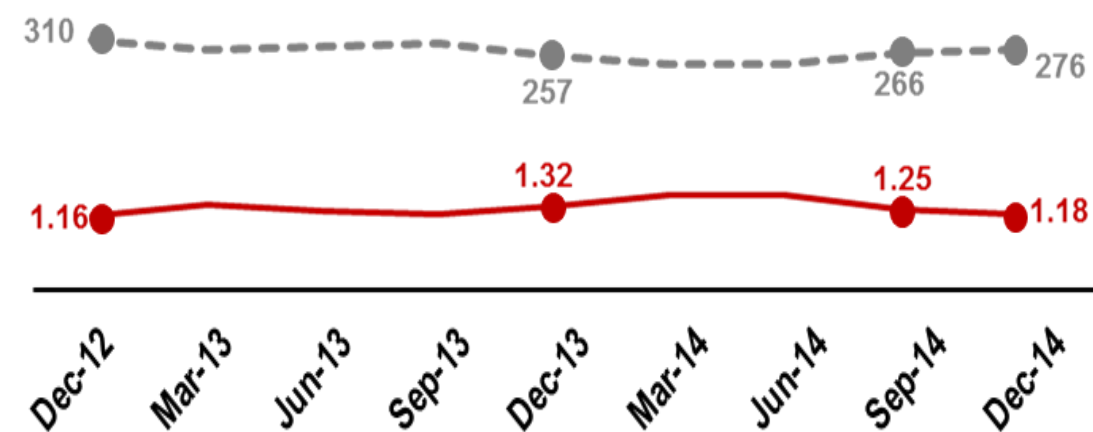


Quality and Coverage (%)

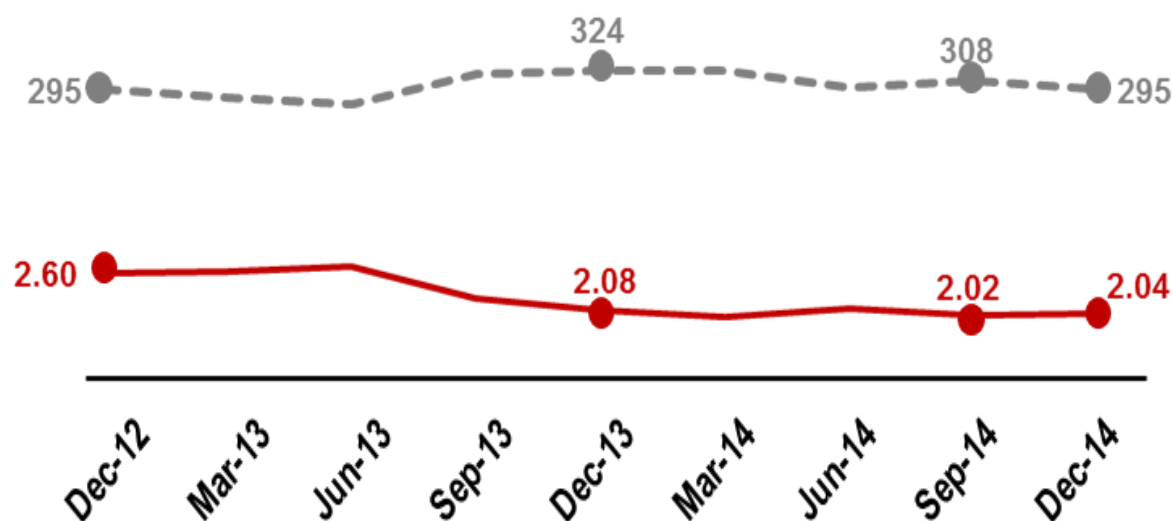
Total



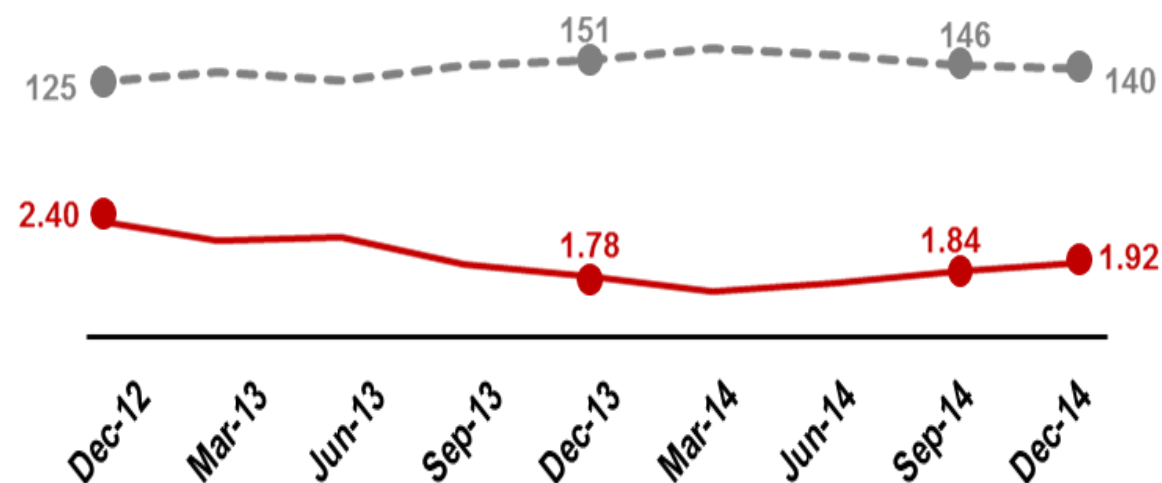
Commercial ¹



Consumer



Mortgages ²



— Quality Consolidated

- - - Coverage Consolidated

Quality: Loans >90 days

Coverage: Allowances / Loans >90 days.

¹ Commercial includes microcredit.

² Mortgages includes leasing for housing.

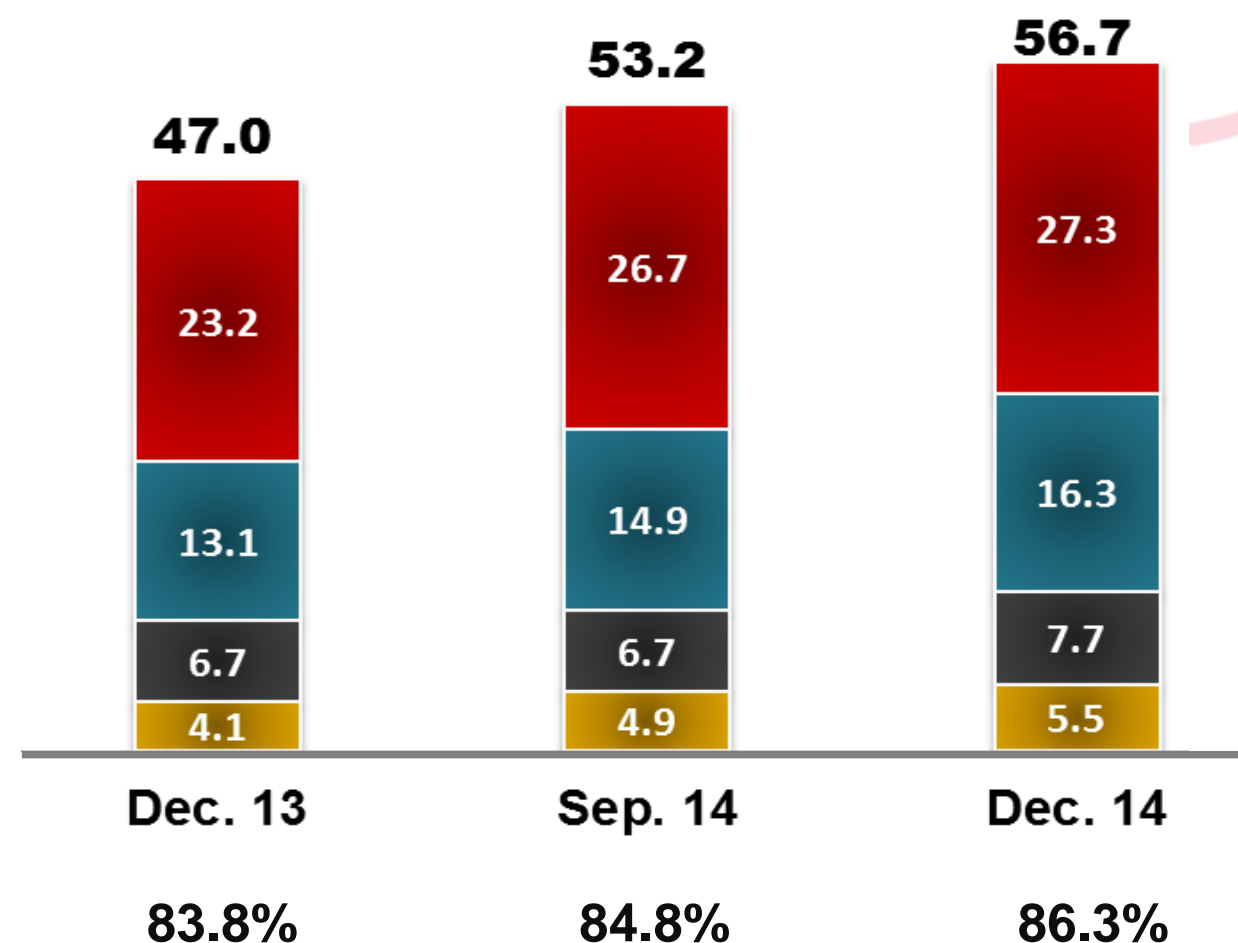


Funding Sources

(COP trillion)

	Consolidated	
	Q/Q (%)	Y/Y (%)
Demand Deposits	2.1	17.5
Term Deposits	9.4	24.7
Bonds	15.6	15.5
Credits	10.8	33.2
Funding Sources	6.6	20.6

Loans, Net/ Funding
Sources(1)



Funding Sources

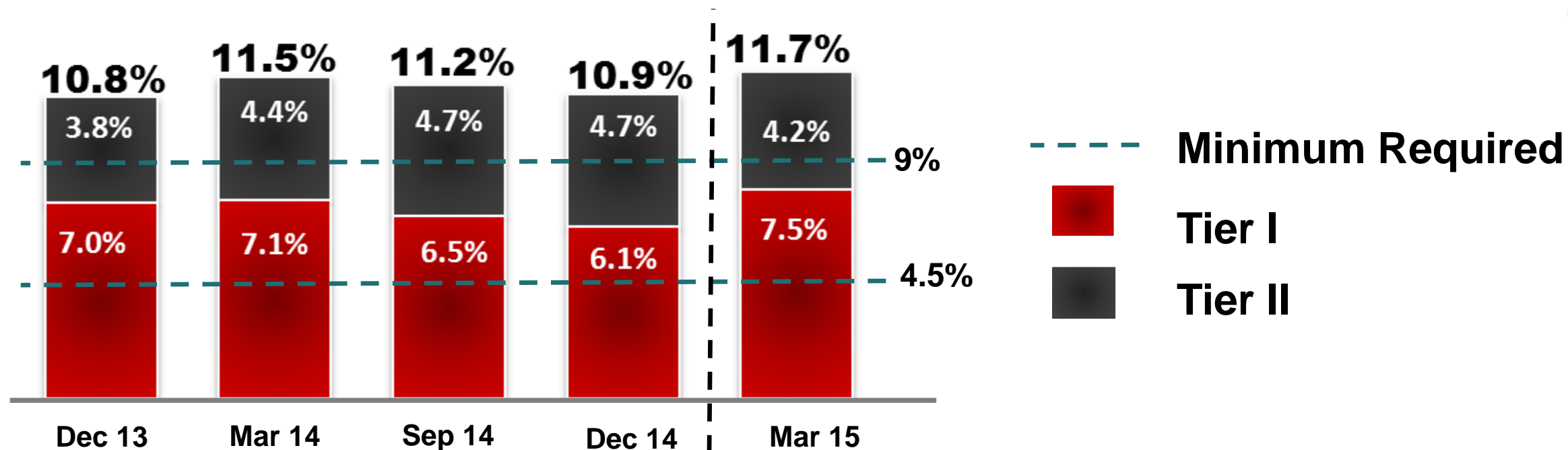
	Dec. 13	Sep. 14	Dec. 14	Q/Q	Y/Y
Colombia	37.9	42.8	44.2	3.3	16.6
International	9.1	10.4	12.6	20.5	37.3
International USD\$ (2)	4.4	5.1	5.2	1.7	19.5

1. Funding Sources = Deposits + Bonds + other entities loans.
2. Local homologated figures.



Capital Structure

Solvency

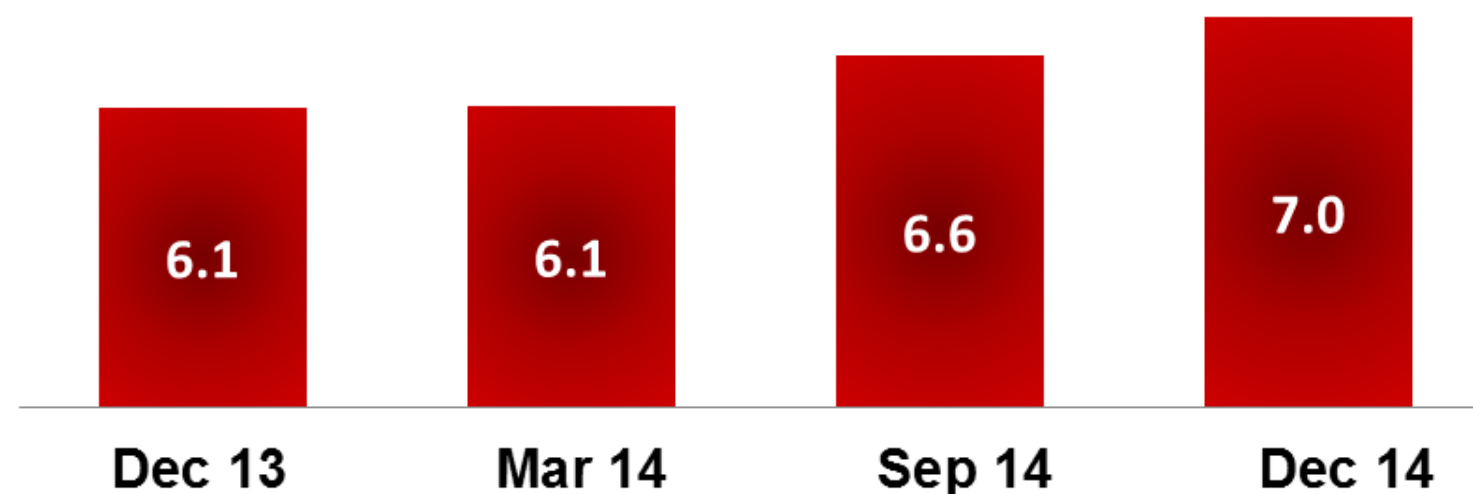


Shareholders' Equity

(COP trillion)

Δ Q/Q: 5.9%

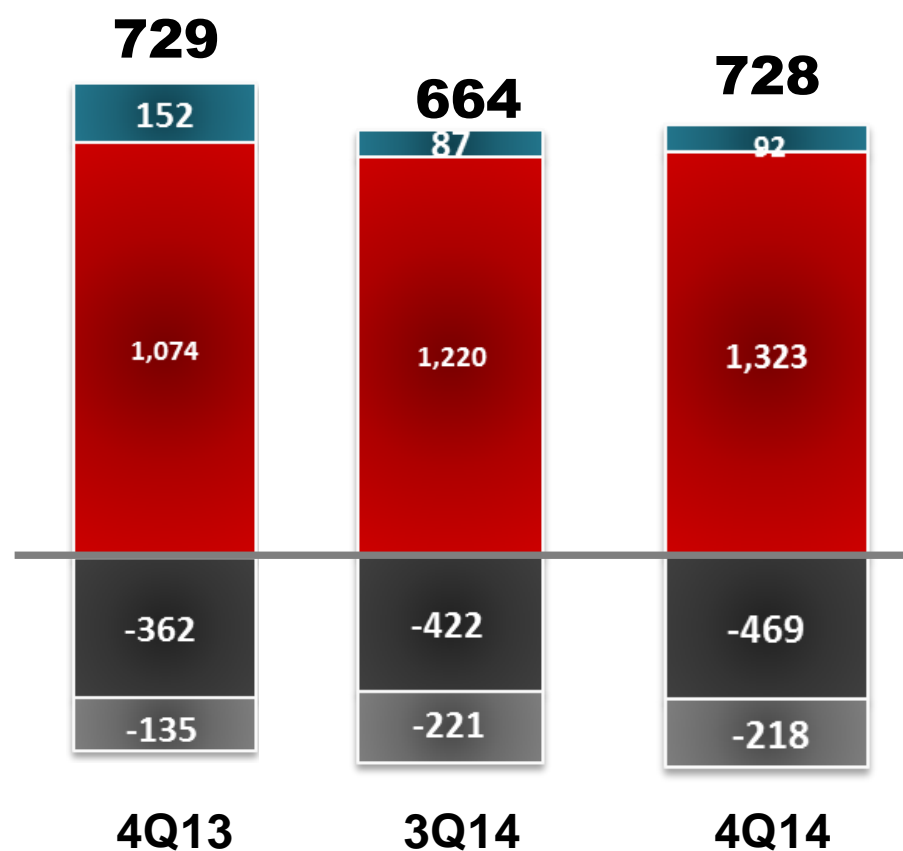
Δ Y/Y: 15.2%



Financial Margin, Net

(COP billion)

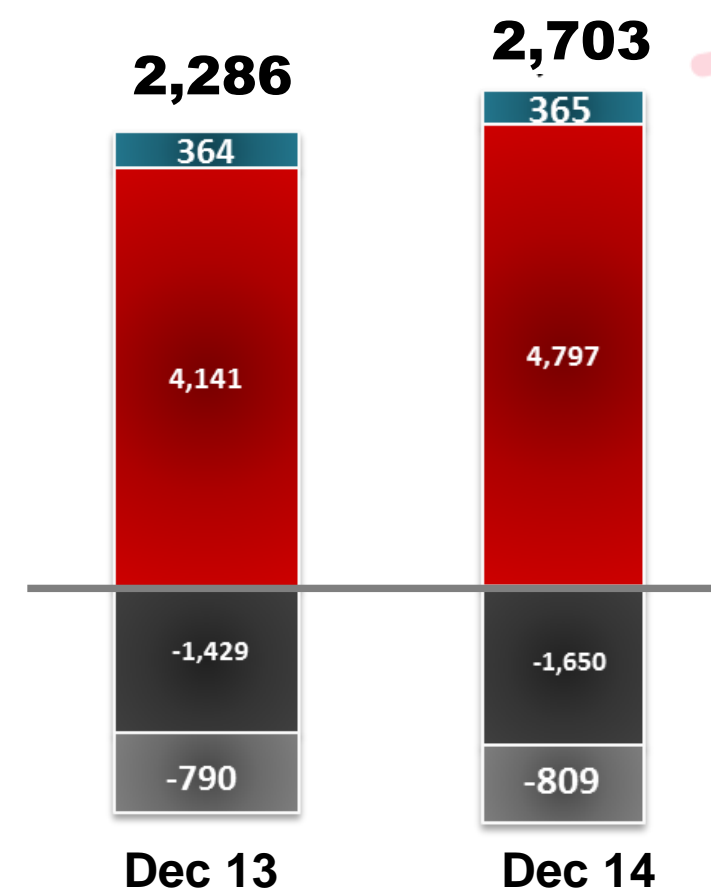
QUARTERLY



NIM(1)

Period	NIM(1)
Dec 13	7.0%
Sep 14	6.7%
Dec 14	6.8%

ACCUMULATED



4T14	4T14 / 3T14	4T14 / 4T13		Acum. Dic 2014	Y/Y
\$	(%)	(%)		\$	(%)
1,323	8.5	23.2	Loan Income	4,797	15.8
92	5.8	-39.3	Investment Income, Overnight	365	0.2
1,416	8.3	15.4	Subtotal Financial Income	5,162	14.6
-469	11.3	29.7	Financial Expenses	-1,650	15.5
-218	-1.5	61.3	Allowances	-809	2.4
728	9.7	-0.1	Financial Margin, net	2,703	18.2

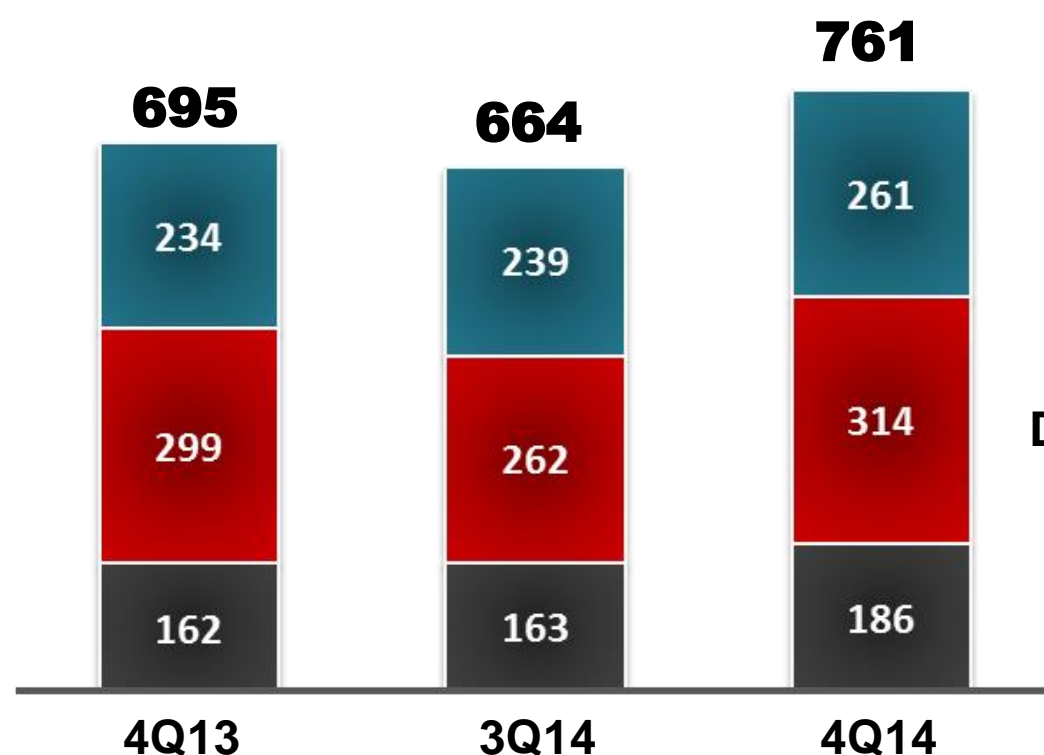
1. NIM: Gross Financial Margin (12 months) / Average Productive Assets.



Expenses

(COP billion)

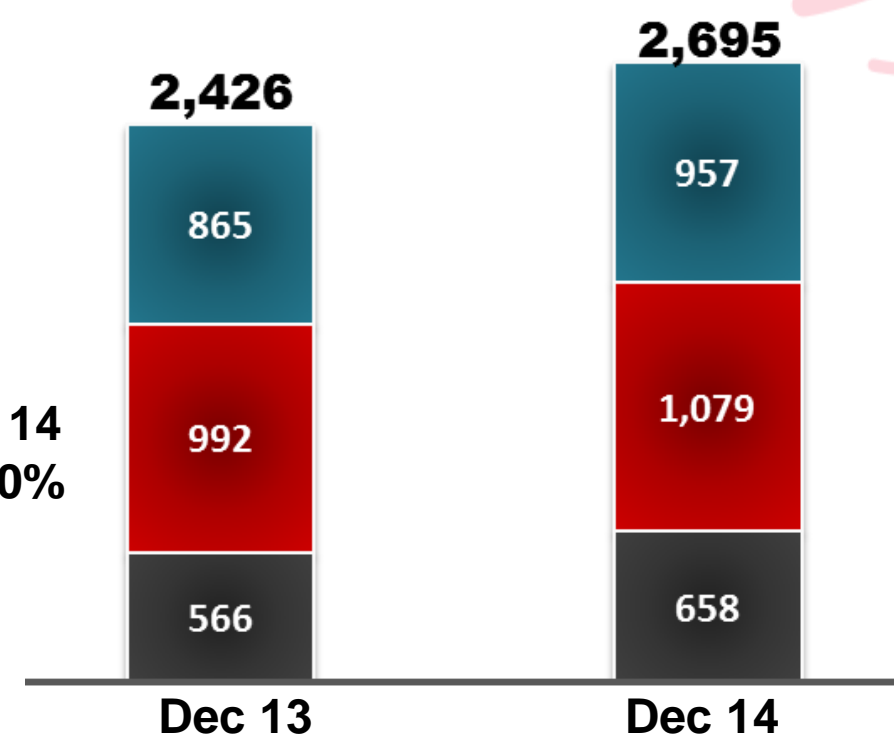
QUARTERLY



Efficiency(1)

Dec 13	Sep 14	Dec 14
53.6%	52.3%	51.0%

ACCUMULATED



4Q14	4Q14 / 3Q14	4Q14 / 4Q13		Accum. Dec 14	Y/Y
\$	(%)	(%)		\$	(%)
261	9.0	11.5	Personnel Expenses	957	10.6
314	20.1	5.1	Operating Expenses	1,079	8.9
186	13.9	15.0	Other Expenses (2)	658	16.3
761	14.6	9.6	Total Expenses	2,695	11.1

1. Efficiency (12 months) = Operative Expenses w/o Goodwill / (Gross Financial Margin + Operational Income + Other incomes and Expenses NET).

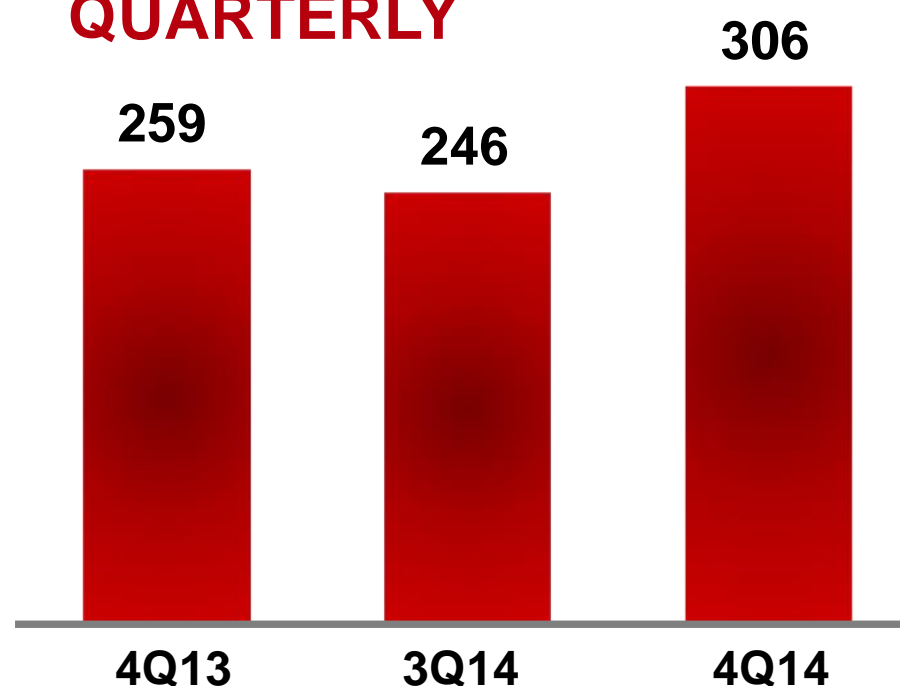
2. Other expenses includes fees, goodwill, depreciation, taxes and deposits insurance.



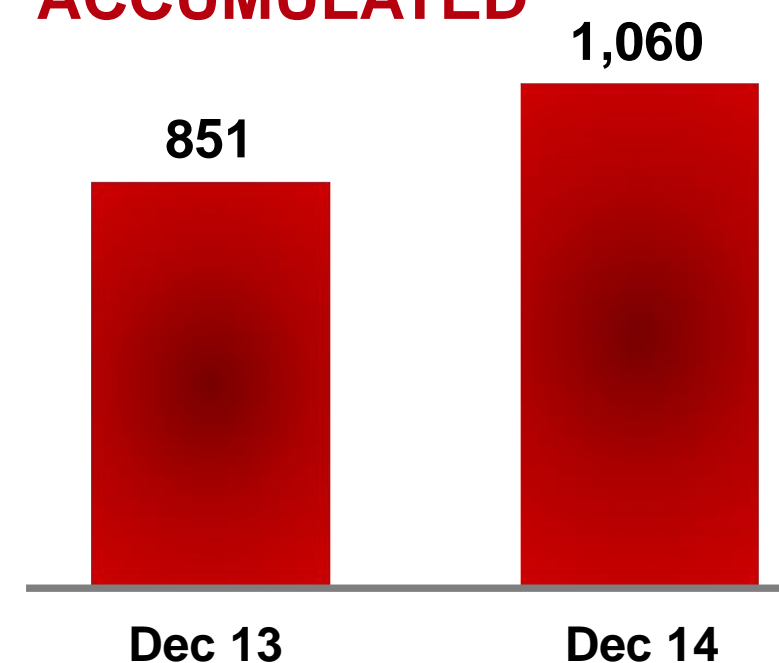
Net Income

(COP billion)

QUARTERLY



ACCUMULATED



ROAE (1)

Dec 13	Sep 14	Dec 14
15.1%	16.4%	16.6%

4Q14	4Q14 / 3Q14	4Q14 / 4Q14		Accum. Dec 14	Y/Y
\$	(%)	(%)		\$	(%)
728	9.7	-0.1	Financial Margin, net	2,703	18.2
330	8.3	9.4	Operative Income	1,245	11.0
-761	14.6	9.6	Operative Expenses	-2,695	11.1
125	315.8	444.1	Other (2)	181	76.2
-117	31.2	15.7	Taxes	-374	60.4
306	24.4	18.3	Net Income (3)	1,060	24.6

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

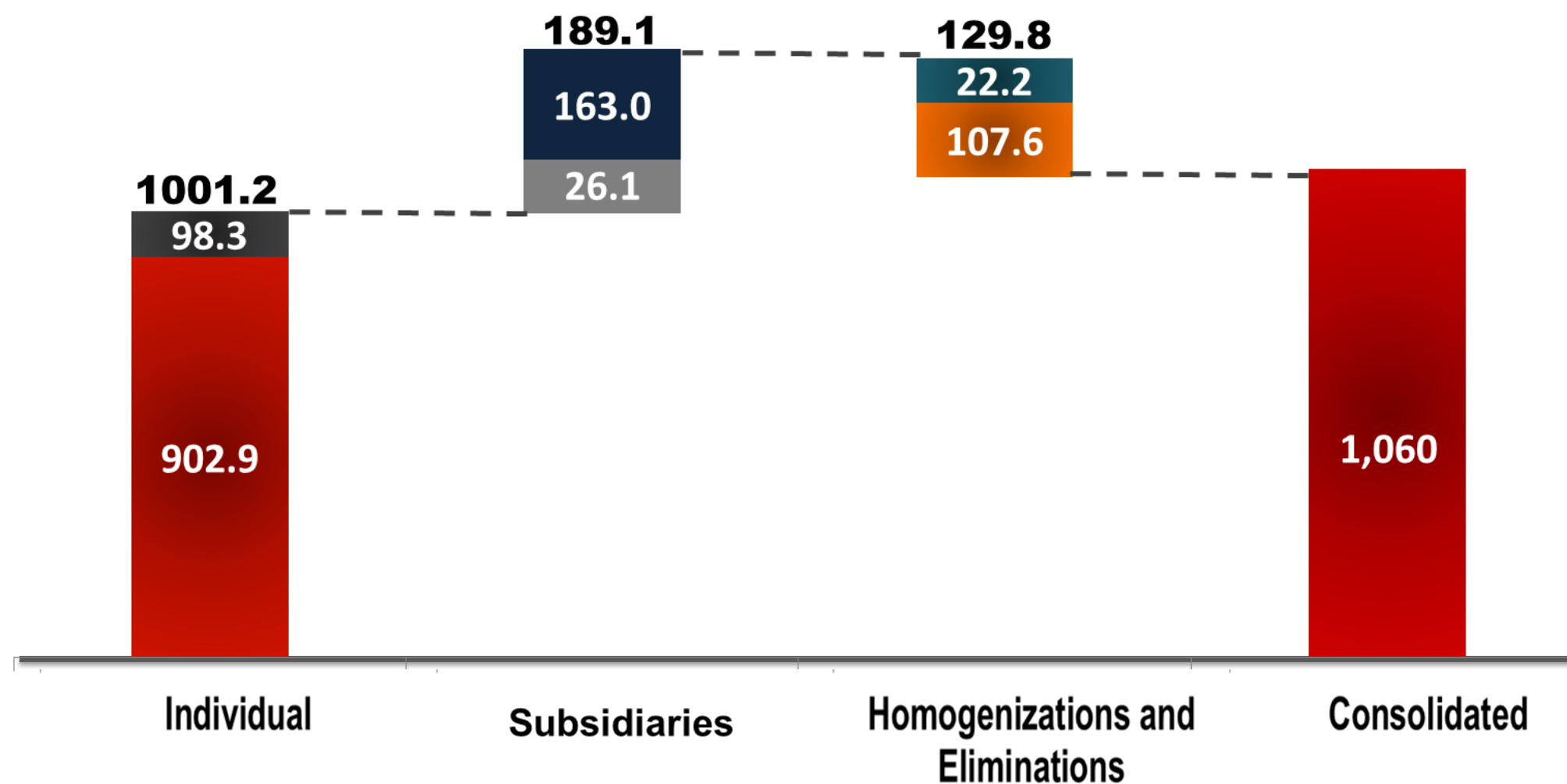
2. Other includes: other income and expenses, other provisions, non-operating net and minority interest.

3. Net income after eliminations, homologations and homogenizations.



Accumulated Net Income

(COP billion)



- Dividends received from internacional subsidiaries
- Net Income from International Subsidiaries
- Net Income Local Subsidiaries
- Eliminations
- Homogenizations

Colombia includes Davivienda's individual net income, local subsidiaries, dividends received from subsidiaries and deletions; International includes Panama, El Salvador, Costa Rica and Honduras before standardizations. Homogenizations correspond to homogenizations to Colombian accounting from the international subsidiaries and dividends received from subsidiaries. Eliminations correspond to eliminations of dividends from subsidiaries and eliminations from joint operations, minority interest and investments available for sale.





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Thank You!

atencionainversionistas@davivienda.com
+57 1 2203495

