



DAVIVIENDA

Earnings Presentation 2Q15 Consolidated Results

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The financial information has been prepared under International Financial Reporting Standards (IFRS) applicable in Colombia and instructions of the Financial Superintendence of Colombia, and are presented in nominal terms. The financial statements in the quarter ended June 30 2015 will not necessarily indicative of expected results for any other period. For comparison purposes it was built the pro forma financial statements under IFRS for the second quarter 2014.

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Second Quarter Highlights



 **DAVIVIENDA**

Activo⁽³⁾

Δ 2T15 / 1T15 : 2,6%
2T15 / 2T14 : 10,4%



Cartera Neta⁽³⁾

Δ 2T15 / 1T15 : 2,2%
2T15 / 2T14 : 11,9%



DAVIVIENDA

Second Quarter Highlights

Main Results

- > Accumulated income from interest loans grew by **24.6%** compared to 1S14 totaling **COP\$2.9** trillion.
- > Accumulated gross financial margin grew by **19.3%** compared to 1S14 totaling **COP\$2.1** trillion.
- > Net loans portfolio grew by **22.6%** compared to June 2014.
- > Allowances / Net Loans Portfolio² closed in **1.72%**.
- > Tier I in 2Q15 was **7.9%** an increase **102 b.p** compared with the same period of last year. Total Solvency ratio reached **13.0%**.

1. Quality = Loans > 90 days.
2. Provisions Expense 12 months / Net loans portfolio as of June.
3. Efficiency = ((Operation Expenses - Goodwill) / (Gross Financial Margin + Operation Income + Other Income and Expenses, net)).



Consumer Loans

- > Consolidated consumer loans portfolio reached **COP\$14.8** trillion increasing **22.2%** in 2Q15 compared to 2Q14.
 - > Consolidated mortgage loans portfolio grew **15.0%** compared to similar period last year.
 - > The growth in payroll loans portfolio is highlighted in Colombia to **COP\$4.8** trillion, an increase of **30.5%** compared to 2Q14.
 - > The unsecured personal loans portfolio in Colombia was **COP\$3.1** trillion in 2Q15, an increase of **12.9%** compared to 2Q14.
- > Consumer loans portfolio of international subsidiaries grew by USD **18.0%** compared to 2Q14, highlighting the growth in Costa Rica (**31.5%**) and El Salvador (**15.6%**).



Commercial Loans

- > Commercial loans⁽¹⁾ reached **COP\$28.9** trillion, increasing **26.1%** compared with 2Q14.
 - > The growth in corporate loans in Colombia is highlighted with an annual growth of **16.5%**.
 - > SME loans in Colombia closed in **COP\$3.6** trillion, a growth of **25.2%** compared to similar period last year.
 - > The Constructor loans portfolio in Colombia closed in **COP\$2.6** trillion, a growth of **42.1%** compared to 2Q14.
- > In International subsidiaries, commercial loans grew in USD **8.7%** compared to 2Q14.



Second Quarter Highlights

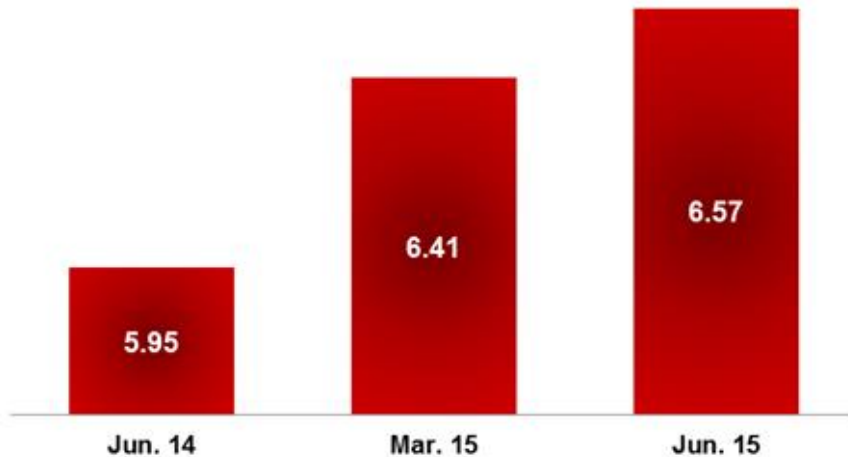
International Subsidiaries Results⁽¹⁾

- > Accumulated Net Income in International Subsidiaries grew in USD **24%** compared to the same period of last year, totaling **US\$37.8** million².
- > Return on equity (ROAE) of international subsidiaries was **10.1%**.

Assets⁽³⁾



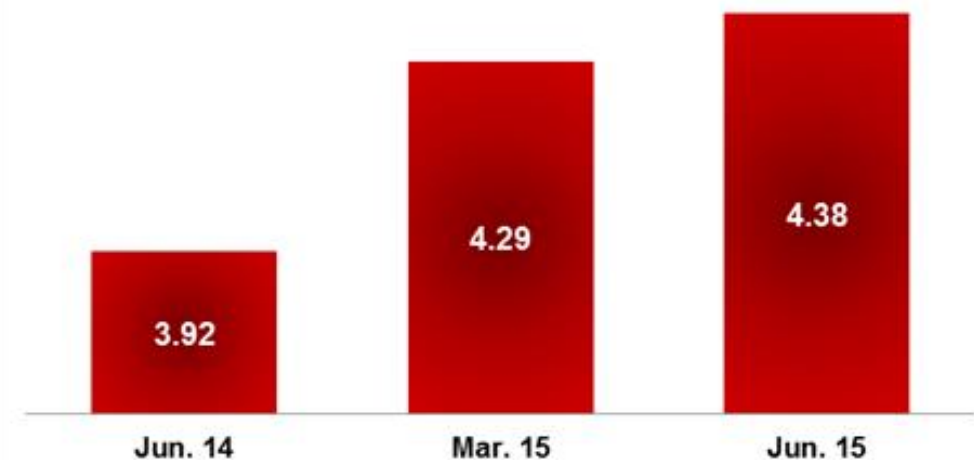
2Q15 / 1Q15: 2.6%
2Q15 / 2Q14: 10.4%



Net Loans Portfolio⁽³⁾



2Q15 / 1Q15 : 2.2%
2Q15 / 2Q14 : 11.9%



1. International Subsidiaries: Costa Rica, Honduras, El Salvador y Panamá.
2. Data in local accounting accumulated as of 2T15 Include Insurance Companies
3. Data in USD billion.

Daviplata

- > Concepción, Antioquia was chosen as the pilot municipality for the project “Municipios Sin Efectivo”. The project was conducted by: Davivienda, Asobancaria and Banca de las Oportunidades.
- > Daviplata totaled **2.7** million clients as of June 2015. Out of these, **2.3** million are totally new to the bank.
- > Daviplata served as mean of payment for almost 300.000 subsidies paid to victims for more than 146 billion pesos.
- > Daviplata was listed as one of the best subsidy payment systems in the world according to a report published in June 2015 by Consultative Group to Assist the Poor.



Dow Jones Sustainability Index

- > Davivienda was reelected as one of the 10 Colombian companies to be part of Dow Jones Sustainability indexes.
- > Davivienda improved its mark by 11 points marking 14 points above the industry:
 - > Social dimension seats above 14 points when compared to the industry.
 - > Environmental dimension presented the largest growth of 26 points.
 - > Economical dimension totaled 9 points above industry.



Other Highlights

Merger with Leasing Bolívar:

- > The Board of Directors approved in the month of June the beginning of the integration process with Leasing Bolivar.
- > Leasing Bolivar is a company dedicated to the development of Commercial Leasing portfolio , mainly in the **SMEs** and **Corporate** segments.
- > Leasing Bolívar 's financial contribution is **COP\$976** billion commercial & leasing portfolio and **COP\$127** billion in equity.
- > Leasing Bolívar currently has more than **4,900** customers in Bogota, Cali, Medellin, Pereira and Bucaramanga of which **2,200** have no relation with Davivienda.

Other Highlights

Debt:

- Fitch Ratings raised our rating from **BBB-** to **BBB** in July.
- Subordinated bonds were issued in the local market for **COP\$400** billion.
- In may, we securitized **COP\$369** billion worth of mortgages loans.
- In July the Bank in El Salvador acquired a financial obligation of **US\$175** million for seven years.

Change in Accounting Policy:

- Financial statements published on March 2015 were reprocessed:
 - Main change related to exchange rate effect of bonds issued by the bank to acquire our operation in CA. The change in FX presented previously in the P&L, will be present in the equity account from now on.

Second Quarter 2015 Financial Results

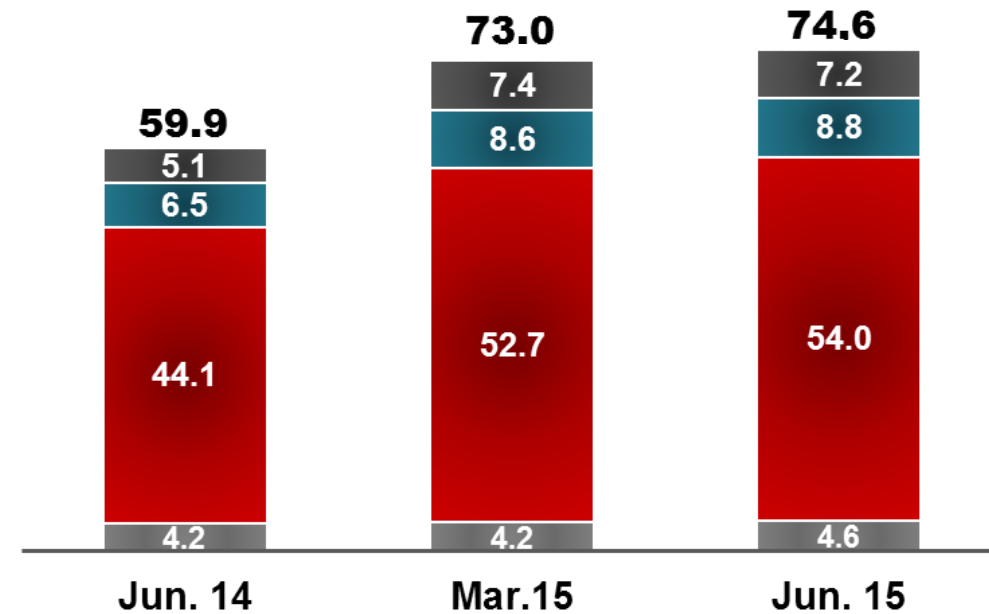


Consolidated

Assets

(COP trillion)

| | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|------------------|-------------|--------------|
| Cash | -2.6% | 39.7% |
| Investments, net | 1.8% | 34.7% |
| Loans, net | 2.5% | 22.6% |
| Other assets | 8.5% | 10.3% |
| Assets | 2.2% | 24.5% |



| Asset | Jun. 14 | Mar. 15 | Jun. 15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|------------------------------------|---------|---------|---------|-------------|-------------|
| Colombia | 49.4 | 56.5 | 57.9 | 2.4% | 17.0% |
| International COP | 11.5 | 17.4 | 17.8 | 2.2% | 55.2% |
| International USD\$ ⁽¹⁾ | 6.0 | 6.5 | 6.7 | 2.4% | 10.2% |

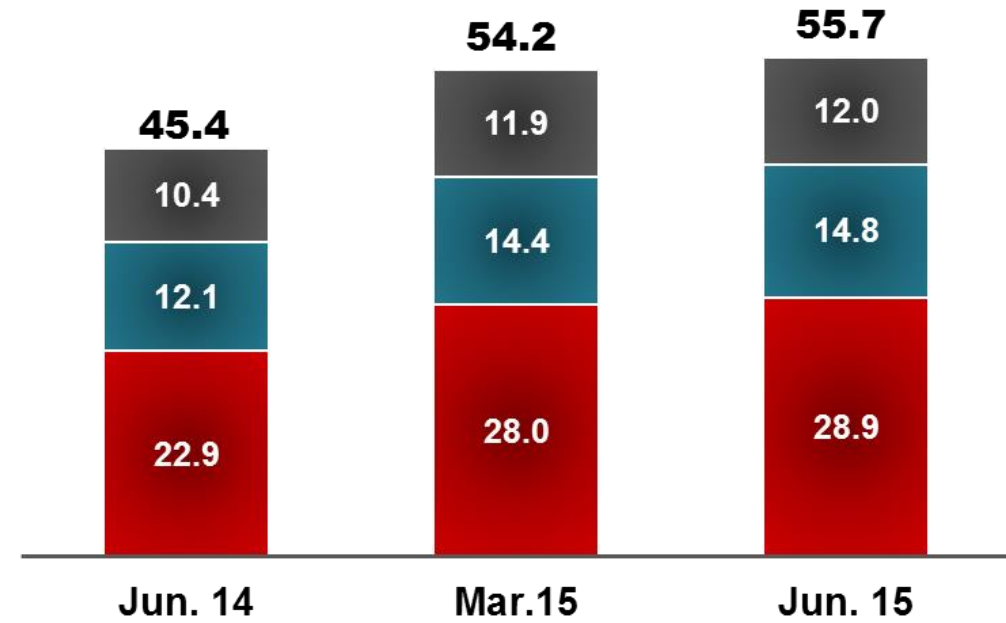
1. Local homologated figures. Do not include deletions of Colombia under the international subsidiaries by COP 1,046 billion. Devaluation of COP 2Q15 was 37.4% Y/Y and 0.4% Q/Q.

Consolidated

Gross Loans

(COP trillion)

| | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|--------------------|-------------|--------------|
| Mortgage | 0.9% | 15.0% |
| Consumer | 3.1% | 22.2% |
| Commercial (1) | 3.1% | 26.1% |
| Gross Loans | 2.6% | 22.5% |



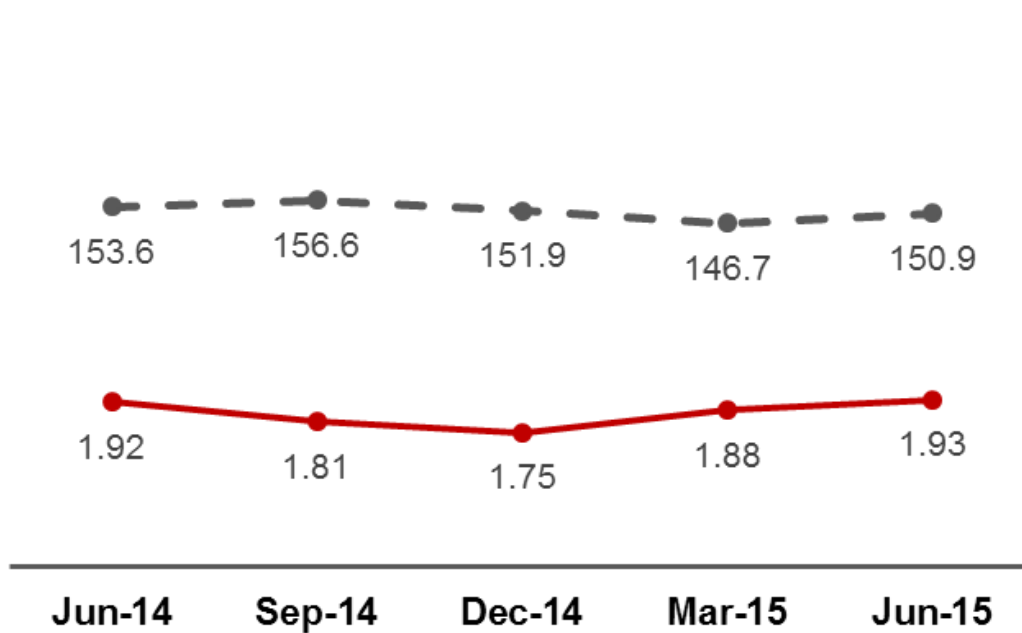
| Gross Loans | Jun. 14 | Mar. 15 | Jun. 15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|------------------------------------|---------|---------|---------|-------------|-------------|
| Colombia | 37.8 | 42.8 | 44.0 | 2.8% | 16.2% |
| International COP | 7.6 | 11.4 | 11.7 | 2.2% | 54.1% |
| Internacional USD\$ ⁽²⁾ | 4.0 | 4.4 | 4.5 | 2.2% | 11.7% |

1. Includes Microcredit.

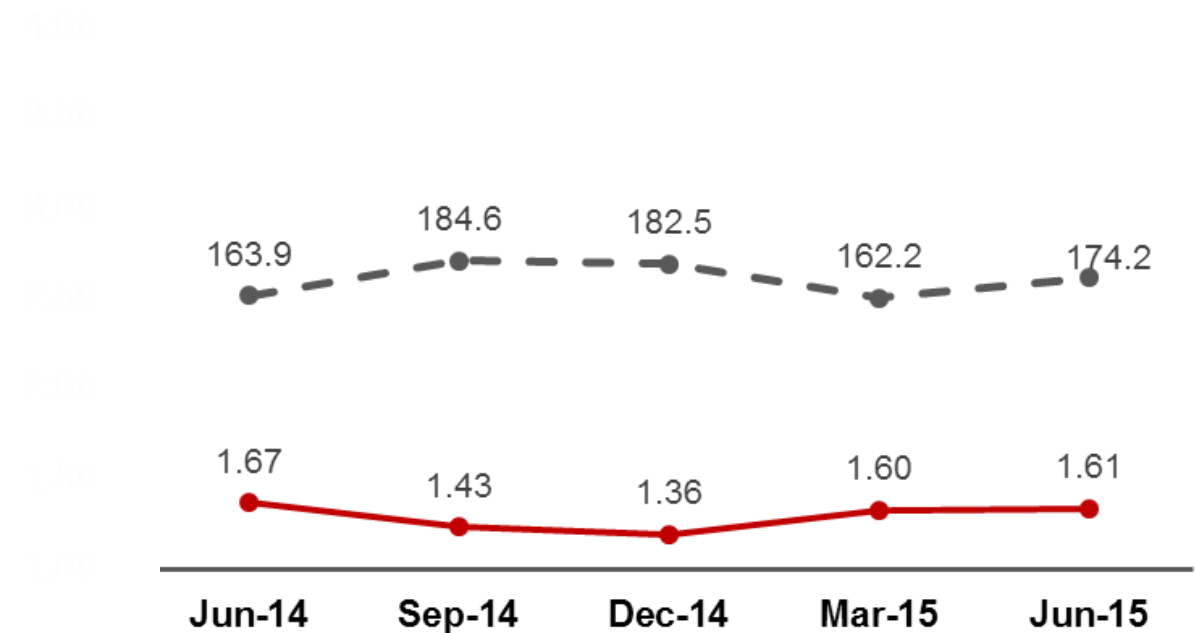
2. Figures in local homologated accounting.

Quality and Coverage (%)

Total



Commercial⁽¹⁾



—●— Coverage Consolidated —●— Quality Consolidated

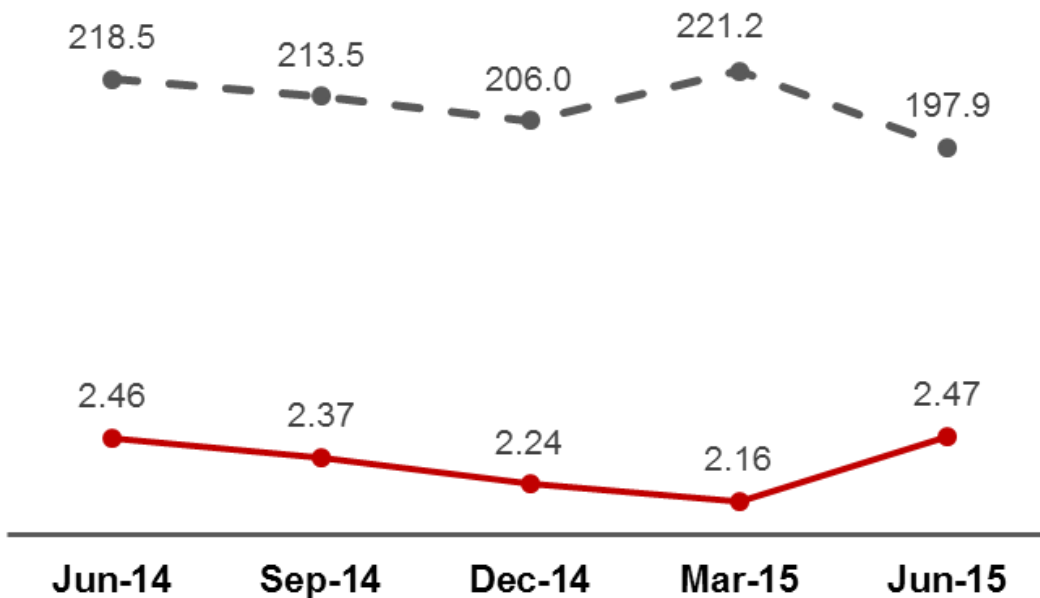
Quality: Loans >90 days.

Coverage: Allowances / Loans >90 days.

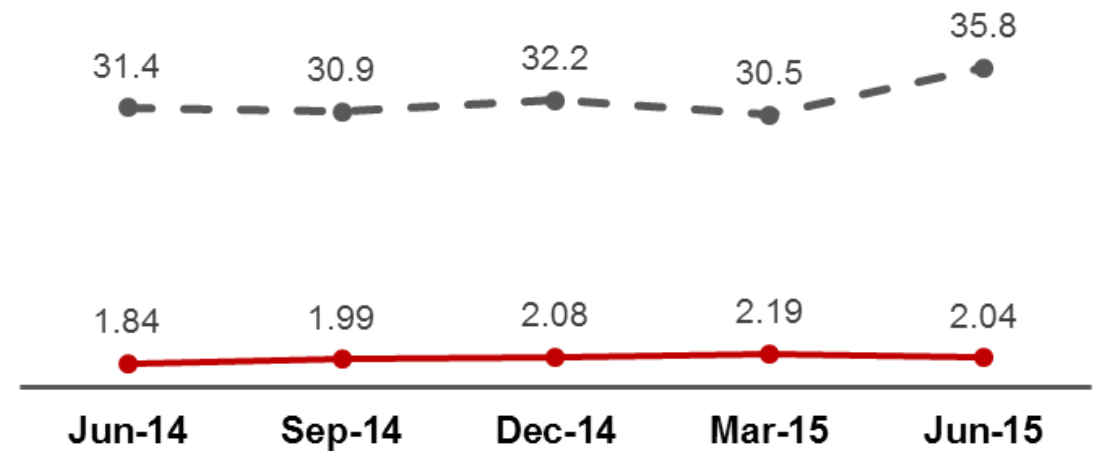
¹ Commercial includes microcredit.

Quality and Coverage (%)

Consumer



Mortgage

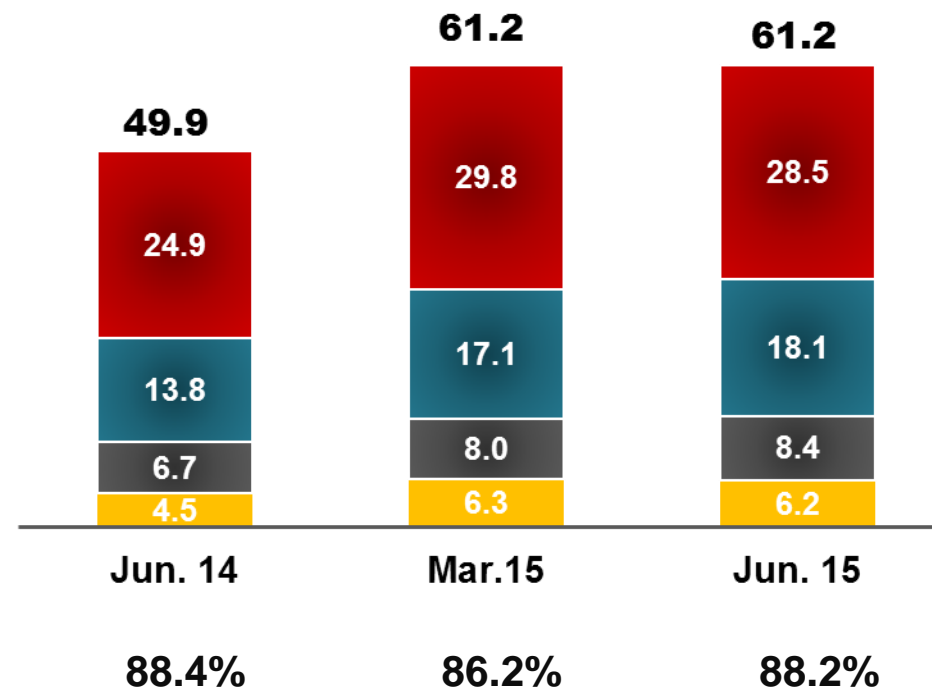


—●— Coverage Consolidated —●— Quality Consolidated

Funding Sources

(COP trillion)

| | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|------------------------|-------------|--------------|
| Demand Deposits | -4.3% | 14.4% |
| Term Deposits | 5.7% | 31.4% |
| Bonds | 4.9% | 24.9% |
| Credits | -0.6% | 39.6% |
| Funding Sources | 0.1% | 22.8% |

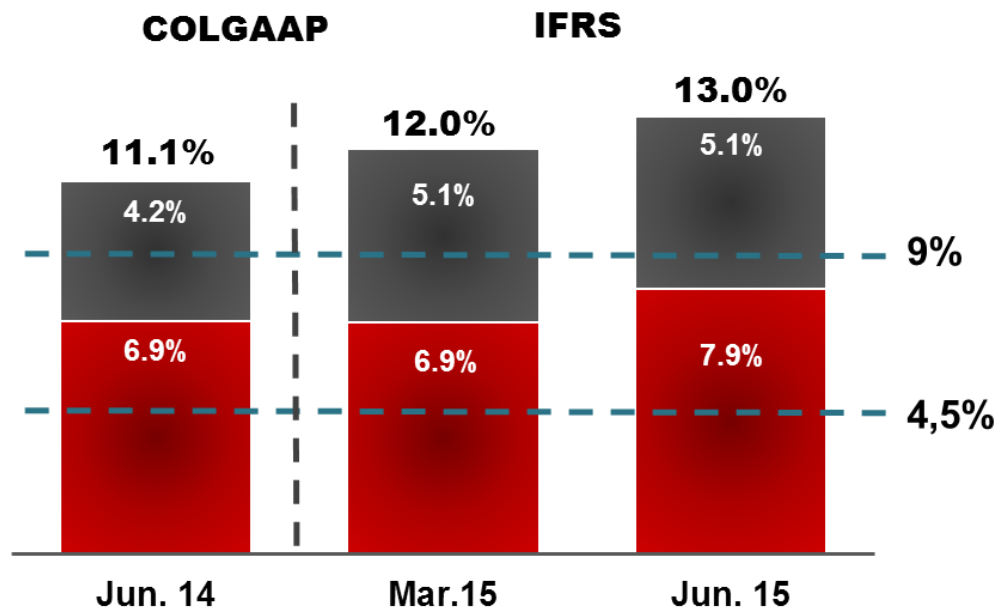


Net Loans / Funding Sources

| Funding Sources | Jun. 14 | Mar. 15 | Jun. 15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|------------------------------------|---------|---------|---------|-------------|-------------|
| Colombia | 40.2 | 46.7 | 46.3 | -0.8% | 15.2% |
| International COP\$ ⁽¹⁾ | 9.7 | 14.5 | 14.9 | 3.0% | 54.3% |
| Internacional USD\$ | 5.1 | 5.5 | 5.7 | 2.9% | 11.4% |

Capital Structure

Solvency



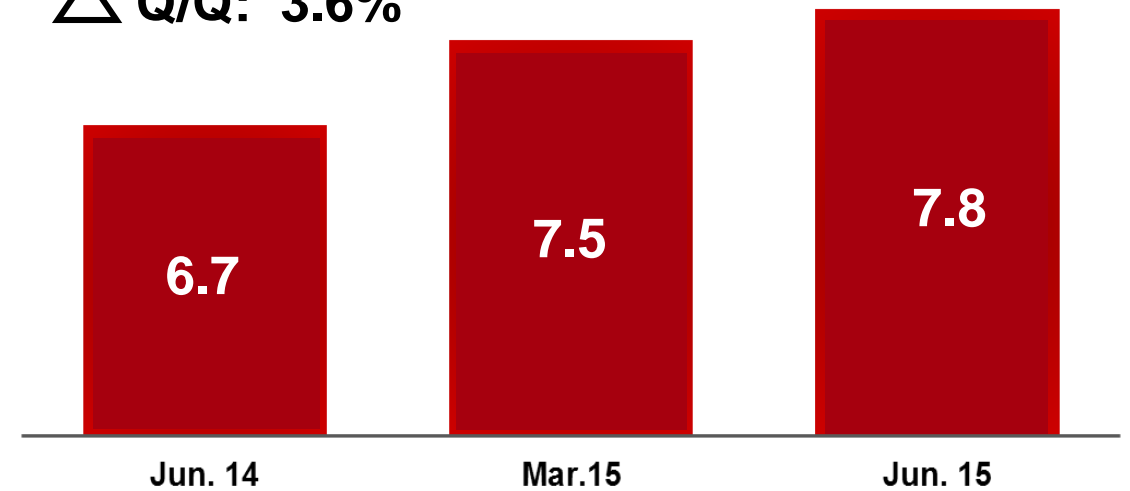
 Tier I  Tier II
- - - Minimum Required

Equity

(COP billion)

△ Y/Y: 15.1%

△ Q/Q: 3.6%

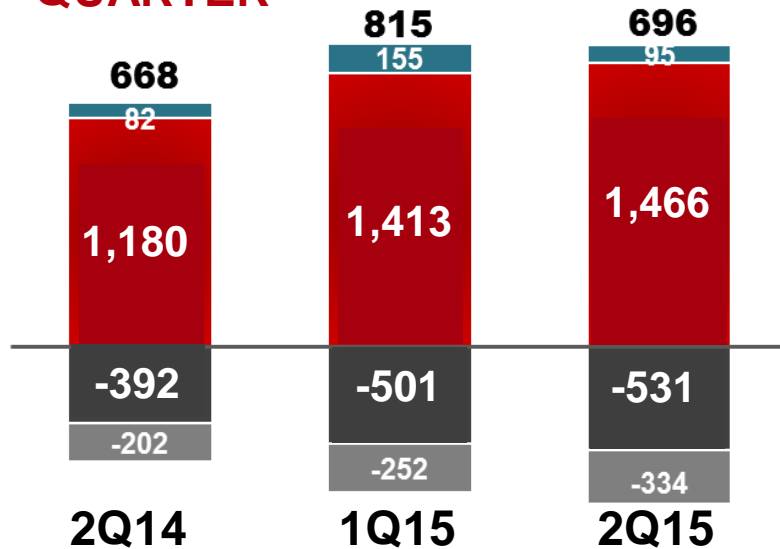


Consolidated

Financial Margin, Net

(COP billion)

QUARTER

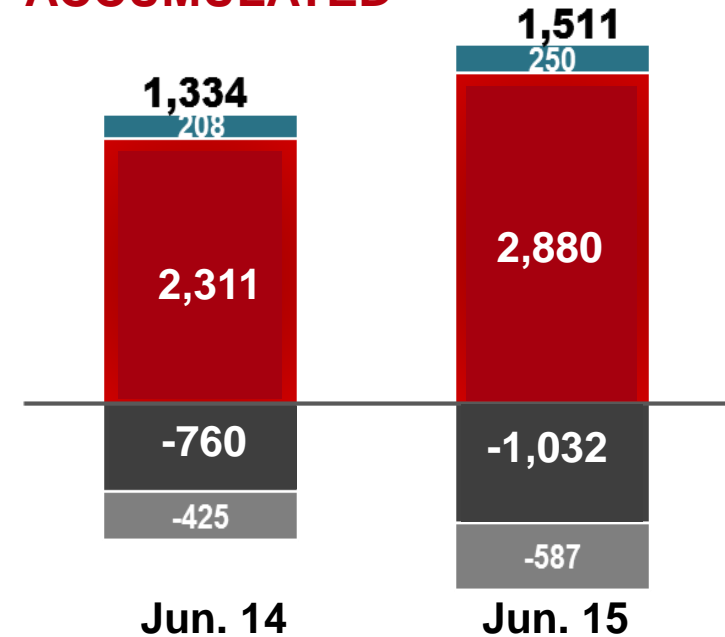


NIM⁽²⁾

Mar 15
6.7%

Jun 15
6.7%

ACCUMULATED



| 2Q15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 | | Jun. 15 | Jun. 15 / Jun. 14 |
|--------------|--------------|-------------|------------------------------|--------------|-------------------|
| \$ | (%) | (%) | | \$ | (%) |
| 1,466 | 3.8 | 24.3 | Loan Income | 2,880 | 24.6 |
| 95 | -39.0 | 15.2 | Investment Income, Overnight | 250 | 20.5 |
| 1,561 | -0.5 | 23.7 | Financial Income | 3,130 | 24.2 |
| -531 | 6.0 | 35.5 | Financial Expenses | -1,032 | 35.7 |
| -334 | 32.4 | 65.5 | Allowances | -587 | 38.1 |
| 696 | -14.6 | 4.2 | Financial Margin, net | 1,511 | 13.3 |

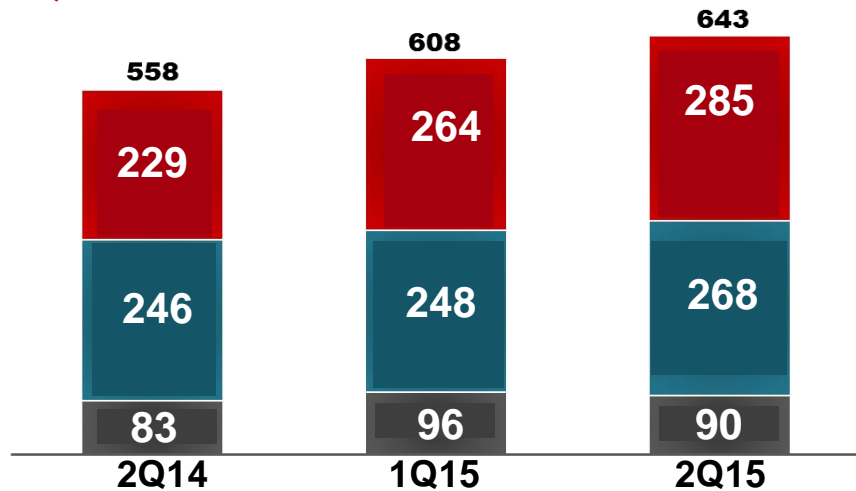
1. Figures in local homologated accounting.

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

Consolidated Expenses

(COP billion)

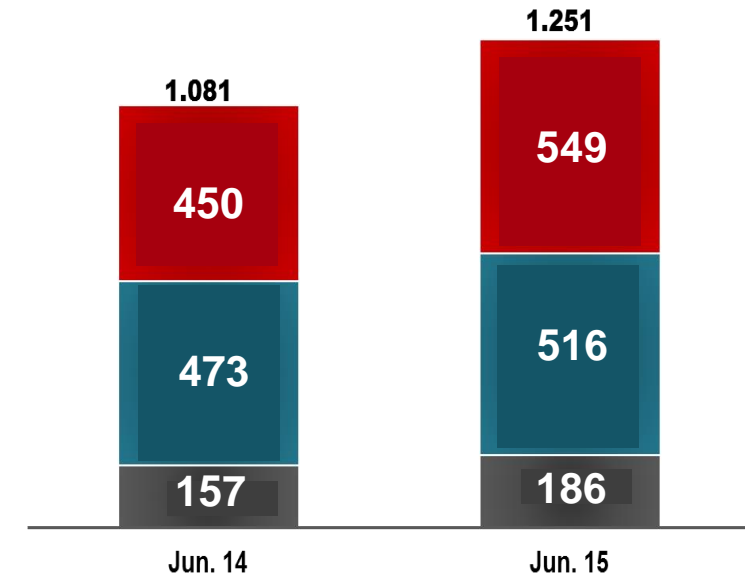
QUARTER



Efficiency⁽³⁾

| | |
|--------|--------|
| Mar 14 | Jun 15 |
| 49.7% | 50.3% |

ACCUMULATED



| 2Q15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 |
|--------------|-------------|-------------|
| \$ | (%) | (%) |
| 285 | 7.7 | 24.2 |
| 268 | 8.2 | 9.3 |
| 90 | -5.6 | 8.2 |
| 643.0 | 5.8 | 15.2 |

Personnel Expenses

Operating Expenses

Other Expenses⁽¹⁾

Total Expenses

| Jun. 15 | Jun. 15 / Jun. 14 |
|--------------|-------------------|
| \$ | (%) |
| 549 | 21.9 |
| 516 | 9.2 |
| 186 | 15.8 |
| 1,251 | 29.8 |

1. Other expenses includes amortization and depreciation, intangibles amortization, taxes and deposits insurance.

2. Figures in local homologated accounting.

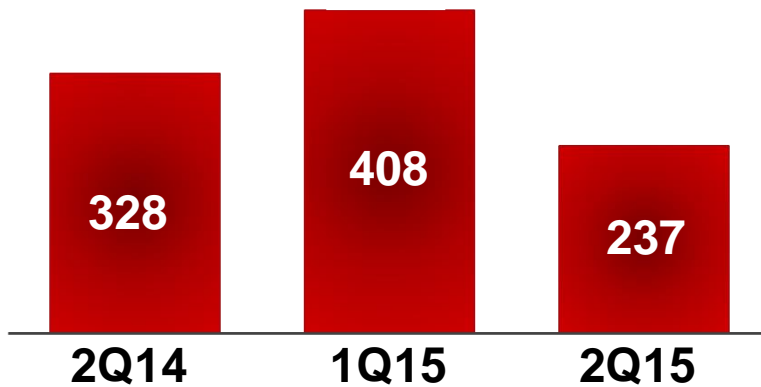
3. Efficiency (12 months) = Operative Expenses w/o Goodwill / (Gross Financial Margin + Operational Income + Other incomes and Expenses net).

Consolidated

Net Income

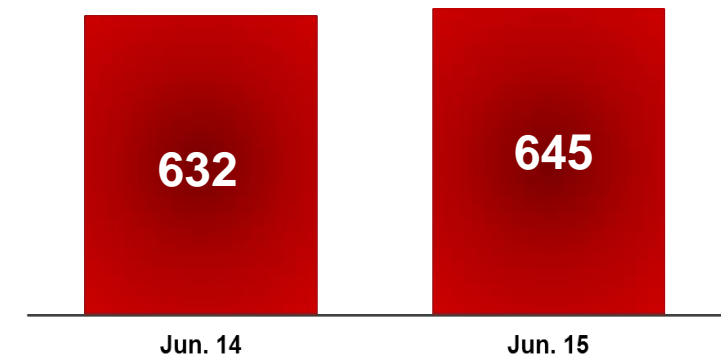
(COP billion)

QUARTER



| | Jun. 14 (Accm) | Jun. 15 (Accm) |
|---------------------|-------------------|-------------------|
| ROAE ⁽³⁾ | 19.1% | 16.9% |
| ROAA ⁽¹⁾ | 2.12% | 1.75% |

ACCUMULATED



| 2Q15 | 2Q15 / 1Q15 | 2Q15 / 2Q14 | | Accum. 2015 | 6M15/6M14 |
|------------|----------------|----------------|---------------------------------|----------------|------------|
| \$ | % | % | | \$ | % |
| 696 | -14.6 | 4.2 | Financial Margin, net | 1,511 | 13.3 |
| 244 | 2.4 | 13.6 | Fees & Commissions | 482 | 4.2 |
| -643 | 5.8 | 15.2 | Operating Expenses | -1,251 | 15.8 |
| 0 | -100.0 | -100.0 | Others | 75 | 0.8 |
| 297 | -43.0 | -27.5 | earnings before tax | 817 | 3.5 |
| -60 | -46.8 | -26.1 | Taxes | 172 | 8.6 |
| 237 | -41.9 | -27.8 | Net Income⁽²⁾ | 645 | 2.1 |

1. Other includes: net changes and derivatives and other income and expenses, net.

2. Net income after eliminations, homologations and homogenizations.

3. ROAE = Net income (6 months) / Average Equity.

4. ROAA: Net Income (6 months) / Average assets.



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Thank You!

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