



DAVIVIENDA



Earnings Presentation

2Q17 Consolidated Results

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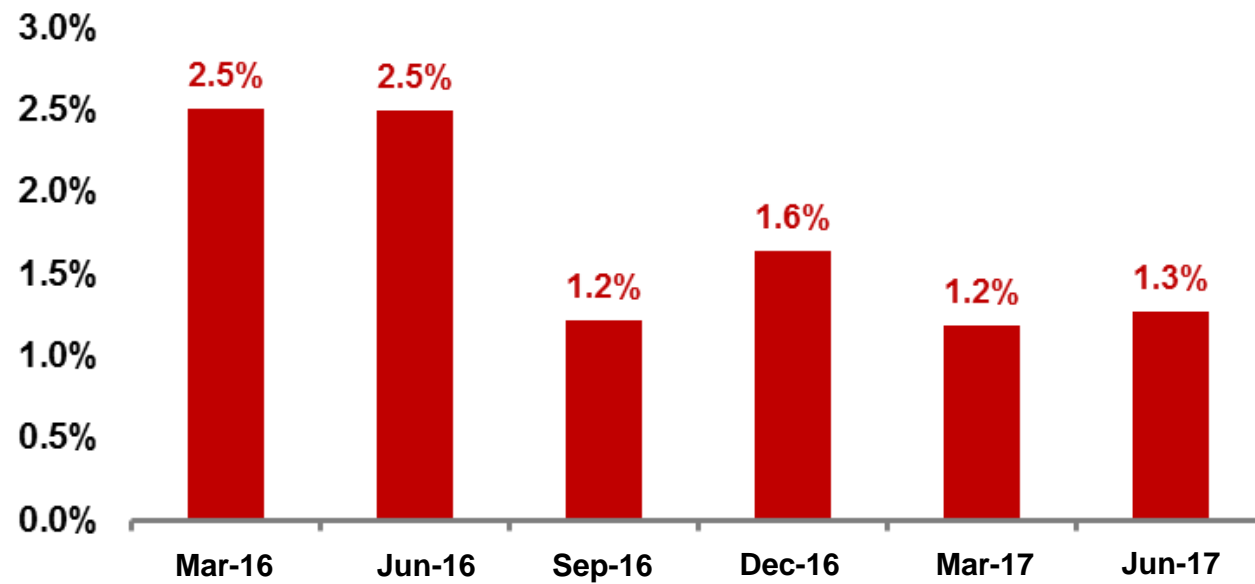
The examples given shouldn't be taken as a guarantee for future projections and it is not expressly or implicitly assumed or obliged in relation with the reserves expected in the future.

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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 on June 30 2017 will not be necessarily indicative of expected results for any other period.

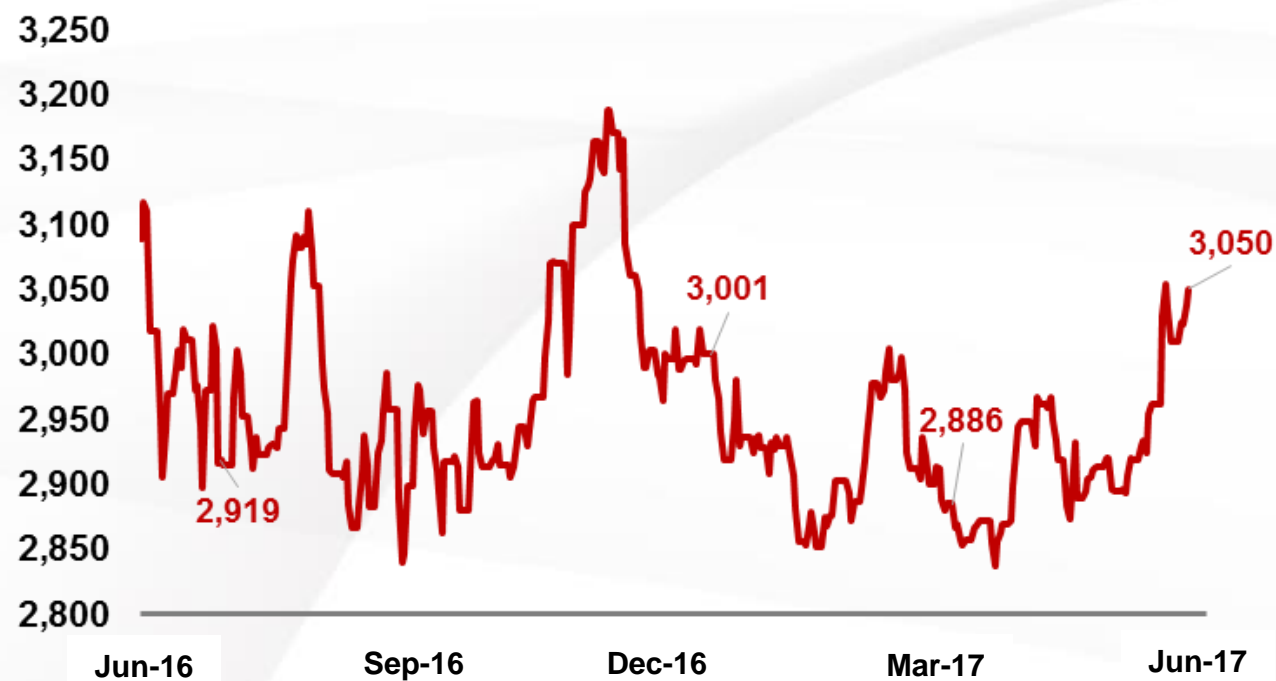
Macroeconomic Aspects

Gross Domestic Product* (Y/Y)



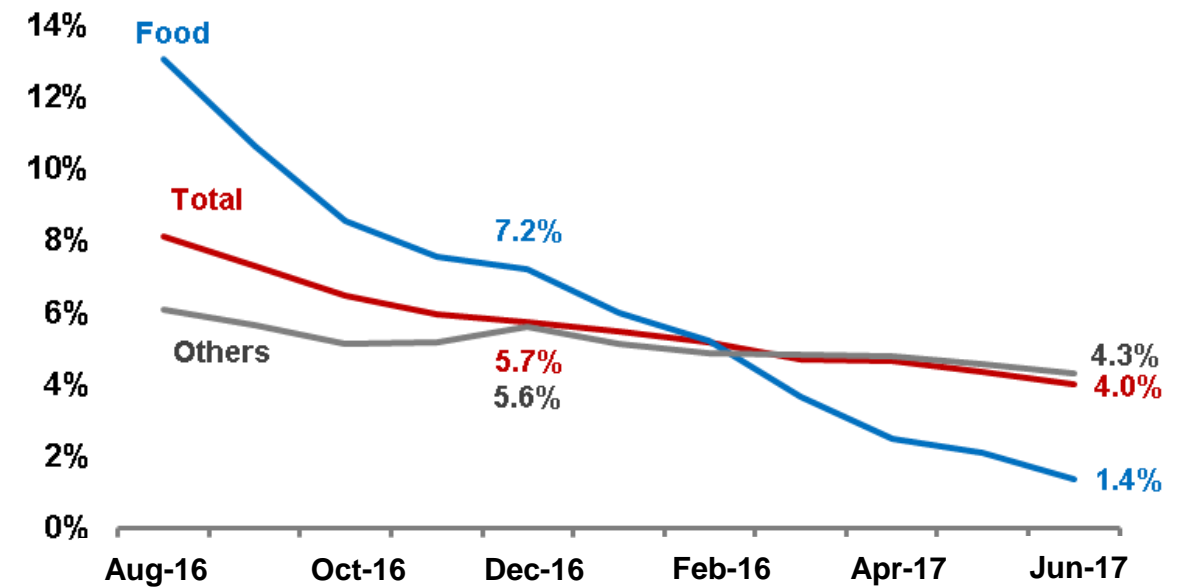
* Growth 2016 = 2%
Source: DANE

COP/USD (Y/Y)



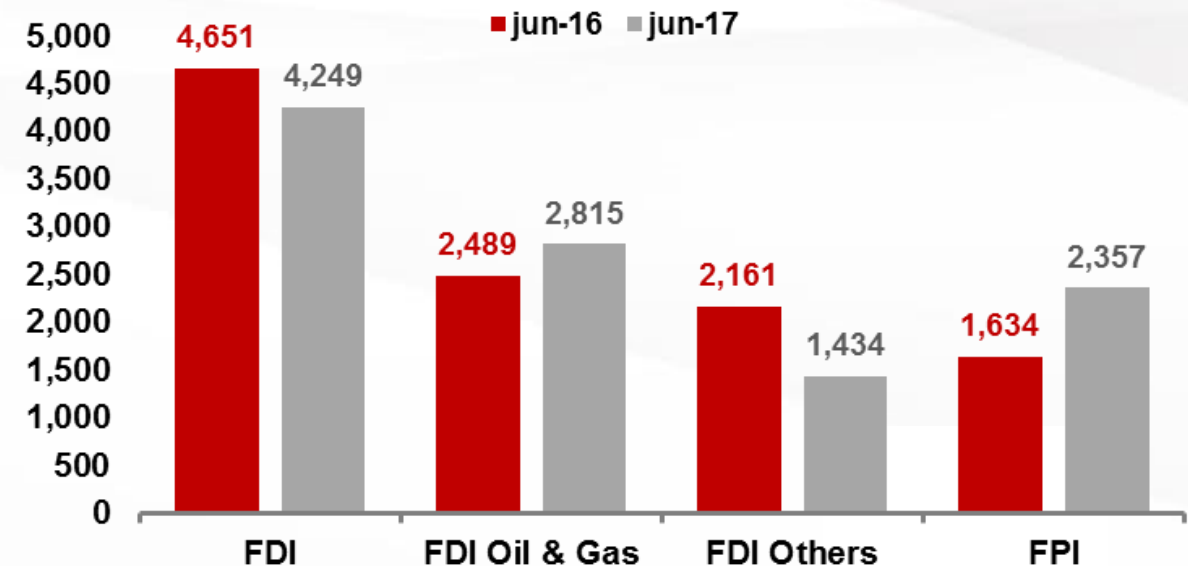
Source: Superintendencia Financiera de Colombia

Inflation (Y/Y)



Source: DANE

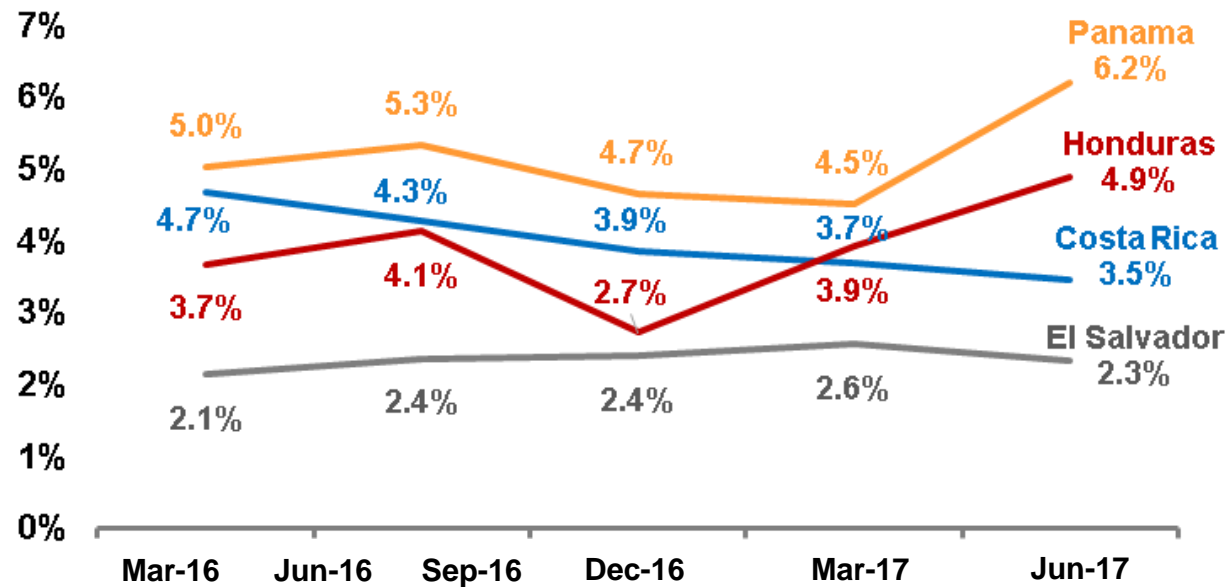
Foreign Investments Flows (U\$ Millions - Accumulated year to date*)



Source: Banco de la República *Data as of June 30

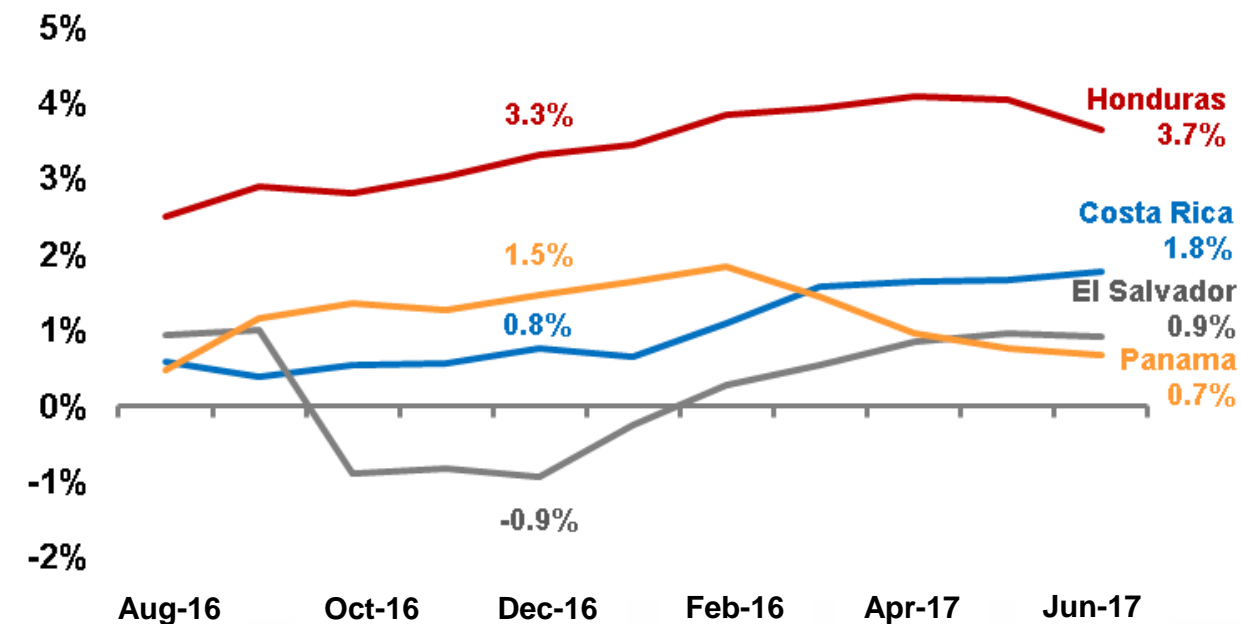
Central America Countries Macroeconomic Aspects

Gross Domestic Product (Y/Y)



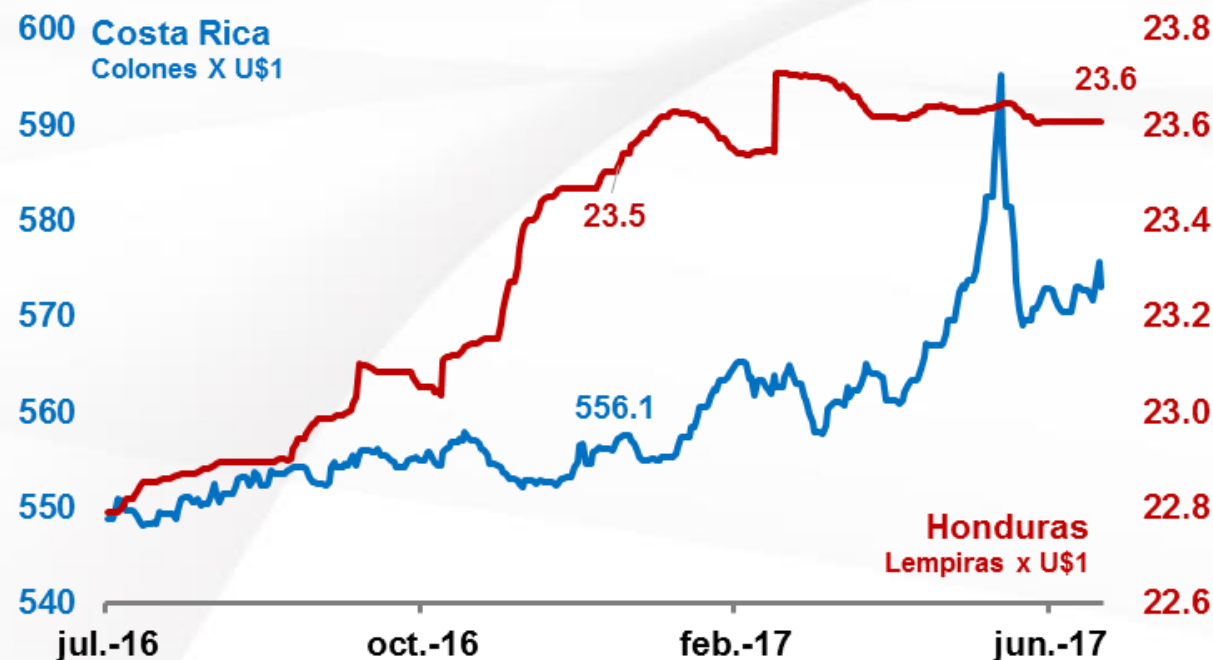
Source: Central America Central Banks.

Inflation (Y/Y)



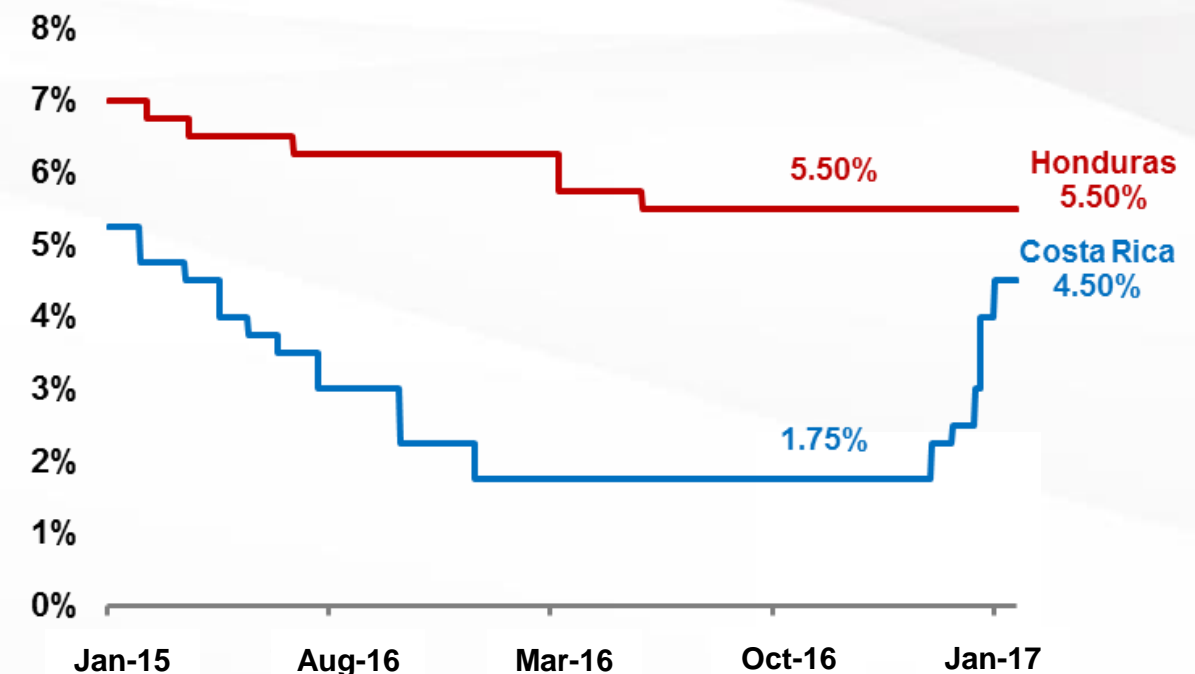
Source: Central America Central Banks

Exchange Rate



Source: Central America Central Banks

Monetary Policy Rate



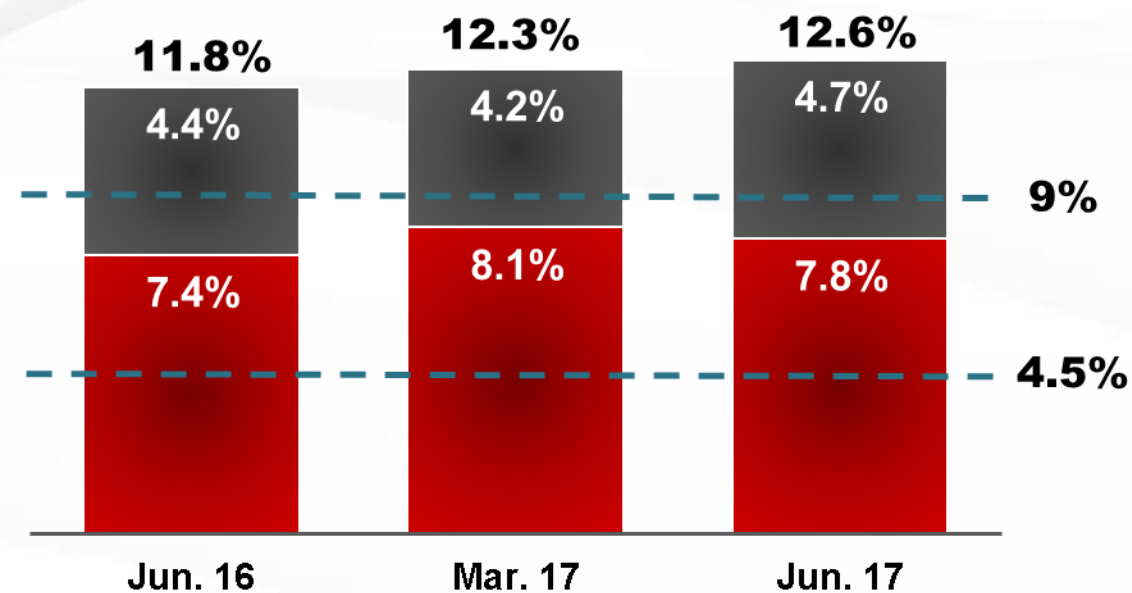
Source: Central America Central Banks

Second Quarter Highlights

Main Results

- > Solvency ratio increased **24 b.p.** compared to 1Q17 and **72 b.p.** when compared to 2Q16.
- > NPL¹ closed at **2.67%**, **29 b.p.** above 1Q17 and **74 b.p.** compared to the same quarter last year.
- > Cost of risk² closed at **1.84%**, **14 b.p.** higher than 1Q17 and decreased **4 b.p.** when compared to 2Q16.
- > Financial expenses reached **\$984,2** billion, **2,7%** lower than 1Q17 and **11,1%** higher than 2Q16.

Solvency



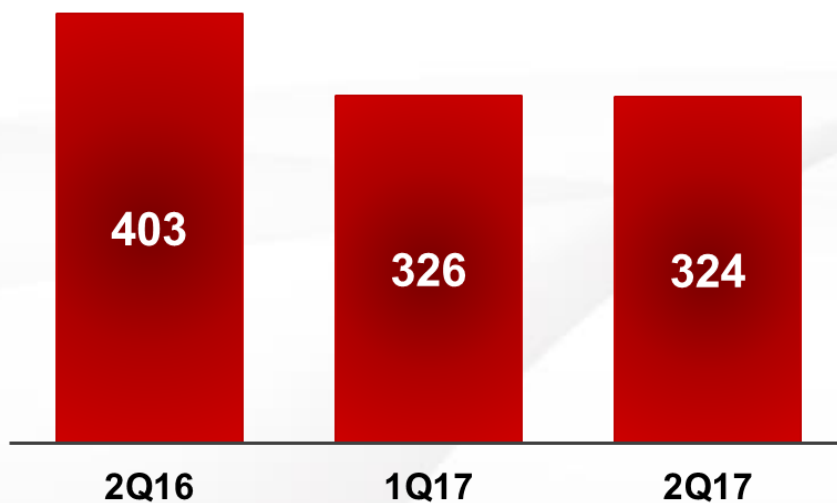
Second Quarter Highlights

Main Results

- > Consolidated gross loans showed an annual increased of **11.7%**.
- > Colombia grew **12.1%**.
- > International operation loans in US dollars increased **5.3%**.

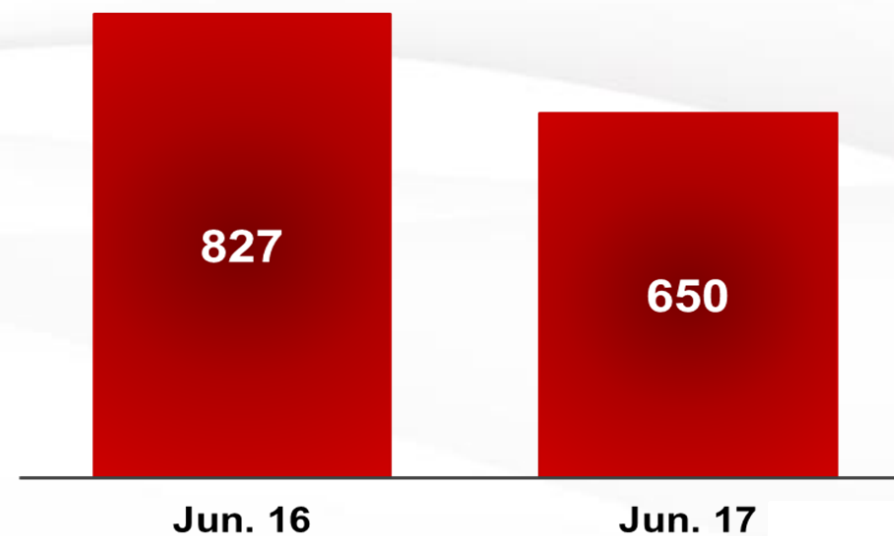
Net Income

QUARTER



△ Y/Y: (19.5%)
△ Q/Q: (0.6%)

ACCUMULATED



△ Y/Y: (21.4%)

- > ROAE¹: **17.0%** **15.7%**
- > ROAA²: **1.74%** **1.63%**

1. ROAE = Net Income (12 Months) / Average Equity
2. ROAA = Net Income (12 Months) / Average Assets

Other Main Highlights



> In April we issued bonds by **USD \$60** million in El Salvador.



> In May we issued bonds by **USD \$10** million in Costa Rica.



> In June the Bank issued ordinary bonds by **COP \$700** billion.



> In the same month the Bank securitized mortgages loans by **COP\$177** billion.



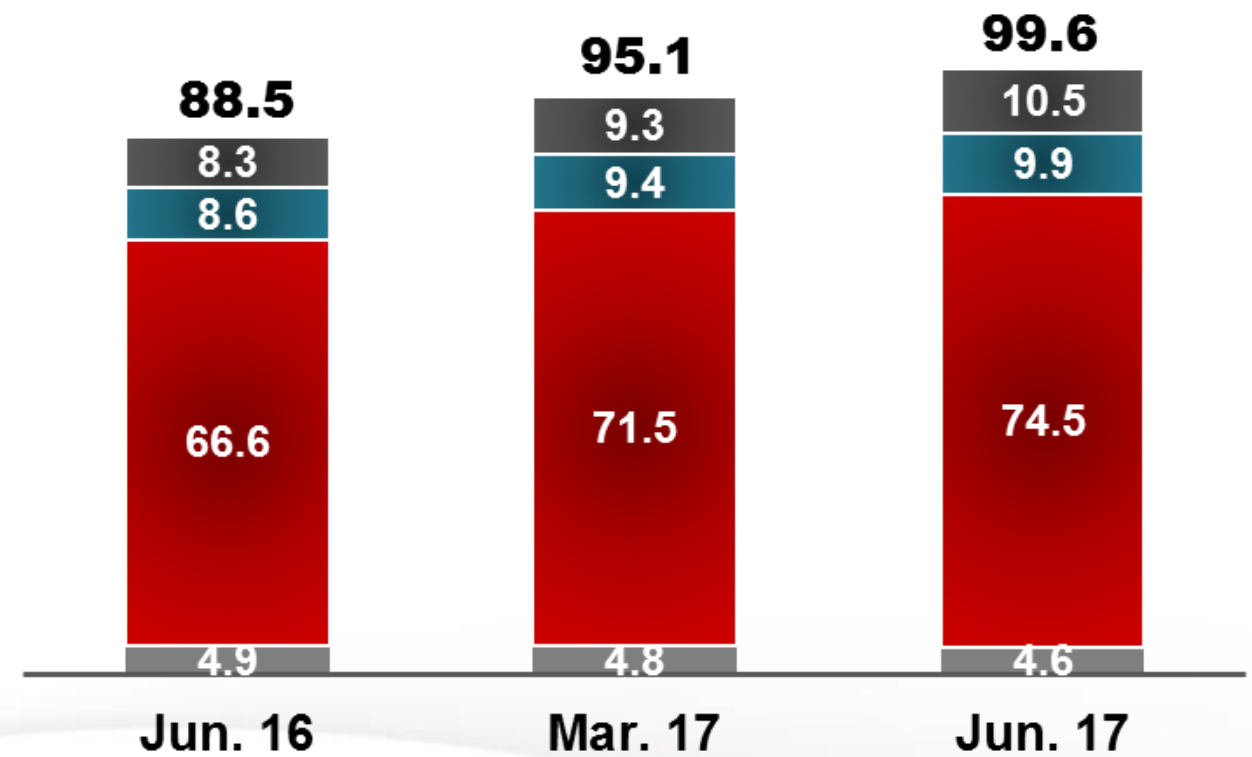
Content

- > Second Quarter Highlights
- > Second Quarter 2017 Financial Results



Consolidated Assets (COP Trillion)

	2Q17/1Q17	2Q17/2Q16
Cash	12.9%	26.1%
Investments, net	6.0%	15.3%
Loans, net	4.1%	11.9%
Other assets	(4.0%)	(6.4%)
Assets ⁽¹⁾	4.7%	12.6%



Assets	Jun. 16	Mar. 17	Jun. 17	2Q17/1Q17	2Q17/2Q16
Colombia	67.6	73.3	76.2	3.9%	12.7%
International COP	22.0	22.6	24.3	7.4%	10.5%
International USD	7.5	7.8	8.0	1.6%	5.7%

1: Includes deletions of Colombia under international subsidiaries by \$902 Billion.
COP\$ devaluation during 2Q17 was 5.7% and 4.5% on a yearly basis.

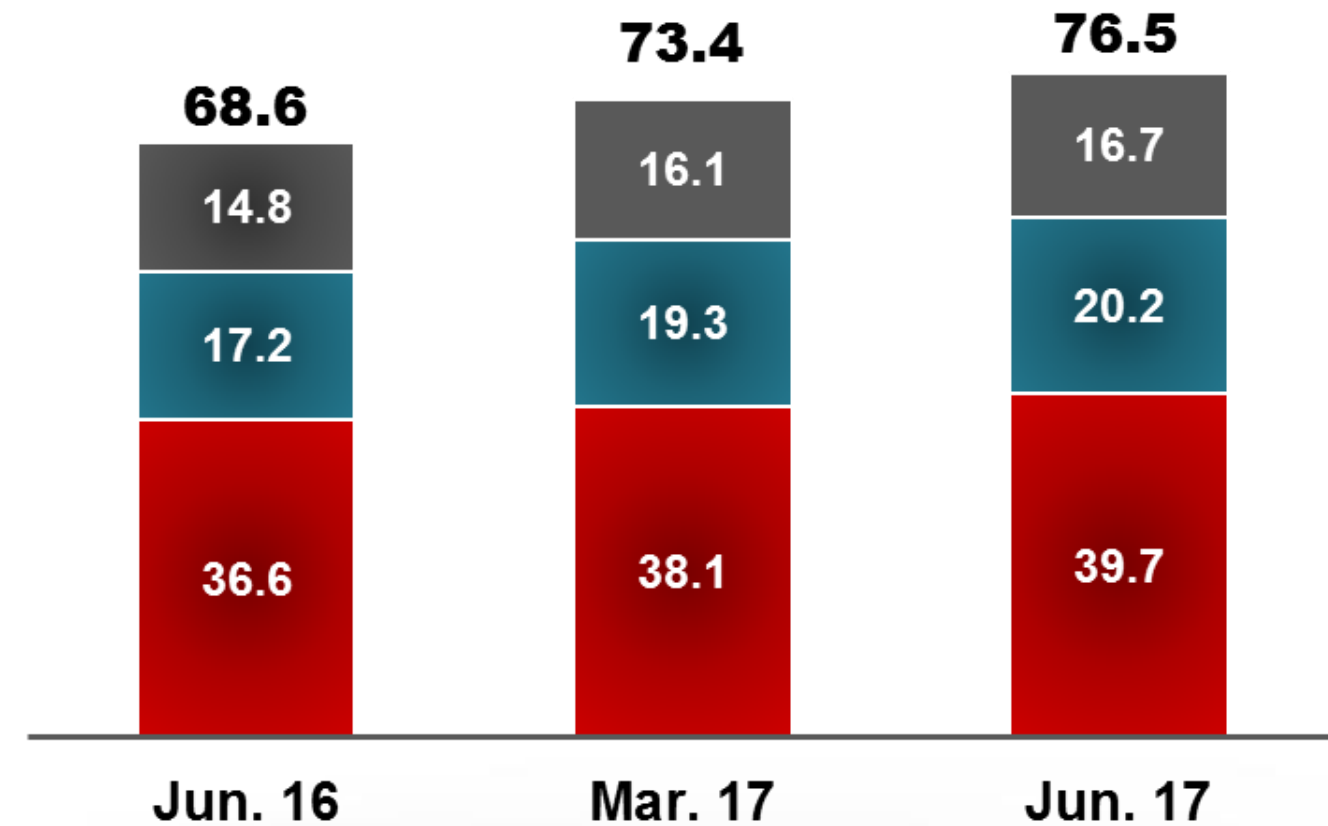


Consolidated Gross Loans

(COP Trillion)

2Q17/1Q17 2Q17/2Q16

Mortgage	3.8%	13.0%
Consumer	4.6%	17.3%
Commercial	4.3%	8.5%
Gross Loans	4.2%	11.7%



Gross Loans	Jun. 16	Mar. 17	Jun. 17	2Q17 / 1Q17	2Q17 / 2Q16
Colombia	54.0	58.4	60.5	3.6%	12.1%
International COP\$	14.6	15.0	16.0	6.7%	10.1%
International USD\$	5.0	5.2	5.3	0.9%	5.3%

COP\$ devaluation during 2Q17 was 5.7% and 4.5% on a yearly basis.



Consolidated NPL and Coverage (%)

	NPL ¹ > 90 days		
	2Q16	1Q17	2Q17
Commercial	1.51%	2.22%	2.58%
Consumer	2.59%	2.60%	2.67%
Mortgage	2.19%	2.50%	2.86%
Total	1.93%	2.38%	2.67%

	Coverage ²				Total Reserves ³ Coverage		
	2Q16	1Q17	2Q17		2Q16	1Q17	2Q17
Commercial	188.9%	105.5%	98.8%	Commercial	244.4%	155.9%	143.6%
Consumer	187.7%	184.6%	179.3%	Consumer	246.1%	262.4%	255.6%
Mortgage	34.8%	18.0%	17.0%	Mortgage	105.5%	91.0%	80.0%
Coverage	150.8%	108.1%	101.0%	Reserves	211.0%	171.5%	158.3%

1. NPL: Loans >90 days/ Gross Loans Portfolio.

2. Coverage: P&L Allowances / Loans >90 days.

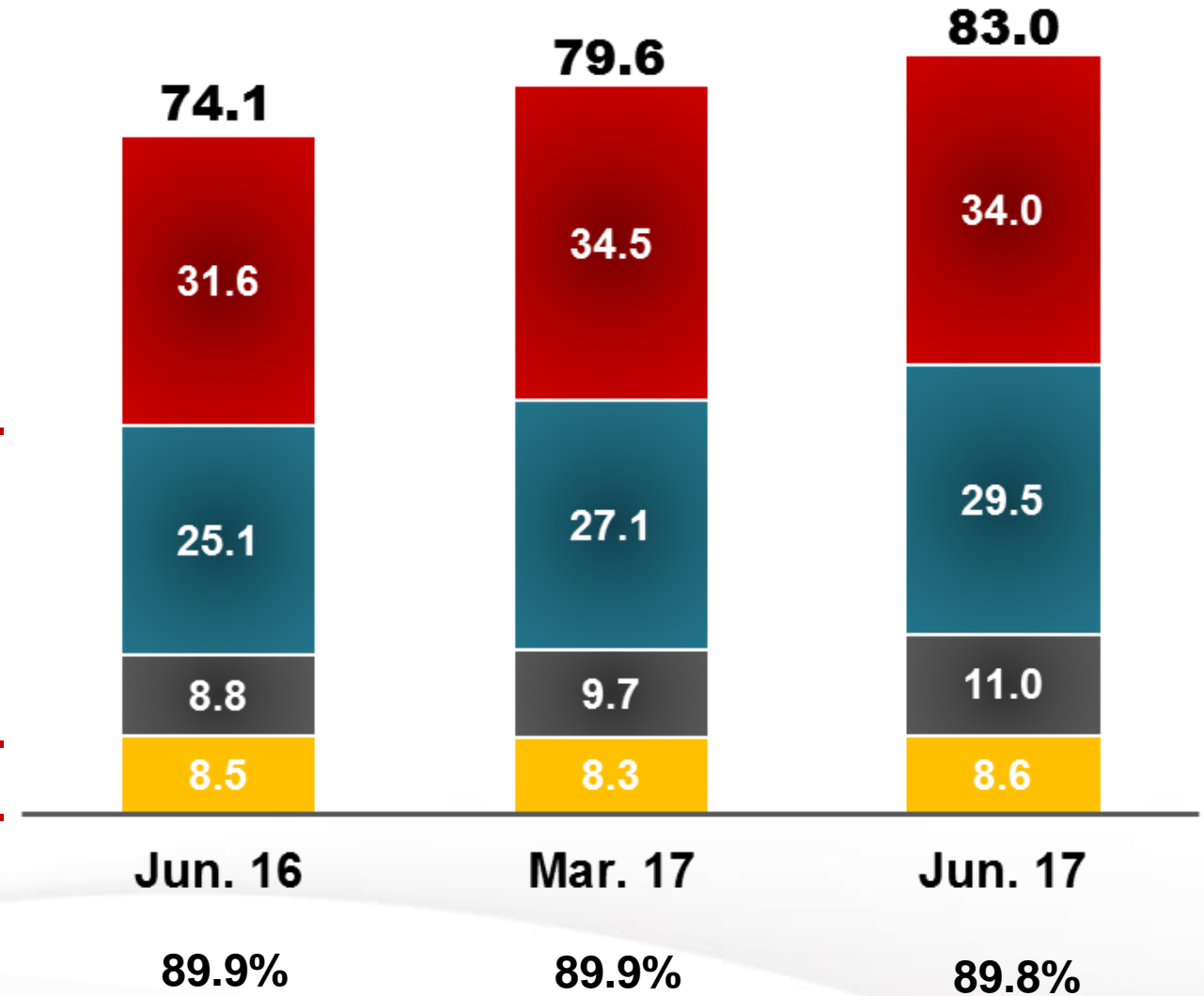
3. Reserves: (P&L Allowances + Equity Allowances) / Loans > 90 days



Consolidated Funding Sources

(COP Billion)

	2Q17/1Q17	2Q17/2Q16
Demand Deposits	(1.5%)	7.3%
Term Deposits	8.5%	17.3%
Bonds	13.6%	24.6%
Credits	3.6%	1.1%
Funding Sources	4.3%	12.0%



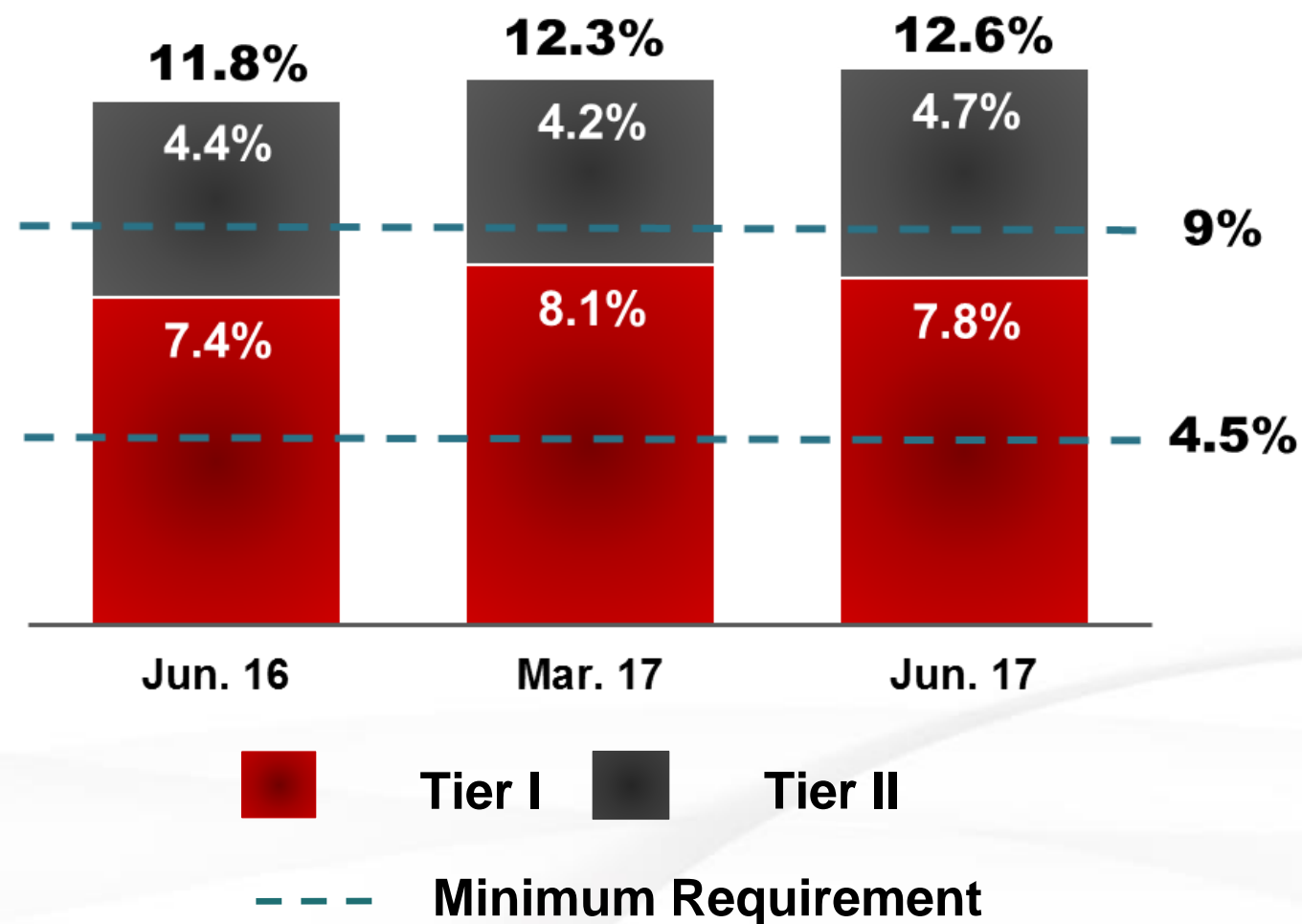
Funding Sources	Jun. 16	Mar. 17	Jun. 17	2Q17/1Q17	2Q17/2Q16
Colombia	55.3	60.3	62.4	3.5%	12.7%
International COP\$	18.7	19.3	20.6	6.8%	10.0%
International USD\$	6.4	6.7	6.7	1.0%	5.3%

COP\$ devaluation during 2Q17 was 5.7% and 4.5% on a yearly basis.



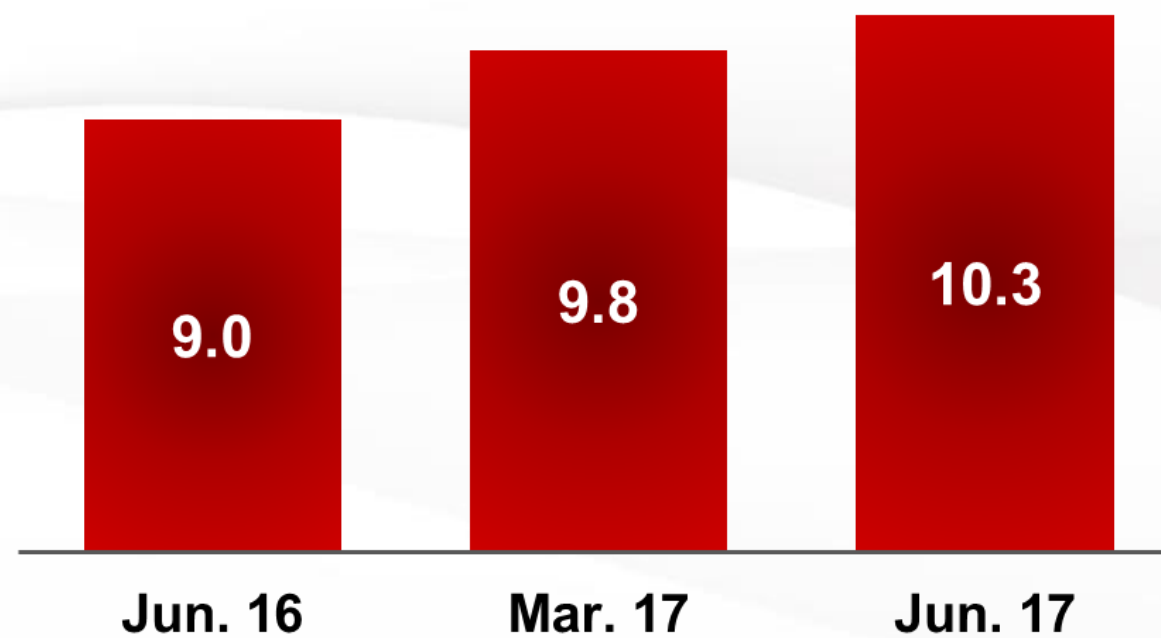
Consolidated Capital Structure

Solvency



Equity (COP trillion)

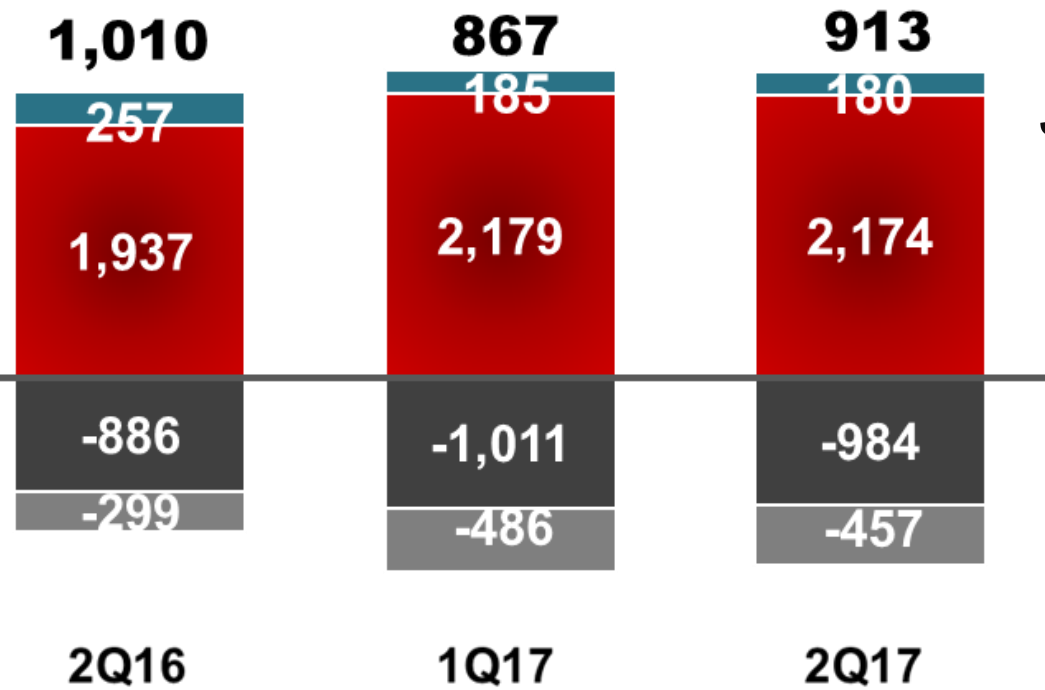
△ Y/Y: 13.5%
△ Q/Q: 4.2%



Consolidated Financial Margin, Net

(COP Billion)

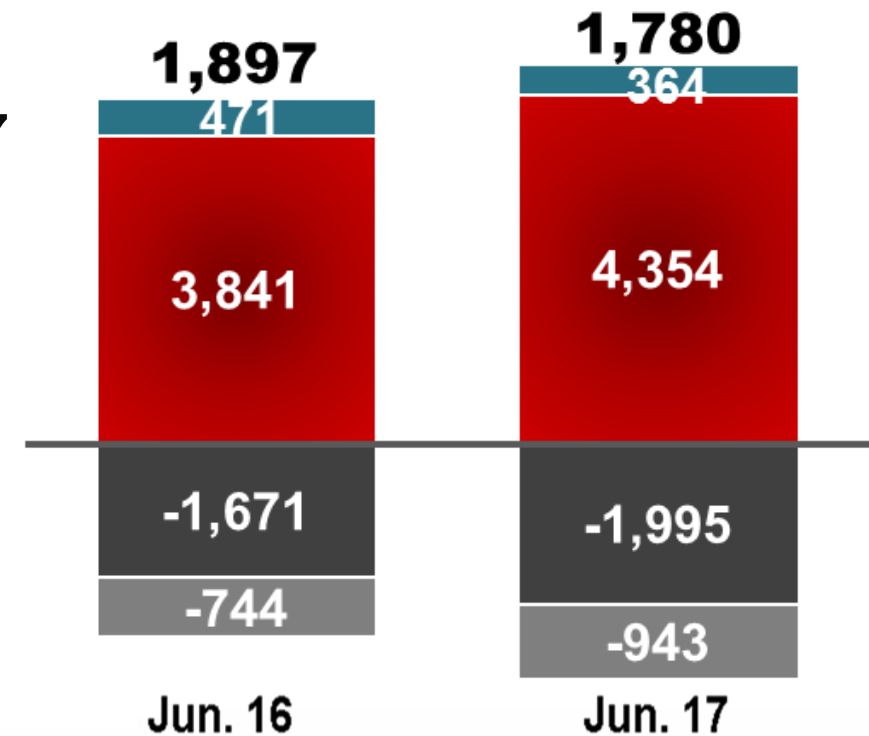
QUARTER



NIM⁽¹⁾

Jun. 16	Mar. 17	Jun. 17
6.6%	6.4%	6.3%

ACCUMULATED



2Q17 / 1Q17

2Q17 / 2Q16

Jun. 17 / Jun. 16

(%)

(%)

(%)

(0.2)

12.2

Loan Income

13.4

(2.8)

(30.2)

Investment income, Overnight

(22.7)

(0.4)

7.3

Financial Income

9.4

(2.7)

11.1

Financial Expenses

19.4

(6.0)

52.9

Allowances

26.7

5.3

(9.6)

Financial Margin, net

(6.2)



1.NIM: Gross Financial Margin (12 Months) / Average Productive Assets
Revaluation on average exchange rate was 6.4% Y/Y and 0.0% Q/Q

Consolidated Expenses

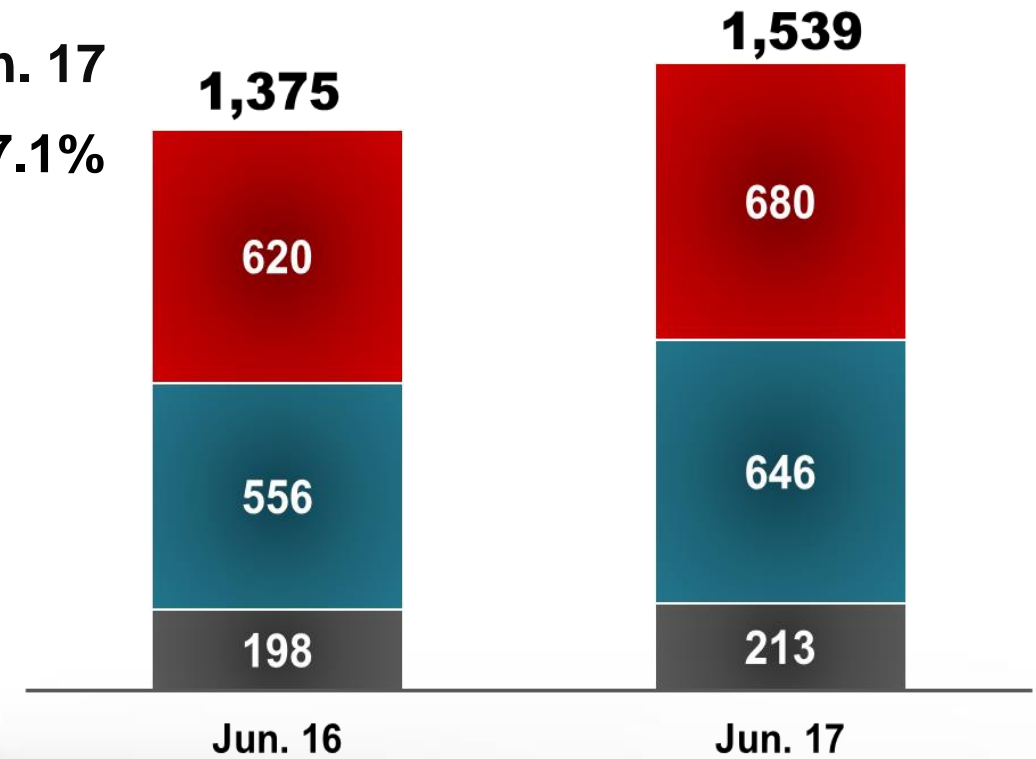
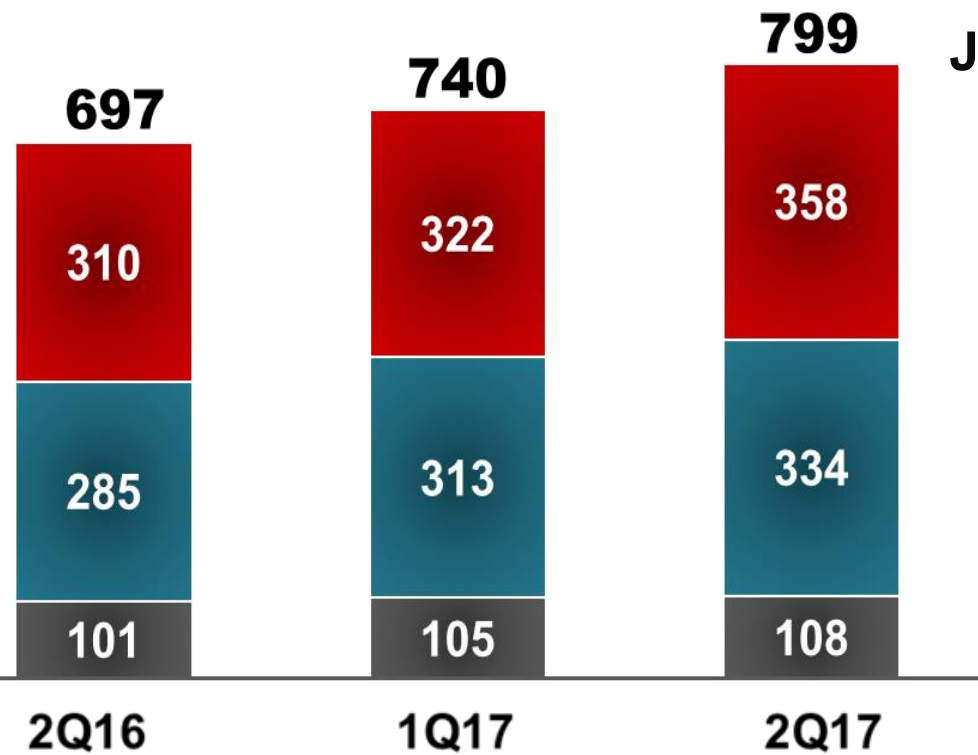
(COP Billion)

QUARTER

ACCUMULATED

Efficiency⁽¹⁾

Jun. 16	Mar. 17	Jun. 17
44.4%	46.4%	47.1%



2Q17 / 1Q17 (%)	2Q17 / 2Q16 (%)		Jun. 17 / Jun. 16 (%)
11.1	15.2	Personnel Expenses	9.5
6.7	17.1	Operating Expenses	16.2
2.6	6.3	Other Expenses ⁽²⁾	7.6
8.0	14.7	Total Expenses	11.9

1. Efficiency (12 Months) = Operative Expenses / (Gross Financial Margin + Operational Income + Other income & Expenses).

2. Other Expenses includes Amortization and Depreciation, Intangibles Amortization, Taxes and Security Deposit.

Revaluation on average exchange rate was 6.4% Y/Y and 0.0% Q/Q.

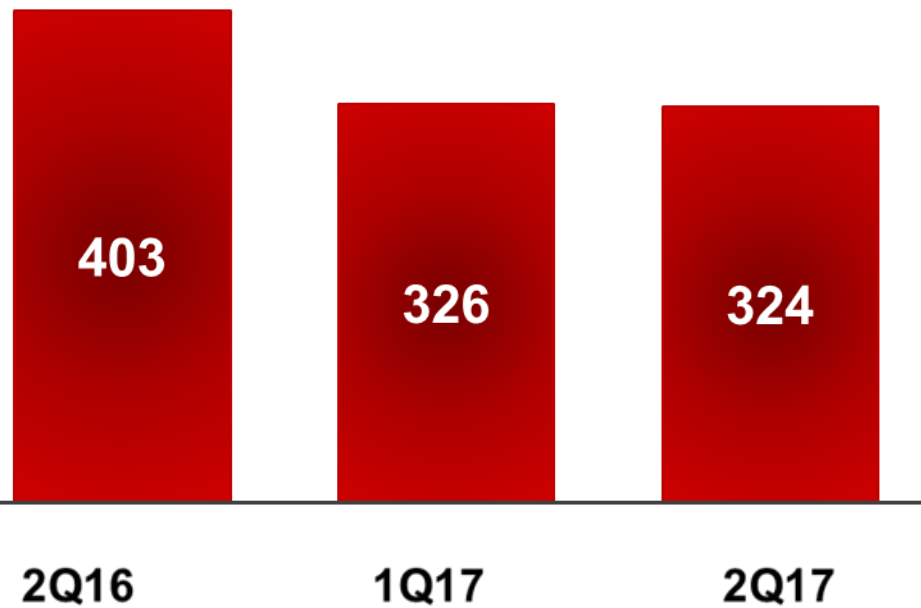


Consolidated Net Income

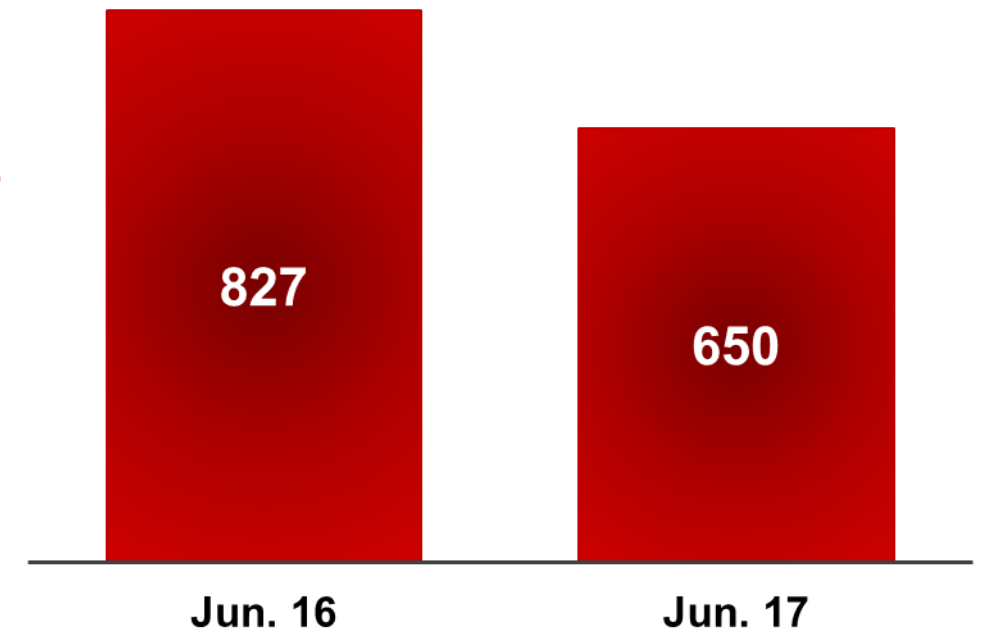
(COP Billion)

QUARTER

ACCUMULATED



	Jun. 16	Jun. 17
ROAE ⁽¹⁾	17.0%	15.7%
ROAA ⁽²⁾	1.74%	1.63%



2Q17 / 1Q17

2Q17 / 2Q16

Jun. 17 / Jun. 16

%

%

%

5.3

(9.6)

Financial Margin, net

(6.2)

3.7

5.6

Operative Income

(1.5)

8.0

14.7

Operating Expenses

11.9

70.8

100

FX changes, Derivates and Others

4.0

3.5

(23.6)

Income before tax

(24.2)

15.1

(31.9)

Taxes

(30.6)

(0.6)

(19.5)

Net Income⁽³⁾

(21.4)



1.ROAE = Net Income (12 Months) / Average Equity

2.ROAA = Net Income (12 Months) / Average Assets

3.Net Income after deletions, homologations and homogenizations



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¡Thank You!

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