Earnings Presentation 4Q17 Consolidated Results

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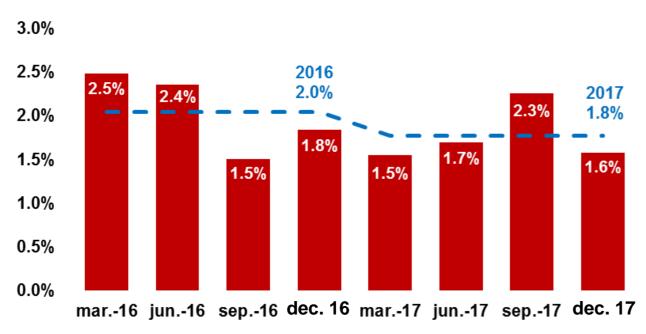
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The financial information has been prepared under International Financial Reporting Standards (IFRS) applicable in Colombia and instructions of the Financial Superintendence of Colombia, and are presented in nominal terms. The financial statements in the quarter ended on December 31 2017 will not be necessarily indicative of expected results for any other period.

Colombia Macroeconomic Aspects

GDP (Y/Y)



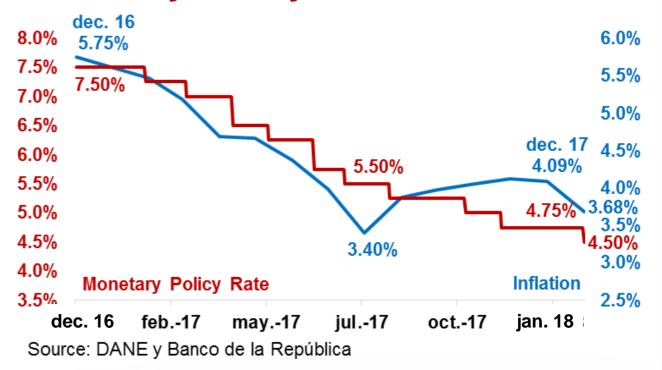
Source: DANE

COP/USD and Oil Price



Source: Superintendencia Financiera de Colombia and Bloomberg

Monetary Policy Rate and Inflation



Sovereign Credit Rating

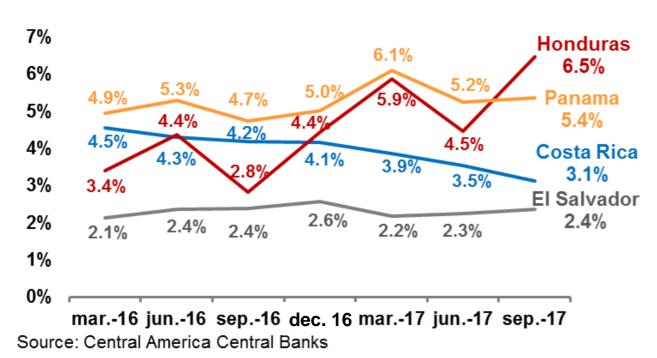
Rating Agency	2016	2017
S&P	BBB	BBB-
3αΡ	Negative Outlook	Stable Outlook
Fitob	BBB	BBB
Fitch	Negative Outlook	Stable Outlook
Moody to *	BBB	BBB
Moody's*	Stable Outlook	Stable Outlook

^{*} Comparable rating scale Source: Rating agencies

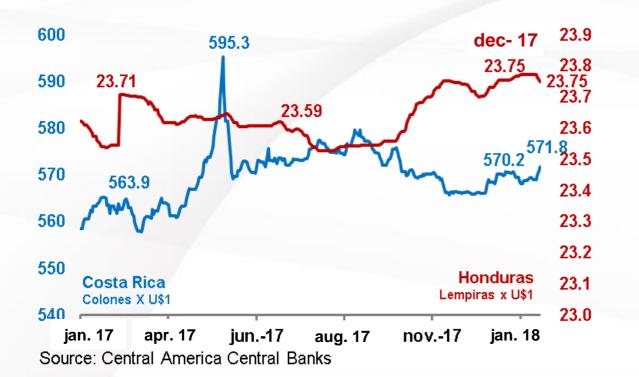
Central American Countries

Macroeconomic Aspects

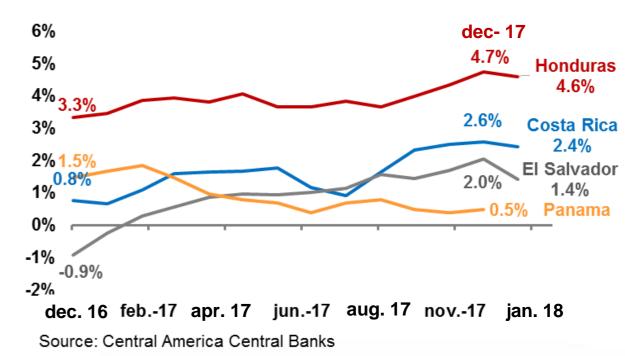
GDP (Y/Y)



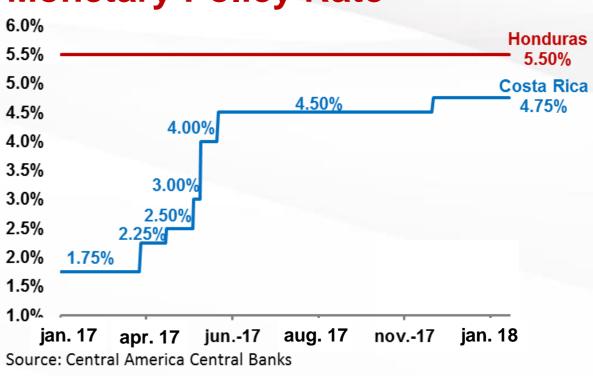
Exchange Rate



Inflation (Y/Y)



Monetary Policy Rate



Fourth Quarter Highlights Main Results

- Accumulated Net Income reached \$1.28 trillion on December 2017, 25.6% lower compared to 2016.
- Consolidated Gross Loans showed an annual growth of 7.3%.
- > NPL closed at 2.76%, 77 bps higher than the one reported on 2016.
- > NIM reached 6.57%, 19 bps higher than last quarter.

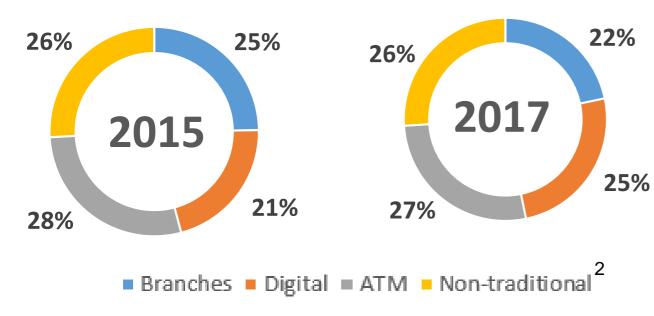
stable to negative.

Other Relevant Facts

- > December: Real Estate sale of COP\$146 billion which generated a net income of COP \$36.5 billion.
- December: The bank received a COP\$24 billion income from the merger between Deceval S.A (Colombia's Central Securities Depository) and the BVC (Colombian Stock Exchange).
- January 2018: S&P affirmed the long term issuer credit rating of BBB- with stable outlook. March 2018: Moody's affirmed Baa3 rating and changed the outlook from

Digital Transformation

Transactions per channel¹



Digital

In 2017, transactions¹ increased 18% reaching a total of 82 million.

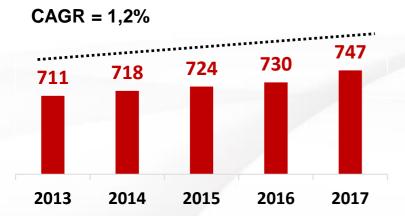
Daviplata: Δ 369%

Mobile App: Δ 111%

Web: Δ **17%**

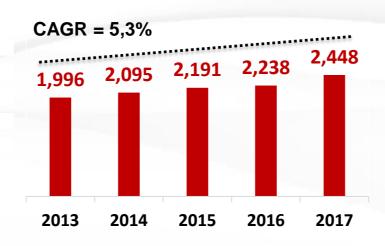
38% of active clients are digital³.

Branches



Transactions carried out at branches grew 1% Y/Y.

ATM



+ 190 ATMs in Colombia during 2017 11% Δ Y/Y.



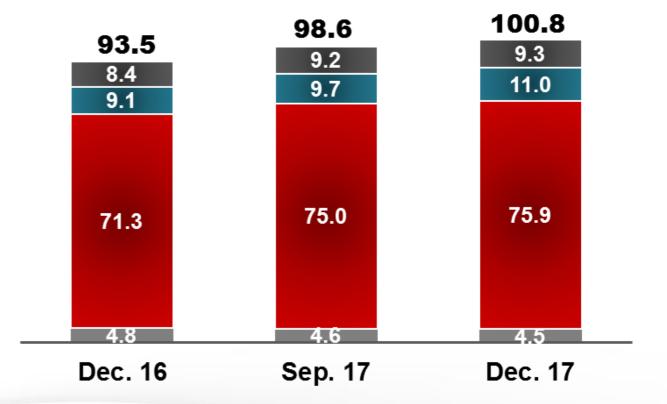
^{1.}Refers to monetary transactions.

^{2.}Non-traditional = Collection Office + Banking Correspondents + POS.

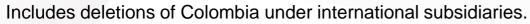
^{3.} Clients which had access to either the website or the mobile app during the last three months.

Consolidated Assets (COP Trillion)

	4Q17 / 3Q17	4Q17 / 4Q16
Cash	1.7%	11.3%
Investments, net	13.3%	21.3%
Loans, net	1.2%	6.5%
Other assets	(2.3%)	(6.6%)
Assets	2.2%	7.7%



Assets		Dec. 16	Sep. 17	Dec. 17	4Q17 / 3Q17	4Q17 / 4Q16
Colombia		72.0	75.9	77.8	2.5%	8.0%
International	COP	22.7	23.6	23.9	1.5%	5.6%
International	USD\$1	7.6	8.0	8.0	(0.1%)	6.2%



^{1.} Figures under USD Billions. COP devaluated 1.6% during 4Q17 and revaluated 0.6% on a yearly basis.



Consolidated Gross Loans

(COP Trillion)

			Dec. 16	Sep. 17	Dec. 17
Gross Loans	1.3%	7.3%			
Commercial	(0.38%)	3.3%	38.3	39.7	39.5
Consumer	2.0%	9.6%			
Mortgage	4.2%	14.1%	18.9	20.3	20.7
	4Q17 / 3Q17	4Q17 / 4Q16	15.8	17.5	10.0
			72.9	17.3	18.0

Gross Loans		Dec. 16	Sep. 17	Dec. 17	4Q17 / 3Q17	4Q17/4Q16
Colombia		57.4	61.7	62.5	1.2%	8.8%
International	COP	15.5	15.5	15.7	1.6%	1.4%
International	USD\$ 1	5.2	5.3	5.3	(0.0%)	1.9%



^{1.} Figures under USD Billions. COP devaluated 1.6% during 4Q17 and revaluated 0.6% on a yearly basis.

Consolidated NPL and Coverage (%)

		NPL ¹ > 90 days	6
	4Q16	3Q17	4Q17
Commercial	1.43%	2.81%	2.55%
Consumer	2.64%	2.68%	2.63%
Mortgage	2.58%	3.23%	3.35%
Total (90)	1.99%	2.87%	2.76%
Mortgage ² (120)	1.85%	2.35%	2.52%
Total ³ (120)	1.83%	2.67%	2.56%

	Coverage⁴				
	4Q16	3Q17	4Q17		
Commercial	131.2%	102.4%	121.0%		
Consumer	179.0%	177.6%	181.7%		
Mortgage	17.5%	16.8%	16.4%		
Total	115.7%	99.3%	107.1%		

	Total Reserves Coverage ⁵				
	4Q16	3Q17	4Q17		
Commercial	226.6%	140.7%	156.8%		
Consumer	250.0%	257.1%	273.5%		
Mortgage	94.6%	71.9%	71.3%		
Total	197.6%	151.9%	162.3%		

- 1. NPL: Loans > 90 days / Gross Loans Portfolio
- 2. Mortgage >120 days / Gross Loans Portfolio
- 3. Total (120) includes: Mortgage > 120 days, Commercial > 90 days, Consumer > 90 days
- 4. Coverage: P&L Allowances / Loans >90 days
- 5. Reserves: (P&L Allowances + Equity Allowances) / Loans > 90 days



Consolidated Funding Sources (COP Trillion)

Net Loans / Funding Sources

			0.0%	4Q17 / 3Q17 4.1%	Demand Deposits
29.3	29.6	05.7	14.3%	(0.8%)	Term Deposits
		25.7	25.3%	10.8%	Bonds
12.0	10.8	9.6	8.7%	7.3%	Credits
9.7	9.0	8.9	8.8%	3.6%	Funding Sources
	9.0 Sep. 17	8.9 Dec. 16	8.8%	3.6%	Funding Sources

Funding Source	es	Dec. 16	Sep. 17	Dec. 17	4Q17 / 3Q17	4Q17 / 4Q16
Colombia		59.0	61.8	64.6	4.6%	9.6%
International	COP\$	19.2	20.3	20.4	0.5%	6.1%
	USD\$1	6.4	6.9	6.8	(1.1%)	6.7%

91.2%

91.5%

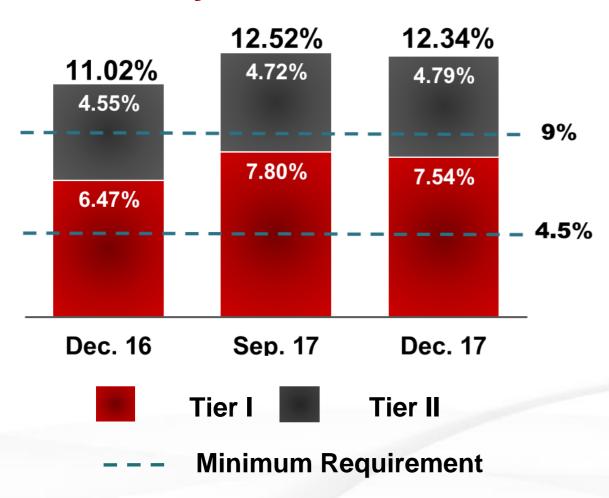


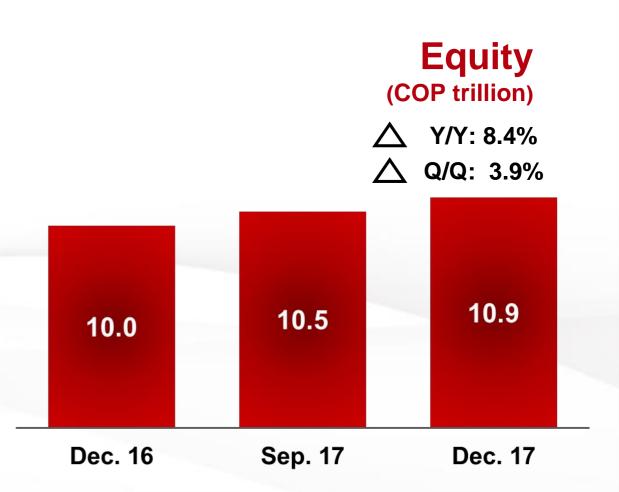
89.3%

^{1.} Figures under USD Billions. COP devaluated 1.6% during 4Q17 and revaluated 0.6% on a yearly basis.

Consolidated Capital Structure

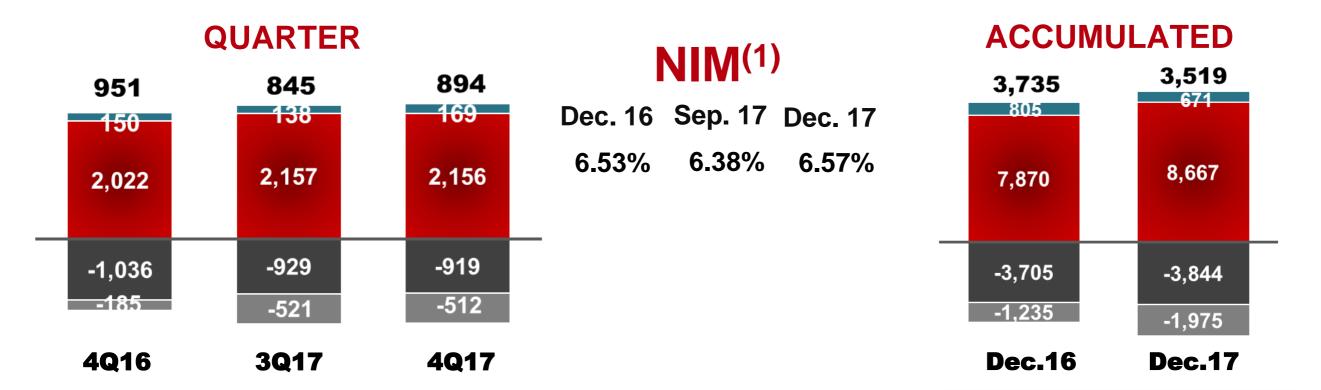
Solvency



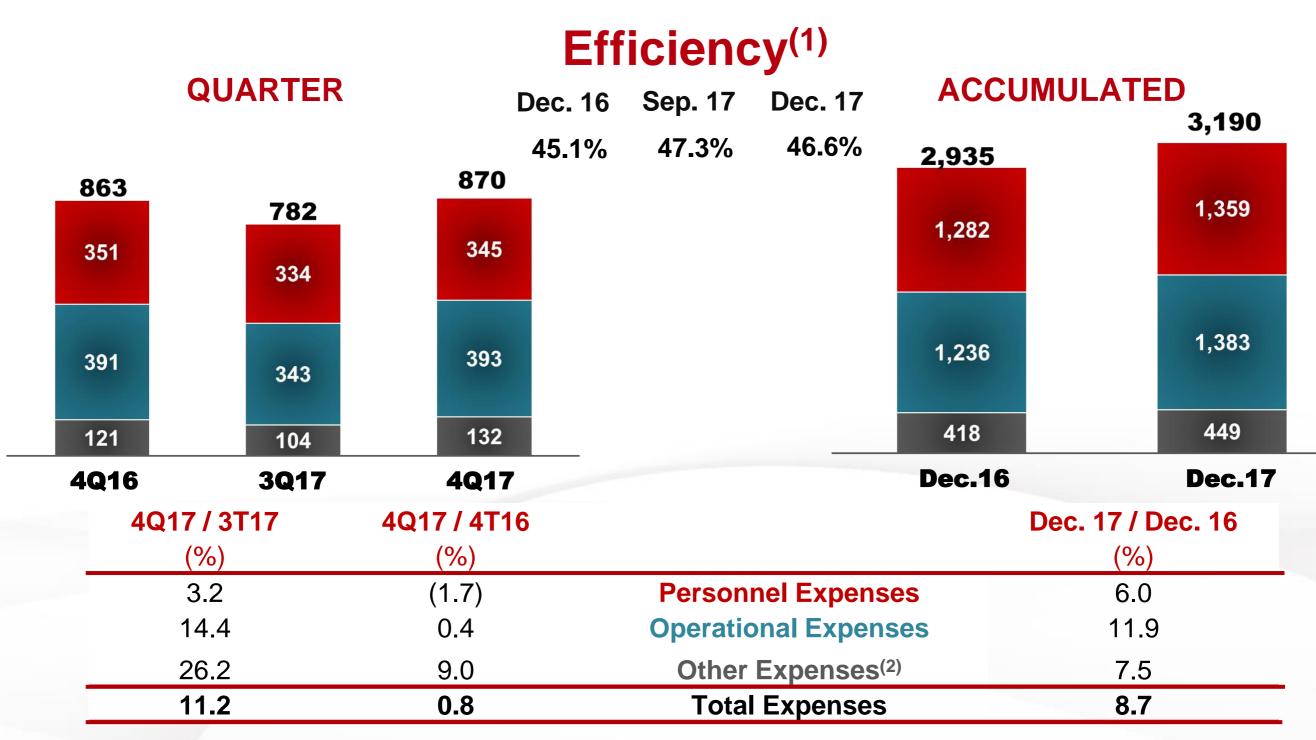




Consolidated Financial Margin, Net (COP Billion)



4Q17 / 3Q17	4Q17 / 4Q16		Dec. 17 / Dec. 16
(%)	(%)		(%)
(0.1)	6.6	Loan Income	10.1
22.2	12.9	Investment Income, Interbanks	(16.7)
1.3	7.0	Financial Income	7.6
(1.1)	(11.3)	Financial Expenses	3.8
2.9	23.7	Financial Margin, Gross	10.5
(1.8)	176.6	Allowances	60.0
5.8	(6.0)	Financial Margin, Net	(5.8)



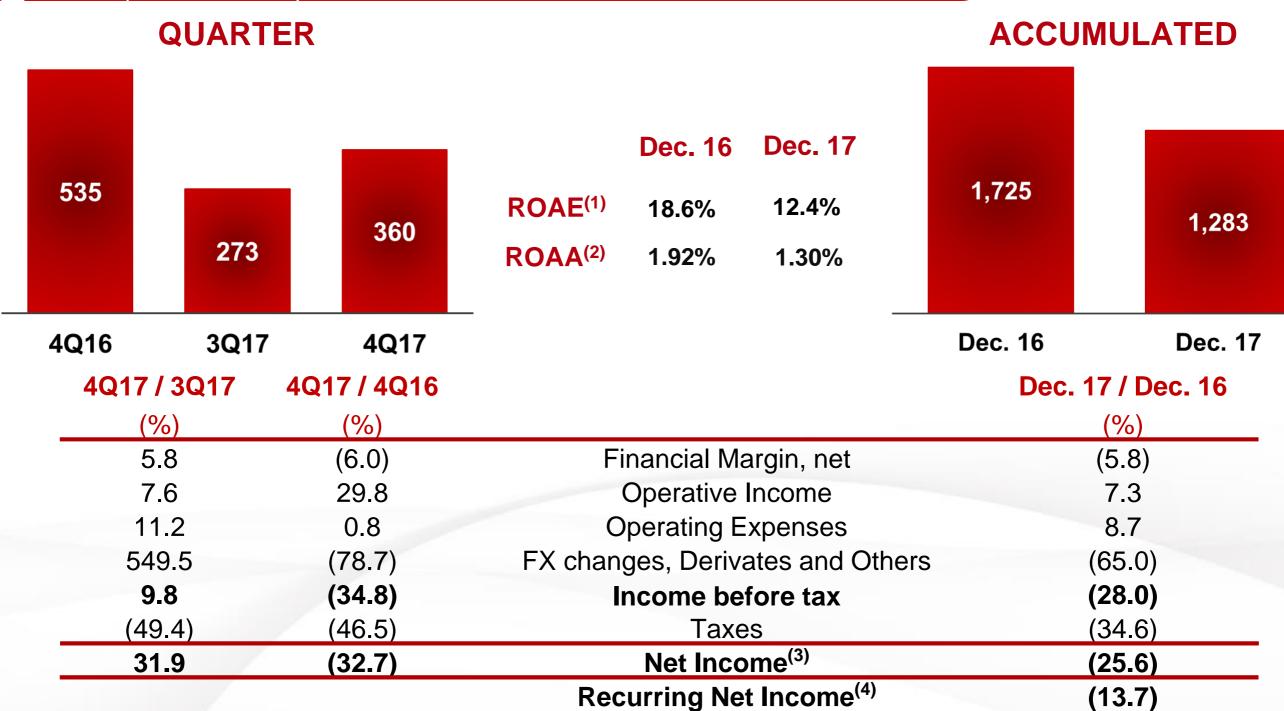
^{1.} Efficiency (12 Months) = Operative Expenses / (Gross Financial Margin + Operational Income + Other income & Expenses).



^{2.} Other Expenses includes Amortization and Depreciation, Intangibles Amortization, Taxes and Security Deposit. Devaluation on average exchange rate was 0.4% Q/Q and revaluation was 3.3% Y/Y

Consolidated Net Income

(COP Billion)



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



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

^{3.} Net Income after deletions, homologations and homogenizations

^{4.} Accumulated Recurrent Net Income Dec 16: \$1,418; Dec 17: \$1,224

Devaluation on average exchange rate was 0.4% Q/Q and revaluation was 3.3% Y/Y



Thank You!

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