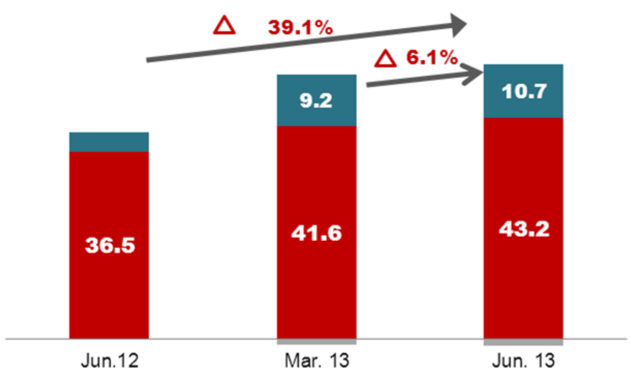
DAVIVIENDA ANNOUNCES CONSOLIDATED RESULTS FOR THE SECOND QUARTER OF 2013

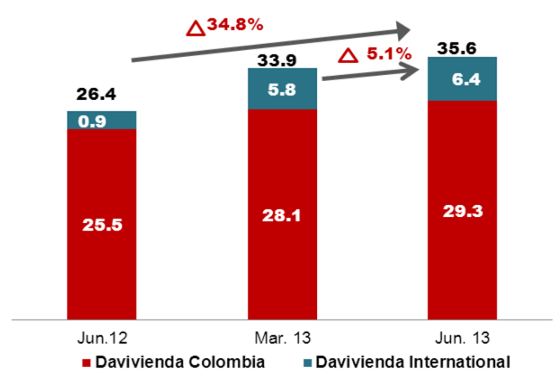
Bogotá, August 15, 2013 - Banco Davivienda (BVC: PFDAVVNDA), ("the Company", "Davivienda" or the "Bank"), a leading commercial bank in the Colombian financial market and a subsidiary of Grupo Bolivar, announced its consolidated results today for the second quarter (Q213) period ended June 30, 2013. Figures are expressed in Colombian Pesos ($) and were prepared in accordance with generally accepted accounting principles in Colombia.

KEY FINANCIAL DATA PERFORMANCE

Assets (trillions)[1]



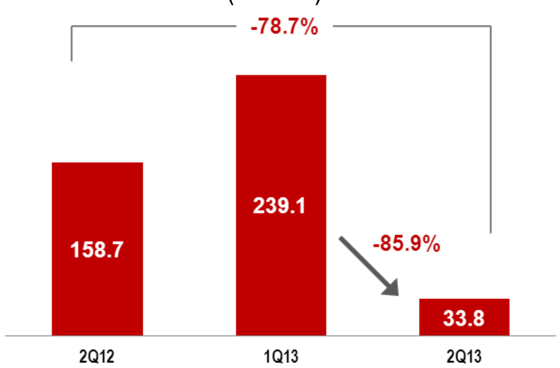
Portfolio (trillions)



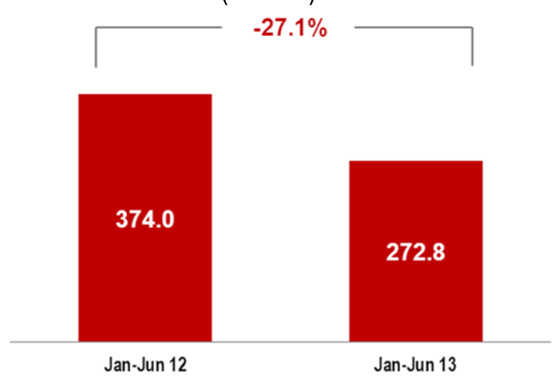
■ Davivienda Colombia ■ Davivienda Internacional

Consolidated Net Income

Quarterly
(billions)



Accumulated
(billions)



[1] Total Assets include eliminations and reclassifying for $0.2 trillion as of June 2012, $1.2 trillion as of March 2013 and $1.3 trillion as of June 2013.

MAIN CONSOLIDATED RESULTS

Second Quarter 2013 (Q2-13)

- Net income in the second quarter was $33.8 billion, down 85.9% from Q113, and 78.7% compared to Q212, mainly due to investment portfolio losses in the amount of $192.7 billion, resulting from volatility in the international financial markets and the local market following announcements by the US Federal Reserve in the month of May. Accumulated net income for the first half of the year closed at $272.8 billion, 27.1% less than the first half of the previous year. International subsidiaries net income were $54.6 billion, accounting for 20.0% of consolidated net income.

- Financial income for the quarter was reported at $828.2 billion, representing a decrease of 29.4% compared to Q113 and 12.3% compared to Q212, mainly due to the devaluation of fixed-income investments. Portfolio revenue grew 1.1% compared to Q113 and 18.7% compared to Q212. This was due to growth in the mortgage and commercial loan portfolios. Accumulated financial income at the close of June 2013 was reported at $2.0 trillion, with a 6.4% increase compared to the first half of 2012.

- Operational expenditures for the quarter were $591.6 billion, growing 5.1% compared to Q113. After discounting non-recurring expenses from Daviplata, international operation and bond issuance, operational expenditures grow 5.1% compared to Q212.

- Consolidated assets at close of this quarter were $52.6 trillion, growing a 39.1% compared to Q212. From these, net loan portfolio[2] was reported at $35.6 trillion, representing 67.8% and investments[3] were reported at $8.2 trillion, representing 15.5% of consolidated assets. International subsidiary Assets totaled $10.7 billion representing a 19.8% of consolidated assets.

- The gross loan portfolio closed at $37.3 trillion, growing 4.9% compared to close of March 2013, and 34.4% compared to the same period of the previous year. This was attributed to the 6.3% growth in the commercial loan portfolio and the inclusion of new subsidiaries in Central America with a gross loan portfolio of $6.6 trillion at the close of June 2013.

- The delinquent portfolio quality indicator[4] was 1.84%, 4 basis points below the indicator reported in Q113. Portfolio provisions in the amount of $1.7 trillion, resulted in a coverage of 243.5%. Provisions represent 4.5%[5] of the gross loan portfolio, exhibiting a better performance of the consumer portfolio were the expenses of provisions decrease a 12.4%.

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[2] Net loan portfolio: gross loan portfolio – provisions.
[3] Investments after valuation and devaluation.
[4] Nonperforming loans > 90 days.
[5] Provisions / gross loan portfolio.

- Funding sources[6] were $43.8 trillion, resulting in a portfolio to funding source ratio[7] of 81.4%, 41 basis points more than Q113.

- Net profit per share[8] at the end of Q213 was $87.24, down $359 when compared to Q113. Return on Average Equity (ROAE)[9] as reported at close of June 2013 was 10.7%, compared to 13.2% for Q113 and 15.7% as of June 2012. Return on Average Equity (ROAE) for International operations at June 2013 was 8.7%.

- As of June 30, 2013, Davivienda had 6.6 million customers[10], 743 branches, 1,977 ATMs, 15,558 employees and operations in 6 countries.

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[6] Funding sources = total deposits + bonds + institutional loans.
[7] Ratio: net loan portfolio / (total deposits + bonds + institutional loans).
[8] Net profit per share of Banco Davivienda S.A.
[9] ROAE = net income (12 months) / average equity.
[10] This includes 1.7 million DaviPlata customers.

HIGHLIGHTS

Davivienda increased its presence in Colombia through the DaviPlata Service Points.

**DaviPlata:
537 municipalities
1,700 company agreements
and 1.7 million customers.**

Thanks to the 2,391 DaviPlata service points[11], Davivienda has reached more customers in Colombia, operating in 537 municipalities, covering 90% of the departments in the country. DaviPlata has made approximately 1,700 agreements with companies and 1.7 million customers, 1.1 million of which were first-time customers of the banking system.

During the second quarter and the month of July, nearly 750,000 incentives were paid to beneficiaries of the *Más Familias en Acción (More Families in Action), Jóvenes en Acción (Youth in Action), Incentivos a la Capitalización y el Empleo (Incentives to Capitalization and Employment), and Familias en su Tierra (Families on Their Land)* social programs of the National Government's Department of Social Prosperity.

Davivienda was recognized as a leader in financing inclusion through DaviPlata.

During the quarter, there were 1.2 million more queries than the previous quarter and the number of monetary transactions carried out through DaviPlata tripled, reaching $420 billion.

Finally, in early July, Davivienda received recognition from the Banca de Oportunidades (Government's Bank of Opportunities) for leading the financing inclusion process in the country through DaviPlata.

Progress in the acquisition of Corredores Asociados

On May 17, 2013, Davivienda was authorized by the Colombian Financial Superintendence to purchase Corredores Asociados and on May 29, the Colombian Stock Exchange authorized the transaction. Davivienda is awaiting authorization from Panama regulators and the transaction is expected to be carried out before the end of Q313.

Extraordinary Shareholders' Meeting

The Shareholders Assembly agreed to reorganize equity.

With Decree 1771 entering into effect in August, changing the calculation of the minimum solvency ratio for credit institutions in Colombia and requiring, among other things, for equity to be represented mainly by capital accounts, premium paid in capital and legal reserve, the Bank's Shareholders' Assembly, at the special session held on June 19, 2013, agreed to reorganize its equity based on two decisions: first, it approved the transfer of $169 billion from "Reserve funds available to the Assembly" to "Legal Reserve", and second, it agreed to release reserve funds that are "not taxed if

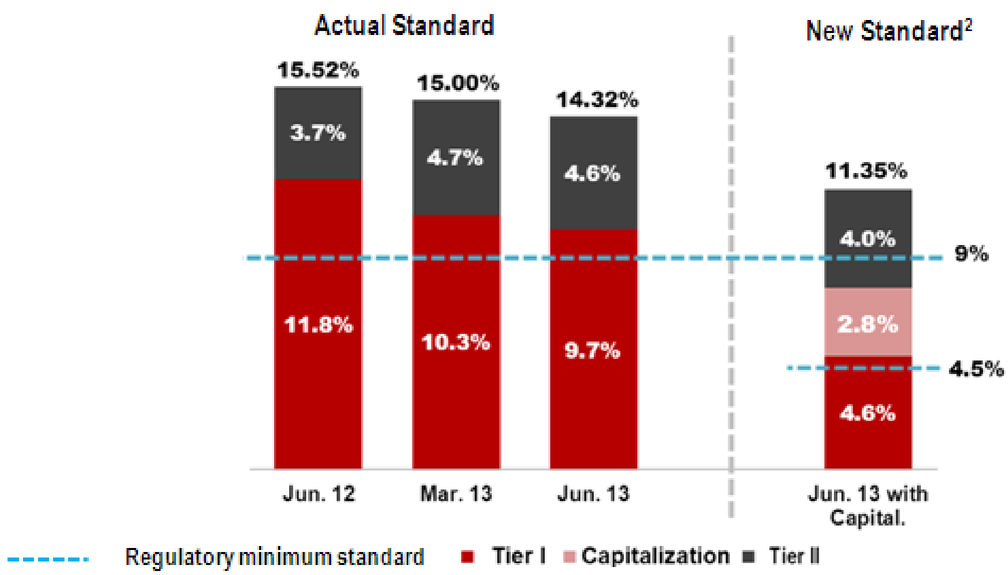
[11] The DaviPlata Network of Offices includes 2,179 shopkeepers, 210 "Celucompra commerce points, and 2 ATMs

Dividends in the amount of $1.15 trillion were paid on shares by increasing the nominal value per share by

capitalized" in the amount of $1.15 trillion. These funds will be used to pay dividends on shares in the same amount at $2,852 per share. This dividend was paid out by a $15 increase in the nominal value of the share, bringing it from $125 to $140. These transactions were carried out on July 18th, 2013.

It is important to point out that the total number of shares outstanding did not change[12]. According to the release and reclassification of reserves, Davivienda's equity was not modified either.

Consolidated solvency and proforma calculation as of June 2013



Equity was reorganized, transferring from occasional reserves accounts to capital accounts $1.3 trillion increasing Davivienda's TIER 1 capital, under new regulation as of June 2013 to 11.35%.

In addition, the closing of accounting periods was changed from semi-annual to annual at the same Extraordinary Shareholders' Meeting.

Housing Fair

486 construction companies participated with 913 projects in 692 showrooms, and 53 thousand loans were pre-approved in the amount of $4.3 trillion.

In line with the *Plan de Impulso para la Productividad y el Empleo del Gobierno Nacional (National Government's Plan to Boost Productivity and Employment*, PIPE Plan), Davivienda successfully carried out its Housing Fair in late April and early May, reaching 23 new cities.

486 construction companies took part in the fair with 913 projects in 692 showrooms and 53 thousand loans were pre-approved in the amount of $4.3 trillion. As of June 30th, 11.7 thousand loan applications were approved in the amount of $1 trillion, and

[12] Banco Davivienda's total shares outstanding are still 444,214,234.

861 loans were disbursed in the amount of $93.4 billion, increasing disbursements by 18.1% compared to Q113 and 40.6% compared to the same quarter in 2012. During the second half of the year the remaining disbursements are expected to be completed. Normal growth in disbursements without considering the results of the fair would have been 2.3% compared to Q113 and 21.8% compared to Q212.

Loan Portfolio Securitization

In May 2013, Davivienda securitized 3,350 deals in the amount of $304 billion in TIPS Pesos, reaching $1.9 trillion in the securitized account as of June 30, 2013.

Credit Risk Rating Changes

On July 12, 2013, Moody’s Credit Rating Agency revised Banco Davivienda S.A. outlook from negative to stable, and kept unchanged all ratings for the Bank.

On July 18, 2013, Fitch Ratings Agency kept unchanged the ratings for Banco Davivienda El Salvadoreño S.A. at BB+ and revised its outlook to negative from stable.

MAIN BUSINESS RESULTS

Consumer

During Q213, consumer disbursements totaled $2.6 trillion, representing growth of 11.1% compared to Q113. Payroll loan disbursements were made in the amount of $561 billion, up 49.9% over Q113 and up 13.2% over Q212.

Credit card disbursements during Q213 were made in the amount of $1.6 trillion, the outstanding balance grew 20.0% when compared to same quarter last year. Accordingly, Davivienda continues to lead the market in credit card loans, with 18.6%[13] market share.

Mortgages

Mortgage loan disbursements grew 40.6% compared to the same quarter of the previous year, and 18.1% compared to Q113, closing at $697 billion. The Bank continues to lead the market in social housing loans, with 37.6% market share[14].

For the Government's 100 thousand free homes program, Davivienda continued to fund construction during the quarter, reaching a total of 22,400 families.

Commercial

In Q213, SME loans were made in the amount of $736 billion, up 36.1% compared to Q113 and 23.1% compared to Q212.

Construction loan disbursements were made in the amount of $603 billion, up 55.7% compared to Q113 and 77.6% compared to Q212.

Regarding the 100,000 Free National Government Housing Program, Davivienda continued with construction financing reaching a total of 22,400 families benefited.

Finally, the corporate loan portfolio grew by 6.3% compared to Q113, with the capital investment, coffee, telecommunications and infrastructure sectors receiving the most disbursements during the quarter.

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13 Source: Colombian Financial Superintendence, Credit and Debit Card Reports, figures at the close of May 2013; share based on balance.

14 Source: Asobancaria at closing of May 2013.

MACROECONOMIC OVERVIEW

The FED announcements and the lower growth expectations in emerging countries increased TES rates.

Certainly, one of the most important events during the second quarter of the year was the statements made by the president of the US Federal Reserve and the effect of these statements on bond yields around the world. Due to the good performance of certain growth indicators in the economy, those pertaining to the real estate market in particular, the plans to standardize the monetary policy began to be outlined by the institution. It is most likely that there will be a reduction in the purchase of mortgage and treasury securities over the next few months and an increase in interest rates in subsequent years, probably by mid-2015.

The portfolios of financial institutions in Colombia were devalued.

These announcements, along with the lower growth expectations of emerging countries that produce raw materials, led to an increase in the rates of return on US Treasury Bonds and an increase in risk aversion and capital outflows in emerging countries. Colombia was no exception: there were TES portfolio liquidations with the consequent devaluation of the portfolios of financial institutions, particularly pension funds, trusts, insurance companies and other financial entities.

Colombia

There was 2.8% real annual growth in the Colombian economy in Q113. The fastest growing sectors during the first quarter this year were: construction growing at a rate of 16.9%, social and community services, growing at a rate of 4.5%, financial institutions and the utilities sector (electricity, water and gas), both growing at a rate of 3.4%. The industrial sector was the only one that contracted, dropping at a rate of -4.1%.

In Colombia:
GDP: 2.8% real annual
Inflation: 2.16%
Exchange Rate: $1,929

Despite signs of weak economic growth reported in Q113, several figures for the month of June suggested a break in the trends observed in the first part of the year. There was significant growth in consumer confidence and home sales, and a moderate revival of consumption in general.

In addition, annual inflation at the end of Q213 reached 2.16% This figure, which is within the target range established by the Central Bank of Colombia, shows a sharp drop compared to the 3.20% inflation observed in Q212, mainly due to food prices, which dropped during most of the quarter since there were no extreme weather events, the 16% VAT charged on foods purchased when dining out reduced to a consumption tax of 8%, and the increase in the domestic supply due to the drop in food exports to Venezuela.

Since economic growth and inflation were within the Central Bank's expectations, the intervention rate remained constant during the quarter at levels around3.25%.

In the foreign currency exchange market, the Peso maintained a downward trend during the second quarter of the year. At the beginning of the quarter, the exchange rate was $1,832 per US dollar, rising to $1,942 on June 25, and ending the quarter at $1,929 per US dollar. The increased Colombian Peso to United States Dollar exchange rate was due to external and internal factors. External factors include the appreciation of the US Dollar worldwide and the outflow of capital from emerging countries, in response to statements made by the president of the US FED, the country's deteriorating foreign currency exchange terms and a drop in revenue generated through exports. Another important external factor is that foreign direct investment decreased compared to the same period of the previous year.

Internal factors that led to the increased devaluation include the verbal intervention of senior government officials on the need to encourage devaluation as a tool to defend the competitiveness of Colombian products, the procurement of dollars by the Central Bank of Colombia and measures related to the substitution of foreign debt with domestic borrowing for Ecopetrol, and the publication of a bill on minimum profitability of pension funds announced as an instrument to drive the procurement of foreign currencies by these entities.

Central America

The results of GDP growth for Q113 were published in June for Costa Rica, Panama and El Salvador. Panama grew 7%, while El Salvador and Costa Rica grew 1.4% and 1.2%, respectively, confirming the slowdown of these economies. In addition, Honduras' Monthly Economic Activity Indices (IMAE for the Spanish original) published in April show the same trend with growth of only 1.6%.

At the end of the quarter, Honduras' annual inflation was the highest of all the economies at 5.3%, returning to the midpoint of target inflation projected by the country's monetary authorities. Costa Rica on the other hand, has remained within the inflation goal, reporting 5.1%, with underlying inflation of 2.62%[15], resulting in a highly stable market. Lastly, Panama and El Salvador, which do not have goals because they are completely dollarized economies, reported inflation of 4.1% and 0.9%, respectively.

In the second quarter of the year, Costa Rica maintained a relatively constant foreign currency exchange rate compared to that reported during the first three months of the year. On average, the sale exchange rate remained steady at approximately 504.6 Colones (per Dollar) in April and 504.4 Colones in June. To that end, it should be noted that fewer dollars were purchased between April and June (US $142.3 million) by the Central Bank of Costa Rica (BCCR)[16], due to intervention on the lower limit of the band, than between January and March of this year (US $549.8 million).

On another note, the economic authorities of Honduras, in line with the "drop by drop" devaluation pattern, allowed a slight devaluation of the Lempira, which rose from 20.14 in January 2013 to 20.52 in June. Therefore, the average devaluation between January and June 2013 was 1.9%.

With regards to international reserves, they have increased considerably in Costa Rica since April (the date of the second issue of Eurobonds for a total of US $1,000 million). International reserves measured as months of imports went from representing 6.4 months in March to 9.6 months in June.

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[15] The underlying Inflation allows price shocks of regulated agricultural goods and products.
16 Central Bank of Costa Rica.

Lastly, international reserves in Honduras increased in March (first issue of US $500 million in Government Bonds), reaching a maximum of 3.91 months of imports. However, they went down again in May, dropping to 3.57 months.

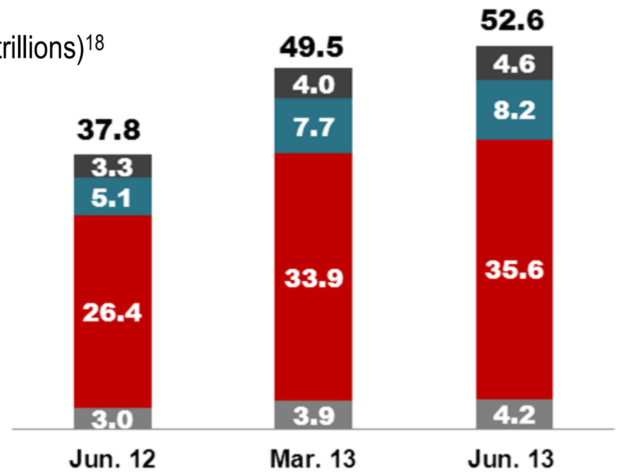
BALANCE SHEET

Assets

Consolidated assets as of June 2013 were $52.6 trillion, 6.1% higher than in Q113 and 39.1% higher than Q212, with net loan portfolio growth of 5.1% and 34.8% respectively. Assets in Colombia grew 3.9% compared to Q113 and 18.5% compared to Q212, mainly due to the 4.2% increase in the net loan portfolio compared to Q113 and 14.6% compared to Q212. Investments portfolio grew 3.8% compared to Q113 and 56.9% compared to Q212, of which securities increased 34.0% as part of the liquidity strategy of the bank. Consolidated ROAA[17] at the close of Q213 was 1.31% and 1.42% in Colombia.

Changes in Consolidated Assets (trillions)[18]

	Consolidated		Colombia
	Q/Q	Y/Y	Y/Y
Cash	13.8%	40.7%	-12.1%
Investments, net	6.7%	60.3%	56.9%
Loans, net	5.1%	34.8%	14.6%
Other assets	6.1%	38.3%	20.3%
Asset	6.1%	39.1%	18.5%



ROAA	1.96%	1.71%	1.31%

Assets	Jun. 12	Mar. 13	Jun. 13	Q/Q	Y/Y
Colombia	36.5	41.6	43.2	3.9%	18.5%
International (19)	1.5	9.2	10.7	16.0%	611.4%

In Colombia, the increase in assets compared to Q113 is mainly due to growth in the mortgage, corporate loan, and investment portfolios. Assets of international subsidiaries totaled $10.7 trillion, 16.0% more than reported at close of March 2013, due to the 9.1% and 10.3% growth in the commercial and consumer loan portfolios respectively, as well as the $387.7 billion increase in cash in Panama.

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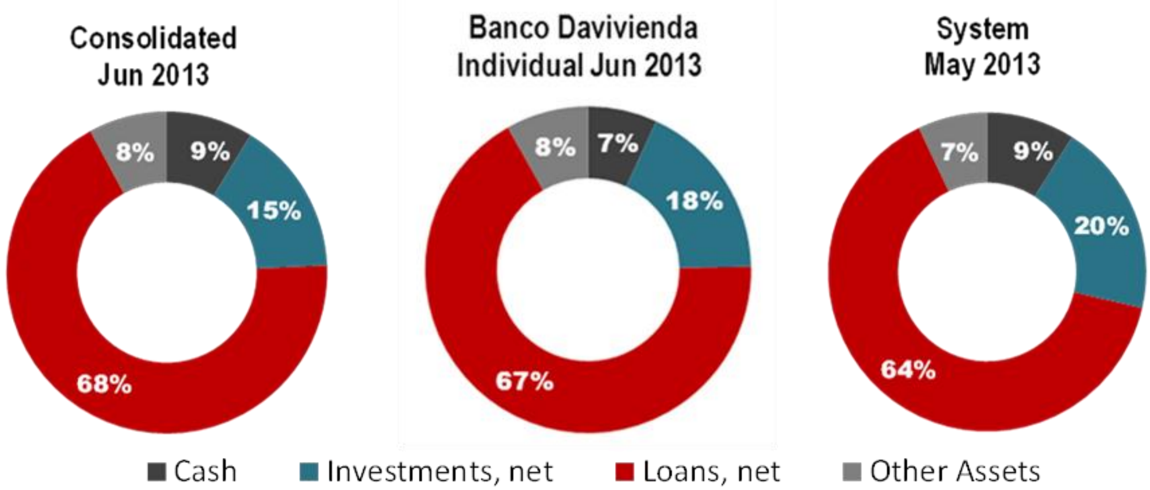
[17] ROAA = net income (12 months) / average assets.

[18] Other assets include property, plant and equipment, assets received in payment, net, estimated expenses and deferred charges, goodwill and others.

[19] Davivienda International includes: Panama, El Salvador, Costa Rica and Honduras.

Asset Composition (%)



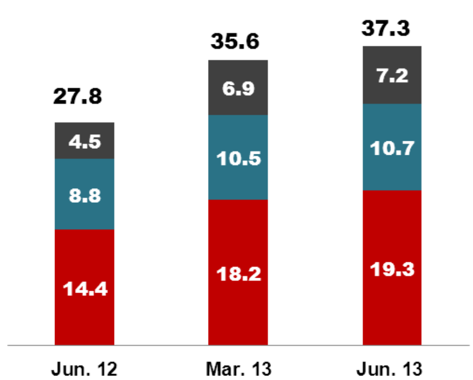
Cash and Interbank Loan

Consolidated cash at the end of June 2013 was $4.6 trillion, reflecting growth of 13.8% compared to Q113 and 40.7% compared to Q212, mainly due to the cash increase in the international subsidiaries, particularly in Panama. Cash in Colombia totaled $2.7 trillion, a 2.5% increase compared to Q113 and a 12.1% decrease compared to Q212.

Gross Loan Portfolio

By the end of June 2013, the consolidated loan portfolio totaled $37.3 trillion, $1.7 trillion more than Q113, mainly due to the growth in the commercial and mortgage portfolios.

Consolidated Gross Loan Portfolio Performance (trillions)



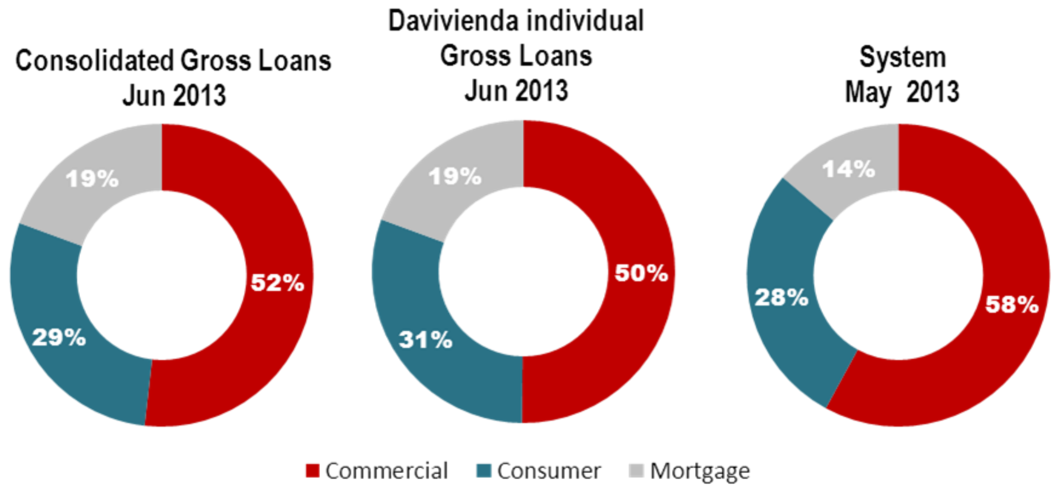
	Consolidated		Colombia
	Q/Q	Y/Y	Y/Y
Mortgages (20)	5.3%	61.2%	32.8%
Consumer	2.2%	21.4%	5.9%
Commercial (21)	6.3%	34.1%	13.9%
Gross Loans	4.9%	34.4%	14.4%

[20] Mortgage with housing leasing
[21] The commercial loan portfolio includes microcredit.

Gross Loans	Jun. 12	Mar. 13	Jun. 13	Q/Q	Y/Y
Colombia	26.8	29.5	30.7	4.1%	14.4%
International (22)	0.9	6.1	6.6	8.8%	615.7%

The gross loan portfolio in Colombia was $30.7 trillion, a 4.1% increase compared to Q113 and 14.4% increase compared to Q212. The commercial loan portfolio experienced outstanding growth of 5.6% compared to Q113 and 13.9% compared to the same period in 2012. The mortgage portfolio also increased by 5.0% and 32.8%, in Q113 and Q212, respectively. In the international arena, the gross loan portfolio closed at $6.6 trillion, an 8.8% increase compared to Q113, mainly due to the 9.1% increase in commercial banking, discounting variation effect of exchange rate the portfolio growth was 3.3%

Gross Portfolio Composition (%)

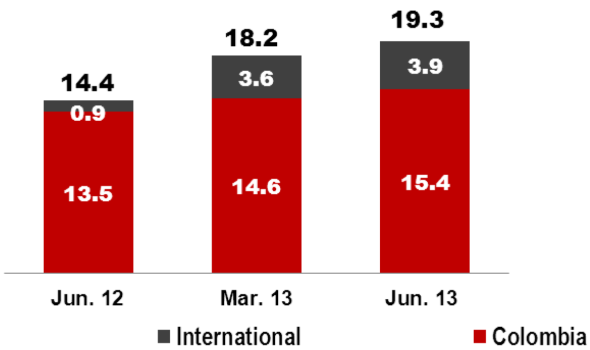


Commercial Portfolio

The commercial loan portfolio was reported at $19.3 trillion, a 6.3% increase compared to Q113 and 34.1% compared to Q212. The international commercial loan portfolio was reported at $3.9 trillion, growing 9.1% compared to the previous quarter. In Colombia, the commercial loan portfolio closed at $15.4 trillion, growing 5.6% over the previous quarter and 13.9% over the same period of the previous year.

[22] International includes: Panamá, El Salvador, Costa Rica and Honduras. International grew at 3.3% Q113 without exchange rate effects, explained by a 3.3% increase in commercial, 4.5% in consumer, and 0.8% in mortgage portfolio.

Commercial Loan Portfolio (trillions)



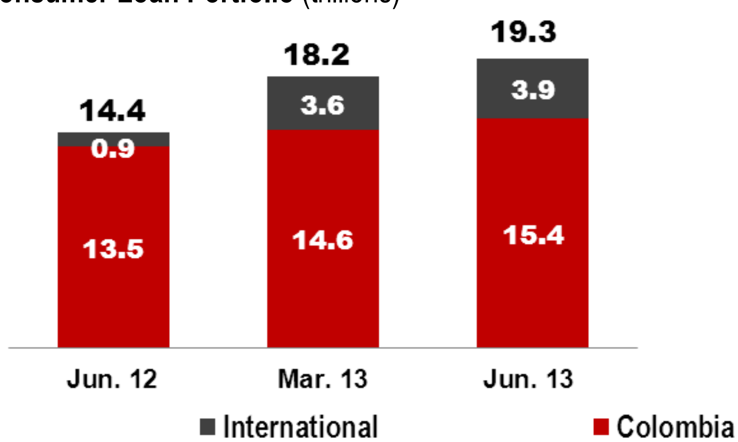
	Colombia		International	Consolidated
	Q/Q	Y/Y	Q/Q	Q/Q
Commercial	5.6%	13.9%	9.1%	6.3%

Consumer Loan Portfolio

The consolidated consumer loan portfolio totaled $10.7 trillion, growing 2.2% compared to Q113 and 21.4% compared to Q212. The international consumer loan portfolio was $1.4 trillion, growing 10.3% compared to the first quarter of the year.

In Colombia, the consumer loan portfolio was reported at $9.3 trillion, growing 1.0% compared to Q113 and 5.9% compared to Q212, mainly due to the 8.4% increase in payroll loan disbursements compared to the previous quarter and 18.1% compared to Q212.

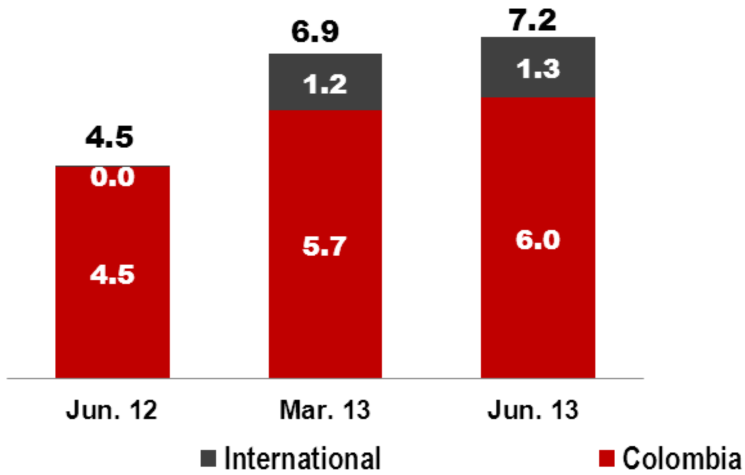
Consumer Loan Portfolio (trillions)



Mortgage Portfolio	Colombia		International	Consolidated
	Q/Q	Y/Y	Q/Q	Q/Q
Consumer	1.0%	5.9%	10.3%	2.2%

The consolidated mortgage portfolio totaled $7.2 trillion, reporting a 5.3% increase compared to Q113 and 61.2% increase compared to Q212. The mortgage portfolio of international subsidiaries was reported at $1.3 trillion, reflecting 6.4% growth compared to the previous quarter. The mortgage portfolio in Colombia was reported at $6.0 trillion, demonstrating growth of 5.0% compared to the previous quarter and 32.8% compared to Q212. Growth in this portfolio was 10.4% compared to Q113 and 39.6% compared to Q212, when including the $304 billion portfolio that the Bank securitized during the quarter through *Titulizadora Colombiana*.

Mortgage Portfolio (trillions)



	Colombia		International	Consolidated
	Q/Q	Y/Y	Q/Q	Q/Q
Mortgages	5.0%	32.8%	6.4%	5.3%

Portfolio Loan Quality by Type and Coverage

The consolidated[23] loan quality indicator at the end of Q213 was reported at 1.84%, 4 basis points less than that reported at the close of March 2013, mainly due to the commercial loan portfolio that dropped from a quality indicator of 1.34% at close of March 2013 to 1.23% at close of June 2013.

The loan quality indicator[24] in Colombia was 1.79%, 1 basis point higher than that reported at the end of the previous quarter. During the period, commercial portfolio loan quality improved by 7 basis points, going from 1.18% in Q113 to 1.11% at close of Q213, while mortgage portfolio loan quality was 16 basis points worse as a result of the securitization of $304 billion in current loans. Consumer loan portfolio quality decreased by 8 basis points due to a slower growth rate in this portfolio.

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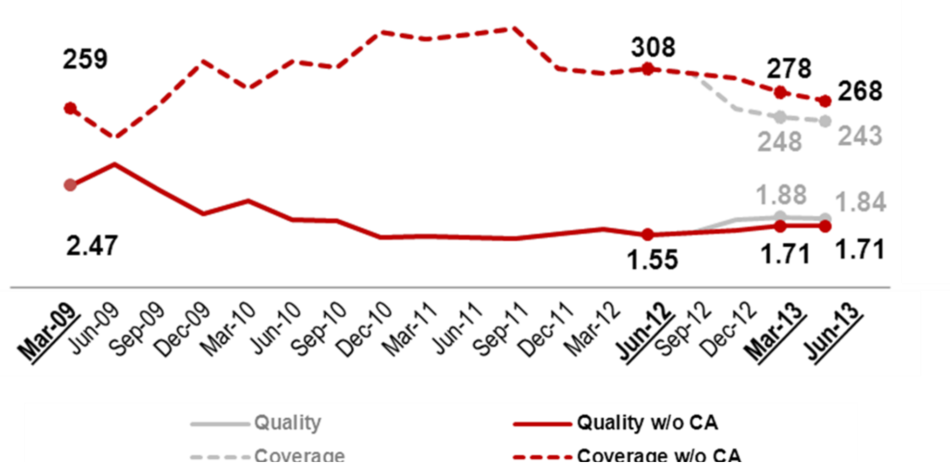
23 Quality: nonperforming loans > 90 days / total portfolio.
24 Quality: nonperforming loans > 90 days / total portfolio.

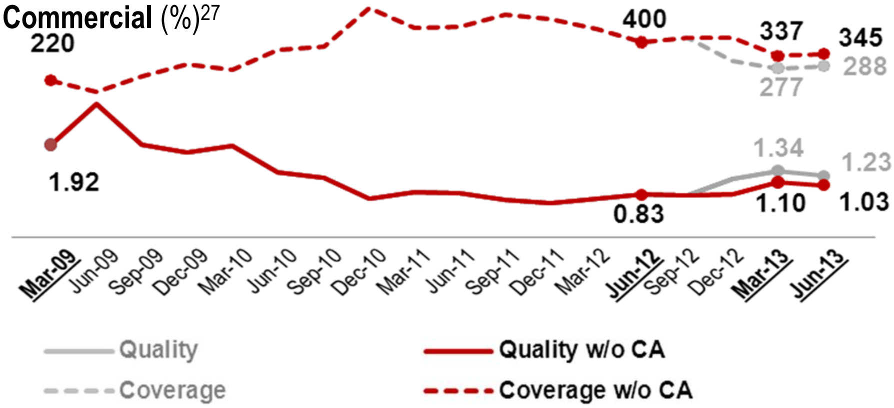
The consolidated level of coverage[25] at close of June 2013 was 243.5%, 504 base points lower than that reported in Q113, due to the decrease in the coverage of the consumer loan portfolio. This was a result of the change to the provisions method for the consumer auto loan portfolio, where the PDI parameter dropped from 75% to 50% because other collaterals are recognized as a guarantee. A rescoring for the structured consumer loans was conducted due to a change in scoring methodology in order to avoid volatility in ratings and the subsequent provisions effect of such volatility. The mortgage portfolio coverage also decreased, closing at 127.6% in June 2013, compared to 137.8% in March. This was due to release of provisions in housing leasing portfolio rated D and E, which was being provisioned 100%.

The international portfolio loan quality indicators improved mainly due to growth experienced by the portfolios during the quarter and the diminished non-performing loans in mortgages and commercial portfolios.

Total portfolio (%)[26]

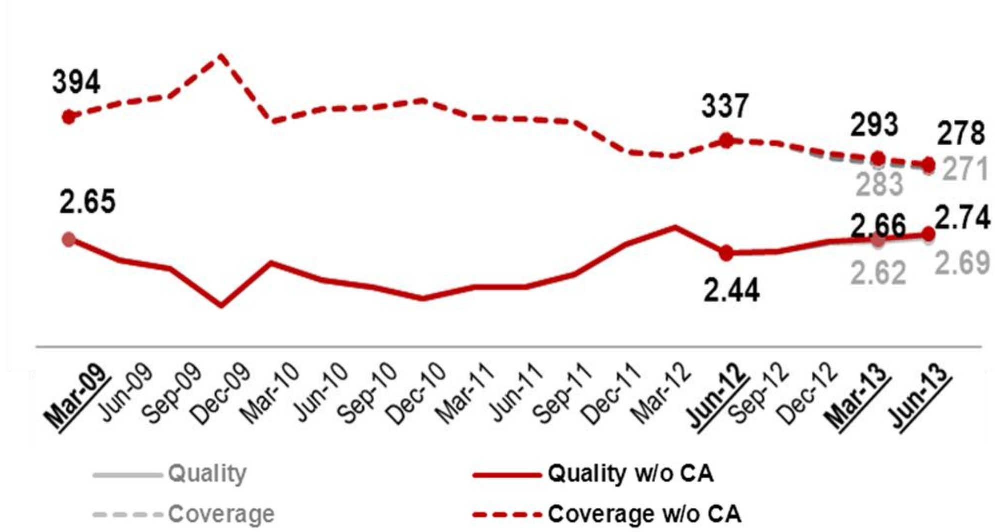


Commercial (%)[27]

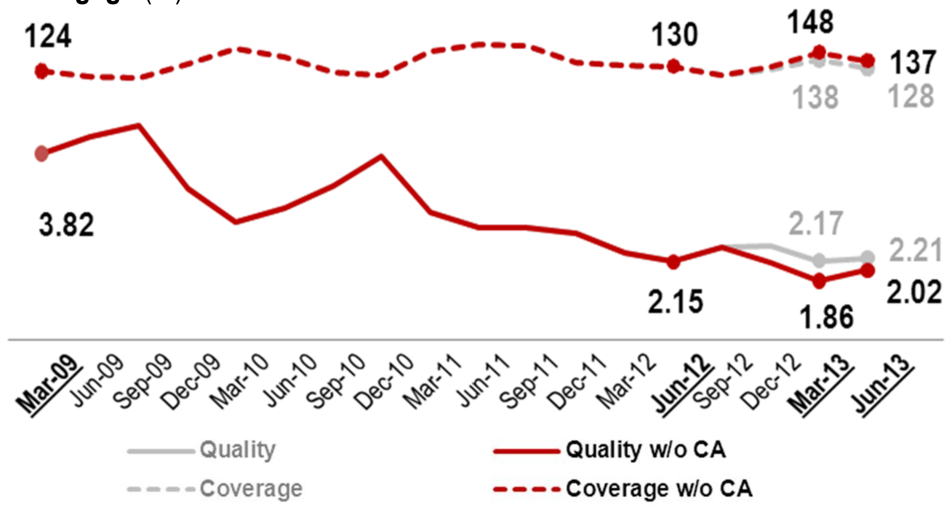


25 Coverage: provisions / non-performing loans > 90 days.
26 Quality and coverage without CA excludes subsidiaries in El Salvador, Costa Rica and Honduras.
27 Quality and coverage without CA excludes subsidiaries in El Salvador, Costa Rica and Honduras.

Consumer (%)[28]



Mortgage (%)[29]



Quality and coverage in Colombia (%)

Colombia	Quality		Coverage	
	1Q13	2Q13	1Q13	2Q13
Commercial	1.19%	1.12%	320.4%	325.5%
Consumer	2.67%	2.75%	293.3%	277.9%
Mortgages	1.86%	2.02%	147.9%	137.1%
Total	**1.78%**	**1.79%**	**273.1%**	**262.1%**

[28] Quality and coverage without CA excludes subsidiaries in El Salvador, Costa Rica and Honduras.
[29] Quality and coverage without CA excludes subsidiaries in El Salvador, Costa Rica and Honduras.

International quality and coverage (%)

International	Quality		Coverage	
	1Q13	2Q13	1Q13	2Q13
Commercial	1.98%	1.68%	169.6%	190.7%
Consumer	2.26%	2.27%	198.6%	210.7%
Mortgages	3.62%	3.08%	113.1%	98.3%
Total	**2.36%**	**2.07%**	**158.3%**	**168.8%**

During the second quarter of the year, write-downs were made[30] in the amount of $242.0 billion. Of that amount $44.5 billion were recovered, resulting in net write-downs of $197.7 billion, equivalent to 0.5% of the gross loan portfolio at the end of June[31], representing an increase of 9.3% compared to Q113 and a decrease of 0.9% compared to Q212.

Net Investment Portfolio

At the end of June, the net investment portfolio closed at $8.2 trillion, 6.7% up from the previous quarter, mainly due to the 22.4% increase in debt securities available for sale in Colombia, and the 26.7% increase in investments in debt securities up to maturity by international subsidiaries, mainly in El Salvador acquisition of bonds guaranteed by Banco Central del Salvador for $300.1 billion.

When considering only the $7.6 trillion investment portfolio in Colombia, growth compared to Q113 was 3.8% as a result mainly of the increase in investments in debt securities available for sale. Compared to Q212, net investments grew 56.9%, due to investments in equity securities as a result of the acquisition of the new subsidiaries in Central America for $1.0 trillion, the 38.0% increase in negotiable debt securities and the increase of bonds available for sale in 17.5% for the same period.

Goodwill

By the end of the second quarter of 2013, goodwill was $1.6 trillion, down 1.0% compared to Q113 resulting from the amortization of Granbanco's goodwill in the amount of $12.6 billion and Central America's in the amount of $3.3 billion. Compared to Q212 goodwill increased by 41.3%.

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[30] Write-downs include nonrecurring write-downs.
[31] Net charges of Q213 of the gross loan portfolio.

Other assets

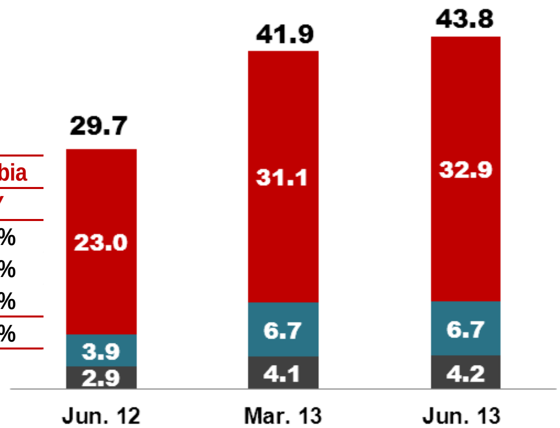
Assets received payments in kind were reported in the amount of $82.3 billion, growing 1.1% compared to Q113 and 94.1% compared to Q212 explained by the new international operations. Assets received as payments in kind by international subsidiaries, represented 63.2% of the consolidated balance, growing 2.3% compared to the previous quarter.

Liabilities

At close of June 2013, consolidated liabilities were reported in the amount of $46.9 trillion, growing 6.5% compared to the first quarter of the year and 43.5% compared to close of June 2012. International subsidiaries reported liabilities in the amount of $9.3 trillion and Colombia reported liabilities in the amount of $37.6 trillion, 4.4% up from the previous quarter and 20.0% up from Q212. This was a result of the international bond issue at the beginning of the year and the growth of fixed-term deposits.

Performance of Funding Sources[32] (trillions)

	Consolidated		Colombia
	Q/Q	Y/Y	Y/Y
Deposits	5.6%	43.3%	15.9%
Bonds	-0.1%	70.6%	65.3%
Credits	3.5%	45.7%	20.4%
Sources of Funding	4.5%	47.1%	23.1%



Loans Net/ Funding Sources	88.9%	81.0%	81.4%

Sources of Funding	Jun. 12	Mar. 13	Jun. 13	Q/Q	Y/Y
Colombia	28.4	34.3	35.0	2.0%	23.1%
International (32)	1.3	7.6	8.8	15.8%	562.7%

Deposits, bonds, rediscount loans and loans to banking correspondents were reported at $43.8 trillion, including $8.8 trillion reported by international subsidiaries, achieving a net loan portfolio to funding sources ratio[33] of 81.4%. Term funding sources[34] grew

[32] International includes Panamá, El Salvador, Costa Rica y Honduras.
[33] Funding sources = total deposits + bonds + institutional loans.
[34] Includes: CDTs, bonds and institutional loans.

5.0% compared to the previous quarter and 60.1% compared to Q212, while demand deposits increased 4.1% compared to Q113 and 35.3% compared to Q212.

In Colombia, deposits, bonds, rediscount loans and loans to banking correspondents were $35.0 trillion, reaching a net portfolio to funding source ratio of 83.6%, 176 basis points above that reported at close of March 2013.

Of the consolidated demand deposits, checking accounts grew by 7.5% compared to Q113 and 59.8% compared to Q212, while savings accounts grew 2.6% compared to the previous quarter and 28.3% compared to close at June 2012.

Consolidated term deposits were reported in the amount of $11.8 trillion, an increase of 8.6% compared to Q113 and 60.1% compared to Q212.

The consolidated bond balance was $6.7 trillion, of which 96.9% is the bond balance for Colombia, down 0.1% compared to Q113 due to maturity reached on local bond issuances for a total value of $90 billion, and 70.6% increase compared to the same quarter of the previous year. Results compared to Q212 are mainly due to bonds issued in the first quarter of the year and international bond issuance in July 2012.

Rediscount loans and loans to banking correspondents totaled $4.2 trillion, reflecting an increase of 3.5% compared to Q113 and 45.7% compared to Q212.

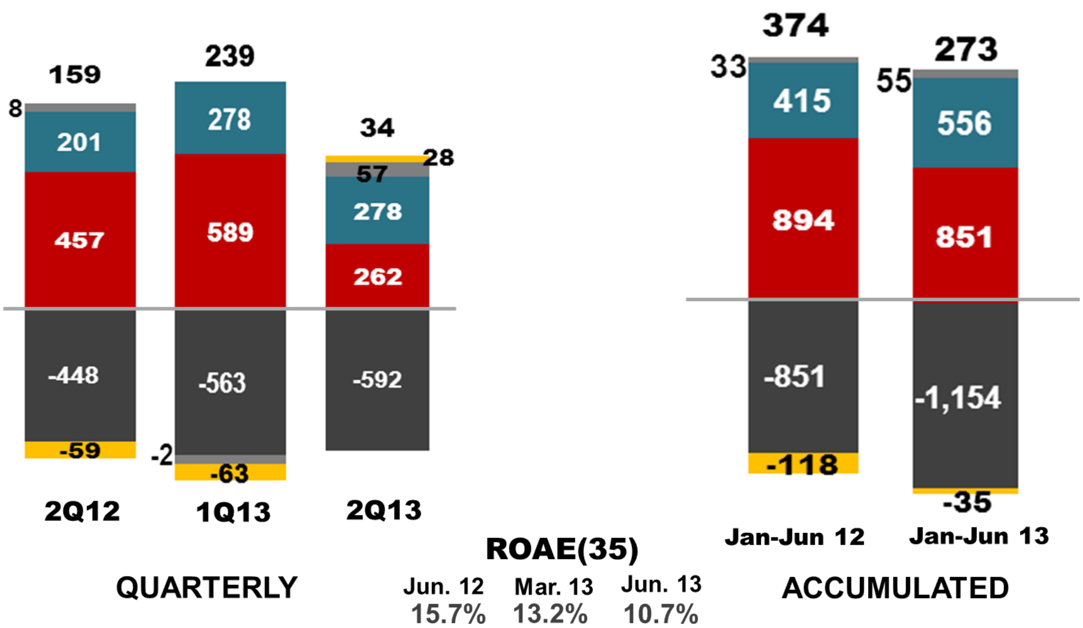
Equity

Equity at close the second quarter of 2013 was reported at $5.6 trillion, up 2.9% from that reported at close of March 2013 and 10.3% compared to Q212, achieving a capital adequacy ratio of 14.32%, 532 basis points above the minimum required in Colombia and 68 basis points less than that recorded in the previous quarter. In June 2013, the ratio of core capital to assets weighted by risk level was 9.7%. Technical capital remained flat when compared to the first quarter of the year, closing at $6.8 trillion.

INCOME STATEMENT

Net Income

Net income (billions)



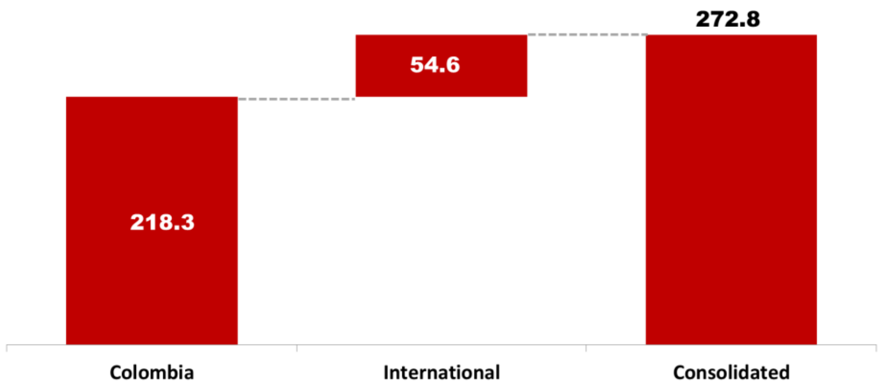
Quarterly				Accumulated	
Consolidated		Colombia		Consolidated	Colombia
2Q13/1Q13	2Q13/2Q12	2Q13/2Q12	%	Accum 13/Accum 12	Accum 13/Accum 12
-55.5	-42.6	-60.0	Financial Margin, net	-4.8	-23.2
0.1	38.5	5.0	Fees & Commissions	33.9	3.7
5.1	32.0	4.1	Operating Expenses	35.6	7.6
-	638.6	3002.5	Non operational, net	64.4	59.5
-	-	-	Taxes	-69.9	-86.1
-85.9	**-78.7**	**-92.9**	**Net Income**	**-27.1**	**-39.5**

As a result of the announcements by the US Federal Reserve of the possible decrease in the purchase of assets due to the improved economy, and the subsequent increase in the volatility of international financial markets and the local market, $192.7 billion of income was lost during the second quarter of 2013 due to mark-to-market valuation in the portfolio investments in fixed-income assets, mostly as negotiable investments, mainly in Colombia. Locally, the impact on the Bank presented on the quarter statement was greater than that on the system because of the higher proportion of negotiable investment securities on the investment portfolio (74%).

[35] ROAE (12 months) = Net income 12 months/ Average Equity

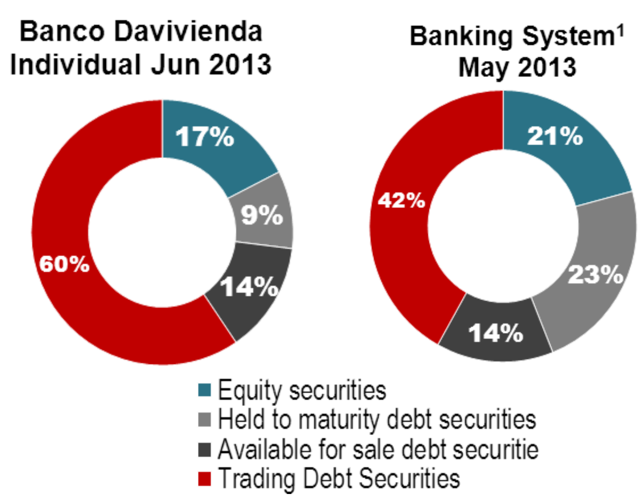
As a result of the above, the consolidated net income as at Q213 was $33.8 billion, 85.9% less than that reported in Q113 and 78.7% less compared to Q212. Accumulated net income as at close of June 2013 dropped $101.2 billion going from $374.0 billion during the first semester of 2012 to $272.8 billion in the first semester of 2013. Consolidated Return on Average Equity (ROAE)[36] as at June 2013 was 10.7%, Return on Average Assets (ROAA)[37] was 1.31%, NIM was 7.1% and efficiency was 55.7%.

Detailed Accumulated Net Income 2013[38] (billions)



Accum. Net Income	Jun 13	Jun 13/Jun 12
Colombia	218.3	-39.5%
International	54.6	307.3%
Accum. Net Income	272.8	-27.1%

Composition of the gross investment portfolio (%)



[36] ROAE = net income (12 months) / average equity.
[37] ROAA = net income (12 months) / average performing assets.
[38] Colombia includes results from Banco Davivienda, local subsidiaries after eliminations for $30.4 billion. International includes Panamá, El Salvador, Honduras, and Costa Rica.

In response to the above, Davivienda decided to reduce its risk levels in trading operations by reducing portfolio duration, thus reducing the impact on the Income Statement from adverse situations in financial markets, while mitigating losses from Q213.

Loans Income

Consolidated income from interest on loans during the quarter was reported in the amount of $1.0 trillion, growing 1.1% compared to Q113, mainly due to the increase in income from the mortgage portfolio. Compared to Q212, loan portfolio interest grew 18.7%.

Average consolidated performing loans grew 8.5% compared to Q113 and 26.0% compared to Q212, while the average performing loan interest rate was 12.4%, 97 basis points below Q113 and 66 basis points below Q212.

Commercial loan portfolio interests dropped 0.8% from $373.4 billion to $370.5 billion, due to the 7 basis-point decrease of the average interest rate in Colombia, generating a 2.7% decrease in commercial banking income, while the income of international subsidiaries generated by this portfolio reported an increase of 8.1%. Compared to Q212, interests from the commercial loan portfolio grew 19.5%, due to the 34.1% increase in balance.

Income from the consumer loan portfolio closed at $443.1 billion, growing 0.4% compared to the previous quarter as a result of the moderate growth in income generated by credit card and free investment loans. It was also affected by a 5.3% reduction in auto loans explained by a $11.0 billion decrease. Compared to Q2-12 the income from consumer loans increased 8.5%, being credit cards the portfolio with the highest growth (21.8%).

Income from the mortgage portfolio increased 6.4% compared to Q113 and 46.7% compared to Q212 as a result of increased mortgages and residential leasing, growing 5.3% compared to Q113 and 61.2% compared to Q212.

Accumulated income of the consolidated loan portfolio as at close of June 2013 was $2.0 trillion pesos, 19.6% higher than the accumulated income of the first half of 2012. This was mainly due to the 22.7% increase in income from the commercial portfolio and the increase of 45.1% from the mortgage portfolio.

Financial Expenses

Financial expenses were reported at $354.1 billion, down 1.5% from Q113. This was mainly because of reduced interest paid on deposits in savings accounts as a result of the 17 basis-point decrease in the average interest rate to 2.3%, and the 0.9% reduction in the rediscount loan balance compared to Q113.

Compared to Q212, financial expenses increased 15.0%. This is mainly due to financing associated with operations of new subsidiaries in Central America, adding $43.5 billion in financial expenses. Most affected were financial expenses associated with term deposits, which increased by 33.4%, and bond interests related with issuances during the third quarter 2012 and the first quarter of2013, which increased by 31.8%.

Accrued financial expenses, as at close of June 2013, were up 17.6% to $713.7 billion. Term deposit costs increased mostly as a result of the increased balance.

Net Provisions

Consolidated net provision expenses were $211.8 billion, 5.6% less than expenses reported for the first quarter of 2013, despite new provisions associated with the new operation in Central America in the amount of $9.1 billion. Said decrease was possible because of the 20.5% reduction in expenses by portfolio provisions.

Compared to Q212, net provisions grew 18.6%, while portfolio provisions grew 17.0%. The provision expense to net portfolio ratio[39] decreased from 2.6%, as reported in Q113, to 2.5% in Q213.

The total recovered during the second quarter of the year was $218.9 billion, 34.6% less than Q113. This was a result of the 45.8% reduction in portfolio recoveries. Compared to Q212, total recoveries increased 10.2% as a result of the 41.2% increase in loan portfolio recoveries.

Net provision expenses accumulated at close of June 2013 were $436.2 billion, 15.0% more than reported for the first half of 2012. This was mainly due to the 8.4% increase in loan portfolio provisions expenses.

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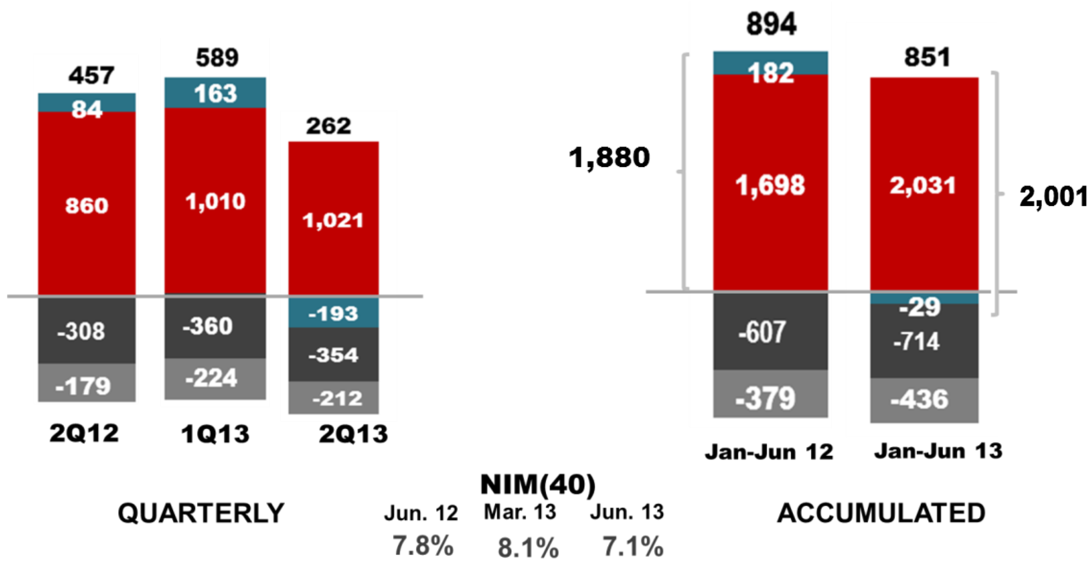
[39] Net provision expense (12 months) / net portfolio.

Net Financial Margin

Net financial margin (billions)



Quarterly				Accumulated	
Consolidated		Colombia		Consolidated	Colombia
2Q13/1Q13	2Q13/2Q12	2Q13/2Q12	%	Accum 13/Accum 12	Accum 13/Accum 12
1.1	18.7	4.2	Loan Income	19.6	5.2
-218.0	-329.2	-343.0	Investment Income	-116.1	-137.1
-29.4	**-12.3**	**-27.0**	**Subtotal Financial Income**	**6.4**	**-8.3**
-1.5	15.0	0.3	Financial Expenses	17.6	3.3
-5.6	18.6	11.9	Allowances	15.0	8.9
-55.5	**-42.6**	**-60.0**	**Financial Margin, Net**	**-4.8**	**-23.2**

Fee and Commission Income

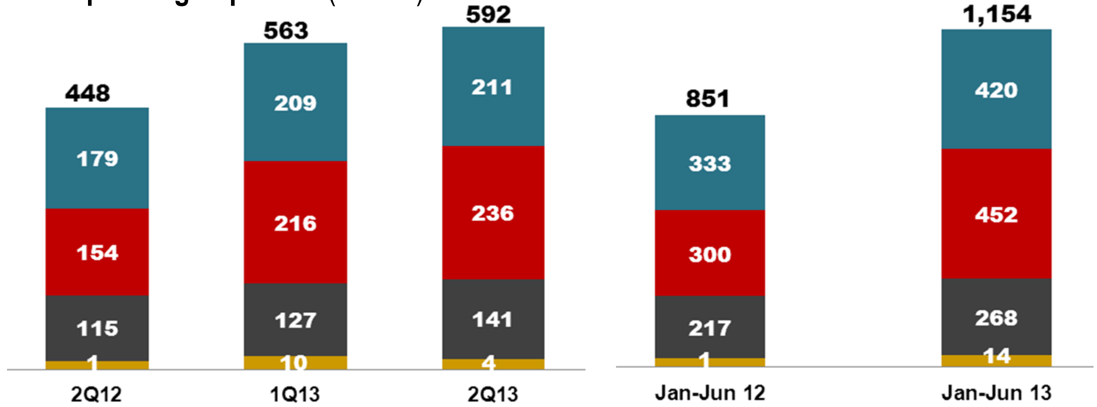
Fee and commission income for services closed at $278.3 billion, up 0.1% compared to Q113 and 38.5% compared to Q212. The significant increase from Q212 was mainly due to the insurance policies abroad that brought in $38.5 billion and transaction income checkbooks, traveler transactions and fiduciaries commissions. Fee and commission income for services from new subsidiaries in Central America was reported at $28.7 billion without insurance policies. The fee and commission income indicator on total income was[41] 21.3%, compared to 19.5% reported in Q113 and 20.6% in Q212.

[40] NIM: 12 months Gross Financial Margin / Average Interest Earning Assets

[41] Fees and commissions income (12 months) / total income.

Operating Expenses

Operating Expenses (billions)



Efficiency (42)

Jun. 12	Mar. 13	Jun. 13
48.1%	51.2%	55.7%

Consolidated 2Q13/1Q13	%	Consolidated Accum 13/Accum 12	Colombia Accum 13/Accum 12
0.7	Personnel Expenses	25.9	2.2
8.9	Operating Expenses	50.6	10.0
10.7	Other expenses (2)	23.8	6.5
6.2	**Subtotal expenses (3)**	**34.1**	**6.1**
-	Non-recurring expenses (4)	-	-
5.1	**Total Expenses**	**35.6**	**7.6**

Total expenses for the second quarter of 2013 were $591.6 billion, demonstrating a 5.1% increase compared to Q113, mainly due to the increase in administrative expenses. Without including non-recurrent expenses of the quarter for Daviplata, international operation and international bond issuance, expenses totaled $587.1 billion[43].

Compared to Q212, expenses including those of new subsidiaries in Central America were $123.0 billion, increasing 32.0%. In Colombia, growth compared to Q212 was 4.1%, where professional service fees increase the most. When discounting non-recurrent expenses of the quarter for Daviplata, international operation and international bond issuance, expenses increased 3.3%.

Personnel expenses were $210.5 billion, 0.7% more than Q113 and 17.9% more than expenses reported in Q212. This includes the $39.5 billion in expenses from new international subsidiaries, mainly due to the 4.1% increase in salaries compared to Q113 and 43.8% compared to Q212. This was explained by inclusion of new international subsidiaries where personnel expenses totaled $39.5 billion. DaviPlata personnel expenses and regional personnel expenses were $2.8 billion representing a

[42] Efficiency (12 months) = Operation expenses Good Will /(Gross Financial Margin + operating income + other income and expenses

[43] Non-recurring expenses in the quarter include personnel expenses for $513.7 billion, operational expenses for $4.4 billion and other expenses for $87.6 million.

1.3% of personnel consolidated expenses. In Colombia, personnel expenses were $168.8 billion, 4.6% less than Q212, due to extraordinary payment of extraordinary incentives for 15.9 billion. After discounting non-recurring personnel expenses experienced by the bond issuance, personnel expenses in Colombia decreased 4.6% when compared to Q212.

Administrative expenses were $142.5 billion, 9.1% up from the previous quarter. This was because of increases in expenses fees (16%) technological developments and training concepts in Colombia and advertising and promotion for the extension of coverage because of the Housing Fair in Colombia (13.8%). Compared to Q212, administrative expenses grew 35.0%, where new operations in Central America accounted for 26 billion during Q113., maintenance and repair showed the largest increase during the period. Expenses for regional operations and DaviPlata represented 0.5% of consolidated operating expenses, after taking out administrative expenses in Colombia, growing rate goes from 9.6% to only 7.8%.

Operating expenses at the close of Q213 were $97.5 billion, 2.2% more than expenses reported at the close of Q113. This was due to the 97.2% increase in travel expenses. Compared to Q212, operating expenses increased by 99.8%, mainly due to the increase in insurance taken out in El Salvador and Costa Rica in the amount of $32.4 billion. International operating expenses totaled $38.4 billion. In Colombia expenses totaled $58.7 billion, decreasing 6.6% when compared to Q113 and 20.7% with respect to Q212. After discounting non-recurring expenses for international bond issuance, international operations and Daviplata operational expenses in Colombia grow at 2.2% compared to Q113 and in 17.4% with respect to Q212.

The depreciation and amortization expense for the quarter was $ 25.0 billion, 4.3% lower than 1Q13 and growing at 23.1% compared to 2Q12, mainly explained by the amortization and depreciation of the new subsidiaries in Central America for $ 7.2 billion. After discounting non-recurring expenses for international operations, amortization and depreciation grow at 22.7% with respect to Q212.

Total accumulated expenses for the first half of 2013 closed at $1.2 trillion, 35.6% more than the first half of the previous year and 34.1% without considering non-recurring expenses. As a result of the above, the 12-month efficiency indicator[44] went from 51.2% in Q113 and 48.1% in Q212 to 55.7% explained by investment income decrease.

Other Income and Expenses, Net

For the second quarter of the year, other net income and expenses were $48.3 billion, growing 459.0% compared to Q113 and 46.8% compared to Q212. This was the result of an increased income from exchanges and derivatives.

[44] Efficiency: operating expenses - goodwill / (gross financial margin + operating income + other net income and expenses).

Other accumulated net income and expenses from the first half of 2013 were reported at $56.9 billion, 22.1% less than the same period of the previous year. This was due to the increased rate at which derivative expenses grew.

Taxes

During Q213, Davivienda reported a tax credit in the amount of $28.0 billion. This was because of the decrease in the income provision during the quarter compared to Q113 due to results from the period.

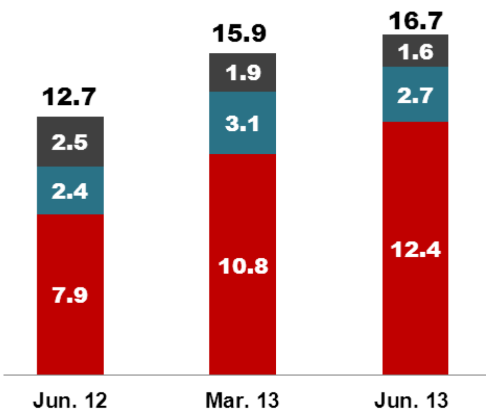
Minority Interests

Minority Interest in the second quarter of 2013 closed at $701.6 million, demonstrating a 44.6% decrease compared to Q113 and 64.6% decrease compared to Q212 due to Costa Rica, where a repurchase of 250,000 preferred shares of the Corporation was carried out for a total value of $ 44.2 billion. Similarly, the accumulated minority interests dropped 56.0% going from $4.5 billion in the first half of 2012 to $2.0 billion in the first half of 2013.

RESULTS OF SUBSIDIARIES

Subsidiaries in Colombia

Changes in Managed Assets (trillions)



	Q/Q	Y/Y
Securities Administration & Custody	-15.3%	-33.5%
Collective Portfolios	-14.5%	12.3%
Structured Trust	14.6%	56.5%
Total	5.2%	30.8%

As at June 2013, the total managed third-party assets amounted to $16.7 trillion, 30.8% higher than figures reported for the same period of the previous year and 5.2% higher than reported at close of March 2013. This was mainly due to the 26% increase in holding by consortia in Fiduciaria Davivienda (Davivienda Trust Company).

Third-party assets managed through Davivalores and collective portfolios of trusts reported a decrease in comparison with the first quarter of the year, mainly due to the decrease related with the valuation of market prices.

Main Figures (billions)

	Fiduciaria Davivienda			Davivalores			Total		
	Jun. 13	2Q13/1Q13	2Q13/2Q12	Jun. 13	2Q13/1Q13	2Q13/2Q12	Jun. 13	2Q13/1Q13	2Q13/2Q12
Assets Managed	15,037	8.1%	46.3%	1,640	-15.9%	-33.5%	16,676	5.1%	30.8%
Assets	130	1.6%	-5.8%	19	-2.5%	17.2%	150	1.0%	-3.4%
Liabilities	17	-9.0%	4.4%	1	-3.3%	-34.0%	18	-8.7%	1.2%
Equity	113	3.4%	-7.2%	18	-2.5%	22.3%	131	2.6%	-4.0%
Net Income	3.8	-36.8%	-39.2%	-0.5	-119.5%	-239.8%	3.3	-61.2%	-49.8%

Fidudavivienda

Assets amounted to $113.0 billion, 3.4% more than Q113 and 7.2% less than Q212[45], as a result of the decrease in capital stock and reserves from the split that took place in December 2012.

Despite the increase in revenue from the investment trust due to the growth of the average amount managed in all the collective portfolios, profit for the second quarter of 2013 was $3.8 billion, 36.8% less than that reported for Q113 and 39.2% less than Q212. This was a result of the decrease in net returns from portfolios due to valuation, with an impact of $3.9 billion.

In addition, operating expenses in the second quarter of 2013 increased 9.4% compared to Q113 due to the legal costs incurred for capitalizing reserves during the quarter. Compared to Q212, operating expenses rose 126.9%.

Davivalores

Equity at close of June 2013 was $18.4 billion, 2.5% less than equity at the close of Q113. This was a consequence of the income reported for this quarter. Losses in Q213 were $0.5 billion, mainly due to the $3.1 trillion drop in income from its loan portfolio compared to Q113, as a result of the impact of valuation of market prices.

As a result of the 15.9% decrease in managed third-party assets, commissions dropped 16.6% compared to Q113.

International Subsidiaries

Main Figures (Millions of USD)[46]

	Assets			Equity			Net Income		
	Mar. 13	Jun. 13	2Q13/1Q13	Mar. 13	Jun. 13	2Q13/1Q13	Mar. 13	Jun. 13	2Q13/1Q13
Panama	949	1,283	35.1%	115	114	-0.8%	4.1	7.0	70.0%
El Salvador - BanK	1,824	1,883	3.2%	272	278	2.3%	5.9	6.4	9.6%
El Salvador - Insurance	29	30	2.8%	16	17	6.1%	1.0	1.0	0.3%
Costa Rica - Bank	1,337	1,382	3.4%	172	176	2.7%	5.7	4.6	-19.4%
Honduras - Bank	808	844	4.5%	98	98	0.0%	0.4	1.2	163.6%
Honduras - Insurance	76	77	1.5%	34	34	2.0%	0.9	1.1	29.4%
Total	**5,024**	**5,500**	**9.5%**	**706**	**718**	**1.7%**	**18.0**	**21.3**	**18.6%**

45 For the purposes of comparison, Fiduciaria Cafetera is included in June 2012.

46 Non-consolidated results, exchange rate as of june 30, 2013

Davivienda Panama

Davivienda Panamá assets grew 35.1% compared to Q113, mainly due to the US $198 million increase available, as well as the increase in investments in debt securities in the amount of US $81 million. The net portfolio grew US $56 million, mainly due to the 7.9% growth of the commercial loan portfolio. Portfolio quality remains at 0.02%[47], during the quarter provisions for US$5.9 billion were made.

Davivienda Panamá Deposits closed at 1.1 billion growing 50.2% compared to Q1-12 and 63.2% compared to Q2-12, explained by the increase in saving accounts and term deposits.

Net income for the second quarter of 2013 was US $7 million due to the non-recurring receipt of US $4.4 million from a judicial ruling in favor of profits generated by the operation. For the investment portfolio, income dropped by US $1.4 million compared to Q113 due to the devaluation of market prices. Accumulated net income up to June 2013 closed at US$11.2 million.

Davivienda El Salvador

The assets of Banco Davivienda El Salvador grew 3.2% compared to Q113 as a result of the 2.4% growth in the net portfolio for the same period, where the housing portfolio demonstrated the strongest growth that quarter at 5.4% compared to Q113. In addition, the investment portfolio grew 7.8% mainly due to the increase in debt securities.

Portfolio quality was 3.58%[48], compared to 3.97% in Q1-13. Provisions were placed at US$41.3 million, with coverage of 124.8%.

The Bank's net income for Q213 closed at US $6.4 million, growing 9.6% as a result of the 9.2% growth in the net financial margin. Portfolio income representing 96% of the financial income, grew 3.0% closing at US $24.3 million. Accumulated net income up to June 2013 closed at US$12.3 million.

The insurance company reported net profit in Q213 of US $1 million, holding flat compared to Q113. Insurance premiums closed at $5.5 million, which is 28% higher than the previous quarter as a result of the increase in the net premiums accepted.

Davivienda Costa Rica

Davivienda Costa Rica assets at close of June 2013 totaled US$1,382 million, up 3.4% over assets reported at close of Q113. This was mainly due to the 8.6% increase in the investment portfolio, primarily consisting of investments in negotiable debt securities in Monetary Standardization Bonds (BEM) and Property Deeds (TP). The net portfolio increased by 0.8%.

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[47] NPL> 90 days

[48] NPL> 90 days

Portfolio quality was 1.59%[49], bps below that registered in Q1-13, with provisions of US$17.4 million, which provides a coverage of 2010.2%.

The quarter's net income was US $4.6 million, showing a US $1.1 million decrease, mainly due to the US $1.7 million reduction in the investment portfolio income as a result selling investments available for sale in the first quarter of the year. The devaluation in fixed-income investments did not affect the subsidiary's profit because the investments classified as negotiable represented only 10% of the investment portfolio. Accumulated net income for the six-month period ending June 30, 2013 closed at US$10.3 million.

Davivienda Honduras

Banco Davivienda Honduras assets as at close of June 2013 were US $844 million, showing a 4.5% growth compared to Q113, mainly due to the 4.9% growth of the net portfolio and specifically due to the 4.7% percent growth in the commercial portfolio.

Net income for the second quarter of 2013 was US $1.2 million, representing 163.6% growth compared to Q113. This was mainly due to the increase in fee and commission income, particularly disbursements and foreign trade. The international financial situation did not affect the investment portfolio, consisting of debt securities valued at IRR. Accumulated net income up to June 2013 closed at US$1.6 million.

The insurance company's net income in the second quarter was US $1.1 million, 29.4% up from Q113. This was mainly due to the US $1.3 million increase in net premiums compared to the previous quarter, and the decrease in borrowing expenses due to the foreign currency exchange rate differences.

[49] NPL> 90 days

Balance Sheet as of June 20, 2013

(COP Billion)

	Consolidated					Colombia				
ASSETS	Jun 12	Mar 13	Jun 13	Jun 13 / Mar 13	Jun 13 / Jun 12	Jun 12	Mar 13	Jun 13	Jun 13 / Mar 13	Jun 13 / Jun 12
Cash	**3,266**	**4,039**	**4,597**	**13.8%**	**40.7%**	**3,087**	**2,646**	**2,712**	**2.5%**	**-12.1%**
Investments	**5,094**	**7,657**	**8,168**	**6.7%**	**60.3%**	**4,849**	**7,329**	**7,608**	**3.8%**	**56.9%**
Loans	**26,426**	**33,917**	**35,636**	**5.1%**	**34.8%**	**25,524**	**28,070**	**29,260**	**4.2%**	**14.6%**
Commercial	14,419	18,191	19,331	6.3%	34.1%	13,524	14,591	15,405	5.6%	13.9%
Consumer	8,849	10,518	10,745	2.2%	21.4%	8,821	9,245	9,341	1.0%	5.9%
Mortage Loans+ Leasing	4,487	6,871	7,233	5.3%	61.2%	4,486	5,671	5,957	5.0%	32.8%
Allowances	-1,328	-1,663	-1,673	0.6%	26.0%	-1,307	-1,437	-1,442	0.4%	10.3%
Fixed assets	**400**	**492**	**502**	**2.0%**	**25.5%**	**399**	**391**	**395**	**0.9%**	**-1.1%**
Reappraisal	**488**	**542**	**663**	**22.3%**	**35.8%**	**488**	**503**	**501**	**-0.3%**	**2.7%**
Other assets	**2,121**	**2,889**	**2,996**	**3.7%**	**41.3%**	**2,105**	**2,619**	**2,705**	**3.3%**	**28.5%**
Total Assets	**37,796**	**49,536**	**52,561**	**6.1%**	**39.1%**	**36,452**	**41,557**	**43,180**	**3.9%**	**18.5%**
Liabilities										
Deposits	**22,953**	**31,131**	**32,889**	**5.6%**	**43.3%**	**21,631**	**24,556**	**25,063**	**2.1%**	**15.9%**
Saving accounts	12,007	15,014	15,407	2.6%	28.3%	11,785	13,142	13,056	-0.7%	10.8%
Checking accounts	3,377	5,021	5,396	7.5%	59.8%	3,198	3,529	3,651	3.5%	14.2%
Time deposits	7,399	10,912	11,847	8.6%	60.1%	6,488	7,734	8,160	5.5%	25.8%
Other	170	183	239	30.5%	40.5%	159	151	195	29.2%	22.4%
Long term debt	**3,905**	**6,665**	**6,660**	**-0.1%**	**70.6%**	**3,905**	**6,478**	**6,455**	**-0.4%**	**65.3%**
Local	3,609	4,530	4,412	-2.6%	22.2%	3,609	4,343	4,207	-3.1%	16.6%
International	296	2,135	2,248	5.3%	660.5%	296	2,135	2,248	5.3%	660.5%
Development fund borrowings	**2,885**	**4,060**	**4,204**	**3.5%**	**45.7%**	**2,885**	**3,254**	**3,473**	**6.7%**	**20.4%**
Other liabilities	**2,958**	**2,218**	**3,187**	**43.7%**	**7.7%**	**2,937**	**1,736**	**2,628**	**51.4%**	**-10.5%**
Total liabilities	**32,701**	**44,074**	**46,940**	**6.5%**	**43.5%**	**31,357**	**36,024**	**37,619**	**4.4%**	**20.0%**
Equity										
Capital	55	56	56	0.0%	0.1%	55	56	56	0.0%	0.1%
Retained earnings	4,057	4,561	4,568	0.1%	12.6%	4,028	4,467	4,486	0.4%	11.4%
Surplus	549	606	725	19.7%	32.2%	651	786	803	2.2%	23.4%
Results from previous periods	60	0	0	-	-100.0%	0	59	18	-69.8%	100%
Results	374	239	273	14.1%	-27.1%	361	165	199	20.7%	-44.9%
Total stockholder´s equity	**5,095**	**5,462**	**5,621**	**2.9%**	**10.3%**	**5,095**	**5,533**	**5,561**	**0.5%**	**9.1%**
Total liabilities & stockholders	**37,796**	**49,536**	**52,561**	**6.1%**	**39.1%**	**36,452**	**41,557**	**43,180**	**3.9%**	**18.5%**

DAVIVIENDA

P&L as of June 30, 2013

(COP Billion)

	Quarterly						Accumulated			
	Consolidated					Colombia	Consolidated			Colombia
	2Q 12	1Q 13	2Q 13	2Q13 / 2Q12	2Q13 / 1Q13	2Q13* / 2Q12*	Accum Jun12	Accum Jun13	Jun 13/Jun 12	Jun 13*/Jun 12*
Total income	**944**	**1,173**	**828**	**-12.3%**	**-29.4%**	**-27.0%**	**1,880**	**2,001**	**6.4%**	**-8.3%**
Loans	860	1,010	1,021	18.7%	1.1%	4.2%	1,698	2,031	19.6%	5.2%
Commercial	310	373	370	19.5%	-0.8%	0.2%	606	744	22.7%	3.7%
Consumer	408	442	443	8.5%	0.4%	0.5%	815	885	8.6%	0.8%
Mortgage Loans+ Leasing	141	195	207	46.7%	6.4%	22.9%	277	402	45.1%	21.3%
Mortagage	88	128	136	53.7%	6.3%	15.6%	173	263	52.6%	14.4%
Leasing	53	67	72	35.0%	6.6%	35.0%	105	139	32.8%	32.8%
Investments	71	161	-197	-377.0%	-222.7%	-391.9%	154	-36	-123.7%	-148.5%
Interbanks	13	3	4	-67.4%	48.9%	-74.0%	29	7	-75.3%	-78.6%
Financial Expenses	**308**	**360**	**354**	**15.0%**	**-1.5%**	**0.3%**	**607**	**714**	**17.6%**	**3.3%**
Deposits in checking accounts	5	5	5	3.3%	12.0%	3.3%	11	10	-6.5%	-6.5%
Deposits in saving accounts	95	81	78	-17.9%	-3.6%	-25.4%	192	159	-17.0%	-24.0%
Deposits in certificates	99	134	133	33.4%	-0.9%	4.6%	190	266	39.9%	11.6%
Credits with entities	34	47	44	28.0%	-7.0%	1.8%	69	91	31.5%	5.5%
Bonds	70	90	92	31.8%	2.8%	31.8%	140	182	29.6%	29.6%
Repos	4	3	2	-41.3%	-22.2%	-60.8%	4	5	26.7%	-4.9%
Interbank funds	1	1	0	-52.8%	-60.6%	-52.8%	1	1	11.5%	11.5%
Gross financial margin	**636**	**814**	**474**	**-25.4%**	**-41.7%**	**-39.9%**	**1,274**	**1,288**	**1.1%**	**-13.7%**
Allowances net	179	224	212	18.6%	-5.6%	11.9%	379	436	15.0%	8.9%
Net interest margin	**457**	**589**	**262**	**-42.6%**	**-55.5%**	**-60.0%**	**894**	**851**	**-4.8%**	**-23.2%**
Comissions and fees income	201	278	278	38.5%	0.1%	5.0%	415	556	33.9%	3.7%
Operating expenses	448	563	592	32.0%	5.1%	4.1%	851	1,154	35.6%	7.6%
Other income and expenses, net	33	9	48	46.8%	459.0%	29.5%	73	57	-22.1%	-35.6%
Operational income	**243**	**313**	**-3**	**-101.1%**	**-100.8%**	**-112.5%**	**532**	**311**	**-41.6%**	**-53.3%**
Other allowances	0	11	8	1754.8%	-28.7%	1065.5%	3	18	592.8%	433.8%
Non operatives	-23	1	17	-173.3%	1229.0%	-127.0%	-33	18	-154.9%	-118.3%
Income before taxes and minority interest	**220**	**304**	**6**	**-97.1%**	**-97.9%**	**-112.9%**	**496**	**310**	**-37.5%**	**-50.9%**
Minority interest	2	1	1	-64.6%	-44.6%	-64.6%	4	2	-56.0%	-56.0%
Taxes	59	63	-28	-147.4%	-144.2%	-166.7%	118	35	-69.9%	-86.1%
Net income	**159**	**239**	**34**	**-78.7%**	**-85.9%**	**-92.9%**	**374**	**273**	**-27.1%**	**-39.5%**

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These financial statements have been prepared in accordance with accounting principles generally accepted in Colombia, and are presented in nominal terms. The statement of income for the quarter ended at June 30, 2013 will not necessarily be an indicator of the expected results for any other period.

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