

Quarterly Report January-December 2019

4Q19

Individual and Consolidated Report

Investor Relations

Bogotá D.C. February 2020

Index

Index	2
1. Basics	3
2. Individual Figures.....	6
3. Consolidated Figures.....	15

1. Basics

Economic Environment

In 2019, the GDP of the Colombian economy grew 3.2%, increasing against the observed in 2018 result, which was 2.4%. The growth quarterly balance was highly stable in 2019, with a rate above to 3% in each quarter, showing a sustained and gradual economy recover. Last year's result was driven by an important rebound in domestic demand, including consumption and investment, making it growth upon the GDP by second consecutive year, although in 2019 it was more noticeable difference than in 2018.

Private consumption had a favorable performance in all types of goods, although a little bit more outstanding in the durable and semi-durable goods, the other spend groups as services and not durable goods also growth upon the GDP. Some factors raised the growth of private consumption during 2019. The main responsible of the rise in the consumption were: the new and flourishing spend of immigrants, the arrival of remittances, the household indebtedness and the increase in the minimum wage above the inflation. Additionally the brake in household spend which could have been caused by the deterioration of labor market through the year which showed a higher unemployment rate in respect of 2018 and a couple months with an employment destruction was partially offset by the growth in consumption previously mentioned. Overall private consumption increased by 4.8% in 2019.

This huge growth of the domestic demand was reflected in a considerable improvement of importations in 9% real in 2019. In spite of, the weak extern context and the low exportations volume lead to a slow growth of exportations, which stood at 2.6% real. As a result, there was decay in the trade balance that collectively with a strong exterior utilities remission caused a decrease on the balance of payments. Thereby, the current account deficit remained in a level close to 4.6% in 2019 since 3.8% in 2018. Nevertheless, the deficit financing was made primarily with foreign direct investment which has longer term permanence than a portfolio investment. In addition to this, part of the decay in trade balance in 2019 was due to an advance in investing associate importations, this helps in the economy's future payment capability.

The investment consolidated its recovery in 2019, unlike in 2018, growing above the GDP placing itself at 4.1% after being in 1.5% in 2018. Investments component that recover its dynamism the most was machinery and equipment going from 2.3% to 11.8% between 2018 and 2019, besides of the increment on execution of civil works, specially roads and works financed by royalties. Investment was driven by a strong industrial trust, a higher use of the installed capability, business taxation benefits on the public financing law of 2018 and the increase of public investment which is characteristic of the last year's regional government.

Furthermore, in terms of the financial variables, the complex extern situation which intensified through 2019, lead to a significant strengthening of the U.S dollar. In the region, this effect added itself to the decay of the politic and social conditions that took historical minimal exchange rates,

within which Colombian Peso. Peso's volatility was also associated to a vast current account deficit and some measures that pressed the currency demand in the local market. The average exchange rate in 2019 reached to 3,281 pesos per dollar, the highest historical rate, and reached a peak in 3,522.5 pesos per dollar.

In spite of it, the fundamentals tent to be more closely associated to the currency behavior were well-behaved, with an average crude oil price of 64 dollars per Brent barrel in the second semester of 2019 and an EMBI not higher than 200 points in the same period, near of its minimum recent values. Based on this, and in virtue of the recent external risks, especially the ones associated to the commercial confrontation, the exchange rate showed an important moderation in the year's closure.

The 2019's inflation went from 3.2% in the 2018's closure to 3.8% in 2019's December. This movement was caused because of two principal factors. The first one was because of the food inflation which showed an important upturn through the year mostly given by climate changes but also by the depreciation on the exchange rate over the imported food or with high imported component. The second one was because of the tradable inflation without food or regulated, which speeded up from 1.1% to 2.3%, in the same period of reference. In this context, the central Bank held a stable rate along 20 months, the longest period since the implementation of the inflation targeting strategy.

The 2019's fiscal deficit stood by 2.4% of the GPD, below the authorized maximum by the fiscal rule committee (2.7% of the GDP). To accomplished this objective, the financing law of 2018 had a limited participation thus the tax collection associated to this was lower than expected, being more important the taxes related to consume and importations performance. In 2019, the Constitutional Court claimed the financing law as unenforceable because of procedural errors. The presentation of a tax reform coincided with a complex political and social moment and took the government to include additional measures, some of social cut with a high taxable cost without having revenue compensation for limiting its impact on public finances.

Growth expectations for 2020 are placed in 3.2%, same value as 2019. Nevertheless, its composition will have significant differences which make of 2020 a more positive year for Colombian economy. The principal difference stands from the expect behavior of investments with an evolution of 5% being higher than it was in 2019 and going above of consume for the first time since 2014.

The construction of buildings will be the most important item in 2020 passing from a contraction to an expansion of 5.5%. This growth will be specially given by the construction of social interest housing over a base of public policies which will assurance these sector resources among some years. But also there will be a better long sighted performance of medium and high value housing explained by a reduction in offer and an stabilization of demand which will be allowed to reduce the stock because this have been acting like a brake to the sector. In turn the 2% consumption tax abolition on the high value property in 2019's tributary reform will help reduce the pressure in this segment. The other components (machinery and equipment and civil works) will continue expanding but in a moderated rate than the one seen in 2019.

For house expending it is expected a growth rhythm moderation since the 4.8% of 2019 to 4.3% on 2020. The moderation if well keeps the consumption with a higher expansion than GDP reduces the

pressure that actually makes the house expending over the macroeconomic balances such as the current account and the private savings. In general terms the forecasts that in 2019 accelerated the consumption will be the same in 2020 but with a lower intensity, such as immigration, housing leverage, remittance incomes, among others. Moreover, the accumulated labor market deprivation that at the time has not affected at all the private expense behavior by the home's capability of soften their consumption, will have a higher impact in 2020.

With all of this, intern demand will led 2020's growth with a 3.8% register, but the variation in buildings construction investment more than in machinery and equipment, and simultaneously with a more moderated housing expense, allows a moderated growth on importations of 4.8%. Exportations by its side are being affected by external dynamic. The global demand will keep on being weak in 2020 and some additional effects on some raw materials prices will limit the external country sales, which could lead to a weak growth of 1.2% of real exportations.

Thus, the major importation deceleration in front of exportations produces a positive effect in the trade balance and with it a gradual correction in current account deficit arriving to 4.3% in 2020. Extern deficit's moderation will be gradual and with a mild magnitude because simultaneously it is expected a prices reduction on crude oil. The Brent average price for 2020 is expected on 61 dollars, 3 dollars less since the 64 dollars per Brent barrel in 2019.

Additionally, it is expected that annual inflation keeps itself high near to the roof of the inflation target until March, for later being to decline until 3.4% at the end of the year. This decline will be better explained by the best food crops, which should go back to its normal levels if there is no existence of strong climate phenomena in 2020, with its positive effects on the average price of the basic market. Besides, the expected rate for the exchange rate in 2020 is not very different to the 2019 seen average, this will lower the additional pressure on inflation on tradable goods o with some imported content will be low as the year progresses.

While inflation and depreciation moderate it will be also closing the product gap and the labor market conditions will be better. With this, it is considered that the central bank will increase its interest rate in 25 bps in 2021's first quarter and that it will anticipate this movement just in case it affront some inflation risky movements mentioned above . In general terms, in 2020 the Central Bank's speech will keep pondering two found forces that have been taken to keep stable rates since 2018: A forces to upwards the rate because of an inflation rebound. And a downwards force because of the decline in labor market and the negative product gap.

2. Individual Figures

Individual Results

Total assets of BBVA Colombia closed the fourth quarter of 2019 with a balance of COP 65,2 trillion. This showed an annual growth of 4.4% with a variation of COP 2,8 trillion.

Balance Sheet

Million COP

	4Q18	4Q19	TAM	
			abs	%
Cash	7,908,659	5,140,987	(2,767,672)	(35.0)
Assets positions in money market operations	514,422	499,032	(15,389)	(3.0)
Investment and derivatives transactions	9,591,623	10,904,928	1,313,305	13.7
Loan portfolio and leasing operations	45,573,222	49,656,631	4,083,410	9.0
Impairment	(2,944,928)	(2,947,629)	(2,701)	0.1
Other Assets	1,758,909	1,911,453	152,544	8.7
Total Assets	62,401,906	65,165,403	2,763,497	4.4
Deposits and financial claims	49,559,346	49,535,580	(23,766)	(0.0)
Liabilities positions in money market operations	3,345,050	4,411,631	1,066,581	31.9
Financial instruments at fair value	1,307,567	2,039,138	731,571	55.9
Banks and other financial obligations	2,519,646	2,607,156	87,511	3.5
Accounts payable	625,419	785,673	160,254	25.6
Labor obligations	218,954	250,835	31,881	14.6
Other Liabilities	479,168	656,103	176,935	36.9
Total Liabilities	58,055,151	60,286,118	2,230,967	3.8
Suscribed and paid-in-capital	89,779	89,779	-	-
Specific destination reserves and funds	2,764,479	3,039,130	274,651	9.9
Surplus	958,739	1,027,561	68,822	7.2
Gains or losses	533,758	722,815	189,057	35.4
Stockholder's Equity	4,346,755	4,879,285	532,530	12.3
Total Liabilities and Stockholder's Equity	62,401,906	65,165,403	2,763,497	4.4

In relation to the Bank's liquidity resources, cash showed a decrease of COP 2,8 trillion compared to 2018. This decrease was due to a negative variation of COP 1,8 trillion in the cash in Banks and other financial entities, a negative variation of COP 675,7 billion in Banco de la República and a negative variation of COP 277,3 billion in cash at the Bank.

The active positions in money market closed with a balance of COP 499 billion and showed a decrease of 3.0% with respect to the same period of 2018. This decrease of COP 15,3 billion was due to a lower volume in simultaneous operations, which showed a negative variation of COP 65,3 billion and an increase of COP 50 billion in inter-bank transactions.

For its part, investments and operations with derivatives showed a positive variation of 13.7% compared to December of 2018, closing with a balance of COP 10,9 trillion.

The gross loan and leasing portfolio registered an annual growth of 9.0% or COP 4,1 trillion, closing in December 2019 with a balance of COP 49,6 trillion. On its part, the impairment account which includes specific and general provisions of the loan portfolio showed an increase of 0.1%. The other assets account increased by 8.7% or COP 152,5 billion.

In relation to liabilities accounts, the deposits and financial claims showed a slight annual decrease of 0.05% or COP 23,7 billion, closing with a balance of COP 49,5 trillion. This decrease is explained mostly to a negative variation of COP 956,6 billion in special deposits, a decrease of COP 709,2 billion in checking accounts and a decrease of COP 103,2 billion on investment securities. This is offset by an increase of COP 1,5 trillion in savings accounts, an increase of COP 208,2 billion in term deposits and an increase of COP 85 billion in service charges.

Liability positions in monetary market increased by COP 1,07 trillion, due to an increase of COP 720 billion in simultaneous operations, an increase of COP 266 billion in interbank funds, an increase of COP 53,8 billion in short positions and an increase of COP 33 billion in repo operations.

Financial instruments at fair value closed with a balance of COP 2,04 trillion, which represented an increase of 55.9% compared to the same period in 2018. This variation is primarily the result of an increase of COP 421,8 billion in trading swaps and an increase of COP 345,1 billion in trading forwards. Furthermore, trading options showed a decreased of COP 8 billion as well as hedging swaps for COP 27,2 billion.

Credit lines with banks and other financial obligations registered an increase of COP 87,5 billion explained by the increase of COP 57,4 billion in foreign entities and an increase in Findeter and Finagro obligations of COP 48,8 billion and COP 44,8 billion respectively. Furthermore, Bancoldex obligations showed a decrease of COP 64,2 billion.

Accounts payable registered a positive variation of 25.6%, while labor obligations showed an increase of 14.6%. Other liabilities increased by 36.9% or COP 176,9 billion, closing with a balance of COP 656,1 billion.

Finally, Equity increased by 12.3%, closing at COP 4,9 trillion at the end of December 2019.

Loan portfolio

In December of 2019, the gross loan portfolio closed with a balance of COP 49,7 trillion and registered a variation of 9.0% compared with the same period of 2018. Similarly, the net loan portfolio increased by 9.6%, closing with a balance of COP 46,7 trillion.

LOAN PORTFOLIO

Million COP

	4Q18	4Q19	Var TAM	
Gross loans	45,573,222	49,656,631	4,083,410	9.0
Consumer	15,434,702	17,998,790	2,564,089	16.6
Commercial	15,384,065	16,256,143	872,079	5.7
Microcredit	-	-	-	N.C
Mortgage	10,945,995	11,754,653	808,658	7.4
Leasing	1,698,190	1,604,495	(93,694)	(5.5)
Non-performing loan portfolio	305,645	268,652	(36,993)	(12.1)
Non-performing loans	1,804,625	1,773,898	(30,727)	(1.7)
Provisions	(2,944,928)	(2,947,629)	(2,701)	(0.1)
Total loans, net	42,628,293	46,709,002	4,080,709	9.6

The loan portfolio of BBVA Colombia keeps its attention in the retail segment, which represents 59.9% of the gross loan portfolio at the close of December 2019. This segment increased by 12.8% compared to 2018, closing at COP 29,8 trillion.

The consumer portfolio, which includes payroll loans, vehicle, hedge funds, revolving credit, credit cards and overdrafts increased at an annual rate of 16.6%. Payroll loans account has the biggest participation in the consumer portfolio, followed by free consumption and vehicle. The growth of payroll stands over the previous year (26%).

Mortgage loans grew by 7.4%, which represented a variation of COP 808,6 billion. At the end of the fourth quarter of 2019, it represents 23.7% of the gross loan portfolio.

Commercial portfolio showed an annual increase of 5.7% with a positive variation of COP 872 billion. For its part, the leasing portfolio showed a decrease of 5.5% with a negative variation of COP 93,7 billion.

Client's Resources

At the end of the fourth quarter of 2019, client's resources remained adjusted to the bank's liquidity needs. Total client resources showed a slight decrease by 0.05%, which represented a negative variation of COP 23,8 billion, closing the quarter at COP 49,5 trillion. Term deposits represented 39.5% of total resources and registered a positive variation of 1.1%, achieving a balance of COP 19,6 trillion.

CLIENT'S RESOURCES

Million COP

	4Q18	4Q19	Var TAM	
Checking Accounts	7,256,409	6,547,255	(709,154)	(9.8)
Saving Accounts	18,991,932	20,444,113	1,452,181	7.6
Term Deposits	19,373,593	19,581,927	208,333	1.1
Other Deposits	1,654,559	782,662	(871,897)	(52.7)
Total Client's Deposits	47,276,492	47,355,956	79,463	0.2
Investment Securities in Circulation	2,282,854	2,179,625	(103,229)	(4.5)
Total Resources	49,559,346	49,535,580	(23,766)	(0.0)

Transactional deposits (checking and saving accounts) increased by 2.8%, which represented a positive variation of COP 743 billion. These deposits represented 54.5% of total client's resources.

Investment securities in circulation closed at COP 2,18 trillion, equivalent to a decrease of 4.5% compared to 2018.

Eligible Capital and Solvency Ratio

The accounting equity registered a positive variation of 12.3% and closed with a balance of COP 4,9 trillion. This increase is primarily explained by the increase in reserves of COP 274,6 billion, due to the increase of COP 189 billion in fiscal year earnings and by the increase of COP 68,8 billion in Surplus.

The technical equity closed in the fourth quarter of 2019 with a balance of COP 5,8 trillion and registered a variation of 4.4%. According to the Colombian regulation, the required equity reached COP 4,5 trillion, which implies an excess of equity over the required amount of COP 1,3 trillion.

ELIGIBLE CAPITAL AND SOLVENCY RATIO

Million COP

	4Q18	4Q19	%
Accounting Equity	4,346,755	4,879,285	12.3
Eligible Capital	5,586,189	5,830,357	4.4
Ordinary Basic Equity	3,113,678	3,292,907	5.8
Additional Basic Equity	2,994	2,994	-
Additional Equity (Tier II)	2,469,517	2,534,457	2.6
Technical Equity	5,586,189	5,830,357	4.4
Required Equity	4,071,722	4,535,917	11.4
Surplus Equity	1,514,467	1,294,440	(14.5)
Risk weighted assets including market risk	45,241,351	50,399,079	11.4
Value at Risk (VeR)	234,923	381,384	62.3
Solvency Ratio without VeR	13.10	12.63	-47 bps
Solvency Ratio with VeR (minimum 9%)	12.35	11.57	-78 bps
Tier 1 (%) ¹	6.88	6.53	-35 bps

¹Basic Equity against risk-weighted assets

Risk-weighted assets (RWA's) closed at COP 50,4 trillion and showed a growth of 11.4% in line with the growth of the activity. On its part, the value at risk (VaR) increased by 62.3%.

The Bank's solvency ratio closed at 11.57%, with a decrease of 78 bps compared to the same period in 2018.

Income Statement

Net interest income registered an interannual increase of 7.1%. Loan portfolio revenues increased by COP 131,5 billion, while expenses decreased by COP 64,6 billion. The above was driven by the good management of the Bank. For this reason, net interest income increased by COP 196,0 billion.

Net fee income closed with a negative variation of 22.9%. On its part, incomes generated for the investment portfolio decreased by COP 13,5 billion or 3.1%. Dividends registered a decrease of 6.1% and closed with a balance of COP 16,4 billion. Furthermore, the line of other incomes, which includes operational incomes from financial services provided and recoveries of operative risks and other, registered an increase of 56.5%.

Net provisions closed with a balance of COP 982,6 billion and showed a decrease of 11.3%.

Next, the results of BBVA Colombia accumulated at the close of the fourth quarter of 2018 and 2019 will be shown:

Accumulated Income Statement

Million COP

	4Q18	4Q19	Var TAM	
Interest Income	4,830,056	4,961,507	131,451	2.7
Interest Expense	(2,060,057)	(1,995,475)	64,583	(3.1)
NET INTEREST INCOME	2,769,998	2,966,032	196,034	7.1
NET FEE INCOME	158,175	121,918	(36,257)	(22.9)
Investment Portfolio	433,213	419,766	(13,447)	(3.1)
Dividends	17,471	16,402	(1,069)	(6.1)
Other incomes	87,461	136,916	49,455	56.5
OTHER OPERATING INCOME	538,145	573,085	34,940	6.5
GROSS MARGIN	3,466,319	3,661,035	194,717	5.6
Net Provisions	(1,107,289)	(982,631)	124,659	(11.3)
Operational Costs	(1,532,156)	(1,616,096)	(83,940)	5.5
Personal Expenses	(560,693)	(601,344)	(40,651)	7.3
General Expenses	(376,075)	(401,203)	(25,128)	6.7
Taxes	(120,222)	(118,608)	1,615	(1.3)
Other	(460,959)	(477,669)	(16,710)	3.6
Operational Risk	(14,206)	(17,272)	(3,066)	21.6
OPERATING EXPENSES	(2,639,445)	(2,598,727)	40,719	(1.5)
PROFIT BEFORE TAX	826,873	1,062,309	235,435	28.5
Income Tax	(277,562)	(323,939)	(46,378)	16.7
NET INCOME	549,312	738,369	189,057	34.4

Operational cost registered an increase of COP 83,9 billion compared with the last year. Personal expenses increased by 7.3% compared with 2018. Furthermore, general expenses increased by 6.5% and expenses on taxes and fees decreased by 1.3%.

Finally, BBVA Colombia registered a net income at the end of the fourth quarter of 2019 of COP 738,4 billion which was 34.4% higher than the profit of the previous year.

In that way, it is showed the results of BBVA Colombia at the close of the fourth quarterly of 2018 and 2019 not accumulated:

Income Statement

Million COP

	4Q18	4Q19	Var TAM	
Interest Income	1,221,510	2,492,935	1,271,425	104.1
Interest Expense	(517,314)	(1,006,439)	(489,125)	94.6
NET INTEREST INCOME	704,196	1,486,496	782,300	111.1
NET FEE INCOME	41,582	54,824	13,242	31.8
Investment Portfolio	130,670	216,755	86,086	65.9
Dividends	789	17,353	16,564	2,098.3
Other incomes	21,995	72,092	50,097	227.8
OTHER OPERATING INCOME	153,454	306,201	152,746	99.5
GROSS MARGIN	899,233	1,847,521	948,288	105.5
Net Provisions	(309,433)	(460,012)	(150,579)	48.7
Operational Costs	(402,991)	(826,080)	(423,089)	105.0
Personal Expenses	(139,420)	(305,920)	(166,499)	119.4
General Expenses	(109,896)	(205,202)	(95,307)	86.7
Taxes	(28,482)	(55,719)	(27,237)	95.6
Other	(122,346)	(251,833)	(129,487)	105.8
Operational Risk	(2,847)	(7,407)	(4,560)	160.2
OPERATING EXPENSES	(712,424)	(1,286,092)	(573,669)	80.5
PROFIT BEFORE TAX	186,809	561,428	374,619	200.5
Income Tax	(61,405)	(150,749)	(89,344)	145.5
NET INCOME	125,404	410,679	285,275	227.5

The net interest income registered an interannual increase of 111.1%. For one side, interest income registered an increase of COP 1,2 trillion, while interest expense decreased by COP 489,1 billion. In that way, net interest income increased by COP 782,3 billion.

Net fee income closed in the fourth quarterly with a positive variation of 31.8%. Furthermore, other operating incomes showed an increase of COP 152,7 billion compared with the same period of the last year. Operating expenses showed an increase of COP 573,7 billion compared to the fourth quarter of last year.

Finally, BBVA Colombia registered a net income at the end of the fourth quarterly 2019 for a value of \$410,7 billion.

Performance Measures and Indicators

The adequate management of the risk that is followed in BBVA Colombia, allow the bank to develop a commercial operation keeping well quality indicators of the loan portfolio and a prudent risk profile.

NON-PERFORMING LOANS AND COVERAGE

Million COP

	4Q18	4Q19	Var TAM
Gross Loan Portfolio	45,573,222	49,656,631	8.96
Total Overdue loans	2,110,270	2,042,550	(3.21)
Overdue loans	305,645	268,652	(12.10)
Non-performing loans	1,804,625	1,773,898	(1.70)
Non-performing loans ratios	%	%	%
Overdue Loans ratio	0.67	0.54	(0.13)
NPL ratio	3.96	3.57	(0.39)
Loan -Loss Provision	2,944,928	2,947,629	0.09
Coverage overdue loans	163.19	166.17	2.98

At the end of December 2019, the NPL ratio was located at 3.57%. Also, the coverage overdue loan ratio is located at 166.17%.

Individual Statement of Changes in Equity

Below is the statement of changes in shareholders' equity of BBVA Colombia for the year ended on December 31th, 2018 and 2019.

BANCO BILBAO VIZCAYA ARGENTARIA COLOMBIA S.A.
STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(Amounts stated in millions of Colombian pesos and thousands of shares)

Concept	Suscribed and paid-in capital				Retained Earnings							Total Shareholder Equity
	Non-voting preferred shares		Ordinary shares		Legal and occasional reserves	Additional- paid in capital	Net profit For the period	Retained earnings	Adjustments in the adoption for the first time NICF	Other comprehensive Income (OCI)	Article 6 Law 4 of 1980	
	Number	Value	Number	Value								
Balance of December 31 of 2018	\$ 479,760	\$ 2,994	\$ 13,907,929	\$ 86,785	\$ 2,764,479	\$ 651,950	\$ 549,312	\$ -	\$ 273,676	\$ 17,054	\$ 506	\$ 4,346,756
Transfers	-	-	-	-	-	-	(549,312)	549,312	-	-	-	-
Cash dividends paid in preferred and common shares	-	-	-	-	-	-	-	(274,661)	-	-	-	(274,661)
Appropriation for legal reserve	-	-	-	-	274,651	-	-	(274,651)	-	-	-	0
Net profit for the period	-	-	-	-	-	-	738,369	-	-	-	-	738,369
Fixed asset valuation update	-	-	-	-	-	-	-	-	(18,881)	-	-	(18,881)
Net deferred tax (Net effect of labor obligations and net fixed assets)	-	-	-	-	-	-	-	-	(4,308)	-	-	(4,308)
Hedging with cash flow derivatives	-	-	-	-	-	-	-	-	-	12,095	-	12,095
Actuarial gains and losses on defined contributions pensions	-	-	-	-	-	-	-	-	-	-	-	-
Other Comprehensive Income:												
Investments by equity method	-	-	-	-	-	-	-	-	-	532	-	532
Deferred tax on defined contributions pensions	-	-	-	-	-	-	-	-	-	198	-	198
Deferred tax on equity investment management	-	-	-	-	-	-	-	-	-	-	-	-
Deferred tax on equity instruments	-	-	-	-	-	-	-	-	-	(8,348)	-	(8,348)
Deferred tax on investments available for sale	-	-	-	-	-	-	-	-	-	(8,301)	-	(8,301)
Deferred tax on cash flow hedge	-	-	-	-	-	-	-	-	-	(4,918)	-	(4,918)
Unrealised retained earnings in equity instruments	-	-	-	-	-	-	-	-	-	76,607	-	76,607
Retained earnings by new measurements of financial assets on investments available for sale	-	-	-	-	-	-	-	-	-	24,145	-	24,145
Balance of December 31th of 2019	\$ 479,760	\$ 2,994	\$ 13,907,929	\$ 86,785	\$ 3,039,130	\$ 651,950	\$ 738,369	\$ -	\$ 250,487	\$ 109,064	\$ 506	\$ 4,879,285

3. Consolidated Figures

Consolidated Results

Total assets of BBVA Colombia closed the fourth quarter of 2019 with a balance of COP 65,7 trillion. This showed an annual growth rate of 4.6%, which represented a variation of COP 2,9 trillion.

BALANCE SHEET - Consolidated Million COP

	4Q18	4Q19	TAM	
			abs	%
Cash and cash equivalents	8,461,493	5,642,226	(2,819,267)	(33.3)
Investments	8,148,586	8,667,565	518,979	6.4
Derivative Financial Instruments and Cash Operations	1,292,073	2,071,592	779,519	60.3
Gross Loan Portafolio and Leasing	45,573,222	49,656,632	4,083,410	9.0
Provision for credit losses	(2,776,476)	(2,573,306)	203,170	(7.3)
Other	2,167,829	2,268,951	101,122	4.7
Assets	62,866,727	65,733,660	2,866,933	4.6
Deposits	47,246,048	47,320,164	74,116	0.2
Money Market Operations	3,343,616	4,410,752	1,067,136	31.9
Financial instruments at fair value	1,307,567	2,039,137	731,570	55.9
Banks and other financial obligations	2,519,646	2,607,156	87,510	3.5
Investment in debt securities	2,282,854	2,179,625	(103,229)	(4.5)
Liabilities by deferred tax	263,317	332,365	69,048	26.2
Estimated liabilities and provisions	255,735	317,376	61,641	24.1
Payable accounts	528,195	647,543	119,348	22.6
Labor Obligations	222,361	254,728	32,367	14.6
Other Liabilities	264,215	412,901	148,686	56.3
Liabilities	58,233,554	60,521,747	2,288,193	3.9
Paid-in Capital	89,779	89,779	-	-
Additional-paid in capital	651,950	651,950	-	-
Noncontrolling interests	6,972	7,260	288	4.1
Reserves	2,764,985	3,039,636	274,651	9.9
Surplus	555,834	691,670	135,836	24.4
Net income	563,653	731,618	167,965	29.8
Stockholder's Equity	4,633,173	5,211,913	578,740	12.5
Total Liabilities and Stockholder's Equity	62,866,727	65,733,660	2,866,933	4.6

In relation to the Bank's liquidity resources, cash and cash equivalents showed an increase of COP 2,82 trillion compared to 2018. This decrease was the result of a COP 2,8 trillion in cash and deposits in banks and a negative variation of COP 15,5 trillion in money market operations.

Derivative financial instruments and cash operations closed with a balance of COP 2,07 trillion, showed a positive variation of COP 779,5 million.

Investments showed a positive variation of COP 518,9 billion closing with a balance of COP 8,67 trillion. This variation is mainly explained by the increase in investments at fair value with a change in results in the money market operations of COP 1,3 trillion and COP 4 billion in investments at amortized cost. Furthermore, investments at fair value with a change in results showed a decrease of COP 457,3 billion, investments with change in other comprehensive income showed a decrease of COP 320,2 billion and investments delivered in guarantee operations showed a decrease of COP 378,2 billion.

The gross loan and leasing portfolio grew at an annual rate of 9.0% or COP 4,1 trillion closing in December 2019 with a balance of COP 49,6 trillion. On its part, the impairment account, this includes specific and general provisions on the loan portfolio, increased by 7.3%. The other assets account increased by 4.7% or COP 101,1 billion.

In relation to the liability accounts, deposits and claims showed an annual growth of COP 74,2 billion, closing with a balance of COP 47,3 trillion. This growth is explained mainly by a COP 208,3 billion increase in term deposits and a decrease of COP 134,2 billion in checking accounts. Liability positions in market operations increased by COP 1,1 trillion, due to an increase of COP 720 billion in simultaneous operations, an increase of COP 266 billion in interbank funds, an increase of COP 53,8 billion in short positions and an increase of COP 33 billion in repo operations.

Derivative financial instruments closed with a balance of COP 2 trillion, which represented an increase of 55.9% compared with the same period in 2018. This variation is primarily the result of an increase of COP 758.8 billion in trading swaps and by the decrease of COP 27,2 billion in hedging instrument.

Credit lines with banks and other financial obligations showed an increase of COP 87,5 billion as a result of an increase of COP 57,4 billion with international financial entities and an increase of the COP 48,8 billion and COP 44,8 billion with Findeter and Finagro respectively. In addition, there was a decrease of COP 64,2 billion in Bancoldex.

Accounts payable showed a positive variation of 22.6%, while labor obligations showed an increase of 14.6%. Other liabilities increased by 56.3% or COP 148,7 billion, closing at COP 412,9 billion.

Finally, Equity increased by 12.5%, closing with a balance of COP 5,2 trillion in December 2019.

Loan Portfolio

In December 2019, the gross loan portfolio closed at COP 49,7 trillion, equivalent to a 9.0% increase compared to the same period in 2018. Similarly, the net loan portfolio increased by 10.0%, closing at COP 47,1 trillion.

LOAN PORTFOLIO

Million COP

	4Q18	4Q19	Var TAM	
Gross Loan Portfolio	45,573,222	49,656,632	4,083,410	9.0
Consumer	16,361,690	18,970,748	2,609,058	15.9
Commercial	17,834,846	18,408,889	574,043	3.2
Microcredit	2	2	-	-
Mortgage	10,958,949	11,802,474	843,525	7.7
Leasing	417,735	474,519	56,784	13.6
Loan -Loss Provision	(2,776,476)	(2,573,306)	203,170	(7.3)
Net Loan Portfolio	42,796,746	47,083,326	4,286,580	10.0

The loan portfolio of BBVA Colombia keeps its attention in the retail segment, which represented 62.0% of its total gross loan portfolio at the end of December 2019. This segment increased by 12.6% compared to 2018, closing with a balance of COP 30,7 trillion.

The consumer portfolio, which includes payroll loan, vehicle, free investment, revolving credit, credit cards and overdrafts increased at an annual rate of 15.9%.

Mortgage loan portfolio grew by 7.7%, equivalent to an increase of COP 843,5 billion, and at the end of December 2019 it accounted for 23.8% of the total gross loan portfolio.

Commercial portfolio showed an annual rate of 3.2% increase with a positive variation of COP 574 billion.

Client's Resources

At the end of the fourth quarter of 2019, client's resources keep adjusted to the liquidity needs of the Bank and funding grew in line with the dynamic growth of the loan portfolio. Client's resources decreased by COP 29,1 billion, closing the quarter at COP 49,5 trillion. Term deposits represented 39.6% of total of the resources and showed a positive variation of 1.1%, closed with a balance of COP 19,6 trillion.

CLIENT'S RESOURCES Million COP

	4Q18	4Q19	Var TAM	
Checking Accounts	27,872,455	27,738,237	(134,218)	(0.5)
Saving Accounts	19,373,593	19,581,927	208,334	1.1
Total Client's Deposits	47,246,048	47,320,164	74,116	0.2
Investment Securities in Circulation	2,282,854	2,179,625	(103,229)	(4.5)
Total Resources	49,528,902	49,499,789	(29,113)	(0.1)

Checking account decreased by 0.5%, which represented a negative variation of COP 134,2 billion. These deposits represented 56.0% of total client's resources.

Investment securities in circulation closed at COP 2,2 trillion, equivalent to a decrease of 4.5% compared to 2018.

Eligible Capital and Solvency Ratio

The accounting equity increased by 12.5%, closing at COP 5,2 trillion. This increase is primarily explained by the increase in reserves in the amount of COP 274,6 billion, by the increase of COP 135,8 billion in surplus and by the increase of COP 167 billion in fiscal year earnings.

Technical Equity closed in December 2019 with a balance of COP 5,8 trillion, equivalent to an increase of 4.4%. Required equity according to the Colombian regulations was COP 4,5 trillion, which implies an excess of equity over the required amount of COP 1,3 trillion.

ELIGIBLE CAPITAL AND SOLVENCY RATIO

Million COP

	4Q18	4Q19	%
Accounting Equity	4,633,173	5,211,913	12.5
Eligible Capital	5,586,499	5,831,914	4.4
Ordinary Basic Equity	3,115,683	3,296,129	5.8
Additional Basic Equity	2,994	2,994	-
Additional Equity ¹ (Tier II)	2,467,823	2,532,791	2.6
Technical Equity	5,586,499	5,831,914	4.4
Required Equity	4,071,511	4,552,537	11.8
Surplus Equity	1,514,988	1,279,376	(15.6)
Risk weighted assets including market risk	45,239,014	50,583,750	11.8
Value at Risk (VeR)	236,201	384,648	62.8
Solvency Ratio without VeR	13.11	12.59	(52)
Solvency Ratio with VeR (minimum 9%)	12.35	11.53	(82)
Tier 1 (%) ¹	6.89	6.52	(37)

¹ Basic Equity against risk-weighted assets

Risk-Weighted Assets closed at COP 50,5 trillion, equivalent to growth of 11.8%, reflecting the growth of the business. On its part, the Market Value at Risk (VeR) increased by 62.8%.

The Group's solvency ratio closed at 11.53% with a negative variation of 82 bps compared to the same period of 2018.

Income Statement

Net interest income registered an interannual increase of 17.1%. Loan portfolio revenue showed an increase of COP 390,4 billion while expenses registered a decrease of COP 64,7 billion. For this reason, the net interest income showed an increase of COP 455,1 billion.

Net fee income closed in December 2019 with a negative variation of COP 331 billion. On its part, Investment portfolio revenues decreased by COP 11,1 billion or 2.8%. Dividends showed a negative variation of 5.8%, closing with a balance of COP 16,8 billion. Furthermore, the other revenues line, which includes operating revenues for financial services and recoveries of operating and other risks, recorded an increase of 56.2%.

Next, it is showing the results of BBVA Colombia accumulated at the end of December 2018 and 2019:

Accumulated Income Statement

Million COP

	4Q18	4Q19	Var TAM	
Interest Income	4,720,124	5,110,533	390,409	8.3
Interest Expense	(2,057,754)	(1,993,032)	64,722	(3.1)
NET INTEREST INCOME	2,662,370	3,117,501	455,131	17.1
NET FEE INCOME	367,098	36,099	(330,999)	(90.2)
Investment Portfolio	400,760	389,595	(11,165)	(2.8)
Dividends	17,860	16,830	(1,030)	(5.8)
Other Incomes	89,351	139,599	50,248	56.2
OTHER OPERATING INCOME	507,971	546,024	38,053	7.5
GROSS MARGIN	3,537,439	3,699,624	162,185	4.6
Net Provisions	(1,107,670)	(983,192)	124,478	(11.2)
Operational Costs	(1,557,341)	(1,645,103)	(87,762)	5.6
Personal Expenses	(576,115)	(617,900)	(41,785)	7.3
General Expenses	(381,681)	(404,086)	(22,405)	5.9
Taxes	(122,405)	(121,177)	1,228	(1.0)
Other	(467,688)	(484,633)	(16,945)	3.6
Operational Risk	(9,452)	(17,307)	(7,855)	83.1
OPERATING EXPENSES	(2,665,011)	(2,628,295)	36,716	(1.4)
Minority Interest	(2,148)	(1,999)	149	(6.9)
PROFIT BEFORE TAX	870,280	1,069,330	199,050	22.9
Income Tax	(306,627)	(337,712)	(31,085)	10.1
NET PROFIT	563,654	731,618	167,964	29.8

Operational costs registered an increase of COP 87,7 billion compared to the previous year. Personal expenses increased by 7.3% compared to 2018. Furthermore, general expenses grew by 5.9%. Taxes and contributions expenses registered a decrease of 1.0%. The net provisions showed a decrease of 11.2% and closed with a balance of COP 983,2 billion.

Lastly, BBVA Colombia posted a net profit at the end of December 2019 in the amount of COP 731,6 billion. This profit is 29.8% higher than that registered in the fourth quarter of 2018.

In that way, it is showed the results of BBVA Colombia at the close of the fourth quarterly of 2018 and 2019 not accumulated:

Income Statement

Million COP

	4Q18	4Q19	Var TAM	
Interest Income	1,195,529	1,592,211	396,682	33.2
Interest Expense	(516,870)	(513,104)	3,766	(0.7)
NET INTEREST INCOME	678,659	1,079,107	400,448	59.0
NET FEE INCOME	105,480	(269,742)	(375,222)	(355.7)
Investment Portfolio	119,449	94,491	(24,958)	(20.9)
Dividends	790	(792)	(1,582)	(200.3)
Other Incomes	20,485	33,178	12,693	62.0
OTHER OPERATING INCOME	140,724	126,877	(13,847)	(9.8)
GROSS MARGIN	924,863	936,242	11,379	1.2
Net Provisions	(466,202)	(209,777)	256,425	(55.0)
Operational Costs	(408,208)	(440,571)	(32,363)	7.9
Personal Expenses	(143,223)	(159,492)	(16,269)	11.4
General Expenses	(110,673)	(107,200)	3,473	(3.1)
Taxes	(29,220)	(24,181)	5,039	(17.2)
Other	(122,245)	(137,938)	(15,693)	12.8
Operational Risk	(2,847)	(11,760)	(8,913)	313.1
OPERATING EXPENSES	(874,410)	(650,348)	224,062	(25.6)
Minority Interest	(800)	(624)	176	(22.0)
PROFIT BEFORE TAX	49,653	285,271	235,618	474.5
Income Tax	(17,053)	(65,952)	(48,899)	286.7
NET PROFIT	32,600	219,319	186,719	572.8

The interest margin registered an interannual increase of 59.0%. For one side, interest income registered an increase of COP 396,7 billion, while interest expense decreased COP 3,8 billion. In that way, net interest income increased to COP 400,4 billion.

Net fee income closed in the fourth quarterly with a negative variation of 355.7%. As well as other operating incomes showed a decrease of COP 13,8 billion compared with the same period of the last year. Furthermore, operating expenses showed a decrease of COP 224,1 billion compared to the fourth quarter of last year.

Finally, BBVA Colombia registered a net income at the end of the fourth quarter of 2019 for a value of \$186,7 billion.

Consolidated Statement of Changes in Equity

Below is the statement of changes in shareholders' equity of BBVA Colombia for the year ended on December 31th 2018 and 2019.

BANCO BILBAO VIZCAYA ARGENTARIA COLOMBIA S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY

(Amounts stated in million of Colombian pesos and thousands of shares)

Concept	Number of shares	Subscribed and paid-in capital	Additional- paid in capital	Legal and occasional reserves	Net profit for the period	Retained earnings (NICF Implementation)	Adjustments in the adoption for the first time NICF	Other comprehensive income (OCI)	Article 6 Law 4 of 1980	Total shareholders' equity	Non-controlling interest	Total Equity
Balance of December 31th of 2018	\$ 479,760	\$ 86,785	\$ 651,950	\$ 2,764,479	\$ 563,653	\$ 130,462	\$ (24,582)	\$ 449,954	\$ 506	\$ 4,626,201	\$ 6,972	\$ 4,633,173
Non controlled interest (minority interest)	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	(563,653)	563,653	-	-	-	-	(2,023)	(2,023)
Dividends paid in cash, preferred and common shares	-	-	-	-	-	(274,661)	-	-	-	(274,661)	-	(274,661)
Appropriation for legal reserve	-	-	-	274,651	-	(274,651)	-	-	-	-	-	-
Release of reserves	-	-	-	-	-	-	-	-	-	-	312	312
Net profit for the period	-	-	-	-	731,618	-	-	-	-	731,618	1,999	733,617
Retained earnings sales force	-	-	-	-	-	(28,780)	-	-	-	(28,780)	-	(28,780)
Deferred tax	-	-	-	-	-	(6,013)	575	-	-	(5,438)	-	(5,438)
Unrealised retained earnings in new measurements of financial	-	-	-	-	-	(14,341)	-	-	-	(14,341)	-	(14,341)
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
Fixed asset valuation update	-	-	-	-	-	-	(18,880)	-	-	(18,880)	-	(18,880)
Hedging with derivatives cash flow	-	-	-	-	-	-	-	12,095	-	12,095	-	12,095
Actuarial losses	-	-	-	-	-	-	-	(4,883)	-	(4,883)	-	(4,883)
Defined contributions pension	-	-	-	-	-	-	-	-	-	-	-	-
Investments accounted for using the equity method	-	-	-	-	-	-	-	-	-	-	-	-
Participation in other comprehensive income of the noncontrolled investments - internal model	-	-	-	-	-	-	-	48,139	-	48,139	-	48,139
Earnings (losses) from recovery impairment of loan portfolio and	-	-	-	-	-	-	-	178,856	-	178,856	-	178,856
Earnings accumulated by new measurements of financial assets	-	-	-	-	-	-	-	24,143	-	24,143	-	24,143
Unrealised retained earnings in new measurements of financial instruments	-	-	-	-	-	-	-	-	-	-	-	-
Net deferred tax	-	-	-	-	-	-	-	(69,977)	-	(69,977)	-	(69,977)
Profits (losses) other patrimonial items of subordinates	-	-	-	-	-	-	-	561	-	561	-	561
Balance of December 31th of 2019	\$ 479,760	\$ 86,785	\$ 651,950	\$ 3,039,130	\$ 731,618	\$ 95,669	\$ (42,887)	\$ 638,888	\$ 506	\$ 5,204,653	\$ 7,260	\$ 5,211,913

Investor Relations Team

Director

Juan Pablo Herrera Gutiérrez

3471600 Ext. 12892

juanpablo.herrera.gutierrez@bbva.com / bbvacolombia-ir@bbva.com

IR Professional

María Camila Manosalva Rojas

3471600 Ext. 17003

mariacamila.manosalva@bbva.com / bbvacolombia-ir@bbva.com

Shareholders Senior Officer

Luz Stella Landinez Calderon

3471600 Ext. 11111

luz.landinez@bbva.com / acciones@bbva.com

Website: <https://www.bbva.com.co/personas/investor-relations.html>