



Creando Oportunidades

Results 2Q19

August 30th 2019



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Creando Oportunidades

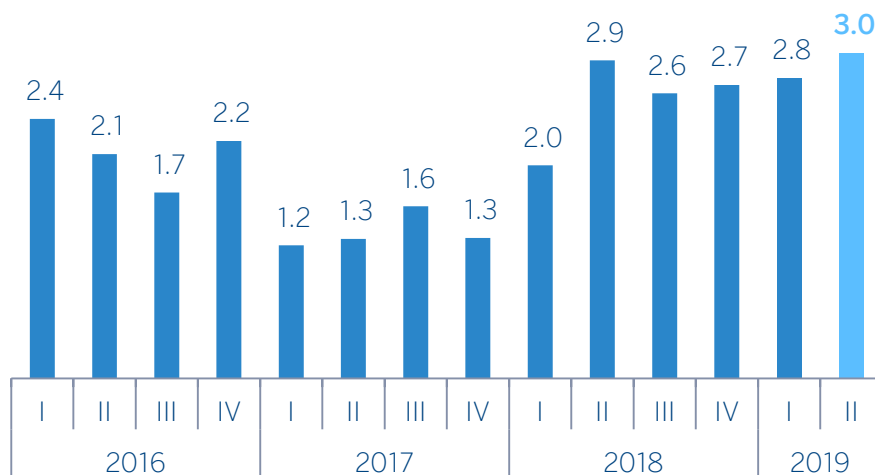
1

Economic Environment

The Economy began its recovery process in 2018 in a slow and very gradual but also orderly manner

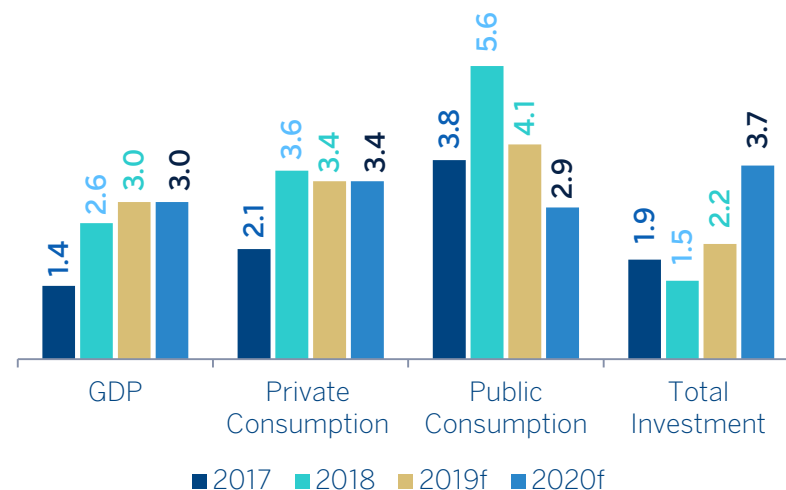
GDP – 2Q19

Annual growth rate



Consumption, investment and GDP

Annual variation, %



Global growth will be 3.4% in both 2019 and 2020.

The negative effects of trade and political tensions explain the slowdown compared to 2018

Colombia will grow 3.0% in both 2019 and 2020.

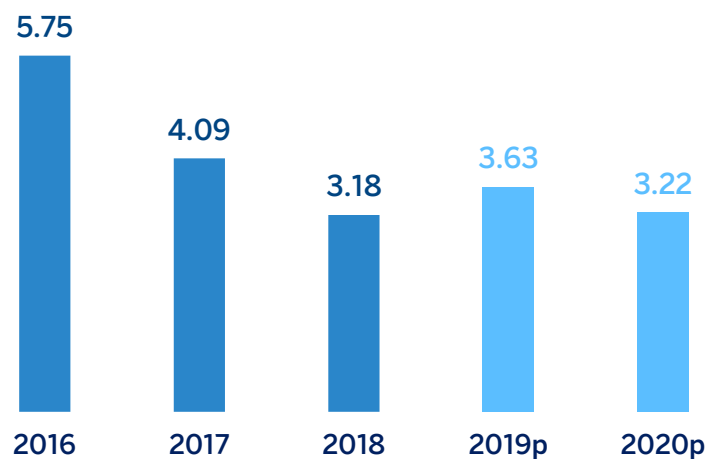
Private consumption remains strong, despite the deterioration of the labor market and confidence. Investment is strengthened by civil works and machinery

Growth projection is based on the stability of private consumption, the slowdown of public consumption, and investment accelerating

Central Bank will keep its interest rates stable for a long time, leaving them unchanged in the 2019-2020 horizon

Inflation

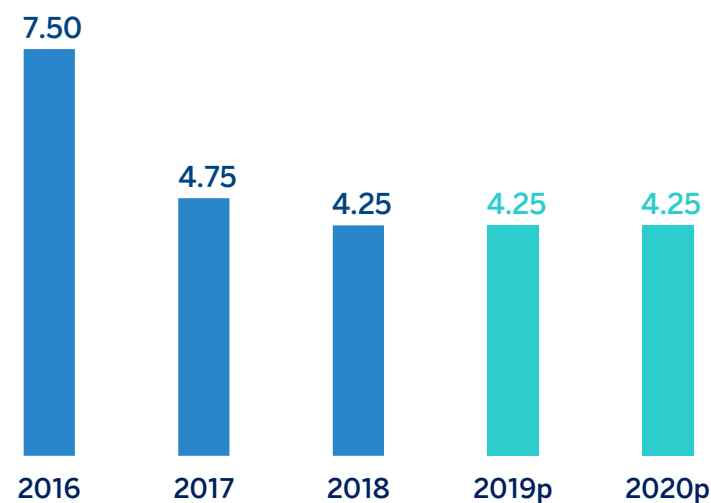
% y/y



In Dec-19 inflation will stand at 3.6%, and will be reduced to 3.2% in Dec-20. Food prices and exchange pass trough will put pressure on inflation during 2019. In 2020, these pressures will stabilize

Policy Interest Rates

%, annual effective rate (TEA)



The more flexible global monetary policy and the presence of moderate growth rates in Colombia **will allow the central bank to maintain its stable interest rate for a long period of time**

Main Consolidated Figures 2Q19

Results (Billion)

\$ 1,283,680	\$ 1,843,347	\$ 340,770
-3.2% YoY	+5.4% YoY	-8.5% YoY
Net Interest Income	Gross Margin	Net Profit

Efficient cost controls and
lower impairment charges

Balance Sheet (Billion)

\$ 63,958	\$ 4,772	\$ 46,771	\$ 45,847
+10.3% YoY	+11.3% YoY	+4.3% YoY	+2.3% YoY
Total Assets	Equity	Gross Loan Portfolio	Customer Deposits*

Leading franchise in
retail banking in Colombia

Risk Ratios

3.841%	2.27%	158.68%
+14 bps YoY	- 7bps YoY	+59 bps YoY
-12 bps vs Dec	- 20 bps vs Dec	-451 pbs vs Dec
NPL Ratio%	Cost of Risk%	Coverage Ratio %

Sound risk management
aligned with Global Risk
Management Policies

Solvency

11.90%	7.04%
-15 bps YoY	-1 bps YoY
Total Solvency**	Basic Solvency**

The forthcoming adoption of
Basel III guidelines in
Colombia **will benefit the
bank's capital ratios**

Efficiency

43.11%
-48 bps YoY
Efficiency Ratio

**Outstanding
evolution** in efficiency

*Excluding other deposits, individual figures
** Individual figures



Creando Oportunidades

2

Digital Sales

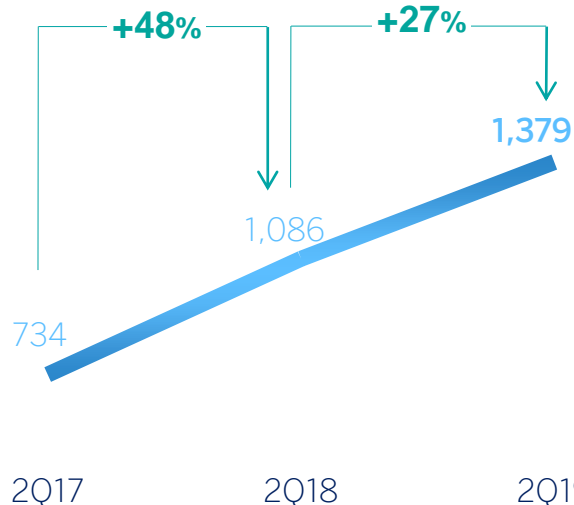
BBVA Colombia will offer free and unlimited transfers to all banks in the country



**Free Bank Transfers
With BBVA**

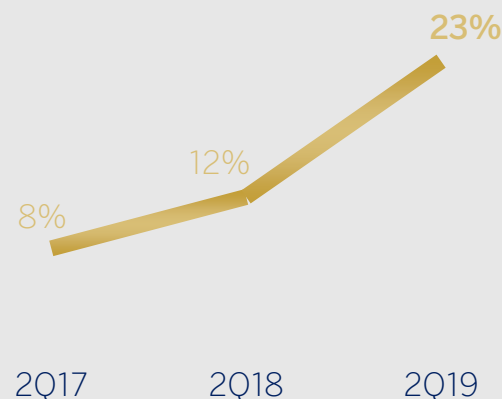
Digital Customers

Thousands of Customers



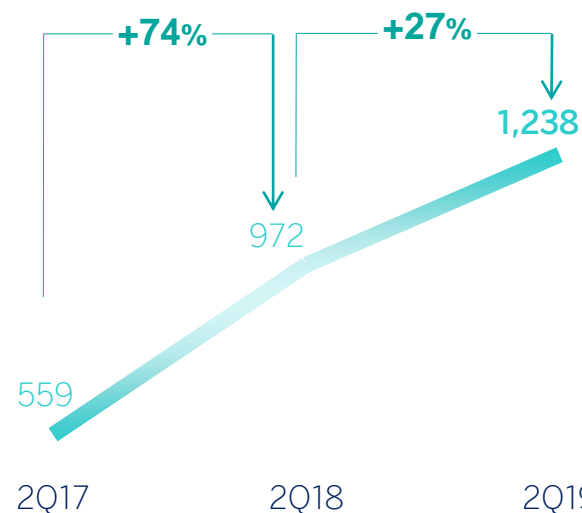
Digital Sales

Digital Sales (Ex insurance) / Total Sales



Mobile Customers

Thousands of Customers





Creando Oportunidades

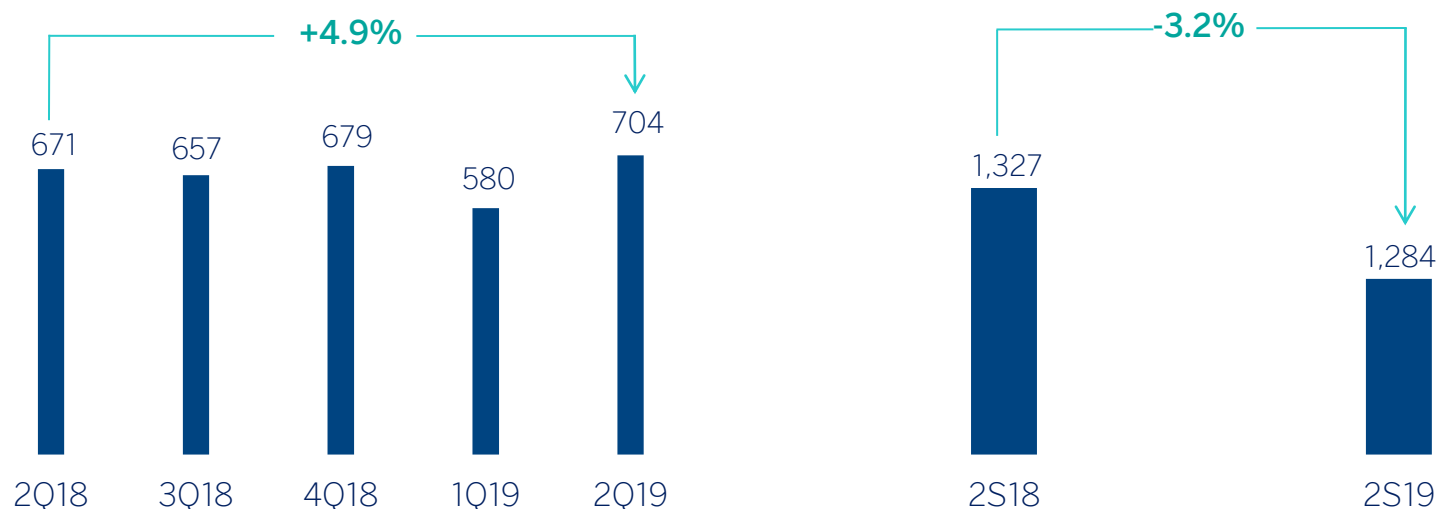
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Consolidated Results 2Q19

The bank's profitability was underpinned by efficient cost controls and lower impairment charges

Net Interest Income

Billion COP



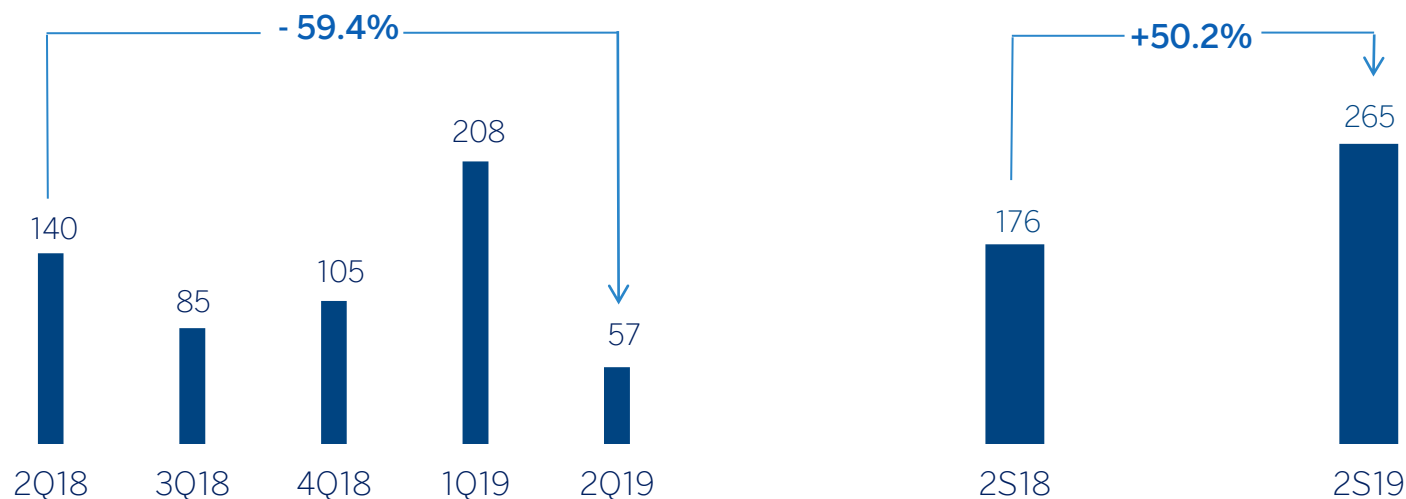
Spreads



Strong fee income growth

Net Fee Income

Billion COP



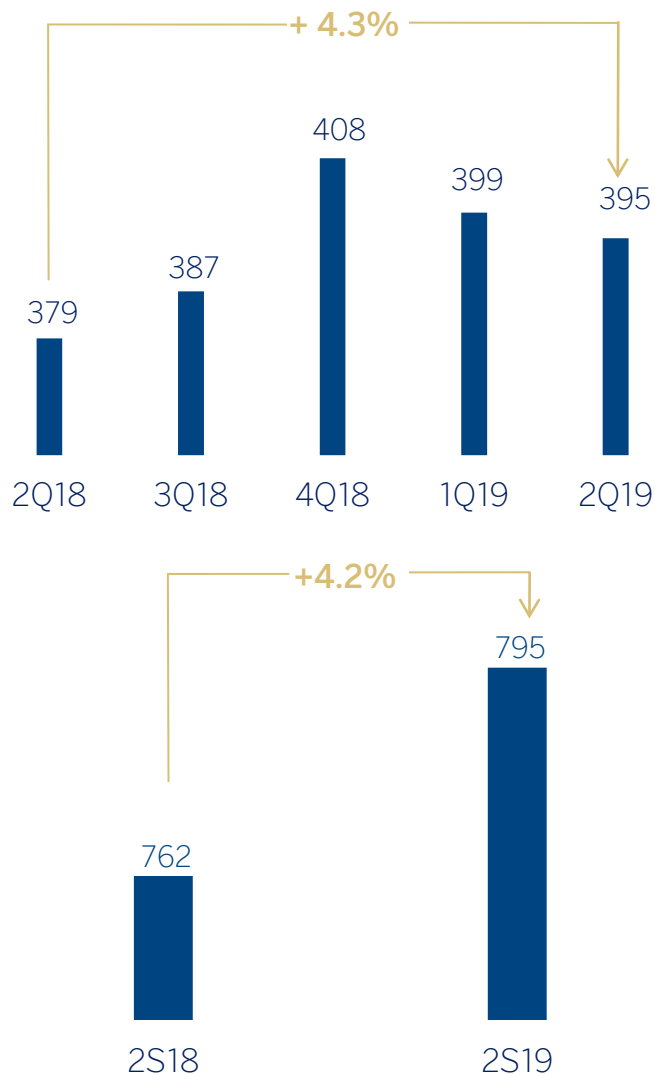
Annual variation in fees driven by:

- Increase of bank guarantees, establishments affiliated to credit card and office network service
- Decrease in interbank fees

Outstanding evolution in efficiency

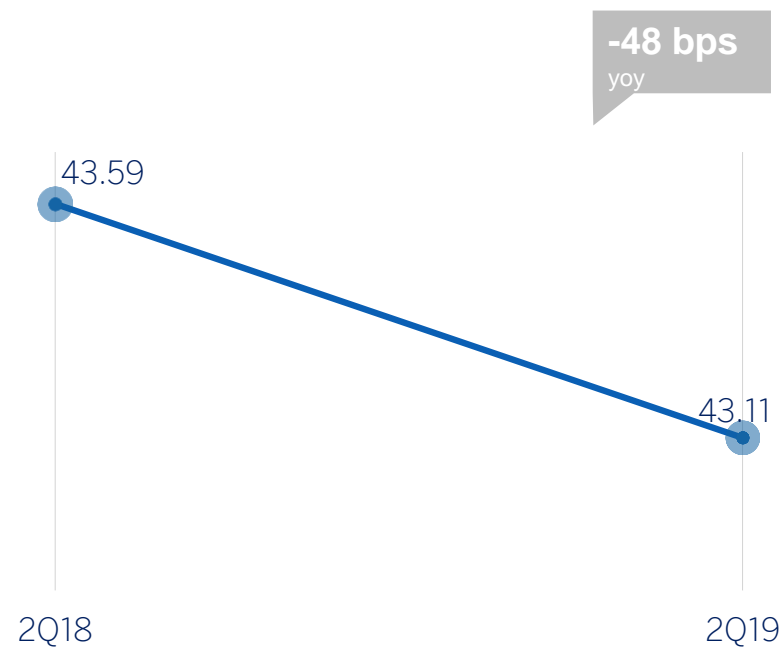
Operational Costs

Billion COP



Efficiency Ratio

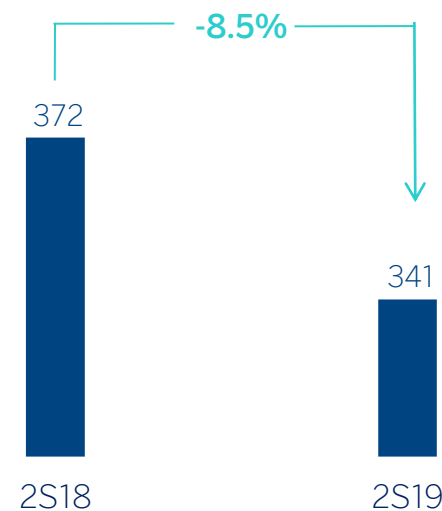
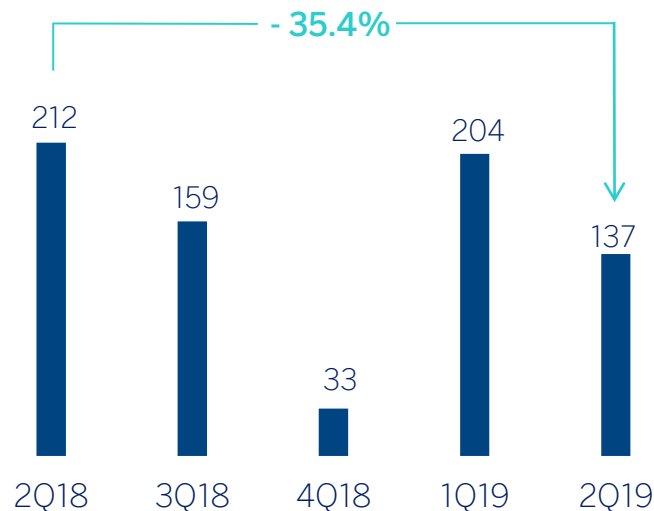
%



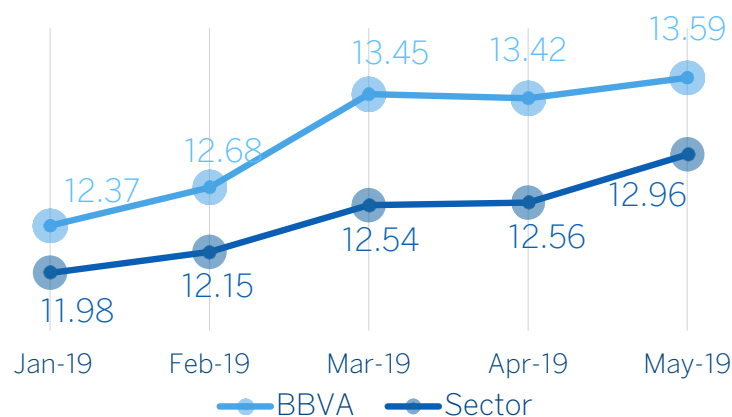
Strong focus on optimizing returns on capital that lead us to create value mostly through high commercial spreads

Net Income

Billion of COP



ROE %



ROA %



Consolidated Income Statement

Accumulated – Million COP

	2Q18	2Q19	Var TAM	
			abs	%
Interest Income	2,351,376	2,260,769	(90,607)	(3.9)
Interest Expense	(1,024,645)	(977,089)	47,556	(4.6)
NET INTEREST INCOME	1,326,731	1,283,680	(43,051)	(3.2)
NET FEE INCOME	176,213	264,607	88,394	50.2
Investment Portfolio	183,087	206,051	22,964	12.5
Dividends	16,807	18,617	1,810	10.8
Other Incomes	46,161	70,392	24,231	52.5
OTHER OPERATING INCOME	246,055	295,060	49,005	19.9
GROSS MARGIN	1,748,999	1,843,347	94,348	5.4
Net Provisions	(449,782)	(534,508)	(84,726)	18.8
Operational Costs	(762,452)	(794,734)	(32,282)	4.2
Personal Expenses	(292,435)	(304,906)	(12,471)	4.3
General Expenses	(176,591)	(193,922)	(17,331)	9.8
Taxes	(61,911)	(63,863)	(1,952)	3.2
Other	(227,633)	(228,372)	(739)	0.3
Operational Risk	(3,882)	(3,671)	211	(5.4)
OPERATING EXPENSES	(1,212,234)	(1,329,242)	(117,008)	9.7
Minority Interest	(927)	(919)	8	(0.9)
PROFIT BEFORE TAX	535,838	513,186	(22,652)	(4.2)
Income Tax	(163,509)	(172,416)	(8,907)	5.4
NET PROFIT	372,330	340,770	(31,560)	(8.5)



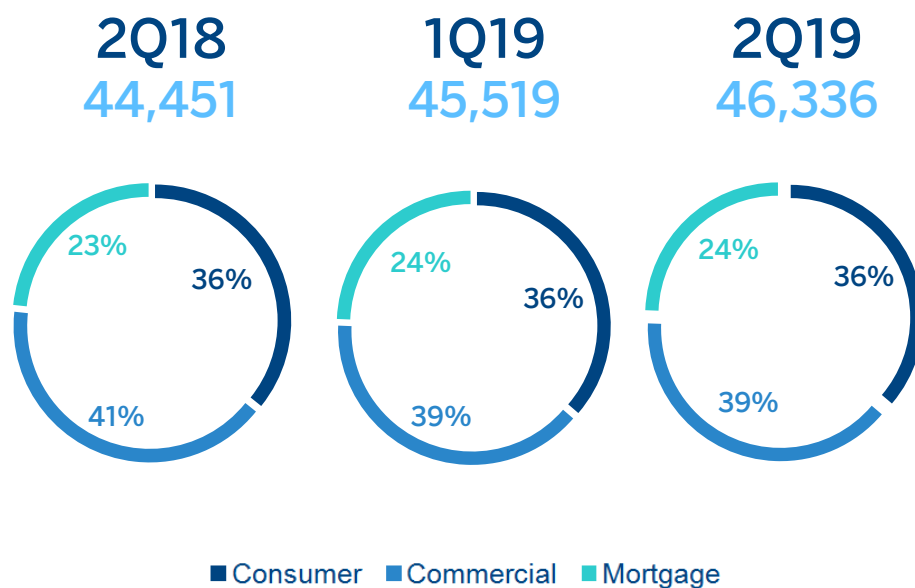
Creando Oportunidades

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Balance Sheet and Business Activity

Portfolio growth driven by our retail portfolio

Portfolio Composition



Gross Loan Portfolio +4.7% yoy

Billion

Commercial

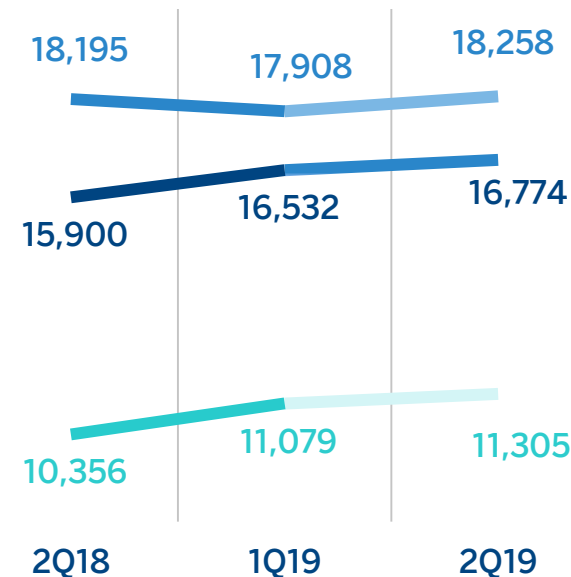
+0.3% YoY

Consumer

+5.5% YoY

Mortgages

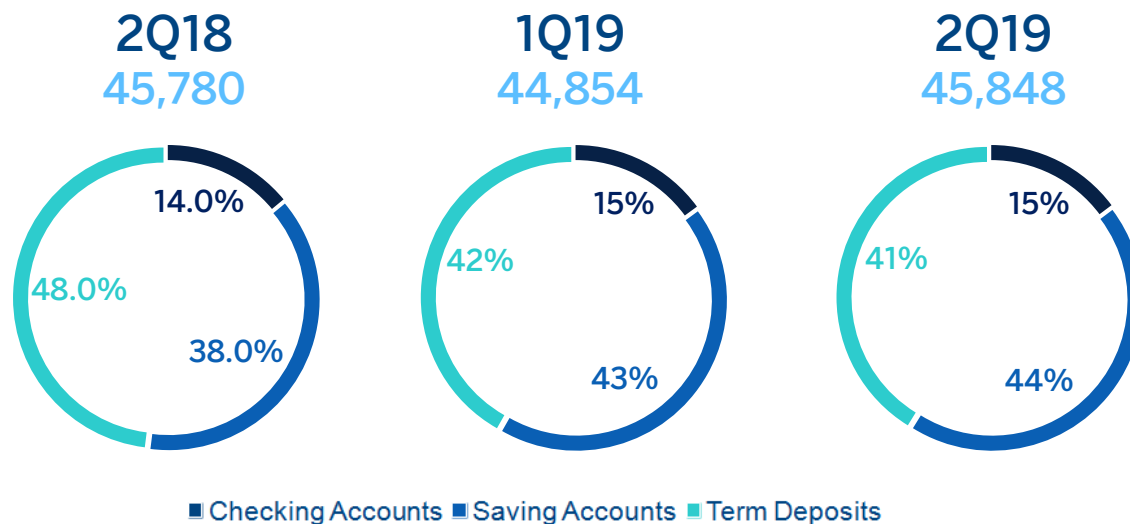
+9.2% YoY



- Activity focused on the retail segment, which represents 60% of the gross loan portfolio at the end of June 2019
- Significant growth in the consumer and mortgages portfolio

Strategic management of our funding sources

Deposits Composition



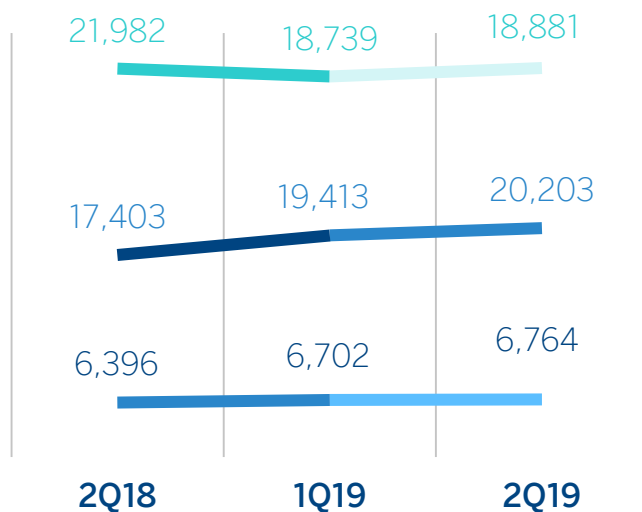
Deposits Growth +0.1% yoy

Billion

Time Deposits
-14.1% YoY

Saving Accounts
+16.1% YoY

Current Accounts
+5.7% YoY



Deposits growth driven by an increase in saving and checking accounts

Focus on strong returns on capital

Market Shares

Loan Portfolio

\$46
Trillion

Market Share **10.08%**
-32 bps YoY

Individuals*

Market Share
14.20%
-53 bps YoY

Commercial

Market Share
6.83%
-36 bps YoY

Consumer**

Market Share

12.67%

-67 bps YoY

Credit Cards

Market Share

7.01%

-2 bps YoY

Mortgages***

Market Share

16.49%

-25 bps YoY

Deposits

\$47
Trillion

Market Share **11.15%**
-72 bps YoY

Saving Accounts

Market share
10.82%
YoY Growth +85 bps

Current Accounts

Market share
12.52%
YoY Growth +10 bps

Term Deposits

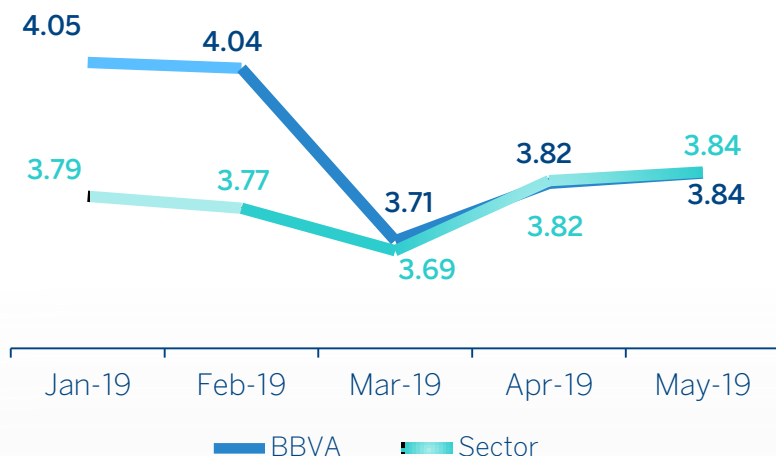
Market share
11.60%
YoY Growth -249 bps

Source: SFC. Market share as of March 19.

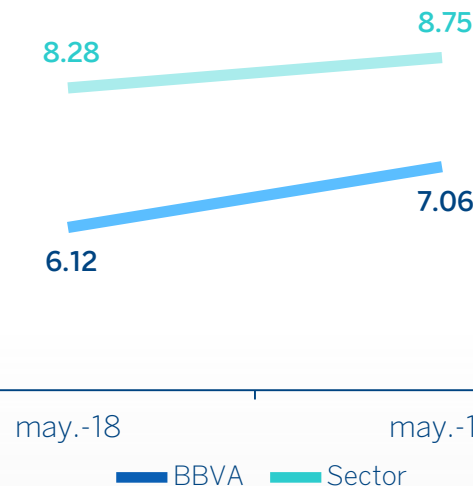
*Market Share Individuals + Securitizations. **Market Share Consumer + Particular's overdraft + Credit Cards. ***Market Share Mortgages + LH + Securitizations

NPL Ratio fall at the same level of the average growth of the banking system

NPL Ratio (%)*



NPL + Write-offs (%)

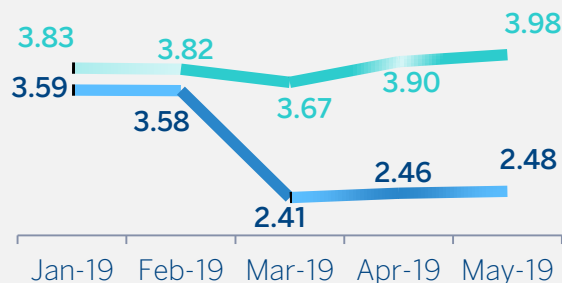


YoY

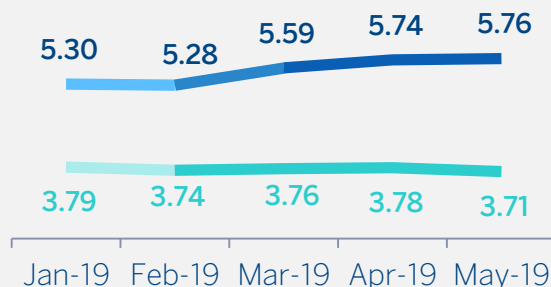
47 pbs

94 pbs

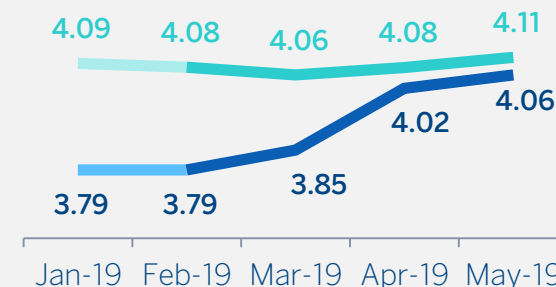
COMMERCIAL



CONSUMER



MORTGAGES



*NPL: commercial portfolio greater than 90 days, consumer greater than 60 days and mortgage greater than 120 days
Source: SFC

Consolidated Balance Sheet

Million COP

	2Q18	2Q19	Var TAM	
			abs	%
Cash and cash equivalents	4,951,806	5,869,562	917,756	18.5
Investments	7,677,266	9,373,636	1,696,370	22.1
Derivative Financial Instruments and Cash Operations	758,997	1,990,072	1,231,075	162.2
Gross Loan Portafolio and Leasing	44,854,297	46,771,522	1,917,225	4.3
Provision for credit losses	-2,498,435	-2,543,968	-45,533	1.8
Other	2,259,896	2,497,925	238,029	10.5
Assets	58,003,827	63,958,749	5,954,922	10.3
Deposits	46,333,626	46,615,280	281,654	0.6
Money Market Operations	506,161	4,523,919	4,017,758	793.8
Financial instruments at fair value	890,283	1,963,230	1,072,947	120.5
Banks and other financial obligations	2,128,343	1,664,988	-463,355	-21.8
Investment in debt securities	2,241,006	2,303,181	62,175	2.8
Liabilities by deferred tax	273,047	474,870	201,823	73.9
Estimated liabilities and provisions	297,176	318,852	21,676	7.3
Payable accounts	619,068	670,303	51,235	8.3
Labor Obligations	198,604	206,774	8,170	4.1
Other Liabilities	227,674	444,500	216,826	95.2
Liabilities	53,714,988	59,185,897	5,470,909	10.2
Paid-in Capital	89,779	89,779	-	-
Additional-paid in capital	651,950	651,950	-	-
Noncontrolling interests	5,753	6,207	454.0	7.9
Reserves	2,764,985	3,039,636	274,651	9.9
Surplus	404,042	644,510	240,468	59.5
Net Profit for the period	372,330	340,770	-31,560	-8.5
Stockholder's Equity	4,288,839	4,772,852	484,013	11.3
Total Liabilities and Stockholder's Equity	58,003,827	63,958,749	5,954,922	10.3



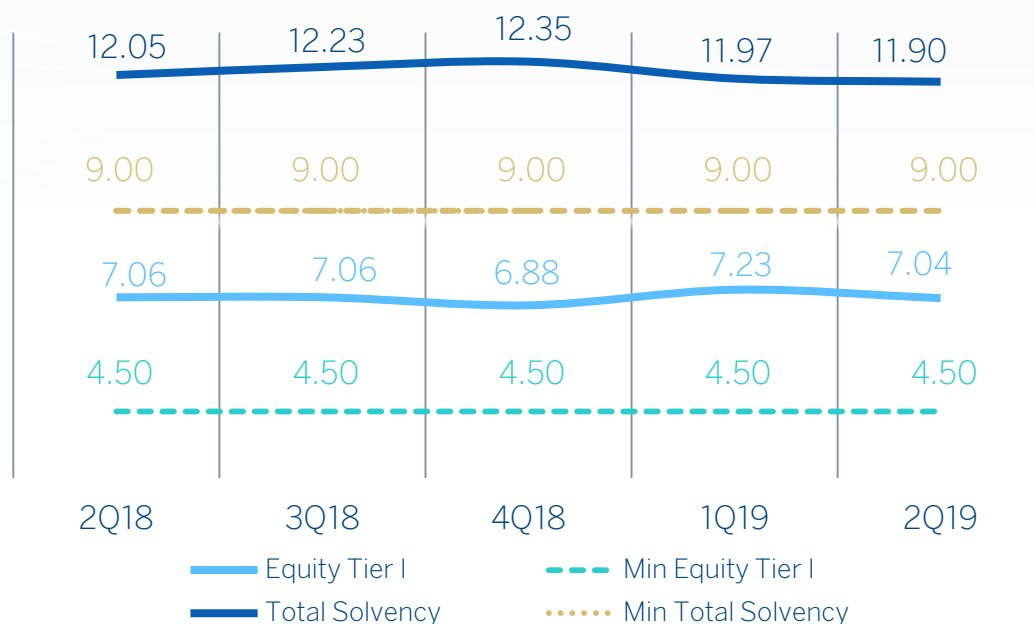
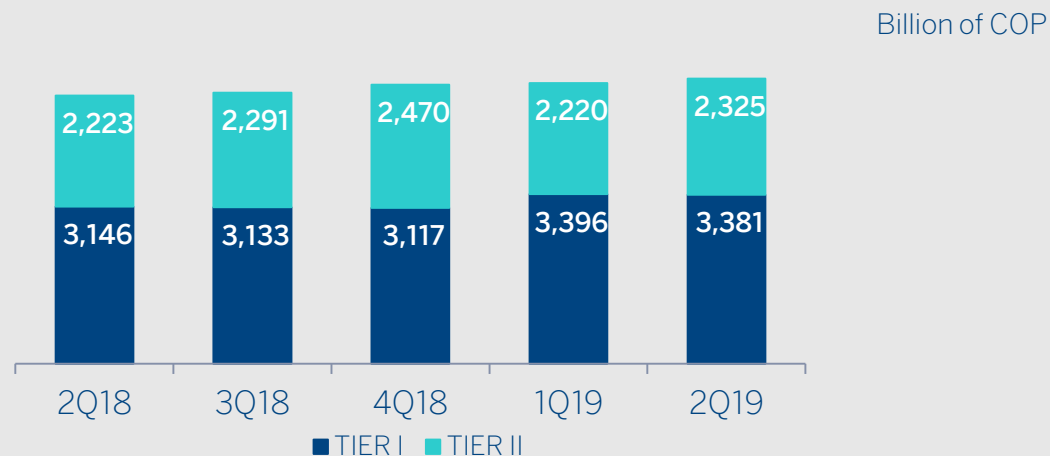
Creando Oportunidades

5

Solvency

Stable Capital Ratios

Strong
Capital Position



Evolution of the capital ratio %

290 bps
Above the Minimum
Regulatory Level

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BBVA Colombia S.A.



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BBVA

Creando Oportunidades



Creando Oportunidades

Annex

Main Macroeconomic Variables

Macroeconomic Forecast

	2015	2016	2017	2018	2019p	2020p
GDP (% YoY)	3.0	2.1	1.4	2.6	3.0	3.0
Private Consumption (% YoY)	3.1	1.6	2.1	3.6	3.4	3.4
Public Consumption (% YoY)	4.9	1.8	3.8	5.6	4.1	2.9
Investment (% YoY)	2.8	(2.9)	1.9	1.5	2.2	3.7
Inflation (% YoY, eop)	6.8	5.7	4.1	3.2	3.6	3.2
Inflation (% YoY, average)	5.0	7.5	4.3	3.2	3.5	3.32
Exchange rate (eop)	3,149	3,001	2,984	3,250	3,270	3,256
Exchange rate (average)	2,742	3,055	2,951	2,956	3,232	3,288
BanRep Rate (% , eop)	5.75	7.50	4.75	4.25	4.25	4.25
DTF Reference Rate (% , eop)	5.2	6.9	5.3	4.5	4.5	4.5
Central Gvt. Fscal Bal. (% of GDP)	(3.0)	(4.0)	(3.6)	(3.1)	(2.4)	(2.2)
Current Account (% of GDP)	(6.3)	(4.3)	(3.3)	(3.8)	(4.4)	(3.8)
Urban Unemployment Rate (% , eop)	9.8	9.8	9.8	10.7	11.0	10.7

Source: Banco de la Republica, DANE, BBVA Research

Individual Balance Sheet

Million COP

	2Q18	2Q19	Var TAM	
			abs	%
Cash	4,312,636	5,601,434	1,288,798	29.9
Assets positions in money market operations	633,203	264,268	-368,936	-58.3
Investment and derivatives transactions	8,566,505	11,476,780	2,910,275	34.0
Loan portfolio and leasing operations	44,854,296	46,771,521	1,917,225	4.3
Impairment	-2,632,548	-2,825,716	-193,168	7.3
Other Assets	1,891,054	1,976,776	85,721	4.5
Total Assets	57,625,147	63,265,063	5,639,916	9.8
Deposits and financial claims	48,632,416	48,987,255	354,838	0.7
Liabilities positions in money market operation:	506,214	4,525,337	4,019,123	794.0
Financial instruments at fair value	890,283	1,963,230	1,072,947	120.5
Banks and other financial obligations	2,128,343	1,664,988	-463,355	-21.8
Accounts payable	768,298	802,116	33,818	4.4
Labor obligations	196,625	204,188	7,563	3.8
Other Liabilities	445,709	686,475	240,766	54.0
Total Liabilities	53,567,888	58,833,588	5,265,701	9.8
Suscribed and paid-in-capital	89,779	89,779	0	-
Specific destination reserves and funds	2,764,479	3,039,130	274,651	9.9
Surplus	932,612	960,359	27,746	3.0
Gains or losses	270,389	342,207	71,818	26.6
Stockholder's Equity	4,057,259	4,431,474	374,215	9.2
Total Liabilities and Stockholder's Equity	57,625,147	63,265,063	5,639,916	9.8

Consolidated Income Statement of the Quarter

Million COP

	2Q18	2Q19	Var TAM	
			abs	%
Interest Income	2,406,797	2,436,729	29,932	1.2
Interest Expense	(1,025,829)	(978,168)	47,661	(4.6)
NET INTEREST INCOME	1,380,968	1,458,561	77,593	5.6
NET FEE INCOME	82,857	79,862	(2,995)	(3.6)
Investment Portfolio	197,662	219,063	21,401	10.8
Dividends	16,418	18,189	1,771	10.8
Other incomes	44,780	68,780	24,000	53.6
OTHER OPERATING INCOME	258,860	306,032	47,172	18.2
GROSS MARGIN	1,722,685	1,844,455	121,770	7.1
Net Provisions	(550,981)	(534,228)	16,753	(3.0)
Operational Costs	(750,386)	(781,025)	(30,639)	4.1
Personal Expenses	(284,668)	(296,981)	(12,313)	4.3
General Expenses	(175,785)	(192,456)	(16,670)	9.5
Taxes	(60,982)	(62,862)	(1,879)	3.1
Other	(225,068)	(225,055)	13	(0.0)
Operational Risk	(3,882)	(3,671)	210	(5.4)
OPERATING EXPENSES	(1,301,367)	(1,315,253)	(13,887)	1.1
PROFIT BEFORE TAX	421,318	529,202	107,883	25.6
Income Tax	(135,376)	(171,441)	(36,065)	26.6
NET INCOME	285,943	357,761	71,818	25.1

Our Bank

June 2019

ATM's



1,357

YoY Growth
variation
+19.56%

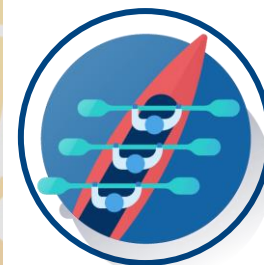
Branch Offices



539

YoY Growth
variation
-2.53%

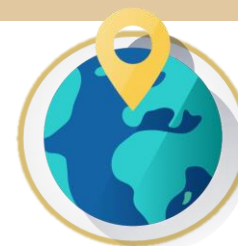
Employees



5,389

YoY Growth
variation
+4.36%

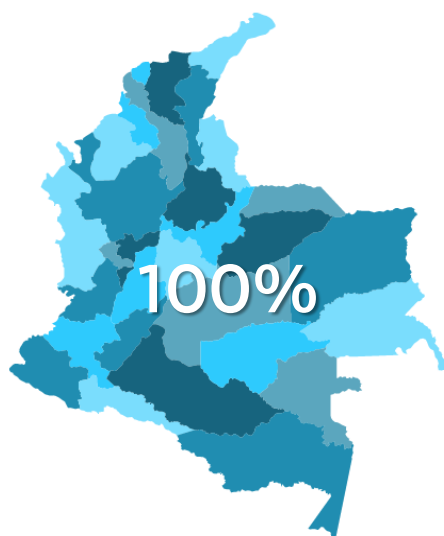
Banking Agents



12,790

YoY Growth
variation
+118.48%

Participation in Colombia

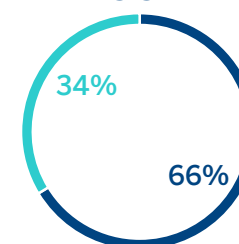


Focused on the
Local Market



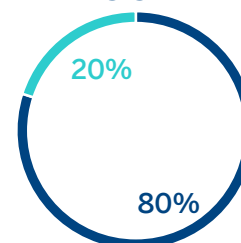
Sector

Peer 1



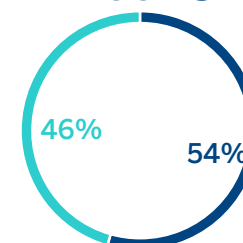
■ Col ■ Central America

Peer 2



■ Col ■ Central America

Peer 3



■ Col ■ Central America