A vibrant financial sector, serving as the backbone of an economy, being an efficient distributor of capital, is an absolute requirement for the equitable growth we need in Latin America.

Our Financial **Results**

Through our strategy, we are achieving results in a sustainable manner and we are strengthening our leadership position in both Colombia and Central America.

Consolidated Bank	Separate Bank
Net Loan Portfolio COP 113,110 billion	**Net Loan Portfolio** COP 55,841 billion
Deposits COP 117,795 billion	**Deposits** COP 56,210 billion
Equity COP 21,860 billion	**Equity** COP 20,156 billion
Consolidated net income attributable to shareholders COP 2,766 billion	**Net income** COP 2,641 billion
Return on assets 1.8%	**Return on assets** 2.8%
Return on equity 14.4%	**Return on equity** 13.9%

Banco de Bogotá **Consolidated**

Balance Sheet - Consolidated

	2018	2019
Assets	**163,303**	**175,020**
Cash and Cash Equivalents	22,061	24,809
Net financial lease and loan portfolio [1]	111,018	113,110
Net investments in debt securities	11,989	16,124
Net investments in equity securities	6,169	7,213
Other assets	12,065	13,763
Liabilities	**143,635**	**153,160**
Deposits	108,405	117,795
Other liabilities	35,230	35,365
Equity	**19,668**	**21,860**

Main Indicators - Consolidated

	2018	2019
Net income [2]	3,131	3,074
Net income attributable to shareholders [2]	2,937	2,766
Profitability Ratios		
ROAA [3]	2.1%	1.8%
ROAE [4]	17.1%	14.4%
Net interest margin [5]	5.7%	5.9%
Fee income [6]	34.8%	35.6%
Administrative efficiency [7]	49.0%	51.5%
Total solvency ratio	13.5%	12.8%
Basic solvency ratio	8.9%	9.1%
Loan Portfolio Quality [8]		
Past due loan portfolio / Gross loan portfolio [9]	4.0%	4.2%
Loan provisions / Past due loan portfolio [9]	116.7%	104.3%

(1) Includes repos and interbank operations.
(2) Figures in billions of pesos.
(3) Annual Net Income/Average Quarterly Assets for the year (includes the quarters ending in December of the previous year, and those ending in March, June, September and December of the current year).
(4) Annual Net Income Attributable to Stakeholders/Average Attributable Quarterly Assets for the year (includes the quarters ending in December of the previous year, and those ending in March, June, September and December of the current year).
(5) Net Interest Income from the Period/Average Quarterly Earning Assets for the year (includes the quarters ending in December of the previous year, and those ending in March, June, September and December of the current year).
(6) Gross fee income/net interest income from allowances + gross fee income + other operating income. Excludes other income from operations.
(7) Total Operating Expenses/Total Net Interest Income + Net Commission and Fee Income + Net Income from Trading Activities + Other Operating Income. As of the 2019 follow-up, the efficiency ratio includes the following as operational expenses: personnel expenses, administrative expenses, depreciation and amortization, and other expenses.
(8) Loan portfolio indicators are calculated with gross loan portfolio, including loan portfolio accounts receivable.
(9) Past due loan portfolio more than 30 days overdue.

Our **Consolidated Statements**

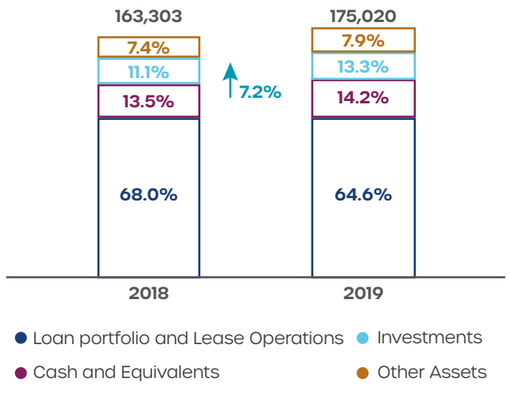
In 2019, we continued to consolidate our position as a recognized and solid financial group both in Colombia and Central America, since through BAC Credomatic, we are the leading banking group in the region. Our business in Colombia consists of Banco de Bogotá and its affiliates: Porvenir, Fiduciaria Bogotá, Almaviva, Banco de Bogotá Panamá, Bogotá Finance Corporation, Ficentro, Megalínea and Aval Soluciones Digitales.

As a universal bank, we believe that in order to remain a leader in the financial system in the regions where we operate, we must constantly evolve and set ambitious goals. This is defined in our strategy called the "6C's", which focuses on the customer as the heart of the strategy based on sustainable growth, employees and society, risk control, expense control and operational excellence, and analytical capacity and digital transformation.

Assets

Our consolidated assets for 2019 amount to COP 175,020 billion, an annual increase of 7.2%; excluding the foreign currency effect, this growth was 6.7%. Breaking down performance by region, the Colombian operation had an increase of 71 basis points in its share compared to 2018, accounting for 52.6% of the total assets. This growth was mainly driven by the reactivation of commercial loans, along with the solid performance of the consumer and mortgage portfolio and by investments in debt securities.

Asset Composition
COP billions and share %



*Net Loans and Finance Leases Portfolio, includes Repos and Interbank Operations.

The gross loan and financial lease portfolio, excluding repos and interbank operations, grew at an annual rate of 6.3%, amounting to COP 116,484 billion. Excluding the foreign currency effect, the consolidated loan portfolio grew 5.9%; from a regional perspective, Colombia grew by 8.0% and Central America by 4.6% (3.7% excluding the foreign currency effect).

By segment, the commercial loan portfolio amounted to COP 67,441 billion, an annual growth of 5.6%, standing as the loan portfolio with the highest share at 57.9% of the total gross loan portfolio. Without taking into account the effect of foreign exchange, the commercial loan portfolio grew 5.3% compared to 2018, where Colombia's 6.2% growth stands out, while Central America grew 3.8%, excluding the impact of the exchange rate, explained mainly by the evolution of placements mainly in Costa Rica, Guatemala and Honduras.

At the consolidated level, the dynamism of the consumer loan and mortgage portfolios stood out, amounting to COP 33,440 billion and COP 15,199 billion, with annual growth rates of 7.3% and 7.7%, respectively. Excluding the foreign currency effect, the consumer loan and mortgage portfolios grew 6.7% and 7.0%, respectively, based on the evolution of the business in Colombia. This behavior reflects the growth potential of these loan portfolios and the successful implementation of our strategy, resulting in sustainable increases in their share in the loan portfolio.

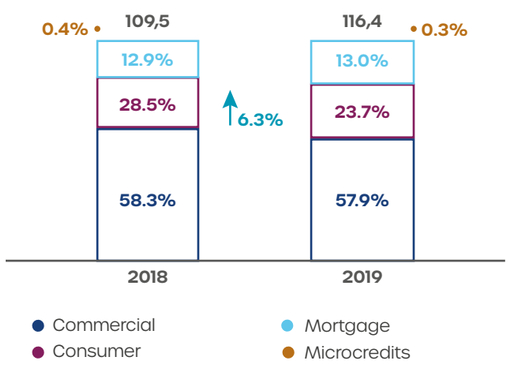
At December 31, 2019, the loan portfolio quality indicator was 4.2%, up 20 basis points from 4.0% in December 2018. This increase is observed in our operation in Central America, where there is an increase in the 30+ days past due loan portfolio, mainly due to the mortgage portfolio in Costa Rica, due to the slowdown in economic activity. These figures are partially offset by the operation in Colombia, given the historical growth of the consumer portfolio and the consistent growth of the mortgage portfolio.

The coverage indicator of provisions over past due loans is 104.3%, down from 116.7% in 2018. In Colombia, the coverage indicator was 107.7% in 2019, compared to the 121.9% reported in 2018, due to the decrease in provisions given Electricaribe's charge-off. Likewise, the coverage ratio in Central America decreased from 106.3% in 2018 to 97.9% in 2019, due to the increase in the 30+ days past due loans in the mortgage portfolio mentioned above. It should be noted that the balance of the consolidated loan portfolio provision amounted to COP5,142 billion, remaining stable compared to 2018.

Our consolidated indicator of net provision expense to average loan portfolio for 2019 is 2.3%, down 10 basis points from 2018. We noted that this reduction is justified in equal measure by both regions. In Central America, the socio-political environment in Nicaragua showed a tendency to stabilize in 2019, coupled with a conservative strategy in granting loans and preserving liquidity. In Colombia, the gradual recovery of the economy led to a better performance of the consumer portfolio, resulting in a reduction in provisions for this portfolio.

Our Net Loan and Finance Lease portfolio, excluding Repos and Interbank operations, grew at an annual rate of 6.6%, amounting to COP 111,342 billion.

Evolution of Gross Loans and Finance Leases*
COP billions and share %



*Net Loan and Finance Lease Portfolio, excludes Repos and Interbank Operations.

The Equity Investments portfolio amounted to COP 7,213 billion, with an annual growth rate of 16.9%, mainly attributed to greater equity method earnings from Corficolombiana recorded in 2019, increasing the value of the Bank's investment in the entity. This mainly results from greater returns generated by investments in infrastructure and energy.

Other assets amount to COP 13,763 billion, reporting an annual growth of 14.1%, mainly due to the retroactive application of COP 1,442 billion given the adoption of IFRS 16.

Liabilities

Consolidated liabilities amount to COP 153,160 billion at the end of 2019, with an annual growth rate of 6.6%; excluding the foreign exchange effect, liabilities grew at a rate of 6.2%. Our funding, which includes deposits and financial borrowings, amounts to COP 147,154 billion, up COP 10,190 billion (7.4%) in the same period; 7.0% excluding foreign exchange fluctuations. This growth is based on our strategy of financing our credit business with deposits.

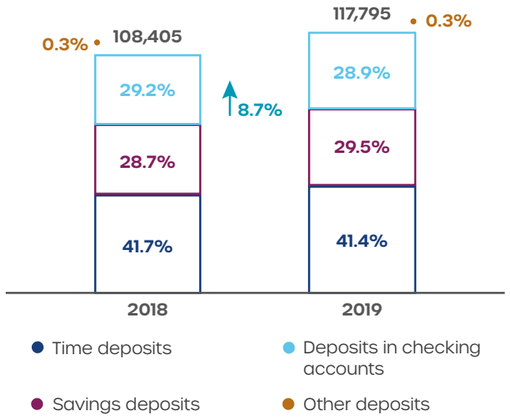
At December 2019, our consolidated deposits amounted to COP 117,795 billion, an increase of COP 9,390 billion (8.7%); without the foreign currency effect, the growth is 8.2%. Time deposits comprised 41.4% of total deposits, growing 7.7% compared to 2018. Savings accounts posted the largest increase in the deposit category with 11.5%, while checking accounts grew by 7.4%.

Our Colombian operation represents 55.4% of consolidated liabilities, reaching COP 84.879 billion and reflecting an increase of 8.9% compared to 2018. The composition of liabilities in this region has remained relatively stable, with deposits being the most representative source at a share of 72.5%, followed by financial borrowings at 22.7% and other liabilities at 4.8%. Similarly, the composition of deposits has gone unchanged throughout the year, showing some minor changes, with an increase in the share of savings accounts.

In turn, in Central America, total liabilities increased 3.9% and amounted to COP 68,281 billion, showing significant restructuring towards more efficient financing sources, where deposits account for 82.4% of total liabilities. It is important to note that we have continued to maintain an adequate balance between demand deposits, with a share of 53.8% of the total, and term deposits with the remaining share.

Our net deposits to loans ratio was 1.06x at December 2019 and the strategy continues to involve keeping this ratio close to 1.0x in the future.

Evolution of Deposits
COP billions and share %



Equity

Our consolidated equity was COP 21,860 billion at the end of 2019, showing an annual growth of 11.1%, mainly due to greater net income for the fiscal year and reserves.

At the end of 2019, our Consolidated Capital Adequacy Ratio is 12.8% and the Consolidated Tier One Ratio is 9.1%, up from the minimum of 9.0% and 4.5% required by Colombian regulation, respectively. The Bank's Technical Capital amounted to COP 18,509 billion at the end of 2019, showing a 4.4% increase over 2018. Risk-weighted assets amounted to COP 144,059 billion, with an annual growth of 10.1%.

Net Income

Consolidated net income attributable to shareholders amounts to COP 2,766 billion, with an annual decrease of 5.8%. This decrease was mainly influenced by two types of extraordinary income that had a significant impact on net income in 2018. The real estate sale-leaseback transaction for COP 284.5 billion after taxes and the gain of COP 123.4 billion associated with the issuance of Corficolombiana shares. These non-recurring extraordinary incomes totaled COP 407.9 billion. Excluding these items, income attributable to shareholders for 2019 would have increased by 9.4%.

For 2019, net interest income amounts to COP 7,496 billion, growing 9.2% compared to the previous year and 3.4% excluding the foreign currency effect. The growth in the Income from the Loan and Financial Lease Portfolio stands out, with an increase of 8.6%. Breaking down growth by region, Central America has the greatest contribution, with a growth of 15.8%, and 4.9% without the foreign currency effect, driven by the 22.6% growth of the commercial portfolio income and 16.0% of the mortgage loan interest.

Also, net fee income amounted to COP 4,555 billion, growing 13.2% compared to 2018 and 7.0% when excluding the effect of devaluation. In Central America, the 16.0% growth was driven by bank and credit card fees, while in Colombia, there was a growth of 10.2%, driven by higher pension and severance fund management fees.

Main Performance Indicators

Our Net Interest Margin was 5.9%, up 27 basis points from 2018, as a result of the increase in interest income from loans and investments. The growth in the income from the loan portfolio in Central America and the favorable market conditions that allowed for exceptional results in Colombia and Central America stood out.

Our consolidated net cost of risk indicator showed a 10 basis point improvement in 2019, as a result of efficient and accurate risk management in Colombia and Central America The stabilization of default rates, especially in the consumer portfolio in Colombia, and the improvement in the socio-political environment in Nicaragua, combined with a conservative strategy in lending, led to an improvement in this indicator.

The fee income indicator increased 80 basis points, closing 2019 at 35.6% and influenced by bank and credit card fees in Central America and pension and severance fund management fees in Colombia.

Our efficiency ratio stood at 51.5% for 2019 compared to 49.0% in 2018. The growth in income stood at 7.2%, while the growth in expenses was close to 12.8%. The latter is related to Central America, especially due to technology developments at our shared services center, the start of the payment of VAT in Costa Rica and the growth of the employee benefits item, in addition to provisions made in Porvenir to address lawsuits related to the change in the pension system.

Our profitability ratios for 2019 are 14.4% Return on Average Equity (ROAE) and 1.8% Return on Average Assets (ROAA), lower than those of 2018 (17.1% and 2.1% respectively), given the extraordinary income in 2018 from the sale-leaseback operation and the gain associated with the issuance of Corficolombiana shares. Without these incomes, the returns for 2018 would have been similar to those seen in 2019 (14.8% ROAE and 1.8% ROAA).

Banco de Bogotá **Separate**

Balance Sheet

	2018	2019
Assets	**91,360**	**98,148**
Cash and cash equivalents	8,214	9,665
Net financial lease and loan portfolio [1]	55,843	55,841
Net investments in debt securities	4,526	6,588
Net investments in equity securities	19,113	21,765
Other assets	3,665	4,289
Liabilities	**73,098**	**77,992**
Deposits	54,131	56,210
Other liabilities	18,966	21,782
Equity	**18,263**	**20,156**

Main Indicators

	2018	2019
Net income [2]	2,825	2,641
Profitability Ratios		
ROAA [3]	3.3%	2.8%
ROAE [4]	16.8%	13.9%
Net interest margin [5]	5.4%	5.4%
Fee income [6]	22.3%	22.4%
Administrative efficiency [7]	36.4%	37.7%
Total solvency ratio	20.7%	19.1%
Basic solvency ratio	13.2%	13.2%
Loan portfolio quality [8]		
Past due loans / Gross loan portfolio [9]	4.4%	4.3%
Loan provision / Past due loans [9]	136.0%	131.9%

(1) Includes repos and interbank operation.
(2) Figures in COP billions
(3) Annual Net Income/Average Assets of the year (includes the months of the respective year).
(4) Annual Net Income/Average Equity of the year (includes the months of the respective year).
(5) Net interest income of the period/Average Earning Assets (includes the months of the respective year).
(6) Gross fee income/Net Interest Income before provisions + gross fee income + other operating income. Other operating income is excluded and does not include share in profits of controlled companies and subsidiaries and dividend income.
(7) Operating Expenses/Operating Income (Net Interest Income, Net Fee Income and Other Income).
(8) Loan portfolio indicators are calculated with gross loan portfolio, including loan portfolio accounts receivable.
(9) Past due loans more than 30 days past due.

Relevant Information of the **Bank in Colombia**

Disclosure and Control of Financial Information

In 2019, Banco de Bogotá exercised the responsibility of establishing and maintaining appropriate systems for the disclosure, follow-up and control of financial information, effectively relying on control and monitoring systems, as well as on specialized risk departments that ensure that the financial information provided to different institutions is adequate. Additionally, the operation and internal controls that allow the Bank to properly record, process, summarize and submit financial information was evaluated by the Audit Committee, the Statutory Auditor and the Board of Directors.

Banco de Bogotá manages integral risk based on the compliance with current regulation and internal standards. As described in Note 6 to the Separate Financial Statements, the Bank's risk culture is based on different principles that enable it to maximize performance for investors through effective risk management, and is transmitted to all the areas of the Bank, allowing ongoing control of Credit Risk, Market Risk, Liquidity Risk, Operational Risk, Legal Risk and the Risk of Money Laundering and Terrorist Financing.

Relevant Subsequent Events

In line with Note 34 of the Financial Statements, and pursuant to the provisions of Paragraph 1, Law 603/2000 and IAS 10, the Bank reports that no events requiring disclosure took place after the reporting period, corresponding to the year ended on December 31, 2019, and the date of authorization of these Financial Statements.

Foreseeable Evolution for the Entity

In relation to Paragraph 2 of Law 603/2000, next year, Banco de Bogotá will continue to consolidate the goals and objectives defined in its strategic planning, which will allow it to increasingly continue to commit to the financial inclusion process, in terms of corporate sustainability and the country's growth, as a solid, efficient and leading entity of the financial system.

The bank will strengthen and capitalize on its relationship with its customers by improving its value proposition and expanding its presence and coverage nationwide through optimum channels, specialized models, skilled personnel, its different affiliates, its technological and physical infrastructure and its proactive growth strategy.

The bank will also advance in its regional consolidation process, taking advantage of synergies with affiliates in order to position itself as a strategic partner in the development and internationalization of companies.

Operations with Partners and Administrators

Regarding the provisions of Paragraph 3 of Law 603/2000, Banco de Bogotá declares that the transactions carried out by the Bank with its partners and administrators are in line with the institution's general policies and are regulated and described in Note 32 to the Financial Statements.

Intellectual Property and Copyrights

Pursuant to the provisions of Law 603/2000 and, as per Paragraph 4 thereof, Banco de Bogotá declares that it has a long-standing policy of compliance with intellectual property and copyright regulations in relation to the different services and products required or owned for the performance of its work, whenever required. The Technology, Marketing and Comptroller departments conduct audits throughout the country to monitor compliance with such policies and legal provisions. Furthermore, Banco de Bogotá, where applicable, keeps records of its name, brands, products, services and publications up-to-date.

Free Circulation of Invoices

Pursuant to the requirements of Article 87 of Law 1676/2013, which promotes access to credit and sets forth regulations regarding secured transactions, Banco de Bogotá has established policies to comply with regulations regarding the free circulation of invoices issued by sellers or suppliers with which the Bank has business relationships, thereby avoiding anti-competitive practices.

Acquisition of Multi Financial Group (Holding company of Multibank Inc.)

On October 31, 2019, the pledge agreement for the purchase and sale of shares for up to 100% of the capital stock of Multi Financial Group (hereinafter MFG) was signed with its shareholders. The transaction is expected to be finalized in the second quarter of 2020, after the required regulatory approval process has been completed. At December 31, 2019, MFG had approximately USD 5 billion in consolidated assets and equity of USD 580 million. At December 31, 2019, MFG's net income amounted to approximately USD 49 million.

To Grupo Aval and Banco de Bogotá, this transaction represents an important step in the development of its regionalization strategy, concentrating ~66.0% of its loan portfolio in investment grade countries and strengthening its position as a leader in Central America: based on pro-forma figures as of September 2019, Banco de Bogotá would remain in first place in market share in terms of assets (11.2%), net loan portfolio (12.4%) and deposits (11.1%). Also, the acquisition of MFG allows Banco de Bogotá to strengthen its lines of business in Panama and explore sectors in which it

does not have a relevant presence today: agribusiness, construction and SMEs; and strengthen its presence in one of the economies with a better risk profile (the best rated market in Central America) and greater growth in Latin America, in which it would achieve the first place in terms of net income (30.2%), second place in asset size (12.8%), third place in local gross loan portfolio (12.2%) and fourth place in local deposits (8.0%).

Bond Issuance Program

In order to have an additional capital markets tool and taking advantage of market opportunities through which we can optimize the capital structure and expand our group of investors, we have signed a recurrent issuance program (hereinafter PEC for its Spanish acronym) with the Financial Superintendence of Colombia for a total amount of COP 5 trillion in subordinated, ordinary, green, social and sustainable bonds.

By issuing ordinary bonds, we expect to access the market at competitive costs and with awarding mechanisms that can be more efficient in price definition. Similarly, with this program we expect to access new groups of investors with interest in longer term instruments and inflation indexing. Green and sustainable bonds will enable us to access an investor base that aligns with our sustainability objectives and to serve new businesses by creating product lines that focus on sustainable development issues.

One hundred percent (100%) of the resources obtained under this program will be allocated to working capital for the development of the Bank's corporate purpose. In turn, the resources derived from the Issuance of Green Bonds will be aimed at financing projects that generate environmental benefits and contribute significantly to the transition to a low-carbon economy, such as investments in areas of: a) Renewable Energy; b) Energy Efficiency; c) Sustainable Transport; d) Clean Production; e) Sustainable Infrastructure. All the resources derived from the Issuance of Social Bonds will be aimed at financing projects that generate economic and social benefits for low-income families who want to purchase (for the first time) affordable and priority housing, micro-enterprises (individuals or legal entities) or small-enterprises (SMEs), as well as loans aimed at production activities in rural areas, owned by female heads-of-household or entrepreneurs. Finally, the resources derived from the Issuance of Sustainable Bonds will be aimed at financing projects that generate environmental, economic and social benefits.

At a meeting held on December 23, 2019, the Technical Committee of BRC Investor Services S.A., SCV decided "(...) Assign the initial long-term debt ratings of 'AAA' to the Ordinary Bonds and 'AA' to the Subordinated Bonds of the Ordinary Bond Issuance and Placement Program in Ordinary Bonds, Green Bonds, Social Bonds, Sustainable Bonds and Subordinated Bonds of Banco de Bogotá S.A. for a total amount of COP 5 trillion."

It is important to highlight that the PEC is in the process of review and approval by the Financial Superintendence of Colombia.