

Banco de Bogotá



4Q-2018 and FY 2018 Consolidated Results Conference Call

FULL IFRS

Mar 19th, 2019



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Banco de Bogotá is an issuer of securities in Colombia. As a financial institution, the Bank, as well as its financial subsidiaries, is subject to inspection and surveillance from the Superintendency of Finance of Colombia.

As an issuer of securities in Colombia, Banco de Bogotá is required to comply with periodic reporting requirements and corporate governance practices. In 2009 the Colombian Congress enacted Law 1314 establishing the implementation of IFRS in Colombia. As a result, since January 1, 2015, financial entities and Colombian issuers of publicly traded securities, such as Banco de Bogotá, must prepare financial statements under IFRS, with some exceptions established by applicable regulation.

IFRS as applicable under Colombian regulations differs in certain aspects from IFRS as currently issued by the IASB. This report was prepared with unaudited consolidated financial information, which is in accordance with IFRS as currently issued by the IASB.

The Colombian peso/dollar end-of-period annually and quarterly devaluation as of December 31, 2018 was 8.9% and 9.3% respectively. In this report, calculations of growth, excluding the exchange rate movement of the Colombian Peso, use the exchange rate as of December 31, 2018 (COP 3,249.75).

Full year and quarterly results for 2018 are not comparable to previous periods due to the prospective adoption in Colombia of IFRS 9 and IFRS 15 starting in January 1, 2018.

This report may include forward-looking statements and actual results may vary from those stated herein as a consequence of changes in general, economic and business conditions, changes in interest and currency rates and other risks factors. Recipients of this document are responsible for the assessment and use of the information provided herein. Banco de Bogotá will not have any obligation to update the information herein and shall not be responsible for any decision taken by investors in connection with this document. The content of this document is not intended to provide full disclosure on Banco de Bogotá or its subsidiaries.

Matters described in this presentation and our knowledge of them may change extensively and materially over time but we expressly disclaim any obligation to review, update or correct the information provided in this report, including any forward looking statements, and do not intend to provide any update for such material developments prior to our next earnings report. The content of this document and the figures included herein are intended to provide a summary of the subjects discussed rather than a comprehensive description.

In this document we refer to trillions as millions of millions and to billions as thousands of millions.

Details of the calculations of Non GAAP measures such as ROAA and ROAE, among others, are explained when required in this report.

Attributable Net Income for 2018 was \$2,937.3 billion pesos, which represented a 53.9% increase versus 2017.

Key Metrics

Commentary

Profitability

- ROAA: 2.1% / ROAE: 17.1%
- Net Interest Margin: 5.7%
- Fee Income Ratio: 34.8%
- Efficiency Ratio: 47.5%

- ROAA increased 61 bps. ROAE increased 561 bps.
- NIM decreased 32 bps.
- Fee income increased 5.0% primarily due to banking services and pension services.
- Efficiency improved 196 bps.

Balance Sheet

- Gross Loans: \$109.5 Ps. trillion
- Total Deposits: \$108.4 Ps. Trillion
- Deposits / Net Loans: 1.04x
- Deposits % Funding: 79.1%

- Gross Loans increased 7.0%; excluding FX, growth was 2.8%.
- Total Deposits increased 7.4%; excluding FX, growth was 3.3%.
- Deposits / Net Loans has remained stable.

Credit & Capital

- 90+ Days PDL Ratio⁽¹⁾: 2.4%
- Net Cost of Risk⁽²⁾: 2.2%
- Tier 1 Ratio: 8.9%
- Total Solvency: 13.5%

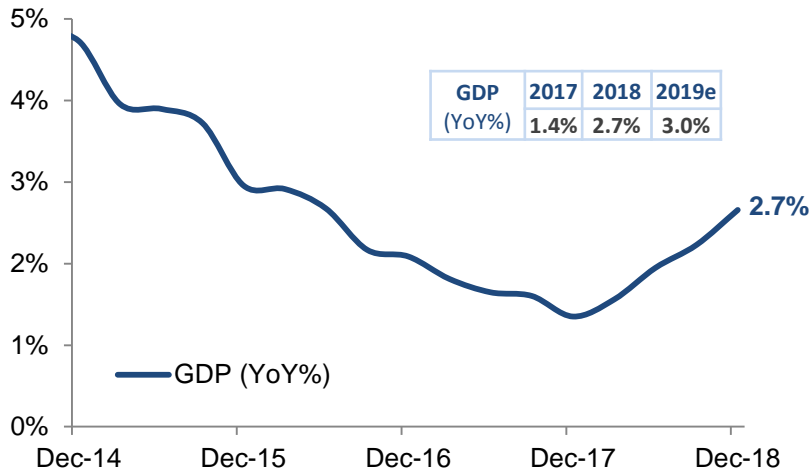
- 90+ Days PDL Ratio, excluding Electricaribe increased from 2.0%.
- Net Cost of Risk, excluding Electricaribe & CRDS increased 10 bps.
- Tier 1 and Total Solvency ratios are both well above regulatory minimums.

Note: Changes / growths refer to 2018 over 2017, unless otherwise stated. ROAA & ROAE calculated as annualized net income divided by average total assets and attributable shareholders equity, respectively.

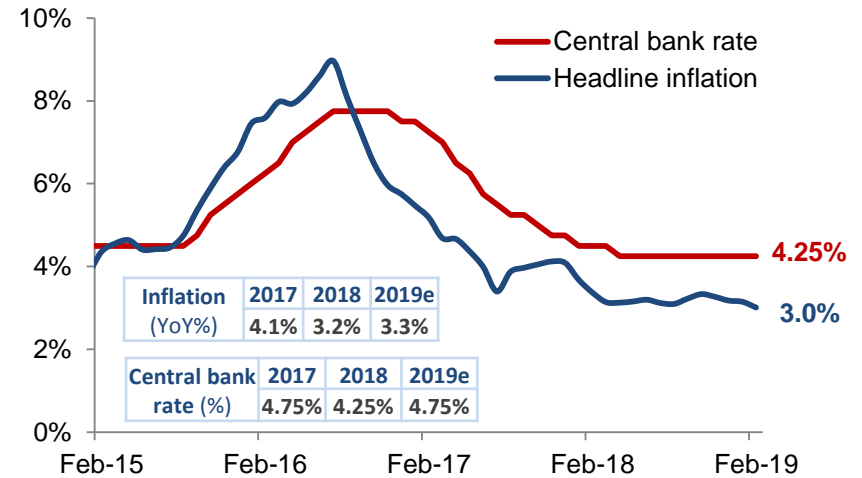
(1) 90+ days PDL Ratio excludes extraordinary past due from Electricaribe. Including this extraordinary the 90+ days PDL ratio was 2.8%

(2) Net Cost of Risk excludes extraordinary provision from Electricaribe & CRDS. Including this provision expense this ratio was 2.4%

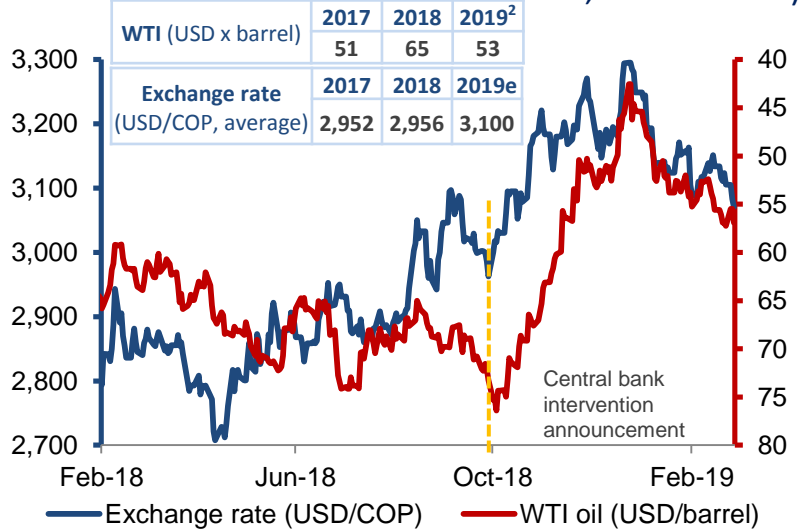
GDP¹ (12 months, YoY %)



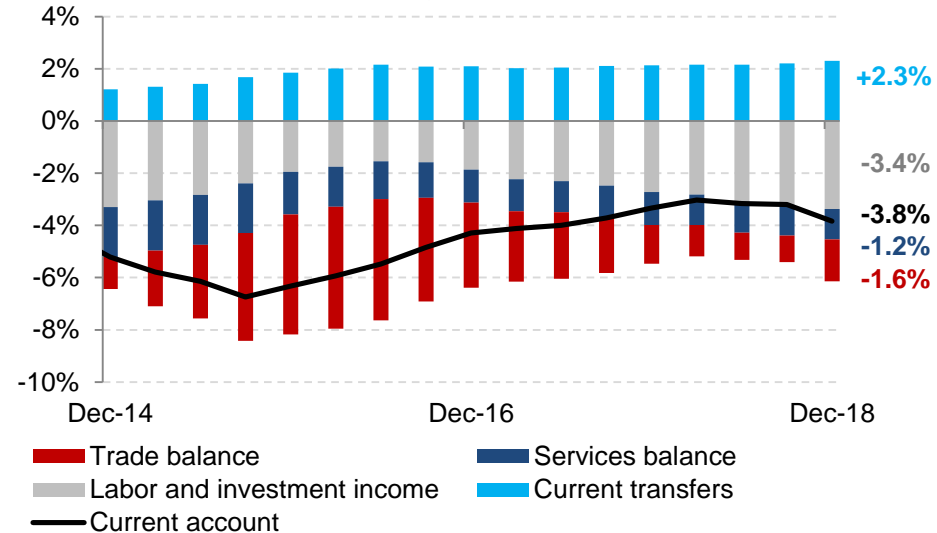
Inflation vs. Central bank rate (YoY%, %)



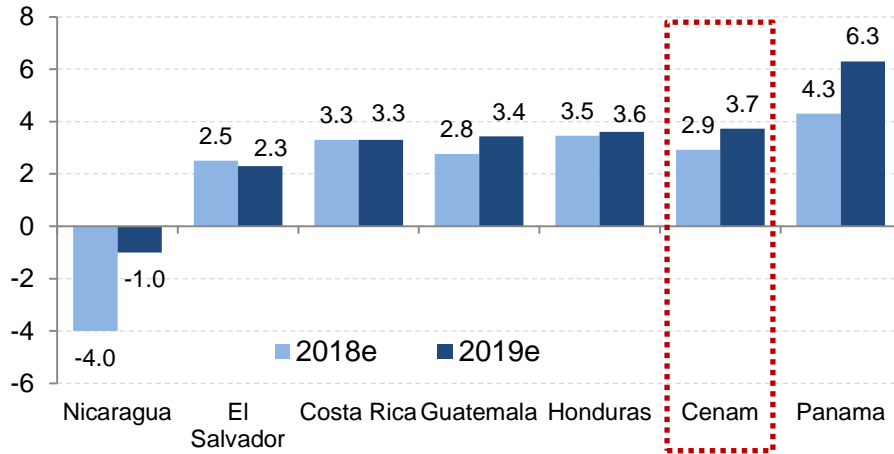
Exchange rate vs. WTI oil (USD/COP, USD x barrel)



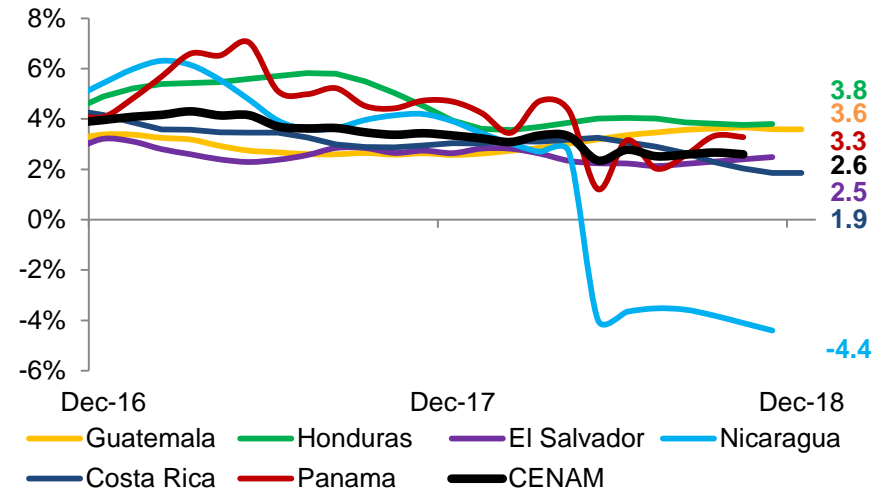
Current account and components (12-month, % GDP)



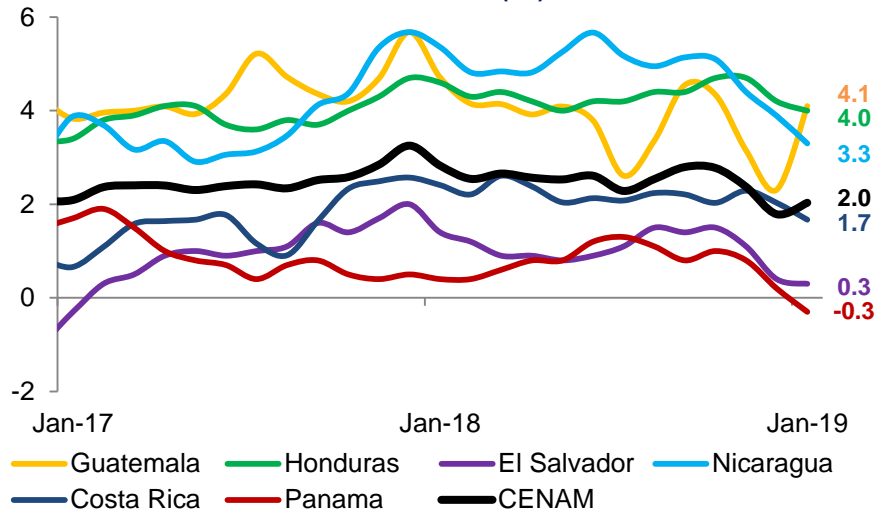
Activity Index* (YoY %)



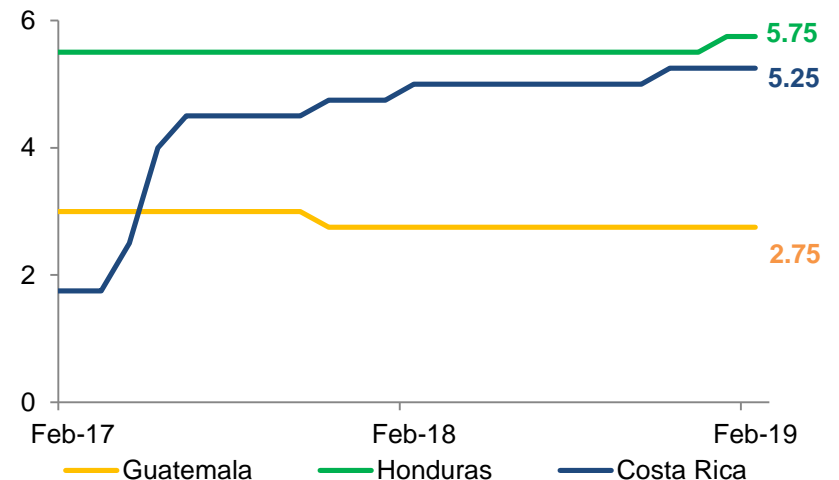
Activity Index² (YoY %)



Inflation (%)



Central Bank Interest Rate (% GDP)

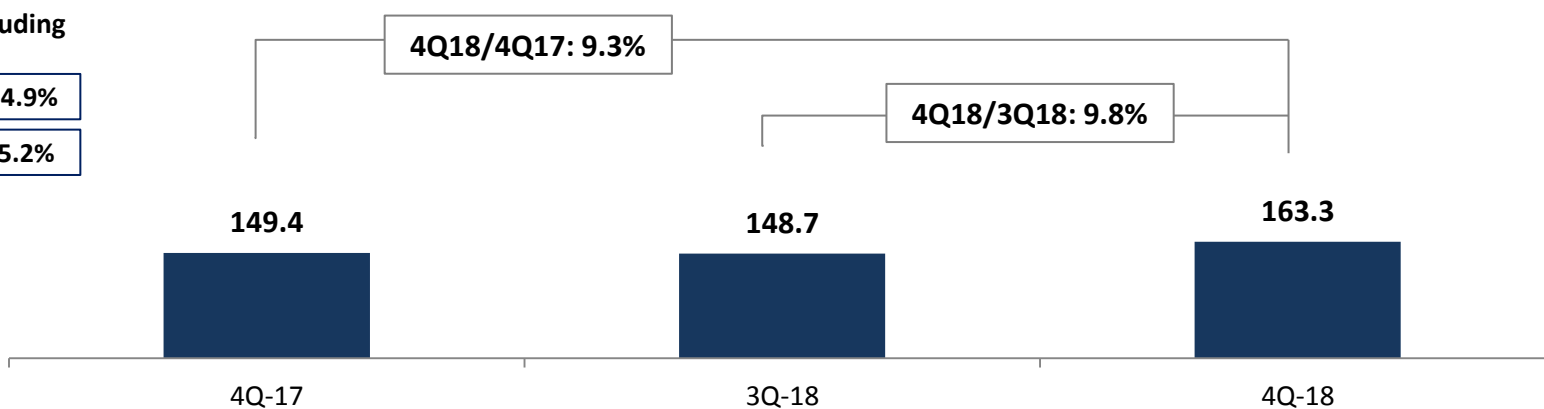


Source: Bloomberg, SECMCA, IMF, Economic Research Banco de Bogotá. CENAM: Central America. 1. IMF estimates and forecasts. 2. Monthly activity indicator trend (IMAE-TC).

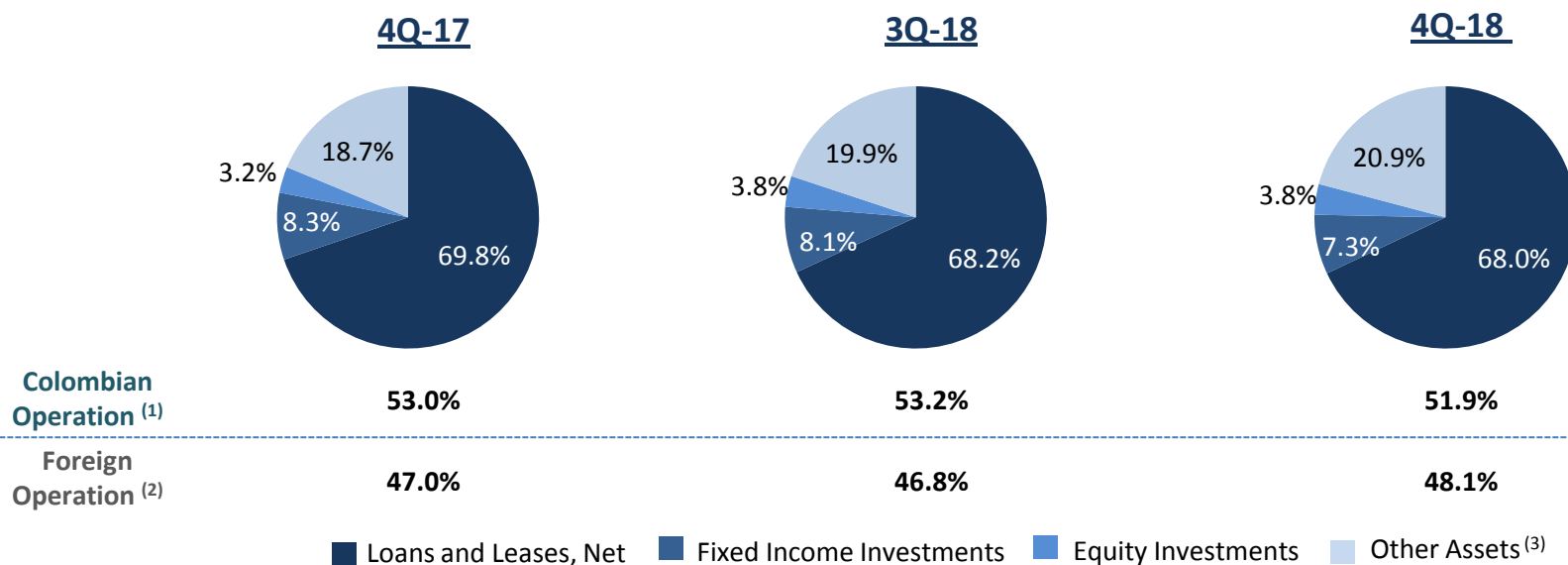
Figures in Ps. Trillions

Growth excluding FX
4Q18/4Q17: 4.9%
4Q18/3Q18: 5.2%

Total Assets



Assets Breakdown



■ Loans and Leases, Net
 ■ Fixed Income Investments
 ■ Equity Investments
 ■ Other Assets⁽³⁾

(1) Includes Banco de Bogotá in Colombia, Porvenir, Fidubogotá, Almaviva, Banco de Bogotá Panamá, Finance, Ficentro and Megalinea.

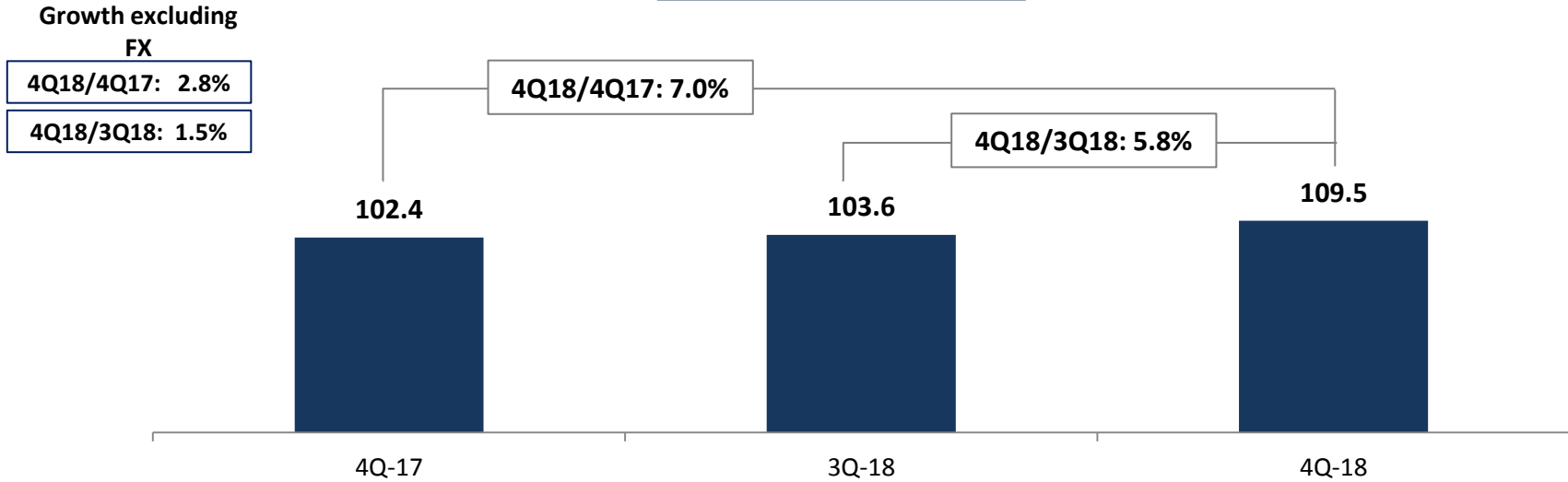
(2) Foreign operations reflect BAC Credomatic operations in Central America.

(3) Other Assets: Cash and balances at Central Bank, Derivatives, Allowance for financial assets held for investment, Other financial assets at fair value through profit or loss, Non-current assets held for sale, Tangible Assets, Intangible Assets, Other Accounts Receivable, Derivatives used for hedging, Other Assets and Income Tax Assets (Deferred Tax Asset and Liability are included on a net basis)

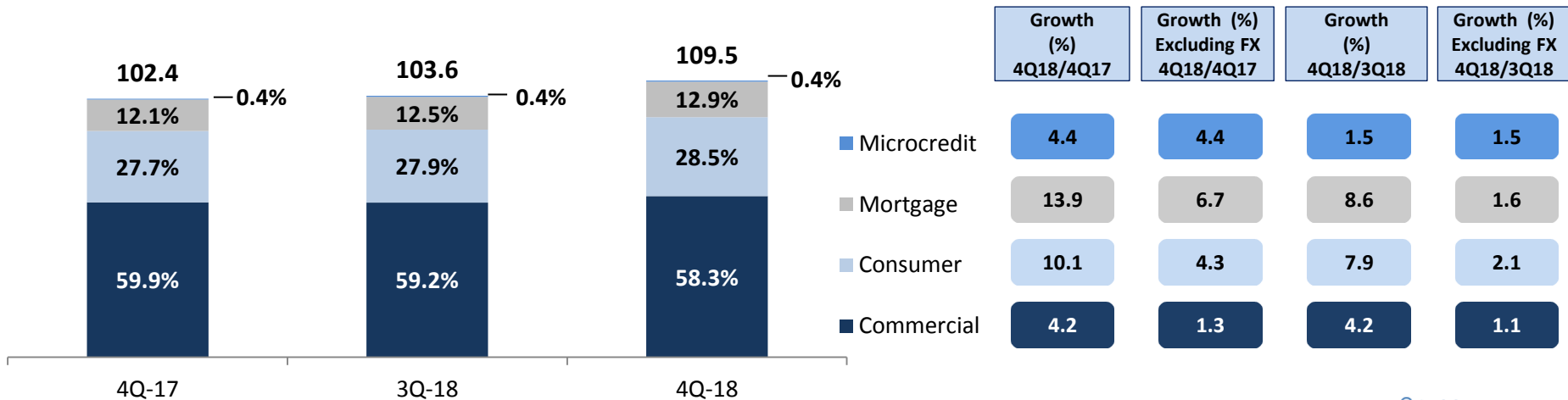
Consolidated Loan Portfolio Breakdown by Business Segment

Figures in Ps. Trillions

Gross Loan Portfolio (1)



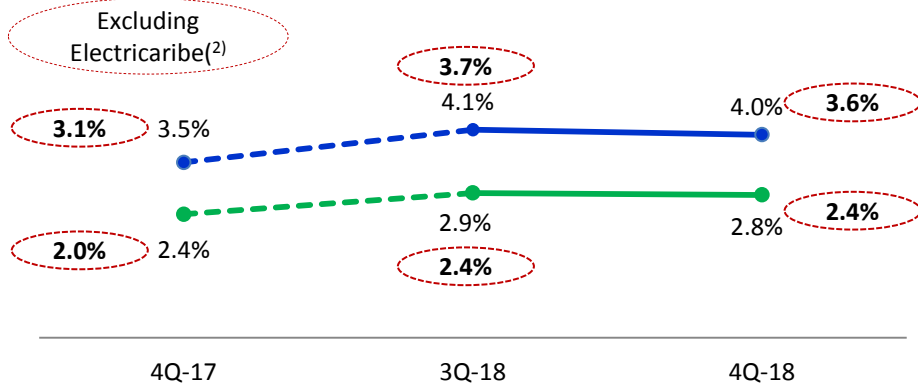
Gross Loan Portfolio Breakdown



(1) Gross Loans exclude Repos & interbanks

30 days PDLs / Gross Loans 90 days PDLs / Gross Loans

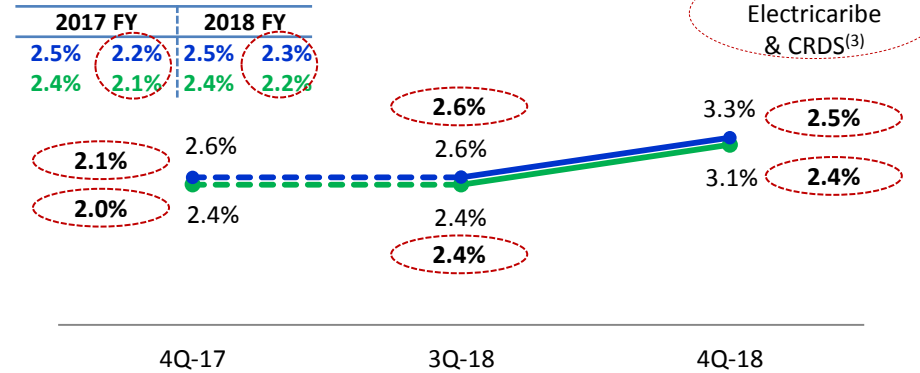
● 30 days PDLs / Gross Loans ● 90 days PDLs / Gross Loans



Cost of Risk ⁽¹⁾

● Provision loss (net of recoveries of charged-off assets) / Average Loans

● Provision loss / Average Loans

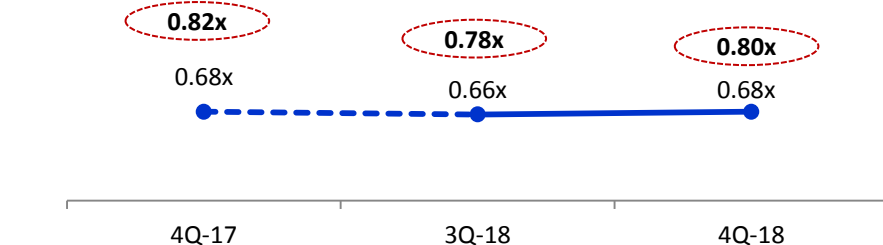


Charge-offs ⁽¹⁾ / Average 90 days PDLs

Excluding Electricaribe⁽²⁾

● Charge-offs / Average 90 days PDLs ● Charge-offs / Average Loans

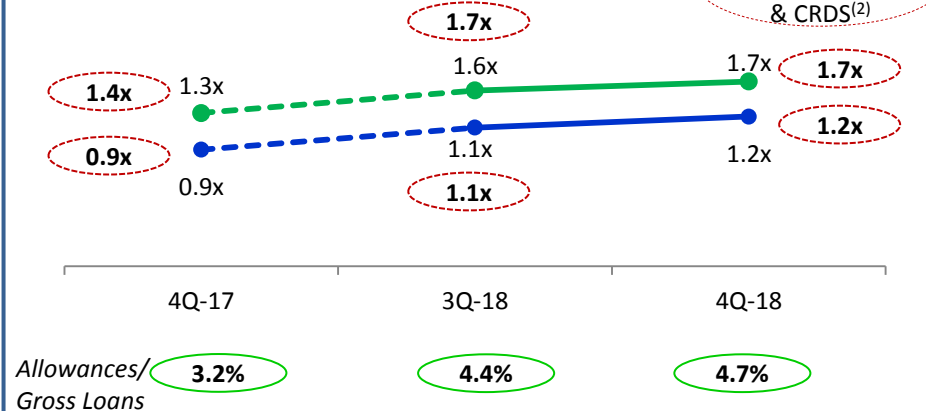
	2017 FY		2018 FY	
Charge-offs / Average 90 days PDLs	0.73x	0.88x	0.66x	0.76x
Charge-offs / Average Loans	1.6%	1.6%	1.8%	1.8%



Coverage

● Allowances / 30 days PDLs ● Allowances / 90 days PDLs

Excluding Electricaribe & CRDS⁽²⁾



Charge-offs / Average Loans

Allowances / Gross Loans

(1) Annualized
 (2) Exclude the extraordinary 30 days PDLs and 90 days PDLs from Electricaribe
 (3) Cost of Risk excludes Electricaribe's & CRDS provision expense.

Loan Portfolio Quality (2/3) – Colombia ⁽¹⁾ and Central America

	<u>Colombia COP</u>		<u>Central America USD</u>	
	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>
Delinquency Ratio				
30 day PDLs / Gross Loans	4.3%	5.1%	2.4%	2.8%
<i>Excluding Electricaribe</i>	<i>3.6%</i>	<i>4.3%</i>		
90 day PDLs / Gross Loans	3.5%	4.2%	1.2%	1.3%
<i>Excluding Electricaribe</i>	<i>2.7%</i>	<i>3.4%</i>		
Cost of Risk				
Provision Loss, net of recoveries of charge-off	2.6%	2.4%	2.1%	2.4%
<i>Excluding Electricaribe & CRDS</i>	<i>2.0%</i>	<i>2.0%</i>		
Charge-Off Ratio				
Charge offs / 90 days PDLs	0.46x	0.41x	1.58x	1.56x
<i>Excluding Electricaribe</i>	<i>0.60x</i>	<i>0.50x</i>		
Charge offs / Avg Loans	1.4%	1.6%	1.9%	2.0%
Coverage				
Allowance / 30 days PDLs	1.04x	1.22x	0.63x	1.06x
<i>Excluding Electricaribe & CRDS</i>	<i>1.08x</i>	<i>1.22x</i>		
Allowances / 90 days PDLs	1.29x	1.49x	1.28x	2.24x
<i>Excluding Electricaribe & CRDS</i>	<i>1.41x</i>	<i>1.56x</i>		
Allowances / Gross Loans	4.5%	6.3%	1.5%	3.0%

(1) Includes Banco de Bogotá in Colombia, Porvenir, Fidubogotá, Almaviva, Banco de Bogotá Panamá, Finance, Ficentro and Megalínea.

	<u>30 days PDLs</u>			<u>90 days PDLs</u>		
	<u>4Q-17</u>	<u>3Q-18</u>	<u>4Q-18</u>	<u>4Q-17</u>	<u>3Q-18</u>	<u>4Q-18</u>
Commercial	2.8%	3.5%	3.4%	2.5%	3.0%	3.0%
<i>Excluding Electricaribe</i>	<i>2.1%</i>	<i>2.8%</i>	<i>2.7%</i>	<i>1.8%</i>	<i>2.3%</i>	<i>2.3%</i>
Consumer	4.9%	5.5%	5.2%	2.5%	2.8%	2.6%
Mortgage	3.2%	3.6%	3.7%	1.7%	1.9%	2.0%
Microcredit	15.1%	15.3%	16.5%	10.7%	11.3%	12.3%
Total Loans	3.5%	4.1%	4.0%	2.4%	2.9%	2.8%
<i>Excluding Electricaribe</i>	<i>3.1%</i>	<i>3.7%</i>	<i>3.6%</i>	<i>2.0%</i>	<i>2.4%</i>	<i>2.4%</i>
Coverage Ratio	0.9x	1.1x	1.2x	1.3x	1.6x	1.7x
<i>Excluding Electricaribe & CRDS</i>	<i>0.9x</i>	<i>1.1x</i>	<i>1.2x</i>	<i>1.4x</i>	<i>1.7x</i>	<i>1.7x</i>

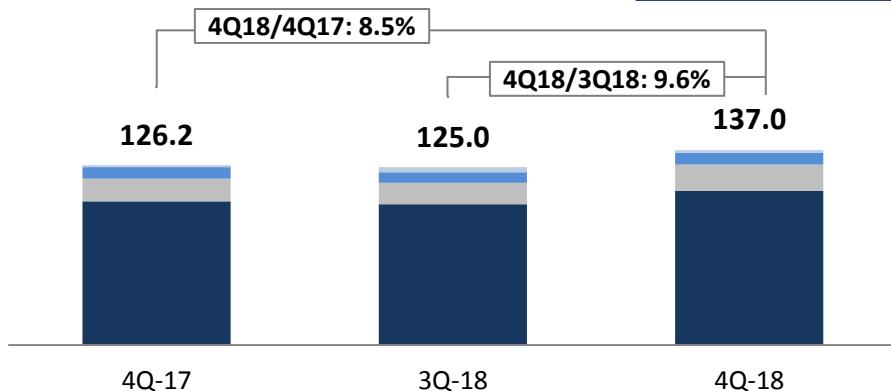
Figures in Ps. Trillions

Total Funding

Growth excluding FX

4Q18/4Q17: 4.3%

4Q18/3Q18: 5.2%

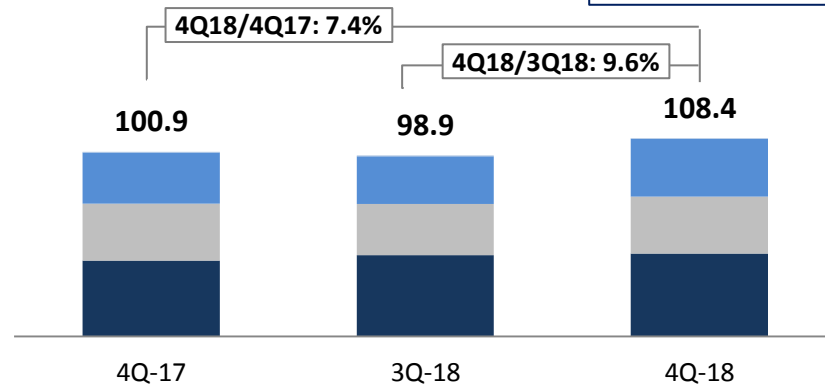


Total Deposits

Growth excluding FX

4Q18/4Q17: 3.3%

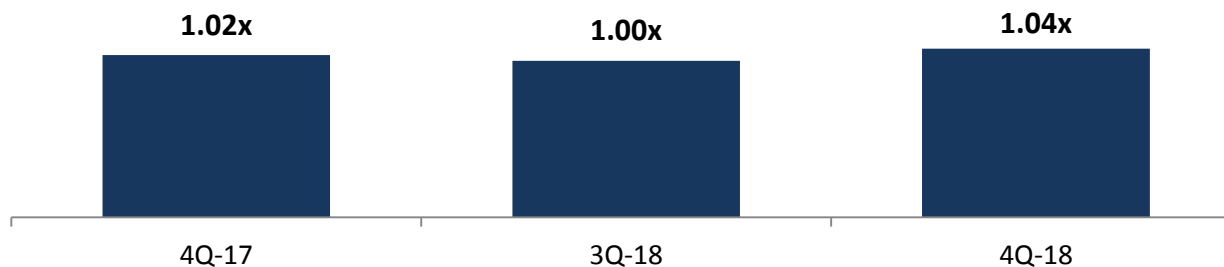
4Q18/3Q18: 5.1%



%	4Q-17	3Q-18	4Q-18
Deposits	80.0	79.2	79.1
Banks and others	12.7	12.0	13.4
Long Term Bonds	6.3	6.0	6.0
Interbank Borrowings	1.1	2.8	1.4

%	4Q-17	3Q-18	4Q-18
Time Deposits	41.0	44.8	41.7
Saving Accounts	30.9	28.4	28.7
Checking Accounts	27.7	26.3	29.2
Others ⁽¹⁾	0.3	0.5	0.3

Deposits / Net Loans (%)⁽²⁾

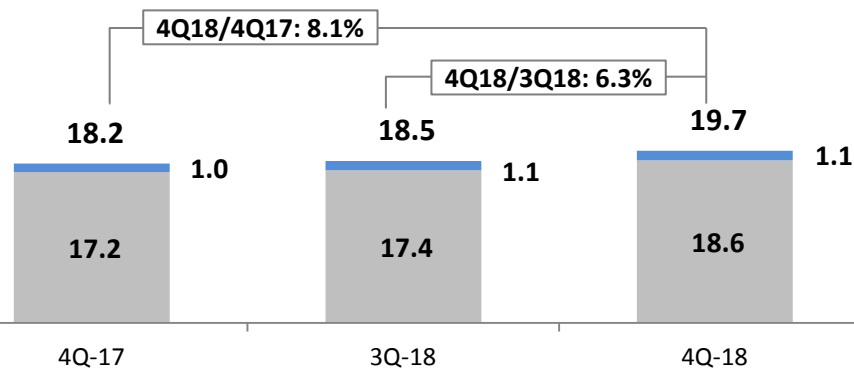


(1) Other Deposits include: Deposits from other Banks and Correspondent Accounts, Banking Services Liabilities, Collection Banking Services and Other Deposit.

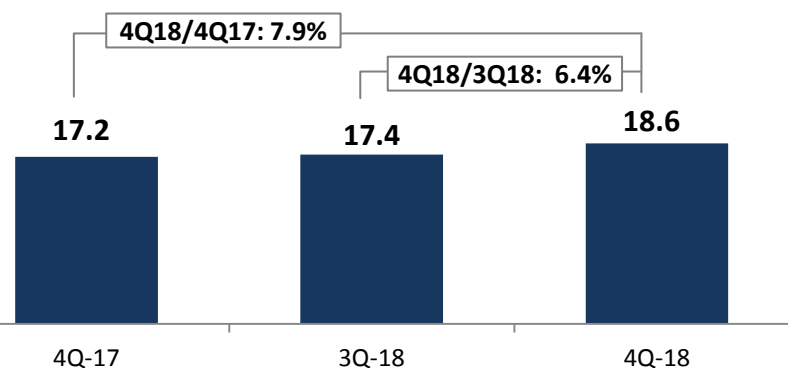
(2) Net Loans include commercial, consumer, mortgages, microcredit and allowances. Deposits include checking, savings, time deposits and other deposits.

Figures in Ps. Trillions

Attributable Equity + Minority Interest



Shareholders' Equity



■ Shareholders' Equity

■ Non-controlling interest

Total Equity / Assets

12.2%

12.4%

12.0%

Tangible Capital Ratio⁽¹⁾

8.5%

8.7%

8.4%

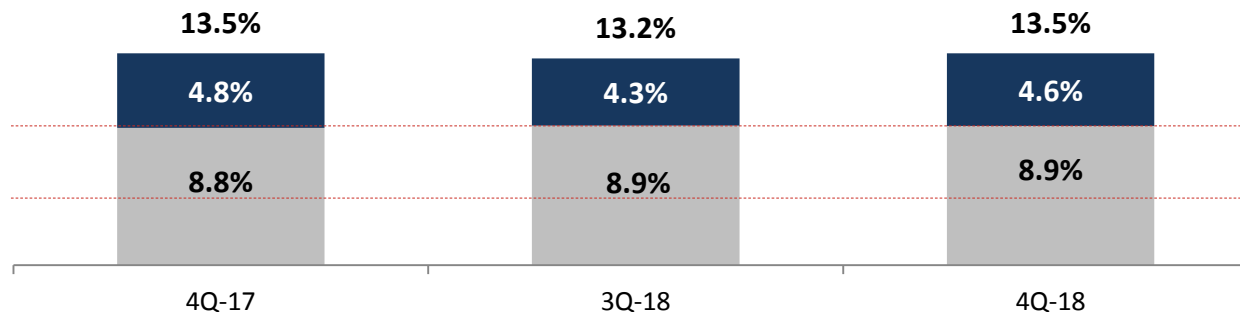
Consolidated Capital Adequacy⁽²⁾

■ Tier I ■ Tier II

Regulatory Minimum:

Total: 9.0%

Tier I: 4.5%



(1) Tangible Capital ratio is calculated as Total Equity minus Goodwill and other Intangible Assets / Total Assets minus Goodwill and other Intangible Assets.

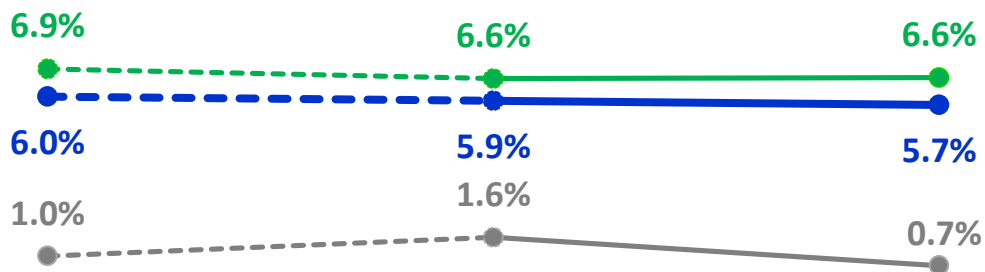
(2) Capital Ratios are calculated under the methodology of the Colombian Superintendency of Finance.

Quarterly Net Interest Margin

Growth excluding FX
4Q18/4Q17: 1.7%
4Q18/3Q18: -0.2%

Net Interest Income (Billions of COP)					Net Interest Income (Billions of COP)		
			Growth Rate				Growth Rate
4Q-17	3Q-18	4Q-18	4Q18/4Q17	4Q18/3Q18	2017	2018	2018/2017
1,711.7	1,735.2	1,791.6	4.7%	3.3%	6,720.7	6,866.5	2.2%

● Net Interest Margin on Investments (1) ● Net Interest Margin on Loans (2)
● Net Interest Margin (3)



	2017 FY	2018 FY
Net Interest Margin on Loans (2)	6.8%	6.5%
Net Interest Margin (3)	6.0%	5.7%
Net Interest Margin on Investments (1)	1.0%	0.7%

	4Q-17	3Q-18	4Q-18	2017 FY	2018 FY
Yield on loans	10.6%	10.2%	10.3%	10.8%	10.1%
Yield on fixed income (includes Interbank Funds)	4.7%	5.2%	4.4%	5.0%	4.2%
Average Funding Cost / Total Int. Bearing Funding	3.9%	3.7%	3.8%	4.0%	3.7%

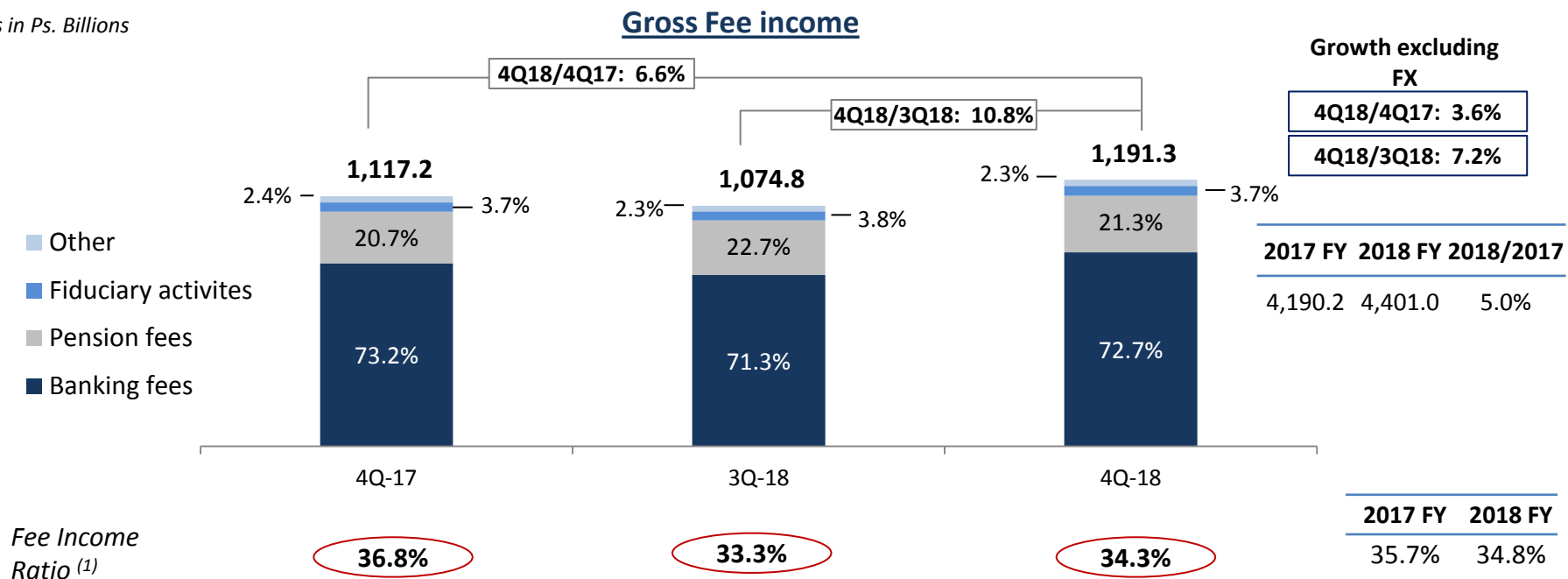
Source: Banco de Bogotá. Consolidated Figures.

(1) Investments' Net Interest Margin: Net Interest income on fixed income securities + Net trading income from investment securities held for trading + income from interbank and overnight funds + Net income from Central American hedging activities for the period, annualized / Average securities + Interbank and overnight funds.

(2) Loans Net Interest Margin: Net Interest Income on Loans for the period, annualized / Average loans and financial leases.

(3) Net Interest Income + Net trading income from investment securities held for trading + Net income from Central American hedging activities for the period, annualized / Average interest earning assets.

Figures in Ps. Billions



Other Operating Income

	4Q-17	3Q-18	4Q-18	2017 FY	2018 FY
Derivatives and foreign exchange gains (losses), net	117.2	184.7	236.1	439.1	699.8
Gain (loss) on investments, net (2)	73.5	28.3	-18.7	300.7	15.0
Other Income (3)	49.7	181.8	401.8	239.1	699.7
Equity method income from associates, dividend income (4)	-17.8	197.3	238.3	47.0	585.9
Total Other Operating Income	222.6	592.1	857.5	1,025.9	2,000.4

(1) Fee Income ratio is calculated: Gross Fee income / Net interest income before provision + Gross fee income + Total Other Operating Income, net (excluding others).

(2) Gain (loss) on investments, net includes: Net trading income from investment securities held for trading.

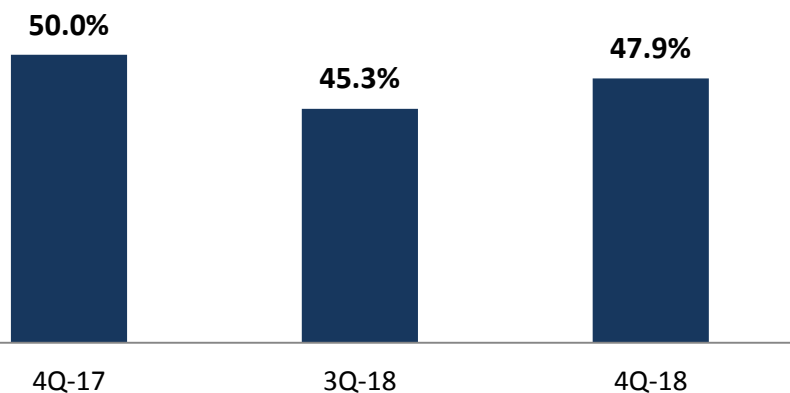
(3) Other income includes: Net gain on sale of investments, earnings on the sale of non-current assets held for sale and other income.

(4) Equity method income from associates includes Corficolombiana, Casa de Bolsa, Pizano and ATH.

	Operating Expense (Billions of COP)							Operating Expense (Billions of COP)		
	4Q-17	3Q-18	4Q-18	Growth Rate		Excluding FX		2017	2018	Growth Rate 2018/2017
				4Q18/4Q17	4Q18/3Q18	4Q18/4Q17	4Q18/3Q18			
Operating Expenses⁽¹⁾	1,480.1	1,426.0	1,611.9	8.9%	13.0%	5.7%	9.1%	5,641.4	5,826.6	3.3%
Total Income⁽²⁾	2,960.1	3,146.6	3,362.0	13.6%	6.8%	10.3%	3.4%	11,402.5	12,262.4	7.5%

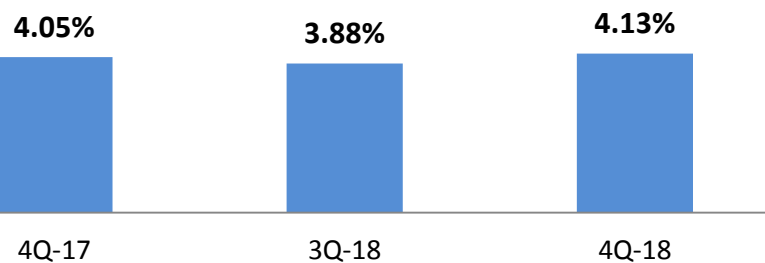
Operating Expenses/ Total Income

2017 FY ⁽³⁾	2018 FY
49.5%	47.5%



Operating Expenses/Average Assets

2017 FY ⁽³⁾	2018 FY
3.90%	3.88%



(1) Calculated as Personnel expenses plus administrative expenses

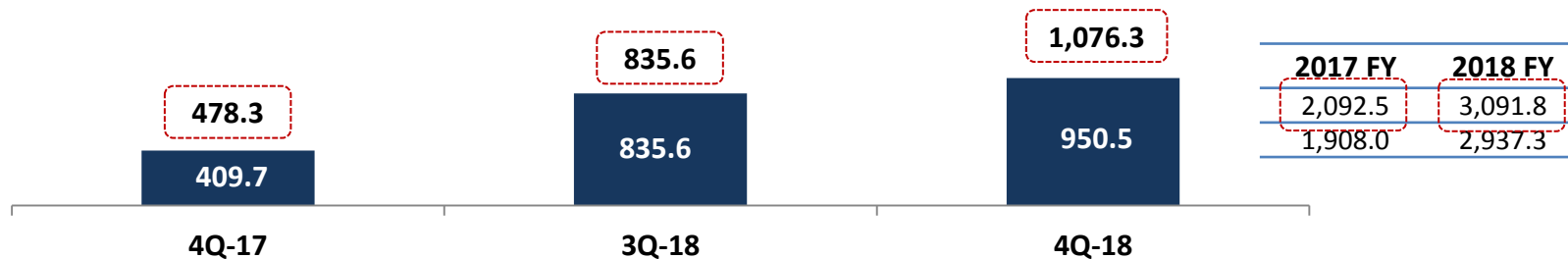
(2) Calculated as net interest income plus net trading income, income on sale of investment and held for sale assets and fees and other services income, net (excluding other income)

(3) Excluding wealth tax and the one-time expense due to the streamlining overhead in Colombia was 48.8% and 3.84%.

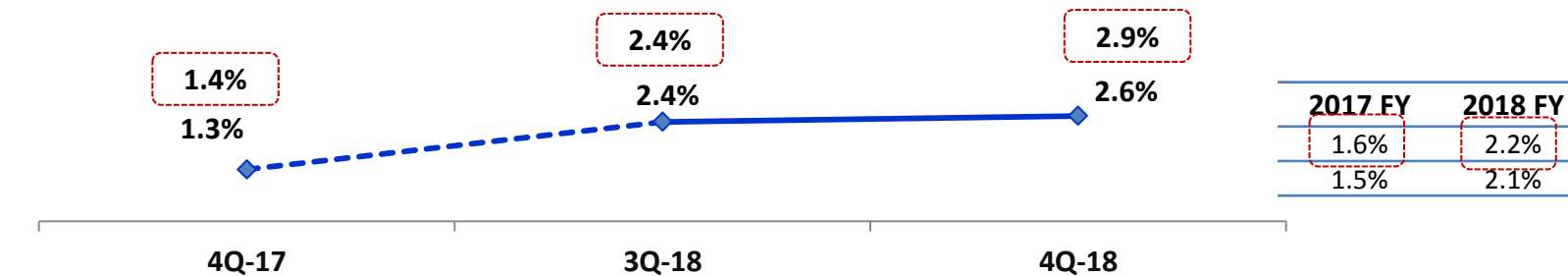
Figures in Ps. Billions

Net Income attributable to controlling interest

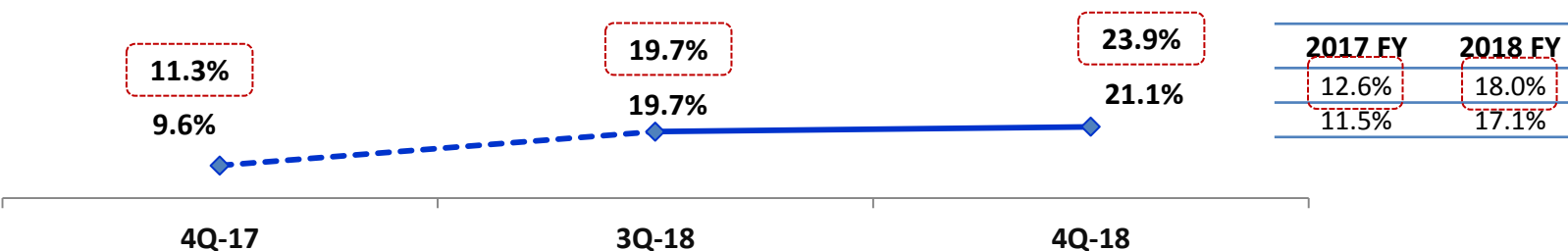
Excluding Electricaribe & CRDS ⁽¹⁾



ROAA ⁽²⁾



ROAE ⁽³⁾



(1) Excludes Electricaribe's & CRDS provision expense.

(2) ROAA for each quarter is calculated as annualized Net Income divided by average of total assets.

(3) ROAE for each quarter is calculated as annualized Net Income attributable to shareholders divided by average attributable shareholders' equity.