

Banco de Bogotá



4Q-2019 and FY 2019 Consolidated Results Conference Call

FULL IFRS

March 20th, 2020

Banco de Bogotá is an issuer of securities in Colombia and, as such, it is required to comply with periodic reporting requirements and corporate governance practices. As a financial institution, the Bank is subject to inspection and surveillance from Colombia's Superintendency of Finance.

The financial information included in this report was prepared with unaudited consolidated financial information, in accordance with IFRS as currently issued by the IASB. Details of the calculations of Non GAAP measures such as ROAA and ROAE, among others, are explained when required in this report.

The Colombian peso/dollar end-of-period annual devaluation as of December 31, 2019 was 0.8%, whilst on a quarterly basis revaluation of the currency was 5.8%. In this report, calculations of growth, excluding the exchange rate movement of the Colombian Peso, use the exchange rate as of December 31, 2019 (COP 3,277.14).

Banco de Bogotá has adopted IFRS 16 retrospectively from January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening Condensed Consolidated Statement of Financial Position on January 1, 2019. Consequently, quarterly results for 2019 are not fully comparable to previous periods.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, Banco de Bogotá, as a lessee, has recognized right-of-use assets representing its rights to use the underlying assets, and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies. Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group's incremental borrowing rate.

This report includes forward-looking statements. In some cases, you can identify these forward-looking statements by words such as "may," "will," "should," "expects," "plans," "anticipates," "believes," "estimates," "predicts," "potential," or "continue," or the negative of these and other comparable words. Actual results and events may differ materially from those anticipated herein as a consequence of changes in general, economic and business conditions, changes in interest and currency rates and other risk factors. Recipients of this document are responsible for the assessment and use of the information provided herein. 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. "Excluding FX" refers to the impact of the exchange rate on our Central American operation.

Attributable Net Income for 2019 was \$2,766.4 billion pesos.

Key Metrics

Commentary

Profitability

- ROAA: 1.8% / ROAE: 14.4%
- Net Interest Margin: 5.9%
- Fee Income Ratio: 35.6%
- Efficiency Ratio: 51.5%

- NIM increased 27 bps compared to 2018.
- Fee income improved 13.7% in annual terms.
- Normalized Efficiency ratio decreased 12 bps when compared to FY 2018⁽¹⁾.

Balance Sheet

- Gross Loans: \$116.5 Ps. trillion
- Total Deposits: \$117.8 Ps. trillion
- Deposits / Net Loans: 1.06x
- Deposits % Funding: 80.0%

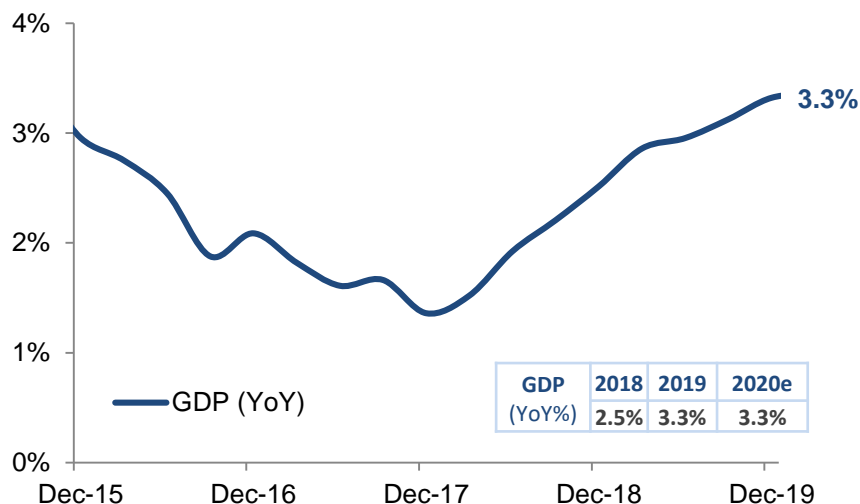
- Gross Loans increased 6.3%; excluding FX, growth was 5.9%.
- Total Deposits grew 8.7%; excluding FX, growth was 8.2%.
- Deposits / Net Loans performed in line with expectations.

Credit & Capital

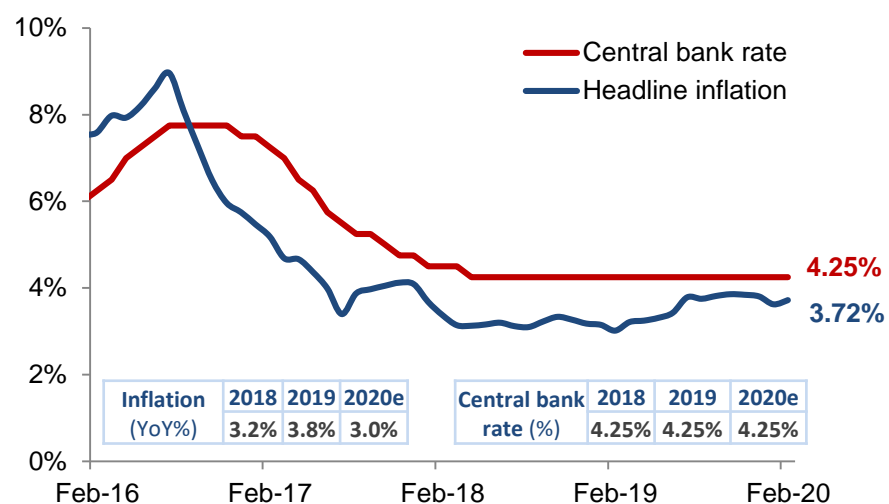
- 90+ Days PDL Ratio: 3.1%
- Net Cost of Risk: 2.3%
- Tier 1 Ratio: 9.1%
- Total Solvency: 12.8%

- 90+ Days PDL Ratio, increased 24 bps Y-o-Y.
- Net Cost of Risk, decreased 7 bps in annual terms.
- Tier 1 and Total Solvency ratios are both well above regulatory minimums.

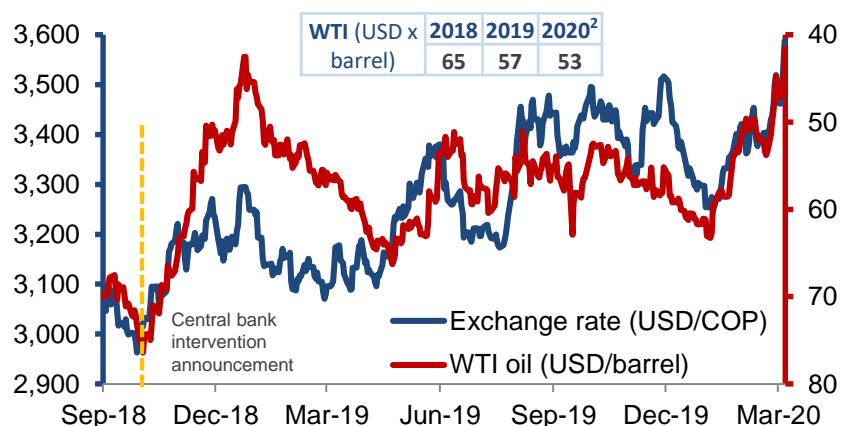
GDP¹ (YoY %, 12-month)



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

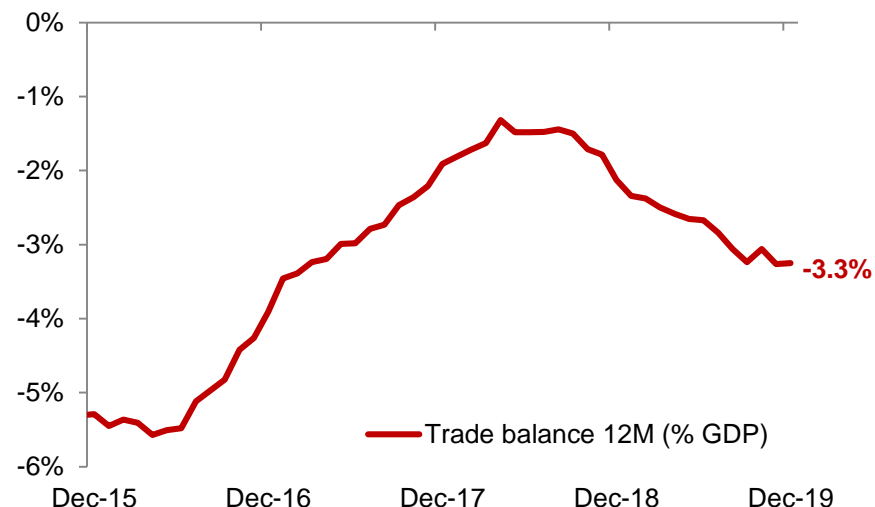


Exchange rate vs. WTI oil (USD/COP, USD x barrel)



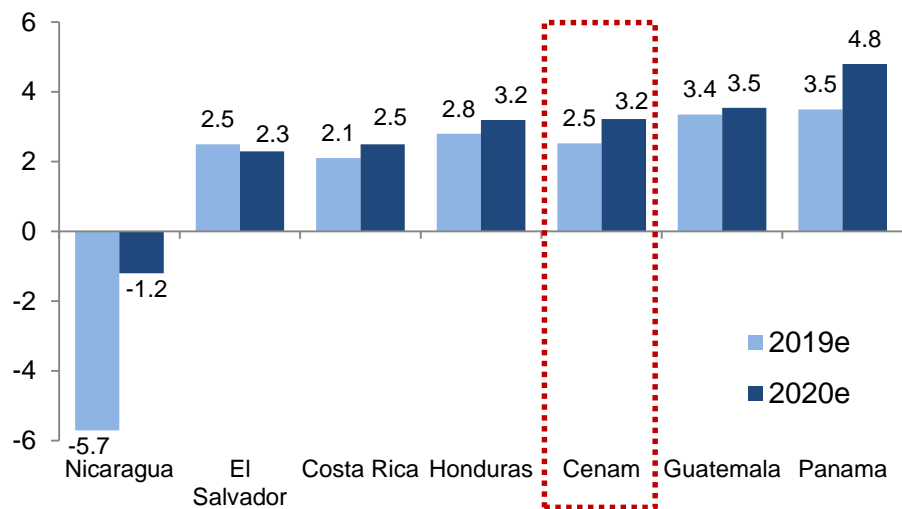
| Exchange rate (USD/COP) | 4Q | | | Year | | |
|-------------------------|-------|-------|-------|-------|-------|--------|
| | 2017 | 2018 | 2019 | 2018 | 2019 | 2020e* |
| End of period | 2,972 | 3,250 | 3,277 | 3,250 | 3,277 | 3,250 |
| Average | 2,986 | 3,161 | 3,411 | 2,956 | 3,283 | 3,325 |

Trade balance (% GDP, 12-month)

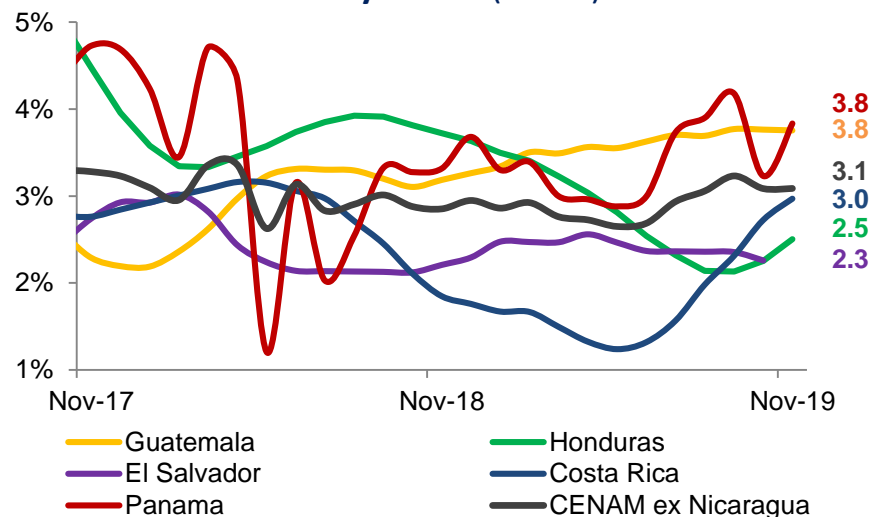


Source: DANE, Banco de la República, Bloomberg, Economic Research Banco de Bogotá. 1. Original series. 2. Average year-to-date. (R) Under review. * Under review.

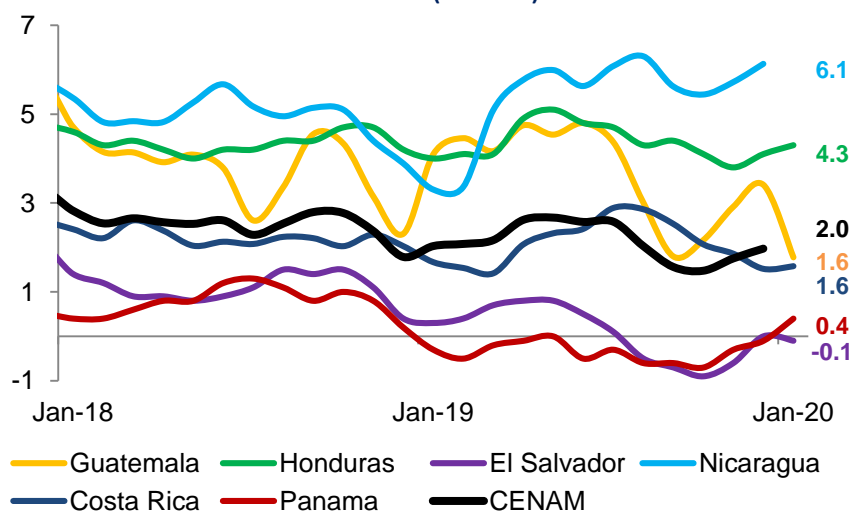
GDP¹ (YoY %)



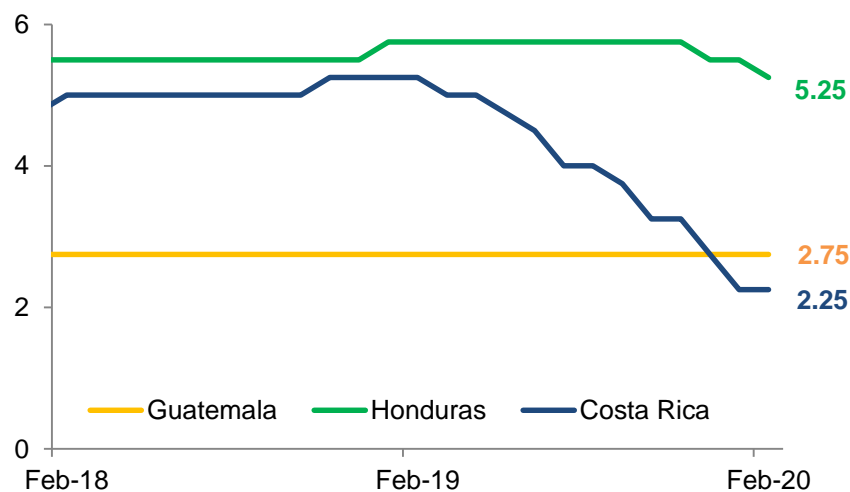
Activity Index² (YoY %)



Inflation (YoY %)



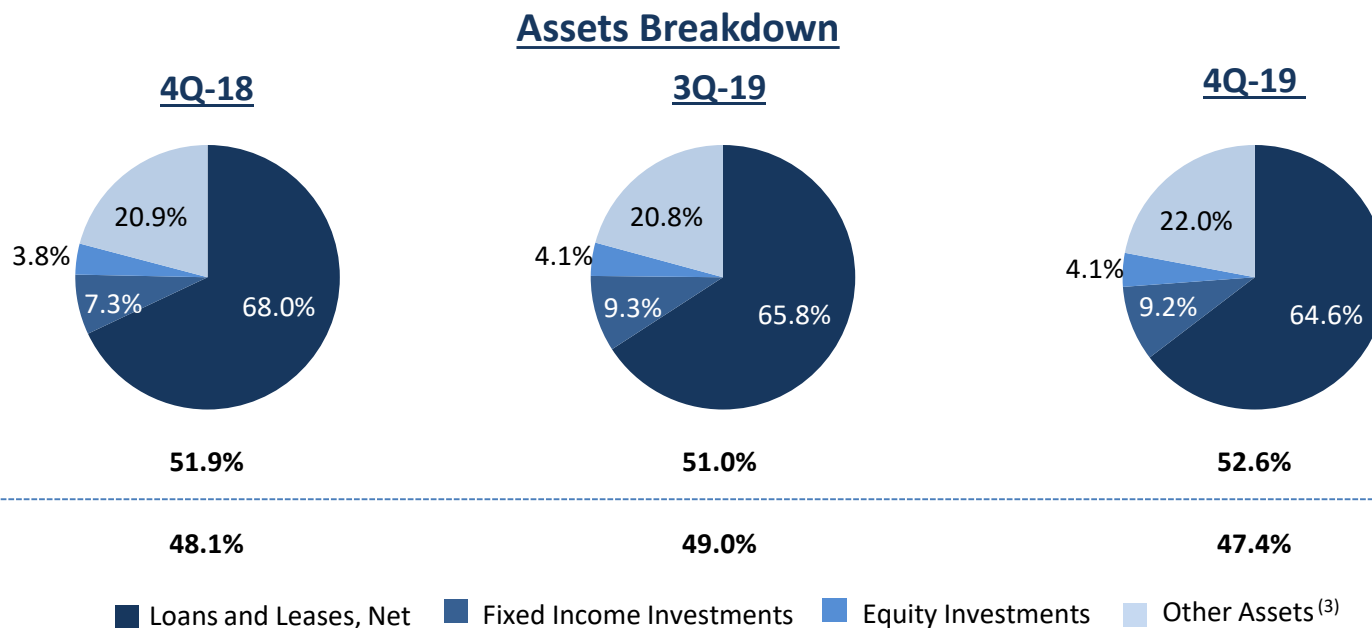
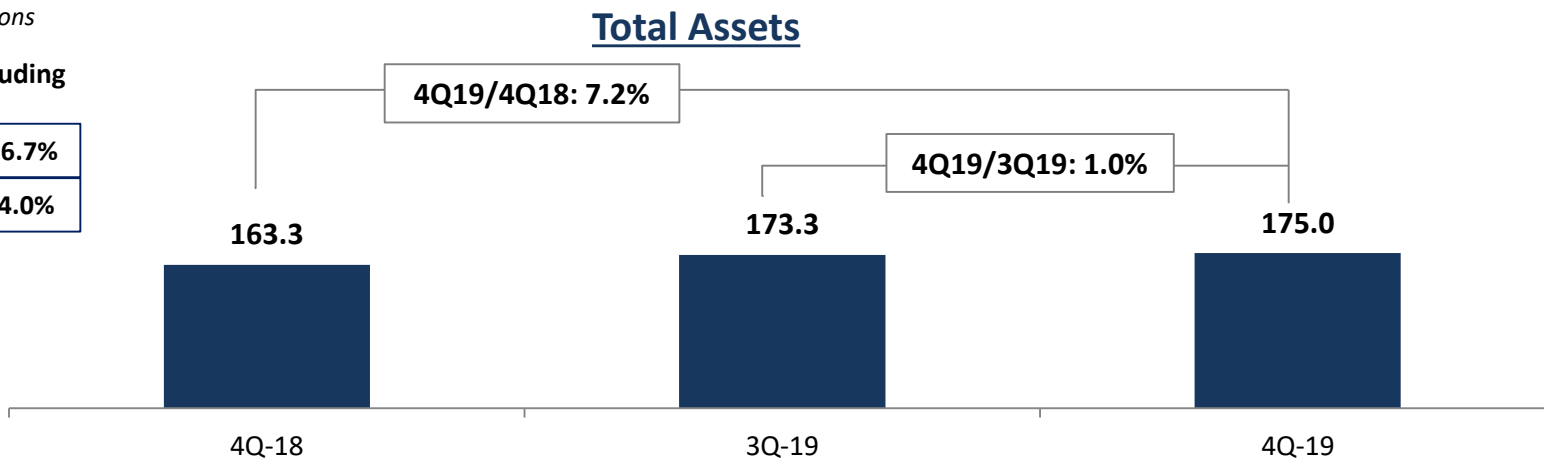
Central bank interest rate (%)



Source: IMF, Bloomberg, SECMCA, Economic Research Banco de Bogotá. CENAM: Central America. 1. IMF estimates and forecasts. 2. Monthly activity trend indicator (IMAE-TC). CENAM information is shown excluding Nicaragua because activity information is only available up to February for this country.

Figures in Ps. Trillions

| |
|----------------------------|
| Growth excluding FX |
| 4Q19/4Q18: 6.7% |
| 4Q19/3Q19: 4.0% |



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

(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).

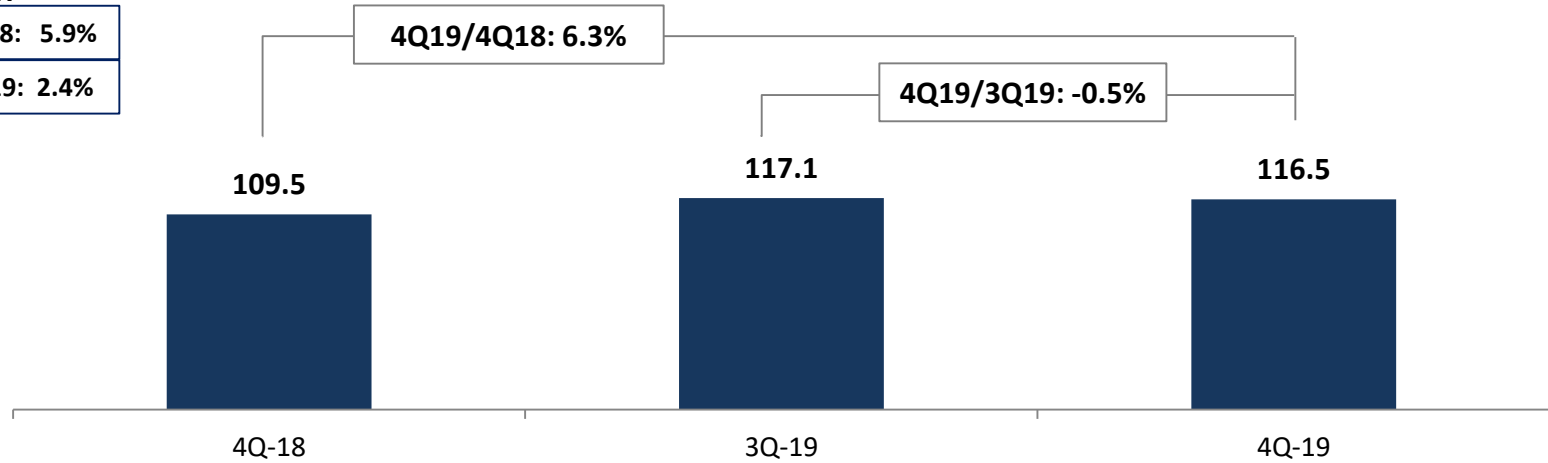
Consolidated Loan Portfolio Breakdown by Business Segment

Figures in Ps. Trillions

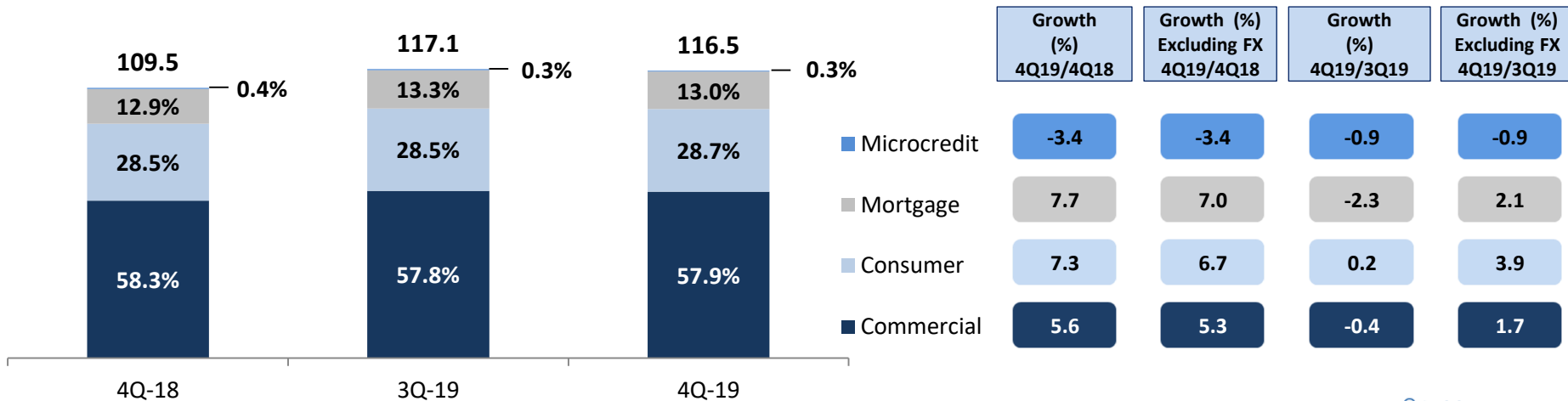
Gross Loan Portfolio (1)

Growth excluding FX

| |
|-----------------|
| 4Q19/4Q18: 5.9% |
| 4Q19/3Q19: 2.4% |

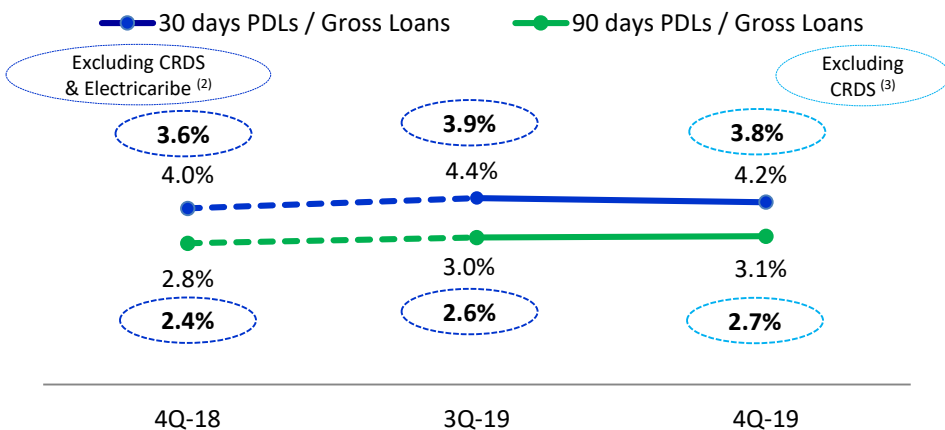


Gross Loan Portfolio Breakdown

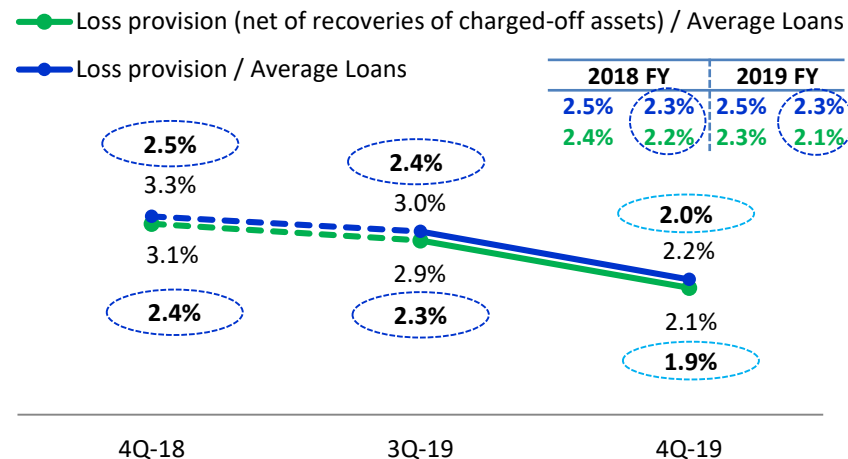


(1) Gross Loans exclude Repos & interbank funds.

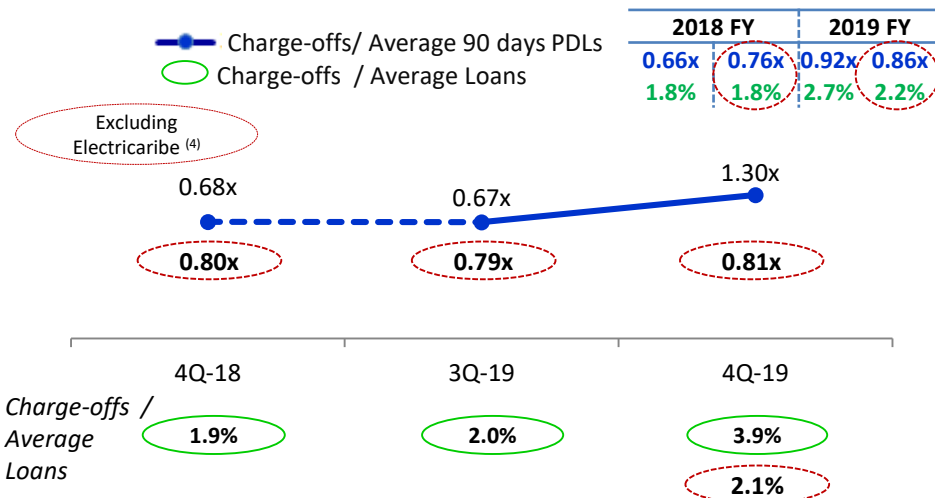
30 days PDLs / Gross Loans 90 days PDLs / Gross Loans



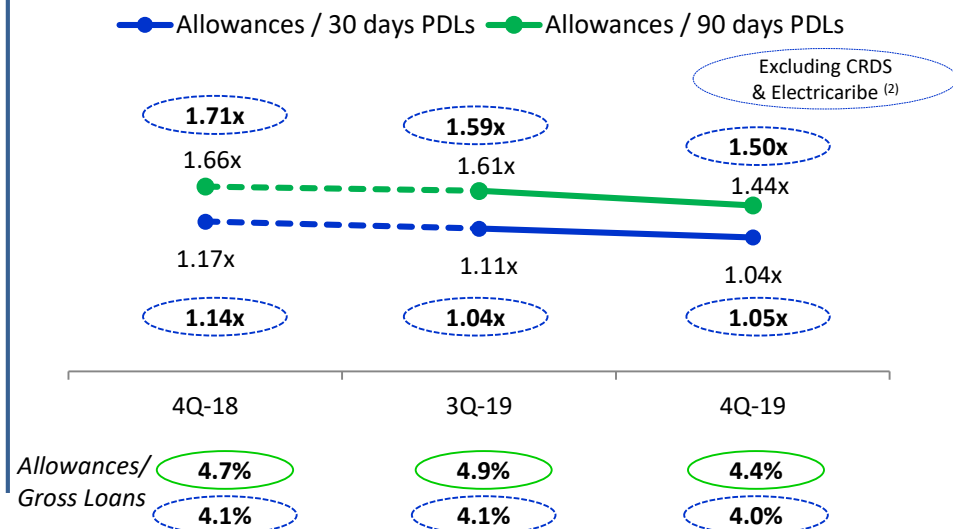
Cost of Risk ⁽¹⁾



Charge-offs ⁽¹⁾ / Average 90 days PDLs



Coverage



(1) Annualized.
 (2) Excludes the loss provision from Consorcio Ruta del Sol and Electricaribe.
 (3) Excludes the loss provision from Consorcio Ruta del Sol.
 (4) Excludes the loss provision from Electricaribe.

| | <u>Colombia COP</u> | | <u>Central America USD</u> | |
|---|---------------------|-------------|----------------------------|-------------|
| | <u>2018</u> | <u>2019</u> | <u>2018</u> | <u>2019</u> |
| Delinquency Ratio | | | | |
| 30 day PDLs / Gross Loans | 5.1% | 5.2% | 2.8% | 3.1% |
| <i>Excluding Electricaribe & CRDS</i> | <i>4.3%</i> | <i>4.5%</i> | | |
| 90 day PDLs / Gross Loans | 4.2% | 4.4% | 1.3% | 1.6% |
| <i>Excluding Electricaribe & CRDS</i> | <i>3.4%</i> | <i>3.7%</i> | | |
| Cost of Risk | | | | |
| Provision Loss, net of recoveries of charge-off | 2.4% | 2.3% | 2.4% | 2.3% |
| <i>Excluding Electricaribe & CRDS</i> | <i>2.0%</i> | <i>1.9%</i> | | |
| Charge-Off Ratio | | | | |
| Charge offs / 90 days PDLs | 0.4x | 0.8x | 1.6x | 1.4x |
| <i>Excluding Electricaribe & CRDS</i> | <i>0.5x</i> | <i>0.8x</i> | | |
| Charge offs / Avg Loans | 1.6% | 3.2% | 2.0% | 2.2% |
| <i>Excluding Electricaribe & CRDS</i> | <i>1.6%</i> | <i>2.3%</i> | | |
| Coverage | | | | |
| Allowance / 30 days PDLs | 1.2x | 1.1x | 1.1x | 1.0x |
| Allowances / 90 days PDLs | 1.5x | 1.3x | 2.2x | 1.9x |
| Allowances / Gross Loans | 6.3% | 5.7% | 3.0% | 3.0% |

| | <u>30 days PDLs</u> | | | <u>90 days PDLs</u> | | |
|---|---------------------|--------------|--------------|---------------------|--------------|--------------|
| | <u>4Q-18</u> | <u>3Q-19</u> | <u>4Q-19</u> | <u>4Q-18</u> | <u>3Q-19</u> | <u>4Q-19</u> |
| Commercial | 3.4% | 3.7% | 3.5% | 3.0% | 3.2% | 3.2% |
| <i>Excluding Electricaribe & CRDS</i> | <i>2.7%</i> | <i>3.0%</i> | <i>2.9%</i> | <i>2.3%</i> | <i>2.5%</i> | <i>2.6%</i> |
| Consumer | 5.2% | 5.4% | 5.2% | 2.6% | 2.7% | 2.7% |
| Mortgage | 3.7% | 4.5% | 4.7% | 2.0% | 2.5% | 2.9% |
| Microcredit | 16.5% | 17.5% | 18.2% | 12.3% | 13.1% | 13.7% |
| Total Loans | 4.0% | 4.4% | 4.2% | 2.8% | 3.0% | 3.1% |
| <i>Excluding Electricaribe & CRDS</i> | <i>3.6%</i> | <i>3.9%</i> | <i>3.8%</i> | <i>2.4%</i> | <i>2.6%</i> | <i>2.7%</i> |
| Coverage Ratio | 1.2x | 1.1x | 1.0x | 1.7x | 1.6x | 1.4x |
| <i>Excluding Electricaribe & CRDS</i> | <i>1.1x</i> | <i>1.0x</i> | <i>1.0x</i> | <i>1.7x</i> | <i>1.6x</i> | <i>1.5x</i> |

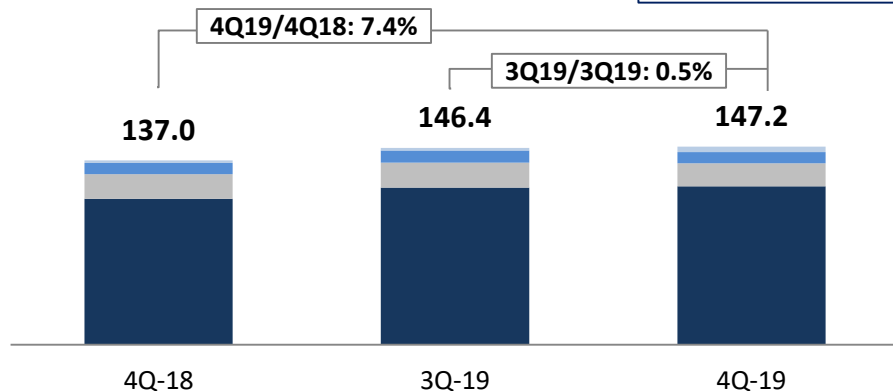
Figures in Ps. Trillions

Total Funding

Growth excluding FX

4Q19/4Q18: 7.0%

4Q19/3Q19: 3.3%

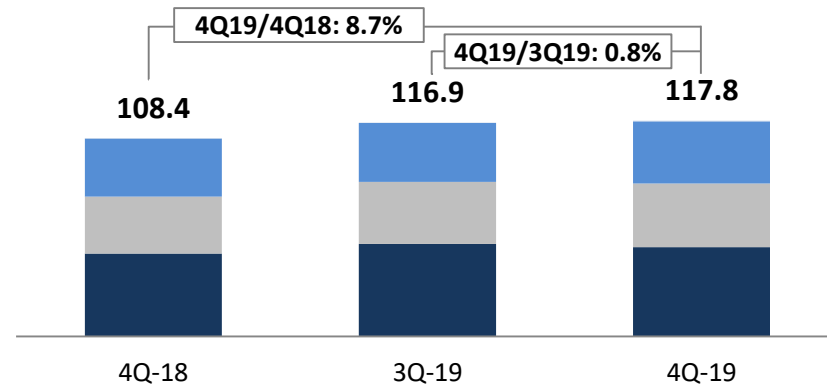


Total Deposits

Growth excluding FX

4Q19/4Q18: 8.2%

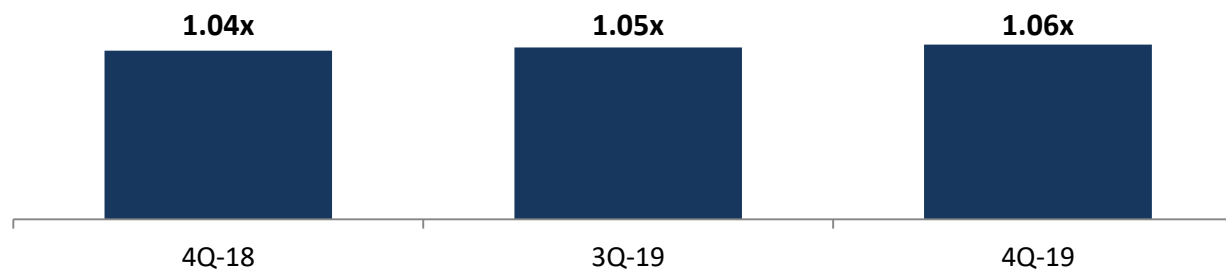
4Q19/3Q19: 3.7%



| % | 4Q-18 | 3Q-19 | 4Q-19 |
|------------------------|-------|-------|-------|
| ■ Deposits | 79.1 | 79.8 | 80.0 |
| ■ Banks and others | 13.4 | 12.6 | 11.6 |
| ■ Long Term Bonds | 6.0 | 6.2 | 5.7 |
| ■ Interbank Borrowings | 1.4 | 1.4 | 2.6 |

| % | 4Q-18 | 3Q-19 | 4Q-19 |
|-------------------------|-------|-------|-------|
| ■ Time Deposits | 41.7 | 43.2 | 41.4 |
| ■ Saving Accounts | 28.7 | 29.0 | 29.5 |
| ■ Checking Accounts | 29.2 | 27.6 | 28.9 |
| ■ Others ⁽¹⁾ | 0.3 | 0.2 | 0.3 |

Deposits / Net Loans (%)⁽²⁾

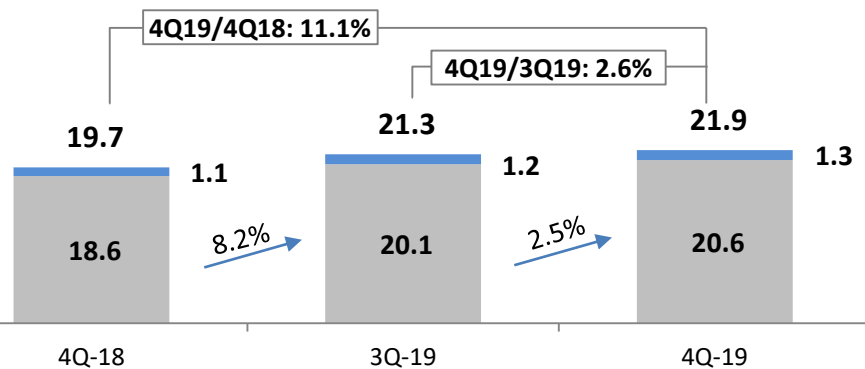


(1) Other Deposits include: Deposits from other Banks and Correspondent Accounts, Banking Services Liabilities, Collection Banking Services and Other Deposits.

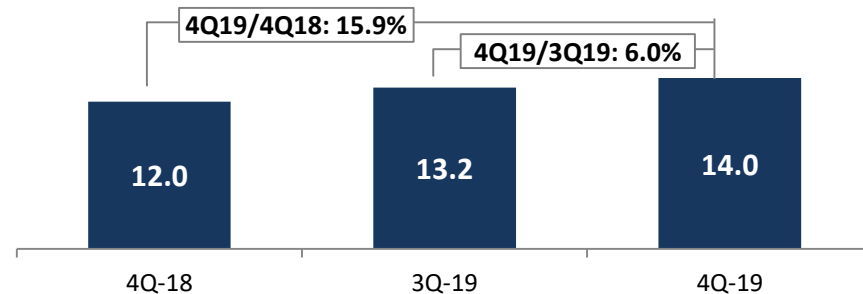
(2) Net Loans include commercial, consumer, mortgages, microcredit and allowances. Deposits include checking, and savings accounts, time deposits and other deposits.

Figures in Ps. Trillions

Attributable Equity + Minority Interest



Tangible Common Equity



■ Shareholders' Equity

■ Non-controlling interest

Total Equity / Assets

12.0%

12.3%

12.5%

Tangible Capital Ratio⁽¹⁾

8.4%

8.7%

9.0%

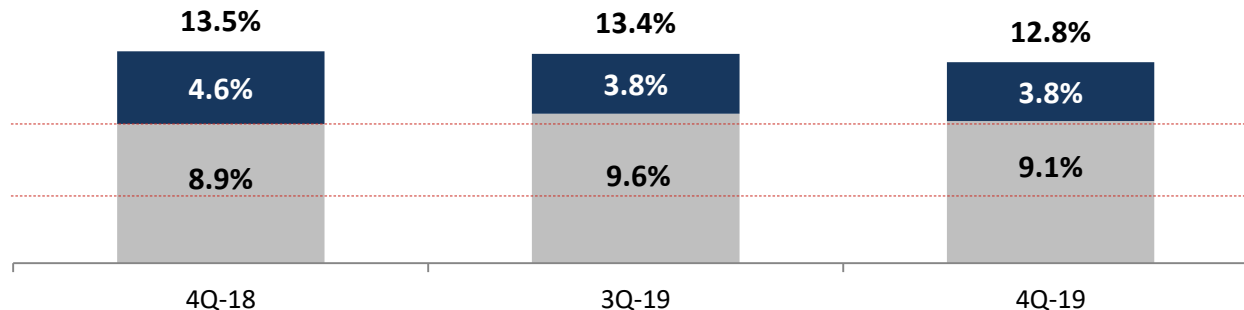
Consolidated Capital Adequacy⁽²⁾

■ 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.

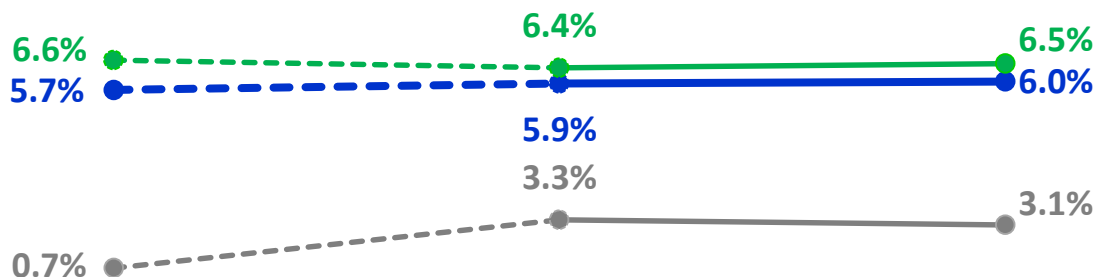
Quarterly Net Interest Margin

| |
|------------------------|
| Growth excluding FX |
| 4Q19/4Q18: 5.5% |
| 4Q19/3Q19: 3.0% |

| Net Interest Income (Billions of COP) | | | | | |
|---------------------------------------|---------|---------|-------------|-----------|--|
| | | | Growth Rate | | |
| 4Q-18 | 3Q-19 | 4Q-19 | 4Q19/4Q18 | 4Q19/3Q19 | |
| 1,791.6 | 1,890.5 | 1,970.9 | 10.0% | 4.3% | |

| Annual Net Interest Income | | |
|----------------------------|---------|-------------|
| 2018 | 2019 | Growth Rate |
| 2018 | 2019 | 2019/2018 |
| 6,866.5 | 7,495.7 | 9.2% |

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



| 2018 | 2019 |
|------|------|
| 6.5% | 6.4% |
| 5.7% | 5.9% |
| 0.7% | 3.2% |

| | 4Q-18 | 3Q-19 | 4Q-19 | 2018 | 2019 |
|--|-------|-------|-------|-------|-------|
| <i>Yield on loans</i> | 10.3% | 10.1% | 10.2% | 10.1% | 10.1% |
| <i>Yield on fixed income (includes Interbank Funds)</i> | 4.4% | 7.1% | 6.8% | 4.2% | 6.9% |
| <i>Average Funding Cost / Total Int. Bearing Funding</i> | 3.8% | 3.8% | 3.7% | 3.7% | 3.7% |

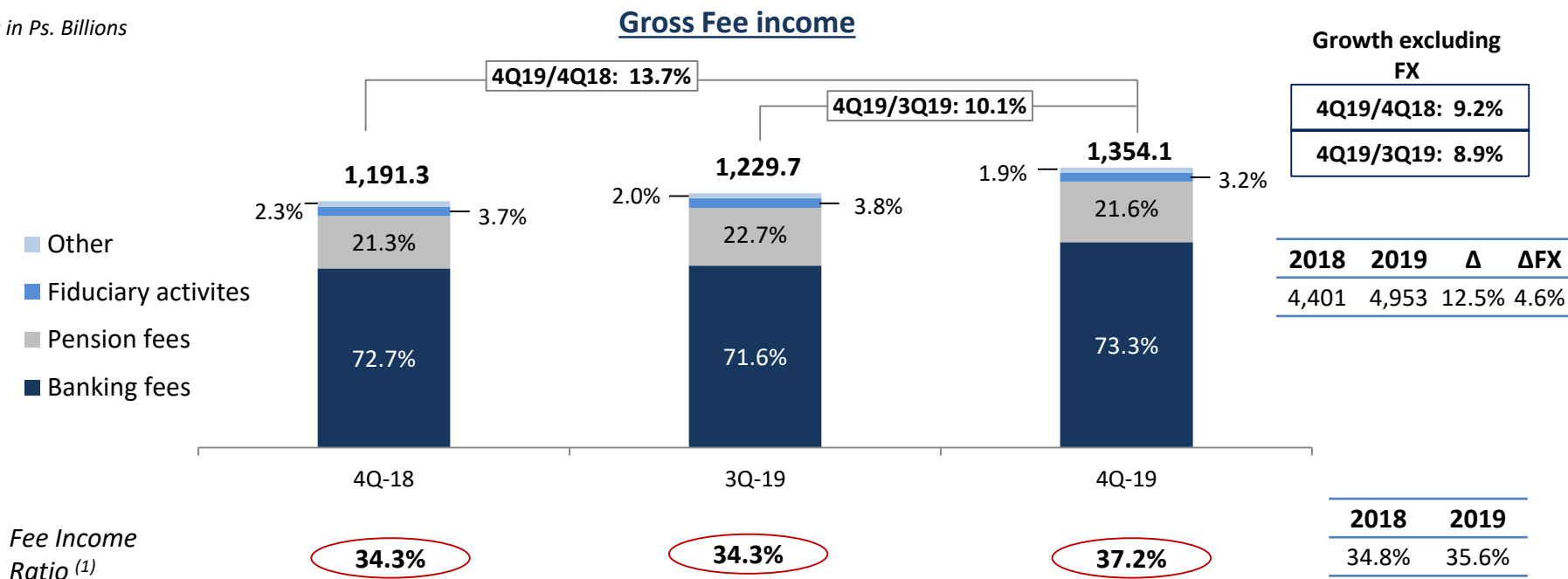
Source: Banco de Bogotá. Consolidated Figures.

(1) 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.

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

(3) 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.

Figures in Ps. Billions



Other Operating Income

| | 4Q-18 | 3Q-19 | 4Q-19 | 2018 | 2018 ^{adjusted} | 2019 |
|--|---------------------|--------------|--------------|----------------|--------------------------|----------------|
| Derivatives and foreign exchange gains (losses), net | 236.1 | 183.2 | 83.3 | 699.8 | 699.8 | 375.2 |
| Gain (loss) on investments, net ⁽²⁾ | -18.7 | 81.0 | 83.2 | 15.0 | 15.0 | 397.4 |
| Other Income ⁽³⁾ | 96.1 ⁽⁴⁾ | 157.4 | 92.2 | 699.6 | 270.7 ^(4,5) | 463.2 |
| Equity method income from associates, dividend income ⁽⁶⁾ | 238.3 | 122.6 | 127.5 | 585.9 | 585.9 | 534.5 |
| Total Other Operating Income | 551.8 | 544.2 | 386.2 | 2,000.4 | 1,571.5 | 1,770.3 |

- (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) Includes: Net gain on sale of investments, earnings on the sale of non-current assets held for sale, net gain on asset valuation and other income.
- (4) Excludes \$305.7 billion non-recurring income from the sale-leaseback transaction.
- (5) Excludes \$123.4 billion income from CFC capitalization.
- (6) Equity method income from associates includes Corficolombiana, Casa de Bolsa, Pizano and ATH.

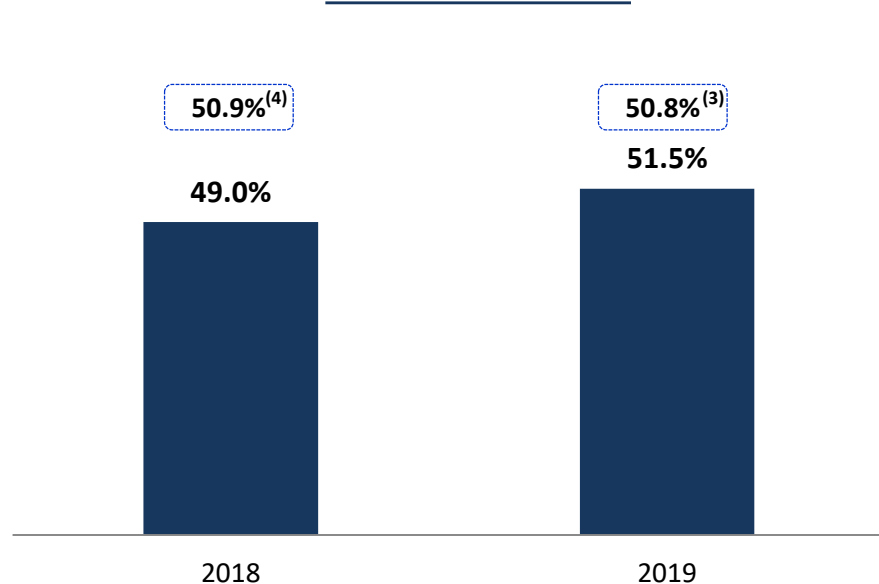
Efficiency (Billions of COP)

| | Dec-18 | Dec-19 | Growth Rate | Excluding FX |
|---------------------------------|----------|----------|-------------|--------------|
| Total operating expenses | 6,314.2 | 7,122.8 | 12.8% | 6.3% |
| Total income | 12,889.1 | 13,821.1 | 7.2% | 1.7% |

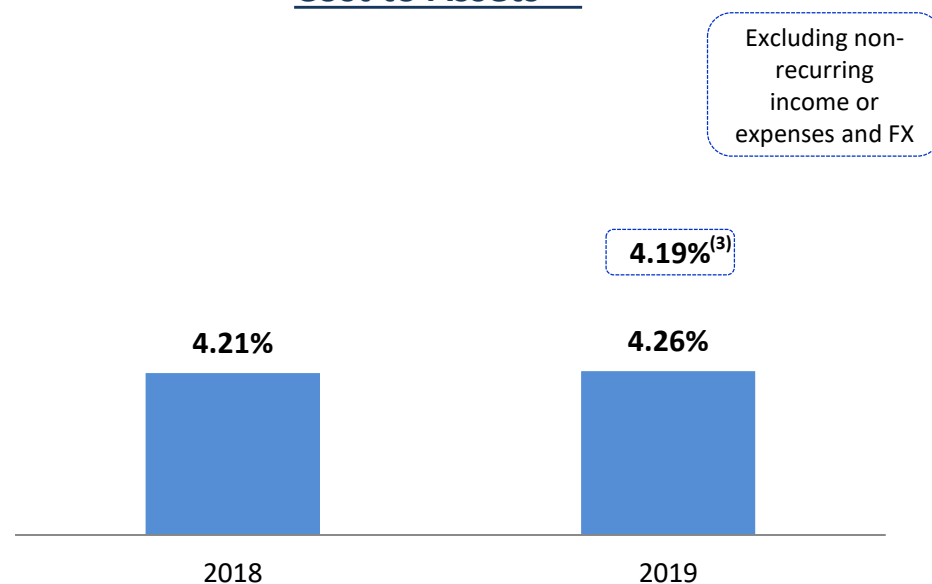
Normalized Efficiency (Billions of COP)

| | Dec-18 | Dec-19 | Growth Rate | Excluding FX |
|---------------------------------|-------------------------|------------------------|-------------|--------------|
| Total operating expenses | 6,314.2 | 7,017.2 ⁽³⁾ | 11.1% | 4.7% |
| Total income | 12,460.0 ⁽⁴⁾ | 13,821.1 | 10.9% | 5.0% |

Cost to income ⁽¹⁾



Cost to Assets ⁽²⁾



(1) Calculated as Total other expenses, divided by net interest income, net income from commissions and fees, net trading income, net income from other financial instruments mandatory at FVTPL and total other income.

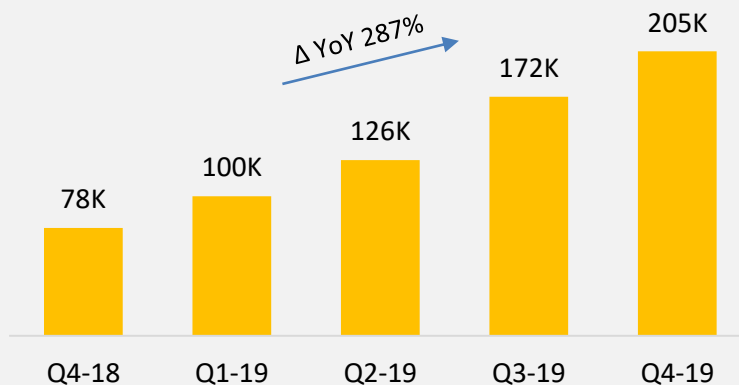
(2) Calculated as annualized total operating expenses divided by average total assets.

(3) Excluding non-recurring expenses from legal proceedings provisions incurred in Porvenir (\$87.4 billion) and early amortization of Credivesa's contract (\$18.1 billion).

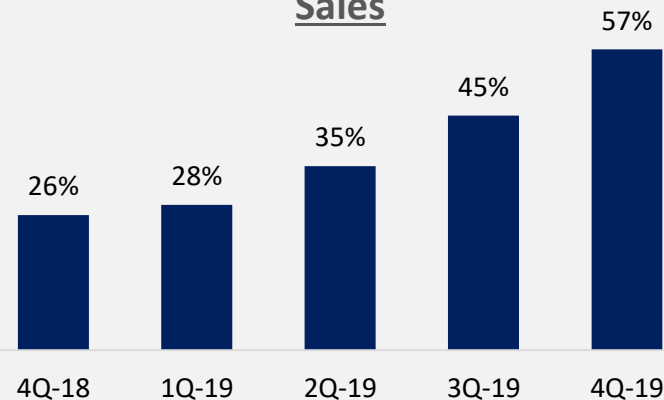
(4) Excluding the one-time adjustment of our sale-leaseback transaction (\$305.7 billion) and gain associated with Corficolombiana's capitalization in 2018 (\$123.4 billion).



Total Digital Sales



Digital Share of Total Retail* Bank Sales



100% branches with Tablets



15 New concept Branches implemented in 2019



Winners of the Interlat Awards #LatamDigital 2019



1.5MM

Digital Banking Users



45%

Digital Channels Adoption in 4Q



1.4MM

Digital Banking Users

812K

Monetary Digital Transactions in 2019

270K

Digital Sales Transactions

1 out of 3 of our clients is digital

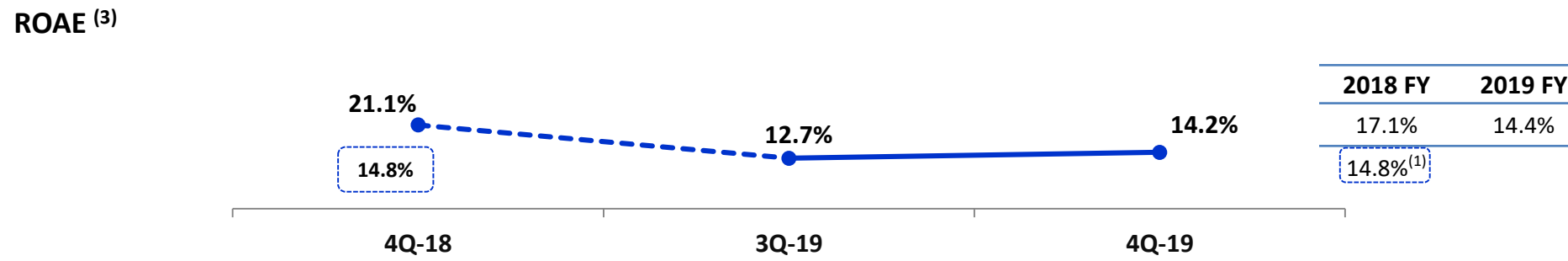
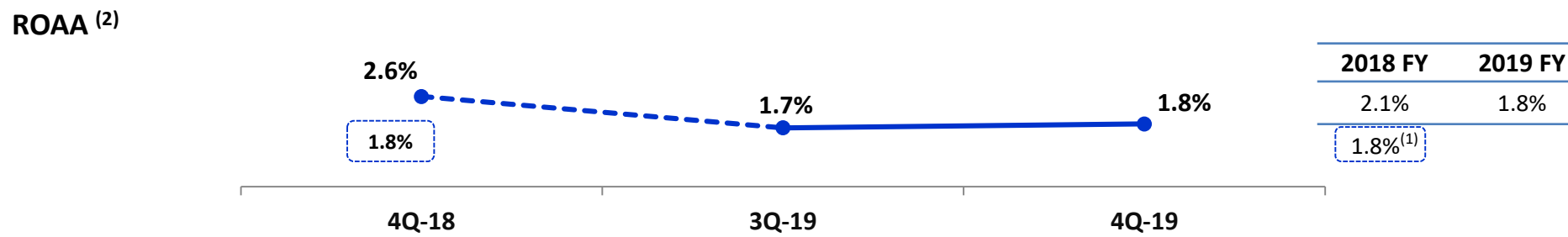
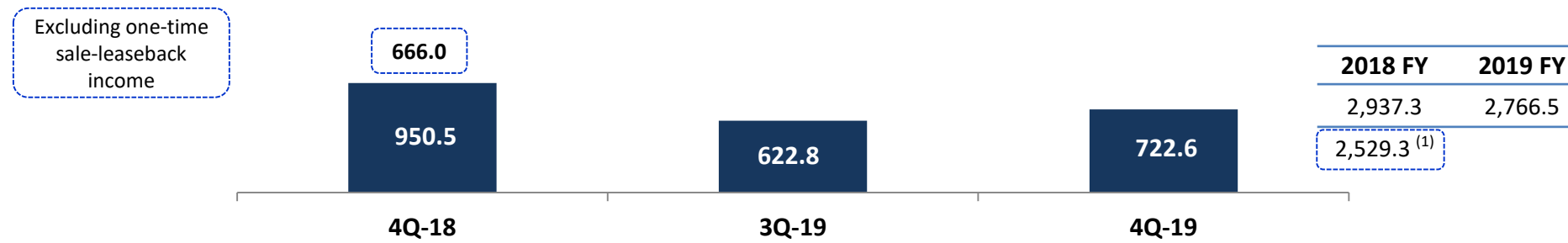
3 out of 4 transactions are performed on digital platforms

3 out of 4 digital customers use the mobile platform

*Retail includes Credit Cards and Loans.

Figures in Ps. Billions

Net Income attributable to controlling interest



(1) Excludes the one-time adjustment of our sale-leaseback transaction and gain associated with Corficolombiana's capitalization in 2018
 (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.

Banco de Bogotá

