

Report of 1Q2020

Consolidated results

Information reported in COP billions⁽¹⁾ and under IFRS

(1) We refer to billions as thousands of millions

Disclaimer

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 quarterly devaluation as of March 31, 2020 was 23.7%. In this report, calculations of growth, excluding the exchange rate movement of the Colombian Peso, use the exchange rate as of March 31, 2020 (COP 4,054.54).

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.

BANCO DE BOGOTÁ
REPORT ON THE 1Q-2020 CONSOLIDATED FINANCIAL RESULTS UNDER IFRS

- As of March 2020, Banco de Bogotá reported a consolidated **quarterly Attributable Net Income of COP 738.8 billion** pesos, increasing 6.0% and 2.2% on a yearly and quarterly basis, respectively.
- Our **Return on Average Assets** for 1Q2020 was **1.6%**¹, and **Return on Average Equity** was **14.3%**².
- On a quarterly basis, **Total Assets increased 18.5%**, to a total of **COP 207.4 trillion**. **Total Liabilities** increased 21.2% to COP 185.6 trillion.
- **Consolidated gross loan portfolio grew at a rate of 15.7% Q-o-Q, to COP 134.8 trillion**. Excluding FX rate effect, gross loans would have grown 4.0%.
- **30 days PDL ratio was 3.9% and 90 days PDL ratio was 2.9% in 1Q2020**. **Consolidated Cost of Risk** stood at **2.1%**.
- **Deposits represented 80.8% of total funding as of March 2020**. Time deposits contributed with **39.2%** of total deposits, checking accounts with 33.3% and savings accounts with 27.4%.
- **Total deposits increased 21.9% in quarterly terms, to COP 143.6 trillion**. Isolating the impact from the FX rate, annual growth would have been 9.5%.
- **Deposits to Net Loans Ratio in 1Q2020 was 1.11x**.
- **Consolidated Capital Adequacy Ratio was 12.3% while Tier 1 ratio was 9.6%**, significantly above regulatory minimums.
- **Net Interest Margin in 1Q2020 was 4.9%**, driven by NIM on Loans (6.1%).
- **Fee income ratio was 34.9%**. On a quarterly basis, fees decreased 7.5%, mainly from a reduction in banking services' and credit card' fees.
- **Efficiency ratio was 51.5%** and our ratio of operating expenses over average assets was 3.79% in the first quarter of the year.

¹ ROAA for each quarter is calculated as annualized Net Income divided by average of total assets.

² ROAE for each quarter is calculated as annualized Net Income attributable to shareholders divided by average attributable shareholders' equity.

Consolidated Statement of Financial Position							
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19	
				Abs.	%	Abs.	%
Cash and cash equivalents	20,715.6	24,809.1	32,655.2	11,939.6	57.6	7,846.1	31.6
Financial assets held for investment	16,161.3	18,920.9	22,451.5	6,290.1	38.9	3,530.6	18.7
Loans & leases operations and receivables portfolio	108,401.7	116,483.7	134,807.7	26,406.0	24.4	18,324.0	15.7
Interbank & overnight funds and others	3,223.4	1,768.1	1,766.5	(1,456.9)	(45.2)	(1.7)	(0.1)
Allowance of Loan Impairment	(5,056.8)	(5,141.7)	(5,681.8)	(625.0)	12.4	(540.1)	10.5
Total loans and leases portfolio at amortized cost	106,568.3	113,110.1	130,892.4	24,324.1	22.8	17,782.3	15.7
Non-current assets held for sale	157.9	178.2	199.7	41.8	26.5	21.5	12.1
Investment in associates and joint ventures	4,354.2	4,752.4	4,859.7	505.6	11.6	107.4	2.3
Tangible assets	3,632.1	3,860.3	4,278.9	646.7	17.8	418.6	10.8
Intangible assets	6,403.3	6,630.4	7,898.3	1,495.0	23.3	1,267.9	19.1
Income tax assets	483.4	498.5	1,550.9	1,067.5	220.8	1,052.4	211.1
Other assets ⁽¹⁾	1,948.8	2,259.7	2,584.3	635.5	32.6	324.5	14.4
Total assets	160,424.9	175,019.6	207,370.8	46,945.9	29.3	32,351.2	18.5
Financial liabilities at fair value	250.0	358.1	1,353.1	1,103.1	441.3	995.0	277.9
Deposits from clients at amortized cost	106,409.5	117,795.0	143,581.6	37,172.1	34.9	25,786.6	21.9
Financial Obligations	28,914.9	29,359.1	34,190.7	5,275.8	18.2	4,831.6	16.5
Total liabilities at amortized cost	135,324.4	147,154.1	177,772.4	42,448.0	31.4	30,618.2	20.8
Income tax liabilities	558.3	694.9	627.1	68.8	12.3	(67.8)	(9.8)
Employee benefits	587.6	480.6	560.0	(27.6)	(4.7)	79.3	16.5
Other liabilities ⁽²⁾	4,594.0	4,471.8	5,284.4	690.4	15.0	812.6	18.2
Total liabilities	141,314.3	153,159.6	185,596.9	44,282.6	31.3	32,437.3	21.2
Equity attributable to the owners of the parent company	18,064.8	20,588.3	20,652.9	2,588.2	14.3	64.6	0.3
Non-controlling interests	1,045.9	1,271.7	1,121.0	75.1	7.2	(150.7)	(11.9)
Total shareholder's equity	19,110.7	21,860.0	21,773.9	2,663.3	13.9	(86.1)	(0.4)
Total liabilities and shareholder's equity	160,424.9	175,019.6	207,370.8	46,945.9	29.3	32,351.2	18.5

(1) Other Assets: Other Accounts Receivable, Derivatives used for Hedging and Other Assets.

(2) Other Liabilities: Hedging Derivatives , Provisions and Other Liabilities.

Consolidated Statement of Income								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
Interest income	2,949.9	3,241.8	3,304.5	354.6	12.0	62.7	1.9	
Interest on loans and leases	2,815.9	3,069.2	3,091.1	275.2	9.8	21.9	0.7	
Interests on fixed income investments at amortised cost	134.1	172.6	213.4	79.3	59.2	40.8	23.7	
Interest expense	1,158.7	1,270.9	1,295.8	137.1	11.8	24.9	2.0	
Net interest income	1,791.3	1,970.9	2,008.7	217.4	12.1	37.8	1.9	
Provisions for impairment loss and financial assets	597.0	610.4	669.3	72.3	12.1	58.9	9.7	
Net interest income after provisions	1,194.3	1,360.5	1,339.4	145.1	12.2	(21.1)	(1.5)	
Fees and other services income, net	1,050.8	1,251.2	1,127.8	77.1	7.3	(123.3)	(9.9)	
Other Income	417.3	386.2	376.4	(41.0)	(9.8)	(9.8)	(2.5)	
Operating expenses	1,599.8	2,047.9	1,809.4	209.5	13.1	(238.5)	(11.6)	
Income before tax expense	1,062.5	950.0	1,034.3	(28.3)	(2.7)	84.3	8.9	
Tax expense	276.2	176.8	276.1	(0.1)	(0.0)	99.3	56.2	
Income from continued operations	786.3	773.2	758.2	(28.1)	(3.6)	(15.1)	(1.9)	
Non controlling interest	(89.3)	(50.6)	(19.4)	69.9	78.3	31.2	61.6	
Net income attributable to Shareholders	697.1	722.6	738.8	41.7	6.0	16.1	2.2	

Performance Ratios			
	1Q-2019	4Q-2019	1Q-2020
Profitability Ratios			
Net Interest Margin ⁽¹⁾	5.9%	6.0%	4.9%
Net Interest Margin on Loans ⁽²⁾	6.4%	6.5%	6.1%
Net Interest Margin on Investments ⁽³⁾	3.4%	3.1%	-2.0%
ROAA ⁽⁴⁾	1.9%	1.8%	1.6%
ROAE ⁽⁵⁾	15.2%	14.2%	14.3%
Efficiency Ratio ⁽⁶⁾	49.1%	56.8%	51.5%
Capital Adequacy Ratio ⁽⁷⁾	13.0%	12.8%	12.3%
Loan Quality ⁽⁸⁾			
Past Due Loans over 30 days ratio	4.2%	4.2%	3.9%
Past Due Loans over 90 days ratio	2.8%	3.1%	2.9%
C, D & E Loans / Gross Loans	7.2%	7.0%	7.3%
Allowance / Past-due Loans over 30 days	111.9%	104.3%	108.7%
Allowance / Past-due Loans over 90 days	164.2%	143.9%	147.4%
Allowance / C, D & E Loans	64.7%	62.8%	58.0%
Allowance / Gross Loans	4.7%	4.4%	4.2%
Impairment loss, Net / Average Loans	2.2%	2.1%	2.1%
Impairment loss / Average Loans	2.3%	2.2%	2.2%
Charge-offs / Average Loans	2.7%	3.9%	1.9%
Balance Sheet Structure			
Total Loans & leases operations / Total Assets	66.4%	64.6%	63.1%
Deposits / Total Loans & leases operations, net	103.0%	105.8%	111.2%
Statistical Figures			
USD Exchange Rate (end of period)	3,174.79	3,277.14	4,054.54
USD Exchange Rate (average of period)	3,134.59	3,409.46	3,533.87

(1) Net interest margin is calculated as net interest income divided by total average interest-earning assets

(2) Net Interest Income on Loans for the period divided by total average loans and financial leases.

(3) Net Interest Income on Debt Investment Securities and Interbank Funds for the period, annualized / Average Debt Investment Securities and Interbank Funds.

(4) Income from continued operations divided by Average Assets for each quarter.

(5) Net Income Attributable to Shareholders divided by average Equity Attributable to Shareholders for each quarter.

(6) Total operating expenses, divided by net interest income from commissions and fees, net trading income, net income from other financial instruments mandatory at FVTPL and total other income

(7) Technical Capital / Risk Weighted Assets.

(8) Asset quality ratios calculated on a capital plus interests basis.

Statement of Financial Position Analysis

Consolidated Balance Sheet

1. Assets.

Banco de Bogotá's consolidated assets totaled COP 207,371 billion in 1Q2020. This represents an annual increase of 29.3% and a quarterly increase of 18.5%. Excluding the impact of the COP/USD exchange rate, growths were 14.1% and 6.5%, respectively.

Our consolidated balance sheet structure is led by net loans representing 63.1% of total assets, followed by other assets (24.4%), fixed income (9.0%) and equity investments (3.5%). From a geographic perspective, in 1Q2020, Colombian operations' participation was 49.5% and Central America's 50.5%.

1.1. Loan Portfolio.

Banco de Bogotá's consolidated gross loan portfolio increased annually 24.4% and 15.7% quarterly, to a total of COP 134,808 billion. Without the impact from FX, our gross loan portfolio grew 10.0% and 4.0%, respectively.

Annual growth in our portfolio was led by: Commercial loans, which reached a total of COP 78,193 billion (23.6% Y-o-Y increase; 12.9% excluding the FX effect); followed by Consumer loans, reaching COP 38,144 billion (24.2% Y-o-Y increase; 6.2% excluding FX); and Mortgage portfolio totalling COP 18,073 billion (28.7% Y-o-Y increase; 6.8% without FX).

As of March, 2020, commercial loans represented 58.0% of total loans, followed by 28.3% in consumer loans, 13.4% in mortgage loans and 0.3% in microcredit loans.

Additional details on the Bank's consolidated loan portfolio by product type, are provided in the table below:

Consolidated Loan Portfolio Breakdown							
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19	
				Abs.	%	Abs.	%
Loans & leases operations and receivables portfolio							
Commercial loans and leases	63,252.4	67,440.6	78,192.9	14,940.6	23.6	10,752.3	15.9
Consumer loans and leases	30,701.3	33,440.1	38,143.9	7,442.6	24.2	4,703.8	14.1
Mortgages and housing leases	14,042.4	15,199.0	18,073.4	4,031.0	28.7	2,874.4	18.9
Microcredit loans and leases	405.6	404.0	397.4	(8.2)	(2.0)	(6.5)	(1.6)
Loans & leases operations and receivables portfolio	108,401.7	116,483.7	134,807.7	26,406.0	24.4	18,324.0	15.7
Interbank & overnight funds and others	3,223.4	1,768.1	1,766.5	(1,456.9)	(45.2)	(1.7)	(0.1)
Total loans & leases operations and receivables portfolio	111,625.1	118,251.8	136,574.2	24,949.1	22.4	18,322.3	15.5
Allowance for loans & leases operations and receivables	(5,056.8)	(5,141.7)	(5,681.8)	(625.0)	12.4	(540.1)	10.5
Allowance for commercial loans & leases	(2,698.8)	(2,688.7)	(2,997.6)	(298.8)	11.1	(308.9)	11.5
Allowance for consumer loans & leases	(2,090.9)	(2,133.9)	(2,321.6)	(230.7)	11.0	(187.7)	8.8
Allowance for mortgage loans & leases	(183.9)	(230.0)	(271.2)	(87.2)	47.4	(41.2)	17.9
Allowance for microcredit loans & leases	(83.1)	(89.1)	(91.4)	(8.3)	10.0	(2.3)	2.6
Total loans and leases portfolio at amortised cost	106,568.3	113,110.1	130,892.4	24,324.1	22.8	17,782.3	15.7

As of 1Q2020, 48.6% of Banco de Bogotá’s consolidated loan portfolio is domiciled in Colombia, while the remainder 51.4% is booked abroad (reflecting BAC Credomatic’s operations in Central America). Domestic loans increased 14.3% annually and 7.0% quarterly. Total foreign loans increased 35.7% annually and 25.4% quarterly in Colombian peso terms; in USD terms, growth was 6.2% and 1.3%, respectively.

Domestic and Foreign Loans ⁽¹⁾ - Banco de Bogotá Consolidated								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
Domestic								
Commercial loans and leases	41,499.3	43,695.5	47,478.1	5,978.8	14.4	3,782.6	8.7	
Consumer loans and leases	11,823.4	13,062.7	13,436.0	1,612.5	13.6	373.3	2.9	
Mortgages and housing leases	3,630.8	4,085.8	4,242.7	612.0	16.9	157.0	3.8	
Microcredit loans and leases	405.6	404.0	397.4	(8.2)	(2.0)	(6.5)	(1.6)	
Total domestic loans	57,359.1	61,247.9	65,554.2	8,195.1	14.3	4,306.3	7.0	
Foreign								
Commercial loans and leases	21,753.1	23,745.2	30,714.9	8,961.8	41.2	6,969.7	29.4	
Consumer loans and leases	18,877.8	20,377.4	24,707.9	5,830.1	30.9	4,330.5	21.3	
Mortgages and housing leases	10,411.7	11,113.2	13,830.7	3,419.0	32.8	2,717.5	24.5	
Total foreign loans	51,042.6	55,235.8	69,253.5	18,210.9	35.7	14,017.7	25.4	
Total loans	108,401.7	116,483.7	134,807.7	26,406.0	24.4	18,324.0	15.7	

(1) Does not include Interbank & Overnight Funds and Others.

Loan portfolio quality evolution can be summarized by the following ratios:

- 30 days PDL ratio was 3.9% and 90 days PDL ratio was 2.9% in 1Q2020.
- CDE loans / Total gross loans’ ratio was 7.0% at 1Q2020.
- Coverage ratios for 30+ PDLs and 90+ PDLs were 108.7% and 147.4%, respectively.
- Cost of Risk, measured as net provision expense / average total loans, was 2.1% in 1Q2020.
- Charge-offs / 90 days PDL ratio was 0.64x in 1Q2020.

The following table outlines the distribution of the loan and leases portfolio based on risk classifications, according to the standards of the Colombian Superintendency of Finance³.

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The Superintendency of Finance prescribes the minimum risk classifications for loans and financial leases. Management assigns loans and financial leases to these classifications on the basis of models developed by management and reviewed by the Superintendency of Finance. These models incorporate both subjective and objective criteria.

Category A — “Normal risk”: Loans and financial leases in this category are appropriately serviced. The debtor’s financial statements or its projected cash flows, as well as all other credit information available to us, reflect adequate payment capacity.

Category B — “Acceptable risk, above normal”: Loans and financial leases in this category are acceptably serviced and guaranty-protected, but there are weaknesses which may potentially affect, on a transitory or permanent basis, the debtor’s payment capacity or its projected cash flows, to the extent that, if not timely corrected, would affect the normal collection of credit or contracts.

Category C — “Appreciable risk”: Loans and financial leases in this category have debtors with insufficient paying capacity or relate to projects with insufficient cash flow, which may compromise the normal collection of the obligations.

Category D — “Significant risk”: Loans and financial leases in this category have the same deficiencies as loans in category C, but to a larger extent; consequently, the probability of collection is highly doubtful.

Category E — “Risk of non-recoverability”: Loans and financial leases in this category are deemed uncollectable.

Consolidated Distribution and Quality of Loans & Financial Leases					
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19 (%)	Δ 1Q-20 / 4Q-19 (%)
'A' Normal Risk	97,462.3	104,620.1	120,999.2	24.1	15.7
'B' Acceptable Risk	3,119.5	3,678.3	4,018.7	28.8	9.3
'C' Appreciable Risk	4,021.7	3,783.0	5,129.5	27.5	35.6
'D' Significant Risk	2,273.0	2,604.0	2,631.8	15.8	1.1
'E' Unrecoverable	1,525.2	1,798.3	2,028.4	33.0	12.8
Loans & leases operations and receivables portfolio	108,401.7	116,483.7	134,807.7	24.4	15.7
Interbank & Overnight Funds and Others	3,223.4	1,768.1	1,766.5	(45.2)	(0.1)
Total Loans & Leases Operations and Receivables Portfolio	111,625.1	118,251.8	136,574.2	22.4	15.5
Ratios					
	1Q-2019	4Q-2019	1Q-2020		
"C", "D" & "E" Loans / Total Loan Portfolio	7.2%	7.0%	7.3%		
PDLs over 30 days / Total Loan Portfolio	4.2%	4.2%	3.9%		
PDLs over 90 days / Total Loan Portfolio	2.8%	3.1%	2.9%		
Allowance / "C", "D" & "E" Loans	64.7%	62.8%	58.0%		
Allowance / PDLs over 30 days	111.9%	104.3%	108.7%		
Allowance / PDLs over 90 days	164.2%	143.9%	147.4%		
Allowance / Total Loans	4.7%	4.4%	4.2%		
Impairment loss, net of recoveries of charged-off assets/ "C", "D" & "E" Loans	29.9%	29.4%	26.7%		
Impairment loss, net of recoveries of charged-off assets/ PDLs over 30 days	51.8%	48.8%	50.0%		
Impairment loss, net of recoveries of charged-off assets/ PDLs over 90 days	80.1%	71.9%	71.3%		
Impairment loss, net of recoveries of charged-off assets/ Average Total Loans	2.1%	2.1%	2.1%		
Charge Off / Average Total Loans	2.7%	3.9%	1.9%		

1.2 Financial Assets Held for Investments.

In 1Q2020, Banco de Bogotá's consolidated net investment portfolio totaled COP 22,451 billion, increasing 38.9% annually and 18.7% quarterly. COP 18,706 billion were fixed income investments, which grew 36.6% Y-o-Y. Investments in equity securities totaled COP 2,329 billion, increasing 3.6% vs 1Q2019 and decreasing -5.3% vs 4Q2019.

Banco de Bogotá consolidated total investments are shown in the following table:

Total Assets Held for Investment					
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19 (%)	Δ 1Q-20 / 4Q-19 (%)
Financial assets held for trading					
Fixed income investments	848.0	1,639.5	1,846.1	117.7	12.6
Equity investments	2,048.9	2,225.3	2,094.5	2.2	(5.9)
Derivatives for trading	221.5	336.1	1,416.5	539.5	321.4
Total financial assets held for trading	3,118.4	4,201.0	5,357.0	71.8	27.5
Financial assets available for sale					
Fixed income investments	11,457.2	13,066.3	15,352.4	34.0	17.5
Equity investments	198.5	235.7	234.9	18.3	(0.3)
Total financial assets available for sale	11,655.7	13,302.1	15,587.3	33.7	17.2
Held-to-maturity investments	1,387.2	1,418.2	1,507.7	8.7	6.3
Investments Provision	(0.0)	(0.3)	(0.5)	1,483.7	61.3
Allowance for financial assets held for investment	-	-	-	NA	NA
Total financial assets held for investment	16,161.3	18,920.9	22,451.5	38.9	18.7

1.3 Cash and cash equivalents.

As of March, 2020, cash and balances at central banks totaled COP 32,655 billion, increasing 57.6% annually and 31.6% quarterly. Excluding the FX effect growth was 38.1% and 18.1%, respectively.

1.4 Goodwill.

Goodwill as of March, 2020 was COP 7,274 billion, increasing 23.5% vs. 1Q2019. This variation is attributable to the effect of the peso/dollar exchange rate, which affects goodwill in USD from our Central American operation.

2. Liabilities.

Banco de Bogotá reported COP 185,597 billion in total consolidated liabilities as of March, 2020, with an increase of 31.3% annually. Isolating the impact of FX, liabilities increased 16.7%.

The Bank's main source of funding comes from customer deposits, which represented 80.8% of total funding. This funding is complemented by financial obligations, interbank & overnight funds and bonds, which represented 19.2% of total funding.

The average cost of funds⁴ during 1Q2020 was 3.4%, compared to 3.7% in 1Q2019.

2.1 Deposits.

Banco de Bogotá's consolidated deposits were COP 143,582 billion as of March 2020, having increased 34.9% in annual terms and 21.9%, quarterly. Excluding the impact of the COP/USD exchange rate, annual and quarterly growths were 19.5% and 9.5%, respectively.

As of March 2020, time deposits represented 39.2% of total deposits; followed by checking accounts with 33.3%, and savings accounts that added 27.4% of the mix.

Our Deposits to Net Loans ratio was 1.11x for the quarter, up from 1.03x at 1Q2019, due to the increase in cash deposits from our clients.

The following table contains the breakdown of Banco de Bogotá's consolidated deposits:

Consolidated Deposits							
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19	
				Abs.	%	Abs.	%
Checking Accounts	30,302.2	33,990.7	47,751.5	17,449.3	57.6	13,760.9	40.5
Time deposits	45,116.2	48,739.5	56,277.6	11,161.4	24.7	7,538.1	15.5
Saving deposits	30,595.8	34,744.9	39,315.5	8,719.7	28.5	4,570.6	13.2
Other	395.3	319.9	237.0	(158.3)	(40.1)	(82.9)	(25.9)
Total Deposits	106,409.5	117,795.0	143,581.6	37,172.1	34.9	25,786.6	21.9

⁴ Cost of interest bearing liabilities, annualized / Quarterly average of interest bearing liabilities.

In 1Q2020, 46.4% of the Bank's consolidated deposits were in Banco de Bogotá Colombia and 49.7% in BAC Credomatic. The remaining 3.9% were mainly represented by deposits in Banco de Bogotá Panamá, as detailed below:

Deposits - Banco de Bogotá Consolidated and Main Subsidiaries							
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-19 / 4Q-19	
				Abs.	%	Abs.	%
Banco de Bogotá (Operation in Colombia)	52,429.1	56,210.0	66,587.0	14,157.9	27.0	10,377.0	18.5
BAC Credomatic (Operation in Central America)	49,590.4	56,279.7	71,399.8	21,809.4	44.0	15,120.1	26.9
Others ⁽¹⁾	4,390.0	5,305.3	5,594.9	1,204.9	27.4	289.5	5.5
Banco de Bogotá Consolidated	106,409.5	117,795.0	143,581.6	37,172.1	34.9	25,786.6	21.9

(1) Includes Deposits from Other Subsidiaries and Eliminations.

2.2 Borrowings from Banks and Others (includes borrowings from development entities).

Borrowings from Banks and Others reached COP 17,621 billion at 1Q2020, increasing 17.1% vs. 1Q2019. Excluding FX, there was an annual decrease of 1.2%.

2.3 Bonds.

As of March 2020, Banco de Bogotá's outstanding bonds totaled COP 10,149 billion, increasing 20.5% vs. 4Q2019, mainly due to the effect of the devaluation of the Colombian peso.

3. Non-Controlling Interest.

Non-controlling interest in Banco de Bogotá reflects: (i) the minority stakes that third party shareholders hold in each of its directly consolidated subsidiaries (Porvenir, Almaviva, Fiduciaria Bogotá, Megalínea and Ficentro), and (ii) the minority stakes that third party shareholders hold in the consolidated subsidiaries at the entities level (Aportes en Línea, Almaviva Global Cargo and Almaviva Zona Franca). As of March 2020, Non-controlling interest totaled COP 1,121 billion, with a 7.2% increase Vs March 2019.

4. Total shareholders' Equity and Regulatory Capital.

Banco de Bogotá's consolidated equity at 1Q2020 was COP 21,774 billion, increasing 13.9% compared to 1Q2019 and decreasing 0.4% when compared to 4Q2019.

The Bank's consolidated capital adequacy ratio was 12.3% as of March 2020, above the 9.0% regulatory requirement in Colombia. Tier 1 ratio was 9.6%, above the minimum of 4.5%.

Our Technical Capital increased 9.9% in the last quarter (to \$20,335 billion pesos), mainly as a result of the devaluation of the Colombian Peso and also, to the appropriation of 30% of 2019's net income. Our Risk-weighted Assets quarterly growth (15.2%) was driven by our loan portfolio.

The table below summarizes the Bank's main consolidated capital adequacy figures:

Consolidated Capital Adequacy ⁽¹⁾			
Billions of COP	1Q-2019	4Q-2019	1Q-2020
Technical Capital	17,312	18,509	20,335
Core Capital (Tier I)	12,755	13,083	15,869
Additional Capital (Tier II)	4,556	5,426	4,466
Risk-weighted Assets	133,256	144,059	165,974
Credit Risk-weighted Assets	121,082	129,836	150,544
Market Risk-weighted Assets	12,174	14,223	15,430
Capital Adequacy Ratio ⁽²⁾	13.0%	12.8%	12.3%
Tier I Capital Ratio ⁽³⁾	9.6%	9.1%	9.6%

(1) Calculations based on the IFRS Consolidated Financial Statements, applying exceptions specified by the Regulator (Financial Superintendency of Colombia).

(2) Technical Equity / Risk-weighted Assets.

(3) Core Capital / Risk-weighted Assets. The minimum required is 4.5%.

Consolidated Income Statement.

Net income attributable to shareholders for 1Q2020 was COP 738.8 billion growing 6.0% on a quarterly basis.

1. Net Interest Income.

Consolidated Net Interest Income								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
Interest income:								
Interest on loans and leases	2,815.9	3,069.2	3,091.1	275.2	9.8	21.9	0.7	
Interests on fixed income investments at amortized cost	134.1	172.6	213.4	79.3	59.2	40.8	23.7	
Total interest income	2,949.9	3,241.8	3,304.5	354.6	12.0	62.7	1.9	
Interest expense:								
Checking accounts	100.3	96.0	96.7	(3.6)	(3.6)	0.7	0.7	
Time deposits	550.9	615.2	634.1	83.2	15.1	19.0	3.1	
Saving deposits	163.5	198.7	218.7	55.2	33.7	20.0	10.0	
Total interest expenses on deposits	814.7	909.9	949.5	134.8	16.6	39.6	4.4	
Borrowings	344.0	361.0	346.3	2.3	0.7	(14.7)	(4.1)	
Interbank and overnight funds	20.6	46.8	38.3	17.7	86.0	(8.5)	(18.2)	
Borrowings from banks and others	168.5	143.0	135.6	(32.9)	(19.5)	(7.4)	(5.2)	
Bonds	112.9	126.1	128.0	15.0	13.3	1.9	1.5	
Borrowings from rediscount banks	21.7	23.1	24.2	2.5	11.6	1.1	4.6	
Leasing Contracts	20.3	22.0	20.3	(0.0)	(0.1)	(1.7)	(7.8)	
Total interest expense	1,158.7	1,270.9	1,295.8	137.1	11.8	24.9	2.0	
Net interest income	1,791.3	1,970.9	2,008.7	217.4	12.1	37.8	1.9	

- Net interest income in 1Q2020 amounted to \$2,008.7 billion, growing 12.1% and 1.9% on Y-o-Y and Q-o-Q basis, respectively.
- Quarterly NIM was 4.9%, 97 bps lower than in the first quarter of 2019, mainly as a result of the impact of a lower investment NIM, which turned negative to -2.0%, due to the effect of the drop in market rates, mainly on Porvenir's stabilization fund and, to a lesser extent, on Banco de Bogotá's investment portfolio.

2. Impairment loss on financial assets.

Net provision expense increased 9.7% Vs 4Q2019, reaching COP 669.3 billion. Ratio of Net provision expense to average loans stood at 2.1% for the quarter.

Net Provisions for Losses on Loans and Other impairments								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
Impairment loss on loan portfolio and accounts receivable	621.5	647.8	690.4	68.9	11.1	42.7	6.6	
Impairment loss on other financial assets	6.6	3.5	13.2	6.6	100.3	9.6	270.7	
Recovery of charged-off assets	(31.1)	(41.0)	(34.3)	(3.2)	10.2	6.6	(16.1)	
Impairment loss on financial assets, net	597.0	610.4	669.3	72.3	12.1	58.9	9.7	

3. Fees and Other Operating Income.

Gross fee income for the quarter was COP 1,252.4 billion in 1Q2020 originating, 70.3% from banking fees, 24.5% from pension fees, 3.3% from fiduciary activities and 1.8% from other sources. While fee growth was 9.6% on an annual basis, when excluding FX, fees expanded 2.9%. Part of the reason for this muted fee growth was the fact that with the onset of the quarantine in March, we started seeing diminished credit & debit card transactions, as well as lower income from bancassurance.

Banco de Bogotá's fee income ratio was 34.9% for the first quarter of 2020.

As of 1Q-2020, Other Operating Income decreased 9.8% when compared to Q1-2019. This decrease is mainly explained by the aforementioned decline in income from portfolio investments. This was partially offset by a positive result from derivative and foreign exchange gains of \$245.2 billion pesos. Equity method income, contributed primarily by Corficolombiana, increased by \$13.3 billion pesos in Q1 2020.

The following table provides details on consolidated total fees and other operating income:

Fees and other operating income							
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19	
				Abs.	%	Abs.	%
Fees and other services income							
Trust activities	42.8	43.7	41.5	(1.2)	(2.9)	(2.1)	(4.8)
Pension and severance fund management	255.0	292.6	307.2	52.2	20.5	14.6	5.0
Commissions from banking services	529.6	641.0	580.2	50.7	9.6	(60.8)	(9.5)
Credit and debit card fees	283.0	343.7	293.4	10.4	3.7	(50.3)	(14.6)
Checking fees	6.1	6.7	5.8	(0.3)	(4.4)	(0.9)	(12.9)
Other commissions	-	-	-	-	NA	-	NA
Branch network services	1.5	1.3	1.3	(0.2)	(15.8)	(0.0)	(1.7)
Bonded warehouse services	25.0	25.1	22.8	(2.2)	(8.7)	(2.2)	(8.9)
Total income from commissions and fees	1,143.0	1,354.1	1,252.4	109.4	9.6	(101.7)	(7.5)
Expenses from commissions and fees	92.2	102.9	124.5	32.3	35.0	21.6	21.0
Total income from commissions and fees, net	1,050.8	1,251.2	1,127.8	77.1	7.3	(123.3)	(9.9)
Derivatives and foreign exchange gains (losses), net	53.9	83.3	299.1	245.2	454.9	215.9	259.3
Foreign exchange gains (losses), net	152.6	337.6	(915.8)	(1,068.4)	(700.0)	(1,253.4)	(371.2)
Net gain or loss on financial derivatives for trading	(84.3)	(260.5)	1,070.0	1,154.3	(1,369.6)	1,330.5	(510.8)
Net gain in hedging	(14.5)	6.1	144.9	159.3	(1,101.9)	138.7	2,263.5
Other operating income							
Net gain/loss on investments	131.7	83.2	(194.3)	(326.0)	(247.5)	(277.4)	(333.6)
Net gains on sales of investments	17.6	8.4	58.0	40.4	229.6	49.7	594.2
Income from sales of non-current assets available for sale	5.7	3.4	3.1	(2.6)	(45.5)	(0.3)	(8.0)
Dividends and Equity method	151.6	127.5	164.9	13.3	(208.8)	37.4	29.3
Other income	56.8	80.5	45.4	(11.4)	(20.1)	(35.1)	(43.6)
Other operating income	363.4	302.9	77.2	(286.2)	(78.7)	(225.7)	(74.5)
Total fees and other operating income	1,468.1	1,637.3	1,504.2	36.1	2.5	(133.2)	(8.1)

4. Efficiency.

As of March 2020, Banco de Bogotá's efficiency ratio was 51.5% and the ratio of operating expenses over average assets stood at 3.79%.

5. Non-controlling interest.

Non-controlling interest included in Banco de Bogotá's consolidated statement of income, originates primarily from AFP Porvenir, with a minority interest of 53.09%.

STATEMENT OF FINANCIAL POSITION - BANCO DE BOGOTÁ CONSOLIDATED								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
ASSETS								
Cash and cash equivalents	20,715.6	24,809.1	32,655.2	11,939.6	57.6	7,846.1	31.6	
FINANCIAL ASSETS INVESTMENT:								
Financial assets held for trading:								
Fixed income investments	848.0	1,639.5	1,846.1	998.1	117.7	206.6	12.6	
Equity investments	2,048.9	2,225.3	2,094.5	45.6	2.2	(130.9)	(5.9)	
Derivatives instruments	221.5	336.1	1,416.5	1,195.0	539.5	1,080.3	321.4	
Total financial assets held for trading	3,118.4	4,201.0	5,357.0	2,238.6	71.8	1,156.1	27.5	
Financial assets available for sale:								
Fixed income investments	11,457.2	13,066.3	15,352.4	3,895.2	34.0	2,286.0	17.5	
Equity investments	198.5	235.7	234.9	36.4	18.3	(0.8)	(0.3)	
Total financial assets available for sale	11,655.7	13,302.1	15,587.3	3,931.5	33.7	2,285.2	17.2	
Held-to-maturity investments	1,387.2	1,418.2	1,507.7	120.5	8.7	89.5	6.3	
Investments Provision	(0.0)	(0.3)	(0.5)	(0.5)	1,483.7	(0.2)	61.3	
Total financial assets held for investment	16,161.3	18,920.9	22,451.5	6,290.1	38.9	3,530.6	18.7	
Loans & leases operations and receivables portfolio:								
Commercial loans and leases and Other Receivables	63,252.4	67,440.6	78,192.9	14,940.6	23.6	10,752.3	15.9	
Consumer loans and leases	30,701.3	33,440.1	38,143.9	7,442.6	24.2	4,703.8	14.1	
Mortgages and housing leases	14,042.4	15,199.0	18,073.4	4,031.0	28.7	2,874.4	18.9	
Microcredit loans and leases	405.6	404.0	397.4	(8.2)	(2.0)	(6.5)	(1.6)	
Total loans & leases operations and receivables portfolio	108,401.7	116,483.7	134,807.7	26,406.0	24.4	18,324.0	15.7	
Interbank & overnight funds and others	3,223.4	1,768.1	1,766.5	(1,456.9)	(45.2)	(1.7)	(0.1)	
Total loans & leases operations and receivables portfolio	111,625.1	118,251.8	136,574.2	24,949.1	22.4	18,322.3	15.5	
Allowance for loans & leases operations and receivables portfolio	(5,056.8)	(5,141.7)	(5,681.8)	(625.0)	12.4	(540.1)	10.5	
Total loans and leases portfolio at amortized cost	106,568.3	113,110.1	130,892.4	24,324.1	22.8	17,782.3	15.7	
Other accounts receivable	1,696.4	1,934.9	2,164.5	468.1	27.6	229.6	11.9	
Hedging Derivatives	24.1	163.0	203.4	179.3	743.9	40.4	24.8	
Non-current assets held for sale	157.9	178.2	199.7	41.8	26.5	21.5	12.1	
Investment in associates and joint ventures	4,354.2	4,752.4	4,859.7	505.6	11.6	107.4	2.3	
Tangible assets	3,632.1	3,860.3	4,278.9	646.7	17.8	418.6	10.8	
Intangible assets	6,403.3	6,630.4	7,898.3	1,495.0	23.3	1,267.9	19.1	
Income tax assets	483.4	498.5	1,550.9	1,067.5	220.8	1,052.4	211.1	
Other assets	228.3	161.8	216.3	(11.9)	(5.2)	54.5	33.7	
Total Assets	160,424.9	175,019.6	207,370.8	46,945.9	29.3	32,351.2	18.5	
LIABILITIES								
Financial liabilities at fair value	250.0	358.1	1,353.1	1,103.1	441.3	995.0	277.9	
Deposits from clients at amortized cost								
Checking accounts	30,302.2	33,990.7	47,751.5	17,449.3	57.6	13,760.9	40.5	
Time deposits	45,116.2	48,739.5	56,277.6	11,161.4	24.7	7,538.1	15.5	
Saving deposits	30,595.8	34,744.9	39,315.5	8,719.7	28.5	4,570.6	13.2	
Other deposits	395.3	319.9	237.0	(158.3)	(40.1)	(82.9)	(25.9)	
Borrowings	28,914.9	29,359.1	34,190.7	5,275.8	18.2	4,831.6	16.5	
Interbank borrowings and overnight funds	2,308.6	3,893.7	2,687.4	378.9	16.4	(1,206.2)	(31.0)	
Borrowing from banks and others	15,051.7	13,455.0	17,621.1	2,569.4	17.1	4,166.1	31.0	
Bonds	8,185.2	8,426.2	10,149.3	1,964.1	24.0	1,723.2	20.5	
Borrowings from developments entities	1,938.6	2,143.6	2,112.4	173.8	9.0	(31.2)	(1.5)	
Leasing Liabilities	1,430.8	1,440.7	1,620.5	189.7	13.3	179.8	12.5	
Total liabilities at amortized cost	135,324.4	147,154.1	177,772.4	42,448.0	31.4	30,618.2	20.8	
Hedging derivatives	81.9	89.4	724.4	642.4	784.0	635.0	710.6	
Provisions	301.2	409.4	415.7	114.4	38.0	6.3	1.5	
Income tax liabilities	558.3	694.9	627.1	68.8	12.3	(67.8)	(9.8)	
Employee benefits	587.6	480.6	560.0	(27.6)	(4.7)	79.3	16.5	
Other liabilities	4,210.8	3,973.1	4,144.3	(66.5)	(1.6)	171.3	4.3	
Total Liabilities	141,314.3	153,159.6	185,596.9	44,282.6	31.3	32,437.3	21.2	
SHAREHOLDERS' EQUITY								
Equity attributable to shareholders	18,064.8	20,588.3	20,652.9	2,588.2	14.3	64.6	0.3	
Non-controlling interests	1,045.9	1,271.7	1,121.0	75.1	7.2	(150.7)	(11.9)	
Total Shareholders' Equity	19,110.7	21,860.0	21,773.9	2,663.3	13.9	(86.1)	(0.4)	
Total Liabilities and Shareholders' Equity	160,424.9	175,019.6	207,370.8	46,945.9	29.3	32,351.2	18.5	

STATEMENT OF INCOME - BANCO DE BOGOTÁ CONSOLIDATED								
Billions of COP	1Q-2019	4Q-2019	1Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-20 / 4Q-19		
				Abs.	%	Abs.	%	
Interest income:								
Loan portfolio interest	2,815.9	3,069.2	3,091.1	275.2	9.8	21.9	0.7	
Interests on fixed income investments at amortized cost	134.1	172.6	213.4	79.3	59.2	40.8	23.7	
Total interest income	2,949.9	3,241.8	3,304.5	354.6	12.0	62.7	1.9	
Interest expense:								
Checking accounts	100.3	96.0	96.7	(3.6)	(3.6)	0.7	0.7	
Time deposits	550.9	615.2	634.1	83.2	15.1	19.0	3.1	
Saving deposits	163.5	198.7	218.7	55.2	33.7	20.0	10.0	
Total interest expenses on deposits	814.7	909.9	949.5	134.8	16.6	39.6	4.4	
Borrowings	344.0	361.0	346.3	2.3	0.7	(14.7)	(4.1)	
Interbank and overnight funds	20.6	46.8	38.3	17.7	86.0	(8.5)	(18.2)	
Borrowings from banks and others	168.5	143.0	135.6	(32.9)	(19.5)	(7.4)	(5.2)	
Bonds	112.9	126.1	128.0	15.0	13.3	1.9	1.5	
Borrowings from developments entities	21.7	23.1	24.2	2.5	11.6	1.1	4.6	
Leasing Contracts	20.3	22.0	20.3	(0.0)	(0.1)	(1.7)	(7.8)	
Total interest expense	1,158.7	1,270.9	1,295.8	137.1	11.8	24.9	2.0	
Net interest income	1,791.3	1,970.9	2,008.7	217.4	12.1	37.8	1.9	
Provisions for losses on loans and other impairments								
Impairment for loan portfolio and accounts receivable	621.5	647.8	690.4	68.9	11.1	42.7	6.6	
Expenses for allowance for investments	6.6	3.5	13.2	6.6	100.3	9.6	270.7	
Recovery of charged-off assets	(31.1)	(41.0)	(34.3)	(3.2)	10.2	6.6	(16.1)	
Impairment loss on financial assets, net	597.0	610.4	669.3	72.3	12.1	58.9	9.7	
Net interest income after impairment loss on financial assets	1,194.3	1,360.5	1,339.4	145.1	12.2	(21.1)	(1.5)	
Fees and Other Services Income								
Trust activities	42.8	43.7	41.5	(1.2)	(2.9)	(2.1)	(4.8)	
Pension and severance fund management	255.0	292.6	307.2	52.2	20.5	14.6	5.0	
Commissions from banking services	529.6	641.0	580.2	50.7	9.6	(60.8)	(9.5)	
Credit and debit card fees	283.0	343.7	293.4	10.4	3.7	(50.3)	(14.6)	
Checking fees	6.1	6.7	5.8	(0.3)	(4.4)	(0.9)	(12.9)	
Branch network services	1.5	1.3	1.3	(0.2)	(15.8)	(0.0)	(1.7)	
Bonded warehouse services	25.0	25.1	22.8	(2.2)	(8.7)	(2.2)	(8.9)	
Total Income from commissions and fees	1,143.0	1,354.1	1,252.4	109.4	9.6	(101.7)	(7.5)	
Expenses from commissions and fees	92.2	102.9	124.5	32.3	35.0	21.6	21.0	
Total income from commissions and fees, net	1,050.8	1,251.2	1,127.8	77.1	7.3	(123.3)	(9.9)	
Other Operating Income								
Derivatives and foreign exchange gains (losses), net	53.9	83.3	299.1	245.2	454.9	215.9	259.3	
Net gain/loss on investments	131.7	83.2	(194.3)	(326.0)	(247.5)	(277.4)	(333.6)	
Net gains on sales of investments	17.6	8.4	58.0	40.4	229.6	49.7	594.2	
Income from sales of non-current assets available for sale	5.7	3.4	3.1	(2.6)	(45.5)	(0.3)	(8.0)	
Equity method	144.7	126.0	157.9	13.2	9.1	31.9	25.3	
Dividends	6.9	1.6	7.1	0.2	2.5	5.5	353.1	
Other income	56.8	80.5	45.4	(11.4)	(20.1)	(35.1)	(43.6)	
Total Other Operating Income	417.3	386.2	376.4	(41.0)	(9.8)	(9.8)	(2.5)	
Other expenses								
Losses from sales of non-current assets available for sale	1.4	0.7	1.1	(0.3)	(21.1)	0.4	60.4	
Personnel expenses	677.6	758.3	781.7	104.1	15.4	23.4	3.1	
Administrative expenses	754.5	1,016.1	844.2	89.7	11.9	(171.9)	(16.9)	
Losses on other assets	3.6	3.9	0.6	(3.0)	(82.8)	(3.3)	(84.0)	
Depreciation and amortization	142.3	163.9	168.9	26.6	18.7	5.0	3.0	
Other operating expenses	20.5	105.0	12.9	(7.6)	(37.2)	(92.1)	(87.7)	
Total other expenses	1,599.8	2,047.9	1,809.4	209.5	13.1	(238.5)	(11.6)	
Income before tax expense	1,062.5	950.0	1,034.3	(28.3)	(2.7)	84.3	8.9	
Income tax expense	276.2	176.8	276.1	(0.1)	(0.0)	99.3	56.2	
Income from continued operations	786.3	773.2	758.2	(28.1)	(3.6)	(15.1)	(1.9)	
Non controlling interest	(89.3)	(50.6)	(19.4)	69.9	(78.3)	31.2	(61.6)	
Net income attributable to shareholders	697.1	722.6	738.8	41.7	6.0	16.1	2.2	