



Report of 3Q2020

Consolidated results

Information reported in COP billions⁽¹⁾ and under IFRS

(1) We refer to billions as thousands of millions



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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 September 30, 2020 was 2.9%. In this report, calculations of growth, excluding the exchange rate movement of the Colombian Peso, use the exchange rate as of September 30, 2020 (COP 3,865.47).

Figures as of September 2020 include MultiFinancial Group (MFG) as part of Central American operations. For presentation purposes we have excluded the effect of MFG in the quarterly presentation and report as indicated.

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 3Q2020 CONSOLIDATED FINANCIAL RESULTS UNDER IFRS

- As of September 2020, Banco de Bogotá reported a consolidated quarterly **Attributable Net Income of COP 530.5 billion** pesos, decreasing 14.8% on a yearly basis and increasing 36.8% on a quarterly basis.
- Our **Return on Average Assets** for 3Q2020 was **1.2%**¹, and **Return on Average Equity** was **10.0%**².
- On a yearly basis, **Total Assets** increased 26.9%, to a total of **COP 219.9 trillion**. **Total Liabilities** increased 29.4% to **COP 196.6 trillion**.
- **Consolidated gross loan portfolio** grew at a rate of 22.7% Y-o-Y, to **COP 143.6 trillion**. Excluding FX rate effect, gross loans would have grown 16.3%.
- **30 days PDL ratio** was **4.8%** and **90 days PDL ratio** was **3.1%** in 3Q2020. **Consolidated Net Cost of Risk** increased to **3.4%**.
- **Deposits** represented **79.8% of total funding** as of September 2020. Time deposits contributed with 42.0% of total deposits, checking accounts with 29.8% and savings accounts with 28.0%.
- **Total deposits** increased 29.9% in annual terms, to **COP 151.9 trillion**. Isolating the impact from the FX rate, annual growth would have been 23.3%.
- **Deposits to Net Loans Ratio in 3Q2020** was **1.11x**.
- **Consolidated Capital Adequacy Ratio** was **12.7%**, while **Total Tier 1 ratio** was **9.7%**, significantly above regulatory minimums.
- **Net Interest Margin** in 3Q2020 was **5.2%**, decreasing 35 bps quarterly due to the reduction in the Central Bank benchmark rate in Colombia and US.
- **Fee income ratio** was **29.5%**, up 20 basis points versus Q2, reflecting the growth of banking fees given an increased level of transactions as economies re-opened.
- **Efficiency ratio** was **47.3%** and our ratio of **operating expenses over average assets** was **3.38%** in the third 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	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Cash and cash equivalents	22,544.0	32,716.4	30,985.5	8,441.5	37.4	(1,730.9)	(5.3)
Financial assets held for investment	18,864.6	25,966.9	29,245.9	10,381.3	55.0	3,279.0	12.6
Loans & leases operations and receivables portfolio	117,072.5	141,757.5	143,624.6	26,552.1	22.7	1,867.1	1.3
Interbank & overnight funds and others	2,693.1	2,203.9	1,360.4	(1,332.8)	(49.5)	(843.5)	(38.3)
Allowance of Loan Impairment	(5,686.8)	(6,104.4)	(6,704.4)	(1,017.6)	17.9	(600.0)	9.8
Total loans and leases portfolio at amortized cost	114,078.9	137,857.0	138,280.6	24,201.7	21.2	423.6	0.3
Non-current assets held for sale	87.7	359.7	354.8	267.1	304.7	(4.9)	(1.4)
Investment in associates and joint ventures	4,630.3	4,940.0	5,176.0	545.7	11.8	236.0	4.8
Tangible assets	3,887.8	4,442.0	4,362.8	475.0	12.2	(79.2)	(1.8)
Intangible assets	6,916.7	7,715.7	7,914.6	997.9	14.4	199.0	2.6
Income tax assets	596.1	1,337.6	1,291.5	695.4	116.6	(46.0)	(3.4)
Other assets ⁽¹⁾	1,655.2	2,675.1	2,262.6	607.4	36.7	(412.5)	(15.4)
Total assets	173,261.3	218,010.2	219,874.3	46,612.9	26.9	1,864.0	0.9
Financial liabilities at fair value	339.1	589.0	605.0	265.8	78.4	16.0	2.7
Deposits from clients at amortized cost	116,875.0	148,550.2	151,864.1	34,989.1	29.9	3,313.9	2.2
Financial Obligations	29,516.7	40,355.0	38,498.3	8,981.6	30.4	(1,856.8)	(4.6)
Total liabilities at amortized cost	146,391.7	188,905.2	190,362.4	43,970.6	30.0	1,457.1	0.8
Income tax liabilities	597.3	541.3	612.4	15.0	2.5	71.1	13.1
Employee benefits	600.4	536.8	606.0	5.5	0.9	69.2	12.9
Other liabilities ⁽²⁾	4,019.2	4,923.5	4,438.4	419.2	10.4	(485.1)	(9.9)
Total liabilities	151,947.8	195,495.8	196,624.1	44,676.3	29.4	1,128.3	0.6
Equity attributable to the owners of the parent company	20,090.6	20,892.8	21,742.6	1,651.9	8.2	849.7	4.1
Non-controlling interests	1,222.8	1,621.6	1,507.6	284.7	23.3	(114.0)	(7.0)
Total shareholder's equity	21,313.5	22,514.5	23,250.1	1,936.7	9.1	735.7	3.3
Total liabilities and shareholder's equity	173,261.3	218,010.2	219,874.3	46,612.9	26.9	1,864.0	0.9

(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	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20		
				Abs.	%	Abs.	%	
Interest income	3,132.4	3,443.2	3,432.1	299.7	9.6	(11.1)	(0.3)	
Interest on loans and leases	2,962.9	3,227.0	3,208.8	245.9	8.3	(18.2)	(0.6)	
Interests on fixed income investments at amortised cost	169.5	216.2	223.3	53.8	31.7	7.1	3.3	
Interest expense	1,241.9	1,344.4	1,328.5	86.6	7.0	(15.9)	(1.2)	
Net interest income	1,890.5	2,098.8	2,103.6	213.1	11.3	4.8	0.2	
Provisions for impairment loss and financial assets	812.3	1,062.9	1,229.1	416.8	51.3	166.2	15.6	
Net interest income after provisions	1,078.2	1,035.9	874.5	(203.7)	(18.9)	(161.4)	(15.6)	
Fees and other services income, net	1,123.4	914.9	1,055.9	(67.4)	(6.0)	141.0	15.4	
Other income	544.2	496.6	752.0	207.8	38.2	255.4	51.4	
Operating expenses	1,807.3	1,864.7	1,851.9	44.6	2.5	(12.9)	(0.7)	
Income before tax expense	938.4	582.7	830.6	(107.8)	(11.5)	247.9	42.5	
Tax expense	237.5	128.3	198.8	(38.7)	(16.3)	70.5	55.0	
Income from continued operations	700.9	454.4	631.7	(69.2)	(9.9)	177.4	39.0	
Non controlling interest	(78.1)	(66.5)	(101.2)	(23.1)	29.6	(34.7)	52.1	
Net income attributable to Shareholders	622.8	387.8	530.5	(92.3)	(14.8)	142.7	36.8	

Performance Ratios			
	3Q-2019	2Q-2020	3Q-2020
Profitability Ratios			
Net Interest Margin ⁽¹⁾	5.9%	5.6%	5.2%
Net Interest Margin on Loans ⁽²⁾	6.4%	6.0%	5.8%
Net Interest Margin on Investments ⁽³⁾	3.3%	3.5%	2.6%
ROAA ⁽⁴⁾	1.7%	0.9%	1.2%
ROAE ⁽⁵⁾	12.7%	7.5%	10.0%
Efficiency Ratio⁽⁶⁾	50.8%	53.1%	47.3%
Capital Adequacy Ratio⁽⁷⁾	13.4%	12.4%	12.7%
Loan Quality⁽⁸⁾			
Past Due Loans over 30 days ratio	4.4%	3.9%	4.8%
Past Due Loans over 90 days ratio	3.0%	2.7%	3.1%
C, D & E Loans / Gross Loans	7.5%	7.2%	7.9%
Allowance / Past-due Loans over 30 days	111.2%	111.6%	96.6%
Allowance / Past-due Loans over 90 days	160.9%	157.5%	148.9%
Allowance / C, D & E Loans	64.4%	59.8%	59.2%
Allowance / Gross Loans	4.9%	4.3%	4.7%
Impairment loss, Net / Average Loans	2.9%	2.9%	3.4%
Impairment loss / Average Loans	3.0%	3.0%	3.5%
Charge-offs / Average Loans	2.0%	1.5%	2.1%
Balance Sheet Structure			
Total Loans & leases operations, net / Total Assets	65.8%	63.2%	62.9%
Deposits / Total Loans & leases operations, net	104.9%	109.5%	110.9%
Statistical Figures			
USD Exchange Rate (end of period)	3,477.45	3,756.28	3,865.47
USD Exchange Rate (average of period)	3,336.88	3,850.03	3,730.22

(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

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

(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 219.9 billion in 3Q2020. This represents an annual growth of 26.9% and a quarterly increase of 0.9%. Excluding the impact of the COP/USD exchange rate, there was an increase of 20.3% and reduction of 0.7%, respectively.

Our consolidated balance sheet structure is led by net loans representing 62.9% of total assets, followed by other assets (21.8%), fixed income (11.8%) and equity investments (3.5%). From a geographic perspective, in 3Q2020 our operations are roughly even between Colombia and Central America.

1.1. Loan Portfolio.

Banco de Bogotá's consolidated gross loan portfolio increased annually 22.7% and 1.3% quarterly, to a total of COP 143.6 billion. Without the impact from FX, our gross loan portfolio grew 16.3% and contracted 0.2%, respectively.

Annual growth in our loan portfolio was led by: Commercial loans, which reached a total of COP 83,707 billion (23.6% Y-o-Y increase; 18.8% excluding the FX effect); followed by Consumer loans, reaching COP 38,939 billion (16.6% Y-o-Y increase; 9.0% excluding FX); and Mortgage portfolio totalling COP 20,609 billion (32.5% Y-o-Y increase; 22.3% without FX).

As of September, 2020, commercial loans represented 58.3% of total loans, followed by 27.1% in consumer loans, 14.3% 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	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Loans & leases operations and receivables portfolio							
Commercial loans and leases	67,725.3	83,329.1	83,707.6	15,982.3	23.6	378.5	0.5
Consumer loans and leases	33,387.3	38,143.1	38,939.8	5,552.5	16.6	796.6	2.1
Mortgages and housing leases	15,552.4	19,906.7	20,609.1	5,056.7	32.5	702.4	3.5
Microcredit loans and leases	407.5	378.6	368.2	(39.4)	(9.7)	(10.4)	(2.8)
Loans & leases operations and receivables portfolio	117,072.5	141,757.5	143,624.6	26,552.1	22.7	1,867.1	1.3
Interbank & overnight funds and others	2,693.1	2,203.9	1,360.4	(1,332.8)	(49.5)	(843.5)	(38.3)
Total loans & leases operations and receivables portfolio	119,765.7	143,961.4	144,985.0	25,219.3	21.1	1,023.6	0.7
Allowance for loans & leases operations and receivables	(5,686.8)	(6,104.4)	(6,704.4)	(1,017.6)	17.9	(600.0)	9.8
Allowance for commercial loans & leases	(3,159.4)	(3,345.5)	(3,264.5)	(105.1)	3.3	81.0	(2.4)
Allowance for consumer loans & leases	(2,224.1)	(2,395.0)	(3,006.5)	(782.4)	35.2	(611.5)	25.5
Allowance for mortgage loans & leases	(214.8)	(275.3)	(322.7)	(107.9)	50.3	(47.4)	17.2
Allowance for microcredit loans & leases	(88.5)	(88.5)	(110.6)	(22.1)	25.0	(22.1)	25.0
Total loans and leases portfolio at amortised cost	114,078.9	137,857.0	138,280.6	24,201.7	21.2	423.6	0.3



As of 3Q2020, 45.5% of Banco de Bogotá's consolidated loan portfolio is domiciled in Colombia, while the remainder 54.5% is booked abroad (reflecting BAC Credomatic and Multifinancial Group operations in Central America). Domestic loans increased 9.1% annually and 0.2% quarterly. Total foreign loans increased 37.0% annually and 2.3% quarterly in Colombian peso terms; in USD terms, the increase was of 23.2% and a 0.6% decrease, respectively.

Domestic and Foreign Loans ⁽¹⁾ - Banco de Bogotá Consolidated							
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Domestic							
Commercial loans and leases	43,210.0	47,517.8	47,232.9	4,022.9	9.3	(284.9)	(0.6)
Consumer loans and leases	12,385.1	13,006.7	13,238.8	853.7	6.9	232.1	1.8
Mortgages and housing leases	3,933.3	4,333.9	4,534.5	601.2	15.3	200.6	4.6
Microcredit loans and leases	407.5	378.6	368.2	(39.4)	(9.7)	(10.4)	(2.8)
Total domestic loans	59,936.0	65,237.0	65,374.3	5,438.4	9.1	137.3	0.2
Foreign							
Commercial loans and leases	24,515.2	35,811.2	36,474.7	11,959.5	48.8	663.4	1.9
Consumer loans and leases	21,002.2	25,136.4	25,701.0	4,698.8	22.4	564.6	2.2
Mortgages and housing leases	11,619.2	15,572.8	16,074.6	4,455.5	38.3	501.8	3.2
Total foreign loans	57,136.6	76,520.5	78,250.3	21,113.7	37.0	1,729.8	2.3
Total loans	117,072.5	141,757.5	143,624.6	26,552.1	22.7	1,867.1	1.3

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

Loan portfolio quality evolution in 3Q2020 can be summarized by the following ratios:

- 30 days PDL ratio was 4.8% and 90 days PDL ratio was 3.1%.
- CDE loans / Total gross loans' ratio was 7.9%.
- Coverage ratios for 30+ PDLs and 90+ PDLs were 96.6% and 148.9%, respectively.
- Cost of Risk, measured as net provision expense / average total loans, was 3.4%.
- Charge-offs / 90 days PDL ratio was 0.73x.

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.

³ 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	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19 (%)	Δ 3Q-20 / 2Q-20 (%)
'A' Normal Risk	104,255.1	126,508.0	127,303.6	22.1	0.6
'B' Acceptable Risk	3,989.9	5,034.1	4,997.5	25.3	(0.7)
'C' Appreciable Risk	3,996.6	5,508.3	6,292.1	57.4	14.2
'D' Significant Risk	3,039.5	2,564.5	3,268.0	7.5	27.4
'E' Unrecoverable	1,791.4	2,142.6	1,763.5	(1.6)	(17.7)
Loans & leases operations and receivables portfolio	117,072.5	141,757.5	143,624.6	22.7	1.3
Interbank & Overnight Funds and Others	2,693.1	2,203.9	1,360.4	(49.5)	(38.3)
Total Loans & Leases Operations and Receivables Portfolio	119,765.7	143,961.4	144,985.0	21.1	0.7

Ratios	3Q-2019	2Q-2020	3Q-2020
"C", "D" & "E" Loans / Total Loan Portfolio	7.5%	7.2%	7.9%
PDLs over 30 days / Total Loan Portfolio	4.4%	3.9%	4.8%
PDLs over 90 days / Total Loan Portfolio	3.0%	2.7%	3.1%
Allowance / "C", "D" & "E" Loans	64.4%	59.8%	59.2%
Allowance / PDLs over 30 days	111.2%	111.6%	96.6%
Allowance / PDLs over 90 days	160.9%	157.5%	148.9%
Allowance / Total Loans	4.9%	4.3%	4.7%
Impairment loss, net of recoveries of charged-off assets/ "C", "D" & "E" Loans	36.7%	39.9%	43.0%
Impairment loss, net of recoveries of charged-off assets/ PDLs over 30 days	63.4%	74.6%	70.2%
Impairment loss, net of recoveries of charged-off assets/ PDLs over 90 days	96.5%	107.7%	111.8%
Impairment loss, net of recoveries of charged-off assets/ Average Total Loans	2.9%	2.9%	3.4%
Charge Off / Average Total Loans	2.0%	1.5%	2.1%

1.2 Financial Assets Held for Investments.

In 3Q2020, Banco de Bogotá's consolidated net investment portfolio totaled COP 29,246 billion, increasing 55.0% annually and 12.6% quarterly. COP 25,972 billion were fixed income investments, which grew 60.9% Y-o-Y. Investments in equity securities totaled COP 2,587 billion, increasing 7.5% vs 3Q2019 and 3.1% vs 2Q2020.

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

Total Assets Held for Investment					
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19 (%)	Δ 3Q-20 / 2Q-20 (%)
Financial assets held for trading					
Fixed income investments	1,604.8	2,052.4	2,306.9	43.8	12.4
Equity investments	2,177.7	2,264.4	2,346.4	7.8	3.6
Derivatives for trading	311.4	739.4	690.9	121.9	(6.6)
Total financial assets held for trading	4,093.8	5,056.1	5,344.2	30.5	5.7
Financial assets available for sale	0.0	0.0	0.0	-	-
Fixed income investments	13,103.9	17,830.8	20,509.7	56.5	15.0
Equity investments	229.3	243.8	240.4	4.9	(1.4)
Total financial assets available for sale	13,333.2	18,074.7	20,750.1	55.6	14.8
Held-to-maturity investments	1,437.8	2,839.4	3,155.3	119.4	11.1
Investments Provision	(0.3)	(3.3)	(3.8)	1,286.9	13.6
Allowance for financial assets held for investment	-	-	-	NA	NA
Total financial assets held for investment	18,864.6	25,966.9	29,245.9	55.0	12.6



1.3 Cash and cash equivalents.

As of September, 2020, cash and balances at central banks totaled COP 30,985 billion, increasing 37.4% annually and decreasing 5.3% quarterly. Excluding the effect of the exchange rate, there was an annual growth of 30.2% and a quarterly decrease of 6.9%.

1.4 Goodwill.

Goodwill as of September, 2020 was COP 7,108 billion, increasing 11.7% vs. 3Q2019. This variation is mainly 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 196,624 billion in total consolidated liabilities as of September, 2020, with an increase of 29.4% annually. Isolating the impact of FX, liabilities increased 23.1%.

The Bank's main source of funding comes from customer deposits, which represented 79.8% of total funding. This funding is complemented by financial obligations, interbank & overnight funds and bonds, which represented 20.2% of total funding.

The average cost of funds⁴ during 3Q2020 was 3.1%, compared to 3.8% in 3Q2019.

2.1 Deposits.

Banco de Bogotá's consolidated deposits were COP 151,864 billion as of September 2020, having increased 29.9% in annual terms and 2.2%, quarterly. Excluding the impact of the COP/USD exchange rate, annual and quarterly growths were 23.3% and 0.6%, respectively.

As of September 2020, time deposits represented 42.0% of total deposits; followed by checking accounts with 29.8%, and savings accounts that added 28.0% of the mix.

Our Deposits to Net Loans ratio was 1.11x for the quarter, up from 1.10x at 2Q2020, which demonstrates the continued preference of our customers in liquidity preservation.

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

Consolidated Deposits								
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20		
				Abs.	%	Abs.	%	
Checking Accounts	32,234.3	43,727.6	45,213.5	12,979.2	40.3	1,485.8		3.4
Time deposits	50,496.3	62,252.8	63,820.9	13,324.7	26.4	1,568.2		2.5
Saving deposits	33,875.7	42,259.6	42,454.9	8,579.2	25.3	195.3		0.5
Other	268.7	310.2	374.7	106.0	39.5	64.6		20.8
Total Deposits	116,875.0	148,550.2	151,864.1	34,989.1	29.9	3,313.9		2.2

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



In 3Q2020, 41.9% of the Bank's consolidated deposits were in Banco de Bogotá Colombia, 47.9% in BAC Credomatic and 7.8% in MultiFinacial. The remaining 2.4% were mainly represented by deposits in Banco de Bogotá Panamá, as detailed below:

Deposits - Banco de Bogotá Consolidated and Main Subsidiaries								
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 1Q-20 / 1Q-19		Δ 1Q-19 / 4Q-19		
				Abs.	%	Abs.	%	
Banco de Bogotá (Operation in Colombia)	54,930.0	64,122.3	63,595.2	8,665.1	15.8	(527.1)	(0.8)	
BAC Credomatic (Operation in Central America)	56,377.8	69,614.9	72,670.4	16,292.6	23.5	(3,055.5)	(4.2)	
MFG		10,971.3	11,872.1	-	-	(900.8)	(7.6)	
Others ⁽¹⁾	5,567.2	3,841.7	3,726.4	(1,840.8)	(33.1)	(115.3)	(3.0)	
Banco de Bogotá Consolidated	116,875.0	148,550.2	151,864.1	34,989.1	29.9	3,313.9	2.2	

(1) Includes Deposits from Other Subsidiaries and Eliminations.

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

Borrowings from Banks and Others reached COP 15,935 billion at 3Q2020, increasing 7.1% vs. 3Q2019. Excluding FX, there was an annual increase of 0.3%.

2.3 Bonds.

As of September 2020, Banco de Bogotá's outstanding bonds totaled COP 13,925 billion, increasing 54.5% vs. 3Q2019, mainly from BAC's USD \$520 million AT1 bond issuance in May related to the acquisition of MFG and, more recently, the Bank's first Green Bond issuance in the Colombian market of \$300 billion pesos on September 24.

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 September 2020, Non-controlling interest totaled COP 1,508 billion, with a 23.3% increase Vs September 2019.

4. Total shareholders' Equity and Regulatory Capital.

Banco de Bogotá's consolidated equity at 3Q2020 was COP 23,250 billion, increasing 9.1% compared to 3Q2019 and 3.3% when compared to 2Q2020.

The Bank's consolidated capital adequacy ratio was 12.7% as of September 2020, above the 9.0% regulatory requirement in Colombia. Total Tier 1 ratio was 9.7%, which includes a CET1 of 8.5% and an AT1 of 1.2%. Tier 2 was 3.1% increasing 44 bps when compared to last quarter.

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

Consolidated Capital Adequacy ⁽¹⁾			
Billions of COP	3Q-2019	2Q-2020	3Q-2020
Technical Capital	19,147.1	21,130.4	21,779.4
Core Capital (Total Tier I)	13,660.1	16,671.0	16,545.2
Additional Capital (Tier II)	5,487.0	4,459.4	5,234.3
Risk-weighted Assets	143,031.8	170,502.6	171,158.3
Credit Risk-weighted Assets	128,965.4	157,285.8	156,801.0
Market Risk-weighted Assets	14,066.4	13,216.8	14,357.3
Capital Adequacy Ratio ⁽²⁾	13.4%	12.4%	12.7%
Total Tier I Capital Ratio ⁽³⁾	9.6%	9.8%	9.7%

(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 3Q2020 was COP 530,549 billion a decrease of 14.8% on a yearly basis and quarterly increase of 36.8%.

1. Net Interest Income.

Consolidated Net Interest Income							
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Interest income:							
Interest on loans and leases	2,962.9	3,227.0	3,208.8	245.9	8.3	(18.2)	(0.6)
Interests on fixed income investments at amortized cost	169.5	216.2	223.3	53.8	31.7	7.1	3.3
Total interest income	3,132.4	3,443.2	3,432.1	299.7	9.6	(11.1)	(0.3)
Interest expense:							
Checking accounts	105.6	79.3	79.5	(26.1)	(24.8)	0.1	0.2
Time deposits	609.1	660.6	671.1	62.0	10.2	10.5	1.6
Saving deposits	179.4	214.0	180.0	0.6	0.3	(34.1)	(15.9)
Total interest expenses on deposits	894.1	954.0	930.6	36.5	4.1	(23.4)	(2.5)
Borrowings	347.8	390.4	397.9	50.1	14.4	7.5	1.9
Interbank and overnight funds	38.1	35.4	31.4	(6.7)	(17.5)	(4.0)	(11.2)
Borrowings from banks and others	147.4	144.7	122.2	(25.2)	(17.1)	(22.5)	(15.5)
Bonds	124.4	166.3	204.1	79.8	64.1	37.8	22.7
Borrowings from rediscount banks	20.9	22.8	19.1	(1.8)	(8.6)	(3.8)	(16.5)
Leasing Contracts	17.1	21.2	21.1	4.0	23.2	(0.1)	(0.7)
Total interest expense	1,241.9	1,344.4	1,328.5	86.6	7.0	(15.9)	(1.2)
Net interest income	1,890.5	2,098.8	2,103.6	213.1	11.3	4.8	0.2

- Net interest income in 3Q2020 amounted to COP 2,104 billion, growing 11.3% and 0.2% on Y-o-Y and Q-o-Q basis, respectively. When excluding the impact of FX, these growth rates were 4.5% and 2.2%, respectively.
- Total NIM in September was 5.2%, decreasing 35 bps quarterly. This result was mainly influenced by the reduction on NIM on loans due to the rate-cuts on Central Banks.

2. Impairment loss on financial assets.

Net provision expense increased 51.3% Vs 3Q2019, reaching COP 1,229 billion. Ratio of annualized Net provision expense to average loans stood at 3.4% for the quarter.

Net Provisions for Losses on Loans and Other impairments							
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Impairment loss on loan portfolio and accounts receivable	852.8	1,043.4	1,257.8	404.9	47.5	214.4	20.5
Impairment loss on other financial assets	2.1	43.5	11.9	9.8	472.8	(31.6)	(72.7)
Recovery of charged-off assets	(42.6)	(23.9)	(40.5)	2.1	(4.9)	(16.6)	69.4
Impairment loss on financial assets, net	812.3	1,062.9	1,229.1	416.8	51.3	166.2	15.6

3. Fees and Other Operating Income.

Gross fee income for the quarter was COP 1,167 billion in 3Q2020 originating, 69.4% from banking fees, 24.6% from pension fees, 3.9% from fiduciary activities and 2.0% from other sources. The quarterly increase of 13.6% shows healthy transactionality reactivation and a consequent increase of 17 bps in our fee income ratio, to 29.5%.

In 3Q2020, Other Operating Income (including Derivatives) increased 46.2% to COP 527.6 billion when compared to 3Q2019. On a quarterly basis, it grew by 25.4%. This is mainly explained by an increased equity method income from our investment in Corficolombiana as well as exchange fluctuations on Central American currencies and gains on our hedging strategy.

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

Fees and other operating income							
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
Fees and other services income							
Trust activities	46.2	39.1	46.0	(0.2)	(0.4)	6.9	17.7
Pension and severance fund management	279.1	260.5	287.4	8.3	3.0	26.9	10.3
Commissions from banking services	568.7	449.1	513.4	(55.3)	(9.7)	64.3	14.3
Credit and debit card fees	303.1	253.3	292.1	(11.0)	(3.6)	38.9	15.4
Checking fees	6.7	2.9	3.9	(2.8)	(41.5)	1.1	36.5
Other commissions	-	-	-	-	NA	-	NA
Branch network services	1.4	0.7	0.8	(0.6)	(41.3)	0.1	17.9
Bonded warehouse services	24.5	22.2	23.4	(1.1)	(4.3)	1.2	5.5
Total income from commissions and fees	1,229.7	1,027.8	1,167.1	(62.6)	(5.1)	139.3	13.6
Expenses from commissions and fees	106.3	112.9	111.1	4.8	4.5	(1.7)	(1.5)
Total income from commissions and fees, net	1,123.4	914.9	1,055.9	(67.4)	(6.0)	141.0	15.4
Derivatives and foreign exchange gains (losses), net	183.2	75.9	224.4	41.2	22.5	148.5	195.5
Foreign exchange gains (losses), net	(229.3)	506.3	116.2	345.5	(150.7)	(390.1)	(77.0)
Net gain or loss on financial derivatives for trading	328.4	(383.5)	69.7	(258.7)	(78.8)	453.1	(118.2)
Net gain in hedging	84.1	(46.9)	38.5	(45.6)	(54.2)	85.4	(182.1)
Other operating income							
Net gain/loss on investments	81.0	183.4	138.3	57.2	70.6	(45.1)	(24.6)
Net gains on sales of investments	67.0	62.8	184.5	117.5	175.2	121.7	193.9
Income from sales of non-current assets available for sale	5.1	2.8	1.3	(3.8)	(74.5)	(1.5)	(53.4)
Dividends and Equity method	122.6	56.5	146.2	23.6	(219.3)	89.7	158.9
Other income	85.3	115.3	57.3	(28.0)	(32.8)	(58.0)	(50.3)
Other operating income	361.0	420.7	527.6	166.6	46.2	106.9	25.4
Total fees and other operating income	1,667.5	1,411.5	1,807.9	140.4	8.4	396.4	28.1



4. Efficiency.

As of September 2020, Banco de Bogotá's efficiency ratio was 47.3%, improving 345 bps annually and 578 bps quarterly, as a result of the decrease on our Total operating expense of 9.4% annually and 1.7% quarterly when isolating the FX and MFG effect.

Operating Expenses over Average Assets ratio stood at 3.38%, reflecting our ability to generate operating leverage.

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	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20	
				Abs.	%	Abs.	%
ASSETS							
Cash and cash equivalents	22,544.0	32,716.4	30,985.5	8,441.5	37.4	(1,730.9)	(5.3)
FINANCIAL ASSETS INVESTMENT:							
Financial assets held for trading:							
Fixed income investments	1,604.8	2,052.4	2,306.9	702.1	43.8	254.5	12.4
Equity investments	2,177.7	2,264.4	2,346.4	168.8	7.8	82.0	3.6
Derivatives instruments	311.4	739.4	690.9	379.5	121.9	(48.5)	(6.6)
Total financial assets held for trading	4,093.8	5,056.1	5,344.2	1,250.4	30.5	288.1	5.7
Financial assets available for sale:							
Fixed income investments	13,103.9	17,830.8	20,509.7	7,405.8	56.5	2,678.9	15.0
Equity investments	229.3	243.8	240.4	11.1	4.9	(3.4)	(1.4)
Total financial assets available for sale	13,333.2	18,074.7	20,750.1	7,416.9	55.6	2,675.5	14.8
Held-to-maturity investments	1,437.8	2,839.4	3,155.3	1,717.5	119.4	315.9	11.1
Investments Provision	(0.3)	(3.3)	(3.8)	(3.5)	1,286.9	(0.4)	13.6
Total financial assets held for investment	18,864.6	25,966.9	29,245.9	10,381.3	55.0	3,279.0	12.6
Loans & leases operations and receivables portfolio:							
Commercial loans and leases and Other Receivables	67,725.3	83,329.1	83,707.6	15,982.3	23.6	378.5	0.5
Consumer loans and leases	33,387.3	38,143.1	38,939.8	5,552.5	16.6	796.6	2.1
Mortgages and housing leases	15,552.4	19,906.7	20,609.1	5,056.7	32.5	702.4	3.5
Microcredit loans and leases	407.5	378.6	368.2	(39.4)	(9.7)	(10.4)	(2.8)
Total loans & leases operations and receivables portfolio	117,072.5	141,757.5	143,624.6	26,552.1	22.7	1,867.1	1.3
Interbank & overnight funds and others	2,693.1	2,203.9	1,360.4	(1,332.8)	(49.5)	(843.5)	(38.3)
Total loans & leases operations and receivables portfolio	119,765.7	143,961.4	144,985.0	25,219.3	21.1	1,023.6	0.7
Allowance for loans & leases operations and receivables portfolio	(5,686.8)	(6,104.4)	(6,704.4)	(1,017.6)	17.9	(600.0)	9.8
Allowance for Commercial loans & leases operations	(3,159.4)	(3,345.5)	(3,264.5)	(105.1)	3.3	81.0	(2.4)
Allowance for Mortgage loans & leases operations	(214.8)	(275.3)	(322.7)	(107.9)	50.3	(47.4)	17.2
Allowance for Consume loans & leases operations	(2,224.1)	(2,395.0)	(3,006.5)	(782.4)	35.2	(611.5)	25.5
Allowance for Microcredit loans & leases operations	(88.5)	(88.5)	(110.6)	(22.1)	25.0	(22.1)	25.0
Total loans and leases portfolio at amortized cost	114,078.9	137,857.0	138,280.6	24,201.7	21.2	423.6	0.3
Other accounts receivable	1,487.4	2,315.0	1,979.1	491.7	33.1	(336.0)	(14.5)
Hedging Derivatives	27.2	120.1	27.3	0.0	0.2	(92.8)	(77.3)
Non-current assets held for sale	87.7	359.7	354.8	267.1	304.7	(4.9)	(1.4)
Investment in associates and joint ventures	4,630.3	4,940.0	5,176.0	545.7	11.8	236.0	4.8
Tangible assets	3,887.8	4,442.0	4,362.8	475.0	12.2	(79.2)	(1.8)
Intangible assets	6,916.7	7,715.7	7,914.6	997.9	14.4	199.0	2.6
Income tax assets	596.1	1,337.6	1,291.5	695.4	116.6	(46.0)	(3.4)
Other assets	140.6	239.9	256.3	115.7	82.3	16.3	6.8
Total Assets	173,261.3	218,010.2	219,874.3	46,612.9	26.9	1,864.0	0.9
LIABILITIES							
Financial liabilities at fair value	339.1	589.0	605.0	265.8	78.4	16.0	2.7
Deposits from clients at amortized cost	116,875.0	148,550.2	151,864.1	34,989.1	29.9	3,313.9	2.2
Checking accounts	32,234.3	43,727.6	45,213.5	12,979.2	40.3	1,485.8	3.4
Time deposits	50,496.3	62,252.8	63,820.9	13,324.7	26.4	1,568.2	2.5
Saving deposits	33,875.7	42,259.6	42,454.9	8,579.2	25.3	195.3	0.5
Other deposits	268.7	310.2	374.7	106.0	39.5	64.6	20.8
Borrowings	29,516.7	40,355.0	38,498.3	8,981.6	30.4	(1,856.8)	(4.6)
Interbank borrowings and overnight funds	2,089.6	4,842.5	4,788.5	2,698.9	129.2	(54.1)	(1.1)
Borrowing from banks and others	14,883.6	18,344.0	15,935.0	1,051.4	7.1	(2,408.9)	(13.1)
Bonds	9,011.0	13,275.5	13,924.9	4,913.9	54.5	649.4	4.9
Borrowings from developments entities	2,073.8	2,289.6	2,293.8	220.0	10.6	4.2	0.2
Leasing Liabilities	1,458.8	1,603.5	1,556.2	97.4	6.7	(47.3)	(3.0)
Total liabilities at amortized cost	146,391.7	188,905.2	190,362.4	43,970.6	30.0	1,457.1	0.8
Hedging derivatives	100.9	282.4	170.6	69.7	69.1	(111.9)	(39.6)
Provisions	325.0	416.5	416.5	91.5	28.1	0.1	0.0
Income tax liabilities	597.3	541.3	612.4	15.0	2.5	71.1	13.1
Employee benefits	600.4	536.8	606.0	5.5	0.9	69.2	12.9
Other liabilities	3,593.3	4,224.6	3,851.4	258.1	7.2	(373.3)	(8.8)
Total Liabilities	151,947.84	195,495.79	196,624.13	44,676.29	29.40	1,128.34	0.58
SHAREHOLDER'S EQUITY							
Equity attributable to shareholders	20,090.6	20,892.8	21,742.6	1,651.9	8.2	849.7	4.1
Non-controlling interests	1,222.8	1,621.6	1,507.6	284.7	23.3	(114.0)	(7.0)
Total Shareholders' Equity	21,313.5	22,514.5	23,250.1	1,936.7	9.1	735.7	3.3
Total Liabilities and Shareholders' Equity	173,261.3	218,010.2	219,874.3	46,612.9	26.9	1,864.0	0.9

STATEMENT OF INCOME - BANCO DE BOGOTÁ CONSOLIDATED								
Billions of COP	3Q-2019	2Q-2020	3Q-2020	Δ 3Q-20 / 3Q-19		Δ 3Q-20 / 2Q-20		
				Abs.	%	Abs.	%	
Interest income:								
Loan portfolio interest	2,962.9	3,227.0	3,208.8	245.9	8.3	(18.2)	(0.6)	
Interests on fixed income investments at amortized cost	169.5	216.2	223.3	53.8	31.7	7.1	3.3	
Total interest income	3,132.4	3,443.2	3,432.1	299.7	9.6	(11.1)	(0.3)	
Interest expense:								
Checking accounts	105.6	79.3	79.5	(26.1)	(24.8)	0.1	0.2	
Time deposits	609.1	660.6	671.1	62.0	10.2	10.5	1.6	
Saving deposits	179.4	214.0	180.0	0.6	0.3	(34.1)	(15.9)	
Total interest expenses on deposits	894.1	954.0	930.6	36.5	4.1	(23.4)	(2.5)	
Borrowings	347.8	390.4	397.9	50.1	14.4	7.5	1.9	
Interbank and overnight funds	38.1	35.4	31.4	(6.7)	(17.5)	(4.0)	(11.2)	
Borrowings from banks and others	147.4	144.7	122.2	(25.2)	(17.1)	(22.5)	(15.5)	
Bonds	124.4	166.3	204.1	79.8	64.1	37.8	22.7	
Borrowings from developments entities	20.9	22.8	19.1	(1.8)	(8.6)	(3.8)	(16.5)	
Leasing Contracts	17.1	21.2	21.1	4.0	23.2	(0.1)	(0.7)	
Total interest expense	1,241.9	1,344.4	1,328.5	86.6	7.0	(15.9)	(1.2)	
Net interest income	1,890.5	2,098.8	2,103.6	213.1	11.3	4.8	0.2	
Provisions for losses on loans and other impairments								
Impairment for loan portfolio and accounts receivable	852.8	1,043.4	1,257.8	404.9	47.5	214.4	20.5	
Expenses for allowance for investments	2.1	43.5	11.9	9.8	472.8	(31.6)	(72.7)	
Recovery of charged-off assets	(42.6)	(23.9)	(40.5)	2.1	(4.9)	(16.6)	69.4	
Impairment loss on financial assets, net	812.3	1,062.9	1,229.1	416.8	51.3	166.2	15.6	
Net interest income after impairment loss on financial assets	1,078.2	1,035.9	874.5	(203.7)	(18.9)	(161.4)	(15.6)	
Fees and Other Services Income								
Trust activities	46.2	39.1	46.0	(0.2)	(0.4)	6.9	17.7	
Pension and severance fund management	279.1	260.5	287.4	8.3	3.0	26.9	10.3	
Commissions from banking services	568.7	449.1	513.4	(55.3)	(9.7)	64.3	14.3	
Credit and debit card fees	303.1	253.3	292.1	(11.0)	(3.6)	38.9	15.4	
Checking fees	6.7	2.9	3.9	(2.8)	(41.5)	1.1	36.5	
Branch network services	1.4	0.7	0.8	(0.6)	(41.3)	0.1	17.9	
Bonded warehouse services	24.5	22.2	23.4	(1.1)	(4.3)	1.2	5.5	
Total Income from commissions and fees	1,229.7	1,027.8	1,167.1	(62.6)	(5.1)	139.3	13.6	
Expenses from commissions and fees	106.3	112.9	111.1	4.8	4.5	(1.7)	(1.5)	
Total income from commissions and fees, net	1,123.4	914.9	1,055.9	(67.4)	(6.0)	141.0	15.4	
Other Operating Income								
Derivatives and foreign exchange gains (losses), net	183.2	75.9	224.4	41.2	22.5	148.5	195.5	
Net gain/loss on investments	81.0	183.4	138.3	57.2	70.6	(45.1)	(24.6)	
Net gains on sales of investments	67.0	62.8	184.5	117.5	175.2	121.7	193.9	
Income from sales of non-current assets available for sale	5.1	2.8	1.3	(3.8)	(74.5)	(1.5)	(53.4)	
Equity method	122.5	54.1	140.4	17.9	14.6	86.3	159.5	
Dividends	0.1	2.4	5.8	5.7	9,877.8	3.4	145.2	
Other income	85.3	115.3	57.3	(28.0)	(32.8)	(58.0)	(50.3)	
Total Other Operating Income	544.2	496.6	752.0	207.8	38.2	255.4	51.4	
Other expenses								
Losses from sales of non-current assets available for sale	1.2	0.7	(0.5)	(1.7)	(143.6)	(1.2)	(170.0)	
Personnel expenses	744.1	781.4	824.8	80.7	10.8	43.4	5.6	
Administrative expenses	865.7	810.8	820.3	(45.4)	(5.2)	9.5	1.2	
Losses on other assets	(5.3)	1.1	0.1	5.5	(102.8)	(0.9)	(86.0)	
Depreciation and amortization	160.9	178.9	189.0	28.1	17.5	10.2	5.7	
Other operating expenses	40.7	91.9	18.2	(22.5)	(55.4)	(73.7)	(80.2)	
Total other expenses	1,807.3	1,864.7	1,851.9	44.6	2.5	(12.9)	(0.7)	
Income before tax expense	938.4	582.7	830.6	(107.8)	(11.5)	247.9	42.5	
Income tax expense	237.5	128.3	198.8	(38.7)	(16.3)	70.5	55.0	
Income from continued operations	700.9	454.4	631.7	(69.2)	(9.9)	177.4	39.0	
Non controlling interest	(78.1)	(66.5)	(101.2)	(23.1)	29.6	(34.7)	52.1	
Net income attributable to shareholders	622.8	387.8	530.5	(92.3)	(14.8)	142.7	36.8	