

Consolidated Results

BBVA Colombia's Total Assets increased 4.2% over the last year. The first quarter of 2017 ended with a balance of \$ 54.2 billion and an annual variation of \$ 2.2 billion.

BALANCE SHEET - Consolidated

Million COP

	1Q16	4Q16	1Q17	TAM	
				abs	%
Cash and cash equivalents	7,067,602	4,904,171	5,982,573	(1,085,029)	(15.4)
Investments	5,134,919	5,560,278	6,601,826	1,466,907	28.6
Derivative Financial Instruments And Cash Operations	1,091,285	807,758	978,051	(113,235)	(10.4)
Loan Portfolio and Leasing Operations (Net)	36,554,910	38,507,892	38,394,983	1,840,072	5.0
Commercial	16,127,147	16,020,298	15,816,603	(310,544)	(1.9)
Consumer	12,541,372	13,909,511	14,028,535	1,487,163	11.9
Housing	8,783,102	9,508,349	9,628,361	845,259	9.6
Microcredit	2	2	2	(1)	(25.0)
Employees	141,443	354,191	359,450	218,007	154.1
Provision for credit losses	(1,038,156)	(1,284,459)	(1,437,967)	(399,811)	38.5
Loan Portfolio, Interest and Other Concepts (Net)	301,932	377,562	336,443	34,511	11.4
Other	1,888,782	1,921,085	1,913,074	24,292	1.3
Assets	52,039,431	52,078,745	54,206,950	2,167,519	4.2
Deposits	40,581,211	40,806,777	43,256,936	2,675,725	6.6
Money Market Operations	496,226	533,645	205,470	(290,756)	(58.6)
Other	6,774,177	6,042,000	6,267,138	(507,039)	(7.5)
Labor Obligations	159,921	192,641	194,996	35,075	21.9
Other Liabilities	125,909	204,566	193,407	67,498	53.6
Liabilities	48,137,445	47,779,629	50,117,947	1,980,502	4.1
Paid-in Capital	89,779	89,779	89,779	(0)	(0.0)
Reserves	2,279,237	2,279,237	2,535,777	256,540	11.3
Surplus	1,381,808	1,357,533	1,348,038	(33,770)	(2.4)
Net Profit for the period	151,162	572,567	115,409	(35,753)	(23.7)
Stockholder's Equity	3,901,986	4,299,116	4,089,003	187,017	4.8
Total Liabilities and Stockholder's Equity	52,039,431	52,078,745	54,206,950	2,167,519	4.2

Regarding the Bank's Liquidity Resources, cash and deposits in banks recorded an increase of \$ 0.2 billion against the previous year. This is explained by an increase of \$ 0.5 billion in cash, which offset the decline of the deposits in the Local Central Bank and other banks and financial institutions.

The Gross Loan and Leasing Portfolio registered an annual growth of 5.0% (\$ 1.8 billion), ending the first quarter with a balance of \$ 38.4 billion. On the other hand, the Provision for credit losses, which includes the generic and specific provisions, shows an increase of 38.5%.

The Trading Derivative Financial Instruments recorded a decrease of 10.4% over the same period last year, ending the first quarter with a balance of \$ 1.0 billion.

Taking on the Liabilities account, deposits have shown an annual growth of \$ 2.7 billion (6.6%) reaching \$43.3 billion. The increase is mainly explained by the Term Deposits Certificates that growth by \$ 5.0 billion. This partially offset the decline in savings deposits by \$ 3.35 billion. The Money Market Operations on the Liabilities fell 58.6%, ending March 2017 at \$ 0.2 billion.

The Derivative Financial Instruments close the first quarter with a balance of \$ 1,0 Billion and decreased 12,7% over the same period in 2016 This happen mainly due to the decline in forward and spot trading.

The Accounts payable decreased 20.0%, while Labor Obligations increased 21,9%. The Other Liabilities increased 0,1 Billion (53.6%), reaching a balance of 0,2 Billion.

Finally the Shareholders Equity Account increased 4,8% reaching a balance of \$4,1 Billion at the end of March, 2017.

Income Statements

Net Interest Income increased 6,6% compared the last year, that means an amount of \$35.157m. It is shown first of all in the Loan Portfolio where it's increase was of \$163,882m and then, the Interest Expense grew \$128.725m.

The Comissions Net Income has an increase of 33.8%. In the other hand, at the end of the first quarter the Dividends reach a balance of \$8.026m, showing an increase of \$7.976m that is mainly explain by the income from Deceval's dividends (This year it was recorded in March, different from last year where it was recorded on April).

The Other Operating Income (Includes Operating Risk and Others) decreased 7,8% basically because during the first quarter of 2016 the Bank's participation in CIFIN was sold and it caused an extraordinary gain of \$ 48.392m.

INCOME STATEMENTS (Consolidated)
Million COP

	1Q16	4Q16	1Q17	1Q17 / 1Q16	
				abs	%
Loan Portfolio	1,009,889	1,147,081	1,173,771	163,882	16.2
Interest Expense	(474,737)	(618,235)	(603,462)	128,725	27.1
Net Interest Income	535,152	528,846	570,309	35,157	6.6
Comissions Net Income	43,047	71,241	57,604	14,557	33.8
Other Operating Income	155,402	263,590	143,338	-12,064	-7.8
GROSS MARGIN	733,601	863,677	771,251	37,650	5.1
Net Asset Allocations	(144,815)	(176,408)	(233,864)	89,049	61.5
Other Expenses	(352,939)	(391,524)	(377,511)	24,572	7.0
OPERATING EXPENSES	(497,754)	(567,932)	(611,375)	113,621	22.8
Minority Interest	(218)	(224)	(324)	106	48.6
EARNINGS BEFORE INTEREST AND TAXES	235,629	295,521	159,552	-76,077	-32.3
Income Tax Expense	(84,467)	(102,718)	(44,143)	-40,324	-47.7
NET PROFIT	151,162	192,803	115,409	-35,753	-23.7
Non recurrents	41,133	70,952	(32,500)	-8,633	-21.0
NET PROFIT RECURRENT *	110,029	121,851	147,909	37,879	34.4

1Q/2016 Sale CIFIN

4Q/2016 Incorporation of Credibanco in sheets

1Q/2017 New regulation of long-term consumer loans, adjustment days past due and provision of Electricaribe

Regarding the Net Asset Allocations, it increased 61.5% against the last year following the same line of the Loan portfolio growth and Portfolio Quality Indicators deterioration. It's noteworthy that at the end of March 2017 the Bank had an extraordinary expense provisioning on Electricaribe of \$ 27.500m; this meant coverage of 12.9% over the total exposure. Also, is important to take account that nowadays, BBVA keeps the best credit rating in the Industry.

Income Tax Expense decreased 47,7%. However the Effective Tax Rate increased 223 bps turning from 34,4% in 1Q2016 to 36,7% at the end of March, 2017.

Finally, the Net Profit closed with a consolidated balance of \$115.409 M, this means a 23.7% less than the previous year. However, if we don't take account the atypical situation that happened in 2016 (CIFIN), there was an increase of 34.4%.

Individual Results

Total Assets showed an annual growth of 4.2%, closing 1Q2017 with a balance of \$53.8 Billion and a variation of \$2.2 Billion.

Balance Sheet

Million COP

	mar-16	mar-17	Var TAM	
Cash	4,081,875	4,286,328	204,453	5.0
Active Positions in monetary market	2,984,544	1,691,294	(1,293,250)	(43.3)
Investment Securities & Derivatives	6,238,145	7,583,493	1,345,349	21.6
Loan Portfolio and Leasing Operations	37,445,918	39,654,097	2,208,179	5.9
Impairment	(1,315,732)	(1,700,678)	(384,946)	29.3
Other Assets	2,246,092	2,321,843	75,751	3.4
Total Assets	51,680,841	53,836,377	2,155,536	4.2
Deposits and Financial Claims	43,094,705	45,687,680	2,592,975	6.0
Passive Positions in monetary market	496,226	205,470	(290,757)	(58.6)
Financial Instruments at Fair Value	1,178,463	1,028,689	(149,774)	(12.7)
Banks And Other Financial Obligations	1,620,713	1,472,912	(147,801)	(9.1)
Other Liabilities	1,638,911	1,621,150	(17,761)	(1.1)
Total Liabilities	48,029,019	50,015,902	1,986,883	4.1
Suscribed and Paid-in-Capital	89,779	89,779	-	-
Specific Destination Reserves and Funds	2,279,237	2,535,777	256,539	11.3
Surplus	1,134,429	1,101,673	(32,756)	(2.9)
Gains or Losses	148,377	93,246	(55,131)	(37.2)
Stockholder´s Equity	3,651,822	3,820,475	168,653	4.6
Total Liabilities and Stockholder´s Equity	51,680,841	53,836,377	2,155,536	4.2

Regarding the Liquidity Resources, Cash increased \$0.2 Billion compared the last year. This is explained by an increase in Deposits of \$0.5 billion that offset the decline in the Deposits on the Central Bank and other Financial Entities.

On the other hand as a consequence of the decrease in Simultaneous Operations, the Active Positions in monetary market declined 43.3%, closing the first quarter with a balance of \$1.7 billion. Also, Investment Securities and Derivatives recorded an interannual variation of 21.6%, mainly explained by the increases in Fixed Rate TES and TES UVR positions.

The gross Loan and Leasing Portfolio registered an annual growth of 5.9% (\$ 2.2 billion), closing the first quarter with a balance of \$ 39.7 billion. On the other hand, the Deterioration account (specific and generic provisions of the portfolio) shows an increase of 29.3%. Other Assets account recorded a growth of 3,4% (\$0.1 Billion) due to the increase of the Receivable Accounts.

According to the Liabilities Account, Deposits and Financial claims showed an annual growth of 6,0% (\$2,6 Billion) reaching a balance of \$45,7 Billions. This is mainly explain by the growth of the Term Deposits, which closed the first quarter with a balance of \$5,0 billion. Also, this growth partly offset the decline in the Saving Accounts of \$3,35 Billion. The Liability position operations fell 58.6% , closing March with a Balance of \$0,3 billion

The Financial Instruments at fair value closed 1Q2017 in \$1,0 Billion. This means a decrease of 12,3% over the previous year, due to a less amount in Forward and Spot trading operations.

The Financial Entities Loans and Other Financial Obligations, decreased 9,1% explained by the decline of \$397 mM on the International Entities Loans. This was partly offset with the growth of the Loans with Bancoldex, Finagro and Findeter, which recorded an amount of \$249 Mm.

Payable accounts reduced 12,9% while Labor Obligations growth 19,4%. Other Liabilities growth \$ 0,1 Billion (34,4%), ending March with a balance of \$0,4 billion.

Finally, Stockholders Equity Account growth 4,6% closing 1Q2017 in \$3,8 Billion.

Income Statements

Following are the BBVA Colombia Accumulated Results at the end of the first quarter of 2016 and 2017:

Income Statement

Million COP

	mar-16	mar-17	TAM	
Loan Portfolio	1,009,889	1,173,771	163,882	16.2
Interest Expense	(475,329)	(604,291)	(128,962)	27.1
NET INTEREST INCOME	534,560	569,480	34,921	6.5
NET COMISSION INCOME	25,537	39,868	14,331	56.1
Investment Portfolio	104,872	123,442	18,571	17.7
Dividends	45	7,602	7,557	N.C
Other Incomes	53,344	18,227	(35,117)	(65.8)
OTHER OPERATING INCOME	158,261	149,272	(8,989)	(5.7)
GROSS MARGIN	718,358	758,620	40,262	5.6
Net Asset Allocation	(144,569)	(232,121)	(87,552)	60.6
Administration General Expenses	(347,441)	(379,236)	(31,795)	9.2
Personal Expenses	(130,722)	(151,197)	(20,474)	15.7
General Expenses	(79,794)	(82,654)	(2,860)	3.6
Taxes	(32,731)	(30,999)	1,732	(5.3)
Other	(103,893)	(113,126)	(9,233)	8.9
Operational Risk	(300)	(1,261)	(960)	319.7
NON-INTEREST EXPENSES	(492,010)	(611,357)	(119,347)	24.3
INCOME BEFORE TAX	226,348	147,263	(79,085)	(34.9)
Income Tax	(77,971)	(54,017)	23,954	(30.7)
NET PROFIT	148,377	93,246	(55,131)	(37.2)

Net Interest Income growth 6,5% against the last year. It is explain by the growth of \$163.882m. The Loan Portfolio Income and also by the Interest expense which increased \$128.962m. So at the end the Net Interest Income increased \$34.921 m.

Net Comission Income closed 1Q2017 with a variation of 56.1%. On the other hand, the Investment Portfolio grew 17,7% (\$18,6 mM), mainly explain by higher incomes from securities and derivatives. Dividends reach a balance of \$7.602m at the end of the first quarter, due to the Deceval's dividend income that was recorded on March (Different from last year where it was recorded on April)

Other incomes (Includes Operating Income from financial services, recoveries and others) showed a reduce of 65,8%, basically because during the first quarter of 2016 the Bank's participation in CIFIN was sold and it caused an extraordinary gain of \$ 48.392m.

Regarding the Net Asset Allocations, it increased 61.5% against the last year following the same line of the Loan portfolio growth and Portfolio Quality Indicators deterioration. It's noteworthy that at the end of March, 2017 the Bank had an extraordinary expense provisioning on Electricaribe of \$ 27.500m; this meant coverage of 12.9% over the total exposure. Also, is important to take account that nowadays, BBVA keeps the best credit rating in the Industry.

Operational Expenses increased by 9,2% over the previous year. Employee expenses grew 15,7% against 2016. General expenses increased 3,6% while tax and contribution expenses recorded an increase of 5,3%.

Income Tax Expense decreased 30,7%. However the Effective Tax Rate increased 223 bps turning from 34,4% in 1Q2016 to 36,7% at the end of March, 2017.

Finally, BBVA Colombia closed March 2017 with a Net Profit of \$93.246 M, which is a 37.2% less than the last year.

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