

BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Interim Consolidated Statement of Financial Position

As of March 31, 2019 and December 31, 2018

(Expressed in COP millions)

ASSETS	March 31, 2019	December 31, 2018	LIABILITY AND EQUITY	March 31, 2019	December 31, 2018
ASSETS			LIABILITIES		
CASH AND CASH EQUIVALENTS	9.897.239	9.256.890	FINANCIAL LIABILITIES AT FAIR VALUE		
AT FAIR VALUE WITH CHANGES IN INCOME			Derivative Instruments	21.759	31.805
In debt securities	6.562.853	6.174.098	FINANCIAL LIABILITIES AT AMORTIZED COST		
In equity instruments	83.674	86.197	Deposits by clients		
Total Securities	6.646.527	6.260.295	Current accounts	1.946.813	1.941.743
Derivative Instruments	2.850	23.511	Savings accounts	10.984.535	10.301.935
Total Financial assets at Fair Value	6.649.377	6.283.806	Term Deposit Certificates	8.823.526	8.486.862
AT AMORTIZED COST				21.754.874	20.730.540
In debt securities at amortized cost, net	822.507	771.851	Financial Liabilities		
Credit Portfolio	822.507	771.851	Short-term financial obligations	5.894.501	5.289.323
Commercial	8.617.248	8.661.068	Liabilities with rediscount entities and foreign banks	2.019.978	2.240.382
Consumer	6.012.013	5.842.272	Total Debt	7.914.479	7.529.705
Housing	1.076.231	1.106.305	Long-term financial obligations	2.190.267	2.231.354
Impairment provision	(485.289)	(493.167)	Total Financial Liabilities	10.104.746	9.761.059
Total Credit Portfolio, Net	15.220.203	15.116.478	FINANCIAL LEASE LIABILITIES	188.711	-
Other accounts receivable, net	223.664	175.801	BENEFITS TO EMPLOYEES	54.559	54.681
Total Financial assets at amortized cost	16.266.374	16.064.130	PROVISIONS		
NON-CURRENT ASSETS HELD FOR SALE, NET	30.011	25.764	For Legal Contingencies	8.065	7.800
INCOME TAX ASSETS			Other provisions	40.901	44.293
Current	220.791	222.250	LIABILITY DUE TO INCOME TAX AND CREE		
Deferred items (Peru)	36.565	36.123	Current (Paraguay)	3.550	1.168
TANGIBLE ASSETS, NET			Deferred	1.430	25.818
Investment Property	80.047	67.567	ADVANCE CAPITAL INCREASE	158.740	162.488
Properties and equipment for own use	896.375	748.589	OTHER LIABILITIES	483.449	327.259
Properties by right of use	188.648	-	TOTAL LIABILITIES	32.820.784	31.146.911
Total tangible assets	1.165.070	816.156	EQUITY		
INTANGIBLE ASSETS, NET			Controlling interest		
Goodwill	413.467	411.820	Capital subscribed and paid	66.020	66.020
Other intangible assets	18.109	20.719	Paid-in Capital	486.105	486.105
Total intangible assets	431.576	432.539	Withheld profit	1.332.314	1.422.279
OTHER ASSETS	91.122	80.865	Reserves	1.341.463	1.196.382
TOTAL ASSETS	34.788.125	33.218.523	Profit for the period	77.997	235.110
			Result from Prior Periods	(87.146)	(9.213)
			Other Comprehensive Income	40.420	48.241
			Total equity of controlling interests	1.924.859	2.022.645
			Non-controlling Interest	42.482	48.967
			TOTAL EQUITY	1.967.341	2.071.612
			TOTAL LIABILITY AND EQUITY	34.788.125	33.218.523

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES
Interim Consolidated Income Statement
For the periods ended on March 31, 2019 and 2018
(Expressed in COP millions, except for the net profit per share)

	March 31, 2019	March 31, 2018
Interest income for financial assets at amortized cost		
Interests on credit portfolio	414.047	369.536
Appraisal of Investment Financial Assets in debt securities at amortized cost	2.219	2.883
Other interests	40.876	42.939
Total interest income	457.142	415.358
Interests expense for deposits that finance financial assets at amortized cost		
Deposits		
Current accounts	7.198	5.485
Term deposit certificates	101.415	98.702
Savings deposits	108.689	95.548
Total deposits interest expense	217.302	199.735
Expenses for financial obligations and other interests		
Short-term financial obligations	122	442
Long-term financial obligations	25.307	16.000
Bonds and investment securities	39.226	44.785
Liabilities with rediscount entities	13.933	16.416
Interest on lease liabilities	3.584	-
Total interests expense	299.474	277.378
Net interest income from financial assets at amortized cost	157.668	137.980
Impairment loss of financial assets at amortized cost		
Credit portfolio and interests receivable	173.786	149.251
Assets received in payment and returned	16.790	1.150
Investment impairment loss	3.532	2.501
Recovery of credit portfolio and accounts receivable	98.350	93.372
Net interests after the impairment loss of financial assets	61.910	78.450
Commissions and fees		
Income from Commissions and Fees	61.903	56.209
Expenses from Commissions and Fees	23.651	17.600
Net income from commissions and fees	38.252	38.609
Appraisal of financial assets at fair value		
Income from appraisal of debt securities at fair value	78.964	70.163
Income from the appraisal of equity instruments at fair value	30.908	-
Expense due to appraisal of derivative instruments	2.573	(1.308)
Expense due to the appraisal of equity instruments at fair value	-	(793)
Interests from appraisal of financial assets at fair value	112.445	68.062
Net income due to interests and appraisals	212.607	185.121
Other Income		
Profit for the sale of investments	6.442	11.230
Dividends and interests	925	2.169
Exchange difference, net	974	1.504
Industrial and Services revenues - Hotels	18.691	-
Other	33.246	21.368
Total other income	60.278	36.271
Other expenditures		
Personnel expenses	59.433	53.922
Loss for the sale of investments	6.989	5.855
General administrative expenses	44.287	44.315
Depreciation expense	4.495	4.110
Depreciation due to usage rights	4.788	-
Amortization expense	2.313	1.785
Production costs - Hotels	7.469	-
Other	39.848	36.710
Total other expenses	169.622	146.697
Profit before tax	103.263	74.695
Tax on Profit	25.266	18.700
PROFIT FOR THE PERIOD	77.997	55.995
Profit on continued operations attributable to:		
Controlling interest	76.970	54.933
Non-controlling interest	1.027	1.062
	77.997	55.995
Net profit per share of the controlling shareholders (in COP)	466	333

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES
Interim Consolidated Statement of Other Comprehensive Income
For the periods ended on March 31, 2019 and 2018
(Expressed in COP millions)

	March 31, 2019	March 31, 2018
NET PROFIT OF THE PERIOD	\$ 77.997	55.995
Items of other comprehensive income net of taxes		
Items that may be subsequently reclassified to income		
Translation of investments in subsidiaries abroad	(54.291)	(69.810)
Exchange difference in the hedge of long-term financial liabilities	25.700	69.780
Differences between the provision and impairment recorded in the calculation of the financial statements, separate and consolidated	5.672	(73.850)
Deferred tax on profit	21.645	27.541
Other	(6.562)	(127)
	<u>(7.836)</u>	<u>(46.466)</u>
Items that will not be reclassified to income		
Assets re-appraisal	16	(107)
Profit (loss) in benefits plans to employees	-	5.386
Deferred tax items that will not be subsequently reclassified to income	-	(1.777)
Total other comprehensive income during the period, net of taxes	\$ (7.820)	(42.964)
Total other comprehensive income for the period	\$ 70.177	13.031

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Interim Statement of Changes to Equity of the Shareholders - Consolidated

For the periods ended on March 31, 2019 and 2018

(Expressed in COP millions)

			<u>Profit withheld</u>							
	<u>Capital</u>	<u>Additional paid-in capital of Shares</u>	<u>Reserves</u>	<u>Profit for the period</u>	<u>Accumulated Result</u>	<u>Profit withheld</u>	<u>Other Comprehensive Income</u>	<u>Total Controlling interest</u>	<u>Non-controlling interest</u>	<u>Equity</u>
Balance at December 31, 2017	\$ 66.020	486.105	1.056.767	222.642	(99.853)	1.179.556	108.499	1.840.180	16.996	1.857.176
Transfer to accumulated profit	-	-	-	(222.642)	222.642	-	-	-	-	-
Appropriation of profit to raise legal reserve	-	-	180.871	-	(180.871)	-	-	-	-	-
Net movement of other comprehensive income	-	-	-	-	-	-	(42.963)	(42.963)	-	(42.963)
Payment of dividends	-	-	-	-	(56.369)	(56.369)	-	(56.369)	-	(56.369)
Adjustment Full IFRS - Contingent interests	-	-	-	-	55.726	55.726	-	55.726	-	55.726
Exchange difference subsidiaries abroad	-	-	11.382	-	-	11.382	-	11.382	-	11.382
Non-controlling interest	-	-	-	-	-	-	-	-	18	18
Profit for the period	-	-	-	55.995	-	55.995	-	55.995	-	55.995
Balance at March 31, 2018	\$ 66.020	486.105	1.249.020	55.995	(58.725)	1.246.290	65.536	1.863.951	17.014	1.880.965

				<u>Profit withheld</u>						
	<u>Capital</u>	<u>Additional paid-in capital of Shares</u>	<u>Reserves</u>	<u>Profit for the period</u>	<u>Accumulated Result</u>	<u>Profit withheld</u>	<u>Other Comprehensive Income</u>	<u>Total Controlling interest</u>	<u>Non-controlling interest</u>	<u>Equity</u>
Balance at December 31, 2018	\$ 66.020	486.105	1.196.382	235.110	(9.213)	1.422.279	48.241	2.022.645	48.967	2.071.612
Transfer to accumulated profit	-	-	-	(235.110)	235.110	-	-	-	-	-
Appropriation of profit to increase reserve	-	-	146.447	-	(146.447)	-	-	-	-	-
Net movement of other comprehensive income	-	-	-	-	-	-	(7.821)	(7.821)	-	(7.821)
Adjustment Full IFRS - Contingent interests	-	-	-	-	25.501	25.501	-	25.501	-	25.501
Payment of dividends	-	-	-	-	(192.097)	(192.097)	-	(192.097)	-	(192.097)
Exchange difference subsidiaries abroad	-	-	(1.366)	-	-	(1.366)	-	(1.366)	-	(1.366)
Non-controlling interest	-	-	-	-	-	-	-	-	(6.485)	(6.485)
Profit for the period	-	-	-	77.997	-	77.997	-	77.997	-	77.997
Balance at March 31, 2019	\$ 66.020	486.105	1.341.463	77.997	(87.146)	1.332.314	40.420	1.924.859	42.482	1.967.341

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BANCO GNB SUDAMERIS S.A. AND SUBSIDIARIES

Interim Consolidated Statement of Cash Flows
For the periods ended on March 31, 2019 and 2018
(Expressed in COP millions)

	<u>March 31, 2019</u>	<u>March 31, 2018</u>
Cash Flows from operating activities:		
Profit for the Period	\$ 77.997	55.995
Reconciliation of income for the period and net cash from operation activities:		
Tax expense on profit	25.266	18.700
Depreciation expense	9.283	4.110
Amortization expense	2.313	1.785
Impairment loss of Financial Assets	173.786	149.251
Financial assets loss recovery	(98.342)	(93.372)
Loss on derivative trade instruments appraisal	(2.573)	1.308
Interests on debt securities at amortized cost	(2.219)	(2.883)
Income from appraisal at fair value and exchange difference	(136.727)	58.439
Profit for investments' sale	547	(5.375)
Interests paid on long-term liabilities at amortized cost	23.698	(58.435)
Changes of operating assets and liabilities:		
Interests earned	405.058	358.612
Interests paid	(38.751)	(30.862)
Increase in credit portfolio	(560.965)	(520.703)
(Increase) decrease in other accounts receivable derived from operation activities	(47.863)	(152)
Increase of clients' deposits	1.024.335	354.231
Decrease (increase) of other assets	(10.256)	(20.272)
Increase of other liabilities	(35.906)	1.811
Increase (decrease) of provisions	(28.754)	(18.069)
Increase in employee benefits plans	(123)	(737)
Investments variation - Debt securities at fair value	(310.339)	(375.685)
Investments variation - Variable income securities	33.431	(10.865)
Increase of short-term obligations	1.368.201	429.288
Capital payments of short-term obligations	(752.063)	(547.861)
Increase of obligations with development entities	112.058	357.963
Capital payments of loans with development entities	(304.672)	(121.333)
Increase of non-current assets held for sale	(4.248)	(1.425)
Variation of deferred tax and current tax	1.018	(4.789)
Variation in derivatives operations	13.189	(6.627)
	<u>858.382</u>	<u>(83.947)</u>
Net cash from operating activities:	<u>936.379</u>	<u>(27.952)</u>
Cash Flows from Investment Activities:		
Movement of properties and equipment	(152.579)	-
(Profit) in sale of properties and equipment	(110)	-
Decrease in properties and equipment	408	(433)
Intangible assets increase, net	(6.234)	1.375
Investments variation - debt securities at amortized cost	(48.437)	(29.104)
Increase in investment properties	(12.480)	263
Net cash (used in) from investment activities:	<u>(219.432)</u>	<u>(27.899)</u>
Cash Flows from Financing Activities:		
Paid interests on long-term financial liabilities	(39.087)	(67.418)
Advance Capital Increase	(3.748)	-
Lease payments	(4.725)	-
Non-controlling interest	(6.485)	18
Net cash (used in) generated by financing activities:	<u>(54.045)</u>	<u>(67.400)</u>
Exchange difference from cash and cash equivalents	<u>(22.553)</u>	<u>(127.810)</u>
Net (decrease) increase in cash and cash equivalents	640.349	(251.061)
Cash and cash equivalents at the beginning of the period	9.256.890	9.527.725
Cash and cash equivalents at the end of the period	\$ <u>9.897.239</u>	<u>9.276.664</u>

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