



# Quarterly Results 4Q18\*

\*Annual Consolidated Financial Statements are available in FULL - IFRS accounting standards since 2015, in compliance with international standards on the subject.

Unaudited Quarterly Consolidated Financial Statements under FULL - IFRS are available since the first quarter of 2017, and are prepared according to legal dispositions on this subject.

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1. Summary
  2. Macro Update
  3. Quarterly Results
  4. Appendix

Payroll and development loans	Stable deposit base through agreements	
Strong asset quality and ample loan loss reserves	Highly efficient financial structure	Conservative risk management

## About Us

We are a multinational private financial conglomerate with 8 companies:  
a bank and 5 subsidiaries in Colombia, specialized in ATMs, trust services, brokerage, administrative services, merchant banking, and 2 regional subsidiaries with banking operations in Perú and Paraguay.

# 1.

## Summary

# Relevant Facts & Highlights

## 1. Summary

4Q18 Results, FULL – IFRS

➤ To date, the Bank's figures regarding assets, loan-portfolio, deposits, equity, technical equity and net income, are the highest in its history.

➤ According to the permanent shareholders' commitment to the business, in December 2018, the Bank received a capitalization of USD \$50 million.

➤ The Bank's consolidated net loan-portfolio grew +11.27% yoy, boosted by payroll (+26.83%) and commercial (+8.35%).

➤ Solvency levels remain above regulatory limits: 15.90% on total ratio, 7.11% on Tier 1 and 8.79% on Tier 2. Although Tier II and Total Solvency decreased versus 2017, this decrease was fully anticipated by the Administration and is a results of

subordinated bonds' patrimonial discount.





➤ Portfolio-loan's NPL (1.68%), delinquency (2.43%) and coverage ratios (130.24%) maintained the remarkable levels that characterize the Bank.

➤ In December, the Bank was ratified for the tenth consecutive year as a member of the IBR Governing Committee, ranking first among eight Banks in the overall rating.




➤ More than 6,000 customers are using in Colombia, Perú and Paraguay the Bank's Mobile Banking app, launched in August, 2018, as part of its digital consolidation strategy.

➤ The Bank adhered to the Green Protocol in December, 2018, a sustainability initiative led by Asobancaria in Colombia.



-  The Bank will continue focusing on an updated and competitive banking network, risk management and auditing systems' optimization, while developing more synergies with its subsidiaries.
-  Continue strengthening Perú, Paraguay and Corfi GNB Sudameris' operations, as well as technological developments.
-  Maintaining its growth targets, niches and strengthening current business lines.
-  The generation of new businesses, the stability and growth of the existing ones, the preservation of trust and closeness

with customers and the continuous improvement of service policies, will continue to be a priority.

-  Managing adequate profitability margins with minimal risk exposure and control in delinquency levels.
-  Ensuring permanence and growth in the long term, with appropriate levels of loan-portfolio and capital.
-  Strengthening the funding and increasing the cross sales and bancassurance positioning.

OUR DNA	Solvency levels above regulatory limits	Strong and committed shareholders' support	Solid asset quality, liquidity and efficiency levels
	Specialized in SME and payroll-loans segments	IFRS 9 accounting standards' implemented as of Jan-18	Broad banking and ATM's network



# Business Model

## 1. Summary

4Q18 Results, FULL - IFRS

Consolidated data, as of Dec-18:

COP \$Trillions, as of Dec-18. Non-consolidated data (grouped):

### Subsidiaries

7



### Branches

145



### Cities & towns

31

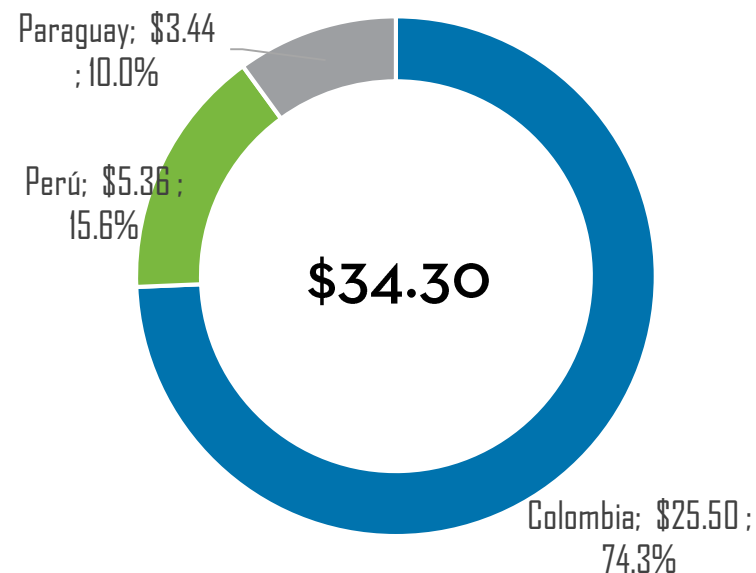


### Employees

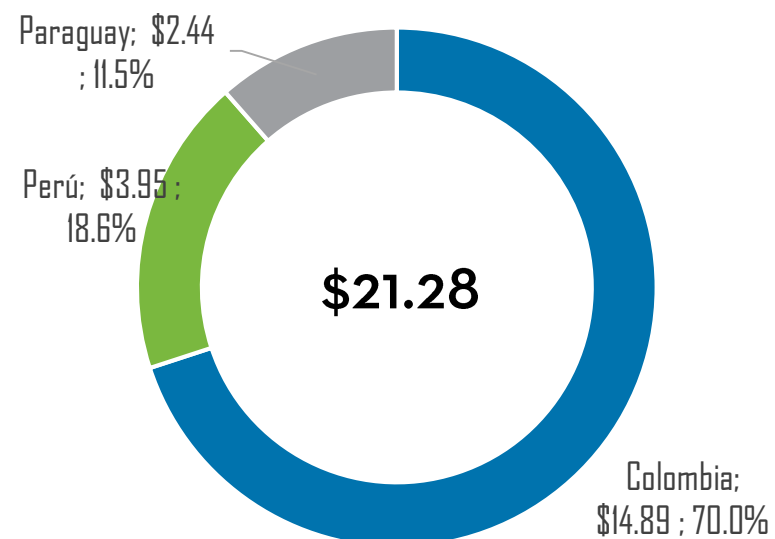
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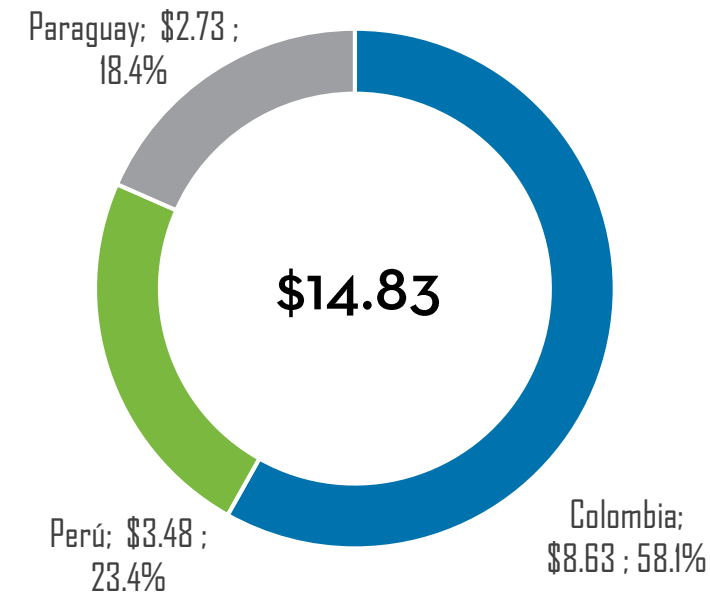
### Assets



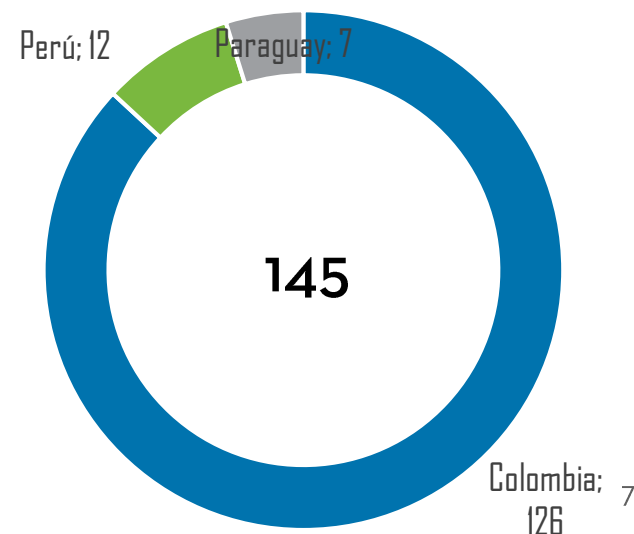
### Deposits



### Net Loans



### Branches



# Financial Snapshot

## 1. Summary

4Q18 Results, FULL – IFRS

### Consolidated Overview

	(COP \$Trillions)						Var.%
	Dec-17		Sep-18		Dec-18		Δ yoy
Assets	\$	30.04	\$	31.91	\$	33.22	10.59%
Deposits	\$	18.76	\$	20.44	\$	20.95	11.66%
Total Equity	\$	1.86	\$	2.00	\$	2.07	11.55%
Net Interest Income	\$	0.68	\$	0.65	\$	0.86	25.54%
Net Income Acum.	\$	0.22	\$	0.19	\$	0.24	5.60%
Ratios							Δ yoy, pp
Net loan-portfolio growth, yoy		8.20%		9.87%		11.27%	3.07
Loans / Deposits		72.42%		71.02%		72.17%	(0.25)
Solvency Ratio		16.23%		15.83%		15.90%	(0.33)
Tier 1		6.67%		7.20%		7.11%	0.44
Efficiency*		54.12%		49.37%		52.62%	(1.50)
Expenses / Productive Assets		2.21%		2.07%		2.25%	0.04
ROAA		0.78%		0.84%		0.74%	(0.03)
ROAE		12.47%		13.42%		11.88%	(0.59)



# Consolidated Overview

## 1. Summary

4Q18 Results, FULL - IFRS

### Key Financials

COP \$

Ratios %

	4Q17	4Q18
Net Interest Income (\$bln)	\$683	<b>\$858</b>
Gross Loans (\$tln)	\$13.89	<b>\$15.61</b>
Funding Sources (\$tln)	\$28.18	<b>\$31.15</b>
Deposits & Demand Accounts (\$tln)	\$18.76	<b>\$20.95</b>
Technical Capital (\$tln)	\$2.82	<b>\$3.18</b>
Equity (\$tln)	\$1.86	<b>\$2.07</b>

	4Q17	4Q18
Total Deposits / Loans	138%	<b>139%</b>
Funding Sources / Loans	207%	<b>206%</b>
Intermediation Margin*	29.91%	<b>36.14%</b>
Fee Income**	6.89%	<b>6.47%</b>
Expenses / Total Assets	1.89%	<b>1.96%</b>
NIM***	2.78%	<b>3.10%</b>

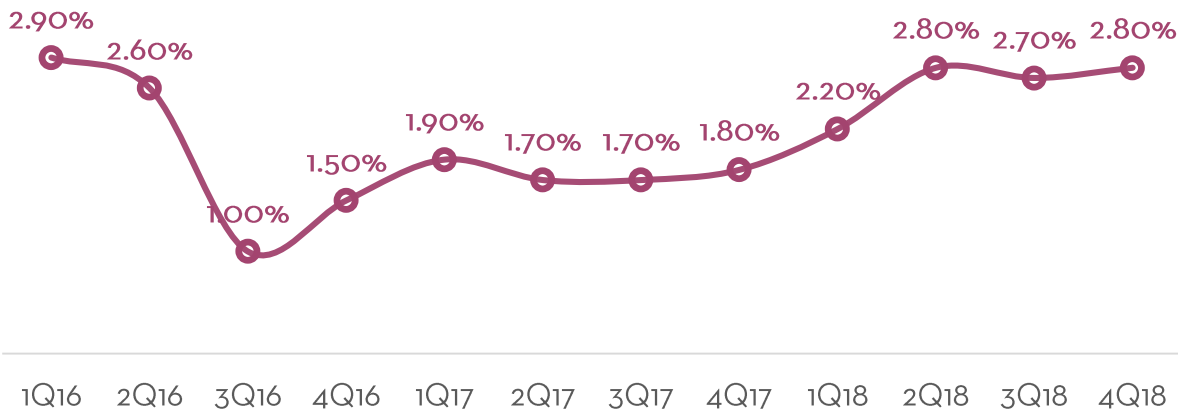
# 2.

## Macro Update

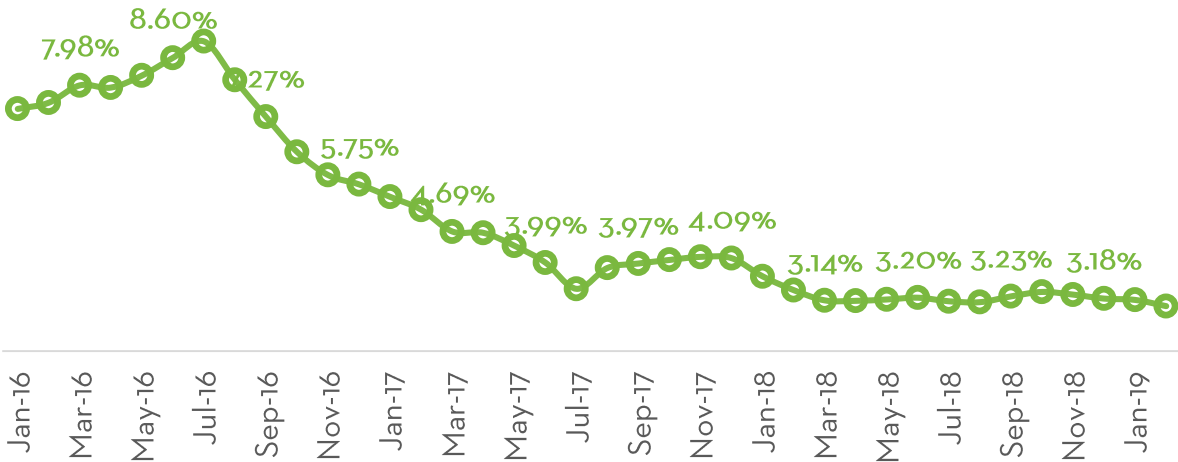
# Colombia Fundamentals

## 2. Macro Update

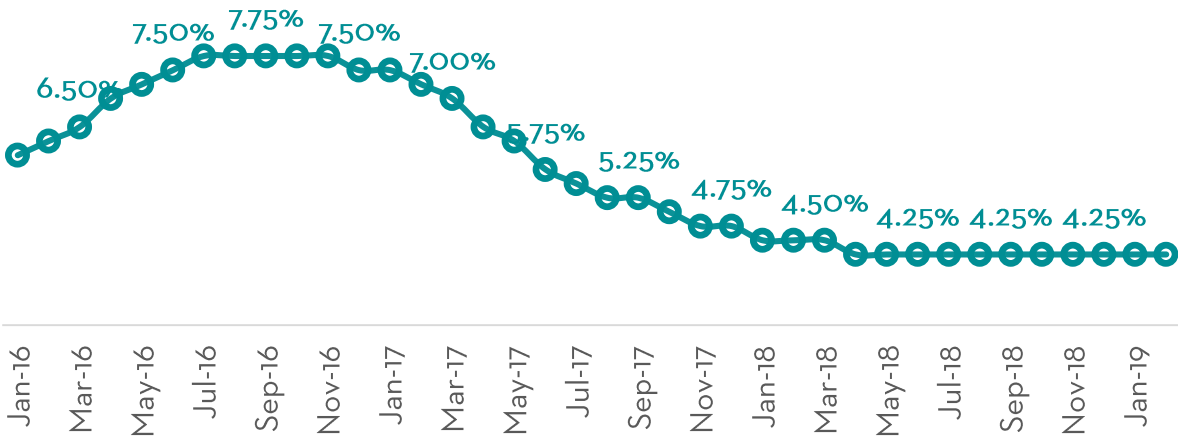
Real GDP Growth (yoy %)



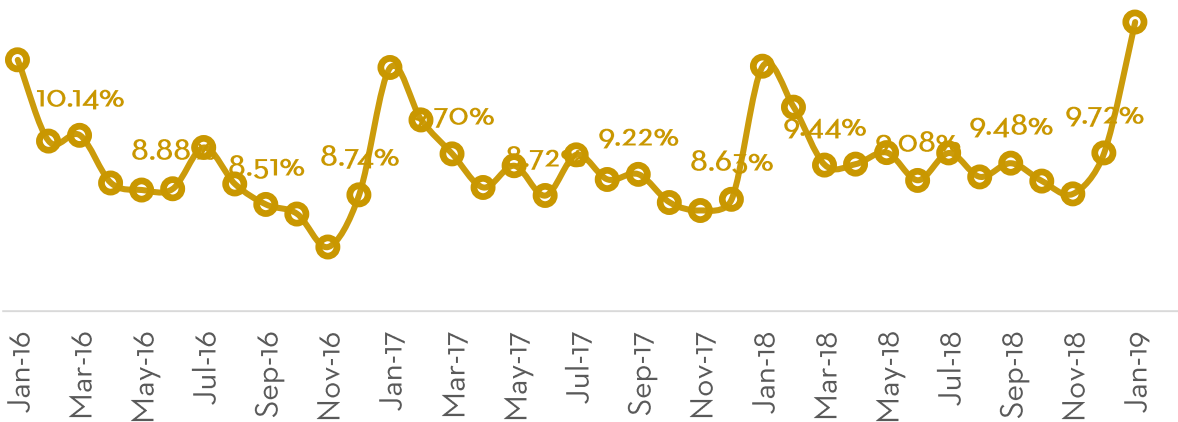
Inflation (yoy %)



Monetary Policy Rate (%)

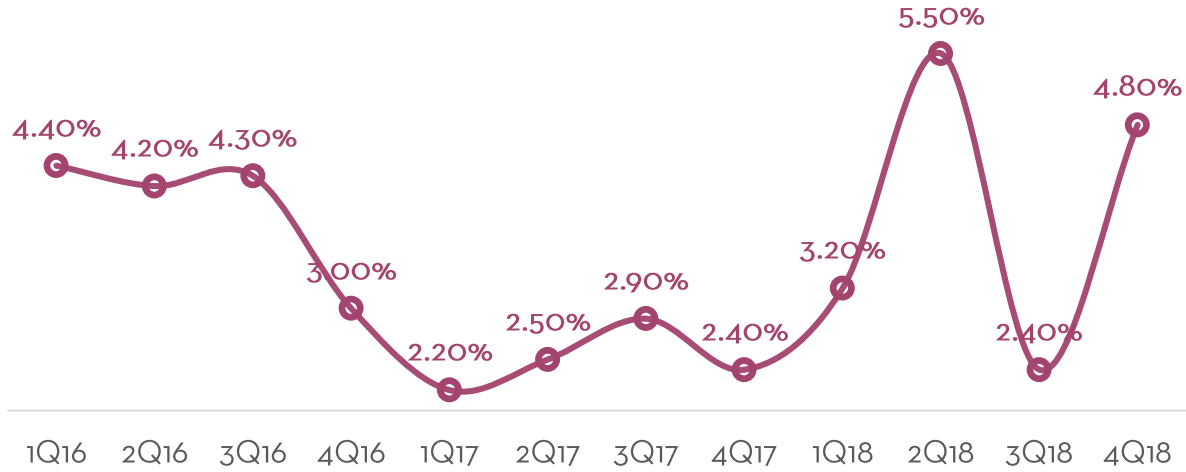


Unemployment Rate (%)

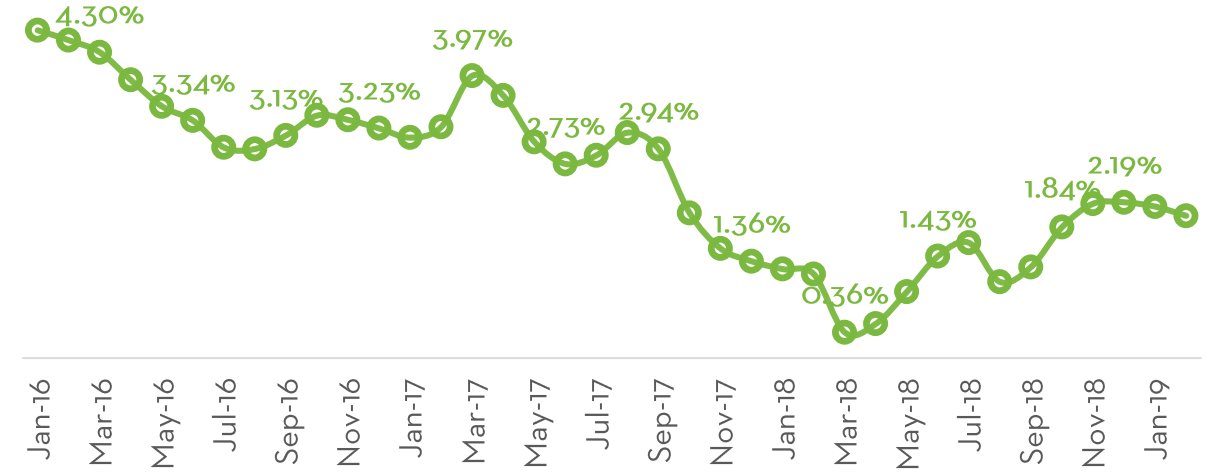


# Perú Fundamentals

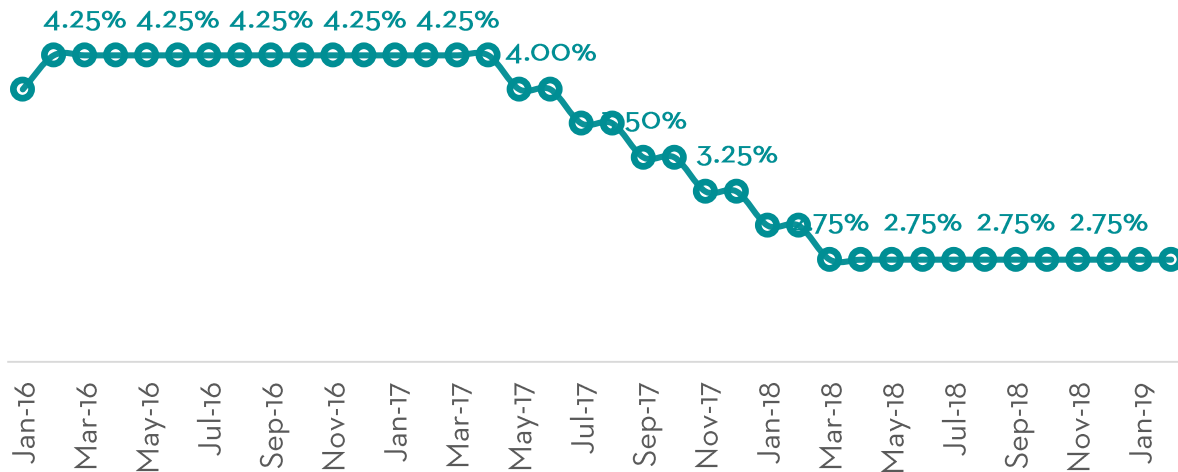
Real GDP Growth (yoy %)



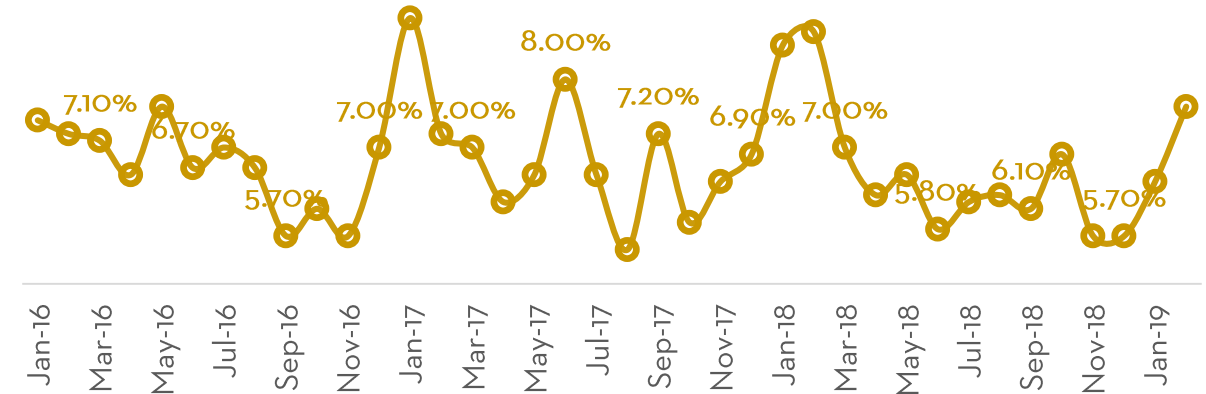
Inflation (yoy %)



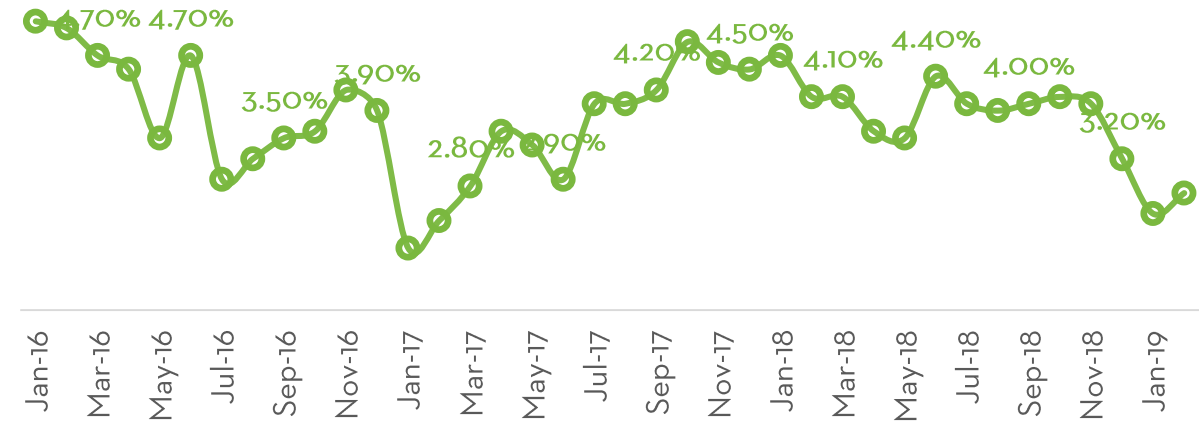
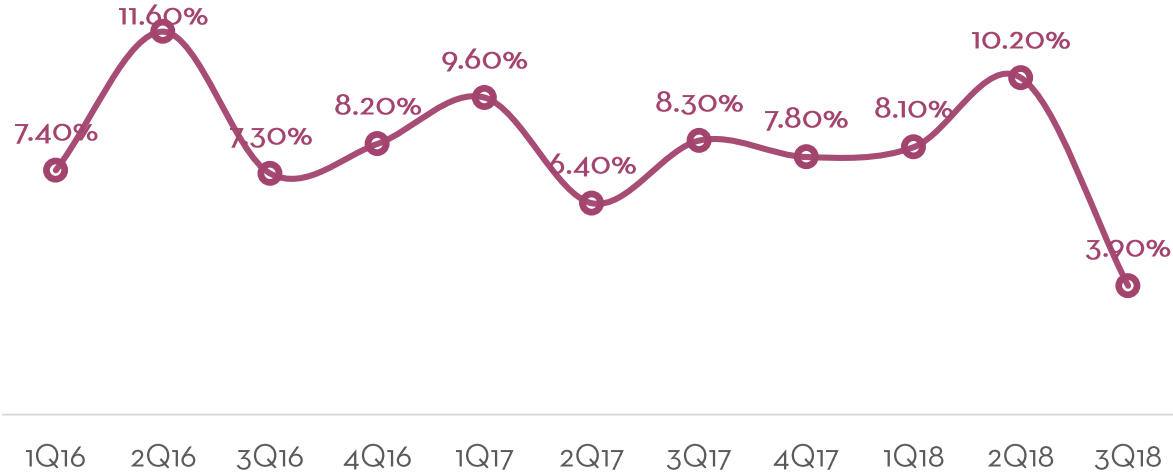
Monetary Policy Rate (%)



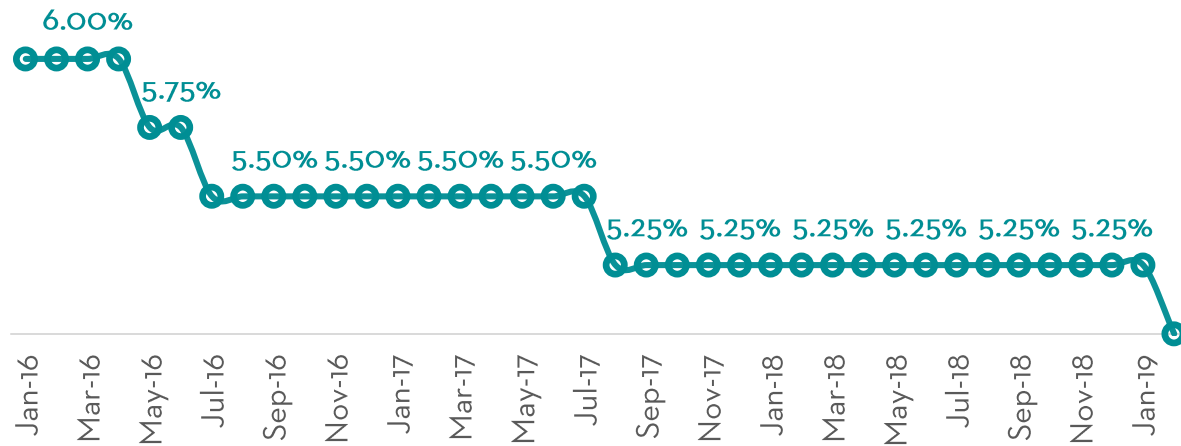
Unemployment Rate (%)



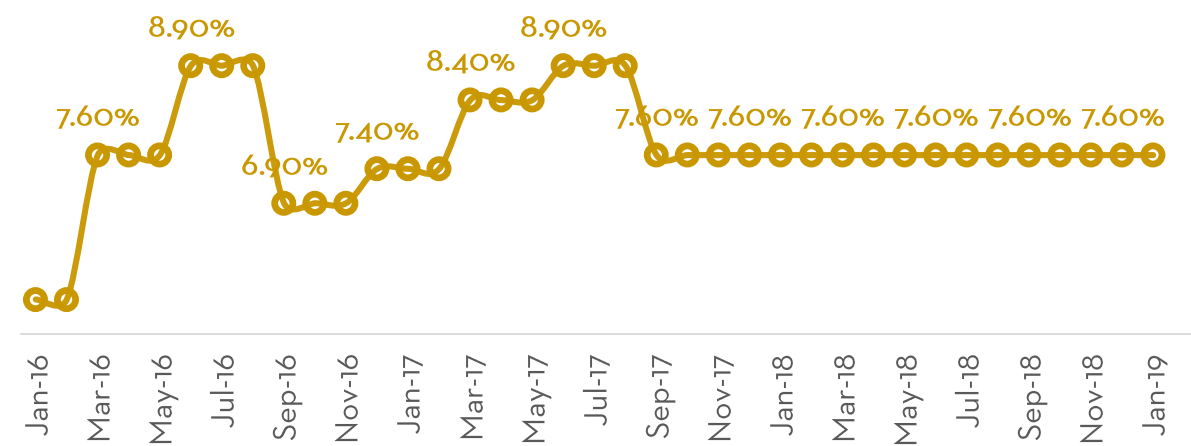
## Inflation (yoy %)



### Monetary Policy Rate (%)



## Unemployment Rate (%)



# 3.

## Quarterly Results

# Consolidated Assets

## 3. Quarterly Results

4Q18, FULL - IFRS

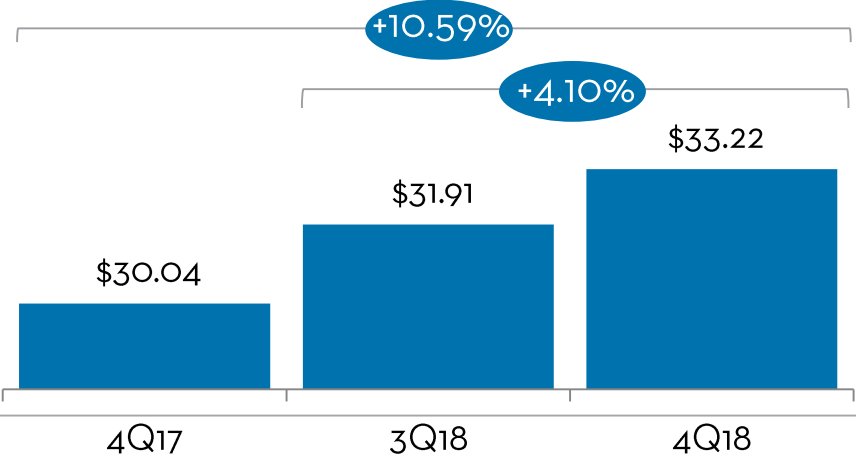
COP \$Trillions

Breakdown

Net Interest Income,  
COP \$Billions

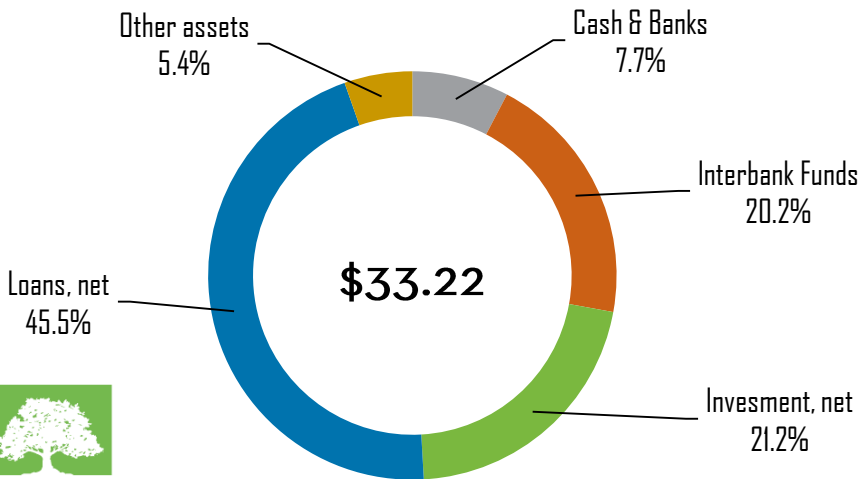
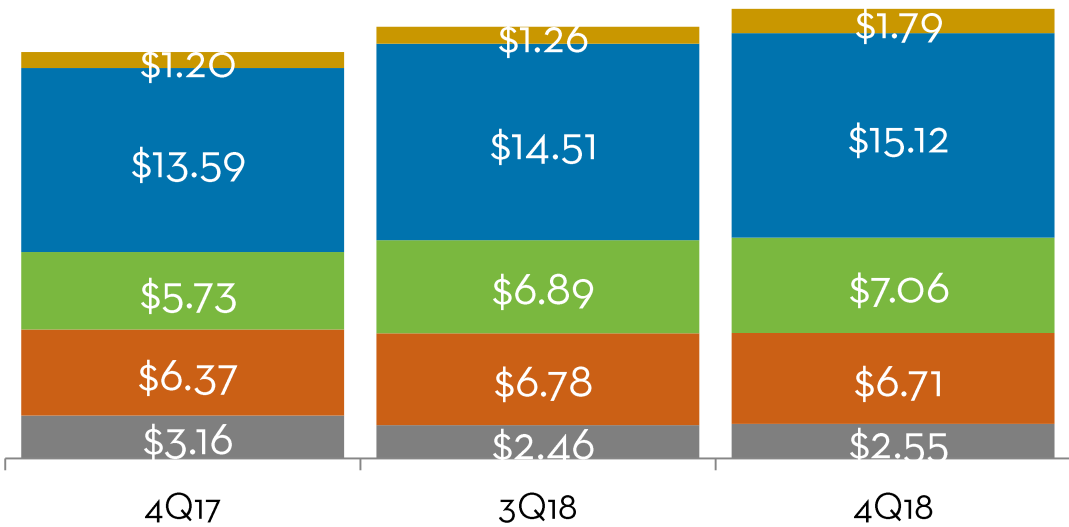


Total Assets



■ Cash & Banks ■ Interbank Funds ■ Invesment, net ■ Loans, net ■ Other assets

Total Assets



Assets Breakdown (Var.%, COP \$Trillions)

	4Q18 / 4Q17	4Q18 / 3Q18
Cash & Banks	-19.28%	3.67%
Interbank Funds	5.30%	-1.10%
Investment, net	23.18%	2.40%
Loans, net	11.27%	4.15%
Other assets	49.61%	41.72%
Total Assets	10.59%	4.10%



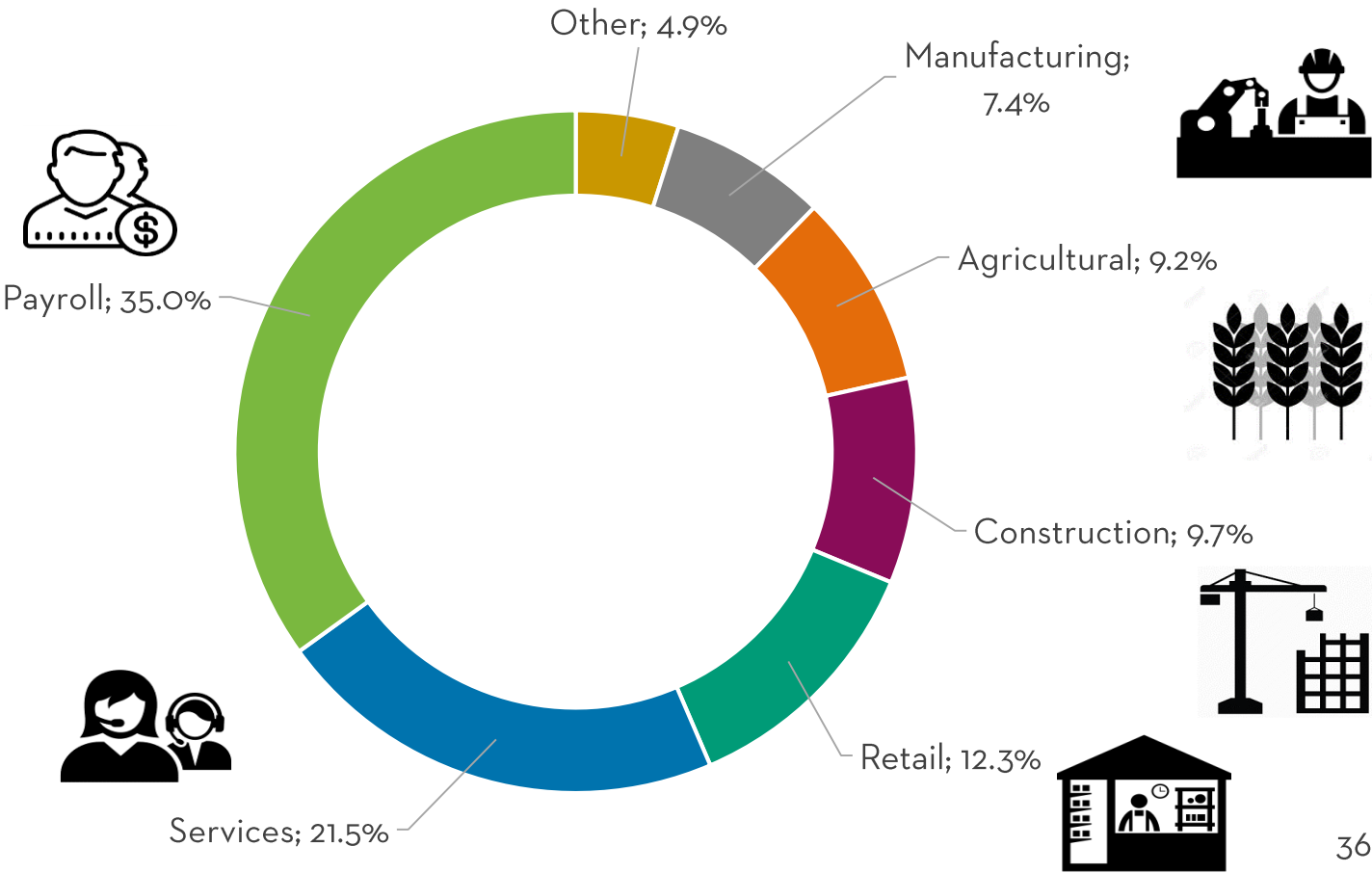


# Consolidated Assets Characteristics

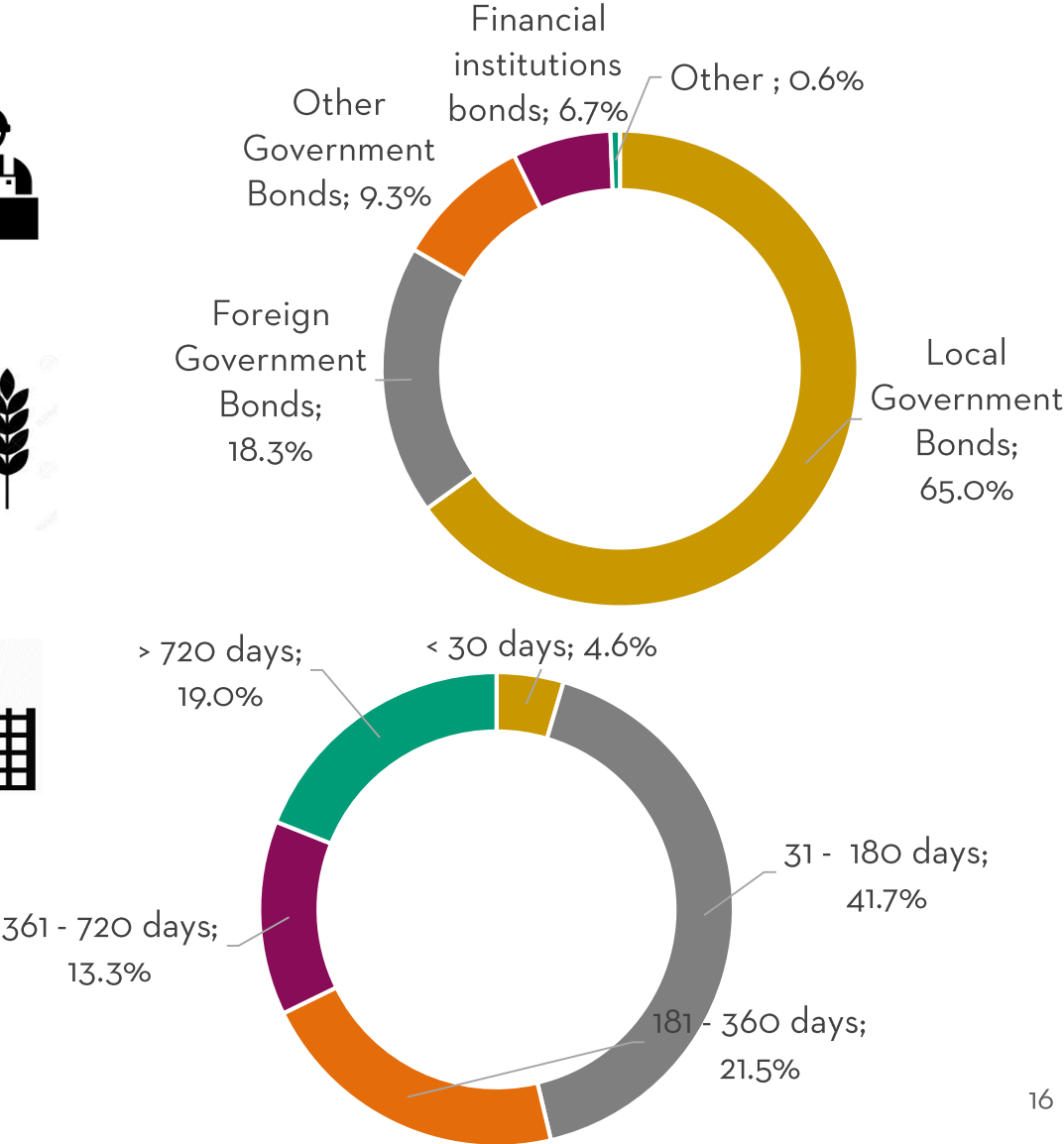
## 3. Quarterly Results

4Q18, FULL - IFRS

Loan – Portfolio composition by sector (%), as of Dec-18

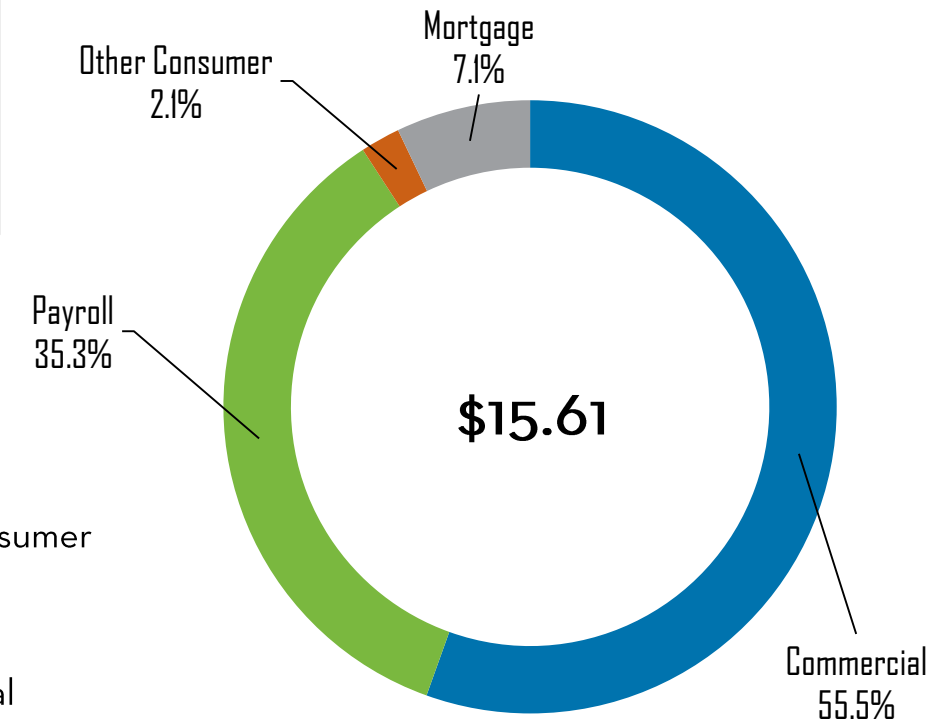
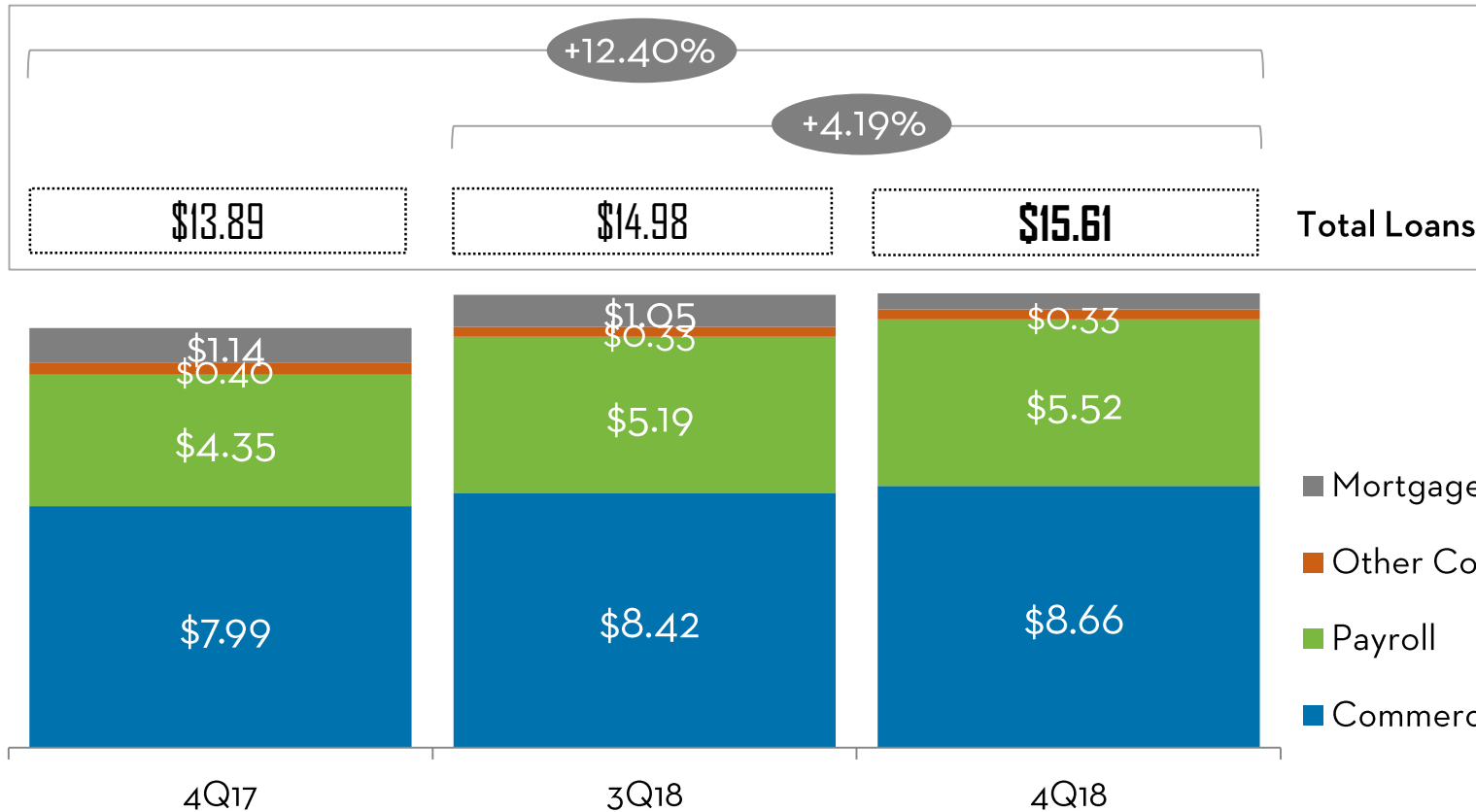


Investments composition (%), as of Dec-18



## Breakdown, COP \$Trillions

Part.%

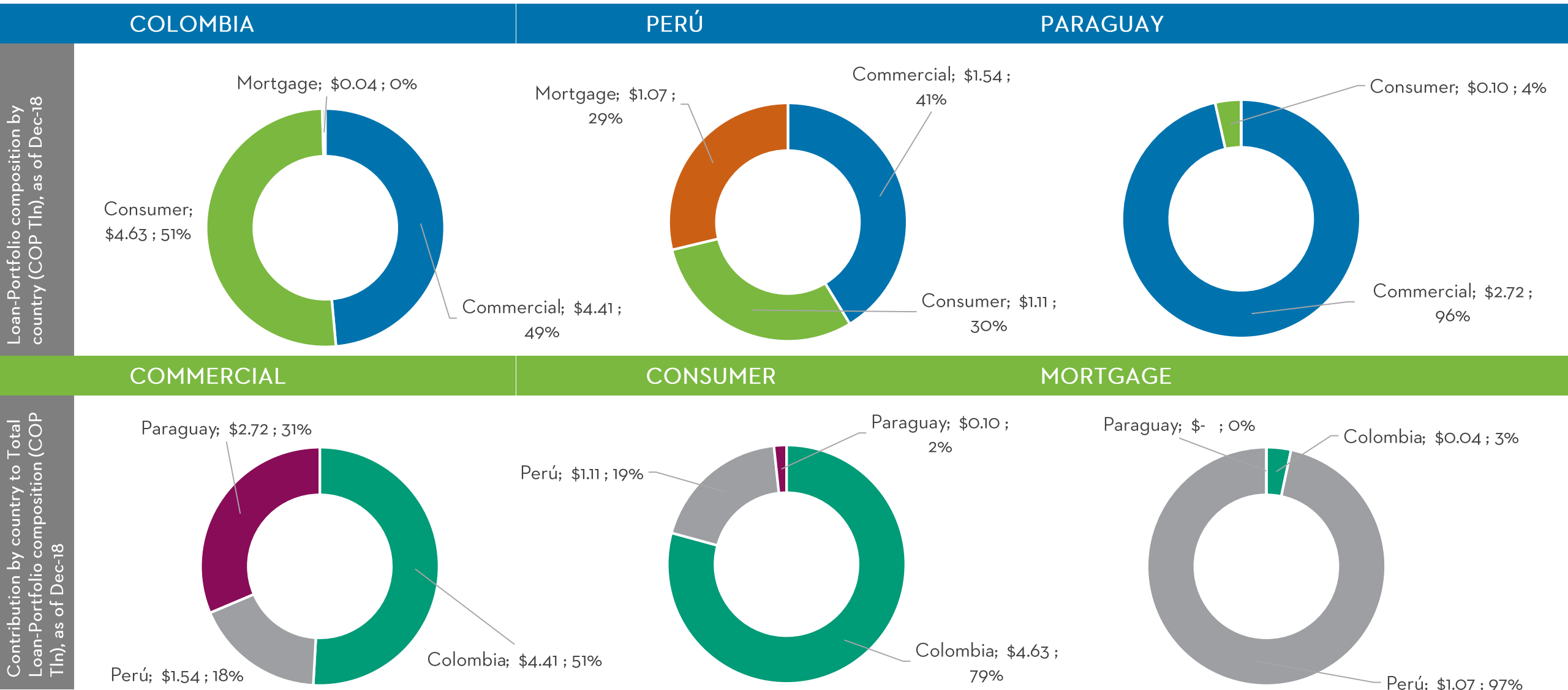


Loans Breakdown (Var.%, COP \$Trillions)		
	4Q18 / 4Q17	4Q18 / 3Q18
Commercial	8.35%	2.92%
Payroll	26.83%	6.36%
Other Consumer	-18.56%	-0.60%
Mortgage	-3.26%	5.09%
Total Loans	12.40%	4.19%

# Gross Loan Portfolio Composition

## 3. Quarterly Results

4Q18, FULL - IFRS



# Consolidated Gross Loan Portfolio Quality & Risk Ratios

## 3. Quarterly Results

4Q18, FULL - IFRS

The Bank maintains adequate quality, risk and coverage levels, in accordance to its characteristic conservative risk profile.

The deterioration in the total consolidated and mortgage portfolio corresponds strictly to the mortgage segment in Perú's Bank, in accordance with the methodological adjustment to FULL - NIIF.

In contrast, the consolidated commercial and consumer segments improved in quality indexes. In fact, some quality indicators already began to correct downward in Colombia, Perú and Paraguay.

### IFRS 9

As of January 2018, IFRS 9 accounting standards implementation impacted the recording provisions system, for loan portfolio and investments.



### COP \$Trillions

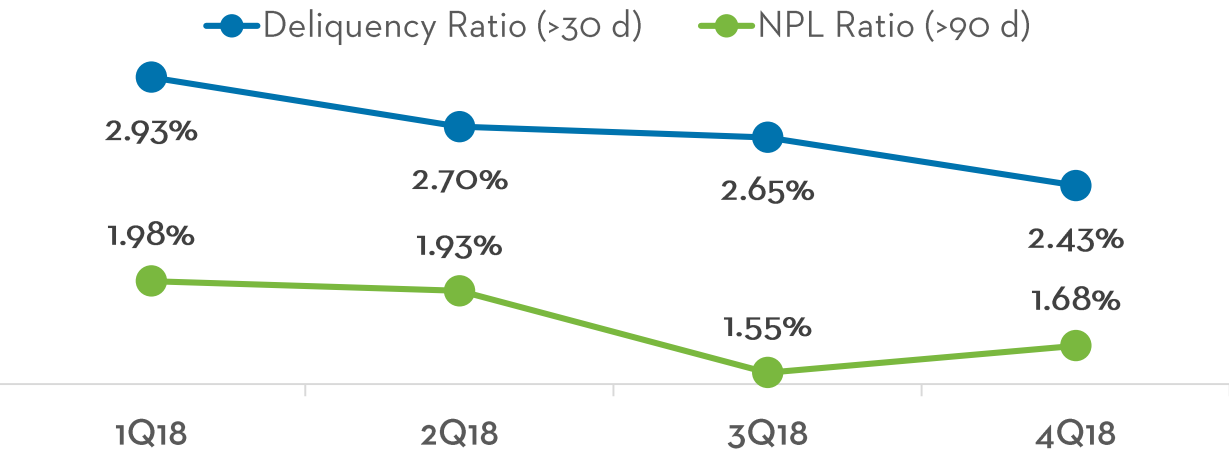
Consolidated	1Q18	2Q18	3Q18	4Q18	Δ 4Q18 / 3Q18
Gross Loan Portfolio	\$ 14.01	\$ 14.65	\$ 14.98	\$ 14.98	0.00%
					Δ, pp
Delinquency Ratio (>30 d)	2.93%	2.70%	2.65%	2.43%	(0.22)
NPL Ratio (>90 d)	1.98%	1.93%	1.55%	1.68%	0.13
NPL Coverage Ratio	96.38%	112.76%	117.81%	130.24%	12.43
Risk Ratio	6.36%	7.02%	6.99%	7.02%	0.03
Risk Coverage Ratio	44.45%	43.42%	43.42%	45.00%	0.34
Commercial Loans	\$ 8.13	\$ 8.35	\$ 8.42	\$ 8.66	2.92%
					Δ, pp
Delinquency Ratio (>30 d)	2.85%	2.28%	2.28%	2.13%	(0.15)
NPL Coverage Ratio	94.76%	122.80%	122.16%	130.45%	8.29
Risk Ratio	7.98%	8.99%	9.10%	9.43%	0.33
Risk Coverage Ratio	33.87%	31.22%	30.64%	29.53%	(1.10)
Consumer Loans	\$ 4.83	\$ 5.22	\$ 5.51	\$ 5.84	5.94%
					Δ, pp
Delinquency Ratio (>30 d)	2.48%	2.73%	2.27%	2.15%	(0.13)
NPL Coverage Ratio	122.83%	122.56%	144.19%	160.04%	15.85
Risk Ratio	3.95%	4.24%	3.86%	3.76%	(0.10)
Risk Coverage Ratio	77.07%	78.88%	84.79%	91.25%	6.47
Mortgage Loans	\$ 1.06	\$ 1.08	\$ 1.05	\$ 1.11	5.09%
					Δ, pp
Delinquency Ratio (>30 d)	5.65%	5.83%	7.57%	6.19%	(1.38)
NPL Coverage Ratio	49.71%	60.08%	65.86%	75.15%	9.29
Risk Ratio	4.96%	5.29%	6.51%	5.38%	(1.13)
Risk Coverage Ratio	56.66%	66.20%	76.56%	86.40%	9.84

# Consolidated Quality & Risk Ratios

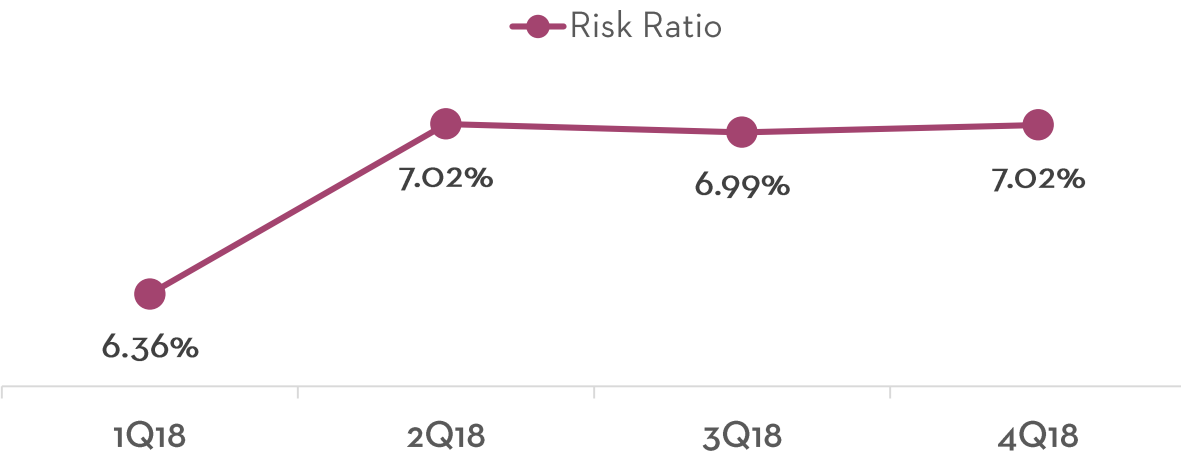
## 3. Quarterly Results

4Q18, FULL - IFRS

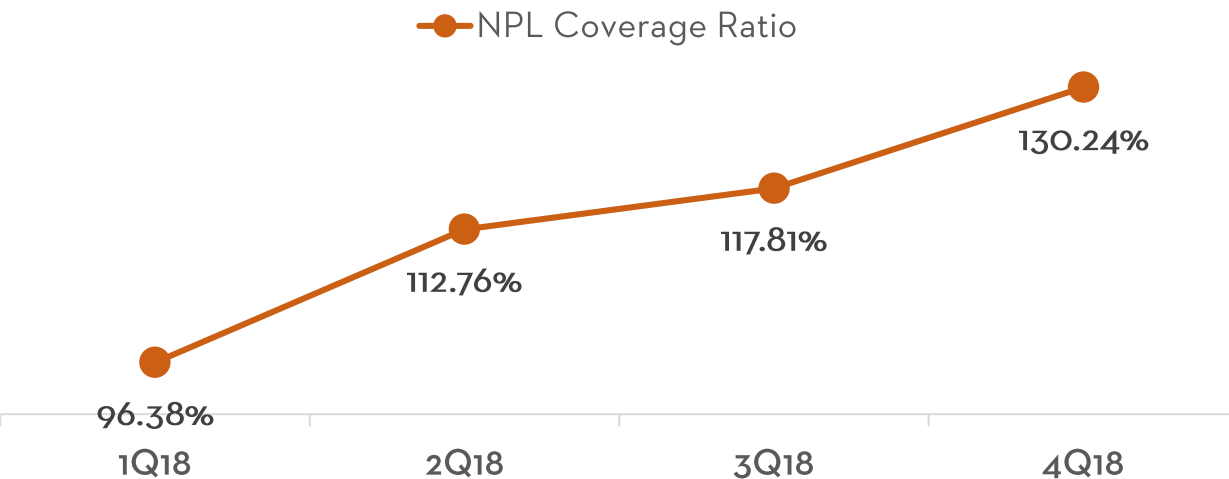
NPL & Delinquency Ratios (%)



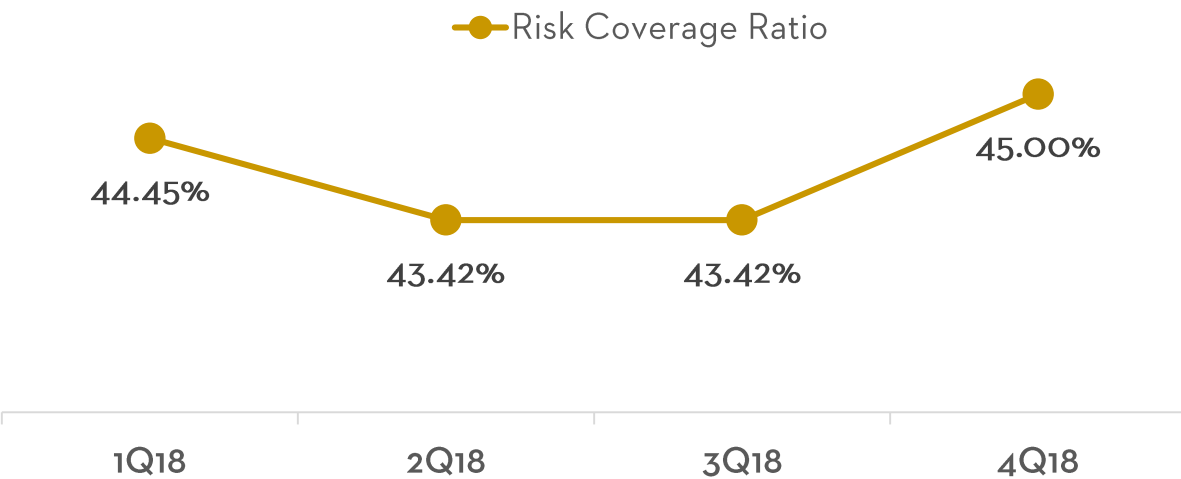
Risk Ratio (%)



NPL Coverage Ratio (%)



Risk Coverage Ratio (%)



Loan portfolio's quality and coverage figures for 2018 were updated in accordance with IFRS 9 methodology, therefore, they are not comparable with those of 2017. Thus, the figures for 2017 comply with IFRS 39 standards.

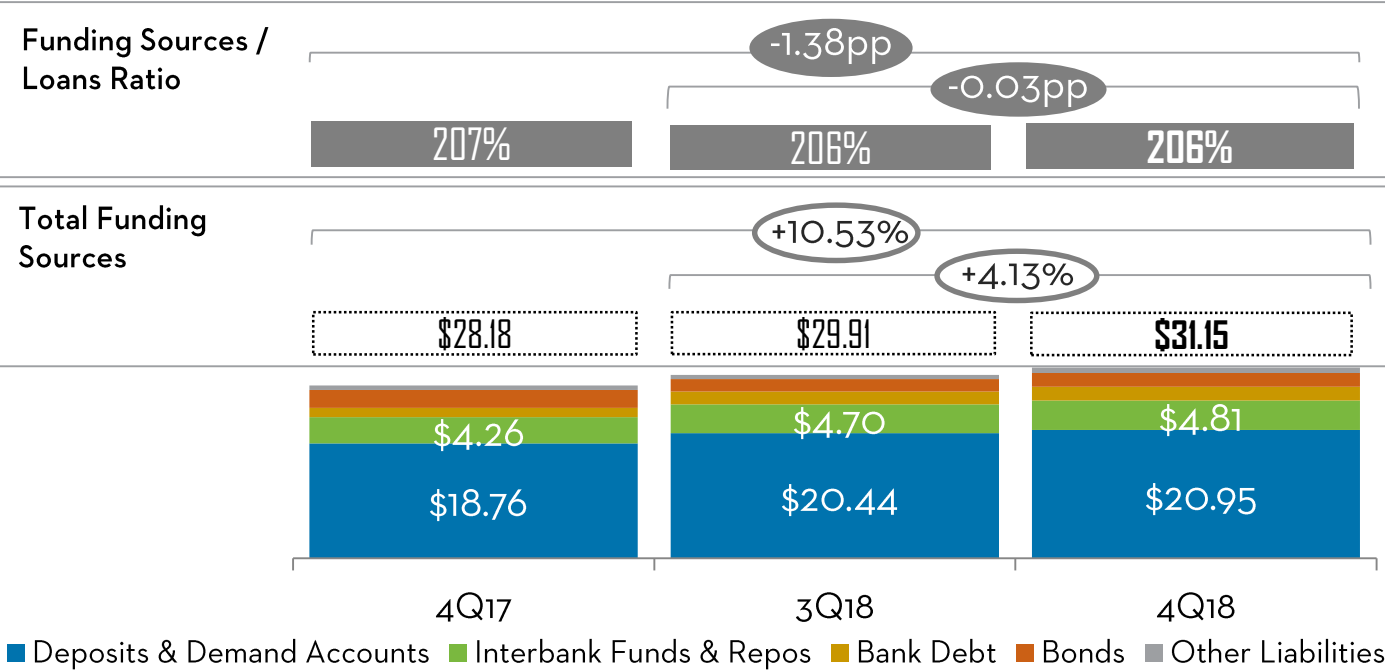
# Consolidated Funding Sources

## 3. Quarterly Results

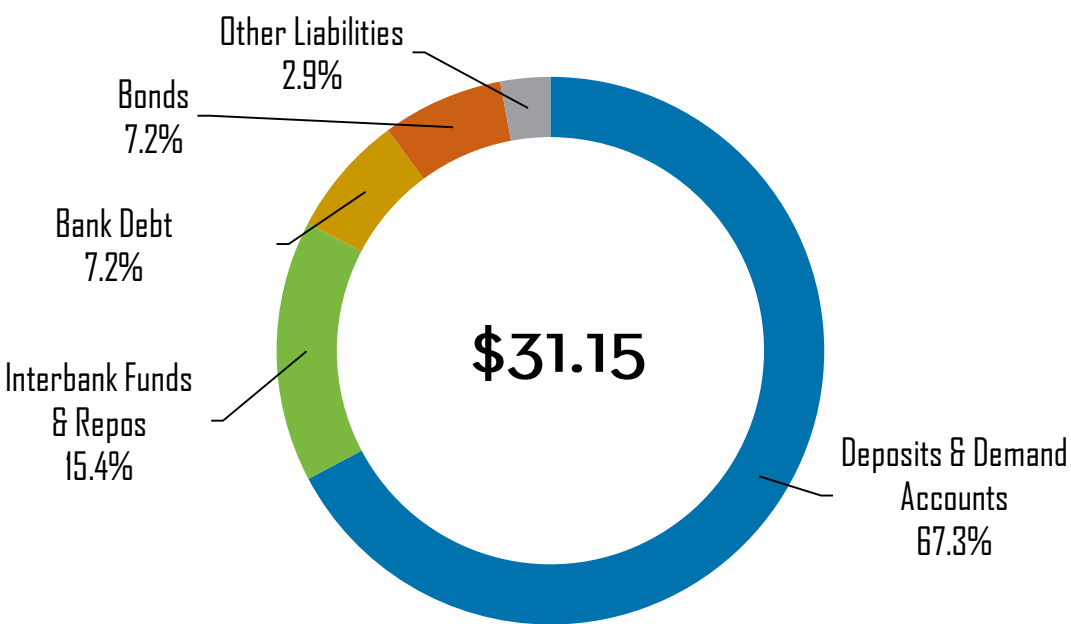
4Q18, FULL - IFRS

Breakdown, COP \$Trillions

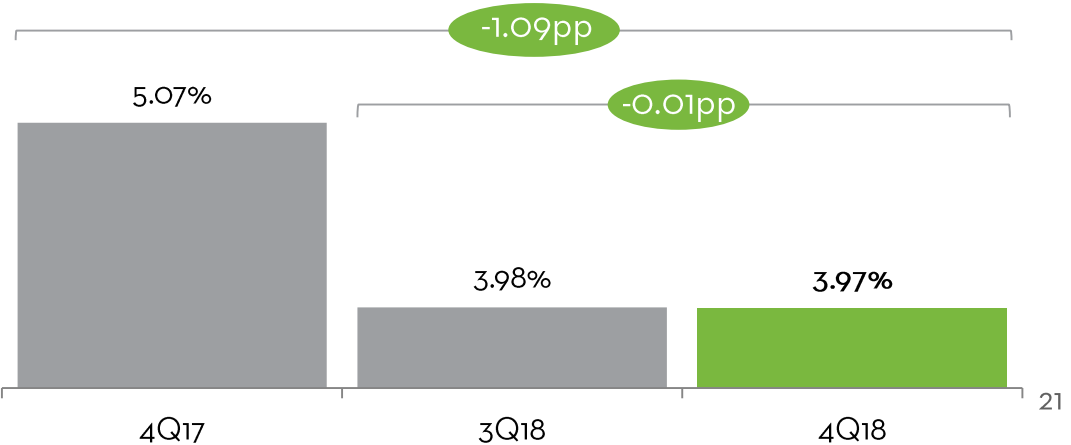
Part. %



Funding Breakdown (Var.%, COP \$Trillions)		
	4Q18 / 4Q17	4Q18 / 3Q18
Deposits & Demand Accounts	11.66%	2.48%
Interbank Funds & Repos	13.07%	2.39%
Bank Debt	44.74%	8.09%
Bonds	-23.97%	9.85%
Other Liabilities	34.24%	36.97%
Total Funding	10.53%	4.13%



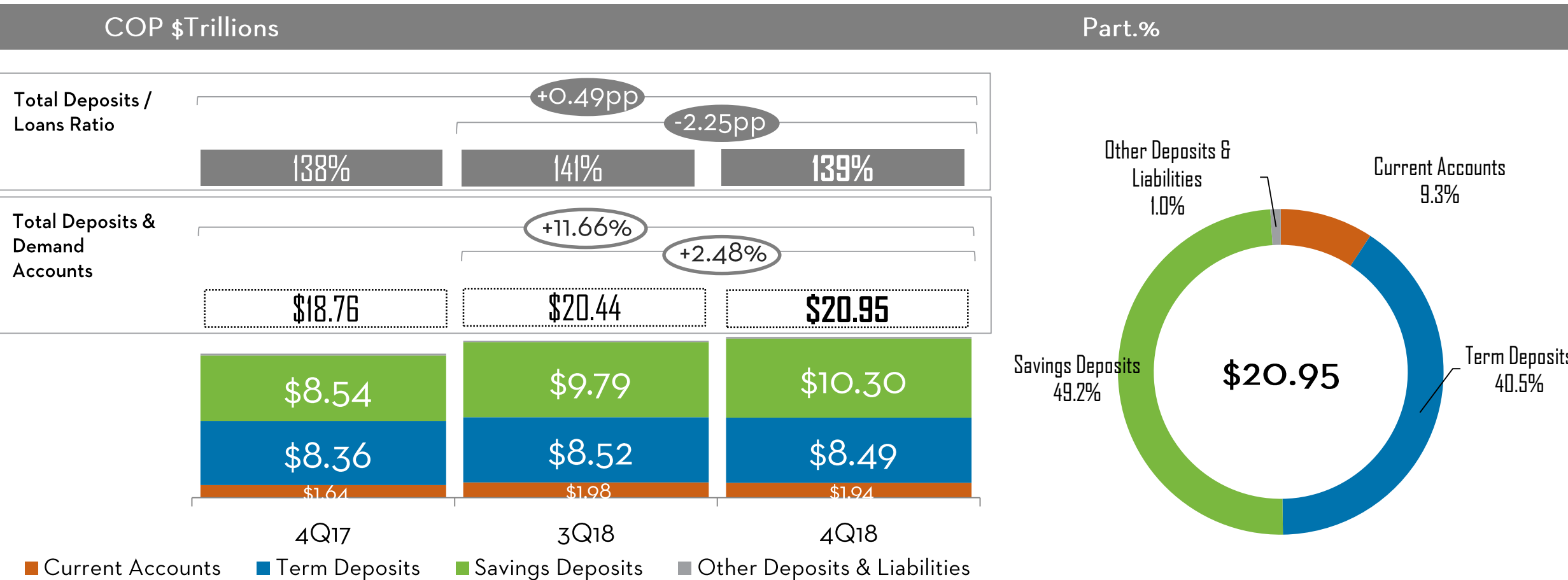
### Consolidated Average Funding Cost



# Consolidated Deposits & Demand Accounts

## 3. Quarterly Results

4Q18, FULL - IFRS



Deposits & Demand Accounts Breakdown (Var.%, COP \$Tln)		
	4Q18 / 4Q17	4Q18 / 3Q18
Current Accounts	18.68%	-1.93%
Term Deposits	1.48%	-0.36%
Savings Deposits	20.63%	5.22%
Other Deposits & Liabilities	-1.84%	43.03%
Total	11.66%	2.48%

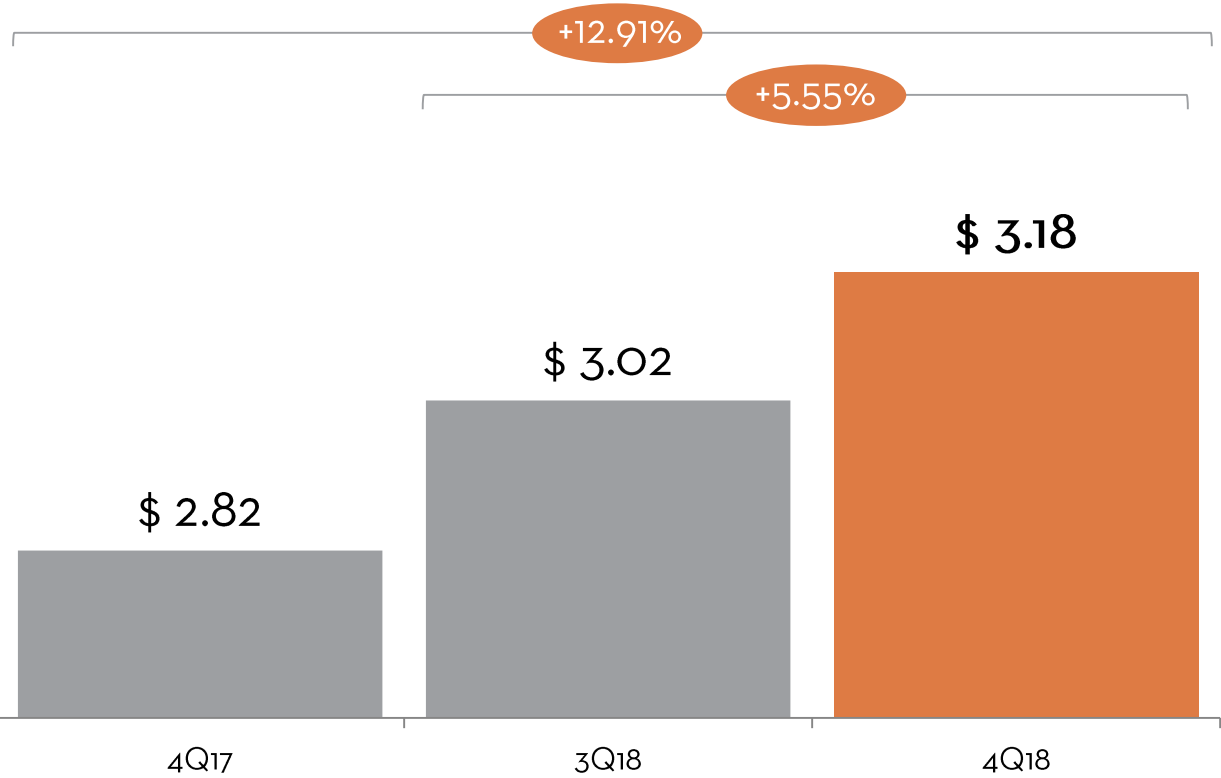


# Consolidated Technical Capital

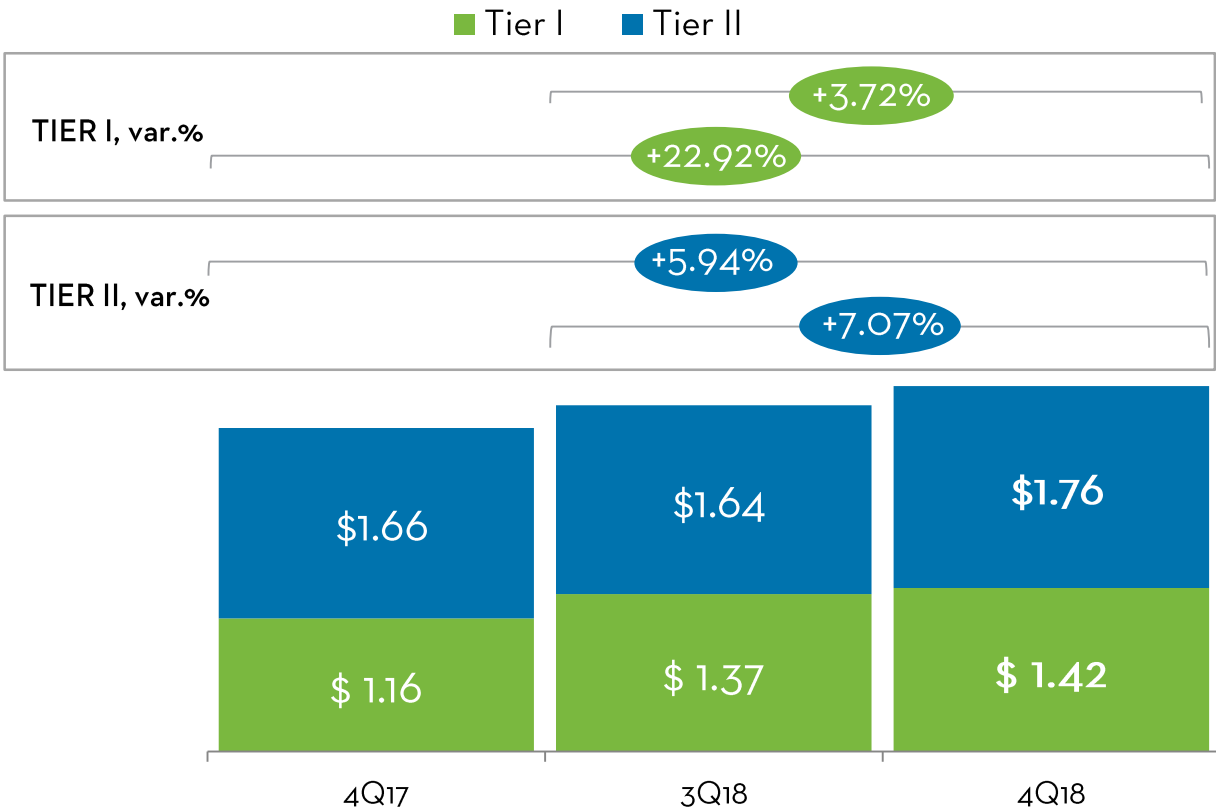
## 3. Quarterly Results

4Q18, FULL - IFRS

Technical Capital (COP \$Trillions)



Technical Capital Breakdown (COP \$Trillions)

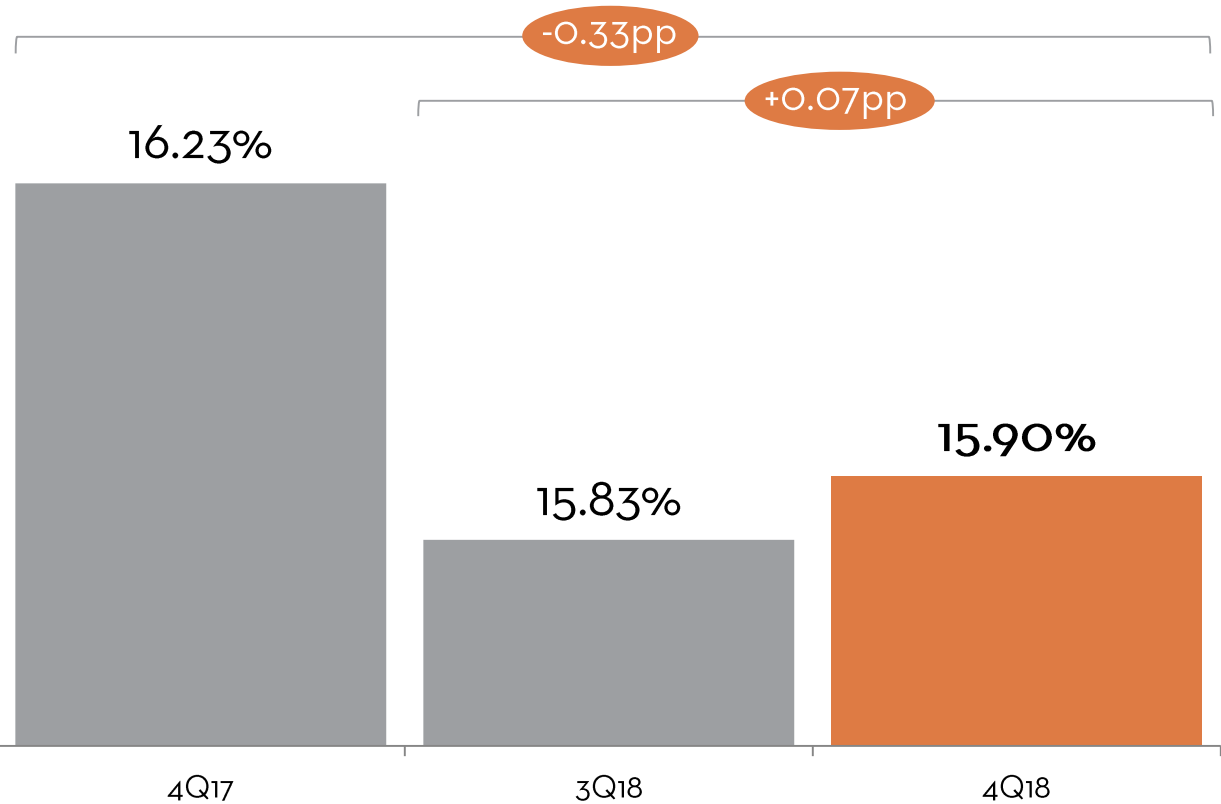


# Consolidated Solvency

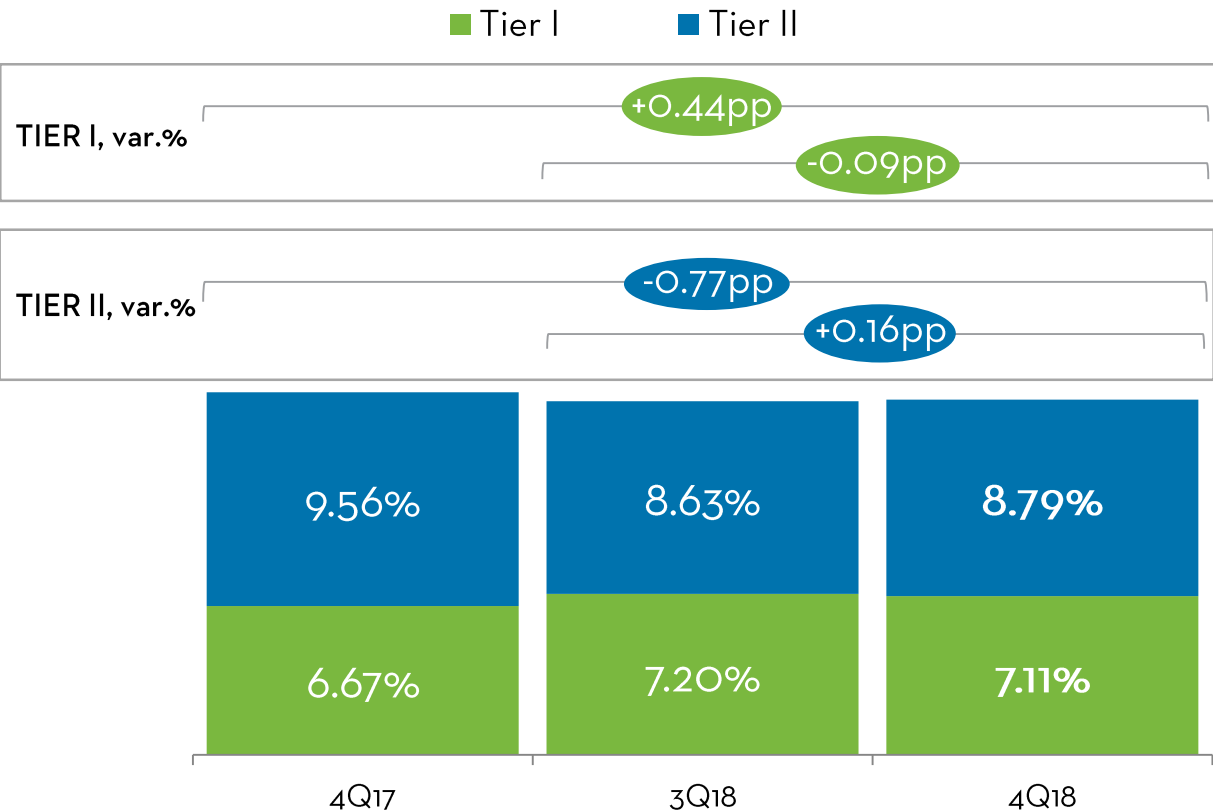
## 3. Quarterly Results

4Q18, FULL - IFRS

Total Solvency Ratio (%)



Solvency Ratio Breakdown (%)

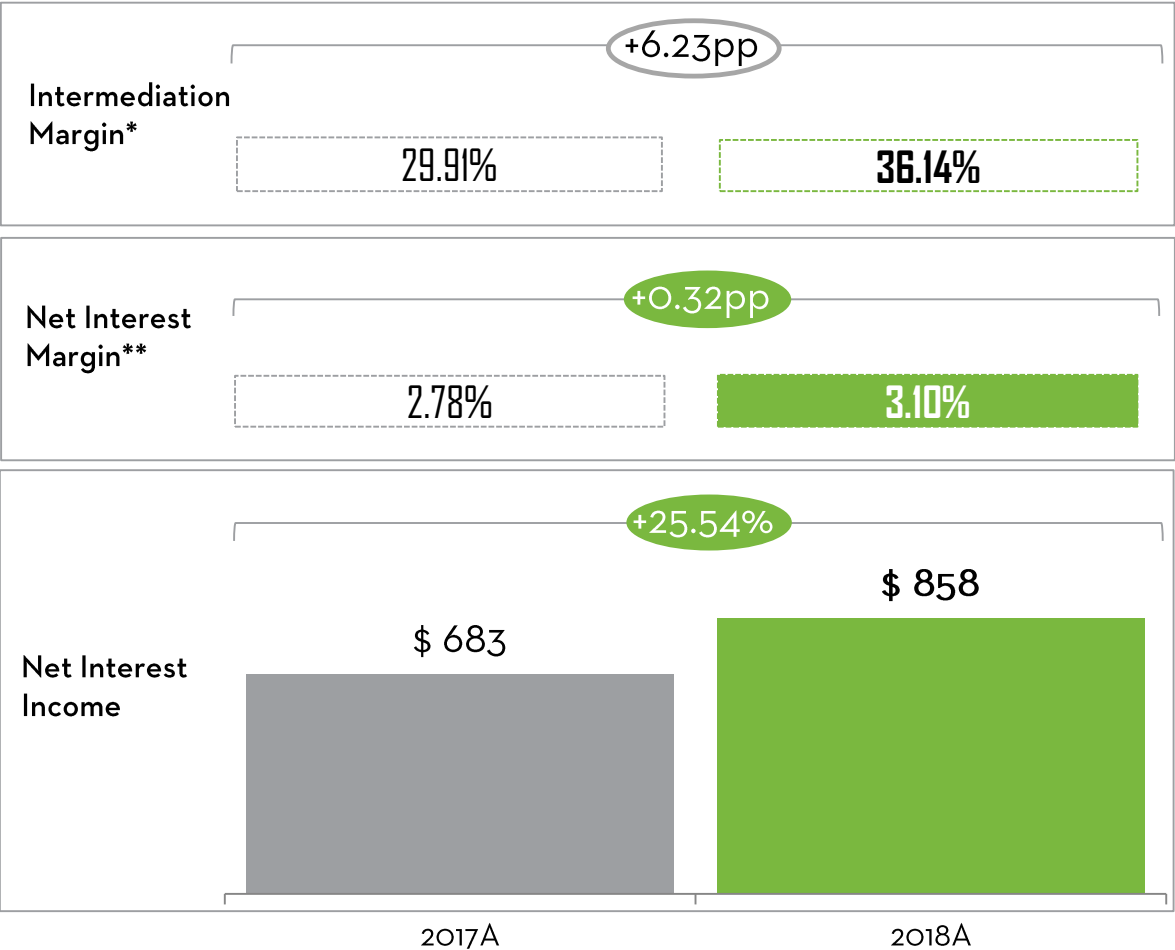


# Consolidated Margins

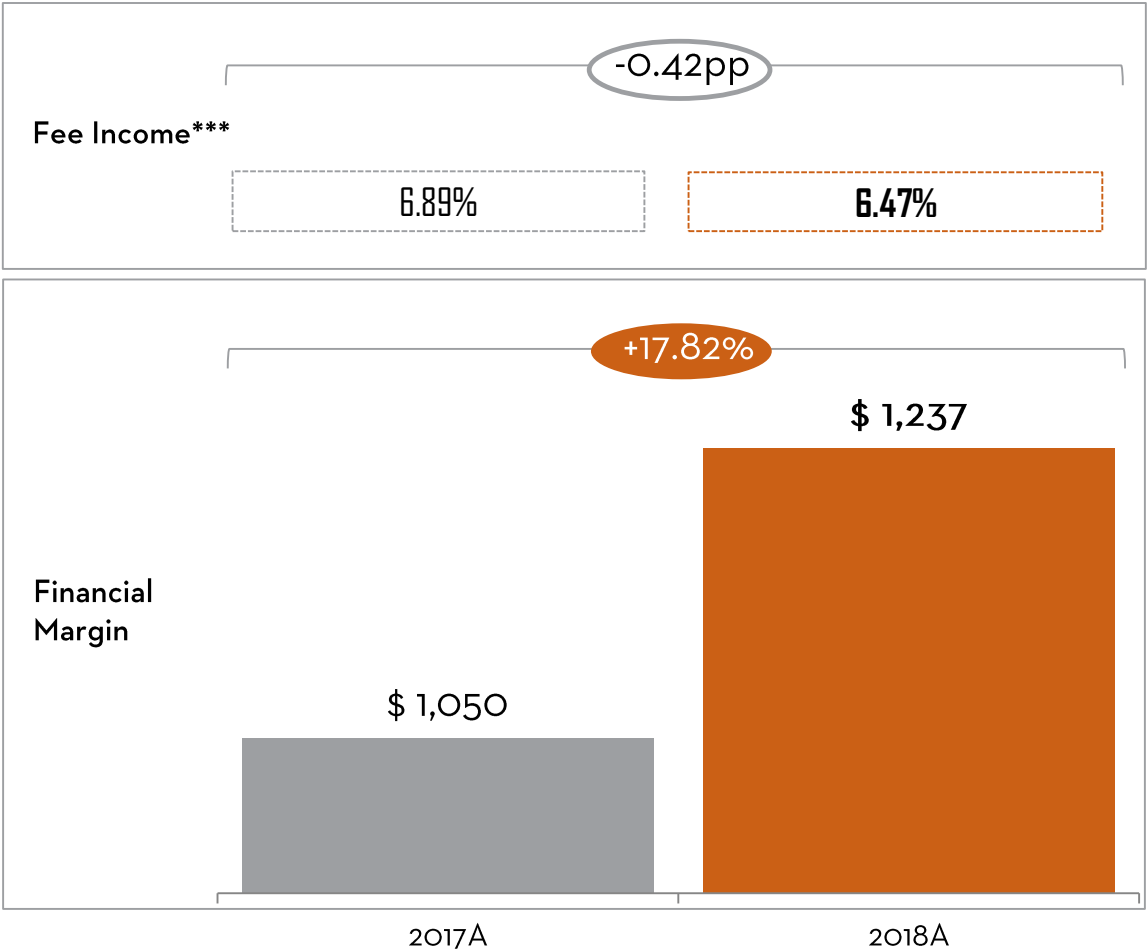
## 3. Quarterly Results

4Q18, FULL - IFRS

Net Interest Income (COP billions)



Financial Margin (COP billions)



\*Intermediation Margin (%) = Received Interests (\$) + Valuation Income (\$) - Paid Interests (\$) / Total Income (\$)  
\*\*Net Interest Margin (%) = Received Interests (\$) + Valuation Income (\$) - Paid Interests (\$) / Productive Assets (\$)  
\*\*\*Fee Income (%) = Received Fees (\$) - Paid Fees (\$) / Total Income (\$)

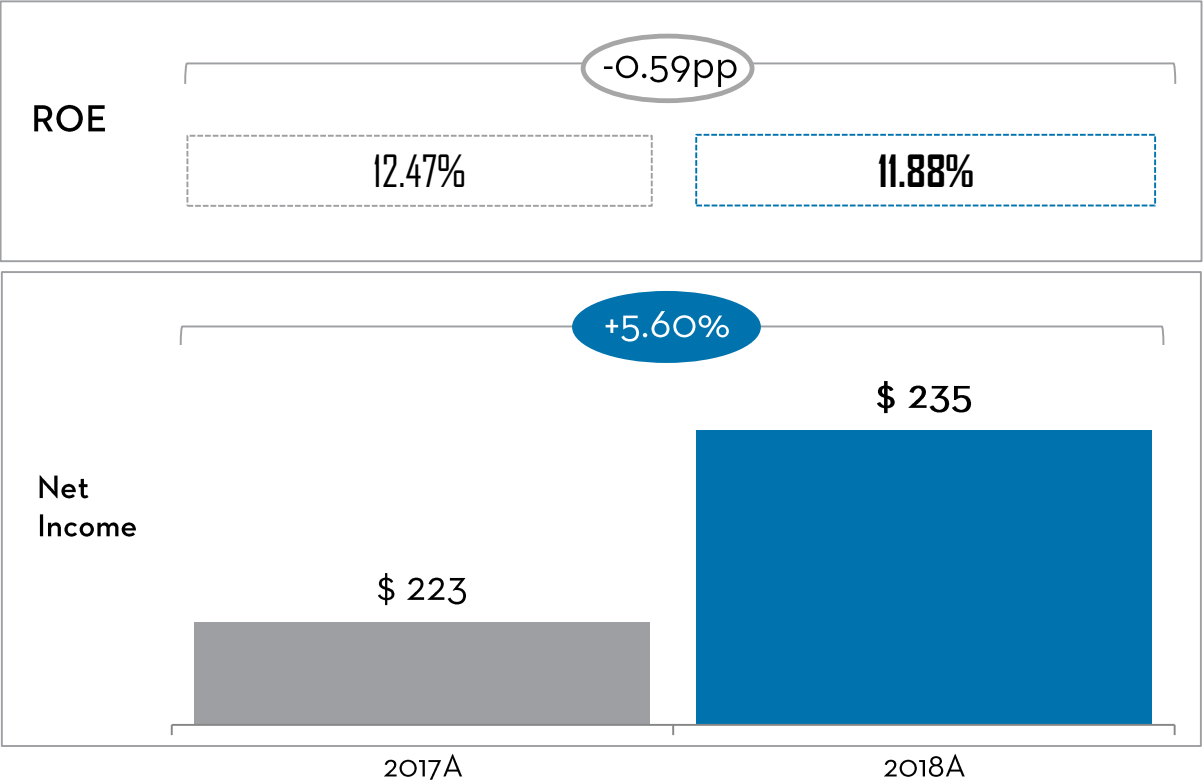
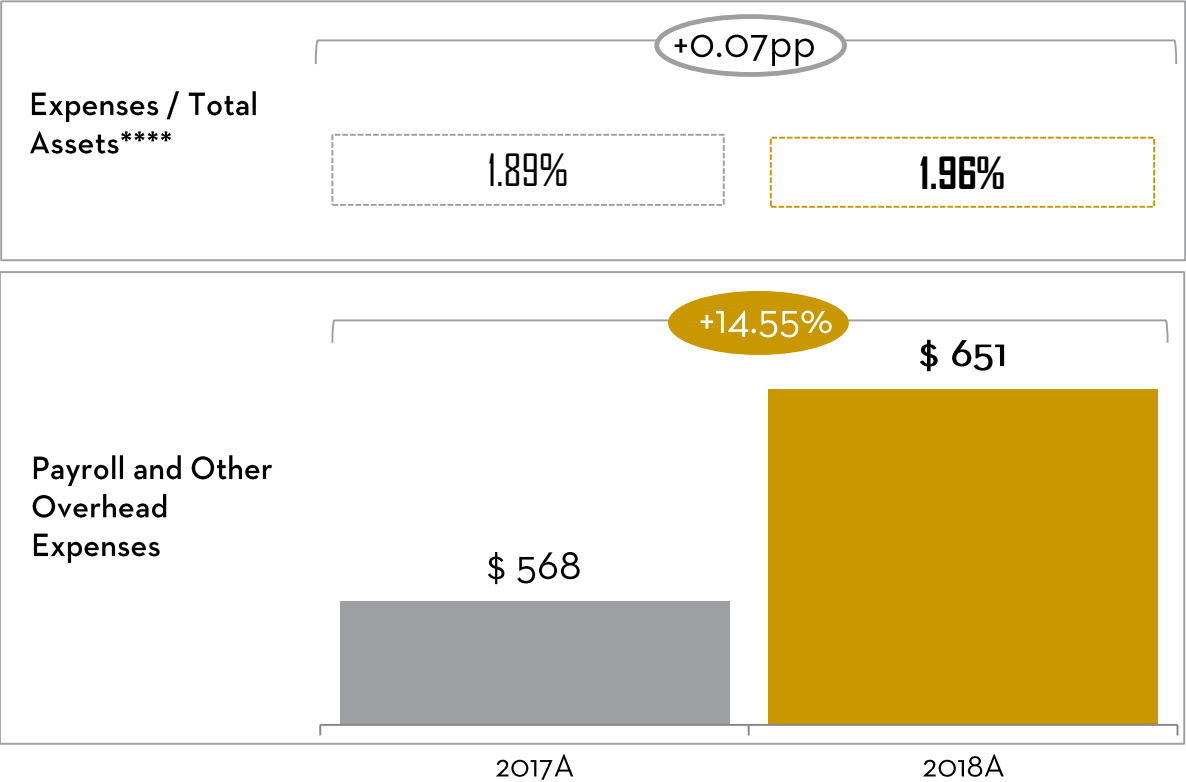
# Consolidated Expenses & Net Income

## 3. Quarterly Results

4Q18, FULL - IFRS

Payroll and Other Overhead Expenses (COP \$Billions)

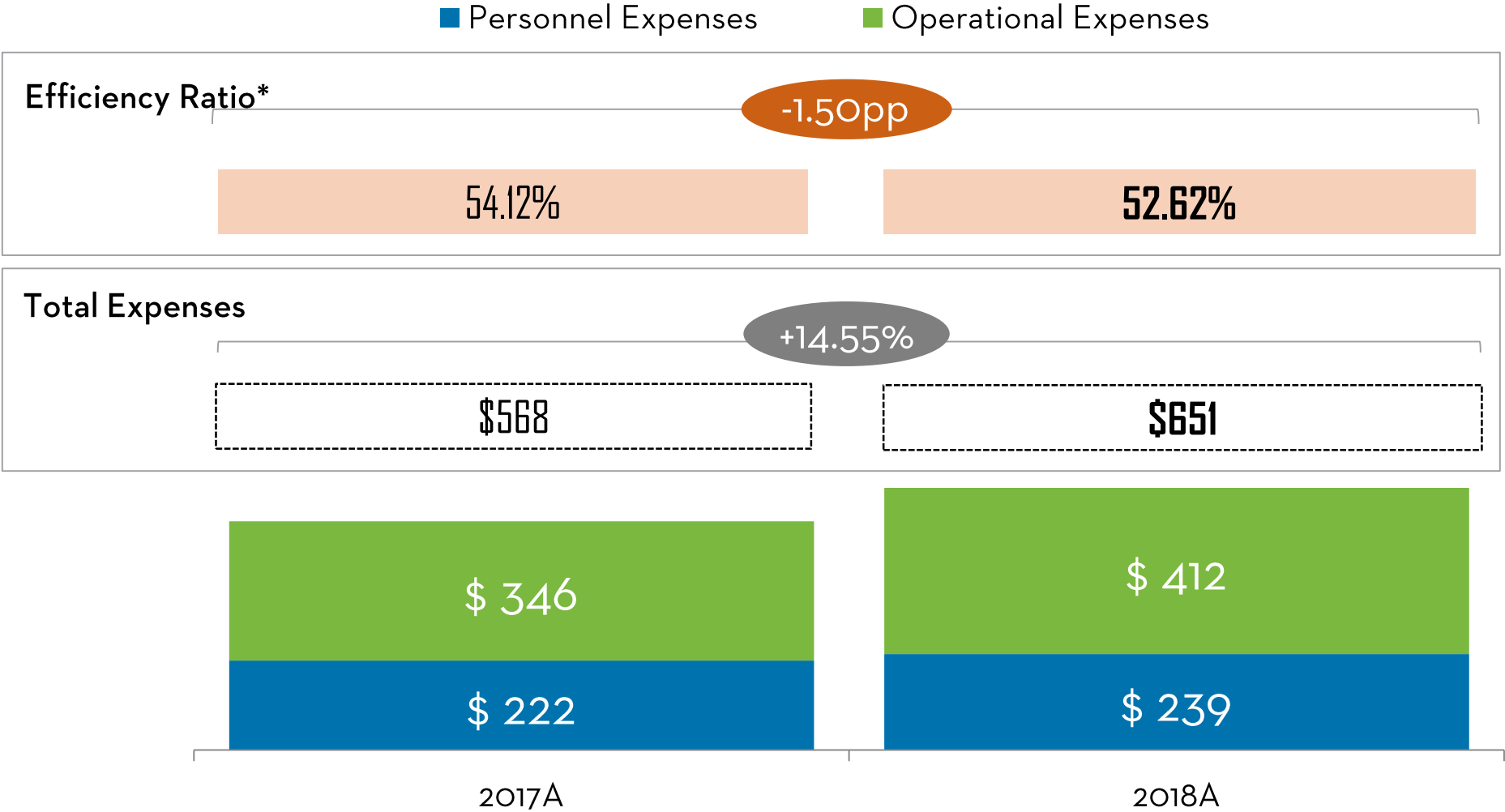
Net Income (COP \$Billions)



\*\*\*\*Expenses / Total Assets = Payroll and other overhead / Total Assets

# Consolidated Expenses and Efficiency

COP \$Billions



\*Efficiency Ratio = Operative Expenses / Financial Margin

# 4.

## Appendix

# Consolidated Income Statement

## 4. Appendix

Appendix, FULL – IFRS

COP \$Billions

	Acum. 2017	Quarter 3Q18	Quarter 4Q18	Acum. 2018	△ 4Q18 / 4Q17	△ Acum.18 / Acum.17
INTEREST RECEIVED	\$ 1,918	\$ 495	\$ 508	\$ 1,994	19.71%	3.97%
INTEREST PAID	\$ 1,235	\$ 279	\$ 303	\$ 1,136	3.23%	-7.97%
INTERMEDIATION MARGIN	\$ 683	\$ 216	\$ 205	\$ 858	56.76%	25.54%
Comissions, Exchange and Others	\$ 367	\$ 73	\$ 146	\$ 379	-0.47%	3.44%
FINANCIAL MARGIN	\$ 1,050	\$ 289	\$ 351	\$ 1,237	26.46%	17.82%
Personnel and Administrative Expenses	\$ 568	\$ 146	\$ 213	\$ 651	36.22%	14.55%
OPERATING MARGIN	\$ 482	\$ 143	\$ 137	\$ 586	13.78%	21.68%
Provisions and non-operational income	\$ 230	\$ 66	\$ 85	\$ 296	51.54%	28.70%
PROFIT BEFORE TAX	\$ 252	\$ 76	\$ 52	\$ 290	-19.12%	15.27%
Provision for income tax	\$ 29	\$ 15	\$ 6	\$ 55	-228.03%	89.05%
NET INCOME	\$ 223	\$ 62	\$ 46	\$ 235	-33.74%	5.60%
Exchange Rate (TRM)		\$ 2,972	\$ 3,250		8.91%	



# Consolidated Balance Sheet

## 4. Appendix

Appendix, FULL – IFRS

COP \$Trillions

	dec-17	sep-18	dec-18	△ dec-18 / dec-17	△ dec-18 / sep-18
CASH AND BANKS	\$ 3.16	\$ 2.46	\$ 2.55	-19.28%	3.67%
INTERBANK FUNDS	\$ 6.37	\$ 6.78	\$ 6.71	5.30%	-1.10%
INVESTMENTS	\$ 5.73	\$ 6.89	\$ 7.06	23.18%	2.40%
LOANS	\$ 13.59	\$ 14.51	\$ 15.12	11.27%	4.15%
OTHER ASSETS	\$ 1.20	\$ 1.26	\$ 1.79	49.61%	41.72%
<b>TOTAL ASSETS</b>	<b>\$ 30.04</b>	<b>\$ 31.91</b>	<b>\$ 33.22</b>	<b>10.59%</b>	<b>4.10%</b>
DEPOSITS AND DEMAND ACCOUNTS	\$ 18.76	\$ 20.44	\$ 20.95	11.66%	2.48%
INTERBANK FUNDS AND REPOS	\$ 4.26	\$ 4.70	\$ 4.81	13.07%	2.39%
BANK DEBT	\$ 1.55	\$ 2.07	\$ 2.24	44.74%	8.09%
BONDS	\$ 2.93	\$ 2.03	\$ 2.23	-23.97%	9.85%
OTHER LIABILITIES	\$ 0.68	\$ 0.67	\$ 0.92	34.24%	36.97%
<b>TOTAL LIABILITIES</b>	<b>\$ 28.18</b>	<b>\$ 29.91</b>	<b>\$ 31.15</b>	<b>10.53%</b>	<b>4.13%</b>
<b>TOTAL EQUITY</b>	<b>\$ 1.86</b>	<b>\$ 2.00</b>	<b>\$ 2.07</b>	<b>11.55%</b>	<b>3.70%</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 30.04</b>	<b>\$ 31.91</b>	<b>\$ 33.22</b>	<b>10.59%</b>	<b>4.10%</b>
Exchange Rate (TRM)	\$ 2,984	\$ 2,972.18	\$ 3,250	8.91%	9.34%

# Consolidated Capital Adequacy

## 4. Appendix

Appendix, FULL – IFRS

COP \$Trillions

	4Q17	3Q18	4Q18	$\Delta$ 4Q18 / 4Q17	$\Delta$ 4Q18 / 3Q18	$\Delta$ 2018A / 2017A
Technical Capital	\$ 2.82	\$ 3.02	\$ 3.18	12.91%	5.55%	12.91%
Tier I	\$ 1.16	\$ 1.37	\$ 1.42	22.92%	3.72%	22.92%
Tier II	\$ 1.66	\$ 1.64	\$ 1.76	5.94%	7.07%	5.94%
Risk-Weighted Assets	\$ 17.37	\$ 19.05	\$ 20.02	15.25%	5.07%	15.25%
Capital Ratios (%)	$\Delta$ , pp					
Solvency Ratio	16.23%	15.83%	15.90%	(0.33)	0.07	(0.33)
Tier I	6.67%	7.20%	7.11%	0.44	(0.09)	0.44
Tier II	9.56%	8.63%	8.79%	(0.77)	0.16	(0.77)
Exchange Rate TRM, eop (end-of-period)	\$ 2,984	\$ 2,972	\$ 3,250	8.91%	9.34%	8.91%

# Risk Ratings

## GNB Sudameris Senior / Subordinated International & Local Debt Ratings

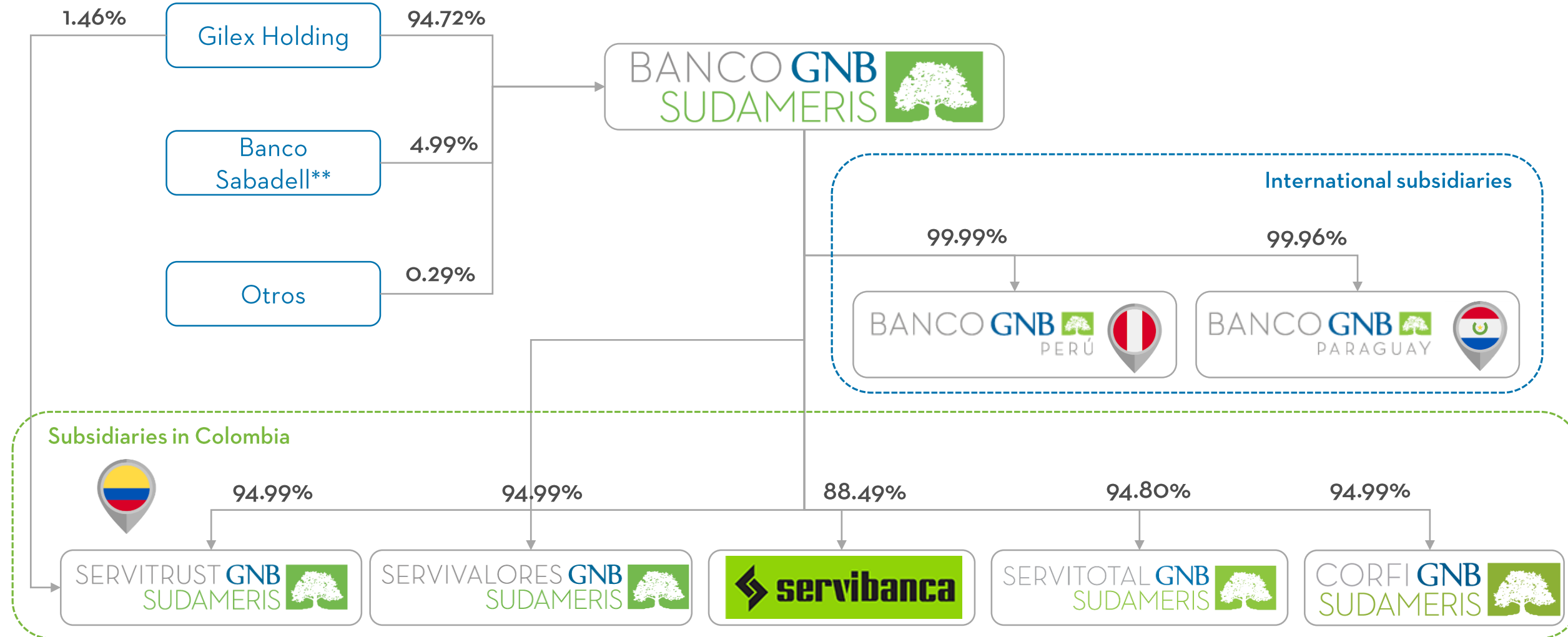
	2017 Subordinated Debt (USD)	2012 Subordinated Debt (USD)	2017 Subordinated Debt (COP)
Fitch Ratings	BB	BB	
Moody's	B1	B1	

## GNB Sudameris Local Ratings

Value & Risk Rating	Long Term Short Term	AAA VrR1+	AA+
BRC Standard & Poor's	Long Term Short Term	AA+ BRC 1+	

# Shareholding Structure\*: The Bank & its Subsidiaries

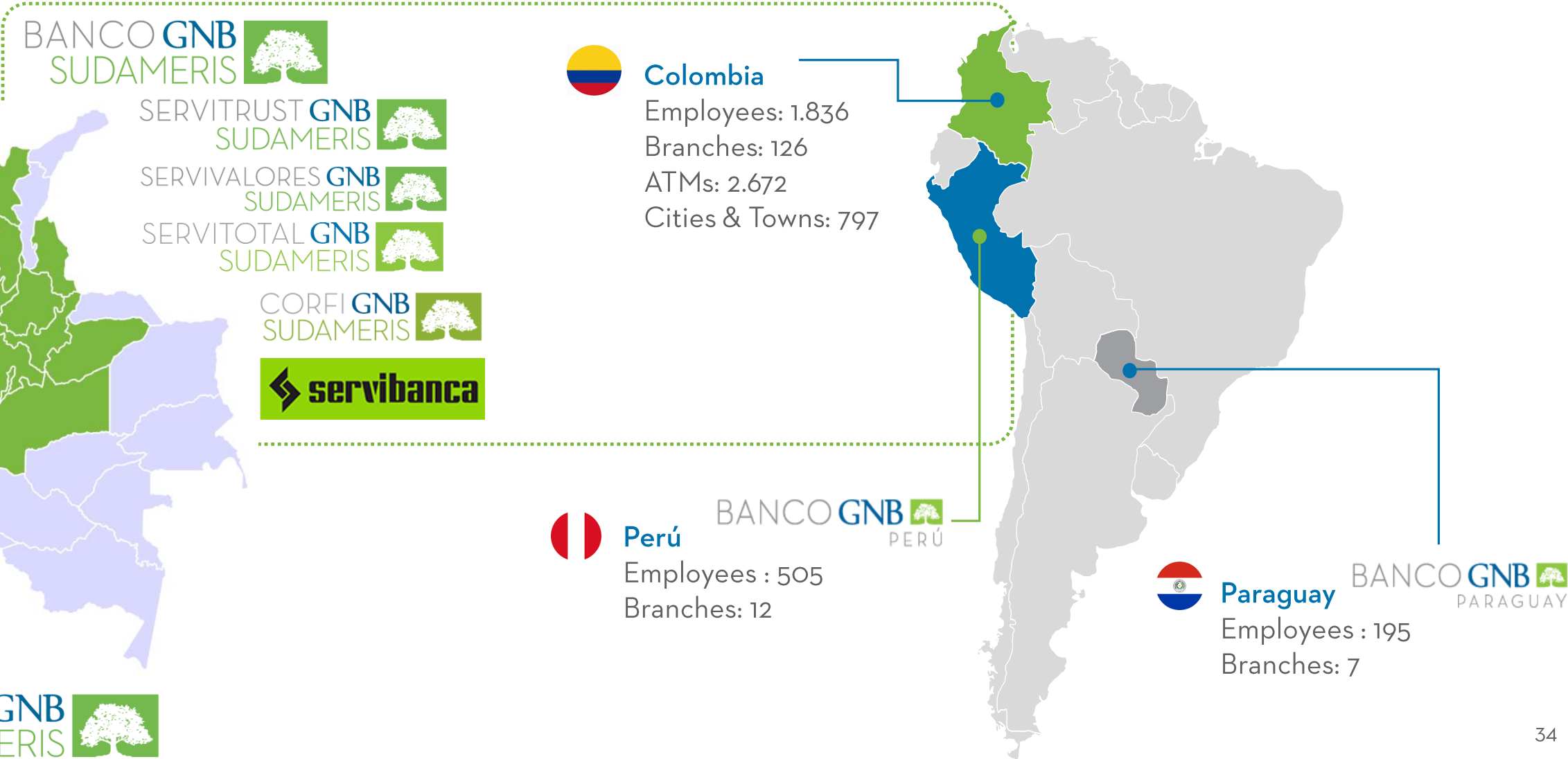
\*As of December 31, 2018



# Footprint

We cover 90% of the Colombian territory, through our strong  
ATMs & banking network

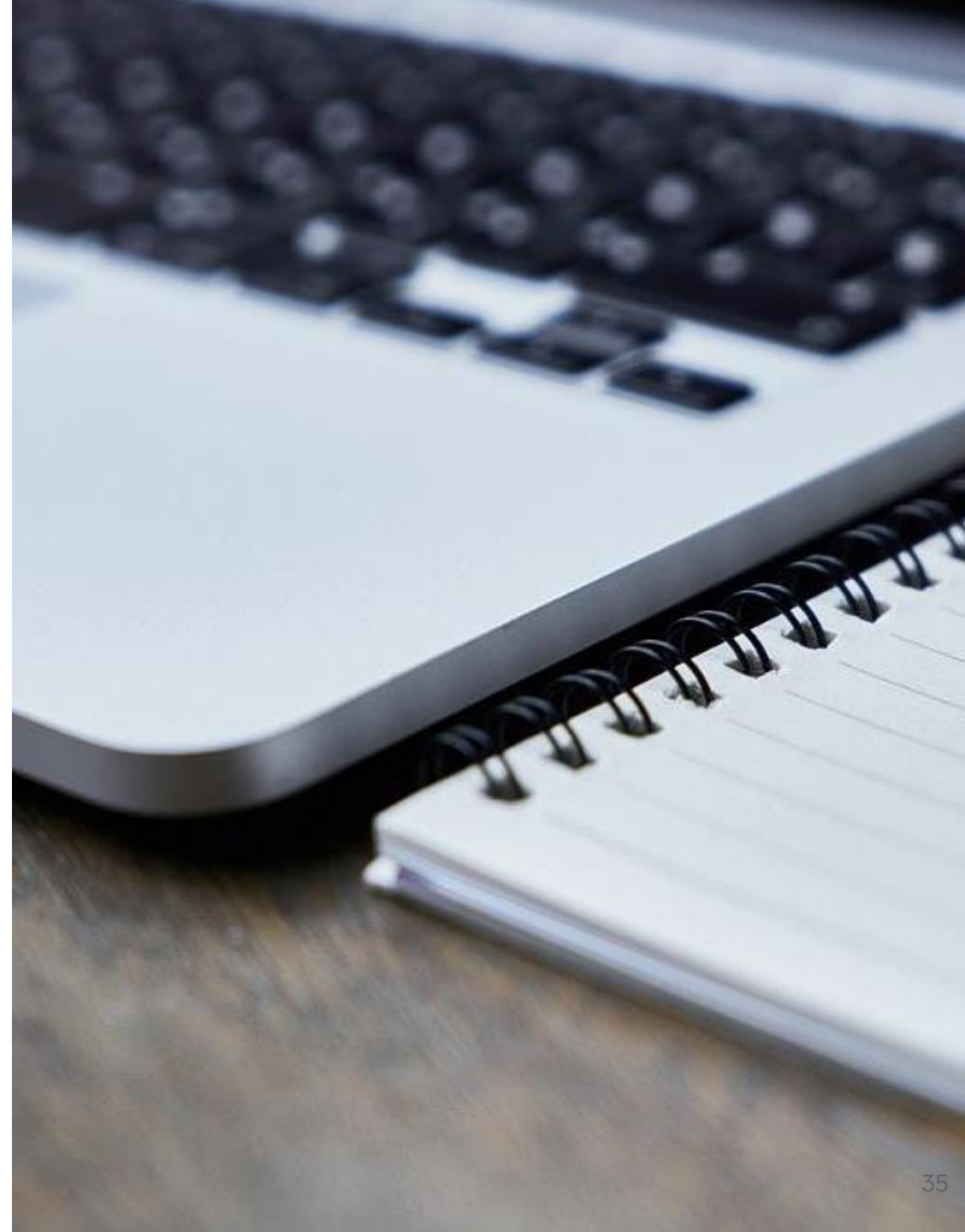
We are the first Colombian bank to enter Perú and Paraguay  
with full banking license



# Glossary

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- **Efficiency Ratio** =  $\text{Operative Expenses} / \text{Financial Margin}$
- **NPL** = Non-Performing Loans >90 days
- **NPL Ratio** =  $\text{NPL} / \text{Total Loans}$
- **Liquidity Ratio** =  $\text{Deposit Surpluses} / \text{Total Deposits}$
- **NIM** =  $\text{Financial Margin (12 months)} / \text{Average Productive Assets}$
- **Financial Margin** =  $\text{Received Interests} + \text{Valuation Income} - \text{Paid Interests}$
- **Productive Assets** = Investments, loans, interbank repos, etc.
- **Solvency Ratio** =  $\text{Technical Equity} / \text{Risk Weighted Assets}$
- **Past-Due Loans** = All loans at least 31 days past due.
- **Past-Due Loans Ratio** =  $\text{Past-Due Loans} / \text{Total Loans}$ .
- **Past-Due Loan Coverage Ratio** =  $\text{Provisions} / \text{Past-Due Loans}$ .
- **Risk Cost** =  $\text{Loans Qualified as BCDE or Portfolio other than "A"} / \text{Total Loans Portfolio}$ .
- **Risk Coverage** =  $\text{Provisions} / \text{Loans Qualified as BCDE}$
- **ROAA** =  $\text{Net Income (4 quarters)} / \text{Average Assets}$
- **ROAE** =  $\text{Net Income (4 quarters)} / \text{Average Equity}$







# Investor Relations

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# Quarterly Results 4Q18\*

\*Annual Consolidated Financial Statements are available in FULL - IFRS accounting standards since 2015, in compliance with international standards on the subject.

Unaudited Quarterly Consolidated Financial Statements under FULL - IFRS are available since the first quarter of 2017, and are prepared according to legal dispositions on this subject.