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# Corporate Presentation

September 2019



Grupo Aval Acciones y Valores S.A. (“Grupo Aval”) is an issuer of securities in Colombia and in the United States, registered with Colombia’s National Registry of Shares and Issuers (Registro Nacional de Valores y Emisores) and the United States Securities and Exchange Commission (“SEC”). As such, it is subject to compliance with securities regulation in Colombia and applicable U.S. securities regulation.

All of our banking subsidiaries (Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas), Porvenir and Corficolombiana, are subject to inspection and supervision as financial institutions by the Superintendency of Finance. Grupo Aval is now also subject to the inspection and supervision of the Superintendency of Finance as a result of Law 1870 of 2017, also known as Law of Financial Conglomerates, which came in effect on February 6, 2019. Grupo Aval, as the holding company of its financial conglomerate is responsible for the compliance with capital adequacy requirements, corporate governance standards, risk management and internal control and criteria for identifying, managing and revealing conflicts of interest, applicable to its financial conglomerate.

The consolidated financial information included in this document is presented 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.

Grupo Aval has adopted IFRS 16 retrospectively from January 1, 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transitional provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening Condensed Consolidated Statement of Financial Position on January 1, 2019. Consequently, quarterly results for 2019 are not fully comparable to previous periods.

IFRS 16 introduced a single, on-balance sheet accounting model for lessees. As a result, Grupo Aval, as a lessee, has recognized right-of-use assets representing its rights to use the underlying assets and lease liabilities representing its obligation to make lease payments. Lessor accounting remains similar to previous accounting policies. Assets and liabilities arising from a lease are initially measured on a present value basis. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be determined, or the group’s incremental borrowing rate.

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 described from time to time in our filings with the Registro Nacional de Valores y Emisores and the SEC.

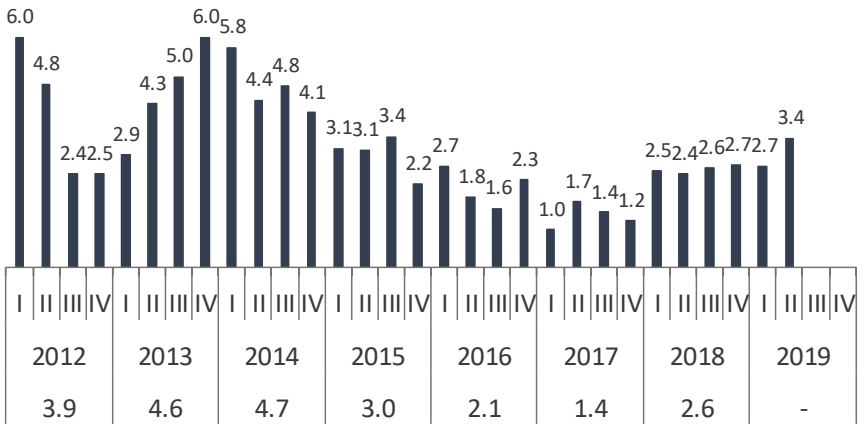
Recipients of this document are responsible for the assessment and use of the information provided herein. Matters described in this presentation and our knowledge of them may change extensively and materially over time but we expressly disclaim any obligation to review, update or correct the information 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.

When applicable, in this document we refer to billions as thousands of millions.

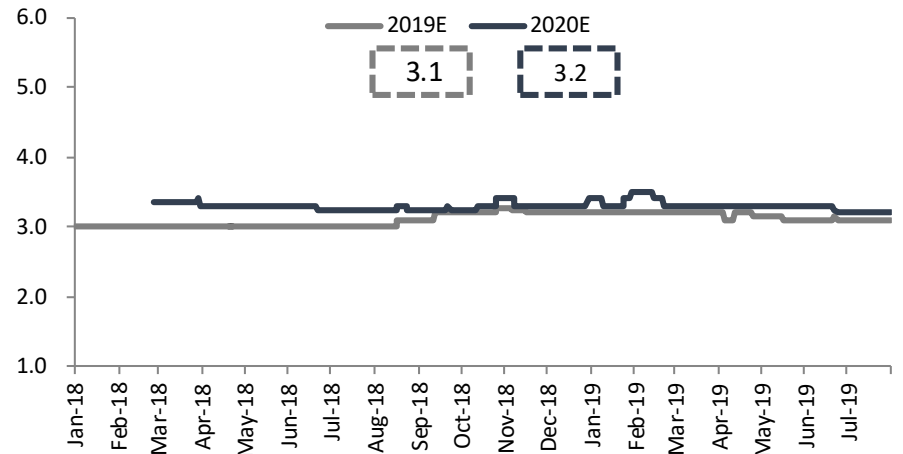
# The Colombian economy's fundamentals are trending in the right direction (1/3)

## GDP Growth (%)



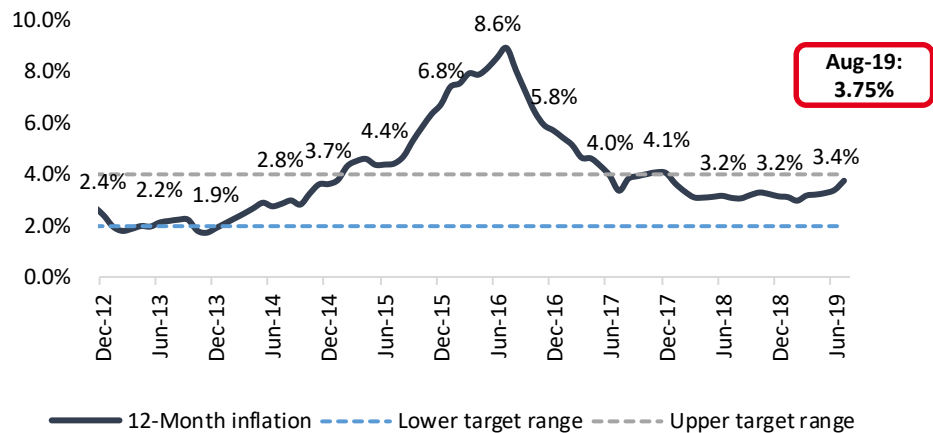
Source: DANE. Seasonally adjusted, constant prices of 2015 GDP

## GDP Growth Expectations (%)



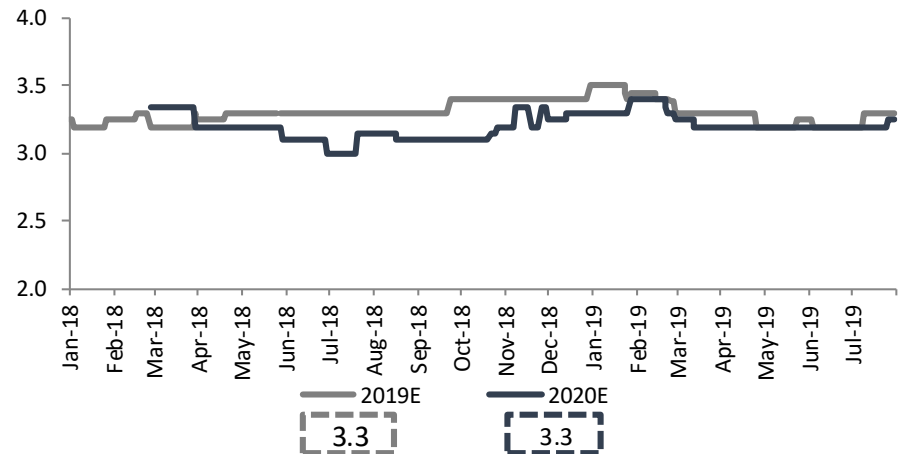
Source: Bloomberg Consensus

## Inflation (%)



Source: Banco de la República de Colombia and DANE.

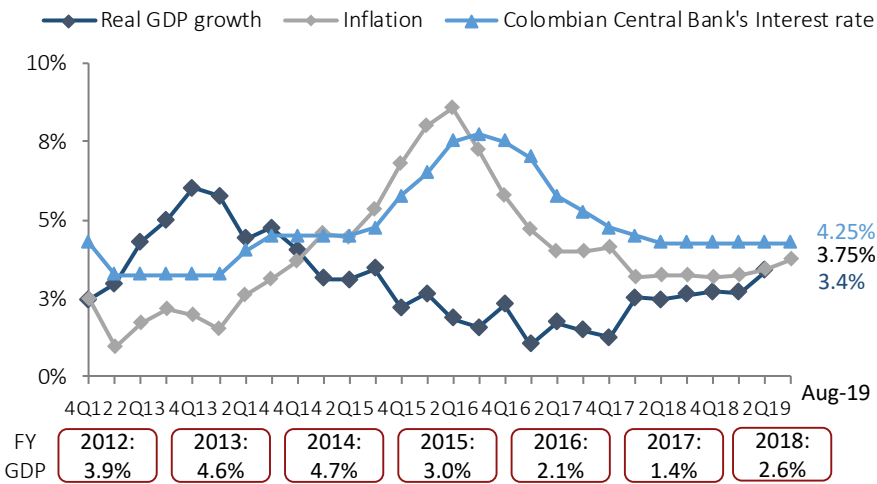
## Inflation Expectations (%)



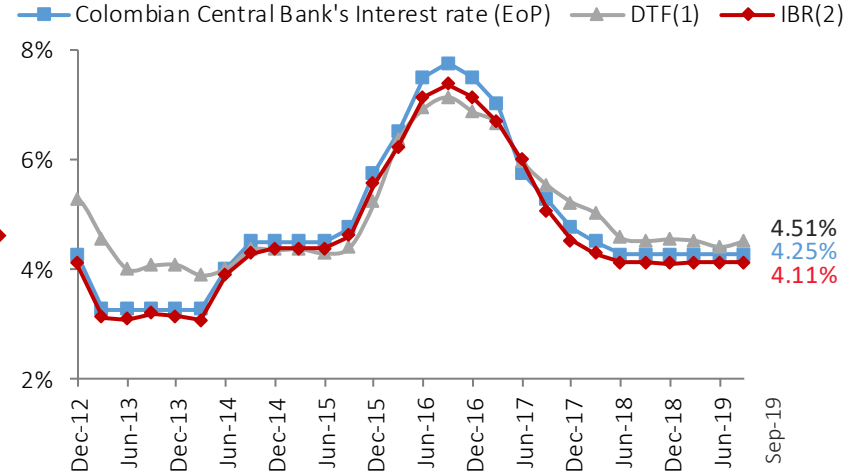
Source: Bloomberg Consensus

# The Colombian economy's fundamentals are trending in the right direction (2/3)

## Central Bank's Monetary Policy

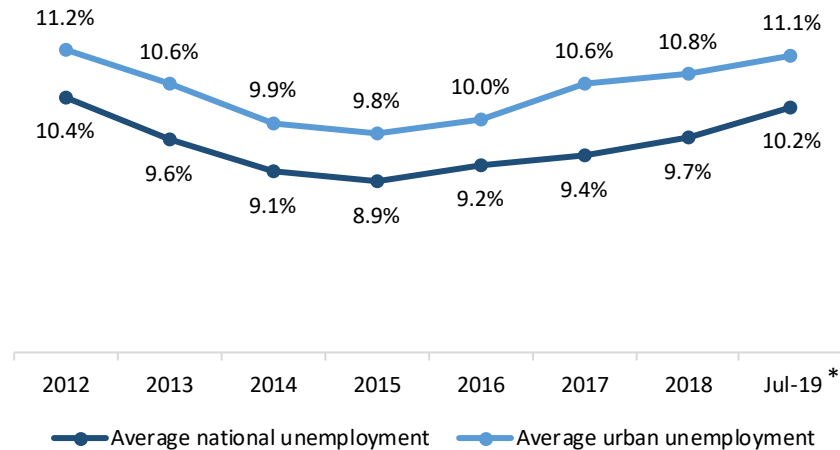


Source: Banco de la República de Colombia and DANE. GDP as of December 2018. GDP Seasonally-adjusted, constant prices (2015 basis)



Source: Banco de la República de Colombia. (1) End of period DTF rate (2) End of period 3-month interbank (IBR) rate

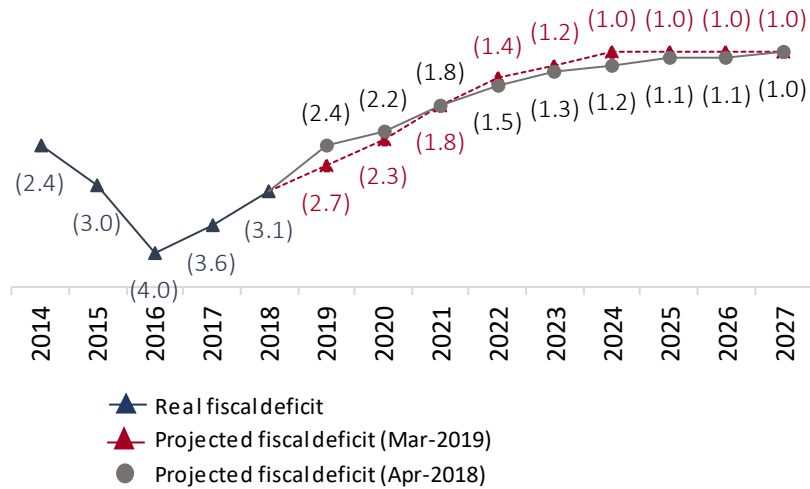
## 12-month Average Unemployment



Source: Banco de la República de Colombia. Urban unemployment defined as unemployment of 13 cities and their metropolitan areas \*Last twelve month average from August 2018 to July 2019

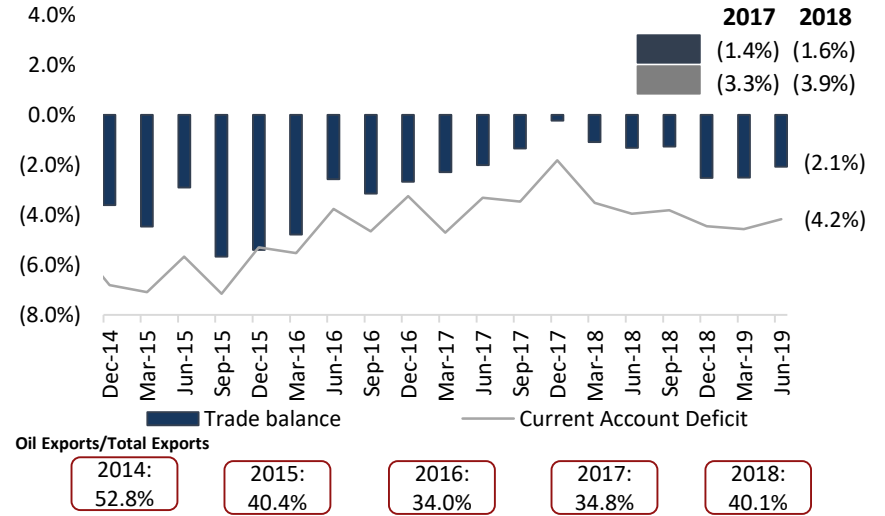
# The Colombian economy's fundamentals are trending in the right direction (3/3)

## Real and Projected Fiscal Deficit - Fiscal Rule (% of GDP)



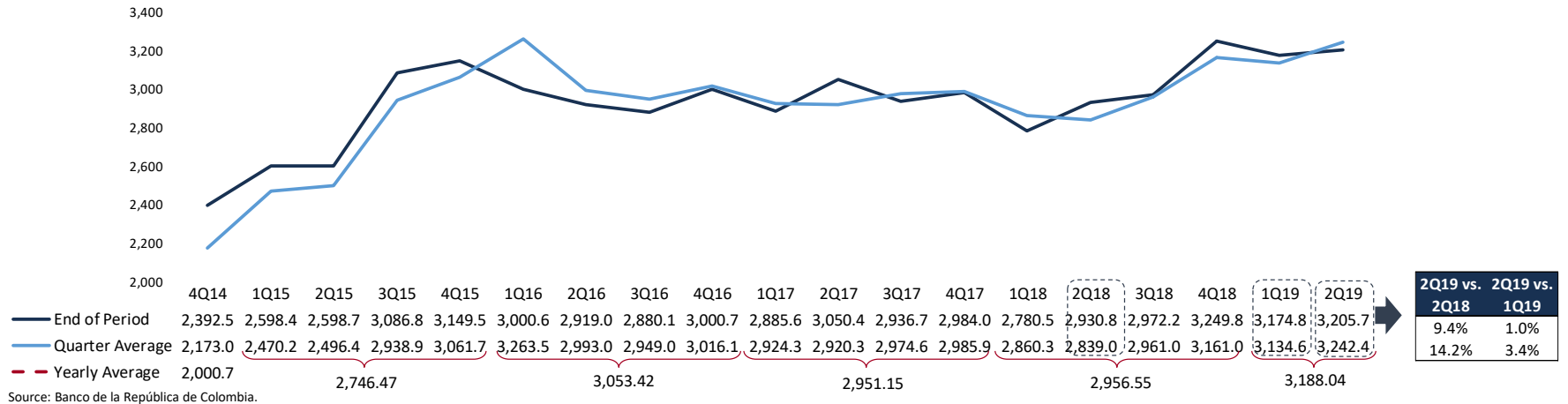
Source: Ministry of Finance. Projections start in 2019.

## Current Account (% GDP, quarterly)



Source: Banco de la República de Colombia.

## Colombian Peso Exchange Rate



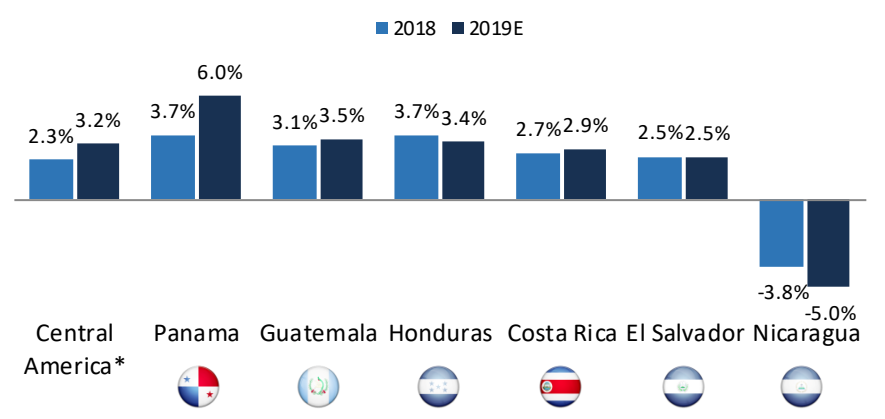
Source: Banco de la República de Colombia.

2Q19 vs. 2Q18	2Q19 vs. 1Q19
9.4%	1.0%
14.2%	3.4%



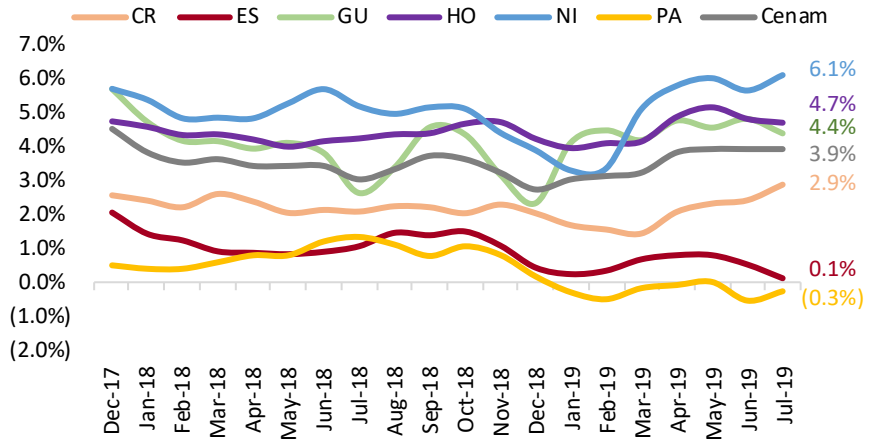
# Central American countries continue to have a robust growth outlook, set to benefit from positive momentum in the US economy

## Growth Outlook – Real GDP



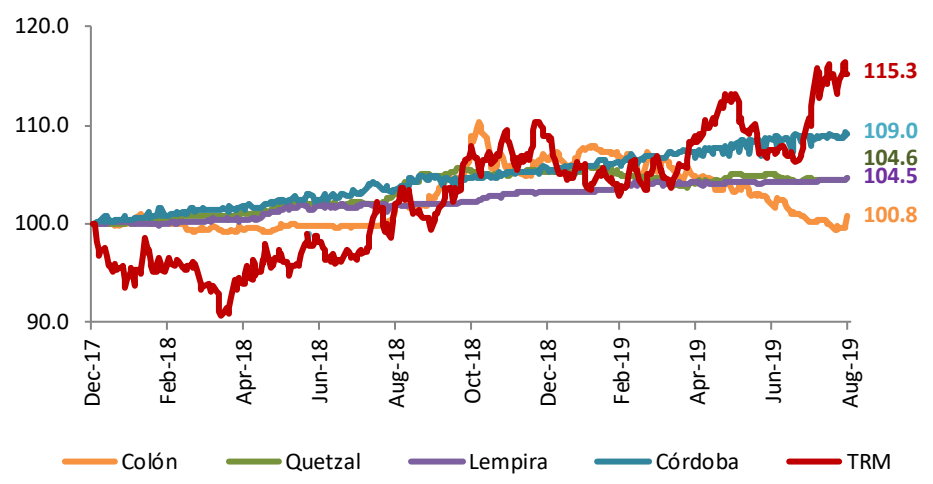
Source: For year 2018, Central Banks, INEC Panamá, US Bureau of Economic Analysis. For expected year 2019, IMF WEO Apr-19; (\*) Aggregate growth of all the Central American countries

## Inflation per Country



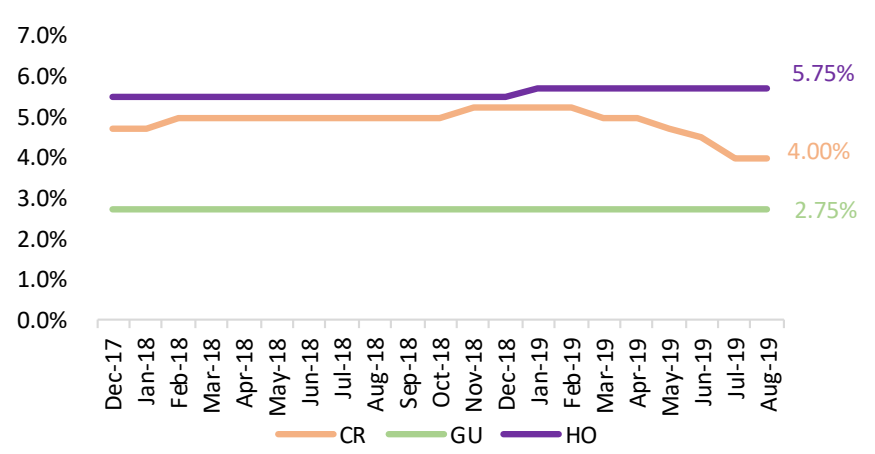
Source: SECMCA. CR: Costa Rica, ES: El Salvador, GU: Guatemala, HO: Honduras, NI: Nicaragua, PA: Panamá, Cenam: Central America.

## Regional Exchange Rates



Source: Bloomberg CR: Costa Rica, ES: el Salvador, GU: Guatemala, HO: Honduras, NI: Nicaragua, PA: Panamá

## Central Banks' Interest Rates



Source: SECMCA.

# Grupo Aval's diverse sources of value generation

## Key Figures US\$ mm (As of June 30, 2019)

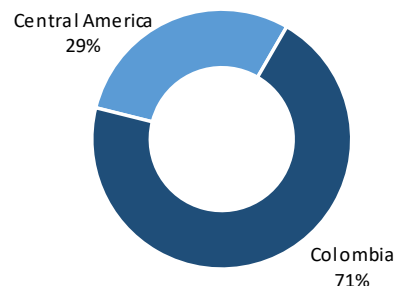


Net Loans	33,266	8,861	5,932	3,561	791	51,908
Assets	50,967	12,690	8,154	4,656	8,889	82,565
Deposits	33,506	8,331	5,957	3,527	1,250	51,783
Liabilities	44,672	11,253	7,231	4,137	6,099	73,018
Total equity (2)	6,295	1,437	923	519	2,790	9,547
Attributable equity	5,940	1,429	914	517	2,156	5,714
Net income (3)	443	96	52	34	245	492
ROAA (4)	2.0%	1.6%	1.3%	1.5%	7.7%	2.1%
ROAE (5)	15.3%	13.7%	11.5%	13.5%	24.1%	17.7%

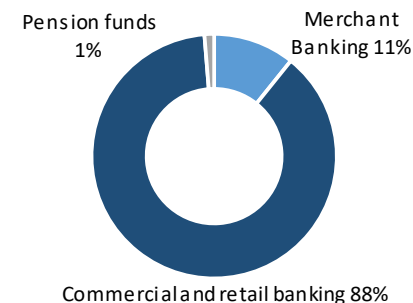
## Business Composition

### By Assets – As of June 30, 2019

#### Geographic

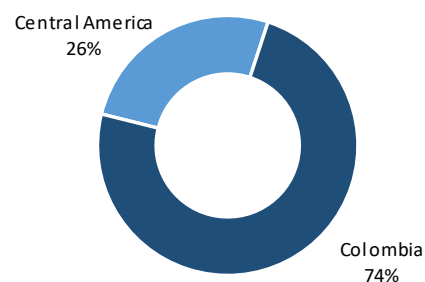


#### Business

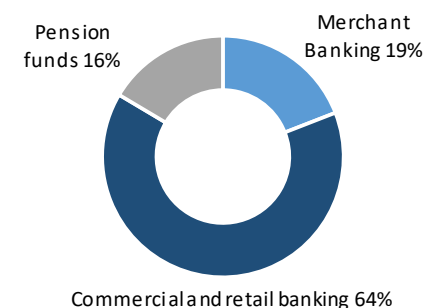


### By Net Income – For the quarter ended June 30, 2019

#### Geographic



#### Business



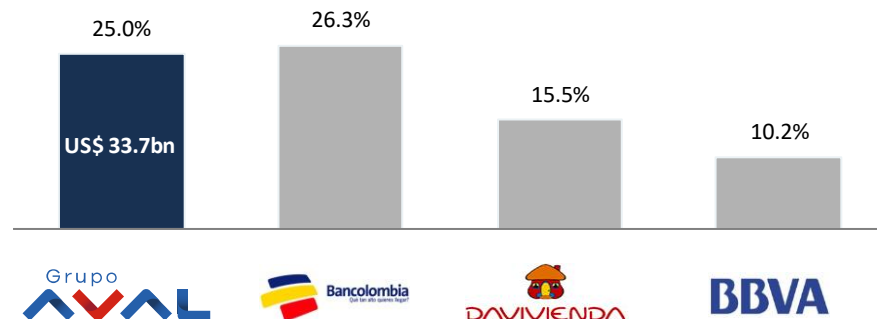
Source: Unaudited company filings under IFRS. (1) Companies that consolidate into Banco de Bogotá; (2) Includes equity attributable to the owners of the parent and non-controlling interest; (3) Net income attributable to the owners of the parent; Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance of Ps 3,205.67 as of June 30, 2019.

# Grupo Aval continues to be the leader in the Colombian market

## Combined Unconsolidated Market Shares of our Colombian Banks As of June 30, 2019

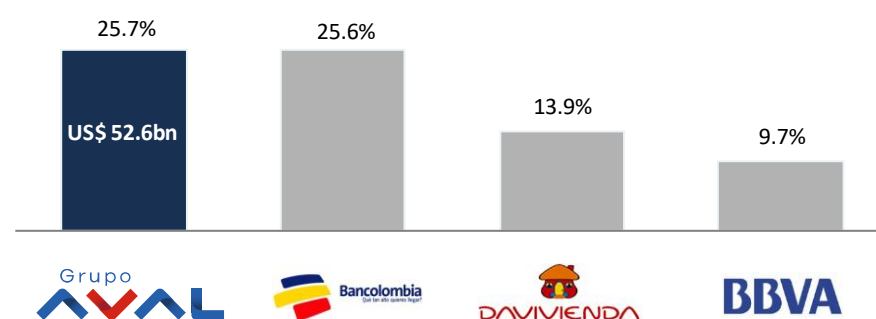
### Net Loans <sup>(1)</sup>

System: US\$ 134.9bn



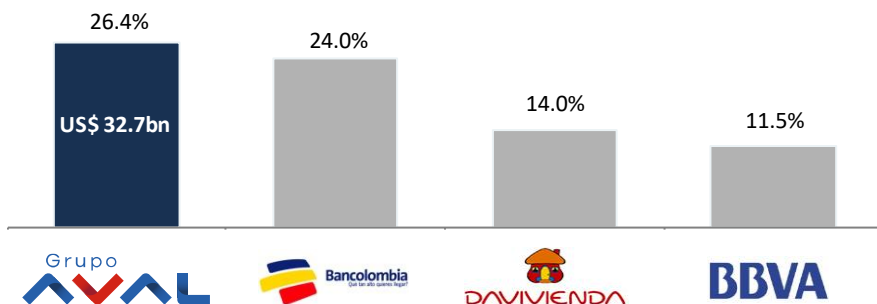
### Total Assets

System: US\$ 205.0bn



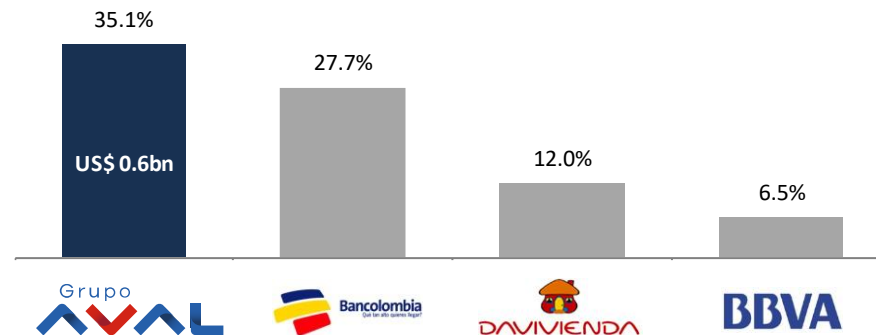
### Deposits <sup>(2)</sup>

System: US\$ 124.2bn



### Net Income

System: US\$ 1.7bn



Source: Unconsolidated information under IFRS filed with the Superintendency of Finance and published monthly; As of June 30, 2019. System: Sum of banks. Grupo Aval is the sum of Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance of Ps 3,205.67 as of June 30, 2019. <sup>(1)</sup> Figures refer to net loans and leases excluding interbank & overnight funds for comparative purposes; <sup>(2)</sup> Deposits are calculated as checking accounts, savings accounts and time deposits.

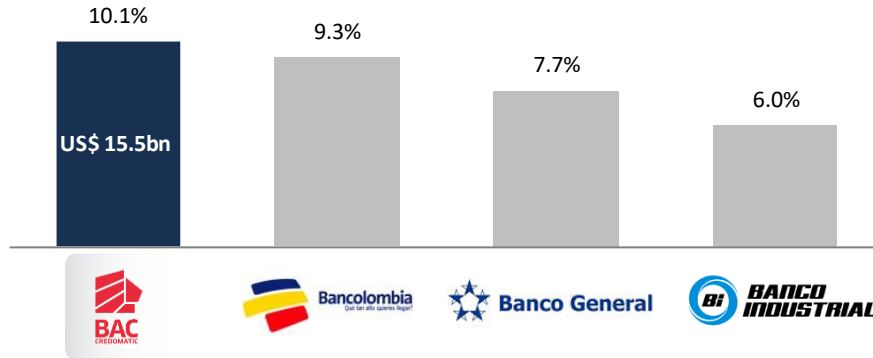


# Through BAC Credomatic, Grupo Aval is the largest and one of the most profitable regional players in Central America

## Central America Market Share As of June 30, 2019

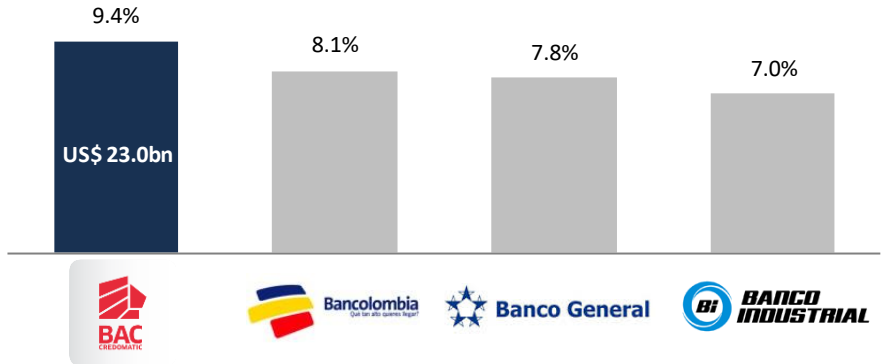
### Net Loans

System: US\$ 153.2bn



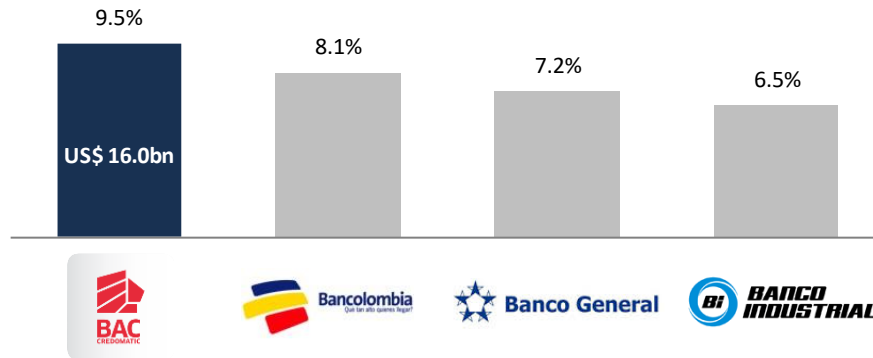
### Total Assets

System: US\$ 245.0bn



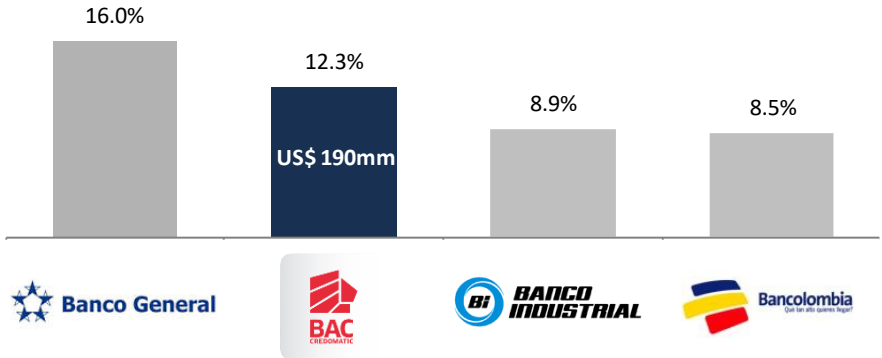
### Deposits

System: US\$ 168.4bn



### Net Income

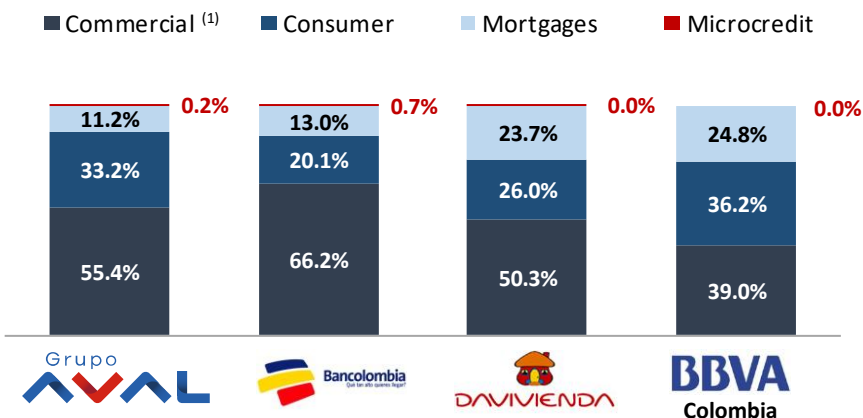
System: US\$ 1.6bn



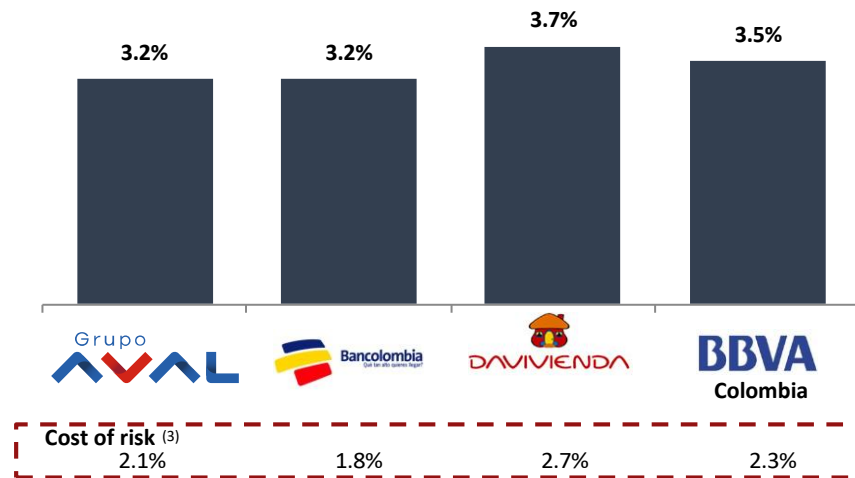
Source: Company filings. Calculated based on publicly disclosed data aggregated from the local Superintendencies of Costa Rica, Honduras, El Salvador, Guatemala, Nicaragua and Panama. BAC Credomatic's net income reflects BAC Credomatic International's results, since it acts as the regional holding company in Panama. Market share is determined based on the sum of each bank's consolidated operations in the aforementioned countries. Bancolombia includes Banistmo (Panama), Bancolombia (Panama), Grupo Agromercantil (Guatemala) and Banco Agrícola (Salvador).

# Grupo Aval remains a strong competitor among its peers

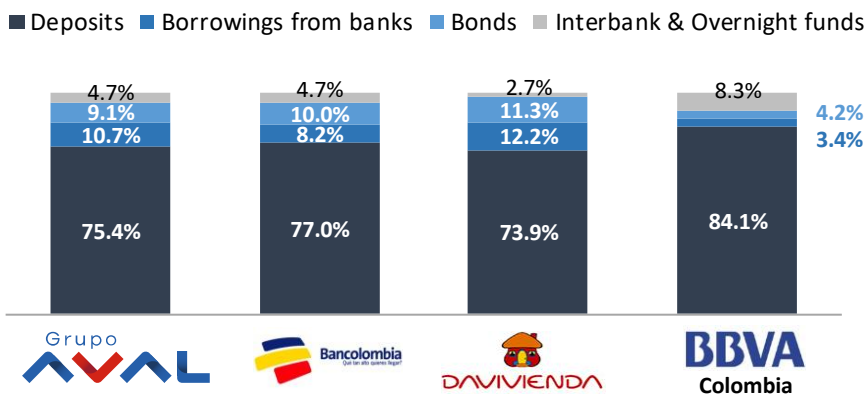
## Gross Loan Portfolio Composition – June 30, 2019



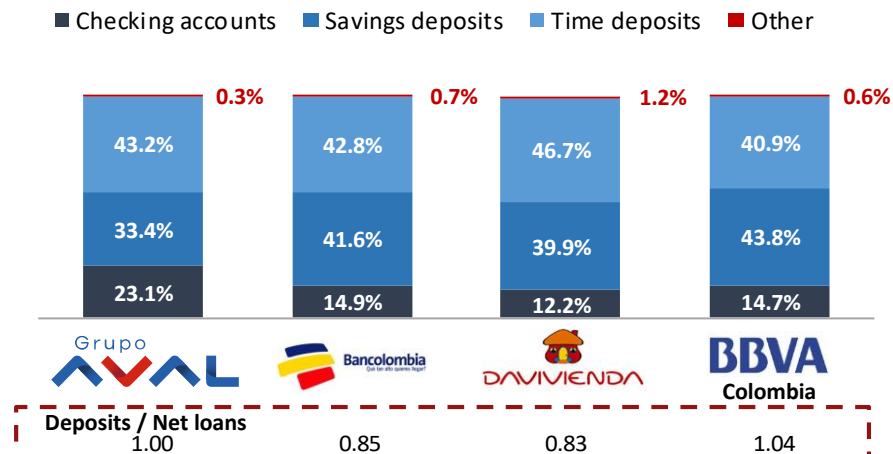
## Loan Portfolio Quality (PDLs 90+)<sup>(2)</sup> June 30, 2019



## Funding Composition – June 30, 2019



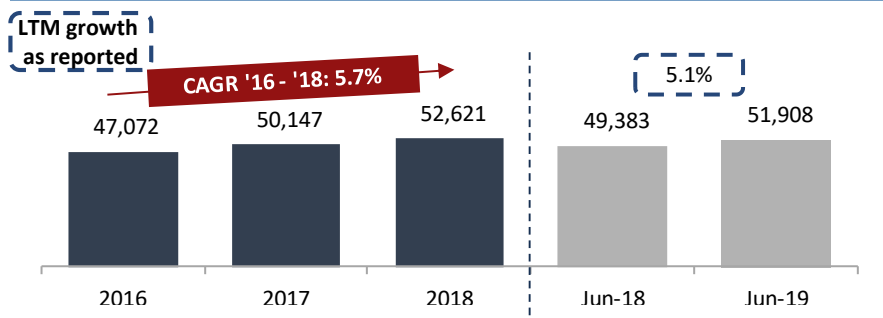
## Deposit Composition – June 30, 2019



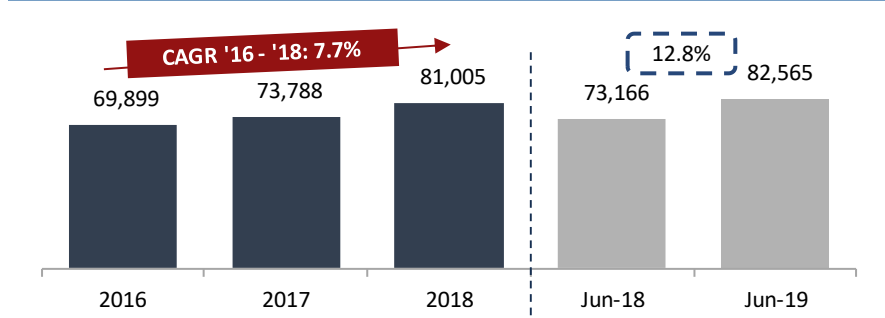
Source: Consolidated figures based on company filings as of June, 2019. Figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 3,205.67 As of June 30, 2019. <sup>(1)</sup> Excludes interbank & overnight funds and others; <sup>(2)</sup> Consolidated loans 90+ days past due for commercial, consumer and microcredit loans and 120+ days past due for mortgages, for BBVA on an unconsolidated capital only basis as reported to the Superintendency of Finance; <sup>(3)</sup> Calculated as 3-month Impairment loss net of recoveries of charged-off assets divided by Average gross loans (YTD) excluding interbank and overnight funds.

# Grupo Aval's track record of consolidated results (1/2)

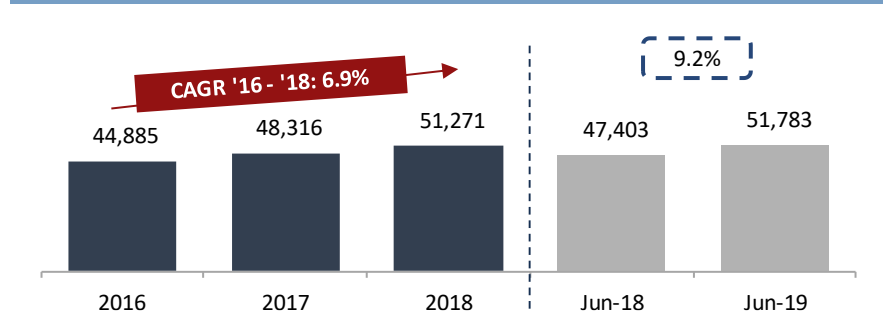
## Net Loans and Leases (US\$ mm)



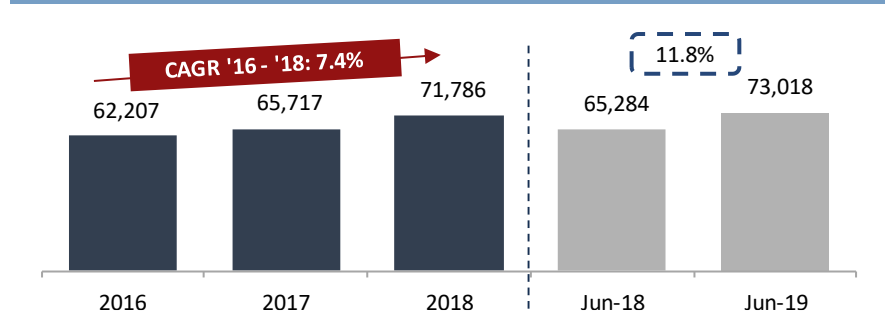
## Assets (US\$ mm)



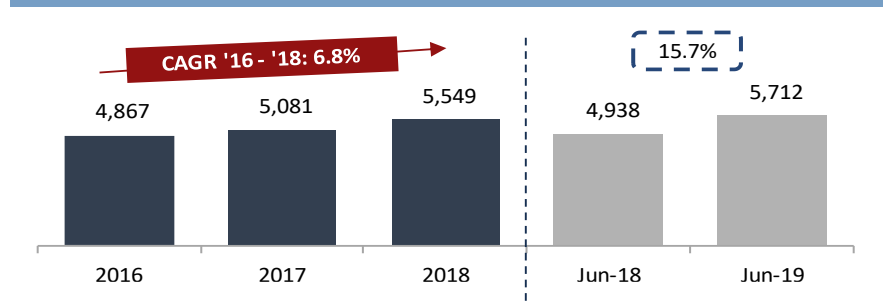
## Deposits (US\$ mm)



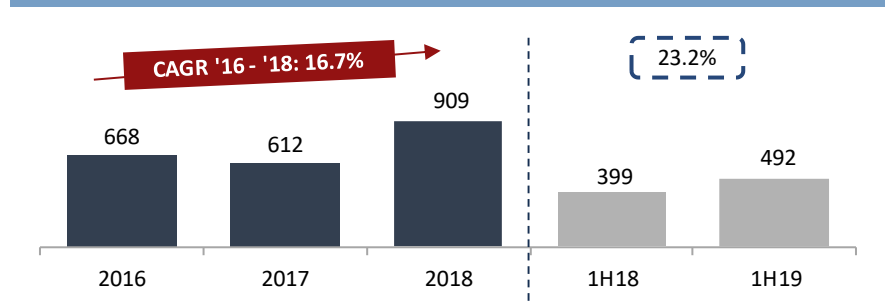
## Liabilities (US\$ mm)



## Attributable Equity (US\$ mm)



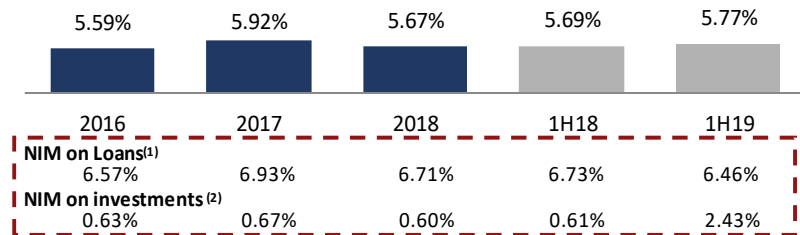
## Net Income (US\$ mm)



Source: Company filings. Consolidated results of Grupo Aval. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 3,205.67 As of June 30, 2019, to maintain comparability.

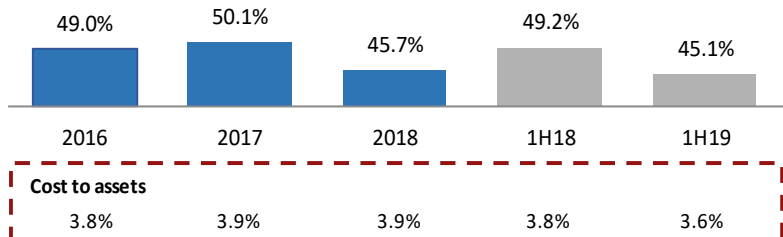
# Grupo Aval's track record of consolidated results (2/2)

## Net Interest Margin



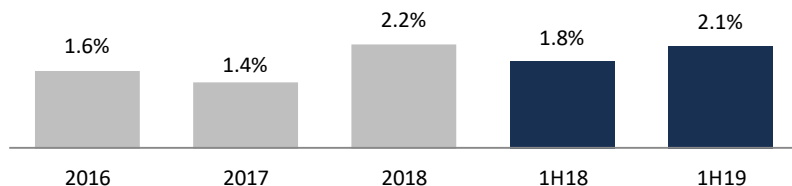
NIM: Net interest income divided by total average interest-earning assets (for 2016, 2017 and 2018 according to 20-F and for semesters total interest-earning assets at 4Q18 and 1Q19 and 2Q19 divided by three).

## Efficiency and Cost to Assets



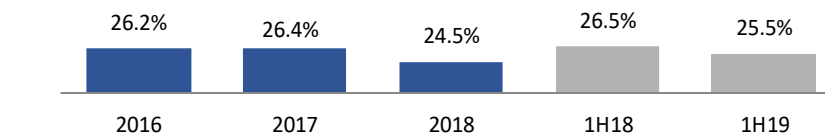
Efficiency and Cost to assets: Cost to income efficiency ratio is calculated as total other expenses divided by net interest income plus net income from commissions and fees, net income from sales of goods and services, net trading income, net income from other financial instruments mandatory at FVTPL and total other income and cost to assets as total other expenses divided by average total assets for 2016, 2017 and 2018 according to 20-F and for semesters total assets at 4Q18, 1Q19 and 2Q19 divided by three). Both calculations exclude the full wealth tax from expenses.

## ROAA



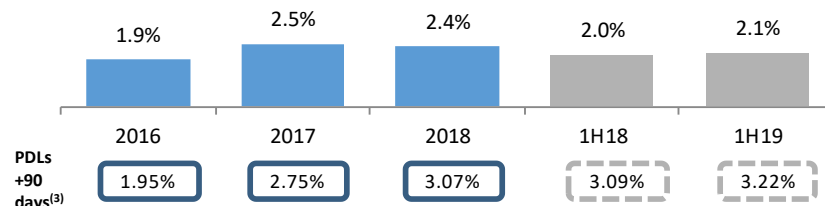
Calculated as income before non-controlling interest divided by average assets (for 2016, 2017 and 2018 according to 20-F and for semesters total assets at 4Q18, 1Q19 and 2Q19 divided by three).

## Fee Income Ratio



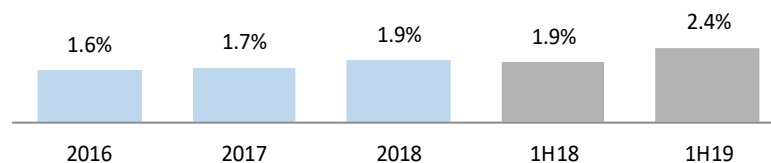
Fee Income ratio: Net fee income divided by total operating income before net provisions excluding other operating income.

## Cost of Risk

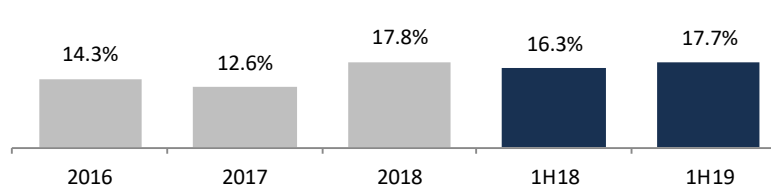


Cost of Risk: Impairment loss on loans and other accounts receivable net of recoveries of charged-off assets divided by Average gross loans excluding interbank and overnight funds (for 2016, 2017 and 2018 according to 20-F and for semesters total assets at 4Q18, 1Q19 and 2Q19 divided by three).

## Charge-offs / Average Gross Loans



## ROAE



Calculated as net income attributable to owners of the parent divided by average equity attributable to owners of the parent ((for 2016, 2017 and 2018 according to 20-F and for semesters equity attributable to owners of the parent at 4Q18, 1Q19 and 2Q19 divided by three).

Source: Company filings. <sup>(1)</sup> Net Interest Income on Loans to Average loans and financial leases; <sup>(2)</sup> Net Interest income on fixed income securities at FVOCI and AC, net trading income from equity and fixed income investment securities at FVTPL and on interbank and overnight funds to Average investments and Interbank and overnight funds; <sup>(3)</sup> PDLs +90 days on commercial, consumer, mortgages and microcredit.

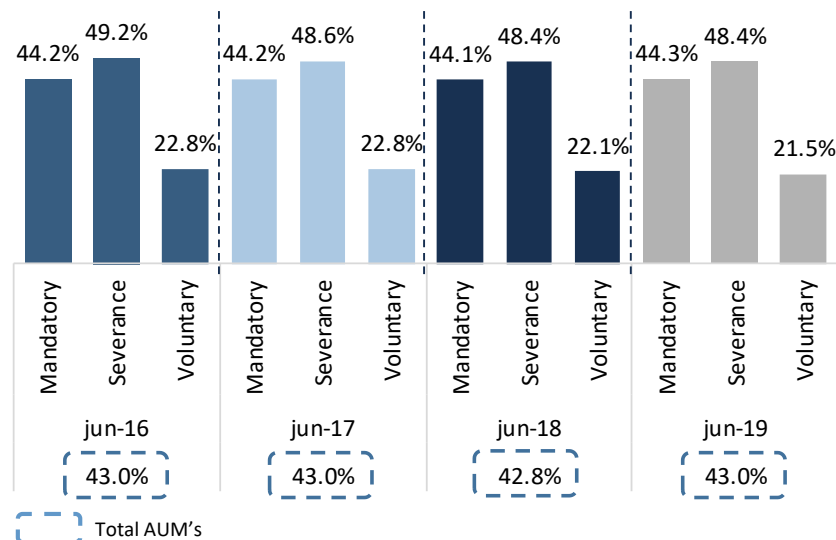
# Porvenir is the leading private pension and severance fund manager in Colombia

## Assets Under Management and profitability (US\$ Bn)

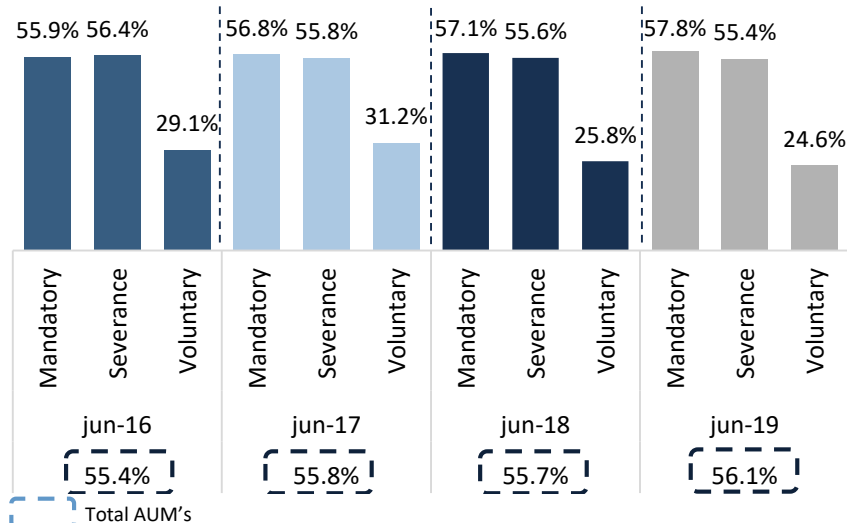
	Jun-16	Jun-17	Jun-18	Jun-19
Mandatory	24.4	29.2	32.1	36.0
Severance	1.6	1.8	1.9	2.1
Voluntary	1.0	1.1	1.2	1.3
<b>Total AUMs (US\$ Bn)</b>	<b>26.9</b>	<b>32.2</b>	<b>35.3</b>	<b>39.4</b>
Net Income (US\$ mm)*	58.7	74.5	56.5	103.2
<b>ROAE**</b>	<b>28.2%</b>	<b>30.4%</b>	<b>19.9%</b>	<b>32.5%</b>

\*Net income for the six months period as of June 2019. \*\*Calculated as net income divided by average equity (7 months average equity for June-19)

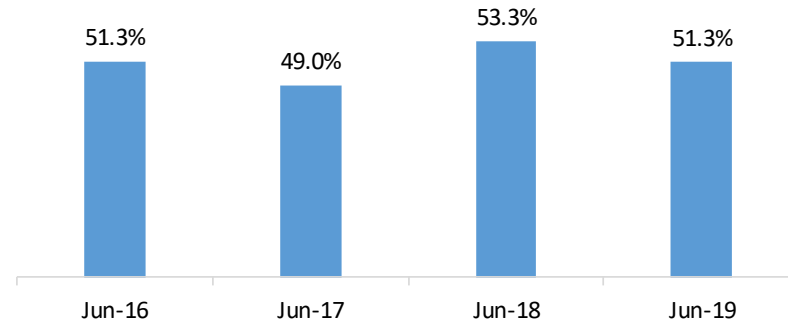
## Assets Under Management (Market Share)



## Affiliates to Pension Funds (Market Share)

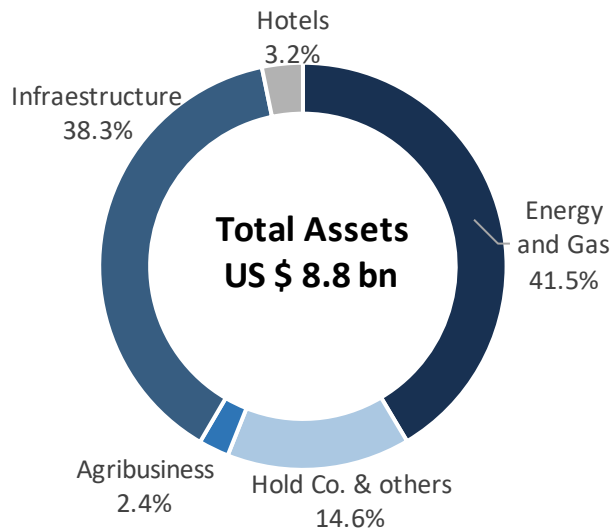


## Net Income (Market Share)

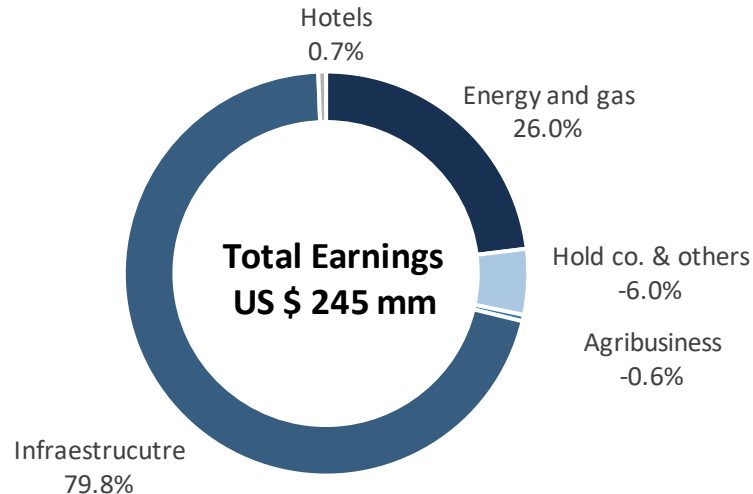


# Corficolombiana invests in multiple industries reflecting the Colombian economy

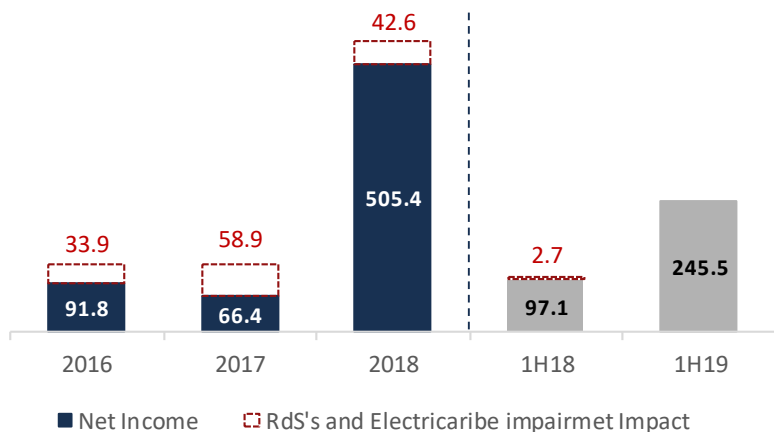
Asset composition by sectors as of June 30, 2019



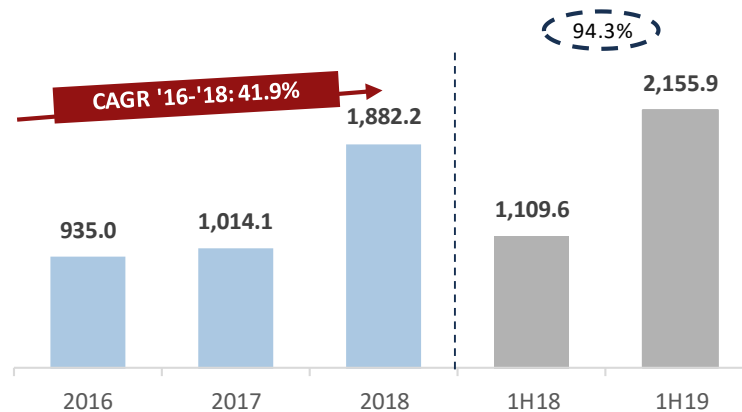
Net Income contribution as of June 30, 2019



Net Income (Consolidated)



Total Attributable Equity (Consolidated)

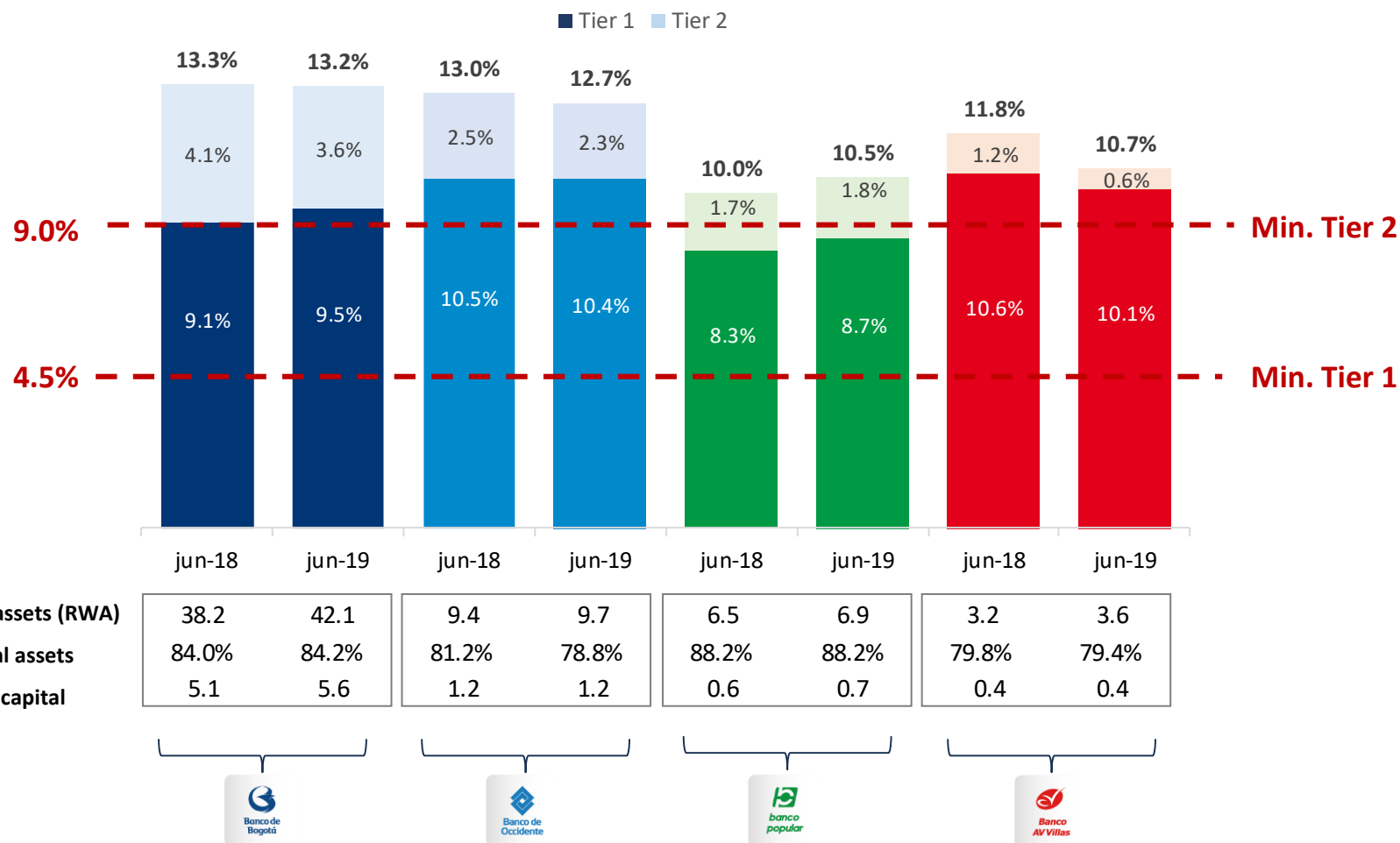


Source: Company filings and 20-F. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 3,205.67 as of June 30, 2019, to maintain comparability. Last twelve months growth

# Recent evolution of our banks' consolidated solvency ratios

## Consolidated Solvency Ratios of our Banks

(US\$ Bn)



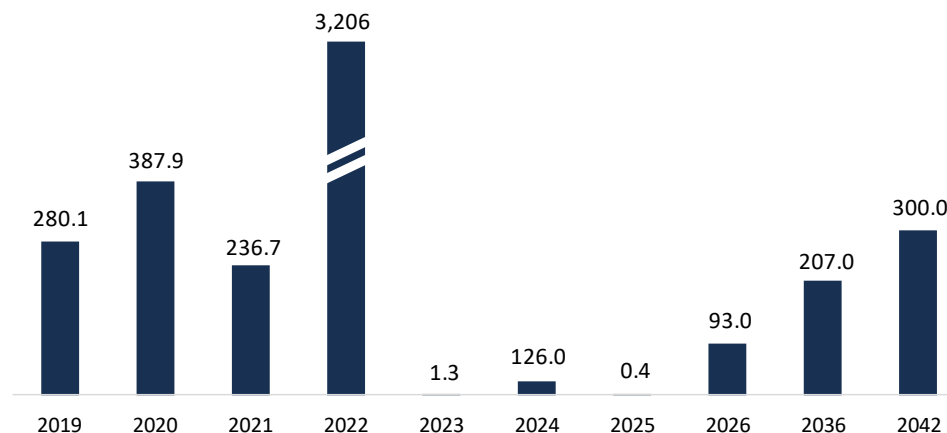
Source: Consolidated figures based on company filings.

# Grupo Aval Acciones y Valores S.A. + Grupo Aval Limited's combined debt profile (US\$ mm)

## Combined Total Liquid Assets and Maturity Schedule of Combined Gross Debt As of June 30, 2019

### Total liquid assets as of June 30, 2019

Cash and cash equivalents	777.9
Fixed income investments	136.4
Callable Senior loans to subsidiaries	605.9
<b>Total liquid assets</b>	<b>1,520.2</b>



## Evolution of Combined Key Ratios As of June 31, 2019

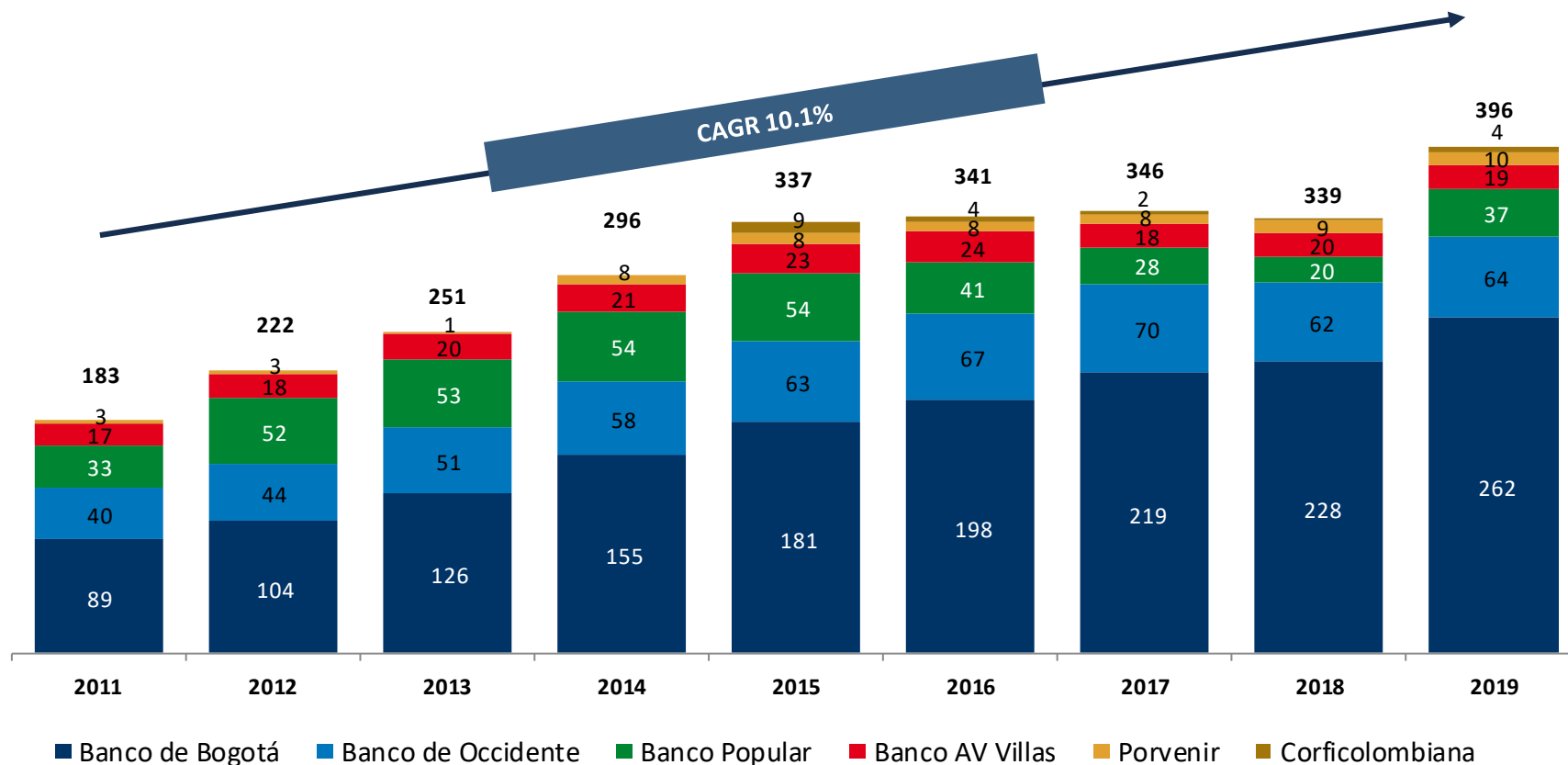
Debt service coverage and leverage ratios	2Q18	1Q19	2Q19	Δ	
				2Q19 vs. 1Q19	2Q19 vs. 2Q18
Double leverage (1)	1.16x	1.15x	1.14x	-0.01	-0.02
Net debt / Core earnings (2)(3)	3.0x	2.8x	2.7x	-0.1	-0.3
Net debt / Cash dividends (2)(3)	3.5x	3.9x	3.0x	-0.9	-0.5
Core Earnings / Interest Expense (2)	5.1x	5.4x	5.5x	0.1	0.4

Source: Unaudited combined figures of Grupo Aval Acciones y Valores S.A. and Grupo Aval Limited As of June 30, 2019. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance Ps 3,205.67 As of June 30, 2019. (1) Double leverage is calculated as investments in subsidiaries at book value (excluding revaluations), subordinated loans to subsidiaries and goodwill as a percentage of shareholders' equity; (2) Core earnings are defined as annualized recurring cash flow from dividends, investments and net operating income. (3) Net debt is calculated as total gross debt minus cash and cash equivalents and fixed income investments.



# History of our subsidiaries' dividend stream

## Grupo Aval's Cash Dividend Income From Subsidiaries (US\$ mm)



Source: Grupo Aval filings. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 3,205.67 As of June 30, 2019, to maintain comparability.

Grupo

