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2Q15 Consolidated Earnings Results

IFRS

September 2015



Disclaimer



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. As such, it is subject to the control of the Superintendency of Finance and compliance with applicable U.S. securities regulation as a “foreign private issuer” under Rule 405 of the U.S. Securities Act of 1933. Grupo Aval is a not a financial institution and is not supervised or regulated as a financial institution in Colombia.

As an issuer of securities in Colombia, Grupo Aval is required to comply with periodic reporting requirements and corporate governance, however, it is not regulated as a financial institution or as a holding company of banking subsidiaries and, thus, is not required to comply with capital adequacy regulations applicable to banks and other financial institutions.

All of our banking subsidiaries, Banco de Bogotá, Banco de Occidente, Banco Popular, Banco AV Villas, and their respective Colombian financial subsidiaries, including Porvenir and Corficolombiana, are subject to inspection and surveillance as financial institutions by the Superintendency of Finance.

Although we are not a financial institution, until December 31, 2014 we prepared the unaudited consolidated financial information included in our quarterly reports in accordance with the regulations of the Superintendency of Finance for financial institutions and generally accepted accounting principles for banks to operate in Colombia, also known as Colombian Banking GAAP because we believe that presentation on that basis most appropriately reflected our activities as a holding company of a group of banks and other financial institutions.

However, in 2009 the Colombian Congress enacted Law 1314 establishing the implementation of IFRS in Colombia. As a result, since January 1, 2015 financial entities and Colombian issuers of publicly traded securities such as Grupo Aval must prepare financial statements in accordance with IFRS.

IFRS as applicable under Colombian regulations differs in certain aspects from IFRS as currently issued by the IASB. Our 20-F annual report filed with the SEC provides a description of the principal differences between Colombian Banking GAAP and U.S. GAAP as well as expected changes from our implementation of IFRS as applicable under Colombian regulations.

The unaudited consolidated financial information included in this webcast 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.

As a result of our migration to IFRS and our first year of implementation of IFRS accounting principles, our interim unaudited consolidated financial information for 2015, and the comparative interim information for the respective periods of 2014, may be subject to further amendments.

This report may include forward-looking statements, which actual results may vary from those stated herein as a consequence of changes in general, economic and business conditions, changes in interest and currency rates and other risks factors as evidenced in our Form 20-F available at the SEC webpage. Recipients of this document are responsible for the assessment and use of the information provided herein. Grupo Aval will not have any obligation to update the information herein and shall not be responsible for any decision taken by investors in connection with this document. The content of this document is not intended to provide full disclosure on Grupo Aval or its affiliates.

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

Grupo Aval financials for 2Q15 show the following general results (1/3):

- ✓ All numbers reflect Full IFRS accounting; previous quarters have been restated in accordance.
- ✓ Previously published IFRS figures for 1Q2015 have been revised.
- ✓ 2Q2015 figures were virtually unaffected by foreign exchange as the March 31, 2015 and June 30, 2015 COP/ USD exchange rates were practically the same.
- ✓ Total consolidated assets grew by 19% versus 2Q2014 and by 1.4% versus 1Q2015.
- ✓ Gross loans grew by 22% versus 2Q2014 and by 3.7% versus 1Q2015.
- ✓ PDL's (+30 days) were 2.6% for 2Q2015 versus 2.5% in 1Q2015 and 2.6% in 2Q2014, while NPL's were 1.7% for both 1Q2015 and 2Q2015 and 1.8% for 2Q2014.
- ✓ Cost of risk (net) increased to 1.6% in 2Q2015 from 1.4% both in 1Q2015 and 2Q2014.
- ✓ Total deposits grew by 16.2% versus 2Q2014 and by 0.8% versus 1Q2015.

Grupo Aval financials for 2Q15 show the following general results (2/3):

- ✓ The ratio of fixed income portfolio to total assets decreased from 14% in 1Q2015 to 13% 2Q2015.
- ✓ Attributable equity increased by 23.5% versus 2Q2014 and by 2% versus 1Q2015.
- ✓ For all three periods NIM on loans remained stable at 6.3%.
- ✓ NIM on fixed income investments decreased to 1.1% in 2Q2015 versus 3.1% for both 1Q2015 and 2Q2014.
- ✓ As a result of the above, NIM decreased from 5.7% both in 2Q2014 and 1Q2015 to 5.3% in 2Q2015.
- ✓ Efficiency ratio, measured on a cost to income basis, remained stable (47.3% in 2Q2014, 47.6% in 1Q2015 and 47.2% in 2Q2015). When measured on a cost to average assets, the efficiency ratio remained unchanged at 3.4% for all three periods.
- ✓ Despite the December 2014 tax reform, and due to certain tax optimization strategies, Aval's cumulative effective tax rate as of June, 2015 (including the equity tax expense of 1Q2015 which was not deductible) was 38.7%, versus 38.0% for FY 2014.

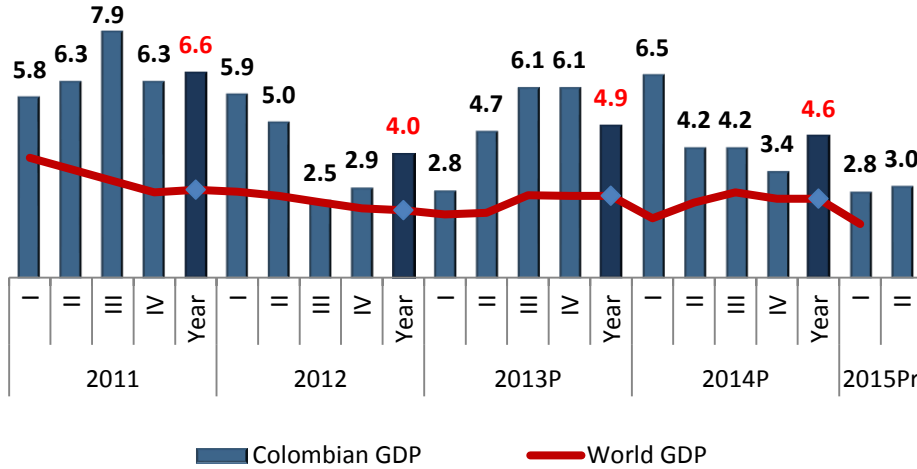
Grupo Aval financials for 2Q15 show the following general results (3/3):

- ✓ Total equity to total assets was 11% for 2Q2015 versus 10.9% in 2Q2014 and 10.8% in 1Q2015.
- ✓ Tangible equity to tangible assets was 7% for 2Q2015 versus 7% in 2Q2014 and 6.8% in 1Q2015.
- ✓ ROAA for the period was 1.8% versus 1.3% for 1Q2015.
- ✓ ROAE for the period was 16.0% versus 10.8% for 1Q2015.

Macroeconomic context - Colombia

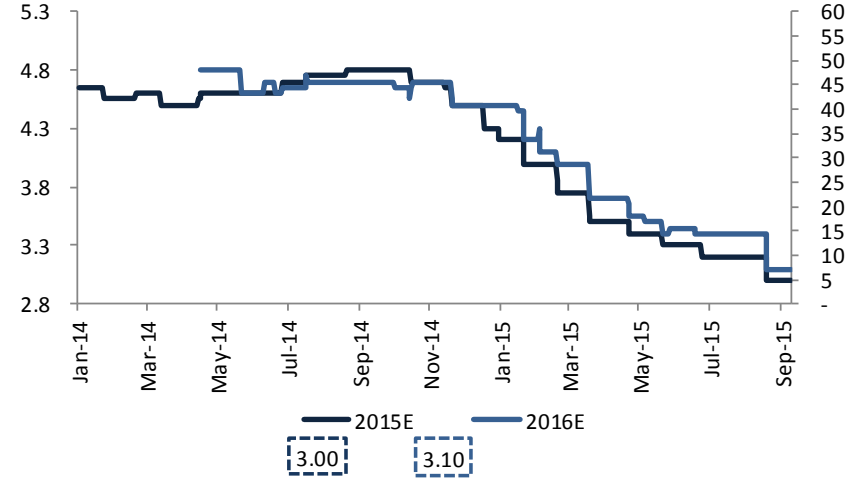


GDP Growth (%)



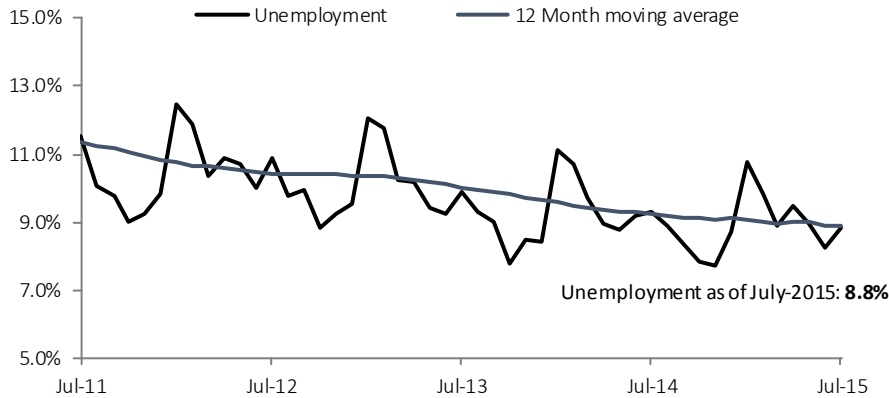
Source: DANE and Bloomberg. GDP yearly % change – Seasonally adjusted data at constant prices.
(P) = Provisional (Pr) = Preliminary

GDP Growth Expectations



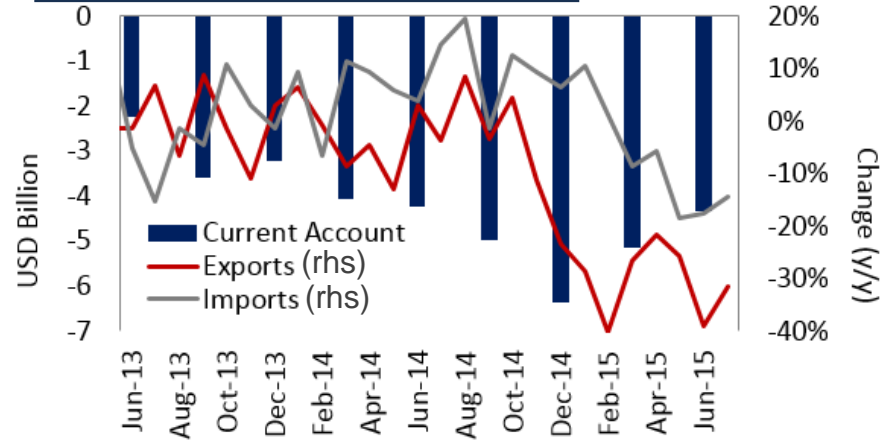
Source: Bloomberg Consensus

Unemployment (%)



Source: DANE.

Current Account balance

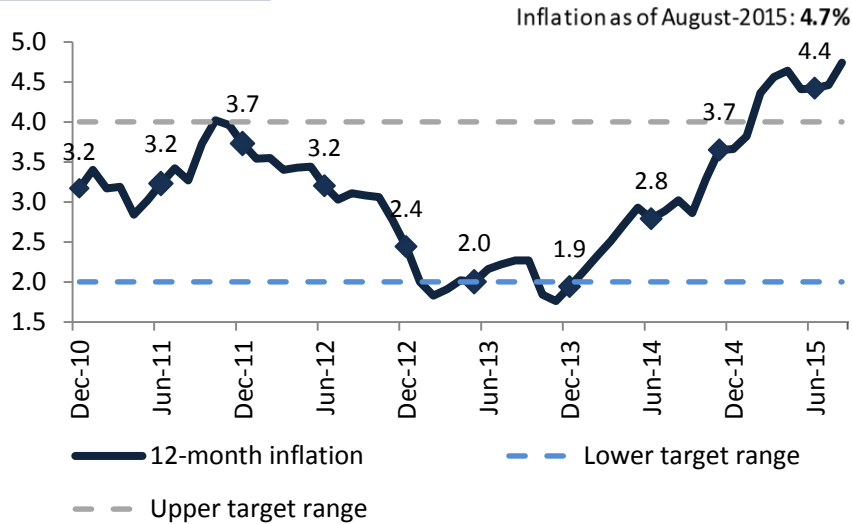


Source: Banrep and DANE.

Macroeconomic context - Colombia

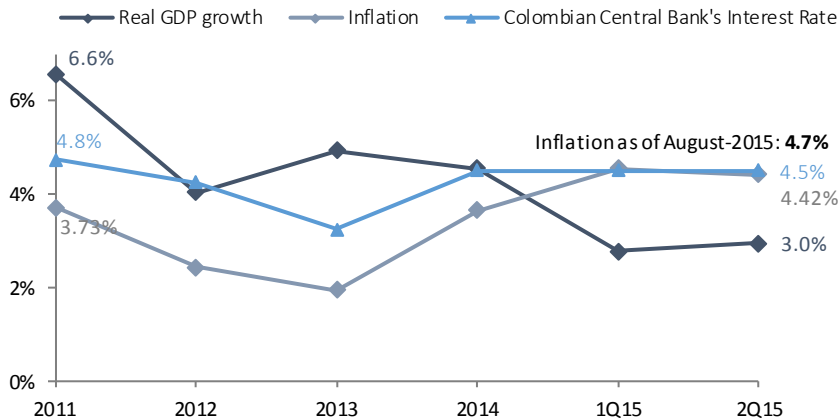


Inflation (%)



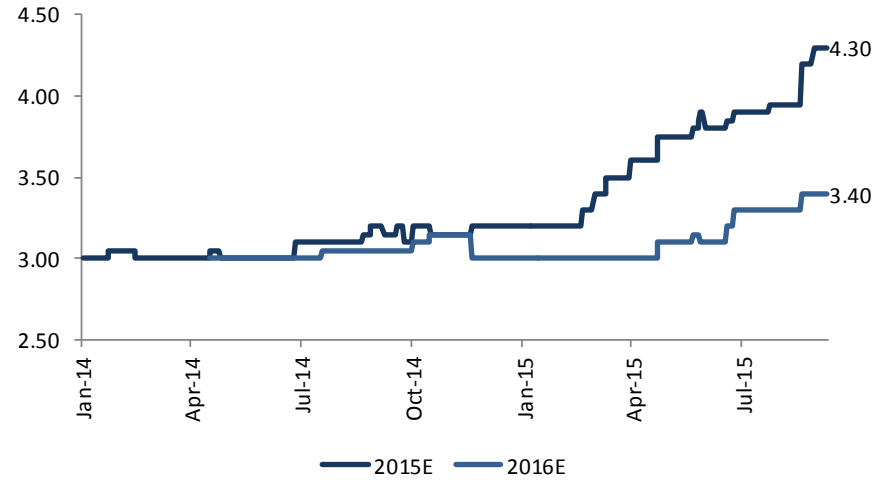
Source: DANE

Central Bank's Monetary Policy

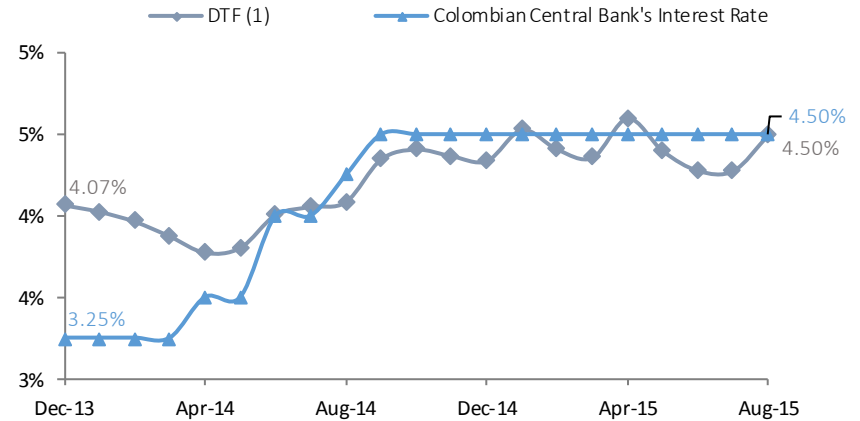


Source: Banrep and DANE

Inflation Expectations for YE15 and YE16

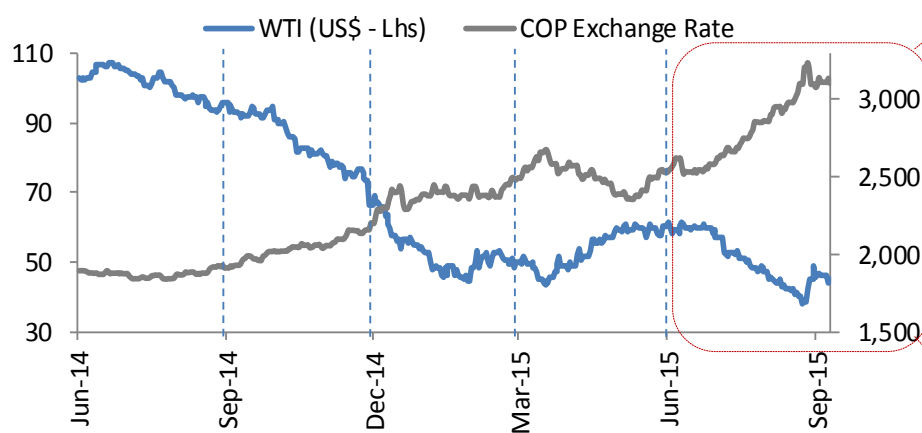


Source: Bloomberg Consensus



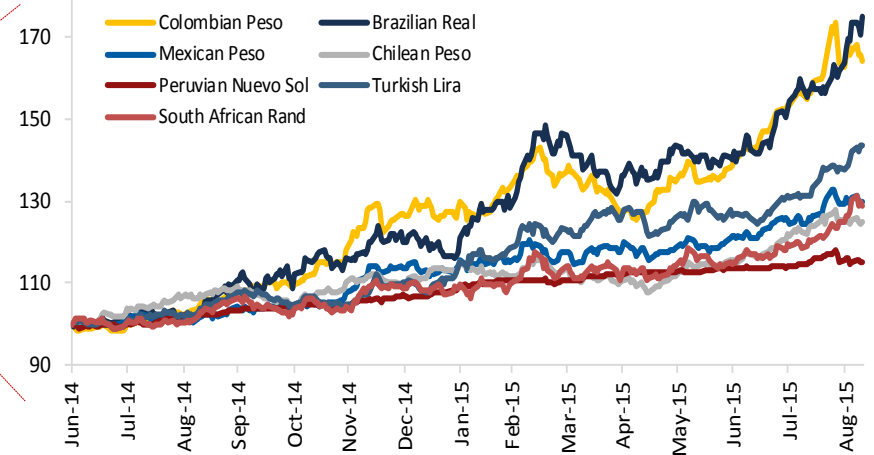
Source: Banrep. (1) End of period DTF rate.

Colombian Peso vs WTI US\$/barrel



Source: Bloomberg

COP vs Emerging markets' currencies



Source: Bloomberg. (100=Jun-30, 2014)

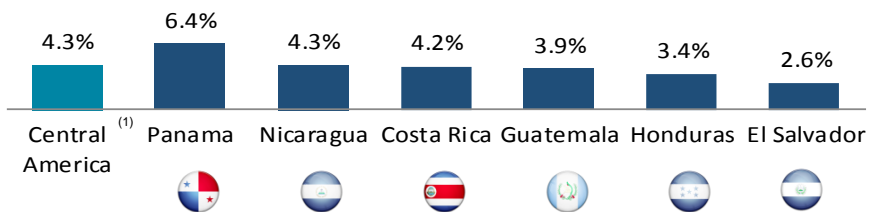
Colombian Peso Exchange Rate

	2Q14	1Q15	2Q15	2Q15 vs. 1Q15	2Q15 vs. 2Q14
Average	1,915.18	2,470.16	2,496.45	1.1%	30.4%
End of period	1,881.19	2,598.36	2,598.68	0.0%	38.1%

Macroeconomic context – Central America

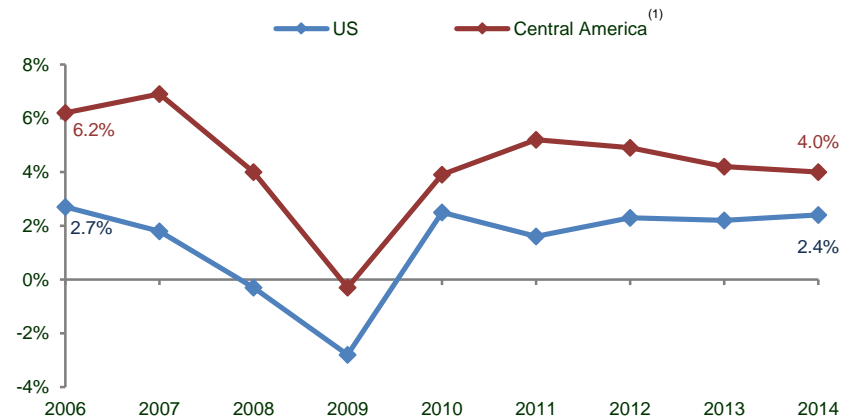


Real GDP CAGR '14-'17E (%)



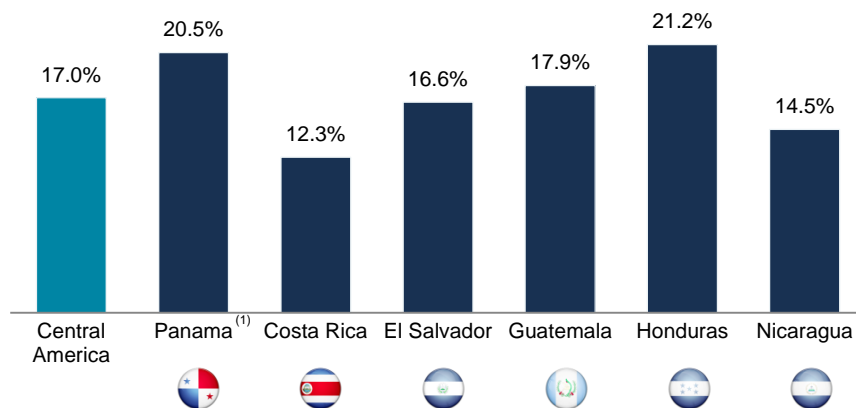
Source: IMF; ⁽¹⁾ Aggregate growth of all the Central American countries

Real GDP growth evolution (%)



Source: IMF; ⁽¹⁾ Average growth of all the Central American countries

Oil & gas imports / Total imports (%)



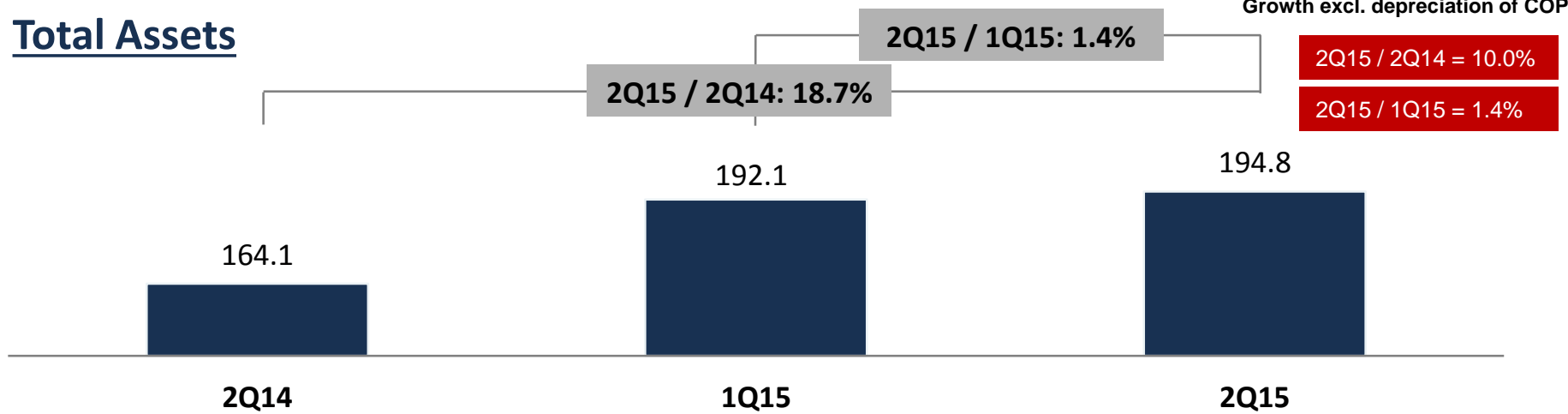
Source: SECMCA, Central Banks; ⁽¹⁾ Corresponds to 2013 since numbers for 2014 are not available.

Assets

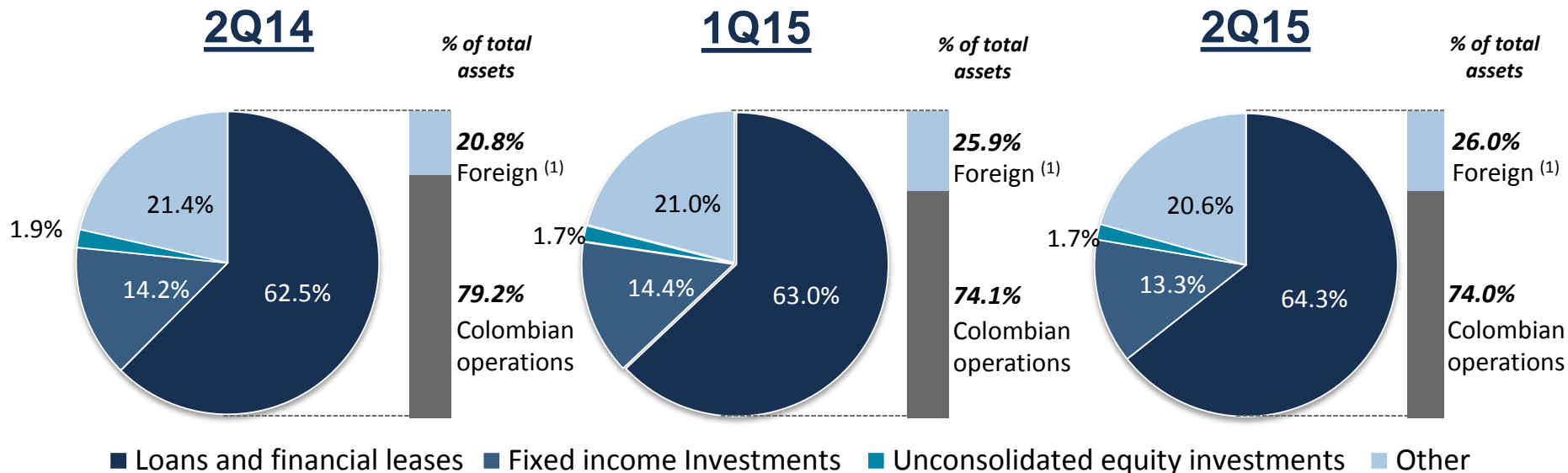
Figures in Ps. Trillions



Total Assets



Assets Breakdown



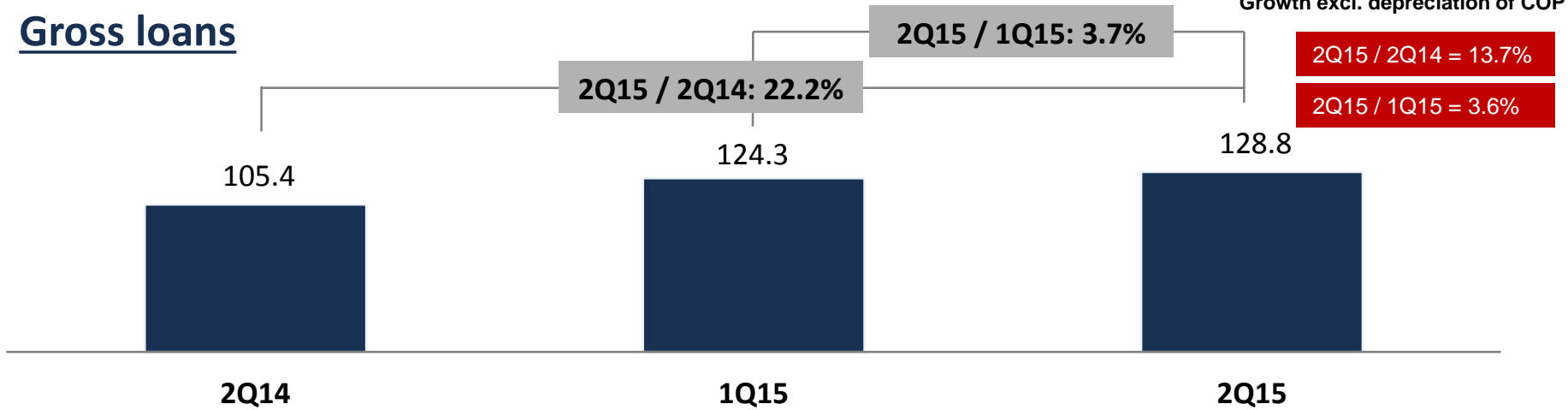
(1) Foreign operations reflect Central American operations.

Loans

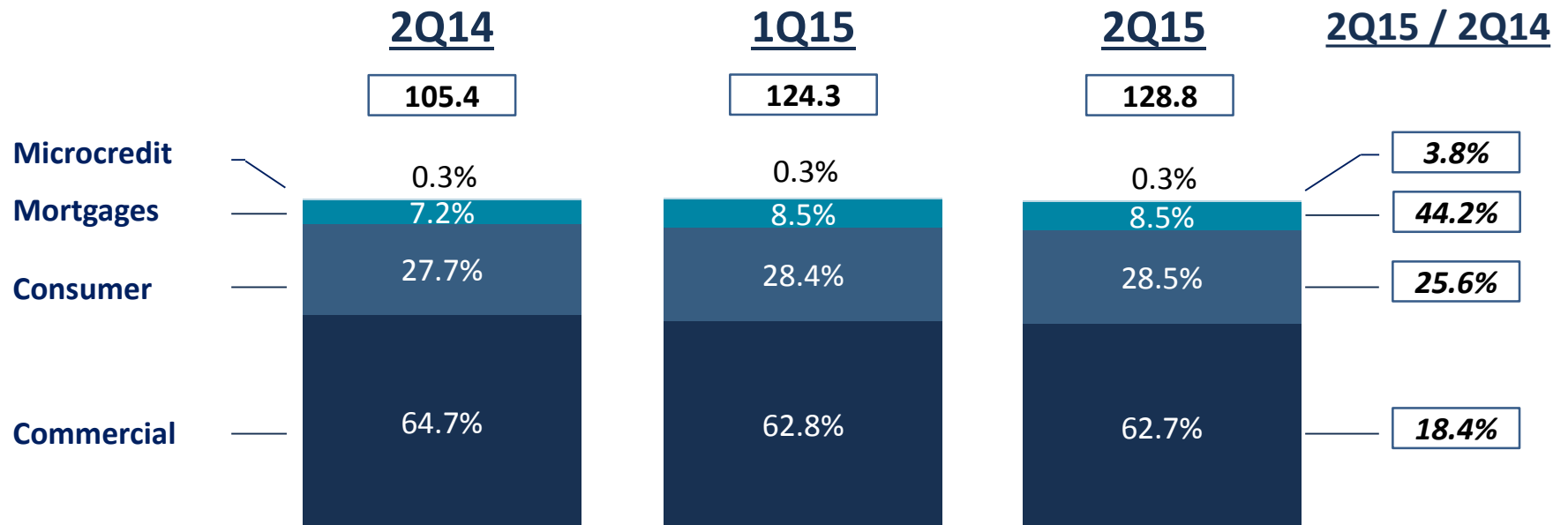


Figures in Ps. Trillions

Gross loans



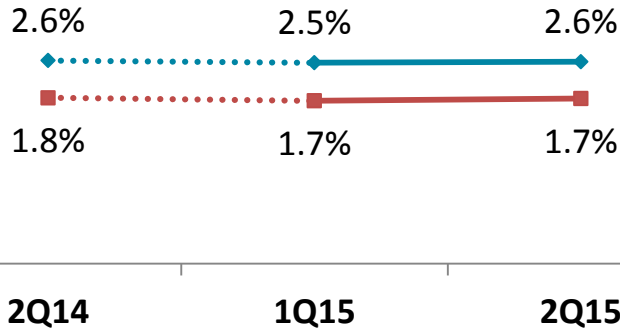
Gross loans Breakdown



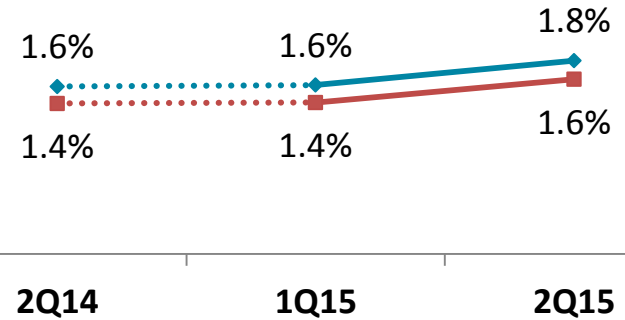
Loan portfolio quality



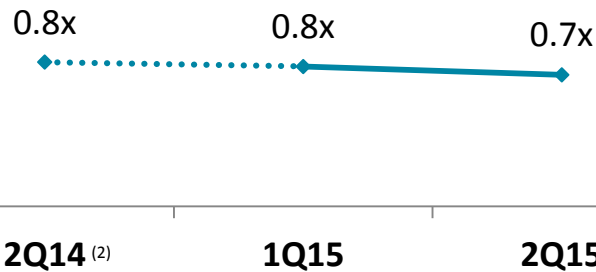
◆ 30 days PDLs / Total loans ⁽¹⁾
■ NPLs / Total loans ⁽¹⁾



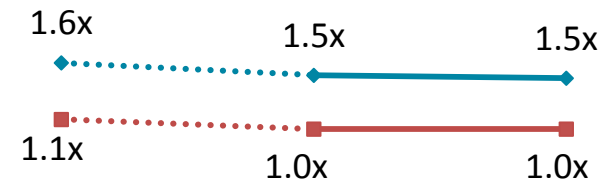
◆ Loan provision expense, net / Average Loans
■ Loan provision expense, net (net of recoveries of charged-off assets) / Average Loans



Charge offs / Average NPLs ⁽¹⁾



◆ Allowances / NPLs ⁽¹⁾
■ Allowances / 30+ PDLs



Allowances / Total loans: 2Q14 (2.8%), 2Q15 (2.7%), 2Q15 (2.7%)

(1) NPL defined as microcredit loans more than 30 days past due, consumer, mortgage and financial leases more than 60 days past due and commercial loans more than 90 days past due. (2) Charge offs / Average NPLs for 2Q14 is presented under Colombian Banking GAAP

Past Due Loans ⁽¹⁾

	2Q14 ⁽³⁾	1Q15 ^(*)	2Q15 ^(*)
Commercial	1.8%	1.8%	1.8%
Consumer	4.3%	4.0%	4.1%
Mortgages	3.0%	2.9%	2.8%
Microcredit	10.0%	10.6%	10.1%
Total Loans	2.6%	2.5%	2.6%

Non-performing Loans ⁽²⁾

	2Q14 ⁽³⁾	1Q15 ^(*)	2Q15 ^(*)
Commercial	1.2%	1.2%	1.3%
Consumer	3.0%	2.7%	2.8%
Mortgages	1.2%	1.2%	1.2%
Microcredit	10.0%	10.6%	10.1%
Total Loans	1.8%	1.7%	1.7%

(*) PDL + 30 days: including interest account receivables, is 2.6% for the 1Q15 and 2.7% for the 2Q15

(*) NPL's: including interest account receivables, is 1.8% for the 1Q15 and 1.8% for the 2Q15

⁽¹⁾ Past Due Loans + 30 and +90 days / Total Loans.

⁽²⁾ NPL defined as microcredit loans more than 30 days past due, consumer, mortgage and financial leases more than 60 days past due and commercial loans more than 90 days past due.

⁽³⁾ Past due and Non Performing Loans for 2Q14 are presented under Colombian Banking GAAP.

Funding

Figures in Ps. Trillions

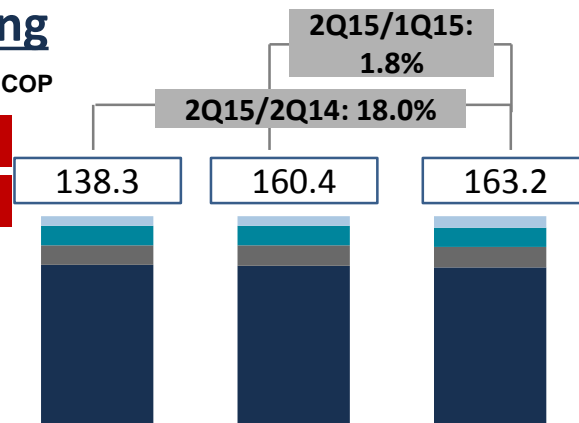


Total Funding

Growth excl. depreciation of COP

2Q15 / 2Q14 = 9.5%

2Q15 / 1Q15 = 1.7%



Funding Composition

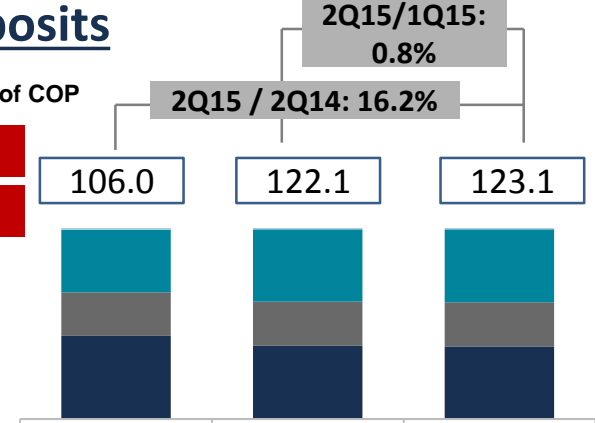
	2Q14	1Q15	2Q15
Interbank Borrowings	4.7%	4.6%	5.6%
Long-Term Bonds	9.3%	9.5%	9.1%
Banks and Others	9.4%	9.8%	9.8%
Deposits	76.6%	76.1%	75.4%

Total Deposits

Growth excl. depreciation of COP

2Q15 / 2Q14 = 8.1%

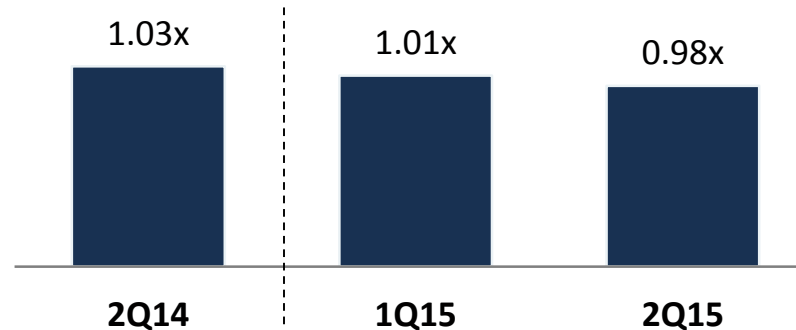
2Q15 / 1Q15 = 0.8%



Deposit Composition

	2Q14	1Q15	2Q15
Others	0.9%	0.7%	0.7%
Time deposits	32.7%	37.8%	38.2%
Checking accounts	22.7%	22.8%	22.9%
Savings deposits	43.6%	38.6%	38.1%

Deposits / Net Loans (%)

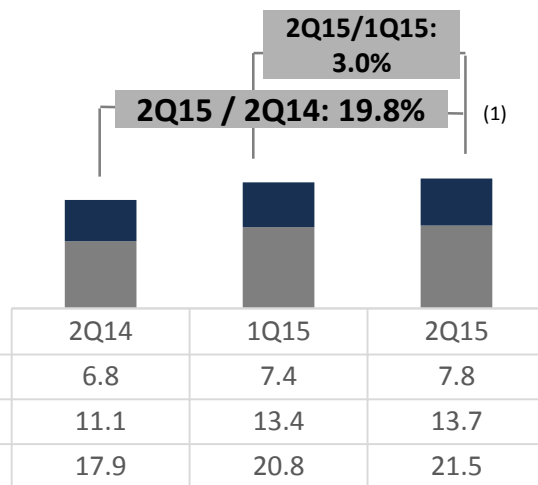


Capital

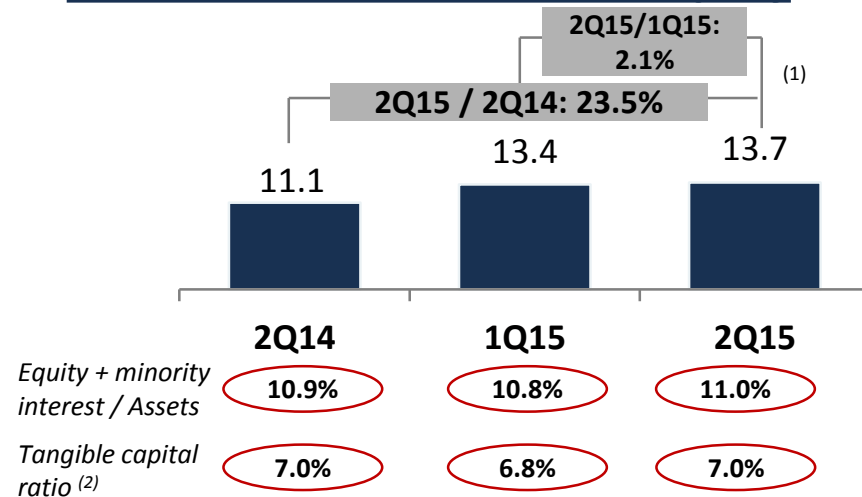
Figures in Ps. Trillions



Attributable Equity + Minority Interest



Attributable Shareholders Equity



Consolidated Capital Adequacy of our Banks (%)*



	Banco de Bogotá			Banco de Occidente			Banco Popular			Banco AV Villas		
	2Q14	1Q15	2Q15	2Q14	1Q15	2Q15	2Q14	1Q15	2Q15	2Q14	1Q15	2Q15
Primary capital (Tier 1)	7.5	7.8	7.7	8.9	10.0	10.4	10.0	11.0	10.5	10.5	10.5	10.1
Solvency Ratio	11.2	10.8	10.9	12.2	12.1	12.4	11.9	12.2	12.0	11.5	11.3	10.7

(1) Includes Ps. 2.5 trillion of capital raised between Sep, 2014 and Oct, 2014 through a preferred share offering in the NY Stock Exchange. (2) Tangible Capital Ratio is calculated as Shareholders Equity plus Minority Interest minus Goodwill divided by Total Assets minus Goodwill. * Solvency ratios and Tier 1 figures for 2014 are presented under Colombian Banking GAAP and for 2015 under IFRS.

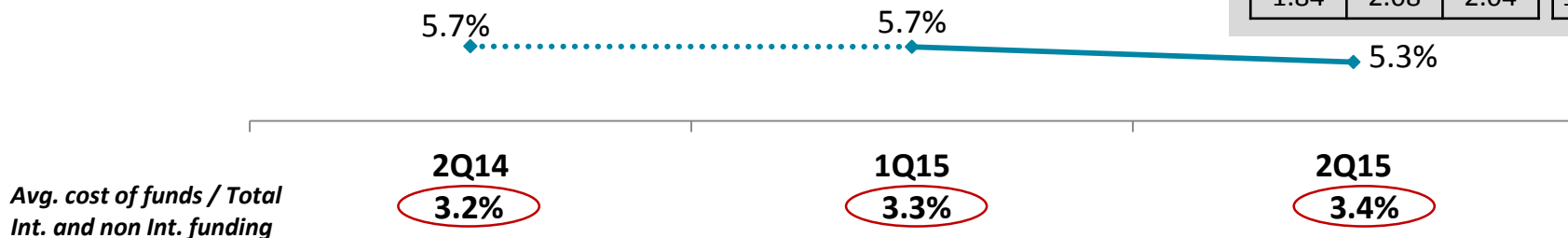
NIM – Net Interest Margin



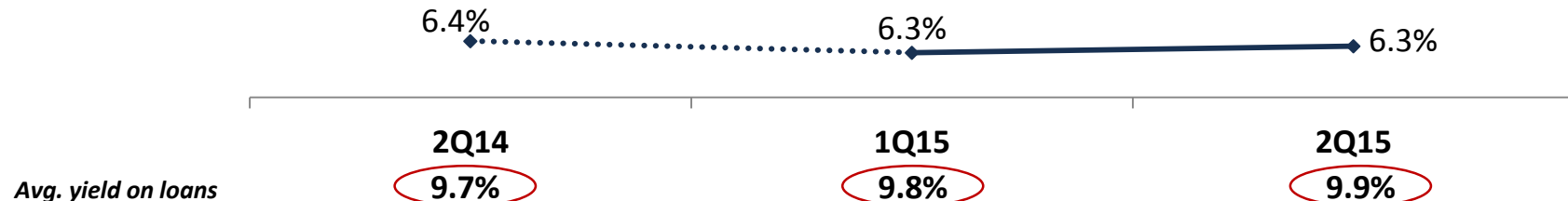
Net Interest Margin⁽¹⁾

Net interest income (trillions)

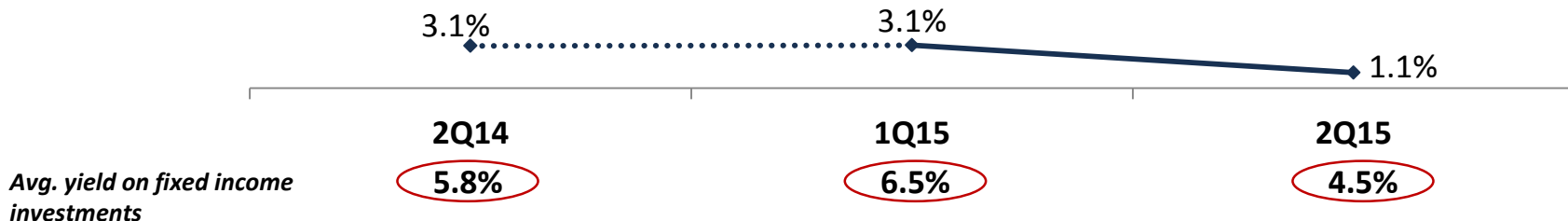
2Q14	1Q15	2Q15	2Q15/ 2Q14	2Q15/ 1Q15
1.84	2.08	2.04	11.0%	-1.8%



Loans Interest Margin⁽²⁾



Net Fixed Income Margin⁽³⁾



(1) Net Interest Margin: Net interest income divided by total average interest-earning assets.

(2) Loans Interest Margin: Net Interest Income on Loans to Average loans and financial leases.

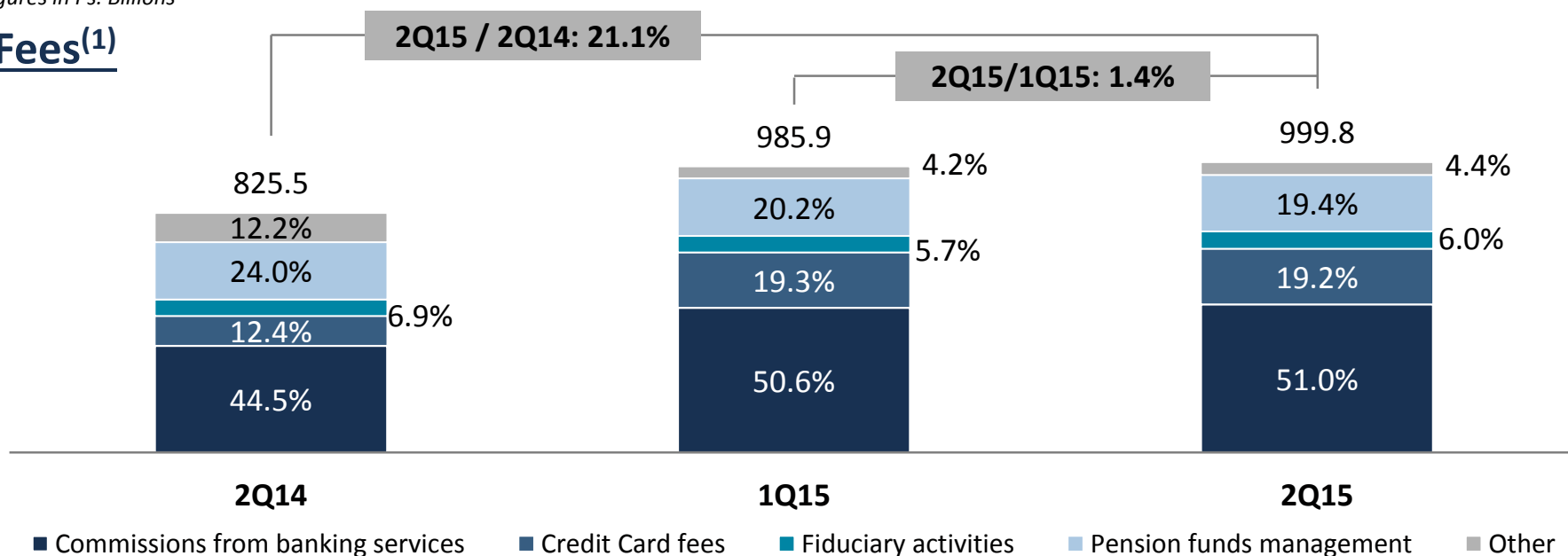
(3) Net Fixed Income Margin: Net Interest income on Fixed Income securities and on Interbank and Overnight funds to Average Fixed Income securities and Interbank and overnight funds.

Fees and other operating income



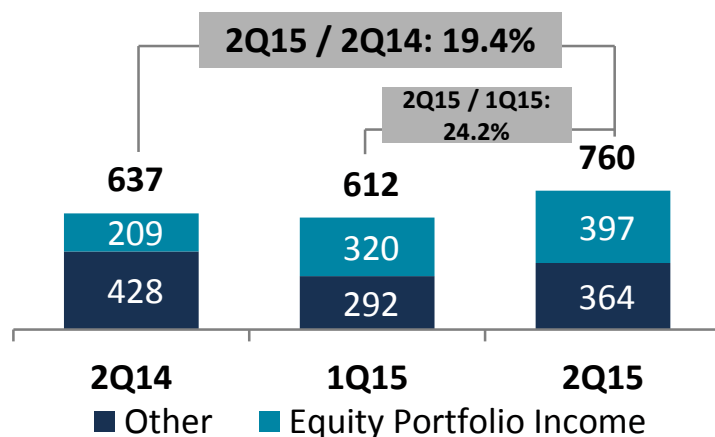
Figures in Ps. Billions

Fees⁽¹⁾



⁽¹⁾ Total gross fees and other service income.

Other income



Other income

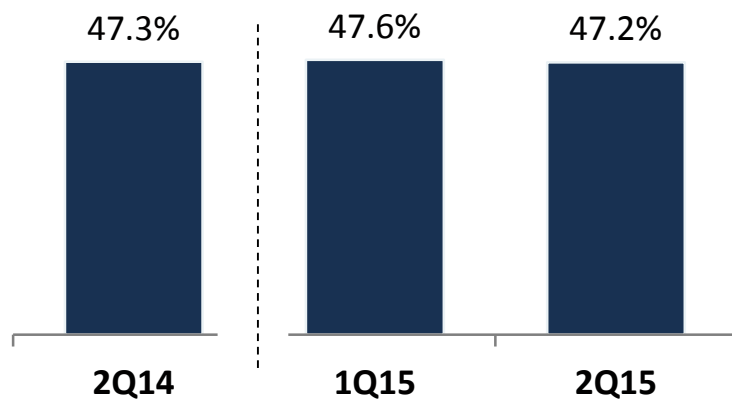
	2Q14	1Q15	2Q15
Dividend & Equity Method income ⁽¹⁾	68	29	86
Income from non-financial sector, net	140	291	310
Foreign exchange (losses) gains, net	129	71	162
Other	299	222	202
Total other operating income	637	612	760

⁽¹⁾ From unconsolidated equity investments.

Efficiency and non operating income, net

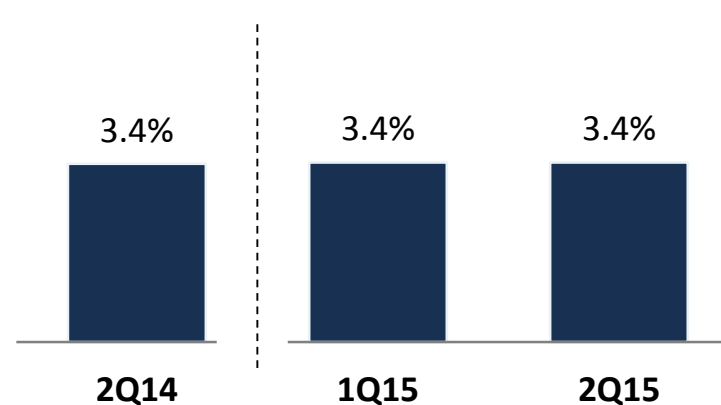


Operating expenses / Total Income



Efficiency Ratio is calculated as Operating Expenses before D&A divided by Total income before net provisions.

Operating expenses / Average Assets



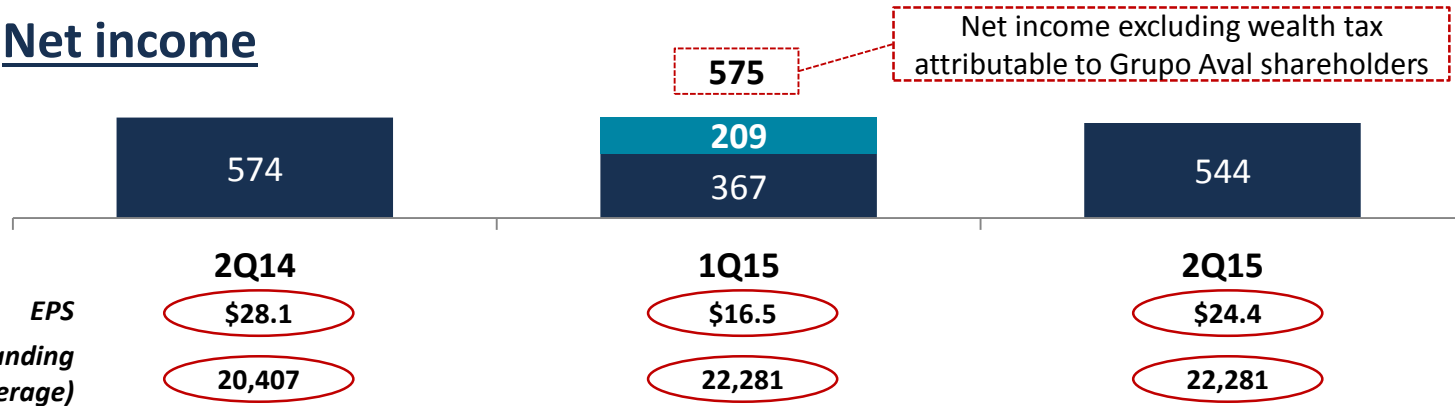
Efficiency Ratio is calculated as annualized Operating Expenses before D&A divided by average of total assets.

Profitability

Figures in Ps. Billions



Net income



2Q14

1Q15

2Q15

EPS

\$28.1

\$16.5

\$24.4

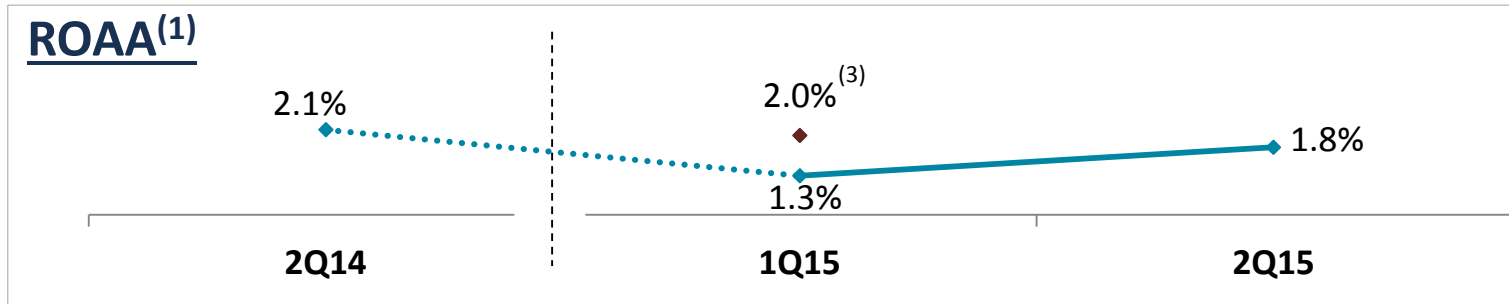
Shares Outstanding
(MM Average)

20,407

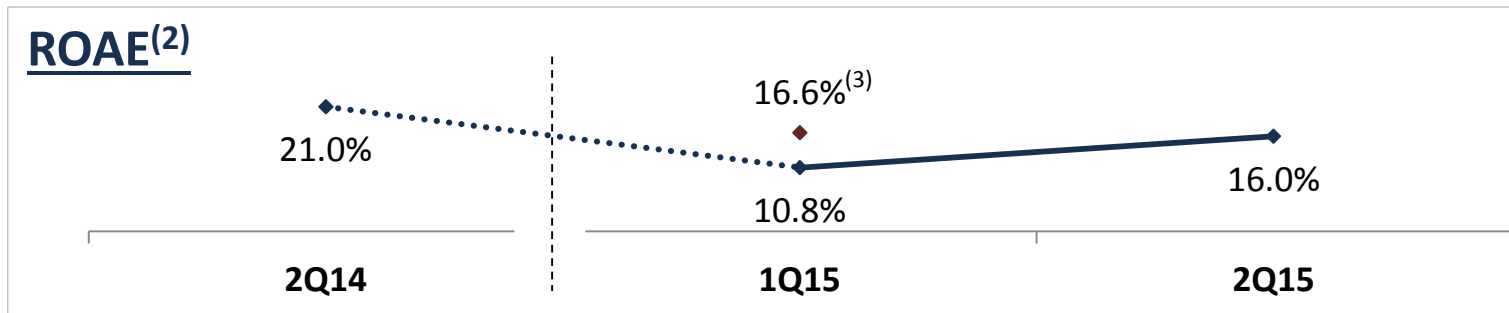
22,281

22,281

ROAA⁽¹⁾



ROAE⁽²⁾



(1) ROAA for each quarter is calculated as annualized Net Income before Minority Interest divided by average of total assets. (2) ROAE for each quarter is calculated as annualized Net Income attributable for Aval's shareholders divided by average attributable shareholders' equity. (3) ROAA and ROAE for excluding wealth tax payment.