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Investor Presentation

9th Annual J.P.Morgan Global Emerging Markets Corporate Conference

February 2018



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This presentation may contain certain forward-looking statements and information relating to Grupo Aval that reflects the current views and/or expectations of Grupo Aval and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, any statement that may predict, forecast, indicate or imply future results, performance or achievements, and may contain words like “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect” or any other words or phrases of similar meaning. Such statements are subject to a number of risks, uncertainties and assumptions. Estimates and forward-looking statements are mainly based on our current expectations and estimates on projections of future events and trends, which affect or may affect our businesses and results of operations. Factors that may cause actual results to differ materially from those expressed in the forward-looking statements in this presentation include, among others: changes in Colombian, Central American, regional and international business and economic, political or other conditions; developments affecting Colombian and international capital and financial markets; government regulation and tax matters and developments affecting our company and industry; increases in defaults by our customers; increases in goodwill impairment losses; decreases in deposits, customer loss or revenue loss; increases in provisions for contingent liabilities; our ability to sustain or improve our financial performance; increases in inflation rates; changes in interest rates which may, among other effects, adversely affect margins and the valuation of our treasury portfolio; decreases in the spread between investment yields and implied interest rates in annuities; movements in exchange rates; competition in the banking and financial services, credit card services, insurance, asset management, pension fund administration and related industries; adequacy of risk management procedures and credit, market and other risks of lending and investment activities; decreases in our level of capitalization; changes in market values of Colombian and Central American securities, particularly Colombian government securities; adverse legal or regulatory disputes or proceedings; internal security issues affecting countries where we will operate and natural disasters; loss of key members of our senior management; and other factors that may affect our financial condition, liquidity and results of operations.

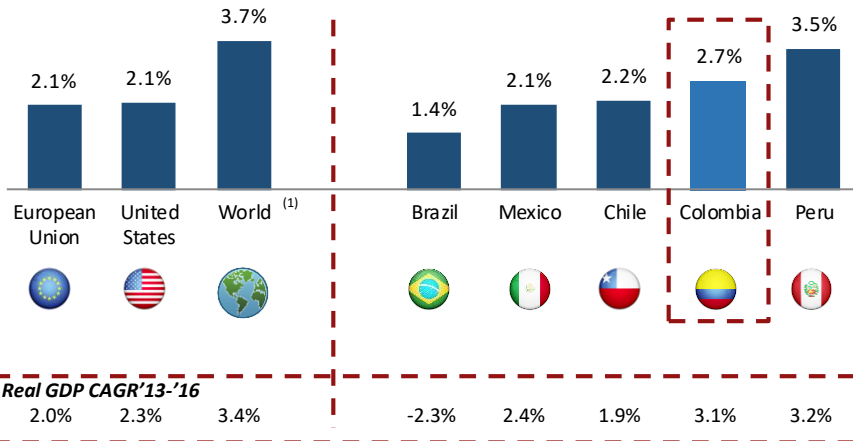
Any forward-looking statement contained in this presentation reflects the current views of Grupo Aval with respect to future events, and it assumes no obligation to publicly update or revise these forward-looking statements for any reason, or to update the reasons why actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future, except as otherwise required by applicable law. The market and competitive position data, including market forecasts and statistical data, used throughout this presentation was obtained from internal surveys, market research, independent consultant reports, publicly available information, governmental agencies and industry publications. Although we have no reason to believe that any of this information or these reports are inaccurate in any material respect, we have not independently verified such data. Grupo Aval and its shareholders do not make any representation as to the accuracy of such information.

Balance sheet and statement of income data included in this presentation for the year ended December 31, 2013 and previous years, reflects unconsolidated or consolidated information under Colombian Banking GAAP or U.S. GAAP, as applicable. Consolidated Financial information of Grupo Aval for the years 2017, 2016, 2015 and 2014 has been prepared under IFRS as issued by IASB. Unconsolidated information of our subsidiaries, combined information of Grupo Aval and comparative disclosures of our financial and operating performance for the years 2017, 2016, 2015 and 2014 against that of our competitors in Colombia has been prepared under IFRS as applicable under Colombian regulations reported to the Superintendency of Finance. Comparative disclosures of our financial and operating performance against that of our competitors in Central America are based on public information available in each of the countries’ financial superintendency.

Because of our recent migration to IFRS and recent implementation of IFRS accounting principles, the unaudited consolidated financial information for the 2016, and the comparative information for the relevant consolidated periods of 2015 presented herein, may be subject to further amendments. Our banking subsidiaries report unconsolidated financial data to the Superintendency of Finance; however, Grupo Aval, as a holding company, is not required to report such unconsolidated data. Unless otherwise indicated or the context otherwise requires, market share and other data comparing our performance and that of our competitors reflects the unconsolidated results of our banking subsidiaries, Sociedad Administradora de Fondos de Pensiones y Cesantías Porvenir S.A. (“Porvenir”) and Corporación Financiera Colombiana S.A. (“Corficolombiana”). Aggregate or Combined data throughout this document pertaining to Grupo Aval reflects the summation of unconsolidated results of our banking subsidiaries. Grupo Aval has been granted the IR Recognition by the Colombian Securities Exchange (Bolsa de Valores de Colombia S.A). This is not a certification of the registered securities or the solvency of the issuer. Also, does not imply an opinion on the quality and accuracy of the content, it only denotes a verification of the existence of the information on the website of the issuer. When applicable, in this report we refer to billions as thousands of millions. Unless otherwise indicated, certain Colombian peso amounts are translated into U.S. dollars at the representative market rates as computed and certified by the Superintendency of Finance of Ps 2984.00 as of December 31, 2017.

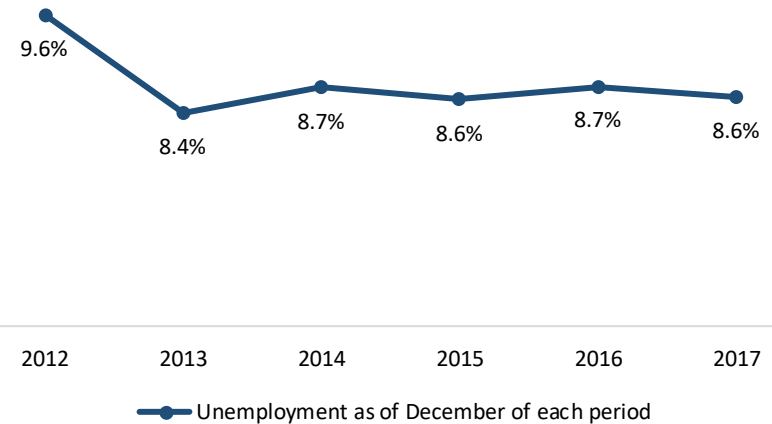
The Colombian economy's fundamentals are trending in the right direction (1/2)

Expected Real GDP Growth – Real GDP CAGR '16–'19E



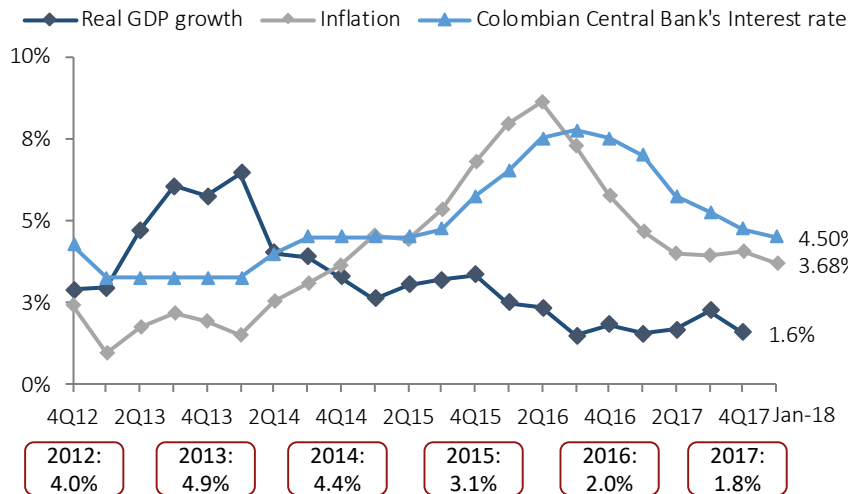
Source: IMF's WEO as of October 2017
 (1) Includes the 189 countries which report to the IMF

Unemployment



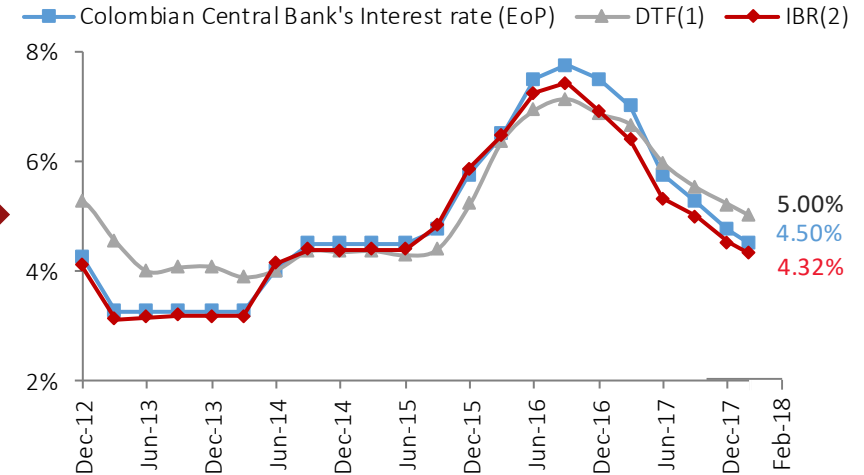
Source: Total national unemployment. DANE, and Banco de la República de Colombia

Strict Monetary Policy



Source: Banco de la República de Colombia, and DANE.

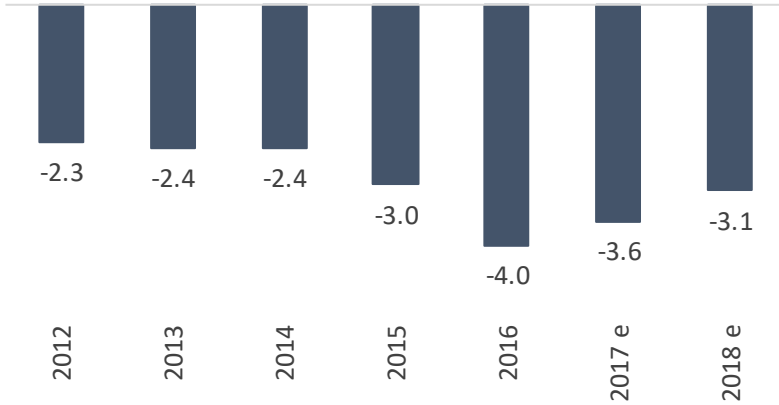
Central Bank, DTF and IBR Rates



Source: Banco de la República de Colombia.
 Note: The DTF rate is a benchmark interest rate that represents the financial system's average rate for 90-day term deposits; ⁽¹⁾ End of period DTF rate; ⁽²⁾ End of period 3-month interbank (IBR) rate

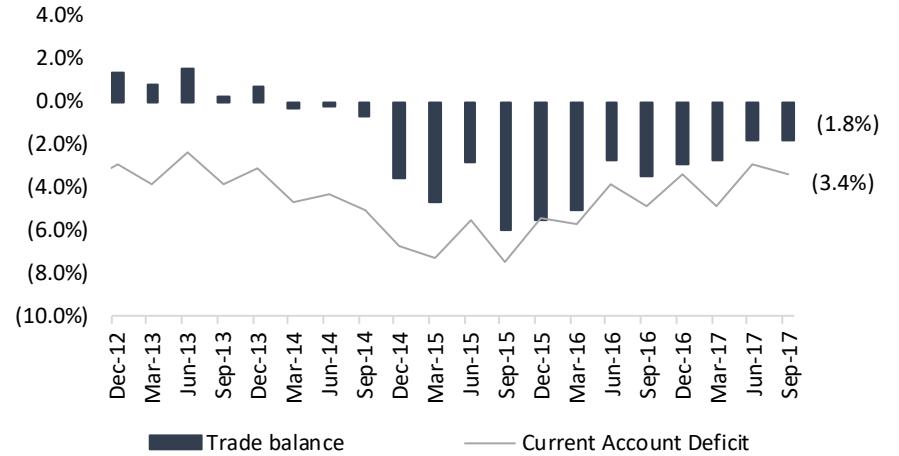
The Colombian economy's fundamentals are trending in the right direction (2/2)

Colombian Government Fiscal Deficit (% of GDP)



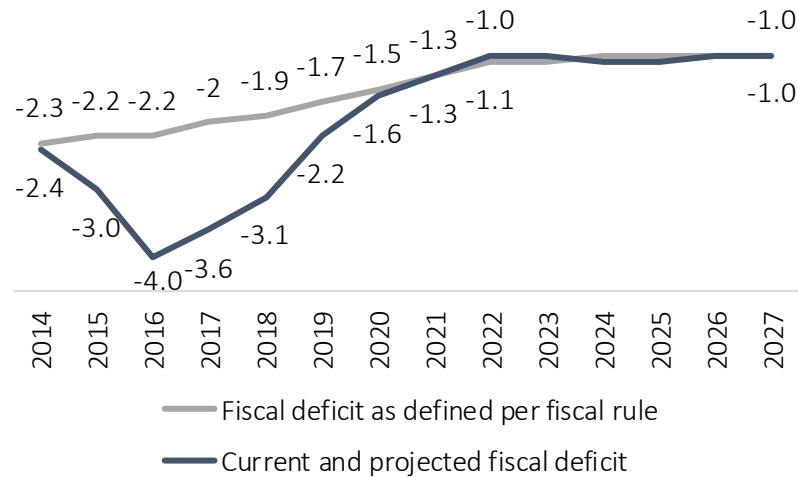
Source: Ministry of Finance. Projections according to 2017 mid-term fiscal framework.

Current Account (% GDP, quarterly not seasonally adjusted)



Source: Grupo Aval calculations based on public information from DANE and Banco de la República de Colombia

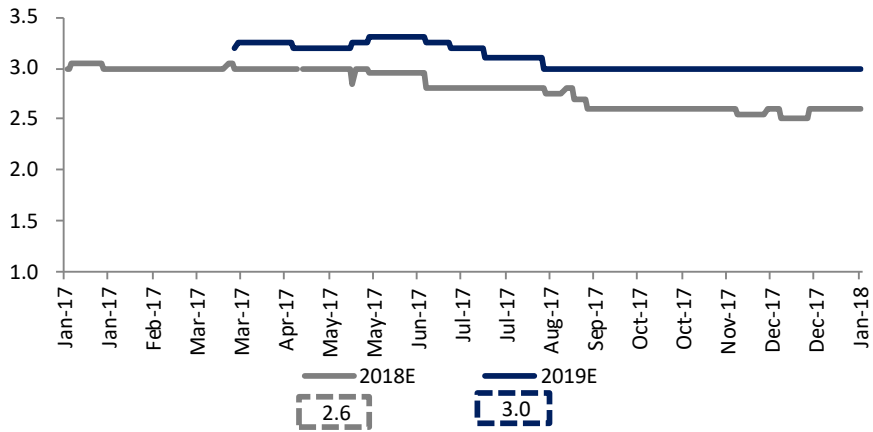
Current and Projected Fiscal Deficit vs. Fiscal Rule (% of GDP)



Source: Ministry of Finance. Projections according to 2017 mid-term fiscal framework.

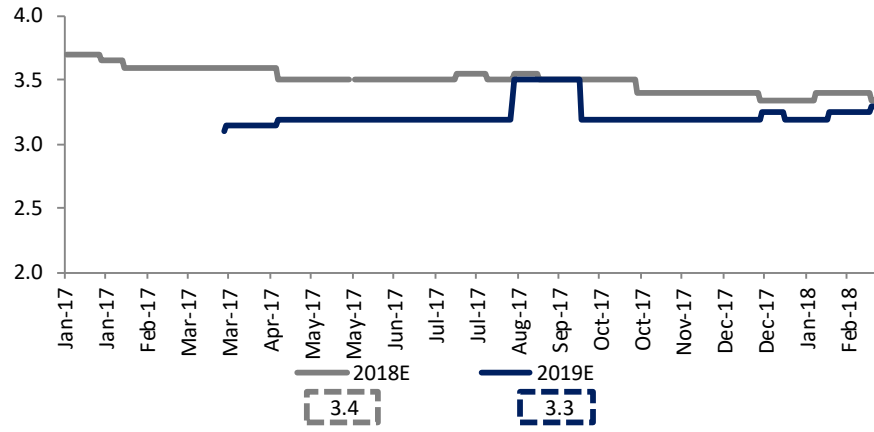
Analysts' expectations point towards a recovery in growth and inflation

Real GDP Growth (%) Forecasts



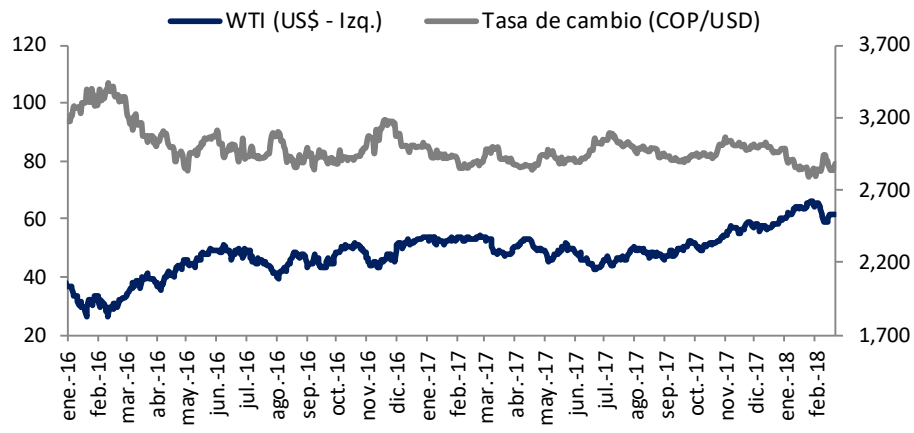
Source: Bloomberg Consensus

Inflation Expectations (%)



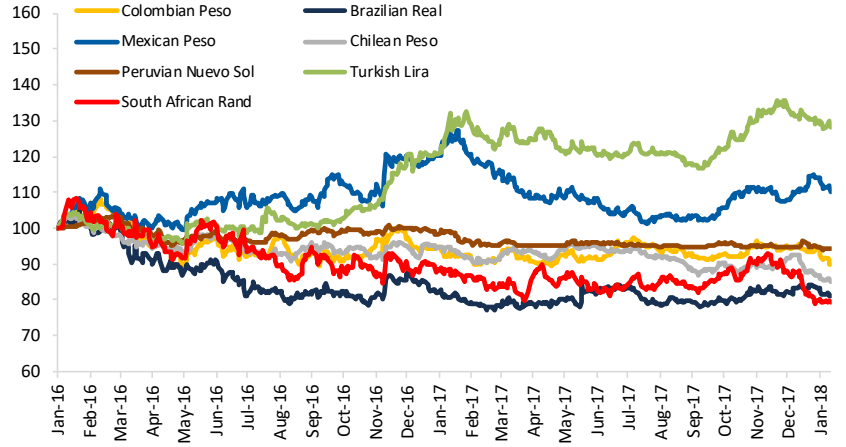
Source: Bloomberg Consensus

Colombian Peso vs WTI US\$/barrel



Source: Bloomberg

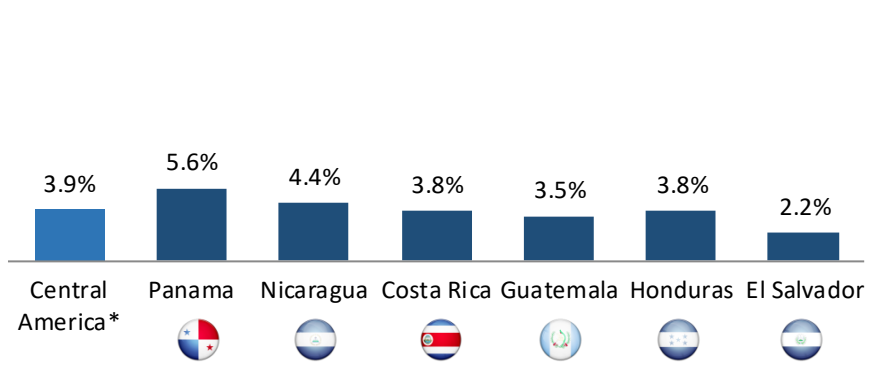
Colombian Peso vs Emerging markets' currencies (100=Jan, 2016)



Source: Bloomberg

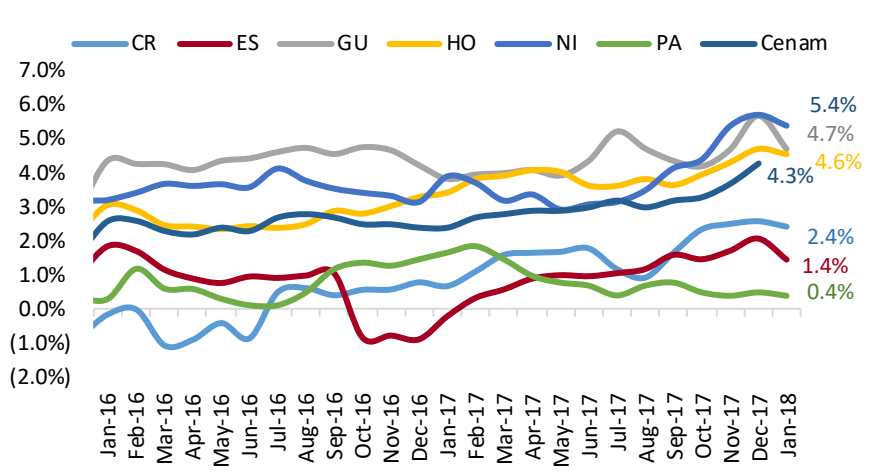
Central American countries continue to have a robust growth outlook, set to benefit from positive momentum in the US economy

Promising Growth Outlook – Real GDP CAGR '16–'19E



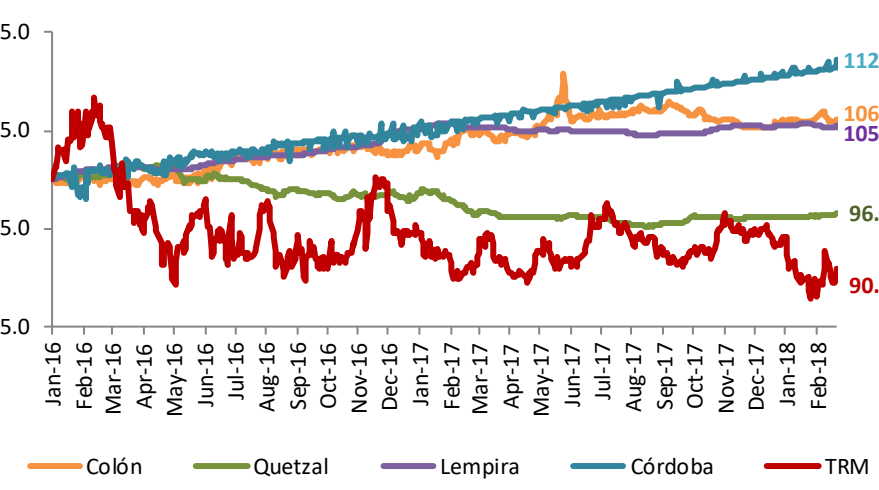
Source: IMF WEO Oct-17; (*) Aggregate growth of all the Central American countries

Inflation per Country



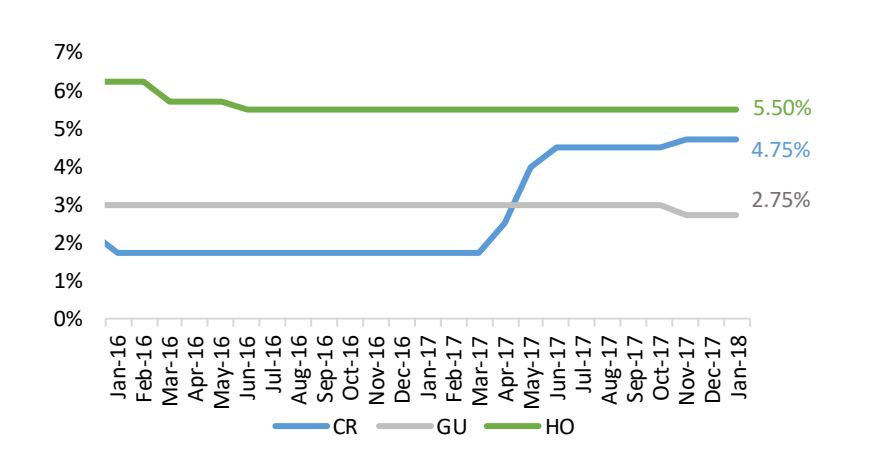
Source: SECMCA. Inflation of Cenam as of December, 2017.

Regional Exchange Rates



Source: Bloomberg

Central Banks' Interest Rates



Source: SECMCA

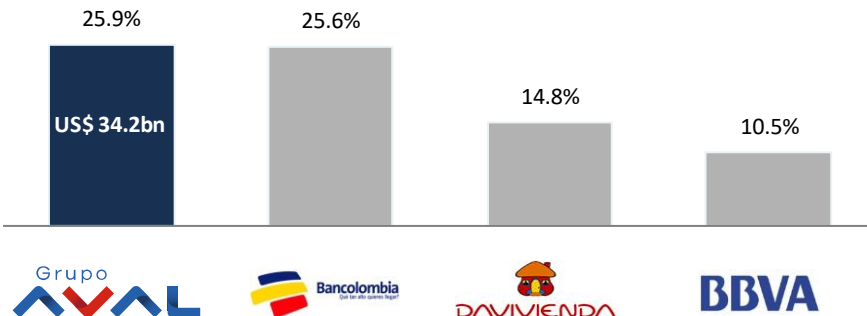


Grupo Aval continues to be a clear leader in the Colombian market

Combined Unconsolidated Market Shares of our Colombian Banks as of December 31, 2017

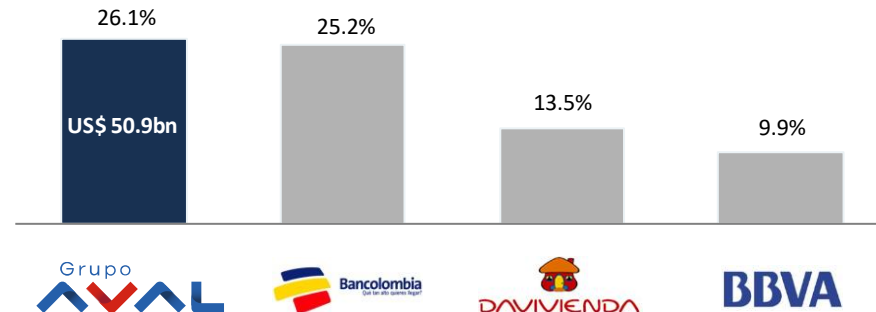
Net Loans ⁽¹⁾

System: US\$ 132.2bn



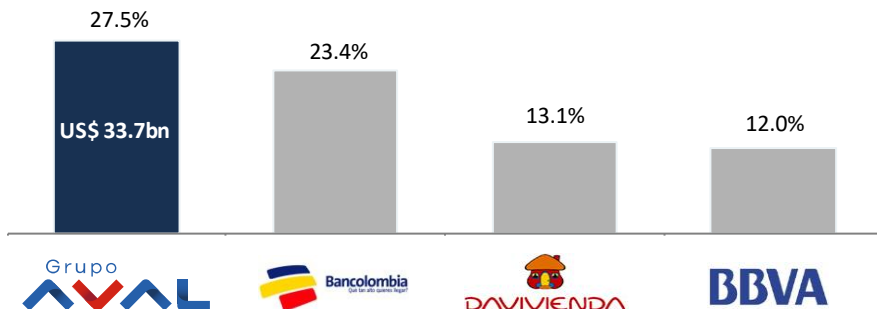
Total Assets

System: US\$ 194.7bn



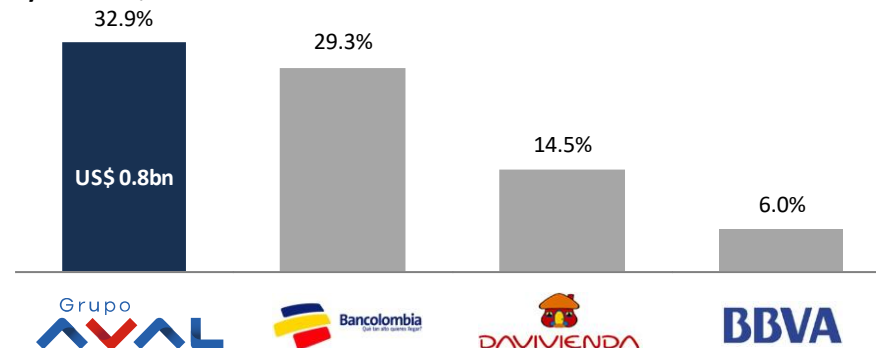
Deposits ⁽¹⁾

System: US\$ 122.4bn



Net Income

System: US\$ 2.6bn



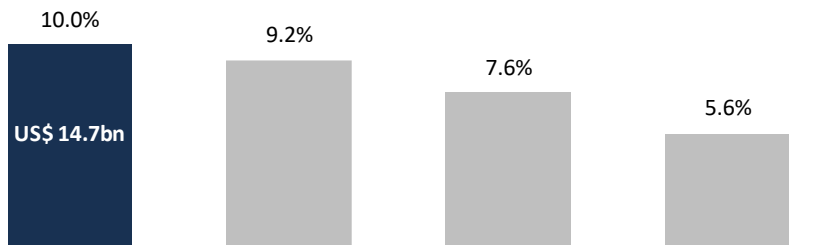
Source: Unconsolidated information under IFRS filed with the Colombian Superintendency of Finance and published monthly; as of December 31, 2017. System: Sum of banks. Grupo Aval is the sum of Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017. ⁽¹⁾ Figures refer to net loans and leases excluding interbank & overnight funds for comparative purposes; 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 September 30, 2017

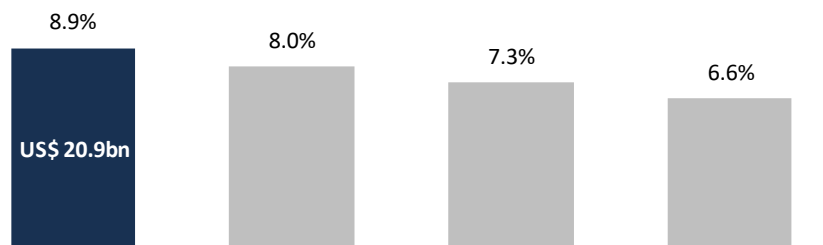
Net Loans

System: US\$ 147.6bn



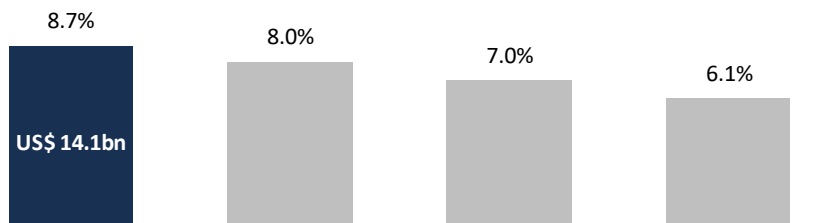
Total Assets

System: US\$ 235.2bn



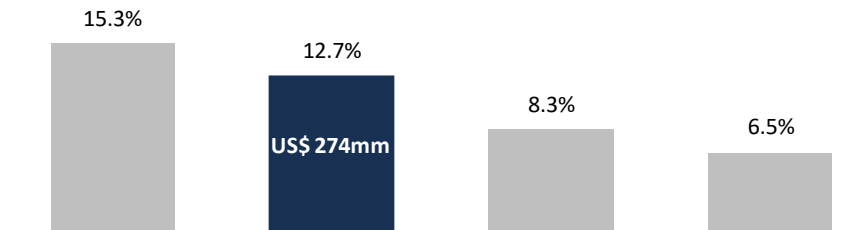
Deposits

System: US\$ 161.4bn



Net Income for 9 months ended September 30, 2017

System: US\$ 2.2bn

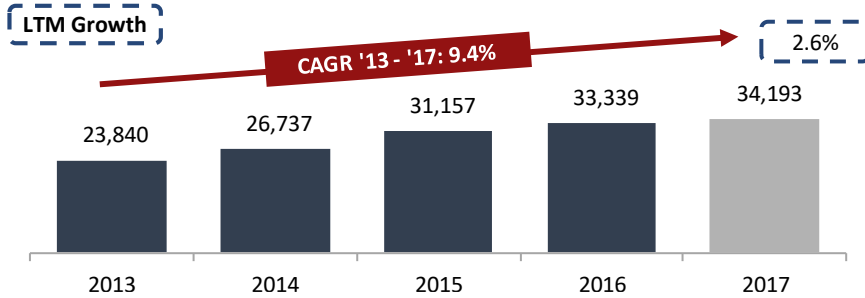


Source: Company filings. Calculated based on publicly disclosed data aggregated from the local superintendencies of Costa Rica, Honduras, El Salvador, Guatemala, Nicaragua and Panama. BAC Credomatic's net income reflects BAC Credomatic International's results, since it acts as the regional holding company 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).

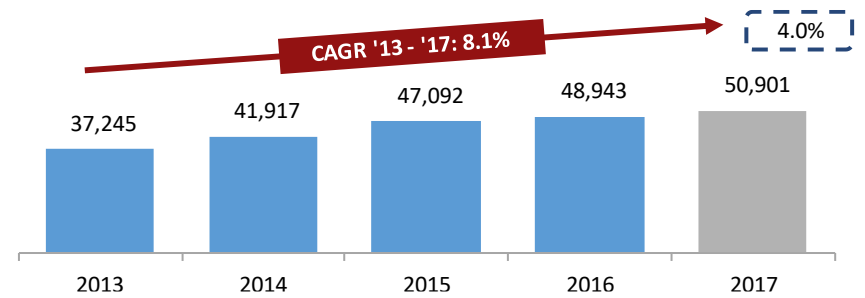
Our combined Colombian operation has shown strong historic results in the past years... (1/2)

Combined Unconsolidated Results of our Colombian Banks as of December 31, 2017 (US\$mm)⁽¹⁾

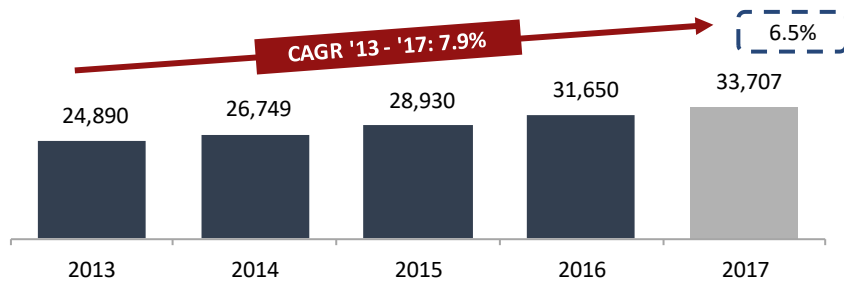
Net loans and financial leases



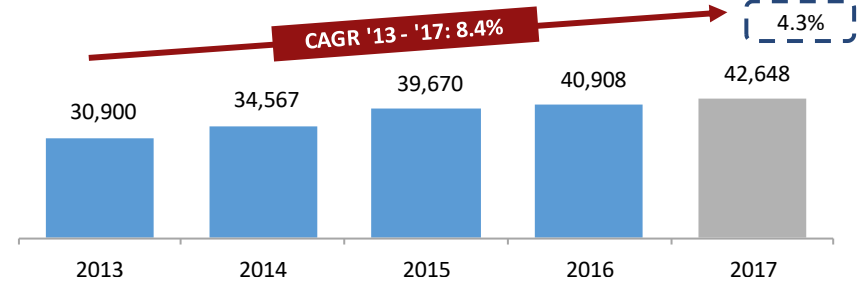
Assets



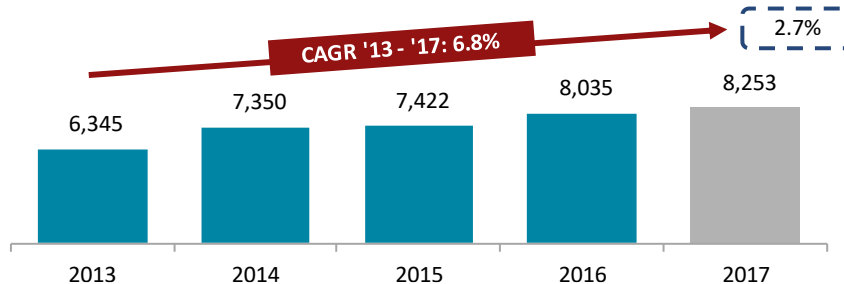
Deposits



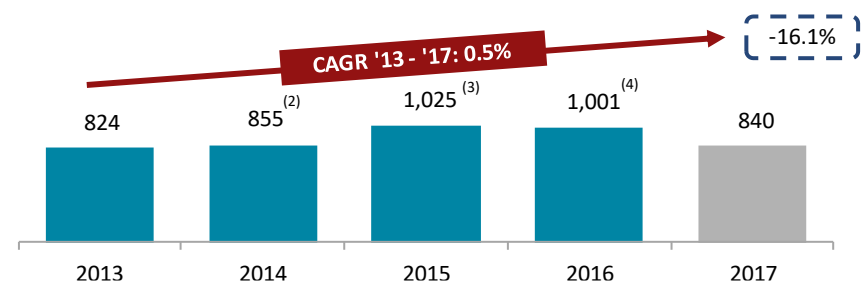
Liabilities



Total Equity



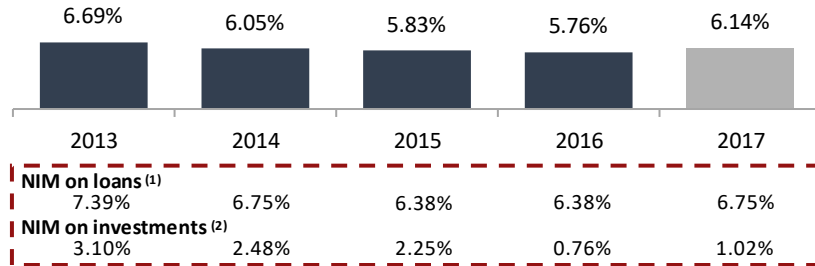
Net income (US\$mm)



Source: Company filings. ⁽¹⁾ Unconsolidated results of Grupo Aval. Figures for 2014 and 2013, are reported under Colombian Banking GAAP. Figures for 2015 and over are reported under IFRS as adopted by the Superintendency of Finance. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017, to maintain comparability. ⁽²⁾ Excludes the non-recurring effect of US\$244.6 million driven by the reclassification of Banco de Occidente's investment in Corficolombiana from its available for sale portfolio to its trading portfolio, and by the sale of part of these shares to Grupo Aval. ⁽³⁾ Excludes \$US79.2 million extraordinary effect of dividends and equity method during the first half of 2015. ⁽⁴⁾ Adjusted for the non-recurring effect of US\$740.0 million associated with the deconsolidation of Corficolombiana at Banco de Bogotá.

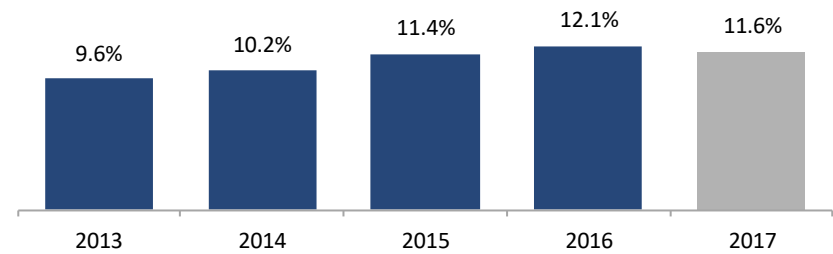
Our combined Colombian operation has shown strong historic results in the past years... (2/2)

Net Interest Margin



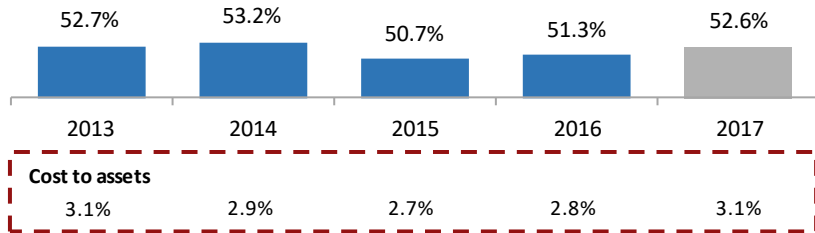
NIM calculated as Net interest income divided by total average interest-earning assets (13 months average for years)

Fee Income Ratio



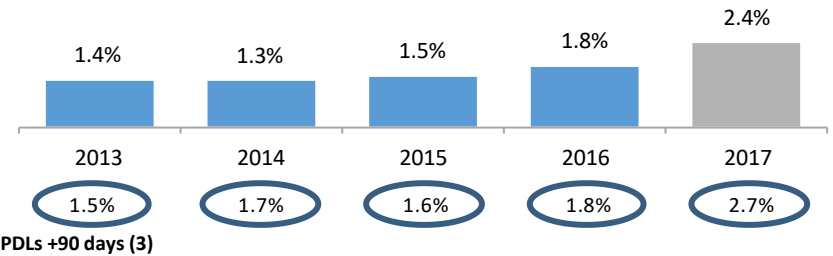
Fee Income ratio: net fee income divided by total operating income before net provisions excluding other operating income

Efficiency and Cost to Assets



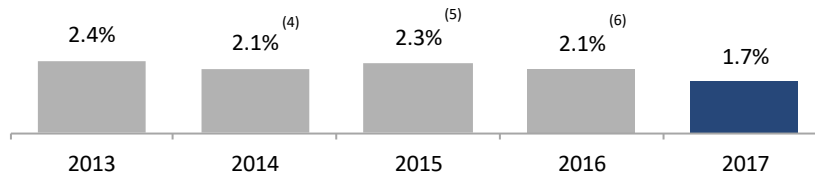
Efficiency and Cost to assets: Calculated as operating expenses before depreciation and amortization divided by total operating income for efficiency and divided by average total assets (13 months average for years) for cost to assets. Excludes costs that do not impact Grupo Aval's consolidated financials for US\$ 13.9 mm in 2013, US\$ 16.7 mm in 2014, US\$ 17.3 mm in 2015, US\$ 22.5 mm in 2016 and US\$ 71.7 mm in 2017

Cost of Risk



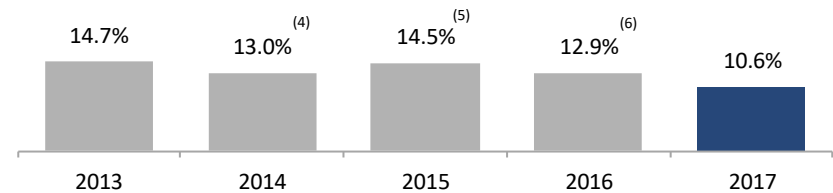
Cost of Risk: Impairment loss net of recoveries of charged-off assets divided by average gross loans excluding interbank and overnight funds (13 months average for years)

ROAA



Calculated as income before non-controlling interest divided by average assets (13 months average for years)

ROAE



Calculated as net income divided by average equity attributable to owners of the parent company (13 months average for years)

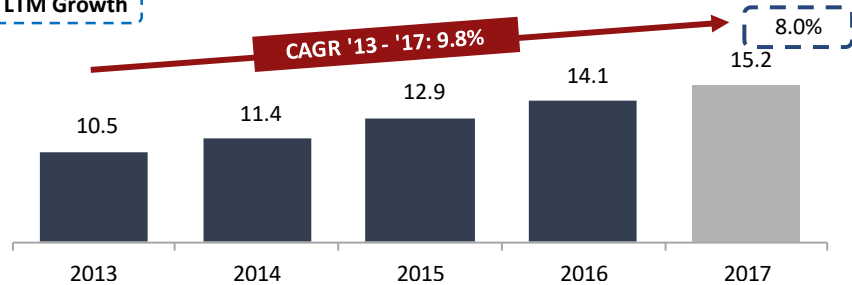
Source: Company filings. Figures for 2014 and 2013, are reported under Colombian Banking GAAP. Figures for 2015 and over are reported under IFRS as adopted by the Superintendency of Finance. ⁽¹⁾ Net Interest Income on Loans to Average loans and financial leases; ⁽²⁾ Net Interest income on fixed income securities, net trading income from equity and fixed income investment securities held for trading through profit and on interbank and overnight funds to Average securities and interbank and overnight funds; ⁽³⁾ PDLs +90 days exclude interest accounts receivable. ⁽⁴⁾ Combined figures for 2014 exclude the non-recurring effect of US\$244.6 million driven by the reclassification of Banco de Occidente's investment in Corficolombiana from its available for sale portfolio to its trading portfolio, and by the sale of part of these shares to Grupo Aval. ⁽⁵⁾ Combined figures for 2015 were adjusted for the US\$79.2 million extraordinary effect of dividends and equity method during the first half of the year, when included ROAA is 2.5% and ROAE 15.5%. ⁽⁶⁾ Combined figures for 2016 were adjusted for the non-recurring effect of US\$740.0 million associated with the deconsolidation of Corficolombiana at Banco de Bogotá.

Our Central American operation show a strong track record of growth (1/2)

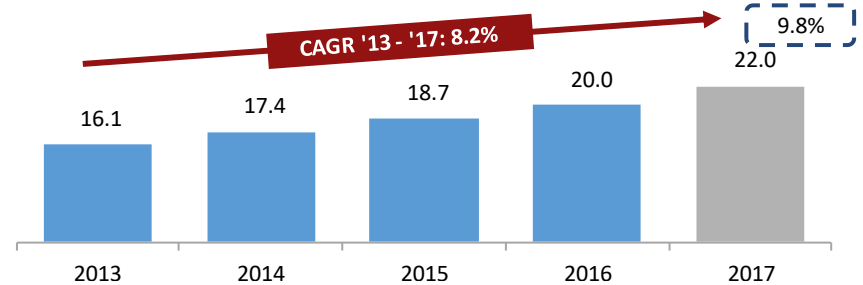
BAC Credomatic as of December 31, 2017 (US\$Bn)

Net loans and financial leases

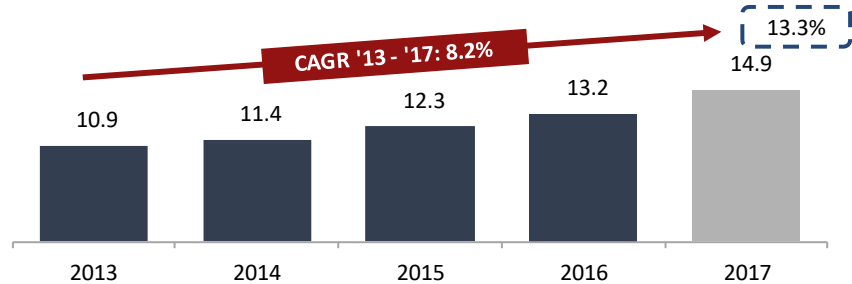
LTM Growth



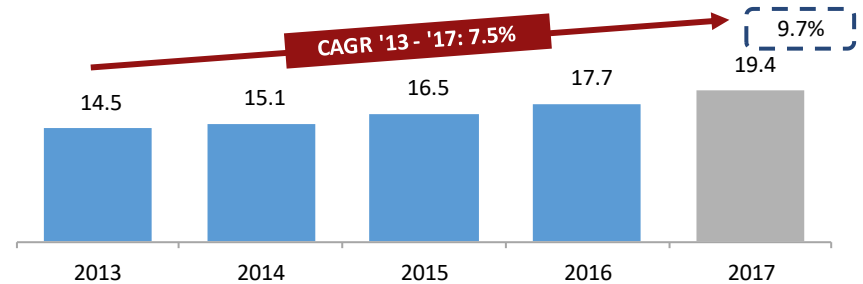
Assets



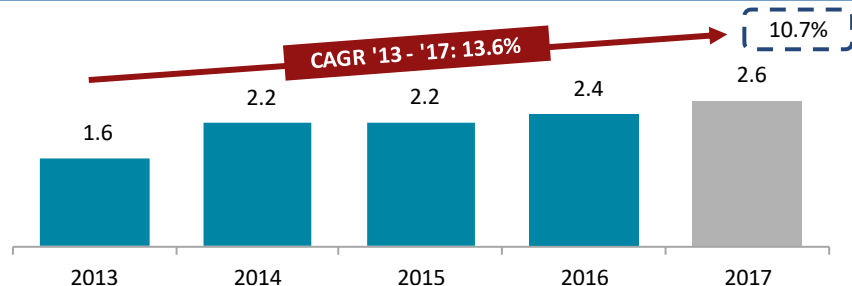
Deposits



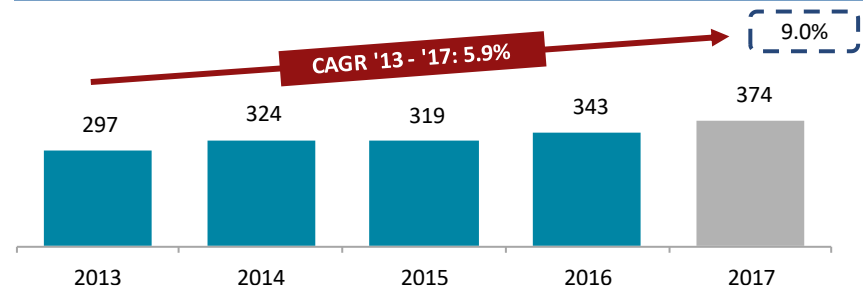
Liabilities



Total Equity



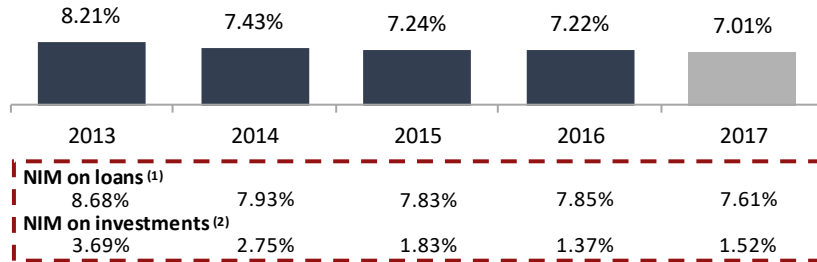
Net income (US\$mm)



Source: Company filings. Unaudited figures. Figures for 2014 and 2013 are reported under US GAAP. Figures for 2015 and over are reported under IFRS.

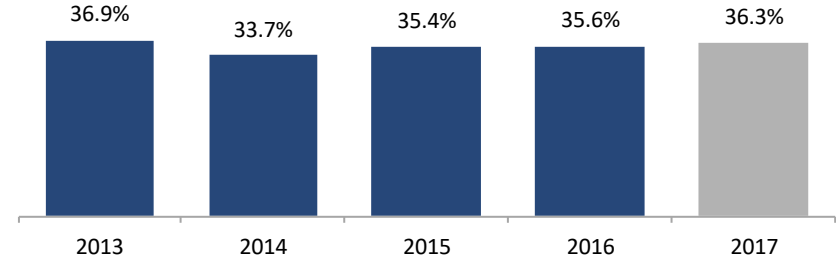
Our Central American operation show a strong track record of growth (2/2)

Net Interest Margin



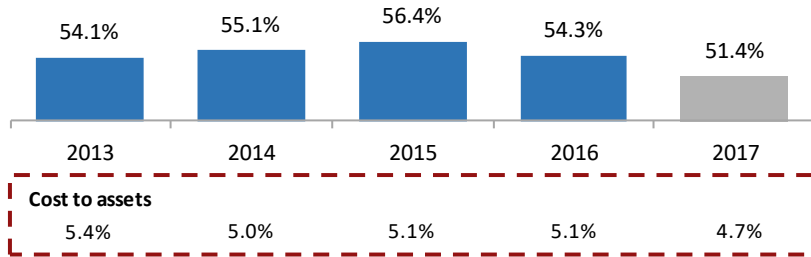
NIM calculated as Net interest income divided by total average interest-earning assets (13 months average for years)

Fee Income Ratio



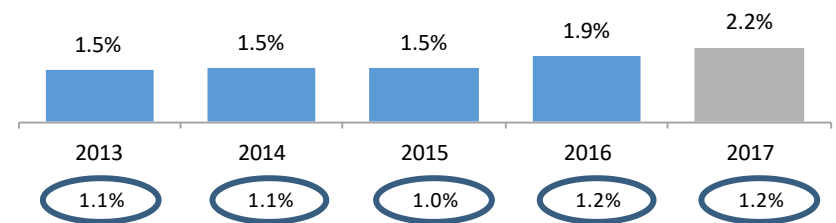
Fee Income ratio: net fee income divided by total operating income before net provisions excluding other operating income

Efficiency and Cost to Assets



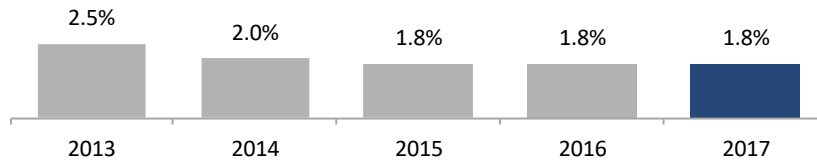
Efficiency and Cost to assets: Calculated as operating expenses before depreciation and amortization divided by total operating income for efficiency and divided by average total assets (13 months average for years) for cost to assets

Cost of Risk



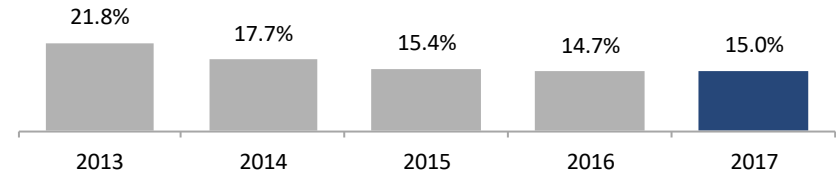
Cost of Risk: Impairment loss net of recoveries of charged-off assets divided by Average gross loans excluding interbank and overnight funds (13 months average for years)

ROAA



Calculated as income before non-controlling interest divided by average assets (13 months average for years)

ROAE



Calculated as net income divided by average equity attributable to owners of the parent company (13 months average for years of equity attributable to owners of the parent company)

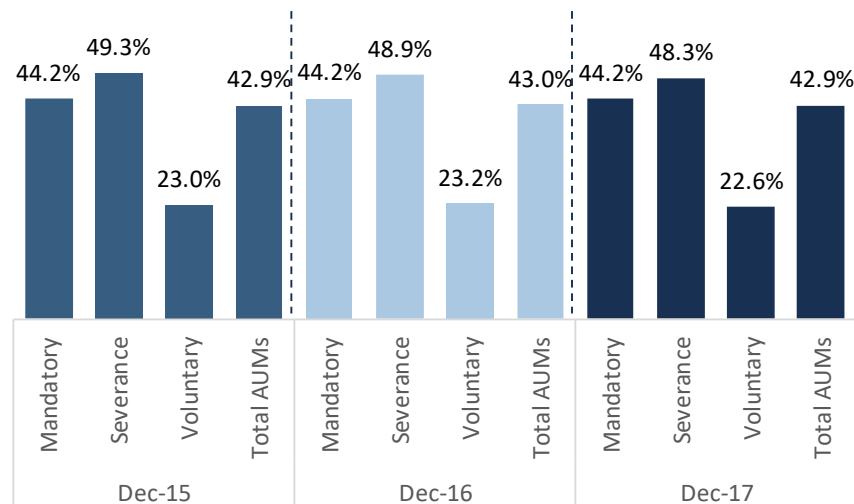
Source: Company filings. Figures for 2014 and 2013 are reported under US GAAP. Figures for 2015 and over are reported under IFRS. ⁽¹⁾ Net Interest Income on Loans to Average loans and financial leases; ⁽²⁾ Net Interest income on fixed income securities, net trading income from equity and fixed income investment securities held for trading through profit and on interbank and overnight funds to Average securities and Interbank and overnight funds; ⁽³⁾ PDLs +90 days exclude interest accounts receivable.

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

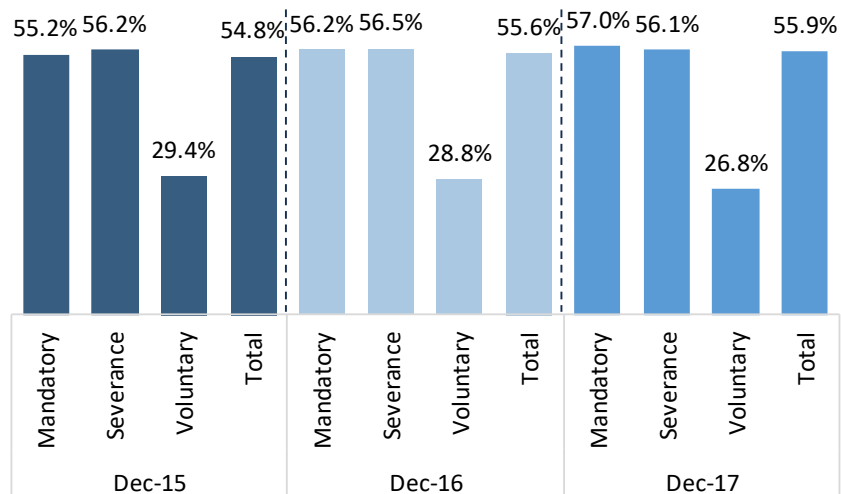
Assets Under Management (US\$ Bn)

	Dec-15	Dec-16	Dec-17
Mandatory	24.2	27.7	32.9
Severance	1.3	1.5	1.7
Voluntary	1.0	1.1	1.3
Total AUMs	26.5	30.3	35.8

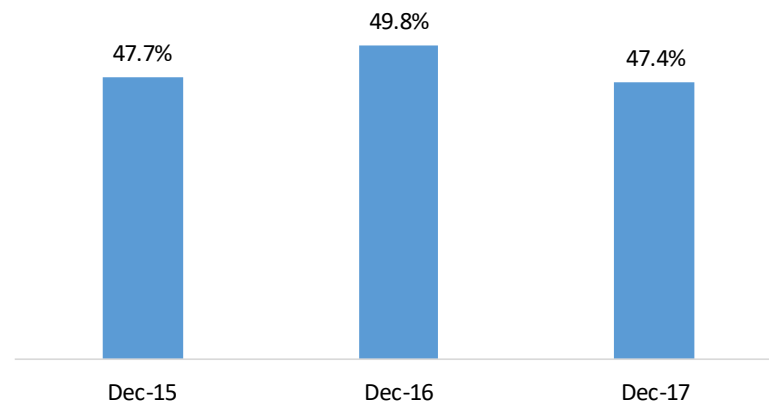
Assets Under Management (Market Share)



Affiliates to Pension Funds (Market Share)



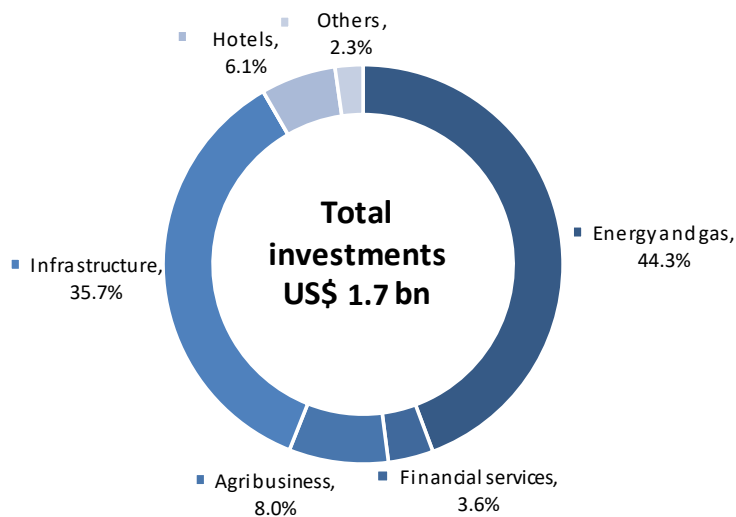
Net Income (Market Share)



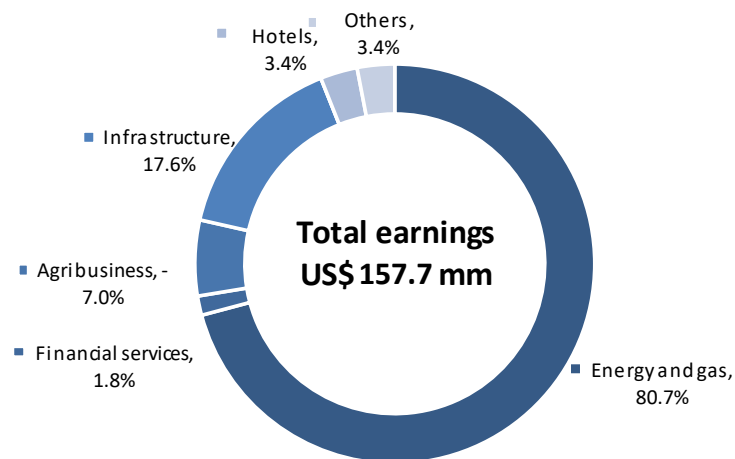
Source: Superintendency of Finance. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017, to maintain comparability.

Corficolombiana invests in multiple industries reflecting the Colombian economy

Equity portfolio as of December 31, 2017



Income contribution as of December 31, 2017



Corficolombiana's investment portfolio

Infrastructure	
Energy & Gas	
Hotel	
Financial	
Agribusiness	

Source: Company filings. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017, to maintain comparability.



Combined financial information on Grupo Aval Acciones y Valores S.A. + Grupo Aval Limited

Combined Financial Statements

\$USD millions	2012	2013	2014	IFRS (*)		
				2015	2016	Nov-17
Balance Sheet						
Cash and cash equivalents	811	1,017	770	234	190	226
Loans to subsidiaries(1)	1,045	737	760	1,252	728	694
Equity Investments	3,572	3,920	5,204	5,298	5,734	6,044
Other Assets	2,805	3,981	4,081	338	341	386
Total Assets	8,234	9,655	10,814	7,122	6,994	7,350
Accounts payable	106	117	138	137	139	176
Borrowings	386	-14	-8	133	241	177
Long term debt (Bonds)	1,843	1,843	1,807	1,801	1,251	1,383
Other liabilities	39	35	33	6	6	20
Total Liabilities	2,373	1,981	1,971	2,078	1,636	1,755
Total Shareholder´s Equity	5,861	7,675	8,844	5,045	5,358	5,594
Liabilities + SH´s Equity	8,234	9,655	10,814	7,122	6,994	7,350
Income Statement						
Net Income ⁽¹⁾	511.0	528.5	760.2	737.8	774.9	683.7

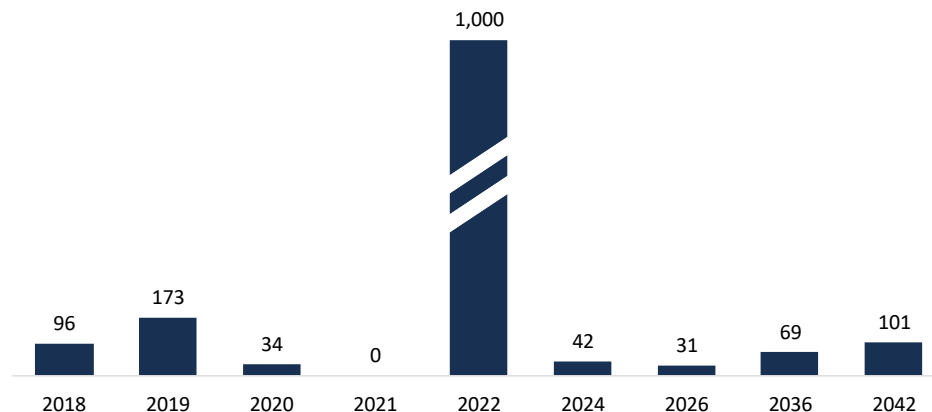
Source: Unaudited combined figures of Grupo Aval Acciones y Valores S.A. and Grupo Aval Limited as of November 30, 2017. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017, to maintain comparability. (*) 2015 reflects restated figures due to the implementation of IAS 27 and IAS 28. ⁽¹⁾ Net income for the 11 months ended November 30, 2017 was annualized for comparative purposes.

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 December 31, 2017

Total liquid assets as of Dec-17

Cash and cash equivalents	182.0
Fixed income investments	42.3
Callable Senior loans to subsidiaries	416.3
Total liquid assets	640.6



Evolution of Combined Key Ratios as of December 31, 2017

Consolidated Statement of Financial Position

Double Leverage excl Senior Loans to Subs ⁽¹⁾
 Net debt / Core earnings ⁽³⁾
 Net debt / Cash dividends ⁽³⁾
 Core Earnings / Interest Expense ⁽²⁾

2015

2016

2017

2016 vs 2015
 2017 vs 2016

1.24x

1.15x

1.16x

-0.09

0.01

4.5x

3.0x

2.9x

-1.51

-0.09

-0.09

4.9x

3.6x

3.6x

-1.34

0.04

0.04

4.1x

3.6x

5.0x

-0.53

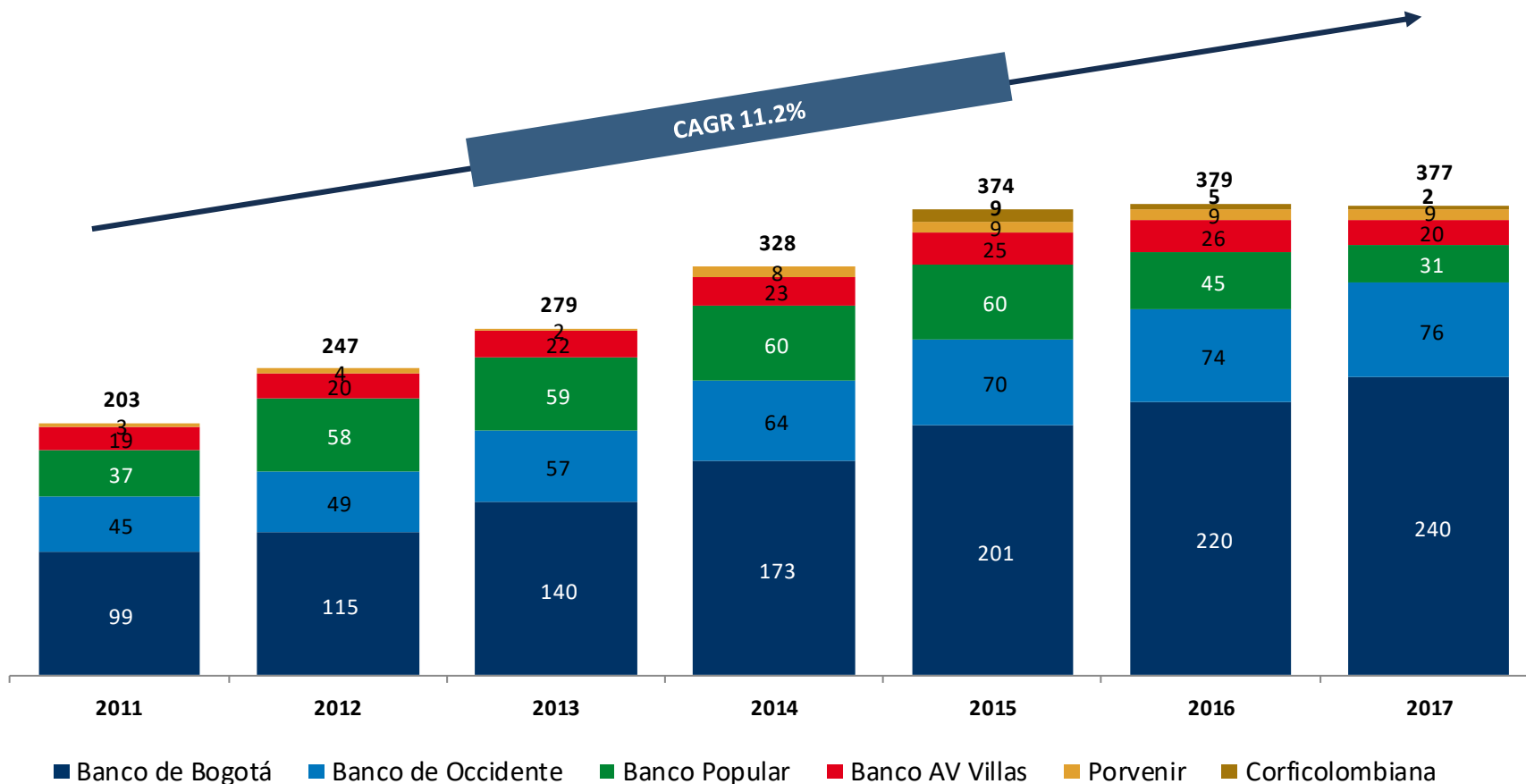
1.37

1.37

Source: Unaudited combined figures of Grupo Aval Acciones y Valores S.A. and Grupo Aval Limited as of December 31, 2017. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance Ps 2,984.00 as of December 31, 2017. (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 and investments. Banco AV Villas pays declared dividends in one installment per semester in the second and fourth quarters; (3) Net debt is calculated as total gross debt minus cash and cash equivalents and fixed income investments.

History of our subsidiaries' dividend stream

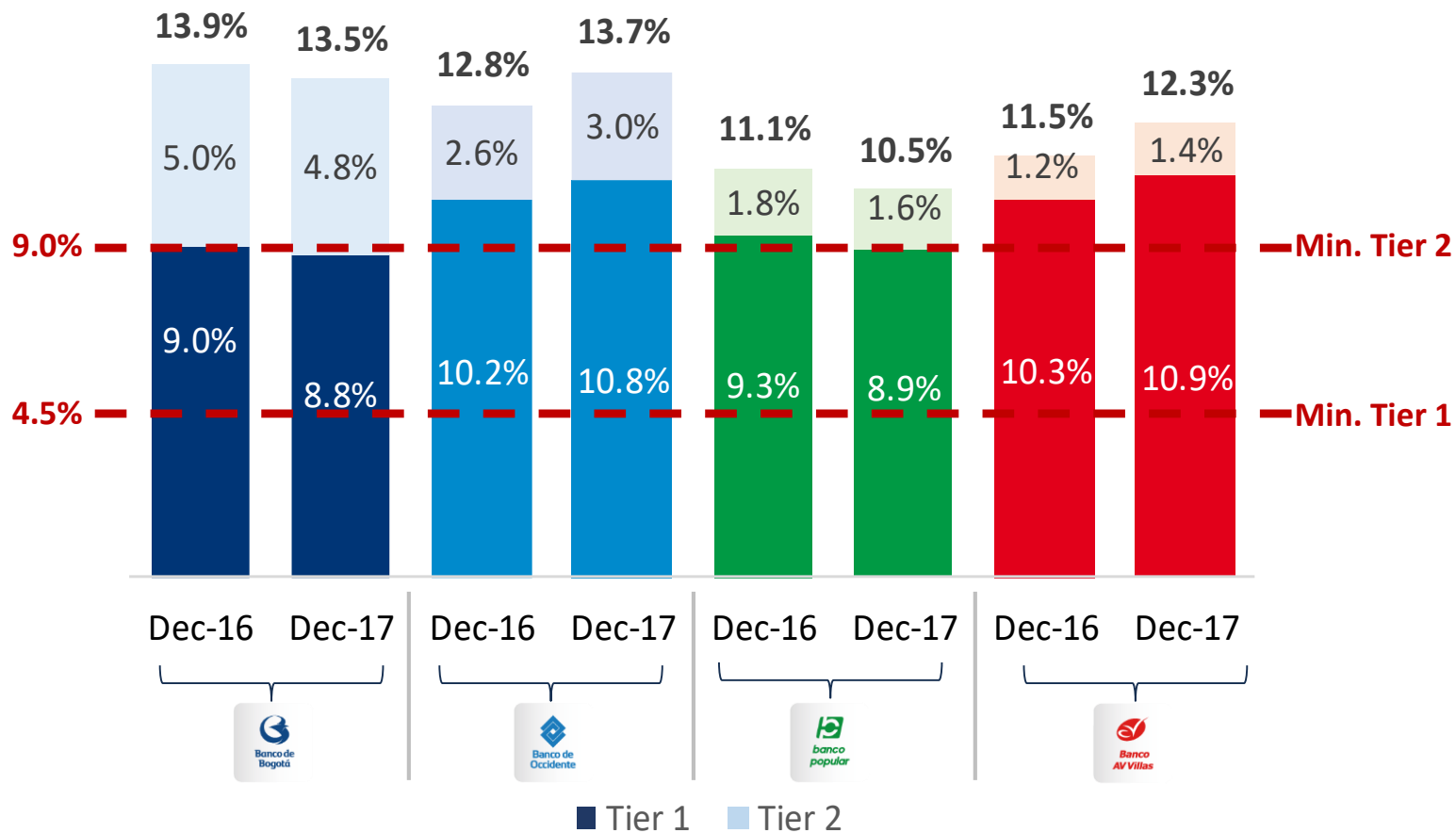
Grupo Aval's Cash Dividend Income (US\$ mm)



Source: Grupo Aval filings. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 2,984.00 as of December 31, 2017, to maintain comparability

Recent evolution of our banks' consolidated solvency ratios

Consolidated Solvency Ratios of our Banks



Source: Consolidated figures based on company filings.

Grupo

