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Investor Presentation

London - March, 2016



Disclaimer

Grupo Aval Acciones y Valores S.A. (“Grupo Aval”) is an issuer of securities in Colombia and 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 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 not a financial institution and is not supervised or regulated as a financial institution in Colombia.

The consolidated financial information for the years ended and as of December 31, 2014, 2013, 2012, 2011 and 2010 included in this report have been audited by KPMG for the purpose of its submission to the SEC filed by Grupo Aval in the Form 20-F on a yearly basis. As 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.

Although we are not a financial institution, until December 31, 2014 we prepared the financial information 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. We believe that presentation on that basis most appropriately reflected our activities as a holding company of 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.

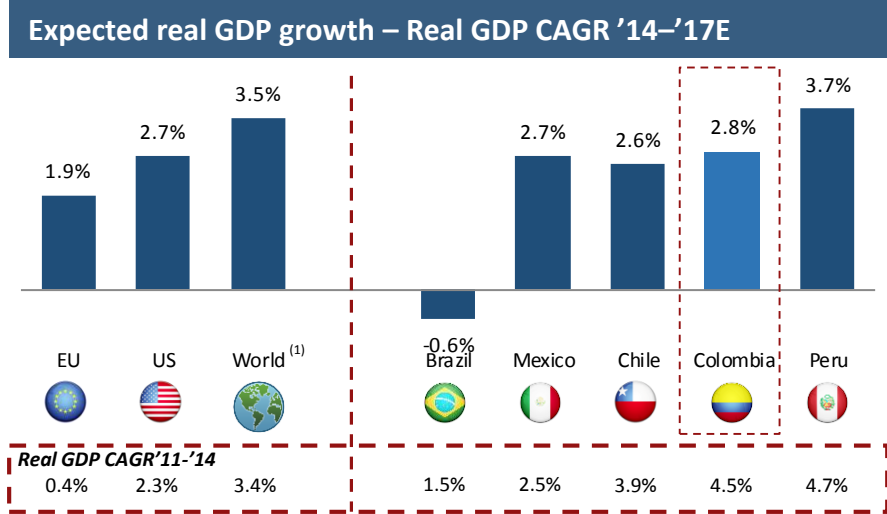
In 2009 the Colombian Congress enacted Law 1314 establishing the implementation of IFRS in Colombia. As a result, since January 1, 2015 financial entities and Colombian issuers of publicly traded securities such as Grupo Aval must prepare financial statements in accordance with IFRS as applicable under Colombian regulation. Colombian Banking GAAP and IFRS as applicable under Colombian regulations differ in certain significant respects from U.S. GAAP. IFRS as applicable under Colombian regulations also 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. Details of the calculations of non-GAAP measures such as ROAA and ROAE, among others, are explained when required in this document. Included in this document: 2014 figures are reported in Banking GAAP; 2015 figures for our banks are reported under IFRS as applicable under Colombian regulations for financial institutions; and 2015 figures for Grupo Aval are reported under full IFRS as currently issued by the IASB.

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.

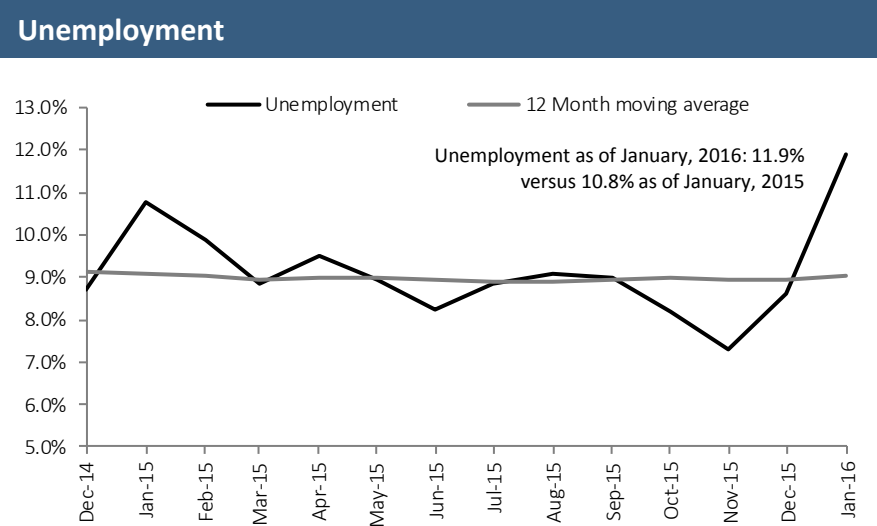
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Grupo Aval has been granted the IR Recognition by the Colombian Securities Exchange (Bolsa de Valores de Colombia S.A). This is not a certification of the registered securities or the solvency of the issuer. Also, does not imply an opinion on the quality and accuracy of the content, it only denotes a verification of the existence of the information on the website of the issuer.

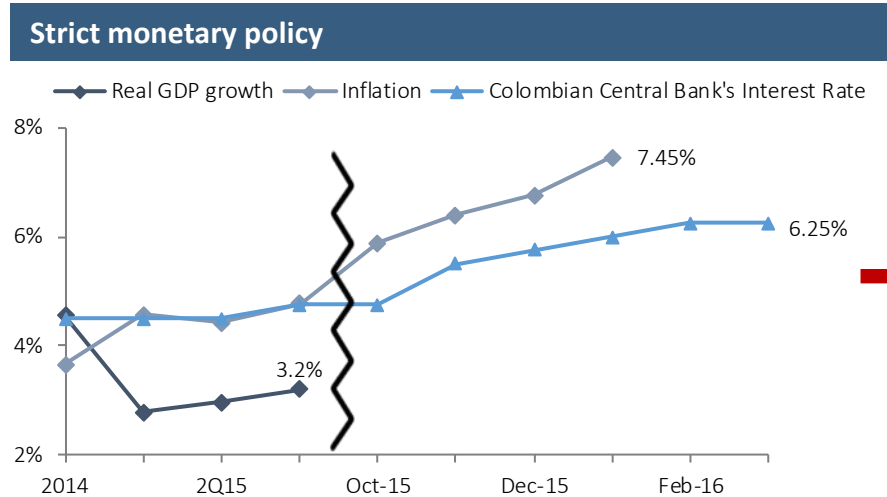
Despite recent macro events, the Colombian economy still shows resilience



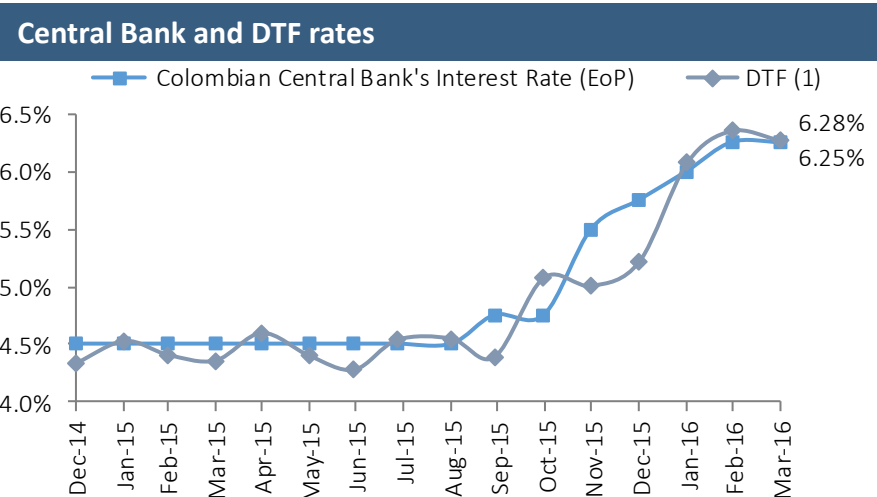
Source: IMF
⁽¹⁾ Includes the 189 countries which report to the IMF



Source: DANE, and Banco de la República de Colombia



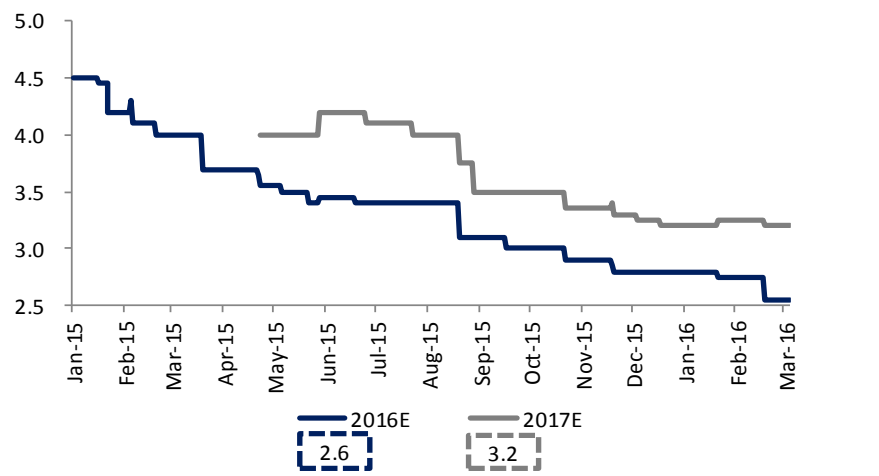
Source: Banco de la República de Colombia, and DANE.



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

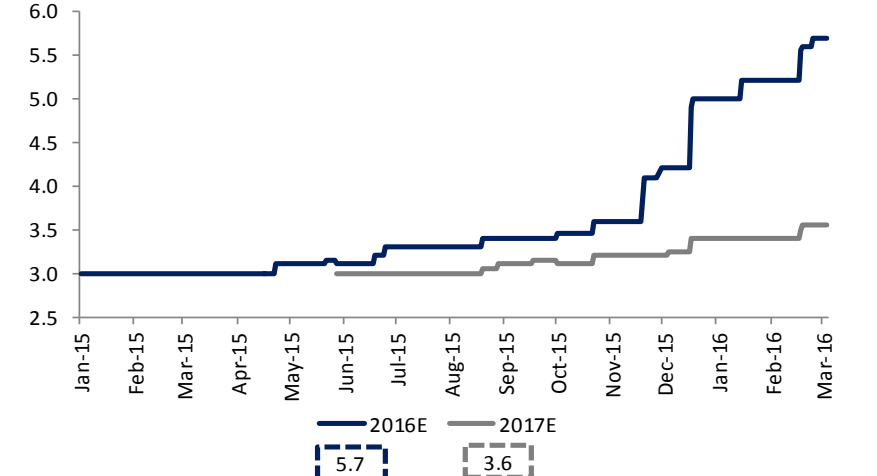
The market expects that 2016 will be a challenging year and that 2017 will show some improvement

Real GDP growth (%) forecasts



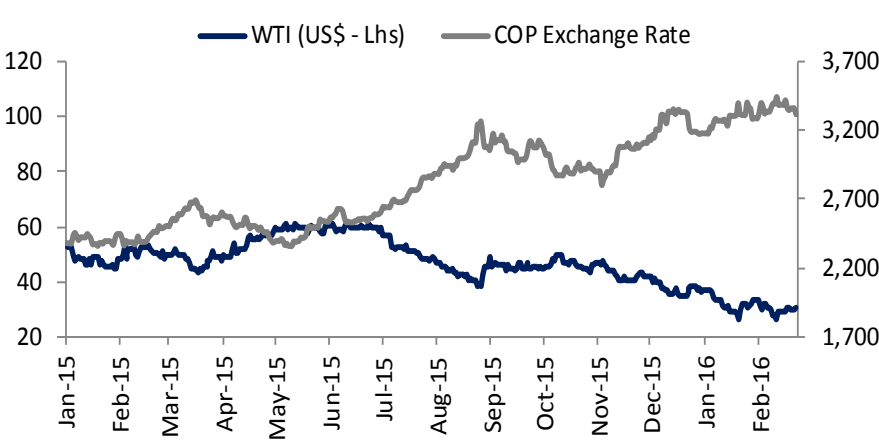
Source: Bloomberg Consensus

Inflation expectations (%)



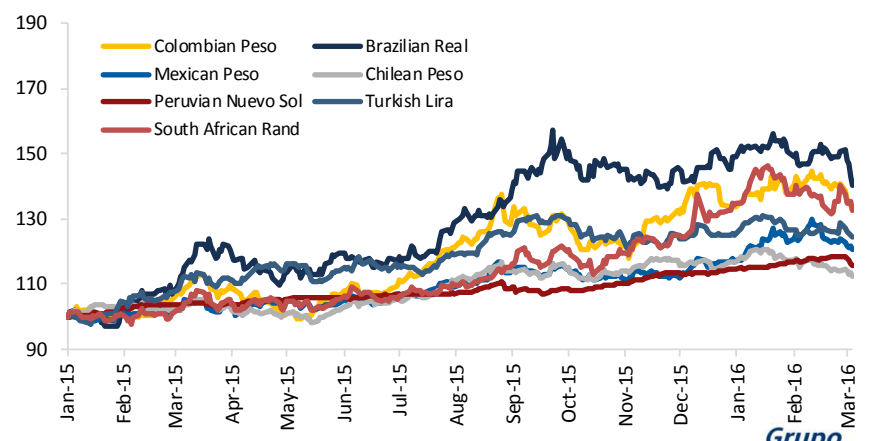
Source: Bloomberg Consensus

Colombian Peso vs WTI US\$/barrel



Source: Bloomberg

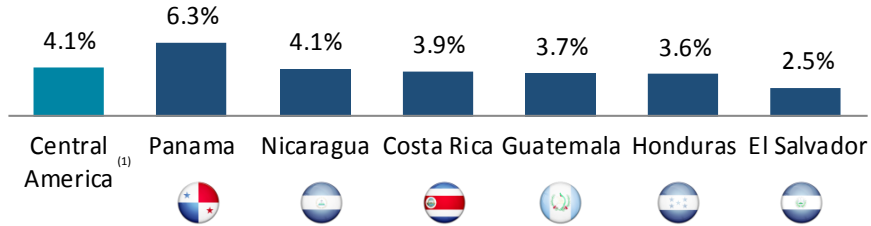
Colombian Peso vs Emerging markets' currencies (100=Jan, 2015)



Source: Bloomberg

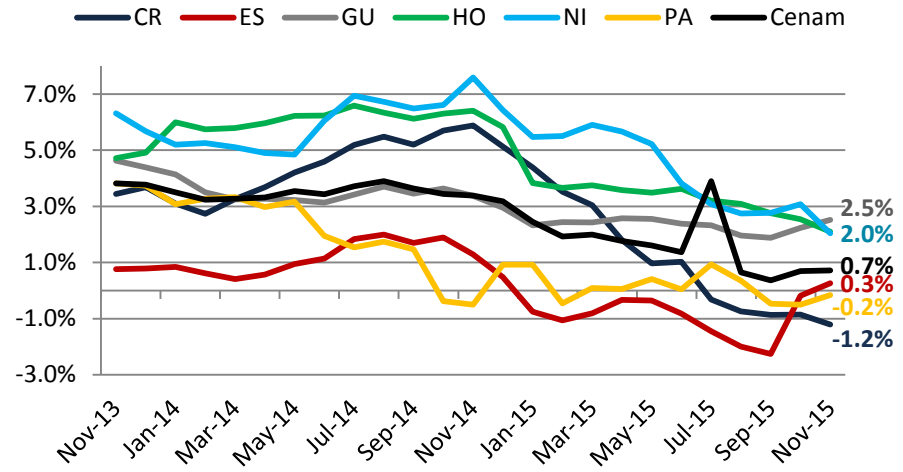
Central American countries continue to have a robust growth outlook, set to benefit from positive momentum in the US economy

Promising growth outlook – Real GDP CAGR '14-'17E

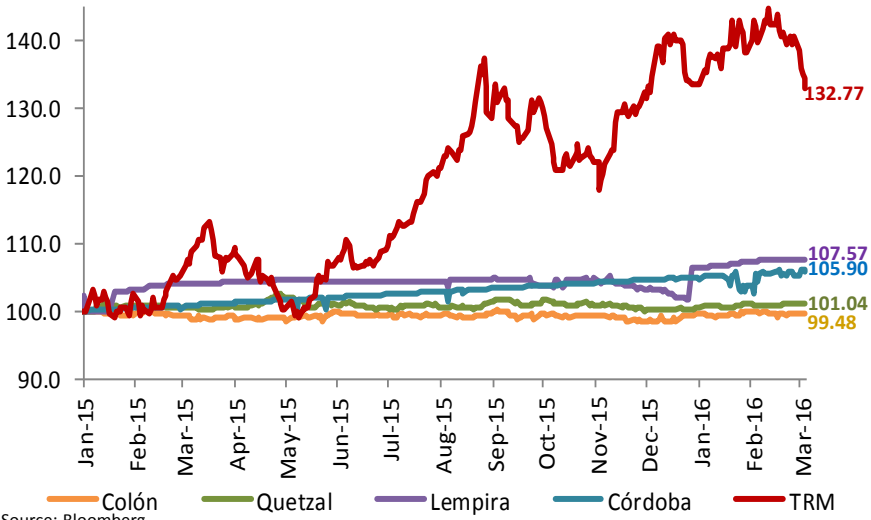


Source: IMF WEO Oct-15; ⁽¹⁾ Aggregate growth of all the Central American countries

Inflation per Country

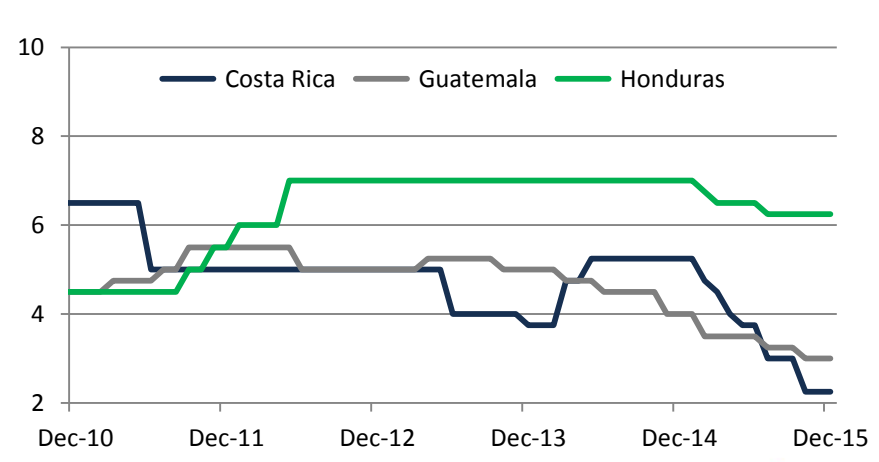


Regional exchange rates



Source: Bloomberg

Central Banks' interest rates



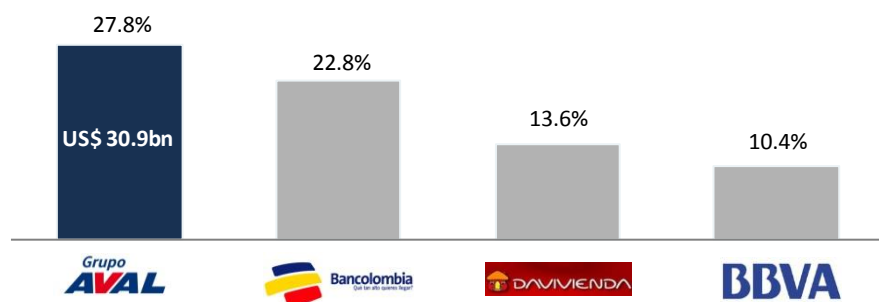
Source: SECMCA

Grupo Aval continues to be a clear dominant player in the Colombian market

Combined Unconsolidated Market Shares of our Colombian Banks as of November 30, 2015

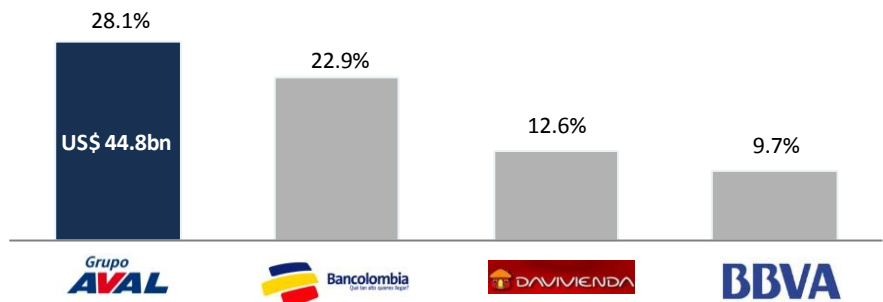
Gross loans⁽¹⁾

System: US\$ 111.3bn



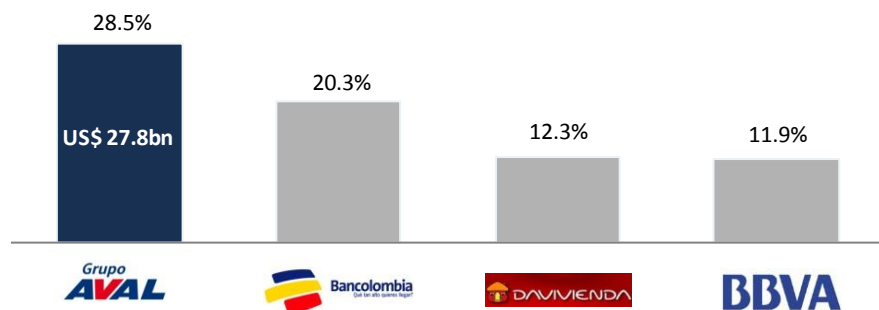
Total assets

System: US\$ 159.6bn



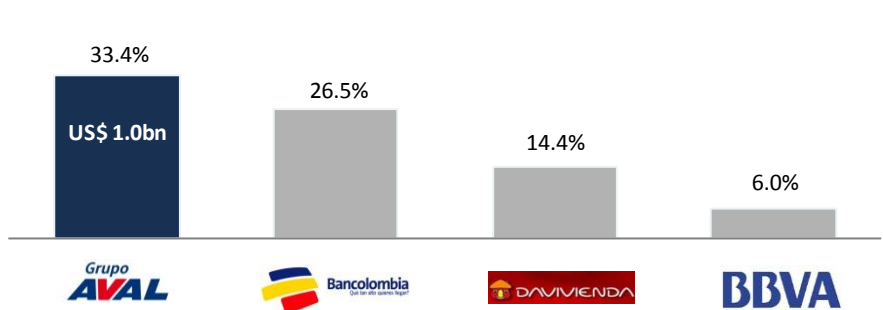
Deposits

System: US\$ 97.5bn



Net income for the 11 months ended November 30, 2015

System: US\$ 2.9bn



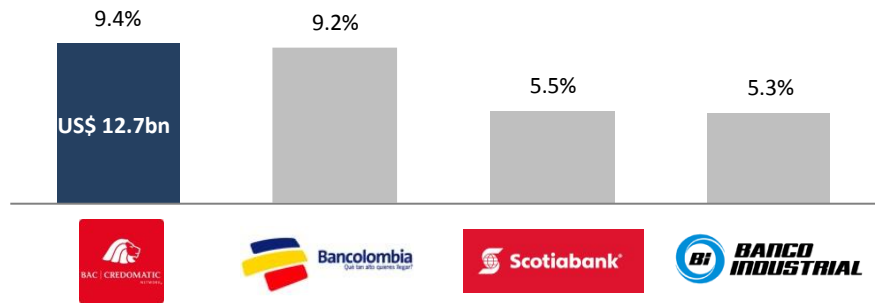
Source: Unconsolidated information under IFRS filed with the Colombian Superintendency of Finance and published monthly; as of November 30, 2015. System: Sum of banks. Grupo Aval is the sum of Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance of Ps 3,149.47 as of December 31, 2015. ⁽¹⁾ Figures excluding interbank & overnight funds for comparative purposes. Deposits are calculated as checking accounts, saving accounts and time deposits.

Through BAC Credomatic, Grupo Aval is the largest and most profitable regional player in Central America

Central America market share as of November 30, 2015

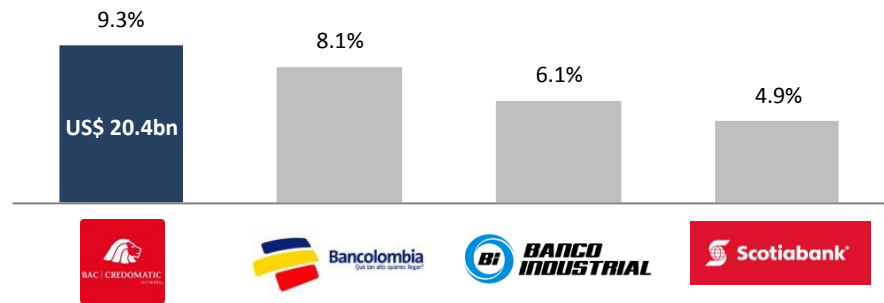
Gross loans % ⁽¹⁾

System: US\$135.2bn



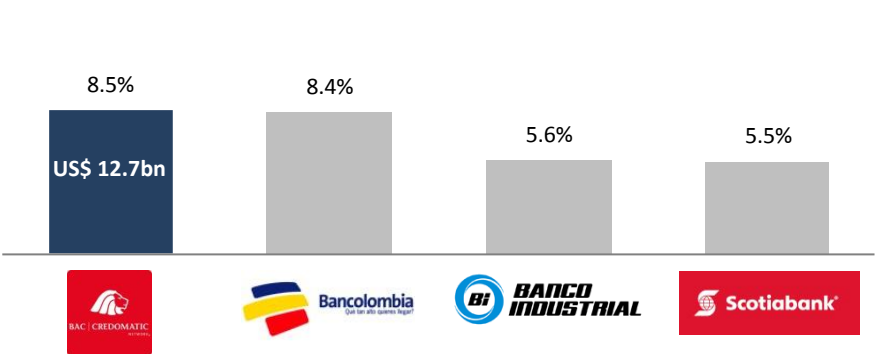
Total assets ⁽¹⁾

System: US\$218.7bn



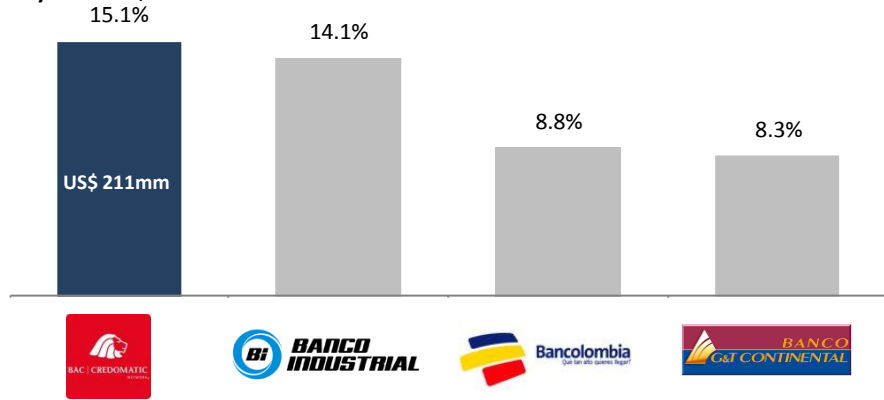
Deposits % ⁽¹⁾

System: US\$149.4bn



Net income for the 11 months ended November 30, 2015

System: US\$1.4bn



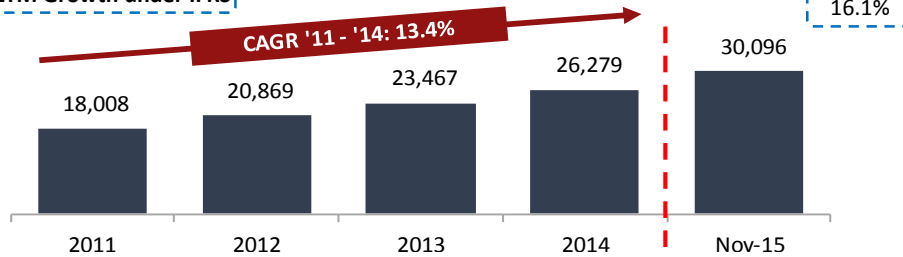
Source: Company filings. Calculated based on publicly disclosed data aggregated from the local superintendencies of Costa Rica, Honduras, El Salvador, Guatemala, Nicaragua and Panama (except in the Net Income chart where Panamá is excluded). ⁽¹⁾ Market share is determined based on the sum of each bank's operations in the aforementioned countries. Bancolombia includes Banistmo (Panama), Bancolombia (Panama), Grupo Agromercantil (Guatemala) and Banco Agrícola (Salvador), Scotiabank includes Citibank (Panamá and Costa Rica).

Strong track record of growth in Colombia...

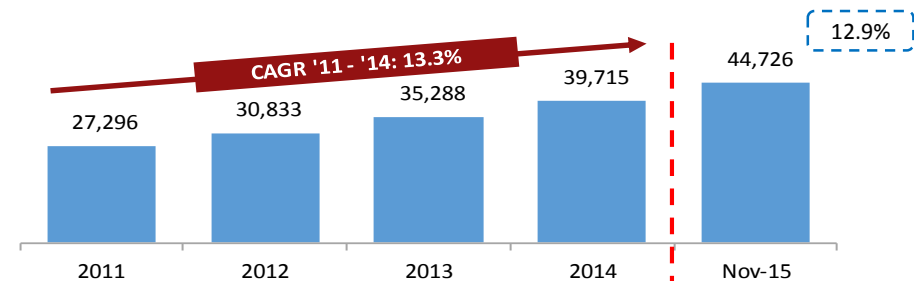
Combined Unconsolidated Results of our Colombian Banks as of November 30, 2015 (US\$mm)⁽¹⁾

Gross loans and leases

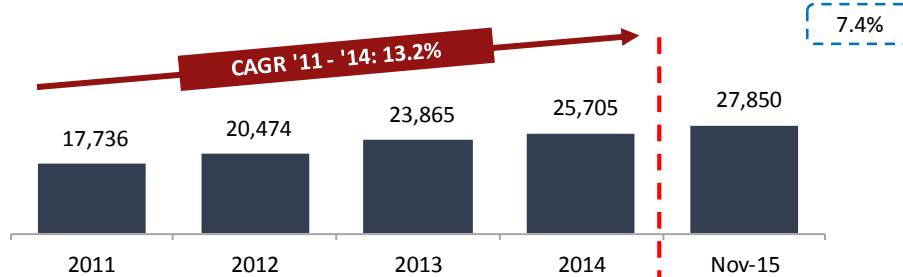
LTM Growth under IFRS



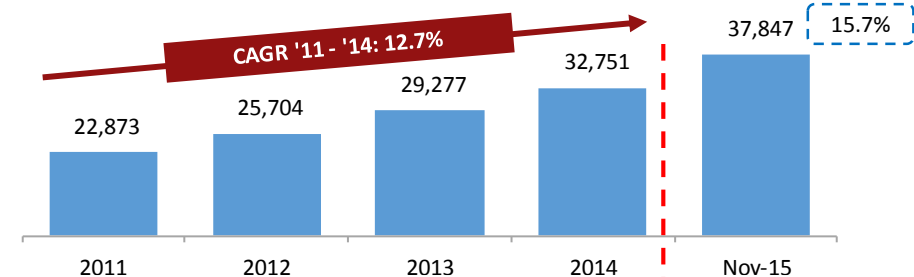
Assets



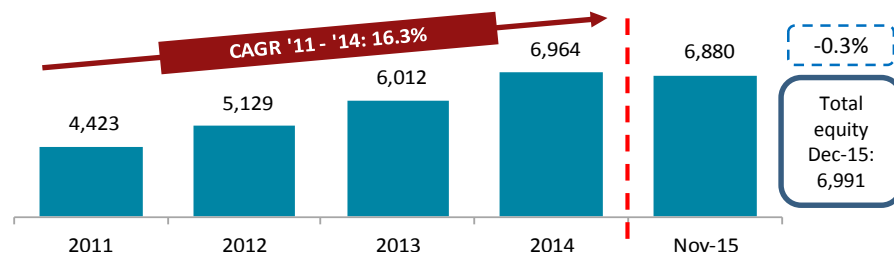
Deposits



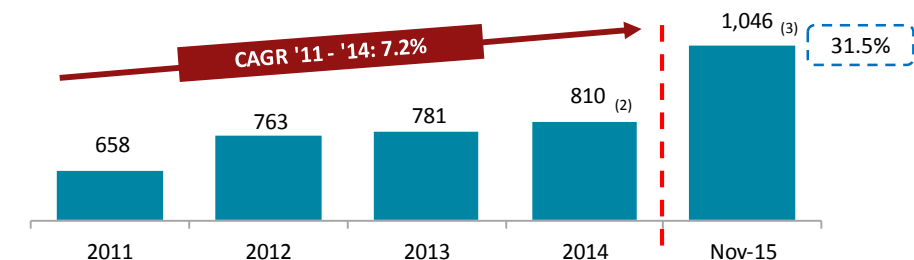
Liabilities



Total Equity



Net income (US\$mm)

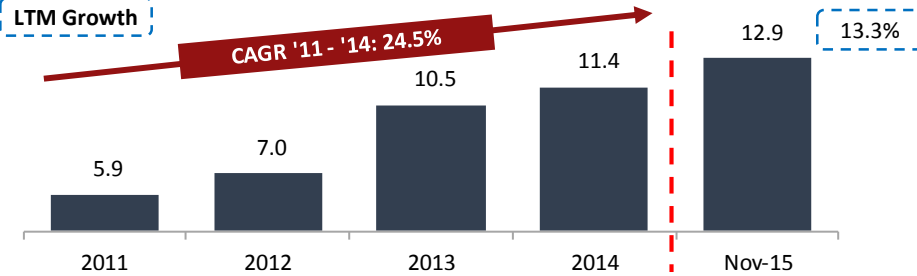


Source: Company filings. ⁽¹⁾Unconsolidated results of Grupo Aval. Figures from 2011 to 2014 are reported under Colombian Banking GAAP. Figures for the period ended November 30, 2015 are reported under IFRS as adopted by the Superintendency of Finance. All figures were converted with the representative market rate as computed and certified by the Superintendency of Finance of Ps 3,149.47 as of December 31, 2015, to maintain comparability. ⁽²⁾Including the non-recurring effect of US\$231 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, the net income would have been US\$1.0 bn ⁽³⁾Annualized net income as of November 30, 2015. Includes extraordinary effect of dividends and equity method during the first half of 2015. CAGRs from 2011 to 2014 are calculated under Colombian Banking GAAP.

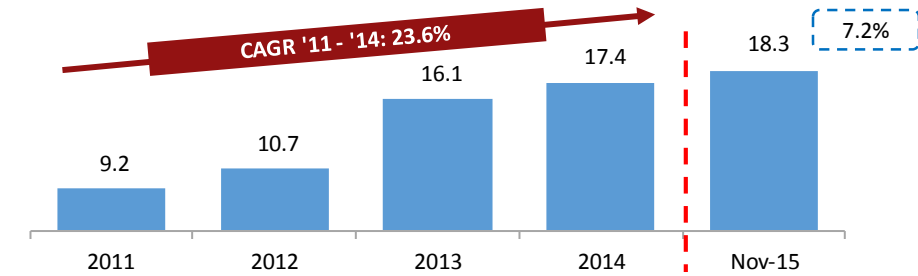
... and strong track record of growth in Central America

BAC Credomatic as of November 30, 2015 (US\$Bn)

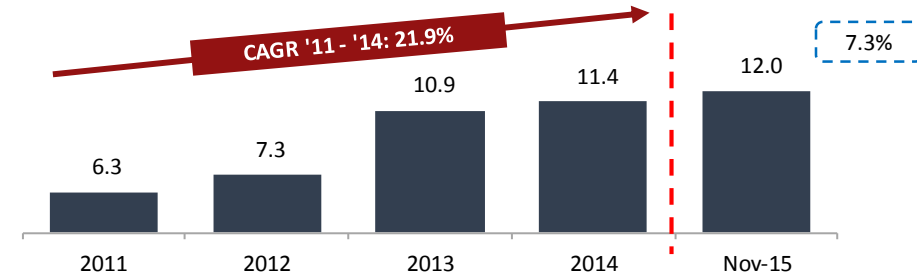
Net loans and financial leases



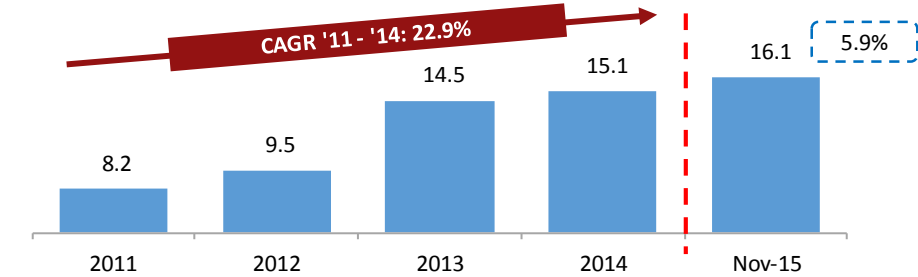
Assets



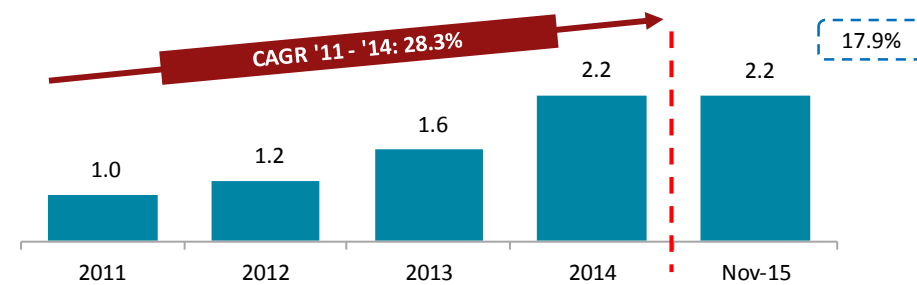
Deposits



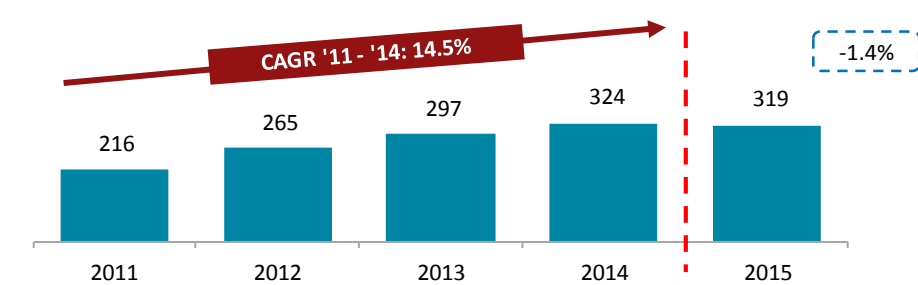
Liabilities



Total Equity



Net income (US\$mm)



Source: Company filings. Unaudited figures. Figures from 2011 to 2014 are reported under US GAAP

Latest consolidated financial information (1/4)

Key figures US\$ mm (As of and for the 9 month period ended September 30, 2015)



	Banco de Bogotá	Banco de Occidente	banco popular	Banco AV Villas	Grupo AVAL
Net Loans	28,934	7,732	4,390	2,566	43,510
Assets	47,322	10,911	5,819	3,592	66,857
Deposits	28,388	7,096	3,751	2,666	40,988
Total equity (2)	4,964	1,241	796	395	6,658
Attributable equity	3,697	1,236	788	394	4,179
Net income (3)	454	90	66	34	428 493
ROAA (4)	2.0%	1.2%	1.6%	1.3%	1.5% 1.7%
ROAE (4)	17.3%	10.0%	11.5%	11.8%	14.1% 15.6%

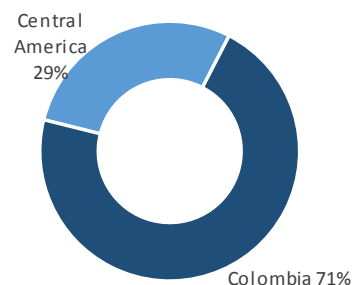
(1) Figures excluding wealth tax paid on 1Q2015

Source: Company filings. Banks figures are reported in IFRS as applicable under Colombian regulations. Figures for Grupo Aval are reported under full IFRS (1) Companies that consolidate into Banco de Bogotá; (2) Includes attributable equity and minority interest; (3) Net income for the 9 month period ended September 30, 2015; (4) ROAA is calculated as annualized income before non-controlling interest divided by average assets (total assets at the end of the period plus total assets at the end of the prior period, divided by two); ROAE is calculated as annualized net income divided by average shareholders' equity (shareholders' equity at the end of the period plus shareholders' equity at the end of the prior period, divided by two). Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance of Ps 3,149.47 as of December 31, 2015.

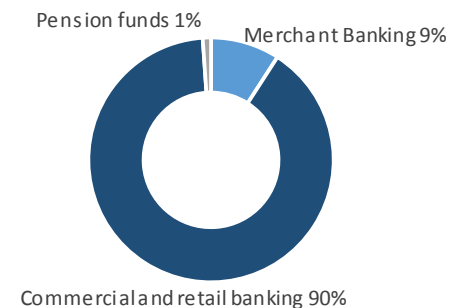
Business Composition

By Assets – September 30, 2015

Geographic

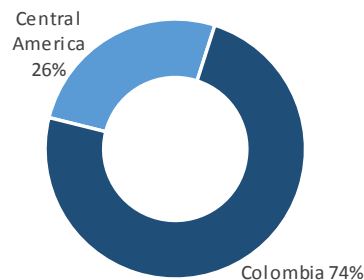


Business

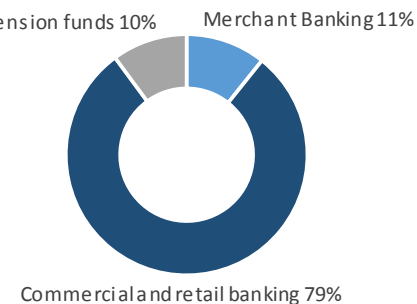


By Net Income – nine month period ended September 30, 2015

Geographic

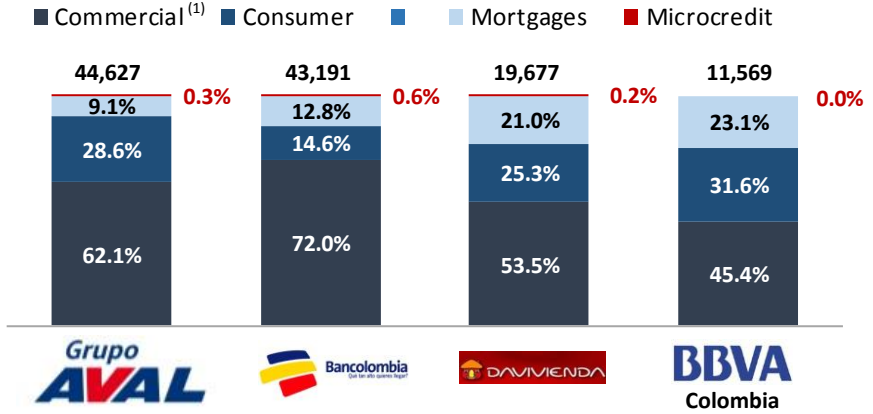


Business

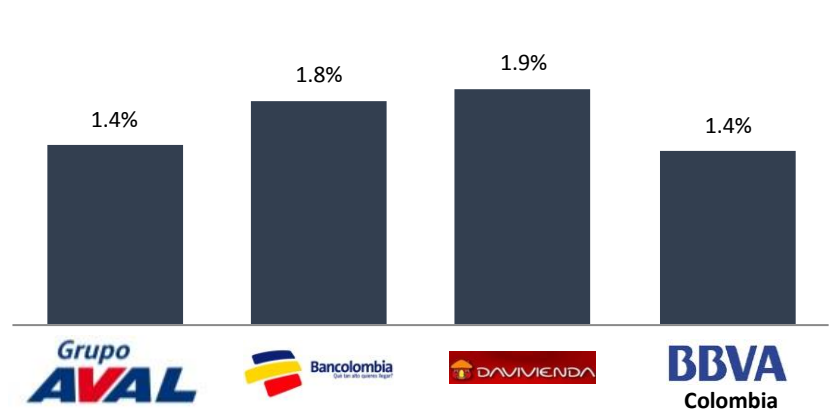


Latest consolidated financial information (2/4)

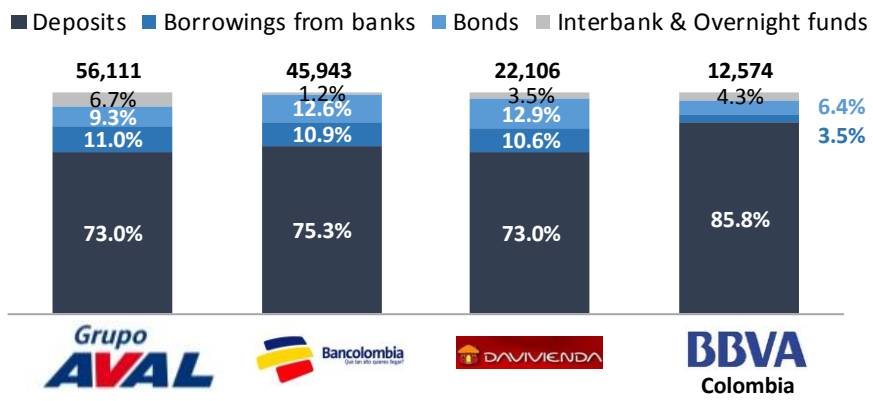
Gross loan portfolio composition (US\$mm) – September 30, 2015



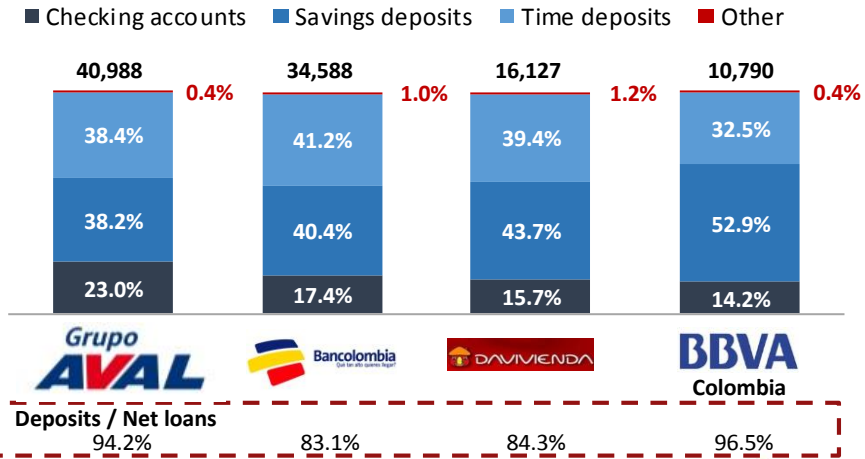
Loan portfolio quality (PDLs 90+) – September 30, 2015



Funding composition (US\$mm) – September 30, 2015



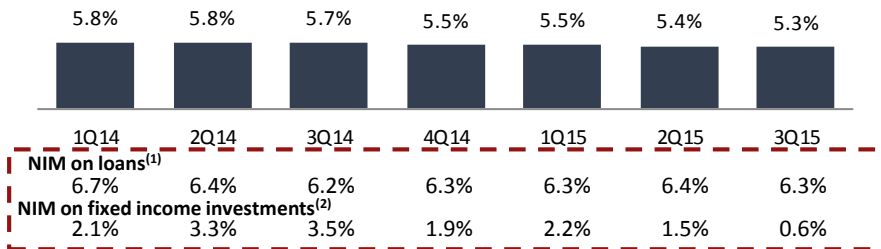
Deposit composition (US\$mm) – September 30, 2015



Source: Consolidated figures based on company filings as of September 30, 2015. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance Ps 3,149.47 as of December 31, 2015. ⁽¹⁾Includes interbank & overnight funds and others; ⁽²⁾Calculated as net provisions expense of loans net of recovery of charged-off loans divided by average loans (total loans at the end of the period plus total loans at the end of the prior period, divided by two).

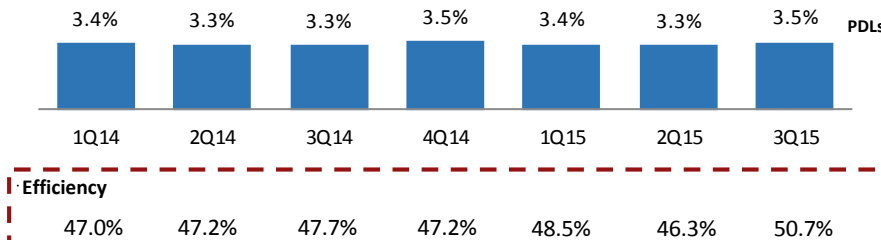
Latest consolidated financial information (3/4)

Net Interest Margin



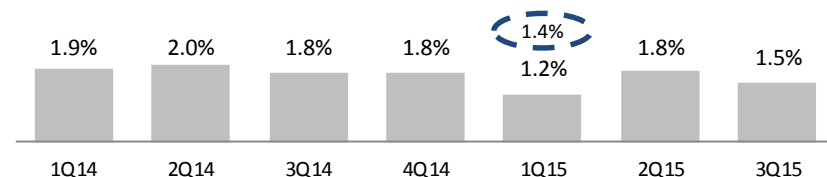
NIM calculated as Net Interest Income divided by total average interest earning assets.

OPEX ex D&A / average total assets and efficiency



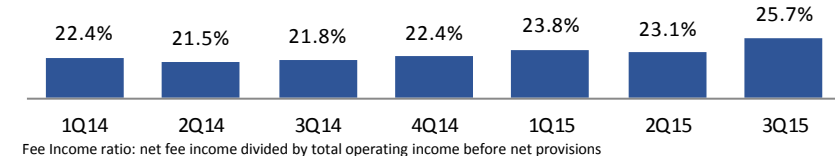
Calculated as operating expenses before depreciation and amortization divided by average total assets

ROAA



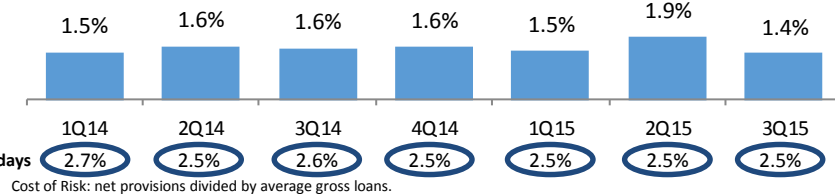
Calculated as income before non-controlling interest divided by average assets (total assets at the end of the period plus total assets at the end of the prior period, divided by two).

Fee income ratio



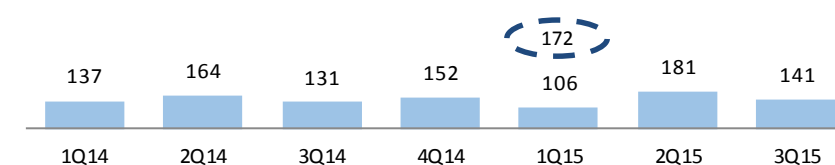
Fee Income ratio: net fee income divided by total operating income before net provisions

Quality of loan portfolio and cost of risk

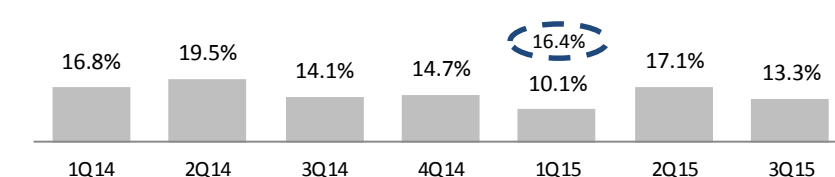


Cost of Risk: net provisions divided by average gross loans.

Net income (US\$mm)



ROAE

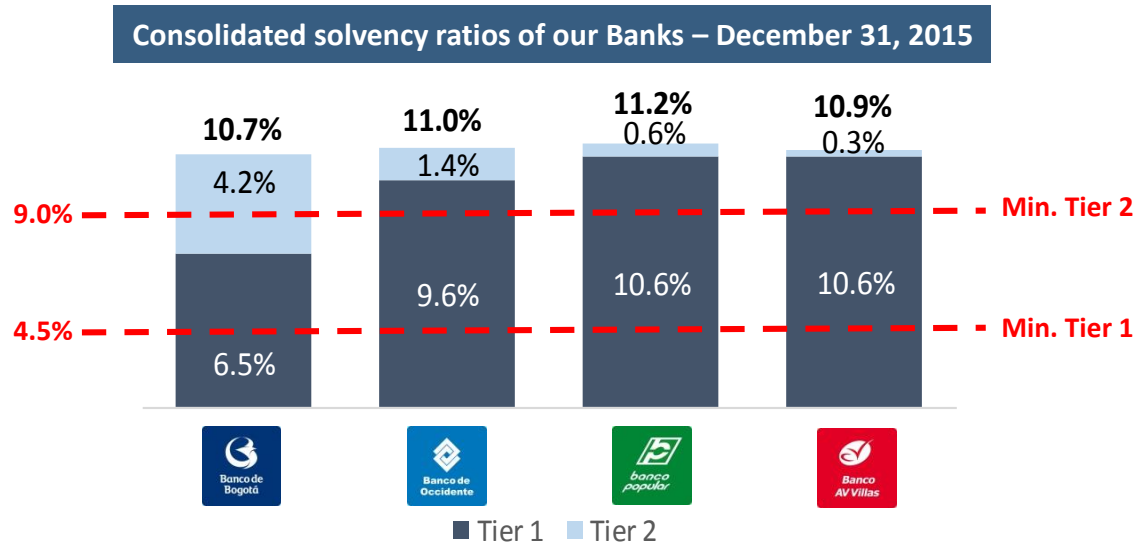


Calculated as net income divided by average shareholders' equity (shareholders' equity at the end of the period plus shareholders' equity at the end of the prior period, divided by two).

Figures excluding attributable wealth tax of US\$66.3mm (for net income and ROAE) and total wealth tax of US\$96.3mm (for ROAA)

Source: Company filings. ⁽¹⁾Net Interest Income on Loans to Average loans and financial leases. ⁽²⁾Net Interest income on Fixed Income securities and on Interbank & Overnight funds to Average Fixed Income securities and Interbank and overnight funds. Figures are reported under Full IFRS as applicable by the IASB. Figures were converted with the representative market rates as computed and certified by the Superintendency of Finance Ps 3,149.47 as of December 31, 2015.

Latest consolidated financial information (4/4)



Source: Consolidated figures based on company filings.

Relevant events that might impact future results

Structural tax Reform






- In order to increase the efficiency of Colombia's tax system and to partially mitigate the fiscal impact of the decline in oil prices, the Colombian government has announced a new “Structural tax reform”. This reform is expected to be approved during the second semester of 2016.
- The government has announced that this new tax reform could alleviate the tax burden on corporations imposed by the 2014 tax reform. In turn, the reform is expected to increase taxes on companies that had exemptions in the past and on individuals.

Other information: exposure to Oil & Gas

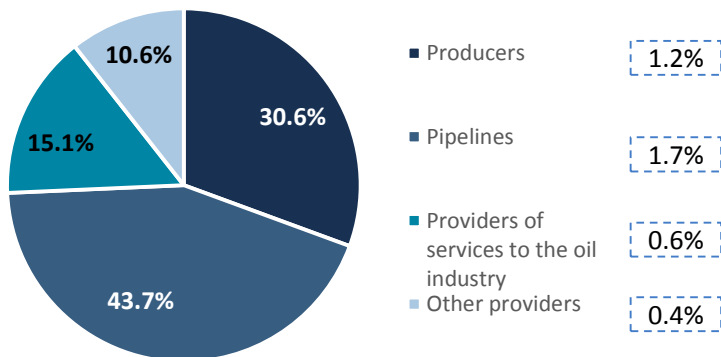
Exposure to Oil & Gas as of December 31, 2015

Total exposure: \$1.7 billion
As a percentage of consolidated loans

Total D, E loans \$41.7m
Total Reserves \$ 44.9m
Coverage 107.6%

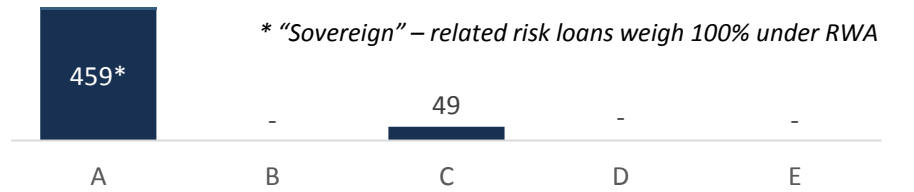
	3.8%
	3.9%
	4.7%
	2.8%
	2.5%

Breakdown by sector



% Exposure as a percentage of consolidated loans

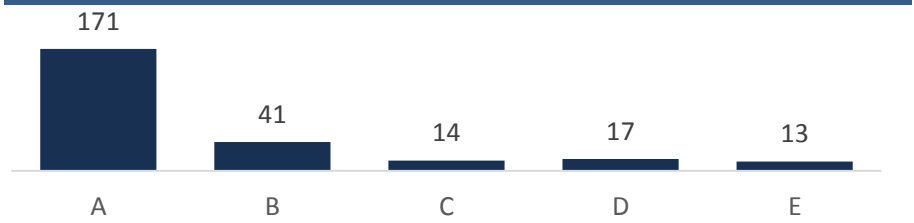
Producers: breakdown by credit rating (\$ million)



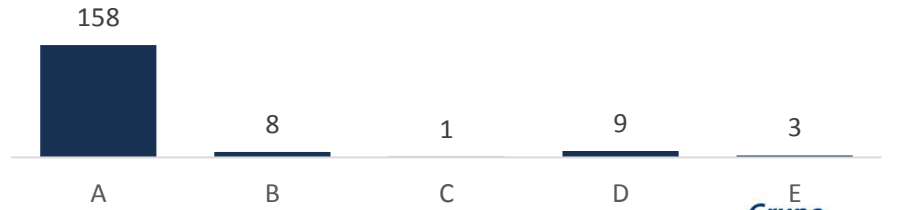
Pipelines: breakdown by credit rating (\$ million)



Providers of services to the oil industry: breakdown by credit rating (\$ million)



Other providers: breakdown by credit rating (\$ million)



Other information: Update on 4G program

- First and second phases of the program have been awarded.
- Total Capex required to build the first and second phases is US\$ 10.4bn.
- CFC was awarded 2 concessions of the first phase:
 - Covipacífico has a length of 54km and an investment of ~US\$ 0.7bn. It is expected to begin construction in the first half of 2016.
 - Covimar has a length of 32 km and an investment of ~US\$ 0.6bn. It is expected to begin construction by the end of 2016.
- CFC was awarded 1 concession of the second phase:
 - Covioriente has a length of 266 Kms and an investment of ~US\$ 0.7bn. It is expected to begin construction in the second half of 2016.
- Financial closings of the first phase are expected to occur during 2016 and of the second phase between 2016 and 2017.
- Funding of these projects is expected to come from Colombian Banks, Fondo de Desarrollo Nacional, local debt funds, and other local and international institutional fixed income investors.

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