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Investor Presentation

May, 2016



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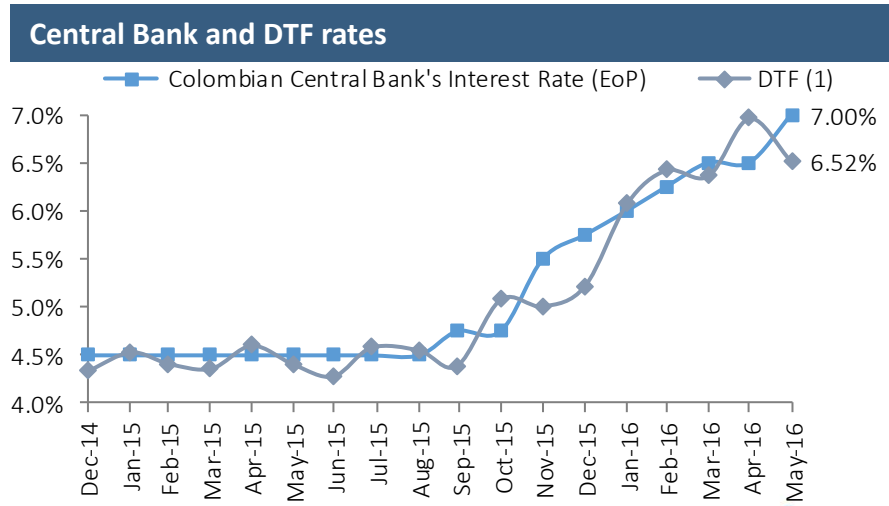
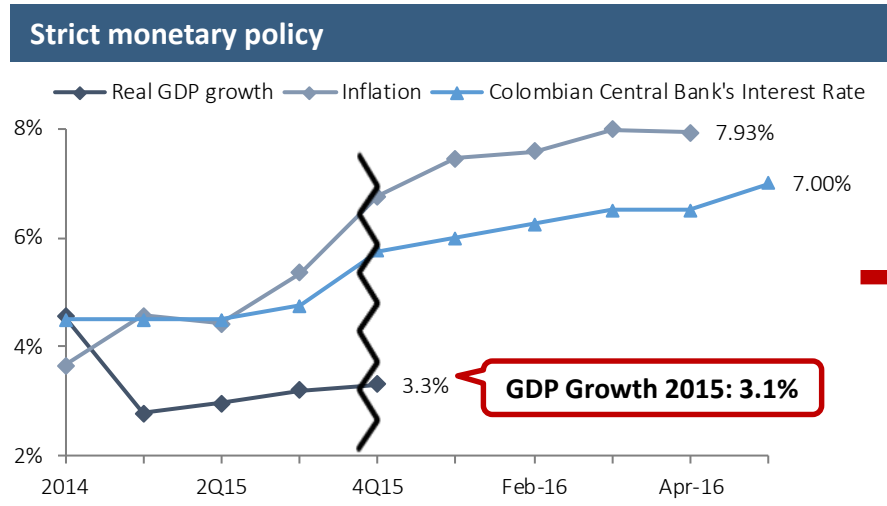
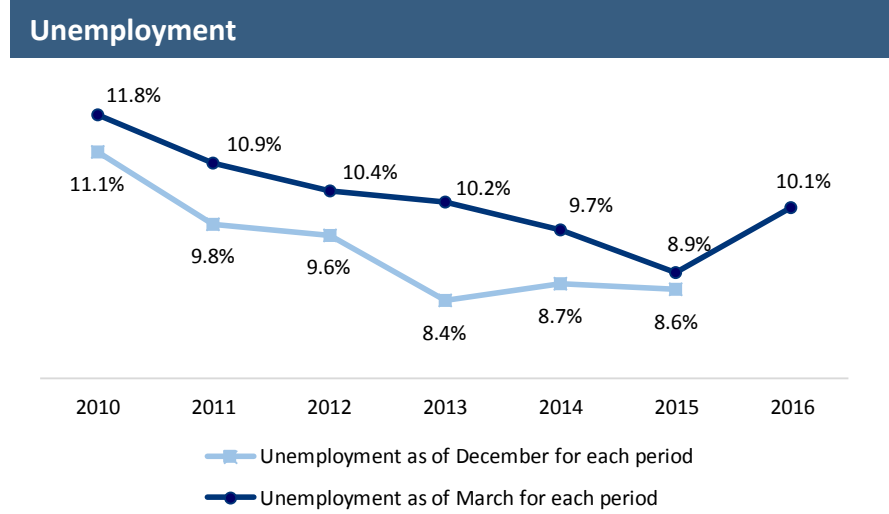
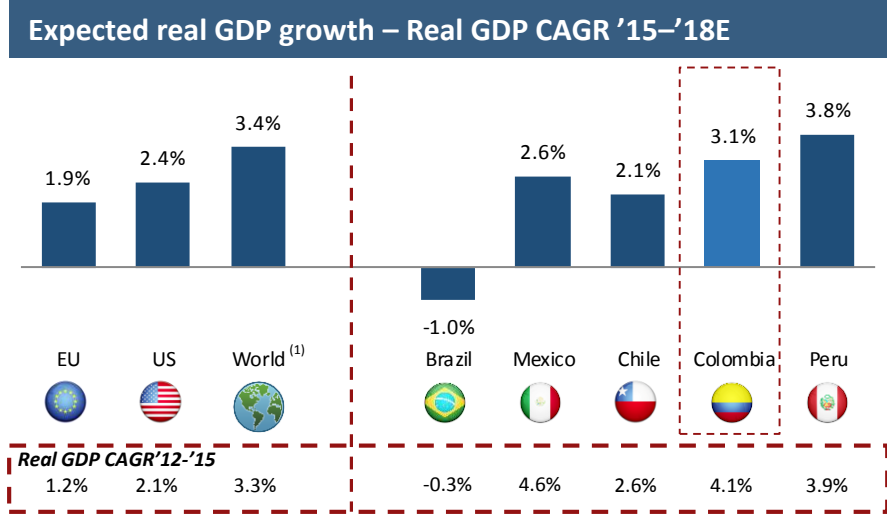
This presentation may contain certain forward-looking statements and information relating to Grupo Aval that reflects the current views and/or expectations of Grupo Aval and its management with respect to its performance, business and future events. Forward looking statements include, without limitation, 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 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 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.

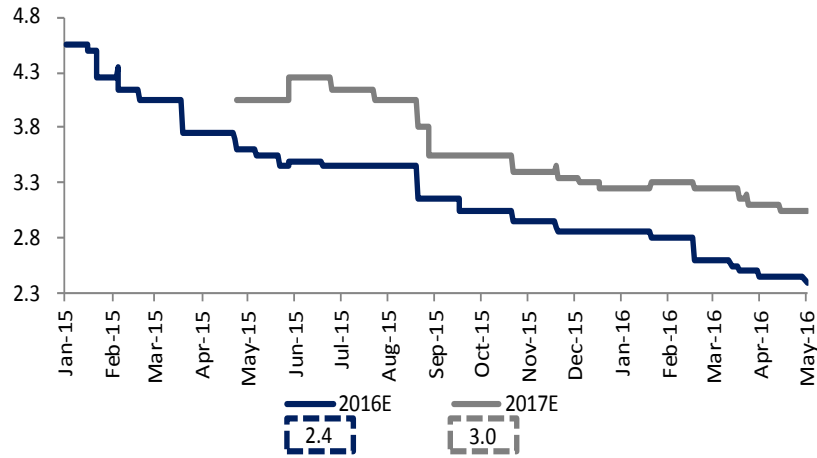
As a result of our migration to IFRS and our first year of implementation of IFRS accounting principles starting on January 1, 2015, our interim unaudited consolidated financial information for 2015, and the comparative interim information for the respective periods of 2014, may be subject to further amendments. 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 3,149.47 as of December 31, 2015.

Despite recent macro events, the Colombian economy still shows resilience



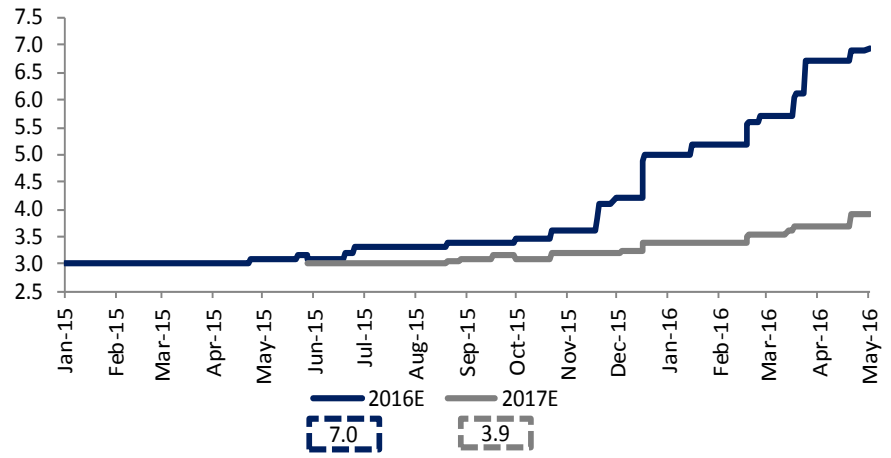
The market expects that 2016 will be a challenging year and that 2017 will show some improvement

Real GDP growth (%) forecasts



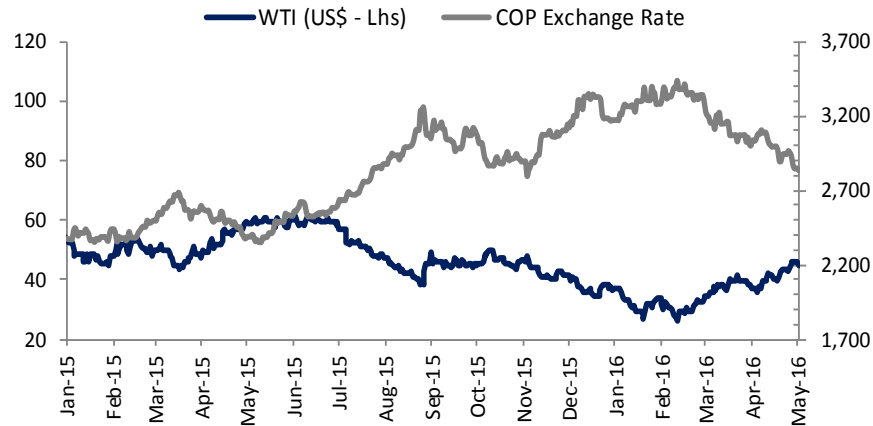
Source: Bloomberg Consensus

Inflation expectations (%)



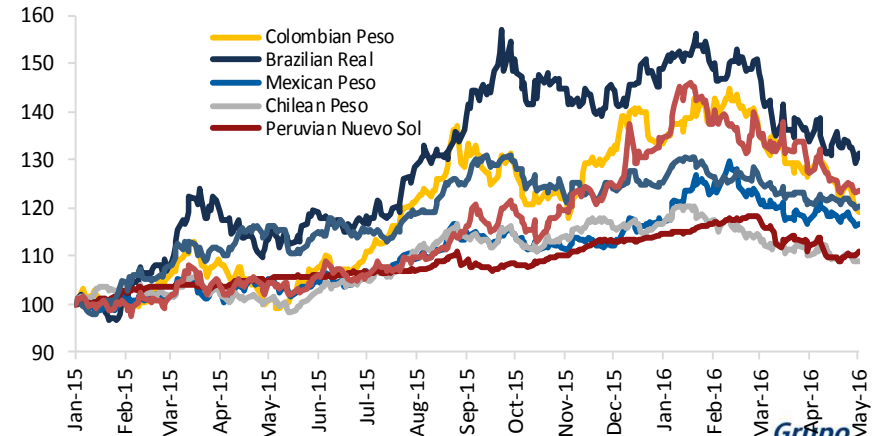
Source: Bloomberg Consensus

Colombian Peso vs WTI US\$/barrel



Source: Bloomberg

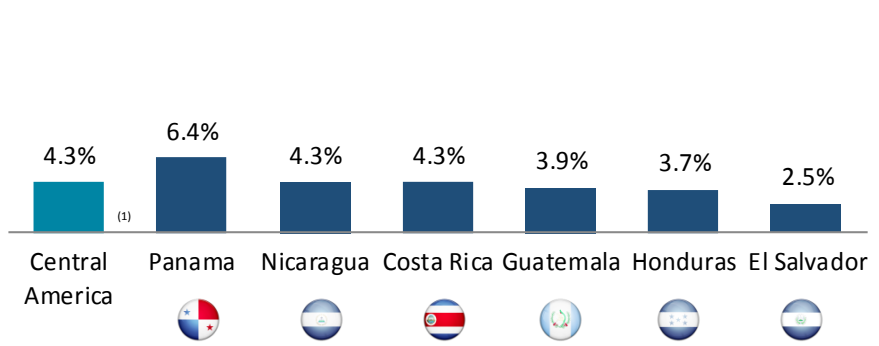
Colombian Peso vs Emerging markets' currencies (100=Jan, 2015)



Source: Bloomberg

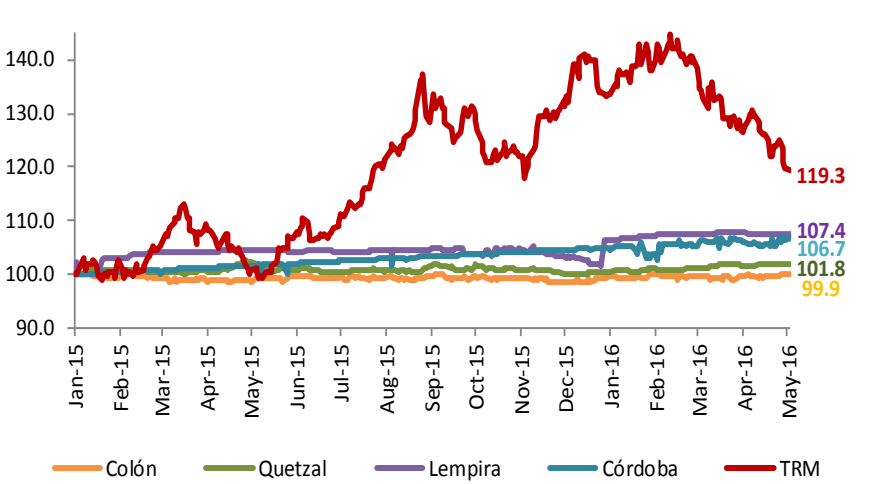
Central American countries continue to have a robust growth outlook, set to benefit from positive momentum in the US economy

Promising growth outlook – Real GDP CAGR '15–'18E



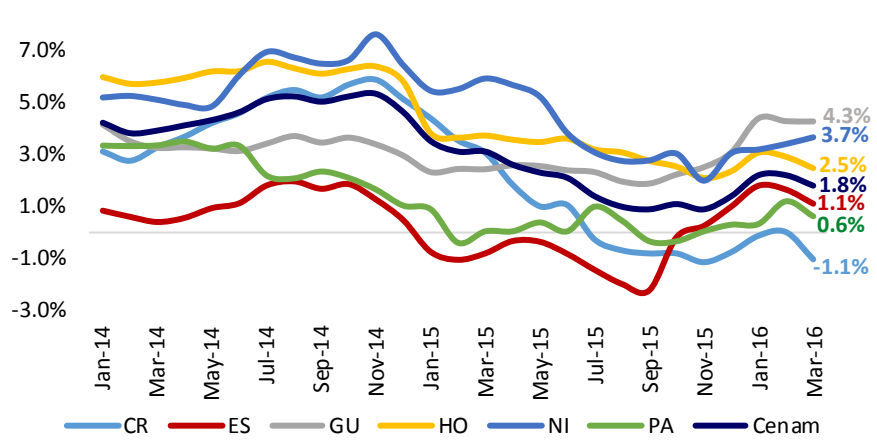
Source: IMF WEO Apr-16; (1) Aggregate growth of all the Central American countries

Regional exchange rates



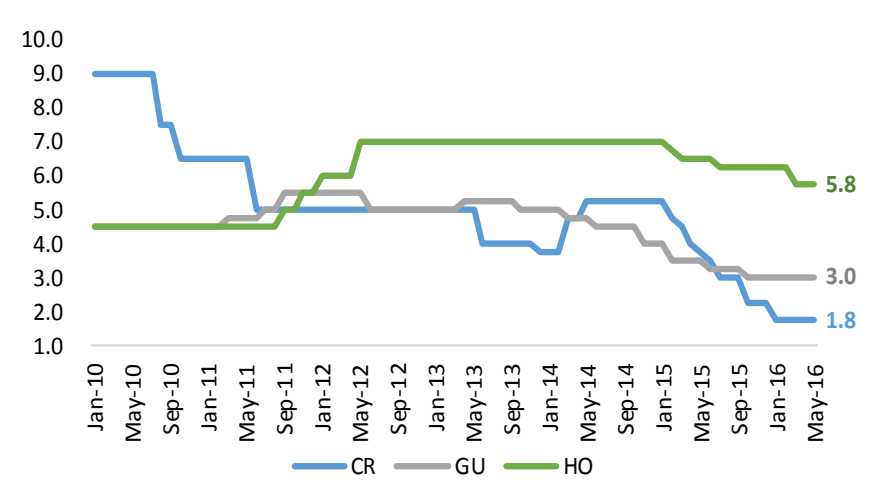
Source: Bloomberg

Inflation per Country



Source: SECMCA

Central Banks' interest rates



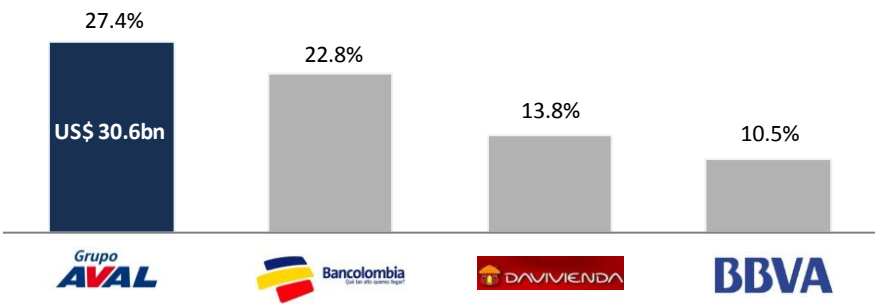
Source: SECMCA

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

Combined Unconsolidated Market Shares of our Colombian Banks as of December 31, 2015

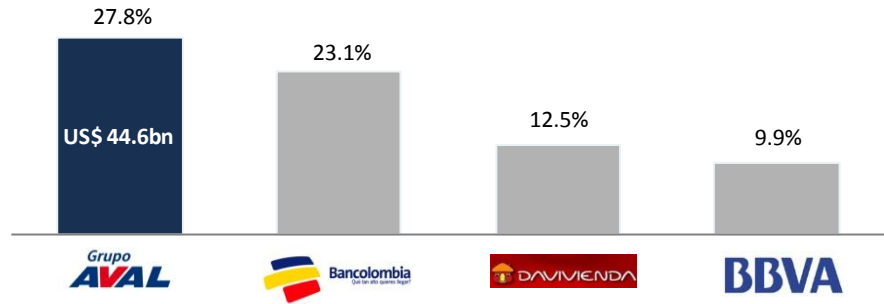
Gross loans⁽¹⁾

System: US\$ 111.6bn



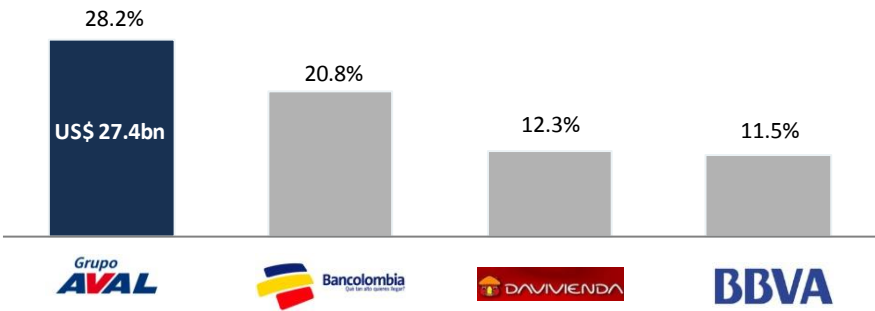
Total assets

System: US\$ 160.2bn



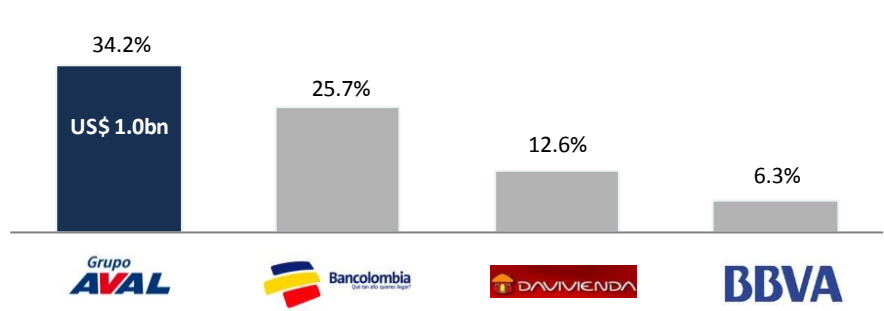
Deposits

System: US\$ 97.3bn



Net income for the 12 months ended December 31, 2015

System: US\$ 3.1bn

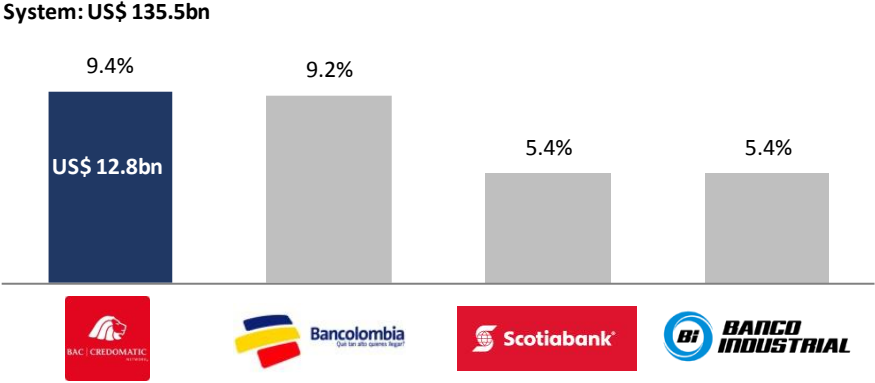


Source: Unconsolidated information under IFRS filed with the Colombian Superintendency of Finance and published monthly; as of December 31, 2015. System: Sum of banks. Grupo Aval is the sum of Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas. Figures were converted with the representative 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.

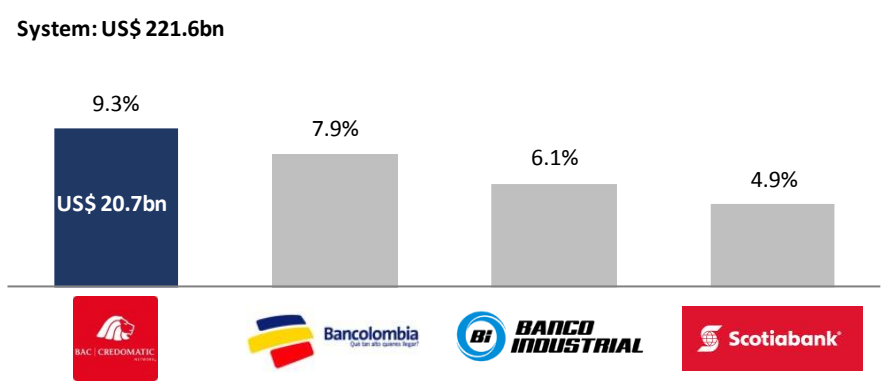
Through BAC Credomatic, Grupo Aval is the largest and most profitable regional player in Central America

Central America market share as of December 31, 2015

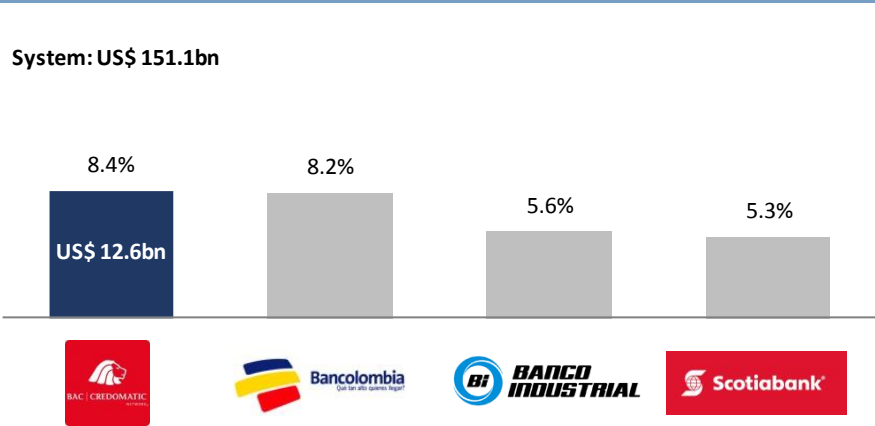
Net loans ⁽¹⁾



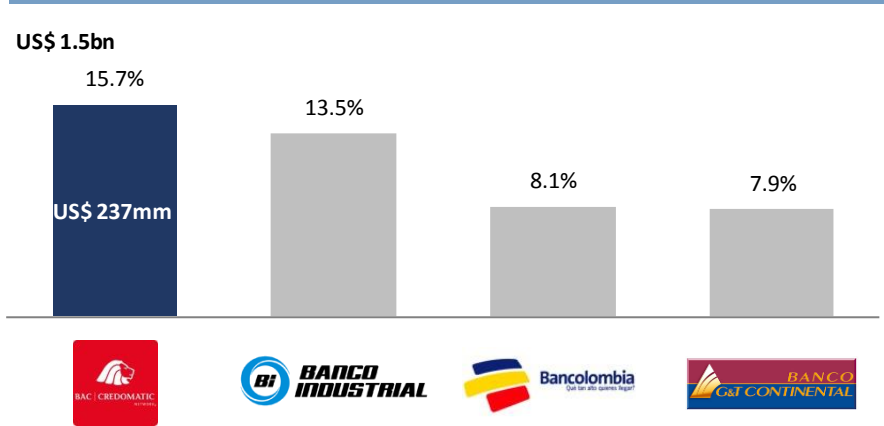
Total assets ⁽¹⁾



Deposits ⁽¹⁾



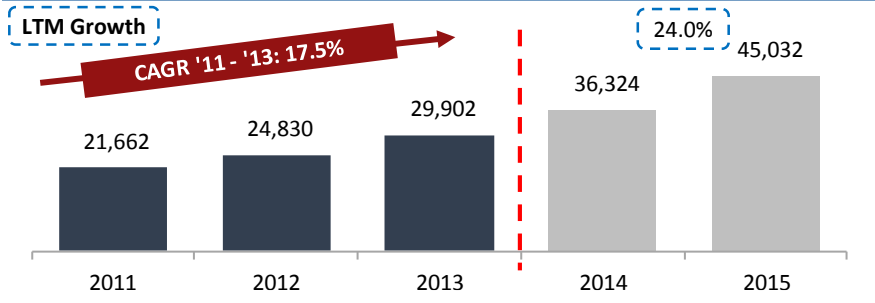
Net income for the 12 months ended December 31, 2015



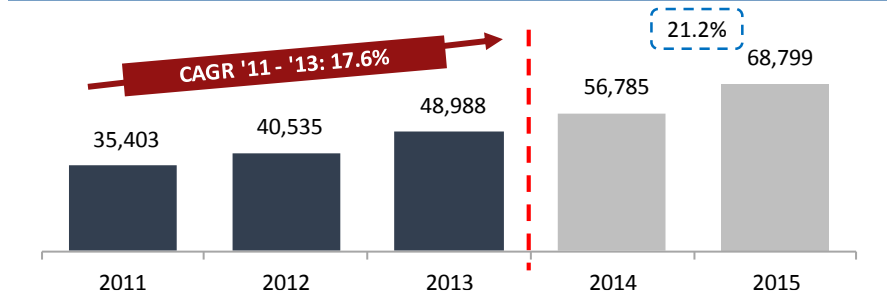
Source: Company filings. Calculated based on publicly disclosed data aggregated from the local superintendencies of Costa Rica, Honduras, El Salvador, Guatemala, Nicaragua and Panama (except in the Net Income chart where Panamá is excluded). (1) Market share is determined based on the sum of each bank's 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).

Grupo Aval's track record of consolidated growth (US\$ mm)

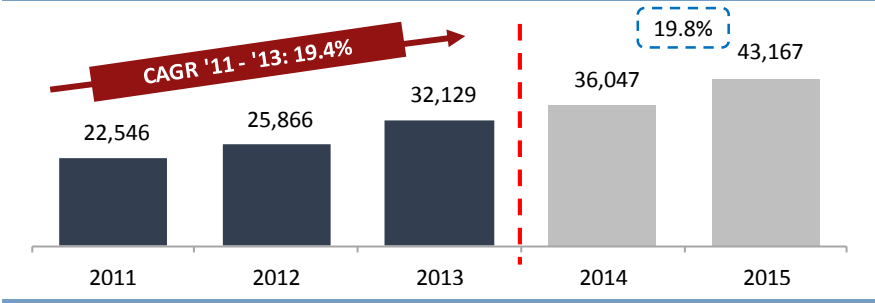
Net loans and leases



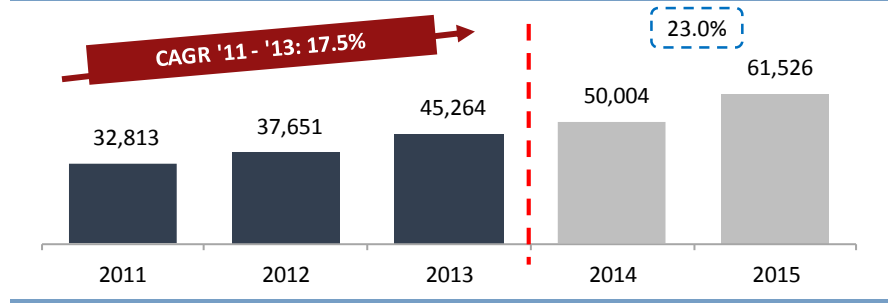
Assets



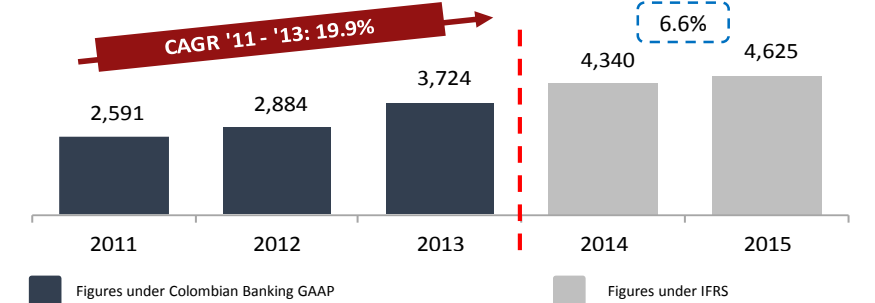
Deposits



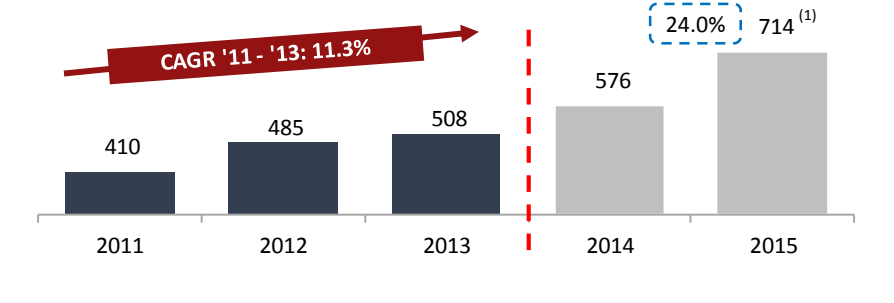
Liabilities



Attributable Equity



Net income



■ Figures under Colombian Banking GAAP ■ Figures under IFRS

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 3,149.47 as of December 31, 2015, to maintain comparability.
 (1) Net income for 2015 excludes US\$66 billion of attributable wealth tax paid during the first quarter.

Latest consolidated financial information (1/4)

Key figures US\$ mm (As of and for the 12 month period ended December 31, 2015)



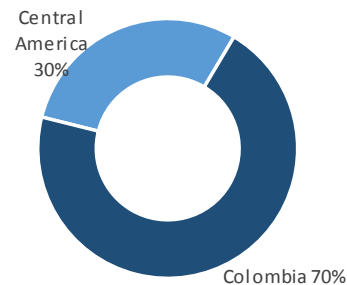
	Banco de Bogotá	Banco de Occidente	banco popular	Banco AV Villas	Grupo AVAL
Net Loans	29,839	8,138	4,532	2,685	45,032
Assets	48,348	11,319	6,067	3,666	68,799
Deposits	29,225	7,586	4,002	2,844	43,167
Total equity (2)	5,535	1,281	815	402	7,273
Attributable equity	4,221	1,277	807	400	4,625
Net income (3)	601	150	111	56	648
ROAA (4)	1.9%	1.4%	1.9%	1.6%	1.7%
ROAE (4)	15.3%	11.8%	13.9%	14.0%	14.5%

714
1.8%
15.9%

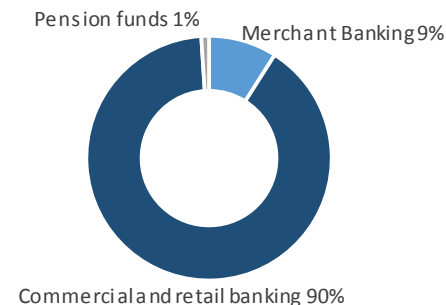
Business Composition

By Assets – December 31, 2015

Geographic

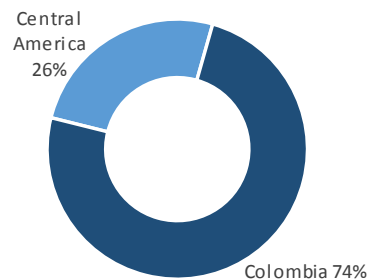


Business

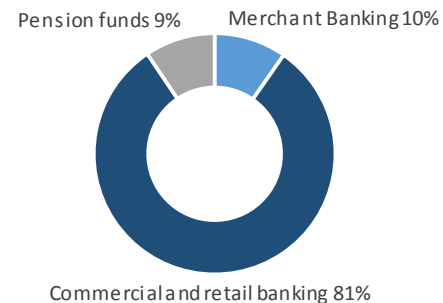


By Net Income – 12 month period ended December 31, 2015

Geographic



Business

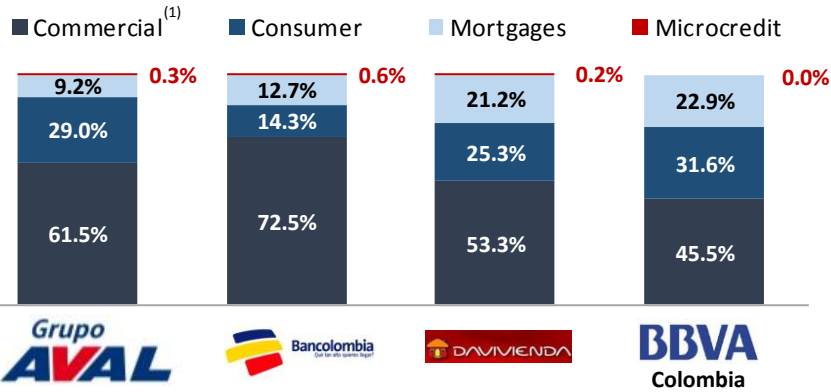


Figures excluding wealth tax paid on 1Q2015

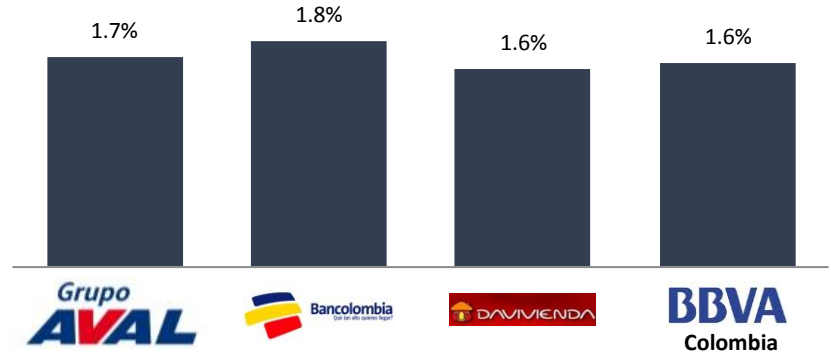
Source: Company filings under IFRS. (1) Companies that consolidate into Banco de Bogotá; (2) Includes attributable equity and minority interest; (3) Net income for the 12 month period ended December 31, 2015; (4) ROAA is calculated as annualized income before non-controlling interest divided by average 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 attributable to controlling interest 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.

Latest consolidated financial information (2/4)

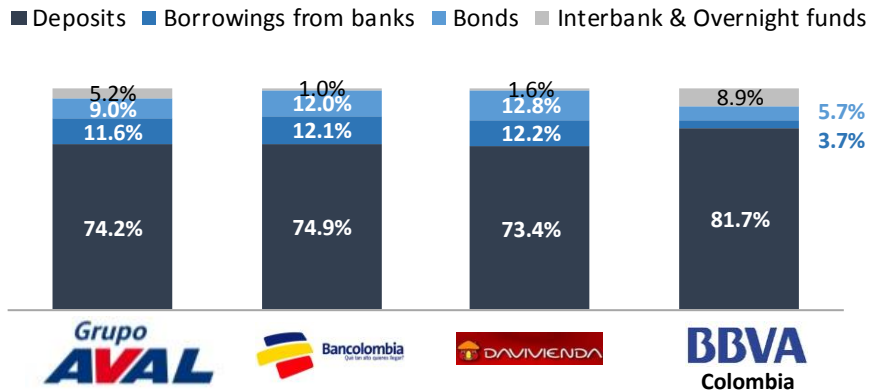
Gross loan portfolio composition (US\$mm) – December 31, 2015



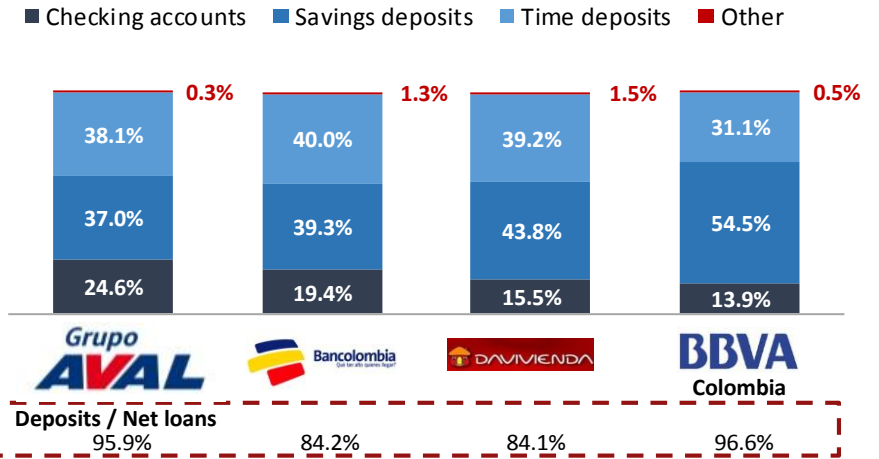
Loan portfolio quality (PDLs 90+) – December 31, 2015



Funding composition (US\$mm) – December 31, 2015



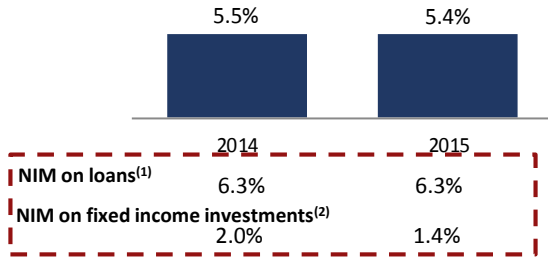
Deposit composition (US\$mm) – December 31, 2015



Source: Consolidated figures based on company filings as of December 31, 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).

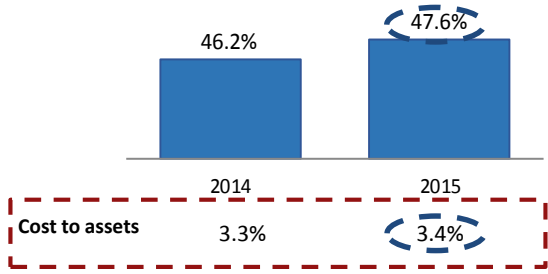
Latest consolidated financial information (3/4)

Net Interest Margin



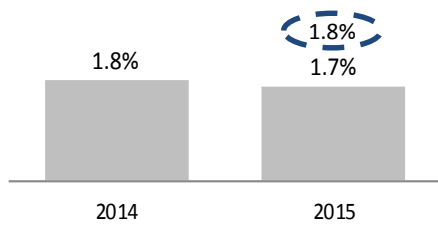
NIM calculated as Net Interest Income divided by total average interest earning assets.

Efficiency and cost to assets



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

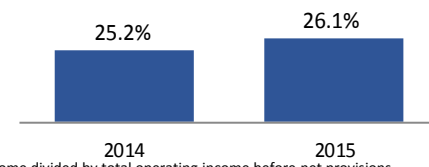
ROAA



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).

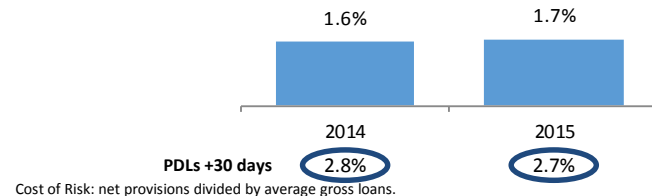
Figures excluding attributable wealth tax of US\$66.3mm (for net income and ROAE) and total wealth tax of US\$96.3mm (for ROAA)

Fee income ratio



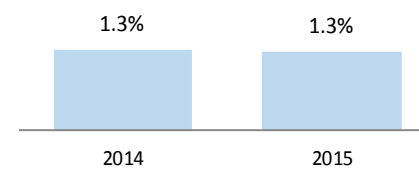
Fee Income ratio: net fee income divided by total operating income before net provisions

Quality of loan portfolio and cost of risk

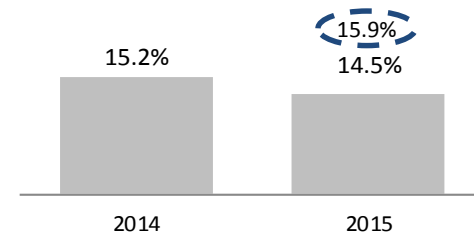


Cost of Risk: net provisions divided by average gross loans.

Charge-offs / gross loans



ROAE

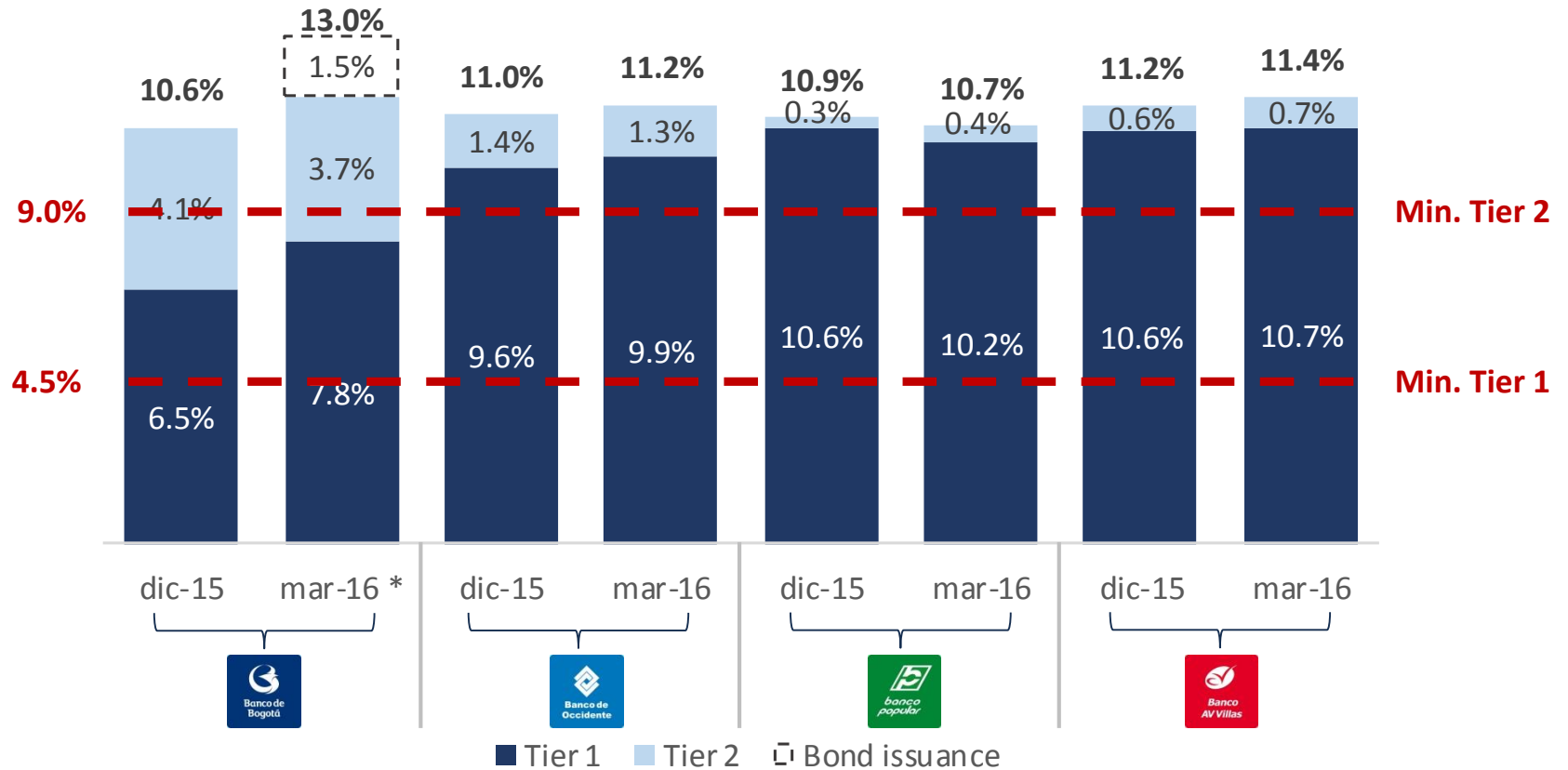


Calculated as net income divided by average shareholders' equity (shareholders' equity at the end of the period plus shareholders' equity at the end of the prior period, divided by two).

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.

Latest consolidated financial information (4/4)

Consolidated solvency ratios of our Banks, as of December 31, 2015 and March 31, 2016



Source: Consolidated figures based on company filings.
(*) Estimated as per historically reported

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

Exposure to Oil as of December 31, 2015

Total exposure: \$1.7 billion ⁽¹⁾
As a percentage of consolidated loans

Grupo AVAL 3.8%

Banco de Bogotá 3.9%

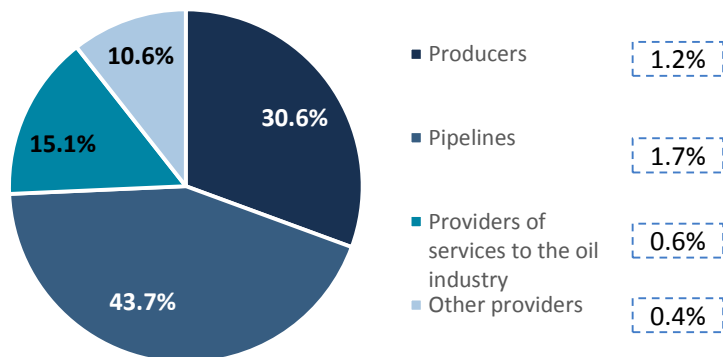
Banco de Occidente 4.7%

banco popular 2.8%

Banco AV Villas 2.5%

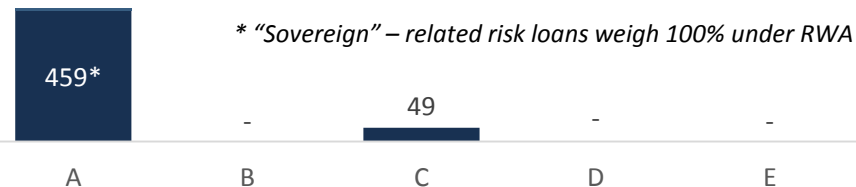
Total D, E loans \$41.7m
Total Reserves \$ 44.9m
Coverage 107.6%

Breakdown by sector



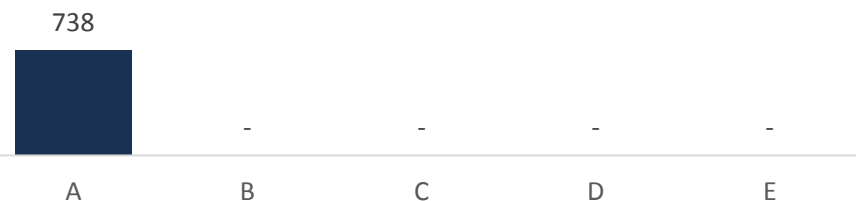
% Exposure as a percentage of consolidated loans

Producers (\$ million)

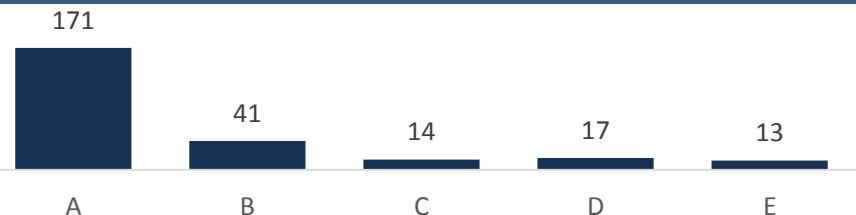


* "Sovereign" – related risk loans weigh 100% under RWA

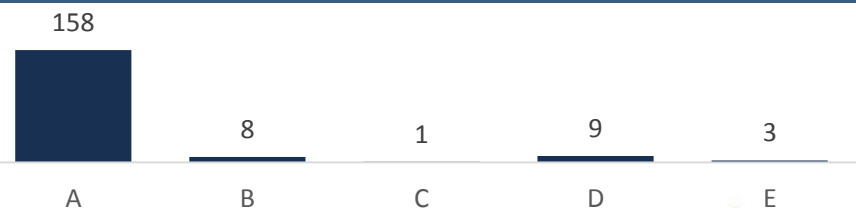
Pipelines (\$ million)



Providers of services to the oil industry ⁽²⁾ (\$ million)



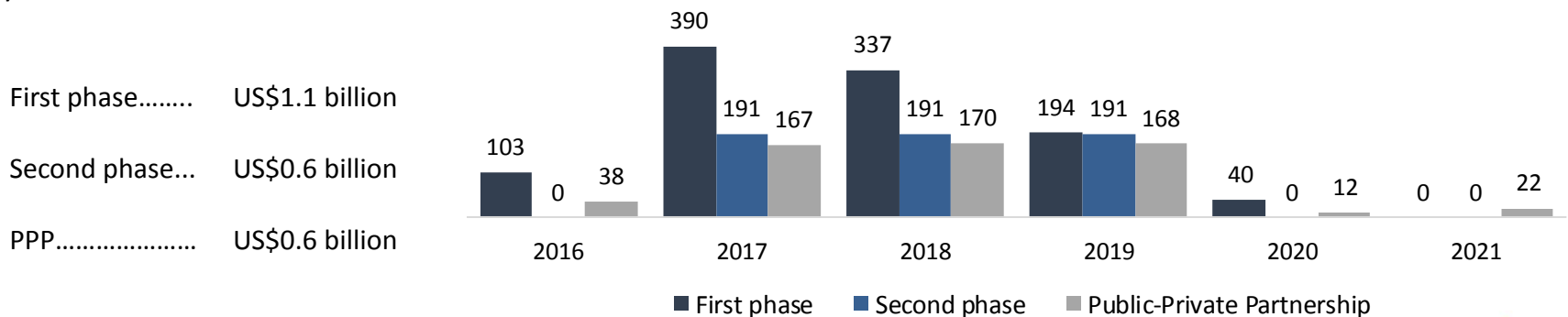
Other providers ⁽³⁾ (\$ million)



Source: Company filings. 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⁾ Includes loans and stand by credit facilities; ⁽²⁾ Includes drilling and exploration related equipment; ⁽³⁾ Includes transport and security related to the oil industry.

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 June of 2016.
 - Covimar has a length of 32 km and an investment of ~US\$ 0.6bn. It is expected to begin construction in January 2017.
- 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 September 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.
- Grupo Aval estimates it is going to finance 11 projects with projected disbursements of US\$2,211.7 million over the next 5 years, as follows:



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