

Report of 2Q 2015 consolidated results

Information reported in Ps. billions⁽¹⁾ and under
Full IFRS

(1) We refer to billions as thousands of millions.



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 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.

Bogotá, September 23rd, 2015. GRUPO AVAL ACCIONES Y VALORES S.A. (“Grupo Aval”) reports a consolidated attributable net income result of Ps. 544.3 billion for 2Q15. As of June 30, 2015 total assets for Grupo Aval were Ps. 194.8 trillion, total liabilities totaled Ps. 173.3 trillion and total shareholders’ equity plus minority interest totaled Ps. 21.5 trillion.

Grupo Aval financials for 2Q15 show the following general results:

- ✓ 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.
- ✓ 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.
- ✓ 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.

Grupo Aval Acciones y Valores S.A.
Consolidated Financial Statements
Financial Statements Under Full IFRS

Information in Ps. Billions

| Consolidated Balance Sheet | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Cash and balances at central bank | 15,847.9 | 18,659.8 | 18,271.8 | -2.1% | 15.3% |
| Financial assets held for investment | 26,221.1 | 30,611.9 | 29,026.0 | -5.2% | 10.7% |
| Total loans and leases portfolio at amortised cost | 102,479.3 | 120,992.5 | 125,344.9 | 3.6% | 22.3% |
| Non-current assets held for sale | 314.9 | 225.7 | 223.2 | -1.1% | -29.1% |
| Investment in associates and joint ventures | 828.1 | 478.2 | 604.6 | 26.4% | -27.0% |
| Tangible assets | 5,491.8 | 5,938.3 | 5,944.0 | 0.1% | 8.2% |
| Intangible assets | 6,924.4 | 8,399.9 | 8,452.4 | 0.6% | 22.1% |
| Income tax assets | 1,692.1 | 1,703.9 | 2,093.0 | 22.8% | 23.7% |
| Other assets | 4,288.2 | 5,117.2 | 4,829.0 | -5.6% | 12.6% |
| Total assets | 164,087.8 | 192,127.3 | 194,789.1 | 1.4% | 18.7% |
| Financial liabilities at fair value | 267.0 | 1,110.4 | 869.4 | -21.7% | 225.6% |
| Deposits from clients at amortised cost | 105,993.2 | 122,147.1 | 123,147.5 | 0.8% | 16.2% |
| Borrowings | 30,079.6 | 36,246.6 | 37,908.0 | 4.6% | 26.0% |
| Borrowings from rediscount banks | 2,224.2 | 2,022.9 | 2,168.8 | 7.2% | -2.5% |
| Total liabilities at amortised cost | 138,297.0 | 160,416.5 | 163,224.4 | 1.8% | 18.0% |
| Income tax liabilities | 2,761.2 | 3,255.8 | 3,422.2 | 5.1% | 23.9% |
| Employee benefits | 961.3 | 1,009.9 | 1,000.2 | -1.0% | 4.0% |
| Other liabilities | 3,871.6 | 5,490.7 | 4,793.7 | -12.7% | 23.8% |
| Total liabilities | 146,158.2 | 171,283.2 | 173,309.9 | 1.2% | 18.6% |
| Attributable to the owners of the parent company | 11,106.5 | 13,443.3 | 13,720.5 | 2.1% | 23.5% |
| Non-controlling interests | 6,823.2 | 7,400.8 | 7,758.7 | 4.8% | 13.7% |
| Total shareholder's equity | 17,929.7 | 20,844.1 | 21,479.2 | 3.0% | 19.8% |
| Total liabilities and shareholder's equity | 164,087.8 | 192,127.3 | 194,789.1 | 1.4% | 18.7% |

| Consolidated Statement of income | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|----------------|----------------|----------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Interest income | 2,929.2 | 3,367.1 | 3,409.8 | 1.3% | 16.4% |
| Interest expense | 1,092.2 | 1,289.8 | 1,370.9 | 6.3% | 25.5% |
| Net interest income | 1,837.0 | 2,077.3 | 2,038.9 | -1.8% | 11.0% |
| Provisions for losses on loans and other impairments | 368.4 | 425.5 | 510.4 | 20.0% | 38.5% |
| Net interest income after provisions | 1,468.6 | 1,651.8 | 1,528.5 | -7.5% | 4.1% |
| Fees and other services income, net | 687.0 | 840.0 | 860.1 | 2.4% | 25.2% |
| Other income | 636.7 | 612.4 | 760.4 | 24.2% | 19.4% |
| Other expenses | 1,530.2 | 2,022.4 | 1,791.4 | -11.4% | 17.1% |
| Income before tax expense | 1,262.0 | 1,081.8 | 1,357.7 | 25.5% | 7.6% |
| Income tax expense | 409.4 | 458.5 | 486.3 | 6.1% | 18.8% |
| Income from continued operations | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Income from discontinued operations | - | - | - | - | - |
| Net income before non-controlling interest | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Non controlling interest | (278.3) | (256.5) | (327.1) | 27.5% | 17.5% |
| Net income attributable to the owners of the parent company | 574.4 | 366.8 | 544.3 | 48.4% | -5.2% |

| Key ratios | 2Q14 | 1Q15 | 2Q15 |
|---------------------------------------|----------------|----------------|----------------|
| NIM(1) | 5.7% | 5.7% | 5.3% |
| Efficiency ratio(2) | 47.3% | 47.6% | 47.2% |
| ROAA(3) | 2.1% | 1.3% | 1.8% |
| ROAE(4) | 21.0% | 10.8% | 16.0% |
| 30 days PDL / Total loans | 2.6% | 2.5% | 2.6% |
| Provision expense / Average loans (5) | 1.6% | 1.6% | 1.8% |
| Allowance / 30 days PDL | 1.1 | 1.0 | 1.0 |
| Allowance / Total loans | 2.8% | 2.7% | 2.7% |
| Charge offs / Average loans (5) | 1.4% | 1.3% | 1.2% |
| Total loans, net / Total assets | 62.5% | 63.0% | 64.3% |
| Deposits / Total loans, net | 103.4% | 101.0% | 98.2% |
| Equity + Min. interest / Assets | 10.9% | 10.8% | 11.0% |
| Tangible equity ratio (6) | 7.0% | 6.8% | 7.0% |
| Shares outstanding (EoP) | 20,406,943,099 | 22,281,017,159 | 22,281,017,159 |
| Shares outstanding (Average) | 20,406,943,099 | 22,281,017,159 | 22,281,017,159 |
| Common share price (EoP) | 1,350 | 1,160 | 1,275 |
| Preferred share price (EoP) | 1,350 | 1,165 | 1,275 |
| BV/ EoP shares in Ps. | 544.2 | 603.4 | 615.8 |
| EPS | 28.1 | 16.5 | 24.4 |
| P/E (7) | 12.0 | 17.7 | 13.0 |
| P/BV (7) | 2.5 | 1.9 | 2.1 |

(1) NIM is calculated as Net Interest Income divided by the average of Interest Earning Assets; (2) Efficiency Ratio calculated as operating expenses minus D&A divided by total income before provision expense, net; (3) ROAA is calculated as Income before Minority Interest divided by the average of total assets for each quarter; (4) ROAE is calculated as Net Income attributable to Grupo Aval's shareholders divided by the average of shareholders' attributable equity for each quarter. (5) Refers to average gross loans for the period; (6) Tangible Equity Ratio is calculated as Total Equity plus Minority Interest minus Goodwill divided by Total Assets minus Goodwill; (7) Based on Preferred share prices.

Balance Sheet Analysis

1. Assets

Total assets as of June 30, 2015 totaled Ps. 194,789.1 billion showing an increase of 18.7% versus June 30, 2014 and one of 1.4% versus March 31, 2015. Growth in assets was mainly driven by a 22.3% year over year growth in Net Loans and Leases to Ps. 125,344.9 billion. When excluding the effect of the Colombian Peso (Ps.) depreciation of the period, assets growth would have been 10.0% versus June 30, 2014 and 1.4% versus March 31, 2015 and Net Loans and Leases growth would have been 13.7% and 3.6%, respectively.

1.1 Loans and Leases

Total Gross Loans and Leases increased by 22.2% between June 30, 2014 and June 30, 2015 to Ps. 128,800.6 billion (13.7% excluding Ps. depreciation effect) driven by (i) a 18.4% increase in Commercial loans and leases to Ps. 78,210.9 billion (12.7% excluding Ps. depreciation effect), (ii) a 25.6% increase in Consumer loans and leases to Ps. 36,668.8 billion (14.9% excluding Ps. depreciation effect), (iii) a 44.2% increase in Mortgage loans and housing leases to Ps. 11,006.3 billion (16.9% excluding Ps. depreciation effect) and (iv) a 3.8% increase in Microcredit loans and leases to Ps. 382.9 billion (3.8% excluding Ps. depreciation effect).

| Total loans and leases portfolio at amortised cost | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Loans & leases operations and receivables portfolio | | | | | |
| Commercial loans and leases | 66,421.9 | 74,781.7 | 78,210.9 | 4.6% | 17.7% |
| Consumer loans and leases | 29,195.0 | 35,309.8 | 36,668.8 | 3.8% | 25.6% |
| Mortgages and housing leases | 7,633.8 | 10,578.7 | 11,006.3 | 4.0% | 44.2% |
| Microcredit loans and leases | 368.8 | 372.7 | 382.9 | 2.8% | 3.8% |
| Loans & leases operations and receivables portfolio | 103,619.4 | 121,042.9 | 126,268.9 | 4.3% | 21.9% |
| Interbank & overnight funds and others | 1,774.6 | 3,221.1 | 2,531.7 | -21.4% | 42.7% |
| Total loans & leases operations and receivables portfolio | 105,394.0 | 124,264.0 | 128,800.6 | 3.7% | 22.2% |
| Allowance for loans & leases operations and receivables portfolio | (2,914.7) | (3,271.5) | (3,455.7) | 5.6% | 18.6% |
| Allowance for commercial loans & leases | (1,562.7) | (1,683.2) | (1,772.9) | 5.3% | 13.5% |
| Allowance for consumer loans & leases | (63.0) | (96.4) | (98.3) | 2.0% | 56.2% |
| Allowance for mortgage loans & leases | (1,255.0) | (1,443.8) | (1,535.9) | 6.4% | 22.4% |
| Allowance for microcredit loans & leases | (34.0) | (48.1) | (48.5) | 1.0% | 42.6% |
| Total loans and leases portfolio at amortised cost | 102,479.3 | 120,992.5 | 125,344.9 | 3.6% | 22.3% |

As of June 30, 2015, 63.9% of the gross loan portfolio was generated at Banco de Bogotá, 19.0% at Banco de Occidente, 10.9% at Banco Popular and 6.4% at Banco AV Villas. As of June 30, 2014 60.1% was generated at Banco de Bogotá, 21.2% at Banco de Occidente, 12.2% at Banco Popular and 6.8% at Banco AV Villas.

| Gross loans/ Bank (\$) | 2Q14 | 1Q15 | 2Q15 | Δ | |
|-------------------------|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Banco de Bogotá | 62,255.2 | 77,258.6 | 80,646.4 | 4.4% | 29.5% |
| <i>Local</i> | 42,056.9 | 46,800.1 | 49,072.2 | 4.9% | 16.7% |
| <i>Central America</i> | 20,198.3 | 30,458.5 | 31,574.2 | 3.7% | 56.3% |
| Banco de Occidente | 21,994.0 | 22,990.8 | 23,966.1 | 4.2% | 9.0% |
| Banco Popular | 12,641.0 | 13,322.5 | 13,777.6 | 3.4% | 9.0% |
| Banco AV Villas | 7,038.0 | 7,602.0 | 8,109.2 | 6.7% | 15.2% |
| Eliminations | 308.8 | 131.1 | 230.4 | 75.8% | -25.4% |
| Total Grupo Aval | 103,619.4 | 121,042.9 | 126,268.9 | 4.3% | 21.9% |

| Gross loans/ Bank (%) | 2Q14 | 1Q15 | 2Q15 |
|-------------------------|-------------|-------------|-------------|
| | | | |
| <i>Local</i> | 40.6% | 38.7% | 38.9% |
| <i>Central America</i> | 19.5% | 25.2% | 25.0% |
| Banco de Occidente | 21.2% | 19.0% | 19.0% |
| Banco Popular | 12.2% | 11.0% | 10.9% |
| Banco AV Villas | 6.8% | 6.3% | 6.4% |
| Eliminations | 0.3% | 0.1% | 0.2% |
| Total Grupo Aval | 100% | 100% | 100% |

As detailed below, of the total of Grupo Aval's loans, 75.0% are domestic and 25.0% are foreign (reflecting the Central American operations). Total foreign loans grew 56.3% during the past 12 months and increased by 3.7% in the quarter. The growth in our Central American operations versus June 2014 is partly attributable to the effect of the Colombian Peso's depreciation. Excluding the effect of the Ps. depreciation yearly and quarterly growth for our Central American operations would have been 13.2% and 3.7%, respectively.

| Gross loans | 2Q14 | 1Q15 | 2Q15 | Δ | |
|------------------------------|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Domestic | | | | | |
| Commercial loans and leases | 58,009.3 | 62,119.8 | 64,972.5 | 4.6% | 12.0% |
| Consumer loans and leases | 22,070.0 | 24,257.8 | 25,206.3 | 3.9% | 14.2% |
| Mortgages and housing leases | 2,973.0 | 3,834.2 | 4,133.0 | 7.8% | 39.0% |
| Microcredit loans and leases | 368.8 | 372.7 | 382.9 | 2.8% | 3.8% |
| Total domestic loans | 83,421.1 | 90,584.4 | 94,694.7 | 4.5% | 13.5% |
| Foreign | | | | | |
| Commercial loans and leases | 8,412.6 | 12,661.9 | 13,238.4 | 4.6% | 57.4% |
| Consumer loans and leases | 7,125.0 | 11,052.1 | 11,462.5 | 3.7% | 60.9% |
| Mortgages and housing leases | 4,660.7 | 6,744.5 | 6,873.2 | 1.9% | 47.5% |
| Microcredit loans and leases | - | - | - | - | - |
| Total foreign loans | 20,198.3 | 30,458.5 | 31,574.2 | 3.7% | 56.3% |
| Total loans | 103,619.4 | 121,042.9 | 126,268.9 | 4.3% | 21.9% |

The ratio of 30 days PDL to Total Loans showed a slight deterioration and closed 2Q15 in 2.7% compared to the 2.6% in 1Q15. The ratio of 90 days PDL to Total Loans was 1.7% in both 2Q15 and 1Q15, compared to the 1.8% in 2Q14. Finally, the ratio of CDE Loans to Total Loans was 4.1% in 2Q15 compared to the 4.0% in 1Q15.

During 2Q15 Grupo Aval's coverage of its non-performing loans and leases remained stable at 1.5x for both 1Q15 and 2Q15. Allowance to CDE Loans was 0.7x and Allowance to 30 days PDL was 1.0x, both for 2Q15. Provision expense net of recoveries of charged off assets to average Total Loans was 1.6% in 2Q15 versus 1.4% in 2Q14 and 1Q15. Charge offs to average total loans was 1.2% in 2Q15, 1.3% in 1Q15 and 1.4% in 2Q14.

| Total loans and leases portfolio at amortised cost | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| "A" normal risk | 96,718.0 | 113,254.0 | 117,794.4 | 4.0% | 21.8% |
| "B" acceptable risk | 2,946.9 | 2,910.2 | 3,255.9 | 11.9% | 10.5% |
| "C" appreciable risk | 1,935.8 | 2,710.7 | 2,836.8 | 4.7% | 46.5% |
| "D" significant risk | 1,254.1 | 1,312.0 | 1,448.4 | 10.4% | 15.5% |
| "E" unrecoverable | 764.6 | 856.1 | 933.4 | 9.0% | 22.1% |
| Loans & leases operations and receivables portfolio | 103,619.4 | 121,042.9 | 126,268.9 | 4.3% | 21.9% |
| Interbank & overnight funds and others | 1,774.6 | 3,221.1 | 2,531.7 | -21.4% | 42.7% |
| Total loans & leases operations and receivables portfolio | 105,394.0 | 124,264.0 | 128,800.6 | 3.7% | 22.2% |
| CDE Loans | 3,954.5 | 4,878.7 | 5,218.6 | | |
| 30 Days Past Due Loans (*) | 2,616.2 | 3,200.3 | 3,378.1 | | |
| 90 Days Past Due Loans (*) | 1,544.5 | 1,862.4 | 2,005.3 | | |
| CDE loans / Total loans | 3.8% | 4.0% | 4.1% | | |
| 30 Days PDL (*)/ Total loans | 2.6% | 2.5% | 2.6% | | |
| 90 Days PDL (*)/ Total loans | 1.8% | 1.7% | 1.7% | | |
| NPL(*)/ Total loans | 1.5% | 1.5% | 1.5% | | |
| Allowance/ CDE loans | 0.7 | 0.7 | 0.7 | | |
| Allowance/ 30 Days PDL (*) | 1.1 | 1.0 | 1.0 | | |
| Allowance/ 90 Days PDL (*) | 1.9 | 1.8 | 1.7 | | |
| Allowance/ NPL (*) | 1.6 | 1.5 | 1.5 | | |
| Allowance/ Total loans | 2.8% | 2.7% | 2.7% | | |
| Provision expense / CDE loans | 0.4 | 0.4 | 0.4 | | |
| Provision expense / 30 Days PDL (*) | 0.6 | 0.6 | 0.7 | | |
| Provision expense / 90 Days PDL (*) | 1.0 | 1.0 | 1.1 | | |
| Provision expense / NPL (*) | 0.9 | 0.9 | 1.0 | | |
| Provision expense / Average total loans | 1.6% | 1.6% | 1.8% | | |
| Provision expense, net of recoveries of charged-off assets / Average total loans | 1.4% | 1.4% | 1.6% | | |
| Charge Off / Average total loans | 1.4% | 1.3% | 1.2% | | |

(1) NPL defined as microcredit loans more than 30 days past due, consumer more than 60 days past due, mortgage loans more than 120 days past due and commercial loans more than 90 days past due.

(*) For comparing purposes with our 2014 measures 30 days past due, 90 days past due and NPL's are only calculated on a capital basis (they do not include interest accounts receivables)

1.2 Fixed income and equity investments

Investment securities, net (excluding derivatives) grew by 8.2% to Ps. 29,170.9 billion between June 30, 2014 and June 30, 2015 and contracted by 3.9% versus March 31, 2015. Ps. 23,329.8.2 billion of our total gross portfolio is invested in debt securities, which grew by 9.0% between June 30, 2014 and June 30, 2015 and contracted by 4.4% since March 31, 2015. Ps. 3,245.7 billion of total gross investment securities is invested in equity securities, which grew by 2.5% between June 30, 2014 and June 30, 2015 and by 0.7% since March 31, 2015.

The average yield on fixed income investment securities was 4.5% in 2Q15, 6.5% in 1Q15 and 5.8% in 2Q14.

| Total assets held for investment | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|-----------------|-----------------|-----------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Financial assets held for trading | | | | | |
| Fixed income investments | 3,835.9 | 4,677.4 | 3,377.5 | -27.8% | -12.0% |
| Equity investments | 1,442.8 | 1,629.9 | 1,561.3 | -4.2% | 8.2% |
| Total financial assets held for trading | 5,279 | 6,307 | 4,939 | -21.7% | -6.4% |
| Financial assets available for sale | | | | | |
| Fixed income investments | 16,306.9 | 18,884.1 | 19,933.3 | 5.6% | 22.2% |
| Equity investments | 690.0 | 905.9 | 864.8 | -4.5% | 25.3% |
| Total financial assets available for sale | 16,997 | 19,790 | 20,798 | 5.1% | 22.4% |
| Held-to-maturity investments | 3,653.0 | 3,579.0 | 2,633.4 | -26.4% | -27.9% |
| Allowance for financial assets held for investment | 10.1 | 22.8 | 19.0 | -16.4% | 88.8% |
| Total financial assets held for investment | 25,918.5 | 29,653.4 | 28,351.3 | -4.4% | 9.4% |
| Investment in associates and joint ventures | 828.1 | 478.2 | 604.6 | 26.4% | -27.0% |
| Biological assets | 206.1 | 210.1 | 215.0 | 2.3% | 4.3% |
| Total assets held for investment | 26,952.7 | 30,341.8 | 29,170.9 | -3.9% | 8.2% |

1.3 Cash and Cash Equivalents

As of June 30, 2015, Cash and cash equivalents totaled a balance of Ps. 18,271.8 billion showing an increase of 15.3% versus June 30, 2014 and a decrease of 2.1% versus March 31, 2015 (1.2% and - 2.1% excluding Ps. depreciation effect).

1.4 Goodwill

Goodwill as of June 30, 2015 was Ps. 6,105.7 billion, increasing by 22.2% versus June 30, 2014 and contracted by 1.5% versus March 31, 2015. The increases were primarily attributable to the impact of the peso depreciation on the goodwill denominated in USD.

2. Liabilities

As of June 30, 2015 and as of March 31, 2015 funding represented 94% of total liabilities and other liabilities represented 6%. This composition as of June 30, 2014 was 95% and 5%, respectively.

2.1 Funding

Total Funding which includes (i) Deposits, (ii) Interbank borrowings and overnight funds, (iii) Borrowings from banks and other, (iv) Bonds, and (v) Bank acceptances had a balance of Ps. 163,224.4 billion as of June 30, 2015 showing an increase of 18.0% versus June 30, 2014 and of 1.8% versus March 31, 2015 (9.5% and 1.7% excluding Ps. depreciation effect). Total deposits represented 75% of total funding for 2Q15 and 77% and 76% for 2Q14 and 1Q15.

Average cost of funds was 3.4% in 2Q15, 3.3% in 1Q15 and 3.2 in 2Q14.

| Deposits from clients at amortised cost | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|----------------|----------------|----------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Checking accounts | 24,085 | 27,882 | 28,244 | 1.3% | 17.3% |
| Time deposits | 34,695 | 46,202 | 47,079 | 1.9% | 35.7% |
| Saving deposits | 46,209 | 47,149 | 46,951 | -0.4% | 1.6% |
| Other deposits | 1,005 | 914 | 874 | -4.5% | -13.0% |
| Deposits from clients at amortised cost | 105,993 | 122,147 | 123,147 | 0.8% | 16.2% |

Of our total deposits as of June 30, 2015, checking accounts represented 22.9%, time deposits 38.2%, saving accounts 38.1% and other deposits 0.7%.

As of June 30, 2015, deposits contributed by Banco de Bogotá represented 66.9% of total deposits, by Banco de Occidente 18.4%, by Banco Popular 9.9%, and by Banco AV Villas 6.8%. Eliminations accounted for 2.0% of Total Deposits. Local Deposits accounted for 75% and foreign Deposits accounted for 25%.

| Deposits/ Bank (\$) | 2Q14 | 1Q15 | 2Q15 | Δ | |
|-------------------------|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Banco de Bogotá | 66,153.4 | 80,382.0 | 82,379.8 | 2.5% | 24.5% |
| <i>Local</i> | 45,441.6 | 50,494.2 | 51,652.3 | 2.3% | 13.7% |
| <i>Central America</i> | 20,711.8 | 29,887.7 | 30,727.4 | 2.8% | 48.4% |
| Banco de Occidente | 21,988.9 | 23,739.4 | 22,709.7 | -4.3% | 3.3% |
| Banco Popular | 11,680.2 | 12,033.7 | 12,133.8 | 0.8% | 3.9% |
| Banco AV Villas | 8,193.2 | 8,408.2 | 8,418.4 | 0.1% | 2.7% |
| Eliminations | 2,022.5 | 2,416.3 | 2,494.2 | 3.2% | 23.3% |
| Total Grupo Aval | 105,993.2 | 122,147.1 | 123,147.5 | 0.8% | 16.2% |

| Deposits/ Bank (%) | 2Q14 | 1Q15 | 2Q15 |
|-------------------------|---------------|---------------|---------------|
| Banco de Bogotá | 62.4% | 65.8% | 66.9% |
| <i>Local</i> | 42.9% | 41.3% | 41.9% |
| <i>Central America</i> | 19.5% | 24.5% | 25.0% |
| Banco de Occidente | 20.7% | 19.4% | 18.4% |
| Banco Popular | 11.0% | 9.9% | 9.9% |
| Banco AV Villas | 7.7% | 6.9% | 6.8% |
| Eliminations | 1.9% | 2.0% | 2.0% |
| Total Grupo Aval | 100.0% | 100.0% | 100.0% |

2.1.2 Borrowings from Banks and Other

As of June 30, 2015, borrowings from banks and other totaled Ps. 16,037.4 billion, showing an increase of 23.3% versus June 30, 2014 and an increase of 1.8% versus March 31, 2015. However, excluding the effect of the peso depreciation, borrowings from banks and other grew 2.8% versus 2Q14 and 1.8% versus 1Q15.

2.1.3 Bonds

Total bonds as of June 30, 2015 totaled Ps. 14,906.2 billion showing an increase of 15.9% versus June 30, 2014 and a decrease of 1.7% versus March 31, 2015. Excluding the effect of the peso depreciation, growth was 14.0% and -1.7%, respectively.

3. Minority Interest

Minority Interest in Grupo Aval reflects: (i) the minority stakes that third party shareholders hold in each of its direct consolidated subsidiaries (Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas), and (ii) the minority stakes that third party shareholders hold in the consolidated subsidiaries at the bank level (mainly Corficolombiana and Porvenir). As of June 30, 2015 Minority Interest was Ps. 7,758.7 billion which increased by 13.7% versus June 30, 2014. Total Minority Interest decreased from 38.1% of Total Equity for June 30, 2014 to 36.1% for June 30, 2015, reflecting the increase in direct ownership in Banco de Bogotá, Banco de Occidente and Corficolombiana. Total Minority Interest derives from the sum of the combined minority interests of our banks and of Grupo Aval, applying eliminations associated with the consolidation process of Grupo Aval.

| Direct & indirect ownership | 2Q14 | 1Q15 | 2Q15 | Δ (pbs) | |
|--------------------------------|-------|-------|-------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Banco de Bogotá ⁽¹⁾ | 67.8% | 68.7% | 68.7% | - | 89 |
| Banco de Occidente | 72.2% | 72.2% | 72.2% | - | - |
| Banco Popular | 93.7% | 93.7% | 93.7% | - | - |
| Banco AV Villas | 79.9% | 79.9% | 79.9% | - | - |
| BAC Credomatic ⁽²⁾ | 67.8% | 68.7% | 68.7% | - | 89 |
| Porvenir ⁽³⁾ | 75.2% | 75.7% | 75.7% | - | 42 |
| Corficolombiana ⁽⁴⁾ | 41.2% | 44.3% | 44.3% | - | 310 |

(1) Grupo Aval's ownership in Banco de Bogotá increased during 4Q2014 both through open market transactions along the year and the rights issuance held between November and December, 2014; (2) BAC Credomatic is fully owned by Banco de Bogotá, as such, the increase in Grupo Aval's total ownership is explained by the rise in our ownership in Banco de Bogotá; (3) Grupo Aval indirectly owns a 100% of Porvenir as follows: 20.0% in Grupo Aval, 46.9% in Banco de Bogotá and 33.1% in Banco de Occidente. Porvenir's results consolidate into Banco de Bogotá; (4) Grupo Aval increased its direct ownership in Corficolombiana through the acquisition of 20,008,260 common shares (9.3% of shares outstanding) of Corficolombiana from Banco de Occidente in December 17, 2014.

4. Attributable Shareholders' Equity

Attributable shareholders' equity as of June 30, 2015 was Ps. 13,720.5 billion showing an increase of 23.5% versus June 30, 2014, mainly attributable to the issuance of 1,629,629,620 preferred shares in the form of ADR's in the New York Stock Exchange equivalent to Ps. 2,425.1 billion. Attributable shareholders' equity increased 2.1% versus March 31, 2015 mainly driven by retained earnings.

Income Statement Analysis

Our net income attributable to shareholders for 2Q15 of Ps. 544.3 billion decreased 5.2% versus 2Q14 and increased 48.4% versus 1Q15. Results for the 1Q15 show the impact of Ps. 208 billion of attributable equity tax. The decrease versus 2Q14 results from a 7.6% increase in income before tax expense off set by an 18.8% increase in income tax and a 17.5% in non-controlling interest.

| Consolidated Statement of income | 2Q14 | 1Q15 | 2Q15 | Δ | |
|--|----------------|----------------|----------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Interest income | | | | | |
| Interest on loans and leases | 2,575.9 | 2,951.2 | 3,112.2 | 5.5% | 20.8% |
| Changes in fair value of financial assets | 304.4 | 120.1 | 81.9 | -31.8% | -73.1% |
| Interests on fixed income investments at amortised cost | 48.9 | 295.8 | 215.7 | -27.1% | 341.5% |
| Total interest income | 2,929.2 | 3,367.1 | 3,409.8 | 1.3% | 16.4% |
| Total interest expense | 1,092.2 | 1,289.8 | 1,370.9 | 6.3% | 25.5% |
| Net interest income | 1,837.0 | 2,077.3 | 2,038.9 | -1.8% | 11.0% |
| Total net provisions for losses on loans and other impairments | 368.4 | 425.5 | 510.4 | 20.0% | 38.5% |
| Net interest income after provisions | 1,468.6 | 1,651.8 | 1,528.5 | -7.5% | 4.1% |
| Fees and other services income | 825.5 | 985.9 | 999.8 | 1.4% | 21.1% |
| Fees and other services expenses | 138.5 | 145.8 | 139.7 | -4.2% | 0.8% |
| Fees and other services income, net | 687.0 | 840.0 | 860.1 | 2.4% | 25.2% |
| Other income | 637 | 612 | 760 | 24.2% | 19.4% |
| Other expenses | 1,530 | 2,022 | 1,791 | -11.4% | 17.1% |
| Income before tax expense | 1,262.0 | 1,081.8 | 1,357.7 | 25.5% | 7.6% |
| Income tax expense | 409.4 | 458.5 | 486.3 | 6.1% | 18.8% |
| Income from continued operations | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Income from discontinued operations | - | - | - | - | - |
| Net income before non-controlling interest | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Non controlling interest | (278.3) | (256.5) | (327.1) | 27.5% | 17.5% |
| Net income attributable to the owners of the parent company | 574.4 | 366.8 | 544.3 | 48.4% | -5.2% |

1. Net Interest Income

| Net interest income | 2Q14 | 1Q15 | 2Q15 | Δ | |
|---|----------------|----------------|----------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Interest income | | | | | |
| Interest on loans and leases | 2,575.9 | 2,951.2 | 3,112.2 | 5.5% | 20.8% |
| Changes in fair value of financial assets | 304.4 | 120.1 | 81.9 | -31.8% | -73.1% |
| Interests on fixed income investments at amortised cost | 48.9 | 295.8 | 215.7 | -27.1% | 341.5% |
| Total interest income | 2,929.2 | 3,367.1 | 3,409.8 | 1.3% | 16.4% |
| Interest expense | | | | | |
| Checking accounts | 42.3 | 47.2 | 43.1 | -8.7% | 1.9% |
| Time deposits | 387.5 | 509.9 | 534.2 | 4.7% | 37.8% |
| Saving deposits | 306.6 | 307.6 | 339.2 | 10.3% | 10.6% |
| Total interest expenses on deposits | 736.5 | 864.8 | 916.5 | 6.0% | 24.4% |
| Deposits from financial institutions | (0.0) | - | - | - | - |
| Borrowings | 271.0 | 311.7 | 338.1 | 8.5% | 24.7% |
| Interbank and overnight funds | 49.7 | 59.7 | 75.8 | 27.1% | 52.7% |
| Borrowings from banks and others | 111.9 | 119.0 | 127.2 | 6.9% | 13.7% |
| Bonds | 109.5 | 133.1 | 135.0 | 1.5% | 23.3% |
| Borrowings from rediscount banks | 84.7 | 113.3 | 116.3 | 2.6% | 37.3% |
| Total interest expense | 1,092.2 | 1,289.8 | 1,370.9 | 6.3% | 25.5% |
| Net interest income | 1,837.0 | 2,077.3 | 2,038.9 | -1.8% | 11.0% |

Our net interest income increased by 11.0% to Ps. 2,038.9 for 2Q15 versus 2Q14 and decreased by 1.8% versus 1Q15. The main reasons for the increase versus 2Q14 were:

- A 16.4% increase in interest income derived from a 20.8% increase in interest income from loans and leases, offset in part by a 15.8% decrease in interest income from investment securities.
- Offsetting the increase in interest income described above was a 25.5% increase in interest expense derived from a 24.4% increase in interests paid on deposits and a 27.7% in interests paid on other funding.

Our Net Interest Margin was 5.3% for 2Q15, down from 5.7% in 1Q15 and 2Q14. Net Interest Margin on Loans was 6.3% in 2Q15, 6.3% in 1Q15 and 6.4% in 2Q14. On the other hand, our Net Fixed Income Investments Margin was 1.1% in 2Q15 versus 3.1% in 1Q15 and 2Q14.

2. Provision expense, net

Our total net provision expense increased by 38.5% to Ps. 510.4 billion for 2Q15 versus 2Q14 and increased by 20.0% versus 1Q15. This increase was attributable to higher net provisions for loan and lease losses, accrued interest and other receivables, which in turn was driven by both in the loan portfolio, and a slight deterioration in credit quality.

| Total net provisions for losses on loans and other impairments | 2Q14 | 1Q15 | 2Q15 | Δ | |
|---|--------------|--------------|--------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Expenses for allowance for loan & lease losses and accrued interest | 402.2 | 466.4 | 558.1 | 19.7% | 38.8% |
| Recovery of charged-off assets | 40.6 | 48.2 | 53.3 | 10.4% | 31.0% |
| Expenses for allowance for investments | 7.6 | 0.2 | 0.2 | 11.3% | -97.0% |
| Impairment of foreclosed assets | (0.7) | 7.1 | 5.3 | -25.5% | -837.7% |
| Total net provisions for losses on loans and other impairments | 368.4 | 425.5 | 510.4 | 20.0% | 38.5% |

Our annualized net provision expense to average loans was 1.8% for 2Q15, 1.6% for 1Q15 and 1.6% for 2Q14. Net of recoveries of charged-off loans our ratios were 1.6% for 2Q15; 1.4% for 1Q15 and 1.4% for 2Q14.

3. Fee income and other income, net

Total fees and other operating income, net increased by 22.4% to Ps. 1,620.6 for 2Q15 versus 2Q14 and 11.6% in the quarter. Total fees and other services income, net increased by 25.2% to Ps. 860.1 billion in 2Q15 versus 2Q14 and by 2.4% in the quarter.

Total other income increased by 19.4% to Ps. 760.4 versus 2Q14 and by 24.2% versus 1Q15. The yearly increase was driven by a larger income from non-financial sector, the quarterly expansion is mainly due to gains on FX and derivatives as well as the equity method.

| Total fees and other income | 2Q14 | 1Q15 | 2Q15 | Δ | |
|---|--------------|--------------|--------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Fees and other services income | | | | | |
| Commissions from banking services | 343.9 | 471.9 | 485.0 | 2.8% | 41.0% |
| Branch network services | 7.4 | 9.8 | 7.3 | -25.8% | -1.4% |
| Credit card merchant fees | 102.7 | 190.7 | 191.9 | 0.6% | 86.9% |
| Checking fees | 16.4 | 17.0 | 18.0 | 6.1% | 9.7% |
| Warehouse services | 47.9 | 39.8 | 41.2 | 3.6% | -13.9% |
| Fiduciary activities | 56.8 | 56.2 | 59.6 | 6.0% | 4.8% |
| Pension plan management | 197.7 | 198.8 | 194.4 | -2.2% | -1.7% |
| Other | 52.7 | 1.7 | 2.5 | 44.3% | -95.3% |
| Total fees and other services income | 825.5 | 985.9 | 999.8 | 1.4% | 21.1% |
| Fees and other services expenses | 138.5 | 145.8 | 139.7 | -4.2% | 0.8% |
| Fees and other services income, net | 687.0 | 840.0 | 860.1 | 2.4% | 25.2% |
| Other income | | | | | |
| Net gains on derivatives, hedging activities and foreign exchange | 129 | 71 | 162 | 129.4% | 25.4% |
| Net gains on sales of investments | 1 | 0 | 0 | -42.2% | -83.3% |
| Income from sales of non-current assets available for sale | 42 | 5 | 15 | 241.0% | N.A. |
| Equity method | 60 | 15 | 73 | 397.0% | 20.4% |
| Dividends | 8 | 15 | 14 | -6.5% | 74.7% |
| Gains on valuation of biological assets, net | - | 5 | 4 | -11.3% | - |
| Income from the non-financial sector, net | 140 | 291 | 310 | 6.6% | 121.0% |
| Other income | 256 | 212 | 182 | -14.1% | -28.9% |
| Total other income | 636.7 | 612.4 | 760.4 | 24.2% | 19.4% |

4. Other expenses

Total other expenses for 2Q15 of Ps. 1,791.4 billion increased by 17.1% versus 2Q14 and decreased by 11.4% versus 1Q15. Our efficiency ratio measured as operating expenses before depreciation and amortization to total income, was 47.2% in a cost to income basis was 47.2% in 2Q15 improving from 47.3% in 2Q14 and 47.6% in 1Q15. The ratio of annualized operating expenses before depreciation and amortization as a percentage of average total assets remained unchanged at 3.4% for 2Q14, 1Q15 and 2Q15.

5. Minority Interest

Minority Interest in Grupo Aval reflects: (i) the minority stakes that third party shareholders hold in each of its direct consolidated subsidiaries (Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas), and (ii) the minority stakes that third party shareholders hold in the consolidated subsidiaries at the bank level (mainly Corficolombiana and Porvenir). For 2Q15, Minority Interest in the income statement was Ps. 327.1 billion, showing an increase of 17.5% versus 2Q14 and of 27.5% versus 1Q15. The ratio of Minority Interest to income before Minority Interest was 37.5% in 2Q15, 32.6% in 2Q14 and 41.2% in 1Q15.

ABOUT GRUPO AVAL

Grupo Aval is Colombia's largest banking group, and through our BAC Credomatic operations it is also the largest and the most profitable banking group in Central America. Grupo Aval currently operates through four commercial banks in Colombia (Banco de Bogotá, Banco de Occidente, Banco Popular and Banco AV Villas). It manages pension and severance funds through the largest pension and severance fund manager in Colombia (Porvenir) and owns the largest merchant bank in Colombia (Corficolombiana), each of which Aval controls and consolidates into its results.

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Grupo Aval Acciones y Valores S.A.
Consolidated Financial Statements
Financial Statements Under Full IFRS

Information in Ps. Billions

| Consolidated Balance Sheet | 2Q14 | 1Q15 | 2Q15 | Δ | |
|---|------------------|------------------|------------------|---------------|---------------|
| | | | | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
| Cash and balances at central bank | 15,847.9 | 18,659.8 | 18,271.8 | -2.1% | 15.3% |
| Financial assets held for trading | | | | | |
| Fixed income investments | 3,835.9 | 4,677.4 | 3,377.5 | -27.8% | -12.0% |
| Equity investments | 1,442.8 | 1,629.9 | 1,561.3 | -4.2% | 8.2% |
| Derivatives | 302.5 | 958.5 | 674.7 | -29.6% | 123.0% |
| Total financial assets held for trading | 5,581.2 | 7,265.7 | 5,613.5 | -22.7% | 0.6% |
| Financial assets available for sale | | | | | |
| Fixed income investments | 16,306.9 | 18,884.1 | 19,933.3 | 5.6% | 22.2% |
| Equity investments | 690.0 | 905.9 | 864.8 | -4.5% | 25.3% |
| Total financial assets available for sale | 16,996.9 | 19,790.0 | 20,798.1 | 5.1% | 22.4% |
| Held-to-maturity investments | 3,653.0 | 3,579.0 | 2,633.4 | -26.4% | -27.9% |
| Allowance for financial assets held for investment | 10.1 | 22.8 | 19.0 | -16.4% | 88.8% |
| Total financial assets held for investment | 26,221.1 | 30,611.9 | 29,026.0 | -5.2% | 10.7% |
| Loans & leases operations and receivables portfolio | | | | | |
| Commercial loans and leases | 68,196 | 78,003 | 80,743 | 3.5% | 18.4% |
| Commercial loans and leases | 66,422 | 74,782 | 78,211 | 4.6% | 17.7% |
| Interbank & overnight funds and others | 1,775 | 3,221 | 2,532 | -21.4% | 42.7% |
| Consumer loans and leases | 29,195 | 35,310 | 36,669 | 3.8% | 25.6% |
| Mortgages and housing leases | 7,634 | 10,579 | 11,006 | 4.0% | 44.2% |
| Microcredit loans and leases | 369 | 373 | 383 | 2.8% | 3.8% |
| Total loans & leases operations and receivables portfolio | 105,394.0 | 124,264.0 | 128,800.6 | 3.7% | 22.2% |
| Allowance for loans & leases operations and receivables portfolio | -2,915 | -3,272 | -3,456 | 5.6% | 18.6% |
| Total loans and leases portfolio at amortised cost | 102,479.3 | 120,992.5 | 125,344.9 | 3.6% | 22.3% |
| Other accounts receivable | 3,712.5 | 4,690.5 | 4,380.2 | -6.6% | 18.0% |
| Derivatives used for hedging | 145.0 | 41.2 | 41.7 | 1.1% | -71.2% |
| Non-current assets held for sale | 314.9 | 225.7 | 223.2 | -1.1% | -29.1% |
| Investment in associates and joint ventures | 828.1 | 478.2 | 604.6 | 26.4% | -27.0% |
| Tangible assets | 5,491.8 | 5,938.3 | 5,944.0 | 0.1% | 8.2% |
| Intangible assets | 6,924.4 | 8,399.9 | 8,452.4 | 0.6% | 22.1% |
| Income tax assets | 1,692.1 | 1,703.9 | 2,093.0 | 22.8% | 23.7% |
| Other assets | 430.8 | 385.5 | 407.1 | 5.6% | -5.5% |
| Total assets | 164,087.8 | 192,127.3 | 194,789.1 | 1.4% | 18.7% |
| Financial liabilities at fair value | 267.0 | 1,110.4 | 869.4 | -21.7% | 225.6% |
| Deposits from financial institutions | - | - | - | - | - |
| Deposits from clients at amortised cost | 105,993.2 | 122,147.1 | 123,147.5 | 0.8% | 16.2% |
| Checking accounts | 24,084.8 | 27,882.1 | 28,243.6 | 1.3% | 17.3% |
| Time deposits | 34,694.7 | 46,202.1 | 47,079.0 | 1.9% | 35.7% |
| Saving deposits | 46,209.0 | 47,148.6 | 46,951.3 | -0.4% | 1.6% |
| Other deposits | 1,004.6 | 914.3 | 873.5 | -4.5% | -13.0% |
| Borrowings | 30,079.6 | 36,246.6 | 37,908.0 | 4.6% | 26.0% |
| Interbank borrowings and overnight funds | 6,439.5 | 7,354.5 | 9,133.3 | 24.2% | 41.8% |
| Borrowings from banks and others | 10,782.5 | 13,724.9 | 13,868.6 | 1.0% | 28.6% |
| Bonds | 12,857.6 | 15,167.2 | 14,906.2 | -1.7% | 15.9% |
| Borrowings from rediscount banks | 2,224.2 | 2,022.9 | 2,168.8 | 7.2% | -2.5% |
| Total liabilities at amortised cost | 138,297.0 | 160,416.5 | 163,224.4 | 1.8% | 18.0% |
| Derivatives used for hedging | 7.3 | 538.3 | 369.6 | -31.3% | 4959.9% |
| Provisions | 798.4 | 907.5 | 1,091.3 | 20.3% | 36.7% |
| Income tax liabilities | 2,761.2 | 3,255.8 | 3,422.2 | 5.1% | 23.9% |
| Employee benefits | 961.3 | 1,009.9 | 1,000.2 | -1.0% | 4.0% |
| Other liabilities | 3,065.9 | 4,044.8 | 3,332.7 | -17.6% | 8.7% |
| Total liabilities | 146,158.2 | 171,283.2 | 173,309.9 | 1.2% | 18.6% |
| Shareholder's equity attributable to the owners of the parent company | 11,106.5 | 13,443.3 | 13,720.5 | 2.1% | 23.5% |
| Non-controlling interests | 6,823.2 | 7,400.8 | 7,758.7 | 4.8% | 13.7% |
| Total shareholder's equity | 17,929.7 | 20,844.1 | 21,479.2 | 3.0% | 19.8% |
| Total liabilities and shareholder's equity | 164,087.8 | 192,127.3 | 194,789.1 | 1.4% | 18.7% |

Grupo Aval Acciones y Valores S.A.
Consolidated Financial Statements
Financial Statements Under Full IFRS

Information in Ps. Billions

| Consolidated Statement of income | YTD 2014 | YTD 2015 | % | 2Q14 | 1Q15 | 2Q15 | 2Q15 vs. 1Q15 | 2Q15 vs. 2Q14 |
|---|----------------|----------------|--------------|----------------|----------------|----------------|---------------|---------------|
| Interest income | | | | | | | | |
| Interest on loans and leases | 5,147.5 | 6,063.3 | 17.8% | 2,575.9 | 2,951.2 | 3,112.2 | 5.5% | 20.8% |
| Changes in fair value of financial assets | 468.6 | 202.0 | -56.9% | 304.4 | 120.1 | 81.9 | -31.8% | -73.1% |
| Interests on fixed income investments at amortised cost | 131.1 | 511.5 | 290.3% | 48.9 | 295.8 | 215.7 | -27.1% | 341.5% |
| Total interest income | 5,747.1 | 6,776.9 | 17.9% | 2,929.2 | 3,367.1 | 3,409.8 | 1.3% | 16.4% |
| Interest expense | | | | | | | | |
| Checking accounts | 82.3 | 90.3 | 9.7% | 42.3 | 47.2 | 43.1 | -8.7% | 1.9% |
| Time deposits | 759.1 | 1,044.1 | 37.5% | 387.5 | 509.9 | 534.2 | 4.7% | 37.8% |
| Saving deposits | 608.4 | 646.8 | 6.3% | 306.6 | 307.6 | 339.2 | 10.3% | 10.6% |
| Total interest expenses on deposits | 1,449.8 | 1,781.2 | 22.9% | 736.5 | 864.8 | 916.5 | 6.0% | 24.4% |
| Deposits from financial institutions | (0.1) | - | - | (0.0) | - | - | - | - |
| Borrowings | 513.0 | 649.8 | 26.7% | 271.0 | 311.7 | 338.1 | 8.5% | 24.7% |
| Interbank and overnight funds | 87.6 | 135.5 | 54.7% | 49.7 | 59.7 | 75.8 | 27.1% | 52.7% |
| Borrowings from banks and others | 214.5 | 246.2 | 14.8% | 111.9 | 119.0 | 127.2 | 6.9% | 13.7% |
| Bonds | 210.9 | 268.1 | 27.1% | 109.5 | 133.1 | 135.0 | 1.5% | 23.3% |
| Borrowings from rediscount banks | 163.6 | 229.6 | 40.4% | 84.7 | 113.3 | 116.3 | 2.6% | 37.3% |
| Total interest expense | 2,126.3 | 2,660.7 | 25.1% | 1,092.2 | 1,289.8 | 1,370.9 | 6.3% | 25.5% |
| Net interest income | 3,620.8 | 4,116.2 | 13.7% | 1,837.0 | 2,077.3 | 2,038.9 | -1.8% | 11.0% |
| Provisions for losses on loans and other impairments | | | | | | | | |
| Expenses for allowance for loan & lease losses and accrued interest | 783.1 | 1,024.5 | 30.8% | 402.2 | 466.4 | 558.1 | 19.7% | 38.8% |
| Recovery of charged-off assets | 85.5 | 101.5 | 18.7% | 40.6 | 48.2 | 53.3 | 10.4% | 31.0% |
| Expenses for allowance for investments | 9.5 | 0.4 | -95.4% | 7.6 | 0.2 | 0.2 | 11.3% | -97.0% |
| Impairment of foreclosed assets | (0.7) | 12.4 | - | (0.7) | 7.1 | 5.3 | -25.5% | - |
| Total net provisions for losses on loans and other impairments | 706.3 | 935.9 | 32.5% | 368.4 | 425.5 | 510.4 | 20.0% | 38.5% |
| Net interest income after provisions | 2,914.5 | 3,180.3 | 9.1% | 1,468.6 | 1,651.8 | 1,528.5 | -7.5% | 4.1% |
| Fees and other services income | | | | | | | | |
| Commissions from banking services | 690.4 | 956.9 | 38.6% | 343.9 | 471.9 | 485.0 | 2.8% | 41.0% |
| Branch network services | 14.5 | 17.1 | 18.3% | 7.4 | 9.8 | 7.3 | -25.8% | -1.4% |
| Credit card merchant fees | 213.6 | 382.6 | 79.1% | 102.7 | 190.7 | 191.9 | 0.6% | 86.9% |
| Checking fees | 33.2 | 35.0 | 5.3% | 16.4 | 17.0 | 18.0 | 6.1% | 9.7% |
| Warehouse services | 93.1 | 81.0 | -13.0% | 47.9 | 39.8 | 41.2 | 3.6% | -13.9% |
| Fiduciary activities | 112.8 | 115.7 | 2.6% | 56.8 | 56.2 | 59.6 | 6.0% | 4.8% |
| Pension plan management | 377.1 | 393.2 | 4.3% | 197.7 | 198.8 | 194.4 | -2.2% | -1.7% |
| Other | 101.6 | 4.2 | -95.9% | 52.7 | 1.7 | 2.5 | 44.3% | -95.3% |
| Total fees and other services income | 1,636.3 | 1,985.7 | 21.3% | 825.5 | 985.9 | 999.8 | 1.4% | 21.1% |
| Fees and other services expenses | 262.2 | 285.5 | 8.9% | 138.5 | 145.8 | 139.7 | -4.2% | 0.8% |
| Fees and other services income, net | 1,374.1 | 1,700.1 | 23.7% | 687.0 | 840.0 | 860.1 | 2.4% | 25.2% |
| Other income | | | | | | | | |
| Gains (Losses) on derivative operations, net | 51 | (40) | -179.0% | 77 | (124) | 83 | -167.4% | 8.0% |
| Net gains on hedging activities | 116 | 92 | -21.1% | 161 | 46 | 46 | 1.1% | -71.3% |
| Foreign exchange gains (losses), net | 25 | 181 | 622.6% | (109) | 149 | 32 | -78.4% | -129.5% |
| Net gains on sales of investments | 13 | 1 | -95.6% | 1 | 0 | 0 | -42.2% | -83.3% |
| Income from sales of non-current assets available for sale | 0 | 20 | - | 42 | 5 | 15 | 241.0% | N.A. |
| Equity method | 65 | 87 | 34.9% | 60 | 15 | 73 | 397.0% | 20.4% |
| Dividends | 59 | 28 | -51.8% | 8 | 15 | 14 | -6.5% | 74.7% |
| Gains on valuation of biological assets, net | - | 9 | - | - | 5 | 4 | -11.3% | - |
| Income from the non-financial sector, net | 416 | 601 | 44.6% | 140 | 291 | 310 | 6.6% | 121.0% |
| Other income | 414 | 394 | -4.8% | 256 | 212 | 182 | -14.1% | -28.9% |
| Total other income | 1,158.6 | 1,372.9 | 18.5% | 636.7 | 612.4 | 760.4 | 24.2% | 19.4% |
| Other expenses | | | | | | | | |
| Losses from sales of non-current assets available for sale | 2 | 2 | 18.3% | 0 | 1 | 1 | 93.6% | 256.9% |
| Payroll expenses | 1,223 | 1,490 | 21.8% | 607 | 736 | 753 | 2.3% | 24.1% |
| Termination expenses | 16 | 18 | 14.3% | 9 | 8 | 10 | 16.8% | 4.8% |
| Bonus plan payments | 63 | 51 | -19.5% | 32 | 29 | 22 | -21.9% | -29.7% |
| Salaries and employee benefits | 1,144 | 1,421 | 24.2% | 566 | 700 | 721 | 3.1% | 27.5% |
| Administrative expenses | 1,491 | 1,730 | 16.0% | 766 | 843 | 887 | 5.2% | 15.8% |
| Depreciation and amortization | 173 | 235 | 35.8% | 77 | 120 | 116 | -3.2% | 50.3% |
| Other operating expenses | 131 | 357 | 172.9% | 80 | 323 | 34 | -89.5% | -57.5% |
| Total other expenses | 3,019.5 | 3,813.8 | 26.3% | 1,530.2 | 2,022.4 | 1,791.4 | -11.4% | 17.1% |
| Income before tax expense | 2,427.6 | 2,439.6 | 0.5% | 1,262.0 | 1,081.8 | 1,357.7 | 25.5% | 7.6% |
| Income tax expense | 814.6 | 944.8 | 16.0% | 409.4 | 458.5 | 486.3 | 6.1% | 18.8% |
| Income from continued operations | 1,613.1 | 1,494.7 | -7.3% | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Income from discontinued operations | - | - | - | - | - | - | - | - |
| Net income before non-controlling interest | 1,613.1 | 1,494.7 | -7.3% | 852.6 | 623.3 | 871.4 | 39.8% | 2.2% |
| Non controlling interest | (604.5) | (583.6) | -3.5% | (278.3) | (256.5) | (327.1) | 27.5% | 17.5% |
| Net income attributable to the owners of the parent company | 1,008.6 | 911.1 | -9.7% | 574.4 | 366.8 | 544.3 | 48.4% | -5.2% |