Credivalores Crediservicios S. A. S.
Financial Statements
By order of liquidity

Interim periods ended March 31, 2017 and December 31, 2016

CREDIVALORES CREDISERVICIOS S. A. S.
STATEMENT OF FINANCIAL POSITION
BY ORDER BY LIQUIDITY
INTERIM PERIODS ENDED MARCH 31, 2017 AND DECEMBER 31, 2016
(Stated in millions of Colombian pesos)

	Notes	March 31, 2017	December 31, 2016
Assets			
Cash and cash equivalents	6	**217,248**	**122,964**
Financial Assets at fair value through profit or lost			
Equity instruments	7	22,134	20,958
Derivatives Instruments	13	3	817
Loan portfolio	9	2,527	4,380
Total financial assets at fair value		**24,664**	**26,155**
Financial Assets at amortized cost			
Financial Assets at amortized cost			
Consumer loans		1,026,300	1,044,230
Microcredit loans		13,924	14,835
Impairment		(106,910)	(105,191)
Total Loan portfolio, net	9	**933,314**	**953,874**
Accounts receivable, net	10	**211,874**	**189,482**
Total financial assets at amortized cost		**1,145,188**	**1,143,356**
Investments in Associates and Affiliates	8	9,062	9,408
Current tax assets		3,652	2,799
Deferred tax assets, net	16	14.893	13.982
Property and equipment	11	872	1,017
Intangible assets other than goodwill, net	12	28,060	28,836
Total assets		**1.443.639**	**1.348.517**
Liabilities and equity			
Liabilities:			
Financial Liabilities at fair value			
Derivative instruments	13	16,805	16,958
Total Financial Liabilities at fair value		**16,805**	**16,958**
Financial liabilities at amortized cost			
Financial obligations		1.181.547	1.084.974
Total Financial Liabilities At amortized cost	14	**1,181,547**	**1,084,974**
Employee benefits		1,072	1,198
Other provisions	15	84	1,021
Accounts payable		41,315	47,633
Current tax liabilities		6,690	4,503
Other liabilities		3,176	3,107
Total liabilities		**1.250.689**	**1.159.394**
Equity:	17		
Share capital		104,989	104,989
Reserves		5,814	5,814
Additional paid-in capital		20,842	20,842
Other Comprehensive Income (OCI)		(1.585)	(3,744)
Retained earnings		61.222	44.022
Earnings for the period		1,668	17,200
Total Equity		**192,950**	**189,123**
Total Liabilities and Equity		**1,443.639**	**1.348.517**

See attached notes.

CREDIVALORES CREDISERVICIOS S. A. S.
STATEMENT OF INCOME
INTERIM PERIODS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Stated in millions of Colombian pesos)

	Notes	March 31, 2017	March 31, 2016
Interest Income and similar	18	66,560	54,252
Financial costs interest		(33,530)	(26,044)
Net Interest and similar		**33,030**	**28,208**
		-	
Impairment of financial assets loan portfolio	9	(12,827)	(11,123)
Impairment of other accounts receivable	10	(333)	-
Gains (losses) on operating activities		**19,870**	**17,085**
Financial income			
Exchange rate differences		14,322	7,885
Loan portfolio impairment recoveries	9	183	58
Financial income		93	33
Total Financial income		**14,598**	**7,976**
Financial costs			
Forward valuation		(17,710)	(8,966)
Total Financial costs		**(17,710)**	**(8,966)**
Other income	19	8,635	9,476
Other expenses			
Employee Benefits		(4,522)	(4,807)
Expense for depreciation and amortization	11-12	(921)	(922)
Other	20	(17,936)	(14,892)
Total Other expenses		**(23,379)**	**(20,621)**
Net Income before income tax		**2,014**	**4,950**
Income tax	16	(346)	(3,398)
Net income for the period		**1,668**	**1,552**
Net earnings per share		**480**	**447**

See attached notes.

CREDIVALORES CREDISERVICIOS S. A. S.
STATEMENT OF OTHER COMPREHENSIVE INCOME
INTERIM PERIODS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Stated in millions of Colombian pesos)

	Term ended	
	March 31, 2017	**March 31, 2016**
Net income for the period	**1,668**	**1,552**
Other comprehensive income		
Hedging of Financial Obligations		
Unrealized gains (losses) from hedging cash flow, before taxes	3,599	(3,035)
Income tax	(1,440)	1,214
Total other comprehensive income for the period, before taxes	**2,159**	**(1,821)**
Total other comprehensive income	**3.827**	**(269)**

See attached notes.

CREDIVALORES CREDISERVICIOS S. A. S.
STATEMENT OF CHANGES IN EQUITY
INTERIM PERIODS ENDED MARCH 31, 2017 AND MARCH 31, 2016
(Stated in millions of Colombian pesos)

	Share capital	Reserves	Additional paid-in capital	Other Comprehensive Income (OCI)	Retained earnings	Earnings for the period	Total
Balance held at December 31, 2015	**104,989**	**5,814**	**20,842**	**284**	**10,097**	**33,925**	**175,951**
Appropriation of earnings	–	-	–	–	33,925	(33,925)	-
Increase (decrease) in other comprehensive income	–	–	–	(1,821)	-	-	(1,821)
Net income for the period	-	–	–	–	–	1,552	1,552
Balance held at March 31, 2016	**104,989**	**5,814**	**20,842**	**(1,537)**	**44,022**	**1,552**	**175,682**
Balance held at December 31, 2016	**104,989**	**5,814**	**20,842**	**(3,744)**	**44,022**	**17,200**	**189,123**
Appropriation of earnings	–	-	–	–	17,200	(17,200)	-
Increase (decrease) in other comprehensive income	–	–	–	2,159	-	-	2,159
Net income for the period	-	–	–	–	–	1,668	1,668
Balance held at March 31, 2017	**104,989**	**5,814**	**20,842**	**(1,585)**	**61,222**	**1,668**	**192,950**

See attached notes.

CREDIVALORES CREDISERVICIOS S. A. S.
STATEMENT OF CASH FLOW
INTERIM PERIODS ENDED MARCH 31, 2017 AND DECEMBER 31, 2016
(Stated in millions of Colombian pesos)

	Notes	March 31, 2017	March 31, 2016
Cash flows from operating activities			
Net income before taxes		1,668	1,552
Reconciliation of net income before taxes and net cash provided by (used in) operating activities:			
Depreciation of tangible assets	11	162	250
Amortization of intangible assets	12	759	672
Allowance for impairment of loans	9	12,827	11,123
Charge-off for impairment of loans		(183)	(58)
Allowance for impairment of accounts receivables	10	333	-
Fair value adjustments to derivative financial instruments		4,260	8,990
Equity method	8	346	67
Income tax expense	16.2	346	3,398
Fair value adjustments to financial assets		1,853	10,499
Foreign exchange gains (losses)		-	364
Changes in operating assets and liabilities:			
Decrease (increase) in loans		7,916	(75,499)
Decrease (increase) in accounts receivables		(22,725)	(41,628)
Increase (decrease) in accounts payable		(6,318)	(14,514)
Increase (decrease) in employee benefits		(126)	(214)
Increase (decrease) in provisions		(937)	(777)
Increase (decrease) in other liabilities		69	43,316
Income tax payment		(1,363)	(1,035)
Net cash provided by (used in) operating activities		**(1,113)**	**(53,494)**
Cash flows from investing activities:			
Increase in investments of mutual funds		(1,176)	(779)
Acquisition of own - use property plant and equipment		-	(247)
Additions of other intangible assets		-	(512)
Net cash used in investing activities		**(1,176)**	**(1,538)**
Cash flows from financing activities:			
Issuance of financial obligations		413,286	316,932
Payment of financial obligations		(316,713)	(236,386)
Net cash provided by financing activities		**96,573**	**80,545**
(Decrease) Increase in cash and cash equivalents		**94,284**	**25,513**
Cash and cash equivalents at beginning of year		122,964	110,078
Cash and cash equivalents at end of year		**217,248**	**135,591**

NOTE 1. REPORTING COMPANY

Credivalores Crediservicios S,A,S, (hereinafter “Credivalores”, the “Company” or “CVCS”), is a simplified joint stock company registered for business in Bogotá - Colombia, located at Carrera 10 No, 65-98 P 4, and a website at www,credivalores,com,co. The Company was incorporated by means of Public Deed No, 420 dated February 4, 2003 drawn up before the Notary Public No. 1 of the Circuit of Cali, Its term of duration is for twenty years as of the date of the aforementioned deed.

The merger of two companies, Crediservicios S.A. and Credivalores S.A. was registered by means of Public Deed No. 4532 of December 12, 2008.

The merger was unanimously approved by the General Meeting of Shareholders of both companies on July 31, 2008, whereby it was determined that Crediservicios S.A. (the surviving company), would continue to legally exist after taking over Credivalores S,A,. which would cease to exist (being dissolved but not liquidated), In addition, the equity of Credivalores S,A, was merged with that of Crediservicios S,A, by means of acquiring the assets and assuming the liabilities of both companies, signed by both company’s legal representatives,

This merger agreement was reported to the Colombian Superintendency of Industry and Commerce, which did not report any objections. Credivalores S.A. (the acquired company) was incorporated by means of Public Deed No. 1906 dated May 13, 2003, drawn up before the Notary Public No. 1 of the Circuit of Cali, and duly registered with the Chamber of Commerce of Cali on May 21, 2003, under Registry Number 3501 Book IX. Subsequently, the Company changed its name from Crediservicios S.A. to Credivalores Crediservicios S.A. by means of the Public Deed No. 529 dated February 27, 2009 drawn up before the Notary Public No. 1 of the Circuit of Cali.

By means of Minutes No. 16 dated February 23, 2010 corresponding to a meeting of the General Meeting of Shareholders, which was duly registered before the Chamber of Commerce on March 19, 2010; the Company became a simplified joint stock company under the name of Credivalores Crediservicios S.A.S. under Registration Number 3074 of Book IX.

Its business purpose consists of granting consumer loans, including payroll deduction loans, to private individuals or legal entities, using both its own funds and other financing arrangements permitted by law. In carrying out these activities, the Company may:

a) Perform risk assessments,

b) Service and manage loans or lines of credit, including without being limited to recording and collecting these obligations,

c) Purchase and sell loans, credit instruments, securities, and loan portfolios,

d) Borrow funds and enter into transactions allowing the Company to obtain the funds required to perform its corporate purpose,

e) Act as co-signer, guarantor, surety or collateral provider to raise funds in order to finance its activities that may be undertaken, structured or implemented through trust arrangements, and

Perform any other activities that are required as part of the Company’s normal course of business, such as: (i) acquiring, encumbering, limiting the domain or disposing of fixed assets (ii) acquiring and using trade names, logos, trademarks and other industrial property rights; (iii) investing in existing companies, or creating new ones, providing these conduct the same or similar business activities as the Company or that should relate in any way to its own corporate purpose; (iv) entering into partnerships or contracts with third parties to carry out its corporate purpose; (v) guaranteeing its own and third-party obligations.

The funds used by the Company for carrying out its business activities shall be lawfully sourced and therefore the Company shall be prohibited from raising money by means of large scale or regular deposits from individuals, pursuant to current legislation. The Company is not under the supervision of the Colombian Superintendency of Finance (Superintendencia Financiera de Colombia) since it is not considered to be a financial institution in accordance with Colombian legislation, nor is it allowed to carry out brokerage of instruments registered with the Colombian National Registry of Securities and Issuers (RNVE).

The Company is prohibited from raising money through large-scale and regular deposits from individuals, complying with the stipulations in the financial and exchange regulations.

Credivalores Crediservicios S.A.S. has the following branches nationwide: Aguachica, Armenia, Barrancabermeja, Barranquilla, Bucaramanga, Cali, Cartagena, Cartago, Ciénaga, Cúcuta, El Paso, Florencia, Girardot, Ibagué, La Dorada, La Jagua de Ibirico, Lomas, Magangué, Manizales, Medellín, Mocoa, Montería, Neiva, Palmira, Pasto, Pereira, Popayán, Riohacha, Sahagún, San Andrés, Santa Marta, Sincelejo, Tunja, Valledupar, Villavicencio, and Yopal.

There were no major changes to CVCS's shareholding interest at March 31, 2017 compared to December 31, 2016, however, in April 2017, the Company was capitalized in 53,511 million, as disclosed in Note 22, Events that Occurred After the Period Reported, where the shareholder structure at April 30, 2017 is described.

NOTE 2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS AND SUMMARY OF THE MAIN ACCOUNTING POLICIES

The interim financial statements at March 31, 2017 and December 31, 2016 and for the three-months periods ended March 31, 2017 and 2016 have been prepared in accordance with IAS 34 "Interim Financial Information". The interim financial statements must be read together with the annual financial statements at December 31, 2016, which were prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). They do not include all the information required for a complete set of financial statements under the IFRS. However, notes have been included to explain the events and transactions that are significant to understand changes in the Company's financial situation and performance since the last financial statements.

These interim financial statements were authorized by the Company's Administration on [date],

The Financial Statements of Credivalores Crediservicios S.A.S. have been prepared in line with the Financial Reporting and Accounting Standards accepted in Colombia FRAS COL established by Law 1314 of 2009, regulated by Regulatory Decree 2420 of 2015, modified by Decree 2496 of 2015. These Financial Reporting and Accounting Standards correspond to the International Financial Reporting Standards (IFRS), officially translated and authorized by the International Accounting Standards Board (IASB) on December 31, 2012.

Law 1314 of July 13, 2009 regulated the financial reporting, accounting and data security standards and principles accepted in Colombia and identified competent authorities, established the procedure for issuing the standards and determined the entities responsible for monitoring compliance. This law was regulated by means of the following decrees:

a) 2784 of December 28, 2012
b) 1851 of August 29, 2013
c) 3023 of December 27, 2013
d) 2267 of November 11, 2014

At January 1, 2016, the regulatory framework contained in the appendix to Decree 2784 of December 28, 2012 and Decree 3023 of December 27, 2013 was repealed and Decree 2615 of December 17, 2014 applies. Said decree contains the International Financial Reporting and Accounting Standards effective at December 31, 2013 and their corresponding amendments issued by the International Accounting Standards Board (IASB).

Credivalores Crediservicios S.A.S. reports comparative information from the immediately previous period for all values included in the current period's financial statements and includes comparative explanations when necessary to ensure the current period’s financial statements are understandable.

The accounting policies adopted for the preparation of the separate interim financial statements are consistent with those of the previous years.

NOTE 3. JUDGMENTS AND CRITICAL ACCOUNTING ESTIMATES IN THE APPLICATION OF ACCOUNTING POLICIES

The preparation of interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and income and expenses. Actual results may differ from these estimates. In the preparation of these interim financial statements, significant judgments made by management in the application of CVCS accounting policies and the main sources of estimating uncertainty were the same as those applied to the financial statements for the years ended December 31, 2016 and 2015.

Seasonal nature of income and expenses

The nature of CVCS's most significant operations is related primarily to traditional activities not significantly affected by seasonal factors.

NOTE 4. ESTIMATIONS OF FAIR VALUE

Credivalores Crediservicios S.A.S. may employ internally developed models for financial instruments that do not have active markets. Said models are mostly based on generally standardized valuation methods and techniques. Valuation models are primarily used to assess equity instruments not listed on the stock exchange, derivatives, debt securities and other debt instruments for which markets were or have been inactive during the financial period. Some components of these models may not be observable in the market and are estimated from assumptions.

The output of a model is always an estimate or approximate value that cannot be determined accurately, and valuation techniques used may not fully reflect all the factors relative to Credivalores Crediservicios S.A.S. positions, therefore the valuations are adjusted if necessary to include additional factors, such as country risk, liquidity risks and counterparty risks.

Fair value hierarchy has the following levels:

- Level 1 entries are unadjusted prices quoted in active markets for assets or liabilities identical to those the entity can access on the measurement date.

- Level 2 entries are entries other than the quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.

- Level 3 entries cannot be observed for the asset or liability.

The fair value hierarchy in which the fair value measurement is fully classified is determined from the lowest level entry that is significant for fully measuring the fair value. For that, an entry's importance is evaluated with regard to the fair value measurement in its totality. Financial instruments quoted in markets considered inactive but valued in accordance with quoted market prices, quotes from price providers or alternative price sources supported by observable entries, are classified in Level 2.

(Stated in millions of Colombian pesos)

A fair value measurement that uses observable entries requiring significant adjustments based on unobservable entries is a Level 3 measurement. The evaluation of a particular entry's importance in measuring the fair value in its totality requires an opinion, considering specific factors of the asset or liability.

The determination of what constitutes "observable" requires a significant opinion from Credivalores Crediservicios S.A.S. The Company considers observable data that market data that is already available, distributed or updated regularly by the price provider, is reliable and verifiable, has no property rights, and is provided by independent sources that participate actively in the reference market.

4.1 Fair Value Measurement on a Recurring Basis

Fair value measurements on a recurring basis are those that IFRS accounting standards require or allow in the financial statement at the end of each accounting period.

The following table analyzes assets and liabilities (by class) within the fair value hierarchy, measured at fair value as at March 31, 2017 and December 31, 2016, on a recurring basis.

	March 31, 2017	December 31, 2016
ASSETS	**Level 3**	**Level 3**
Investments in equity instruments	22,134	20,958
Trading derivatives		
Currency forward	-	476
Hedging derivatives		
Currency forward	3	341
Consumer		
Payroll deduction loans	2,527	4,380
Total fair value recurring assets	**24,664**	**26,155**
LIABILITIES		
Trading derivatives		
Currency forward	652	242
Hedging derivatives		
Currency forward	16,153	16,702
Interest rate swap ,	-	14
Total fair value recurring liabilities	**16,805**	**16,958**

4.2 Fair value determination

The methodology applicable to instruments for Credivalores Crediservicios S.A.S. is:

Credivalores Crediservicios S.A.S. defined Level 3 financial instruments that are not listed on an active market; the following table provides information on valuation techniques and significant non-observable inputs when measuring assets and liabilities at recurring fair value:

	Valuation technique	Significant inputs (1)
ASSETS		
Trading Derivatives		
Currency Forward Debt securities Forward	Discounted cash flow	- Underlying asset price Currency curve by Underlying asset - FX forward curve of the operation's currency - Implicit curves of FX forwards - Implicit volatilities matrixes and curves
Loan portfolio valuations		
TuCrédito payroll deduction loans	Discounted cash flow	- Current Balance - Average term to maturity - Weighted average rate
Equity Instruments	Adjusted net asset value	- Unit value

	Valuation technique	Significant inputs (1)
LIABILITIES		
Derivatives held for trading		
Currency Forward Debt securities Forward	Discounted cash flow	- Underlying asset price - Currency curve by Underlying asset - FX forward curve of the operation's currency - Implicit curves of FX forwards - Implicit volatilities matrixes and curves
Hedging Derivatives		
Currency Forward	Discounted cash flow	- Underlying asset price - Currency curve by Underlying asset - FX forward curve of the operation's currency - Implicit curves of FX forwards - Implicit volatilities matrixes and curves

NOTE 5. RISK MANAGEMENT

CVCS manages risk pursuant to the applicable regulations in each country and CVCS's internal policies.

Objective and general guidelines

CVCS's objective is to maximize returns for its investors, through proper risk management. The guiding principles of risk management of CVCS are as follows:

a) Make risk management a part of every institutional process.
b) Specialization in consumer product niches.
c) Extensive use of continuously updated scoring models to ensure quality growth of consumer loans.

(Stated in millions of Colombian pesos)

Financial Risk Management

Credivalores Crediservicios S.A.S (CVCS) is exposed to the following financial risks related to the use of financial instruments:

- Credit Risk
- Market Risk
- Liquidity Risk
- Operating Risk
- Money-Laundering Risk

The interim financial statements do not include all information and disclosures on financial risk management required in the annual financial statements; these financial statements should be read alongside the CVCS annual financial statements as at December 31, 2016.

There have been no changes in the risk management department or in any risk management policy since December 31, 2016. There are no significant changes related to risk objectives, corporate structure of the risk function and risk strategies in general since the ones disclosed in the last set of financial statements as at December 31, 2016.

5.1 Credit Risk

Credit risk is the risk of Credivalores Crediservicios S.A.S. sustaining a financial loss when a client or counter party to a financial instrument fails to meet their contractual obligations, and mainly arises from receivables due from clients as well as the Company's investment instruments.

Credivalores Crediservicios S.A.S. business model with regard to its loan portfolio classification considers the inherent risk of each loan in the portfolio.

In the three-month period ended March 31, 2017, no significant changes were reported in policies and in how CVCS manage credit risks.

CVCS's maximum exposure to credit risk, as per IFRS 7, "Financial Instruments: Disclosures" is reflected in the carrying amount of the financial assets in the statement of financial position as at March 31, 2017 and December 31, 2016, as follows:

	March 31, 2017	**December 31, 2016**
Cash and cash equivalents	217,248	122,964
Financial instruments, net	24,664	26,155
Loan portfolios		
Consumer loans	1,026,300	1,044,230
Microcredit portfolio	13,924	14,835
Accounts receivable, net	211,874	189,482
Total financial assets with credit risk	**1,494,010**	**1,397,666**
Off-balance-sheet credit risk at nominal value		
Unpaid approved credits	295,462	275,493
Total exposure to off-balance-sheet credit risk	**295,462**	**275,493**
Total maximum exposure to credit risk	**1,789,472**	**1,673,159**

Monitoring and Control Process

The Company has an information system in place that provides daily indicators on the loan portfolio status so as to allow proper monitoring and timely decision-making.

(Stated in millions of Colombian pesos)

The credit approval processes are connected to an engine managed by the risk area, which allows real-time adjustments to policy parameters so as to take immediate action where required in loan origination.

Each month, the Risk Committee meets to evaluate the development of each product portfolio, analyzing the performance of each yield and applying corrective measures to credit processes or policies where necessary.

At March 31, 2017

Status	TuCrédito	CrediUno	CrediPoliza	Microcredit	Crediya	Total managed portfolio	Portfolio on balance
CURRENT	514,261	365,132	69,362	1,736	-	950,491	769,214
1-30	7,252	12,714	7,314	832	-	28,112	25,885
31-60	4,183	9,730	2,678	288	-	16,879	15,183
61-90	3,139	1,078	435	173	-	4,825	3,654
91 A 180	5,224	5,561	353	457	-	11,595	9,513
181 A 360	7,837	13,726	751	1,075	1	23,390	20,654
> A 360	39,476	27,319	9,748	3,721	2,407	82,671	73,767
TOTAL	**581,372**	**435,260**	**90,641**	**8,282**	**2,408**	**1,117,963**	**917,870**

At December 31, 2016

Status	TuCrédito	CrediUno	CrediPoliza	Microcredit	CrediYa	Total managed portfolio	Portfolio on balance
CURRENT	568,788	367,651	73,009	2,602	-	1,012,050	801,933
1-30	7,068	13,235	6,842	1,236	-	28,381	25,726
31-60	4,227	7,463	1,671	329	-	13,690	11,945
61-90	2,165	2,171	217	286	-	4,839	4,058
91 A 180	5,625	9,011	298	729	-	15,663	13,611
181 A 360	6,632	7,476	1,300	1,546	7	16,961	15,354
> A 360	38,863	25,830	9,340	2,949	2,452	79,434	70,406
TOTAL	**633,368**	**432,837**	**92,677**	**9,677**	**2,459**	**1,171,018**	**943,033**

5.2 Market Risk

Credivalores has been able to meet its liquidity needs acquiring working capital and lines of credit from local, foreign and multilateral entities This implies the need for follow-up when exposed to variable interest rates (financial obligations indexed to local and/or foreign variable rates such as: DTF, IBR, UVR, LIBOR, PRIME, etc.), and to exchange-rate fluctuations due to devaluation or revaluation in the local currency (USD, EUR, etc.).

CVCS participates actively in the money, foreign exchange and capital markets, seeking to meet the needs of its clients in accordance with the policies and risk levels established. As such, it manages different financial-asset portfolios within the permitted risk levels and limits.

(Stated in millions of Colombian pesos)

Market risk arises from the open positions of CVCS's investment portfolios in debt securities, derivatives and equity instruments recorded at fair value, due to adverse changes in risk factors such as interest rates and exchange rates of foreign currencies.

For analysis purposes, market risk has been broken down into price risk and/or interest and exchange-rate risk of financial obligations in the periods of capital-payment amortization, the point at which the risk materialized.
At March 31, 2017 and December 31, 2016, CVCS had the following financial assets and liabilities at fair value subject to trade risk:

Financial assets and liabilities at fair value exposed to trading risk held:	**March 31, 2017**	**December 31, 2016**
Equity Securities	22,134	20,958
Derivatives instruments	3	817
Loan Portfolio	2,527	4,380
Total	**24,664**	**26,155**
Financial liabilities	16,805	16,958
Total	**16,805**	**16,958**
Net Position	**7,859**	**9,197**

There are two scenarios under which CVCS is exposed to market risks:

Interest rates

CVCS's financial obligations are exposed to this risk when financing is acquired at variable indexed rates that may be subject to volatilities and may affect the Company's financial margin.

Sensitivity Analysis

Taking into account Credivalores' exposure to changes in the reference interest rate, a sensitivity analysis of the impact on financial obligations is included given the possible effect on the variable indexed interest rates in 2017. The following methodology was devised for the analysis:

1. Two scenarios were evaluated whereby indexed rates are affected by 20 BPS (increasing and decreasing indexed rates), which affect the future flows of Credivalores' financial obligations indexed to the variable rate. Debt repayment is implicit in these scenarios, given their contractual frequency, taking them to maturity.

2. The flows corresponding to interest payment (accrual) was evaluated using equivalent rates.

3. The present value of the monthly interest payment was calculated, using as reference the 6-month IBR EAR at March 31, 2016 (6.265%).

4. Finally, the results of each scenario were compared to the base scenario, which corresponds to the projections of interest flows using as reference the rates at March 31, 2017.

The results are set out below:

Scenarios	**Interests**
Effect of 20 BPS decrease in variable rate	(1,541)
Effect of 20 BPS increase in variable rate	(1,539)
Total Scenarios	**3**

(Stated in millions of Colombian pesos)

Exchange rate

CVCS' financial obligations are exposed to exchange rate risk when the present value of the liability positions presents volatilities due to the devaluation or revaluation of the funding acquired in another currency. This risk materializes at the moment when the payment corresponding to the amortization of principal and interest is made, due to trading in the currencies to be paid and recognition of the exchange rate difference.

Sensitivity Analysis

Taking into account Credivalores' exposure to changes in the USD/ exchange rate, a sensitivity analysis of the impact on financial obligations is included given the possible effects of changes on the exchange rate in 2017. The following methodology was devised for the analysis:

1. Two scenarios were evaluated in which the exchange spot rate is adjusted by 0,66% daily volatility (forward curve projected Bloomberg´s spots prices), generating revaluation and devaluation effect on the TRM March 31, 2017.

2. The amortization of principal and payment of interest on financial obligations are implicit in these scenarios, given their contractual periodicity and taking them to maturity.

3. The flows corresponding to interest payment (accrual) were evaluated using equivalent rates.

4. The present value of the monthly interest payment was calculated, using as reference the 6-month IBR EAR at March 31, 2017 (6,265%).

5. Finally, we compared the results of each scenario with the base scenario, which corresponds to the projected flows for payment of capital and interest using as reference the rates at March 31, 2017.

The results are set out below:

Item	Total Debt
Initial Scenario (Balance at December 31, 2016)	527,135
Scenario 1 (Effect of revaluation)	523,800
Scenario 2 (Effect of revaluation)	530,469
Difference Scenario 1 vs. Initial Scenario	**(3,335)**
Difference Scenario 2 vs. Initial Scenario	**3,335**

(1) Volatility obtained from the daily average for the previous three years, including Q4 2017

5.3 Liquidity Risk

The liquidity Risk is represented by the potential event of being unable to meet the expected outgoing cash flows on a timely and efficient manner, without affecting the normal course of business or the company´s financial position. Liquidity risk is related with having insufficient liquid assets and therefore having to incur in unusual or extra funding costs

Credivalores´ funding is based on short and medium term Bank loans as well as bonds and commercial notes issued in the international capital markets. These funds are mainly used to leverage new loan origination according to its business model. On the other hand, the Company's capacity to build to sell positions in financial instruments (liquidity or loans) could be affected either by lack of market liquidity or because of sudden changes in interest rates and asset prices.

According to the Company´s funding model the liquidity risk includes among others, the ability to get short, medium and long term lines of credit, that allow to keep low liquidity assets (such as loan portfolio) and face short term unexpected stress situations.

In order to deploy a correct asset and liability management and assure the liquidity needed to operate the business the Company has set the following guidelines to control the liquidity risk: i) In the short term, cash flow associated to loan portfolio and liquid assets, short term financial liabilities, and off statement of financial positions in different time frames, allowing a permanent liquidity monitoring ii) for the long term assets and liabilities, the Company analyses its funding sources as well as the breakdown by type of source and those that are specifically associated to specific products.

Credivalores keeps at least 1.5 x its operating expenses in liquid assets statement of financial position liquidity has the following components:

- Inflows: incoming funds associated to loan portfolio, and interest income associated to liquid assets

- Outflows: Outgoing flows related to i) operating expenses ii) new loan origination and iii) financial liabilities´ principal and interest

- Liquidity GAP: Difference between inflows and outflows according to:

  - Monthly cash flow associated to assets (liquid assets, loan portfolio)
  - Monthly projected cash flow related to financial liabilities and operating expenses

The Company determines its liquidity gap based on to the above mentioned variables, and makes permanent follow up, as well as making any necessary adjustments according to the following ranges:

✓ 1 to 3 Months
✓ 3 to 6 Months
✓ 6 to 12 Months
✓ 12 Months +
✓

Liquidity Risk Management

The company identifies its exposure to liquidity risk according to the markets were it operates, its products and services offered to its customers. For such purpose the Company has analyzed the processes associated to treasury in order to design controls and strategies to reduce the impact.

Liquidity position

Determine the minimum amount of liquid assets (cash and cash equivalents, short term liquid investments), in order to avoid any lacks that may affect the capacity to the outflows. It is calculated and monitored on a weekly basis on financial committee, considering cash flow projections for 7 and 15 days:

a) Green: liquid Assets / outflows >= 105%
b) Yellow: liquid Assets / outflows between 100 and 104%
c) Red: liquid Assets / outflows <100%

In case there are any yellow or green situations, the financial committee define any actions to be taken in order to assure the necessary coverage.

(Stated in millions of Colombian pesos)

The liquidity level results at March 31, 2017 are set out below:

Item	Liquidity level Mar-17
7 Days	374%
15 Days	262%
30 Days	112%

As at March 31, 2017, the liquidity level in the 7 and 15 day bands is above the upper limit defined in the Company's liquidity manual, constituting a green flag scenario and indicating that Credivalores has sufficient resources to operate normally.

Also, as is good practice, a third band is monitored, which allows for controlling of the liquidity level projected to 30 days. As at March 31, 2017, a green band scenario is recorded, indicating that Credivalores has ample liquidity to support its needs for normal operation.

Exposure to liquidity Risk

The Company monitors its liquidity position in order to determine how likely a liquidity stress can happen.

The following is a breakdown by range of time f the Liquid Assets and LRI (Liquidity Risk Indicator) for the time slot specified at March 31, 2017 and December 31, 2016.

	March 31, 2017				
	Subsequent Net Balances Available				
Description	**Liquid Assets Available at the End of the Period (1)**	**From 1 to 7 days (2)**	**From 8 to 15 subsequent days (2)**	**From 16 to 30 subsequent days (2)**	**From 31 to 90 subsequent days (2)**
Cash	22	22	-	-	-
Banco de Bogotá	1,072	1,072	-	-	-
Bancolombia S,A,	10,895	10,895	-	-	-
Banco Gnb Sudameris Colombia	955	955	-	-	-
BBVA Colombia	538	538	-	-	-
Red Multibanca Colpatria S,A,	19	19	-	-	-
Banco de Occidente	237	237	-	-	-
Bancoomeva	100	100	-	-	-
Available in Free-standing Trusts	8,371	8,371	-	-	-
Mutual Funds	17,484	-	17,484	-	-
Agrocaña	4,650	-	-	-	4,650
Credifinanciera	6,005	-	-	-	6,005
Alianza Fiduciaria	2,781	2,781	-	-	-
Valores Bancolombia	80,020	80,020	-	-	-
Servitrust Gnb Sudameris S,A,	2,710	2,710	-	-	-
Fiduciaria Central Trusts	2,643	2,643	-	-	-
Corpbanca Investment Trust Col SA	2	2	-	-	-

(Stated in millions of Colombian pesos)

Fiducolombia Free-standing Trusts	100,878	100,878	-	-	-
Inverefectivas	9,062		-	-	9,062
Total liquid assets	**248,444**	**211,243**	**17,484**	**-**	**19,717**

	December 31, 2016				
	Subsequent Net Balances Available				
Description	**Liquid Assets Available at the End of the Period (1)**	**From 1 to 7 days (2)**	**From 8 to 15 subsequent days (2)**	**From 16 to 30 subsequent days (2)**	**From 31 to 90 subsequent days (2)**
Cash	22	22	-	-	-
Banco De Bogotá	2,179	2,179	-	-	-
Bancolombia S,A,	1,904	1,904	-	-	-
Banco Gnb Sudameris Colombia	1,195	1,195	-	-	-
BBVA Colombia	48	48	-	-	-
Red Multibanca Colpatria S,A,	38	38	-	-	-
Banco de Occidente	309	309	-	-	-
Bancoomeva	225	225	-	-	-
Available in Free-standing Trusts	13,857	13,857	-	-	-
Money Market Funds	16,307	-	16,307	-	-
Agrocaña	4,650	-	-	-	4,650
Credifinanciera	8,076	-	2,000	2,000	4,076
Alianza Fiduciaria	2,736	2,736	-	-	-
Valores Bancolombia	2,888	2,888	-	-	-
Servitrust Gnb Sudameris S,A,	2,883	2,883	-	-	-
Fiduciaria Central Trusts	3,452	3,452	-	-	-
Corpbanca Investment Trust Col SA Soc Fiduciaria	30	30	-	-	-
Fiducolombia Free-standing Trusts	83,123	83,123	-	-	-
Inverefectivas	9,408	-	-	-	9,408
Total liquid assets	**153,330**	**114,889**	**18,307**	**2,000**	**18,134**

(1) Liquid assets correspond to the sum of existing assets at the close of each period, which can quickly be converted to cash. In calculating liquid assets, all the listed investments, without exception, are computed at their fair exchange value on the date of the valuation (fair value).

(2) The balance corresponds to the residual value of the Company's liquid assets on days after closing the specific period. This balance is calculated as the difference between liquid assets and liquidity requirements. In turn, the liquidity requirement is the difference between the contractual revenue flows and contractual and non-contractual outflows in accordance with the Liquidity Risk Indicator (LRI) methodology.

(Stated in millions of Colombian pesos)

Measurement of exposure to liquidity risk

Measuring the likelihood of the Company running out of liquid resources for its normal operation under normal market conditions requires the use of the tools described above: balance sheet liquidity, liquidity gap, and cash flow projection, to thereby quantify the degree of stress that the company's cash flow can bear to fulfill its normal operations without having to acquire additional resources.

Limit of liquidity risk exposure

Maximum exposure to liquidity risk is identified as the average time taken by the Company to carry out the liquidity financial operations (Guaranteed Loans, Portfolio Sales, Working Capital Loans, etc.) and generate the cash available for new loan origination.

The maximum exposure to liquidity risk is calculated weekly by the financial committee, taking into account projections for bands of 7 days, and 15 to 30 days.

In addition, to analyze the short- and medium-term liquidity requirements, the following indicators are taken into account:

1) Net Liquidity/CVCS + Free-standing Trust, where Net Liquidity is the sum of available cash and investments less long-term investments.

Lower limit: 8%; cannot be below the lower limit more than three times in a year

Exposure Limit Indicator 1 Mar-17	
Net Liquidity	**158,076**
Assets (CVCS + Free-standing Trust) (Portfolio)	921,366
Indicator 1	**17,2%**

2) Net Liquidity/Liabilities (Free-standing Trust + CVCS)

Lower limit: 10%; cannot be below the lower limit more than three times in a year

Exposure Limit Indicator 2 Dec-16	
Net Liquidity	158,076
Liabilities (CVCS + Free-standing Trust)	1,181,547
Indicator 2	**13,4%**

In the three-month period ended March 31, 2017 there were no significant changes in the liquidity risk or in the manner in which CVCS manages this risk.

CVCS has performed an analysis of the consolidated maturities of financial assets and liabilities both derivatives and non-derivatives, showing the following remaining contractual maturities

CREDIVALORES CREDISERVICIOS S. A. S.
DISCLOSURE OF THE FINANCIAL STATEMENTS
INTERIM PERIODS ENDED MARCH 31, 2017 AND DECEMBER 31, 2016
(Stated in millions of Colombian pesos)

March 31, 2017

Assets	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than one year**	**Total**
Cash due from banks and Central Bank	211,243	6,005	-	-	217,248
Equity Instruments at fair value	17,484	-	-	4,650	22,134
Investments in Associates and Affiliates	-	-	-	9,062	9,062
Financial Assets at amortized cost	54,890	291,903	285,612	679,951	1,312,355
Total assets	**283,617**	**297,908**	**285,612**	**693,663**	**1,560,799**

Liabilities	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than one year**	**Total**
Financial Liabilities At amortized cost	134,397	481,665	173,091	510,169	1,299,322
Financial Liabilities at fair value - Derivatives instruments	-	12,687	4,118	-	16,805
Total Liabilities	**134,397**	**494,352**	**177,209**	**510,169**	**1,316,127**

December 31, 2016

Assets	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than a year**	**Total**
Cash due from banks and Central Bank	**118,889**	**4,075**	**-**	**-**	**122,964**
Equity Instruments at fair value	**16,308**	**-**	**-**	**4,650**	**20,958**
Investments in Associates and Affiliates	-	-	-	9,408	9,408
Financial Assets at amortized cost	64,180	337,680	361,506	512,457	1,275,824
Total Assets	**199,377**	**341,755**	**361,506**	**526,515**	**1,429,154**

Liabilities	**Less than one month**	**From one to six months**	**From six to twelve months**	**More than a year**	**Total**
Financial Liabilities At amortized cost	69,203	455,821	274,931	415,759	1,215,714
Financial Liabilities at fair value - Derivatives instruments	-	10,589	6,369	-	16,958
Total Liabilities	**69,203**	**466,410**	**281,300**	**415,759**	**1,232,672**

(Stated in millions of Colombian pesos)

NOTE 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash balances and demand deposits with original maturities of 90 days or less from the date of acquisition, which are subject to an insignificant risk of changes to their fair value and that are used by the Company (CVCS) to handle short-term commitments.

Cash and cash equivalent balances encompass the following as at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Cash	22	22
Banks	22,187	19,755
Shares in Funds- Trust rights (6.1)	189,034	95,112
Certificates of Deposit (6.2)	6,005	8,075
	217,248	**122,964**

As at March 31, 2017 and December 31, 2016, there were no restrictions on bank accounts.

6.1 Following is a breakdown of positions in money market funds (trust rights) by Credivalores and the Free Standing Trust:

	March 31, 2017	December 31, 2016
Alianza Fiduciaria	2,781	2,736
Valores Bancolombia	80,020	2,888
Sub-Total	**82,801**	**5,624**
Entity	**March 31, 2017**	**December 31, 2016**
Servitrust Gnb Sudameris S,A,	2,710	2,883
Fiduciaria Central Trusts	2,643	3,452
Corpbanca Investment Trust Col SA Soc Fiduciaria	2	30
Fiducolombia Free-standing Trusts	100,878	83,123
Sub-Total	**106,233**	**89,488**
Total	**189,034**	**95,112**

The following is the credit rating of the fund managers of Free Standing Trusts:

Manager	dic-16	dic-15	Rating Agency
Fiduciaria Bancolombia	S1/AAA(col)	1/AAA	Fitch Ratings Colombia S.A.S CVCS
Fiduciaria GNB Sudameris_Servitrusts	F-AAA	F-AAA	Value and Risk Rating S.AS CVCS (2016 - 2017) BRC Standard & Poor´s (2015)
Fiduciaria la Previsora	S1/AAA(col)	1/AAA	Fitch Ratings Colombia S.A.S CVCS
Fiduciaria Popular	FAAA/2	FAAA/2	BRC Standard & Poor´s (2017-2016-2015) - BRC Investor Services S.A.S CVCS (2014)

(Stated in millions of Colombian pesos)

Cash equivalents correspond to mutual and money market funds where the Company and the Free Standing Trust have a direct ownership of shares and rights. These funds invest in short term paper and offer a slightly higher yield than a savings account, and are classified as cash equivalents since Credivalores can withdraw and deposit funds at any time, as funds are at sight.

6.2 Certificates of Deposit (CD):

As at March 31, 2017, CVCS had one Certificate of Deposit (CD) at Credifinanciera S. A. Savings and Loans, detailed below:

CDT CREDIFINANCIERA

NUMBER	ISSUE DATE	PAYMENT DATE	DAYS	NOMINAL VALUE	EAR	NOMINAL RATE	TOTAL INTERESTS 2017	TOTAL BALANCE CD 2017
66025	3/28/2017	9/28/2017	180	6,000	9,6	9,38	5	6,005
		TOTAL		**6,000**	**-**	**-**	**5**	**6,005**

NOTE 7. FINANCIAL INSTRUMENTS

7.1 AT FAIR VALUE THROUGH PROFIT OR LOSS

The balance of investments measured at fair value is comprised of:

	March 31, 2017	December 31, 2016
Equity instruments (a)	22,134	20,958
Derivative instruments (Note 12)	3	817
	22,137	**21,775**

a) Equity instruments

	March 31, 2017	December 31, 2016
Mutual Funds (1)	17,484	16,308
Agrocañas shares (2)	4,650	4,650
	22,134	**20,958**

(1) Investments at fair value correspond to shares in money market funds that offer easy access to resources at low risk, held in trusts which are rated from AA- to AAA by local rating agencies BRC Standard and Poor's and/or Fitch Ratings Colombia

Issuer	Type of Fund	Minimum Investment	Minimum Balance	Profitability Q1 2017	Annual Return 2016	At March 31, 2017	At December 31, 2016
Credicorp Capital	At sight	500,000	N/A	7,4%	7,1%	3	3
BTG Pactual I Z Class	Closed	5,000,000	2,000,000	125,8%	58,3%	1,658	1,842
BTG Pactual II Z Class	Closed	5,000,000	2,000,000	238,6%	167,5%	6,742	4,885
Fiduciaria Popular	At sight	200,000	200,000	6,4%	6,9%	70	69
Fiduciaria la Previsora S,A,	At sight	200,000	200,000	7,4%	6,9%	324	309

(Stated in millions of Colombian pesos)

Servitrust GNB Sudameris	At sight	500,000	500,000	125,8%	6,5%	-	1
Open Portfolio BTG						8,687	9,199
TOTAL						**17,484**	**16,308**

(2*) The Company owns 5.03% of the Agrocaña S.A. share capital, with 3,300 outstanding shares at March 31, 2017. These are not listed on the stock exchange, and are therefore measured at cost.

NOTE 8. INVESTMENTS IN ASSOCIATES

	March 31, 2017	December 31, 2016
Inverefectivas S,A	9,062	9,408

Credivalores Crediservicios S.A.S owns 25% the Inverefectivas S.A. share capital. This company was established under Panamanian legislation and has 1000 shares, with an intrinsic value of USD 3,135.20 at March 31, 2017.

	March 31, 2017		**December 31, 2016**	
	Share of ownership interest	**Book value**	**Share of ownership interest**	**Book Value**
Associates				
Inverefectivas S,A	25%	9,062	25%	9,408
		9,062		**9,408**

The corporate purpose of the Credivalores Crediservicios S,A,S's main associated companies are set out below:

	Associate	Corporate purpose
1	Inverefectivas S,A	Holding,

The movement of investments in associates accounts is shown below for the years ended at March 31 de 2017 and march 31, 2016:

Associate	March 31, 2017	March 31, 2016
Balance at the beginning of the year	**9,408**	**31,240**
Share of profit or loss for the period	(346)	(67)
Adjustments for exchange differences	-	(364)
Period-end balance	**9,062**	**30,809**

NOTE 9. LOAN PORTFOLIO, NET

Financial assets at amortized cost on the statement of financial position are classified as consumer portfolio and microcredit, Following is a description of the portfolio of CSVC at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Consumer	1,026,300	1,044,230
Microcredit	13,924	14,835

(Stated in millions of Colombian pesos)

Impairment	(106,910)	(105,191)
Total financial assets at amortized cost	**933,314**	**953,874**
TuCrédito payroll deduction loans at fair value	2,527	4,380
	2,527	**4,830**

The Financial Position Statement includes portfolio held in Free-standing trusts net totaling 683,206 at March 31, 2017 and 718,857 at December 31, 2016. CVCS classified portfolio by product in accordance with the height of default.

The movement of the provision for the impairment of financial assets by loan portfolio is provided below for the periods ended March 31, 2017 and March 31, 2016

	March 31, 2017	**March 31, 2016**
Initial Balance	105,191	85,944
Allowance of the period charged against to profit or loss	12,827	11,123
Recovered provisions – Note 19	(8,635)	(9,405)
Write-offs	(2,473)	(2,917)
Closing balance	**106,910**	**84,745**

Here is a breakdown of the Loans Portfolio on Balance Sheet with all components:

March 31, 2017

Modality	**Capital**	**Transaction costs**	**Interest Accrued**	**Commissions**	**Impairment**	**Total**
Consumer loans	909,588	15,731	98,684	2,297	(100,192)	**926,108**
Microcredit	8,282	589	5,044	9	(6,718)	**7,206**
Total financial assets at amortized cost	**917,870**	**16,320**	**103,728**	**2,306**	**(106,910)**	**933,314**

At December 31, 2016

Modality	**Capital**	**Transaction Costs**	**Interest Accrued**	**Commissions**	**Impairment**	**Total**
Consumer	933,356	16,645	91,818	2,411	(98,662)	945,568
Microcredit	9,677	749	4,395	14	(6,529)	8,306
Total Financial Assets at amortized cost	**943,033**	**17,394**	**96,213**	**2,425**	**(105,191)**	**953,874**

The distribution of maturities of CVSC gross loans portfolio is as follows:

March 31, 2017

	Up to 1 year	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Consumer	182,140	469,301	148,892	225,967	1,026,300
Microcredit	8,138	4,460	1.326	-	13,924

(Stated in millions of Colombian pesos)

Total Gross Loan Portfolio	**190,278**	**473,761**	**150,218**	**225,967**	**1,040,224**

	December 31, 2016				
	Up to 1 year	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Consumer	225,183	423,173	147,429	248,445	1,044,230
Microcredit	8,627	4,867	1,341	-	14,835
Total Gross Loan Portfolio	**233,810**	**428,040**	**148,770**	**248,445**	**1,059,065**

The distribution of maturities of CVCS capital loans portfolio is as follows:

March 31, 2017

	Up to 1 year	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Consumer loans	185,768	373,232	136,324	214,264	909,588
Microcredit	4,785	2,784	713	-	8,282
Total Gross Loan Portfolio	**190,553**	**376,016**	**137,037**	**214,264**	**917,870**

December 31, 2016

	Up to 1 year	**Between 1 and 3 years**	**Between 3 and 5 years**	**Over 5 years**	**Total**
Consumer loans	182,725	381,016	135,583	234,032	933,356
Microcredit	4,865	3,865	947	-	9,677
Total Gross Loan Portfolio	**187,590**	**384,881**	**136,530**	**234,032**	**943,033**

Below is the breakdown of CVCS Managed Loan Portfolio that includes the loan portfolio on balance sheet and the portfolio that was sold but is still managed by the Company:

	At March 31, 2017		
Modality	**Loan Capital**	**Sold**	**Total**
Consumer	909,588	200,093	1,109,681
Microcredit	8,282	-	8,282
Total Financial Assets at amortized cost	**917,870**	**200,093**	**1,117,963**

	At December 31, 2016		
Modality	**Loan Capital**	**Sold**	**Total**
Consumer	933,356	227,985	1,161,341
Microcredit	9,677		9,677
Total Financial Assets at amortized cost	**943,033**	**227,985**	**1,171,018**

Arrears but not impaired

A summary of the overdue portfolio by days past due for the 3 months period ending March 31, 2017 and December 31, 2016 is as follows:

(Stated in millions of Colombian pesos)

	At March 31, 2017			At December 31, 2016		
	Consumer	**Microcredit**	**Total**	**Consumer**	**Microcredit**	**Total**
Non expired loans	767,478	1,736	**769,214**	799,330	2,602	**801,932**
Arrears but not impaired	39,948	1,120	**41,068**	36,106	1,565	**37,671**
Non-performing loans under 360	32,116	1,705	**33,821**	30,462	2,561	**33,023**
Non-performing loans over 360	70,046	3,721	**73,767**	67,458	2,949	**70,407**
	909,588	**8,282**	**917,870**	**933,356**	**9,677**	**943,033**

NOTE 10. ACCOUNTS RECEIVABLE, NET

The detailed information of accounts receivables as of March 31, 2017 and December 31, 2016 is as follows:

	March 31, 2017	December 31, 2016
Debtors (10.1)	208,741	186,053
From Partners and Shareholders	1,825	1,825
Prepayments and Advances	688	772
Payment by client account	953	832
Allowance for doubtful accounts (10.2)	(333)	-
	211,874	**189,482**

10.1 The balance for other accounts receivable of 208,741 million at March 31 2017 and 186,053 million at December 31, 2016 correspond primarily to loan collection balances from the Free-standing Trusts pending transfer to Credivalores.

10.2 The movement in the provision for impairment of other accounts receivable is provided below:

	March 31, 2017	March 31, 2016
Balance at start of period	-	-
Provision charged to income accounts	(333)	-
Balance at end of period	**(333)**	**-**

NOTE 11. PROPERTY AND EQUIPMENT

The Company's property, plant and equipment at March 31, 2017 and December 2016, respectively, are as follows:

	March 31, 2017	December 31, 2016
Transport Equipment	117	117
Office equipment and Accessories	1,542	1,538
Computer equipment	1,016	1,016
Network and communication equipment	358	345
Machinery, plant and equipment in assembly	49	49
Goods received on finance lease agreements	4,878	4,878
Subtotal	**7,960**	**7,943**
Accumulated depreciation	(7,088)	(6,926)

(Stated in millions of Colombian pesos)

Total	**872**	**1,017**

The breakdown for equipment movement is shown below:

	December 31, 2016	Purchases	March 31, 2017
Transport Equipment	117	-	117
Office equipment and Accessories	1,538	4	1,542
Computer equipment	1,016	-	1,016
Network and communication equipment	345	13	358
Machinery, plant and equipment in assembly	49	-	49
Goods received on finance lease agreements	4,878	-	4,878
	7,943	**17**	**7,960**

	December 31, 2015	Purchases	March 31, 2016
Transport Equipment	117	-	117
Fixtures and Accessories	1,298	59	1,357
Computer equipment	845	152	997
Network and communication equipment	158	36	194
Machinery, plant and equipment in assembly	49	-	49
Goods received on finance lease agreements	4,878	-	4,878
	7,345	**247**	**7,592**

Depreciation movements are provided below for the quarter ended March 31, 2017 and 2016:

	December 31, 2016	Depreciation	March 31, 2017
Office equipment and Accessories	2,366	29	2,395
Telecommunications equipment	197	31	228
Goods on Finance Lease Agreements	4,363	102	4,465
	6,926	**162**	**7,088**

	December 31, 2015	Depreciation	March 31, 2016
Office equipment and Accessories	2,083	149	2,232
Telecommunications equipment	187	91	278
Goods on Finance Lease Agreements	3,613	10	3,623
	5,883	**250**	**6,133**

All CVCS equipment is duly protected with current Credivalores Crediservicios S.A.S. insurance policies. To protect its property and equipment, the Company took out insurance policies with Beckley International Insurance Colombia and Chubb de Colombia at March 31, 2017 and December 31, 2016, which cover the risks of theft, fire, lightning strikes, explosions, earthquakes, strikes, revolts, etc.

Property and equipment include the values of furniture, computer equipment and improvements to rented property, which are used in the Company's normal course of business.

The Company's own property and equipment as listed above, are not in any way encumbered neither have they been delivered as collateral to guarantee any kind of obligation. The Company has also taken out insurance policies to protect these assets.

(Stated in millions of Colombian pesos)

Finance Lease Agreements:

Assets under finance lease agreements were acquired with Leasing Bancolombia S.A., Banco de Bogotá and Leasing de Occidente.

A total of 52 lease agreements are in effect with the Colombian institutions named above.

Correspond to rights to goods received as part of finance lease agreements, which are entered into for period of three (3) years and correspond to structured cabling, licenses, computer equipment and vehicles.

	Cost	Accumulated depreciation	Carrying amount
Computing equipment	2,416	(2,352)	64
Vehicles	2,462	(2,113)	349
Balance as at March 2017	**4,878**	**(4,465)**	**413**

	Cost	Accumulated depreciation	Carrying amount
Computing equipment	2,416	(2,301)	115
Vehicles	2,462	(2,062)	400
Balance as at December 2016	**4,878**	**(4,363)**	**515**

The following is a summary of the minimum payments due in the coming years for finance lease assets at March 31st, 2017 and December 31, 2016:

	March 2017	December 2016
Less than one year	170	272
More than one year, less than five	243	243
Total	**413**	**515**

NOTE 12. OTHER INTANGIBLE ASSETS

Other intangible assets that are acquired by CVCS and have a definite useful life are measured at cost less their accumulated amortization and accumulated impairment losses.

	March 31, 2017	December 31, 2016
Software licenses	197	256
Technology and insurance projects	2,451	2,385
Other	2,042	2,276
Trademarks Acquired (1)	23,370	23,919
	28,060	**28,836**

(1) The amortization expenses for the quarter was as follows:

	March 31, 2017	March 31, 2016

Amortization	759	672

The aforementioned intangible assets do not carry any restrictions as to the ownership of their inherent rights.

As for the Company's intangible asset accounts, based on the corresponding assessment, no signs of impairment were detected which could have otherwise led to recognizing an expense.

NOTE 13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Movements for hedge accounting and investments in derivatives are provided below:

	March 31, 2017	**December 31, 2016**
ASSETS		
Hedging derivatives	3	341
Forward contracts for trading	-	476
Sub-Total	**3**	**817**
LIABILITY		
Hedging forward contracts	16,153	16,702
Forward contracts for Trading	652	242
Swaps	-	14
Sub-Total	**16,805**	**16,958**

CVCS maintains the derivative financial instrument to cover exposure to risk in foreign currency.
The following table describes the fair value recognition of the derivatives portfolio at March 31, 2017 and December 31, 2016:

(1) Forward Contracts for Hedging

The portfolio of derivative transactions presents assets valued according to the policy implemented and the type of fair value measurement and cash flow.

- **Fair-value hedge accounting**

Fair value

	March 31, 2017		**December 31, 2016**	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Hedging				
Purchase of foreign currency	2	3	13	339
Total forward contracts for hedging - assets		**3**		**339**

(Stated in millions of Colombian pesos)

	March 31, 2017		December 31, 2016	
LIABILITIES	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Hedging				
Purchase of foreign currency	72	(16,153)	76	(16,530)
Total forward contracts for hedging – liabilities	**72**	**(16,153)**	**76**	**(16,530)**
Net effect		**(16,150)**		**(16,191)**

The forwards portfolio will mature in 2017 and 2018.

- Cash-flow hedge accounting

Cash flow

	March 31, 2017		December 31, 2016	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Hedging				
Purchase of foreign currency	-	-	1	2
Total forward contracts for hedging - assets		**-**		**2**

	March 31, 2017		December 31, 2016	
LIABILITIES	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Hedging				
Purchase of foreign currency	-	-	1	(172)
Total forward contracts for hedging - liabilities		**-**		**(172)**
Net effect		**-**		**(170)**

The maturity of the forward contracts portfolio was March 2017.

(2) Forward Contracts for Trading

The following table shows the fair value at March 31, 2017 and December 31, 2016 of the forward contract portfolio at the end of each period

Trading

	March 31, 2017		December 31, 2016	
ASSETS	**Nominal Amount USD**	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Trading				
Purchase of foreign currency	-	-	3	476
Total forward contracts for trading - assets	**-**	**-**		**476**

(Stated in millions of Colombian pesos)

LIABILITIES	**March 31, 2017**		**December 31, 2016**	
	Nominal Amount USD	**Fair Value**	**Nominal Amount USD**	**Fair Value**
Forward Contracts for Trading				
Purchase of foreign currency	6	(652)	3	(242)
Total forward contracts for trading - liabilities		**(652)**		**(242)**
Net effect		**(652)**		**234**

The forwards portfolio will mature in 2017.

For the quarter ended March 31, 2017, the Company updated its assessment of hedging effectiveness, and results were satisfactory.

NOTE 14. FINANCIAL OBLIGATIONS

	March 31, 2017	**December 31, 2016**
Financial obligations in free standing trusts	545,908	543,788
Promissory notes – Local banks	145,485	146,162
Finance lease agreements	657	755
Foreign banks	499,214	400,545
Other financial obligations	6,964	1,718
Transaction cost	(16,681)	(7,994)
	1,181,547	**1,084,974**

The balance of Credivalores Crediservicios S.A.S. financial obligations and of the Free-standing Trusts at March 31, 2017 and December 31, 2016 correspond to obligations contracted with financial entities in Colombia and obligations in capital markets abroad, finance lease agreements, third parties and shareholders. Short-term obligations are loans that must be paid in April 2017 – March 31, 2018, and long-term obligations are loans that come due after April 2018.

a) Short-term financial obligations.

Short-term obligations

Entity	**March 31, 2017**	**Interest rate**	**Maturity**	**December 31, 2016**	**Interest rate**	**Maturity**
National entity						
Banco Agrario	24,693	DTF + 3,4%	2018	-		
Banco de Bogotá	24,535	IBR + 5,95%		10,188	IBR + 5,5%	2017
Banco Colpatria	5,000	IBR + 5,8%	2017	13,000	IBR + 5,8%	2017
Banco de Occidente	7,466	IBR + 3,8%	2018	4,582	IBR + 3,5%	2017
Banco Corpbanca	-			8,000	14,97% EAR	2017
Bancolombia	30,500	DTF + 6,8%	2017	30,500	DTF + 6,8%	2017
Bancoomeva	-			276	DTF + 7%	2017
Banco Santander	10,000	IBR + 4,5%	2017	10,455	LIBOR + 1,7%	2017
Total National Entity	**102,194**			**77,001**		

(Stated in millions of Colombian pesos)

Foreign Entity						
International Notes	148,332	8,06% EAR	2017	255,060	8,13% EAR	2017
Total Foreign Entity	**148,332**			**255,060**		
Shareholders						
Lacrot Inversiones	115,210	9,5% EAR	2017	60,014	9,5% EAR	2017
Total Shareholders	**115,210**			**60,014**		
Third parties						
Progresion Sociedad Administradora	964	12% EAR	2017	1,718	12% EAR	2017
Integral de Empaques S,A,S,	6,000	IBR + 2,5%	2017	-		
Total Third Parties	**6,964**			**1,718**		
Free-standing trusts						
Free-standing trust, Corpbanca	-			1,194	IBR + 5,5%	2017
Free-standing trust, CrediUno IFC	14,070	9,91% EAR		-		
Free-standing trust, syndicated CrediPoliza	44,708	IBR + 5,3%	2017 and 2018	42,613	DTF + 4,5%	2017
Free-standing trust, EPSA CrediUno	9,073	DTF + 6,75%	2017	16,355	DTF + 6,75%	2017
Free-standing trust, syndicated CrediUno	1,585	DTF + 6,25%	2017	3,043	DTF + 4,5%	2017
Free-standing trust, CrediTigo	19,038	DTF + 6,25%	2018	-		
Total Free-standing trusts	**88,474**			**63,205**		

Short-term obligations

Entity	March 31, 2017	Interest rate	Maturity	December 31, 2016	Interest rate	Maturity
Finance lease agreements						
Leasing Bancolombia	46	8,42% EAR	2017	73	8,42% EAR	2017
Total Financial Leasing	**46**			**73**		
Total Short-term obligations	**461,220**			**457,071**		

CVCS had short-term financial obligations during the periods ended March 31, 2017 and December 31, 2016 totaling 461,220 and 457,071, respectively. The measurement of financial liability instruments for financial obligations is valued at amortized cost, as per IAS 39.

(Stated in millions of Colombian pesos)

b) Long-term obligations

Long-term obligations

Entity	March 31, 2017	Interest rate	Maturity	December 31, 2016	Interest rate	Maturity
National entity						
Banco Agrario	-			30,866	DTF + 3,4%	2018
Banco de Bogotá	-			14,130	IBR + 6,25%	2018
Banco Corpbanca	6,475	DTF + 7,82%	2018	-		
Bancolombia	19,444	DTF + 7,5%	2019	21,528	DTF + 7,5%	2019
Bancoomeva	17,372	DTF + 7,7%	2018 to 2019	13,091	DTF + 7,7%	2018 to 2019
Total National Entity	**43,291**			**79,615**		
Foreign Entity						
International Notes	164,174	5,75% EAR	2018	-		
Total Foreign Entity	**164,174**			**-**		
Free-standing trusts						
TuCrédito Free-standing Trust, Colpatria	26,946	IBR + 6,3%	2020 and 2021	21,566	IBR + 6,3%	2018 to 2020
Free-standing trust, Credilibranzas	1,253	DTF + 5,25%	2018	1,541	DTF + 5,25%	2018
Free-standing trust, Libranzas II	4,015	DTF + 5,25%	2018	4,888	DTF + 5,25%	2018
Free-standing trust, EPSA CrediUno	119,551	DTF + 6,60%	2018 to 2020	106,831	DTF + 6,75%	2018 to 2019
Free-standing trust, CrediUno IFC	57,428	12% EAR	2020 and 2021	75,016	9,91% EAR	2018 to 2021
Free-standing trust, syndicated CrediUno	61,293	DTF + 4,91%	2019 and 2020	58,015	DTF + 4,5%	2019
Free-standing trust, syndicated TuCrédito	234,954	DTF + 5,5%	2019 and 2020	238,003	DTF + 5,5%	2019 to 2021
Free-standing trust, CrediTigo	23,492	DTF + 6,25%	2018 and 2019	49,740	DTF + 6,25%	2018
Total Free-standing trusts	**528,932**			**555,600**		

Long-term obligations

Entity	March 31, 2017	Interest rate	Maturity	December 31, 2016	Interest rate	Maturity
Finance lease agreements						
Leasing Bancolombia	611	8,42% EAR	2018 to 2020	682	8,42% EAR	2018 to 2020
Total Financial Leasing	**611**			**682**		
Total long-term obligations	**737,008**			**635,897**		
Cost of Transaction to be Amortized IFP	(16,681)			(7,994)		
Total financial obligations	**1,181,547**			**1,084,974**		

The Company had long-term financial obligations during the periods ended March 31, 2017 and December 31, 2016 totaling $ 737,008 and $ 635,897, respectively. Associated costs incurred in the acquisition of loans are classified as transaction costs pending IFP amortization for the periods ended March 31, 2017 and December 31, 2016, valued at $16,681 and $7,994, respectively. The measurement of financial liability instruments for financial obligations is valued at amortized cost, as per IAS 39.

(Stated in millions of Colombian pesos)

The total balance of financial obligations for the periods ended March 31, 2017 and December 31, 2016 is 1,181,547 and 1,084,974 respectively, which will be paid off as described above.

- **Obligations stated in foreign currency**

Entity	**Fair Value March 31, 2017**		**Nominal Value December 31, 2016**	
Banco Santander	-	-	3	10,455
International Capital Markets Notes (a)	109	312,506	85	255,060
Lacrot Inversiones	10	115,210	20	60,014
International Finance Corporation (IFC)	45	71,498	30	75,016
Total	**USD 164**	**499,214**	**USD 138**	**400,545**

(a) International Notes

In August 2014 the Company established a new program for issuing commercial paper notes called “Euro Commercial Paper Program” abroad for up to USD $150, with maturities that can range from 1 day to 3 years from the issue date of each note. The issued notes are not registered under the US Securities Act of 1993, and according to the program, only be offered to non-Americans in compliance of Regulation S of the US Securities Act.

Under this program, the notes are issued outside of Colombia and are not registered in the Colombian National Registry of Securities and Issuers, nor listed on the Colombian Securities Exchange. Deustche Bank AG, London Branch is the issuance and payment agent for all program issues.
The funds received from loans acquired from financial institutions are used for portfolio origination and to handle various lines of working capital, which helps to maintain a degree of liquidity for the Company. The loans are represented by promissory notes wherein both parties establish the payment conditions, including limit, amount, interest rate and duration. The financial cost of financial obligations for periods ended March 31, 2017 and March 31, 2016:

IFP Financial Cost	**March 31, 2017**	**March 31, 2016**
Free-standing trusts	19,072	13,276
Local banks	4,340	4,387
Finance lease agreements	20	43
Foreign currency obligation	5,291	4,472
Third parties	224	224
Shareholders	1,733	-
Amortization Transaction costs	2,850	3,642
	33,530	**26,044**

The financial obligations and Free-standing Trusts of Credivalores Crediservicios S.A.S. that are recognized in local and foreign currencies will be recognized at the start of operation at their amortized value, net of costs incurred in the transaction which are attributable at the time of issuance. The difference between funds received (net of transaction costs) and the redemption value is recognized in the Income Statement for the corresponding period, using the effective interest method.

(Stated in millions of Colombian pesos)

NOTE 15. OTHER PROVISIONS

CVCS's provisions at March 31, 2017 and December 2016, respectively are provided below.

	March 31, 2017	December 31, 2016
Litigations subject to executive proceedings	84	84
Other provisions	-	937
	84	**1,021**

The movement of legal and other provisions are provided below for the periods ended March 31, 2017 and March 31, 2016:

	Legal provisions	Other provisions	Total provisions
Balance held at December 31, 2016	**84**	**937**	**1,021**
Recovered provisions	-	(937)	**(937)**
Balance held at March 31, 2017	**84**	**-**	**84**

	Legal provisions	Other provisions	Total provisions
Balance held at December 31, 2015	**26**	**1,949**	**1,975**
Recovered provisions	-	(777)	**(777)**
Balance held at March 31, 2016	**26**	**1,172**	**1,198**

The provisions correspond primarily to labor, civil and administrative proceedings filed by third parties against Credivalores Crediservicios S.A.S, on which provisions of 84 were recognized at March 31, 2017. It is not possible to determine a disbursement schedule for these proceedings due to their distribution across different instances.

However, the CVCS does not expect significant changes to the amounts provided for as a consequence of the outflows applicable to each proceeding. The expected time of resolution is uncertain since each proceeding is taking place in different instances.

NOTE 16. CURRENT AND DEFERRED TAX LIABILITIES

16.1 Components of current tax liabilities

Current tax liabilities for the 3 months period ended March 31, 2017 and the year ended December 31, 2016 is as follows:

	March 31, 2017	December 31, 2016
Tax income	2,723	26
Tax on industry and Commerce	1,242	1,623
Tax CREE	2,460	2,458
Sales tax	119	396
Surcharge and others (i)	146	-
	6,690	**4,503**

(i) This relates to the amount that has be paid with regards to the wealth tax for the year 2017**.**

(Stated in millions of Colombian pesos)

16.2 Components of income tax expense

Income tax expense for the 3 months periods ended March 31, 2017 and March 31, 2016 is as follows:

	March 31, 2017	March 31, 2016
Income Tax	2,697	1,536
CREE surcharge	-	802
Subtotal - taxes from the current period	**2,697**	**2,338**
Net deferred tax from the period	(2,351)	1,060
Total	**346**	**3,398**

In accordance with the IAS 12, current and deferred taxes are recognized as income or expense in the income statement, except to the extent that they arise from a transaction or event recognized outside profit or loss in other comprehensive income (OCI), in equity. Therefore, in the periods ended March 31, 2017 and March 31, 2016, other comprehensive income was recognized in equity.

16.3 Reconciliation of the nominal income tax rate and the effective tax rate in Colombia:

Credivalores Crediservicios SAS reconciled the total effective rate without deferred tax, which was 17% for 2017 and 69% for 2016, as detailed below:

	March 31, 2017	March 31, 2016
Earnings before tax	2,016	4,950
Statutory rate	40%	40%
Tax at statutory rate	**806**	**1,980**
More (less) tax impact on:		
Wealth tax	59	143
Fines and sanctions	136	-
Non-deductible expense	214	219
Assumed interest	46	-
Loan adjustments and financial obligations	(2,351)	1,060
Total income tax provisions charged to income	**346**	**3,402**
Effective rate	**17%**	**69%**

16.4 Deferred Tax

Differences between the carrying amount of assets and liabilities and the tax bases thereof give rise to temporary differences that generate deferred taxes, calculated and recorded in the periods ended March 31, 2017 and March 31, 2016, based on the tax rates in force for the years in which said temporary differences are to be reversed.

(Stated in millions of Colombian pesos)

Year ended March 31, 2017

	Balance held at December 31, 2016	Income (Expense) in income statement	Unrealized income (expense) in OCI	Balance as at March 31, 2017
Deferred tax assets				
Deferred charges	91	7,348	-	7,439
Difference between accounting and tax bases - prepaid expenses	10,536	(6,013)	-	4,523
Difference between accounting and tax bases - loans	509	799	-	1,308
Impairment to financial assets	1,520	(45)	-	1,475
Industry and commerce tax	42	(42)	-	-
Forward contracts	11,633	(2,095)	-	9,538
Miscellaneous	147	(47)	-	100
Subtotal	**24,478**	**(95)**	**-**	**24,383**
Deferred tax liability				
Valuations of financial instruments	3,671	(3,014)	1,440	2,097
Goodwill	16	(16)	-	-
Impairment to financial assets	6,809	584	-	7,393
Subtotal	**10,496**	**(2,446)**	**1,440**	**9,490**
Net Total	**13,982**	**2,351**	**1,440**	**14,893**

At March 31, 2016

	Balance held at December 31, 2015	Income (Expense) in income statement	Unrealized income (expense) in OCI	Balance held at March 31, 2016
Deferred tax assets				
Deferred charges	5,783	4,092	-	9,875
Difference between accounting and tax bases - prepaid expenses	13,956	(13,771)	-	185
Impairment to financial assets	-	956	-	956
Industry and commerce tax	85	1	-	86
Deferred income	2,021	4,930	-	6,951
Subtotal	**21,845**	**(3,792)**	**-**	**18,053**
Deferred tax liability				
Valuations of financial instruments	9,888	(7,839)	(1,214)	835
Goodwill	50	(50)	-	-
Transaction expense owing	3,930	(656)	-	3,274
Impairment to financial assets	2,213	5,813	-	8,026
Subtotal	**16,081**	**(2,732)**	**(1,214)**	**12,135**
Net Total	**5,764**	**(1,060)**	**1,214**	**5,918**

Effect of current and deferred taxes in each component of other comprehensive income in equity:

The effects of current and deferred taxes in each component of other comprehensive income in equity are as follows:

	March 31, 2017			**March 31, 2016**		
	Amount before tax	**Deferred tax income (expense)**	**Net**	**Amount before tax**	**Deferred tax income (expense)**	**Net**
Items that may be subsequently reclassified to income						
Effect of changes in fair value on the valuation of derivative financial instruments	**3,599**	**(1,440)**	**2,159**	**(3,035)**	**1,214**	**(1,821)**

NOTE 17. EQUITY

Capital

CVCS objective is to safeguard its capacity to continue as a business enterprise and maintain a financial structure that optimizes the cost of capital and maximize returns for shareholders. The Company's capital structure encompasses and includes the subscribed capital, retained earnings and reserves.

Capital management objectives are met by managing the portfolio as authorized by law and maintaining a consistent pace of generating profits from its structural revenue (portfolio interests and returns on investments) which results in institutional strengthening and provides the Company an opportunity to maintain its dividend distribution policy among its shareholders.

For the reporting periods, CVCS indeed complied with the required minimum capital in the relation of solvency required by legal provisions and mandatory investments.

Authorized, Subscribed and Paid Capital

CVCS's subscribed and paid capital as at March 31, 2017 and December 2016 was represented by 3,715,903 shares each year, each at a nominal price of 28,254.

Credivalores Crediservicios S.A.S.

2017 (Stated in millions of pesos)		
Shareholder	**Number of shares**	**%**
Acon Consumer Finance Holdings S de RL	870,444	23,42%
Crediholding S,A,S,	1,497,987	40,31%
Lacrot Inversiones 2014 S,L,U	923,665	24,86%
Acon Consumer Finance Holdings II S, L	184,167	4,96%
Treasury shares	239,640	6,45%
Total	**3,715,903**	**100,00%**

(Stated in millions of Colombian pesos)

	March 31, 2017	December 31, 2016
Number of authorized shares	4,700,000	4,700,000
Subscribed and paid shares:	3,715,903	3,715,903
Ordinary with nominal value of 28,254,		
Subscribed and paid capital (nominal value)	104,989	104,989
Paid-in capital	20,842	20,842
Total capital plus premium	**125,831**	**125,831**

NET EARNINGS PER SHARE

The following is a breakdown of the basic earnings per share:

	March 31, 2017	March 31, 2016
Ordinary shares (a)	1,532,597	1,532,597
Preferred shares (a)	1,943,666	1,943,666
Repurchased treasury shares	239,640	239,640
Total earnings per share	**480**	**447**

(a) The value of the shares at March 2017 and 2016 correspond to the total number of outstanding shares held by CVCS. As per the Company´s bylaws, both common and preferred stock have the same decision power and rights, and the preference of those shares is given by its hierarchy in the payment of dividends at the moment declared by the Assembly and by the preferred right in the reimbursement in case of liquidation.

NOTE 18. REVENUE

	March 31, 2017	March 31, 2016
Interests (18.1)	47,761	31,386
Commissions and fees (18.2)	18,799	11,269
From sales of portfolio (18.3)	-	11,597
	66,560	**54,252**

(Stated in millions of Colombian pesos)

18.1 Interest

	March 31, 2017	March 31, 2016
CrediUno interest	2,662	3,207
CrediPoliza interest	730	927
TuCrédito loan interest	4,169	9,601
TuCrédito transaction costs	(1,304)	(931)
CrediPoliza transaction costs	(288)	(577)
CrediUno transaction costs	(2,981)	(1,722)
TuCrédito fair value	(1,851)	(10,500)
Sub-total Consumer loans	**1,137**	**5**
Microcredit interest	482	2,503
Microcredit loans transaction costs	(159)	(83)
Sub-total Microcredit	**323**	**2,447**
CrediUno late payment interest	185	102
CrediPoliza late payment interest	138	83
TuCrédito late payment interest	90	45
Consumer loan defaults	**413**	**230**
CrediYa late payment interest	48	287
Microcredit loan defaults	**48**	**287**
Financial returns	1,333	56
BTG Pactual Financial returns	2,279	3,037
Current interests, Free-standing Trust	35,176	22,507
Other income, Free-standing Trust	1,728	1,140
Current interests left off-balance	5,324	1,704
Other	**45,840**	**28,444**
Total Interests	**47,761**	**31,386**

18.2 Commissions and fees

	March 31, 2017	March 31, 2016
Department store income and credit card channels income	18	69
Shared financial consultancy fees	6	72
Financial Consultancy – Returns from Debtor life insurance	1,308	914
Financial Consultancy- Returns Voluntary insurance policies	846	691
Other financial consultancy	1	5
Internal commission	285	199
Collection fees	2,704	829
Microcredit SME's loan fees	44	454
Administration fee – credit card	12,278	8,036
Administration fee - life insurance plus	1,309	-
	18,799	**11,269**

(Stated in millions of Colombian pesos)

18.3 Due to the implementation of the new strategy in order to strengthen the own loan portfolio of the company management has restricted the sale of loans for the Q1 2017. For this reason there is no profit related to sales as compared to the same period in 2016.

NOTE 19. OTHER INCOME

	March 31, 2017	March 31, 2016
Sickness Leave	20	25
Collection charges TuCrédito	66	-
Reimbursed claims Aval FGA	5	-
Provision Recovery	8,452	9,347
Vendor Discount	-	82
Other	92	22
	8,635	**9,476**

NOTE 20. OTHER EXPENSES

	March 31, 2017	March 31, 2016
Commissions	876	931
Legal expense	5	20
Fees	4.983	3.113
Taxes	4.263	3.362
Leases	1.024	781
Insurance	138	30
Maintenance	265	272
Adaptation and installation	19	125
Fines, penalties and awards	339	1
Janitorial and Secutiry services	173	194
Temporary Services	573	272
Publicity and advertising	504	866
Utilities	832	1.007
Travel expenses	121	295
Transport	417	196
Office supplies	617	277
Cost of representation	322	72
Technical assistance	2.026	2.440
Other	439	638
Total	**17.936**	**14.892**

(Stated in millions of Colombian pesos)

NOTE 21. CONTINGENT ASSETS AND CONTINGENT LIABILITIES

a. Commitments

Credit commitments

In the course of ordinary business, CVCS provides loan portfolio as guarantees to its funding sources, in which it irrevocably agrees to pay them in the event the client is unable to meet its obligations, with the same credit risk for loan portfolios.

Loan extension commitments represent unused portions of authorizations to extend credits as loans. With regard to the credit risk on commitments to extend lines of credit, CVCS is potentially exposed to losses in an amount equal to the total unused commitments, if the unused amount were to be withdrawn in its totality.

However, the amount of the loss is less than the total amount of the unused commitments because the majority of loan extension commitments are contingent once the client can maintain specific credit rating standards. CVCS monitors the maturity dates of those credit limit commitments because long-term commitments have a higher credit risk than short-term commitments.

The following is a breakdown of unused lines of credit commitments and guarantees at March 31, 2017 and December 31, 2016:

	March 31, 2017	December 31, 2016
Unpaid approved credits	295,462	275,493

b. Contingencies

Contingent assets

At the end of March 2017, CVCS has an outstanding Guarantee (Aval) with the Fondo de Garantías de Antioquia (FGA), with an available amount of 2,305 million, which must be claimed during the year, as per the contract in place.

At the end of December 2016, CVCS has an outstanding Guarantee (Aval) with the Fondo de Garantías de Antioquia (FGA), with an available amount of 1,249 million, which must be claimed during the year, as per the contract.

Legal contingencies

CVCS estimates a provision to cover potential losses for labor, civil, mercantile and tax disputes, and others that according to the circumstances and based on the opinion of internal counsel and external legal advisors are considered of probable loss and can be reasonably quantified.

NOTE 22. RELATED PARTIES

The Company's Board of Directors and Senior Management, in their role as governing bodies, are fully aware of the responsibility relating to administering and managing the various risks to which the Company is exposed; likewise, they are fully cognizant of the Company’s processes and business structure so as to be able to provide support and adequate monitoring and follow-up.

The Company’s related parties are as follows:

(Stated in millions of Colombian pesos)

1. Shareholders with interests, a controlling stake or a joint stake of the Company, or significant influence over CVCS.

2. Members of the Board of Directors: Members of the Board of Directors (principals and alternates, along with their related parts).

3. Key management personnel: includes the Company CEO and other C-level Officers, who are those who participate in the planning, direction and control of the Company.

4. Affiliates: Companies in which Credivalores has significant influence, which is generally considered to be a share of between 20 and 50% of their capital.

The most representative balances as at March 31, 2017 and December 31, 2016 with related parties are including in the following charts, with headings for definitions of the related parties recorded in the previous sections.

	March 2017		December 2016	
	Shareholders	**Members of the Board of Directors (a)**	**Shareholders**	**Members of the Board of Directors (a)**
Accounts receivable	1,815	-	1,460	-
Accounts payable	115,210	96	59,951	155
Operating expenses	-	-	2,160	221

Compensation received by Key Management Personnel is comprised of the following:

Item	March 31, 2017	March 31, 2016
Salaries	952	1,013
Short term employee benefits	107	261
Total	**1,059**	**1,274**

a. Members of the Board of Directors (principals and alternates, along with their related parts) as of December 31, 2016.

Directors

No.	Director	Alternate
1	José Miguel Knoell Ferrada	Mathias Boccia Cristiano
2	Juan Carlos Restrepo Acuña	No appointment
3	Lorena Margarita Cárdenas Costas	No appointment
4	Rony Doron Seinjet	No appointment
5	Adrian Gustavo Ferraro	Carlos Manuel Ramon
6	Lawrence Robert Rauch	No appointment

Legal Representatives

No.	Representative
Manager	Eliana Andrea Erazo Restrepo
Alternate	Liliana Arango Salazar

(Stated in millions of Colombian pesos)

NOTE 23. EVENTS THAT OCCURRED AFTER THE REPORTED PERIOD

The following are the events that occurred after the reported period

1. CVCS was capitalized in April for a total of 53,511 million corresponding to 4,279,022 shares issued at a nominal value of 24,536. Following is the shareholder structure after the capitalization.

Shareholder Structure

Shareholder	**Number of shares**	**% Stake**
Acon Consumer Finance Holdings S de RL	870,444	20%
Acon Consumer Finance Holdings II SL	184,167	4%
Crediholding	1,497,987	35%
Lacrot Investments	1,486,784	35%
Repurchased shares	239,640	6%
Total	**4,279,022**	**100%**

2. In May 2017, we closed two issuances under our ECP Program in an aggregate amount of US$35 million with both new and existing investors. One of the transactions was the reopening of the 8.25% notes issued in March, 2017 under the ECP program and due in September 2018 for an additional US$ 10.000.000, taking the total amount outstanding to US $67 million. The other transaction was a US$ 25 million private placement with an institutional investor from the Unites States.