

**UNCONSOLIDATED NET INCOME OF PS 63,380 MILLION IN OCTOBER  
TOTALING PS 457,266 FOR THE FIRST TEN MONTHS OF 2006 \***

**Medellín, COLOMBIA. November 10, 2006**

BANCOLOMBIA reported unconsolidated net income of Ps 63,380 million for the past month of October, accumulating Ps 457,266 million for the first ten months of 2006.

During October, total net interest income, including investments amounted to Ps 141,199 million. Additionally, total net fees and income from services amounted to Ps 49,015 million in the month.

As of October 31, 2006, BANCOLOMBIA's total assets amounted to Ps 25.60 trillion, total deposits totaled Ps 16.61 trillion and total shareholders' equity amounted to Ps 3.26 trillion.

Also as of October 31, 2006, BANCOLOMBIA's level of past due loans as a percentage of total loans was 2.51% and the level of allowance for past due loans was 140.20%.

As previously announced on October 12, 2006, BANCOLOMBIA purchased mortgage-backed securities called TIPS, indexed to the UVR (Unidad de Valor Real), for approximately Ps 490,000 million in a public offering made by Titularizadora Colombiana S.A. All such TIPS were classified as "Held to Maturity".

Other operating income amounted to \$35,896 million in October basically due to two non recurrent events:

- BANCOLOMBIA sold through the Colombian Stock Exchange (Bolsa de Valores de Colombia), the last part of the stake it held in Corfinversiones (now Compañía de Suramericana de Inversiones S.A.) which was received as a result of the spin-off of Corfinsura S.A.. Since Colombian regulations do not allow banks to have equity investments in non-financial companies, the Superintendency of Finance determined that BANCOLOMBIA would have a period of two years to sell such investment. BANCOLOMBIA's profits from the sale of such investment amounted to Ps 24,193 million.
- BANCOLOMBIA sold mortgage loans to Titularizadora Colombiana amounting to approximately Ps. 580,000 million. These mortgage loans were secured by the Titularizadora through the issuance of securities TIPS. BANCOLOMBIA's profits from the sale of such interest earning mortgage loans amounted to Ps 11,651 million.

### **Market Share**

According to ASOBANCARIA (Colombia's national banking association), BANCOLOMBIA's market share of the Colombian Financial System in October 2006 was as follows: 17.8% of total deposits, 20.6% of total net loans, 18.0% of total savings accounts, 21.6% of total checking accounts and 14.3% of total time deposits.

\*This report corresponds to the unconsolidated interim financial statements of BANCOLOMBIA. The numbers contained herein are subject to review by the relevant Colombian authorities. This information has been prepared in accordance with generally accepted accounting principles in Colombia, is stated in nominal terms and has not been audited.

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BANCOLOMBIA S.A. BALANCE SHEET (Ps Millions)	Growth				
	Oct-05	As of Sep-06	Oct-06	Month %	Annual %
<b>ASSETS</b>					
Cash and due from banks	968,642	1,417,398	1,275,187	-10.03%	31.65%
Overnight funds sold	79,811	39,554	20,315	-48.64%	-74.55%
<b>Total cash and equivalents</b>	<b>1,048,453</b>	<b>1,456,952</b>	<b>1,295,502</b>	<b>-11.08%</b>	<b>23.56%</b>
<b>Debt securities</b>	<b>6,644,420</b>	<b>4,002,437</b>	<b>4,481,634</b>	<b>11.97%</b>	<b>-32.55%</b>
Trading	3,613,165	2,008,523	2,025,601	0.85%	-43.94%
Available for Sale	1,730,391	1,166,161	1,137,225	-2.48%	-34.28%
Held to Maturity	1,300,864	827,753	1,318,808	59.32%	1.38%
<b>Equity securities</b>	<b>801,047</b>	<b>922,094</b>	<b>896,455</b>	<b>-2.78%</b>	<b>11.91%</b>
Trading	425	2,845	2,852	0.25%	571.06%
Available for Sale	800,622	919,249	893,603	-2.79%	11.61%
Market value allowance	-37,954	-39,548	-39,548	0.00%	4.20%
<b>Net investment securities</b>	<b>7,407,513</b>	<b>4,884,983</b>	<b>5,338,541</b>	<b>9.28%</b>	<b>-27.93%</b>
Commercial loans	9,319,804	12,636,451	13,094,632	3.63%	40.50%
Consumer loans	2,010,039	2,466,936	2,495,260	1.15%	24.14%
Small business loans	97,080	94,532	95,136	0.64%	-2.00%
Mortgage loans	1,467,369	1,970,598	1,493,370	-24.22%	1.77%
Allowance for loans and financial leases losses	-545,113	-584,401	-602,379	3.08%	10.51%
<b>Net total loans and financial leases</b>	<b>12,349,179</b>	<b>16,584,116</b>	<b>16,576,019</b>	<b>-0.05%</b>	<b>34.23%</b>
Accrued interest receivable on loans	158,442	176,424	187,158	6.08%	18.12%
Allowance for accrued interest losses	-9,524	-7,505	-7,929	5.65%	-16.75%
<b>Net total interest accrued</b>	<b>148,918</b>	<b>168,919</b>	<b>179,229</b>	<b>6.10%</b>	<b>20.35%</b>
Customers' acceptances and derivatives	152,797	128,997	158,802	23.11%	3.93%
Net accounts receivable	155,173	218,702	266,807	22.00%	71.94%
Net premises and equipment	343,507	364,470	363,637	-0.23%	5.86%
Foreclosed assets	36,771	23,185	19,159	-17.36%	-47.90%
Prepaid expenses and deferred charges	18,253	29,551	39,682	34.28%	117.40%
Goodwill	54,734	47,077	44,773	-4.89%	-18.20%
Other	266,910	578,341	569,510	-1.53%	113.37%
Reappraisal of assets	705,713	726,297	745,983	2.71%	5.71%
<b>Total assets</b>	<b>22,687,921</b>	<b>25,211,590</b>	<b>25,597,644</b>	<b>1.53%</b>	<b>12.82%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>LIABILITIES</b>					
<b>DEPOSITS</b>					
<b>Non-interest bearing</b>	<b>2,766,967</b>	<b>3,461,152</b>	<b>3,426,173</b>	<b>-1.01%</b>	<b>23.82%</b>
Checking accounts	2,497,776	3,135,895	3,187,943	1.66%	27.63%
Other	269,191	325,257	238,230	-26.76%	-11.50%
<b>Interest bearing</b>	<b>10,842,586</b>	<b>12,620,917</b>	<b>13,182,220</b>	<b>4.45%</b>	<b>21.58%</b>
Checking accounts	171,517	240,404	288,333	19.94%	68.11%
Time deposits	3,135,097	3,680,652	3,929,486	6.76%	25.34%
Savings deposits	7,535,972	8,699,861	8,964,401	3.04%	18.95%
<b>Total deposits</b>	<b>13,609,553</b>	<b>16,082,069</b>	<b>16,608,393</b>	<b>3.27%</b>	<b>22.03%</b>
Overnight funds	983,386	1,484,188	1,765,456	18.95%	79.53%
Bank acceptances outstanding	69,872	77,527	80,522	3.86%	15.24%
Interbank borrowings	1,478,910	1,260,197	938,620	-25.52%	-36.53%
Borrowings from domestic development banks	880,531	787,393	768,553	-2.39%	-12.72%
Accounts payable	549,971	722,420	546,631	-24.33%	-0.61%
Accrued interest payable	137,345	122,387	129,838	6.09%	-5.47%
Other liabilities	256,642	247,884	269,557	8.74%	5.03%
Bonds	1,284,149	891,868	872,140	-2.21%	-32.08%
Accrued expenses	338,996	339,764	359,855	5.91%	6.15%
<b>Total liabilities</b>	<b>19,589,355</b>	<b>22,015,697</b>	<b>22,339,565</b>	<b>1.47%</b>	<b>14.04%</b>
<b>SHAREHOLDER'S EQUITY</b>					
<b>Subscribed and paid in capital</b>	<b>363,914</b>	<b>363,914</b>	<b>363,914</b>	<b>0.00%</b>	<b>0.00%</b>
<b>Retained earnings</b>	<b>1,461,310</b>	<b>1,622,829</b>	<b>1,686,209</b>	<b>3.91%</b>	<b>15.39%</b>
Appropriated	861,300	1,228,943	1,228,943	0.00%	42.68%
Unappropriated	600,010	393,886	457,266	16.09%	-23.79%
<b>Reappraisal and others</b>	<b>1,211,343</b>	<b>1,208,358</b>	<b>1,204,745</b>	<b>-0.30%</b>	<b>-0.54%</b>
<b>Gross unrealized gain or loss on debt securities</b>	<b>61,999</b>	<b>792</b>	<b>3,211</b>	<b>305.43%</b>	<b>-94.82%</b>
<b>Total shareholder's equity</b>	<b>3,098,566</b>	<b>3,195,893</b>	<b>3,258,079</b>	<b>1.95%</b>	<b>5.15%</b>
<b>Total liabilities and shareholder's equity</b>	<b>22,687,921</b>	<b>25,211,590</b>	<b>25,597,644</b>	<b>1.53%</b>	<b>12.82%</b>

BANCOLOMBIA S.A. INCOME STATEMENT (Ps Millions)	Accumulated		Growth	Month		Growth
	Oct-05	Oct-06	Annual %	Sep-06	Oct-06	Month %
<b>Interest income and expenses</b>						
Interest on loans	1,455,365	1,532,156	5.28%	169,630	174,654	2.96%
Interest on investment securities	556,701	113,335	-79.64%	39,082	32,747	-16.21%
Overnight funds	17,752	22,491	26.70%	2,025	2,334	15.26%
<b>Total interest income</b>	<b>2,029,818</b>	<b>1,667,982</b>	<b>-17.83%</b>	<b>210,737</b>	<b>209,735</b>	<b>-0.48%</b>
Interest expense						
Checking accounts	4,970	6,304	26.84%	613	552	-9.95%
Time deposits	231,518	179,909	-22.29%	19,464	19,689	1.16%
Savings deposits	200,033	207,146	3.56%	24,063	23,429	-2.63%
<b>Total interest on deposits</b>	<b>436,521</b>	<b>393,359</b>	<b>-9.89%</b>	<b>44,140</b>	<b>43,670</b>	<b>-1.06%</b>
Interbank borrowings	40,135	86,695	116.01%	7,461	6,451	-13.54%
Borrowings from domestic development banks	61,438	46,975	-23.54%	4,360	4,454	2.16%
Overnight funds	39,703	54,045	36.12%	5,379	7,999	48.71%
Bonds	95,822	65,460	-31.69%	5,872	5,962	1.53%
<b>Total interest expense</b>	<b>673,619</b>	<b>646,534</b>	<b>-4.02%</b>	<b>67,212</b>	<b>68,536</b>	<b>1.97%</b>
<b>Net interest income</b>	<b>1,356,199</b>	<b>1,021,448</b>	<b>-24.68%</b>	<b>143,525</b>	<b>141,199</b>	<b>-1.62%</b>
Provision for loan and accrued interest losses, net	(122,746)	(168,646)	37.39%	(25,776)	(26,933)	4.49%
Recovery of charged-off loans	62,856	51,160	-18.61%	6,338	5,132	-19.03%
Provision for foreclosed assets and other assets	(61,979)	(24,920)	-59.79%	122	(5,096)	-4277.05%
Recovery of provisions for foreclosed assets and other assets	32,473	64,026	97.17%	754	2,960	292.57%
<b>Total net provisions</b>	<b>(89,396)</b>	<b>(78,380)</b>	<b>-12.32%</b>	<b>(18,562)</b>	<b>(23,937)</b>	<b>28.96%</b>
<b>Net interest income after provision for loans and accrued interest losses</b>	<b>1,266,803</b>	<b>943,068</b>	<b>-25.56%</b>	<b>124,963</b>	<b>117,262</b>	<b>-6.16%</b>
Commissions from banking services and other services	49,843	67,179	34.78%	6,294	7,169	13.90%
Electronic services and ATM's fees, net	85,766	72,024	-16.02%	7,468	7,185	-3.79%
Branch network services, net	39,828	45,156	13.38%	4,767	4,860	1.95%
Collections and payments fees, net	46,296	58,175	25.66%	5,737	6,609	15.20%
Credit card merchant fees, net	8,448	6,642	-21.38%	670	648	-3.28%
Credit and debit card fees, net	171,815	201,364	17.20%	18,714	21,180	13.18%
Checking fees, net	45,357	49,217	8.51%	4,981	4,706	-5.52%
Check remittance, net	8,585	9,348	8.89%	909	1,011	11.22%
International operations, net	19,731	23,129	17.22%	2,304	2,646	14.84%
<b>Total fees and other service income</b>	<b>475,669</b>	<b>532,234</b>	<b>11.89%</b>	<b>51,844</b>	<b>56,014</b>	<b>8.04%</b>
Other fees and service expenses	(39,983)	(62,541)	56.42%	(7,422)	(6,999)	-5.70%
<b>Total fees and income from services, net</b>	<b>435,686</b>	<b>469,693</b>	<b>7.81%</b>	<b>44,422</b>	<b>49,015</b>	<b>10.34%</b>
<b>Other operating income</b>						
Net foreign exchange gains	(58,699)	79,926	-236.16%	3,893	(23,114)	-693.73%
Forward contracts in foreign currency	132,459	8,273	-93.75%	(6,867)	34,640	-604.44%
Gains on sales of investments on equity securities	8,295	67,321	711.59%	-	24,193	*
Gains on sale of mortgage loan	-	11,651	*	-	11,651	*
Dividend income	99,997	128,602	28.61%	-	31	*
Communication, rent payments and others	1,390	1,335	-3.96%	128	146	14.06%
<b>Total other operating income</b>	<b>183,442</b>	<b>297,108</b>	<b>61.96%</b>	<b>(2,846)</b>	<b>47,547</b>	<b>-1770.66%</b>
<b>Total income</b>	<b>1,885,931</b>	<b>1,709,869</b>	<b>-9.34%</b>	<b>166,539</b>	<b>213,824</b>	<b>28.39%</b>
<b>Operating expenses</b>						
Salaries and employee benefits	421,809	451,790	7.11%	46,338	47,219	1.90%
Bonus plan payments	13,882	15,035	8.31%	3,363	2,959	-12.01%
Compensation	7,046	3,116	-55.78%	313	433	38.34%
Administrative and other expenses	549,452	535,065	-2.62%	57,539	61,041	6.09%
Deposit security, net	39,922	47,984	20.19%	5,068	6,346	25.22%
Donation expenses	422	183	-56.64%	25	27	8.00%
Depreciation	54,107	62,900	16.25%	7,698	6,642	-13.72%
<b>Total operating expenses</b>	<b>1,086,640</b>	<b>1,116,073</b>	<b>2.71%</b>	<b>120,344</b>	<b>124,667</b>	<b>3.59%</b>
<b>Net operating income</b>	<b>799,291</b>	<b>593,796</b>	<b>-25.71%</b>	<b>46,195</b>	<b>89,157</b>	<b>93.00%</b>
Merger expenses	34,982	31,715	-9.34%	6,981	5,412	-22.48%
Goodwill amortization	18,874	21,205	12.35%	2,304	2,305	0.04%
<b>Non-operating income (expense)</b>						
Other income	35,675	138,091	287.08%	3,155	4,225	33.91%
Other expense	(57,686)	(115,859)	100.84%	(9,631)	(5,245)	-45.54%
<b>Total non-operating income</b>	<b>(22,011)</b>	<b>22,232</b>	<b>-201.00%</b>	<b>(6,476)</b>	<b>(1,020)</b>	<b>-84.25%</b>
<b>Income before income taxes</b>	<b>723,424</b>	<b>563,108</b>	<b>-22.16%</b>	<b>30,434</b>	<b>80,420</b>	<b>164.24%</b>
Income tax expense	(123,414)	(105,842)	-14.24%	(5,035)	(17,040)	238.43%
<b>Net income</b>	<b>600,010</b>	<b>457,266</b>	<b>-23.79%</b>	<b>25,399</b>	<b>63,380</b>	<b>149.54%</b>