BANCOLOMBIA S.A INFORMS AUTHORIZED CAPITAL REFORM DOES NOT IMPLY AN EQUITY OFFERING

Medellin, Colombia, October 14, 2015

As was announced yesterday, next October 30, Bancolombia will hold an extraordinary general shareholders meeting, which looks to revise and modify Bancolombia’s bylaws as well as to introduce new corporate governance standards. With this reform, the company will also seek shareholders’ explicit consent to modify authorized capital, which remains unchanged since 2005.

To this date, Bancolombia has an authorized amount of shares totaling 1,000,000,000, of which 961,827,000 have already been issued. With this reform, Bancolombia wishes to expand its authorized capital base to 1,400,000,000 shares. In every case, the nominal value (“par value”) will be COP $500 per share.

The reasoning behind this increase in authorized capital is to guarantee an ample authorized capital level, so that in the event Bancolombia was to consider making an equity offering, it would have no need to modify its existing bylaws in order to do this. By increasing the authorized capital, the shareholders’ general assembly is approving a maximum quota for the company, but is by no means signaling an immediate equity offering. Furthermore, authorized capital is not included in accounting calculations nor is it computed in the company’s technical equity, and it does not imply an injection of capital from shareholders.

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