Medellín, Colombia, June 13, 2007

Moody’s Investors Service, Inc. (“Moody’s”) took the following rating actions on Bancolombia S.A. (“Bancolombia”) and its debt:

The following ratings were downgraded:
Bank Financial Strength Rating: Downgrade to D from D+
Long-term Global Local-Currency Deposits: Downgrade to Baa2 from Baa1
Short-term Global Local-Currency Deposits: Downgrade to Prime-3 from Prime-2
Foreign Currency Subordinated Debt: Downgrade to Ba1 from Baa3

The following ratings remain the same:
Long-term Foreign Currency Deposits: Ba3
Short-term Foreign Currency Deposits: Not Prime
All these ratings have stable outlooks

The rating actions reflect Moody’s assessment of the financial impact on Bancolombia’s capital structure from its leveraged acquisition of Banco Agricola of El Salvador. According to Moody’s, the financing of the acquisition, including adjustments for goodwill, recent debt financings and Bancolombia’s upcoming equity issue, will result in lower Tier 1 capital ratios than the ones that Bancolombia has maintained historically, as well as being lower than the Tier 1 ratios of other banks rated D+.