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BANCOLOMBIA SA
Form 6-K
November 09, 2004

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SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1933

For the month of November 2004

BANCOLOMBIA S.A.

(Translation of Registrant's name into English)

Calle 50 No. 51-66
Medellin, Colombia

(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.)

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.)

Yes No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-_____.)

This Report on Form 6-K shall be incorporated by reference into the registrant's registration statement on Form F-3 (File No. 333-12658).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

BANCOLOMBIA S.A.
(Registrant)

Date: November 8, 2004

By /s/ JAIME ALBERTO VELASQUEZ B.

Name: Jaime Alberto Velasquez B.
Title: Vice President of Finance

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CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2004

Table of Contents

1. HIGHLIGHTS
2. CONSOLIDATED BALANCE SHEET
3. INCOME STATEMENT
4. SUBSIDIARIES
5. RATINGS AND RECOGNITIONS

NOVEMBER 8, 2004. Medellin, Colombia - BANCOLOMBIA S.A. (NYSE: CIB) announced today the financial results for the quarter ended September 30, 2004.(1)

CONSOLIDATED BALANCE SHEET AND INCOME STATEMENT

(Ps millions)	QUARTER		GROWTH
	2Q 04	3Q 04	3Q 04/2Q 04
ASSETS			
Loans and financial leases, net	8.453.562	9.332.414	10,40%
Investment securities, net	5.238.888	4.781.795	-8,73%
Other assets	2.414.914	2.162.461	-10,45%
TOTAL ASSETS	16.107.364	16.276.670	1,05%
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits	10.583.982	10.491.351	-0,88%
Other liabilities	3.798.687	3.863.023	1,69%
TOTAL LIABILITIES	14.382.669	14.354.374	-0,20%
Shareholders' equity	1.724.695	1.922.296	11,46%
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	16.107.364	16.276.670	1,05%
Interest income	375.883	497.925	32,47%
Interest expense	139.004	150.858	8,53%
NET INTEREST INCOME	236.879	347.067	46,52%
Net provisions	(3.760)	(32.261)	758,01%
Other operating income	142.184	159.948	12,49%
Other operating expense	(220.623)	(230.146)	4,32%
Non-operating income, net	(1.170)	3.899	433,25%
Income tax expense	(36.927)	(61.216)	65,78%
NET INCOME	116.583	187.291	60,65%

(1) This report corresponds to the consolidated financial statements of BANCOLOMBIA and its affiliates of which it owns, directly or indirectly, 50% or

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more of the voting capital stock. For this reason, the financial information contained herein is not comparable to BANCOLOMBIA's consolidated results (with its financial subsidiaries) released prior to March 2003. This information has been prepared in accordance with generally accepted accounting principles in Colombia, is stated in nominal terms and has not been audited. All growth rates mentioned herein are not adjusted for inflation.

ANY REFERENCE TO BANCOLOMBIA MUST BE UNDERSTOOD AS TO THE BANK AND ITS AFFILIATES, UNLESS OTHERWISE SPECIFIED.

Exchange rate: September 30, 2004 Ps 2,608.30 = 1 US\$ Average exchange rate September 2004 Ps

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1

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1. HIGHLIGHTS:

- Net income amounted to Ps 187.3 billion, or US\$ 0.498 per ADS, during the quarter ended September 30, 2004, increasing 60.7% as compared to a net income of Ps 116.6 billion, or US\$ 0.300 per ADS, for the previous quarter. This represents an increase of 58.2% as compared to Ps 118.4 billion, or US\$ 0.289 per ADS, during the quarter ended September 30, 2003.
- BANCOLOMBIA's gross loans amounted to Ps 9,768 billion, increasing 9.8% as compared to Ps 8,893 billion from the previous quarter. In year over year basis, this represents an increase of 24.0%, from Ps 7,879 billion. On the other hand, investment debt securities amounted to Ps 4,582 billion, decreasing 9.1% over the quarter, but increasing 9.8% as compared to the end of the third quarter of 2003.
- During the third quarter of 2004, interest on loans amounted to Ps 303.3 billion, which represents an increase of 9.7% over the quarter from Ps 276.6 billion and 42.0% over the third quarter of 2003 from Ps 213.6 billion.
- Interest on investment securities continued its recovery from the drop in bond prices experienced during the second quarter of the current year. It amounted to Ps 164.2 billion during the third quarter, increasing 125% as compared to the previous quarter, which represents a 39.0% increase as compared to the third quarter of

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2003.

- Total net fees and income from services are stable during the third quarter of 2004, amounting to Ps 109.5 billion, but increasing 16.7% as compared to the third quarter of 2003.
- Net interest margin was 10.3% during the quarter, as compared to 7.4% during the previous quarter and 8.2% during the third quarter of 2003.
- BANCOLOMBIA's ratio of past due loans to total loans for the quarter ended September 30, 2004 was 1.5%, and allowances to past due loans was 299%.

STOCK INDICATORS	QUARTERS			AS OF	
	3Q 03	2Q 04	3Q 04	SEP-03	SEP-04
Net Income (Ps millions)	118.404	116.583	187.291	323.036	427.9
USD Earnings per ADS	0,289	0,300	0,498	0,789	1,1
ROAA	3,60%	3,17%	4,90%	3,27%	3,
ROAE	33,80%	28,57%	43,87%	30,74%	33,
P/BV ADS (1)	1,28	1,50	1,58		
P/BV Local (2) (3)	1,35	1,54	1,65		
P/E (4)	4,35	5,65	4,18		
Shares Outstanding	576.695.395	576.695.395	576.695.395		

(1) Defined as ADS price divided by ADS book value.

(2) Defined as Share price divided by share book value.

(3) Share prices on the Colombian Stock Exchange

(4) Defined as market capitalization divided by annualized quarter results

CAUTIONARY NOTE REGARDING FORWARD LOOKING STATEMENTS

This release contains statements that may be considered forward-looking statements within the meaning of Section 27A of the U.S. Securities Act of 1933 and Section 21E of the U.S. Securities Exchange Act of 1934. All forward-looking statements, whether made in this release or in future filings or press releases or orally, address matters that involve risks and uncertainties; consequently, there are or will be factors, including, among others, changes in general economic and business conditions, changes in currency exchange rates and interest rates, introduction of competing products by other companies, lack of acceptances of new products or services by our targeted customers, changes in business strategy and various others factors, that could cause actual results to differ materially from those indicated in such statements. We do not intend, and do not assume any obligation, to update these forward-looking statements.

2

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2. CONSOLIDATED BALANCE SHEET

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2.1 ASSETS

BANCOLOMBIA's total assets increased 1.1% over the quarter to Ps 16,277 billion as of September 30, 2004, from Ps 16,107 billion as of June 30 of this year, and 16.7% from Ps 13,950 billion as of September 30, 2003. The increase in total assets was primarily due to a larger loan portfolio, higher than the decrease in the investment securities portfolio.

2.1.1 LOAN PORTFOLIO

Total corporate loans increased 10.2% quarter over quarter from Ps 5,060 billion to Ps 5,577 billion. They also increased as compared to the same period in fiscal year 2003, moving up 10.0%. Corporate working capital loans, the most significant type of the loan portfolio, increased 12.2% as compared to June 30, 2004.

LOAN PORTFOLIO (Ps millions)	30-SEP-03	AS OF 30-JUN-04 (2)	30-SEP-04	GR 3Q 04/2Q 04
CORPORATE				
Working capital loans	4.453.082	3.898.115	4.372.394	12,17%
Loans funded by				
domestic development banks	427.178	898.257	841.871	-6,28%
Trade Financing	151.043	190.854	282.660	48,10%
Overdrafts	33.826	53.187	58.611	10,20%
Credit Cards	7.343	19.985	21.639	8,28%
TOTAL CORPORATE	5.072.472	5.060.398	5.577.175	10,21%
RETAIL AND SMEs				
Working capital loans	842.020	1.088.583	1.189.002	9,22%
Personal loans	687.207	902.712	970.887	7,55%
Loans funded by				
domestic development banks	333.839	345.007	357.994	3,76%
Credit Cards	281.585	336.063	342.004	1,77%
Overdrafts	102.801	118.732	119.855	0,95%
Automobile loans	28.915	293.799	331.715	12,91%
Trade Financing	20.911	26.283	42.608	62,11%
TOTAL RETAIL AND SMEs	2.297.278	3.111.179	3.354.065	7,81%
MORTGAGE	45.002	48.560	50.245	3,47%
FINANCIAL LEASES (1)	463.958	672.891	786.457	16,88%
TOTAL LOANS AND FINANCIAL LEASES	7.878.710	8.893.028	9.767.942	9,84%
ALLOWANCE FOR LOAN LOSSES AND FINANCIAL LEASES (1)	(357.624)	(439.466)	(435.528)	-0,90%
TOTAL LOANS AND FINANCIAL LEASES, NET	7.521.086	8.453.562	9.332.414	10,40%

(1) These items include information of financial lease contracts for effects of comparison with subsequent periods.

(2) June's amounts were modified in order to be comparable with September 2004.

The retail and SMEs (small and medium-sized enterprises) loan portfolio maintains robust growth rates. It amounted to Ps 3,354 billion, increasing 7.8%

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over the quarter and 46.0% over the year. Even though all types of retail and SMEs loans showed positive trends, the most significant changes during the quarter were seen in working capital loans, which benefit primarily SMEs, and in personal loans, showing annual increases of 41.2% and 41.3%, respectively.

3

[BANCOLOMBIA LOGO]

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Financial leases for both, corporate and SMEs clients increased 16.9% over the quarter and 69.5% over the year. These positive figures are explained by the recovery of corporate investment budgets and more beneficial tax legislation.

2.1.2 INVESTMENTS PORTFOLIO

BANCOLOMBIA's investments debt securities amounted to Ps 4,582 billion, decreasing 9.1% as compared to Ps 5,039 billion from the previous quarter. In year over year basis, this represents an increase of 9.8%, from Ps 4,173 billion.

2.1.3 ASSET QUALITY

As of September 30, 2004, the Bank's past due loans, as a percentage of total loans reached 1.5%. Loans classified as C, D and E accounted for 3.9% of total loans, continuing their decline. Furthermore, allowances to past due loans for the quarter were 299%.

LOAN CLASSIFICATION (Ps millions)	AS OF 30-SEP-03		AS OF 30-JUN-04		AS OF 30-SEP-04	
-----	-----	-----	-----	-----	-----	-----
"A" Normal	6.972.922	88,5%	8.097.116	91,1%	8.990.520	92,0%
"B" Subnormal	499.463	6,3%	391.174	4,4%	394.013	4,0%
"C" Deficient	70.081	0,9%	99.457	1,1%	105.341	1,1%
"D" Doubtful recovery	240.032	3,0%	207.537	2,3%	190.657	2,0%
"E" Unrecoverable	96.212	1,3%	97.744	1,1%	87.411	0,9%
TOTAL	7.878.710	100%	8.893.028	100%	9.767.942	100%
LOANS CLASSIFIED AS C, D AND E						
AS A PERCENTAGE OF TOTAL LOANS	-----	-----	-----	-----	-----	-----
	5,2%		4,6%		3,9%	
	-----		-----		-----	
ASSET QUALITY						
(Ps millions)			AS OF			
-----			30-SEP-03	30-JUN-04	30-SEP-04	-----
Total performing past due loans (3)			34,167	65,182	58,435	
Total non-performing past due loans (1) (3)			96,029	96,018	88,664	
Total past due loans			130,196	161,200	147,099	
Allowance for loans and accrued interest losses			362,731	444,952	440,282	

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Past due loans to total loans	1.65%	1.81%	1.51%
Non-performing loans to total loans	1.22%	1.08%	0.91%
C, D, and E loans to total loans	5.16%	4.55%	3.93%
Allowances to past due loans (2)	278.60%	276.02%	299.31%
Allowances to C, D, and E loans (2)	89.27%	109.94%	114.83%
Allowances to non-performing loans (2)	377.73%	463.40%	496.57%
Allowances to total loans	4.60%	5.00%	4.51%
Performing loans to total loans	98.78%	98.92%	99.09%

- (1) Non-performing loans comprise consumer loans that are past due 60 days or more, commercial loans that are past due 90 days or more, and mortgage loans that are past due 120 days or more.
- (2) Allowance means allowance for loan and accrued interest losses.
- (3) These items include information of financial lease contracts for effects of comparison with subsequent periods.

2.2 LIABILITIES

Total deposits were stable over the quarter, but they increased 10.9% over the year, to the amount of Ps 10,491 billion as of September 30, 2004. In a year over year basis, interest-bearing deposits increased 11.0%, while non-interest bearing deposits increased 10.6%. This reflects stability in the

4

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3Q04

funding mix composition, with slight changes in the amounts of saving accounts and time deposits as a response of the increase in loan demand.

DEPOSIT MIX COMPOSITION	30-SEP-03	AS OF 30-JUN-04	30-SEP-04
-----	-----	-----	-----
NON-INTEREST BEARING	19,50%	19,94%	19,44%
Checking accounts	17,85%	18,19%	18,07%
Other	1,64%	1,75%	1,37%
	-----	-----	-----
INTEREST BEARING	80,50%	80,06%	80,56%
Checking accounts	10,63%	11,54%	9,76%
Time deposits	44,00%	38,91%	42,39%
Savings deposits	25,87%	29,61%	28,41%
	-----	-----	-----
TOTAL DEPOSITS	100,00%	100,00%	100,00%
	-----	-----	-----

2.3 SHAREHOLDERS' EQUITY

BANCOLOMBIA's shareholders' equity totaled Ps 1,922 billion at the end of the third quarter of 2004. It increased 11.5% and 24.0%, as compared to the previous quarter and the third quarter of 2003, respectively. Unrealized gains on investment debt securities totaled Ps 50.6 billion as

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of September 30, 2004.

At the end of the third quarter, the Bank's consolidated ratio of technical capital to risk weighted assets remained at about 13.0%.

TECHNICAL CAPITAL RISK WEIGHTED ASSETS Consolidated (Ps millions)	30-SEP-03	AS OF 30-JUN-04	30-SEP-04
Basic capital (Tier I)	1.079.512	1.283.387	1.394.699
Additional capital (Tier II)	255.796	228.672	264.969
Technical capital (1)	1.335.308	1.512.059	1.659.668
Risk weighted assets included market risk	9.796.545	11.759.860	12.764.018
CAPITAL ADEQUACY (2)	13,63%	12,86% (3)	13,00%

- (1) Technical capital is the sum of basic capital and additional capital.
- (2) Capital Adequacy is Technical capital divided by Risk weighted assets
- (3) In attention to the External Circular 037 of 2004, issued by the Superintendency of Banking, it was obligatory to calculate a new Technical Capital to Risk Weighted Assets ratio and its components for the month of June 2004.

5

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3. INCOME STATEMENT

BANCOLOMBIA's net income amounted to Ps 187.3 billion during the quarter ended September 30, 2004, as compared to Ps 116.6 billion for the previous quarter and Ps 118.4 billion for the same period last year.

3.1 NET INTEREST INCOME

Net interest income increased to Ps 347.1 billion for the quarter ended September 30, 2004, as compared to Ps 236.9 billion for the previous quarter and Ps 233.7 billion for the third quarter of 2003.

It is important to notice that when compared to the previous quarter, the interest income increased 32.5%, while the interest expense was only 8.5% up. Such increase was due not only to changes in bond prices, but also to the increase in interest income on loans as well as on financial leases.

3.2 PROVISIONS

Provisions for loan and interest losses amounted to Ps 36.4 billion, increasing 53.7% as compared to the previous quarter. Additionally, provisions for foreclosed assets increased 357%. Recoveries of provisions for foreclosed assets amounted to Ps 1.1 billion, decreasing 88.7% as

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compared to the second quarter of 2004.

3.3 FEES AND INCOME FROM SERVICES

During the third quarter of 2004, total net fees and other service income amounted to Ps 109.5 billion, remaining stable over quarter. This represents an increase of 16.7% as compared to Ps 93.9 billion for the third quarter of 2003.

Electronic banking services and ATMs fees increased 12.9% as compared to the previous quarter and 36.9%, as compared to the same quarter of year 2003. Even though branch network fees from services were stable during the quarter, they increased 28.6% as compared to the third quarter of 2003. Cash collection and payment fees continued their upward trend amounting to Ps 11.5 billion, which represents a quarterly increase of 6.8% and an annual increase of 44.4%.

3.4 OPERATING EXPENSES

Total operating expenses increased 4.4% during the third quarter of 2004 amounting to Ps 224.5 billion. Nevertheless, due to the increase in net interest income discussed in section 3.1, BANCOLOMBIA's efficiency ratio reached 45.4% during the third quarter and 50.0% during the nine-month period ended September 30, 2004.

6

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PRINCIPAL RATIOS	3Q 03	QUARTERS 2Q 04	3Q 04	SEP-03
-----	-----	-----	-----	-----
PROFITABILITY				
Net interest margin (1)	8,19%	7,36%	10,34%	8,66%
Return on average total assets (2)	3,60%	3,17%	4,90%	3,27%
Return on average shareholders' equity (3)	33,80%	28,57%	43,87%	30,74%
EFFICIENCY				
Operating expenses to net operating income (4)	54,22%	58,20%	45,39%	52,49%
Operating expenses to average total assets (4)	6,11%	6,00%	6,02%	5,95%
CAPITAL ADEQUACY				
Shareholders' equity to total assets	11,11%	10,71%	11,81%	11,11%
Technical capital to risk weighted assets	13,63%	12,86%	13,00%	13,63%

(1) Defined as Net Interest Income divided by monthly average interest-earning assets.

(2) Net income divided by monthly average total assets.

(3) Net income divided by monthly average shareholders' equity.

(4) Operating income includes net interest income, total fees and income from services, and total other operating income. The efficiency ratios

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contained herein are not comparable to those previously released by BANCOLOMBIA because merger expenses have been included as operating expenses.

3.5 OTHER OPERATING INCOME

Other operating income totaled Ps 50.4 billion during the third quarter of 2004, a 50.6% increase from Ps 33.5 billion during the previous quarter. The increase resulted from higher dividend income mainly dividend payments from Conavi.

7

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4. SUBSIDIARIES

BANCOLOMBIA PANAMA AND ITS SUBSIDIARIES

The following table is expressed in US dollars.

BANCOLOMBIA PANAMA AND ITS SUBSIDIARIES BALANCE SHEET AND INCOME STATEMENT (US\$)

	QUARTER	
	2Q 04	3Q 04
-----	-----	-----
ASSETS		
Loans and financial leases, net	521.118.663	628.519.327
Investment securities, net	508.776.132	248.557.106
Overnight funds sold	109.401.486	184.374.508
Other assets	41.388.857	54.119.698
	-----	-----
TOTAL ASSETS	1.180.685.138	1.115.570.639
	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY		
Deposits	1.022.790.639	941.648.544
Other liabilities	5.733.688	5.891.056
TOTAL LIABILITIES	1.028.524.327	947.539.600
Shareholders' equity	152.160.811	168.031.039
	-----	-----
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	1.180.685.138	1.115.570.639
	-----	-----
Interest income	16.528.605	20.099.845
Interest expense	(4.263.276)	(4.392.505)
NET INTEREST INCOME	12.265.329	15.707.340
Net provisions	(99.229)	(1.160.501)
Other operating income	297.755	786.719
Other operating expense	(533.777)	(639.238)
	-----	-----
NET INCOME	11.930.078	14.694.320
	-----	-----

BANCOLOMBIA Panama's loan portfolio increased 20.6% while investments

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dropped 51.2% over the quarter. Total assets decreased 5.5% over the third quarter of 2004 to US\$1,116 million as of September 30, 2004, as compared to US\$1,181 million as of June 30, 2004. On the other hand, shareholders' equity increased 10.4% over the quarter from US\$152 million to US\$168 million as of September 30, 2004. Unrealized gains on investment securities totaled US\$5.4 million as of September 30, 2004.

BANCOLOMBIA Panama reported net income of US\$14.7 million during the third quarter, 2004 up 23.2% as compared to net income of US\$11.9 million for the second quarter of the year. Interest income increased 21.6% during the quarter mainly due to the recovery of bond prices, whereas net provisions were up after the recovery of provisions on investments mentioned in the second quarter press release.

8

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3Q04

5. RATINGS AND RECOGNITIONS

- The risk-rating firm Duff & Phelps de Colombia ratified the Bank's Triple A rating for long term debt and BP1+ for short-term obligations. These ratings are the highest given in the Colombian financial sector.
- In September, The Banker selected BANCOLOMBIA for the third consecutive year as "Bank of the Year" in Colombia.
- For the second consecutive year, LATIN FINANCE selected BANCOLOMBIA as "The Bank of the year in Colombia".

9

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3Q04

CONSOLIDATED BALANCE SHEET (Ps millions)	30-SEP-03	AS OF 30-JUN-04	30-SEP-04
ASSETS			
Cash and due from banks	647.289	639.644	649.069
Overnight funds sold	237.090	423.373	117.053
TOTAL CASH AND EQUIVALENTS	884.379	1.063.017	766.122
DEBT SECURITIES			
Trading	4.172.574	5.039.124	4.582.180
Available for Sale	1.632.419	2.111.136	1.952.078
Held to Maturity	1.809.865	2.268.043	1.892.205
EQUITY SECURITIES	730.290	659.945	737.897
Trading	241.050	283.288	274.709
Available for Sale	12.033	43.159	16.028
Market value allowance	229.017	240.129	258.681
	(96.722)	(83.524)	(75.094)

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NET INVESTMENT SECURITIES	4.316.902	5.238.888	4.781.795
	-----	-----	-----
Gross loans and financial leases	7.878.710	8.893.028	9.767.942
Allowance for loan losses	(357.624)	(439.466)	(435.528)
NET TOTAL LOANS	7.521.086	8.453.562	9.332.414
	-----	-----	-----
Accrued interest receivable on loans	85.383	104.869	111.004
Allowance for accrued interest losses	(5.107)	(5.486)	(4.754)
NET TOTAL INTEREST ACCRUED	80.276	99.383	106.250
	-----	-----	-----
Customers' acceptances and derivatives	23.332	67.102	78.444
Net accounts receivable	187.061	162.264	173.078
Net premises and equipment	332.810	371.661	373.075
Foreclosed assets	32.305	30.961	20.013
Prepaid expenses and deferred charges	36.922	18.336	22.672
Good will	101.918	87.905	80.756
Operating leases, net	11.141	9.965	9.146
Other	165.060	237.437	266.716
Reappraisal of assets	257.029	266.883	266.189
	-----	-----	-----
TOTAL ASSETS	13.950.221	16.107.364	16.276.670
	-----	-----	-----
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
DEPOSITS			
NON-INTEREST BEARING	1.844.726	2.110.170	2.039.707
Checking accounts	1.689.342	1.924.749	1.895.729
Other	155.384	185.421	143.978
	-----	-----	-----
INTEREST BEARING	7.616.814	8.473.812	8.451.644
Checking accounts	1.005.903	1.221.367	1.023.922
Time deposits	4.163.304	4.118.498	4.447.256
Savings deposits	2.447.607	3.133.947	2.980.466
	-----	-----	-----
TOTAL DEPOSITS	9.461.540	10.583.982	10.491.351
Overnight funds	932.108	1.097.369	1.051.779
Bank acceptances outstanding	28.383	48.632	55.236
Interbank borrowings	380.167	253.365	239.357
Borrowings from domestic development banks	686.452	762.680	797.985
Accounts payable	503.837	660.855	646.455
Other liabilities	133.571	158.719	170.033
Bonds	64.785	522.896	525.347
Accrued expenses	168.752	253.172	335.294
Minority interest in consolidated subsidiaries	40.419	40.999	41.537
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TOTAL LIABILITIES	12.400.014	14.382.669	14.354.374
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Shareholders' equity	1.550.207	1.724.695	1.922.296
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TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	13.950.221	16.107.364	16.276.670
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[BANCOLOMBIA LOGO]

3Q04

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CONSOLIDATED INCOME STATEMENT (Ps Millions)	AS OF		GROWTH SEP-04/SEP-03
	SEP-03	SEP-04	

INTEREST INCOME AND EXPENSES			
Interest on loans	611.862	837.735	36,92%
Interest on investment securities	415.632	406.898	-2,10%
Overnight funds	14.433	11.527	-20,13%
Leasing	40.071	68.776	71,64%
TOTAL INTEREST INCOME	1.081.998	1.324.936	22,45%

Interest expense			
Checking accounts	8.507	9.414	10,66%
Time deposits	171.767	192.497	12,07%
Savings deposits	85.410	103.655	21,36%
TOTAL INTEREST ON DEPOSITS	265.684	305.566	15,01%

Interbank borrowings	3.550	4.875	37,32%
Borrowings from domestic development banks	42.301	54.262	28,28%
Overnight funds	27.037	27.320	1,05%
Bonds	2.060	29.084	1311,84%
TOTAL INTEREST EXPENSE	340.632	421.107	23,63%

NET INTEREST INCOME	741.366	903.829	21,91%
Provision for loan and accrued interest losses, net	(122.282)	(80.778)	-33,94%
Recovery of charged-off loans	23.148	23.611	2,00%
Provision for foreclosed assets and other assets	(72.443)	(25.399)	-64,94%
Recovery of provisions for foreclosed assets and other assets	5.059	11.741	132,08%
TOTAL NET PROVISIONS	(166.518)	(70.825)	-57,47%
NET INTEREST INCOME AFTER PROVISION FOR LOANS AND ACCRUED INTEREST LOSSES	574.848	833.004	44,91%

Commissions from banking services and other services	35.307	49.067	38,97%
Electronic services and ATM's fees	35.134	45.006	28,10%
Branch network services	20.922	27.690	32,35%
Collections and payments fees	21.968	31.626	43,96%
Credit card merchant fees	41.219	53.223	29,12%
Credit and debit card annual fees	43.126	49.803	15,48%
Checking fees	37.629	36.601	-2,73%
Warehouse services	31.909	35.981	12,76%
Fiduciary activities	27.971	38.046	36,02%
Check remittance	15.667	8.145	-48,01%
International operations	19.668	15.383	-21,79%
FEES AND OTHER SERVICE INCOME	330.520	390.571	18,17%

Fees and other service expenses	(74.977)	(72.012)	-3,96%
TOTAL FEES AND INCOME FROM SERVICES, NET	255.543	318.559	24,66%

OTHER OPERATING INCOME			
Net foreign exchange gains	11.808	(65.629)	-655,80%
Forward contracts in foreign currency	22.014	110.066	399,98%
Dividend income	30.255	30.167	-0,29%
Revenues from commercial subsidiaries	53.059	55.787	5,14%
Communication, postage and others	5.217	5.158	-1,13%
TOTAL OTHER OPERATING INCOME	122.353	135.549	10,79%

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TOTAL INCOME	952.744	1.287.112	35,10%
OPERATING EXPENSES			
Salaries and employee benefits	226.152	264.970	17,16%
Bonus plan payments	18.471	20.023	8,40%
Compensation	19.213	12.869	-33,02%
Administrative and other expenses	255.749	314.735	23,06%
Deposit security, net	22.170	15.096	-31,91%
Donation expenses	462	152	-67,10%
Depreciation	28.345	33.474	18,09%
TOTAL OPERATING EXPENSES	570.562	661.319	15,91%

NET OPERATING INCOME	382.182	625.793	63,74%
Merger expenses	16.986	16.986	0,00%
NON-OPERATING INCOME (EXPENSE)			
Other income	27.454	34.812	26,80%
Minority interest	538	(2.890)	-637,17%
Other expense	(26.625)	(38.561)	44,84%
TOTAL NON-OPERATING INCOME	1.367	(6.639)	-585,31%
INCOME BEFORE INCOME TAXES	366.563	602.168	64,27%
Income tax expense	(43.527)	(174.246)	300,32%

NET INCOME	323.036	427.922	32,47%

CONSOLIDATED INCOME STATEMENT (Ps Millions)	QUARTER 2Q 04	3Q 04	GROWTH 3Q 04/2Q 04
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INTEREST INCOME AND EXPENSES			
Interest on loans	276.572	303.293	9,66%
Interest on investment securities	72.877	164.156	125,25%
Overnight funds	4.139	3.774	-8,82%
Leasing	22.295	26.702	19,77%
TOTAL INTEREST INCOME	375.883	497.925	32,47%

Interest expense			
Checking accounts	3.075	3.176	3,28%
Time deposits	62.815	67.230	7,03%
Savings deposits	37.679	35.912	-4,69%
TOTAL INTEREST ON DEPOSITS	103.569	106.318	2,65%

Interbank borrowings	900	2.473	174,78%
Borrowings from domestic development banks	17.870	18.616	4,17%
Overnight funds	5.644	11.654	106,48%
Bonds	11.021	11.797	7,04%
TOTAL INTEREST EXPENSE	139.004	150.858	8,53%

NET INTEREST INCOME	236.879	347.067	46,52%
Provision for loan and accrued interest losses, net	(23.668)	(36.379)	53,71%
Recovery of charged-off loans	7.836	9.542	21,77%
Provision for foreclosed assets and other assets	2.527	(6.506)	-357,46%
Recovery of provisions for foreclosed assets and other assets	9.545	1.082	-88,66%

TOTAL NET PROVISIONS	(3.760)	(32.261)	758,01%
NET INTEREST INCOME AFTER PROVISION FOR LOANS AND ACCRUED INTEREST LOSSES	233.119	314.806	35,04%

Commissions from banking services and			

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other services	17.157	16.160	-5,81%
Electronic services and ATM's fees	14.649	16.532	12,85%
Branch network services	9.415	9.585	1,81%
Collections and payments fees	10.762	11.491	6,77%
Credit card merchant fees	18.695	16.914	-9,53%
Credit and debit card annual fees	16.982	16.574	-2,40%
Checking fees	12.081	12.501	3,48%
Warehouse services	11.789	12.879	9,25%
Fiduciary activities	13.072	12.220	-6,52%
Check remittance	2.728	2.584	-5,28%
International operations	4.520	5.693	25,95%
FEES AND OTHER SERVICE INCOME	131.850	133.133	0,97%
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Fees and other service expenses	(23.127)	(23.584)	1,98%
TOTAL FEES AND INCOME FROM SERVICES, NET	108.723	109.549	0,76%
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OTHER OPERATING INCOME			
Net foreign exchange gains	10.830	(17.733)	-263,74%
Forward contracts in foreign currency	3.255	34.368	955,85%
Dividend income	991	14.258	1338,75%
Revenues from commercial subsidiaries	16.848	16.858	0,06%
Communication, postage and others	1.537	2.648	72,28%
TOTAL OTHER OPERATING INCOME	33.461	50.399	50,62%
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TOTAL INCOME	375.303	474.754	26,50%
OPERATING EXPENSES			
Salaries and employee benefits	88.328	90.261	2,19%
Bonus plan payments	5.109	5.649	10,57%
Compensation	4.678	3.326	-28,90%
Administrative and other expenses	103.300	110.092	6,58%
Deposit security, net	2.455	2.957	20,45%
Donation expenses	45	59	31,11%
Depreciation	11.046	12.140	9,90%
TOTAL OPERATING EXPENSES	214.961	224.484	4,43%
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NET OPERATING INCOME	160.342	250.270	56,09%
Merger expenses	5.662	5.662	0,00%
NON-OPERATING INCOME (EXPENSE)			
Other income	7.754	11.900	53,47%
Minority interest	(1.404)	(1.298)	-7,55%
Other expense	(7.520)	(6.703)	-10,86%
TOTAL NON-OPERATING INCOME	(1.170)	3.899	433,25%
INCOME BEFORE INCOME TAXES	153.510	248.507	61,88%
Income tax expense	(36.927)	(61.216)	65,78%
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NET INCOME	116.583	187.291	60,65%
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