

BANCOLOMBIA SA  
Form 6-K  
December 19, 2007

**UNITED STATES  
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 1934**

**For the month of December, 2007.**

**Comission File Number 001-32535**

**Bancolombia S.A.**

(Translation of registrant's name into English)

Calle 50 No. 51-66

Medellín, 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 if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(2):

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-\_\_\_\_\_.

**BANCOLOMBIA ANNOUNCES THAT BANCOLOMBIA (PANAMA) S.A INCREASES ITS  
PARTICIPATION IN BANAGRICOLA**

**Medellín, Colombia, December 18, 2007**

Pursuant to an agreement with Bienes y Servicios S.A (BYSSA), BANCOLOMBIA (PANAMA) S.A. today acquired on the Panama Stock Exchange from BYSSA and one of its subsidiaries, 9.59% of Banagrícola's shares, in a transaction expected to be settled on December 21, 2007, for an aggregate purchase price totaling USD 87.7 million (USD48.45024 per share).

Once this transaction settles, BANCOLOMBIA (PANAMA) S.A. will own **98.900429%** of Banagrícola.

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**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: December 18, 2007

By: /s/ JAIME ALBERTO VELÁSQUEZ B.

Name: Jaime Alberto Velásquez B.

Title: Vice President of Finance