



COLONY

BANKCORP, INC.

Investor Presentation
2nd Quarter - 2019

CAUTIONARY STATEMENTS

This presentation contains "forward-looking statements" as defined in the Private Securities Litigation Reform Act of 1995. In general, forward-looking statements usually use words such as "may," "believe," "expect," "anticipate," "intend," "will," "should," "plan," "estimate," "predict," "continue" and "potential" or the negative of these terms or other comparable terminology, including statements related to the expected returns and other benefits of the merger to shareholders. Forward-looking statements represent management's beliefs, based upon information available at the time the statements are made, with regard to the matters addressed; they are no guarantees of future performance. Forward-looking statements are subject to numerous assumptions, risks and uncertainties that change over time and could cause actual results or financial condition to differ materially from those expressed in or implied by such statements.

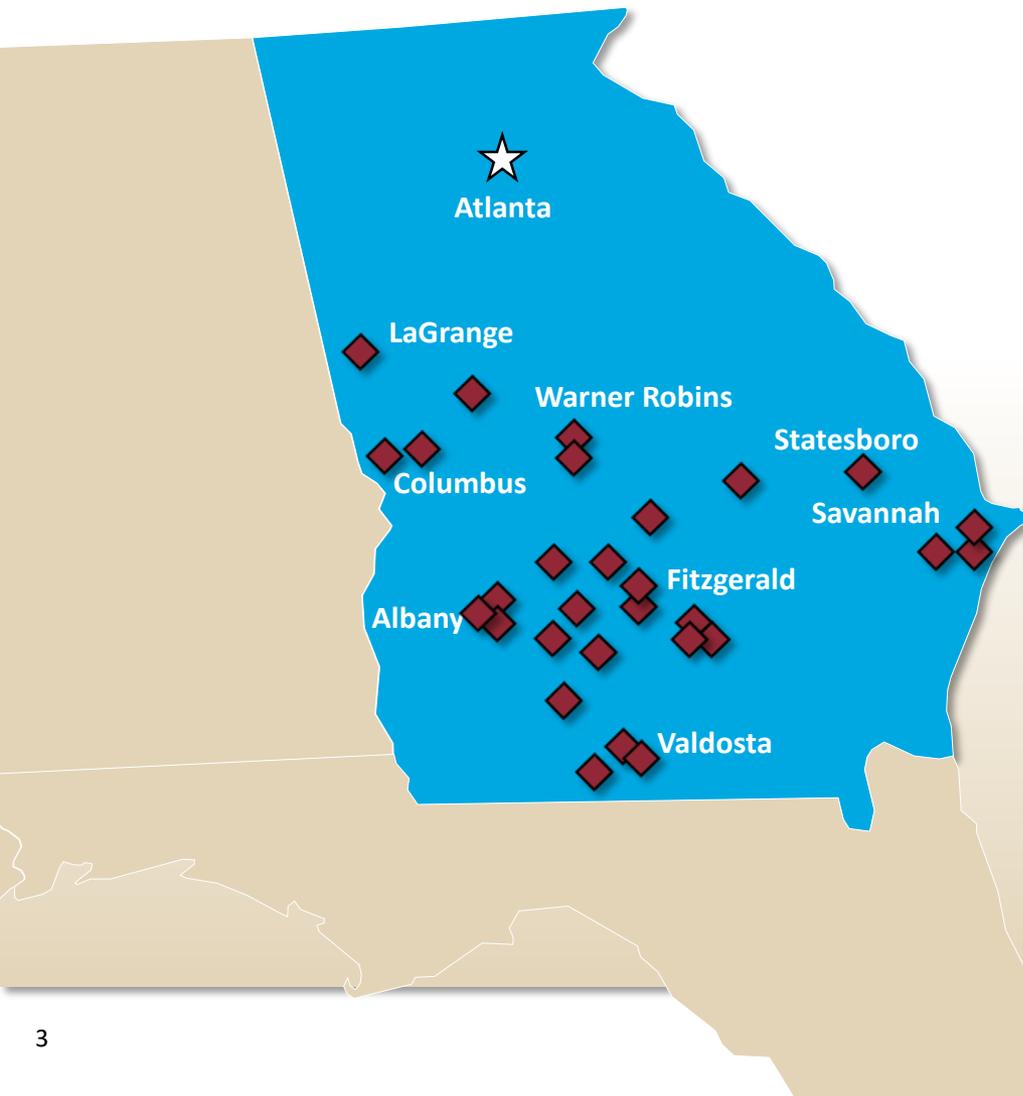
Factors that could cause or contribute to such differences include, but are not limited to, (1) the risk that the cost savings and any revenue synergies from the merger may not be realized or take longer than anticipated to be realized, (2) disruption from the merger with customers, suppliers, employee or other business partners relationships, (3) the risk of successful integration of LBC and PFB Mortgage businesses into the Company, (4) the amount of the costs, fees, expenses and charges related to the merger, (5) reputational risk and the reaction of each of the companies' customers, suppliers, employees or other business partners to the merger, (6) the risk that the integration of LBC and PFB Mortgage operations into the operations of the Company will be materially delayed or will be more costly or difficult than expected, (7) the possibility that the merger may be more expensive to complete than anticipated, including as a result of unexpected factors or events, (8) the dilution caused by the Company's issuance of additional shares of its common stock in the merger transaction, and (9) general competitive, economic, political and market conditions. Additional factors which could affect the forward-looking statements can be found in the cautionary language included under the headings "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" in the Company's Annual Reports on Form 10-K for the year ended December 31, 2018, and other documents subsequently filed by the Company with the SEC. Consequently, no forward-looking statement can be guaranteed. The Company expressly disclaims any obligation to update any factors or to announce publicly the results of revisions to any of the forward-looking statements included herein to reflect future events or developments.

LEADERSHIP TEAM

Name	Position	Years in Banking	Years With CBAN
T. Heath Fountain	President and Chief Executive Officer	19	1
Max "Eddie" Hoyle	EVP, Chief Banking Officer	40	8
Tracie Youngblood	EVP, Chief Financial Officer	25	-
Terry L. Hester	EVP, Treasurer	44	44
Edward "Lee" Bagwell	EVP, Chief Risk Officer and General Counsel	16	16
J. Stan Cook	EVP, Chief Credit Officer	34	7
Kimberly Dockery	EVP, Chief Administrative Officer	13	1

COMPANY PROFILE

Locations at June 30, 2019



- Founded in 1975
- Headquartered in Fitzgerald, Georgia
- \$1.5 billion in assets at June 30, 2019
- 29 locations in central, southern and coastal Georgia
- The ninth largest Georgia-based bank in the state and the largest community bank headquartered outside of Atlanta
- Strong capital position, solid credit quality
- New leadership joined July 2018
- Strategic plan for profitable growth

STRATEGIC ADVANTAGES

- Size and capabilities
- Attractive footprint
- Clean balance sheet
- No TARP overhang
- New, seasoned leadership with a proven track record

DRIVING HIGH PERFORMANCE

■ Change the culture

- Assess current talent
- Strengthen the team where needed
- Changes in executive and senior management
- Added talent to the production staff
- Initiate new procedures and processes
- Proactive business development
- Implement sales tracking program
- Increase accountability
- Implement incentives to retain and attract high caliber bankers

DRIVING HIGH PERFORMANCE

- Change the culture
- Reallocate our resources
 - Focus on loan and deposit opportunities
 - Opportunities across the footprint
 - Expansion
 - Efficiency
 - Realign balance sheet
 - Low loan-to-deposit ratio
 - High level of investments-to-assets

DRIVING HIGH PERFORMANCE

- Change the culture
- Reallocate our resources
- Attract new bankers
 - Identify bankers and teams from larger institutions
 - Create the ideal culture for top bankers
 - Become the banker's bank of choice

DRIVING HIGH PERFORMANCE

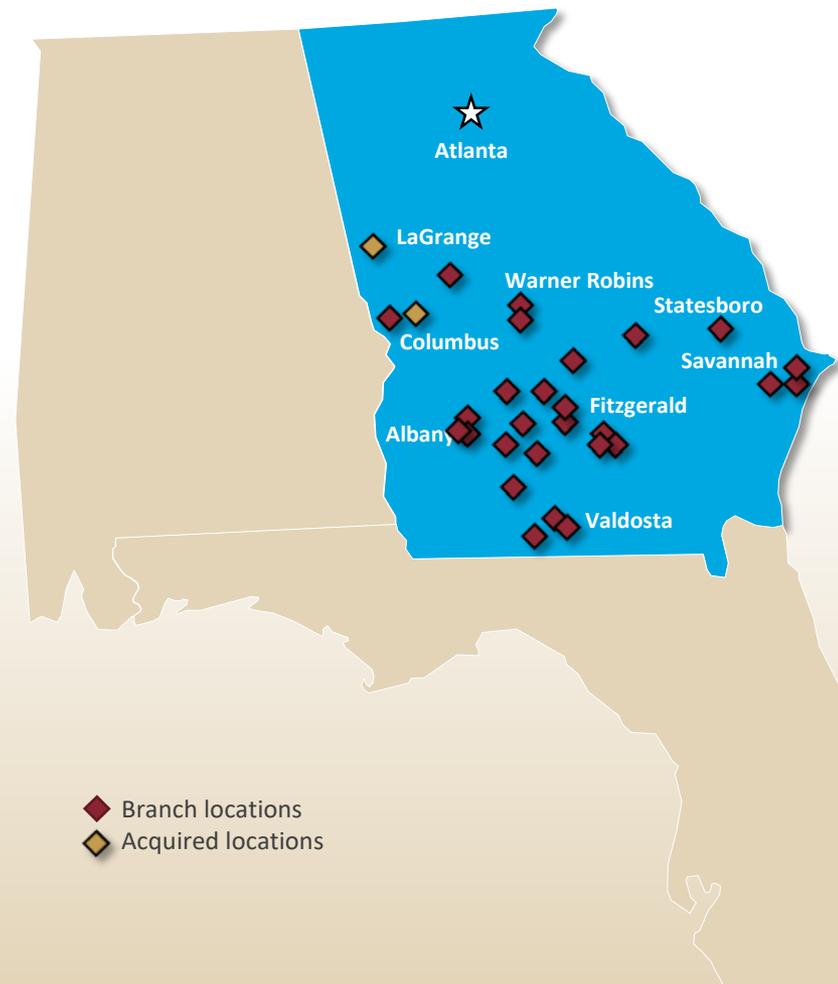
- Change the culture
- Reallocate our resources
- Attract new bankers
- Reaccelerate expansion
 - Lift out/add to banking teams in current and new markets
 - Identify potential whole-bank acquisitions
 - Desired acquisition targets are smaller than targets typically pursued by larger acquisitive banks
 - Less competition to enter smaller MSAs
 - Colony offers a good fit culturally
 - Enhance efficiencies
 - Leverage expansion profitably

ACQUISITION ACTIVITY

Overview

- Completed acquisition of LBC Bancshares on May 1
 - Holding company for Calumet Bank
- Natural expansion into logical, contiguous markets in western Georgia
 - Added two branches located in LaGrange and Columbus, GA
- Projected to be immediately accretive to earnings with a short tangible book earnback
- Provides immediate ability to increase scale and build on existing operations in western Georgia while also providing access to the Atlanta loan market

Franchise Footprint



DRIVING HIGH PERFORMANCE

- Change the culture
- Reallocate our resources
- Attract new bankers
- Reaccelerate expansion
- Target line of business growth
 - Expand mortgage lending – acquired PFB Mortgage with more than \$100 million in annual mortgage production in 2Q19
 - Government guaranteed lending (SBA, USDA) begun in 2Q19
 - Treasury services
 - Consider new lines of business as opportunities arise

FINANCIAL HIGHLIGHTS

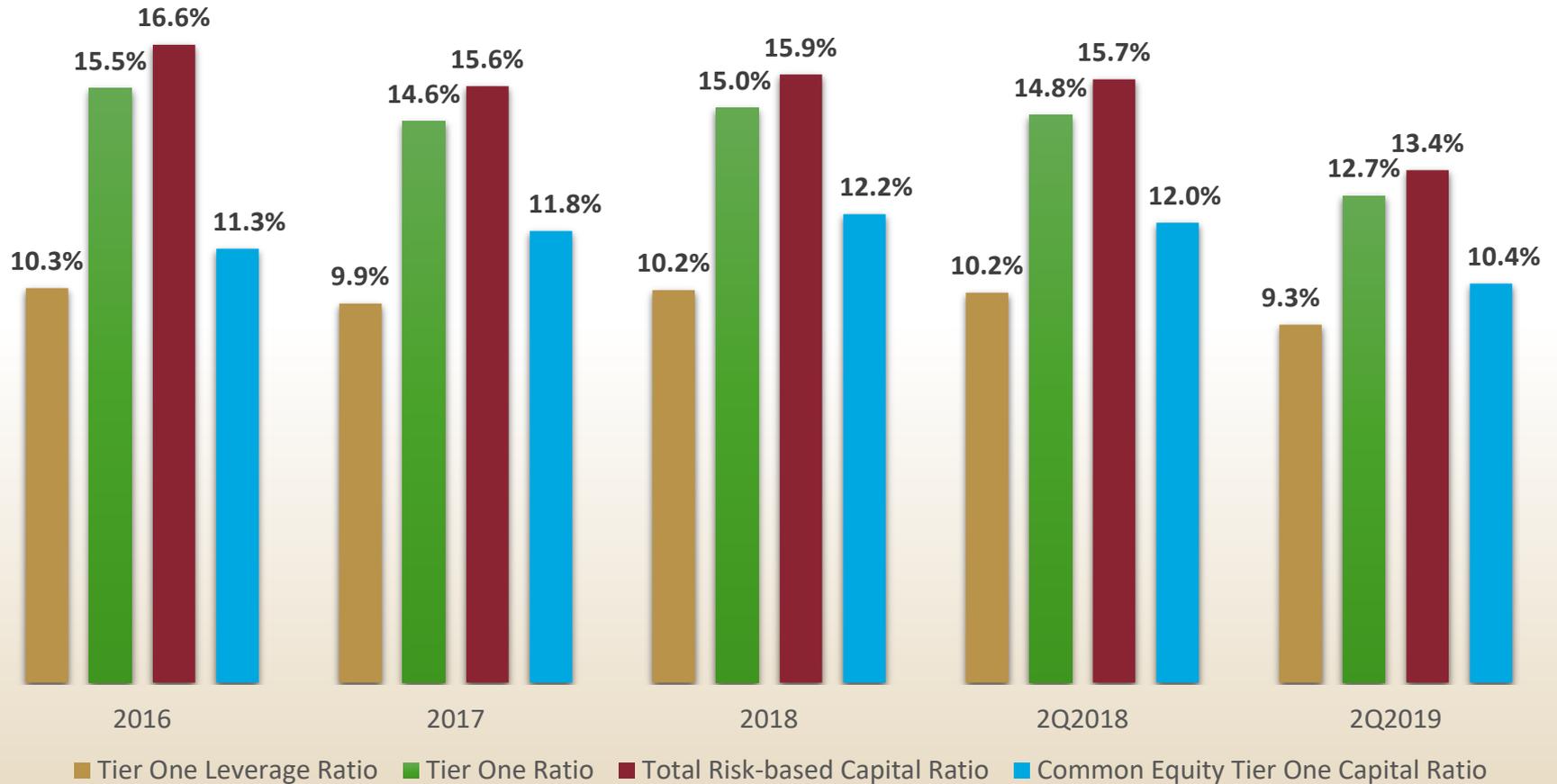
	2016	2017	2018	2Q2018	2Q2019
Diluted earnings per share	\$0.84	\$0.87*	\$1.40	\$0.36	\$0.23
Non-GAAP earnings per share	\$0.84	\$1.11	\$1.42	\$0.36	\$0.34
Dividends per share	\$0.00	\$0.10	\$0.20	\$0.05	\$0.075
Return on average assets	0.62%	0.63%	0.99%	1.04%	0.60%
Return on average total equity	7.17%	8.28%	13.32%	13.82%	7.43%
Net interest margin	3.51%	3.46%	3.56%	3.57%	3.57%
Efficiency ratio	71.74%	69.19%	70.05%	69.39%	82.28%

* Net income includes a non-cash charge of \$2.0 million or \$0.24 per diluted share to revalue the Company's net deferred tax asset relating to federal income tax legislation enacted on December 22, 2017.

DIVIDENDS RESTORED

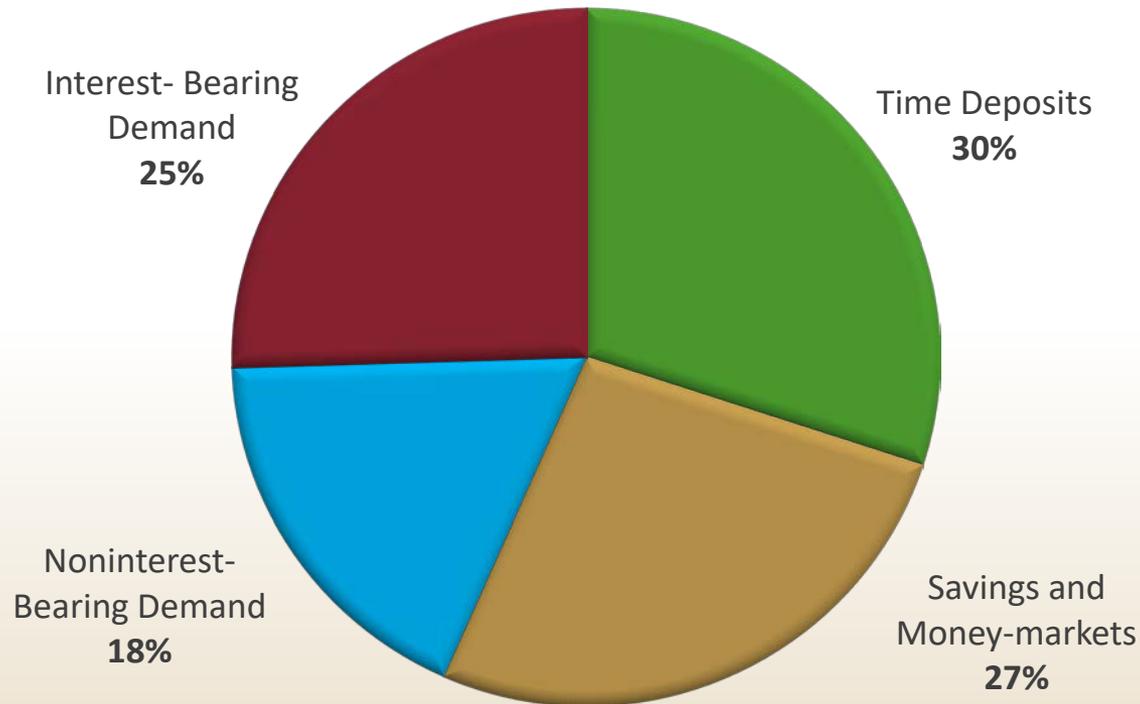
- Cash dividends suspended in 2009
- In 2017, the Company reinstated its quarterly cash dividend at a rate of \$0.025 per share
- The Company increased the quarterly cash dividend to \$0.05 per share in 2018 and to \$0.075 per share in 2019
- The current indicated annual rate is \$0.30 per share, equating to a yield of 1.8% and a payout ratio of 26%
- Positioned to consider further increases in dividends as earnings grow

CAPITAL RATIOS



SOLID CORE DEPOSIT FRANCHISE

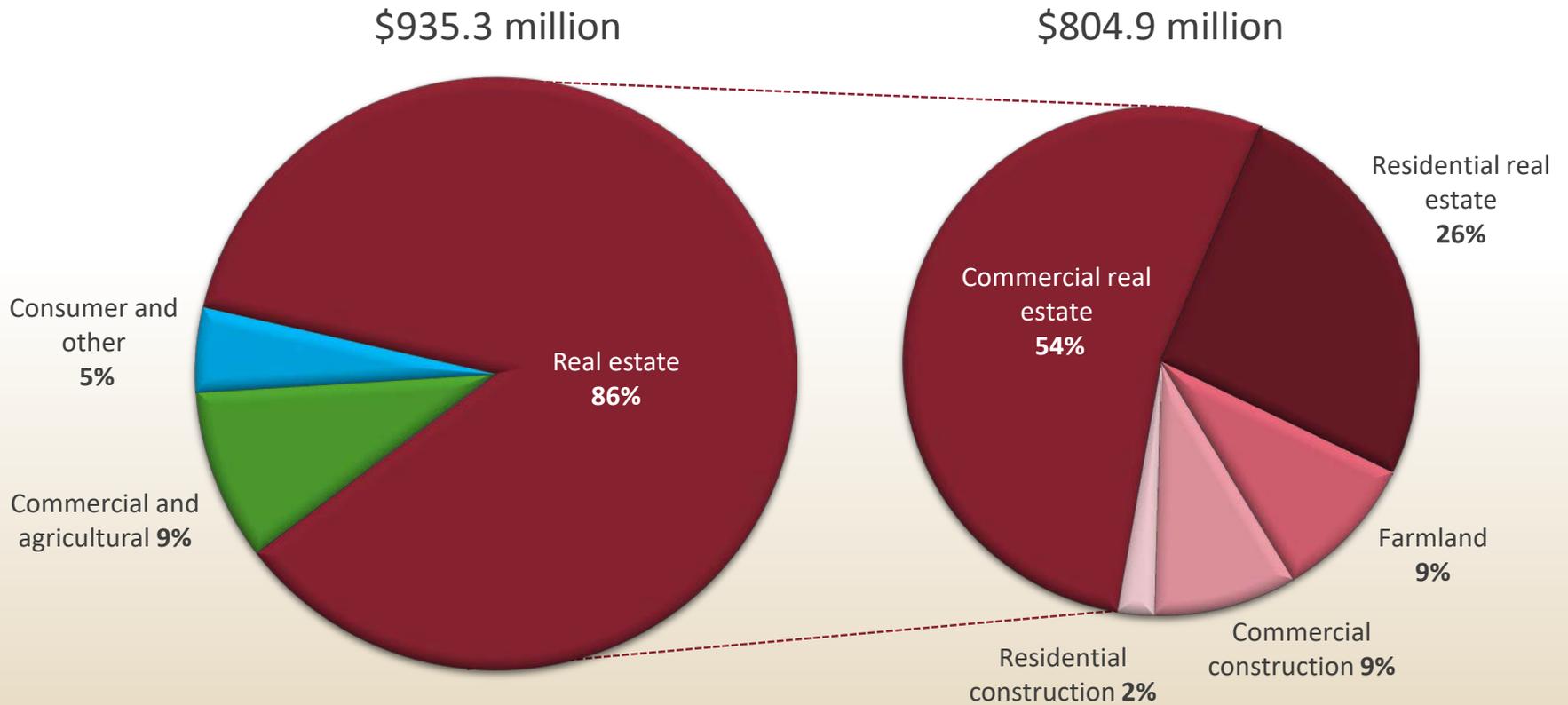
As of June 30, 2019



Total Deposits: \$1.30 billion
MRQ Cost of Deposits: 0.86%

LOAN PORTFOLIO BREAKDOWN

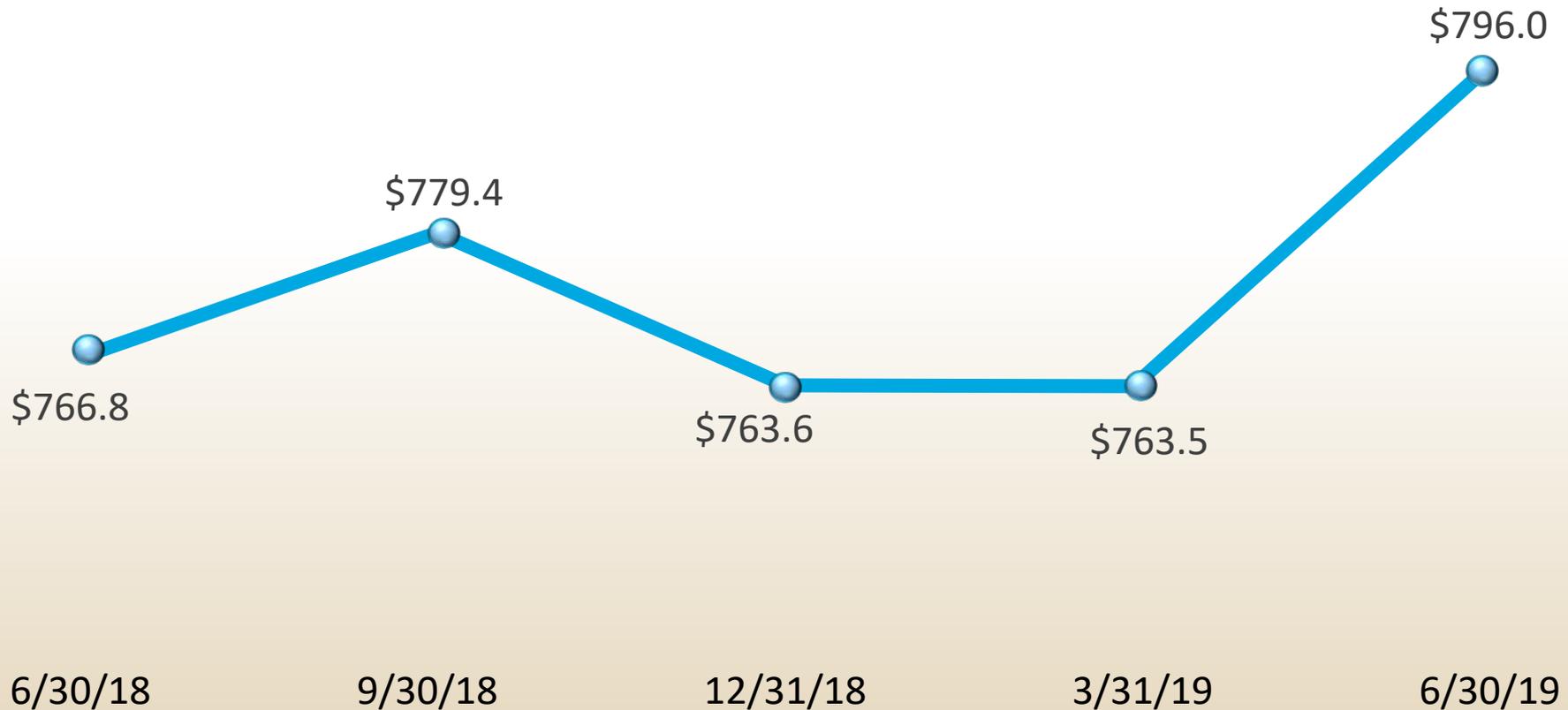
As of June 30, 2019



LOAN PORTFOLIO GROWTH

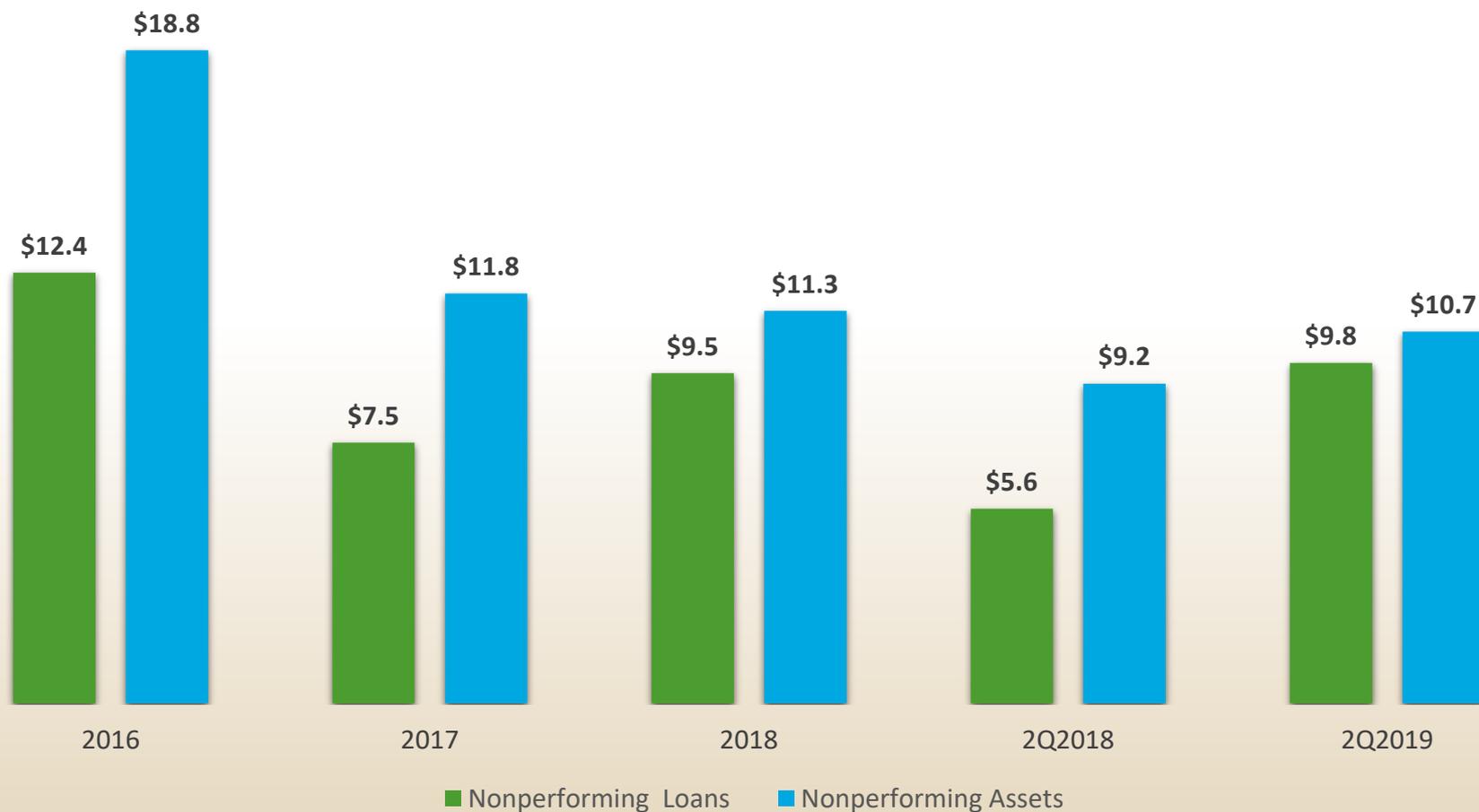
(Dollars in millions)

Legacy Loan Trends



ASSET QUALITY TRENDS

(Dollars in millions)



KEY INVESTMENT POINTS

- Strong, experienced management team
- Renewed focus on generating organic loan and deposit growth
- Potential acquisition opportunities
- Well positioned to take advantage of market disruption
- Nimble, with responsive decision/credit process
- Positioned to expand in existing and new lines of business

COLONY
BANKCORP, INC.

Right here with you.

NASDAQ: CBAN