

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Colony Bankcorp, Inc.		58-1492391	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Terry Hester	229-426-6000	thester@colonybank.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
115 S Grant St, Fitzgerald, GA 31750		Fitzgerald, GA 31750	
8 Date of action		9 Classification and description	
May 1, 2019		Stock issue by way of merger	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
19623P101		CBAN	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On May 1, 2019, Colony Bankcorp, Inc. ("Colony") completed its acquisition of LBC Bancshares, Inc. ("LBC"), the holding company for Calumet Bank.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The merger was intended to be tax free under Section 368(a) of the Internal Revenue Code. Accordingly, the holder's aggregate basis in Colony common stock received in the merger will equal the aggregate tax basis in the LBC common stock exchanged for Colony common stock in the merger.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ 368 (a)

18 Can any resulting loss be recognized? ▶ If a U.S. holder exchanges its shares of LBC common stock soley for cash, the U.S. holder will recognize gain or loss on the exchange measured by the difference between the amount of cash received in the exchange and the U.S. holder's basis in the shares of LBC common stock surrendered in exchange for such cash.


19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ The merger occured on May 1, 2019.

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ _____ Date ▶ _____

Print your name ▶ Terry Hester Title ▶ Executive VP and CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Richard A. Whitten, Jr		5/29/2019		P00606339
	Firm's name ▶ McNair, McLemore, Middlebrooks & Co., LLC	Firm's EIN ▶ 58-1094351		Phone no. 478-746-6277	
	Firm's address ▶ PO Box One, Macon, GA 31202-0001				

Colony Bankcorp, Inc.
Attachment to Form 8937
Report for Organizational Actions Affecting Basis of Securities

Form 8937, Part II, Box 15:

Each outstanding share of LBC common stock issued and outstanding immediately prior to the effective time of the merger will be converted into the right to receive, at the election of each LBC shareholder, either (i) \$23.50 in cash, or (ii) 1.3239 shares of Colony common stock. The election of stock consideration or cash consideration will be subject to proration such that 55% of the issued and outstanding shares of LBC common stock will be exchanged for Colony common stock and 45% will be exchanged for cash, and at least 50% of the merger consideration will be paid in Colony common stock. As a result, if the aggregate number of shares with respect to which a valid stock or cash election has been made exceeds these limits, shareholders who have elected the form of merger consideration that has been over-subscribed will receive a mixture of both stock consideration or cash consideration in accordance with the proration procedures set forth in the merger agreement so that such limits are not exceeded. Each option or warrant to purchase shares of LBC common stock shall be cancelled as of the effective time of the merger and converted into the right to receive a cash payment equal to the product of (i) the total number of shares of LBC common stock subject to such option or warrant, as applicable, *times* (ii) the excess, if any, of \$23.50 over the exercise price per share of LBC common stock subject to such option or warrant, as applicable.