NEWS RELEASE

Colony Bankcorp, Inc. Announces Second Quarter Results

2007-07-20

FITZGERALD, Ga., July 20, 2007 (PRIME NEWSWIRE) -- Colony Bankcorp, Inc. (Nasdaq:CBAN), today reported record quarterly net income of $2,702,000 for the second quarter of 2007, up 3.52 percent from second quarter 2006 net income of $2,610,000. Diluted earnings per share for the second quarter of 2007 were $0.38 per share compared to $0.36 per share for the same year ago period or an increase of 5.56 percent. Annualized return on assets for the quarter was 0.91 percent and return on equity was 13.58 percent, compared to 0.90 percent and 14.80 percent for the same year ago period, respectively. Net interest margin improved to 3.86 percent for second quarter 2007 from 3.70 percent for first quarter 2007; however, due to sluggish loan activity and the flat to slightly inverted yield curve, net interest margin is below the 3.95 percent for second quarter 2006.

Net income for the six months ended June 30, 2007 was $5,176,000 or $0.72 per share as compared to $4,919,000, or $0.69 per share for the same year ago period. Earnings per share reflect an increase of 4.35 percent from a year ago. Annualized return on assets for the six months ended June 30, 2007 was 0.86 percent and return on equity was 13.17 percent, compared to 0.87 percent and 14.10 percent for the six months ended June 30, 2006, respectively.

Total assets increased 2.96 percent to $1,203,777,000 on June 30, 2007 from $1,169,161,000 a year ago. Net loans increased 4.44 percent to $940,786,000 on June 30, 2007 from $900,781,000 a year ago. Total deposits increased 1.66 percent to $1,021,743,000 on June 30, 2007 from $1,005,086,000 a year ago. Shareholders' equity on June 30, 2007 was $79,858,000 and equaled 6.63 percent of total assets.

The company's focus on credit quality resulted in an outstanding quarter as the ratio of non-performing assets to loans and other real estate on June 30, 2007 was 0.72 percent as compared to 1.00 percent on June 30, 2006 and 0.96 percent on December 31, 2006. Total nonperforming assets decreased $2,183,000 to $6,865,000 on June 30,

2007 from $9,048,000 on December 31, 2006, or a decrease of 24.13 percent. The second quarter 2007 provision for loan losses were $914,000 compared to $1,047,000 for the same period in 2006, while year to date 2007 provision for loan losses were $1,828,000 compared to $1,969,000 for the same year ago period. Net charge-offs for the quarter were 0.05 percent of average loans, up from 0.02 percent for the second quarter of 2006, while net charge-offs for the six months ended June 30, 2007 were 0.13 percent, up from 0.12 percent for the same year ago period. The loan loss reserve of $12,647,000 on June 30, 2007 was 1.33 percent of total loans, which provided coverage of 232.87 percent of non-performing loans and 184.22 percent of non-performing assets, compared to 187.43 percent and 127.34 percent on June 30, 2006, respectively.

During the quarter the board of directors increased the quarterly cash dividend to $0.09 per share compared to $0.0875 per share in the first quarter of 2007 and to the cash dividend of $0.08 per share in the second quarter of 2006. The second quarter dividend payment represents an increase of 12.50 percent over the dividend payment in second quarter 2006.

Colony Bankcorp, Inc. is a multi-bank holding company headquartered in Fitzgerald, Georgia that consists of the following subsidiaries: Colony Bank of Fitzgerald, Colony Bank Wilcox, Colony Bank Ashburn, Colony Bank of Dodge County, Colony Bank Worth, Colony Bank Southeast, Colony Bank Quitman, FSB, Georgia First Mortgage Company and Colony Management Services, Inc. The Company conducts a general full service commercial, consumer and mortgage banking business through twenty-nine offices located in the middle and south Georgia cities of Fitzgerald, Warner Robins, Centerville, Ashburn, Leesburg, Cordele, Albany, Thomaston, Columbus, Sylvester, Tifton, Moultrie, Douglas, Broxton, Savannah, Eastman, Chester, Soperton, Rochelle, Pitts, Quitman and Valdosta, Georgia.

Colony Bankcorp, Inc. Common Stock is quoted on the Nasdaq National Market under the symbol "CBAN".

Certain statements contained in the preceding release that are not statements of historical fact constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"), notwithstanding that such statements are not specifically identified. In addition, certain statements may be contained in the Company's future filings with the SEC, in press releases, and in oral and written statements made by or with the approval of the Company that are not statements of historical fact and constitute forward-looking statements within the meaning of the Act. Examples of forward-looking statements include, but are not limited to: (i) projections of revenues, income or loss, earnings or loss per share, the payment or nonpayment of dividends, capital structure and other financial items; (ii) statement of plans and objectives of Colony Bankcorp, Inc. or its management or Board of Directors, including those relating to products or services; (iii) statements of future economic performance; and (iv) statements of assumptions underlying such statements. Words such as "believes," "anticipates," "expects," "intends," "targeted" and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements.

Forward-looking statements involve risks and uncertainties that may cause actual results to differ materially from those in such statements. Forward-looking statements speak only as of the date on which such statements are made. The Company undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events. Readers are cautioned not to place undue reliance on these forward-looking statements.

COLONY BANKCORP, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	QUARTER ENDED		YEAR-TO-DATE	
EARNINGS SUMMARY	06/30/07	06/30/06	06/30/07	06/30/06
Net Interest Income	$ 10,825	$ 10,680	$ 21,276	$ 20,613
Provision for Loan Losses	914	1,047	1,828	1,969
Non-interest Income	2,056	2,018	4,166	3,626
Non-interest Expense	7,965	7,599	15,874	14,686
Income Taxes	1,300	1,442	2,564	2,665
Net Income	2,702	2,610	5,176	4,919
Operating Income	2,701	2,610	5,053	4,919

COLONY BANKCORP, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	QUARTER ENDED		YEAR-TO-DATE	
	06/30/07	06/30/06	06/30/07	06/30/06
PER SHARE SUMMARY				
Common Shares Outstanding	7,204,775	7,190,535	7,204,775	7,190,535
Weighted Average Diluted Shares	7,197,645	7,177,367	7,196,193	7,175,018
Net Income Per Weighted Average Diluted Shares	$ 0.38	$ 0.36	$ 0.72	$ 0.69
Operating Income Per Weighted Average Diluted Shares	$ 0.38	$ 0.36	$ 0.70	$ 0.69
Dividends Declared				

Per Share	$ 0.09	$ 0.08	$ 0.1775	$ 0.1575

OPERATING RATIOS (1)

Net Interest Margin (a)	3.86%	3.95%	3.78%	3.87%
Return on Average Assets Based on Net Income	0.91%	0.90%	0.86%	0.87%
Return on Average Assets Based on Operating Income	0.91%	0.90%	0.84%	0.87%
Return on Average Equity Based on Net Income	13.58%	14.80%	13.17%	14.10%
Return on Average Equity Based on Operating Income	13.57%	14.80%	12.86%	14.10%
Efficiency (b)	61.40%	59.58%	61.98%	60.31%

	QUARTER ENDED	
ENDING BALANCES	06/30/07	06/30/06
Total Assets	$1,203,777	$1,169,161
Loans Held for Sale	380	--
Loans, Net of Reserves	940,406	900,781
Allowance for Loan Losses	12,647	11,658
Goodwill	2,412	2,412
Intangible Assets	420	469
Deposits	1,021,743	1,005,086
Stockholders' Equity	79,858	71,051
Book Value Per Share	$ 11.08	$ 9.88
Tangible Book Value Per Share	$ 10.69	$ 9.48
Shareholders' Equity to Total Assets	6.63%	6.08%

(1) Annualized.
(a) Computed using fully taxable-equivalent net income.
(b) Computed by dividing non-interest expense by the sum of fully taxable-equivalent net interest income and non-interest income and excluding any security gains/losses.

COLONY BANKCORP, INC.
FINANCIAL HIGHLIGHTS (UNAUDITED)
DOLLARS IN THOUSANDS, EXCEPT PER SHARE DATA

	QUARTER ENDED		YEAR-TO-DATE	
	06/30/07	06/30/06	06/30/07	06/30/06
AVERAGE BALANCES				

Total Assets	$1,192,780	$1,154,272	$1,198,792	$1,133,050
Loans, Net of Reserves	929,996	896,880	922,854	879,648
Deposits	1,019,149	981,730	1,026,235	963,305
Stockholders' Equity	79,599	70,543	78,580	69,751
ASSET QUALITY				
Nonperforming Loans	$ 5,431	$ 6,220	$ 5,431	$ 6,220
Nonperforming Assets	6,865	9,155	6,865	9,155
Net Loan Chg-offs (Recoveries)	437	149	1,170	1,073
Reserve for Loan Loss to Gross Loans	1.33%	1.28%	1.33%	1.28%
Reserve for Loan Loss to Non-performing Loans	232.87%	187.43%	232.87%	187.43%
Reserve for Loan Loss to Non-performing Assets	184.22%	127.34%	184.22%	127.34%
Net Loan Chg-offs (Recoveries) to Avg Gross Loans	0.05%	0.02%	0.13%	0.12%
Nonperforming Loans to Gross Loans	0.57%	0.68%	0.57%	0.68%
Nonperforming Assets to Total Assets	0.57%	0.78%	0.57%	0.78%
Nonperforming Assets to Loans and Other Real Estate	0.72%	1.00%	0.72%	1.00%

Quarterly Comparative Data (in thousands, except per share data)

	2Q2007	1Q2007	4Q2006	3Q2006	2Q2006
Assets	$1,203,777	$1,191,407	$1,213,504	$1,186,382	$1,169,161
Loans	940,786	917,984	929,783	926,332	900,781
Deposits	1,021,743	1,024,632	1,042,446	1,016,327	1,005,086
Equity	79,858	78,553	76,611	74,352	71,051
Net Income	2,702	2,474	2,611	2,622	2,610
Net Income Per Share (1)	0.38	0.34	0.36	0.36	0.36
Dividends					

Declared Per Share (1)	0.09	0.0875	0.085	0.0825	0.08

Key Performance Ratios

	2Q2007	1Q2007	4Q2006	3Q2006	2Q2006
Return on Assets	0.91%	0.82%	0.87%	0.90%	0.90%
Return on Equity	13.58%	12.76%	13.83%	14.45%	14.80%
Equity/Assets	6.63%	6.59%	6.31%	6.27%	6.08%
Net Interest Margin	3.86%	3.70%	3.70%	3.93%	3.95%

Consolidated Balance Sheets Colony Bankcorp, Inc.
(in thousands)

	June 30,	
	2007	2006
ASSETS	(unaudited)	
Cash and Cash Equivalents		
Cash and Due from Banks	$ 28,128	$ 22,554
Federal Funds Sold	16,705	51,830
	44,833	74,384
Interest-Bearing Deposits	2,199	2,914
Investment Securities		
Available for Sale, at Fair Value	155,305	130,155
Held for Maturity, at Cost (Fair Value of $67 and $75 as of June 30, 2007 and June 30, 2006, Respectively)	67	75
	155,372	130,230
Federal Home Loan Bank Stock, at Cost	5,465	5,109
Loans Held for Sale	380	--
Loans	953,494	912,913
Allowance for Loan Losses	(12,647)	(11,658)
Unearned Interest and Fees	(441)	(474)
	940,406	900,781

Premises and Equipment	27,607	27,651
Other Real Estate	1,434	2,935
Goodwill	2,412	2,412
Other Intangible Assets	420	469
Other Assets	23,249	22,276
Total Assets	$1,203,777	$1,169,161
LIABILITIES AND STOCKHOLDERS' EQUITY		
Deposits		
Noninterest-Bearing	$ 75,069	$ 73,624
Interest-Bearing	946,674	931,462
	1,021,743	1,005,086
Borrowed Money		
Federal Funds Purchased	900	--
Subordinated Debentures	24,229	24,229
Other Borrowed Money	69,500	62,117
	94,629	86,346
Other Liabilities	7,547	6,678
Stockholders' Equity		
Common Stock, Par Value $1, Authorized 20,000,000 Shares, Issued 7,204,775 and 7,190,535 Shares as of June 30, 2007 and June 30, 2006, Respectively	7,205	7,191
Paid in Capital	24,503	24,210
Retained Earnings	50,066	42,388
Restricted Stock- Unearned Compensation	(411)	(418)
Accumulated Other Comprehensive Loss, Net of Tax	(1,505)	(2,320)
	79,858	71,051
Total Liabilities and Stockholders' Equity	$1,203,777	$1,169,161

Consolidated Statements of Income Colony Bankcorp, Inc.
(in thousands except per share data)
(unaudited)

	Quarter		Year-to-Date	
	Three Months Ended		Six Months Ended	
	06/30/07	06/30/06	06/30/07	06/30/06
Interest Income				
Loans, Including Fees	$ 20,420	$ 18,652	$ 40,188	$ 35,405
Federal Funds Sold	336	517	967	996
Deposits with Other Banks	34	36	75	54
Investment Securities				
U. S. Government Agencies	1,573	1,182	3,117	2,346
State, County and Municipal	137	88	271	179
Corporate Obligations/ Asset-Backed Sec.	63	37	126	73
Dividends on Other Investments	73	69	149	128
	22,636	20,581	44,893	39,181
Interest Expense				
Deposits	10,673	8,662	21,280	16,176
Federal Funds Purchased	31	7	37	16
Borrowed Money	1,107	1,232	2,300	2,376
	11,811	9,901	23,617	18,568
Net Interest Income	10,825	10,680	21,276	20,613
Provision for Loan Losses	914	1,047	1,828	1,969
Net Interest Income After Provision for Loan Losses	9,911	9,633	19,448	18,644
Noninterest Income				
Service Charges on Deposits	1,214	1,155	2,332	2,187
Other Service Charges, Commissions and Fees	239	203	485	418
Mortgage Fee Income	286	213	538	336
Securities Gains	2	--	186	--
Other	315	447	625	685

	2,056	2,018	4,166	3,626
Noninterest Expense				
Salaries and Employee Benefits	4,687	4,247	9,229	8,326
Occupancy and Equipment	1,010	1,003	2,011	1,988
Other	2,268	2,349	4,634	4,372
	7,965	7,599	15,874	14,686
Income Before Income Taxes	4,002	4,052	7,740	7,584
Income Taxes	1,300	1,442	2,564	2,665
Net Income	$ 2,702	$ 2,610	$ 5,176	$ 4,919
Net Income Per Share of Common Stock				
Basic	$ 0.38	$ 0.36	$ 0.72	$ 0.69
Diluted	$ 0.38	$ 0.36	$ 0.72	$ 0.69
Weighted Average Basic Shares Outstanding	7,187,587	7,176,258	7,184,576	7,173,332
Weighted Average Diluted Shares Outstanding	7,197,645	7,177,367	7,196,193	7,175,018

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