



**Southwest Georgia
Financial Corporation**

**LD Micro
Virtual Conference**

March 7, 2018

**DeWitt Drew
President and CEO**

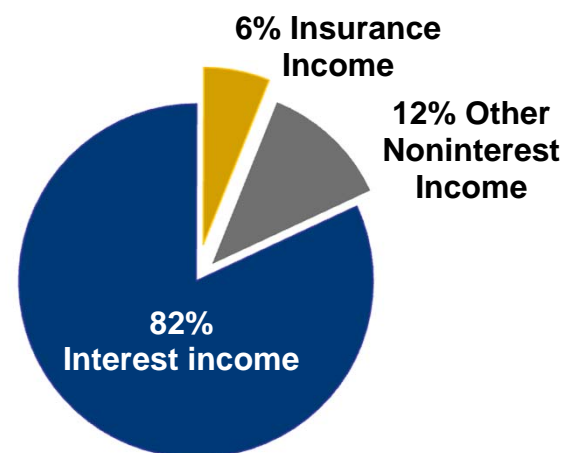
Safe Harbor Statement

This presentation contains forward-looking statements, as defined by federal securities laws, including statements about the Company's financial outlook. These statements are based on current expectations and are provided to assist in the understanding of future financial performance. Such performance involves risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any such statements. Important factors that could cause actual results to differ materially from those contemplated today include a change in the Company's capital structure, new or expanded regulatory requirements, the success of the Company's growth strategy, customer preferences, the interest rate environment and other factors described in the Company's filings with the Securities and Exchange Commission, including its Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q under the sections entitled "Forward-Looking Statements" and "Risk Factors". The Company undertakes no obligation to update any forward-looking statements as a result of new information, future events or otherwise, except as otherwise required by law.



Southwest Georgia Financial Corporation

- ✓ Established in 1928
- ✓ Diverse revenue mix
- ✓ Lower-risk balance sheet with solid capital base
- ✓ Strong market share



2017 Revenue: \$23.5 million

Recent Price	\$20.75	Dividend Yield*	2.1%
52 week range	\$18.50 – 24.00	Total Assets	\$489 million
Market Capitalization	\$53 million	Total Loans	\$330 million
Total Shares Outstanding	2.5 million	Total Deposits	\$397 million
Ownership – Insider	22%	Total Common Equity	\$41 million
Institutional	3%	Book Value	\$16.19

Market data as of March 5, 2018 [Source: S&P Capital IQ]; Financial data as of December 31, 2017; Ownership as of most recent filing

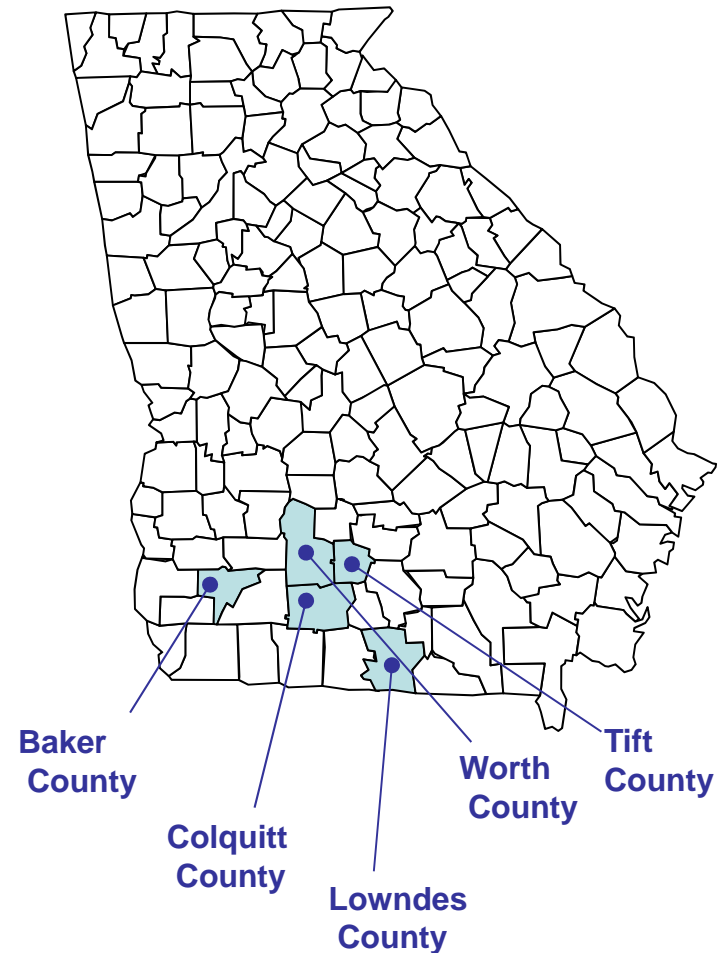
*Annualized dividend



Market Overview

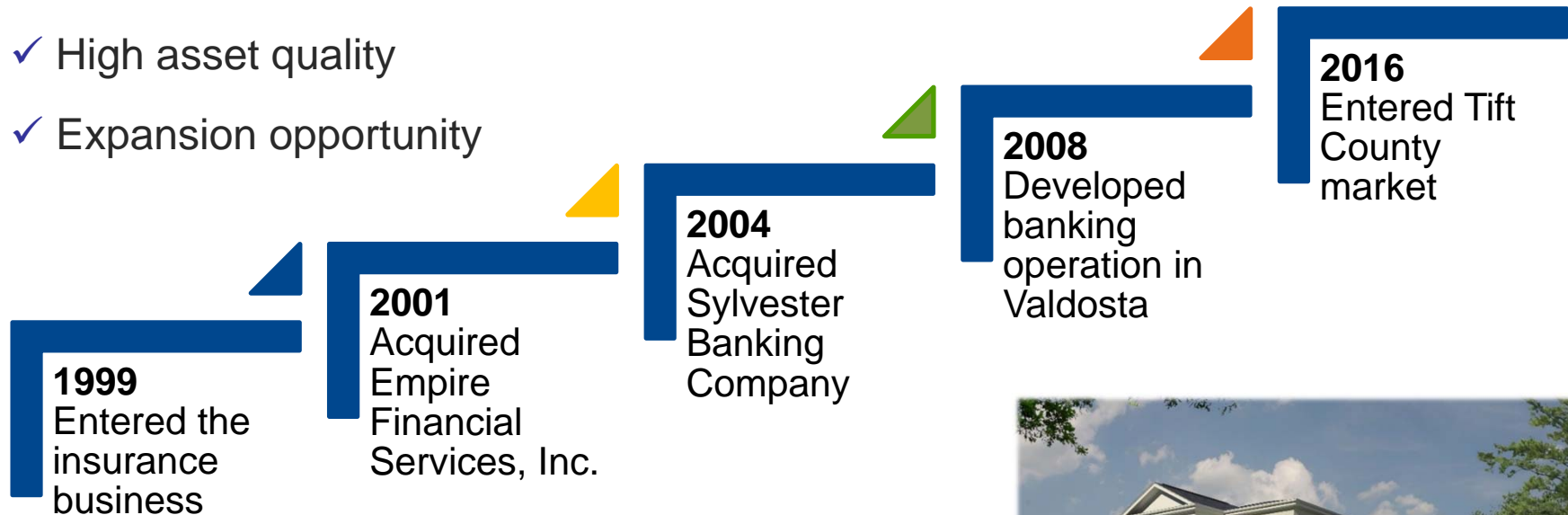
Banking assets concentrated in southwest Georgia

- Stable farm-based economy in rural areas
- Diversified economy in metro areas
- Headquarters: Moultrie (Colquitt)
- Branch offices: Colquitt, Baker, Worth, Lowndes
- Loan production office: Tift
(new full service branch expected in summer 2018)



Market Expansion

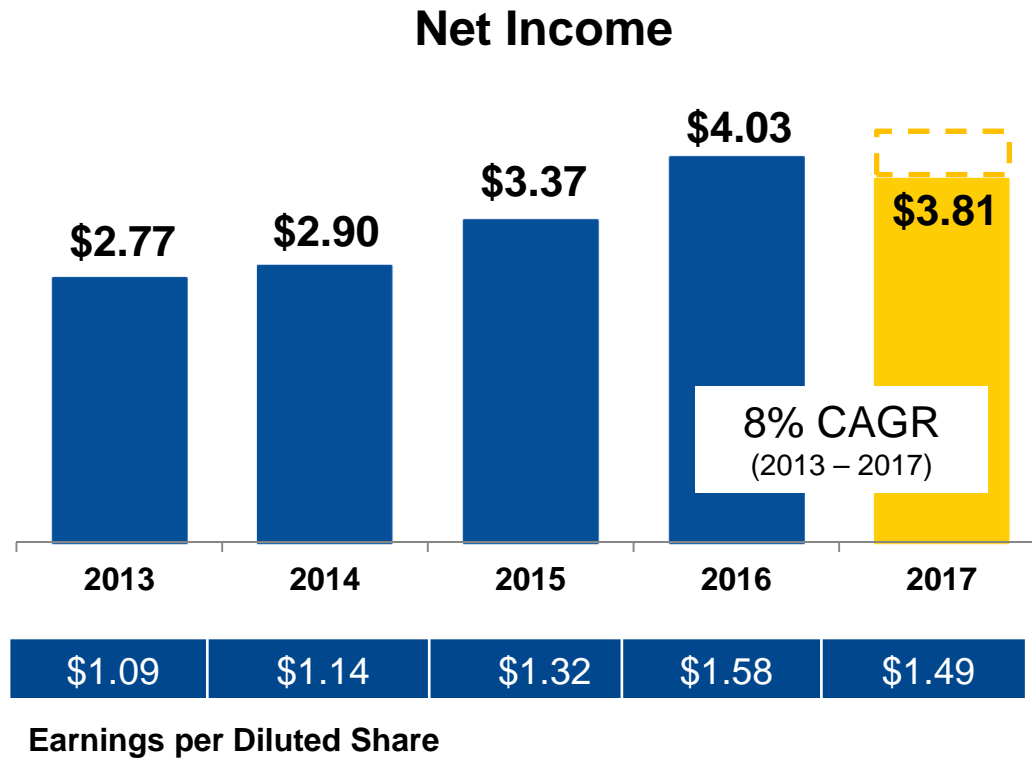
- ✓ 1st or 2nd in market share in Colquitt, Worth and Baker counties
- ✓ 35% market share in Colquitt County
- ✓ Steady loan growth
- ✓ High asset quality
- ✓ Expansion opportunity



Rendering of new full service branch in Tifton

Strong Core Net Income Growth

(in millions, except per share data)



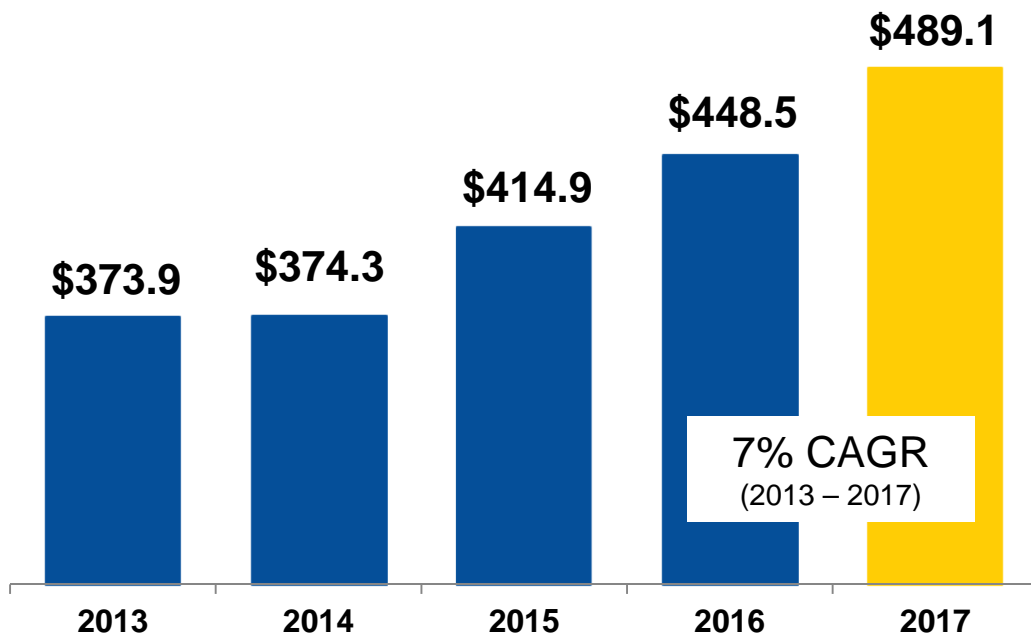
Impressive results despite \$419 thousand writedown of deferred tax asset due to recent tax reform

EPS impact of \$0.17 from writedown in Q4 2017



Asset Growth

(in millions)



+ 9% YOY

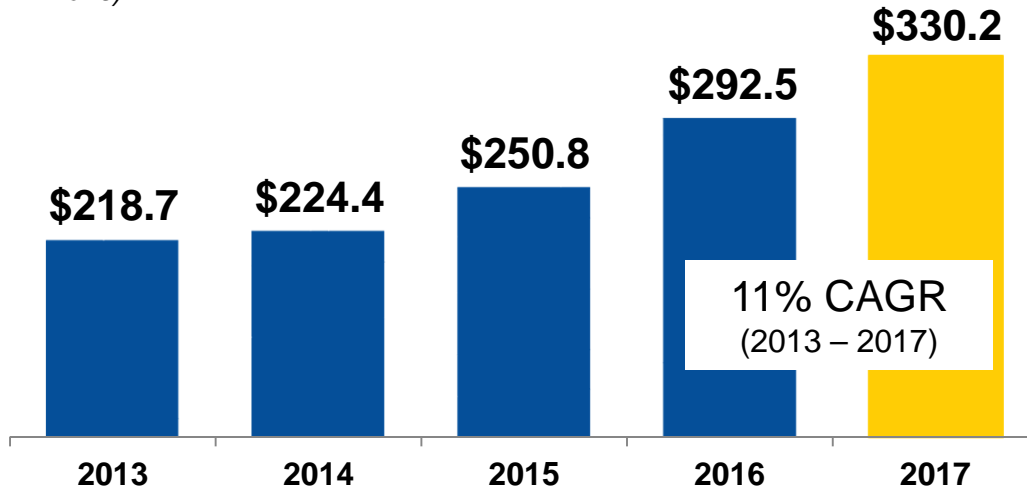
Driven by double-digit loan growth

Added key personnel to drive growth



Robust Loan Growth

(in millions)

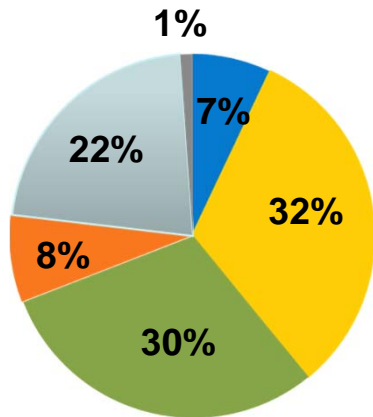


+ 13% YOY

Strong customer relationships and underwriting discipline

Diversified loan portfolio

LTD Ratio 83%



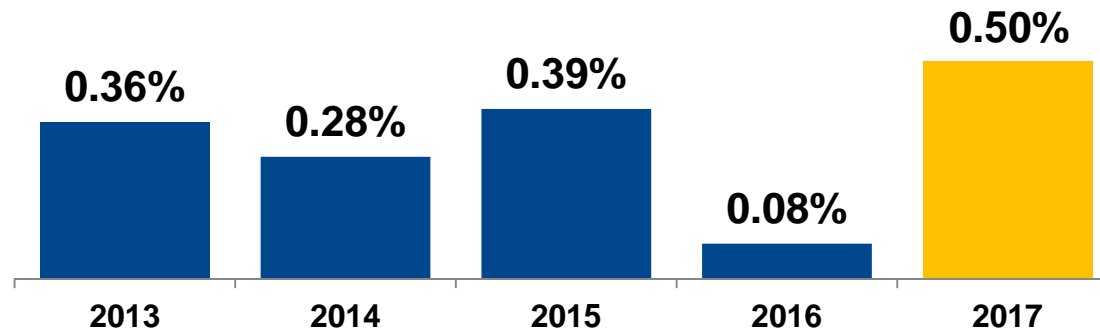
2017 Loan Portfolio

- Construction loans
 - Commercial mortgage loans
 - Residential loans
 - Agricultural RE loans
 - Commercial, financial and agricultural loans
 - Consumer & other loans
- Real estate loans (includes Construction, Commercial mortgage, and Residential loans)

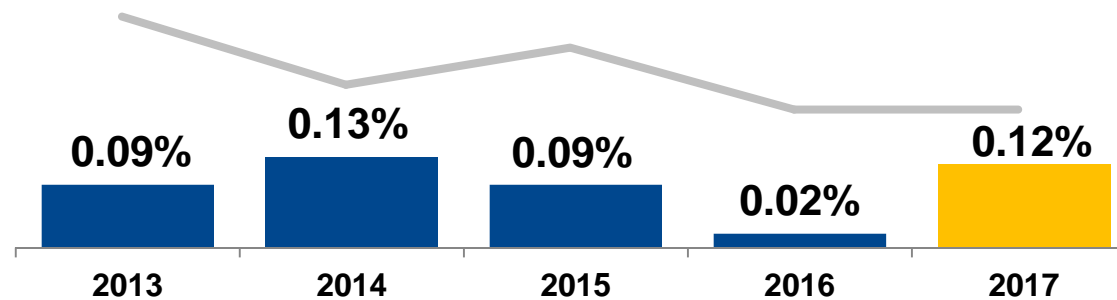


Solid Credit Fundamentals

NPAs to Total Assets



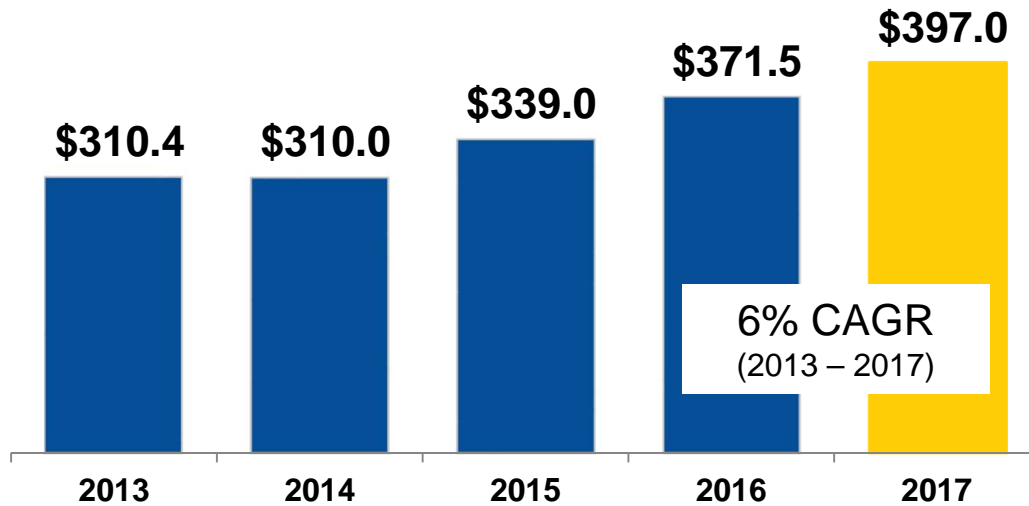
Net Charge Offs to Average Loans



■ SGB — Peer Group <\$500M in assets

Total Deposit Growth

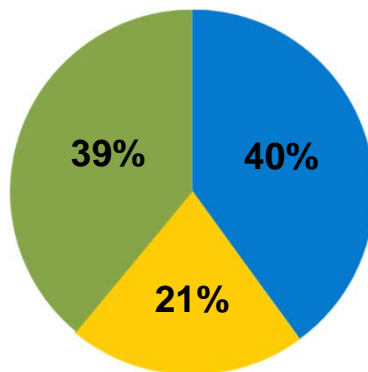
(in millions)



+ 7% YOY

Non-interest bearing deposits increased 9% to \$127.7 million

Cost of interest bearing funds: 0.64%



2017 Deposit Composition

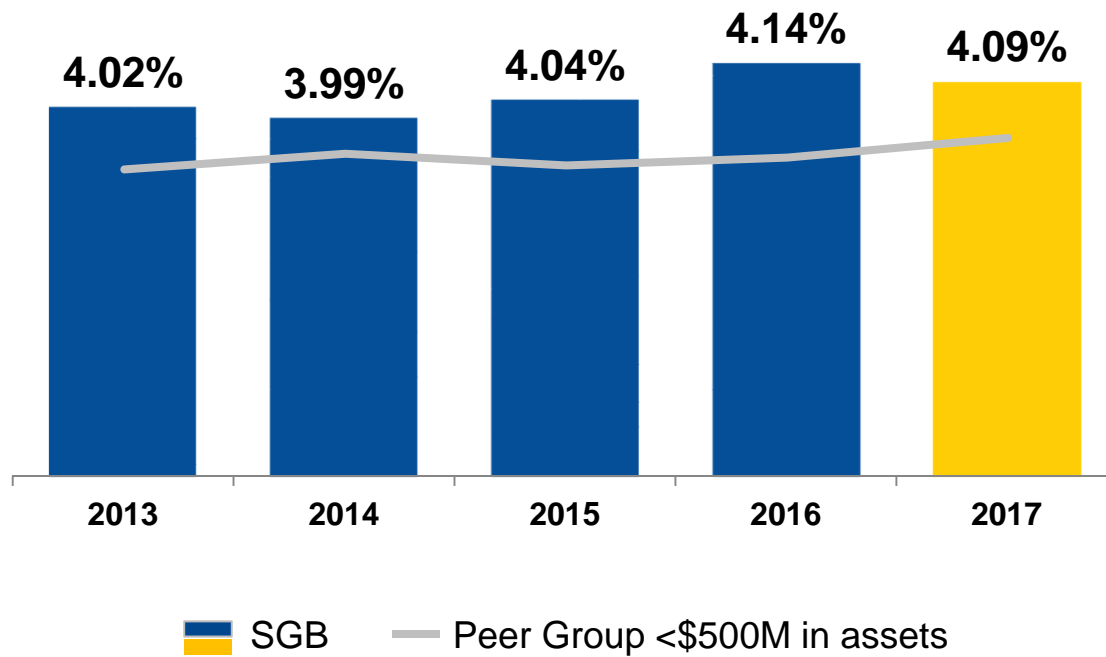
- Savings & Money Market
- Time Deposits
- Demand Deposits



Net Interest Margin

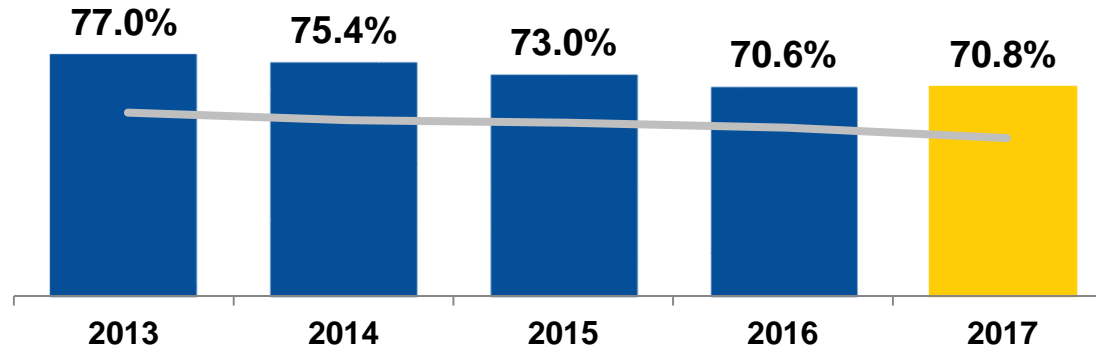
+28 bps over peer group

Disciplined in placing floors on variable loans

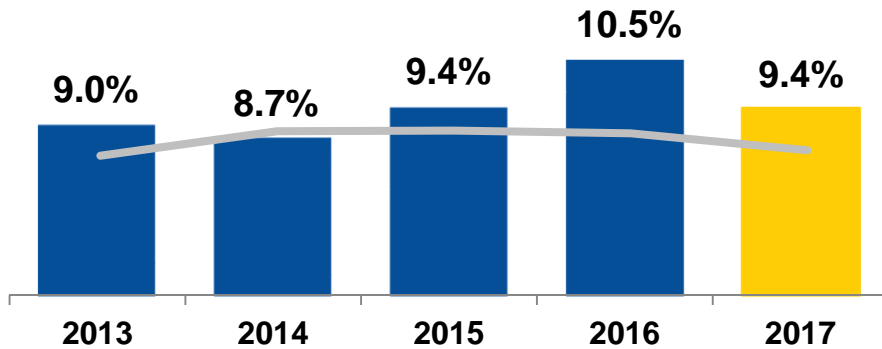


Driving Operating Efficiencies

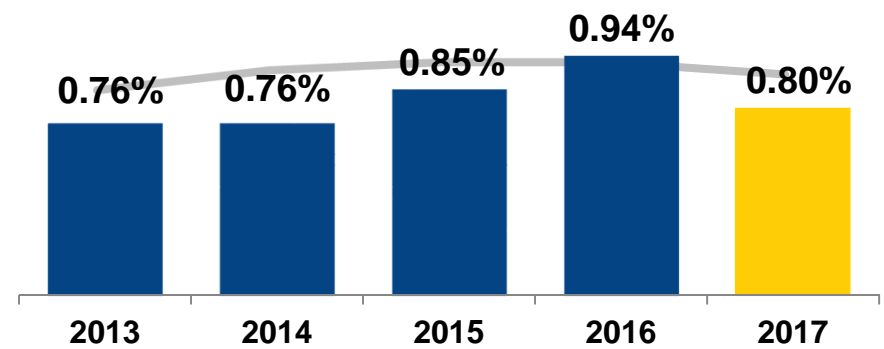
Efficiency Ratio



Return on Average Equity



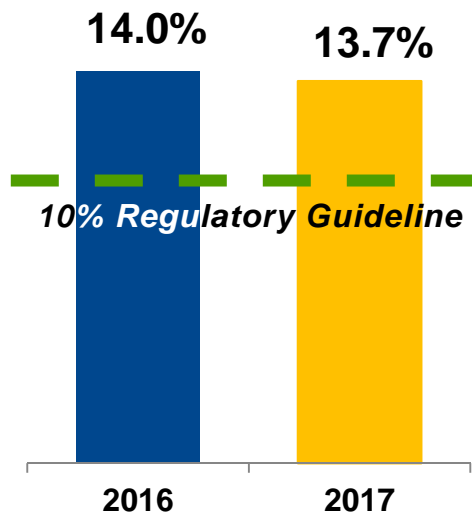
Return on Average Total Assets



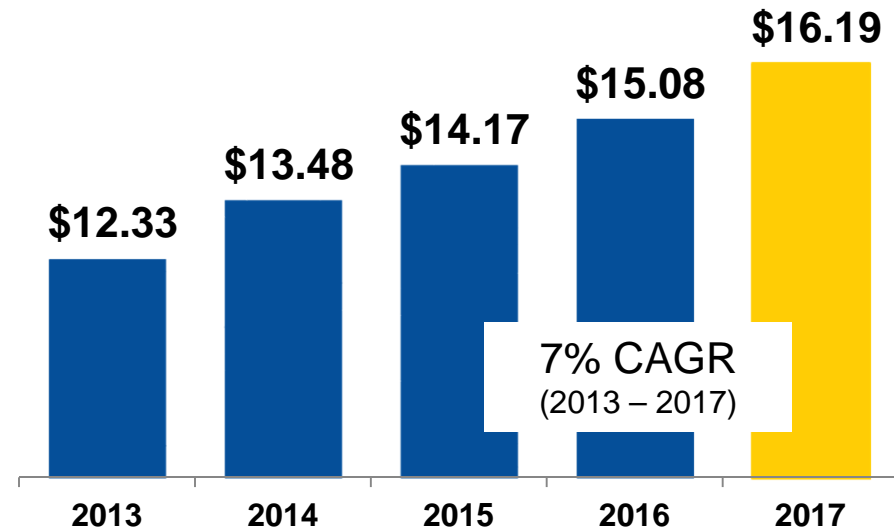
■ SGB — Peer Group <\$500M in assets

Increasing Shareholder Value

Total Risk-based Capital

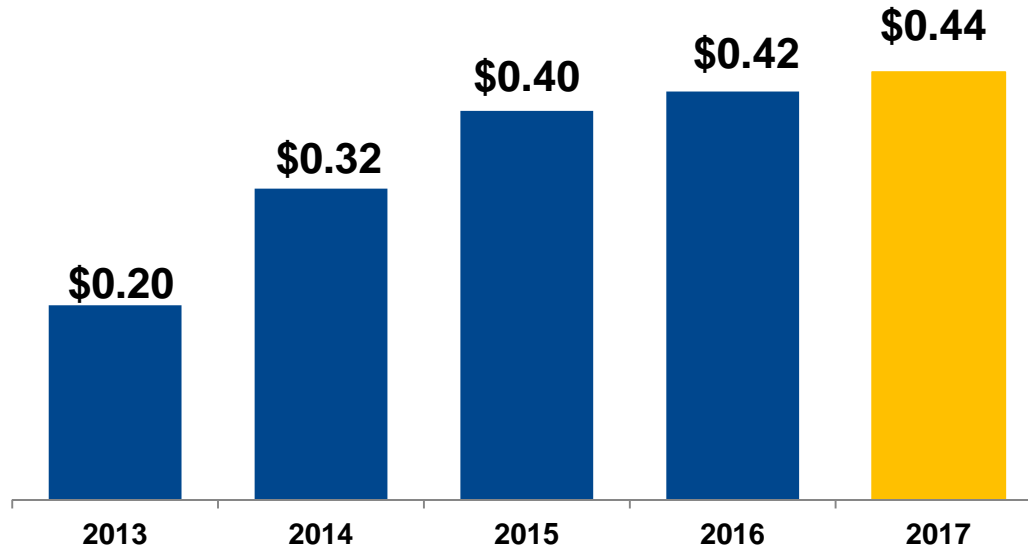


Book Value per Share



Returning Capital to Shareholders

Dividend Payment History



More than doubled
in four years

Current dividend
yield: 2.1%

90 consecutive years
of cash dividends



Strategic Focus for Continued Growth

Lead with people

Focused on relationship building

Investment in our community

Focused on higher growth areas

Improving our products and services

Low-cost core funding

Focused on long-term shareholder return



North Office, Valdosta, Lowndes



Commercial Banking Center, Valdosta, Lowndes

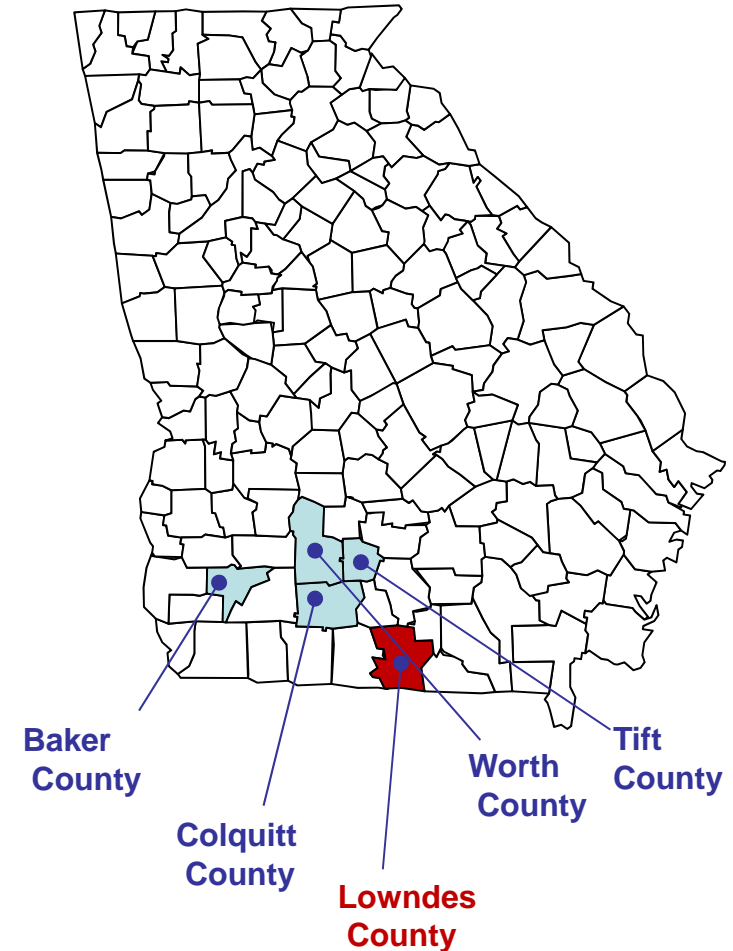


Growth Engine: Valdosta

- ✓ Loan production office in 2008
- ✓ Full-service branch in 2010
- ✓ Growing market and gaining market share
 - Achieved top 10 deposit status in Lowndes county
- ✓ Significant contribution to our higher loan originations and healthy pipeline

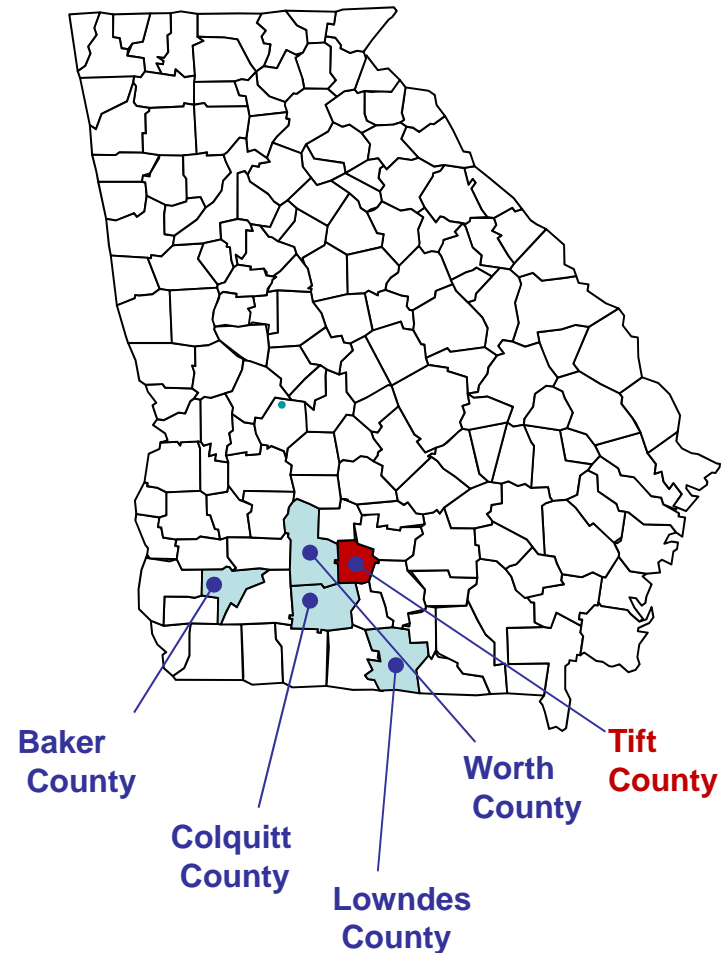


Baytree Office, Valdosta, Lowndes



New Opportunity: Tifton

- ✓ Adjacency to primary market, Colquitt County
- ✓ Strong agricultural community
- ✓ Major transportation hub (Interstate 75, U.S. Highway 82 and U.S. Highway 319 all intersect)
- ✓ Opened loan production office in 2016
- ✓ Added to Tifton staff during 2017
 - Planning to combine management with Sylvester operation
- ✓ Full service branch in summer 2018
- ✓ Expected to be contributor to growth going forward



Investment Considerations

Long history of efficient and profitable operations

90 years of cash dividends

Diversified sources of revenue

Opportunity to grow earnings from all sources

Solid community commitment and involvement





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