

Jeff Davis Bancshares, Inc. (OTC US: JDVB; Jennings, LA) Announces Definitive Merger Agreement with Guaranty Capital Corporation (Private; Mamou, LA)

Terms of the transaction were not disclosed.

Sandler O'Neill served as financial advisor to Jeff Davis Bancshares, Inc. in this transaction. This transaction is Sandler O'Neill's 78th bank or thrift transaction since January 1, 2010.

Jeff Davis Bancshares, Inc. (JDVB:OTC US) ("JD Bancshares") and Guaranty Capital Corporation ("GCC"), the holding company of Guaranty Bank based in Mamou, Louisiana, announced today the signing of a definitive agreement for JD Bancshares to acquire GCC and Guaranty Bank by merger. Completion of the transaction is subject to customary closing conditions, including the receipt of required regulatory approvals and the approval of GCC's shareholders. The transaction has been approved by the Boards of Directors of both companies and is expected to close in the fourth quarter of 2012.

Following the merger, JD Bancshares' subsidiary, Jeff Davis Bank & Trust (JD Bank), will add four branches to its footprint, as well as approximately \$145.5 million in assets and \$128.9 million in deposits. Upon combination of the southwest Louisiana-based banks, JD Bank will have approximately \$704 million in total assets and \$614 million in deposits.

Commenting on the merger, JD Bancshares Chairman Dan Donald stated, "The addition of Guaranty Bank's branches to our community bank platform is very exciting. Our expanded organization will be even stronger and better-positioned to provide great products and services for our customers, greater opportunities for our employees and greater value for our shareholders in the years to come." Boyd Boudreaux, Chief Executive Officer and President of JD Bancshares and Jeff Davis Bank & Trust, echoed those sentiments, noting that, "The joining of these two community banks with very similar cultures will help us pursue our mission of offering an exceptional level of service to our customers, while maintaining a strong commitment to our local communities."

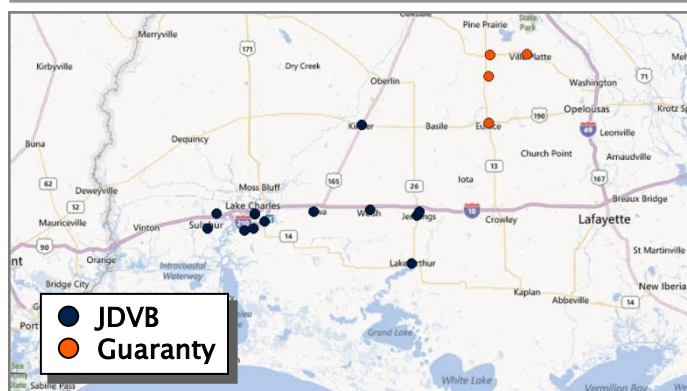
Financial Highlights

(Dollars in millions)

	<u>JDVB</u>	<u>GCC</u>
Total Assets	\$564	\$146
Net Loans	\$316	\$68
Total Deposits	\$477	\$129
Total Equity	\$69	\$16
Tang. Comm. Equity / Tang. Assets	11.9%	10.8%

*Note: Financial data as of 6/30/12
Source: SNL Financial*

Pro Forma Branch Map



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