

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2009-01-26** | Period of Report: **2009-01-23**
SEC Accession No. **0001140361-09-001833**

([HTML Version](#) on secdatabase.com)

FILER

GUARANTY FEDERAL BANCSHARES INC

CIK: **1046203** | IRS No.: **431792717** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-23325** | Film No.: **09543377**
SIC: **6022** State commercial banks

Mailing Address
1341 WEST BATTLEFIELD
SPRINGFIELD MO 65807

Business Address
1341 WEST BATTLEFIELD
SPRINGFIELD MO 65807
4175204333

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant
to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 23, 2009

Guaranty Federal Bancshares, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

43-1792717

(I.R.S. employer identification number)

0-23325

(Commission file number)

**1341 West Battlefield
Springfield, Missouri 65807**

(Address of principal executive offices and zip code)

Registrant's telephone number, including area code: (417) 520-4333

Not applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. to Form 8-K):

- £ Written communication pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - £ Soliciting materials pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - £ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - £ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

INCLUDED INFORMATION

Item 2.02 Results of Operations and Financial Condition.

On January 23, 2009, Guaranty Federal Bancshares, Inc. (the "Company") issued a press release announcing financial results for the fourth quarter ended December 31, 2008.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press release dated January 23, 2009 (furnished with respect to Item 2.02)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Guaranty Federal Bancshares, Inc.

By: /s/ Shaun A. Burke
Shaun A. Burke
President and Chief Executive Officer

Date: January 23, 2009



Guaranty Federal
BANCSHARES, INC
Strength. Growth. Vision.

Exhibit 99.1
For Immediate Release

Contacts: Shaun A. Burke, President & CEO
Guaranty Bank
1341 W. Battlefield
Springfield, MO 65807
417-520-4333

NASDAQ:GFED
www.gbankmo.com

GUARANTY FEDERAL BANCSHARES, INC.
ANNOUNCES 2008 FINANCIAL RESULTS

SPRINGFIELD, MO – (January 23, 2009) – Guaranty Federal Bancshares, Inc., (NASDAQ:GFED), the holding company (the “Company”) for Guaranty Bank, today announces the following results for its year ended December 31, 2008.

The Company announces that earnings for the fourth quarter ended December 31, 2008 were (\$.72) per diluted share, or (\$1,890,000), a decrease from the \$.11 per diluted share during the third quarter ended September 30, 2008. This was a decrease from the \$.49 per diluted share, or \$1,318,000, the Company earned during the fourth quarter of the prior year. Earnings for the year ended December 31, 2008 were (\$1.33) per diluted share, or (\$3,470,000), a decrease from the \$2.19 per diluted share the Company earned in the prior year.

The decline in net income and earnings per share over the prior year quarter was attributable to several factors:

- The Company increased its provision for loan losses by \$3.4 million during the quarter (as compared to the prior year quarter) to compensate for significant loan growth, increased reserves on specific credits and deepening concerns over the local and national economy.
- Non-interest income decreased \$1.3 million, primarily due to Company write-downs on foreclosed assets held for sale and impairment losses in the Company’s investment portfolio. Also, the Company experienced a 34% decline in income from sales of mortgage loans during the quarter. This can be attributed primarily to the decline in the local economy and housing market.
- Non-interest expense increased 10%, primarily due to the increased personnel costs incurred from hiring several key associates. Also, in fiscal year 2008, the Federal Deposit Insurance Corporation increased its assessments of insurance premiums on all insured institutions. For the quarter, these assessment premiums increased \$166,145, or 1,463%, over the prior year quarter.

President and CEO Shaun Burke commented, “Our financial results in 2008 were very disappointing as our company and industry experienced the impact of our nation’s financial and credit crisis. As the economy has faltered, we have aggressively built our allowance for loan and lease losses to 2.40% of loans, a level significantly higher than our peer group. For the year, we expensed over \$11 million into the reserve which was the primary factor in the net loss. Although non-performing loans are elevated, they remain manageable and the successful resolution of these credits is a primary focus for the coming year.”

“Our capital position remains above the regulatory “well-capitalized” levels. We’ve worked hard to position our balance sheet to withstand the current challenges and we continue to aggressively improve our liquidity level. Guaranty’s management team is working diligently to manage through this very difficult economic cycle, and to position the organization to benefit as the economy recovers,” said Burke.

About Guaranty Federal Bancshares, Inc.

Guaranty Federal Bancshares, Inc. (NASDAQ:GFED) has a subsidiary corporation offering full banking services. The principal subsidiary, Guaranty Bank, is headquartered in Springfield, Missouri, and has ten full-service branches in Greene and Christian Counties and Loan Production Offices in Wright, Webster and Howell Counties. In addition, Guaranty Bank is a member of the TransFund ATM network which provides its customers surcharge free access to over 100 area ATMs and over 700 ATMs nationwide. For more information visit the Guaranty Bank website: www.gbankmo.com.

The discussion set forth above may contain forward-looking comments. Such comments are based upon the information currently available to management of the Company and management’s perception thereof as of the date of this release. When used in this release, words such as “anticipates,” “estimates,” “believes,” “expects,” and similar expressions are intended to identify forward-looking statements but are not the exclusive means of identifying such statements. Such statements are subject to risks and uncertainties. Actual results of the Company’s operations could materially differ from those forward-looking comments. The differences could be caused by a number of factors or combination of factors including, but not limited to: changes in demand for banking services; changes in portfolio composition; changes in management strategy; increased competition from both bank and non-bank companies; changes in the general level of interest rates; the effect of regulatory or government legislative changes; technology changes; fluctuation in inflation; and other factors set forth in reports and other documents filed by the Company with the Securities and Exchange Commission from time to time.

Financial Highlights:**Operating Data:**

	Quarter ended		Year ended	
	31-Dec-08	31-Dec-07	31-Dec-08	31-Dec-07
	(Dollar amounts are in thousands, except per share data)			
Total interest income	\$8,939	\$9,507	\$36,363	\$37,818
Total interest expense	4,764	5,342	19,524	20,519
Provision for loan losses	3,565	210	11,744	840
Net interest income after provision for loan losses	610	3,955	5,095	16,459
Noninterest income (loss)	(235)	1,066	2,316	4,883
Noninterest expense	3,278	2,985	12,760	11,842
Income (loss) before income tax	(2,903)	2,036	(5,349)	9,500
Income tax expense (credit)	(1,013)	718	(1,879)	3,400
Net income (loss)	<u><u>\$(1,890)</u></u>	<u><u>\$1,318</u></u>	<u><u>\$(3,470)</u></u>	<u><u>\$6,100</u></u>
Net income (loss) per share-basic	<u><u>\$(0.72)</u></u>	<u><u>\$0.50</u></u>	<u><u>\$(1.33)</u></u>	<u><u>\$2.25</u></u>
Net income (loss) per share-diluted	<u><u>\$(0.72)</u></u>	<u><u>\$0.49</u></u>	<u><u>\$(1.33)</u></u>	<u><u>\$2.19</u></u>
Annualized return on average assets	(1.12) %	0.98 %	(.54) %	1.18 %
Annualized return on average equity	(18.24) %	11.89 %	(8.43) %	13.46 %
Net interest margin	2.73 %	3.21 %	2.71 %	3.47 %

Financial Condition Data:

	As of 31-Dec-08	As of 31-Dec-07
Cash and cash equivalents	\$15,097	\$12,046
Investments	72,843	19,400
Loans, net of allowance for loan losses 12/31/2008 - \$13,728; 12/31/2007 - \$5,963	561,327	516,242
Other assets	28,858	18,090
Total assets	<u><u>\$678,125</u></u>	<u><u>\$565,778</u></u>
Deposits	\$447,079	\$418,191
FHLB advances	132,436	76,086
Subordinated debentures	15,465	15,465
Securities sold under agreements to repurchase	39,750	9,849
Other liabilities	5,153	3,500
Total liabilities	639,883	523,091
Stockholder's equity	38,242	42,687
Total liabilities and stockholder equity	<u><u>\$678,125</u></u>	<u><u>\$565,778</u></u>
Equity to assets ratio	5.64 %	7.54 %
Book value per share	<u><u>\$14.63</u></u>	<u><u>\$16.37</u></u>
Non performing assets	<u><u>\$26,347</u></u>	<u><u>\$7,981</u></u>