



RURBAN
FINANCIAL CORP.

Focusing on the Future

2011 Annual Meeting of Shareholders
May 5, 2011



Welcome and Call to Order

Mark Klein
President & CEO

Rurban Financial Corp.
The State Bank and Trust Company



Mark Klein
President & CEO

Rurban Financial Corp.
The State Bank and Trust Company

Rurban Financial Corp. Annual Meeting Agenda

- Introductions
- Chairman Remarks
 - Richard L. Hardgrove
- Rurban Overview
 - Mark A. Klein CEO
 - Tony Cosentino CFO
- Election Results
- Questions

Rurban Financial Corp.

Special Guests

- **Craig Liechty**-BKD, LLP – Independent Auditor
- **Chuck DeRousie and Tony Weis**-Vorys, Sater, Seymour & Pease, LLP – Columbus, SEC Counsel
- **Curt Loveland**-Porter Wright – Columbus, Board Counsel
- **Stan Yoder and Steve Hubbard**-Weaner, Zimmerman, Bacon, Yoder & Hubbard, Ltd., Local Counsel

The State Bank and Trust Company

Advisory Board Members

Fulton County

Board Liaison: Gaylyn Finn

James M. McDonnall

Virginia E. Neuenschwander

Edward L. Nofziger

Joseph P. O'Neil

Joseph D. Short

Samuel V. Witt

Lima Region

Board Liaison: Tim Stolly

Dr. Patrick A. Chaney

Joseph T. Guagenti

Ronald R. Miller

Paulding County

Board Liaison: Bob Fawcett

George W. Carter

Floyd F. Furrow

John H. Kauser

Dr. John M. Saxton

Rhonda J. Stabler

Rex L. Williamson

Williams County

Board Liaison: Rita Kissner

Alan E. Fiser

Jerry D. Kneipp

William G. Martin

Glen L. Newcomer

Richard L. Reed

Michael W. Spangler



Rurban Financial Corp. ***Annual Meeting Agenda***

- Introductions
- Chairman Remarks
 - Richard L. Hardgrove
- Rurban Overview
 - Mark A. Klein CEO
 - Tony Cosentino CFO
- Election Results
- Questions

*Rurban Financial Corp.
Director Overview and Insight*

Richard L. Hardgrove
Chairman of the Board

Rurban Financial Corp.
The State Bank and Trust Company
RDSI Banking Systems

Retired Directors: As of July 31, 2010

- Thomas Callan: 14 years of service
- John Compo: 23 years of service
- Steve VanDemark: 19 years of service
- J. Michael Walz: 18 years of service

Rurban Financial Corp.

New Directors in 2010

- Mark Klein
 - Joined The State Bank and Trust Company in January of 2006
 - Was appointed President and CEO and Director of Rurban January 2010
- Tim Stolly
 - Brings to the Board over 30 years of insurance industry experience
 - Lima Advisory Board member since 2006
 - Appointed to the Board of Directors in August 2010 to fulfill the term of J. Michael Walz

Rurban Financial Corp. Board of Directors

Standing for Election - 2011

- Robert A. Fawcett, Jr.
- Gaylyn J. Finn
- Rita A. Kissner*

Term Expiring 2012

- Thomas A. Buis
- Thomas L. Sauer
- Timothy J. Stolly

Term Expiring 2013

- Richard L. Hardgrove*
- Mark A. Klein*

* Indicates an RDSI Board Member, (also includes John Schock)



Rurban Financial: Director Committees

- Audit Committee
 - Chairman: Rita A. Kissner
 - Financial Expert: Gaylyn J. Finn
- Compensation Committee
 - Chairman: Robert A. Fawcett, Jr.
- Governance and Nominating Committee
 - Chairman: Thomas A. Buis
- Loan Review Committee
 - Chairman: Gaylyn J. Finn



Rurban Overview

Mark A. Klein
President & CEO

Anthony V. Cosentino
Chief Financial Officer

Rurban Financial Corp. and
The State Bank and Trust Company

Forward Looking Statements

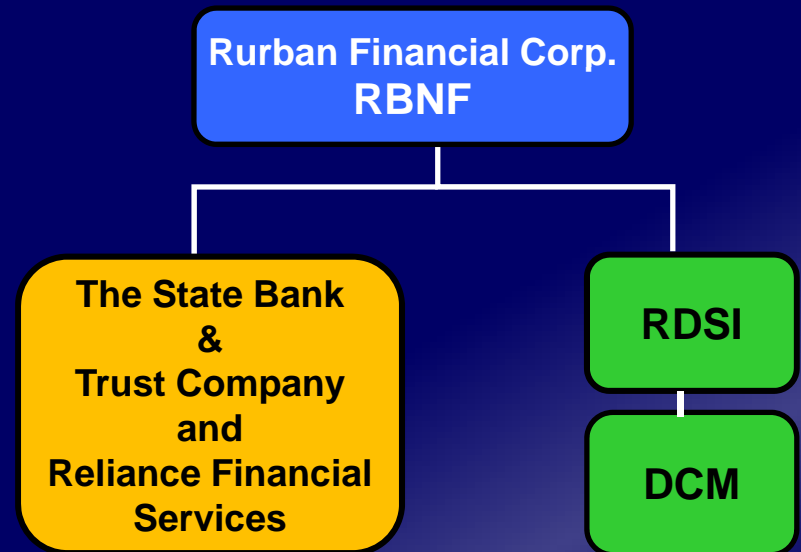
Rurban would like to remind everyone that comments made during this presentation regarding Rurban's anticipated future performance are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and therefore involve risks and uncertainties that could cause results or developments to differ significantly from those indicated in these statements. These risks and uncertainties include, but are not limited to, risks and uncertainties inherent in the national and regional banking and mortgage industries, competitive factors specific to markets in which Rurban and its subsidiaries operate, future interest rate levels, legislative and regulatory actions, capital market conditions, general economic conditions, geopolitical events , and other factors.

Forward-looking statements speak only as of the date on which they are made, and Rurban undertakes no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made to reflect unanticipated events. All subsequent written and oral forward-looking statements attributable to Rurban or any person acting on our behalf are qualified by these cautionary statements.



Rurban Financial Corp. Profile

- Headquartered in Defiance, Ohio
- Listed on NASDAQ Global Market: RBNF
- Two wholly-owned subsidiaries
- Diversified financial services organization
- 262 employees at YE 2010
- \$660 million in assets at December 31, 2010



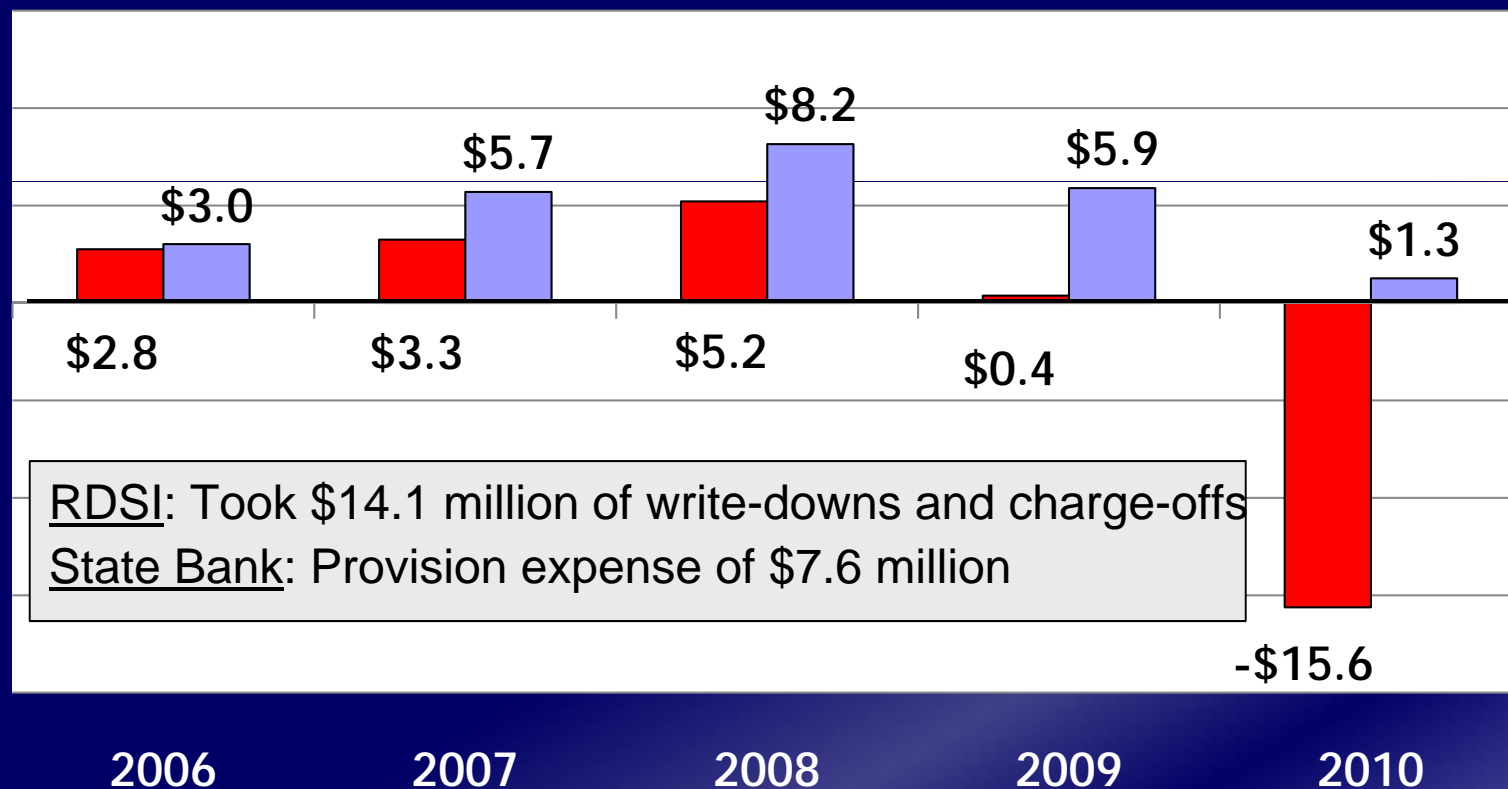
Rurban Financial Corp.

2010: A Transitional Year

- Consolidated HC and State Bank to improve efficiencies ; reduced staff by seven FTE
- Achieved a record year at State Bank for mortgage loan originations : \$235 million
- Improving economy and \$7.9 million of net charge-offs at the Bank significantly improved asset quality
- Terminated spin-off of RDSI and took \$14.1 million of charge-offs and impairments ; reduced staff by 66 FTE

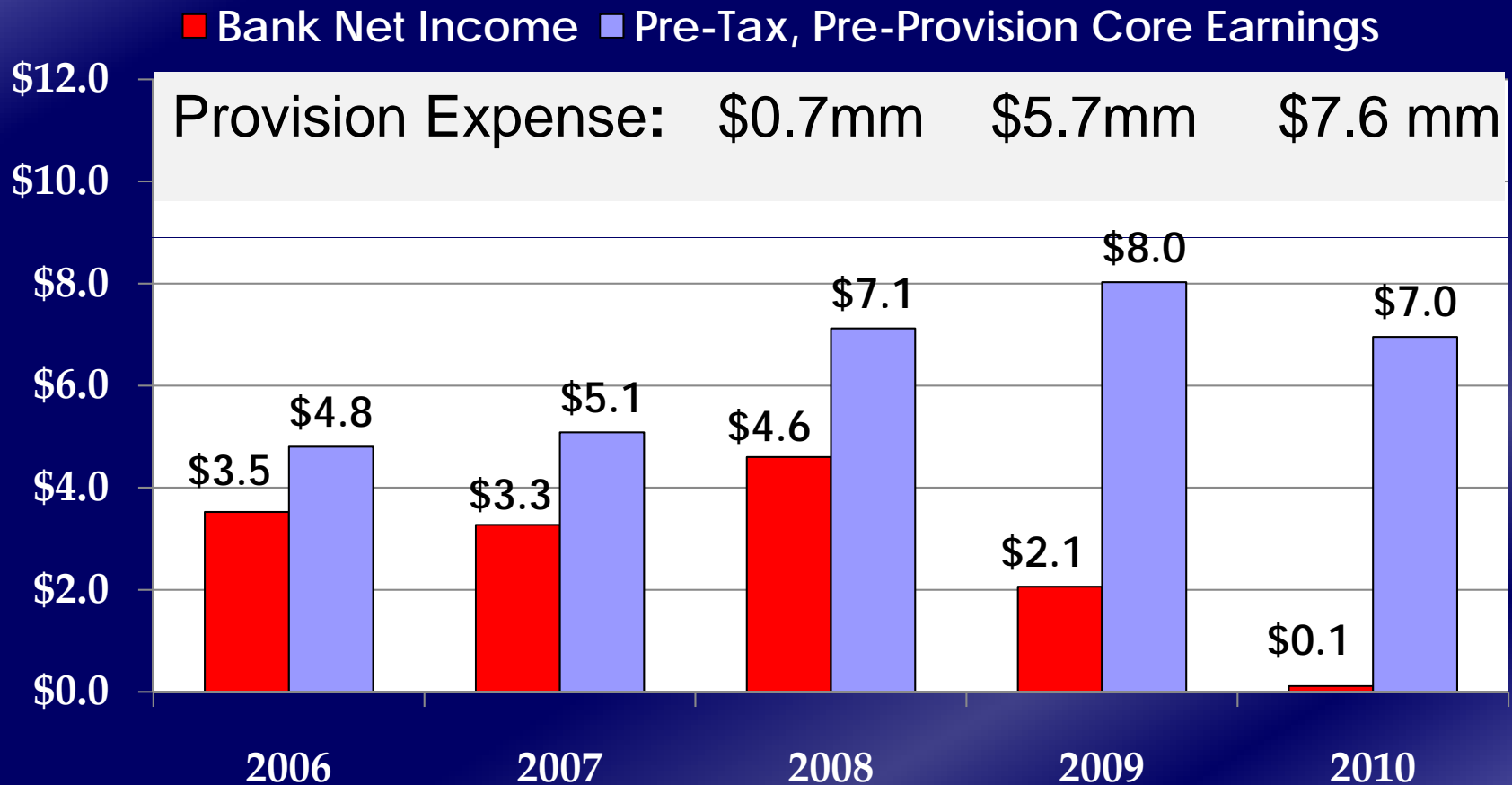
Rurban Financial Corp. Earnings

■ Rurban Net Income ■ Pre-Tax, Pre-Provision Core Earnings



*The State Bank and Trust
Company*

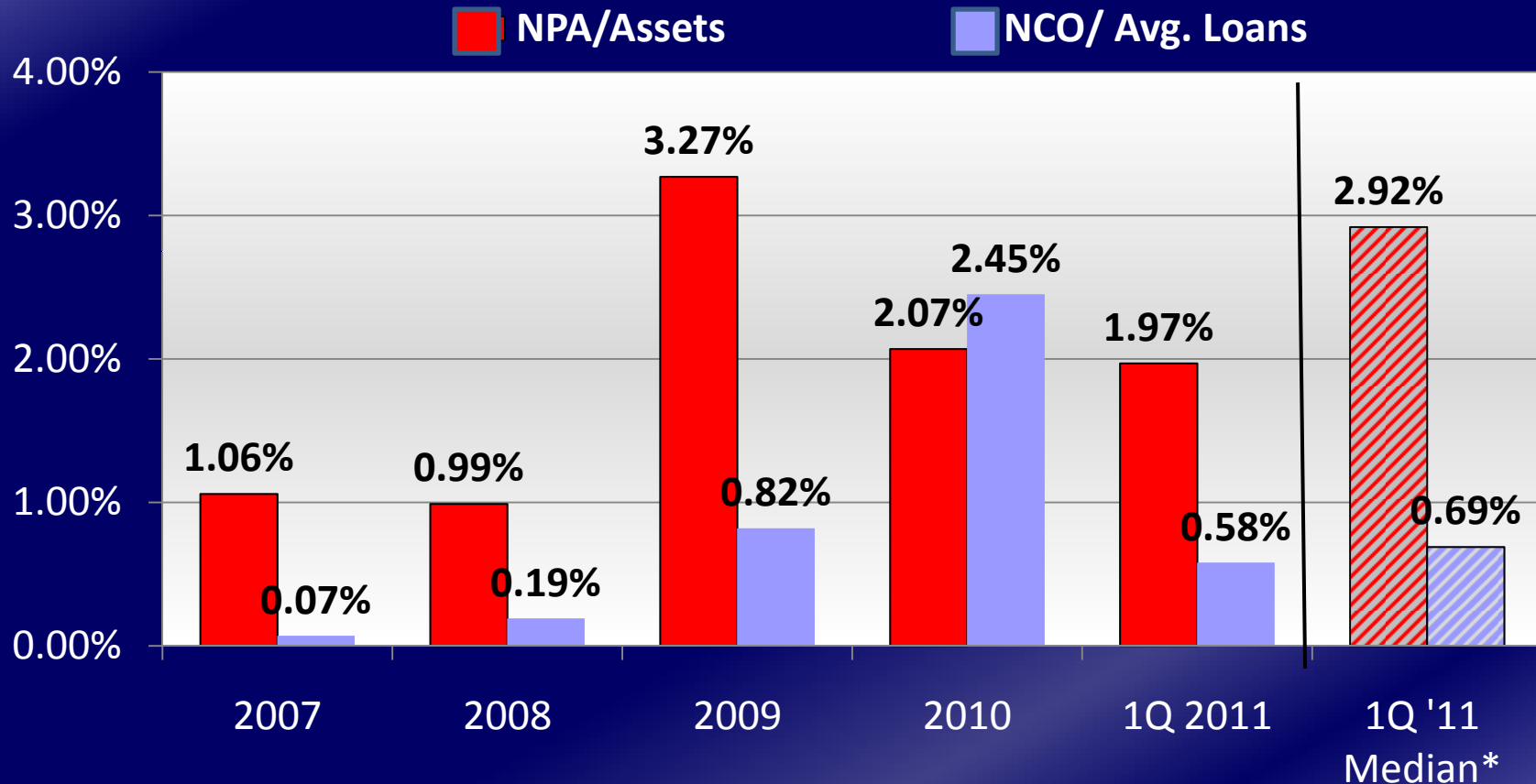
Credit Costs Impacted Earnings of State Bank for Past Two Years



The State Bank and Trust Company Asset Quality Initiatives

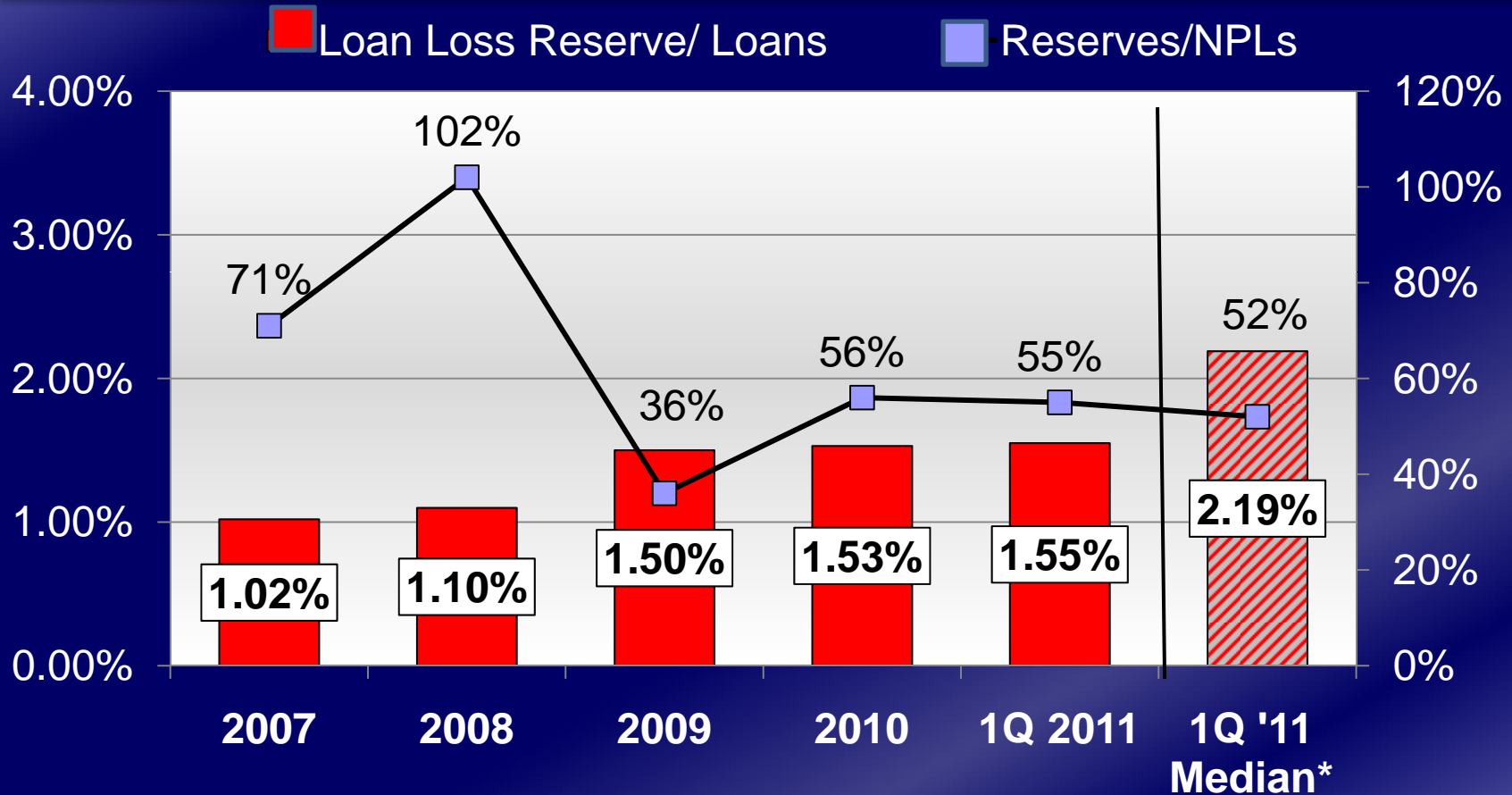
- Expanded credit underwriting and loan review Departments
- Focused on reduction of non-performing assets
- Involvement of corporate directors in loan review process and with Advisory Boards
- Independent third-party portfolio review confirms internal procedures and controls

The State Bank and Trust Company Asset Quality: An Improving Picture



* Peer group consists of 77 bank subsidiaries of publicly traded BHCs nationwide with assets between \$500mm and \$1billion

The State Bank and Trust Company Asset Quality: An Improving Picture



* Peer group consists of 77 bank subsidiaries of publicly traded BHCs nationwide with assets between \$500mm and \$1billion

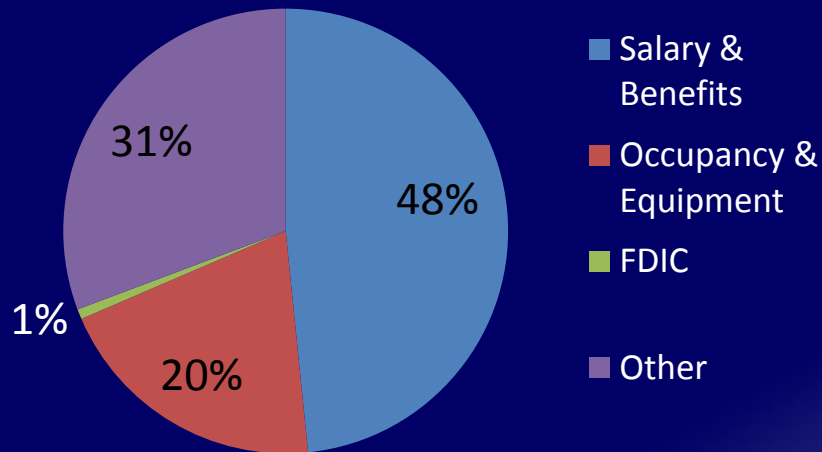
The State Bank and Trust Company Expense Control Initiatives

- Savings of approximately \$5 million over the last four years from operational, fixed asset and personnel costs:
 - Reduced Bank/ BHC staff by 16 FTE since 2009
 - Consolidated Exchange Bank, Reliance Financial Services & Rurban Operations Corp. into State Bank
 - Restructured branch network: closed Eastside, Montpelier Downtown , Ney and Elida Road branches
 - Implemented salary freezes, health insurance expense reductions, ESOP freeze in 2010

The State Bank and Trust Company Non-Interest Expense Comparison

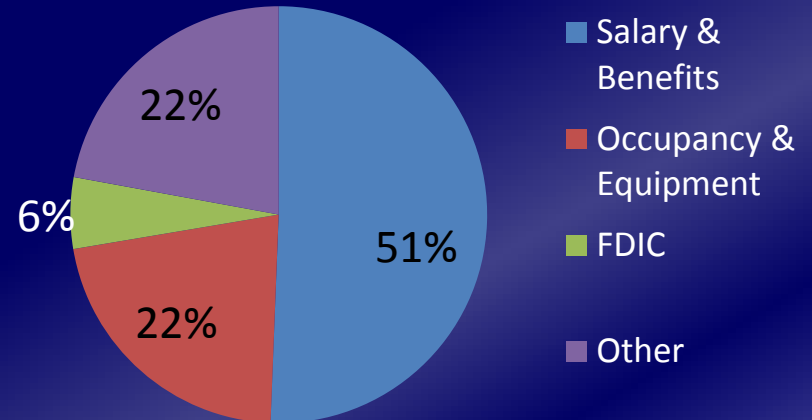
1st Qtr 2009

Non-Interest Expense =
\$6,317,175



1st Qtr 2011

Non-Interest Expense =
\$5,734,869



The State Bank and Trust Company Expanding from Our NW Ohio Base

19 Retail Banking Offices within Our 10-County Footprint
2 Loan Production Offices (LPOs)



Counties

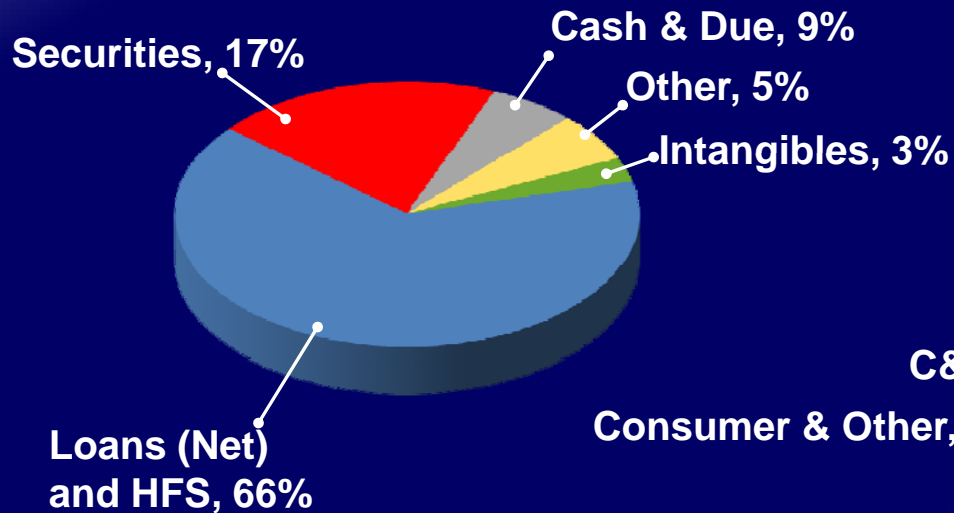
- Defiance - 4
- Allen (Ohio and Indiana) - 1 each
- Franklin - LPO
- Fulton - 3
- Lucas - 1
- Paulding - 2
- Steuben - LPO
- Wood - 3
- Williams - 4

Organic Growth from Synergies within State Bank

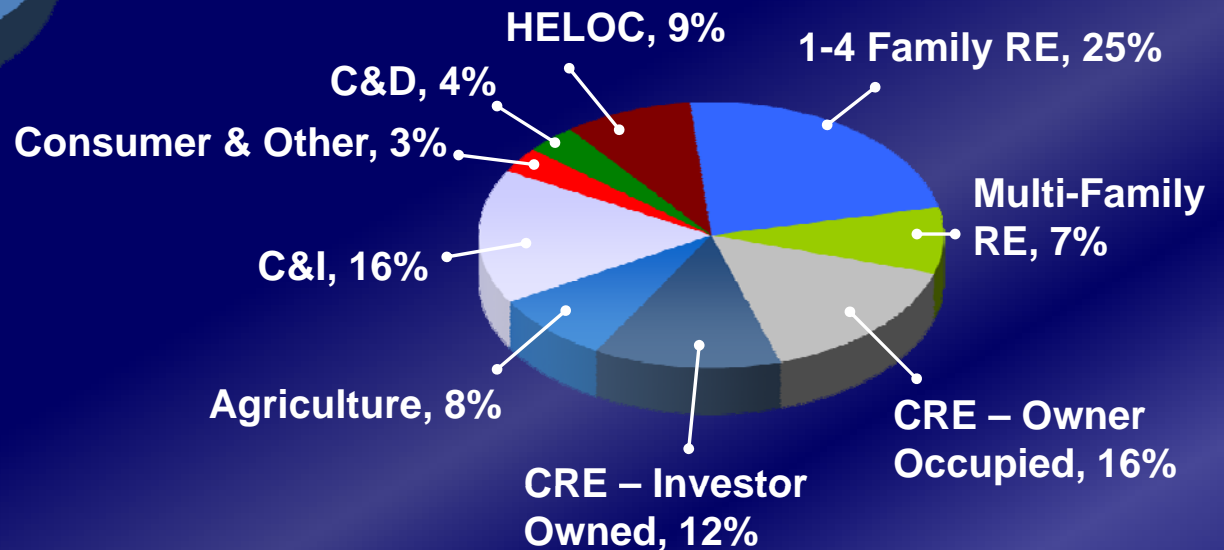
- Leadership by in-market regional executives
- Interdepartmental referrals
- Relationship-based selling
- Cross-selling
- Top-down driven sales culture

The State Bank and Trust Company Well-Diversified Balance Sheet

Total Assets = \$655 Million

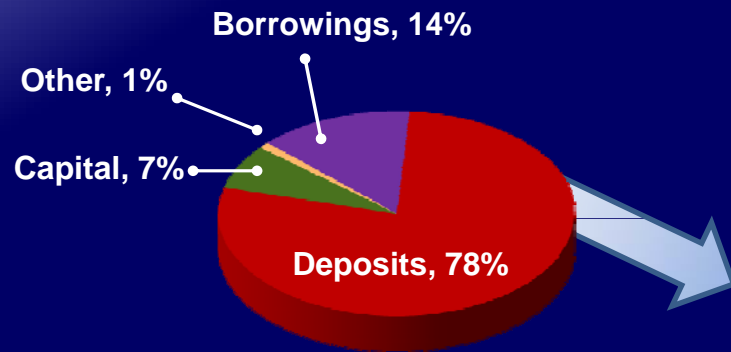


Loan Portfolio = \$428 Million

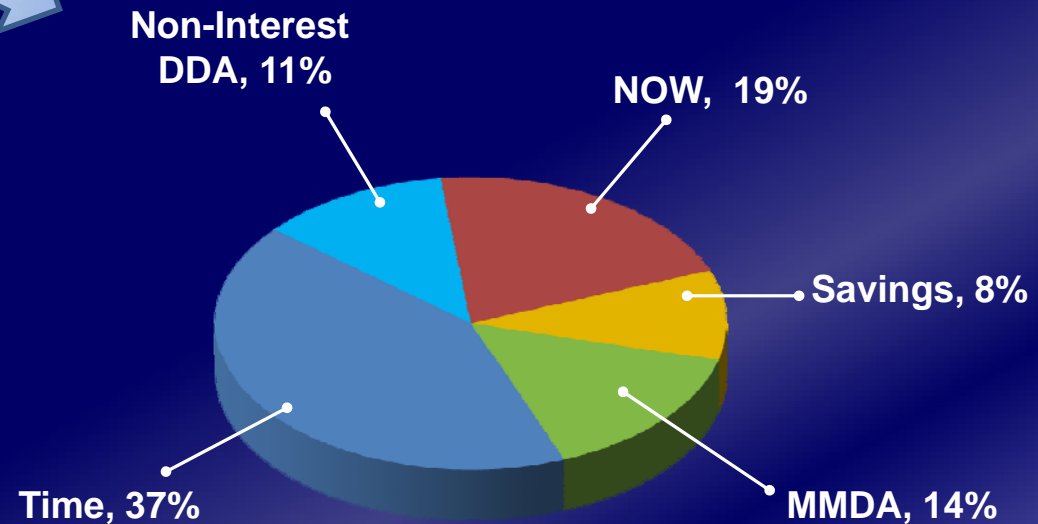


As of March 31, 2011

The State Bank and Trust Company Local, Low-Cost Deposit Mix



Deposit Portfolio =
\$513 million



Non-maturity deposits =
58% of total deposits

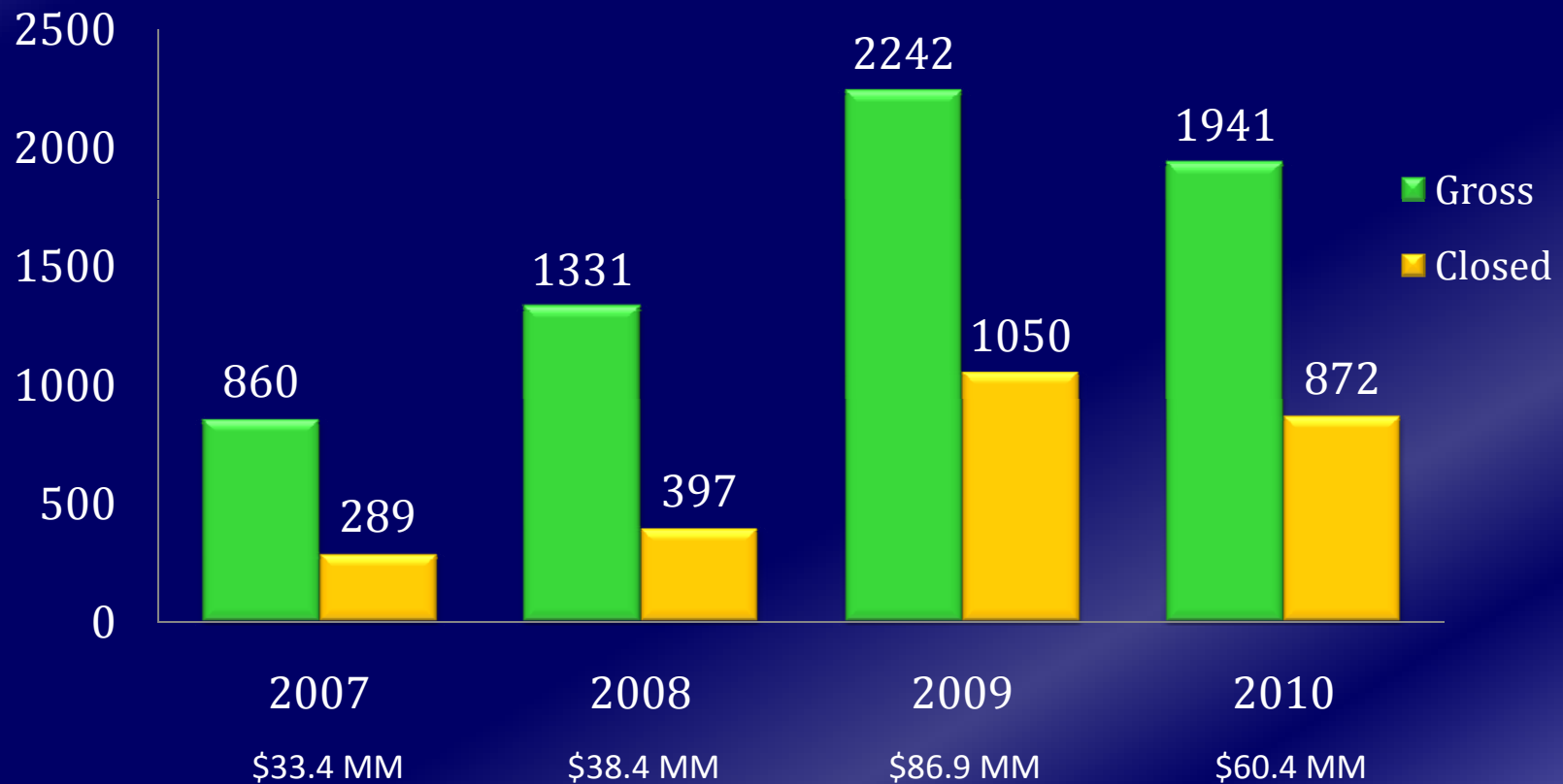
Weighted average cost of
deposits = .82%

As of March 31, 2011

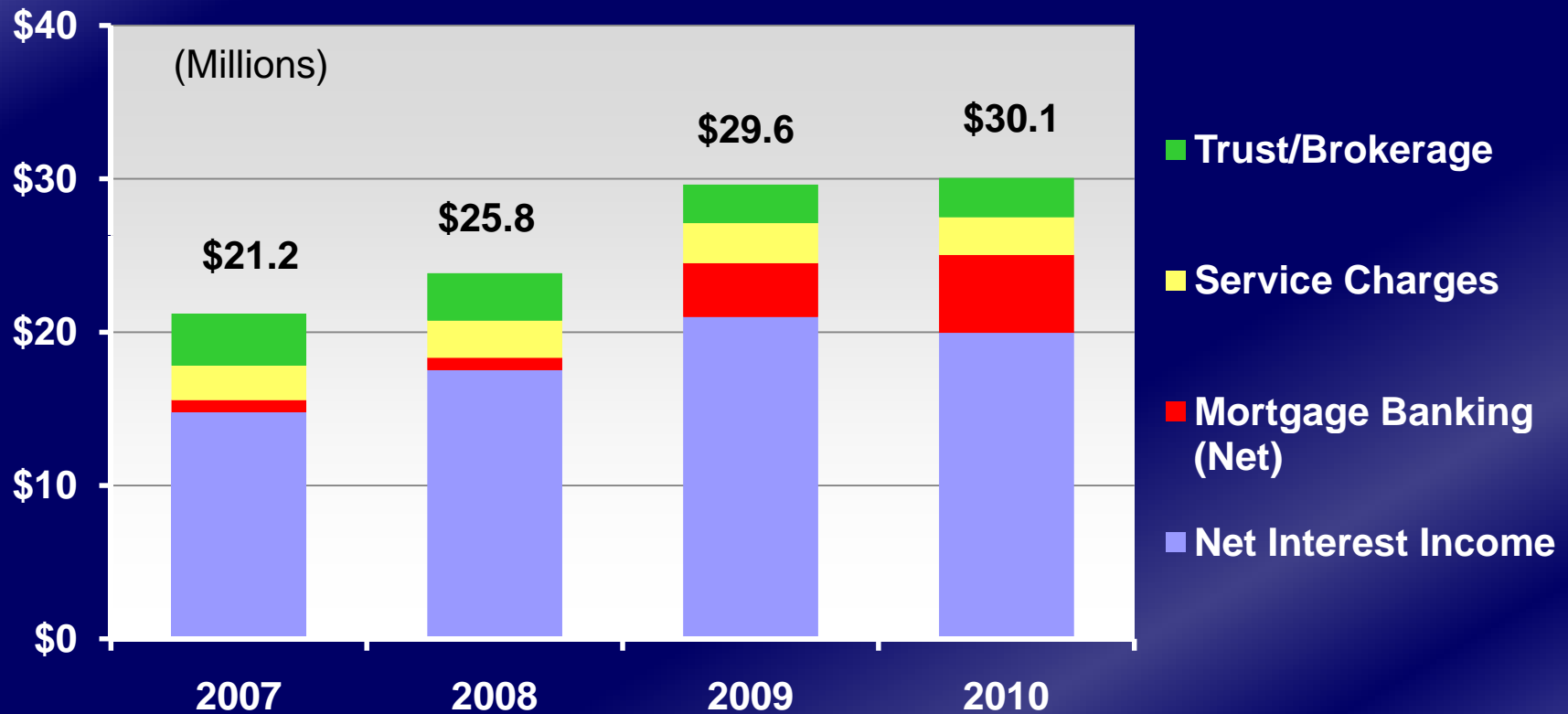
The State Bank and Trust Company Expansion of Non-Interest Income

- Community Banking
- Mortgage Banking
- Deposit Fees
- Wealth Management
- SBA / FSA Loan Sales
- Insurance

The State Bank and Trust Company Referrals by Year

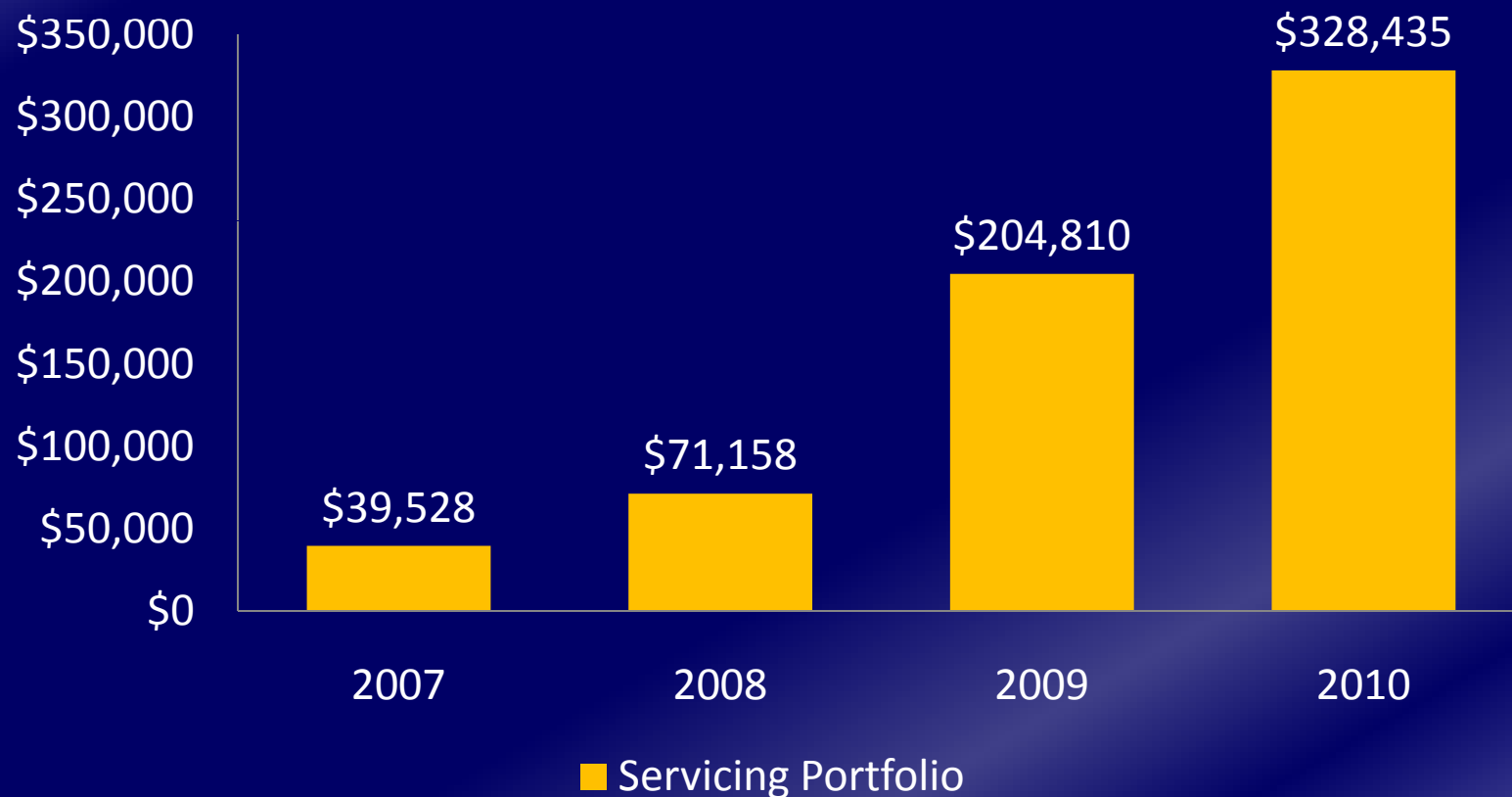


State Bank: Diversified Revenue Stream*

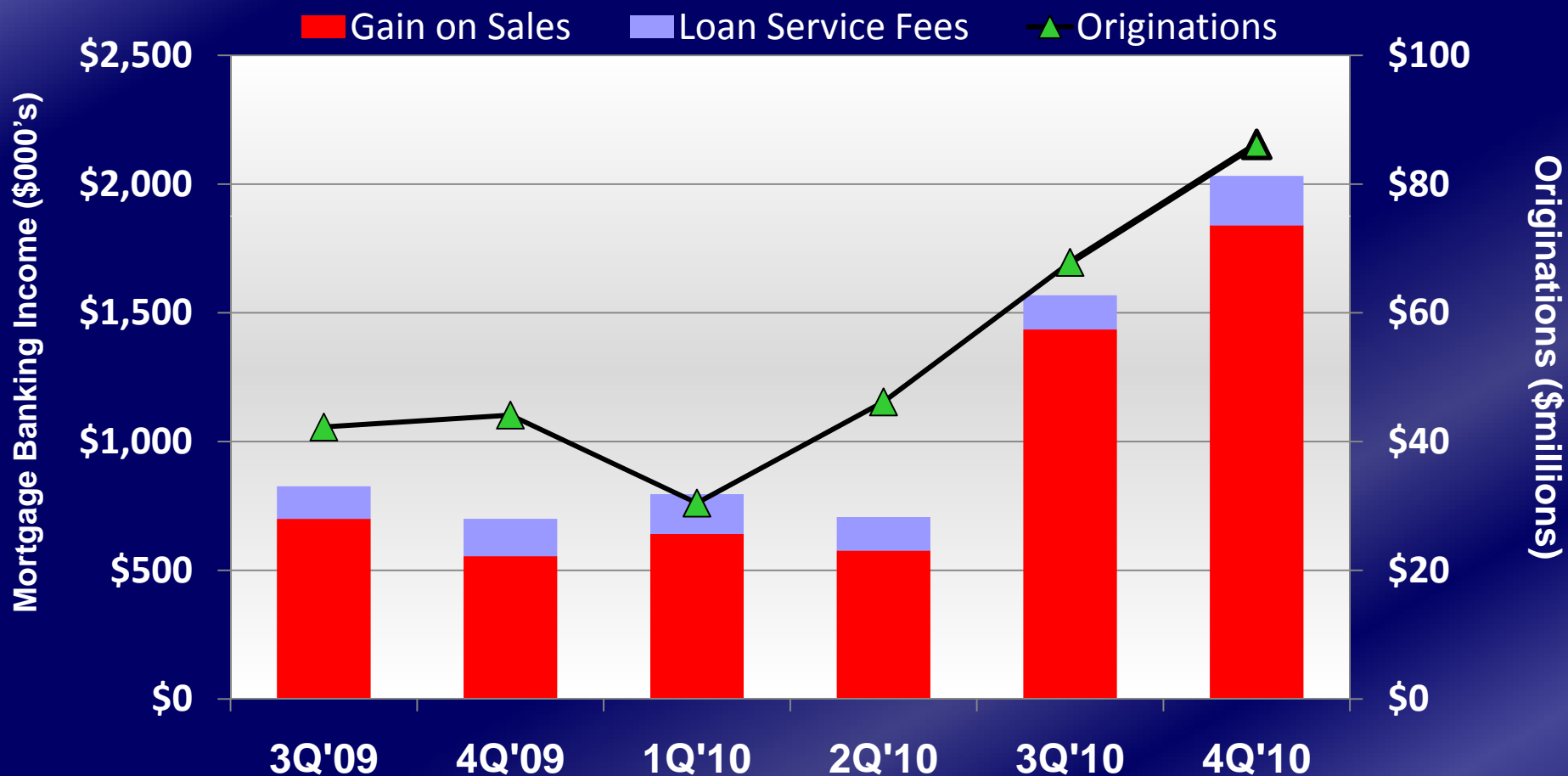


* Excluding gains/losses on the sale of securities, proceeds from investments and recoveries

Mortgage Servicing Portfolio



Mortgage Banking Activity



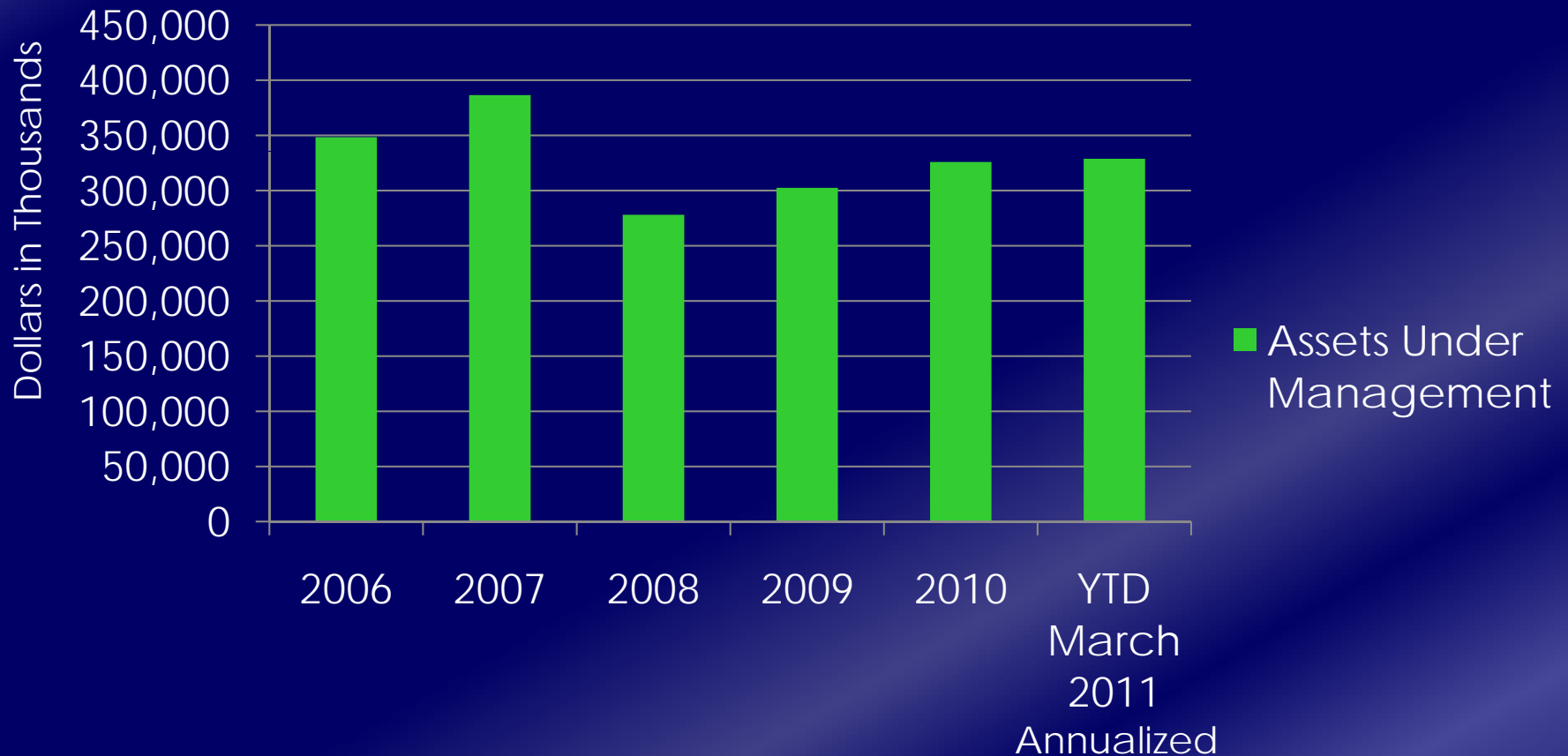
Reliance Financial Services

Reliance Financial Services 2010 Initiatives

- Integration with State Bank client base
- Competitive Market Returns
- Leverage Regional Executive presence
- Incentive plan emphasis on performance improvement

Reliance Financial Services

Assets Under Management



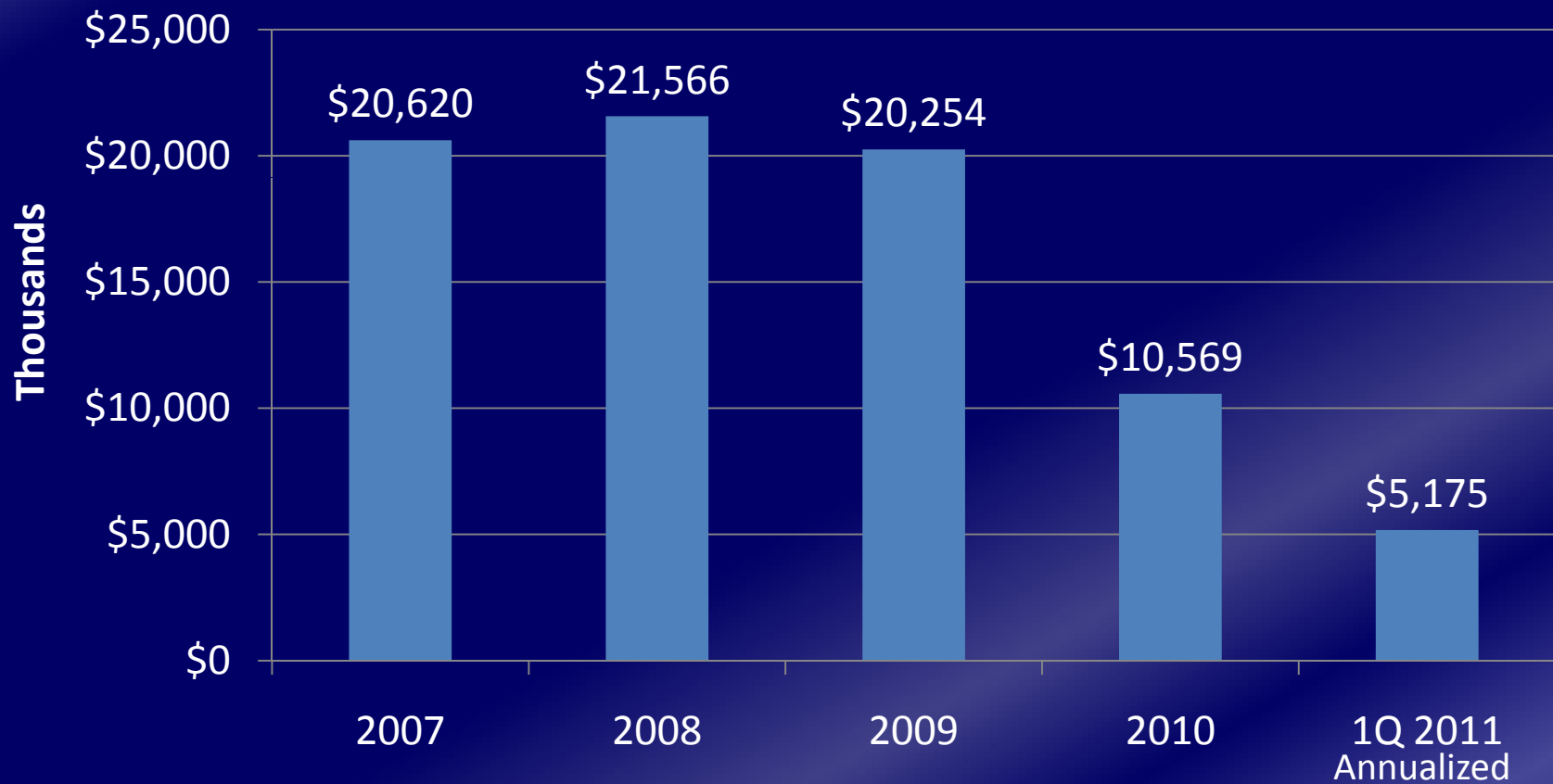
RDSI Banking Systems

Overview of RDSI Banking Systems

- Unsuccessful planned spin-off of RDSI in June 2010
- Announced exit from data processing and deconverted all DP clients
- Currently focused on Item Processing:
 - 30 stable community banking clients
 - DCM is a low-cost provider
 - Investigating additional applications of imaging technology
- State Bank remains on RDSI's legacy data processing system
- Analyzing strategic options

RDSI Banking Systems

Revenue



RDSI Banking Systems:

Revenue (\$millions)	4Q'09	1Q'10	2Q'10	3Q'10	4Q'10	1Q'11
Data Processing	2.69	2.47	1.28	0.99	0.37	0.30
Network Services	0.24	0.26	0.19	0.13	0.08	0.07
Payment Solutions	1.56	1.70	1.38	1.21	1.01	0.93
RDSI Revenue	4.52	4.43	2.85	2.34	1.46	1.23
Less: Intercompany	(0.40)	(0.40)	(0.24)	(0.30)	(0.40)	(0.38)
Net Data Services Revenue	4.12	4.03	2.61	2.04	1.05	0.91

RDSI Banking Systems: Right-sizing the Organization

- Took charges totaling \$14.1 million for impairments, write-downs and charge-offs in 2010
- Reduced staff by 79 since YE 2009 for savings of \$7 million
- Excluding salaries, reduced operating expenses by over \$8 million since YE 2009
- We have a positive relationship with the regulators and with our customers

Focusing on the Future

Rurban Financial Corp

Rurban Financial Corp. Where Do We Go from Here?

- Back to the Basics of Banking
- Maintain asset quality
- Control expenses
- Emphasis on new sources of non-interest income
- Improve capital
- Drive sales culture

Rurban Financial Corp. Preferred Shares

- Capital ratios key in the banking environment
- Proposed participation in Small Business Lending Fund (SBLF)
 - More we lend, the lower the cost of capital
 - Preferred shares are non-voting
 - Can be redeemed any time

Rurban Financial Corp.

Strategic Vision:

To become a high-performing, diversified financial services organization with \$1 billion in assets and ROAA of 1.0%

- Benchmark performance progress against universe of micro-cap banks
- Local presence in communities enhances efficiency, responsiveness, and market knowledge
- Spearheaded by regional local leadership
- Succeed based on service quality and understanding of customer needs

*Rurban Financial Corp.
RDSI / New Core Review*

Richard L. Hardgrove
Chairman of the Board

Rurban Financial Corp.
The State Bank and Trust Company
RDSI Banking Systems



Rurban Financial Corp.
RDSI / New Core Review

Richard L. Hardgrove
Chairman of the Board

Rurban Financial Corp.
The State Bank and Trust Company
RDSI Banking Systems

Rurban Financial Corp.
RDSI / New Core Review

Richard L. Hardgrove
Chairman of the Board

Rurban Financial Corp.
The State Bank and Trust Company
RDSI Banking Systems

Rurban Financial Corp. Annual Meeting Agenda

- Introductions
- Chairman Remarks
 - Richard L. Hardgrove
- Rurban Overview
 - Mark A. Klein CEO
 - Tony Cosentino CFO
- Election Results
- Questions

Rurban Financial Corp. Annual Meeting Agenda

- Introductions
- Chairman Remarks
 - Richard L. Hardgrove
- Rurban Overview
 - Mark A. Klein CEO
 - Tony Cosentino CFO
- Election Results
- Questions



RURBAN
FINANCIAL CORP.

*Thank You for
Attending*

2011 Annual Meeting of Shareholders
May 5, 2011