Annual Meeting of Shareholders

April 26, 2012



RURBAN FINANCIAL CORP.

2011

YEAR IN REVIEW

RFC RURBAN FINANCIAL CORP.

Welcome and Call to Order

RFC RURBAN FINANCIAL CORP.

2011
YEAR IN REVIEW

Rurban Financial Corp.
Annual Meeting Agenda

- Introductions
- Rurban Overview
- Election Results
- Questions from Shareholders

RFC RURBAN FINANCIAL CORP.

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Rurban Financial Corp.
Special Guests

- **Craig Liechty and David Tedtman,** BKD, LLP – Independent Auditor
- **Tony Weis ,** Vorys, Sater, Seymour & Pease, LLP – Counsel, Columbus
- **Stan Yoder and Jim Weaner,** Weaner, Zimmerman, Bacon, & Yoder Ltd. -- Local Counsel
- **Linda Margolin,** Margolin & Associates, Inc. -- Investor Relations Advisor

The State Bank and Trust Company Advisory Board Members

Fulton County

Board Liaison:

Gaylyn J. Finn

- James McDonnall
- Virginia Neuenschwander
- Edward Nofziger
- Joseph O'Neil
- Joseph Short
- Samuel Witt

The State Bank and Trust Company Advisory Board Members

Lima Region

Board Liaison:

Timothy J. Stolly

- Dr. Patrick Chaney
- Joseph Guagenti
- Ronald Miller

The State Bank and Trust Company Advisory Board Members

Paulding County

Board Liaison:

Robert A. Fawcett

- George Carter
- Floyd Furrow
- John Kauser
- Dr. John Saxton
- Rhonda Stabler
- Rex Williamson

The State Bank and Trust Company Advisory Board Members

Williams County

Board Liaison:

Rita Kissner

- Alan Fiser
- Jerry Kneipp
- William Martin
- Glen Newcomer
- Richard Reed
- Michael Spangler

The State Bank and Trust Company Advisory Board Members

Defiance County

Board Liaison:

Thomas L. Sauer

- Gary Cates
- Mike McCann
- Doug McDonald
- Jerry Overmier
- Sue Strausbaugh

Rurban Financial Corp.

New Director in 2011: Lynn "Zac" A. Isaac

- Appointed Director in October 2011
- Executive VP, Isaac Property Company
- J.D. from Ohio Northern University Law School
- B.A. in Accounting & Economics from Duke University
- Resident of Toledo area



RFC RURBAN FINANCIAL CORP.

2011
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Rurban Financial Corp. Board of Directors

Term Expiring

2012	2013	2014
Thomas A. Buis	Richard L. Hardgrove*	Robert A. Fawcett, Jr.
Thomas L. Sauer	Lynn "Zac" A. Isaac	Gaylyn J. Finn
Timothy J. Stolly	Mark A. Klein*	Rita A. Kissner*

* Indicates an RDSI Board Member

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

RFC RURBAN FINANCIAL CORP.

2011 in Review

RFC RURBAN FINANCIAL CORP.

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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.

Solid Progress to Report

We improved virtually every aspect of our business during 2011

- Net income improved $17.3 million year over year
- Nonperforming assets declined 33%
- Third year of $200 million+ mortgage originations
- Portfolio loan growth of $15.0 million, up 3.5%
- RDSI restructured and moving forward on a more modest scale

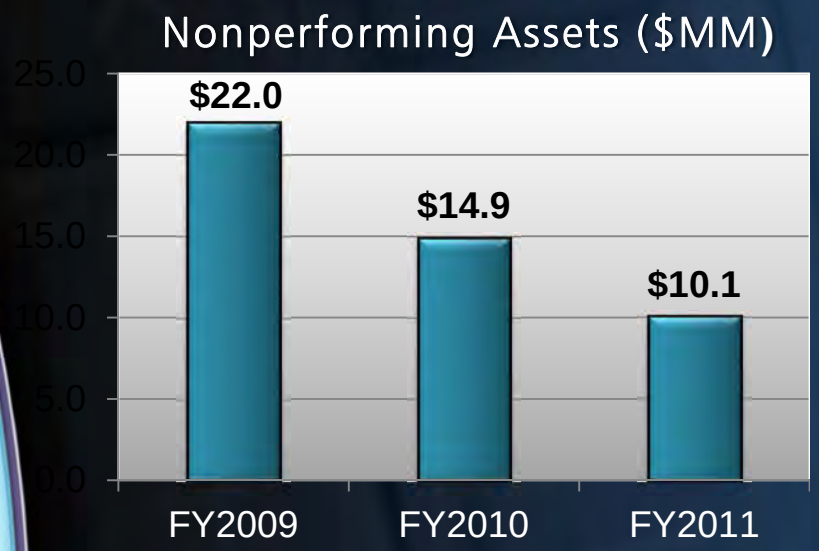
$17.3 Million Swing in 2011 Net Income

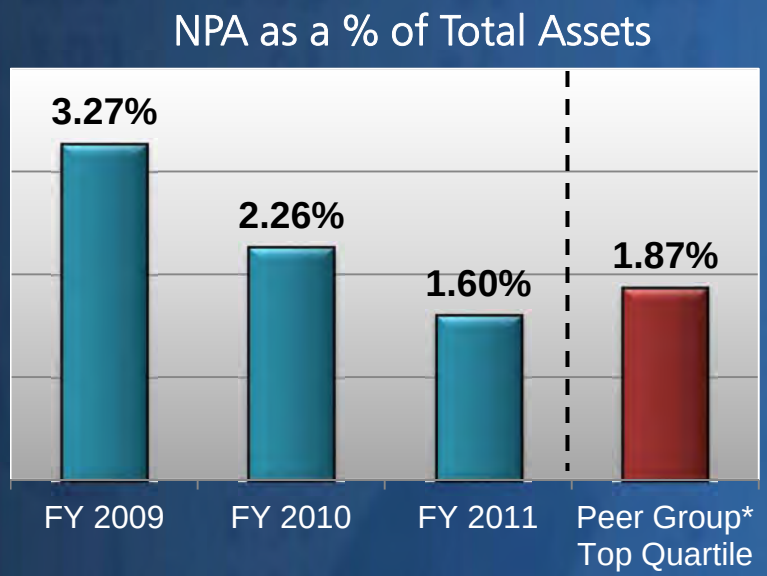
P&L	2010	2011	$ Change	RDSI
Total Revenue	$ 40.8 MM	$ 34.6 MM	$ (6.2) MM	$ (6.2) MM
Noninterest Expense	$ (40.2)	$ (29.1)	$ +11.1	+9.8
Loan Loss Provision	$ (10.6)	$ (2.0)	$ + 8.6	+3.0
Impairments	(12.1)	(1.2)	$ +10.9	+10.2
Pretax Income	$ (22.1)	$ 2.3	$ +24.4	+16.9
Net Income	$ (15.6)	$ 1.7	$ +17.3	$ +12.6

Credit Quality: Now a Strength of Rurban

- Took $16.3 million of Loan Loss Provision during 2009 & 2010 versus $2.0 in 2011
- Charged off $14.7 million of bad loans in 2009 & 2010 versus $2.2 million in 2011
- Built – and now maintain – loan loss reserves at approximately 1.50% of loans outstanding

Reduced Problem Assets by Over 50%

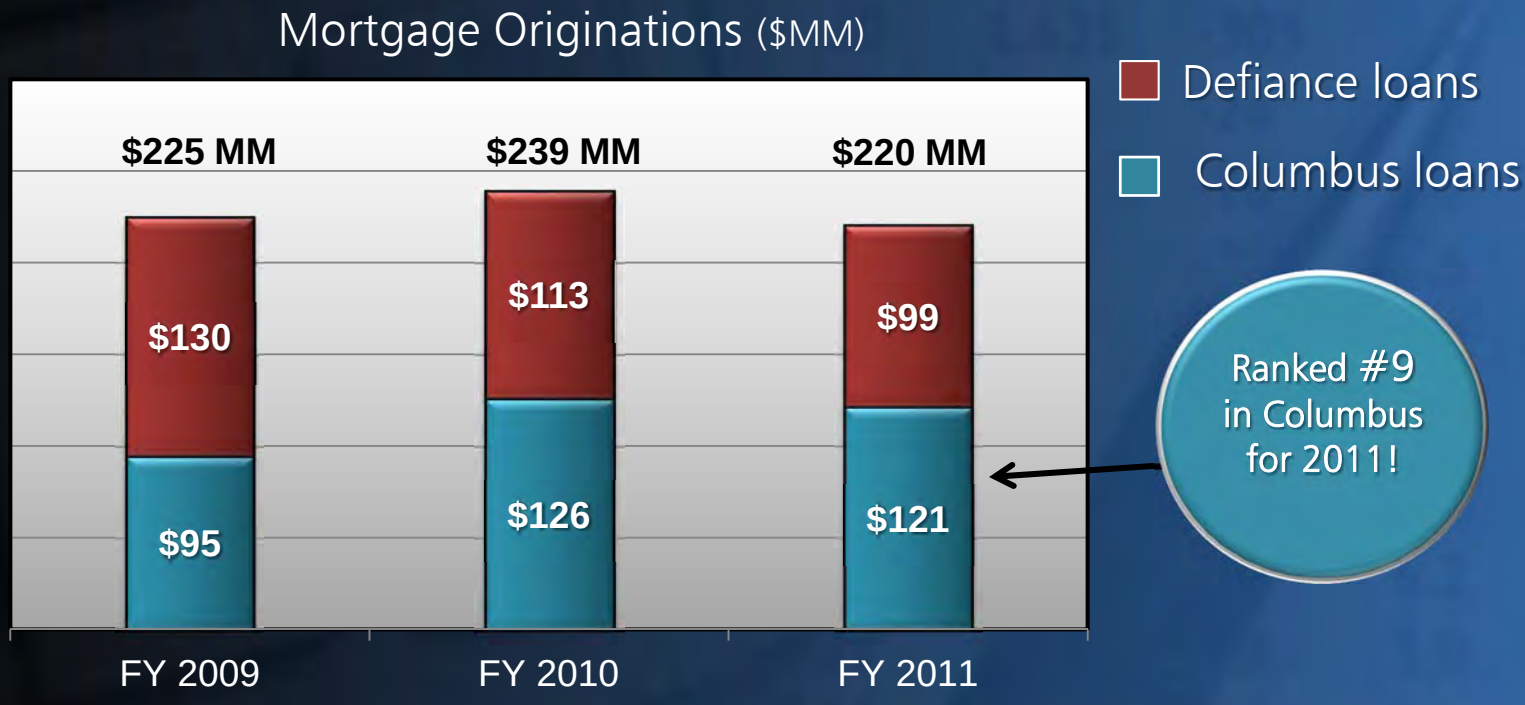




Credit quality now in Top Quartile of 67 bank Microcap Peer Group

* Peer Group consists of the 67 publicly-traded bank holding companies in the U.S. with assets between $500 million and $1 billion

Third Straight Year of Mortgage Originations Above $200 million



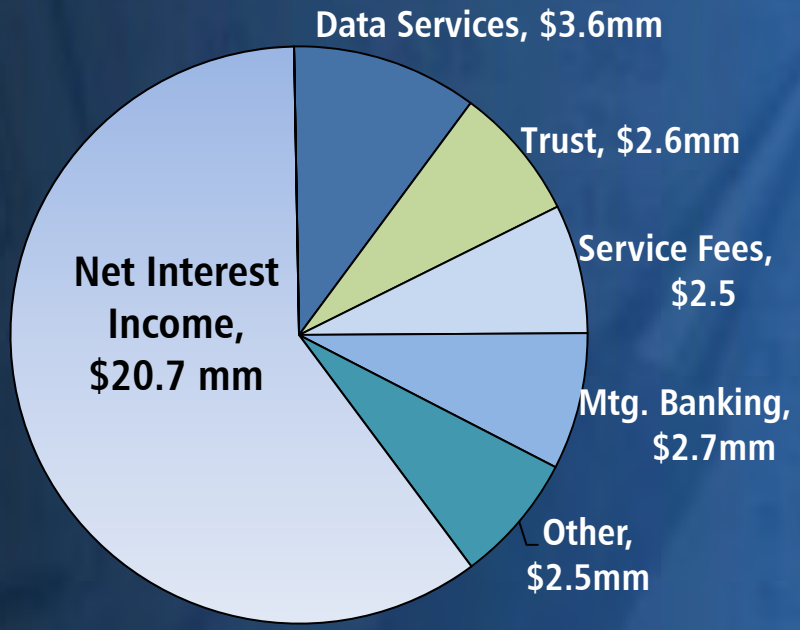
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2011 YEAR IN REVIEW

Mortgage Banking Adds Diversity to Revenue Stream…

Along with:

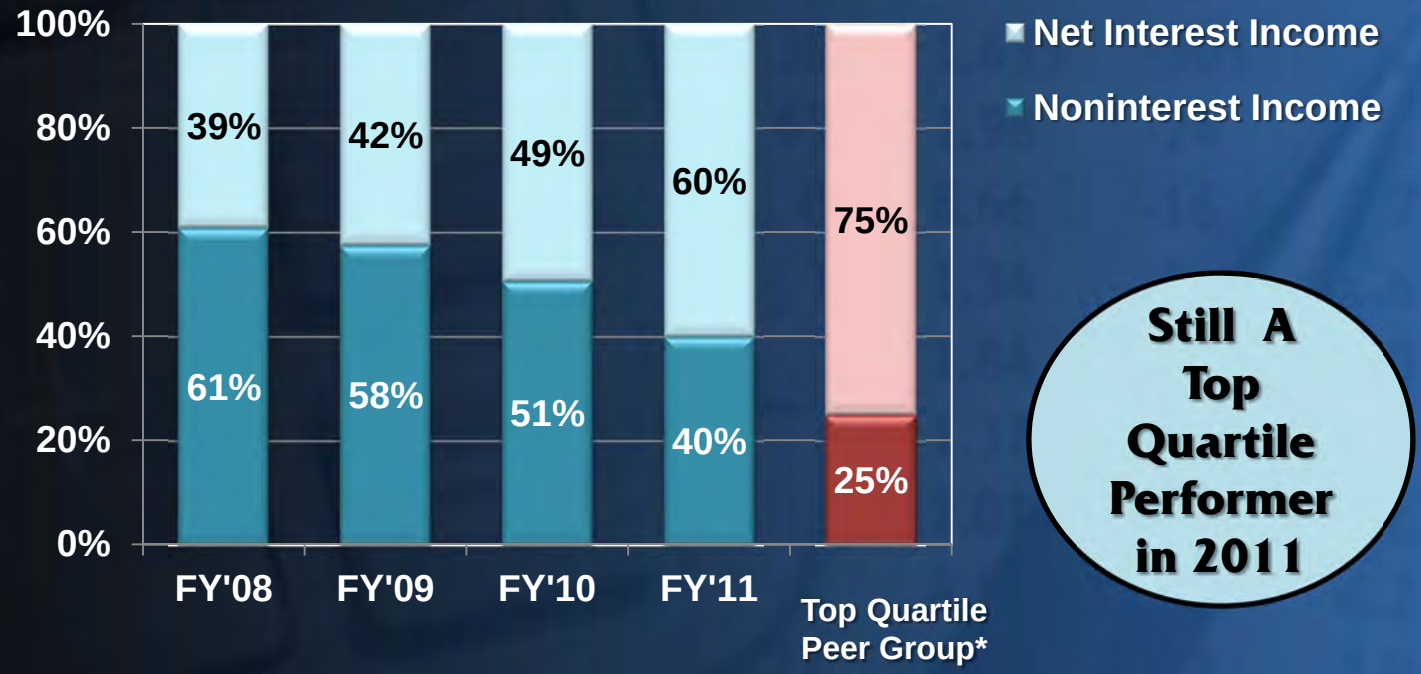
- Data services
- Trust
- Service fees
- Other



Total 2011 Revenue = $34.6 million

Rurban Remains Highly Diversified…for a Bank Its Size

Total Op. Rev: $45 $50 $41 $35 (in millions)

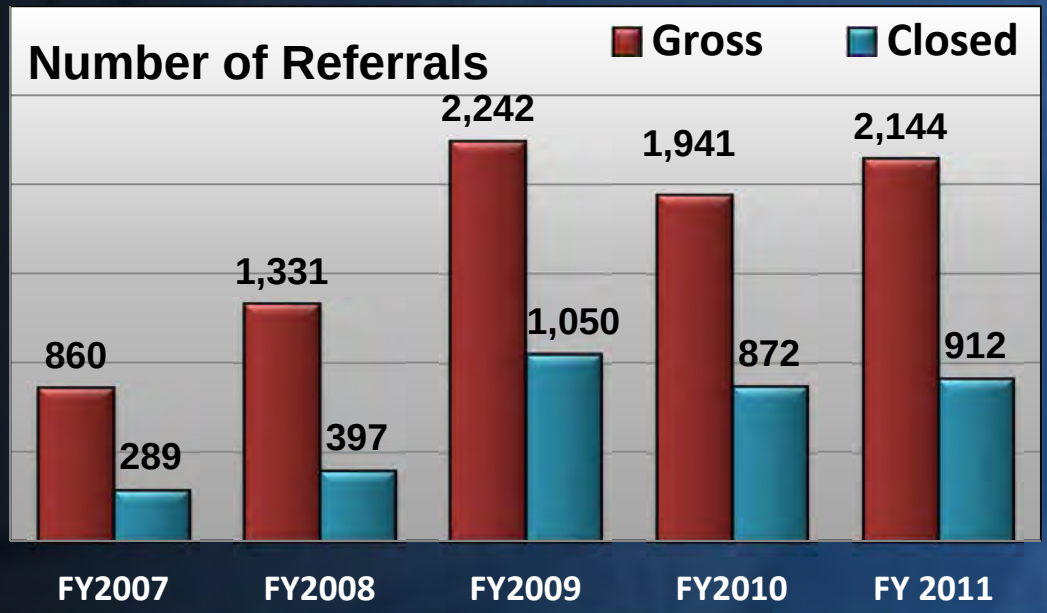


Still A Top Quartile Performer in 2011

* Peer Group consists of the 67 publicly-traded bank holding companies in the U.S. with assets between $500 million and $1 billion

Enhanced Cross-Sell:
Referrals Encourage Teamwork

- 89% employee participation in 2011
- 83% of employees provided a referral that closed
- 42.5% of total referrals were closed



Enhanced Cross-Sell:

Referrals Build Revenue



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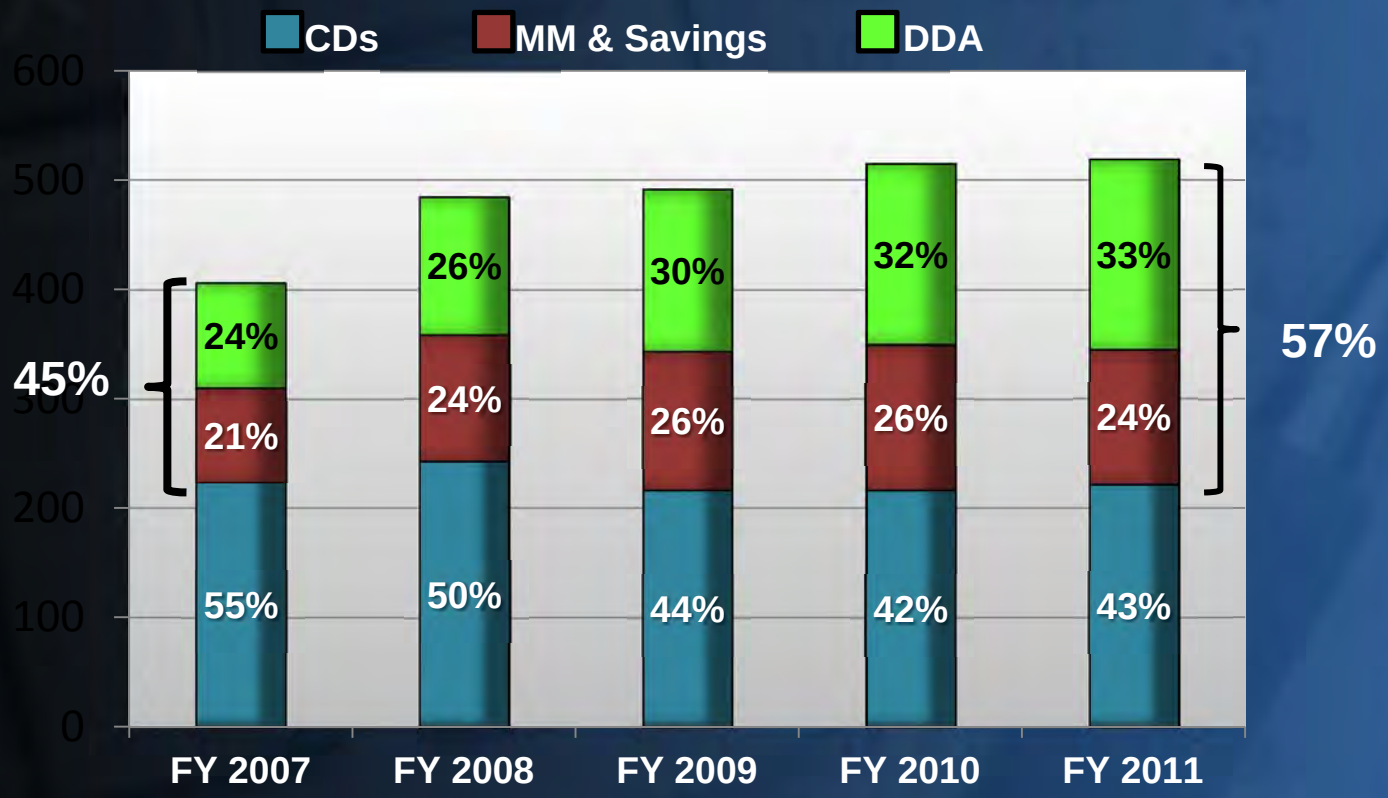
2011 YEAR IN REVIEW

3.5% Loan Growth in 2011:
Good Progress in a Slow Economy

- Ohio economy slowly improving; unemployment is declining
- Loan growth lags throughout the U.S.
- Rurban's Peer Group reported a negative 2% for median loan growth
- Rurban's 3.5% loan growth is virtually in the top quartile (3.68%) for banks
- Strong 2011 loan growth across the board:
  - Residential RE +3.4%
  - Commercial RE +5.6%
  - C&I +7.8%

Non-CD Deposits Enhance Franchise Value

Cost of Deposits Declined to 0.77% in 2011



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2011 YEAR IN REVIEW

Transition of RDSI Completed

- Now focused almost exclusively on item processing
- Reduced FTE employees by 83 since YE 2009
- Reduced annualized expenses from 2009 by $12.6 million
- RDSI is in a holding pattern until consent order is lifted

Right-Sizing Rurban to Reflect Lower Revenue

- Cut operating expenses by $12.9 million in 2011
  - Corporate FTE employees down 32 in 2011
  - Compensation expense reduced by $4 million
- Working smarter: Performance-based pay
  - 2011: Reduced salaries, benefits and ESOP
  - Instead: Paid 4% of salary ($454,000) as incentive pay
    - 86% of Bank's FTE employees received an average of 3% as performance-based pay
    - All employees received 1% of salary for achieving ROA goal

The State Bank
& Trust Company

How Do We Stand Out?



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2011
YEAR IN REVIEW

State Bank:
A Small Bank in a Big Banking World

- Total deposits of $7.4 trillion in U.S. banking industry
- State Bank has deposits of $519 million, or less than 0.001%

BUT…

State Bank is a Big Bank in a Small Banking World

The # 2 community bank in our 7-county

Northwest Ohio footprint, with a 3.9% share

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The State Bank
& Trust Company

Customer Needs are
Our First Priority



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2011
YEAR IN REVIEW

Local Leadership



J Arnold ,
Fort Wayne



David Anderson,
Lima



John Kendzel,
Toledo



Mark Klein, CEO



David Homoelle,
Columbus



Ryan Miller, Fulton/Williams County



Jon
Gathman ,
Defiance

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We Make Banking a Positive Experience

Getting Things Right the First Time

- Experienced bankers understand client needs
- Senior-level support staff is personally involved
- Clients know who to call when a need arises

Personalized Relationship Banking

Bohl Equipment wanted a personal relationship with their bankers. John Kendzel, Toledo Regional President, met that need.





State Bank provided the sophisticated products and services Bohl had used at a much larger bank.

Your Relationship Manager is Your Trusted Advisor

- The stability, maturity, and extensive experience of our key personnel provides a strong foundation
- Our bankers think ahead, and plan for the future of the relationship

Trusted Advisors

C&G Distributing Co appreciates the sound financial advice they receive from David Anderson, Lima Regional President.

Craig Kuhlman, Reliance Financial Services, takes time to personally meet with each employee to ensure their 401K retirement plan is properly planned.



Investing in Technology as Well as People

- We strive to make banking more
  - *Convenient* • *Secure* • *Cost-effective*
- Our products and services are competitive
- Our people are well-trained and responsive

Coming soon to State Bank…

- Mobile banking app for remote check deposit
- Online consumer loan applications
- Open your Health Savings Accounts online

Dedicated to Finding Solutions

Riley Tractor expects the same kind of innovation from their bank as they put into their business.

Ryan Miller strives to be a proactive and trustworthy partner as he helps Riley Tractor to expand their business.

Kristen Nusbaum implemented a cash management system that frees the company to run its business.



RFC RURBAN FINANCIAL CORP.

2011
YEAR IN REVIEW

Committed to Our Communities

- Over 7,000 hours of staff time donated in 2011
- Support of more than 150 charities within our franchise
- Building a reputation for community concern throughout our footprint





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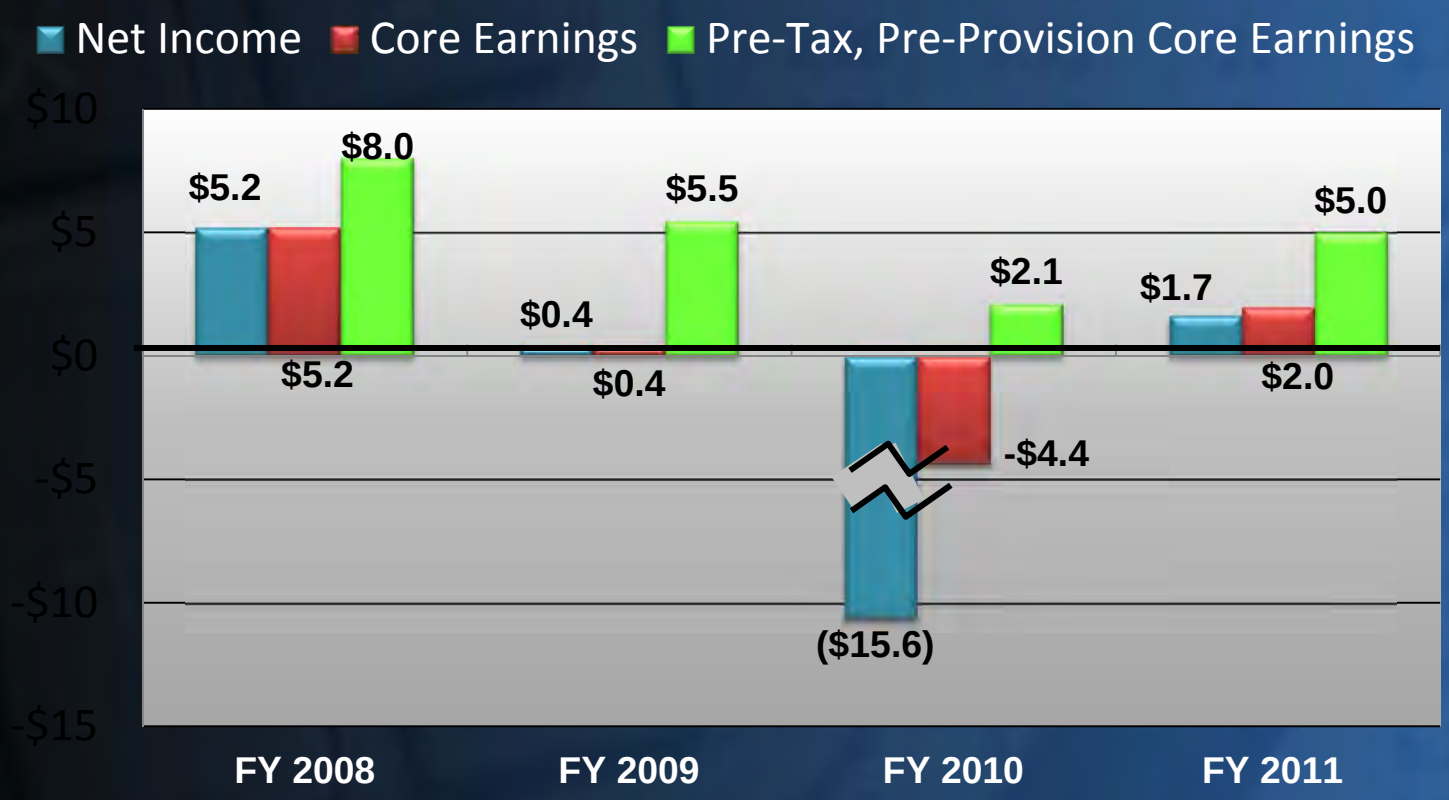
Financial Review

Tony Cosentino, CFO

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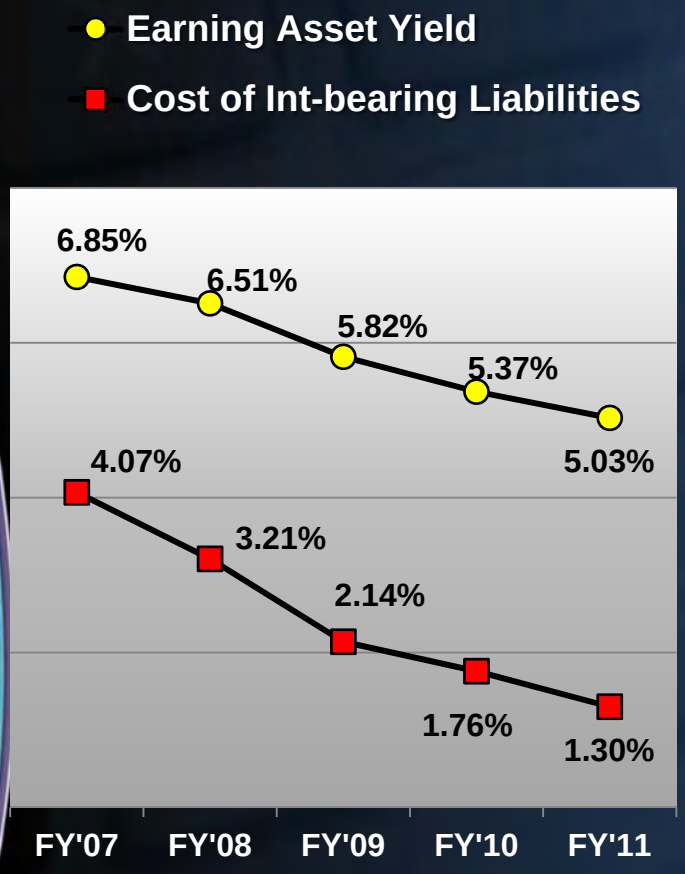
A Difficult Journey, But Now On Course



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2011 YEAR IN REVIEW

Strengthened Our Net Interest Margin…
Despite A Falling Interest Rate Environment



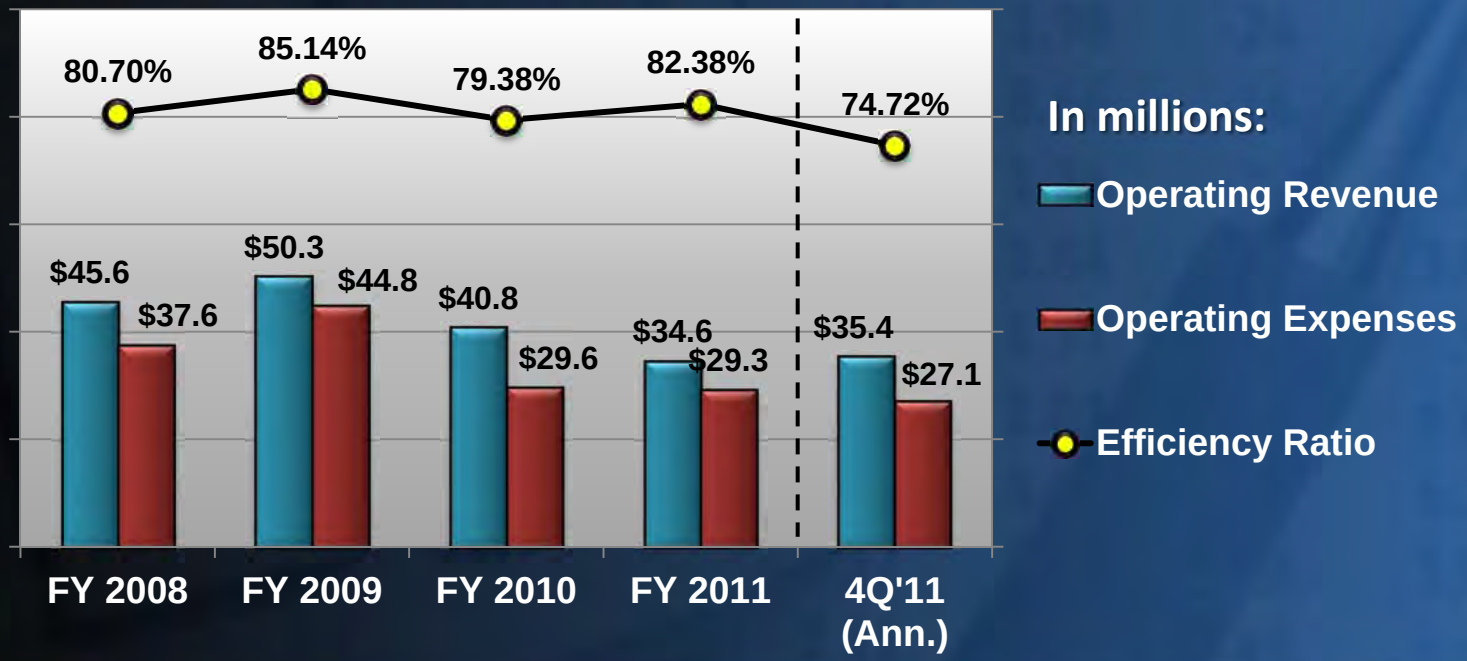


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2011 YEAR IN REVIEW

Operating Efficiencies Still Need to Improve

- Historic operating expense always too high
- Already offset loss of RDSI revenue with lower operating expense
- 4Q 2011 run rate reflects ongoing expense improvement



Asset Quality – Now A Source of Strength

- Problem assets peaked in 2009
- Aggressive remediation in 2010 reduced problem assets to more acceptable levels
- Strong loss reserve now provides flexibility to manage future potential losses with less impact on profits

($000)	FY 2008	FY 2009	FY 2010	FY 2011
Nonperforming Assets	6,738	22,011	14,929	10,064
Classified Loans	19,854	38,899	31,425	26,951
Net Charge-off Ratio (%)	0.19	0.84	2.43	0.50
NPA/ Assets (%)	1.02	3.27	2.26	1.60
Reserves/ NPLs (%)	94.20	34.74	50.15	79.29

State Bank Remains Well-Capitalized

- Loan losses at the Bank and recent losses at RDSI impacted holding company (RFC) capital
- Constraints remain on ability to pay dividends until RFC capital ratios improve
- Since low points at mid-year 2011, all RFC capital ratios now show improvement.

RFC Capital	YE 2007	YE 2009	6/30/2011	YE 2011
Risk-based Capital Ratio	15.90%	12.65%	11.08%	11.35%
Tier I Ratio	14.90%	11.40%	8.41%	8.78%
Leverage Ratio	11.00%	8.25%	6.00%	6.52%
Total Equity (MM)	$59.3	$61.7	$46.0	$47.9

In Summary…

Mark Klein, CEO

RFC RURBAN FINANCIAL CORP.

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The Rurban Vision

To become a

- High-performing (top-tier),
- Community-focused,
- Financial services provider

By meeting the needs of our customers, employees, shareholders and communities

We are making progress.

1st Quarter 2012: A Big Step Forward

- Net income in excess of $972 thousand
- Return on Average Assets of 61 bps
- Nonperforming assets down 30% since last year 1Q, to 1.5% of total assets
- $17.6 million loan growth since 1Q 2011, or 4.2%
- Capital position continues to build at RFC and the bank; shareholder equity now stands at $49 million

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Election Results

Rurban Financial Corp.
Annual Meeting Agenda

We will now take your questions.

RFC RURBAN FINANCIAL CORP.

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Annual Meeting of Shareholders

Thank you for joining us!



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