

Rurban Financial Corp.'s third quarter earnings were \$160 thousand in comparison to 2008 third quarter earnings of \$1.4 million. This reduction in earnings was primarily driven by: a build-up in loan loss reserves, \$752 thousand more than the year-ago quarter and extraordinary expenses due to the planned spin-off of RDSI. These expenses totaled \$850 thousand for the quarter composed of \$155 thousand in associated legal fees, accelerated depreciation of \$360 thousand resulting from the spin-off activities, and ramped up hiring expenses of \$335 thousand associated with the conversion activities due to the new software. I would encourage you to review the October 28, 2009 press release to obtain the details of Rurban's earnings.

On October 21, 2009, Rurban's Board of Directors approved and announced a quarterly dividend of \$0.09 per share payable on November 20, 2009 to shareholders of record on November 6, 2009.

The State Bank and Trust Company reported earnings of \$712 thousand in the third quarter of 2009, compared to \$1.2 million in the third quarter of 2008. As previously discussed, the earnings shortfall was the result of an additional loan loss provision. We experienced a relatively flat quarter of non-performers during the quarter inclusive of \$837 thousand in charge-offs. The Bank's loan growth continued during the quarter, resulting in a quarter-end balance of \$448.4 million, compared to \$399.9 million in 2008.

RDSI reported third quarter 2009 net income at \$8 thousand, compared to \$664 thousand reported for the prior-year third quarter. The reasons for this earnings decline were previously discussed and are primarily the result of the planned spin-off and the change in processing software. RDSI is encouraged that it currently has one banking site utilizing the new Single Source™ software, a major conversion scheduled for the fourth quarter of 2009 (The State Bank and Trust Company), four executed contracts, and ten Letters of Intent to convert to the new software.

As previously announced, RDSI will be terminating

the use of its third-party software as of December 31, 2010 and will, thereafter, be exclusively providing New Core Banking Systems' Single Source™ product for its banking clients. As detailed in our press release of October 22, 2009, we are moving forward in connection with the planned spin-off of RDSI Banking Systems, and we currently anticipate that the spin-off would be completed in the first quarter of 2010, subject to the satisfaction of various conditions. With the spin-off of RDSI into an independent public company, we believe we've found an excellent opportunity for RDSI's valuation to be recognized in the market.

There are a number of future planned executive changes as a result of the planned spin-off. Henry R. Thiemann, current President of RDSI, will be retiring from RDSI in the fourth quarter 2009. I will be continuing as Chairman and CEO of RDSI, roles I have held for the past 11 years. As of January 1, 2010, I will be relinquishing my role as President and CEO of Rurban and will assume the role of Rurban's Executive Vice Chairman through March 31, 2010. Mark A. Klein, current President and CEO of The Bank, will be assuming, in addition to his Bank roles, the CEO responsibilities for Rurban effective as of January 1, 2010. Also, Duane L. Sinn, currently the CFO of Rurban, will be joining RDSI as its new CFO; Rurban has begun a search for a new CFO.

We are continuing to focus on growth and profitability for Rurban Financial Corp. and its shareholders. There is much more detail relative to our progress and changes in our other press releases. We encourage you to visit our website www.rurbanfinancial.net to keep informed about the latest news and strategies of your Company.

Sincerely,



Kenneth A. Joyce
President and CEO

INVESTOR MATERIALS

Annual and quarterly shareholder reports, regulatory filings, press releases, and articles about Rurban Financial Corp., which have appeared in various publications, are available on our website at www.rurbanfinancial.net or may be obtained from Valda Colbart, Investor Relations Officer, via e-mail at rfcinv@rurban.net or by calling 1-800-273-5820.

DIVIDEND REINVESTMENT AND STOCK PURCHASE PLAN

Rurban offers its shareholders convenient, economical and powerful investment techniques to increase their investment in RBNF common stock. These plans provide a method of investing cash dividends and voluntary cash payments in additional shares of common stock without payment of brokerage commissions or service charges. Individuals who wish to purchase RBNF stock for the first time may also participate in this plan. For additional information about the plan and prospectus, please contact Registrar and Transfer Company at 1-800-368-5948, or www.rtc.com or Valda Colbart, Rurban Financial Corp., at 1-800-273-5820 or rfcinv@rurban.net.

FORWARD-LOOKING STATEMENTS

Certain statements within this document, which are not statements of historical fact, constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties and actual results may differ materially from those predicted by the forward-looking statements. These risks and uncertainties include, but are not limited to, risks and uncertainties inherent in the national and regional banking, insurance 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, the loss of key personnel 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, except as required by law. All subsequent written and oral forward-looking statements attributable to Rurban or any person acting on our behalf are qualified by these cautionary statements.

GROWTH AND PROFITABILITY: OUR STRATEGY

SHAREHOLDER LETTER & FINANCIAL HIGHLIGHTS



SEPTEMBER 2009 | 3RD QUARTER



RURBAN FINANCIAL CORP.
CONSOLIDATED BALANCE SHEETS
September 30, 2009 and December 31, 2008 and September 30, 2008

	September 2009 (Unaudited)	December 2008	September 2008 (Unaudited)
ASSETS			
Cash and due from banks	\$ 31,055,035	\$ 18,059,532	\$ 25,408,171
Federal funds sold	-	10,000,000	-
Cash and cash equivalents	31,055,035	28,059,532	25,408,171
Available-for-sale securities	111,561,500	102,606,475	94,436,350
Loans held for sale	11,370,884	3,824,499	1,478,333
Loans, net of unearned income	448,392,963	450,111,653	399,910,475
Allowance for loan losses	(5,934,165)	(5,020,197)	(4,057,213)
Premises and equipment, net	17,217,039	17,621,262	15,496,474
Purchased software	5,273,311	5,867,395	5,964,281
Federal Reserve and Federal Home Loan Bank Stock	3,748,250	4,244,100	4,148,400
Foreclosed assets held for sale, net	1,748,376	1,384,335	1,534,207
Accrued interest receivable	2,851,934	2,964,663	2,835,552
Goodwill	21,414,790	21,414,790	13,940,618
Core deposits and other intangibles	5,177,508	5,835,936	4,615,084
Cash value of life insurance	12,953,972	12,625,015	12,513,124
Other assets	6,917,729	6,079,451	6,797,920
Total assets	\$ 673,749,126	\$ 657,618,909	\$ 585,021,776
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits			
Non interest bearing demand	\$ 54,149,280	\$ 52,242,626	\$ 40,952,936
Interest bearing NOW	80,403,328	73,123,095	60,842,082
Savings	44,658,696	34,313,586	24,402,064
Money Market	88,676,904	82,025,074	74,958,096
Time Deposits	224,404,005	242,516,203	205,299,166
Total deposits	492,292,213	484,220,584	406,454,344
Notes payable	2,357,816	1,000,000	-
Advances from Federal Home Loan Bank	39,868,884	36,646,854	40,229,923
Fed Funds Purchased	-	-	5,000,000
Repurchase Agreements	46,138,646	43,425,978	44,553,855
Trust preferred securities	20,620,000	20,620,000	20,620,000
Accrued interest payable	1,382,015	1,965,842	1,575,146
Other liabilities	6,421,448	8,077,647	6,471,375
Total liabilities	609,081,022	595,956,905	524,904,643
Shareholders' Equity			
Common stock	12,568,583	12,568,583	12,568,583
Additional paid-in capital	15,132,715	15,042,781	14,996,187
Retained earnings	36,737,207	35,785,317	34,898,499
Accumulated other comprehensive income (loss)	1,998,910	(121,657)	(944,518)
Treasury stock	(1,769,311)	(1,613,020)	(1,401,618)
Total shareholders' equity	64,668,104	61,662,004	60,117,133
Total liabilities and shareholders' equity	\$ 673,749,126	\$ 657,618,909	\$ 585,021,776



RURBAN FINANCIAL CORP.
CONSOLIDATED STATEMENTS OF INCOME - UNAUDITED

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2009	2008	2009	2008
Interest income				
Loans				
Taxable	\$ 6,884,515	\$ 6,736,100	\$ 20,554,775	\$ 20,567,604
Tax-exempt	20,944	22,125	71,791	63,944
Securities				
Taxable	944,579	1,135,931	3,158,649	3,266,395
Tax-exempt	294,716	109,805	766,931	433,970
Other	41,621	17,635	71,498	130,424
Total interest income	8,186,375	8,021,596	24,623,644	24,462,337
Interest expense				
Deposits	1,559,730	2,258,470	5,115,379	7,973,962
Other borrowings	43,745	16,803	91,548	43,792
Retail Repurchase Agreements	437,419	465,452	1,296,242	1,376,767
Federal Home Loan Bank advances	417,359	416,696	1,221,487	1,096,178
Trust preferred securities	391,407	415,686	1,185,021	1,273,775
Total interest expense	2,849,660	3,573,107	8,909,677	11,764,474
Net interest income	5,336,715	4,448,489	15,713,967	12,697,863
Provision for loan losses	898,050	146,173	2,192,042	551,388
Net interest income after provision for loan losses	4,438,665	4,302,316	13,521,925	12,146,475
Non-interest income				
Data service fees	4,806,359	4,947,727	14,734,942	15,161,075
Trust fees	644,427	780,726	1,869,083	2,451,567
Customer service fees	700,042	626,008	1,923,744	1,825,040
Net gain on sales of loans	722,234	132,999	2,738,626	590,747
Net realized gain on sales of securities	-	-	477,591	-
Net proceeds from VISA IPO	-	-	-	132,106
Investment securities recoveries	-	-	-	197,487
Loan servicing fees	126,265	57,356	298,001	175,516
Gain (loss) on sale of assets	(52,976)	222,815	(95,390)	151,393
Other income	129,360	221,081	474,410	620,452
Total non-interest income	7,075,711	6,988,712	22,421,007	21,305,383
Non-interest expense				
Salaries and employee benefits	5,422,005	4,239,578	15,644,731	13,113,999
Net occupancy expense	752,532	526,301	2,336,652	1,603,496
Equipment expense	2,041,339	1,553,188	5,353,637	4,746,533
Data processing fees	151,320	120,151	495,782	321,510
Professional fees	705,415	489,910	1,846,458	1,345,133
Marketing expense	232,294	247,120	655,597	584,957
Printing and office supplies	104,036	115,667	435,913	421,405
Telephone and communication	406,673	415,120	1,212,901	1,258,907
Postage and delivery expense	511,525	511,522	1,635,037	1,649,969
State, local and other taxes	235,067	235,647	701,120	602,833
Employee expense	293,634	272,315	810,776	806,298
Other expenses	598,275	552,379	1,908,592	1,535,564
Total non-interest expense	11,454,115	9,278,898	33,037,196	27,990,604
Income before income tax expense	60,261	2,012,130	2,905,736	5,461,254
Income tax expense	(99,421)	588,090	638,915	1,572,034
Net income	\$ 159,682	\$ 1,424,040	\$ 2,266,821	\$ 3,889,220
Earnings per common share:				
Basic	\$ 0.03	\$ 0.29	\$ 0.46	\$ 0.79
Diluted	\$ 0.03	\$ 0.29	\$ 0.46	\$ 0.79



YOUR DIVIDEND

Your Dividend has been paid
based upon \$0.09 per share.

Based upon your previous instructions, you will find enclosed either a check for your dividend, a deposit receipt, or a statement showing your dividend being reinvested into Rurban Financial Corp. stock. Should you wish to change this election, please see the "Dividend Reinvestment and Stock Purchase Plan" section of this brochure.

STOCK PERFORMANCE - NASDAQ

Current Quarter Ending	Trade Price High	Trade Price Low	Closing Price	Div. Paid
09/30/09	\$8.10	\$7.00	\$7.58	\$0.09
06/30/09	\$8.75	\$7.52	\$7.75	\$0.09
03/31/09	\$8.61	\$7.34	\$7.90	\$0.09
12/31/08	\$9.50	\$7.54	\$7.60	\$0.09
09/30/08	\$10.24	\$7.72	\$ 9.00	\$0.09

QUARTERLY STOCK PERFORMANCE

July 2008 - September 2009

