

FOR IMMEDIATE RELEASE  
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CONTACT:  
John A. Ustaszewski  
Chief Financial Officer  
(740) 657-7000

**DCB FINANCIAL CORP ANNOUNCES ANNUAL 2009 OPERATING RESULTS  
AND INTENT TO RESTATE INTERIM RESULTS**

LEWIS CENTER, Ohio, March 10, 2010 — DCB Financial Corp, (OTC Bulletin Board DCBF) announced annual results of a loss of \$4.2 million, or \$1.13 per basic and diluted share for the twelve months ended December 31, 2009. This compares to net income of \$329 thousand for 2008, or \$0.09 per basic and diluted share.

President and Chief Executive Officer Jeffrey T. Benton commented, "There were three primary reasons for the disappointing results. First, we needed to significantly increase reserves for possible loan losses, particularly in our commercial real estate portfolio. Second, accounting rules required a large write down of our trust preferred (CDO) securities. Third, FDIC insurance premiums increased significantly because the Bank was required to pay much higher rates and incurred a special one-time assessment."

Mr. Benton added, "We were very disappointed to announce the suspension of our dividend. However, it is prudent to preserve capital during this economic cycle. We'll continue to review opportunities to pay dividends each quarter as we move forward and hope to be able to resume them soon."

"While results for 2009 were disappointing, we have made progress in many areas. The net interest margin, our primary source of revenue, increased nicely. Controllable expenses have been aggressively managed. Other key sources of revenue grew or were stable. We have built our reserves for loan losses to much higher levels as we work through this challenging credit cycle", stated Mr. Benton.

During The Delaware County Bank and Trust's (The Bank) 2009 Safety and Soundness regulatory exam, The Bank's primary Federal and State regulators (Federal Deposit Insurance Corp and Ohio Department of Financial Institutions) questioned whether The Bank's methodology used in the determination of fair value and impairment analysis of its CDO (collateralized-debt obligation) investment portfolio fully recognized possible future cash flow impairment. The regulators view was that defaults in payment on these investments are expected to accelerate above the levels in the previous model. Management agreed to change its assumptions and provide further analysis to the FDIC and the ODFI in support of the CDO impairment analysis.

The Bank's methodology involves using third-party capital market firms to assist in developing cash flow projections by estimating default and recovery rates for the collateral supporting the investments. Additionally, an internal analysis of the investment's underlying collateral provides management with other relevant data regarding the collateral on which management bases its estimates. The Bank and the Registrant have agreed to follow FDIC and ODFI guidance, the result of which is to revise the determination of fair value and increase the recognized amounts of other-than-temporary impairment in the second and third quarters of 2009.

Between the start of the regulatory examination process and the recent completion of the additional analysis to satisfy the FDIC and ODFI, The Bank had issued and filed with the FDIC the Bank's June 30, 2009 Report of Income and Condition (Call Report) and its September 30, 2009 and December 31, 2009 Call Reports with the FDIC. Meanwhile, DCB Financial Corp had issued interim financials as part of its Form 10-Q filings with Securities Exchange Commission (the "SEC") for the Quarters Ending June 30, 2009 and September 30, 2009. As a result of the additional analysis, the Bank has agreed to amend these previously issued Call Reports.

Management of the Corporation reviewed and discussed with BKD, LLP, the Corporation's independent registered public accounting firm, the advisability of restating the interim financial statements filed as part of its Form 10-Q for the Quarters Ending June 30, 2009 and September 30, 2009. Management with the concurrence of the Audit Committee concluded on March 9, 2010 that it is advisable for the Corporation to restate these interim financial statements for the periods ending June 30, 2009 and September 30, 2009 to be consistent with the Call Reports for the same periods. The Corporation's interim financial results for the quarters ending June 30, 2009 and September 30, 2009 will be restated to take into account the Bank's amended Call Reports. The Corporation is completing its determination of the corrected amounts and documentation to restate its June 30, 2009 and September 30, 2009 interim financial statements and will amend the applicable Form 10-Q Quarterly Reports as soon as practicable. However, pending determination of the corrected amounts management believes that the Corporation's unaudited financial statements for 2009 being released today will be unaffected by the restatement of these interim financial statements.

# Financial Highlights

## DCB Financial Corp and Subsidiaries

(Dollars in Thousands, Except Per Share Data)

	Three months ended December 31,		Twelve months ended December 31,	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
<b>Earnings</b>				
Net interest income	\$5,584	\$5,010	\$21,783	\$21,662
Provision for loan losses	2,490	4,177	9,398	8,177
Non-interest income	970	1,299	5,209	5,180
Security gains	(1,619)	29	(1,990)	307
Non-interest expense	5,795	5,635	22,989	20,884
Income tax credit provision/(credit)	<u>(1,280)</u>	<u>(1,493)</u>	<u>(3,185)</u>	<u>(2,241)</u>
<b>Net Income (Loss)</b>	<b>\$<u>(2,070)</u></b>	<b>\$<u>(1,981)</u></b>	<b>\$<u>(4,200)</u></b>	<b>\$<u>329</u></b>
<b>Per Share</b>				
Basic earnings	\$(0.56)	\$(0.53)	\$(1.13)	\$0.09
Diluted earnings	(0.56)	(0.53)	(1.13)	0.09
Common dividends	----	0.08	0.06	0.56
Book value	13.34	15.08	13.34	15.08
<b>Weighted Average Shares Outstanding (thousands)</b>				
Basic	3,717	3,717	3,717	3,717
Diluted	3,717	3,717	3,717	3,717
<b>Period End Balance Sheet</b>				
Assets			\$675,489	\$712,564
Securities			96,230	123,158
Loans			489,482	513,325
Allowance for loan losses			(10,479)	(6,137)
Deposits			557,455	565,265
Total shareholders' equity			49,592	56,059
<b>Average Balance Sheet</b>				
Assets	\$694,933	\$725,415	\$707,884	\$712,569
Earning assets	643,869	667,720	650,147	659,323
Loans	491,031	511,772	504,441	517,511
Deposits	573,736	578,683	578,275	556,070
Shareholders' equity	51,915	55,932	54,091	59,969
<b>Key Ratios</b>				
Return on average assets	-1.18%	-1.08%	-0.59%	0.05%
Return on average shareholders' equity	-15.82%	-14.05%	-7.76%	0.55%
Net interest margin (FTE)	3.53%	3.06%	3.44%	3.37%
Efficiency ratio	117.43%	89.32%	91.95%	77.80%
Total Risk-based Capital Ratio (Bank)			11.57%	11.06%
<b>Credit Quality</b>				
Non-accrual loans			\$11,275	\$4,698
Delinquent loans (30+ days)			3.01%	1.92%
Net charge-offs	\$859	\$6,941	\$5,057	\$10,339
Allowance for loan losses as a percentage of period-end loans	2.14%	1.25%	2.14%	1.25%
Net charge-offs (annualized) as a percent of average loans	0.69%	5.38%	1.00%	2.00%