



FIRST DEFIANCE
FINANCIAL CORP.

Strengths. Strategy. Results.

2000

Annual Report

First Defiance Financial Corp.



First Defiance Financial Corp. (NASDAQ: FDEF), a banking and financial services corporation headquartered in Defiance, Ohio, is the holding company for First Federal Bank of the Midwest, First Insurance & Investments, and The Leader Mortgage Company. First Defiance's consolidated total assets at December 31, 2000 were \$1.1 billion.

The company's strategy for continued profitability and growth is built on two primary goals:

- Nurturing its core community banking operations. It has diversified the lending portfolio into commercial and other types of loans, expanded the banking center network throughout the Northwest Ohio market, and enhanced product and service offerings; and
- Diversifying into related financial services businesses, to provide full financial services to customers. These include mortgage banking, property and casualty insurance, group health and life insurance, trust services, financial planning, and investment counseling.

First Federal Bank is a community financial institution with 14 full-service banking centers and 15 Automated Teller Machines (ATMs) serving Northwest Ohio. First Insurance

& Investments is the largest property and casualty insurance agency in the Defiance, Ohio market and specializes in property and casualty, life, and group health insurance, as well as financial planning and investment products and services. The Leader Mortgage Company is a mortgage banking company that specializes in first-time homebuyer loans. It services nearly 125,000 loans throughout the U.S., with balances totaling more than \$8.0 billion.

First Defiance Financial Corp. business units enjoy strengths within their own markets, in addition to important synergies and opportunities for cross-marketing as part of the growing First Defiance organization.

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Statements contained in this Annual Report may not be based on historical facts and are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21B of the Securities Act of 1934, as amended. Actual results could vary materially depending on risks and uncertainties inherent in general and local banking, insurance and mortgage conditions, competitive factors specific to markets in which the company and its subsidiaries operate, future interest rate levels, legislative and regulatory decisions, or capital market conditions. The company assumes no responsibility to update this information. For more details, please refer to the company's SEC filings, including its most recent Annual Report on Form 10-K and quarterly reports on Form 10-Q.

Financial & Corporate Highlights

Years ended December 31

(\$ in thousands, except per share data)

	2000	1999	1998
At Period End:			
Assets	\$1,072,194	\$987,994	\$785,399
Loans, net	773,522	702,943	568,484
Deposits and borrowers' escrow balances	613,881	564,511	511,313
Stockholders' equity	99,473	89,416	93,710
Book value per share	14.49	13.12	12.37
Tangible book value per share	12.46	10.97	10.61
Stockholders' equity to total assets	9.28%	9.05%	11.93%
Average Balances:			
Assets	\$1,009,291	\$871,501	\$698,922
Loans	730,264	657,009	521,968
Deposits	529,205	472,904	409,254
Stockholders' equity	93,620	90,619	103,892
Summary of Operating Results:			
Net interest income	\$21,683	\$21,797	\$22,110
Provision for loan losses	3,147	1,925	7,769
Non-interest income	53,246	40,794	17,528
Non-interest expense	54,905	47,414	26,940
Net income	10,963	8,623	3,111
Basic earnings per share	1.74	1.33	0.42
Diluted earnings per share	1.71	1.29	0.40
Basic cash earnings per share	1.87	1.44	0.45
Diluted cash earnings per share	1.84	1.40	0.43
Return on average equity	11.71%	9.52%	2.99%
Return on average assets	1.09%	0.99%	0.45%

First Defiance soared to another record performance in 2000.

- Achieved second consecutive record year, as net income rose 27.1% to \$10.96 million and earnings per share increased by 32.6% to \$1.71 per diluted share.
- Commercial and non-residential real estate loan portfolio at First Federal Bank grew 66.5% to \$229.9 million.
- Record mortgage production levels at The Leader generated \$36.1 million in mortgage banking fee income and a \$9.5 million gain on sale of mortgage loans.
- Quarterly dividend on common shares increased to \$.12 per share in January of 2001.
- Credit quality remained strong. Non-performing assets represented just .32% of the total portfolio.
- First Insurance & Investments' total premiums reached \$2.6 million.

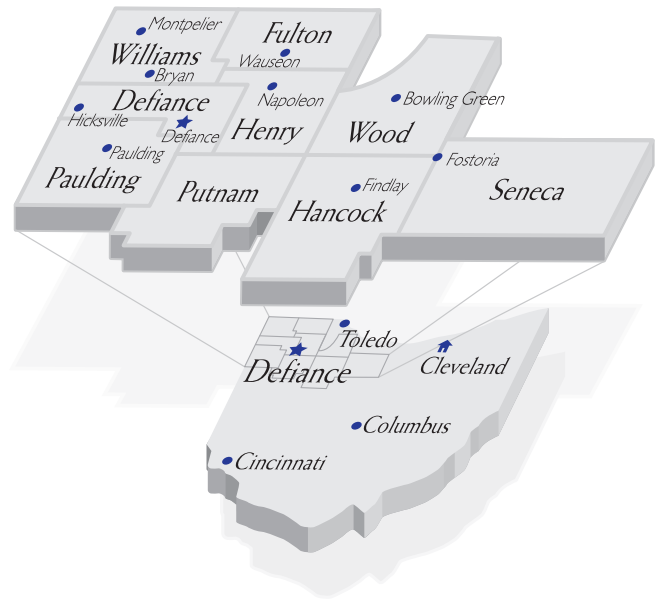


First Defiance On The Web

Investors looking for the latest news and financial information about First Defiance Financial Corp. can visit www.fdef.com 24 hours a day seven days a week and click on the "Investor Relations" section at the top of the company's home page.

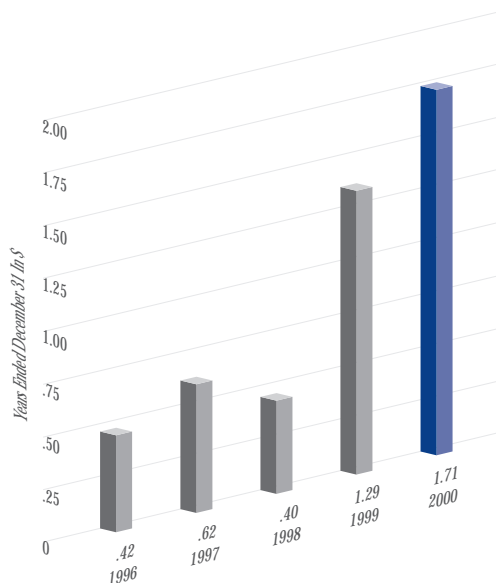
Expanded and enhanced in 2000, the Web site provides investors with a broad array of information about the company and its performance. This includes company and financial news, information about the company's conference calls for investors and other coming events, financial reports and filings (including a link to the Securities and Exchange Commission's EDGAR database), stock price and trading information, a link to the NASDAQ Web site, and other valuable resources.

The First Defiance Web site also provides information on the company's other operating units, including a link to First Federal Bank of the Midwest site, which features the bank's state-of-the-art OnLine BankingSM service.

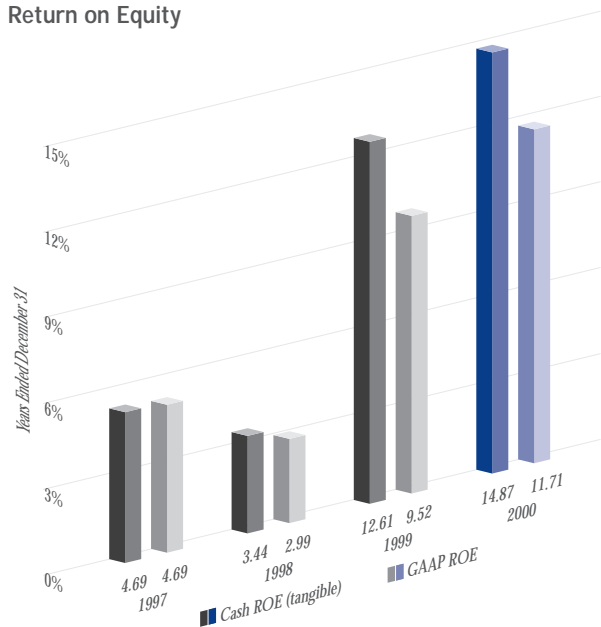


- ★ First Defiance Financial Corp., First Federal Bank, and First Insurance & Investments
- 🏠 The Leader Mortgage Company

Net Income Per Share



Return on Equity

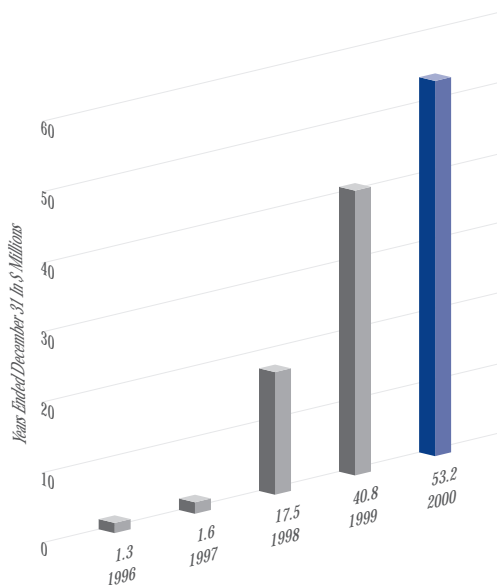


First Defiance Financial Corp. At A Glance

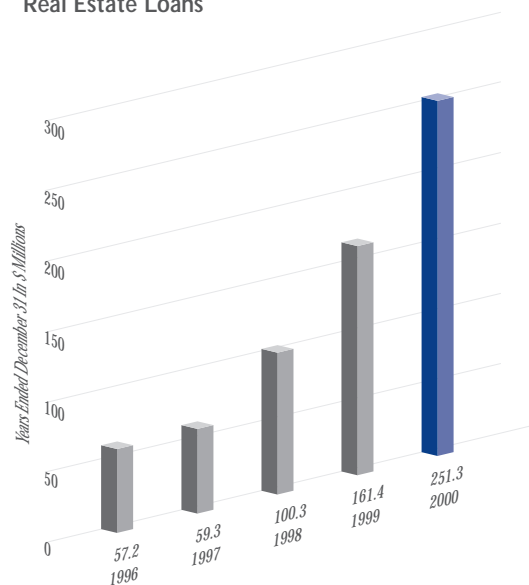
First Defiance Financial Corp. is a unitary thrift holding company with three primary operating units: First Federal Bank of the Midwest, The Leader Mortgage Company, and First Insurance & Investments, Inc.

	First Federal Bank of the Midwest	The Leader Mortgage Company	First Insurance & Investments, Inc.
Service Area:	14 banking centers and 15 Automated Teller Machine locations in eight Northwest Ohio counties.	National in scope, serving nine programs sponsored by state housing finance agencies plus 47 others sponsored by counties and municipalities in a total of 15 states.	Northwest Ohio, although cross-selling to customers of other operating units opens additional markets.
Products and Services:	A full range of consumer and commercial banking products and services, including checking, savings, and certificate of deposit (CD) accounts; loans; trust services; and OnLine Banking SM	Specialist in first-time homebuyer programs, selling and servicing mortgage loans; services nearly 125,000 loans with balances exceeding \$8.0 billion.	A full range of property and casualty, group health and life, and commercial insurance, plus financial planning and investment products and services.
2000 Performance:	A good year; its diversified lending portfolio, expanded banking center network, and new products and services helped offset margin pressures.	An exceptional year; its niche in first-time homebuyer programs (offering below-market interest rates) proved very profitable during the year's rising-rate environment.	First Defiance's newest operational unit is still in the development stages, but revenues almost doubled to \$2.6 million.

Non-Interest Income



Commercial and Non-Residential Real Estate Loans





William J. Small
Chairman, President, and
Chief Executive Officer
First Defiance Financial Corp.

Letter to Shareholders

Dear Shareholder:

I am pleased to report that First Defiance Financial Corp. achieved its second consecutive year of record performance in 2000. Our strategy of expanding core banking operations and growing our financial services businesses produced earnings per share of \$1.71, an increase of more than 32% from the 1999 level of \$1.29. Our return on shareholders' equity, perhaps the single most important measure we use – it tracks how effectively we apply the dollars our shareholders have invested in First Defiance – rose to 11.7% for 2000, up from 9.5% in 1999.

This record performance came despite some major challenges throughout the year, due to both external and internal developments. Externally, the Federal Reserve Board's strategy to keep inflation in check drove interest rates up throughout the year, reducing our net interest margins to levels lower than we had forecast. In the latter part of the year, we saw signs of a slowing economy began to surface.

Higher interest rates also created an internal challenge, albeit a good one, driving greater than anticipated loan production in first-time homebuyer programs, a market where we're particularly strong. This caused our mortgage servicing portfolio to grow to a level that put pressure on our regulatory capital. Our strong organization allowed us to step up and meet those and other challenges throughout 2000.

Strong Year in Mortgage Banking

Mortgage banking has played a major role in our recent success through our subsidiary, The Leader Mortgage Company. As noted, the higher interest rate environment of 2000 heightened the popularity of the first-time homebuyer programs that we specialize in. The growth in our mortgage servicing portfolio gave First Defiance significant fee income, a core part of our annual revenue, in 2000 and years ahead. At the same time, the high levels of production resulted in significant gains on loan sales in 2000.

However, the mortgage servicing rights on our balance sheet require the company to maintain regulatory capital levels greater than other institutions our size. This capital requirement has limited our ability to continue repurchasing shares of our common stock, even though our shares were trading at a low multiple of earnings during all of 2000.

We are considering a number of alternatives to address this capital shortfall, including the restructuring of our corporate organization, the restructuring of our balance sheet, and the issuance of additional capital, either in the form of common equity or trust preferred securities. Each of these solutions presents various challenges which may adversely affect net income. As we evaluate the range of alternatives, our focus is on the long-range goals of the company and the interests of our shareholders.

Broad-Based Growth at First Federal

At First Federal Bank, commercial products and services are furthering our strategy to shift our balance sheet away from dependence on consumer banking products. The commercial and non-residential real estate lending portfolio grew to \$229.2 million at December 31, 2000, a \$91.8 million or 66.5% increase for the year. But to me, the quality of those loans is more impressive than the quantity. Our non-performing assets at December 31, 2000 represented only .32% of the total commercial and non-residential real estate portfolio. This compares very well to First Federal's peer group. Growth of this quality is a tribute to the very talented and experienced commercial lending staff that we have hired over the last several years.

While our most significant growth at First Federal came in the commercial area in 2000, we remain committed to the community bank model. We believe this model, built on personal service and a strong local presence, is a critical competitive advantage for First Federal in the markets it serves. This focus on serving our customers has been reemphasized through our Customer First Initiative, which empowers our employees to provide superior customer service.

We expanded our community banking reach again in fourth quarter 2000 with the opening of a banking center – our 14th – in Bowling Green, Ohio. We look forward to being very successful there. We have also enhanced customer access to our services with the addition of two more Automated Teller Machines (ATMs) and continued improvements to our Internet banking product.

Positioned to Grow

From a strategic standpoint, I believe First Defiance is well positioned to improve on its recent performance.

In mortgage banking, for instance, where the rising interest rate environment of 2000 made our first-time homebuyer niche attractive and very profitable, some may question whether the apparent lower rate environment of 2001 will have the opposite effect. We don't think so.

In a rising interest rate environment, our niche stands out because it is the only segment of the housing finance market that sees significant growth. However, when rates are falling, the housing finance agencies that we partner with still offer rates that are lower than conventional mortgage rates, so first-time homebuyer programs are still very attractive. This market also recently got a boost when federal legislation increased by 25% the authority for housing finance agencies to issue the tax-favored bonds that provide the capital for this niche, where our Leader Mortgage operating unit is the market leader.

Although the growth in this market in 2001 may not be as dramatic as conventional mortgage bankers will report during a refinancing boom, I anticipate that we will still have strong production in this area for the foreseeable future.

At First Federal Bank, we will continue to grow our commercial and non-residential real estate lending portfolio, but deposit growth remains the cornerstone of our strategy, especially in core checking and savings deposits. While the recent reduction in short-term interest rates will help improve our net interest margins, we realize that the real margin benefits will come from our ability to replace more expensive borrowings with core deposits.

Our strategy also calls for continued growth by the Trust Services department of First Federal Bank and by our First Insurance & Investments subsidiary. These entities, still in the developmental stages, were not significant contributors to our bottom line in 2000. They are, however, a critical part of our strategy to grow First Defiance by providing our customers with a complete array of products and services. Better integration of these newer business units with our banking and mortgage banking customers, including aggressive cross-marketing of products and services to those customers, is a key component of the ongoing plan.

At First Defiance Financial Corp., we have a well-considered strategy for growth, and a good business plan to implement that strategy: in years – like 2000 – of economic growth and in years – like 2001 – that suggest a more challenging business environment. More importantly, we have a team of bright and experienced managers and dedicated employees to carry out that plan.

Thank you for your continued interest and support.

Sincerely,



William J. Small
Chairman, President, and
Chief Executive Officer
March 21, 2001



First Federal Bank of the Midwest

In January 2000, First Federal became First Federal Bank of the Midwest.



The Findlay, Ohio banking center, opened in 1999, helped the bank's 2000 growth.



Another banking center which opened in 1999 – in Fostoria, Ohio – brought First Federal's community bank service to more Northwest Ohioans.

First Federal Bank of the Midwest

The strategy of expanding the products and services offered and markets served by First Federal's community banking operations delivered positive results in 2000. Strong growth in commercial and non-residential real estate lending, along with full-year contributions from two full-service banking centers opened during 1999, helped offset margin pressures created by the year's high interest rate environment.

To expand its commercial and non-residential real estate lending effort, First Federal has hired experienced, proven commercial lenders, with strong backgrounds in credit quality.

This loan portfolio, which is characterized by small- to mid-sized loans, ended the year at \$229.9 million, up 66.5% over the 1999 level. Solid underwriting practices and reserves, coupled with a policy of semi-annual external loan reviews, helped maintain the operating unit's credit quality and keep loan losses to a minimum.

Continued Growth

First Federal is committed to its role as a community financial institution, offering localized, personal service to its customers and communities. The fact that all banking centers open for four years or more rank No. 1 or No. 2 in their communities testifies to the effectiveness of this approach.

The bank has enjoyed steady deposit growth in a very competitive market. Deposits and borrowers' escrows exceeded \$613.9 million at year-end, an increase of 8.7% from 1999. In the past, deposit growth has traditionally been in CDs, but the bank is now also focusing on commercial and retail checking and money market accounts.

In the fall of 2000, First Federal established a lending office in Bowling Green, Ohio. The office, later expanded into a full-service banking center, is the bank's 14th.

The Business: a community bank offering Northwest Ohio complete banking products and services via 14 full-service banking centers, 15 ATM locations, and a full-service Internet banking (accessible at www.first-fed.com) operation.

The Strategy for Growth: capitalize on the personal, local service that a community bank can offer in markets increasingly populated by larger, regional banks; implement growth initiatives, including diversification of the lending portfolio, expansion of the banking center network, and addition of new, value-added products and services.

First Federal also continued to grow its OnLine BankingSM capabilities during the year, offering a full range of savings and checking accounts, lending, Individual Retirement Accounts, CDs, bill paying, and other services. Its Trust Services, established in 1998, saw assets under management increase to nearly \$40 million.

Looking Ahead

Going into 2001, First Federal recognized obvious signs of a slowing economy. Nevertheless, expected gains as new banking centers continue to reach their full potential, along with further increases in commercial and non-residential real estate lending, trust services, and other new products and services, should help the bank continue to grow during 2001.

First Federal is also well positioned to benefit from the expected interest rate declines in 2001. Its recent emphasis on checking accounts and money market accounts, with variable interest rates, has not locked First Federal into higher rates on fixed-interest CDs.

First Federal's solid underwriting practices, external loan portfolio review, and conservative reserves have maintained the quality of the bank's portfolio. In fact, total non-performing assets actually improved during 2000's fourth quarter. Given economic conditions, continued careful monitoring of the bank's credit quality will be a high priority.



First Federal's growing agricultural lending effort is helping diversify its lending portfolio.

A Commitment To Its Communities

Growth has brought change at First Defiance Financial Corp. and its First Federal Bank. But one thing that hasn't changed is its commitment to remaining the premier community bank in all of its markets.

What is community banking, and why is it important? First Federal Bank President and Chief Operating Officer James L. Rohrs recently addressed those questions in a letter to customers.

"To us, community banking means several things. First, it means providing you with consistently superior personal customer service. Second, it means local people that you know and trust have the authority and responsibility to make the decisions necessary to meet your financial needs. And third, it means continually providing you with new state-of-the-art financial products and services.

"As First Federal continues to grow and expand its services, we will maintain our focus on being a community bank, and not fall into the trap of acting big just because we are getting bigger." The bank's community advisory boards (See Page 10) play a critical role in doing that.

That's First Federal's commitment: a commitment to making a very positive difference in all of its communities. In an era when many community banks are disappearing or being acquired by larger, less personal financial institutions, it's a commitment that makes good business sense, too.

FDEF



The Leader Mortgage Company

The Leader is the nation's largest mortgage banker in the first-time homebuyer market.

The Leader Mortgage Company

The Leader posted an exceptional performance in 2000, a year that proved difficult for many conventional mortgage banking operations. During the year, the operating unit's loan production increased by 34.2%, helping grow its servicing portfolio to nearly 125,000 loans, with an outstanding balance in excess of \$8.0 billion.

The mortgage banking unit was acquired in 1998, as part of First Defiance's strategy to grow in related financial service markets. Importantly, The Leader complements First Defiance's core community banking operations, as indicated by the strong growth it experienced during 2000's rising interest rate environment, a period in which First Federal experienced net interest margin pressures.

The key to The Leader's success is its strong niche in first-time homebuyer programs offered through various governmental entities. These programs, which generally carry below-market interest rates, were especially attractive to consumers during 2000, when conventional mortgage rates were increasing. The Leader, the nation's largest provider in this \$12 billion segment of the mortgage industry, utilized aggressive marketing to take full advantage of the market opportunity.

Growth in its loan servicing portfolio pushed mortgage banking income to \$36.1 million, an increase of 28.3% over 1999. At the same time, the unit realized gains on sale of mortgage loans totaling \$9.5 million for the year, an increase of 34.8%. This provided a significant source of non-interest income to First Defiance.

The Business: one of Ohio's largest full-service mortgage banking companies and the largest in the nation in the first-time homebuyer market, Leader services nearly 125,000 loans with balances exceeding \$8.0 billion. It specializes in loans made under various first-time homebuyer programs sponsored by state, county, and municipal governmental entities. These programs generally carry below-market interest rates, so loan originations remain strong in rising interest rate environments. Similarly, these below-market rate loans are less susceptible to refinancing in falling rate environments.

The Strategy for Growth: target new programs and markets, enhance internal efficiencies, and maintain high standards for customer service.

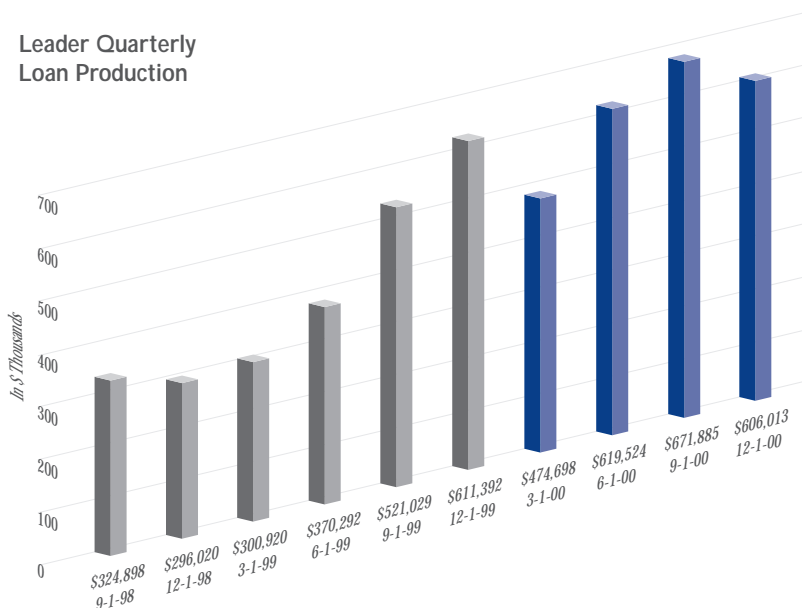
Looking Ahead

The Leader anticipates another good year in 2001, as it continues to target new markets and focus on internal efficiencies. While loan demand in the first-time homebuyer programs is pronounced in a rising interest rate environment, its niche also has advantages in falling-rate environments such as that expected in 2001. Its loans, originated at below-market rates, are far less susceptible to prepayments and refinancing than conventional loans are when rates fall.

And, even with falling interest rates, governmental entities generally continue to offer these special mortgage programs at still lower rates to meet constituents' needs and expand the opportunities for home ownership to a larger population.

Beyond its own business, The Leader provides a large customer base to which other First Defiance operating units can cross-sell products and services. First Federal Bank and First Insurance & Investments are both targeting the mortgage unit's customers with such products as savings accounts, Christmas Club accounts, and various insurance products.

Leader Quarterly Loan Production



Understanding The Leader's Core Earnings

When investors value a company, they distinguish between "core earnings" generated by the ongoing business and one-time gains from developments they don't consider sustainable. That's why, when they look at "conventional" mortgage lenders, they generally don't consider gains on the sale of loans as part of those core earnings.

In the past, some investors have applied this thinking to The Leader, which isn't a conventional mortgage lender. The fact is, more than 99% of its loans are made under government programs; Leader pools the loans under program guidelines and sells them to buyers who, under the bond programs, are obligated to purchase the loans for prices that are not subject to fluctuations as interest rates change.

Communicating this important distinction to the financial community has helped investors understand that The Leader's gains represent a predictable and sustainable form of recurring income. This recognition, First Defiance believes, is critical to a proper valuation of the subsidiary and First Defiance Financial Corp. itself.



First Insurance & Investments, Inc.

First Insurance & Investments opened its first financial planning center in 2000.

First Insurance & Investments, Inc.

This operating unit, the company's newest, offers a growing, long-term opportunity to market (and cross-market) financial products and services to existing and new First Defiance Financial Corp. customers.

Established in 1999, following the acquisition of two complementary insurance agencies, it offers a full line of property and casualty, group health and life, and commercial insurance, along with a broad range of financial planning and investment products and services.

In 2000, with the acquisitions complete, First Defiance began implementing a growth strategy at First Insurance & Investments. Although the operating unit is still in the development stage, revenues nearly doubled during the year, to \$2.6 million.

Growing the relationship between First Defiance and its customers – whether it's through expanded product and service offerings in banking or in new areas such as investments, financial planning, and insurance – is a logical step in strengthening the company's role as a community financial institution. Customers and communities trust First Defiance and its operating units to meet their financial needs. In 2000, First Insurance & Investments established its first financial planning center in First Federal Bank's main office in Defiance.

Looking Ahead

First Insurance and Investments is still in the early phases of growth, but several positives indicate continued progress in 2001, including:

- Rising rates for property and casualty insurance – the first significant improvement in these in a number of years, and
- Growing customer awareness of the importance of financial planning and counsel in an uncertain investment environment.

The Business: the largest property and casualty insurance agency in the Defiance, Ohio market, First Insurance & Investments offers a broad range of insurance, financial planning, and investment products and services.

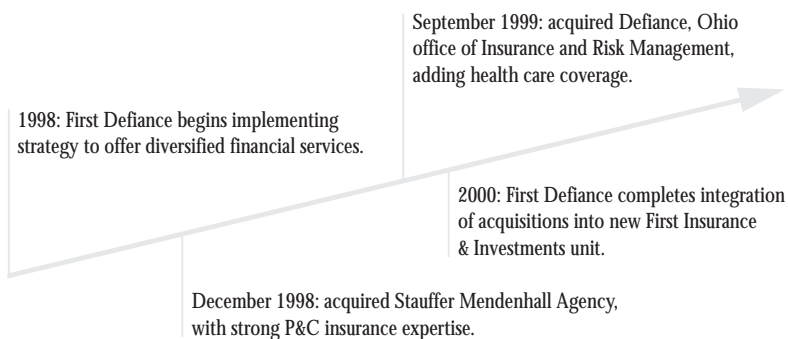
The Strategy for Growth: expand the range of insurance and investment products and providers offered and identify opportunities to cross-sell to First Federal and Leader Mortgage customers.

But perhaps the strongest long-term positives stem from the expanded opportunities First Insurance & Investments offers to cross-market insurance, investment, and financial planning products and services to customers of other First Defiance operating units.

Consider the ways this operating unit could capitalize on existing customer relationships, offering – for example – group health insurance to existing property and casualty customers, property and casualty insurance to home mortgage customers, commercial loans and deposit products to insurance customers, and financial planning to personal loan customers, among others.

Capitalizing on these relationships could, in the years ahead, open significant new markets to First Insurance & Investments – and to all First Defiance Financial Corp. operating units.

Tracking First Insurance & Investments



More Than Just P & C Insurance

First Insurance and Investments is the largest property and casualty (P&C) insurance agency in the Defiance, Ohio market area, with P&C premium income of more than \$1.8 million in 2000. But the company is more than just that.

It also has a large, growing group health care practice, which First Defiance added with the 1999 acquisition of the Defiance, Ohio office of Insurance and Risk Management (I&RM). Group health revenue was nearly \$500,000 in 2000.

This line of business provides us with a number of competitive advantages.

Foremost to our commercial insurance customers, we can be the sole provider of all their insurance needs. Purchase of the I&RM office included a brokerage agreement with I&RM's Third Party Administrator, which allows us to effectively market self-funded programs. The P&C market has had very soft pricing for a number of years, but premium income on group health has been steadily increasing. The decision-makers on health insurance coverage are usually also the decision-makers on all financial and banking decisions for a company. Our expertise in this area opens doors for other potential insurance and banking services.

First Defiance wants to provide a full range of financial services. Group health insurance is another way to accomplish that goal.

Shareholder Information

Annual Meeting

The Annual Meeting of Shareholders of First Defiance Financial Corp. will be held on Tuesday, April 24, 2001 at 1 p.m. EDT at the office of First Federal Bank, 601 Clinton Street, Defiance, Ohio 43512.

Investor Information

Shareholders, investors, and analysts interested in additional information about First Defiance Financial Corp. may contact John C. Wahl, Chief Financial Officer, at the corporate office, 419-782-5015.

First Defiance on the Web

First Defiance's home page on the World Wide Web is located at www.fdef.com. Information about First Federal's products and services is available at the First Federal Web site, at www.first-fed.com. Information about The Leader Mortgage Company is available at its Web site, www.TheLeader.cc. Information about First Insurance &

Investments products and services is available at www.firstii.com.

Shareholder Account Maintenance

Shareholders with questions concerning the transfer of shares, lost certificates, dividend payments, dividend reinvestment, receipt of multiple dividend checks, duplicate mailings, or changes of address should contact:

Registrar and Transfer Company
First Defiance Financial Corp.
Transfer Agent
10 Commerce Drive
Crawford, NJ 07016-3572
Telephone: 800-368-5948

Securities Listing

First Defiance Financial Corp. common stock trades on the National Market System of the NASDAQ Stock Market under the symbol FDEF. As of March 9, 2001, there were 6,863,684 shares outstanding.

Price Range

Year Ended December 31, 2000	High	Low
First Quarter	\$12.50	\$8.00
Second Quarter	\$9.375	\$7.625
Third Quarter	\$9.625	\$8.00
Fourth Quarter	\$11.125	\$8.375
Year Ended December 31, 1999	High	Low
First Quarter	\$14.50	\$10.125
Second Quarter	\$12.125	\$10.25
Third Quarter	\$12.3125	\$10.00
Fourth Quarter	\$11.8125	\$9.875

Dividend Policy

Cash dividends on the common stock are declared quarterly and have been paid since First Defiance and its predecessor, First Federal Savings and Loan, went public in 1993. The company's Board of Directors has increased the quarterly rate four times since 1997. The current annual dividend rate is \$.48 per share.

Dividend Reinvestment Plan

Shareholders may automatically reinvest dividends in additional First Defiance Financial Corp. common stock through the Dividend Reinvestment Plan, which also provides for purchase by voluntary cash contributions. For additional information, please contact the Registrar and Transfer Company at 800-368-5948.

Shareholders of Record

As of March 9, 2001, there were 1,740 shareholders of record.

Auditors

Ernst & Young LLP
1300 Huntington Building
Cleveland, OH 44115

General Counsel

Vorys, Sater, Seymour
and Pease LLP
Suite 2100 Atrium Two
221 E. Fourth Street
Cincinnati, OH 45201

Transfer Agent and Registrar

Register and Transfer Company
(See Shareholder Account Maintenance for contact information)

Current Market Makers

Friedman Billings Ramsey & Co.
Knight Securities L.P.
Keefe, Bruyette & Woods, Inc.
Sandler O'Neill & Partners
Spear, Leeds & Kellogg
Tucker Anthony Incorporated

Community Advisory Boards

First Federal's

Community Boards

First Federal is committed to understanding and meeting the needs of its communities. Its nine Advisory Boards, made up of local business, civic, and community leaders, help the bank accomplish that.

Members of these Boards include:

Bryan, Ohio

Stacey Bock, C.P.A.
Penrod & George

LeRoy Feather
Community Hospital of Williams County

Richard Hallett
Ohio Gas Company

Renee Isaac
Bryan Middle School

Steve Smith
L.E. Smith Company

Defiance, Ohio

Douglas Daoust
Daoust Drugs

Craig Hoffman
Mast-Mock-Hoffman Funeral Home

Michael Koester
Koester Corporation

Samual Strausbaugh
Defiance Metal Products

Richard Weaver
Poggemeyer Design

Findlay, Ohio

Greg Hull
Spencer-Patterson Insurance Agency

James Koehler
Country Club Acres Inc.

Paul Kramer
Kramer Enterprises, Inc.

M. Michael Roberts
EP Enterprises

Alan Tong, M.D.

Fostoria, Ohio

Steve Dandurand
Fostoria Industries

Peggy Frankart
Fostoria Community Hospital

Frank Kinn

Janet Ranney, D.V.M.
Tri-County Veterinary

Tom Reineke
Reineke Ford

Fulton County, Ohio

Kerry Ackerman
J and B Feed Company

Carl Hill
Hill Manufacturing

Leon Mann
Traillite Sales Inc.

Steven McElrath
BMW Services

Hicksville, Ohio

Larry Haver
Haver Construction & Lumber

Michael Headley
H&W Automotive Parts Inc.

Robert Ramus D.D.S.

Montpelier

Walter Bumb, D.D.S.
Eric Harter
Herbison Manufacturing

Thomas Houk
Do It Best Hardware

Jon (Pete) Yeager
Yeager's Market

Napoleon, Ohio

William Dunbar
Pavement Specialist, Inc.

Mike Snyder
Defiance/Napoleon Wash-N-Fill

Jeffrey Spangler
Holgate Metal Fab Inc.

Kay Wesche
Henry County Development Services

Paulding, Ohio

Joseph Burkhard
Paulding County Prosecutor

Jeff Clark
J.A. Clark Home Improvements

Greg Porter
Porter's BP Oil

William Shugars
Paulding Schools Superintendent



Corporate Information

Board of Directors From Left to Right:

Front Row:

William J. Small and Don C. Van Brackel

Back Row:

*Steven L. Boomer, Dr. Douglas A. Burgei,
Peter A. Diehl, Dr. John U. Fauster III,
Gerald W. Monnin, Dr. Marvin J. Ludwig,
and Thomas A. Voigt*

Corporate Directors and Officers and Officers of Subsidiary Companies

First Defiance Financial Corp. Board of Directors

William J. Small – 1, 3, 7, 8, 9
Chairman, President, and Chief Executive
Officer of First Defiance Financial Corp.
Age 50, Joined Company 1994,
Director Since 1998

Don C. Van Brackel –
1, 3, 4, 5, 8, 9
Vice Chairman of First Defiance
Financial Corp.
Age 62, Officer Since 1992,
Director Since 1979

Stephen L. Boomer – 2, 6, 7, 8
President, Arps Dairy, Defiance, Ohio
Age 50, Director Since 1994

Douglas A. Burgei, D.V.M. – 3, 5, 6
Veterinarian, Napoleon, Ohio
Age 46, Director Since 1995

Peter A. Diehl – 2, 4, 5, 8
President, Diehl, Inc.,
Defiance, Ohio
Age 50, Director Since 1998

John U. Fauster, III, D.D.S. – 2, 3, 5
Dentist, Defiance, Ohio
Age 63, Director Since 1975

Marvin J. Ludwig, Ph.D. – 2, 4, 6, 9
President Emeritus of The Defiance
College, Defiance, Ohio
Age 74, Director Since 1979

Gerald W. Monnin – 4, 5, 6, 9
President, CEO, Northwest Controls,
Defiance, Ohio
Age 62, Director Since 1997

Thomas A. Voigt – 4, 5, 6
Vice President, General Manager, Bryan
Publishing Company, Bryan, Ohio
Age 58, Director Since 1995

- | | |
|--|---|
| 1. Permanent Member of Executive Committee | 6. MRP – Stock Option Committee |
| 2. Audit Committee | 7. Trust Committee |
| 3. Investment Committee | 8. First Insurance & Investments Board of Directors |
| 4. Compensation Committee | 9. The Leader Mortgage Committee |
| 5. Long Range Planning Committee | |

First Defiance Financial Corp. Executive Officers

William J. Small
Chairman, President, and
Chief Executive Officer

Don C. Van Brackel
Vice Chairman

John C. Wahl
Executive Vice President,
Chief Financial Officer,
and Corporate Treasurer
Age 40, Joined Company 1994

James L. Rohrs
Executive Vice President
Age 53, Joined Company 1999

Sheldon Brodsky
Executive Vice President
Age 58, Joined Company 1987

Lawrence A. Ball
Executive Vice President,
Chief Information Officer
Age 53, Joined Company 1971

John W. Boesling
Senior Vice President,
Corporate Secretary
Age 53, Joined Company 1971

Dennis E. Rose, Jr.
Senior Vice President
Age 32, Joined Company 1996

Rachael L. Ulrich
Senior Vice President
Age 35, Joined Company 1996

Federal Bank of the Midwest

William J. Small
Chairman and Chief
Executive Officer

Don C. Van Brackel
Vice Chairman

James L. Rohrs
President, Chief Operating Officer

Gregory R. Allen
Executive Vice President, Chief Lending Officer

Mark D. Gazarek
Executive Vice President, Trust Services

Jeffrey D. Vereecke
Executive Vice President, Retail Banking

John C. Wahl
Executive Vice President, Finance
& Chief Financial Officer

John W. Boesling
Senior Vice President, Secretary

Patricia A. Cooper
Senior Vice President, Operations

Dennis E. Rose, Jr.
Senior Vice President, Controller

Rachael L. Ulrich
Senior Vice President, Human Resources

The Leader Mortgage Company

William J. Small
Chairman

Sheldon Brodsky
President, Chief Executive Officer

Alvin A. Siegal, CMB
Chairman Emeritus

Lawrence A. Ball
Executive Vice President,
Chief Information Officer

L. Robert Gentile
Executive Vice President,
Housing Finance Production

Richard I. Johnson
Executive Vice President,
Multifamily & Default

Robert H. Thompson
Executive Vice President, Loan Servicing

Brian K. Allen
Senior Vice President of Finance

Elaine M. Wojtowicz
Senior Vice President of Operations

First Insurance & Investments, Inc.

Steven P. Grosenbacher
President

Kenneth G. Keller
Executive Vice President,
Group Health & Life

Timothy S. Whetstone
Executive Vice President, Secretary

Lawrence H. Woods
Executive Vice President,
Property & Casualty





FIRST DEFIANCE FINANCIAL CORP.

First Defiance Financial Corp. Headquarters
601 Clinton Street
Defiance, OH 43512
www.fdef.com
419-782-5015



FIRST FEDERAL

First Federal Bank of the Midwest
601 Clinton Street
Defiance, OH 43512
www.first-fed.com
419-782-5015



The Leader Mortgage Company
1015 Euclid Avenue
Cleveland, OH 44115
www.theleader.cc
216-696-8000



First Insurance & Investments, Inc.
419 Fifth Street, Suite 1200
Defiance, OH 43512
www.firstii.com
419-784-5431

For investor relations information, access
www.fdef.com

