S. Y. BANCORP, INC.

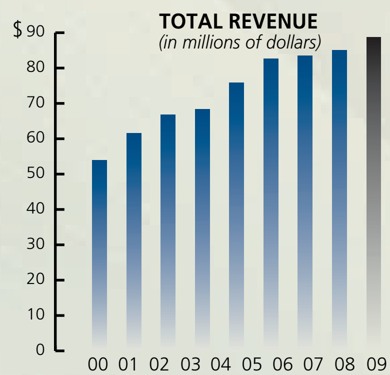
2009 SUMMARY ANNUAL REPORT

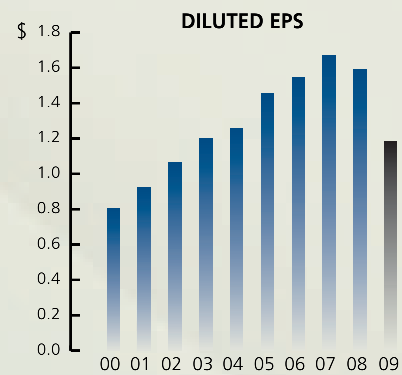
2009
Financial Highlights

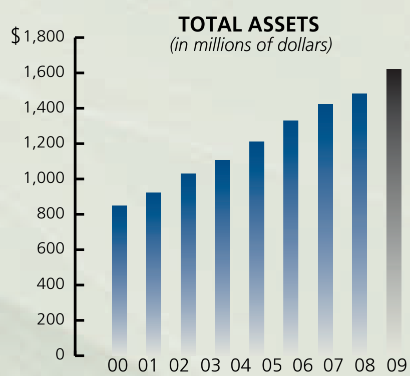
"Our 2009 results reflect many facets of our Bank and our business."

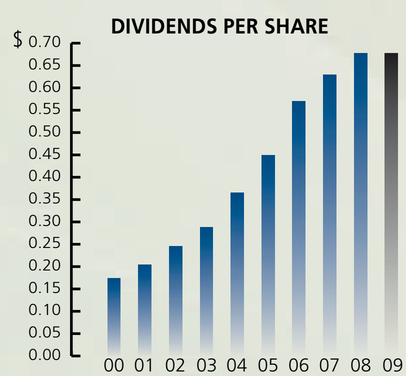
	2009	2008	Change
FOR THE YEAR			
Net income	$ 16,308	$ 21,676	(24.8) %
Cash dividends declared	9,238	9,135	1.1
PER COMMON SHARE			
Net income per share, basic	$ 1.20	$ 1.61	(25.5) %
Net income per share, diluted	1.19	1.59	(25.2)
Cash dividends declared	0.68	0.68	0.0
Book value at year end	11.29	10.72	5.3
Market price at year end	21.35	27.50	(22.4)
AVERAGES FOR THE YEAR			
Total assets	$ 1,717,474	$ 1,567,967	9.5 %
Loans	1,391,644	1,295,711	7.4
Deposits	1,331,936	1,216,833	9.5
Stockholders' equity	150,721	136,112	10.7
AT YEAR-END			
Total assets	$ 1,791,479	$ 1,628,763	10.0 %
Loans	1,435,462	1,349,637	6.4
Deposits	1,418,184	1,270,925	11.6
Stockholders' equity	153,614	144,500	6.3
RATIOS			
Return on average assets	0.95 %	1.38 %	(43) bp
Return on average stockholders' equity	10.82	15.93	(511)
Efficiency	58.81	57.35	146

bp = basis point = 1/100 of a percent









Note: Per share information has been adjusted as necessary for stock splits and stock dividends.

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David P. Heintzman
Chairman and CEO

"We are pleased to have reported solid earnings for 2009, and toward its end, to have seen signs of strengthening profitability against very difficult business conditions."

TO OUR STOCKHOLDERS

With more than a year of headline attention, everyone knows what the recession has meant to businesses, families and individuals in this country. With few exceptions, the economic downturn that began in 2008 – the worst since the Great Depression – has resulted in significant financial hardships, including lost revenues and income, reduced spending, and general downsizing. Many banks have been hit hard by the decline in real estate prices, especially in some parts of the country, and this has translated into lower collateral value and increased loan losses. Everyone has been affected; it's just a matter of magnitude. For many banks, this has translated into reported net losses for 2009, strained capital, and the reduction or elimination of cash dividends to common stockholders.

Clearly, 2009 was a daunting year, and certainly far from our best, as we faced the same kinds of economic pressures that others did. Still, we are pleased to have reported solid earnings for 2009, and toward its end, to have seen signs of strengthening profitability against very difficult business conditions. Importantly, we maintained our practice of sharing these earnings with our stockholders through dividend payments that remained uncut in 2009, and we witnessed continued strong growth in loans and deposits during the year.

BEHIND THE NUMBERS

Our results reflect many facets of our Bank and our business. Fortunately, with our presence in Louisville, Indianapolis and Cincinnati – each a relatively stable residential and commercial real estate market – we have not been exposed to significant losses since property values have remained resilient when compared with many other cities. Our markets traditionally have been steady performers and, as such, have presented us with new opportunities for growth and geographic diversification. Complementing this, our focus on customer service, coupled with a product breadth unmatched by many larger community banks, including one of the nation's most profitable trust companies, has provided the operational foundation to capitalize on opportunities for market expansion. Another factor is our conservative credit culture, and while we clearly have seen some erosion in credit quality and have absorbed higher loan losses since the onset of the recession, those levels continue to compare very favorably to industry statistics.

FINANCIAL RESULTS

Net income for 2009 totaled $16,308,000 or $1.19 per diluted share, which was down 25% from $21,676,000 or $1.59 for 2008. Importantly, net interest income, the largest component of our revenue, continued to grow despite ongoing pressure on margins.

The primary reason for the year-over-year decline was a higher provision for loan losses for 2009, which increased to $12,775,000 from $4,050,000 for 2008. This increase reflected in part the addition of

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$4,125,000 in response to the discovery of what appears to be a suspected fraud committed by a borrower. This addition was made after the issuance of our year-end earnings release. While many details are yet to be known, we considered it appropriate to record this additional provision and to fully charge off the loans involved as of December 31, 2009. As a result, net charge-offs increased to 0.59% for 2009. The remaining $8,650,000 of the 2009 provision for loan losses reflected our efforts to continue to conservatively address the risks inherent in portfolio in the wake of the ongoing economic downturn.

Another factor affecting our results for 2009 included higher FDIC insurance expense, which increased 333% in 2009, rising to $2,687,000 from $621,000 in 2008. Over the past two years, this expense has increased an astonishing 2000% as the FDIC looks to healthy banks to ultimately cover the cost of failed banks.

Our returns on average equity and assets for 2009 totaled 10.82% and 0.95%, respectively, down from 15.93% and 1.38%, respectively, for 2008. Obviously, these changes reflected the previously mentioned factors, against a backdrop of severe economic pressure on banks generally, as well as the impact of the subsequent event requiring an additional provision for loan losses. Nevertheless, we suspect the strength of these profitability measures will continue to rank S.Y. Bancorp among the nation's best-performing community banks – a fact underscored by U.S Banker magazine last year, which ranked the Company nineteenth among the country's top 200 community banks and thrifts with total assets of less than $2 billion.

A bright spot in our operations, particularly as the year came to an end, was our investment management and trust department. Income from this area has been under pressure for some time, concurrent with the long downturn in the stock market, inasmuch as most fees largely track security values. In the fourth quarter of 2009, our investment management and trust department posted higher fee income – the first quarter-over-quarter upturn in revenues in almost two years. This improvement reflected a general recovery in the stock market since March 2009, as well as continued growth in accounts under management. Assets under management totaled $1.5 billion at December 31, 2009, up from $1.3 billion at the end of 2008.

During 2009, our Company's total assets increased 10% to $1.8 billion, while our loan portfolio rose 6% to $1.4 billion. Total deposits increased 12% to $1.4 billion. This growth, reflecting a continued positive response from our customers, demonstrates that we remain highly attuned to their demands and preferences with a broad product line-up and a high level of personalized service. This approach to business – the Stock Yards Bank way of doing business – continues to set us apart as a leader in the community bank arena.

STRONG CAPITAL POSITION

At the end of 2009, our total risk-based capital ratio stood at 13.6% compared with 13.7% at the end of 2008, with the year-over-year change reflecting growth in our balance sheet rather than any diminishment of capital. In fact, total stockholders' equity increased 6% in 2009. For Stock Yards Bank & Trust, our capital remained significantly in excess of what regulators require to be considered "well-capitalized" – the highest capital rating for financial institutions.

Another important observation on our strong capital position is that we have achieved it without the acceptance of so-called federal bail-out funds. This strings-attached funding has brought new restrictions and uncertainties to the institutions that accepted it and has reduced their flexibility in several fundamental areas, including the payment of cash dividends. For these reasons, and as a matter of tradition, we have remained simple and straightforward in our capital strategies, historically managing the capital we need to support expansion, as with our December 2008 issuance of trust preferred securities, and through solid and consistent earnings growth.

SOUND CREDIT QUALITY

Notwithstanding the suspected fraud loss we uncovered subsequent to year's end, which plainly was an anomaly and was reflective of neither our conservative approach to credit risk nor the pressures associated with the national economic downturn, we continued to maintain strong credit quality in our loan portfolio during 2009. Non-performing assets amounted to just 0.77% of total assets at year's end – slightly higher than in 2008, but tracking only slightly above the relatively narrow band of between 0.39% and 0.76% that we have experienced over the past 10 years. More telling, fresh industry data for 2009 indicate that similar-sized banks, with assets of between $1 billion and $5 billion, had an average of almost 4% of their assets in non-performing status at the end of 2009. Obviously, we are pleased with the Company's performance in this area and congratulate the diligent efforts of employees throughout the bank to maintain a strong focus on credit quality. However, we know vigilance must continue because the continued downturn in the economy no doubt will cause us to experience even higher non-performing assets in the coming year. Only a recovery in the general economy will ultimately bring this challenging credit cycle to an end. Until then, we will remain in our customary conservative stance toward risk management, recognizing the strong balance sheet we have forged will keep us positioned to take advantage of strategic opportunities for growth in the coming years.

EXPANSION

Our expansion to Indianapolis and Cincinnati has complemented our presence in Louisville, adding opportunity and diversity to the mix of our operations. We continue to have high expectations for these new markets, which accounted for more than 40% of our net loan growth and more than one-third of the increase in our total deposits in 2009, and they remain on an upward trend toward achieving greater operational efficiency and market penetration. Our commercial lending expansion in Indianapolis is moving very well and we continue to consider possible sites for additional offices, but to date have not made any final decisions in this regard. Additional branch offices, while important to our long-term funding strategy, are not essential to the expansion of our lending efforts in Indianapolis. In Cincinnati, our newest market, we look forward to further physical growth in 2010 as we open two new offices there, one in the first quarter and another in the third quarter. We also will begin to accelerate our commercial lending efforts there, building on experience gained in Indianapolis and with the recent expansion of our team of seasoned lenders. These efforts should contribute to more rapid development of our Cincinnati market, providing further balance to our business, enhancing our prospects for long-term growth, and positioning us to continue our record for solid earnings.

CONCLUSION

As we enter a new year, one surely to be marked by a continuation of the uncertainties and pressures we have faced before, and possibly new challenges that cannot presently be anticipated, we remain focused on the fundamentals of our business. Since 1904, we have stressed the importance of providing our customers with the highest level of service and close, personal attention to their financial needs. This philosophy has contributed to our emergence as one of the premier community banks in the country, and we continue to live it each day, fulfilling a century-old promise to customers.

On behalf of all of our Directors and employees, thank you for your continued interest and support.

David P. Heintzman
Chairman and Chief Executive Officer

"Since 1904, we have stressed the importance of providing our customers with the highest level of service and close, personal attention to their financial needs."

S.Y. BANCORP, INC.

Selected Consolidated Financial Data

(Dollars in thousands, except per share data)

	As of and for the year ended December 31,				
	2009	2008	2007	2006	2005
INCOME STATEMENT					
Net interest income	$ 58,675	$ 56,858	$ 53,691	$ 53,875	$ 49,235
Provision for loan losses	12,775	4,050	3,525	2,100	225
Non-interest income	30,273	28,399	30,253	28,693	27,362
Non-interest expenses	52,932	49,475	46,452	46,610	44,672
Net income	16,308	21,676	24,052	22,896	21,644
PER SHARE					
Basic EPS	$ 1.20	$ 1.61	$ 1.70	$ 1.58	$ 1.48
Diluted EPS	1.19	1.59	1.67	1.55	1.46
Cash dividends declared	0.68	0.68	0.63	0.57	0.45
Book value	11.29	10.72	9.78	9.54	8.67
Market value	21.35	27.50	23.94	28.00	23.83
BALANCE SHEET					
Total loans	$ 1,435,462	$ 1,349,637	$ 1,201,938	$ 1,148,954	$ 1,053,871
Allowance for loan losses	20,000	15,381	13,450	12,203	12,035
Total assets	1,791,479	1,628,763	1,482,219	1,426,321	1,330,438
Total deposits	1,418,184	1,270,925	1,106,707	1,103,242	1,031,357
Stockholders' equity	153,614	144,500	133,024	137,444	125,797
AVERAGE BALANCE SHEET					
Total loans	$ 1,391,644	$ 1,295,711	$ 1,159,101	$ 1,093,844	$ 1,015,261
Total assets	1,717,474	1,567,967	1,413,614	1,353,651	1,270,178
Total deposits	1,331,936	1,216,833	1,081,483	1,061,481	997,979
Stockholders' equity	150,721	136,112	139,357	131,971	121,614
EARNINGS PERFORMANCE					
Return on average assets	0.95 %	1.38 %	1.70 %	1.69 %	1.70 %
Return on average equity	10.82	15.93	17.26	17.35	17.80
Net interest margin, fully tax equivalent	3.68	3.93	4.16	4.36	4.25
KEY RATIOS					
Non-performing loans to total loans	0.84 %	0.35 %	0.28 %	0.59 %	0.44 %
Non-performing assets to total assets	0.77	0.39	0.49	0.65	0.59
Net loan charge-offs to average loans	0.59	0.16	0.20	0.18	0.07
Allowance for loan losses to average loans	1.44	1.19	1.16	1.12	1.19
Average stockholders' equity to average assets	8.78	8.68	9.86	9.75	9.57
Tier I risk-based capital	11.66	11.90	9.82	10.81	13.44
Total risk-based capital	13.55	13.67	10.82	11.77	14.56
Leverage	10.16	10.62	9.21	10.18	11.15

Note: Per share information has been adjusted as necessary for stock splits and stock dividends.

S.Y. BANCORP, INC.

DIRECTORS

David P. Heintzman
Chairman and CEO,
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

James A. Hillebrand
President,
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

David H. Brooks
Retired Chairman and CEO,
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

James E. Carrico
Retired, Former Managing Director,
Wells Fargo Insurance Services

Charles R. Edinger, III
President,
J. Edinger & Son, Inc.

Carl G. Herde
Vice President of Finance and CFO,
Baptist Healthcare System, Inc.

Richard A. Lechleiter
Executive Vice President and CFO,
Kindred Healthcare, Inc.

Bruce P. Madison
CEO,
Plumbers Supply Company, Inc.

Nicholas X. Simon
President and CEO,
Publishers Printing Company

Norman Tasman
President,
Tasman Industries, Inc.
and Tasman Hide Processing, Inc.

Robert L. Taylor
Professor of Management
and Dean Emeritus, College of Business,
University of Louisville

Kathy C. Thompson
Senior Executive Vice President,
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

OFFICERS

David P. Heintzman
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S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

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Kathy C. Thompson
Senior Executive Vice President,
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

Nancy B. Davis
Executive Vice President,
Chief Financial Officer, Secretary and Treasurer
S.Y. Bancorp, Inc. and
Stock Yards Bank & Trust Company

STOCK YARDS BANK & TRUST COMPANY

EXECUTIVE OFFICERS

David P. Heintzman
Chairman and CEO

James A. Hillebrand
President

Kathy C. Thompson
Senior Executive Vice President
Wealth Management Group

Nancy B. Davis
Executive Vice President
Chief Financial Officer

William M. Dishman, III
Executive Vice President
Chief Risk Officer

Gregory A. Hoeck
Executive Vice President
Retail Banking Group

Philip S. Poindexter
Executive Vice President
Chief Credit Officer

Phillip S. Smith
Executive Vice President
Commercial Real Estate

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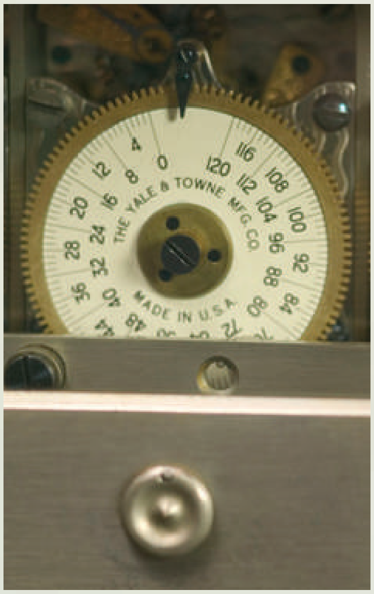

S.Y. BANCORP, INC.

STOCKHOLDER INFORMATION

Common Stock
S.Y. Bancorp, Inc.'s common stock trades on the NASDAQ Global Select Market under the symbol SYBT.

Trust Preferred Securities
S.Y. Bancorp, Inc.'s trust preferred securities trade on the NASDAQ Global Select Market under the symbol SYBTP (after August 30, 2010 the symbol will change to SYBT.P).

Forms 10-K And 10-Q
S.Y. Bancorp, Inc.'s annual report on Form 10-K and quarterly reports on Form 10-Q, as filed with the Securities and Exchange Commission, can be found at www.syb.com (see "Investor Relations") or by writing or calling Nancy B. Davis, Executive Vice President, S.Y. Bancorp, Inc., nancy.davis@syb.com, (502) 625-9176.

Transfer Agent
The transfer agent for the common stock of S.Y. Bancorp, Inc. is Stock Yards Bank & Trust Company, (502) 625-9133.

Automatic Dividend Reinvestment Service
The Company's automatic dividend reinvestment service enables stockholders to reinvest cash dividends in additional shares of S.Y. Bancorp, Inc. stock. For additional information, contact the Transfer Agent at Stock Yards Bank & Trust Company.

Mailing And Street Addresses
The mailing address for S.Y. Bancorp, Inc. is P.O. Box 32890, Louisville, Kentucky 40232-2890. The street address is 1040 E. Main Street, Louisville, Kentucky 40206.

Internet Address
The Internet address for S.Y. Bancorp, Inc. is www.syb.com. Stockholders can find share prices, trading volume, insider trading information, and other pertinent information (see "Investor Relations").