

S. Y. BANCORP, INC.
2013 SUMMARY ANNUAL REPORT

**Stock
Yards**
Bank & Trust

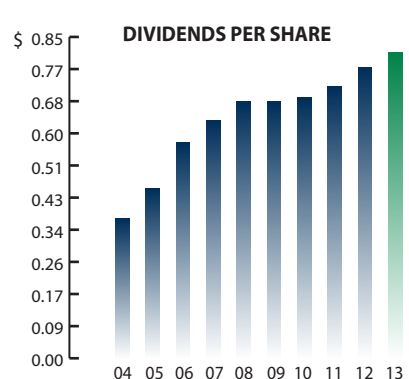
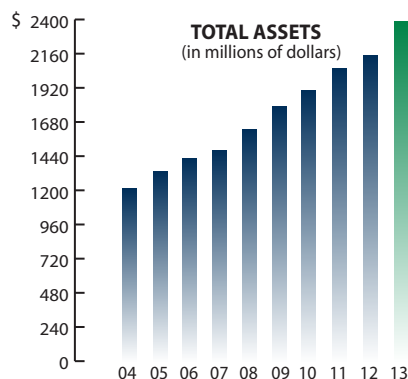
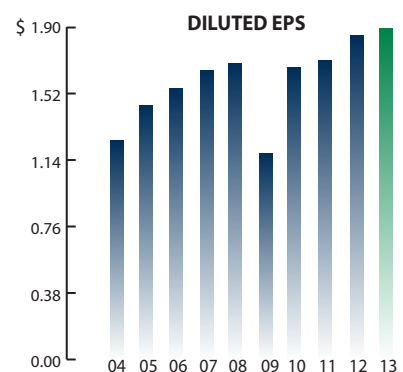
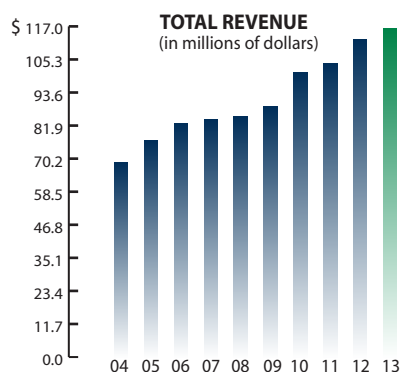
**A TRUSTED PARTNER
since 1904**

2013 Financial Highlights

“...OUR STRONG CAPITAL POSITION AND EARNINGS GROWTH HAVE ALLOWED S.Y. BANCORP TO REMAIN TRUE TO ITS OBJECTIVE OF ENHANCING STOCKHOLDER RETURNS THROUGH STRONG AND GROWING DIVIDENDS.”

| | 2013 | 2012 | Change |
|-------------------------------------|--------------|--------------|--------|
| FOR THE YEAR | | | |
| Net income | \$ 27,170 | \$ 25,801 | 5.3 % |
| Cash dividends declared | 11,670 | 10,691 | 9.2 |
| PER COMMON SHARE | | | |
| Net income per share, basic | \$ 1.91 | \$ 1.86 | 2.7 % |
| Net income per share, diluted | 1.89 | 1.85 | 2.2 |
| Cash dividends declared | 0.81 | 0.77 | 5.2 |
| Book value at year end | 15.71 | 14.74 | 6.6 |
| Market price at year end | 31.92 | 22.42 | 42.4 |
| AVERAGES FOR THE YEAR | | | |
| Total assets | \$ 2,232,868 | \$ 2,070,967 | 7.8 % |
| Loans | 1,656,777 | 1,563,918 | 5.9 |
| Deposits | 1,843,426 | 1,659,594 | 11.1 |
| Stockholders' equity | 220,107 | 197,551 | 11.4 |
| AT YEAR END | | | |
| Total assets | \$ 2,389,262 | \$ 2,148,262 | 11.2 % |
| Loans | 1,721,350 | 1,584,594 | 8.6 |
| Deposits | 1,980,937 | 1,781,693 | 11.2 |
| Stockholders' equity | 229,444 | 205,075 | 11.9 |
| RATIOS | | | |
| Return on avg. assets | 1.22% | 1.25 % | (3) bp |
| Return on avg. stockholders' equity | 12.34 | 13.06 | (72) |
| Efficiency | 60.82 | 57.38 | 344 |

bp = basis point = 1/100 of a percent



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



David P. Heintzman
Chairman and
Chief Executive Officer

To Our Stockholders

What a year it has been for S.Y. Bancorp! During 2013, a number of positive developments in our business, a firming economy and a successfully completed acquisition all combined to produce yet another record year for S.Y. Bancorp and its stockholders.

This success is readily evident from our financials for the year, with solid loan growth across all three of our markets driving higher net interest income. In tandem with that, an improving economy continued to favorably influence loan and asset quality, significantly reducing our credit costs. Additionally, our diversified sources of non-interest revenue helped push total fee and other income to its highest amount ever in 2013.

These advances, along with other strategic steps taken in 2013, aligned to underscore our ongoing standing as one of the top-performing community banks in the country. Equally important, they further solidify our foundation for future growth and position us to take advantage of new opportunities ahead.

2013 FINANCIAL OVERVIEW

Net income for 2013 rose 5% to \$27.2 million, which on a diluted per share basis, represented a 2% increase to \$1.89. These record results belie an even stronger operational performance for they reflected

several non-core items that masked the Company's total earnings potential for the year. These non-core items included the write-off of debt issuance costs in connection with the redemption of our high cost trust preferred securities at year's end – a move that will immediately add \$0.13 per diluted share to earnings in 2014 and thereafter. You may recall that we issued these securities in 2008 at the height of the financial crisis, seeing the opportunity to raise capital in this way as a more favorable alternative to the Treasury Department's Capital Purchase Program, also known as TARP, even though we were approved to participate in TARP. Non-core items also included costs associated with our second quarter acquisition of THE BANCORP, INC. ("BANCORP"), the holding company for THE BANK – Oldham County, a strategic expansion step that provided us with a 25% market share in the county with the highest average household income in Kentucky; this acquisition already has begun to contribute to our results. Excluding non-core items, net income per diluted share for 2013 was \$1.97, up more than 6% from \$1.85 for 2012.

In November 2013, S.Y. Bancorp's Board of Directors raised the Company's quarterly cash dividend to \$0.21 per common share, a 5% increase over the previous rate of \$0.20 per common share. This was the fourth such increase in the past three years and represented a cumulative increase in the dividend rate of almost 24% during that time. This increase resulted in a forward dividend yield to 2.71% as of this writing and raised our dividend payout to 44% based on 2013 earnings.

I should reiterate that, unlike many banks that were forced to manage capital over the last several years by reducing or eliminating cash dividends, our strong capital position and earnings growth have allowed S.Y. Bancorp to remain true to its objective of enhancing stockholder returns through strong and growing dividends. From the beginning, we have never reduced or suspended dividend payments; we greatly value the trust and confidence you place in our company!

While some banks may have reported higher percentage stock price gains over the past few years and tout that as a sign of superior appreciation, we continue to believe that real performance is not gauged simply by a recent price surge, which is easy to accomplish when coming off of previously depressed results. Rather, we think real performance is measured over a meaningful timeframe, and a

“THIS SUCCESS IS READILY EVIDENT FROM OUR FINANCIALS FOR THE YEAR, WITH SOLID LOAN GROWTH ACROSS ALL THREE OF OUR MARKETS DRIVING HIGHER NET INTEREST INCOME.”

Company like S.Y. Bancorp, which produces strong and consistent earnings growth, and in turn, stock price appreciation, more directly answers an investor's desire for balance in both performance and volatility. Looking at 10-year returns, S.Y. Bancorp's total return performance was 113% versus a 3% for a NASDAQ Bank index, as compiled by industry data source SNL. We are pleased that our stock price - and our financial results - continue to set a standard by which many community banks are measured.

SUCCESSFUL ACQUISITION

In my letter to you last year, I told you about our pending acquisition of BANCorp and described the many reasons why we were so

“WE ARE PLEASED THAT OUR STOCK PRICE – AND OUR FINANCIAL RESULTS – CONTINUE TO SET A STANDARD BY WHICH MANY COMMUNITY BANKS ARE MEASURED.”

enthusiastic about that transaction. I am pleased to tell you now that the BANCorp acquisition was very successful, providing us with a solid physical presence in demographically attractive Oldham County. Our integration efforts proved

to be smooth and effective and were highlighted by the ongoing loyalty of customers who, with the acquisition, benefitted from a significant expansion in the depth and breadth of available products and services.

Since the completion of the acquisition, we have experienced growth in both the loan portfolio and deposit base in Oldham County, and our greater visibility in the area has resulted in increased traction with new business opportunities for commercial lending. It also has created a platform for the ongoing expansion of our wealth management group, as well as our mortgage origination services.

Due to our continued growth, together with the impact of the BANCorp transaction, Stock Yards Bank & Trust moved up in rankings as of June 30, 2013, as the largest community bank in the Louisville metropolitan statistical area, with deposits of more than \$1.7 billion. By year end 2013, deposits increased a total of 11% for the year to almost \$2 billion. With almost half of the area's deposits concentrated among three large national banks, against which we have had good success in competing for business with our customer-focused approach to service, we continue to see opportunity in growing our share of this market.

Finally, with a successful acquisition under our belt, we have rising

confidence that this avenue for expansion is both viable and complementary to the de novo growth we have pursued in the past. We continue to believe that there will be attractive acquisition opportunities in the years to come, and our capital strength and execution experience position us well to take advantage of those opportunities.

BANKING

Throughout 2013, we continued to see a strong performance in our banking operations, with all three of our markets experiencing higher loan production. Combined, record loan production of approximately \$489 million for the year translated into an 11% increase in total assets for 2013 and pushed our loan portfolio up \$137 million or almost 9% during the year. Excluding loans acquired in the BANCorp acquisition, core loan growth was more than 6% in 2013. This loan growth helped offset the net interest margin pressure we experienced over the past year.

While growing loan volume was instrumental to our progress in 2013, strengthening credit quality metrics also were a key factor, allowing us to reduce credit costs – primarily the provision for loan losses. Non-performing assets have declined approximately 33% from the peak in 2012 and, relative to total assets, they declined steadily over the last three quarters of 2013 to end the year at the lowest level since midyear 2011.

As we look ahead to the coming year, we remain upbeat about the prospects for new business development in all of our markets based on the stable pipeline of loans we see ahead, especially in the area of commercial and industrial lending, which continues to benefit from an improving economy. Still, for many reasons, we know 2014 will present some challenges in this regard. One, we recognize that we will be lapping our strongest year ever in terms of loan production. Two, a more volatile interest rate environment and a competitive landscape continues to cause run-off concerns. However, we are pleased to note that in many of the instances where customers either pay down or pay off loans early, we still maintain a strong client relationship as their banker and remain well positioned to do business with them in the future.

OTHER SERVICES

In addition to the momentum seen in our banking operations, we are pleased to note that fee and other income traditionally has been a key element in the Company's growth, and that clearly was the case for 2013. Non-interest income rose to more than \$39 million for the year, representing 33.5% of total revenue.

This overall increase of 1.4% was led by a solid performance from our investment management and trust services department. For 2013, our investment management and trust services department achieved record revenue, up 14% for the year. With \$2.23 billion in assets under management, also an increase of 14% for the year, our investment management and trust services department continues to rank among the top 100 bank trust departments in the nation based on revenue. Growth in assets under management shows both new business development as well as the overall stronger stock market conditions.

As we have mentioned from time to time, the counterbalancing nature of our diverse sources of other revenue not only provides an opportunity for growth, it also serves to reduce the volatility we experience with revenue as various components change over time. Thus was the case in 2013 as the performance of our investment management and trust services department helped compensate for declining revenue from the Bank's mortgage division. During 2013, the mortgage division experienced an 85% decline in refinancing volume as loan refinancing demand declined in the wake of rising interest rates, consistent with national trends. Offsetting this to some extent, purchase loan activity increased 13% in 2013. As a result of these mixed trends, mortgage banking revenue for 2013 fell 31% from record achievements in 2012. While down for the year, we believe mortgage lending remains an important service for our customers, making Stock Yards Bank & Trust a more comprehensive resource for financial solutions and enabling us to be fully responsive in addressing their demands.

KUDOS FROM WALL STREET

During 2013, our company's financial performance continued to gain the attention of investment professionals that cover the banking industry. S.Y. Bancorp was one of only 47 banks in the country to be named last year to the KBW Bank Honor Roll, a distinction the Company has consistently earned. S.Y. Bancorp also was recognized among the top 10% of U.S. community banks in the first annual Raymond James Community Bankers Cup. Lastly, we recently were notified that the Company again earned a spot on the "Nifty Fifty" list, a ranking by Bank Director magazine and Sandler O'Neill + Partners of the top 50 best users of capital based on profitability and capital strength.

PROPOSED NAME CHANGE

Subject to stockholder approval at our 2014 annual meeting, we plan to change the name of the Company from S.Y. Bancorp to Stock Yards Bancorp to better align the identity of the Company with its subsidiary bank, Stock Yards Bank & Trust Company. At the time we

formed the holding company in 1988, we were considering changing the Bank's name; however, we since have realized the value of a name that has endured now for more than a century. Stock Yards Bank & Trust has an excellent reputation and its unique name has garnered customer attention and enhanced our market perception as we expanded into Indiana and Ohio. Under the name Stock Yards Bancorp, we believe we can capitalize further on these advantages. If the name change is approved, the Company's current stock certificates will remain valid and the Company's common stock will continue to trade on the NASDAQ stock market under the symbol SYBT.

CONCLUSION

We are pleased that our company has again posted record results for the year, and we are excited about what the fundamental strength of our operations means for S.Y. Bancorp and its stockholders going forward. This strength reflects a footprint that spans three attractive markets that diversify our economic exposure. It is derived from offering an array of products and services – commercial and consumer banking, investment management and trust, correspondent banking, and others – that address the needs of our customers in ways that many banks our size cannot. It is built on a team of bankers that are among the best in the business, men and women who are leaders in their field and aspire to work for one of the top-performing community banks in the country, backed by a staff that from top to bottom is committed to delivering the highest possible level of customer service. In short, we believe S.Y. Bancorp stands out, coupled with competitive products and stable markets and we look forward to leveraging these strong points in the years ahead.

As we look toward 2014, we believe the Company remains well positioned to extend its record of growth, profitability and attractive shareholder returns. On behalf of the Board of Directors, management and our employees, let me say how much we value your support and loyalty. We appreciate your continued interest in our company – A Trusted Partner Since 1904.

David P. Heintzman

Chairman and Chief Executive Officer

“AS WE LOOK TOWARD 2014, WE BELIEVE THE COMPANY REMAINS WELL POSITIONED TO EXTEND ITS RECORD OF GROWTH, PROFITABILITY AND ATTRACTIVE SHAREHOLDER RETURNS.”

S.Y. BANCORP, INC.

Selected Consolidated Financial Data

As of and for the year ended December 31,

(Dollars in thousands, except per share data)

| | 2013 | 2012 | 2011 | 2010 | 2009 |
|--|--------------|--------------|--------------|--------------|--------------|
| INCOME STATEMENT | | | | | |
| Net interest income | \$ 77,298 | \$ 73,950 | \$ 70,732 | \$ 66,879 | \$ 58,675 |
| Provision for Loan Losses | 6,550 | 11,500 | 12,600 | 11,469 | 12,775 |
| Non-interest income | 39,002 | 38,457 | 33,244 | 33,739 | 30,036 |
| Non-interest expenses | 71,352 | 65,472 | 59,581 | 57,131 | 52,695 |
| Net income | 27,170 | 25,801 | 23,604 | 22,953 | 16,308 |
| PER SHARE | | | | | |
| Basic EPS | 1.91 | \$ 1.86 | \$ 1.71 | \$ 1.68 | \$ 1.20 |
| Diluted EPS | 1.89 | 1.85 | 1.71 | 1.67 | 1.19 |
| Cash dividends declared | 0.81 | 0.77 | 0.72 | 0.69 | 0.68 |
| Book value | 15.71 | 14.74 | 13.58 | 12.37 | 11.29 |
| Market value | 31.92 | 22.42 | 20.53 | 24.55 | 21.35 |
| BALANCE SHEET | | | | | |
| Total loans | \$ 1,721,350 | \$ 1,584,594 | \$ 1,544,845 | \$ 1,508,425 | \$ 1,435,462 |
| Allowance for loan losses | 28,522 | 31,881 | 29,745 | 25,543 | 20,000 |
| Total assets | 2,389,262 | 2,148,262 | 2,053,097 | 1,902,945 | 1,791,479 |
| Total deposits | 1,980,937 | 1,781,693 | 1,617,739 | 1,493,468 | 1,418,184 |
| Stockholders' equity | 229,444 | 205,075 | 187,686 | 169,861 | 153,614 |
| AVERAGE BALANCE SHEET | | | | | |
| Total loans | 1,656,777 | \$ 1,563,918 | \$ 1,529,556 | \$ 1,469,116 | \$ 1,391,644 |
| Total assets | 2,232,868 | 2,070,967 | 1,959,609 | 1,847,452 | 1,717,474 |
| Total deposits | 1,843,426 | 1,659,594 | 1,549,708 | 1,454,239 | 1,331,936 |
| Stockholders' equity | 220,107 | 197,551 | 179,638 | 163,572 | 150,721 |
| EARNINGS PERFORMANCE | | | | | |
| Return on average assets | 1.22 | 1.25 % | 1.20 % | 1.24 % | 0.95 % |
| Return on average equity | 12.34 | 13.06 | 13.14 | 14.03 | 10.82 |
| Net interest margin, full tax equivalent | 3.74 | 3.94 | 3.99 | 3.99 | 3.74 |
| KEY RATIOS | | | | | |
| Non-performing loans to total loans | 1.33 % | 1.90 % | 1.51 % | 1.28 % | 0.84 % |
| Non-performing assets to total assets | 1.19 | 1.74 | 1.51 | 1.30 | 0.77 |
| Net loan charge-offs to total assets | 0.60 | 0.60 | 0.55 | 0.40 | 0.59 |
| Allowance for loan losses to avg. loans | 1.66 | 2.04 | 1.94 | 1.74 | 1.44 |
| Avg. stockholders' equity to avg. assets | 9.86 | 9.54 | 9.17 | 8.85 | 8.78 |
| Tier 1 risk-based capital | 12.29 | 13.17 | 12.77 | 12.06 | 11.66 |
| Total risk-based capital | 13.54 | 14.42 | 14.63 | 13.93 | 13.55 |
| Leverage | 9.75 | 10.79 | 10.53 | 10.31 | 10.16 |

DIRECTORS

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

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

Carl G. Herde
Vice President of Finance and
Chief Financial Officer,
Baptist Healthcare System, Inc.

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

Richard A. Lechleiter
Retired

Bruce P. Madison
Chief Executive Officer,
Plumbers Supply Company, Inc.

Richard Northern
Partner,
Wyatt, Tarrant & Combs LLP

Nicholas X. Simon
President and Chief Executive Officer,
Publishers Printing Company

Stephen M. Priebe
President,
Hall Contracting of Kentucky

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

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

EXECUTIVE OFFICERS

David P. Heintzman
Chairman and Chief Executive Officer

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

T. Clay Stinnett
Executive Vice President
Chief Strategic Officer



LOUISVILLE - Corporate Center

1048 East Main Street (502) 582-2571
Louisville, Kentucky 40206

INDIANAPOLIS - Regional Center

136 East Market Street (317) 238-2800
Indianapolis, Indiana 46204

CINCINNATI - Regional Center

101 West Fourth Street (513) 824-6100
Cincinnati, Ohio 45202

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.

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:

Registrar and Transfer Company
10 Commerce Drive
Cranford, NJ 07016-3572
(800) 368-5948

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.

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").

**Stock
Yards**
Bank & Trust

**A TRUSTED PARTNER
since 1904**