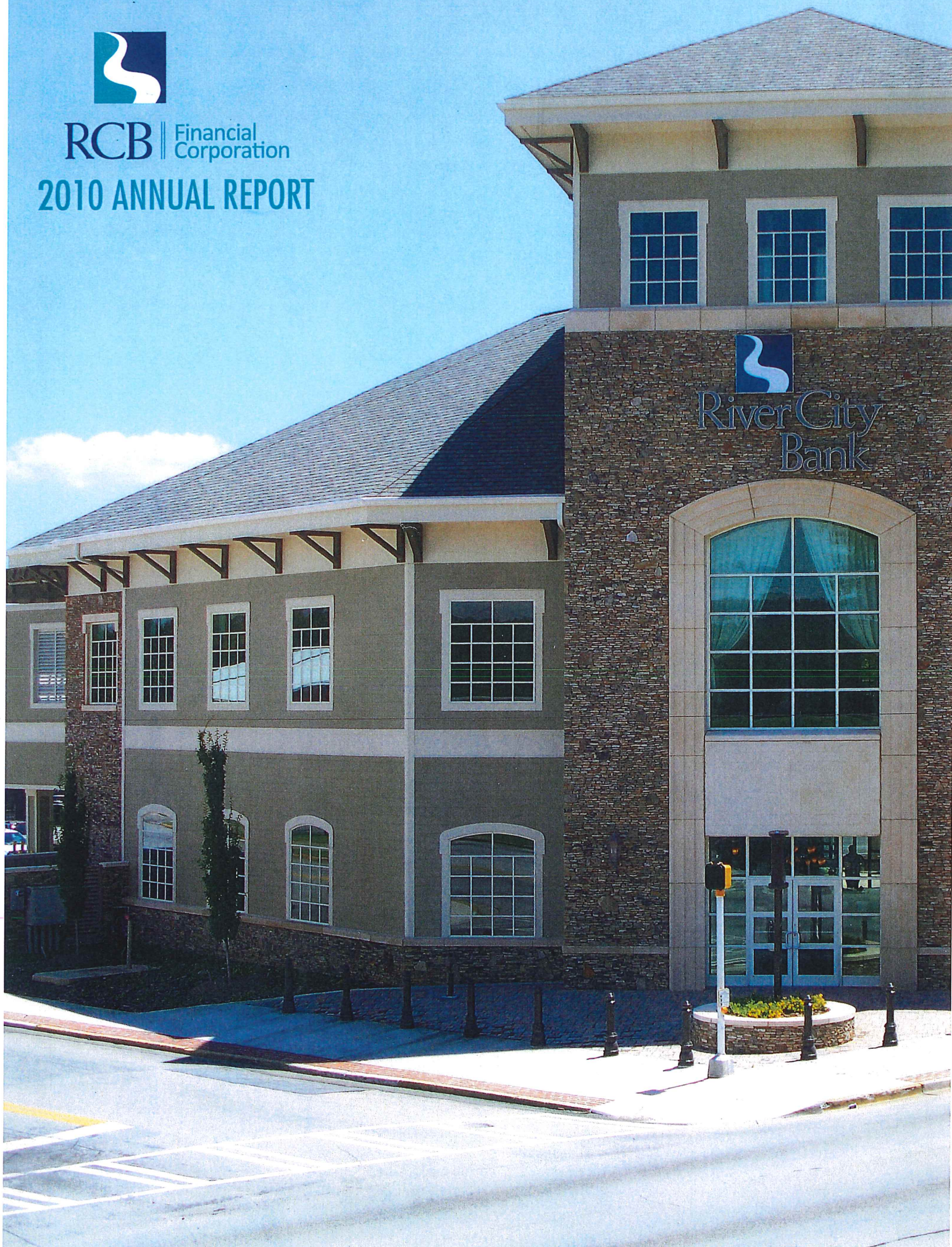




RCB | Financial
Corporation

2010 ANNUAL REPORT





May 10, 2011

Dear Fellow Shareholders:

On behalf of the directors and officers of RCB Financial Corporation (the "Holding Company"), we are pleased to provide you with the enclosed annual report and proxy materials in connection with the Holding Company's annual meeting of shareholders. **The annual meeting will be held at River City Bank, 228 North 2nd Avenue, Rome, Georgia on Tuesday, May 24, 2011, at 6:00pm local time.**

The annual meeting has been called for the following purposes: (1) to elect twelve directors of the Holding Company to serve until the 2012 annual meeting; (2) to ratify the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2011; and (3) to consider and vote upon such other business as may properly come before the meeting and at any and all adjournments thereof. The record date for determining shareholders entitled to vote at the annual meeting was the close of the Holding Company's business on March 31, 2011.

At the annual meeting we will provide you with a report from management concerning our performance during the past year as well as a perspective on the current banking environment in our community, state, and nation. Refreshments will be served.

We sincerely hope that you can attend the meeting on May 24, 2011. Our officers, directors, and staff are very excited about the future of RCB Financial Corporation and River City Bank.

Whether or not you plan to attend the meeting, please complete, sign and date the accompanying proxy sheet and return it in the enclosed postage-prepaid envelope. If you attend the meeting you may revoke your proxy and vote your shares personally.

Of course, if you have any questions, please contact me at (706) 236-2123.

Sincerely,

Roger F. Smith
President and CEO



Porter Keadle Moore, LLP

Report of Independent Certified Public Accounting Firm

To the Stockholders and Board of Directors
RCB Financial Corporation
Rome, Georgia

We have audited, in accordance with auditing standards generally accepted in the United States of America, the balance sheets of RCB Financial Corporation as of December 31, 2010 and 2009, and the related statements of operations, comprehensive income (loss), changes in stockholders' equity and cash flows for the years then ended (not presented herein); and in our report dated March 14, 2011, we expressed an unqualified opinion on those financial statements.

In our opinion, the information set forth in the accompanying condensed financial statements is fairly stated, in all material respects, in relation to the financial statements from which it has been derived.

Porter Keadle Moore, LLP

Atlanta, Georgia
March 14, 2011

Certified Public Accountants

RCB FINANCIAL CORPORATION

Consolidated Balance Sheets

December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
<u>Assets</u>		
Cash and due from banks, including reserve requirements of \$486,000 and \$109,000	\$ 23,181,173	10,338,113
Interest earning deposits in banks	<u>252,025</u>	<u>649,472</u>
Cash and cash equivalents	23,433,198	10,987,585
Investment securities available-for-sale	24,566,111	35,562,331
Federal Home Loan Bank stock, at cost	1,667,800	1,866,800
Loans, net	156,754,538	164,573,903
Premises and equipment, net	7,430,371	7,775,581
Other real estate	1,699,430	2,203,820
Accrued interest receivable and other assets	<u>5,078,075</u>	<u>5,939,782</u>
	\$ <u>220,629,523</u>	<u>228,909,802</u>
<u>Liabilities and Stockholders' Equity</u>		
Deposits:		
Demand	\$ 10,081,534	12,522,603
Interest-bearing demand	22,280,040	25,286,428
Savings and money market	66,196,524	69,364,697
Time	38,087,996	31,745,184
Time, \$100,000 and over	<u>47,806,958</u>	<u>33,816,051</u>
Total deposits	184,453,052	172,734,963
Repurchase agreements	98,760	298,513
Federal Home Loan Bank advances	9,350,000	28,640,000
Accrued interest payable and other liabilities	<u>461,820</u>	<u>524,450</u>
Total liabilities	<u>194,363,632</u>	<u>202,197,926</u>
Commitments		
Stockholders' equity:		
Series A Preferred Stock, no par value; 5,000,000 shares authorized, 8,900 shares issued and outstanding	8,956,293	8,895,224
Common stock, \$.01 par value; 25,000,000 shares authorized; 2,132,521 shares issued and outstanding	21,325	21,325
Additional paid-in capital	23,754,367	23,736,904
Accumulated deficit	(6,388,755)	(5,900,737)
Accumulated other comprehensive loss	<u>(77,339)</u>	<u>(40,840)</u>
Total stockholders' equity	<u>26,265,891</u>	<u>26,711,876</u>
	\$ <u>220,629,523</u>	<u>228,909,802</u>

RCB FINANCIAL CORPORATION

Consolidated Statements of Operations

For the Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
Interest income:		
Loans, including fees	\$ 10,359,744	10,148,550
Investment securities	1,336,608	1,434,226
Federal funds sold and interest-bearing accounts	<u>46,985</u>	<u>2,612</u>
Total interest income	<u>11,743,337</u>	<u>11,585,388</u>
Interest expense:		
Deposits	3,756,821	3,814,717
Borrowings	<u>1,265,199</u>	<u>1,084,886</u>
Total interest expense	<u>5,022,020</u>	<u>4,899,603</u>
Net interest income	6,721,317	6,685,785
Provision for loan losses	<u>2,412,063</u>	<u>5,968,265</u>
Net interest income after provision for loan losses	<u>4,309,254</u>	<u>717,520</u>
Non-interest income:		
Service fees	369,388	353,909
Mortgage banking income	313,610	302,499
Trust fees	422,489	289,291
Gain from sales of investment securities available-for-sale	<u>740,756</u>	<u>153,583</u>
Total non-interest income	<u>1,846,243</u>	<u>1,099,282</u>
Non-interest expenses:		
Salaries and employee benefits	2,660,690	3,008,270
Data and item processing	543,370	437,355
Professional fees	436,213	258,187
Occupancy and equipment	670,776	664,015
FDIC insurance	387,431	350,500
Advertising and promotions	125,848	172,728
Other real estate	184,918	99,413
Loss on sale and write down of other real estate	812,075	87,670
Loss on disposal and impairment of fixed assets	15,058	756,709
Other operating	<u>446,264</u>	<u>444,774</u>
Total other expenses	<u>6,282,643</u>	<u>6,279,621</u>
Loss before income taxes	(127,146)	(4,462,819)
Income tax benefit	<u>169,312</u>	<u>1,539,277</u>
Net income (loss)	<u>42,166</u>	<u>(2,923,542)</u>
Preferred stock dividend on Series A Preferred Stock held by the U.S. Department of the Treasury	<u>(530,184)</u>	<u>(282,768)</u>
Net loss available to common stockholders	\$ <u>(488,018)</u>	<u>(3,206,310)</u>
Basic and diluted loss per common share	\$ <u>(.23)</u>	<u>(1.50)</u>

RCB FINANCIAL CORPORATION
NOTICE OF ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD MAY 24, 2011

RCB Financial Corporation (the "Holding Company"), will hold its annual meeting of shareholders at River City Bank, 228 North Second Avenue, Rome, Georgia 30165 on Tuesday, May 24, 2011, at 6:00 p.m., local time, to vote on:

- Electing as directors of RCB Financial Corporation the persons listed as nominees in the Proxy Statement dated March 31, 2011, that accompanies this notice;
- Ratifying the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2011; and
- Transacting such other and further business as may properly come before the meeting.

Only shareholders of record at the close of business on March 31, 2011 will be entitled to notice of and to vote at the annual meeting or any adjournment or postponement thereof. The holders of shares of the Holding Company's common stock are entitled to one vote per share on all matters to be presented for action by shareholders at the annual meeting.

Enclosed for your review are the Holding Company's proxy statement and proxy sheet for the proposals that shareholders will vote on at the annual meeting.

The Board of Directors of the Holding Company unanimously recommends that shareholders vote FOR each of the nominees for director and FOR ratifying the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2011.

**BY ORDER OF THE
BOARD OF DIRECTORS**



Roger F. Smith
President and CEO
River City Bank
Rome, Georgia
May 10, 2011

RCB Financial Corporation
228 North Second Avenue
Rome, Georgia 30165
(706) 236-2123

May 10, 2011

PROXY STATEMENT
FOR ANNUAL MEETING OF SHAREHOLDERS
TO BE HELD ON MAY 24, 2011

This Proxy Statement is being furnished to the shareholders of RCB Financial Corporation (the "Holding Company") in connection with the solicitation of proxies by the Board of Directors of the Holding Company for use at the Annual Meeting of Shareholders of RCB Financial Corporation to be held on Tuesday, May 24, 2011, at 6:00 p.m., local time, and at any adjournment thereof, for the purposes set forth below and in the accompanying Notice of the Annual Meeting of Shareholders. The meeting will be held at River City Bank, 228 North Second Avenue, Rome, Georgia 30165.

The shareholders' meeting is being held to consider and vote upon the following proposals:

- Proposal 1: To elect as Holding Company directors the persons listed as nominees in this Proxy Statement.
- Proposal 2: To ratify the appointment of Porter Keadle Moore, LLP, as the independent auditors of the Holding Company for fiscal year 2011.
- Proposal 3: To transact such other business as may properly come before the meeting and at any and all adjournments thereof.

Record Date, Solicitation and Revocability of Proxies

RCB Financial Corporation has fixed March 31, 2011, as the record date for determining the shareholders entitled to notice of and to vote at the meeting. At the close of business on the record date, there were outstanding and entitled to vote 2,132,521 shares of common stock of RCB Financial Corporation, \$0.01 par value per share, held by 433 shareholders of record. A majority of the outstanding shares of common stock represented at the meeting, in person or by proxy, will constitute a quorum.

Shares of RCB Financial Corporation's common stock represented by a properly executed proxy, if such proxy is received prior to the vote at the shareholders meeting and not revoked, will be voted at the shareholders meeting in accordance with the instructions indicated in such proxy. **If a proxy is received and no instructions are indicated, such shares of the common stock will be voted "FOR" the election as Directors of the Holding Company the twelve nominees listed in this Proxy Statement, "FOR" ratifying the appointment of Porter Keadle Moore, LLP, as the independent auditors of the Holding Company for fiscal year 2011, and in accordance with the recommendations of the Board of Directors as to any other matter which may properly come before the shareholders' meeting.**

A shareholder who has given a proxy may revoke it at any time prior to its exercise at the shareholders meeting by either (i) giving written notice of revocation to the Chief Executive Officer of the Holding Company, (ii) properly submitting to the Chief Executive Officer of the Holding Company a duly executed proxy bearing a later date, or (iii) appearing in person at the shareholders' meeting and voting in person. All written notices of revocation or other communications with respect to revocation of proxies should be addressed as follows: RCB Financial Corporation, 228 North Second Avenue, Rome, Georgia 30165, Attention: Roger F. Smith, President and CEO.

Proxies are being solicited by and on behalf of the Board of Directors of RCB Financial Corporation. Directors, officers and employees of the Holding Company may solicit proxies personally or by telephone or facsimile. None of these people will receive any special compensation for solicitation activities.

Voting of Shares

The holders of shares of RCB Financial Corporation's common stock are entitled to one vote per share on all matters presented at the meeting for action by shareholders.

The affirmative vote of a majority of our outstanding common stock present in person or represented by proxy and entitled to vote at the meeting will be required to elect the twelve directors to serve until the 2012 Annual Shareholders' Meeting.

The affirmative vote of a majority of RCB Financial Corporation's outstanding common stock present in person or represented by proxy and entitled to vote at the meeting will be required to ratify the appointment of Porter Keadle Moore, LLP, as the Holding Company's independent auditors for fiscal year 2011.

All other matters that may properly come before the meeting require the affirmative vote of a majority of shares of common stock present in person or by proxy and entitled to vote on such matter, unless a stricter requirement is imposed by applicable law.

This proxy statement and the accompanying form of proxy were first mailed to the shareholders on or about May 10, 2011.

PROPOSAL 1: ELECTION OF DIRECTORS

The table below sets forth certain information about the director nominees, including name and principal occupation or employment. Duly elected directors will serve until the next annual meeting of shareholders, or until their respective successors are duly elected and qualified.

<u>Name</u>	<u>Principal Occupation or Employment</u>
C. King Askew	Attorney
Darrell Lowrey	Orthopedic Surgeon
Jarrett Shadday	Real Estate Investor
Keith Winslette	Pharmacist
Mark E. Brewster	Real Estate Sales
Mary Sib Banks	Newspaper Publishing
Michael W. Mathis	Real Estate Investor
Richard Haney	Car Dealer
Robert Stone	Entrepreneur
Roger F. Smith	Bank Executive
Virginia Kibler	Restaurant Owner
W. Barritt Gilbert	Urologist

THE BOARD OF DIRECTORS RECOMMENDS THAT YOU VOTE "FOR" THE ELECTION OF THE TWELVE NOMINEES NAMED ABOVE.

**PROPOSAL 2: RATIFYING THE APPOINTMENT
OF PORTER KEADLE MOORE, LLP,
AS INDEPENDENT AUDITORS**

The Audit Committee of the Board of Directors has considered the qualifications and experience of Porter Keadle Moore, LLP, and based upon recommendation of the Audit Committee, the Board of Directors has appointed Porter Keadle Moore, LLP, as independent auditors for the Holding Company for the current fiscal year which ends December 31, 2011. Although the submission of this matter to the shareholders is not required by law, the Board of Directors desires to obtain the shareholders' ratification of such appointment. A resolution ratifying the appointment will be offered at the Annual Meeting. If the resolution is not adopted, the adverse vote will be referred to the Audit Committee for further review.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" RATIFYING THE APPOINTMENT OF PORTER KEADLE MOORE, LLP, AS THE HOLDING COMPANY'S INDEPENDENT AUDITORS FOR FISCAL YEAR 2011.

DIRECTOR AND MANAGEMENT STOCK OWNERSHIP

The following table presents stock ownership information as of the record date for each of the executive officers and director nominees of RCB Financial Corporation and all executive officers and director nominees as a group. The table sets forth: (1) each person's name, (2) his or her respective position with the Holding Company, (3) the number of shares of Holding Company common stock he or she directly or indirectly owned, controlled or held with the power to vote as of the record date, (4) the percentage of the outstanding shares of Holding Company common stock he or she owned at the record date, and (5) the number of shares subject to warrants.

<u>Name</u>	<u>Position</u>	<u>Number of Shares</u>	<u>Percentage of Outstanding Shares⁽¹⁾</u>	<u>Shares Subject to Warrants⁽²⁾ & Options⁽³⁾</u>
Michael W. Mathis	Director	122,850	5.76%	100,000
Jarrett Shadday	Director	110,000	5.16%	100,000
Mark E. Brewster	Director	90,000	4.22%	90,000
Darrell Lowrey	Director	48,700	2.28%	30,000
Keith Winslette	Director	35,000	1.64%	35,000
C. King Askew	Director	32,500	1.52%	32,500
Virginia Kibler	Director	30,000	1.41%	30,000
W. Barritt Gilbert	Director	25,000	1.17%	25,000
Roger F. Smith	CEO and Director	22,500	1.06%	15,000
Richard Haney	Director	21,740	1.02%	—
M. Craig Brewster	EVP	17,500	0.82%	55,000
Robert Stone	Director	8,000	0.38%	—
Connie J. Williams	CFO	3,000	0.14%	10,000
Mary Sib Banks	Director	1,800	0.08%	720
Executive Officers and Director Nominees as a Group (14 persons)		568,590	26.66	523,220

(1) The calculation of ownership of each individual and group is based upon 2,132,521 shares outstanding as of record date, and may change if and when options or warrants are exercised.

(2) All outstanding warrants are currently fully vested.

(3) All outstanding stock options vest over a three year period and all but 15,000 options have an exercise price of \$10.00 per share. The remaining 15,000 options have an exercise price of \$11.50 per share.

PRINCIPAL SHAREHOLDERS OF THE HOLDING COMPANY

There are no shareholders of record (other than the director nominees listed above) who directly or indirectly owned, controlled, or held with power to vote more than 10% of the outstanding shares of Holding Company common stock as of the record date.

OTHER MATTERS

The Board of Directors of the Holding Company does not know of any matters to be brought before this meeting of Holding Company shareholders other than those described above. If any other matters properly come before the meeting, the persons designated as proxies will vote on such matters in accordance with their best judgment.

By Order of the Board of Directors


Kristen Vardy, Corporate Secretary

**RESOLUTIONS OF
THE BOARD OF DIRECTORS OF
RCB FINANCIAL CORPORATION**

I. Annual Meeting of Shareholders

WHEREAS, RCB Financial Corporation (the "Company") plans to hold its 2011 annual meeting of shareholders (the "Annual Meeting") and at such meeting to consider (i) a proposal to elect directors to serve a one-year term or until their successors are duly elected and qualified; and (ii) a proposal to ratify the appointment of Porter Keadle Moore, LLP, as the Company's independent auditors for the fiscal year 2011.

NOW, THEREFORE, BE IT RESOLVED, that the Annual Meeting date is hereby set for May 24, 2011 at 6:00 p.m. local time, at River City Bank, 228 N. 2nd Avenue, Rome, Georgia 30165; and

RESOLVED FURTHER, that the record date for shareholders to vote at the Annual Meeting shall be the close of the Company's business on March 31, 2011; and

RESOLVED FURTHER, that Connie Williams, CFO, be and is hereby appointed as the Company's inspector of elections at its Annual Meeting, and to perform such duties in connection therewith as required by law; and

RESOLVED FURTHER, that the following individuals are hereby nominated for election as directors at the Annual Meeting to serve until the 2012 Annual Meeting or until their successors are duly elected and qualified; and

Barritt Gilbert
Bob Stone
Darrell Lowrey
Ginny Kibler
Jarrett Shadday
Keith Winslette
King Askew
Mark Brewster
Mary Sib Banks
Mike Mathis
Richard Haney
Roger Smith, CEO

RESOLVED FURTHER, that the proper officers of the Company be, and they hereby are, authorized and directed to prepare or cause to be prepared, with the assistance of legal counsel, and to distribute proxy solicitation materials in connection with the Annual Meeting; and

RESOLVED FURTHER, that the Board of Directors hereby appoints King Askew and Roger Smith to be named in appointments of proxy solicited by the Company as the proxies for shareholders at the Annual Meeting.

II. Independent Auditors

WHEREAS, the Board of Directors has considered the qualifications and experience of Porter Keadle Moore, LLP, as independent auditors for the Company for the previous fiscal year which ended December 31, 2010.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby appoints Porter Keadle Moore, LLP, as independent auditors for the Company for the current fiscal year which ends December 31, 2011.

Given under hand and seal of RCB Financial Corporation, this 8th day of March, 2011, and further modified on April 12, 2011.


Kristen Vardy, Corporate Secretary

For a copy of River City Bank's Annual Disclosure Statement for 2010, which is available upon request, you may contact Connie Williams. She can be reached at:

River City Bank
228 North 2nd Avenue
Rome, Georgia 30165
706-236-2123

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