



Consolidated Statement of Financial Condition

(selected data in millions)

Assets	2009	2008
Cash and Investments	\$312.7 ^(D)	\$279.3
Loans to Members (net of allowance for loan losses)	555.0	480.8
Other Assets	23.8	17.4
Total Assets	\$891.5	\$777.5

Liabilities and Members' Equity

Share Savings, Drafts and Certificates	\$759.2	\$679.2
Other Liabilities	43.7 ^(D)	20.1
Members' Equity	88.6	78.2
Total Liabilities and Members' Equity	\$891.5	\$777.5

Consolidated Statement of Income

(selected data in millions)

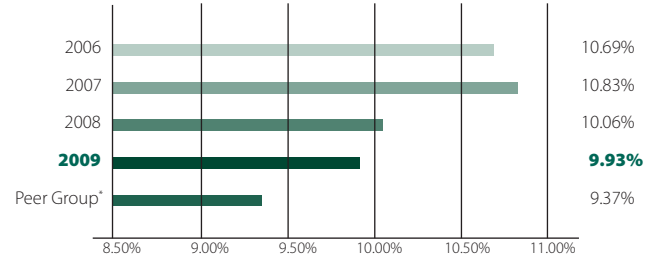
Interest Income from Loans and Investments	\$35.6	\$38.0
Interest Expense for Member Accounts and Borrowed Funds	(15.2)	(20.6)
Loan Loss Provision	(2.4)	(0.6)
Net Interest Income	18.0	16.8
Other Income	7.1	6.5
Operating Expense	(19.2) ^(C)	(22.3) ^(A)
Non-Operating Expense	(4.4) ^(B)	(0.3)
Net Income	\$10.3	\$1.4

Notes to Financial Statements

- (A) In March of 2009, The National Credit Union Administration (NCUA) announced an impairment of its Share Insurance Fund and plans to assess a premium on shares insured by the Share Insurance fund in 2009. ELFCU initially recognized \$3,523,109 for the impairment and \$1,531,786 for the premium in 2008 based on consultation with its auditor, BKD, LLP. As additional information became available, guidance then indicated that these expenses should be taken in 2009.
- (B) In June of 2009, ELFCU reversed the \$3,523,109 and \$1,531,786 entries originally expensed in 2008. In addition, ELFCU's Corporate Credit Union, Members United Federal Credit Union, announced impairment of Paid-in-Capital and Membership Capital Shares. As a result, ELFCU recognized a \$1,053,294 loss on its Membership Capital Shares held at Members United FCU.
- (C) In September of 2009, ELFCU was assessed a \$1,053,506 share insurance premium by the National Credit Union Administration (NCUA).
- (D) In 2009, ELFCU participated in the Credit Union System Investment Program (CU SIP). This program, created by the National Credit Union Administration (NCUA) and the US Treasury Department, allowed natural-person credit unions to borrow money from the Central Liquidity Facility (CLF) and invest those funds into a participating credit union (thereby increasing liquidity). ELFCU participated in this program by borrowing \$25 million from the CLF and investing those funds at Members United FCU for the period of February 2009 through February 2010 earning a \$62,500 net spread for this period.

Net Worth to Assets

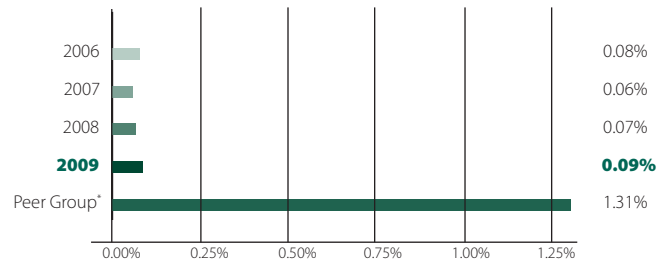
This ratio indicates a strong ability to withstand future losses or economic downturn.



Net Worth to Assets for 2008 and 2009 would have been 10.66% and 9.88%, respectively, without the special expense and CU SIP items noted in the "Notes to Financial Statements."

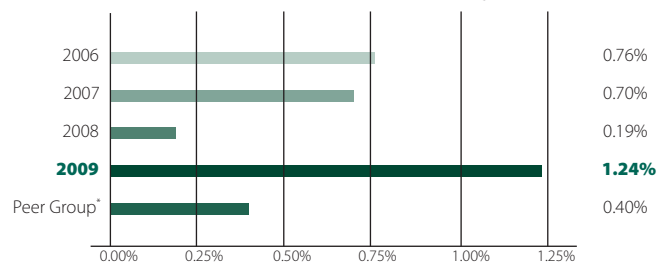
Net Charged-Off Loans to Average Loans

ELFCU writes off relatively few loans, reflecting effective lending and collection practices while outperforming most other credit unions.



Return on Average Assets

ELFCU consistently maintains a relatively low income-to-assets ratio, choosing to give its members current economic benefit rather than maximizing profits.



Return on average assets for 2008 and 2009 would have been 0.83% and 0.84%, respectively, without the special expense items noted in the "Notes to Financial Statements."

Board of Directors

Mark Saltgaver, Chair of the Board
Cheryl Wilkins, Vice Chair
Nathan Lewis, Treasurer
Jennifer Marsh, Secretary
Adam Arffa
Maria Laborde
Monique H. McWilliams
Kimberly K. Peterson
Kevin Trivett

Supervisory Committee

Donald A. Zakrowski, Chair
Patrick Cassidy
Scott McKenney
Kelly Wiggins Payne
Eric Zinn

In management's opinion, the selected financial data presented herein is free of material error and accurately reflects the financial position and/or results of operations of Eli Lilly Federal Credit Union for the periods presented.

Members may request a complete copy of our audited financial statements by calling 800.621.2105.