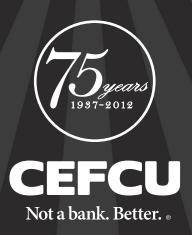
Annual Report 2012

Thank you for 75 great years!





Report To Members

Thank you for entrusting your financial well-being to CEFCU! As we celebrate 75 years of serving members, the insight that started the Credit Union all those years ago, "we're better, together," still holds true today. It's no wonder the CEFCU family of borrowers and savers continues to grow. Thank you for 75 great years, and we look forward to serving you for many more! The following are just a few highlights from 2012:

	2012	Increase over 2011
Assets	\$4,794,270,000	4.4%
Savings	\$4,220,248,000	4.2%
Loans	\$3,363,748,000	4.2%
Net Worth	\$ 501,898,000	7.0%

- Returned a record year-end \$9 million Extraordinary Dividend to members as a direct result of the loyalty of members looking to CEFCU to help them meet their financial needs. Over the past 13 years, CEFCU has returned \$63 million in Extraordinary Dividends to members.
- Launched an enhanced mobile website, which serves as the access point
 for CEFCU's browser-based mobile banking service. Members can initiate
 and confirm transfers, as well as check balances and account activity.
 Additionally, CEFCU's free Mobile Banking app is available in the iTunes
 App Store for Apple iPhone*, iPad*, or iPod* touch users.
- Entered into a relationship with California's Chavez Supermarkets to
 provide Money Center 24 Cash Express Machines. The San Jose area
 supermarket chain will have machines installed at the Hayward and
 Sunnyvale locations by the end of the first quarter of 2013, with other
 locations being evaluated.
- Opened a new Member Center in Chillicothe, Illinois in January 2012. This
 is CEFCU's second Member Center which is Leadership in Energy and
 Environmental Design (LEED) certified. CEFCU is continuing with efforts
 to build green Member Centers. Ground is being prepared for CEFCU's
 third LEED-certified Member Center in Germantown Hills, Illinois, which
 will be located just west of the Germantown Crossing shopping center.

The Home Loan Department had another outstanding year, receiving 7,909 mortgage applications. Over \$639 million was loaned to members, which allowed them to build, purchase, or refinance their homes. And, more than 230 first-time home buyers closed loans totaling over \$28 million, receiving approximately \$180,000 in paid closing cost assistance from CEFCU.

Members also financed \$829.5 million in new Consumer Loans, ranging from new automobiles to recreational vehicles to Visa* Credit Cards. In addition, CEFCU provided \$155 million in Member Business Loans.

In 2012, CEFCU proudly continued efforts to provide free financial literacy materials to area schools. A record number of workbooks were delivered to elementary and high schools in CEFCU's 17-county service area. In addition, CEFCU partnered with area elementary schools to provide in-school branches and enhanced financial literacy education to prepare today's youth to be the informed consumers of tomorrow.

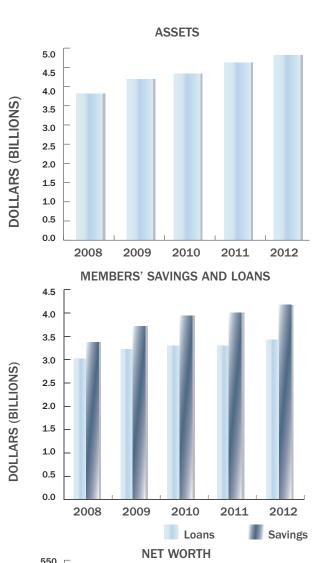
Thank you for continuing to support your Credit Union!

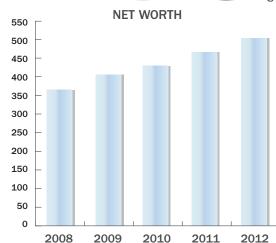
For the Board of Directors,

Patricia J. Hampton, Chairman

Consolidated Statements Of Financial Condition			
December 31, 2012 and 2011 (Dollars in Thousands)	2012	2011	
ASSETS Cash and cash equivalents Interest bearing time deposits in financial institutions Investments available for sale Loans, net of allowance for loan losses Accrued interest receivable NCUSIF deposit Restricted stock Property and equipment Other assets Total assets	\$ 554,529 14,423 740,173 3,332,061 11,614 39,368 22,823 50,782 28,497 \$4,794,270	\$ 620,904 27,432 489,566 3,286,274 12,618 38,221 37,266 47,907 30,689 \$4,590,877	
LIABILITIES AND MEMBERS' EQUITY Members' savings accounts Accrued interest payable Accrued pension and postretirement benefits Other liabilities Total liabilities Members' equity Total liabilities and members' equity	\$4,220,248 1,460 97,267 33,088 4,352,063 442,207 \$4,794,270	\$4,048,983 $1,868$ $81,941$ $37,212$ $4,170,004$ $420,873$ $$4,590,877$	
Consolidated Statements Of Income Years ended December 31, 2012 and 2011			
(Dollars in Thousands)	2012	2011	
Interest income: Loans receivable Investments available for sale Interest bearing time deposits Total interest income	\$ 166,350 5,196 	\$ 179,377 5,887 253 185,517	
Interest expense:			
Savings accounts	49,144	58,930	
Net interest income	122,555	126,587	
Provision for loan losses Net interest income after provision for loan losses	12,397 110,158	<u>16,229</u> 110,358	
•			
Non-interest income: Administrative insurance fees Interchange income Gain on sale of loans Other Total non-interest income	2,150 14,642 -0- 13,848 30,640	1,475 13,675 26 12,522 27,698	
Non-interest expense:			
Compensation and benefits Occupancy and equipment Communications Marketing Stabilization Fund premium assessment Other Total non-interest expense	59,335 13,464 4,976 4,981 3,740 21,252 107,748	55,932 11,679 4,432 4,967 9,555 	
Net income	\$ 33,050	\$ 32,528	

Audited consolidated financial statements are available from the Credit Union for the fiscal years ended December 31, 2012 and 2011. To review statements or for more information, call 309.633.7000 or 1.800.633.7077.





DOLLARS (MILLIONS)

CEFCU BOARD OF DIRECTORS

Brad C. Arnold Bruce G. Dimler James L. Gleich Patricia J. Hampton David M. Koehler Nancy M. Medendorp Robert M. Metzinger Joseph R. Needham Thea M. Robinson Mark A. Spenny Reed A. Stuedemann Helen J. Young

SUPERVISORY COMMITTEE

Todd W. Bryant James L. Gleich Matthew D. Jolliff

ASSOCIATE BOARD MEMBERS

Todd W. Bryant

Matthew D. Jolliff

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Chairman Vice Chairman Vice Chairman Vice Chairman President-Treasurer Secretary Chief Technology Officer Chief Operations Officer Chief Financial Officer Vice President Vice President

Patricia J. Hampton Thea M. Robinson Helen J. Young Brad C. Arnold Mark A. Spenny Bruce G. Dimler Timothy I. Dunton Matthew J. Mamer Charles E. Walker Mary E. Conrady Denise A. Ghere Debra L. Godke Todd R. Haller Douglas J. Hanley Mark A. Hoffmire Dianna L. Hunter Theresa A. Lake Keith M. Reynolds Jeffrey D. Thomas Joseph E. Varda Giann R. Walker Susan K. Yoder-Portscheller David S. Zimmerman

CEFCU FINANCIAL SERVICES, INC.° OFFICERS AND BOARD OF DIRECTORS

President-Treasurer
Director, Vice President-Secretary
Director
Director
Director
Director
Director

Matthew J. Mamer Mark A. Spenny Arthur R. Anliker Janet M. Arnold Scott V. Herman Marianne A. Moll









