

Chairman's Letter to Members

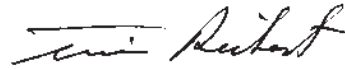
We saw an unprecedented year for financial institutions in 2009; a significant number of banks reported losses or closed their doors, and troubled financial institutions looked to others to help them weather the economic storm. While Ent is not immune from the impacts of the tough economy, I am pleased to report that Ent's financial standing is still strong and secure despite what we are seeing in the industry.

Ent completed 2009 with a solid financial performance. Ent's growth exceeded our goals for the year. We saw an increase in deposits as members focused more on savings, and Ent had more than enough liquidity to grant \$841 million in quality loans to qualified borrowers.

Ent's continued success can be attributed to the way we've always done business. Ent operates with a very conservative business model that has held true throughout our 53-year history. We take our commitment to being a good and faithful steward of our member

deposits very seriously, and we will continue to provide the highest quality financial products, services and education to those we serve.

Despite the challenges of 2009, I am confident in Ent's continued strength and stability in 2010. Your Board of Directors is committed to maintaining Ent's safety, soundness and financial vitality as we continue to serve all your financial needs.



Tim Rickert
Chairman

Supervisory Committee Report

Ent Federal Credit Union's Supervisory Committee is appointed by your Board of Directors and is responsible for assuring the financial strength of the credit union through sound financial discipline.

Another part of the committee's responsibility is to audit the level and quality of Ent's compliance with federal regulations, credit union by-laws and generally accepted accounting principles (GAAP). In addition, the committee supervises an annual external audit of the financial records of the credit union, verifies member accounts and reports the results to the Board of Directors.

Each year the committee brings in an independent accounting firm to perform an external audit of the credit union's financial accounts for the completed year. This audit is performed to verify that the financial statements are presented fairly, accurately, and in accordance with GAAP. After reviewing the annual audit report, the Supervisory Committee unanimously agreed that Ent is a financially solid credit union and is being operated safely and soundly.

The Supervisory Committee serves as the members' representative to the Board of Directors to ensure that member interests are protected. Any member who experiences a problem, or feels an existing problem remains unsolved after management has become involved, may write to: Chairman of the Supervisory Committee, P.O. Box 10198, Colorado Springs, CO 80932-9906.



Catherine Skiles
Chairperson
Supervisory Committee

Treasurer's Report

While 2009 was a difficult year for our country and our community, I can report that Ent remains financially healthy with a strong balance sheet and income statement.

During 2009, Ent's total assets increased by \$470 million to over \$3 billion and total equity reached a healthy \$316 million. Membership grew by 3,633 or 1.88% and deposits increased by a significant \$263 million. This growth demonstrates members' confidence in Ent's financial strength and their renewed focus on savings.

Overall, Ent's lending portfolio decreased \$97.2 million, or 5.26%. This decrease was caused by some mortgage sales and reflected the reduced consumer loan demand that became a key aspect of the recessed economy. With that being said, Ent's excellent liquidity position allowed us to continue to grant quality loans to qualified members.

For the past year, total operating income reached \$156 million and total net income was over \$47 million. The combination of excellent loan quality and expense control contributed greatly to these results. Given the difficult economic environment, Ent's 2009 results are exceptional.

Finally, Ent paid out \$44.7 million in dividends on member deposits in 2009. This is one of the many benefits of being a member of Ent — your deposits earn dividends.

Ent continues to be a safe and secure financial institution. Our steady, conservative growth has proven that your Board of Directors and Management Team continue to operate Ent in the best interests of our members. As we begin 2010, Ent remains committed to being a strong and valuable financial partner in the community and we will continue to prove why Ent is the credit union "Where you belong."



Ronald P. Martinez, CFA
Board Treasurer

Consolidated Statement of Financial Condition

	<u>December 31, 2009</u>	<u>December 31, 2008</u>
ASSETS		
Loans to Members	1,762,299,695	1,848,991,641
Allowance for Loan Losses	(14,095,821)	(10,546,110)
Cash	62,273,525	39,974,967
Investments	1,151,713,458	627,606,293
Furniture and Equipment	8,153,692	7,046,495
Land and Buildings	35,055,113	34,844,835
National CU Share Insurance Fund deposit	23,044,780	5,487,128
Other Assets	20,385,427	24,712,016
Total Assets	3,048,829,869	2,578,117,265
LIABILITIES, DEPOSITS AND EQUITY		
Accounts Payable	8,923,603	11,210,686
Notes Payable	233,095,238	67,526,095
Other Liabilities	20,534,537	25,683,514
Total Liabilities	262,553,378	104,420,295
Savings	368,659,070	322,946,648
Checking	361,035,689	306,001,808
Certificates	754,492,456	826,166,987
Money Market	758,659,811	548,904,233
Individual Retirement Accounts	227,410,580	203,457,438
Total Deposits	2,470,257,606	2,207,477,113
Reserves	49,443,589	49,443,589
Undivided Earnings	262,261,175	214,791,732
Other Reserves	4,314,121	1,984,536
Total Equity	316,018,885	266,219,857
Total Liabilities, Deposits and Equity	3,048,829,869	2,578,117,265
INCOME AND DISTRIBUTION		
Gross Income	156,432,426	159,337,949
Distribution		
Expenses	78,309,152	75,873,576
Dividends to Members	44,707,630	57,432,413
NCUA Corporate Stabilization Expense/Restoration	(14,053,800)	23,469,208
To Reserves and Undivided Earnings	47,469,444	2,562,752
Total Distribution	156,432,426	159,337,949



(719) 574-1100 • 800-525-9623 • Ent.com

Ent is a community-chartered credit union • Equal Opportunity Lender • Federally insured by NCUA
© Ent Federal Credit Union, 2010 • Ent is a registered trademark of Ent Federal Credit Union.

