

75th Anniversary Celebration



Grand Prize winner **Geri Hartley** with **Sharon Custer**, CEO

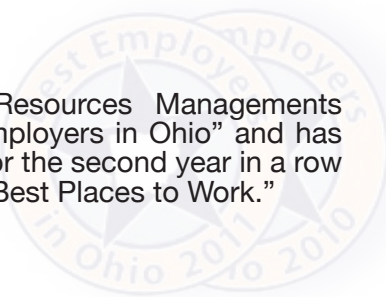
To kick-off the celebration, BMI FCU hosted the Battelle Seniors group for lunch in our Member Meeting Room. Sharon Custer, CEO presented a history of the credit union with over 100 attendees reminiscing the events of yesteryear. During our 75th Anniversary celebration, BMI gave away gift and cash prizes to members throughout the year as a way to say “thank you for being a member.” A special website celebratebmi75.com was created. This site provided a historical overview of the credit union with pictures and information from the various decades. Members were invited to leave stories about their experiences with BMI over the years. Thank you members for helping us celebration 75 years.

Then & Now

	April 1936	April 2011
Deposits	\$256	\$293,631,826
Loans	\$50	\$209,985,104
No. of Members	85	Over 19,000
No. of Employees	Volunteer treasurer	Over 90 employees



Society for Human Resources Managements sponsors the “Best Employers in Ohio” and has recognized BMI FCU for the second year in a row as one of the top ten “Best Places to Work.”



Columbus C.E.O. Magazine

BMI FCU was honored by Columbus C.E.O. for being voted “#1 Credit Union in Central Ohio” by the readers and subscribers for the fourth straight year.



Branch Locations

Dublin Branch / Corporate Office
6165 Emerald Parkway
Dublin, Ohio 43016

Grandview Branch
760 Kinnear Road
Columbus, Ohio 43212

Westerville Branch
12 S. Cleveland Avenue
Westerville, Ohio 43081

Upper Arlington Branch
750 Bethel Road
Columbus, Ohio 43214

Battelle Branch – Available to Battelle Staff Only

Online Banking - www.bmifcu.org
BMiWay – 24/7 Online Banking
BMiMobile – 24/7 Mobile Access
Online Loan Applications with 24/7 approvals

Management

2011 Board of Directors
Brad Ashbrook , Chair
Kay Cooke, Vice Chair
Steve Krzykoski, Treasurer
Steve Phillips, Secretary
Jodi Beekman
George Dailey
L. Ben Freudenreich
James Ramey
Gwen Von Holten

Associate Directors
Melita Garrett
Bill Esch

Director Emeritus
Phil McRury
Jack Conner
Denny Hockman

Supervisory Committee
Dave Arnold
John Black
Stephanie Heffron
Elizabeth Oakley

Executive Management Team

Sharon Custer, CEO
Bill Allender, President
Mike Clark, VP of Operations
Ray Porter, VP of Finance
Rob Bachman, Director of Lending

Sarah Borland, Director of Business Development & Public Relations
Jen Erb, Director of Human Resources
Melissa Gleadle, Controller
Greg Hopp, Director of Technology
Cindy Le Brun, Director of Member Service

BMI Federal Credit Union 2011 Annual Report



BMITM
FEDERAL CREDIT UNION

We make banking personal.

This credit union is federally insured by the National Credit Union Administration. Additional coverage up to \$250,000 provided by Excess Share Insurance Corporation, a licensed insurance company.

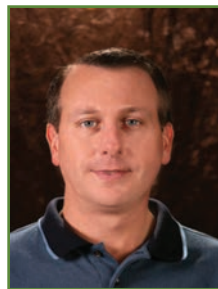


REPORT FROM THE CEO & THE Chairman



Sharon Custer, CEO

It all began back in 1936, when fifteen innovative Battelle employees came together to make a difference. This group recognized a need among their colleagues for a chance to belong to a fair financial institution with reasonable saving and lending rates. It was because of their vision that in March of that year the Battelle Memorial Institute Federal Credit Union was formed. By the end of 1936, BMI FCU had a total of 85 members (out of 121 staff members) at Battelle Memorial Institute. Those 85 members had saved \$1,523 and taken out loans of \$1,335.



Brad Ashbrook, Chairman

ended December 31, 2011, total shares grew from by 2.9% from \$292M to \$300M. Our members are also astute borrowers. Historically low mortgage rates provided just the right motivation for our members to refinance or purchase a new home in 2011. During the year, BMI FCU provided nearly \$40M in mortgages to our members. Since it is not prudent to hold long-term mortgages with extremely low fixed rates in our loan portfolio, the majority of these loans were sold to the Federal Home Loan Bank of Cincinnati. Although the loans have been sold, the servicing was retained by BMI FCU which means that BMI FCU members always maintain the relationship and strong member service with their Credit Union for those loan payments and any other issue that may arise related to their mortgages. Providing excellent member service is always a priority for BMI FCU and it is what our members have come to expect.

BMI FCU members are busy people and they require convenient delivery of financial services. BMI FCU continually works to deliver the best mix of products and services to our members to enhance their lives. During 2011, several new services were implemented to meet that need. The Anywhere Loan service was introduced to our members in August 2011. The Anywhere Loan service is a software product that provides for a web-based electronic signature allowing BMI FCU members to provide e-signatures for the approval of their loan documents. Through this product, members can easily sign loan documents from the comfort of their home or office. In June 2011, mobile banking service was expanded to include Apple and Android smartphone devices and by the end of the year over 1,000 members were using BMIMobile.

Your Credit Union has always supported

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Continued

our members' education. 2011 was our first full year of offering private student loans for the purpose of secondary education. At year end we had provided student loans to 124 members and had disbursed a total of \$1.9M in loans. In addition to supporting secondary education, BMI FCU staff provided financial education to our members through our Financial Focus program. During 2011, 24 Financial Focus presentations were conducted with 245 attendees. The program also has been used for one-on-one financial counseling assisting over 150 members during 2011.

Yes, the breadth of financial services has definitely changed over the past 75 years. BMI FCU has continued to grow and prosper and today, thanks to our members' participation, we are proud to be the third largest credit union in central Ohio. We are also very pleased that once again BMI FCU has been voted "Best Credit Union in Central Ohio" - the fourth year in a row by Columbus C.E.O. Magazine.

The officials, management and staff of Your Credit Union thank you for your continuing support. Without you we would not have achieved this magnificent milestone to celebrate! Thank you for 75 years of allowing us to serve as your financial institution and here's to 75 more!

2011 Hall of Fame Recipient



ANNE BROAD

Federal Credit Union Hall of Fame.

The BMI Federal Credit Union Hall of Fame recognizes individuals or corporations who have made significant contributions to our Credit Union, community, or to the members the Credit Union serves. We would like to honor the late Anne Broad as our 2012 inductee into the BMI Federal Credit Union Hall of Fame.

Anne served on the Credit Union's Supervisory Committee from 1982 to 1985. She began her tenure on the Credit Union's Board of Directors in 1986 and served as Treasurer from 2007 to her passing in May, 2011. Anne was employed at Battelle as Director of Corporate Accounting Services and used her accounting expertise to help steer the Credit Union in making good financial decisions. However, her real focus was always on BMI FCU members and on making sure that the members received the financial services they needed. Anne will always be remembered for her caring spirit.

2011 Scholarship Winners

Each year BMI Federal Credit Union awards four scholarships to help further the education of our members. All four recipients received \$2,000 to be put towards their continuing education efforts.

Dick Pierce Memorial Scholarship



Scott Blosser

Bill Allender, President
Casey Johanns

Jack Deibert Memorial Scholarship



Weston Niermeyer Family

Kelsey Coogan

Balance Sheet

	12/31/2011	12/31/2010
ASSETS		
Cash & Due From Others	\$4,109,613	\$2,926,875
Interest Bearing Deposits	22,242,793	15,525,485
Cash & Cash Equivalents	26,352,406	18,452,360
Time Deposits	54,342,000	58,842,000
Securities Available for Sale	58,388,141	53,109,655
Securities Held to Maturity	-	-
Loans to Members	211,421,776	213,465,915
Allowance for Loan Losses	(2,062,055)	(2,195,649)
Net Loans	209,359,721	211,270,266
Net Premises & Equipment	12,719,695	13,231,189
Accrued Interest Receivable	1,069,763	1,081,552
Capital Participation Certificates	900,000	900,100
NCUSIF Deposit	2,765,356	2,723,143
Other Assets	4,879,941	5,564,331
TOTAL ASSETS	\$370,777,023	\$365,174,596
LIABILITIES		
Members' Shares	300,461,318	292,099,382
Other Liabilities	38,541,895	43,717,924
TOTAL LIABILITIES	\$339,003,213	\$335,817,306
MEMBERS' EQUITY		
Statutory Reserve	6,768,645	\$6,768,645
Retained Earnings	24,361,106	21,979,966
Other Comprehensive Income	644,059	608,679
Total Members' Equity	\$31,773,810	29,357,290
TOTAL LIABILITIES & MEMBERS' EQUITY	\$370,777,023	\$365,174,596

Income Statement

	12/31/2011	12/31/2010
INTEREST INCOME		
Loans	\$12,289,925	\$13,173,426
Time Deposits, Securities & Negotiable Certificate of Deposit	1,946,146	1,799,038
Interest Bearing Deposits & Federal Funds Sold	16,465	28,687
TOTAL INTEREST INCOME	\$14,252,536	\$15,001,151
INTEREST EXPENSE		
Members' Share Accounts	\$2,425,765	\$3,301,857
NET INTEREST INCOME	\$11,826,771	\$11,699,294
Provision For Loan Losses	(1,314,095)	(2,279,866)
NET INTEREST INCOME AFTER PROVISION	\$10,512,676	\$9,419,428
OTHER INCOME		
Fees	\$2,026,350	\$2,079,325
Gain (Loss) On Investments	0	0
Gain (Loss) On Disposition of Assets	(598,187)	(363,797)
Gain (Loss) On Loans Sold to FHLB	351,729	408,376
Other Income	2,612,803	2,426,980
TOTAL OTHER INCOME	\$4,392,695	\$4,550,884
OTHER EXPENSE		
Salaries & Employee Benefits	\$5,146,376	\$5,297,043
Occupancy & Equipment	1,407,759	1,424,190
Advertising & Marketing	221,208	222,902
Card Processing	528,519	506,416
Other Expenses	5,220,369	5,311,619
TOTAL OTHER EXPENSE	\$12,524,231	\$12,762,170
NET INCOME	\$2,381,140	\$1,208,142

These financial statements are as presented by Management for 2010 and 2011 fiscal years, not audited financial statements. Complete audited financial statements are available upon request.