

Statement of Financial Condition

All Data For Year Ending December 31, 2004

	2004	2003
Assets		
Loans To Members	\$42,635,983	\$32,992,986
Allowance for Loan Loss	(300,555)	(283,985)
Receivables	6,247	23,696
Cash	898,157	834,765
Investments	2,336,511	7,751,643
Prepaid Expenses & Deferred Charges	376,311	207,451
Fixed Assets	937,517	682,173
Accrued Income	166,553	165,173
Deposit in NCUSIF	359,368	328,971
Other Assets	9,834	9,411
Total Assets	\$47,425,926	\$42,712,284

Liabilities & Equity

Accounts Payable	\$ 21,407	\$ 32,456
Notes Payable	0	0
Dividends Payable	30,469	27,803
Taxes Payable	6,476	6,403
Accrued Expenses	47,294	34,624
Other Liabilities	9,816	9,411
Total Liabilities	\$ 115,462	\$ 110,697

Member Equity

Regular Shares	\$14,922,403	\$13,408,290
Share Drafts	3,825,709	3,533,965
I.R.A.'s	2,400,512	2,051,927
Share Certificates	10,959,898	8,319,834
Other Shares	10,670,051	11,160,352
Total Member Equity	\$42,778,574	\$38,474,368

Reserves & Undivided Earnings

Regular & Legal Reserves	\$ 1,216,416	\$ 1,216,416
Other Reserves	0	0
Undivided Earnings	3,229,077	2,811,788
Current Period Net Income	86,397	99,015
Total Capital	\$ 4,531,890	\$ 4,127,219

Total Liabilities & Equity

\$47,425,926 **\$42,712,284**

Statement of Income

	2004	2003
Income		
Income from Loans	\$ 2,568,880	\$ 2,030,969
Investment Income	105,321	267,416
Fees and Charges	482,830	298,106
Miscellaneous Income	190,800	202,169
Total Income	\$ 3,347,831	\$ 2,798,660

Cost of Funds

Dividends on Accounts	\$ 680,250	\$ 655,579
Cost of Borrowed Money	307	310
Total Cost of Funds	\$ 680,557	\$ 655,889

Expenses

Employee Compensation & Benefits	\$ 878,076	\$ 785,124
Travel and Conference	52,079	23,849
Association Dues	21,252	20,680
Office Occupancy	107,008	74,960
Office Operations	331,126	287,427
Education & Promotion	85,548	56,314
Loan Servicing	277,337	96,078
Professional Services	374,322	309,807
Provision for Loan Losses	120,175	127,970
Member Insurances	334	368
Miscellaneous Expenses	15,347	13,418

Total Operating Expenses **\$ 2,262,604** **\$ 1,795,995**

Net Operating Income

\$ 404,670 **\$ 346,776**

Non-Operating Gains/(Losses)

Gain/(Loss) on Sale of Investments	\$ 0	\$ 0
Gain/(Loss) on Sale of Fixed Assets	(0)	(14)
Other Non-Operating Gains/(Loss)	0	0

Total Non-Operating Expenses **\$ (0)** **\$ (14)**

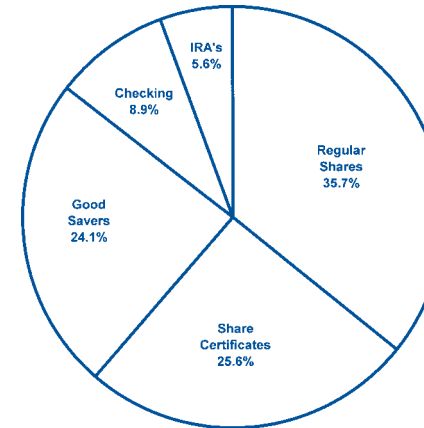
Net Income **\$ 404,670** **\$ 346,762**

Statistical Information

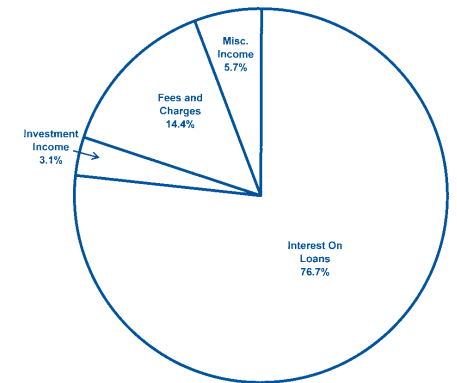
	2004	2003
Key Ratios		
Net Capital/Assets	9.56%	9.66%
Delinquent Loans/Total Loan	1.24%	.94%
Fixed Assets/Assets	1.98%	1.60%
Loan/Shares	99.67%	85.75%
Loan/Assets	89.90%	77.24%

	2004	2003
Other Information		
Number of Members	7,591	7,172
Number of Deposit Accts.	12,776	12,541
Number of Checking Accts.	2,979	3,176
Number of Share Cert.	672	547
Number of Loan Accts.	4,865	4,351
Number of Loans Made During the Year	1,732	1,431
Amount of Loans Made During the Year	\$28,061,486	\$24,241,737

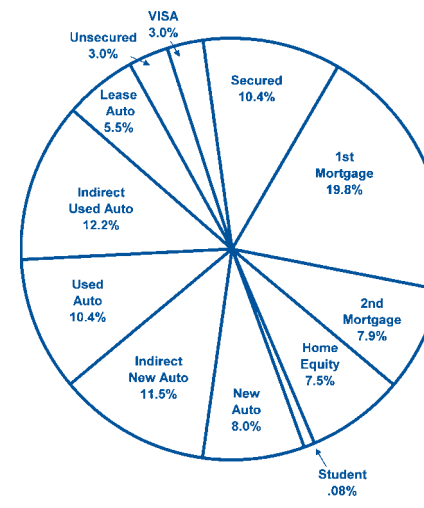
Distribution of Deposits



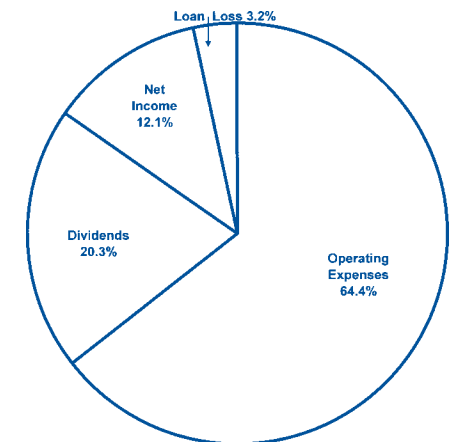
Sources of Income



Distribution of Loans



Uses of Gross Income



OFCU Board of Directors

Alan Ruff
Chairman
Cleveland Vaughn
Vice Chairman
James Braegelmann
Treasurer

Cindy Siford
Secretary
Scott Bramhall
Claude McKinney
Dewayne Prince
Mike Story
Marvin Taylor

OFCU Supervisory Committee

Phyllis Ahlman
Chairman

Julie Meisinger
Derek Vaughn
Jer Weremy

OFCU Staff

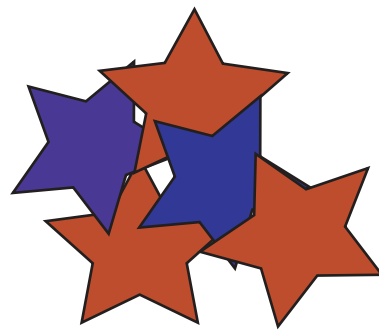
Steve Johnson
President
Lynn Bowers
VP Lending
Cathy Day
VP Finance
Cheryl Mathis
VP Operations
Laurie Napier
VP Marketing
Suzanne Baker
Loan Officer
Lindsay Bro
Member Service Rep.
Chris Byous
NW Branch Manager
Kay Cook
Blair Branch Manager
Alice Cruse
Member Service Rep.
Tina Dahir
Member Service Specialist
Teresa Hardiman
Senior Loan Officer

Del Hiemstra
Loan Officer
Kelly Johnson
Member Service Rep.
Diane Ketchum
WH Branch Manager
Sheri Martin
Teller Supervisor
Patricia Maryanski
Member Service Rep.
Lisa Meckna
DT Branch Manager
Melissa Padilla
Member Service Rep.
Marcia Peterson
Member Service Rep.
Bonnie Petersen
Member Service Rep.
Veronica Polonic
Member Service Rep.
Kim Simpson
Member Service Rep.
Carmen Wilcox
NW Branch Asst. Manager

Jodee Wright
Member Service Rep.

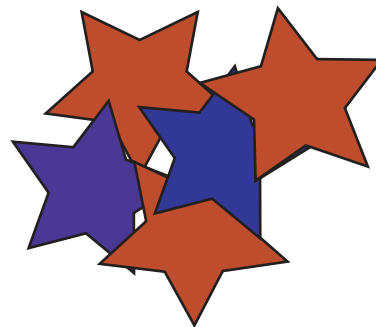


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69th Annual Report

December 31, 2004



Chairman's Report

It is my pleasure to be presenting this report on behalf of the Board of Directors. I want to express the Board's appreciation to all our credit union members for your continued support in 2004. Because of your participation, Omaha Federal has continued with impressive growth in both the area of savings and assets, and has been able to provide increased member services.

As in the past, we continue to improve member services such as Fraud Prevention programs, Debit Cards, Home Financial Internet Banking, On-Line Credit, and Auto purchasing services. One program which has helped increase our loan portfolio is our Indirect Auto Financing Program. Because of the increased participation in this program this year, our membership has grown and our loan portfolio has increased by \$9.6 million in a period from December 2003 to December 2004.

This was another successful year of growth for Omaha Federal. Our financial performance remains strong for our membership. As of December 31, 2004, we were close to achieving \$48 million in assets. In 2004, the Credit Union experienced growth in the following areas:

- Assets increased by \$5.2 million, up about 11.0%
- Loans increased by about 29.1%
- All categories of Shares increased by a total of 11.2%
- Income for the year was \$404,670
- The Net Worth growth was 1.14%

The Board and Staff accomplished several good business ventures this year. A much needed renovation of the Blair Branch facility resulted in a very functional and effective place to do business. We celebrated this remodel event with a ribbon cutting and open house in August.

To improve the staff's marketing capabilities, a computer software package called CUE 121 was purchased, installed and is operating. We now possess a member business relationship management tool which will help us market effectively to our membership and target our services to their needs.

Construction started on the Northwest Branch in the fall of 2004. Located north of 156th and West Maple Rd., it is ready to provide our members with convenient member services. And to improve service for our members, the drive-up hours at our Blair office were extended.

The Credit Union has also continued its charitable community involvement this year. One of our charitable ventures is called Operation Santa. We enjoyed great success collecting toys and gifts from our membership in preparation for Christmas distribution to families in need.

Future plans for our Credit Union involves the development of more convenient locations. We continue to investigate for new ATM and facility locations in our chartered

county areas. We hope to be able to add branch offices for several years to come.

The Board of Directors, the President, Office Management and staff, are very proud of the continuing accomplishments we have made for this membership. We enjoy every opportunity to provide to you the financial services you require. We are in the financial business because of you. We wish you continued success.

Alan L. Ruff, Chairman, Board of Directors

Supervisory Committee's Report

It is the responsibility of the Supervisory Committee to review the procedures of the Credit Union and monitor its performance to ensure it works effectively for its members. A systematic schedule of review recommendations is used to monitor key functions. As a result, the following activities were accomplished in 2004:

- Reviewed investment and loan files, dormant and negative accounts
- Audited teller offages and override reports
- Reviewed Corporate reconciliations, member certificate rates, new member report and account cards, employee credit card accounts and expense files, and Federal Reserve account
- Reviewed the Report of Examination by Petersen and Associates Auditing Firm on a quarterly basis, and made recommendations to the Board based on Petersen review
- Implemented ongoing security measures to help identify potential breeches in security and identification theft
- National CUNA Conference, focusing on internal security, fraud, and identity theft, attended by two members.

Phyllis Ahlman, Chairman, Supervisory Committee

OFCU Ten Year Growth			
	Assets	Loans	Deposits
1995	\$19,503,356	\$14,663,278	\$ 17,295,509
1996	21,624,082	16,487,678	19,116,171
1997	23,123,963	17,531,272	20,416,594
1998	24,993,529	18,930,837	22,043,036
1999	26,289,264	19,257,732	23,308,850
2000	26,331,282	20,115,224	23,226,664
2001	34,079,435	23,996,564	34,435,405
2002	38,825,135	25,853,184	34,908,588
2003	42,712,284	32,992,986	38,474,368
2004	\$ 47,425,925	\$ 42,635,983	\$ 42,778,574