



Consolidated Financial Statements

Unaudited

August 31, 2007



Contact Information:

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MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED BALANCE SHEETS
AUGUST 31, 2007
(in thousands)

	August 31,		December 31,
	2007	2006	2006
Assets			
Cash and cash equivalents	\$ 98,311	\$ 984,543	\$ 661,022
Securities available for sale, at fair value	6,837,764	4,340,018	4,758,746
Interest earning deposits	4,145,898	3,358,841	4,400,052
Loans to members and affiliates	595,225	624,534	403,278
Participation loans, net	49,675	42,534	53,647
Fixed assets, net	11,940	13,372	12,755
Accrued income and other assets	96,667	61,260	65,734
Total assets	\$ 11,835,480	\$ 9,425,102	\$ 10,355,234
Liabilities and Members' Equity			
Liabilities			
Members' accounts			
Shares and certificates	\$ 10,063,334	\$ 7,668,472	\$ 8,975,631
Membership capital shares	481,088	486,346	478,449
Paid-in capital shares	79,440	79,440	79,440
Total members' accounts	10,623,862	8,234,258	9,533,520
Borrowings and other liabilities			
U.S. Central borrowings	397,846	44,784	38,531
Commercial paper	61,709	489,549	89,588
Securities sold under agreements to repurchase	195,857	148,901	100,404
Other borrowings	167,286	82,030	182,349
Deposits from affiliates and non-members	63,972	52,858	59,119
Accrued dividends and other liabilities	145,814	80,547	55,804
Total borrowings and other liabilities	1,032,484	898,669	525,795
Total liabilities	11,656,346	9,132,927	10,059,315
Members' equity			
Statutory reserves and undivided earnings	302,188	293,586	295,129
Accumulated other comprehensive income (loss)	(123,054)	(1,411)	790
Total members' equity	179,134	292,175	295,919
Total liabilities and members' equity	\$ 11,835,480	\$ 9,425,102	\$ 10,355,234

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED STATEMENTS OF INCOME
AS OF AUGUST 31, 2007
(in thousands)

	Month Ended August 31,		Year-to-Date August 31,	
	2007	2006	2007	2006
Interest income				
Investments	\$ 48,445	\$ 32,895	\$ 381,681	\$ 251,053
Loans	2,853	2,840	16,198	18,918
Total interest income	51,298	35,735	397,879	269,971
Interest expense				
Members' accounts	43,956	29,687	355,274	230,041
Borrowings	3,030	2,892	13,362	14,344
Total interest expense	46,986	32,579	368,636	244,385
Net interest income	4,312	3,156	29,243	25,586
Noninterest income				
Service fee income, net	1,690	1,659	13,489	14,377
Other income	-	6	101	336
Net gains (losses) on financial instruments	(420)	17	(3,953)	(8)
Total noninterest income	1,270	1,682	9,637	14,705
Noninterest expense				
Salaries and employee benefits	2,514	2,686	19,310	22,287
Office operations	424	513	3,033	3,625
Professional and outside services	289	447	2,969	3,006
Training, travel and communications	362	462	3,471	3,479
Office occupancy	238	251	2,148	1,923
Other	97	102	891	1,029
Total noninterest expense	3,924	4,461	31,822	35,349
Net income	\$ 1,658	\$ 377	\$ 7,058	\$ 4,942

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
KEY FINANCIAL INFORMATION
AUGUST 31, 2007
(in thousands)

Capital Ratios

	August 31,		December 31,	Regulatory Limits or Thresholds
	2007	2006	2006	
Qualifying membership capital shares	\$ 473,968	\$ 475,993	\$ 472,473	
Paid-in capital shares	79,440	79,440	79,440	
Reserves and undivided earnings	302,188	293,586	295,129	
Total regulatory capital	<u>\$ 855,596</u>	<u>\$ 849,019</u>	<u>\$ 847,042</u>	
12-month daily average net assets	\$ 10,524,898	\$ 8,748,359	\$ 8,988,109	
Capital ratio	8.13%	9.70%	9.42%	5.00%
Core capital ratio	3.63%	4.26%	4.17%	3.00%
Retained earnings ratio	2.87%	3.36%	3.28%	2.00%

Net Economic Value
August 31, 2007

	Net Economic Value	Dollar Change	Actual Percentage Change	Policy and Regulatory Limits
300 basis point rise in rates	\$ 604,302	\$ (126,740)	-17.3%	-28.0%
Base net economic value	731,042	-	-	-
300 basis point decline in rates	767,089	36,047	4.9%	

Issuer Ratings

	Rating Type	Rating
Moody's	Short term	P-1
Standard and Poor's	Short term	A-1+
Fitch	Short term	F1+
	Long term	AA-
	Individual	A/B

Supplemental Valuation Information

	Balance
Asset backed securities	\$ (77,035)
Collateralized mortgage obligations	(31,689)
Corporate debt	(8,138)
Other financial instruments	(6,192)
Accumulated other comprehensive income (loss)	<u>\$ (123,054)</u>