



Consolidated Financial Statements

Unaudited

December 31, 2006



Contact Information:

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MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2006
(in thousands)

	December 31,	
	2006	2005
Assets		
Cash and cash equivalents	\$ 661,022	\$ 619,282
Securities available for sale, at fair value	4,758,746	3,419,169
Securities held-to-maturity	-	120,180
Interest earning deposits	4,400,052	4,045,152
Loans to members and affiliates	403,278	684,000
Participation loans, net	53,647	39,517
Fixed assets, net	12,755	14,547
Accrued income and other assets	65,734	47,733
Total assets	\$ 10,355,234	\$ 8,989,580
Liabilities and Members' Equity		
Liabilities		
Members' accounts		
Shares and certificates	\$ 8,975,631	\$ 7,328,779
Membership capital shares	478,449	485,993
Paid-in capital shares	79,440	79,440
Total members' accounts	9,533,520	7,894,212
Borrowings and other liabilities		
U.S. Central borrowings	38,531	92,261
Commercial paper	89,588	589,197
Securities sold under agreements to repurchase	100,404	24,094
Other borrowings	182,349	10,145
Deposits from affiliates and non-members	59,119	51,438
Accrued dividends and other liabilities	55,804	45,041
Total borrowings and other liabilities	525,795	812,176
Total liabilities	10,059,315	8,706,388
Members' equity		
Statutory reserves and undivided earnings	295,129	288,644
Accumulated other comprehensive income (loss)	790	(5,452)
Total members' equity	295,919	283,192
Total liabilities and members' equity	\$ 10,355,234	\$ 8,989,580

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED STATEMENTS OF INCOME
AS OF DECEMBER 31, 2006
(in thousands)

	Month Ended		Year-to-Date	
	December 31,		December 31,	
	2006	2005	2006	2005
Interest income				
Investments	\$ 37,147	\$ 23,358	\$ 385,569	\$ 260,227
Loans	2,325	2,896	29,614	21,422
Total interest income	<u>39,472</u>	<u>26,254</u>	<u>415,183</u>	<u>281,649</u>
Interest expense				
Members' accounts	34,667	20,955	353,183	219,102
Borrowings	1,867	2,581	24,680	28,709
Total interest expense	<u>36,534</u>	<u>23,536</u>	<u>377,863</u>	<u>247,811</u>
Net interest income	2,938	2,718	37,320	33,838
Noninterest income				
Service fee income, net	1,444	1,680	20,927	19,120
Other income	9	11	404	300
Net realized gains (losses)	(1)	41	(63)	1,507
Total noninterest income	<u>1,452</u>	<u>1,732</u>	<u>21,268</u>	<u>20,927</u>
Noninterest expense				
Salaries and employee benefits	2,199	2,335	32,249	27,749
Office operations	528	477	5,499	5,748
Professional and outside services	488	333	4,701	3,083
Training, travel and communications	463	424	5,095	5,086
Office occupancy	316	363	3,057	3,965
Other	140	165	1,502	1,732
Total noninterest expense	<u>4,134</u>	<u>4,097</u>	<u>52,103</u>	<u>47,363</u>
Net income	<u>\$ 256</u>	<u>\$ 353</u>	<u>\$ 6,485</u>	<u>\$ 7,402</u>

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
KEY FINANCIAL INFORMATION
DECEMBER 31, 2006
(in thousands)

Capital Ratios

	December 31,		Regulatory Limits or Thresholds
	2006	2005	
Qualifying membership capital shares	\$ 472,473	\$ 475,941	
Paid-in capital shares	79,440	79,440	
Reserves and undivided earnings	295,129	288,644	
Total regulatory capital	\$ 847,042	\$ 844,025	
12-month daily average net assets	\$ 8,988,109	\$ 8,805,682	
Capital ratio	9.42%	9.59%	5.00%
Core capital ratio	4.17%	4.18%	3.00%
Retained earnings ratio	3.28%	3.28%	2.00%

Net Economic Value
December 31, 2006

	Net Economic Value	Dollar Change	Actual Percentage Change	Policy and Regulatory Limits
300 basis point rise in rates	\$ 781,857	\$ (66,862)	-7.9%	-28.0%
Base net economic value	848,719	-	-	-
300 basis point decline in rates	878,125	29,406	3.5%	

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-