



# Consolidated Financial Statements

*Unaudited*

February 28, 2007



Contact Information:

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**MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION**  
**CONSOLIDATED BALANCE SHEETS**  
**FEBRUARY 28, 2007**  
*(in thousands)*

	February 28,		December 31,
	2007	2006	2006
<b>Assets</b>			
Cash and cash equivalents	\$ 120,548	\$ 591,846	\$ 661,022
Securities available for sale, at fair value	5,365,903	3,796,386	4,758,746
Securities held-to-maturity	-	120,164	-
Interest earning deposits	4,958,585	3,953,635	4,400,052
Loans to members and affiliates	364,153	603,803	403,278
Participation loans, net	52,675	39,313	53,647
Fixed assets, net	12,605	14,175	12,755
Accrued income and other assets	64,809	47,267	65,734
<b>Total assets</b>	\$ 10,939,278	\$ 9,166,589	\$ 10,355,234
<b>Liabilities and Members' Equity</b>			
Liabilities			
Members' accounts			
Shares and certificates	\$ 9,667,202	\$ 7,913,375	\$ 8,975,631
Membership capital shares	478,713	485,058	478,449
Paid-in capital shares	79,440	79,440	79,440
Total members' accounts	10,225,355	8,477,873	9,533,520
Borrowings and other liabilities			
U.S. Central borrowings	37,940	83,115	38,531
Commercial paper	89,661	89,670	89,588
Securities sold under agreements to repurchase	-	100,633	100,404
Other borrowings	105,090	11,368	182,349
Deposits from affiliates and non-members	54,064	54,003	59,119
Accrued dividends and other liabilities	128,630	65,065	55,804
Total borrowings and other liabilities	415,385	403,854	525,795
<b>Total liabilities</b>	10,640,740	8,881,727	10,059,315
Members' equity			
Statutory reserves and undivided earnings	296,777	289,593	295,129
Accumulated other comprehensive income (loss)	1,761	(4,731)	790
Total members' equity	298,538	284,862	295,919
<b>Total liabilities and members' equity</b>	\$ 10,939,278	\$ 9,166,589	\$ 10,355,234

**MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION**  
**CONSOLIDATED STATEMENTS OF INCOME**  
**AS OF FEBRUARY 28, 2007**  
*(in thousands)*

	<b>Month Ended</b>		<b>Year-to-Date</b>	
	<b>February 28,</b>		<b>February 28,</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Interest income</b>				
Investments	\$ 39,544	\$ 24,514	\$ 78,287	\$ 48,355
Loans	1,780	2,512	4,005	5,507
Total interest income	<u>41,324</u>	<u>27,026</u>	<u>82,292</u>	<u>53,862</u>
<b>Interest expense</b>				
Members' accounts	36,723	22,791	72,768	44,725
Borrowings	1,023	1,275	3,113	3,358
Total interest expense	<u>37,746</u>	<u>24,066</u>	<u>75,881</u>	<u>48,083</u>
Net interest income	3,578	2,960	6,411	5,779
<b>Noninterest income</b>				
Service fee income, net	1,475	1,528	3,172	3,213
Other income	15	1	22	19
Net realized gains (losses)	12	(9)	35	1
Total noninterest income	<u>1,502</u>	<u>1,520</u>	<u>3,229</u>	<u>3,233</u>
<b>Noninterest expense</b>				
Salaries and employee benefits	2,307	2,348	4,954	5,021
Office operations	400	401	747	857
Professional and outside services	427	290	768	580
Training, travel and communications	376	371	718	762
Office occupancy	268	293	539	570
Other	72	130	267	274
Total noninterest expense	<u>3,850</u>	<u>3,833</u>	<u>7,993</u>	<u>8,064</u>
<b>Net income</b>	<u>\$ 1,230</u>	<u>\$ 647</u>	<u>\$ 1,647</u>	<u>\$ 948</u>

**MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION**  
**KEY FINANCIAL INFORMATION**  
**FEBRUARY 28, 2007**  
*(in thousands)*

**Capital Ratios**

	February 28,		December 31,	Regulatory Limits or Thresholds
	2007	2006	2006	
Qualifying membership capital shares	\$ 473,706	\$ 475,702	\$ 472,473	
Paid-in capital shares	79,440	79,440	79,440	
Reserves and undivided earnings	296,777	289,593	295,129	
Total regulatory capital	<u>\$ 849,923</u>	<u>\$ 844,735</u>	<u>\$ 847,042</u>	
12-month daily average net assets	\$ 9,243,589	\$ 8,725,625	\$ 8,988,109	
Capital ratio	9.19%	9.68%	9.42%	5.00%
Core capital ratio	4.07%	4.23%	4.17%	3.00%
Retained earnings ratio	3.21%	3.32%	3.28%	2.00%

**Net Economic Value**

**February 28, 2007**

	Net Economic Value	Dollar Change	Actual Percentage Change	Policy and Regulatory Limits
300 basis point rise in rates	\$ 784,321	\$ (68,256)	-8.0%	-28.0%
Base net economic value	852,577	-	-	-
300 basis point decline in rates	882,621	30,044	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-