



Consolidated Financial Statements

Unaudited

September 30, 2007



Contact Information:

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Chief Financial Officer

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MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED BALANCE SHEETS
SEPTEMBER 30, 2007
(in thousands)

	September 30,		December 31,
	2007	2006	2006
Assets			
Cash and cash equivalents	\$ 96,845	\$ 525,629	\$ 661,022
Securities available for sale, at fair value	6,754,700	4,318,545	4,758,746
Interest earning deposits	4,695,083	3,784,245	4,400,052
Loans to members and affiliates	611,269	500,954	403,278
Participation loans, net	49,670	50,485	53,647
Fixed assets, net	11,837	13,180	12,755
Accrued income and other assets	112,649	61,141	65,734
Total assets	\$ 12,332,053	\$ 9,254,179	\$ 10,355,234
Liabilities and Members' Equity			
Liabilities			
Members' accounts			
Shares and certificates	9,802,322	\$ 7,682,703	\$ 8,975,631
Membership capital shares	481,080	486,231	478,449
Paid-in capital shares	79,440	79,440	79,440
Total members' accounts	10,362,842	8,248,374	9,533,520
Borrowings and other liabilities			
U.S. Central borrowings	535,277	44,153	38,531
Commercial paper	211,327	89,588	89,588
Securities sold under agreements to repurchase	373,151	100,331	100,404
Other borrowings	494,484	342,237	182,349
Deposits from affiliates and non-members	63,680	48,995	59,119
Accrued dividends and other liabilities	104,742	86,617	55,804
Total borrowings and other liabilities	1,782,661	711,921	525,795
Total liabilities	12,145,503	8,960,295	10,059,315
Members' equity			
Statutory reserves and undivided earnings	304,971	294,630	295,129
Accumulated other comprehensive income (loss)	(118,421)	(746)	790
Total members' equity	186,550	293,884	295,919
Total liabilities and members' equity	\$ 12,332,053	\$ 9,254,179	\$ 10,355,234

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
CONSOLIDATED STATEMENTS OF INCOME
AS OF SEPTEMBER 30, 2007
(in thousands)

	Month Ended		Year-to-Date	
	September 30,		September 30,	
	2007	2006	2007	2006
Interest income				
Investments	\$ 49,404	\$ 31,955	\$ 431,084	\$ 283,008
Loans	2,955	3,061	19,154	21,979
Total interest income	<u>52,359</u>	<u>35,016</u>	<u>450,238</u>	<u>304,987</u>
Interest expense				
Members' accounts	40,866	28,012	396,140	258,053
Borrowings	6,668	3,786	20,029	18,130
Total interest expense	<u>47,534</u>	<u>31,798</u>	<u>416,169</u>	<u>276,183</u>
Net interest income	4,825	3,218	34,069	28,804
Noninterest income				
Service fee income, net	1,698	1,839	15,187	16,216
Other income	41	8	142	344
Net gains (losses) on financial instruments	(125)	12	(4,078)	4
Total noninterest income	<u>1,614</u>	<u>1,859</u>	<u>11,251</u>	<u>16,564</u>
Noninterest expense				
Salaries and employee benefits	2,204	2,476	21,514	24,763
Office operations	394	422	3,427	4,047
Professional and outside services	389	453	3,358	3,459
Training, travel and communications	333	315	3,804	3,794
Office occupancy	253	261	2,402	2,184
Other	82	106	973	1,135
Total noninterest expense	<u>3,655</u>	<u>4,033</u>	<u>35,478</u>	<u>39,382</u>
Net income	<u>\$ 2,784</u>	<u>\$ 1,044</u>	<u>\$ 9,842</u>	<u>\$ 5,986</u>

MEMBERS UNITED CORPORATE FEDERAL CREDIT UNION
KEY FINANCIAL INFORMATION
SEPTEMBER 30, 2007
(in thousands)

Capital Ratios

	September 30,		December 31,	Regulatory Limits or Thresholds
	2007	2006	2006	
Qualifying membership capital shares	\$ 473,463	\$ 475,578	\$ 472,473	
Paid-in capital shares	79,440	79,440	79,440	
Reserves and undivided earnings	304,971	294,630	295,129	
Total regulatory capital	<u>\$ 857,874</u>	<u>\$ 849,648</u>	<u>\$ 847,042</u>	
12-month daily average net assets	\$ 10,778,946	\$ 8,780,619	\$ 8,988,109	
Capital ratio	7.96%	9.68%	9.42%	5.00%
Core capital ratio	3.57%	4.26%	4.17%	3.00%
Retained earnings ratio	2.83%	3.36%	3.28%	2.00%

Net Economic Value
September 30, 2007

	Net Economic Value	Dollar Change	Actual Percentage Change	Policy and Regulatory Limits
300 basis point rise in rates	\$ 603,242	\$ (133,268)	-18.1%	-28.0%
Base net economic value	736,510	-	-	-
300 basis point decline in rates	784,183	47,673	6.5%	

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-
	Individual	A/B

Supplemental Valuation Information

	Balance
Asset backed securities	\$ (63,734)
Collateralized mortgage obligations	(41,776)
Corporate debt	(9,734)
Other financial instruments	(3,177)
Accumulated other comprehensive income (loss)	<u>\$ (118,421)</u>