

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to at least \$250,000
and backed by the full faith and credit of the United States Government

NCUA

National Credit Union Administration, a U.S. Government Agency

PRELIMINARY AND UNAUDITED FINANCIAL HIGHLIGHTS MARCH 31, 2011



**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
March 31, 2011

Balance Sheet:

Other Assets — represents balance due to the NCUSIF from monies loaned to NCUA for purchase of the King Street building.

Provision for Credit Union Losses (Reserves) - NPCU — of \$1.2 billion includes \$140 million in reserves for specific and \$1.06 billion in reserves for non specific natural person credit unions.

NATIONAL CREDIT UNION ADMINISTRATION
NCUSIF PRELIMINARY AND UNAUDITED BALANCE SHEET
March 31, 2011

| ASSETS | March 2011 | February 2011 | March 2010 |
|---|--------------------------|--------------------------|--------------------------|
| INTRAGOVERNMENTAL | | | |
| Fund Balance with Treasury | \$ 506,371 | \$ 505,733 | \$ 100,495 |
| Investments | 10,793,152,750 | 10,806,642,250 | 9,563,908,374 |
| Accrued Interest Receivable | 68,195,683 | 68,790,068 | 65,305,772 |
| Prepaid & Deferred Charges | 294,873 | 1,134,956 | - |
| Other assets | 16,795,026 | 16,908,464 | 18,155,990 |
| Total Intragovernmental Assets | <u>10,878,944,703</u> | <u>10,893,981,471</u> | <u>9,647,470,632</u> |
| PUBLIC | | | |
| Contributions Receivable From Insured Credit Unions | 158,193,663 | - | 267,170,245 |
| Insurance Premium Receivable | 174,465 | 174,331 | 2,441,790 |
| Share Deposits & Loans | - | - | 10,000,000,000 |
| Recoveries from Liq. CU | 165,927,760 | 171,870,400 | 202,950,297 |
| Interest on Loan Receivable | - | - | 14,321,096 |
| Total Public Assets | <u>324,295,888</u> | <u>172,044,731</u> | <u>10,486,883,428</u> |
| TOTAL ASSETS | <u>\$ 11,203,240,591</u> | <u>\$ 11,066,026,202</u> | <u>\$ 20,134,354,061</u> |
| LIABILITIES | | | |
| INTRAGOVERNMENTAL | | | |
| Notes Payable - CLF | \$ - | \$ - | \$ 10,000,000,000 |
| Interest Payable - CLF | - | - | 14,321,096 |
| Total Intragovernmental Liabilities | <u>-</u> | <u>-</u> | <u>10,014,321,096</u> |
| PUBLIC | | | |
| Check Clearing Accounts | 1,475 | 1,475 | (115) |
| Other | 278,641 | 125,177 | 1,797,366 |
| Liquidation Claims | 41,946,870 | 42,162,394 | 44,832,296 |
| Payable to Cus - Capital Deposit Refunds | 56,750,303 | - | 62,796,376 |
| Provision for CU Losses (Reserves) - NPCU | 1,191,548,812 | 1,192,749,607 | 726,718,069 |
| Total Public Liabilities | <u>1,290,526,101</u> | <u>1,235,038,653</u> | <u>836,143,992</u> |
| TOTAL LIABILITIES | <u>1,290,526,101</u> | <u>1,235,038,653</u> | <u>10,850,465,088</u> |
| NET POSITION | | | |
| Cumulative Result of Operations | <u>9,912,714,490</u> | <u>9,830,987,549</u> | <u>9,283,888,973</u> |
| Total Net Position | <u>9,912,714,490</u> | <u>9,830,987,549</u> | <u>9,283,888,973</u> |
| TOTAL LIABILITIES AND NET POSITION | <u>\$ 11,203,240,591</u> | <u>\$ 11,066,026,202</u> | <u>\$ 20,134,354,061</u> |

NATIONAL CREDIT UNION ADMINISTRATION
NCUSIF PRELIMINARY AND UNAUDITED STATEMENT OF NET COST
March 31, 2011

| | March 2011 | February 2011 | CY to Date |
|-------------------------------------|------------------------|-----------------------|------------------------|
| GROSS COSTS | | | |
| Employee Pay | \$ 6,148,060 | \$ 5,243,557 | \$ 16,876,652 |
| Employee Benefits | 1,737,158 | 1,590,883 | 4,955,256 |
| Travel | 1,119,811 | 1,159,923 | 2,579,411 |
| Rent, Communications, and Utilities | 185,198 | 248,233 | 502,331 |
| Administrative Costs | 579,648 | 938,315 | 1,797,715 |
| Contracted Services | 935,252 | 684,134 | 1,534,994 |
| AMAC Expense | - | 13,649 | 19,079 |
| Training Expense | 58,499 | 61,122 | 168,314 |
| Leasing Expense | 1,667 | 1,667 | 5,000 |
| Other Insurance Expense | (43,804) | 175,643 | 131,882 |
| Insurance Loss Expense | (1,005,312) | - | (1,005,312) |
| Total Gross Costs | <u>9,716,177</u> | <u>10,117,126</u> | <u>27,565,322</u> |
| LESS EARNED REVENUES | | | |
| Premium Income | - | - | 19,642 |
| Investment Income | 19,922,840 | 17,728,720 | 57,084,134 |
| Other Income | 30,750 | 27,700 | 93,709 |
| Total Earned Revenues | <u>19,953,590</u> | <u>17,756,420</u> | <u>57,197,485</u> |
| TOTAL NET COST OF OPERATIONS | <u>\$ (10,237,413)</u> | <u>\$ (7,639,294)</u> | <u>\$ (29,632,163)</u> |

FINANCIAL STATEMENT ANALYSES
NCUSIF PRELIMINARY AND UNAUDITED NET POSITION
March 31, 2011

| NET POSITION BREAKDOWN | March 2011 | February 2011 |
|--|-----------------------------|-----------------------------|
| CU Contributed Capital | \$ 7,586,549,012 | \$ 7,485,105,652 |
| Retained Earnings | 2,197,918,481 | 2,187,687,907 |
| Unrealized Gain/Loss on A-F-S Securities | 128,246,996 | 158,193,990 |
| Cumulative Result of Operations | <u>9,912,714,490</u> | <u>9,830,987,549</u> |
| Total Net Position | <u>\$ 9,912,714,490</u> | <u>\$ 9,830,987,549</u> |

Comparative Analysis of NCUSIF Balance Sheet Ratios for March 31, 2011

| BALANCE SHEET RATIOS | MAR 11 | FEB 11 | MAR 10 |
|-----------------------------|---------------|---------------|---------------|
| Investments/Total Assets | 96.34% | 97.66% | 47.50% |
| Total Equity/Insured Shares | 1.29% | 1.28% | 1.26% |
| Prov. for Losses/CU Capital | 15.71% | 15.93% | 10.00% |
| Non-Earning/Total Assets | 3.66% | 2.34% | 2.74% |
| Available Asset Ratio | 1.20% | 1.21% | 1.20% |

Comparative Analysis of NCUSIF Income Statement Ratios for March 31, 2011

| INCOME STATEMENT RATIOS | LAST MONTH | THIS MONTH | CURRENT CYTD |
|----------------------------------|-----------------------|-----------------------|-------------------------|
| 1. Oper. Exp./Total Income | 56.98% | 53.73% | 47.97% |
| 2. Ins. Loss Exp./Total Income | 0.00% | -5.04% | 0.00% |
| 3. Total Exp./Total Income | 56.98% | 48.69% | 47.97% |
| 4. Net Income/Total Income | 43.02% | 51.31% | 52.03% |
| 5. Ins. Loss Exp./Insured Shares | 0.00% | 0.00% | 0.00% |

Actual Insured Shares as of 12/31/10 **\$** **757,921,704,390**

Figure 1

GROSS INCOME MAR 10 – MAR 11

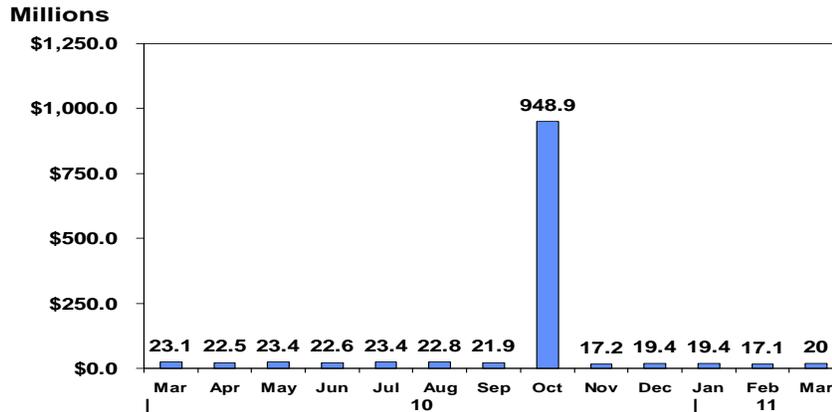


Figure 2

OPERATING EXPENSE MAR 10 – MAR 11

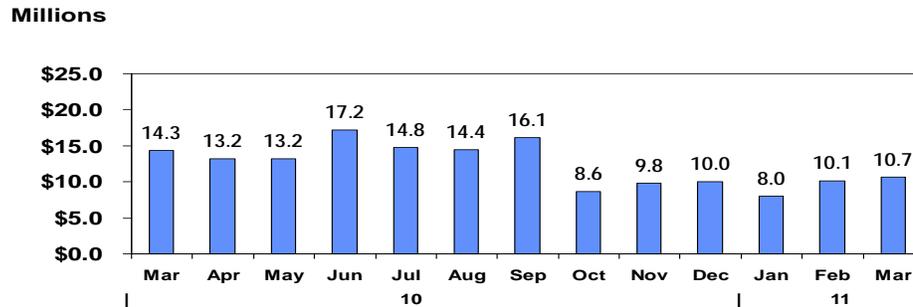
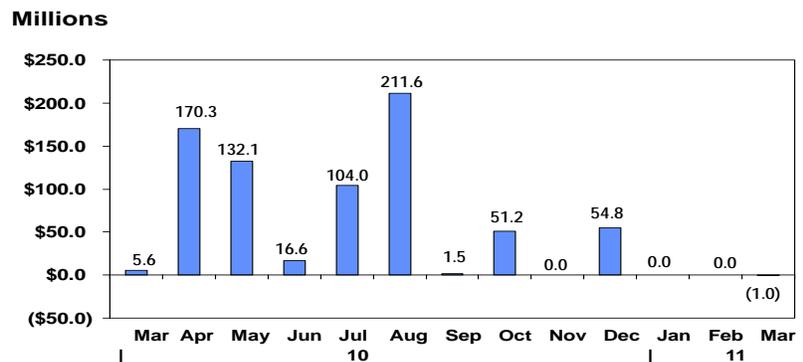


Figure 3

INSURANCE LOSS EXPENSE MAR 10 – MAR 11



INVESTMENT PORTFOLIO SUMMARY

March 31, 2011

| I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE | | | | | |
|---|-------------------------|-------------------------|-----------------------|------------------------------|-------------------------------|
| | Book Value | Market Value | Gain or (Loss) | %Market to Book Value | Weighted Average Yield |
| Daily Treasury Account | \$642,209,000 | \$642,209,000 | \$0 | 100.00% | 0.07% |
| U.S. Treasury Notes | 10,022,696,754 | 10,150,943,750 | 128,246,996 | 101.28% | 2.31% |
| TOTAL | \$10,664,905,754 | \$10,793,152,750 | \$128,246,996 | 101.20% | 2.18% |
| II. INVESTMENT PORTFOLIO PERFORMANCE | | | | | |
| | Last Month | Current Month | CY To Date | CY11 Projections | |
| Investment Yield | 2.16% | 2.18% | 2.16% | 2.14% | |
| Investment Income | \$17,728,720 | \$19,922,840 | \$57,084,134 | \$229,200,000 | |
| Income Budgeted (1/1/11) | \$19,100,000 | \$19,100,000 | \$57,300,000 | \$229,200,000 | |
| Income/Budgeted Ratio | 92.8% | 104.3% | 99.6% | | |
| Weighted Avg. Maturity in Days | 1,116 | 1,120 | | | |
| III. MONTHLY ACTIVITY | | | | | |
| Purchased | Type | Amount | Maturity | Yield | |
| 3/31/2011 | T-Note | 100,000,000 | 3/31/2016 | 2.217% | |
| 3/31/2011 | T-Note | 100,000,000 | 4/30/2016 | 2.242% | |
| TOTAL | | \$200,000,000 | | | |
| IV. MATURITY SCHEDULE (par value in millions) | | | | | |
| 3 months or less | \$992 | | | | |
| 3 months - 1 year | 1,250 | | | | |
| 1 year - 2 years | 1,600 | | | | |
| 2 years - 3 years | 1,600 | | | | |
| 3 years - 4 years | 1,720 | | | | |
| 4 years - 5 years | 1,900 | | | | |
| 5 years - 10 years | 1,350 | | | | |
| TOTAL | \$10,412 | | | | |