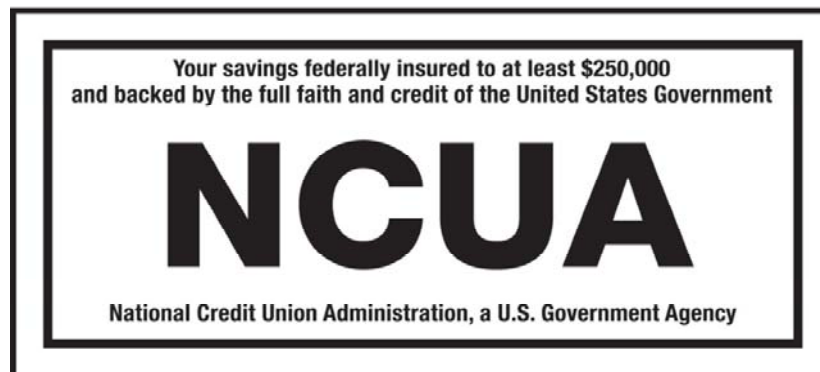


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY FINANCIAL HIGHLIGHTS JUNE 30, 2010

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
June 30, 2010

Balance Sheet:

Advances to Credit Unions: Share Deposits and Loans – \$10.0 billion represents liquidity loans to two problem credit unions.

Notes Payable - CLF – \$10.0 billion represents the loan the CLF made to the NCUSIF in March 2009 to provide liquidity loans to two problem credit unions.

Provision for Credit Union Losses (Reserves) - NPCU – of \$1.1 billion includes an increase of \$16.6 million in reserves for specific natural person credit unions.

Statement of Revenue and Expense:

Insurance Loss Expense – is \$16.6 million for June. It was expensed to increase specific natural person credit union reserves.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
BALANCE SHEET
JUNE 30, 2010

ASSETS:

Investments:

U.S. Government Securities

Advances to Credit Unions:

Share Deposits & Loans

Total Advances to Credit Unions

Other Receivables:

Due from Credit Unions

Insurance Premium Receivable

Recoveries from Liq. CU

Total Other Receivables

Cash

Interest Receivable

Prepaid & Deferred Charges

Leased Assets

Interest on Loan Receivable

Other

TOTAL ASSETS

LIABILITIES:

Accounts Payable:

Liquidation Claims

Notes Payable - CLF

Interest Payable - CLF

Check Clearing Accounts

Other

Total Current Liabilities

Provision for CU Losses (Reserves) - NPCU

TOTAL LIABILITIES (1)

EQUITY:

CU Contributed Capital

Retained Earnings

Unrealized Gain/Loss on A-F-S Securities

TOTAL EQUITY

TOTAL LIABILITIES & EQUITY

	June 2010	May 2010	June 2009
Investments:			
U.S. Government Securities	\$9,808,264,499.87	\$9,838,537,590.83	\$8,024,710,149.59
Advances to Credit Unions:			
Share Deposits & Loans	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
<i>Total Advances to Credit Unions</i>	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
Other Receivables:			
Due from Credit Unions	870,365.31	2,693,260.99	167,091.48
Insurance Premium Receivable	24,450.44	86,230.00	700,000,000.00
Recoveries from Liq. CU	457,441,962.14	454,639,134.38	97,660,922.14
<i>Total Other Receivables</i>	458,336,777.89	457,418,625.37	797,828,013.62
Cash	100,034.53	100,072.27	100,485.94
Interest Receivable	71,125,226.07	69,813,776.48	66,941,015.62
Prepaid & Deferred Charges	0.00	382,271.97	(795,730.77)
Leased Assets	0.00	0.00	0.00
Interest on Loan Receivable	1,301,917.80	23,145,205.48	4,702,843.73
Other	17,815,755.73	17,929,167.19	19,143,782.25
TOTAL ASSETS	\$20,356,944,211.89	\$20,407,326,709.59	\$18,912,630,559.98
LIABILITIES:			
Accounts Payable:			
Liquidation Claims	\$106,559,300.08	\$219,146,566.76	\$10,733,055.87
Notes Payable - CLF	10,000,000,000.00	10,000,000,000.00	10,000,000,000.00
Interest Payable - CLF	1,301,917.78	23,145,205.46	1,124,383.56
Check Clearing Accounts	693,760.48	585,297.36	7,110.09
Other	4,876,849.25	369,626.73	1,323,835.56
<i>Total Current Liabilities</i>	10,113,431,827.59	10,243,246,696.31	10,013,188,385.08
Provision for CU Losses (Reserves) - NPCU	1,084,395,838.62	1,066,664,900.79	451,141,005.91
TOTAL LIABILITIES (1)	11,197,827,666.21	11,309,911,597.10	10,464,329,390.99
EQUITY:			
CU Contributed Capital	7,268,670,413.16	7,268,733,612.72	6,112,455,860.36
Retained Earnings	1,618,460,208.52	1,631,100,397.77	2,232,669,032.09
Unrealized Gain/Loss on A-F-S Securities	271,985,924.00	197,581,102.00	103,176,276.54
TOTAL EQUITY	9,159,116,545.68	9,097,415,112.49	8,448,301,168.99
TOTAL LIABILITIES & EQUITY	\$20,356,944,211.89	\$20,407,326,709.59	\$18,912,630,559.98

(1) Does not include unreserved contingent liabilities of \$37 thousand in an indemnification expiring in Dec 2010.

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS			
for Period Ending June 30, 2010			
	JUN 10	MAY 10	JUN 09
Investments/Total Assets	48.18%	48.21%	42.68%
Total Equity/Insured Shares (1)	1.18%	1.22%	1.30%
Prov. for Losses/CU Capital	14.92%	14.67%	7.38%
Non-Earning/Total Assets	2.62%	2.70%	8.56%
Available Asset Ratio	1.10%	1.11%	1.08%

(1) June 2010 Equity ratio is based on an estimated insured share level of \$756 billion at June 30, 2010, a 4% growth from last reporting period. Collection of the 1% capitalization deposit adjustment associated with the share growth would raise the equity ratio to 1.21%.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND
STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING JUNE 30, 2010**

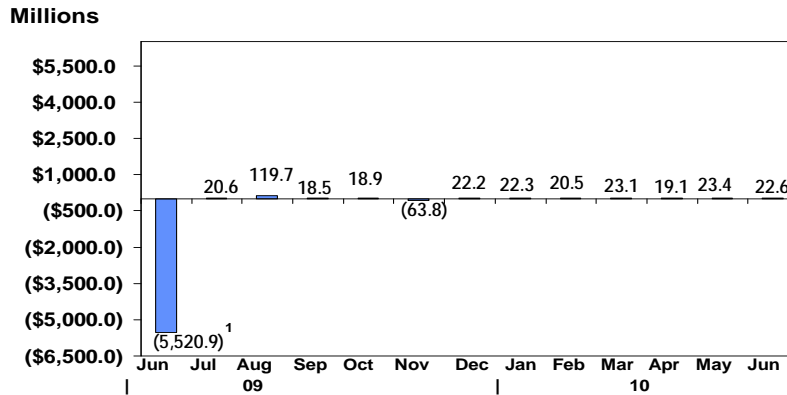
	Jun-10 Actual	Jun-10 Budget	CY to Date 2010 Actual	CY to Date 2010 Budget	CY to Date 2009
INCOME:					
Investment Income	\$18,186,588.55	\$18,000,000.00	\$107,884,932.79	\$108,000,000.00	\$97,359,161.20
Interest revenue on Loans	4,339,726.02	4,500,000.00	26,183,013.68	27,000,000.00	
Premium Income	(4,071.65)	-	(4,071.65)	-	700,000,000.00
Other Income	34,662.01	70,000.00	200,215.24	420,000.00	16,086,370.51
TOTAL INCOME	22,556,904.93	22,570,000.00	134,264,090.06	135,420,000.00	813,445,531.71
EXPENSE:					
Employee Pay	6,712,551.75	5,465,135.80	30,286,786.91	32,045,568.99	26,400,783.06
Employee Benefits	1,846,773.11	1,580,273.85	8,333,991.66	9,266,151.21	7,074,804.72
Employee Travel	1,685,292.94	1,108,713.90	5,597,082.50	6,652,283.40	4,349,239.55
Rent/Communications/Utilities	305,966.37	223,937.00	941,727.60	1,343,622.00	960,918.53
Administrative Costs	1,431,038.27	558,105.94	4,066,782.42	3,348,635.64	2,921,807.01
Contracted Services	649,507.84	721,249.04	2,758,228.71	4,327,494.24	1,866,374.45
<i>Subtotal NCUA Operating Exp.</i>	12,631,130.28	9,657,415.53	51,984,599.80	56,983,755.48	43,573,927.32
AMAC Expense	27.98	15,000.00	14,389.12	90,000.00	3,100.10
Training Expense	44,693.31	125,000.00	625,344.30	750,000.00	540,200.82
Leasing Expense	1,667.67	6,000.00	10,001.02	36,000.00	79,727.08
Accrued Insurance Interest Expense	4,339,726.02	4,700,000.00	26,183,013.68	28,200,000.00	9,750,684.92
Other Insurance Expense	194,010.12	271,000.00	714,631.05	1,626,000.00	390,549.08
<i>Total Operating Exp.</i>	17,211,255.38	14,774,415.53	79,531,978.97	87,685,755.48	54,338,189.32
Insurance Loss Exp.	16,625,456.21	62,500,000.00	326,069,232.33	375,000,000.00	226,441,125.00
TOTAL EXPENSE	33,836,711.59	77,274,415.53	405,601,211.30	462,685,755.48	280,779,314.32
NET INCOME:	(\$11,279,806.66)	(\$54,704,415.53)	(\$271,337,121.24)	(\$327,265,755.48)	\$532,666,217.39
Retained Earnings, Beginning of Year			\$1,889,797,329.76		\$1,700,002,814.70
Prior Year Adjustment			0.00		0.00
As Restated			1,889,797,329.76		1,700,002,814.70
Net Income			(271,337,121.24)		532,666,217.39
			1,618,460,208.52		2,232,669,032.09
Dividends			0.00		0.00
Retained Earnings, Year To Date			\$1,618,460,208.52		\$2,232,669,032.09

Comparative Analysis of NCUSIF Ratios for June 30, 2010

INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	CURRENT CYTD	PRIOR CYTD
1. Oper. Exp./Total Income	56.51%	76.30%	59.24%	6.68%
2. Ins. Loss Exp./Total Income	565.49%	73.70%	242.86%	27.84%
3. Total Exp./Total Income	622.00%	150.01%	302.09%	34.52%
4. Net Income/Total Income	-522.00%	-50.01%	-202.09%	65.48%
5. Ins. Loss Exp./Insured Shares	0.02%	0.00%	0.04%	0.03%

Figure 1

GROSS INCOME JUN 09 – JUN 10



¹ This was a result of the Board action taken on 6/18/09 to move liabilities from the NCUSIF to the TCCUSF eliminating the requirement to recapitalize the Fund in 2009.

Figure 2

OPERATING EXPENSE JUN 09 – JUN 10

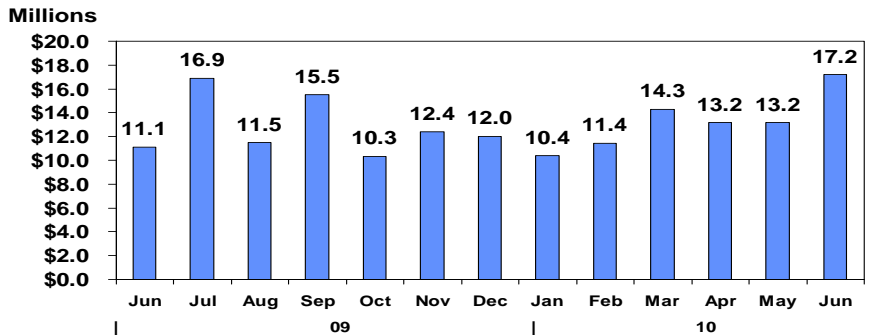
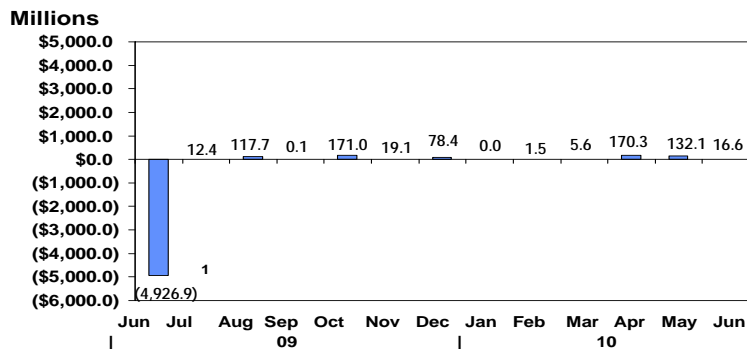


Figure 3

INSURANCE LOSS EXPENSE JUN 09 – JUN 10



¹ This was the result of the Board action taken on 6/18/09 to move the guarantee of all uninsured shares in the corporate credit union system from the NCUSIF to the TCCUSF.

Figure 4

REVENUE AND EXPENSE

JUN 30, 2010

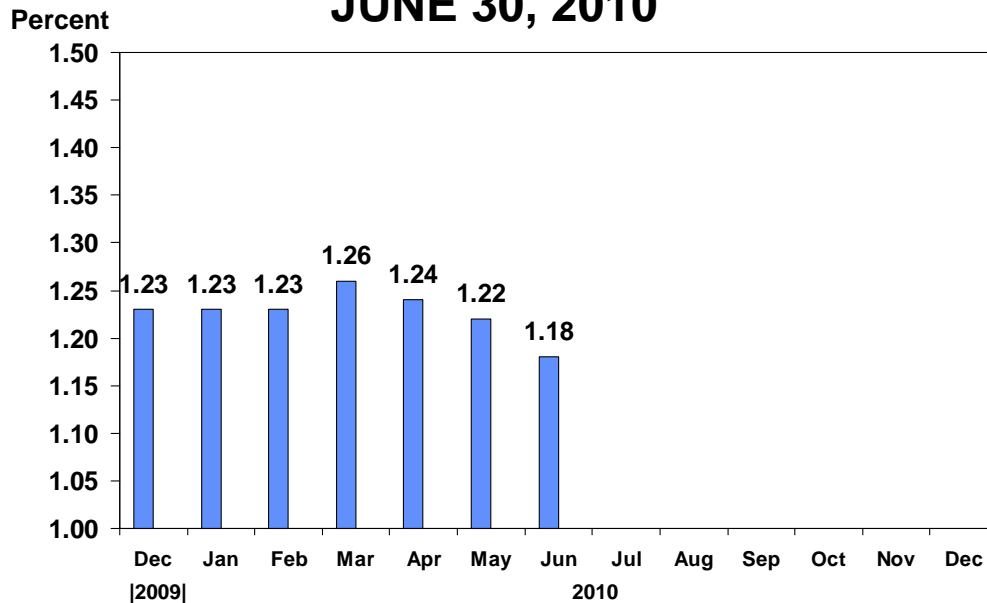
(In Millions)

	June		YTD	YTD
	Actual	Budgeted	Actual	Budget
Gross Income:				
Investment Income	18.2	18.0	107.9	108.0
Other Income	4.3	4.6	26.4	27.4
Less Expenses:				
Operating Expense	17.2	14.8	79.5	87.7
Insurance Loss Expense	16.6	62.5	326.1	375.0
Net Income (Loss)	(11.3)	(54.7)	(271.3)	(327.3)

Figure 5

NCUSIF EQUITY RATIO

JUNE 30, 2010



INVESTMENT PORTFOLIO SUMMARY

June 30, 2010

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$574,852,000	\$574,852,000	\$0	100.00%	0.08%
U.S. Treasury Notes	8,961,426,576	9,233,412,500	271,985,924	103.04%	2.45%
TOTAL	\$9,536,278,576	\$9,808,264,500	\$271,985,924	102.85%	2.30%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY10 Projections	
Investment Yield	2.28%	2.30%	2.28%	2.27%	
Investment Income	\$18,846,843	\$18,186,589	\$107,884,933	\$216,000,000	
Income Budgeted (1/1/10)	\$18,000,000	\$18,000,000	\$108,000,000	\$216,000,000	
Income/Budgeted Ratio	104.7%	101.0%	99.9%		
Weighted Avg. Maturity in Days	1,058	1,041			
III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
TOTAL		\$0			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	\$974.9				
3 months - 1 year	1,150.0				
1 year - 2 years	1,600.0				
2 years - 3 years	1,600.0				
3 years - 4 years	1,600.0				
4 years - 5 years	1,420.0				
5 years - 10 years	950.0				
TOTAL	\$9,294.9				

Figure 6

TREASURY YIELD CURVE

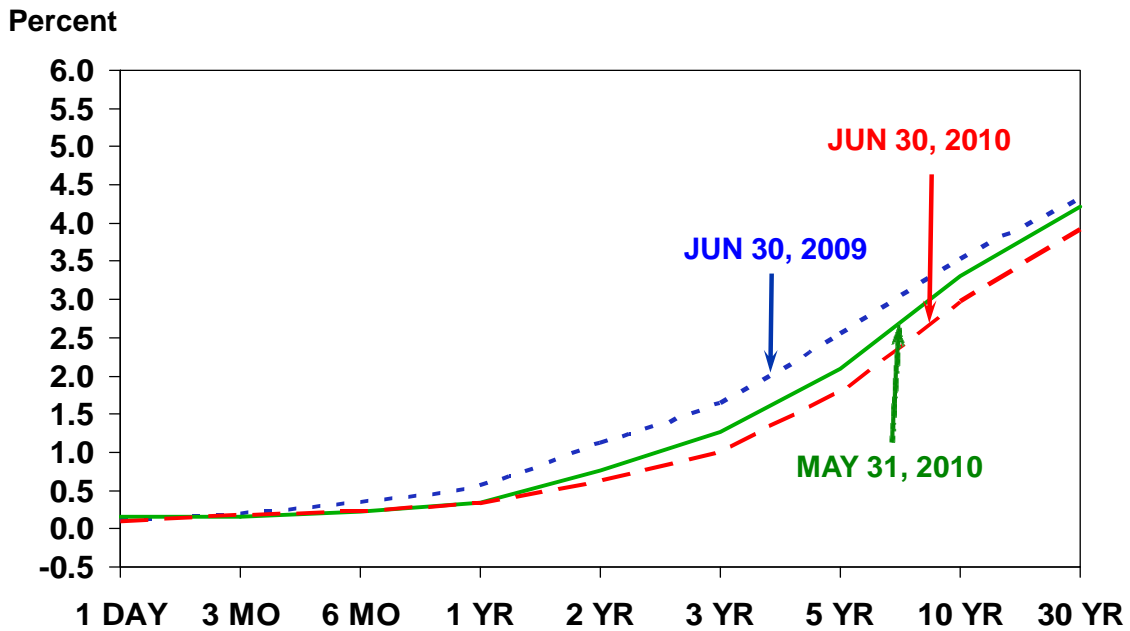
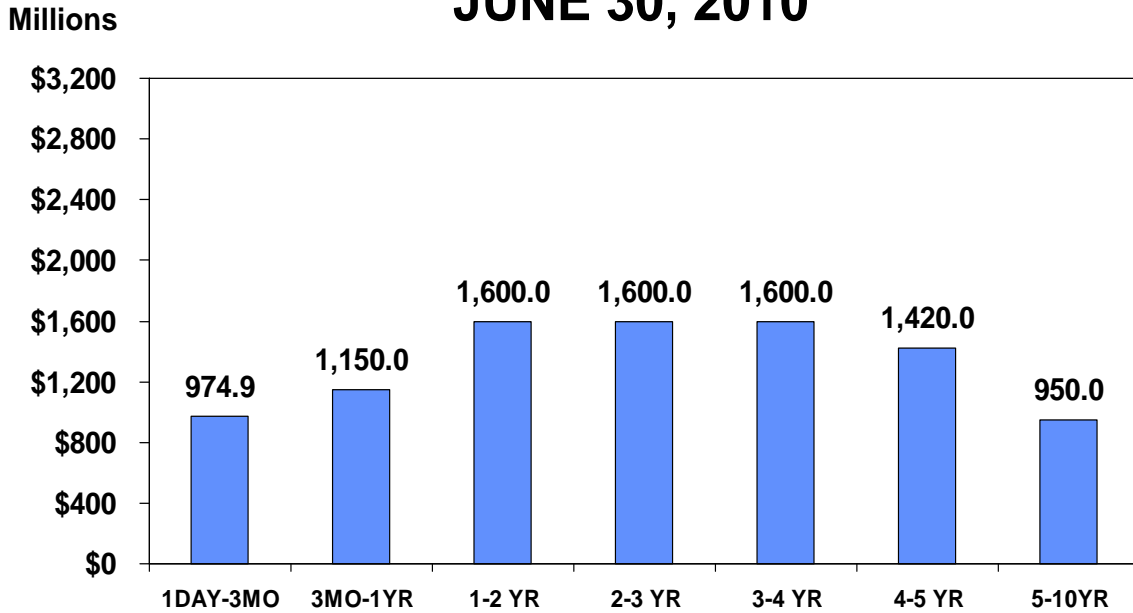


Figure 7

MATURITY SCHEDULE

JUNE 30, 2010



MONTH-END YIELD COMPARISONS

June 30, 2010

YIELD COMPARISONS								
	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10
NCUSIF Yield	2.20%	2.06%	2.21%	2.26%	2.30%	2.30%	2.28%	2.30%
90-day T-Bill	0.06%	0.20%	0.08%	0.13%	0.16%	0.16%	0.22%	0.18%
1-year T-Bill	0.26%	0.47%	0.30%	0.32%	0.41%	0.41%	0.34%	0.32%
2-year T-Note	0.67%	1.14%	0.82%	0.81%	1.02%	0.97%	0.76%	0.61%
30-year T-Note	4.19%	4.63%	4.51%	4.55%	4.72%	4.53%	4.22%	3.91%

Figure 8

**YIELD COMPARISONS
JUNE 30, 2010**

