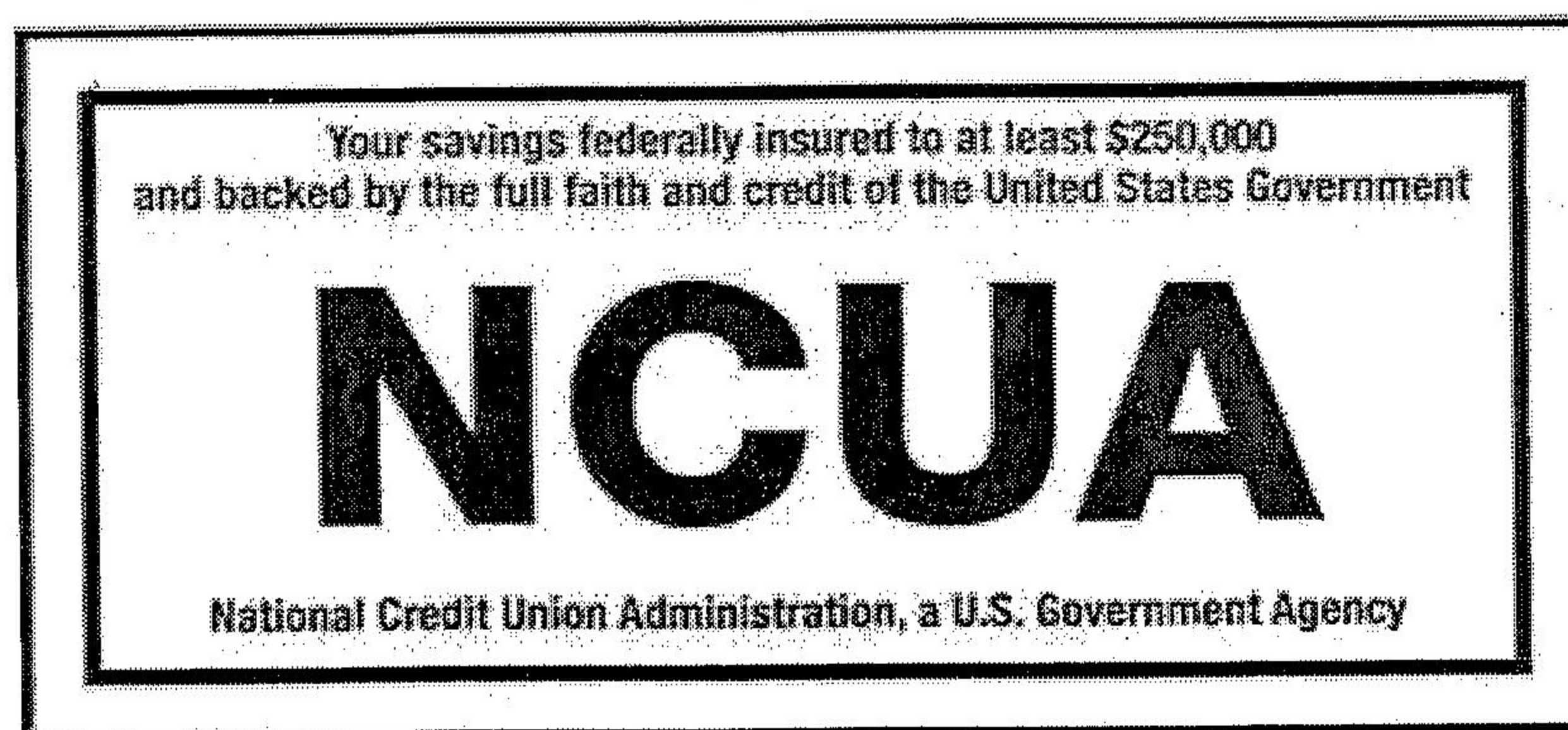


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY AND UNAUDITED FINANCIAL HIGHLIGHTS August 31, 2011

Mary Ann Woodson

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
August 31, 2011

Balance Sheet:

Other – Insurance Guarantee Program Liabilities - \$1.0 billion includes \$24 million reserves for specific and \$976 million in reserves for non-specific natural person credit unions.

Statement of Net Cost:

Insurance Loss Expense – The NCUSIF increased insurance loss expenses by \$3.2 million during the month of August 2011.

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED BALANCE SHEETS

As of August 31, 2011

ASSETS	<u>August 2011</u>	<u>July 2011</u>	<u>December 2010</u>
INTRAGOVERNMENTAL			
Fund Balance with Treasury	\$ 517,913	\$ 565,395	\$ 1,550,754
Investments, Net U.S. Treasury Securities	11,230,451,988	11,095,947,625	10,848,271,875
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	16,202,996	16,314,740	17,096,954
Accrued Interest Receivable	69,036,825	95,885,398	72,358,816
Total Intragovernmental Assets	<u>11,316,209,722</u>	<u>11,208,713,158</u>	<u>10,939,278,399</u>
PUBLIC			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	1,178	188,265	182,759
Accounts Receivable - Premium Assessments from Insured Credit Unions, Net	-	-	2,035,805
Other - Receivable from Asset Management Estates, Net	126,527,238	128,135,297	143,278,586
General Property, Plant, and Equipment, Net	25,000	26,666	38,333
Total Public Assets	<u>126,553,416</u>	<u>128,350,228</u>	<u>145,535,483</u>
TOTAL ASSETS	<u>\$ 11,442,763,138</u>	<u>\$ 11,337,063,386</u>	<u>\$ 11,084,813,882</u>
LIABILITIES			
INTRAGOVERNMENTAL			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	\$ -	\$ -	\$ 194,123
Accounts Payable - Due to the National Credit Union Administration Operating Fund	-	-	2,857,129
Total Intragovernmental Liabilities	<u>-</u>	<u>-</u>	<u>3,051,252</u>
PUBLIC			
Accounts Payable	1,351,595	1,033,979	433,175
Other - Insurance and Guarantee Program Liabilities	1,000,028,582	996,854,669	1,225,280,456
Total Public Liabilities	<u>1,001,380,177</u>	<u>997,888,648</u>	<u>1,225,713,631</u>
TOTAL LIABILITIES	<u>1,001,380,177</u>	<u>997,888,648</u>	<u>1,228,764,883</u>
NET POSITION			
Contributed Capital	7,578,300,412	7,578,349,905	7,485,158,660
Cumulative Result of Operations	2,863,082,549	2,760,824,833	2,370,890,339
Total Net Position	<u>10,441,382,961</u>	<u>10,339,174,738</u>	<u>9,856,048,999</u>
TOTAL LIABILITIES AND NET POSITION	<u>\$ 11,442,763,138</u>	<u>\$ 11,337,063,386</u>	<u>\$ 11,084,813,882</u>

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST

For the Period Ending August 31, 2011

	<u>August 2011</u>	<u>July 2011</u>	<u>CY to Date</u>
GROSS COSTS			
OPERATING EXPENSES			
Employee Pay	\$ 6,547,740	\$ 5,871,325	\$ 47,762,671
Employee Benefits	1,844,929	1,662,038	13,756,148
Travel	1,150,314	1,386,656	9,395,435
Rent, Communications, and Utilities	186,039	308,728	1,697,147
Administrative Costs	614,341	583,287	5,314,034
Contracted Services	974,248	1,001,012	6,200,865
AMAC Expense	-	-	62,997
Training Expense	85,066	68,086	742,371
Leasing Expense	1,667	1,667	13,334
Other Insurance Expense	57,390	73,563	763,689
Total Operating Costs	<u>11,461,734</u>	<u>10,956,362</u>	<u>85,708,691</u>
INSURANCE LOSS EXPENSE	<u>3,173,913</u>	<u>(169,706,075)</u>	<u>(160,354,396)</u>
Total Gross Costs	<u>14,635,647</u>	<u>(158,749,713)</u>	<u>(74,645,705)</u>
LESS EXCHANGE REVENUES			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	28,761	29,514	235,560
Insurance and Guarantee Premium Revenue	-	-	44,584
Total Exchange Revenue	<u>28,761</u>	<u>29,514</u>	<u>280,144</u>
TOTAL NET COST/(INCOME) OF OPERATIONS	<u>14,606,886</u>	<u>(158,779,227)</u>	<u>(74,925,849)</u>
LESS NON-EXCHANGE REVENUES			
Investment Income	<u>19,038,282</u>	<u>19,101,452</u>	<u>152,207,353</u>
Total Non-Exchange Revenues	<u>19,038,282</u>	<u>19,101,452</u>	<u>152,207,353</u>
TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES	<u>\$ (4,431,396)</u>	<u>\$ (177,880,679)</u>	<u>\$ (227,133,201)</u>

NATIONAL CREDIT UNION ADMINISTRATION

NCUSIF PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION
August 31, 2011

	August 2011	July 2011	December 2010
NET POSITION BREAKDOWN			
CU Contributed Capital	\$ 7,578,300,412	\$ 7,578,349,905	\$ 7,485,158,660
Retained Earnings	2,411,636,614	2,407,205,218	2,184,503,412
Total Net Position without Unrealized Gain/Loss	9,989,937,026	9,985,555,123	9,669,662,072
Unrealized Gain/(Loss) - Investments	451,445,935	353,619,615	186,386,927
NET POSITION	\$ 10,441,382,961	\$ 10,339,174,738	\$ 9,856,048,999

Comparative Analysis of NCUSIF Ratios for August 31, 2011

	August 2011	July 2011	December 2010
Investments/Total Assets	98.14%	97.87%	97.87%
Total Equity/Insured Shares (1)	1.28%	1.28%	1.28%
Non-Earning/Total Assets	1.86%	2.13%	2.12%
Available Asset Ratio	1.31%	1.29%	1.27%
Ins. Loss Exp./Insured Shares	0.00%	-0.02%	0.10%

Actual Insured Shares as of June 30, 2011	\$ 782,422,299,428
Actual Insured Shares as of December 31, 2010	\$ 757,921,704,390

(1) The July and August 2011 Equity Ratio is based on an actual insured share level of \$782 billion at June 30, 2011, which is an actual 3.23% growth rate from the last reporting period. Collection of the 1% capitalization deposit adjustment associated with the share growth would raise the equity ratio to 1.31%.

Figure 1

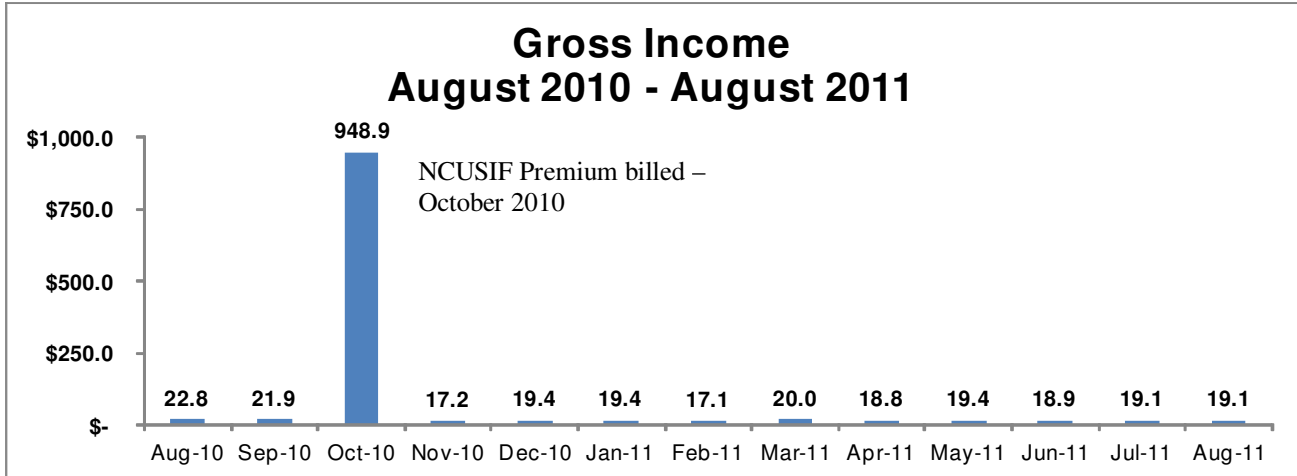


Figure 2

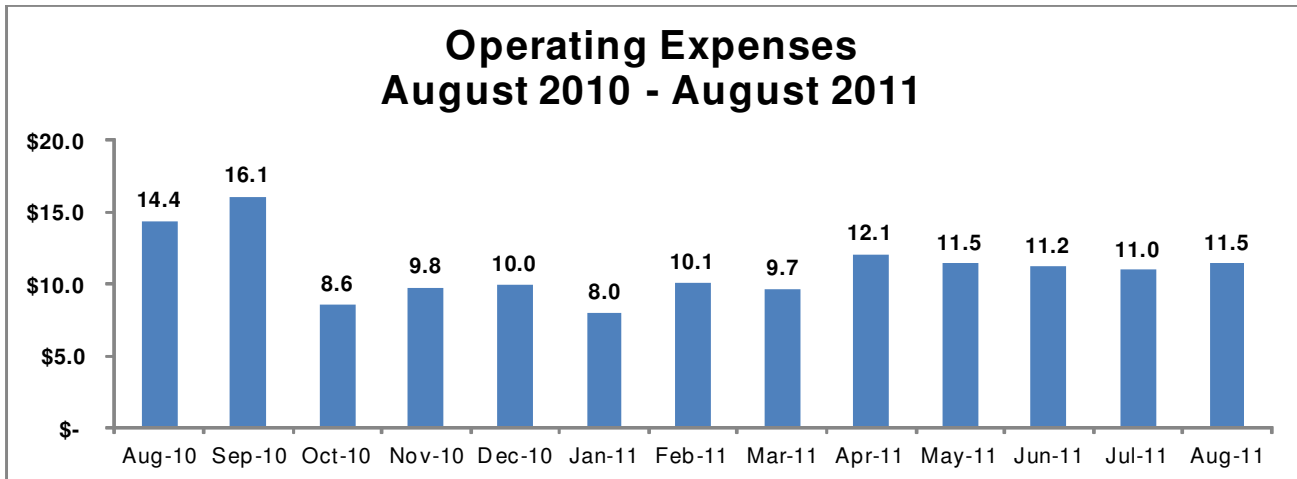
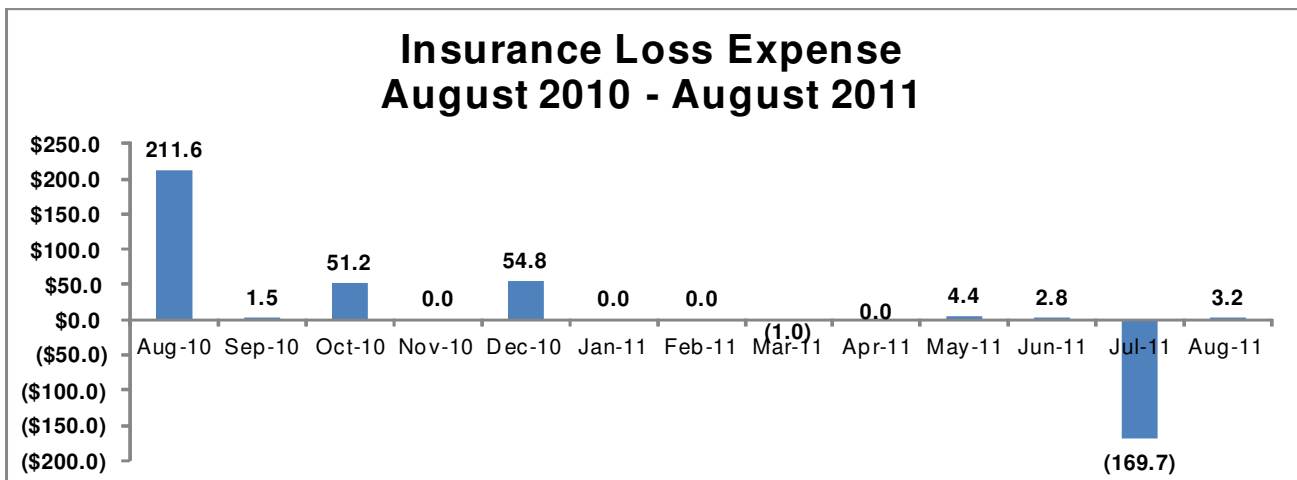


Figure 3



INVESTMENT PORTFOLIO SUMMARY
August 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	\$ 733,665,000	\$ 733,665,000	\$ -	100.00%	0.02%	
U.S. Treasury Notes	10,045,341,053	10,496,786,988	451,445,935	104.49%	2.23%	
Total	\$ 10,779,006,053	\$ 11,230,451,988	\$ 451,445,935	104.19%	2.09%	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date	CY 11 Projections		
Investment Yield	2.09%	2.09%	2.13%	2.14%		
Investment Income	\$ 19,101,452	\$ 19,038,282	\$ 152,207,353	\$ 229,200,000		
Income Budgeted (1/1/11)	\$ 19,100,000	\$ 19,100,000	\$ 152,800,000	\$ 229,200,000		
Income/Budgeted Ratio	100.0%	99.6%	99.6%			
Weighted Avg. Maturity in Days	1,099	1,065				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
The NCUSIF did not purchase any securities during the month of August 2011.						
TOTAL		\$ -				
IV. MATURITY SCHEDULE (par value in millions)						
3 months or less	\$	1,284				
3 months - 1 year		1,150				
1 year - 2 years		1,800				
2 years - 3 years		1,450				
3 years - 4 years		1,920				
4 years - 5 years		1,650				
5 years - 10 years		1,300				
TOTAL	\$	10,554				