

NATIONAL CREDIT UNION CENTRAL LIQUIDITY FACILITY

BALANCE SHEET AS OF JULY 31

STATEMENT OF REVENUE AND EXPENSES FOR PERIOD ENDING JULY 31, 2004

| | 2004 | 2003 |
|-------------------------------------|---------------------------|---------------------------|
| ASSETS | | |
| Cash | \$10,302.11 | \$10,385.04 |
| Demand Account | 0.00 | 0.00 |
| Accounts Receivable | 0.00 | 0.00 |
| Investments | 1,357,016,167.47 | 1,239,611,099.76 |
| Loans: | | |
| Regular Member | 0.00 | 0.00 |
| Agent Member | 0.00 | 0.00 |
| <i>Total Loans</i> | 0.00 | 0.00 |
| Interest Receivable | 1,782,017.83 | 1,200,261.46 |
| Prepaid Expenses | 0.00 | 0.00 |
| TOTAL ASSETS | \$1,358,808,487.41 | \$1,240,821,746.26 |
| CURRENT LIABILITIES | | |
| Accounts Payable | \$40,525.29 | \$41,630.58 |
| Dividends Payable | 1,763,657.48 | 1,201,496.59 |
| Interest Payable-LRC* | 3,650.94 | 7,955.59 |
| Notes Payable FFB** | 0.00 | 0.00 |
| Regular Member Deposits-LRC* | 120,779.28 | 8,289,469.07 |
| Agent Member Deposits | 0.00 | 0.00 |
| Accrued Interest Payable | 0.00 | 0.00 |
| Other Accrued Expenses | 22,599.77 | 21,218.00 |
| <i>Total Liabilities</i> | \$1,951,212.76 | \$9,561,769.83 |
| EQUITY | | |
| Capital Stock Regular Members | 53,390,479.00 | 51,251,924.00 |
| Capital Stock Agent Members | 1,292,059,216.00 | 1,168,601,953.00 |
| <i>Total Capital Stock</i> | 1,345,449,695.00 | 1,219,853,877.00 |
| Retained Earnings Prior Yea | 11,407,579.65 | 11,406,099.43 |
| Retained Earnings Current Year: | | |
| Unappropriated** | 0.00 | 0.00 |
| Appropriated | 0.00 | 0.00 |
| <i>Total Equity</i> | \$1,356,857,274.65 | \$1,231,259,976.43 |
| TOTAL LIABILITIES AND EQUITY | \$1,358,808,487.41 | \$1,240,821,746.26 |

| | CURRENT MONTH | YEAR TO DATE | PRIOR YEAR TO DATE |
|----------------------------------|--------------------|---------------------|---------------------|
| INCOME | | | |
| Interest on Loans | \$0.00 | \$0.00 | \$0.00 |
| Income from Investments | 1,782,017.83 | 9,343,198.95 | 9,027,289.97 |
| Other | 0.00 | \$0.00 | 0.00 |
| <i>Total Revenue</i> | \$1,782,017.83 | \$9,343,198.95 | \$9,027,289.97 |
| EXPENSES | | | |
| Personnel Services | \$10,809.21 | \$73,723.05 | \$73,714.72 |
| Personnel Benefits | 2,775.76 | 19,482.30 | 14,883.83 |
| Employee Travel | 848.32 | 1,448.52 | 886.90 |
| Rent, Communications/Utilities | 673.80 | 4,765.58 | 4,435.46 |
| Printing, Reproduction & Postage | 160.00 | 1,990.00 | 3,139.00 |
| Supplies and Material | 0.00 | 627.00 | 1,262.00 |
| Group Agent Service Fees | 0.00 | 383.38 | 277.62 |
| Other Services | 3,453.00 | 24,219.44 | 24,736.87 |
| <i>Total Operating Expenses</i> | \$18,720.09 | \$126,639.27 | \$123,336.40 |
| LRC Interest Expense | 3,650.94 | 47,070.68 | 66,031.19 |
| FFB Interest Expenses | 0.00 | 0.00 | 0.00 |
| TOTAL EXPENSES | \$22,371.03 | \$173,709.95 | \$189,367.59 |
| Reserve for Losses | 0.00 | 0.00 | 0.00 |
| Net Income Before Dividends | \$1,759,646.80 | \$9,169,489.00 | \$8,837,922.38 |
| Dividends Accrued | 1,759,646.80 | 9,169,489.00 | 8,837,922.38 |
| NET INCOME | \$0.00 | | |
| Retained Earnings: | | \$0.00 | \$0.00 |

| | 2004 | 2003 | 2002 |
|--------------------------------|------|------|--------|
| Dividend Rate First Quarter - | 1.19 | 1.43 | 2.2056 |
| Dividend Rate Second Quarter - | 1.13 | 1.28 | 2.3985 |
| Dividend Rate Third Quarter - | | 1.13 | 1.887 |
| Dividend Rate Fourth Quarter - | | 1.16 | 1.85 |

***** **SELECTED RATIOS** *****

| BALANCE SHEET | 7/31/2004 | 7/31/2003 | OPERATIONS | Current Month | Year to Date | Prior Year-to-Date |
|---|-----------|-----------|--|---------------|--------------|--------------------|
| Stock & Retained Earnings/Total Assets | 99.86% | 99.23% | Total Operating Expenses/Total Revenue | 1.05% | 1.36% | 1.37% |
| Loans/Total Assets | 0.00% | 0.00% | Net Income(before Divs)/Total Revenue | 98.74% | 98.14% | 97.90% |
| Loans/Stock & Retained Earnings | 0.00% | 0.00% | Loan/Total Revenue | 0.00% | 0.00% | 0.00% |
| Total Liabilities/Stock & Retained Earnings | 0.14% | 0.78% | | | | |

*LRC=Liquidity Reserve and Clearing **FFB=Federal Financing Bank