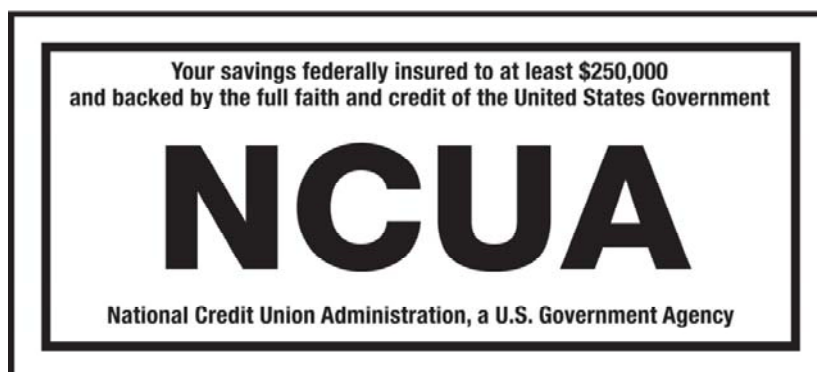


NATIONAL CREDIT UNION SHARE INSURANCE FUND



PRELIMINARY FINANCIAL HIGHLIGHTS AUGUST 31, 2009

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
August 31, 2009

Balance Sheet:

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

Insurance Premium Receivable – of \$800.0 million is needed to achieve a 1.30% equity ratio.

Notes Payable - CLF – of \$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 \$523.7 million includes an increase of \$117.7 million in reserves for natural person credit unions.

Statement of Revenue and Expense:

Accrued Premium Income – reflects the funds needed to achieve a 1.30 percent equity ratio.

Insurance Loss Expense NPCU – of \$117.7 million was expensed to increase natural person credit union reserves.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
BALANCE SHEET
August 31, 2009

ASSETS:

Investments:

U.S. Government Securities

Advances to Credit Unions:

Capital Notes

Allowance for loss - Capital Notes

NCUSIF Subordinated Notes

Share Deposits & Loans

Total Advances to Credit Unions

Other Receivables:

Due from Credit Unions (April Billing)

Insurance Premium Receivable

Loans due to NCUSIF

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

Deferred Revenue

Interest Payable - CLF

Check Clearing Accounts

Other

Total Current Liabilities

Provision for CU Losses (Reserves) - NPCU

Provision for CU Losses (Reserves) - CCU

Lease Liabilities

TOTAL LIABILITIES (1)

EQUITY:

CU Contributed Capital

Less Unbilled Deposit Receivable (2)

Refundable Contributed Capital

Retained Earnings

Unrealized Gain/Loss on A-F-S Securities

TOTAL EQUITY

TOTAL LIABILITIES & EQUITY

	August 2009	JULY 2009	August 2008
Investments:			
U.S. Government Securities	\$8,010,478,774.59	\$7,960,890,899.59	\$7,307,094,976.53
Advances to Credit Unions:			
Capital Notes	0.00	0.00	0.00
Allowance for loss - Capital Notes	0.00	0.00	0.00
NCUSIF Subordinated Notes	0.00	0.00	0.00
Share Deposits & Loans	10,000,000,000.00	10,000,000,000.00	0.00
<i>Total Advances to Credit Unions</i>	10,000,000,000.00	10,000,000,000.00	0.00
Other Receivables:			
Due from Credit Unions (April Billing)	19,021.37	34,180.75	7,748.46
Insurance Premium Receivable	800,000,000.00	700,000,000.00	0.00
Loans due to NCUSIF	0.00	0.00	0.00
Recoveries from Liq. CU	109,432,819.48	124,189,326.79	101,482,898.65
<i>Total Other Receivables</i>	909,451,840.85	824,223,507.54	101,490,647.11
Cash	100,124.92	100,273.43	100,239.32
Interest Receivable	58,277,159.98	79,431,438.48	62,744,751.99
Prepaid & Deferred Charges	(1,910,987.13)	(1,343,487.61)	616,551.41
Leased Assets	0.00	0.00	187,202.09
Interest on Loan Receivable	12,448,596.17	8,575,719.45	0.00
Other	18,884,870.65	18,996,615.44	20,225,908.13
TOTAL ASSETS	\$19,007,730,380.03	\$18,890,874,966.32	\$7,492,460,276.58
LIABILITIES:			
Accounts Payable:			
Liquidation Claims	11,281,729.98	10,889,190.75	9,251,210.54
Notes Payable - CLF	10,000,000,000.00	10,000,000,000.00	0.00
Deferred Revenue	0.00	0.00	0.00
Interest Payable - CLF	8,870,137.00	4,997,260.28	0.00
Check Clearing Accounts	7,419,972.02	394.65	2,525.37
Other	2,508,693.04	4,536,775.98	877,262.29
<i>Total Current Liabilities</i>	10,030,080,532.04	10,020,423,621.66	10,130,998.20
Provision for CU Losses (Reserves) - NPCU	523,666,401.38	428,837,451.99	138,564,776.82
Provision for CU Losses (Reserves) - CCU	0.00	0.00	0.00
Lease Liabilities	0.00	0.00	178,944.85
TOTAL LIABILITIES (1)	10,553,746,933.42	10,449,261,073.65	148,874,719.87
EQUITY:			
CU Contributed Capital	7,065,478,777.53	7,067,540,354.30	5,659,963,680.14
Less Unbilled Deposit Receivable (2)	(954,000,000.00)	(954,000,000.00)	
Refundable Contributed Capital	6,111,478,777.53	6,113,540,354.30	
Retained Earnings	2,214,412,607.78	2,223,943,738.79	1,683,621,876.57
Unrealized Gain/Loss on A-F-S Securities	128,092,061.30	104,129,799.58	0.00
TOTAL EQUITY	8,453,983,446.61	8,441,613,892.67	7,343,585,556.71
TOTAL LIABILITIES & EQUITY	\$19,007,730,380.03	\$18,890,874,966.32	\$7,492,460,276.58

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

(2) To be billed later in 2009.

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS			
for Period Ending August 31, 2009			
	AUG 09	JUL 09	AUG 08
Investments/Total Assets	42.14%	42.14%	97.53%
Total Equity/Insured Shares	*1.30%	*1.30%	1.22%
Prov. for Losses/CU Capital	7.41%	7.01%	2.45%
Non-Earning/Total Assets	5.15%	4.82%	2.20%
Available Asset Ratio	1.04%	1.06%	1.04%

* Equity Ratio is based on an insured share level of \$713.6 billion at June 30, 2009.

NATIONAL CREDIT UNION SHARE INSURANCE FUND
STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING August 31, 2009

	Aug-09 Actual	Aug-09 Budget	CY to Date 2009 Actual	CY to Date 2009 Budget	CY to Date 2008
INCOME:					
Investment Income	\$15,772,598.03	14,500,000.00	\$129,775,959.49	126,258,000.00	\$195,996,708.82
Premium Income Receivable	100,000,343.40	0.00	800,000,343.40	1,834,666,674.00	0.00
Other Income	3,914,700.06	70,000.00	23,938,010.42	560,000.00	999,280.99
TOTAL INCOME	119,687,641.49	14,570,000.00	953,714,313.31	1,961,484,674.00	196,995,989.81
EXPENSE:					
Employee Pay	4,496,708.46	4,369,047.03	35,811,570.21	36,007,477.83	31,611,122.10
Employee Benefits	1,214,523.26	1,254,755.27	9,631,579.36	10,320,836.41	8,453,604.70
Employee Travel	868,552.67	938,447.42	6,079,802.69	7,507,579.31	5,053,413.86
Rent/Communications/Utilities	179,495.55	196,764.35	1,380,176.47	1,574,114.79	1,191,108.97
Administrative Costs	273,073.21	505,917.97	3,702,409.10	4,047,343.75	3,052,958.40
Contracted Services	535,146.37	508,605.34	2,879,376.62	4,068,842.76	2,298,322.76
<i>Subtotal NCUA Operating Exp.</i>	<i>7,567,499.52</i>	<i>7,773,537.38</i>	<i>59,484,914.45</i>	<i>63,526,194.85</i>	<i>51,660,530.79</i>
AMAC Expense	0.00	1,000.00	4,757.78	8,000.00	14,596.95
Training Expense	65,603.01	83,335.00	807,243.01	666,680.00	764,499.95
Leasing Expense	0.00	20,850.00	79,727.08	166,800.00	221,465.72
Accrued Insurance Interest Expense	3,872,876.72	0.00	17,496,438.36	0.00	0.00
Other Insurance Expense	1,793.25	25,000.00	4,897,205.55	200,000.00	19,609.80
<i>Total Operating Exp.</i>	<i>11,507,772.50</i>	<i>7,903,722.38</i>	<i>82,770,286.23</i>	<i>64,567,674.85</i>	<i>52,680,703.21</i>
Insurance Loss Exp. - Natural Person CU	117,711,000.00	20,000,000.00	356,534,234.00	160,000,000.00	136,906,867.42
TOTAL EXPENSE	129,218,772.50	27,903,722.38	439,304,520.23	224,567,674.85	189,587,570.63
NET INCOME:	(\$9,531,131.01)	(\$13,333,722.38)	\$514,409,793.08	\$1,736,916,999.15	\$7,408,419.18
Retained Earnings, Beginning of Year			\$1,700,002,814.70		\$1,676,213,457.39
Prior Year Adjustment			0.00		0.00
As Restated			1,700,002,814.70		1,676,213,457.39
Net Income			514,409,793.08		7,408,419.18
			2,214,412,607.78		1,683,621,876.57
Dividends			0.00		0.00
Retained Earnings, Year To Date			\$2,214,412,607.78		\$1,683,621,876.57

Comparative Analysis of NCUSIF Ratios for August 31, 2009

INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	CURRENT CYTD	PRIOR CYTD
1. Oper. Exp./Total Income	82.23%	9.61%	8.68%	26.74%
2. Ins. Loss Exp./Total Income	60.16%	98.35%	137.27%	37.38%
3. Total Exp./Total Income	142.39%	107.96%	46.06%	96.24%
4. Net Income/Total Income	-42.39%	-7.96%	53.94%	3.76%
5. Ins. Loss Exp./Insured Shares	0.00%	0.02%	0.00%	0.05%

NATIONAL CREDIT UNION SHARE INSURANCE FUND
STATEMENT OF CASH FLOWS
August 31, 2009

CASH FLOWS FROM OPERATING ACTIVITIES:

Income from investments	\$ 152,366,948.53
Other income received	11,489,414.25
Cash paid for operating expenses	(64,251,573.14)
Net cash (paid) received for insurance losses	(116,544,587.60)
Net cash provided by operating activities	(16,939,797.96)

CASH FLOWS FROM INVESTING ACTIVITIES:

Advances to credit unions (Capital Note and Loans)	(10,000,000,000.00)
U.S. government Securities (net)	(121,472,333.24)
Collections on note receivable - National Credit Union Administration Operating Fund	2,792,800.57
Net cash provided by (used in) investing activities	(10,118,679,532.67)

CASH FLOWS FROM FINANCING ACTIVITIES:

Contributions (distributions) from insured credit unions Cont Cap acct	135,345,054.22
Principal repayments under capital lease obligations	(\$10,331.89)
Proceeds from CLF borrowing	10,000,000,000.00
Net cash provided by financing activities	10,135,334,722.33

NET INCREASE (DECREASE) IN CASH

(284,608.30)

CASH, BEGINNING OF YEAR

384,733.22

CASH, ENDING August 31, 2009

\$ 100,124.92

Figure 1

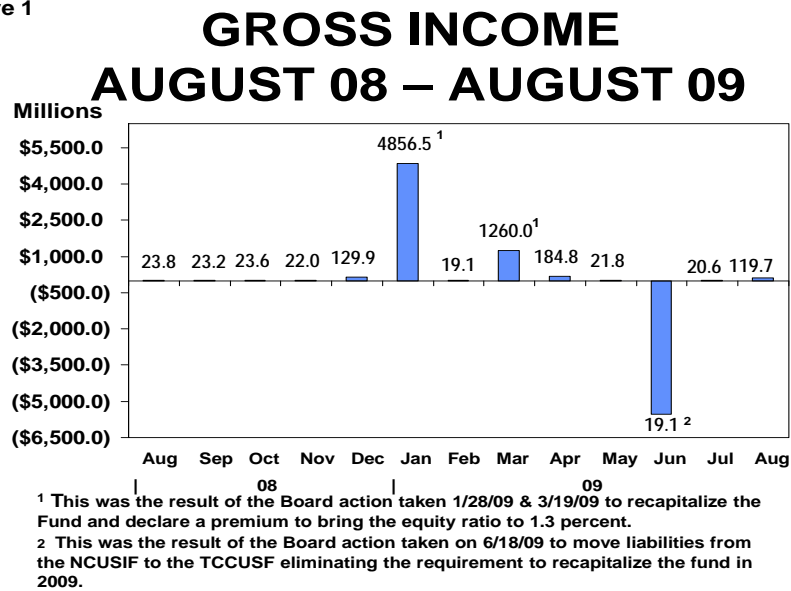


Figure 2

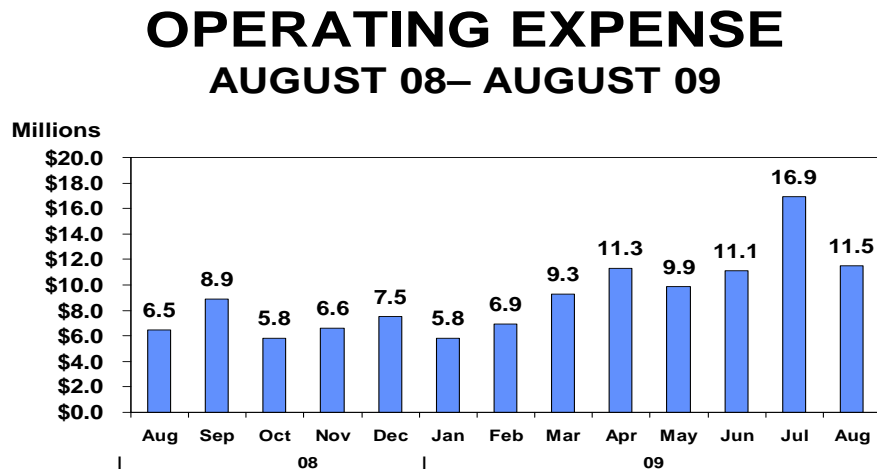
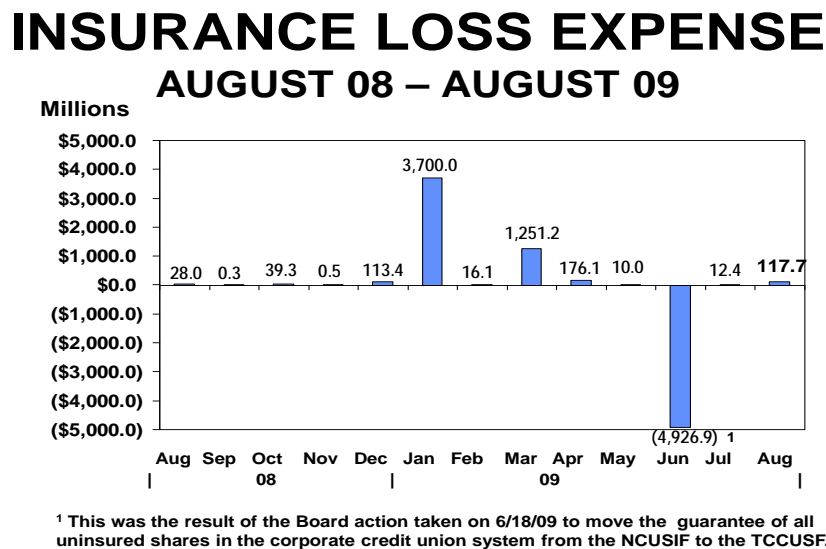


Figure 3



REVENUE AND EXPENSE

AUGUST 31, 2009

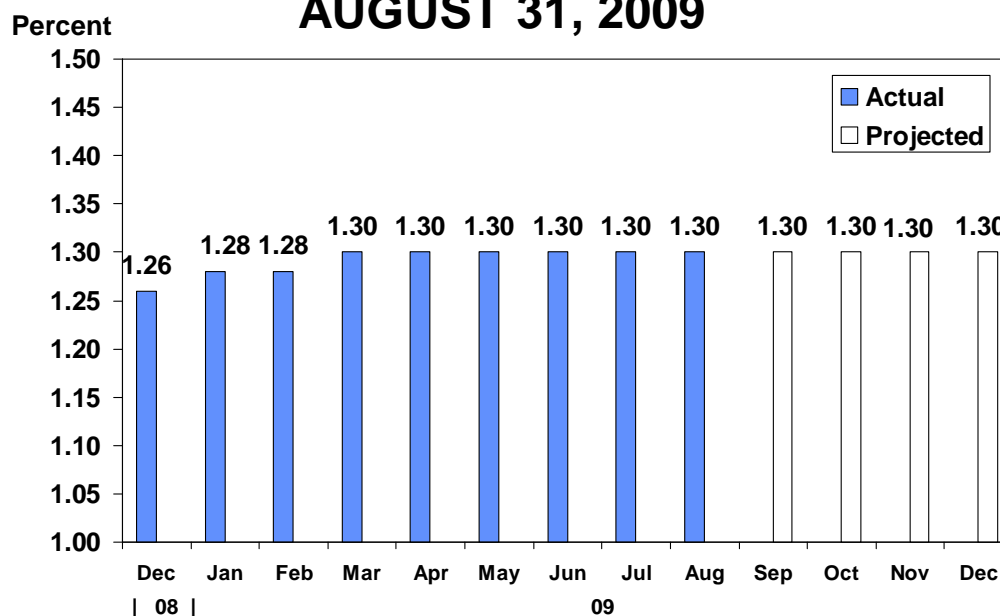
(In Millions)

	August		Year-to-Date	
	Actual	Budgeted	Actual	Budgeted
Gross Income:				
Investment Income	15.8	14.5	129.8	126.3
Premium Income	100.0	0.0	800.0	1,834.7
Other Income	3.9	0.1	23.9	0.6
Less Expenses:				
Operating Expense	11.5	7.9	82.8	64.6
Insurance Loss Expense - Natural Person CU	117.7	20.0	356.5	160.0
Net Income (Loss)	(9.5)	(13.3)	514.4	1,737.0

Figure 5

NCUSIF EQUITY RATIO

AUGUST 31, 2009



INVESTMENT PORTFOLIO SUMMARY

August 31, 2009

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$750,557,000	\$750,557,000	\$0	100.00%	0.12%
U.S. Treasury Notes	7,131,829,714	7,259,921,875	128,092,161	101.41%	2.56%
TOTAL	\$7,882,386,714	\$8,010,478,875	\$128,092,161	101.63%	2.38%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY09 Projections	
Investment Yield	2.49%	2.38%	2.71%	2.36%	
Investment Income	\$16,644,190	\$15,772,598	\$129,775,959	\$182,000,000	
Income Budgeted (1/1/09)	\$15,100,000	\$14,500,000	\$126,258,000	\$182,000,000	
Income/Budgeted Ratio	110.2%	108.8%	102.8%		
Weighted Avg. Maturity in Days	915	883			
III. MONTHLY ACTIVITY					
Purchased	Type	Amount	Maturity	Yield	
TOTAL		\$0			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	\$1,200.6				
3 months - 1 year	1,100.0				
1 year - 2 years	1,100.0				
2 years - 3 years	1,550.0				
3 years - 4 years	1,350.0				
4 years - 5 years	1,050.0				
5 years - 10 years	300.0				
TOTAL	\$7,650.6				

Figure 6

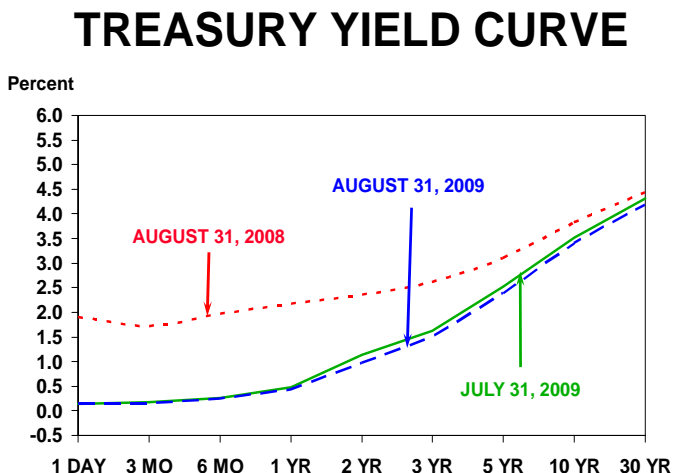
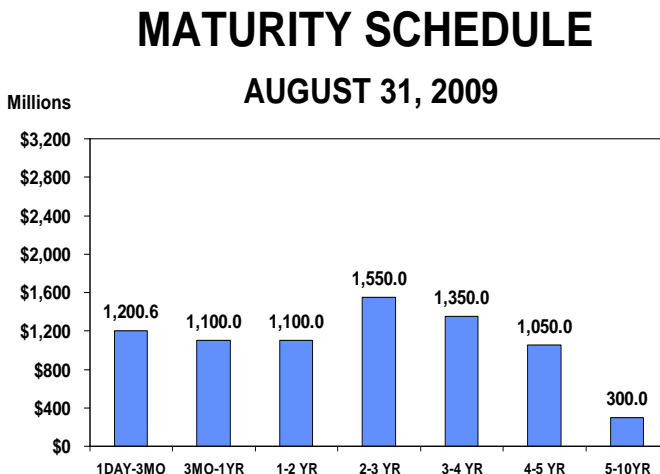


Figure 7



MONTH-END YIELD COMPARISONS

August 31, 2009

YIELD COMPARISONS								
	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09
NCUSIF Yield	2.51%	2.99%	2.98%	2.87%	2.75%	2.72%	2.49%	2.38%
90-day T-Bill	0.24%	0.26%	0.21%	0.14%	0.14%	0.19%	0.18%	0.15%
1-year T-Bill	0.51%	0.72%	0.57%	0.49%	0.47%	0.56%	0.48%	0.43%
2-year T-Note	0.94%	1.00%	0.81%	0.91%	0.92%	1.11%	1.13%	0.97%
30-year T-Note	3.58%	3.71%	3.56%	4.05%	4.34%	4.32%	4.31%	4.18%

Figure 8

YIELD COMPARISONS AUGUST 31, 2009

