

NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to at least \$100,000
and backed by the full faith and credit of the United States Government

NCUA

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

FINANCIAL HIGHLIGHTS MARCH 31, 2008

**MARY ANN WOODSON
CHIEF FINANCIAL OFFICER**

NCUSIF FINANCIAL HIGHLIGHTS
March 31, 2008

Balance Sheet:

Investments: US Government Securities — decreased by \$206.6 million due primarily to a \$100 million secured loan to a credit union, and the refund of \$98.7 million to credit unions that declined in insured shares during the period of January 1, 2007 through December 31, 2007 (or July 1, 2007 – December 31, 2007 if credit unions have \$50 million or more in assets).

Advances to Credit Unions: Share Deposits and Loans — of \$100 million represents a secured loan to a credit union.

Due from Credit Unions — of \$114.0 million represents the amount of one percent deposit adjustments due from credit unions on April 15, 2008.

Recoveries from Liquidated Credit Unions — increased by \$9.5 million due primarily to setup entries for liquidated credit unions.

Prepaid & Deferred Charges — is \$1.2 million for March. \$7.0 million was transferred to the operating fund to cover 52.0% of the agency's operating costs. March's actual operating costs were \$6.7 million.

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

Accounts Payable: Liquidation Claims — increased by \$1.2 million due primarily to setup entries for liquidated credit unions.

Check Clearing Accounts — of \$.5 million is primarily for failed capitalization deposit refund EFT's and checks issued to credit unions that have not cleared through the banking system as of March 31, 2008.

NCUSIF Equity — increased to 1.31% for March. The equity ratio is based upon an adjusted insured share base of \$565.5 billion at December 31, 2007.

Statement of Revenue and Expense:

Investment Income — is approximately \$0.5 million more than the previous month due to 2 more calendar days in March for which interest was accrued.

NCUSIF Total Operating Expense — of \$6.8 million includes \$100.2 thousand in direct expenses paid by the NCUSIF for state examiner training, leasing expense for state examiner laptop computers, and other insurance related items.

Insurance Loss — of (\$3.8) million is due primarily to a decrease in reserves for specific credit unions.

TABLE 1 - NATIONAL CREDIT UNION SHARE INSURANCE FUND
BALANCE SHEET
MARCH 31, 2008

ASSETS	MARCH 2007	FEBRUARY 2008	MARCH 2008
Investments:			
U.S. Government Securities	\$6,896,125,113.19	\$7,433,968,860.33	\$7,227,363,789.43
Advances to Credit Unions:			
NCUSIF Subordinated Notes	0.00	0.00	0.00
Share Deposits & Loans	0.00	0.00	100,000,000.00
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Total Advances to Credit Unions	0.00	0.00	100,000,000.00
Other Receivables:			
Due from Credit Unions	119,167,468.62	0.00	113,958,894.04
Loans due to NCUSIF	0.00	0.00	0.00
Recoveries from Liq. CU	11,426,551.74	61,769,034.79	71,262,022.35
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Total Other Receivables	130,594,020.36	61,769,034.79	185,220,916.39
Cash	1,629,375.45	5,658.69	112,211.33
Interest Receivable	59,455,037.72	53,853,170.23	67,250,588.30
Prepaid & Deferred Charges	393,440.97	912,575.44	1,165,969.31
Leased Assets	631,824.77	348,715.30	321,915.92
Other	22,094,139.56	20,895,975.39	20,877,116.23
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TOTAL ASSETS	<u>\$7,110,922,952.02</u>	<u>\$7,571,753,990.17</u>	<u>\$7,602,312,506.91</u>
LIABILITIES			
Accounts Payable:			
Liquidation Claims	\$4,328,492.00	\$4,249,596.70	\$5,405,095.26
Other	150,000.00	442.12	7,778.76
Check Clearing Accounts	\$990,772.38	1,186.85	513,625.96
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Total Current Liabilities	\$5,469,264.38	4,251,225.67	5,926,499.98
Provision for CU Losses (Reserves)	\$72,315,188.77	214,760,272.40	206,222,946.48
Lease Liabilities	\$701,058.59	355,102.04	356,032.49
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TOTAL LIABILITIES	<u>\$78,485,511.74</u>	<u>\$219,366,600.11</u>	<u>\$212,505,478.95</u>
EQUITY			
CU Contributed Capital	\$5,352,398,392.09	\$5,636,810,522.67	\$5,652,334,829.37
Retained Earnings	\$1,680,039,048.19	1,715,576,867.39	1,737,472,198.59
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TOTAL EQUITY	<u>\$7,032,437,440.28</u>	<u>\$7,352,387,390.06</u>	<u>\$7,389,807,027.96</u>
TOTAL LIABILITIES & EQUITY	<u>\$7,110,922,952.02</u>	<u>\$7,571,753,990.17</u>	<u>\$7,602,312,506.91</u>

COMPARATIVE ANALYSIS OF BALANCE SHEET RATIOS
for Period Ending March 31, 2008

	MAR 07	FEB 07	MAR 08
1. Investments/Total Assets	98.90%	98.02%	95.07%
2. Total Equity/Insured Shares	1.31%	1.30%	1.31%
3. Prov. for Losses/CU Capital	1.35%	3.81%	3.65%
4. Non-Earning/Total Assets	2.71%	1.54%	3.34%
5. Available Asset Ratio	1.27%	1.33%	1.29%

TABLE 2 - STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING MARCH 31, 2008

INCOME	CURRENT MONTH	CURRENT MONTH BUDGET	CY TO DATE 2008	CY TO DATE BUDGETED 2008	CY TO DATE 2007
Investment Income	\$24,838,834.67	\$24,700,000.00	\$76,014,393.68	\$74,100,000.00	\$77,575,646.97
Other Income	72,035.59	75,000.00	\$232,705.32	225,000.00	300,359.73
Total Income	24,910,870.26	24,775,000.00	76,247,099.00	74,325,000.00	77,876,006.70
EXPENSE					
Employee Pay	3,875,169.99	3,873,964.67	11,507,772.49	11,994,313.04	\$11,727,119.57
Employee Benefits	1,013,559.31	1,062,118.35	3,044,985.95	3,283,861.28	3,088,377.67
Employee Travel	748,957.36	668,035.49	1,515,935.18	2,004,106.46	1,066,142.05
Rent/Communications/Utilities	191,331.10	180,594.96	441,997.84	541,784.90	354,548.63
Administrative Costs	608,761.75	513,020.57	1,520,999.73	1,539,061.71	1,043,769.27
Contracted Services	308,826.62	380,493.13	554,294.21	1,141,479.38	460,323.52
Subtotal NCUA Operating Exp.	6,746,606.13	6,678,227.17	18,585,985.40	20,504,606.77	17,740,280.71
AMAC Expense	7,526.16	1,000.00	7,526.16	3,000.00	3,919.23
Training Expense	60,821.85	100,000.00	135,915.70	300,000.00	209,903.59
Leasing Expense	27,729.83	30,667.00	83,721.59	92,001.00	114,445.80
Other Insurance Expense	4,111.66	3,000.00	6,465.52	9,000.00	9,264.63
Total Operating Exp.	6,846,795.63	6,812,894.17	18,819,614.37	20,908,607.77	18,077,813.96
Insurance Loss	(3,831,256.57)	4,500,000.00	(3,831,256.57)	13,500,000.00	259,019.90
Total Expense	\$3,015,539.06	\$11,312,894.17	\$14,988,357.80	\$34,408,607.77	\$18,336,833.86
NET INCOME	\$21,895,331.20	\$13,462,105.83	\$61,258,741.20	\$39,916,392.23	\$59,539,172.84
Retained Earnings, Beginning of Year			\$1,676,213,457.39		\$1,672,030,178.22
Prior Year Adjustment			0.00		0.00
As Restated			1,676,213,457.39		1,672,030,178.22
Net Income			61,258,741.20		59,539,172.84
Dividends			1,737,472,198.59		1,731,569,351.06
			0.00		51,530,302.87
Retained Earnings, Year To Date			\$1,737,472,198.59		\$1,680,039,048.19

Comparative Analysis of NCUSIF Ratios for March 31, 2008

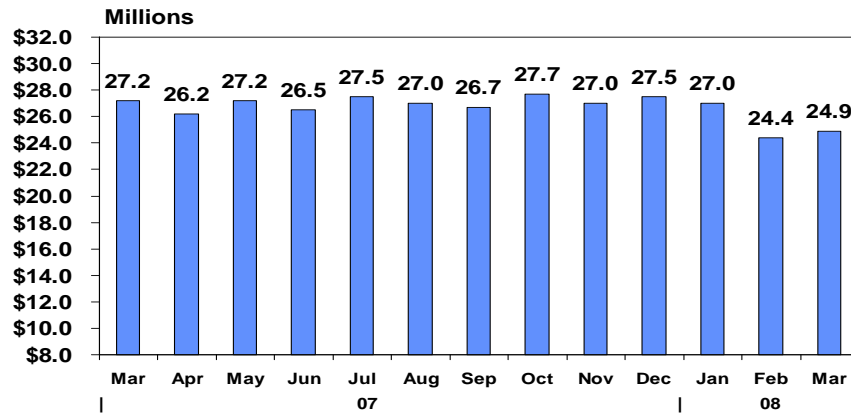
INCOME STATEMENT RATIOS	LAST MONTH	THIS MONTH	PRIOR CYTD	CURRENT CYTD
1. Oper. Exp./Total Income	25.39%	27.49%	23.21%	24.68%
2. Ins. Loss/Total Income	0.00%	-15.38%	0.33%	-5.02%
3. Total Exp./Total Income	25.39%	12.11%	23.55%	19.66%
4. Net Income/Total Income	74.61%	87.89%	76.45%	80.34%
5. Ins. Loss/Insured Shares	0.00%	0.00%	0.00%	0.00%

TABLE 3 - STATEMENT OF CASH FLOWS
March 31, 2008

CASH FLOWS FROM OPERATING ACTIVITIES:	
Income from investments	\$ 63,547,542.15
Other income received	232,705.32
Repayment of advances to credit unions (FCU Act §208)	(100,000,000.00)
Cash paid for operating expenses	(50,537,552.32)
Net cash (paid) received for insurance losses	<u>(10,591,104.64)</u>
Net cash provided by operating activities	<u>(97,348,409.49)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Investments, net	143,651,812.50
Collections on note receivable - National Credit Union Administration Operating Fund	<u>242,650.22</u>
Net cash provided by (used in) investing activities	<u>143,894,462.72</u>
CASH FLOWS FROM FINANCING ACTIVITIES:	
Contributions (distributions) from insured credit unions Cont Cap acct	(46,726,659.86)
Dividends to insured credit unions	-
Principal repayments under capital lease obligations	<u>(90,058.97)</u>
Net cash provided by financing activities	<u>(46,816,718.83)</u>
NET INCREASE (DECREASE) IN CASH	(270,665.60)
CASH, BEGINNING OF YEAR	<u>382,876.93</u>
CASH, ENDING MARCH 31, 2008	<u>\$ 112,211.33</u>

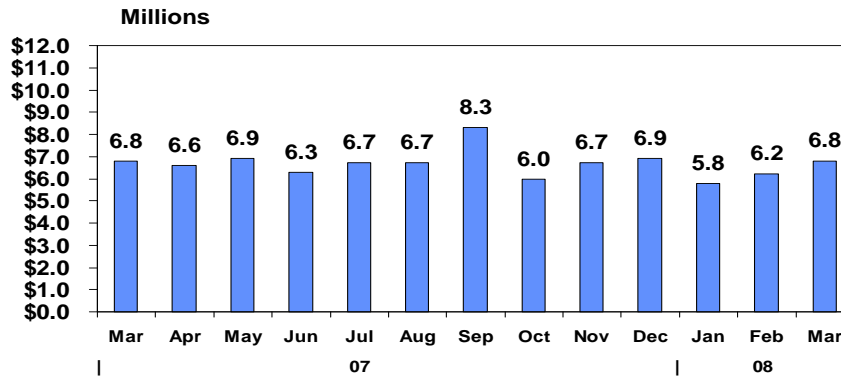
GROSS INCOME

March 07 – March 08



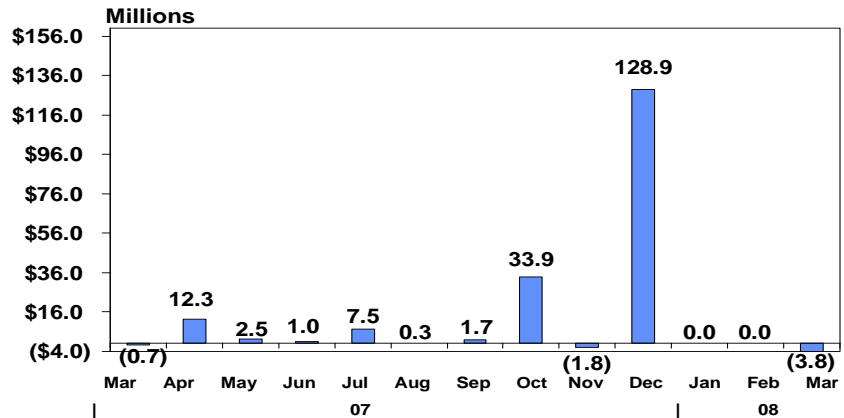
OPERATING EXPENSE

March 07 – March 08



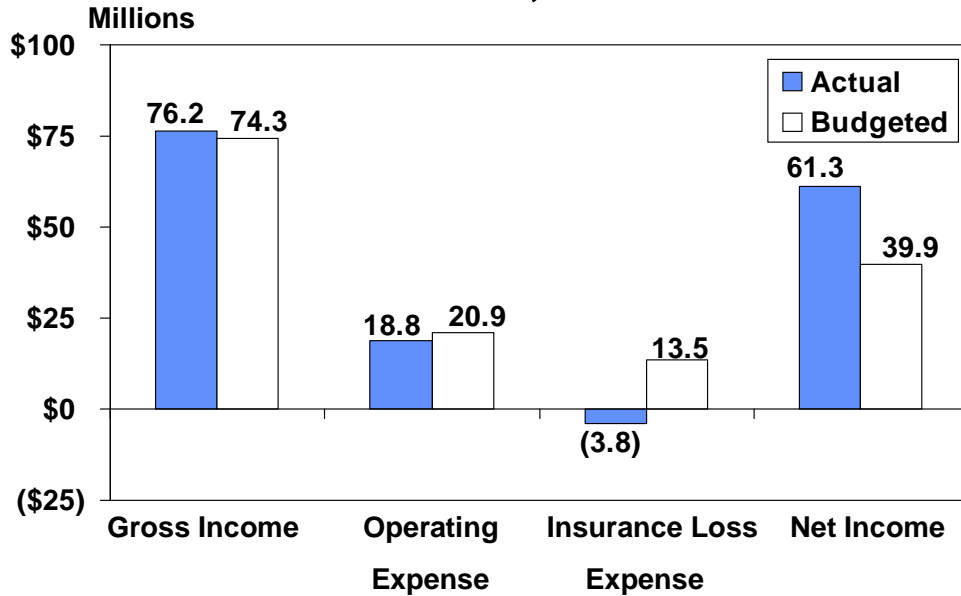
INSURANCE LOSS EXPENSE

March 07 – March 08



REVENUE AND EXPENSE

March 31, 2008



NCUSIF EQUITY RATIO

March 31, 2008

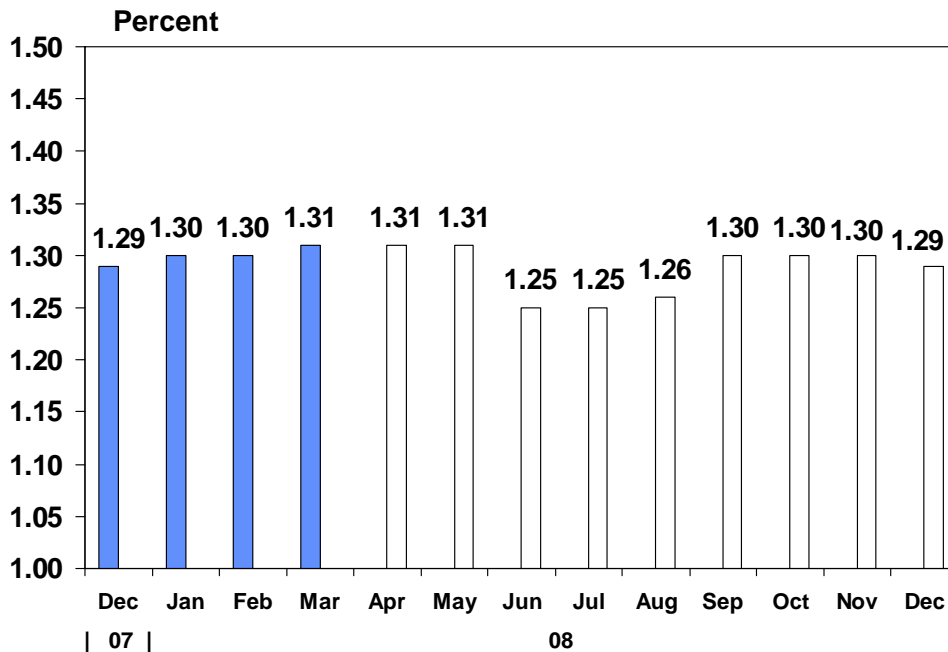


TABLE 4

INVESTMENT PORTFOLIO SUMMARY

March 31, 2008

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE					
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield
Daily Treasury Account	\$501,547,000	\$501,547,000	\$0	100.00%	2.01%
U.S. Treasury Notes	\$6,725,816,790	\$7,011,890,625	\$286,073,835	104.25%	4.37%
TOTAL	\$7,227,363,790	\$7,513,437,625	\$286,073,835	103.96%	4.01%
II. INVESTMENT PORTFOLIO PERFORMANCE					
	Last Month	Current Month	CY To Date	CY08 Projections	
Investment Yield	4.10%	4.01%	4.14%	3.98%	
Investment Income	\$24,294,527	\$24,838,835	\$76,014,394	\$296 Million	
Income Budgeted	\$24,700,000	\$24,700,000	\$74,100,000	\$296 Million	
Income/Budgeted Ratio	98.4%	100.6%	102.6%	100.00%	
Weighted Avg. Maturity in Days	685	706			
III. MONTHLY ACTIVITY					
Purchase	Type	Amount	Maturity	Yield	
3/28/2008	Treasury Note	\$200,000,000	11/30/2008	1.45%	
3/28/2008	Treasury Note	\$200,000,000	2/15/2009	1.68%	
3/28/2008	Treasury Note	\$200,000,000	5/15/2009	1.64%	
TOTAL		\$600,000,000			
IV. MATURITY SCHEDULE (par value in millions)					
3 months or less	1,001.5				
3 months - 1 year	1,500.0				
1 year - 2 years	1,750.0				
2 years - 3 years	1,200.0				
3 years - 4 years	950.0				
4 years - 5 years	750.0				
5 years - 10 years	50.0				
TOTAL	\$7,201.5				

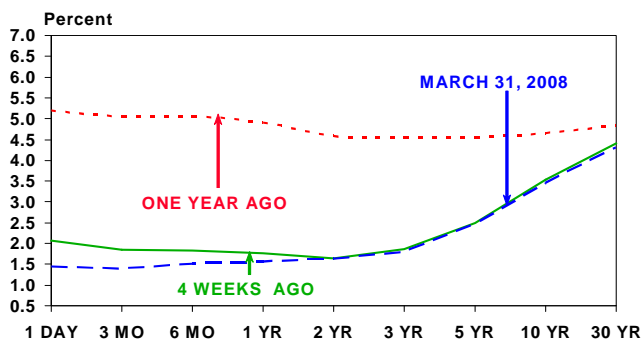
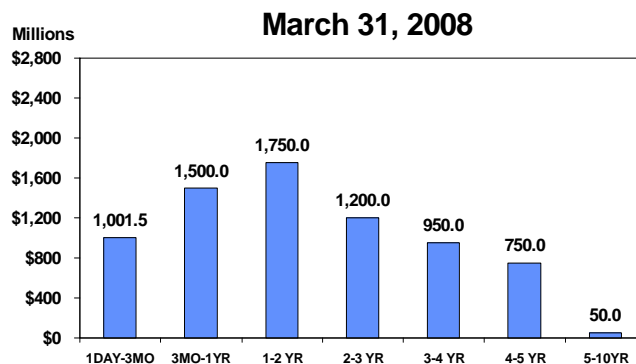
TREASURY YIELD CURVE**MATURITY SCHEDULE**

TABLE 5

MONTHLY YIELD COMPARISONS

March 31, 2008

YIELD COMPARISONS								
	Aug-07	Sep-07	Oct-07	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08
NCUSIF Yield	4.40%	4.50%	4.47%	4.39%	4.36%	4.30%	4.10%	4.01%
90-day T-Bill	4.01%	3.82%	3.94%	3.15%	3.36%	1.96%	1.85%	1.38%
1-year T-Bill	4.19%	4.05%	4.04%	3.26%	3.34%	2.11%	1.77%	1.55%
2-year T-Note	4.15%	3.97%	3.94%	3.04%	3.05%	2.17%	1.65%	1.62%
30-year T-Note	4.83%	4.83%	4.74%	4.40%	4.45%	4.35%	4.41%	4.30%

**YIELD COMPARISONS
March 31, 2008**

