

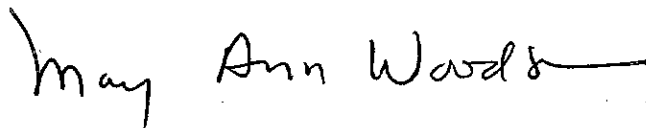
# NATIONAL CREDIT UNION SHARE INSURANCE FUND

Your savings federally insured to at least \$250,000  
and backed by the full faith and credit of the United States Government

# NCUA

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

## PRELIMINARY AND UNAUDITED FINANCIAL HIGHLIGHTS June 30, 2012



**MARY ANN WOODSON  
CHIEF FINANCIAL OFFICER**

**NCUSIF FINANCIAL HIGHLIGHTS**  
**June 30, 2012**

**Balance Sheet:**

**Other - Insurance and Guarantee Program Liabilities (Reserves):** \$641.6 million includes \$161.0 million in reserves for specific natural person credit unions and \$480.6 million in reserves for non-specific natural person credit unions.

**Cumulative Results of Operations:** For the month of June 2012, Cumulative Results of Operations decreased by \$19.8 million. This change is due to Net Income earned by the fund for the month of \$7.1 million, and an unrealized loss on available-for-sale U.S. Treasury Securities of \$26.9 million.

**Statement of Net Cost:**

For the month of June 2012, the fund earned Net Income of \$7.1 million. The NCUSIF recognized gross revenues of \$17.4 million and total operating expenses of \$11.6 million. The fund also realized a reduction in insurance loss expense of \$1.3 million for the period.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**PRELIMINARY AND UNAUDITED BALANCE SHEET**

**As of June 30, 2012**

**(Dollars in thousands)**

	<u>June 2012</u>	<u>May 2012</u>	<u>June 2011</u>
<b>ASSETS</b>			
<b>INTRAGOVERNMENTAL</b>			
Fund Balance with Treasury	\$ 515	\$ 618	\$ 518
Investments, Net U.S. Treasury Securities	11,119,188	11,327,518	11,009,243
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	15,086	15,197	16,426
Accounts Receivable, Other	889	550	-
Accrued Interest Receivable, Investments	76,950	53,753	69,724
Total Intragovernmental Assets	<u>11,212,628</u>	<u>11,397,636</u>	<u>11,095,911</u>
<b>PUBLIC</b>			
Accounts Receivable - Capitalization Deposits from Insured Credit Unions, Net	26	222	75
Accounts Receivable - Premium Assessments from Insured Credit Unions, Net	-	-	3
General Property, Plant, and Equipment, Net	8	10	28
Capital Note Receivable, Net	70,000	70,000	-
Accrued Interest Receivable - Capital Note	237	650	-
Other - Receivable from Asset Management Estates, Net	272,865	108,489	130,899
Total Public Assets	<u>343,136</u>	<u>179,371</u>	<u>131,005</u>
<b>TOTAL ASSETS</b>	<u>\$ 11,555,764</u>	<u>\$ 11,577,007</u>	<u>\$ 11,226,916</u>
<b>LIABILITIES</b>			
<b>INTRAGOVERNMENTAL</b>			
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	\$ 65	\$ 8	\$ -
Accounts Payable - Due to the National Credit Union Administration Operating Fund	-	267	-
Total Intragovernmental Liabilities	<u>65</u>	<u>275</u>	<u>-</u>
<b>PUBLIC</b>			
Accounts Payable	49	12	1,035
Accounts Payable - Capitalization Deposit Refunds	-	7	-
Other - Insurance and Guarantee Program Liabilities (Reserves)	641,572	642,834	1,163,780
Total Public Liabilities	<u>641,621</u>	<u>642,853</u>	<u>1,164,815</u>
<b>TOTAL LIABILITIES</b>	<u>641,686</u>	<u>643,128</u>	<u>1,164,815</u>
<b>NET POSITION</b>			
Contributed Capital	7,952,570	7,952,610	7,578,350
Cumulative Result of Operations	2,961,508	2,981,269	2,483,751
Total Net Position	<u>10,914,078</u>	<u>10,933,879</u>	<u>10,062,101</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 11,555,764</u>	<u>\$ 11,577,007</u>	<u>\$ 11,226,916</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST**  
For the Periods Ending June 30, 2012  
(Dollars in thousands)

	<u>June 2012</u>	<u>CY to Date 2012</u>	<u>CY to Date June 2011</u>
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES</b>			
Employee Pay	\$ 6,017	\$ 36,959	\$ 35,344
Employee Benefits	1,847	11,518	10,249
Travel	1,534	7,462	6,858
Rent, Communications, and Utilities	281	1,529	1,202
Administrative Costs	764	3,798	4,116
Contracted Services	712	4,267	4,226
AMAC Expense	356	356	63
Training Expense	106	433	589
Leasing Expense	38	83	10
Other Insurance Expense	4	27	633
Total Operating Costs	<u>11,659</u>	<u>66,432</u>	<u>63,290</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>(1,262)</u>	<u>36,216</u>	<u>6,178</u>
Total Gross Costs	<u>10,397</u>	<u>102,648</u>	<u>69,468</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(24)	(151)	(177)
Interest Revenue - Other	(99)	(600)	-
Other Revenue	-	(1,175)	-
Insurance and Guarantee Premium Revenue	-	-	(45)
Total Exchange Revenue	<u>(123)</u>	<u>(1,926)</u>	<u>(222)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>10,274</u>	<u>100,722</u>	<u>69,246</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(17,343)	(106,235)	(114,067)
Total Non-Exchange Revenues	<u>(17,343)</u>	<u>(106,235)</u>	<u>(114,067)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>(7,069)</u>	<u>(5,513)</u>	<u>(44,821)</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**

**PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION**

June 30, 2012  
(Dollars in thousands)

	<u>June 2012</u>	<u>May 2012</u>	<u>June 2011</u>
<b>NET POSITION BREAKDOWN</b>			
CU Contributed Capital	\$ 7,952,570	\$ 7,952,610	\$ 7,578,350
Retained Earnings	<u>2,538,473</u>	<u>2,531,404</u>	<u>2,229,264</u>
Total Net Position without Unrealized Gain/Loss	<u>10,491,043</u>	<u>10,484,014</u>	<u>9,807,614</u>
Unrealized Gain/(Loss) - Investments	<u>423,035</u>	<u>449,865</u>	<u>254,487</u>
<b>NET POSITION</b>	<u>\$ 10,914,078</u>	<u>\$ 10,933,879</u>	<u>\$ 10,062,101</u>

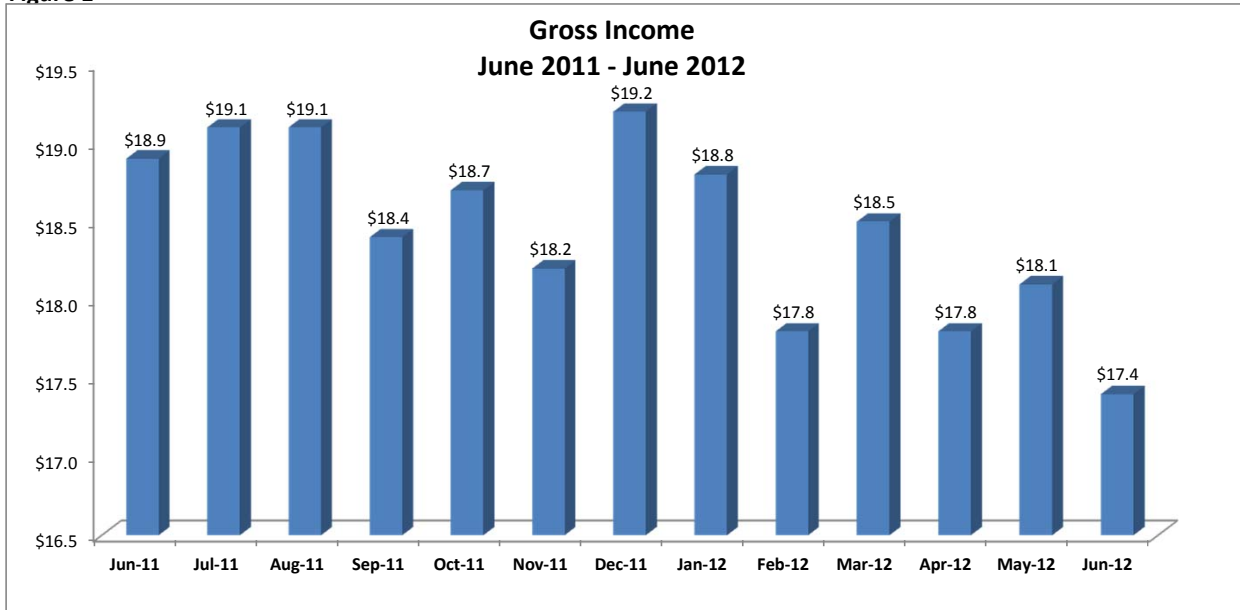
Comparative Analysis of NCUSIF Ratios for June 30, 2012

	June 2012	May 2012	June 2011
Investments/Total Assets	96.22%	97.84%	98.06%
Total Equity/Insured Shares (1)	1.25%	1.32%	1.25%
Available Assets Ratio	1.33%	1.34%	1.25%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

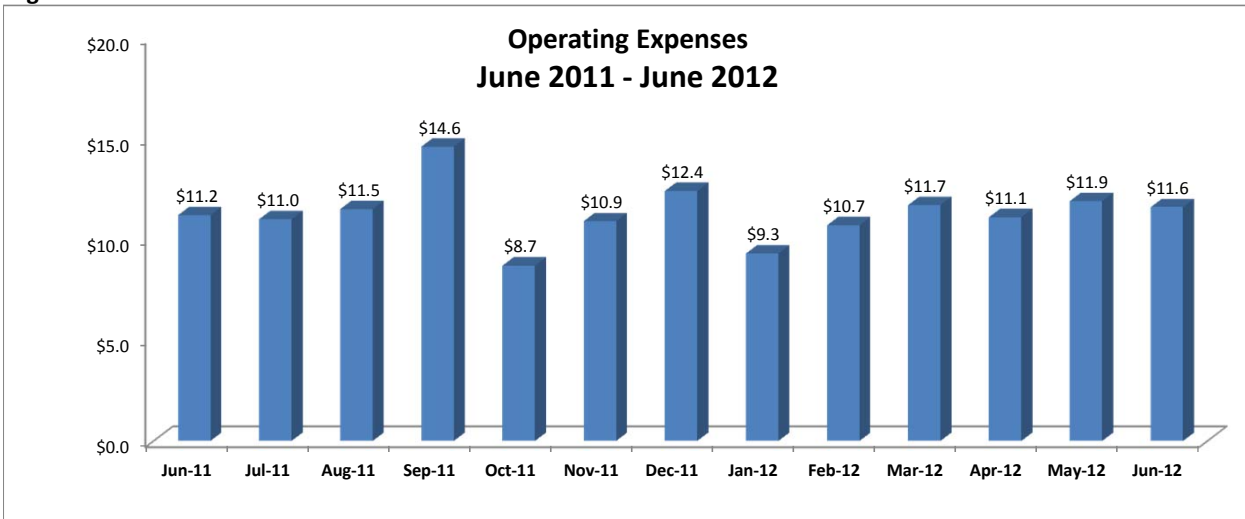
<b>Estimated Insured Shares as of June 30, 2012</b>	838,817,773,649
<b>Actual Insured Shares as of December 31, 2011</b>	795,287,721,573
<b>Estimated Insured Shares as of June 30, 2011</b>	786,819,604,173

(1) The June 2012 ratio is based on an estimated insured share level of \$839 billion at June 20, 2012, a 5.47% growth rate from the last reporting period. Collection of the 1% capitalization deposit adjustment associated with the share growth to be collected in September, would raise the equity ratio to 1.30%.  
The May 2012 ratio is based on an actual insured share level of \$795 billion as of May 31, 2012.  
The June 2011 ratio is based on the estimated insured shares level of \$787 billion as of June 30, 2011.

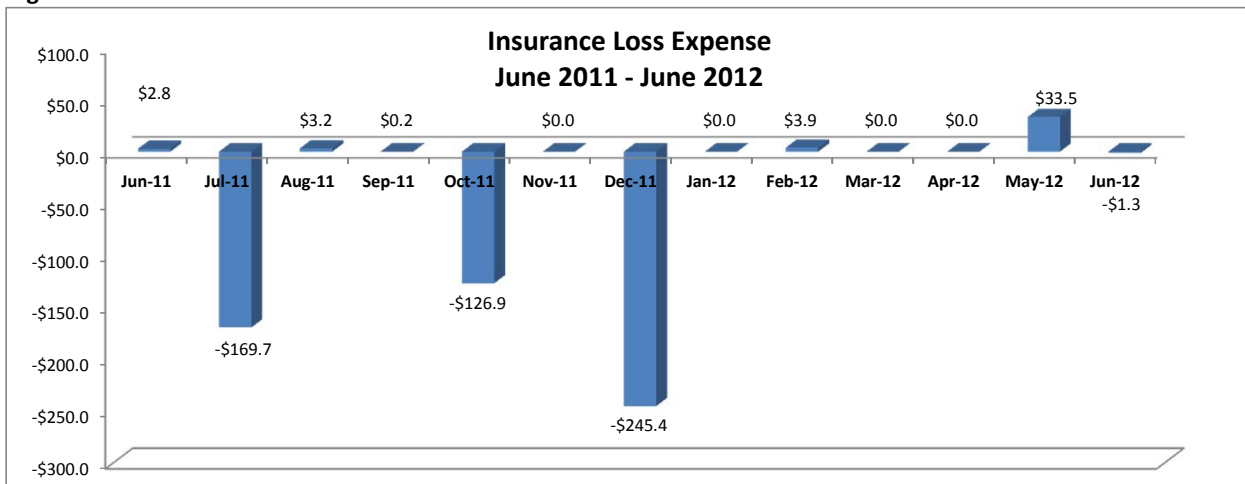
**Figure 1**



**Figure 2**



**Figure 3**



**INVESTMENT PORTFOLIO SUMMARY**  
**June 30, 2012**

<b>I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)</b>						
	<b>Book Value</b>	<b>Market Value</b>	<b>Gain or (Loss)</b>	<b>% Market to Book Value</b>	<b>Weighted Average Yield</b>	
Daily Treasury Account	\$ 444,451,000	\$ 444,451,000	\$ -	100.00%	0.05%	
U.S. Treasury Notes	10,251,702,139	10,674,737,499	423,035,360	104.13%	2.05%	
<b>Total</b>	<b>\$ 10,696,153,139</b>	<b>\$ 11,119,188,499</b>	<b>\$ 423,035,360</b>	<b>103.96%</b>	<b>1.95%</b>	
<b>II. INVESTMENT PORTFOLIO SUMMARY</b>						
	<b>Last Month</b>	<b>Current Month</b>	<b>CY To Date</b>			
Investment Yield	1.94%	1.95%	1.96%			
Investment Income	\$ 17,842,227	\$ 17,343,285	\$ 106,235,347			
Weighted Avg. Maturity in Days	1,097	1,086				
<b>III. MONTHLY ACTIVITY</b>						
<b>Purchased</b>	<b>Type</b>	<b>Amount</b>	<b>Maturity</b>	<b>Yield</b>		
N/A						
<b>TOTAL</b>		<b>\$ -</b>				
<b>IV. MATURITY SCHEDULE (par value in millions)</b>						
Overnight	\$	444				
1 month - 6 months		1,000				
6 months - 1 year		800				
1 year - 2 years		1,600				
2 years - 3 years		1,870				
3 years - 4 years		1,900				
4 years - 5 years		1,600				
5 years - 10 years		1,250				
<b>TOTAL</b>	<b>\$</b>	<b>10,464</b>				