



Unaudited Financial Statements

April 2025

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For further information, please contact:

Denise Brown, Executive Vice President, Chief Financial Officer, 866/692-6771 ext. 9367 or
Tammy Cantrell, Executive Vice President, Chief Product Strategist, 866/692-6771 ext. 9312.

Dear Members,

Please find attached our unaudited financial statements and regulatory ratios as of April 2025. Our April 2025 5310 report is available on our public website at <https://www.corporateone.coop/About/Financials>, along with our 2024 audited consolidated financial statements and footnotes.

For the four months ended April 30, 2025, we recorded \$17.5 million in net income, and our retained earnings now exceed \$364.9 million. Our total regulatory capital stands at \$587.4 million, including \$229.7 million of Perpetual Contributed Capital (PCC) from our Partner member credit unions. This results in a leverage ratio of 8.24 percent, exceeding the NCUA's Regulation 704 well-capitalized level of five percent.

Economic Environment and Its Impact

The broader economic environment continues to influence our financial position. In 2024 and into 2025, elevated interest rates and cautious consumer spending patterns have contributed to increased liquidity across the credit union system. As a result, we have experienced significant asset growth, with member deposits reaching levels even higher than during the pandemic-era stimulus period.

This influx of deposits has driven our Moving Daily Average Net Assets (MDANA) to \$7.13 billion, up from \$5.32 billion a year ago. While our regulatory capital has grown through earnings, the rapid increase in MDANA has led to a proportional decline in some of our capital ratios, such as the retained earnings ratio (from 6.18 percent to 5.12 percent) and the leverage ratio (from 10.33 percent to 8.24 percent). Despite these shifts, we continue to exceed all well-capitalized thresholds under NCUA Regulation 704.

We proactively manage this growth by maintaining strong oversight of our largest depositors and implementing limits to reduce concentration risk. These measures help ensure our financial resilience in the face of potential economic volatility or sudden liquidity shifts.

We remain committed to prudent financial management and transparency. Thank you for your continued trust and support. If you have any questions about our financial condition, please feel free to contact me at dbrown@corporateone.coop or 866/692-6771, ext. 9367.

Sincerely,

Denise Brown

Executive Vice President, Chief Financial Officer

Consolidated Balance Sheets (unaudited)

CORPORATE ONE FEDERAL CREDIT UNION CONSOLIDATED BALANCE SHEETS

Assets	April 30, 2025	April 30, 2024
Cash and cash equivalents	\$ 1,500,708,896	\$ 2,020,272,602
Other short term investments	49,993,625	
Investments in financial institutions	55,844,600	63,541,800
Securities available for sale, at fair value	5,548,091,643	4,141,816,741
Loans	166,135,722	167,772,387
Accrued interest receivable	42,967,146	42,411,463
Goodwill	3,395,730	3,395,730
Other assets	105,493,233	109,371,360
TOTAL ASSETS	7,472,630,595	6,548,582,083
Liabilities and Members' Equity		
Liabilities:		
Settlement and regular shares	6,378,278,070	5,151,980,051
Share certificates	436,771,911	456,327,014
Borrowed funds		325,000,000
Dividends and interest payable	8,292,857	7,265,014
Accounts payable and other liabilities	68,876,291	57,793,158
TOTAL LIABILITIES	6,892,219,129	5,998,365,237
Members' equity:		
Perpetual contributed capital	229,692,520	226,992,520
Retained earnings	364,918,731	328,300,080
Accumulated other comprehensive loss	(14,199,785)	(5,075,754)
TOTAL MEMBERS' EQUITY	580,411,466	550,216,846
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 7,472,630,595	\$ 6,548,582,083

Consolidated Statements of Income (unaudited)

	Four Months Ended	
	<u>April 30, 2025</u>	<u>April 30, 2024</u>
Interest Income:		
Investments	\$123,549,566	\$118,790,459
Loans	2,681,954	3,006,832
Total Interest Income	126,231,520	121,797,291
Dividend And Interest Expense:		
Shares	89,978,858	87,432,532
Borrowed funds and other	9,547,795	10,517,160
Total Dividend And Interest Expense	99,526,653	97,949,692
Net Interest Income	26,704,867	23,847,599
Non-Interest Income	5,856,872	5,529,672
Salaries and employee benefits	10,978,679	10,238,957
Office operations and occupancy expense	3,008,856	2,829,905
Other operating expenses	1,083,047	921,330
Total Operating Expenses	15,070,582	13,990,192
Net Loss on Financial Instruments:		
Net loss on sales of securities		(139,173)
Net Loss on Financial Instruments		(139,173)
Core Earnings	\$17,491,157	\$15,247,906
Gain on US Central estate settlement		
Net Income	\$17,491,157	\$15,247,906

Some items in the prior year income statement were reclassified to conform to the current presentation. These reclassifications had no effect on prior years' net income.

Consolidated Statements of Comprehensive Income (unaudited)

	Four Months Ended	
	<u>April 30, 2025</u>	<u>April 30, 2024</u>
Net Income	\$ 17,491,157	\$ 15,247,906
Other comprehensive income :		
Change in net unrealized loss on available-for-sale securities	(12,928,608)	24,300,979
Change in net unrealized gain on cash flow hedge	(626,315)	1,400,493
Reclassification adjustment recognized in earnings for net interest on daily market accounts	(394,567)	(513,748)
Reclassification adjustment recognized in earnings for net loss on sales of securities		139,173
Total other comprehensive (loss) income	(13,949,490)	25,326,897
Comprehensive Income	\$ 3,541,667	\$ 40,574,803

Consolidated Statement of Changes in Members' Equity for the Four Months Ended April 30, 2025 (unaudited)

	Perpetual Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Members' Equity
Balance At January 1, 2025	\$ 228,792,520	\$ 350,193,736	\$ (250,295)	\$ 578,735,961
Net income		17,491,157		17,491,157
Other comprehensive loss			(13,949,490)	(13,949,490)
Issuance of PCC	900,000			900,000
Dividends on PCC, net		(2,766,162)		(2,766,162)
Balance at April 30, 2025	<u>\$ 229,692,520</u>	<u>\$ 364,918,731</u>	<u>\$ (14,199,785)</u>	<u>\$ 580,411,466</u>

Capital Ratios and NEV

The NCUA Rules and Regulations, Part 704, provides the rules for governing corporate credit unions. The rules include the capital framework, definitions for various capital instruments, and the capital ratios a corporate credit union must meet.

The following table presents the ratios, definitions of the numerators, and denominators for each of the ratios and the required minimum levels for well-capitalized and adequately capitalized designations under the regulation. The definitions of the numerators are simplifications, as the regulation contains certain adjustments to each capital calculation.

	Numerator	Denominator	Well capitalized	Adequately capitalized
Retained earnings ratio	Retained earnings	MDANA	0.45%	0.45%
Leverage ratio	Tier 1 Capital***	MDANA*	5.00%	4.00%
Tier 1 risk-based capital ratio	Tier 1 Capital***	MDANRA**	6.00%	4.00%
Total risk-based capital ratio	Total Capital***	MDANRA**	10.00%	8.00%
NEV ratio	Fair Value of Assets less Fair Value of Liabilities	Fair Value of Assets	2.00%	2.00%

*Moving Daily Average Net Assets (NCUA Rules and Regulations §704.2 allows for the deductions from Tier 1 capital to also be deducted from MDANA)

**Moving Daily Average Net Risk Weighted Assets

***As defined by the NCUA Rules and Regulations §704.2

The following summarizes Corporate One's capital and NEV ratios as of April 30, 2025, and 2024.

	April 30, 2025	April 30, 2024
Retained earnings ratio	5.12%	6.18%
Leverage ratio*	8.24%	10.33%
Tier 1 risk-based capital ratio	27.19%	34.00%
Total risk-based capital ratio	27.19%	34.00%
NEV ratio	7.80%	8.44%
MDANA	\$7.13 B	\$5.32 B
MDANRA	\$2.16 B	\$1.61 B

* NCUA Rules and Regulations §704.2 allows for the deductions from Tier 1 capital to also be deducted from MDANA for use in the Leverage ratio calculation. However, one such deduction was not built into the 5310 calculations, which can result in a slightly different leverage ratio. For April 2025 and 2024, our 5310 reports an 8.23% and 10.32% leverage ratio, respectively.



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