

**Kappa Alpha Psi Federal Credit Union**  
**Quarterly Change in Financial Position**  
As of September 30, 2008

|  | September-2007 | December-2007  | % Chg        | March-2008     | % Chg        | June-2008      | % Chg       | September-2008 | % Chg        |
|--|----------------|----------------|--------------|----------------|--------------|----------------|-------------|----------------|--------------|
| <b>ASSETS:</b>                                 |                |                |              |                |              |                |             |                |              |
| Cash & Equivalents                             | 266,014        | 290,223        | 9.1          | 185,787        | -36.0        | 182,921        | -1.5        | 198,324        | 8.4          |
| Total Investments                              | 110,593        | 110,593        | 0.0          | 110,593        | 0.0          | 112,700        | 1.9         | 112,700        | 0.0          |
| Loans Held for Sale                            | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Real Estate Loans                              | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Unsecured Loans                                | 53,240         | 92,005         | 72.8         | 88,392         | -3.9         | 80,787         | -8.6        | 91,092         | 12.8         |
| Other Loans                                    | 215,639        | 259,707        | 20.4         | 370,391        | 42.6         | 408,642        | 10.3        | 401,713        | -1.7         |
| <b>TOTAL LOANS</b>                             | <b>268,879</b> | <b>351,712</b> | <b>30.8</b>  | <b>458,783</b> | <b>30.4</b>  | <b>489,429</b> | <b>6.7</b>  | <b>492,805</b> | <b>0.7</b>   |
| (Allowance for Loan & Lease Losses)            | (983)          | (1,237)        | 25.8         | (1,551)        | 25.4         | (1,967)        | 26.8        | (2,374)        | 20.7         |
| Land And Building                              | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Other Fixed Assets                             | 0              | 0              | N/A          | 0              | N/A          | 722            | N/A         | 0              | -100.0       |
| NCUSIF Deposit                                 | 5,385          | 5,385          | 0.0          | 5,385          | 0.0          | 7,442          | 38.2        | 7,442          | 0.0          |
| All Other Assets                               | 9,232          | 13,287         | 43.9         | 20,073         | 51.1         | 17,209         | -14.3       | 18,389         | 6.9          |
| <b>TOTAL ASSETS</b>                            | <b>659,120</b> | <b>769,963</b> | <b>16.8</b>  | <b>779,070</b> | <b>1.2</b>   | <b>808,456</b> | <b>3.8</b>  | <b>827,286</b> | <b>2.3</b>   |
| <b>LIABILITIES:</b>                            |                |                |              |                |              |                |             |                |              |
| Dividends Payable                              | 0              | 0              | N/A          | 0              | N/A          | 2,400          | N/A         | 0              | -100.0       |
| Notes & Interest Payable                       | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Accounts Payable & Other Liabilities           | 25,003         | 11,672         | -53.3        | 11,836         | 1.4          | 14,286         | 20.7        | 20,305         | 42.1         |
| Uninsured Secondary Capital                    | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| <b>TOTAL LIABILITIES</b>                       | <b>25,003</b>  | <b>11,672</b>  | <b>-53.3</b> | <b>11,836</b>  | <b>1.4</b>   | <b>16,686</b>  | <b>41.0</b> | <b>20,305</b>  | <b>21.7</b>  |
| Share Drafts                                   | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Regular shares                                 | 522,804        | 545,158        | 4.3          | 553,755        | 1.6          | 567,508        | 2.5         | 580,456        | 2.3          |
| All Other Shares & Deposits                    | 96,604         | 199,000        | 106.0        | 199,000        | 0.0          | 199,000        | 0.0         | 199,000        | 0.0          |
| <b>TOTAL SHARES &amp; DEPOSITS</b>             | <b>619,408</b> | <b>744,158</b> | <b>20.1</b>  | <b>752,755</b> | <b>1.2</b>   | <b>766,508</b> | <b>1.8</b>  | <b>779,456</b> | <b>1.7</b>   |
| Regular Reserve                                | 5,656          | 6,742          | 19.2         | 6,742          | 0.0          | 6,741          | 0.0         | 6,742          | 0.0          |
| Other Reserves                                 | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Undivided Earnings                             | 9,053          | 7,391          | -18.4        | 7,737          | 4.7          | 18,521         | 139.4       | 20,783         | 12.2         |
| <b>TOTAL EQUITY</b>                            | <b>14,709</b>  | <b>14,133</b>  | <b>-3.9</b>  | <b>14,479</b>  | <b>2.4</b>   | <b>25,262</b>  | <b>74.5</b> | <b>27,525</b>  | <b>9.0</b>   |
| <b>TOTAL LIABILITIES, SHARES, &amp; EQUITY</b> | <b>659,120</b> | <b>769,963</b> | <b>16.8</b>  | <b>779,070</b> | <b>1.2</b>   | <b>808,456</b> | <b>3.8</b>  | <b>827,286</b> | <b>2.3</b>   |
| <b>INCOME &amp; EXPENSES:</b>                  |                |                |              |                |              |                |             |                |              |
| Loan Income                                    | 11,987         | 19,832         | 24.1         | 13,829         | 178.9        | 32,071         | 16.0        | 46,746         | -2.8         |
| Investment Income                              | 14,056         | 17,685         | -5.6         | 2,970          | -32.8        | 4,926          | -17.1       | 6,313          | -14.6        |
| Other Income                                   | 5,125          | 6,800          | -0.5         | 1,291          | -24.1        | 3,039          | 17.7        | 7,214          | 58.3         |
| <b>TOTAL INCOME</b>                            | <b>31,168</b>  | <b>44,317</b>  |              | <b>18,090</b>  |              | <b>40,036</b>  |             | <b>60,273</b>  |              |
| Salaries & Benefits                            | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Total Other Operating Expenses                 | 18,909         | 27,857         | 10.5         | 7,001          | 0.5          | 18,870         | 34.8        | 33,292         | 17.6         |
| Non-operating Income & (Expense)               | 0              | 0              | N/A          | 0              | N/A          | 0              | N/A         | 0              | N/A          |
| Provision for Loan/Lease Losses                | 499            | 753            | 13.2         | 314            | 66.8         | 730            | 16.2        | 1,137          | 3.8          |
| Cost of Funds                                  | 5,375          | 10,002         | 39.6         | 4,622          | 84.8         | 9,306          | 0.7         | 12,453         | -10.8        |
| <b>TOTAL EXPENSES</b>                          | <b>24,783</b>  | <b>38,612</b>  |              | <b>11,937</b>  |              | <b>28,906</b>  |             | <b>46,882</b>  |              |
| <b>TOTAL NET INCOME</b>                        | <b>6,385</b>   | <b>5,705</b>   | <b>-33.0</b> | <b>6,153</b>   | <b>331.4</b> | <b>11,130</b>  | <b>-9.6</b> | <b>13,391</b>  | <b>-19.8</b> |
| <b>MEMBERSHIP:</b>                             |                |                |              |                |              |                |             |                |              |
| Num Current Members                            | 550            | 633            | 15.1         | 653            | 3.2          | 741            | 13.5        | 861            | 16.2         |
| Num Potential Members                          | 126,600        | 13,000         | -89.7        | 13,000         | 0.0          | 12,500         | -3.8        | 13,000         | 4.0          |
| % Membership Growth                            | 82             | 86             | 4.6          | 13             | -85.3        | 34             | 170.0       | 48             | 40.7         |
| Total Num Savings Accts                        | 551            | 635            | 15.2         | 655            | 3.1          | 741            | 13.1        | 863            | 16.5         |
| Total Amount of Loans Granted YTD              | 250,738        | 334,655        |              | 440,574        |              | 472,329        |             | 476,770        |              |