



Unaudited Financial Statements

January 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 to this letter our unaudited financial statements and regulatory ratios as of January 2025. Our January 2025 5310 report can be found on our public website at <https://www.corporateone.coop/About/Financials>. Our 2024 annual audit is currently in progress and once completed, we will provide our audited consolidated financial statements and footnotes in the 2024 Annual Report on our public website.

For the month ended January 31, 2025, we recorded \$4.1 million in net income, and our retained earnings exceed \$354 million. As of January 31, 2025, we hold total regulatory capital of \$576.0 million, which in addition to retained earnings, includes \$228.8 million of Perpetual Contributed Capital (PCC) from our Partner member credit unions. This level of capital results in a leverage ratio of 8.42 percent, exceeding the NCUA's Regulation 704 well-capitalized level of five percent. Our strong capital levels support our balance sheet and underscore our financial stability.

During 2024, we experienced tremendous asset growth as our member deposits grew to levels greater than those during the pandemic when the government was providing stimulus money to the country. We continue to see increased member deposits and assets into 2025, as well. Due to these increased balances over the last 12 months, our 12-month rolling daily average net assets (MDANA) have grown significantly. MDANA is the denominator in several of our regulatory capital ratios, and while our regulatory capital has continued to grow through earnings, as a result of MDANA increasing, some of our capital ratios have decreased from prior year; however, we continue to exceed the well-capitalized levels outlined in NCUA's Regulation 704. More details regarding our capital ratios can be found on page eight.

Thank you to all our members for your ongoing 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	January 31, 2025	January 31, 2024
Cash and cash equivalents	\$ 1,983,590,771	\$ 1,870,818,422
Investments in financial institutions	52,585,700	64,285,800
Securities available for sale, at fair value	5,210,315,907	3,400,933,479
Loans	172,970,625	183,667,312
Accrued interest receivable	35,223,580	28,173,581
Goodwill	3,395,730	3,395,730
Other assets	106,720,307	93,302,230
TOTAL ASSETS	7,564,802,620	5,644,576,554
Liabilities and Members' Equity		
Liabilities:		
Settlement and regular shares	6,289,740,508	4,179,787,923
Share certificates	381,661,448	474,597,000
Borrowed funds	236,000,000	285,000,000
Dividends and interest payable	5,652,126	3,853,136
Accounts payable and other liabilities	68,943,379	179,774,785
TOTAL LIABILITIES	6,981,997,461	5,123,012,844
Members' equity:		
Perpetual contributed capital	228,792,520	226,992,520
Retained earnings	354,271,924	319,646,162
Accumulated other comprehensive loss	(259,285)	(25,074,972)
TOTAL MEMBERS' EQUITY	582,805,159	521,563,710
TOTAL LIABILITIES AND MEMBERS' EQUITY	\$ 7,564,802,620	\$ 5,644,576,554

Consolidated Statements of Income (unaudited)

	One Month Ended	
	<u>January 31, 2025</u>	<u>January 31, 2024</u>
Interest Income:		
Investments	\$29,927,164	\$26,317,723
Loans	702,255	830,143
Total Interest Income	30,629,419	27,147,866
Dividend And Interest Expense:		
Shares	21,455,324	18,954,045
Borrowed funds and other	2,746,172	2,616,717
Total Dividend And Interest Expense	24,201,496	21,570,762
Net Interest Income	6,427,923	5,577,104
Non-Interest Income	1,472,487	1,442,928
Salaries and employee benefits	2,907,600	2,757,114
Office operations and occupancy expense	734,295	691,705
Other operating expenses	180,327	224,597
Total Operating Expenses	3,822,222	3,673,416
Net Income	\$4,078,188	\$3,346,616

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)

	One Month Ended	
	<u>January 31, 2025</u>	<u>January 31, 2024</u>
Net Income	\$ 4,078,188	\$ 3,346,616
Other comprehensive income :		
Change in net unrealized gain on available-for-sale securities	95,343	5,336,364
Change in net unrealized gain on cash flow hedge	(3,366)	128,365
Reclassification adjustment recognized in earnings for net interest on daily market accounts	(100,967)	(137,050)
Total other comprehensive (loss) income	(8,990)	5,327,679
Comprehensive Income	\$ 4,069,198	\$ 8,674,295

Consolidated Statement of Changes in Members' Equity for the One Month Ended January 31, 2025 (unaudited)

	Perpetual Contributed Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Members' Equity
Balance At January 1, 2025	\$ 228,792,520	\$ 350,193,736	\$ (250,295)	\$ 578,735,961
Net income		4,078,188		4,078,188
Other comprehensive loss			(8,990)	(8,990)
Balance at January 31, 2025	<u>\$ 228,792,520</u>	<u>\$ 354,271,924</u>	<u>\$ (259,285)</u>	<u>\$ 582,805,159</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
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 January 31, 2025, and 2024.

	January 31, 2025	January 31, 2024
Retained earnings ratio	5.18%	6.37%
Leverage ratio*	8.42%	10.77%
Tier 1 risk-based capital ratio	27.57%	34.64%
Total risk-based capital ratio	27.57%	34.64%
NEV ratio	7.74%	9.21%
MDANA	\$6.84 B	\$5.02 B
MDANRA	\$2.09 B	\$1.56 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 January 2025 and 2024, our 5310 reports an 8.42% and 10.75% leverage ratio, respectively.



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