

# Monthly Financials

Vizo Financial Corporate Credit Union

January 2025 Financials



We are pleased to present Vizo Financial Corporate Credit Union's financial statements and supplementary financial information as of January 31, 2025. These pages include information regarding our balance sheet, income statement, asset quality and capital adequacy. We encourage you to share this information with your management team and directors to aid in reviewing the Corporate's financial strength and ongoing performance.

Vizo Financial added \$1,313,518 to retained earnings this month. Vizo Financial's year-to-date net income after PCC

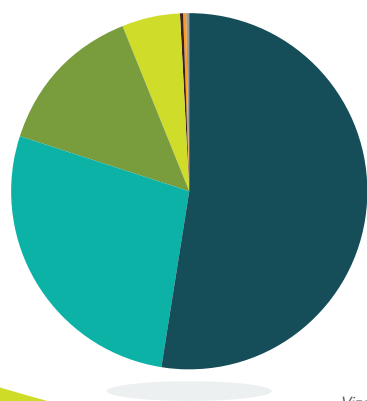
distribution for the months ending January 31, 2025, and January 31, 2024, totaled \$1,313,518 and \$1,610,340 respectively. As we begin a new year, we will highlight items of note each month to assist in your review.

In January 2025, we saw another credit union return to membership with a permanent capital contribution. When former members recapitalize our corporate, they are eligible to receive a rebate of 50% of their lost capital from the 2008 financial crisis. This month, we returned \$250,427 to an individual credit union. Welcome back!!

A summary of our unaudited results is presented below.

| Income Statement                           | January 2025 | YTD 2025     | YTD 2024     |
|--------------------------------------------|--------------|--------------|--------------|
| Net Interest Income                        | \$ 4,864,884 | \$ 4,864,884 | \$ 4,843,187 |
| Net Correspondent Income                   | 745,864      | 745,864      | 874,945      |
| Gross Operating Income                     | 5,610,748    | 5,610,748    | 5,718,132    |
| Operating Expense                          | (2,979,106)  | (2,979,106)  | (2,919,309)  |
| CUSO Income                                | (76,986)     | (76,986)     | (64,001)     |
| Member Capital Recovery                    | (250,427)    | (250,427)    | 0            |
| Member Incentive                           | (225,000)    | (225,000)    | (250,000)    |
| Net Income Before PCC Distributions        | 2,079,229    | 2,079,229    | 2,484,822    |
| Less: Equity Transfer for PCC Distribution | (765,711)    | (765,711)    | (874,482)    |
| Net Contribution to Equity:                | \$ 1,313,518 | \$ 1,313,518 | \$ 1,610,340 |

Our balance sheet continues to be a blend of cash, primarily held at the Federal Reserve Bank, and a variety of high-quality and highly-rated investments.



## Credit Quality Book Value as of January 31, 2025

|                                  |                               |
|----------------------------------|-------------------------------|
| \$ 3,413 - Federal Reserve       | \$ 21 - CU/Bank Cash Holdings |
| \$ 1,769 - U.S. Gov't Guaranteed | \$ 9 - CUSOs                  |
| \$ 898 - U.S. Gov't Agency       | \$ 5 - Member Loans           |
| \$ 349 - Asset-Backed Securities | \$ 4 - FHLB Stock             |

\* All figures in the charts above are in millions.

Vizo Financial's Investment Policy states that, at the time of purchase, investments with short-term ratings must be rated no lower than A-1 (or equivalent), and investments with long-term ratings must be rated no lower than AA- (or equivalent) by at least two NRSROs. Vizo Financial's Investment Policy states that deposits in federally insured depository institutions require at least one NRSRO rating no lower than A-1 (or equivalent).

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| Earnings Margin                   | YTD 2025      | YTD 2024      |
|-----------------------------------|---------------|---------------|
| Return on Average Assets          | 4.502%        | 5.198%        |
| Interest/Dividend Expense         | -3.545%       | -4.223%       |
| <b>Net Interest Margin</b>        | <b>0.957%</b> | <b>0.975%</b> |
| Net Correspondent Service Income  | 0.147%        | 0.176%        |
| Operating Expenses                | -0.586%       | -0.588%       |
| CUSO Income                       | -0.015%       | -0.013%       |
| Member Incentive/Capital Recovery | -0.094%       | -0.050%       |
| PCC Distributions                 | -0.151%       | -0.176%       |
| <b>Net Margin</b>                 | <b>0.258%</b> | <b>0.324%</b> |

| Capital Adequacy                                           | January 2025 | January 2024 | Adequately / Well Capitalized |
|------------------------------------------------------------|--------------|--------------|-------------------------------|
| RUDE + Acquired Equity Capital/12-Month Average Net Assets | 6.13%        | 6.70%        | N/A                           |
| Tier 1 (Leverage) Capital/12-Month Average Net Assets      | 9.63%        | 10.59%       | 4%   5%                       |
| Total Capital/12-Month Average Net Assets                  | 9.76%        | 10.74%       | N/A                           |
| Tier 1 Capital/12-Month Average Risk-Weighted Assets       | 107.01%      | 115.89%      | 4%   6%                       |
| Total Capital/12-Month Average Risk-Weighted Assets        | 108.50%      | 117.60%      | 8%   10%                      |

|                                   |                       |                       |
|-----------------------------------|-----------------------|-----------------------|
| <b>Total Capital</b>              | <b>\$ 605,187,574</b> | <b>\$ 574,410,256</b> |
| Tier 1 (Leverage) Capital         | \$ 596,901,788        | \$ 566,084,413        |
| Tier 2 Capital                    | \$ 8,285,786          | \$ 8,325,843          |
| Monthly Average Net Assets (DANA) | \$ 5,984,912,619      | \$ 5,869,104,841      |
| Year-to-Date Average Assets       | \$ 5,984,912,619      | \$ 5,869,104,841      |
| Average 12-Month Assets           | \$ 6,198,689,729      | \$ 5,346,093,382      |

The table below shows trends in asset measures, member activity and retained earnings over the past four months.

| Ending Balances                    | Oct. 2024        | Nov. 2024        | Dec. 2024        | Jan. 2025        |
|------------------------------------|------------------|------------------|------------------|------------------|
| Corporate Assets                   | \$ 5,731,836,453 | \$ 6,466,313,953 | \$ 6,045,495,809 | \$ 6,562,737,188 |
| Daily Average Net Assets           | \$ 6,036,128,767 | \$ 5,809,926,185 | \$ 5,893,263,643 | \$ 5,984,912,619 |
| Daily Average Net Assets YTD       | \$ 6,256,527,915 | \$ 6,215,927,757 | \$ 6,189,039,081 | \$ 5,984,912,619 |
| 12-Month Rolling DANA              | \$ 6,118,569,120 | \$ 6,163,021,577 | \$ 6,189,039,081 | \$ 6,198,689,729 |
| Investments                        | \$ 3,038,536,995 | \$ 3,036,092,659 | \$ 3,038,917,419 | \$ 3,034,275,684 |
| Loans to Members and Third Parties | \$ 26,297,387    | \$ 24,407,797    | \$ 32,100,097    | \$ 5,465,763     |
| Member Shares                      | \$ 5,055,623,723 | \$ 5,793,414,193 | \$ 5,395,994,068 | \$ 5,901,252,134 |
| Reserves & Undivided Earnings      | \$ 374,717,368   | \$ 375,675,364   | \$ 378,389,771   | \$ 379,703,289   |

## Balance Sheet

| Assets                                 | January 2025            | January 2024            |
|----------------------------------------|-------------------------|-------------------------|
| Investments:                           |                         |                         |
| Investment in CUSOs                    | \$ 8,531,560            | \$ 8,824,592            |
| Investment in FHLB - Stock             | 4,230,100               | 4,718,600               |
| Federal Reserve                        | 3,413,287,072           | 2,744,843,279           |
| Bank and Credit Union Deposits         | 20,611,875              | 19,891,148              |
| Asset-Backed Securities - Non-Mortgage | 350,575,908             | 266,789,337             |
| U.S. GSE Securities - Notes            | 79,628,132              | 79,670,748              |
| U.S. GSE Securities - CMO              | 706,854,981             | 468,783,943             |
| U.S. GSE Securities - MBS              | 105,892,955             | 69,804,633              |
| U.S. Gov't. Agency Securities - GNMA   | 173,336,804             | 57,863,974              |
| U.S. Gov't. Agency Securities - SBA    | 1,453,000,219           | 1,599,362,094           |
| U.S. Treasuries                        | 131,613,150             | 229,914,121             |
| Loans                                  | 5,465,763               | 49,796,730              |
| Receivables                            | 66,732,295              | 45,597,458              |
| Accrued Income/Prepaid Expense         | 26,563,597              | 30,184,477              |
| Fixed Assets                           | 4,487,679               | 6,004,777               |
| Other Assets                           | 11,925,098              | 41,105,606              |
| <b>Total Assets</b>                    | <b>\$ 6,562,737,188</b> | <b>\$ 5,723,155,517</b> |

| Liabilities & Equity                  | January 2025            | January 2024            |
|---------------------------------------|-------------------------|-------------------------|
| Other Liabilities                     | \$ 61,578,632           | \$ 58,713,056           |
| Dividends/Interest Payable            | 0                       | 1,467,123               |
| Accounts Payable                      | 998,424                 | 2,412,735               |
| Notes Payable                         | 0                       | 750,000,000             |
| Shares                                | 5,642,352,879           | 3,981,047,878           |
| Certificates                          | 258,899,255             | 362,219,205             |
| <b>Total Shares</b>                   | <b>\$ 5,901,252,134</b> | <b>\$ 4,343,267,083</b> |
| Non-Perpetual Capital Accounts (NCA)  | 8,296,770               | 8,332,575               |
| Perpetual Contributed Capital (PCC)   | 225,730,058             | 216,764,746             |
| Reserves & Undivided Earnings         | 357,141,290             | 335,582,259             |
| Equity Acquired in Merger             | 22,562,000              | 22,562,000              |
| Accumulated Other Comprehensive Loss  | (14,822,120)            | (15,946,060)            |
| <b>Total Equity</b>                   | <b>\$ 598,907,998</b>   | <b>\$ 567,295,520</b>   |
| <b>Total Liabilities &amp; Equity</b> | <b>\$ 6,562,737,188</b> | <b>\$ 5,723,155,517</b> |

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## Liquidity Position

### Liquidity as of January 31, 2025

|                                   |                  |
|-----------------------------------|------------------|
| Total Available Liquidity Sources | \$ 6,061,095,964 |
| Total Liquidity Uses              | \$ -             |
| Net Available Liquidity           | \$ 6,061,095,964 |

## Interest Rate Risk

### Base/Current Rate Environment

|                           |                |
|---------------------------|----------------|
| Net Economic Value (NEV): | \$ 600,292,447 |
| NEV Ratio:                | 9.2%           |

### Regulation 704 Operating Level

Base Plus

### Up 300bps Rate Environment

|                           |                |
|---------------------------|----------------|
| Net Economic Value (NEV): | \$ 527,913,652 |
| NEV Ratio:                | 8.2%           |
| Percentage Change:        | -12.1%         |

### Regulation 704 Limits (+300 bps)

|                      |                |
|----------------------|----------------|
| Min Value:           | \$ 480,233,958 |
| Min Value:           | 2.00%          |
| Max NEV Fluctuation: | -20.00%        |

### Down 300bps Rate Environment

|                           |                |
|---------------------------|----------------|
| Net Economic Value (NEV): | \$ 642,168,500 |
| NEV Ratio:                | 9.7%           |
| Percentage Change:        | 7.0%           |

## Required Credit Analysis Under Regulation 703

Except for investments that are issued or fully guaranteed as to principal and interest by the U.S. Government or its agencies, enterprises or corporations or fully insured (including accumulated interest) by the National Credit Union Administration or the Federal Deposit Insurance Corporation, you must conduct and document a credit analysis of the issuing entity and/or investment before you purchase the investment. You must update the analysis at least annually as long as you hold the investment.

*Retain this report as part of the credit analysis required under Regulation 703.*

## Financial Soundness Report

Our highest priority will remain the financial strength and safety of the organization and transparency in the reporting of our financial condition. We are grateful to our members for their continued support and for the trust you place in us. If you have any questions, please do not hesitate to contact us.

Fred Eisel, President & CEO  
Mark Brown, SVP/CFO

For more information concerning the content in this unaudited financial report, please contact Vizo Financial at (800) 622-7494.



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