

DFCU Financial
Financial Statements, Ratios & Highlights

Financial Highlights

- DFCU Financial is well capitalized with strong earnings and efficient operations
- For the past thirteen years, DFCU has had the financial strength to pay record special dividends of over \$292 million
- DFCU's capital/assets ratio is significantly above the 7% regulatory requirement for "well capitalized" credit unions
- Since 2003, DFCU has more than tripled its number of branches while maintaining its profitability and capital levels
- DFCU Financial has not participated in subprime lending activities

Summary Balance Sheet (in thousands)

	<u>12/31/2018</u>
Investments	\$ 3,328,515
Loans	1,040,849
Other Assets	297,614
Total Assets	<u>\$ 4,666,978</u>
Deposits	\$ 4,080,331
Other Liabilities	65,222
Equity/Capital	521,425
Total Liabilities & Equity/Capital	<u>\$ 4,666,978</u>

Summary Income Statement (in thousands)

	Year-to-Date <u>12/31/2018</u>
Interest Income	\$ 116,297
Less: Interest Expense	7,724
Less: Provision for Loan Losses	4,321
Net Interest Income After Provision	<u>104,252</u>
Noninterest Income	47,002
Noninterest Expense	105,520
Net Income	<u>\$ 45,734</u>

Financial Ratios (@12/31/2018)

	<u>DFCU Financial</u>
Return on Assets*	1.65%
(Profitability expressed by net income as a percentage of assets)	
Return on Equity*	15.74%
(Profitability expressed by net income as a percentage of equity)	
Efficiency Ratio*	48.29%
(noninterest expenses as a percentage of income)	
Capital/Assets	10.48%
(capital reserves as a percentage of total assets)	
Delinquent Loans/Total Loans	0.18%
(loans with past due payments as a percentage of total loans)	

*excludes Cash Back dividend expense of \$30,114 for 2018