

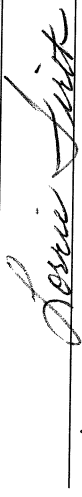


TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF AUGUST 31, 2012

Assets	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Loans										
Credit Cards	232	\$ 238,967.22	8	\$ 4,646.89	224	\$ 234,320.33	0	\$ 0	232	\$ 238,967.22
Unsecured	1,467	3,061,123.65	1,453	3,028,913.80	14	32,209.85	1,464	2,844,070.25	3	217,053.40
Direct Auto	1,320	13,320,312.26	1,332	13,664,276.74	(12)	(343,964.48)	1,355	12,719,055.13	(35)	601,257.13
Indirect Auto	1,184	8,921,857.08	1,222	9,027,614.62	(38)	(105,757.54)	1,845	15,198,648.54	(661)	(6,276,791.46)
Home Equity	416	10,215,980.20	418	10,194,854.85	(2)	21,125.35	439	11,047,330.61	(23)	(831,350.41)
Fixed Real Estate	376	26,514,653.60	376	26,753,399.85	0	(238,746.25)	402	30,052,504.93	(26)	(3,537,851.33)
Variable Real Estate	81	5,533,496.64	82	5,695,388.13	(1)	(161,891.49)	93	6,652,673.37	(12)	(1,119,176.73)
Savings and Certificate Secured	136	754,734.00	140	758,101.76	(4)	(3,367.76)	138	886,064.41	(2)	(131,330.41)
Other	86	970,256.56	87	1,006,988.23	(1)	(36,731.67)	95	1,229,406.22	(9)	(259,149.66)
Gross Loans	5,298	\$ 69,531,381.21	5,118	\$ 70,134,184.87	180	\$ (602,803.66)	5,831	\$ 80,629,753.46	(533)	\$ (11,098,372.25)
Prepaid Loan Fees	0	46,291.22	0	41,831.03	0	4,460.19	0	39,550.86	0	6,740.36
Loan Participation	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
Allowance for Loan Losses	5,298	\$ 69,577,672.43	5,118	\$ 70,176,015.90	180	\$ (598,343.47)	5,831	\$ 80,669,304.32	(533)	\$ (11,091,631.89)
Net Loans		\$ (1,765,397.76)		\$ (1,802,306.34)		\$ (36,908.58)		\$ (1,674,938.37)		\$ 90,459.39
Cash		\$ 67,812,274.67		\$ 68,373,709.56		\$ (561,434.89)		\$ 78,994,365.95		\$ (11,182,091.28)
Investments		14,093,093.99		12,661,389.34		1,431,704.65		6,227,305.53		7,865,788.46
Other Assets		47,871,425.65		46,537,800.77		1,333,624.88		39,514,359.02		8,357,066.63
Land and Building		4,265,273.08		4,274,789.85		(9,516.77)		4,237,243.74		28,029.34
Furniture and Equipment		344,711.38		343,939.82		771.56		324,601.35		20,110.03
Other Assets		2,691,458.85		2,577,990.12		113,468.73		2,388,527.58		302,931.27
Total Other Assets		\$ 7,301,443.31		\$ 7,196,719.79		\$ 104,723.52		\$ 6,950,372.67		\$ 351,070.64
Total Assets		\$ 137,078,237.62		\$ 134,769,619.46		\$ 2,308,618.16		\$ 131,686,403.17		\$ 5,391,834.45
Liabilities and Equity										
Accounts Payable/Liabilities		\$ 858,265.41		\$ 819,551.02		\$ 38,714.39		\$ 2,941,214.05		\$ (2,082,948.64)
Total Borrowings						0.00				0.00
Member Deposits										
Savings and Clubs	14,871	48,929,836.99	14,904	48,261,421.36	(33)	668,415.63	15,324	42,384,489.53	(453)	6,545,347.46
Money Market accounts	859	25,551,014.90	863	25,694,025.36	(4)	(143,010.46)	873	24,714,425.99	(14)	836,588.91
Checking	7,552	22,694,162.09	7,545	20,658,876.80	7	2,035,285.29	7,137	18,747,906.45	415	3,946,255.64
Certificates	1,269	17,797,076.41	1,283	18,085,703.12	(14)	(288,626.71)	1,459	20,632,022.89	(190)	(2,834,946.48)
Demand IRAs	566	5,796,317.36	566	5,728,676.99	0	67,640.37	571	5,622,582.56	(5)	173,734.80
IRA Certificates	510	6,146,133.50	512	6,161,210.02	(2)	(15,076.52)	562	6,781,168.68	(52)	(635,035.18)
Total Member Deposits	25,627	\$ 126,914,541.25	25,673	\$ 124,589,913.65	(46)	\$ 2,324,627.60	25,926	\$ 118,882,596.10	(299)	\$ 8,031,945.15
Capital										
Regular Reserves		5,459,831.13		5,459,831.13		0.00		5,459,831.13		0.00
Undivided Earnings		3,845,599.83		3,900,323.66		(54,723.83)		4,402,761.89		(557,162.06)
Other Capital		0.00		0.00		0.00		0.00		0.00
Total Capital		\$ 9,305,430.96		\$ 9,360,154.79		(54,723.83)		\$ 9,862,593.02		(557,162.06)
Total Liabilities and Equity		\$ 137,078,237.62		\$ 134,769,619.46		\$ 2,308,618.16		\$ 131,686,403.17		\$ 5,391,834.45

TUCSON OLD PUEBLO CREDIT UNION - FINANCIAL STATEMENTS
AS OF AUGUST 31, 2012

Income	Current Month	Year to Date		Prior Year to Date		Budget Ytd	Budget Difference	%
	Amount	Amount	Amount	Difference	Difference			
Interest on Loans	\$ 328,349.29	\$ 2,773,064.44	\$ 3,477,966.36	\$ -704,901.92	\$ 3,024,000	\$ (250,936)	-8%	
Income from Investments	51,567.68	479,497.86	439,187.26	40,310.60	440,000	39,498	9%	
Investment Services Income	14,054.95	131,571.47	94,738.24	36,833.23	112,000	19,571	17%	
Fee Income	94,951.64	871,794.27	397,880.45	473,913.82	397,200	474,594	119%	
Other Operating Income	12,083.63	43,251.32	522,858.63	-479,607.31	504,000	(460,749)	-91%	
Total Income	\$ 501,007.19	\$ 4,299,179.36	\$ 4,932,630.94	\$ -633,451.58	\$ 4,477,200	\$ (178,021)	-4%	
Operating Expenses								
Employee Compensation	237,427.58	1,734,122.69	1,685,962.21	48,160.48	1,660,000	74,123	4%	
Employee Incentives	50.00	425.00	460.00	-35.00	1,600	(1,175)	-73%	
Employee Benefits	43,502.40	343,416.60	306,282.91	37,133.69	312,000	31,417	10%	
Meetings	1,408.83	13,759.16	27,843.93	-14,084.77	17,120	(3,361)	-20%	
Loan Servicing	34,516.09	102,978.18	78,285.72	24,692.46	74,400	28,578	38%	
State Banking Dept. Fee	1,283.00	10,264.00	10,116.00	148.00	11,200	(936)	-8%	
Office Occupancy	37,446.24	293,703.22	282,714.31	10,988.91	298,000	(4,297)	-1%	
Office Operations	42,791.77	409,263.44	454,718.47	-45,455.03	502,400	(93,137)	-19%	
Miscellaneous Expenses	3,138.37	16,198.54	9,904.41	6,294.13	10,400	5,799	56%	
Member Insurance	200.00	5,350.00	11,600.00	-6,250.00	10,000	(4,650)	-47%	
NCUSIF Corp Stabilization	58,609.00	117,218.00	182,500.00	-65,282.00	117,100	118	0%	
Association Dues	2,094.01	17,569.08	16,656.04	913.04	18,600	(1,031)	-6%	
Educational & Training	1,647.97	12,786.81	25,312.26	-12,525.45	30,200	(17,413)	-58%	
Professional & Outside Services	84,980.14	596,914.52	534,903.15	62,011.37	584,800	12,115	2%	
Travel and Conference	1,650.29	8,342.33	7,410.08	932.25	12,000	(3,658)	-30%	
Promotional Expenses	7,790.94	71,927.66	99,602.96	-27,675.30	123,600	(51,672)	-42%	
Cash Short/Over	44.36	769.83	1,166.58	-396.75	1,600	(830)	-52%	
Deposit Account Adjustments	(960.43)	21,040.09	27,858.30	-6,818.21	24,000	(2,960)	-12%	
Total Operating Expenses	\$ 557,620.56	\$ 3,776,049.15	\$ 3,763,297.33	\$ 12,751.82	\$ 3,809,020	\$ (32,971)	-1%	
Net Operating Income	\$ (56,613.37)	\$ 523,130.21	\$ 1,169,333.61	\$ -646,203.40	\$ 668,180	\$ (145,050)	-22%	
Provision for Losses	(36,162.50)	785,119.59	(503,523.48)	1,288,643.07	240,000	545,120	227%	
Provision OREO	7,800.00	7,800.00	7,800.00	7,800.00	-	7,800	BUDGET IS ZERO	
Dividends	26,472.96	282,143.66	422,362.92	-140,219.26	360,000	(77,856)	-22%	
Interest on Borrowed Money	0.00	1,294.04	2,789.43	-1,495.39	2,400	(1,106)	-46%	
Non-Operating (Income) Expense	0.00	1,624.79	990.10	634.69	0	1,625	BUDGET IS ZERO	
Gain/Loss Foreclosed Assets	0.00	109,796.16	-	109,796.16	0	109,796	BUDGET IS ZERO	
Net Income (Loss)	\$ (54,723.83)	\$ (655,223.24)	\$ 1,246,714.64	\$ -1,901,937.88	\$ 65,780	\$ (721,003)	-1096%	

We certify, to the best of our knowledge and belief, that these financial statements are true and correct and present fairly the financial position and the results of operations for the periods covered.


 Lorrie Firth, VP Finance

 Jim Brady, Treasurer

 James Knoff, President/CEO

Date 09-12-2012
 Date 9-13-12
 Date 9-12-12

**TUCSON OLD PUEBLO CREDIT UNION - ADDENDUM TO THE FINANCIAL STATEMENTS
AS OF AUGUST 31, 2012**

	Current Month		Prior Month		Difference		Prior Year		Difference	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Loan Delinquency										
Two to Six Months	26	549,177	21	526,600	5	22,577	78	\$ 1,627,180	-52	\$ (1,078,003)
Six to Twelve Months	8	327,801	11	508,633	(3)	(180,832)	20	226,196	-12	101,605
Over Twelve Months	12	126,076	11	117,692	1	8,384	21	547,276	-9	(421,200)
Total Delinquency	46	\$ 1,003,054	43	\$ 1,152,925	3	\$ (149,871)	119	\$ 2,400,652	-73	\$ (1,397,598)
Ratios										
Loans/Deposits	54.82%		56.05%		Percent		Percent		Percent	
Efficiency Ratio (YTD expenses/income)	87.83%		83.25%		-1.23%		67.86%		-13.03%	
Delinquency Loans/Loans	1.44%		1.64%		4.58%		76.29%		11.54%	
Net Interest Margin	3.06%		3.56%		-0.19%		2.98%		-1.53%	
Capital Ratio	6.79%		7.07%		-0.49%		3.80%		-0.73%	
Return on Average Assets (YTD)	-0.60%		-0.37%		-0.28%		7.49%		-0.70%	
					-0.23%		1.46%		-2.06%	
Other Information										
Primary Accounts	Number		Number		Number		Number		Number	
New Primary Accounts	13,943		13,971		(28)		14,426		(483)	
	104		88		16		103		1	

TUCSON OLD PUEBLO CREDIT UNION - INVESTMENT ANALYSIS

Investment Description	Market Value	Weighted Avg Rate	Book Value	weighting factors to calculate overall weighted interest rate	Non SFAS 115 Inv.
Short Term Investments (1 year or less)					
FirstCorp Certificates	\$ 2,238,000	1.57%	2,238,000	35,056	2,238,000
QuickRateCDs	\$ 3,387,000	2.28%	3,387,000	77,278	3,387,000
	\$ 5,062,000	1.76%	5,062,000	89,334	5,062,000
Long Term Certificates (greater than 1 year)					
QuickRate CDs 3 yrs or less	\$ 24,050,731	0.93%	24,000,000	223,680	24,000,000
QuickRate CDs over 3 years	\$ 12,560,453	3.94%	11,717,861	461,332	11,717,861
Federal Agency Securities (greater than 1 year)					
FHLE, FNMA, FHLMC, FFCB	\$ 709,026	0.25%	\$ 709,026	1,773	\$ 709,026
Mortgage Backed Securities (MBS)	\$ 48,007,209	1.86%	47,871,426	888,453	47,871,426
FirstCorp Perm. Inv. Capital					
Unamortized Premium & (Discount)			8,538		8,538
MBS PREM/DISC			749,000		749,000
Total Earning Investments	\$ 48,007,209	1.86%	\$ 47,871,426	888,453	\$ 47,871,426
Securities committed that settle next month					
Total Investments	\$ 48,007,209		\$ 47,871,426		\$ 47,871,426