The Wisconsin Credit Union League

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NEWS RELEASE

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Contact: Chris Olson
(800) 242-0833, Ext. 6019
colson@theleague.coop
www.theleague.coop

Wisconsin credit unions doing well despite turmoil in financial markets

Pewaukee, Wis. - Despite the ongoing turmoil in financial markets, Wisconsin credit unions are doing well, and continue to show some of the strongest performance among credit unions nationally, according to their year-end 2008 financial reports filed with regulators.

"Credit unions are safe, members are increasing their deposits, and members are relying on credit unions for loans now more than ever," says Brett Thompson, President & CEO of The Wisconsin Credit Union League, the trade association representing 250 of the member-owned financial institutions.

During a time when other lenders are hemorrhaging, Thompson says, Wisconsin credit unions are healthy and continuing to lend. From 2007 to 2008 Wisconsin credit unions saw their net worth increase by $70 million to $1.9 billion. During that same period Wisconsin credit unions' assets grew $1.6 billion to $18.2 billion, for a growth rate of 9.9%. Loans increased $1.4 billion to $14.7 billion, an increase of 10.5%, and savings increased $1.3 billion to $15.2 billion for a growth rate of 9%. Loan delinquency only saw a slight increase, to 1.44% by year-end 2008.

"Wisconsin credit unions saw some of the largest gains in the country in loan, asset and membership growth," Thompson says. "This solid performance occurred because credit unions avoided the risky lending practices that caused our nation's financial troubles."

"What's more, as businesses struggle to make ends meet and avoid further layoffs, Wisconsin credit unions are actively lending to members who own small businesses and are seeing their enterprises thrive," he notes. Credit unions are seeking federal legislation to lift an arbitrary cap on business lending – a move Thompson says could inject as much as $10 billion into the national economy in the first year alone without costing taxpayers a dime.

Members' funds are safe, he adds, because they are insured to $250,000 per account by the NCUA, an agency of the federal government.

N25 W23131 Paul Road, Suite 500, Pewaukee, WI 53072-5779

Credit unions are cooperative financial institutions that are owned by their members and do not have stockholders. Because they are not-for-profit, they return earnings to members in the form of more competitive rates of return on accounts, lower interest on loans, lower fees and improved services. Around 2.2 million Wisconsin residents belong to credit unions, of which nearly half are open to the local community. People can find a credit union to join by looking in the phone book or by visiting www.creditunion.coop.