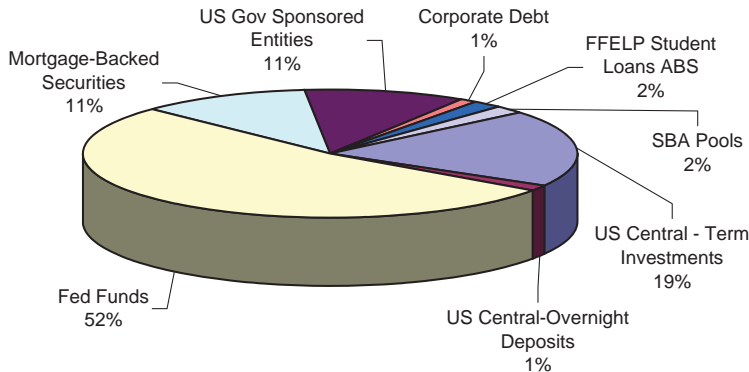
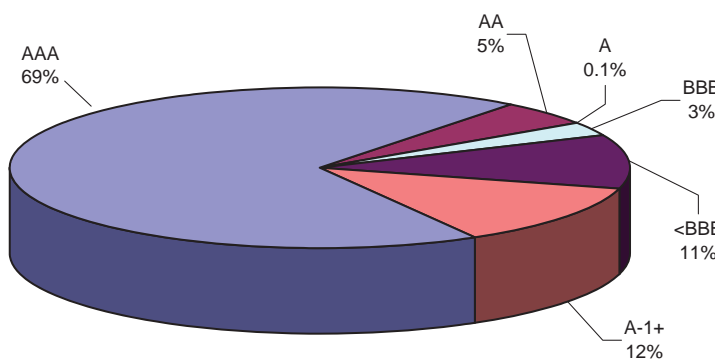


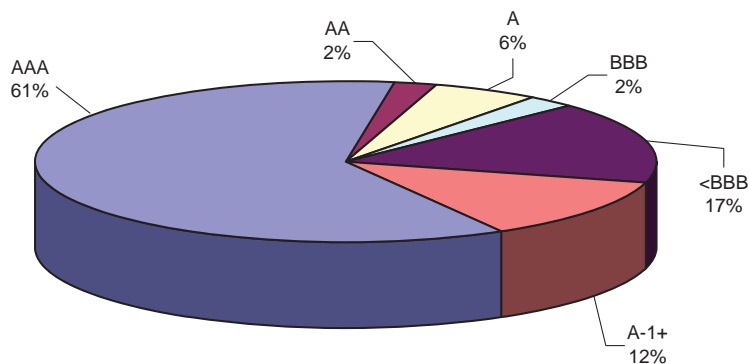
Investment Portfolio Chart 1



Investment Ratings based on Highest Rating Chart 2



Investment Ratings based on Lowest Rating Chart 3



Sector Exposures		Table 1	
Investment	Yes	No	% of Portfolio
Auction Rate Notes		✓	
Collateralized Debt Obligations		✓	
Commercial Mortgage Backed Securities		✓	
Extendable Commercial Paper		✓	
Structured Investment Vehicles		✓	
Subprime Mortgages	✓		2.6%

All of the investments Southeast purchases are subject to a thorough analysis prior to purchase and monitored carefully for the period that they are held. The corporate has a Credit Risk Department which is segregated from the Investment Department in order to maintain objectivity. Southeast has made a sizable investment in sophisticated credit risk modeling systems which it uses to credit stress the securities in which it invests.

Table 1 - As indicated in the table above, Southeast does not hold any Collateralized Debt Obligations (CDOs), Commercial Mortgage Backed Securities (CMBS), Extendable Commercial Paper or Structured Investment Vehicles (SIVs). The exposure to subprime mortgages changes as the total investment portfolio fluctuates. No additional investments will be made in private label MBS.

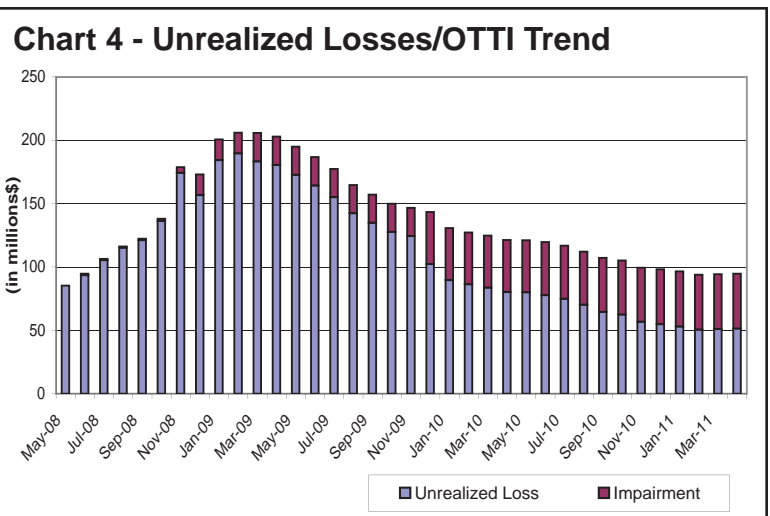


Chart 1 - Fed Funds deposit at the Federal Reserve Bank of Atlanta increased due to month end falling on the weekend. Term investments at US Central contracted due to certificate maturities. Corporate debt exposure decreased approximately \$34 million as the result of investment maturities. Other asset backed security exposure not shown in the chart includes 0.4% exposure to credit cards, 0.1% exposure in auto loans/leases, and 0.2% exposure in time deposit and bank notes.

Chart 2 - Change in ratings during April is the result of SBA purchases and other investment maturities and pay downs.

Chart 3 - Change in ratings during April is the result of purchases and other investment maturities and pay downs.

Chart 4 - Unrealized losses remained flat during the month.

Chart 5 - Net Economic Value (NEV) is determined by subtracting the market value of the liabilities from the market value of the assets. The NEV ratio is calculated by dividing the NEV by the market value of Total Assets. Chart 5 shows the NEV ratio in a base case and in the up 300 bps scenario over the last twelve months.

As part of Southeast Corporate's re-capitalization plan, members were encouraged to place their Member Capital Shares (MCS) on notice. Per NCUA regulations once the MCS goes on notice, Southeast must amortize those MCS balances down to zero over a 24 month time period. The amortized portion of the MCS on notice can no longer be counted as capital per NCUA regulation. Therefore, each month we will have less MCS to count towards the NEV ratio. The amortized portion of MCS increased from \$8.6 million to \$9.6 million in April. The resulting NEV ratio declined slightly from 0.28% to 0.24% primarily due to \$1 million less in MCS that gets counted towards the NEV ratio.

Chart 6 - The NEV volatility is measured by subjecting the balance sheet to instantaneous, parallel, and sustained yield curve increases of one, two, and three percent. Once the balance sheet is shocked, the reduction in equity value to the worst case scenario is analyzed. The equity dollars at risk in the worst case scenario (up 300 bps) are shown in Chart 6. The volatility improved \$200 thousand to \$11.6 million at risk. Our expectation is that the NEV volatility remains at or near \$15 million.

Chart 5 - Historical NEV Ratio

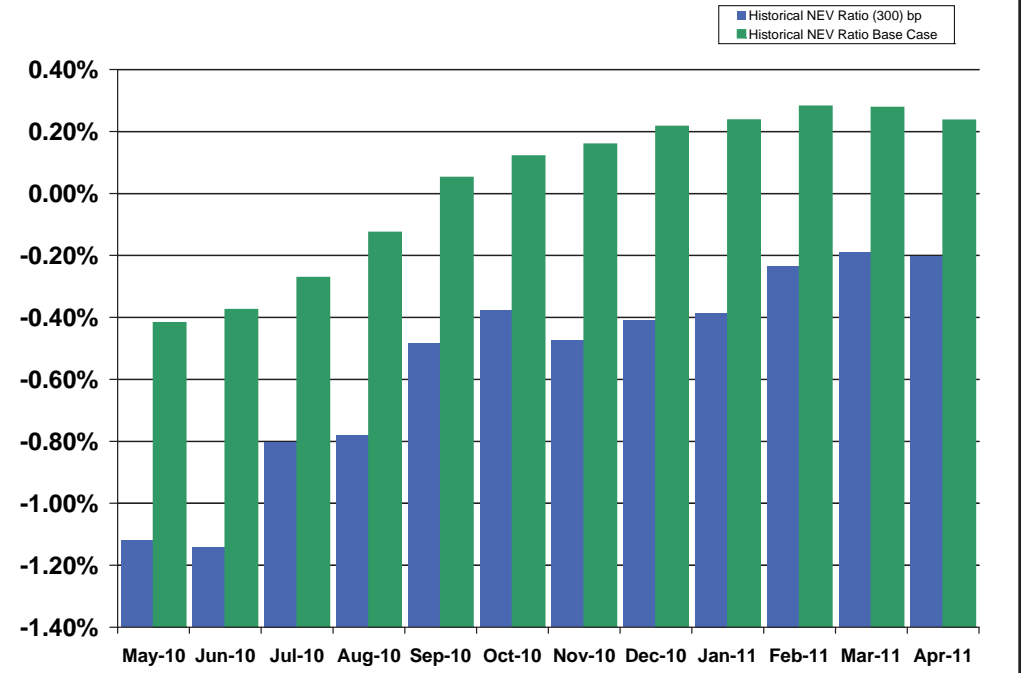
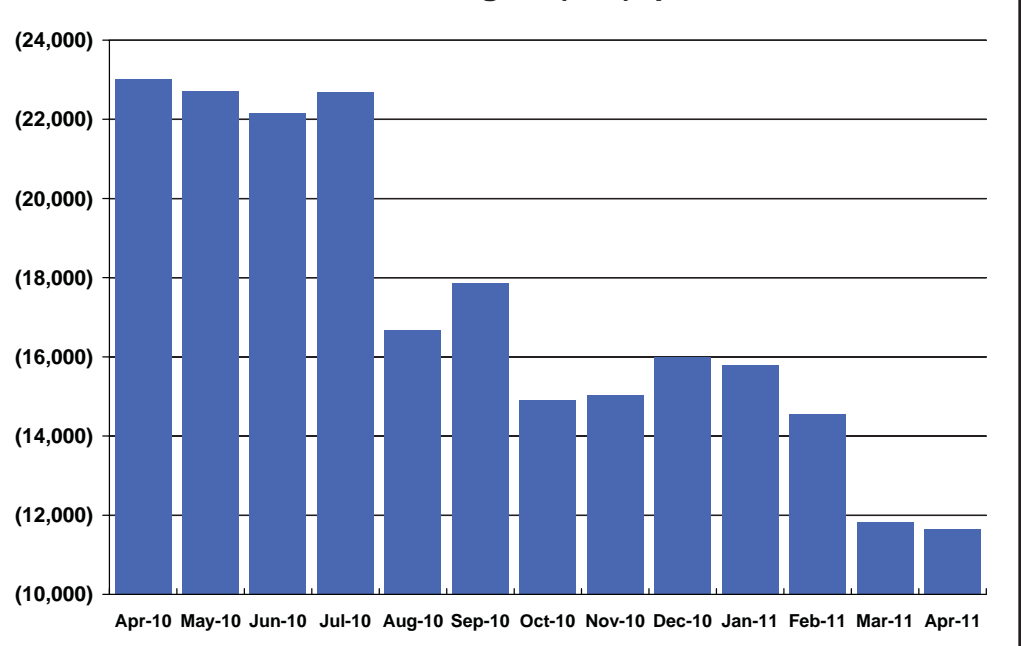


Chart 6 - Historical NEV Change \$ (300)bp



For more information or questions, call 1-800-342-0203:

Investments: Doug Sexton, Chief Investment Officer at ext., 4061

Credit Risk Assessment: Perry Jones, VP Credit Risk Assessment at ext., 4030

Interest Rate Risk Assessment: Trey Rudder, VP Interest Rate Risk Assessment at ext., 4035