CU*ANSWERS

Financial Review

Third Fiscal Quarter 2026

April 1 – June 30, 2026

Corporate Leaders

(Pictured left to right)

Geoff Johnson, CU*Answers CEO

Linda Bodie, CU*Answers Board Chair, CEO of Element Federal Credit Union

On the Back

Inside

A Message from CEO Geoff Johnson

Ladies and gentlemen, the end of summer is an exciting time for us to reflect upon recent milestones, as well as what we're focusing on for the near future. We're fresh off our latest budget cycle, along with the conclusion of strategic technology planning and much more for the CUSO. There are some incredible things ahead for the 2028 and 2029 business years, and we cannot wait for you to be a part of it.

By the time this newsletter reaches you, we'll have participated in planning sessions for CU*Answers, Xtend, eDOC and several others. The network continues to make strategic investments in AI, APIs, enhancements to our data centers and High-Availability solutions. We're also thrilled about our newest debit and credit card processing initiative, CU*PAY. The participation and input we receive across the network makes apparent the value of these significant investments.

Looking back over the past few years, we've rolled back per member pricing, EFT fees, and several other strategic costs – in doing so, this results in millions of annual savings passed on to our owners. Meanwhile, as we look ahead to the upcoming cycle, we are investing more in tools, tech, and the people who support daily operations.

I hope you enjoyed your first year of scorecards, courtesy of our Sales and CMS teams. These teams are looking forward to providing continued insights for your organization in 2027.

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A Message from Board Chair Linda Bodie

There's just something good about getting the CU*Answers board in a room together and talking about where our cooperative is headed. Our recent planning session had plenty of energy, good questions, a few challenges, some healthy debate, and thoughtful conversation about what our owners will need from us in the years ahead. I know I say this often, but I keep saying it because I mean it: I'm really excited about where we're going.

We spent a lot of time talking about several major initiatives. Here's a list of a few of my favorites:

- CU*PAY, our new debit and credit card processing solution.
- CU*Forms, which will make forms and paperwork easier for credit unions and their members.
- The Mosaic Project and the opportunities it creates around shared and flexible infrastructure.
- A new Youth/Senior Banking app designed specifically for members at different stages of life.
- Our continued investment in Data Lakes, so credit unions can do more with the information they already have.

As a board, our job isn't simply to get excited about new ideas. We need to ask whether they make sense. What will they cost? What are the risks? Will they help our owners? Are we building something because it's interesting or because it solves a real problem? Those are the conversations we had, and I came away feeling very good about the answers.

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Key Dates

September 10

Using CBX Tools for Bank Secrecy Act (BSA) Compliance

https://www.cuanswers.com/resources/edu/courses/syllabi/?course=8.02

September 14

Preparing for a Cybersecurity Incident Response

https://www.cuanswers.com/resources/edu/courses/syllabi/?course=9.70W

September 17

Quarterly Collections Roundtable

https://www.cuanswers.com/resources/edu/courses/syllabi/?course=SE.51W

Income Statement

The following financial figures are pre-audited

	YTD June 2026	**Budget** YTD
Income/Revenue		
Total CBX Revenue	37,654,577	35,802,245
Total CNS/iSeries Revenue	9,099,021	9,013,326
Total External Business Revenue	7,294,580	7,998,277
Total Sales	60,549,173	58,774,466
Total Cost of Goods Sold	15,080,430	14,046,105
Gross Margin/Income	**45,468,743**	**44,728,360**
Expenses		
Total Employee Expenses	29,700,103	29,631,779
Total Non-Employee Expenses	10,386,785	10,476,478
Total Operating Expenses	40,086,889	40,108,258
Total Other Expenses	(522,374)	(300,000)
Gross Expenses	**39,564,515**	**39,808,258**
Net Income *(before taxes and dividends)*	**5,904,228**	**4,920,102**

Stock Value

The book value of Class A ownership shares as of 9/30/25 is $239,482.26. Ownership shares sell at $525,000 or 2.19 times the book value.

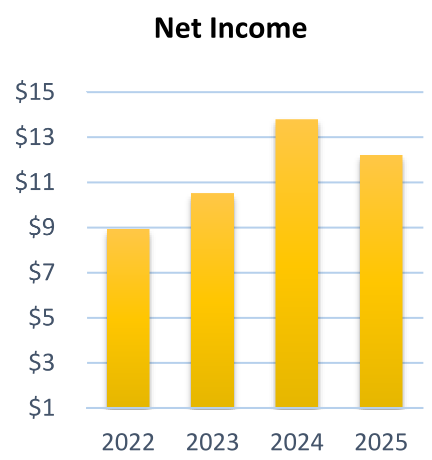
Balance Sheet

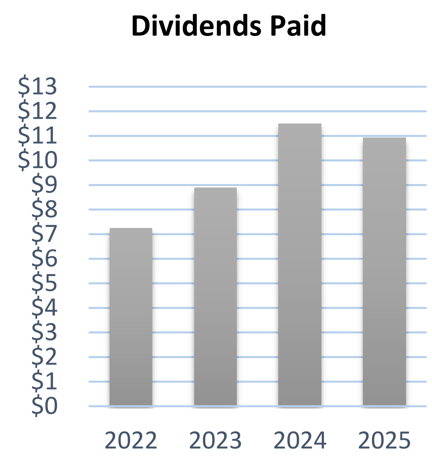
The following financial figures are pre-audited

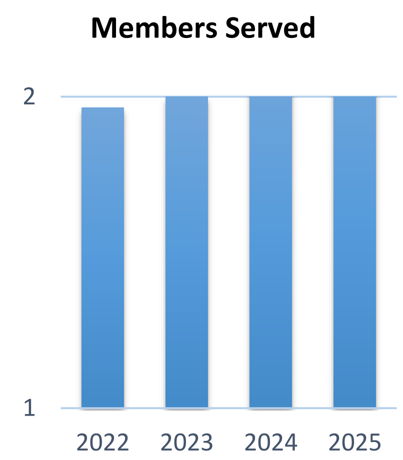
	Current Month June 2026
Assets	
Total Cash/On-Demand Deposits	20,199,256
Total Investments	14,498,355
Total Accounts Receivable	2,153,924
Total Pre-Paid Assets	9,101,845
Total Fixed Assets	9,857,777
Total Other Assets	19,593,834
Total Assets	**75,404,989**
Liabilities & Equity	
Total Short-Term Liabilities	16,095,309
Total Long-Term Liabilities	15,840,384
Total Liabilities	31,935,693
Total Equity	43,469,296
Total Liabilities & Equity	**75,404,989**

Numbers Snapshot

(Numbers in millions)







A Message from CEO Geoff Johnson
(Continued from cover)

We continue to remain focused on our core driving principles, while looking at opportunities to be price-disruptive and access-disruptive, with an emphasis on shared resource solutions. This approach applies not only to internal developments here at CU*Answers, but also with third-party partnerships and new business opportunities.

The partnerships which spark the most spirited conversations and innovations are often rooted in regular back-and-forth discourse and partnership that embodies the cooperative spirit. Let's talk strategy – we're always ready to explore new avenues to strengthen our partnership with your financial institution.

Last but certainly not least, I am excited to engage with many of you in Las Vegas at this year's CEO Strategies. This event is a great chance to connect with your peers and get a closer look at tool and implementation strategies for the coming year. Check out the agenda on the CU*Answers website.

If you have any questions, don't hesitate to reach out – I'm happy to discuss further opportunities or answer any questions you might have. Make it a great day!

G S Johnson

A Message from Board Chair Linda Bodie
(Continued from cover)

What I especially like is that these projects aren't all trying to solve the same problem. CU*PAY and CU*Forms can make everyday work easier. The Youth/Senior Banking app gives us an opportunity to build something more intentionally for members who are often expected to fit into the same banking experience as everyone else. Mosaic and Data Lakes are more behind the scenes, but they create the foundation that allows CU*Answers and our owners to keep building, experimenting, and moving forward. That balance matters.

One of the things I have always valued about CU*Answers is that our credit unions aren't just customers. We're owners. We have a voice in where this organization goes, what we invest in, and what we build together. That cooperative model can be messy sometimes. It requires discussion, different opinions, and people willing to ask hard questions. But when it works, it is incredibly powerful. I saw that in the room during this planning session.

We have a lot of work ahead of us, but we also have a lot to be excited about. I'm proud of the direction we're heading, proud of the board that is helping guide it, and proud to serve as your board chair.

Thank you for continuing to put your trust in this board and in CU*Answers. There's much more ahead!

Linda C Bodie

Board of Directors

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Element Federal Credit Union
Charleston, West Virginia

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Vickie Schmitzer
Frankenmuth Credit Union
Frankenmuth, Michigan

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Columbus, Ohio

April Tompkins
Explorers Credit Union
Yankton, South Dakota

Press Play

Check out our latest video at:

https://ondemand.cuanswers.com/debit-cards-on-the-front-line/