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PenFed's Growth Philosophy is Paying Dividends
Delivering best price to its members coupled with exceptional service

ALEXANDRIA, Va., Oct. 13, 2015— PenFed Credit Union President and CEO James Schenck's guiding philosophy for the credit union is simple—take perfect care of the members, keep the institution safe and sound, create a work environment fitting of a destination employer by hiring, training and inspiring the best and brightest employees, and be a community leader—this straightforward, no nonsense approach has become a powerful mantra that is propelling PenFed Credit Union forward, accounting for \$1.6 billion in asset growth since April of 2014, when Schenck became its CEO. This philosophy has powered PenFed across the threshold of \$19 billion in assets and nearly 1.4 million members worldwide.

Equipped with a blueprint for safe, steady growth, the credit union has increased its net worth ratio from 9.66% to 10.06% during Schenck's tenure. PenFed reached \$19 billion in assets on Sept.1, up by more than \$600 million from the same time last year. The credit union also generated membership growth in excess of 57,000 new members, year-over-year. PenFed remains primed for continued growth and is on track to see earnings greater than \$158 million by the end of this year.

"Consumers of financial services vote with their wallets. Our board of directors, management and employees put the PenFed members first and deliver incredible pricing to them in the form of low loan rates and high dividend rates. We couple this with exceptional service that pays off in terms of giving our members great reasons to stay with us while attracting new PenFed members who are essential to our sustained growth," said Schenck.

"Being the champion for the consumer is core to who we are as a credit union. We are member-owned, and as such, our principal focus is to provide aggressive and industry leading pricing to our members by running our operations extremely efficiently," he said.

Currently, PenFed Credit Union's operating expense ratio is 1.19% compared to the credit union industry average of 2.5% and the banking average of 2.64%.¹ PenFed's operational efficiency is the key to its ability to offer low loan rates that typically lead the market while paying top dollar on its deposits.

Over the past 12 months, PenFed Credit Union dedicated nearly 2% of its net income to charitable causes.

About PenFed Credit Union

Established in 1935 as the War Department Credit Union, PenFed Credit Union is one of the largest credit unions in the country, serving 1.4 million members worldwide; with \$19 billion in assets. Its long-standing mission has been to provide superior financial services in a cost effective manner, while being responsive to members' needs. PenFed Credit Union offers market-leading mortgages, automobile loans, credit cards, checking, and a wide range of other financial services with its members' interests always in mind. PenFed Credit Union serves a diverse population, and no military service is required to join. We offer many paths to membership, including numerous employee groups and association affiliations. It's easy to apply. We invite you to come see why you belong at PenFed Credit Union. *To learn more about PenFed Credit Union, visit PenFed.org.*

¹ FDIC QUARTERLY: Quarterly Banking Profile: Table III-A. Second Quarter 2015, All FDIC-Insured Institutions

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