

Farm Credit System Major Financial Indicators, Quarterly Comparison

Dollars in Thousands

	31-Mar-12	31-Dec-11	30-Sep-11	30-Jun-11	31-Mar-11
FCS Banks¹					
Total Assets	205,537,009	205,087,928	202,868,279	205,987,711	207,648,265
Gross Loan Volume	161,385,748	158,420,741	154,804,128	158,327,662	162,241,427
Nonaccrual Loans	347,468	384,795	543,728	611,319	545,234
Cash and Marketable Investments	41,653,351	44,047,407	45,443,759	45,336,976	43,145,642
Net Income	502,499	439,104	453,805	475,853	491,585
Nonperforming Loans/Total Loans ²	0.24%	0.27%	0.38%	0.42%	0.37%
Capital/Assets ³	6.51%	6.49%	6.63%	6.38%	6.09%
Unallocated Retained Earnings/Assets	3.17%	3.25%	3.47%	3.28%	3.13%
Return on Assets ⁴	0.99%	0.92%	0.93%	0.94%	0.95%
Return on Equity ⁴	15.23%	13.68%	14.20%	15.01%	15.78%
Net Interest Margin ⁵	1.30%	1.28%	1.29%	1.28%	1.28%
Operating Expense Rate ⁶	0.29%	0.31%	0.29%	0.29%	0.29%
Efficiency Ratio ⁷	16.62%	20.14%	17.27%	17.26%	16.53%
FCS Associations					
Total Assets	134,695,454	136,717,742	133,629,959	132,364,297	132,038,960
Gross Loan Volume	125,074,673	126,187,799	123,621,577	122,837,133	122,845,985
Nonaccrual Loans	2,360,217	2,353,352	2,528,114	2,700,657	2,802,428
Net Income	703,909	1,018,601	661,396	611,255	715,902
Nonperforming Loans/Total Loans ²	2.06%	2.03%	2.20%	2.35%	2.39%
Capital/Assets ³	18.54%	17.84%	17.89%	17.63%	17.28%
Unallocated Retained Earnings/Assets	17.28%	16.78%	16.69%	16.19%	15.82%
Return on Assets ⁴	2.11%	2.24%	2.00%	2.03%	2.19%
Return on Equity ⁴	11.45%	12.42%	11.22%	11.58%	12.88%
Net Interest Margin ⁵	2.97%	2.94%	2.95%	2.96%	2.97%
Operating Expense Rate ⁶	1.44%	1.43%	1.37%	1.38%	1.40%
Efficiency Ratio ⁷	38.03%	31.27%	36.19%	36.92%	34.95%
Total Farm Credit System⁸					
Gross Loan Volume	178,595,000	174,664,000	170,615,000	173,798,000	177,599,000
Bonds and Notes	187,923,000	186,889,000	184,496,000	188,257,000	190,504,000
Nonperforming Loans	2,970,000	2,997,000	3,315,000	3,552,000	3,540,000
Nonaccrual Loans	2,707,000	2,738,000	3,071,000	3,311,000	3,348,000
Net Income	1,052,000	3,940,000	2,994,000	1,986,000	1,004,000
Nonperforming Loans/Gross Loans ²	1.66%	1.72%	1.94%	2.04%	1.99%
Capital/Assets ³	15.82%	15.60%	15.78%	15.25%	14.75%
Surplus/Assets	12.90%	12.90%	12.93%	12.46%	12.07%
Return on Assets ⁴	1.84%	1.71%	1.74%	1.74%	1.76%
Return on Equity ⁴	11.65%	11.17%	11.42%	11.58%	11.94%
Net Interest Margin ⁵	2.87%	2.86%	2.85%	2.80%	2.82%

Sources: Farm Credit System Call Report as of March 31, 2012, and the Farm Credit System Quarterly Information Statements provided by the Federal Farm Credit Banks Funding Corporation.

Note: Changes to previous periods occasionally occur for accounting reasons.

¹ Includes Farm Credit Banks and the Agricultural Credit Bank.

² Nonperforming loans are defined as nonaccrual loans, accruing restructured loans, and accrual loans 90 or more days past due.

³ Capital includes restricted capital (amount in Farm Credit Insurance Fund), excludes mandatorily redeemable preferred stock and protected borrower capital.

⁴ Rates of return are annualized.

⁵ Net interest margin ratio measures net income produced by interest-earning assets, including the effect of loanable funds, and is a key indicator of loan pricing effectiveness.

⁶ Operating expenses divided by average gross loans, annualized.

⁷ The efficiency ratio measures total noninterest expenses for the preceding 12 months divided by net interest income plus noninterest income for the preceding 12 months.

⁸ Cannot be derived by adding the categories above because of intradistrict and intra-System eliminations used in Reports to Investors.

