

Farm Credit System Major Financial Indicators, Quarterly Comparison

Dollars in Thousands

At and for the 3 months ended	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17	31-Mar-17
FCS Banks¹					
Total Assets	292,050,031	289,079,600	281,784,558	281,374,293	281,557,605
Gross Loan Volume	229,770,408	228,084,765	221,196,832	220,771,847	220,657,920
Nonaccrual Loans	434,739	324,571	346,898	305,674	262,223
Cash and Marketable Investments	60,517,256	59,146,365	58,536,899	59,134,552	59,532,555
Net Income	554,179	664,871	480,188	524,302	522,053
Nonperforming Loans/Total Loans ²	0.20%	0.15%	0.17%	0.15%	0.13%
Capital/Assets ³	6.38%	6.44%	6.68%	6.60%	6.47%
Unallocated Retained Earnings/Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Return on Assets ⁴	0.77%	0.77%	0.73%	0.75%	0.75%
Return on Equity ⁴	12.08%	11.62%	10.83%	11.41%	11.69%
Net Interest Margin ⁵	0.96%	0.96%	0.98%	0.98%	0.98%
Operating Expense Rate ⁶	0.31%	0.33%	0.33%	0.33%	0.33%
Efficiency Ratio ⁷	21.86%	25.55%	24.45%	24.12%	24.02%
FCS Associations					
Total Assets	193,348,457	195,817,424	191,949,736	189,686,438	188,180,651
Gross Loan Volume	183,115,796	184,638,381	181,115,751	179,574,344	178,551,492
Nonaccrual Loans	1,430,816	1,344,366	1,353,345	1,362,342	1,366,803
Net Income	1,045,035	1,270,878	958,094	824,482	849,705
Nonperforming Loans/Total Loans ²	0.96%	0.88%	0.91%	0.95%	0.97%
Capital/Assets ³	20.01%	19.31%	19.64%	19.47%	19.43%
Unallocated Retained Earnings/Assets	0.00%	0.00%	0.00%	0.00%	0.00%
Return on Assets ⁴	2.20%	2.06%	1.88%	1.79%	1.83%
Return on Equity ⁴	11.09%	10.44%	9.59%	9.18%	9.52%
Net Interest Margin ⁵	2.78%	2.71%	2.72%	2.72%	2.73%
Operating Expense Rate ⁶	1.42%	1.41%	1.42%	1.43%	1.45%
Efficiency Ratio ⁷	38.78%	32.66%	38.68%	41.32%	41.92%
Total Farm Credit System⁸					
Total Assets	333,029,000	329,518,000	321,591,000	320,381,000	320,127,000
Gross Loan Volume	261,378,000	258,777,000	251,162,000	250,464,000	250,234,000
Bonds and Notes	270,958,000	267,119,000	260,199,000	260,259,000	260,648,000
Nonperforming Loans	2,209,000	1,967,000	2,036,000	2,045,000	2,023,000
Nonaccrual Loans	1,863,000	1,660,000	1,701,000	1,671,000	1,623,000
Net Income	1,266,000	5,189,000	3,716,000	2,466,000	1,244,000
Nonperforming Loans/Gross Loans ²	0.85%	0.76%	0.81%	0.82%	0.81%
Capital/Assets ³	16.87%	16.81%	17.26%	17.02%	16.69%
Surplus/Assets	13.43%	13.24%	13.55%	13.99%	13.52%
Return on Assets ⁴	1.54%	1.61%	1.55%	1.55%	1.58%
Return on Equity ⁴	9.14%	9.48%	9.12%	9.21%	9.44%
Net Interest Margin ⁵	2.44%	2.48%	2.52%	2.46%	2.43%

Sources: FCA's Consolidated Reporting System as of March 31, 2018, and the Farm Credit System Quarterly Information Statement provided by the Federal Farm Credit Banks Funding Corporation.

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 above categories because of intradistrict and intra-System eliminations used in Reports to Investors.