

Farm Credit System Major Financial Indicators, Annual Comparison
Dollars in Thousands

At and for the 12 months ended	31-Mar-19	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15
FCS Banks^{1, 8}					
Total assets	305,442,977	292,050,031	281,557,605	268,495,874	244,693,710
Gross loan volume	240,018,260	229,770,408	220,657,920	210,522,418	190,164,936
Nonaccrual loans	408,410	434,739	262,223	295,274	225,292
Cash and marketable investments	63,183,337	60,517,256	59,532,555	56,245,306	52,862,617
Net income	521,757	554,179	522,053	481,497	491,667
Nonperforming loans/Total loans ²	0.18%	0.20%	0.13%	0.16%	0.14%
Capital/Assets ³	6.51%	6.38%	6.47%	6.43%	6.67%
Unallocated retained earnings/Assets	2.71%	2.71%	2.68%	2.68%	2.78%
Return on assets	0.69%	0.77%	0.75%	0.73%	0.81%
Return on equity	10.75%	12.07%	11.69%	11.31%	12.28%
Net Interest margin ⁴	0.92%	0.96%	0.98%	1.00%	1.06%
Operating expense ratio ⁵	0.32%	0.31%	0.33%	0.33%	0.33%
Efficiency ratio ⁶	24.10%	21.86%	24.02%	23.89%	21.74%
Payout ratio ⁷	N/A	N/A	N/A	N/A	N/A
FCS Associations⁸					
Total assets	207,333,754	195,057,847	188,164,741	179,530,406	164,223,600
Gross loan volume	196,873,327	184,789,592	178,538,988	170,296,338	155,357,378
Nonaccrual loans	1,557,338	1,435,387	1,366,842	1,184,108	1,179,273
Net income	1,004,706	1,054,609	841,912	773,771	757,869
Nonperforming loans/Total loans ²	0.98%	0.96%	0.97%	0.88%	0.97%
Capital/Assets ³	19.94%	20.01%	19.42%	19.12%	19.57%
Unallocated retained earnings/Assets	12.65%	12.46%	13.01%	13.49%	13.68%
Return on assets ⁴	1.98%	2.20%	1.82%	1.75%	1.88%
Return on equity ⁴	9.95%	11.09%	9.43%	9.14%	9.65%
Net interest margin ⁵	2.77%	2.78%	2.73%	2.74%	2.84%
Operating expense ratio ⁶	1.42%	1.42%	1.46%	1.47%	1.54%
Efficiency ratio ⁶	40.19%	38.82%	42.41%	42.55%	43.06%
Payout ratio ⁷	N/A	N/A	N/A	N/A	N/A
Total Farm Credit System⁸					
Total assets	348,690,000	333,029,000	320,127,000	304,986,000	278,969,000
Gross loan volume	274,151,000	261,378,000	250,234,000	238,439,000	216,163,000
Bonds and notes	282,609,000	270,958,000	260,648,000	247,139,000	224,668,000
Nonperforming loans	2,365,000	2,209,000	2,023,000	1,832,000	1,771,000
Nonaccrual loans	1,962,000	1,863,000	1,623,000	1,475,000	1,408,000
Net income, year-to-date	1,288,000	1,266,000	1,244,000	1,157,000	1,132,000
Nonperforming loans/Gross loans ²	0.86%	0.85%	0.81%	0.77%	0.82%
Capital/Assets ³	17.13%	16.87%	16.69%	16.41%	16.79%
Surplus/Assets	13.60%	13.43%	13.52%	13.53%	13.84%
Return on assets	1.50%	1.54%	1.58%	1.54%	1.65%
Return on equity	8.75%	9.14%	9.44%	9.38%	9.80%
Net interest margin ⁴	2.40%	2.44%	2.43%	2.48%	2.57%

Sources: FCA's Consolidated Reporting System as of March 31, 2019, and the Farm Credit System Quarterly Information Statement provided by the Federal Farm Credit Banks Funding Corporation.

¹Includes Farm Credit Banks and the Agricultural Credit Bank.

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

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

⁴Net 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.

⁵Operating expenses divided by average gross loans, annualized.

⁶The efficiency ratio measures total noninterest expenses for the preceding 12 months divided by net interest income plus noninterest income for the preceding 12 months.

⁷The percentage of earnings paid out in dividends to shareholders. This ratio is only valid at year-end December 31.

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