

## Farm Credit System Major Financial Indicators, Five-Year Comparison<sup>1</sup>

Dollars in Thousands

	31-Dec-07	31-Dec-06	31-Dec-05	31-Dec-04	31-Dec-03
<b>FCS Banks<sup>1</sup></b>					
Gross loan volume	131,191,826	112,260,474	94,865,873	85,411,707	82,986,046
Accruing restructured loans <sup>2</sup>	4,301	5,378	6,131	7,050	9,492
Accrual loans 90 days or more past due	12,917	5,439	1,322	5,420	22,456
Nonaccrual loans	46,069	107,556	152,223	227,003	444,663
Nonperforming loans/total loans <sup>3</sup>	0.05%	0.11%	0.17%	0.28%	0.57%
Cash and marketable investments	34,408,807	31,680,712	27,788,225	23,089,548	19,908,823
Capital/assets <sup>4</sup>	5.43%	5.65%	6.20%	6.79%	6.89%
Unallocated retained earnings/assets	2.69%	2.95%	3.28%	3.54%	3.49%
Net income	987,109	845,191	740,785	733,012	613,401
Return on assets <sup>5</sup>	0.60%	0.60%	0.61%	0.68%	0.68%
Return on equity <sup>5</sup>	10.65%	10.24%	9.48%	9.82%	9.85%
Net interest margin	0.83%	0.80%	0.84%	0.92%	0.99%
Operating expense rate <sup>6</sup>	0.30%	0.33%	0.33%	0.36%	0.33%
<b>FCS Associations</b>					
Gross loan volume	105,620,553	93,413,704	83,253,781	75,619,681	70,897,369
Accruing restructured loans	47,212	51,384	53,885	68,439	83,075
Accrual loans 90 days or more past due	43,840	19,504	13,156	15,375	20,742
Nonaccrual loans	465,479	425,545	371,703	419,312	607,351
Nonperforming loans/gross loans <sup>2</sup>	0.53%	0.53%	0.53%	0.67%	1.00%
Capital/assets <sup>7</sup>	15.57%	16.27%	17.19%	17.72%	16.34%
Unallocated retained earnings/assets	13.60%	13.89%	14.79%	15.28%	13.96%
Net income	1,935,530	1,662,255	1,613,346	2,420,251	1,341,261
Return on assets <sup>5</sup>	1.74%	1.75%	1.85%	3.10%	1.83%
Return on equity <sup>5</sup>	10.82%	10.44%	10.55%	18.22%	11.10%
Net interest margin	2.57%	2.64%	2.71%	2.72%	2.72%
Operating expense rate <sup>6</sup>	1.49%	1.58%	1.53%	1.58%	1.56%
<b>Total Farm Credit System<sup>8</sup></b>					
Gross loan volume	142,906,000	123,436,000	106,272,000	96,367,000	92,790,000
Nonperforming loans	621,000	615,000	600,000	743,000	1,186,000
Nonaccrual loans	512,000	533,000	524,000	646,000	1,049,000
Nonperforming loans/gross loans <sup>3</sup>	0.43%	0.50%	0.56%	0.77%	1.28%
Bonds and notes	155,295,000	134,466,000	113,576,000	100,330,000	95,310,000
Capital/assets <sup>9</sup>	14.17%	15.00%	16.28%	17.13%	16.19%
Surplus/assets	11.52%	12.25%	13.30%	13.69%	12.68%
Net income	2,702,000	2,379,000	2,096,000	2,993,000	1,825,000
Return on assets <sup>5</sup>	1.53%	1.56%	1.58%	2.46%	1.60%
Return on equity <sup>5</sup>	10.37%	9.99%	9.38%	14.85%	10.11%
Net interest margin	2.43%	2.48%	2.58%	2.56%	2.65%

Sources: Farm Credit System Call Reports as of December 31 and the Farm Credit System Annual Information Statements provided by the Federal Farm Credit Banks Funding Corporation.

1. Includes Farm Credit Banks and the Agricultural Credit Bank.

2. Excludes loans 90 days or more past due.

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

4. Capital excludes mandatorily redeemable preferred stock.

5. Income ratios are annualized.

6. Operating expenses divided by average gross loans, annualized.

7. Capital excludes protected borrower capital.

8. Cannot be derived through summation of above categories because of intradistrict and intra-System eliminations used in reports to investors.

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