

Farm Credit System Major Financial Indicators, Quarterly Comparison

Dollars in Thousands

	31-Mar-08	31-Dec-07	30-Sep-07	30-Jun-07	31-Mar-07
FCS Banks¹					
Gross loan volume	140,870,778	131,191,826	123,733,289	118,288,532	115,570,490
Accruing restructured loans ²	3,937	4,301	4,467	4,355	4,725
Accrual loans 90 days or more past due	6,757	12,917	6,903	33,071	6,031
Nonaccrual loans	122,415	46,069	44,438	38,882	76,915
Nonperforming loans/total loans ³	0.09%	0.05%	0.05%	0.06%	0.08%
Cash and marketable investments	34,679,240	34,408,807	35,397,344	34,127,771	32,332,418
Capital/assets ⁴	5.10%	5.43%	5.68%	5.81%	5.77%
Unallocated retained earnings/assets	2.63%	2.69%	2.88%	2.93%	2.95%
Net income	316,949	255,085	256,521	241,950	228,132
Return on assets ⁵	0.73%	0.60%	0.62%	0.63%	0.62%
Return on equity ⁵	13.69%	10.59%	10.70%	10.82%	11.05%
Net interest margin	0.97%	0.83%	0.85%	0.86%	0.87%
Operating expense rate ⁶	0.29%	0.30%	0.30%	0.30%	0.30%
FCS Associations					
Gross loan volume	108,568,071	105,620,488	101,861,098	98,624,199	95,219,904
Accruing restructured loans	42,982	47,212	46,484	48,219	49,281
Accrual loans 90 days or more past due	85,440	43,840	51,596	57,462	39,925
Nonaccrual loans	544,458	465,414	429,135	430,811	393,251
Nonperforming loans/gross loans ²	0.62%	0.53%	0.52%	0.54%	0.51%
Capital/assets ⁷	15.62%	15.57%	16.02%	16.17%	16.46%
Unallocated retained earnings/assets	13.62%	13.58%	14.11%	14.19%	14.38%
Net income	487,092	529,828	507,269	431,412	466,459
Return on assets ⁵	1.71%	1.74%	1.74%	1.74%	1.88%
Return on equity ⁵	10.86%	10.82%	10.76%	10.60%	11.37%
Net interest margin	2.63%	2.57%	2.64%	2.70%	2.78%
Operating expense rate ⁶	1.41%	1.49%	1.46%	1.48%	1.50%
Total Farm Credit System⁸					
Gross loan volume	152,932,000	142,906,000	135,070,000	129,518,000	127,183,000
Nonperforming loans	813,000	621,000	577,000	613,000	570,000
Nonaccrual loans	667,000	512,000	469,000	469,000	470,000
Nonperforming loans/gross loans ³	0.53%	0.43%	0.43%	0.47%	0.45%
Bonds and notes	165,914,000	155,295,000	146,805,000	141,266,000	138,320,000
Capital/assets ⁹	13.58%	14.17%	14.81%	15.08%	15.10%
Surplus/assets	11.14%	11.52%	11.90%	12.10%	12.21%
Net income	760,000	687,000	727,000	640,000	654,000
Return on assets ⁵	1.56%	1.53%	1.56%	1.54%	1.59%
Return on equity ⁵	11.49%	10.38%	10.42%	10.19%	10.51%
Net interest margin	2.44%	2.43%	2.45%	2.44%	2.43%

Sources: Farm Credit System Call Report as of March 31, 2008, 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. 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.