

## Farm Credit System Major Financial Indicators, Quarterly Comparison

Dollars in Thousands

	31-Dec-08	30-Sep-08	30-Jun-08	31-Mar-08	31-Dec-07
<b>FCS Banks<sup>1</sup></b>					
Gross loan volume	149,491,137	146,491,168	150,518,020	140,870,778	131,191,826
Accruing restructured loans <sup>2</sup>	5,125	5,195	5,194	3,937	4,301
Accrual loans 90 days or more past due	21,594	3,535	6,523	6,757	12,917
Nonaccrual loans	582,160	173,470	141,732	122,415	46,069
Nonperforming loans/total loans <sup>3</sup>	0.41%	0.12%	0.10%	0.09%	0.05%
Cash and marketable investments	41,358,881	39,398,216	36,721,197	34,679,240	34,408,807
Capital/assets <sup>4</sup>	4.89%	5.12%	5.01%	5.10%	5.43%
Unallocated retained earnings/assets	2.50%	2.68%	2.56%	2.63%	2.69%
Net income	227,444	344,389	342,648	316,949	255,085
Return on assets <sup>5</sup>	0.65%	0.72%	0.73%	0.73%	0.60%
Return on equity <sup>5</sup>	12.44%	13.80%	14.39%	13.69%	10.59%
Net interest margin	0.97%	0.97%	0.97%	0.97%	0.83%
Operating expense rate <sup>6</sup>	0.31%	0.29%	0.28%	0.29%	0.30%
<b>FCS Associations</b>					
Gross loan volume	114,026,858	113,694,990	110,176,657	108,568,071	105,620,488
Accruing restructured loans	30,381	34,677	38,549	42,982	47,212
Accrual loans 90 days or more past due	70,622	49,795	63,846	85,440	43,840
Nonaccrual loans	1,699,245	772,796	627,690	544,457	465,414
Nonperforming loans/gross loans <sup>3</sup>	1.58%	0.75%	0.66%	0.62%	0.53%
Capital/assets <sup>7</sup>	15.47%	15.54%	15.66%	15.62%	15.57%
Unallocated retained earnings/assets	13.52%	13.69%	13.74%	13.62%	13.58%
Net income	387,996	541,025	507,674	487,092	529,828
Return on assets <sup>5</sup>	1.57%	1.70%	1.69%	1.71%	1.74%
Return on equity <sup>5</sup>	9.86%	10.85%	10.82%	10.86%	10.82%
Net interest margin	2.49%	2.50%	2.53%	2.63%	2.57%
Operating expense rate <sup>6</sup>	1.45%	1.40%	1.41%	1.41%	1.49%
<b>Total Farm Credit System<sup>8</sup></b>					
Gross loan volume	161,423,000	158,063,000	162,062,000	152,932,000	142,906,000
Nonperforming loans	2,416,000	1,029,000	884,000	813,000	621,000
Nonaccrual loans	2,282,000	935,000	769,000	667,000	512,000
Nonperforming loans/gross loans <sup>3</sup>	1.50%	0.65%	0.55%	0.53%	0.43%
Bonds and notes	179,769,000	174,576,000	176,228,000	165,914,000	155,295,000
Capital/assets <sup>9</sup>	12.65%	13.44%	13.08%	13.58%	14.17%
Surplus/assets	10.80%	11.14%	10.82%	11.14%	11.52%
Net income	546,000	817,000	793,000	760,000	682,000
Return on assets <sup>5</sup>	1.41%	1.55%	1.54%	1.56%	1.53%
Return on equity <sup>5</sup>	10.70%	11.60%	11.59%	11.49%	10.38%
Net interest margin	2.41%	2.42%	2.43%	2.44%	2.43%

Sources: Farm Credit System Call Report as of December 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.