

Farm Credit System Major Financial Indicators, Annual Comparison

Dollars in Thousands

	30-Sep-12	30-Sep-11	30-Sep-10	30-Sep-09	30-Sep-08
FCS Banks¹					
Total Assets	212,709,699	202,868,279	198,053,705	194,763,576	187,910,991
Gross Loan Volume	167,350,006	154,804,128	154,789,763	149,969,143	146,491,168
Nonaccrual Loans	376,895	543,728	673,488	1,069,924	173,470
Cash and Marketable Investments	42,890,755	45,443,759	40,058,475	41,543,580	39,398,216
Net Income	1,573,036	1,421,243	1,411,770	1,033,373	1,003,986
Nonperforming Loans/Total Loans ²	0.24%	0.38%	0.46%	0.73%	0.12%
Capital/Assets ³	6.72%	6.63%	6.31%	5.49%	5.12%
Unallocated Retained Earnings/Assets	3.36%	3.47%	3.20%	2.82%	2.68%
Return on Assets	0.99%	0.93%	0.97%	0.71%	0.72%
Return on Equity	14.98%	14.20%	15.57%	13.06%	13.80%
Net Interest Margin ⁴	1.26%	1.29%	1.24%	1.15%	0.97%
Operating Expense Ratio ⁵	0.30%	0.29%	0.29%	0.32%	0.29%
Efficiency Ratio ⁶	18.10%	17.27%	14.91%	20.45%	20.92%
Payout Ratio ⁷	35.45%	70.63%	61.98%	71.74%	75.38%
FCS Associations					
Total Assets	143,626,464	133,629,959	130,552,725	127,002,294	122,995,943
Gross Loan Volume	133,308,946	123,621,577	120,698,585	117,659,289	113,694,990
Nonaccrual Loans	2,147,679	2,528,114	2,897,074	3,092,565	772,796
Net Income	2,230,808	1,988,553	1,770,625	1,086,639	1,512,190
Nonperforming Loans/Gross Loans ²	1.81%	2.20%	2.51%	2.74%	0.75%
Capital/Assets ³	18.31%	17.89%	16.83%	15.76%	15.54%
Unallocated Retained Earnings/Assets	17.10%	16.69%	15.40%	14.89%	13.69%
Return on Assets	2.10%	2.00%	1.84%	1.15%	1.70%
Return on Equity	11.42%	11.22%	10.91%	6.98%	10.85%
Net Interest Margin ⁴	2.86%	2.95%	2.80%	2.59%	2.50%
Operating Expense Ratio ⁵	1.40%	1.37%	1.34%	1.47%	1.40%
Efficiency Ratio ⁶	36.99%	36.19%	35.83%	41.20%	39.73%
Payout Ratio ⁷	30.86%	31.15%	18.79%	36.85%	31.24%
Total Farm Credit System⁸					
Gross Loan Volume	185,409,000	170,615,000	168,484,000	162,186,000	158,063,000
Bonds and Notes	194,121,000	184,496,000	179,873,000	178,473,000	174,576,000
Nonperforming Loans	2,832,000	3,315,000	3,741,000	4,299,000	1,029,000
Nonaccrual Loans	2,522,000	3,071,000	3,561,000	4,132,000	935,000
Net Income	3,158,000	2,994,000	2,633,000	2,018,000	2,370,000
Nonperforming Loans/Gross Loans ²	1.53%	1.94%	2.22%	2.65%	0.65%
Capital/Assets ³	16.07%	15.78%	14.98%	13.61%	13.44%
Surplus/Assets	13.20%	12.93%	12.18%	11.40%	11.14%
Return on Assets	1.79%	1.74%	1.62%	1.25%	1.55%
Return on Equity	11.25%	11.42%	11.04%	9.45%	11.60%
Net Interest Margin ⁴	2.90%	2.85%	2.81%	2.59%	2.42%

Sources: FCA's Consolidated Reporting System as of September 30, 2012, and the Farm Credit System Quarterly Information Statement 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 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) and excludes mandatorily redeemable preferred stock and protected borrower capital.

⁴ 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.

⁵ Operating expenses divided by average gross loans.

⁶ 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.

⁷ The percentage of earnings paid out in dividends to shareholders.

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