

Farm Credit System Major Financial Indicators, Annual Comparison

Dollars in Thousands

At and for the 12 months ended	30-Sep-16	30-Sep-15	30-Sep-14	30-Sep-13	30-Sep-12
FCS Banks¹					
Total Assets	276,743,793	256,039,212	238,410,097	223,194,713	212,709,699
Gross Loan Volume	213,870,566	200,375,304	183,842,705	173,449,045	167,350,006
Nonaccrual Loans	235,833	229,657	203,977	313,438	376,895
Cash and Marketable Investments	60,991,959	53,839,933	52,661,738	47,801,766	42,890,755
Net Income	1,497,011	1,461,623	1,539,339	1,539,770	1,573,036
Nonperforming Loans/Total Loans ²	0.15%	0.13%	0.14%	0.20%	0.24%
Capital/Assets ³	6.55%	6.62%	6.67%	6.82%	6.72%
Unallocated Retained Earnings/Assets	3.59%	3.64%	3.64%	3.58%	3.36%
Return on Assets	0.72%	0.78%	0.88%	0.93%	0.99%
Return on Equity	11.07%	11.64%	13.04%	13.74%	14.98%
Net Interest Margin ⁴	0.97%	1.01%	1.07%	1.18%	1.26%
Operating Expense Ratio ⁵	0.33%	0.33%	0.32%	0.31%	0.30%
Efficiency Ratio ⁶	24.82%	23.34%	21.00%	20.21%	18.10%
Payout Ratio ⁷					
FCS Associations					
Total Assets	186,521,343	174,179,683	161,658,236	152,948,421	143,626,464
Gross Loan Volume	176,322,614	164,473,779	152,077,714	142,807,203	133,308,946
Nonaccrual Loans	1,342,915	1,172,065	1,183,348	1,625,413	2,147,679
Net Income	2,390,763	2,338,030	2,406,486	2,301,611	2,233,239
Nonperforming Loans/Gross Loans ²	0.94%	0.89%	0.98%	1.33%	1.81%
Capital/Assets ³	19.14%	19.24%	19.33%	18.70%	18.31%
Unallocated Retained Earnings/Assets	17.71%	17.82%	17.86%	17.48%	17.10%
Return on Assets	1.73%	1.82%	2.02%	2.04%	2.10%
Return on Equity	9.01%	9.40%	10.42%	10.89%	11.44%
Net Interest Margin ⁴	2.67%	2.72%	2.81%	2.84%	2.86%
Operating Expense Ratio ⁵	1.45%	1.48%	1.44%	1.43%	1.40%
Efficiency Ratio ⁶	41.92%	40.59%	39.15%	37.84%	36.80%
Payout Ratio ⁷					
Total Farm Credit System⁸					
Total Assets	314,361,000	291,641,000	271,324,000	252,880,000	239,741,000
Gross Loan Volume	242,124,000	226,844,000	208,051,000	194,211,000	185,409,000
Bonds and Notes	255,261,000	234,744,000	218,523,000	204,063,000	194,121,000
Nonperforming Loans	1,975,000	1,724,000	1,764,000	2,238,000	2,832,000
Nonaccrual Loans	1,573,000	1,399,000	1,417,000	1,928,000	2,522,000
Net Income	3,589,000	3,481,000	3,569,000	3,499,000	3,158,000
Nonperforming Loans/Gross Loans ²	0.82%	0.76%	0.85%	1.15%	1.53%
Capital/Assets ³	16.67%	16.76%	16.89%	16.51%	16.07%
Surplus/Assets	13.67%	13.83%	13.84%	13.73%	13.20%
Return on Assets	1.54%	1.64%	1.79%	1.87%	1.79%
Return on Equity	9.36%	9.73%	10.67%	11.51%	11.25%
Net Interest Margin ⁴	2.47%	2.57%	2.65%	2.78%	2.90%

Sources: FCA's Consolidated Reporting System as of September 30, 2016, and the Farm Credit System Quarterly Information Statement provided by the Federal Farm Credit Banks Funding Corporation.

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. This ratio is only valid at December 31.

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