

The Cooperative Finance Association, Inc.  
Fiscal 2004 First Quarter Report  
Unaudited (in thousands)

\*

| <u>Balance Sheets As Of:</u>          | <u>11/30/2003</u> | <u>8/31/2002</u> | <u>11/30/2002</u> |
|---------------------------------------|-------------------|------------------|-------------------|
| Loans                                 | \$211,394         | \$182,667        | \$192,765         |
| Less allowance for loan losses        | (4,507)           | (4,307)          | (4,188)           |
| Net loans                             | 206,887           | 178,360          | 188,577           |
| Cash                                  | 345               | 147              | 733               |
| Accrued interest receivable           | 2,081             | 2,181            | 1,654             |
| Investments in cooperatives           | 9,536             | 9,536            | 9,129             |
| Other assets                          | 930               | 431              | 352               |
| Total assets                          | <u>\$219,779</u>  | <u>\$190,655</u> | <u>\$200,445</u>  |
| Credit facility                       | \$178,700         | \$148,000        | \$160,300         |
| Notes payable                         | 0                 | 0                | 0                 |
| Commercial paper                      | 760               | 681              | 650               |
| Accrued interest payable              | 348               | 329              | 379               |
| Other liabilities                     | 1,740             | 3,214            | 1,513             |
| Total liabilities                     | 181,548           | 152,224          | 162,842           |
| Members' equity                       | 38,231            | 38,431           | 37,603            |
| Total liabilities and members' equity | <u>\$219,779</u>  | <u>\$190,655</u> | <u>\$200,445</u>  |

\* after patronage

| <u>Operating Statements</u>         | <u>Budget</u>     |                   |                   |
|-------------------------------------|-------------------|-------------------|-------------------|
| <u>Fiscal Year to Date Through:</u> | <u>11/30/2003</u> | <u>11/30/2003</u> | <u>11/30/2002</u> |
| Interest income                     | \$2,499           | \$2,217           | \$2,414           |
| Interest expense                    | (1,087)           | (1,011)           | (1,190)           |
| Net interest income from portfolio  | 1,412             | 1,206             | 1,224             |
| Provision for loan losses           | (90)              | (90)              | (60)              |
| Other income                        | 50                | 47                | 12                |
| Operating income                    | <u>1,372</u>      | <u>1,163</u>      | <u>1,176</u>      |
| Employee costs                      | (555)             | (608)             | (491)             |
| Professional expenses               | (75)              | (95)              | (106)             |
| Administrative expenses             | (64)              | (76)              | (80)              |
| Customer relations costs            | (58)              | (80)              | (37)              |
| Other operating expense             | (19)              | (29)              | (11)              |
| Operating expense                   | <u>(771)</u>      | <u>(888)</u>      | <u>(725)</u>      |
| Net operating income                | 601               | 275               | 451               |
| Patronage refunds                   | 0                 | 0                 | 0                 |
| Taxes and other adjustments         | (5)               | (7)               | 0                 |
| Net income                          | <u>\$596</u>      | <u>\$268</u>      | <u>\$451</u>      |

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| <u>Balance Sheets As Of:</u>          | *                |                  |                  |
|---------------------------------------|------------------|------------------|------------------|
|                                       | <u>2/29/2004</u> | <u>8/31/2003</u> | <u>2/28/2003</u> |
| Loans                                 | \$201,008        | \$182,667        | \$208,346        |
| Less allowance for loan losses        | (4,592)          | (4,307)          | (4,206)          |
| Net loans                             | 196,416          | 178,360          | 204,140          |
| Cash                                  | 1,112            | 147              | 287              |
| Accrued interest receivable           | 988              | 2,181            | 979              |
| Investments in cooperatives           | 9,536            | 9,536            | 9,129            |
| Other assets                          | 636              | 431              | 535              |
| Total assets                          | \$208,688        | \$190,655        | \$215,070        |
| Credit facility                       | \$165,900        | \$148,000        | \$173,300        |
| Notes payable                         | 0                | 0                | 0                |
| Commercial paper                      | 950              | 681              | 425              |
| Accrued interest payable              | 306              | 329              | 322              |
| Other liabilities                     | 2,944            | 3,214            | 3,105            |
| Total liabilities                     | 170,100          | 152,224          | 177,152          |
| Members' equity                       | 38,588           | 38,431           | 37,918           |
| Total liabilities and members' equity | \$208,688        | \$190,655        | \$215,070        |

\* after patronage

| <u>Operating Statements</u><br><u>Fiscal Year to Date Through:</u> | Budget           |                  |                  |
|--|------------------|------------------|------------------|
|  | <u>2/29/2004</u> | <u>2/29/2004</u> | <u>2/28/2003</u> |
| Interest income  | \$4,812          | \$4,427          | \$4,709          |
| Interest expense   | (2,247)          | (2,074)          | (2,377)          |
| Net interest income from portfolio                                 | 2,565            | 2,353            | 2,332            |
| Provision for loan losses  | (180)            | (180)            | (120)            |
| Other income   | 175              | 165              | 81               |
| Operating income   | 2,560            | 2,338            | 2,293            |
| Employee costs   | (1,163)          | (1,196)          | (1,032)          |
| Professional expenses  | (150)            | (211)            | (205)            |
| Administrative expenses  | (120)            | (150)            | (158)            |
| Customer relations costs   | (109)            | (157)            | (109)            |
| Other operating expense  | (57)             | (74)             | (36)             |
| Operating expense  | (1,599)          | (1,788)          | (1,540)          |
| Net operating income   | 961              | 550              | 753              |
| Patronage refunds  | 0                | 0                | 0                |
| Taxes and other adjustments  | (11)             | (15)             | 3                |
| Net income   | \$950            | \$535            | \$756            |

The Cooperative Finance Association, Inc.  
Fiscal 2004 Third Quarter Report  
Unaudited (in thousands)

| <u>Balance Sheets As Of:</u>          | *                |                  |                  |
|---------------------------------------|------------------|------------------|------------------|
|                                       | <u>5/31/2004</u> | <u>8/31/2003</u> | <u>5/31/2003</u> |
| Loans                                 | \$231,315        | \$182,667        | \$214,245        |
| Less allowance for loan losses        | (4,682)          | (4,307)          | (4,299)          |
| Net loans                             | 226,633          | 178,360          | 209,946          |
| Cash                                  | 225              | 147              | 336              |
| Accrued interest receivable           | 1,482            | 2,181            | 1,489            |
| Investments in cooperatives           | 9,909            | 9,536            | 9,536            |
| Other assets                          | 543              | 431              | 615              |
| Total assets                          | \$238,792        | \$190,655        | \$221,922        |
| Credit facility                       | \$194,300        | \$148,000        | \$177,400        |
| Notes payable                         | 0                | 0                | 0                |
| Commercial paper                      | 950              | 681              | 681              |
| Accrued interest payable              | 410              | 329              | 399              |
| Other liabilities                     | 3,254            | 3,214            | 4,135            |
| Total liabilities                     | 198,914          | 152,224          | 182,615          |
| Members' equity                       | 39,878           | 38,431           | 39,307           |
| Total liabilities and members' equity | \$238,792        | \$190,655        | \$221,922        |

\* after patronage

| <u>Operating Statements</u><br><u>Fiscal Year to Date Through:</u> | Budget           |                  |                  |
|--|------------------|------------------|------------------|
|  | <u>5/31/2004</u> | <u>5/31/2004</u> | <u>5/31/2003</u> |
| Interest income  | \$7,377          | \$6,838          | \$7,312          |
| Interest expense   | (3,487)          | (3,217)          | (3,627)          |
| Net interest income from portfolio                                 | 3,890            | 3,621            | 3,685            |
| Provision for loan losses  | (270)            | (270)            | (180)            |
| Other income   | 289              | 285              | 183              |
| Operating income   | 3,909            | 3,636            | 3,688            |
| Employee costs   | (1,802)          | (1,812)          | (1,625)          |
| Professional expenses  | (232)            | (329)            | (279)            |
| Administrative expenses  | (178)            | (221)            | (238)            |
| Customer relations costs   | (154)            | (218)            | (153)            |
| Other operating expense  | (99)             | (123)            | (73)             |
| Operating expense  | (2,465)          | (2,703)          | (2,368)          |
| Net operating income   | 1,444            | 933              | 1,320            |
| Patronage refunds  | 814              | 800              | 815              |
| Taxes and other adjustments  | (26)             | (22)             | 7                |
| Net income   | \$2,232          | \$1,711          | \$2,142          |

**The Cooperative Finance Association, Inc.**  
**Fiscal 2004 Fourth Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | #                  | *                 | #                |
|---------------------------------------|--------------------|-------------------|------------------|
|                                       | 8/31/2004          | 8/31/2003         | 8/31/2003        |
| Loans                                 | \$207,389          | \$182,667         | \$182,667        |
| Less allowance for loan losses        | (4,575)            | (4,307)           | (4,307)          |
| Net loans                             | 202,814            | 178,360           | 178,360          |
| Cash                                  | 462                | 147               | 147              |
| Accrued interest receivable           | 2,638              | 2,181             | 2,181            |
| Investments in cooperatives           | 9,874              | 9,536             | 9,536            |
| Other assets                          | 417                | 431               | 431              |
| Total assets                          | <u>\$216,205</u>   | <u>\$190,655</u>  | <u>\$190,655</u> |
| <br>                                  |                    |                   |                  |
| Credit facility                       | \$173,400          | \$148,000         | \$148,000        |
| Notes payable                         | 0                  | 0                 | 0                |
| Commercial paper                      | 400                | 681               | 681              |
| Accrued interest payable              | 490                | 329               | 329              |
| Other liabilities                     | 1,425              | 3,214             | 1,817            |
| Total liabilities                     | 175,715            | 152,224           | 150,827          |
| Members' equity                       | 40,490             | 38,431            | 39,828           |
| Total liabilities and members' equity | <u>\$216,205</u>   | <u>\$190,655</u>  | <u>\$190,655</u> |
|                                       | # before patronage | * after patronage |                  |
| <br>                                  |                    |                   |                  |
| Operating Statements                  |                    | Budget            |                  |
| <u>Fiscal Year to Date Through:</u>   | 8/31/2004          | 8/31/2004         | 8/31/2003        |
| Interest income                       | \$10,245           | \$9,250           | \$9,850          |
| Interest expense                      | (4,866)            | (4,305)           | (4,797)          |
| Net interest income from portfolio    | 5,379              | 4,945             | 5,053            |
| <br>                                  |                    |                   |                  |
| Provision for loan losses             | (360)              | (360)             | (300)            |
| Other income                          | 326                | 334               | 271              |
| Operating income                      | 5,345              | 4,919             | 5,024            |
| <br>                                  |                    |                   |                  |
| Employee costs                        | (2,394)            | (2,416)           | (2,220)          |
| Professional expenses                 | (307)              | (436)             | (353)            |
| Administrative expenses               | (236)              | (291)             | (303)            |
| Customer relations costs              | (208)              | (284)             | (204)            |
| Other operating expense               | (124)              | (152)             | (95)             |
| Operating expense                     | (3,269)            | (3,579)           | (3,175)          |
| Net operating income                  | 2,076              | 1,340             | 1,849            |
| <br>                                  |                    |                   |                  |
| Patronage refunds                     | 814                | 800               | 815              |
| Taxes and other adjustments           | (45)               | (30)              | (3)              |
| Net income                            | <u>\$2,845</u>     | <u>\$2,110</u>    | <u>\$2,661</u>   |