

## VI.

**The Cooperative Finance Association, Inc.**  
**Fiscal 2011 First Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | <u>11/30/2010</u> | <u>8/31/2010</u>             | <u>11/30/2009</u> |
|---------------------------------------|-------------------|------------------------------|-------------------|
|                                       | *                 |                              |                   |
| Loans                                 | \$279,108         | \$256,722                    | \$211,117         |
| Less allowance for loan losses        | (2,910)           | (2,586)                      | (2,782)           |
| Net loans                             | 276,198           | 254,136                      | 208,335           |
| Cash                                  | 1,773             | 431                          | 2,399             |
| Accrued interest receivable           | 3,634             | 3,380                        | 3,655             |
| Investments in cooperatives           | 7,707             | 7,707                        | 9,158             |
| Other assets                          | 545               | 497                          | 617               |
| Total assets                          | <u>\$289,857</u>  | <u>\$266,151</u>             | <u>\$224,164</u>  |
| Credit facility                       | \$234,200         | \$212,400                    | \$170,800         |
| Notes payable                         | 0                 | 0                            | 0                 |
| Commercial paper                      | 0                 | 0                            | 0                 |
| Accrued interest payable              | 258               | 266                          | 208               |
| Other liabilities                     | 5,008             | 4,422                        | 3,948             |
| Total liabilities                     | 239,466           | 217,088                      | 174,956           |
| Members' equity                       | 50,391            | 49,063                       | 49,208            |
| Total liabilities and members' equity | <u>\$289,857</u>  | <u>\$266,151</u>             | <u>\$224,164</u>  |
|                                       | * after patronage |                              |                   |
| <b>Operating Statements</b>           |                   |                              |                   |
| <u>Fiscal Year to Date Through:</u>   | <u>11/30/2010</u> | <u>Budget<br/>11/30/2010</u> | <u>11/30/2009</u> |
| Interest income                       | \$3,120           | \$2,845                      | \$2,320           |
| Interest expense                      | (815)             | (875)                        | (639)             |
| Net interest income from portfolio    | 2,305             | 1,970                        | 1,681             |
| Provision for loan losses             | (105)             | (105)                        | (60)              |
| Other income                          | 139               | 79                           | 85                |
| Operating income                      | <u>2,339</u>      | <u>1,944</u>                 | <u>1,706</u>      |
| Employee costs                        | (725)             | (745)                        | (682)             |
| Professional expenses                 | (79)              | (70)                         | (47)              |
| Administrative expenses               | (82)              | (86)                         | (78)              |
| Customer relations costs              | (42)              | (51)                         | (34)              |
| Other operating expense               | (59)              | (47)                         | (68)              |
| Operating expense                     | <u>(987)</u>      | <u>(999)</u>                 | <u>(909)</u>      |
| Net operating income                  | 1,352             | 945                          | 797               |
| Patronage refunds/other adjustments   | 0                 | 0                            | 0                 |
| Income taxes                          | (24)              | (24)                         | (4)               |
| Net income                            | <u>\$1,328</u>    | <u>\$921</u>                 | <u>\$793</u>      |

## VI.

**The Cooperative Finance Association, Inc.**  
**Fiscal 2011 Second Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | <u>2/28/2011</u> | <u>8/31/2010</u>            | <u>2/28/2010</u> |
|---------------------------------------|------------------|-----------------------------|------------------|
|                                       |                  | *                           |                  |
| Loans                                 | \$280,290        | \$256,722                   | \$196,181        |
| Less allowance for loan losses        | (3,023)          | (2,586)                     | (2,943)          |
| Net loans                             | 277,267          | 254,136                     | 193,238          |
| Cash                                  | 1,988            | 431                         | 1,286            |
| Accrued interest receivable           | 2,413            | 3,380                       | 2,061            |
| Investments in cooperatives           | 7,707            | 7,707                       | 9,158            |
| Other assets                          | 535              | 497                         | 573              |
| Total assets                          | <u>\$289,910</u> | <u>\$266,151</u>            | <u>\$206,316</u> |
| Credit facility                       | \$234,600        | \$212,400                   | \$153,200        |
| Notes payable                         | 0                | 0                           | 0                |
| Commercial paper                      | 0                | 0                           | 0                |
| Accrued interest payable              | 244              | 266                         | 181              |
| Other liabilities                     | 3,519            | 4,422                       | 3,964            |
| Total liabilities                     | 238,363          | 217,088                     | 157,345          |
| Members' equity                       | 51,547           | 49,063                      | 48,971           |
| Total liabilities and members' equity | <u>\$289,910</u> | <u>\$266,151</u>            | <u>\$206,316</u> |
|                                       |                  | * after patronage           |                  |
| <b>Operating Statements</b>           |                  |                             |                  |
| <u>Fiscal Year to Date Through:</u>   | <u>2/28/2011</u> | <u>Budget<br/>2/28/2011</u> | <u>2/28/2010</u> |
| Interest income                       | \$6,180          | \$5,683                     | \$4,563          |
| Interest expense                      | (1,655)          | (1,797)                     | (1,246)          |
| Net interest income from portfolio    | 4,525            | 3,886                       | 3,317            |
| Provision for loan losses             | (210)            | (210)                       | (120)            |
| Other income                          | 304              | 227                         | 252              |
| Operating income                      | 4,619            | 3,903                       | 3,449            |
| Employee costs                        | (1,500)          | (1,495)                     | (1,384)          |
| Professional expenses                 | (196)            | (157)                       | (140)            |
| Administrative expenses               | (166)            | (168)                       | (158)            |
| Customer relations costs              | (86)             | (103)                       | (67)             |
| Other operating expense               | (147)            | (112)                       | (146)            |
| Operating expense                     | (2,095)          | (2,035)                     | (1,895)          |
| Net operating income                  | 2,524            | 1,868                       | 1,554            |
| Patronage refunds/other adjustments   | 0                | 0                           | 0                |
| Income taxes                          | (48)             | (48)                        | (9)              |
| Net income                            | <u>\$2,476</u>   | <u>\$1,820</u>              | <u>\$1,545</u>   |

**The Cooperative Finance Association, Inc.**  
**Fiscal 2011 Third Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | <u>5/31/2011</u> | <u>8/31/2010</u>  | <u>5/31/2010</u> |
|---------------------------------------|------------------|-------------------|------------------|
|                                       |                  | *                 |                  |
| Loans                                 | \$303,741        | \$256,722         | \$209,584        |
| Less allowance for loan losses        | (3,052)          | (2,586)           | (2,930)          |
| Net loans                             | 300,689          | 254,136           | 206,654          |
| Cash                                  | 261              | 431               | 4,434            |
| Accrued interest receivable           | 3,129            | 3,380             | 2,034            |
| Investments in cooperatives           | 7,527            | 7,707             | 7,707            |
| Other assets                          | 473              | 497               | 532              |
| Total assets                          | <u>\$312,079</u> | <u>\$266,151</u>  | <u>\$221,361</u> |
| Credit facility                       | \$255,900        | \$212,400         | \$168,800        |
| Notes payable                         | 0                | 0                 | 0                |
| Commercial paper                      | 0                | 0                 | 0                |
| Accrued interest payable              | 281              | 266               | 224              |
| Other liabilities                     | 2,493            | 4,422             | 1,821            |
| Total liabilities                     | 258,674          | 217,088           | 170,845          |
| Members' equity                       | 53,405           | 49,063            | 50,516           |
| Total liabilities and members' equity | <u>\$312,079</u> | <u>\$266,151</u>  | <u>\$221,361</u> |
|                                       |                  | * after patronage |                  |
| <u>Operating Statements</u>           |                  | <u>Budget</u>     |                  |
| <u>Fiscal Year to Date Through:</u>   | <u>5/31/2011</u> | <u>5/31/2011</u>  | <u>5/31/2010</u> |
| Interest income                       | \$9,324          | \$8,280           | \$6,860          |
| Interest expense                      | (2,500)          | (2,629)           | (1,840)          |
| Net interest income from portfolio    | 6,824            | 5,651             | 5,020            |
| Provision for loan losses             | (315)            | (315)             | (60)             |
| Other income                          | 413              | 386               | 388              |
| Operating income                      | 6,922            | 5,722             | 5,348            |
| Employee costs                        | (2,351)          | (2,262)           | (2,155)          |
| Professional expenses                 | (358)            | (220)             | (195)            |
| Administrative expenses               | (250)            | (249)             | (236)            |
| Customer relations costs              | (113)            | (151)             | (104)            |
| Other operating expense               | (200)            | (181)             | (197)            |
| Operating expense                     | (3,272)          | (3,063)           | (2,887)          |
| Net operating income                  | 3,650            | 2,659             | 2,461            |
| Patronage refunds/other adjustments   | 768              | 680               | 684              |
| Income taxes                          | (89)             | (72)              | (54)             |
| Net income                            | <u>\$4,329</u>   | <u>\$3,267</u>    | <u>\$3,091</u>   |

**The Cooperative Finance Association, Inc.**  
**Fiscal 2011 Fourth Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | #<br>8/31/2011     | *<br>8/31/2010      | #<br>8/31/2010   |
|---------------------------------------|--------------------|---------------------|------------------|
| Loans                                 | \$277,028          | \$256,722           | \$256,722        |
| Less allowance for loan losses        | (2,723)            | (2,586)             | (2,586)          |
| Net loans                             | 274,305            | 254,136             | 254,136          |
| Cash                                  | 136                | 431                 | 431              |
| Accrued interest receivable           | 4,353              | 3,380               | 3,380            |
| Investments in cooperatives           | 7,527              | 7,707               | 7,707            |
| Other assets                          | 550                | 497                 | 497              |
| Total assets                          | <u>\$286,871</u>   | <u>\$266,151</u>    | <u>\$266,151</u> |
| Credit facility                       | \$230,400          | \$212,400           | \$212,400        |
| Notes payable                         | 0                  | 0                   | 0                |
| Commercial paper                      | 0                  | 0                   | 0                |
| Accrued interest payable              | 242                | 266                 | 266              |
| Other liabilities                     | 1,974              | 4,422               | 2,043            |
| Total liabilities                     | 232,616            | 217,088             | 214,709          |
| Members' equity                       | 54,255             | 49,063              | 51,442           |
| Total liabilities and members' equity | <u>\$286,871</u>   | <u>\$266,151</u>    | <u>\$266,151</u> |
|                                       | # before patronage | * after patronage   |                  |
| <b>Operating Statements</b>           |                    |                     |                  |
| <u>Fiscal Year to Date Through:</u>   | 8/31/2011          | Budget<br>8/31/2011 | 8/31/2010        |
| Interest income                       | \$12,550           | \$11,307            | \$9,597          |
| Interest expense                      | (3,252)            | (3,541)             | (2,569)          |
| Net interest income from portfolio    | 9,298              | 7,766               | 7,028            |
| Provision for loan losses             | (20)               | (420)               | (120)            |
| Other income                          | 544                | 481                 | 463              |
| Operating income                      | <u>9,822</u>       | <u>7,827</u>        | <u>7,371</u>     |
| Employee costs                        | (3,219)            | (3,030)             | (2,992)          |
| Professional expenses                 | (475)              | (330)               | (293)            |
| Administrative expenses               | (334)              | (330)               | (303)            |
| Customer relations costs              | (162)              | (200)               | (136)            |
| Other operating expense               | (249)              | (235)               | (236)            |
| Operating expense                     | <u>(4,439)</u>     | <u>(4,125)</u>      | <u>(3,960)</u>   |
| Net operating income                  | 5,383              | 3,702               | 3,411            |
| Patronage refunds/other adjustments   | 768                | 680                 | 684              |
| Income taxes                          | (150)              | (96)                | (85)             |
| Net income                            | <u>\$6,001</u>     | <u>\$4,286</u>      | <u>\$4,010</u>   |