

The Cooperative Finance Association, Inc.
Fiscal 2017 Second Quarter Report
Unaudited (in thousands)

<u>Balance Sheets As Of:</u>	<u>2/28/2017</u>	<u>8/31/2016</u>	<u>2/29/2016</u>
Loans	\$288,214	\$343,480	\$254,646
Less allowance for loan losses	(5,560)	(4,980)	(5,593)
Net loans	282,654	338,500	249,053
Cash	724	244	2,547
Accrued interest receivable	3,757	5,694	3,529
Investments in cooperatives	8,949	8,950	8,522
Other assets	1,059	1,168	1,298
Total assets	<u>\$297,143</u>	<u>\$354,556</u>	<u>\$264,949</u>
Credit facility	\$234,100	\$291,500	\$203,800
Commercial paper	0	0	0
Draft clearing and guarantee deposits	4,458	2,328	3,974
Accrued interest payable	462	522	368
Other liabilities	630	4,606	666
Total liabilities	239,650	298,956	208,808
Members' equity	57,493	55,600	56,141
Total liabilities and members' equity	<u>\$297,143</u>	<u>\$354,556</u>	<u>\$264,949</u>

<u>Operating Statements</u>	<u>Budget</u>		
<u>Fiscal Year to Date Through:</u>	<u>2/28/2017</u>	<u>2/28/2017</u>	<u>2/29/2016</u>
Interest income	\$8,019	\$7,893	\$7,294
Interest expense	(3,273)	(3,004)	(2,597)
Net interest income from portfolio	4,746	4,889	4,697
Provision for loan losses	(630)	(630)	(750)
Other income	376	338	359
Operating income	4,492	4,597	4,306
Employee costs	(1,704)	(1,817)	(1,681)
Professional expenses	(281)	(297)	(201)
Administrative expenses	(188)	(186)	(171)
Customer relations costs	(112)	(121)	(99)
Other operating expense	(346)	(332)	(306)
Operating expense	(2,631)	(2,753)	(2,458)
Net operating income	1,861	1,844	1,848
Patronage refunds/other adjustments	68	65	104
Income taxes	(51)	(51)	(84)
Net income	<u>\$1,878</u>	<u>\$1,858</u>	<u>\$1,868</u>