

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

<u>Balance Sheets As Of:</u>	<u>5/31/2017</u>	<u>8/31/2016</u>	<u>5/31/2016</u>
Loans	301,308	343,480	291,929
Less allowance for loan losses	(5,975)	(4,980)	(5,843)
Net loans	295,333	338,500	286,086
Cash	476	244	706
Accrued interest receivable	3,490	5,694	3,071
Investments in cooperatives	9,396	8,950	8,950
Other assets	2,272	1,168	1,256
Total assets	<u>310,967</u>	<u>354,556</u>	<u>300,069</u>
Credit facility	246,500	291,500	235,600
Commercial paper	0	0	0
Draft clearing and guarantee deposits	3,318	2,328	4,643
Accrued interest payable	529	522	415
Other liabilities	733	4,606	695
Total liabilities	251,080	298,956	241,353
Members' equity	59,887	55,600	58,716
Total liabilities and members' equity	<u>310,967</u>	<u>354,556</u>	<u>300,069</u>

<u>Operating Statements</u>	<u>Budget</u>		
<u>Fiscal Year to Date Through:</u>	<u>5/31/2017</u>	<u>5/31/2017</u>	<u>5/31/2016</u>
Interest income	11,530	11,356	10,427
Interest expense	(4,829)	(4,316)	(3,775)
Net interest income from portfolio	6,701	7,040	6,652
Provision for loan losses	(1,040)	(945)	(1,000)
Other income	485	387	454
Operating income	<u>6,146</u>	<u>6,482</u>	<u>6,106</u>
Employee costs	(2,557)	(2,724)	(2,571)
Professional expenses	(528)	(419)	(319)
Administrative expenses	(283)	(280)	(256)
Customer relations costs	(157)	(180)	(139)
Other operating expense	(413)	(407)	(370)
Operating expense	(3,938)	(4,010)	(3,655)
Net operating income	2,208	2,472	2,451
Patronage refunds/other adjustments	2,134	2,165	2,106
Income taxes	(77)	(77)	(126)
Net income	<u>4,265</u>	<u>4,560</u>	<u>4,431</u>