

The Cooperative Finance Association, Inc.
Fiscal 2018 Second Quarter Report
Unaudited (in thousands)

<u>Balance Sheets As Of:</u>	<u>2/28/2018</u>	<u>8/31/2017</u>	<u>2/28/2017</u>
Loans	\$282,027	\$381,830	\$288,214
Less allowance for loan losses	(6,422)	(5,664)	(5,560)
Net loans	<u>275,605</u>	<u>376,166</u>	<u>282,654</u>
Cash	597	510	724
Accrued interest receivable	4,401	6,868	3,757
Investments in cooperatives	9,396	9,396	8,949
Other assets	2,178	2,300	1,059
Total assets	<u>\$292,177</u>	<u>\$395,240</u>	<u>\$297,143</u>
Credit facility	\$229,400	\$330,500	\$234,100
Draft clearing and guarantee deposits	3,352	2,104	4,458
Accrued interest payable	636	787	462
Other liabilities	573	5,346	630
Total liabilities	<u>233,961</u>	<u>338,737</u>	<u>239,650</u>
Members' equity	<u>58,216</u>	<u>56,503</u>	<u>57,493</u>
Total liabilities and members' equity	<u>\$292,177</u>	<u>\$395,240</u>	<u>\$297,143</u>

<u>Operating Statements</u>	<u>Budget</u>		
<u>Fiscal Year to Date Through:</u>	<u>2/28/2018</u>	<u>2/28/2018</u>	<u>2/28/2017</u>
Interest income	\$9,958	\$9,762	\$8,019
Interest expense	(4,737)	(4,772)	(3,273)
Net interest income from portfolio	<u>5,221</u>	<u>4,990</u>	<u>4,746</u>
Provision for loan losses	(800)	(800)	(630)
Other income	326	377	376
Operating income	<u>4,747</u>	<u>4,567</u>	<u>4,492</u>
Employee costs	(1,822)	(1,784)	(1,704)
Professional expenses	(448)	(370)	(281)
Administrative expenses	(192)	(196)	(188)
Customer relations costs	(119)	(121)	(112)
Other operating expense	(390)	(389)	(345)
Operating expense	<u>(2,971)</u>	<u>(2,860)</u>	<u>(2,630)</u>
Net operating income	<u>1,776</u>	<u>1,707</u>	<u>1,862</u>
Patronage refunds/other adjustments	0	0	67
Income taxes	(63)	(63)	(51)
Net income	<u>\$1,713</u>	<u>\$1,644</u>	<u>\$1,878</u>