

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

<u>Balance Sheets As Of:</u>	<u>5/31/2018</u>	<u>8/31/2017</u>	<u>5/31/2017</u>
Loans	306,395	381,830	301,308
Less allowance for loan losses	(6,825)	(5,664)	(5,975)
Net loans	299,570	376,166	295,333
Cash	(101)	510	476
Accrued interest receivable	3,466	6,868	3,490
Investments in cooperatives	9,954	9,396	9,396
Other assets	2,163	2,300	2,272
Total assets	315,052	395,240	310,967
Credit facility	248,500	330,500	246,500
Draft clearing and guarantee deposits	4,355	2,104	3,318
Accrued interest payable	730	787	529
Other liabilities	761	5,346	733
Total liabilities	254,346	338,737	251,080
Members' equity	60,706	56,503	59,887
Total liabilities and members' equity	315,052	395,240	310,967

<u>Operating Statements</u>		<u>Budget</u>	
<u>Fiscal Year to Date Through:</u>	<u>5/31/2018</u>	<u>5/31/2018</u>	<u>5/31/2017</u>
Interest income	13,734	13,794	11,530
Interest expense	(6,746)	(6,752)	(4,829)
Net interest income from portfolio	6,988	7,042	6,701
Provision for loan losses	(1,200)	(1,200)	(1,040)
Other income	569	628	485
Operating income	6,357	6,470	6,146
Employee costs	(2,696)	(2,666)	(2,557)
Professional expenses	(626)	(578)	(528)
Administrative expenses	(292)	(297)	(283)
Customer relations costs	(170)	(179)	(157)
Other operating expense	(600)	(606)	(413)
Operating expense	(4,384)	(4,326)	(3,938)
Net operating income	1,973	2,144	2,208
Patronage refunds	2,320	2,250	2,134
Income taxes	(94)	(95)	(77)
Net income	4,199	4,299	4,265