

## VI.

**The Cooperative Finance Association, Inc.**  
**Fiscal 2015 First Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | 11/30/2014        | 8/31/2014        | 11/30/2013       |
|---------------------------------------|-------------------|------------------|------------------|
|                                       | *                 |                  |                  |
| Loans                                 | \$308,868         | \$311,001        | \$280,773        |
| Less allowance for loan losses        | (3,945)           | (3,780)          | (3,317)          |
| Net loans                             | 304,923           | 307,221          | 277,456          |
| Cash                                  | 1,275             | 496              | 1,549            |
| Accrued interest receivable           | 6,155             | 4,854            | 5,861            |
| Investments in cooperatives           | 8,112             | 8,112            | 7,739            |
| Other assets                          | 1,477             | 1,574            | 1,596            |
| Total assets                          | <u>\$321,942</u>  | <u>\$322,257</u> | <u>\$294,201</u> |
| Credit facility                       | \$255,800         | \$262,600        | \$227,000        |
| Commercial paper                      | 5,034             | 0                | 5,100            |
| Draft clearing and guarantee deposits | 1,954             | 962              | 970              |
| Accrued interest payable              | 377               | 394              | 347              |
| Other liabilities                     | 3,895             | 4,542            | 6,596            |
| Total liabilities                     | 267,060           | 268,498          | 240,013          |
| Members' equity                       | 54,882            | 53,759           | 54,188           |
| Total liabilities and members' equity | <u>\$321,942</u>  | <u>\$322,257</u> | <u>\$294,201</u> |
|                                       | * after patronage |                  |                  |
| <u>Operating Statements</u>           |                   | <u>Budget</u>    |                  |
| <u>Fiscal Year to Date Through:</u>   | 11/30/2014        | 11/30/2014       | 11/30/2013       |
| Interest income                       | \$3,600           | \$3,487          | \$3,417          |
| Interest expense                      | (1,220)           | (1,230)          | (1,129)          |
| Net interest income from portfolio    | 2,380             | 2,257            | 2,288            |
| Provision for loan losses             | (165)             | (165)            | (195)            |
| Other income                          | 142               | 121              | 125              |
| Operating income                      | <u>2,357</u>      | <u>2,213</u>     | <u>2,218</u>     |
| Employee costs                        | (871)             | (865)            | (836)            |
| Professional expenses                 | (64)              | (90)             | (67)             |
| Administrative expenses               | (86)              | (88)             | (82)             |
| Customer relations costs              | (52)              | (52)             | (48)             |
| Other operating expense               | (127)             | (124)            | (94)             |
| Operating expense                     | <u>(1,200)</u>    | <u>(1,219)</u>   | <u>(1,127)</u>   |
| Net operating income                  | 1,157             | 994              | 1,091            |
| Patronage refunds/other adjustments   | 0                 | 0                | 0                |
| Income taxes                          | (36)              | (36)             | (36)             |
| Net income                            | <u>\$1,121</u>    | <u>\$958</u>     | <u>\$1,055</u>   |

## VI.

**The Cooperative Finance Association, Inc.**  
**Fiscal 2015 Second Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | <u>2/28/2015</u> | <u>8/31/2014</u>  | <u>2/28/2014</u> |
|---------------------------------------|------------------|-------------------|------------------|
|                                       |                  | *                 |                  |
| Loans                                 | \$270,695        | \$311,001         | \$260,931        |
| Less allowance for loan losses        | (4,110)          | (3,780)           | (3,407)          |
| Net loans                             | 266,585          | 307,221           | 257,524          |
| Cash                                  | 1,521            | 496               | 975              |
| Accrued interest receivable           | 3,346            | 4,854             | 2,846            |
| Investments in cooperatives           | 8,112            | 8,112             | 7,739            |
| Other assets                          | 1,431            | 1,574             | 1,551            |
| Total assets                          | <u>\$280,995</u> | <u>\$322,257</u>  | <u>\$270,635</u> |
| Credit facility                       | \$220,300        | \$262,600         | \$211,200        |
| Commercial paper                      | 0                | 0                 | 0                |
| Draft clearing and guarantee deposits | 3,819            | 962               | 3,286            |
| Accrued interest payable              | 327              | 394               | 308              |
| Other liabilities                     | 630              | 4,542             | 666              |
| Total liabilities                     | 225,076          | 268,498           | 215,460          |
| Members' equity                       | 55,919           | 53,759            | 55,175           |
| Total liabilities and members' equity | <u>\$280,995</u> | <u>\$322,257</u>  | <u>\$270,635</u> |
|                                       |                  | * after patronage |                  |
| <u>Operating Statements</u>           |                  | <u>Budget</u>     |                  |
| <u>Fiscal Year to Date Through:</u>   | <u>2/28/2015</u> | <u>2/28/2015</u>  | <u>2/28/2014</u> |
| Interest income                       | \$7,028          | \$6,632           | \$6,586          |
| Interest expense                      | (2,420)          | (2,406)           | (2,222)          |
| Net interest income from portfolio    | 4,608            | 4,226             | 4,364            |
| Provision for loan losses             | (330)            | (330)             | (325)            |
| Other income                          | 340              | 321               | 326              |
| Operating income                      | 4,618            | 4,217             | 4,365            |
| Employee costs                        | (1,755)          | (1,742)           | (1,650)          |
| Professional expenses                 | (128)            | (195)             | (168)            |
| Administrative expenses               | (161)            | (172)             | (165)            |
| Customer relations costs              | (106)            | (109)             | (91)             |
| Other operating expense               | (283)            | (283)             | (211)            |
| Operating expense                     | (2,433)          | (2,501)           | (2,285)          |
| Net operating income                  | 2,185            | 1,716             | 2,080            |
| Patronage refunds/other adjustments   | 31               | 0                 | 28               |
| Income taxes                          | (60)             | (72)              | (72)             |
| Net income                            | <u>\$2,156</u>   | <u>\$1,644</u>    | <u>\$2,036</u>   |

## VI.

**The Cooperative Finance Association, Inc.**  
**Fiscal 2015 Third Quarter Report**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | 5/31/2015         | 8/31/2014        | 5/31/2014        |
|---------------------------------------|-------------------|------------------|------------------|
|                                       | *                 |                  |                  |
| Loans                                 | \$270,480         | \$311,001        | \$272,816        |
| Less allowance for loan losses        | (4,421)           | (3,780)          | (3,407)          |
| Net loans                             | 266,059           | 307,221          | 269,409          |
| Cash                                  | (119)             | 496              | (68)             |
| Accrued interest receivable           | 3,027             | 4,854            | 2,809            |
| Investments in cooperatives           | 8,522             | 8,112            | 8,112            |
| Other assets                          | 1,406             | 1,574            | 1,519            |
| Total assets                          | <u>\$278,895</u>  | <u>\$322,257</u> | <u>\$281,781</u> |
| Credit facility                       | \$216,100         | \$262,600        | \$221,000        |
| Commercial paper                      | 0                 | 0                | 0                |
| Draft clearing and guarantee deposits | 3,425             | 962              | 1,851            |
| Accrued interest payable              | 332               | 394              | 345              |
| Other liabilities                     | 754               | 4,542            | 845              |
| Total liabilities                     | 220,611           | 268,498          | 224,041          |
| Members' equity                       | 58,284            | 53,759           | 57,740           |
| Total liabilities and members' equity | <u>\$278,895</u>  | <u>\$322,257</u> | <u>\$281,781</u> |
|                                       | * after patronage |                  |                  |
| <u>Operating Statements</u>           |                   | <u>Budget</u>    |                  |
| <u>Fiscal Year to Date Through:</u>   | 5/31/2015         | 5/31/2015        | 5/31/2014        |
| Interest income                       | \$9,851           | \$9,610          | \$9,443          |
| Interest expense                      | (3,409)           | (3,498)          | (3,238)          |
| Net interest income from portfolio    | 6,442             | 6,112            | 6,205            |
| Provision for loan losses             | (640)             | (495)            | (325)            |
| Other income                          | 427               | 393              | 381              |
| Operating income                      | <u>6,229</u>      | <u>6,010</u>     | <u>6,261</u>     |
| Employee costs                        | (2,655)           | (2,627)          | (2,534)          |
| Professional expenses                 | (224)             | (263)            | (211)            |
| Administrative expenses               | (244)             | (256)            | (254)            |
| Customer relations costs              | (142)             | (167)            | (128)            |
| Other operating expense               | (318)             | (320)            | (229)            |
| Operating expense                     | <u>(3,583)</u>    | <u>(3,633)</u>   | <u>(3,356)</u>   |
| Net operating income                  | 2,646             | 2,377            | 2,905            |
| Patronage refunds/other adjustments   | 1,983             | 1,800            | 1,804            |
| Income taxes                          | (108)             | (108)            | (108)            |
| Net income                            | <u>\$4,521</u>    | <u>\$4,069</u>   | <u>\$4,601</u>   |

**The Cooperative Finance Association, Inc.**  
**Fiscal 2015 Fourth Quarter Summary**  
**Unaudited (in thousands)**

| <u>Balance Sheets As Of:</u>          | (1)<br>8/31/2015 | (1)<br>8/31/2014 | (2)<br>8/31/2014 |
|---------------------------------------|------------------|------------------|------------------|
| Loans                                 | \$317,353        | \$311,001        | \$311,001        |
| Less allowance for loan losses        | (4,891)          | (3,780)          | (3,780)          |
| Net loans                             | 312,462          | 307,221          | 307,221          |
| Cash                                  | 581              | 496              | 496              |
| Accrued interest receivable           | 5,060            | 4,854            | 4,854            |
| Investments in cooperatives           | 8,522            | 8,112            | 8,112            |
| Other assets                          | 1,327            | 1,574            | 1,574            |
| Total assets                          | <u>\$327,952</u> | <u>\$322,257</u> | <u>\$322,257</u> |
| Credit facility                       | \$265,200        | \$262,600        | \$262,600        |
| Commercial paper                      | 0                | 0                | \$0              |
| Draft clearing and guarantee deposits | 3,573            | 962              | \$962            |
| Accrued interest payable              | 407              | 394              | \$394            |
| Other liabilities                     | 853              | 1,105            | 4,542            |
| Total liabilities                     | 270,033          | 265,061          | 268,498          |
| Members' equity                       | 57,919           | 57,196           | 53,759           |
| Total liabilities and members' equity | <u>\$327,952</u> | <u>\$322,257</u> | <u>\$322,257</u> |

(1) Before patronage

(2) After patronage

| <u>Operating Statements</u><br><u>Fiscal Year to Date Through:</u> | 8/31/2015      | Budget<br>8/31/2015 | 8/31/2014      |
|--|----------------|---------------------|----------------|
| Interest income  | \$13,322       | \$13,400            | \$12,835       |
| Interest expense   | (4,621)        | (4,820)             | (4,402)        |
| Net interest income from portfolio                                 | 8,701          | 8,580               | 8,433          |
| Provision for loan losses  | (1,110)        | (660)               | (700)          |
| Other income   | 490            | 460                 | 434            |
| Operating income   | 8,081          | 8,380               | 8,167          |
| Employee costs   | (3,496)        | (3,520)             | (3,450)        |
| Professional expenses  | (357)          | (385)               | (288)          |
| Administrative expenses  | (329)          | (340)               | (335)          |
| Customer relations costs   | (180)          | (215)               | (160)          |
| Other operating expense  | (432)          | (425)               | (320)          |
| Operating expense  | (4,794)        | (4,885)             | (4,553)        |
| Net operating income   | 3,287          | 3,495               | 3,614          |
| Patronage refunds/other adjustments                                | 1,983          | 1,800               | 1,804          |
| Income taxes   | (120)          | (145)               | (165)          |
| Net income   | <u>\$5,150</u> | <u>\$5,150</u>      | <u>\$5,253</u> |