AGRIBANK DISTRICT 2022 FINANCIAL INFORMATION

Unaudited

MARCH 31, 2022

AGRIBANK, FCB AND DISTRICT ASSOCIATIONS

THRIVING

today and tomorrow

AgriBank

FARM CREDIT BANK

AgriBank District Financial Information
AgriBank, FCB and District Associations
unaudited

INTRODUCTION AND DISTRICT OVERVIEW

AgriBank, FCB ("AgriBank" or "the Bank") and District Associations ("Associations") are part of the Farm Credit System (System or Farm Credit), a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations. The System provides loans, leases and financial services to farmers, ranchers and rural businesses across the United States and Puerto Rico. This focus on rural communities and agriculture is the reason Farm Credit was established in 1916, and the System has been delivering on that mission ever since – helping fund America's food, fuel and fiber and supporting the rural communities America's farmers and ranchers call home.

Farm Credit's funds are raised by the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) and insured by the Farm Credit System Insurance Corporation (FCSIC, or the Insurance Corporation). The Funding Corporation issues a variety of Federal Farm Credit Banks Combined Systemwide Debt Securities with broad ranges of maturities and structures on behalf of the four System Banks. Each System Bank has exposure to Systemwide credit risk, because each Bank is joint and severally liable for all Systemwide debt issued. Farm Credit Associations receive funding through one of the System Banks. System entities have specific lending authorities within their chartered territories and are subject to examination and regulation by an independent federal agency, the Farm Credit Administration (FCA).

AgriBank is primarily owned by 13 local Farm Credit Associations, which provide financial products and services to rural communities and agriculture. AgriBank obtains funds and provides funding and financial solutions to those Associations. AgriBank and the 13 Associations are collectively referred to as the District. The AgriBank District covers a 15-state area stretching from Wyoming to Ohio and Minnesota to Arkansas.

The following commentary reviews the combined financial condition and results of operations of AgriBank and District Associations and provides additional specific information.

Combined Financial Highlights

AgriBank, FCB and District Associations

(dollars in thousands)

	March 31, 2022	December 31, 2021
Total loans	**$142,091,660**	$140,458,534
Allowance for loan losses	**335,702**	372,359
Net loans	**141,755,958**	140,086,175
Total assets	**166,315,329**	164,442,280
Total shareholders' equity	**27,446,836**	27,327,290
For the three months ended March 31,	**2022**	2021
Net interest income	**$942,961**	$872,226
Reversal of credit losses	**(39,390)**	(20,139)
Net fee income	**21,972**	34,777
Net income	**641,508**	628,124
Net interest margin	**2.4 %**	2.4 %
Return on average assets	**1.6 %**	1.7 %
Return on average shareholders' equity	**9.5 %**	9.8 %
Operating and other expenses as a percentage of net interest income and non-interest income	**39.9 %**	35.9 %
Net loan recoveries (chargeoffs) as a percentage of average loans	**0.01 %**	(0.01)%
Average loans	**$140,383,046**	$127,516,627
Average earning assets	**161,854,642**	148,430,572
Average assets	**164,736,292**	150,900,853

MANAGEMENT'S DISCUSSION AND ANALYSIS

Results of Operations

Net income was $641.5 million for the three months ended March 31, 2022, an increase of $13.4 million, or 2.1 percent, compared to the same period of the prior year. Net interest income was higher and increased due to growth in loan volume across the District. Agricultural producers continue to perform well resulting in reversals of provision for credit losses in the current year, which contributed to the increased income compared to the same period last year. Non-interest income decreased when compared to the same period of the prior year primarily due to the losses on RBIC equity investments as well as lower prepayment fees. Additionally, the increase in non-interest expense was mainly due to higher salaries expense.

Net Interest Income
Net interest income increased $70.7 million, or 8.1 percent, compared to the same period of the prior year, due to significantly increased loan volume across the District. The impact of rising rates through the first quarter has been diminished due to the delayed effect of significant conversion activity that occurred during 2021. A large portion of the conversions occurred in the first quarter of 2021, with the impact of the reduced interest rates becoming apparent in subsequent quarters and into 2022. Interest rate spreads have remained steady while rates have risen during the first quarter of 2022, when compared to the same period of the prior year. Additionally, changes in the portfolio composition, largely increases in real estate volume which generally carry lower spreads, have limited increases in interest rate spreads. Conversely, the rising rate environment has increased investment spreads. Net interest margin was 2.4 percent for the three months ended March 31, 2022, stable compared to the same period of the prior year.

Reversal of Credit Losses
A reversal of credit losses of $39.4 million was recognized during the three months ended March 31, 2022. Any reserves for unfunded commitments and letters of credit are recorded in "Other liabilities" on the Combined Balance Sheets.

At the agricultural producer level, strong net farm income and positive working capital positions continue to support strong District credit quality. Favorable commodity prices continued into 2022, having a generally positive impact on the crop, dairy and some livestock sectors, primarily hogs and poultry. The allowance analyses performed at District Associations generally reflect the improved positions for large portions of the respective portfolios. The year-over-year fluctuations for the District's provision for credit losses will be impacted by each institution's relative exposure to agricultural sectors and the economic conditions in individual agricultural sectors.

The performance of the broader economy, shifting global trade patterns, political instability abroad and disruptive weather both domestically and internationally could create volatility in the agriculture sector. Each of these factors could translate into changes in credit quality, which may impact provision for credit losses across the District.

Non-interest Income
Non-interest income decreased due to net losses on Rural Business Investment Company investments compared to net gains in the prior year. The rising interest rate environment has slowed prepayment and refinancing activity, resulting in lower fee income compared to the prior year. Slightly offsetting the decreases were increases in mineral income boosted by higher oil and gas prices, while higher commodity prices and market volatility increased insurance income for Association related services.

Non-interest Expense
Non-interest expense increased due to growth in salaries expense as headcount across District Associations has risen and annual merit increases that went into effect during the first quarter of 2022. To a lesser extent, additional project resources have increased other purchased services expense, and higher FCSIC expense is the result of an increase in insured assets compared to the prior year. Lastly, travel expenses have contributed to increase as COVID-19 travel restrictions have lifted and District entities are resuming regularly planned meetings that generally require travel.

Loan Portfolio

District Loans by Loan Type		
(in thousands)	**March 31, 2022**	December 31, 2021
Real estate mortgage	**$78,998,065**	$78,221,408
Production and intermediate-term	**27,858,712**	31,324,281
Agribusiness:		
Loans to cooperatives	**2,655,032**	1,511,502
Processing and marketing	**18,762,873**	16,333,188
Farm-related businesses	**1,969,680**	1,719,434
Rural infrastructure:		
Power	**2,125,100**	1,879,594
Communications	**2,891,908**	2,757,668
Water/Wastewater	**352,250**	342,509
Rural residential real estate	**2,647,642**	2,691,710
Agricultural export finance	**498,548**	345,763
Lease receivables	**247,356**	234,992
Loans to other financing institutions	**672,313**	703,471
Mission related investments	**2,412,181**	2,393,014
Total	**$142,091,660**	$140,458,534

District loans increased $1.6 billion, or 1.2 percent, from December 31, 2021. The increase in total loans was primarily due to increased agribusiness volume. The sharp increase in grain prices and margin calls as well as other increased input costs has caused higher draws on operating lines for agribusiness customers. Slight growth in the real estate mortgage sector was due to continued demand for lower fixed rates as long-term rates have slowly begun to rise.

The increases in total loans was largely offset by decreases in the production and intermediate-term sector, which is consistent with prior years, a result of seasonal growth in December each year related to borrowers purchasing for the next year’s production for tax-planning purposes, followed by repayments in January. While the seasonality is a recurring item, in the final months of 2021 the District saw significant utilization of operating loans as borrowers used these lines of credit to make seasonal purchases due to elevated crop input prices. However, these increases, in the fourth quarter of 2021, were partially offset by elevated repayments of production and intermediate-term operating lines, driven by higher grain prices.

Loan Quality

The primary credit quality indicator utilized by the Bank and Associations is the FCA Uniform Loan Classification System, which categorizes loans into five categories. The categories are defined as follows:

- Acceptable – assets are expected to be fully collectible and represent the highest quality.
- Other assets especially mentioned (Special Mention) – assets are currently collectible but exhibit some potential weakness.
- Substandard – assets exhibit some serious weakness in repayment capacity, equity, and/or collateral pledged on the loan.
- Doubtful – assets exhibit similar weaknesses to substandard assets; however, doubtful assets have additional weaknesses in existing factors, conditions and values that make collection in full highly questionable.
- Loss – assets are considered uncollectible.

The following table shows loans and related accrued interest classified under the Uniform Loan Classification System as a percentage of total loans and related accrued interest receivable.

District Loan Quality

	March 31, 2022	December 31, 2021
Acceptable	**95.8 %**	95.0 %
Special Mention	**2.2 %**	2.7 %
Substandard/Doubtful	**2.0 %**	2.3 %
Total	**100.0 %**	100.0 %

Overall credit quality remains strong as favorable net farm income and farm sector working capital during 2021 has continued into the first quarter of 2022, driven by commodity prices in certain sectors. The District has also maintained disciplined origination standards supporting high quality loans. Substandard/Doubtful loans, collectively called adverse loans, are loans AgriBank and District Associations have identified as showing some credit weakness according to established credit standards. No loans were categorized as loss as of March 31, 2022 or December 31, 2021.

Nonperforming Assets		
(in thousands)	**March 31, 2022**	December 31, 2021
Nonaccrual Loans:		
Real estate mortgage	**$269,447**	$315,136
Production and intermediate-term	**130,085**	131,580
Agribusiness	**22,791**	35,037
Rural infrastructure	**5,376**	5,681
Rural residential real estate	**12,758**	13,954
Other	**1,346**	1,544
Total nonaccrual loans	**$441,803**	$502,932
Accruing Restructured Loans:		
Real estate mortgage	**$48,526**	$48,808
Production and intermediate-term	**15,620**	14,294
Agribusiness	**10,096**	1,713
Rural residential real estate	**1,806**	1,897
Total accruing restructured loans	**$76,048**	$66,712
Accruing Loans 90 Days or More Past Due:		
Real estate mortgage	**$28,371**	$1,648
Production and intermediate-term	**41,591**	2,531
Agribusiness	**981**	—
Rural residential real estate	**425**	—
Other	**101,664**	83,909
Total accruing loans 90 days or more past due	**$173,032**	$88,088
Total nonperforming loans	**$690,883**	$657,732
Other property owned	**14,913**	22,769
Total nonperforming assets	**$705,796**	$680,501

Note: Accruing loans include accrued interest receivable.

The Other category is composed of certain assets originated under the Mission Related Investment authority and finance leases.

Overall, nonperforming assets have increased primarily due to the increase in accruing loans 90 days or more past due with a considerable offset due to the decrease in total nonaccrual loans.

Accruing loans 90 days or more past due increased mainly due to loans to a single crop producer, primarily corn, which subsequently returned to performing status in April 2022. Separately, the Mission Related loan category concentrated at one Association continues to impact the accruing 90 days or more past due balance. While the balance has been stable since December 31, 2021, the Association has been working with borrowers, lead lenders and the USDA to facilitate favorable outcomes with these delinquent loans. Certain borrowers have received deferrals; however, other borrowers have exhausted deferrals, and the Association is in process of making claims on guarantees. While past-due volume is expected to be periodically elevated over the next several months, there are minimal expected losses because of the guarantees. Lastly, crop input loans within the production and intermediate-term category became over 90 days or more past due, which is typical for this portfolio as many of these loans mature near the beginning of the year. The risk in the crop input financing portfolio is significantly mitigated by credit enhancements, including guarantees with third parties that are in a strong financial position.

Nonaccrual loans decreased during the first quarter of 2022 due to the sale of a previous large nonaccrual loan at one Association and the pay off of a large loan at another. In addition, the restoration of a number of smaller loans to accrual status contributed to the decrease. In general, loan performance has been positively impacted by working capital and commodity prices.

Aging Analysis of Loans

(in thousands) **As of March 31, 2022**	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total
Real estate mortgage	**$85,317**	**$82,254**	**$167,571**	**$79,504,506**	**$79,672,077**
Production and intermediate-term	**119,518**	**79,732**	**199,250**	**27,926,992**	**28,126,242**
Agribusiness	**11,020**	**3,190**	**14,210**	**23,442,183**	**23,456,393**
Rural infrastructure	**—**	**—**	**—**	**5,379,128**	**5,379,128**
Rural residential real estate	**7,425**	**3,025**	**10,450**	**2,646,373**	**2,656,823**
Other	**162,231**	**102,755**	**264,986**	**3,590,227**	**3,855,213**
Total	**$385,511**	**$270,956**	**$656,467**	**$142,489,409**	**$143,145,876**
As of December 31, 2021	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total
Real estate mortgage	$131,944	$56,108	$188,052	$78,818,252	$79,006,304
Production and intermediate-term	82,740	42,576	125,316	31,527,220	31,652,536
Agribusiness	4,282	2,105	6,387	19,623,111	19,629,498
Rural infrastructure	—	—	—	4,987,654	4,987,654
Rural residential real estate	10,277	3,159	13,436	2,688,549	2,701,985
Other	178,405	85,305	263,710	3,439,870	3,703,580
Total	$407,648	$189,253	$596,901	$141,084,656	$141,681,557

Note: Accruing loans include accrued interest receivable.

The Other category is composed of certain assets originated under the Mission Related Investment authority, loans to other financing institutions, agricultural export finance and finance leases.

Overall, delinquencies at March 31, 2022 increased during the first quarter of 2022 when compared to the year ended 2021. Delinquencies tend to exhibit some seasonality as many loans within the portfolio, particularly in the production and intermediate-term sector, mature or have annual payments due during the first quarter of the year.

Changes in Allowance for Loan Losses and Year End Recorded Investments by Loan Type							
(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Rural Infrastructure	Rural Residential Real Estate	Other	Total
Allowance for loan losses:							
As of December 31, 2021	**$140,904**	**$123,613**	**$90,460**	**$9,551**	**$4,194**	**$3,637**	**$372,359**
(Reversal of) provision for credit losses	**(15,251)**	**(23,369)**	**(154)**	**273**	**(310)**	**(579)**	**(39,390)**
Loan recoveries	**362**	**6,391**	**87**	**188**	**45**	**—**	**7,073**
Loan charge-offs	**(1,016)**	**(1,354)**	**—**	**—**	**(67)**	**—**	**(2,437)**
Adjustment due to merger	**(285)**	**(1,821)**	**(1,369)**	**(444)**	**—**	**(3)**	**(3,922)**
Reclassification from (to) reserve for unfunded commitments*	**—**	**2,019**	**—**	**—**	**—**	**—**	**2,019**
Balance as of March 31, 2022	**$124,714**	**$105,479**	**$89,024**	**$9,568**	**$3,862**	**$3,055**	**$335,702**
As of March 31, 2022							
Ending balance: individually evaluated for impairment	**13,559**	**14,787**	**5,037**	**1,225**	**212**	**586**	**35,406**
Ending balance: collectively evaluated for impairment	**111,155**	**90,692**	**83,987**	**8,343**	**3,650**	**2,469**	**300,296**
Recorded investment in loans outstanding:							
Ending balance as of March 31, 2022	**$79,672,077**	**$28,126,242**	**$23,456,393**	**$5,379,128**	**$2,656,823**	**$3,855,213**	**$143,145,876**
Ending balance: individually evaluated for impairment	**346,344**	**187,296**	**33,868**	**5,376**	**14,989**	**103,010**	**690,883**
Ending balance: collectively evaluated for impairment	**79,325,733**	**27,938,946**	**23,422,525**	**5,373,752**	**2,641,834**	**3,752,203**	**142,454,993**

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Rural Infrastructure	Rural Residential Real Estate	Other	Total
Allowance for loan losses:							
As of December 31, 2020	$251,097	$169,467	$71,726	$9,188	$5,953	$3,708	$511,139
(Reversal of) provision for credit losses	(8,334)	(16,092)	4,332	137	(231)	49	(20,139)
Loan recoveries	546	3,247	28	—	182	—	4,003
Loan charge-offs	(1,650)	(4,056)	(6)	—	(206)	—	(5,918)
Reclassification from (to) reserve for unfunded commitments*	—	(609)	—	—	—	—	(609)
Balance at March 31, 2021	$241,659	$151,957	$76,080	$9,325	$5,698	$3,757	$488,476
As of December 31, 2021							
Ending balance: individually evaluated for impairment	18,614	18,159	14,521	1,225	193	663	53,375
Ending balance: collectively evaluated for impairment	122,290	105,454	75,939	8,326	4,001	2,974	318,984
Recorded investment in loans outstanding:							
Ending balance as of December 31, 2021	$79,006,304	$31,652,536	$19,629,498	$4,987,654	$2,701,985	$3,703,580	$141,681,557
Ending balance: individually evaluated for impairment	365,592	148,405	36,750	5,681	15,851	85,453	657,732
Ending balance: collectively evaluated for impairment	78,640,712	31,504,131	19,592,748	4,981,973	2,686,134	3,618,127	141,023,825

*Represents reclassifications between the allowance for loan losses and the reserve for unfunded commitments as a result of advances on or repayments of seasonal lines of credit or other loans.

Investments

AgriBank is responsible for meeting the District's funding, liquidity and asset/liability management needs. While access to the unsecured debt capital markets remains the District's primary source of liquidity, the Bank also maintains a secondary source of liquidity through a high-quality investment portfolio and other short-term liquid assets.

The Bank typically holds high-quality investments and other short-term liquid assets on an available-for-sale basis. Refer to the AgriBank 2021 Annual Report for additional information about the Bank's investment portfolio. District Associations have regulatory authority to enter into certain guaranteed investments, typically mortgage-backed or asset-backed securities, and are primarily held to maturity. Refer to individual District Associations' 2021 annual reports for specific information about the investments at the District Associations. Investment securities held by AgriBank and District Associations are primarily debt securities that decrease in value as interest rates rise. During the first quarter of 2022, unrealized gains have been reduced and unrealized losses have increased in the investment portfolios as a result of the rise in interest rates.

AgriBank sold certain investments for a negligible loss during the three months ended March 31, 2022. Refer to the AgriBank Quarterly Report for additional information.

Investment Information

(in thousands) **As of March 31, 2022**	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**
AgriBank investments	**$19,523,643**	**$3,718**	**$476,222**	**$19,051,139**
District Association investments	**1,922,727**	**3,662**	**111,314**	**1,815,075**
Total District investments	**$21,446,370**	**$7,380**	**$587,536**	**$20,866,214**
(in thousands) As of December 31, 2021	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
AgriBank investments	$18,470,968	$28,438	$106,778	$18,392,628
District Association investments	2,021,166	30,394	20,513	2,031,047
Total District investments	$20,492,134	$58,832	$127,291	$20,423,675

District Capital

AgriBank and District Associations believe a sound capital position is critical to long-term financial stability. AgriBank and District Associations maintain adequate capital to protect against unanticipated losses as well as to meet growth needs. Total shareholders' equity increased $119.5 million, primarily resulting from net income for the three months ended March 31, 2022, partially offset by patronage accruals.

Accumulated Other Comprehensive Loss

(in thousands)	**March 31, 2022**	December 31, 2021
Investment securities activity	**$(472,503)**	$(78,338)
Derivatives and hedging activity	**(87,668)**	(130,663)
Employee benefit plans activity	**(422,255)**	(433,328)
Total accumulated other comprehensive loss	**$(982,426)**	$(642,329)

The increase in accumulated other comprehensive loss as of March 31, 2022 compared to the year ended December 31, 2021 relates to the increasing unrealized losses on available-for-sale investment securities affected by increasing interest rates during the quarter. This was slightly offset by derivative and hedging activity. Rising interest rates in the first quarter of 2022, positively impacted AgriBank's pay fixed swap portfolio designated as cash flow hedges.

The Farm Credit Administration sets minimum regulatory capital requirements for Banks and Associations.

Regulatory Capital Requirements and Ratios

As of March 31, 2022	Primary Components of Numerator	Regulatory Minimums	Minimum with Buffer	Bank	District Associations	
Risk adjusted:						
Common equity tier 1 capital ratio (CET1)	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity)[1]	4.5 %	7.0 %	**17.2 %**	**13.0 % -**	**33.8 %**
Tier 1 capital ratio	CET1 capital, non-cumulative perpetual preferred stock	6.0 %	8.5 %	**17.8 %**	**13.8 % -**	**33.8 %**
Total capital ratio	Tier 1 capital, allowance for loan losses[2], common cooperative equities[3] and term preferred stock and subordinated debt[4]	8.0 %	10.5 %	**17.9 %**	**14.8 % -**	**34.0 %**
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.0 %	7.0 %	**17.8 %**	**14.7 % -**	**35.3 %**
Non-risk adjusted:						
Tier 1 leverage ratio	Tier 1 capital	4.0 %	5.0 %	**5.1 %**	**13.9 % -**	**26.7 %**
UREE leverage ratio	URE and URE Equivalents	1.5 %	1.5 %	**2.3 %**	**12.2 % -**	**26.3 %**

(1) Equities outstanding 7 or more years
(2) Capped at 1.25% of risk-adjusted assets
(3) Outstanding 5 or more years, but less than 7 years
(4) Outstanding 5 or more years

Effective January 1, 2022, the FCA regulations slightly modified the calculation of the unallocated retained earnings and equivalents leverage ratio to include certain additional deductions. The modification did not have a material impact on the calculation for any District entity.

Other Matters

AgriBank's approval is required for significant structure changes at District Associations including, but not limited to: merger, acquisition, liquidation, or reaffiliation to another Farm Credit District.

Effective January 1, 2022, two District Associations, AgCountry Farm Credit Services, ACA and Farm Credit Services of North Dakota, ACA merged and are doing business as AgCountry Farm Credit Services, ACA with headquarters in Fargo, N.D.

In 2021, Delta, ACA's (Delta's) board of directors determined that it was in the best interests of Delta to voluntarily dissolve and approved a preliminary resolution to proceed with a plan to voluntarily liquidate and dissolve the Association (the Plan). On March 17, 2022, the FCA preliminarily approved the Plan. On April 14, 2022, Delta's stockholders approved the Plan, which includes an agreement to sell the loan portfolio to another District Association. Subsequently, on April 19, 2022, the FCA provided final approval of the Plan. The sale of Delta's entire loan portfolio to AgHeritage Farm Credit Services, ACA occurred on May 1, 2022. The ultimate timing of the final liquidation is uncertain and subject to multiple considerations.

Select Information on AgriBank District Associations

(in thousands)

As of March 31, 2022	Wholesale Loan Amount	% of Wholesale Portfolio	Total Assets	Total Allowance and Capital	Total Regulatory Capital Ratio	Nonperforming [1] as a % of Total Loans	Return on Assets
Farm Credit Services of America	$30,696,471	27.9%	$37,779,026	$6,891,465	15.2%	0.4%	1.9%
Farm Credit Mid-America	24,332,050	22.1%	30,023,436	5,493,228	17.1%	1.0%	1.5%
Compeer Financial	22,497,517	20.4%	27,695,771	4,547,963	14.8%	0.6%	1.9%
GreenStone Farm Credit Services	9,695,234	8.8%	11,957,680	2,189,438	15.5%	0.2%	2.5%
AgCountry Farm Credit Services[2]	8,813,505	8.0%	11,312,653	2,414,514	17.5%	0.2%	1.5%
FCS Financial	4,674,726	4.2%	5,792,378	1,074,199	15.7%	0.2%	1.8%
Farm Credit Illinois	3,848,228	3.5%	5,038,654	1,134,710	18.5%	0.1%	1.6%
AgHeritage Farm Credit Services	1,598,492	1.4%	2,008,421	406,157	16.8%	0.1%	2.1%
Farm Credit Services of Western Arkansas	1,412,145	1.3%	1,780,140	351,722	18.3%	0.5%	1.6%
Farm Credit Services of Mandan	1,126,765	1.0%	1,461,637	327,807	17.9%	0.5%	1.8%
Farm Credit Midsouth	868,302	0.8%	1,136,851	261,272	18.7%	0.1%	1.4%
Farm Credit Southeast Missouri	657,229	0.6%	850,521	188,502	19.1%	0.3%	1.9%
Delta Agricultural Credit Association	22,629	0.0%	33,159	10,005	34.0%	—%	(0.4)%
Total	$110,243,293	100.0%	$136,870,327	$25,290,982			

[1] Nonperforming loans are comprised of nonaccrual loans, accruing restructured loans and accruing loans 90 days or more past due.

[2] Loan amounts do not include fair value adjustments due to merger.

Combined Balance Sheets

AgriBank, FCB and District Associations

(unaudited)

(in thousands)

	March 31, 2022	December 31, 2021
Assets		
Cash	**$1,037,089**	$1,376,581
Federal funds and securities purchased under resale agreements	**171,000**	—
Investments	**20,973,866**	20,413,794
Loans	**142,091,660**	140,458,534
Allowance for loan losses	**335,702**	372,359
Net loans	**141,755,958**	140,086,175
Accrued interest receivable	**1,093,410**	1,271,385
Premises and equipment, net	**698,929**	702,637
Other assets	**585,077**	591,708
Total assets	**$166,315,329**	$164,442,280
Liabilities		
Bonds and notes	**$134,659,510**	$132,665,518
Subordinated notes	**200,000**	200,000
Member investment bonds	**2,582,479**	2,037,089
Accrued interest payable	**270,573**	261,016
Patronage distribution payable	**366,572**	1,043,699
Other liabilities	**789,359**	907,668
Total liabilities	**138,868,493**	137,114,990
Shareholders' equity		
Preferred stock	**450,000**	450,000
Capital stock and participation certificates	**359,890**	362,995
Capital stock and participation certificates receivable	**(117,852)**	(118,179)
Additional paid-in capital	**2,443,241**	2,084,988
Allocated retained earnings	**268,762**	269,317
Unallocated retained earnings	**24,905,343**	24,802,092
Accumulated other comprehensive loss	**(982,426)**	(642,329)
Noncontrolling interest	**119,878**	118,406
Total shareholders' equity	**27,446,836**	27,327,290
Total liabilities and shareholders' equity	**$166,315,329**	$164,442,280

Combined Statements of Income

AgriBank, FCB and District Associations

(unaudited)

(in thousands)	Three months	
For the periods ended March 31,	**2022**	2021
Interest Income		
Loans	**$1,224,866**	$1,132,878
Investment securities and other earning assets	**36,194**	40,189
Total interest income	**1,261,060**	1,173,067
Interest Expense	**318,099**	300,841
Net interest income	**942,961**	872,226
Reversal of credit losses	**(39,390)**	(20,139)
Net interest income after reversal of credit losses	**982,351**	892,365
Non-interest income		
Net fee income	**21,972**	34,777
Financially related services income	**31,876**	27,888
Net gains on sales of investments and other assets	**289**	654
Mineral income	**18,808**	10,961
Other income	**9,638**	21,704
Total non-interest income	**82,583**	95,984
Non-interest expense		
Salaries and employee benefits	**234,323**	194,369
Occupancy and equipment	**36,659**	34,800
Purchased services	**25,009**	21,786
Farm Credit System Insurance Corporation expense	**46,692**	43,472
Other expense	**66,545**	53,078
Total non-interest expense	**409,228**	347,505
Income before income taxes	**655,706**	640,844
Provision for income taxes	**14,198**	12,720
Net income	**$641,508**	$628,124

AgriBank
FARM CREDIT BANK

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