CoBank Quarterly District Financial Information June 30, 2022

Introduction and District Overview

CoBank, ACB (CoBank, the Bank, we, our, or us) is one of the four banks in the Farm Credit System (System) and provides loans, leases and other financial services to support agriculture, rural infrastructure and rural communities across the United States. The System is a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations. The System was established in 1916 by the U.S. Congress, and is a Government Sponsored Enterprise. CoBank is federally chartered under the Farm Credit Act of 1971, as amended (the Farm Credit Act), and is subject to supervision, examination, and safety and soundness regulation by an independent federal agency, the Farm Credit Administration (FCA).

We are cooperatively owned by our eligible U.S. customers. Our customers consist of agricultural cooperatives; other food and agribusiness companies; rural power, communications and water cooperatives and companies; rural community facilities; Agricultural Credit Associations (Associations), which are regulated, farmer-owned financial institutions and members of the System; and other businesses that serve agriculture and rural communities. The Associations originate and service long-term real estate mortgage loans as well as production and intermediate-term loans for agricultural and other purposes to full and part-time farmers. Associations may also make loans to, among others, processing and marketing entities, farm-related businesses, and rural residents for home purchase and improvements. The Associations may also purchase eligible loan participations from System entities and other lending institutions. Additionally, the Associations may serve as an intermediary in offering multi-peril crop insurance and credit life insurance, and providing additional financial services to borrowers.

We are chartered by the FCA to serve the Associations that provide credit and related financial services to or for the benefit of eligible borrowers/shareholders for qualified purposes in specific geographic areas in the United States. We collectively refer to these entities as our affiliated Associations. The Associations are not authorized by the Farm Credit Act to participate directly in the issuance of Systemwide bonds, medium term notes and discount notes (collectively referred to as Systemwide Debt Securities). Therefore, we are the primary funding source for our affiliated Associations. As of June 30, 2022, we have 19 affiliated Associations serving customers in 23 states across the Northwest, West, Southwest, Rocky Mountains, Mid-Plains, and Northeast regions of the United States.

Our affiliated Associations are considered customers and thus operate independently and maintain an arms-length relationship with us, except to the extent that the Farm Credit Act requires us, as the funding bank, to monitor and approve certain activities of these Associations. As authorized by the FCA, the financial information of affiliated Associations is not included in the condensed consolidated quarterly financial statements presented in CoBank's June 30, 2022 Quarterly Report to Shareholders. However, the FCA authorizes CoBank to present combined Bank and Association quarterly financial information in a separate report. CoBank does not have the corporate or direct regulatory authority to compel its affiliated Associations to disclose information or to establish and maintain their disclosure controls and procedures or internal controls over financial reporting. Accordingly, CoBank's preparation of this District Report and the establishment of adequate controls relating to this District Report are dependent on our affiliated Associations themselves satisfying their regulatory obligations and complying with agreed upon disclosure policies and procedures. Failure by an affiliated Association to provide accurate or timely information for District financial reporting or to have adequate disclosure controls or procedures or internal controls over financial reporting, as required by regulation or as agreed to under the disclosure policies and procedures, could jeopardize the accuracy of certain information in this District Report or CoBank's ability to timely issue this District Report.

The Financial Highlights, Discussion and Analysis, and the Condensed Combined Balance Sheets and Statements of Income included on the following pages present unaudited combined financial information and related analysis of CoBank and its affiliated Associations, which are collectively referred to as the "District." As part of the combining process, all significant transactions between CoBank and the Associations, including loans made by the Bank to the affiliated Associations and the interest income/interest expense related thereto, and investments of the affiliated Associations in the Bank and the earnings related thereto, have been eliminated.

Financial Highlights

($ in Thousands) (Unaudited)

	June 30, 2022	December 31, 2021
Total Loans	**$ 147,974,765**	$ 140,846,728
Less: Allowance for Loan Losses	**1,007,585**	962,051
Net Loans	**146,967,180**	139,884,677
Total Assets	**196,534,955**	184,506,522
Total Shareholders' Equity	**23,153,756**	24,042,017

For the Six Months Ended June 30,	2022	2021
Net Interest Income	**$ 2,033,171**	$ 1,851,776
Provision for Loan Losses	**70,829**	25,731
Net Fee Income	**88,630**	96,657
Net Income	**1,377,759**	1,314,703
Net Interest Margin	**2.14 %**	2.17 %
Net Charge-offs (Recoveries) / Average Loans	**0.03**	(0.01)
Return on Average Assets	**1.42**	1.51
Return on Average Total Shareholders' Equity	**11.75**	11.43
Operating Expense / Net Interest Income and Noninterest Income	**33.21**	31.96
Average Loans	**$ 151,246,380**	$ 136,976,422
Average Earning Assets	**190,389,698**	170,537,123
Average Assets	**193,906,840**	174,051,078

Discussion and Analysis of District Results of Operations and Financial Condition

District average loan volume increased 10 percent to $151.2 billion in the first six months of 2022, compared to $137.0 billion for the same period of 2021. The increase in average loan volume primarily reflected growth in agribusiness, real estate mortgage, production and intermediate-term loans and agricultural export finance loans.

Average investment securities, federal funds sold and other overnight funds increased 16 percent to $39.1 billion during the first six months of 2022 compared to $33.6 billion in the same prior-year period. The increase in average investments was primarily at CoBank and was required to maintain its liquidity reserve associated with the higher loan volume experienced during the first six months of 2022 and to take advantage of favorable investment spread opportunities in the marketplace.

District net income increased $63.1 million to $1.378 billion for the six-month period ended June 30, 2022, compared to $1.315 billion for the same period of 2021. The increase in earnings primarily resulted from an increase in net interest income and noninterest income, partially offset by an increase in operating expenses and a higher provision for loan losses.

District net interest income increased 10 percent or $181.4 million to $2.033 billion for the first six months of 2022 from $1.852 billion for the same period in 2021. The increase in net interest income was primarily driven by growth in average loan volume across the District. Higher earnings on balance sheet positioning at the Bank also contributed to increased net interest income in the period. The District's overall net interest margin was 2.14 percent for the six months ended June 30, 2022, compared to 2.17 percent for the same period in 2021.

The District recorded a provision for loan losses of $70.8 million in the six-month period ended June 30, 2022, compared to a provision for loan losses of $25.7 million for the same period of 2021. CoBank recorded a provision for loan losses of $105.0 million in the first six months of 2022 compared to $55.0 million during the 2021 period. The 2022 provision at CoBank primarily relates to increased agribusiness lending activity and to a lesser extent higher specific reserves for a small number of agribusiness customers as well as a reserve for a power infrastructure customer that was subsequently charged off. The 2021 provision at CoBank primarily related to increased agribusiness lending activity and to a lesser extent an increase in specific reserves related to a small number of rural power customers impacted by severe winter storms that occurred in Texas in February 2021. The Associations recorded a net combined loan loss reversal of $34.2 million in the first six months of 2022, compared to $29.3 million in the same period of 2021. The net combined 2022 loan loss reversal at the Associations was primarily due to reversals at two Associations resulting from changes in loan loss methodology partially offset by provisions for loan losses due to higher Association lending activity. The net combined 2021 loan loss reversal at the Associations was primarily due to reversals at a few Associations resulting from improvements in credit quality and a decrease in COVID-19 reserves.

District noninterest income increased $12.4 million to $229.1 million in the first six months of 2022 from $216.7 million for the same period in 2021. Noninterest income is primarily composed of fee income, patronage income, loan prepayment income, gains and losses on derivatives, and miscellaneous gains and losses, offset by losses on early extinguishments of debt. Patronage income received from other System institutions on loan participations sold by CoBank and certain Associations increased $17.3 million in the first six months of 2022 compared to the same period of 2021 as a result of an increased volume of loans sold, and increased levels of patronage received from other Farm Credit System entities outside of the District. Other noninterest income increased $16.3 million for the six months ended June 30, 2022 largely at CoBank due to income from the redemption of allocated equities from the Federal Farm Credit Banks Funding Corporation and gains on investments in Rural Business Investment Companies (RBICs). Losses on interest rate swaps and other derivatives increased $32.0 million in the first six months of 2022 compared to 2021 resulting from the impact of market interest rate changes in the 2022 period. Prepayment income decreased $9.7 million in the 2022 period resulting from a lower level of customer refinancing activity driven by the rising interest rate environment. Losses on early extinguishments of debt decreased $28.8 million compared to the first half of 2021 and are generally incurred to offset the current and prospective impact of prepayments in our loan and investment portfolios. The availability in the market of similarly tenured debt, coupled with the timing of prepayments, does not always allow CoBank to fully offset the impact of prepayments in the same period. Net fee income decreased $8.0 million in the 2022 period primarily due to a lower level of transaction-related lending fees at the Associations.

District operating expenses increased $90.2 million to $751.3 million in the first six months of 2022 from $661.1 million for the same period of 2021. The higher level of operating expenses was primarily driven by increases in Farm Credit Insurance Fund (Insurance Fund) premium, employee compensation, general and administrative, information services and other expenses. Insurance Fund premium expense increased $37.3 million in the first six months of 2022 compared to the 2021 period due to higher insured debt obligations and an increase in the Insurance Fund premium rate announced by the Farm Credit System Incorporation (Insurance Corporation) in early June 2022 that was retroactive to the beginning of the year. With the retroactive increase, Insurance Fund premium rates were 20 basis points of adjusted insured debt obligations in the first six months of 2022 compared to 16 basis points in the same period of 2021. Employee compensation expense increased $17.9 million to $384.7 million in the first six months of 2022. The increase in employee compensation expense was driven by the Associations and resulted from an increase in number of employees and normal merit administration. CoBank employee compensation expense decreased $6.7 million for the first six months of 2022 due primarily to a lower level of accrued incentive compensation, lower pension expense and a decline in the number of employees. General and administrative expenses increased $13.2 million in 2022 driven by higher insurance expenses, temporary labor and other administrative costs. Information services expense increased $12.3 million to $65.3 million in the first six months of 2022 compared to the same period of 2021 due to increased expenditures at the Bank and certain Associations to enhance service offerings and technology platforms. Other operating expenses increased $8.3 million in the first six months of 2022 compared to the 2021 period due to increases in travel and customer meeting expenses resulting from reductions in COVID-19 restrictions.

District income tax expense decreased $4.5 million to $62.4 million in the six-month period ended June 30, 2022, compared to $66.9 million in the same period of 2021 due to an increase in earnings attributable to non-taxable business activities and higher levels of accrued patronage. The income tax expense at the District predominantly relates to CoBank, as a substantial majority of the business activities at Associations are exempt from federal income tax.

Loan Portfolio

The following table presents the District's outstanding loans classified in accordance with the FCA's loan types.

($ in Thousands)

District Loans by Loan Type

	June 30, 2022	December 31, 2021
Real Estate Mortgage	$ 45,453,351	$ 44,202,127
Nonaffiliated Associations	5,382,909	5,045,465
Production and Intermediate-term	19,232,027	20,469,863
Agribusiness:		
Loans to Cooperatives	21,839,435	18,465,198
Processing and Marketing	12,396,836	11,031,918
Farm Related Businesses	2,567,938	2,322,699
Communications	6,181,791	5,800,324
Rural Power	19,846,295	19,657,169
Water and Waste	2,782,575	2,552,839
Agricultural Export Finance	7,710,447	6,481,294
Rural Residential Real Estate	429,449	466,624
Lease Receivables	4,065,591	4,242,164
Other	86,121	109,044
Total	$ 147,974,765	$ 140,846,728

Overall District loan volume increased $7.2 billion to $148.0 billion at June 30, 2022, as compared to loan volume of $140.8 billion as of December 31, 2021. The increase was driven primarily by increases in agribusiness loans to cooperatives, processing and marketing loans, real estate mortgage loans and agricultural export finance loans. The significant increase in agribusiness loans to cooperatives resulted from sharply higher commodity prices which drove higher seasonal financing requirements at many grain and farm supply cooperative customers as well as increased lending to other customers that use commodities as inputs to their businesses. Commodity prices for wheat, corn and soybeans increased sharply from year-end due to strong global demand, supply shortages, drought and other weather-related events, as well as the Russia/Ukraine war.

Portfolio Diversification

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar activities, or within close proximity, which could cause them to be similarly impacted by economic or other conditions. Credit risk in the District's loan portfolio is spread broadly among customers, industries and geographic territory. The District serves a diversified spectrum of borrowers up and down the agricultural value chain. Association retail loans in the District loan portfolio are concentrated in the Northwest, West, Southwest, Rocky Mountains, Mid-Plains, and Northeast regions of the United States. CoBank's retail loan portfolio extends across the United States, with moderate levels of concentration in the Midwest region of the country and in the farm supply, grain and marketing, dairy and electric distribution sectors.

The following tables present the District's combined loan portfolio by primary business/commodity and geographic distribution, as a percent of total loans for the periods presented.

Distribution by Primary Business / Commodity

	June 30, 2022	December 31, 2021
Fruits, Nuts and Vegetables	**16 %**	16 %
Farm Supply, Grain and Marketing	**14**	13
Dairy	**8**	9
Electric Distribution	**6**	6
Cattle	**6**	6
Forest Products	**5**	5
Field Crops Except Grains	**4**	4
Farm Related Business Services	**5**	4
Agricultural Export Finance	**5**	4
Livestock, Fish and Poultry	**4**	4
Nonaffiliated Associations	**4**	4
Generation and Transmission	**3**	4
Regulated Utilities	**3**	3
Leasing	**3**	3
Rural Home	**2**	2
Other	**12**	13
Total	**100 %**	100 %

Geographic Distribution

	June 30, 2022	December 31, 2021
California	**23 %**	24 %
Kansas	**6**	6
Texas	**6**	6
New York	**5**	5
Colorado	**4**	4
Washington	**4**	4
Illinois	**3**	3
Iowa	**3**	3
Idaho	**3**	3
Oklahoma	**3**	3
Oregon	**2**	2
Minnesota	**2**	2
Ohio	**2**	2
Nebraska	**2**	2
Florida	**2**	2
Other (less than 2 percent each for the current year)	**25**	24
Total States	**95 %**	95 %
Latin America	**2**	2
Asia	**2**	2
Europe, Middle East and Africa	**1**	1
Total International	**5 %**	5 %
Total	**100 %**	100 %

Loan Quality

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

- Acceptable – assets are expected to be fully collectible and represent the highest quality,
- 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, and
- Loss – assets are considered uncollectible.

The following table presents loans, classified by management at the various District entities pursuant to the FCA's Uniform Loan Classification System, as a percent of total loans and accrued interest.

District Loan Quality

	June 30, 2022	December 31, 2021
Acceptable	**96.17 %**	95.83 %
Special Mention	**2.15**	2.41
Substandard	**1.64**	1.75
Doubtful	**0.04**	0.01
Loss	**-**	-
Total	**100.00 %**	100.00 %

Our overall loan quality within the District remains strong at June 30, 2022. Acceptable loans and accrued interest were 96.17 percent of total loans and accrued interest at June 30, 2022, compared to 95.83 percent at December 31, 2021. Special Mention loans and accrued interest improved to 2.15 percent of total loans and accrued interest at June 30, 2022, compared to 2.41 percent at December 31, 2021 due to improvements in credit quality of certain agribusiness and real estate mortgage loans. The level of adversely classified loans ("Substandard", "Doubtful" and "Loss") and related accrued interest as a percent of total loans and accrued interest improved to 1.68 percent at June 30, 2022, compared to 1.76 percent at December 31, 2021 as a result of improvements in credit quality of certain production and intermediate-term loans.

While overall credit quality of the District loan portfolio remains strong, credit quality deterioration in the future is possible due to market factors impacting District customers, including an ongoing volatile agricultural commodity price environment, supply chain disruptions, labor shortages, inflation, higher interest rates, weather related events, trade uncertainty and global economic uncertainty. The Russia/Ukraine war has created agricultural commodity price volatility in the marketplace and has had implications for grain and farm supply cooperatives, however, CoBank and District Associations have not experienced any significant unfavorable credit quality impacts in this sector at this time.

Nonperforming assets (which consist of nonaccrual loans, accruing restructured loans, accruing loans 90 days or more past due and other property owned) totaled $539.6 million as of June 30, 2022, compared to $432.1 million at December 31, 2021. District nonaccrual loans increased $71.3 million during the first six months of 2022. Nonaccrual loans at CoBank increased $30.6 million due to a small number of agribusiness and communications customers transferred to nonaccrual status partially offset by the charge-off of a power infrastructure loan. Nonaccrual loans at Associations increased $40.7 million primarily due to a small number of agribusiness and production and intermediate-term customers transferred to nonaccrual status. Accruing restructured loans increased to $26.1 million at June 30, 2022 from $21.1 million at December 31, 2021 largely due to the addition of an agribusiness customer at CoBank during the current period partially offset by the payoff of an agribusiness customer at an Association. Total accruing loans 90 days or more past due increased by $22.0 million during the first six months of 2022 primarily driven by an increase related to a real estate mortgage borrower at one Association. Nonperforming assets represented 0.36 percent and 0.31 percent of total District loan volume and other property owned at June 30, 2022 and December 31, 2021, respectively. Nonaccrual loan volume, the largest component of nonperforming assets, represented 0.31 percent of total loans at June 30, 2022 compared to 0.28 percent at December 31, 2021.

The following table displays the District's nonperforming assets for the periods presented.

($ in Thousands)

Nonperforming Assets

	June 30, 2022	December 31, 2021
Nonaccrual Loans:		
Real Estate Mortgage	$ 155,865	$ 159,308
Production and Intermediate-term	127,374	83,725
Agribusiness	111,725	69,361
Communications	11,724	-
Rural Power	36,016	56,686
Rural Residential Real Estate	1,256	2,139
Lease Receivables	17,843	19,252
Total Nonaccrual Loans	461,803	390,471
Accruing Restructured Loans:		
Real Estate Mortgage	13,916	16,340
Production and Intermediate-term	3,403	3,907
Agribusiness	8,020	58
Rural Residential Real Estate	756	839
Total Accruing Restructured Loans	26,095	21,144
Accruing Loans 90 Days or More Past Due:		
Real Estate Mortgage	17,238	5,845
Production and Intermediate-term	1,072	2,798
Agribusiness	1,815	-
Lease Receivables	14,410	3,901
Total Accruing Loans 90 Days or More Past Due	34,535	12,544
Total Nonperforming Loans	522,433	424,159
Other Property Owned	17,184	7,927
Total Nonperforming Assets	$ 539,617	$ 432,086
Nonaccrual Loans as a Percentage of Total Loans	0.31 %	0.28 %
Nonperforming Assets as a Percentage of Total Loans and Other Property Owned	0.36	0.31
Nonperforming Assets as a Percentage of Capital	2.33	1.80

The following tables present an aging of past due loans in the District for the periods presented.

($ in Thousands)

Aging of Past Due Loans

	30-90 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans and Accrued Interest	Recorded Investment >90 Days and Accruing
June 30, 2022						
Real Estate Mortgage	**$ 37,726**	**$ 60,022**	**$ 97,748**	**$ 45,844,280**	**$ 45,942,028**	**$ 17,238**
Nonaffiliated Associations	**-**	**-**	**-**	**5,390,351**	**5,390,351**	**-**
Production and Intermediate-term	**116,148**	**28,942**	**145,090**	**19,207,292**	**19,352,382**	**1,072**
Agribusiness	**20,770**	**5,490**	**26,260**	**36,899,209**	**36,925,469**	**1,815**
Communications	**-**	**-**	**-**	**6,188,318**	**6,188,318**	**-**
Rural Power	**-**	**27,982**	**27,982**	**19,891,540**	**19,919,522**	**-**
Water and Waste	**-**	**-**	**-**	**2,793,870**	**2,793,870**	**-**
Agricultural Export Finance	**-**	**-**	**-**	**7,725,101**	**7,725,101**	**-**
Rural Residential Real Estate	**965**	**299**	**1,264**	**429,474**	**430,738**	**-**
Lease Receivables	**39,910**	**22,759**	**62,669**	**4,003,809**	**4,066,478**	**14,410**
Other	**-**	**-**	**-**	**86,291**	**86,291**	**-**
Total	**$ 215,519**	**$ 145,494**	**$ 361,013**	**$ 148,459,535**	**$ 148,820,548**	**$ 34,535**
December 31, 2021						
Real Estate Mortgage	$ 83,330	$ 57,185	$ 140,515	$ 44,490,926	$ 44,631,441	$ 5,845
Nonaffiliated Associations	-	-	-	5,048,456	5,048,456	-
Production and Intermediate-term	62,909	35,416	98,325	20,481,059	20,579,384	2,798
Agribusiness	12,639	7,647	20,286	31,881,166	31,901,452	-
Communications	-	-	-	5,807,017	5,807,017	-
Rural Power	-	27,982	27,982	19,696,296	19,724,278	-
Water and Waste	1,219	-	1,219	2,561,956	2,563,175	-
Agricultural Export Finance	-	-	-	6,490,866	6,490,866	-
Rural Residential Real Estate	590	219	809	467,163	467,972	-
Lease Receivables	34,595	11,819	46,414	4,196,692	4,243,106	3,901
Other	-	-	-	109,215	109,215	-
Total	$ 195,282	$ 140,268	$ 335,550	$ 141,230,812	$ 141,566,362	$ 12,544

District entities maintain an allowance for loan losses at a level consistent with the probable losses identified by management of each institution, considering such factors as current agricultural and economic conditions, loan loss experience, portfolio quality, and loan portfolio composition and concentrations. CoBank and certain Associations also maintain a reserve for unfunded commitments, which totaled $147.6 million at June 30, 2022.

Although aggregated in the District's condensed combined financial statements, the allowance for loan losses for each District entity is particular to that institution and is not available to absorb losses realized by other District entities. The allowance for loan losses at June 30, 2022 totaled $1.008 billion compared to $962.1 million at December 31, 2021. Changes in the allowance during the first six months of 2022 included an overall provision for loan losses of $70.8 million, which is described on page 3, loan charge-offs of $26.0 million, loan recoveries of $2.5 million, a $4.5 million Association merger impact and a $2.7 million net transfer from the reserve for unfunded commitments.

The following table presents detailed changes in the allowance for loan losses in the District for the periods presented.

($ in Thousands)

Changes in Allowance for Loan Losses

	Real Estate Mortgage	Non-affiliated Associations	Production and Intermediate-term	Agri-business	Communi-cations	Rural Power	Water and Waste	Agricultural Export Finance	Rural Residential Real Estate	Lease Receivables and Other	Total
June 30, 2022											
Allowance for Loan Losses											
Beginning Balance	**$ 128,935**	**$ -**	**$ 193,076**	**$ 401,007**	**$ 44,315**	**$ 103,741**	**$ 12,883**	**$ 24,627**	**$ 1,709**	**$ 51,758**	**$ 962,051**
Charge-offs	**(159)**	**-**	**(1,421)**	**(5,034)**	**-**	**(19,000)**	**-**	**-**	**(1)**	**(355)**	**(25,970)**
Recoveries	**216**	**-**	**1,271**	**442**	**46**	**399**	**-**	**-**	**1**	**119**	**2,494**
Provision for Loan Losses/ (Loan Loss Reversal)	**(4,840)**	**-**	**(30,420)**	**79,866**	**10,829**	**14,037**	**252**	**2,433**	**(347)**	**(981)**	**70,829**
Transfers (to) from Reserve for Unfunded Commitments	**122**	**-**	**2,448**	**(321)**	**(1,559)**	**1,681**	**357**	**107**	**20**	**(204)**	**2,651**
Association Merger Impact, Net	**(2,426)**	**-**	**(1,574)**	**(443)**	**-**	**(12)**	**(6)**	**-**	**(9)**	**-**	**(4,470)**
Ending Balance	**$ 121,848**	**$ -**	**$ 163,380**	**$ 475,517**	**$ 53,631**	**$ 100,846**	**$ 13,486**	**$ 27,167**	**$ 1,373**	**$ 50,337**	**$ 1,007,585**
Allowance for Loan Losses											
Ending Balance, Allowance for Credit Losses Related to Loans:											
Individually Evaluated for Impairment	**$ 1,939**	**$ -**	**$ 11,421**	**$ 37,398**	**$ 5,000**	**$ 7,925**	**$ -**	**$ -**	**$ -**	**$ 2,817**	**$ 66,500**
Collectively Evaluated for Impairment	**119,909**	**-**	**151,959**	**438,119**	**48,631**	**92,921**	**13,486**	**27,167**	**1,373**	**47,520**	**941,085**
Total	**$ 121,848**	**$ -**	**$ 163,380**	**$ 475,517**	**$ 53,631**	**$ 100,846**	**$ 13,486**	**$ 27,167**	**$ 1,373**	**$ 50,337**	**$ 1,007,585**
Loans											
Ending Balance for Loans and Related Accrued Interest:											
Individually Evaluated for Impairment	**$ 198,357**	**$ 5,390,351**	**$ 137,917**	**$ 119,306**	**$ 11,879**	**$ 36,138**	**$ 6**	**$ 61**	**$ 2,086**	**$ 84,251**	**$ 5,980,352**
Collectively Evaluated for Impairment	**45,743,671**	**-**	**19,214,465**	**36,806,163**	**6,176,439**	**19,883,384**	**2,793,864**	**7,725,040**	**428,652**	**4,068,518**	**142,840,196**
Total	**$ 45,942,028**	**$ 5,390,351**	**$ 19,352,382**	**$ 36,925,469**	**$ 6,188,318**	**$ 19,919,522**	**$ 2,793,870**	**$ 7,725,101**	**$ 430,738**	**$ 4,152,769**	**$ 148,820,548**
June 30, 2021											
Allowance for Loan Losses											
Beginning Balance	$ 133,639	$ -	$ 194,080	$ 399,713	$ 47,856	$ 95,710	$ 11,990	$ 26,373	$ 2,428	$ 58,218	$ 970,007
Charge-offs	(50)	-	(7,094)	(2,589)	-	(2)	-	-	(18)	(487)	(10,240)
Recoveries	291	-	8,262	2,152	79	8,257	-	190	60	145	19,436
Provision for Loan Losses/ (Loan Loss Reversal)	4,083	-	(10,815)	28,117	(610)	6,188	1,620	(1,675)	(384)	(793)	25,731
Transfers (to) from Reserve for Unfunded Commitments	(62)	-	2,922	4,090	(115)	326	(303)	93	(14)	(3)	6,934
Association Merger Impact, Net	(232)	-	(154)	(23)	(11)	-	-	-	-	-	(420)
Ending Balance	$ 137,669	$ -	$ 187,201	$ 431,460	$ 47,199	$ 110,479	$ 13,307	$ 24,981	$ 2,072	$ 57,080	$ 1,011,448
Allowance for Loan Losses											
Ending Balance, Allowance for Credit Losses Related to Loans:											
Individually Evaluated for Impairment	$ 9,036	$ -	$ 8,002	$ 21,840	$ -	$ 13,700	$ -	$ -	$ -	$ 5,263	$ 57,841
Collectively Evaluated for Impairment	128,633	-	179,199	409,620	47,199	96,779	13,307	24,981	2,072	51,817	953,607
Total	$ 137,669	$ -	$ 187,201	$ 431,460	$ 47,199	$ 110,479	$ 13,307	$ 24,981	$ 2,072	$ 57,080	$ 1,011,448
Loans											
Ending Balance for Loans and Related Accrued Interest:											
Individually Evaluated for Impairment	$ 242,286	$ 5,078,691	$ 126,263	$ 86,273	$ 207	$ 52,781	$ 8	$ 81	$ 3,380	$ 84,305	$ 5,674,275
Collectively Evaluated for Impairment	42,338,216	-	17,543,319	30,836,510	5,620,048	19,092,953	2,424,656	6,121,153	523,440	4,324,196	128,824,491
Total	$ 42,580,502	$ 5,078,691	$ 17,669,582	$ 30,922,783	$ 5,620,255	$ 19,145,734	$ 2,424,664	$ 6,121,234	$ 526,820	$ 4,408,501	$ 134,498,766

Investment Portfolio

As the funding bank for the District, CoBank is responsible for meeting the District's funding and liquidity needs. While access to the unsecured debt capital markets remains the District's primary source of liquidity, the District also maintains a secondary source of liquidity through a high credit quality investment portfolio and other short-term liquid assets which are primarily held at CoBank. All of CoBank's investment securities are classified as "available for sale". Refer to the CoBank Annual Report for additional description of the types of investments held by the Bank and related yield information and maturities. Associations have regulatory authority to enter into certain investments that carry an explicit government guarantee and certain other securities. Association investments included U.S. Treasury debt securities classified as "available-for-sale" and mortgage backed securities issued by the Federal Agricultural Mortgage Corporation (Farmer Mac) classified as "held to maturity".

($ in Millions)

Investment Information

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
June 30, 2022				
CoBank Investments	**$ 35,318**	**$ 14**	**$ (1,273)**	**$ 34,059**
Association Investments	**1,141**	**2**	**(51)**	**1,092**
Total	**$ 36,459**	**$ 16**	**$ (1,324)**	**$ 35,151**
December 31, 2021				
CoBank Investments	$ 31,567	$ 403	$ (128)	$ 31,842
Association Investments	874	1	(6)	869
Total	$ 32,441	$ 404	$ (134)	$ 32,711

Investment securities increased to $35.2 billion at June 30, 2022 from $32.7 billion at December 31, 2021. The increase in investments was primarily at CoBank and was required to maintain its liquidity reserve associated with the higher loan volume experienced during the first six months of 2022 and to take advantage of favorable investment spread opportunities in the marketplace.

Derivatives and Hedging Activities

CoBank, and to a much lesser extent certain Associations in the District, use derivatives as part of their market risk management activities. Derivatives (primarily interest rate swaps) are used by the Bank and Associations to manage liquidity and the market risk arising from maturity and repricing mismatches between assets and liabilities. Derivatives (interest rate caps and floors) are also used by the Bank to hedge cap and floor risk embedded within its floating-rate investments and loans. The Bank also enters into derivatives with its retail customers and Associations in the District as a service to enable them to transfer, modify or reduce their interest rate risk. Derivative transactions between CoBank and the Associations in the District and the assets/liabilities and income/expense related thereto, are eliminated in the District's condensed combined balances sheets and statements of income. Refer to the CoBank Annual Report for additional description and disclosure of the Bank's derivatives.

Derivatives are recorded at fair value as assets or liabilities in the District condensed combined balance sheets. Derivative assets totaled $637.0 million at June 30, 2022 compared to $477.6 million at December 31, 2021. Derivative liabilities totaled $777.6 million at June 30, 2022 compared to $364.4 million at December 31, 2021. The increases in derivative assets and derivative liabilities at June 30, 2022 are primarily the result of changes in market interest rates during the first six months of 2022.

Changes in the fair value of District derivatives are accounted for as gains or losses through current period earnings or as a component of accumulated other comprehensive income (loss), depending on the use of the derivatives and whether they qualify for hedge accounting treatment. Net changes in the fair value of derivatives recorded in noninterest income in the accompanying condensed combined statements of income included losses of $26.0 million and gains of $6.0 million for the first six months of 2022 and 2021, respectively. Changes in the fair value of derivatives recorded as other comprehensive income (loss) totaled net gains of $60.5 million for the first six months of 2022 compared to net gains of $3.9 million for the same period of the prior year.

District Capital Resources and Other

Combined District shareholders' equity at June 30, 2022 decreased to $23.2 billion as compared to $24.0 billion at December 31, 2021. The change primarily resulted from an increase in accumulated other comprehensive loss of $1.348 billion, a decrease in preferred stock of $513.7 million, accrued patronage of $390.1 million and preferred stock dividends of $52.2 million. These factors were partially offset by District net income of $1.378 billion and an increase in common stock of $26.3 million at the Associations.

In June 2022, CoBank stockholders approved board-recommended amendments to the Bank's capitalization bylaws lowering target equity ranges for customer-owners. Under the approved amendments, the target equity range for cooperatives and other patronage-eligible commercial borrowers will move to 4-10 percent, from the previous range of 7-13 percent. For direct loans with Farm Credit System institutions, the target equity range will move to 2-5 percent from the previous range of 4-6 percent. The target equity levels for customer-owners are set within the ranges established in the bylaws and are included in the capital plans approved by the CoBank Board of Directors.

On January 1, 2022, CoBank redeemed all of its outstanding Series G non-cumulative perpetual preferred stock totaling $200.0 million. The dividend rate for the Series G preferred stock was 6.125 percent through the date of redemption.

During the six months ended June 30, 2022, CoBank retired $59.9 million of preferred stock and one Association retired $253.8 million of preferred stock. CoBank retired a portion of its outstanding Series E non-cumulative perpetual preferred stock in a series of open market purchase transactions. The retired Series E preferred stock was purchased at a discount from par value resulting in a modest gain recorded in unallocated retained earnings. The one Association retired all of its Class H preferred stock.

The components of the District's accumulated other comprehensive loss are detailed in the following table.

($ in Thousands)

Accumulated Other Comprehensive Loss(1)

	June 30, 2022	December 31, 2021
Unrealized (Losses) Gains on Investment Securities	$ **(1,196,461)**	$ 227,514
Net Pension Adjustment	**(288,416)**	(303,611)
Unrealized Gains (Losses) on Interest Rate Swaps and Other Derivatives	**24,838**	(35,701)
Accumulated Other Comprehensive Loss	$ **(1,460,039)**	$ (111,798)

(1) Amounts are presented net of tax.

The change in the District's total accumulated other comprehensive loss during the first six months of 2022 is largely due to an increase in unrealized losses on investment securities driven by the impact of market interest rate changes on the fair value of fixed rate securities.

The following table presents regulatory capital and leverage ratios for CoBank and the range of ratios at the affiliated Associations.

Regulatory Capital Requirements and Ratios

				June 30, 2022		December 31, 2021	
Ratio	Primary Components of Numerator	Regulatory Minimums	Minimum with Buffer	CoBank	District Associations	CoBank	District Associations
Risk Adjusted:							
Common equity tier 1 (CET1) capital ratio	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity)(1)	4.5%	7.0%	**10.99%**	**10.48 - 23.42%**	12.74%	10.69 - 23.70%
Tier 1 capital ratio	CET1 Capital, non-cumulative perpetual preferred stock	6.0%	8.5%	**12.76%**	**12.06 - 23.42%**	14.70%	12.37 - 23.70%
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%	**13.62%**	**13.30 - 23.66%**	15.63%	13.71 - 23.95%
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.0%	7.0%	**12.88%**	**13.34 - 23.47%**	14.81%	13.55 - 23.75%
Non-risk adjusted:							
Tier 1 leverage ratio*	Tier 1 Capital	4.0%	5.0%	**6.57%**	**13.77 - 22.81%**	7.47%	14.05 - 23.27%
UREE leverage ratio	URE and URE Equivalents	1.5%	1.5%	**2.93%**	**11.90 - 22.64%**	3.36%	13.36 - 25.10%

* Must include the 1.5% regulatory minimum requirement for the URE and UREE Leverage ratio.

(1) Equities outstanding 7 or more years

(2) Capped at 1.25% of risk-adjusted assets

(3) Equities outstanding 5 or more years, but less than 7 years

(4) Debt and equities outstanding 5 or more years

As depicted in the table above, at June 30, 2022, CoBank and all affiliated Associations exceeded the FCA's regulatory minimum capital ratios and any required buffers. As a result of the significant increase in agribusiness seasonal loan volume at CoBank during the first half of 2022, CoBank's capital and leverage ratios declined from December 31, 2021 to June 30, 2022. CoBank believes its regulatory capital and leverage ratios will increase during the third quarter as agribusiness loan volume is expected to decline over that period following its seasonal cycle. Although aggregated in the District's condensed combined financial statements, capital for each District entity is particular to that institution. In addition, the provisions of joint and several liability for Systemwide Debt Securities are applicable only to System banks and do not include Associations. CoBank has no access to Association capital beyond their required investment in the Bank. There are no capital sharing agreements between CoBank and its affiliated Associations.

Association Mergers and Other Matters

Association Mergers

On October 28, 2021, Farm Credit of Western Oklahoma, ACA and Farm Credit of Enid, ACA approved a letter of intent to pursue a merger. Subject to various approvals, the target date for the merger to become effective is November 1, 2022.

Effective January 1, 2022, Farm Credit East, ACA and Yankee Farm Credit, ACA merged and are doing business as Farm Credit East, ACA.

On February 2, 2022, Northwest Farm Credit Services, ACA entered into a non-binding letter of intent to pursue a merger with Farm Credit West, ACA. Subject to various approvals, the target date for the merger to become effective is no earlier than January 1, 2023.

On May 4, 2022, American AgCredit, ACA entered into a non-binding letter of intent to pursue a merger with Farm Credit of New Mexico, ACA. Subject to various approvals, the target date for the merger is July 1, 2023, or as soon as practicable thereafter.

LIBOR Transition

On March 5, 2021, the United Kingdom's Financial Conduct Authority (UKFCA) and the ICE Benchmark Administrator (IBA) formally announced that all LIBOR tenors will either be discontinued or no longer be representative immediately after December 31, 2021 for the GBP, JPY, CHF, EUR, and the 1-week and 2-month USD tenors, and immediately after June 30, 2023 for the remaining USD tenors. The UKFCA does not expect that any LIBOR tenors will become unrepresentative before these respective dates; however, publication by the IBA of most of the LIBOR tenors is expected to cease immediately after these dates. The UKFCA has worked closely with market participants and regulatory authorities around the world to ensure that alternatives to LIBOR are available and that existing contracts can be transitioned onto these alternatives to safeguard financial stability and market integrity.

On March 9, 2021, the Federal Reserve's Alternative Reference Rate Committee (ARRC) released a statement of clarification related to the UKFCA and IBA announcements. The ARRC confirmed a "Benchmark Transition Event" occurred under ARRC and International Swaps and Derivatives Association (ISDA) recommended fallback language as a result of the announcements on March 5, 2021. The ARRC also confirmed that March 5, 2021 is the date which the spread adjustments were determined for the ISDA fallbacks but will not be effective until the next repricing of instruments after June 30, 2023.

On July 29, 2021, the ARRC formally announced that CME Term SOFR is an appropriate fallback to LIBOR to be used for certain types of currently outstanding loans, floating rate notes (which would include certain outstanding Systemwide Debt Securities) and derivatives based on LIBOR when LIBOR is discontinued or deemed unrepresentative, and, in more limited circumstances, for new loans, floating rate notes and other transactions, including certain derivatives. CME Term SOFR are forward-looking rates published by CME Group Benchmark Administration Limited for 1-month, 3-month, 6-month and 12-month tenors. The ARRC's support of CME Term SOFR is expected to increase the volume of transactions quoted in SOFR, supporting the transition away from LIBOR.

On October 20, 2021, the Prudential Regulators (Federal Reserve, Federal Deposit Insurance Corporation, Officer of the Comptroller of the Currency) issued a statement to reemphasize the expectation that supervised institutions with LIBOR exposure continue to progress towards an orderly transition away from LIBOR. Given LIBOR's discontinuance, the agencies believe that entering into new contracts, including derivatives, that use LIBOR as a reference rate after December 31, 2021, would create safety and soundness risks, including litigation, operational, and consumer protection risks. The Prudential Regulators further clarified a new contract would include an agreement that creates additional LIBOR exposure for a supervised institution or extends the term of an existing LIBOR contract. A draw on an existing agreement that is legally enforceable, for example, a committed credit facility would not be viewed as a new contract.

On December 8, 2021, the FCA issued an informational memorandum to provide additional guidance to Farm Credit System institutions on their transition away from LIBOR. The guidance encourages Farm Credit System institutions to stop entering into new contracts that reference LIBOR as soon as practicable and in any event no later than December 31, 2021. Entering into new LIBOR-referenced contracts after that date would present safety and soundness risk. The guidance also provides clarity on what the FCA considers a new LIBOR-indexed contract; whether purchases of legacy LIBOR-indexed loans and investments are deemed new contracts; limited exceptions for entering into new LIBOR contracts that reduce or hedge risk in legacy LIBOR contracts; and the due diligence and other procedures required before using other benchmark/reference rate alternatives to LIBOR (beyond SOFR), including credit-sensitive alternative rates.

On March 15, 2022, the U.S. government passed the Consolidated Appropriations Act of 2022, which includes federal legislation regarding the LIBOR transition. The legislation provides a statutory fallback mechanism to replace LIBOR with a benchmark rate, selected by the Federal Reserve Board and based on SOFR, for certain contracts that reference LIBOR and contain no or insufficient fallback provisions. The law also provides a safe harbor for parties who select the statutory benchmark replacement rate. The federal legislation also preempts state law passed by New York and Alabama that relates to the selection or use of a benchmark rate replacement or limits the manner of calculating interest.

The System institutions that comprise the District have exposure to various LIBOR-indexed financial instruments. This exposure includes loans that are made to customers, investment securities that are purchased, Systemwide Debt Securities that are issued by the Federal Farm Credit Banks Funding Corporation (Funding Corporation) on CoBank's behalf, preferred stock that is issued and derivative transactions. Alternative reference rates that replace LIBOR may not yield the same or similar economic results over the terms of the financial instruments, which could adversely affect the value of, and return on, instruments held. The transition from LIBOR could result in System institutions in the District paying higher interest rates on current LIBOR-indexed Systemwide Debt Securities, adversely affect the yield on, and fair value of, the instruments District institutions hold that reference LIBOR, and increase the costs of or affect the ability to effectively use derivative instruments to manage interest rate risk. In addition, to the extent that the District cannot successfully transition the LIBOR-indexed financial instruments to an alternative rate-based index that is endorsed or supported by regulators and generally accepted by the market as a replacement to LIBOR, there could be other ramifications including those that may arise as a result of the need to redeem or terminate such instruments. Disputes and litigation with counterparties, investors and borrowers relating to the transition are also possible. Due to the uncertainty regarding the transition from LIBOR-indexed financial instruments, including when it will happen, the manner in which an alternative reference rate will apply, and the mechanisms for transitioning LIBOR-indexed instruments to instruments with an alternative rate, the District cannot yet reasonably estimate the expected financial impact of the LIBOR transition.

The following table presents the District LIBOR-indexed financial instruments by contractual maturity.

LIBOR-Indexed Financial Instruments at June 30, 2022 ($ in Millions)

	Due in 2022	Due in 2023 on or before June 30, 2023	Due after June 30, 2023	Total
Commercial Loans [(1)]	$ 5,499	$ 1,266	$ 22,537	$ 29,302
Investment Securities	1	76	2,973	3,050
Debt	500	171	785	1,456
Derivatives (Notional Amounts)	13,740	5,940	27,853	47,533
Preferred Stock [(2)]	-	-	1,218	1,218

(1) Represents District combined loans after elimination of the direct note between CoBank and its affilliated Associations.

(2) Represents CoBank's non-cumulative perpetual preferred stock with a fixed-to-floating rate dividend feature indexed to 3-month USD LIBOR, and does not have a contractual maturity date. Includes $143 million of CoBank preferred stock that pays a dividend currently indexed to 3-month USD LIBOR plus a spread as of June 30, 2022. Dividends on an additional $400 million, $300 million and $375 million of CoBank preferred stock convert from a fixed rate to 3-month USD LIBOR plus a spread in 2022, 2025, and 2026, respectively. There is no Association preferred stock indexed to LIBOR.

System institutions in the District continue to analyze potential risks associated with the LIBOR transition, including financial, market, accounting, operational, legal, tax, reputational and compliance risks. In light of the announcements by the UKFCA, the IBA and Prudential Regulators noted above, USD LIBOR, except in very limited circumstances, was or will be discontinued or declared unrepresentative (depending on the tenor) as of either immediately after December 31, 2021 or June 30, 2023. Because System institutions in the District routinely engage in transactions involving financial instruments that referenced LIBOR, these developments may have a material impact on those institutions, their borrowers, investors, customers and counterparties as they transition these LIBOR instruments to SOFR or another alternative rate-based index over time.

Other Regulatory Matters

On July 8, 2021, the FCA announced a proposed rule that would amend the Tier 1/Tier 2 capital framework to define and establish a risk weight for high-volatility commercial real estate exposures by assigning a 150% risk-weighting to such exposures, instead of the current 100% risk-weighting. The proposed rule focuses on changes that are comparable with the capital rules of other federal banking regulatory agencies and recognizes the increased risk posed by high-volatility commercial real estate exposures. The public comment period ended on January 24, 2022.

On April 14, 2022, the FCA issued a final rule to address changes to its capital regulations and certain other regulations in response to the current expected credit losses (CECL) accounting standard. The regulation reflects the CECL methodology, which revises the accounting for credit losses under U.S. GAAP, as well as conforming amendments to other regulations to accurately reference credit losses. Specifically, the regulation identifies which credit loss allowances under CECL are eligible for inclusion in a System institution's regulatory capital. Credit loss allowances related to loans, lessor's net investments in leases, and held-to-maturity debt securities would be included in a System institution's tier 2 capital up to 1.25 percent of the System institution's total risk-weighted assets. Credit loss allowances for available-for-sale debt securities and purchased credit impaired assets would not be eligible for inclusion in a System institution's tier 2 capital. In addition, the regulation does not include a transition phase-in period for the CECL day 1 cumulative effect adjustment to retained earnings on a System institution's regulatory capital ratios. The final rule is effective on January 1, 2023.

Subsequent Events

We have evaluated subsequent events through August 8, 2022, which is the date the financial statements were issued and determined that there were no other events requiring disclosure.

Condensed Combined Balance Sheets

(unaudited)

($ in Thousands)

	June 30, 2022	December 31, 2021
Assets		
Total Loans	$ 147,974,765	$ 140,846,728
Less: Allowance for Loan Losses	1,007,585	962,051
Net Loans	146,967,180	139,884,677
Cash and Cash Equivalents	365,693	3,379,902
Federal Funds Sold and Other Overnight Funds	10,855,000	5,500,000
Investment Securities	35,150,581	32,711,274
Interest Rate Swaps and Other Derivatives	637,016	477,580
Accrued Interest Receivable and Other Assets	2,559,485	2,553,089
Total Assets	$ 196,534,955	$ 184,506,522
Liabilities		
Bonds and Notes	$ 170,248,824	$ 156,355,129
Subordinated Debt	197,674	197,591
Interest Rate Swaps and Other Derivatives	777,628	364,441
Reserve for Unfunded Commitments	147,567	150,436
Patronage Payable	351,340	1,108,179
Accrued Interest Payable and Other Liabilities	1,658,166	2,288,729
Total Liabilities	173,381,199	160,464,505
Shareholders' Equity		
Preferred Stock Issued by Bank	1,642,645	1,902,500
Preferred Stock Issued by Associations	303,713	557,601
Common Stock	1,872,580	1,846,261
Paid In Capital	1,512,910	1,387,946
Unallocated Retained Earnings	19,281,947	18,459,507
Accumulated Other Comprehensive Loss	(1,460,039)	(111,798)
Total Shareholders' Equity	23,153,756	24,042,017
Total Liabilities and Shareholders' Equity	$ 196,534,955	$ 184,506,522

Condensed Combined Statements of Income

(unaudited)

($ in Thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	**2021**	**2022**	**2020**
Interest Income				
Loans	**$ 1,342,031**	$ 1,111,149	**$ 2,528,378**	$ 2,212,315
Investment Securities, Federal Funds Sold and Other Overnight Funds	**162,170**	110,929	**275,943**	226,434
Total Interest Income	**1,504,201**	1,222,078	**2,804,321**	2,438,749
Interest Expense	**470,220**	285,205	**771,150**	586,973
Net Interest Income	**1,033,981**	936,873	**2,033,171**	1,851,776
Provision for Loan Losses (Loan Loss Reversal)	**26,908**	(26,243)	**70,829**	25,731
Net Interest Income After Provision for Loan Losses	**1,007,073**	963,116	**1,962,342**	1,826,045
Noninterest Income				
Net Fee Income	**46,134**	46,508	**88,630**	96,657
Patronage Income	**44,734**	39,206	**92,094**	74,822
Prepayment Income	**3,515**	7,379	**9,596**	19,285
Losses on Early Extinguishments of Debt	**(1,427)**	(16,441)	**(2,295)**	(31,120)
(Losses) Gains on Interest Rate Swaps and Other Derivatives	**(2,750)**	3,570	**(26,023)**	5,965
Gains on Sales of Investment Securities	**337**	4	**1,451**	1,677
Other, Net	**28,589**	25,129	**65,678**	49,381
Total Noninterest Income	**119,132**	105,355	**229,131**	216,667
Operating Expenses				
Employee Compensation	**191,540**	183,968	**384,722**	366,871
Insurance Fund Premium	**82,223**	48,483	**135,141**	97,821
Information Services	**30,956**	27,682	**65,260**	52,919
General and Administrative	**21,719**	13,709	**41,831**	28,660
Occupancy and Equipment	**14,839**	16,231	**31,966**	34,863
Farm Credit System Related	**9,162**	8,680	**18,308**	17,591
Purchased Services	**22,203**	18,821	**39,586**	36,202
Other	**22,469**	14,401	**34,463**	26,172
Total Operating Expenses	**395,111**	331,975	**751,277**	661,099
Income Before Income Taxes	**731,094**	736,496	**1,440,196**	1,381,613
Provision for Income Taxes	**29,247**	31,824	**62,437**	66,910
Net Income	**$ 701,847**	$ 704,672	**$ 1,377,759**	$ 1,314,703

Select Information on District Associations
(unaudited)

($ in Thousands)

As of June 30, 2022	Wholesale Loans	% of Wholesale Loans	Total Assets	Total Regulatory Capital	Total Regulatory Capital Ratio	Non-performing Loans as a % of Total Loans	Return on Average Assets
American AgCredit, ACA	$ 13,769,088	22.26 %	$ 17,424,140	$ 2,550,107	13.30 %	0.70 %	2.23 %
Northwest Farm Credit Services, ACA	11,368,529	18.37	15,198,612	2,773,470	17.54	0.34	2.26
Farm Credit West, ACA	10,824,837	17.49	13,778,534	2,051,499	14.16	0.58	2.64
Farm Credit East, ACA	8,355,586	13.50	10,487,118	1,836,614	16.66	0.45	2.90
Yosemite Farm Credit, ACA	3,288,965	5.32	4,048,291	572,805	13.94	0.22	1.97
Frontier Farm Credit, ACA	2,040,567	3.30	2,590,656	479,013	16.94	0.28	1.75
Golden State Farm Credit, ACA	1,751,576	2.83	2,193,452	334,841	14.72	0.10	2.16
Farm Credit of New Mexico, ACA	1,525,280	2.47	2,001,783	419,222	20.94	0.72	2.02
Oklahoma AgCredit, ACA	1,544,868	2.50	1,904,129	293,633	14.96	0.40	1.60
High Plains Farm Credit, ACA	1,227,968	1.98	1,564,955	247,611	15.03	0.11	2.09
Farm Credit of Southern Colorado, ACA	1,144,470	1.85	1,467,596	252,725	16.79	0.47	1.54
Fresno-Madera Farm Credit, ACA	1,084,371	1.75	1,451,847	277,489	17.33	0.31	1.85
Farm Credit Western Oklahoma, ACA	1,051,948	1.70	1,337,220	215,171	17.79	0.86	1.74
Western AgCredit, ACA	980,458	1.58	1,290,751	243,988	18.07	1.25	2.29
Premier Farm Credit, ACA	686,537	1.11	921,024	175,679	17.82	0.02	1.81
Farm Credit Services of Colusa-Glenn, ACA	472,376	0.76	654,331	123,275	16.69	-	1.68
Farm Credit of Western Kansas, ACA	296,289	0.48	428,007	96,153	22.47	-	1.75
Idaho AgCredit, ACA	259,800	0.42	349,830	59,148	17.27	0.18	1.55
Farm Credit of Enid, ACA	201,705	0.33	276,648	63,126	23.66	0.67	2.52

Association Information

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Farm Credit of New Mexico, ACA
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Farm Credit of Southern Colorado, ACA
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2009 Vanesta Place
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785-776-7144
www.frontierfarmcredit.com

Golden State Farm Credit, ACA
1359 East Lassen Avenue
Chico, CA 95973
530-571-4160
www.goldenstatefarmcredit.com

High Plains Farm Credit, ACA
605 Main
Larned, KS 67550-0067
620-285-6978
www.highplainsfarmcredit.com

Idaho AgCredit, ACA
188 West Judicial Street
Blackfoot, ID 83221-0985
208-785-1510
www.idahoagcredit.com

Northwest Farm Credit Services, ACA
2001 South Flint Road
Spokane, WA 99224
509-340-5300
www.northwestfcs.com

Oklahoma AgCredit, ACA
3033 Progressive Drive
Edmond, OK 73034
918-251-8596
www.okagcredit.com

Premier Farm Credit, ACA
202 Poplar Street
Sterling, CO 80751-1785
970-522-5295
www.premieraca.com

Western AgCredit, ACA
10980 South Jordan Gateway
South Jordan, UT 84095-0850
801-571-9200
www.westernagcredit.com

Yosemite Farm Credit, ACA
810 West Monte Vista Avenue
Turlock, CA 95382
209-667-2366
www.yosemitefarmcredit.com