

Five-Year Summary of Selected CoBank Consolidated Financial Data (\$ in Thousands)

As of and for the Year Ended December 31,	2017	2016	2015	2014	2013
Consolidated Statement of Income Data					
Net Interest Income	\$ 1,392,825	\$ 1,361,778	\$ 1,273,335	\$ 1,231,767	\$ 1,163,433
Provision for Loan Losses/(Loan Loss Reversal)	42,000	63,000	10,000	(15,000)	-
Noninterest Income	175,233	184,885	169,773	124,171	132,085
Operating Expenses	385,673	379,702	325,315	303,800	280,094
Provision for Income Taxes	15,064	158,285	171,120	162,868	158,969
Net Income	\$ 1,125,321	\$ 945,676	\$ 936,673	\$ 904,270	\$ 856,455
Net Income Distributed					
Patronage Distributions:					
Common Stock	\$ 118,570	\$ 114,258	\$ 98,117	\$ 88,745	\$ 76,527
Cash	491,856	473,853	415,982	378,735	338,001
Total Patronage Distributions	610,426	588,111	514,099	467,480	414,528
Preferred Stock Dividends	84,704	77,232	59,179	53,564	62,980
Total Net Income Distributed	\$ 695,130	\$ 665,343	\$ 573,278	\$ 521,044	\$ 477,508
Consolidated Balance Sheet Data					
Total Loans	\$ 99,265,505	\$ 95,258,281	\$ 89,040,580	\$ 80,382,497	\$ 73,603,375
Less: Allowance for Loan Losses	576,927	558,974	486,144	481,156	447,126
Net Loans	98,688,578	94,699,307	88,554,436	79,901,341	73,156,249
Investment Securities, Federal Funds Sold and Other Overnight Funds	27,905,378	28,515,188	24,504,448	24,319,943	21,688,489
Cash and Cash Equivalents	1,313,620	1,660,517	3,113,101	1,855,634	1,335,024
Other Assets	1,303,237	1,255,614	1,298,581	1,304,171	1,416,695
Total Assets	\$ 129,210,813	\$ 126,130,626	\$ 117,470,566	\$ 107,381,089	\$ 97,596,457
Debt Obligations with Maturities ≤ 1Year	\$ 52,568,630	\$ 50,788,645	\$ 45,904,672	\$ 46,263,479	\$ 35,650,715
Debt Obligations with Maturities > 1Year	65,837,653	64,796,055	61,968,079	52,174,200	53,663,787
Reserve for Unfunded Commitments	93,865	103,496	115,444	115,680	167,592
Other Liabilities	1,650,588	1,868,672	1,671,902	1,458,067	1,409,747
Total Liabilities	120,150,736	117,556,868	109,660,097	100,011,426	90,891,841
Preferred Stock	1,500,000	1,500,000	1,125,000	1,125,000	961,750
Common Stock	3,240,445	3,072,232	2,899,728	2,768,546	2,677,485
Unallocated Retained Earnings	4,551,600	4,121,409	3,845,728	3,482,379	3,103,926
Accumulated Other Comprehensive Loss	(231,968)	(119,883)	(59,987)	(6,262)	(38,545)
Total Shareholders' Equity	9,060,077	8,573,758	7,810,469	7,369,663	6,704,616
Total Liabilities and Shareholders' Equity	\$ 129,210,813	\$ 126,130,626	\$ 117,470,566	\$ 107,381,089	\$ 97,596,457
Key Financial Ratios					
For the Year:					
Return on Average Common Shareholders' Equity	14.20 %	12.40 %	13.57 %	14.27 %	14.40 %
Return on Average Total Shareholders' Equity	12.75	11.25	12.34	13.07	13.15
Return on Average Assets	0.89	0.78	0.86	0.89	0.91
Net Interest Margin	1.12	1.14	1.20	1.23	1.26
Net (Charge-offs) Recoveries / Average Loans	(0.04)	(0.00)	(0.01)	(0.00)	0.03
Patronage Distributions / Total Average Common Stock Owned by Active Borrowers	20.70	21.32	19.76	18.59	17.53
At Year-end:					
Debt / Total Shareholders' Equity (: 1)	13.26	13.71	14.04	13.58	13.56
Total Shareholders' Equity / Total Assets	7.01 %	6.80 %	6.65 %	6.86 %	6.87 %
Allowance for Credit Losses ⁽¹⁾ / Total Loans	0.68	0.70	0.68	0.74	0.84
Common Equity Tier 1 Capital Ratio ⁽²⁾	11.67	n/a	n/a	n/a	n/a
Tier 1 Capital Ratio ⁽²⁾	13.97	n/a	n/a	n/a	n/a
Total Capital Ratio ⁽²⁾	15.24	n/a	n/a	n/a	n/a
Tier 1 Leverage Ratio ⁽²⁾	7.26	n/a	n/a	n/a	n/a
Unallocated Retained Earnings (URE) and URE Equivalents Leverage Ratio ⁽²⁾	2.96	n/a	n/a	n/a	n/a
Permanent Capital Ratio	14.29	15.47	14.95	15.70	16.72

⁽¹⁾ Includes the allowance for loan losses and the reserve for unfunded commitments.

⁽²⁾ Effective January 1, 2017, CoBank implemented new regulatory capital requirements, as required by the FCA. Therefore, this ratio is not applicable for periods ending prior to this date.