Quarterly Report
June 30, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

The following commentary reviews the consolidated financial condition and consolidated results of operations of Farm Credit Mid-America, ACA and its subsidiaries, Farm Credit Mid-America, FLCA and Farm Credit Mid-America, PCA. This discussion should be read in conjunction with both the unaudited consolidated financial information and related notes included in this Quarterly Report as well as Management's Discussion and Analysis included in our Annual Report for the year ended December 31, 2024 (2024 Annual Report).

Due to the nature of our financial relationship with AgriBank, FCB (AgriBank), the financial condition and results of operations of AgriBank materially impact our members' investment. To request free copies of AgriBank financial reports or additional copies of our report, contact us at:

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FORWARD-LOOKING INFORMATION

Any forward-looking statements in this Quarterly Report are based on current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from expectations due to several risks and uncertainties. More information about these risks and uncertainties is contained in our 2024 Annual Report. We undertake no duty to update or revise any forward-looking statements, whether because of new information, future events, or otherwise.

AGRICULTURAL AND ECONOMIC CONDITIONS

The overall Association loan portfolio continues to perform well; however, we continue to experience added credit quality pressure in our other crops agricultural industry concentration. The stress in the other crops concentration is primarily in the tree nuts, wine, and spirits industries. These industries are currently working through excess inventories built up from shifting consumer demand. Cotton and rice producers, primarily in our Arkansas territory, are showing growing signs of credit quality stress. Across our other lending areas, we are seeing declines in credit quality with our grain producers; however, credit quality remains strong with these producers due to high levels of working capital that have accumulated through strong earnings in prior years. As of June 30, 2025, more than half of our customers experienced liquidity ratios more than twice our minimum underwriting standard. This liquidity will benefit producers who may struggle to generate operating profits during this crop cycle. The increase in adverse credit was anticipated based on the unusually low levels of adverse credit reached during an economic cycle that was supportive of our primary business segments.

Net farm income is forecasted at $180.1 billion for 2025, an increase of $41 billion (29.5%) relative to 2024 in nominal dollars. This follows a forecasted decrease for 2024 of $8.2 billion (5.6%) from 2023 to $139.1 billion. These levels are elevated compared to the longer-term trend but are down from the recent high established in 2022 at $185.5 billion. The projected increase in 2025 is directly associated with $42 billion in government payments expected to be received. There is a divergence of profitability that has formed within agriculture producers such as grain, cotton, and rice producers are experiencing challenging economic results while protein producers (beef, dairy, pork, chicken, eggs) are experiencing significant profits. The Federal Reserve's decision to cut interest rates three times totaling 75 basis points in 2024 was an encouraging start to improve profitability to most farm and ranch operations; however, additional profitability will come from a combination of higher revenues and lower operating costs.

Generally, crop conditions are favorable through June 30, 2025, across the Association loan service area. Despite the generally favorable conditions, we are experiencing areas where the corn crop is behind average pace across the Ohio River valley where excess spring rains delayed crop plantings. We are also seeing mostly favorable conditions with soybeans, however there is increased variability this year due to localized flooding and pest pressures experienced during planting season. According to the National Agricultural Statistics Services, soybean acres have decreased by 4% from 2024 to 83.4 million acres. The decrease in soybean acres have likely transitioned to corn acres as there have been 95.2 million acres planed this year – a 5% increase from 2024. This is the third highest corn acreage planted in the United States (U.S.) since 1944. Combining relatively favorable growing conditions with a large corn crop is preparing the market for a bearish outlook on corn prices. Soybean prices have remained relatively stable during this growing season, despite the tariff and trade challenges associated with the commodity. Cotton acres planted for 2025 are 9.95 million acres, down 9% from last year.

There are abnormal and moderate drought indicators beginning to surface within the Northwestern portion of Indiana, within our loan service area. This is the only area where dryer conditions are present according to the U.S. Drought Monitor.

The Association monitors land values through various programs including semi-annual benchmark appraisals within 18 zones across our lending territory. The most recent benchmark appraisal analysis indicates an average change in values of 2.77% across the territory with 3 of the 18 zones indicating a decline in value from the prior results. Although appreciation rates may be cooling, we are not experiencing valuation diminution at this time.

The Purdue University – CME Group Ag Economy Barometer Index has shown a year-over-year increase in the Ag Economy Barometer ending Q2 2025 at an index of 146 compared to the prior year Q2 index at 105. The barometer showed continued declines in 2024 with a significant movement in November and December driven from post-election optimism about the future. The Index of Future conditions continue to be at elevated levels for the end of Q2 2025. The increased tariff and trade conversations occurring within the federal administration may impact U.S. agriculture exports and is a rising concern among farmers.

Our Rural 1st® business segment continues to experience exceptional levels of credit quality while growing at a good pace supported by growth in wages, low unemployment, and demand for housing. Although some market indicators are starting to show the housing industry with increased headwinds, we are not experiencing any significant changes in our Rural 1st® housing portfolio. This portfolio focuses on high quality originations and fixed rates that, absent a spike in unemployment, should continue to perform well.

LOAN PORTFOLIO

Loan Portfolio

Total loans were $34.5 billion at June 30, 2025, a decrease of $630.0 million from December 31, 2024. The decrease was primarily due to asset pool sales to AgriBank during the second quarter partially offset by a repurchase of asset pool loans from AgriBank. On May 1, 2025, we sold $271.0 million of a participation interest in real estate loans to AgriBank. Then on June 1, 2025, we repurchased $2.7 billion in real estate loans back from AgriBank and subsequently sold $4.3 billion of a participation interest in real estate and agricultural loans to AgriBank. The net decrease, resulting from these asset pool sales and repurchase, was $1.9 billion contributing to the overall decrease in total loans from December 31, 2024. AgriBank has established a separate patronage pool for these assets and intends to pay the net earnings back to us as patronage at the sole discretion of the AgriBank Board of Directors.

Portfolio Credit Quality

The credit quality of our portfolio declined slightly from December 31, 2024. Adversely classified loans are loans we have identified as showing some credit weakness according to our credit standards. Adversely classified loans increased to 2.4% of the portfolio at June 30, 2025, from 2.1% of the portfolio at December 31, 2024. We have considered portfolio credit quality in assessing the reasonableness of our allowance for credit losses on loans.

Nonperforming Assets

Components of Nonperforming Assets

(dollars in thousands) **As of:**	**June 30, 2025**	December 31, 2024
Loans:		
Non-accrual	**$ 427,450**	$ 359,811
Accruing loans 90 days or more past due	**27,987**	73,519
Total nonperforming loans	**455,437**	433,330
Other property owned	**4,883**	6,667
Total nonperforming assets	**$ 460,320**	$ 439,997
Total nonperforming loans as a percentage of total loans	**1.3%**	1.2%
Non-accrual loans as a percentage of total loans	**1.2%**	1.0%
Current non-accrual loans as a percentage of total non-accrual loans	**49.7%**	37.6%
Total delinquencies as a percentage of total loans[1]	**1.0%**	1.0%

[1]Total delinquencies include accrual and non-accrual loans 30 days or more past due.

Our nonperforming assets have increased from December 31, 2024, but remained at acceptable levels. Despite the increase in nonperforming assets, total nonperforming loans as a percentage of total loans were well within our established risk management parameters.

The increase in non-accrual loans was primarily due to certain real estate mortgage and agribusiness loans for two customers that transferred to non-accrual status during the first quarter of 2025. The increase in non-accrual loans was also due to certain production and intermediate term loans for two customers that transferred to non-accrual status during the second quarter of 2025. Non-accrual loans remained at an acceptable level at June 30, 2025, and December 31, 2024.

The decrease in accruing loans 90 days or more past due was primarily due to collections on delinquent United States Department of Agriculture (USDA) guaranteed loans during the six months ended June 30, 2025. The remaining USDA guaranteed assets are well secured and full payment is expected. The decrease was also due to one real estate mortgage loan transferring to non-accrual status during the first quarter of 2025. Our accounting policy requires loans past due 90 days or more to be transferred into non-accrual status unless adequately secured and a plan is in place to collect past due amounts.

Allowance for Credit Losses on Loans

The allowance for credit losses on loans is an estimate of expected credit losses in our portfolio. We determine the appropriate level of allowance for credit losses on loans based on a disciplined process and methodology that incorporates expected probabilities of default and loss given default based on historical portfolio performance, forecasts of future economic conditions, and management's judgment with respect to unique aspects of current and expected conditions that may not be contemplated in historical loss experience or forecasted economic conditions.

Allowance for Credit Losses on Loans and Coverage Ratios

(dollars in thousands) **As of:**	**June 30, 2025**	December 31, 2024
Allowance for credit losses on loans	**$ 82,910**	$ 59,897
Allowance for credit losses on loans as a percentage of:		
Loans	**0.24%**	0.17%
Non-accrual loans	**19.4%**	16.6%
Total nonperforming loans	**18.2%**	13.8%

The increase in allowance for credit losses on loans from December 31, 2024, was primarily related to increased specific reserves established on certain production and intermediate term and agribusiness loans.

RESULTS OF OPERATIONS

Profitability Information

(dollars in thousands) **For the six months ended June 30,**	**2025**	2024
Net income	**$ 281,565**	$ 294,490
Return on average assets	**1.42%**	1.62%
Return on average members' equity	**8.64%**	9.46%

Changes presented in the profitability information table relate directly to:

- Changes in net income discussed in this section
- Changes in assets discussed in the Loan Portfolio section
- Changes in capital discussed in the Funding, Liquidity, and Capital section

Changes in Significant Components of Net Income

(in thousands) **For the six months ended June 30,**	**2025**	2024	**Increase (decrease) in net income**
Net interest income	**$ 435,630**	$ 426,273	**$ 9,357**
Provision for credit losses	**25,257**	15,024	**(10,233)**
Non-interest income	**83,124**	104,575	**(21,451)**
Non-interest expense	**206,298**	211,809	**5,511**
Provision for income taxes	**5,634**	9,525	**3,891**
Net income	**$ 281,565**	$ 294,490	**$ (12,925)**

Provision for Credit Losses

The “Provision for credit losses” in the Consolidated Statements of Comprehensive Income includes a provision for credit losses on loans as well as a provision for credit losses on unfunded commitments. The provision for credit losses was due to specific reserves established on certain production and intermediate term and agribusiness loans.

Non-Interest Income

The change in non-interest income was primarily due to decreases in patronage income and fee income.

Patronage Income: We may receive patronage from AgriBank and other Farm Credit institutions. Patronage distributions from AgriBank and other Farm Credit institutions are declared solely at the discretion of each institution's Board of Directors. AgriBank may distribute patronage in the form of cash or stock. All other patronage from other Farm Credit institutions is typically distributed in cash.

Patronage Income

(in thousands)

For the six months ended June 30,	2025	2024
Patronage from AgriBank	**$ 50,637**	$ 62,641
AgDirect partnership distribution	**5,073**	5,329
Other patronage	**581**	738
Total patronage income	**$ 56,291**	$ 68,708

Patronage from AgriBank primarily includes wholesale patronage and asset pool program patronage. The decrease in patronage income was primarily due to the wholesale patronage income received from AgriBank being at a lower rate during the six months ended June 30, 2025, compared to the six months ended June 30, 2024.

Fee Income: The decrease in fee income was primarily due to the deferral of some origination fee income during the six months ended June 30, 2025, compared to the six months ended June 30, 2024.

FUNDING, LIQUIDITY, AND CAPITAL

We borrow from AgriBank, under a note payable, in the form of a line of credit. Our note payable was scheduled to mature on March 31, 2027. However, it was renewed early for $45.0 billion with an origination date of April 1, 2025, and a maturity date of March 31, 2028. We intend to renegotiate the note payable no later than the maturity date. The repricing attributes of our line of credit generally correspond to the repricing attributes of our loan portfolio, which significantly reduces our market interest rate risk. However, we maintain some exposure to interest rates, primarily from loans to customers which may not have a component of our line of credit with an exact repricing attribute. Due to the cooperative structure of the Farm Credit System and as we are a stockholder of AgriBank, we expect this borrowing relationship to continue into the foreseeable future. We also fund our portfolio from equity.

The components of cost of funds associated with our note payable include:

- A marginal cost of debt component
- A spread component, which includes cost of servicing, cost of liquidity, and bank profit
- A risk premium component, if applicable

We were not subject to a risk premium at June 30, 2025, or December 31, 2024.

On May 16, 2025, Moody's Ratings lowered the U.S. sovereign's long-term issuer rating to Aa1 from Aaa. The outlook on the long-term debt rating of the U.S. was revised to stable from negative. On May 19, 2025, Moody's Ratings lowered long-term senior unsecured debt rating for the Farm Credit System to Aa1 from Aaa; the Prime-1 short-term rating was affirmed. The outlook on the long-term debt rating was revised to stable from negative. As a government-sponsored entity, the Farm Credit System benefits from the implicit government support and, therefore, the ratings are directly linked to the U.S. sovereign rating.

Moody's Ratings also affirmed AgriBank's long-term issuer rating of Aa3, and affirmed the stable long-term issuer rating outlook.

The reduction in the credit rating by Moody's Ratings for the Farm Credit System, could result in higher funding costs or disruptions in our access to the capital markets. However, to date we have noticed no significant impact as a result of this rating change.

Total members' equity increased $150.8 million from December 31, 2024, primarily due to net income for the period partially offset by patronage distribution accruals.

The Farm Credit Administration (FCA) Regulations require us to maintain minimums for our common equity tier 1, tier 1 capital, total capital, and permanent capital risk-based capital ratios. In addition, the FCA requires us to maintain minimums for our non-risk-adjusted ratios of tier 1 leverage and unallocated retained earnings and equivalents leverage. Refer to Note 7 in our 2024 Annual Report for a more complete description of these ratios.

Regulatory Capital Requirements and Ratios

As of:	**June 30, 2025**	December 31, 2024	Regulatory Minimums	Capital Conservation Buffer	Total
Risk-adjusted:					
Common equity tier 1 ratio	**14.2%**	14.6%	4.5%	2.5%	7.0%
Tier 1 capital ratio	**14.2%**	14.6%	6.0%	2.5%	8.5%
Total capital ratio	**14.4%**	14.8%	8.0%	2.5%	10.5%
Permanent capital ratio	**14.2%**	14.6%	7.0%	N/A	7.0%
Non-risk-adjusted:					
Tier 1 leverage ratio	**13.7%**	14.2%	4.0%	1.0%	5.0%
Unallocated retained earnings and equivalents leverage ratio	**13.5%**	13.9%	1.5%	N/A	1.5%

Capital ratios are directly impacted by the changes in capital, as more fully explained in this section, the changes in assets, as discussed in the Loan Portfolio section, and off-balance sheet commitments, as disclosed in Note 11 in our 2024 Annual Report.

CERTIFICATION

The undersigned have reviewed the June 30, 2025, Quarterly Report of Farm Credit Mid-America, ACA, which has been prepared under the oversight of the Audit Committee and in accordance with all applicable statutory or regulatory requirements. The information contained herein is true, accurate, and complete to the best of our knowledge and belief.

Todd A. Clark
Chair of the Board
Farm Credit Mid-America, ACA

Daniel Wagner
President and Chief Executive Officer
Farm Credit Mid-America, ACA

Steve Zagar
Chief Financial Officer
Farm Credit Mid-America, ACA

August 8, 2025

CONSOLIDATED STATEMENTS OF CONDITION

Farm Credit Mid-America, ACA
(in thousands)

As of:		June 30, 2025		December 31, 2024
		(Unaudited)		
ASSETS				
Loans	**$**	**34,511,724**	$	35,141,762
Allowance for credit losses on loans		**82,910**		59,897
Net loans		**34,428,814**		35,081,865
Investment in AgriBank, FCB		**1,485,842**		1,351,483
Investment securities		**2,392,329**		2,165,680
Accrued interest receivable		**351,374**		420,376
Other assets		**598,303**		539,978
Total assets	**$**	**39,256,662**	$	39,559,382
LIABILITIES				
Note payable to AgriBank, FCB	**$**	**32,213,325**	$	32,414,310
Accrued interest payable		**301,143**		302,859
Patronage distribution payable		**134,560**		260,000
Other liabilities		**34,067**		159,453
Total liabilities		**32,683,095**		33,136,622
Contingencies and commitments (Note 4)				
MEMBERS' EQUITY				
Capital stock and participation certificates		**92,146**		90,477
Additional paid-in capital		**219,777**		219,777
Unallocated retained earnings		**6,262,742**		6,113,677
Accumulated other comprehensive loss		**(1,098)**		(1,171)
Total members' equity		**6,573,567**		6,422,760
Total liabilities and members' equity	**$**	**39,256,662**	$	39,559,382

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Farm Credit Mid-America, ACA
(in thousands)
(Unaudited)

	Three Months Ended		Six Months Ended	
For the period ended June 30,	**2025**	2024	**2025**	2024
Interest income	**$ 521,601**	$ 500,426	**$ 1,044,020**	$ 983,565
Interest expense	**305,579**	287,194	**608,390**	557,292
Net interest income	**216,022**	213,232	**435,630**	426,273
Provision for credit losses	**12,315**	11,483	**25,257**	15,024
Net interest income after provision for credit losses	**203,707**	201,749	**410,373**	411,249
Non-interest income				
Patronage income	**28,731**	35,425	**56,291**	68,708
Financially related services income	**468**	488	**1,213**	1,172
Fee income	**13,458**	19,231	**22,916**	33,155
Other non-interest income, net	**(202)**	7,079	**2,704**	1,540
Total non-interest income	**42,455**	62,223	**83,124**	104,575
Non-interest expense				
Salaries and employee benefits	**57,736**	66,747	**118,416**	132,112
Other operating expense	**44,110**	41,793	**85,283**	78,519
Other non-interest expense	**2,088**	1,152	**2,599**	1,178
Total non-interest expense	**103,934**	109,692	**206,298**	211,809
Income before income taxes	**142,228**	154,280	**287,199**	304,015
Provision for income taxes	**3,674**	4,810	**5,634**	9,525
Net income	**$ 138,554**	$ 149,470	**$ 281,565**	$ 294,490
Other comprehensive income				
Employee benefit plans activity	**$ 36**	$ 39	**$ 73**	$ 76
Total other comprehensive income	**36**	39	**73**	76
Comprehensive income	**$ 138,590**	$ 149,509	**$ 281,638**	$ 294,566

The accompanying notes are an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY

Farm Credit Mid-America, ACA
(in thousands)
(Unaudited)

	Capital Stock and Participation Certificates	Additional Paid-in Capital	Unallocated Retained Earnings	Accumulated Other Comprehensive Loss	Total Members' Equity
Balance at December 31, 2023	$ 85,544	$ 219,777	$ 5,819,519	$ (1,289)	$ 6,123,551
Net income	--	--	294,490	--	294,490
Other comprehensive income	--	--	--	76	76
Unallocated retained earnings designated for patronage distributions	--	--	(135,000)	--	(135,000)
Capital stock and participation certificates issued	4,856	--	--	--	4,856
Capital stock and participation certificates retired	(2,329)	--	--	--	(2,329)
Balance at June 30, 2024	$ 88,071	$ 219,777	$ 5,979,009	$ (1,213)	$ 6,285,644
Balance at December 31, 2024	$ 90,477	$ 219,777	$ 6,113,677	$ (1,171)	$ 6,422,760
Net income	**--**	**--**	**281,565**	**--**	**281,565**
Other comprehensive income	**--**	**--**	**--**	**73**	**73**
Unallocated retained earnings designated for patronage distributions	**--**	**--**	**(132,500)**	**--**	**(132,500)**
Capital stock and participation certificates issued	**5,442**	**--**	**--**	**--**	**5,442**
Capital stock and participation certificates retired	**(3,773)**	**--**	**--**	**--**	**(3,773)**
Balance at June 30, 2025	**$ 92,146**	**$ 219,777**	**$ 6,262,742**	**$ (1,098)**	**$ 6,573,567**

The accompanying notes are an integral part of these Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1: ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying unaudited Consolidated Financial Statements contain all adjustments necessary for a fair presentation of the interim financial information and conform to generally accepted accounting principles in the United States of America (GAAP) and the prevailing practices within the financial services industry. This interim Quarterly Report is prepared based upon statutory and regulatory requirements and in accordance with GAAP. However, certain disclosures required by GAAP are omitted. The results of the six months ended June 30, 2025, are not necessarily indicative of the results to be expected for the year ending December 31, 2025. The interim financial statements and the related notes in this Quarterly Report should be read in conjunction with the Consolidated Financial Statements and related notes included in our Annual Report for the year ended December 31, 2024 (2024 Annual Report).

Principles of Consolidation

The Consolidated Financial Statements present the consolidated financial results of Farm Credit Mid-America, ACA and its subsidiaries Farm Credit Mid-America, FLCA and Farm Credit Mid-America, PCA. All material intercompany transactions and balances have been eliminated in consolidation.

Recently Issued or Adopted Accounting Pronouncements

We have assessed the potential impact of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) and have determined the following standard to be applicable to our business. While we are a nonpublic business entity, our financial results are closely related to the performance of the combined Farm Credit System (System). Therefore, we typically adopt accounting pronouncements in alignment with other System institutions.

Standard and effective date	Description	Adoption status and financial statement impact
In December 2023, the FASB issued Accounting Standards Update 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures." This guidance is effective for annual periods beginning after December 15, 2025. Early adoption is permitted.	This guidance requires more transparency about income tax information through improvements to income tax disclosures. The improvements applicable to our Association will require adding information by state jurisdiction to the rate reconciliation and income taxes paid disclosures.	We early adopted this standard for the year ended December 31, 2025. The adoption of this guidance is not expected to have a material impact on our financial statements, but will modify certain disclosures.

NOTE 2: LOANS AND ALLOWANCE FOR CREDIT LOSSES ON LOANS

Loans by Type

(dollars in thousands)

As of:	**June 30, 2025**		December 31, 2024	
	Amortized Cost	%	Amortized Cost	%
Real estate mortgage	**$ 19,898,330**	**57.7%**	$ 20,711,894	58.9%
Production and intermediate-term	**7,654,566**	**22.2%**	7,684,297	21.9%
Agribusiness	**4,361,672**	**12.6%**	4,280,929	12.2%
Rural residential real estate	**1,238,910**	**3.6%**	1,112,247	3.2%
Finance leases and other	**1,358,246**	**3.9%**	1,352,395	3.8%
Total	**$ 34,511,724**	**100.0%**	$ 35,141,762	100.0%

The finance leases and other category is primarily composed of rural infrastructure related loans and certain assets characterized as mission related investments, as well as lease receivables.

Throughout Note 2 accrued interest receivable on loans of $337.3 million at June 30, 2025, and $392.8 million at December 31, 2024, has been excluded from the amortized cost of loans and is presented in "Accrued interest receivable" in the Consolidated Statements of Condition.

Delinquency

Aging Analysis of Loans at Amortized Cost

(in thousands) **As of June 30, 2025**	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	Accruing Loans 90 Days or More Past Due
Real estate mortgage	**$ 48,681**	**$ 89,872**	**$ 138,553**	**$ 19,759,777**	**$ 19,898,330**	**$ 7,745**
Production and intermediate-term	**41,334**	**51,123**	**92,457**	**7,562,109**	**7,654,566**	**4,503**
Agribusiness	**1,322**	**50,726**	**52,048**	**4,309,624**	**4,361,672**	**116**
Rural residential real estate	**6,168**	**1,916**	**8,084**	**1,230,826**	**1,238,910**	**393**
Finance leases and other	**39,132**	**15,486**	**54,618**	**1,303,628**	**1,358,246**	**15,230**
Total	**$ 136,637**	**$ 209,123**	**$ 345,760**	**$ 34,165,964**	**$ 34,511,724**	**$ 27,987**

As of December 31, 2024	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	Accruing Loans 90 Days or More Past Due
Real estate mortgage	$ 44,976	$ 78,869	$ 123,845	$ 20,588,049	$ 20,711,894	$ 19,793
Production and intermediate-term	9,928	109,470	119,398	7,564,899	7,684,297	1,533
Agribusiness	1,533	38,919	40,452	4,240,477	4,280,929	--
Rural residential real estate	7,048	1,943	8,991	1,103,256	1,112,247	898
Other	20,623	51,538	72,161	1,280,234	1,352,395	51,295
Total	$ 84,108	$ 280,739	$ 364,847	$ 34,776,915	$ 35,141,762	$ 73,519

Non-Accrual Loans

Non-Accrual Loans Information

	As of June 30, 2025		**For the Six Months Ended June 30, 2025**
(in thousands)	Amortized Cost	Amortized Cost Without Allowance	Interest Income Recognized
Non-accrual loans:			
Real estate mortgage	**$ 159,855**	**$ 154,911**	**$ 5,169**
Production and intermediate-term	**155,988**	**36,104**	**1,295**
Agribusiness	**103,572**	**70,885**	**209**
Rural residential real estate	**7,779**	**7,697**	**22**
Finance leases and other	**256**	**256**	**--**
Total	**$ 427,450**	**$ 269,853**	**$ 6,695**

	As of December 31, 2024		For the Six Months Ended June 30, 2024
	Amortized Cost	Amortized Cost Without Allowance	Interest Income Recognized
Non-accrual loans:			
Real estate mortgage	$ 121,785	$ 115,383	$ 3,802
Production and intermediate-term	147,269	20,207	1,452
Agribusiness	84,837	71,092	1,090
Rural residential real estate	5,683	5,532	38
Other	237	237	--
Total	$ 359,811	$ 212,451	$ 6,382

Write-offs of accrued interest receivable, as a reversal of interest income, at the time loans were transferred to non-accrual status were not material for the six months ended June 30, 2025, or 2024.

Loan Modifications Granted to Borrowers Experiencing Financial Difficulty

Included within our loans are loan modifications; some of which are granted to borrowers experiencing financial difficulty. Modifications are one or a combination of principal forgiveness, interest rate reduction, other-than-insignificant term extension, or other-than-insignificant payment deferrals. Other-than-insignificant term extensions are defined as those greater than or equal to six months. Covenant waivers and modifications of contingent acceleration clauses are not considered term extensions. Other-than-insignificant payment deferrals are defined as cumulative or individual payment delays greater than or equal to six months. Loans that both modify and are paid off or charged-off during the period, resulting in an amortized cost balance of zero at the end of the period, are not included in the modification disclosures.

Loan Modifications at Amortized Cost

(dollars in thousands) **For the six months ended June 30, 2025**	Interest Rate Reduction	Term Extension	Payment Deferral	Combination - Interest Rate Reduction and Term Extension	Combination - Term Extension and Payment Deferral	Total	Percentage of Total Loans
Real estate mortgage	**$ --**	**$ 19**	**$ 1,167**	**$ --**	**$ 179**	**$ 1,365**	**0.00%**
Production and intermediate-term	**250**	**1,826**	**603**	**837**	**1,281**	**4,797**	**0.01%**
Agribusiness	**--**	**--**	**1,516**	**--**	**54**	**1,570**	**0.01%**
Total	**$ 250**	**$ 1,845**	**$ 3,286**	**$ 837**	**$ 1,514**	**$ 7,732**	**0.02%**
Loan modifications granted as a percentage of total loans	**0.00%**	**0.01%**	**0.01%**	**0.00%**	**0.00%**	**0.02%**	

For the six months ended June 30, 2024	Interest Rate Reduction	Term Extension	Payment Deferral	Combination - Interest Rate Reduction and Term Extension	Combination - Term Extension and Payment Deferral	Total	Percentage of Total Loans
Real estate mortgage	$ --	$ 51	$ 34,056	$ --	$ 770	$ 34,877	0.10%
Production and intermediate-term	--	7,687	6,899	--	12,357	26,943	0.08%
Agribusiness	--	2,091	--	--	--	2,091	0.01%
Rural residential real estate	--	--	67	--	--	67	0.00%
Total	$ --	$ 9,829	$ 41,022	$ --	$ 13,127	$ 63,978	0.19%
Loan modifications granted as a percentage of total loans	--	0.03%	0.12%	--	0.04%	0.19%	

Financial Effect of Loan Modifications

For the six months ended June 30, 2025	Weighted Average Interest Rate Reduction (%)	Weighted Average Term Extension (months)	Weighted Average Payment Deferral (months)
Real estate mortgage			
Term extension		**27**	
Payment deferral			**3**
Combination - term extension and payment deferral		**59**	**14**
Production and intermediate-term			
Term extension		**5**	
Payment deferral			**14**
Combination - interest rate reduction and term extension	**0.4%**	**51**	
Combination - term extension and payment deferral		**46**	**7**
Agribusiness			
Payment deferral			**9**
Combination - term extension and payment deferral		**5**	**5**

For the six months ended June 30, 2024	Weighted Average Interest Rate Reduction (%)	Weighted Average Term Extension (months)	Weighted Average Payment Deferral (months)
Real estate mortgage			
Term extension		42	
Payment deferral			16
Combination - term extension and payment deferral		60	11
Production and intermediate-term			
Term extension		17	
Payment deferral			19
Combination - term extension and payment deferral		13	3
Agribusiness			
Term extension		12	

The following table presents the amortized cost of loans to borrowers experiencing financial difficulty that defaulted during the six months ended June 30, 2025, or 2024, in which the modifications were within the twelve months preceding the default.

Loan Modifications that Subsequently Defaulted

(in thousands) **For the six months ended June 30, 2025**	Term Extension	Payment Deferral	Combination - Interest Rate Reduction and Term Extension	Combination - Term Extension and Payment Deferral	Combination - Payment Deferral and Principal Forgiveness
Real estate mortgage	**$ 1,854**	**$ 1,254**	**$ --**	**$ --**	**$ --**
Production and intermediate-term	**6,995**	**2,724**	**51**	**276**	**13**
Agribusiness	**--**	**9,660**	**--**	**81**	**--**
Total	**$ 8,849**	**$ 13,638**	**$ 51**	**$ 357**	**$ 13**

For the six months ended June 30, 2024	Term Extension	Payment Deferral	Combination - Interest Rate Reduction and Term Extension	Combination - Term Extension and Payment Deferral	Combination - Payment Deferral and Principal Forgiveness
Production and intermediate-term	$ 524	$ 666	$ --	$ 415	$ --

The following table presents the payment status at amortized cost of loans that have been modified for borrowers experiencing financial difficulty within twelve months of the respective reporting period.

Payment Status of Loan Modifications

(in thousands) **As of June 30, 2025**	Not Past Due or Less Than 30 Days Past Due	30-89 Days Past Due	90 Days or More Past Due	Total
Real estate mortgage	**$ 1,763**	**$ 1,233**	**$ 1,453**	**$ 4,449**
Production and intermediate-term	**7,511**	**294**	**9,027**	**16,832**
Agribusiness	**1,570**	**--**	**9,741**	**11,311**
Total	**$ 10,844**	**$ 1,527**	**$ 20,221**	**$ 32,592**

As of June 30, 2024	Not Past Due or Less Than 30 Days Past Due	30-89 Days Past Due	90 Days or More Past Due	Total
Real estate mortgage	$ 35,616	$ 206	$ --	$ 35,822
Production and intermediate-term	26,760	1,088	1,114	28,962
Agribusiness	2,091	--	--	2,091
Rural residential real estate	177	--	--	177
Total	$ 64,644	$ 1,294	$ 1,114	$ 67,052

Accrued interest receivable related to loan modifications granted to borrowers experiencing financial difficulty was not material at June 30, 2025, or 2024.

There were no material commitments at June 30, 2025, or December 31, 2024, to lend to borrowers experiencing financial difficulty whose loans were modified during the six months ended June 30, 2025, or during the year ended December 31, 2024, respectively.

Allowance for Credit Losses

Our loan portfolio is divided into segments primarily based on loan type which are the segments used to estimate the allowance for credit losses. As our lending authorities limit the types of loans we can originate, our portfolio is concentrated in the agriculture sector. The credit risk associated with each of our portfolio segments includes a strong correlation to agricultural commodity prices and input costs. Specifically for our real estate mortgage segment, the value of agricultural land that serves as collateral is a key risk characteristic. Additionally, unemployment rates and gross domestic product levels are additional key risk characteristics attributable to our portfolio. We consider these characteristics, among others, in assigning internal risk ratings and forecasting credit losses on our loan portfolio and related unfunded commitments.

We develop our reasonable and supportable forecast by considering a multitude of macroeconomic variables. Our forecasts of United States unemployment rate, Federal Housing Finance Agency house price index, United States Department of Agriculture (USDA) corn returns over total expenses (dollars per acre), the USDA change in total livestock cash receipts, USDA farm debt to equity ratio, and the USDA change in farmland value represent the key macroeconomic variables that most significantly affect the estimate of the allowance for credit losses on loans and unfunded commitments. The reasonable and supportable forecast period is two years, followed by a two-year linear reversion to long-term average of all macroeconomic inputs.

We utilize the weighted results of three macroeconomic scenarios in the estimate of the allowance for credit losses on loans and unfunded commitments which include base, adverse, and positive scenarios. The adverse scenario includes macroeconomic factors reflecting downside potential relative to the base scenario. The positive scenario includes potential upside in the macroeconomic factors above the base scenario. Subsequent changes in the macroeconomic forecasts will be reflected in the provision for credit losses in future periods.

Changes in Allowance for Credit Losses

(in thousands)

Six months ended June 30,	2025	2024
Allowance for Credit Losses on Loans		
Balance at beginning of period	**$ 59,897**	$ 38,599
Provision for credit losses on loans	**26,989**	13,433
Loan recoveries	**939**	2,179
Loan charge-offs	**(4,915)**	(7,667)
Balance at end of period	**$ 82,910**	$ 46,544
Allowance for Credit Losses on Unfunded Commitments		
Balance at beginning of period	**$ 10,319**	$ 8,468
Provision for credit losses on unfunded commitments	**(1,732)**	1,591
Balance at end of period	**$ 8,587**	$ 10,059
Total allowance for credit losses	**$ 91,497**	$ 56,603

The change in the allowance for credit losses on loans from December 31, 2024, was primarily driven by increased specific reserves established on certain production and intermediate term and agribusiness loans.

NOTE 3: INVESTMENT SECURITIES

We held investment securities of $2.4 billion at June 30, 2025, and $2.2 billion at December 31, 2024. Our investment securities consisted of pools of loans guaranteed by the Small Business Administration (SBA), except for $4.8 million at June 30, 2025, and $5.0 million at December 31, 2024, which were not guaranteed. Premiums paid to purchase the investments are not guaranteed and are amortized as a reduction of interest income.

The investment securities have been classified as held-to-maturity. There was no allowance for credit losses on investment securities at June 30, 2025, or December 31, 2024.

Prior to June 30, 2025, we classified a portion of our SBA pool investments as mortgage-backed securities (MBS) as these are longer-term investments. To conform to industry practice, as of June 30, 2025, we have changed the classification of these SBA pool investments to asset-backed securities (ABS).

Additional Investment Securities Information at Amortized Cost

(in thousands) **As of:**	**June 30, 2025**	December 31, 2024
MBS	**$ 4,845**	$ 1,659,659
ABS	**2,387,484**	506,021
Total	**$ 2,392,329**	$ 2,165,680

Accrued interest receivable on investment securities is presented in “Accrued interest receivable” in the Consolidated Statements of Condition and was $14.1 million at June 30, 2025, and $27.6 million at December 31, 2024.

Investment income is recorded in “Interest income” in the Consolidated Statements of Comprehensive Income and totaled $52.1 million and $53.2 million for the six months ended June 30, 2025, and 2024, respectively.

Contractual Maturities of Investment Securities

(in thousands)

As of June 30, 2025	Amortized Cost
Less than one year	**$ 10**
One to five years	**26,906**
Five to ten years	**548,365**
More than ten years	**1,817,048**
Total	**$ 2,392,329**

NOTE 4: CONTINGENCIES AND COMMITMENTS

In the normal course of business, we have various contingent liabilities and commitments outstanding, primarily commitments to extend credit, which may not be reflected in the Consolidated Financial Statements. We do not anticipate any material losses because of these contingencies or commitments.

We may be named as a defendant in certain lawsuits or legal actions in the normal course of business. At the date of these Consolidated Financial Statements, our management team was not aware of any material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

Refer to Note 11 in our 2024 Annual Report for additional detail regarding contingencies and commitments.

NOTE 5: FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or most advantageous market for the asset or liability. Accounting guidance also establishes a fair value hierarchy, with three input levels that may be used to measure fair value. Refer to Note 2 in our 2024 Annual Report for a more complete description of the three input levels.

We did not have any assets or liabilities measured at fair value on a recurring basis at June 30, 2025, or December 31, 2024.

Non-Recurring Basis

We may be required, from time to time, to measure certain assets at fair value on a non-recurring basis.

Assets Measured at Fair Value on a Non-Recurring Basis

(in thousands)

As of June 30, 2025	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Loans	**$ --**	**$ --**	**$ 118,130**	**$ 118,130**
Other property owned	**--**	**--**	**5,176**	**5,176**

As of December 31, 2024	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Loans	$ --	$ --	$ 134,735	$ 134,735
Other property owned	--	--	7,067	7,067

Valuation Techniques

Loans: Represents the carrying amount of loans evaluated individually for credit losses and deemed to be collateral dependent. The carrying value amount is based on the estimated value of the underlying collateral, less costs to sell. When the fair value of the collateral, less costs to sell, is less than the amortized cost basis of the loan, a specific allowance for expected credit losses is established. Costs to sell represent transaction costs and are not included as a component of the collateral's estimated fair value. Typically, the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters and, therefore, are classified as Level 3 fair value measurements.

Other Property Owned: Represents the fair value of foreclosed assets measured based on the collateral value, which is generally determined using appraisals, or other indications based on sales of similar properties. Costs to sell represent transaction costs and are not included as a component of the asset's fair value. If the process uses observable market-based information, they are classified as Level 2. If the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the property and other matters, they are classified as Level 3.

NOTE 6: SUBSEQUENT EVENTS

We have evaluated subsequent events through August 8, 2025, which is the date the Consolidated Financial Statements were available to be issued. There have been no material subsequent events that would require recognition in our Quarterly Report or disclosure in the Notes to Consolidated Financial Statements.