

KEY FINANCIAL DATA



(\$ in thousands)

BALANCE SHEET	as of 06/30/2024	as of 12/31/2023	as of 06/30/2023
Total Loans	\$ 29,249,515	\$ 28,273,503	\$ 27,191,533
Allowance for Credit Losses on Loans	125,295	75,630	96,639
Total Assets	33,034,188	31,900,047	30,508,507
Total Shareholders' Equity	5,032,310	4,865,576	4,849,254

INCOME STATEMENT	6 mos. ending 06/30/2024	12 mos. ending 12/31/2023	6 mos. ending 06/30/2023
Net Interest Income	\$ 379,749	\$ 708,037	\$ 349,308
Provision for Credit Losses	58,828	113,053	60,795
Noninterest Income	133,657	320,386	157,008
Noninterest Expenses	198,895	410,559	197,130
Income Tax Provision	1,894	26,865	10,220
Net Income	253,789	477,946	238,171

KEY FINANCIAL RATIOS	as of 06/30/2024	as of 12/31/2023	as of 06/30/2023
Loan Growth (year over year)	7.6%	5.8%	9.8%
Return on Average Assets	1.6%	1.6%	1.6%
Net Interest Margin	2.5%	2.5%	2.5%
Return on Average Equity	10.2%	9.8%	9.9%
Total Capital Ratio	13.6%	14.1%	14.3%
Nonaccrual Loans as % of Total Loans	1.0%	0.7%	1.0%
Allowance as % of Nonaccrual Loans	41.0%	36.4%	37.3%
Adversely-Classified Loans as % of Total Loans	2.9%	2.5%	2.5%

FINANCIAL HIGHLIGHTS



- Total loans rose by \$976 million during the six months ending June 30, 2024. This growth spread widely across most of our business units, with capital markets and marketplace development leading, while the swine unit experienced declines.
- Challenges and stress experienced within isolated industries during 2023 continued into 2024, as delinquencies and nonaccrual loans increased during the six months ending June 30, 2024. We expect this stress to continue during the remainder of 2024, but at a lower rate than experienced in the first half of the year. Overall credit quality remains solid thanks to the financial strength built up by both clients and Compeer Financial over the past few years.
- Compeer Financial raised our allowance for expected credit losses on loans by \$49.7 million thus far in 2024. This is a result of increases in adversely classified loans within our industry specialists business unit.
- Net income for the six months ending June 30, 2024, reached \$254 million, up from \$238 million for the same period in 2023. This growth in net income stemmed from increased net interest income due to loan growth and rising interest rates.
- Noninterest income as of June 30, 2024, dropped by \$23 million compared to 2023, mainly due to reduced patronage funds received from AgriBank.
- Despite the organization's overall growth, noninterest expenses remained steady when comparing the six months ending June 30, 2024, to the same period in 2023.
- As of June 30, 2024, capital levels exceeded the regulatory minimums established by the FCA.

CEO Remarks

In the boardroom, risk management is a constant and critical topic. At Compeer Financial, we continuously assess and adjust our strategies to mitigate risks, guided by the expertise of our Board of Directors. It's crucial that clients also prioritize risk management. Whether facing market volatility, changing regulations or unforeseen challenges, staying proactive and informed is key. I strongly encourage all clients to discuss risk management with their Compeer team.

Compeer's performance in the first half of 2024 demonstrates our resilience and adaptability. We remain committed to supporting our clients and communities, and I'm confident that we will continue to achieve sustainable growth and success in the months ahead.

As harvest season approaches, the Compeer team wishes you a safe and bountiful harvest. It's an honor to serve you, and we look forward to many more years of success together.

JASE WAGNER
President & CEO
Compeer Financial



OTHER ORGANIZATION HIGHLIGHTS

Over \$667K Awarded to Student and Community Organizations

Compeer Financial's Fund for Rural America has made significant contributions to support education and community development across Illinois, Minnesota and Wisconsin. This spring, Compeer awarded \$183,000 in scholarships to 122 high school students, each receiving \$1,500 to pursue higher education.

Additionally, Compeer awarded \$241,850 in County Fair Facility Upgrade Grants to 61 county fairs, enhancing infrastructure and experiences. These grants address needs such as electrical improvements, building upgrades and animal pen repairs.

Compeer also supported agricultural education by granting \$242,581 to 65 schools for hands-on learning tools and new technologies in agricultural classrooms. This initiative impacts nearly 10,000 students, fostering a deeper understanding of agriculture and inspiring potential careers in the industry. These efforts underscore Compeer's commitment to strengthening rural communities and promoting agricultural education. Visit compeer.com/giving-back to learn more.

2024 GroundBreaker of the Year Honored

Sawyer Cottrell, a cattle farmer and ag teacher from Eureka, Illinois, was named the 2024 GroundBreaker of the Year by Compeer Financial. As a first-generation farmer, Cottrell, along with his wife Abbie, runs Legacy Ranch American Wagyu, raising and marketing Wagyu beef. He also serves as an agriculture teacher and FFA Advisor at Eureka High School.

Compeer is now accepting nominations for the 2025 GroundBreaker of the Year Award. Visit compeer.com/groundbreakeroftheyear for more information.

ABOUT COMPEER FINANCIAL

Compeer Financial is a member-owned Farm Credit cooperative serving and supporting agriculture and rural communities. The \$33 billion organization provides loans, leases, risk management and other financial services throughout 144 counties in Illinois, Minnesota and Wisconsin. Based in the Upper Midwest, Compeer Financial exists to champion the hopes and dreams of rural America, while providing personalized service and expertise to clients and the agriculture industry. Compeer Financial is the third largest cooperative of the Farm Credit System, a nationwide network of lending institutions supporting agriculture and rural communities with reliable, consistent credit and financial services.

[Learn more about Compeer Financial.](#)



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