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2009 Michigan Cash Grain Farm Business Analysis Summary

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And
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2009 Michigan TelFarm and Farm Credit Services Data
Staff Paper No. 10-03

by

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and

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Eric Wittenberg and Stephen Harsh¹

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¹ Co-workers in the TelFarm project were: R. Betz, L. Borton, C. Talley, W. Schauer, D. Stein, and V. Varner with the assistance of Michigan State University Extension Agents. Farm Credit Services of Michigan co-workers were Kelly Tobin, Steve Eshelman, Janice Raymond, Anne Gerke, Sonya Pentecost, and Lynette Wood. Farm Credit Services of Wisconsin co-worker was Steve Zimmerman.

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Executive Summary

This report summarizes the 2009 financial and production records of 88 Michigan cash grain farms. To be included, the farms must have produced at least 50 percent of gross cash farm income from one or a combination of these items: corn, soybeans, wheat, navy beans, oats, sugar beets and other small grains. The records came from Michigan State University's TelFarm project and Farm Credit Service of Michigan. The values were pooled into averages for reporting purposes.

Farm records were included if a farm financial analysis had completed 2009 data including beginning and ending balance sheets and a statement of income and expenses. The data was checked to verify that cash discrepancy was less than 10% of gross cash inflow and that debt discrepancy was less than \$1,000. While considerable variation in the data exists, average values are reported in the summary tables below.

Summary of Results

Average size of farms measured in acres is presented in Table 1. However, there is considerable range and variability around this average.

**Table 1. Average
Michigan Cash Grain Farm Characteristics, 2005-2009**

	2005	2006	2007	2008	2009
Total acres owned	430	480	450	519	484
Total crop acres	1145	1024	999	1083	902
Number of farms	64	77	77	44	88

Net farm income is the profit (loss) remaining after all farm expenses and inventory changes have been recognized. The net farm income value is the return to unpaid operator management, labor and equity capital invested, as illustrated in Table 2. Net farm income in 2009 averaged \$50,407; and the median was \$20,048, with a standard deviation of \$128,302. This average somewhat obscures a very large range of net farm income values. As illustrated in the second page of Table 9, the farms in the top 25 percent of the net farm income distribution averaged \$116,670 while those in the bottom 25 percent averaged a negative \$41,241. The total difference across the averages of the top versus the bottom groups of farms is \$157,911.

Gross cash farm income averaged \$625,010 in 2009 (Table 2). The two largest components of these revenues were corn and soybeans sales, which averaged \$177,897 and \$125,304, respectively. Government payments averaged \$5,988 per farm in 2009.

Average total cash expenses were \$485,211 in 2009 and average net cash farm income was \$139,799. The net inventory changes in 2009 were a negative \$20,195 because of changes in prepaid expenses & supplies and crops & feed inventories, farms were decreasing inventories. Depreciation and capital adjustments averaged a negative \$69,197.

**Table 2. Average
Michigan Cash Grain Farm Income Statement, 2005-2009**

	2005	2006	2007	2008	2009
	(\$)	(\$)	(\$)	(\$)	(\$)
Gross cash farm income	474,575	493,631	567,604	738,595	625,000
- <u>Total cash expense</u>	<u>401,511</u>	<u>418,824</u>	<u>478,442</u>	<u>606,852</u>	<u>485,211</u>
= Net cash farm income	73,063	74,807	89,162	137,742	139,799
+ Inventory change*	31,182	53,116	75,614	90,109	-20,195
+ <u>Depreciation + capital adjustments*</u>	<u>-46,936</u>	<u>-50,898</u>	<u>-49,902</u>	<u>-78,290</u>	<u>-69,197</u>
= Net farm income	57,310	77,025	114,875	143,561	50,407

* Changes calculated as ending values minus beginning value

Four key financial performance indicators are presented in Table 3. The rate of return on assets (ROA) is calculated as if the farm has no debt. ROA indicates the farm earnings, after subtracting out an allowance for unpaid operator labor and management. ROA provides the key summary performance indicator for your farm. By multiplying the operating profit margin by the asset turnover rate, the ROA is determined. The average ROA was 3.7 percent; not a very good year, over the last five years (Table 3).

The rate of return on equity (ROE) represents the farm earnings after interest payments which covers the cost of borrowed funds. In 2009, ROE was 3.6 percent the lowest in the last five years and indicating that profits were not being made on borrowed money in 2009.

Operating profit margin (OPM) measures the dollars of profit generated per dollar of revenue. In 2009, Michigan cash grain farms generated 16.2 cents of profit per dollar of revenue. Asset turnover ratio (ATO) measures the efficiency with which farm assets generate revenue. In 2009, this ratio was 22.9 percent. Table 3 indicates that the all four profitability ratios were below the four previous years.

**Table 3. Average
Michigan Cash Grain Farm Profitability Indicators, 2005-2009**

	2005	2006	2007	2008	2009
	(%)	(%)	(%)	(%)	(%)
Rate of return on assets*	5.8	6.9	9.0	7.5	3.7
Rate of return on equity	6.2	7.3	9.9	8.4	3.6
Operating profit margin	21.1	25.9	31.7	27.3	16.2
Asset turnover rate*	27.3	26.5	28.3	27.5	22.9

* Assets valued at market value (rather than cost value).

Results by Farm Size

To further facilitate financial comparisons and benchmarking, the financial summaries were categorized by cropped acres, Table 4. The smallest size category, 50 to 799 cropped acres, includes 47 farms. The medium size category, 800 to 1199 cropped acres, includes 19 farms. The largest size category, 1200 plus cropped acres, contains the remaining 25 farms.

**Table 4. Average
2009 Michigan Cash Grain Farm Characteristics by Farm Size Category**

	50-799	800-1199	1200+
	Acres	Acres	Acres
Total acres owned	325	535	806
Total crop acres	430	898	1,855
Number of farms	47	19	25

Table 5 presents the average farm income statement by farm acreage size. The smallest farms returned \$23,466; the medium farms \$26,995; and the largest farms \$124,985.

**Table 5. Average
2009 Michigan Cash Grain Farm Income Statement by Size**

	50-799	800-1199	1200+
	Acres	Acres	Acres
	(\$)	(\$)	(\$)
Gross cash farm income	216,856	818,314	1,275,613
- Total cash expense	<u>161,950</u>	<u>640,887</u>	<u>994,802</u>
= Net cash farm income	54,905	177,427	280,811
+ Inventory change*	-9,594	-40,145	-29,701
+ Depreciation and capital adjustments*	<u>-21,845</u>	<u>-108,287</u>	<u>-126,124</u>
= Net farm income	23,466	26,995	124,985

* Changes calculated as ending values minus beginning value

Table 6 compares profitability measures across farm sizes with assets valued at cost. The larger-sized farms (1200 + acres) had the most positive financial profitability indicators: the highest ROA, ROE, and OPM; at 5.0 percent, 5.9 percent, and 10.2 percent, respectively.

**Table 6. Average
2009 Michigan Cash Grain Farm Profitability Indicators by Size**

	50-799	800-1199	1200+
	Acres	Acres	Acres
	(Percent)		
Rate of return on assets*	3.1	2.5	5.0
Rate of return on equity	2.3	-3.1	5.9
Operating profit margin	8.0	4.7	10.2
Asset turnover rate*	38.8	52.9	49.1

* Assets valued at **cost** value (rather than market).

Table 7 compares profitability measures across farm sizes with assets valued at market. The market value approach includes the impact of price appreciation (inflation) of the asset base (land primarily) as a form of income. Financial performance indicators like ROA can be looked upon in this comparison as the “opportunity cost” of farming versus alternative investments. Market value for assets is more appropriate when comparing across different farms (while cost is more appropriate to compare the same farm across time). The medium-sized farms had the highest ROA, ROE, and OPM in 2009. The largest-sized farms realized the highest average ATO.

**Table 7. Average
2009 Michigan Cash Grain Farm Profitability Indicators by Size**

	50-799	800-1199	1200+
	Acres	Acres	Acres
	(Percent)		
Rate of return on assets*	2.5	4.5	3.9
Rate of return on equity	2.2	4.6	3.9
Operating profit margin	15.9	18.5	15.4
Asset turnover rate*	15.6	24.6	25.1

*Assets valued at **market** value (rather than cost).

The details in deriving these profitability measures are provided in the following pages. The data for the smallest sized farms starts in Section B, page 23, Tables 20 to 31. The data for the mid-sized farms starts in section C, page 37, Tables 32 to 43. The data for the largest size category of farms starts in section D, page 51, Tables 44 to 55.

A) Average of 88 Cash Grain Farms, All Farms

Table 8 Crop Production and Marketing Summary			
2009 MI Cash Grain (All Farms)			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Acreage Summary			
Total acres owned	484	386	366
Total crop acres	902	559	978
Crop acres owned	460	276	403
Crop acres cash rented	413	283	567
Crop acres share rented	29	-	9
Total pasture acres	4	6	2
Percent crop acres owned	51 %	49 %	41 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.21	4.43	4.58
Soybeans per bushel	10.61	10.28	12.84
Wheat, Winter per bushel	4.61	4.48	4.83
Straw per ton	36.66	-	-
Oats per bushel	3.11	-	-
Hay, Mixed per ton	52.23	-	-

Table 9

Farm Income Statement
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Cash Farm Income			
Apples	2,807	11,229	-
Asparagus	143	572	-
Barley	94	375	-
Beans, Black Turtle	565	-	1,186
Beans, Green	7,378	-	27,580
Beans, Light Red Kidney	1,845	-	7,060
Beans, Navy	10,269	12,388	11,942
Cherries	746	2,982	-
Cordwood	116	121	-
Corn	177,897	73,621	220,780
Corn Silage	103	-	-
Corn, Seed	49,660	68,356	-
Cucumbers	4,994	-	13,126
Grapes	182	727	-
Hay, Alfalfa	1,715	1,588	1,625
Hay, Mixed	2,220	1,195	3,952
Haylage, Mixed	146	-	-
Oats	312	29	136
Peaches	1,059	4,235	-
Pears	140	558	-
Plums	333	1,333	-
Potatoes	1,199	4,798	-
Raspberries	242	967	-
Soybeans	125,304	54,091	143,341
Straw	1,584	867	2,884
Sugar Beets	13,150	12,516	31,802
Wheat, Durum	1,854	1,289	5,859
Wheat, Soft Wht Winter	432	-	1,651
Wheat, Winter	23,252	11,584	37,536
Beans, Dry	545	-	2,084
Miscellaneous crop income	44	80	3
Beef Bulls	1,200	-	4,476
Beef Cow-Calf, Beef Calves	3,821	4,992	4,521
Beef Finishing	17,713	4,107	9,416
Beef Yearlings	13,770	-	-
Broilers	395	-	1,511
Dairy Heifers (for sale)	1,542	2,876	-
Dairy Finishing	1,329	2,024	196
Hogs, Farrow To Finish, Raised Ho	3,122	992	1,528
Sheep, Lamb Finishing	129	-	-
Sheep, Market Lamb Prod, Mkt Lamb	2,607	1,539	2
Hogs, Weaning to Finish	1,472	-	-
Dairy Feeder	162	-	-
User Added Livestock, User Added	2,712	142	-
Cull breeding livestock	1,300	1,913	2,137
Misc. livestock income	288	31	174
LDP payments	206	-	-
Direct & CC govt payments	5,988	3,751	10,510
CRP payments	1,863	3,199	-
Other government payments	10,864	6,922	8,819
Custom work income	49,697	12,474	98,801
Patronage dividends, cash	1,607	2,556	1,005
Insurance income	28,152	8,157	44,259
Other farm income	22,355	22,379	29,855
Gross Cash Farm Income	625,010	428,843	733,830

Table 9

Farm Income Statement (Continued)

2009 MI Cash Grain (All Farms)

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Cash Farm Expense			
Seed	47,105	27,417	54,173
Fertilizer	88,433	47,625	105,491
Crop chemicals	36,121	21,612	47,072
Crop insurance	8,143	5,299	9,286
Drying expense	4,363	3,500	1,712
Storage	212	90	35
Irrigation energy	563	2,173	-
Crop hauling and trucking	891	160	1,830
Crop marketing	1,557	1,992	2,840
Crop miscellaneous	2,648	3,620	930
Feeder livestock purchase	25,461	25,496	1,630
Purchased feed	17,321	29,026	11,793
Veterinary	1,861	1,098	2,167
Livestock supplies	1,876	1,149	1,830
Livestock leases	69	276	-
Livestock hauling and trucking	93	58	273
Livestock marketing	989	1,801	711
Bedding	58	-	199
Interest	24,090	19,435	25,921
Packaging and supplies	501	202	210
Supplies	3,011	3,022	6,893
Fuel & oil	22,556	16,785	27,256
Repairs	39,948	27,862	44,385
Repair, machinery	295	-	543
Custom hire	17,915	11,170	19,352
Hired labor	31,011	37,126	31,335
Land rent	52,128	32,317	79,988
Machinery leases	4,986	4,652	5,610
Building leases	32	-	124
Real estate taxes	7,703	4,162	6,478
Personal property taxes	357	23	566
Farm insurance	12,712	8,693	14,301
Utilities	12,174	7,326	10,791
Hauling and trucking	40	2	151
Dues & professional fees	4,326	3,849	6,148
Miscellaneous	13,339	16,298	5,256
Total cash expense	485,211	365,818	527,508
Net cash farm income	139,799	63,024	206,322
Inventory Changes			
Prepays and supplies	800	-4,770	1,300
Accounts receivable	-4,605	-307	177
Hedging accounts	-3,178	-9,782	-1,083
Other current assets	1,481	142	7,614
Crops and feed	-14,760	-54,531	30,812
Market livestock	-1,765	-6,267	-3,168

Breeding livestock	-1,845	-948	-3,772
Other assets	578	819	1,071
Accounts payable	2,265	-1,725	-2,280
Accrued interest	833	905	-2,552
Total inventory change	-20,195	-76,465	28,119
Net operating profit	119,604	-13,440	234,441
Depreciation			
Machinery and equipment	-59,077	-23,130	-104,795
Titled vehicles	-270	-136	-423
Buildings and improvements	-9,850	-4,534	-12,553
Total depreciation	-69,197	-27,800	-117,771
Net farm income from operations	50,407	-41,241	116,670
Gain or loss on capital sales	-	-	-
Net farm income	50,407	-41,241	116,670

Table 10

Inventory Changes
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Net cash farm income	139,799	62,785	206,322
Crops and Feed			
Ending inventory	303,226	145,978	362,221
Beginning inventory	317,986	198,617	331,408
Inventory change	-14,760	-52,639	30,812
Market Livestock			
Ending inventory	40,004	14,616	14,224
Beginning inventory	41,769	24,348	17,392
Inventory change	-1,765	-9,732	-3,168
Accts Receivable			
Ending inventory	21,236	14,429	12,482
Beginning inventory	25,841	16,522	12,304
Inventory change	-4,605	-2,093	177
Prepaid Expenses and Supplies			
Ending inventory	65,678	27,667	63,263
Beginning inventory	64,878	29,259	61,963
Inventory change	800	-1,591	1,300
Hedging Activities			
Ending inventory	2,177	445	1,166
Withdrawals	-2,359	-10,096	289
Beginning inventory	2,315	381	1,408
Deposits	681	-	1,130
Gain or loss	-3,178	-10,032	-1,083
Other Current Assets			
Ending inventory	11,334	5,867	19,661
Beginning inventory	9,852	5,653	12,048
Inventory change	1,481	214	7,614
Breeding Livestock			
Ending inventory	18,357	29,789	15,852
Capital sales	96	2	74
Beginning inventory	19,428	30,083	19,451
Capital purchases	869	700	247
Depreciation, capital adjust	-1,845	-993	-3,772
Other Capital Assets			
Ending inventory	29,349	25,889	27,639
Capital sales	5,854	8,266	3,882
Beginning inventory	31,921	32,365	30,125
Capital purchases	2,704	932	325
Depreciation, capital adjust	578	858	1,071
Accounts Payable			
Beginning inventory	31,482	6,054	36,818
Ending inventory	29,217	7,000	39,098
Inventory change	2,265	-946	-2,280
Accrued Interest			
Beginning inventory	7,181	7,383	2,945
Ending inventory	6,348	6,525	5,497
Inventory change	833	858	-2,552
Total inventory change	-20,195	-76,098	28,119
Net operating profit	119,604	-13,314	234,441

Table 11

Depreciation

2009 MI Cash Grain (All Farms)

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Net operating profit	119,604	-13,314	234,441
Machinery and Equipment			
Ending inventory	157,995	146,323	174,373
Capital sales	6,339	14,576	1,736
Beginning inventory	145,691	126,988	181,637
Capital purchases	77,721	56,091	99,267
Depreciation, capital adjust.	-59,077	-22,180	-104,795
Titled Vehicles			
Ending inventory	5,114	571	3,906
Capital sales	148	-	565
Beginning inventory	1,805	714	2,649
Capital purchases	956	-	2,245
Depreciation, capital adjust.	-270	-143	-423
Buildings and Improvements			
Ending inventory	65,461	54,246	78,083
Capital sales	478	-	1,831
Beginning inventory	59,727	49,288	69,650
Capital purchases	18,833	9,007	22,816
Depreciation, capital adjust.	-9,850	-4,050	-12,553
Total depreciation, capital adj.	-69,197	-26,372	-117,771
Net farm income from operations	50,407	-39,686	116,670
Gain or loss on capital sales	-	-	-
Net farm income	50,407	-39,686	116,670

Table 12

Profitability Measures
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Profitability (assets valued at cost)			
Net farm income from operations	48,723	-39,686	116,670
Rate of return on assets	4.0 %	-6.7 %	10.2 %
Rate of return on equity	3.8 %	-16.7 %	16.5 %
Operating profit margin	8.2 %	-17.0 %	16.3 %
Asset turnover rate	48.4 %	39.7 %	62.7 %
Farm interest expense	23,023	13,925	28,473
Value of operator lbr and mgmt.	26,120	21,341	22,587
Return on farm assets	45,626	-47,102	122,556
Average farm assets	1,144,584	697,995	1,199,676
Return on farm equity	22,603	-61,027	94,083
Average farm equity	600,836	365,749	570,249
Value of farm production	553,718	277,217	751,714
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Profitability (assets valued at market)			
Net farm income from operations	93,316	-63,986	247,344
Rate of return on assets	3.7 %	-4.4 %	11.2 %
Rate of return on equity	3.6 %	-6.6 %	13.8 %
Operating profit margin	16.2 %	-25.8 %	33.7 %
Asset turnover rate	22.9 %	17.1 %	33.3 %
Farm interest expense	23,257	13,925	28,473
Value of operator lbr and mgmt.	26,107	21,341	22,587
Return on farm assets	90,466	-71,402	253,230
Average farm assets	2,435,130	1,624,087	2,260,328
Return on farm equity	67,209	-85,327	224,757
Average farm equity	1,880,089	1,291,706	1,626,246
Value of farm production	558,553	277,217	751,714

Table 13

Liquidity & Repayment Capacity Measures
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Liquidity			
Current ratio	2.39	1.62	2.96
Working capital	279,165	89,977	331,394
Working capital to gross inc	46.4 %	29.3 %	43.3 %
Current assets	479,628	235,115	500,518
Current liabilities	200,463	145,138	169,124
Gross revenues (accrual)	601,335	306,663	765,137
Repayment capacity			
Net farm income from operations	50,407	-39,686	116,670
Depreciation	69,197	26,372	117,771
Personal income	14,415	15,934	8,228
Family living/owner withdrawals	-45,080	-32,120	-58,415
Payments on personal debt	-1,413	-1,533	-807
Income taxes paid	-2,904	-1,251	-5,807
Interest on term debt	20,756	10,318	27,843
Capital debt repayment capacity	105,378	-21,966	205,482
Scheduled term debt payments	-59,533	-30,236	-67,787
Capital debt repayment margin	45,845	-52,201	137,696
Cash replacement allowance	-26,406	-20,655	-31,155
Replacement margin	19,439	-72,856	106,541
Term debt coverage ratio	1.77	-0.73	3.03
Replacement coverage ratio	1.23	-0.43	2.08

Table 14

Balance Sheet at Cost Values
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	88		22		23	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	41,410	33,585	28,840	26,114	33,343	20,644
Prepaid expenses & supplies	63,961	66,432	29,259	27,667	61,963	63,263
Growing crops	9,796	9,373	5,451	5,665	11,635	11,979
Accounts receivable	25,622	21,332	16,522	14,429	12,304	12,482
Hedging accounts	2,342	2,202	381	445	1,408	1,166
Crops held for sale or feed	312,841	300,140	198,617	145,978	331,831	361,798
Crops under government loan	3,321	1,925	0	0	6,436	7,281
Market livestock held for sale	42,249	40,464	24,348	14,616	17,392	14,224
Other current assets	169	2,091	201	201	413	7,683
Total current farm assets	501,711	477,545	303,619	235,115	476,724	500,518
Intermediate Farm Assets						
Breeding livestock	19,652	18,568	30,083	29,789	19,451	15,852
Machinery and equipment	137,709	149,886	126,988	146,323	181,637	174,373
Titled vehicles	1,665	2,209	714	571	2,649	3,906
Other intermediate assets	21,084	18,724	30,160	23,432	15,942	14,996
Total intermediate farm assets	180,109	189,388	187,946	200,116	219,679	209,127
Long Term Farm Assets						
Farm land	380,533	414,316	180,775	180,224	380,029	438,715
Buildings and improvements	57,450	66,052	49,288	54,246	69,650	78,083
Other long-term assets	11,153	10,910	2,205	2,456	14,183	12,643
Total long-term farm assets	449,136	491,279	232,268	236,926	463,862	529,441
Total Farm Assets	1,130,957	1,158,211	723,832	672,157	1,160,264	1,239,087
Total Nonfarm Assets	217,312	233,163	161,243	182,297	134,449	147,664
Total Assets	1,348,269	1,391,374	885,076	854,454	1,294,713	1,386,750
Liabilities						
Current Farm Liabilities						
Accrued interest	7,262	6,420	7,383	6,525	2,945	5,497
Accounts payable	31,219	29,369	6,054	7,000	36,818	39,098
Current notes	115,068	124,667	94,769	111,931	83,587	78,847
Government crop loans	1,908	909	0	0	3,175	3,439
Principal due on term debt	38,547	38,394	20,006	19,682	40,297	42,243
Total current farm liabilities	194,005	199,758	128,212	145,138	166,822	169,124
Total intermediate farm liabs	103,209	87,217	74,960	64,202	118,719	102,156
Total long term farm liabilities	232,855	270,450	131,043	120,936	331,457	370,574
Total farm liabilities	530,069	557,426	334,215	330,276	616,999	641,854
Total nonfarm liabilities	16,906	16,074	12,621	14,512	16,333	17,929
Total liabilities	546,976	573,501	346,837	344,788	633,331	659,783
Net worth (farm and nonfarm)	801,293	817,873	538,239	509,666	661,382	726,967
Net worth change		16,580		-28,573		65,585
Percent net worth change		2 %		-5 %		10 %
Ratio Analysis						
Current farm liabilities / assets	39 %	42 %	42 %	62 %	35 %	34 %
Intermediate farm liab. / assets	57 %	46 %	40 %	32 %	54 %	49 %
Long term farm liab. / assets	52 %	55 %	56 %	51 %	71 %	70 %
Total debt to asset ratio	41 %	41 %	39 %	40 %	49 %	48 %

Table 15

Balance Sheet at Market Values
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	88		22		23	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	41,042	33,379	28,840	26,114	33,343	20,644
Prepaid expenses & supplies	64,878	65,678	29,259	27,667	61,963	63,263
Growing crops	9,685	9,266	5,451	5,665	11,635	11,979
Accounts receivable	25,841	21,236	16,522	14,429	12,304	12,482
Hedging accounts	2,315	2,177	381	445	1,408	1,166
Crops held for sale or feed	317,296	303,916	198,617	145,978	331,831	361,798
Crops under government loan	3,283	1,903	0	0	6,436	7,281
Market livestock held for sale	41,769	40,004	24,348	14,616	17,392	14,224
Other current assets	167	2,067	201	201	413	7,683
Total current farm assets	506,276	479,628	303,619	235,115	476,724	500,518
Intermediate Farm Assets						
Breeding livestock	20,251	19,257	32,664	31,610	19,768	16,459
Machinery and equipment	455,761	494,717	292,328	305,012	492,889	553,874
Titled vehicles	10,234	14,431	6,562	7,205	8,252	20,487
Other intermediate assets	20,764	18,123	28,146	21,051	16,267	14,428
Total intermediate farm assets	507,009	546,527	359,700	364,878	537,177	605,247
Long Term Farm Assets						
Farm land	1,193,055	1,237,949	842,335	841,829	977,565	1,074,542
Buildings and improvements	167,010	180,783	130,679	136,580	149,932	172,125
Other long-term assets	28,346	23,675	25,878	7,561	14,183	12,643
Total long-term farm assets	1,388,412	1,442,407	998,892	985,970	1,141,680	1,259,310
Total Farm Assets	2,401,698	2,468,562	1,662,210	1,585,964	2,155,580	2,365,076
Total Nonfarm Assets	296,099	330,203	202,825	223,541	220,591	255,084
Total Assets	2,697,796	2,798,765	1,865,035	1,809,505	2,376,171	2,620,160
Liabilities						
Current Farm Liabilities						
Accrued interest	7,181	6,348	7,383	6,525	2,945	5,497
Accounts payable	31,482	29,217	6,054	7,000	36,818	39,098
Current notes	118,706	125,233	94,769	111,931	83,587	78,847
Government crop loans	1,887	899	0	0	3,175	3,439
Principal due on term debt	38,890	38,767	20,006	19,682	40,297	42,243
Total current farm liabilities	198,146	200,463	128,212	145,138	166,822	169,124
Total intermediate farm liabs	104,539	88,321	74,960	64,202	118,719	102,156
Total long term farm liabilities	233,573	270,440	131,043	120,936	331,457	370,574
Total farm liabilities	536,258	559,224	334,215	330,276	616,999	641,854
Total nonfarm liabilities	16,904	16,082	12,621	14,512	16,333	17,929
Total liabs excluding deferreds	553,162	575,306	346,837	344,788	633,331	659,783
Total deferred liabilities	7,612	7,113	271	0	4,655	4,655
Total liabilities	560,774	582,419	347,107	344,788	637,987	664,438
Net worth (farm and nonfarm)	2,137,022	2,216,346	1,517,928	1,464,717	1,738,184	1,955,721
Net worth excluding deferreds	2,144,634	2,223,459	1,518,198	1,464,717	1,742,839	1,960,377
Net worth change		79,323		-53,211		217,537
Percent net worth change		4 %		-4 %		13 %
Ratio Analysis						
Current farm liabilities / assets	39 %	42 %	42 %	62 %	35 %	34 %
Intermediate farm liab. / assets	21 %	16 %	21 %	18 %	22 %	17 %
Long term farm liab. / assets	17 %	19 %	13 %	12 %	29 %	29 %
Total debt to asset ratio	21 %	21 %	19 %	19 %	27 %	25 %
Debt to assets excl deferreds	21 %	21 %	19 %	19 %	27 %	25 %

Table 16

Statement Of Cash Flows
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Beginning cash (farm & nonfarm)	42,169	32,649	33,995
Cash Provided By Operating Activities			
Gross cash farm income	625,010	381,296	733,830
Total cash farm expense	-485,211	-318,511	-527,508
Net cash from hedging transactions	-3,041	-10,096	-841
Cash provided by operating	136,758	52,688	205,481
Cash Provided By Investing Activities			
Sale of breeding livestock	96	2	74
Sale of machinery & equipment	6,259	14,576	1,736
Sale of titled vehicles	-	-	-
Sale of farm land	795	2,381	870
Sale of farm buildings	478	-	1,831
Sale of other farm assets	5,854	8,266	3,882
Sale of nonfarm assets	2,211	3,889	-
Purchase of breeding livestock	-869	-700	-247
Purchase of machinery & equip.	-77,721	-56,091	-99,267
Purchase of titled vehicles	-956	-	-2,245
Purchase of farm land	-37,298	-	-59,033
Purchase of farm buildings	-18,833	-9,007	-22,816
Purchase of other farm assets	-2,704	-932	-325
Purchase of nonfarm assets	-5,799	-8,100	-6,253
Cash provided by investing	-128,486	-45,717	-181,795
Cash Provided By Financing Activities			
Money borrowed	241,020	192,581	153,507
Principal payments	-216,355	-194,542	-134,206
Personal income	14,415	15,934	8,228
Family living/owner withdrawals	-45,080	-32,120	-58,415
Income and social security tax	-2,904	-1,251	-5,807
Capital contributions	2,945	2,801	2,609
Capital distributions	-15,057	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	11,202	10,122	3,181
Gifts given	-6,104	-3,223	-5,481
Other cash flows	-	-	-
Cash provided by financing	-15,918	-9,697	-36,385
Net change in cash balance	-7,646	-2,725	-12,699
Ending cash (farm & nonfarm)	34,523	29,924	21,296

Table 17

Financial Standards Measures

2009 MI Cash Grain (All Farms)

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Liquidity			
Current ratio	2.39	1.62	2.96
Working capital	279,165	89,977	331,394
Working capital to gross inc	46.4 %	29.3 %	43.3 %
Solvency (market)			
Farm debt to asset ratio	23 %	21 %	27 %
Farm equity to asset ratio	77 %	79 %	73 %
Farm debt to equity ratio	0.30	0.26	0.38
Profitability (cost)			
Rate of return on farm assets	4.0 %	-6.7 %	10.2 %
Rate of return on farm equity	3.8 %	-16.7 %	16.5 %
Operating profit margin	8.2 %	-17.0 %	16.3 %
Net farm income	50,986	-39,686	116,670
EBIDTA	142,860	612	262,914
Repayment Capacity			
Capital debt repayment capacity	105,378	-21,966	205,482
Capital debt repayment margin	45,845	-52,201	137,696
Replacement margin	19,439	-72,856	106,541
Term debt coverage ratio	1.77	-0.73	3.03
Replacement coverage ratio	1.23	-0.43	2.08
Efficiency			
Asset turnover rate (cost)	48.4 %	39.7 %	62.7 %
Operating expense ratio	76.2 %	99.8 %	65.6 %
Depreciation expense ratio	11.5 %	8.6 %	15.4 %
Interest expense ratio	4.0 %	4.8 %	3.4 %
Net farm income ratio	8.4 %	-12.9 %	15.2 %

Table 18

Operator and Labor Information
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Operator Information			
Average number of operators	1.3	1.2	1.3
Average age of operators	53.3	55.0	53.2
Average number of years farming	28.1	32.0	25.5
Results Per Operator			
Working capital	211,780	72,674	245,873
Total assets (market)	2,123,201	1,461,523	1,943,990
Total liabilities	441,835	278,482	492,970
Net worth (market)	1,681,366	1,183,041	1,451,019
Net worth excl deferred liabs	1,686,762	1,183,041	1,454,473
Gross farm income	456,185	247,689	567,682
Total farm expense	417,946	279,743	481,121
Net farm income from operations	38,240	-32,054	86,562
Net nonfarm income	10,935	12,870	6,105
Family living & tax withdrawals	36,401	26,954	47,649
Total acres owned	367.0	283.4	271.8
Total crop acres	684.2	428.1	725.9
Crop acres owned	348.7	233.7	299.1
Crop acres cash rented	313.2	194.4	420.4
Crop acres share rented	22.3	-	6.5
Total pasture acres	2.7	5.2	1.5
Labor Analysis			
Number of farms	88	22	23
Total unpaid labor hours	2,587	2,020	3,018
Total hired labor hours	2,464	4,530	2,096
Total labor hours per farm	5,051	6,549	5,114
Unpaid hours per operator	1,976	1,616	2,213
Value of farm production / hour	106.43	41.10	151.63
Net farm income / unpaid hour	19.19	-19.99	39.01
Average hourly hired labor wage	12.00	7.01	17.90
Partnerships & LLCs			
Number of farms	16	3	5
Number of operators	2.3	-	2.4
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 19

Financial Summary
2009 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	88	22	23
Income Statement			
Gross cash farm income	625,010	381,296	733,830
Total cash farm expense	485,211	318,511	527,508
Net cash farm income	139,799	62,785	206,322
Inventory change	-20,195	-76,098	28,119
Depreciation	-69,197	-26,372	-117,771
Net farm income from operations	50,407	-39,686	116,670
Gain or loss on capital sales	-	-	-
Average net farm income	50,407	-39,686	116,670
Median net farm income	20,048	-23,588	93,228
Profitability (cost)			
Rate of return on assets	4.0 %	-6.7 %	10.2 %
Rate of return on equity	3.8 %	-16.7 %	16.5 %
Operating profit margin	8.1 %	-17.0 %	16.3 %
Asset turnover rate	49.4 %	39.7 %	62.7 %
Profitability (market)			
Rate of return on assets	3.7 %	-4.4 %	11.2 %
Rate of return on equity	3.6 %	-6.6 %	13.8 %
Operating profit margin	16.2 %	-25.8 %	33.7 %
Asset turnover rate	22.9 %	17.1 %	33.3 %
Liquidity & Repayment (end of year)			
Current assets	479,628	235,115	500,518
Current liabilities	200,463	145,138	169,124
Current ratio	2.39	1.62	2.96
Working capital	279,165	89,977	331,394
Working capital to gross inc	46.4 %	29.3 %	43.3 %
Term debt coverage ratio	1.77	-0.73	3.03
Replacement coverage ratio	1.23	-0.43	2.08
Solvency (end of year at cost)			
Number of farms	88	22	23
Total farm assets	1,158,211	672,157	1,239,087
Total farm liabilities	557,426	330,276	641,854
Total assets	1,391,374	854,454	1,386,750
Total liabilities	573,501	344,788	659,783
Net worth	817,873	509,666	726,967
Net worth change	16,580	-28,573	65,585
Farm debt to asset ratio	48 %	49 %	52 %
Total debt to asset ratio	41 %	40 %	48 %
Solvency (end of year at market)			
Number of farms	88	22	23
Total farm assets	2,468,562	1,585,964	2,365,076
Total farm liabilities	566,275	330,276	646,510
Total assets	2,798,765	1,809,505	2,620,160
Total liabilities	582,419	344,788	664,438
Net worth	2,216,346	1,464,717	1,955,721
Net worth change	79,323	-53,211	217,537
Farm debt to asset ratio	23 %	21 %	27 %
Total debt to asset ratio	21 %	19 %	25 %
Nonfarm Information			
Net nonfarm income	14,415	15,934	8,228
Crop Acres			
Total acres owned	484	351	366
Total crop acres	902	530	978
Total crop acres owned	460	289	403
Total crop acres cash rented	413	241	567
Total crop acres share rented	29	-	9

B.) Average of 47 Cash Grain Farms, 50 to 799 Acre Farms

Table 20 Crop Production and Marketing Summary			
2009 MI Cash Grain (50-799 acre Farms)			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Acreage Summary			
Total acres owned	325	312	292
Total crop acres	430	273	472
Crop acres owned	266	213	203
Crop acres cash rented	160	60	252
Crop acres share rented	4	-	17
Total pasture acres	7	11	4
Percent crop acres owned	62 %	78 %	43 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.00	-	4.30
Soybeans per bushel	9.99	-	9.90
Wheat, Winter per bushel	4.45	-	4.41
Oats per bushel	3.11	3.05	-

Table 21

Farm Income Statement
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Cash Farm Income			
Barley	176	688	-
Beans, Black Turtle	476	-	-
Beans, Green	318	-	-
Beans, Navy	8,238	-	18,371
Cordwood	56	221	-
Corn	53,398	14,078	70,887
Corn Silage	168	-	-
Corn, Seed	15,423	-	-
Hay, Alfalfa	1,954	2,912	3,115
Hay, Mixed	3,602	1,038	7,558
Haylage, Mixed	273	-	-
Oats	532	52	45
Potatoes	2,246	8,795	-
Rye	36	142	-
Soybeans	54,418	10,954	67,623
Straw	1,483	78	4,787
Sugar Beets	8,787	556	11,424
Wheat, Durum	603	2,363	-
Wheat, Soft Wht Winter	808	-	3,165
Wheat, Winter	11,020	3,596	15,794
Beans, Dry	1,020	-	3,995
Miscellaneous crop income	1	-	5
Beef Bulls	157	-	491
Beef Cow-Calf, Beef Calves	3,133	410	6,034
Beef Finishing	2,409	233	9,203
Broilers	739	-	2,895
Dairy Heifers (for sale)	1,346	5,273	-
Dairy Finishing	2,488	3,710	-
Hogs, Farrow To Finish, Raised Ho	1,212	1,818	2,929
Sheep, Market Lamb Prod, Mkt Lamb	4,748	2,821	4
Beef Finish Cull Cows	30	-	118
User Added Livestock, User Added	66	260	-
Cull breeding livestock	1,151	1,463	952
Misc. livestock income	167	101	107
Direct & CC govt payments	3,013	899	1,737
CRP payments	199	-	-
Other government payments	4,232	541	4,803
Custom work income	5,032	354	10,740
Patronage dividends, cash	814	421	884
Insurance income	5,009	1,116	6,135
Other farm income	8,522	2,699	20,465
Gross Cash Farm Income	216,856	67,601	274,264

Table 21

Farm Income Statement (Continued)
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Cash Farm Expense			
Seed	15,411	5,494	16,645
Fertilizer	34,759	12,061	52,556
Crop chemicals	10,255	3,022	12,709
Crop insurance	2,486	327	3,710
Drying expense	1,749	548	2,360
Crop packaging and supplies	40	-	153
Crop hauling and trucking	516	293	357
Crop marketing	881	276	2,010
Crop miscellaneous	1,135	121	927
Feeder livestock purchase	628	1,581	442
Purchased feed	6,683	3,993	6,498
Veterinary	525	323	383
Livestock supplies	925	504	1,229
Livestock leases	129	-	-
Livestock hauling and trucking	160	105	-
Livestock marketing	506	574	192
Bedding	60	-	234
Interest	8,686	2,246	10,887
Packaging and supplies	140	66	-
Supplies	1,811	4,136	1,871
Fuel & oil	9,458	4,688	12,087
Repairs	15,207	7,090	18,087
Repair, machinery	354	-	1,040
Custom hire	4,861	2,384	8,382
Hired labor	7,370	3,488	6,559
Land rent	13,757	4,981	18,527
Machinery leases	1,950	695	3,964
Real estate taxes	5,470	2,490	5,591
Personal property taxes	204	42	493
Farm insurance	5,272	3,231	5,929
Utilities	5,100	1,730	4,654
Dues & professional fees	1,830	1,987	1,823
Miscellaneous	3,452	2,900	3,444
Total cash expense	161,950	71,464	203,836
Net cash farm income	54,905	-3,864	70,428
Inventory Changes			
Prepays and supplies	-2,955	1,270	-7,500
Accounts receivable	-3,422	-1,327	3,572
Hedging accounts	-287	-	-71
Other current assets	1,172	136	5,445
Crops and feed	-2,315	-15,454	38,236
Market livestock	-1,420	2,286	-5,025
Breeding livestock	-3,619	-3,847	-6,408
Other assets	1,003	859	1,381
Accounts payable	2,192	-383	5,107

Accrued interest	58	-26	-757
Total inventory change	-9,594	-16,485	33,979
Net operating profit	45,311	-20,348	104,407
Depreciation			
Machinery and equipment	-18,246	-6,425	-29,280
Titled vehicles	-133	-	397
Buildings and improvements	-3,466	-1,468	-5,945
Total depreciation	-21,845	-7,893	-34,828
Net farm income from operations	23,466	-28,241	69,579
Gain or loss on capital sales	-	-	-
Net farm income	23,466	-28,241	69,579

Table 22

Inventory Changes
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Net cash farm income	54,905	-3,282	70,428
Crops and Feed			
Ending inventory	119,794	27,969	203,303
Beginning inventory	122,109	44,873	165,067
Inventory change	-2,315	-16,904	38,236
Market Livestock			
Ending inventory	11,561	13,141	14,404
Beginning inventory	12,982	10,233	19,430
Inventory change	-1,420	2,908	-5,025
Accts Receivable			
Ending inventory	4,824	727	5,592
Beginning inventory	8,245	2,312	2,019
Inventory change	-3,422	-1,585	3,572
Prepaid Expenses and Supplies			
Ending inventory	17,319	3,757	15,871
Beginning inventory	20,274	2,371	23,371
Inventory change	-2,955	1,386	-7,500
Hedging Activities			
Ending inventory	22	-	-
Withdrawals	-258	-	-
Beginning inventory	28	-	-
Deposits	24	-	71
Gain or loss	-287	-	-71
Other Current Assets			
Ending inventory	10,314	4,396	16,355
Beginning inventory	9,142	4,247	10,910
Inventory change	1,172	149	5,445
Breeding Livestock			
Ending inventory	17,200	16,415	8,175
Capital sales	21	4	-
Beginning inventory	19,839	18,841	14,306
Capital purchases	1,000	1,337	277
Depreciation, capital adjust	-3,619	-3,760	-6,408
Other Capital Assets			
Ending inventory	17,003	10,170	41,379
Capital sales	1,881	306	3,256
Beginning inventory	16,834	9,523	43,192
Capital purchases	1,047	21	62
Depreciation, capital adjust	1,003	932	1,381
Accounts Payable			
Beginning inventory	21,512	952	57,205
Ending inventory	19,321	893	52,098
Inventory change	2,192	59	5,107
Accrued Interest			
Beginning inventory	2,118	212	1,607
Ending inventory	2,060	240	2,364
Inventory change	58	-28	-757
Total inventory change	-9,594	-16,843	33,979
Net operating profit	45,311	-20,125	104,407

Table 23

Depreciation
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Net operating profit	45,311	-20,125	104,407
Machinery and Equipment			
Ending inventory	54,214	32,219	53,953
Capital sales	3,555	5,304	-
Beginning inventory	42,535	27,389	33,978
Capital purchases	33,479	16,604	49,255
Depreciation, capital adjust.	-18,246	-6,470	-29,280
Titled Vehicles			
Ending inventory	2,411	182	7,486
Capital sales	277	-	1,083
Beginning inventory	1,030	182	3,869
Capital purchases	1,790	-	4,303
Depreciation, capital adjust.	-133	-	397
Buildings and Improvements			
Ending inventory	34,762	20,587	53,585
Capital sales	851	-	3,333
Beginning inventory	33,020	21,071	45,877
Capital purchases	6,059	887	16,986
Depreciation, capital adjust.	-3,466	-1,370	-5,945
Total depreciation, capital adj.	-21,845	-7,840	-34,828
Net farm income from operations	23,466	-27,965	69,579
Gain or loss on capital sales	-	-	-
Net farm income	23,466	-27,965	69,579

Table 24

Profitability Measures
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Profitability (assets valued at cost)			
Net farm income from operations	23,466	-27,965	69,579
Rate of return on assets	3.1 %	-17.2 %	9.4 %
Rate of return on equity	2.3 %	-23.0 %	13.1 %
Operating profit margin	8.0 %	-83.7 %	20.9 %
Asset turnover rate	38.8 %	20.5 %	44.9 %
Farm interest expense	8,629	1,001	11,644
Value of operator lbr and mgmt.	16,029	10,664	17,500
Return on farm assets	16,066	-37,627	63,723
Average farm assets	517,803	218,963	678,140
Return on farm equity	7,437	-38,629	52,079
Average farm equity	317,822	168,274	396,491
Value of farm production	200,914	44,979	304,608
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Profitability (assets valued at market)			
Net farm income from operations	39,378	-49,263	124,907
Rate of return on assets	2.5 %	-7.8 %	10.5 %
Rate of return on equity	2.2 %	-8.5 %	12.6 %
Operating profit margin	15.9 %	-131.0 %	39.1 %
Asset turnover rate	15.6 %	6.0 %	26.8 %
Farm interest expense	8,629	1,001	11,644
Value of operator lbr and mgmt.	16,029	10,664	17,500
Return on farm assets	31,978	-58,926	119,051
Average farm assets	1,289,299	754,617	1,135,972
Return on farm equity	23,349	-59,927	107,407
Average farm equity	1,075,650	703,670	854,324
Value of farm production	200,914	44,979	304,608

Table 25

Liquidity & Repayment Capacity Measures
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Liquidity			
Current ratio	2.63	4.85	2.32
Working capital	122,590	53,301	150,496
Working capital to gross inc	58.9 %	105.5 %	48.3 %
Current assets	198,020	67,157	264,805
Current liabilities	75,429	13,856	114,309
Gross revenues (accrual)	208,225	50,541	311,548
Repayment capacity			
Net farm income from operations	23,466	-27,965	69,579
Depreciation	21,845	7,840	34,828
Personal income	12,417	12,350	12,488
Family living/owner withdrawals	-25,690	-14,674	-26,330
Payments on personal debt	-1,230	-201	-1,042
Income taxes paid	-1,674	-1,626	-2,091
Interest on term debt	6,750	2,392	7,347
Capital debt repayment capacity	35,884	-21,884	94,779
Scheduled term debt payments	-21,004	-6,192	-30,043
Capital debt repayment margin	14,880	-28,077	64,736
Cash replacement allowance	-15,503	-8,565	-8,577
Replacement margin	-623	-36,642	56,159
Term debt coverage ratio	1.71	-3.53	3.15
Replacement coverage ratio	0.98	-1.48	2.45

Table 26

Balance Sheet at Cost Values
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	47		12		12	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	27,819	34,080	24,295	17,167	5,166	8,865
Prepaid expenses & supplies	20,274	17,319	2,371	3,757	23,371	15,871
Growing crops	8,916	8,658	3,863	4,011	10,452	10,297
Accounts receivable	8,245	4,824	2,312	727	2,019	5,592
Hedging accounts	28	22	0	0	0	0
Crops held for sale or feed	122,215	119,688	44,873	27,969	165,482	202,888
Crops under government loan	0	212	0	0	0	830
Market livestock held for sale	12,982	11,561	10,233	13,141	19,430	14,404
Other current assets	226	1,656	385	385	458	6,058
Total current farm assets	200,705	198,020	88,332	67,157	226,379	264,805
Intermediate Farm Assets						
Breeding livestock	19,839	17,200	18,841	16,415	14,306	8,175
Machinery and equipment	42,535	54,214	27,389	32,219	33,978	53,953
Titled vehicles	1,030	2,411	182	182	3,869	7,486
Other intermediate assets	10,819	10,684	7,274	7,851	25,639	23,826
Total intermediate farm assets	74,223	84,508	53,686	56,665	77,793	93,440
Long Term Farm Assets						
Farm land	195,527	202,508	62,930	62,930	266,081	293,215
Buildings and improvements	33,020	34,762	21,071	20,587	45,877	53,585
Other long-term assets	6,015	6,319	2,249	2,319	17,553	17,553
Total long-term farm assets	234,562	243,589	86,249	85,837	329,511	364,352
Total Farm Assets	509,490	526,116	228,267	209,659	633,682	722,597
Total Nonfarm Assets	204,474	222,218	101,059	109,496	116,616	126,092
Total Assets	713,963	748,334	329,326	319,155	750,298	848,689
Liabilities						
Current Farm Liabilities						
Accrued interest	2,118	2,060	212	240	1,607	2,364
Accounts payable	21,512	19,321	952	893	57,205	52,098
Current notes	35,309	40,136	29	9,014	30,944	39,723
Government crop loans	0	117	0	0	0	459
Principal due on term debt	14,294	13,795	3,970	3,709	22,697	19,665
Total current farm liabilities	73,233	75,429	5,163	13,856	112,453	114,309
Total intermediate farm liabs	46,069	42,998	28,128	18,969	68,394	57,665
Total long term farm liabilities	76,720	85,511	17,094	18,169	81,312	129,164
Total farm liabilities	196,023	203,939	50,385	50,994	262,158	301,138
Total nonfarm liabilities	17,193	15,243	450	243	27,533	30,613
Total liabilities	213,216	219,182	50,835	51,237	289,691	331,752
Net worth (farm and nonfarm)	500,748	529,153	278,491	267,918	460,607	516,937
Net worth change		28,405		-10,572		56,330
Percent net worth change		6 %		-4 %		12 %
Ratio Analysis						
Current farm liabilities / assets	36 %	38 %	6 %	21 %	50 %	43 %
Intermediate farm liab. / assets	62 %	51 %	52 %	33 %	88 %	62 %
Long term farm liab. / assets	33 %	35 %	20 %	21 %	25 %	35 %
Total debt to asset ratio	30 %	29 %	15 %	16 %	39 %	39 %

Table 27

Balance Sheet at Market Values
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	47		12		12	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	27,819	34,080	24,295	17,167	5,166	8,865
Prepaid expenses & supplies	20,274	17,319	2,371	3,757	23,371	15,871
Growing crops	8,916	8,658	3,863	4,011	10,452	10,297
Accounts receivable	8,245	4,824	2,312	727	2,019	5,592
Hedging accounts	28	22	0	0	0	0
Crops held for sale or feed	122,215	119,688	44,873	27,969	165,482	202,888
Crops under government loan	0	212	0	0	0	830
Market livestock held for sale	12,982	11,561	10,233	13,141	19,430	14,404
Other current assets	226	1,656	385	385	458	6,058
Total current farm assets	200,705	198,020	88,332	67,157	226,379	264,805
Intermediate Farm Assets						
Breeding livestock	20,940	18,350	23,768	19,892	15,748	9,338
Machinery and equipment	213,810	229,372	106,401	102,813	156,687	204,680
Titled vehicles	5,560	7,168	1,273	1,273	7,775	11,983
Other intermediate assets	11,626	10,916	7,274	7,851	27,052	22,987
Total intermediate farm assets	251,936	265,806	138,716	131,828	207,262	248,987
Long Term Farm Assets						
Farm land	719,057	733,942	474,604	465,513	535,973	585,996
Buildings and improvements	95,253	100,645	70,927	67,808	76,684	90,752
Other long-term assets	6,547	6,688	2,249	2,099	17,553	17,553
Total long-term farm assets	820,857	841,276	547,781	535,420	630,209	694,302
Total Farm Assets	1,273,497	1,305,102	774,828	734,406	1,063,851	1,208,094
Total Nonfarm Assets	293,139	334,559	169,705	188,489	151,818	178,764
Total Assets	1,566,636	1,639,661	944,534	922,895	1,215,669	1,386,858
Liabilities						
Current Farm Liabilities						
Accrued interest	2,118	2,060	212	240	1,607	2,364
Accounts payable	21,512	19,321	952	893	57,205	52,098
Current notes	35,309	40,136	29	9,014	30,944	39,723
Government crop loans	0	117	0	0	0	459
Principal due on term debt	14,294	13,795	3,970	3,709	22,697	19,665
Total current farm liabilities	73,233	75,429	5,163	13,856	112,453	114,309
Total intermediate farm liabs	46,069	42,998	28,128	18,969	68,394	57,665
Total long term farm liabilities	76,720	85,511	17,094	18,169	81,312	129,164
Total farm liabilities	196,023	203,939	50,385	50,994	262,158	301,138
Total nonfarm liabilities	17,193	15,243	450	243	27,533	30,613
Total liabs excluding deferreds	213,216	219,182	50,835	51,237	289,691	331,752
Total deferred liabilities	14,252	13,318	516	0	0	0
Total liabilities	227,467	232,500	51,351	51,237	289,691	331,752
Retained earnings	500,748	529,153	278,491	267,918	460,607	516,937
Market valuation equity	838,421	878,008	614,691	603,740	465,371	538,169
Net worth (farm and nonfarm)	1,339,169	1,407,161	893,182	871,658	925,978	1,055,106
Net worth excluding deferreds	1,353,420	1,420,479	893,699	871,658	925,978	1,055,106
Net worth change		67,992		-21,524		129,128
Percent net worth change		5 %		-2 %		14 %
Ratio Analysis						
Current farm liabilities / assets	36 %	38 %	6 %	21 %	50 %	43 %
Intermediate farm liab. / assets	18 %	16 %	20 %	14 %	33 %	23 %
Long term farm liab. / assets	9 %	10 %	3 %	3 %	13 %	19 %
Total debt to asset ratio	15 %	14 %	5 %	6 %	24 %	24 %
Debt to assets excl deferreds	14 %	13 %	5 %	6 %	24 %	24 %

Table 28

Statement Of Cash Flows
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Beginning cash (farm & nonfarm)	29,930	31,568	5,166
Cash Provided By Operating Activities			
Gross cash farm income	216,856	68,949	274,264
Total cash farm expense	-161,950	-72,231	-203,836
Net cash from hedging transactions	-282	-	-71
Cash provided by operating	54,624	-3,282	70,357
Cash Provided By Investing Activities			
Sale of breeding livestock	21	4	-
Sale of machinery & equipment	3,555	5,304	-
Sale of titled vehicles	-	-	-
Sale of farm land	-	-	-
Sale of farm buildings	851	-	3,333
Sale of other farm assets	1,881	306	3,256
Sale of nonfarm assets	2,402	-	-
Purchase of breeding livestock	-1,000	-1,337	-277
Purchase of machinery & equip.	-33,479	-16,604	-49,255
Purchase of titled vehicles	-1,790	-	-4,303
Purchase of farm land	-7,204	-	-28,217
Purchase of farm buildings	-6,059	-887	-16,986
Purchase of other farm assets	-1,047	-21	-62
Purchase of nonfarm assets	-788	-682	-
Cash provided by investing	-42,659	-13,917	-92,511
Cash Provided By Financing Activities			
Money borrowed	85,806	11,407	114,917
Principal payments	-78,105	-10,953	-70,485
Personal income	12,417	12,350	12,488
Family living/owner withdrawals	-25,690	-14,674	-26,330
Income and social security tax	-1,674	-1,626	-2,091
Capital contributions	4,237	5,347	-
Capital distributions	-	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	3,921	8,764	6,082
Gifts given	-6,584	-545	-8,728
Other cash flows	-	-	-
Cash provided by financing	-5,671	10,070	25,852
Net change in cash balance	6,293	-7,129	3,698
Ending cash (farm & nonfarm)	36,223	24,439	8,865

Table 29

Financial Standards Measures
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Liquidity			
Current ratio	2.63	4.85	2.32
Working capital	122,590	53,301	150,496
Working capital to gross inc	58.9 %	105.5 %	48.3 %
Solvency (market)			
Farm debt to asset ratio	17 %	7 %	25 %
Farm equity to asset ratio	83 %	93 %	75 %
Farm debt to equity ratio	0.20	0.07	0.33
Profitability (cost)			
Rate of return on farm assets	3.1 %	-17.2 %	9.4 %
Rate of return on farm equity	2.3 %	-23.0 %	13.1 %
Operating profit margin	8.0 %	-83.7 %	20.9 %
Net farm income	23,466	-27,965	69,579
EBIDTA	53,940	-19,123	116,051
Repayment Capacity			
Capital debt repayment capacity	35,884	-21,884	94,779
Capital debt repayment margin	14,880	-28,077	64,736
Replacement margin	-623	-36,642	56,159
Term debt coverage ratio	1.71	-3.53	3.15
Replacement coverage ratio	0.98	-1.48	2.45
Efficiency			
Asset turnover rate (cost)	38.8 %	20.5 %	44.9 %
Operating expense ratio	74.1 %	137.8 %	62.8 %
Depreciation expense ratio	10.5 %	15.5 %	11.2 %
Interest expense ratio	4.2 %	1.9 %	3.5 %
Net farm income ratio	11.3 %	-55.3 %	22.3 %

Table 30

Operator and Labor Information
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Operator Information			
Average number of operators	1.2	1.1	1.2
Average age of operators	54.1	55.8	50.0
Average number of years farming	28.1	32.6	20.9
Results Per Operator			
Working capital	102,888	48,859	128,997
Total assets (market)	1,376,144	845,987	1,188,735
Total liabilities	195,134	46,967	284,359
Net worth (market)	1,181,010	799,020	904,377
Net worth excl deferred liabs	1,192,188	799,020	904,377
Gross farm income	174,760	46,329	267,042
Total farm expense	155,066	71,964	207,402
Net farm income from operations	19,695	-25,635	59,639
Net nonfarm income	10,421	11,321	10,704
Family living & tax withdrawals	22,966	14,942	24,361
Total acres owned	273.0	290.5	249.9
Total crop acres	361.3	250.2	404.3
Crop acres owned	223.2	196.4	173.7
Crop acres cash rented	134.4	53.8	216.3
Crop acres share rented	3.7	-	14.3
Total pasture acres	5.5	11.3	3.4
Labor Analysis			
Number of farms	47	12	12
Total unpaid labor hours	1,954	1,509	2,195
Total hired labor hours	733	208	1,216
Total labor hours per farm	2,687	1,717	3,411
Unpaid hours per operator	1,691	1,383	1,857
Value of farm production / hour	75.88	26.20	91.33
Net farm income / unpaid hour	11.64	-18.53	30.72
Average hourly hired labor wage	11.46	17.72	6.68
Partnerships & LLCs			
Number of farms	5	1	1
Number of operators	2.0	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 31

Financial Summary
2009 MI Cash Grain (50-799 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	47	12	12
Income Statement			
Gross cash farm income	216,856	68,949	274,264
Total cash farm expense	161,950	72,231	203,836
Net cash farm income	54,905	-3,282	70,428
Inventory change	-9,594	-16,843	33,979
Depreciation	-21,845	-7,840	-34,828
Net farm income from operations	23,466	-27,965	69,579
Gain or loss on capital sales	-	-	-
Average net farm income	23,466	-27,965	69,579
Median net farm income	8,383	-23,588	70,913
Profitability (cost)			
Rate of return on assets	3.1 %	-17.2 %	9.4 %
Rate of return on equity	2.3 %	-23.0 %	13.1 %
Operating profit margin	8.0 %	-83.7 %	20.9 %
Asset turnover rate	38.8 %	20.5 %	44.9 %
Profitability (market)			
Rate of return on assets	2.5 %	-7.8 %	10.5 %
Rate of return on equity	2.2 %	-8.5 %	12.6 %
Operating profit margin	15.9 %	-131.0 %	39.1 %
Asset turnover rate	15.6 %	6.0 %	26.8 %
Liquidity & Repayment (end of year)			
Current assets	198,020	67,157	264,805
Current liabilities	75,429	13,856	114,309
Current ratio	2.63	4.85	2.32
Working capital	122,590	53,301	150,496
Working capital to gross inc	58.9 %	105.5 %	48.3 %
Term debt coverage ratio	1.71	-3.53	3.15
Replacement coverage ratio	0.98	-1.48	2.45
Solvency (end of year at cost)			
Number of farms	47	12	12
Total farm assets	526,116	209,659	722,597
Total farm liabilities	203,939	50,994	301,138
Total assets	748,334	319,155	848,689
Total liabilities	219,182	51,237	331,752
Net worth	529,153	267,918	516,937
Net worth change	28,405	-10,572	56,330
Farm debt to asset ratio	39 %	24 %	42 %
Total debt to asset ratio	29 %	16 %	39 %
Solvency (end of year at market)			
Number of farms	47	12	12
Total farm assets	1,305,102	734,406	1,208,094
Total farm liabilities	217,141	50,994	301,138
Total assets	1,639,661	922,895	1,386,858
Total liabilities	232,500	51,237	331,752
Net worth	1,407,161	871,658	1,055,106
Net worth change	67,992	-21,524	129,128
Farm debt to asset ratio	17 %	7 %	25 %
Total debt to asset ratio	14 %	6 %	24 %
Nonfarm Information			
Net nonfarm income	12,417	12,350	12,488
Crop Acres			
Total acres owned	325	317	292
Total crop acres	430	273	472
Total crop acres owned	266	214	203
Total crop acres cash rented	160	59	252
Total crop acres share rented	4	-	17

C.) Average of 19 Cash Grain Farms, 800 to 1199 Acre Farms

Table 32 Crop Production and Marketing Summary
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Acreage Summary		
Total acres owned	535	316
Total crop acres	898	1,186
Crop acres owned	348	365
Crop acres cash rented	522	822
Crop acres share rented	28	-
Total pasture acres	-	-
Percent crop acres owned	39 %	31 %
Average Price Received (Cash Sales Only)		
Corn per bushel	4.87	5.64
Soybeans per bushel	10.45	-
Wheat, Winter per bushel	4.11	4.18

Table 33

Farm Income Statement
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Cash Farm Income		
Beans, Black Turtle	1,436	5,458
Beans, Green	33,386	126,866
Beans, Navy	7,808	-
Corn	227,968	438,232
Corn, Seed	57,538	-
Hay, Alfalfa	4,262	-
Oats	1,086	-
Soybeans	130,514	157,985
Straw	2,355	5,886
Sugar Beets	17,621	13,223
Wheat, Winter	21,704	34,039
Beef Bulls	5,108	19,409
Beef Cow-Calf, Beef Calves	2,374	6,316
Beef Finishing	5,586	21,227
Dairy, Dairy Calves	83	118
Dairy Heifers (for sale)	6,023	-
Hogs, Finish Feeder Pigs	85,451	-
Hogs, Weaning to Finish	6,817	-
Dairy Feeder	752	-
User Added Livestock, User Added	12,560	-
Cull breeding livestock	1,592	6,049
Misc. livestock income	742	-
LDP payments	956	-
Direct & CC govt payments	10,383	21,762
CRP payments	4,432	-
Other government payments	9,795	9,116
Custom work income	97,981	317,182
Patronage dividends, cash	2,622	606
Insurance income	12,833	22,840
Other farm income	46,546	22,189
Gross Cash Farm Income	818,314	1,228,501

Table 33

Farm Income Statement (Continued)
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Cash Farm Expense		
Seed	52,497	82,971
Fertilizer	89,979	126,643
Crop chemicals	52,415	111,188
Crop insurance	6,753	13,080
Drying expense	5,117	5,258
Storage	802	-
Crop hauling and trucking	1,621	15
Crop marketing	2,627	2,944
Crop miscellaneous	2,548	180
Feeder livestock purchase	35,624	6,437
Purchased feed	34,362	34,760
Veterinary	2,619	7,242
Livestock supplies	1,283	4,040
Livestock hauling and trucking	99	-
Livestock marketing	1,919	2,525
Bedding	123	356
Interest	45,264	53,630
Packaging and supplies	420	895
Supplies	8,162	22,177
Fuel & oil	33,928	50,269
Repairs	50,613	96,848
Repair, machinery	490	-
Custom hire	24,908	34,589
Hired labor	33,925	77,092
Land rent	85,017	164,556
Machinery leases	7,798	11,847
Building leases	150	570
Real estate taxes	6,308	4,369
Personal property taxes	806	951
Farm insurance	17,189	17,847
Utilities	15,106	18,314
Hauling and trucking	180	685
Dues & professional fees	4,825	10,050
Miscellaneous	15,274	8,226
Total cash expense	640,887	971,064
Net cash farm income	177,427	257,437
Inventory Changes		
Prepays and supplies	-6,265	1,092
Accounts receivable	-536	-4,783
Hedging accounts	690	467
Other current assets	-117	3,244
Crops and feed	-26,008	23,547
Market livestock	-5,860	-2,198
Breeding livestock	-3,406	599
Other assets	-461	-1,186

Accounts payable	-1,759	-14,886
Accrued interest	1,578	-4,077
Total inventory change	-42,145	1,819
Net operating profit	135,282	259,256
Depreciation		
Machinery and equipment	-94,238	-212,711
Titled vehicles	-	-
Buildings and improvements	-14,049	-29,829
Total depreciation	-108,287	-242,540
Net farm income from operations	26,995	16,717
Gain or loss on capital sales	-	-
Net farm income	26,995	16,717

Table 34

Inventory Changes
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Net cash farm income	177,427	257,437
Crops and Feed		
Ending inventory	283,858	307,494
Beginning inventory	309,867	283,946
Inventory change	-26,008	23,547
Market Livestock		
Ending inventory	61,273	29,612
Beginning inventory	67,133	31,810
Inventory change	-5,860	-2,198
Accts Receivable		
Ending inventory	34,839	21,251
Beginning inventory	35,376	26,033
Inventory change	-536	-4,783
Prepaid Expenses and Supplies		
Ending inventory	37,965	40,397
Beginning inventory	44,230	39,305
Inventory change	-6,265	1,092
Hedging Activities		
Ending inventory	4,060	4,965
Withdrawals	1,339	1,328
Beginning inventory	4,576	5,826
Deposits	132	-
Gain or loss	690	467
Other Current Assets		
Ending inventory	9,448	15,625
Beginning inventory	9,566	12,381
Inventory change	-117	3,244
Breeding Livestock		
Ending inventory	19,037	35,400
Capital sales	225	339
Beginning inventory	22,166	35,140
Capital purchases	503	-
Depreciation, capital adjust	-3,406	599
Other Capital Assets		
Ending inventory	32,327	52,177
Capital sales	6,775	10,516
Beginning inventory	30,606	62,680
Capital purchases	8,957	1,200
Depreciation, capital adjust	-461	-1,186
Accounts Payable		
Beginning inventory	48,618	131,952
Ending inventory	50,377	146,839
Inventory change	-1,759	-14,886
Accrued Interest		
Beginning inventory	6,913	3,535
Ending inventory	5,335	7,612
Inventory change	1,578	-4,077
Total inventory change	-42,145	1,819
Net operating profit	135,282	259,256

Table 35

Depreciation
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Net operating profit	135,282	259,256
Machinery and Equipment		
Ending inventory	252,172	525,996
Capital sales	6,626	5,920
Beginning inventory	256,063	548,049
Capital purchases	96,973	196,578
Depreciation, capital adjust.	-94,238	-212,711
Titled Vehicles		
Ending inventory	13,570	-
Capital sales	-	-
Beginning inventory	737	-
Capital purchases	-	-
Depreciation, capital adjust.	-	-
Buildings and Improvements		
Ending inventory	88,594	154,939
Capital sales	111	421
Beginning inventory	96,151	138,237
Capital purchases	19,437	46,952
Depreciation, capital adjust.	-14,049	-29,829
Total depreciation, capital adj.	-108,287	-242,540
Net farm income from operations	26,995	16,717
Gain or loss on capital sales	-	-
Net farm income	26,995	16,717

Table 36

Profitability Measures
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Profitability (assets valued at cost)		
Net farm income from operations	17,555	16,717
Rate of return on assets	2.5 %	2.9 %
Rate of return on equity	-3.1 %	-0.7 %
Operating profit margin	4.7 %	4.6 %
Asset turnover rate	52.9 %	63.1 %
Farm interest expense	43,693	57,707
Value of operator lbr and mgmt.	28,328	19,000
Return on farm assets	32,921	55,423
Average farm assets	1,319,897	1,907,862
Return on farm equity	-10,773	-2,283
Average farm equity	350,261	331,410
Value of farm production	697,939	1,203,751
	Avg. Of All Farms	High 25%
Number of farms	19	5
Profitability (assets valued at market)		
Net farm income from operations	116,245	298,805
Rate of return on assets	4.5 %	11.2 %
Rate of return on equity	4.6 %	19.3 %
Operating profit margin	18.5 %	28.0 %
Asset turnover rate	24.6 %	39.8 %
Farm interest expense	43,686	57,707
Value of operator lbr and mgmt.	28,153	19,000
Return on farm assets	131,778	337,512
Average farm assets	2,900,523	3,022,860
Return on farm equity	88,092	279,805
Average farm equity	1,934,806	1,446,408
Value of farm production	712,746	1,203,751

Table 37

Liquidity & Repayment Capacity Measures
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Liquidity		
Current ratio	1.75	1.41
Working capital	208,602	144,057
Working capital to gross inc	26.7 %	11.6 %
Current assets	487,817	491,532
Current liabilities	279,215	347,475
Gross revenues (accrual)	782,732	1,244,948
Repayment capacity		
Net farm income from operations	26,995	16,717
Depreciation	108,287	242,540
Personal income	10,669	787
Family living/owner withdrawals	-36,493	-46,706
Payments on personal debt	-2,285	-640
Income taxes paid	-2,281	-1,507
Interest on term debt	41,904	87,205
Capital debt repayment capacity	146,797	298,396
Scheduled term debt payments	-95,331	-154,079
Capital debt repayment margin	51,465	144,317
Cash replacement allowance	-30,668	-54,317
Replacement margin	20,797	90,000
Term debt coverage ratio	1.54	1.94
Replacement coverage ratio	1.17	1.43

Table 38

Balance Sheet at Cost Values
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		High 25%	
Number of farms	19		5	
	Beginning	Ending	Beginning	Ending
Assets				
Current Farm Assets				
Cash and checking balance	63,103	50,162	89,234	41,636
Prepaid expenses & supplies	38,650	40,071	39,305	40,397
Growing crops	9,986	9,862	12,181	15,425
Accounts receivable	34,845	36,057	26,033	21,251
Hedging accounts	4,831	4,285	5,826	4,965
Crops held for sale or feed	288,187	264,228	284,894	306,546
Crops under government loan	8,223	8,750	29,604	31,500
Market livestock held for sale	70,863	64,677	31,810	29,612
Other current assets	111	111	200	200
Total current farm assets	518,800	478,204	519,088	491,532
Intermediate Farm Assets				
Breeding livestock	23,397	20,094	35,140	35,400
Machinery and equipment	223,615	218,211	548,049	525,996
Titled vehicles	0	0	0	0
Other intermediate assets	24,211	27,994	49,495	46,077
Total intermediate farm assets	271,223	266,299	632,684	607,473
Long Term Farm Assets				
Farm land	431,323	480,311	580,489	671,998
Buildings and improvements	87,169	92,739	138,237	154,939
Other long-term assets	7,848	5,880	13,184	6,100
Total long-term farm assets	526,339	578,929	731,910	833,038
Total Farm Assets	1,316,362	1,323,432	1,883,682	1,932,043
Total Nonfarm Assets	266,284	273,099	180,406	184,480
Total Assets	1,582,646	1,596,530	2,064,088	2,116,523
Liabilities				
Current Farm Liabilities				
Accrued interest	7,292	5,627	3,535	7,612
Accounts payable	48,299	52,289	131,952	146,839
Current notes	146,491	159,224	77,765	87,030
Government crop loans	4,057	4,089	14,605	14,720
Principal due on term debt	53,026	58,958	66,874	91,274
Total current farm liabilities	259,166	280,186	294,731	347,475
Total intermediate farm liabs	153,918	151,482	264,608	263,360
Total long term farm liabilities	542,329	552,193	981,780	1,000,952
Total farm liabilities	955,412	983,860	1,541,118	1,611,787
Total nonfarm liabilities	22,647	18,037	4,590	1,000
Total liabilities	978,059	1,001,897	1,545,708	1,612,787
Net worth (farm and nonfarm)	604,587	594,633	518,380	503,736
Net worth change		-9,954		-14,644
Percent net worth change		-2 %		-3 %
Ratio Analysis				
Current farm liabilities / assets	50 %	59 %	57 %	71 %
Intermediate farm liab. / assets	57 %	57 %	42 %	43 %
Long term farm liab. / assets	103 %	95 %	134 %	120 %
Total debt to asset ratio	62 %	63 %	75 %	76 %

Table 39

Balance Sheet at Market Values
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		High 25%	
Number of farms	19		5	
	Beginning	Ending	Beginning	Ending
Assets				
Current Farm Assets				
Cash and checking balance	60,257	48,334	89,234	41,636
Prepaid expenses & supplies	44,230	37,965	39,305	40,397
Growing crops	9,460	9,343	12,181	15,425
Accounts receivable	35,376	34,839	26,033	21,251
Hedging accounts	4,576	4,060	5,826	4,965
Crops held for sale or feed	310,116	283,609	284,894	306,546
Crops under government loan	7,791	8,289	29,604	31,500
Market livestock held for sale	67,133	61,273	31,810	29,612
Other current assets	105	105	200	200
Total current farm assets	539,044	487,817	519,088	491,532
Intermediate Farm Assets				
Breeding livestock	22,166	19,037	35,140	35,400
Machinery and equipment	621,327	681,008	944,634	1,101,464
Titled vehicles	9,632	10,421	10,400	13,100
Other intermediate assets	22,567	26,493	47,595	45,477
Total intermediate farm assets	675,691	736,959	1,037,769	1,195,441
Long Term Farm Assets				
Farm land	1,354,126	1,430,862	938,121	1,084,831
Buildings and improvements	255,751	275,370	349,473	410,181
Other long-term assets	33,705	11,720	13,184	6,100
Total long-term farm assets	1,643,582	1,717,951	1,300,778	1,501,112
Total Farm Assets	2,858,318	2,942,728	2,857,635	3,188,085
Total Nonfarm Assets	319,702	337,417	267,508	268,547
Total Assets	3,178,020	3,280,145	3,125,143	3,456,633
Liabilities				
Current Farm Liabilities				
Accrued interest	6,913	5,335	3,535	7,612
Accounts payable	48,618	50,377	131,952	146,839
Current notes	161,687	160,028	77,765	87,030
Government crop loans	3,843	3,874	14,605	14,720
Principal due on term debt	53,855	59,602	66,874	91,274
Total current farm liabilities	274,917	279,215	294,731	347,475
Total intermediate farm liabs	157,408	153,212	264,608	263,360
Total long term farm liabilities	529,364	537,316	981,780	1,000,952
Total farm liabilities	961,688	969,744	1,541,118	1,611,787
Total nonfarm liabilities	22,334	17,967	4,590	1,000
Total liabs excluding deferreds	984,023	987,711	1,545,708	1,612,787
Total deferred liabilities	0	0	0	0
Total liabilities	984,023	987,711	1,545,708	1,612,787
Net worth (farm and nonfarm)	2,193,997	2,292,433	1,579,435	1,843,845
Net worth excluding deferreds	2,193,997	2,292,433	1,579,435	1,843,845
Net worth change		98,437		264,411
Percent net worth change		4 %		17 %
Ratio Analysis				
Current farm liabilities / assets	51 %	57 %	57 %	71 %
Intermediate farm liab. / assets	23 %	21 %	25 %	22 %
Long term farm liab. / assets	32 %	31 %	75 %	67 %
Total debt to asset ratio	31 %	30 %	49 %	47 %
Debt to assets excl deferreds	31 %	30 %	49 %	47 %

Table 40

Statement Of Cash Flows
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Beginning cash (farm & nonfarm)	60,257	89,234
Cash Provided By Operating Activities		
Gross cash farm income	818,314	1,228,501
Total cash farm expense	-640,887	-971,064
Net cash from hedging transactions	1,207	1,328
Cash provided by operating	178,634	258,765
Cash Provided By Investing Activities		
Sale of breeding livestock	225	339
Sale of machinery & equipment	6,626	5,920
Sale of titled vehicles	-	-
Sale of farm land	-	-
Sale of farm buildings	111	421
Sale of other farm assets	6,775	10,516
Sale of nonfarm assets	1,474	-
Purchase of breeding livestock	-503	-
Purchase of machinery & equip.	-96,973	-196,578
Purchase of titled vehicles	-	-
Purchase of farm land	-47,232	-91,510
Purchase of farm buildings	-19,437	-46,952
Purchase of other farm assets	-8,957	-1,200
Purchase of nonfarm assets	-4,729	-
Cash provided by investing	-162,620	-319,044
Cash Provided By Financing Activities		
Money borrowed	186,837	242,333
Principal payments	-183,104	-194,226
Personal income	10,669	787
Family living/owner withdrawals	-36,493	-46,706
Income and social security tax	-2,281	-1,507
Capital contributions	3,158	12,000
Capital distributions	-	-
Dividends paid	-	-
Cash gifts and inheritances	1,123	0
Gifts given	-7,846	-
Other cash flows	-	-
Cash provided by financing	-27,937	12,681
Net change in cash balance	-11,923	-47,598
Ending cash (farm & nonfarm)	48,334	41,636

Table 41

Financial Standards Measures
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Liquidity		
Current ratio	1.75	1.41
Working capital	208,602	144,057
Working capital to gross inc	26.7 %	11.6 %
Solvency (market)		
Farm debt to asset ratio	33 %	51 %
Farm equity to asset ratio	67 %	49 %
Farm debt to equity ratio	0.49	1.02
Profitability (cost)		
Rate of return on farm assets	2.5 %	2.9 %
Rate of return on farm equity	-3.1 %	-0.7 %
Operating profit margin	4.7 %	4.6 %
Net farm income	28,494	16,717
EBIDTA	178,968	316,963
Repayment Capacity		
Capital debt repayment capacity	146,797	298,396
Capital debt repayment margin	51,465	144,317
Replacement margin	20,797	90,000
Term debt coverage ratio	1.54	1.94
Replacement coverage ratio	1.17	1.43
Efficiency		
Asset turnover rate (cost)	52.9 %	63.1 %
Operating expense ratio	77.1 %	74.5 %
Depreciation expense ratio	13.8 %	19.5 %
Interest expense ratio	5.8 %	4.3 %
Net farm income ratio	3.4 %	1.3 %

Table 42

Operator and Labor Information
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Operator Information		
Average number of operators	1.3	1.2
Average age of operators	52.5	49.0
Average number of years farming	26.6	20.8
Results Per Operator		
Working capital	165,143	120,047
Total assets (market)	2,596,781	2,880,527
Total liabilities	781,938	1,343,989
Net worth (market)	1,814,843	1,536,538
Net worth excl deferred liabs	1,814,843	1,536,538
Gross farm income	619,663	1,037,456
Total farm expense	598,292	1,023,526
Net farm income from operations	21,371	13,930
Net nonfarm income	8,446	656
Family living & tax withdrawals	30,695	40,177
Total acres owned	423.4	263.0
Total crop acres	711.0	988.7
Crop acres owned	275.7	304.0
Crop acres cash rented	413.4	684.7
Crop acres share rented	22.0	-
Total pasture acres	-	-
Labor Analysis		
Number of farms	19	5
Total unpaid labor hours	3,069	3,860
Total hired labor hours	1,979	3,142
Total labor hours per farm	5,048	7,002
Unpaid hours per operator	2,430	3,217
Value of farm production / hour	141.19	171.92
Net farm income / unpaid hour	8.80	4.33
Average hourly hired labor wage	16.55	24.54

Table 43

Financial Summary
2009 MI Cash Grain (800-1199 acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	High 25%
Number of farms	19	5
Income Statement		
Gross cash farm income	818,314	1,228,501
Total cash farm expense	640,887	971,064
Net cash farm income	177,427	257,437
Inventory change	-42,145	1,819
Depreciation	-108,287	-242,540
Net farm income from operations	26,995	16,717
Gain or loss on capital sales	-	-
Average net farm income	26,995	16,717
Median net farm income	25,728	64,057
Profitability (cost)		
Rate of return on assets	2.5 %	2.9 %
Rate of return on equity	-3.1 %	-0.7 %
Operating profit margin	4.4 %	4.6 %
Asset turnover rate	57.0 %	63.1 %
Profitability (market)		
Rate of return on assets	4.5 %	11.2 %
Rate of return on equity	4.6 %	19.3 %
Operating profit margin	18.5 %	28.0 %
Asset turnover rate	24.6 %	39.8 %
Liquidity & Repayment (end of year)		
Current assets	487,817	491,532
Current liabilities	279,215	347,475
Current ratio	1.75	1.41
Working capital	208,602	144,057
Working capital to gross inc	26.7 %	11.6 %
Term debt coverage ratio	1.54	1.94
Replacement coverage ratio	1.17	1.43
Solvency (end of year at cost)		
Number of farms	19	5
Total farm assets	1,323,432	1,932,043
Total farm liabilities	983,860	1,611,787
Total assets	1,596,530	2,116,523
Total liabilities	1,001,897	1,612,787
Net worth	594,633	503,736
Net worth change	-9,954	-14,644
Farm debt to asset ratio	74 %	83 %
Total debt to asset ratio	63 %	76 %
Solvency (end of year at market)		
Number of farms	19	5
Total farm assets	2,942,728	3,188,085
Total farm liabilities	969,744	1,611,787
Total assets	3,280,145	3,456,633
Total liabilities	987,711	1,612,787
Net worth	2,292,433	1,843,845
Net worth change	98,437	264,411
Farm debt to asset ratio	33 %	51 %
Total debt to asset ratio	30 %	47 %
Nonfarm Information		
Net nonfarm income	10,669	787
Crop Acres		
Total acres owned	535	316
Total crop acres	898	1,186
Total crop acres owned	348	365
Total crop acres cash rented	522	822
Total crop acres share rented	28	-

D.) Average of 25 Cash Grain Farms, 1200 plus Acre Farms

Table 44 Crop Production and Marketing Summary			
2009 MI Cash Grain (1200+ acre Farms)			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Acreage Summary			
Total acres owned	806	936	483
Total crop acres	1,855	1,343	2,079
Crop acres owned	925	659	868
Crop acres cash rented	856	684	1,210
Crop acres share rented	74	-	-
Total pasture acres	-	-	-
Percent crop acres owned	50 %	49 %	42 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.05	3.85	4.56
Soybeans per bushel	10.85	9.90	14.75
Wheat, Winter per bushel	4.75	4.68	-

Table 45

Farm Income Statement

2009 MI Cash Grain (1200+ acre Farms)

(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Cash Farm Income			
Beans, Light Red Kidney	6,495	-	27,062
Beans, Navy	14,727	20,697	40,666
Cordwood	302	-	-
Corn	400,795	221,285	375,423
Corn, Seed	102,080	250,637	-
Cucumbers	17,580	-	73,252
Hay, Alfalfa	213	-	-
Hay, Mixed	1,043	2,306	-
Soybeans	269,793	163,522	326,199
Straw	2,277	2,391	-
Sugar Beets	16,376	-	68,232
Wheat, Durum	5,390	-	22,460
Wheat, Winter	49,532	32,643	92,886
Miscellaneous crop income	133	7	-
Beef Cow-Calf, Beef Calves	5,755	17,484	-
Beef Finishing	53,574	14,591	-
Beef Yearlings	48,471	-	-
Hogs, Farrow To Finish, Raised Ho	8,712	-	-
Hogs, Finish Feeder Pigs	41,570	173,210	-
Sheep, Lamb Finishing	456	-	-
Sheep, Market Lamb Prod, Mkt Lamb	250	-	-
Cull breeding livestock	1,204	1,872	-
Misc. livestock income	95	13	-
Direct & CC govt payments	8,094	7,370	18,678
CRP payments	2,815	11,731	-
Other government payments	25,050	14,151	18,038
Custom work income	94,411	33,803	107,954
Patronage dividends, cash	2,419	3,854	959
Insurance income	80,511	25,319	138,358
Other farm income	15,490	30,748	9,897
Gross Cash Farm Income	1,275,613	1,027,635	1,320,062

Table 45

Farm Income Statement (Continued)
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Cash Farm Expense			
Seed	105,205	76,369	112,249
Fertilizer	194,129	126,937	237,958
Crop chemicals	67,743	48,178	72,841
Crop insurance	19,790	15,324	18,840
Drying expense	11,265	7,351	-
Irrigation energy	1,912	7,967	-
Crop packaging and supplies	176	-	733
Hauling and trucking	1,509	-	6,287
Crop marketing	2,041	306	4,805
Crop miscellaneous	4,762	750	2,158
Feeder livestock purchase	75,526	64,621	-
Purchased feed	31,967	47,868	-
Veterinary	3,936	2,549	-
Livestock supplies	3,940	1,519	-
Livestock marketing	2,024	3,392	-
Interest	39,553	51,074	21,282
Packaging and supplies	1,182	25	3,823
Supplies	1,780	2,605	3,021
Fuel & oil	40,223	40,267	43,081
Repairs	79,898	74,262	67,501
Custom hire	38,078	25,243	26,822
Hired labor	63,562	89,528	40,210
Land rent	100,897	80,382	147,649
Machinery leases	11,408	9,363	10,888
Real estate taxes	12,150	6,669	7,854
Personal property taxes	260	-	745
Farm insurance	21,708	14,961	28,271
Utilities	22,449	14,814	15,902
Dues & professional fees	7,996	9,036	11,888
Miscellaneous	27,030	28,272	6,380
Total cash expense	994,802	850,644	891,187
Net cash farm income	280,811	176,991	428,875
Inventory Changes			
Prepays and supplies	1,038	-30,761	2,535
Accounts receivable	-7,722	11,497	-17,544
Hedging accounts	-11,353	-36,976	-3,780
Other current assets	2,795	2,520	14,707
Crops and feed	-29,147	-168,089	60,910
Market livestock	5,039	5,721	-
Breeding livestock	744	3,317	-
Other assets	494	1,284	0
Accounts payable	7,216	-5,668	291
Accrued interest	1,194	3,444	-2,108
Total inventory change	-29,701	-213,711	55,012
Net operating profit	251,109	-36,720	483,886

Depreciation			
Machinery and equipment	-107,774	-59,870	-156,383
Titled vehicles	-700	-500	-2,417
Buildings and improvements	-17,650	-7,134	-25,863
Total depreciation	-126,124	-67,504	-184,662
Net farm income from operations	124,985	-104,224	299,224
Gain or loss on capital sales	-	-	-
Net farm income	124,985	-104,224	299,224

Table 46

Inventory Changes
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Net cash farm income	280,811	176,991	454,543
Crops and Feed			
Ending inventory	706,129	435,501	1,066,867
Beginning inventory	735,277	603,589	1,027,803
Inventory change	-29,147	-168,089	39,064
Market Livestock			
Ending inventory	101,452	132,142	-
Beginning inventory	96,413	126,421	-
Inventory change	5,039	5,721	-
Accts Receivable			
Ending inventory	42,007	41,240	16,063
Beginning inventory	49,729	29,744	31,100
Inventory change	-7,722	11,497	-15,038
Prepaid Expenses and Supplies			
Ending inventory	174,287	87,162	313,497
Beginning inventory	173,248	117,923	284,725
Inventory change	1,038	-30,761	28,773
Hedging Activities			
Ending inventory	6,550	9,942	7,143
Withdrawals	-8,837	-36,447	0
Beginning inventory	6,812	10,470	10,143
Deposits	2,254	-	3,240
Gain or loss	-11,353	-36,976	-6,239
Other Current Assets			
Ending inventory	15,832	14,161	26,613
Beginning inventory	13,036	11,641	16,122
Inventory change	2,795	2,520	10,492
Breeding Livestock			
Ending inventory	19,348	43,917	-
Capital sales	128	-	-
Beginning inventory	17,934	40,600	-
Capital purchases	797	-	-
Depreciation, capital adjust	744	3,317	-
Other Capital Assets			
Ending inventory	50,342	47,557	7,092
Capital sales	13,931	33,895	0
Beginning inventory	56,731	50,971	7,092
Capital purchases	7,047	29,196	0
Depreciation, capital adjust	494	1,284	0
Accounts Payable			
Beginning inventory	61,788	20,291	7,604
Ending inventory	54,572	25,959	7,355
Inventory change	7,216	-5,668	250
Accrued Interest			
Beginning inventory	17,330	29,872	13,193
Ending inventory	16,136	26,428	12,485
Inventory change	1,194	3,444	708
Total inventory change	-29,701	-213,711	58,009
Net operating profit	251,109	-36,720	512,551

Table 47

Depreciation
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Net operating profit	251,109	-36,720	512,551
Machinery and Equipment			
Ending inventory	310,321	432,645	199,359
Capital sales	12,349	41,297	1,304
Beginning inventory	276,821	397,385	197,666
Capital purchases	153,624	136,426	203,183
Depreciation, capital adjust.	-107,774	-59,870	-200,186
Titled Vehicles			
Ending inventory	13,469	1,667	-
Capital sales	-	-	-
Beginning inventory	4,416	2,167	2,071
Capital purchases	-	-	-
Depreciation, capital adjust.	-700	-500	-2,071
Buildings and Improvements			
Ending inventory	97,321	71,548	77,013
Capital sales	-	-	-
Beginning inventory	79,294	54,310	54,413
Capital purchases	45,429	24,372	46,152
Depreciation, capital adjust.	-17,650	-7,134	-23,552
Total depreciation, capital adj.	-126,124	-67,504	-225,809
Net farm income from operations	124,985	-104,224	286,742
Gain or loss on capital sales	-	-	-
Net farm income	124,985	-104,224	286,742

Table 48

Profitability Measures
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Profitability (assets valued at cost)			
Net farm income from operations	121,989	-104,224	286,742
Rate of return on assets	5.0 %	-3.8 %	12.5 %
Rate of return on equity	5.9 %	-10.8 %	17.7 %
Operating profit margin	10.2 %	-12.9 %	16.3 %
Asset turnover rate	49.1 %	29.7 %	76.8 %
Farm interest expense	38,142	47,630	27,726
Value of operator lbr and mgmt.	43,748	37,577	45,643
Return on farm assets	116,382	-94,171	268,825
Average farm assets	2,315,724	2,461,593	2,147,626
Return on farm equity	78,240	-141,801	241,099
Average farm equity	1,319,009	1,311,381	1,358,557
Value of farm production	1,136,463	731,900	1,649,278
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Profitability (assets valued at market)			
Net farm income from operations	178,205	-99,722	442,744
Rate of return on assets	3.9 %	-1.9 %	10.1 %
Rate of return on equity	3.9 %	-3.8 %	11.7 %
Operating profit margin	15.4 %	-12.3 %	25.8 %
Asset turnover rate	25.1 %	15.4 %	39.4 %
Farm interest expense	38,359	47,630	27,726
Value of operator lbr and mgmt.	42,998	37,577	45,643
Return on farm assets	173,565	-89,669	424,827
Average farm assets	4,494,397	4,738,130	4,190,276
Return on farm equity	135,206	-137,299	397,101
Average farm equity	3,501,744	3,587,918	3,401,208
Value of farm production	1,130,175	731,900	1,649,278

Table 49

Liquidity & Repayment Capacity Measures
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Liquidity			
Current ratio	2.52	1.48	3.84
Working capital	652,123	248,337	1,069,169
Working capital to gross inc	52.7 %	29.4 %	64.8 %
Current assets	1,081,156	769,367	1,445,618
Current liabilities	429,033	521,030	376,448
Gross revenues (accrual)	1,237,668	844,388	1,649,823
Repayment capacity			
Net farm income from operations	124,985	-104,224	286,742
Depreciation	126,124	67,504	225,809
Personal income	18,151	39,475	65
Family living/owner withdrawals	-82,381	-81,280	-115,432
Payments on personal debt	-1,423	-760	-864
Income taxes paid	-6,676	-7,259	-15,270
Interest on term debt	34,173	44,879	27,218
Capital debt repayment capacity	212,954	-41,665	408,268
Scheduled term debt payments	-108,803	-110,060	-104,199
Capital debt repayment margin	104,151	-151,726	304,069
Cash replacement allowance	-42,827	-40,792	-57,882
Replacement margin	61,324	-192,517	246,187
Term debt coverage ratio	1.96	-0.38	3.92
Replacement coverage ratio	1.40	-0.28	2.52

Table 50

Balance Sheet at Cost Values
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	25		6		7	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	59,247	32,775	54,457	49,220	59,820	15,434
Prepaid expenses & supplies	174,440	181,547	117,923	87,162	284,725	313,497
Growing crops	13,492	12,237	11,641	14,161	15,822	12,027
Accounts receivable	49,930	43,219	29,744	41,240	31,100	16,063
Hedging accounts	7,096	6,823	10,470	9,942	10,143	7,143
Crops held for sale or feed	733,609	712,134	603,589	435,501	1,027,803	1,066,867
Crops under government loan	5,871	0	0	0	0	0
Market livestock held for sale	100,430	105,679	126,421	132,142	0	0
Other current assets	88	4,254	0	0	300	14,586
Total current farm assets	1,144,202	1,098,668	954,245	769,367	1,429,712	1,445,618
Intermediate Farm Assets						
Breeding livestock	18,682	20,155	40,600	43,917	0	0
Machinery and equipment	253,351	287,273	397,385	432,645	197,666	199,359
Titled vehicles	4,017	3,287	2,167	1,667	2,071	0
Other intermediate assets	35,840	29,184	50,305	46,890	0	0
Total intermediate farm assets	311,889	339,899	490,456	525,118	199,737	199,359
Long Term Farm Assets						
Farm land	716,170	801,835	1,029,776	1,027,033	387,019	488,197
Buildings and improvements	71,855	100,792	54,310	71,548	54,413	77,013
Other long-term assets	23,069	23,069	667	667	7,092	7,092
Total long-term farm assets	811,094	925,695	1,084,753	1,099,247	448,523	572,302
Total Farm Assets	2,267,184	2,364,263	2,529,453	2,393,732	2,077,973	2,217,279
Total Nonfarm Assets	223,912	239,133	472,474	492,186	198,770	225,883
Total Assets	2,491,096	2,603,396	3,001,927	2,885,918	2,276,743	2,443,162
Liabilities						
Current Farm Liabilities						
Accrued interest	18,049	16,805	29,872	26,428	13,193	12,485
Accounts payable	62,098	56,180	20,291	25,959	7,604	7,355
Current notes	270,740	290,216	340,147	400,436	307,753	297,950
Government crop loans	3,875	0	0	0	0	0
Principal due on term debt	74,875	72,802	65,182	68,208	76,980	58,659
Total current farm liabilities	429,637	436,003	455,491	521,030	405,530	376,448
Total intermediate farm liabs	183,835	136,860	134,257	120,436	161,786	91,332
Total long term farm liabilities	334,365	472,730	549,649	519,561	225,677	317,363
Total farm liabilities	947,837	1,045,593	1,139,397	1,161,027	792,993	785,144
Total nonfarm liabilities	13,464	16,451	7,557	14,416	6,465	6,429
Total liabilities	961,301	1,062,043	1,146,954	1,175,443	799,459	791,573
Net worth (farm and nonfarm)	1,529,795	1,541,352	1,854,973	1,710,475	1,477,284	1,651,590
Net worth change		11,557		-144,498		174,305
Percent net worth change		1 %		-8 %		12 %
Ratio Analysis						
Current farm liabilities / assets	38 %	40 %	48 %	68 %	28 %	26 %
Intermediate farm liab. / assets	59 %	40 %	27 %	23 %	81 %	46 %
Long term farm liab. / assets	41 %	51 %	51 %	47 %	50 %	55 %
Total debt to asset ratio	39 %	41 %	38 %	41 %	35 %	32 %

Table 51

Balance Sheet at Market Values
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
Number of farms	25		6		7	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	57,238	32,082	54,457	49,220	59,820	15,434
Prepaid expenses & supplies	173,248	174,287	117,923	87,162	284,725	313,497
Growing crops	12,952	11,748	11,641	14,161	15,822	12,027
Accounts receivable	49,729	42,007	29,744	41,240	31,100	16,063
Hedging accounts	6,812	6,550	10,470	9,942	10,143	7,143
Crops held for sale or feed	732,459	708,947	603,589	435,501	1,027,803	1,066,867
Crops under government loan	5,636	0	0	0	0	0
Market livestock held for sale	96,413	101,452	126,421	132,142	0	0
Other current assets	84	4,084	0	0	300	14,586
Total current farm assets	1,134,571	1,081,156	954,245	769,367	1,429,712	1,445,618
Intermediate Farm Assets						
Breeding livestock	18,760	20,356	40,600	43,917	0	0
Machinery and equipment	833,641	906,607	797,397	817,466	1,002,774	1,131,651
Titled vehicles	18,813	29,960	17,967	20,717	8,071	41,700
Other intermediate assets	32,985	26,331	43,255	38,557	613	782
Total intermediate farm assets	904,199	983,254	899,219	920,656	1,011,458	1,174,133
Long Term Farm Assets						
Farm land	2,074,413	2,159,759	2,591,265	2,602,564	1,415,416	1,506,880
Buildings and improvements	250,165	276,826	358,344	379,267	178,944	204,208
Other long-term assets	62,226	62,226	667	667	7,092	7,092
Total long-term farm assets	2,386,804	2,498,810	2,950,276	2,982,497	1,601,452	1,718,180
Total Farm Assets	4,425,574	4,563,220	4,803,739	4,672,520	4,042,623	4,337,930
Total Nonfarm Assets	295,841	325,742	534,538	555,583	382,427	453,396
Total Assets	4,721,416	4,888,962	5,338,277	5,228,103	4,425,050	4,791,326
Liabilities						
Current Farm Liabilities						
Accrued interest	17,330	16,136	29,872	26,428	13,193	12,485
Accounts payable	61,788	54,572	20,291	25,959	7,604	7,355
Current notes	277,320	285,587	340,147	400,436	307,753	297,950
Government crop loans	3,720	0	0	0	0	0
Principal due on term debt	74,630	72,737	65,182	68,208	76,980	58,659
Total current farm liabilities	434,789	429,033	455,491	521,030	405,530	376,448
Total intermediate farm liabs	185,291	138,760	134,257	120,436	161,786	91,332
Total long term farm liabilities	332,831	464,602	549,649	519,561	225,677	317,363
Total farm liabilities	952,910	1,032,395	1,139,397	1,161,027	792,993	785,144
Total nonfarm liabilities	13,594	16,461	7,557	14,416	6,465	6,429
Total liabs excluding deferreds	966,505	1,048,856	1,146,954	1,175,443	799,459	791,573
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	966,505	1,048,856	1,146,954	1,175,443	799,459	791,573
Net worth (farm and nonfarm)	3,754,911	3,840,105	4,191,323	4,052,660	3,625,591	3,999,754
Net worth excluding deferreds	3,754,911	3,840,105	4,191,323	4,052,660	3,625,591	3,999,754
Net worth change		85,194		-138,663		374,162
Percent net worth change		2 %		-3 %		10 %
Ratio Analysis						
Current farm liabilities / assets	38 %	40 %	48 %	68 %	28 %	26 %
Intermediate farm liab. / assets	20 %	14 %	15 %	13 %	16 %	8 %
Long term farm liab. / assets	14 %	19 %	19 %	17 %	14 %	18 %
Total debt to asset ratio	20 %	21 %	21 %	22 %	18 %	17 %
Debt to assets excl deferreds	20 %	21 %	21 %	22 %	18 %	17 %

Table 52

Statement Of Cash Flows
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Beginning cash (farm & nonfarm)	57,238	54,457	59,820
Cash Provided By Operating Activities			
Gross cash farm income	1,275,613	1,027,635	1,617,750
Total cash farm expense	-994,802	-850,644	-1,163,207
Net cash from hedging transactions	-11,091	-36,447	-3,239
Cash provided by operating	269,720	140,544	451,303
Cash Provided By Investing Activities			
Sale of breeding livestock	128	-	-
Sale of machinery & equipment	12,065	41,297	1,304
Sale of titled vehicles	-	-	-
Sale of farm land	800	-	2,857
Sale of farm buildings	-	-	-
Sale of other farm assets	13,931	33,895	0
Sale of nonfarm assets	-	-	-
Purchase of breeding livestock	-797	-	-
Purchase of machinery & equip.	-153,624	-136,426	-203,183
Purchase of titled vehicles	-	-	-
Purchase of farm land	-94,873	-	-120,173
Purchase of farm buildings	-45,429	-24,372	-46,152
Purchase of other farm assets	-7,047	-29,196	0
Purchase of nonfarm assets	-12,079	-10,358	-20,546
Cash provided by investing	-286,926	-125,162	-385,892
Cash Provided By Financing Activities			
Money borrowed	611,975	501,232	285,654
Principal payments	-522,099	-473,615	-296,803
Personal income	18,151	39,475	65
Family living/owner withdrawals	-82,381	-81,280	-115,432
Income and social security tax	-6,676	-7,259	-15,270
Capital contributions	-	-	-
Capital distributions	-53,000	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	27,242	2,845	34,412
Gifts given	-1,162	-2,018	-2,421
Other cash flows	-	-	-
Cash provided by financing	-7,950	-20,620	-109,796
Net change in cash balance	-25,156	-5,237	-44,385
Ending cash (farm & nonfarm)	32,082	49,220	15,434

Table 53

Financial Standards Measures
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Liquidity			
Current ratio	2.52	1.48	3.84
Working capital	652,123	248,337	1,069,169
Working capital to gross inc	52.7 %	29.4 %	64.8 %
Solvency (market)			
Farm debt to asset ratio	23 %	25 %	18 %
Farm equity to asset ratio	77 %	75 %	82 %
Farm debt to equity ratio	0.29	0.33	0.22
Profitability (cost)			
Rate of return on farm assets	5.0 %	-3.8 %	12.5 %
Rate of return on farm equity	5.9 %	-10.8 %	17.7 %
Operating profit margin	10.2 %	-12.9 %	16.3 %
Net farm income	130,193	-104,224	286,742
EBIDTA	289,468	10,910	540,277
Repayment Capacity			
Capital debt repayment capacity	212,954	-41,665	408,268
Capital debt repayment margin	104,151	-151,726	304,069
Replacement margin	61,324	-192,517	246,187
Term debt coverage ratio	1.96	-0.38	3.92
Replacement coverage ratio	1.40	-0.28	2.52
Efficiency			
Asset turnover rate (cost)	49.1 %	29.7 %	76.8 %
Operating expense ratio	76.6 %	98.7 %	67.3 %
Depreciation expense ratio	10.2 %	8.0 %	13.7 %
Interest expense ratio	3.2 %	6.0 %	1.7 %
Net farm income ratio	10.1 %	-12.3 %	17.4 %

Table 54

Operator and Labor Information
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Operator Information			
Average number of operators	1.6	1.7	1.6
Average age of operators	51.4	54.4	57.8
Average number of years farming	28.0	32.1	31.9
Results Per Operator			
Working capital	407,577	149,002	680,381
Total assets (market)	3,055,601	3,136,862	3,049,026
Total liabilities	655,535	705,266	503,728
Net worth (market)	2,400,066	2,431,596	2,545,298
Net worth excl deferred liabs	2,400,066	2,431,596	2,545,298
Gross farm income	773,542	506,633	1,049,887
Total farm expense	695,426	569,168	867,415
Net farm income from operations	78,116	-62,535	182,472
Net nonfarm income	11,344	23,685	41
Family living & tax withdrawals	55,660	53,123	83,174
Total acres owned	503.9	561.4	504.4
Total crop acres	1,159.4	805.6	1,503.5
Crop acres owned	578.3	395.1	775.5
Crop acres cash rented	534.8	410.4	660.2
Crop acres share rented	46.3	-	67.9
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	25	6	7
Total unpaid labor hours	3,362	2,145	3,992
Total hired labor hours	3,375	4,957	2,612
Total labor hours per farm	6,737	7,103	6,603
Unpaid hours per operator	2,069	1,287	2,395
Value of farm production / hour	154.42	103.05	208.43
Net farm income / unpaid hour	36.10	-48.58	74.96
Average hourly hired labor wage	18.47	18.47	20.67
Partnerships & LLCs			
Number of farms	8	2	2
Number of operators	2.6	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 55

Financial Summary
2009 MI Cash Grain (1200+ acre Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	25	6	7
Income Statement			
Gross cash farm income	1,275,613	1,027,635	1,617,750
Total cash farm expense	994,802	850,644	1,163,207
Net cash farm income	280,811	176,991	454,543
Inventory change	-29,701	-213,711	58,009
Depreciation	-126,124	-67,504	-225,809
Net farm income from operations	124,985	-104,224	286,742
Gain or loss on capital sales	-	-	-
Average net farm income	124,985	-104,224	286,742
Median net farm income	129,796	-67,742	309,580
Profitability (cost)			
Rate of return on assets	5.0 %	-3.8 %	12.5 %
Rate of return on equity	5.9 %	-10.8 %	17.7 %
Operating profit margin	9.9 %	-12.9 %	16.3 %
Asset turnover rate	50.8 %	29.7 %	76.8 %
Profitability (market)			
Rate of return on assets	3.9 %	-1.9 %	10.1 %
Rate of return on equity	3.9 %	-3.8 %	11.7 %
Operating profit margin	15.4 %	-12.3 %	25.8 %
Asset turnover rate	25.1 %	15.4 %	39.4 %
Liquidity & Repayment (end of year)			
Current assets	1,081,156	769,367	1,445,618
Current liabilities	429,033	521,030	376,448
Current ratio	2.52	1.48	3.84
Working capital	652,123	248,337	1,069,169
Working capital to gross inc	52.7 %	29.4 %	64.8 %
Term debt coverage ratio	1.96	-0.38	3.92
Replacement coverage ratio	1.40	-0.28	2.52
Solvency (end of year at cost)			
Number of farms	25	6	7
Total farm assets	2,364,263	2,393,732	2,217,279
Total farm liabilities	1,045,593	1,161,027	785,144
Total assets	2,603,396	2,885,918	2,443,162
Total liabilities	1,062,043	1,175,443	791,573
Net worth	1,541,352	1,710,475	1,651,590
Net worth change	11,557	-144,498	174,305
Farm debt to asset ratio	44 %	49 %	35 %
Total debt to asset ratio	41 %	41 %	32 %
Solvency (end of year at market)			
Number of farms	25	6	7
Total farm assets	4,563,220	4,672,520	4,337,930
Total farm liabilities	1,032,395	1,161,027	785,144
Total assets	4,888,962	5,228,103	4,791,326
Total liabilities	1,048,856	1,175,443	791,573
Net worth	3,840,105	4,052,660	3,999,754
Net worth change	85,194	-138,663	374,162
Farm debt to asset ratio	23 %	25 %	18 %
Total debt to asset ratio	21 %	22 %	17 %
Nonfarm Information			
Net nonfarm income	18,151	39,475	65
Crop Acres			
Total acres owned	806	936	793
Total crop acres	1,855	1,343	2,363
Total crop acres owned	925	659	1,219
Total crop acres cash rented	856	684	1,037
Total crop acres share rented	74	-	107

