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**2008 Michigan Cash Grain Farm
Business Analysis Summary**

Eric Wittenberg
And
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Staff Paper 2009-11

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2008 Michigan TelFarm and Farm Credit Services Data
Staff Paper No. 09-11

by

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and

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Eric Wittenberg and Stephen Harsh¹

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Executive Summary

This report summarizes the 2008 financial and production records of 70 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 2008 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, 2004-2008

	2004	2005	2006	2007	2008
Total acres owned	401	430	480	450	453
Total crop acres	1123	1145	1024	999	975
Number of farms	88	64	77	77	70

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 2008 averaged \$125,855; and the median was \$56,281, with a standard deviation of \$226,262. 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 \$248,086 while those in the bottom 25 percent averaged a negative \$27,981. The total difference across the averages of the top versus the bottom groups of farms is \$276,067.

Gross cash farm income averaged \$662,187 in 2008 (Table 2). The two largest components of these revenues were corn and soybeans sales, which averaged \$179,878 and \$116,478, respectively. Government payments averaged \$21,979 per farm in 2008.

Average total cash expenses were \$553,079 in 2008 and average net cash farm income was \$109,108. The net inventory changes in 2008 were \$81,172 because of changes in prepaid expenses & supplies and crops & feed inventories, farms were building inventories. Depreciation and capital adjustments averaged \$64,424.

Table 2. Average Michigan Cash Grain Farm Income Statement, 2004-2008

	2004	2005	2006	2007	2008
	(\$)	(\$)	(\$)	(\$)	(\$)
Gross cash farm income	430,857	474,575	493,631	567,604	662,187
<u>- Total cash expense</u>	<u>361,681</u>	<u>401,511</u>	<u>418,824</u>	<u>478,442</u>	<u>553,079</u>
= Net cash farm income	69,176	73,063	74,807	89,162	109,108
+ Inventory change*	11,042	31,182	53,116	75,614	81,172
<u>+ Depreciation + capital adjustments*</u>	<u>-50,693</u>	<u>-46,936</u>	<u>-50,898</u>	<u>-49,902</u>	<u>-64,424</u>
= Net farm income	29,524	57,310	77,025	114,875	125,855

* 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 6.9 percent; not as high as 2007 value of 9.6 percent (Table 3).

The rate of return on equity (ROE) represents the farm earnings after interest payments which covers the cost of borrowed funds. In 2008, ROE was 7.5 percent, indicating that profits were being made on borrowed money. Table 3 reveals that for the last five years ROE is greater than ROA.

Operating profit margin (OPM) measures the dollars of profit generated per dollar of revenue. In 2008, Michigan cash grain farms generated 25.2 cents of profit per dollar of revenue. Asset turnover ratio (ATO) measures the efficiency with which farm assets generate revenue. In 2008, this ratio was 27.3 percent and that ATO has remained fairly constant over the last four years.

Table 3. Average Michigan Cash Grain Farm Profitability Indicators, 2004-2008

	2004	2005	2006	2007	2008
	(%)	(%)	(%)	(%)	(%)
Rate of return on assets*	3.3	5.8	6.9	9.0	6.9
Rate of return on equity	3.1	6.2	7.3	9.9	7.5
Operating profit margin	13.2	21.1	25.9	31.7	25.2
Asset turnover rate*	25.1	27.3	26.5	28.3	27.3

* 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 35 farms. The medium size category, 800 to 1199 cropped acres, includes 12 farms. The largest size category, 1200 plus cropped acres, contains the remaining 24 farms.

Table 4. Average 2008 Michigan Cash Grain Farm Characteristics by Farm Size Category

	40-799 Acres	800-1199 Acres	1200+ Acres
Total acres owned	280	418	705
Total crop acres	432	1,016	2,808
Number of farms	35	12	24

Table 5 presents the average farm income statement by farm acreage size. The smallest farms returned \$28,018; the medium farms \$165,294; and the largest farms \$275,701.

Table 5. Average 2008 Michigan Cash Grain Farm Income Statement by Size

	40-799 Acres	800-1199 Acres	1200+ Acres
	(\$)	(\$)	(\$)
Gross cash farm income	215,854	780,115	1,304,507
- Total cash expense	<u>182,568</u>	<u>662,167</u>	<u>1,081,891</u>
= Net cash farm income	33,286	117,948	222,617
+ Inventory change*	15,681	97,731	187,878
+ Depreciation and capital adjustments*	<u>-20,949</u>	<u>-50,385</u>	<u>-134,794</u>
= Net farm income	28,018	165,294	275,701

* Changes calculated as ending values minus beginning value

Table 6 compares profitability measures across farm sizes with assets valued at cost. The medium-sized farms (800 to 1199 acres) had the most positive financial profitability indicators: the highest ROA, ROE, and ATO; at 14.0 percent, 28.8 percent, 71.3 percent, respectively, and OPM was comparable with the large-sized farms (1200 plus acres) at 19.6 percent.

Table 6. Average 2008 Michigan Cash Grain Farm Profitability Indicators by Size

	40-799 Acres	800-1199 Acres	1200+ Acres
	(Percent)		
Rate of return on assets*	4.7	14.0	12.6
Rate of return on equity	4.7	28.8	19.6
Operating profit margin	9.6	19.6	21.0
Asset turnover rate*	49.0	71.3	60.0

* 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 larger-sized farms had the highest ROA, ROE, and OPM in 2008. The medium-sized farms realized the highest average OPM.

Table 7. Average 2008 Michigan Cash Grain Farm Profitability Indicators by Size

	40-799 Acres	800-1199 Acres	1200+ Acres
	(Percent)		
Rate of return on assets*	3.6	7.8	8.4
Rate of return on equity	3.4	8.6	9.5
Operating profit margin	18.1	24.7	27.3
Asset turnover rate*	19.9	31.7	30.7

*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 70 Cash Grain Farms, All Farms

Table 8 Crop Production and Marketing Summary			
2008 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	70	17	18
Acreage Summary			
Total acres owned	453	353	422
Total crop acres	975	562	1,319
Crop acres owned	407	268	469
Crop acres cash rented	537	284	821
Crop acres share rented	31	9	28
Total pasture acres	4	6	-
Percent crop acres owned	42 %	48 %	36 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.26	4.22	4.20
Soybeans per bushel	11.54	8.39	12.64
Wheat, Winter per bushel	6.34	6.06	6.81
Straw per ton	72.09	-	-
Hay, Mixed per ton	94.00	-	-
Sugar Beets per ton	29.50	-	-
Beans, Navy per cwt	2.74	-	-

Table 9

Farm Income Statement
2008 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	70	17	18
Cash Farm Income			
Beans, Green	1,634	2,561	3,934
Beans, Navy	10,550	16,331	15,083
Beans, Pinto	260	-	1,012
Beans, Small Red	396	-	-
Corn	179,878	29,659	299,351
Corn Silage	747	731	-
Corn, Seed	54,835	9,682	81,618
Cucumbers	3,277	4,525	8,472
Hay, Mixed	2,948	3,999	848
Haylage, Mixed	3,039	1,390	-
Maple Syrup	112	462	-
Oats	255	-	-
Potatoes	4,608	-	17,920
Soybeans	116,478	36,786	174,427
Straw	2,789	1,100	81
Sugar Beets	11,366	15,426	-
Timber	293	-	-
Wheat, Spring	396	-	1,538
Wheat, Winter	31,541	15,192	57,217
User Added Crop	230	258	-
Miscellaneous crop income	54	127	69
Beef Bulls	2,032	-	-
Beef Cow-Calf, Beef Calves	5,695	1,457	-
Beef Finishing	19,542	8,522	-
Beef Yearlings	20,984	3,403	-
Dairy, Milk	4,318	-	7,883
Dairy Replacement Heifers	1,573	3,212	3,085
Dairy Finishing	1,565	43	5,748
Hogs, Farrow To Finish, Raised Ho	29,966	101,361	8,829
Hogs, Feeder Pig Prod, Feeder Pig	4,008	16,443	58
Hogs, Finish Feeder Pigs	41,139	167,708	1,480
Horses, Boarding	54	221	-
Sheep, Lamb Finishing	109	-	-
Sheep, Market Lamb Prod, Mkt Lamb	4,064	10,952	-
Sheep, Market Lamb Prod, Wool	135	365	-
Beef Finish Cull Cows	271	1,115	-
Hogs, Weaning to Finish	3,738	-	8,299
Cull breeding livestock	6,080	7,259	3,053
Misc. livestock income	898	1,928	-
LDP payments	332	-	-
Direct, CCP & ACRE pymts	2,133	1,805	5,171
CRP payments	565	2,284	-
Other government payments	19,281	8,528	21,129
Custom work income	25,641	5,494	50,675
Patronage dividends, cash	1,776	1,729	2,316
Insurance income	18,222	3,005	24,244
Contract livestock income	10,542	-	-
Other farm income	11,838	6,848	11,698
Gross Cash Farm Income	662,187	491,907	815,237

Table 9

Farm Income Statement (Continued)

2008 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	70	17	18
Cash Farm Expense			
Seed	52,223	20,558	77,830
Fertilizer	85,685	33,179	126,578
Crop chemicals	33,478	18,471	50,945
Crop insurance	14,387	3,435	27,216
Drying expense	5,460	6,249	7,163
Irrigation energy	1,094	1	1,520
Crop hauling and trucking	138	-	-
Crop marketing	1,261	736	814
Crop miscellaneous	3,657	221	1,894
Feeder livestock purchase	31,317	54,939	467
Purchased feed	40,559	112,136	8,667
Breeding fees	291	252	95
Veterinary	3,355	6,513	1,139
Supplies	1,256	1,000	896
Grazing fees	90	371	-
Livestock hauling and trucking	249	-	-
Livestock marketing	2,168	4,780	536
Bedding	204	-	-
Livestock miscellaneous	133	-	-
Interest	28,683	29,022	26,582
Packaging and supplies	1,252	1,222	1,397
Fuel & oil	36,023	24,455	46,475
Repairs	37,088	19,514	44,386
Custom hire	20,197	26,602	28,879
Repair, buildings	291	-	-
Hired labor	32,937	23,804	32,129
Land rent	50,603	30,291	81,339
Machinery leases	9,799	9,050	20,092
Real estate taxes	8,217	8,170	4,191
Personal property taxes	401	178	521
Farm insurance	11,581	10,547	13,478
Utilities	14,501	17,300	14,184
Hauling and trucking	366	354	1,084
Marketing	63	119	7
Dues & professional fees	3,298	2,659	3,319
Miscellaneous	20,774	8,339	21,808
Total cash expense	553,079	474,467	645,628
Net cash farm income	109,108	17,440	169,610
Inventory Changes			
Prepays and supplies	17,796	-3,782	38,509
Accounts receivable	26,988	2,591	27,472
Hedging accounts	11,696	1,966	36,287
Other current assets	-3,981	-4,551	859
Crops and feed	31,669	20,560	65,758
Market livestock	5,297	-25,394	38,682

Breeding livestock	-11,923	-8,761	-31,753
Other assets	2,810	1,211	312
Accounts payable	-337	-2,673	-1,618
Accrued interest	1,156	-2,667	1,220
Total inventory change	81,172	-21,499	175,727
Net operating profit	190,279	-4,059	345,337
Depreciation			
Machinery and equipment	-55,002	-17,715	-89,852
Titled vehicles	-228	-204	-694
Buildings and improvements	-9,194	-6,003	-6,704
Total depreciation	-64,424	-23,922	-97,251
Net farm income from operations	125,855	-27,981	248,086
Gain or loss on capital sales	-	-	-
Net farm income	125,855	-27,981	248,086

Table 10

Inventory Changes
2008 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	70	17	18
Net cash farm income	109,108	17,440	169,610
Crops and Feed			
Ending inventory	310,103	165,322	463,280
Beginning inventory	278,433	144,762	397,523
Inventory change	31,669	20,560	65,758
Market Livestock			
Ending inventory	64,512	87,718	50,407
Beginning inventory	59,214	113,112	11,725
Inventory change	5,297	-25,394	38,682
Accts Receivable			
Ending inventory	55,850	10,551	50,126
Beginning inventory	28,862	7,959	22,654
Inventory change	26,988	2,591	27,472
Prepaid Expenses and Supplies			
Ending inventory	69,036	23,157	132,778
Beginning inventory	51,239	26,939	94,269
Inventory change	17,796	-3,782	38,509
Hedging Activities			
Ending inventory	12,151	4,519	40,944
Withdrawals	1,821	2,376	-818
Beginning inventory	-312	3,448	-4,904
Deposits	2,588	1,481	8,744
Gain or loss	11,696	1,966	36,287
Other Current Assets			
Ending inventory	13,913	14,308	16,650
Beginning inventory	17,893	18,859	15,791
Inventory change	-3,981	-4,551	859
Breeding Livestock			
Ending inventory	26,057	38,593	11,181
Capital sales	433	109	740
Beginning inventory	36,419	45,931	41,819
Capital purchases	1,994	1,532	1,854
Depreciation, capital adjust	-11,923	-8,761	-31,753
Other Capital Assets			
Ending inventory	47,847	13,350	28,909
Capital sales	13,810	1,879	34,030
Beginning inventory	45,081	13,026	42,758
Capital purchases	13,766	993	19,870
Depreciation, capital adjust	2,810	1,211	312
Accounts Payable			
Beginning inventory	34,150	11,576	33,071
Ending inventory	34,488	14,249	34,689
Inventory change	-337	-2,673	-1,618
Accrued Interest			
Beginning inventory	11,394	6,202	11,958
Ending inventory	10,239	8,869	10,739
Inventory change	1,156	-2,667	1,220
Total inventory change	81,172	-21,499	175,727
Net operating profit	190,279	-4,059	345,337

Table 11

Depreciation
2008 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	70	17	18
Net operating profit	190,279	-4,059	345,337
Machinery and Equipment			
Ending inventory	118,143	78,589	132,938
Capital sales	7,493	1,288	7,231
Beginning inventory	107,564	74,342	105,412
Capital purchases	73,074	23,250	124,610
Depreciation, capital adjust.	-55,002	-17,715	-89,852
Titled Vehicles			
Ending inventory	1,044	224	1,115
Capital sales	-	-	-
Beginning inventory	1,272	428	1,810
Capital purchases	-	-	-
Depreciation, capital adjust.	-228	-204	-694
Buildings and Improvements			
Ending inventory	54,756	34,733	56,525
Capital sales	-	-	-
Beginning inventory	46,593	31,961	42,403
Capital purchases	17,356	8,775	20,827
Depreciation, capital adjust.	-9,194	-6,003	-6,704
Total depreciation, capital adj.	-64,424	-23,922	-97,251
Net farm income from operations	125,855	-27,981	248,086
Gain or loss on capital sales	-	-	-
Net farm income	125,855	-27,981	248,086

Table 12

Profitability Measures
2008 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	70	17	18
Profitability (assets valued at cost)			
Net farm income from operations	125,855	-27,981	248,086
Rate of return on assets	10.6 %	-2.9 %	20.9 %
Rate of return on equity	16.1 %	-26.8 %	33.5 %
Operating profit margin	18.4 %	-7.6 %	25.4 %
Asset turnover rate	57.6 %	38.6 %	82.0 %
Farm interest expense	27,527	31,689	25,363
Value of operator lbr and mgmt.	33,236	27,314	33,306
Return on farm assets	120,147	-23,606	240,142
Average farm assets	1,133,839	809,151	1,151,534
Return on farm equity	92,620	-55,295	214,780
Average farm equity	575,002	206,431	641,144
Value of farm production	652,868	312,454	943,720
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	70	17	18
Profitability (assets valued at market)			
Net farm income from operations	170,206	-25,409	330,357
Rate of return on assets	6.9 %	-1.1 %	15.8 %
Rate of return on equity	7.5 %	-3.9 %	19.5 %
Operating profit margin	25.2 %	-6.7 %	34.2 %
Asset turnover rate	27.3 %	16.1 %	46.4 %
Farm interest expense	27,527	31,689	25,363
Value of operator lbr and mgmt.	33,236	27,314	33,306
Return on farm assets	164,498	-21,034	322,414
Average farm assets	2,394,139	1,939,460	2,034,248
Return on farm equity	136,971	-52,722	297,051
Average farm equity	1,827,514	1,336,271	1,523,858
Value of farm production	652,868	312,454	943,720

Table 13

Liquidity & Repayment Capacity Measures

2008 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	70	17	18
Liquidity			
Current ratio	2.62	1.69	3.83
Working capital	352,015	139,821	584,302
Working capital to gross inc	48.6 %	29.2 %	61.3 %
Current assets	569,467	341,812	790,424
Current liabilities	217,452	201,991	206,123
Gross revenues (accrual)	724,744	479,529	952,854
Repayment capacity			
Net farm income from operations	125,855	-27,981	248,086
Depreciation	64,424	23,922	97,251
Personal income	29,168	27,275	61,890
Family living/owner withdrawals	-47,456	-45,642	-54,237
Payments on personal debt	-3,162	-980	-1,240
Income taxes paid	-4,348	-290	-13,690
Interest on term debt	20,349	16,886	22,003
Capital debt repayment capacity	184,831	-6,811	360,063
Scheduled term debt payments	-60,675	-54,209	-62,697
Capital debt repayment margin	124,156	-61,021	297,366
Cash replacement allowance	-18,566	-16,560	-17,203
Replacement margin	105,590	-77,581	280,163
Term debt coverage ratio	3.05	-0.13	5.74
Replacement coverage ratio	2.33	-0.10	4.51

Table 14

Balance Sheet at Cost Values
2008 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	70		17		18	
Assets						
Current Farm Assets						
Cash and checking balance	36,331	42,845	21,585	31,884	27,195	36,239
Prepaid expenses & supplies	51,239	69,036	26,939	23,157	94,269	132,778
Growing crops	17,709	13,739	18,859	14,308	15,791	16,650
Accounts receivable	28,862	55,850	7,959	10,551	22,654	50,126
Hedging accounts	-312	12,151	3,448	4,519	-4,904	40,944
Crops held for sale or feed	279,491	309,045	149,116	160,969	397,523	463,280
Crops under government loan	0	2,115	0	8,707	0	0
Market livestock held for sale	59,214	64,512	113,112	87,718	11,725	50,407
Other current assets	184	173	0	0	0	0
Total current farm assets	472,719	569,467	341,018	341,812	564,252	790,424
Intermediate Farm Assets						
Breeding livestock	36,419	26,057	45,931	38,593	41,819	11,181
Machinery and equipment	107,564	118,143	74,342	78,589	105,412	132,938
Titled vehicles	1,272	1,044	428	224	1,810	1,115
Other intermediate assets	34,612	32,622	9,024	9,368	42,702	28,854
Total intermediate farm assets	179,866	177,865	129,726	126,774	191,742	174,088
Long Term Farm Assets						
Farm land	355,984	384,734	287,736	316,559	231,412	252,110
Buildings and improvements	46,593	54,756	31,961	34,733	42,403	56,525
Other long-term assets	10,469	15,225	4,001	3,982	56	56
Total long-term farm assets	413,046	454,715	323,698	355,274	273,870	308,691
Total Farm Assets	1,065,631	1,202,047	794,441	823,860	1,029,865	1,273,203
Total Nonfarm Assets	144,362	146,433	93,060	103,614	181,014	199,879
Total Assets	1,209,993	1,348,480	887,501	927,473	1,210,879	1,473,082
Liabilities						
Current Farm Liabilities						
Accrued interest	11,394	10,239	6,202	8,869	11,958	10,739
Accounts payable	34,150	34,488	11,576	14,249	33,071	34,689
Current notes	136,913	126,062	133,933	138,286	164,542	106,594
Government crop loans	0	1,043	0	4,295	0	0
Principal due on term debt	40,326	45,621	37,324	36,291	40,694	54,101
Total current farm liabilities	222,784	217,452	189,035	201,991	250,264	206,123
Total intermediate farm liabs	93,001	106,673	72,732	95,027	85,167	131,699
Total long term farm liabilities	225,698	252,066	301,985	344,669	174,324	173,203
Total farm liabilities	541,483	576,191	563,752	641,687	509,756	511,025
Total nonfarm liabilities	25,338	22,342	6,646	4,918	17,755	16,135
Total liabilities	566,821	598,533	570,398	646,605	527,510	527,160
Net worth (farm and nonfarm)	643,171	749,947	317,103	280,869	683,369	945,922
Net worth change		106,775		-36,234		262,553
Percent net worth change		17 %		-11 %		38 %
Ratio Analysis						
Current farm liabilities / assets	47 %	38 %	55 %	59 %	44 %	26 %
Intermediate farm liab. / assets	52 %	60 %	56 %	75 %	44 %	76 %
Long term farm liab. / assets	55 %	55 %	93 %	97 %	64 %	56 %
Total debt to asset ratio	47 %	44 %	64 %	70 %	44 %	36 %

Table 15

Balance Sheet at Market Values
2008 MI Cash Grain (All Farms)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Number of farms	70		17		18	
Assets						
Current Farm Assets						
Cash and checking balance	36,331	42,845	21,585	31,884	27,195	36,239
Prepaid expenses & supplies	51,239	69,036	26,939	23,157	94,269	132,778
Growing crops	17,709	13,739	18,859	14,308	15,791	16,650
Accounts receivable	28,862	55,850	7,959	10,551	22,654	50,126
Hedging accounts	-312	12,151	3,448	4,519	-4,904	40,944
Crops held for sale or feed	279,491	309,045	149,116	160,969	397,523	463,280
Crops under government loan	0	2,115	0	8,707	0	0
Market livestock held for sale	59,214	64,512	113,112	87,718	11,725	50,407
Other current assets	184	173	0	0	0	0
Total current farm assets	472,719	569,467	341,018	341,812	564,252	790,424
Intermediate Farm Assets						
Breeding livestock	38,799	26,732	50,190	38,626	42,414	11,181
Machinery and equipment	393,128	429,991	307,416	313,267	419,011	503,693
Titled vehicles	6,593	9,248	2,441	5,076	5,694	7,472
Other intermediate assets	46,825	45,563	9,613	9,957	44,364	29,092
Total intermediate farm assets	485,344	511,533	369,660	366,926	511,483	551,438
Long Term Farm Assets						
Farm land	1,165,499	1,208,451	1,026,002	1,069,239	708,819	753,147
Buildings and improvements	147,777	158,960	151,828	142,213	86,834	101,988
Other long-term assets	31,860	36,668	35,012	35,210	56	56
Total long-term farm assets	1,345,136	1,404,079	1,212,842	1,246,662	795,708	855,191
Total Farm Assets	2,303,199	2,485,079	1,923,520	1,955,400	1,871,443	2,197,053
Total Nonfarm Assets	322,223	272,839	215,537	194,739	516,628	421,263
Total Assets	2,625,421	2,757,918	2,139,057	2,150,139	2,388,071	2,618,315
Liabilities						
Current Farm Liabilities						
Accrued interest	11,394	10,239	6,202	8,869	11,958	10,739
Accounts payable	34,150	34,488	11,576	14,249	33,071	34,689
Current notes	136,913	126,062	133,933	138,286	164,542	106,594
Government crop loans	0	1,043	0	4,295	0	0
Principal due on term debt	40,326	45,621	37,324	36,291	40,694	54,101
Total current farm liabilities	222,784	217,452	189,035	201,991	250,264	206,123
Total intermediate farm liabs	93,001	106,673	72,732	95,027	85,167	131,699
Total long term farm liabilities	225,698	252,066	301,985	344,669	174,324	173,203
Total farm liabilities	541,483	576,191	563,752	641,687	509,756	511,025
Total nonfarm liabilities	25,338	22,342	6,646	4,918	17,755	16,135
Total liabs excluding deferreds	566,821	598,533	570,398	646,605	527,510	527,160
Total deferred liabilities	7,375	8,203	525	414	0	0
Total liabilities	574,196	606,737	570,923	647,019	527,510	527,160
Retained earnings	643,171	749,947	317,103	280,869	683,369	945,922
Market valuation equity	1,408,054	1,401,235	1,251,031	1,222,252	1,177,192	1,145,233
Net worth (farm and nonfarm)	2,051,225	2,151,181	1,568,134	1,503,120	1,860,561	2,091,155
Net worth excluding deferreds	2,058,600	2,159,384	1,568,658	1,503,534	1,860,561	2,091,155
Net worth change		99,956		-65,013		230,595
Percent net worth change		5 %		-4 %		12 %
Ratio Analysis						
Current farm liabilities / assets	47 %	38 %	55 %	59 %	44 %	26 %
Intermediate farm liab. / assets	19 %	21 %	20 %	26 %	17 %	24 %
Long term farm liab. / assets	17 %	18 %	25 %	28 %	22 %	20 %
Total debt to asset ratio	22 %	22 %	27 %	30 %	22 %	20 %
Debt to assets excl deferreds	22 %	22 %	27 %	30 %	22 %	20 %

Table 16

Statement Of Cash Flows
2008 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	70	17	18
Beginning cash (farm & nonfarm)	39,010	25,265	27,499
Cash Provided By Operating Activities			
Gross cash farm income	662,187	491,907	815,237
Total cash farm expense	-553,079	-474,467	-645,628
Net cash from hedging transactions	-767	895	-9,562
Cash provided by operating	108,341	18,336	160,048
Cash Provided By Investing Activities			
Sale of breeding livestock	433	109	740
Sale of machinery & equipment	7,493	1,288	7,231
Sale of titled vehicles	-	-	-
Sale of farm land	-	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	13,810	1,879	34,030
Sale of nonfarm assets	3,708	4,014	-
Purchase of breeding livestock	-1,994	-1,532	-1,854
Purchase of machinery & equip.	-73,074	-23,250	-124,610
Purchase of titled vehicles	-	-	-
Purchase of farm land	-25,417	-29,730	-17,028
Purchase of farm buildings	-17,356	-8,775	-20,827
Purchase of other farm assets	-13,766	-993	-19,870
Purchase of nonfarm assets	-6,025	-8,437	-333
Cash provided by investing	-112,188	-65,427	-142,520
Cash Provided By Financing Activities			
Money borrowed	304,419	329,564	190,158
Principal payments	-271,607	-257,324	-191,459
Personal income	29,168	27,275	61,890
Family living/owner withdrawals	-47,456	-45,642	-54,237
Income and social security tax	-4,348	-290	-13,690
Capital contributions	75	-	293
Capital distributions	-1,565	-	-4,823
Dividends paid	-	-	-
Cash gifts and inheritances	15,670	4,876	23,394
Gifts given	-13,779	-458	-20,080
Other cash flows	-	-	-
Cash provided by financing	10,578	58,000	-8,555
Net change in cash balance	6,730	10,908	8,973
Ending cash (farm & nonfarm)	45,740	36,174	36,472

Table 17

Financial Standards Measures
2008 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	70	17	18
Liquidity			
Current ratio	2.62	1.69	3.83
Working capital	352,015	139,821	584,302
Working capital to gross inc	48.6 %	29.2 %	61.3 %
Solvency (market)			
Farm debt to asset ratio	24 %	33 %	23 %
Farm equity to asset ratio	76 %	67 %	77 %
Farm debt to equity ratio	0.31	0.49	0.30
Profitability (cost)			
Rate of return on farm assets	10.6 %	-2.9 %	20.9 %
Rate of return on farm equity	16.1 %	-26.8 %	33.5 %
Operating profit margin	18.4 %	-7.6 %	25.4 %
Net farm income	125,855	-27,981	248,086
EBIDTA	217,806	27,630	370,699
Repayment Capacity			
Capital debt repayment capacity	184,831	-6,811	360,063
Capital debt repayment margin	124,156	-61,021	297,366
Replacement margin	105,590	-77,581	280,163
Term debt coverage ratio	3.05	-0.13	5.74
Replacement coverage ratio	2.33	-0.10	4.51
Efficiency			
Asset turnover rate (cost)	57.6 %	38.6 %	82.0 %
Operating expense ratio	69.9 %	94.2 %	61.1 %
Depreciation expense ratio	8.9 %	5.0 %	10.2 %
Interest expense ratio	4.0 %	6.1 %	2.8 %
Net farm income ratio	17.4 %	-5.8 %	26.0 %

Table 18

Operator and Labor Information
2008 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	70	17	18
Operator Information			
Average number of operators	1.3	1.2	1.3
Average age of operators	52.2	58.8	48.4
Average number of years farming	29.5	33.0	23.9
Results Per Operator			
Working capital	273,789	118,848	438,226
Total assets (market)	2,145,047	1,827,618	1,963,736
Total liabilities	471,906	549,966	395,370
Net worth (market)	1,673,141	1,277,652	1,568,367
Net worth excl deferred liabs	1,679,521	1,278,004	1,568,367
Gross farm income	563,690	407,600	714,640
Total farm expense	465,802	431,384	528,576
Net farm income from operations	97,888	-23,784	186,064
Net nonfarm income	22,686	23,183	46,418
Family living & tax withdrawals	40,292	39,042	50,945
Total acres owned	352.5	300.4	316.2
Total crop acres	758.5	477.3	989.2
Crop acres owned	316.9	228.0	352.1
Crop acres cash rented	417.6	241.3	616.1
Crop acres share rented	24.0	8.1	21.0
Total pasture acres	2.8	5.4	-
Labor Analysis			
Number of farms	70	17	18
Total unpaid labor hours	2,940	2,417	3,302
Total hired labor hours	1,696	1,054	1,637
Total labor hours per farm	4,637	3,471	4,939
Unpaid hours per operator	2,282	1,964	2,259
Value of farm production / hour	139.62	81.21	191.27
Net farm income / unpaid hour	46.48	2.34	82.90
Average hourly hired labor wage	16.87	13.77	19.29
Partnerships & LLCs			
Number of farms	13	4	3
Number of operators	2.1	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 19

Financial Summary
2008 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	70	17	18
Income Statement			
Gross cash farm income	662,187	491,907	815,237
Total cash farm expense	553,079	474,467	645,628
Net cash farm income	109,108	17,440	169,610
Inventory change	81,172	-21,499	175,727
Depreciation	-64,424	-23,922	-97,251
Net farm income from operations	125,855	-27,981	248,086
Gain or loss on capital sales	-	-	-
Average net farm income	125,855	-27,981	248,086
Median net farm income	56,168	-16,637	213,064
Profitability (cost)			
Rate of return on assets	10.6 %	-2.9 %	20.9 %
Rate of return on equity	16.1 %	-26.8 %	33.5 %
Operating profit margin	18.4 %	-7.6 %	25.4 %
Asset turnover rate	57.6 %	38.6 %	82.0 %
Profitability (market)			
Rate of return on assets	6.9 %	-1.1 %	15.8 %
Rate of return on equity	7.5 %	-3.9 %	19.5 %
Operating profit margin	25.2 %	-6.7 %	34.2 %
Asset turnover rate	27.3 %	16.1 %	46.4 %
Liquidity & Repayment (end of year)			
Current assets	569,467	341,812	790,424
Current liabilities	217,452	201,991	206,123
Current ratio	2.62	1.69	3.83
Working capital	352,015	139,821	584,302
Working capital to gross inc	48.6 %	29.2 %	61.3 %
Term debt coverage ratio	3.05	-0.13	5.74
Replacement coverage ratio	2.33	-0.10	4.51
Solvency (end of year at cost)			
Number of farms	70	17	18
Total farm assets	1,202,047	823,860	1,273,203
Total farm liabilities	576,191	641,687	511,025
Total assets	1,348,480	927,473	1,473,082
Total liabilities	598,533	646,605	527,160
Net worth	749,947	280,869	945,922
Net worth change	106,775	-36,234	262,553
Farm debt to asset ratio	48 %	78 %	40 %
Total debt to asset ratio	44 %	70 %	36 %
Solvency (end of year at market)			
Number of farms	70	17	18
Total farm assets	2,485,079	1,955,400	2,197,053
Total farm liabilities	584,536	642,100	511,025
Total assets	2,757,918	2,150,139	2,618,315
Total liabilities	606,737	647,019	527,160
Net worth	2,151,181	1,503,120	2,091,155
Net worth change	99,956	-65,013	230,595
Farm debt to asset ratio	24 %	33 %	23 %
Total debt to asset ratio	22 %	30 %	20 %
Nonfarm Information			
Net nonfarm income	29,168	27,275	61,890
Crop Acres			
Total acres owned	453	353	422
Total crop acres	975	562	1,319
Total crop acres owned	407	268	469
Total crop acres cash rented	537	284	821
Total crop acres share rented	31	9	28

B.) Average of 35 Cash Grain Farms, 40 to 799 Acre Farms

Table 20		Crop Production and Marketing Summary		
		2008 MI Cash Grain (40 to 799 Acres)		
		(Farms Sorted By Rate of Return on Assets - Mkt)		
	Avg. Of			
	All Farms	Low 25%		High 25%
Number of farms	35	8		9
Acreage Summary				
Total acres owned	280	174		182
Total crop acres	432	325		330
Crop acres owned	230	135		112
Crop acres cash rented	183	184		217
Crop acres share rented	19	6		-
Total pasture acres	7	12		13
Percent crop acres owned	53 %	42 %		34 %
Average Price Received (Cash Sales Only)				
Corn per bushel	4.54	-		4.34
Wheat, Winter per bushel	6.15	-		5.94
Soybeans per bushel	10.50	-		-
Sugar Beets per ton	30.23	-		-

Table 21

Farm Income Statement
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Cash Farm Income			
Beans, Green	1,244	5,442	-
Beans, Navy	7,016	-	11,885
Beans, Small Red	791	-	-
Corn	49,672	13,000	34,361
Corn Silage	670	1,553	-
Corn, Seed	4,703	20,575	-
Cucumbers	2,198	9,616	-
Hay, Alfalfa	36	156	-
Hay, Mixed	4,644	1,642	6,358
Haylage, Mixed	6,079	2,954	19,918
Maple Syrup	224	981	-
Oats	195	-	554
Sorghum, Grain	26	114	-
Soybeans	40,036	17,277	25,959
Straw	5,017	74	18,232
Sugar Beets	14,025	-	12,866
Timber	542	-	2,108
Wheat, Winter	16,767	6,516	15,135
User Added Crop	219	549	366
Miscellaneous crop income	2	-	-
Beef Cow-Calf, Beef Calves	3,030	2,088	-
Beef Finishing	6,392	9,609	-
Dairy, Milk	4,581	-	13,596
Dairy Replacement Heifers	1,560	6,825	-
Dairy Finishing	174	90	225
Hogs, Feeder Pig Prod, Feeder Pig	40	175	-
Hogs, Finish Feeder Pigs	7,763	33,964	-
Horses, Boarding	107	-	-
Sheep, Market Lamb Prod, Mkt Lamb	5,319	23,272	-
Sheep, Market Lamb Prod, Wool	177	776	-
Beef Finish Cull Cows	542	-	-
Cull breeding livestock	6,467	7,735	978
Misc. livestock income	56	-	11
Direct, CCP & ACRE pymts	1,298	810	1,242
Other government payments	5,757	7,699	2,957
Custom work income	8,085	3,848	20,056
Patronage dividends, cash	724	293	532
Insurance income	3,877	5,848	2,518
Other farm income	5,797	1,460	5,936
Gross Cash Farm Income	215,854	184,941	195,791

Table 21

Farm Income Statement (Continued)
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Cash Farm Expense			
Seed	16,239	7,321	15,060
Fertilizer	32,385	20,816	21,017
Crop chemicals	12,248	9,329	12,319
Crop insurance	4,256	-	3,880
Drying expense	832	50	1,096
Crop utilities	27	-	104
Crop marketing	1,276	496	759
Crop miscellaneous	505	6	-178
Feeder livestock purchase	3,011	9,374	-
Purchased feed	10,506	26,301	2,602
Breeding fees	71	153	96
Veterinary	779	897	832
Supplies	708	1,064	1,005
Hauling and trucking	111	-	431
Livestock marketing	254	134	221
Interest	8,892	10,028	4,800
Packaging and supplies	756	87	1,222
Fuel & oil	16,101	9,788	25,250
Repairs	13,337	9,215	14,198
Custom hire	6,129	4,268	7,179
Hired labor	7,949	8,263	9,779
Land rent	17,627	22,207	16,720
Machinery leases	2,402	1,181	5,297
Real estate taxes	5,813	2,483	2,182
Personal property taxes	271	74	205
Farm insurance	6,030	7,130	4,869
Utilities	5,475	7,583	5,382
Marketing	122	124	93
Dues & professional fees	1,330	777	306
Miscellaneous	7,126	7,071	14,086
Total cash expense	182,568	166,216	170,808
Net cash farm income	33,286	18,726	24,983
Inventory Changes			
Prepays and supplies	-952	-1,849	-1,559
Accounts receivable	5,057	-	-1,030
Hedging accounts	517	-461	-288
Other current assets	-5,025	-4,181	-1,234
Crops and feed	23,934	-1,084	40,390
Market livestock	-3,918	-15,837	818
Breeding livestock	-6,809	-19,955	-
Other assets	376	2,573	-46
Accounts payable	2,606	-2,548	6,180
Accrued interest	-106	-3,015	862
Total inventory change	15,681	-46,358	44,093
Net operating profit	48,967	-27,632	69,075

Depreciation			
Machinery and equipment	-15,244	-9,672	-13,916
Titled vehicles	-99	-375	-
Buildings and improvements	-5,606	-3,016	-1,589
Total depreciation	-20,949	-13,063	-15,505
Net farm income from operations	28,018	-40,695	53,570
Gain or loss on capital sales	-	-	-
Net farm income	28,018	-40,695	53,570

Table 22

Inventory Changes
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Net cash farm income	33,286	18,726	24,983
Crops and Feed			
Ending inventory	104,548	63,811	103,640
Beginning inventory	80,614	64,894	63,250
Inventory change	23,934	-1,084	40,390
Market Livestock			
Ending inventory	11,489	15,829	1,707
Beginning inventory	15,407	31,666	889
Inventory change	-3,918	-15,837	818
Accts Receivable			
Ending inventory	10,331	-	11,671
Beginning inventory	5,274	-	12,701
Inventory change	5,057	-	-1,030
Prepaid Expenses and Supplies			
Ending inventory	15,026	2,948	12,050
Beginning inventory	15,978	4,797	13,609
Inventory change	-952	-1,849	-1,559
Hedging Activities			
Ending inventory	8	-	29
Withdrawals	946	-461	-
Beginning inventory	24	-	18
Deposits	413	-	299
Gain or loss	517	-461	-288
Other Current Assets			
Ending inventory	13,662	18,350	13,959
Beginning inventory	18,687	22,531	15,192
Inventory change	-5,025	-4,181	-1,234
Breeding Livestock			
Ending inventory	15,326	30,983	11,111
Capital sales	128	231	-
Beginning inventory	20,299	48,876	11,111
Capital purchases	1,964	2,293	-
Depreciation, capital adjust	-6,809	-19,955	-
Other Capital Assets			
Ending inventory	5,935	8,605	222
Capital sales	2,066	3,743	2,778
Beginning inventory	6,612	8,647	111
Capital purchases	1,013	1,128	2,935
Depreciation, capital adjust	376	2,573	-46
Accounts Payable			
Beginning inventory	10,315	5,409	10,521
Ending inventory	7,709	7,957	4,341
Inventory change	2,606	-2,548	6,180
Accrued Interest			
Beginning inventory	3,393	2,840	2,992
Ending inventory	3,498	5,855	2,130
Inventory change	-106	-3,015	862
Total inventory change	15,681	-46,358	44,093
Net operating profit	48,967	-27,632	69,075

Table 23

Depreciation

2008 MI Cash Grain (40 to 799 Acres)

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

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Net operating profit	48,967	-27,632	69,075
Machinery and Equipment			
Ending inventory	52,602	38,550	72,133
Capital sales	2,863	772	6,007
Beginning inventory	43,325	42,605	35,198
Capital purchases	27,384	6,389	56,858
Depreciation, capital adjust.	-15,244	-9,672	-13,916
Titled Vehicles			
Ending inventory	371	250	-
Capital sales	-	-	-
Beginning inventory	470	625	-
Capital purchases	-	-	-
Depreciation, capital adjust.	-99	-375	-
Buildings and Improvements			
Ending inventory	23,164	22,995	18,056
Capital sales	-	-	-
Beginning inventory	19,420	21,880	13,904
Capital purchases	9,350	4,131	5,742
Depreciation, capital adjust.	-5,606	-3,016	-1,589
Total depreciation, capital adj.	-20,949	-13,063	-15,505
Net farm income from operations	28,018	-40,695	53,570
Gain or loss on capital sales	-	-	-
Net farm income	28,018	-40,695	53,570

Table 24

Profitability Measures
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Profitability (assets valued at cost)			
Net farm income from operations	28,018	-40,695	53,570
Rate of return on assets	4.7 %	-11.1 %	14.0 %
Rate of return on equity	4.7 %	-48.2 %	19.6 %
Operating profit margin	9.6 %	-33.9 %	20.2 %
Asset turnover rate	49.0 %	32.7 %	69.3 %
Farm interest expense	8,997	13,044	3,938
Value of operator lbr and mgmt.	16,291	9,733	10,573
Return on farm assets	20,724	-37,384	46,935
Average farm assets	441,795	337,113	334,680
Return on farm equity	11,727	-50,428	42,997
Average farm equity	248,993	104,695	219,033
Value of farm production	216,470	110,321	231,799
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Profitability (assets valued at market)			
Net farm income from operations	46,575	-31,708	85,562
Rate of return on assets	3.6 %	-3.4 %	9.8 %
Rate of return on equity	3.4 %	-6.9 %	11.1 %
Operating profit margin	18.1 %	-25.7 %	34.0 %
Asset turnover rate	19.9 %	13.3 %	28.9 %
Farm interest expense	8,997	13,044	3,938
Value of operator lbr and mgmt.	16,291	9,733	10,573
Return on farm assets	39,281	-28,397	78,926
Average farm assets	1,088,585	829,611	802,636
Return on farm equity	30,283	-41,440	74,988
Average farm equity	880,205	596,366	675,091
Value of farm production	216,470	110,321	231,799

Table 25

Liquidity & Repayment Capacity Measures
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Liquidity			
Current ratio	2.84	1.42	4.00
Working capital	122,910	34,320	132,278
Working capital to gross inc	53.4 %	23.5 %	56.4 %
Current assets	189,773	116,466	176,373
Current liabilities	66,863	82,146	44,094
Gross revenues (accrual)	229,987	145,996	234,401
Repayment capacity			
Net farm income from operations	28,018	-40,695	53,570
Depreciation	20,949	13,063	15,505
Personal income	15,920	13,385	5,697
Family living/owner withdrawals	-27,088	-24,723	-22,980
Payments on personal debt	-2,319	-1,146	-1,454
Income taxes paid	-5,482	-617	-19,326
Interest on term debt	6,008	5,686	3,103
Capital debt repayment capacity	36,008	-35,047	34,115
Scheduled term debt payments	-21,834	-21,526	-14,962
Capital debt repayment margin	14,174	-56,572	19,153
Cash replacement allowance	-10,809	-10,581	-3,090
Replacement margin	3,365	-67,153	16,064
Term debt coverage ratio	1.65	-1.63	2.28
Replacement coverage ratio	1.10	-1.09	1.89

Table 26

Balance Sheet at Cost Values
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	35		8		9	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	36,303	34,708	15,750	15,529	53,003	33,317
Prepaid expenses & supplies	15,978	15,026	4,797	2,948	13,609	12,050
Growing crops	18,347	13,344	22,531	18,350	15,081	13,859
Accounts receivable	5,274	10,331	0	0	12,701	11,671
Hedging accounts	24	8	0	0	18	29
Crops held for sale or feed	80,614	104,548	64,894	63,811	63,250	103,640
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	15,407	11,489	31,666	15,829	889	1,707
Other current assets	340	318	0	0	111	100
Total current farm assets	172,287	189,773	139,638	116,466	158,662	176,373
Intermediate Farm Assets						
Breeding livestock	20,299	15,326	48,876	30,983	11,111	11,111
Machinery and equipment	43,325	52,602	42,605	38,550	35,198	72,133
Titled vehicles	470	371	625	250	0	0
Other intermediate assets	4,411	3,786	3,000	3,000	111	222
Total intermediate farm assets	68,504	72,085	95,106	72,782	46,421	83,467
Long Term Farm Assets						
Farm land	156,235	177,774	97,053	97,053	79,877	92,600
Buildings and improvements	19,420	23,164	21,880	22,995	13,904	18,056
Other long-term assets	2,201	2,148	5,647	5,605	0	0
Total long-term farm assets	177,856	203,086	124,580	125,653	93,781	110,656
Total Farm Assets	418,647	464,943	359,324	314,902	298,864	370,496
Total Nonfarm Assets	135,128	134,724	88,546	93,994	209,367	222,589
Total Assets	553,775	599,667	447,871	408,896	508,231	593,084
Liabilities						
Current Farm Liabilities						
Accrued interest	3,393	3,498	2,840	5,855	2,992	2,130
Accounts payable	10,315	7,709	5,409	7,957	10,521	4,341
Current notes	30,067	39,683	46,101	56,101	23,020	23,110
Government crop loans	0	0	0	0	0	0
Principal due on term debt	15,826	15,973	15,840	12,233	11,859	14,513
Total current farm liabilities	59,600	66,863	70,189	82,146	48,393	44,094
Total intermediate farm liabs	28,497	45,007	28,289	29,448	25,432	70,132
Total long term farm liabilities	86,507	99,130	129,392	125,373	11,600	31,643
Total farm liabilities	174,605	211,000	227,869	236,967	85,425	145,869
Total nonfarm liabilities	23,097	21,745	4,225	4,820	18,227	16,639
Total liabilities	197,703	232,745	232,094	241,788	103,652	162,508
Net worth (farm and nonfarm)	356,072	366,922	215,776	167,108	404,579	430,576
Net worth change		10,850		-48,668		25,998
Percent net worth change		3 %		-23 %		6 %
Ratio Analysis						
Current farm liabilities / assets	35 %	35 %	50 %	71 %	31 %	25 %
Intermediate farm liab. / assets	42 %	62 %	30 %	40 %	55 %	84 %
Long term farm liab. / assets	49 %	49 %	104 %	100 %	12 %	29 %
Total debt to asset ratio	36 %	39 %	52 %	59 %	20 %	27 %

Table 27

Balance Sheet at Market Values
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	35		8		9	
Number of farms						
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	36,303	34,708	15,750	15,529	53,003	33,317
Prepaid expenses & supplies	15,978	15,026	4,797	2,948	13,609	12,050
Growing crops	18,347	13,344	22,531	18,350	15,081	13,859
Accounts receivable	5,274	10,331	0	0	12,701	11,671
Hedging accounts	24	8	0	0	18	29
Crops held for sale or feed	80,614	104,548	64,894	63,811	63,250	103,640
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	15,407	11,489	31,666	15,829	889	1,707
Other current assets	340	318	0	0	111	100
Total current farm assets	172,287	189,773	139,638	116,466	158,662	176,373
Intermediate Farm Assets						
Breeding livestock	24,096	15,929	55,651	30,064	17,406	12,883
Machinery and equipment	192,109	212,593	154,611	157,074	123,544	178,991
Titled vehicles	5,871	5,294	2,625	1,875	5,611	3,778
Other intermediate assets	5,509	5,441	3,000	3,000	111	222
Total intermediate farm assets	227,585	239,258	215,888	192,013	146,672	195,875
Long Term Farm Assets						
Farm land	589,026	621,541	405,203	414,241	411,800	444,522
Buildings and improvements	63,836	69,294	76,850	79,233	33,690	37,678
Other long-term assets	2,311	2,259	9,866	9,824	0	0
Total long-term farm assets	655,173	693,094	491,919	503,297	445,490	482,200
Total Farm Assets	1,055,045	1,122,124	847,445	811,777	750,824	854,447
Total Nonfarm Assets	334,057	264,317	253,684	212,217	684,877	476,596
Total Assets	1,389,102	1,386,441	1,101,129	1,023,993	1,435,701	1,331,043
Liabilities						
Current Farm Liabilities						
Accrued interest	3,393	3,498	2,840	5,855	2,992	2,130
Accounts payable	10,315	7,709	5,409	7,957	10,521	4,341
Current notes	30,067	39,683	46,101	56,101	23,020	23,110
Government crop loans	0	0	0	0	0	0
Principal due on term debt	15,826	15,973	15,840	12,233	11,859	14,513
Total current farm liabilities	59,600	66,863	70,189	82,146	48,393	44,094
Total intermediate farm liabs	28,497	45,007	28,289	29,448	25,432	70,132
Total long term farm liabilities	86,507	99,130	129,392	125,373	11,600	31,643
Total farm liabilities	174,605	211,000	227,869	236,967	85,425	145,869
Total nonfarm liabilities	23,097	21,745	4,225	4,820	18,227	16,639
Total liabs excluding deferreds	197,703	232,745	232,094	241,788	103,652	162,508
Total deferred liabilities	14,750	16,406	943	710	11,897	11,897
Total liabilities	212,452	249,152	233,037	242,498	115,549	174,405
Retained earnings	356,072	366,922	215,776	167,108	404,579	430,576
Market valuation equity	820,577	770,367	652,315	614,387	915,573	726,061
Net worth (farm and nonfarm)	1,176,650	1,137,290	868,092	781,495	1,320,152	1,156,638
Net worth excluding deferreds	1,191,399	1,153,696	869,035	782,206	1,332,049	1,168,535
Net worth change		-39,360		-86,596		-163,515
Percent net worth change		-3 %		-10 %		-12 %
Ratio Analysis						
Current farm liabilities / assets	35 %	35 %	50 %	71 %	31 %	25 %
Intermediate farm liab. / assets	13 %	19 %	13 %	15 %	17 %	36 %
Long term farm liab. / assets	13 %	14 %	26 %	25 %	3 %	7 %
Total debt to asset ratio	15 %	18 %	21 %	24 %	8 %	13 %
Debt to assets excl deferreds	14 %	17 %	21 %	24 %	7 %	12 %

Table 28

Statement Of Cash Flows
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Beginning cash (farm & nonfarm)	41,269	23,544	53,558
Cash Provided By Operating Activities			
Gross cash farm income	215,854	184,941	195,791
Total cash farm expense	-182,568	-166,216	-170,808
Net cash from hedging transactions	533	-461	-299
Cash provided by operating	33,819	18,264	24,684
Cash Provided By Investing Activities			
Sale of breeding livestock	128	231	-
Sale of machinery & equipment	2,863	772	6,007
Sale of titled vehicles	-	-	-
Sale of farm land	-	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	2,066	3,743	2,778
Sale of nonfarm assets	-	-	-
Purchase of breeding livestock	-1,964	-2,293	-
Purchase of machinery & equip.	-27,384	-6,389	-56,858
Purchase of titled vehicles	-	-	-
Purchase of farm land	-20,700	-	-12,667
Purchase of farm buildings	-9,350	-4,131	-5,742
Purchase of other farm assets	-1,013	-1,128	-2,935
Purchase of nonfarm assets	-1,262	-875	-
Cash provided by investing	-56,616	-10,070	-69,417
Cash Provided By Financing Activities			
Money borrowed	127,388	55,601	111,764
Principal payments	-89,852	-51,620	-45,866
Personal income	15,920	13,385	5,697
Family living/owner withdrawals	-27,088	-24,723	-22,980
Income and social security tax	-5,482	-617	-19,326
Capital contributions	150	-	585
Capital distributions	-650	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	13,653	880	28,867
Gifts given	-12,048	-	-32,249
Other cash flows	-	-	-
Cash provided by financing	21,991	-7,093	26,492
Net change in cash balance	-806	1,101	-18,241
Ending cash (farm & nonfarm)	40,463	24,645	35,317

Table 29

Financial Standards Measures
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Liquidity			
Current ratio	2.84	1.42	4.00
Working capital	122,910	34,320	132,278
Working capital to gross inc	53.4 %	23.5 %	56.4 %
Solvency (market)			
Farm debt to asset ratio	20 %	29 %	18 %
Farm equity to asset ratio	80 %	71 %	82 %
Farm debt to equity ratio	0.25	0.41	0.23
Profitability (cost)			
Rate of return on farm assets	4.7 %	-11.1 %	14.0 %
Rate of return on farm equity	4.7 %	-48.2 %	19.6 %
Operating profit margin	9.6 %	-33.9 %	20.2 %
Net farm income	28,018	-40,695	53,570
EBIDTA	57,965	-14,589	73,014
Repayment Capacity			
Capital debt repayment capacity	36,008	-35,047	34,115
Capital debt repayment margin	14,174	-56,572	19,153
Replacement margin	3,365	-67,153	16,064
Term debt coverage ratio	1.65	-1.63	2.28
Replacement coverage ratio	1.10	-1.09	1.89
Efficiency			
Asset turnover rate (cost)	49.0 %	32.7 %	69.3 %
Operating expense ratio	74.8 %	110.0 %	68.9 %
Depreciation expense ratio	9.1 %	8.9 %	6.6 %
Interest expense ratio	3.9 %	6.9 %	2.0 %
Net farm income ratio	12.2 %	-27.9 %	22.9 %

Table 30

Operator and Labor Information
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Operator Information			
Average number of operators	1.1	1.1	1.2
Average age of operators	49.6	57.2	44.7
Average number of years farming	28.0	32.1	18.2
Results Per Operator			
Working capital	113,206	30,507	108,228
Total assets (market)	1,276,985	910,216	1,089,035
Total liabilities	229,482	215,553	142,695
Net worth (market)	1,047,504	694,663	946,340
Net worth excl deferred liabs	1,062,615	695,294	956,074
Gross farm income	211,830	129,774	191,783
Total farm expense	186,024	165,948	147,952
Net farm income from operations	25,806	-36,174	43,830
Net nonfarm income	14,663	11,898	4,661
Family living & tax withdrawals	29,998	22,524	34,614
Total acres owned	257.8	154.2	149.1
Total crop acres	398.0	288.7	269.6
Crop acres owned	211.4	119.9	92.0
Crop acres cash rented	168.9	163.8	177.7
Crop acres share rented	17.8	5.0	-
Total pasture acres	6.7	10.2	10.9
Labor Analysis			
Number of farms	35	8	9
Total unpaid labor hours	2,110	2,000	2,418
Total hired labor hours	708	691	1,093
Total labor hours per farm	2,818	2,691	3,511
Unpaid hours per operator	1,918	1,714	1,813
Value of farm production / hour	84.28	40.29	88.58
Net farm income / unpaid hour	16.79	-17.55	30.96
Average hourly hired labor wage	13.79	14.79	13.61

Table 31

Financial Summary
2008 MI Cash Grain (40 to 799 Acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	35	8	9
Income Statement			
Gross cash farm income	215,854	184,941	195,791
Total cash farm expense	182,568	166,216	170,808
Net cash farm income	33,286	18,726	24,983
Inventory change	15,681	-46,358	44,093
Depreciation	-20,949	-13,063	-15,505
Net farm income from operations	28,018	-40,695	53,570
Gain or loss on capital sales	-	-	-
Average net farm income	28,018	-40,695	53,570
Median net farm income	22,082	-29,081	27,801
Profitability (cost)			
Rate of return on assets	4.7 %	-11.1 %	14.0 %
Rate of return on equity	4.7 %	-48.2 %	19.6 %
Operating profit margin	9.6 %	-33.9 %	20.2 %
Asset turnover rate	49.0 %	32.7 %	69.3 %
Profitability (market)			
Rate of return on assets	3.6 %	-3.4 %	9.8 %
Rate of return on equity	3.4 %	-6.9 %	11.1 %
Operating profit margin	18.1 %	-25.7 %	34.0 %
Asset turnover rate	19.9 %	13.3 %	28.9 %
Liquidity & Repayment (end of year)			
Current assets	189,773	116,466	176,373
Current liabilities	66,863	82,146	44,094
Current ratio	2.84	1.42	4.00
Working capital	122,910	34,320	132,278
Working capital to gross inc	53.4 %	23.5 %	56.4 %
Term debt coverage ratio	1.65	-1.63	2.28
Replacement coverage ratio	1.10	-1.09	1.89
Solvency (end of year at cost)			
Number of farms	35	8	9
Total farm assets	464,943	314,902	370,496
Total farm liabilities	211,000	236,967	145,869
Total assets	599,667	408,896	593,084
Total liabilities	232,745	241,788	162,508
Net worth	366,922	167,108	430,576
Net worth change	10,850	-48,668	25,998
Farm debt to asset ratio	45 %	75 %	39 %
Total debt to asset ratio	39 %	59 %	27 %
Solvency (end of year at market)			
Number of farms	35	8	9
Total farm assets	1,122,124	811,777	854,447
Total farm liabilities	227,690	237,677	157,767
Total assets	1,386,441	1,023,993	1,331,043
Total liabilities	249,152	242,498	174,405
Net worth	1,137,290	781,495	1,156,638
Net worth change	-39,360	-86,596	-163,515
Farm debt to asset ratio	20 %	29 %	18 %
Total debt to asset ratio	18 %	24 %	13 %
Nonfarm Information			
Net nonfarm income	15,920	13,385	5,697
Crop Acres			
Total acres owned	280	174	182
Total crop acres	432	325	330
Total crop acres owned	230	135	112
Total crop acres cash rented	183	184	217
Total crop acres share rented	19	6	-

C.) Average of 12 Cash Grain Farms, 800 to 1199 acre Farms

Table 32 Crop Production and Marketing Summary
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Acreage Summary	
Total acres owned	418
Total crop acres	1,016
Crop acres owned	257
Crop acres cash rented	662
Crop acres share rented	98
Total pasture acres	-
Percent crop acres owned	25 %
Average Price Received (Cash Sales Only)	
Corn per bushel	4.34
Wheat, Winter per bushel	7.35
Soybeans per bushel	10.03

Table 33

Farm Income Statement
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Cash Farm Income	
Beans, Green	5,901
Beans, Navy	22,872
Corn	132,760
Corn, Seed	134,277
Hay, Mixed	1,226
Potatoes	26,880
Soybeans	97,234
Straw	490
Sugar Beets	25,399
Wheat, Spring	2,308
Wheat, Winter	32,875
Beef Bulls	11,855
Beef Cow-Calf, Beef Calves	2,380
Beef Finishing	5,666
Beef Yearlings	4,820
Hogs, Finish Feeder Pigs	80,469
Sheep, Market Lamb Prod, Mkt Lamb	7,662
Sheep, Market Lamb Prod, Wool	263
Hogs, Weaning to Finish	21,803
Cull breeding livestock	3,123
Misc. livestock income	4,909
LDP payments	1,936
Direct, CCP & ACRE pymts	5,312
CRP payments	3,235
Other government payments	14,717
Custom work income	25,079
Patronage dividends, cash	2,428
Insurance income	18,038
Contract livestock income	61,492
Other farm income	22,707
Gross Cash Farm Income	780,115

Table 33

Farm Income Statement (Continued)
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Cash Farm Expense	
Seed	44,479
Fertilizer	105,247
Crop chemicals	37,007
Crop insurance	13,742
Drying expense	4,257
Irrigation energy	2,283
Crop marketing	1,642
Crop miscellaneous	2,868
Feeder livestock purchase	43,095
Purchased feed	52,397
Veterinary	3,667
Supplies	1,998
Grazing fees	526
Livestock hauling and trucking	1,132
Livestock marketing	3,468
Bedding	1,192
Interest	45,240
Packaging and supplies	2,691
Fuel & oil	47,129
Repairs	51,660
Custom hire	22,063
Repair, buildings	1,619
Hired labor	38,720
Land rent	72,349
Machinery leases	5,302
Real estate taxes	7,007
Personal property taxes	801
Farm insurance	19,229
Utilities	13,395
Hauling and trucking	435
Dues & professional fees	4,524
Miscellaneous	11,005
Total cash expense	662,167
Net cash farm income	117,948
Inventory Changes	
Prepays and supplies	17,178
Accounts receivable	13,263
Hedging accounts	-1,332
Other current assets	-3,016
Crops and feed	86,712
Market livestock	-11,222
Breeding livestock	-708
Other assets	-6
Accounts payable	-6,432
Accrued interest	3,294

Total inventory change	97,731
Net operating profit	215,679
Depreciation	
Machinery and equipment	-41,326
Titled vehicles	-417
Buildings and improvements	-8,642
Total depreciation	-50,385
Net farm income from operations	165,294
Gain or loss on capital sales	-
Net farm income	165,294

Table 34

Inventory Changes
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Net cash farm income	117,948
Crops and Feed	
Ending inventory	347,416
Beginning inventory	260,704
Inventory change	86,712
Market Livestock	
Ending inventory	40,538
Beginning inventory	51,760
Inventory change	-11,222
Accts Receivable	
Ending inventory	48,653
Beginning inventory	35,390
Inventory change	13,263
Prepaid Expenses and Supplies	
Ending inventory	58,899
Beginning inventory	41,721
Inventory change	17,178
Hedging Activities	
Ending inventory	250
Withdrawals	534
Beginning inventory	167
Deposits	1,950
Gain or loss	-1,332
Other Current Assets	
Ending inventory	17,123
Beginning inventory	20,138
Inventory change	-3,016
Breeding Livestock	
Ending inventory	37,905
Capital sales	341
Beginning inventory	38,150
Capital purchases	804
Depreciation, capital adjust	-708
Other Capital Assets	
Ending inventory	13,533
Capital sales	694
Beginning inventory	14,066
Capital purchases	167
Depreciation, capital adjust	-6
Accounts Payable	
Beginning inventory	6,569
Ending inventory	13,001
Inventory change	-6,432
Accrued Interest	
Beginning inventory	14,203
Ending inventory	10,910
Inventory change	3,294
Total inventory change	97,731
Net operating profit	215,679

Table 35

Depreciation

2008 MI Cash Grain (800 to 1199 acres)

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

	Avg. Of All Farms
Number of farms	12
Net operating profit	215,679
Machinery and Equipment	
Ending inventory	130,116
Capital sales	11,583
Beginning inventory	110,943
Capital purchases	72,082
Depreciation, capital adjust.	-41,326
Titled Vehicles	
Ending inventory	1,089
Capital sales	-
Beginning inventory	1,506
Capital purchases	-
Depreciation, capital adjust.	-417
Buildings and Improvements	
Ending inventory	68,485
Capital sales	-
Beginning inventory	51,286
Capital purchases	25,841
Depreciation, capital adjust.	-8,642
Total depreciation, capital adj.	-50,385
Net farm income from operations	165,294
Gain or loss on capital sales	-
Net farm income	165,294

Table 36

Profitability Measures
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Profitability (assets valued at cost)	
Net farm income from operations	165,294
Rate of return on assets	14.0 %
Rate of return on equity	28.8 %
Operating profit margin	19.6 %
Asset turnover rate	71.3 %
Farm interest expense	41,947
Value of operator lbr and mgmt.	56,687
Return on farm assets	150,554
Average farm assets	1,076,982
Return on farm equity	108,607
Average farm equity	377,592
Value of farm production	768,314

	Avg. Of All Farms
Number of farms	12
Profitability (assets valued at market)	
Net farm income from operations	204,817
Rate of return on assets	7.8 %
Rate of return on equity	8.6 %
Operating profit margin	24.7 %
Asset turnover rate	31.7 %
Farm interest expense	41,947
Value of operator lbr and mgmt.	56,687
Return on farm assets	190,076
Average farm assets	2,426,131
Return on farm equity	148,130
Average farm equity	1,726,742
Value of farm production	768,314

Table 37

Liquidity & Repayment Capacity Measures
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Liquidity	
Current ratio	2.11
Working capital	285,568
Working capital to gross inc	33.1 %
Current assets	543,686
Current liabilities	258,117
Gross revenues (accrual)	863,806
Repayment capacity	
Net farm income from operations	165,294
Depreciation	50,385
Personal income	28,859
Family living/owner withdrawals	-81,087
Payments on personal debt	-3,330
Income taxes paid	-3,171
Interest on term debt	23,128
Capital debt repayment capacity	180,077
Scheduled term debt payments	-80,694
Capital debt repayment margin	99,383
Cash replacement allowance	-9,825
Replacement margin	89,559
Term debt coverage ratio	2.23
Replacement coverage ratio	1.99

Table 38

Balance Sheet at Cost Values
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	
Number of farms	12	
	Beginning	Ending
Assets		
Current Farm Assets		
Cash and checking balance	21,085	24,639
Prepaid expenses & supplies	41,721	58,899
Growing crops	20,055	17,039
Accounts receivable	35,390	48,653
Hedging accounts	167	250
Crops held for sale or feed	266,872	341,249
Crops under government loan	0	12,335
Market livestock held for sale	51,760	40,538
Other current assets	83	83
Total current farm assets	437,132	543,686
Intermediate Farm Assets		
Breeding livestock	38,150	37,905
Machinery and equipment	110,943	130,116
Titled vehicles	1,506	1,089
Other intermediate assets	9,697	9,302
Total intermediate farm assets	160,296	178,412
Long Term Farm Assets		
Farm land	347,366	358,700
Buildings and improvements	51,286	68,485
Other long-term assets	4,369	4,231
Total long-term farm assets	403,022	431,415
Total Farm Assets	1,000,450	1,153,513
Total Nonfarm Assets	127,374	142,283
Total Assets	1,127,824	1,295,796
Liabilities		
Current Farm Liabilities		
Accrued interest	14,203	10,910
Accounts payable	6,569	13,001
Current notes	175,115	162,732
Government crop loans	0	6,085
Principal due on term debt	57,566	65,389
Total current farm liabilities	253,453	258,117
Total intermediate farm liabs	163,308	143,998
Total long term farm liabilities	259,942	319,961
Total farm liabilities	676,703	722,076
Total nonfarm liabilities	31,782	29,594
Total liabilities	708,485	751,670
Net worth (farm and nonfarm)	419,339	544,126
Net worth change		124,787
Percent net worth change		30 %
Ratio Analysis		
Current farm liabilities / assets	58 %	47 %
Intermediate farm liab. / assets	102 %	81 %
Long term farm liab. / assets	64 %	74 %
Total debt to asset ratio	63 %	58 %

Table 39

Balance Sheet at Market Values
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	
Number of farms	12	
	Beginning	Ending
Assets		
Current Farm Assets		
Cash and checking balance	21,085	24,639
Prepaid expenses & supplies	41,721	58,899
Growing crops	20,055	17,039
Accounts receivable	35,390	48,653
Hedging accounts	167	250
Crops held for sale or feed	266,872	341,249
Crops under government loan	0	12,335
Market livestock held for sale	51,760	40,538
Other current assets	83	83
Total current farm assets	437,132	543,686
Intermediate Farm Assets		
Breeding livestock	38,608	38,364
Machinery and equipment	408,528	441,808
Titled vehicles	2,500	11,458
Other intermediate assets	8,905	8,510
Total intermediate farm assets	458,542	500,140
Long Term Farm Assets		
Farm land	1,213,575	1,247,671
Buildings and improvements	175,100	185,268
Other long-term assets	45,489	45,659
Total long-term farm assets	1,434,164	1,478,598
Total Farm Assets	2,329,838	2,522,424
Total Nonfarm Assets	320,606	306,598
Total Assets	2,650,444	2,829,022
Liabilities		
Current Farm Liabilities		
Accrued interest	14,203	10,910
Accounts payable	6,569	13,001
Current notes	175,115	162,732
Government crop loans	0	6,085
Principal due on term debt	57,566	65,389
Total current farm liabilities	253,453	258,117
Total intermediate farm liabs	163,308	143,998
Total long term farm liabilities	259,942	319,961
Total farm liabilities	676,703	722,076
Total nonfarm liabilities	31,782	29,594
Total liabs excluding deferreds	708,485	751,670
Total deferred liabilities	0	0
Total liabilities	708,485	751,670
Retained earnings	419,339	544,126
Market valuation equity	1,522,621	1,533,226
Net worth (farm and nonfarm)	1,941,959	2,077,352
Net worth excluding deferreds	1,941,959	2,077,352
Net worth change		135,392
Percent net worth change		7 %
Ratio Analysis		
Current farm liabilities / assets	58 %	47 %
Intermediate farm liab. / assets	36 %	29 %
Long term farm liab. / assets	18 %	22 %
Total debt to asset ratio	27 %	27 %
Debt to assets excl deferreds	27 %	27 %

Table 40

Statement Of Cash Flows
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Beginning cash (farm & nonfarm)	21,142
Cash Provided By Operating Activities	
Gross cash farm income	780,115
Total cash farm expense	-662,167
Net cash from hedging transactions	-1,416
Cash provided by operating	116,532
Cash Provided By Investing Activities	
Sale of breeding livestock	341
Sale of machinery & equipment	11,583
Sale of titled vehicles	-
Sale of farm land	-
Sale of farm buildings	-
Sale of other farm assets	694
Sale of nonfarm assets	-
Purchase of breeding livestock	-804
Purchase of machinery & equip.	-72,082
Purchase of titled vehicles	-
Purchase of farm land	-11,667
Purchase of farm buildings	-25,841
Purchase of other farm assets	-167
Purchase of nonfarm assets	-500
Cash provided by investing	-98,442
Cash Provided By Financing Activities	
Money borrowed	510,883
Principal payments	-470,753
Personal income	28,859
Family living/owner withdrawals	-81,087
Income and social security tax	-3,171
Capital contributions	-
Capital distributions	-
Dividends paid	-
Cash gifts and inheritances	3,695
Gifts given	-2,919
Other cash flows	-
Cash provided by financing	-14,494
Net change in cash balance	3,597
Ending cash (farm & nonfarm)	24,739

Table 41

Financial Standards Measures
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Liquidity	
Current ratio	2.11
Working capital	285,568
Working capital to gross inc	33.1 %
Solvency (market)	
Farm debt to asset ratio	29 %
Farm equity to asset ratio	71 %
Farm debt to equity ratio	0.40
Profitability (cost)	
Rate of return on farm assets	14.0 %
Rate of return on farm equity	28.8 %
Operating profit margin	19.6 %
Net farm income	165,294
EBIDTA	257,626
Repayment Capacity	
Capital debt repayment capacity	180,077
Capital debt repayment margin	99,383
Replacement margin	89,559
Term debt coverage ratio	2.23
Replacement coverage ratio	1.99
Efficiency	
Asset turnover rate (cost)	71.3 %
Operating expense ratio	70.2 %
Depreciation expense ratio	5.8 %
Interest expense ratio	5.2 %
Net farm income ratio	19.1 %

Table 42

Operator and Labor Information
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Operator Information	
Average number of operators	1.3
Average age of operators	57.8
Average number of years farming	34.1
Results Per Operator	
Working capital	228,455
Total assets (market)	2,263,217
Total liabilities	601,336
Net worth (market)	1,661,882
Net worth excl deferred liabs	1,661,882
Gross farm income	691,045
Total farm expense	558,810
Net farm income from operations	132,235
Net nonfarm income	23,087
Family living & tax withdrawals	67,407
Total acres owned	334.7
Total crop acres	813.0
Crop acres owned	205.4
Crop acres cash rented	529.3
Crop acres share rented	78.3
Total pasture acres	-
Labor Analysis	
Number of farms	12
Total unpaid labor hours	3,831
Total hired labor hours	2,611
Total labor hours per farm	6,442
Unpaid hours per operator	3,010
Value of farm production / hour	129.68
Net farm income / unpaid hour	51.77
Average hourly hired labor wage	15.96

Table 43

Financial Summary
2008 MI Cash Grain (800 to 1199 acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms
Number of farms	12
Income Statement	
Gross cash farm income	780,115
Total cash farm expense	662,167
Net cash farm income	117,948
Inventory change	97,731
Depreciation	-50,385
Net farm income from operations	165,294
Gain or loss on capital sales	-
Average net farm income	165,294
Median net farm income	133,366
Profitability (cost)	
Rate of return on assets	14.0 %
Rate of return on equity	28.8 %
Operating profit margin	19.6 %
Asset turnover rate	71.3 %
Profitability (market)	
Rate of return on assets	7.8 %
Rate of return on equity	8.6 %
Operating profit margin	24.7 %
Asset turnover rate	31.7 %
Liquidity & Repayment (end of year)	
Current assets	543,686
Current liabilities	258,117
Current ratio	2.11
Working capital	285,568
Working capital to gross inc	33.1 %
Term debt coverage ratio	2.23
Replacement coverage ratio	1.99
Solvency (end of year at cost)	
Number of farms	12
Total farm assets	1,153,513
Total farm liabilities	722,076
Total assets	1,295,796
Total liabilities	751,670
Net worth	544,126
Net worth change	124,787
Farm debt to asset ratio	63 %
Total debt to asset ratio	58 %
Solvency (end of year at market)	
Number of farms	12
Total farm assets	2,522,424
Total farm liabilities	722,076
Total assets	2,829,022
Total liabilities	751,670
Net worth	2,077,352
Net worth change	135,392
Farm debt to asset ratio	29 %
Total debt to asset ratio	27 %
Nonfarm Information	
Net nonfarm income	28,859
Crop Acres	
Total acres owned	418
Total crop acres	1,016
Total crop acres owned	257
Total crop acres cash rented	662
Total crop acres share rented	98

D.) Average of 24 Cash Grain Farms, 1200 plus acre Farms

Table 44 Crop Production and Marketing Summary			
2008 MI Cash Grain (1200 plus acres)			
(Farms Sorted By Rate of Return on Assets - Mkt)			
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Acreage Summary			
Total acres owned	705	798	766
Total crop acres	1,808	1,777	2,249
Crop acres owned	725	691	922
Crop acres cash rented	1,069	1,025	1,327
Crop acres share rented	13	62	-
Total pasture acres	-	-	-
Percent crop acres owned	40 %	39 %	41 %
Average Price Received (Cash Sales Only)			
Corn per bushel	4.18	4.34	4.39
Soybeans per bushel	12.20	-	13.78
Wheat, Winter per bushel	6.56	-	7.09

Table 45

Farm Income Statement

2008 MI Cash Grain (1200 plus acres)

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

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Cash Farm Income			
Beans, Green	2,950	-	10,116
Beans, Navy	9,103	-	31,212
Beans, Pinto	759	-	2,601
Corn	390,648	385,934	605,709
Corn Silage	1,201	-	-
Corn, Seed	124,914	-	133,629
Cucumbers	6,354	-	21,785
Hay, Mixed	1,778	823	1,931
Oats	459	2,205	-
Potatoes	13,440	-	46,081
Soybeans	239,866	194,208	294,084
Straw	574	1,311	-
Wheat, Winter	56,190	29,639	94,340
User Added Crop	350	-	-
Miscellaneous crop income	128	18	-
Beef Cow-Calf, Beef Calves	11,002	41,114	-
Beef Finishing	44,843	-	-
Beef Yearlings	58,794	282,209	-
Dairy, Milk	5,912	-	20,271
Dairy Replacement Heifers	2,314	-	7,934
Dairy Finishing	4,311	-	14,780
Hogs, Farrow To Finish, Raised Ho	87,400	387,612	-
Hogs, Feeder Pig Prod, Feeder Pig	11,632	55,626	-
Hogs, Finish Feeder Pigs	68,434	323,155	-
Sheep, Lamb Finishing	317	-	-
Sheep, Market Lamb Prod, Mkt Lamb	264	-	-
Cull breeding livestock	6,740	19,836	5,413
Misc. livestock income	87	180	-
Direct, CCP & ACRE pymts	1,671	-	5,729
Other government payments	42,147	42,734	39,793
Custom work income	53,779	5,837	87,619
Patronage dividends, cash	2,910	3,994	4,554
Insurance income	38,484	20,996	43,071
Other farm income	14,751	11,677	4,561
Gross Cash Farm Income	1,304,507	1,809,107	1,475,212

Table 45

Farm Income Statement (Continued)
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Cash Farm Expense			
Seed	108,916	86,714	150,203
Fertilizer	168,059	110,396	227,767
Crop chemicals	66,105	61,680	100,668
Crop insurance	29,461	17,847	59,203
Drying expense	12,583	23,135	12,104
Irrigation energy	3,191	-	3,910
Crop hauling and trucking	401	-	-
Crop marketing	996	1,471	2,073
Crop miscellaneous	8,509	1,354	444
Feeder livestock purchase	65,405	288,507	-
Purchased feed	76,776	302,977	7,580
Breeding fees	695	2,769	244
Veterinary	6,816	23,213	1,322
Supplies	1,631	4,903	344
Livestock marketing	4,219	18,321	913
Livestock miscellaneous	389	1,869	-
Interest	50,397	83,608	33,845
Packaging and supplies	1,203	-	3,221
Fuel & oil	62,594	69,684	71,966
Repairs	70,574	65,600	83,426
Custom hire	43,202	85,052	61,983
Hired labor	67,068	140,813	63,291
Land rent	100,500	85,962	149,652
Machinery leases	22,470	21,902	38,174
Real estate taxes	11,998	18,071	5,036
Personal property taxes	374	-	209
Farm insurance	16,481	16,914	21,429
Utilities	28,512	43,160	25,504
Hauling and trucking	813	-	2,787
Dues & professional fees	5,866	9,517	5,001
Miscellaneous	45,685	32,179	48,903
Total cash expense	1,081,891	1,617,618	1,181,201
Net cash farm income	222,617	191,489	294,011
Inventory Changes			
Prepays and supplies	48,798	-15,750	84,347
Accounts receivable	64,710	9,466	67,112
Hedging accounts	33,608	16,370	95,414
Other current assets	-2,194	-6,632	2,107
Crops and feed	32,785	-70,767	66,433
Market livestock	26,775	-41,397	102,771
Breeding livestock	-24,492	-336	-81,281
Other assets	7,650	-1,431	802
Accounts payable	-1,569	8,171	-5,927
Accrued interest	1,807	7,803	1,139
Total inventory change	187,878	-94,504	332,917

Net operating profit	410,495	96,985	626,928
Depreciation			
Machinery and equipment	-120,164	-100,756	-159,735
Titled vehicles	-313	-	-1,071
Buildings and improvements	-14,318	-26,240	-8,045
Total depreciation	-134,794	-126,997	-168,851
Net farm income from operations	275,701	-30,012	458,077
Gain or loss on capital sales	-	-	-
Net farm income	275,701	-30,012	458,077

Table 46

Inventory Changes
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Net cash farm income	222,617	191,489	294,011
Crops and Feed			
Ending inventory	609,613	644,729	788,165
Beginning inventory	576,828	715,496	721,731
Inventory change	32,785	-70,767	66,433
Market Livestock			
Ending inventory	151,135	402,501	113,914
Beginning inventory	124,360	443,898	11,143
Inventory change	26,775	-41,397	102,771
Accts Receivable			
Ending inventory	123,503	24,110	92,826
Beginning inventory	58,793	14,645	25,714
Inventory change	64,710	9,466	67,112
Prepaid Expenses and Supplies			
Ending inventory	158,409	102,595	276,578
Beginning inventory	109,611	118,346	192,231
Inventory change	48,798	-15,750	84,347
Hedging Activities			
Ending inventory	35,304	20,009	105,286
Withdrawals	3,664	7,684	-
Beginning inventory	-1,028	11,323	-12,611
Deposits	6,387	-	22,483
Gain or loss	33,608	16,370	95,414
Other Current Assets			
Ending inventory	16,653	11,074	30,857
Beginning inventory	18,847	17,706	28,750
Inventory change	-2,194	-6,632	2,107
Breeding Livestock			
Ending inventory	34,697	112,692	22,593
Capital sales	906	-	1,144
Beginning inventory	57,546	110,248	103,114
Capital purchases	2,549	2,780	1,904
Depreciation, capital adjust	-24,492	-336	-81,281
Other Capital Assets			
Ending inventory	124,133	37,922	52,482
Capital sales	36,919	32,870	61,266
Beginning inventory	114,811	36,683	71,001
Capital purchases	38,591	35,540	41,945
Depreciation, capital adjust	7,650	-1,431	802
Accounts Payable			
Beginning inventory	81,277	25,615	77,889
Ending inventory	82,846	17,444	83,816
Inventory change	-1,569	8,171	-5,927
Accrued Interest			
Beginning inventory	21,506	27,367	12,204
Ending inventory	19,699	19,564	11,065
Inventory change	1,807	7,803	1,139
Total inventory change	187,878	-94,504	332,917
Net operating profit	410,495	96,985	626,928

Table 47

Depreciation

2008 MI Cash Grain (1200 plus acres)

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

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Net operating profit	410,495	96,985	626,928
Machinery and Equipment			
Ending inventory	216,974	298,252	194,158
Capital sales	12,679	12,690	5,029
Beginning inventory	206,171	302,443	164,242
Capital purchases	143,646	109,256	194,679
Depreciation, capital adjust.	-120,164	-100,756	-159,735
Titled Vehicles			
Ending inventory	1,958	-	1,000
Capital sales	-	-	-
Beginning inventory	2,271	-	2,071
Capital purchases	-	-	-
Depreciation, capital adjust.	-313	-	-1,071
Buildings and Improvements			
Ending inventory	91,682	156,912	82,119
Capital sales	-	-	-
Beginning inventory	81,932	146,435	85,468
Capital purchases	24,068	36,718	4,696
Depreciation, capital adjust.	-14,318	-26,240	-8,045
Total depreciation, capital adj.	-134,794	-126,997	-168,851
Net farm income from operations	275,701	-30,012	458,077
Gain or loss on capital sales	-	-	-
Net farm income	275,701	-30,012	458,077

Table 48

Profitability Measures
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Profitability (assets valued at cost)			
Net farm income from operations	275,701	-30,012	458,077
Rate of return on assets	12.6 %	-0.1 %	23.8 %
Rate of return on equity	19.6 %	-5.9 %	36.1 %
Operating profit margin	21.0 %	-0.2 %	25.5 %
Asset turnover rate	60.0 %	39.2 %	93.4 %
Farm interest expense	48,590	75,806	32,706
Value of operator lbr and mgmt.	51,086	47,695	52,143
Return on farm assets	273,206	-1,902	438,640
Average farm assets	2,169,504	2,862,460	1,841,964
Return on farm equity	224,615	-77,707	405,935
Average farm equity	1,145,252	1,306,760	1,124,501
Value of farm production	1,301,170	1,122,895	1,720,990
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Profitability (assets valued at market)			
Net farm income from operations	358,174	7,480	600,984
Rate of return on assets	8.4 %	0.7 %	17.8 %
Rate of return on equity	9.5 %	-1.0 %	21.5 %
Operating profit margin	27.3 %	3.2 %	33.8 %
Asset turnover rate	30.7 %	20.7 %	52.6 %
Farm interest expense	48,590	75,806	32,706
Value of operator lbr and mgmt.	51,086	47,695	52,143
Return on farm assets	355,679	35,590	581,546
Average farm assets	4,244,827	5,420,957	3,269,371
Return on farm equity	307,089	-40,215	548,841
Average farm equity	3,220,576	3,865,257	2,551,908
Value of farm production	1,301,170	1,122,895	1,720,990

Table 49

Liquidity & Repayment Capacity Measures
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Liquidity			
Current ratio	2.73	2.57	4.14
Working capital	733,163	765,989	1,101,695
Working capital to gross inc	50.8 %	44.7 %	63.7 %
Current assets	1,156,605	1,254,138	1,452,255
Current liabilities	423,442	488,149	350,560
Gross revenues (accrual)	1,443,350	1,714,379	1,728,570
Repayment capacity			
Net farm income from operations	275,701	-30,012	458,077
Depreciation	134,794	126,997	168,851
Personal income	47,439	22,141	143,745
Family living/owner withdrawals	-65,864	-67,020	-81,712
Payments on personal debt	-4,175	-8,953	-457
Income taxes paid	-3,102	-	-9,125
Interest on term debt	39,464	59,557	28,449
Capital debt repayment capacity	424,257	102,710	707,829
Scheduled term debt payments	-107,333	-159,050	-84,275
Capital debt repayment margin	316,924	-56,340	623,554
Cash replacement allowance	-34,202	-31,964	-36,672
Replacement margin	282,722	-88,303	586,882
Term debt coverage ratio	3.95	0.65	8.40
Replacement coverage ratio	3.00	0.54	5.85

Table 50

Balance Sheet at Cost Values
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms		Low 25%		High 25%	
	24		5		7	
Number of farms	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	42,518	61,988	41,085	49,119	2,146	44,629
Prepaid expenses & supplies	109,611	158,409	118,346	102,595	192,231	276,578
Growing crops	18,847	16,653	17,706	11,074	28,750	30,857
Accounts receivable	58,793	123,503	14,645	24,110	25,714	92,826
Hedging accounts	-1,028	35,304	11,323	20,009	-12,611	105,286
Crops held for sale or feed	576,828	609,613	715,496	644,729	721,731	788,165
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	124,360	151,135	443,898	402,501	11,143	113,914
Other current assets	0	0	0	0	0	0
Total current farm assets	929,930	1,156,605	1,362,498	1,254,138	969,104	1,452,255
Intermediate Farm Assets						
Breeding livestock	57,546	34,697	110,248	112,692	103,114	22,593
Machinery and equipment	206,171	216,974	302,443	298,252	164,242	194,158
Titled vehicles	2,271	1,958	0	0	2,071	1,000
Other intermediate assets	89,669	84,974	36,083	37,322	71,001	52,482
Total intermediate farm assets	355,657	338,604	448,773	448,266	340,429	270,233
Long Term Farm Assets						
Farm land	636,759	683,537	887,771	1,018,926	242,160	242,160
Buildings and improvements	81,932	91,682	146,435	156,912	85,468	82,119
Other long-term assets	25,142	39,159	600	600	0	0
Total long-term farm assets	743,833	814,378	1,034,806	1,176,438	327,627	324,279
Total Farm Assets	2,029,420	2,309,587	2,846,077	2,878,843	1,637,161	2,046,767
Total Nonfarm Assets	160,307	159,483	192,116	187,615	95,014	123,145
Total Assets	2,189,727	2,469,070	3,038,193	3,066,458	1,732,175	2,169,912
Liabilities						
Current Farm Liabilities						
Accrued interest	21,506	19,699	27,367	19,564	12,204	11,065
Accounts payable	81,277	82,846	25,615	17,444	77,889	83,816
Current notes	276,717	239,068	350,485	337,239	306,043	176,428
Government crop loans	0	0	0	0	0	0
Principal due on term debt	67,869	81,829	99,493	113,903	55,826	79,250
Total current farm liabilities	447,369	423,442	502,960	488,149	451,962	350,560
Total intermediate farm liabs	161,142	183,741	175,928	216,044	99,633	124,816
Total long term farm liabilities	402,160	430,649	811,727	916,591	219,761	188,194
Total farm liabilities	1,010,671	1,037,832	1,490,615	1,620,784	771,356	663,570
Total nonfarm liabilities	24,329	18,657	44,357	30,346	6,971	3,279
Total liabilities	1,035,000	1,056,489	1,534,972	1,651,130	778,327	666,849
Net worth (farm and nonfarm)	1,154,727	1,412,580	1,503,221	1,415,328	953,848	1,503,063
Net worth change		257,854		-87,893		549,215
Percent net worth change		22 %		-6 %		58 %
Ratio Analysis						
Current farm liabilities / assets	48 %	37 %	37 %	39 %	47 %	24 %
Intermediate farm liab. / assets	45 %	54 %	39 %	48 %	29 %	46 %
Long term farm liab. / assets	54 %	53 %	78 %	78 %	67 %	58 %
Total debt to asset ratio	47 %	43 %	51 %	54 %	45 %	31 %

Table 51

Balance Sheet at Market Values
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of		Low 25%	High 25%		
	All Farms				Beginning	Ending
Number of farms	24		5		7	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	42,518	61,988	41,085	49,119	2,146	44,629
Prepaid expenses & supplies	109,611	158,409	118,346	102,595	192,231	276,578
Growing crops	18,847	16,653	17,706	11,074	28,750	30,857
Accounts receivable	58,793	123,503	14,645	24,110	25,714	92,826
Hedging accounts	-1,028	35,304	11,323	20,009	-12,611	105,286
Crops held for sale or feed	576,828	609,613	715,496	644,729	721,731	788,165
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	124,360	151,135	443,898	402,501	11,143	113,914
Other current assets	0	0	0	0	0	0
Total current farm assets	929,930	1,156,605	1,362,498	1,254,138	969,104	1,452,255
Intermediate Farm Assets						
Breeding livestock	58,718	35,557	113,301	116,798	103,114	22,593
Machinery and equipment	690,587	754,592	804,998	805,048	678,678	824,161
Titled vehicles	9,416	13,522	0	0	8,643	7,000
Other intermediate assets	124,087	120,701	36,083	37,322	75,275	53,095
Total intermediate farm assets	882,808	924,372	954,382	959,169	865,709	906,848
Long Term Farm Assets						
Farm land	1,933,590	1,994,399	2,494,339	2,633,019	1,035,976	1,065,648
Buildings and improvements	250,371	269,945	574,009	609,160	122,325	120,876
Other long-term assets	66,809	80,826	600	600	0	0
Total long-term farm assets	2,250,769	2,345,170	3,068,948	3,242,779	1,158,301	1,186,524
Total Farm Assets	4,063,508	4,426,147	5,385,828	5,456,086	2,993,115	3,545,627
Total Nonfarm Assets	292,347	257,019	540,182	388,017	158,720	184,681
Total Assets	4,355,854	4,683,167	5,926,011	5,844,103	3,151,834	3,730,308
Liabilities						
Current Farm Liabilities						
Accrued interest	21,506	19,699	27,367	19,564	12,204	11,065
Accounts payable	81,277	82,846	25,615	17,444	77,889	83,816
Current notes	276,717	239,068	350,485	337,239	306,043	176,428
Government crop loans	0	0	0	0	0	0
Principal due on term debt	67,869	81,829	99,493	113,903	55,826	79,250
Total current farm liabilities	447,369	423,442	502,960	488,149	451,962	350,560
Total intermediate farm liabs	161,142	183,741	175,928	216,044	99,633	124,816
Total long term farm liabilities	402,160	430,649	811,727	916,591	219,761	188,194
Total farm liabilities	1,010,671	1,037,832	1,490,615	1,620,784	771,356	663,570
Total nonfarm liabilities	24,329	18,657	44,357	30,346	6,971	3,279
Total liabs excluding deferreds	1,035,000	1,056,489	1,534,972	1,651,130	778,327	666,849
Total deferred liabilities	0	0	0	0	0	0
Total liabilities	1,035,000	1,056,489	1,534,972	1,651,130	778,327	666,849
Retained earnings	1,154,727	1,412,580	1,503,221	1,415,328	953,848	1,503,063
Market valuation equity	2,166,127	2,214,097	2,887,818	2,777,645	1,419,659	1,560,396
Net worth (farm and nonfarm)	3,320,854	3,626,677	4,391,038	4,192,973	2,373,507	3,063,459
Net worth excluding deferreds	3,320,854	3,626,677	4,391,038	4,192,973	2,373,507	3,063,459
Net worth change		305,824		-198,066		689,952
Percent net worth change		9 %		-5 %		29 %
Ratio Analysis						
Current farm liabilities / assets	48 %	37 %	37 %	39 %	47 %	24 %
Intermediate farm liab. / assets	18 %	20 %	18 %	23 %	12 %	14 %
Long term farm liab. / assets	18 %	18 %	26 %	28 %	19 %	16 %
Total debt to asset ratio	24 %	23 %	26 %	28 %	25 %	18 %
Debt to assets excl deferreds	24 %	23 %	26 %	28 %	25 %	18 %

Table 52

Statement Of Cash Flows
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Beginning cash (farm & nonfarm)	43,060	41,085	2,146
Cash Provided By Operating Activities			
Gross cash farm income	1,304,507	1,809,107	1,475,212
Total cash farm expense	-1,081,891	-1,617,618	-1,181,201
Net cash from hedging transactions	-2,723	7,684	-22,483
Cash provided by operating	219,893	199,173	271,528
Cash Provided By Investing Activities			
Sale of breeding livestock	906	-	1,144
Sale of machinery & equipment	12,679	12,690	5,029
Sale of titled vehicles	-	-	-
Sale of farm land	-	-	-
Sale of farm buildings	-	-	-
Sale of other farm assets	36,919	32,870	61,266
Sale of nonfarm assets	10,816	13,646	-
Purchase of breeding livestock	-2,549	-2,780	-1,904
Purchase of machinery & equip.	-143,646	-109,256	-194,679
Purchase of titled vehicles	-	-	-
Purchase of farm land	-38,111	-132,555	-
Purchase of farm buildings	-24,068	-36,718	-4,696
Purchase of other farm assets	-38,591	-35,540	-41,945
Purchase of nonfarm assets	-15,483	-27,287	-
Cash provided by investing	-201,128	-284,930	-175,786
Cash Provided By Financing Activities			
Money borrowed	481,622	916,514	195,982
Principal payments	-459,103	-777,541	-312,249
Personal income	47,439	22,141	143,745
Family living/owner withdrawals	-65,864	-67,020	-81,712
Income and social security tax	-3,102	-	-9,125
Capital contributions	-	-	-
Capital distributions	-3,618	-	-
Dividends paid	-	-	-
Cash gifts and inheritances	23,945	1,255	10,099
Gifts given	-21,158	-1,558	-
Other cash flows	-	-	-
Cash provided by financing	162	93,792	-53,260
Net change in cash balance	18,928	8,034	42,483
Ending cash (farm & nonfarm)	61,988	49,119	44,629

Table 53

Financial Standards Measures
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Liquidity			
Current ratio	2.73	2.57	4.14
Working capital	733,163	765,989	1,101,695
Working capital to gross inc	50.8 %	44.7 %	63.7 %
Solvency (market)			
Farm debt to asset ratio	23 %	30 %	19 %
Farm equity to asset ratio	77 %	70 %	81 %
Farm debt to equity ratio	0.31	0.42	0.23
Profitability (cost)			
Rate of return on farm assets	12.6 %	-0.1 %	23.8 %
Rate of return on farm equity	19.6 %	-5.9 %	36.1 %
Operating profit margin	21.0 %	-0.2 %	25.5 %
Net farm income	275,701	-30,012	458,077
EBIDTA	459,085	172,790	659,634
Repayment Capacity			
Capital debt repayment capacity	424,257	102,710	707,829
Capital debt repayment margin	316,924	-56,340	623,554
Replacement margin	282,722	-88,303	586,882
Term debt coverage ratio	3.95	0.65	8.40
Replacement coverage ratio	3.00	0.54	5.85
Efficiency			
Asset turnover rate (cost)	60.0 %	39.2 %	93.4 %
Operating expense ratio	68.2 %	89.9 %	61.8 %
Depreciation expense ratio	9.3 %	7.4 %	9.8 %
Interest expense ratio	3.5 %	4.9 %	2.0 %
Net farm income ratio	19.1 %	-1.8 %	26.5 %

Table 54

Operator and Labor Information
2008 MI Cash Grain (1200 plus acres)
(Farms Sorted By Rate of Return on Assets - Mkt)

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Operator Information			
Average number of operators	1.6	2.2	1.7
Average age of operators	52.4	54.5	53.2
Average number of years farming	28.9	31.4	29.7
Results Per Operator			
Working capital	463,050	348,177	642,655
Total assets (market)	2,957,789	2,656,410	2,176,013
Total liabilities	667,256	750,514	388,995
Net worth (market)	2,290,533	1,905,897	1,787,018
Net worth excl deferred liabs	2,290,533	1,905,897	1,787,018
Gross farm income	911,590	779,263	1,008,332
Total farm expense	737,463	792,905	741,120
Net farm income from operations	174,127	-13,642	267,212
Net nonfarm income	29,961	10,064	83,852
Family living & tax withdrawals	43,557	30,463	52,988
Total acres owned	445.0	362.6	446.6
Total crop acres	1,141.7	807.8	1,312.0
Crop acres owned	458.2	313.9	538.0
Crop acres cash rented	675.4	465.9	774.0
Crop acres share rented	8.1	28.0	-
Total pasture acres	-	-	-
Labor Analysis			
Number of farms	24	5	7
Total unpaid labor hours	3,896	-	4,031
Total hired labor hours	2,665	-	3,096
Total labor hours per farm	6,561	-	7,127
Unpaid hours per operator	2,468	-	2,016
Value of farm production / hour	194.16	-	212.17
Net farm income / unpaid hour	75.49	-	115.72
Average hourly hired labor wage	19.33	-	17.79
Partnerships & LLCs			
Number of farms	8	2	2
Number of operators	2.4	-	-
Owner withdrawals per farm	-	-	-
Withdrawals per operator	-	-	-

Table 55

Financial Summary

2008 MI Cash Grain (1200 plus acres)

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

	Avg. Of All Farms	Low 25%	High 25%
Number of farms	24	5	7
Income Statement			
Gross cash farm income	1,304,507	1,809,107	1,475,212
Total cash farm expense	1,081,891	1,617,618	1,181,201
Net cash farm income	222,617	191,489	294,011
Inventory change	187,878	-94,504	332,917
Depreciation	-134,794	-126,997	-168,851
Net farm income from operations	275,701	-30,012	458,077
Gain or loss on capital sales	-	-	-
Average net farm income	275,701	-30,012	458,077
Median net farm income	233,796	7,447	474,237
Profitability (cost)			
Rate of return on assets	12.6 %	-0.1 %	23.8 %
Rate of return on equity	19.6 %	-5.9 %	36.1 %
Operating profit margin	21.0 %	-0.2 %	25.5 %
Asset turnover rate	60.0 %	39.2 %	93.4 %
Profitability (market)			
Rate of return on assets	8.4 %	0.7 %	17.8 %
Rate of return on equity	9.5 %	-1.0 %	21.5 %
Operating profit margin	27.3 %	3.2 %	33.8 %
Asset turnover rate	30.7 %	20.7 %	52.6 %
Liquidity & Repayment (end of year)			
Current assets	1,156,605	1,254,138	1,452,255
Current liabilities	423,442	488,149	350,560
Current ratio	2.73	2.57	4.14
Working capital	733,163	765,989	1,101,695
Working capital to gross inc	50.8 %	44.7 %	63.7 %
Term debt coverage ratio	3.95	0.65	8.40
Replacement coverage ratio	3.00	0.54	5.85
Solvency (end of year at cost)			
Number of farms	24	5	7
Total farm assets	2,309,587	2,878,843	2,046,767
Total farm liabilities	1,037,832	1,620,784	663,570
Total assets	2,469,070	3,066,458	2,169,912
Total liabilities	1,056,489	1,651,130	666,849
Net worth	1,412,580	1,415,328	1,503,063
Net worth change	257,854	-87,893	549,215
Farm debt to asset ratio	45 %	56 %	32 %
Total debt to asset ratio	43 %	54 %	31 %
Solvency (end of year at market)			
Number of farms	24	5	7
Total farm assets	4,426,147	5,456,086	3,545,627
Total farm liabilities	1,037,832	1,620,784	663,570
Total assets	4,683,167	5,844,103	3,730,308
Total liabilities	1,056,489	1,651,130	666,849
Net worth	3,626,677	4,192,973	3,063,459
Net worth change	305,824	-198,066	689,952
Farm debt to asset ratio	23 %	30 %	19 %
Total debt to asset ratio	23 %	28 %	18 %
Nonfarm Information			
Net nonfarm income	47,439	22,141	143,745
Crop Acres			
Total acres owned	705	798	766
Total crop acres	1,808	1,777	2,249
Total crop acres owned	725	691	922
Total crop acres cash rented	1,069	1,025	1,327
Total crop acres share rented	13	62	-