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2006
THIRD
QUARTER REPORT
SEPTEMBER 30, 2006

FCBT

FARM CREDIT BANK OF TEXAS

THIRD QUARTER 2006

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October 31, 2006

Management's Discussion and Analysis of Financial Condition and Results of Operations

(dollars in thousands, except as noted)

The following discussion reviews the financial condition and results of operations of the Farm Credit Bank of Texas (bank) for the three and nine months ended September 30, 2006. These comments should be read in conjunction with the accompanying financial statements and footnotes, along with the 2005 Annual Report to shareholders. The accompanying financial statements were prepared under the oversight of the bank's audit committee.

The bank is a member of the Farm Credit System (System), a nationwide network of cooperatively owned financial institutions established by and subject to the provisions of the Farm Credit Act of 1971, as amended, and the regulations of the Farm Credit Administration promulgated thereunder.

The United States is currently served by four Farm Credit Banks (FCBs), each of which has specific regional lending authority within a chartered territory (or district), and by one Agricultural Credit Bank (ACB), which has the lending authority of an FCB within its chartered territory and limited nationwide lending authority. The FCBs and the ACB are collectively referred to as "System banks." The primary purpose of the FCBs is to serve as a source of funding for System associations within its district. The System associations make loans to or for the benefit of eligible borrowers for qualified purposes.

The bank and its related associations collectively are referred to as the Tenth Farm Credit District (district). At September 30, 2006, the bank served 21 district associations and certain other financing institutions.

RESULTS OF OPERATIONS

Net Income

Net income for the three months ended September 30, 2006, was \$17,962, an increase of \$3,748, or 26.4 percent, over the third quarter of 2005. Net income for the nine months ended September 30, 2006, was \$47,617, an increase of \$5,801, or 13.9 percent, over the same period of 2005. The \$3,748 increase in net income for the third quarter of 2006 was due to a \$3,715 increase in net interest income and a \$1,014 increase in noninterest income offset by a \$981 increase in noninterest expenses as compared to 2005.

The increase in net income for the nine months ended September 30, 2006, compared to the same period of 2005 consisted of a \$10,978 increase in net interest income and a \$1,071 increase in noninterest income, offset by a \$2,922 increase in provision for loan losses and a \$3,326 increase in noninterest expenses.

Net Interest Income

Net interest income for the three months ended September 30, 2006, was \$22,231, an increase of \$3,715, or 20.1 percent, from the three months ended September 30, 2005. Net interest income for the nine months ended September 30, 2006, was \$66,792, an increase of \$10,978, or 19.7 percent, over the same period of 2005. The increases in net interest income for the quarter and for the nine months ended September 30, 2006, were attributable to volume increases in the bank's earning assets, offset by decreases in the bank's net interest rate spread. The growth in interest-earning assets for the three and nine months was due to increases in direct loans to district associations and other financing institutions and, to a lesser extent, to increases in the bank's investment portfolio and increases in the bank's capital markets portfolio. Decreases in the interest rate spread for the three months and for the nine months were primarily due to several factors: Competitive lending conditions continued to compress the interest rate spread on the bank's participation portfolio; the average balance of the bank's investment portfolio increased over 2005 as the bank increased the portfolio to increase liquidity, albeit at lower spreads; the bank issued longer-term debt at slightly higher rates in order to manage its interest rate risk profile; and the benefit of the increased value of the bank's equity in a higher interest rate environment was passed on to district associations.

Provision for Loan Losses

The bank recorded provision for loan losses of \$2,578 for the nine months ended September 30, 2006, which represents an increase of \$2,922 from the negative provisions of \$344 recorded for the same period of 2005. The increases resulted from a loss of \$2.8 million related to a loan participated with a district association, offset by recoveries on other loans. The allowance at September 30, 2006, was considered adequate by management to absorb probable losses inherent to its loan portfolio.

Noninterest Income

Noninterest income for the quarter ended September 30, 2006, was \$5,690, reflecting an increase of \$1,014 over the same period of 2005. Noninterest income for the nine months ended September 30, 2006, was \$13,824, reflecting an increase of \$1,071 over the same period of 2005. The increase for the third quarter of 2006 over the same period of 2005 was due mainly to a \$907 gain on the sale of investments by the bank, a \$175 increase in patronage received from Farm Credit System entities, and a \$49 increase in other gains, net, offset by a \$117 decrease in loan-related fee income.

The \$1,071 increase in noninterest income for the nine months ended September 30, 2006, compared to the same period of 2005 was primarily the result of a \$907 gain on the sale of investments by the bank, a \$458 increase in patronage received from other System entities, and a \$301 increase in other income and other gains, net, offset by a \$595 decrease in loan-related fee income.

Noninterest Expense

Noninterest expense for the three and nine months ended September 30, 2006, was \$9,959 and \$30,421, respectively, reflecting increases of \$981 and \$3,326 over the same periods of 2005. The increase for the third quarter was primarily attributable to a \$490 increase in premiums to the Farm Credit System Insurance Corporation (FCSIC or Insurance Fund), a \$432 increase in salaries and employee benefits, a \$193 increase in occupancy and equipment expenses, and a \$419 increase in other operating expenses, offset by a \$548 decrease in intra-System financial assistance expense. Premiums to the Insurance Fund increased due to increases in the premium rates and increases in the loan balances on which they are applied. Salaries and employee benefits increased primarily as a result of increases in compensation rates and related payroll taxes, and increases in pension and retirement expenses, partially offset by a decrease in other employee benefits. The decrease in other employee benefits was attributable to changes in coverage of postretirement plans designed to control costs for those benefits.

The \$3,326 increase in noninterest expense for the nine months ended September 30, 2006, compared to the same period of 2005 was due mainly to a \$1,463 increase in salaries and employee benefits, a \$1,438 increase in premiums to FCSIC, a \$480 increase in occupancy and equipment expenses, and a \$726 increase in other operating expenses, offset by a \$761 decrease in intra-System financial assistance expense. The \$1,463 increase in salaries and employee benefits was primarily due to a \$1,201 increase in compensation and related payroll taxes, and a \$546 increase in contributions to the district defined benefit pension plan, net of a \$284 decrease in other benefits. Other employee benefits decreased due to a \$227 reduction in net periodic postretirement benefit expense resulting from changes in coverage of benefits mentioned above. Premiums to the Insurance Fund increased due to increases in the premium rates and increases in the loan balances on which they are applied. Intra-System financial assistance expense decreased due to the maturity and retirement of all remaining debt issuances during 2005.

Key results of operations comparisons:

	Annualized for the Nine Months Ended 9/30/2006	Annualized for the Nine Months Ended 9/30/2005
Return on average assets	0.53%	0.60%
Return on average shareholders' equity	10.01%	10.85%
Net interest income as a percentage of average earning assets	0.75%	0.81%
Charge-offs, net of recoveries, to average loans	0.04%	0.00%
Operating expenses as a percentage of net interest income and noninterest income	37.77%	38.41%
Operating expenses as a percentage of average earning assets	0.34%	0.38%

FINANCIAL CONDITION*Loan Portfolio*

Gross loan volume at September 30, 2006, was \$9,712,578, reflecting an increase of \$1,231,077, or 14.5 percent, compared to \$8,481,501 at December 31, 2005, and an increase of \$1,689,174, or 21.1 percent, compared to \$8,023,404 at September 30, 2005. The changes are net of the effect of the sale of \$400 million in participations in its direct notes receivable from associations to another Farm Credit entity during 2006. The increases are mainly attributable to retail loan growth at district associations, which are primarily funded through direct notes payable to the bank, and, to a lesser extent, to increases in the bank's capital markets loan portfolio. Overall credit quality remained strong, with loans classified under the Farm Credit Administration's Uniform Loan Classification System as "acceptable" or "other assets especially mentioned" at 99.9 percent of total loans and accrued interest at September 30, 2006, compared to 99.5 percent and 99.7 percent at December 31, 2005, and September 30, 2005, respectively.

Comparative balances of high-risk assets follow:

	September 30, 2006	Increase (Decrease)		December 31, 2005
		\$	%	
Nonaccrual loans	\$ 4,070	\$ 528	14.91 %	\$ 3,542
Formally restructured loans	909	1	0.11	908
Loans 90 days past due and still accruing interest	137	(10)	(6.80)	147
Total high-risk assets	\$ 5,116	\$ 519	11.29 %	\$ 4,597

Impaired loans, consisting of nonaccrual loans, formally restructured loans and loans 90 days or more past due and still accruing interest, constituted 0.1 percent of gross loans both at September 30, 2006, and December 31, 2005.

At September 30, 2006, the allowance for loan losses was \$142, equating to less than 0.01 percent of total loans outstanding, and 0.01 percent of participation loans outstanding, and was considered by management to be adequate to absorb estimated losses inherent in the loan portfolio at that date.

Liquidity and Funding Sources

As of September 30, 2006, the bank exceeded the minimum permanent capital, core surplus, total surplus and net collateral ratio requirements under Farm Credit Administration regulations. At September 30, 2006, the bank's permanent capital ratio was 14.16 percent, core surplus was 7.04 percent, total surplus was 11.99 percent and the net collateral ratio was 105.45 percent. Cash and investment securities totaled \$2,970,777, or

23.3 percent, of total assets at September 30, 2006, compared to \$2,744,712, or 24.3 percent, at December 31, 2005, reflecting an increase of \$226,065, or 8.2 percent. Investment securities at September 30, 2006, included \$2,927,701 in investments classified as available-for-sale and \$31,993 in investments classified as held-to-maturity. In September 2006, the bank sold investments with a book value of \$106,821 for a gain of \$907. The sale was made for capital management purposes. The held-to-maturity investments consist of commercial paper purchased by the bank under its similar entity lending authority with contractual maturities of less than 30 days. Similar entities are entities with operations that are functionally similar to the activities of borrowers eligible to borrow from a Farm Credit bank or association. The held-to-maturity investment portfolio, which is recorded at its cost less amortized discounts, had unrecognized losses of \$5 at September 30, 2006. Interest-bearing liabilities, consisting of bonds and notes, increased by \$1,411,161, or 13.4 percent, in order to fund the increases in loan volume and investments previously discussed.

Capital Resources

Total shareholders' equity at September 30, 2006, totaled \$661,826, an increase of \$37,519 from December 31, 2005. The increase is primarily the result of net income of \$47,617, a decrease in unrealized losses on investment securities of \$4,786, dividends paid on preferred stock totaling \$7,561, patronage distributions of \$5,051, a retirement of allocated surplus of \$1,225, and a decrease in unrealized gains on cash flow derivatives of \$1,047. The changes in unrealized losses on investment securities were due primarily to changes in the market value of fixed rate mortgage-backed securities, whose values have changed as interest rates have fluctuated during the period. The decrease in unrealized gains on cash flow derivatives was due to the expiration of the remaining cash flow derivatives during the period.

Key financial condition comparisons:

	<u>September 30, 2006</u>	<u>December 31, 2005</u>
Total shareholders' equity to total assets	5.19%	5.53%
Total liabilities to shareholders' equity	18.28:1	17.08:1
Allowance for loan losses to total loans	< 0.01%	< 0.01%

OTHER

Prospective Accounting Changes

On September 30, 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 158 – Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans. The Standard requires an employer to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its statement of financial position and recognize changes in that funded status in the year in which the changes occur through comprehensive income. The Standard is effective for employers with publicly traded securities for the fiscal year ending after December 15, 2006 and for employers without publicly traded securities for the fiscal year ending after June 15, 2007. The bank will be required to implement the Standard for the year ended December 31, 2007. In addition, this Standard requires that the funded status of a plan be measured as of the date of the year-end financial statements. Currently, the bank uses a measurement date of September 30th. The requirement to measure the funded status as of the fiscal year-end is effective for fiscal years ending after December 15, 2008. The bank is currently evaluating the impact of implementing this Standard. It is anticipated that the implementation of this Standard will have no impact on the income statement and, based on the current funded status of the defined benefit plans, it is not expected to have a material or significant impact on the balance sheet.



Larry R. Doyle
Chief Executive Officer



Ralph W. Cortese
Chairman of the Board

Balance Sheets

(dollars in thousands)	September 30, 2006 (Unaudited)	December 31, 2005
Assets		
Cash	\$ 11,083	\$ 4,392
Federal funds sold and securities purchased under resale agreements	139,659	42,444
Investment securities	2,820,035	2,697,876
Loans	9,712,578	8,481,501
Less allowance for loan losses	142	142
Net loans	9,712,436	8,481,359
Accrued interest receivable	60,694	43,994
Premises and equipment, net	2,424	2,489
Other assets	16,791	12,234
Total assets	\$ 12,763,122	\$ 11,284,788
Liabilities and shareholders' equity		
Liabilities		
Bonds and notes, net	\$ 11,974,439	\$ 10,563,278
Accrued interest payable	99,362	60,113
Other liabilities	27,495	37,090
Total liabilities	12,101,296	10,660,481
Commitments and contingent liabilities (Note 3)		
Shareholders' equity		
Preferred stock, net	200,000	200,000
Capital stock	135,390	135,390
Allocated retained earnings	7,518	8,742
Unallocated retained earnings	341,309	306,305
Accumulated other comprehensive loss	(22,391)	(26,130)
Total shareholders' equity	661,826	624,307
Total liabilities and shareholders' equity	\$ 12,763,122	\$ 11,284,788

The accompanying notes are an integral part of these financial statements.

Statements of Income

(unaudited)

	Quarter Ended September 30,		Nine Months Ended September 30,	
(dollars in thousands)	2006	2005	2006	2005
Interest Income				
Investment securities	\$ 39,520	\$ 19,305	\$ 104,689	\$ 51,841
Loans	138,116	83,658	366,297	218,165
Total interest income	177,636	102,963	470,986	270,006
Interest Expense				
Bonds and notes	155,405	84,447	404,194	214,192
Net interest income	22,231	18,516	66,792	55,814
Provision (negative provision) for loan losses	-	-	2,578	(344)
Net interest income after provision for loan losses	22,231	18,516	64,214	56,158
Noninterest Income				
Fees for services to associations	2,406	2,181	6,713	6,475
Loan-related fees	1,810	1,927	4,212	4,807
Gain from sale of investment securities	907	-	907	-
Miscellaneous income, net	567	568	1,992	1,471
Total noninterest income	5,690	4,676	13,824	12,753
Noninterest Expense				
Salaries and employee benefits	4,455	4,023	15,580	14,117
Occupancy and equipment	1,212	1,019	3,373	2,893
Insurance Fund premiums	658	168	1,793	355
Gains on other property owned, net	(5)	-	(25)	(5)
Intra-System financial assistance expenses	-	548	-	761
Other operating expenses	3,639	3,220	9,700	8,974
Total noninterest expense	9,959	8,978	30,421	27,095
Net Income	\$ 17,962	\$ 14,214	\$ 47,617	\$ 41,816

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Shareholders' Equity

(unaudited)

(dollars in thousands)	Preferred Stock	Capital Stock	Allocated Retained Earnings	Unallocated Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Shareholders' Equity
Balance at December 31, 2004	\$ 100,000	\$ 118,323	\$ 9,980	\$ 280,686	\$ (7,558)	\$ 501,431
Comprehensive income						
Net income	-	-	-	41,816	-	41,816
Unrealized net losses on investment securities	-	-	-	-	(13,920)	(13,920)
Unrealized net gains on cash flow derivatives	-	-	-	-	39	39
Total comprehensive loss	-	-	-	41,816	(13,881)	27,935
Capital stock issued	-	528	-	-	-	528
Preferred stock issued	100,000	-	-	-	-	100,000
Premium received on preferred stock net of issuance costs	-	-	-	6,792	-	6,792
Preferred stock dividends paid	-	-	-	(3,780)	-	(3,780)
Patronage distributions						
Cash	-	-	-	(3,353)	-	(3,353)
Balance at September 30, 2005	<u>\$ 200,000</u>	<u>\$ 118,851</u>	<u>\$ 9,980</u>	<u>\$ 322,161</u>	<u>\$ (21,439)</u>	<u>\$ 629,553</u>
Balance at December 31, 2005	\$ 200,000	\$ 135,390	\$ 8,742	\$ 306,305	\$ (26,130)	\$ 624,307
Comprehensive income						
Net income	-	-	-	47,617	-	47,617
Net change in unrealized net losses on investment securities	-	-	-	-	4,786	4,786
Net change in unrealized gains on cash flow derivatives	-	-	-	-	(1,047)	(1,047)
Total comprehensive income	-	-	-	47,617	3,739	51,356
Capital stock retired	-	-	(1,225)	-	-	(1,225)
Preferred stock dividends paid	-	-	-	(7,561)	-	(7,561)
Patronage distributions						
Cash	-	-	-	(5,051)	-	(5,051)
Shareholders' equity	-	-	1	(1)	-	-
Balance at September 30, 2006	<u>\$ 200,000</u>	<u>\$ 135,390</u>	<u>\$ 7,518</u>	<u>\$ 341,309</u>	<u>\$ (22,391)</u>	<u>\$ 661,826</u>

The accompanying notes are an integral part of these financial statements.

Statements of Cash Flows

(unaudited)

(dollars in thousands)	Nine Months Ended September 30,	
	2006	2005
Operating activities		
Net income	\$ 47,617	\$ 41,816
Reconciliation of net income to net cash provided by operating activities		
Provision (negative provision) for loan losses	2,578	(344)
Depreciation and amortization on premises and equipment	590	482
Accretion of net discount on loans	(116)	(226)
Amortization and accretion on debt instruments	39,672	18,178
Amortization of net (premium) discount on investment securities	(10,496)	3,975
Gain on sale of investment securities	(907)	-
Gains on other property owned, net	25	13
Losses from sales of premises and equipment	12	5
Increase in accrued interest receivable	(16,700)	(12,051)
(Increase) decrease in other assets	(4,174)	2,712
Increase in accrued interest payable	39,249	19,110
(Decrease) increase in other liabilities	(2,749)	4,020
Net cash provided by operating activities	94,601	77,690
Investing activities		
Net increase in federal funds sold and securities purchased under resale agreements	(97,215)	(26,391)
Investment securities		
Purchases	(4,988,677)	(2,651,612)
Proceeds from maturities, calls and prepayments	4,774,893	2,301,955
Proceeds from sales of investment securities	107,814	-
Increase in loans, net	(1,633,564)	(1,204,708)
Proceeds from sales of loans	400,000	100,000
Proceeds from sales of premises and equipment	59	86
Expenditures for premises and equipment	(596)	(704)
Net cash used in investing activities	(1,437,286)	(1,481,374)
Financing activities		
Bonds and notes issued	20,325,269	18,377,975
Bonds and notes retired	(18,962,056)	(17,075,408)
Preferred stock issued, net of expenses	-	106,792
Capital stock issued	-	528
Capital stock retired and allocated retained earnings distributed	(1,225)	-
Cash dividends on preferred stock	(7,561)	(3,780)
Cash patronage distributions paid	(5,051)	(3,353)
Net cash provided by financing activities	1,349,376	1,402,754
Net increase (decrease) in cash	6,691	(930)
Cash at beginning of year	4,392	3,614
Cash at end of quarter	\$ 11,083	\$ 2,684
Supplemental schedule of noncash investing and financing activities		
Net decrease (increase) in unrealized losses on investment securities	\$ 4,786	\$ (13,920)
Supplemental schedule of noncash changes in fair value related to hedging activities		
(Decrease) increase in bonds and notes	\$ (6,846)	\$ 2,015
Supplemental information		
Interest paid	\$ 373,910	\$ 193,378

The accompanying notes are an integral part of these financial statements.

Notes to Financial Statements

Unaudited (dollar amounts in thousands unless otherwise noted)

NOTE 1 — ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements include the accounts of the Farm Credit Bank of Texas (bank). The significant accounting policies followed and the financial condition and results of operations of the bank as of and for the year ended December 31, 2005, are contained in the 2005 Annual Report to shareholders (Annual Report). These unaudited third quarter 2006 financial statements should be read in conjunction with the Annual Report.

On September 30, 2006, the Financial Accounting Standards Board issued Statement of Financial Accounting Standards No. 158 – Employers’ Accounting for Defined Benefit Pension and Other Postretirement Plans. The Standard requires an employer to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its statement of financial position and recognize changes in that funded status in the year in which the changes occur through comprehensive income. The Standard is effective for employers with publicly traded securities for the fiscal year ending after December 15, 2006 and for employers without publicly traded securities for the fiscal year ending after June 15, 2007. The bank will be required to implement the Standard for the year ended December 31, 2007. In addition, this Standard requires that the funded status of a plan be measured as of the date of the year-end financial statements. Currently, the bank uses a measurement date of September 30th. The requirement to measure the funded status as of the fiscal year-end is effective for fiscal years ending after December 15, 2008. The bank is currently evaluating the impact of implementing this Standard. It is anticipated that the implementation of this Standard will have no impact on the income statement and, based on the current funded status of the defined benefit plans, it is not expected to have a material or significant impact on the balance sheet.

The accompanying financial statements contain all adjustments necessary for a fair presentation of the interim financial condition and results of operations of the bank, and conform to generally accepted accounting principles. The preparation of these financial statements required the use of management’s estimates. The results of operations for any interim period are not necessarily indicative of the results to be expected for the entire year.

The bank is part of the Tenth Farm Credit District (district), which is part of the federally chartered Farm Credit System (System). The bank provides funding to district associations, which, in turn, provide credit to their borrower-shareholders. At September 30, 2006, the bank served 21 district associations and certain other financing institutions.

NOTE 2 — ALLOWANCE FOR LOAN LOSSES

An analysis of the allowance for loan losses follows:

	Nine Months Ended September 30,	
	2006	2005
Balance at beginning of period	\$ 142	\$ 239
Provision for loan losses	2,578	(344)
Loans charged off	(2,834)	-
Recoveries	256	247
Balance at end of period	<u>\$ 142</u>	<u>\$ 142</u>

NOTE 3 — COMMITMENTS AND CONTINGENT LIABILITIES

The bank is primarily liable for its portion of systemwide debt obligations. Additionally, the bank is jointly and severally liable for the consolidated systemwide bonds and notes of the other System banks. Total consolidated bank and systemwide obligations of the System at September 30, 2006, were approximately \$126.1 billion.

Other actions are pending against the bank in which claims for monetary damages are asserted. Upon the basis of current information, management and legal counsel are of the opinion that the ultimate liability, if any, resulting therefrom will not be material in relation to the financial position or results of operations of the bank.

NOTE 4 — EMPLOYEE BENEFIT PLANS

The following table summarizes the components of net periodic benefit cost for nonpension postretirement benefit cost for the quarter ended:

	September 30,	
	2006	2005
Service cost	\$ 165	214
Interest cost	284	433
Expected return on plan assets	-	(1)
Amortization of prior service costs	(254)	(115)
Amortization of net loss	(2)	2
Net periodic benefit cost	<u>\$ 193</u>	<u>\$ 533</u>

The structure of the district's defined benefit plan is characterized as multi-employer, since neither the assets, liabilities, nor cost of the plan is segregated or separately accounted for by participating employers (bank and associations).

NOTE 5 — COMBINED ASSOCIATION FINANCIAL DATA

Condensed financial information for the associations follows. All significant transactions and balances between the associations are eliminated in combination. The multi-employer structure of certain of the district's retirement and benefit plans results in the recording of these plans only in the district's combined financial statements.

Balance sheet data	September 30, 2006	December 31, 2005
Cash	\$ 31,583	47,455
Loans	10,036,535	8,774,807
Less allowance for loan losses	12,354	9,391
Net loans	10,024,181	8,765,416
Accrued interest receivable	204,040	129,467
Other property owned, net	1,473	3,902
Other assets	196,962	186,512
Total assets	<u>\$ 10,458,239</u>	<u>\$ 9,132,752</u>
Bonds and notes	\$ 8,652,387	\$ 7,430,075
Other liabilities	173,640	191,082
Total liabilities	8,826,027	7,621,157
Capital stock and participation certificates	60,057	75,593
Retained earnings	1,572,155	1,436,002
Total members' equity	1,632,212	1,511,595
Total liabilities and members' equity	<u>\$ 10,458,239</u>	<u>\$ 9,132,752</u>

Statement of income data	Nine Months Ended September 30,	
	2006	2005
Interest income	\$ 522,468	\$ 379,487
Interest expense	305,059	186,307
Net interest income	217,409	193,180
Provision for loan losses	4,003	695
Net interest income after provision		
for loan losses	213,406	192,485
Noninterest income	38,200	23,150
Intra-System financial assistance expense	-	1,144
Other expense	102,039	87,836
Provision for income taxes	603	464
Net income	<u>\$ 148,964</u>	<u>\$ 126,191</u>