

**2016 Michigan Preliminary Cash
Grain Business
Analysis Summary**

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By

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Table 1

Crop Production and Marketing Summary

2016 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	52	13	13
Acreage Summary			
Total acres owned	480	452	341
Total crop acres	937	939	1,004
Crop acres owned	497	386	479
Crop acres cash rented	439	554	526
Crop acres share rented	1	-	-
Total pasture acres	17	3	36
Percent crop acres owned	53 %	41 %	48 %
Mach invest/crop acre cost	661	574	653
Mach invest/crop acre market	865	695	942
Average Price Received (Cash Sales Only)			
Soybeans per bushel	8.84	9.82	8.55
Corn per bushel	4.07	4.12	4.20
Wheat, Winter per bushel	4.34	4.06	-
Straw per ton	45.11	-	-

Table 2

Farm Income Statement
2016 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	52	13	13
Cash Farm Income			
Beans, Black Turtle	7,523	-	27,944
Beans, Cranberry	4,176	-	15,511
Beans, Green	1,605	6,421	-
Beans, Navy	2,250	8,311	-
Beans, Pinto	867	-	-
Beans, Small Red	3,106	-	-
Canola	150	602	-
Corn	174,706	176,656	219,230
Corn Silage	1,033	-	3,729
Corn, Seed	22,285	16,622	-
Cucumbers	8,000	-	29,713
Hay, Alfalfa	5,733	5,334	14,751
Haylage, Alfalfa	6,582	-	24,446
Oats	73	247	-
Potatoes	10,896	43,584	-
Soybeans	165,986	142,881	164,778
Straw	2,464	2,405	3,918
Sugar Beets	2,059	7,274	892
Wheat, Spring	1,226	-	-
Wheat, Winter	21,955	17,025	5,952
Miscellaneous crop income	292	12	4
Beef Bulls	46	-	172
Beef Cow-Calf, Beef Calves	13,200	17,024	22,146
Beef Backgrounding	260	1,041	-
Beef Finishing	20,241	22,766	5,741
Dairy, Dairy Calves	78	311	-
Dairy Heifers (for sale)	18,808	-	-
Dairy Replacement Heifers	15,014	60,055	-
Dairy Finishing	9,189	754	-
Sheep, Feeder Lamb Prod, Fdr Lambs	712	-	1,169
Sheep, Market Lamb Prod, Mkt Lambs	2,805	2,537	-
Goats, Meat, Meat Goats	46	184	-
Cull breeding livestock	15,541	9,907	25,131
LDP payments	547	-	210
Crop government payments	39,188	34,893	42,925
CRP payments	143	-	-
Livestock govt payments	1,444	581	-
Other government payments	1,794	26	6,337
Custom work income	17,883	10,171	33,511
Patronage dividends, cash	3,060	3,150	2,174
Crop insurance income	3,982	2,004	845
Property insurance income	152	-	-
Sale of resale items	9,128	-	33,904

Other farm income	52,375	12,729	36,408
Gross Cash Farm Income	759,204	868,853	778,479

Table 2

Farm Income Statement (continued)

2016 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	52	13	13
Cash Farm Expense			
Seed	68,596	66,680	70,538
Fertilizer	80,035	81,828	93,019
Crop chemicals	38,441	39,071	47,388
Non-chemical crop protect	1,000	-	-
Crop insurance	8,212	5,557	13,595
Drying expense	3,051	3,481	1,442
Storage	351	319	-
Irrigation energy	1,744	2,315	47
Crop packaging and supplies	668	438	55
Crop custom hire	1,237	2,290	2,467
Repair, irrigation equip	696	-	-
Crop hauling and trucking	951	328	68
Crop marketing	2,787	3,537	2,497
Crop miscellaneous	1,371	969	1,218
Consultants	512	619	-
Feeder livestock purchase	20,584	52,964	1,846
Purchased feed	42,276	114,921	7,187
Breeding fees	543	556	285
Veterinary	2,876	4,386	1,067
Livestock supplies	10,199	17,157	3,059
Livestock hauling and trucking	541	1,264	-
Livestock marketing	3,301	9,059	263
Bedding	529	-	-
Livestock miscellaneous	825	3,299	-
Interest	24,783	31,952	19,226
Packaging and supplies	989	-	3,672
Supplies	2,808	-	4,204
Fuel & oil	22,503	24,225	25,318
Repairs	22,615	30,210	34,093
Repair, machinery	27,849	22,177	29,334
Custom hire	16,408	19,761	9,922
Repair, buildings	3,627	3,792	656
Hired labor	48,882	49,032	51,613
Land rent	80,760	118,887	81,592
Machinery leases	4,940	7,555	5,510
Building leases	2,429	9,717	-
Real estate taxes	12,800	7,940	12,772
Personal property taxes	427	371	374
Farm insurance	18,008	16,386	18,662
Utilities	15,754	19,699	13,526
Dues & professional fees	6,743	5,443	8,305
Purchase of resale items	8,501	-	31,575
Miscellaneous	27,683	19,404	9,336

Total cash expense	639,834	797,591	605,731
Net cash farm income	119,370	71,261	172,748
Inventory Changes			
Prepays and supplies	-3,729	-9,745	33,187
Accounts receivable	811	-631	6,496
Hedging accounts	-2,382	3,525	-100
Other current assets	-2,235	-1,509	-6,018
Crops and feed	18,509	-32,618	19,148
Market livestock	-11,222	-15,292	-2,511
Breeding livestock	-2,684	-4,304	-3,586
Other assets	2,723	-782	3,992
Accounts payable	224	5,357	-1,471
Accrued interest	-3,364	1,853	-4,734
Total inventory change	-3,350	-54,145	44,402
Net operating profit	116,020	17,116	217,150
Depreciation			
Machinery and equipment	-38,583	-39,629	-40,592
Titled vehicles	-2,106	-1,115	-2,653
Buildings and improvements	-12,978	-7,387	-19,471
Total depreciation	-53,667	-48,132	-62,715
Net farm income from operations	62,353	-31,016	154,435
Gain or loss on capital sales	-	-	-
Net farm income	62,353	-31,016	154,435

Table 3

Inventory Changes
2016 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	52	13	13
Net cash farm income	119,370	81,067	172,748
Crops and Feed			
Ending inventory	358,381	280,274	384,203
Beginning inventory	339,872	315,351	365,056
Inventory change	18,509	-35,076	19,148
Market Livestock			
Ending inventory	63,818	130,265	31,066
Beginning inventory	75,040	146,230	33,577
Inventory change	-11,222	-15,965	-2,511
Accts Receivable			
Ending inventory	73,421	49,736	162,081
Beginning inventory	72,610	52,678	155,586
Inventory change	811	-2,943	6,496
Prepaid Expenses and Supplies			
Ending inventory	92,273	78,364	115,255
Beginning inventory	96,003	89,493	82,068
Inventory change	-3,729	-11,129	33,187
Hedging Activities			
Ending inventory	2,242	8,231	1,071
Withdrawals	4,233	17,092	1,071
Beginning inventory	1,378	4,449	1,071
Deposits	7,479	17,055	1,171
Gain or loss	-2,382	3,819	-100
Other Current Assets			
Ending inventory	21,334	11,773	33,936
Beginning inventory	23,569	13,290	39,955
Inventory change	-2,235	-1,517	-6,018
Breeding Livestock			
Ending inventory	46,963	62,012	50,487
Capital sales	906	1,255	-
Beginning inventory	49,101	64,446	53,436
Capital purchases	1,453	3,483	636
Depreciation, capital adjust	-2,684	-4,663	-3,586
Other Capital Assets			
Ending inventory	34,073	34,124	17,530
Capital sales	26,773	2,206	16,395
Beginning inventory	39,716	35,175	21,101
Capital purchases	18,407	1,998	8,831
Depreciation, capital adjust	2,723	-843	3,992
Accounts Payable			
Beginning inventory	16,452	26,561	8,212
Ending inventory	16,228	20,207	9,683
Inventory change	224	6,353	-1,471
Accrued Interest			
Beginning inventory	5,525	4,610	5,903
Ending inventory	8,889	2,602	10,637
Inventory change	-3,364	2,007	-4,734
Total inventory change	-3,350	-59,956	44,402
Net operating profit	116,020	21,111	217,150

Table 4

Depreciation

2016 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	52	13	13
Net operating profit	116,020	21,111	217,150
Machinery and Equipment			
Ending inventory	595,401	554,451	641,316
Capital sales	5,431	6,570	6,609
Beginning inventory	578,952	553,951	597,067
Capital purchases	60,464	49,392	91,449
Depreciation, capital adjust.	-38,583	-42,322	-40,592
Titled Vehicles			
Ending inventory	32,159	22,750	35,854
Capital sales	-	-	-
Beginning inventory	31,196	23,958	37,400
Capital purchases	3,069	-	1,107
Depreciation, capital adjust.	-2,106	-1,208	-2,653
Buildings and Improvements			
Ending inventory	275,796	242,211	210,045
Capital sales	311	-	93
Beginning inventory	259,273	246,340	177,177
Capital purchases	29,811	3,177	52,432
Depreciation, capital adjust.	-12,978	-7,306	-19,471
Total depreciation, capital adj.	-53,667	-50,837	-62,715
Net farm income from operations	62,353	-29,725	154,435
Gain or loss on capital sales	-	-	-
Net farm income	62,353	-29,725	154,435

Table 5

Profitability Measures
2016 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	52	13	13
Profitability (assets valued at cost)			
Net farm income from operations	62,353	-29,725	154,435
Rate of return on assets	0.9 %	-4.9 %	5.1 %
Rate of return on equity	-0.3 %	-11.4 %	5.5 %
Operating profit margin	3.3 %	-14.1 %	15.9 %
Asset turnover rate	28.2 %	34.8 %	32.4 %
Farm interest expense	28,147	29,069	23,960
Value of operator lbr and mgmt.	67,690	97,121	58,404
Return on farm assets	22,809	-97,778	119,992
Average farm assets	2,454,619	1,999,589	2,333,746
Return on farm equity	-5,338	-126,846	96,031
Average farm equity	1,661,447	1,108,152	1,739,962
Value of farm production	692,400	695,273	756,843
	Avg. Of All Farms	Low 25%	High 25%
Number of farms	52	13	13
Profitability (assets valued at market)			
Net farm income from operations	89,919	-76,842	272,445
Rate of return on assets	1.4 %	-4.8 %	7.0 %
Rate of return on equity	0.8 %	-8.2 %	7.6 %
Operating profit margin	7.3 %	-20.8 %	31.4 %
Asset turnover rate	18.6 %	23.0 %	22.1 %
Farm interest expense	28,147	29,069	23,960
Value of operator lbr and mgmt.	67,690	97,121	58,404
Return on farm assets	50,376	-144,895	238,002
Average farm assets	3,720,505	3,019,672	3,421,525
Return on farm equity	22,228	-173,963	214,042
Average farm equity	2,908,593	2,128,235	2,826,793
Value of farm production	692,400	695,273	756,843

Table 6

Liquidity & Repayment Capacity Measures
2016 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	52	13	13
Liquidity			
Current ratio	2.61	1.91	4.43
Working capital	413,521	291,396	630,446
Working capital to gross inc	54.1 %	33.5 %	79.1 %
Current assets	670,242	610,960	814,248
Current liabilities	256,722	319,564	183,802
Gross revenues (accrual)	763,761	869,698	797,452
Repayment capacity			
Net farm income from operations	62,353	-29,725	154,435
Depreciation	53,667	50,837	62,715
Personal income	65,019	180,346	19,031
Family living/owner withdrawals	-78,395	-204,815	-47,929
Cash discrepancy	0	0	0
Payments on personal debt	-2,358	-274	-6,049
Income taxes paid	-11,226	-1,339	-19,882
Interest on term debt	21,299	19,799	11,720
Capital debt repayment capacity	110,359	14,828	174,041
Scheduled term debt payments	-87,888	-110,840	-55,716
Capital debt repayment margin	22,471	-96,012	118,325
Cash replacement allowance	-44,926	-16,047	-68,705
Replacement margin	-22,455	-112,059	49,620
Term debt coverage ratio	1.26	0.13	3.12
Replacement coverage ratio	0.83	0.12	1.40

Table 7

Balance Sheet at Cost Values
2016 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	52		13		13	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	45,760	58,774	41,376	52,318	68,194	86,634
Prepaid expenses & supplies	96,003	92,273	89,493	78,364	82,068	115,255
Growing crops	15,945	14,908	12,775	11,258	19,692	18,140
Accounts receivable	72,610	73,421	52,678	49,736	155,586	162,081
Hedging accounts	1,378	2,242	4,449	8,231	1,071	1,071
Crops held for sale or feed	339,872	358,381	315,351	280,274	365,056	384,203
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	75,040	63,818	146,230	130,265	33,577	31,066
Other current assets	7,623	6,425	515	515	20,263	15,796
Total current farm assets	654,231	670,242	662,866	610,960	745,506	814,248
Intermediate Farm Assets						
Breeding livestock	49,101	46,963	64,446	62,012	53,436	50,487
Machinery and equipment	578,952	595,401	553,951	554,451	597,067	641,316
Titled vehicles	31,196	32,159	23,958	22,750	37,400	35,854
Other intermediate assets	24,083	20,241	33,398	32,198	16,815	13,244
Total intermediate farm assets	683,331	694,765	675,754	671,411	704,718	740,900
Long Term Farm Assets						
Farm land	783,736	858,400	438,058	447,878	601,390	664,936
Buildings and improvements	259,273	275,796	246,340	242,211	177,177	210,045
Other long-term assets	15,633	13,831	1,777	1,926	4,286	4,286
Total long-term farm assets	1,058,642	1,148,028	686,174	692,014	782,853	879,267
Total Farm Assets	2,396,204	2,513,035	2,024,794	1,974,385	2,233,078	2,434,414
Total Nonfarm Assets	296,061	321,439	129,655	118,501	371,887	425,433
Total Assets	2,692,265	2,834,474	2,154,449	2,092,886	2,604,965	2,859,848
Liabilities						
Current Farm Liabilities						
Accrued interest	5,525	8,889	4,610	2,602	5,903	10,637
Accounts payable	16,452	16,228	26,561	20,207	8,212	9,683
Current notes	152,309	164,560	193,433	225,318	129,594	125,129
Government crop loans	0	0	0	0	0	0
Principal due on term debt	66,589	67,045	91,041	71,436	43,996	38,353
Total current farm liabilities	240,874	256,722	315,644	319,564	187,705	183,802
Total intermediate farm liabs	117,608	110,841	163,058	150,325	107,373	89,966
Total long term farm liabilities	394,645	465,655	406,228	428,057	254,745	363,978
Total farm liabilities	753,126	833,218	884,930	897,945	549,822	637,746
Total nonfarm liabilities	35,929	31,856	7,225	8,170	88,766	80,727
Total liabilities	789,055	865,074	892,154	906,115	638,588	718,473
Net worth (farm and nonfarm)	1,903,210	1,969,400	1,262,295	1,186,771	1,966,377	2,141,375
Net worth change		66,190		-75,523		174,998
Percent net worth change		3 %		-6 %		9 %
Ratio Analysis						
Current farm liabilities / assets	37 %	38 %	48 %	52 %	25 %	23 %
Intermediate farm liab. / assets	17 %	16 %	24 %	22 %	15 %	12 %
Long term farm liab. / assets	37 %	41 %	59 %	62 %	33 %	41 %
Total debt to asset ratio	29 %	31 %	41 %	43 %	25 %	25 %

Table 8

Balance Sheet at Market Values
2016 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	52		13		13	
	Beginning	Ending	Beginning	Ending	Beginning	Ending
Assets						
Current Farm Assets						
Cash and checking balance	45,760	58,774	41,376	52,318	68,194	86,634
Prepaid expenses & supplies	96,003	92,273	89,493	78,364	82,068	115,255
Growing crops	15,945	14,908	12,775	11,258	19,692	18,140
Accounts receivable	72,610	73,421	52,678	49,736	155,586	162,081
Hedging accounts	1,378	2,242	4,449	8,231	1,071	1,071
Crops held for sale or feed	339,872	358,381	315,351	280,274	365,056	384,203
Crops under government loan	0	0	0	0	0	0
Market livestock held for sale	75,040	63,818	146,230	130,265	33,577	31,066
Other current assets	7,623	6,425	515	515	20,263	15,796
Total current farm assets	654,231	670,242	662,866	610,960	745,506	814,248
Intermediate Farm Assets						
Breeding livestock	52,923	45,622	81,113	56,053	53,436	50,487
Machinery and equipment	757,249	769,033	664,343	645,837	853,956	898,755
Titled vehicles	46,807	47,320	27,058	25,725	69,664	69,297
Other intermediate assets	26,435	22,035	41,172	37,552	17,973	14,402
Total intermediate farm assets	883,414	884,011	813,685	765,168	995,029	1,032,940
Long Term Farm Assets						
Farm land	1,783,472	1,894,875	1,305,584	1,313,107	1,314,135	1,494,480
Buildings and improvements	286,723	305,040	261,157	256,204	204,550	237,162
Other long-term assets	40,380	38,621	25,143	25,471	2,500	2,500
Total long-term farm assets	2,110,576	2,238,536	1,591,884	1,594,782	1,521,185	1,734,142
Total Farm Assets	3,648,221	3,792,790	3,068,435	2,970,909	3,261,720	3,581,329
Total Nonfarm Assets	523,777	563,951	153,443	139,290	543,354	594,314
Total Assets	4,171,997	4,356,741	3,221,878	3,110,199	3,805,075	4,175,644
Liabilities						
Current Farm Liabilities						
Accrued interest	5,525	8,889	4,610	2,602	5,903	10,637
Accounts payable	16,452	16,228	26,561	20,207	8,212	9,683
Current notes	152,309	164,560	193,433	225,318	129,594	125,129
Government crop loans	0	0	0	0	0	0
Principal due on term debt	66,589	67,045	91,041	71,436	43,996	38,353
Total current farm liabilities	240,874	256,722	315,644	319,564	187,705	183,802
Total intermediate farm liabs	117,608	110,841	163,058	150,325	107,373	89,966
Total long term farm liabilities	394,645	465,655	406,228	428,057	254,745	363,978
Total farm liabilities	753,126	833,218	884,930	897,945	549,822	637,746
Total nonfarm liabilities	35,929	31,856	7,225	8,170	88,766	80,727
Total liabs excluding deferreds	789,055	865,074	892,154	906,115	638,588	718,473
Total deferred liabilities	18,962	19,275	0	0	816	1,079
Total liabilities	808,017	884,350	892,154	906,115	639,404	719,551
Retained earnings	1,903,210	1,969,400	1,262,295	1,186,771	1,966,377	2,141,375
Market valuation equity	1,460,770	1,502,992	1,067,430	1,017,313	1,199,294	1,314,717
Net worth (farm and nonfarm)	3,363,980	3,472,392	2,329,724	2,204,084	3,165,671	3,456,092
Net worth excluding deferreds	3,382,942	3,491,667	2,329,724	2,204,084	3,166,487	3,457,171
Net worth change		108,412		-125,640		290,422
Percent net worth change		3 %		-5 %		9 %
Ratio Analysis						
Current farm liabilities / assets	37 %	38 %	48 %	52 %	25 %	23 %
Intermediate farm liab. / assets	13 %	13 %	20 %	20 %	11 %	9 %
Long term farm liab. / assets	19 %	21 %	26 %	27 %	17 %	21 %
Total debt to asset ratio	19 %	20 %	28 %	29 %	17 %	17 %
Debt to assets excl deferreds	19 %	20 %	28 %	29 %	17 %	17 %

Table 9

Statement Of Cash Flows
2016 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	52	13	13
Beginning cash (farm & nonfarm)	62,782	41,376	127,453
Cash Provided By Operating Activities			
Gross cash farm income	759,204	925,368	778,479
Total cash farm expense	-639,834	-844,301	-605,731
Net cash from hedging transactions	-3,246	37	-100
Cash provided by operating	116,123	81,104	172,648
Cash Provided By Investing Activities			
Sale of breeding livestock	906	1,255	-
Sale of machinery & equipment	5,431	6,570	6,609
Sale of titled vehicles	-	-	-
Sale of farm land	1,538	-	5,714
Sale of farm buildings	311	-	93
Sale of other farm assets	26,773	2,206	16,395
Sale of nonfarm assets	5,713	-	-
Purchase of breeding livestock	-1,453	-3,483	-636
Purchase of machinery & equip.	-60,464	-49,392	-91,449
Purchase of titled vehicles	-3,069	-	-1,107
Purchase of farm land	-76,198	-9,820	-69,260
Purchase of farm buildings	-29,811	-3,177	-52,432
Purchase of other farm assets	-18,407	-1,998	-8,831
Purchase of nonfarm assets	-18,350	-	-31,764
Cash provided by investing	-167,080	-57,840	-226,667
Cash Provided By Financing Activities			
Money borrowed	419,213	797,151	264,041
Principal payments	-344,166	-774,383	-189,349
Personal income	65,019	180,346	19,031
Family living/owner withdrawals	-78,395	-204,815	-47,929
Income and social security tax	-10,790	-1,339	-20,739
Capital contributions	13,836	-3,460	28,065
Capital distributions	-11,794	-5,824	-22,282
Dividends paid	-	-	-
Cash gifts and inheritances	2,522	-	9,368
Gifts given	-386	-	-570
Other cash flows	-	-	-
Cash provided by financing	55,058	-12,324	39,637
Net change in cash balance	4,101	10,941	-14,383
Ending cash (farm & nonfarm)	66,883	52,318	113,071
Discrepancy	0	0	0

Table 10

Financial Standards Measures
2016 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	52	13	13
Liquidity			
Current ratio	2.61	1.91	4.43
Working capital	413,521	291,396	630,446
Working capital to gross inc	54.1 %	33.5 %	79.1 %
Solvency (market)			
Farm debt to asset ratio	22 %	30 %	18 %
Farm equity to asset ratio	78 %	70 %	82 %
Farm debt to equity ratio	0.29	0.43	0.22
Profitability (cost)			
Rate of return on farm assets	0.9 %	-4.9 %	5.1 %
Rate of return on farm equity	-0.3 %	-11.4 %	5.5 %
Operating profit margin	3.3 %	-14.1 %	15.9 %
Net farm income	62,353	-29,725	154,435
EBITDA	144,167	50,180	241,110
Repayment Capacity			
Capital debt repayment capacity	110,359	14,828	174,041
Capital debt repayment margin	22,471	-96,012	118,325
Replacement margin	-22,455	-112,059	49,620
Term debt coverage ratio	1.26	0.13	3.12
Replacement coverage ratio	0.83	0.12	1.40
Efficiency			
Asset turnover rate (cost)	28.2 %	34.8 %	32.4 %
Operating expense ratio	81.1 %	94.2 %	69.8 %
Depreciation expense ratio	7.0 %	5.8 %	7.9 %
Interest expense ratio	3.7 %	3.3 %	3.0 %
Net farm income ratio	8.2 %	-3.4 %	19.4 %

Table 11

Operator and Labor Information
2016 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	52	13	13
Operator Information			
Average number of operators	1.4	1.5	1.4
Average age of operators	53.0	55.5	49.2
Average number of years farming	26.2	27.9	23.4
Results Per Operator			
Working capital	294,563	194,264	441,312
Total assets (market)	3,103,432	2,073,466	2,922,951
Total liabilities	629,948	604,077	503,686
Net worth (market)	2,473,484	1,469,389	2,419,265
Net worth excl deferred liabs	2,487,215	1,469,389	2,420,020
Gross farm income	544,049	579,798	558,216
Total farm expense	499,633	599,615	450,112
Net farm income from operations	44,415	-19,817	108,105
Net nonfarm income	46,315	120,231	13,322
Family living & tax withdrawals	63,840	137,436	47,467
Total acres owned	341.9	316.8	238.8
Total crop acres	667.4	664.2	702.8
Crop acres owned	353.9	264.5	335.0
Crop acres cash rented	312.8	399.7	367.9
Crop acres share rented	0.7	-	-
Total pasture acres	12.4	2.2	25.0
Labor Analysis			
Number of farms	52	13	13
Total unpaid labor hours	3,145	3,602	3,166
Total hired labor hours	2,998	3,263	3,112
Total labor hours per farm	6,143	6,865	6,278
Unpaid hours per operator	2,240	2,401	2,216
Value of farm production / hour	112.72	101.28	120.56
Net farm income / unpaid hour	19.83	-8.25	48.79
Average hourly hired labor wage	16.27	16.81	16.88
Partnerships & LLCs			
Number of farms	20	5	4
Number of operators	1.9	2.2	2.0
Owner withdrawals per farm	175,622	-	-
Withdrawals per operator	94,566	-	-

Table 12

Financial Summary
2016 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	52	13	13
Income Statement			
Gross cash farm income	759,204	925,368	778,479
Total cash farm expense	639,834	844,301	605,731
Net cash farm income	119,370	81,067	172,748
Inventory change	-3,350	-59,956	44,402
Depreciation	-53,667	-50,837	-62,715
Net farm income from operations	62,353	-29,725	154,435
Gain or loss on capital sales	-	-	-
Average net farm income	62,353	-29,725	154,435
Median net farm income	31,513	-4,577	134,794
Profitability (cost)			
Rate of return on assets	0.9 %	-4.9 %	5.1 %
Rate of return on equity	-0.3 %	-11.4 %	5.5 %
Operating profit margin	3.3 %	-14.1 %	15.9 %
Asset turnover rate	28.2 %	34.8 %	32.4 %
Profitability (market)			
Rate of return on assets	1.4 %	-4.8 %	7.0 %
Rate of return on equity	0.8 %	-8.2 %	7.6 %
Operating profit margin	7.3 %	-20.8 %	31.4 %
Asset turnover rate	18.6 %	23.0 %	22.1 %
Liquidity & Repayment (end of year)			
Current assets	670,242	610,960	814,248
Current liabilities	256,722	319,564	183,802
Current ratio	2.61	1.91	4.43
Working capital	413,521	291,396	630,446
Working capital to gross inc	54.1 %	33.5 %	79.1 %
Term debt coverage ratio	1.26	0.13	3.12
Replacement coverage ratio	0.83	0.12	1.40
Term debt to EBITDA	3.55	11.34	1.50
Solvency (end of year at cost)			
Number of farms	52	13	13
Total assets	2,834,474	2,092,886	2,859,848
Total liabilities	865,074	906,115	718,473
Net worth	1,969,400	1,186,771	2,141,375
Net worth change	66,190	-75,523	174,998
Farm debt to asset ratio	33 %	45 %	26 %
Total debt to asset ratio	31 %	43 %	25 %
Change in earned net worth %	3 %	-6 %	9 %
Solvency (end of year at market)			
Number of farms	52	13	13
Total assets	4,356,741	3,110,199	4,175,644
Total liabilities	884,350	906,115	719,551
Net worth	3,472,392	2,204,084	3,456,092
Total net worth change	108,412	-125,640	290,422
Farm debt to asset ratio	22 %	30 %	18 %
Total debt to asset ratio	20 %	29 %	17 %
Change in total net worth %	3 %	-5 %	9 %
Nonfarm Information			
Net nonfarm income	65,019	180,346	19,031
Crop Acres			
Total crop acres	937	996	1,004
Total crop acres owned	497	397	479
Total crop acres cash rented	439	600	526
Total crop acres share rented	1	-	-
Machinery value per crop acre	865	684	942

Table 13

Summary Farm Income Statement
2016 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	52	13	13
Crop sales	458,182	427,374	567,803
Crop inventory change	18,509	-32,618	19,148
Gross crop income	476,690	394,756	586,950
Livestock sales	155,489	368,019	29,229
Livestock inventory change	-11,222	-15,292	-2,511
Gross livestock income	144,268	352,727	26,718
Government payments	43,115	35,499	49,472
Other cash farm income	102,418	37,961	131,976
Change in accounts receivable	811	-631	6,496
Gain or loss on hedging accounts	-2,382	3,525	-100
Change in other assets	1,525	-782	-474
Gain or loss on breeding lvst	-2,684	-4,304	-3,586
Gross farm income	763,761	818,752	797,452
Cash operating expenses	615,051	765,640	586,505
Change in prepaids and supplies	3,729	9,745	-33,187
Change in growing crops	1,037	1,509	1,552
Change in accounts payable	-224	-5,357	1,471
Depreciation	53,667	48,132	62,715
Total operating expense	673,261	819,669	619,056
Interest paid	24,783	31,952	19,226
Change in accrued interest	3,364	-1,853	4,734
Total interest expense	28,147	30,099	23,960
Total expenses	701,408	849,768	643,017
Net farm income from operations	62,353	-31,016	154,435
Gain or loss on capital sales	-	-	-
Net farm income	62,353	-31,016	154,435