

FARMERS AND MERCHANTS FINANCIAL CORPORATION

	CPP Disbursement Date 03/20/2009	RSSD (Holding Company) 1059694	Number of Insured Depository Institutions 1	
Selected balance and off-balance sheet items	2008 \$ millions	2009 \$ millions	%chg from prev	
Assets	\$23	\$24	6.4%	
Loans	\$16	\$18	10.0%	
<i>Construction & development</i>	\$0	\$0	24.6%	
<i>Closed-end 1-4 family residential</i>	\$3	\$2	-19.4%	
<i>Home equity</i>	\$0	\$0		
<i>Credit card</i>	\$0	\$0		
<i>Other consumer</i>	\$1	\$1	3.7%	
<i>Commercial & Industrial</i>	\$3	\$4	36.2%	
<i>Commercial real estate</i>	\$1	\$1	-1.2%	
Unused commitments	\$1	\$1	-24.7%	
Securitization outstanding principal	\$0	\$0		
Mortgage-backed securities (GSE and private issue)	\$0	\$0		
Asset-backed securities	\$0	\$0		
Other securities	\$3	\$4	7.9%	
Cash & balances due	\$2	\$1	-34.7%	
Residential mortgage originations				
<i>Closed-end mortgage originated for sale (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originated for sale (quarter)</i>	\$0	\$0		
<i>Closed-end mortgage originations sold (quarter)</i>	\$0	\$0		
<i>Open-end HELOC originations sold (quarter)</i>	\$0	\$0		
Liabilities	\$21	\$22	6.1%	
Deposits	\$20	\$22	11.5%	
Total other borrowings	\$1	\$0	-89.4%	
FHLB advances	\$0	\$0		
Equity				
Equity capital at quarter end	\$2	\$2	10.9%	
Stock sales and transactions with parent holding company (cumulative through calendar year)	\$0	\$0	NA	
Performance Ratios				
Tier 1 leverage ratio	6.9%	7.6%	--	
Tier 1 risk based capital ratio	10.6%	11.9%	--	
Total risk based capital ratio	11.9%	13.2%	--	
Return on equity ¹	-21.4%	5.4%	--	
Return on assets ¹	-1.7%	0.4%	--	
Net interest margin ¹	5.6%	5.1%	--	
Coverage ratio ((ALL+Alloc transfer risk)/Noncurrent loans)	29750.0%	9550.0%	--	
Loss provision to net charge-offs (qtr)	485.7%	8.6%	--	
Net charge-offs to average loans and leases ¹	0.5%	0.8%	--	
¹ Quarterly, annualized.				
	Noncurrent Loans		Gross Charge-Offs	
Asset Quality (% of Total Loan Type)	2008	2009	2008	2009
<i>Construction & development</i>	0.0%	0.0%	0.0%	0.0%
<i>Closed-end 1-4 family residential</i>	0.0%	0.3%	0.0%	0.7%
<i>Home equity</i>	0.0%	0.0%	0.0%	0.0%
<i>Credit card</i>	0.0%	0.0%	0.0%	0.0%
<i>Other consumer</i>	0.2%	0.0%	4.0%	1.2%
<i>Commercial & Industrial</i>	0.0%	0.0%	0.0%	0.2%
<i>Commercial real estate</i>	0.0%	0.0%	0.0%	0.0%
<i>Total loans</i>	0.0%	0.0%	0.1%	0.2%