

**FARM CREDIT SERVICES
OF THE MOUNTAIN PLAINS, ACA**



QUARTERLY REPORT
2ND QUARTER 2009

2009 Second Quarter Report

FARM CREDIT SERVICES OF THE MOUNTAIN PLAINS, ACA

Effective October 1991, the Farm Credit Administration issued regulatory changes which no longer require the distribution of the district Bank's quarterly report to shareholders of the associations under certain circumstances. The shareholders' investment in the Association is materially affected by the financial condition and results of operations of U.S. AgBank, FCB (the Bank). The 2008 AgBank Annual Report to Shareholders, the 2008 AgBank District Annual Report to Shareholders, the AgBank quarterly shareholders' reports and the AgBank District quarterly shareholders' reports are available on AgBank's web site, www.usagbank.com, or may be obtained at no charge by calling Farm Credit Services of the Mountain Plains, ACA, 4505 29th Street, Greeley, Colorado 80634, (970) 330-4071 or (800) 799-6545.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

(Dollars in Thousands, Except as Noted)
(Unaudited)

The following commentary summarizes the principal aspects of the financial position and results of operations of Farm Credit Services of the Mountain Plains for the six months ended June 30, 2009, with comparisons to prior periods. You should read these comments with the accompanying financial statements and footnotes, along with other disclosures contained in this report and the 2008 Annual Report to Shareholders. The accompanying financial statements were prepared under the oversight of our Audit Committee.

The Association is a member of an alliance with other Farm Credit System entities in Colorado and New Mexico that was formed to pool resources to coordinate and enhance the marketing, servicing and making of large, complex commercial and mortgage loans in their respective chartered territories as well as other participated and syndicated loans through the establishment, support and operations of a special, shared lending unit. This shared lending unit is known as the AgriBusiness Finance Group (AFG).

LOAN PORTFOLIO

Loans outstanding at June 30, 2009 totaled \$1,168,831, an increase of \$29,039, or 2.55%, from loans of \$1,139,792 at December 31, 2008. The increase was primarily due to new business development and increased net participation volume. There were no significant changes in loan diversification of commodities, size, or geography.

RESULTS OF OPERATIONS

Net income for the six months ended June 30, 2009 was \$4,033, a decrease of \$6,398, or 61.34% from the same period ended one year ago. The decrease is primarily due to an increase in provision for loans losses of \$3,134, a decrease in patronage distributed from AgBank, and an increase in operating expenses.

Net interest income for the six months ended June 30, 2009 was \$13,252, a decrease of \$594, or 4.29%, from the same period ended one year ago. Interest income and interest expense decreased as a result of a lower interest rate environment. Interest earned on funds held with AgBank decreased, resulting in lower net interest income.

Non interest income for the six months ended June 30, 2009 was \$1,425, a decrease of \$1,658, or 53.78% from the same period ended one year ago. This is primarily due to a reduction in patronage from AgBank offset by an increase in unused commitment and letter of credit fees. We have been notified by AgBank that they have changed their patronage program whereby patronage will be paid annually, after the end of the year, to its members. Previously, AgBank paid patronage quarterly. As a result, our earnings compared to the previous period will be negatively impacted during 2009.

Non interest expense for the six months ended June 30, 2009 was \$6,960, an increase of \$1,010, or 16.97% from the same period ended one year ago. Salaries and employee benefits increased as a result of annual performance increases and increased cost of employee benefits programs as well as a change in the timing of accruals. In prior years, incentive expenses were accrued in the final quarter of the year. Beginning in 2009, incentive expenses are being accrued for and recognized throughout the year. Farm Credit Insurance Fund premiums increased due to an increase in insurance rates as well as a change in the calculation methodology. Other non interest expense decreased due to a reduction in advertising, travel and outside appraiser expenses as well as due to an increase in deferred loan origination costs.

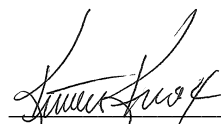
CAPITAL RESOURCES

Our shareholders' equity at June 30, 2009 was \$248,731, an increase from \$4,091 at December 31, 2008. This increase is due to net income offset by the amortization of pension costs included in the net periodic benefit cost, stock reductions and patronage distributions.

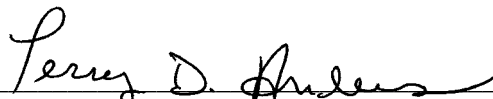
OTHER MATTERS

The shareholders' investment in FCS of the Mountain Plains, ACA, is materially affected by the financial condition and results of operations of U.S. AgBank, FCB, (AgBank). The 2008 AgBank Annual Report to Shareholders, the 2008 AgBank District Annual Report to Shareholders, the AgBank quarterly shareholders' reports and the AgBank District quarterly shareholders' reports are available on AgBank's web site, www.usagbank.com, or may be obtained at no charge by calling (970) 330-4071 or (800) 799-6545 (4505 29th Street, Greeley, CO 80634).

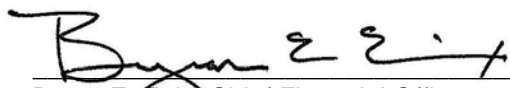
The undersigned certify they have reviewed this report, this report has been prepared in accordance with all applicable statutory or regulatory requirements and the information contained herein is true, accurate, and complete to the best of his or her knowledge and belief.



Kirvin Knox, Chairman
July 21, 2009



Terry D. Anders, President
July 21, 2009



Byron E. Enix, Chief Financial Officer
July 21, 2009

FCS OF THE MOUNTAIN PLAINS, ACA
CONSOLIDATED STATEMENT OF CONDITION
(Dollars in Thousands)

	June 30	December 31
	2009	2008
	UNAUDITED	AUDITED
ASSETS		
Loans	\$ 1,168,831	\$ 1,139,792
Less allowance for loan losses	8,281	4,664
Net loans	1,160,550	1,135,128
Cash	2,007	10,971
Accrued interest receivable	10,858	10,177
Investment in U.S. AgBank, FCB	26,913	25,894
Premises and equipment, net	7,220	7,033
Prepaid benefit expense	1,580	1,557
Deferred tax asset	90	90
Other assets	1,347	1,469
Total assets	\$ 1,210,565	\$ 1,192,319
LIABILITIES		
Note payable to U.S. AgBank, FCB	\$ 945,895	\$ 917,003
Advance conditional payments	3,485	5,024
Accrued interest payable	6,895	9,107
Patronage distributions payable	-	6,000
Accrued benefits liability	466	485
Other liabilities	5,093	10,060
Total liabilities	961,834	947,679
Commitments and contingencies		
SHAREHOLDERS' EQUITY		
Protected borrower stock	41	41
Capital stock	1,477	1,456
Unallocated retained earnings	247,554	243,521
Other comprehensive loss	(341)	(378)
Total shareholders' equity	248,731	244,640
Total liabilities and shareholders' equity	\$ 1,210,565	\$ 1,192,319

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

FCS OF THE MOUNTAIN PLAINS, ACA
CONSOLIDATED STATEMENT OF INCOME
(Dollars in Thousands)

UNAUDITED	For the three months ended June 30		For the six months ended June 30	
	2009	2008	2009	2008
INTEREST INCOME				
Loans	\$ 15,234	\$ 16,084	\$ 30,081	\$ 32,613
Total interest income	15,234	16,084	30,081	32,613
INTEREST EXPENSE				
Note payable to U.S. AgBank, FCB	8,261	9,266	16,807	18,701
Other	9	21	22	66
Total interest expense	8,270	9,287	16,829	18,767
Net interest income	6,964	6,797	13,252	13,846
Provision for loan losses	1,632	365	3,677	543
Net interest income after provision for loan losses	5,332	6,432	9,575	13,303
NONINTEREST INCOME				
Financially related services income	35	18	62	29
Loan fees	276	149	646	346
Patronage distribution from U.S. AgBank, FCB	-	1,253	454	2,347
Other noninterest income	66	339	263	361
Total noninterest income	377	1,759	1,425	3,083
NONINTEREST EXPENSE				
Salaries and employee benefits	1,828	1,533	3,944	3,131
Occupancy and equipment	272	255	560	510
Purchased services from AgVantis, Inc.	188	164	373	335
Farm Credit Insurance Fund premium	530	407	1,077	793
Supervisory and examination costs	86	85	173	171
Other noninterest expense	362	547	833	1,010
Total noninterest expense	3,266	2,991	6,960	5,950
Income before income taxes	2,443	5,200	4,040	10,436
Provision for income taxes	4	3	7	5
Net income	\$ 2,439	\$ 5,197	\$ 4,033	\$ 10,431

FCS OF THE MOUNTAIN PLAINS, ACA
CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
(Dollars in Thousands)

UNAUDITED

	Protected Stock	Capital Stock	Unallocated Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Shareholders' Equity
Balance at December 31, 2007	\$ 54	\$ 1,462	\$ 231,330	\$ (248)	\$ 232,598
Comprehensive income					
Net income			10,431		
Change in retirement obligation				37	
Total comprehensive income					10,468
Effect of changing defined benefit plan measurement date			(34)		(34)
Stock issued	-	105			105
Stock retired	(8)	(106)			(114)
Balance at June 30, 2008	\$ 46	\$ 1,461	\$ 241,727	\$ (211)	\$ 243,023
Balance at December 31, 2008	\$ 41	\$ 1,456	\$ 243,521	\$ (378)	\$ 244,640
Comprehensive income					
Net income			4,033		
Change in retirement obligation				37	
Total comprehensive income					4,070
Stock issued	-	83			83
Stock retired	-	(62)			(62)
Balance at June 30, 2009	\$ 41	\$ 1,477	\$ 247,554	\$ (341)	\$ 248,731

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

FCS OF THE MOUNTAIN PLAINS, ACA
CONSOLIDATED STATEMENT OF CASH FLOWS
(Dollars in Thousands)

UNAUDITED

	For the six months ended June 30	
	2009	2008
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 4,033	\$ 10,431
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	301	271
Provision for loan losses	3,677	543
Gains on sales of premises and equipment	(11)	(18)
Change in assets and liabilities:		
Increase in accrued interest receivable	(681)	(559)
(Increase)/Decrease in prepaid benefit expense	(23)	80
(Increase)/Decrease in other assets	122	(188)
Decrease in accrued interest payable	(2,212)	(2,270)
Increase in accrued benefits liability	18	16
Decrease in other liabilities	(4,967)	(6,575)
Total adjustments	(3,776)	(8,700)
Net cash provided by operating activities	257	1,731
CASH FLOWS FROM INVESTING ACTIVITIES:		
Increase in loans, net	(29,099)	(102,512)
Increase in investment in U.S. AgBank, FCB	(1,019)	-
Expenditures from purchases of premises and equipment, net	(477)	(529)
Net cash used in investing activities	(30,595)	(103,041)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net draw on note payable to U.S. AgBank, FCB	28,892	107,571
Increase/(Decrease) in advance conditional payments	(1,539)	520
Protected borrower stock retired	-	(8)
Capital stock retired	(62)	(106)
Capital stock issued	83	105
Cash patronage distributions paid	(6,000)	(10,000)
Net cash provided by financing activities	21,374	98,082
Net decrease in cash	(8,964)	(3,228)
Cash at beginning of year	10,971	7,047
Cash at end of period	\$ 2,007	\$ 3,819
SUPPLEMENTAL INFORMATION:		
Cash paid during the year for:		
Interest	\$ 19,041	\$ 21,037
Income taxes	\$ 128	\$ -
SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:		
Net charge-offs/(recoveries)	\$ 60	\$ (10)
Change in accumulated comprehensive income/loss	\$ 37	\$ 37

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

NOTES TO FINANCIAL STATEMENTS

(Dollars in Thousands, Except as Noted)

(Unaudited)

NOTE 1 - ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES

A description of the organization and operations of Farm Credit Services of the Mountain Plains, ACA (the Association), the significant accounting policies followed, and the financial condition and results of operations as of and for the year ended December 31, 2008, are contained in the 2008 Annual Report to Shareholders. These unaudited second quarter 2009 financial statements should be read in conjunction with the 2008 Annual Report to Shareholders.

In May 2009, the FASB issued SFAS No. 165, "Subsequent Events," which sets forth general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued or are available to be issued. Recognized subsequent events should be recognized in the financial statements since the conditions existed at the date of the balance sheet. Nonrecognized subsequent events are not recognized in the financial statements since the conditions arose after the balance sheet date but before the financial statements are issued or are available to be issued. This Standard, which includes a required disclosure of the date through which an entity has evaluated subsequent events, is effective for interim or annual periods ending after June 15, 2009.

The accompanying financial statements contain all adjustments necessary for a fair presentation of the interim financial condition and results of operations, and conform to generally accepted accounting principles and prevailing practices within the banking industry. The results for the six months ended June 30, 2009, are not necessarily indicative of the results to be expected for the year ended December 31, 2009.

NOTE 2 - LOANS AND ALLOWANCE FOR LOAN LOSSES

A summary of the allowance for loan losses follows.

	June 30, 2009	June 30, 2008
Balance at beginning of year	\$ 4,664	\$ 3,530
Provision for loan losses/(Loan loss reversal)	3,677	543
Charge-offs	84	-
Recoveries	24	10
Balance at end of period	\$ 8,281	\$ 4,083

Impaired loans are loans for which it is probable that all principal and interest will not be collected according to the contractual terms. The following presents information relating to impaired loans including accrued interest.

	June 30, 2009	June 30, 2008
Impaired loans with related allowance	\$ 2,204	\$ -
Impaired loans with no related allowance	20,555	2,688
Total impaired loans	\$22,759	\$ 2,688
Allowance on impaired loans	\$ 1,034	\$ -

The following table summarizes impaired loan information.

	For the six months ended	
	June 30, 2009	June 30, 2008
Average impaired loans	\$13,249	\$ 2,710
Interest income recognized on impaired loans	\$ 83	\$ 100

NOTE 3 - FAIR VALUE MEASUREMENTS

SFAS No. 157 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market for the asset or liability. See Note 2 to the 2008 Annual Report to Shareholders for a more complete description.

Assets and liabilities measured at fair value on a recurring basis are summarized below:

	Fair Value Measurement Using			Total Fair
	Level 1	Level 2	Level 3	Value
Assets:				
Assets held in nonqualified benefits trusts	\$ 479	\$ -	\$ -	\$ 479
Total assets	\$ 479	\$ -	\$ -	\$ 479

Assets and liabilities measured at fair value on a non-recurring basis at June 30, 2009 for each of the fair value hierarchy values are summarized below:

	Fair Value Measurement Using			Total Fair	Total
	Level 1	Level 2	Level 3	Value	Losses
Assets:					
Loans	\$ -	\$ -	\$ 1,438	\$ 1,438	\$ (921)

As more fully discussed in Note 2 to the 2008 Annual Report to Shareholders, SFAS No. 157 establishes a fair value hierarchy, which requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The following presents a brief summary of the valuation techniques used for the Association's assets and liabilities.

Assets Held in Non-Qualified Benefits Trusts

Assets held in trust funds related to deferred compensation and supplemental retirement plans are classified within Level 1. The trust funds include investments that are actively traded and have quoted net asset values that are observable in the marketplace.

Loans

For certain loans evaluated for impairment under SFAS No. 114, the fair value is based upon the underlying collateral since the loans were collateral dependent loans for which real estate is the collateral. These loans are generally classified as Level 3.

NOTE 4 - SUBSEQUENT EVENTS

The Association has evaluated subsequent events through July 21, 2009, which is the date the financial statements were available to be issued.