

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



QUARTERLY REPORT
1ST QUARTER 2011

2011 First 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 2010 AgBank Annual Report to Shareholders, the 2010 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 discussion summarizes the financial position and results of operations of Farm Credit Services of the Mountain Plains, ACA (the Association) for the three months ended March 31, 2011, with comparisons to prior periods. You should read these comments along with the accompanying financial statements and footnotes and the 2010 Annual Report to Shareholders. The accompanying financial statements were prepared under the oversight of our Audit Committee.

We are a party to a shared lending operation known as the Agribusiness Finance Group (AFG). The agreement includes our association, Premier Farm Credit, ACA, Farm Credit of Southern Colorado, ACA and Farm Credit of New Mexico, ACA. This shared lending operation will be terminated in 2011. We will continue working with these and other Farm Credit institutions to increase our loan participation business. Along with these associations, we pool our resources to coordinate and enhance the marketing, originating and servicing of large, complex commercial and mortgage loans, as well as diversify risk.

LOAN PORTFOLIO

Loans outstanding at March 31, 2011 totaled \$1,167,536, an increase of \$41,212, or 3.66%, from loans of \$1,126,324 at December 31, 2010. The increase in loans primarily resulted from increased line of credit usage due to high commodity prices. Increases were also noted as a result of purchased interests in loans for agribusiness processing and marketing, energy and communication. Borrowers continue to repay loans due to deleveraging strategies, alternative sources of capital used to pay down debt, and increased competition from other financial institutions.

RESULTS OF OPERATIONS

Net income for the three months ended March 31, 2011 was \$9,664, an increase of \$3,350, or 53.06%, from the same period ended one year ago primarily due to patronage from U.S. AgBank, FCB (AgBank).

Net interest income for the three months ended March 31, 2011 was \$7,737, an increase of \$568, or 7.92%, from the same period ended one year ago. Net interest income increased as a result of an increase in interest rate spreads as well as an increase in average loans outstanding.

The provision for loan losses for the three months ended March 31, 2011 was \$786, an increase of \$37, or 4.94%, from the provision for loan losses for the same period ended one year ago. The provision for loan losses increased as a result of loan growth and migration in the portfolio.

Noninterest income increased \$2,844 primarily due to patronage received from AgBank of \$5,951. Additionally, during the first quarter of 2010, we received our allocated portion of a distribution of \$1,211 from Farm Credit System Insurance Company (FCSIC), which offset the increase in noninterest income.

CAPITAL RESOURCES

Our shareholders' equity at March 31, 2011 was \$272,594, an increase from \$262,939 at December 31, 2010. This increase is due to net income offset by the amortization of pension gains included in the net periodic benefit cost, stock reductions and patronage distributions.

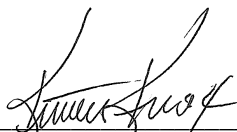
MERGER

On September 22, 2010, the Board of Directors signed a Letter of Intent to merge with American AgCredit, ACA headquartered in Santa Rosa, California. The associations will conduct due diligence over the next several months and, after approval by our regulators, anticipate submitting the Plan of Merger to shareholders for a vote during 2011.

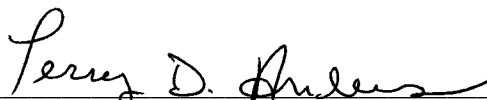
OTHER MATTERS

In November of 2010, the AgBank Board of Directors voted to pursue a merger with CoBank, ACB another Farm Credit System Bank. The proposed merger is targeted to be effective on October 1, 2011. We do not expect there to be any material negative impact to its operations as a result of the merger.

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.



Kirvih Knox, Chairman
May 4, 2011



Terry D. Anders, President
May 4, 2011



Anita R. Fossum, Chief Financial Officer
May 4, 2011

Consolidated Statement of Condition

(Dollars in Thousands)

	March 31	December 31
	2011	2010
	UNAUDITED	AUDITED
ASSETS		
Loans	\$ 1,167,536	\$ 1,126,324
Less allowance for loan losses	7,914	7,651
Net loans	1,159,622	1,118,673
Cash	3,255	7,977
Accrued interest receivable	8,191	6,981
Investment in U.S. AgBank, FCB	28,149	28,149
Premises and equipment, net	6,445	6,454
Other property owned	621	621
Prepaid benefit expense	1,276	1,518
Other assets	2,813	3,520
Total assets	\$ 1,210,372	\$ 1,173,893
LIABILITIES		
Note payable to U.S. AgBank, FCB	\$ 913,003	\$ 885,921
Advance conditional payments	11,070	6,143
Accrued interest payable	5,034	6,217
Patronage distributions payable	785	6,000
Accrued benefits liability	1,447	1,458
Other liabilities	6,439	5,215
Total liabilities	937,778	910,954
Commitments and Contingencies		
SHAREHOLDERS' EQUITY		
Protected borrower stock	12	31
Capital stock	1,470	1,474
Unallocated retained earnings	271,426	261,762
Accumulated other comprehensive income/(loss)	(314)	(328)
Total shareholders' equity	272,594	262,939
Total liabilities and shareholders' equity	\$ 1,210,372	\$ 1,173,893

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

Consolidated Statement of Income

UNAUDITED	For the three months ended March 31	
	2011	2010
(Dollars in Thousands)		
INTEREST INCOME		
Loans	\$ 14,551	\$ 14,946
Total interest income	14,551	14,946
INTEREST EXPENSE		
Note payable to U.S. AgBank, FCB	6,796	7,766
Other	18	11
Total interest expense	6,814	7,777
Net interest income	7,737	7,169
Provision for loan losses	786	749
Net interest income after provision for loan losses	6,951	6,420
NONINTEREST INCOME		
Financially related services income	21	8
Loan fees	166	255
Patronage refund from Farm Credit Institutions	5,951	1,828
Farm Credit Insurance Fund distribution	-	1,211
Other noninterest income	50	42
Total noninterest income	6,188	3,344
NONINTEREST EXPENSE		
Salaries and employee benefits	2,234	2,203
Occupancy and equipment	251	255
Purchased services from AgVantis, Inc.	276	200
Losses on other property owned, net	9	1
Farm Credit Insurance Fund premium	162	269
Supervisory and examination costs	102	96
Other noninterest expense	424	377
Total noninterest expense	3,458	3,401
Income before income taxes	9,681	6,363
Provision for income taxes	17	49
Net income	\$ 9,664	\$ 6,314

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

Consolidated Statement of Changes in Shareholders' Equity

(Dollars in Thousands)

UNAUDITED	Protected Borrower Stock	Capital Stock	Unallocated Retained Earnings	Accumulated Other Comprehensive Income/(Loss)	Total Shareholders' Equity
Balance at December 31, 2009	\$ 34	\$ 1,485	\$ 250,611	\$ (287)	\$ 251,843
Comprehensive income					
Net income			6,314		
Change in retirement obligation				12	
Total comprehensive income					6,326
Stock issued	-	29			29
Stock retired	(3)	(32)			(35)
Balance at March 31, 2010	\$ 31	\$ 1,482	\$ 256,925	\$ (275)	\$ 258,163
Balance at December 31, 2010	\$ 31	\$ 1,474	\$ 261,762	\$ (328)	\$ 262,939
Comprehensive income					
Net income			9,664		
Change in retirement obligation				14	
Total comprehensive income					9,678
Stock issued	-	30			30
Stock retired	(19)	(34)			(53)
Balance at March 31, 2011	\$ 12	\$ 1,470	\$ 271,426	\$ (314)	\$ 272,594

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

Consolidated Statement of Cash Flows

(Dollars in Thousands)

UNAUDITED	For the three months ended March 31	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net income	\$ 9,664	\$ 6,314
Adjustments to reconcile net income to net cash provided by/(used in) operating activities:		
Depreciation	140	156
Provision for loan losses	786	749
Change in assets and liabilities:		
(Increase)/Decrease in accrued interest receivable	(1,210)	218
Decrease in prepaid benefit expense	242	199
Decrease/(Increase) in other assets	707	(1,282)
Decrease in accrued interest payable	(1,183)	(1,401)
Increase/(Decrease) in accrued benefits liability	3	(18)
Increase in other liabilities	1,224	879
Total adjustments	709	(500)
Net cash provided by operating activities	10,373	5,814
CASH FLOWS FROM INVESTING ACTIVITIES:		
(Increase)/Decrease in loans, net	(41,735)	25,932
Increase in investment in U.S. AgBank, FCB	-	(31)
Expenditures for premises and equipment, net	(131)	-
Net cash (used in)/provided by investing activities	(41,866)	25,901
CASH FLOWS FROM FINANCING ACTIVITIES:		
Net draw on/(Repayment of) note payable to U.S. AgBank, FCB	27,082	(45,418)
Increase in advance conditional payments	4,927	974
Protected borrower stock retired	(19)	(3)
Capital stock retired	(34)	(32)
Capital stock issued	30	29
Cash patronage distributions paid	(5,215)	(2,601)
Net cash provided by/(used in) financing activities	26,771	(47,051)
Net decrease in cash	(4,722)	(15,336)
Cash at beginning of year	7,977	19,425
Cash at end of year	\$ 3,255	\$ 4,089

SUPPLEMENTAL CASH INFORMATION:

Cash paid during the year for:

Interest	\$ 7,997	\$ 9,178
Income taxes	\$ -	\$ 71

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES:

Net charge-offs	\$ 523	\$ 627
Patronage distributions payable	\$ 785	\$ 399
Change in accumulated other comprehensive income/loss	\$ 14	\$ 12

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, 2010, are contained in the 2010 Annual Report to Shareholders. These unaudited first quarter 2011 financial statements should be read in conjunction with the 2010 Annual Report to Shareholders.

In November of 2010, the U.S. AgBank Board of Directors voted to pursue a merger with CoBank, ACB, (CoBank) another Farm Credit System Bank. The proposed merger is targeted to be effective on October 1, 2011. The Association does not expect there to be any material negative impact to its operations as a result of the merger.

In July 2010, the Financial Accounting Standards Board (FASB) issued guidance on "Disclosures about the Credit Quality of Financing Receivables and the Allowance for Loan Losses," which is intended to provide additional information to assist financial statement users in assessing an entity's credit risk exposures and evaluating the adequacy of the allowance for credit losses. Existing disclosures are amended to include additional disclosures of financing receivables on a disaggregated basis (by portfolio segment and class of financing receivable) including among others, a rollforward schedule of the allowance for credit losses from the beginning of the reporting period to the end of the period on a portfolio segment basis, with the ending balance further disaggregated on the basis of the method of impairment (individually or collectively evaluated). The guidance also calls for new disclosures including but not limited to credit quality indicators at the end of the reporting period by class of financing receivables, the aging of past due financing receivables by class, nature and extent of financing receivables modified as troubled debt restructurings by class and the effect on the allowance for credit losses. For non-public entities, all disclosures are effective for interim and annual reporting periods ending on or after December 15, 2011. The adoption of this Standard will not have an impact on the Association's financial condition or results of operations, but will result in additional disclosures.

Effective January 1, 2010, the Association adopted Financial Accounting Standards Board (FASB) guidance on "Fair Value Measurements and Disclosures," which is to improve disclosures about fair value measurements by increasing transparency in financial reporting. The changes will provide for a greater level of disaggregated information and more robust disclosures of valuation techniques and inputs to fair value measurements. The new disclosures and clarification of existing disclosures were effective for interim and annual reporting periods beginning after December 15, 2009, except for the disclosures about purchases, sales, issuances and settlements in the rollforward of activity in Level 3 fair value measurements. Those disclosures were effective for fiscal years beginning after December 15, 2010, and for interim periods within those fiscal years. The adoption of this standard did not impact the Association's financial condition and results of operations but resulted in additional disclosures.

The accompanying financial statements contain all adjustments necessary for a fair presentation of the interim financial condition and results of operations, and conform with generally accepted accounting principles and prevailing practices within the banking industry. Certain amounts in the 2010 financial statements have been reclassified to conform to current financial statement presentation. The results for the three months ended March 31, 2011, are not necessarily indicative of the results to be expected for the year ended December 31, 2011.

NOTE 2 - LOANS AND ALLOWANCE FOR LOAN LOSSES

A summary of the allowance for loan losses follows.

	March 31, 2011	March 31, 2010
Balance at beginning of year	\$ 7,651	\$ 8,221
Provision for loan losses	786	749
Charge-offs	545	720
Recoveries	22	93
Balance at end of period	\$ 7,914	\$ 8,343

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.

	March 31, 2011	March 31, 2010
Impaired loans with related allowance	\$ 11,258	\$ 7,517
Impaired loans with no related allowance	2,624	17,057
Total impaired loans	\$ 13,882	\$ 24,574
Allowance on impaired loans	\$ 1,298	\$ 2,344

The following table summarizes impaired loan information.

	For the three months ended	
	March 31, 2011	March 31, 2010
Average impaired loans	\$ 14,355	\$ 25,846
Interest income recognized on impaired loans	\$ 8	\$ 49

NOTE 3 - FAIR VALUE MEASUREMENTS

FASB guidance 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 2010 Annual Report to Shareholders for a more complete description.

Assets 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				
March 31, 2011	\$ 768	\$ —	\$ —	\$ 768
December 31, 2010	\$ 704	\$ —	\$ —	\$ 704

During the first three months of 2011, the Association recorded transfers in of \$372 and no transfers out of Levels 1, 2, or 3.

The Association had no liabilities measured at fair value on a recurring basis at March 31, 2011 or December 31, 2010.

Assets measured at fair value on a non-recurring basis for each of the fair value hierarchy values are summarized below:

	Fair Value Measurement Using			Total Fair Value	Total Gains/(Losses)
	Level 1	Level 2	Level 3		
Assets:					
March 31, 2011					
Loans	\$ —	\$ —	\$10,592	\$10,592	\$ 504
Other property owned	\$ —	\$ —	\$ 675	\$ 675	\$ —
December 31, 2010					
Loans	\$ —	\$ —	\$10,305	\$10,305	\$ 2,524
Other property owned	\$ —	\$ —	\$ 675	\$ 675	\$ —

The Association had no liabilities measured at fair value on a non-recurring basis at March 31, 2011 or December 31, 2010.

Valuation Techniques

As more fully discussed in Note 2 to the 2010 Annual Report to Shareholders, accounting guidance 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 by the Association for assets and liabilities, subject to fair value measurement.

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 FASB guidance, the fair value is based upon the underlying collateral since the loans were collateral dependent loans for which real estate is the collateral. The fair value measurement process uses independent appraisals and other market-based information, but in many cases it also requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters. As a result, these fair value measurements fall within Level 3 of the hierarchy. When the value of the real estate, less estimated costs to sell, is less than the principal balance of the loan, a specific reserve is established.

Other Property Owned

Other property owned is generally classified as Level 3. The process for measuring the fair value of other property owned involves the use of appraisals or other market-based information. As a result, these fair value measurements fall within Level 3 of the hierarchy. Costs to sell represent transaction costs and are not included as a component of the asset's fair value.

NOTE 4 - SUBSEQUENT EVENTS

The Association has evaluated subsequent events through May 4, 2011, which is the date the financial statements were available to be issued, and no material subsequent events were identified.