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AgriBank FARM CREDIT BANK

AgriBank 2025 Quarterly Report
March 31, 2025

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Management's Discussion and Analysis

AgriBank, FCB

(Unaudited)

The following commentary is a review of the financial condition and results of operations of AgriBank, FCB (AgriBank, or the Bank). This information should be read in conjunction with the accompanying Financial Statements, the Notes to the Financial Statements and the 2024 Annual Report.

AgriBank is part of the customer-owned, nationwide Farm Credit System. Under Farm Credit's cooperative structure, AgriBank is primarily owned by Farm Credit Associations, which provide financial products and services to rural communities and agriculture. AgriBank obtains funds and provides funding and financial solutions to those Associations. AgriBank and those Associations compose the AgriBank District. The AgriBank District covers a 15-state area stretching from Wyoming to Ohio and Minnesota to Arkansas.

Forward-Looking Information

Any forward-looking statements in this Quarterly Report are based on current expectations and are subject to uncertainty and changes in circumstances. Actual results may differ materially from expectations due to a number of risks and uncertainties. More information about these risks and uncertainties is contained in our 2024 Annual Report. AgriBank undertakes no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Financial Overview

Our year-to-date return on assets (ROA) ratio was 51 basis points, slightly above our target of 50 basis points. Net interest income increased compared to the prior year. The increase was primarily driven by higher spread income and increased volume related to our wholesale loan portfolio.

Loan portfolio credit quality remained strong with 99.4 percent of our total loan portfolio in the acceptable category, which reflects the overall financial strength of District Associations and their underlying portfolios of retail loans. Credit quality of our retail loan portfolio (accounting for approximately 13 percent of our total loan portfolio) decreased slightly to 95.1 percent acceptable as of March 31, 2025, compared to 95.7 percent acceptable at December 31, 2024. See the Loan Portfolio section for additional discussion about how other factors may impact our loan portfolio performance.

Strong capital levels ensure we are well-positioned to manage the cyclical characteristics of the agricultural market, as well as the challenges and uncertainty of the overall economic environment. Refer to the Loan Portfolio and Funding, Liquidity and Shareholders' Equity sections for further discussion.

Economic Conditions

Interest Rate Environment

In the May 2025 meeting, the Federal Open Market Committee (FOMC) maintained the target range for the federal funds rate of 4.25 percent to 4.50 percent and noted that risks of higher unemployment and higher inflation have risen. The FOMC released its quarterly economic projection (referred to as the "dot plot") in March 2025 and maintained its December 2024 projections of 50 basis points of total cuts in 2025 and 50 basis points of total cuts in 2026 and the long-term fed funds rate at 3 percent. The pace of rate cuts will depend on incoming data, the evolving economic outlook, and the balance of risks between Fed's dual mandate - maximum employment and price stability.

The headline Consumer Price Inflation (CPI) has remained above the Fed's 2.0 percent target finishing 2024 near 3.0 percent. Inflation is expected to remain high due to tariffs with headline CPI near 3.0 percent in 2025. Monthly payroll additions have remained resilient with approximately 450 thousand total jobs added in the first quarter of 2025. The unemployment rate has moved slightly higher with the unemployment rate at 4.2 percent in March 2025.

The U.S. gross domestic product (GDP) grew by 2.8 percent in 2024. There have been some signs of a slowdown in growth in the beginning of 2025, and GDP growth is expected to decline to around 1.7 percent in 2025. Geopolitical risks and uncertainty around proposed tariffs remain elevated with ongoing conflicts in the middle east and Ukraine and bilateral trade negotiations with several countries.

We manage interest rate risk consistent with policies established by the board of directors and limits established by AgriBank's Asset/Liability Committee (ALCO). Many factors can impact our net interest income, including strategic interest rate risk management in collaboration with District Associations. Management expects financial performance will remain relatively consistent under most interest rate environments over the next 12 months. We have moderate interest rate risk in an environment in which interest rates fall quickly (refer to the Interest Rate Risk Management section).

Agricultural Conditions
On February 6, 2025, the U.S. Department of Agriculture's Economic Research Service (USDA-ERS) released its initial forecast of the U.S. aggregate farm income and financial conditions for 2025 and updated its 2024 forecast. The revised 2024 net farm income forecast of $139.1 billion represented an $8.2 billion decline from the 2023 level, down 5.6 percent, and follows the $34.7 billion estimated decline that occurred in 2023 compared to the record-high 2022 estimated net farm income. Although net farm income is forecasted to decline for the second consecutive year, when adjusting for inflation, the 2024 net farm income forecast is $16.8 billion, or 13.3 percent, above the 10-year average (2014-2023) net farm income in 2025 dollars. The initial 2025 net farm income projection of $180.1 billion represents an increase of $41.0 billion, or 29.5 percent, from the revised 2024 net farm income forecast, and if realized, it would be the second-highest inflation-adjusted level in the past 50 years.

The projected increase in 2025 net farm income is largely due to forecasted increases in direct government payments of $33.1 billion, a $3.8 billion increase in cash receipts for animals and animal products, and a $3.2 billion decline in cash expenses, while cash receipts for crops are expected to decline by $5.6 billion. The expected increase in 2025 direct government payments is largely due to nearly $31.0 billion in ad hoc disaster aid and economic assistance funds allocated in the American Relief Act, 2025, which includes nearly $21.0 billion in aid to farmers who suffered natural disasters in 2023 and 2024 and $10.0 billion in economic assistance to crop producers to address financial losses during the 2024 production year. The anticipated increase in cash receipts for animals and animal products is driven by expectations for higher cash receipts for hogs, milk, and broilers, which more than offset declines in cash receipts for cattle and calves and eggs. The anticipated decline in cash receipts for crops is largely due to lower cash receipts from corn and soybeans. On the expense side, USDA-ERS forecasts that lower feed, fertilizer, and pesticide expenses will more than offset increased seed, livestock and poultry, labor, and net rent expenditures. While net farm income is projected to increase significantly in 2025, returns across different commodity segments are projected to vary significantly. Many farm businesses specializing in crop production are projected to experience deteriorating net cash income levels in contrast to the forecasted increases for operations specializing in livestock production.

The higher overall net farm income is forecast to support a 3.9 percent increase in working capital levels for 2025, a measure of liquidity. The USDA forecasts that the farm sector solvency rates will improve slightly as total farm assets appreciate at a slightly higher rate than debt, resulting in a 4.3 percent increase in farm sector equity for 2025. The farm sector debt-to-asset ratio is forecast to be 12.78 percent, the lowest level since 2015.

Corn and soybean price movements were mixed in early 2025. Prices moved higher into February, before planned tariffs began to pressure prices downward during the latter half of February and into March. Soybean prices have also encountered downward pressure from the estimated record-large Brazilian soybean crop and the intensifying trade dispute with China. As of mid-April 2025, crop prices are above the recent lows, and the corn market is supported by tightening ending stock projections as the USDA increased its export forecast for the 2024/2025 marketing year. The March 2025 USDA Prospective Plantings survey indicated that producers intend to plant 4.7 million more corn acres in 2025, up 5.2 percent, while the survey indicated soybean plantings will decline by 3.6 million acres, or 4.1 percent, compared to 2024 plantings. The tightening U.S. and global corn stocks situation is providing underlying support for the corn market, while rising U.S. and global soybean supplies, alongside the trade dispute with China, have negatively impacted soybean prices. High production costs continue to be a concern for crop producers in 2025. Based on crop price futures and Corn Belt-based, land-grant university crop budgets as of early 2025, crop producers are expected to continue to face challenging conditions in 2025 with mixed returns ranging from moderate losses to small gains.

Animal sector market prices were mostly higher during the first quarter of 2025 and exceeded the previous year's levels. Cattle prices remain high due to strong beef demand and the contracting U.S. beef cow herd. Feeder cattle prices were higher in January and March, ending the first quarter of 2025 at record-high levels. USDA estimates that the national average hog price increased through March 2025. Hog and pork prices exceeded prior year levels with support from constrained production and the downward revisions to the USDA's quarterly pig crop estimate. The wholesale broiler composite price increased through February 2025, before declining during March 2025, but remained above the previous year's level. Wholesale egg prices made new record highs, by a large margin, as highly pathogenic avian influenza (HPAI) infections were high early in the year. Weekly spot egg prices did decline throughout March 2025 and early April, but egg prices remain historically high. U.S. milk prices remained elevated to start 2025, but recovering milk production from HPAI infections in some heavily impacted areas, and dairy herd expansion pressured prices moderately lower by the end of the first quarter. The combination of higher animal protein and milk prices during the first quarter of 2025, relative to prior year levels, and the lower feed costs environment, has been supportive for animal sector margins in early 2025. However, tariffs and trade disputes have increased uncertainty and present greater risk for commodities such as pork and soybeans that are more dependent on exports as a source of demand.

Many factors, including weather, trade, government, and monetary policy, global agricultural production levels, and pathogenic outbreaks in livestock and poultry, may keep the agriculture market volatility elevated. Implementation of cost-saving technologies, marketing methods, and risk management strategies will continue to cause a wide range of results among the respective agricultural producers.

Land Values

The AgriBank District continues to monitor agricultural land values. We conduct an annual Benchmark Survey based on values estimated as of June 30 each year. The valuations are completed by licensed real estate appraisers on representative benchmark properties in 34 regions of the District. The 2024 benchmark values as of June 30, 2024, showed that agricultural land values increased by 6.7 percent on average across the District, down from the 13.2 percent increase during 2023. A wide range of changes in benchmark values continued in 2024. Those discrepancies are due to the regional availability of land, quality of land, and regional demand from producers and non-farmer/owners. Rural and farmland market participants continue to purchase land when available. However, elevated interest rates, lower returns, and previous increases in land prices appear to be easing demand for land purchases in some regions.

The Federal Reserve Banks of Chicago, Kansas City, and Minneapolis reported on the change in farmland values from the end of the fourth quarter of 2023 to the end of the fourth quarter of 2024 in their respective districts. The Federal Reserve district reports indicated annual regional changes in non-irrigated farmland values ranging from a 1.0 percent decline to a 0.5 percent increase.

The USDA land value survey, which is conducted annually using June values and published in August of each year, is based on a survey of agricultural producers across the United States. Results of the 2024 survey showed increases of 5.0 percent for overall farm real estate values and 5.5 percent for cropland values specific to the AgriBank District.

AgriBank District credit risk policies focus on loan repayment capacity in addition to conservative loan-to-value levels on the collateral that secures loans. Although Farm Credit Administration (FCA) regulations allow real estate mortgage loans of up to 85 percent of appraised value, most District Associations generally limit lending to 65 percent or less at origination. While underwriting exceptions on loan-to-appraised value are sometimes granted, in such cases, loans are typically structured with shorter amortization schedules and/or additional principal payments in the early years to reduce risk. With increased land values across the District, Associations continue to incorporate credit underwriting factors such as sustainable repayment capacity and lending caps per acre based on the land's long-term, income-producing capacity. These proactive lending practices reduce the impact on District loan portfolios if land values materially decline.

Loan Portfolio

Components of Loans

(in thousands)	**March 31, 2025**	December 31, 2024
Accrual loans:		
Wholesale loans	**$142,584,335**	$141,107,742
Retail loans:		
Real estate mortgage	**9,631,359**	9,939,403
Production and intermediate-term	**7,680,516**	8,749,665
Loans to other financing institutions (OFIs)	**546,052**	615,714
Other	**4,026,125**	4,066,670
Total retail loans	**21,884,052**	23,371,452
Nonaccrual loans	**183,300**	179,812
Total loans	**$164,651,687**	$164,659,006

The Other category was primarily composed of agribusiness and rural residential real estate loans.

Loans totaled $164.7 billion at March 31, 2025, a decrease of $7.3 million from December 31, 2024. Retail loans decreased, primarily driven by declines in production and intermediate-term, largely related to seasonal payments within our crop input financing portfolio and reduced asset pool volume also due to seasonal payments. Wholesale loan growth driven by new agribusiness and real estate mortgage volume at AgriBank District Associations largely offset repayments made during the quarter.

Overall, AgriBank credit quality remains strong. As a majority of our loans are wholesale loans, we expect our credit quality will remain strong even as some District Associations may experience declines in their retail credit quality in the future. Each District Association has allowances for credit losses on loans, earnings and capital that absorb their credit losses before their losses would impact our wholesale loans.

The credit quality of our total loan portfolio remained strong at 99.4 percent in the acceptable category as of March 31, 2025, and December 31, 2024. As of March 31, 2025, all outstanding wholesale loans were classified as acceptable. Adversely classified loans were 0.3 percent at both March 31, 2025, and December 31, 2024. Credit quality of our retail loan portfolio decreased slightly to 95.1 percent acceptable as of March 31, 2025, compared to 95.7 percent acceptable at December 31, 2024. While credit quality is currently strong, many factors could impact borrowers and may result in changes to credit quality in our loan portfolio.

Components of Nonperforming Assets

(in thousands)	March 31, 2025	December 31, 2024
Nonaccrual loans	**$183,300**	$179,812
Accruing loans 90 days or more past due	**42,905**	34,712
Total nonperforming loans	**226,205**	214,524
Other property owned	**769**	1,146
Total nonperforming assets	**$226,974**	$215,670
As a percent of retail loans		
Nonperforming loans	**1.03 %**	0.91 %
Nonaccrual loans	**0.84 %**	0.76 %
Delinquencies	**1.94 %**	0.98 %
As a percent of loans		
Nonperforming loans	**0.14 %**	0.13 %
Nonaccrual loans	**0.11 %**	0.11 %
Delinquencies	**0.26 %**	0.14 %

Due to the low level of nonperforming assets, movement of a single loan or borrower can impact the percent of nonperforming assets. Despite the increase compared to year-end, nonperforming assets remain at acceptable levels, and total nonperforming loans as a percentage of total loans remain within our established risk management guidelines. Nonperforming loans were primarily concentrated in the production and intermediate-term sector, including purchased participations in the general farm and other cash grains industries, and to a lesser extent, meat products and tree nut borrowers in the agribusiness and real estate mortgage sectors. At March 31, 2025, 45.5 percent of nonaccrual loans were current as to principal and interest.

The increase in accruing loans 90 days or more past due for the three months ended March 31, 2025, was primarily due to a real estate mortgage purchased participation in the tree fruit and nut industry. Additionally, the seasonality of our crop input financing portfolio also contributed to the increase. The risk in the crop input financing portfolio is significantly mitigated by credit enhancements, including guarantees with third parties that are in a strong financial position. Our accounting policy requires loans past due 90 days to be transferred into nonaccrual status unless adequately secured and in the process of collection.

Allowance for Credit Losses on Loans Coverage Ratios

	March 31, 2025	December 31, 2024
Allowance for credit losses on loans as a percentage of:		
Loans	**0.02 %**	0.02 %
Retail loans	**0.17 %**	0.17 %
Nonaccrual loans	**20.76 %**	22.05 %
Total nonperforming loans	**16.83 %**	18.48 %
Adverse assets to capital and allowance for credit losses on loans	**5.60 %**	5.50 %

The changes in the above ratios are mostly related to increases in accruing loans 90 days or more past due and nonaccrual loans.

The allowance for credit losses on loans is an estimate of expected credit losses in our portfolio. We determine the appropriate level of allowance for credit losses on loans based on a disciplined process and methodology that incorporates expected probabilities of default and severity of loss based on historical portfolio performance, forecasts of future economic conditions and management's judgment with respect to unique aspects of current and expected conditions that may not be contemplated in historical loss experience or forecasted economic conditions.

As of March 31, 2025, the allowance decreased $1.6 million, compared to December 31, 2024. This was mainly due to a reduction in the specific reserves for agribusiness borrowers in asset pool portfolios, offset by additional reserves placed on production and intermediate-term loans.

Funding, Liquidity and Shareholders' Equity

We are responsible for meeting the District's funding, liquidity and asset/liability management needs. Access to the unsecured debt capital markets remains our primary source of liquidity. We also maintain a secondary source of liquidity through a high-quality investment portfolio and other short-term liquid assets.

The System access to the debt capital markets is critical to support its mission of providing credit to farmers, ranchers and other eligible borrowers. For the three months ended March 31, 2025, investor demand for Systemwide Debt Securities remained sufficient to meet our funding needs.

Our liquidity policy and FCA regulations require maintaining minimum liquidity on a continuous basis of 120 days and 90 days, respectively. The days of liquidity measurement refers to the number of days that maturing debt is covered by liquid investments and cash. As of March 31, 2025, we had sufficient liquidity to fund all debt maturing within 160 days. At March 31, 2025, we held qualifying assets in excess of each incremental level to meet the liquidity coverage intervals.

We maintain a Contingency Funding Plan (CFP) that helps inform our operating and funding needs and addresses actions we would consider in the event that there is not ready access to traditional funding sources. These potential actions include borrowing overnight via federal funds, using investment securities as collateral to borrow, using the proceeds from maturing investments and selling our liquid investments. We size our investment portfolio using the CFP to cover all operating and funding needs for a minimum of 30 days with a targeted $1 billion buffer. The Funding Corporation, on behalf of the System Banks, may also incur other obligations, such as federal funds purchased, that would be the joint and several obligations of the System Banks and would be insured by the Insurance Corporation to the extent funds are available in the Insurance Fund.

We manage interest rate risk under policies established by our board and limits established by our ALCO. These policies and limits ensure that net interest income and economic value of equity at risk remain within the defined risk appetite of the board, including during periods of high interest rate volatility.

Total shareholders' equity at March 31, 2025, was $9.6 billion, a $88.5 million increase from December 31, 2024. The increase was driven primarily by our net income, which was partially offset by cash patronage declared, consistent with AgriBank's capital plan. Based on our analysis, we have not recognized an allowance for credit losses related to our investment portfolio as the majority of our portfolio is guaranteed by the U.S. government or its agencies. Additionally, no investments were impaired as of March 31, 2025.

At March 31, 2025, we exceeded the regulatory minimum capital ratios. Refer to the Additional Regulatory Information section as well as Note 4 in the accompanying Financial Statements for further discussion of capital ratios.

Results of Operations

Net income for the three months ended March 31, 2025, was $242.6 million, a 14.6 percent increase, compared to $211.7 million for the same period in 2024. ROA of 51 basis points through the three months ended March 31, 2025, remained above our 50 basis point target.

Changes in Significant Components of Net Income

(in thousands) **For the three months ended March 31,**	**2025**	2024	Increase (decrease) in Net Income
Net interest income	**$269,626**	$235,593	$34,033
Provision for credit losses	**1,000**	1,000	—
Non-interest income	**29,044**	28,629	415
Non-interest expense	**55,087**	51,503	(3,584)
Net income	**$242,583**	$211,719	$30,864

Net interest income

Changes in Net Interest Income

(in thousands)			
For the three months ended March 31,	**2025 vs 2024**		
Increase (decrease) due to:	**Volume**	**Rate**	**Total**
Interest income:			
Loans	**$140,387**	**$(4,392)**	**$135,995**
Investments and other earning assets	**2,558**	**(26,347)**	**(23,789)**
Total interest income	**142,945**	**(30,739)**	**112,206**
Interest expense:			
Systemwide debt securities and other	**(139,564)**	**61,391**	**(78,173)**
Net change in net interest income	**$3,381**	**$30,652**	**$34,033**

Information regarding the year-to-date average daily balances (ADBs) and annualized average rates earned and paid on our portfolio follows:

(in thousands)						
For the three months ended March 31,	**2025**			2024		
	ADB	**Rate**	**NII**	ADB	Rate	NII
Interest earning assets:						
Wholesale loans	**$141,216,117**	**3.80 %**	**$1,328,359**	$126,271,008	3.82 %	$1,203,601
Retail accrual loans	**22,444,951**	**5.68 %**	**307,804**	21,561,769	5.53 %	297,608
Retail nonaccrual loans	**171,206**	**9.08 %**	**3,835**	71,582	15.66 %	2,794
Investment securities and other earning assets	**26,201,788**	**4.24 %**	**274,036**	25,941,673	4.60 %	297,825
Total earning assets	**190,034,062**	**4.08 %**	**1,914,034**	173,846,032	4.16 %	1,801,828
Interest bearing liabilities	**180,959,063**	**3.69 %**	**1,644,408**	165,633,019	3.79 %	1,566,235
Interest rate spread		**0.39 %**			0.37 %	
Impact of equity financing	**$9,074,999**	**0.19 %**		$8,213,013	0.17 %	
Net interest margin		**0.58 %**			0.54 %	
Net interest income			**$269,626**			$235,593

Net interest income increased when compared to the same period of the prior year. The increase was primarily due to higher spread income and increased volume related to our wholesale loan portfolio. Spread income on investment securities has declined compared to the same period of the prior year due to the mix of investment securities and reduced spreads on money market instruments. The benefit of equity financing increased slightly compared to the same period of the prior year due to higher levels of equity. Equity financing represents the benefit of non-interest bearing funding. Net interest margin for the three months ended March 31, 2025, increased slightly compared to the same period of the prior year and primarily due to increased interest rate spreads on wholesale loans as discussed above.

Non-interest income

Non-interest income increased for the three months ended March 31, 2025, compared to the same period of the prior year. The increase was primarily related to an Allocated Insurance Reserve Accounts (AIRAs) distribution received from the Farm Credit System Insurance Corporation (FCSIC) during the first quarter of 2025. The AIRAs were established by the FCSIC when premiums collected increased the level of the insurance fund beyond the required secured base amount of 2 percent of insured debt. This increase was offset by a reduction in mineral income for the three months ended March 31, 2025, compared to the same period of the prior year, related to lower oil prices and production during the first quarter of 2025.

Non-interest expense

Non-interest expense increased for the three months ended March 31, 2025, compared to the same period of the prior year mainly due to dealer incentive expenses related to our crop input financing portfolio.

Certification

The undersigned have reviewed the March 31, 2025, Quarterly Report of AgriBank, FCB, which has been prepared under the oversight of the Audit Committee and in accordance with all applicable statutory or regulatory requirements. The information contained herein is true, accurate and complete to the best of our knowledge and belief.

Chris Roberts
Chair of the Board
AgriBank, FCB
May 9, 2025

Jeffrey R. Swanhorst
Chief Executive Officer
AgriBank, FCB
May 9, 2025

Brad W. Hoffelt
Chief Financial Officer
AgriBank, FCB
May 9, 2025

Statements of Condition

AgriBank, FCB

(in thousands)	March 31, 2025	December 31, 2024
	(unaudited)	
Assets		
Loans	**$164,651,687**	$164,659,006
Allowance for credit losses on loans	**38,061**	39,641
Net loans	**164,613,626**	164,619,365
Investment securities	**24,040,034**	23,160,944
Cash and cash equivalents	**1,789,358**	1,510,493
Federal funds and securities purchased under resale agreements	**—**	400,000
Accrued interest receivable	**1,724,881**	1,815,644
Derivative assets	**39,253**	26,095
Other assets	**415,367**	398,419
Total assets	**192,622,519**	191,930,960
Liabilities		
Bonds and notes	**181,624,651**	180,795,727
Accrued interest payable	**1,177,073**	1,201,851
Derivative liabilities	**46,531**	23,066
Patronage payable and other payables	**196,854**	427,166
Other liabilities	**25,838**	20,029
Total liabilities	**183,070,947**	182,467,839
Commitments and contingencies (Note 6)		
Shareholders' equity		
Capital stock and participation certificates	**6,535,400**	6,530,024
Unallocated retained earnings	**3,457,487**	3,367,515
Accumulated other comprehensive loss	**(441,315)**	(434,418)
Total shareholders' equity	**9,551,572**	9,463,121
Total liabilities and shareholders' equity	**$192,622,519**	$191,930,960

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

Statements of Comprehensive Income

AgriBank, FCB

(unaudited)

(in thousands)	Three months	
For the periods ended March 31,	**2025**	2024
Interest income		
Loans	**$1,639,998**	$1,504,003
Investments and other earning assets	**274,036**	297,825
Total interest income	**1,914,034**	1,801,828
Interest expense	**1,644,408**	1,566,235
Net interest income	**269,626**	235,593
Provision for credit losses	**1,000**	1,000
Net interest income after provision for credit losses	**268,626**	234,593
Non-interest income		
Mineral income	**20,170**	24,164
Business services income	**2,481**	2,421
Loan prepayment and fee income	**3,468**	1,919
Allocated Insurance Reserve Accounts income	**4,627**	—
Other (loss) income, net	**(1,702)**	125
Total non-interest income	**29,044**	28,629
Non-interest expense		
Salaries and employee benefits	**8,306**	8,361
Other operating expenses	**14,853**	13,854
Loan servicing expense	**24,319**	23,749
Farm Credit System insurance expense	**5,697**	5,539
Other expenses, net	**1,912**	—
Total non-interest expense	**55,087**	51,503
Net income	**$242,583**	$211,719
Other comprehensive (loss) income		
Investment securities activity	**$108,174**	$(25,421)
Derivatives and hedging activity	**(115,108)**	95,714
Employee benefit plan activity	**37**	41
Total other comprehensive (loss) income	**(6,897)**	70,334
Comprehensive income	**$235,686**	$282,053

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

Statements of Changes in Shareholders' Equity

AgriBank, FCB

(unaudited) (in thousands)	Perpetual Preferred Stock	Capital Stock and Participation Certificates	Unallocated Retained Earnings	Accumulated Other Comprehensive Loss	Total
Balance at December 31, 2023	$250,000	$5,845,718	$3,139,865	$(652,405)	$8,583,178
Net income			211,719		211,719
Other comprehensive income				70,334	70,334
Cash patronage			(120,113)		(120,113)
Perpetual preferred stock redemption	(250,000)				(250,000)
Capital stock/participation certificates issued		23,818			23,818
Capital stock/participation certificates retired		(46,893)			(46,893)
Balance at March 31, 2024	$—	$5,822,643	$3,231,471	$(582,071)	$8,472,043
Balance at December 31, 2024	$—	$6,530,024	$3,367,515	$(434,418)	$9,463,121
Net income			**242,583**		**242,583**
Other comprehensive loss				**(6,897)**	**(6,897)**
Cash patronage			**(152,611)**		**(152,611)**
Capital stock/participation certificates issued		**13,408**			**13,408**
Capital stock/participation certificates retired		**(8,032)**			**(8,032)**
Balance at March 31, 2025	**$—**	**$6,535,400**	**$3,457,487**	**$(441,315)**	**$9,551,572**

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

Statements of Cash Flows

AgriBank, FCB

(unaudited)

(in thousands)

For the three months ended March 31,	2025	2024
Cash flows from operating activities		
Net income	**$242,583**	$211,719
Adjustments to reconcile net income to cash flows from operating activities:		
Depreciation on premises and equipment	**159**	181
Provision for credit losses	**1,000**	1,000
Loss on sale of investment securities, net	**—**	136
Amortization of discounts on investments, net	**(59,336)**	(80,102)
Amortization of discounts on debt and deferred debt issuance costs, net	**24,247**	41,834
Loss on derivative activities, net	**3,101**	5,251
Changes in operating assets and liabilities:		
Increase in accrued interest receivable	**(1,254,779)**	(1,161,843)
Increase in other assets	**(12,292)**	(16,924)
(Decrease) increase in accrued interest payable	**(24,778)**	48,394
Decrease in other liabilities	**(14,251)**	(23,494)
Net cash used in operating activities	**(1,094,346)**	(973,848)
Cash flows from investing activities		
Decrease in loans, net	**1,350,281**	558,820
Decrease in federal funds sold and securities purchased under resale agreements, net	**400,000**	300,000
Purchases of investment securities	**(2,568,868)**	(2,205,369)
Proceeds from investment securities	**1,857,288**	1,427,103
Proceeds from the sale of investment securities	**—**	149,859
Other investing activities, net	**86**	(151)
Net cash provided by investing activities	**1,038,787**	230,262
Cash flows from financing activities		
Bonds and notes issued	**27,987,345**	60,268,991
Bonds and notes retired	**(27,186,138)**	(59,368,933)
(Increase) decrease in cash collateral posted with counterparties, net	**(20,439)**	9,800
Variation margin (paid) received on cleared derivatives, net	**(90,804)**	74,167
Patronage distributions paid	**(360,916)**	(319,222)
Capital stock and participation certificates issued (retired), net	**5,376**	(23,075)
Net cash provided by financing activities	**334,424**	641,728
Net increase (decrease) in cash and cash equivalents	**278,865**	(101,858)
Cash and cash equivalents at beginning of period	**1,510,493**	1,642,497
Cash and cash equivalents at end of period	**$1,789,358**	$1,540,639

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

Supplemental Statements of Cash Flows Information

AgriBank, FCB

(unaudited)
(in thousands)

For the three months ended March 31,	2025	2024
Supplemental non-cash investing and financing activities		
Increase (decrease) in shareholders' equity from investment securities	**$108,174**	$(25,421)
Interest capitalized to loan principal	**1,345,542**	1,179,088
Accrued patronage	**152,612**	120,114
Redemption of preferred stock	**—**	(250,000)
Supplemental non-cash fair value changes related to hedging activities		
Decrease (increase) in derivative assets and liabilities, net	**$114,739**	$(74,677)
Increase (decrease) in bonds from derivative activity	**3,470**	(15,786)
(Decrease) increase in shareholders' equity from cash flow derivatives	**(115,108)**	95,714
Supplemental Information		
Interest paid	**$1,642,268**	$1,472,631

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

Notes to Financial Statements

AgriBank, FCB

(Unaudited)

NOTE 1

Organization and Significant Accounting Policies

AgriBank, FCB (AgriBank) is one of the Banks of the Farm Credit System (the System), a nationwide network of cooperatively owned Banks and Associations, established by Congress and subject to the provisions of the Farm Credit Act of 1971, as amended. The System specializes in providing financing and related services to qualified borrowers for agricultural and rural purposes. AgriBank and its District Associations are collectively referred to as the District. Each parent ACA has wholly owned Federal Land Credit Association and Production Credit Association subsidiaries. AgriBank serves as the intermediary between the financial markets and the retail lending activities of the District Associations.

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 in the United States of America (GAAP) and prevailing practices within the financial services industry. The preparation of Financial Statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the Financial Statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

The Financial Statements include the accounts of AgriBank. The Financial Statements do not include the assets, obligations or results of operations of District Associations or service corporations. AgriBank operates as a single segment for reporting purposes.

A description of our organization and operations, significant accounting policies followed, financial condition, and results of operations as of and for the year ended December 31, 2024, are contained in the 2024 Annual Report.

These unaudited first quarter 2025 Financial Statements should be read in conjunction with the 2024 Annual Report. The results for the three months ended March 31, 2025, do not necessarily indicate the results to be expected for the year ending December 31, 2025.

Recently Issued or Adopted Accounting Pronouncements

We have assessed the potential impact of accounting standards that have been issued by the Financial Accounting Standards Board (FASB) and have determined the following standards to be applicable to our business:

Standard and effective date	Description	Adoption status and financial statement impact
In November 2024, the FASB issued ASU 2024-03 "Income Statement -Reporting Comprehensive Income - Expense Disaggregation Disclosure (Subtopic 220-40): Disaggregation of Income Statement Expenses." The guidance is effective for public business entities for annual reporting periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027. The guidance can be applied either prospectively for reporting periods after the effective date or retrospectively to all periods presented. Early adoption is permitted.	The standard requires enhanced disclosures related to the disaggregation of certain costs and expense categories such as employee compensation, depreciation, and selling expenses. The standard also requires qualitative disclosure around certain relevant expense categories that are not disaggregated quantitatively.	We expect to adopt the standard for our fiscal year ending December 31, 2027, and for interim periods beginning in 2028. We are currently assessing the impact of this standard on our disclosures.

NOTE 2

Loans and Allowance for Credit Losses

Loans by Type

	March 31, 2025		December 31, 2024	
(in thousands)	Amount	%	Amount	%
Wholesale loans	**$142,584,335**	**86.6 %**	$141,107,742	85.7 %
Retail loans:				
Real estate mortgage	**9,693,877**	**5.9 %**	9,999,869	6.2 %
Production and intermediate-term	**7,749,315**	**4.7 %**	8,807,117	5.3 %
Loans to other financing institutions (OFIs)	**546,052**	**0.3 %**	615,714	0.4 %
Other	**4,078,108**	**2.5 %**	4,128,564	2.4 %
Total retail loans	**22,067,352**	**13.4 %**	23,551,264	14.3 %
Total loans	**$164,651,687**	**100.0 %**	$164,659,006	100.0 %

The Other category was primarily composed of agribusiness and rural residential real estate loans.

Accrued interest receivable on loans of $1.6 billion and $1.7 billion as of March 31, 2025 and December 31, 2024, respectively has been excluded from the amortized cost of loans.

Portfolio Diversification

A substantial portion of our loan portfolio consists of individual wholesale loans to a few District Associations, which also account for a significant portion of our interest income. These concentrations have not materially changed from December 31, 2024. For additional information regarding portfolio diversification, refer to the 2024 Annual Report.

Participations

We may purchase participations from and sell participations to others, primarily District Associations. We had no purchases outside the System in the periods presented. We may also purchase loan participations from District Associations in the form of asset pools. The purpose of the asset pools are to assist Associations and AgriBank in achieving business goals, provide administrative efficiency for loan origination programs initiated by District Associations and effectively leverage existing District capital. Each pool has different criteria to meet Association business objectives while satisfying AgriBank underwriting criteria. From time to time, we may expand or change these asset pools. In such cases, in agreement with the participating District Associations, we offer to sell back existing participations and purchase participations under the new program. There were no purchases or sales as a result of changes in asset pool programs during the three months ended March 31, 2025. These purchases may include loans that were considered purchased credit deteriorated; however, these loans were not material to the financial statements.

Retail Loan Participations Purchased

(in thousands)	March 31, 2025	December 31, 2024
Real estate mortgage	**$9,693,877**	$9,999,869
Production and intermediate-term	**7,749,315**	8,807,117
Other	**4,070,378**	4,098,768
Total loans	**$21,513,570**	$22,905,754

Portfolio Performance

The primary credit quality indicator we use is the Farm Credit Administration (FCA) Uniform Loan Classification System, which categorizes loans into five credit quality categories:

- Acceptable – assets are non-criticized assets representing the highest quality. They are expected to be fully collectible. This category is further differentiated into various probability of default ratings.
- Other Assets Especially Mentioned (special mention) – are currently collectible, but exhibit some potential weakness. These assets involve increased credit risk, but not to the point of justifying a substandard classification.
- Substandard – assets exhibit some serious weakness in repayment capacity, equity and/or collateral pledged on the loan.
- Doubtful – assets exhibit similar weaknesses as substandard assets. However, doubtful assets have additional weaknesses in existing factors, conditions and values that make collection in full highly questionable.
- Loss – assets are considered uncollectible.

We had no loans categorized as loss at March 31, 2025, or December 31, 2024.

Credit Quality of Loans as a Percentage of Total Loans

As of March 31, 2025	Acceptable	Special mention	Substandard/ Doubtful	Total
Wholesale loans	**100.0 %**	**— %**	**— %**	**100.0 %**
Retail loans:				
Real estate mortgage	**96.4 %**	**1.5 %**	**2.1 %**	**100.0 %**
Production and intermediate-term	**95.1 %**	**2.7 %**	**2.2 %**	**100.0 %**
Loans to OFIs	**100.0 %**	**— %**	**— %**	**100.0 %**
Other	**91.1 %**	**4.8 %**	**4.1 %**	**100.0 %**
Total retail loans	**95.1 %**	**2.5 %**	**2.4 %**	**100.0 %**
Total loans	**99.4 %**	**0.3 %**	**0.3 %**	**100.0 %**
(in thousands)				
As of December 31, 2024				
Wholesale loans	100.0 %	— %	— %	100.0 %
Retail loans:				
Real estate mortgage	96.8 %	1.3 %	1.9 %	100.0 %
Production and intermediate-term	95.6 %	2.5 %	1.9 %	100.0 %
Loans to OFIs	100.0 %	— %	— %	100.0 %
Other	92.5 %	3.6 %	3.9 %	100.0 %
Total retail loans	95.7 %	2.1 %	2.2 %	100.0 %
Total loans	99.4 %	0.3 %	0.3 %	100.0 %

Credit Quality and Origination Year of Loans

(in thousands)	Term Loans by Origination Year								
As of March 31, 2025	**2025**	**2024**	**2023**	**2022**	**2021**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term Loans**	**Total**
Wholesale Loans									
Acceptable	$—	$—	$—	$—	$—	$—	$142,584,335	$—	$142,584,335
Total Wholesale Loans	$—	$—	$—	$—	$—	$—	$142,584,335	$—	$142,584,335
Retail Loans:									
Real estate mortgage									
Acceptable	$18,894	$322,451	$968,628	$1,229,465	$1,718,357	$4,992,311	$101,434	$1,226	$9,352,766
Special mention	—	5,483	13,054	31,085	16,460	63,268	12,550	—	141,900
Substandard/Doubtful	—	1,924	11,780	24,856	29,666	112,118	18,857	10	199,211
Total Real estate mortgage loans	$18,894	$329,858	$993,462	$1,285,406	$1,764,483	$5,167,697	$132,841	$1,236	$9,693,877
Production and intermediate-term									
Acceptable	$724,187	$2,402,565	$1,258,109	$747,771	$736,728	$390,880	$1,108,893	$590	$7,369,723
Special mention	16,085	40,282	40,505	24,338	12,391	6,631	67,473	179	207,884
Substandard/Doubtful	3,139	29,300	31,401	20,566	13,314	11,712	57,651	4,625	171,708
Total production and intermediate-term loans	$743,411	$2,472,147	$1,330,015	$792,675	$762,433	$409,223	$1,234,017	$5,394	$7,749,315
Loans to OFIs									
Acceptable	$11,750	$46,335	$8,427	$68,757	$86,318	$82,227	$242,238	$—	$546,052
Total loans to OFIs	$11,750	$46,335	$8,427	$68,757	$86,318	$82,227	$242,238	$—	$546,052
Other									
Acceptable	$40,016	$451,745	$656,294	$638,614	$350,363	$833,861	$745,186	$570	$3,716,649
Special mention	28	25,714	12,298	57,767	16,273	32,808	50,452	6	195,346
Substandard/Doubtful	—	5,644	1,748	9,785	50,454	53,256	45,149	77	166,113
Total other	$40,044	$483,103	$670,340	$706,166	$417,090	$919,925	$840,787	$653	$4,078,108
Total retail loans									
Acceptable	$794,847	$3,223,096	$2,891,458	$2,684,607	$2,891,766	$6,299,279	$2,197,751	$2,386	$20,985,190
Special mention	16,113	71,479	65,857	113,190	45,124	102,707	130,475	185	545,130
Substandard/Doubtful	3,139	36,868	44,929	55,207	93,434	177,086	121,657	4,712	537,032
Total Retail Loans	$814,099	$3,331,443	$3,002,244	$2,853,004	$3,030,324	$6,579,072	$2,449,883	$7,283	$22,067,352
Total loans									
Acceptable	$794,847	$3,223,096	$2,891,458	$2,684,607	$2,891,766	$6,299,279	$144,782,086	$2,386	$163,569,525
Special mention	16,113	71,479	65,857	113,190	45,124	102,707	130,475	185	545,130
Substandard/Doubtful	3,139	36,868	44,929	55,207	93,434	177,086	121,657	4,712	537,032
Total	$814,099	$3,331,443	$3,002,244	$2,853,004	$3,030,324	$6,579,072	$145,034,218	$7,283	$164,651,687
Charge-offs, for the three months ended March 31, 2025									
Real estate mortgage	$9	$—	$—	$19	$3	$4,248	$—	$—	$4,279
Production and intermediate-term	57	72	24,073	227	83	321	1,283	24	26,140
Other	—	—	235	29	124	3	—	—	391
Total	$66	$72	$24,308	$275	$210	$4,572	$1,283	$24	$30,810

(in thousands)	Term Loans by Origination Year								
As of December 31, 2024	**2024**	**2023**	**2022**	**2021**	**2020**	**Prior**	**Revolving Loans**	**Revolving Loans Converted to Term Loans**	**Total**
Wholesale Loans									
Acceptable	$—	$—	$—	$—	$—	$—	$141,107,742	$—	$141,107,742
Total Wholesale Loans	$—	$—	$—	$—	$—	$—	$141,107,742	$—	$141,107,742
Retail Loans:									
Real estate mortgage									
Acceptable	$332,161	$1,007,112	$1,270,461	$1,757,560	$1,587,909	$3,577,000	$148,578	$2,021	$9,682,802
Special mention	5,148	10,087	25,175	14,033	18,380	41,176	12,155	—	126,154
Substandard/Doubtful	2,105	8,209	24,354	25,608	23,781	87,050	19,796	10	190,913
Total Real estate mortgage loans	$339,414	$1,025,408	$1,319,990	$1,797,201	$1,630,070	$3,705,226	$180,529	$2,031	$9,999,869
Production and intermediate-term									
Acceptable	$3,108,285	$1,650,431	$870,909	$878,474	$340,820	$160,865	$1,408,714	$928	$8,419,426
Special mention	54,559	50,688	25,146	13,941	7,308	1,803	62,526	290	216,261
Substandard/Doubtful	35,909	35,844	20,223	11,027	6,548	5,711	54,408	1,760	171,430
Total production and intermediate-term loans	$3,198,753	$1,736,963	$916,278	$903,442	$354,676	$168,379	$1,525,648	$2,978	$8,807,117
Loans to OFIs									
Acceptable	$46,335	$20,054	$94,982	$100,070	$92,391	$9,869	$252,013	$—	$615,714
Total loans to OFIs	$46,335	$20,054	$94,982	$100,070	$92,391	$9,869	$252,013	$—	$615,714
Other									
Acceptable	$436,026	$694,970	$708,560	$375,424	$262,742	$606,568	$734,562	$1,037	$3,819,889
Special mention	29,401	12,090	29,183	14,876	28,150	3,913	30,772	—	148,385
Substandard/Doubtful	5,647	3,221	5,554	58,421	36,150	17,157	34,132	8	160,290
Total other	$471,074	$710,281	$743,297	$448,721	$327,042	$627,638	$799,466	$1,045	$4,128,564
Total retail loans									
Acceptable	$3,922,807	$3,372,567	$2,944,912	$3,111,528	$2,283,862	$4,354,302	$2,543,867	$3,986	$22,537,831
Special mention	89,108	72,865	79,504	42,850	53,838	46,892	105,453	290	490,800
Substandard/Doubtful	43,661	47,274	50,131	95,056	66,479	109,918	108,336	1,778	522,633
Total Retail Loans	$4,055,576	$3,492,706	$3,074,547	$3,249,434	$2,404,179	$4,511,112	$2,757,656	$6,054	$23,551,264
Total loans									
Acceptable	$3,922,807	$3,372,567	$2,944,912	$3,111,528	$2,283,862	$4,354,302	$143,651,609	$3,986	$163,645,573
Special mention	89,108	72,865	79,504	42,850	53,838	46,892	105,453	290	490,800
Substandard/Doubtful	43,661	47,274	50,131	95,056	66,479	109,918	108,336	1,778	522,633
Total	$4,055,576	$3,492,706	$3,074,547	$3,249,434	$2,404,179	$4,511,112	$143,865,398	$6,054	$164,659,006

Charge-offs, for the three months ended March 31, 2024									
Real estate mortgage	$—	$—	$1	$2	$—	$595	$—	$—	$598
Production and intermediate-term	29	112	265	293	27	718	1,691	—	3,135
Other	—	—	—	4	—	8	—	—	12
Total	$29	$112	$266	$299	$27	$1,321	$1,691	$—	$3,745

Aging Analysis of Loans

(in thousands) As of March 31, 2025	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less than 30 Days Past Due	Total Loans	Accruing Loans 90 Days or More Past Due
Wholesale loans	**$—**	**$—**	**$—**	**$142,584,335**	**$142,584,335**	**$—**
Retail loans:						
Real estate mortgage	**36,209**	**54,908**	**91,117**	**9,602,760**	**9,693,877**	**7,219**
Production and intermediate-term	**241,201**	**69,264**	**310,465**	**7,438,850**	**7,749,315**	**34,320**
Loans to OFIs	**—**	**—**	**—**	**546,052**	**546,052**	**—**
Other	**18,289**	**4,078**	**22,367**	**4,055,741**	**4,078,108**	**1,366**
Total retail loans	**295,699**	**128,250**	**423,949**	**21,643,403**	**22,067,352**	**42,905**
Total loans	**$295,699**	**$128,250**	**$423,949**	**$164,227,738**	**$164,651,687**	**$42,905**

(in thousands) As of December 31, 2024	30-89 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less than 30 Days Past Due	Total Loans	Accruing Loans 90 Days or More Past Due
Wholesale loans	$—	$—	$—	$141,107,742	$141,107,742	$—
Retail loans:						
Real estate mortgage	32,445	40,147	72,592	9,927,277	9,999,869	1,960
Production and intermediate-term	92,830	55,827	148,657	8,658,460	8,807,117	31,701
Loans to OFIs	—	—	—	615,714	615,714	—
Other	3,774	5,730	9,504	4,119,060	4,128,564	1,051
Total retail loans	129,049	101,704	230,753	23,320,511	23,551,264	34,712
Total loans	$129,049	$101,704	$230,753	$164,428,253	$164,659,006	$34,712

Additional Nonaccrual Loan Information

	As of March 31, 2025		**For the three months ended March 31, 2025**
	Amortized Cost	**Amortized Cost without Allowance**	**Interest Income Recognized**
Nonaccrual loans:			
Real estate mortgage	**$62,519**	**$60,136**	**$1,754**
Production and intermediate-term	**68,798**	**11,899**	**2,081**
Other	**51,983**	**44,204**	**—**
Total	**$183,300**	**$116,239**	**$3,835**

	As of December 31, 2024		For the three months ended March 31, 2024
	Amortized Cost	Amortized Cost without Allowance	Interest Income Recognized
Nonaccrual loans:			
Real estate mortgage	$60,466	$59,152	$596
Production and intermediate-term	57,452	12,137	2,198
Other	61,894	45,777	—
Total nonaccrual loans	$179,812	$117,066	$2,794

We had no wholesale loans or loans to OFIs classified as nonaccrual at March 31, 2025, or December 31, 2024. Reversals of interest income on retail loans that transferred to nonaccrual status were not material during the three months ended March 31, 2025, or 2024.

Modifications Granted to Borrowers Experiencing Financial Difficulty

Included within our loans are loan modifications. Loan modifications may be granted to borrowers experiencing financial difficulty. Our loans classified as modified loans at March 31, 2025, or 2024, and activity on these loans during the three months ended March 31, 2025, or 2024, were not material. We did not have any material commitments to lend to borrowers whose loans were modified during the three months ended March 31, 2025, or during the year ended December 31, 2024.

Allowance for Credit Losses on Loans and Credit Losses on Unfunded Commitments

The "Provision for credit losses" in the Statements of Comprehensive Income may include a provision or reversal of credit losses on loans and unfunded commitments. The allowance for credit losses on unfunded commitments are recorded in "Other liabilities" in the Statements of Condition. Typically, the allowance for credit losses on unfunded commitments is relieved and replaced with an allowance for credit losses on loans as the related commitments are funded. The allowance for credit losses on unfunded commitments was not material as of March 31, 2025, or December 31, 2024. Similarly, the provision for credit losses on unfunded commitments for the three months ended March 31, 2025, and 2024, was not material.

Our loan portfolio is divided into segments primarily based on loan type which are the segments used to estimate the allowance for credit losses. As Farm Credit lending authorities limit the types of loans we can participate in, our portfolio is concentrated in the agriculture sector. The credit risk associated with each of our portfolio segments includes a strong correlation to agricultural commodity prices and input costs. Specifically for our real estate mortgage segment, the value of agricultural land that serves as collateral is a key risk characteristic. Additionally, unemployment rates and gross domestic product levels are additional key risk characteristics attributable to our portfolio. We consider these characteristics, among others, in assigning internal risk ratings and forecasting credit losses on our loan portfolio and related unfunded commitments.

We develop our reasonable and supportable forecast by considering a multitude of macroeconomic variables. Our forecasts of U.S. net farm income, U.S. real gross domestic product, and U.S. unemployment rate represent the key macroeconomic variables that most significantly affect the estimate of the allowance for credit losses on loans and credit losses on unfunded commitments.

We utilize a single macroeconomic scenario in the estimate of the allowance for credit losses on loans and credit losses on unfunded commitments which represents the most probable forecasted outcome. Subsequent changes in the macroeconomic forecasts will be reflected in the provision for credit losses in future periods.

The allowance for credit losses on loans decreased slightly from December 31, 2024, related to reduction in the specific reserves for agribusiness borrowers in asset pool portfolios, offset by additional reserves placed on production and intermediate-term loans.

Changes in Allowance for Credit Losses on Loans by Loan Type

(in thousands)	Real estate mortgage	Production and intermediate-term	Loans to OFIs	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2024	**$6,948**	**$17,689**	**$400**	**$14,604**	**$39,641**
Provision for credit losses on loans	**3,767**	**1,162**	**(61)**	**(3,868)**	**1,000**
Charge-offs	**(4,279)**	**(26,140)**	**—**	**(391)**	**(30,810)**
Recoveries	**2**	**27,977**	**—**	**251**	**28,230**
Balance as of March 31, 2025	**$6,438**	**$20,688**	**$339**	**$10,596**	**$38,061**

(in thousands)	Real estate mortgage	Production and intermediate-term	Loans to OFIs	Other	Total
Allowance for credit losses on loans:					
Balance as of December 31, 2023	$5,968	$11,647	$617	$13,760	$31,992
Provision for credit losses on loans	(1,558)	2,892	(168)	(166)	1,000
Charge-offs	(598)	(3,135)	—	(12)	(3,745)
Recoveries	26	—	—	1	27
Balance as of March 31, 2024	$3,838	$11,404	$449	$13,583	$29,274

We had no allowance for credit losses and have not recorded a provision for credit losses on loans, charge-offs or recoveries on our wholesale loans for any period presented.

NOTE 3

Investment Securities

All investment securities are classified as available-for-sale (AFS).

AFS Investment Securities

(in thousands) **March 31, 2025**	**Amortized Cost**	**Unrealized Gains**	**Unrealized Losses**	**Fair Value**	**Weighted Average Yield**
Commercial paper and other	**$7,670,022**	**$254**	**$538**	**$7,669,738**	**4.7%**
U.S. Treasury securities	**8,764,622**	**33,649**	**20,409**	**8,777,862**	**4.2%**
Mortgage-backed securities	**7,607,167**	**7,741**	**544,614**	**7,070,294**	**3.5%**
Asset-backed securities	**519,578**	**2,991**	**429**	**522,140**	**4.1%**
Total	**$24,561,389**	**$44,635**	**$565,990**	**$24,040,034**	**4.2%**

(in thousands) December 31, 2024	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value	Weighted Average Yield
Commercial paper and other	$7,990,769	$291	$504	$7,990,556	4.9%
U.S. Treasury securities	8,160,912	20,155	47,533	8,133,534	4.3%
Mortgage-backed securities	7,326,154	3,170	607,929	6,721,395	3.5%
Asset-backed securities	312,638	3,293	472	315,459	4.6%
Total	$23,790,473	$26,909	$656,438	$23,160,944	4.3%

The commercial paper and other category was comprised of corporate commercial paper and certificates of deposit.

Accrued interest receivable on investments securities of $101.1 million and $99.2 million as of March 31, 2025, and December 31, 2024, respectively, has been excluded from the amortized cost of investment securities.

Contractual Maturities of AFS Investment Securities

	Year of Maturity				
(in thousands)	**One Year**	**One to**	**Five to**	**More Than**	
As of March 31, 2025	**or Less**	**Five Years**	**Ten Years**	**Ten Years**	**Total**
Commercial paper and other	**$7,669,738**	**$—**	**$—**	**$—**	**$7,669,738**
U.S. Treasury securities	**2,239,928**	**6,412,323**	**125,611**	**—**	**8,777,862**
Mortgage-backed securities	**278**	**64,216**	**100,835**	**6,904,965**	**7,070,294**
Asset-backed securities	**—**	**522,140**	**—**	**—**	**522,140**
Total fair value	**$9,909,944**	**$6,998,679**	**$226,446**	**$6,904,965**	**$24,040,034**
Total amortized cost	**$9,906,976**	**$6,988,222**	**$231,352**	**$7,434,839**	**$24,561,389**
Weighted average yield	**4.7 %**	**4.1 %**	**3.5 %**	**3.6 %**	**4.2 %**

The expected average life is 1.2 years for asset-backed securities and 5.1 years for mortgage-backed securities at March 31, 2025. Expected maturities differ from contractual maturities, because borrowers may have the right to prepay obligations.

A summary of the investment securities in an unrealized loss position presented by the length of time that the securities have been in a continuous unrealized loss position follows:

	Less than 12 months		**More than 12 months**	
(in thousands)	**Fair**	**Unrealized**	**Fair**	**Unrealized**
As of March 31, 2025	**Value**	**Losses**	**Value**	**Losses**
Commercial paper and other	**$6,044,910**	**$538**	**$—**	**$—**
U.S. Treasury securities	**2,325,119**	**6,767**	**526,253**	**13,642**
Mortgage-backed securities	**1,001,347**	**2,299**	**4,758,731**	**542,315**
Asset-backed securities	**75,363**	**346**	**20,020**	**83**
Total	**$9,446,739**	**$9,950**	**$5,305,004**	**$556,040**

	Less than 12 months		More than 12 months	
(in thousands)	Fair	Unrealized	Fair	Unrealized
As of December 31, 2024	Value	Losses	Value	Losses
Commercial paper and other	$5,893,435	$504	$—	$—
U.S. Treasury securities	2,853,619	29,358	521,347	18,175
Mortgage-backed securities	1,139,368	7,566	4,872,512	600,363
Asset-backed securities	24,674	320	27,934	152
Total	$9,911,096	$37,748	$5,421,793	$618,690

There were no AFS investment securities sold during the three months ended March 31, 2025. We sold $150.0 million of U.S. Treasury securities during the three months ended March 31, 2024.

There was no allowance for credit losses on investment securities at March 31, 2025, or December 31, 2024, as the substantial majority of our investment portfolio carries a full faith and credit guarantee of the U.S. government or an implicit credit guarantee from its agencies and have an immaterial risk of credit loss. Additionally, no investments were impaired as of March 31, 2025, or December 31, 2024.

NOTE 4

Shareholders' Equity

Regulatory Capital Requirements and Ratios

	March 31, 2025	December 31, 2024	**Regulatory Minimums**	**Capital Conservation Buffer**	**Total**
Risk-adjusted:					
Common equity tier 1 capital ratio	**16.6 %**	16.0 %	4.5 %	2.5 %	7.0 %
Tier 1 capital ratio	**16.6 %**	16.0 %	6.0 %	2.5 %	8.5 %
Total capital ratio	**16.6 %**	16.1 %	8.0 %	2.5 %	10.5 %
Permanent capital ratio	**16.6 %**	16.0 %	7.0 %	— %	7.0 %
Non-risk-adjusted:					
Tier 1 leverage ratio	**5.2 %**	5.2 %	4.0 %	1.0 %	5.0 %
UREE[1] leverage	**1.8 %**	1.9 %	1.5 %	— %	1.5 %

[1]Unallocated retained earnings and equivalents

If the capital ratios fall below the total requirements, including the buffer amounts, capital distributions (equity redemptions, dividends and patronage) and discretionary senior executive bonuses are restricted or prohibited without prior FCA approval.

NOTE 5

Employee Benefit Plans

We participate in Districtwide employee benefit plans. The funded status of the post-employment benefit plans is recorded at the District level.

District Components of Net Periodic Benefit Cost

(in thousands)	**Pension Benefits**		**Other Benefits**	
For the three months ended March 31,	**2025**	2024	**2025**	2024
Net periodic benefit cost:				
Service cost	**$4,006**	$4,880	**$19**	$29
Interest cost	**14,817**	15,375	**172**	195
Expected return on plan assets	**(18,843)**	(18,061)	**—**	—
Amortization of prior service credit	**(662)**	(662)	**—**	—
Amortization of net loss (gain)	**8,182**	10,413	**(378)**	(281)
Net periodic benefit cost	**$7,500**	$11,945	**$(187)**	$(57)

Certain employees in the AgriBank District participate in the AgriBank District Retirement Plan, a governmental defined benefit retirement plan. The employers contribute amounts in accordance with the governing body's funding policy to provide the plan with sufficient assets to meet the benefits to be paid to participants. Refer to the 2024 Annual Report for a more complete description of the Employee Benefit Plans.

For the three months ended March 31, 2025, District employers have contributed $9.0 million to fund pension benefits. District employers anticipate contributing an additional $11.4 million to fund pension benefits in 2025. The Plan Sponsor Committee of the AgriBank District Retirement Plan determines the funding frequency of the plan. The Nonqualified Pension plan is funded as benefits are paid.

NOTE 6

Commitments and Contingencies

In the normal course of business, we have various contingent liabilities and commitments outstanding, primarily commitments to extend credit, which may not be reflected in the Financial Statements. We do not anticipate any material losses because of the contingencies or commitments.

From time to time, we may be named as defendants in certain lawsuits or legal actions in the normal course of business. At the date of these Financial Statements, our management team was not aware of any material actions. However, management cannot ensure that such actions or other contingencies will not arise in the future.

While we are primarily liable for our portion of Systemwide bonds and notes, we are jointly and severally liable for the Systemwide bonds and notes of the other System Banks. The total bonds and notes of the System at March 31, 2025, was $452.2 billion.

NOTE 7

Fair Value Measurements

We use fair value measurements to record fair value adjustments to certain assets and liabilities and to determine fair value disclosures. Assets and liabilities measured at fair value on a recurring and non-recurring basis consist of federal funds, securities purchased under resale agreements, investments available-for-sale, derivative assets and liabilities, certain loans, other property owned, and collateral assets and liabilities. The fair value is also calculated and disclosed for other financial instruments that are not measured at fair value on the Statements of Condition. These other financial instruments consist of cash, loans, bonds, and notes and commitments to extend credit and letters of credit. Refer to the 2024 Annual Report for descriptions of the valuation methodologies we use for asset and liabilities recorded at fair value on a recurring or non-recurring basis and for estimating fair value for financial instruments not recorded at fair value.

A fair value hierarchy is used for disclosure of fair value measurements to maximize the use of observable inputs. The valuation hierarchy is based on the transparency of inputs to the valuation of an asset or liability as of the measurement date. A financial instrument's categorization within the valuation hierarchy is based on the lowest level of input that is significant to the fair value measurement. Refer to the 2024 Annual Report for a more complete description of these input levels.

Recurring Measurements

Assets and Liabilities Measured at Fair Value on a Recurring Basis

(in thousands)	Fair Value Measurement Using			Total Fair
As of March 31, 2025	**Level 1**	**Level 2**	**Level 3**	**Value**
Assets:				
Investments available-for-sale:				
Commercial paper and other	$—	$7,669,738	$—	$7,669,738
U.S. Treasury securities	—	8,777,862	—	8,777,862
Mortgage-backed securities	—	7,070,294	—	7,070,294
Asset-backed securities	—	522,140	—	522,140
Total investments available-for-sale	—	24,040,034	—	24,040,034
Cash collateral posted with counterparties	193,316	—	—	193,316
Derivative assets	—	39,253	—	39,253
Total assets	$193,316	$24,079,287	$—	$24,272,603
Liabilities:				
Derivative liabilities	$—	$46,531	$—	$46,531

(in thousands)	Fair Value Measurement Using			Total Fair
As of December 31, 2024	Level 1	Level 2	Level 3	Value
Assets:				
Federal funds sold and securities purchased under resale agreements	$—	$400,000	$—	$400,000
Investments available-for-sale:				
Commercial paper and other	$—	$7,990,556	$—	$7,990,556
U.S. Treasury securities	—	8,133,534	—	8,133,534
Mortgage-backed securities	—	6,721,395	—	6,721,395
Asset-backed securities	—	315,459	—	315,459
Total investments available-for-sale	—	23,160,944	—	23,160,944
Cash collateral posted with counterparties	174,787	—	—	174,787
Derivative assets	—	26,095	—	26,095
Total assets	$174,787	$23,587,039	$—	$23,761,826
Liabilities:				
Cash collateral posted by counterparties	$1,910	$—	$—	$1,910
Derivative liabilities	—	23,066	—	23,066
Total liabilities	$1,910	$23,066	$—	$24,976

We had no level 3 assets measured at fair value on a recurring basis at March 31, 2025, or December 31, 2024.

Non-recurring Measurements

Certain loans are individually evaluated for credit losses and deemed to be collateral dependent. The carrying value amount of these loans is based on the estimated value of the underlying collateral, less costs to sell. When the fair value of the collateral, less costs to sell, is less than the amortized cost basis of the loan, a specific allowance for expected credit losses is established. Costs to sell represent transaction costs and are not included as a component of the collateral's estimated fair value. Typically, the process requires significant input based on management's knowledge of and judgment about current market conditions, specific issues relating to the collateral and other matters and, therefore, are classified as Level 3 fair value measurements.

We had $49.0 million and $42.8 million of collateral dependent loans measured at fair value on a non-recurring basis at March 31, 2025, and December 31, 2024, respectively.

Other Financial Instrument Measurements

Financial Instruments Not Measured at Fair Value on the Statements of Condition

(in thousands) **As of March 31, 2025**	**Total Carrying Amount**	**Fair Value Measurement Using** **Level 1**	**Level 2**	**Level 3**	**Total Fair Value**
Assets:					
Cash and cash equivalents	**$1,789,358**	**$1,789,358**	**$—**	**$—**	**$1,789,358**
Net loans	**164,563,490**	**—**	**—**	**158,512,708**	**158,512,708**
Total assets	**$166,352,848**	**$1,789,358**	**$—**	**$158,512,708**	**$160,302,066**
Liabilities:					
Bonds and notes	**$181,624,651**	**$—**	**$—**	**$176,521,888**	**$176,521,888**
Unrecognized financial instruments:					
Commitments to extend credit and letters of credit		**$—**	**$—**	**$(3,647)**	**$(3,647)**

(in thousands) As of December 31, 2024	Carrying Amount	Fair Value Measurement Using Level 1	Level 2	Level 3	Total Fair Value
Assets:					
Cash and cash equivalents	$1,510,493	$1,510,493	$—	$—	$1,510,493
Net loans	164,573,375	—	—	157,101,755	157,101,755
Total assets	$166,083,868	$1,510,493	$—	$157,101,755	$158,612,248
Liabilities:					
Bonds and notes	$180,795,727	$—	$—	$174,375,062	$174,375,062
Unrecognized financial instruments:					
Commitments to extend credit and letters of credit		$—	$—	$(3,784)	$(3,784)

NOTE 8

Derivative and Hedging Activity

Use of Derivatives

We maintain an overall interest rate risk management strategy that incorporates the use of derivative products to minimize significant unplanned fluctuations in earnings that are caused by interest rate volatility. Our goals are to manage interest rate sensitivity by modifying the repricing or maturity characteristics of certain balance sheet assets and liabilities so that movements in interest rates do not adversely affect net interest margin. As a result of interest rate fluctuations, fixed-rate liabilities will appreciate or depreciate in market value. The effect of this unrealized appreciation or depreciation is expected to be substantially offset by our gains or losses on the derivative instruments that are linked to fixed-rate liabilities. Another result of interest rate fluctuations is that the interest expense of floating-rate liabilities will increase or decrease. The effect of this variability in earnings is expected to be substantially offset by our gains and losses on the derivative instruments that are linked to these floating-rate liabilities. We consider the use of derivatives to be a prudent method of managing interest rate sensitivity, as it prevents earnings from being exposed to undue risk posed by changes in interest rates.

All of our derivative activities are monitored by the Asset/Liability Committee (ALCO) as part of the committee's oversight of our asset/liability and treasury functions. ALCO ensures that the Bank's derivative hedging strategies are implemented in line with the board's risk appetite and are incorporated into our overall asset/liability risk-management framework.

Interest Rate Risk Management
We primarily enter into derivative transactions, particularly interest rate swaps, to reduce funding costs, improve liquidity, manage interest rate sensitivity and basis risk. Interest rate swaps are efficient tools to synthetically modify the fixed or floating rate mix of our debt portfolio for strategic interest rate risk management purposes and are often more cost effective than issuing debt directly. Under interest rate swap arrangements, we agree with other parties to exchange, at specified intervals, payment streams calculated on a specified notional principal amount, with at least one stream based on a specified floating-rate index.

Other Derivative Uses
Other uses for derivatives are as follows:

- We also facilitate interest rate swaps to qualified borrowers of the District Associations. These swaps allow qualified borrowers to manage their interest rate risk and lock in a fixed interest rate similar to a fixed-rate loan. We manage the interest rate risk from customer swaps with the execution of offsetting interest rate swap transactions.
- We may utilize commodity derivative instruments to manage mineral income volatility. We may purchase commodity put options to protect against a decline in oil prices, which could significantly impact our mineral income. There were no commodity derivative instruments outstanding as of March 31, 2025, or December 31, 2024.

Derivative Instruments Activity (in notional amount)

(in millions)	Receive-Fixed Swaps	Pay-Fixed Swaps	Floating-for-Floating	Other Derivatives	Total
As of December 31, 2023	$4,376	$6,543	$1,950	$113	$12,982
Additions	4,250	400	8,000	—	12,650
Maturities/amortization	(250)	(2,002)	(4,000)	(2)	(6,254)
As of March 31, 2024	$8,376	$4,941	$5,950	$111	$19,378
As of December 31, 2024	$4,150	$6,556	$5,950	$131	$16,787
Additions	**—**	**7,030**	**400**	**—**	**7,430**
Maturities/amortization	**(2,250)**	**(2)**	**(4,000)**	**(2)**	**(6,254)**
As of March 31, 2025	**$1,900**	**$13,584**	**$2,350**	**$129**	**$17,963**

Other Derivatives consisted of retail customer derivative products.

Credit Risk Management
By using derivative instruments, we are subject to credit and market risk. If a counterparty is unable to perform under a derivative contract, our credit risk equals the net amount due to us. Generally, when the fair value of a derivative contract is positive, we have credit exposure to the counterparty, creating credit risk for us. When the fair value of the derivative contract is negative, we do not have credit exposure.

With the exception of retail customer swaps, to minimize the risk of credit losses, we deal only with counterparties that have an investment-grade or better credit rating from a rating agency, and we monitor the credit standing and levels of exposure to individual counterparties. As of March 31, 2025, we do not anticipate nonperformance by any of these counterparties. We typically enter into master agreements that contain netting provisions. These provisions allow us to require the net settlement of covered contracts with the same counterparty in the event of default by the counterparty on one or more contracts. All such derivative contracts are supported by bilateral collateral agreements with counterparties requiring collateral to be posted in the event certain dollar thresholds of exposure of one party to the other are reached. These thresholds vary depending on the counterparty's current credit rating.

Bilateral Derivatives

(in thousands)	**March 31, 2025**	December 31, 2024
Notional amount	**$2,679,147**	$6,280,995
Cash collateral posted by counterparties	**$—**	$(1,910)

We also clear derivative transactions through a futures commission merchant (FCM) with a clearinghouse or a central counterparty (CCP). When the swap is cleared by the two parties, the single bilateral swap is divided into two separate swaps with the CCP becoming the counterparty to both of the initial parties to the swap. CCPs have several layers of protection against default including margin, member capital contributions and FCM guarantees of their customers' transactions with the CCP. FCMs also pre-qualify the counterparties to all swaps that are sent to the CCP from a credit perspective, setting limits for each counterparty and collecting initial and variation margin daily from each counterparty for changes in the value of cleared derivatives. The margin collected from both parties to the swap protects against credit risk in the event a counterparty defaults. The initial and variation margin requirements are set by and held for the benefit of the CCP. Additional initial margin may be required and held by the FCM, due to its guarantees of its customers' trades with the CCP. Typically, daily variation margin payments are recognized as settlements rather than collateral posted. From time to time we may have variation margin payments posted in excess or received in deficit of our net exposure to cleared derivative transactions due to timing differences of changes in the fair value of the derivatives and settlement of the margin payments. Such additional variation margin is classified within "Other assets" or "Other liabilities" in the Statements of Condition. Initial margin requirements consider volume of notional outstanding, duration of outstanding derivatives and market volatility.

Centrally Cleared Derivatives

(in thousands)	**March 31, 2025**	December 31, 2024
Notional Amount	**$15,284,147**	$10,505,995
Initial margin posted with counterparties	**$193,316**	$174,787

Accounting for Derivatives

Fair Value Hedges: For derivative instruments that are designated and qualify as a fair value hedge, the gain or loss on the derivative as well as the offsetting gain or loss on the hedged item attributable to the hedged risk are recognized in current earnings. We include the gain or loss on the derivative in the same line item ("Interest expense") on the Statements of Comprehensive Income as the offsetting gain or loss on the related hedged item.

Cash Flow Hedges: For derivative instruments that are designated and qualify as a cash flow hedge, the gain or loss on the derivative is reported as a component of "Other comprehensive (loss) income" until earnings are affected by the variability of the cash flows of the hedged transaction. When reclassified to earnings, we include the gain or loss on the derivative in the "Interest expense" line item on the Statements of Comprehensive Income.

Derivatives not Designated as Hedges: For derivatives not designated as a hedging instrument, the related change in fair value is recorded in current period earnings in "Other (loss) income, net" on the Statements of Comprehensive Income.

Financial Statement Impact of Derivatives

The fair value of our derivative contracts are presented as "Derivative assets" and "Derivative liabilities" on the Statements of Condition.

	March 31, 2025		December 31, 2024	
(in thousands)	**Fair Value Assets**	**Fair Value Liabilities**	Fair Value Assets	Fair Value Liabilities
Derivatives designated as hedging instruments:				
Receive-fixed swaps	**$5,105**	**$627**	$3,838	$2,876
Pay-fixed swaps	**133,289**	**35,177**	221,589	8,977
Floating-for-floating swaps	**724**	**4,338**	2,536	2,914
Total derivatives designated as hedging instruments	**139,118**	**40,142**	227,963	14,767
Derivatives not designated as hedging instruments:				
Receive-fixed swaps	**—**	**—**	439	—
Pay-fixed swaps	**7,345**	**—**	9,351	—
Floating-for-floating swaps	**—**	**—**	6	—
Other derivative products	**69**	**6,389**	6	8,299
Total derivatives not designated as hedging instruments	**7,414**	**6,389**	9,802	8,299
Variation margin settled	**(107,072)**	**—**	(211,504)	—
Credit valuation adjustments	**(207)**	**—**	(166)	—
Total gross amounts of derivatives	**$39,253**	**$46,531**	$26,095	$23,066

(in thousands)	**March 31, 2025**	December 31, 2024
Derivative assets	**$39,253**	$26,095
Derivative liabilities	**(46,531)**	(23,066)
Accrued interest receivable on derivatives, net	**15,725**	13,575
Gross amounts not offset in Statements of Condition:		
Cash collateral posted by counterparties	**—**	(1,910)
Cash collateral posted with counterparties	**193,316**	174,787
Net exposure amounts	**$201,763**	$189,481

The fair value of derivatives includes a credit valuation adjustment (CVA). The CVA reflects credit risk of each derivative counterparty to which we have exposure, net of any collateral posted by the counterparty, and an adjustment for our credit worthiness where the counterparty has exposure to us. The CVA was not material in any of the periods presented. The change in the CVA for the period is included in "Interest expense" on the Statements of Comprehensive Income.

In relation to our cash flow hedges, the following table presents the amount of other comprehensive income (OCI) recognized on derivatives and the amount reclassified from accumulated other comprehensive income (AOCI) into earnings on effective cash flow hedges. During the next 12 months, $10.3 million of net gains in AOCI on derivative instruments that qualified as cash flow hedges are expected to be reclassified into earnings.

Cash Flow Hedging Relationships

(in thousands) **For the three months ended March 31, 2025**	**Amount of Loss Recognized in OCI on Derivatives**	**Amount of Gain (Loss) Reclassified from AOCI into Income**
Pay-fixed swaps	**$(101,370)**	**$10,501**
Floating-for-floating swaps	**(3,733)**	**(496)**
Total	**$(105,103)**	**$10,005**

(in thousands) For the three months ended March 31, 2024	Amount of Gain Recognized in OCI on Derivatives	Amount of Gain (Loss) Reclassified from AOCI into Income
Pay-fixed swaps	$108,870	$17,611
Floating-for-floating swaps	3,042	(1,413)
Total	$111,912	$16,198

The following table shows the effect of fair value and cash flow hedge accounting as well as economic hedges on the Statements of Comprehensive Income.

(in thousands)	**Other (Loss) Income, Net**		**Interest Expense**	
For the three months ended March 31,	**2025**	2024	**2025**	2024
Total amount of income and expense line items presented in the Statements of Comprehensive Income in which the effects of the fair value, cash flow and economic hedges are recorded:	**$(1,702)**	$125	**$1,644,408**	$1,566,235
Asset and Liability Management Positions				
Fair value hedges:				
Interest rate derivatives	**—**	—	**(2,003)**	13,227
Bonds and notes	**—**	—	**3,470**	(15,786)
Cash flow hedges:				
Interest rate derivatives	**—**	—	**(10,005)**	(16,198)
Economic hedges:				
Interest rate derivatives	**(476)**	(1,824)	**—**	—

Note: We do not exclude components from effectiveness testing for fair value or cash flow hedges.

The following table shows the cumulative hedging adjustment (fair value adjustment) for fair value hedges that are included in the carrying amount of the hedged item:

	Carrying Amount of the Hedged Item		**Cumulative Fair Value Adjustment Included in the Carrying Amount of the Hedged Item**	
(in thousands)	**March 31, 2025**	December 31, 2024	**March 31, 2025**	December 31, 2024
Line Item on the Statements of Condition				
Bonds and notes	**$1,903,679**	$2,149,993	**$4,561**	$1,090

Note: AgriBank did not have any material hedging adjustments for discontinued fair value hedges.

NOTE 9

Accumulated Other Comprehensive Loss

Changes in Components of Accumulated Other Comprehensive Income (Loss)

(in thousands)	Investment Securities Activity	Derivatives and Hedging Activity	Employee Benefits Activity	Total
Balance at December 31, 2023	$(678,429)	$27,509	$(1,485)	$(652,405)
Other comprehensive (loss) income before reclassifications	(25,557)	111,912	—	86,355
Amounts reclassified from accumulated other comprehensive loss	136	(16,198)	41	(16,021)
Net other comprehensive (loss) income	(25,421)	95,714	41	70,334
Balance at March 31, 2024	$(703,850)	$123,223	$(1,444)	$(582,071)
Balance at December 31, 2024	$(629,529)	$196,491	$(1,380)	$(434,418)
Other comprehensive income (loss) before reclassifications	**108,174**	**(105,103)**	**—**	**3,071**
Amounts reclassified from accumulated other comprehensive loss	**—**	**(10,005)**	**37**	**(9,968)**
Net other comprehensive income (loss)	**108,174**	**(115,108)**	**37**	**(6,897)**
Balance at March 31, 2025	**$(521,355)**	**$81,383**	**$(1,343)**	**$(441,315)**

The derivatives and hedging activity and employee benefit activity reclassified from AOCI is included in "Interest expense" and "Other operating expenses" respectively, on the Statements of Comprehensive Income. Investments activity reclassified from AOCI is included in "Other (loss) income, net" on the Statements of Comprehensive Income.

NOTE 10

Subsequent Events

We have evaluated subsequent events through May 9, 2025, which is the date the Financial Statements were available to be issued.

There have been no other material subsequent events that would require recognition in the Quarterly Financial Statements or disclosure in the Notes to these Financial Statements.

NOTE 11

AgriBank and District Associations

The accompanying Financial Statements exclude financial information of District Associations. AgriBank and District Associations are collectively referred to as the "District." We separately publish certain unaudited combined AgriBank District financial information, including a condensed statement of condition and statement of income, which can be found on our website at www.AgriBank.com.

Additional Regulatory Information

AgriBank, FCB

(Unaudited)

Regulatory Capital Disclosures

The following information contains quarterly regulatory disclosures as required under FCA Regulations 628.62 and 628.63 for risk-adjusted ratios, common equity tier 1, tier 1 capital and total capital ratios. Refer to Note 4 of the accompanying Financial Statements for information regarding the statutorily required permanent capital ratio. These disclosures should be read in conjunction with our 2024 Annual Report, which includes additional qualitative disclosures. Unless otherwise noted, there have been no material changes to the qualitative disclosures contained in the 2024 Annual Report. As required by FCA regulations, these disclosures, including regulatory capital ratios, are made available for at least three years and can be accessed in our financial reports at www.AgriBank.com.

The following table summarizes the interim disclosure requirements and indicates where each matter is disclosed in this quarterly report.

Disclosure Requirement	Description	First Quarter 2025 Report Reference
Scope of Application	Corporate entity and consolidated subsidiaries	33
Capital Structure	Regulatory capital components	33
Capital Adequacy	Risk-weighted assets Regulatory capital ratios	34
Capital Buffers	Quantitative disclosures	34
Credit Risk	Summary of exposures Geographic distribution Additional industry and counterparty distribution Contractual maturity Impaired loans and allowance for credit losses	35
Counterparty Credit Risk-Related Exposures	Counterparty exposures	37
Credit Risk Mitigation	Exposures with reduced capital requirements	37
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Scope of Application

AgriBank is primarily owned by Farm Credit Associations (District Associations). District Associations are composed of Agricultural Credit Associations, each of which has wholly owned Farm Land Credit Association and Production Credit Association subsidiaries. AgriBank is the primary funding source for all District Associations. AgriBank has no subsidiaries; therefore, the Financial Statements are only those of AgriBank and are not consolidated with any other entity.

Capital Structure

Regulatory Capital Structure

(in thousands) **As of March 31, 2025**	**3-month Average Daily Balance**
Common Equity Tier 1 Capital (CET1)	
Common Cooperative Equities:	
Statutory minimum purchased borrower stock	**$20**
Other required member purchased stock	**4,160,322**
Allocated equities:	
Allocated stock subject to retirement	**2,377,472**
Qualified allocated equities subject to retirement	**—**
Nonqualified allocated equities subject to retirement	**—**
Nonqualified allocated equities not subject to retirement	**—**
Unallocated retained earnings	**3,444,047**
Paid-in capital	**—**
Regulatory adjustments and deductions made to CET1	**(10,361)**
Total CET1	**$9,971,500**
Tier 1 Capital	
Non-cumulative perpetual preferred stock	**$—**
Regulatory adjustments and deductions made to tier 1 capital	**—**
Total additional tier 1 capital	**—**
Total Tier 1 Capital	**$9,971,500**
Total Capital	
Common Cooperative Equities not included in CET1	**$—**
Subordinated debt	**—**
Adjusted allowance for credit losses[1]	**38,323**
Regulatory adjustments and deductions made to total capital	**—**
Total Tier 2 capital	**38,323**
Total Capital	**$10,009,823**

[1] Adjusted allowance for credit losses includes the allowance for credit losses on loans and allowance for credit losses on unfunded commitments.

Capital Adequacy and Capital Buffers

Risk-Weighted Assets

(Risk-weighted 3-month average daily balance in thousands)

As of March 31, 2025	
Exposures to:	
Sovereign entities	**$—**
Certain supranational entities and multilateral development banks	**—**
Foreign bank entities	**685,943**
Government-sponsored enterprises[1]	**29,922,278**
Depository institutions and credit unions[2]	**53,783**
Public sector entities	**—**
Corporate, including borrower loans	**26,342,079**
Residential mortgage	**1,988,171**
High volatility commercial real estate	—
Past due and nonaccrual	**307,994**
Securitization	**528,854**
Equity	**—**
Cleared transactions	**4,379**
Unsettled transactions	**—**
All other assets	**318,022**
Deductions:	
Regulatory adjustments and deductions made to CET1	**10,361**
Regulatory adjustments and deductions made to AT1[3]	**—**
Regulatory adjustments and deductions made to T2[4]	**—**
Total standardized risk-weighted assets	**$60,141,142**

(1) Includes exposures to Farm Credit System entities

(2) Includes exposures to Loans to other financing institutions (OFIs) that are risk-weighted as U.S. depository institutions and credit unions

(3) AT1 capital is additional tier 1 capital

(4) T2 is tier 2 capital

As of March 31, 2025, the Bank was well-capitalized and exceeded all capital requirements to which it was subject, including applicable capital buffers. Because capital exceeded the buffer requirements, the Bank currently has no limitations on its distributions and discretionary bonus payments. The aggregate amount of eligible retained income, as regulatorily calculated, was $662.0 million as of March 31, 2025.

Regulatory Capital Requirements and Ratios

	Regulatory Minimums	**Required Buffer**	**As of March 31, 2025**	**Calculated Buffer**
Common equity tier 1 capital ratio	4.5 %	2.5 %	**16.6 %**	**12.1 %**
Tier 1 capital ratio	6.0 %	2.5 %	**16.6 %**	**10.6 %**
Total capital ratio	8.0 %	2.5 %	**16.6 %**	**8.6 %**
Capital conservation buffer				**8.6 %**
Tier 1 leverage ratio	4.0 %	1.0 %	**5.2 %**	**1.2 %**
Leverage buffer				**1.2 %**

Credit Risk

Refer to Note 2 of the accompanying Financial Statements for amounts of nonaccrual loans without related allowance, loans in nonaccrual status and greater than 90 days past due, loans past due greater than 90 days and still accruing, the allowance at the end of each reporting period, charge-offs during the period, and changes in components of our allowance for credit losses. The allowance for credit losses on loans is determined individually or by a pooled approach for loans that share similar risk characteristics, including, but not limited to, probability of default (PD) and loss given default (LGD). Allowance needs by geographic region are only considered in rare circumstances, for example flooding, drought, etc., that may not otherwise be reflected in the PD and LGD. There was no allowance attributed to a geographic area as of March 31, 2025. All nonaccrual loans, past-due loans and allowance are within our retail portfolio. The retail portfolio is substantially concentrated in our chartered territory and has not changed significantly since December 31, 2024. Refer to Note 3 of the accompanying Financial Statements for a summary of the contractual maturity, amortized cost, fair value and weighted average yield of investment securities by type.

Refer to the Capital Adequacy and Capital Buffers section for information regarding types of credit risk exposures.

Credit Exposures - Lending and Investments

(in thousands) **As of March 31, 2025**	End of Period	3-month Average Daily Balance
Loans	**$164,651,687**	**$163,832,274**
Investments[1]	**24,040,034**	**24,556,370**
Loan and other commitments	**34,381,565**	**35,214,855**
Letters of credit	**277,959**	**277,682**

[1] Includes federal funds and securities purchased under resale agreements

Credit Exposures - Derivatives

	End of Period		3-month Average Daily Balance	
(in thousands) **As of March 31, 2025**	Notional Amount	Gross Positive Value	Notional Amount	Gross Positive Value
Cleared derivatives	**$15,284,147**	**$—**	**$10,371,384**	**$149,904**
Bilateral derivatives	**2,679,147**	**19,032**	**5,725,829**	**22,403**

The following tables include distributions for the wholesale and retail loan portfolio as well as related commitments.

Loan and Commitment Geographic Distribution

As of March 31, 2025

Wholesale Portfolio		Retail Portfolio	
Illinois	**9 %**	Iowa	**11 %**
Iowa	**9 %**	Minnesota	**10 %**
Minnesota	**8 %**	Nebraska	**8 %**
Nebraska	**6 %**	Illinois	**8 %**
Indiana	**6 %**	South Dakota	**5 %**
Michigan	**6 %**	Indiana	**5 %**
Ohio	**5 %**	Tennessee	**5 %**
Wisconsin	**5 %**	Ohio	**5 %**
Missouri	**5 %**	Other	**43 %**
Other	**41 %**		
Total	**100 %**	Total	**100 %**

Wholesale loan and commitment portfolio distribution is based on the underlying District Associations' retail portfolios. For additional information regarding the geographic distribution of the retail loans held at District Associations, refer to the 2024 Annual Report. Current period distribution has not materially changed from December 31, 2024.

Loan and Commitment Industry Distribution

As of March 31, 2025

Retail Portfolio	
Crops	**46 %**
Cattle	**12 %**
Investor and Rural residential real estate	**8 %**
Loans to OFIs	**8 %**
Food Products	**7 %**
Other	**19 %**
Total	**100 %**

Maturities in the following table are reflective of the wholesale loan agreements and retail loan agreements, respectively, and are based on the final maturity without consideration for amortization payments. Loan exposures include accrued interest receivable, as applicable, and investment exposures are at fair value.

Exposures by Final Contractual Maturity

(in thousands) **As of March 31, 2025**	One Year or Less	Over One Year but Less than Five Years	Five Years or More	Total
Wholesale loans	**$6,370,007**	**$137,542,682**	**$—**	**$143,912,689**
Retail loans[1]	**4,841,090**	**6,195,553**	**11,308,167**	**22,344,810**
Investments	**9,909,943**	**6,998,679**	**7,131,412**	**24,040,034**
Wholesale loan commitments	**1,635,943**	**26,898,738**	**—**	**28,534,681**
Retail loan and other commitments[2]	**3,208,346**	**2,650,112**	**266,385**	**6,124,843**
Cleared derivative notional	**7,805,000**	**3,365,491**	**4,113,656**	**15,284,147**
Bilateral derivative notional	**655,000**	**1,715,491**	**308,656**	**2,679,147**

[1] Includes loans to OFIs and service entities

[2] Includes commitments to OFIs and service entities

Note: Accruing loans include accrued interest receivable.

Counterparty Credit Risk and Credit Risk Mitigation

<u>Credit Risk Mitigation Related to Derivatives</u>
Refer to the Derivative Financial Instruments section of the 2024 Annual Report in the Management's Discussion and Analysis and Note 8 of the accompanying Financial Statements for more information on credit risk mitigation related to derivatives.

We have not entered into any credit default swap agreements to mitigate our credit exposure to counterparties. Refer to Note 8 of the accompanying Financial Statements for the gross positive fair value of contracts, collateral held and the net unsecured credit exposure. The derivative portfolio is not covered by guarantees.

Current credit exposure is the greater of $0 or the fair market value of a single derivative contract. The net current credit exposure is the greater of the net sum of all positive and negative fair market value of the individual derivative contracts subject to the qualifying master netting agreement or $0. The net current credit exposure is equal to the gross positive fair values as disclosed in Credit Exposures - Derivatives table in the Credit Risk section.

<u>Credit Risk Mitigation Related to Loans</u>
Financial collateral is not used to mitigate credit risk in our loan portfolio.

Loan and Commitment Exposures Covered by Guarantees

(in thousands) **As of March 31, 2025**	**3-month Average Daily Balance**	**Risk-weighted 3-month Average Daily Balance**
Unconditionally guaranteed		
Loans	**$136**	**$—**
Conditionally guaranteed		
Loans	**1,090**	**218**
Commitments	**16**	**1**
Total	**$1,242**	**$219**

Credit Risk Mitigation Related to Investments
Financial collateral is not used to mitigate credit risk in our investment portfolio.

Investment Exposures Covered by Guarantees

(in thousands) **As of March 31, 2025**	**3-month Average Daily Balance**	**Risk-weighted 3-month Average Daily Balance**
Unconditionally guaranteed	**$15,013,940**	**$—**
Conditionally guaranteed	**1,124,258**	**224,852**
Total	**$16,138,198**	**$224,852**

Credit risk in our investment portfolio is largely mitigated by investing primarily in securities issued or guaranteed by the U.S. government or one of its agencies. Credit risk in our investment portfolio primarily exists in investment securities that are not guaranteed by the U.S. government or one of its agencies, which include our certificates of deposit, commercial paper, non-agency mortgage-backed securities and asset-backed securities, all of which were of high credit quality and met eligibility requirements as of March 31, 2025.

Securitization

For the three months ended March 31, 2025, we did not hold any off-balance sheet securitization exposures, retain any resecuritization exposures, nor were any securitization exposures deducted from capital.

Securitization Exposures

(3-month average daily balance in thousands) **As of March 31, 2025**	**Exposure**	**Weighted average risk-weight factor**	**Risk-weighted assets**
Gross up risk weight bands:			
100%	**$86,023**	**100%**	**$86,023**
> 100% and < 1,250%	**298,040**	**149%**	**442,831**
1250%	**—**	**1250%**	**—**
Total risk-weighted securitization assets	**$384,063**	**138%**	**$528,854**

Equities

We are a limited partner in certain Rural Business Investment Companies (RBICs) for various relationship and strategic reasons. These are not publicly traded, and the book value approximates fair value. There have been no sales or liquidations of these investments during the period. As of March 31, 2025, all RBICs were accounted for under the equity method; therefore, no unrealized gains (losses) exist for these exposures. Further, we do not believe any significant latent revaluation gains (losses) exist for these exposures. No RBIC exposures are included in tier 1 or tier 2 capital.

Equity Investments included in Capital Ratios

(in thousands) **As of March 31, 2025**	**Disclosed in Other Assets**	**Life-to-Date losses recognized in Retained Earnings[1]**
RBIC	**$17,796**	**$15,346**

[1] Retained earnings is included in common equity tier 1, tier 1 and total capital ratios

Interest Rate Risk

Our policies establish a maximum variance from our base case in a plus or minus 200 basis point change in rates, except when the U.S. Treasury three-month rate is below 4 percent, at which time the minus scenario is limited to one-half of the U.S. Treasury three-month rate. Due to interest rate levels as of March 31, 2025, the down scenario was not limited.

NII Sensitivity Analysis

	Basis Point Interest Rate Change			
As of March 31, 2025	**Down 200**	**Down 100**	**Up 100**	**Up 200**
Immediate Change (Shock):				
NII sensitivity	**(2.0)%**	**(1.1)%**	**0.5 %**	**0.5 %**
Board policy	**(15.0)%**			**(15.0)%**
Gradual Change (Ramp):				
NII sensitivity	**(1.7)%**	**(0.8)%**	**0.4 %**	**0.3 %**

Economic Value of Equity (EVE) Sensitivity Analysis

	Basis Point Interest Rate Change			
As of March 31, 2025	**Down 200**	**Down 100**	**Up 100**	**Up 200**
Immediate Change (Shock):				
EVE sensitivity	**10.6 %**	**4.4 %**	**(3.9)%**	**(7.6)%**
Board policy	**(12.0)%**			**(12.0)%**

AgriBank
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