



# POWERED BY PURPOSE

Planting Possibility



AgriBank District 2025  
Financial Information

*Unaudited*

AgriBank, FCB and  
District Associations



**AgriBank District Financial Information**  
**AgriBank, FCB and District Associations**  
*unaudited*

**INTRODUCTION AND DISTRICT OVERVIEW**

AgriBank, FCB (AgriBank or the Bank) and District Associations (Associations) are part of the Farm Credit System (System or Farm Credit), a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations. The System provides loans, leases and financial services to farmers, ranchers and rural businesses across the United States and Puerto Rico. This focus on rural communities and agriculture is the reason Farm Credit was established in 1916, and the System has been delivering on that mission ever since – helping fund America's food, fuel and fiber and supporting the rural communities America's farmers and ranchers call home.

Farm Credit's funds are raised by the Federal Farm Credit Banks Funding Corporation (the Funding Corporation) and insured by the Farm Credit System Insurance Corporation (FCSIC, or the Insurance Corporation). The Funding Corporation issues a variety of Federal Farm Credit Banks Combined Systemwide Debt Securities with broad ranges of maturities and structures on behalf of the four System Banks. Each System Bank has exposure to Systemwide credit risk, because each Bank is joint and severally liable for all Systemwide debt issued. Farm Credit Associations receive funding through one of the System Banks. System entities have specific lending authorities within their chartered territories and are subject to examination and regulation by an independent federal agency, the Farm Credit Administration (FCA).

AgriBank is primarily owned by local 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 are collectively referred to as the District. The AgriBank District covers a 15-state area stretching from Wyoming to Ohio and Minnesota to Arkansas.

The following commentary reviews the combined financial condition and results of operations of AgriBank and District Associations and provides additional specific information.

**Combined Financial Highlights**  
AgriBank, FCB and District Associations

(dollars in thousands)

<b>As of December 31,</b>	<b>2025</b>	2024	2023
Total loans	<b>\$194,000,777</b>	\$180,569,737	\$165,792,497
Allowance for credit losses on loans	<b>682,140</b>	408,322	335,014
Net loans	<b>193,318,637</b>	180,161,415	165,457,483
Total assets	<b>231,281,525</b>	216,219,640	199,626,825
Total shareholders' equity	<b>34,276,217</b>	31,875,673	29,865,972
<b>For the year ended December 31,</b>	<b>2025</b>	2024	2023
Net interest income	<b>\$5,286,089</b>	\$4,977,855	\$4,633,950
Provision for credit losses	<b>559,516</b>	302,569	295,719
Net fee income	<b>121,050</b>	114,635	105,572
Net income	<b>3,132,992</b>	3,147,007	2,831,242
Net interest margin	<b>2.4 %</b>	2.5 %	2.5 %
Return on average assets	<b>1.4 %</b>	1.5 %	1.5 %
Return on average shareholders' equity	<b>9.4 %</b>	10.2 %	9.7 %
Operating and other expenses as a percentage of net interest income and non-interest income	<b>36.3 %</b>	36.3 %	37.9 %
Net loan (charge-offs) recoveries as a percentage of average loans	<b>(0.15)%</b>	(0.13)%	(0.13)%
Average loans	<b>\$184,297,383</b>	\$170,506,893	\$155,998,610
Average earning assets	<b>217,169,993</b>	201,402,202	183,856,076
Average assets	<b>221,799,970</b>	205,524,059	187,335,140

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### Results of Operations

Net income was \$3.1 billion for the year ended December 31, 2025, a decrease of \$14.0 million, or 0.4 percent, compared to the same period of the prior year. Net interest income increased and was primarily driven by the positive impact of higher loan volume across the District, which was somewhat offset by compressed spreads, compared to the same period of the prior year. Overall, the agricultural industry is performing with mixed results across various sectors. Favorable commodity prices have improved margins for much of the livestock sector. Crop producers across the District continue to be challenged by lower commodity prices along with elevated input costs, resulting in weaker margins and earnings. However, the sector is somewhat aided by one-time government support payments. This recent government support has also contributed to strong agriculture sector net farm income in 2025. Increased provision for credit losses in the current year was primarily related to increased specific reserves established on large loans, which have not been concentrated in any one particular industry. Non-interest income increased when compared to the same period of the prior year primarily as a result of increased crop insurance income. Increases in employee benefits, purchased services, and occupancy and equipment expense were the drivers of the increase in non-interest expense.

Strong operating results allowed District Associations to issue cash patronage distributions of \$1.2 billion during the year ended December 31, 2025.

### **Net Interest Income**

Net interest income increased \$308.2 million, or 6.2 percent, compared to the same period of the prior year. The increase was driven by the positive impact of higher loan volume, which was somewhat offset by compressed spreads, compared to the same period of the prior year. Spread income on investment securities was slightly lower when compared to the same period of the prior year. Additionally, the benefit of equity financing decreased when compared to the same period of the prior year due to lower rates in the current year.

Net interest margin was 2.4 percent for the year ended December 31, 2025, decreasing slightly when compared to the same period of the prior year. This is the result of a slight overall decrease in interest rates, which has driven a small decline in the benefit from equity financing, coupled with compressed spreads.

#### **Provision for Credit Losses**

In general across District Associations, strong net farm income and positive working capital for producers support high credit quality, with only slight declines in certain sectors at this time. There was \$559.5 million of provision for credit losses recognized during the year ended December 31, 2025, which was primarily a result of increased specific reserves established on large loans, which were not attributable to any one particular industry.

The allowance analyses performed at District Associations generally reflect the favorable positions for large portions of the respective portfolios. The year-over-year fluctuations for the District's provision for credit losses will be impacted by the industry and geographic concentrations of each institution's loan portfolio and the current and expected related economic conditions.

The performance of the broader economy, shifting global trade patterns, political instability abroad, and disruptive weather both domestically and internationally could create volatility in the agriculture sector. Each of these factors could translate into changes in credit quality, which may impact provision for credit losses across the District.

#### **Non-interest Income**

Non-interest income increased compared to the same period of the prior year. The increase was primarily due to increased crop insurance income from higher premiums. Somewhat offsetting the increase was a smaller allocated insurance reserve accounts (AIRA) refund from the FCSIC than the previous year. The AIRA was established by the FCSIC when premiums collected increased the level of the Farm Credit System Insurance Fund beyond the required two percent of insured debt. In February 2026, FCSIC announced AIRA distributions to the Farm Credit Banks totaling approximately \$223.9 million, of which the AgriBank District's share of the distributions is approximately \$88.2 million. The distribution will be allocated among AgriBank and District Associations.

#### **Non-interest Expense**

Non-interest expense increased compared to the same period of the prior year, primarily due to an increase in employee benefits attributed to an increase in medical insurance expense. Additionally, there was an increase in purchased services due to higher contractor expenses related to technology projects, not eligible for capitalization, as well as the cancellation of technology service contracts by two District Associations. Lastly, higher occupancy and equipment expense was a result of furniture purchases and software purchases and renewals, not eligible for capitalization.

## Loan Portfolio

<b>District Loans by Loan Type</b>			
(in thousands)			
<b>December 31,</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Real estate mortgage	<b>\$99,147,770</b>	\$91,976,989	\$85,429,403
Production and intermediate-term	<b>44,833,516</b>	40,179,986	36,286,577
Agribusiness:			
Loans to cooperatives	<b>2,311,398</b>	2,007,276	1,621,085
Processing and marketing	<b>24,884,440</b>	25,111,669	22,953,761
Farm-related businesses	<b>3,735,177</b>	3,140,410	2,612,569
Rural infrastructure:			
Power	<b>6,645,423</b>	5,724,710	4,635,968
Communications	<b>4,173,851</b>	4,307,468	4,035,598
Water/Wastewater	<b>646,482</b>	994,954	1,055,732
Rural residential real estate	<b>3,165,931</b>	2,950,502	2,733,813
Agricultural export finance	<b>523,547</b>	560,943	439,041
Lease receivables	<b>645,712</b>	518,429	386,530
Loans to other financing institutions	<b>720,675</b>	615,714	1,043,351
Mission related investments	<b>2,566,855</b>	2,480,687	2,559,069
<b>Total</b>	<b>\$194,000,777</b>	<b>\$180,569,737</b>	<b>\$165,792,497</b>

District loans increased \$13.4 billion, or 7.4 percent, from December 31, 2024. The increase in total loans was primarily due to increases in the real estate mortgage and production and intermediate-term sectors.

The increase in real estate mortgage loans was due to new volume attributed to strong originations of real estate mortgage loans including targeted origination programs at certain District Associations, as well as loans purchased from a non-System institution throughout 2025.

The increase in production and intermediate-term loans was primarily a result of increased utilization across numerous District Associations. The production and intermediate-term loan portfolio exhibits seasonality relating to the patterns of operating loans made to crop producers. Operating loans are normally at their lowest levels following the harvest and then increase in the spring and throughout the rest of the year as borrowers fund operating needs. Additionally, operating loan balances tend to spike at the end of the calendar year as producers purchase inputs for the upcoming crop year, followed by sharp repayments in January.

To a lesser extent, the increase in agribusiness loans was primarily due to originations to new customers, as well as, new loans to existing customers in the paper and allied products, meat products, and fabricated and metal products industries. Demand for credit has remained strong throughout the year in this segment as new borrowers are consistently added and drive overall sector growth.

## Portfolio Diversification

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar activities, or within close geographical proximity, which could cause them to be similarly impacted by economic or other conditions. While the amounts represent the maximum potential credit risk as it relates to recorded loan principal, a substantial portion of the District's lending activities is collateralized and, accordingly, the credit risk associated with lending activities is considerably less than the recorded loan principal and is considered in the allowance for credit losses on loans.

While the District has concentrations in crops, these crops primarily represent staple commodities of agriculture – corn, soybeans and wheat. To some extent, there is further concentration in crops related to the investor real estate sector, as these loans are typically made for the purchase of land that is rented for crop production. However, crop production is geographically diversified across the District. While the industry distribution represents the primary industry of the borrower, at the time of loan origination, many of the crop producers may also have livestock operations or other forms of diversification, including off-farm income.

Many District Associations have diversified the concentration in agricultural production loans through rural residential real estate and part-time farmer loans, as well as agribusiness loans. Rural residential real estate, investor real estate and part-time farmer borrowers generally have significant off-farm sources of income, and, therefore, are less subject to cycles in agriculture. These borrowers, as well as agribusiness borrowers, are typically more susceptible to changes in the general economy, and the condition of the general economy will influence the credit quality of these segments of the portfolio.

Grain and livestock producers are somewhat subject to a counter-cyclical diversification effect. High grain prices are generally favorable to crop producers; however, livestock producers are adversely affected through higher feed costs. Conversely, low grain prices are generally negative to crop producers, but tend to improve the profitability for those livestock producers who purchase most or all of their feed. Significant fluctuations in commodity prices can negatively impact all District borrowers. Crop receipts were projected to fall again in 2025 in addition to expenses increasing slightly; net farm income remains lower than the elevated levels in recent years, although still well above the 10 year average.

<b>Industry Distribution</b>			
<b>December 31,</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Crops	38 %	39 %	39 %
Cattle	10 %	9 %	9 %
Investor and rural residential real estate	9 %	9 %	9 %
Food products	8 %	9 %	9 %
Dairy	5 %	5 %	6 %
Rural utilities	5 %	4 %	4 %
Other	25 %	25 %	24 %
Total	100 %	100 %	100 %

Other industries consist primarily of loans in the timber, pork, and poultry sectors, none of which represented more than 5 percent of the District loan portfolio.

<b>Geographic Distribution</b>			
<b>December 31,</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Illinois	9 %	9 %	9 %
Iowa	9 %	9 %	9 %
Minnesota	8 %	8 %	7 %
Nebraska	6 %	7 %	7 %
Indiana	6 %	6 %	6 %
Michigan	5 %	6 %	6 %
Missouri	5 %	4 %	4 %
Ohio	5 %	5 %	5 %
Wisconsin	5 %	5 %	5 %
South Dakota	5 %	5 %	5 %
Other	37 %	36 %	37 %
<b>Total</b>	<b>100 %</b>	<b>100 %</b>	<b>100 %</b>

Other states consist primarily of loans in Tennessee, California, Texas, Arkansas, North Dakota, and Kentucky, none of which represented more than 5 percent of the District loan portfolio. Portions of our portfolio are purchased outside of our District to support rural America and diversify portfolio risk.

### **Loan Quality**

The primary credit quality indicator utilized by the Bank and District Associations is the FCA Uniform Loan Classification System, which categorizes loans into five categories.

- Acceptable – assets are expected to be fully collectible and represent the highest quality. They are expected to be fully collectible.
- Other Assets Especially Mentioned (special mention) – assets 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 to 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.

## District Loan Quality by Origination Year

(in thousands)

Balance as of December 31, 2025	Acceptable	Special Mention	Substandard	Doubtful	Total by Year	Charge-offs for the period ended December 31, 2025
2025	\$30,255,226	\$522,893	\$355,559	\$2,045	\$31,135,723	\$7,063
2024	23,940,642	688,648	428,424	1,795	25,059,509	47,252
2023	17,957,964	436,154	669,037	34	19,063,189	38,579
2022	16,525,907	932,533	504,460	6,395	17,969,295	39,367
2021	16,950,483	514,215	612,465	—	18,077,163	16,358
Prior	45,569,419	900,044	1,307,899	982	47,778,344	35,868
Revolving loans	31,772,807	1,633,029	1,189,987	5,816	34,601,639	120,227
Revolving converted to term loans	160,633	5,194	149,995	93	315,915	24,625
<b>Total</b>	<b>\$183,133,081</b>	<b>\$5,632,710</b>	<b>\$5,217,826</b>	<b>\$17,160</b>	<b>\$194,000,777</b>	<b>\$329,339</b>

Balance as of December 31, 2024	Acceptable	Special Mention	Substandard	Doubtful	Total by Year	Charge-offs for the period ended December 31, 2024
2024	\$28,845,093	\$490,714	\$358,861	\$14,544	\$29,709,212	\$18,966
2023	22,031,100	492,311	322,367	8,874	22,854,652	29,897
2022	19,764,702	682,649	381,036	10,757	20,839,144	44,130
2021	20,160,726	425,078	642,212	—	21,228,016	28,555
2020	15,470,425	398,270	472,670	377	16,341,742	4,330
Prior	37,064,109	626,683	998,073	633	38,689,498	53,781
Revolving loans	28,502,589	1,167,788	954,800	9,632	30,634,809	72,025
Revolving converted to term loans	116,790	7,725	148,019	130	272,664	10,084
<b>Total</b>	<b>\$171,955,534</b>	<b>\$4,291,218</b>	<b>\$4,278,038</b>	<b>\$44,947</b>	<b>\$180,569,737</b>	<b>\$261,768</b>

Balance as of December 31, 2023	Acceptable	Special Mention	Substandard	Doubtful	Total by Year	Charge-offs for the period ended December 31, 2023
2023	\$25,924,082	\$364,462	\$275,269	\$359	\$26,564,172	\$17,529
2022	24,057,096	296,828	544,298	350	24,898,572	23,459
2021	24,060,524	445,968	286,136	2,066	24,794,694	5,446
2020	18,076,637	450,304	305,046	363	18,832,350	64,975
2019	9,221,474	105,532	319,801	595	9,647,402	48,370
Prior	33,512,790	581,730	718,615	164	34,813,299	26,378
Revolving loans	24,843,340	543,477	675,921	5,369	26,068,107	45,064
Revolving converted to term loans	117,958	17,207	38,574	162	173,901	12,205
<b>Total</b>	<b>\$159,813,901</b>	<b>\$2,805,508</b>	<b>\$3,163,660</b>	<b>\$9,428</b>	<b>\$165,792,497</b>	<b>\$243,426</b>

While credit quality remains strong, the AgriBank District has experienced stress in various portfolio segments, which has contributed to a slight declining trend in credit quality over the past few years. Wine and distilled beverages, tree nuts, grain elevators and farm-related business services sectors, as well as, agribusiness borrowers, including food processors, have

experienced challenging conditions, which have contributed to the recent credit quality trend and higher charge-offs. Although conditions for some of these portfolio segments seem to be stabilizing, the row crop portfolio is amid a multi-year down cycle, which could result in a continued decline in overall District credit quality. Row crop producers are being affected by lower commodity prices, elevated input prices, and uncertainty associated with tariffs and trade.

Despite the headwinds impacting the row crops sector, USDA forecasted net farm income for 2025 is expected to climb above 2024 levels, due in part to increased government support and improved earnings in certain sectors. Many producers are positioned with positive working capital which has allowed them to withstand periods of lower crop prices. This is a key reason lower crop production margins have not resulted in a more significant decline in credit quality to date. While Emergency Government Assistance Program payments are expected to help producers' financial position, continued low commodity prices, ongoing uncertainty resulting from tariffs and trade, and elevated input costs are expected to continue to pressure the row crop sector. While the credit quality impact in the crop portfolio is expected to be modest in 2026, if the current negative industry dynamics persist beyond 2025 and into 2026, gradual deterioration in credit quality may occur.

For livestock and dairy producers, lower crop prices translate into lower feed costs which is positive for the margins in those industries. District credit quality remains generally strong in these industries. The hog industry, which has experienced a significant decline in credit quality since 2022, has seen improved conditions and margins over the past twelve months. Provided hog producer margins continue to improve, we expect to see upgrades in credit quality for borrowers in this sector in 2026.

Substandard/Doubtful loans, collectively called adverse loans, are loans AgriBank and District Associations have identified as showing some serious credit weakness according to established credit standards. No loans were categorized as loss as of December 31, 2025, December 31, 2024, or December 31, 2023.

Charge-offs during the twelve months ended December 31, 2025, were not concentrated to any single borrower or industry.

<b>Nonaccrual Loans</b>			
(in thousands)			
<b>December 31,</b>	<b>2025</b>	2024	2023
<b>Nonaccrual Loans:</b>			
Real estate mortgage	<b>\$533,312</b>	\$451,514	\$347,109
Production and intermediate-term	<b>560,681</b>	433,639	178,212
Agribusiness	<b>333,156</b>	407,082	121,061
Rural infrastructure	<b>78,146</b>	31,718	21,366
Rural residential real estate	<b>13,762</b>	11,789	9,421
Other	<b>52,878</b>	7,358	1,761
Total nonaccrual loans	<b>\$1,571,935</b>	\$1,343,100	\$678,930

The other category is composed of finance leases and certain assets originated under the Mission Related Investment authority.

Nonaccrual loans increased at December 31, 2025, compared to the prior year end primarily as the result of borrowers in the production and intermediate-term sector of the portfolio. More specifically, two large borrowers in the hogs and deciduous tree fruits industries moved to nonaccrual during the year ended December 31, 2025. Additionally, nonaccrual production and intermediate-term loans increased due to growth in nonaccrual loans within crop input financing loan portfolios. To lesser extents, nonaccrual increases in the real estate mortgage and other sectors was primarily due to a borrower in the tree nuts industry and two borrowers in the telephone communications and mission-related sectors, respectively, moving to nonaccrual during the year ended December 31, 2025. The overall increase in nonaccrual loans was partially offset by the decrease in agribusiness which was primarily due to a payoff of a borrower in the meat products industry.

Despite the increase in nonaccrual loans, loan performance has been positively impacted by working capital and commodity prices for some sectors.

## Aging Analysis of Loans

(in thousands)	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	Accruing Loans 90 Days or More Past Due
<b>As of December 31, 2025</b>						
Real estate mortgage	\$289,781	\$271,297	\$561,078	\$98,586,692	\$99,147,770	\$42,428
Production and intermediate-term	212,897	390,563	603,460	44,230,056	44,833,516	34,609
Agribusiness	31,215	72,580	103,795	30,827,220	30,931,015	—
Rural infrastructure	34,600	8,526	43,126	11,422,631	11,465,757	—
Rural residential real estate	15,278	5,577	20,855	3,145,076	3,165,931	2,161
Other	62,987	169,598	232,585	4,224,203	4,456,788	118,555
<b>Total</b>	<b>\$646,758</b>	<b>\$918,141</b>	<b>\$1,564,899</b>	<b>\$192,435,878</b>	<b>\$194,000,777</b>	<b>\$197,753</b>

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	Accruing Loans 90 Days or More Past Due
Real estate mortgage	\$232,981	\$241,745	\$474,726	\$91,502,264	\$91,976,990	\$27,419
Production and intermediate-term	259,092	250,383	509,475	39,670,511	40,179,986	34,182
Agribusiness	49,036	91,182	140,218	30,119,137	30,259,355	—
Rural infrastructure	4,141	—	4,141	11,022,992	11,027,133	—
Rural residential real estate	15,770	5,302	21,072	2,929,430	2,950,502	1,967
Other	176,042	119,392	295,434	3,880,337	4,175,771	113,370
<b>Total</b>	<b>\$737,062</b>	<b>\$708,004</b>	<b>\$1,445,066</b>	<b>\$179,124,671</b>	<b>\$180,569,737</b>	<b>\$176,938</b>

As of December 31, 2023	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	Accruing Loans 90 Days or More Past Due
Real estate mortgage	\$233,374	\$118,405	\$351,779	\$85,077,624	\$85,429,403	\$2,022
Production and intermediate-term	178,178	71,172	249,350	36,037,227	36,286,577	9,362
Agribusiness	68,643	35,606	104,249	27,083,166	27,187,415	—
Rural infrastructure	3,065	—	3,065	9,724,235	9,727,300	—
Rural residential real estate	12,639	2,547	15,186	2,718,627	2,733,813	315
Other	120,931	92,018	212,949	4,215,040	4,427,989	90,610
<b>Total</b>	<b>\$616,830</b>	<b>\$319,748</b>	<b>\$936,578</b>	<b>\$164,855,919</b>	<b>\$165,792,497</b>	<b>\$102,309</b>

The other category is composed of certain assets originated under the Mission Related Investment authority, loans to other financing institutions, agricultural export finance and finance leases.

Total delinquencies at December 31, 2025, increased and were observed in most loan types with the largest increase in the production and intermediate-term loans category. The increase in loans 90 days or more past due, was primarily due to large borrowers with production and intermediate-term loans, concentrated in the hogs, fruit and tree nuts, and ornamental floriculture and nursery products industries.

Mission related loans that are accruing 90 days or more past due as of December 31, 2025, were 100 percent secured by Federal Government guarantees.

Refer to the AgriBank's and the District Associations' annual reports for information regarding management's method for developing each entity's allowance for credit losses and information used for developing each entity's current estimate of expected credit losses.

**Changes in Allowance for Credit Losses by Loan Type**

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Rural Infrastructure	Rural Residential Real Estate	Other	Total
<b>Allowance for credit losses on loans:</b>							
Balance at December 31, 2024	\$104,928	\$139,831	\$122,659	\$27,640	\$4,553	\$8,711	\$408,322
Provision for credit losses	71,549	180,723	240,351	41,074	1,370	12,533	547,600
Loan recoveries	3,256	38,409	6,981	—	167	—	48,813
Loan charge-offs	(22,834)	(137,633)	(143,719)	(23,798)	(312)	(1,043)	(329,339)
Initial allowance for purchased credit deteriorated loans	1,415	3,845	1,219	262	3	—	6,744
Balance at December 31, 2025	\$158,314	\$225,175	\$227,491	\$45,178	\$5,781	\$20,201	\$682,140
<b>Allowance for unfunded commitments:</b>							
Balance at December 31, 2024	\$4,487	\$24,228	\$18,092	\$2,871	\$113	\$195	\$49,986
Provision for credit losses	2,337	5,671	2,731	882	147	148	11,916
Balance at December 31, 2025	\$6,824	\$29,899	\$20,823	\$3,753	\$260	\$343	\$61,902

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Rural Infrastructure	Rural Residential Real Estate	Other	Total
<b>Allowance for credit losses on loans:</b>							
Balance at December 31, 2023	\$114,641	\$74,556	\$107,390	\$21,582	\$4,856	\$11,989	\$335,014
Provision for credit losses	5,555	119,692	164,844	14,243	(234)	(3,070)	301,030
Loan recoveries	1,248	30,736	600	—	160	—	32,744
Loan charge-offs	(16,597)	(85,585)	(150,773)	(8,377)	(229)	(207)	(261,768)
Initial allowance for purchase credit deteriorated loans	82	425	604	191	—	—	1,302
Balance at December 31, 2024	\$104,929	\$139,824	\$122,665	\$27,639	\$4,553	\$8,712	\$408,322
<b>Allowance for unfunded commitments:</b>							
Balance at December 31, 2023	\$4,718	\$20,618	\$20,285	\$2,421	\$113	\$293	\$48,448
Provision for credit losses	(230)	3,611	(2,193)	449	—	(98)	1,539
Balance at December 31, 2024	\$4,488	\$24,229	\$18,092	\$2,870	\$113	\$195	\$49,987

(in thousands)	Real Estate Mortgage	Production and Intermediate-Term	Agribusiness	Rural Infrastructure	Rural Residential Real Estate	Other	Total
<b>Allowance for credit losses on loans:</b>							
Balance at December 31, 2022	\$86,370	\$92,404	\$121,822	\$14,184	\$3,221	\$2,962	\$320,963
Cumulative effect of change in accounting principle	22,704	(47,260)	(43,277)	(4,183)	2,613	5,320	(64,083)
Provision for credit losses	19,251	128,568	115,133	15,713	(951)	4,689	282,403
Loan recoveries	2,749	31,307	1,609	—	137	18	35,820
Loan charge-offs	(16,602)	(132,082)	(89,378)	(4,202)	(162)	(1,000)	(243,426)
Adjustment due to merger	(482)	(111)	(220)	(4)	(10)	—	(827)
Initial allowance for purchase credit deteriorated loans	652	1,738	1,694	73	7	—	4,164
Balance at December 31, 2023	\$114,642	\$74,564	\$107,383	\$21,581	\$4,855	\$11,989	\$335,014

\*Represents reclassifications between the allowance for loan losses and the reserve for unfunded commitments as a result of advances on or repayments of seasonal lines of credit or other loans.

<b>Allowance for unfunded commitments:</b>							
Balance at December 31, 2022	\$4,413	\$13,142	\$10,289	\$328	\$—	\$120	\$28,292
Cumulative effect of change in accounting principle	(228)	(1,552)	7,361	977	98	184	6,840
Provision for credit losses	532	9,026	2,636	1,118	15	(11)	13,316
Balance at December 31, 2023	\$4,717	20,616	\$20,286	\$2,423	\$113	\$293	\$48,448

Charge-offs during the year ended December 31, 2025, were primarily related to a number of large borrowers with agribusiness and production and intermediate-term loans, which were not concentrated in any particular industry.

## **Investments**

AgriBank is responsible for meeting the District's funding, liquidity and asset/liability management needs. While access to the unsecured debt capital markets remains the District's primary source of liquidity, the Bank also maintains a secondary source of liquidity through a high-quality investment portfolio and other short-term liquid assets.

The Bank typically holds high-quality investments and other short-term liquid assets on an available-for-sale basis. Refer to the AgriBank 2025 Annual Report for additional information about the Bank's investment portfolio. District Associations have regulatory authority to enter into certain U.S. government or agency guaranteed investments. District Associations' investments are typically held to maturity. Refer to individual District Associations' 2025 annual reports for specific information about the investments at the District Associations. Investment securities held by AgriBank and District Associations are primarily debt securities that decrease in value as interest rates rise.

The majority of District investments carry a full faith and credit guarantee of the U.S. government or an implicit credit guarantee from its agencies and therefore, allowances for credit losses on investments have generally not been necessary. However, an immaterial allowance for credit losses on investments was recognized at one District Association as of December 31, 2025.

<b>Investment Information</b>				
(in thousands)	<b>Amortized</b>	<b>Unrealized</b>	<b>Unrealized</b>	<b>Fair</b>
<b>As of December 31, 2025</b>	<b>Cost</b>	<b>Gains</b>	<b>Losses</b>	<b>Value</b>
AgriBank investments	\$24,316,698	\$106,403	\$422,586	\$24,000,515
District Association investments	7,238,540	25,599	101,928	7,162,211
<b>Total District investments</b>	<b>\$31,555,238</b>	<b>\$132,002</b>	<b>\$524,514</b>	<b>\$31,162,726</b>
(in thousands)	Amortized	Unrealized	Unrealized	Fair
As of December 31, 2024	Cost	Gains	Losses	Value
AgriBank investments	\$23,790,473	\$26,909	\$656,438	\$23,160,944
District Association investments	6,330,044	26,948	133,201	6,223,791
<b>Total District investments</b>	<b>\$30,120,517</b>	<b>\$53,857</b>	<b>\$789,639</b>	<b>\$29,384,735</b>
(in thousands)	Amortized	Unrealized	Unrealized	Fair
As of December 31, 2023	Cost	Gains	Losses	Value
AgriBank investments	\$22,790,859	\$30,939	\$709,370	\$22,112,428
District Association investments	4,472,725	25,916	110,390	4,388,251
<b>Total District investments</b>	<b>\$27,263,584</b>	<b>\$56,855</b>	<b>\$819,760</b>	<b>\$26,500,679</b>

### **District Capital**

AgriBank and District Associations believe a sound capital position is critical to long-term financial stability. AgriBank and District Associations maintain adequate capital to protect against unanticipated losses as well as to meet growth needs. Total shareholders' equity increased \$2.4 billion, primarily resulting from net income and a preferred stock issuance at one District Association for the year ended December 31, 2025, partially offset by patronage accruals at District Associations.

In November 2025, Compeer Financial, ACA (Compeer), a District Association, issued \$300.0 million of Series C-1 non-cumulative perpetual preferred stock, representing 300,000 shares at \$1,000 per share par value. This series may be held or transferred in blocks having an aggregate par value of not less than \$250,000 and an investor must hold at least 250 shares. Compeer used the net proceeds from the Series C-1 preferred stock issuance to pay down a portion of their outstanding note payable to AgriBank, fund loans for eligible borrowers, and for general corporate purposes. Dividends on the Series C-1 preferred stock, if declared by Compeer's board of directors in its sole discretion, are non-cumulative and are payable quarterly in arrears.

<b>Accumulated Other Comprehensive Loss</b>			
(in thousands)			
<b>December 31,</b>	<b>2025</b>	2024	2023
Investment securities activity	\$ <b>(316,183)</b>	\$(629,529)	\$(678,429)
Derivatives and hedging activity	<b>54,944</b>	196,491	27,509
Employee benefit plans activity	<b>(295,541)</b>	(358,017)	(448,394)
<b>Total accumulated other comprehensive loss</b>	<b>\$<b>(556,780)</b></b>	<b>\$(791,055)</b>	<b>\$(1,099,314)</b>

The decrease in accumulated other comprehensive loss as of December 31, 2025, compared to the year ended December 31, 2024, was primarily due to the change in investment securities activity. The investment portfolio increased in market value due to a decline in interest rates during 2025. This was somewhat offset by the decrease in unrealized gains on long-term pay-fixed swaps due to a decline in swap rates during that same time period. Also contributing to the decrease in accumulated other comprehensive loss were gains on pension plan assets during 2025.

The Farm Credit Administration sets minimum regulatory capital requirements for Banks and Associations.

<b>Regulatory Capital Requirements and Ratios</b>					
<b>As of December 31, 2025</b>	<b>Primary Components of Numerator</b>	<b>Regulatory Minimums</b>	<b>Minimum with Buffer</b>	<b>Bank</b>	<b>District Associations</b>
<b>Risk adjusted:</b>					
Common equity tier 1 capital ratio (CET1)	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity) <sup>(1)</sup>	4.5 %	7.0 %	<b>16.0 %</b>	<b>12.2 % - 18.5%</b>
Tier 1 capital ratio	CET1 capital, non-cumulative perpetual preferred stock	6.0 %	8.5 %	<b>16.0 %</b>	<b>13.0 % - 18.5%</b>
Total capital ratio	Tier 1 capital, allowance for loan losses <sup>(2)</sup> , common cooperative equities <sup>(3)</sup> and term preferred stock and subordinated debt <sup>(4)</sup>	8.0 %	10.5 %	<b>16.1 %</b>	<b>13.6 % - 19.1%</b>
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.0 %	7.0 %	<b>16.0 %</b>	<b>13.4 % - 18.6%</b>
<b>Non-risk adjusted:</b>					
Tier 1 leverage ratio*	Tier 1 capital	4.0 %	5.0 %	<b>5.3 %</b>	<b>12.7 % - 21.1%</b>
UREE leverage ratio	URE and URE Equivalents	1.5 %	1.5 %	<b>1.8 %</b>	<b>11.7 % - 21.0%</b>

(\*) Includes the regulatory minimum requirement of 1.5% for the URE and UREE Leverage ratio

(1) Equities outstanding 7 or more years

(2) Capped at 1.25% of risk-adjusted assets

(3) Outstanding 5 or more years, but less than 7 years

(4) Outstanding 5 or more years

### **Employee Benefit Plans**

Eligible employees of AgriBank, District service organizations, and certain District Associations participate in various defined benefit retirement plans. The retirement plans are noncontributory, and the benefits are based on salary and years of service. As of January 1, 2007, District entities froze participation in their defined benefit pension plans and offered defined contribution retirement plans to all employees hired subsequent to the freeze. In addition, most District entities provide certain healthcare and other postretirement benefits to eligible retired employees. Employees may become eligible for healthcare and other postretirement benefits if they reach normal retirement age while working for District entities.

## District Retirement Plans

(in thousands)	Pension Benefits		Other Benefits
	Qualified	Non-qualified	
<b>December 31, 2025</b>			
Projected benefit obligation	\$1,092,018	\$48,593	\$12,646
Fair value of plan assets	1,198,940	—	—
Funded (unfunded) status	106,922	(48,593)	(12,646)
Accumulated benefit obligation	\$1,026,265	\$40,852	N/A
Assumptions used to determine benefit obligations:			
Discount rate	5.4%	5.1%	4.3% - 5.3%
Rate of compensation increase <sup>(1)(2)</sup>	6.2%	6.2%	N/A
Assumptions used to determine net periodic benefit cost:			
Expected long-term rate of return	6.8%	N/A	N/A

(in thousands)	Pension Benefits		Other Benefits
	Qualified	Non-qualified	
<b>December 31, 2024</b>			
Projected benefit obligation	\$1,096,603	\$49,604	\$13,574
Fair value of plan assets	1,152,001	—	—
Unfunded status	55,398	(49,604)	(13,574)
Accumulated benefit obligation	\$1,011,357	\$39,543	N/A
Assumptions used to determine benefit obligations:			
Discount rate	5.7%	5.2%	4.8% - 5.6%
Rate of compensation increase <sup>(1)(2)</sup>	7.2%	7.2%	N/A
Assumptions used to determine net periodic benefit cost:			
Expected long-term rate of return	6.8%	N/A	N/A

(in thousands)	Pension Benefits		Other Benefits
	Qualified	Non-qualified	
<b>December 31, 2023</b>			
Projected benefit obligation	\$1,245,052	\$66,134	\$16,665
Fair value of plan assets	1,213,987	—	—
Unfunded status	(31,065)	(66,134)	(16,665)
Accumulated benefit obligation	\$1,140,936	\$54,916	N/A
Assumptions used to determine benefit obligations:			
Discount rate	5.0%	5.3%	5.0%
Rate of compensation increase	7.2%	7.2%	N/A
Assumptions used to determine net periodic benefit cost:			
Expected long-term rate of return	6.0%	N/A	N/A

<sup>(1)</sup> The rate of compensation increase for the pension benefits utilizes to an age-based scale beginning at 6.50%, decreasing ultimately to 3.00%

<sup>(2)</sup> The AgriBank District Pension Restoration Plan (non-qualified) generally follows the same rate of compensation increase assumption as the AgriBank District Retirement Plan unless an alternative assumption is deemed necessary for an individual participating entity. Alternative assumption elections were not material to the District combined non-qualified plan.

## Select Information on AgriBank District Associations

(in thousands)

As of December 31, 2025	Wholesale Loan Amount	% of Wholesale Portfolio	Total Assets	Total Allowance and Capital	Total Regulatory Capital Ratio	Nonperforming <sup>(1)</sup> as a % of Total Loans	Return on Assets
Farm Credit Services of America	\$41,847,437	27.8 %	\$51,279,147	\$8,511,492	13.7 %	0.8 %	1.8 %
Farm Credit Mid-America <sup>(2)</sup>	34,633,015	23.0 %	42,066,517	6,841,545	14.8 %	1.0 %	1.5 %
Compeer Financial	29,565,560	19.6 %	36,067,024	5,874,128	14.3 %	1.5 %	1.2 %
AgCountry Farm Credit Services <sup>(2)</sup>	14,100,185	9.3 %	17,358,545	2,979,749	13.6 %	0.6 %	1.5 %
GreenStone Farm Credit Services	11,972,183	7.9 %	15,024,864	2,802,763	15.7 %	0.5 %	1.9 %
FCS Financial	6,791,661	4.5 %	8,326,924	1,389,143	14.0 %	0.8 %	1.6 %
Farm Credit Illinois	6,090,512	4.0 %	7,569,720	1,390,014	15.8 %	0.4 %	1.6 %
AgHeritage Farm Credit Services	2,055,838	1.4 %	2,635,598	543,019	16.6 %	1.0 %	1.4 %
Farm Credit Services of Western Arkansas	1,691,943	1.1 %	2,190,153	427,292	17.3 %	0.6 %	1.3 %
Farm Credit Services of Mandan	1,295,351	0.9 %	1,708,344	386,847	18.5 %	0.7 %	1.2 %
Farm Credit Southeast Missouri	768,629	0.5 %	1,010,743	225,808	19.1 %	1.3 %	1.1 %
<b>Total</b>	<b>\$150,812,314</b>	<b>100.0 %</b>	<b>\$185,237,579</b>	<b>\$31,371,800</b>			
District Association weighted average ratios					14.5 %	0.9 %	1.5 %

<sup>(1)</sup> Nonperforming loans are composed of nonaccrual loans and accruing loans 90 days or more past due

<sup>(2)</sup> Wholesale loan amounts do not include fair value adjustments due to merger

**Combined Balance Sheets**  
AgriBank, FCB and District Associations

(unaudited)

(in thousands)

December 31,	2025	2024	2023
<b>Assets</b>			
Cash and cash equivalents	\$1,507,302	\$1,573,223	\$1,715,488
Federal funds and securities purchased under resale agreements	—	400,000	1,700,000
Investments	31,239,055	29,490,988	26,585,153
Loans	194,000,777	180,569,737	165,792,497
Allowance for credit losses on loans	682,140	408,322	335,014
Net loans	193,318,637	180,161,415	165,457,483
Accrued interest receivable	2,860,674	2,560,105	2,195,771
Premises and equipment, net	900,778	859,691	788,855
Other assets	1,455,079	1,174,218	1,184,075
<b>Total assets</b>	<b>\$231,281,525</b>	<b>\$216,219,640</b>	<b>\$199,626,825</b>
<b>Liabilities</b>			
Bonds and notes	\$189,638,439	\$176,903,963	\$162,353,014
Subordinated notes	200,000	200,000	200,000
Member investment bonds	3,787,788	3,891,764	3,957,315
Accrued interest payable	1,190,094	1,202,489	1,028,189
Patronage distribution payable	1,265,221	1,216,541	1,203,376
Other liabilities	923,766	929,210	1,018,959
<b>Total liabilities</b>	<b>197,005,308</b>	<b>184,343,967</b>	<b>169,760,853</b>
<b>Shareholders' equity</b>			
Preferred stock	400,000	100,000	350,000
Capital stock and participation certificates	441,757	423,417	400,964
Capital stock and participation certificates receivable	(168,670)	(158,875)	(147,134)
Additional paid-in capital	2,668,643	2,663,018	2,663,018
Allocated retained earnings	58,043	110,331	162,937
Unallocated retained earnings	31,240,028	29,350,686	27,381,347
Accumulated other comprehensive loss	(556,780)	(791,055)	(1,099,314)
Noncontrolling interest	193,196	178,151	154,154
<b>Total shareholders' equity</b>	<b>34,276,217</b>	<b>31,875,673</b>	<b>29,865,972</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$231,281,525</b>	<b>\$216,219,640</b>	<b>\$199,626,825</b>

**Combined Statements of Income**  
AgriBank, FCB and District Associations

(unaudited)

(in thousands)

For the year ended December 31,	2025	2024	2023
<b>Interest Income</b>			
Loans	<b>\$10,718,304</b>	\$10,125,162	\$8,605,331
Investment securities and other earning assets	<b>1,441,119</b>	1,502,456	1,203,747
Total interest income	<b>12,159,423</b>	11,627,618	9,809,078
<b>Interest Expense</b>	<b>6,873,334</b>	6,649,763	5,175,128
Net interest income	<b>5,286,089</b>	4,977,855	4,633,950
Provision for credit losses	<b>559,516</b>	302,569	295,719
Net interest income after provision for credit losses	<b>4,726,573</b>	4,675,286	4,338,231
<b>Non-interest income</b>			
Net fee income	<b>121,050</b>	114,635	105,572
Financially related services income	<b>258,278</b>	224,223	234,765
Net gains on sales of investments and other assets	<b>2,454</b>	1,579	4,181
Mineral income	<b>81,337</b>	87,651	86,599
Allocated Insurance Reserve Accounts	<b>30,216</b>	47,159	—
Other income (loss), net	<b>9,240</b>	(8,134)	42,739
Total non-interest income	<b>502,575</b>	467,113	473,856
<b>Non-interest expense</b>			
Salaries and employee benefits	<b>1,184,816</b>	1,134,732	1,033,035
Occupancy and equipment	<b>214,798</b>	196,921	188,878
Purchased services	<b>186,121</b>	161,622	131,615
Farm Credit System Insurance Corporation expense	<b>159,014</b>	148,365	240,572
Other expense	<b>354,191</b>	337,275	340,158
Total non-interest expense	<b>2,098,940</b>	1,978,915	1,934,258
Income before income taxes	<b>3,130,208</b>	3,163,484	2,877,829
<b>Provision for income taxes</b>	<b>(2,784)</b>	16,477	46,587
Net income	<b>\$3,132,992</b>	\$3,147,007	\$2,831,242



# District Associations

**Farm Credit Associations in the AgriBank District provide farmers, ranchers and other rural borrowers in their local communities with the capital they need to make their businesses successful.**

AgriBank supports our Association-owners, which serve rural communities and agriculture in the 15 states of the AgriBank District. Under our cooperative structure, the farmers, ranchers and agribusinesses Farm Credit serves own these Associations, which in turn are the primary customers and owners of AgriBank.



**AgCountry Farm Credit Services, ACA**  
1900 44th St. S.  
Fargo, ND 58103  
(701) 282-9494  
[www.agcountry.com](http://www.agcountry.com)



**Farm Credit Services of America**

**Farm Credit Services of America, ACA**  
5015 S. 118th St.  
Omaha, NE 68137  
(402) 348-3333  
[www.fcsamerica.com](http://www.fcsamerica.com)



**AgHeritage Farm Credit Services, ACA**  
119 E. Third St., Suite 200  
Little Rock, AR 72201  
(800) 299-2290  
[www.agheritagefcs.com](http://www.agheritagefcs.com)



**Farm Credit Services of Mandan**

**Farm Credit Services of Mandan, ACA**  
1600 Old Red Trail  
Mandan, ND 58554  
(701) 663-6487  
[www.farmcreditmandan.com](http://www.farmcreditmandan.com)



**Compeer Financial, ACA**  
2600 Jenny Wren Trail  
Sun Prairie, WI 53590  
(844) 426-6733  
[www.compeer.com](http://www.compeer.com)



**FARM CREDIT OF WESTERN ARKANSAS**

**Farm Credit Services of Western Arkansas, ACA**  
5177 US Highway 64 W  
Russellville, AR 72802  
(479) 968-1434  
[www.myaglender.com](http://www.myaglender.com)



**FCS FINANCIAL**

**FCS Financial, ACA**  
1934 E. Miller St.  
Jefferson City, MO 65101  
(573) 635-7956  
[www.myfcsfinancial.com](http://www.myfcsfinancial.com)



**FARM CREDIT SOUTHEAST MISSOURI**

**Farm Credit Southeast Missouri, ACA**  
1116 N. Main St.  
Sikeston, MO 63801  
(573) 471-0342  
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**FARM CREDIT ILLINOIS**

**Farm Credit Illinois, ACA**  
1100 Farm Credit Drive  
Mahomet, IL 61853  
(217) 590-2200  
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**GreenStone FARM CREDIT SERVICES**

**GreenStone Farm Credit Services, ACA**  
3515 West Road  
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