



Investor Conference Call FY2025 First Quarter Ended August 31, 2024

October 25, 2024 at 1 pm ET

Forward-Looking Statements

This presentation contains certain statements that are considered forward-looking statements within the Securities Act of 1933, as amended, and the Exchange Act of 1934, as amended. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations are generally identified by our use of words such as “intend,” “plan,” “may,” “should,” “will,” “project,” “estimate,” “anticipate,” “believe,” “expect,” “continue,” “potential,” “opportunity” and similar expressions, whether in the negative or affirmative. All statements about future expectations or projections are forward-looking statements. Although we believe that the expectations reflected in our forward-looking statements are based on reasonable assumptions, actual results and performance may differ materially from our forward-looking statements. Factors that could cause future results to vary from our forward-looking statements about our current expectations are included in our annual and quarterly periodic reports filed with the U.S. Securities and Exchange Commission. Except as required by law, we undertake no obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date on which the statement is made.



Non-GAAP Financial Measures

During our discussion, we review certain non-GAAP adjusted financial measures. A reconciliation is provided at the end of the slides. Please refer to our Form 10-Q for the first quarter ended August 31, 2024, as filed with the SEC and posted on the CFC website, for a discussion of why we believe our adjusted financial measures provide useful information in analyzing CFC's financial performance and the reconciliation to the most comparable GAAP financial measures. Certain figures have been rounded for ease of presentation and may not sum to total due to rounding.



Executive Summary

J. ANDREW DON
Chief Executive Officer



1QFY25 Highlights: Continued to Deliver Solid Results

\$35.1B
Loans to Members

\$2.4B
Members' Equity

**No Charge-Offs & No
New Nonperforming
loans
during 1QFY25**

**A+/A1/A-
F1/P-1/A-2
Stable Outlook**

➤ Continue to manage our financial performance diligently

- Gross Loans to members increased to \$35.1 billion at 1QFY25, an increase of \$569 million or 2% from FYE2024
- Maintained a high-quality loan portfolio: historically, limited levels of charge-offs, loan defaults, nonperforming loans, and delinquencies
- Superior financial metrics: an adjusted TIER of 1.20x during 1QFY25
- Strategic equity build-up: \$2.4B of members' equity at 1QFY25
- Diverse funding sources and resilient liquidity: cash, committed bank lines, investments, Guaranteed Underwriter Program (GUP), Farmer Mac, and access to repo facilities

➤ Committed to maintain high grade credit ratings

- Executive team's incentive is tied to CFC credit ratings
- Fitch affirmed CFC's credit ratings with a stable outlook during 1QFY25



Recent Hurricane Impact

Helene

- Outage
 - ~5.5 million in total customers
 - ~1.25 million were electric cooperative customers
- Emergency LOC requests
 - 26 co-ops (FL, GA, NC, SC & TN)

Milton

- Outage
 - ~3.4 million in total customers
 - ~340,000 were electric cooperative customers
- Emergency LOC requests
 - 3 co-ops (FL)

Financial Performance

LING WANG

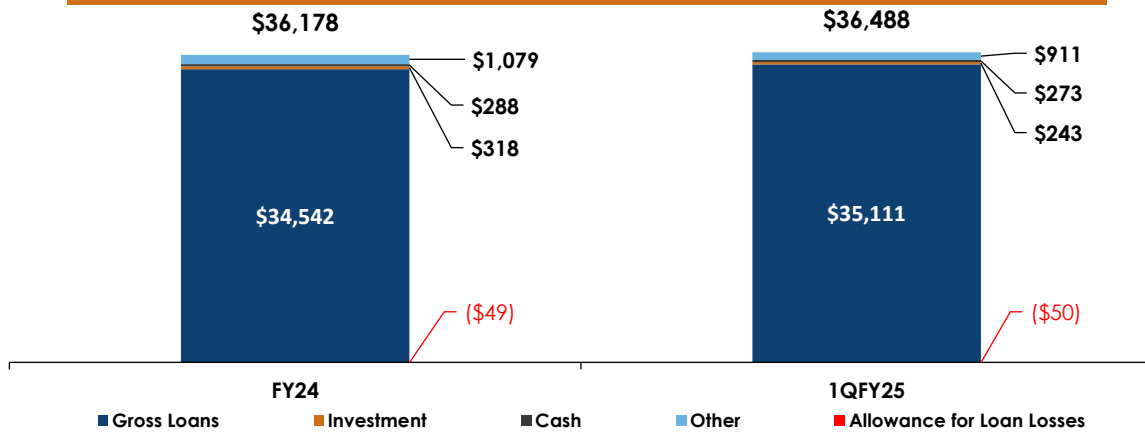
Chief Financial Officer



Balance Sheet: Strong, Sound Capital Structure

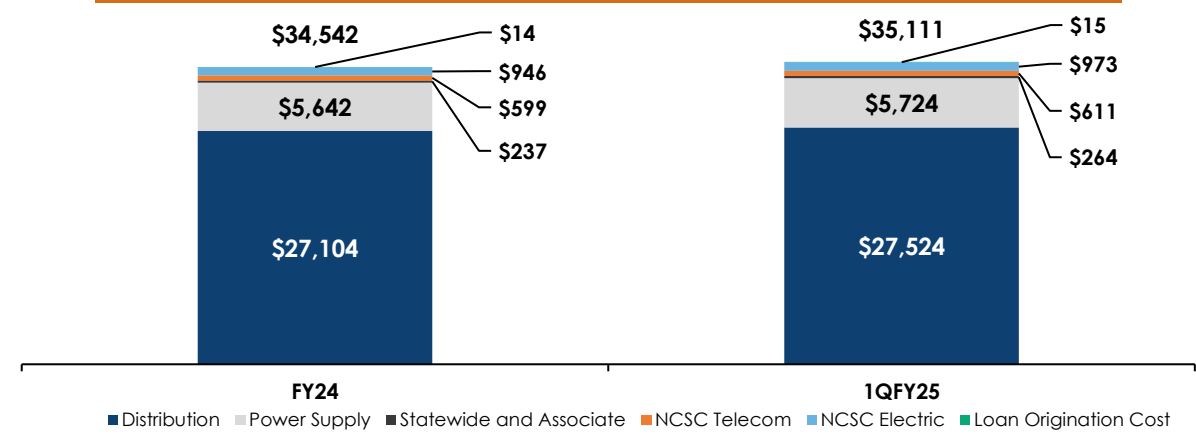
Total Assets (\$ in Millions)

\$310 million, or 1%, Increase in Total Assets From FY24 to 1QFY25



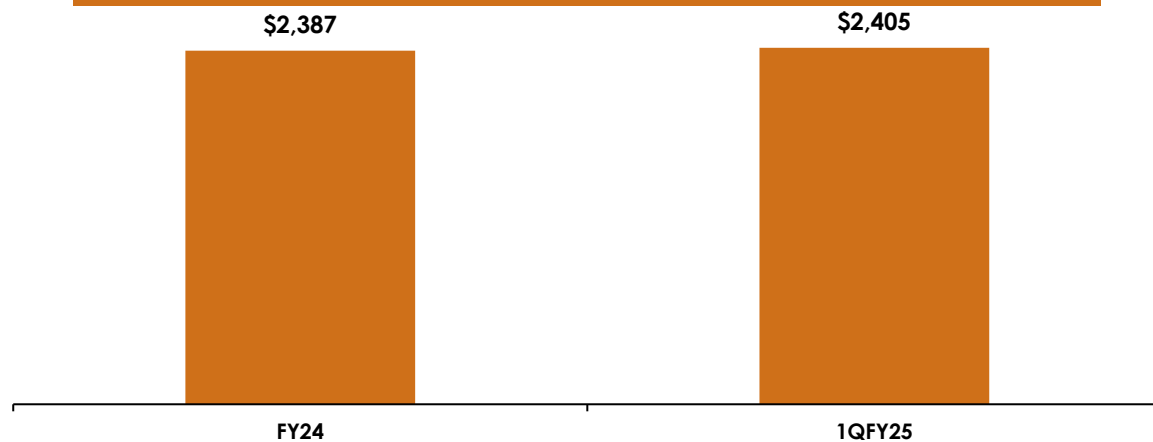
Total Loans to Members (\$ in Millions)

\$569 million, or 2%, Increase in Total Loans To Members From FY24 to 1QFY25



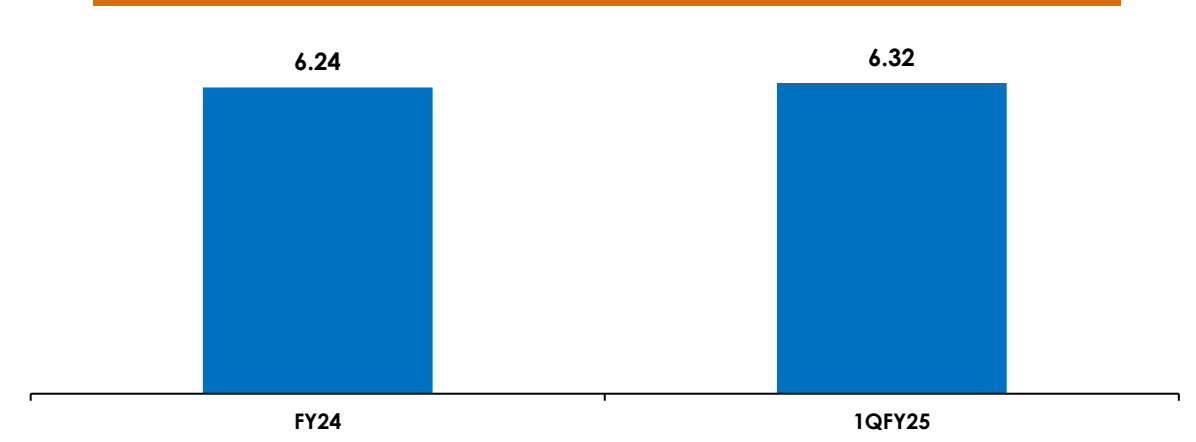
Members' Equity (\$ in Millions) ¹

\$18 million, or 0.77%, Increase in Members' Equity from FY24 to 1QFY25



Adjusted Debt to Equity Ratio ²

0.08, or 1%, Increase in Adjusted Debt to Equity Ratio From FY24 to 1QFY25



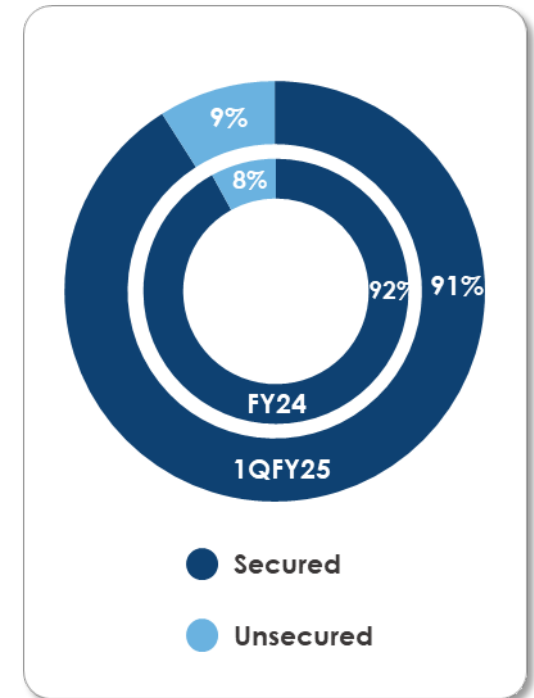
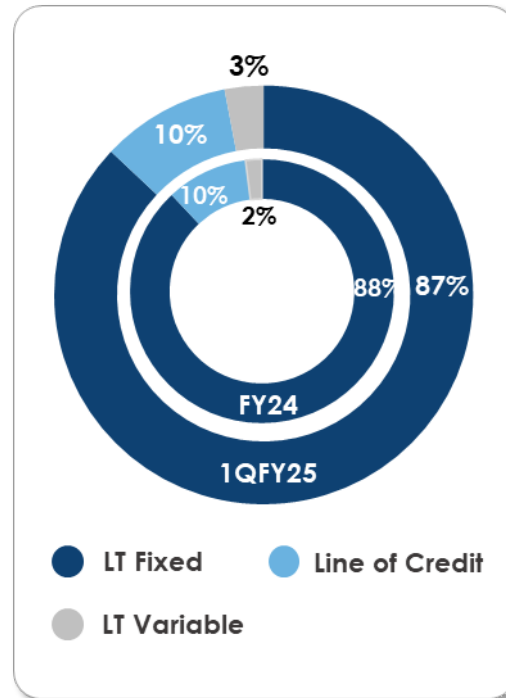
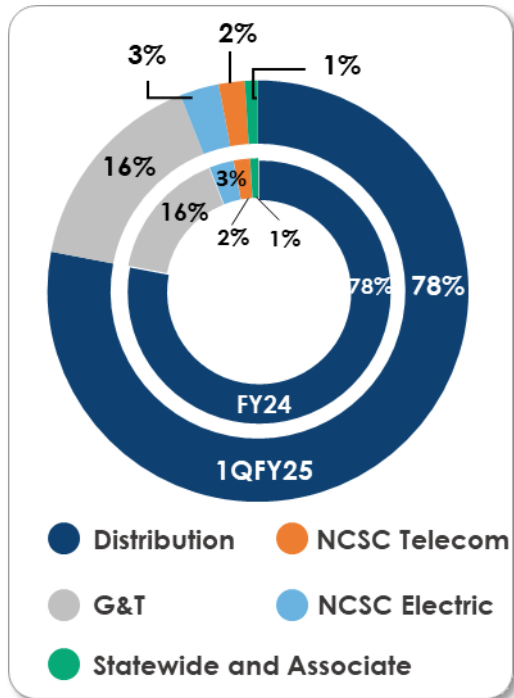
¹ Refer to Appendix for non-GAAP reconciliations

² Adjusted total liabilities divided by adjusted total equity. Refer to Appendix for non-GAAP reconciliations

Loan Portfolio: Long-Term, Fixed-Rate, Secured Electric Utility Loans

CFC's Electric Cooperative Borrowers/Members:

- Provide an essential service to their customers/owners
- Experience limited competition
- Generally serve exclusive territories with the majority of customers being classified as residential
- Demonstrate stable operating and strong financial performance
- Are not rate regulated in the majority of states



Credit Performance: Pristine Quality Loan Portfolio

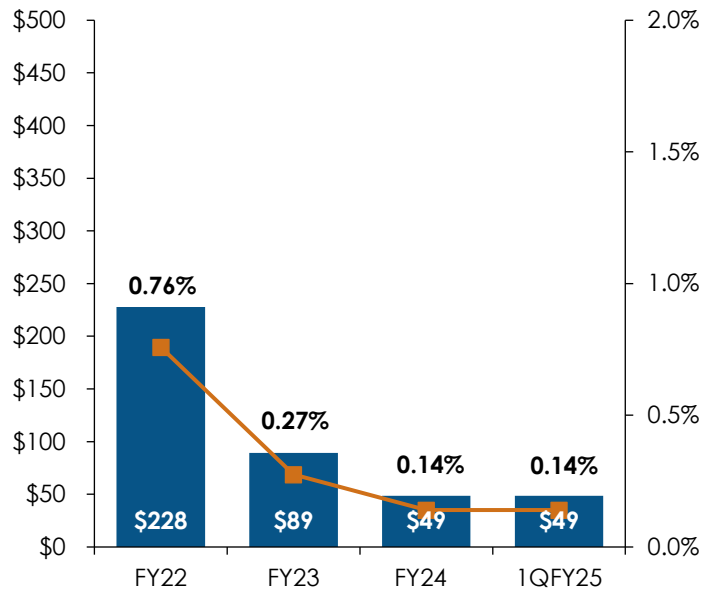


Historically, CFC has had limited levels of charge-offs, loan defaults, nonperforming loans and delinquencies.

Electric Portfolio: 18 defaults and 8 losses with cumulative net charge-offs of \$100 million in 55-year history.

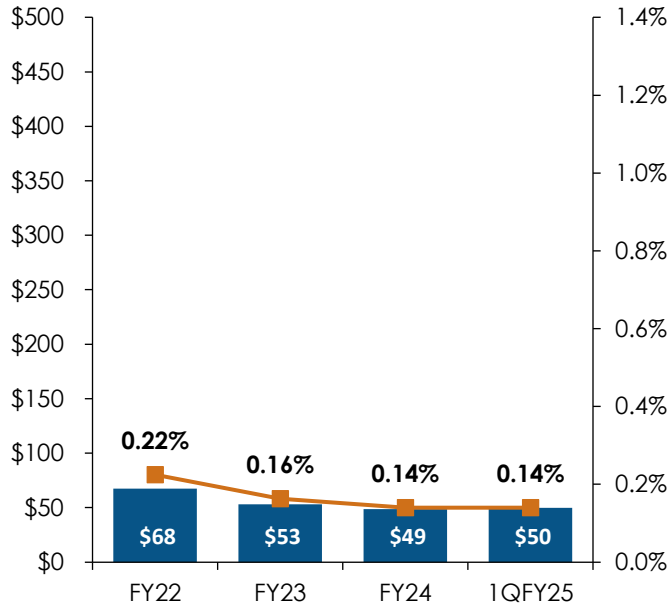


Nonperforming Loans / Total Loans Outstanding (\$ in Millions)



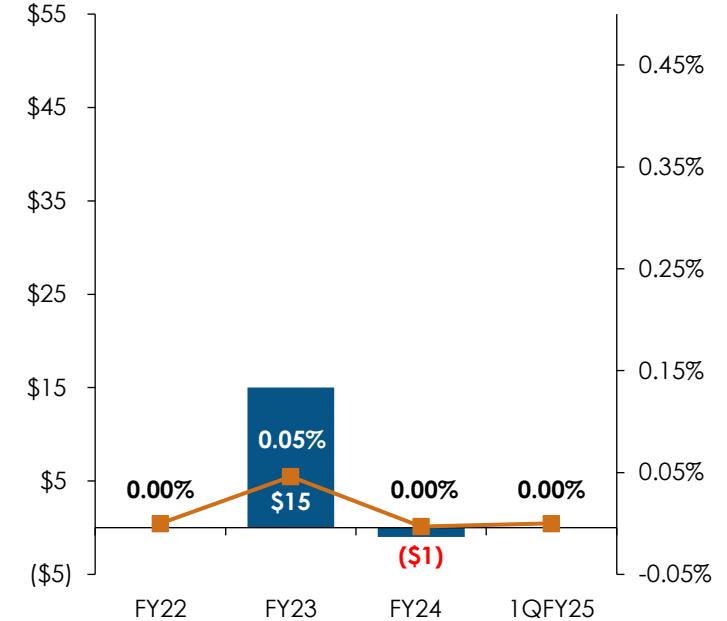
■ Nonperforming Loans

Allowance for Credit Losses / Total Loans Outstanding (\$ in Millions)



■ Allowance for Credit Losses

Net Charge-Offs (Recoveries) / Average Loans Outstanding (\$ in Millions)



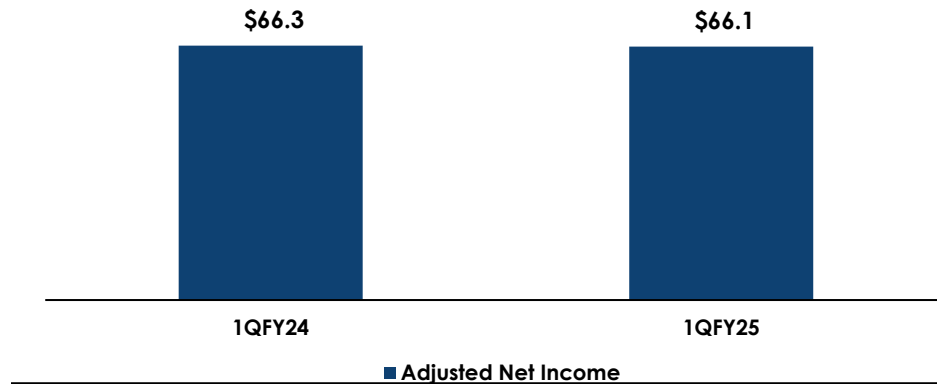
■ Net Charge-Offs (Recoveries)



Income Statement: Disciplined, Solid Financial Performance

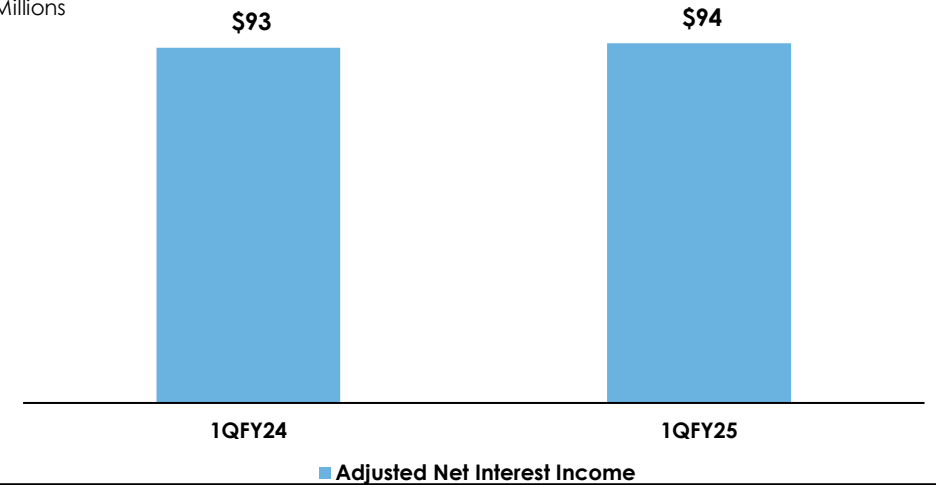
Adjusted Net Income: \$0.2 million, <1% decrease from 1QFY24 to 1QFY25 ³

\$ in Millions

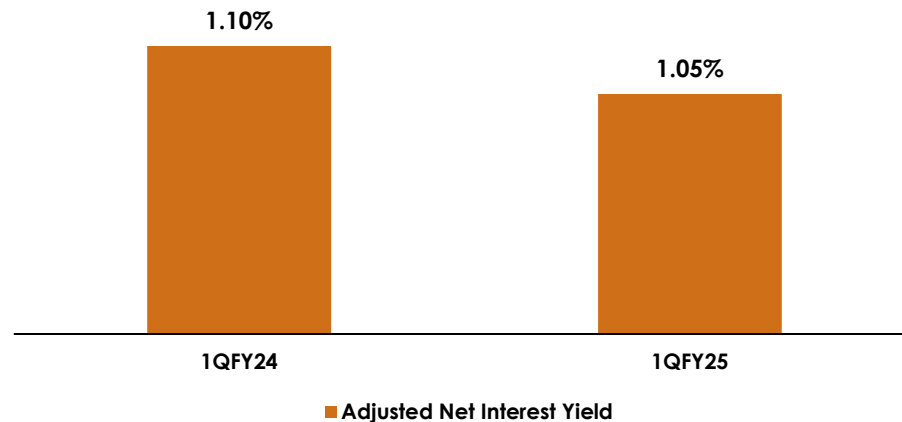


Adjusted Net Interest Income: \$1 million, 1% Increase from 1QFY24 to 1QFY25 ³

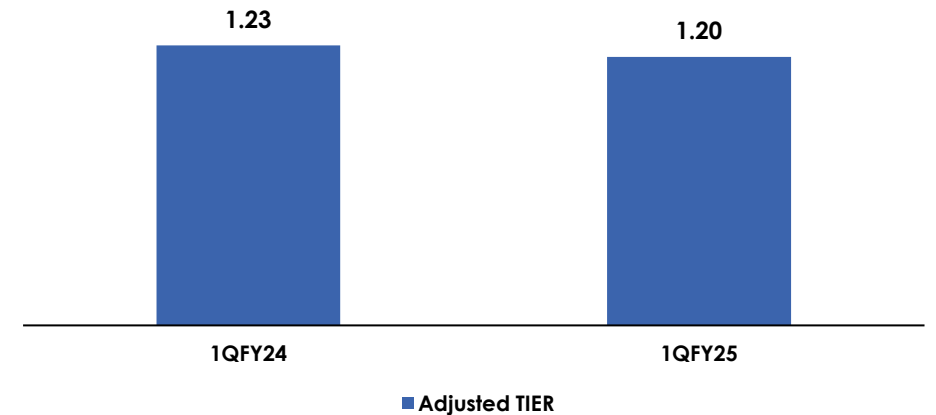
\$ in Millions



Adjusted Net Interest Yield ²: 5 bps, 5% Decrease From 1QFY24 to 1QFY25



Adjusted TIER ¹: 0.03, 2% Decrease from 1QFY24 to 1QFY25



¹ Adjusted TIER is calculated based on adjusted net income (loss) plus adjusted interest expense for the period divided by adjusted interest expense for the period. Refer to Appendix for non-GAAP reconciliations

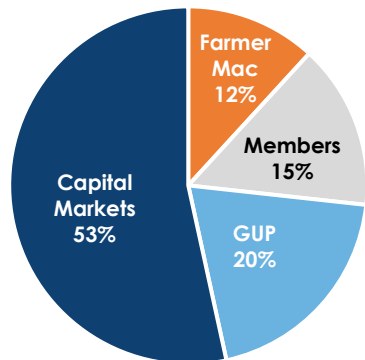
² Adjusted Net Interest Yield is calculated based on adjusted net interest income for the period divided by average interest-earning assets for the period. Refer to Appendix for non-GAAP reconciliations.

³ Refer to appendix for non-GAAP reconciliations

Debt Funding Sources: Well-Diversified Funding Mix

Total Debt Outstanding (\$ in Millions)

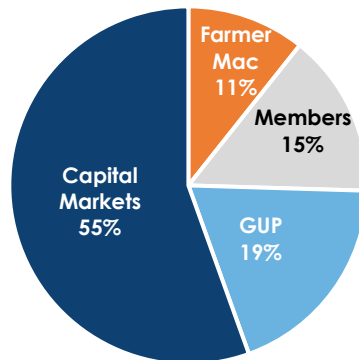
FY24



\$32,718

\$448
+1%

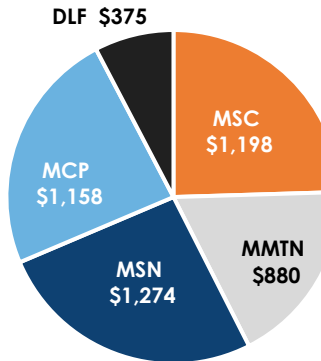
1QFY25



\$33,166

Member Investment ¹ (\$ in Millions)

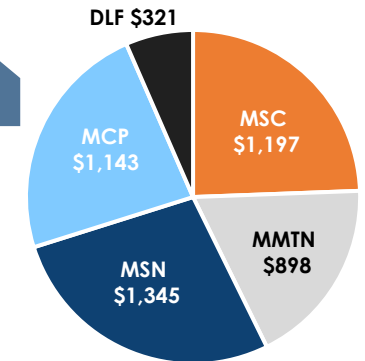
FY24



\$4,885

\$19
<1%

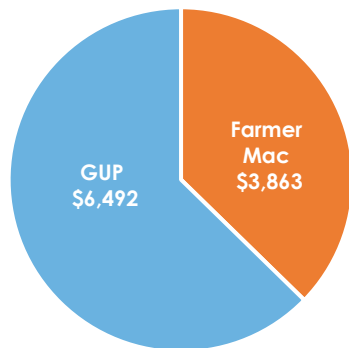
1QFY25



\$4,904

GUP & Farmer Mac (\$ in Millions)

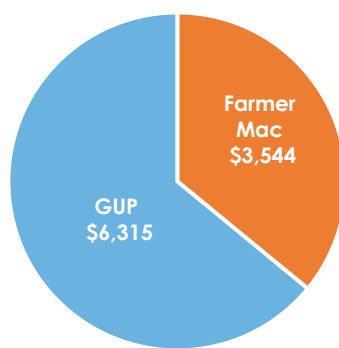
FY24



\$10,355

\$496
-5%

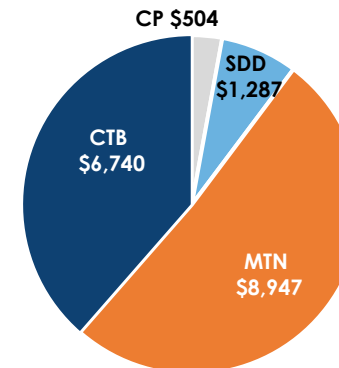
1QFY25



\$9,859

Capital Markets Funding ² (\$ in Millions)

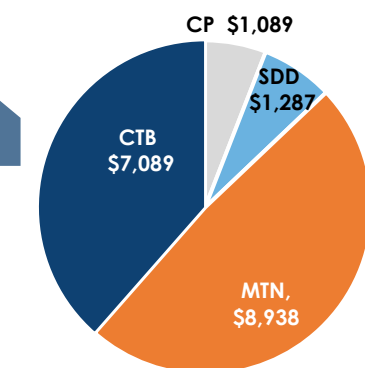
FY24



\$17,478

\$925
+5%

1QFY25



\$18,403



¹ Abbreviations For Member Investment: Daily Liquidity Fund (DLF), Member Commercial Paper (MCP), Member Select Notes (MSN), Member Medium Term Notes (MMTN), Member Subordinated Certificates (MSC).

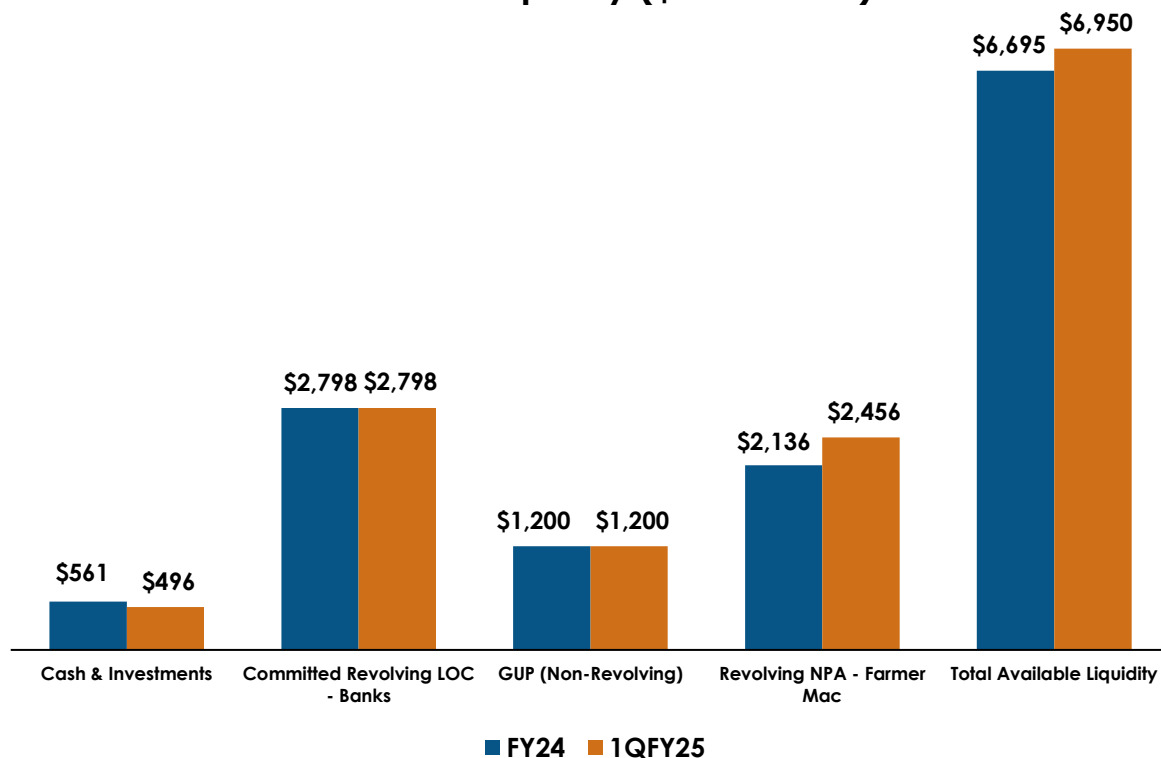
² Abbreviations for Capital Markets Funding: Collateral Trust Bond (CTB), Non-Member Medium-Term Notes (MTN), Subordinated Deferrable Debt (SDD), Non-Member Commercial Paper (CP).

Liquidity Management: Resilient Liquidity Profile



CFC is a well-known seasoned issuer and has adequate access to both long-term and short-term funding options through two shelf registrations filed with the SEC

Available Liquidity (\$ in Millions)



Liquidity Sources	FY24		1QFY25	
	Total	Available	Total	Available
Cash & Investments	\$ 561	\$ 561	\$ 496	\$ 496
Committed Revolving LOC - Banks	2,800	2,798	2,800	2,798
GUP (Non-Revolving)	9,923	1,200	9,923	1,200
Revolving NPA - Farmer Mac ¹	6,000	2,136	6,000	2,456
Total Liquidity	\$ 19,284	\$ 6,695	\$ 19,219	\$ 6,950

Total Debt Maturities over the next 12 months	\$ 7,009	\$ 7,449
Total Member Short-Term Investments	\$ 3,328	\$ 3,328
Non-member Debt and Member LT Debt Maturities		
Farmer Mac Short-Term Notes Payable	\$ 500	\$ -
Dealer CP	505	1,089
Long-term and Subordinated Debt ²	2,676	3,032
Total Non-member Debt and Member LT Debt Maturities	\$ 3,681	\$ 4,121

Excess Liquidity (excluding short-term member investments)	\$ 3,014/1.8x	\$ 2,829/1.7x
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Scheduled LT Loan Amortization and Repayments over the next 12 months	\$ 1,552	\$ 1,598
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¹ Revolving NPA - Farmer Mac is subject to market conditions

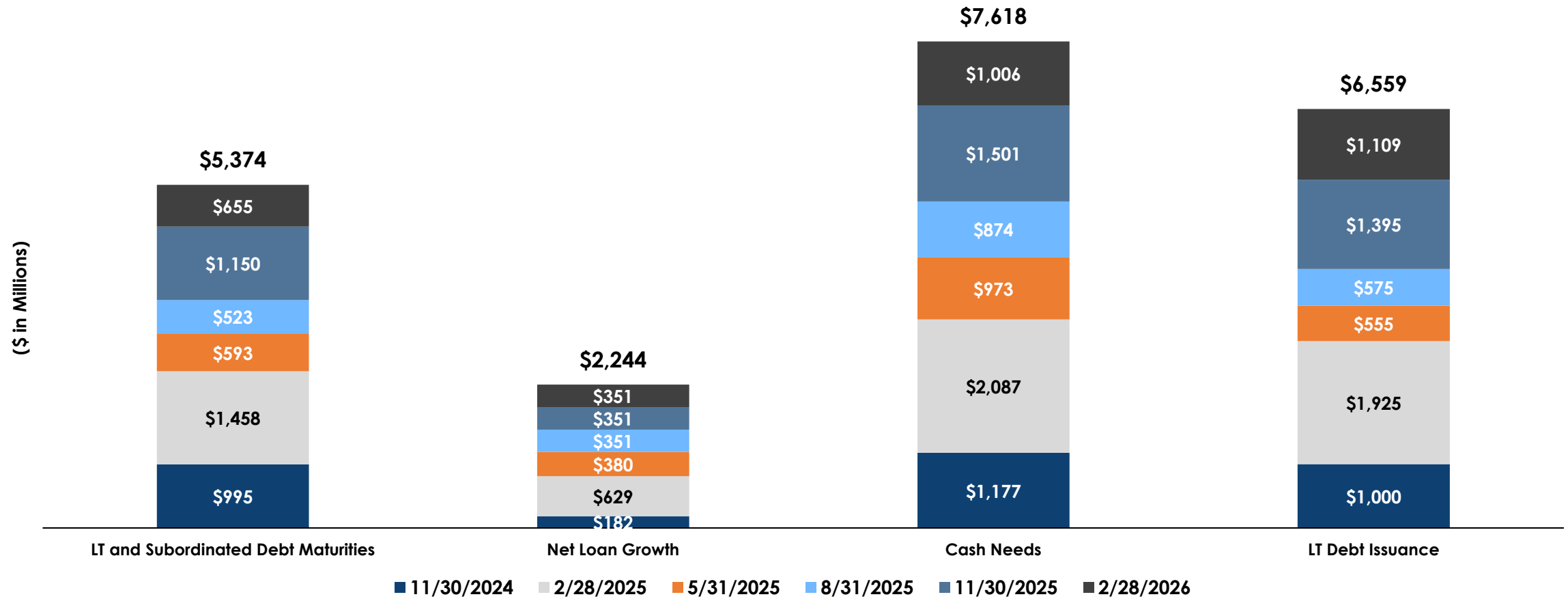
² Includes member LT MTNs and LT certificates maturing within 12 months



Projected Long-Term Sources and Uses of Funds

(as of 8/31/2024)

18-month Projection for Sources and Uses of Funds*



* Refer to Page 35 of Form 10-Q for more detail

Appendix



Non-GAAP Reconciliations

Adjusted Total Liabilities and Adjusted Total Equity

(\$ in millions)	FY24	1QFY25
Total liabilities	\$ 33,166	\$ 33,687
Exclude:		
Derivative liabilities	81	74
Debt used to fund loans guaranteed by RUS	114	112
Subordinated deferrable debt	1,287	1,287
Subordinated certificates	1,198	1,197
Adjusted total liabilities	\$ 30,486	\$ 31,017
Total equity	\$ 3,012	\$ 2,801
Exclude:		
Current period-end cumulative derivative forward value gains	608	377
Accumulated other comprehensive income attributable to derivatives	1	1
Include:		
Subordinated deferrable debt	1,287	1,287
Subordinated certificates	1,198	1,197
Adjusted total equity	\$ 4,888	\$ 4,907



Non-GAAP Reconciliations – Cont'd

Adjusted Net Interest Income and Adjusted Net Income

(\$ in millions)	1QFY24	1QFY25
Interest income	\$ 381	\$ 418
Interest expense	(316)	(356)
Include: Derivative cash settlements Interest income	28	32
Adjusted interest expense	(288)	(324)
Adjusted net interest income	\$ 93	\$ 94
Net income (loss)	\$ 228	\$ (164)
Exclude: Derivative forward value gains (losses)	162	(230)
Adjusted Net income	\$ 66	\$ 66
Average Interest-Earning Assets	\$ 33,538	\$ 35,354

Members' Equity

(\$ in millions)	FY24	1QFY25
Members' Equity:		
Total CFC Equity	\$ 2,992	\$ 2,781
Exclude:		
Accumulated other comprehensive loss	(1)	(1)
Period-end cumulative derivative forward value gains attributable to CFC	606	377
Subtotal	605	376
Members' Equity	\$ 2,387	\$ 2,405



