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 (SEC). 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.
Financial Performance

J. Andrew Don, Chief Financial Officer
Non-GAAP Financial Measures

During our discussion, we may review certain non-GAAP adjusted financial measures. Please refer to our Form 10-Q for the fiscal quarter ended February 28, 2019, as filed with the SEC and posted on the CFC website, for a discussion of why we believe our adjusted measures provide useful information in analyzing CFC’s financial performance and the reconciliation to the most comparable GAAP measures.
3QFY19 Financial Results – Balance Sheet

**Total Assets ($ in Mils)**
- **$26,690** (FY18)
- **$26,676** (1QFY19)
- **$26,830** (2QFY19)
- **$27,410** (3QFY19)
  - Increase: **$720 MM**

**Loans to Members ($ in Mils)**
- **$25,179** (FY18)
- **$25,183** (1QFY19)
- **$25,294** (2QFY19)
- **$26,018** (3QFY19)
  - Increase: **$839 MM**

**Members’ Equity ($ in Mils)**
- **$1,497** (FY18)
- **$1,486** (1QFY19)
- **$1,530** (2QFY19)
- **$1,581** (3QFY19)
  - Increase: **$84 MM**

**Adjusted Debt to Equity Ratio**
- **6.18** (FY18)
- **6.21** (1QFY19)
- **6.15** (2QFY19)
- **6.29** (3QFY19)
  - Increase: **0.11**
### Adjusted TIER

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 (3 mos)</th>
<th>FY19 (3 mos)</th>
<th>FY18 (9 mos)</th>
<th>FY19 (9 mos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted</td>
<td>1.16</td>
<td>1.23</td>
<td>1.16</td>
<td>1.19</td>
</tr>
<tr>
<td>TIER Increase</td>
<td>0.07 MM</td>
<td>0.03 MM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Adjusted Net Income ($ in Mils)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 (3 mos)</th>
<th>FY19 (3 mos)</th>
<th>FY18 (9 mos)</th>
<th>FY19 (9 mos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$34</td>
<td>$51</td>
<td>$103</td>
<td>$123</td>
</tr>
<tr>
<td>Increase</td>
<td>$17 MM</td>
<td>$20 MM</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Adjusted Net Interest Income ($ in Mils)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 (9 mos)</th>
<th>FY19 (9 mos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income</td>
<td>$158 MM</td>
<td>$189 MM</td>
</tr>
<tr>
<td>Increase</td>
<td>$31 MM</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 (9 mos)</th>
<th>FY19 (9 mos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3Q</td>
<td>$54</td>
<td>$69</td>
</tr>
<tr>
<td>2Q</td>
<td>$51</td>
<td>$65</td>
</tr>
<tr>
<td>1Q</td>
<td>$53</td>
<td>$55</td>
</tr>
</tbody>
</table>

### Adjusted Net Interest Yield

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY18 (3 mos)</th>
<th>FY19 (3 mos)</th>
<th>FY18 (9 mos)</th>
<th>FY19 (9 mos)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield</td>
<td>0.86%</td>
<td>1.04%</td>
<td>0.84%</td>
<td>0.96%</td>
</tr>
<tr>
<td>Increase</td>
<td>18 bps</td>
<td>12 bps</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
CFC’s Electric Cooperative Borrowers/Members:
- Provide an essential service to their customers/owners
- Experience limited competition
- Generally serve exclusive territories with majority number of customers being residential
- Demonstrate stable operating and strong financial performance
- Are not rate regulated in the majority of states

Loan Portfolio Overview

Distribution
- Power Supply
- NCSC
- RTFC

LT Fixed
- Line of Credit
- LT Variable

Secured
- Unsecured
Credit Performance

- During CFC’s 50-year history, there have only been 16 defaults and six losses in the electric utility portfolio; net write-offs for the electric portfolio totaled $86 million.
- CFC did not have any delinquent or nonperforming loans since June 1, 2016.
- CFC had no charge-offs or loan defaults during YTD FY19 and FY18.
### Monthly Debt Maturity/Amortization Schedule

Data as of 3/31/2019

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>CTB</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$305</td>
<td>$-</td>
<td>$400</td>
<td>$-</td>
<td>$-</td>
<td>$705</td>
</tr>
<tr>
<td>Dealer MTN</td>
<td>$350</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$300</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$650</td>
</tr>
<tr>
<td>Farmer Mac</td>
<td>$3</td>
<td>$11</td>
<td>$3</td>
<td>$3</td>
<td>$86</td>
<td>$3</td>
<td>$3</td>
<td>$12</td>
<td>$3</td>
<td>$3</td>
<td>$112</td>
<td>$3</td>
<td>$245</td>
</tr>
<tr>
<td>InterNotes</td>
<td>$-</td>
<td>$-</td>
<td>$-</td>
<td>$18</td>
<td>$4</td>
<td>$3</td>
<td>$7</td>
<td>$8</td>
<td>$-</td>
<td>$8</td>
<td>$4</td>
<td>$18</td>
<td>$70</td>
</tr>
<tr>
<td>Member MTN</td>
<td>$48</td>
<td>$43</td>
<td>$47</td>
<td>$66</td>
<td>$51</td>
<td>$27</td>
<td>$52</td>
<td>$31</td>
<td>$42</td>
<td>$16</td>
<td>$20</td>
<td>$13</td>
<td>$456</td>
</tr>
<tr>
<td>GUP</td>
<td>$23</td>
<td>$-</td>
<td>$-</td>
<td>$23</td>
<td>$-</td>
<td>$-</td>
<td>$23</td>
<td>$-</td>
<td>$-</td>
<td>$23</td>
<td>$-</td>
<td>$-</td>
<td>$92</td>
</tr>
<tr>
<td>TOTAL</td>
<td>$424</td>
<td>$54</td>
<td>$50</td>
<td>$110</td>
<td>$141</td>
<td>$33</td>
<td>$85</td>
<td>$656</td>
<td>$45</td>
<td>$450</td>
<td>$136</td>
<td>$34</td>
<td>$2,218</td>
</tr>
</tbody>
</table>

Note: Our members traditionally roll over their MTN investments at maturity.
*Matured on April 5, 2019.*
Liquidity Management

- CFC is a well-known seasoned issuer and believes it has adequate access to both long-term and short-term funding options

<table>
<thead>
<tr>
<th>Cash, Time Deposits &amp; Investments ¹</th>
<th>Revolving LOC – Banks</th>
<th>GUP</th>
<th>Revolving LOC – Farmer Mac</th>
<th>Revolving NPA - Farmer Mac ²</th>
<th>Scheduled LT Loan Amortization and Other Repayments ³</th>
</tr>
</thead>
</table>

Liquidity Coverage/Excess Liquidity

<table>
<thead>
<tr>
<th>Date</th>
<th>Total Liquidity</th>
<th>Total Maturities ⁴</th>
<th>Members</th>
<th>Non-Member CPLTD</th>
<th>Dealer CP</th>
<th>Liquidity Coverage/Excess Liquidity</th>
<th>Liquidity Coverage/Excess Liquidity (excluding short-term member debt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/31/18</td>
<td>$9,235</td>
<td>$6,551</td>
<td>$2,834</td>
<td>$3,082</td>
<td>$1,064</td>
<td>$1.4x/$2,684</td>
<td>2.5x/$5,518</td>
</tr>
<tr>
<td>2/28/19</td>
<td>$9,058</td>
<td>$5,627</td>
<td>$2,708</td>
<td>$2,972</td>
<td>$1,069</td>
<td>$1.6x/$3,431</td>
<td>3.1x/$6,139</td>
</tr>
</tbody>
</table>

(1) $561 million of investments are classified as held-to-maturity and it is our intention to hold these securities to maturity
(2) Revolving NPA - Farmer Mac is subject to market conditions
(3) Scheduled LT loan amortization and other repayments over the next 12 months
(4) Short-term debt maturities include long-term debt maturities over the next 12 months
## Liquidity Position as of 2/28/2019

<table>
<thead>
<tr>
<th>Date</th>
<th>LT Debt Issuance</th>
<th>Anticipated LT Loan Repayments</th>
<th>Other Loan Repayments</th>
<th>Total Projected Sources of Liquidity</th>
<th>LT Debt Maturities</th>
<th>LT Loan Advances</th>
<th>Total Projected Uses of Liquidity</th>
<th>Other Sources/(Uses) of Liquidity</th>
<th>Net LT Loan Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/31/19</td>
<td>$440</td>
<td>$310</td>
<td>$271</td>
<td>$1,021</td>
<td>$516</td>
<td>$635</td>
<td>$1,151</td>
<td>$138</td>
<td>$325</td>
</tr>
<tr>
<td>8/31/19</td>
<td>515</td>
<td>328</td>
<td></td>
<td>$843</td>
<td>302</td>
<td>359</td>
<td>$661</td>
<td>(177)</td>
<td>$31</td>
</tr>
<tr>
<td>11/30/19</td>
<td>790</td>
<td>301</td>
<td></td>
<td>$1,091</td>
<td>773</td>
<td>345</td>
<td>$1,118</td>
<td>(16)</td>
<td>$44</td>
</tr>
<tr>
<td>2/29/20</td>
<td>690</td>
<td>324</td>
<td></td>
<td>$1,014</td>
<td>625</td>
<td>435</td>
<td>$1,060</td>
<td>29</td>
<td>$111</td>
</tr>
<tr>
<td>5/31/20</td>
<td>90</td>
<td>305</td>
<td></td>
<td>$395</td>
<td>83</td>
<td>258</td>
<td>$341</td>
<td>(137)</td>
<td>($47)</td>
</tr>
<tr>
<td>8/31/20</td>
<td>520</td>
<td>313</td>
<td></td>
<td>$833</td>
<td>483</td>
<td>405</td>
<td>$888</td>
<td>71</td>
<td>$92</td>
</tr>
<tr>
<td>Totals</td>
<td>$3,045</td>
<td>$1,881</td>
<td>$271</td>
<td>$5,197</td>
<td>$2,782</td>
<td>$2,437</td>
<td>$5,219</td>
<td>($92)</td>
<td>$556</td>
</tr>
</tbody>
</table>

(1) Anticipated long-term loan repayments include scheduled long-term loan amortizations, anticipated cash repayments at repricing date and sales.
(2) Other loan repayments include anticipated short-term loan repayments.
(3) Long-term debt maturities include medium-term notes with an original maturity of one year or less and expected early redemptions of debt.
(4) Other loan advances include anticipated short-term loan advances.
(5) Includes net increase or decrease to dealer commercial paper, and purchases and maturity of investments.
(6) Cumulative LT Loan Advances minus Anticipated Loan Repayments including scheduled loan amortizations, repricings and sales.
### Major Financing Activities

#### October 2018
- Issued a $325 million 10-year CTB @ 3.90% and $300 million 30-year CTB @ 4.40%
- Paid off $880 million of CTBs with a weighted average coupon of 9.60%
- Issued a $450 million 10-year CTB @ 3.70% and $500 million 30-year CTB @ 4.30%

#### November 2018
- Amended and extended maturities of the credit facilities by one year to November 2021 and November 2023 and reduced the commitment amount by $110 million from $3.085 billion to $2.975 billion
- Closed a $750 million committed loan facility with a 4.5 year draw period
- Advanced $100 million @ 3.635% with a 20-year final maturity
- Advanced $375 million @ 3.294% with a 20-year final maturity
- Advanced $150 million @ 3.286% with a 20-year final maturity

#### July 2018
- Redeemed early $300 million of the $1 billion 10.375% CTB with an original maturity of November 1, 2018
- Issued $300 million 3-year floating-rate notes @ 3ML + 37.5 bps
- Repriced $125 million @ 3.50% with a 15-year final maturity
- Extended the draw period for the $300 million Farmer Mac revolving note purchase agreement to December 2023
- Entered into a pricing agreement with Farmer Mac to advance $250 million in November 2018 under the note purchase agreement
- Advanced $200 million @ 3.71% with a 20-year final maturity and $125 million @ 3.61% with a 30-year final maturity
- Advanced $100 million which was paid off in March 2019

---

**CTBs**

- October 2018 – Issued a $325 million 10-year CTB @ 3.90% and $300 million 30-year CTB @ 4.40%
- November 2018 – Paid off $880 million of CTBs with a weighted average coupon of 9.60%
- January 2019 – Issued a $450 million 10-year CTB @ 3.70% and $500 million 30-year CTB @ 4.30%

---

**MTNs**

- July 2018 – Issued $300 million 3-year floating-rate notes @ 3ML + 37.5 bps

---

**Revolvers**

- November 2018 – Amended and extended maturities of the credit facilities by one year to November 2021 and November 2023 and reduced the commitment amount by $110 million from $3.085 billion to $2.975 billion

---

**GUP**

- November 2018 – Closed a $750 million committed loan facility with a 4.5 year draw period
- November 2018 – Advanced $100 million @ 3.635% with a 20-year final maturity
- January 2019 – Advanced $375 million @ 3.294% with a 20-year final maturity
- February 2019 – Advanced $150 million @ 3.286% with a 20-year final maturity

---

**Farmer Mac**

- September 2018 – Entered into a pricing agreement with Farmer Mac to advance $250 million in November 2018 under the note purchase agreement
- February 2019 – Advanced $200 million @ 3.71% with a 20-year final maturity and $125 million @ 3.61% with a 30-year final maturity
- February 2019 – Advanced $100 million which was paid off in March 2019
Key Takeaways

Robust Credit Ratings

- Fitch: F1 (Short-Term); A+ (Senior Secured); A (Senior Unsecured); Stable Outlook (Last commented on 10/1/18)
- Moody’s: P-1 (Short-Term); A1 (Senior Secured); A2 (Senior Unsecured); Stable Outlook (Last commented on 11/30/18)
- S&P: A-1 (Short-Term); A (Senior Secured); A (Senior Unsecured); Stable Outlook (Last commented on 4/12/19)

Pristine Loan Portfolios

- 99% of loans are to rural electric systems
- 91% of loans are on a senior secured basis
- 0.07% loan loss allowance coverage ratio
- No loan defaults, no nonperforming loans, no charge-offs & no delinquent loans

Strong Member Support

- 17% of funding is from member-owners
- Historically low reinvestment risk on member investments
- Total members’ equity at $1.6 billion as of 2/28/2019, a 56% increase from $998 million as of 5/31/2013

Healthy Funding & Liquidity Profile

- Diversified funding sources (Cash, investments, bank lines, GUP & Farmer Mac)
- 1.6 times liquidity coverage ratio over the next 12 months
- 3.1 times liquidity coverage ratio over the next 12 months, excluding short-term debt maturities related to member investments

Management’s long-term incentives are tied to CFC credit ratings
Created and Owned by America’s Electric Cooperative Network
## Appendix

| **Adjusted Debt To Equity**<br>(Adjusted Liabilities / Adjusted Equity) | \[
\frac{\text{Total Liabilities} - (\text{Derivative Liabilities} + \text{Debt used to fund loans guaranteed by RUS} + \text{Subordinated Deferrable Debt} + \text{Subordinated Certificates})}{\text{Total Equity} - (\text{Prior Year Cumulative Derivative Forward Value and Foreign Currency Adjustments} + \text{Year to Date Derivative Forward Value, net} + \text{Accumulated Other Comprehensive Income}) + (\text{Subordinated Deferrable Debt} + \text{Subordinated Certificates})}
\]
| **Adjusted Interest Expense** | Interest Expense + Derivative Cash Settlements |
| **Adjusted Net Income** | Net Income – Derivative Forward Value Gains (Losses) |
| **Adjusted Net Interest Income** | Net Interest Income – Derivative Cash Settlements |
| **Adjusted Net Interest Yield** | \[
\frac{\text{Adjusted Net Interest Income}}{\text{Total Average Interest-Earning Assets}}
\]
| **Adjusted TIER** | \[
\frac{(\text{Adjusted Interest Expense} + \text{Adjusted Net Income})}{\text{Adjusted Interest Expense}}
\]
| **Derivative Forward Value Gains or Losses** | Derivative forward value gains or losses reflect changes in estimated fair value of the interest rate swaps based on the projected movement in interest rates from the current reporting period through the maturity of the swaps in place at the time. They do not represent current period realized cash gains or losses and are excluded from the calculations of adjusted net income, members’ equity and adjusted equity. |
| **Members’ Equity** | \[
\text{GAAP Equity} – \text{AOCI} – \text{Noncontrolling Interests} – \text{Cumulative Derivative Forward Value Losses}
\]