

Investor Conference Call – FY2021 Fiscal Year Ended May 31, 2021

August 4, 2021 at 11 a.m. 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.



J. Andrew Don, Chief Executive Officer

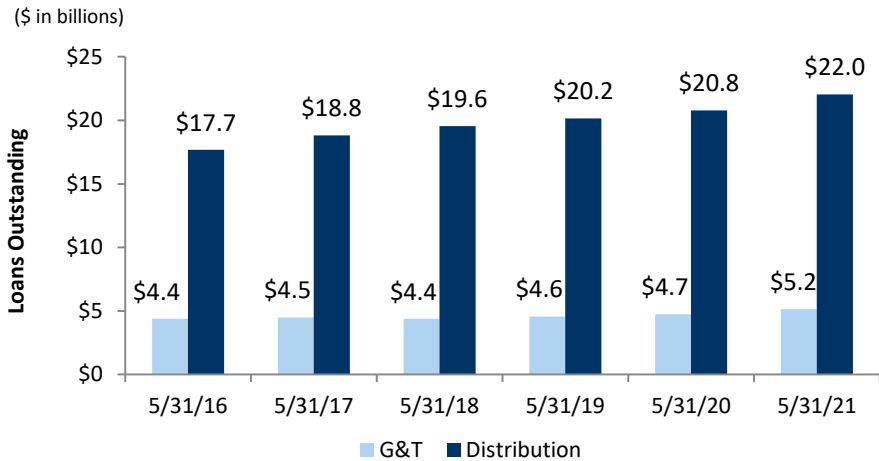


CFC Organizational Chart

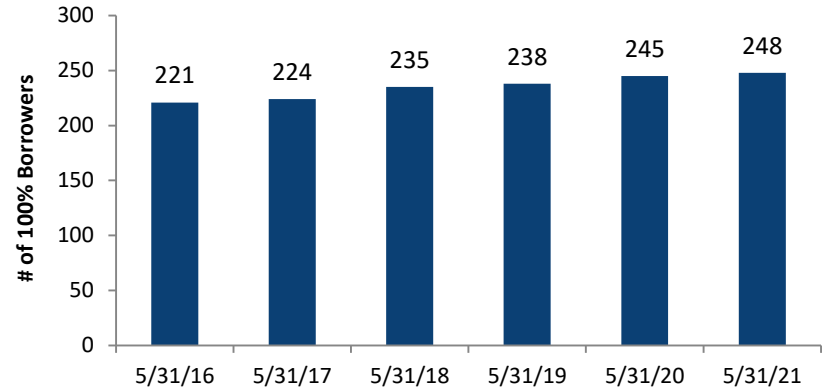


CFC Market Share

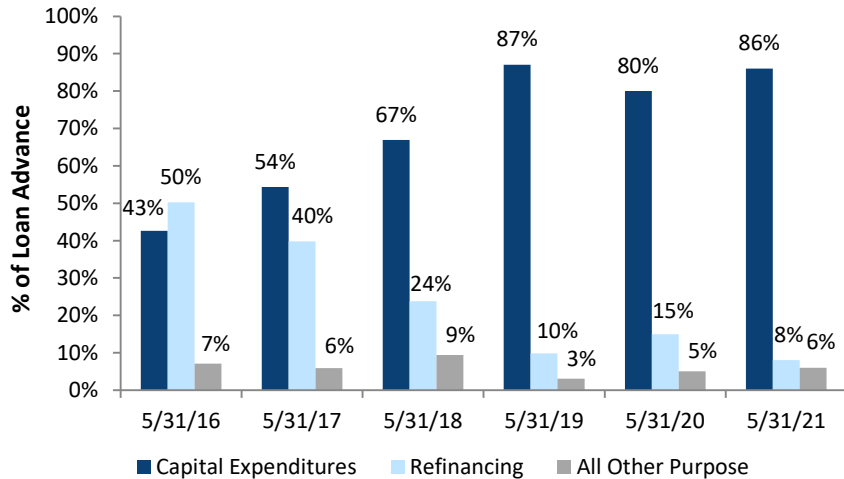
CFC Loans Outstanding ⁽¹⁾



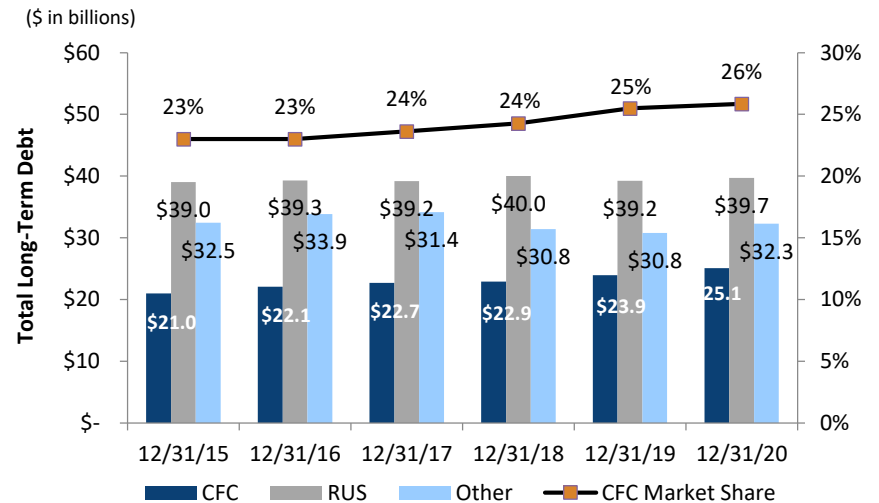
CFC 100% Borrowers



CFC LT Loan Advances by Purpose



Electric Cooperatives Total LTD by Lender ⁽²⁾



- (1) Amounts do not include loans to Distribution and G&T borrowers in NCSC loan portfolio.
 (2) Amounts for debt held by the RUS and other lenders are based on member-provided information.

Consolidated Loans Outstanding by State & Territory at May 31, 2021

(Sorted by Loan Balance)

State/Territory	Loan Balance (\$ in 000s)	Loan Balance %	Number of Borrowers
Texas	\$4,878,922	17.17%	67
Colorado	\$1,620,376	5.70%	27
Missouri	\$1,604,487	5.65%	46
Georgia	\$1,539,835	5.42%	45
Kansas	\$1,172,350	4.13%	29
Florida	\$1,091,435	3.84%	18
Alaska	\$987,933	3.48%	16
Oklahoma	\$965,752	3.40%	27
Illinois	\$914,514	3.22%	31
Indiana	\$911,253	3.21%	39
North Carolina	\$877,624	3.09%	28
North Dakota	\$822,969	2.90%	14
South Carolina	\$787,769	2.77%	24
Kentucky	\$751,848	2.65%	23
Minnesota	\$676,190	2.38%	48
Iowa	\$658,695	2.32%	34
Alabama	\$651,033	2.29%	24
Arkansas	\$628,281	2.21%	20
Ohio	\$621,858	2.19%	27
Louisiana	\$554,770	1.95%	9
Wisconsin	\$516,818	1.82%	23
Pennsylvania	\$506,249	1.78%	16
Mississippi	\$451,906	1.59%	20
Maryland	\$441,795	1.56%	2
Michigan	\$374,657	1.32%	11

State/Territory	Loan Balance (\$ in 000s)	Loan Balance %	Number of Borrowers
Oregon	\$359,541	1.27%	19
Washington	\$318,454	1.12%	10
Wyoming	\$308,882	1.09%	11
Virginia	\$308,544	1.09%	17
Utah	\$261,189	0.92%	4
Arizona	\$227,622	0.80%	11
Nevada	\$226,845	0.80%	8
Montana	\$218,206	0.77%	25
Tennessee	\$200,409	0.71%	16
South Dakota	\$181,562	0.64%	29
New York	\$122,932	0.43%	13
Idaho	\$113,525	0.40%	11
Hawaii	\$101,817	0.36%	2
Delaware	\$89,020	0.31%	3
New Hampshire	\$84,928	0.30%	2
Massachusetts	\$60,000	0.21%	1
New Mexico	\$55,344	0.20%	13
Vermont	\$50,367	0.18%	5
California	\$34,133	0.12%	4
Nebraska	\$26,858	0.10%	12
Maine	\$21,409	0.08%	3
New Jersey	\$18,124	0.06%	2
West Virginia	\$10,435	0.04%	2
Rhode Island	\$5,642	0.02%	1
Total	\$28,415,107	100.00%	892

Top 10 States – FY20-21 Loan Growth

State/Territory	FY20-FY21 Loan Growth (\$ in 000s)	% of FY21 Total Loan Growth
Texas	\$656,769	38.09%
Louisiana	\$308,687	17.90%
Missouri	\$156,766	9.09%
Georgia	\$156,663	9.09%
Oklahoma	\$145,017	8.41%
Michigan	\$106,703	6.19%
Indiana	\$81,135	4.71%
New York	\$67,655	3.92%
Mississippi	\$51,697	3.00%
Colorado	\$47,740	2.77%
All Other States	(\$54,580)	-3.17%
Total Loan Growth	\$1,724,253	100.00%

Loans Outstanding to 20 Largest Borrowers

	Amount	% of Total
Loans Outstanding	\$6.18 billion	22%
(Less Loans covered under Farmer Mac Agreement)	(\$309 million)	(1%)
Net Loans Outstanding Exposure	\$5.87 billion	21%

= Top 10 State – FY20-21 Loan Growth



Financial Performance

Ling Wang, Chief Financial Officer



Non-GAAP Financial Measures

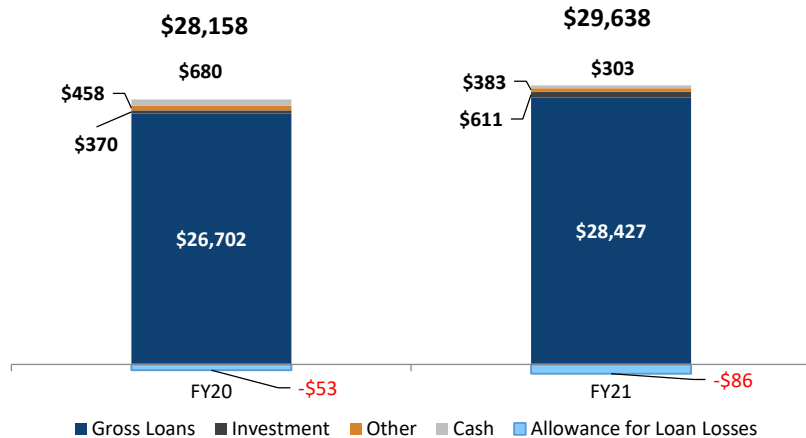
During our discussion, we may review certain non-GAAP adjusted financial measures. Please refer to our Form 10-K for the fiscal year ended May 31, 2021 as filed with the SEC and posted on the CFC website, for a discussion of why we believe our adjusted measures provide useful information in analyzing CFC's financial performance and the reconciliation to the most comparable GAAP measures.



FY21 Financial Results – Balance Sheet

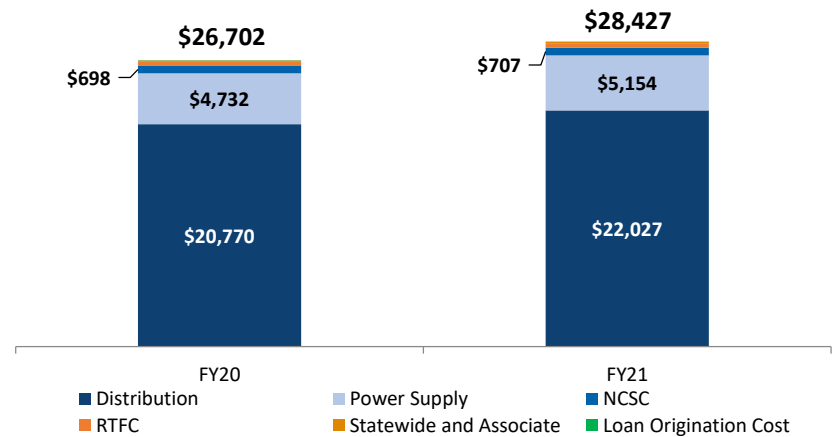
Total Assets (\$ in Mils)

\$1.5B, or 5%, Increase in Total Assets



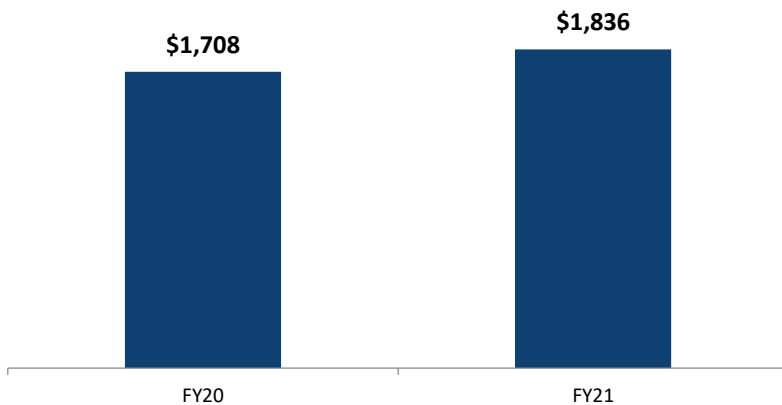
Loans to Members (\$ in Mils)

\$1,725 MM, or 6%, Increase in Loans to Members



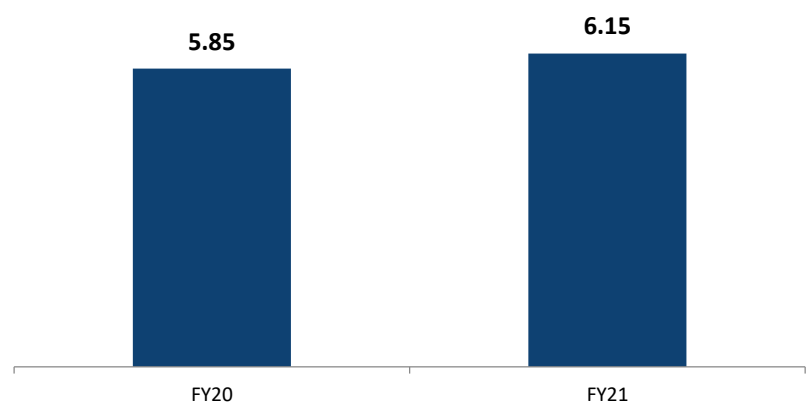
Members' Equity (\$ in Mils)

\$128 MM, or 8%, Increase in Members' Equity



Adjusted Debt to Equity Ratio

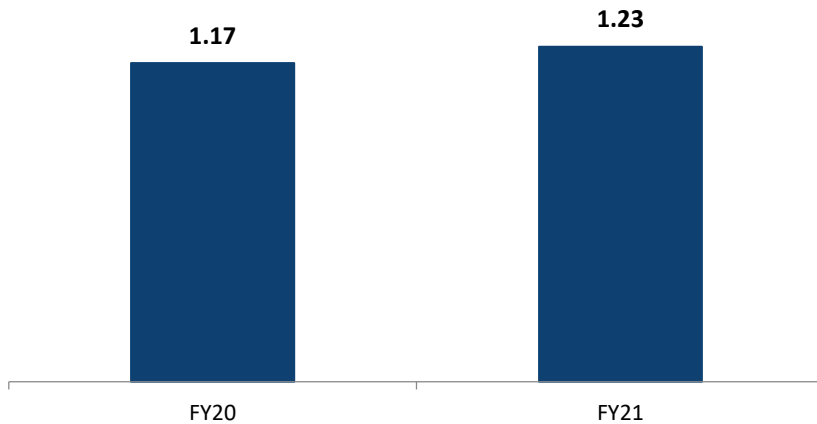
0.30, or 5%, Increase in Debt to Equity Ratio



FY21 Financial Results – Income Statement

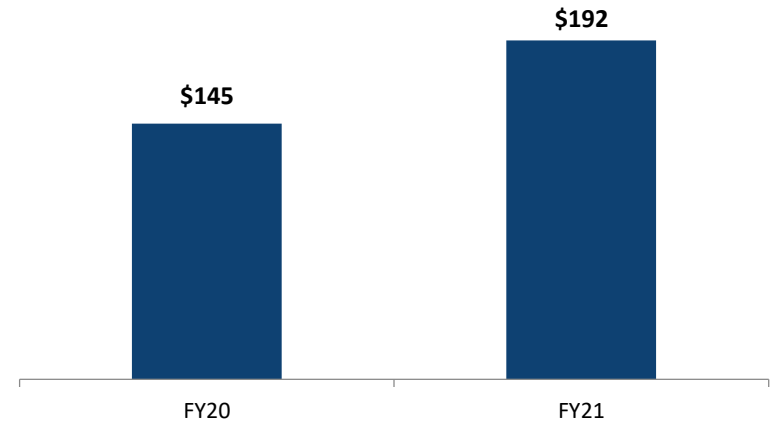
Adjusted TIER

0.06, or 5%, Increase in Adjusted TIER



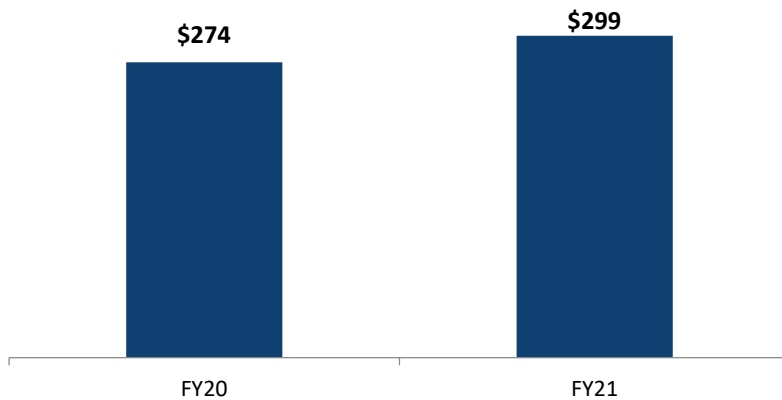
Adjusted Net Income (\$ in Mils)

\$47 MM, or 33%, Increase in Adjusted Net Income



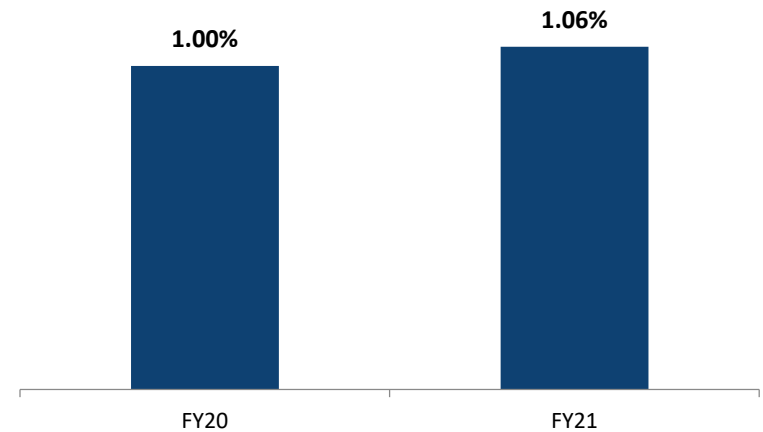
Adjusted Net Interest Income (\$ in Mils)

\$25 MM, or 9%, Increase in Net Interest Income



Adjusted Net Interest Yield

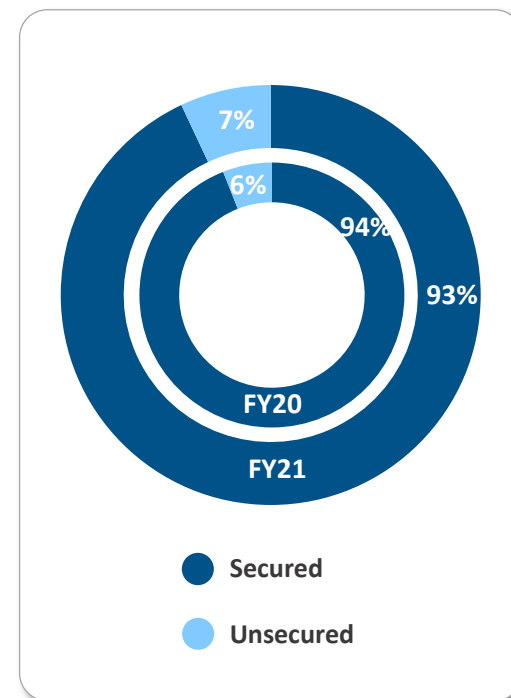
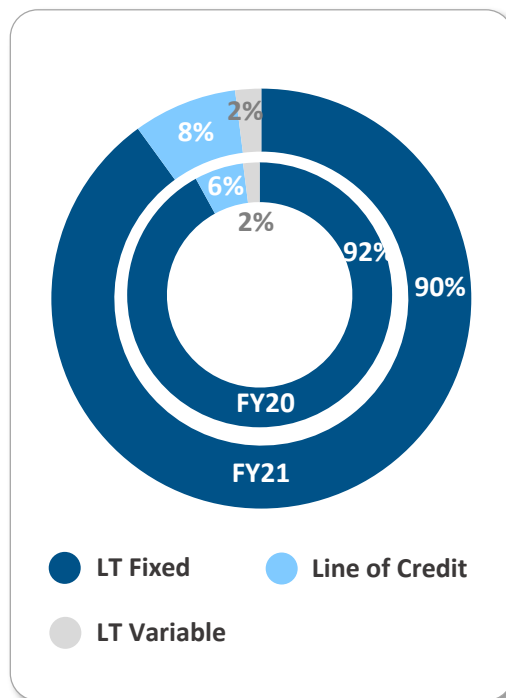
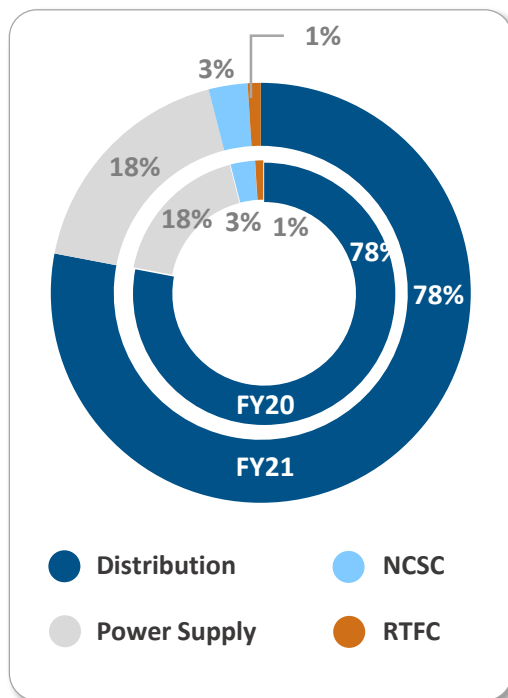
6 bps, or 6%, Increase in Adjusted Net Interest Yield



Loan Portfolio Overview

CFC's Electric Cooperative Borrowers/Members:

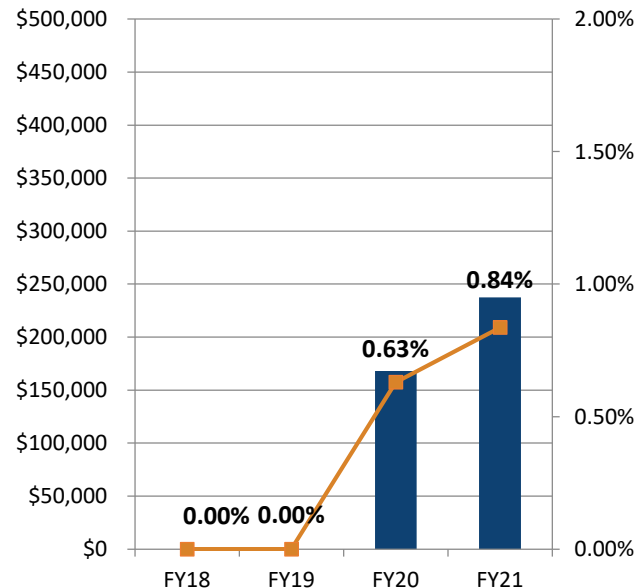
- Provide an essential service to their customers/owners
- Experience limited competition
- Generally serve exclusive territories with majority number of customers being residential
- Demonstrate stable operating and strong financial performance
- Are not rate regulated in the majority of states



Credit Performance

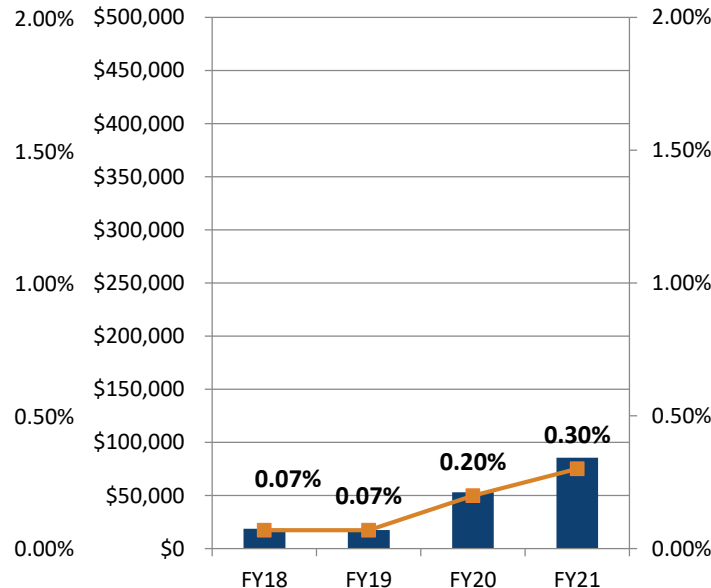
- During CFC's 52-year history, in the electric utility portfolio, there have only been 17 defaults including Brazos Electric. Of the 16 defaults prior to the Brazos default, only six resulted in losses which totaled \$86 million in net write-offs.
- CFC had no charge-offs during the fiscal year ended May 31, 2021. Historically, CFC has had low levels of charge-offs, loan defaults, nonperforming loans, and delinquencies.

Nonperforming loans / Total loans outstanding
(\$ in Thousands)



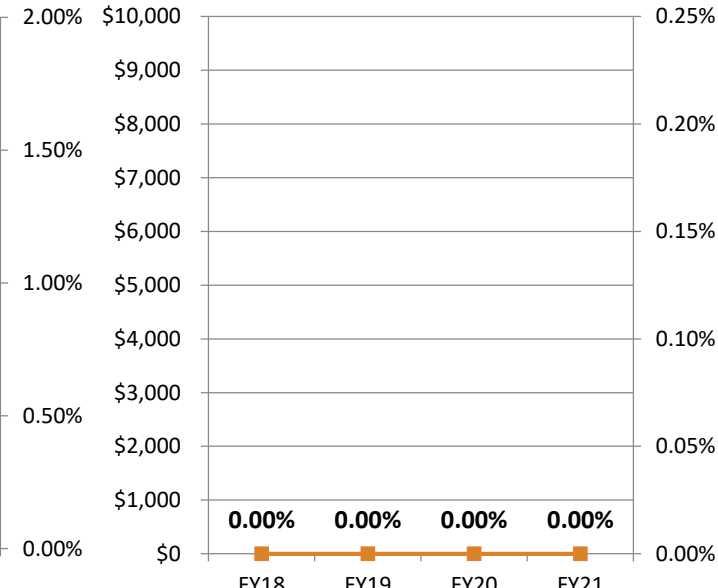
■ Nonperforming Loans

Allowance for Credit Losses/ Total loans outstanding
(\$ in Thousands)



■ Allowance for Credit Losses

Net charge-offs (Recovery) / Average loans outstanding
(\$ in Thousands)

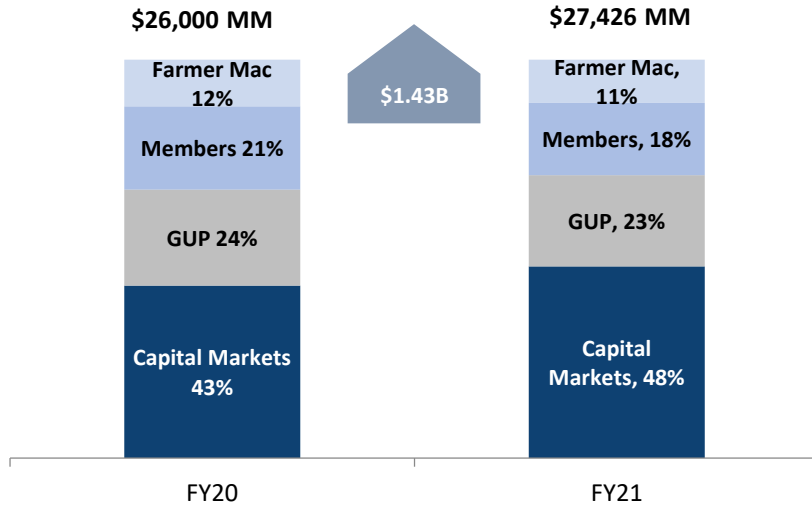


■ Net Charge-Offs

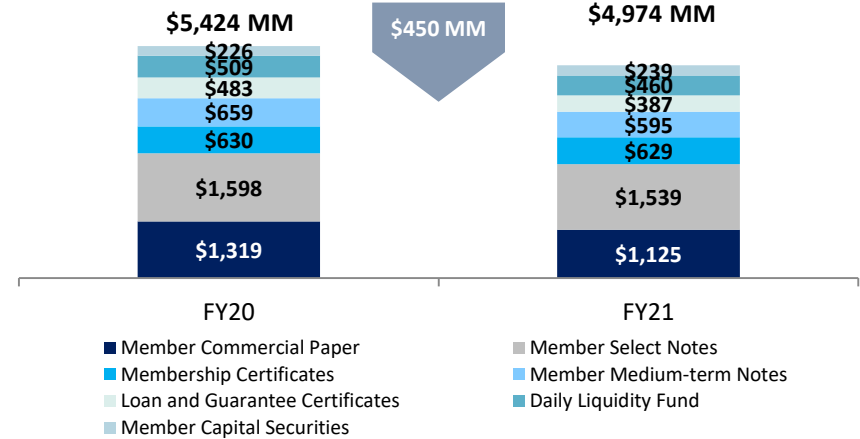


Debt Funding Sources

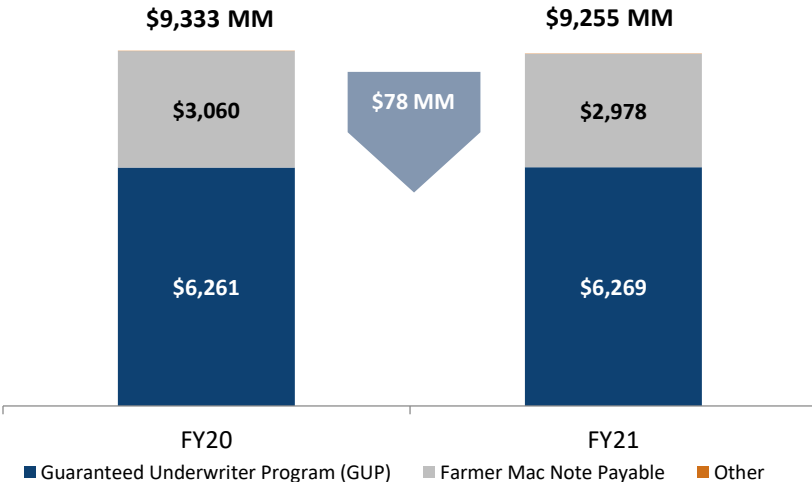
Total Debt Outstanding (\$ in Mils)



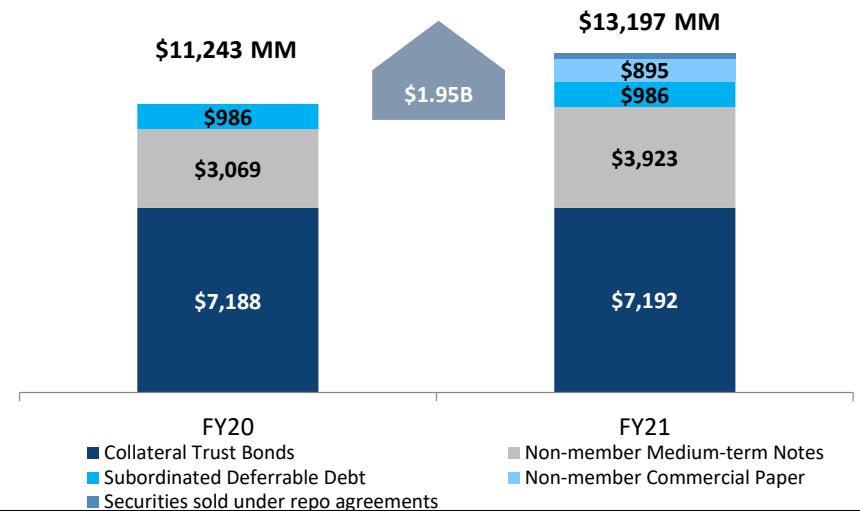
Member Investment (\$ in Mils)



GUP, Farmer Mac & Other (\$ in Mils)

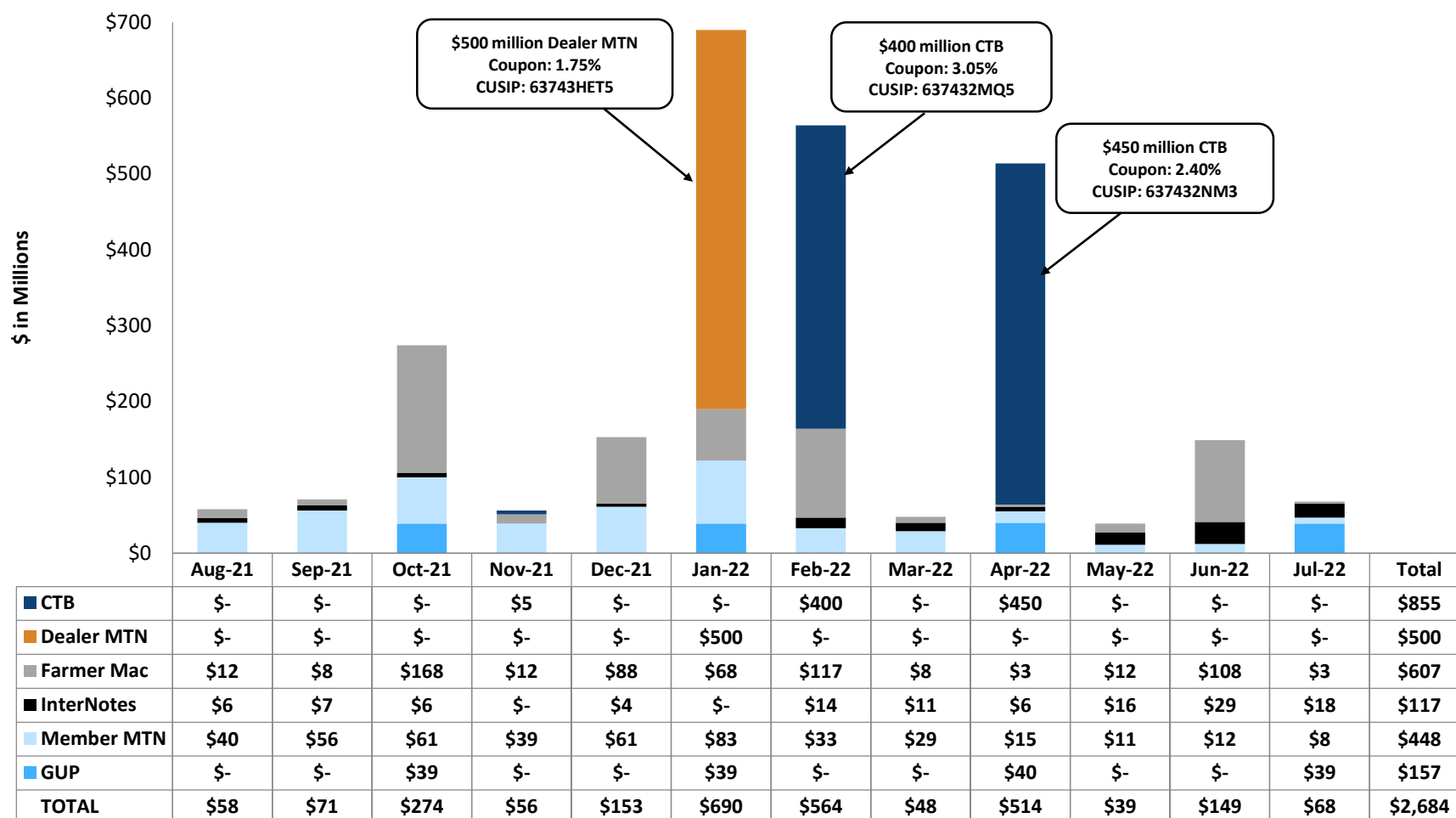


Capital Markets Funding (\$ in Mils)



Monthly Debt Maturity Schedule

Data as of 6/30/2021

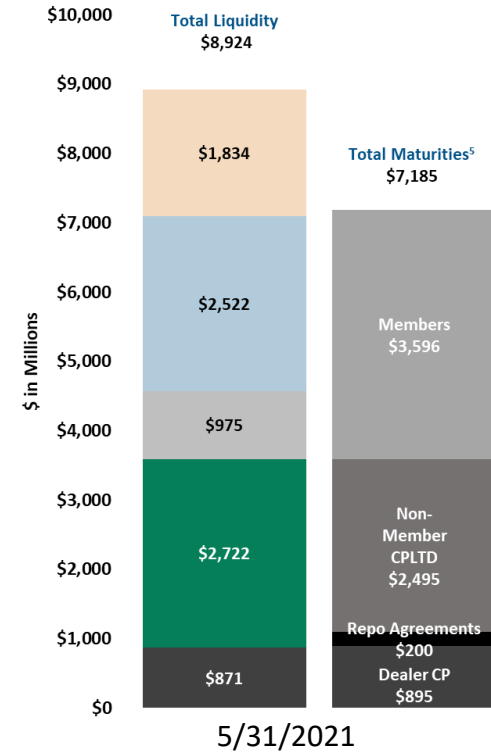
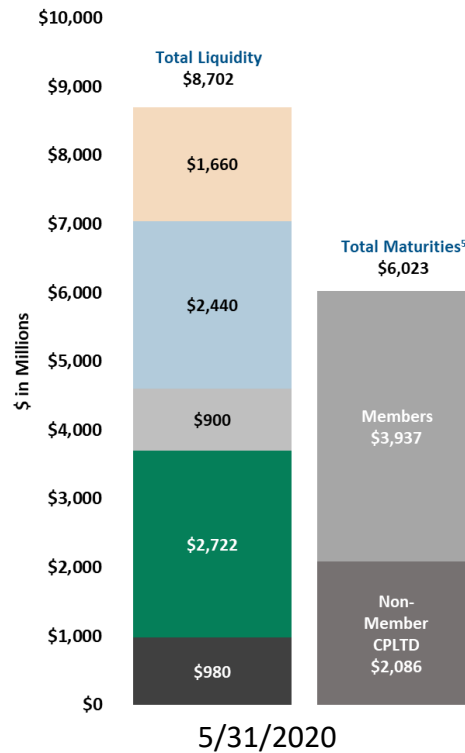
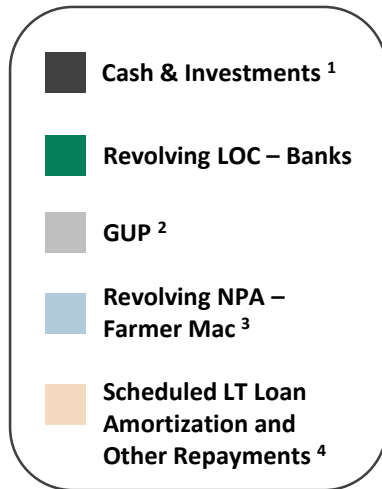


Note: Our members traditionally roll over their MTN investments at maturity.



Liquidity Management

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



Liquidity Coverage/Excess Liquidity

1.4x/\$2,679

1.2x/\$1,739

Liquidity Coverage/Excess Liquidity
(excluding short-term member debt)

4.2x/\$6,616

2.5x/\$5,334

(1) 5/31/2021 investments include \$211 million of securities pledged as collateral

(2) The committed facilities under the GUP are not revolving

(3) Revolving NPA - Farmer Mac is subject to market conditions

(4) Scheduled LT loan amortization and other repayments over the next 12 months

(5) Short-term debt maturities include member certificates and long-term debt maturities over the next 12 months



Projected Sources and Uses of Liquidity as of 5/31/2021

(\$ in Mils.)	LT Debt Maturities	Projected Net Loan Growth	Other Sources/(Uses) of Cash	Projected Cash Needs	Projected LT Debt Issuances
8/31/21	\$552	\$338	\$126	\$764	\$533
11/30/21	402	(\$98)	239	\$65	62
2/28/22	1,408	\$137	(229)	\$1,774	1,733
5/31/22	594	\$21	205	\$410	351
8/31/22	457	\$202	292	\$367	307
11/30/22	733	\$191	275	\$649	648
Totals	\$4,146	\$791	\$908	\$4,029	\$3,634

* Refer to Page 71 of 10-K for more details



Key Takeaways

Robust Credit Ratings

Fitch: **F1** (Short-Term); **A+** (Senior Secured); **A** (Senior Unsecured); **Stable** Outlook (Last commented on 10/5/20)

Moody's: **P-1** (Short-Term); **A1** (Senior Secured); **A2** (Senior Unsecured); **Stable** Outlook (Last commented on 11/20/20)

S&P: **A-2** (Short-Term); **A-** (Senior Secured); **A-** (Senior Unsecured); **Negative** Outlook (Last commented on 3/5/21)

Management's long-term incentives are tied to CFC credit ratings

High Quality Loan Portfolios

99% of loans are to rural electric systems

93% of loans are on a senior secured basis

0.30% total allowance coverage ratio

Low levels of charge-offs, loan defaults, nonperforming loans, and delinquencies historically

Strong Member Support

18% of funding is from member-owners

Historically low reinvestment risk on member investments

Total members' equity at \$1.8 billion as of 5/31/2021, a 41% increase from \$1.3 billion as of 5/31/2016

Healthy Funding & Liquidity Profile

Diversified funding sources (Cash, investments, bank lines, GUP & Farmer Mac)

1.2 times liquidity coverage ratio over the next 12 months

2.5 times liquidity coverage ratio over the next 12 months, excluding short-term debt maturities related to member investments



An outline map of the United States, including Alaska and Hawaii, serves as the background for the text. The map is light blue and shows the state boundaries.

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