**Conference Title: Financial Year 2026 Fiscal Year-End Investor Conference Call**

**Date: Friday, 7th August 2026**

Operator: Good day, and welcome to the National Rural Utilities Cooperative Finance Corporation Financial Year 2026 Fiscal Year-End Investor Conference Call. Today's call is being recorded. At this time, I'd like to turn the conference over to Heesun Choi, VP Capital Markets Relations. Please go ahead.

Heesun Choi: Thanks, operator. Good morning, everyone, and welcome to our investor conference call for the fiscal year of 2026. We appreciate your time and interest in our company. Joining me today, our CEO, Andrew Don, and our CFO, Ling Wang. Andrew and Ling will provide an update on our fiscal year 2026 results and answer your questions.

Before we get started, I would like to remind you that today's presentation slides and financial reports filed with the SEC can be found on our website at nrucfc.coop under Investor Relations. This call is being recorded, and a replay and transcript will be available on our website as well. Our presentation today will include forward-looking statements and certain non-GAAP financial measures. Please review the disclosures on slides two and three regarding these statements and measures. Any forward-looking statements made during today's call are subject to risks and uncertainties.

Factors that may cause actual results to differ materially from expectations are described on slide two and in our annual and quarterly reports filed with the SEC. Information about any non-GAAP financial measures referenced during the presentation, including reconciliations to GAAP measures, can also be found in our Form 10-K filed with the SEC on July 31, 2026, as well as in the appendix of the presentation slides. At the end of the presentation, we will open the call for questions. Andrew and Ling will take your questions, which you can ask over the phone or submit online.

With that, I will now turn this call over to Andrew.

Andrew Don: Thank you, Heesun. Good morning. Thank you for joining our call today to review our business operating results for the fiscal year ended May 31, 2026. I'm pleased to report on the completion of another strong year marked by continued strong loan demand from our members, solid and stable financial performance and the outstanding credit quality of our loan portfolio.

I'll start on slide five to discuss highlights from fiscal year 2026. Fiscal year 2026 was another successful year for CFC as we continued to deliver healthy, balanced financial results while remaining focused on our long-term mission of providing reliable, cost-effective financing to our electric cooperative members. I'd like to summarize our fiscal year 2026 by highlighting four key components of our business model, namely the continued strong loan demand from our membership, a strong equity position, a superior quality loan portfolio and high investment-grade credit ratings.

During the fiscal year 2026, loans to members increased by approximately $1.3 billion, or 4%, to $38.4 billion, primarily driven by a growth in long-term loans, reflecting continued investment by our members in electric infrastructure, system reliability and other long-term capital needs. Specifically, 98% of the loan growth was due to growth in long-term loans. As is typical, the majority of loan increases have been in our electric loan portfolio, with increases in CFC distribution loans of $823 million and CFC power supply loans of $508 million.

Based on our analysis of the calendar year-end date of December 31, 2025, our total loans outstanding represented a 24% market share of the total loans outstanding in the electric cooperative sector. Consistent with our historical experience of very limited charge-offs, loan defaults, loan delinquencies and non-accrual loans in our electric portfolio, the overall quality of our loan portfolio remained pristine during fiscal year 2026, with 98% of our loans to rural electric systems that provide essential electric utility service. We had no material loan delinquencies during

fiscal year 2026. Our 57-year history of minimal defaults continues to underscore the essential nature of the services our members provide.

Our financial position operating results remain strong as we continue to generate solid financial metrics, with an adjusted TIER at 1.17 times during fiscal year 2026, exceeding our goal of 1.1 times. We continue to grow our capital position as our members' equity reached $2.8 billion at fiscal year-end, increasing $190 million, or 7%, from May 31, 2025. Our members' equity, consisting primarily of our retained earnings, was $1.3 billion 10 years ago. Since then, through sound financial management and steady accumulation of retained earnings, we have more than doubled that amount, demonstrating the long-term strength and sustainability of our capital base.

Liquidity remains a key strategic priority and a source of competitive strength for CFC. We deliberately maintain a diversified set of funding sources: operating cash, investments, committed bank lines, the guaranteed underwriter program and our Farmer Mac facility, so we are never dependent on any single market.

During fiscal year 2026, we grew our available liquidity by 7% to $8.2 billion, expanding our committed facilities ahead of any potential need. This gives us the capacity to meet our members' growing capital needs and the flexibility to access the markets opportunistically, rather than out of necessity. As a well-established and seasoned issuer, we consistently have strong access to the debt capital markets, both public and private. This access allows us to proactively manage maturities, diversify funding sources and support our loan growth.

During fiscal year 2026, our key funding activities totaled approximately $5.3 billion, consisting of $4.4 billion of dealer medium-term notes, a $600 million private placement of fixed-to-fixed reset rate subordinated notes due 2056 and a $250 million borrowing under the Farmer Mac note purchase agreement. We also raised funding through our senior and subordinated retail note program. Ling will further discuss our funding activities in her presentation.

We remain committed to having strong investment grade credit ratings from major credit agencies. We maintain long-term issuer credit ratings of A from Fitch, A2 from Moody's and A- from S&P, all with stable outlooks. As we have stated in our prior calls, we have an incentive payout structure whereby incentive payments for named executive officers are directly tied to CFC's credit ratings.

Moving on to slide six. We recently published our annual Key Ratio Trend Analysis, KRTA, results for 814 electric distribution cooperatives for the year ended December 31, 2025. Our KRTA is an annual assessment of financial trends among electric distribution cooperatives nationwide. Based on the KRTA results for 2025, distribution cooperatives continue to operate from a position of financial strength despite elevated interest rates and inflationary pressures.

Specifically, the median equity-to-asset ratio across the 814 reporting electric distribution cooperatives dipped slightly to 44%, while key coverage ratio remained solid: 2.64 times for times interest earned and 1.9 times for modified debt service coverage. In addition to these strong financial results, we are seeing several important industry trends that continue to shape the operating environment for electric cooperatives.

Demand for electricity is expected to grow meaningfully over the coming years, driven by large load development, data centers, manufacturing and broader electrification. At the same time, cooperatives are navigating a changing federal policy and financing landscape, ongoing supply chain constraints and heightened focus on reliability and grid resiliency. Together, these trends point to a sustained need for investment in generation, transmission, distribution and system hardening, areas where CFC remains well positioned to support our members with reliable access to capital.

Electric cooperatives continue to invest in utility infrastructure as reflected in elevated capital expenditures on utility plant. This level of reinvestment not only supports future load growth and

reliability but also reinforces asset quality across CFC's loan portfolio. Overall, the sector's performance affirms the resilience of the cooperative business model that is locally governed and not-for-profit and mission driven. Our members remain focused on delivering reliable, affordable service while investing in modernization and building systems equipped for the future.

Moving to slide seven. Our loan portfolio consists mainly of long-term, fixed-rate secured loans to rural electric cooperatives. Our long-term fixed-rate loans were $32.4 billion, or 84%, of total loans outstanding at fiscal year end, compared to $31.4 billion, or 85%, at the prior fiscal year end. We make long-term, fixed- and variable-rate loans to our members, and these loans are typically secured by substantially all assets of our borrowers.

We generally offer amortizing loans with maturities up to 35 years. Our members can select from a range of rate-term options, including fixed-rate terms ranging from one year to the loan's final maturity, as well as a variable rate. At fiscal year end, these long-term loans represented 88% of total loans outstanding and had an average remaining contractual maturity of 19 years.

Line of credit loans were $4.6 billion, or 12%, of total loans outstanding at fiscal year end, with a percentage unchanged from the prior fiscal year end. We have seen outstanding emergency line of credit loans decline from fiscal year end 2025 to fiscal year 2026, primarily due to members' receipt of FEMA funds used to pay down our emergency line of credits and a mild hurricane season last year. While outstanding standard-lines-of-credit loans increased primarily due to normal growth in our members' working capital requirements and bridge financing of higher capital expenditure requirements under their standard lines of credit.

At fiscal year end, 89% of our loans were senior secured, unchanged from the prior fiscal year end. $37.8 billion, or 98%, of our loans consisted of loans to rural electric systems and $583 million, or 2%, to the telecommunications sector. Over the past several fiscal years, broadband has contributed less to our loan growth. In fiscal year 2024, increases in broadband loans outstanding

contributed 37% of our total loan growth, compared to only 1% of total loan growth in fiscal year 2026. The decline in broadband loans is primarily due to a decline in new broadband projects by our members and the completion of existing broadband projects that were started four to five years ago.

Long-term loan advances totaled $3.2 billion during fiscal year 2026, with approximately 87% provided to members for capital expenditures, 5% for business acquisitions, 1% for bridge financing, 1% for the refinancing of loans made by other lenders and 6% for other purposes. This compares to advances of $3.1 billion in the prior fiscal year, with approximately 90% for capital expenditures, 7% for bridge financing, 2% for refinancing of loans made by other lenders and 1% for other purposes.

With that, I will now turn the call over to Ling, who will review our financial results in greater detail. Thank you.

Ling Wang: Thank you, Andrew, and good morning, everyone. I'm going to move to slide nine to discuss our financial results for the fiscal year ended May 31, 2026, our fiscal year 2026, which I will refer to as the current fiscal year end. Unless specified otherwise, I will be primarily focusing on year-over-year comparisons while discussing our fiscal year 2026 outcomes.

Slide nine shows our balance sheet information. Our total assets at fiscal year end were approximately $39.7 billion, an increase of $1.4 billion, or 4%, from the prior fiscal year end and an increase of $8.4 billion, or 27%, from fiscal year 2022, with a compound annual growth rate of 6.2%. Our balance sheet growth was primarily driven by an increase in loans to electric borrowers.

We advanced $3.2 billion in total long-term loans during the current fiscal year, with $2.7 billion being fixed-rate loan advances having a weighted average fixed-rate interest period of eight years. In comparison, of the $3.1 billion total long-term loan advance during the prior fiscal year, $2.6

billion were fixed-rate loan advances with the same weighted average fixed-rate interest period. Our members continue to favor shorter-rate lock periods on their long-term loans.

Our loans to members increased by $1.3 billion, or 4%, to $38.4 billion, at the current fiscal year end, and by $8.4 billion, or 28%, since the fiscal year 2022. Loans to CFC distribution and power supply borrowers accounted for about 95% of total loans to members at the current fiscal year end. In addition to growth in CFC distribution and power supply loans, other portfolio segments saw modest increases since the prior fiscal year end.

Our members' equity, which excludes cumulative derivative forward value gains and AOCI, increased by $190 million, or 7%, from prior fiscal year end to $2.8 billion. The increase was primarily driven by our adjusted net income of $245 million for the current fiscal year, partially offset by patronage capital retirement of $53 million. Since fiscal year 2022, we have built up our members' equity by $754 million, or 37%, from $2 billion to $2.8 billion.

As a cooperative, CFC allocates a portion of our net earnings to members on an annual basis. Our current policy, approved by the board of directors, is to allocate a portion of the fiscal year 2026 net earnings to CFC's members in the form of patronage capital. The specific retired amount and schedule are subject to yearly approval by CFC's Board of Directors.

In July 2026, CFC's Board of Directors authorized $72 million, or 29% of fiscal year 2026 adjusted net income, as patronage capital to our members and $172 million, or 70%, to the members’ capital reserve. This compares to $67 million, or 27%, of adjusted net income for fiscal year 2025, as patronage capital to our members, and $176 million, or 72%, to members’ capital reserve. The members’ capital reserve represents net earnings that we retained and have not been specifically allocated to members.

Also, in July 2026, the CFC Board of Directors further authorized the retirement of patronage capital totaling $62 million, consisting of $36 million, which represents 50% of the $72 million patronage capital allocation I mentioned earlier, and $26 million, which represents the allocation from fiscal year 2001 net earnings that had been held by us for 25 years pursuant to CFC Board of Directors policy. We expect to return this amount to our members in cash in the second quarter of fiscal year 2027. The remaining $36 million of fiscal year 2026 patronage capital allocation will be retained by CFC for 25 years based on our current guidelines.

Our adjusted debt-to-equity ratio was 7.46-to-1 at May 31, 2026, an increase from 7.39-to-1 at May 31, 2025. The higher adjusted debt-to-equity ratio was primarily due to increase in debt outstanding to fund our loan growth, partially offset by the increase in adjusted total equity. Our internally established threshold for the adjusted debt-to-equity ratio is 8.5-to-1. We expect our adjusted debt-to-equity ratio to remain relatively stable over the next 12 months, as the growth in debt to support loan demand is expected to be largely offset by growth in adjusted equity from retained earnings.

Slide 10 presents historical credit performance of our loan portfolio for the past four fiscal years and the current fiscal year. The quality of our loan portfolio remains strong with stable credit metrics. As of May 31, 2026, we had only one non-accrual loans with a balance of just $8 million, or 0.02%, of total loans outstanding. This single power supply loan was put on non-accrual in 2020, and we have steadily received borrower payments, including $18 million in payments during fiscal year 2026. Subsequent to May 31, we received an additional $3 million in payments on this loan, which further reduced the outstanding balance to $5 million.

Our allowance coverage ratio declined to 8 basis points from 11 basis points at the prior fiscal year end, reflecting the exceptionally high quality of our loan portfolio and the stable credit metrics of our borrowers. Our allowance for credit losses decreased by $11 million to $30 million at the current fiscal year end.

The decline in allowance for credit losses was driven by a $9 million decrease in the asset specific allowance, following higher than expected payments received on the non-accrual loans discussed prior, and approximately a $2 million decrease in the collective allowance, primarily reflecting improved borrower credit quality and a refinement of our borrower risk rating methodology.

We recorded an immaterial charge-off of approximately $306,000 during the fiscal year end 2026 related to the previously discussed non-accrual CFC electric power supply loan, which is the only non-accrual loan that we have in our portfolio.

Moving to slide 11. As in prior years, our discussion today focuses on our adjusted results, which we believe best reflects CFC's underlying operating performance. Our adjusted net income excludes the unrealized, non-cash changes in the fair value of our interest rate swaps, which can fluctuate significantly from period to period. A full reconciliation of our adjusted results to the comparable GAAP measures is provided in our Form 10-K and in the appendix of this slide deck.

We generated an adjusted net income of approximately $245 million for both current and prior fiscal years as the increase in operating and other expenses of $9 million and a decrease in gains on our investment securities of $5 million were almost entirely offset by increases in adjusted net interest income of $6 million, fee and other income of $5 million and benefit for credit losses of $2 million.

Our adjusted net interest income for the fiscal year 2026 totaled $366 million, a $6 million, or 2%, increase from the prior fiscal-year period. While we experienced $1.96 billion, or 5% increase in average interest-earning assets, this volume increase was partially offset by a 4 basis points contraction in the adjusted net interest yield to 96 basis points.

The yield compression was driven by a 5 basis point increase in adjusted average cost of borrowing, which rose to 4.04%, partially offset by an increase in the benefit for non-interest-bearing funding of 1 basis points to 0.29%. The higher borrowing costs was the result of lower yield earned

on interest rate swaps cash flow settlements, which decreased to $64 million for the current fiscal year, compared to $99 million in the prior year.

The average yield on our interest-earning assets remain unchanged at 4.71%. With our assets repricing more slowly than our debt, our margin is modestly sensitive to the pace of rate changes. Being a member-owned financial cooperative association, our primary financial goal is to focus on earning an annual minimum adjusted time interest earned ratio, or TIER, of 1.1 times. For the current fiscal year, our adjusted TIER was 1.17 times, compared to 1.18 times for the prior fiscal year.

As you can see on slide 12, we continue to maintain access to diverse mix of funding sources. Our total debt outstanding was $35.9 billion at current fiscal year end, an increase of $1.2 billion, or 3%, from the prior fiscal year end, primarily to fund growth in our loan portfolio. Our funding sources include our members, capital markets and non-capital markets lenders. At the current fiscal year end, $4.3 billion of CFC's funding came from our members in the form of short-term and long-term investments, a decline of $164 million from the prior fiscal year end, primarily reflected the timing of investment activity around the reporting date, as member investment balances increased shortly after year end.

Our member investments represented 12% of our total debt outstanding at the current fiscal year end, compared to 13% at the prior fiscal year end. At the current fiscal year end, our funding under the guaranteed underwriter program and notes payable with Farmer Mac totaled $9.3 billion, representing 26% of our total debt outstanding. This is a $986 million, or 10%, decrease from the prior fiscal year end, due to a net decrease of $1.1 billion in borrowing under the guaranteed underwriter program, partially offset by a net increase of $132 million in borrowing from Farmer Mac. During the current fiscal year, we borrowed $250 million in long-term notes payable under our revolving note purchase agreement with Farmer Mac.

Our capital markets-related funding sources totaled $22.4 billion at the current fiscal year end, a $2.3 billion, or 12%, increase from the prior fiscal year end. The increase was primarily due to a net increase of $2.6 billion in dealer medium-term notes and $133 million increase in dealer commercial paper, partially offset by net decreases of $394 million in collateral trust bonds and a $20 million in subordinated deferrable debt.

During the current fiscal year, we issued approximately $4.4 billion in dealer medium-term notes and $600 million fixed-to-fixed reset rate subordinated notes due 2056 through a private placement. We also redeemed $650 million in aggregate principal amount of our subordinated deferrable debt and $600 million of dealer medium-term notes. Subsequent to the fiscal year end, we issued $300 million of dealer medium-term notes.

At the current fiscal year end, capital markets-related funding sources accounted for 62% of our total funding compared to 58% at the prior fiscal year end. In addition, 44% of our total debt was secured, and 56% was unsecured, compared to 49% secured and 51% unsecured at the prior fiscal year end. Our short-term borrowings increased by $68 million, or 1%, to $5.2 billion at the current fiscal year end compared to the prior fiscal year end.

At the current fiscal year end, short-term borrowings accounted for 14% of our total debt outstanding, down slightly from 15% at the prior fiscal year end. The increase in short-term borrowings was primarily driven by an increase in dealer commercial paper of $133 million, partially offset by a decrease in short-term member investment of approximately $64 million.

At the current fiscal year end, a total of $2.8 billion of our short-term borrowings came from short-term investments made by our members, representing 55% of total short-term borrowings, compared to $2.9 billion, or 57%, at the prior fiscal year end. As we have consistently stated, our member investments have historically been a major source of our short-term funding, and the

investments from our members are a very reliable funding source with little reinvestment risk as our members continue to invest a large portion of their excess funds with us.

Slide 13 shows various sources of liquidity that CFC had in place at the current fiscal year end. Our available liquidity included cash, investments, committed bank lines, committed loan facilities under the guaranteed underwriter program and Farmer Mac revolving note purchase agreement, totaling $8.2 billion at the current fiscal year end. To ensure we maintain resilient and flexible funding capacity to support our members' capital needs, we increased our available liquidity by $549 million, or 7%, compared with May 31, 2025.

Specifically, we increased the guaranteed underwriter program committed facility by $450 million and our committed bank revolving credit facility by $200 million, along with modest net increases in cash and investment securities. Partially offsetting that additional liquidity was a $132 million decrease in the availability under the Farmer Mac revolving note purchase agreement, due to increased borrowing under this program.

As indicated in the table on the right side, at the current fiscal year end, we had a total of approximately $9.8 billion in debt maturities over the next 12 months, with $2.8 billion, or 29%, of these debt maturities representing short-term investments from our members. Based on our experience, we expect our members to roll over a large portion of their short-term investments with us at maturity. The remaining $6.9 billion in debt maturities including $2.3 billion of dealer commercial paper and $4.6 billion primarily in long-term debt obligations scheduled to mature within the next 12 months. These obligations are well covered by $8.2 billion available liquidity discussed previously.

Including member short-term investments, our liquidity coverage ratio was 0.84 times. Excluding those member investments, which have historically been reinvested with CFC and average $3.2 billion over the last 12 quarter ends, the coverage was 1.18 times. We view the reliability of member

investments as the reason that a coverage ratio below one is not a concern for CFC. It is also worth noting that the $8.2 billion available liquidity does not include the $2.2 billion scheduled repayment and amortization on long-term loans we expect to receive from our members over the next 12 months.

Slide 14 shows our uses and sources of cash. CFC projected long-term debt issuance over the— slide 14 summarizes CFC projected long-term debt issuances need over the next 18 months following the current fiscal year end. Our cash needs are primarily driven by refinancing existing debt maturities and fund loan advances to our members, partially offset by the expected loan amortization and repayments, as well as member investment activity.

From June 2026 through November 2027, CFC projected $10.7 billion in long-term sources, including $7.5 billion in long-term debt issuances in public capital markets and other non-capital markets debt arrangements, and $3.2 billion in anticipated member loan repayments. CFC's projected long-term uses for the same period totaled $11.6 billion, including $6.7 billion to primarily repay the maturing long-term debt and $4.9 billion in new long-term loans to members.

Thank you once again for joining us today to review our results for the fiscal year ended May 31, 2026. We appreciate your interest in CFC and looking forward to discussing our financial performance and funding plans in the future. I would like to ask the operator to open up the line for questions and also suggest that you submit your questions via our web service, so we may respond to those as well. Thank you.

Operator: Thank you. If you would like to ask a question via the phone, please signal by pressing Star One on your telephone keypad. If you're using a speakerphone, please make sure your mute function is turned off to allow your signal to reach our equipment. If you are on the event via the web interface and would like to ask a question, simply type your question in the Ask a Question

box and click send. We'll pause for just a moment. Thank you. There are no questions over the phone at this time.

Ling Wang: We do not see questions on the web service either. With that, I think we'll just conclude the call today. If you have any additional questions, please feel free to call Heesun Choi or myself, and we're happy to discuss any of your questions with you. Have a good day.

Operator: Thank you. That will conclude today's call. We appreciate your participation.