

**CoBank Quarterly District
Financial Information
September 30, 2025**

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Introduction and District Overview

CoBank, ACB (CoBank, the Bank, we, our, or us) is one of the four banks in the Farm Credit System (System) and provides loans, leases and other financial services to support agriculture, rural infrastructure and rural communities across the United States. The System is a federally chartered network of borrower-owned lending institutions composed of cooperatives and related service organizations. The System was established in 1916 by the U.S. Congress, and is a Government Sponsored Enterprise. CoBank is federally chartered under the Farm Credit Act of 1971, as amended (the Farm Credit Act), and is subject to supervision, examination, and safety and soundness regulation by an independent federal agency, the Farm Credit Administration (FCA).

We are cooperatively owned by our eligible U.S. customers. Our customers consist of agricultural cooperatives; other food and agribusiness companies; rural power, communications and water cooperatives and companies; rural community facilities; Agricultural Credit Associations (Associations), which are regulated, farmer-owned financial institutions and members of the System; and other businesses that serve agriculture and rural communities. The Associations originate and service long-term real estate mortgage loans as well as production and intermediate-term loans for agricultural and other purposes to full and part-time farmers. Associations may also make loans to, among others, processing and marketing entities, farm-related businesses, and rural residents for home purchase and improvements. The Associations may also purchase eligible loan participations from System entities and other lending institutions. Additionally, the Associations may serve as an intermediary in offering multi-peril crop insurance and credit life insurance, and providing additional financial services to borrowers.

We are chartered by the FCA to serve the Associations that provide credit and related financial services to or for the benefit of eligible borrowers/shareholders for qualified purposes in specific geographic areas in the United States. We collectively refer to these entities as our affiliated Associations. The Associations are not authorized by the Farm Credit Act to participate directly in the issuance of Systemwide bonds, medium term notes and discount notes (collectively referred to as Systemwide Debt Securities). Therefore, we are the primary funding source for our affiliated Associations. As of September 30, 2025, we had 16 affiliated Associations serving customers in 23 states across the West, Northwest, Southwest, Rocky Mountains, Mid-Plains, and Northeast regions of the United States.

Our affiliated Associations are considered customers and thus operate independently and maintain an arms-length relationship with us, except to the extent that the Farm Credit Act requires us, as the funding bank, to monitor and approve certain activities of these Associations. As authorized by the FCA, the affiliated Associations' financial information is not included in the condensed consolidated quarterly financial statements presented in CoBank's September 30, 2025 Quarterly Report to Shareholders. However, the FCA authorizes CoBank to present combined Bank and Association quarterly financial information in a separate report. CoBank does not have the corporate or direct regulatory authority to compel its affiliated Associations to disclose information or to establish and maintain their disclosure controls and procedures or internal controls over financial reporting. Accordingly, CoBank's preparation of this District Report and the establishment of adequate controls relating to this District Report are dependent on our affiliated Associations themselves satisfying their regulatory obligations and complying with agreed upon disclosure policies and procedures. Failure by an affiliated Association to provide accurate or timely information for District financial reporting or to have adequate disclosure controls or procedures or internal controls over financial reporting, as required by regulation or as agreed to under the disclosure policies and procedures, could jeopardize the accuracy of certain information in this District Report or CoBank's ability to timely issue this District Report.

The Financial Highlights, Discussion and Analysis, and the Combined Balance Sheets and Statements of Income included on the following pages present unaudited combined financial information and related analysis of CoBank and its affiliated Associations, which are collectively referred to as the "District." As part of the combining process, all significant transactions between CoBank and the Associations, including loans made by the Bank to the affiliated Associations and the interest income/interest expense related thereto, and investments of the affiliated Associations in the Bank and the earnings related thereto, have been eliminated.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Financial Highlights

(\$ in Millions) (Unaudited)

	September 30, 2025	December 31, 2024
Total Loans	\$ 169,811	\$ 171,392
Less: Allowance for Loan Losses	1,224	1,112
Net Loans	168,587	170,280
Total Assets	227,252	224,561
Total Shareholders' Equity	28,692	26,826

For the Nine Months Ended September 30,	2025	2024
Net Interest Income	\$ 3,562	\$ 3,335
Provision for Credit Losses	346	119
Loan-Related Fee Income	233	224
Net Income	2,382	2,353
Net Interest Margin	2.13 %	2.17 %
Net Charge-offs / Average Loans	0.17	0.08
Return on Average Assets	1.40	1.51
Return on Average Total Shareholders' Equity	11.44	12.29
Operating Expense / Net Interest Income and Noninterest Income	31.50	33.03
Average Loans	\$ 173,230	\$ 162,461
Average Earning Assets	223,344	204,543
Average Assets	227,009	208,376

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Discussion and Analysis of District Results of Operations and Financial Condition

District average loans increased 7 percent to \$173.2 billion for the nine months ended September 30, 2025 as compared to \$162.5 billion for the same period in 2024. The increase in loans primarily reflected growth in agribusiness, production and intermediate-term loans, rural power, real estate mortgage, and communications loans. These increases were partially offset by a decrease in agricultural export finance loans.

Average investment securities, federal funds sold and other overnight funds increased 19 percent to \$50.1 billion during the nine months ended September 30, 2025 as compared to \$42.1 billion for the same period in 2024. The increase in CoBank's average investment security balances compared to the prior period primarily reflects the need to maintain liquidity reserves in line with average loan growth and more favorable investment spread opportunities.

District net income increased 1 percent to \$2.382 billion for the nine months ended September 30, 2025 as compared to \$2.353 billion for the same period in 2024. The increase in current period earnings primarily resulted from higher net interest income and noninterest income, partially offset by a higher provision for credit losses and higher operating expenses.

District net interest income increased 7 percent to \$3.562 billion for the nine months ended September 30, 2025 as compared to \$3.335 billion for the same period in 2024. The increase in net interest income was largely driven by growth in average loans across the District. The District's overall net interest margin was 2.13 percent for the nine months ended September 30, 2025 as compared to 2.17 percent for the same period in 2024.

The District recorded a provision for credit losses of \$346 million for the nine months ended September 30, 2025 as compared to \$119 million for the same period in 2024. CoBank recorded a provision for credit losses of \$129 million for the nine months ended September 30, 2025 as compared to a provision for credit losses of \$6 million for the same period in 2024. The 2025 provision for credit losses at CoBank primarily related to deterioration in credit quality, including increased charge-offs and specific reserves requiring a higher level of provisioning. The 2024 provision for credit losses at CoBank primarily related to deterioration in credit quality and increased lending activity, largely offset by an improvement of macroeconomic forecasts that resulted in lower modeled credit losses in many of its lending portfolios. The Associations recorded a net combined provision for credit losses of \$217 million for the nine months ended September 30, 2025 as compared to \$113 million for the same period in 2024. The net combined 2025 provision for credit losses at the Associations was primarily due to increased charge-offs, higher customer and industry specific reserves, and other credit quality deterioration. The net combined 2024 provision for credit losses at the Associations was primarily due to credit quality downgrades, higher specific reserves and increased lending activity across several Associations. As discussed in prior periods, the District allowance for credit losses under the CECL accounting standard utilize third-party macroeconomic forecasts as an input to determine the estimate, which has introduced a higher level of volatility in credit loss provisions.

District noninterest income increased to \$590 million for the nine months ended September 30, 2025 as compared to \$534 million for the same period in 2024. Noninterest income is primarily composed of loan-related fee income, patronage income, financially-related services income, customer interest rate swaps and other derivatives income, and other miscellaneous gains and losses. The increase in noninterest income primarily related to higher customer interest rate swaps and other derivatives income, increased patronage income, and higher loan-related fee income, partially offset by a lower return of excess insurance funds from the Farm Credit System Insurance Corporation (Insurance Corporation). Gains from customer interest rate swaps and other derivatives increased \$19 million for the nine months ended September 30, 2025 as compared to the same period in 2024, and are driven by the impact of market interest rate changes for customer and other derivatives not designated as hedging instruments. Patronage income increased \$19 million for the nine months ended September 30, 2025 as compared to the same period in 2024 from a higher level of District loans sold to other System institutions. Patronage income in the District primarily related to CoBank and is accrued throughout the year and received in cash subsequent to year-end. The patronage accrual is estimated based on volume of loans sold and expected patronage rates from System institutions, which are subject to uncertainty due to their financial performance,

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

capital levels and approval by their boards of directors. Loan-related fee income increased \$9 million for the nine months ended September 30, 2025 as compared to the same period in 2024 primarily from a higher level of transaction-related fees at several Associations. Noninterest income for the nine months ended September 30, 2025 included a return of excess insurance funds from the Insurance Corporation related to the Farm Credit Insurance Fund (Insurance Fund) of \$31 million, of which \$14 million was recognized by CoBank and \$17 million by Associations in the District. Noninterest income for the nine months ended September 30, 2024 included a return of excess insurance funds from the Insurance Corporation related to the Insurance Fund of \$50 million, of which \$25 million was recognized by CoBank and \$25 million by the Associations in the District. As more fully explained in the CoBank Annual Report, when the Insurance Fund exceeds the statutory 2 percent secure base amounts (SBA), the Insurance Corporation may reduce premiums and return excess amounts. In 2025 and 2024, the Insurance Fund began the year above the SBA, and the Insurance Corporation approved the distribution of the excess amounts to System entities.

District operating expenses increased to \$1.308 billion for the nine months ended September 30, 2025 as compared to \$1.277 billion for the same period in 2024 primarily driven by increases in employee compensation, information services, general and administrative and Insurance Fund premium expenses, partially offset by a decrease in other operating expenses. Employee compensation expense, which includes salaries, incentive compensation and employee benefits, increased \$35 million for the nine months ended September 30, 2025 as compared to the same period in 2024, primarily due to an increase in salary expenses from employee headcount additions, and merit and other pay increases. Information services expense increased \$20 million for the nine months ended September 30, 2025 as compared to the same period in 2024 due to higher expenses relating to hardware, software, network infrastructure and the modernization of existing technology platforms at several Associations. General and administrative expenses increased \$12 million for the nine months ended September 30, 2025 as compared to the same period in 2024 primarily due to increased charitable contributions made by CoBank in 2025 and higher other administrative costs. Insurance Fund premium expenses increased \$10 million for the nine months ended September 30, 2025 as compared to the same period in 2024 due to an increase in insured debt obligations. Premium rates are set by the Insurance Corporation and were 10 basis points of average outstanding adjusted insured debt obligations for the nine months ended September 30, 2025 and 2024. In July 2025, the Insurance Corporation announced a premium rate of 10 basis points of average outstanding adjusted insured debt obligations for the remainder of 2025. Other operating expenses decreased during the nine months ended September 30, 2025 compared to the same period in 2024, primarily due to the impact of a one-time pension plan termination expense at CoBank that was recorded in 2024.

District income tax expense decreased to \$116 million for the nine months ended September 30, 2025 as compared to \$120 million for the same period in 2024 primarily due to greater levels of patronage-based lending, partially offset by an increase in earnings attributable to taxable business activities at CoBank. The income tax expense at the District predominantly relates to CoBank, as a substantial majority of the business activities at Associations are exempt from federal income tax.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Loan Portfolio

The following table presents the District's outstanding loans classified in accordance with the FCA's loan types.

District Loans by Loan Type		
(\$ in Millions)	September 30, 2025	December 31, 2024
Real Estate Mortgage	\$ 49,249	\$ 48,502
Nonaffiliated Associations	6,027	5,966
Production and Intermediate-term	26,767	27,200
Agribusiness:		
Loans to Cooperatives	13,665	16,382
Processing and Marketing	18,316	17,909
Farm Related Businesses	3,818	3,160
Communications	8,750	8,478
Rural Power	29,124	28,218
Water and Waste	3,632	3,972
Agricultural Export Finance	5,601	6,554
Rural Residential Real Estate	344	351
Lease Receivables	4,385	4,539
Other	133	161
Total	\$ 169,811	\$ 171,392

Overall District outstanding loans decreased \$1.6 billion to \$169.8 billion at September 30, 2025, compared to \$171.4 billion at December 31, 2024 primarily due to decreases in agribusiness loans to cooperatives, agricultural export finance, and production and intermediate-term loans. The decrease in agribusiness loans to cooperatives primarily resulted from lower seasonal financing requirements at grain and farm supply cooperatives, which typically reach a low in late summer or early fall. These decreases were partially offset by increases in rural power, real estate mortgage, farm related businesses, and processing and marketing loans.

Portfolio Diversification

Loan concentrations exist when there are amounts loaned to multiple borrowers engaged in similar activities, or within close proximity, which could cause them to be similarly impacted by economic or other conditions. Credit risk in the District's loan portfolio is spread broadly among customers, industries and geographic territory. The District serves a diversified spectrum of agricultural and rural infrastructure borrowers with the largest commodity and industry concentration in the fruits, nuts and vegetables, farm supply, grain and marketing, dairy, and electric distribution sectors. Association retail loans in the District loan portfolio are geographically concentrated in the West, Northwest, Southwest, Rocky Mountains, Mid-Plains and Northeast regions of the United States. CoBank's retail loan portfolio also has moderate levels of geographic concentration in the Midwest region of the country.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following tables present the District's combined loan portfolio by primary business/commodity and geographic distribution, as a percent of total loans for the periods presented.

Distribution by Primary Business / Commodity		
	September 30, 2025	December 31, 2024
Fruits, Nuts and Vegetables	17 %	17 %
Farm Supply, Grain and Marketing	9	11
Dairy	8	8
Electric Distribution	7	7
Cattle	7	7
Forest Products	6	5
Regulated Utilities	6	5
Livestock, Fish and Poultry	5	5
Field Crops Except Grains	4	4
Farm Related Business Services	4	4
Nonaffiliated Associations	4	3
Agricultural Export Finance	3	3
Generation and Transmission	3	3
Lease Financing (through FCL)	2	2
Rural Home	2	2
Other	13	14
Total	100 %	100 %

Geographic Distribution		
	September 30, 2025	December 31, 2024
California	18 %	21 %
Washington	8	5
Texas	7	7
Kansas	5	5
New York	5	5
Colorado	4	4
Idaho	4	3
Oklahoma	3	3
Oregon	3	2
Illinois	2	3
Iowa	2	2
Florida	2	2
Minnesota	2	2
Ohio	2	2
Pennsylvania	2	2
Georgia	2	2
Massachusetts	2	2
Nebraska	1	2
Other (less than 2 percent each for the current year)	23	22
Total States	97 %	96 %
Latin America	2	2
Asia	1	1
Europe, Middle East and Africa	—	1
Total International	3 %	4 %
Total	100 %	100 %

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Loan Quality

One credit quality indicator utilized by the Bank and Associations is the FCA Uniform Loan Classification System that categorizes loans into five categories. The categories are defined as follows:

- Acceptable – assets are expected to be fully collectible and represent the highest quality,
- Special Mention – assets are currently collectible but exhibit some potential weakness,
- 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, and
- Loss – assets are considered uncollectible.

The following table presents loans, classified by management at the various District entities pursuant to the FCA's Uniform Loan Classification System, as a percent of total loans.

District Loan Quality		
	September 30, 2025	December 31, 2024
Acceptable	93.23 %	93.57 %
Special Mention	3.36	3.54
Substandard	3.30	2.79
Doubtful	0.11	0.10
Loss	—	—
Total	100.00 %	100.00 %

Notwithstanding some credit quality deterioration, overall loan quality within the District remains manageable. Acceptable loans were 93.23 percent of total loans at September 30, 2025, compared to 93.57 percent at December 31, 2024. Special Mention loans were 3.36 percent of total loans at September 30, 2025, compared to 3.54 percent at December 31, 2024. The level of adversely classified loans (“Substandard”, “Doubtful” and “Loss”) as a percent of total loans increased to 3.41 percent at September 30, 2025, compared to 2.89 percent at December 31, 2024 due primarily to credit quality deterioration related to agribusiness, production and intermediate-term, real estate mortgage, and communications loans.

Credit quality deterioration in the future is possible due to market factors impacting District customers, including trade, tariff and economic uncertainties, an ongoing volatile agricultural commodity price environment, labor shortages, inflation, elevated level of interest rates, weather related events, as well as the war in Ukraine and instability in the Middle East.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following tables present the District's loans, classified by management pursuant to our regulator's Uniform Loan Classification System. As required under CECL, loan vintage information, including term loans, revolving loans and revolving loans converted to term loans, is also presented within the credit quality information for the periods ended September 30, 2025 and December 31, 2024.

Vintage by Credit Quality Indicator											
As of September 30, 2025											
	Term Loans by Origination Year						Total Term Loans	Revolving Loans	Revolving Loans Converted to Term	Total Loans	
(\$ in Millions)	2025	2024	2023	2022	2021	Prior					
Real Estate Mortgage											
Acceptable	\$ 4,129	\$ 4,799	\$ 3,427	\$ 4,777	\$ 6,250	\$ 18,326	\$ 41,708	\$ 2,639	\$ 468	\$ 44,815	
Special Mention	78	159	263	246	191	817	1,754	107	42	1,903	
Substandard	57	112	197	401	263	1,291	2,321	85	63	2,469	
Doubtful	-	-	3	5	2	52	62	-	-	62	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 4,264	\$ 5,070	\$ 3,890	\$ 5,429	\$ 6,706	\$ 20,486	\$ 45,845	\$ 2,831	\$ 573	\$ 49,249	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ 4	\$ -	\$ 6	\$ 8	\$ 18	\$ 19	\$ -	\$ 37	
Nonaffiliated Associations											
Acceptable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,027	\$ -	\$ 6,027	
Special Mention	-	-	-	-	-	-	-	-	-	-	
Substandard	-	-	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,027	\$ -	\$ 6,027	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Production and Intermediate-Term											
Acceptable	\$ 3,097	\$ 2,259	\$ 1,356	\$ 1,166	\$ 771	\$ 1,367	\$ 10,016	\$ 13,663	\$ 145	\$ 23,824	
Special Mention	157	183	49	237	31	28	685	952	18	1,655	
Substandard	168	120	116	58	53	67	582	572	87	1,241	
Doubtful	-	3	3	13	2	3	24	13	10	47	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 3,422	\$ 2,565	\$ 1,524	\$ 1,474	\$ 857	\$ 1,465	\$ 11,307	\$ 15,200	\$ 260	\$ 26,767	
Gross Charge-offs ⁽¹⁾	\$ -	\$ 3	\$ 19	\$ 5	\$ 1	\$ 4	\$ 32	\$ 5	\$ 15	\$ 52	
Agribusiness											
Acceptable	\$ 3,341	\$ 3,804	\$ 3,316	\$ 3,175	\$ 2,101	\$ 3,780	\$ 19,517	\$ 12,881	\$ 167	\$ 32,565	
Special Mention	37	213	71	278	151	182	932	656	14	1,602	
Substandard	127	112	171	114	108	214	846	692	47	1,585	
Doubtful	3	10	1	1	7	1	23	13	11	47	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 3,508	\$ 4,139	\$ 3,559	\$ 3,568	\$ 2,367	\$ 4,177	\$ 21,318	\$ 14,242	\$ 239	\$ 35,799	
Gross Charge-offs ⁽¹⁾	\$ -	\$ 50	\$ 14	\$ 4	\$ 14	\$ 4	\$ 86	\$ 8	\$ -	\$ 94	
Communications											
Acceptable	\$ 800	\$ 2,444	\$ 2,007	\$ 920	\$ 696	\$ 873	\$ 7,740	\$ 700	\$ -	\$ 8,440	
Special Mention	12	78	-	-	8	49	147	11	-	158	
Substandard	-	16	64	14	-	30	124	3	3	130	
Doubtful	3	1	8	5	-	-	17	3	2	22	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 815	\$ 2,539	\$ 2,079	\$ 939	\$ 704	\$ 952	\$ 8,028	\$ 717	\$ 5	\$ 8,750	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ 17	\$ 22	\$ 3	\$ 42	\$ -	\$ -	\$ 42	
Rural Power											
Acceptable	\$ 2,606	\$ 3,526	\$ 4,878	\$ 3,273	\$ 2,065	\$ 10,095	\$ 26,443	\$ 2,365	\$ 5	\$ 28,813	
Special Mention	-	4	-	63	53	113	233	13	-	246	
Substandard	-	-	12	-	12	41	65	-	-	65	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 2,606	\$ 3,530	\$ 4,890	\$ 3,336	\$ 2,130	\$ 10,249	\$ 26,741	\$ 2,378	\$ 5	\$ 29,124	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Water and Waste											
Acceptable	\$ 127	\$ 588	\$ 695	\$ 621	\$ 191	\$ 1,134	\$ 3,356	\$ 246	\$ -	\$ 3,602	
Special Mention	-	-	-	-	-	3	3	-	-	3	
Substandard	-	-	4	14	-	-	18	-	-	18	
Doubtful	-	3	3	-	-	-	6	3	-	9	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 127	\$ 591	\$ 702	\$ 635	\$ 191	\$ 1,137	\$ 3,383	\$ 249	\$ -	\$ 3,632	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

⁽¹⁾ As of and for the nine months ended September 30, 2025.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Vintage by Credit Quality Indicator (Continued)

As of September 30, 2025

	Term Loans by Origination Year						Total Term Loans	Revolving Loans	Revolving Loans Converted to Term	Total Loans	
(\$ in Millions)	2025	2024	2023	2022	2021	Prior					
Agricultural Export Finance											
Acceptable	\$ 1	\$ 40	\$ 498	\$ 67	\$ 41	\$ 20	\$ 667	\$ 4,915	\$ 19	\$ 5,601	
Special Mention	-	-	-	-	-	-	-	-	-	-	
Substandard	-	-	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 1	\$ 40	\$ 498	\$ 67	\$ 41	\$ 20	\$ 667	\$ 4,915	\$ 19	\$ 5,601	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Rural Residential Real Estate											
Acceptable	\$ 32	\$ 35	\$ 22	\$ 21	\$ 22	\$ 206	\$ 338	\$ -	\$ -	\$ 338	
Special Mention	-	1	-	-	-	2	3	-	-	3	
Substandard	-	-	-	-	-	3	3	-	-	3	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 32	\$ 36	\$ 22	\$ 21	\$ 22	\$ 211	\$ 344	\$ -	\$ -	\$ 344	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Lease Receivables											
Acceptable	\$ 656	\$ 901	\$ 802	\$ 659	\$ 358	\$ 779	\$ 4,155	\$ -	\$ -	\$ 4,155	
Special Mention	17	32	22	19	17	27	134	-	-	134	
Substandard	5	18	18	13	13	29	96	-	-	96	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 678	\$ 951	\$ 842	\$ 691	\$ 388	\$ 835	\$ 4,385	\$ -	\$ -	\$ 4,385	
Gross Charge-offs ⁽¹⁾	\$ -	\$ 1	\$ 1	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ -	\$ 2	
Other											
Acceptable	\$ -	\$ 2	\$ 33	\$ 1	\$ 1	\$ 11	\$ 48	\$ 84	\$ -	\$ 132	
Special Mention	-	-	-	-	-	1	1	-	-	1	
Substandard	-	-	-	-	-	-	-	-	-	-	
Doubtful	-	-	-	-	-	-	-	-	-	-	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ -	\$ 2	\$ 33	\$ 1	\$ 1	\$ 12	\$ 49	\$ 84	\$ -	\$ 133	
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Loans of CoBank District											
Acceptable	\$ 14,789	\$ 18,398	\$ 17,034	\$ 14,680	\$ 12,496	\$ 36,591	\$ 113,988	\$ 43,520	\$ 804	\$ 158,312	
Special Mention	301	670	405	843	451	1,222	3,892	1,739	74	5,705	
Substandard	357	378	582	614	449	1,675	4,055	1,352	200	5,607	
Doubtful	6	17	18	24	11	56	132	32	23	187	
Loss	-	-	-	-	-	-	-	-	-	-	
Total	\$ 15,453	\$ 19,463	\$ 18,039	\$ 16,161	\$ 13,407	\$ 39,544	\$ 122,067	\$ 46,643	\$ 1,101	\$ 169,811	
Gross Charge-offs ⁽¹⁾	\$ -	\$ 54	\$ 38	\$ 26	\$ 43	\$ 19	\$ 180	\$ 32	\$ 15	\$ 227	

⁽¹⁾ As of and for the nine months ended September 30, 2025.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Vintage by Credit Quality Indicator As of December 31, 2024

	Term Loans by Origination Year						Total Term Loans	Revolving Loans	Revolving Loans Converted to Term	Total Loans
(\$ in Millions)	2024	2023	2022	2021	2020	Prior				
Real Estate Mortgage										
Acceptable	\$ 5,124	\$ 3,706	\$ 5,279	\$ 6,697	\$ 5,460	\$ 14,798	\$ 41,064	\$ 2,689	\$ 401	\$ 44,154
Special Mention	135	342	231	240	258	680	1,886	124	32	2,042
Substandard	83	149	395	218	402	829	2,076	132	44	2,252
Doubtful	-	2	5	2	4	41	54	-	-	54
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 5,342	\$ 4,199	\$ 5,910	\$ 7,157	\$ 6,124	\$ 16,348	\$ 45,080	\$ 2,945	\$ 477	\$ 48,502
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ 5	\$ -	\$ -	\$ 7	\$ 12	\$ -	\$ -	\$ 12
Nonaffiliated Associations										
Acceptable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,966	\$ -	\$ 5,966
Special Mention	-	-	-	-	-	-	-	-	-	-
Substandard	-	-	-	-	-	-	-	-	-	-
Doubtful	-	-	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,966	\$ -	\$ 5,966
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Production and Intermediate-Term										
Acceptable	\$ 3,462	\$ 1,703	\$ 1,763	\$ 954	\$ 740	\$ 1,339	\$ 9,961	\$ 14,355	\$ 128	\$ 24,444
Special Mention	300	89	145	33	37	17	621	1,104	11	1,736
Substandard	143	91	72	59	53	50	468	420	86	974
Doubtful	-	2	20	2	5	1	30	5	11	46
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 3,905	\$ 1,885	\$ 2,000	\$ 1,048	\$ 835	\$ 1,407	\$ 11,080	\$ 15,884	\$ 236	\$ 27,200
Gross Charge-offs ⁽¹⁾	\$ 4	\$ 2	\$ 5	\$ 2	\$ 1	\$ 6	\$ 20	\$ 5	\$ 3	\$ 28
Agribusiness										
Acceptable	\$ 4,994	\$ 4,367	\$ 3,682	\$ 2,565	\$ 1,477	\$ 3,190	\$ 20,275	\$ 14,132	\$ 115	\$ 34,522
Special Mention	178	208	236	124	117	115	978	579	4	1,561
Substandard	88	100	117	110	187	135	737	528	40	1,305
Doubtful	13	10	6	-	-	-	29	26	8	63
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 5,273	\$ 4,685	\$ 4,041	\$ 2,799	\$ 1,781	\$ 3,440	\$ 22,019	\$ 15,265	\$ 167	\$ 37,451
Gross Charge-offs ⁽¹⁾	\$ 10	\$ 18	\$ 2	\$ 4	\$ 5	\$ 33	\$ 72	\$ 4	\$ 10	\$ 86
Communications										
Acceptable	\$ 2,115	\$ 2,142	\$ 1,184	\$ 1,048	\$ 383	\$ 704	\$ 7,576	\$ 544	\$ 6	\$ 8,126
Special Mention	13	8	1	72	96	67	257	8	-	265
Substandard	33	-	39	12	-	-	84	3	-	87
Doubtful	-	-	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 2,161	\$ 2,150	\$ 1,224	\$ 1,132	\$ 479	\$ 771	\$ 7,917	\$ 555	\$ 6	\$ 8,478
Gross Charge-offs ⁽¹⁾	\$ 2	\$ -	\$ 1	\$ -	\$ 4	\$ 1	\$ 8	\$ -	\$ -	\$ 8
Rural Power										
Acceptable	\$ 3,630	\$ 4,813	\$ 3,415	\$ 2,224	\$ 2,187	\$ 8,928	\$ 25,197	\$ 2,591	\$ 2	\$ 27,790
Special Mention	4	29	88	72	66	102	361	-	-	361
Substandard	-	14	-	-	25	28	67	-	-	67
Doubtful	-	-	-	-	-	-	-	-	-	-
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 3,634	\$ 4,856	\$ 3,503	\$ 2,296	\$ 2,278	\$ 9,058	\$ 25,625	\$ 2,591	\$ 2	\$ 28,218
Gross Charge-offs ⁽¹⁾	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3	\$ 3	\$ -	\$ -	\$ 3
Water and Waste										
Acceptable	\$ 508	\$ 740	\$ 928	\$ 277	\$ 277	\$ 919	\$ 3,649	\$ 293	\$ -	\$ 3,942
Special Mention	-	-	-	-	-	3	3	-	-	3
Substandard	-	4	13	-	1	-	18	-	-	18
Doubtful	3	3	-	-	-	-	6	3	-	9
Loss	-	-	-	-	-	-	-	-	-	-
Total	\$ 511	\$ 747	\$ 941	\$ 277	\$ 278	\$ 922	\$ 3,676	\$ 296	\$ -	\$ 3,972
Gross Charge-offs ⁽¹⁾	\$ 2	\$ 9	\$ -	\$ -	\$ -	\$ -	\$ 11	\$ 2	\$ -	\$ 13

⁽¹⁾ As of and for the year-ended December 31, 2024

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Vintage by Credit Quality Indicator (Continued)

As of December 31, 2024

(\$ in Millions)	Term Loans by Origination Year						Total Term Loans	Revolving Loans	Revolving Loans Converted to Term	Total Loans										
	2024	2023	2022	2021	2020	Prior														
Agricultural Export Finance																				
Acceptable	\$	51	\$	357	\$	60	\$	41	\$	-	\$	42	\$	551	\$	5,984	\$	19	\$	6,554
Special Mention		-		-		-		-		-		-		-		-		-		-
Substandard		-		-		-		-		-		-		-		-		-		-
Doubtful		-		-		-		-		-		-		-		-		-		-
Loss		-		-		-		-		-		-		-		-		-		-
Total	\$	51	\$	357	\$	60	\$	41	\$	-	\$	42	\$	551	\$	5,984	\$	19	\$	6,554
Gross Charge-offs ⁽¹⁾	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Rural Residential Real Estate																				
Acceptable	\$	33	\$	26	\$	23	\$	25	\$	20	\$	216	\$	343	\$	-	\$	-	\$	343
Special Mention		2		-		-		-		-		2		4		-		-		4
Substandard		-		-		-		-		-		4		4		-		-		4
Doubtful		-		-		-		-		-		-		-		-		-		-
Loss		-		-		-		-		-		-		-		-		-		-
Total	\$	35	\$	26	\$	23	\$	25	\$	20	\$	222	\$	351	\$	-	\$	-	\$	351
Gross Charge-offs ⁽¹⁾	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Lease Receivables																				
Acceptable	\$	1,086	\$	947	\$	844	\$	487	\$	377	\$	620	\$	4,361	\$	-	\$	-	\$	4,361
Special Mention		16		20		20		16		6		23		101		-		-		101
Substandard		12		6		7		16		14		22		77		-		-		77
Doubtful		-		-		-		-		-		-		-		-		-		-
Loss		-		-		-		-		-		-		-		-		-		-
Total	\$	1,114	\$	973	\$	871	\$	519	\$	397	\$	665	\$	4,539	\$	-	\$	-	\$	4,539
Gross Charge-offs ⁽¹⁾	\$	-	\$	-	\$	1	\$	2	\$	-	\$	-	\$	3	\$	-	\$	-	\$	3
Other																				
Acceptable	\$	2	\$	33	\$	1	\$	1	\$	1	\$	11	\$	49	\$	111	\$	-	\$	160
Special Mention		-		-		-		-		-		1		1		-		-		1
Substandard		-		-		-		-		-		-		-		-		-		-
Doubtful		-		-		-		-		-		-		-		-		-		-
Loss		-		-		-		-		-		-		-		-		-		-
Total	\$	2	\$	33	\$	1	\$	1	\$	1	\$	12	\$	50	\$	111	\$	-	\$	161
Gross Charge-offs ⁽¹⁾	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
Total Loans of CoBank District																				
Acceptable	\$	21,005	\$	18,834	\$	17,179	\$	14,319	\$	10,922	\$	30,767	\$	113,026	\$	46,665	\$	671	\$	160,362
Special Mention		648		696		721		557		580		1,010		4,212		1,815		47		6,074
Substandard		359		364		643		415		682		1,068		3,531		1,083		170		4,784
Doubtful		16		17		31		4		9		42		119		34		19		172
Loss		-		-		-		-		-		-		-		-		-		-
Total	\$	22,028	\$	19,911	\$	18,574	\$	15,295	\$	12,193	\$	32,887	\$	120,888	\$	49,597	\$	907	\$	171,392
Gross Charge-offs ⁽¹⁾	\$	18	\$	29	\$	14	\$	8	\$	10	\$	50	\$	129	\$	11	\$	13	\$	153

⁽¹⁾ As of and for the year-ended December 31, 2024.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following table displays the District's nonperforming assets for the periods presented.

Nonperforming Assets			
(\$ in Millions)	September 30, 2025		December 31, 2024
Nonaccrual Loans:			
Real Estate Mortgage	\$	861	\$ 649
Production and Intermediate-term		360	333
Agribusiness		357	402
Communications		104	41
Rural Power		12	15
Water and Waste		12	12
Rural Residential Real Estate		2	1
Lease Receivables		32	25
Total Nonaccrual Loans		1,740	1,478
Accruing Loans 90 Days or More Past Due:			
Real Estate Mortgage		41	29
Production and Intermediate-term		53	20
Agribusiness		9	—
Lease Receivables		2	5
Total Accruing Loans 90 Days or More Past Due		105	54
Total Nonperforming Loans		1,845	1,532
Other Property Owned		20	23
Total Nonperforming Assets	\$	1,865	\$ 1,555
Nonaccrual Loans as a Percentage of Total Loans			
		1.02 %	0.86 %
Nonperforming Assets as a Percentage of Total Loans and Other Property Owned			
		1.10	0.91
Nonperforming Assets as a Percentage of Capital			
		6.50	5.80

Nonperforming assets (which consist of nonaccrual loans, accruing loans 90 days or more past due and other property owned) totaled \$1.9 billion as of September 30, 2025, compared to \$1.6 billion at December 31, 2024. District nonaccrual loans increased \$262 million during the nine months ended September 30, 2025. Nonaccrual loans at CoBank increased \$53 million mostly due to agribusiness and communications customers that transferred to nonaccrual during 2025 partially offset by charge-offs and loan payoffs. Nonaccrual loans at Associations increased \$209 million primarily due to an increase in real estate mortgage, agribusiness and production and intermediate-term customers that transferred to nonaccrual partially offset by charge-offs and loan payoffs. The increase in nonaccrual loans was mainly concentrated in Associations located in the Western regions of the United States and due to borrowers in the tree nuts, beverages, fruits and vegetables, field crops, and wheat sectors. Total accruing loans 90 days or more past due increased by \$51 million during the nine months ended September 30, 2025 primarily at the Associations from production and intermediate-term and real estate mortgage loans. Other property owned decreased \$3 million at September 30, 2025 as compared to December 31, 2024 primarily due to disposal of properties. Nonperforming assets represented 1.10 percent and 0.91 percent of total District loans and other property owned at September 30, 2025 and December 31, 2024, respectively. Nonaccrual loans, the largest component of nonperforming assets, represented 1.02 percent of total loans at September 30, 2025 compared to 0.86 percent at December 31, 2024.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following tables present an aging of past due loans in the District for the periods presented.

Aging of Past Due Loans							
(\$ in Millions)	30-90 Days Past Due	90 Days or More Past Due	Total Past Due	Not Past Due or Less Than 30 Days Past Due	Total Loans	Recorded Investment >90 Days and Accruing	
September 30, 2025							
Real Estate Mortgage	\$ 105	\$ 501	\$ 606	\$ 48,643	\$ 49,249	\$ 41	
Nonaffiliated Associations	—	—	—	6,027	6,027	—	
Production and Intermediate-term	145	251	396	26,371	26,767	53	
Agribusiness	69	109	178	35,621	35,799	9	
Communications	45	—	45	8,705	8,750	—	
Rural Power	—	—	—	29,124	29,124	—	
Water and Waste	—	3	3	3,629	3,632	—	
Agricultural Export Finance	—	—	—	5,601	5,601	—	
Rural Residential Real Estate	1	1	2	342	344	—	
Lease Receivables	23	18	41	4,344	4,385	2	
Other	—	—	—	133	133	—	
Total	\$ 388	\$ 883	\$ 1,271	\$ 168,540	\$ 169,811	\$ 105	
December 31, 2024							
Real Estate Mortgage	\$ 157	\$ 318	\$ 475	\$ 48,027	\$ 48,502	\$ 29	
Nonaffiliated Associations	—	—	—	5,966	5,966	—	
Production and Intermediate-term	143	135	278	26,922	27,200	20	
Agribusiness	94	78	172	37,279	37,451	—	
Communications	—	—	—	8,478	8,478	—	
Rural Power	—	—	—	28,218	28,218	—	
Water and Waste	6	3	9	3,963	3,972	—	
Agricultural Export Finance	—	—	—	6,554	6,554	—	
Rural Residential Real Estate	2	1	3	348	351	—	
Lease Receivables	31	16	47	4,492	4,539	5	
Other	—	—	—	161	161	—	
Total	\$ 433	\$ 551	\$ 984	\$ 170,408	\$ 171,392	\$ 54	

District entities maintain an allowance for loan losses at a level consistent with the expected credit losses identified by management of each institution, considering such factors as reasonable and supportable forecasts of agricultural and economic conditions, loan loss experience, portfolio quality, and loan portfolio composition and concentrations. CoBank and certain Associations also maintain a reserve for unfunded commitments, which totaled \$118 million at September 30, 2025.

Although aggregated in the District's combined financial statements, the allowance for loan losses for each District entity is particular to that institution and is not available to absorb losses realized by other District entities. The allowance for loan losses at September 30, 2025 totaled \$1.2 billion, compared to \$1.1 billion at December 31, 2024. Changes in the allowance included an overall provision for credit losses on loans of \$346 million, loan charge-offs of \$227 million, loan recoveries of \$8 million and a \$15 million net transfer to the reserve for unfunded commitments.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following table presents detailed changes in the allowance for credit losses for loans in the District for the periods presented.

Changes in Allowance for Credit Losses on Loans											
	Real Estate	Non-	Production					Agricultural	Rural	Lease	
	Mortgage	affiliated	and	Intermediate-	Agri-	Communi-	Rural	Water	Export	Residential	Receivables
(\$ in Millions)		Associations	term	business	cations	Power	and Waste	Finance	Real Estate	and Other	Total
September 30, 2025											
Allowance for Loan Losses											
Beginning Balance	\$ 177	\$ —	\$ 175	\$ 394	\$ 118	\$ 161	\$ 31	\$ 17	\$ 1	\$ 38	\$ 1,112
Charge-offs	(37)	—	(52)	(94)	(42)	—	—	—	—	(2)	(227)
Recoveries	1	—	5	1	—	1	—	—	—	—	8
Provision for Credit Losses/ (Credit Loss Reversal)	63	—	101	131	44	(1)	3	2	—	3	346
Transfers to Reserve for Unfunded Commitments	—	—	(5)	(3)	(4)	(2)	(1)	—	—	—	(15)
Ending Balance	\$ 204	\$ —	\$ 224	\$ 429	\$ 116	\$ 159	\$ 33	\$ 19	\$ 1	\$ 39	\$ 1,224
Reserve for Unfunded Commitments											
Beginning Balance	\$ 5	\$ —	\$ 22	\$ 51	\$ 11	\$ 13	\$ 1	\$ —	\$ —	\$ —	\$ 103
Transfers from Allowance for Loan Losses	—	—	5	3	4	2	1	—	—	—	15
Ending Balance	\$ 5	\$ —	\$ 27	\$ 54	\$ 15	\$ 15	\$ 2	\$ —	\$ —	\$ —	\$ 118
Allowance for Credit Losses on Loans	\$ 209	\$ —	\$ 251	\$ 483	\$ 131	\$ 174	\$ 35	\$ 19	\$ 1	\$ 39	\$ 1,342
September 30, 2024											
Allowance for Loan Losses											
Beginning Balance	\$ 130	\$ —	\$ 133	\$ 376	\$ 106	\$ 165	\$ 27	\$ 27	\$ 2	\$ 44	\$ 1,010
Charge-offs	(12)	—	(18)	(55)	—	(3)	(13)	—	—	(2)	(103)
Recoveries	—	—	4	4	—	—	—	—	—	1	9
Provision for Credit Losses/ (Credit Loss Reversal) ⁽¹⁾	46	—	20	40	15	(3)	16	(10)	(1)	(3)	120
Transfers from Reserve for Unfunded Commitments	1	—	4	12	—	2	—	1	—	—	20
Ending Balance	\$ 165	\$ -	\$ 143	\$ 377	\$ 121	\$ 161	\$ 30	\$ 18	\$ 1	\$ 40	\$ 1,056
Reserve for Unfunded Commitments											
Beginning Balance	\$ 7	\$ —	\$ 29	\$ 69	\$ 11	\$ 16	\$ 2	\$ 3	\$ —	\$ —	\$ 137
Transfers to Allowance for Loan Losses	(1)	—	(4)	(12)	—	(2)	—	(1)	—	—	(20)
Ending Balance	\$ 6	\$ —	\$ 25	\$ 57	\$ 11	\$ 14	\$ 2	\$ 2	\$ —	\$ —	\$ 117
Allowance for Credit Losses on Loans	\$ 171	\$ —	\$ 168	\$ 434	\$ 132	\$ 175	\$ 32	\$ 20	\$ 1	\$ 40	\$ 1,173

⁽¹⁾ Excludes credit loss reversal of \$1 million on investment securities for the nine months ended September 30, 2024.

⁽¹⁾ Excludes credit loss reversal of \$1 million on investment securities for the nine months ended September 30, 2024.

Investment Portfolio

As the funding bank for the District, CoBank is responsible for meeting the District’s funding and liquidity needs. While access to the unsecured debt capital markets remains the District’s primary source of liquidity, the District also maintains a secondary source of liquidity through a high credit quality investment portfolio and other short-term liquid assets which are primarily held at CoBank. All of CoBank’s investment securities are classified as “available for sale”. Refer to the CoBank Annual Report for additional description of the types of investments held by the Bank and related yield information and maturities. Associations have regulatory authority to enter into certain investments that carry an explicit government guarantee and certain other securities. Association investments included U.S. Treasury and Small Business Administration (SBA) debt securities classified as “available-for-sale” and mortgage backed securities issued by the Federal Agricultural Mortgage Corporation (Farmer Mac) classified as “held to maturity”.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Investment Information					
(\$ in Millions)	Amortized Cost		Gross Unrealized Gains		Gross Unrealized Losses
					Fair Value
September 30, 2025					
CoBank Investments ⁽¹⁾	\$	49,365	\$	309	\$ (855)
Association Investments		2,262		23	(8)
Total	\$	51,627	\$	332	\$ (863)
December 31, 2024					
CoBank Investments ⁽¹⁾	\$	44,883	\$	54	\$ (1,530)
Association Investments		1,958		—	(31)
Total	\$	46,841	\$	54	\$ (1,561)

⁽¹⁾ Amortized cost and fair value include allowance for credit losses of \$1 million at September 30, 2025 and December 31, 2024.

Investment securities increased to \$51.1 billion at September 30, 2025 from \$45.3 billion at December 31, 2024. The increase in investments was primarily at CoBank to maintain its liquidity reserve in line with average loan growth and to take advantage of favorable investment spread opportunities in the marketplace. Association investments also increased to maintain liquidity reserves resulting from loan growth, with further growth attributable to an Association that began purchasing and holding investments in 2025.

Available-for-sale investment securities with unrealized losses are also evaluated for an allowance for credit losses (ACL) under ASU 326. Management excludes those investment securities with no risk of credit loss from the ACL evaluation because they carry a full faith and credit guarantee of the U.S. government or are issued by U.S. agencies with an implicit guarantee from the U.S. government. For non-guaranteed investment securities, an analysis is performed at the individual security level to determine whether any portion of the unrealized loss is a credit loss. As of September 30, 2025, CoBank's ACL on investment securities was \$1 million. CoBank recorded no provision or credit loss reversal for its investment securities during the nine months ended September 30, 2025 as compared to a credit loss reversal of \$1 million for its investment securities for the same period in 2024. The Associations with investment securities recorded no allowance for credit losses and no provision or credit loss reversal for the nine months ended September 30, 2025 and 2024.

Derivatives and Hedging Activities

CoBank, and to a much lesser extent certain Associations in the District, use derivatives as part of their market risk management activities. Derivatives (primarily interest rate swaps) are used by the Bank and Associations to manage liquidity and the market risk arising from maturity and repricing mismatches between assets and liabilities. Derivatives (interest rate caps and floors) are also used by the Bank to hedge cap and floor risk embedded within its floating-rate investments and loans. The Bank also enters into derivatives with its retail customers and Associations in the District as a service to enable them to transfer, modify or reduce their interest rate risk. Derivative transactions between CoBank and the Associations in the District and the assets/liabilities and income/expense related thereto, are eliminated in the District's combined balances sheets and statements of income. Derivative transactions between CoBank and its retail customers and to offset the interest rate risk in derivatives between the Bank and Associations in the District are not designated as hedging instruments and not eliminated, and therefore, changes in fair value related to these derivatives are recorded in current period earnings. Refer to the CoBank Annual Report for additional description and disclosure of the Bank's derivatives.

Derivatives are recorded at fair value as assets or liabilities in the District combined balance sheets. Derivative assets totaled \$516 million at September 30, 2025 compared to \$457 million at December 31, 2024. Derivative liabilities totaled \$597 million at September 30, 2025 compared to \$699 million at December 31, 2024.

Changes in the fair value of District derivatives are accounted for as gains or losses through current period earnings or as a component of accumulated other comprehensive income (loss), depending on the use of the derivatives and whether they

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

qualify for hedge accounting treatment. Net changes in the fair value of derivatives recorded in noninterest income in the accompanying combined statements of income included net gains of \$30 million and \$11 million for the nine months ended September 30, 2025 and 2024, respectively. Changes in the fair value of derivatives recorded as other comprehensive income (loss) totaled net losses of \$245 million and \$166 million for the nine months ended September 30, 2025 and 2024, respectively.

District Capital Resources

Combined District shareholders' equity at September 30, 2025 increased to \$28.7 billion as compared to \$26.8 billion at December 31, 2024. The change primarily resulted from District net income and a decrease in accumulated other comprehensive loss, partially offset by preferred stock retirements at the Bank.

The components of the District's accumulated other comprehensive loss are detailed in the following table.

Accumulated Other Comprehensive Loss⁽¹⁾		
(\$ in Millions)	September 30, 2025	December 31, 2024
Unrealized Losses on Investment Securities	\$ (486)	\$ (1,363)
Net Pension Adjustment	(224)	(237)
Unrealized (Losses) Gains on Interest Rate Swaps and Other Derivatives	(85)	160
Accumulated Other Comprehensive Loss	\$ (795)	\$ (1,440)

⁽¹⁾ Amounts are presented net of tax.

The change in the District's total accumulated other comprehensive loss during the nine months ended September 30, 2025 is largely due to lower unrealized losses on investment securities driven by the impact of market interest rate changes which improved the fair value of fixed rate securities.

On April 11, 2024, CoBank issued \$300 million of Series L non-cumulative perpetual preferred stock. CoBank used the net proceeds from the Series L preferred stock issuance to increase its regulatory capital pursuant to FCA regulations and for general corporate purposes. Dividends on the Series L preferred stock, if declared by the CoBank Board of Directors in its sole discretion, are non-cumulative and are payable quarterly in arrears beginning on July 1, 2024, and will accrue at a fixed annual rate of 7.25 percent from the date of issuance up to, but excluding July 1, 2029. Thereafter, dividends will accrue at the five-year U.S. Treasury rate as of the most recent reset dividend determination date plus a spread of 2.88 percent per annum. The preferred stock is redeemable at par value, in whole or in part, at CoBank's option quarterly beginning on or after July 1, 2029.

On November 25, 2024, CoBank issued \$300 million of Series M non-cumulative perpetual preferred stock. CoBank used the net proceeds from the Series M preferred stock issuance to redeem all issued and outstanding shares of Series H non-cumulative perpetual preferred stock on January 1, 2025. Dividends on the Series M preferred stock, if declared by the CoBank Board of Directors in its sole discretion, are non-cumulative and are payable quarterly in arrears beginning on April 1, 2025, and will accrue at a fixed annual rate of 7.125 percent from the date of issuance up to, but excluding January 1, 2030. Thereafter, dividends will accrue at the five-year U.S. Treasury rate as of the most recent reset dividend determination date plus a spread of 2.818 percent per annum. The preferred stock is redeemable at par value, in whole or in part, at CoBank's option quarterly beginning on or after January 1, 2030.

On January 1, 2025, CoBank redeemed all of its Series H non-cumulative perpetual preferred stock totaling \$300 million. The dividend rate for Series H preferred stock was 6.20 percent through the date of redemption.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

The following table presents regulatory capital and leverage ratios for CoBank and the range of ratios at the affiliated Associations.

Regulatory Capital Requirements and Ratios							
Ratio	Primary Components of Numerator	Regulatory Minimums	Minimum with Buffer*	September 30, 2025		December 31, 2024	
				CoBank	District Associations	CoBank	District Associations
Risk Adjusted:							
Common equity tier 1 (CET1) capital ratio	Unallocated retained earnings (URE), common cooperative equities (qualifying capital stock and allocated equity) ⁽¹⁾	4.5 %	7.0 %	12.04 %	11.54 - 19.23%	11.62 %	11.53 - 19.23%
Tier 1 capital ratio	CET1 Capital, non-cumulative perpetual preferred stock	6.0 %	8.5 %	13.91 %	12.71 - 19.23%	13.62 %	12.73 - 19.23%
Total capital ratio	Tier 1 Capital, allowance for loan losses ⁽²⁾ , common cooperative equities ⁽³⁾ and term preferred stock and subordinated debt ⁽⁴⁾	8.0 %	10.5 %	14.71 %	13.74 - 19.37%	14.39 %	13.66 - 19.49%
Permanent capital ratio	Retained earnings, common stock, non-cumulative perpetual preferred stock and subordinated debt, subject to certain limits	7.0 %	7.0 %	14.03 %	13.63 - 19.25%	13.73 %	13.65 - 19.27%
Non-risk adjusted:							
Tier 1 leverage ratio**	Tier 1 Capital	4.0 %	5.0 %	6.84 %	14.66 - 20.77%	6.90 %	14.56 - 20.49%
UREE leverage ratio	URE and URE Equivalents	1.5 %	1.5 %	3.24 %	13.26 - 21.28%	3.23 %	13.14 - 20.90%

* The capital conservation buffer is 2.5 percentage points in addition to certain risk-adjusted capital ratios stated in the Regulatory Minimums column.

** Must include the 1.5 percent regulatory minimum requirement for the URE and UREE Leverage ratio.

⁽¹⁾ Equities outstanding 7 or more years

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

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

⁽⁴⁾ Debt and equities outstanding 5 or more years

As depicted in the table above, at September 30, 2025, CoBank and all affiliated Associations exceeded the FCA's regulatory minimum capital ratios and any required buffers. Although aggregated in the District's combined financial statements, capital for each District entity is particular to that institution. In addition, the provisions of joint and several liability for Systemwide Debt Securities are applicable only to System banks and do not include Associations. CoBank has no access to Association capital beyond their required investment in the Bank. There are no capital sharing agreements between CoBank and its affiliated Associations.

Employee Benefit Plans

As more fully described in the 2024 year-end District financial report, CoBank and each of its affiliated Associations have employer-funded qualified defined benefit pension plans, all of which are closed to new participants. During the nine months ended September 30, 2024, CoBank terminated one of its employer-funded, qualified defined benefit pension plans, which covered a small number of former and active employees of its Farm Credit Leasing subsidiary who were participants in this plan (the "Plan"). There were no changes to participants' benefits as a result of the Plan termination. CoBank signed a nonparticipating annuity contract and transferred the Plan's accumulated benefits liability to a third-party insurance company, who assumed the obligation to make benefit payments to participants in the Plan going forward. The premium payment for the annuity contract was funded by assets in the Plan. Remaining assets in the Plan were used to pay administrative and other termination expenses. CoBank recorded a one-time expense of \$12 million in 2024 to write-off actuarial losses previously deferred in accumulated other comprehensive loss related to this terminated Plan.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Other Matters

Downgrade of the Long-Term Sovereign Credit Rating on the United States and the Long-Term Issuer Default Rating of the System

The System is a government sponsored enterprise (GSE) and CoBank and its affiliated Associations, as members of the System, have historically benefited from the favorable funding costs and funding flexibility associated with the debt securities issued through the Funding Corporation. The credit ratings of GSEs, including the System, are influenced by the sovereign credit rating of the United States.

On May 16, 2025, Moody's Ratings (Moody's) downgraded the long-term sovereign credit rating on the United States to Aa1 from Aaa. The outlook on the long-term rating of the United States was revised to stable from ratings watch negative. Subsequently, on May 19, 2025, Moody's also downgraded the long-term senior unsecured debt rating for the System to Aa1 from Aaa and affirmed the P-1 short-term rating. The outlook on the long-term default rating of the System was revised to stable from ratings watch negative. The downgrade of the System rating reflects the downgrade of the U.S. sovereign rating.

S&P Global Ratings (S&P) and Fitch Ratings (Fitch) currently maintain a long-term sovereign credit rating on the United States of AA+, a long-term issuer default rating for the System of AA+ and a short-term issuer default rating for the System of A-1+ and F1+, respectively. The rating outlooks are stable. S&P and Fitch currently maintain individual credit ratings for CoBank of AA- and A+, respectively. Moody's does not provide an individual credit rating for CoBank.

Notwithstanding these actions, to date CoBank has continued to access competitively priced funding necessary to support its lending and business operations. However, such actions and any future downgrades from ratings agencies could negatively impact the access to debt capital markets, funding flexibility, funding costs and earnings for CoBank, its affiliated Associations, and other System institutions.

Other Regulatory Matters

On April 10, 2024, the FCA issued a final rule that would amend the Tier 1/Tier 2 capital framework to define and establish a risk weight for high-volatility commercial real estate exposures by assigning a 150 percent risk-weighting to such exposures, instead of the current 100 percent risk-weighting. The final rule includes changes that are comparable with the capital rules of other federal banking regulatory agencies and recognizes the increased risk posed by high-volatility commercial real estate exposures. The final rule defines high-volatility commercial real estate exposures as acquisition, development or construction exposures that meet specific criteria, subject to certain exclusions. On October 16, 2024, the FCA extended the effective date of this final rule from January 1, 2025 to January 1, 2026. Only qualifying high-volatility commercial real estate loans made after the effective date of January 1, 2026 are subject to the 150 percent risk-weighting requirements. CoBank and its affiliated Associations have reviewed the final rule and determined that certain loans originated or purchased after January 1, 2026 may meet the definitions in the final rule, however, this evaluation will take place on an individual loan-by-loan basis. At this time, the impact of the final rule is not expected to be material to the regulatory capital ratios of CoBank or its affiliated Associations.

Subsequent Events

We have evaluated subsequent events through November 6, 2025, which is the date District financial information was issued and determined that there were no other events requiring disclosure.

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Combined Balance Sheets

(unaudited)

(\$ in Millions)

	September 30, 2025	December 31, 2024
Assets		
Total Loans	\$ 169,811	\$ 171,392
Less: Allowance for Loan Losses	1,224	1,112
Net Loans	168,587	170,280
Cash and Cash Equivalents	479	1,070
Federal Funds Sold and Other Overnight Funds	2,311	3,490
Investment Securities (net of allowance of \$1 million at September 30, 2025 and December 31, 2024)	51,096	45,334
Interest Rate Swaps and Other Derivatives	516	457
Accrued Interest Receivable and Other Assets	4,263	3,930
Total Assets	\$ 227,252	\$ 224,561
Liabilities		
Bonds and Notes	\$ 194,120	\$ 192,486
Subordinated Debt	198	198
Interest Rate Swaps and Other Derivatives	597	699
Reserve for Unfunded Commitments	118	103
Patronage Payable	757	1,386
Accrued Interest Payable and Other Liabilities	2,770	2,863
Total Liabilities	198,560	197,735
Shareholders' Equity		
Preferred Stock Issued by Bank	1,925	2,225
Preferred Stock Issued by Associations	321	325
Common Stock	2,040	1,994
Paid In Capital	3,852	3,852
Unallocated Retained Earnings	21,349	19,870
Accumulated Other Comprehensive Loss	(795)	(1,440)
Total Shareholders' Equity	28,692	26,826
Total Liabilities and Shareholders' Equity	\$ 227,252	\$ 224,561

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Combined Statements of Income

(unaudited)

(\$ in Millions)

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
Interest Income				
Loans	\$ 2,677	\$ 2,741	\$ 8,032	\$ 8,119
Investment Securities	494	416	1,400	1,163
Federal Funds Sold and Other Overnight Funds	19	33	60	102
Total Interest Income	3,190	3,190	9,492	9,384
Interest Expense	1,988	2,062	5,930	6,049
Net Interest Income	1,202	1,128	3,562	3,335
Provision for Credit Losses	116	77	346	119
Net Interest Income After Provision for Credit Losses	1,086	1,051	3,216	3,216
Noninterest Income				
Loan-Related Fee Income	85	70	233	224
Patronage Income	56	52	189	170
Financially-Related Services Income	25	20	60	52
Prepayment Income	1	1	3	3
Losses on Early Extinguishments of Debt	(1)	(1)	(4)	(3)
Gains on Sales of Investment Securities	4	—	7	1
Customer Interest Rate Swaps and Other Derivatives Income	9	30	30	11
Return of Excess Insurance Funds	—	—	31	50
Other, Net	15	10	41	26
Total Noninterest Income	194	182	590	534
Operating Expenses				
Employee Compensation	246	240	744	709
Insurance Fund Premium	41	38	123	113
Information Services	58	54	168	148
General and Administrative	25	27	90	78
Occupancy and Equipment	15	16	44	46
Farm Credit System Related	8	10	29	29
Purchased Services	19	19	50	50
Merger Related Costs	—	4	—	10
Other	22	38	60	94
Total Operating Expenses	434	446	1,308	1,277
Income Before Income Taxes	846	787	2,498	2,473
Provision for Income Taxes	39	25	116	120
Net Income	\$ 807	\$ 762	\$ 2,382	\$ 2,353

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Select Information on District Associations

(unaudited)

(\$ in Millions)

As of September 30, 2025	Wholesale Loans	% of Wholesale Loans	Total Assets	Total Regulatory Capital	Total Regulatory Capital Ratio	Non- performing Loans as a % of Total Loans	Return on Average Assets
AgWest, ACA	\$ 28,326	35.99 %	\$ 35,883	\$ 5,699	15.50 %	2.06 %	2.16 %
American AgCredit, ACA	18,238	23.17	22,818	3,515	13.74	1.99	1.83
Farm Credit East, ACA	11,212	14.25	14,005	2,400	16.31	0.32	2.59
Yosemite Farm Credit, ACA	4,087	5.20	5,175	791	14.47	2.06	2.21
Frontier Farm Credit, ACA	2,815	3.58	3,483	580	15.00	1.07	1.65
Golden State Farm Credit, ACA	2,205	2.80	2,787	448	15.27	2.28	1.80
Oklahoma AgCredit, ACA	1,966	2.50	2,407	359	14.75	1.07	1.51
High Plains Farm Credit, ACA	1,773	2.25	2,217	328	13.88	0.57	2.62
Farm Credit Western Oklahoma, ACA	1,747	2.22	2,154	332	16.64	0.19	1.94
Fresno-Madera Farm Credit, ACA	1,479	1.88	1,885	308	15.05	1.19	1.56
Farm Credit of Southern Colorado, ACA	1,397	1.77	1,772	293	16.12	0.98	1.19
Western AgCredit, ACA	1,150	1.46	1,555	320	19.37	0.93	2.65
Premier Farm Credit, ACA	846	1.07	1,124	224	18.15	0.34	2.04
Farm Credit Services of Colusa-Glenn, ACA	583	0.74	788	159	17.68	1.10	2.58
Farm Credit of Western Kansas, ACA	478	0.61	623	116	18.22	0.00	2.19
Idaho AgCredit, ACA	403	0.51	521	78	15.77	0.59	2.34

Quarterly District Financial Information

CoBank, ACB and Affiliated Associations

Association Information

AgWest, ACA

2001 South Flint Road
Spokane, WA 99224
509-340-5300
www.agwestfc.com

American AgCredit, ACA

4845 Old Redwood Hwy
Santa Rosa, CA 95403
707-545-1200
www.agloan.com

Farm Credit East, ACA

240 South Road
Enfield, CT 06082
860-741-4380
www.farmcrediteast.com

Farm Credit of Southern Colorado, ACA

5110 Edison Avenue
Colorado Springs, CO 80915
719-570-1087
www.aglending.com

Farm Credit of Western Kansas, ACA

1190 South Range Avenue
Colby, KS 67701-3503
785-462-6714
www.fcwk.com

Farm Credit of Western Oklahoma, ACA

3302 Williams Avenue
Woodward, OK 73801
580-256-3465
www.fwestok.com

Farm Credit Services of Colusa-Glenn, ACA

2970 Davison Court
Colusa, CA 95932
530-458-2163
www.fcscolusaglenn.com

Fresno-Madera Farm Credit, ACA

4635 West Spruce Avenue
Fresno, CA 93722
559-277-7000
www.fmfarmcredit.com

Frontier Farm Credit, ACA

2009 Vanesta Place
Manhattan, KS 66503
785-776-6931
www.frontierfarmcredit.com

Golden State Farm Credit, ACA

3013 Ceres Avenue
Chico, CA 95973
530-895-8698
www.goldenstatefarmcredit.com

High Plains Farm Credit, ACA

605 Main
Larned, KS 67550-0067
620-285-6978
www.highplainsfarmcredit.com

Idaho AgCredit, ACA

188 West Judicial Street
Blackfoot, ID 83221-0985
208-785-1510
www.idahoagcredit.com

Oklahoma AgCredit, ACA

3033 Progressive Drive
Edmond, OK 73034
918-251-8596
www.okagcredit.com

Premier Farm Credit, ACA

202 Poplar Street
Sterling, CO 80751-1785
970-522-2330
www.premieraca.com

Western AgCredit, ACA

10980 South Jordan Gateway
Gateway South Jordan, UT 84095-0850
801-571-9200
www.westernagcredit.com

Yosemite Farm Credit, ACA

806 West Monte Vista Avenue
Turlock, CA 95382
209-667-2366
www.yosemitefarmcredit.com