

# YEAR-END FINANCIAL RESULTS | 2025



## KEY FINANCIAL DATA

(\$ in millions)

INCOME STATEMENT	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net interest income	\$ 543	\$ 505	\$ 2,090	\$ 1,936
Provision for credit losses	70	43	199	49
Noninterest income	145	117	533	482
Operating expenses	159	160	612	597
Provision for income taxes	32	21	145	137
Net income	427	398	1,667	1,635

BALANCE SHEET (period-end)	December 31, 2025		December 31, 2024	
Total loans	\$ 166,880	\$ 166,880	\$ 158,859	\$ 158,859
Total assets	223,477	223,477	208,574	208,574
Shareholders' equity	14,038	14,038	12,862	12,862

PROFITABILITY METRICS	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net interest margin	1.01 %	1.01 %	1.00 %	1.00 %
Return on average common equity	13.25 %	13.82 %	13.61 %	15.05 %
Return on average assets	0.79 %	0.78 %	0.79 %	0.84 %
Operating expense ratio (excluding insurance fund premiums)	22.08 %	24.68 %	22.31 %	23.63 %

## HIGHLIGHTS

- Average loans increased 4% year-over-year in Q4 and 6% for the full year. Loans outstanding totaled \$166.9 billion at December 31, 2025
  - Growth in average loans across all three operating segments year-over-year
- Net income for the year increased 2% to \$1.667 billion in 2025 compared to \$1.635 billion in 2024, primarily due to higher net interest income and noninterest income, partially offset by an increased provision for credit losses
  - Net income increased 7% to \$427 million in Q4 2025 compared to \$398 million in Q4 2024, primarily from higher net interest income and noninterest income, partially offset by higher provisions for credit losses and income taxes
- Net interest income for the year increased 8% to \$2.090 billion in 2025 from \$1.936 billion in 2024, driven by higher average loans
  - Net interest income increased 8% to \$543 million in Q4 2025 from \$505 million in Q4 2024 primarily due to growth in average loans
- Net interest margin for the year was 1.00% in 2025 and 2024

- Provision for credit losses for the year was \$199 million in 2025 compared to \$49 million in 2024. The increase primarily resulted from deterioration in credit quality within certain sectors of our Agribusiness and Rural Infrastructure operating segments including increased charge-offs and specific reserves requiring a higher level of provisioning
  - Provision for credit losses was \$70 million in Q4 2025 compared to \$43 million in Q4 2024. The increase was primarily related to our Agribusiness operating segment
- Noninterest income for the full year 2025 increased \$51 million or 11% in 2025 from 2024, driven by higher customer interest rate swaps and other derivative income, loan-related fee income, patronage income, and gains on sales of investment securities, partially offset by a lower return of excess insurance funds from the Farm Credit System Insurance Corporation
  - Noninterest income increased \$28 million or 24% year over year in Q4 primarily driven by higher loan-related fee income and customer interest rate swaps and other derivative income, partially offset by a decrease in patronage income

- Operating expenses for the year increased \$15 million or 3% in 2025 from 2024, primarily due to higher Insurance Fund premium expense, general and administrative expenses and information services costs
  - Operating expenses decreased \$1 million or 1% in Q4 2025 compared to Q4 2024, primarily due to lower employee compensation, partially offset by increased information services costs and higher Insurance Fund premium expense
- Capital and liquidity levels remain strong and were in excess of regulatory minimums as of December 31, 2025
  - Total capital increased to \$14.0 billion, primarily from earnings and a decrease in accumulated other comprehensive loss, partially offset by accrued patronage and retirements of preferred stock
  - Total capital ratio was 14.50%, compared with the 8.0% minimum
  - 174 days of liquidity, compared with the 90-day minimum
- Patronage distributions for 2025 will total \$1.079 billion
  - Includes special patronage of \$79 million for 2025

## OPERATING SEGMENTS

(\$ in millions)

Three Months Ended December 31,	Agribusiness		Rural Infrastructure		Farm Credit Banking		Total	
	2025	2024	2025	2024	2025	2024	2025	2024
Average loans	\$ 40,633	\$ 39,741	\$ 35,194	\$ 33,866	\$ 86,419	\$ 81,873	\$ 162,246	\$ 155,480
Net income	145	153	197	167	85	78	427	398
Year Ended December 31,	2025	2024	2025	2024	2025	2024	2025	2024
Average loans	\$ 41,341	\$ 38,870	\$ 34,997	\$ 33,325	\$ 84,476	\$ 79,272	\$ 160,814	\$ 151,467
Net income	684	714	668	622	315	299	1,667	1,635
Period-end loans	2025	2024	2025	2024	2025	2024	2025	2024
12/31/2025 and 12/31/2024	\$ 42,144	\$ 40,463	\$ 35,893	\$ 34,337	\$ 88,843	\$ 84,059	\$ 166,880	\$ 158,859

## MANAGEMENT COMMENTARY

"Despite significant stresses in the U.S. farm economy and challenging credit conditions in many of the sectors we finance, CoBank delivered another year of strong financial performance and made solid progress against important key objectives for our business.

Growth in 2025 was robust and broad-based, with outstanding loans increasing in both the wholesale and commercial portions of our portfolio. Net income increased to a record \$1.667 billion. Patronage distributions for the year will be \$1.079 billion, the highest level in the history of the enterprise.

We are proud of the performance that CoBank delivered last year. Looking ahead, we expect the bank to remain financially strong and exceptionally well positioned to support the capital needs of our customers throughout rural America."

— Thomas Halverson, CEO, CoBank

## NET INTEREST INCOME AND NET INTEREST MARGIN

Net interest income increased \$154 million, or 8 percent, to \$2.090 billion in 2025 as compared to \$1.936 billion for the same period in 2024. The increase in net interest income was primarily driven by higher average loans which resulted in greater net interest income across all three operating segments. Net interest margin was unchanged at 1.00 percent in 2025 compared to 2024 and interest rate spread increased to 0.72 percent in 2025 from 0.70 percent in 2024.

### Net Interest Margin and Net Interest Income

Year Ended	December 31, 2025			December 31, 2024		
	Average Balance	Average Rate	Interest Income/Expense	Average Balance	Average Rate	Interest Income/Expense
(\$ in millions)						
<b>Interest earning assets</b>						
Loans	\$ 160,814	4.95 %	\$ 7,954	\$ 151,467	5.40 %	\$ 8,177
Investments	46,847	3.86 %	1,809	38,895	3.92 %	1,526
Federal funds sold and other overnight funds	1,850	4.24 %	78	2,382	5.25 %	125
<b>Total</b>	<b>209,511</b>	<b>4.70 %</b>	<b>9,841</b>	<b>192,744</b>	<b>5.10 %</b>	<b>9,828</b>
<b>Interest bearing liabilities</b>	<b>194,934</b>	<b>3.98 %</b>	<b>7,751</b>	<b>179,364</b>	<b>4.40 %</b>	<b>7,892</b>
<b>Interest rate spread</b>		<b>0.72 %</b>			<b>0.70 %</b>	
Impact of equity financing	13,313	0.28 %		11,989	0.30 %	
<b>Net interest margin &amp; net interest income</b>		<b>1.00 %</b>	<b>\$ 2,090</b>		<b>1.00 %</b>	<b>\$ 1,936</b>

## CREDIT QUALITY

Notwithstanding some credit quality deterioration, our overall loan quality remains manageable at December 31, 2025. Special Mention loans were 1.26 percent of total loans at December 31, 2025 compared to 1.34 percent of total loans at December 31, 2024. The level of adversely classified loans (“Substandard”, “Doubtful” and “Loss”) as a percent of total loans increased to 1.19 percent at December 31, 2025 compared to 0.84 percent at December 31, 2024 primarily due to customers in our Agribusiness operating segment that transferred to Substandard status. Nonaccrual loans, which are classified as Substandard and Doubtful loans, were 0.37 percent of total loans at December 31, 2025, compared to 0.24 percent at December 31, 2024 due to agribusiness and communications customers that transferred to nonaccrual during 2025 partially offset by charge-offs, loan payoffs and sales. We believe credit quality deterioration in the future is possible due to market factors impacting our customers. Such factors include trade, tariff and economic uncertainty, an ongoing volatile agricultural commodity price environment, labor shortages, inflation, elevated level of interest rates, weather related events, as well as instability in the Middle East. In addition, concentrations within our loan portfolio can cause the level of our loan quality, nonaccrual loans, charge-offs and provisions for credit losses or credit loss reversals to vary significantly from period to period.

### Loan Quality Ratios

	December 31, 2025			December 31, 2024		
	Wholesale Loans	Commercial Loans	Total	Wholesale Loans	Commercial Loans	Total
Acceptable	100.00 %	94.78 %	97.55 %	100.00 %	95.39 %	97.82 %
Special Mention	—	2.68 %	1.26 %	—	2.84 %	1.34 %
Substandard	—	2.46 %	1.15 %	—	1.71 %	0.81 %
Doubtful	—	0.08 %	0.04 %	—	0.06 %	0.03 %
Loss	—	—	—	—	—	—
<b>Total</b>	<b>100.00 %</b>	<b>100.00 %</b>	<b>100.00 %</b>	<b>100.00 %</b>	<b>100.00 %</b>	<b>100.00 %</b>

## BALANCE SHEET INFORMATION

(period-end)	December 31, 2025		December 31, 2024	
(\$ in millions)	(Unaudited)			
Loans	\$	166,880	\$	158,859
Less: Allowance for loan losses		725		733
Net loans		166,155		158,126
Cash and cash equivalents		972		823
Federal funds sold and other overnight funds		3,955		3,490
Investment Securities (net of allowance of \$1 million at December 31, 2025 and December 31, 2024)		49,489		43,407
Accrued interest receivable		1,118		1,077
Interest rate swaps and other derivatives		456		464
Other assets		1,332		1,187
Total assets	\$	223,477	\$	208,574
Bonds and notes	\$	205,454	\$	191,621
Accrued interest payable		1,251		1,356
Interest rate swaps and other derivatives		576		702
Reserve for unfunded commitments		62		59
Patronage payable		935		900
Other liabilities		1,161		1,074
Total liabilities		209,439		195,712
Shareholders' equity		14,038		12,862
Total liabilities and shareholders' equity	\$	223,477	\$	208,574

## STATEMENT OF INCOME INFORMATION

(\$ in millions)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
	(Unaudited)		(Unaudited)	
Interest income	\$	2,454	\$	2,457
Interest expense		1,911		1,952
Net interest income		543		505
Provision for credit losses		70		43
Net interest income after provision for credit losses		473		462
Noninterest income		145		117
Operating expenses		159		160
Provision for income taxes		32		21
Net income	\$	427	\$	398
			\$	1,667
			\$	1,635

## 2025 EARNINGS WEBCAST AND CONFERENCE CALL

The bank will hold its annual year-end earnings conference call and webcast at 12:30 pm Mountain Time on Friday, February 27, 2026. The 60-minute call will feature a presentation of 2025 financial highlights and remarks from CoBank Chief Executive Officer Thomas Halverson, Chief Financial Officer Sean Burke and Board Chair Brandon Wittman. Customer-owners and other participants will be able to submit questions during the call.

To join the earnings call, visit <https://cobank.com/2025EarningsWebinar>.

## CUSTOMER MEETINGS

CoBank will provide more information about its 2025 financial results at its annual series of regional customer meetings, which take place in March and April 2026. Managers and directors of any CoBank borrower are invited to attend these meetings, as are representatives of Farm Credit institutions.

For details about the meeting program, please visit the bank's events page at [www.cobank.com/events](http://www.cobank.com/events). Please note that more details and registration are available for each meeting approximately four weeks prior to the meeting date.

## ABOUT COBANK

CoBank is a cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving almost 80,000 farmers, ranchers and other rural borrowers in 23 states around the country. CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture, rural infrastructure and rural communities. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

## FORWARD-LOOKING STATEMENTS

Certain of the statements contained in this news release that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our actual results may differ materially and adversely from our expectations expressed in any forward-looking statements. Forward-looking statements are typically identified by words such as "believe," "expect," "anticipate," "intend," "estimate," "plan," "project," "target," "may," "will," "should," "would," "could," or similar expressions. Although we believe that the information expressed or implied in such forward-looking statements is reasonable, we can give no assurance that such projections and expectations will be realized or the extent to which a particular plan, projection or expectation may be realized.

These forward-looking statements are based on current knowledge and subject to risks and uncertainties. We encourage you to read our Annual Report and Quarterly Reports located on the bank's website at [www.cobank.com](http://www.cobank.com). We undertake no obligation to revise or publicly update our forward-looking statements for any reason.

For more information about CoBank, visit [www.cobank.com](http://www.cobank.com).

## MEDIA CONTACTS

### Julie Davis

Director, Corporate Communications  
202-215-1354  
[judavis@cobank.com](mailto:judavis@cobank.com)