THIRD QUARTER FINANCIAL RESULTS | 2026

KEY FINANCIAL DATA

($ in millions)	Three Months Ended September 30,		Nine Months Ended September 30,	
INCOME STATEMENT	**2026**	**2025**	**2026**	**2025**
Net interest income	$ 562	$ 512	$ 1,679	$ 1,547
Provision for credit losses	60	30	102	129
Noninterest income	126	134	391	388
Operating expenses	157	149	478	453
Provision for income taxes	45	38	134	113
Net income	426	429	1,356	1,240

BALANCE SHEET (period-end)	**September 30, 2026**	**December 31, 2025**
Total loans	$ 165,023	$ 166,880
Total assets	217,314	223,477
Shareholders' equity	14,660	14,038

	Three Months Ended September 30,		Nine Months Ended September 30,	
PROFITABILITY METRICS	**2026**	**2025**	**2026**	**2025**
Net interest margin	1.04 %	0.99 %	1.03 %	0.99 %
Return on average common equity	12.40 %	13.73 %	13.60 %	13.74 %
Return on average assets	0.78 %	0.81 %	0.82 %	0.79 %
Operating expense ratio (excluding insurance fund premiums)	21.81 %	22.05 %	22.03 %	22.39 %

MANAGEMENT COMMENTARY

"CoBank continues to deliver strong financial performance despite uncertainty in the operating environment and elevated levels of credit stress in a number of sectors we finance. The bank remains focused on supporting our customer-owners and fulfilling our mission in rural America."

*– **Thomas Halverson**, CEO, CoBank*

"Solid growth in average loans and net interest income helped quarterly earnings remain consistent with the prior year despite a higher provision for credit losses. Capital and liquidity remain well above regulatory minimums, contributing to the bank's strong overall financial position."

*– **Sean Burke**, CFO, CoBank*

HIGHLIGHTS

- Average loans increased 4% year-over-year in Q3 and YTD. Loans outstanding totaled $165.0 billion at September 30, 2026
  - Growth in year-over-year Q3 and YTD average loans across all three segments
- Net income for Q3 decreased 1% to $426 million compared to $429 million in Q3 2025 and increased 9% YTD to $1.356 billion compared to $1.240 billion in the prior year period
  - Q3 decrease resulted from higher provisions for credit losses and income taxes, increased operating expenses and lower noninterest income, partially offset by higher net interest income
  - YTD increase due to higher net interest income and a lower provision for credit losses, partially offset by higher operating expenses and income taxes
- Net interest income in Q3 increased 10% to $562 million from $512 million in Q3 2025 and YTD increased 9% to $1.679 billion from $1.547 billion in the prior year period primarily driven by higher average loans and an improvement in net interest margin
- Net interest margin YTD was 1.03%, compared to 0.99% in the same period in 2025
- Provision for credit losses in Q3 was $60 million compared to $30 million in Q3 2025 and YTD was $102 million compared to $129 million in the prior year period
  - Higher Q3 provision primarily resulted from credit quality deterioration within certain sectors of our Agribusiness and Rural Infrastructure operating segments that resulted in higher modeled credit losses and specific reserves
  - Lower YTD provision was due to elevated charge-offs and specific reserves in the prior period which required a higher level of credit loss provisioning
- Noninterest income decreased $8 million in Q3 2026 and increased $3 million YTD compared to the same periods in 2025
  - Q3 decrease was primarily due to lower loan-related fee income, patronage income, and customer derivative income, partially offset by gains on early extinguishments of debt
  - YTD increase driven by higher return of excess insurance funds from the Farm Credit System Insurance Corporation and gains on early extinguishments of debt, partially offset by decreased patronage income and a loss on sale of loans
- Operating expenses increased 5% or $8 million in Q3 2026 and increased 6% or $25 million YTD compared to the same periods in 2025
  - Q3 and YTD increases were primarily due to higher employee compensation and information services expense
- Capital and liquidity levels remain strong and were in excess of regulatory minimums as of September 30, 2026
  - Total shareholders' equity was $14.7 billion at September 30, 2026 and increased from year end, primarily due to current period earnings and the issuance of preferred stock, partially offset by accrued patronage and an increase in accumulated other comprehensive loss
  - Total capital ratio was 15.10%, compared with the 8.0% minimum
  - 182 days of liquidity, compared with the 90-day minimum

OPERATING SEGMENTS

($ in millions)	Agribusiness		Rural Infrastructure		Farm Credit Banking		Total	
Three Months Ended September 30,	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Average loans	$ 38,894	$ 37,948	$ 36,986	$ 35,262	$ 88,096	$ 84,760	$ 163,976	$ 157,970
Net income	175	190	159	163	92	76	426	429
Nine Months Ended September 30,	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Average loans	$ 41,905	$ 41,580	$ 36,571	$ 34,930	$ 88,066	$ 83,821	$ 166,542	$ 160,331
Net income	599	539	496	471	261	230	1,356	1,240

	2026	**2025**	**2026**	**2025**	**2026**	**2025**	**2026**	**2025**
Period-end loans								
September 30, 2026 and December 31, 2025	$ 39,063	$ 42,144	$ 37,160	$ 35,893	$ 88,800	$ 88,843	$ 165,023	$ 166,880

NET INTEREST INCOME AND NET INTEREST MARGIN

Net interest income increased $132 million, or 9 percent, to $1.679 billion for the nine months ended September 30, 2026 as compared to $1.547 billion for the same period in 2025. The increase was primarily driven by higher average interest-earning assets and interest rate spread. Yields on interest-earning assets declined, reflecting lower loan yields and a higher proportion of investment securities, however, this was more than offset by a decrease in funding costs, resulting in an increase in interest rate spread. The impact of noninterest-bearing funding sources, principally equity, declined slightly and net interest margin increased to 1.03 percent for the nine months ended September 30, 2026 compared to 0.99 percent for the same period in 2025.

Net Interest Margin and Net Interest Income

Nine Months Ended	September 30, 2026			September 30, 2025		
($ in millions)	Average Balance	Average Rate	Interest Income/Expense	Average Balance	Average Rate	Interest Income/Expense
Interest-earning assets						
Loans	$ 166,542	4.61 %	$ 5,753	$ 160,331	5.00 %	$ 5,995
Investments	49,196	3.80 %	1,403	46,099	3.87 %	1,332
Federal funds sold and other overnight funds	1,911	3.66 %	53	1,837	4.36 %	60
Total	217,649	4.42 %	7,209	208,267	4.74 %	7,387
Interest-bearing liabilities	201,926	3.65 %	5,530	193,876	4.03 %	5,840
Interest rate spread		0.77 %			0.71 %	
Impact of equity financing	14,515	0.26 %		13,132	0.28 %	
Net interest margin & net interest income		1.03 %	$ 1,679		0.99 %	$ 1,547

CREDIT QUALITY

Notwithstanding some credit quality deterioration, our overall loan quality measures remain manageable at September 30, 2026. Special Mention loans were 1.07 percent of total loans at September 30, 2026 compared to 1.26 percent of total loans at December 31, 2025. The level of adversely classified loans ("Substandard", "Doubtful" and "Loss") as a percent of total loans increased to 1.31 percent at September 30, 2026 compared to 1.19 percent at December 31, 2025 primarily due to agribusiness and communications customers that were transferred to Substandard status. Nonaccrual loans, which are classified as Substandard and Doubtful loans, were 0.39 percent of total loans at September 30, 2026, compared to 0.37 percent at December 31, 2025. We believe credit quality deterioration in the future is possible due to market factors impacting our customers. Such factors include the macroeconomic environment, geopolitical and other disruptions related to the war in Ukraine and conflict involving Iran, higher oil, gas and fertilizer prices, transportation availability and costs, trade, tariff and economic uncertainty, an ongoing volatile agricultural commodity price environment, labor shortages, inflation, elevated interest rates, weather related events, and a significant level of industry, borrower and attributed concentration risk resulting from our defined mission of service to rural communities and agriculture. 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

	September 30, 2026			December 31, 2025		
	Wholesale Loans	Commercial Loans	Total	Wholesale Loans	Commercial Loans	Total
Acceptable	100.00 %	94.86 %	97.62 %	100.00 %	94.78 %	97.55 %
Special Mention	—	2.31 %	1.07 %	—	2.68 %	1.26 %
Substandard	—	2.76 %	1.28 %	—	2.46 %	1.15 %
Doubtful	—	0.07 %	0.03 %	—	0.08 %	0.04 %
Loss	—	—	—	—	—	—
Total	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %

BALANCE SHEET INFORMATION

(period-end)	September 30, 2026	December 31, 2025
($ in millions)	(Unaudited)	
Loans	$ 165,023	$ 166,880
Less: Allowance for loan losses	804	725
Net loans	164,219	166,155
Cash and cash equivalents	333	972
Federal funds sold and other overnight funds	1,504	3,955
Investment securities	48,447	49,489
Interest rate swaps and other derivatives	460	456
Accrued interest receivable and other assets	2,351	2,450
Total assets	$ 217,314	$ 223,477
Bonds and notes	$ 198,294	$ 205,454
Interest rate swaps and other derivatives	1,154	576
Reserve for unfunded commitments	51	62
Patronage payable	654	935
Accrued interest payable and other liabilities	2,501	2,412
Total liabilities	202,654	209,439
Shareholders' equity	14,660	14,038
Total liabilities and shareholders' equity	$ 217,314	$ 223,477

STATEMENT OF INCOME INFORMATION

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
($ in millions)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest income	$ 2,389	$ 2,472	$ 7,209	$ 7,387
Interest expense	1,827	1,960	5,530	5,840
Net interest income	562	512	1,679	1,547
Provision for credit losses	60	30	102	129
Net interest income after provision for credit losses	502	482	1,577	1,418
Noninterest income	126	134	391	388
Operating expenses	157	149	478	453
Provision for income taxes	45	38	134	113
Net income	$ 426	$ 429	$ 1,356	$ 1,240

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. We undertake no obligation to revise or publicly update our forward-looking statements for any reason.

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.

For more information about CoBank, visit www.cobank.com.

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