



Investor Presentation

February 2026

Forward-Looking Statements and Disclaimers

This presentation contains certain statements that are considered forward-looking statements within the Securities Act of 1933, as amended, and the Exchange Act of 1934, as amended. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies and expectations are generally identified by our use of words as “intend”, “plan”, “may”, “should”, “will”, “project”, “estimate”, “anticipate”, “target”, “believe”, “expect”, “forecast”, “continue”, “potential”, “opportunity”, “outlook” and similar expressions, whether in the negative or affirmative. All statements about future expectations or projections are forward-looking statements. Although we believe that the expectations reflected in our forward-looking statements are based on reasonable assumptions, actual results and performance may differ materially from our forward-looking statements. Factors that could cause future results to vary from our forward-looking statements about our current expectations are included in our annual and quarterly periodic reports filed with the U.S. Securities and Exchange Commission. Except as required by law, we undertake no obligation to update or publicly release any revisions to forward-looking statements to reflect events, circumstances or changes in expectations after the date on which the statement is made.

This presentation shall not constitute an offer to sell or the solicitation of an offer to buy securities nor shall there be any sale of any securities in any state in which such solicitation or sale would be unlawful prior to registration or qualification of these securities under the laws of any such state. National Rural Utilities Cooperative Finance Corporation (the “Company” or “CFC”) has filed a registration statement (including a prospectus) with the U.S. Securities and Exchange Commission (the “SEC”) with respect to which this communication relates. Before investing in any securities that the Company may offer, you should read the prospectus in that registration statement and the other documents the Company has filed with the SEC for more complete information about the Company and any potential offering. You may get these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>. Alternatively, you may request to have the prospectus and related prospectus supplement sent to you by calling the Company at 800-424-2954, or by calling any underwriter or dealer participating in any offering.

Non-GAAP Financial Measures and Market Data

The information in this presentation includes non-GAAP financial measures. Please refer to our Form 10-K for the Fiscal Year ended May 31, 2025, and our form 10-Q for the Quarter ended November 30, 2025, each as filed with the SEC, to find what we consider the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles in the U.S. ("GAAP") and for a discussion of why we believe our adjusted measures provide useful information in analyzing CFC's financial performance and the reconciliation to the most comparable GAAP measures. Market data and industry forecasts are used in this presentation, including data obtained from publicly available sources. These sources generally state that the information they provide has been obtained from sources believed to be reliable, but the accuracy and completeness of the information is not assured. The Company has not independently verified any such information. Certain figures have been rounded for ease of presentation and may not sum due to rounding.

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CFC: Created and Owned by America's Rural Electric
Cooperative Network

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BUSINESS OVERVIEW

Leadership

Service

Accuracy

Nurture and Develop New and Existing Relationships

Personal Accountability

Personal and Professional Development

Serving in Christ (Customer Service)

Integrity



About CFC

Created and Owned by America's Rural Electric
Cooperative Network

“

CFC is the largest private lender
in the electric cooperative industry.

”



Formed	1969
Entity Type	Tax-exempt, member-owned cooperative
Ownership	Created, owned and governed by rural electric cooperatives
Headquarters	Dulles, Virginia
Mission	Meet the financing and strategic services needs of the rural electric cooperative network today, tomorrow and into the future
Total Loans, Gross¹	\$37.8 Billion
Total Assets¹	\$39.1 Billion
Membership²	Primarily 842 electric distribution cooperatives and 68 power supply cooperatives

¹ As of 11/30/2025

² As of 5/31/2025

Company Overview

CFC Member-Owners

Distribution Cooperatives

Most electric cooperatives are distribution utilities purchasing wholesale power from other generation and transmission cooperatives to distribute over their own lines to the ultimate customer.

Power Supply Cooperatives

Transmission cooperatives carry high-voltage electricity from generation facilities over long distances. Power supply cooperatives provide both generation and transmission functions.

Statewide & Associations

Most states have statewide associations supported by local cooperatives in that state. They provide a variety of training, policy and coordination services and legislative representation for members.



Management Agreement

CFC Affiliate



National Cooperative Services Corporation

Affiliated business line for providing financing to CFC members and their affiliates as well as lending to rural telephone companies and their affiliates.

Credit Ratings¹

	Fitch Ratings	MOODY'S	S&P Global
Last Credit Opinion →	9/23/25	2/21/25	11/24/25
ISSUER RATING	A	A2	A-
COMMERCIAL PAPER Offer a direct general corporate obligation of CFC with backup lines of credit provided by a group of banks.	F1	P-1	N/A²
RATINGS OUTLOOK	Stable	Stable	Stable

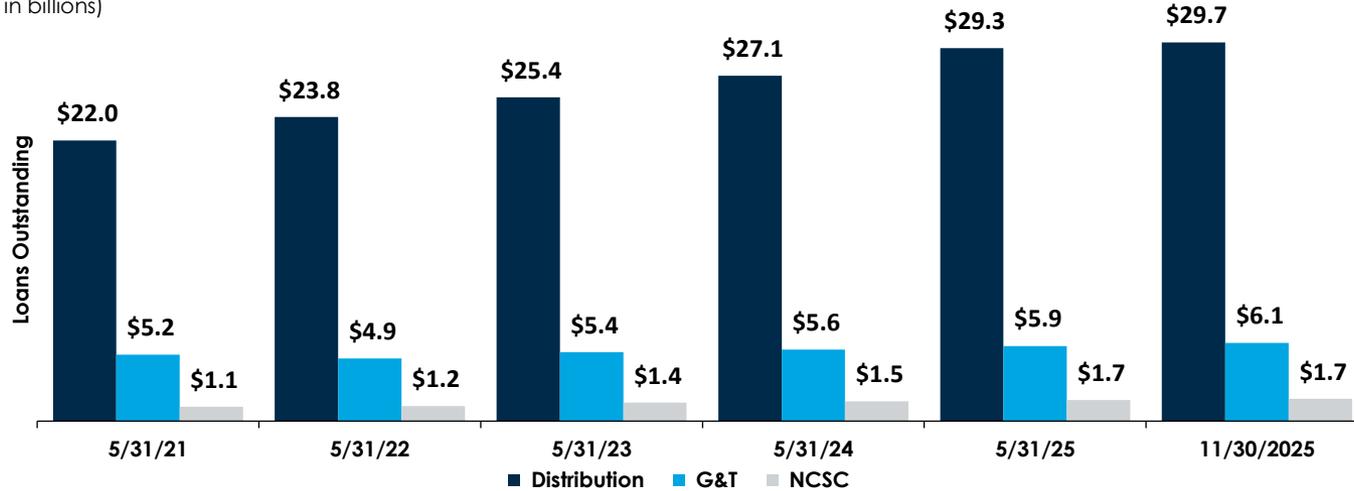
¹ A Securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

² On June 2nd, 2025, at our request, S&P Global withdrew its "A-2" short-term issuer rating on CFC's commercial paper program.

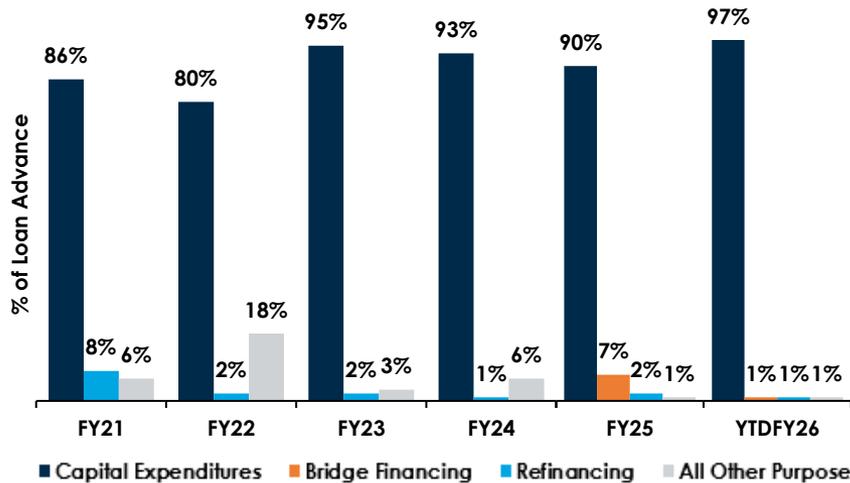
Focus on Electric Lending – Largest Private Lender

CFC Loans Outstanding¹

(\$ in billions)

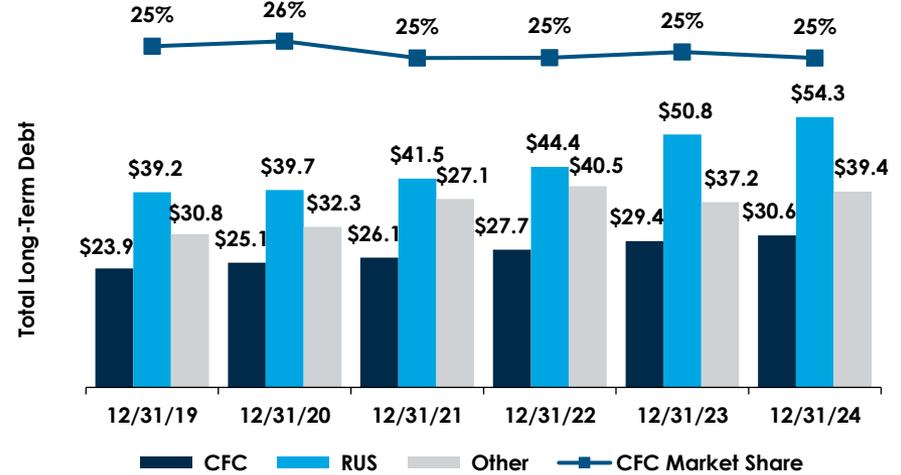


CFC Long-Term Loan Advances by Purpose



Electric Cooperatives Total Long-Term Debt by Lender²

(\$ in billions)

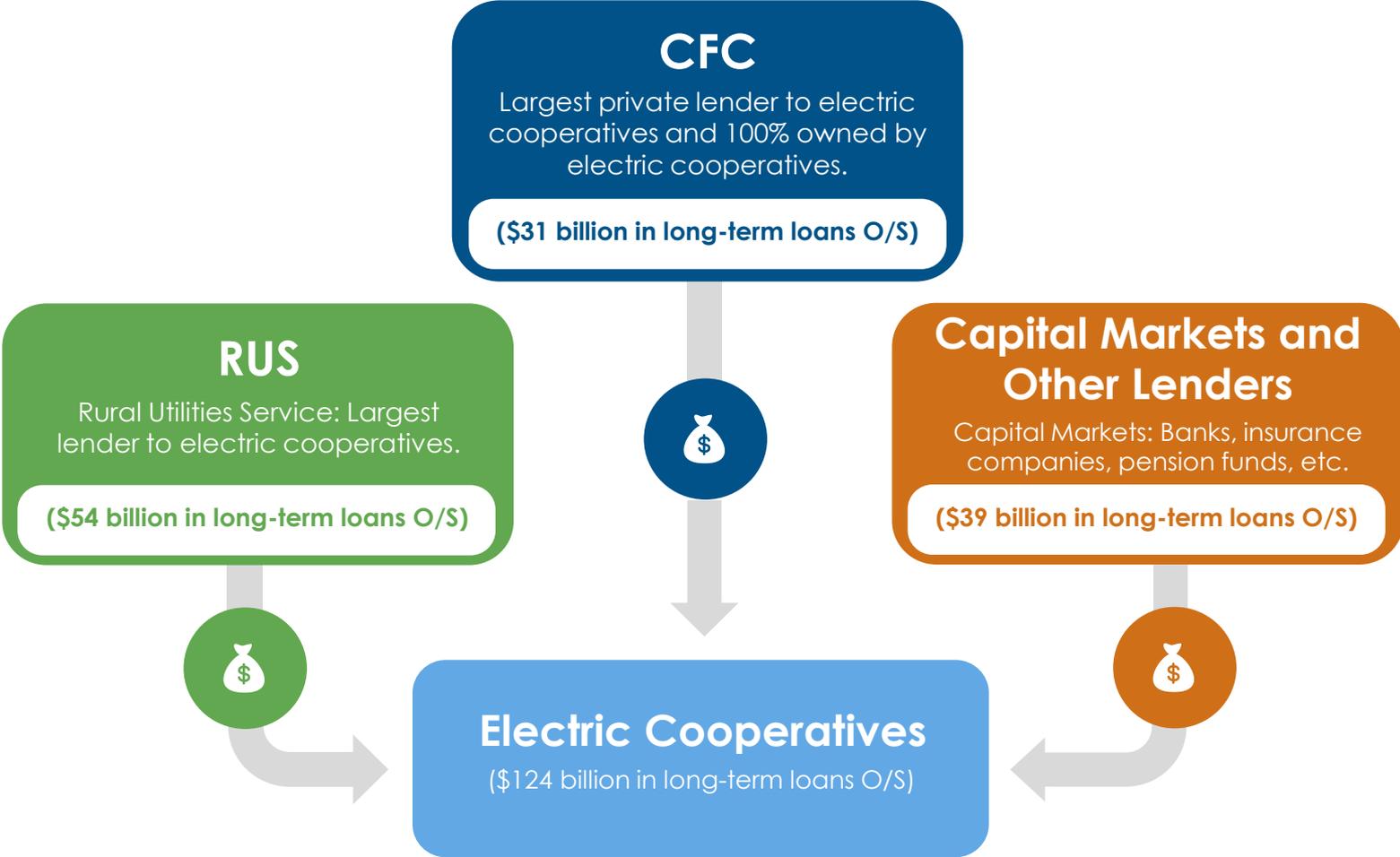


¹ Does not include statewide and associate member class.

² Amounts for debt held by RUS and other lenders are based on member-provided information. Source FY2025 Form 10-K.

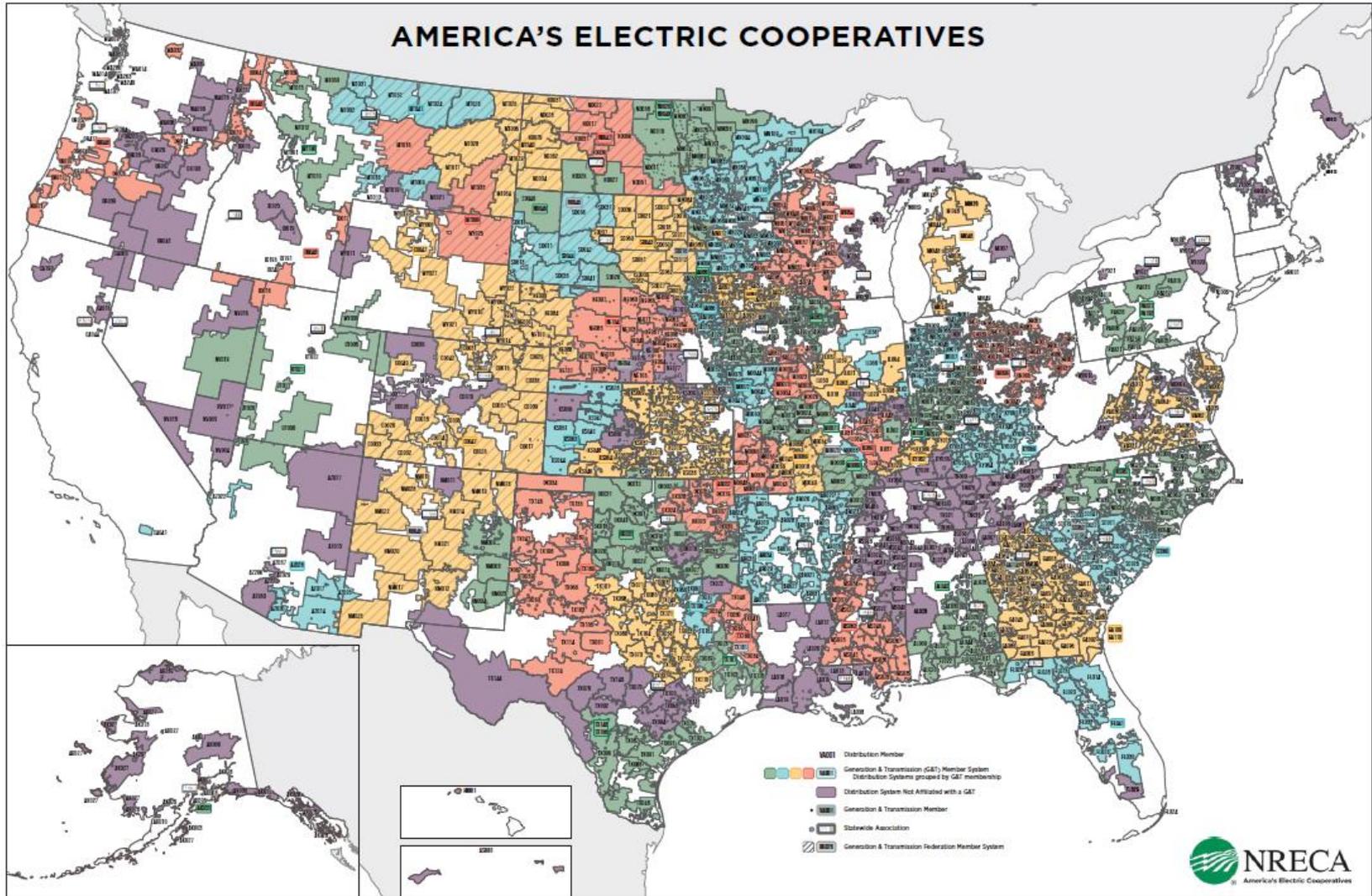
Electric Cooperative Lending Landscape

Data as of 12/31/2024; reported amounts are based on Form 10-K information.



Distribution Cooperative Members

842 Distribution Members as of 5/31/2025



Consolidated Loans Outstanding by State & Territory at May 31, 2025

State/Territory	Loan Balance (\$ in 000s)	Loan Balance %	Number of Borrowers
Texas	\$6,105,476	16.47%	68
Georgia	\$2,207,426	5.96%	45
Missouri	\$2,075,820	5.60%	44
Florida	\$2,001,653	5.40%	21
Colorado	\$1,768,284	4.77%	27
Indiana	\$1,591,858	4.30%	41
Arkansas	\$1,350,241	3.64%	24
Kansas	\$1,225,842	3.30%	27
Oklahoma	\$1,194,907	3.22%	26
South Carolina	\$1,170,561	3.16%	22
Illinois	\$1,157,945	3.12%	29
Alaska	\$1,097,846	2.96%	16
North Carolina	\$1,025,502	2.77%	26
Alabama	\$952,814	2.57%	22
North Dakota	\$893,079	2.41%	16
Kentucky	\$891,491	2.41%	22
Michigan	\$838,465	2.26%	11
Iowa	\$821,931	2.22%	37
Ohio	\$725,133	1.96%	26
Mississippi	\$706,210	1.90%	21
Wisconsin	\$659,982	1.78%	27
Minnesota	\$630,533	1.70%	45
Pennsylvania	\$619,077	1.67%	13
Louisiana	\$616,731	1.66%	10
Maryland	\$492,104	1.33%	2

State/Territory	Loan Balance (\$ in 000s)	Loan Balance %	Number of Borrowers
Arizona	\$470,011	1.27%	12
Oregon	\$443,013	1.20%	19
Tennessee	\$362,578	0.98%	24
Virginia	\$343,388	0.93%	19
Wyoming	\$325,065	0.88%	10
Montana	\$319,954	0.86%	22
Washington	\$315,626	0.85%	11
South Dakota	\$262,351	0.71%	28
Utah	\$232,331	0.63%	4
New Hampshire	\$224,041	0.60%	2
Nevada	\$196,511	0.53%	7
New York	\$171,377	0.46%	17
Idaho	\$132,578	0.36%	12
Hawaii	\$76,847	0.20%	2
Massachusetts	\$60,000	0.16%	1
Vermont	\$59,927	0.16%	4
Delaware	\$53,037	0.14%	3
New Mexico	\$50,775	0.14%	11
California	\$49,012	0.13%	4
Nebraska	\$35,956	0.10%	11
New Jersey	\$22,428	0.06%	2
Maine	\$17,556	0.05%	3
West Virginia	\$9,166	0.03%	2
Rhode Island	\$9,113	0.03%	1
Total	\$37,063,548	100%	899

Top 10 States - FY24-25 Loan Growth

State/Territory	FY24-FY25 Loan Growth (\$ in 000s)	% of FY25 Total Loan Growth
Florida	\$629,763	24.84%
Texas	\$336,935	13.29%
Georgia	\$278,459	10.98%
Indiana	\$256,456	10.12%
South Carolina	\$203,296	8.02%
Michigan	\$183,763	7.25%
Missouri	\$104,922	4.14%
Kansas	\$93,727	3.70%
North Carolina	\$87,522	3.45%
Illinois	\$80,367	3.17%
All Other States	\$280,156	11.05%
Total Loan Growth	\$2,535,364	100.00%

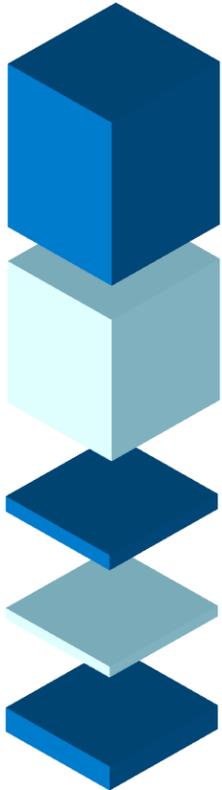
Loans Outstanding to 20 Largest Borrowers

	Amount	% of Total
Loans Outstanding	\$7.149 billion	19%
(Less Loans covered under Farmer Mac Agreement)	(\$155) million	<-1%
Net Loans Outstanding Exposure	\$6.994 billion	19%

CFC Capital Structure

As of 11/30/2025

CFC's Members' Subordinated Certificates are subordinated to all CFC senior secured, senior unsecured and nonmember subordinated debt issuances.



Senior Secured Debt (o/s) (including Collateral Trust Bonds, Farmer Mac Notes, GUP Notes)
\$16,514 million

Senior Unsecured Debt (o/s) (including Medium Term Notes, Commercial Paper, Daily Liquidity Funds, Select Notes)
\$16,639 million

Subordinated Deferrable Notes (o/s)
\$1,307 million

Members' Subordinated Certificates (o/s): Membership Subordinated Certificates (**\$627 million**), Loans & Guarantee Subordinated Certificates (**\$263 million**), Member Capital Securities (**\$247 million**)
\$1,137 million

Members' Equity
\$2,642 million

\$3.8
billion of
cushion

CFC Corporate Responsibility

CFC's LEED Gold-certified building and 42-acre ecofriendly campus serve as CFC's headquarters. CFC has installed electric charging stations at our headquarters.



\$262 Million contributed to REDL&G¹ over the past 20 years.



Member Education through webinars and published CFC corporate responsibility content.



Sustainability Bonds proceeds fund loans for rural broadband and renewable energy projects.



Corporate Citizenship Report published in June 2025.



Sustainability Bond Report published in August 2021 and 2023.

A blue-tinted photograph of a business meeting. In the foreground, a person's hands are visible, one holding a pen and the other a tablet. On the table, there is a glass of water with ice and a document with a colorful bar chart. The background shows another person in a suit. The overall scene is professional and focused on business operations.

FINANCIAL HIGHLIGHTS

Financial Highlights

(as of November 30, 2025, unless otherwise noted)



Growing Balance Sheet

- Loans to members totaled \$37.8 billion, a \$762 million or 2% increase from FYE25
- Mainly long-term, fixed-rate, secured utility loans

High Quality Loan Portfolio



- Historically limited levels of charge-offs, loan defaults, nonperforming loans, and delinquencies
- Geographically diverse borrower base with 98% loans to electric utilities



Strong Financial Metrics

- Adjusted TIER of 1.16x for 2QFY26
- Members' equity over \$2.6 billion

Diverse Funding Sources & Healthy Liquidity

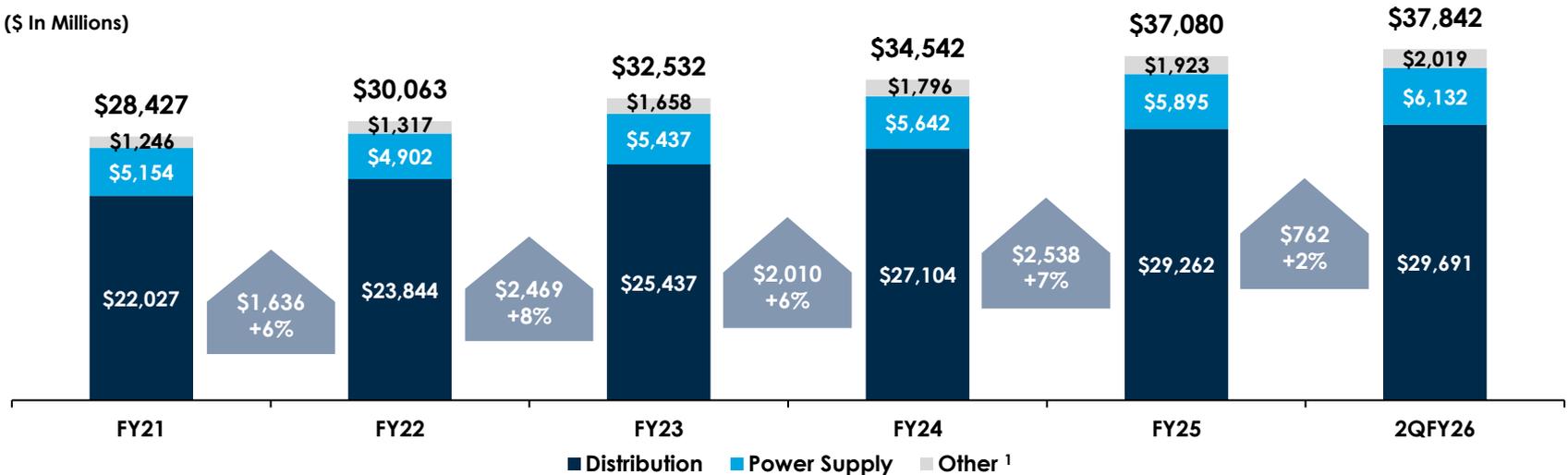


- Diversified liquidity sources supported by cash, investments, committed bank lines, Guaranteed Underwriter Program (GUP), and Farmer Mac

Loans to Members: Robust Loan Growth

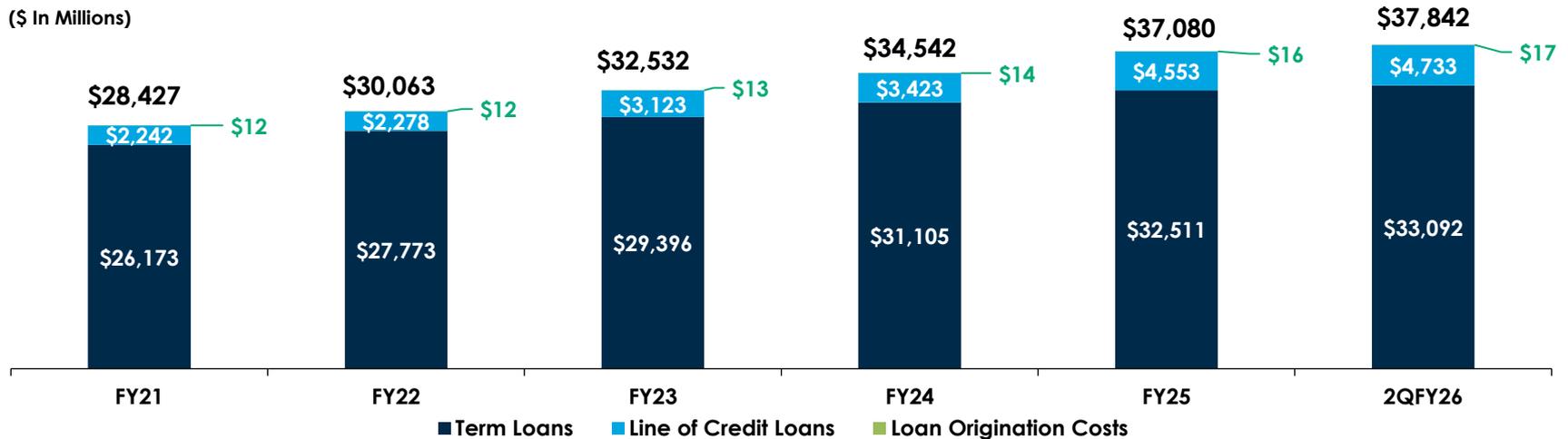
Loans to Members by Member Class

(\$ In Millions)



Loans to Members by Type

(\$ In Millions)

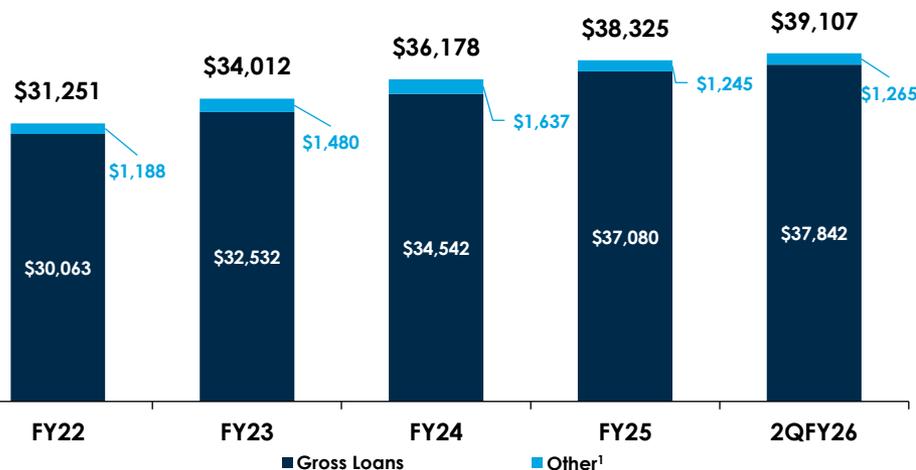


¹ Other includes Statewide and Associate, NCSC Electric, NCSC Telecom, and Deferred Loan Origination Cost.

Balance Sheet: Sound Capital Structure

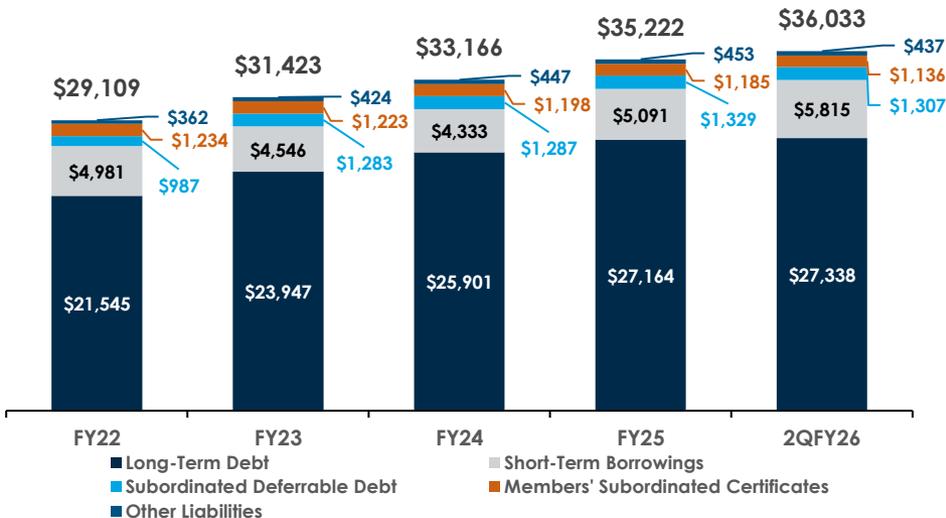
Total Assets (\$ in millions)

\$7,856 million, or 25%, increase from FY2022 to 2QFY26



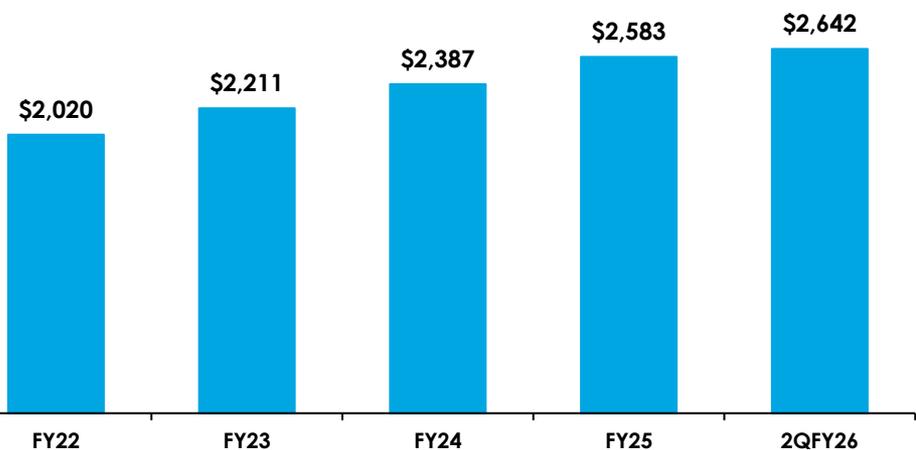
Total Liabilities (\$ in millions)

\$6,924 million, or 24%, increase from FY2022 to 2QFY26



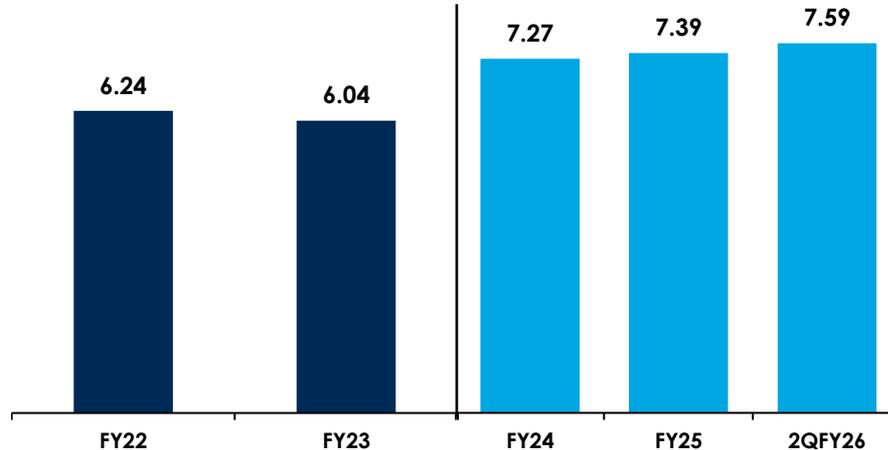
Members' Equity (\$ in millions)²

\$622 million, or 31%, increase from FY2022 to 2QFY26



Adjusted Debt-to-Equity Ratio^{2,3}

0.32, or 4%, increase from FY2024 to 2QFY26



¹ Other includes Investment, Cash, Allowance for Loan Losses and other assets.

² Refer to Appendix for non-GAAP reconciliations.

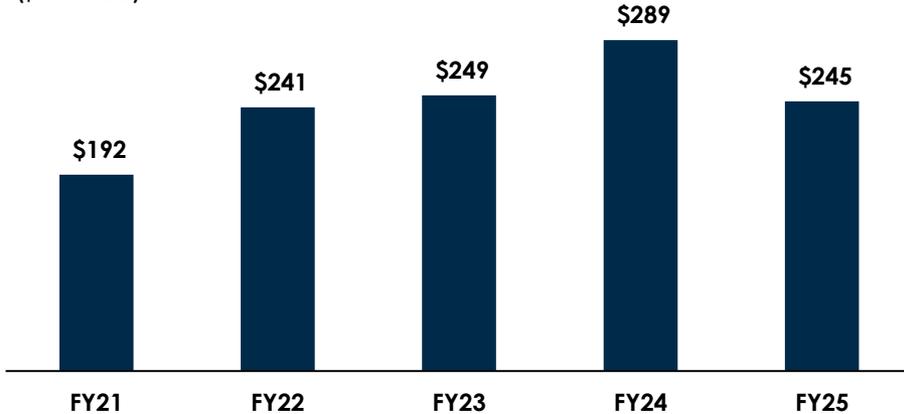
³ Adjusted total liabilities divided by adjusted total equity for FY2022 and FY2023. Adjusted total debt outstanding divided by adjusted total equity for FY2024 through 2QFY26. During FY2025, we refined our methodology for calculating the adjusted debt-to-equity ratio and revised our internally established adjusted debt-to-equity threshold from 6-to-1 to 8.5-to-1. FY2024 has been recast to reflect the updated methodology. Refer to the Non-GAAP Financial Measures and Reconciliations in CFC's respective 10-K and 10-Q reports.

Income Statement: Solid Financial Performance

Adjusted Net Income ¹

\$53 million, or 28%, increase from FY2021 to FY2025

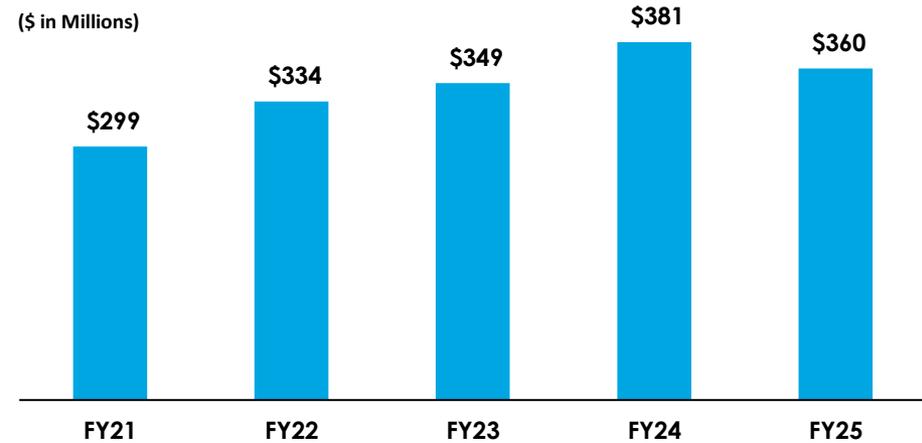
(\$ in Millions)



Adjusted Net Interest Income ¹

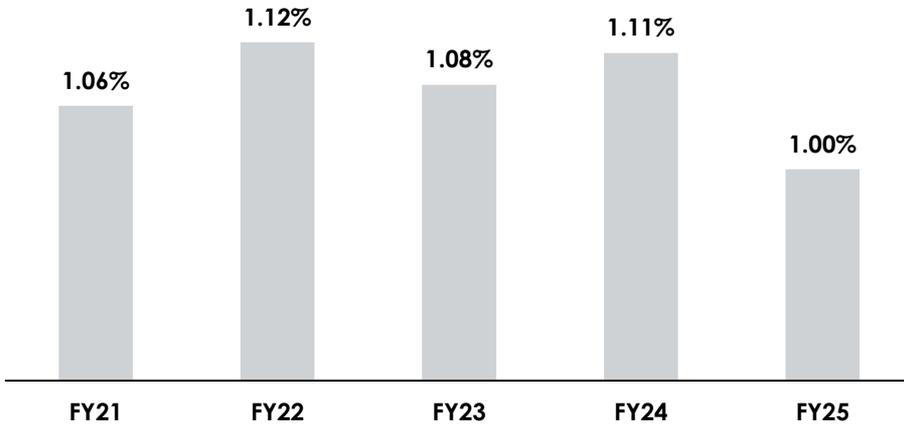
\$61 million, or 20%, increase from FY2021 to FY2025

(\$ in Millions)



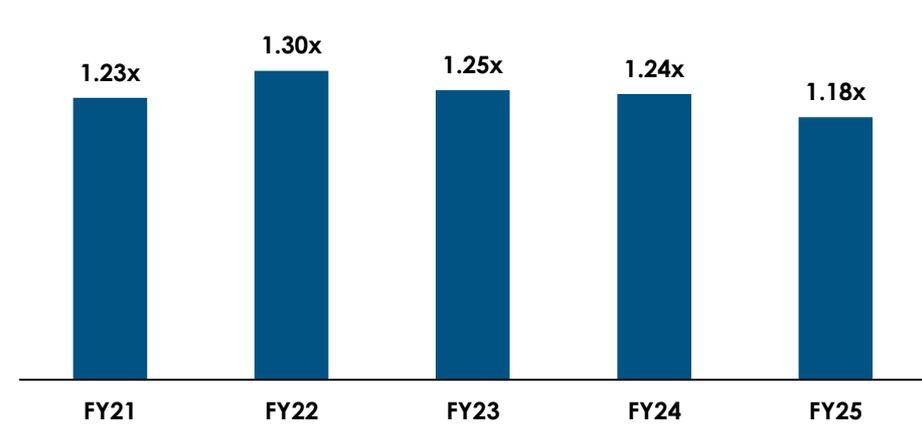
Adjusted Net Interest Yield ²

6bps, or 6%, decrease from FY2021 to FY2025



Adjusted TIER ³

0.05, or 4%, decrease from FY2021 to FY2025



¹ Refer to appendix for non-GAAP reconciliations.

² Adjusted Net Interest Yield is calculated based on annualized adjusted net interest income for the period divided by average interest-earning assets for the period. Refer to the appendix for non-GAAP reconciliations.

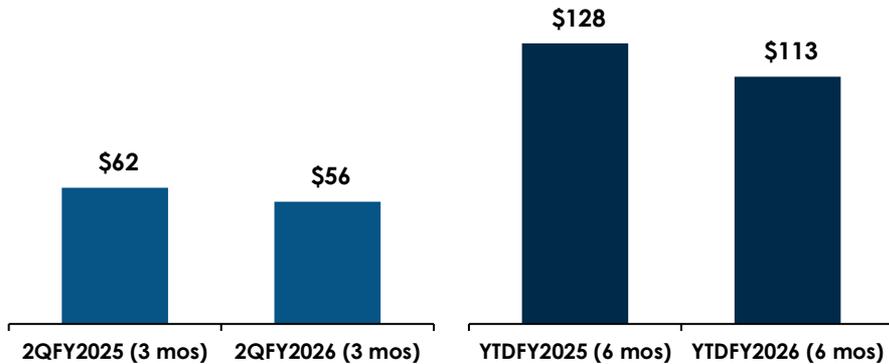
³ Adjusted TIER is calculated based on adjusted net income (loss) plus adjusted interest expense for the period divided by adjusted interest expense for the period. Refer to the Non-GAAP Financial Measures and Reconciliations in CFC's respective 10-K reports.

2QFY26 Income Statement

(\$ in Millions)

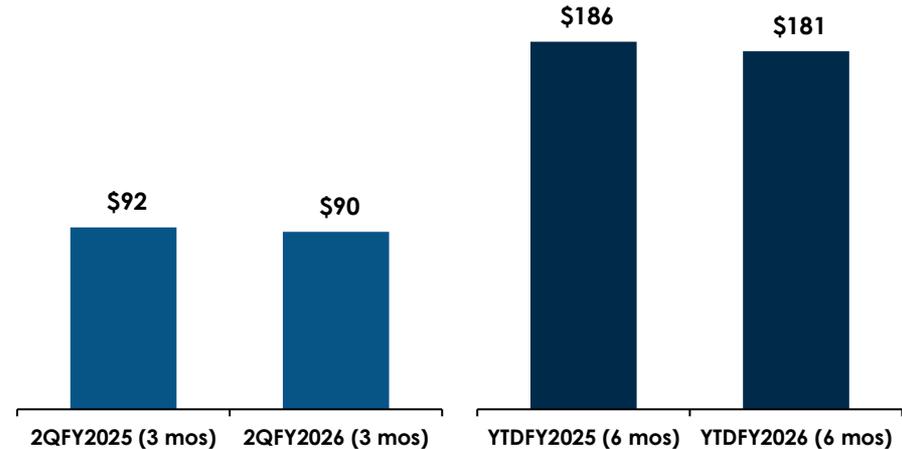
Adjusted Net Income ¹

3 mos: \$6 million, or 10%, decrease; 6 mos: \$15 million, or 12%, decrease



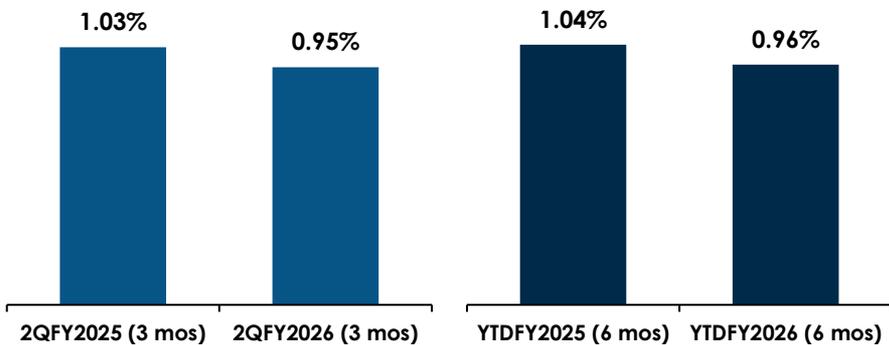
Adjusted Net Interest Income ¹

3 mos: \$2 million, or 2%, decrease; 6 mos: \$5 million, or 3%, decrease



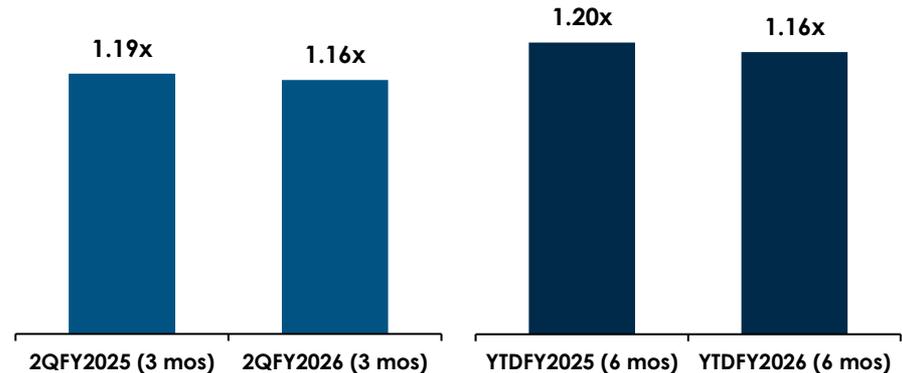
Adjusted Net Interest Yield ²

3 mos: 8bps, or 8%, decrease; 6 mos: 8bps, or 8%, decrease



Adjusted TIER ³

3 mos: 0.03, or 3%, decrease; 6 mos: 0.04, or 3%, decrease



¹ Refer to appendix for non-GAAP reconciliations.

² Adjusted Net Interest Yield is calculated based on annualized adjusted net interest income for the period divided by average interest-earning assets for the period. Refer to the appendix for non-GAAP reconciliations.

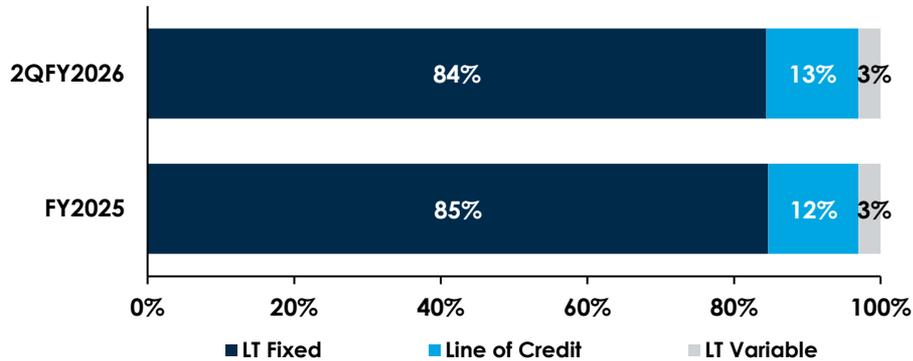
³ Adjusted TIER is calculated based on adjusted net income (loss) plus adjusted interest expense for the period divided by adjusted interest expense for the period. Refer to the Non-GAAP Financial Measures and Reconciliations in CFC's respective 10-K and 10-Q reports.

Long-Term, Fixed-Rate, Secured Electric Utility Loans

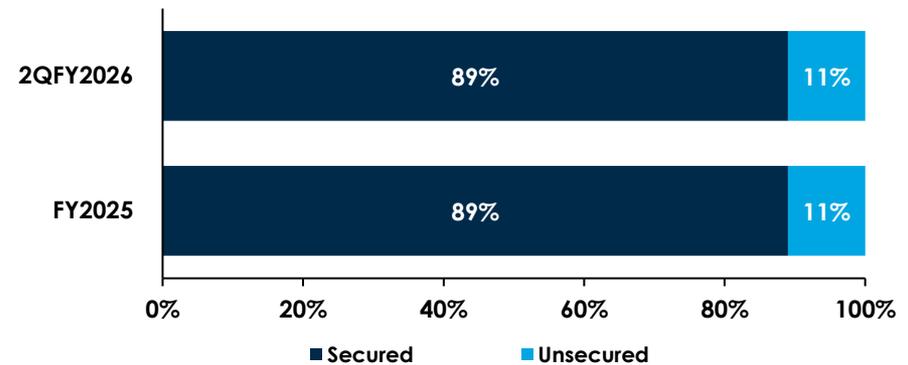
CFC's Electric Cooperative Borrower/Members

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

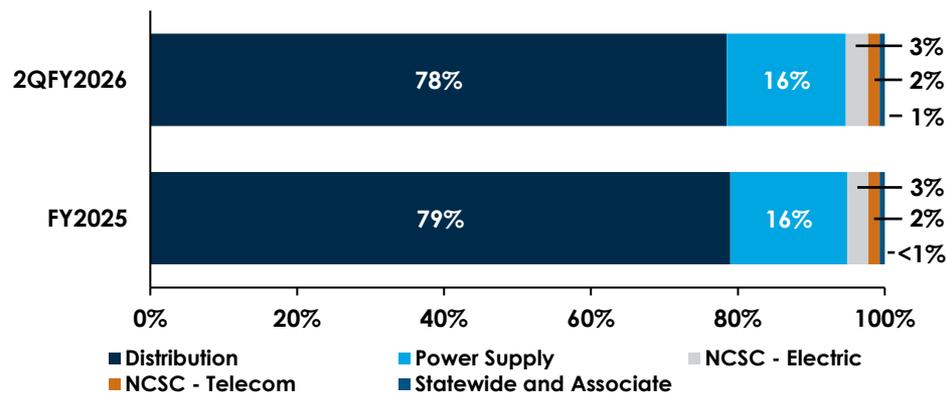
Loan Type



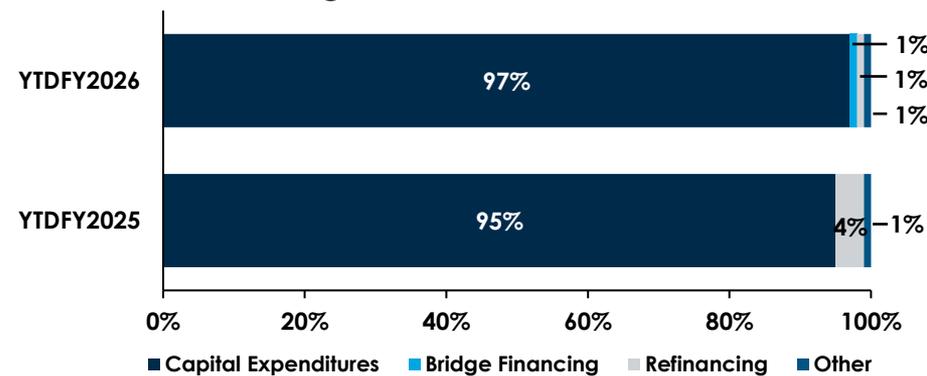
Secured vs. Unsecured



Member Class



Long-Term Loan Advances



Credit Performance



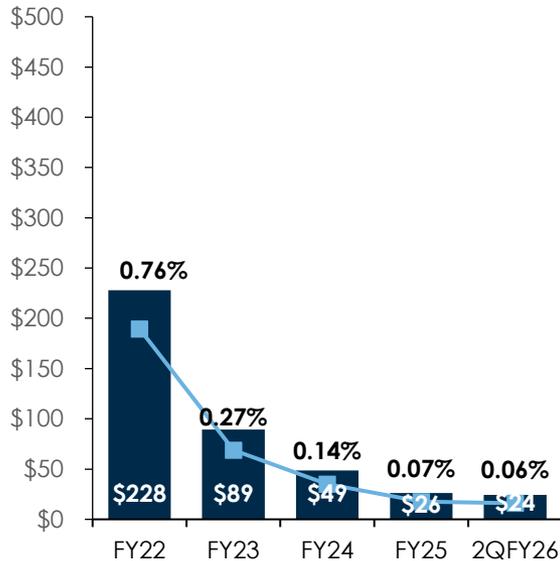
Historically, CFC has had limited levels of charge-offs, loan defaults, nonperforming loans and delinquencies.

Electric Portfolio: In its 56-year history, CFC had 18 defaults, which resulted in 8 losses with cumulative net charge-offs of \$100 million.



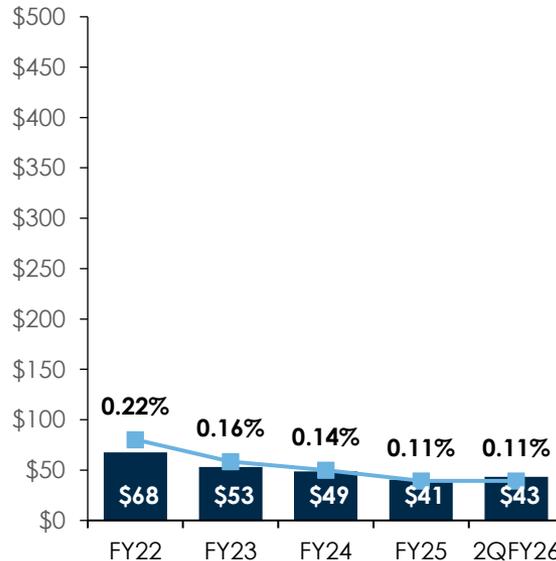
(\$ in Millions)

Nonperforming Loans ¹ / Total Loans Outstanding



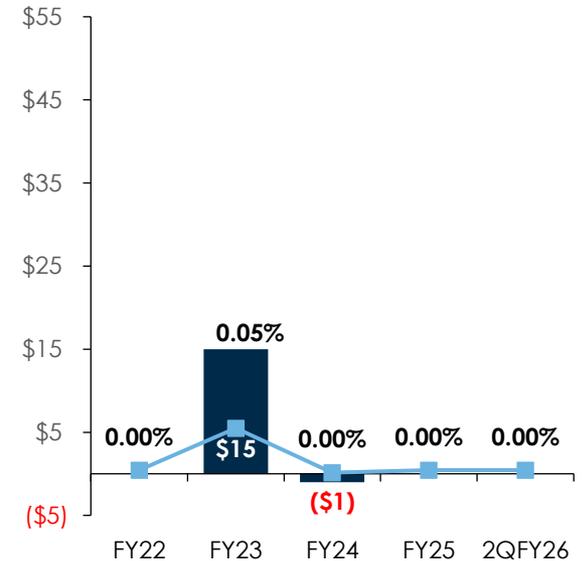
■ Nonperforming Loans
 —■ Nonperforming Loans / Total Loans Outstanding

Allowance for Credit Losses / Total Loans Outstanding



■ Allowance for Credit Losses
 —■ Allowance Coverage Ratio

Net Charge-Offs (Recoveries) / Average Loans Outstanding

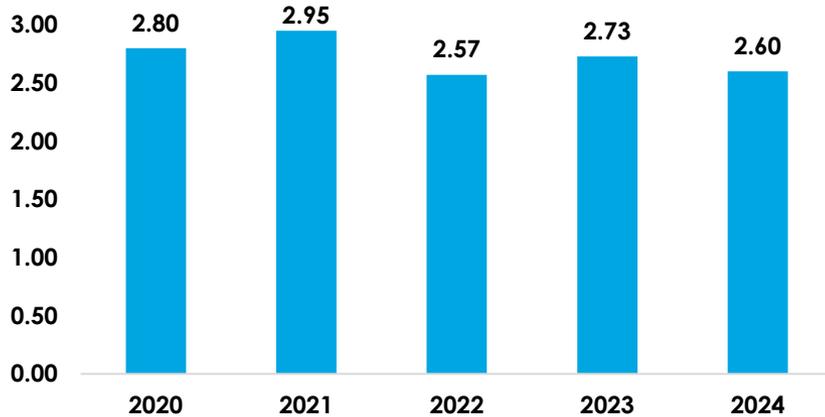


■ Net Charge-Offs (Recoveries)
 —■ Net Charge-Offs (Recoveries) / Average Loans Outstanding

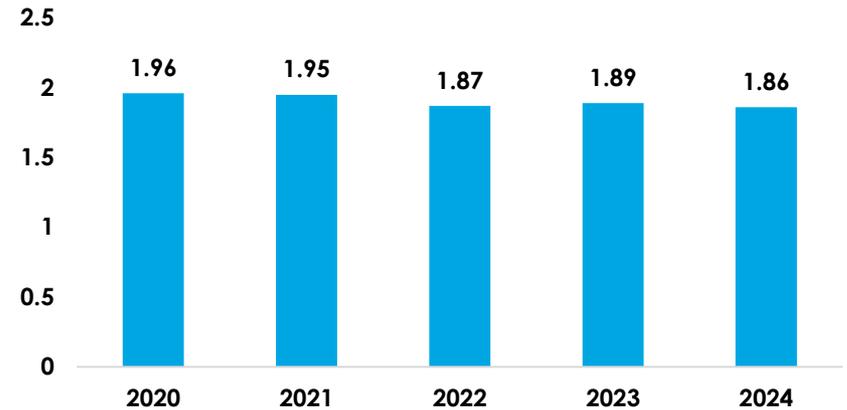
¹ Subsequent to the quarter ended November 30, 2025, we received an \$11 million payment on our nonperforming loan which reduced its outstanding balance to \$13 million.

Electric Distribution Cooperatives Credit Strength

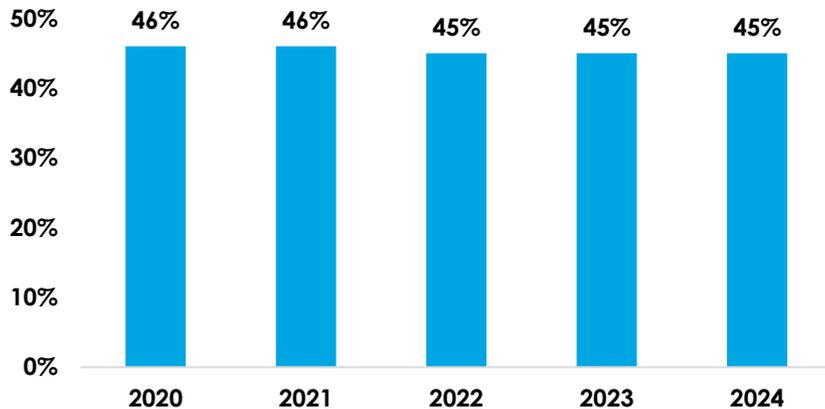
TIER



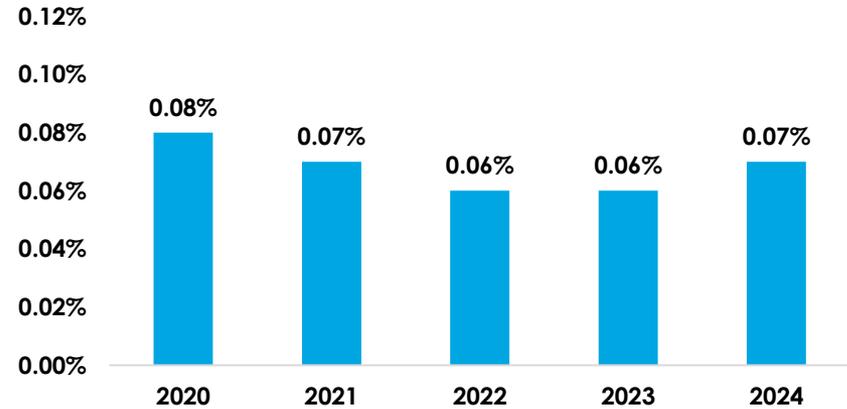
Modified DSC



Equity as a % of Assets



Amount Written Off as a % of Operating Revenue



FUNDING & LIQUIDITY



Funding Strategy

Member Investments

- Direct investments from the membership
- Maintain and grow investments from members

Dealer CP Issuance

- Manage outstanding relative to available liquidity and prevailing market conditions

Institutional Program

- Strategically balance between secured, unsecured and subordinated debt issuances in the public or private market

Retail Program

- Target retail investors through InterNotes and subordinated notes programs via Insperex platform

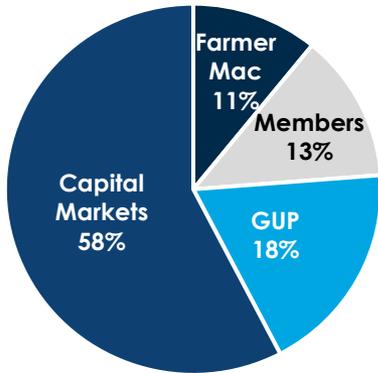
GUP & Farmer Mac

- Maintain flexibility and preserve availability

Debt Funding Sources: Well-Diversified Funding Mix

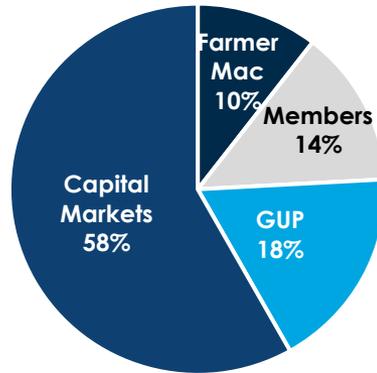
(\$ in Millions)

Total Debt Outstanding



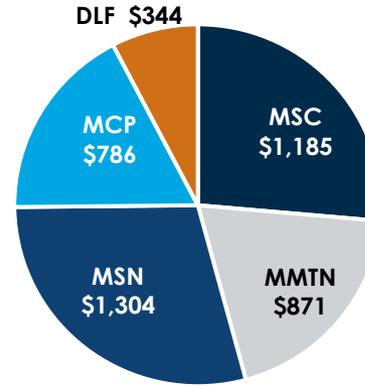
\$34,769
FY25

\$827
+2%



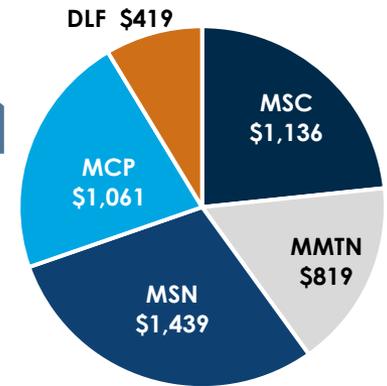
\$35,596
2QFY26

Member Investment¹



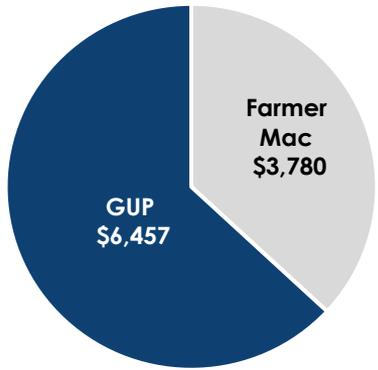
\$4,490
FY25

\$384
+9%



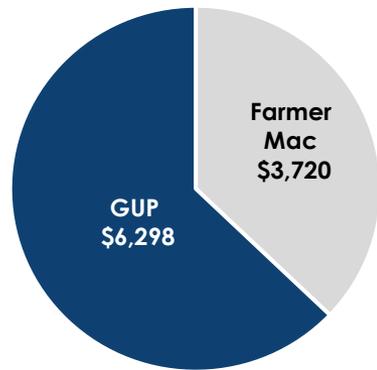
\$4,874
2QFY26

GUP & Farmer Mac



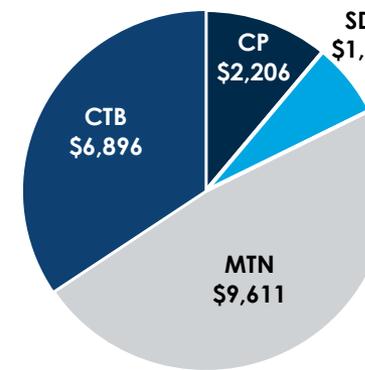
\$10,237
FY25

\$219
-2%



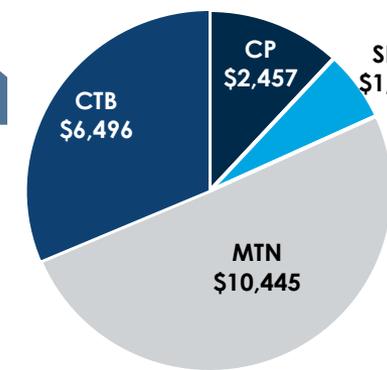
\$10,018
2QFY26

Capital Markets Funding²



\$20,043
FY25

\$662
+3%



\$20,705
2QFY26

¹ Abbreviations For Member Investment: Daily Liquidity Fund (DLF), Member Commercial Paper (MCP), Member Select Notes (MSN), Member Medium-Term Notes (MMTN), Member Subordinated Certificates (MSC).

² Abbreviations for Capital Markets Funding: Collateral Trust Bond (CTB), Non-Member Medium-Term Notes (MTN), Subordinated Deferrable Debt (SDD), Non-Member Commercial Paper (CP).

FY2026 Major Financing Activities

Revolvers

- November 2025 – Closed an Amend and Extend transaction to extend the maturity dates by one year to November 2028 and November 2029 and increased the aggregate commitment amount by \$200 million from \$3.3 billion to \$3.5 billion at closing.

GUP

- January 2026 – Closed a new \$450 million GUP Series W.

Farmer Mac

- December 2025 – Issued \$250 million 30-year FMAC bond @4.047%.

MTNs

- June 2025 – Issued \$525 million 18-month floating rate DMTN @ SOFR + 58 bps.
- August 2025 – Issued \$700 million 3-year DMTN @ 4.15%.
- October 2025 – Issued \$500 million 12-month floating-rate DMTN @ SOFR + 33 bps.
- December 2025 – Issued \$650 million 2-year DMTN @ 3.95%.
- December 2025 – Issued \$400 million 5-year DMTN @ 4.30%.
- February 2026 – Issued \$600 million 18-month floating rate DMTN @ SOFR + 43 bps.
- February 2026 – Issued \$600 million 3-year DMTN @ 4.05%.

Subordinated Debt

- October 2025 and November 2025 – Redeemed \$50 million and \$250 million of the \$300 million 30NC10 institutional subordinated notes due in 2043.
- November 2025 – Priced a \$600 million private placement of fixed-to-fixed reset rate subordinated notes due 2056, consisting of two tranches: \$150 million of notes that are noncallable for five years and \$450 million of notes that are noncallable for ten years.
- December 2025 – Issued \$73 million in retail subordinated notes as of December 31, 2025.

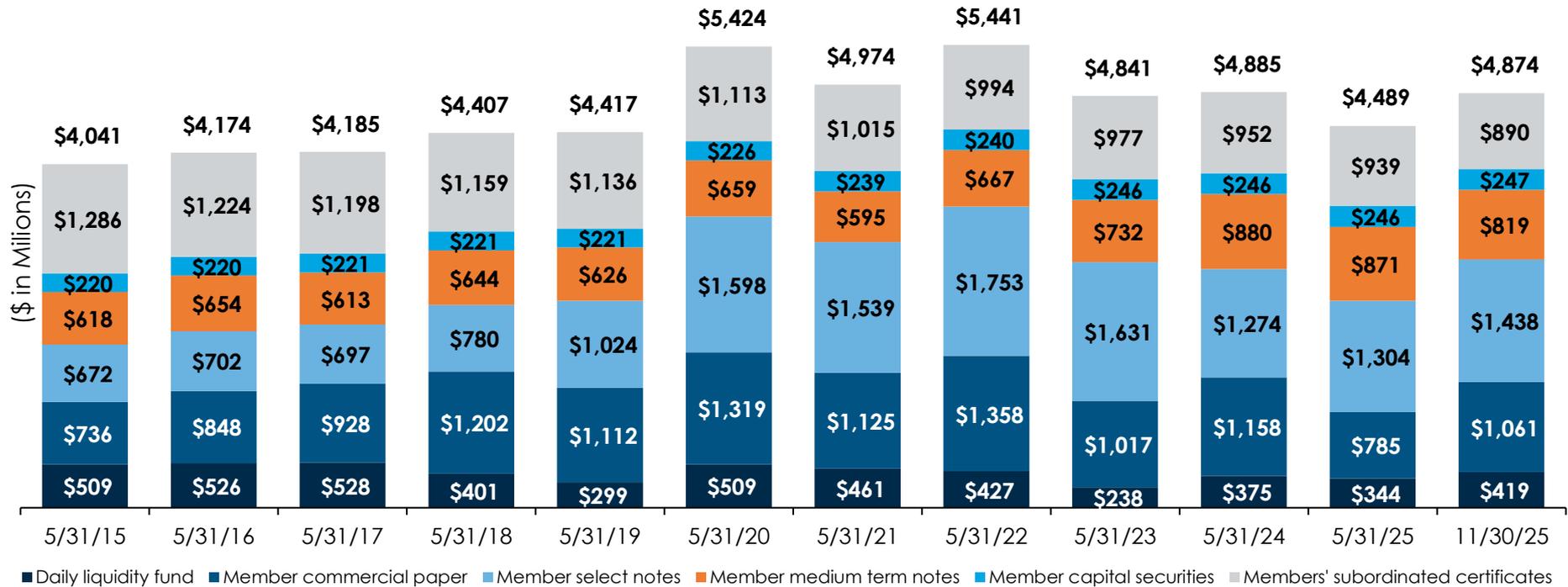
Member Investments



Over the last 12 fiscal quarters, member investments have averaged \$4.81 billion as of the end of each fiscal quarter

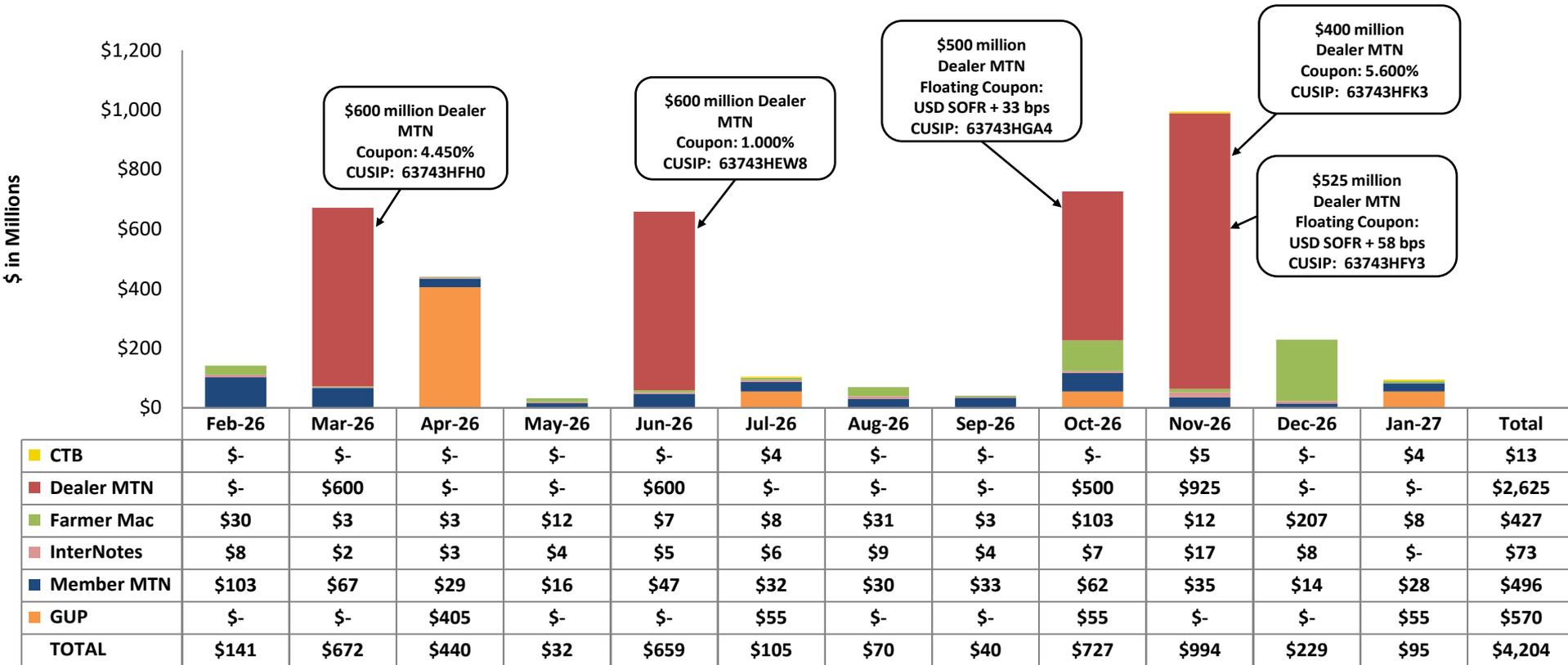


Member investments have been stable over the years



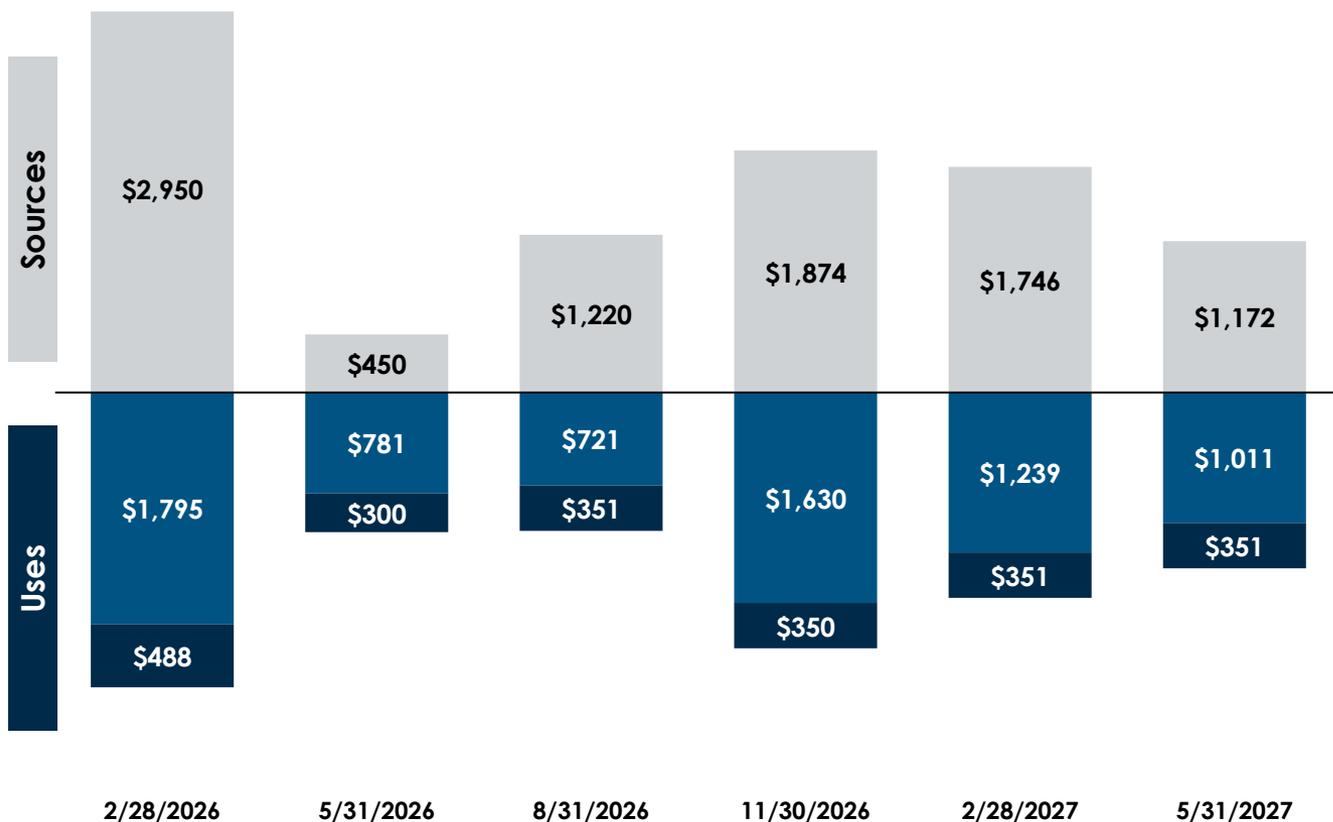
■ Daily liquidity fund ■ Member commercial paper ■ Member select notes ■ Member medium term notes ■ Member capital securities ■ Members' subordinated certificates

Monthly Debt Maturity/Amortization Schedule

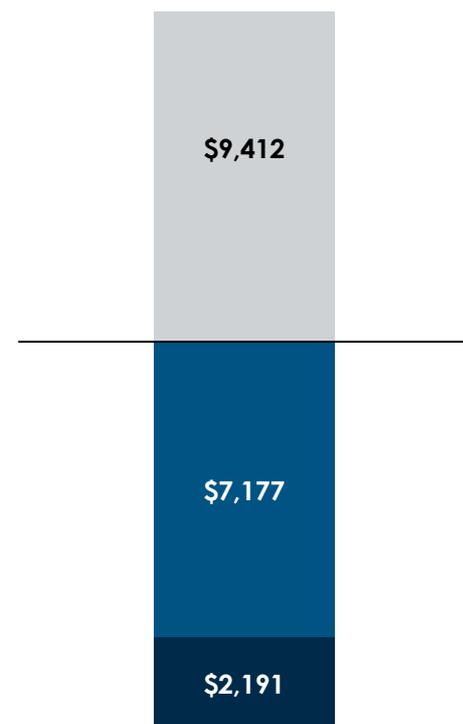


Projected Long-Term Sources and Uses of Funds (as of 11/30/2025)

18-month Projection for Sources and Uses of Funds*



Total - 18-month Projection



■ LT and Subordinated Debt Maturities ■ Net Loan Growth ■ LT Debt Issuance

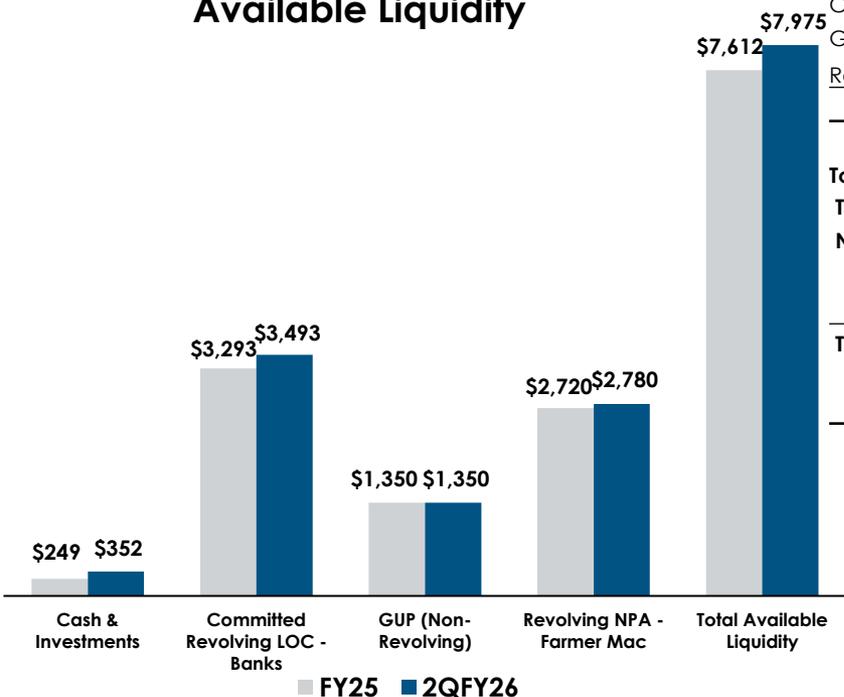
* Refer to Page 40 Form 10-Q for the quarter ended November 30, 2025 for more details.

Liquidity Management: Resilient Liquidity Profile

CFC, a well-known seasoned issuer, has adequate access to long-term and short-term funding options through two SEC shelf registrations.

(\$ in Millions)

Available Liquidity



	FY25		2QFY26	
Liquidity Sources	Total	Available	Total	Available
Cash & Investments	\$ 249	\$ 249	\$ 352	\$ 352
Committed Revolving LOC - Banks	3,300	3,293	3,500	3,493
GUP (Non-Revolution)	10,373	1,350	10,373	1,350
Revolving NPA - Farmer Mac ¹	6,500	2,720	6,500	2,780
Total Liquidity	\$ 20,422	\$ 7,612	\$ 20,725	\$ 7,975
Total Debt Maturities over the next 12 months	\$ 8,770		\$ 10,490	
Total Member Short-Term Investments	\$ 2,885		\$ 3,358	
Non-member Debt and Member LT Debt Maturities				
Dealer CP	\$ 2,206		\$ 2,457	
Long-term and Subordinated Debt ²	3,679		4,675	
Total Non-member Debt and Member LT Debt Maturities	\$ 5,885		\$ 7,132	
Excess Liquidity (excluding member short-term investments)	\$	1,727/1.3x	\$	843 /1.1x
Scheduled LT Loan Amortization and Repayments over the next 12 months	\$	1,668	\$	1,849

¹ Revolving NPA – Farmer Mac is subject to market conditions.

² Represents long-term and subordinated debt maturing within 12 months, which also include member long-term MTNs and long-term member certificates.

2QFY26 CFC Credit Highlights

Organic balance sheet expansion

- \$37,842 million or 97% of total assets consist of gross loans to members
- \$37,230 million or 98% of loans are to electric utility companies

Consistent and stable financial metrics

- Adjusted TIER of 1.16x, above our target of 1.10x
- Average adjusted TIER of 1.24x from FYE2021 to FYE2025
- Adjusted debt-to-equity ratio 7.59 at 2QFY2026 from 7.39 at FYE2025
- Members' equity increased to over \$2.6 billion at 2QFY2026 from \$613 million in FYE2008

Pristine loan portfolio

- Extremely low default rate and charge-off history for the electric loan portfolio
- 89% of loans are made on a senior secured basis

Healthy liquidity and diversified funding sources

- Diversified liquidity sources supported by various funding sources (cash, investments, committed bank lines, GUP, and Farmer Mac)
- \$7.98 billion total liquidity from various sources
- Steady and reliable member investments

A worker wearing a high-visibility green and blue safety vest and blue jeans is holding a large coil of black cable. The background is a dark, cloudy sky over a field. The word "APPENDIX" is centered in white, bold, uppercase letters, flanked by two horizontal white lines.

APPENDIX

Corporate Governance

CFC is committed to strong corporate governance.

Board of directors consists of 23 members.

- 20 directors elected from 10 geographic districts.
- One at-large position elected from general membership that meets the requirements of the audit committee financial expert as defined by Section 407 of the Sarbanes–Oxley Act of 2002.
- Two at-large directors are chosen by members.

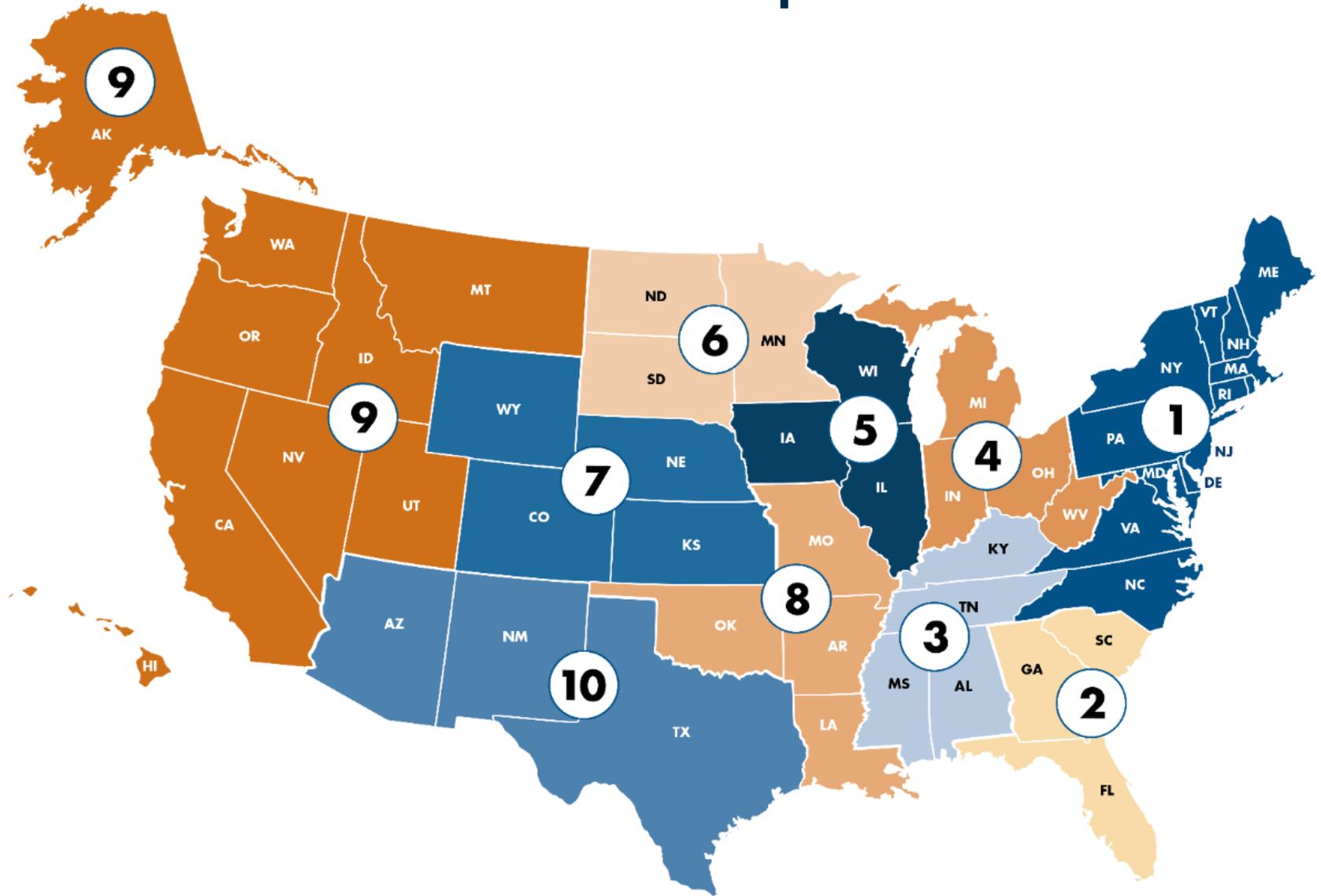
No members of CFC management hold board seats.

Elected board members serve a three-year term; limited to a maximum of two consecutive terms.

Audit, finance advisory, executive, loan, compensation and corporate relations committees are maintained by the board.

Audit committee consists of no less than seven board members. Meetings held no less than four times a year.

District Map



CFC Leadership



**CFC Board
of Directors**



**CFC Senior
Leadership**



**CFC Corporate
Citizenship**

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U.S. Electric Utilities Overview

In the U.S., there are primarily three kinds of utilities that are distinguished by their business structure. They are electric cooperatives, investor-owned utilities (“IOUs”) and municipal systems.



An **electric cooperative** is owned by the members it serves. Therefore, all of the owners live in the cooperative’s service territory, with most customers living in rural or semi-rural areas. A cooperative operates on a nonprofit, cost-of-service basis.



An **IOU** is owned by stockholders who may or may not be customers and who may or may not live in the service area. The IOU is a for-profit enterprise.



Municipal systems are usually owned by a city, a state or federal government agency. Municipal customers are usually located in urban or semi-urban areas. .

U.S. Electric Utilities Overview

IOUs	Municipals	Cooperatives
Rate regulated.	Not rate regulated.	Most are not rate regulated.
Profit seeking; operated for the benefit of public shareholders with obligations to serve regulated ratepayers.	Operated for public benefit for the region served with obligation to serve customers.	Not-for-profit; operated for the benefit of their member-owners.
Most are large and may have multiple subsidiaries.	Most are small relative to IOUs.	All are small relative to IOUs.
Subject to competition in the wholesale market, with some competition in the retail market.	Little retail competition although subject to competition in the wholesale market.	Little competition.
Tend to have comparable rates with cooperatives and higher rates compared with municipals.	Tend to have lower rates than G&T cooperatives and IOUs.	Rates tend to be comparable with IOUs.
Private shareholder equity; no government support.	No private equity; may have access to local government fiscal support in times of fiscal stress.	Most borrow from RUS and cooperative financial institutions; larger issuers access the capital markets.

Balance Sheet Summary

Total Assets reached \$39.1 billion at 2QFY26, a 2% increase from FYE25 and a 32% increase from FYE21.

Gross Loans to Members increased to \$37.8 billion at 2QFY26, a 2% increase from FYE25 and a 33% increase from FYE21.

Members' Equity grew to \$2.6 billion at 2Q2026, a 2% increase from FYE25 and a 44% increase from FYE21.

(\$ in thousands)	5/31/2021	5/31/2022	5/31/2023	5/31/2024	5/31/2025	11/30/2025	2QFY26 to FY25 Change	Change in %
Cash and Cash Equivalents	\$ 303,361	\$ 161,114	\$ 207,237	\$ 288,341	\$ 143,122	\$ 312,945	\$ 169,823	119
Investment Securities	611,277	599,904	510,369	318,237	124,915	58,530	(66,385)	(53)
Gross Loans to Members	28,426,961	30,063,386	32,532,086	34,542,285	37,079,978	37,842,290	762,312	2
Less: Allowance for Credit Losses	(85,532)	(67,560)	(53,094)	(48,726)	(40,615)	(43,423)	(2,808)	(7)
Loans to Members, Net	\$ 28,341,429	\$ 29,995,826	\$ 32,478,992	\$ 34,493,559	\$ 37,039,363	\$ 37,798,867	\$ 759,504	2
Derivative Assets	121,259	222,042	460,762	691,249	555,855	460,980	(94,875)	(17)
Other Assets	261,037	272,496	354,700	386,428	461,794	475,829	14,035	3
Total Assets	\$ 29,638,363	\$ 31,251,382	\$ 34,012,060	\$ 36,177,814	\$ 38,325,049	\$ 39,107,151	\$ 782,102	2
Short-term Debt	4,582,096	4,981,167	4,546,275	4,332,690	5,091,416	5,814,947	723,531	14
Long-term Debt ¹	20,603,123	21,545,440	23,946,548	25,901,165	27,163,701	27,337,960	174,259	1
Subordinated Deferrable Debt	986,315	986,518	1,283,436	1,286,861	1,329,485	1,306,608	(22,877)	(2)
Members' Subordinated Certificates	1,254,660	1,234,161	1,223,126	1,197,651	1,184,714	1,136,588	(48,126)	(4)
Total Debt Outstanding	\$ 27,426,194	\$ 28,747,286	\$ 30,999,385	\$ 32,718,367	\$ 34,769,316	\$ 35,596,103	\$ 826,787	2
Derivative Liabilities	584,989	128,282	115,074	80,988	51,368	45,189	(6,179)	(12)
Other Liabilities	227,301	233,845	308,352	366,290	400,899	391,815	(9,084)	(2)
Total Equity	\$ 1,399,879	\$ 2,141,969	\$ 2,589,249	\$ 3,012,169	\$ 3,103,466	\$ 3,074,044	\$ (29,422)	(1)
Total Liabilities & Equity	\$ 29,638,363	\$ 31,251,382	\$ 34,012,060	\$ 36,177,814	\$ 38,325,049	\$ 39,107,151	\$ 782,102	2
Members' Equity ²	1,836,135	2,019,952	2,211,092	2,386,663	2,583,050	2,642,310	59,260	2
Non-GAAP Financial Measures								
Adjusted Total Debt Outstanding				\$ 30,877,285	\$ 32,919,859	\$ 33,806,211	\$ 886,352	3
Adjusted Total Equity				4,246,698	4,452,260	4,451,967	\$ (293)	(0)
Adjusted Debt-to-Equity Ratio ³				7.27	7.39	7.59	0.20	3

¹ Includes long-term debt maturities due within 12 months.

² Members' Equity = GAAP equity - AOCI - Noncontrolling interests - Cumulative derivative forward value gains (losses).

³ Adjusted total debt outstanding divided by adjusted total equity. During FY2025, we refined our methodology for calculating the adjusted debt-to-equity ratio and revised our internally established adjusted debt-to-equity threshold from 6-to-1 to 8.5-to-1. FY24 has been recast to reflect the updated methodology. Refer to the 10-Q/10-K for each respective period for non-GAAP reconciliations.

Income Statement Summary

Adjusted Net Interest Income decreased by \$21 million YOY to \$360 million, a 6% decrease.

Adjusted Net Interest Income averaged \$345 million over the five-year period.

Adjusted Net Income decreased by \$44 million YOY to \$245 million, a 15% decrease.

Adjusted Net Income averaged \$243 million over the five-year period.

Adjusted TIER of 1.18x for FY2025, well above the target level of 1.10x.

Adjusted TIER averaged 1.24x over the five-year period.

For the twelve months ended May 31,							
(\$ in thousands)	2021	2022	2023	2024	2025	FY25 to FY24 Change	Change in %
Interest Income	\$ 1,116,601	\$ 1,141,243	\$ 1,351,729	\$ 1,593,351	\$ 1,703,233	\$ 109,882	7
Interest Expense	(702,063)	(705,534)	(1,036,508)	(1,339,088)	(1,442,279)	(103,191)	(8)
Derivative Cash Settlements	(115,645)	(101,385)	33,577	127,166	99,219	(27,947)	(22)
Adjusted Net Interest Income (Expense)	\$ 298,893	\$ 334,324	\$ 348,798	\$ 381,429	\$ 360,173	\$ (21,256)	(6)
Benefit (Provision) for Loan Gains (Losses)	(28,507)	17,972	(603)	5,516	8,111	2,595	47
Non-Interest Income (Expense)	20,424	(12,986)	13,160	33,564	29,271	(4,293)	(13)
Non-Interest Expense	(98,778)	(98,640)	(112,035)	(131,064)	(152,471)	(21,407)	(16)
Adjusted Net Income	\$ 192,032	\$ 240,670	\$ 249,320	\$ 289,445	\$ 245,084	\$ (44,361)	(15)
Derivative Forward Value	621,946	557,867	252,267	264,871	(105,070)	(369,941)	(140)
Net Income (Loss)	\$ 813,978	\$ 798,537	\$ 501,587	\$ 554,316	\$ 140,014	\$ (414,302)	(75)
Adjusted TIER ¹	1.23x	1.30x	1.25x	1.24x	1.18x	(0.06)	(5)

¹ Adjusted TIER = (Adjusted Interest Expense + Adjusted Net Income) / Adjusted Interest Expense.

2QFY26 Income Statement Summary

2Q FYOY: Adjusted Net Interest Income decreased by \$2 million, or 2%, to \$90 million

2Q FYOY: Adjusted Net Income decreased by \$6 million, or 10%, to \$56 million

2Q FYOY: Adjusted TIER decreased by 0.03, or 3%, to 1.16, well above target level of 1.10

FYTD YOY: Adjusted Net Interest Income decreased by \$5 million, or 3%, to \$181 million

FYTD YOY: Adjusted Net Income decreased by \$15 million, or 12%, to \$113 million

FYTD YOY: Adjusted TIER decreased by 0.04, or 3%, to 1.16

(\$ in thousands)	Three Months Ended November 30,				Six Months Ended November 30,			
	FY2025	FY2026	Change	Change in %	FY2025	FY2026	Change	Change in %
Interest Income	\$ 419,877	\$ 445,674	\$ 25,797	6	\$ 837,996	\$ 893,120	\$ 55,124	7
Interest Expense	(354,443)	(373,666)	(19,223)	5	(710,903)	(750,135)	(39,232)	6
Derivative Cash Settlements	26,406	17,585	(8,821)	(33)	58,467	37,852	(20,615)	(35)
Adjusted Net Interest Income	\$ 91,840	\$ 89,593	\$ (2,247)	(2)	\$ 185,560	\$ 180,837	\$ (4,723)	(3)
Provision for Credit Losses	(870)	(1,221)	(351)	40	(1,823)	(2,808)	(985)	54
Non-Interest Income	7,521	5,660	(1,861)	(25)	17,320	14,180	(3,140)	(18)
Non-Interest Expense	(36,320)	(38,248)	(1,928)	5	(72,826)	(79,272)	(6,446)	9
Adjusted Net Income	\$ 62,171	\$ 55,784	\$ (6,387)	(10)	\$ 128,231	\$ 112,937	\$ (15,294)	(12)
Derivative Forward Value Gains (Losses)	82,632	(36,226)	(118,858)	(144)	(147,754)	(88,697)	59,057	40
Net Income	\$ 144,803	\$ 19,558	\$ (125,245)	(86)	\$ (19,523)	\$ 24,240	\$ 43,763	224
Adjusted TIER ¹	1.19	1.16	(0.03)	(3)	1.20	1.16	(0.04)	(3)

¹ Adjusted TIER = (Adjusted Interest Expense + Adjusted Net Income) / Adjusted Interest Expense.

Note: Adjusted Net Interest Income, Adjusted Net Income, refer to slide 45. Adjusted TIER refer to the 10-Q for each respective period for non-GAAP reconciliations.

Non-GAAP Reconciliations

(\$ in millions)	FY25	2QFY26
Total debt outstanding	\$ 34,769	\$ 35,596
Exclude:		
50% of subordinated deferrable debt	665	653
Members' subordinated certificates	1,185	1,137
Adjusted total debt outstanding	\$ 32,920	\$ 33,806
Total equity	\$ 3,103	\$ 3,074
Exclude:		
Period-end cumulative derivative forward value gains	503	414
Accumulated other comprehensive loss	(2)	(2)
Include:		
50% of subordinated deferrable debt	665	653
Members' subordinated certificates	1,185	1,137
Adjusted total equity	\$ 4,452	\$ 4,452
Adjusted Debt to Equity Ratio	7.39	7.59

Non-GAAP Reconciliations

Adjusted Net Interest Income, Adjusted Net Income, and Adjusted Net Interest Yield

(\$ in millions)	FY21	FY22	FY23	FY24	FY25
Interest income	\$ 1,117	\$ 1,141	\$ 1,352	\$ 1,593	\$ 1,703
Interest expense	(702)	(706)	(1,037)	(1,339)	(1,442)
Include: Derivative cash settlements interest income (expense)	(116)	(101)	34	127	99
Adjusted interest expense	(818)	(807)	(1,003)	(1,212)	(1,343)
Adjusted net interest income	\$ 299	\$ 334	\$ 349	\$ 381	\$ 360
Net income	\$ 814	\$ 799	\$ 501	\$ 554	\$ 140
Exclude: Derivative forward value gains (losses)	622	558	252	265	(105)
Adjusted net income	\$ 192	\$ 241	\$ 249	\$ 289	\$ 245
Average Interest-Earning Assets	\$ 28,243	\$ 29,872	\$ 32,238	\$ 34,375	\$ 36,147
Adjusted Net Interest Yield	1.06%	1.12%	1.08%	1.11%	1.00%

Members' Equity

(\$ in millions)	FY21	FY22	FY23	FY24	FY25
Members' Equity:					
Total CFC Equity	\$ 1,375	\$ 2,115	\$ 2,562	\$ 2,992	\$ 3,082
Exclude:					
Accumulated other comprehensive income (loss)	(0)	2	8	(1)	(2)
Period-end cumulative derivative forward value gains (losses) attributable to CFC	(461)	93	343	606	501
Subtotal	(461)	95	351	605	498
Members' Equity	\$ 1,836	\$ 2,020	\$ 2,211	\$ 2,387	\$ 2,583

Non-GAAP Reconciliations

Adjusted Net Interest Income and Adjusted Net Income

(\$ in millions)	2QFY25	2QFY26	YTD FY25	YTD FY26
Interest income	\$ 420	\$ 446	\$ 838	\$ 893
Interest expense	(354)	(374)	(711)	(750)
Include: Derivative cash settlements Interest income	26	18	59	38
Adjusted interest expense	(328)	(356)	(652)	(712)
Adjusted net interest income	\$ 92	\$ 90	\$ 186	\$ 181
Net income (loss)	\$ 145	\$ 20	\$ (20)	\$ 24
Exclude: Derivative forward value gains (losses)	83	(36)	(148)	(89)
Adjusted net income	\$ 62	\$ 56	\$ 128	\$ 113
Average Interest-Earning Assets	\$ 35,609	\$ 37,717	\$ 35,481	\$ 37,647
Adjusted Net Interest Yield	1.03%	0.95%	1.04%	0.96%

Members' Equity

(\$ in millions)	FY25	2QFY26
Members' Equity:		
Total CFC Equity	\$ 3,082	\$ 3,053
Exclude:		
Accumulated other comprehensive loss	(2)	(2)
Period-end cumulative derivative forward value gains attributable to CFC	501	413
Subtotal	499	411
Members' Equity	\$ 2,583	\$ 2,642

Definitions of Non-GAAP Financial Measures

Adjusted Debt-to-Equity (Adjusted Debt Outstanding/ Adjusted Equity)	<p>[Total debt outstanding - (50% of Subordinated Deferrable Debt + Members' Subordinated Certificates)] / [Total Equity – Period-end Cumulative Derivative Forward Value Gains -AOCI + (50% Subordinated Deferrable Debt + Members' Subordinated Certificates)].</p>
Adjusted Interest Expense	<p>Interest Expense + Derivative Cash Settlements Expense (Income).</p>
Adjusted Net Income	<p>Net Income – Derivative Forward Value Gains (Losses).</p>
Adjusted Net Interest Income	<p>Net Interest Income – Derivative Cash Settlements Expense (Income).</p>
Adjusted Net Interest Yield	<p>Adjusted Net Interest Income / Total Average Interest-Earning Assets.</p>
Adjusted TIER	<p>(Adjusted Net Income + Adjusted Interest Expense) / Adjusted Interest Expense.</p>
Derivative Forward Value Gains or Losses	<p>Derivative forward value gains or losses reflect changes in estimated fair value of the interest rate swaps based on the projected movement in interest rates from the current reporting period through the maturity of the swaps in place at the time. They do not represent current-period realized cash gains or losses and are excluded from the calculations of adjusted net income, members' equity and adjusted equity.</p>
Members' Equity	<p>GAAP Equity – AOCI – Noncontrolling Interests – Cumulative Derivative Forward Value Gains (Losses).</p>

Collateral Trust Bonds (CTBs)

Secured by the pledge of permitted investments and eligible senior secured mortgage notes from distribution system borrowers.

Principal amount of eligible mortgage notes pledged must be in an amount at least equal to the outstanding principal amount of CTBs.

TRUSTEE

(US Bank Trust Company, National Association)

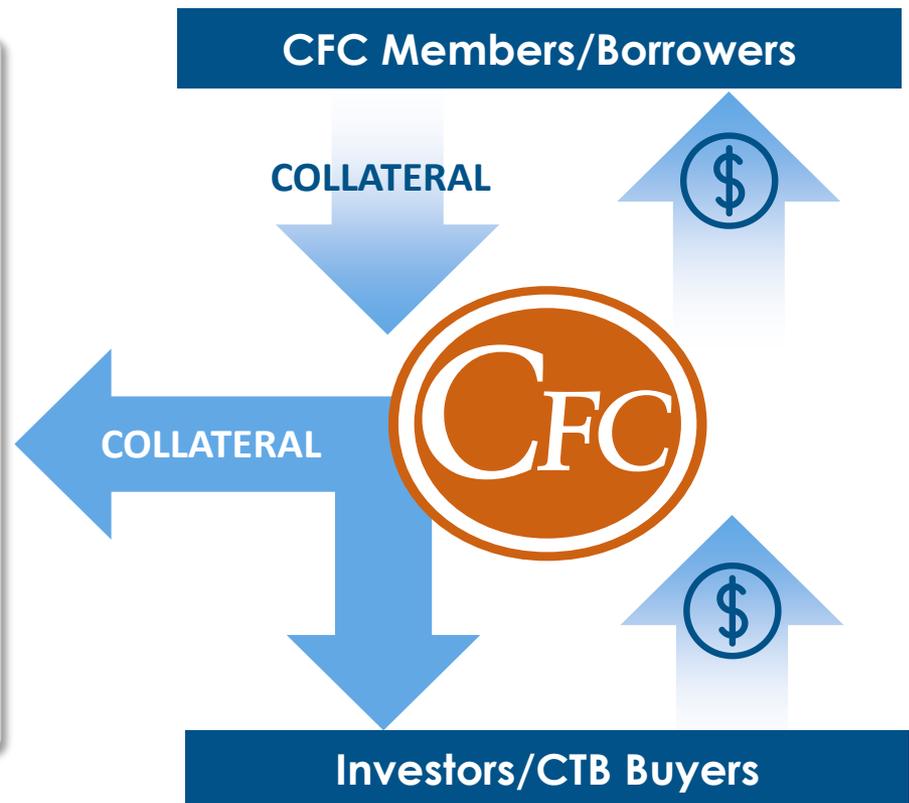
Description of Collateral

Electric distribution cooperative senior secured mortgage notes:

Lien on all utility assets, a pledge of revenue and after acquired property.

Eligible Mortgage Notes Criteria:

- The borrower must be performing and in good standing with CFC
- Notes of distribution members where 50% or more of the operating revenues are derived from direct sales of electricity
- Distribution members having equity ratios of at least 20% and average debt service coverage ratios of at least 1.35x
- All eligible mortgage notes of any one member cannot exceed 10% of the aggregate amount of all eligible collateral

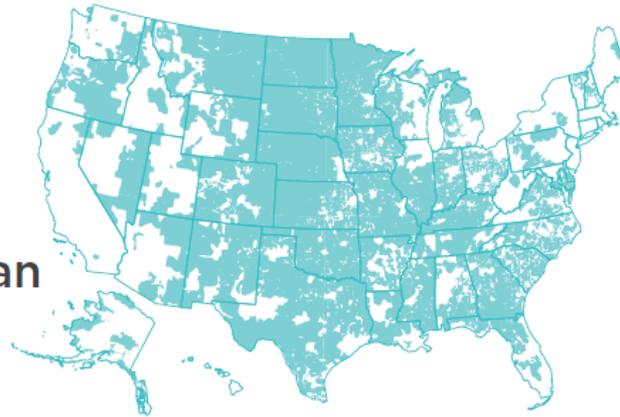


NRECA 2025 Facts and Figures

America's Electric Cooperatives

From booming suburbs to remote rural communities, America's electric cooperatives are energy providers and engines of economic development. Electric cooperatives keep the lights on and play a vital role in transforming communities.

Cooperatives power
56%
of the American
landscape.



Our co-ops ...

... SERVE
42 million people,
including 92% of persistent
poverty counties.

... POWER over
22 million
businesses, homes,
schools and farms
in 48 states.

... RETURN more than
\$1 billion
to their consumer-members
annually as not-for-profit
organizations.



830
distribution cooperatives
are the foundation of the electric
cooperative network. They were built
by and serve co-op members in the
community by delivering electricity
and other services.



64
generation & transmission cooperatives
provide wholesale power to distribution
co-ops through their own electric
generation facilities or by purchasing power
on behalf of the distribution members.

NRECA 2025 Facts and Figures

Demand is outpacing supply

Demand is skyrocketing.

Across the country, electricity demand is surging, driven by growing communities, electrification of the economy, power-hungry data centers and new manufacturing plants.

According to the North American Electric Reliability Corp. 2024 Long-Term Reliability Assessment, electric demand growth is the highest it has been in over two decades. And over the next 10 years, peak power needs are expected to rise by 17%. Newly announced projects, especially data centers, will drive that number even higher.

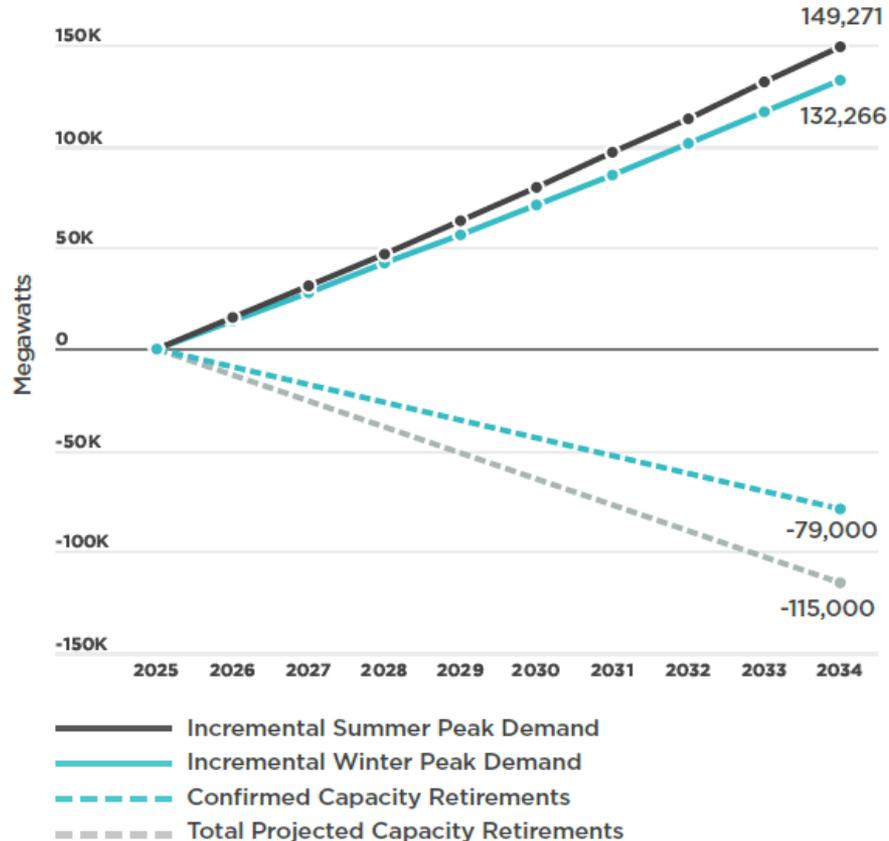
Supply isn't keeping up.

Government policies aimed at shutting down fossil-fuel-based generation, more extreme weather and years-long delays in permitting and siting for new transmission lines are turning this power boon into a capacity crisis.

More than 115,000 megawatts of baseload coal, natural gas and nuclear generation—enough to power about 100 million homes—is forecast to retire over the next decade.

As a result, much of the country faces an increasing risk of energy shortfalls over the next 10 years.

Demand Growth and Capacity Retirements



Source: NERC 2024 Long-Term Reliability Assessment

NRECA 2025 Facts and Figures

Building to meet demand

Co-ops make decisions on how best to meet demand based on the needs of their local communities. For example:

- **Arkansas Electric Cooperative Corp.** and **Oglethorpe Power** in Georgia are both investing in new natural gas projects to meet growing demand.
- In Texas, **San Miguel Electric Cooperative** is developing first-of-its-kind geothermal energy storage.
- In Wisconsin, **Dairyland Power Cooperative's** 102-mile Cardinal-Hickory Creek Transmission Line is helping reduce grid congestion and improve system reliability and flexibility.
- And next door in Michigan, **Wolverine Power Cooperative** and **Hoosier Energy** are part of a team that's working to do something that's never been done before—recommission a nuclear power plant.

NRECA 2025 Facts and Figures

Always-available energy is key to keeping the lights on

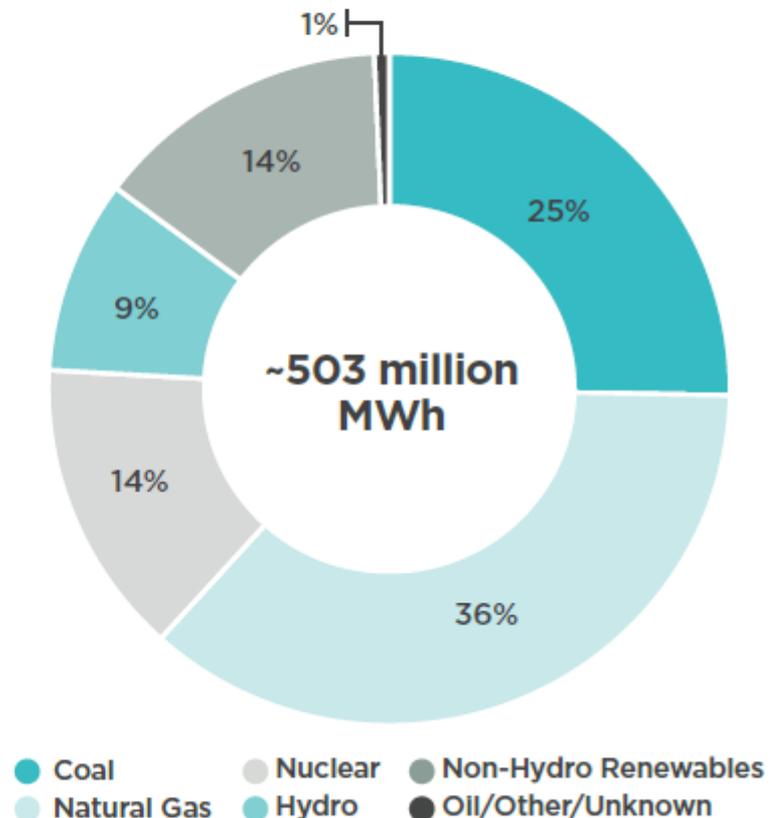
Electric co-ops rely on a diverse suite of resources to reliably meet the energy needs of their local communities.

As of June 2025, electric co-ops have announced plans to add nearly 15 gigawatts of new generation capacity, including over 8.5 GW of natural gas generation. These projects will come online between 2025 and 2030, and additional announcements are expected.

The co-op fuel mix is anchored by always-available energy (85%) from coal, natural gas, nuclear and hydroelectric power, supplemented by non-hydro renewables (14%), primarily intermittent wind and solar. Co-ops nationwide are also investing in battery storage technologies that can help address intermittency and improve reliability.

Co-ops thoughtfully explore all options, fuels and technologies as they work to meet their consumers' evolving energy needs.

2023 Co-op Retail Energy Mix



*Note: Percentages do not add up to 100% due to rounding.
Source: NRECA analysis*

NRECA 2025 Facts and Figures

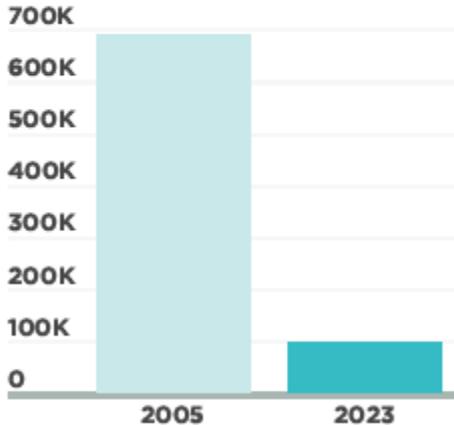
Co-ops are reducing emissions

Cooperatives are meeting member expectations by reducing emissions and switching to natural gas and renewables.

Reduced **sulphur dioxide** emissions 86% from 2005 to 2023.

TOTAL SO₂ EMISSIONS

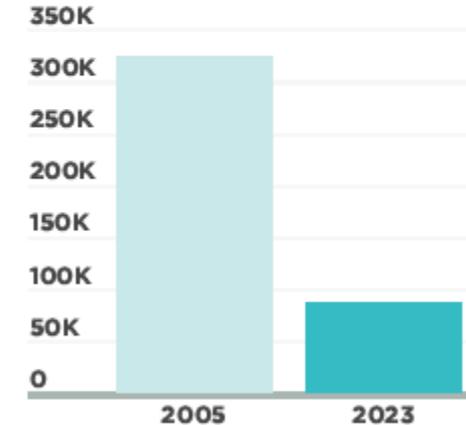
Thousands
(short tons)



Reduced **nitrogen oxide** emissions 73% from 2005 to 2023.

TOTAL NO_x EMISSIONS

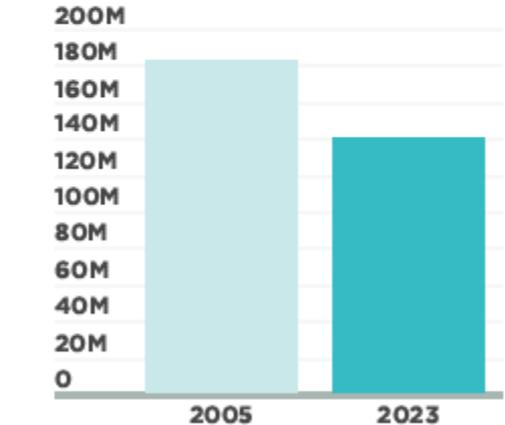
Thousands
(short tons)



Reduced **carbon dioxide** emissions 23% from 2005 to 2023.

TOTAL CO₂ EMISSIONS

Millions
(short tons)



Note: Calculations of 2005 baseline and other years are adjusted to account for units purchased or sold as of the end of 2023.

Source: NRECA analysis of emissions from co-op owned generating units using most recent data from EPA's Clean Air Markets Program Data (CAMPD) tool.

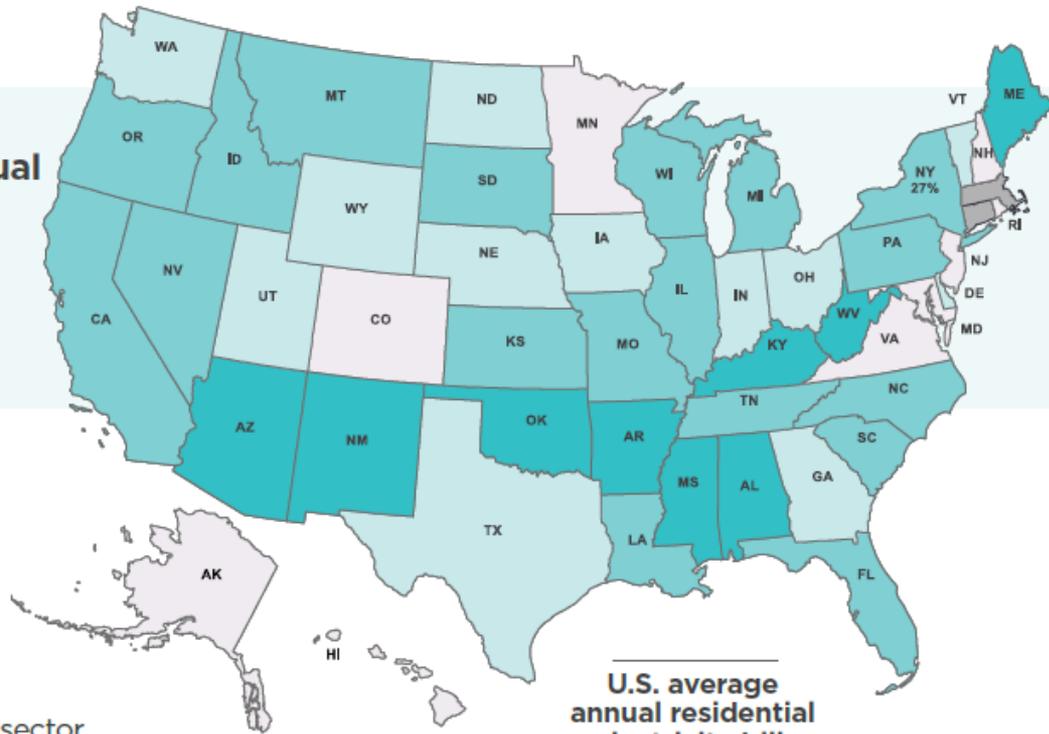
NRECA 2025 Facts and Figures

Delivering reliable power at a cost families and businesses can afford

Share of Co-op Households With Annual Income Under \$35K

- 14%-20%
- 21%-25%
- 26%-30%
- 31%-42%

Co-op Avg: 26% | U.S. Avg: 24%
NRECA estimates



1 in 4 households served by electric co-ops have an annual income below \$35,000.

In nine states, as many as 42% of co-op-served households fall below this income level.

Unlike the rest of the electric sector, electric co-ops sell most of their power—52%—to households.

Keeping rates affordable is especially important for these consumers at the end of the line.

U.S. average annual residential electricity bill:
\$1,642

Source:
2023 EIA data

Note: Map reflects most recent available data.

CFC

Cooperative Finance