February 24, 2021

FOR IMMEDIATE RELEASE:

Office of Finance Announces Fourth Quarter and Annual 2020 Combined Operating Highlights for the Federal Home Loan Banks

The fourth quarter and annual 2020 combined operating highlights are prepared from the preliminary unaudited financial information of each Federal Home Loan Bank (FHLBank) and are subject to change. The combined and individual FHLBank statement of condition and statement of income highlights are attached as Tables I and II. Each of the FHLBanks has released its unaudited financial results for the period ended December 31, 2020, and filed a Form 8-K with the U.S. Securities and Exchange Commission (SEC).

Combined Highlights

Net income was $657 million and $2,791 million for the three months and the year ended December 31, 2020, decreases of 26% and 13% compared to the three months and the year ended December 31, 2019. As of December 31, 2020, total assets were $820.7 billion, a decrease of 25%, total liabilities were $770.6 billion, a decrease of 26%, and total GAAP capital was $50.2 billion, a decrease of 9%, compared to December 31, 2019.

The financial condition and results of operations of the FHLBanks continued to be affected by developments arising from the global COVID-19 pandemic, in particular the lower interest-rate environment and the reduced demand for advances. The FHLBanks continued to meet their funding needs and be a reliable source of liquidity to their members during the pandemic. The extent to which the pandemic continues to affect the FHLBanks' businesses, financial condition, and results of operations will depend on many factors that are highly uncertain and difficult to predict, including, but not limited to: the duration, spread, and severity of the pandemic; additional fiscal stimulus and other measures taken in response to the pandemic; the actions taken to contain the pandemic, including the effectiveness of related vaccines and therapeutics; and how quickly and to what extent normal economic and operating conditions can resume.

1818 Library Street Suite 420 Reston, VA 20190
Phone 703.467.3600 info@fhlb-of.com www.fhlb-of.com

Combined Financial Condition

(Dollars in millions)	December 31, 2020	December 31, 2019	Change
Assets			
Cash and due from banks	$ 25,125	$ 4,960	$ 20,165
Investments, net	305,865	374,995	(69,130)
Advances	422,639	641,519	(218,880)
Mortgage loans held for portfolio, net	62,842	72,492	(9,650)
Other assets, net	4,269	5,147	(878)
Total assets	**$ 820,740**	**$ 1,099,113**	**$ (278,373)**
Liabilities			
Consolidated obligations			
Discount notes	$ 274,804	$ 404,035	$ (129,231)
Bonds	473,714	622,161	(148,447)
Total consolidated obligations	748,518	1,026,196	(277,678)
Mandatorily redeemable capital stock	772	1,378	(606)
Other liabilities	21,270	16,112	5,158
Total liabilities	**770,560**	**1,043,686**	**(273,126)**
Capital			
Capital stock	27,398	34,495	(7,097)
Retained earnings	21,998	20,588	1,410
Accumulated other comprehensive income (loss)	784	344	440
Total capital (GAAP)	**50,180**	**55,427**	**(5,247)**
Total liabilities and capital	**$ 820,740**	**$ 1,099,113**	**$ (278,373)**
Regulatory capital	**$ 50,168**	**$ 56,461**	**$ (6,293)**
GAAP capital-to-assets ratio	**6.11 %**	**5.04 %**	**1.07 %**
Regulatory capital-to-assets ratio	**6.11 %**	**5.14 %**	**0.97 %**

As of December 31, 2020, total assets decreased 25%, total liabilities decreased 26%, and total GAAP capital decreased 9%, compared to December 31, 2019.

- Advances totaled $422.6 billion at December 31, 2020, a decrease of 34% concentrated in short-term advances, principally those made to large members, due to increased liquidity in the financial markets and increased deposit levels at members.
- Investments declined to $305.9 billion at December 31, 2020, a decrease of 18% due primarily to decreases in securities purchased under agreements to resell, federal funds sold, and held-to-maturity investment securities.
- Mortgage loans held for portfolio were $62.8 billion at December 31, 2020, a decrease of 13% driven by higher prepayments resulting from the historically low mortgage interest-rate environment and a decline in the purchases of new mortgage loans.
- Consolidated obligations totaled $748.5 billion at December 31, 2020, a decrease of 27% in line with the decrease in total assets, principally resulting from the decrease in advances, and consisting of a 32% decrease in consolidated discount notes and a 24% decrease in consolidated bonds.
- Capital stock was $27.4 billion at December 31, 2020, a decrease of 21% due to the net repurchases and redemptions of activity-based capital stock, driven primarily by the decrease in advances, and the reclassification of capital stock to mandatorily redeemable capital stock.
- Retained earnings grew to $22.0 billion at December 31, 2020, an increase of 7% resulting principally from net income of $2,791 million, partially offset by dividends of $1,553 million.

1818 Library Street Suite 420 Reston, VA 20190
Phone 703.467.3600 info@fhlb-of.com www.fhlb-of.com

FHLBANKS OFFICE OF FINANCE

Combined Results of Operations

(Dollars in millions)	Three Months Ended December 31, 2020	2019	Change	Year Ended December 31, 2020	2019	Change
Interest income						
Advances	$ 898	$ 3,446	$ (2,548)	$ 6,654	$ 16,856	$ (10,202)
Investments	758	2,145	(1,387)	4,286	9,169	(4,883)
Mortgage loans held for portfolio	382	568	(186)	1,862	2,234	(372)
Other interest income	3	1	2	5	5	—
Total interest income	**2,041**	**6,160**	**(4,119)**	**12,807**	**28,264**	**(15,457)**
Interest expense						
Consolidated obligations - Discount notes	124	1,691	(1,567)	2,535	9,028	(6,493)
Consolidated obligations - Bonds	796	3,190	(2,394)	5,748	14,319	(8,571)
Other interest expense	10	56	(46)	83	235	(152)
Total interest expense	**930**	**4,937**	**(4,007)**	**8,366**	**23,582**	**(15,216)**
Net interest income	**1,111**	**1,223**	**(112)**	**4,441**	**4,682**	**(241)**
Provision (reversal) for credit losses	(14)	—	(14)	38	2	36
Net interest income after provision (reversal) for credit losses	**1,125**	**1,223**	**(98)**	**4,403**	**4,680**	**(277)**
Non-interest income (loss)						
Net gains (losses) on investment securities	(113)	(53)	(60)	761	464	297
Net gains (losses) on financial instruments held under fair value option	(9)	(21)	12	138	78	60
Net gains (losses) on derivatives and hedging activities	77	162	(85)	(1,094)	(449)	(645)
Gains on litigation settlements, net	26	30	(4)	146	30	116
Other non-interest income (loss)	71	42	29	322	174	148
Total non-interest income (loss)	52	160	(108)	273	297	(24)
Non-interest expense	447	390	57	1,570	1,425	145
Affordable Housing Program assessments	73	101	(28)	315	362	(47)
Net income	**$ 657**	**$ 892**	**$ (235)**	**$ 2,791**	**$ 3,190**	**$ (399)**
Net interest margin	**0.52 %**	**0.45 %**	**0.07 %**	**0.44 %**	**0.43 %**	**0.01 %**

Net income was $657 million for the three months ended December 31, 2020, a decrease of 26% compared to the three months ended December 31, 2019, resulting primarily from a decrease in non-interest income and a decrease in net interest income after reversal for credit losses. Net income was $2,791 million for the year ended December 31, 2020, a decrease of 13% compared to the year ended December 31, 2019, resulting from a decrease in net interest income after provision for credit losses and an increase in non-interest expense.

Net interest income after reversal for credit losses was $1,125 million for the three months ended December 31, 2020, a decrease of 8% compared to the three months ended December 31, 2019. Net interest margin was 0.52% for the three months ended December 31, 2020, an increase of 7 basis points compared to the three months ended December 31, 2019, driven by higher prepayment fees on advances. Both interest income and interest expense were significantly lower for the three months ended December 31, 2020, compared to the three months ended December 31, 2019, in the lower interest-rate environment resulting from the COVID-19 pandemic.

- Interest income was $2,041 million for the three months ended December 31, 2020, a decrease of 67% compared to the three months ended December 31, 2019, resulting primarily from lower average yields on interest-earning assets, principally advances. The average yield on interest-earning assets was 0.96%

1818 Library Street Suite 420 Reston, VA 20190
Phone 703.467.3600 info@fhlb-of.com www.fhlb-of.com

for the three months ended December 31, 2020, a decrease of 133 basis points compared to the three months ended December 31, 2019.

- Interest expense was $930 million for the three months ended December 31, 2020, a decrease of 81% compared to the three months ended December 31, 2019, driven primarily by the lower average rate on consolidated obligations. The average rate on consolidated obligations was 0.47% for the three months ended December 31, 2020, a decrease of 146 basis points compared to the three months ended December 31, 2019.

Net interest income after provision for credit losses was $4,403 million for the year ended December 31, 2020, a decrease of 6% compared to the year ended December 31, 2019. Net interest margin was 0.44% for the year ended December 31, 2020, an increase of 1 basis point compared to the year ended December 31, 2019, driven by higher prepayment fees on advances. Both interest income and interest expense were significantly lower for the year ended December 31, 2020, compared to the year ended December 31, 2019, in the lower interest-rate environment resulting from the COVID-19 pandemic.

- Interest income was $12,807 million for the year ended December 31, 2020, a decrease of 55% compared to the year ended December 31, 2019, resulting primarily from lower average yields on interest-earning assets, principally advances. The average yield on interest-earning assets was 1.28% for the year ended December 31, 2020, a decrease of 134 basis points compared to the year ended December 31, 2019.

- Interest expense was $8,366 million for the year ended December 31, 2020, a decrease of 65% compared to the year ended December 31, 2019, driven primarily by the lower average rate on consolidated obligations. The average rate on consolidated obligations was 0.89% for the year ended December 31, 2020, a decrease of 141 basis points compared to the year ended December 31, 2019.

- Provision for credit losses was $38 million for the year ended December 31, 2020, an increase of $36 million compared to the year ended December 31, 2019. The provision for credit losses for the year ended December 31, 2020, consisted primarily of a $23 million provision for credit losses on private-label mortgage-backed securities, driven by a decline in fair values, and a $14 million provision for credit losses on mortgage loans held for portfolio, due to higher expected credit losses resulting from the COVID-19 pandemic.

Non-interest income was $52 million for the three months ended December 31, 2020, a decrease of $108 million compared to the three months ended December 31, 2019, resulting primarily from higher net losses on U.S. Treasury obligations classified as trading investment securities, and lower net gains on derivatives and hedging activities, partially offset by higher net realized gains from the sale of private-label mortgage-backed securities. Non-interest income was $273 million for the year ended December 31, 2020, a decrease of $24 million compared to the year ended December 31, 2019, due primarily to higher net losses on derivatives and hedging activities, partially offset by higher net realized gains from the sale of private-label mortgage-backed securities, higher gains on private-label mortgage-backed securities litigation settlements, and disgorgement proceeds received from an SEC enforcement action.

1818 Library Street Suite 420 Reston, VA 20190
Phone 703.467.3600 info@fhlb-of.com www.fhlb-of.com

Non-interest expense was $447 million and $1,570 million for the three months and the year ended December 31, 2020, increases of 15% and 10% compared to the three months and the year ended December 31, 2019, including increases in compensation and benefits expenses, driven by voluntary pension contributions, as well as costs related to subsidized advances and grants issued in connection with COVID-19 relief programs.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were $73 million and $315 million for the three months and the year ended December 31, 2020, decreases of 28% and 13% compared to the three months and the year ended December 31, 2019.

About the FHLBanks

Each FHLBank manages its operations independently and is responsible for establishing its own accounting and financial reporting policies in accordance with GAAP. The accounting and financial reporting policies and practices of the individual FHLBanks are not always identical because different policies and presentations are permitted under GAAP in certain circumstances within a combined financial statement presentation.

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 6,700 members serving all 50 states, the District of Columbia, and U.S. territories. Please contact Nancy Nowalk at 703-467-3608 or nnowalk@fhlb-of.com for additional information.

Statements contained in this release, including statements describing the objectives, projections, estimates, or future predictions of the FHLBanks and the Office of Finance, may be "forward-looking statements." These statements may use forward-looking terminology, such as "anticipates," "believes," "could," "estimates," "expects," "may," "should," "will," "would," or their negatives or other variations on these terms. Investors should note that forward-looking statements, by their nature, involve risks or uncertainties. Therefore, the actual results could differ materially from those expressed or implied in these forward-looking statements or could affect the extent to which a particular objective, projection, estimate, or prediction is realized. These forward-looking statements involve risks and uncertainties including, but not limited to, the following: changes in the general economy; changes in interest rates and housing prices; changes to, and replacement of, the London Interbank Offered Rate benchmark interest rate, and the use and acceptance of the Secured Overnight Financing Rate; size and volatility of the residential mortgage market; disruptions in the credit and debt markets and the effect on the FHLBanks' funding costs, sources, and availability; levels and volatility of market prices, rates, and indices that could affect the value of investments or collateral held by the FHLBanks as security; monetary and fiscal policies; political events, including legislative, regulatory, judicial, or other developments, that affect the FHLBanks, their members, counterparties, dealers of consolidated obligations, or investors in consolidated obligations; natural disasters, pandemics or other widespread health emergencies, terrorist attacks, civil unrest, or other unanticipated or catastrophic events, including the economic and financial disruptions and uncertainties and significant operational challenges created by the COVID-19 pandemic and related developments; demand for FHLBank advances; competitive forces, including other sources of funding available to FHLBank members; loss of members and repayment of advances made to those members due to institutional failures, changes in the financial health of members or other factors; changes in investor demand for consolidated obligations, including those resulting from changes in credit ratings and/or the terms of derivative transactions; the ability to introduce new FHLBank products and services and successfully manage the risks associated with those products and services; the pace of technological change and the ability to develop, secure, and support technology and information systems to effectively manage the risks, including information security; and the effect of new accounting guidance. Investors are encouraged to consider these and other risks and uncertainties that are discussed in periodic combined financial reports posted on the Office of Finance web site, www.fhlb-of.com, and in reports filed by each FHLBank with the U. S. Securities and Exchange Commission. Any duty to update these forward-looking statements is disclaimed.

1818 Library Street Suite 420 Reston, VA 20190
Phone 703.467.3600 info@fhlb-of.com www.fhlb-of.com

FHLBanks Office of Finance
Table I - Statement of Condition Highlights
Unaudited

(Dollars in millions)	Combined[1]		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Assets												
Cash and due from banks	$ 25,125	$ 4,960	$ 2,050	$ 69	$ 1,896	$ 603	$ 1,036	$ 21	$ 2,905	$ 911	$ 2,984	$ 21
Investments, net	305,865	374,995	13,342	16,144	39,668	56,832	16,523	24,573	36,380	50,617	27,041	34,389
Advances	422,639	641,519	18,817	34,596	92,067	100,695	24,971	65,610	52,168	97,167	25,362	47,370
Mortgage loans held for portfolio, net	62,842	72,492	3,930	4,501	2,900	3,173	4,886	5,114	218	296	9,549	11,235
Other assets	4,269	5,147	322	353	465	759	297	406	624	866	360	477
Total assets	$ 820,740	$ 1,099,113	$ 38,461	$ 55,663	$ 136,996	$ 162,062	$ 47,713	$ 95,724	$ 92,295	$ 149,857	$ 65,296	$ 93,492
Liabilities												
Consolidated obligations												
Discount notes	$ 274,804	$ 404,035	$ 12,878	$ 27,681	$ 57,659	$ 73,959	$ 9,510	$ 23,141	$ 25,385	$ 52,134	$ 27,500	$ 49,084
Bonds	473,714	622,161	21,472	23,889	69,716	78,764	33,855	66,808	59,379	88,503	31,997	38,440
Total consolidated obligations	748,518	1,026,196	34,350	51,570	127,375	152,723	43,365	89,949	84,764	140,637	59,497	87,524
Mandatorily redeemable capital stock	772	1,378	6	6	3	5	143	344	—	1	19	22
Other liabilities	21,270	16,112	1,323	942	2,362	1,802	1,164	958	2,271	2,056	1,850	1,501
Total liabilities	770,560	1,043,686	35,679	52,518	129,740	154,530	44,672	91,251	87,035	142,694	61,366	89,047
Capital												
Capital stock	27,398	34,495	1,268	1,869	5,367	5,779	1,528	3,055	3,078	4,988	2,641	3,367
Retained earnings	21,998	20,588	1,498	1,463	1,909	1,801	1,376	1,326	2,198	2,153	1,304	1,094
Accumulated other comprehensive income (loss)	784	344	16	(187)	(20)	(48)	137	92	(16)	22	(15)	(16)
Total capital (GAAP)	50,180	55,427	2,782	3,145	7,256	7,532	3,041	4,473	5,260	7,163	3,930	4,445
Total liabilities and capital	$ 820,740	$ 1,099,113	$ 38,461	$ 55,663	$ 136,996	$ 162,062	$ 47,713	$ 95,724	$ 92,295	$ 149,857	$ 65,296	$ 93,492
Regulatory capital	$ 50,168	$ 56,461	$ 2,772	$ 3,338	$ 7,279	$ 7,585	$ 3,047	$ 4,725	$ 5,276	$ 7,142	$ 3,964	$ 4,483

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Assets												
Cash and due from banks	$ 1,812	$ 220	$ 3,541	$ 29	$ 978	$ 1,029	$ 3,178	$ 21	$ 4,570	$ 1,917	$ 174	$ 118
Investments, net	23,756	23,577	39,649	38,882	31,497	38,465	25,660	33,918	17,252	20,087	35,228	37,637
Advances	31,347	32,480	46,695	50,508	46,530	80,360	32,479	37,117	21,227	30,241	30,976	65,374
Mortgage loans held for portfolio, net	8,516	10,815	10,038	10,000	8,242	9,334	3,423	4,075	9,205	10,633	1,935	3,314
Other assets	494	419	433	408	444	415	173	251	338	399	321	399
Total assets	$ 65,925	$ 67,511	$ 100,356	$ 99,827	$ 87,691	$ 129,603	$ 64,913	$ 75,382	$ 52,592	$ 63,277	$ 68,634	$ 106,842
Liabilities												
Consolidated obligations												
Discount notes	$ 16,617	$ 17,677	$ 48,643	$ 41,675	$ 27,345	$ 29,531	$ 22,171	$ 34,328	$ 10,882	$ 27,448	$ 16,213	$ 27,376
Bonds	43,333	44,715	42,670	50,474	52,254	91,553	37,113	35,746	37,648	32,013	44,408	71,372
Total consolidated obligations	59,950	62,392	91,313	92,149	79,599	121,084	59,284	70,074	48,530	59,461	60,621	98,748
Mandatorily redeemable capital stock	251	323	279	324	52	206	14	7	2	2	2	138
Other liabilities	2,274	1,639	2,475	1,900	2,300	1,587	2,058	1,503	1,392	1,022	1,817	1,215
Total liabilities	62,475	64,354	94,067	94,373	81,951	122,877	61,356	71,584	49,924	60,485	62,440	100,101
Capital												
Capital stock	2,208	1,974	2,010	1,713	3,341	4,517	2,101	2,466	1,574	1,767	2,284	3,000
Retained earnings	1,137	1,115	4,072	3,770	2,351	2,165	1,408	1,233	1,052	1,000	3,680	3,467
Accumulated other comprehensive income (loss)	105	68	207	(29)	48	44	48	99	42	25	230	274
Total capital (GAAP)	3,450	3,157	6,289	5,454	5,740	6,726	3,557	3,798	2,668	2,792	6,194	6,741
Total liabilities and capital	$ 65,925	$ 67,511	$ 100,356	$ 99,827	$ 87,691	$ 129,603	$ 64,913	$ 75,382	$ 52,592	$ 63,277	$ 68,634	$ 106,842
Regulatory capital	$ 3,596	$ 3,412	$ 6,361	$ 5,807	$ 5,744	$ 6,888	$ 3,523	$ 3,706	$ 2,627	$ 2,769	$ 5,966	$ 6,605

(1) The sum of the individual FHLBank statement of condition amounts may not agree to the combined statement of condition amounts due to combining adjustments.

FHLBanks Office of Finance

Table II - Statement of Income Highlights

Unaudited

Three Months Ended December 31,

	Combined[1]		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
(Dollars in millions)	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net interest income after provision (reversal) for credit losses	$ 1,125	$ 1,223	$ 62	$ 68	$ 192	$ 164	$ 81	$ 105	$ 69	$ 141	$ 81	$ 99
Non-interest income (loss)	52	160	1	42	(22)	27	6	17	5	3	(15)	7
Non-interest expense	447	390	39	34	61	48	25	31	36	36	22	21
Affordable Housing Program assessments	73	101	2	7	11	14	6	10	3	11	4	9
Net income (loss)	$ 657	$ 892	$ 22	$ 69	$ 98	$ 129	$ 56	$ 81	$ 35	$ 97	$ 40	$ 76

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net interest income after provision (reversal) for credit losses	$ 72	$ 69	$ 142	$ 111	$ 104	$ 141	$ 75	$ 90	$ 75	$ 71	$ 171	$ 165
Non-interest income (loss)	(8)	11	101	32	5	9	1	2	(4)	6	(20)	10
Non-interest expense	30	26	68	67	70	43	40	24	20	19	46	49
Affordable Housing Program assessments	4	6	18	8	5	11	4	6	5	6	11	13
Net income (loss)	$ 30	$ 48	$ 157	$ 68	$ 34	$ 96	$ 32	$ 62	$ 46	$ 52	$ 94	$ 113

Year Ended December 31,

	Combined[1]		Boston		New York		Pittsburgh		Atlanta		Cincinnati	
(Dollars in millions)	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net interest income after provision (reversal) for credit losses	$ 4,403	$ 4,680	$ 195	$ 269	$ 749	$ 667	$ 359	$ 453	$ 333	$ 535	$ 406	$ 406
Non-interest income (loss)	273	297	40	41	(51)	34	(20)	3	113	19	(7)	(10)
Non-interest expense	1,570	1,425	102	98	207	176	104	102	163	146	92	89
Affordable Housing Program assessments	315	362	13	21	49	52	25	37	28	41	31	31
Net income (loss)	$ 2,791	$ 3,190	$ 120	$ 191	$ 442	$ 473	$ 210	$ 317	$ 255	$ 367	$ 276	$ 276

	Indianapolis		Chicago		Des Moines		Dallas		Topeka		San Francisco	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**	**2020**	**2019**
Net interest income after provision (reversal) for credit losses	$ 263	$ 237	$ 588	$ 458	$ 471	$ 576	$ 310	$ 293	$ 251	$ 257	$ 479	$ 531
Non-interest income (loss)	(55)	20	104	100	121	20	32	56	(39)	22	59	21
Non-interest expense	109	98	275	223	189	168	122	97	81	73	165	187
Affordable Housing Program assessments	11	17	43	35	41	44	22	25	13	21	38	38
Net income (loss)	$ 88	$ 142	$ 374	$ 300	$ 362	$ 384	$ 198	$ 227	$ 118	$ 185	$ 335	$ 327

(1) The sum of the individual FHLBank statement of income amounts may not agree to the combined statement of income amounts due to combining adjustments.