April 30, 2013

FOR IMMEDIATE RELEASE:

Office of Finance Announces Preliminary Unaudited First Quarter 2013 Combined Operating Highlights for the Federal Home Loan Banks

These highlights are prepared from the unaudited financial information of each Federal Home Loan Bank (FHLBank) and are subject to change. The FHLBank System continues to fulfill its mission to make available favorably priced wholesale funding to members while supporting its commitment to affordable housing.

This announcement contains unaudited combined and individual FHLBank balance sheet and income statement highlights as of and for the three months ended March 31, 2013 and comparative periods, attached as Tables I and II. Each of the FHLBanks has released its unaudited financial results for the three months ended March 31, 2013, filing a Form 8-K with the U. S. Securities and Exchange Commission (SEC).

Balance Sheet

Total assets were $738.7 billion at March 31, 2013, a decrease of 3.1% from $762.5 billion at December 31, 2012, comprised of declines in investments, advances, mortgage loans and other assets. Investments declined 2.4% to $259.5 billion due primarily to a decrease in securities purchased under agreements to resell and the runoff of residential mortgage-backed securities, partially offset by an increase in Federal funds sold. Advances decreased 1.8% to $418.3 billion due to high levels of deposits and low loan demand experienced at certain member institutions. Mortgage loans declined 3.0% to $48.0 billion as a result of principal repayments continuing to exceed purchases. Other assets decreased 39.4% to $13.0 billion due primarily to a reduction in cash. Consolidated obligations declined 3.3% to $669.4 billion due to the reduction in funding needs resulting from the decline in total assets. This decline resulted from a decrease in consolidated discount notes.

Total GAAP capital was $42.7 billion at March 31, 2013, an increase of 0.4% from $42.5 billion at December 31, 2012, driven by an improvement in accumulated other comprehensive income (loss) and growth in retained earnings, partially offset by a reduction in capital stock outstanding. The change in accumulated other comprehensive income (loss) was primarily driven by improvements in the fair value of certain available-for-sale private-label mortgage-backed securities reflected in the non-credit portion of other-than-temporary impairment (OTTI). The decrease in capital stock outstanding was primarily the result of the repurchase and redemption of excess capital stock, partially offset by capital stock issuances. The total GAAP capital-to-assets ratio was 5.78% at March 31, 2013, an increase of 20 basis points from 5.58% at December 31, 2012.

Total combined regulatory capital was $49.6 billion at March 31, 2013, a decrease of 2.7% from $51.0 billion at December 31, 2012, driven by reductions in capital stock and mandatorily redeemable capital stock (MRCS) outstanding, partially offset by growth in retained earnings. The combined regulatory capital-to-assets ratio was 6.71% at March 31, 2013, an increase of 2 basis points from 6.69% at December 31, 2012. The difference between total GAAP capital and total combined regulatory capital relates primarily to accumulated other comprehensive income (loss), which is excluded from regulatory capital, and MRCS, which is included in regulatory capital. Each FHLBank was in compliance with all minimum regulatory capital ratios at March 31, 2013 and December 31, 2012.

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(Dollars in millions)	March 31, 2013	December 31, 2012	Change
Assets			
Investments	$ 259,452	$ 265,825	$ (6,373)
Advances	418,297	425,750	(7,453)
Mortgage loans held for portfolio, net	47,953	49,425	(1,472)
Other assets(1)	13,004	21,454	(8,450)
Total assets	**$ 738,706**	**$ 762,454**	**$ (23,748)**
Liabilities			
Consolidated obligations			
Discount notes	$ 192,977	$ 216,282	$ (23,305)
Bonds	476,387	475,856	531
Total consolidated obligations	669,364	692,138	(22,774)
Mandatorily redeemable capital stock	6,070	6,929	(859)
Other liabilities	20,569	20,838	(269)
Total liabilities	**696,003**	**719,905**	**(23,902)**
Capital			
Capital stock	32,618	33,535	(917)
Retained earnings	10,916	10,524	392
Accumulated other comprehensive income (loss)	(831)	(1,510)	679
Total capital (GAAP)	**42,703**	**42,549**	**154**
Total liabilities and capital	**$ 738,706**	**$ 762,454**	**$ (23,748)**
Total combined regulatory capital	**$ 49,604**	**$ 50,989**	**$ (1,385)**

(1) Primarily cash

Net Income

Net income for the three months ended March 31, 2013 was $580 million, a decrease of 20.9% compared to the same period in 2012. The decrease was driven primarily by lower net interest income, partially offset by lower assessments and non-interest expense.

	Three Months Ended March 31,		
(Dollars in millions)	2013	2012	Change
Net interest income after provision (reversal) for credit losses	$ 854	$ 1,033	$ (179)
Non-interest income	28	25	3
Non-interest expense	234	242	(8)
Assessments	68	83	(15)
Net income	**$ 580**	**$ 733**	**$ (153)**

Net Interest Income

Net interest income after provision for credit losses for the three months ended March 31, 2013 was $854 million, a decrease of 17.3% compared to the same period in 2012. Net interest margin for the three months ended March 31, 2013 was 0.46%, a decrease of 9 basis points compared to the same period in 2012.

Interest income for the three months ended March 31, 2013 was $2,166 million, a decrease of 20.1% compared to the same period in 2012. The decrease was driven by lower yields on interest-earning assets and reductions in the average balances of investments and mortgage loans.

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Interest expense for the three months ended March 31, 2013 was $1,316 million, a decrease of 21.1% compared to the same period in 2012. The decrease was driven by lower funding costs that were partially attributable to the cumulative effect of redemptions and refinancings of higher-cost consolidated obligations in a very low interest-rate environment, as well as reductions in the average balances of interest-bearing liabilities.

The reversal for credit losses for the three months ended March 31, 2013 was $4 million, compared to a provision of $12 million during the same period in 2012, primarily because of improvements in the housing market and lower estimated loss severities.

	Three Months Ended March 31,		
(Dollars in millions)	**2013**	**2012**	**Change**
Interest income			
Advances	$ 645	$ 832	$ (187)
Prepayment fees on advances, net	30	89	(59)
Investments	998	1,199	(201)
Mortgage loans and other	493	592	(99)
Total interest income	**2,166**	**2,712**	**(546)**
Interest expense			
Consolidated obligations	1,272	1,636	(364)
Deposits and other borrowings	44	31	13
Total interest expense	**1,316**	**1,667**	**(351)**
Net interest income	**850**	**1,045**	**(195)**
Provision (reversal) for credit losses	(4)	12	(16)
Net interest income after provision (reversal) for credit losses	**$ 854**	**$ 1,033**	**$ (179)**
Net interest margin	**0.46%**	**0.55%**	**(0.09)%**

Non-Interest Income

Non-interest income for the three months ended March 31, 2013 was $28 million, an improvement of 12.0% compared to the same period in 2012. The improvement was due primarily to lower losses on extinguishment of debt, reported in other; lower credit-related OTTI charges and lower losses on trading securities; partially offset by lower net gains on derivatives and hedging activities.

Credit-related OTTI charges for the three months ended March 31, 2013 of $5 million were attributable to projected incremental credit losses on collateral underlying certain private-label mortgage-backed securities. The decrease of $26 million in credit-related OTTI charges was due primarily to a slight increase in the housing prices and further stabilization of the mortgage markets in 2013 compared to 2012.

Market value fluctuations contributed to the net gain recorded in non-interest income (loss) for the three months ended March 31, 2013. During the three months ended March 31, 2013, the FHLBanks recorded net mark-to-market related gains on derivatives and hedging activities and losses on trading securities and financial instruments held under fair value option.

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(Dollars in millions)	Three Months Ended March 31, 2013	2012	Change
Net other-than-temporary impairment losses	$ (5)	$ (31)	$ 26
Net gains (losses) on derivatives and hedging activities	65	139	(74)
Net gains (losses) on trading securities	(48)	(74)	26
Net gains (losses) on financial instruments held under fair value option	(4)	5	(9)
Other	20	(14)	34
Total non-interest income	**$ 28**	**$ 25**	**$ 3**

Non-Interest Expense

Non-interest expense for the three months ended March 31, 2013 decreased 3.3% to $234 million.

(Dollars in millions)	Three Months Ended March 31, 2013	2012	Change
Compensation and benefits	$ 126	$ 131	$ (5)
Other operating expenses	77	75	2
Federal Housing Finance Agency	16	21	(5)
Other expense	15	15	—
Total non-interest expense	**$ 234**	**$ 242**	**$ (8)**

Assessments

Affordable Housing Program assessments for the three months ended March 31, 2013 were $68 million, a decrease of 18.1% compared to the same period in 2012. The decrease in Affordable Housing Program assessments was a result of the decrease in net income before assessments.

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About the FHLBanks

The primary purpose of the FHLBanks is to ensure the flow of credit and other services for housing and community development to member financial institutions. This liquidity serves the public by enhancing the availability of residential mortgage and community investment funds. As cooperatives, the FHLBanks seek to maintain a balance between their public policy mission and their obligation to provide adequate returns on the capital supplied by members. The FHLBanks achieve this balance by delivering low-cost financing, providing members a viable alternative to the secondary mortgage market through their mortgage programs, and through the payment of dividends. Each FHLBank also helps members with other local housing and community development needs through self-funded affordable housing programs.

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 7,600 members serving all 50 states, the District of Columbia and U.S. territories. Please contact Kevin Kincaid at 703-467-3608 or kkincaid@fhlb-of.com for additional information.

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FHLBanks Office of Finance
Table I to April 30, 2013 Combined Operating Highlights
Balance Sheet Highlights
Unaudited

(Dollars in millions)	Combined[(1)]		Boston		New York		Pittsburgh		Atlanta		Cincinnati		Indianapolis	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Assets														
Investments	$ 259,452	$ 265,825	$ 13,029	$ 15,554	$ 23,386	$ 17,459	$ 15,956	$ 19,057	$ 29,697	$ 30,454	$ 20,772	$ 19,950	$ 14,463	$ 16,845
Advances	418,297	425,750	19,900	20,790	71,723	75,888	39,994	40,498	80,260	87,503	58,282	53,944	18,950	18,130
Mortgage loans held for portfolio, net	47,953	49,425	3,505	3,479	1,885	1,843	3,483	3,533	1,154	1,244	7,213	7,530	6,094	6,001
Other assets	13,004	21,454	501	386	4,929	7,799	704	1,528	436	4,504	462	138	186	252
Total assets	$ 738,706	$ 762,454	$ 36,935	$ 40,209	$ 101,923	$ 102,989	$ 60,137	$ 64,616	$ 111,547	$ 123,705	$ 86,729	$ 81,562	$ 39,693	$ 41,228
Liabilities														
Consolidated obligations														
Discount notes	$ 192,977	$ 216,282	$ 5,981	$ 8,639	$ 32,555	$ 29,780	$ 18,301	$ 24,148	$ 20,040	$ 31,737	$ 34,076	$ 30,840	$ 7,938	$ 8,924
Bonds	476,387	475,856	25,722	26,120	61,014	64,784	36,496	35,136	82,858	82,947	45,937	44,346	27,416	27,408
Total consolidated obligations	669,364	692,138	31,703	34,759	93,569	94,564	54,797	59,284	102,898	114,684	80,013	75,186	35,354	36,332
Mandatorily redeemable capital stock	6,070	6,929	191	216	26	23	369	432	34	40	134	211	161	451
Other liabilities	20,569	20,838	1,669	1,668	2,970	2,911	1,474	1,472	2,735	2,706	1,564	1,628	1,841	2,229
Total liabilities	696,003	719,905	33,563	36,643	96,565	97,498	56,640	61,188	105,667	117,430	81,711	77,025	37,356	39,012
Capital														
Capital stock	32,618	33,535	3,202	3,455	4,627	4,797	2,832	2,815	4,380	4,898	4,466	4,010	1,678	1,634
Retained earnings	10,916	10,524	638	588	911	894	586	559	1,477	1,435	563	538	616	591
Accumulated other comprehensive income (loss)	(831)	(1,510)	(468)	(477)	(180)	(200)	79	54	23	(58)	(11)	(11)	43	(9)
Total capital (GAAP)	42,703	42,549	3,372	3,566	5,358	5,491	3,497	3,428	5,880	6,275	5,018	4,537	2,337	2,216
Total liabilities and capital	$ 738,706	$ 762,454	$ 36,935	$ 40,209	$ 101,923	$ 102,989	$ 60,137	$ 64,616	$ 111,547	$ 123,705	$ 86,729	$ 81,562	$ 39,693	$ 41,228
Total combined regulatory capital	$ 49,604	$ 50,989	$ 4,031	$ 4,259	$ 5,564	$ 5,714	$ 3,787	$ 3,806	$ 5,891	$ 6,373	$ 5,163	$ 4,759	$ 2,455	$ 2,677

	Chicago		Des Moines		Dallas		Topeka		San Francisco		Seattle	
	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012	March 31, 2013	December 31, 2012
Assets												
Investments	$ 40,138	$ 40,750	$ 15,895	$ 13,433	$ 12,843	$ 16,200	$ 10,225	$ 10,775	$ 37,861	$ 40,528	$ 25,442	$ 25,039
Advances	14,403	14,530	24,802	26,614	15,722	18,395	17,582	16,573	46,713	43,750	9,966	9,135
Mortgage loans held for portfolio, net	9,653	10,432	6,771	6,952	113	121	5,924	5,941	1,173	1,289	985	1,060
Other assets	728	3,872	458	368	2,356	1,039	227	530	1,846	854	171	186
Total assets	$ 64,922	$ 69,584	$ 47,926	$ 47,367	$ 31,034	$ 35,755	$ 33,958	$ 33,819	$ 87,593	$ 86,421	$ 36,564	$ 35,420
Liabilities												
Consolidated obligations												
Discount notes	$ 24,292	$ 31,260	$ 5,326	$ 8,675	$ 4,558	$ 6,984	$ 9,204	$ 8,669	$ 12,829	$ 5,209	$ 17,877	$ 21,417
Bonds	34,751	32,569	38,146	34,345	23,606	25,698	21,320	21,974	64,296	70,310	15,152	10,497
Total consolidated obligations	59,043	63,829	43,472	43,020	28,164	32,682	30,524	30,643	77,125	75,519	33,029	31,914
Mandatorily redeemable capital stock	4	6	11	9	4	5	4	6	3,907	4,343	1,225	1,187
Other liabilities	2,426	2,301	1,690	1,504	1,161	1,297	1,609	1,449	760	946	681	746
Total liabilities	61,473	66,136	45,173	44,533	29,329	33,984	32,137	32,098	81,792	80,808	34,935	33,847
Capital												
Capital stock	1,549	1,650	1,970	2,063	1,109	1,217	1,345	1,264	3,951	4,160	1,509	1,572
Retained earnings	1,770	1,691	636	622	589	572	499	482	2,303	2,247	244	228
Accumulated other comprehensive income (loss)	130	107	147	149	7	(18)	(23)	(25)	(453)	(794)	(124)	(227)
Total capital (GAAP)	3,449	3,448	2,753	2,834	1,705	1,771	1,821	1,721	5,801	5,613	1,629	1,573
Total liabilities and capital	$ 64,922	$ 69,584	$ 47,926	$ 47,367	$ 31,034	$ 35,755	$ 33,958	$ 33,819	$ 87,593	$ 86,421	$ 36,564	$ 35,420
Total combined regulatory capital	$ 3,323	$ 3,347	$ 2,617	$ 2,694	$ 1,702	$ 1,794	$ 1,848	$ 1,752	$ 10,161	$ 10,750	$ 2,978	$ 2,987

(1) The sum of the individual FHLBank balance sheet amounts may not agree to the combined balance sheet amounts due to interbank combining adjustments.

FHLBanks Office of Finance
Table II to April 30, 2013 Combined Operating Highlights
Income Statement Highlights
Unaudited

Three Months Ended March 31,

(Dollars in millions)	Combined[1] 2013	Combined[1] 2012	Boston 2013	Boston 2012	New York 2013	New York 2012	Pittsburgh 2013	Pittsburgh 2012	Atlanta 2013	Atlanta 2012	Cincinnati 2013	Cincinnati 2012	Indianapolis 2013	Indianapolis 2012
Net interest income after provision (reversal) for credit losses	$ 854	$ 1,033	$ 78	$ 69	$ 103	$ 120	$ 45	$ 42	$ 85	$ 82	$ 78	$ 80	$ 64	$ 62
Non-interest income (loss)	28	25	(3)	(1)	(1)	18	4	—	24	23	8	(1)	(5)	(1)
Non-interest expense	234	242	16	16	24	25	17	18	30	27	15	14	15	15
Assessments	68	83	6	5	8	11	3	2	8	8	7	7	5	5
Net income	$ 580	$ 733	$ 53	$ 47	$ 70	$ 102	$ 29	$ 22	$ 71	$ 70	$ 64	$ 58	$ 39	$ 41

	Chicago 2013	Chicago 2012	Des Moines 2013	Des Moines 2012	Dallas 2013	Dallas 2012	Topeka 2013	Topeka 2012	San Francisco 2013	San Francisco 2012	Seattle 2013	Seattle 2012
Net interest income after provision (reversal) for credit losses	$ 113	$ 153	$ 53	$ 70	$ 35	$ 40	$ 50	$ 57	$ 127	$ 241	$ 34	$ 23
Non-interest income (loss)	1	6	(9)	(5)	4	6	(10)	(9)	(4)	(20)	2	10
Non-interest expense	25	30	14	15	19	19	12	13	30	32	18	19
Assessments	9	13	3	5	2	3	3	3	12	20	2	1
Net income	$ 80	$ 116	$ 27	$ 45	$ 18	$ 24	$ 25	$ 32	$ 81	$ 169	$ 16	$ 13

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