



NEWS RELEASE

CoBank Announces Redemption of \$500 million in Subordinated Notes

DENVER (June 19, 2017) — CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, today announced that it has redeemed \$500 million of subordinated notes originally issued in 2007 with a 10-year call date.

“Recent changes to capital regulations provide less favorable capital treatment for subordinated debt instruments. Coupled with the bank’s strong capital ratios and capacity, and as part of our long-term capital strategy, it is prudent for the bank to redeem these notes now,” said CoBank Chief Financial Officer David P. Burlage. “We will continue to evaluate a range of capital market strategies in order to ensure our capacity to serve customers and optimize the cost and effectiveness of our capital.”

On April 17, 2017, the bank announced the intention to redeem the notes after receiving approval from its regulator, the Farm Credit Administration, on April 13, 2017. The notes have been redeemed at par, together with accrued and unpaid interest to, but excluding, the redemption date (less any applicable tax withholding as required by law). The redemption and paying agent for the redemption is The Bank of New York Mellon Trust Company, N.A.

About CoBank

CoBank is a \$128 billion cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving more than 70,000 farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture, rural infrastructure and rural communities. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

For more information about CoBank, visit the bank's web site at www.cobank.com.

Contact

Arthur Hodges
Senior Vice President, Corporate Communications
303-740-4061
ahodges@cobank.com

David P. Burlage
Chief Financial Officer
303-740-6464
dburlage@cobank.com