



NEWS RELEASE

CoBank Redeems \$200 Million Of Series C Preferred Stock

DENVER (July 1, 2013) — CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, announced today that it has redeemed all \$200 million of its Series C non-cumulative perpetual preferred stock.

The Series C preferred stock was first issued in June 2008. It paid an 11 percent dividend rate in its first five years, after which the dividend was scheduled to float at a rate indexed to three-month LIBOR.

David P. Burlage, CoBank's chief financial officer, said the redemption is part of CoBank's ongoing effort to enhance the efficiency and durability of its capital structure. Earlier in the year, the bank issued \$200 million of Series G non-cumulative perpetual preferred stock, which has a fixed dividend rate for life of 6.125 percent.

"We believe we have sufficient capital to meet the borrowing needs of our customers for the long term," Burlage said. "We're pleased to have completed the Series C redemption and continue to monitor the capital markets for additional opportunities."

CoBank now has outstanding four series of non-cumulative perpetual preferred stock totaling \$962 million. CoBank also has \$905 million in subordinated debt outstanding.

About CoBank

CoBank is a \$95 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 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 and the nation's rural economy. 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.

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