



American AgCredit

Money for Agriculture

NEWS RELEASE

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American AgCredit pays California/Nevada Farmers and Ranchers More Than \$19.8 Million in Cash Dividends

Santa Rosa (February, 2008) American AgCredit, the nation's 7th largest Farm Credit cooperative, has announced the distribution of \$19.8 million in net income to its members. Following last year's dividend payment of \$18.0 million, the company has disbursed almost \$50 million to its members in the past 36 months. Dividends provide the means for businesses with a cooperative ownership structure to return a share of net income to their member shareholders who, in the case of American AgCredit members, are also borrowing customers. Dividends are equal to that portion of net income (interest rates, fees, etc.) directly derived from member borrowers.

Ron Carli, American AgCredit's President and CEO, explains "The ability for us to return profits to our customers is, along with our competitive rates and agriculture expertise, one of the many unique traits that make locally-run agricultural cooperatives more attractive to farmers and ranchers than multinational banks. This is the second year that our dividend has effectively reduced the interest rate on our members' loans by three quarters of one percent in most cases."

Carli points to American AgCredit's track record of managed growth and solid earnings history as the reasons for the Dividend Program, saying, "Our capital strength provides us the platform from which we can offer not only low rates on our mortgage loans and operating lines of credit but also partial rebates of our net income to the very people who make our success possible – our members."

(more)

Chris Call, American AgCredit's CFO adds, "2007 produced record income for the company. Returning a large portion of that income to our members through the Dividend Program allows our members to share in the financial success of their Association and realize even greater savings on their loans."

Founded in 1916, American AgCredit is part of the cooperative nationwide Farm Credit System. American AgCredit specializes in providing financial services to agriculture and rural customers in California and Nevada as well as to capital markets customers in 27 states across the nation.

Financial services provided by American AgCredit include: production financing, short and long term loans, real estate loans, equipment and vehicle leasing, lines of credit and the Young, Beginning and Small farmer program.

For more information about American AgCredit's Cash Dividend Program and financial services, call 1-707-545-1200 or go online to www.agloan.com for a listing of offices by region.

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