



AMERICAN AGCREDIT
MONEY FOR AGRICULTURE

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Farm Credit Lender American AgCredit Earns \$111 Million for 2013 and Distributes \$37 Million in Cash Dividends to Customers

*Net Earnings for 2013 topped \$111 million
with \$37 million in cash dividends distributed to shareholders*

SANTA ROSA, CA (March 2014) – American AgCredit, a farmer-owned financial cooperative, today announced annual net income of \$111 million for the 2013 calendar year along with a cash dividend distribution of \$37 million to its shareholders. This compares to net income of \$107 million in 2012.

“As a cooperative, our earnings either contribute to our capital, allowing us to support our customers’ financial needs, or they are returned to producers in the form of cash-back dividends,” said Byron Enix, President and CEO. “We firmly believe that sharing the rewards with our members makes good business sense and allows them to share in the success they have created.”

The increase in income primarily was due to greater net interest income from loan growth and a reduction in the provision for credit losses due to an increase in credit quality. Loan volume ended the year at just over \$6 billion, resulting in a year-over-year growth rate of 3.9%. Net interest income finished the year \$7.8 million above plan due to higher than expected loan volume and recovery of \$4.0 million of non-accrual interest income. Fee income totaled \$13.8 million.

“Agriculture has continued to be stable throughout challenging weather, changing real estate prices, and fluctuating commodity markets,” said Chief Financial Officer Vern Zander. “Our success is a direct result of the success and stability of our customers and their businesses.”

With the \$37 million in cash dividends paid out to shareholders, this brings the amount of net income distributed since 2005 to \$215 million.

(more)

"American AgCredit returns dividends to customers based on their patronage, or loan volume, effectively reducing their interest rate," added Zander. "This allows our customers to use those savings to re-invest in their own operations as well as their local communities."

About American AgCredit

Founded in 1916, American AgCredit is part of the nationwide Farm Credit System, and is the nation's 7th largest Farm Credit cooperative. American AgCredit specializes in providing financial services to agricultural and rural customers throughout California, Nevada, Central Kansas, Northern Oklahoma, Central and Western Colorado, and Northern New Mexico - as well as to capital markets customers in 30 states.

Financial services provided by American AgCredit include production and mortgage financing, equipment and vehicle leasing, crop and life insurance, lines of credit, and the Young, Beginning and Small Farmer Program. In addition, the Association provides interest-free loans for qualifying 4-H and FFA AgYouth programs, as well as college scholarships to young people interested in agriculture.

For more information about American AgCredit's financial services, call 800-800-4865 or visit the website at www.AgLoan.com for a listing of offices by region.

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