

PRESS RELEASE



For Immediate Release
(February 16, 2010)



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American AgCredit pays \$15.8 Million in Cash Dividends

~ Agricultural lender gives cash back to borrowers

SANTA ROSA, CA (February, 2010) -- American AgCredit, the nation's 7th largest Farm Credit cooperative, has announced the distribution of \$15.8 million of net income to its members. This brings the total to \$80 million that American AgCredit has returned to its customers in the past five years.

Including American AgCredit's latest merger with Farm Credit of the Heartland, the combined total distributed to customers in the same period soars past \$100 million.

Dividends allow the Association to return a portion of its net income to its member shareholders, who are its borrowing customers. Individual dividend amounts are based upon the average daily balance of the borrower's loan(s) as a percentage of the total loan balances held in the Association.

According to Ron Carli, American AgCredit's President and CEO, the Association's substantial capital base and strong credit quality, as well as its market diversity, contributed to the year's success.

"We are very proud to have had another successful year, and it's a direct reflection of our strength and stability," he said. "Our approach to lending is conservative and focused. This has allowed us to continue to offer competitive rates on our mortgage loans and operating lines of credit, and to distribute cash dividends back to the very people who make our success possible – our members."

Chris Call, American AgCredit's CFO added, "Despite a volatile financial market, we had strong earnings this past year. While 140 commercial banks failed during 2009, American AgCredit continued to thrive and pay dividends to its members. This program is another benefit to doing business with American AgCredit, and it's a clear barometer of our success."

With the 2009 merger of Farm Credit of the Heartland, American AgCredit is poised for additional success through 2010. The recent merger ensures that the Association remains well diversified in a marketplace that is constantly changing, and strengthens the organization's core structure.

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Strong Earnings for 2009

The 2009 results for the Association showed continued growth and strong earnings. Although the continued decline in interest rates did affect interest earnings on the portfolio of loans, overall net income for the year was more than \$49 million. Loan volume remained stable for the year, with assets of \$4.9 billion and an additional \$4.3 billion in serviced assets. The Association maintains a portfolio of assets that will continue to produce solid interest income and fee income over the long-term.

Carli points to American AgCredit's track record of managed, conservative growth and solid earnings history as the reasons for the Dividend Program, and says the advantages to the program are numerous.

"Dividends are just one factor that make locally-run agricultural cooperatives more attractive to farmers and ranchers than multinational banks. The dividend program effectively reduces the interest rate on our members' loans by one-half of one percent in most cases," he said.

About American AgCredit

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

Financial services provided by American AgCredit include production and mortgage financing, equipment and vehicle leasing, 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 members through its AgYouth program, 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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