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American AgCredit increased Cash Patronage Distribution to a full 1% resulting in \$86 million cash back to its customers

Reports Net Income of \$169.4M and Total Assets exceeding \$10.9B for 2018

April 15, 2019, Santa Rosa, CA — American AgCredit increased its cash patronage distribution for 2018 to a full 1%, resulting in a record \$86 million cash back to our loyal customers, and \$26 million more than last year. The nation's fifth largest agricultural lending cooperative, American AgCredit also announced today a record net income of \$169.4 million for the year ended December 31, 2018.

"Our Association had an outstanding year in 2018—not just in our financial results, but in the significant progress we are making in positioning our company for competitive and sustainable success," said Byron Enix, Chief Executive Officer. "Our focus on improving our internal efficiency set the stage for our record net earnings year along with our increase in cash patronage distribution."

2018 Results of Operations

The Association produced after-tax net income of \$169.4 million in 2018, compared to \$159.1 million in 2017 and \$104.5 million in 2016. The \$10.3 million increase in net income from 2017 was primarily due to a \$12.6 million increase in net interest income as a result of strong organic loan growth and a \$17.4 million increase in non-interest income.

The 2018 net interest income was \$267.7 million, compared to \$255.1 million in 2017 and \$212.5 million in 2016. The 2018 increase of \$12.6 million represents a 4.9% increase over 2017 and was primarily due to strong growth in loan volume. Average earning assets grew by \$663.0 million during 2018, representing an annual growth rate of 7.5%.

"Our accrual loan growth rate of 7.5% enabled the Association to exceed \$10.9 billion in assets," added Chief Financial Officer Vern Zander. "Because of our efforts, we are able to share more profits than ever before."

The Board of Directors approved an increase in cash patronage distribution to a full 1%, resulting in a record \$86 million returned to American AgCredit customers.

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About American AgCredit

Founded in 1916, American AgCredit is part of the nationwide Farm Credit System, and is the nation's fifth largest Farm Credit cooperative. American AgCredit specializes in providing financial services to agricultural and rural customers throughout California, Nevada, Kansas, Oklahoma, Colorado, and New Mexico—as well as to capital markets customers throughout the country. 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. Learn more at www.AgLoan.com.