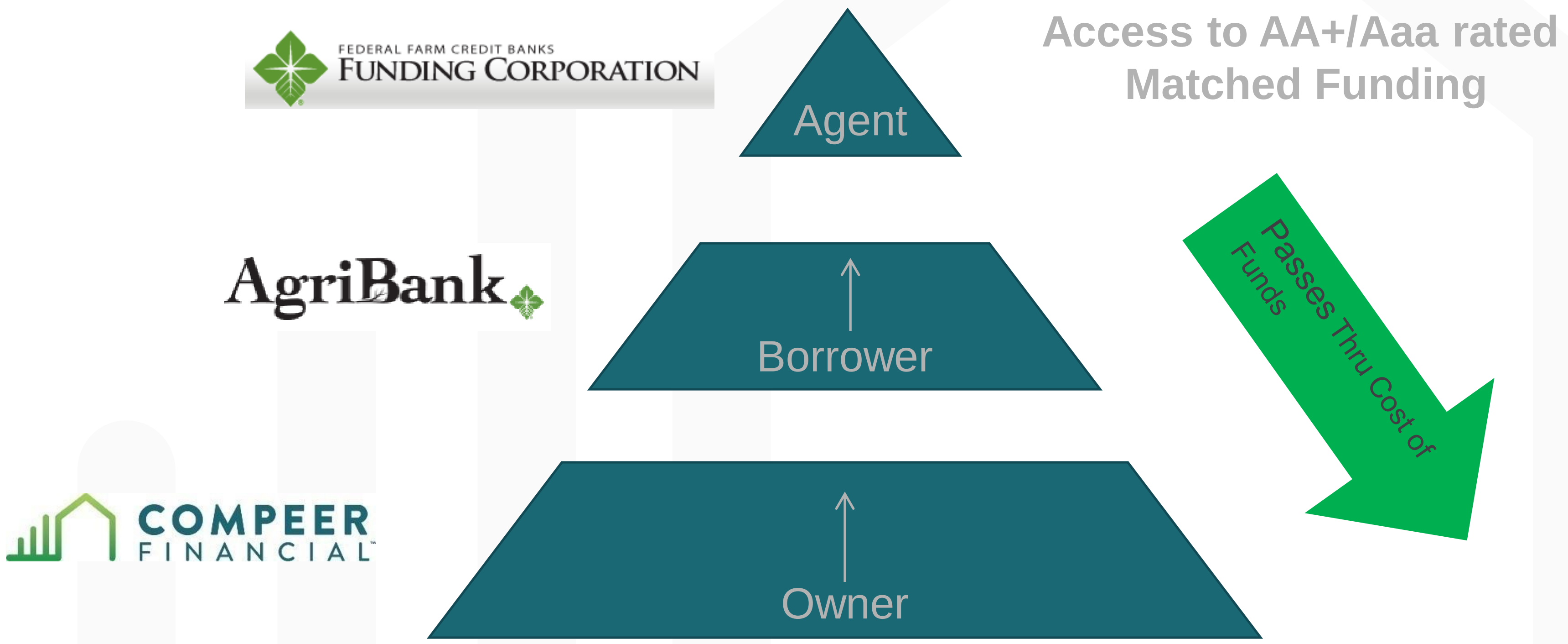
COMPEER FINANCIAL™

INVESTOR PRESENTATION

December, 2019

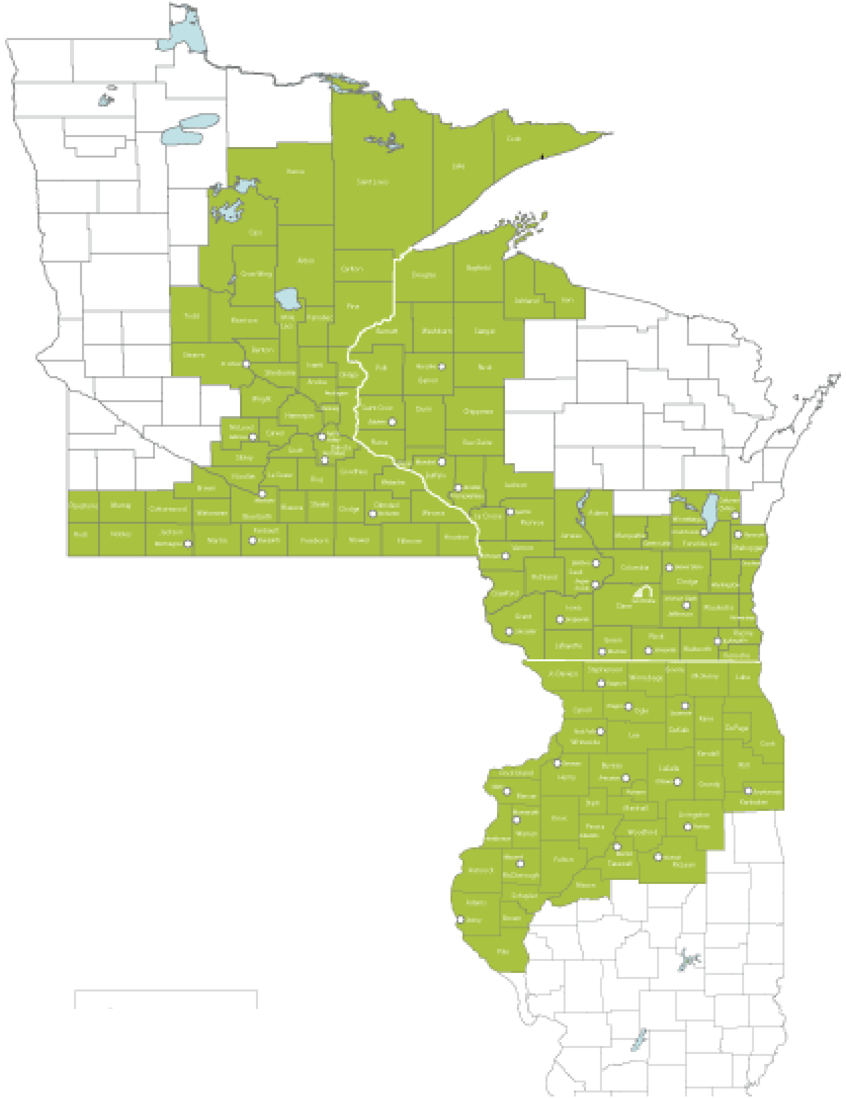
MULTI-FACETED COOPERATIVE STRUCTURE



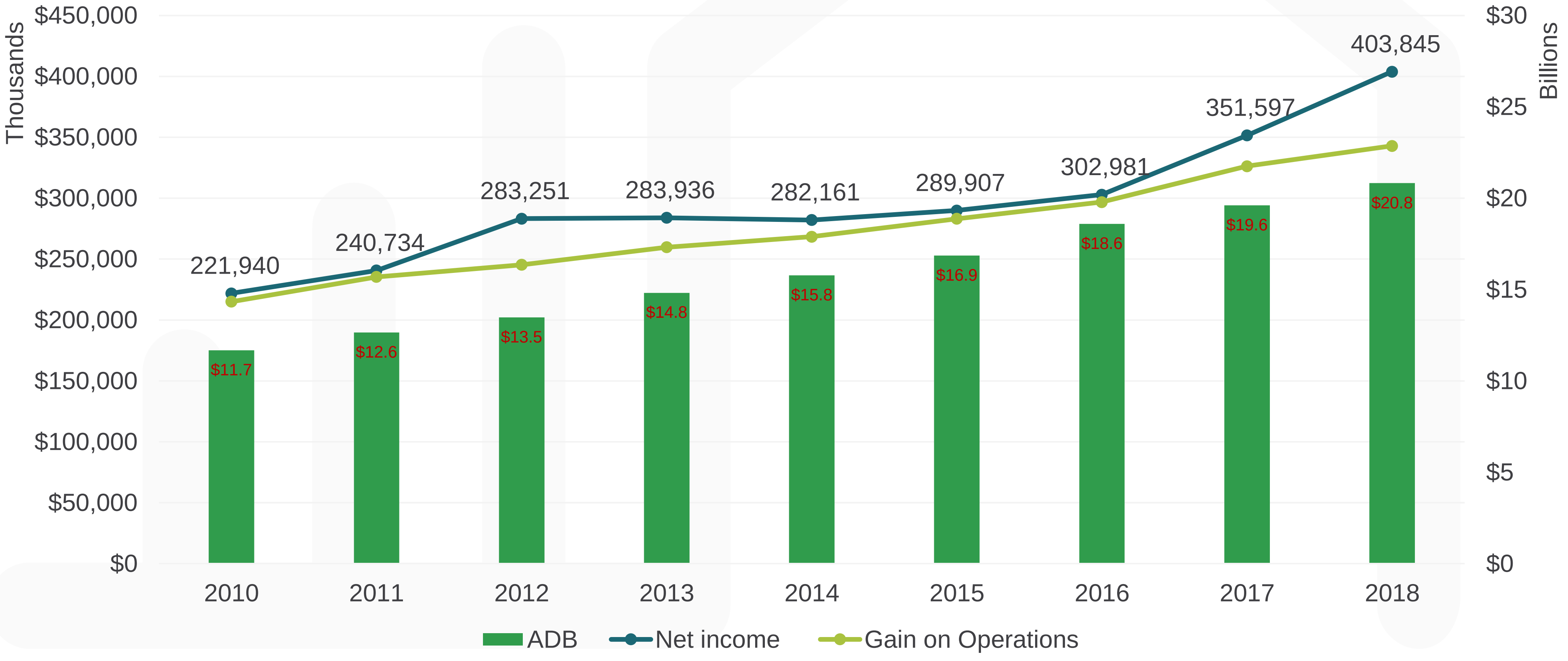
Due to cooperative structure and the system's GSE status, Compeer has access to a stable, highly-rated, matched funding

COMPEER

- 45 office locations within Illinois, Minnesota, and Wisconsin
  - Managed through 12 Core Marketplaces as well as Industry Specialties
- Nearly 70,000 member-owners
- Total assets of $21.4 Billion
- 144 counties
- A third of volume generated outside of local service area
- Third largest association in the Farm Credit System



TREND RESULTS

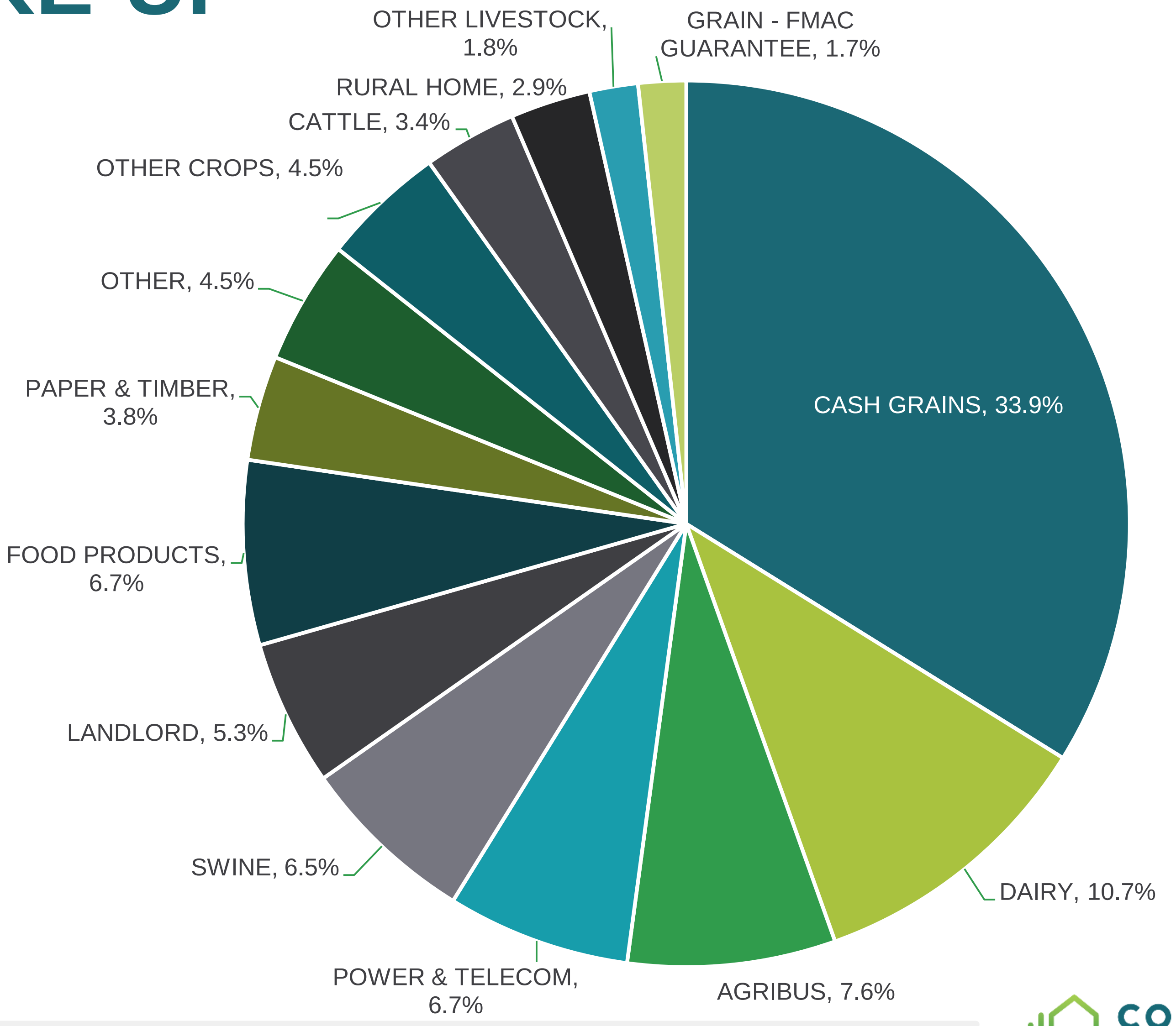


Note: Pro forma trend values for 2010-2017

*Data as of 9/30

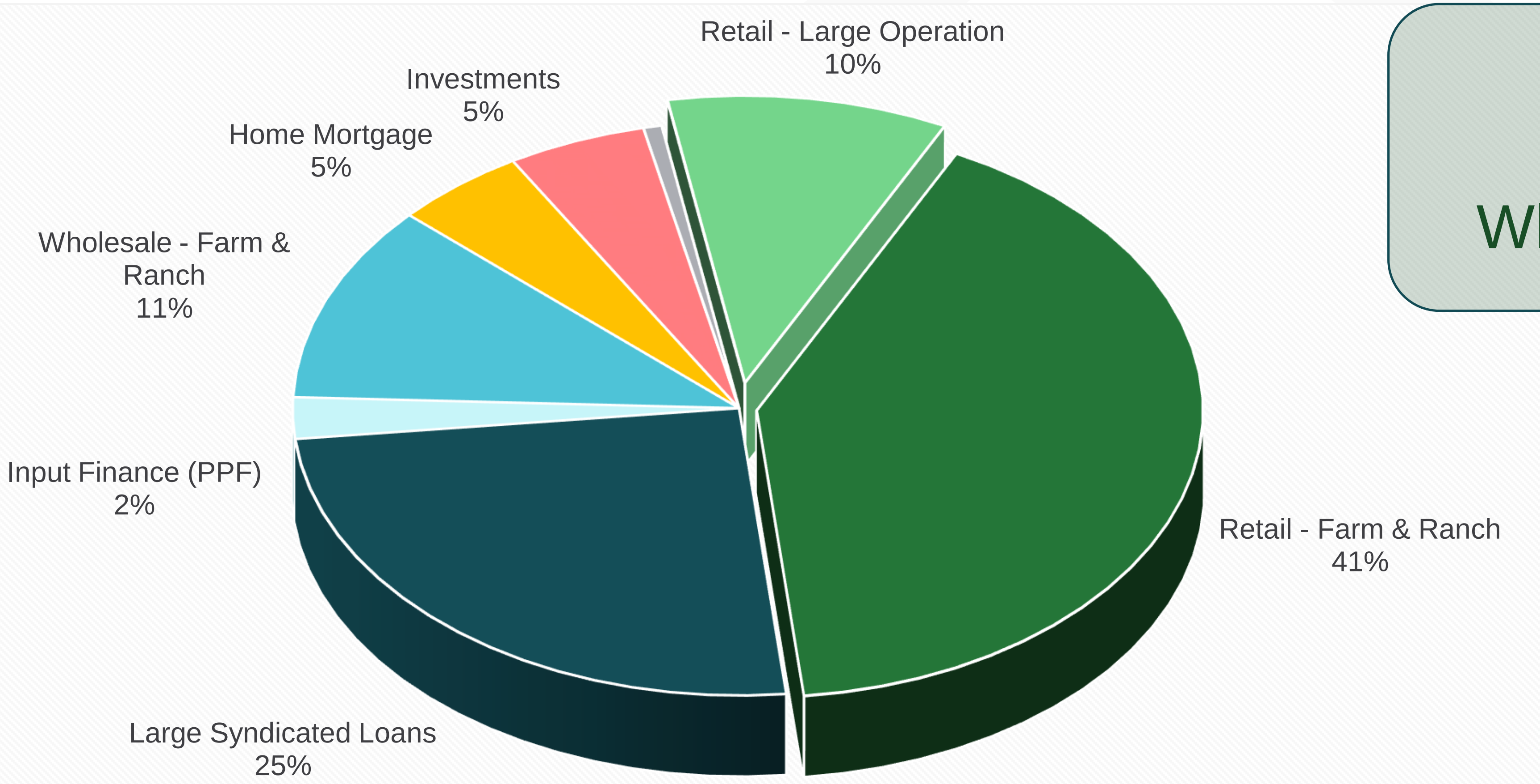
PORTFOLIO MAKE-UP

- Size and scope provides Compeer portfolio with atypical diversification
- Ability to serve both small and large clients
- Lending to a number of uncorrelated (or at times, negatively correlated) industries



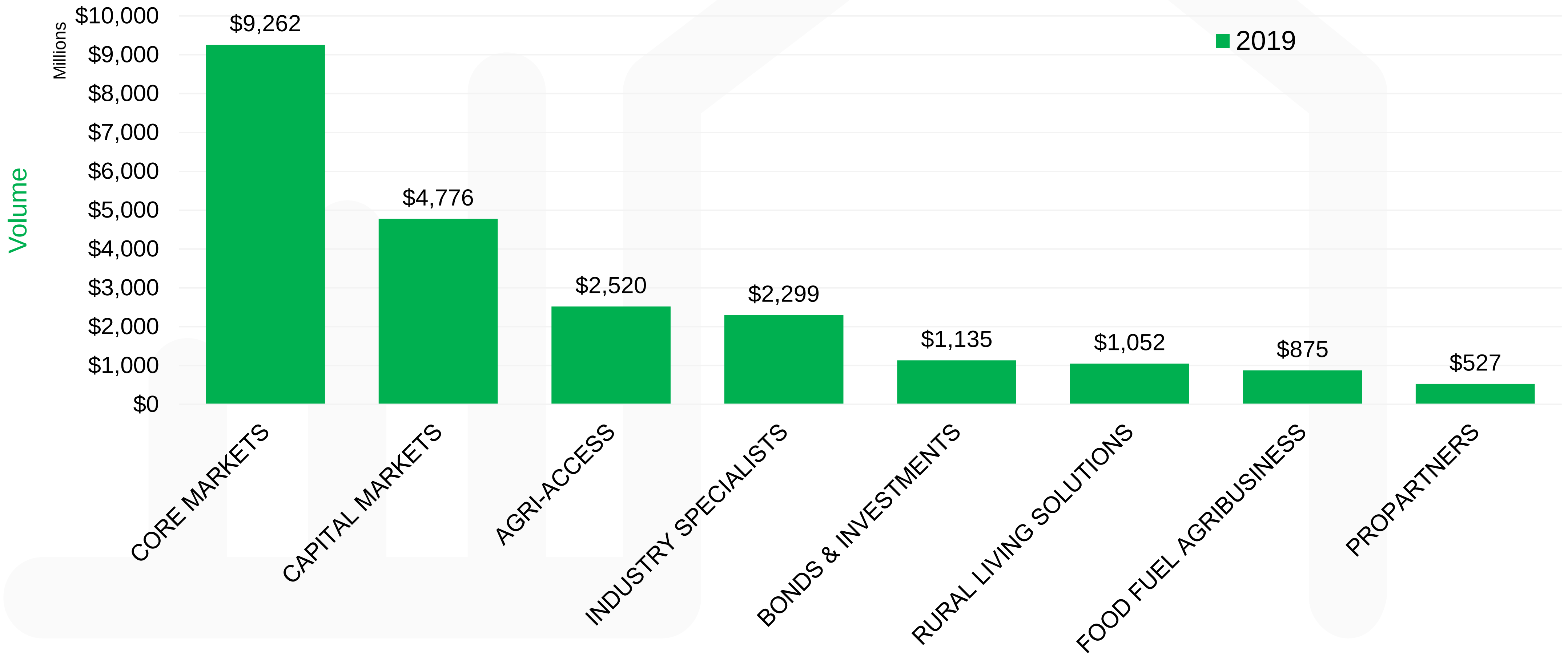
Report shows a higher grain mix due to FCS legacy classification of home mortgages

BUSINESS STRUCTURE



Retail
vs.
Wholesale

BUSINESS UNITS



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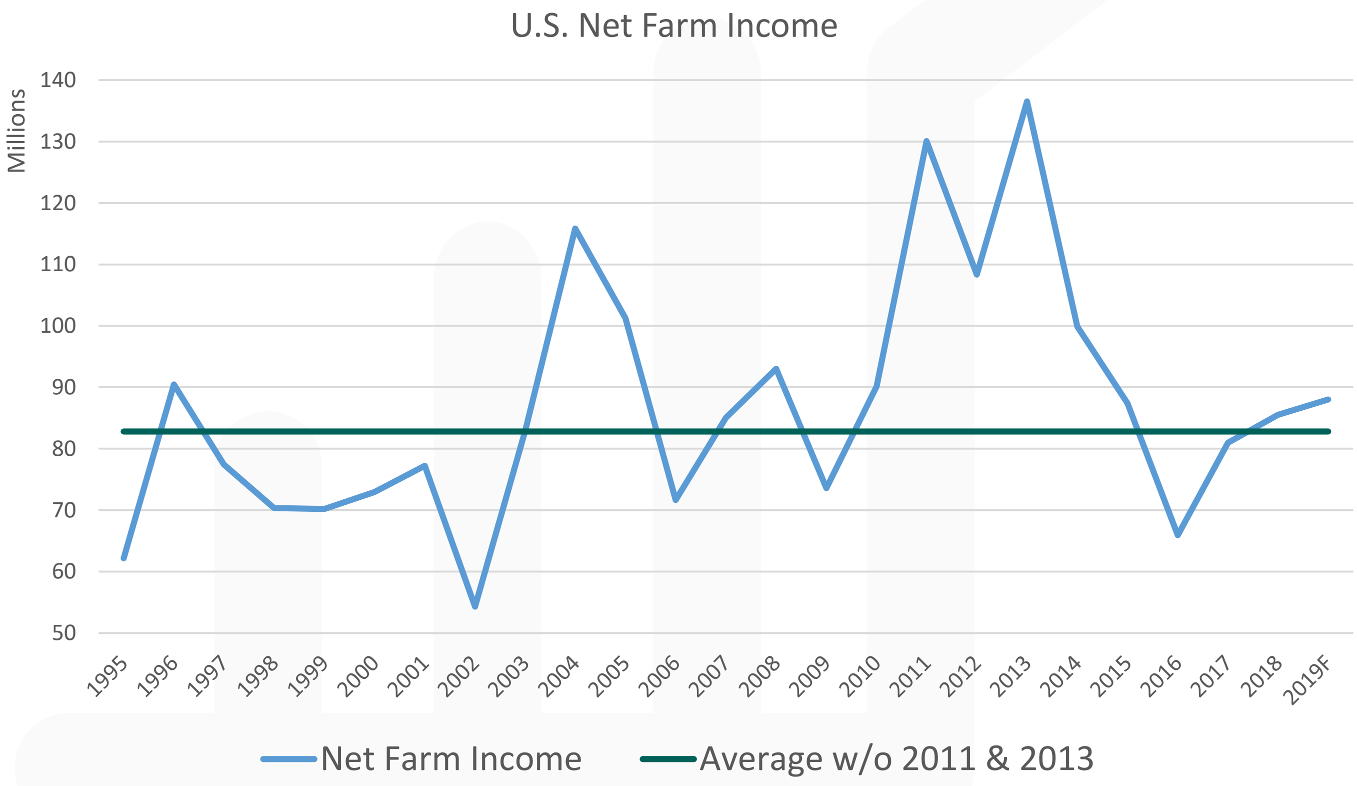
GRAIN INDUSTRY ENVIRONMENT

- **Significant uncertainty throughout 2019**
  - Planting conditions led to late developing crop
    - + Significant unplanted acres
  - Harvest conditions were generally unfavorable (cool/wet)
  - Significant acres still waiting to be harvested
    - + USDA will not update estimated crop size until early 2020
  - Government MFP Payments have been helpful to bring NFI above historical average
    - + 2 of top 3 states receiving MPI payments is IL and MN

- **Prices have generally remained less favorable driven by:**
  - Uncertain carry-out inventories
  - Trade disruptions
  - Lessened export demand (even without trade – animal disease)

NET FARM INCOME



- The press harps on Net Farm Income (NFI) as being down significantly.
- And it is … from it's all-time highs
- NFI in 2018 and 2019 are at 25-year averages, or better, depending on the metric

Source: USDA

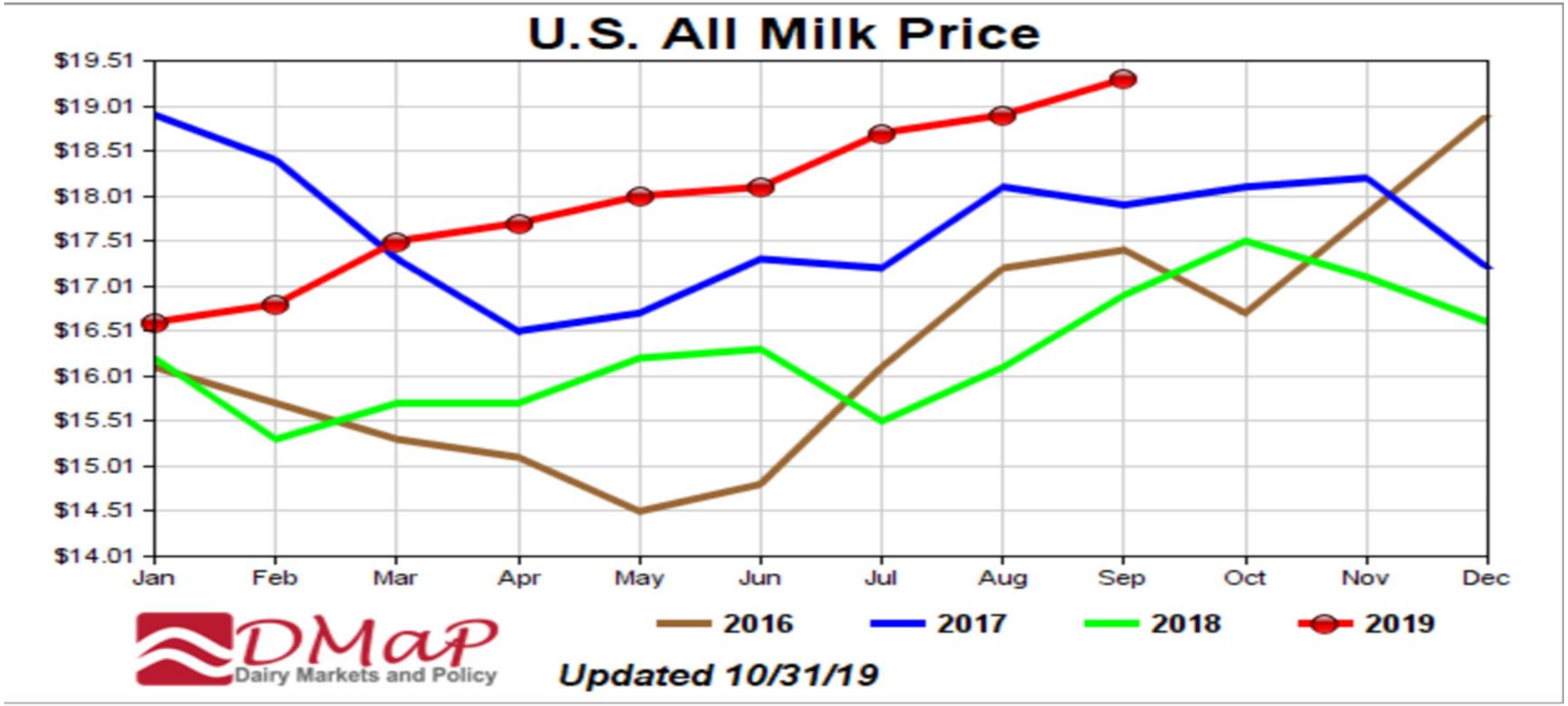
DAIRY INDUSTRY ENVIRONMENT

- **Margin environment more favorable than a year ago**
  - After several years of over-production, supply and demand are back in line
  - Number of farms decreasing but cow numbers are mostly flat
  - Most dairy clients will see a profit in 2019, and ability to lock in 2020

- **Transition toward larger more efficient farms – more technology**
  - Robotics and automation
  - Block chain – consumers desire to know where their food comes from

- **Vertical integration – retailers owning processors**
  - Walmart & Kroger
  - Hurt independent processors, most notably, Dean Foods

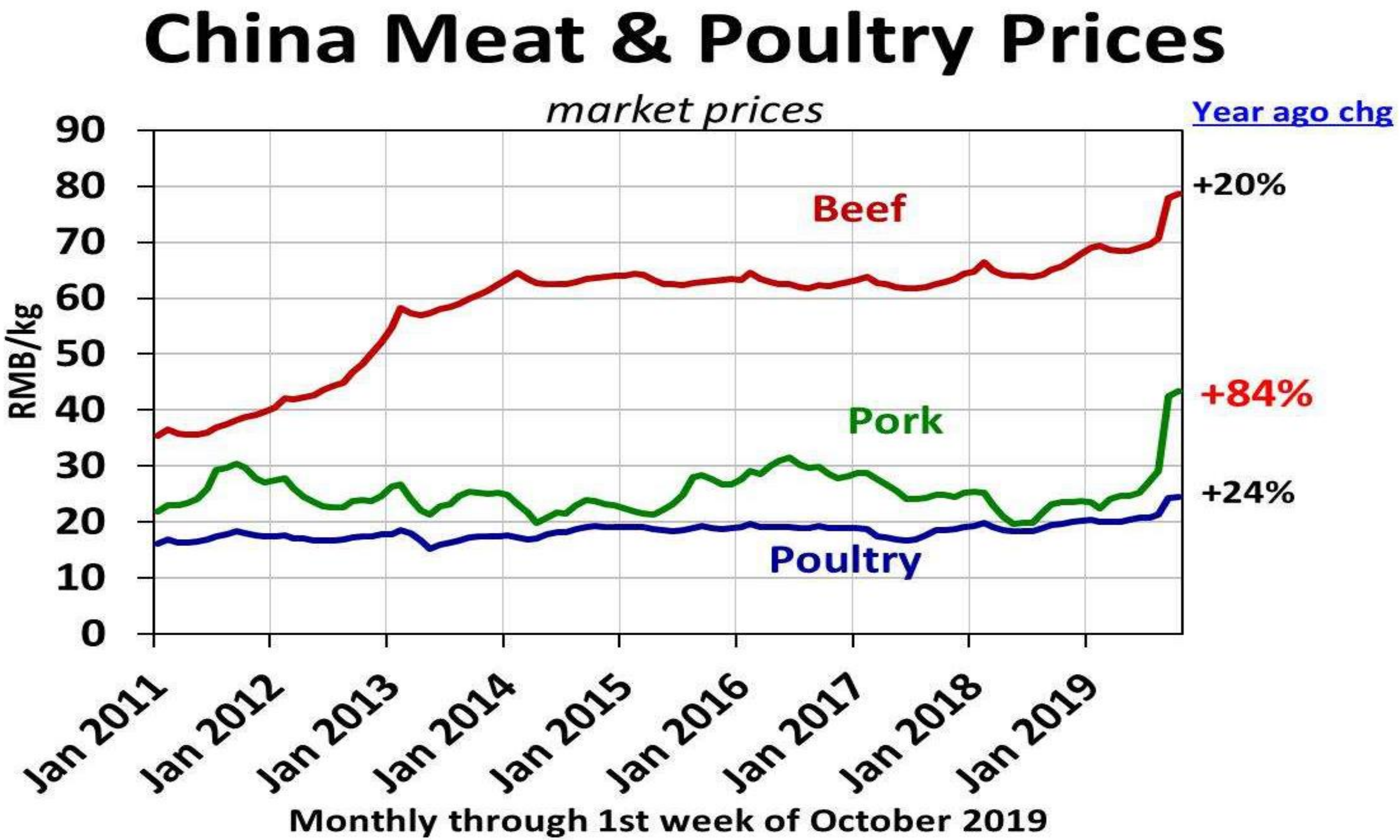
MILK PRICES WELL ABOVE 2018 LEVELS



SWINE INDUSTRY ENVIRONMENT

- **Increased price volatility throughout 2019**
  - Largely driven by trade and foreign animal disease concerns
    - + USMCA close
    - + Chinese production plummets due to African Swine Fever
      - − Demand remains high while supplies shrink
      - − Tariffs limit amount of US pork to meet demand
  - Margins varied from significant losses to strong profits and back

- **Concern throughout industry in keeping ASF out of the US**
  - Strong producer biosecurity procedures
  - USDA and states working to prepare in case of an outbreak


China Meat & Poultry Prices
market prices
Year ago chg
90
80
70
60
50
40
30
20
10
0
RMB/kg
Beef
+20%
Pork
+84%
+24%
Poultry
Jan 2011
Jan 2012
Jan 2013
Jan 2014
Jan 2015
Jan 2016
Jan 2017
Jan 2018
Jan 2019
Monthly through 1st week of October 2019

OTHER INDUSTRIES

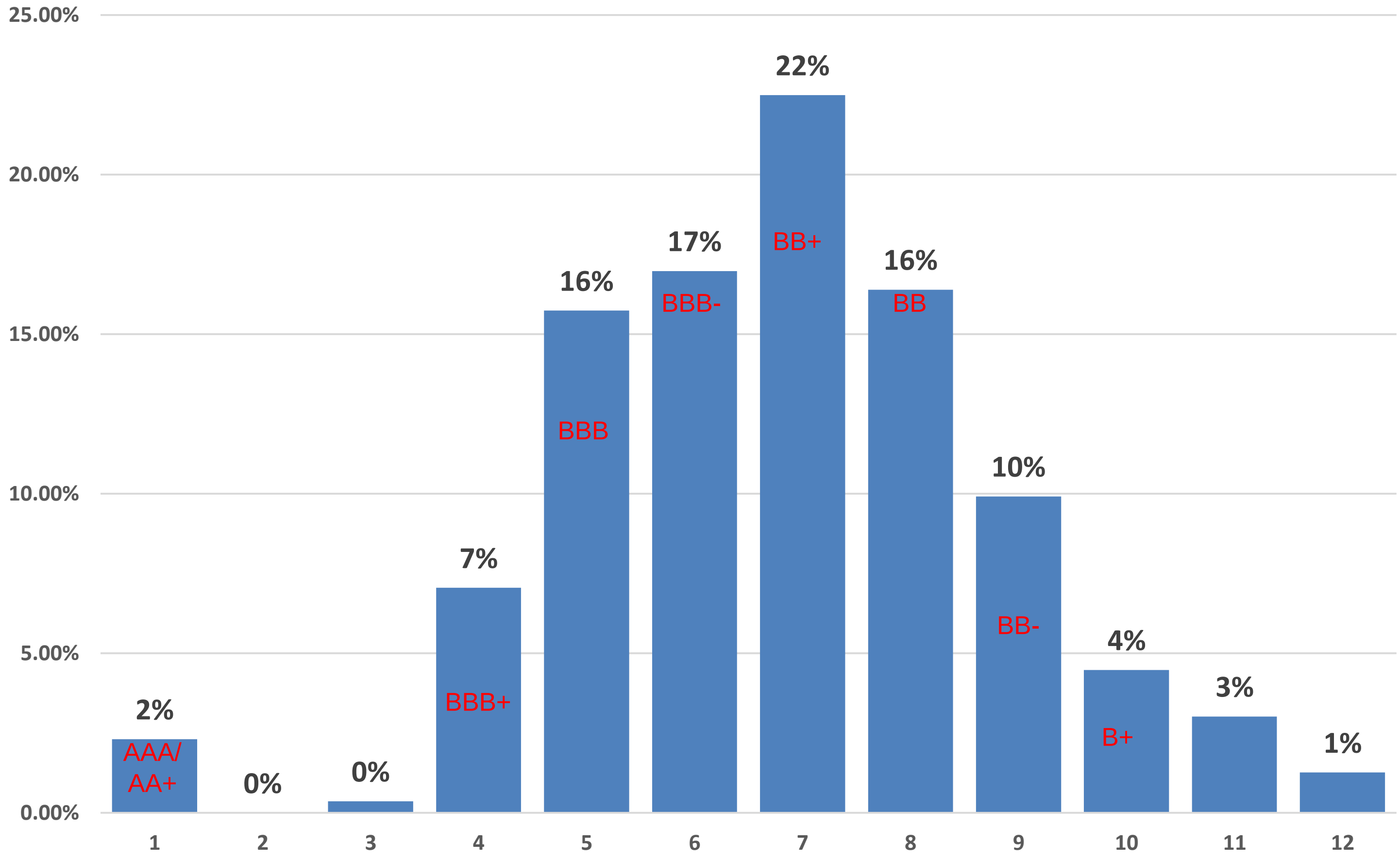
- **Capital Markets**
  - Large syndicated transactions with CoBank and National Banks
    - + Overall strength remains – significant competition to finance
    - + Some uptick in adversity – mostly trade driven

- **Agribusiness**
  - Large transactions led by Compeer team as lead lender
    - + Despite tight margins across production agriculture, agribusinesses have remained profitable

- **Rural Home**
  - National platform for rural mortgages
    - + Low interest rates spur strength in home prices and strong demand
    - + Purchase activity in the sector was uncommonly strong this fall

PORTFOLIO BY PROBABILITY OF DEFAULT RATING (AND S&P EQUIVALENT)

- Average loan is a BB+
- The majority of new volume is originated PD5-8
- 3.9% of the portfolio is guaranteed by the U.S. Gov't or its Agency
- Only 8.8% of the portfolio is the equivalent of B+ or lower.



FINANCIAL PERFORMANCE (Q3 2018 VS Q3 2019)

- Asset growth drives interest income
  - Full year of Asset Pool
- Non-interest income expanded
- Revenue growing faster than expenses, resulting in positive gain on operations
- Below the line items mixed
  - Provision lower (noise from PP)
  - Insurance fund higher
  - Patronage higher (still all cash)
  - Other includes a lot
  - Tax estimates a work in progress

Income Statement: Year to Date	Actual 2019	Actual 2018	Prior Year $ Variance	Prior Year % Variance
Interest Income	373,319	357,265	16,054	4.5%
Asset Pool Net Earnings	22,148	25,740	(3,592)	-14.0%
Total Net Interest Income	395,467	383,005	12,462	3.3%
Non-Interrest Income	59,929	55,793	4,136	7.4%
Total Operating Revenue	455,396	438,798	16,599	3.8%
Total Operating Expenses	192,508	183,245	9,263	5.1%
Gain (Loss) on Operations	262,888	255,553	7,336	2.9%
Provision	13,812	16,200	(2,388)	-14.7%
Insurance Fund	11,261	10,548	713	6.8%
Patronage	(65,203)	(45,200)	(20,003)	44.3%
Other Losses (FCSIC/PR/PP/Merg)	(1,346)	(10,663)	9,316	-87.4%
PreTax Income	304,365	284,667		
Taxes	11,386	3,221		
Net Income	292,979	281,446	11,533	4.1%

SCORECARD RESULTS

- Green metrics across the board

Metric	Target	Actual	
Client Satisfaction	1.60	1.26	●
Net Promotor Score	60%	82.70%	●
ADB Growth[1] - 2019 vs 2018	6.0%	7.09%	●
Operating Revenue Growth[1]	5.0%	6.74%	●
Operating Rate	0.85%	0.83%	●
ROA[1]	1.75%	1.79%	●
ROE[2]	12%	13.37%	●
Adverse Assets Ratio - 3 Mo Avg	30%	20.86%	●

1. Owned & Managed
2. Pretax earnings divided by Tier 1 capital

RISK SCORECARD

- Portfolio quality remains strong – well positioned for potential stress
- Clients outside territory are similar in strength to those within territory

				9/30/2019		
Credit Scorecard	**Red**	**Yellow**	**Green**	**Red**	**Yellow**	**Green**
Non-adverse % Credit Quality	< 93%	93-95.9%	≥ 96%			96.1%
Non-adverse % - Outside LSA	< 93%	93-95.9%	≥ 96%			97.1%
Adverse Assets as % of Regulatory Capital***	> 50%	30-50%	< 30%			20.9%
Top 20 Clients' Net TLO as % of Regulatory Capital	> 85%	65-85%	< 65%			50.6%
Top 100 Clients WAPD	> 7.25	6.75-7.25	< 6.75			5.90
Compeer WAPD*****	> 7.25	6.75-7.25	< 6.75		6.83	
Delinquency%*	>2.00%	1.25-2.00%	<1.25%			0.55%
Delinquency% 12 mo rolling average****	>2.00%	1.25-2.00%	<1.25%			0.80%
Non-accrual Volume %	> 2%	1.5-2.0%	< 1.5%			0.80%
Net Charge-offs YTD**	>.16%	.125-.16%	<.125%			0.008%

- Delinquencies, non-accruals, and charge-offs are well positioned given stress within industry

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PORTFOLIO PERFORMANCE

- Overall solid performance across business units
- Adversity within the large dairy segment stems from a few large, but manageable accounts
- Grain environment has seen increase in WAPD for Core Markets
  - Migration to Adverse classification is limited
  - Growth is slow
- Higher credit quality outside the territory, as well as higher growth opportunities

September 30, 2019	WAPD	2019 Adverse	2018 Adverse
Core Markets	6.9	4.4%	3.3%
Swine	7.1	1.2%	1.8%
Dairy	8.6	11.4%	10.2%
Other Specialized	7.6	3.5%	2.6%
Food & Agribusiness	7.1	2.1%	2.4%
Capital Markets	6.6	2.2%	1.5%
Rural Living	6.6	2.8%	2.6%
Agri-Access	6.3	2.0%	2.3%
Compeer	**6.8**	**3.9%**	**3.3%**

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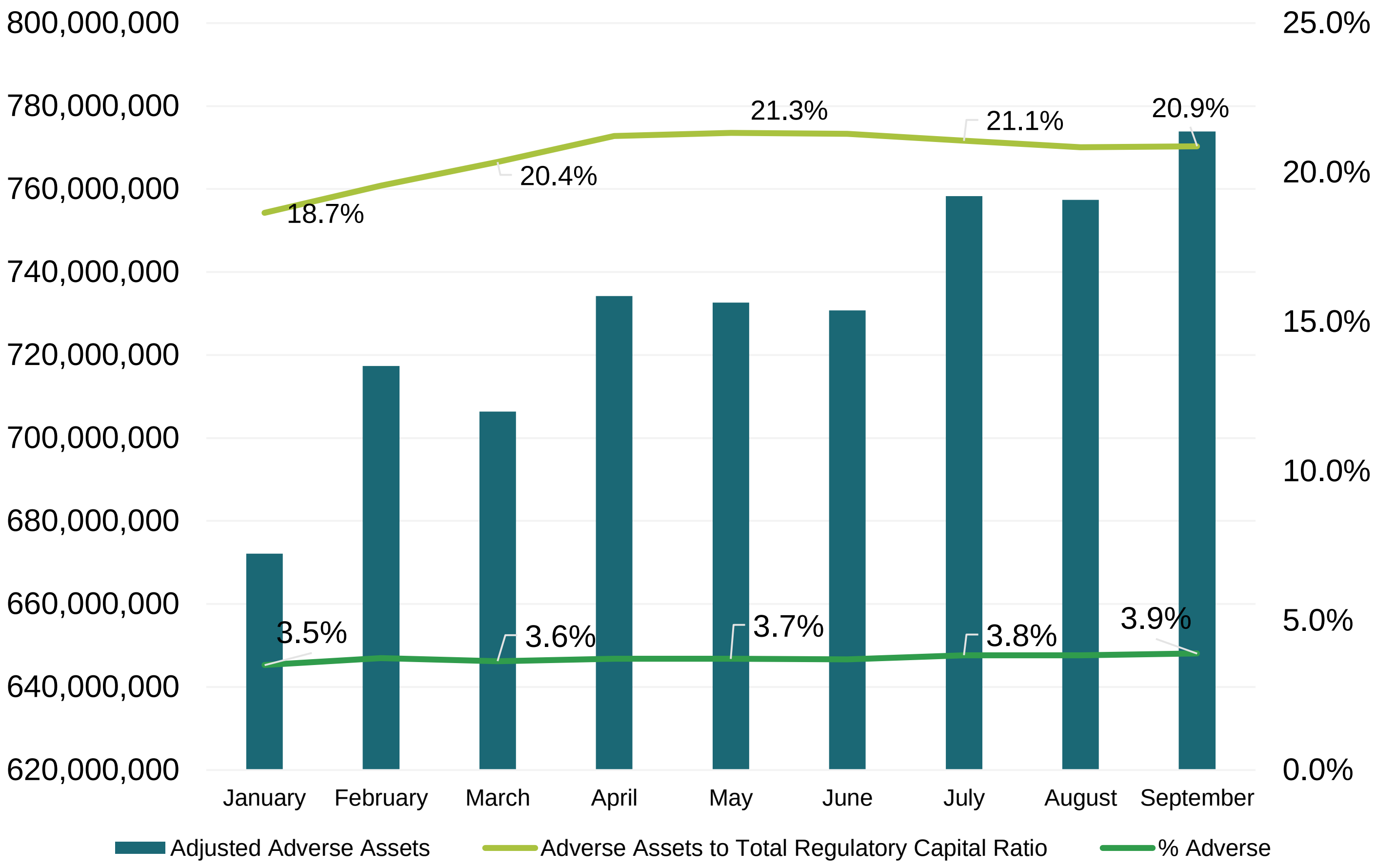
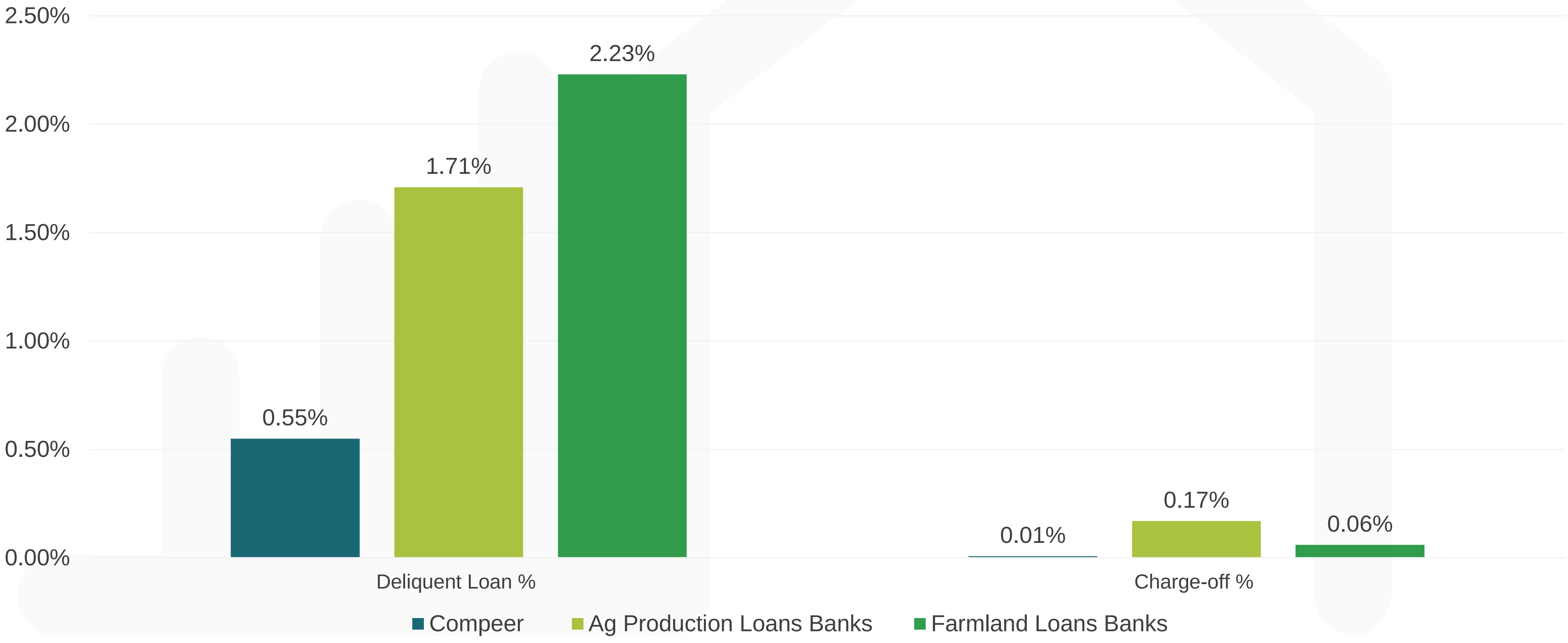
ADVERSE ASSETS

- Adverse % is solidly within long term plans (20.9% at QE)
- RAU settlements of $189 million outstanding (YTD)
- Forecast still has many questions
  - Similar to last 5 years

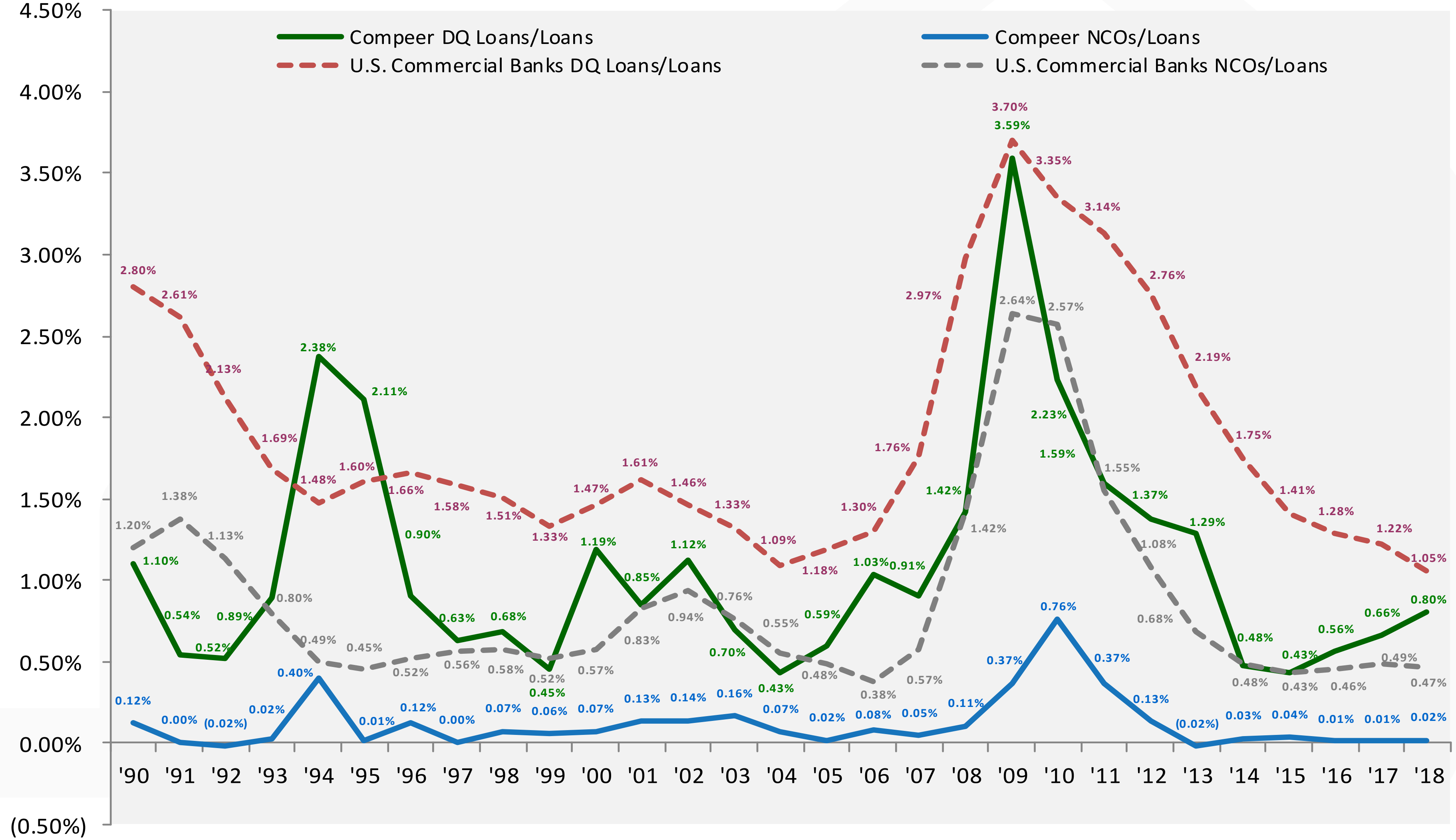


CREDIT QUALITY RELATIVE TO PEERS



Source: Compeer, Federal Reserve All Commercial Banks as of Q3 ‘19

LOSS EXPERIENCE: CREDIT TRENDS



Source: U.S. commercial bank data from FDIC Quarterly Banking Profile; Note: U.S. 2018 financials as of Q3'18

LARGEST CLIENTS

- Concentration of client exposure remains minimal
  - Agribusiness industry is comprised of many subsectors with varying types of operations
- Diverse industries among the Top 100
- All Top 100 clients are performing

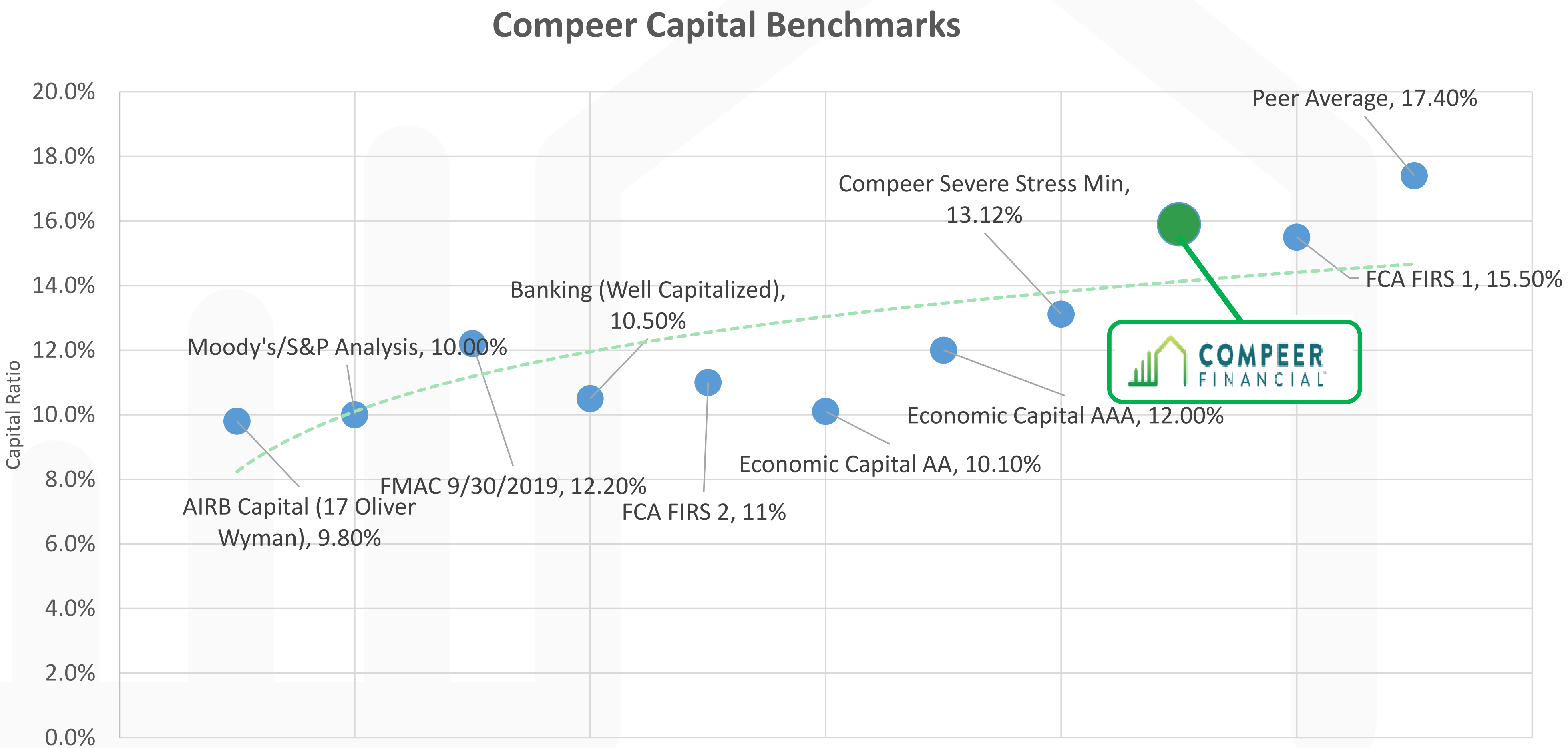
Largest Industries within Top 100	Commitment
Food Products	25.3%
Agribusiness	24.0%
Swine	14.5%
Paper Packaging & Timber	10.6%
Energy Power & Telecom	9.8%
Other Crops	5.8%
Dairy	2.3%
Cattle	1.6%
Cash Grain	0.7%
Other	5.4%

($000)	Principal	Unfunded	Commitment as % of Capital	WAPD
Top 10	$650,586	$287,936	29%	5.6
Top 20	$1,133,328	$510,369	51%	5.7
Top 100	$3,539,898	$1,850,177	166%	6.0

REGULATORY CAPITAL RATIOS

	2019 Actual	2019 Budget	Board Target	"Well-Capitalized" Level
Common Equity Tier 1	14.9%	14.8%	11%	7.5%
Tier 1	15.4%	15.3%	12%	9.0%
Total Regulatory Capital Ratio	**15.9%**	**15.8%**	**14%**	**11.0%**
T1 Leverage Ratio	15.3%	15.4%	12%	5.4%

CAPITAL BENCHMARKS



Note: Oliver Wyman analysis of Compeer portfolio using AIRB practices. FMAC based on only Farm & Loan portfolio (excludes guarantees) and all capital.

DISTRIBUTIONS

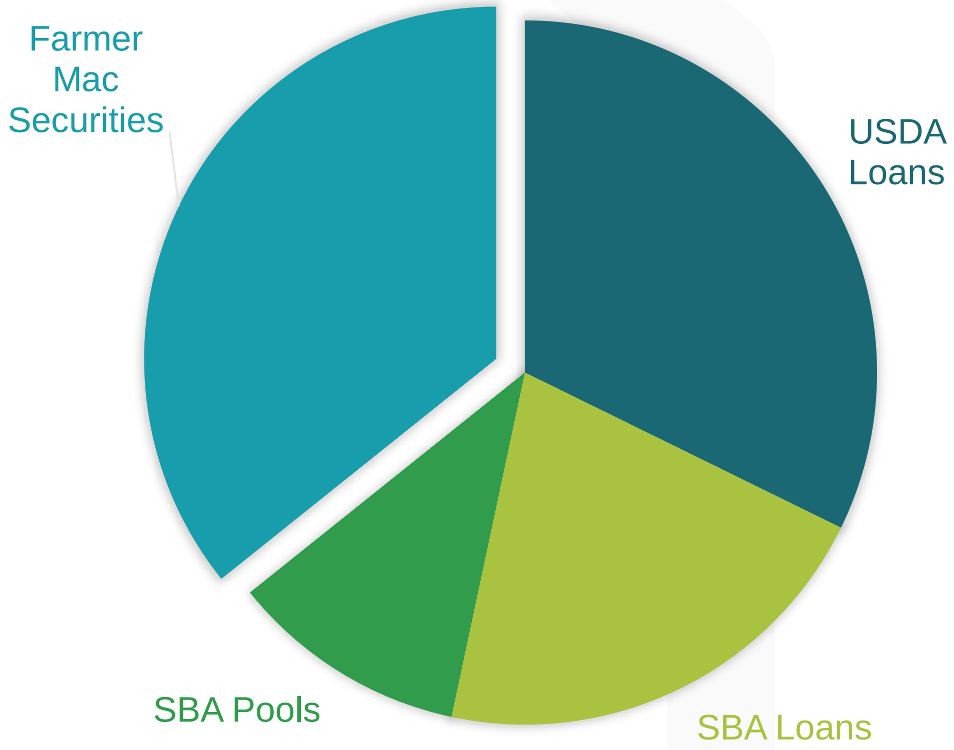
- Compeer remains in a capital surplus position relative to portfolio risk and long-term targets

- Long-term model expected capital distributions are as follows:
  - Cash: 25% of adjusted earnings in cash patronage (paid August 2019)
  - Allocated: Retirement of allocated equities at 1/10 (~$52 million each year)

- Patronage is always at the discretion of the Board

INVESTMENT PORTFOLIO

- USDA and SBA loans are 100% U.S. Government guaranteed
  - $1.12 billion at September 30
  - Provides earnings and source of liquidity
  - When we refer to our “Investment Portfolio,” it is these loans
  - New regulations allow greater flexibility, but still **only** U.S. Government instruments
- Farmer Mac securities are ag loans wrapped with a Farmer Mac guarantee
  - Partnership provides benefits for farmers, Farmer Mac and Compeer
  - Listed as Investments in GAAP documents



LIQUIDITY

- Compeer’s line of credit with AgriBank totals $22 Billion
  - At third quarter-end 2019, $17.4 Billion had been advanced
  - The line matures September 30, 2021 as part of a 3-year renewal cycle
- Line collateralized with Compeer Assets
- Compeer remains in full compliance with the terms of the credit agreement
  - A 100-year relationship as cooperative owner in AgriBank and/or predecessors
  - AgriBank’s sole mission is to provide financing the district associations
- Compeer maintains a $1bn portfolio of liquid government guaranteed investments
- $100 million in preferred stock

PREFERRED STOCK

- Only FCS Association with a preferred stock offering
- S&P has a Long-term Credit Rating on Compeer of BBB+
  - Preferred stock is BB+
- Compeer has a solid base of retained earnings comprising the vast majority of its capital
- Over 98% of funding comes from AgriBank (AA-)
- Albeit small portion of the capital structure, preferred stock is demonstrable access to capital markets
  - Fixed to Float - 6.75% Dividend
  - Original NC-10 – callable August 15, 2023
  - Resets to 3 month Libor + 458