

February 24, 2023

FOR IMMEDIATE RELEASE:

Office of Finance Announces Fourth Quarter and Annual 2022 Combined Operating Highlights for the Federal Home Loan Banks

The fourth quarter and annual 2022 combined operating highlights are prepared from the preliminary unaudited financial information of each Federal Home Loan Bank (FHLBank) and are subject to change. The combined and individual FHLBank statement of condition and statement of income highlights are attached as Tables I and II. Each of the FHLBanks has released its unaudited financial results for the period ended December 31, 2022, and filed a Form 8-K with the U.S. Securities and Exchange Commission.

Combined Highlights

Net income was \$1,140 million and \$3,166 million for the three months and year ended December 31, 2022, increases of 162% and 79% compared to the three months and year ended December 31, 2021. As of December 31, 2022, total assets were \$1,247.2 billion, an increase of 72%, total liabilities were \$1,179.4 billion, an increase of 75%, and total GAAP capital was \$67.8 billion, an increase of 38%, compared to December 31, 2021.

Combined Financial Condition

(Dollars in millions)		Dece	ember 31, 2022	Dece	ember 31, 2021	 Change
Assets						
Cash and due from banks		\$	417	\$	3,532	\$ (3,115)
Investments, net			363,812		308,471	55,341
Advances			819,121		351,278	467,843
Mortgage loans held for portfolio, net			56,048		55,497	551
Other assets, net			7,849		4,460	3,389
Total assets	_	\$	1,247,247	\$	723,238	\$ 524,009
Liabilities	-					
Consolidated obligations						
Discount notes		\$	466,049	\$	210,897	\$ 255,152
Bonds	_		695,381		441,024	 254,357
Total consolidated obligations			1,161,430		651,921	509,509
Mandatorily redeemable capital stock			708		398	310
Other liabilities	_		17,302		21,797	 (4,495)
Total liabilities	-		1,179,440		674,116	505,324
Capital						
Capital stock			44,006		25,065	18,941
Retained earnings			24,554		22,760	1,794
Accumulated other comprehensive income (loss)			(753)		1,297	(2,050)
Total capital (GAAP)			67,807		49,122	18,685
Total liabilities and capital	:	\$	1,247,247	\$	723,238	\$ 524,009
Combined regulatory capital		\$	69,268	\$	48,223	\$ 21,045
GAAP capital-to-assets ratio	_		5.44 %		6.79 %	(1.35)%
Regulatory capital-to-assets ratio			5.55 %		6.67 %	(1.12)%

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The FHLBanks' assets expand and contract as the needs of member financial institutions and their communities change over time. As of December 31, 2022, total assets increased 72%, total liabilities increased 75%, and total GAAP capital increased 38%, compared to December 31, 2021.

- Advances totaled \$819.1 billion at December 31, 2022, an increase of 133% resulting primarily from an increase in short-term advances, driven by depository member demand for liquidity due to such factors as declining deposit balances, loan growth, and the effects of higher interest rates.
- Investments were \$363.8 billion at December 31, 2022, an increase of 18% as the FHLBanks grew their investment portfolios to maintain liquidity in response to the growth in advances and to continue to meet the credit needs of members.
- Mortgage loans held for portfolio were generally flat at December 31, 2022, totaling \$56.0 billion.
- Consolidated obligations totaled \$1,161.4 billion at December 31, 2022, an increase of 78% in line with the increase in total assets and consisting of an increase of 121% in consolidated discount notes and an increase of 58% in consolidated bonds.
- Capital stock was \$44.0 billion at December 31, 2022, an increase of 76% due principally to the net issuance of activity-based capital stock, driven by the increase in advances.
- Retained earnings grew to \$24.6 billion at December 31, 2022, an increase of 8% resulting principally from net income of \$3,166 million, partially offset by dividends of \$1,372 million.

		Three Mo	onths	Ended Dece	embe	er 31,	 Yea	r End	ed Decembe	r 31,	
(Dollars in millions)		2022		2021		Change	 2022		2021		Change
Interest income											
Advances	\$	7,507	\$	610	\$	6,897	\$ 13,257	\$	2,634	\$	10,623
Investments		3,655		542		3,113	7,509		2,408		5,101
Mortgage loans held for portfolio		430		357		73	1,620		1,425		195
Other interest income		1		3		(2)	 2		4		(2)
Total interest income		11,593		1,512		10,081	22,388		6,471		15,917
Interest expense											
Consolidated obligations - Discount notes		4,042		49		3,993	6,922		226		6,696
Consolidated obligations - Bonds		5,722		563		5,159	10,112		2,473		7,639
Other interest expense		109		5		104	 205		25		180
Total interest expense		9,873		617		9,256	17,239		2,724		14,515
Net interest income		1,720		895		825	5,149		3,747		1,402
Provision (reversal) for credit losses		8		1		7	 27		(15)		42
Net interest income after provision (reversal) for credit losses		1,712		894		818	5,122		3,762		1,360
Non-interest income (loss)											
Net gains (losses) on investment securities		81		(150)		231	(979)		(708)		(271)
Net gains (losses) on financial instruments held under fair value option		(112)		(6)		(106)	266		(67)		333
Net gains (losses) on derivatives		(71)		62		(133)	415		195		220
Gains on litigation settlements, net		_		15		(15)	11		15		(4)
Other non-interest income (loss)		63		47		16	163		207		(44)
Total non-interest income (loss)		(39)		(32)		(7)	 (124)		(358)		234
Non-interest expense	_	406		377		29	1,477		1,432		45
Affordable Housing Program assessments		127		50		77	355		201		154
Net income	\$	1,140	\$	435	\$	705	\$ 3,166	\$	1,771	\$	1,395
Net interest margin		0.57 %		0.49 %	_	0.08 %	 0.54 %		0.50 %	-	0.04 %

Combined Results of Operations

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Net income was \$1,140 million and \$3,166 million for the three months and year ended December 31, 2022, increases of 162% and 79% compared to the three months and year ended December 31, 2021, resulting primarily from higher net interest income.

Net interest income was \$1,720 million and \$5,149 million for the three months and year ended December 31, 2022, increases of 92% and 37% compared to the three months and year ended December 31, 2021. Net interest margin was 0.57% and 0.54% for the three months and year ended December 31, 2022, increases of 8 and 4 basis points compared to the three months and year ended December 31, 2021.

- Interest income was \$11,593 million and \$22,388 million for the three months and year ended December 31, 2022, increases of \$10,081 million and \$15,917 million compared to the three months and year ended December 31, 2021, driven by increases in the average yields on interest-earning assets. The average yields on interest-earning assets were 3.85% and 2.34% for the three months and year ended December 31, 2022, increases of 302 and 148 basis points compared to the three months and year ended December 31, 2022, increases of 302 and 148 basis points compared to the three months and year ended December 31, 2021. Although significantly higher interest rates were the primary factor affecting interest income, higher average balances of advances were also a contributing factor. The average balances of advances were \$759.7 billion and \$562.7 billion for the three months and year ended December 31, 2022, increases of 102% and 42% compared to the three months and year ended December 31, 2021.
- Interest expense was \$9,873 million and \$17,239 million for the three months and year ended December 31, 2022, increases of \$9,256 million and \$14,515 million compared to the three months and year ended December 31, 2021, driven by the higher average rates on consolidated obligations. The average rates on consolidated obligations were 3.51% and 1.94% for the three months and year ended December 31, 2022, increases of 314 and 155 basis points compared to the three months and year ended December 31, 2021. The significantly higher interest rates were the primary factor affecting interest expense, and higher average balances of consolidated obligations were also a contributing factor. The average balances of consolidated obligations were \$1,102.5 billion and \$876.5 billion for the three months and year ended December 31, 2022, increases of 68% and 28% compared to the three months and year ended December 31, 2021.

Non-interest income was a loss of \$39 million and a loss of \$124 million for the three months and year ended December 31, 2022, resulting primarily from changes in the fair value of investment securities, derivatives, and financial instruments held under fair value option, driven by increases in interest rates. Non-interest income was a loss of \$32 million and a loss of \$358 million for the three months and year ended December 31, 2021.

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were \$127 million and \$355 million for the three months and year ended December 31, 2022, increases of 154% and 77% compared to the three months and year ended December 31, 2021.



About the FHLBanks

The FHLBanks, as member-owned cooperative institutions, provide financial products and services to their members and housing associates that assist and enhance the financing of housing and community lending. In addition, the FHLBanks support community development through affordable housing and community investment. Each FHLBank is privately capitalized and independently managed.

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 6,500 members serving all 50 states, the District of Columbia, and U.S. territories. Please contact Tom Heinle at 703-467-3646 or theinle@fhlb-of.com for additional information.

Statements contained in this release, including statements describing the objectives, projections, estimates, or future predictions of the FHLBanks and the Office of Finance, may be "forward-looking statements." These statements may use forward-looking terminology, such as "anticipates," "believes," "could," "estimates," "expects," "may," "should," "will," "would," or their negatives or other variations on these terms. Investors should note that forward-looking statements, by their nature, involve risks or uncertainties. Therefore, the actual results could differ materially from those expressed or implied in these forward-looking statements involve risks and uncertainties including, but not limited to, the following: changes in the general economy; changes in interest rates and housing prices; size and volatility of the residential mortgage market; disruptions in the credit and debt markets and the effect on the FHLBanks' funding costs, sources, and availability; levels and volatility of market prices, rates, and indices that could affect the value of investments or collateral held by the FHLBanks as security; monetary and fiscal policies; the COVID-19 pandemic or other widespread health emergencies; geopolitical instability or conflicts; demand for consolidated obligations. Investors are encouraged to consider these and other risks and uncertainties that are discussed in periodic combined financial reports posted on the Office of Finance website, www.fhlb-of.com, and in reports filed by each FHLBank with the U. S. Securities and Exchange Commission. Any duty to update these forward-looking statements is disclaimed.

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FHLBanks Office of Finance

Table I - Statement of Condition Highlights

Unaudited

	Combir	ned ⁽¹⁾	Bos	ston	New	York	Pittsb	ourgh	At	lanta	Cinci	nnati	
(Dollars in millions)	December 31, 2022	December 31, 2021											
Cash and due from banks	\$ 417	\$ 3,532	\$ 8	\$ 205	\$ 27	\$ 22	\$ 13	\$ 428	\$ 142	1 \$ 879	\$ 20	\$ 168	
Investments, net	363,812	308,471	17,919	16,372	39,021	30,802	22,082	18,098	40,902	31,821	33,605	29,392	
Advances	819,121	351,278	41,600	12,340	115,293	71,536	68,856	14,124	109,595	5 45,415	67,019	23,055	
Mortgage loans held for portfolio, net	56,048	55,497	2,758	3,120	2,107	2,320	4,591	4,676	120) 149	7,163	7,588	
Other assets	7,849	4,460	613	508	943	678	599	325	864	482	803	415	
Total assets	\$ 1,247,247	\$723,238	\$ 62,898	\$ 32,545	\$ 157,391	\$ 105,358	\$ 96,141	\$ 37,651	\$ 151,622	2 \$ 78,746	\$ 108,610	\$ 60,618	
Consolidated obligations													
Discount notes	\$ 466,049	\$ 210,897	\$ 26,975	\$ 2,275	\$ 61,793	\$ 42,197	\$ 33,745	\$ 10,494	\$ 39,782	1 \$ 25,506	\$ 40,691	\$ 29,838	
Bonds	695,381	441,024	31,566	26,613	85,498	54,829	56,471	23,106	101,729	9 46,186	59,668	24,602	
Total consolidated obligations	1,161,430	651,921	58,541	28,888	147,291	97,026	90,216	33,600	141,510	71,692	100,359	54,440	
Mandatorily redeemable capital stock	708	398	10	14	5	2	28	22	-	- 1	17	21	
Other liabilities	17,302	21,797	932	1,112	1,748	1,884	1,000	1,295	2,466	5 2,458	1,732	2,361	
Total liabilities	1,179,440	674,116	59,483	30,014	149,044	98,912	91,244	34,917	143,976	5 74,151	102,108	56,822	
Capital stock	44,006	25,065	2,031	954	6,387	4,501	3,428	1,227	5,397	7 2,383	5,151	2,490	
Retained earnings	24,554	22,760	1,690	1,548	2,096	1,931	1,536	1,398	2,283	3 2,228	1,401	1,293	
Accumulated other comprehensive income (loss)	(753)	1,297	(306)	29	(136)	14	(67)	109	(34	1) (16)	(50)	13	
Total capital (GAAP)	67,807	49,122	3,415	2,531	8,347	6,446	4,897	2,734	7,646	6 4,595	6,502	3,796	
Total liabilities and capital	\$ 1,247,247	\$ 723,238	\$ 62,898	\$ 32,545	\$ 157,391	\$ 105,358	\$ 96,141	\$ 37,651	\$ 151,622	2 \$ 78,746	\$ 108,610	\$ 60,618	
Regulatory capital	\$ 69,268	\$ 48,223	\$ 3,732	\$ 2,516	\$ 8,488	\$ 6,434	\$ 4,992	\$ 2,648	\$ 7,680) \$ 4,612	\$ 6,569	\$ 3,804	
	Indianapolis		Chicago		Des N	loines	Dal	las	Тс	opeka	San Francisco		
	December 31, 2022	December 31, 2021											
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	De	cember 31, 2022	December 31, 2021	D	ecember 31, 2022	December 31 2021	,	December 31, 2022	December 3 2021	1,	December 31, 2022	De	cember 31, 2021	De	cember 31, 2022	Decemb 202		De	cember 31, 2022	Decemb 202	
Cash and due from banks	\$	21 9	\$ 868	\$	35 3	\$∠	5	\$ 89 9	\$2	95	\$ 28	\$	543	\$	26	\$	26	\$	9\$		55
Investments, net		27,204	23,601		49,647	38,58	3	43,381	33,4	42	40,613		34,653		19,261	10	5,058		30,291	3	35,768
Advances		36,683	27,498		66,288	48,04	9	111,202	44,1	11	68,922	2	24,637		44,263	23	3,484		89,400	1	17,027
Mortgage loans held for portfolio, net		7,687	7,616		10,160	9,84	3	8,348	7,5	78	4,395	,	3,491		7,905	5	3,135		815		980
Other assets		689	422		723	43	4	1,149	4	26	391		164		538		318		541		291
Total assets	\$	72,284	\$ 60,005	\$	126,853	\$ 96,95	4	\$ 164,169	\$85,8	52	\$ 114,349)\$	63,488	\$	71,993	\$ 48	3,021	\$	121,056 \$	5	54,121
Consolidated obligations																					
Discount notes	\$	27,387	\$ 12,116	\$	59,531	\$ 24,56	3	\$ 69,170	\$ 22,3	48	\$ 46,270)\$	11,003	\$	24,775	\$ (5,569	\$	35,929 \$	2	23,987
Bonds		39,882	42,362		58,116	63,37	3	84,337	55,2	05	59,946	;	44,514		42,506	3	7,630		75,768	2	22,716
Total consolidated obligations		67,269	54,478		117,647	87,93	6	153,507	77,5	53	106,216	;	55,517		67,281	44	4,199		111,697	4	16,703
Mandatorily redeemable capital stock		373	50		248	24	7	15		29	7	,	7		-		1		5		3
Other liabilities		1,258	1,921		1,493	2,01	9	1,896	2,4	32	2,125	,	4,030		1,034		1,106		1,631		1,191
Total liabilities		68,900	56,449		119,388	90,20	2	155,418	80,0	14	108,348	;	59,554		68,315	4	5,306		113,333	4	7,897
Capital stock		2,123	2,246		2,989	2,14	9	6,250	3,3	64	3,984	ļ	2,193		2,508	:	1,499		3,758		2,061
Retained earnings		1,287	1,177		4,564	4,26	1	2,618	2,3	90	1,834	Ļ	1,558		1,254	:	1,143		3,994		3,832
Accumulated other comprehensive income (loss)		(26)	133		(88)	34	2	(117)		84	183	6	183		(84)		73		(29)		331
Total capital (GAAP)		3,384	3,556		7,465	6,75	2	8,751	5,8	38	6,001	-	3,934		3,678	2	2,715		7,723		6,224
Total liabilities and capital	\$	72,284	\$ 60,005	\$	126,853	\$ 96,95	4	\$ 164,169	\$85,8	52	\$ 114,349)\$	63,488	\$	71,993	\$ 48	3,021	\$	121,056 \$	5	54,121
Regulatory capital	\$	3,782	\$ 3,473	\$	7,801	\$ 6,65	6	\$ 8,883	\$5,7	83	\$ 5,826	;\$	3,758	\$	3,761	\$ 2	2,643	\$	7,757 \$		5,896

(1) The sum of the individual FHLBank statement of condition amounts may not agree to the combined statement of condition amounts due to combining adjustments.



FHLBanks Office of Finance

Table II - Statement of Income Highlights

Unaudited

Three Months Ended December 31,

	Combined ⁽¹⁾		Boston			New York			Pittsburg	jh	Atlanta				Cincinnati		
(Dollars in millions)	 2022	2021	2	2022	2021		2022	2021	2022	2021	20	022	2021		2022	2021	
Net interest income after provision (reversal) for credit losses	\$ 1,712 \$	894	\$	70 \$	56	\$	196 \$	112	\$ 138 \$	41	\$	107 \$	45	\$	193 \$	71	
Non-interest income (loss)	(39)	(32)		5	(8)		33	3	7	3		9	3		(52)	(28)	
Non-interest expense	406	377		13	20		58	56	39	28		33	40		25	24	
Affordable Housing Program assessments	127	50		7	3		17	6	10	2		9	1		12	2	
Net income	\$ 1,140 \$	435	\$	55 \$	25	\$	154 \$	53	\$ 96 \$	14	\$	74 \$	7	\$	104 \$	17	

	Indianapolis		Chicago		Des Moine	s	Dallas		Topeka				San Francisco		
	 2022 20	021	2022	2021	2022	2021	 2022	2021	2	022	2021		2022	2021	
Net interest income after provision (reversal) for credit losses	\$ 91 \$	63	\$ 226 \$	139	\$ 261 \$	91	\$ 151 \$	79	\$	99 \$	85	\$	175 \$	117	
Non-interest income (loss)	21	(2)	(10)	13	(53)	3	8	1		4	(10)		-	_	
Non-interest expense	34	31	66	54	46	43	30	28		22	23		45	43	
Affordable Housing Program assessments	 8	3	16	10	 16	5	 13	5		8	5		13	7	
Net income	\$ 70 \$	27	\$ 134 \$	88	\$ 146 \$	46	\$ 116 \$	47	\$	73 \$	47	\$	117 \$	67	

Year Ended December 31,

	Combined ⁽¹⁾		Boston			New York			Pittsburgh				Atlanta	I		ıti		
(Dollars in millions)		2022	2021	2	2022	2021		2022	2021		2022	2021		2022	2021		2022	2021
Net interest income after provision (reversal) for credit losses	\$	5,122 \$	3,762	\$	282 \$	212	\$	634 \$	547	\$	351 \$	183	\$	327 \$	282	\$	487 \$	277
Non-interest income (loss)		(124)	(358)		14	(47)		29	(48)		11	13		16	15		(103)	(138)
Non-interest expense		1,477	1,432		91	88		200	204		110	100		138	149		103	92
Affordable Housing Program assessments		355	201		21	8		46	29		25	10		21	15		29	5
Net income	\$	3,166 \$	1,771	\$	184 \$	69	\$	417 \$	266	\$	227 \$	86	\$	184 \$	133	\$	252 \$	42

	Indianapolis			Chicago		Des Moines			Dallas				Topeka			isco		
		2022	2021	:	2022	2021		2022	2021		2022	2021		2022	2021		2022	2021
Net interest income after provision (reversal) for credit losses	\$	291 \$	252	\$	675 \$	541	\$	679 \$	381	\$	479 \$	277	\$	363 \$	299	\$	552 \$	528
Non-interest income (loss)		19	(34)		32	(12)		(40)	4		(25)	10		(14)	(42)		(31)	(50)
Non-interest expense		113	113		244	222		161	156		102	105		81	78		162	159
Affordable Housing Program assessments		20	11		48	32		48	23		35	18		27	18		36	32
Net income	\$	177 \$	94	\$	415 \$	275	\$	4 30 \$	206	\$	317 \$	164	\$	241 \$	161	\$	323 \$	287

(1) The sum of the individual FHLBank statement of income amounts may not agree to the combined statement of income amounts due to combining adjustments.