



April 13, 2009

FOR IMMEDIATE RELEASE

FHLBank of Boston Files 2008 Form 10-K with the SEC

The Federal Home Loan Bank of Boston has filed its 2008 Form 10-K with the SEC. As such, the audited 2008 results for all 12 Federal Home Loan Banks can be obtained by searching the EDGAR database.

The FHLBank of Boston recorded a \$115.8 million net loss for 2008, which differs from the unaudited results published in February due to an additional other-than-temporary impairment (OTTI) charge of \$42.7 million following the completion of its assessment. The 2008 net loss is primarily attributable to a total of \$381.7 million in OTTI charges on certain private-label mortgage-backed securities. The FHLBank of Boston reported that the net loss eliminated its retained earnings, resulting in an accumulated deficit of \$19.7 million. For additional information, please refer to the FHLBank of Boston web site (www.fhlbboston.com).

Each individual FHLBank manages its operations independently and is responsible for establishing its own accounting and financial reporting policies in accordance with accounting principles generally accepted in the United States of America (GAAP). The FHLBanks' accounting and financial reporting policies and practices are not always identical because different policies and/or presentations are permitted under GAAP in certain circumstances.

The 2008 Combined Financial Report for the FHLBanks is expected to be filed with the Federal Housing Finance Agency and available on the Office of Finance web site as soon as is practical.

The FHLBanks have delivered innovation and service to the U.S. housing market for over 76 years, and currently have over 8,100 members in all 50 states, the District of Columbia, American Samoa, Guam, Puerto Rico, and the Northern Mariana and the U.S. Virgin Islands. Please contact Michael Ciota at 703-467-3608 (ciota@fhlb-of.com) for additional information.

Statements contained in this release may be "forward-looking statements." These statements may use forward-looking terminology, such as "anticipates," "believes," "could," "estimates," "may," "should," "will," or their negatives or other variations on these terms. By their nature, these forward-looking statements, including those related to financial performance, and release of financial information, are subject to risks and uncertainties related to the operations of the FHLBanks and the business environment, all of which are difficult to predict and many of which are beyond the control of the FHLBanks. These risks and uncertainties could cause actual results to differ materially from those expressed or implied in forward-looking statements or could affect the extent to which a particular objective, projection, estimate, or prediction is realized. Such risks and uncertainties include the following: changes in interest rates, housing prices, employment rates and the general economy; the size and volatility of the residential mortgage market; demand for FHLBank advances; volatility of market prices, rates, and indices or other factors, including natural disasters, that could affect the value of investments or collateral held by the FHLBanks as security; political events, including legislative, regulatory, judicial or other developments that affect the FHLBanks, their members, counterparties and/or



investors in the consolidated obligations of the FHLBanks; competitive forces, including other sources of funding available to FHLBank members, and the ability to attract and retain skilled individuals; the pace of technological change and the ability to develop and support technology and information systems; changes in investor demand for consolidated obligations and/or the terms of interest-rate exchange agreements and similar agreements; the application of accounting rules, such as SFAS 133 and other-than temporary impairment; and the ability to introduce new FHLBank products and services and successfully manage the risks associated with those products and services. 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 web site, www.fhlb-of.com, and in reports filed by each FHLBank with the Securities and Exchange Commission. Any duty to update these forward-looking statements is hereby disclaimed.