



May 22, 2009

FOR IMMEDIATE RELEASE:

Ten Federal Home Loan Banks File First Quarter 2009 SEC Form 10-Qs

To date, 10 Federal Home Loan Banks (FHLBanks) have filed first quarter (Q1) 2009 Form 10-Qs with the SEC. The FHLBanks of Pittsburgh and Topeka are still completing their respective other-than-temporary impairment (OTTI) analyses.

As noted in our May 15, 2009 announcement, each individual FHLBank manages its operations independently and is responsible for establishing accounting and financial reporting policies in accordance with accounting principles generally accepted in the United States of America (GAAP). As such, individual FHLBank accounting and financial reporting policies and practices are not necessarily identical because different policies and/or presentations are permitted under GAAP in certain circumstances. The FHLBanks also do not necessarily use the same dealer prices, models and assumptions in determining the fair values of their respective assets, liabilities and derivatives.

However, the FHLBanks and the Office of Finance recognize the importance of enhanced consistency in financial reporting. Working with the Federal Housing Finance Agency (FHFA), the 12 FHLBanks have developed a uniform framework for completing OTTI analyses, which is being adopted concurrently with new FASB guidance (FSP FAS 115-2 and FAS 124-2) concerning the recognition and presentation of other-than-temporary impairments. With this new approach, there will be greater consistency among the 12 FHLBanks regarding OTTI analyses, including the calculation of any expected credit losses for impaired securities.

This announcement contains Q1 2009 balance sheet and income statement highlights for the 10 FHLBanks that have filed Q1 2009 SEC Form 10-Qs to date. These highlights have been prepared using the unaudited financial information of each. Please refer to our May 15, 2009 announcement, individual FHLBank web sites and EDGAR filings for more complete information. Of the 10 FHLBanks that have released Q1 2009 financial results, the FHLBanks of Cincinnati (\$83 million), Dallas (\$65 million), Indianapolis (\$22 million), New York (\$148 million) and San Francisco (\$123 million) reported net income, while Atlanta (-\$2 million), Boston (-\$83 million), Chicago (-\$39 million), Des Moines (-\$6 million) and Seattle (-\$16 million) each reported a net loss for the quarter.

Combined operating highlights for the FHLBanks will be published after the FHLBanks of Pittsburgh and Topeka have each filed Q1 2009 Form 10-Qs with the SEC.

About the FHLBanks

The FHLBanks serve the general public by providing liquidity to member financial institutions, thereby increasing the availability of credit for residential mortgages and community investments, and through other services for housing and community development. This liquidity serves the public by enhancing the availability of residential mortgage and community investment funds. As



cooperatives, the FHLBanks seek to maintain a balance between their public policy mission and their obligation to provide adequate returns on the capital supplied by members. The FHLBanks achieve this balance by delivering low-cost financing, and providing members a viable alternative to the secondary mortgage market via the mortgage loan programs, while traditionally paying a dividend. The FHLBanks also help members with other local housing and community development needs through self-funded affordable housing programs.

The FHLBanks have delivered innovation and service to the U.S. housing market for 77 years, and currently have more than 8,000 members in all 50 states including the District of Columbia, American Samoa, Guam, Puerto Rico, and the Northern Mariana and U.S. Virgin Islands. Please contact Mike 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 publication of financial reports and private-label mortgage-backed securities investments, 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 guidance; 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.



FHLBanks Office of Finance
Table I to May 22, 2009 Press Release
Income Statement Highlights
Unaudited
(Dollar amounts in millions)

	Boston		New York		Atlanta		Cincinnati		Indianapolis	
	For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Total interest income	\$ 377	\$ 838	\$ 666	\$ 1,175	\$ 817	\$ 1,961	\$ 515	\$ 925	\$ 360	\$ 614
Total interest expense	320	742	435	1,022	782	1,753	402	845	299	545
Net interest income (1)	57	96	231	153	35	208	113	80	61	69
Net other-than-temporary impairment losses (2)	(127)		(5)		(89)				(19)	
Affordable Housing Program REFCORP		6	17	12		13	9	6	3	5
		14	37	25		29	21	12	5	11
Total assessments		20	54	37		42	30	18	8	16
Net income (loss)	(83)	56	148	100	(2)	117	83	49	22	43

	Chicago		Des Moines		Dallas		San Francisco		Seattle	
	For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,		For the Three Months Ended March 31,	
	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008
Total interest income	\$ 788	\$ 998	\$ 420	\$ 627	\$ 304	\$ 637	\$ 1,550	\$ 3,383	\$ 315	\$ 706
Total interest expense	644	967	411	562	327	590	1,116	3,151	241	641
Net interest income (1)	144	31	9	65	(23)	47	434	232	74	65
Net other-than-temporary impairment losses (2)	(86)						(88)		(72)	
Affordable Housing Program REFCORP				4	7	3	14	27		3
				8	16	8	30	60		8
Total assessments				12	23	11	44	87		11
Net income (loss)	(39)	(78)	(6)	31	65	31	123	240	(16)	32

- (1) Represents net interest income before provision (reversal) for credit losses.
- (2) OTTI, which stands for other-than-temporary impairment, is an accounting term. On April 9, 2009, the FASB issued FSP FAS 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments* (FSP FAS 115-2 and FAS 124-2). FSP FAS 115-2 and FAS 124-2 amends the guidance in U.S. GAAP for debt securities to make the guidance more operational and to improve the presentation and disclosure of OTTI on debt and equity securities in the financial statements. This FSP clarifies the interaction of the factors that should be considered when determining whether a debt security is other than temporarily impaired and changes the presentation and calculation of the OTTI on debt securities recognized in earnings in the financial statements. FSP FAS 115-2 and FAS 124-2 does not amend existing recognition and measurement guidance related to OTTI of equity securities. This FSP expands and increases the frequency of existing disclosures about OTTI for debt and equity securities and requires new disclosures to help users of financial statements understand the significant inputs used in determining a credit loss, as well as a roll-forward of that amount each period. For debt securities, FSP FAS 115-2 and FAS 124-2 requires an entity to assess whether (a) it has the intent to sell the debt security, or (b) it is more likely than not that it will be required to sell the debt security before its anticipated recovery. If either of these conditions is met, an OTTI on the security must be recognized.

In instances in which a determination is made that a credit loss (defined by FSP FAS 115-2 and FAS 124-2 as the difference between the present value of the cash flows expected to be collected and the amortized cost basis) exists but the entity does not intend to sell the debt security and it is not more likely than not that the entity will be required to sell the debt security before the anticipated recovery of its remaining amortized cost basis (i.e., the amortized cost basis less any current-period credit loss), FSP FAS 115-2 and FAS 124-2 changes the presentation and amount of the OTTI recognized in the income statement. In these instances, the impairment is separated into (a) the amount of the total impairment related to the credit loss, and (b) the amount of the total impairment related to all other factors. The amount of the total OTTI related to the credit loss is recognized in earnings. The amount of the total impairment related to all other factors is recognized in other comprehensive income. Subsequent non-OTTI-related increases and decreases in the fair value of available-for-sale securities will be included in other comprehensive income. The OTTI recognized in other comprehensive income for debt securities classified as held-to-maturity will be amortized over the remaining life of the debt security as an increase in the carrying value of the security (with no effect on earnings unless the security is subsequently sold or there is additional OTTI recognized). The total OTTI is presented in the income statement with an offset for the amount of the total OTTI that is recognized in other comprehensive



income. Previously, in all cases, if an impairment was determined to be other-than-temporary, an impairment loss was recognized in earnings in an amount equal to the entire difference between the security's amortized cost basis and its fair value at the balance sheet date of the reporting period for which the assessment was made. The new presentation provides additional information about the amounts that the entity does not expect to collect related to a debt security.

The FHLBanks could recognize additional OTTI losses on their private-label residential MBS and home equity loan investments if delinquency and/or loss rates on mortgages and/or home equity loans continue to increase after March 31, 2009, and/or residential real estate values continue to decline. The FHLBanks' assumptions may have a significant effect on reported fair values and estimated credit losses of private-label residential MBS and home equity loan investments, and the income and expense related thereto. The use of different assumptions, as well as changes in market conditions, could result in materially different net income and retained earnings. See applicable FHLBank's periodic report filed with the SEC.

Sources: Each FHLBank's First Quarter 2009 SEC Form 10-Q. 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). As such, individual FHLBank accounting and financial reporting policies and practices are not necessarily always identical because different policies and/or presentations are permitted under GAAP in certain circumstances.



FHLBanks Office of Finance
 Table II to May 22, 2009 Press Release
 Balance Sheet Highlights
 Unaudited
 (Dollar amounts in millions)

	Boston		New York		Atlanta		Cincinnati		Indianapolis	
	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008
ASSETS										
Advances	\$ 49,433	\$ 56,926	\$ 104,464	\$ 109,153	\$ 148,090	\$ 165,856	\$ 47,112	\$ 53,916	\$ 27,899	\$ 31,249
Investments (1)	22,557	18,864	21,979	26,365	37,368	38,376	34,553	35,325	19,470	15,757
Mortgage loans held for portfolio, net	4,067	4,154	1,431	1,457	3,080	3,251	9,773	8,632	8,436	8,780
Total assets	76,379	80,353	128,359	137,540	189,445	208,564	91,713	98,206	56,009	56,860
LIABILITIES										
Consolidated obligations, net	71,512	74,726	118,304	128,587	174,303	193,376	84,109	91,729	50,926	52,163
CAPITAL										
Total capital stock	3,605	3,585	5,413	5,585	6,189	8,463	3,998	3,962	1,897	1,879
Retained earnings (2)	246	(20)	489	383	612	435	365	326	286	283
Net noncredit portion of other-than-temporary impairment losses on investment securities (3)	(1,078)		(10)						(129)	
Total capital (4)	2,592	3,430	5,823	5,867	6,015	8,893	4,356	4,282	1,983	2,091
Total liabilities and capital	76,379	80,353	128,359	137,540	189,445	208,564	91,713	98,206	56,009	56,860

	Chicago		Des Moines		Dallas		San Francisco		Seattle	
	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008	March 31, 2009	December 31, 2008
ASSETS										
Advances	\$ 31,197	\$ 38,140	\$ 37,783	\$ 41,897	\$ 56,402	\$ 60,920	\$ 203,904	\$ 235,664	\$ 31,848	\$ 36,944
Investments (1)	21,072	21,183	27,199	15,368	11,783	17,388	59,601	60,671	19,963	16,005
Mortgage loans held for portfolio, net	29,825	32,087	10,588	10,685	310	327	3,586	3,712	4,899	5,087
Total assets	83,750	92,129	75,931	68,129	68,664	78,933	270,287	321,244	56,947	58,362
LIABILITIES										
Consolidated obligations, net	76,162	84,771	70,728	62,784	63,732	73,360	255,621	304,933	53,481	54,469
CAPITAL										
Total capital stock	2,355	2,386	2,871	2,781	2,878	3,224	10,238	9,616	1,868	1,848
Retained earnings (2)	734	540	368	382	277	216	869	176	198	(79)
Net noncredit portion of other-than-temporary impairment losses on investment securities	(1,151)				(26)		(1,608)		(1,102)	
Total capital (4)	1,452	2,287	3,161	3,017	3,129	3,438	9,492	9,785	961	1,766
Total liabilities and capital	83,750	92,129	75,931	68,129	68,664	78,933	270,287	321,244	56,947	58,362

(1) Investments consist of held-to-maturity securities, available-for-sale securities, trading securities, interest-bearing deposits, securities purchased under agreements to resell and Federal funds sold.

(2) Cumulative effect of adjustments to opening retained earnings balance relating to FSP FAS 115-2 and FAS 124-2*
 (dollar amounts in millions)

Boston	\$	349	San Francisco	\$	570
Atlanta		179	Seattle		293
Chicago		233			

* The FHLBanks adopted FSP FAS 115-2 and FAS 124-2 at January 1, 2009, and recognized the effects of applying FSP FAS 115-2 and FAS 124-2 as a change in accounting principle. When adopting FSP FAS 115-2 and FAS 124-2, an entity is required to record a cumulative-effect adjustment as of the beginning of the period of adoption to reclassify the non-credit component of a previously recognized OTTI from retained earnings to accumulated other comprehensive income if the entity does not intend to sell the security and it is not more likely than not that the entity will be required to sell the security before recovery of its amortized cost basis. See applicable FHLBank's periodic report filed with the SEC.



(3) At March 31, 2009, the FHLBank of Atlanta transferred certain private-label mortgage-backed securities (“MBS”) from its held-to-maturity portfolio to an available-for-sale portfolio. These securities represent private-label MBS in the FHLBank of Atlanta’s held-to-maturity portfolio for which the FHLBank of Atlanta has recorded an other-than-temporary impairment loss. As a result of this transfer, no non-credit OTTI loss was reported at March 31, 2009 for the FHLBank of Atlanta as the non-credit losses in other comprehensive income were reclassified as unrealized losses on available-for-sale securities.

(4) **Total Regulatory Capital****
(dollar amounts in millions)

Boston	\$	3,941	Chicago	\$	4,498
New York		6,044	Des Moines		3,250
Atlanta		8,702	Dallas		3,233
Cincinnati		4,462	San Francisco		14,252
Indianapolis		2,721	Seattle		2,987

** Total regulatory capital is defined as the sum of the amounts paid for Class A and Class B capital stock, retained earnings, any general allowance for losses and any other amount from sources available to absorb losses that the FHFA has determined by regulation to be appropriate to include in determining total capital. Total regulatory capital also includes mandatorily redeemable capital stock and the designated amount of subordinated notes allowed to be included in the calculation for the FHLBank of Chicago.

Sources: Each FHLBank’s First Quarter 2009 SEC Form 10-Q. 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). As such, individual FHLBank accounting and financial reporting policies and practices are not necessarily always identical because different policies and/or presentations are permitted under GAAP in certain circumstances.