



February 22, 2018

## FOR IMMEDIATE RELEASE:

### Office of Finance Announces Fourth Quarter and Annual 2017 Combined Operating Highlights for the Federal Home Loan Banks

The fourth quarter and annual 2017 highlights are preliminary and prepared from the unaudited financial information of each Federal Home Loan Bank (FHLBank) and are subject to change. The combined and individual FHLBank balance sheet and income statement highlights are attached as Tables I and II. Each of the FHLBanks has released its unaudited financial results for the periods ended December 31, 2017, and filed a Form 8-K with the U. S. Securities and Exchange Commission.

#### Highlights

Net income was \$866 million and \$3,376 million for the three months and year ended December 31, 2017, decreases of 5% and 1% compared to the same periods in 2016. Balance sheet highlights as of December 31, 2017, compared to December 31, 2016 were:

- Total assets were \$1,103.5 billion, an increase of 4%.
- Total liabilities were \$1,047.0 billion, an increase of 4%.
- Total GAAP capital was \$56.5 billion, an increase of 8%.

#### Balance Sheet

| <i>(Dollars in millions)</i>                  | December 31, 2017   | December 31, 2016   | Change           |
|---|---------------------|---------------------|------------------|
| <b>Assets</b>                                 |                     |                     |                  |
| Cash and due from banks                       | \$ 7,175            | \$ 7,441            | \$ (266)         |
| Investments                                   | 307,280             | 292,017             | 15,263           |
| Advances                                      | 731,544             | 705,225             | 26,319           |
| Mortgage loans held for portfolio, net        | 53,827              | 48,476              | 5,351            |
| Other assets                                  | 3,625               | 3,553               | 72               |
| <b>Total assets</b>                           | <b>\$ 1,103,451</b> | <b>\$ 1,056,712</b> | <b>\$ 46,739</b> |
| <b>Consolidated obligations</b>               |                     |                     |                  |
| Discount notes                                | \$ 391,480          | \$ 409,815          | \$ (18,335)      |
| Bonds   | 641,601             | 578,927             | 62,674           |
| Total consolidated obligations                | 1,033,081           | 988,742             | 44,339           |
| Mandatorily redeemable capital stock          | 1,272               | 1,704               | (432)            |
| Other liabilities                             | 12,618              | 13,807              | (1,189)          |
| <b>Total liabilities</b>                      | <b>1,046,971</b>    | <b>1,004,253</b>    | <b>42,718</b>    |
| <b>Capital</b>                                |                     |                     |                  |
| Capital stock                                 | 37,657              | 36,234              | 1,423            |
| Additional capital from merger                | —                   | 52                  | (52)             |
| Retained earnings                             | 18,099              | 16,330              | 1,769            |
| Accumulated other comprehensive income (loss) | 724                 | (157)               | 881              |
| <b>Total capital (GAAP)</b>                   | <b>56,480</b>       | <b>52,459</b>       | <b>4,021</b>     |
| <b>Total liabilities and capital</b>          | <b>\$ 1,103,451</b> | <b>\$ 1,056,712</b> | <b>\$ 46,739</b> |
| <b>Regulatory capital</b>                     | <b>\$ 57,027</b>    | <b>\$ 54,318</b>    | <b>\$ 2,709</b>  |
| <b>GAAP capital-to-assets ratio</b>           | <b>5.12%</b>        | <b>4.96%</b>        | <b>0.16%</b>     |
| <b>Regulatory capital-to-assets ratio</b>     | <b>5.17%</b>        | <b>5.14%</b>        | <b>0.03%</b>     |

As of December 31, 2017, total assets and total liabilities each increased 4% and total GAAP capital increased 8%, compared to December 31, 2016.

- Advances totaled \$731.5 billion at December 31, 2017, an increase of 4% due primarily to growth in short-term advances, partially offset by a decline in variable-rate advances with maturities greater than one year.
- Investments were \$307.3 billion at December 31, 2017, an increase of 5% driven by an increase in federal funds sold.
- Mortgage loans held for portfolio, net grew to \$53.8 billion at December 31, 2017, an increase of 11% as mortgage loan purchases outpaced principal repayments.
- Consolidated obligations totaled \$1,033.1 billion at December 31, 2017, an increase of 4% consistent with the increase in total assets and consisted of a 11% increase in consolidated bonds, partially offset by a 4% decrease in consolidated discount notes.
- Capital stock was \$37.7 billion at December 31, 2017, an increase of 4% due primarily to the net issuance of activity-based capital stock driven by the growth in advances.
- Retained earnings grew to \$18.1 billion at December 31, 2017, an increase of 11% due to net income of \$3,376 million, partially offset by dividends of \$1,607 million.

## Income Statement

|   | Three Months Ended December 31, |               |                | Year Ended December 31, |                 |                |
|---|---------------------------------|---------------|----------------|-------------------------|-----------------|----------------|
|   | 2017                            | 2016          | Change         | 2017                    | 2016            | Change         |
| <i>(Dollars in millions)</i>  |                                 |               |                |                         |                 |                |
| <b>Interest income</b>  |                                 |               |                |                         |                 |                |
| Advances  | \$ 2,730                        | \$ 1,544      | \$ 1,186       | \$ 9,043                | \$ 5,359        | \$ 3,684       |
| Investments   | 1,450                           | 1,037         | 413            | 5,233                   | 3,988           | 1,245          |
| Mortgage loans held for portfolio                                       | 450                             | 390           | 60             | 1,719                   | 1,579           | 140            |
| Other interest income   | 2                               | 1             | 1              | 7                       | 4               | 3              |
| <b>Total interest income</b>  | <b>4,632</b>                    | <b>2,972</b>  | <b>1,660</b>   | <b>16,002</b>           | <b>10,930</b>   | <b>5,072</b>   |
| <b>Interest expense</b>   |                                 |               |                |                         |                 |                |
| Consolidated obligations - Discount notes                               | 1,162                           | 491           | 671            | 3,759                   | 2,020           | 1,739          |
| Consolidated obligations - Bonds  | 2,195                           | 1,422         | 773            | 7,620                   | 4,931           | 2,689          |
| Other interest expense  | 39                              | 44            | (5)            | 142                     | 144             | (2)            |
| <b>Total interest expense</b>   | <b>3,396</b>                    | <b>1,957</b>  | <b>1,439</b>   | <b>11,521</b>           | <b>7,095</b>    | <b>4,426</b>   |
| <b>Net interest income</b>  | <b>1,236</b>                    | <b>1,015</b>  | <b>221</b>     | <b>4,481</b>            | <b>3,835</b>    | <b>646</b>     |
| Provision (reversal) for credit losses                                  | —                               | 1             | (1)            | —                       | 6               | (6)            |
| <b>Net interest income after provision (reversal) for credit losses</b> | <b>1,236</b>                    | <b>1,014</b>  | <b>222</b>     | <b>4,481</b>            | <b>3,829</b>    | <b>652</b>     |
| <b>Non-interest income (loss)</b>                                       |                                 |               |                |                         |                 |                |
| Net other-than-temporary impairment losses                              | (1)                             | (3)           | 2              | (21)                    | (22)            | 1              |
| Net gains (losses) on trading securities                                | (30)                            | (170)         | 140            | (2)                     | (41)            | 39             |
| Net gains (losses) on derivatives and hedging activities                | 31                              | 334           | (303)          | 324                     | 47              | 277            |
| Gains on litigation settlements, net                                    | 22                              | 111           | (89)           | 161                     | 952             | (791)          |
| Other   | 36                              | 79            | (43)           | 153                     | 218             | (65)           |
| <b>Total non-interest income (loss)</b>                                 | <b>58</b>                       | <b>351</b>    | <b>(293)</b>   | <b>615</b>              | <b>1,154</b>    | <b>(539)</b>   |
| Non-interest expense  | 330                             | 346           | (16)           | 1,336                   | 1,183           | 153            |
| Affordable Housing Program assessments                                  | 98                              | 106           | (8)            | 384                     | 392             | (8)            |
| <b>Net income</b>   | <b>\$ 866</b>                   | <b>\$ 913</b> | <b>\$ (47)</b> | <b>\$ 3,376</b>         | <b>\$ 3,408</b> | <b>\$ (32)</b> |
| <b>Net interest margin</b>  | <b>0.45%</b>                    | <b>0.39%</b>  | <b>0.06%</b>   | <b>0.42%</b>            | <b>0.38%</b>    | <b>0.04%</b>   |

**Net Income**

Net income was \$866 million for the three months ended December 31, 2017, a decrease of 5% compared to the same period in 2016. This decrease was due primarily to lower gains on derivatives and hedging activities, partially offset by an increase in net interest income. Net income was \$3,376 million for the year ended December 31, 2017, a decrease of 1% compared to the same period in 2016. This decrease was primarily the result of lower gains on litigation settlements, partially offset by an increase in net interest income.

**Net Interest Income**

Net interest income after provision (reversal) for credit losses was \$1,236 million and \$4,481 million for the three months and year ended December 31, 2017, increases of 22% and 17% compared to the same periods in 2016. Net interest margin improved to 0.45% and 0.42% for the three months and year ended December 31, 2017, increases of 6 and 4 basis points compared to the same periods in 2016.

- Interest income grew to \$4,632 million and \$16,002 million for the three months and year ended December 31, 2017, increases of 56% and 46% compared to the same periods in 2016. These increases were due primarily to higher yields on interest-earning assets in the higher interest rate environment, driven principally by higher yields on advances.
- Interest expense was \$3,396 million and \$11,521 million for the three months and year ended December 31, 2017, increases of 74% and 62% compared to the same periods in 2016. These increases were due primarily to higher yields on consolidated discount notes and consolidated bonds in the higher interest rate environment, as well as an increase in the average balance of consolidated bonds.

**Non-Interest Income**

Non-interest income was \$58 million for the three months ended December 31, 2017, a decrease of 83% compared to the same period in 2016, resulting primarily from lower gains on derivatives and hedging activities and lower gains on litigation settlements, partially offset by lower losses on trading securities. Non-interest income was \$615 million for the year ended December 31, 2017, a decrease of 47% compared to the same period in 2016, due primarily to lower gains on litigation settlements, partially offset by higher gains on derivatives and hedging activities.

- Net gains on derivatives and hedging activities were \$31 million and \$324 million for the three months and year ended December 31, 2017, resulting primarily from gains related to fair value hedge ineffectiveness.
- Gains on litigation settlements, net, consisting of settlements of certain claims arising from investments in private-label mortgage-backed securities, were \$22 million and \$161 million for the three months and year ended December 31, 2017.
- Net losses on investment securities classified as trading were \$30 million and \$2 million for the three months and year ended December 31, 2017, resulting from changes in fair values of these securities.

**Non-Interest Expense**

Non-interest expense was \$330 million for the three months ended December 31, 2017, a decrease of 5% compared to the same period in 2016. Non-interest expense was \$1,336 million for the year ended December 31, 2017, an increase of 13% compared to the same period in 2016. The increase for the year ended December 31, 2017, was primarily the result of a charge of \$70 million during the first quarter of 2017, by the FHLBank of New York to settle all claims related to the 2008 Lehman Brothers bankruptcy, and voluntary charitable contributions of \$60 million during the year ended December 31, 2017, by the FHLBank of San Francisco for a donor-advised fund established to support quality job growth and small business expansion.



### **Affordable Housing Program Assessments**

Affordable Housing Program assessments result from individual FHLBank income subject to assessments. Affordable Housing Program assessments were \$98 million and \$384 million for the three months and year ended December 31, 2017, decreases of 8% and 2% compared to the same periods in 2016.

### **About the FHLBanks**

Each FHLBank manages its operations independently and is responsible for establishing its own accounting and financial reporting policies in accordance with GAAP. The accounting and financial reporting policies and practices of the individual FHLBanks are not always identical because different policies and presentations are permitted under GAAP in certain circumstances within a combined financial statement presentation.

The FHLBanks have delivered innovation and service to the U.S. housing market since 1932, and currently have approximately 7,000 members serving all 50 states, the District of Columbia, and U.S. territories. Please contact Nancy Nowalk at 703-467-3608 or [nnowalk@fhlb-of.com](mailto:nnowalk@fhlb-of.com) for additional information.

*Statements contained in this release may be "forward-looking statements," including those statements related to financial performance. Forward-looking statements may be identified by words such as "anticipates," "believes," "could," "estimates," "may," or comparable terminology. Any forward-looking statements are subject to risks and uncertainties related to the future operations of the FHLBanks and the business environment. These risks and uncertainties could cause actual results to differ materially from current expectations. These risks and uncertainties include, but are not limited to, the following: changes in interest rates and housing prices; size and volatility of the residential mortgage market; demand for FHLBank advances; volatility of market prices, rates, and indices that could affect the value of investments, including collateral held by the FHLBanks as security; political events, including legislative, regulatory, judicial, or other developments, that affect the FHLBanks, their members, counterparties, underwriters, and/or investors in the consolidated obligations of the FHLBanks; competitive forces, including other sources of funding available to FHLBank members; changes in investor demand for consolidated obligations, including those resulting from changes in credit ratings and/or the terms of derivative transactions; implementation of accounting rules; 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](http://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.*



**FHLBanks Office of Finance**  
**Table I to Combined Operating Highlights**  
**Balance Sheet Highlights**  
 Unaudited

|   | Combined <sup>(1)</sup> |                     | Boston            |                   | New York          |                   | Pittsburgh        |                   | Atlanta           |                   | Cincinnati        |                   |
|---|-------------------------|---------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| (Dollars in millions)                         | December 31, 2017       | December 31, 2016   | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| <b>Assets</b>                                 |                         |                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Cash and due from banks                       | \$ 7,175                | \$ 7,441            | \$ 262            | \$ 520            | \$ 127            | \$ 152            | \$ 3,415          | \$ 3,588          | \$ 2,357          | \$ 1,815          | \$ 27             | \$ 9              |
| Investments                                   | 307,280                 | 292,017             | 17,942            | 18,032            | 33,069            | 30,685            | 17,756            | 17,227            | 40,378            | 36,510            | 27,058            | 25,334            |
| Advances                                      | 731,544                 | 705,225             | 37,566            | 39,099            | 122,448           | 109,257           | 74,280            | 76,809            | 102,440           | 99,077            | 69,918            | 69,882            |
| Mortgage loans held for portfolio, net        | 53,827                  | 48,476              | 4,004             | 3,694             | 2,897             | 2,746             | 3,923             | 3,391             | 435               | 523               | 9,681             | 9,149             |
| Other assets                                  | 3,625                   | 3,553               | 588               | 201               | 377               | 766               | 289               | 245               | 956               | 746               | 211               | 261               |
| <b>Total assets</b>                           | <b>\$ 1,103,451</b>     | <b>\$ 1,056,712</b> | <b>\$ 60,362</b>  | <b>\$ 61,546</b>  | <b>\$ 158,918</b> | <b>\$ 143,606</b> | <b>\$ 99,663</b>  | <b>\$ 101,260</b> | <b>\$ 146,566</b> | <b>\$ 138,671</b> | <b>\$ 106,895</b> | <b>\$ 104,635</b> |
| <b>Liabilities</b>                            |                         |                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Consolidated obligations                      |                         |                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Discount notes                                | \$ 391,480              | \$ 409,815          | \$ 27,721         | \$ 30,054         | \$ 49,614         | \$ 49,358         | \$ 36,193         | \$ 28,500         | \$ 50,139         | \$ 41,292         | \$ 46,211         | \$ 44,690         |
| Bonds   | 641,601                 | 578,927             | 28,345            | 27,171            | 99,288            | 84,785            | 57,534            | 67,156            | 87,523            | 88,647            | 54,163            | 53,191            |
| Total consolidated obligations                | 1,033,081               | 988,742             | 56,066            | 57,225            | 148,902           | 134,143           | 93,727            | 95,656            | 137,662           | 129,939           | 100,374           | 97,881            |
| Mandatorily redeemable capital stock          | 1,272                   | 1,704               | 36                | 33                | 20                | 31                | 5                 | 5                 | 1                 | 1                 | 30                | 35                |
| Other liabilities                             | 12,618                  | 13,807              | 995               | 1,043             | 1,755             | 1,808             | 1,003             | 805               | 1,636             | 1,780             | 1,326             | 1,741             |
| <b>Total liabilities</b>                      | <b>1,046,971</b>        | <b>1,004,253</b>    | <b>57,097</b>     | <b>58,301</b>     | <b>150,677</b>    | <b>135,982</b>    | <b>94,735</b>     | <b>96,466</b>     | <b>139,299</b>    | <b>131,720</b>    | <b>101,730</b>    | <b>99,657</b>     |
| <b>Capital</b>                                |                         |                     |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Capital stock                                 | 37,657                  | 36,234              | 2,284             | 2,412             | 6,750             | 6,308             | 3,659             | 3,755             | 5,154             | 4,955             | 4,241             | 4,157             |
| Additional capital from merger                | —                       | 52                  | —                 | —                 | —                 | —                 | —                 | —                 | —                 | —                 | —                 | —                 |
| Retained earnings                             | 18,099                  | 16,330              | 1,308             | 1,217             | 1,546             | 1,412             | 1,158             | 986               | 2,003             | 1,892             | 940               | 834               |
| Accumulated other comprehensive income (loss) | 724                     | (157)               | (327)             | (384)             | (55)              | (96)              | 111               | 53                | 110               | 104               | (16)              | (13)              |
| <b>Total capital (GAAP)</b>                   | <b>56,480</b>           | <b>52,459</b>       | <b>3,265</b>      | <b>3,245</b>      | <b>8,241</b>      | <b>7,624</b>      | <b>4,928</b>      | <b>4,794</b>      | <b>7,267</b>      | <b>6,951</b>      | <b>5,165</b>      | <b>4,978</b>      |
| <b>Total liabilities and capital</b>          | <b>\$ 1,103,451</b>     | <b>\$ 1,056,712</b> | <b>\$ 60,362</b>  | <b>\$ 61,546</b>  | <b>\$ 158,918</b> | <b>\$ 143,606</b> | <b>\$ 99,663</b>  | <b>\$ 101,260</b> | <b>\$ 146,566</b> | <b>\$ 138,671</b> | <b>\$ 106,895</b> | <b>\$ 104,635</b> |
| <b>Regulatory capital</b>                     | <b>\$ 57,027</b>        | <b>\$ 54,318</b>    | <b>\$ 3,628</b>   | <b>\$ 3,661</b>   | <b>\$ 8,316</b>   | <b>\$ 7,751</b>   | <b>\$ 4,822</b>   | <b>\$ 4,746</b>   | <b>\$ 7,157</b>   | <b>\$ 6,848</b>   | <b>\$ 5,211</b>   | <b>\$ 5,026</b>   |

  

|   | Indianapolis      |                   | Chicago           |                   | Des Moines        |                   | Dallas            |                   | Topeka            |                   | San Francisco     |                   |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| (Dollars in millions)                         | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 | December 31, 2017 | December 31, 2016 |
| <b>Assets</b>                                 |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Cash and due from banks                       | \$ 55             | \$ 547            | \$ 42             | \$ 351            | \$ 503            | \$ 223            | \$ 88             | \$ 28             | \$ 268            | \$ 207            | \$ 31             | \$ 2              |
| Investments                                   | 17,572            | 15,460            | 30,683            | 28,060            | 34,452            | 41,218            | 30,941            | 25,129            | 13,998            | 13,610            | 43,570            | 40,986            |
| Advances                                      | 34,055            | 28,096            | 48,085            | 45,067            | 102,613           | 131,601           | 36,461            | 32,506            | 26,296            | 23,986            | 77,382            | 49,845            |
| Mortgage loans held for portfolio, net        | 10,356            | 9,501             | 5,193             | 4,967             | 7,096             | 6,913             | 878               | 124               | 7,287             | 6,640             | 2,076             | 826               |
| Other assets                                  | 311               | 303               | 352               | 247               | 435               | 650               | 156               | 425               | 228               | 774               | 326               | 282               |
| <b>Total assets</b>                           | <b>\$ 62,349</b>  | <b>\$ 53,907</b>  | <b>\$ 84,355</b>  | <b>\$ 78,692</b>  | <b>\$ 145,099</b> | <b>\$ 180,605</b> | <b>\$ 68,524</b>  | <b>\$ 58,212</b>  | <b>\$ 48,077</b>  | <b>\$ 45,217</b>  | <b>\$ 123,385</b> | <b>\$ 91,941</b>  |
| <b>Liabilities</b>                            |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Consolidated obligations                      |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Discount notes                                | \$ 20,358         | \$ 16,802         | \$ 41,191         | \$ 35,949         | \$ 36,682         | \$ 80,947         | \$ 32,511         | \$ 26,942         | \$ 20,421         | \$ 21,775         | \$ 30,440         | \$ 33,506         |
| Bonds   | 37,896            | 33,467            | 37,121            | 36,903            | 98,893            | 89,898            | 31,377            | 26,997            | 24,514            | 20,722            | 85,063            | 50,224            |
| Total consolidated obligations                | 58,254            | 50,269            | 78,312            | 72,852            | 135,575           | 170,845           | 63,888            | 53,939            | 44,935            | 42,497            | 115,503           | 83,730            |
| Mandatorily redeemable capital stock          | 164               | 170               | 311               | 301               | 385               | 664               | 6                 | 3                 | 5                 | 3                 | 309               | 457               |
| Other liabilities                             | 985               | 1,032             | 880               | 844               | 2,118             | 1,695             | 1,150             | 1,453             | 630               | 754               | 767               | 2,217             |
| <b>Total liabilities</b>                      | <b>59,403</b>     | <b>51,471</b>     | <b>79,503</b>     | <b>73,997</b>     | <b>138,078</b>    | <b>173,204</b>    | <b>65,044</b>     | <b>55,395</b>     | <b>45,570</b>     | <b>43,254</b>     | <b>116,579</b>    | <b>86,404</b>     |
| <b>Capital</b>                                |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Capital stock                                 | 1,858             | 1,493             | 1,443             | 1,711             | 5,068             | 5,917             | 2,318             | 1,930             | 1,640             | 1,227             | 3,243             | 2,370             |
| Additional capital from merger                | —                 | —                 | —                 | —                 | —                 | 52                | —                 | —                 | —                 | —                 | —                 | —                 |
| Retained earnings                             | 976               | 887               | 3,297             | 3,020             | 1,839             | 1,450             | 942               | 824               | 841               | 736               | 3,245             | 3,056             |
| Accumulated other comprehensive income (loss) | 112               | 56                | 112               | (36)              | 114               | (18)              | 220               | 63                | 26                | —                 | 318               | 111               |
| <b>Total capital (GAAP)</b>                   | <b>2,946</b>      | <b>2,436</b>      | <b>4,852</b>      | <b>4,695</b>      | <b>7,021</b>      | <b>7,401</b>      | <b>3,480</b>      | <b>2,817</b>      | <b>2,507</b>      | <b>1,963</b>      | <b>6,806</b>      | <b>5,537</b>      |
| <b>Total liabilities and capital</b>          | <b>\$ 62,349</b>  | <b>\$ 53,907</b>  | <b>\$ 84,355</b>  | <b>\$ 78,692</b>  | <b>\$ 145,099</b> | <b>\$ 180,605</b> | <b>\$ 68,524</b>  | <b>\$ 58,212</b>  | <b>\$ 48,077</b>  | <b>\$ 45,217</b>  | <b>\$ 123,385</b> | <b>\$ 91,941</b>  |
| <b>Regulatory capital</b>                     | <b>\$ 2,998</b>   | <b>\$ 2,550</b>   | <b>\$ 5,051</b>   | <b>\$ 5,032</b>   | <b>\$ 7,292</b>   | <b>\$ 8,083</b>   | <b>\$ 3,266</b>   | <b>\$ 2,757</b>   | <b>\$ 2,486</b>   | <b>\$ 1,965</b>   | <b>\$ 6,797</b>   | <b>\$ 5,883</b>   |

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



**FHLBanks Office of Finance**  
**Table II to Combined Operating Highlights**  
**Income Statement Highlights**  
 Unaudited

| Three Months Ended December 31,                                  |                         |                 |               |               |               |               |               |               |               |               |               |               |
|--|-------------------------|-----------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| <i>(Dollars in millions)</i>                                     | Combined <sup>(1)</sup> |                 | Boston        |               | New York      |               | Pittsburgh    |               | Atlanta       |               | Cincinnati    |               |
|  | 2017                    | 2016            | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          |
| Net interest income after provision (reversal) for credit losses | \$ 1,236                | \$ 1,014        | \$ 79         | \$ 76         | \$ 191        | \$ 160        | \$ 108        | \$ 95         | \$ 122        | \$ 68         | \$ 110        | \$ 98         |
| Non-interest income (loss)                                       | 58                      | 351             | 22            | 20            | 6             | 8             | 7             | 21            | 18            | 69            | 3             | 48            |
| Non-interest expense   | 330                     | 346             | 26            | 31            | 36            | 31            | 25            | 25            | 36            | 38            | 19            | 47            |
| Affordable Housing Program assessments                           | 98                      | 106             | 7             | 6             | 16            | 14            | 9             | 9             | 11            | 10            | 10            | 10            |
| <b>Net income (loss)</b>   | <b>\$ 866</b>           | <b>\$ 913</b>   | <b>\$ 68</b>  | <b>\$ 59</b>  | <b>\$ 145</b> | <b>\$ 123</b> | <b>\$ 81</b>  | <b>\$ 82</b>  | <b>\$ 93</b>  | <b>\$ 89</b>  | <b>\$ 84</b>  | <b>\$ 89</b>  |
| <i>(Dollars in millions)</i>                                     | Indianapolis            |                 | Chicago       |               | Des Moines    |               | Dallas        |               | Topeka        |               | San Francisco |               |
|  | 2017                    | 2016            | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          |
| Net interest income after provision (reversal) for credit losses | \$ 69                   | \$ 54           | \$ 130        | \$ 111        | \$ 154        | \$ 134        | \$ 62         | \$ 47         | \$ 69         | \$ 66         | \$ 143        | \$ 108        |
| Non-interest income (loss)                                       | 5                       | 13              | 11            | 15            | 7             | 77            | —             | 7             | 2             | (3)           | (14)          | 82            |
| Non-interest expense   | 23                      | 23              | 43            | 39            | 31            | 36            | 27            | 22            | 18            | 16            | 54            | 46            |
| Affordable Housing Program assessments                           | 5                       | 4               | 10            | 9             | 14            | 19            | 4             | 4             | 5             | 5             | 8             | 17            |
| <b>Net income (loss)</b>   | <b>\$ 46</b>            | <b>\$ 40</b>    | <b>\$ 88</b>  | <b>\$ 78</b>  | <b>\$ 116</b> | <b>\$ 156</b> | <b>\$ 31</b>  | <b>\$ 28</b>  | <b>\$ 48</b>  | <b>\$ 42</b>  | <b>\$ 67</b>  | <b>\$ 127</b> |
| Year Ended December 31,  |                         |                 |               |               |               |               |               |               |               |               |               |               |
| <i>(Dollars in millions)</i>                                     | Combined <sup>(1)</sup> |                 | Boston        |               | New York      |               | Pittsburgh    |               | Atlanta       |               | Cincinnati    |               |
|  | 2017                    | 2016            | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          |
| Net interest income after provision (reversal) for credit losses | \$ 4,481                | \$ 3,829        | \$ 277        | \$ 252        | \$ 721        | \$ 554        | \$ 436        | \$ 348        | \$ 157        | \$ 335        | \$ 429        | \$ 363        |
| Non-interest income (loss)                                       | 615                     | 1,154           | 23            | 29            | 12            | 7             | 33            | 25            | 367           | 111           | (1)           | 46            |
| Non-interest expense   | 1,336                   | 1,183           | 89            | 89            | 201           | 115           | 91            | 84            | 136           | 137           | 79            | 111           |
| Affordable Housing Program assessments                           | 384                     | 392             | 21            | 19            | 53            | 45            | 38            | 29            | 39            | 31            | 35            | 30            |
| <b>Net income (loss)</b>   | <b>\$ 3,376</b>         | <b>\$ 3,408</b> | <b>\$ 190</b> | <b>\$ 173</b> | <b>\$ 479</b> | <b>\$ 401</b> | <b>\$ 340</b> | <b>\$ 260</b> | <b>\$ 349</b> | <b>\$ 278</b> | <b>\$ 314</b> | <b>\$ 268</b> |
| <i>(Dollars in millions)</i>                                     | Indianapolis            |                 | Chicago       |               | Des Moines    |               | Dallas        |               | Topeka        |               | San Francisco |               |
|  | 2017                    | 2016            | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          | 2017          | 2016          |
| Net interest income after provision (reversal) for credit losses | \$ 262                  | \$ 198          | \$ 483        | \$ 455        | \$ 650        | \$ 446        | \$ 238        | \$ 165        | \$ 270        | \$ 257        | \$ 567        | \$ 471        |
| Non-interest income (loss)                                       | (6)                     | 6               | 42            | 71            | 52            | 396           | 22            | 8             | 16            | (14)          | 78            | 485           |
| Non-interest expense   | 82                      | 78              | 172           | 162           | 124           | 118           | 93            | 85            | 67            | 63            | 224           | 158           |
| Affordable Housing Program assessments                           | 18                      | 13              | 36            | 37            | 60            | 75            | 17            | 9             | 22            | 18            | 45            | 86            |
| <b>Net income (loss)</b>   | <b>\$ 156</b>           | <b>\$ 113</b>   | <b>\$ 317</b> | <b>\$ 327</b> | <b>\$ 518</b> | <b>\$ 649</b> | <b>\$ 150</b> | <b>\$ 79</b>  | <b>\$ 197</b> | <b>\$ 162</b> | <b>\$ 376</b> | <b>\$ 712</b> |

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