



NEWS RELEASE

CoBank Announces \$7.5 Million Commitment To New Rural Private Equity Fund

Open Prairie Rural Opportunities Fund Will Target Agribusiness And Other Rural Industries

Over \$55 Million In Committed Capital From Farm Credit, Community Banks And Other Investors

DENVER (January 25, 2018) — CoBank, a cooperative bank serving agribusinesses, rural infrastructure providers and Farm Credit associations throughout the United States, announced today that it has committed \$7.5 million to a new private equity fund that will promote job growth and economic development through junior capital investments in agribusiness and other rural industries.

The bank has joined with five other Farm Credit institutions, along with commercial and community banks and other investors, to participate in the first round of financing for Open Prairie Rural Opportunities Fund, L.P. Initial commitments to the fund exceed \$55 million, with investments to target areas such as crop protection, ingredients, processing, storage, data management and logistics. Managed by Open Prairie, which is based in Effingham, IL, the fund has been licensed to operate as a Rural Business Investment Company (RBIC) under the U.S. Department of Agriculture's Rural Business Investment Program, which enables Farm Credit institutions to make equity investments in funds licensed by the agency.

"We're extremely pleased to be part of this exciting venture, which will support our mission by enhancing the flow of capital to rural America," said Tom Halverson, CoBank's president and chief executive officer. "The RBIC program is a unique vehicle that enables Farm Credit entities to partner with commercial and community banks to make job-creating investments in rural enterprises. We look forward to working with Open Prairie and seeing the economic development benefits this new fund will deliver over time."

"Open Prairie has worked closely with its lead investors to establish the Open Prairie Rural Opportunities Fund as an investment vehicle uniquely positioned to capitalize on the challenges facing today's agriculture environment," said Open Prairie Founder and Managing Partner Jim Schultz. Other Farm Credit institutions investing in the fund include AgriBank (St. Paul, MN); Compeer Financial (Mankato, MN); Farm Credit Mid-America (Louisville, KY); Farm Credit Services of America (Omaha, NE) and FCS Financial (Jefferson City, MO).

This is the third time CoBank has invested in a rural-focused private equity fund under the USDA's Rural Business Investment Program since 2014. Other RBICs that have received investments from CoBank include the Advantage Capital Agribusiness Fund and the Innova Ag Innovation Fund. CoBank is also an investor in Midwest Growth Partners, a non-RBIC fund focused on rural investments in the Upper Midwest. Inclusive of the Open Prairie investment, CoBank has committed a total of \$52.5 million to these funds.

About CoBank

CoBank is a \$124 billion cooperative bank serving vital industries across rural America. The bank provides loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture, rural infrastructure and rural communities. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

For more information about CoBank, visit the bank's web site at www.cobank.com.

Forward-Looking Statements

Certain of the statements contained in this news release that are not historical facts are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Our actual future business may differ materially and adversely from our expectations expressed in any forward-looking statements. Forward-looking statements are typically identified by words such as “believe,” “expect,” “anticipate,” “intend,” “estimate,” “plan,” “project,” “target,” “may,” “will,” “should,” “would,” “could,” or similar expressions. Although we believe that the information expressed or implied in such forward-looking statements is reasonable, we can give no assurance that such projections and expectations will be realized or the extent to which a particular plan, projection or expectation may be realized. These forward-looking statements are based on current knowledge and subject to risks and uncertainties. We encourage you to read our Annual Report and Quarterly Reports located on the bank’s website at www.cobank.com. We undertake no obligation to revise or publicly update our forward-looking statements for any reason.

Contact

Arthur Hodges
Senior Vice President, Corporate Communications
303-740-4061
ahodges@cobank.com

Jo Solonika
Vice President, Corporate Communications
720-583-9180
jsolonika@cobank.com