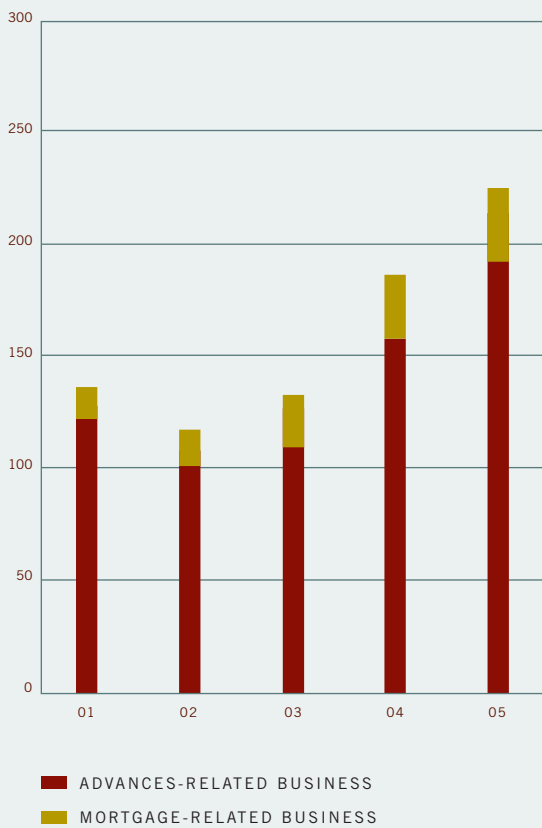
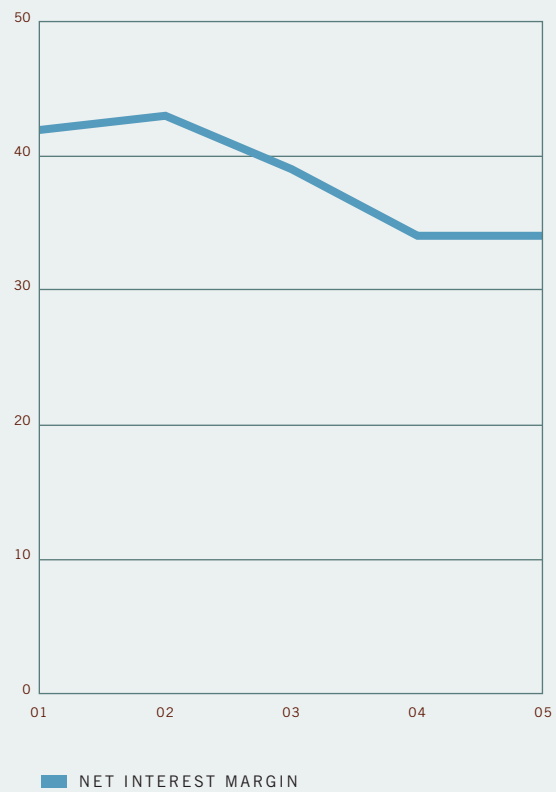


## Financial Highlights

### YEAREND ASSET LEVELS (BILLIONS OF DOLLARS)



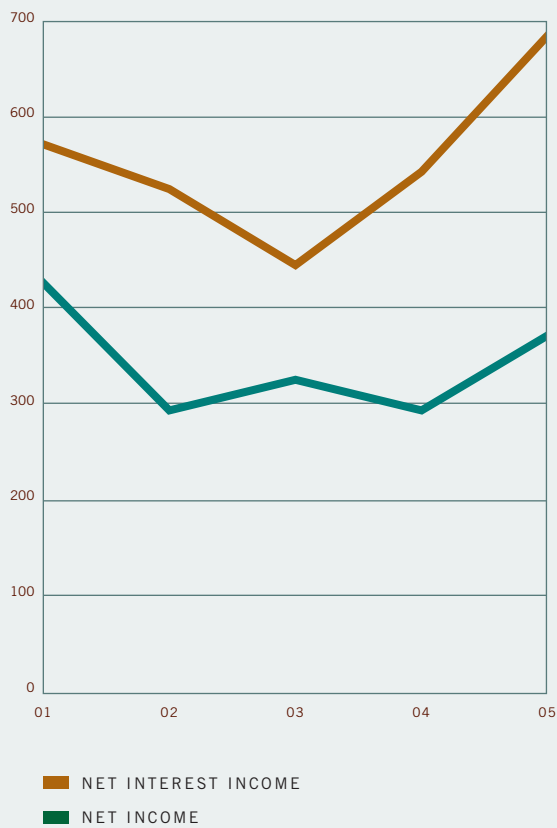
### NET INTEREST MARGIN (BASIS POINTS)



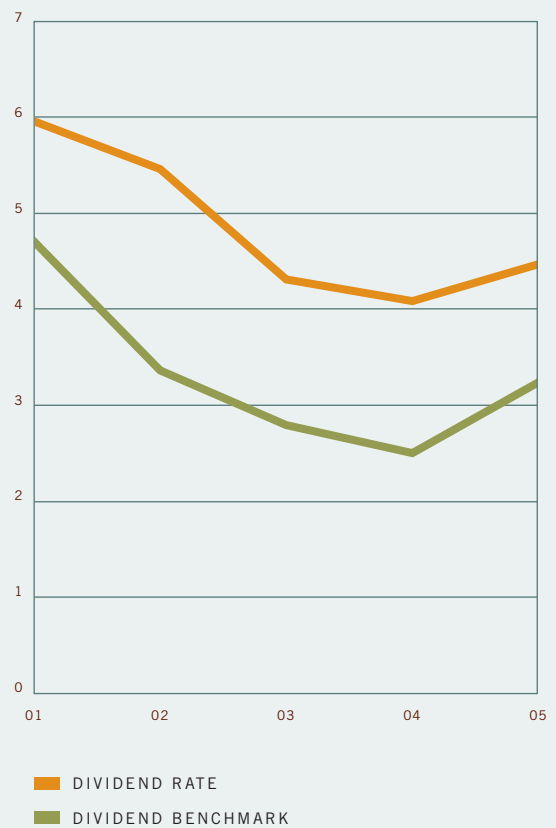
Total assets grew 21% in 2005. Assets associated with the advances-related business grew 22%, and assets associated with the mortgage-related business grew 15%. In particular, advances outstanding reached a new record of \$162.9 billion as of December 31, 2005.

The net interest margin was 0.34% in both 2005 and 2004. While the Bank earned a higher yield on invested capital in 2005 than in 2004, this increase was offset by lower profit spreads on the combined mortgage loan and MBS portfolios.

**NET INTEREST INCOME & NET INCOME**  
(MILLIONS OF DOLLARS)



**DIVIDEND RATE & DIVIDEND BENCHMARK**  
(PERCENT)



Net interest income and net income both grew 26% in 2005. The increases were chiefly driven by higher average balances of advances and other interest-earning assets, combined with higher average capital balances and a higher yield on invested capital.

In 2005, we were pleased to continue the trend of paying dividends above our benchmark. The dividend rate for 2005 was 4.44%, up from 4.07% for 2004. The spread of the dividend rate to the dividend benchmark for 2005 was 1.22%.