



# Farm Credit Canada

## Investor Presentation



## Farm Credit Canada

- Farm Credit Canada is a self-sustaining federal Crown corporation established in 1959.
- Through the years, we've grown and changed to further enhance rural Canada by providing business and financial solutions to farm families and agribusiness



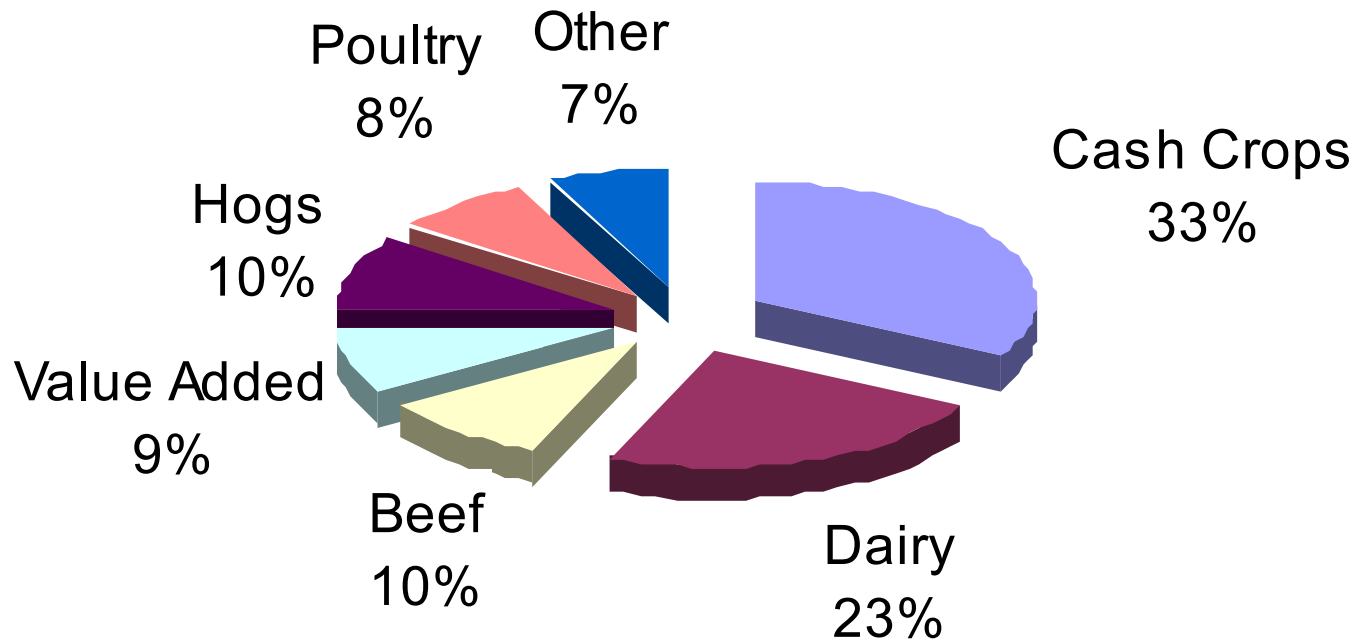
## Corporate Profile

- FCC is Canada's largest agricultural term lender
- We offer unique and innovative products and services
- We serve over 45,000 customers from 100 offices across Canada
- FCC has experienced 10 consecutive years of portfolio growth
- Our loan portfolio valued at over \$8.8 billion in March 2003
- FCC boasts a AAA credit rating; any investment in FCC is fully backed by the Government of Canada



# FCC's loan portfolio is diversified by enterprise...

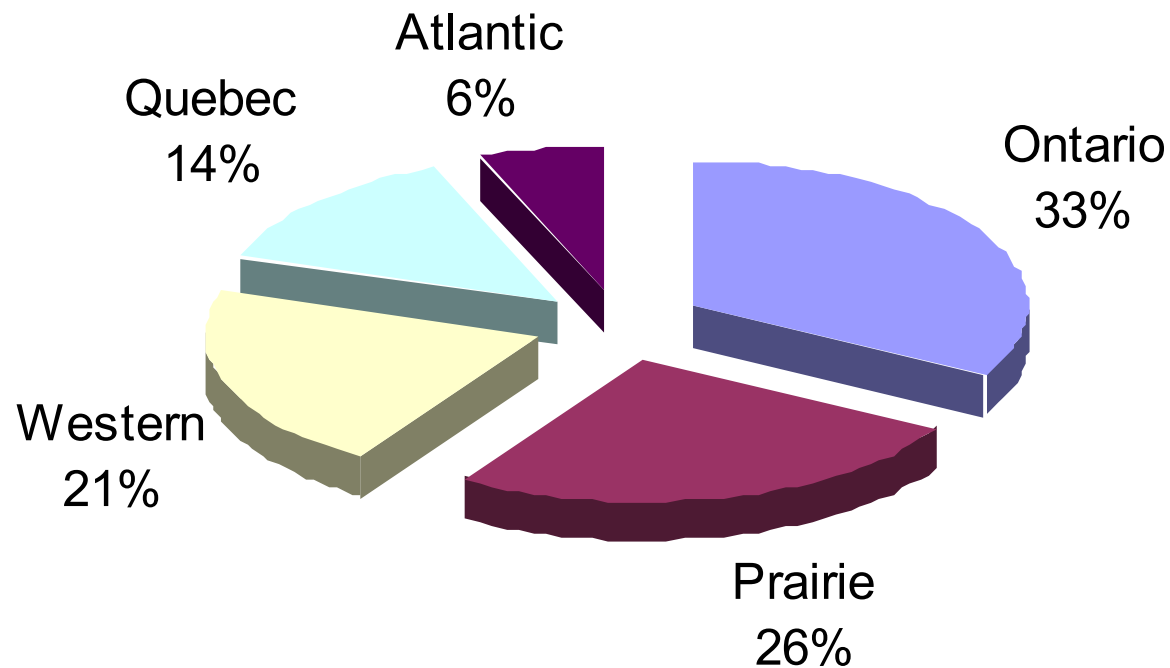
Loans by Enterprise - 2002/03





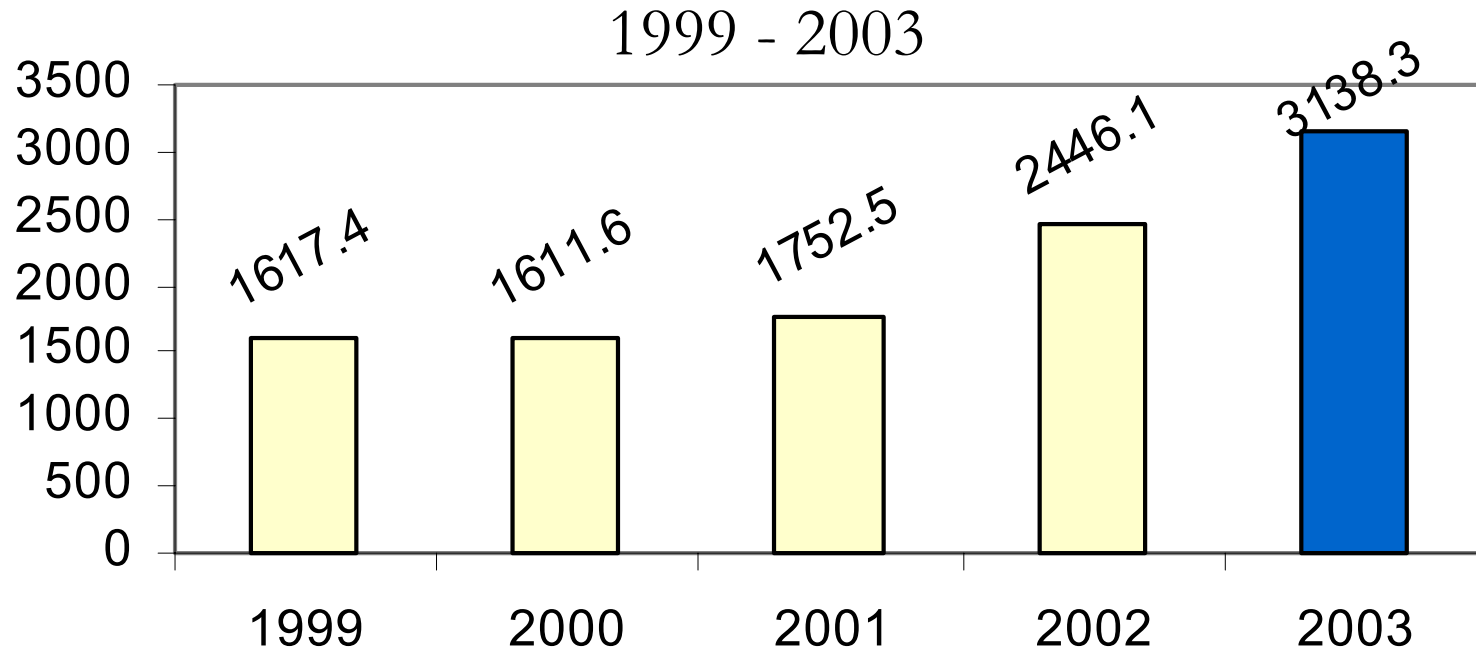
## ...and by geography:

### FCC Portfolio by Region - 2002/03





## Loans Approved (\$ millions)



The value of annual loan approvals has risen 18% per year since 1999, leading to a 51% increase in FCC's loan portfolio during that period.



# **FCC is part of Canada's Economy & Capital Markets**

FCC is focused on agriculture, an increasingly complex industry and a key contributor to Canada's economy. As FCC's business has grown, so too has our role in Canada's rapidly changing capital markets.



# Borrowing Requirements

\$9.3 Billion in fiscal 2002/03 for new & renewed lending and business requirements



## FCC's Debt is a Direct Obligation of the Government of Canada

*“Because of its status as an Agent of Her Majesty in right of Canada, its obligations carry the full faith and credit of the Government of Canada.” - Moody's*

	Domestic		Foreign Currency	
	Long-term	Short-term	Long-term	Short-term
Moody's	Aaa	P1	Aaa	P1
Standard & Poors	AAA	A-1+	AAA	A-1+
DBRS	AAA	R-1 (High)	AAA	R-1 (High)



# Funding Sources

FCC borrows money from domestic and international capital markets.

## Short-Term Funding

Promissory Notes (Domestic) (*C\$, US\$*)

Euro Commercial Paper (ECP) (*C\$, US\$, GBP, Euro, other*)

## Long-Term Funding

FCC Bonds (Domestic Retail Bonds) (*C\$*)

Structured Notes (*C\$, US\$, JPY, other*)

Euro MTN Program (*C\$, US\$, JPY, Euro, other*)

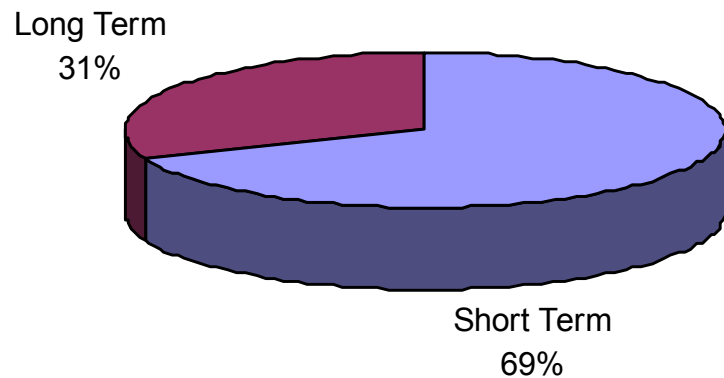
Institutional Debt (*C\$*)

## Other markets

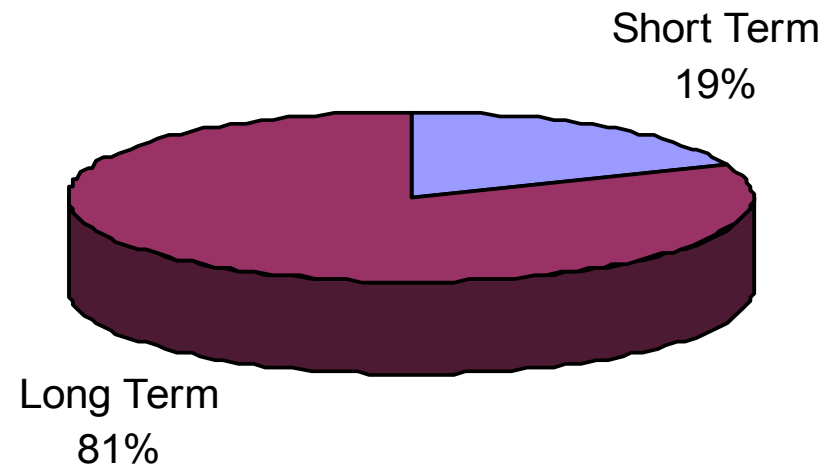


# 2002/03 Funding Mix

## ST/LT Debt Issued in 2002/03



## ST/LT Debt Outstanding at March 31, 2003



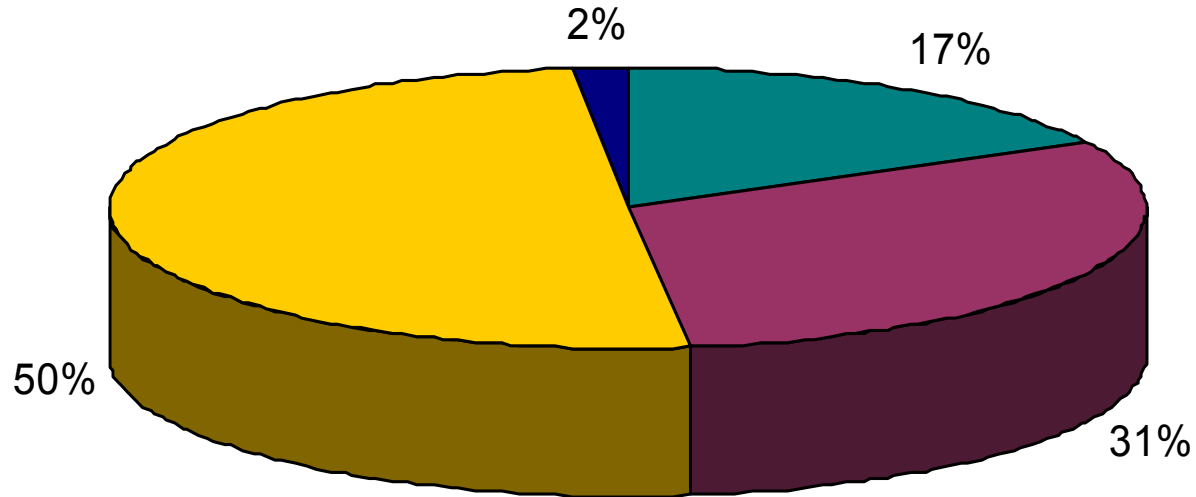


## Short-Term Funding Programs

- Domestic Promissory Notes
  - issued through 5-member closed dealer group
- Euro Commercial Paper Program
  - diversified funding source



## FCC Long-Term Issuance 2002/2003 - \$2.9 Billion



■ Structured EMTN ■ Structured MTN ■ Retail MTN ■ Institutional

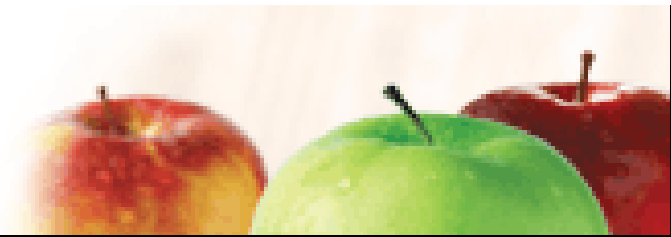


## FCC Bonds

- Variety of maturity dates available with zero-coupon, semi-annual or monthly interest payments
- Issued daily through closed dealer group
- Fully backed by Government of Canada
- Yield pick-up over GOC bonds
- Bi-weekly settlement

**Please click (insert link) to view the FCC Bonds brochure**

**You pick the terms.**





## FCC Structured Notes

- Enhanced features including step-up coupon bonds and dual currency bonds
- Enhanced yield over typical retail bonds
- Domestic and foreign issues



## **Euro Medium-Term Note Program (EMTN)**

- Strategic/Oppportunistic Funding Purposes
- Diversify FCC's Investor Base
- Multi-currency & Structures



## Benefits of Investing in FCC

- Backed by AAA Government of Canada rating
- Eligible for reduction in paid-up capital for some corporations in Quebec
- 0% BIS risk weighting for Canadian investors



# Farm Credit Canada

- Funds raised support agriculture in Canada
- Regular participant in Canadian and international capital markets
- Continuous issuance retail Bond program
- Flexible issuer to meet investor needs
- Exploring new markets and structures



 Farm Credit Canada  
Financement agricole Canada