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This Summary Annual Report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. FHLBank cautions that forward-looking statements may be subject to risks and uncertainties and that actual results may differ materially from those expressed in any forward-looking statements.

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601 Grant Street
Pittsburgh, PA 15219
www.fhlp-pgh.com

Dana A. Yealy
Managing Director,
General Counsel and
Corporate Secretary



Summary Annual Report

FHLBank Pittsburgh

Financial Results

Annual Data (dollars in millions)

	2018	2017	2016	2015
Balances at Year-end				
Advances	\$82,476	\$74,280	\$76,809	\$74,505
Mortgage loans held for portfolio, net	4,462	3,923	3,391	3,087
Total assets	107,487	99,663	101,260	96,330
Total capital	5,376	4,928	4,794	4,502
For the Year				
Net income	\$347.2	\$339.6	\$260.0	\$256.5
Weighted average dividend rate	6.42	4.70	4.71	5.22
Performance Ratios				
Return on average equity	7.03%	7.17%	5.96%	6.16%
Return on average assets	0.36%	0.35%	0.28%	0.29%
Net interest margin	0.49%	0.46%	0.38%	0.36%

2019 Executive Committee

Winthrop Watson
President and Chief
Executive Officer

John P. Cassidy
Chief Information Officer

David G. Paulson
Chief Financial Officer

Kristina K. Williams
Chief Operating Officer

Carolyn McKinney
Chief Human Resources
Officer

Michael A. Rizzo
Chief Risk Officer



To Our Membership

2018 was a record year for the Bank in almost every conceivable way. We achieved new highs in net income, advances, retained earnings and the allocation we make to the Affordable Housing Program (AHP). These results demonstrate the solid, consistent performance that enables us to achieve our mission of providing liquidity and supporting housing finance and community lending for our members.



By delivering on our mission, the Bank plays an essential role in the economic growth and financial well-being of the communities we serve.

FINANCIAL HIGHLIGHTS

Net income of \$347.2 million in 2018 represented the best earnings performance in the 86-year history of our Bank. Year-end advances totaled \$82.5 billion, reflecting another Bank record. Retained earnings also reached a new high of \$1.3 billion. There is no question that 2018 will be remembered as a year of strength and success for the cooperative.

QUARTERLY DIVIDENDS

As a result of our performance, the Board of Directors declared in February 2019 a dividend of 7.75 percent annualized on activity stock and 4.5 percent annualized on membership stock. We anticipate maintaining similar rates for dividends paid throughout 2019. In 2018, members received \$229 million in total cash dividends.

COMMUNITY DIVIDENDS

Our members benefit from more than just financial dividends. The grants and financing products funded by the cooperative's activities help our members support revitalization throughout their communities. It is through these community dividends that we help our members accomplish their affordable housing and economic development priorities.

2018 represented a record year for community dividends. AHP committed \$34.2 million, funding 68 affordable housing projects and more than 1,700 homes. First Front Door committed over \$12.1 million to help more than 2,400 first-time homebuyers with down-payment and closing-cost assistance. Banking On Business provided \$6.5 million in financing for small businesses. These funds helped create and retain more than 700 local jobs.

Home4Good is our newest community dividend. With the launch of Home4Good in 2018, the Bank was able to commit \$4.8 million towards 80 projects that support individuals and families who are homeless or at risk of becoming homeless. Our Blueprint Communities® product, which helps to build strong local leadership and collaboration towards community revitalization efforts, provided \$400,000 in funding in 2018.

These products, along with our Community Lending Program's \$2 billion revolving loan pool, allow our members and local partners to meet a wide spectrum of needs within their communities.

MISSION AND MEMBERS

The Bank exists to assure the flow of credit to our members in support of housing finance and community lending. By doing this, we play a vital role in enhancing our members' businesses and ensuring the well-being of the communities our members serve. Liquidity is at the heart of this mission.

Advances represent our most significant liquidity product, comprising approximately 77 percent of our balance sheet. 2018 saw record year-end advances of \$82.5 billion, and near-record average advances of \$72.4 billion. The Mortgage Partnership Finance® (MPF®) Program represented approximately 4 percent of our balance sheet in 2018. MPF provides a consistent income stream that complements our advance activity. The Bank totaled \$966 million in MPF funding for the year. Letter of credit utilization has increased dramatically over the past several years as more members identify new opportunities to apply this product to their unique needs. Year-end letters of credit set a Bank record at \$20.3 billion.

As we strive to provide appropriate liquidity, housing and community lending products, we remain vigilantly focused on ensuring an appropriate risk profile across our organization. It is through a framework of comprehensive risk management that we seek to continually improve the effectiveness and efficiency of how we deliver our products and services.

LOOKING AHEAD

2018 was a year of exceptional performance by the Bank. This performance illustrates the significance and relevance of our fundamental mission. That mission is arguably more important today than ever before. Liquidity is an essential component for the health and productivity of financial institutions, and the Bank is an essential source of that liquidity. Our business model continues to prove its value to the financial system.

In proving that value, we will remain committed to three key business principles: (1) providing liquidity on demand to our members, in all economic and market environments; (2) preserving the par value of our capital stock; and (3) protecting the low cost of our debt. By adhering to these principles, we position ourselves to take full advantage of the opportunities that lie ahead. We must also anticipate and respond to the challenges and uncertainties that we are sure to encounter. The future is about defining a vision, and our vision is to achieve and maintain high performance for the benefit of our membership and their communities.

Our performance in 2018 raises expectations for 2019 and beyond. To meet these expectations, we are fully committed to an ongoing pursuit of excellence. We believe this can be accomplished through a systemic approach to continuous improvement and an ability to adapt to changing circumstances at all levels of the organization.

The vision of high performance is based on the ultimate goal to best serve the needs of our members. Our future success will be determined by our ability to deliver member value through products and services that address the challenges our members face in the areas of liquidity, housing and community lending.

We look forward to the opportunity.

Patrick A. Bond
Chairman of the Board of Directors

Winthrop Watson
President and CEO

Board of Directors

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2019 Board of Directors

