



FEDERAL HOME LOAN BANK OF INDIANAPOLIS  
*Building Partnerships. Serving Communities.*

## NEWS RELEASE

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FOR IMMEDIATE RELEASE  
October 19, 2007

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### **Federal Home Loan Bank of Indianapolis Announces 2007 Third Quarter Dividend**

Indianapolis, IN---The board of directors of the Federal Home Loan Bank of Indianapolis (FHLBI) declared a dividend on B-1 stock at an annualized rate of 4.5%. Additionally, B-2 stock will be paid at an annualized rate of 3.6%.

The dividend on both B-1 and B-2 stock will be paid in cash out of the FHLBI's current earnings. The dividend covers the 92-day period commencing on June 30, 2007, and will be paid on October 22, 2007. The board of directors' decision to pay this dividend in cash was based on overall capital planning considerations. Continued and expanded use of our products will generate earnings that are returned to the members in the form of dividends. FHLBI's year-to-date net income of approximately \$84.2 million allowed us to continue building retained earnings while paying dividends to members.

The FHLBI increased its advances outstanding to member financial institutions by approximately \$2.2 billion or 10% during the third quarter of 2007, for a balance of \$24.2 billion at September 30, 2007. This increase was primarily the result of recent market conditions as the FHLBI responded to its members' increased need for liquidity. FHLBI's balance sheet management efforts are directed to enhancing its liquidity position in order to provide support to its member financial institutions and the U. S. housing market. FHLBI continues to monitor the changing market conditions as will be reflected in our quarterly Form 10-Q.

All dollar amounts referenced are unaudited.

#### **Safe Harbor Statement**

This document contains forward-looking statements concerning plans, objectives, goals, strategies, future events or performance, which are not statements of historical fact. The forward-looking statements contained in this release reflect our current beliefs and expectations. Actual results or performance may differ materially from what is expressed in the forward-looking statements. Readers are referred to the documents filed by us with the SEC, specifically reports on Form 10-K and Form 10-Q including risk factors that could cause actual results to differ from forward-looking statements. These reports are available at [www.sec.gov](http://www.sec.gov)

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*The Federal Home Loan Bank of Indianapolis is one of 12 regional banks that make up the Federal Home Loan Bank System. FHLBanks are government-sponsored enterprises created by Congress to ensure access to low-cost funding for insured financial institutions, such as commercial banks, savings institutions, credit unions and insurance companies. FHLBanks are privately capitalized and funded, and receive no Congressional appropriations.*

*The FHLBI promotes **Building Partnerships, Serving Communities** by serving as a wholesale source of funds for chartered financial institutions throughout Indiana and Michigan. For more information about the FHLBI, visit [www.fhlbi.com](http://www.fhlbi.com).*