

JOHN DEERE FINANCIAL PORTFOLIO AND FUNDING

January 2025



SAFE HARBOR STATEMENT & DISCLOSURES

This presentation includes forward-looking comments subject to important risks and uncertainties. It may also contain financial measures that are not in conformance with accounting principles generally accepted in the United States of America (GAAP).

Refer to Deere's reports filed on Forms 8-K (current), 10-Q (quarterly), and 10-K (annual) for information on factors that could cause actual results to differ materially from information in this presentation and for information reconciling financial measures to GAAP. Past performance may not be representative of future results.

Nothing in this presentation should be construed as reaffirming or disaffirming the guidance set forth in Deere's most recent earnings release and earnings call. This presentation is not an offer to sell or a solicitation of offers to buy any of Deere's securities.

DEERE USE-OF-CASH PRIORITIES

CASH FROM OPERATIONS

COMMITTED TO “A” RATING

Manage the balance sheet, including liquidity, to support a rating that provides access to low-cost and readily available short- and long-term funding mechanisms *(reflects the strategic nature of our financial services operation)*

FUND OPERATING & GROWTH NEEDS

Fund value-creating investments in our businesses

COMMON STOCK DIVIDEND

Consistently and moderately raise dividend targeting a 25-35% payout ratio of mid-cycle earnings

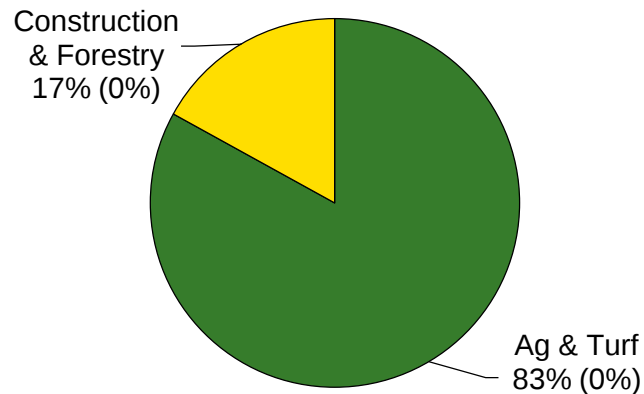
SHARE REPURCHASE

Consider share repurchase as a means to deploy excess cash to shareholders, once above requirements are met

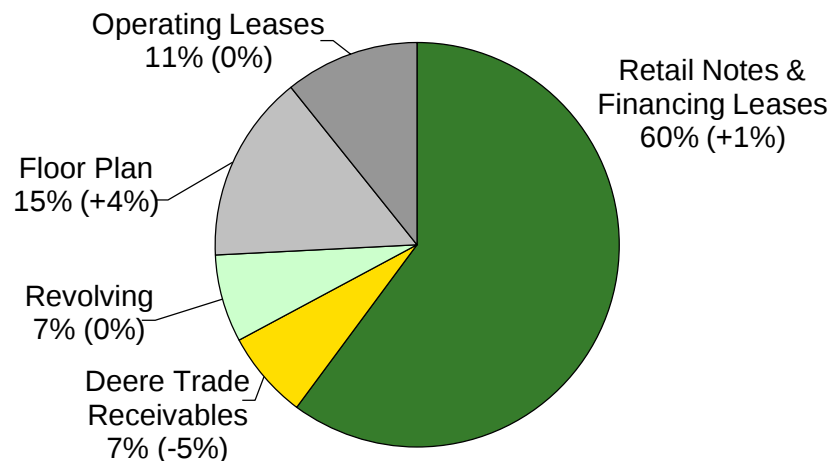
JOHN DEERE FINANCIAL SERVICES

\$67.2 BILLION* AS OF OCTOBER 27, 2024

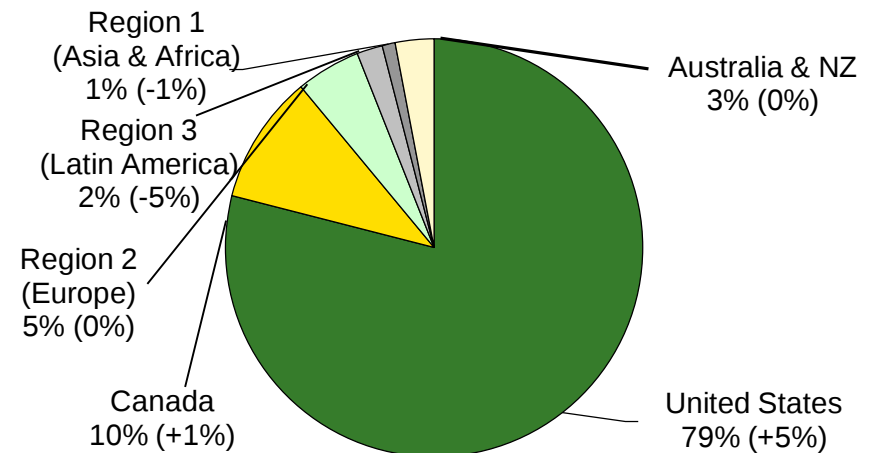
By Market



By Product



By Country / Region



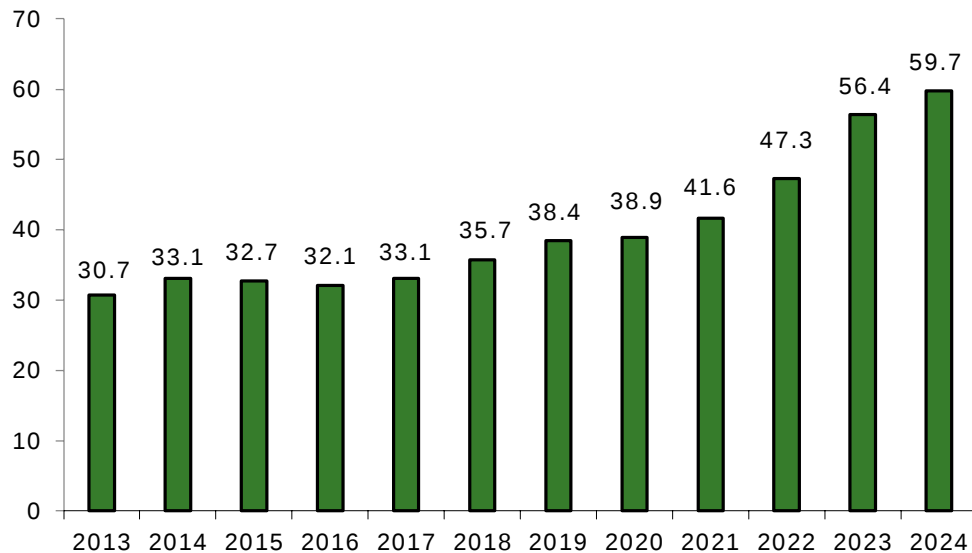
Note: % change from 29 October 2023 is shown in parentheses

* Gross JDF Administered Portfolio

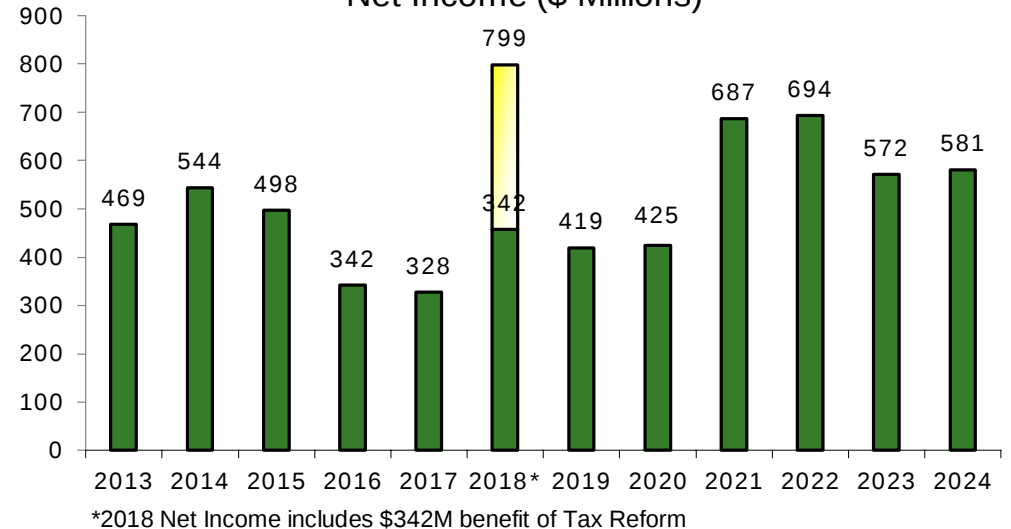
JOHN DEERE CAPITAL CORPORATION

PROFITABILITY AND GROWTH

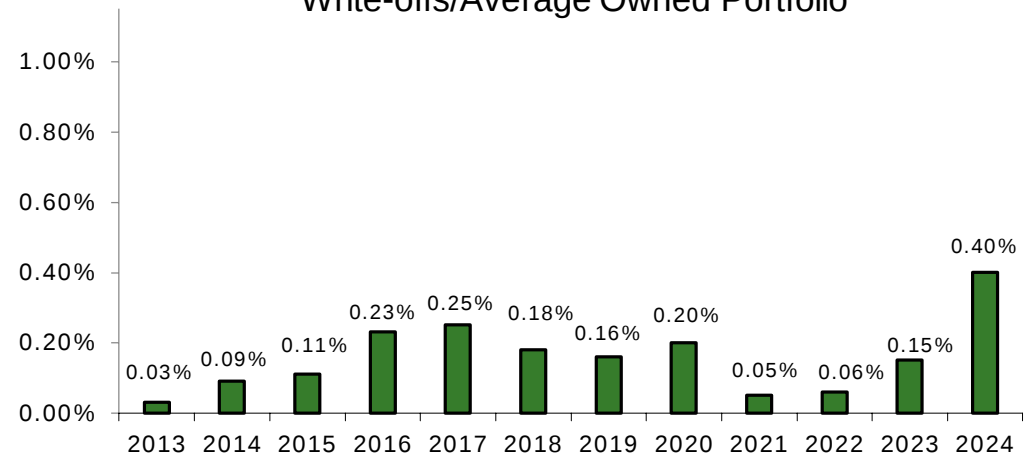
Administered Portfolio Growth (\$ Billions)



Net Income (\$ Millions)



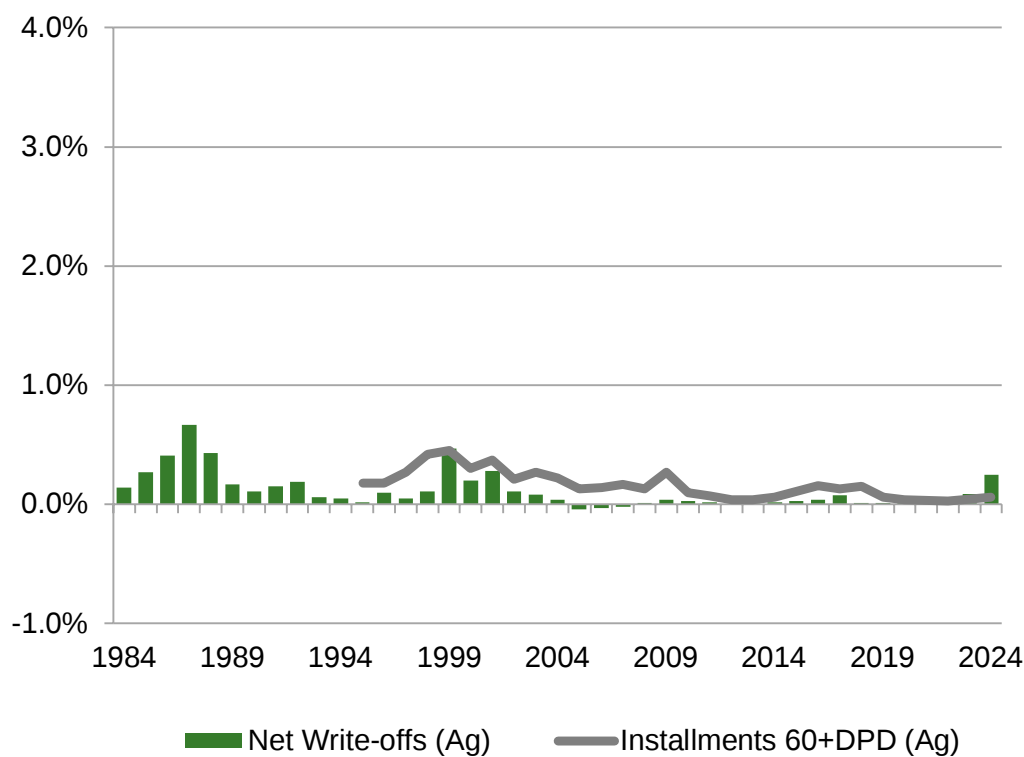
Write-offs/Average Owned Portfolio



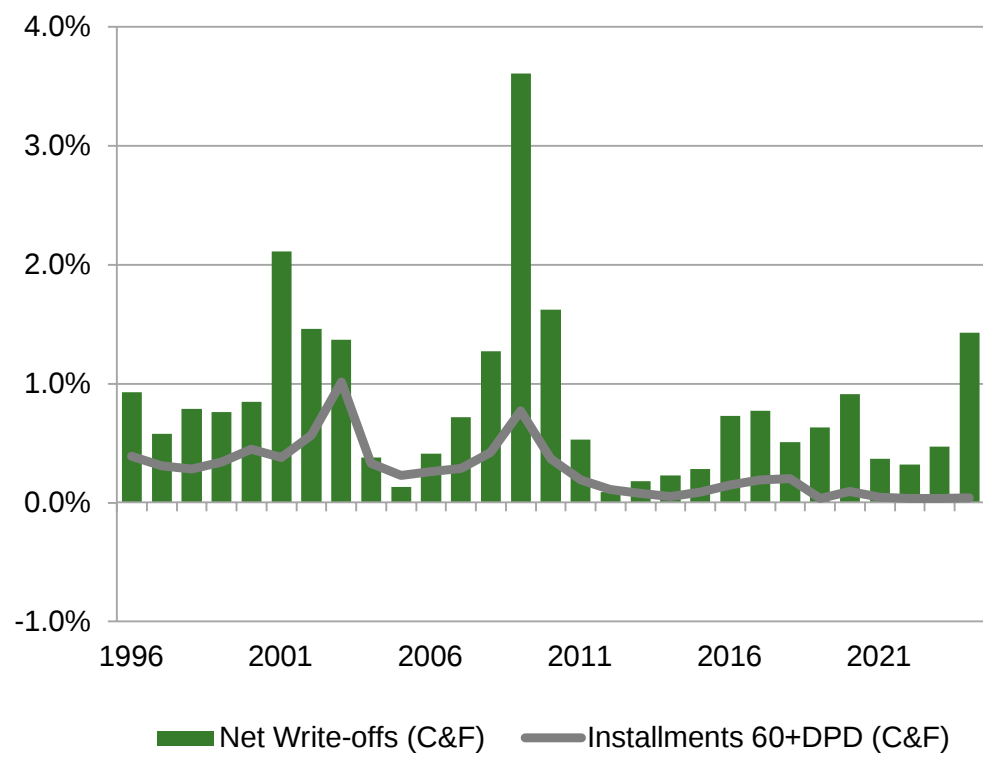
JOHN DEERE CAPITAL CORPORATION

Increasing credit losses given softening markets

Agriculture & Turf Retail Notes*



Construction & Forestry Retail Notes



* 1984–1985 includes construction; 1986-1994 includes lawn & grounds care; 2009 forward includes ag & turf equipment; as % of owned losses after dealer reserve charges
Source: 1984–1994 internal reporting, 1995-2011 JDCC 10-K filings, 2012-2024 internal reporting

EFFECTIVE MANAGEMENT OF RISKS AND LOSSES BY PROVEN LENDING COLLECTION AND REMARKING

Ag & Turf Dealer Reserve

- Dealers have financial interest in performance
- 1% withheld on each note, pooled reserve
- Individual dealer reserve levels capped between 0.50% - 3.0% of their outstanding portfolio
 - Based on dealer qualifications

Collection

- Experts in the equipment markets served
- Use of data and analytics to determine collection strategies
- Internally serviced
- Close working relationship with dealers

Remarketing

- Product expertise
- Best distribution channel
 - Dealer network
- Dedicated remarketing team
- Proven inspection process
- Strong collateral support

JOHN DEERE FINANCIAL FUNDING STRATEGY

Maintain diverse, sustainable funding sources:

- Term Debt, Asset Backed Securitization, and Commercial Paper
- Commercial Paper issuances backstopped by a \$11.5 billion credit facility

Sustain appropriate liquidity profile:

- Develop redundancy and flexibility in funding options
- Balance funding cost and refunding risk

MULTIPLE SOURCES OF LIQUIDITY

Successful Access to Traditional Markets

- Unsecured Term Debt
 - USD
 - CAD
 - EUR
 - GBP
 - ARS
 - AUD
 - INR
 - BRL
- Term Asset Backed Securitization
- Commercial Paper

Incremental Sources of Liquidity

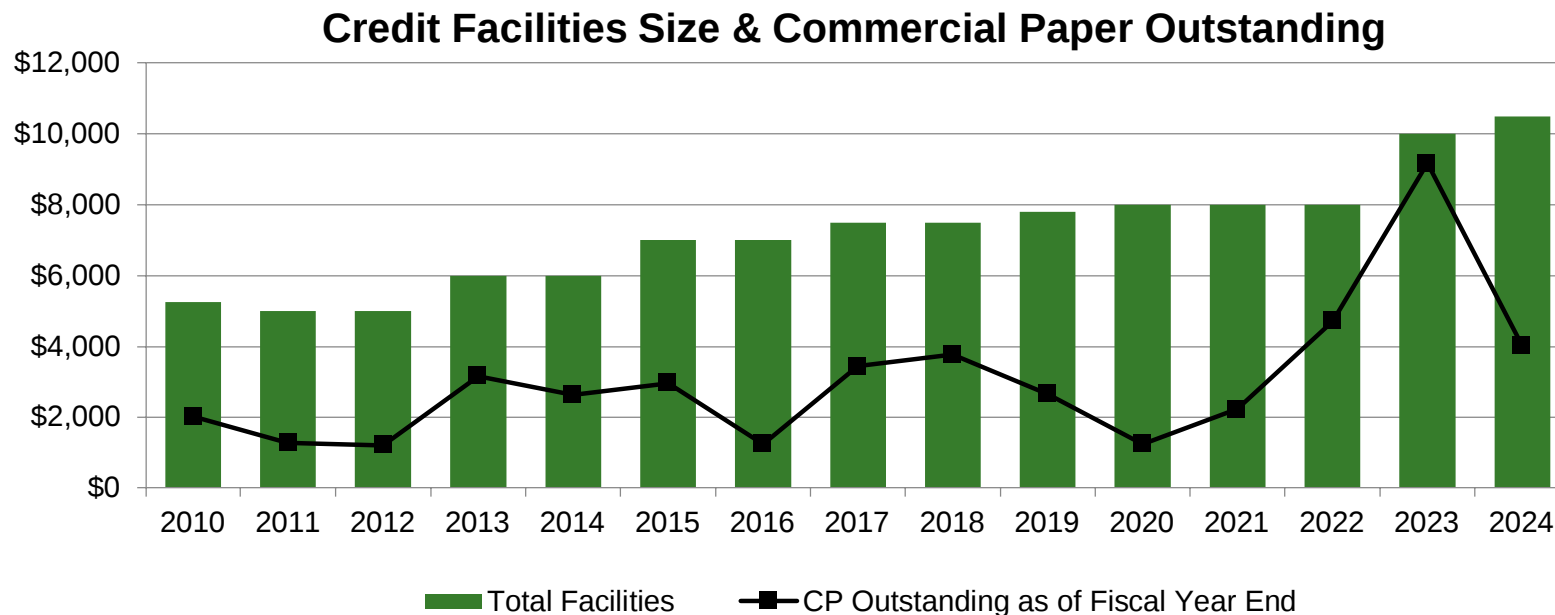
- Asset Backed Commercial Paper Conduit
- Retail Notes

COMMITTED BANK GROUP SUPPORTS CREDIT FACILITIES

Average length of continuous relationship = ~31 Years

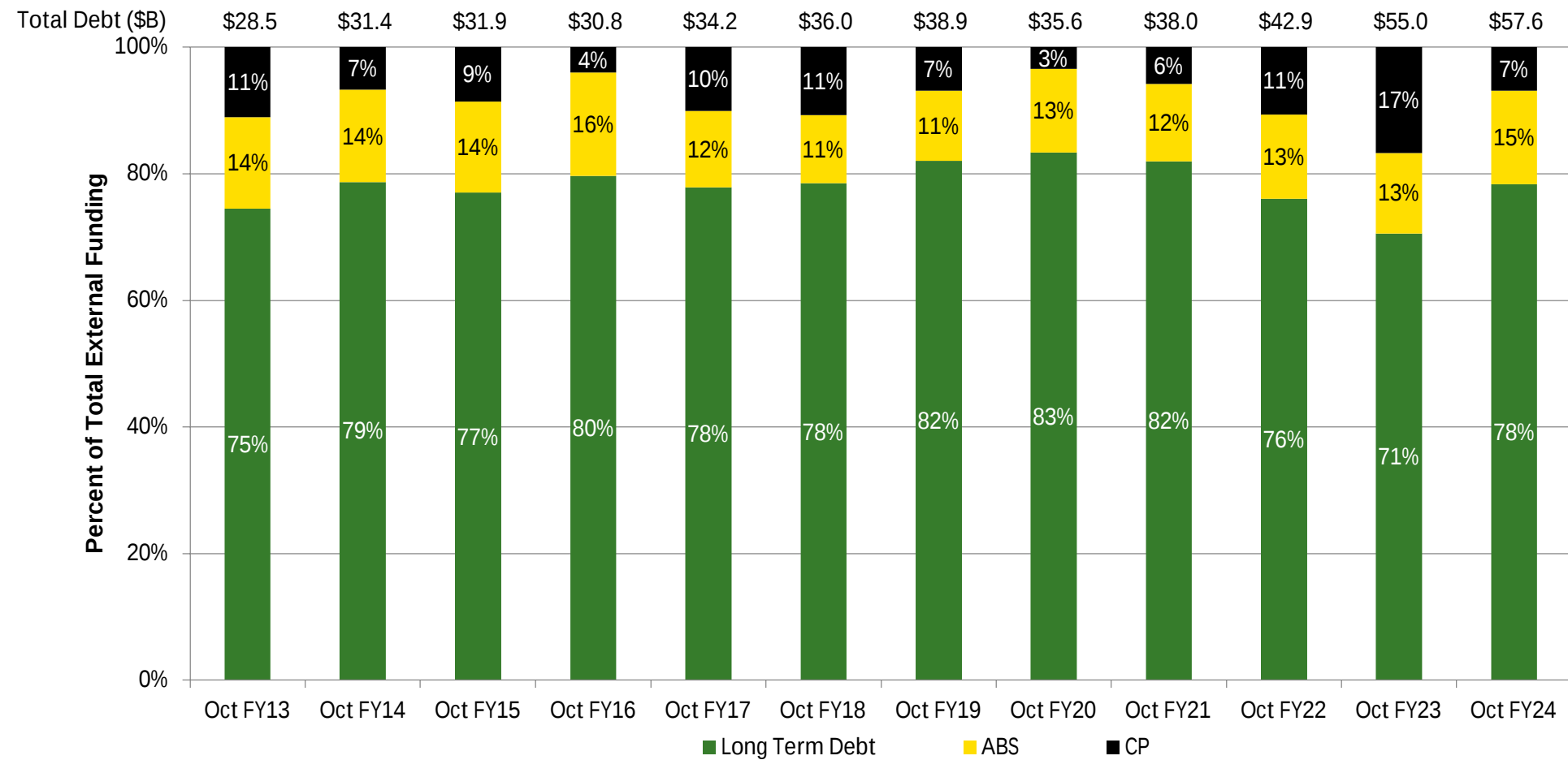
\$11.5 billion credit facilities supporting commercial paper

- \$5.00 billion tranche expiring in March 2026
- \$3.25 billion tranche expiring in March 2028
- \$3.25 billion tranche expiring in March 2030
- Have not drawn on facility

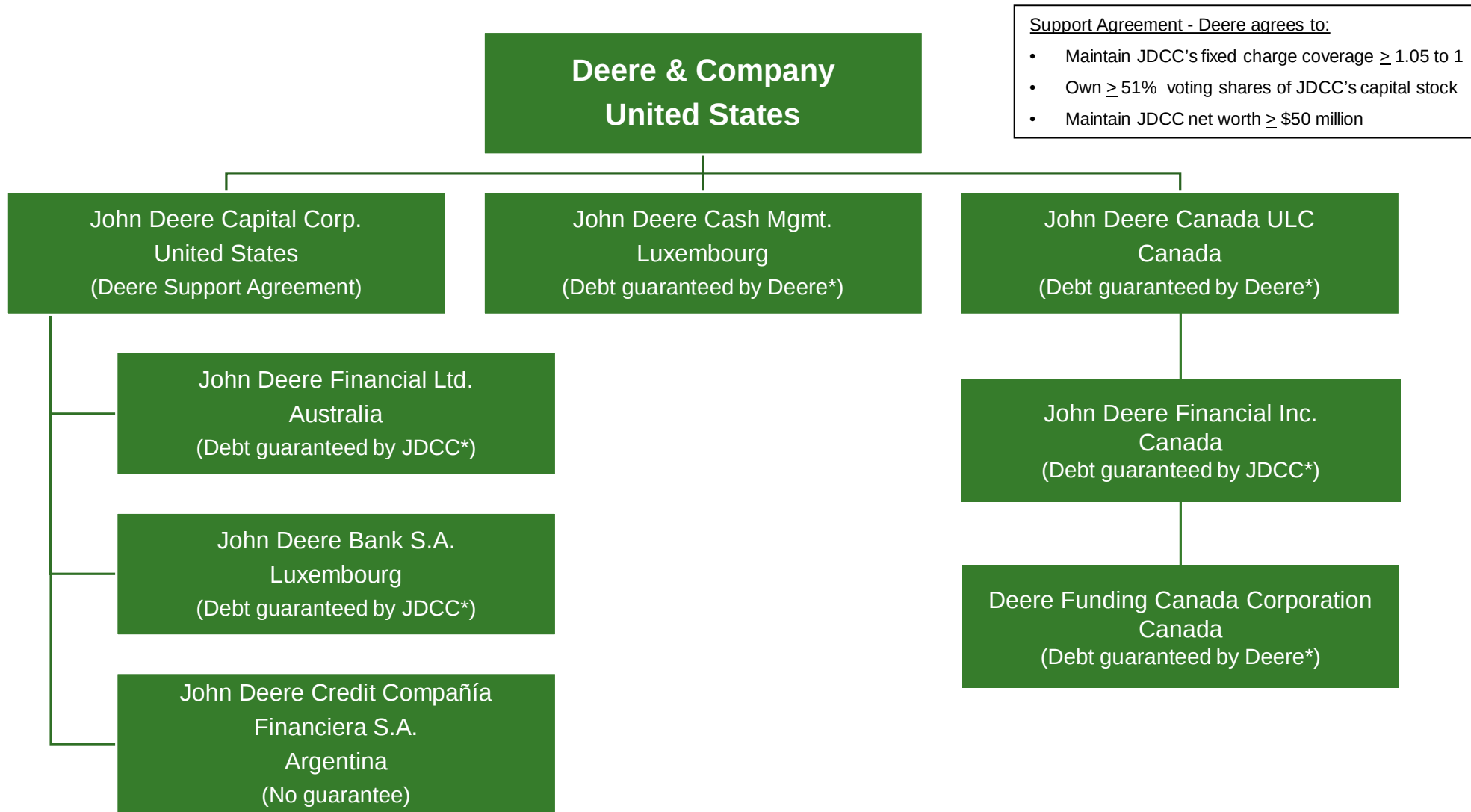


JOHN DEERE FINANCIAL

EXTERNAL FUNDING MIX



KEY FUNDING ENTITIES



* Debt guarantee applies to specific debt programs for which a guarantee has been executed by the guarantor.

FUNDING PROGRAMS

Institutional Unsecured Term Debt

- United States: *Deere & Company and John Deere Capital Corporation*
- EMTN: *Deere & Company, John Deere Bank S.A., John Deere Cash Mgmt, John Deere Capital Corporation*
- Canada: *Deere Funding Canada Corporation, John Deere Funding Inc.*
- Australia & New Zealand: *John Deere Financial Ltd.*
- Argentina: *John Deere Credit Compañía Financiera S.A.*
- India: *John Deere Financial India*
- Brazil: *Banco John Deere*

Asset Back Securitization

- United States ABCP & Term Debt ABS: *John Deere Capital Corporation (Servicer)*

Unsecured Commercial Paper

- United States: *All key funding entities*
- Europe: *All key funding entities*
- Australia & New Zealand: *John Deere Financial Ltd.*
- India: *John Deere Financial India*

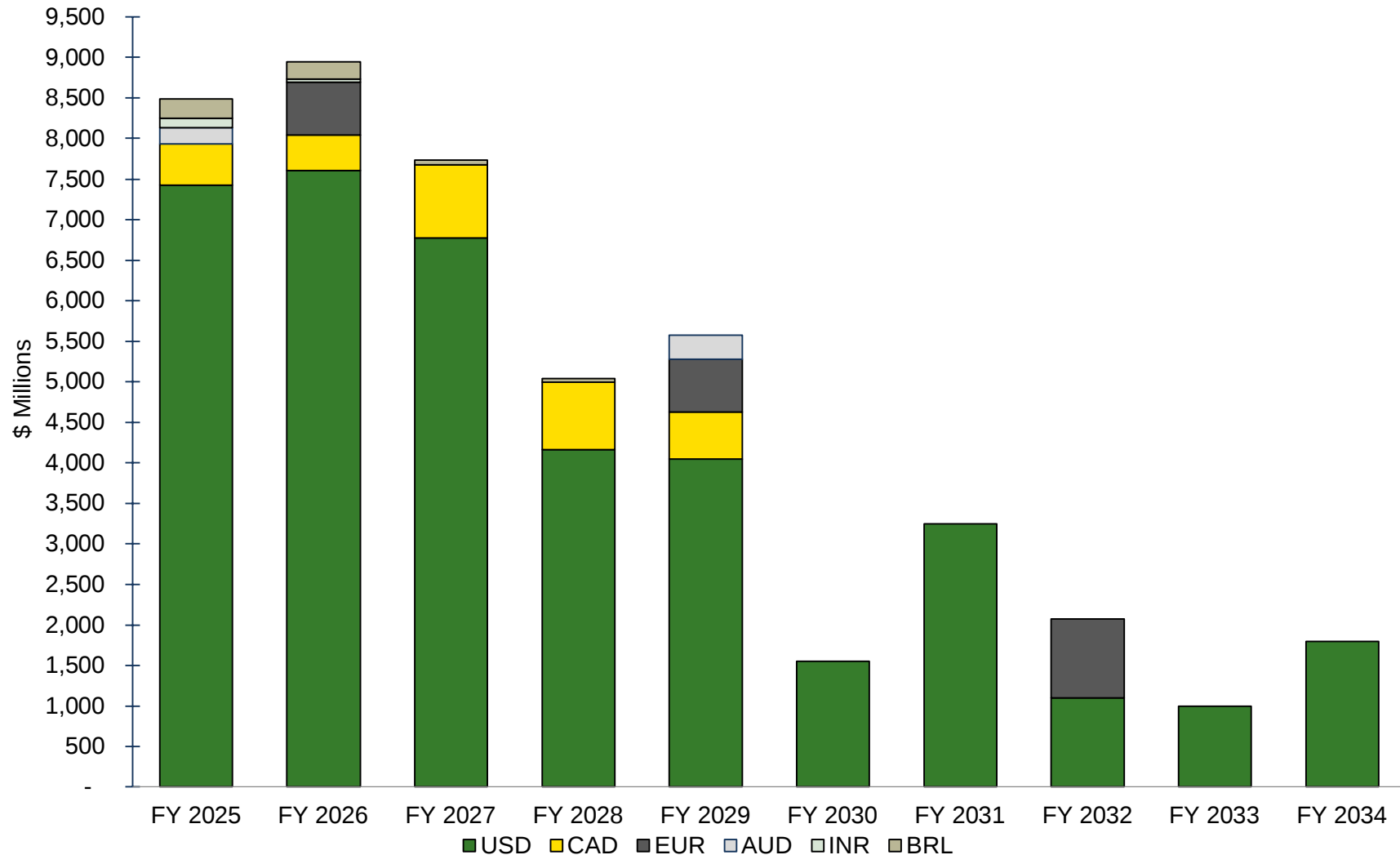
Retail Unsecured Term Debt

- United States Retail Notes: *John Deere Capital Corporation*

JOHN DEERE FINANCIAL SERVICES

UNSECURED TERM DEBT MATURITIES BY CURRENCY

As of 10/27/2024





JOHN DEERE