

**FREDDIE MAC**  
**SUMMARY OF SELECTED FINANCIAL INFORMATION**  
**TABLE 1**  
**FIRST QUARTER 2007**  
**(unaudited)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
	<b><u>Net Income (dollars in millions, except share-related amounts):</u></b>				
1	\$ 1,131	\$ 1,172	\$ 959	\$ 973	\$ 978
2	1,347	979	(868)	(543)	(554)
3	(584)	(714)	(827)	(922)	(1,074)
4	1,894	1,437	(736)	(492)	(650)
5	115	(40)	21	12	439
6	<b>\$ 2,009</b>	<b>\$ 1,397</b>	<b>\$ (715)</b>	<b>\$ (480)</b>	<b>\$ (211)</b>
7	<b>\$ 1,949</b>	<b>\$ 1,335</b>	<b>\$ (787)</b>	<b>\$ (561)</b>	<b>\$ (306)</b>
8	694,596	693,026	675,556	663,661	661,376
9	<b>\$ 2.80</b>	<b>\$ 1.93</b>	<b>\$ (1.17)</b>	<b>\$ (0.85)</b>	<b>\$ (0.46)</b>
10	\$ 328	\$ 329	\$ 318	\$ 335	\$ 335
11	(6%)	3%	3%	2%	68%
	<b><u>Regulatory Capital (period end, dollars in millions):</u></b>				
12	\$ 25,386	\$ 23,735	\$ 29,031	\$ 28,301	\$ 29,774
13	(12,205)	(14,388)	(8,004)	(7,869)	(6,456)
14	37,591	38,123	37,035	36,170	36,230
15	25,488	26,485	25,979	25,844	26,304
16	\$ 12,103	\$ 11,638	\$ 11,056	\$ 10,326	\$ 9,926

(1) Earnings per share is computed independently for each of the quarters presented. Earnings per share amounts may not recalculate due to rounding.

(2) Core capital consists of the par value of outstanding common stock (common stock issued less common stock held in treasury), par value of outstanding noncumulative perpetual preferred stock, additional paid-in capital and retained earnings, as determined in accordance with GAAP.

(3) In January 2004, OFHEO directed us to maintain a target capital surplus of 30 percent of our minimum capital requirement. At March 31, June 30, September 30, December 31, 2006 and March 31, 2007, our estimated surplus in excess of the target surplus was approximately \$4.5 billion, \$3.7 billion, \$3.3 billion, \$2.6 billion and \$2.0 billion, respectively.

**FREDDIE MAC**  
**NET INTEREST YIELD ANALYSIS**  
**TABLE 2A**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
<b>Net Interest Income:</b>					
Interest income:					
1	\$ 1,040	\$ 1,040	\$ 1,012	\$ 1,060	\$ 1,061
2	8,245	8,878	8,782	8,768	8,763
3	9,285	9,918	9,794	9,828	9,824
4	592	707	761	729	623
5	182	412	502	377	349
6	10,059	11,037	11,057	10,934	10,796
Interest expense:					
7	(2,015)	(2,241)	(2,183)	(2,226)	(2,208)
8	(6,433)	(7,110)	(7,418)	(7,257)	(7,176)
9	(8,448)	(9,351)	(9,601)	(9,483)	(9,384)
10	(91)	(104)	(91)	(101)	(103)
11	(8,539)	(9,455)	(9,692)	(9,584)	(9,487)
12	(389)	(410)	(406)	(377)	(331)
13	(8,928)	(9,865)	(10,098)	(9,961)	(9,818)
14	1,131	1,172	959	973	978
15	92	98	105	97	95
16	\$ 1,223	\$ 1,270	\$ 1,064	\$ 1,070	\$ 1,073
<b>Average Balances:</b>					
17	\$ 62,777	\$ 63,211	\$ 64,129	\$ 65,362	\$ 66,583
18	647,732	661,747	649,310	641,446	642,925
19	710,509	724,958	713,439	706,808	709,508
20	54,770	59,576	60,020	56,455	48,741
21	16,208	32,840	37,305	27,954	26,482
22	781,487	817,374	810,764	791,217	784,731
23	188,758	189,120	171,331	170,319	171,249
24	560,244	595,030	607,538	589,101	580,146
25	749,002	784,150	778,869	759,420	751,395
26	6,979	8,082	7,170	7,668	7,667
27	755,981	792,232	786,039	767,088	759,062
28	25,506	25,142	24,725	24,129	25,669
29	\$ 781,487	\$ 817,374	\$ 810,764	\$ 791,217	\$ 784,731
<b>Yield/Cost:</b>					
30	6.62 %	6.58 %	6.31 %	6.49 %	6.37 %
31	5.09	5.37	5.41	5.47	5.45
32	5.23	5.47	5.49	5.56	5.54
33	4.32	4.69	4.96	5.05	5.11
34	4.49	5.02	5.38	5.39	5.28
35	5.15	5.40	5.45	5.52	5.50
36	(4.27)	(4.69)	(4.99)	(5.12)	(5.16)
37	(4.59)	(4.78)	(4.87)	(4.92)	(4.95)
38	(4.51)	(4.75)	(4.90)	(4.96)	(5.00)
39	(5.19)	(5.13)	(5.10)	(5.30)	(5.37)
40	(4.52)	(4.76)	(4.90)	(4.97)	(5.00)
41	(0.20)	(0.21)	(0.21)	(0.19)	(0.17)
42	0.15	0.15	0.16	0.16	0.17
43	(4.57)	(4.82)	(4.95)	(5.00)	(5.00)
44	0.58	0.58	0.50	0.52	0.50
45	0.05	0.05	0.05	0.05	0.05
46	0.63 %	0.63 %	0.55 %	0.57 %	0.55 %

(1) Investments consists of Cash and cash equivalents and non-mortgage-related securities.

(2) The determination of Net interest income/yield (fully taxable-equivalent basis), which reflects fully taxable-equivalent adjustments to interest income, involves the conversion of tax-exempt sources of interest income to the equivalent amounts of interest income that would be necessary to derive the same net return if the investments had been subject to income taxes using our statutory tax rate of 35 percent.

(3) Non-performing loans, where interest income is recognized when collected, are included in average balances.

(4) For securities classified as available-for-sale, we calculated average balances based on their unpaid principal balance plus their associated deferred fees and costs (e.g., premiums and discounts), but excluded the effects of mark-to-fair-value changes. For securities in the Retained portfolio classified as trading, we calculated average balances excluding the effects of mark-to-fair-value adjustments.

**FREDDIE MAC**  
**NET INTEREST INCOME**  
**TABLE 2B**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
<b><u>Net Interest Income:</u></b>					
1	\$ 2,155	\$ 2,078	\$ 1,983	\$ 1,843	\$ 1,722
	Amortization expense, net: <sup>(1)</sup>				
2	(270)	(64)	(196)	(109)	(90)
3	(365)	(432)	(422)	(384)	(323)
4	<u>(635)</u>	<u>(496)</u>	<u>(618)</u>	<u>(493)</u>	<u>(413)</u>
	Expense related to derivatives:				
5	(445)	(417)	(389)	(369)	(331)
	Amortization of deferred balances in AOCI <sup>(2)</sup>				
	Accrual of periodic settlements of derivatives: <sup>(3)</sup>				
6	191	138	116	57	-
7	(135)	(131)	(133)	(65)	-
8	<u>56</u>	<u>7</u>	<u>(17)</u>	<u>(8)</u>	<u>-</u>
9	<u>(389)</u>	<u>(410)</u>	<u>(406)</u>	<u>(377)</u>	<u>(331)</u>
10	1,131	1,172	959	973	978
11	<u>92</u>	<u>98</u>	<u>105</u>	<u>97</u>	<u>95</u>
12	<u>\$ 1,223</u>	<u>\$ 1,270</u>	<u>\$ 1,064</u>	<u>\$ 1,070</u>	<u>\$ 1,073</u>

- (1) Represents amortization related to premiums, discounts, deferred fees and other adjustments to the carrying value of our financial instruments and the reclassification of previously deferred balances from AOCI for certain derivatives in cash flow hedge relationships related to individual debt issuances and mortgage purchase transactions.
- (2) Represents changes in fair value of derivatives in cash flow hedge relationships that were previously deferred in AOCI and have been reclassified to earnings as the associated hedged forecasted issuance of debt and mortgage purchase transactions affect earnings.
- (3) Reflects the accrual of periodic cash settlements of all derivatives in qualifying hedge accounting relationships.
- (4) The accrual of periodic settlements of Receive-fixed swaps includes imputed interest on zero-coupon swaps.

**FREDDIE MAC**  
**NON-INTEREST INCOME (LOSS)**  
**TABLE 3**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
	<b><u>Non-Interest Income (Loss):</u></b>				
1	\$ 413	\$ 389	\$ 427	\$ 443	\$ 460
2	160	61	(690)	(331)	(410)
3	195	217	217	238	212
4	273	355	(783)	(1,009)	(528)
5	(13)	2	(1)	14	-
	Gains (losses) on investment activity:				
6	(46)	(26)	31	38	31
7	186	103	(230)	(78)	(180)
8	21	13	36	16	20
9	146	(180)	(29)	85	51
10	(5)	(3)	(48)	(91)	(2)
11	(128)	(215)	(20)	(30)	(101)
12	(8)	(4)	3	(11)	(2)
13	166	(312)	(257)	(71)	(183)
14	64	244	155	3	7
15	48	31	30	20	19
16	(3)	(30)	8	121	(197)
17	44	22	26	29	66
18	\$ 1,347	\$ 979	\$ (868)	\$ (543)	\$ (554)

**FREDDIE MAC**  
**MANAGEMENT AND GUARANTEE INCOME & RELATED INFORMATION**  
**TABLE 4**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:

	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
<b>Management and guarantee income:</b> <sup>(1)</sup>					
1	\$ 387	\$ 393	\$ 406	\$ 427	\$ 451
2	26	(4)	21	16	9
3	\$ 413	\$ 389	\$ 427	\$ 443	\$ 460
4	15.5 bp	15.4 bp	15.3 bp	15.5 bp	15.8 bp
5	1.0	(0.1)	0.8	0.6	0.3
6	16.5 bp	15.3 bp	16.1 bp	16.1 bp	16.1 bp
7	\$ 176	\$ 172	\$ 151	\$ 136	\$ 128
<b>Gains (losses) on Guarantee asset:</b>					
8	\$ (351)	\$ (359)	\$ (372)	\$ (393)	\$ (419)
9	107	125	115	119	107
10	(244)	(234)	(257)	(274)	(312)
11	364	295	(433)	(57)	(73)
12	40	-	-	-	(25)
13	\$ 160	\$ 61	\$ (690)	\$ (331)	\$ (410)
<b>Changes in Guarantee asset, at fair value:</b>					
14	\$ 5,083	\$ 5,660	\$ 6,089	\$ 5,860	\$ 6,070
15	417	368	461	541	620
16	160	61	(690)	(331)	(410)
17	\$ 5,660	\$ 6,089	\$ 5,860	\$ 6,070	\$ 6,280
<b>Guarantee obligation:</b>					
18	\$ 5,541	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117
19	(3)	-	(2)	(4)	(2)
Additions, net of repurchases:					
20	277	353	542	547	649
21	284	133	168	148	208
Amortization income related to:					
22	(133)	(143)	(148)	(160)	(140)
23	(62)	(74)	(69)	(78)	(72)
24	(195)	(217)	(217)	(238)	(212)
25	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 7,760
Components of Guarantee obligation, at period end:					
26	\$ 3,885	\$ 4,094	\$ 4,486	\$ 4,869	\$ 5,376
27	2,019	2,079	2,178	2,248	2,384
28	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 7,760
29	89%	90%	90%	91%	91%
30	94%	94%	95%	95%	96%

(1) Excludes amounts related to PCs we held in our Retained Portfolio, which are reported in Net interest income.

(2) Credit and buy-down fees are amortized over the estimated lives of the underlying mortgages using the retrospective effective interest method. Amortization of credit and buy-down fees incurred since 2003 is recorded in Income on Guarantee obligation.

(3) Represent changes in estimates resulting from enhancing our approach for estimating prepayment rates used in amortization of deferred fees for the first quarter of 2007 and for determining the fair value of the Guarantee asset for the first quarter of 2006.

(4) Represents transfers of a portion of the initial Guarantee obligation associated with credit losses reclassified to the reserve balance.

(5) Includes \$47 million and \$37 million of amortization related to deferred credit and buy-down fees received from counterparties in Guarantor Swap and similar transactions ("upfront fees") in the first quarters of 2007 and 2006, respectively.

(6) Includes \$1,459 million and \$1,260 million of unamortized upfront fees at March 31, 2007 and 2006, respectively.

**FREDDIE MAC**  
**DERIVATIVES NOT IN HEDGE ACCOUNTING RELATIONSHIPS**  
**TABLE 5A**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007	
<b><u>Derivative Gains (Losses):</u></b>						
1	Purchased call swaptions	\$ (1,313)	\$ (667)	\$ 1,376	\$ (524)	\$ (553)
2	Written call swaptions	-	-	-	-	2
3	Purchased put swaptions	237	207	(398)	(146)	(8)
4	Written put swaptions	-	-	-	-	(2)
5	Receive-fixed swaps	(1,220)	(1,270)	2,545	(345)	259
6	Pay-fixed swaps	2,881	2,266	(4,551)	53	(478)
7	Futures	(266)	(212)	189	41	19
8	Foreign-currency swaps	4	30	(7)	(119)	198
9	Forward purchase and sale commitments	(82)	(71)	71	(4)	(9)
10	Other <sup>(1)</sup>	35	42	(54)	16	5
11	Subtotal	276	325	(829)	(1,028)	(567)
Accrual of periodic settlements:						
12	Receive-fixed swaps <sup>(2)</sup>	(6)	(73)	(189)	(150)	(58)
13	Pay-fixed swaps	3	106	238	194	148
14	Foreign-currency swaps	-	(4)	(4)	(26)	(52)
15	Other	-	1	1	1	1
16	Total accrual of periodic settlements	(3)	30	46	19	39
17	Total derivative gains (losses)	\$ 273	\$ 355	\$ (783)	\$ (1,009)	\$ (528)
<b><u>Notional Amounts (period end):</u></b>						
18	Purchased call swaptions	\$ 139,165	\$ 166,000	\$ 178,700	\$ 194,200	\$ 194,772
19	Written call swaptions	-	-	-	-	7,500
20	Purchased put swaptions	36,925	39,725	33,225	29,725	19,325
21	Written put swaptions	-	-	-	-	500
22	Receive-fixed swaps	134,830	179,076	179,689	222,631	270,053
23	Pay-fixed swaps	175,005	206,305	200,297	217,565	251,391
24	Futures	103,780	103,934	90,000	22,400	95,140
25	Foreign-currency swaps	748	782	774	29,234	23,854
26	Forward purchase and sale commitments	22,135	22,928	13,432	9,942	8,915
27	Other <sup>(1)</sup>	27,084	38,762	30,115	31,430	33,751
28	Total notional amounts	\$ 639,672	\$ 757,512	\$ 726,232	\$ 757,127	\$ 905,201

(1) Consists of basis swaps, certain option-based contracts (including written options), interest-rate caps, swap guarantee derivatives and credit derivatives.

(2) The accrual of periodic settlements of Receive-fixed swaps includes imputed interest on zero-coupon swaps.

**FREDDIE MAC**  
**TOTAL DERIVATIVE PORTFOLIO**  
**TABLE 5B**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	December 31, 2006		March 31, 2007	
	Notional	Fair Value <sup>(1)</sup>	Notional	Fair Value <sup>(1)</sup>
	Interest-rate swaps:			
1	\$ 222,631	\$ (334)	\$ 270,053	\$ (92)
2	217,565	(1,352)	251,391	(1,673)
3	683	-	548	-
4	<u>440,879</u>	<u>(1,686)</u>	<u>521,992</u>	<u>(1,765)</u>
	Option-based:			
5	194,200	4,034	194,772	3,270
6	-	-	7,500	(62)
7	29,725	958	19,325	651
8	-	-	500	(20)
9	27,185	(15)	29,651	(28)
10	<u>251,110</u>	<u>4,977</u>	<u>251,748</u>	<u>3,811</u>
11	22,400	28	95,140	25
12	29,234	4,399	23,854	3,864
13	743,623	7,718	892,734	5,935
14	10,012	15	10,322	(3)
15	2,605	(1)	2,568	-
16	957	(3)	984	(3)
17	<u>\$ 757,197</u>	<u>\$ 7,729</u>	<u>\$ 906,608</u>	<u>\$ 5,929</u>

(1) The fair value by derivative type presented on this table is shown prior to netting by counterparty. The fair value of derivatives presented on the consolidated balance sheets, however, is netted by counterparty, and is reported in the Derivative assets, at fair value and Derivative liabilities, at fair value captions. The fair values for futures are directly derived from quoted market prices. Fair values of other derivatives are derived primarily from valuation models using market data inputs.

**FREDDIE MAC**  
**NON-INTEREST EXPENSE**  
**TABLE 6**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
	<b><u>Non-Interest Expense:</u></b>					
	Administrative expenses:					
1	Salaries and employee benefits	\$ 191	\$ 203	\$ 207	\$ 229	\$ 228
2	Professional services	100	118	120	122	108
3	Occupancy expense	14	15	15	17	14
4	Other administrative expenses <sup>(1)</sup>	<u>68</u>	<u>69</u>	<u>76</u>	<u>77</u>	<u>53</u>
5	Total administrative expenses	373	405	418	445	403
6	Provision (benefit) for credit losses	(36)	56	93	102	179
7	REO operations expense	12	7	19	22	14
8	Losses on certain credit guarantees <sup>(2)</sup>	46	52	103	149	144
9	Losses on loans purchased <sup>(3)</sup>	21	21	30	54	170
10	Low-income housing tax credit partnerships	115	104	98	90	108
11	Minority interests in earnings of consolidated subsidiaries	18	16	13	11	9
12	Other expenses	<u>35</u>	<u>53</u>	<u>53</u>	<u>49</u>	<u>47</u>
13	Total non-interest expense	\$ 584	\$ 714	\$ 827	\$ 922	\$ 1,074

- (1) Other administrative expenses are presented net of deferred expenses, including Salaries and employee benefits, Professional services and certain other expenses, relating to capitalized software development activities. The reduction to Other administrative expenses with respect to capitalized software development, net of impairments, was \$18 million and \$33 million for the first quarter of 2006 and 2007, respectively. These amounts were offset by related amortization of \$28 million and \$33 million for the first quarter of 2006 and 2007, respectively, which were also recorded in Other administrative expenses. Capitalized software development costs are amortized over periods of three years or less based upon useful life.
- (2) When the fair value of the Guarantee obligation for Participation Certificates exceeds the fair value of the Guarantee asset (including upfront fees paid or received), at the issuance of a guarantor PC swap, the excess is recorded as a loss in Losses on certain credit guarantees.
- (3) This amount represents losses on non-performing loans purchased out of our guaranteed PC and Structured Securities, when the unpaid principal balance, net of specific loan loss reserve exceeds the estimated fair market value of the loan purchased.

**FREDDIE MAC**  
**CONSOLIDATED FAIR VALUE BALANCE SHEETS <sup>(1)</sup>**  
**TABLE 7**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in billions)**

Line:	2006								2007	
	March 31,		June 30,		September 30,		December 31,		March 31,	
	Carrying Amount <sup>(2)</sup>	Fair Value <sup>(3)</sup>	Carrying Amount <sup>(2)</sup>	Fair Value	Carrying Amount <sup>(2)</sup>	Fair Value <sup>(3)</sup>	Carrying Amount <sup>(2)</sup>	Fair Value <sup>(3)</sup>	Carrying Amount <sup>(2)</sup>	Fair Value <sup>(3)</sup>
	<b>Assets:</b>									
1	\$ 62.8	\$ 62.3	\$ 63.6	\$ 62.1	\$ 63.9	\$ 63.8	\$ 65.6	\$ 65.4	\$ 66.7	\$ 65.6
2	644.7	644.7	646.0	646.0	635.0	635.0	634.3	634.3	645.0	645.0
3	0.8	0.8	1.0	1.0	0.8	0.8	0.6	0.6	0.3	0.3
4	708.3	707.8	710.6	709.1	699.7	699.6	700.5	700.3	712.0	710.9
5	8.5	8.5	12.5	12.5	12.2	12.2	11.4	11.4	10.0	10.0
6	47.0	47.0	49.5	49.5	47.5	47.5	45.6	45.6	31.9	31.9
7										
	23.4	23.4	45.8	45.8	35.5	35.5	23.0	23.0	34.2	34.2
8	7.3	7.3	9.8	9.8	8.5	8.5	7.9	7.9	6.2	6.2
9	5.7	6.1	6.1	6.5	5.9	6.2	6.1	6.4	6.3	6.6
10	18.9	15.2	21.4	15.6	17.9	15.7	18.6	16.7	19.2	18.4
11	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3	\$ 819.8	\$ 818.2
	<b>Liabilities and minority interests:</b>									
12	\$ 765.3	\$ 758.3	\$ 801.4	\$ 790.1	\$ 769.9	\$ 768.4	\$ 753.9	\$ 752.3	\$ 758.1	\$ 757.8
13	5.9	3.7	6.2	3.5	6.7	4.2	7.1	4.7	7.8	5.7
14	0.7	0.7	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2
15	0.2	-	0.2	-	0.3	-	0.4	-	0.5	-
16	20.8	20.1	23.2	22.1	20.5	19.6	22.7	21.8	22.9	22.1
17	0.8	0.9	0.7	0.7	0.6	0.6	0.5	0.5	0.5	0.5
18	793.7	783.7	832.0	816.7	798.2	793.0	784.8	779.5	790.0	786.3
	<b>Net assets attributable to stockholders:</b>									
19	4.6	4.2	4.6	4.0	5.6	5.2	6.1	5.8	6.6	6.5
20	20.8	27.4	19.1	28.1	23.4	27.0	22.2	26.0	23.2	25.4
21	25.4	31.6	23.7	32.1	29.0	32.2	28.3	31.8	29.8	31.9
22	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3	\$ 819.8	\$ 818.2

- (1) The consolidated fair value balance sheets do not purport to present our net realizable, liquidation or market value as a whole. Furthermore, amounts we ultimately realize from the disposition of assets or settlement of liabilities may vary significantly from the fair values presented.
- (2) Carrying amounts equal the amounts reported on our GAAP consolidated balance sheets.
- (3) Methodologies employed to calculate fair values are periodically changed on a prospective basis to reflect improvements in the underlying estimation processes. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets of approximately \$0.1 billion at March 31, 2006. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets that rounded to zero at September 30, 2006 and December 31, 2006. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets of approximately \$0.1 billion at March 31, 2007.
- (4) The fair value of the Guarantee asset reported exceeds the carrying value primarily because the fair value includes the Guarantee asset related to some PCs held by third parties that are not recognized on our GAAP consolidated balance sheets because such PCs were issued prior to the implementation of FIN 45 in 2003.
- (5) Fair values include estimated income taxes calculated using the 35 percent statutory rate on the difference between the consolidated fair value balance sheets net assets, including deferred taxes from our GAAP consolidated balance sheets, and the GAAP consolidated balance sheets equity attributable to common stockholders.

**FREDDIE MAC**  
**MORTGAGE PORTFOLIO ACTIVITY BASED ON UNPAID PRINCIPAL BALANCES** <sup>(1) (2)</sup>  
**TABLE 8A**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:		1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
	<b><u>Total Mortgage Portfolio:</u></b>					
1	Beginning balance	\$ 1,684,546	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,826,720
2	New business purchases	131,874	121,730	122,475	125,903	146,463
3	Sales and other activity	(8,401)	(5,442)	(6,041)	(110)	10
4	Liquidations	<u>(77,015)</u>	<u>(87,525)</u>	<u>(89,447)</u>	<u>(85,827)</u>	<u>(81,061)</u>
5	Net additions	46,458	28,763	26,987	39,966	65,412
6	Ending balance	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,826,720	\$ 1,892,132
7	Percent growth (annualized)	11%	7%	6%	9%	14%
8	Liquidation rate (annualized)	18%	20%	20%	19%	18%
	<b><u>Total Guaranteed PCs and Structured Securities Issued:</u></b>					
9	Beginning balance	\$ 1,335,524	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,477,023
10	Issuances	93,669	80,973	93,334	92,047	114,365
11	Liquidations	<u>(49,316)</u>	<u>(55,166)</u>	<u>(57,764)</u>	<u>(56,278)</u>	<u>(54,863)</u>
12	Net additions	44,353	25,807	35,570	35,769	59,502
13	Ending balance	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,477,023	\$ 1,536,525
14	Percent growth (annualized)	13%	7%	10%	10%	16%
15	Liquidation rate (annualized)	15%	16%	16%	16%	15%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. Also excludes credit-related impairments on mortgage-related securities within our Retained portfolio.

(2) See our Monthly Volume Summary, or MVS, in the Investor Relations section of our Web site for definitions of certain captions used in this table.

**FREDDIE MAC**  
**MORTGAGE PORTFOLIO ACTIVITY BASED ON UNPAID PRINCIPAL BALANCES** <sup>(1) (2)</sup>  
**TABLE 8B**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
<b><u>Retained Portfolio:</u></b>					
1	\$ 710,346	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959
2	65,432	79,580	46,178	54,293	59,173
3	(17,876)	(24,317)	(19,441)	(7,440)	(8,255)
4	(42,166)	(48,461)	(46,497)	(45,672)	(40,423)
5	5,390	6,802	(19,760)	1,181	10,495
6	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 714,454
7	3%	4%	(11%)	1%	6%
8	24%	27%	26%	26%	23%
9	41%	41%	39%	39%	38%
<b><u>Retained Portfolio Components (at period end):</u></b>					
10	\$ 364,609	\$ 368,455	\$ 357,278	\$ 354,262	\$ 358,847
11	288,192	290,379	281,423	283,850	288,471
12	62,935	63,704	64,077	65,847	67,136
13	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 714,454
<b><u>Outstanding Guaranteed PCs and Structured Securities:</u></b>					
14	\$ 974,200	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 1,122,761
15	93,669	80,973	93,334	92,047	114,365
16	(27,227)	(38,823)	(17,037)	(20,437)	(27,075)
17	10,712	19,819	14,613	8,986	9,638
18	(36,086)	(40,008)	(44,163)	(41,811)	(42,011)
19	41,068	21,961	46,747	38,785	54,917
20	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 1,122,761	\$ 1,177,678
21	17%	9%	18%	14%	20%
22	15%	16%	17%	15%	15%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. Also excludes credit-related impairments on mortgage-related securities within our Retained portfolio.

(2) See our MVS in the Investor Relations section of our Web site for definitions of certain captions used in this table.

**FREDDIE MAC**  
**CHARACTERISTICS OF MORTGAGE LOANS AND MORTGAGE-RELATED SECURITIES IN THE RETAINED PORTFOLIO**  
**TABLE 9**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	December 31, 2006			March 31, 2007		
	Fixed-Rate	Variable-Rate <sup>(1)</sup>	Total	Fixed-Rate	Variable-Rate <sup>(1)</sup>	Total
1	\$ 61,273	\$ 4,574	\$ 65,847	\$ 62,753	\$ 4,383	\$ 67,136
	Guaranteed PCs and Structured Securities: <sup>(2)</sup>					
2	282,052	71,828	353,880	280,357	78,110	358,467
3	241	141	382	240	140	380
4	<u>282,293</u>	<u>71,969</u>	<u>354,262</u>	<u>280,597</u>	<u>78,250</u>	<u>358,847</u>
	Non-Freddie Mac mortgage-related securities:					
	Agency mortgage-related securities: <sup>(3)</sup>					
	Fannie Mae:					
5	25,805	17,640	43,445	25,091	17,784	42,875
6	987	2	989	886	2	888
	Ginnie Mae:					
7	707	231	938	653	218	871
8	13	-	13	13	-	13
9	<u>27,512</u>	<u>17,873</u>	<u>45,385</u>	<u>26,643</u>	<u>18,004</u>	<u>44,647</u>
	Non-agency mortgage-related securities:					
10	4,280	174,081	178,361	3,889	173,703	177,592
11	23,768	20,992	44,760	23,865	26,909	50,774
12	13,760	74	13,834	13,912	72	13,984
13	1,381	129	1,510	1,353	121	1,474
14	<u>43,189</u>	<u>195,276</u>	<u>238,465</u>	<u>43,019</u>	<u>200,805</u>	<u>243,824</u>
15	<u>\$ 414,267</u>	<u>\$ 289,692</u>	703,959	<u>\$ 413,012</u>	<u>\$ 301,442</u>	714,454
16			103			(532)
17			(4,046)			(2,118)
18			597			339
19			(70)			(92)
20			<u>\$ 700,543</u>			<u>\$ 712,051</u>

- (1) Variable-rate mortgage loans and mortgage-related securities include those with a contractual coupon rate that, prior to contractual maturity, is either scheduled to change or is subject to change based on changes in the composition of the underlying collateral. Mortgage loans also include mortgages with balloon/reset provisions.
- (2) For Guaranteed PCs and Structured Securities we issue, we are subject to the credit risk associated with the underlying mortgage loan collateral.
- (3) Agency mortgage-related securities are generally not separately rated by nationally recognized statistical rating organizations, but are viewed as having a level of credit quality at least equivalent to non-agency mortgage-related securities rated AAA or equivalent.
- (4) Consists of obligations of states and political subdivisions. Approximately 67 percent of these securities were AAA-rated at both December 31, 2006 and March 31, 2007.
- (5) At December 31, 2006 and March 31, 2007, 38 percent and 37 percent, respectively, of mortgage-related securities backed by manufactured housing were rated BBB- or above. For the same dates, 97 percent of these securities were supported by third-party credit enhancements (e.g. bond insurance) and other credit enhancements (e.g., deal structure through subordination). Approximately 30 percent and 29 percent of these securities were AAA-rated at December 31, 2006 and March 31, 2007, respectively.
- (6) Credit ratings for most non-agency mortgage-related securities are designated by at least two nationally recognized statistical rating organizations. At both December 31, 2006 and March 31, 2007, approximately 96 percent of total non-agency mortgage-related securities were AAA-rated.

**FREDDIE MAC**  
**CREDIT QUALITY INDICATORS**  
**TABLE 10**  
**FIRST QUARTER 2007**  
**(unaudited)**  
**(dollars in millions)**

Line:	1Q 2006	2Q 2006	3Q 2006	4Q 2006	1Q 2007
<b><u>Credit Enhancements:</u></b>					
1 Credit-enhanced percentage of new business purchases	17 %	15 %	18 %	17 %	14 %
2 Credit-enhanced percentage of total mortgage portfolio (period end)	17 %	17 %	16 %	16 %	16 %
<b><u>Delinquencies (at period end):</u><sup>(1)</sup></b>					
Single-family: <sup>(2)</sup>					
Non-credit-enhanced portfolio					
3 Delinquency rate	0.25 %	0.22 %	0.23 %	0.25 %	0.25 %
4 Total number of delinquent loans	22,315	19,824	20,543	22,854	23,511
Credit-enhanced portfolio					
5 Delinquency rate	2.16 %	1.90 %	1.87 %	1.86 %	1.69 %
6 Total number of delinquent loans	41,399	36,096	35,914	36,008	33,030
7 Single-family delinquency rate of total portfolio	0.59 %	0.52 %	0.51 %	0.53 %	0.50 %
Multifamily: <sup>(2)</sup>					
8 Delinquency rate	-	0.01 %	-	0.05 %	0.06 %
9 Net carrying value of delinquent loans	\$ 3	\$ 5	\$ 1	\$ 30	\$ 32
<b><u>REO Balances (at period end):</u></b>					
10 Single-family	\$ 636	\$ 646	\$ 665	\$ 734	\$ 871
11 Multifamily	18	18	10	9	7
12 Total	\$ 654	\$ 664	\$ 675	\$ 743	\$ 878
<b><u>REO Inventory (number of units):</u></b>					
13 Beginning property inventory	8,070	8,263	8,302	8,333	8,785
14 Properties acquired	4,051	4,163	4,007	4,166	4,638
15 Properties disposed	(3,858)	(4,124)	(3,976)	(3,714)	(3,773)
16 Ending property inventory	8,263	8,302	8,333	8,785	9,650
<b><u>REO Operations Income (Expense):</u></b>					
17 Single-family	\$ (12)	\$ (7)	\$ (20)	\$ (22)	\$ (14)
18 Multifamily	-	-	1	-	-
19 Total	\$ (12)	\$ (7)	\$ (19)	\$ (22)	\$ (14)
<b><u>Loan Loss Reserves:</u><sup>(3)</sup></b>					
20 Beginning balance	\$ 414	\$ 345	\$ 351	\$ 389	\$ 420
21 Provision (benefit) for credit losses <sup>(4)</sup>	(36)	56	93	102	179
22 Charge-offs - single-family, net	(30)	(40)	(35)	(37)	(33)
23 Charge-offs - multifamily, net	-	-	(5)	-	-
24 Transfers-out	(6)	(10)	(17)	(38)	(23)
25 Other transfers, net <sup>(5)</sup>	3	-	2	4	2
26 Ending balance	\$ 345	\$ 351	\$ 389	\$ 420	\$ 545
27 Annualized charge-offs/average total mortgage portfolio	0.8 bp	1.1 bp	1.1 bp	1.0 bp	1.1 bp
<b><u>Total Credit Losses:</u><sup>(6)</sup></b>					
28 Total credit losses	\$ 42	\$ 47	\$ 59	\$ 59	\$ 58
29 Annualized credit losses / average total mortgage portfolio	1.2 bp	1.3 bp	1.6 bp	1.6 bp	1.5 bp

(1) Based on the Total mortgage portfolio, excluding both non-Freddie Mac mortgage-related securities and that portion of Structured Securities that is backed by Ginnie Mae Certificates.

(2) Single-family delinquencies are based on the number of mortgages 90 days or more delinquent or in foreclosure while multifamily delinquencies are based on net carrying value of mortgages 60 days or more delinquent or in foreclosure. Includes delinquencies on mortgage loans where the lender or third party retains the largest portion of the default risk. Excludes mortgage loans whose original contractual terms have been modified under an agreement with the borrower as long as the borrower complies with the modified contractual terms.

(3) Loan loss reserves equals the sum of Reserve for losses on mortgage loans held-for-investment (consolidated balance sheets - Line 2) and Reserve for guarantee losses on Participation Certificates (consolidated balance sheets - Line 28).

(4) Provision (benefit) for credit losses includes our provision for losses incurred on our mortgage loans held for investment, which are a component of our Retained portfolio, and our provision for guarantee losses incurred on mortgage loans underlying PCs held by third parties.

(5) Represents transfers of a portion of the initial Guarantee obligation associated with credit losses reclassified to the reserve balance.

(6) Equal to REO operations income (expense) (Line 19) plus Charge-offs, net (Lines 22 and 23) plus amounts previously transferred to reduce the carrying value of loans purchased under financial guarantees. The previously transferred reserves totaled \$11 million and \$- million for the three months ended March 31, 2007 and twelve months ended December 31, 2006, respectively.