

**FREDDIE MAC  
CONSOLIDATED BALANCE SHEETS**

|  | December 31,                                |                   |
|--|---|-------------------|
|  | 2009  | 2008              |
|  | (in millions, except share-related amounts) |                   |
| <b>Assets</b>  |   |                   |
| Cash and cash equivalents  | \$ 64,683                                   | \$ 45,326         |
| Restricted cash  | 527   | 953               |
| Federal funds sold and securities purchased under agreements to resell   | 7,000                                       | 10,150            |
| <i>Investments in securities:</i>  |   |                   |
| Available-for-sale, at fair value (includes \$10,879 and \$21,302, respectively, pledged as collateral that may be repledged)                                      | 384,684                                     | 458,898           |
| Trading, at fair value   | 222,250                                     | 190,361           |
| <i>Total investments in securities</i>   | 606,934                                     | 649,259           |
| <i>Mortgage loans:</i>   |   |                   |
| Held-for-sale, at lower-of-cost-or-fair-value (except \$2,799 and \$401 at fair value, respectively)   | 16,305                                      | 16,247            |
| Held-for-investment, at amortized cost (net of allowances for loan losses of \$1,441 and \$690, respectively)  | 111,565                                     | 91,344            |
| <i>Total mortgage loans, net</i>   | 127,870                                     | 107,591           |
| Accounts and other receivables, net  | 6,095                                       | 6,337             |
| Derivative assets, net   | 215   | 955               |
| Guarantee asset, at fair value   | 10,444                                      | 4,847             |
| Real estate owned, net   | 4,692                                       | 3,255             |
| Deferred tax assets, net   | 11,101                                      | 15,351            |
| Low-income housing tax credit partnership equity investments   | -   | 4,145             |
| Other assets   | 2,223                                       | 2,794             |
| <i>Total assets</i>  | <u>\$ 841,784</u>                           | <u>\$ 850,963</u> |
| <b>Liabilities and equity (deficit)</b>  |   |                   |
| <i>Liabilities</i>   |   |                   |
| Accrued interest payable   | \$ 5,047                                    | \$ 6,504          |
| <i>Debt, net:</i>  |   |                   |
| Short-term debt (includes \$6,328 and \$1,638 at fair value, respectively)   | 343,975                                     | 435,114           |
| Long-term debt (includes \$2,590 and \$11,740 at fair value, respectively)   | 436,629                                     | 407,907           |
| <i>Total debt, net</i>   | 780,604                                     | 843,021           |
| Guarantee obligation   | 12,465                                      | 12,098            |
| Derivative liabilities, net  | 589   | 2,277             |
| Reserve for guarantee losses on Participation Certificates   | 32,416                                      | 14,928            |
| Other liabilities  | 6,291                                       | 2,769             |
| <i>Total liabilities</i>   | 837,412                                     | 881,597           |
| <i>Commitments and contingencies</i>   |   |                   |
| <i>Equity (deficit)</i>  |   |                   |
| <i>Freddie Mac stockholders' equity (deficit)</i>  |   |                   |
| Senior preferred stock, at redemption value  | 51,700                                      | 14,800            |
| Preferred stock, at redemption value   | 14,109                                      | 14,109            |
| Common stock, \$0.00 par value, 4,000,000,000 shares authorized, 725,863,886 shares issued and 648,369,668 shares and 647,260,293 shares outstanding, respectively | -   | -                 |
| Additional paid-in capital   | 57  | 19                |
| Retained earnings (accumulated deficit)  | (33,921)                                    | (23,191)          |
| <i>Accumulated other comprehensive income (loss), or AOCI, net of taxes, related to:</i>   |   |                   |
| Available-for-sale securities (includes \$15,947, net of taxes, of other-than-temporary impairments at December 31, 2009)  | (20,616)                                    | (28,510)          |
| Cash flow hedge relationships  | (2,905)                                     | (3,678)           |
| Defined benefit plans  | (127)                                       | (169)             |
| <i>Total AOCI, net of taxes</i>  | (23,648)                                    | (32,357)          |
| Treasury stock, at cost, 77,494,218 shares and 78,603,593 shares, respectively   | (4,019)                                     | (4,111)           |
| <i>Total Freddie Mac stockholders' equity (deficit)</i>  | 4,278                                       | (30,731)          |
| Noncontrolling interest  | 94  | 97                |
| <i>Total equity (deficit)</i>  | 4,372                                       | (30,634)          |
| <i>Total liabilities and equity (deficit)</i>  | <u>\$ 841,784</u>                           | <u>\$ 850,963</u> |

The Notes to Consolidated Financial Statements included in our Annual Report on Form 10-K dated February 24, 2010 are an integral part of these consolidated financial statements.