

FREDDIE MAC

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(in millions, except share-related amounts)	Year Ended December 31,		
	2015	2014	2013
<i>Interest income</i>			
Mortgage loans	\$ 62,226	\$ 63,605	\$ 64,883
Investments in securities	4,794	5,843	7,768
Other	70	32	51
<i>Total interest income</i>	67,090	69,480	72,702
Interest expense	(51,916)	(54,916)	(55,779)
Expense related to derivatives	(228)	(301)	(455)
<i>Net interest income</i>	14,946	14,263	16,468
Benefit (provision) for credit losses	2,665	(58)	2,465
<i>Net interest income after benefit (provision) for credit losses</i>	17,611	14,205	18,933
<i>Non-interest income (loss)</i>			
Gains (losses) on extinguishment of debt	(240)	(422)	446
Derivative gains (losses)	(2,696)	(8,291)	2,632
Impairment of available-for-sale securities:			
Total other-than-temporary impairment of available-for-sale securities	(241)	(860)	(763)
Portion of other-than-temporary impairment recognized in AOCI	(51)	(78)	(747)
Net impairment of available-for-sale securities recognized in earnings	(292)	(938)	(1,510)
Other gains (losses) on investment securities recognized in earnings	508	1,494	301
Other income (loss)	(879)	8,044	6,650
<i>Non-interest income (loss)</i>	(3,599)	(113)	8,519
<i>Non-interest expense</i>			
Salaries and employee benefits	(975)	(914)	(833)
Professional services	(497)	(527)	(543)
Occupancy expense	(56)	(58)	(54)
Other administrative expense	(399)	(382)	(375)
Total administrative expense	(1,927)	(1,881)	(1,805)
Real estate owned operations (expense) income	(338)	(196)	140
Temporary Payroll Tax Cut Continuation Act of 2011 expense	(967)	(775)	(533)
Other (expense) income	(1,506)	(238)	109
<i>Non-interest expense</i>	(4,738)	(3,090)	(2,089)
Income before income tax (expense) benefit	9,274	11,002	25,363
Income tax (expense) benefit	(2,898)	(3,312)	23,305
<i>Net income</i>	6,376	7,690	48,668
Other comprehensive income (loss), net of taxes and reclassification adjustments:			
Changes in unrealized gains (losses) related to available-for-sale securities	(806)	1,584	2,406
Changes in unrealized gains (losses) related to cash flow hedge relationships	182	197	316
Changes in defined benefit plans	47	(45)	210
Total other comprehensive income (loss), net of taxes and reclassification adjustments	(577)	1,736	2,932
<i>Comprehensive income</i>	\$ 5,799	\$ 9,426	\$ 51,600
<i>Net income</i>	\$ 6,376	\$ 7,690	\$ 48,668
Undistributed net worth sweep and senior preferred stock dividends	(6,399)	(10,026)	(52,199)
<i>Net income (loss) attributable to common stockholders</i>	\$ (23)	\$ (2,336)	\$ (3,531)
Net income (loss) per common share — basic and diluted	\$ (0.01)	\$ (0.72)	\$ (1.09)
Weighted average common shares outstanding (in millions) — basic and diluted	3,235	3,236	3,238

The accompanying notes are an integral part of these consolidated financial statements.