FREDDIE MAC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

<table>
<thead>
<tr>
<th>Year Ended December 31,</th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(in millions, except share-related amounts)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Interest income**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Held by consolidated trusts</td>
<td>$57,036</td>
<td>$57,189</td>
<td>$65,089</td>
</tr>
<tr>
<td>Unsecuritized</td>
<td>6,569</td>
<td>7,694</td>
<td>8,960</td>
</tr>
<tr>
<td>Total mortgage loans</td>
<td>63,605</td>
<td>64,883</td>
<td>74,049</td>
</tr>
<tr>
<td>Investments in securities</td>
<td>5,843</td>
<td>7,768</td>
<td>10,583</td>
</tr>
<tr>
<td>Other</td>
<td>32</td>
<td>51</td>
<td>86</td>
</tr>
<tr>
<td><strong>Total interest income</strong></td>
<td>69,480</td>
<td>72,702</td>
<td>84,718</td>
</tr>
</tbody>
</table>

**Interest expense**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt securities of consolidated trusts</td>
<td>(48,003)</td>
<td>(47,350)</td>
<td>(56,109)</td>
</tr>
<tr>
<td>Short-term debt</td>
<td>(145)</td>
<td>(178)</td>
<td>(176)</td>
</tr>
<tr>
<td>Long-term debt</td>
<td>(6,768)</td>
<td>(8,251)</td>
<td>(10,217)</td>
</tr>
<tr>
<td><strong>Total interest expense</strong></td>
<td>(54,916)</td>
<td>(55,779)</td>
<td>(66,502)</td>
</tr>
</tbody>
</table>

**Net interest income**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>(Provision) benefit for credit losses</td>
<td>(58)</td>
<td>2,465</td>
<td>(1,890)</td>
</tr>
<tr>
<td><strong>Net interest income after (provision) benefit for credit losses</strong></td>
<td>14,205</td>
<td>18,933</td>
<td>15,721</td>
</tr>
</tbody>
</table>

**Non-interest income (loss)**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gains (losses) on extinguishment of debt securities of consolidated trusts</td>
<td>(451)</td>
<td>314</td>
<td>(58)</td>
</tr>
<tr>
<td>Gains (losses) on retirement of other debt</td>
<td>29</td>
<td>132</td>
<td>(77)</td>
</tr>
<tr>
<td>Derivative gains (losses)</td>
<td>(8,291)</td>
<td>2,632</td>
<td>(2,448)</td>
</tr>
<tr>
<td><strong>Impairment of available-for-sale securities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total other-than-temporary impairment of available-for-sale securities</td>
<td>(860)</td>
<td>(763)</td>
<td>(1,236)</td>
</tr>
<tr>
<td>Portion of other-than-temporary impairment recognized in AOCI</td>
<td>(78)</td>
<td>(747)</td>
<td>(932)</td>
</tr>
<tr>
<td><strong>Net impairment of available-for-sale securities recognized in earnings</strong></td>
<td>(938)</td>
<td>(1,510)</td>
<td>(2,168)</td>
</tr>
<tr>
<td>Other gains (losses) on investment securities recognized in earnings</td>
<td>1,494</td>
<td>301</td>
<td>(1,522)</td>
</tr>
<tr>
<td><strong>Other income (loss)</strong></td>
<td>8,044</td>
<td>6,650</td>
<td>2,190</td>
</tr>
<tr>
<td><strong>Non-interest income (loss)</strong></td>
<td>(113)</td>
<td>8,519</td>
<td>(4,083)</td>
</tr>
</tbody>
</table>

**Non-interest expense**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries and employee benefits</td>
<td>(914)</td>
<td>(833)</td>
<td>(810)</td>
</tr>
<tr>
<td>Professional services</td>
<td>(527)</td>
<td>(543)</td>
<td>(361)</td>
</tr>
<tr>
<td>Occupancy expense</td>
<td>(58)</td>
<td>(54)</td>
<td>(57)</td>
</tr>
<tr>
<td>Other administrative expense</td>
<td>(382)</td>
<td>(375)</td>
<td>(333)</td>
</tr>
<tr>
<td><strong>Total administrative expense</strong></td>
<td>(1,881)</td>
<td>(1,805)</td>
<td>(1,561)</td>
</tr>
<tr>
<td>Real estate owned operations (expense) income</td>
<td>(196)</td>
<td>140</td>
<td>(59)</td>
</tr>
<tr>
<td>Temporary Payroll Tax Cut Continuation Act of 2011 expense</td>
<td>(775)</td>
<td>(553)</td>
<td>(108)</td>
</tr>
<tr>
<td>Other (expense) income</td>
<td>(238)</td>
<td>109</td>
<td>(465)</td>
</tr>
<tr>
<td><strong>Non-interest expense</strong></td>
<td>(3,090)</td>
<td>(2,089)</td>
<td>(2,193)</td>
</tr>
<tr>
<td>Income before income tax (expense) benefit</td>
<td>11,002</td>
<td>25,363</td>
<td>9,445</td>
</tr>
<tr>
<td>Income tax (expense) benefit</td>
<td>(3,312)</td>
<td>23,305</td>
<td>1,537</td>
</tr>
<tr>
<td><strong>Net income</strong></td>
<td>7,690</td>
<td>48,668</td>
<td>10,982</td>
</tr>
</tbody>
</table>

**Other comprehensive income (loss), net of taxes and reclassification adjustments**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Changes in unrealized gains (losses) related to available-for-sale securities</td>
<td>1,584</td>
<td>2,406</td>
<td>4,769</td>
</tr>
<tr>
<td>Changes in unrealized gains (losses) related to cash flow hedge relationships</td>
<td>197</td>
<td>316</td>
<td>414</td>
</tr>
<tr>
<td>Changes in defined benefit plans</td>
<td>(45)</td>
<td>210</td>
<td>(126)</td>
</tr>
<tr>
<td><strong>Total other comprehensive income (loss), net of taxes and reclassification adjustments</strong></td>
<td>1,736</td>
<td>2,932</td>
<td>5,057</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td>$9,426</td>
<td>$51,600</td>
<td>$16,039</td>
</tr>
</tbody>
</table>

**Net income**

<table>
<thead>
<tr>
<th></th>
<th>2014</th>
<th>2013</th>
<th>2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Undistributed net worth sweep and senior preferred stock dividends</td>
<td>(10,026)</td>
<td>(52,199)</td>
<td>(13,056)</td>
</tr>
<tr>
<td><strong>Net income (loss) attributable to common stockholders</strong></td>
<td>(2,336)</td>
<td>(3,531)</td>
<td>(2,074)</td>
</tr>
<tr>
<td><strong>Net income (loss) per common share — basic and diluted</strong></td>
<td>(0.72)</td>
<td>(1.09)</td>
<td>(0.64)</td>
</tr>
<tr>
<td>Weighted average common shares outstanding (in millions) — basic and diluted</td>
<td>3,236</td>
<td>3,238</td>
<td>3,240</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and cash equivalents (includes $2 and $1, respectively, related to our consolidated VIEs)</td>
<td>$10,928</td>
<td>$11,281</td>
<td></td>
</tr>
<tr>
<td>Restricted cash and cash equivalents (includes $8,532 and $12,193, respectively, related to our consolidated VIEs)</td>
<td>8,535</td>
<td>12,265</td>
<td></td>
</tr>
<tr>
<td>Federal funds sold and securities purchased under agreements to resell (includes $13,500 and $3,150, respectively, related to our consolidated VIEs)</td>
<td>51,903</td>
<td>62,383</td>
<td></td>
</tr>
</tbody>
</table>

#### Investments in securities:

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available-for-sale, at fair value (includes $9 and $70, respectively, pledged as collateral that may be repledged)</td>
<td>106,550</td>
<td>128,919</td>
<td></td>
</tr>
<tr>
<td>Trading, at fair value (includes $1,884 and $365, respectively, pledged as collateral that may be repledged)</td>
<td>30,437</td>
<td>23,404</td>
<td></td>
</tr>
<tr>
<td><strong>Total investments in securities</strong></td>
<td>136,987</td>
<td>152,323</td>
<td></td>
</tr>
</tbody>
</table>

#### Mortgage loans:

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Held-for-investment, at amortized cost:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>By consolidated trusts (net of allowances for loan losses of $2,884 and $3,006, respectively)</td>
<td>1,558,094</td>
<td>1,529,905</td>
<td></td>
</tr>
<tr>
<td>Unsecured (net of allowances for loan losses of $18,877 and $21,612, respectively)</td>
<td>130,118</td>
<td>146,158</td>
<td></td>
</tr>
<tr>
<td><strong>Total held-for-investment mortgage loans, net</strong></td>
<td>1,688,212</td>
<td>1,676,063</td>
<td></td>
</tr>
<tr>
<td>Held-for-sale, at lower-of-cost-or-fair-value (includes $12,130 and $8,727 at fair value, respectively)</td>
<td>12,368</td>
<td>8,727</td>
<td></td>
</tr>
<tr>
<td><strong>Total mortgage loans, net</strong></td>
<td>1,700,580</td>
<td>1,684,790</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued interest receivable (includes $5,124 and $5,111, respectively, related to our consolidated VIEs)</td>
<td>6,034</td>
<td>6,150</td>
<td></td>
</tr>
<tr>
<td>Derivative assets, net</td>
<td>822</td>
<td>1,063</td>
<td></td>
</tr>
<tr>
<td>Real estate owned, net (includes $44 and $49, respectively, related to our consolidated VIEs)</td>
<td>2,558</td>
<td>4,551</td>
<td></td>
</tr>
<tr>
<td>Deferred tax assets, net</td>
<td>19,498</td>
<td>22,716</td>
<td></td>
</tr>
<tr>
<td>Other assets (Note 19) (includes $2,596 and $2,172, respectively, related to our consolidated VIEs)</td>
<td>7,694</td>
<td>8,539</td>
<td></td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$1,945,539</td>
<td>$1,966,061</td>
<td></td>
</tr>
</tbody>
</table>

### Liabilities and equity

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accrued interest payable (includes $4,702 and $4,702, respectively, related to our consolidated VIEs)</td>
<td>$6,325</td>
<td>$6,803</td>
<td></td>
</tr>
</tbody>
</table>

#### Debt, net:

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt securities of consolidated trusts held by third parties (includes $42 and $59 at fair value, respectively)</td>
<td>1,479,473</td>
<td>1,433,984</td>
<td></td>
</tr>
<tr>
<td>Other debt (includes $5,820 and $2,683 at fair value, respectively)</td>
<td>450,069</td>
<td>506,767</td>
<td></td>
</tr>
<tr>
<td><strong>Total debt, net</strong></td>
<td>1,929,542</td>
<td>1,940,751</td>
<td></td>
</tr>
<tr>
<td>Derivative liabilities, net</td>
<td>1,963</td>
<td>180</td>
<td></td>
</tr>
<tr>
<td>Other liabilities (Note 19) (includes $1 and $6, respectively, related to our consolidated VIEs)</td>
<td>5,058</td>
<td>5,492</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities</strong></td>
<td>1,942,888</td>
<td>1,953,226</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commitments and contingencies (Notes 9, 14, and 17)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>$1,945,539</td>
<td>$1,966,061</td>
<td></td>
</tr>
</tbody>
</table>

### Equity

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior preferred stock, at redemption value</td>
<td>72,336</td>
<td>72,336</td>
<td></td>
</tr>
<tr>
<td>Preferred stock, at redemption value</td>
<td>14,109</td>
<td>14,109</td>
<td></td>
</tr>
<tr>
<td>Common stock, $0.00 par value, 4,000,000,000 shares authorized, 725,863,886 shares issued and 650,043,899 shares and 650,039,533 shares outstanding, respectively</td>
<td>—</td>
<td>—</td>
<td></td>
</tr>
<tr>
<td>Additional paid-in capital</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retained earnings (accumulated deficit)</td>
<td>(81,639)</td>
<td>(69,719)</td>
<td></td>
</tr>
</tbody>
</table>

#### AOCI, net of taxes, related to:

<table>
<thead>
<tr>
<th>Description</th>
<th>December 31, 2014</th>
<th>December 31, 2013</th>
<th>(in millions, except share-related amounts)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Available-for-sale securities (includes $839 and ($1,100), respectively, related to net unrealized gains (losses) on securities for which other-than-temporary impairment has been recognized in earnings)</td>
<td>2,546</td>
<td>962</td>
<td></td>
</tr>
<tr>
<td>Cash flow hedge relationships</td>
<td>(803)</td>
<td>(1,000)</td>
<td></td>
</tr>
<tr>
<td>Defined benefit plans</td>
<td>(13)</td>
<td>32</td>
<td></td>
</tr>
<tr>
<td><strong>Total AOCI, net of taxes</strong></td>
<td>1,730</td>
<td>(6)</td>
<td></td>
</tr>
<tr>
<td>Treasury stock, at cost, 75,819,987 shares and 75,824,353 shares, respectively</td>
<td>(3,885)</td>
<td>(3,885)</td>
<td></td>
</tr>
<tr>
<td><strong>Total equity (See NOTE 11: STOCKHOLDERS’ EQUITY for information on our dividend obligation to Treasury)</strong></td>
<td>2,651</td>
<td>12,835</td>
<td></td>
</tr>
<tr>
<td><strong>Total liabilities and equity</strong></td>
<td>$1,945,539</td>
<td>$1,966,061</td>
<td></td>
</tr>
</tbody>
</table>

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

## CONSOLIDATED STATEMENTS OF EQUITY

<table>
<thead>
<tr>
<th>Shares Outstanding</th>
<th>Senior Preferred Stock</th>
<th>Preferred Stock, at Redemption Value</th>
<th>Preferred Stock, at Par Value</th>
<th>Common Stock, at Par Value</th>
<th>Additional Paid-In Capital</th>
<th>Retained Earnings (Accumulated Deficit)</th>
<th>AOCI, Net of Tax</th>
<th>Treasury Stock, at Cost</th>
<th>Total Equity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(in millions)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Balance as of December 31, 2011</strong></td>
<td>1 464 650</td>
<td>$72,171</td>
<td>$14,109</td>
<td>—</td>
<td>$3</td>
<td>$(74,525)</td>
<td>$(7,995)</td>
<td>$(3,909)</td>
<td>$(146)</td>
</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other comprehensive income, net of taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
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</tr>
<tr>
<td><strong>Comprehensive income</strong></td>
<td></td>
<td></td>
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<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Increase in liquidation preference</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Stock-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income tax benefit from stock-based compensation</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Common stock issuances</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfer from retained earnings (accumulated deficit) to additional paid-in capital</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Senior preferred stock dividends declared</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividend equivalent payments on expired stock options</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Ending balance as of December 31, 2012</strong></td>
<td>1 464 650</td>
<td>$72,336</td>
<td>$14,109</td>
<td>—</td>
<td>$1</td>
<td>$(70,796)</td>
<td>$(2,938)</td>
<td>$(3,885)</td>
<td>$8,827</td>
</tr>
<tr>
<td><strong>Balance as of December 31, 2012</strong></td>
<td>1 464 650</td>
<td>$72,336</td>
<td>$14,109</td>
<td>—</td>
<td>$1</td>
<td>$(70,796)</td>
<td>$(2,938)</td>
<td>$(3,885)</td>
<td>$8,827</td>
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<tr>
<td><strong>Comprehensive income</strong></td>
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<td>Net income</td>
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<td>Other comprehensive income, net of taxes</td>
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<tr>
<td>Common stock issuances</td>
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<tr>
<td>Senior preferred stock dividends declared</td>
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<tr>
<td><strong>Ending balance at December 31, 2013</strong></td>
<td>1 464 650</td>
<td>$72,336</td>
<td>$14,109</td>
<td>—</td>
<td>$1</td>
<td>$(69,719)</td>
<td>$(6)</td>
<td>$(3,885)</td>
<td>$12,835</td>
</tr>
<tr>
<td><strong>Balance as of December 31, 2013</strong></td>
<td>1 464 650</td>
<td>$72,336</td>
<td>$14,109</td>
<td>—</td>
<td>$1</td>
<td>$(69,719)</td>
<td>$(6)</td>
<td>$(3,885)</td>
<td>$12,835</td>
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<td>Other comprehensive income, net of taxes</td>
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<tr>
<td>Senior preferred stock dividends declared</td>
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<tr>
<td><strong>Ending balance at December 31, 2014</strong></td>
<td>1 464 650</td>
<td>$72,336</td>
<td>$14,109</td>
<td>—</td>
<td>$1</td>
<td>$(81,639)</td>
<td>$1,730</td>
<td>$(3,885)</td>
<td>$2,651</td>
</tr>
</tbody>
</table>

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

Freddie Mac