

**Supplement dated March 23, 2007 to
Information Statement dated March 23, 2007**

On March 23, 2007, Freddie Mac announced its 2006 financial results. This Information Statement Supplement includes the content of that announcement as follows:

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FOR IMMEDIATE RELEASE

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FREDDIE MAC REPORTS 2006 FINANCIAL RESULTS

Net income for 2006 increases to \$2.2 billion

Company announces plan to repurchase \$1 billion in common stock

2006 Highlights

- Net income increases to \$2.2 billion and fair value increases by \$2.5 billion.
- Diluted earnings per common share up \$0.09, to \$2.84.
- Guarantee volumes show strong growth, up 10.6%, despite challenging year for housing and mortgage finance.
- Company returned \$3.3 billion to common stockholders, the most in Freddie Mac history.
- Continuing to build shareholder value and manage capital prudently, company announces plan to repurchase additional \$1 billion in common stock and issue \$1 billion in preferred stock.
- 2006 Annual Report issued today.

McLean, VA—Freddie Mac (NYSE:FRE) today reported net income of \$2.2 billion for 2006, up 4 percent compared to \$2.1 billion in 2005. The company also reported an increase in the fair value of net assets attributable to common stockholders, before capital transactions, of approximately \$2.5 billion for 2006, compared to an increase of \$1.0 billion in 2005. Freddie Mac's regulatory core capital is estimated at \$36.2 billion at December 31, 2006, with an estimated \$2.6 billion in excess of the 30-percent mandatory target capital surplus set by the Office of Federal Housing Enterprise Oversight (OFHEO).

During 2006, the company increased its common dividend payout by 22 percent to \$1.3 billion or \$2.00 per share on an annualized basis and returned \$2.0 billion of capital to common stockholders in a preferred-for-common restructuring. All told, the company returned some \$3.3 billion to common stockholders last year, the most in Freddie Mac history.

Also, the company announced today that it plans to repurchase up to an additional \$1 billion in common stock in conjunction with the issuance of up to \$1 billion in preferred stock from time to time depending on market conditions.

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“Freddie Mac grew its business, strengthened its franchise and improved long-term value for its shareholders, despite a challenging year for housing and mortgage finance,” said Richard F. Syron, chairman and chief executive officer. “In 2006, both net income and fair value return before capital transactions exceeded \$2 billion, as we grew our guarantee business. We also maintained our low credit and interest-rate risk profiles, leaving us well positioned to deal with a broad range of interest rate conditions, and with the value of our shareholders’ equity well protected.

“Freddie Mac also continued to fulfill its important public mission, marking a major milestone in its history by making a decent, affordable home possible for the 50 millionth time,” Syron said. “All of us at Freddie Mac are proud to have been a part of that achievement and are focused unwaveringly on serving our next 50 million families.”

“Our plan to repurchase an additional \$1 billion in common stock and our significant return of capital to common stockholders in 2006 demonstrate Freddie Mac’s progress in improving our capital structure,” said Buddy Piszal, chief financial officer. “We’ve also made progress in our remediation efforts, as demonstrated by today’s release of our 2006 annual report. We continue to make good strides towards returning to quarterly reporting later this year.”

2006 RESULTS

Net Income

<i>(\$ in billions, except per share amounts)</i>	2006	2005	Change
Net Income	\$2.2	\$2.1	\$0.1
Diluted earnings per common share	\$2.84	\$2.75	\$0.09
Return on common equity	8.6%	7.7%	0.9%
Diluted weighted average common shares outstanding	682.7 mm	693.5 mm	(10.8) mm

The \$0.09 increase in diluted earnings per common share for 2006 reflects the net effects of the increase in net income and the reduction in the diluted weighted average number of common shares outstanding, arising from the repurchase of approximately 32.7 million common shares during 2006, partially offset by an increase in preferred dividends associated with the company’s issuance of \$1.5 billion in new preferred stock. Pre-tax income declined by \$0.5 billion to \$2.1 billion in 2006 from \$2.6 billion in 2005.

<i>(\$ in billions)</i>	2006	2005	Change
Total Revenues	\$5.2	\$5.6	\$(0.4)
Net interest income	4.2	5.4	(1.2)
Other non-interest income (loss)	(0.7)	(1.3)	0.6
Management and Guarantee income	1.7	1.5	0.2

Net interest income declined by \$1.2 billion. During 2006, the unpaid principal balance (UPB) of the company's retained portfolio declined slightly to approximately \$704 billion, as relatively tight mortgage-to-debt option-adjusted spreads (OAS) generally limited attractive investment opportunities and the company began managing the portfolio under a voluntary growth limit announced in August 2006.

While the retained portfolio declined slightly year-over-year, the average balance of interest-earning assets increased, as did average yields. Notwithstanding this improvement, net interest income declined as the company replaced, at higher contractual interest rates, approximately \$129 billion in long-term debt, which either matured or was repurchased during 2006. The company's average funding levels remained significantly below the London Interbank Offered Rate (LIBOR), with spreads relative to LIBOR improving during the year by 2 to 5 basis points along the interest-rate curve for its Reference Notes[®] securities.

Other non-interest income (loss) includes another component of the company's investment returns, interest received or paid on interest-rate swaps. During 2006, the company recognized \$92 million of interest income, versus \$337 million of interest expense during 2005, an improvement of \$429 million. This change primarily resulted from the impact of rising short-term interest rates, partially offsetting the above-mentioned reduction in net interest income.

Management and guarantee income on PCs held by third parties increased to \$1.7 billion in 2006 from \$1.5 billion in 2005, as the contractual guarantee fee rate in basis points declined modestly and the average balance of outstanding PCs held by third parties increased by roughly 15 percent to \$1,045 billion from \$909 billion.

During 2006, the company's total credit guarantee portfolio increased by 10.6 percent to approximately \$1.5 trillion. The company estimates that its share of government-sponsored enterprise (GSE) mortgage securitizations for 2006 was approximately 43 percent, compared to about 45 percent in 2005 and about 41 percent in 2004. All-in, Freddie Mac's 2006 activities provided mortgage funds for approximately 3.3 million families.

<i>(\$ in billions)</i>	2006	2005	Change
Total Expenses	\$3.0	\$3.0	\$-
Administrative expenses	1.6	1.5	0.1
Other non-interest expense	1.1	1.2	(0.1)
Credit-related expenses	0.3	0.3	-

Total expenses were largely unchanged year-over-year at \$3.0 billion. Administrative expenses increased slightly to \$1.6 billion in 2006 from \$1.5 billion in 2005 primarily due to higher professional services costs related to improving technology and internal control over financial reporting. The company benefited during 2006, as administrative expenses declined as a percent of the average total mortgage portfolio to 9.3 basis points from 9.7 basis points in 2005.

Credit-related expenses were down slightly to \$275 million from \$291 million in 2005. In 2005, the company recorded an additional provision for credit losses due to Hurricane Katrina of \$128 million. During 2006, the company reduced that provision by \$82 million.

In 2006, Freddie Mac experienced a slight credit deterioration in its portfolio of loans not impacted by the hurricane as more loans transitioned through delinquency to foreclosure and the expected severity of losses on a per-property basis increased. As a result, the company recorded in 2006 a \$297 million provision for credit losses as well as real estate owned expense of \$60 million.

<i>(\$ in billions)</i>	2006	2005	Change
Tax Benefit (Expense)	\$0.1	(\$0.4)	\$0.5

During 2006, Freddie Mac recorded a tax benefit of \$0.1 billion, compared to a tax expense of \$0.4 billion in 2005, due to a reduction in the company's tax reserves as a result of a favorable U.S. Tax Court decision and a separate Internal Revenue Service settlement, a decline in pre-tax income and a favorable tax impact from certain low-income housing activities.

Capital Management

Estimated regulatory core capital was \$36.2 billion at December 31, 2006, with an estimated regulatory minimum capital surplus of \$10.3 billion, and an estimated \$2.6 billion in excess of the 30-percent mandatory target capital surplus set by OFHEO. During 2006, the company completed the repurchase of approximately \$2.0 billion of outstanding shares of common stock (approximately 32.7 million shares) at an average price of \$61.06 per share and issued non-cumulative, perpetual preferred stock in the amount of \$1.5 billion.

During the first quarter of 2007, the company issued \$1.1 billion of non-cumulative, perpetual preferred stock and redeemed \$0.6 billion of higher-cost non-cumulative, perpetual preferred stock. These transactions effectively reduced the company's cost of capital. The company announced today its plans to repurchase up to \$1 billion of common stock in conjunction with the issuance of preferred stock from time to time depending on market conditions.

Fair Value Results

During 2006, the fair value of net assets attributable to common stockholders, before capital transactions, increased by \$2.5 billion, resulting in a return on the average fair value of net assets attributable to common stockholders of approximately 9.5 percent, compared to a \$1.0 billion increase, or 3.7 percent return, in 2005. Payment of common dividends and the repurchase of common shares reduced total fair value by \$3.3 billion. Taken together, these items resulted in fair value of net assets attributable to common stockholders as of December 31, 2006 of \$26.0 billion, compared to \$26.8 billion as of December 31, 2005.

Attribution of changes in fair value relies on models, assumptions, and other measurement techniques that evolve over time. The following attribution is management's current estimate of the items presented (on a pre-tax basis) and excludes the effect of returns on capital and administrative expenses.

Investment activities contributed to the increase in fair value by an estimated \$1.3 billion in 2006. This estimate includes reductions in fair value of approximately \$0.9 billion attributable to mortgage-to-debt OAS widening. In 2006, other market conditions and asset-liability management returns did not meaningfully add to core spread on the retained portfolio, which remained generally consistent with 2005 levels.

In 2005, investment activities increased fair value by an estimated \$0.5 billion. This estimate includes reductions in fair value of approximately \$2.7 billion attributable to mortgage-to-debt OAS widening. In 2005, asset-liability management returns and other market conditions added significantly to core spread results.

Guarantee activities increased fair value by an estimated \$1.9 billion in 2006, including a \$0.3 billion increase attributable to reduced estimates of the impact of Hurricane Katrina. During 2005, guarantee activities increased fair value by an estimated \$1.1 billion, which included a reduction in fair value of approximately \$1.2 billion related to the change in valuation methodology on the company's guarantee asset and guarantee obligation and a \$0.4 billion decrease attributable to 2005 estimates of the impact of Hurricane Katrina.

During 2006, the company recognized a more significant mark-to-market decline in its existing book of business due to the effect of a deteriorating market view of credit and increased market risk premiums related to the company's guarantee obligation. In addition, the company estimates that the fair value of new business booked in 2006 was lower than the fair value of new business booked in 2005.

Fourth Quarter 2006 Results

As a result of the interest-rate movements in the last quarter, Freddie Mac reported a net loss of \$480 million in the fourth quarter of 2006, as realized losses and mark-to-market impacts on the company's credit guarantee portfolio, derivatives and administrative expenses more than offset net interest income and management and guarantee income.

Freddie Mac also reported a decrease in the fair value of net assets attributable to common stockholders, before capital transactions, in the fourth quarter of 2006 of approximately \$0.2 billion as the impact of OAS widening, the effect of credit deterioration on the guarantee obligation and administrative expenses more than offset the positive contributions from the company's investment and guarantee activities.

Interest-Rate Risk Management

Managing the company's interest-rate risk is essential to maintaining a strong and durable capital base and continuous access to debt and equity markets. Consistent with its longstanding record, the company's interest-rate risk remained low. During 2006, the company reported that portfolio market value sensitivity (PMVS) and duration gap averaged one percent and zero months, respectively, unchanged from the prior year.

Credit Risk Management

The company's mortgage credit risk, as measured by the current loan-to-value ratio (LTV) of its credit guarantee portfolio and other credit characteristics, remained low. The company estimates that the credit guarantee portfolio had a LTV of 57 percent as of December 31, 2006, compared with 56 percent for 2005, and the portfolio remains geographically well diversified. Long-term, fixed-rate mortgages constituted 82 percent of the credit guarantee portfolio, despite an increase in the purchase of variable-rate products, including non-traditional mortgage products, during 2006.

At December 31, 2006, the company's \$704 billion retained portfolio included \$238 billion of non-agency mortgage-related securities, 96 percent of which were rated AAA or equivalent. Included in this amount were \$124 billion of non-agency mortgage-related securities backed by subprime loans, of which more than 99.9 percent were AAA rated.

Mission, Affordable Housing Goals and Legislation

In 2006, Freddie Mac's affordable housing performance overall was its strongest ever. Nearly 56 percent of the homes financed by the company were affordable to low- or moderate-income families. Freddie Mac served 300,000 first-time homebuyers and in another strong year for the multifamily business, the company financed almost half a million affordable apartment homes. In mid-March, the company submitted its goal performance to the Secretary of HUD and reported that it met its three affordable housing goals for 2006.

With respect to the home purchase subgoals, the company reported that it met the low- and moderate-income subgoal and the underserved areas subgoal, but that the result for the special-affordable subgoal was 16.93 percent as compared with the subgoal of 17.0 percent. HUD will evaluate the company's performance with respect to 2006 and make a final determination as to the company's achievement of its affordable housing goals.

Freddie Mac views the purchase of mortgage loans benefiting low- and moderate-income families and neighborhoods as a principal part of its mission and business, and is committed to fulfilling the needs of these borrowers and markets. As previously disclosed, meeting these increasingly difficult affordable housing goals and subgoals is challenging and there can be no assurances that the company will do so.

Freddie Mac faces a highly uncertain regulatory environment in light of GSE oversight legislation currently under consideration in Congress. A bill was recently introduced in the U.S. House of Representatives that includes provisions that could have a material adverse effect on the company's business and financial results. Freddie Mac believes appropriate GSE oversight legislation would strengthen market confidence and promote the company's mission, but cannot predict the prospects for the enactment, timing or content of any final legislation.

Internal Controls

The company is continuing to make progress on the series of initiatives to improve its financial reporting infrastructure and remediate material weaknesses and other deficiencies in its internal controls. These activities are part of Freddie Mac's comprehensive plan for returning to quarterly financial reporting. The comprehensive plan includes mitigation and remediation of identified material weaknesses and significant deficiencies; strengthening of the financial close process; implementing critical systems initiatives; and completion of a review of the company's system of internal controls related to the processing and recording of the company's financial transactions.

Additional Information

For more information, see the Consolidated Financial Statements accompanying this release, the company's Information Statement Supplement, including Core Tables, dated March 23, 2007, and slide presentation which will be available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors.

Additional information about Freddie Mac and its business is also set forth in the company's Information Statement and Annual Report dated March 23, 2007, available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors. Printed copies of these documents may be obtained free of charge upon request from the company's Investor Relations department by writing or calling the company at shareholder@freddiemac.com, (571) 382-4732 or (800) 373-3343. Freddie Mac encourages all investors and interested members of the public to review these materials for a more complete understanding of the company's financial results and related company disclosures.

Announcement of Conference Call and Webcast

Management will host a conference call discussing today's announcement at 8:30 a.m. Eastern Time today. Domestic investors should call 1-800-230-1085 and international investors can access the call at 612-234-9960. The conference call will be webcast live on the company's Web site. A telephone recording of this conference call will be available continuously beginning at approximately 12:00 p.m. Eastern Time on March 23, 2007 until midnight on April 6, 2007. To access this recording in the United States, call 1-800-475-6701 and use access code 867017. Outside of the United States, call 320-365-3844 and use access code 867017.

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This Information Statement Supplement contains forward-looking statements. Statements that are not historical facts are forward-looking statements, including statements about management's beliefs, expectations and estimates as to the company's future business plans, capital management plans, remediation initiatives, financial reporting timelines, duration of the voluntary, temporary growth limit, results of operations, financial condition or outlook on a GAAP or fair value basis. These statements involve known and unknown risks, uncertainties, assumptions, estimates, and other factors and can often be identified by the words "will," "current," "estimates," "over time," "uncertain," "prospects," "plans," "progress," "focused," "depending," "continue," "initiatives," "could," "predict," "believes," and other expressions which are predictions of or indicate future events and trends. Management's expectations for the company's future necessarily involve a number of assumptions and estimates, including rates of growth in the company's business; spreads earned on business; returns on capital; and capital levels. Actual results could differ materially from these expectations as a result of various factors, including: actions by governmental entities, securities agencies or others that adversely affect the supply or cost of equity capital or debt financing available to us; our ability to identify, manage, mitigate and remediate internal control weaknesses and deficiencies and other risks; our ability to effectively implement our business strategies and manage the risks in our business; changes in estimates, methodologies, models or other measurement techniques we use; adjustments to reserves for taxes and other contingencies; the outcome of pending legal proceedings; general business, economic, market and political conditions, including changes in levels and volatilities of interest rates and other market factors, changes in mortgage-to-debt option-adjusted spreads, prepayment behavior, housing prices, credit losses, and employment rates; our ability to complete additional capital transactions; competitive developments in the mortgage market; the rate of growth in total outstanding U.S. residential mortgage debt; changes in applicable legislative or regulatory requirements, including required capital levels, or changes in interpretations of such requirements; the other factors discussed in this Information Statement Supplement; and the reactions of the marketplace to the foregoing. Additional assumptions and factors are also discussed in the company's Information Statement dated March 23, 2007, and subsequent information Statement Supplements, which are available on the Investor Relations page of the company's Web site at www.FreddieMac.com/investors. We undertake no obligation to publicly update forward-looking statements we make in light of new information or future events.

FREDDIE MAC
CONSOLIDATED STATEMENTS OF INCOME

Line:	Year Ended December 31,			
	2006	2005	2004	
	(dollars in millions, except share-related amounts)			
	<i>Interest income</i>			
1	Mortgage loans	\$ 4,152	\$ 4,037	\$ 4,007
2	Mortgage-related securities in the Retained portfolio	34,673	29,684	28,460
3	Cash and investments	4,262	2,606	3,136
4	Total interest income	<u>43,087</u>	<u>36,327</u>	<u>35,603</u>
	<i>Interest expense</i>			
5	Short-term debt	(8,665)	(6,102)	(2,908)
6	Long-term debt	(28,218)	(23,246)	(22,950)
7	Total interest expense on debt securities	<u>(36,883)</u>	<u>(29,348)</u>	<u>(25,858)</u>
8	Due to Participation Certificate investors	(387)	(551)	(708)
9	Total interest expense	<u>(37,270)</u>	<u>(29,899)</u>	<u>(26,566)</u>
10	Income (expense) related to derivatives	(1,582)	(1,058)	100
11	<i>Net interest income</i>	<u>4,235</u>	<u>5,370</u>	<u>9,137</u>
	<i>Non-interest income (loss)</i>			
12	Management and guarantee income (includes interest on Guarantee asset of \$466, \$371 and \$257)	1,672	1,450	1,382
13	Gains (losses) on Guarantee asset	(800)	(1,064)	(1,135)
14	Income on Guarantee obligation	867	920	732
15	Derivative gains (losses)	(1,164)	(1,357)	(4,475)
16	Hedge accounting gains (losses)	2	22	743
17	Gains (losses) on investment activity	(474)	(127)	(348)
18	Gains (losses) on debt retirement	466	206	(327)
19	Resecuritization fees	129	125	159
20	Other income	217	24	230
21	<i>Non-interest income (loss)</i>	<u>915</u>	<u>199</u>	<u>(3,039)</u>
	<i>Non-interest expense</i>			
22	Salaries and employee benefits	(830)	(805)	(758)
23	Professional services	(460)	(386)	(588)
24	Occupancy expense	(61)	(58)	(60)
25	Other administrative expenses	(290)	(286)	(144)
26	Total administrative expenses	<u>(1,641)</u>	<u>(1,535)</u>	<u>(1,550)</u>
27	Provision for credit losses	(215)	(251)	(143)
28	Real estate owned, or REO, operations income (expense)	(60)	(40)	3
29	Losses on certain credit guarantees	(476)	(234)	(33)
30	Housing tax credit partnerships	(407)	(320)	(281)
31	Minority interests in earnings of consolidated subsidiaries	(58)	(96)	(129)
32	Other expenses	(190)	(537)	(238)
33	<i>Non-interest expense</i>	<u>(3,047)</u>	<u>(3,013)</u>	<u>(2,371)</u>
34	Income before income tax expense and cumulative effect of change in accounting principle	2,103	2,556	3,727
35	Income tax benefit (expense)	108	(367)	(790)
36	Net income before cumulative effect of change in accounting principle	<u>2,211</u>	<u>2,189</u>	<u>2,937</u>
37	Cumulative effect of change in accounting principle, net of tax benefit of \$32	-	(59)	-
38	<i>Net income</i>	<u>\$ 2,211</u>	<u>\$ 2,130</u>	<u>\$ 2,937</u>
39	Preferred stock dividends	(270)	(223)	(210)
40	Amount allocated to participating stock option holders	(5)	-	-
41	<i>Net income available to common stockholders</i>	<u>\$ 1,936</u>	<u>\$ 1,907</u>	<u>\$ 2,727</u>
	Basic earnings per common share:			
42	Earnings before cumulative effect of change in accounting principle	\$ 2.84	\$ 2.84	\$ 3.96
43	Cumulative effect of change in accounting principle, net of taxes	\$ -	\$ (0.09)	\$ -
44	Basic earnings per common share	\$ 2.84	\$ 2.76	\$ 3.96
	Diluted earnings per common share:			
45	Earnings before cumulative effect of change in accounting principle	\$ 2.84	\$ 2.83	\$ 3.94
46	Cumulative effect of change in accounting principle, net of taxes	\$ -	\$ (0.08)	\$ -
47	Diluted earnings per common share	\$ 2.84	\$ 2.75	\$ 3.94
	Weighted average common shares outstanding (in thousands)			
48	Basic	680,856	691,582	689,282
49	Diluted	682,664	693,511	691,521
50	Dividends per common share	<u>\$ 1.91</u>	<u>\$ 1.52</u>	<u>\$ 1.20</u>

See our Consolidated Financial Statements as presented in our Information Statement and Annual Report to Stockholders dated March 23, 2007.

FREDDIE MAC
CONSOLIDATED BALANCE SHEETS

Line:	December 31, 2006	December 31, 2005
	(dollars in millions, except share-related amounts)	
Assets		
<i>Retained portfolio</i>		
Mortgage loans:		
1	\$ 63,780	\$ 60,009
2	(70)	(119)
3	1,908	1,538
4	<u>65,618</u>	<u>61,428</u>
Mortgage-related securities:		
5	626,731	638,465
6	7,597	8,894
7	597	597
8	<u>634,925</u>	<u>647,956</u>
9	<u>700,543</u>	<u>709,384</u>
<i>Cash and investments</i>		
10	11,359	10,468
Investments:		
Non-mortgage-related securities:		
11	45,586	42,165
12	23,028	15,159
13	<u>79,973</u>	<u>67,792</u>
14	7,461	6,373
15	7,908	7,097
16	6,070	5,083
17	743	629
18	10,383	9,864
19	<u>\$ 813,081</u>	<u>\$ 806,222</u>
Liabilities and stockholders' equity		
<i>Debt securities, net</i>		
Senior debt:		
20	\$ 294,861	\$ 288,532
21	452,677	454,627
22	6,400	5,633
23	<u>753,938</u>	<u>748,792</u>
24	11,123	10,607
25	8,345	7,611
26	7,117	5,541
27	179	590
28	350	295
29	3,212	4,646
30	<u>784,264</u>	<u>778,082</u>
31	Commitments and contingencies	
32	516	949
<i>Stockholders' equity</i>		
33	6,109	4,609
34	152	152
35	962	924
36	32,177	31,559
Accumulated other comprehensive income (loss), or AOCI, net of taxes, related to:		
37	(2,749)	(2,485)
38	(5,033)	(6,287)
39	(87)	(1)
40	<u>(7,869)</u>	<u>(8,773)</u>
41	(3,230)	(1,280)
42	<u>28,301</u>	<u>27,191</u>
43	<u>\$ 813,081</u>	<u>\$ 806,222</u>

See our Consolidated Financial Statements as presented in our Information Statement and Annual Report to Stockholders dated March 23, 2007.

FREDDIE MAC
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

Line:	Year Ended December 31,					
	2006		2005		2004	
	Shares	Amount	Shares	Amount	Shares	Amount
	(in millions)					
	<i>Preferred stock, at redemption value</i>					
1	92	\$ 4,609	92	\$ 4,609	92	\$ 4,609
2	40	1,500	-	-	-	-
3	<i>Preferred stock, end of year</i>		92		4,609	
	<i>Common stock, par value</i>					
4	726	152	726	152	726	152
5	<i>Common stock, end of year</i>		726		152	
	<i>Additional paid-in capital</i>					
6		924		873		814
7		60		67		56
8		9		6		20
9		(15)		-		-
10		(15)		(13)		(17)
11		(1)		(9)		-
12	<i>Additional paid-in capital, end of year</i>		962		924	
	<i>Retained earnings</i>					
13		31,559		30,728		28,837
14		(13)		-		-
15		31,546		30,728		28,837
16		2,211		2,130		2,937
17		(270)		(223)		(210)
18		(1,310)		(1,076)		(836)
19	<i>Retained earnings, end of year</i>		32,177		31,559	
	<i>AOCI, net of taxes</i>					
20		(8,773)		(3,593)		(1,498)
21		(264)		(6,824)		(2,010)
22		1,254		1,637		(87)
23		(2)		7		2
24		988		(5,180)		(2,095)
25		(84)		-		-
26	<i>AOCI, net of taxes, end of year</i>		(7,869)		(8,773)	
	<i>Treasury stock, at cost</i>					
27	33	(1,280)	35	(1,353)	37	(1,427)
28	(1)	50	(2)	73	(2)	74
29	33	(2,000)	-	-	-	-
30	<i>Treasury stock, end of year</i>		65		(3,230)	
31	<i>Total stockholders' equity</i>		\$ 28,301		\$ 27,191	
	<i>Comprehensive income (loss)</i>					
32		\$ 2,211		\$ 2,130		\$ 2,937
33		988		(5,180)		(2,095)
34	<i>Total comprehensive income (loss)</i>		\$ 3,199		\$ (3,050)	

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FREDDIE MAC
SUMMARY OF SELECTED FINANCIAL INFORMATION
TABLE 1
(unaudited)

Line:	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	Full-Year	
									2005	2006
	<u>Net Income (dollars in millions, except share-related amounts) :</u>									
1	\$ 1,501	\$ 1,269	\$ 1,363	\$ 1,237	\$ 1,131	\$ 1,172	\$ 959	\$ 973	\$ 5,370	\$ 4,235
2	(292)	(278)	423	346	1,347	979	(868)	(543)	199	915
3	(940)	(583)	(729)	(761)	(584)	(714)	(827)	(922)	(3,013)	(3,047)
4	269	408	1,057	822	1,894	1,437	(736)	(492)	2,556	2,103
5	16	(68)	(177)	(138)	115	(40)	21	12	(367)	108
6	\$ 285	\$ 340	\$ 880	\$ 684	\$ 2,009	\$ 1,397	\$ (715)	\$ (480)	\$ 2,189	\$ 2,211
7	(59)	-	-	-	-	-	-	-	(59)	-
8	\$ 226	\$ 340	\$ 880	\$ 684	\$ 2,009	\$ 1,397	\$ (715)	\$ (480)	\$ 2,130	\$ 2,211
9	\$ 173	\$ 284	\$ 823	\$ 627	\$ 1,949	\$ 1,335	\$ (787)	\$ (561)	\$ 1,907	\$ 1,936
10	693,008	692,968	693,642	693,924	694,596	693,026	675,556	663,661	693,511	682,664
11	\$ 0.25	\$ 0.41	\$ 1.19	\$ 0.90	\$ 2.80	\$ 1.93	\$ (1.17)	\$ (0.85)	\$ 2.75	\$ 2.84
12	\$ 245	\$ 246	\$ 245	\$ 340	\$ 328	\$ 329	\$ 318	\$ 335	\$ 1,076	\$ 1,310
13	(6%)	17%	17%	17%	(6%)	3%	3%	2%	14%	(5%)
	<u>Regulatory Capital (period end, dollars in millions):</u>									
14	\$ 27,381	\$ 30,868	\$ 27,722	\$ 27,191	\$ 25,386	\$ 23,735	\$ 29,031	\$ 28,301		
15	(7,584)	(4,194)	(7,943)	(8,773)	(12,205)	(14,388)	(8,004)	(7,869)		
16	34,965	35,062	35,665	35,964	37,591	38,123	37,035	36,170		
17	23,740	24,065	24,284	25,010	25,488	26,485	25,979	25,844		
18	\$ 11,225	\$ 10,997	\$ 11,381	\$ 10,954	\$ 12,103	\$ 11,638	\$ 11,056	\$ 10,326		

(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 perpetual noncumulative preferred stock, additional paid-in capital and retained earnings, as determined in accordance with GAAP.

(3) We have submitted to the Office of Federal Housing Enterprise Oversight, or OFHEO, amended minimum capital reports for March 31, June 30, September 30 and December 31, 2006, including estimates of our capital surpluses. 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 and December 31, 2006, our estimated surplus in excess of the target surplus was approximately \$4.5 billion, \$3.7 billion, \$3.3 billion and \$2.6 billion, respectively.

FREDDIE MAC
NET INTEREST YIELD ANALYSIS
TABLE 2A
(unaudited)
(dollars in millions)

Line:	2005				2006				Full-Year	
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2005	2006
	Net Interest Income:									
	Interest income:									
1	\$ 906	\$ 1,026	\$ 1,064	\$ 1,041	\$ 1,040	\$ 1,040	\$ 1,012	\$ 1,060	\$ 4,037	\$ 4,152
2	7,106	7,122	7,491	7,965	8,245	8,878	8,782	8,768	29,684	34,673
3	8,012	8,148	8,555	9,006	9,285	9,918	9,794	9,828	33,721	38,825
4	380	419	432	542	592	707	761	729	1,773	2,789
5	154	206	194	279	182	412	502	377	833	1,473
6	8,546	8,773	9,181	9,827	10,059	11,037	11,057	10,934	36,327	43,087
	Interest expense:									
7	(1,143)	(1,483)	(1,557)	(1,919)	(2,015)	(2,241)	(2,183)	(2,226)	(6,102)	(8,665)
8	(5,636)	(5,646)	(5,802)	(6,162)	(6,433)	(7,110)	(7,418)	(7,257)	(23,246)	(28,218)
9	(6,779)	(7,129)	(7,359)	(8,081)	(8,448)	(9,351)	(9,601)	(9,483)	(29,348)	(36,883)
10	(130)	(141)	(159)	(121)	(91)	(104)	(91)	(101)	(551)	(387)
11	(6,909)	(7,270)	(7,518)	(8,202)	(8,539)	(9,455)	(9,692)	(9,584)	(29,899)	(37,270)
12	(136)	(234)	(300)	(388)	(389)	(410)	(406)	(377)	(1,058)	(1,582)
13	(7,045)	(7,504)	(7,818)	(8,590)	(8,928)	(9,865)	(10,098)	(9,961)	(30,957)	(38,852)
14	1,501	1,269	1,363	1,237	1,131	1,172	959	973	5,370	4,235
15	76	84	86	93	92	98	105	97	339	392
16	\$ 1,577	\$ 1,353	\$ 1,449	\$ 1,330	\$ 1,223	\$ 1,270	\$ 1,064	\$ 1,070	\$ 5,709	\$ 4,627
	Average Balances:									
17	\$ 61,717	\$ 61,008	\$ 61,428	\$ 60,841	\$ 62,777	\$ 63,211	\$ 64,129	\$ 65,362	\$ 61,248	\$ 63,870
18	594,338	606,029	612,847	632,592	647,732	661,747	649,310	641,446	611,452	650,059
19	656,055	667,037	674,275	693,433	710,509	724,958	713,439	706,808	672,700	713,929
20	56,195	52,967	48,864	54,982	54,770	59,576	60,020	56,455	53,252	57,705
21	24,737	27,338	22,062	27,241	16,208	32,840	37,305	27,954	25,344	28,577
22	736,987	747,342	745,201	775,656	781,487	817,374	810,764	791,217	751,296	800,211
23	190,206	201,905	181,543	196,332	188,758	189,120	171,331	170,319	192,497	179,882
24	517,432	512,908	524,509	542,233	560,244	595,030	607,538	589,101	524,270	587,978
25	707,638	714,813	706,052	738,565	749,002	784,150	778,869	759,420	716,767	767,860
26	9,602	10,593	12,082	9,318	6,979	8,082	7,170	7,668	10,399	7,475
27	717,240	725,406	718,134	747,883	755,981	792,232	786,039	767,088	727,166	775,335
28	19,747	21,936	27,067	27,773	25,506	25,142	24,725	24,129	24,130	24,876
29	\$ 736,987	\$ 747,342	\$ 745,201	\$ 775,656	\$ 781,487	\$ 817,374	\$ 810,764	\$ 791,217	\$ 751,296	\$ 800,211
	Yield/Cost:									
30	5.87 %	6.73 %	6.93 %	6.84 %	6.62 %	6.58 %	6.31 %	6.49 %	6.59 %	6.50 %
31	4.78	4.70	4.89	5.04	5.09	5.37	5.41	5.47	4.85	5.33
32	4.89	4.89	5.08	5.20	5.23	5.47	5.49	5.56	5.01	5.44
33	2.71	3.13	3.46	3.86	4.32	4.69	4.96	5.05	3.33	4.83
34	2.48	3.01	3.51	4.10	4.49	5.02	5.38	5.39	3.28	5.15
35	4.64	4.69	4.92	5.06	5.15	5.40	5.45	5.52	4.83	5.38
36	(2.40)	(2.91)	(3.35)	(3.83)	(4.27)	(4.69)	(4.99)	(5.12)	(3.17)	(4.82)
37	(4.36)	(4.40)	(4.42)	(4.54)	(4.59)	(4.78)	(4.87)	(4.92)	(4.43)	(4.80)
38	(3.83)	(3.98)	(4.14)	(4.35)	(4.51)	(4.75)	(4.90)	(4.96)	(4.09)	(4.80)
39	(5.43)	(5.30)	(5.27)	(5.21)	(5.19)	(5.13)	(5.10)	(5.30)	(5.30)	(5.18)
40	(3.86)	(3.99)	(4.16)	(4.35)	(4.52)	(4.76)	(4.90)	(4.97)	(4.11)	(4.81)
41	(0.08)	(0.13)	(0.17)	(0.21)	(0.20)	(0.21)	(0.21)	(0.19)	(0.15)	(0.20)
42	0.11	0.12	0.16	0.16	0.15	0.15	0.16	0.16	0.14	0.16
43	(3.83)	(4.00)	(4.17)	(4.40)	(4.57)	(4.82)	(4.95)	(5.00)	(4.12)	(4.85)
44	0.81	0.69	0.75	0.66	0.58	0.58	0.50	0.52	0.71	0.53
45	0.05	0.04	0.05	0.04	0.05	0.05	0.05	0.05	0.05	0.05
46	0.86 %	0.73 %	0.80 %	0.70 %	0.63 %	0.63 %	0.55 %	0.57 %	0.76 %	0.58 %

(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-accrual loans 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 their mark-to-fair-value adjustments.

FREDDIE MAC
NET INTEREST INCOME
TABLE 2B
(unaudited)
(dollars in millions)

Line:	1Q 2005 ⁽¹⁾	2Q 2005 ⁽¹⁾	3Q 2005 ⁽¹⁾	4Q 2005 ⁽¹⁾	1Q 2006	2Q 2006	3Q 2006	4Q 2006	Full-Year	
									2005 ⁽¹⁾	2006
	Net Interest Income:									
1	\$ 2,208	\$ 2,230	\$ 2,238	\$ 2,221	\$ 2,155	\$ 2,078	\$ 1,983	\$ 1,843	\$ 8,897	\$ 8,059
	Amortization expense, net: ⁽²⁾									
2	(242)	(403)	(207)	(171)	(270)	(64)	(196)	(109)	(1,023)	(639)
3	(329)	(324)	(368)	(425)	(365)	(432)	(422)	(384)	(1,446)	(1,603)
4	(571)	(727)	(575)	(596)	(635)	(496)	(618)	(493)	(2,469)	(2,242)
	Income (expense) related to derivatives:									
5	(473)	(489)	(492)	(512)	(445)	(417)	(389)	(369)	(1,966)	(1,620)
	Amortization of deferred balances in AOCI ⁽³⁾									
	Accrual of periodic settlements of derivatives: ⁽⁴⁾									
6	329	303	288	265	191	138	116	57	1,185	502
7	8	(48)	(96)	(141)	(135)	(131)	(133)	(65)	(277)	(464)
8	337	255	192	124	56	7	(17)	(8)	908	38
9	(136)	(234)	(300)	(388)	(389)	(410)	(406)	(377)	(1,058)	(1,582)
	Total income (expense) related to derivatives									
10	1,501	1,269	1,363	1,237	1,131	1,172	959	973	5,370	4,235
11	76	84	86	93	92	98	105	97	339	392
12	\$ 1,577	\$ 1,353	\$ 1,449	\$ 1,330	\$ 1,223	\$ 1,270	\$ 1,064	\$ 1,070	\$ 5,709	\$ 4,627

- (1) Certain amounts for 2005 have been revised to conform with the 2006 presentation.
- (2) 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.
- (3) Represents changes in fair values 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.
- (4) Reflects the accrual of periodic cash settlements of all derivatives in qualifying hedge accounting relationships.
- (5) The accrual of periodic settlements of Receive-fixed swaps includes imputed interest on zero-coupon swaps.

**FREDDIE MAC
NON-INTEREST INCOME (LOSS)**

**TABLE 3
(unaudited)
(dollars in millions)**

Line:	2005				2006				Full-Year	
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2005	2006
	Non-Interest Income (Loss):									
1	\$ 321	\$ 389	\$ 373	\$ 367	\$ 413	\$ 389	\$ 427	\$ 443	\$ 1,450	\$ 1,672
2	(249)	(989)	240	(66)	160	61	(690)	(331)	(1,064)	(800)
3	198	229	272	221	195	217	217	238	920	867
4	(580)	(158)	(544)	(75)	273	355	(783)	(1,009)	(1,357)	(1,164)
5	19	12	(9)	-	(13)	2	(1)	14	22	2
	Gains (losses) on investment activity:									
6	(134)	(16)	(82)	(57)	(46)	(26)	31	38	(289)	(3)
7	(61)	(188)	79	75	186	103	(230)	(78)	(95)	(19)
8	35	34	20	3	21	13	36	16	92	86
9	141	386	39	(20)	146	(180)	(29)	85	546	22
10	(8)	(59)	(2)	(2)	(5)	(3)	(48)	(91)	(71)	(147)
11	(6)	(10)	(50)	(234)	(128)	(215)	(20)	(30)	(300)	(393)
12	-	(2)	(5)	(3)	(8)	(4)	3	(11)	(10)	(20)
13	(33)	145	(1)	(238)	166	(312)	(257)	(71)	(127)	(474)
14	74	22	25	85	64	244	155	3	206	466
15	33	32	28	32	48	31	30	20	125	129
16	(75)	40	39	20	41	(8)	34	150	24	217
17	\$ (292)	\$ (278)	\$ 423	\$ 346	\$ 1,347	\$ 979	\$ (868)	\$ (543)	\$ 199	\$ 915

(1) Includes mark-to-fair-value and the accrual of periodic settlements for derivatives that were not in a qualifying hedge accounting relationship.

(2) Hedge accounting gains (losses), or hedge accounting ineffectiveness, relates to derivatives that were in a qualifying hedge accounting relationship.

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

Line:	2005				2006				Full-Year	
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2005	2006
Management and guarantee income: ⁽¹⁾										
1	\$ 345	\$ 350	\$ 365	\$ 371	\$ 387	\$ 393	\$ 406	\$ 427	\$ 1,431	\$ 1,613
2	(24)	39	8	(4)	26	(4)	21	16	19	59
3	\$ 321	\$ 389	\$ 373	\$ 367	\$ 413	\$ 389	\$ 427	\$ 443	\$ 1,450	\$ 1,672
4	16.0 bp	15.7 bp	15.8 bp	15.5 bp	15.5 bp	15.4 bp	15.3 bp	15.5 bp	15.7 bp	15.4 bp
5	(1.1)	1.8	0.4	(0.2)	1.0	(0.1)	0.8	0.6	0.2	0.6
6	14.9 bp	17.5 bp	16.2 bp	15.3 bp	16.5 bp	15.3 bp	16.1 bp	16.1 bp	15.9 bp	16.0 bp
7	\$ 232	\$ 199	\$ 183	\$ 186	\$ 176	\$ 172	\$ 151	\$ 136	\$ 186	\$ 136
Gains (losses) on Guarantee asset:										
8	\$ (302)	\$ (310)	\$ (323)	\$ (335)	\$ (351)	\$ (359)	\$ (372)	\$ (393)	\$ (1,270)	\$ (1,475)
9	94	86	85	106	107	125	115	119	371	466
10	(208)	(224)	(238)	(229)	(244)	(234)	(257)	(274)	(899)	(1,009)
11	(14)	(765)	478	163	364	295	(433)	(57)	(138)	169
12	(27)	-	-	-	40	-	-	-	(27)	40
13	\$ (249)	\$ (989)	\$ 240	\$ (66)	\$ 160	\$ 61	\$ (690)	\$ (331)	\$ (1,064)	\$ (800)
Changes in Guarantee asset, at fair value:										
14	\$ 4,516	\$ 4,584	\$ 4,038	\$ 4,765	\$ 5,083	\$ 5,660	\$ 6,089	\$ 5,860	\$ 4,516	\$ 5,083
15	317	443	487	384	417	368	461	541	1,631	1,787
16	(249)	(989)	240	(66)	160	61	(690)	(331)	(1,064)	(800)
17	\$ 4,584	\$ 4,038	\$ 4,765	\$ 5,083	\$ 5,660	\$ 6,089	\$ 5,860	\$ 6,070	\$ 5,083	\$ 6,070
Guarantee obligation:										
18	\$ 4,065	\$ 4,401	\$ 4,801	\$ 5,137	\$ 5,541	\$ 5,904	\$ 6,173	\$ 6,664	\$ 4,065	\$ 5,541
19	(1)	(1)	(6)	(2)	(3)	-	(2)	(4)	(10)	(9)
Additions, net of repurchases:										
20	348	416	451	414	277	353	542	547	1,629	1,719
21	187	214	163	213	284	133	168	148	777	733
Amortization income related to:										
22	(135)	(152)	(185)	(144)	(133)	(143)	(148)	(160)	(616)	(584)
23	(63)	(77)	(87)	(77)	(62)	(74)	(69)	(78)	(304)	(283)
24	(198)	(229)	(272)	(221)	(195)	(217)	(217)	(238)	(920)	(867)
25	\$ 4,401	\$ 4,801	\$ 5,137	\$ 5,541	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 5,541	\$ 7,117
Components of Guarantee obligation, at period end:										
26	\$ 2,954	\$ 3,227	\$ 3,476	\$ 3,743	\$ 3,885	\$ 4,094	\$ 4,486	\$ 4,869	\$ 3,743	\$ 4,869
27	1,447	1,574	1,661	1,798	2,019	2,079	2,178	2,248	1,798	2,248
28	\$ 4,401	\$ 4,801	\$ 5,137	\$ 5,541	\$ 5,904	\$ 6,173	\$ 6,664	\$ 7,117	\$ 5,541	\$ 7,117
29	84%	85%	86%	89%	89%	90%	90%	91%	89%	91%
30	90%	92%	93%	93%	94%	94%	95%	95%	93%	95%

(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 securities using the retrospective effective interest method. Amortization of credit and buy-down fees incurred since 2003 is recorded in Income on Guarantee obligation.

(3) Represents guarantee fees received related to PCs and Structured Securities held by third parties for which a recognized guarantee asset exists.

(4) Represents a change in estimate under generally accepted accounting principles, or GAAP, resulting from enhancing our approach for determining the fair values of the Guarantee asset.

(5) Represents portions of the Guarantee obligation recognized through Guarantor Swap transactions or upon the sale of PCs and Structured Securities that correspond to incurred credit losses reclassified to Reserve for guarantee losses on Participation Certificates at initial recognition of a Guarantee obligation.

(6) Includes \$170 million and \$197 million of amortization related to deferred credit and buy-down fees received from counterparties in Guarantor Swap and similar transactions ("upfront fees") in 2006 and 2005, respectively.

(7) Includes \$1,391 million and \$1,167 million of unamortized upfront fees at December 31, 2006 and 2005, respectively.

(8) Based on end-of-period balances.

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

Line:		1Q 2005				2Q 2005				3Q 2005				4Q 2005				Full-Year			
																	2005	2006			
	<u>Derivative Gains (Losses):</u>																				
1	Call swaptions	\$	(942)	\$	2,203	\$	(1,421)	\$	(242)	\$	(1,313)	\$	(667)	\$	1,376	\$	(524)	\$	(402)	\$	(1,128)
2	Put swaptions		273		(348)		208		69		237		207		(398)		(146)		202		(100)
3	Receive-fixed swaps		(715)		1,295		(1,517)		(598)		(1,220)		(1,270)		2,545		(345)		(1,535)		(290)
4	Pay-fixed swaps		1,142		(3,792)		2,467		795		2,881		2,266		(4,551)		53		612		649
5	Futures		(188)		480		(225)		(4)		(266)		(212)		189		41		63		(248)
6	Foreign-currency swaps		(5)		(3)		(2)		1		4		30		(7)		(119)		(9)		(92)
7	Forward purchase and sale commitments		(31)		128		22		(45)		(82)		(71)		71		(4)		74		(86)
8	Prepayment management agreement ⁽¹⁾		-		-		-		-		-		-		-		-		-		-
9	Other ⁽²⁾		1		(7)		(19)		-		35		42		(54)		16		(25)		39
10	Subtotal		(465)		(44)		(487)		(24)		276		325		(829)		(1,028)		(1,020)		(1,256)
	Accrual of periodic settlements:																				
11	Receive-fixed swaps ⁽³⁾		129		140		107		50		(6)		(73)		(189)		(150)		426		(418)
12	Pay-fixed swaps		(244)		(254)		(164)		(101)		3		106		238		194		(763)		541
13	Other		-		-		-		-		-		(3)		(3)		(25)		-		(31)
14	Total accrual of periodic settlements		(115)		(114)		(57)		(51)		(3)		30		46		19		(337)		92
15	Total derivative gains (losses)	\$	(580)	\$	(158)	\$	(544)	\$	(75)	\$	273	\$	355	\$	(783)	\$	(1,009)	\$	(1,357)	\$	(1,164)
	<u>Notional Amounts (period end):</u>																				
16	Call swaptions	\$	152,190	\$	138,140	\$	131,340	\$	146,615	\$	139,165	\$	166,000	\$	178,700	\$	194,200				
17	Put swaptions		31,985		39,785		37,310		34,675		36,925		39,725		33,225		29,725				
18	Receive-fixed swaps		40,064		62,227		75,919		81,185		134,830		179,076		179,689		222,631				
19	Pay-fixed swaps		128,988		125,219		142,396		181,562		175,005		206,305		200,297		217,565				
20	Futures		78,471		59,212		69,117		86,252		103,780		103,934		90,000		22,400				
21	Foreign-currency swaps		201		196		195		197		748		782		774		29,234				
22	Forward purchase and sale commitments		35,034		55,329		42,739		21,827		22,135		22,928		13,432		9,942				
23	Prepayment management agreement ⁽¹⁾		99,335		94,000		84,997		-		-		-		-		-				
24	Other ⁽²⁾		28,940		27,730		26,107		15,245		27,084		38,762		30,115		31,430				
25	Total notional amounts	\$	595,208	\$	601,838	\$	610,120	\$	567,558	\$	639,672	\$	757,512	\$	726,232	\$	757,127				

- (1) Effective December 31, 2005, we agreed to an early termination of the prepayment management agreement.
(2) Consists of basis swaps, certain option-based contracts, interest-rate caps, swap guarantee derivatives and credit derivatives.
(3) The accrual of periodic settlements of Receive-fixed swaps includes imputed interest on zero-coupon swaps.

FREDDIE MAC
TOTAL DERIVATIVE PORTFOLIO
TABLE 5B
(unaudited)
(dollars in millions)

Line:	December 31, 2005		December 31, 2006	
	Notional	Fair Value ⁽¹⁾	Notional	Fair Value ⁽¹⁾
	Interest-rate swaps:			
1	\$ 159,212	\$ 756	\$ 222,631	\$ (334)
2	181,562	(991)	217,565	(1,352)
3	234	-	683	-
4	<u>341,008</u>	<u>(235)</u>	<u>440,879</u>	<u>(1,686)</u>
	Option-based:			
5	146,615	3,453	194,200	4,034
6	34,675	1,200	29,725	958
7	11,814	(7)	27,185	(15)
8	<u>193,104</u>	<u>4,646</u>	<u>251,110</u>	<u>4,977</u>
9	86,252	19	22,400	28
10	37,850	2,124	29,234	4,399
11	45	-	-	-
12	<u>658,259</u>	<u>6,554</u>	<u>743,623</u>	<u>7,718</u>
13	21,961	(44)	10,012	15
14	2,414	(1)	2,605	(1)
15	<u>738</u>	<u>(2)</u>	<u>957</u>	<u>(3)</u>
16	<u>\$ 683,372</u>	<u>\$ 6,507</u>	<u>\$ 757,197</u>	<u>\$ 7,729</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
(unaudited)
(dollars in millions)

Line:	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	Full-Year	
									2005	2006
	<u>Non-Interest Expense:</u>									
	Administrative expenses:									
1	\$ 197	\$ 200	\$ 197	\$ 211	\$ 191	\$ 203	\$ 207	\$ 229	\$ 805	\$ 830
2	114	74	82	116	100	118	120	122	386	460
3	14	14	16	14	14	15	15	17	58	61
4	49	65	67	105	68	69	76	77	286	290
5	374	353	362	446	373	405	418	445	1,535	1,641
6	36	17	146	52	(36)	56	93	102	251	215
7	8	5	7	20	12	7	19	22	40	60
8	30	56	51	97	67	73	133	203	234	476
9	75	81	80	84	115	104	98	90	320	407
10	27	26	24	19	18	16	13	11	96	58
11	390	45	59	43	35	53	53	49	537	190
12	\$ 940	\$ 583	\$ 729	\$ 761	\$ 584	\$ 714	\$ 827	\$ 922	\$ 3,013	\$ 3,047

- (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 \$99 million and \$101 million for full-year 2005 and 2006, respectively. These amounts were offset by related amortization of \$128 million and \$116 million for full-year 2005 and 2006, 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. This amount also includes losses on impaired loans repurchased 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 repurchased.
- (3) Other expenses includes amounts related to legal settlements. In the first quarter of 2005, we recorded \$339 million for the settlement of the securities class action and shareholder derivative lawsuits filed following restatement of our financial results for full-year 2002 and prior periods, including expected net insurance proceeds and the civil penalty paid to the Federal Election Commission.

FREDDIE MAC
CONSOLIDATED FAIR VALUE BALANCE SHEETS ⁽¹⁾
TABLE 7
(unaudited)
(dollars in billions)

Line:	2005								2006								
	March 31,		June 30,		September 30,		December 31,		March 31,		June 30,		September 30,		December 31,		
	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	Carrying Amount ⁽²⁾	Fair Value ⁽³⁾	
	Assets:																
1	Mortgage loans	\$ 61.6	\$ 63.5	\$ 60.9	\$ 63.8	\$ 61.1	\$ 62.6	\$ 61.4	\$ 62.3	\$ 62.8	\$ 62.3	\$ 63.6	\$ 62.1	\$ 63.9	\$ 63.8	\$ 65.6	\$ 65.4
2	Mortgage-related securities excluding PC residuals	598.9	598.9	612.3	612.3	624.8	624.8	647.4	647.4	644.7	644.7	646.0	646.0	635.0	635.0	634.3	634.3
3	PC residuals	0.7	0.7	0.5	0.5	0.6	0.6	0.6	0.6	0.8	0.8	1.0	1.0	0.8	0.8	0.6	0.6
4	Retained portfolio	661.2	663.1	673.7	676.6	686.5	688.0	709.4	710.3	708.3	707.8	710.6	709.1	699.7	699.6	700.5	700.3
5	Cash and cash equivalents	19.7	19.7	9.2	9.2	10.4	10.4	10.5	10.5	8.5	8.5	12.5	12.5	12.2	12.2	11.4	11.4
6	Investments	37.9	37.9	40.9	40.9	38.0	38.0	42.2	42.2	47.0	47.0	49.5	49.5	47.5	47.5	45.6	45.6
7	Securities purchased under agreements to resell and Federal funds sold	25.4	25.4	29.1	29.1	18.9	18.9	15.2	15.2	23.4	23.4	45.8	45.8	35.5	35.5	23.0	23.0
8	Derivative assets	12.4	12.4	8.6	8.6	8.2	8.2	7.1	7.1	7.3	7.3	9.8	9.8	8.5	8.5	7.9	7.9
9	Guarantee asset ⁽⁴⁾	4.6	5.2	4.0	4.5	4.8	5.3	5.1	5.6	5.7	6.1	6.1	6.5	5.9	6.2	6.1	6.4
10	Other assets ⁽⁵⁾	14.0	12.8	13.7	13.6	15.4	13.7	16.7	14.3	18.9	15.2	21.4	15.6	17.9	15.7	18.6	16.7
11	Total assets	\$ 775.2	\$ 776.5	\$ 779.2	\$ 782.5	\$ 782.2	\$ 782.5	\$ 806.2	\$ 805.2	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3
	Liabilities and minority interests:																
12	Total debt securities, net	\$ 717.6	\$ 717.6	\$ 715.8	\$ 722.0	\$ 723.0	\$ 723.4	\$ 748.8	\$ 747.0	\$ 765.3	\$ 758.3	\$ 801.4	\$ 790.1	\$ 769.9	\$ 768.4	\$ 753.9	\$ 752.3
13	Guarantee obligation	4.4	3.1	4.8	3.2	5.1	3.7	5.5	3.7	5.9	3.7	6.2	3.5	6.7	4.2	7.1	4.7
14	Derivative liabilities	0.4	0.4	0.2	0.2	0.6	0.6	0.6	0.6	0.7	0.7	0.3	0.3	0.2	0.2	0.2	0.2
15	Reserve for guarantee losses on PCs	0.2	-	0.2	-	0.3	-	0.3	-	0.2	-	0.2	-	0.3	-	0.4	-
16	Other liabilities ⁽⁵⁾	23.8	23.9	26.0	25.4	24.3	23.6	22.9	22.0	20.8	20.1	23.2	22.1	20.5	19.6	22.7	21.8
17	Minority interests in consolidated subsidiaries	1.4	1.5	1.3	1.4	1.2	1.2	0.9	1.0	0.8	0.9	0.7	0.7	0.6	0.6	0.5	0.5
18	Total liabilities and minority interests	747.8	746.5	748.3	752.2	754.5	752.5	779.0	774.3	793.7	783.7	832.0	816.7	798.2	793.0	784.8	779.5
	Net assets attributable to stockholders:																
19	Preferred stockholders	4.6	4.1	4.6	4.2	4.6	4.0	4.6	4.1	4.6	4.2	4.6	4.0	5.6	5.2	6.1	5.8
20	Common stockholders	22.8	25.9	26.3	26.1	23.1	26.0	22.6	26.8	20.8	27.4	19.1	28.1	23.4	27.0	22.2	26.0
21	Total net assets	27.4	30.0	30.9	30.3	27.7	30.0	27.2	30.9	25.4	31.6	23.7	32.1	29.0	32.2	28.3	31.8
22	Total liabilities and net assets	\$ 775.2	\$ 776.5	\$ 779.2	\$ 782.5	\$ 782.2	\$ 782.5	\$ 806.2	\$ 805.2	\$ 819.1	\$ 815.3	\$ 855.7	\$ 848.8	\$ 827.2	\$ 825.2	\$ 813.1	\$ 811.3

- (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 \$(0.5) billion at March 31, 2005 and \$0.1 billion at June 30, 2005. The estimated impact of these improvements resulted in net after-tax changes to the fair value of Total net assets that rounded to zero September 30, 2005 and December 31, 2005. 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.
- (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 49 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 ^{(1) (2)}
TABLE 8A
(unaudited)
(dollars in millions)

Line:	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	Full-Year		
									2005	2006	
<u>Total Mortgage Portfolio:</u>											
1	Beginning balance	\$ 1,505,532	\$ 1,530,366	\$ 1,579,758	\$ 1,627,747	\$ 1,684,546	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,505,532	\$ 1,684,546
2	New business purchases	111,567	146,519	166,712	157,135	131,874	121,730	122,475	125,903	581,933	501,982
3	Sales and other activity	(2,022)	(1,290)	(7,896)	(7,037)	(8,401)	(5,442)	(6,041)	(110)	(18,245)	(19,994)
4	Liquidations	(84,711)	(95,837)	(110,827)	(93,299)	(77,015)	(87,525)	(89,447)	(85,827)	(384,674)	(339,814)
5	Net additions	24,834	49,392	47,989	56,799	46,458	28,763	26,987	39,966	179,014	142,174
6	Ending balance	\$ 1,530,366	\$ 1,579,758	\$ 1,627,747	\$ 1,684,546	\$ 1,731,004	\$ 1,759,767	\$ 1,786,754	\$ 1,826,720	\$ 1,684,546	\$ 1,826,720
7	Percent growth (annualized)	7%	13%	12%	14%	11%	7%	6%	9%	12%	8%
8	Liquidation rate (annualized)	23%	25%	28%	23%	18%	20%	20%	19%	26%	20%
<u>Total Guaranteed PCs and Structured Securities Issued:</u>											
9	Beginning balance	\$ 1,208,968	\$ 1,223,707	\$ 1,250,659	\$ 1,284,393	\$ 1,335,524	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,208,968	\$ 1,335,524
10	Issuances	77,128	95,614	112,518	112,607	93,669	80,973	93,334	92,047	397,867	360,023
11	Liquidations	(62,389)	(68,662)	(78,784)	(61,476)	(49,316)	(55,166)	(57,764)	(56,278)	(271,311)	(218,524)
12	Net additions	14,739	26,952	33,734	51,131	44,353	25,807	35,570	35,769	126,556	141,499
13	Ending balance	\$ 1,223,707	\$ 1,250,659	\$ 1,284,393	\$ 1,335,524	\$ 1,379,877	\$ 1,405,684	\$ 1,441,254	\$ 1,477,023	\$ 1,335,524	\$ 1,477,023
14	Percent growth (annualized)	5%	9%	11%	16%	13%	7%	10%	10%	10%	11%
15	Liquidation rate (annualized)	21%	22%	25%	19%	15%	16%	16%	16%	22%	16%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. The 2006 balances exclude credit-related impairments on mortgage-related securities within our Retained portfolio. The 2005 amounts have been revised to conform with the current year presentation.

(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 ^{(1) (2)}
TABLE 8B
(unaudited)
(dollars in millions)

Line:	2005				2006				Full-Year	
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2005	2006
Retained Portfolio:										
1	\$ 653,262	\$ 657,049	\$ 665,332	\$ 684,859	\$ 710,346	\$ 715,736	\$ 722,538	\$ 702,778	\$ 653,262	\$ 710,346
2	57,684	75,828	97,978	89,063	65,432	79,580	46,178	54,293	320,553	245,483
3	(13,864)	(21,645)	(26,254)	(14,632)	(17,876)	(24,317)	(19,441)	(7,440)	(76,395)	(69,074)
4	(40,033)	(45,900)	(52,197)	(48,944)	(42,166)	(48,461)	(46,497)	(45,672)	(187,074)	(182,796)
5	3,787	8,283	19,527	25,487	5,390	6,802	(19,760)	1,181	57,084	(6,387)
6	\$ 657,049	\$ 665,332	\$ 684,859	\$ 710,346	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 710,346	\$ 703,959
7	2%	5%	12%	15%	3%	4%	(11%)	1%	9%	(1%)
8	25%	28%	31%	29%	24%	27%	26%	26%	29%	26%
9	43%	42%	42%	42%	41%	41%	39%	39%	42%	39%
Retained Portfolio Components (at period end): ⁽³⁾										
10	\$ 350,390	\$ 336,233	\$ 341,505	\$ 361,324	\$ 364,609	\$ 368,455	\$ 357,278	\$ 354,262	\$ 361,324	\$ 354,262
11	244,923	268,113	282,147	287,541	288,192	290,379	281,423	283,850	287,541	283,850
12	61,736	60,986	61,207	61,481	62,935	63,704	64,077	65,847	61,481	65,847
13	\$ 657,049	\$ 665,332	\$ 684,859	\$ 710,346	\$ 715,736	\$ 722,538	\$ 702,778	\$ 703,959	\$ 710,346	\$ 703,959
Outstanding Guaranteed PCs and Structured Securities:										
14	\$ 852,270	\$ 873,317	\$ 914,426	\$ 942,888	\$ 974,200	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 852,270	\$ 974,200
15	77,128	95,614	112,518	112,607	93,669	80,973	93,334	92,047	397,867	360,023
16	(23,246)	(24,922)	(43,785)	(44,534)	(27,227)	(38,823)	(17,037)	(20,437)	(136,487)	(103,524)
17	13,072	21,231	19,406	8,916	10,712	19,819	14,613	8,986	62,625	54,130
18	(45,907)	(50,814)	(59,677)	(45,677)	(36,086)	(40,008)	(44,163)	(41,811)	(202,075)	(162,068)
19	21,047	41,109	28,462	31,312	41,068	21,961	46,747	38,785	121,930	148,561
20	\$ 873,317	\$ 914,426	\$ 942,888	\$ 974,200	\$ 1,015,268	\$ 1,037,229	\$ 1,083,976	\$ 1,122,761	\$ 974,200	\$ 1,122,761
21	10%	19%	12%	13%	17%	9%	18%	14%	14%	15%
22	22%	23%	26%	19%	15%	16%	17%	15%	24%	17%

(1) Excludes mortgage loans and mortgage-related securities traded, but not yet settled. The 2006 balances exclude credit related impairments on mortgage-related securities within our Retained portfolio. The 2005 amounts have been revised to conform with the current year presentation.

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

(3) The Retained portfolio presented in this table differs from the Retained portfolio presented on our consolidated balance sheets because the consolidated balance sheets caption includes valuation adjustments (e.g. , fair value adjustments for securities classified as available-for-sale and trading and the Reserve for losses on mortgage loans held-for-investment) and deferred balances (e.g. , premiums and discounts).

FREDDIE MAC
CHARACTERISTICS OF MORTGAGES AND MORTGAGE-RELATED SECURITIES IN THE RETAINED PORTFOLIO
TABLE 9
(unaudited)
(dollars in millions)

Line:		December 31, 2005 ⁽¹⁾			December 31, 2006		
		Fixed Rate	Variable Rate ⁽²⁾	Total	Fixed Rate	Variable Rate ⁽²⁾	Total
1	Mortgage loans	\$ 56,458	\$ 5,023	\$ 61,481	\$ 61,273	\$ 4,574	\$ 65,847
	Guaranteed PCs and Structured Securities: ⁽³⁾						
2	Single-family	299,167	61,766	360,933	282,052	71,828	353,880
3	Multifamily	247	144	391	241	141	382
4	Total Guaranteed PCs and Structured Securities	299,414	61,910	361,324	282,293	71,969	354,262
	Non-Freddie Mac mortgage-related securities:						
	Agency mortgage-related securities: ⁽⁴⁾						
	Fannie Mae:						
5	Single-family	28,818	13,180	41,998	25,805	17,640	43,445
6	Multifamily	1,294	41	1,335	987	2	989
	Ginnie Mae:						
7	Single-family	1,045	218	1,263	707	231	938
8	Multifamily	30	-	30	13	-	13
9	Total agency mortgage-related securities	31,187	13,439	44,626	27,512	17,873	45,385
	Non-agency mortgage-related securities:						
10	Single-family	4,749	181,678	186,427	4,280	174,081	178,361
11	Commercial mortgage backed securities	34,533	8,954	43,487	23,768	20,992	44,760
12	Mortgage revenue bonds ⁽⁵⁾	11,229	92	11,321	13,760	74	13,834
13	Manufactured housing ⁽⁶⁾	1,508	172	1,680	1,381	129	1,510
14	Total non-agency mortgage-related securities ⁽⁷⁾	52,019	190,896	242,915	43,189	195,276	238,465
15	Total unpaid principal balance of Retained portfolio	\$ 439,078	\$ 271,268	710,346	\$ 414,267	\$ 289,692	703,959
16	Premiums, discounts, deferred fees, impairments of unpaid principal balances and other basis adjustments			2,111			103
17	Net unrealized gains (losses) on mortgage-related securities, pre-tax			(3,551)			(4,046)
18	Participation Certificate residuals, at fair value			597			597
19	Reserve for losses on mortgage loans held-for-investment			(119)			(70)
20	Total Retained portfolio per consolidated balance sheets			\$ 709,384			\$ 700,543

- (1) Certain amounts for 2005 have been revised to conform with the 2006 presentation.
- (2) 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 subject to change based on changes to the composition of the underlying collateral. Mortgage loans also include mortgages with balloon/reset provisions.
- (3) For Guaranteed PCs and Structured Securities we issue, we are subject to the credit risk associated with the underlying mortgage loan collateral.
- (4) 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.
- (5) Consists of obligations of states and political subdivisions. Approximately 66 percent and 67 percent of these securities were AAA-rated at December 31, 2005 and 2006, respectively.
- (6) At December 31, 2005 and 2006, 51 percent and 38 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 33 percent and 30 percent of these securities were AAA-rated at December 31, 2005 and 2006, respectively.
- (7) Credit ratings for most non-agency mortgage-related securities are designated by at least two nationally recognized statistical rating organizations. At December 31, 2005 and 2006, approximately 98 percent and 96 percent, respectively, of total non-agency mortgage-related securities were AAA-rated.

FREDDIE MAC
CREDIT QUALITY INDICATORS
TABLE 10
(unaudited)
(dollars in millions)

Line:	2005				2006				Full-Year	
	1Q 2005	2Q 2005	3Q 2005	4Q 2005	1Q 2006	2Q 2006	3Q 2006	4Q 2006	2005	2006
Credit Enhancements:										
1	17 %	17 %	18 %	17 %	17 %	15 %	18 %	17 %	17 %	17 %
2	18 %	18 %	18 %	17 %	17 %	17 %	16 %	16 %	17 %	16 %
Delinquencies (at period end):⁽¹⁾										
Single-family: ⁽²⁾										
Non-credit-enhanced portfolio										
3	0.22 %	0.21 %	0.22 %	0.30 %	0.25 %	0.22 %	0.23 %	0.25 %	0.30 %	0.25 %
4	18,464	17,579	18,643	26,037	22,315	19,824	20,543	22,854	26,037	22,854
Credit-enhanced portfolio										
5	2.56 %	2.37 %	2.26 %	2.46 %	2.16 %	1.90 %	1.87 %	1.86 %	2.46 %	1.86 %
6	49,929	45,527	42,845	47,000	41,399	36,096	35,914	36,008	47,000	36,008
7	0.67 %	0.61 %	0.59 %	0.69 %	0.59 %	0.52 %	0.51 %	0.53 %	0.69 %	0.53 %
Multifamily: ⁽²⁾										
8	0.05 %	0.01 %	- %	- %	- %	0.01 %	- %	0.05 %	- %	0.05 %
9	\$ 27	\$ 4	\$ 2	\$ 2	\$ 3	\$ 5	\$ 1	\$ 30	\$ 2	\$ 30
REO Balances (at period end):										
10	\$ 735	\$ 678	\$ 647	\$ 611	\$ 636	\$ 646	\$ 665	\$ 734	\$ 611	\$ 734
11	8	8	8	18	18	18	10	9	18	9
12	\$ 743	\$ 686	\$ 655	\$ 629	\$ 654	\$ 664	\$ 675	\$ 743	\$ 629	\$ 743
REO Inventory (number of units):										
13	9,604	9,602	8,914	8,531	8,070	8,263	8,302	8,333	9,604	8,070
14	4,372	4,114	3,915	3,460	4,051	4,163	4,007	4,166	15,861	16,387
15	(4,374)	(4,802)	(4,298)	(3,921)	(3,858)	(4,124)	(3,976)	(3,714)	(17,395)	(15,672)
16	9,602	8,914	8,531	8,070	8,263	8,302	8,333	8,785	8,070	8,785
REO Operations Income (Expense):										
17	\$ (8)	\$ (5)	\$ (7)	\$ (20)	\$ (12)	\$ (7)	\$ (20)	\$ (22)	\$ (40)	\$ (61)
18	-	-	-	-	-	-	1	-	-	1
19	\$ (8)	\$ (5)	\$ (7)	\$ (20)	\$ (12)	\$ (7)	\$ (19)	\$ (22)	\$ (40)	\$ (60)
Loan Loss Reserves:⁽³⁾										
20	\$ 264	\$ 280	\$ 271	\$ 391	\$ 414	\$ 345	\$ 351	\$ 389	\$ 264	\$ 414
21	36	17	146	52	(36)	56	93	102	251	215
22	(30)	(22)	(25)	(24)	(30)	(40)	(35)	(37)	(101)	(142)
23	-	(3)	(2)	(3)	-	-	(5)	-	(8)	(5)
24	-	(2)	(5)	(4)	(6)	(10)	(17)	(38)	(11)	(71)
25	10	1	6	2	3	-	2	4	19	9
26	\$ 280	\$ 271	\$ 391	\$ 414	\$ 345	\$ 351	\$ 389	\$ 420	\$ 414	\$ 420
27	0.9 bp	0.8 bp	0.8 bp	0.8 bp	0.8 bp	1.1 bp	1.1 bp	1.0 bp	0.8 bp	1.0 bp
Total Credit Losses (Gains):⁽⁶⁾										
28	\$ 38	\$ 30	\$ 34	\$ 47	\$ 42	\$ 47	\$ 59	\$ 59	\$ 149	\$ 207
29	1.2 bp	0.9 bp	1.0 bp	1.4 bp	1.2 bp	1.3 bp	1.6 bp	1.6 bp	1.1 bp	1.4 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 the portion of the Guarantee obligation recognized through Guarantor Swap transactions upon the sale of PCs and Structured Securities that correspond to incurred credit losses reclassified to Reserve for guarantee losses on Participation Certificates upon initial recognition of a Guarantee obligation. In addition, the amount includes a reduction of loan loss reserves of \$9 million in first quarter of 2005, related to prior period adjustments for which the related income was recorded in Other income.

(6) Equal to REO operations income (expense) (Line 19) plus Charge-offs, net (Lines 22 and 23).