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Forward-looking statements

Freddie Mac's presentations sometimes contain forward-looking statements pertaining to management's current expectations as to Freddie Mac's objectives for financial reporting, future business plans, results of operations, financial condition and trends. Management's expectations for the corporation's future necessarily involve a number of assumptions and estimates, and various factors could cause actual results to differ materially from these expectations. These assumptions and factors are discussed in the Information Statement dated June 14, 2005 and related Information Statement Supplements, which are available on our internet website: http://www.FreddieMac.com.
Freddie Mac Overview
Congress created Freddie Mac to provide stability, liquidity, and affordability to the U.S. residential mortgage market.

“A primary purpose is to provide stability in the secondary market for home mortgages including mortgages securing housing for low and moderate income families. This can be accomplished through both portfolio purchasing and selling activities, as well as through the securitization of home mortgages.”¹

Freddie Mac is at the center of a growing U.S. housing market

U.S. Residential Mortgage Debt Outstanding

<table>
<thead>
<tr>
<th>Year</th>
<th>FRE/FNM Total Portfolio</th>
<th>Total US Residential Mortgages</th>
<th>FRE/FNM Eligible</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>4.0</td>
<td>9.8</td>
<td>8.5</td>
</tr>
</tbody>
</table>

Freddie Mac is well-positioned in a growing market

2005 Conforming mortgage debt outstanding – $8.5 Trillion

1 Graph represents holdings of conforming mortgage debt outstanding by investor.
2 Graph represents portion of conforming mortgage debt outstanding securitized by the GSEs.
3 Freddie Mac as of December 31, 2005. Freddie Mac's Retained portfolio includes both Freddie Mac and non-Freddie Mac securities.
4 Freddie Mac as of December 31, 2005. Freddie Mac’s securitization includes Freddie Mac securities held in the Retained portfolio.
5 Fannie Mae as of December 31, 2005. Securitization includes Fannie Mae securities held in their portfolio.
6 Federal Reserve Board (whole loans) and Inside MBS & ABS (MBS); assumes FHLBs hold only conforming mortgages.
U.S. home prices have grown every year since 1950

Annual national house price growth

Note: Growth rates are based on the annual average index levels.

Inventories of homes-for-sale remain lean

Sources: Census Bureau and National Association of Realtors.

Months Supply of Homes for Sale

- Recession
Single-family mortgage debt is protected in relation to total value of housing stock

1 Value of Housing Stock: Federal Reserve Board’s Flow of Funds Accounts, March 9, 2006, Table B.100 (line #4). Note this figure includes homes with and without underlying mortgages. Home equity is the difference between the value of the housing stock and the amount of single-family debt.

Freddie Mac’s portfolio is well diversified

Significant homeowner equity supports the credit quality of our single-family portfolio

Average loan-to-value ratio of our single-family portfolio adjusted to reflect current market prices

Average Mark-to-Market LTV (Percent) vs. Percent of Portfolio with Current LTV > 95%

Source:  Freddie Mac.  2001-2003 data is based on Freddie Mac’s Information Statement dated September 24, 2004, Table 57.  2004 data is based on Freddie Mac’s Information Statement dated June 14, 2005, Table 62.
Legislative Environment
Freddie Mac supports reasonable legislative outcome

- Key elements of GSE reform
  - Regulator that provides strong, independent oversight and is committed to housing
  - Capital requirements that ensure safety and soundness; tie capital to risk
  - Maintain GSE status and confidence of global markets
Recent legislative action

- **House action**
  - On October 26th, 2005, the House passed a GSE regulatory reform bill by a vote of 331 – 90
  - Includes provisions allowing the new regulator to limit portfolio size, restrict new business activities, and raise minimum capital levels for safety and soundness reasons
  - Creates an affordable housing fund consisting of a small portion of the GSEs’ after-tax profits, to sunset in 5 years unless extended

- **Senate action**
  - On July 28th, 2005, the Senate Banking Committee voted 11-9 along party lines to report a GSE regulatory reform bill to the full Senate
  - Includes provisions limiting retained portfolio size severely, restricting new business activities and allowing the regulator to increase minimum capital for safety and soundness reasons
  - Democratic Senate leadership has stated the bill is unacceptable, making Senate passage less likely unless changes are made

- **Major unresolved issues**
  - Administration push to severely limit GSE retained portfolios
  - Continued interest of many members of Congress to create affordable housing fund from GSE profits
Investment Management Business
The investment management framework

Freddie Mac’s investment management framework

Business Activity
- Asset Selection
- Debt Issuance
- Asset - Liability Management

Investment Management Principles
- Retained Portfolio Management
- Attractive Returns on Shareholder Capital
- Disciplined Risk Management
- Fulfillment of Housing Mission
We generally grow our Retained portfolio only when it meets mission and return objectives.

Note: Data represents net growth of the Retained portfolio based on unpaid principal balances.

Freddie Mac’s investment management framework

- Return on Equity Threshold
- Interest Rate Risk Management
- Maximize Fair Value
The majority of our convexity is hedged upfront

Example of how we limit the negative convexity embedded in our Retained portfolio assuming the convexity risk of the mortgage universe

- Mortgage Structuring
- Callable Debt
- Swaptions
- Asset Selection
- Dynamically Rebalanced

Hedging activities executed upon purchase of mortgage

Note: Figure above is an example only. It is not intended to represent percentages of Freddie Mac’s Retained portfolio hedged by each instrument.
Callable debt is an integral part of our interest-rate risk management framework

Callable Debt Outstanding
Callable Debt Outstanding as a Share of Fixed-Rate Assets (Percent)

Callable debt is an integral part of our interest-rate risk management framework. Callable debt Outstanding and its share as a percentage of Fixed-Rate Assets.

1 Excludes FreddieNotes® and callable subordinated debt.

Source: Freddie Mac.
Derivative notional balances have declined

Source: Freddie Mac.
Regulatory capital adequacy

<table>
<thead>
<tr>
<th>Date</th>
<th>Total Minimum Capital Requirement</th>
<th>30% Target Surplus</th>
<th>Excess Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2003</td>
<td>$33.0</td>
<td>$9.2</td>
<td>$3.6</td>
</tr>
<tr>
<td>December 31, 2004</td>
<td>$35.0</td>
<td>$10.9</td>
<td>$3.8</td>
</tr>
<tr>
<td>December 31, 2005 (Estimate)</td>
<td>$36.3</td>
<td>$11.3</td>
<td></td>
</tr>
</tbody>
</table>

Source: Freddie Mac and OFHEO.
Global Debt Funding Program
Liquidity, transparency and predictability are hallmarks of the Reference Notes® program

- **Liquidity**
  - $3 billion minimum issue size; $4.7 billion average outstanding issue size
  - Active secondary market
  - Tight bid-offer spreads for active, on-the-run securities
  - Liquidity enhancing tools

- **Transparency**
  - Definitive issue size announcements
  - Primary market price discovery through syndicated and auctioned offerings
  - Secondary market pricing via TradeWeb, Bloomberg and Reuters

- **Predictability**
  - Unmatched disclosure about historical and expected debt funding activity
Freddie Mac’s mix of debt products provides flexible funding under changing market conditions

Note: All figures represent face amounts in USD billions based on trade date. These figures could differ significantly from proceeds, amortized principal amount and book value figures, particularly for zero-coupon securities.

Drivers of debt funding activity

- Refinancing of maturing debt
- Desire and opportunity to replace discount notes with long-term funding at attractive levels
- Direction of interest rates drives funding mix – duration and need for callable debt
- Asset mix – increasing purchases of floating rate ABS and ARMs

1 Based on unpaid principal balances, as of December 31, 2005.

Source: Freddie Mac.
Refinancing our maturing debt requires substantial issuance of debt

Long-term debt redemptions

<table>
<thead>
<tr>
<th>Year</th>
<th>Other Debt Securities</th>
<th>Reference Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2006</td>
<td>44</td>
<td>26</td>
</tr>
<tr>
<td>2007</td>
<td>80</td>
<td>33</td>
</tr>
<tr>
<td>2008</td>
<td>49</td>
<td>34</td>
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<tr>
<td>2009</td>
<td>27</td>
<td>27</td>
</tr>
<tr>
<td>2010</td>
<td>29</td>
<td>22</td>
</tr>
<tr>
<td>2011</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>2012</td>
<td>8</td>
<td>11</td>
</tr>
<tr>
<td>2013</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>2014</td>
<td>17</td>
<td>9</td>
</tr>
<tr>
<td>2015</td>
<td>13</td>
<td>11</td>
</tr>
<tr>
<td>2016</td>
<td>12</td>
<td>12</td>
</tr>
</tbody>
</table>

1Long-term debt redemption figures excluding subordinated debt.
Note: All figures represent face amounts in USD billions.
Callable debt provides potential yield enhancement over bullet securities

<table>
<thead>
<tr>
<th>Lockout (Years)</th>
<th>2</th>
<th>3</th>
<th>5</th>
<th>7</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bullet</td>
<td>5.06%</td>
<td>5.08%</td>
<td>5.11%</td>
<td>5.15%</td>
<td>5.17%</td>
</tr>
<tr>
<td>0.25</td>
<td>5.26 (20) bps</td>
<td>5.45 (37) bps</td>
<td>5.75 (63) bps</td>
<td>5.97 (83) bps</td>
<td>6.21 (104) bps</td>
</tr>
<tr>
<td>0.50</td>
<td>5.24 (19)</td>
<td>5.44 (35)</td>
<td>5.74 (63)</td>
<td>5.97 (82)</td>
<td>6.20 (103)</td>
</tr>
<tr>
<td>1</td>
<td>5.19 (13)</td>
<td>5.38 (30)</td>
<td>5.68 (57)</td>
<td>5.90 (76)</td>
<td>6.14 (98)</td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>5.19 (10)</td>
<td>5.50 (39)</td>
<td>5.75 (61)</td>
<td>6.00 (83)</td>
</tr>
<tr>
<td>3</td>
<td></td>
<td></td>
<td>5.35 (24)</td>
<td>5.60 (45)</td>
<td>5.86 (69)</td>
</tr>
<tr>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td>5.46 (32)</td>
<td>5.73 (56)</td>
</tr>
<tr>
<td>5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5.61 (44)</td>
</tr>
</tbody>
</table>

Source: Indicative offering levels from the Freddie Mac debt issuance desk as of March 9, 2006.
Callable debt often offers higher yields than investment-grade corporate bonds

<table>
<thead>
<tr>
<th>Freddie Mac Callable Structure</th>
<th>4 NC 1</th>
<th>5 NC 2</th>
<th>10 NC 3</th>
<th>15 NC 5</th>
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</thead>
<tbody>
<tr>
<td>Freddie Mac Equivalent Bullet Duration</td>
<td>2</td>
<td>3</td>
<td>5</td>
<td>7</td>
</tr>
<tr>
<td>Yield</td>
<td>5.59%</td>
<td>5.55%</td>
<td>5.90%</td>
<td>5.92%</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Market Yields</th>
<th>AAA</th>
<th>AA</th>
<th>A+</th>
<th>A</th>
<th>A-</th>
<th>BBB+</th>
<th>BBB</th>
<th>BBB-</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5.08</td>
<td>5.11</td>
<td>5.15</td>
<td>5.21</td>
<td>5.14</td>
<td>5.17</td>
<td>5.21</td>
<td>5.27</td>
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<td></td>
<td>5.19</td>
<td>5.25</td>
<td>5.32</td>
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<td>5.36</td>
<td>5.46</td>
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<td>5.48</td>
<td>5.56</td>
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<tr>
<td></td>
<td>5.48</td>
<td>5.58</td>
<td>5.69</td>
<td>5.83</td>
<td>5.56</td>
<td>5.71</td>
<td>5.87</td>
<td>6.00</td>
</tr>
</tbody>
</table>

Source: Freddie Mac data as of March 9, 2006 and market yields from Bloomberg as of March 10, 2006.
Our large, liquid debt securities access diverse pools of global capital

**Geographical area**
- N. America: 50%
- Asia: 39%
- Europe: 10%
- Other: 1%

**Investor type**
- Investment Manager: 36%
- Central Bank: 27%
- Bank: 19%
- Insurance & Pension: 7%
- Other: 11%

Note: Data reflects orders placed in our syndicated bond deals, consisting of US$ Reference Notes®, €Reference Notes®, and Syndicated Callables.

Source: Freddie Mac, 12 months ended February 28, 2006.
Reference REMIC℠ Program
Reference REMIC℠ securities – a structured mortgage-backed securities investment option

- Calendar-based issuance of REMIC securities with a guaranteed maturity class (GMC) offered through a syndicate underwriting group

- Minimum GMC tranche size of $1 billion with shortened stated final maturity date guaranteed by Freddie Mac
  
  » Average outstanding issue size of $2.2 billion

- Integrated into Freddie Mac’s Reference suite of products, Reference Bills® and Reference Notes®, featuring:
  
  » Liquidity
  
  » Transparency
  
  » Calendar-based predictability

- Designed to further Freddie Mac’s housing mission by broadening the investor base for mortgage-backed securities
Reference REMIC securities offer an unmatched array of attractive features

<table>
<thead>
<tr>
<th>Feature</th>
<th>Freddie Mac Reference REMIC</th>
<th>Prepayment Linked Notes</th>
<th>Syndicated Callables</th>
<th>ABS</th>
<th>REMIC Securities</th>
<th>TBA Passthroughs</th>
</tr>
</thead>
<tbody>
<tr>
<td>TradeWeb Eligibility</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daily Closing Prices</td>
<td>√</td>
<td>Some</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Guaranteed Shortened Final Maturity</td>
<td>√</td>
<td>√</td>
<td>Some</td>
<td></td>
<td></td>
<td>Some</td>
</tr>
<tr>
<td>Syndicate Led</td>
<td>√</td>
<td>Some</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Issuance Calendar</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fully Collateralized by Mortgages/MBS</td>
<td>√</td>
<td></td>
<td></td>
<td>√</td>
<td>√</td>
<td>√</td>
</tr>
<tr>
<td>Collateral Disclosed Pre-Pricing</td>
<td>√</td>
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<td></td>
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<tr>
<td>Re-REMIC/MACR Eligible</td>
<td>√</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No Upsize (or &quot;Tapping&quot;) Post-Pricing</td>
<td>√</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Reference REMIC securities access diverse pools of global capital

Geographical area

- N. America: 62%
- Asia: 38%
- Europe: <1%
- Other: <1%

Investor type

- Bank: 22%
- Central Bank: 21%
- Insurance & Pension: 15%
- Investment Manager: 37%
- Other: 5%

Note: Data reflects orders placed in Freddie Mac’s Reference REMICSM securities as of February 28, 2006.
Source: Freddie Mac.