



Funding & Investor Relations

Quarterly Funding Announcement

Freddie Mac's *Quarterly Funding Announcement* supplements our 2006 Reference Notes® and Reference REMICSM calendar by providing additional details about our expected funding activity for the upcoming quarter. Freddie Mac's 2006 funding calendar provides a schedule of optional issuance dates, while providing flexibility for offering the market securities at the right size and maturity. Freddie Mac publishes the *Quarterly Funding Announcement* before each quarter begins, confirming the dates of upcoming issuances and providing transparency and predictability about Freddie Mac's funding activities.

Second Quarter 2006 Funding Announcement

For the second quarter of 2006, we expect the following issuance activity under our funding programs. All of these activities are subject to market conditions and the company's funding needs:

Reference Notes® securities

- Freddie Mac expects to offer \$18 billion to \$23 billion of Reference Notes® securities during the second quarter. With \$4 billion of Reference Notes securities scheduled to mature during the second quarter, we expect the amount of Reference Notes outstanding, excluding any repurchases, to increase by \$14 billion to \$19 billion.
- We intend to utilize each of the second quarter Reference Notes issuance dates identified on our 2006 funding calendar. Specifically, we intend to issue 2- or 3-year and 10-year Reference Notes securities in April, 2- or 3-year Reference Notes securities in May and 5-year Reference Notes securities in June. Depending on market conditions and our funding needs, we may also issue 2- or 3-year Reference Notes securities in June.

Reference REMICSM securities

- Freddie Mac expects to issue at least one, but no more than three, Reference REMICSM securities during the second quarter.
- Our preference is to issue Reference REMIC securities during the weeks highlighted on our 2006 funding calendar, subject to market conditions, including the availability of collateral and investor interest.
- Every month we will announce whether we plan to use the optional issuance window and, when relevant, confirm the timing of when we expect to issue a Reference REMIC security.

€Reference Notes® securities

- Freddie Mac does not intend to issue €Reference Notes securities during the second quarter. Looking forward, we do not expect to issue €Reference Notes securities unless or until the cost of €Reference Notes issuance becomes substantially more competitive with Reference Notes and/or we experience a sustained and material increase in our funding needs.

Syndicated callable notes

- Issuance of syndicated callable notes during the second quarter will depend on market conditions, investor demand and asset-liability management considerations.

Debt security repurchase activity

- If market conditions and asset-liability management considerations warrant, we may conduct one or more repurchase operations involving Reference Notes and/or €Reference Notes securities during the second quarter.
- Additionally, we may conduct a tender offer transaction during the second quarter for securities with an expired European-style call option.

Program modifications

- Freddie Mac enhanced its Gold Modifiable and Combinable Securities (MACS) program effective March 2006. The Gold MACS program enables investors to exchange a fixed-rate Giant PC for Interest-Only (IO), Principal-only (PO), or various synthetic coupon PCs from a single strip offering. Now, investors will also be able to exchange IOs and POs for floaters and inverse floaters, and vice versa. This enhancement is expected to help increase the liquidity and price transparency of the floater and inverse floater markets, as these new securities may be exchanged in proper proportion for the underlying fixed-rate Giant PC.

This announcement is neither an offer to sell nor a solicitation of offers to buy any of these securities. Any such offering will be made only by an offering circular and pricing supplement.

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Freddie Mac's press releases sometimes contain forward-looking statements. A description of factors that could cause actual results to differ materially from the expectations expressed in these and other forward-looking statements can be found in the company's Information Statement dated June 14, 2005, and related Information Statement Supplements, which are available on the Investor Relations Web page of the company's Web site: www.FreddieMac.com/investors.

Freddie Mac is a stockholder-owned company established by Congress in 1970 to support homeownership and rental housing. Freddie Mac fulfills its mission by purchasing residential mortgages and mortgage-related securities, which it finances primarily by issuing mortgage-related securities and debt instruments in the capital markets. Over the years, Freddie Mac has made home possible for one in six homebuyers and more than four million renters in America.

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