



Quarterly Funding Announcement & Summary – April 8, 2004

Second Quarter 2004 Funding Announcement

Freddie Mac expects the following issuance levels under its funding programs for the second quarter of 2004:

Reference Notes® securities

- Freddie Mac expects to offer \$6 to \$11 billion in maturities up to 10 years according to the 2004 Reference Notes Calendar. As \$10.5 billion of Reference Notes securities will mature during the second quarter, net issuance, excluding repurchases, is expected to be -\$4.5 billion to \$0.5 billion.
- The company intends to use the 2-/3-year optional issuance date in April and forego the 2-/3-year optional issuance dates in May and June.
- The company expects to offer one new issue of €Reference Notes® securities during the quarter, subject to market conditions. The minimum new issue size for €Reference Notes securities is €3 billion. No €Reference Notes securities will mature in the second quarter of 2004, resulting in a net increase in €Reference Notes outstanding.
- Freddie Mac will conduct at least one USD Reference Notes securities periodic repurchase operation during the second quarter and may conduct €Reference Notes securities periodic repurchase operations depending on market conditions.

Other funding activity

- Freddie Mac expects to issue \$4 to \$8 billion of syndicated callable notes during the second quarter.
- Freddie Mac expects continued low volume of floating-rate issuance, with no more than \$3 billion equivalent of dollar- and euro-denominated Global Floating Rate Note issuance during the second quarter.

April Funding

- The company plans to issue a \$1 billion reopening of its 4.50% \$5 billion 10-year Reference Notes securities due on January 15, 2014, CUSIP 3134A4UM4, via joint leads Bear Stearns, Lehman Brothers, and UBS. This issue will price on April 15, 2004 for settlement on April 16, 2004.
- Freddie Mac will also issue a new \$4 billion 3-year Reference Notes securities due on May 15, 2007, CUSIP 3134A4UR3, via joint leads Goldman Sachs, Merrill Lynch, and Morgan Stanley. This issue will price on April 15, 2004 for settlement on April 16, 2004.

Program and Product Modifications

Freddie Mac is enhancing its FreddieNotesSM retail-targeted program by increasing the frequency in the Survivor's Option repayment to four times a year from twice a year. Beginning on April 15, 2004, any FreddieNotes securities accepted for repayment pursuant to exercise of the Survivor's Option will be repaid no later than the first January 15, April 15, July 15 or October 15 that occurs at least 20 days after the date of acceptance of the FreddieNotes securities for repayment.

Previously, the company made repayments pursuant to the exercise of the Survivor's Option on January 15 and June 15. Freddie Mac will make a Survivor's Option repayment on June 15, 2004 on any FreddieNotes securities accepted for repayment at least 20 days prior to the June 15, 2004 Survivor's Option repayment date. Following this June 15, 2004 repayment date, Freddie Mac will follow the enhanced repayment schedule.

January 1, 2004 Through March 31, 2004 Funding Summary

Reference Notes securities

Freddie Mac issued \$20.0 billion of USD Reference Notes securities during the first quarter, establishing a liquid reference curve of new issues of 2-, 3-, 5-, and 10-year maturities. The total amount issued was within our anticipated funding for the quarter of between \$17 to \$22 billion as announced in our previous *Quarterly Funding Announcement & Summary*. Net issuance was \$1.2 billion, reflecting the redemption of \$17.0 billion in USD Reference Notes securities and retirement via periodic repurchase operations of \$1.9 billion on March 23. The total amount of USD Reference Notes securities outstanding stood at \$233.2 billion on March 31, 2004.

€Reference Notes securities

Freddie Mac issued €4.0 billion of 10-year €Reference Notes securities in January. The total amount of €Reference Notes securities outstanding declined €3.0 billion to €31.0 billion, as €7.0 billion in €Reference Notes securities matured during the quarter. Freddie Mac did not conduct a €Reference Notes securities periodic repurchase operation during the quarter.

Callable Debt

During the first quarter, Freddie Mac issued \$65.6 billion of callable debt, which includes syndicated callable notes, euro-denominated callable notes, callable medium term notes and FreddieNotes securities. Callable debt outstanding grew \$15.8 billion to \$266.1 billion, as \$48.8 billion was redeemed or repurchased and \$1.0 billion matured during the quarter.

Reference Bills® securities

Freddie Mac issued \$146.5 billion of discount notes and Reference Bills securities. Short-term debt outstanding decreased by \$15.0 billion to \$174.0 billion, with average days to maturity increasing to 91 days from 88 days.

Additional detailed information is provided below.

January 1, 2004 Through March 31, 2004 Detailed Funding Summary

The following tables summarize Freddie Mac's debt funding activity for the period from January 1, 2004 through March 31, 2004.

Estimated first quarter 2004 issuance, redemption and balances - unaudited: ^(1,2,3)

	Outstanding 12/31/03	Gross Issuance	Matured	Called	Re- purchased	Net Issuance ⁽⁴⁾	Outstanding 3/31/04
Reference Bills & Discount Notes	\$189.0	146.5	(161.5)	--	--	(15.0)	\$174.0
<i>Average days to maturity</i>	88						91
Medium Term Notes							
Global Floating Rate	\$12.0	--	--	--	--	--	\$12.0
Syndicated Callable	31.0	6.5	--	--	--	6.5	37.5
MTN Callable	204.3	57.1	(1.0)	(47.0)	(0.1)	9.0	213.3
MTN Other	24.4	2.4	(0.7)	--	--	1.7	26.0
FreddieNotes	15.0	2.0	--	(1.7)	--	0.3	15.3
Total Medium Term Notes	\$286.6	68.0	(1.7)	(48.8)	(0.1)	17.5	\$304.1
Reference Notes							
USD Reference Notes	\$232.0	20.0	(17.0)	--	(1.9)	1.2	\$233.2
€Reference Notes ⁽⁵⁾	31.3	5.0	(6.3)	--	--	(1.3)	30.1
Total Reference Notes	\$263.4	25.0	(23.3)	--	(1.9)	(0.1)	\$263.3
Subordinated Debt	5.9	--	--	--	--	--	5.9
Total Debt	\$744.8	239.6	(186.5)	(48.8)	(1.9)	2.4	\$747.3

- (1) All figures are estimates based on Freddie Mac's unaudited internal reports and are subject to change. Totals may not recalculate due to rounding.
- (2) All figures represent face amounts in USD billions. These figures could differ significantly from proceeds, amortized principal amount and book value figures, particularly for zero-coupon securities.
- (3) Effective date for inclusion in the reported period is trade date.
- (4) Represents the sum of the "Gross Issuance", "Matured", "Called" and "Repurchased" columns.
- (5) The euro amount outstanding on December 31, 2003 and March 31, 2004 was €34.0 billion and €31.0 billion, respectively. The amount issued during the quarter was €4.0 billion and the amount matured was €7.0 billion. The U.S. Dollar amounts reflected in the table above are based on the exchange rate at issuance.

Estimated first quarter 2004 distribution of new issues by geographic location: ⁽⁶⁾

	U.S.	Asia / Japan	Europe	Other
USD Reference Notes	70%	21%	9%	0%
€Reference Notes	2%	10%	87%	1%
Syndicated Callable Notes	63%	29%	8%	0%
Global Floating Rate Notes	-	-	-	-

Estimated first quarter 2004 distribution of new issues by investor type: ⁽⁶⁾

	Investment Manager	Central Bank	Commercial Bank	Insurance / Pension	Local Gov't	Corporate	Retail/ Other
USD Reference Notes	44%	22%	19%	11%	3%	1%	0%
€Reference Notes	42%	9%	24%	17%	4%	0%	4%
Syndicated Callable Notes	42%	18%	23%	14%	3%	0%	0%
Global Floating Rate Notes	-	-	-	-	-	-	-

(6) *Distribution estimates are based on order book composition for syndicated issues furnished to Freddie Mac by underwriters at the time of securities issuance and may not reflect the current distribution of securities. Freddie Mac does not independently validate submitted data. The presentation reflects management's classification of investors based on its best judgment.*

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 pertaining to management's current expectations as to Freddie Mac's future business plans, results of operations and/or financial condition. Management's expectations for the company'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 company's Information Statement dated February 27, 2004, available on the Investor Relations page of the company's website.

Freddie Mac is a stockholder-owned corporation established by Congress in 1970 to support homeownership and rental housing. Freddie Mac purchases single family and multifamily residential mortgages and mortgage-related securities, which it finances primarily by issuing mortgage passthrough securities and debt instruments in the capital markets. Over the years, Freddie Mac has opened the doors for one in six homebuyers and more than two million renters across America. For additional information about Freddie Mac, please see the Company's website: www.freddiemac.com.

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