



Funding & Investor Relations

Quarterly Funding Announcement

Freddie Mac's *Quarterly Funding Announcement* supplements our 2006 Reference Notes® and Reference REMICSM securities 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.

Third Quarter 2006 Funding Announcement

For the third 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 \$9 billion to \$15 billion of Reference Notes® securities during the third quarter. With \$13 billion of Reference Notes securities scheduled to mature during the third quarter, we expect the amount of Reference Notes securities outstanding, excluding any repurchases, to change by \$-4 billion to \$2 billion.
- We intend to utilize each of the third quarter Reference Notes securities issuance dates identified on our 2006 funding calendar. Specifically, we intend to issue 10-year Reference Notes securities in July and 2- or 3-year and/or 5-year Reference Notes securities in September. As indicated on our 2006 funding calendar, we will not issue Reference Notes securities in August.

Reference REMICSM securities

- Freddie Mac expects to issue at least one, but no more than three, Reference REMICSM securities during the third 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. We generally make our Reference REMIC securities funding announcements on the first business day of the month. Note that for July, due to the 4th of July holiday, we will make this announcement on Friday, June 30, 2006.

Syndicated callable notes

- Issuance of syndicated callable notes during the third 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, Freddie Mac may conduct one or more repurchase operations involving Reference Notes and/or €Reference Notes securities during the third quarter.
- Additionally, we may conduct a tender offer transaction during the third quarter for securities with an expired European-style call option.

Program modifications and developments

- Freddie Mac, from time to time, may acquire, sell or finance (via repo) previously issued Reference REMIC securities in support of its Reference REMIC program.
- Freddie Mac is extending its Free 15-year Giant program through August 2006. We initially offered the Free 15-year Giant program for securities settling in May 2006. The program received strong investor and dealer support and resulted in record 15-year Giant issuance volume of approximately \$12.3 billion, consisting of approximately 200 15-year Giant securities. As a result of the strong response, we are extending the offer to create Gold Giant PCs backed by 15-year PCs settling in June, July and August 2006 at no charge regardless of the size of the Giant or the number of pools involved.

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, 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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