OUR PURPOSE

- We continue to focus on supporting the housing market recovery and building a sustainable housing finance system for the future.
- Our priorities are aligned with the public interest.
- We are committed to providing liquidity to the mortgage market; assisting troubled borrowers; enabling families to buy, refinance, or rent a home; and building a book of business that will help protect Americans’ investment in the company.

OUR RESULTS
FIRST QUARTER 2014

- Our first quarter results were strong, resulting in the company’s ninth consecutive quarterly profit.
- Key drivers included stable revenues from guaranty fees and declining revenues from our retained mortgage portfolio, and revenues were boosted significantly by settlement agreements relating to private-label mortgage-related securities sold to us. Results also benefited from credit-related income, offset by fair value losses.

- We have established responsible credit standards while making it possible for families to purchase, refinance, or rent a home.
- We expect that the loans in our new single-family book of business will be profitable over their lifetime.
- We significantly strengthened our underwriting and eligibility standards and changed our pricing to promote sustainable homeownership and stability in the housing market.
- As a result, loans in our new single-family book of business have strong credit risk profiles.
LIQUIDITY AND SUPPORT TO THE MARKET

- We funded the mortgage market with more than $4.1 trillion in liquidity since 2009, enabling families to buy, refinance, or rent a home:
  - 3.9 million home purchases
  - 2.3 million rental units
  - 12.5 million mortgage refinancings

DRIVING DOWN THE SERIOUS DELinquency (SDq) RATE

- Our single-family SDQ rate has declined 16 consecutive quarters.
  - 5.47% 1Q10
  - 2.19% 1Q14

- Fannie Mae’s single-family SDQ rate was 2.19 percent.
- Our single-family SDQ rate is substantially lower than private market levels.
- Approximately 96 percent of Fannie Mae’s 17.5 million single-family conventional loans are current.

TREASURY DRAWS AND DIVIDEND PAYMENTS

- Fannie Mae expects to have paid Treasury approximately $126.8 billion in dividends as of June 30, 2014. We expect to remain profitable for the foreseeable future.

For more information, see our 2014 Form 10-Q Report, filed with the SEC on May 8, 2014.

* Fannie Mae data for the period January 1, 2009 through March 31, 2014, unless otherwise noted.

Data as of March 31, 2014

This report includes our expectations regarding our future financial results, profitability, our ability to pay taxpayers, our future dividend payments to Treasury, and the growth, profitability, and caliber of the loans in our new single-family book of business. These expectations are forward-looking statements based on our current assumptions regarding numerous factors, including future home prices, unemployment rates, other macroeconomic and housing market variables, future legislative or regulatory requirements, borrower behavior, and many other factors, including those discussed in the “Risk Factors” section of and elsewhere in our Annual Report for the year ended December 31, 2013 and in our quarterly report on Form 10-Q for the quarter ended March 31, 2014. These forward-looking statements are representative only as of the date they are made, and we undertake no obligation to update any forward-looking statement as a result of new information, future events or otherwise, except as required under the federal securities laws.