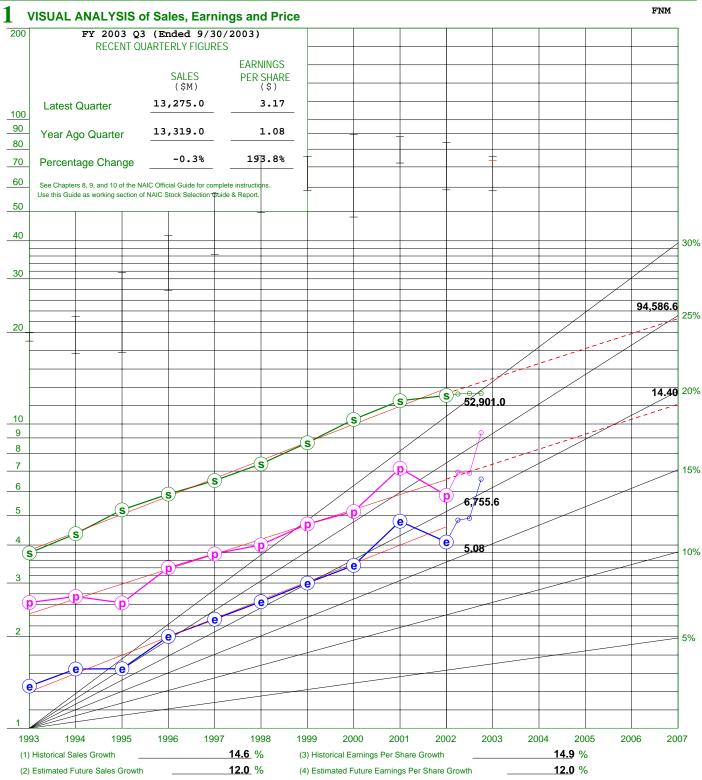


Stock Selection Guide ®

The most widely used aid to good investment judgment

Company FANNIE MAE			Da	te <u>12/</u>	22/03
Prepared by MG	D	ata tal	ken from	<u>M</u>	
Where traded NYSE	Major pro	oduct/s	ervice	Consur	ner Fi
CAPITALIZATION Outstanding	g Amounts	Ref	erence -		
Preferred(\$M)	4,108.0	% Ir	nsiders	% Inst	itution
Common(M Shares)	973.0		16.0	86	.1
Debt(\$M) 850,982.0	% to Tot.Cap.	98.0	% Poten	tial Dil.	None



	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	LAST 5	TRE	ND
	1993	1,7,74	1993	1990	1331	1990	1333	2000	2001	2002	YEAR AVG.	UP	DOWN
% Pre-tax Profit on Sales (Net Before Taxes ÷ Sales)	18.7	16.9	13.5	15.6	15.6	14.8	14.7	13.6	16.3	12.8	14.4		DOWN
8 % Earned on Equity (E/S ÷ Book Value)	23.3	22.3	19.6	22.6	23.2	23.3	23.3	23.0	37.5	37.0	28.8	UP	

PRICE-EARNINGS HISTORY as an indicator of the future

This shows how stock prices have fluctuated with earnings and dividends. It is a building block for translating earnings into future stock prices.

		PRESE	ENT PRICE	73.450	HIGH THIS YEAR	75.8	340 LOW TH	IIS YEAR	58.400
	Year	A PRICE B		C Earnings	D Price Earr	E nings Ratio	F Dividend	G % Payout	H % High Yield
		HIGH	LOW	Per Share	HIGH A ÷ C	LOW B÷C	Per Share	F ÷ C X 100	F ÷ B X 100
1	1998	76.2	49.6	3.23	23.6	15.3	0.960	29.7	1.9
2	1999	75.9	58.6	3.72	20.4	15.8	1.080	29.0	1.8
3	2000	89.4	47.9	4.25	21.0	11.3	1.120	26.3	2.3
4	2001	87.9	72.1	5.94	14.8	12.1	1.200	20.2	1.7
5	2002	84.1	58.9	5.08	16.6	11.6	1.320	26.0	2.2
6	TOTAL		287.1		96.4	66.1		131.2	
7	AVERAGE		57.4		19.3	13.2		26.2	
8	AVERAGE PRI	ICE EARNINGS RAT	16	.2	9 CURRENT PRI	CE EARNINGS RA	ATIO	9.0	•

12/22/03

		. , . ,		ow high and how low the stock	J 1110	,,		.,	J		
A HIGH PRICE NEXT 5 YE	EARS 19.3	V =-	timata Ulah F	ningo/Shoro	14.40		- Foreset !	liah Drice A		277.9	
Avg. High P/E	(3D7 as adj.		timate High Earr	nings/Share			_ = Forecast F	ngn Price \$			(4A1)
B LOW PRICE NEXT 5 YE						- 00			 .		
(a) Avg. Low P/E		13.2 E7 as adj.)	_ X Estimated	d Low Earnings/Share		5.08	=	\$	67.0		
(b) Avg. Low Price of			57.4								
(c) Recent Severe Ma	arket Low Pri	ce =	(3B7) 58.9								
(d) Price Dividend W	ill Support	Present Divd	ı. =	1.800	=		77.0				
Selected Estimate Lo		High Yield	(H)	0.023						57.4	
Selected Estimaté Lo	w Price	-						= \$		(4B1)	
C ZONING 277.9 High	Forecast Pri	oo Minuo	57.4	Low Foregoot Brice Fe	uele	220.	5 Bones	1/2 of Donn	0 -	55.1	
(4A1) High	i orecast Pfl	CE IVIII IUS	(4B1)	Low Forecast Price Eq	ualò	(C)	- Kange.	1/3 of Rang		(4CD)	
(4C2) Lower 1/3	3 = (4B1)	57.4	t	to 112.	5	(Buy)	Note: Pa	nges che	anged to	25%/50%/	25%
(4C3) Middle 1/3		112.5		to 222.8	B	_ 、 ,,		myes clie	inged to	250/500/	200
(4C3) Wildlie 1/3		222.8	·	000	n	(Maybe))				
(4C4) Upper 1/3		222.0	·	to	(4A1)	_ (Sell)					
			73.450					Buy			
D UP-SIDE DOWN-SIDE RA High Price (4A1)	TIO (Potenti 277.9	al Gain vs. Risk Minus Prese	of Loss)	73.450	is in the	204 5		(4C5)	12 7		ange
D UP-SIDE DOWN-SIDE RA High Price (4A1) 2 Present Price	73.450	Minus Prese	of Loss) nt Price Price (4B1)	57.4		204.5 16.1		-	12.7 (4D)		ange
D UP-SIDE DOWN-SIDE RA	73.450	Minus Prese	of Loss) nt Price Price (4B1) set price apprec	57.4 =	ve years in si	16.1	rest terms.)	-		т	o 1
Present Price (4A1) E PRICE TARGET (Note: THE High Price (4A1)	73.450 nis shows th	Minus Prese	of Loss) nt Price Price (4B1)	57.4 =	ve years in si	16.1		-		т	
D UP-SIDE DOWN-SIDE RA High Price (4A1) 2 Present Price E PRICE TARGET (Note: The	277.9 73.450 nis shows th	Minus Prese	of Loss) nt Price Price (4B1) set price apprec	57.4 = = ciation over the next fix	ve years in si	16.1 imple inte	rest terms.)) - 100 =	(4C5)	(4D) 278.4 (4E)	T.	o 1
Present Price (4A1) E PRICE TARGET (Note: THE High Price (4A1)	277.9 73.450 nis shows th 277.9	Minus Preser Minus Low e potential mark 150	of Loss) nt Price v Price vet price apprecate apprec	57.4 = = ciation over the next fix	ve years in si	16.1 imple inte	rest terms.)) -100 = : 55.6%	(4C5)	(4D) 278.4 (4E) Relative		o 1
D UP-SIDE DOWN-SIDE RA High Price (4A1) 2 Present Price E PRICE TARGET (Note: TH High Price (4A1) Present Market Price 5-YEAR POTENT	73.450 nis shows th 277.9 73.4	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price (4B1) wet price apprecation with divi	57.4 = 57.4 = 57.4 57	re years in si 378 elative of total return.	16.1 imple inter 8.4 Value It provides a	rest terms.)) -100 = : 55.6% standard for com	(4C5) = Proj. paring income	(4D) 278.4 (4E) Relative		o 1
D UP-SIDE DOWN-SIDE RA High Price (4A1) Present Price E PRICE TARGET (Note: The High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divided	73.450 his shows th 277.9 73.4 IAL 7	Minus Preser Minus Low e potential mark 150 = (_ 1.800	of Loss) nt Price (4B1) vet price apprec 3.784	57.4 = Ciation over the next fix) × 100 = (Residend yield to get an estimate Note: Results are expressed	378 elative of total return.	16.1 imple interest 8.4 Value It provides a rate; use the	rest terms.)) - 100 = \$ 55.6% standard for com e table below to 6	(4C5) = Proj. paring income.	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value	o 1
Present Full Year's Divide Present Price of Stock	73.450 nis shows th 277.9 73.4 IAL 7 end \$	Minus Preser Minus Low e potential mark 150 1.800 73.450	of Loss) nt Price (4B1) vet price apprec 3.784	57.4 = ciation over the next fix) X 100 = (R ridend yield to get an estimate Note: Results are expresses	378 elative of total return.	16.1 imple interest 8.4 Value It provides a rate; use the	rest terms.)) - 100 = : 55.6% standard for com	(4C5) = Proj. paring income.	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value	o 1 reciation
D UP-SIDE DOWN-SIDE RA High Price (4A1) Present Price E PRICE TARGET (Note: THE High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divide Present Price of Stock B AVERAGE YIELD OVER	73.450 nis shows th 277.9 73.4 IAL 7 end \$ NEXT 5 YEA	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price Price (4B1) set price apprec 3.784 appreciation with divi	57.4 = ciation over the next fix) X 100 = (R idend yield to get an estimate Note: Results are expressed 0.025	elative of total return.	16.1 imple interest 8.4 Value It provides a rate; use the	rest terms.)) - 100 = \$ 55.6% standard for com e table below to 6	(4C5) = Proj. paring income.	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value	o 1
Present Full Year's Divide Present Price of Stock	73.450 nis shows th 277.9 73.4 IAL 7 end \$ NEXT 5 YEA	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price Price (4B1) set price apprec 3.784 appreciation with divi	57.4 = Ciation over the next fix) × 100 = (Residend yield to get an estimate Note: Results are expressed	378 elative of total return.	16.1 imple interest 8.4 Value It provides a rate; use the	rest terms.)) - 100 = \$ 55.6% standard for com table below to operate the complete the complet	(4C5) = Proj. paring income.	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value	o 1
D UP-SIDE DOWN-SIDE RA High Price (4A1) 2 Present Price E PRICE TARGET (Note: THE High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divide Present Price of Stock B AVERAGE YIELD OVER Avg. Earnings Per Share	73.450 nis shows th 277.9 73.4 TAL 7 send \$ NEXT 5 YEA	Minus Preser Minus Low e potential mark 450 = (_ 1.800 73.450 ARS s 11	of Loss) nt Price (4B1) vet price apprec 3.784 set price appreciation with divi	57.4 = Station over the next fix 1) × 100 = (Residend yield to get an estimate Note: Results are expressed 2.025 × 100 = (3G7)	elative of total return. ed as a simple record (5.	16.1 imple interest 8.4 Value It provides a rate; use the	rest terms.)) - 100 = :: 55.6% standard for come e table below to e Present Yield =306	Proj. paring income.convert to a coor % Returned	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value se Price	o 1 reciation : 49.
D UP-SIDE DOWN-SIDE RA High Price (4A1) Present Price E PRICE TARGET (Note: THE High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divide Present Price of Stock B AVERAGE YIELD OVER Avg. Earnings Per Share C ESTIMATED AVERAGE	73.450 nis shows th 277.9 73.4 IAL 7 end \$ \$ NEXT 5 YEA ANNUAL RE	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price (4B1) vet price apprec 3.784 set price appreciation with divi	57.4 = Station over the next fix 1) × 100 = (Residend yield to get an estimate Note: Results are expressed 2.025 × 100 = (3G7)	elative of total return. ed as a simple record (5.	16.1 imple interest and the state of the sta	rest terms.)) - 100 = :: 55.6% standard for come e table below to e Present Yield =306	Proj. paring income. convert to a co	(4D) 278.4 (4E) Relative and growth stock ompound rate.	% App e Value s. se Price	o 1 reciation : 49.
D UP-SIDE DOWN-SIDE RA High Price (4A1) Present Price E PRICE TARGET (Note: THE High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divide Present Price of Stock B AVERAGE YIELD OVER Avg. Earnings Per Share C ESTIMATED AVERAGE 5 Year Appreciation Pote	73.450 nis shows th 277.9 73.4 IAL 7 end \$ \$ NEXT 5 YEA ANNUAL RE	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price (4B1) vet price apprec 3.784 set price appreciation with divi	57.4 = ciation over the next fix 1) X 100 = (R 1) X 100 = (R 1) X 100 = (1) X	re years in si 378 elative of total return. ed as a simple t 2 (5) 26.2	16.1 imple interest and the state of the sta	rest terms.)) - 100 = : 55.6% standard for come table below to a Present Yield : 300	Proj. paring income of convert to a coor % Returned 0.8 450 Yield	(4D) 278.4 (4E) Relative and growth stock ompound rate. ed on Purchas	% App e Value s. se Price 4.1 (5B)	o 1 reciation : 49.
D UP-SIDE DOWN-SIDE RA High Price (4A1) Present Price E PRICE TARGET (Note: THE High Price (4A1) Present Market Price 5-YEAR POTENT A Present Full Year's Divide Present Price of Stock B AVERAGE YIELD OVER Avg. Earnings Per Share C ESTIMATED AVERAGE	73.450 nis shows th 277.9 73.4 IAL 7 end \$ \$ NEXT 5 YEA ANNUAL RE	Minus Preser Minus Low e potential mark 150 = (of Loss) nt Price (4B1) vet price apprec 3.784 set price appreciation with divi	57.4 = ciation over the next fix 1	re years in si 378 elative of total return. ed as a simple t 2 (5) 26.2	16.1 imple interest and the state of the sta	rest terms.)) - 100 = _: 55.6% standard for come table below to 6 Present Yield =300	Proj. paring income of convert to a coor % Returned 0.8 450 Yield	(4D) 278.4 (4E) Relative and growth stock ompound rate. ed on Purchas = P.A.R.	% App e Value s. se Price 4.1 (5B)	reciation : 49.

PERT Worksheet-A Graph

Company FANNIE MAE (FNM)

