



ABS East  
Investor Presentation  
October 2008

# Forward-Looking Statements

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This Presentation contains forward-looking statements and information based on management's current expectations as of the date of this presentation. Statements that are not historical facts, including statements about our beliefs or expectations and statements that assume or are dependent upon future events, are forward-looking statements. Forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause actual results to be materially different from those reflected in such forward-looking statements. These factors include, among others, the occurrence of any event, change or other circumstances that could give rise to our ability to cost-effectively refinance asset-backed financing facilities, due February 2009, which closed in the first quarter of 2008 (collectively, the "2008 Asset-Backed Financing Facilities"), including any potential foreclosure on the student loans under those facilities following their termination; increased financing costs; limited liquidity; any adverse outcomes in any significant litigation to which we are a party; our derivative counterparties terminating their positions with the Company if permitted by their contracts and the Company substantially incurring additional costs to replace any terminated positions; changes in the terms of student loans and the educational credit marketplace (including changes resulting from new laws and regulations and from the implementation of applicable laws and regulations) which, among other things, may reduce the volume, average term and yields on student loans under the Federal Family Education Loan Program ("FFELP"), may result in loans being originated or refinanced under non-FFELP programs, or may affect the terms upon which banks and others agree to sell FFELP loans to the Company. The Company could also be affected by: the implementation of the Emergency Economic Stabilization Act of 2008, changes in the demand for educational financing or in financing preferences of lenders, educational institutions, students and their families; incorrect estimates or assumptions by management in connection with the preparation of our consolidated financial statements; changes in the composition of our Managed FFELP and Private Education Loan portfolios; changes in the general interest rate environment and in the securitization markets for education loans, which may increase the costs or limit the availability of financings necessary to initiate, purchase or carry education loans; changes in projections of losses from loan defaults; changes in general economic conditions; changes in prepayment rates and credit spreads; and changes in the demand for debt management services and new laws or changes in existing laws that govern debt management services. All forward-looking statements contained in the Presentation are qualified by these cautionary statements and are made only as of the date of this Presentation. The Company does not undertake any obligation to update or revise these forward-looking statements to conform the statement to actual results or changes in the Company's expectations.

# Disclosures

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**Non-GAAP Financial Measures** - The following presentation includes non-GAAP performance measures. A presentation of the most comparable GAAP financial measures and a reconciliation of the non-GAAP performance measures to the most directly comparable GAAP financial measures are included in our most recent quarterly earnings release, quarterly report on Form 10-Q, and annual report on Form 10-K, which are available on our website at (<http://www.salliemae.com/about/investors/stockholderinfo/earningsinfo>) and (<http://www.salliemae.com/about/investors/stockholderinfo/secfilings>) and on the SEC's website (<http://www.sec.gov>).

**U.S. Government Guaranteed Student Loans** – The following presentation contains references to U.S. Government guaranteed student loans. All such references are to loans made in compliance with the Federal Family Education Loan Program (“FFELP”), under Title IV of the Higher Education Act, to finance educational costs. As more fully described in our most recent quarterly earnings release, quarterly report on Form 10-Q, and annual report on Form 10-K, available on our website at (<http://www.salliemae.com/about/investors/stockholderinfo/earningsinfo>) and (<http://www.salliemae.com/about/investors/stockholderinfo>) and on the SEC's website (<http://www.sec.gov>), the federal guarantee of FFELP loans is conditioned on loans being originated, disbursed and serviced in accordance with Department of Education regulations. In addition, unless a loan default results from the borrower's death, disability or bankruptcy, the federal government guarantees only 97 percent of the principal balance (95 percent on loans disbursed after October 1, 2012) plus accrued interest and the holder of the loan generally must absorb the three percent (five percent after October 1, 2012) not guaranteed as a loss on the loan (“Risk Sharing”).

**Additional Information** - The following presentation contains certain information about the Company that management believes is important to investors, but should be read in conjunction with other material information about the Company, including, but not limited to, the operational, market and interest rate, political and regulatory, liquidity, credit, and refinancing risks that the Company faces. For a discussion of the risks described above as well as additional information about the Company you should refer to our most recent quarterly earnings release, quarterly report on Form 10-Q, and annual report on Form 10-K, available on our website at (<http://www.salliemae.com/about/investors/stockholderinfo/earningsinfo>) and (<http://www.salliemae.com/about/investors/stockholderinfo/secfilings>) and on the SEC's website (<http://www.sec.gov>). For a discussion of the specific characteristics of any specific security, you should refer to the pricing supplement, prospectus supplement and/or prospectus applicable to that security.

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# I. Introduction and Overview

# Sallie Mae Update

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- DOE funding authority – extended through academic year 09/10 – assures profitability on new Stafford/PLUS loans, and eliminates funding need for this asset
- Term FFELP ABS market continues to provide funding, with \$5.1B raised in August and \$18.5B YTD
- ABCP program reduced by \$6.3B, with outstandings to be reduced further by year end
- Access to unsecured debt markets re-established in June with a \$2.5B issue
- Earnings, liquidity and portfolio performance remain strong in the current environment
- Private loan portfolio continues to perform well, with further enhancements to product design, underwriting and collections practices underway
- Access to deposit growth through Sallie Mae Bank begins November 2008

# Introduction and Overview

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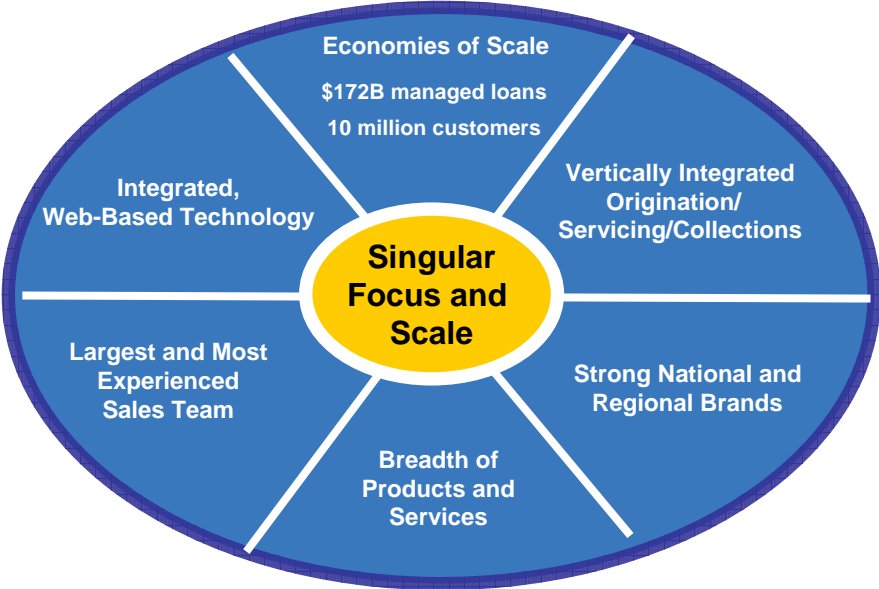
## SLM Corporation

- Leading originator, servicer and collector of student loans, with a 35% market share of all FFELP and private education loan servicing <sup>(1)</sup>
- More than 10 million customers, relationships with over 6,000 schools
- 82% of managed student loan portfolio U.S. Government guaranteed
- Profitable despite current credit environment
- Among largest issuers of ABS globally, with \$18.5 billion of U.S. Government guaranteed student loan ABS issued in 2008
- 12 SLM Private Credit ABS issues since 2002, totaling \$18.6 billion

*(1) Based on Student Loan Servicing Alliance Servicing Survey for academic year 2007.*

# SLM Competitive Advantage and Market Position

## SLM's Competitive Advantage



## Federal Student Loan Market Share

		Market Share			
		2007	2003	2000	1997
Lender					
1	<b>Sallie Mae Preferred Channel<sup>1</sup></b>	27%	25%	17%	0%
2	Federal Government	18%	26%	32%	34%
3	Citigroup	6%	7%	6%	6%
4	Bank of America	4%	5%	5%	2%
5	JPMorgan Chase	4%	13%	12%	10%
	Note: Sallie Mae Brands	14%	7%	3%	0%

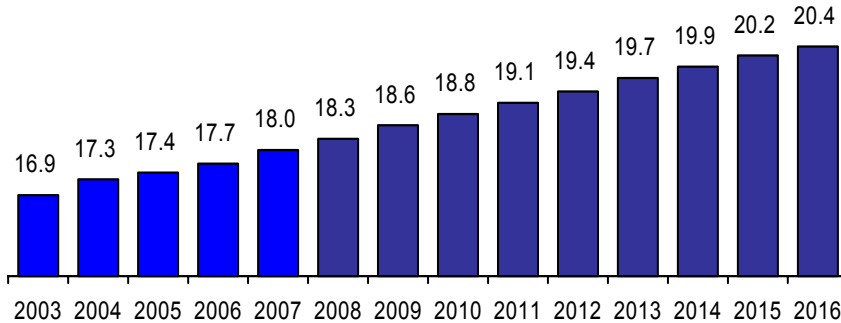
<sup>1</sup> Preferred Channel originations include loans originated under Sallie Mae brands, plus loans originated and purchased under contract from Sallie Mae's strategic lending partners.

Source: ED Top Originators of FFELP Loans. Federal fiscal year ended September 30.

# Student Loan Market Trends

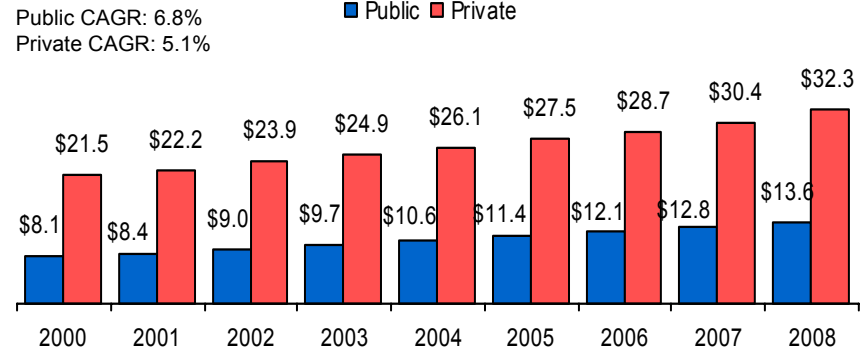
- Enrollment Growth + Rising Tuitions + Education Value = Increasing Loan Demand

## Higher Education Enrollment (millions)



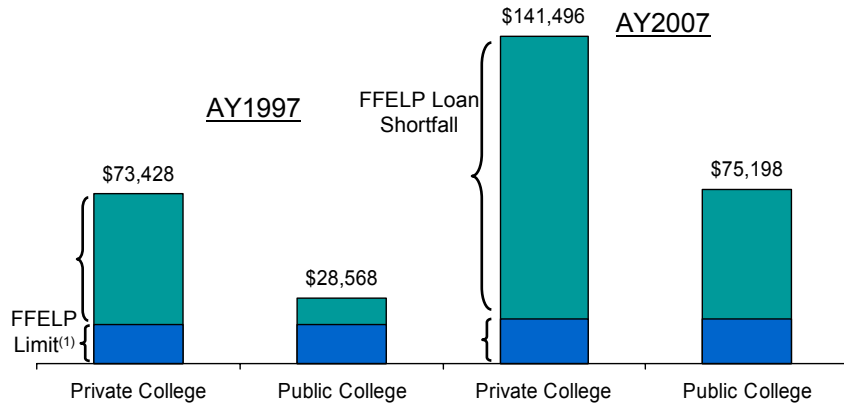
Source: National Center for Education Statistics  
 Note: Total enrollment in all degree-granting institutions; middle alternative projections for 2006 onward

## Annual Cost of Education (\$ thousands)



Source: College Board  
 Note: Academic years, average published tuition, fees, room and board charges at four-year institutions; enrollment-weighted

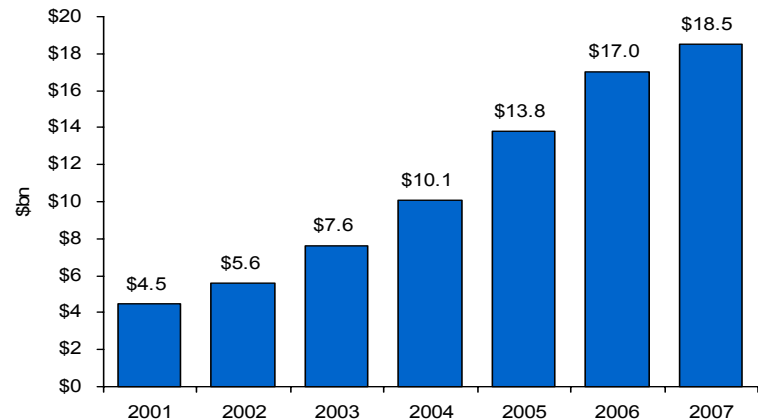
## Cost of College vs. FFELP Loan Limits - Academic Years 97 vs. 07



Source: College Board. Cost of college includes tuition, fees, room and board, transportation and other expenses for four year degree granting institutions for academic years ended June 30, 1997 and 2007.

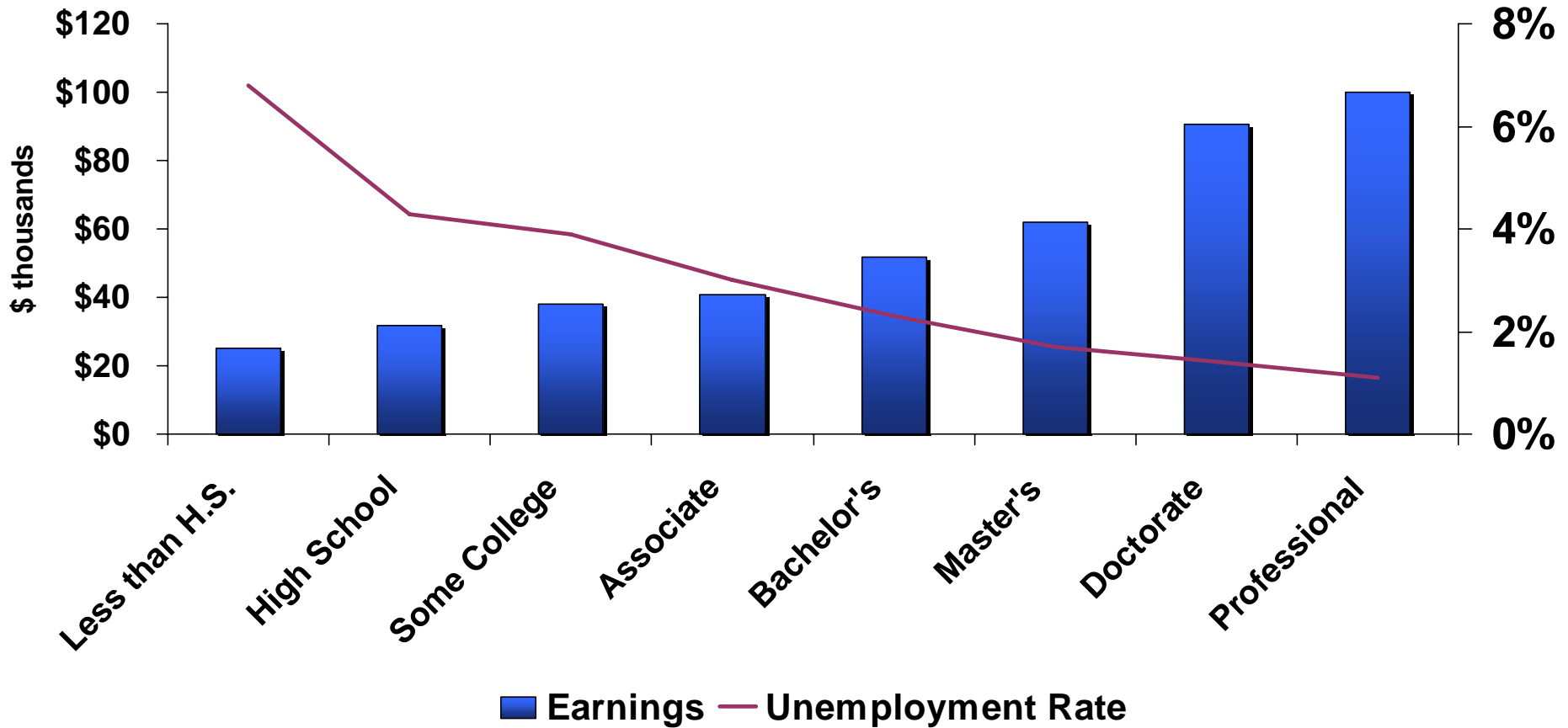
(1) FFELP loan limit for 4 consecutive yrs of college. Limits increased in July 2008 from \$19,000 to \$27,000 for dependent students.

## Growth in Non-Federal Student Loan Originations



Source: College Board, Trends in Higher Education Series (2007).

# Earnings & Unemployment by Degree



Source: U.S. Census Bureau, Current Population Survey, 2006 Annual Social and Economic Supplement. Represents median earnings for a full time, year-round worker over age 25. Unemployment data as of 2006. Represents unemployment for civilian noninstitutional population over age 25

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## II. SLM FFELP

# SLM FFELP ABS Issue Characteristics

## Typical SLM FFELP ABS Transaction Features

- Historical issue size of \$1.0B to \$5.0(+ )B
- Tranches denominated in US\$ or Euros
- 'Aaa/AAA/AAA' rated senior tranches make up 97% of issue structure
- Floating rate tied to 3 mo. LIBOR, with occasional fixed rate issuance
- Amortizing tranches, with 1 to 15(+ ) year average lives
- Serviced by Sallie Mae, Inc.

## Unique Characteristics of FFELP Loan ABS

- Explicit U.S. government guarantee of underlying collateral insulates bondholders from virtually any loss of principal <sup>(1)</sup>
- Formerly a 20% risk-weighted asset, now a <10% risk-weighted under Basel II's IRB methodology
- Offer significantly higher spreads than government agency securities with comparable risk profiles
- Short (1-3 yrs), intermediate (3-7 yrs), long (7-10 yrs) and very long (10-15+ years) term tranches available at new issue and in secondary

(1) Principal and accrued interest on underlying FFELP loan collateral carry a guarantee of either 98% or 97%. Guarantee is dependent on meeting the servicing requirements of the U.S. Department of Education.

# Recent FFELP ABS Structures

## Recent SLM New Issue FFELP ABS Structures

	Non-Consolidation FFELP					Non-Consolidation FFELP					Consolidation FFELP				
<b>Issue:</b>	\$4.1B SLM Trust 2008-9					\$1.0B SLM Trust 2008-8					\$1.6B SLM Trust 2007-8				
<b>Closing Date:</b>	August 28, 2008					August 5, 2008					November 30, 2007				
<b>Collateral:</b>	US Govt. Guaranteed FFELP Stafford and PLUS Loans					US Govt. Guaranteed FFELP Stafford and PLUS Loans					US Govt. Guaranteed FFELP Consolidation Loans				
<b>Initial Pricing CPR<sup>1</sup>:</b>	Negotiated					12%					CLR Ramp (0%-8%) over 10 years				
		Moody's	Amt	AL <sup>1</sup>	Pricing		Moody's	Amt	AL <sup>1</sup>	Pricing		Moody's	Amt	AL <sup>1</sup>	Pricing
<b>Tranching:</b>	A	Aaa	\$3,964	4.55	L+160	A1	Aaa	\$264	1.0	L+50	A1	Aaa	\$259	2.0	L+23
	B <sup>2</sup>	Aa1	\$123	9.16	L+225	A2	Aaa	\$307	3.0	L+90	A2	Aaa	\$234	5.0	L+33
						A3	Aaa	\$145	5.0	L+115	A3	Aaa	\$135	7.0	L+38
						A4	Aaa	\$237	7.4	L+150	A4	Aaa	\$430	10.0	L+47
						B <sup>2</sup>	Aa1	\$29	8.5	L+225	A5	Aaa	\$453	16.0	L+55
											B1	Aa1	\$47	12.6	L+100

1 Estimated based on a variety of assumptions concerning loan repayment behavior, as more fully described in the related prospectus, which may be obtained at <http://www2.salliemae.com/investors/debtasset/slmsltrusts/>. Actual average life may vary significantly from estimates.

2 Tranch retained by Sallie Mae

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## III. SLM Private Credit Student Loan ABS

# Sallie Mae's Private Credit Student Loan Characteristics <sup>(1)</sup>

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- Made to undergraduate and graduate students
- Floating rate, indexed to either LIBOR or Prime, with risk-based pricing
- Repayment term varies from 15 to 20(+) years, depending on loan balance
- Payments typically deferred until six months after graduation
- Underwritten primarily based on FICO, school type and specific school of attendance
- > 70% of new loans are now being originated with a co-borrower<sup>(1)</sup>, typically a parent, representing a second household for SLM to rely on to support repayment
- Generally non-dischargeable in bankruptcy

*(1) Figure for new loans originated in July and August 2008.*

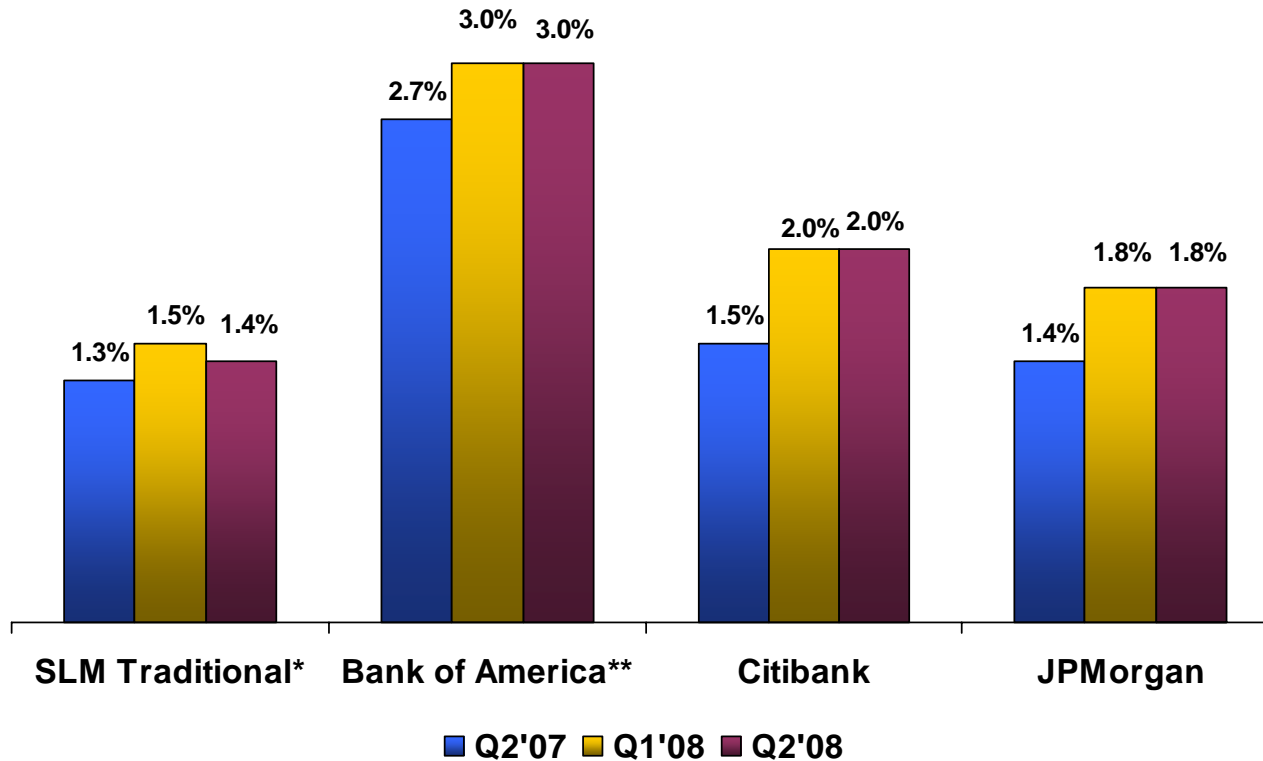
## Traditional vs. Non-Traditional

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- SLM's Managed private education loan portfolio is segmented into two categories: Traditional and Non-Traditional
- Non-Traditional loans are loans primarily made to borrowers attending schools with unacceptably high default rates, or as exceptions to FICO-based underwriting criteria
- In 1Q 2008, SLM ceased originating Non-Traditional loans
- Traditional loans are made to borrowers at schools with acceptable default rates, where either the borrower or co-borrower meets minimum FICO criteria
- As of August 31, 2008, 94% of pool collateral across all SLM Private Credit Trusts consisted of Traditional loans

# SLM Traditional Loan 90+ Day Delinquencies vs. Credit Cards

- 90+ day delinquencies on Traditional Loans continue to run lower than 90+ day delinquencies on prime credit card loans

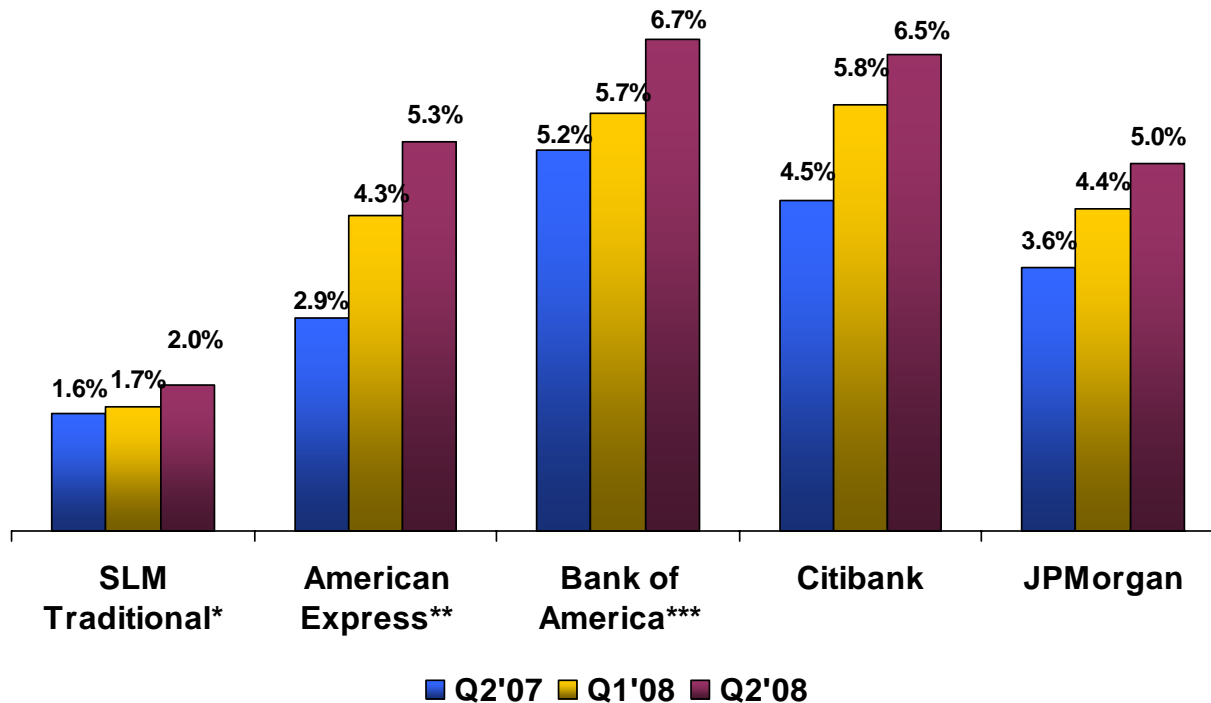


\* Delinquencies greater than 90 days as a percentage of Managed Private Education Loans in repayment.

\*\* US Consumer & Business Card. American Express 90+ day delinquencies not reported.

# SLM Traditional Loan Net Charge-off Rates vs. Credit Cards

- SLM Traditional private credit loan net charge-off rates are well below those of top tier credit card originators
- SLM's private credit loans have continued to outperform credit cards as consumer credit has weakened



\* Net charge-offs as a percentage of average Managed Private Education Loans in repayment, annualized.

\*\* U.S. Card Services, excluding write-offs of accrued interest and fees. Includes off-balance sheet securitized card member loans.

\*\*\* US Consumer & Business Card.

# SLM Private Credit ABS Issue Characteristics

## Typical SLM Private Credit ABS Transaction Features

- Historical issue size of \$1.0B to \$2.5(+B)
- US\$ denominated
- Student loan collateral not guaranteed by the U.S. Government
- Typical capital structure and credit enhancement

Class	Principal Balance %	Rating (M/S/F)	Initial Credit Enhancement	Target Credit Enhancement
A	92.25%	Aaa/AAA/AAA	8.50%	15.00%
B	3.25%	Aa2/AA/AA	5.25%	10.125%
C	4.50%	A2/A/A	0.75%	3.00%

- Floating rate tied to 3 mo. LIBOR
- Typically amortizing tranches, with 1 to 15 year average lives
- Serviced by Sallie Mae, Inc.

## Characteristics of Private Credit ABS

- Collateralized by loans made to students and parents to fund undergraduate and graduate tuition, room and board
- Underwritten using FICO scores and risk-based pricing
- Historically, approximately 50% of loans have a co-borrower, typically a parent
- Certain issues recently upgraded by Moody's, S&P and Fitch
- Private credit collateral outperforming other consumer asset classes
- Private credit student loans are generally non-dischargeable in bankruptcy
- Short (1-3 yrs), intermediate (3-7 yrs) and long (7-10+ yrs) term tranches available

# Rating Actions on SLM Private Credit Student Loan ABS

- There have been a number of upgrades and no downgrades to Sallie Mae's Private Credit ABS since the program's inception in 2002

## Moody's<sup>(1)</sup> - March 2007

Deal	Tranche	Previous Rating	Current Rating
2002-A	B	A1	Aa3
2002-A	C	Baa1	A3
2003-A	B	A1	Aa3
2003-A	C	Baa1	A3
2003-B	B	A1	Aa3
2003-B	C	Baa1	A3
2004-A	B	A1	Aa3
2004-A	C	Baa1	A3
2004-B	B	A1	Aa3
2004-B	C	Baa1	A3

## Fitch - September 2007

Deal	Tranche	Previous Rating	Current Rating
2002-A	B	A	AA+
2002-A	C	BBB	A+
2003-A	B	A+	AA
2003-A	C	BBB+	A
2003-B	B	A+	AA
2003-B	C	BBB+	A
2003-C	B	A+	AA
2003-C	C	BBB+	A
2004-A	B	A+	AA
2004-A	C	BBB+	A
2004-B	B	A+	AA
2004-B	C	BBB+	A

## S&P - July 2008

Deal	Tranche	Previous Rating	Current Rating
2002-A	B	A	AA
2002-A	C	BBB	A

(1) On September 17, 2008, as a result of Lehman's bankruptcy and rating downgrade, Moody's placed all of the tranches from the SLM Student Loan Trust 2004-1 transaction on review for possible downgrade. Lehman Brothers Special Financing Inc. acted as interest rate swap provider for the class A-6 reset rate notes. The Lehman interest rate swap expires in January 2009 and is fully cash collateralized.

# Private Credit Loan Collections

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- Sallie Mae services and collects the loans in its Private Credit ABS Trusts
- Private credit collections are conducted by a stand-alone consumer credit collections unit, not the company's FFELP collections operations
- Managed by individuals with prior experience managing collections operations for consumer loan assets
- Over the past eighteen months, private credit collections resources have been significantly increased and collections technology and practices enhanced
  - Multi-variable analysis has enabled prioritization of collection efforts on higher risk borrowers
  - Forbearance policy has been revamped, with eligibility and duration based on a risk-based decision tree model

# Forbearance

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- A collections tool used to provide borrowers time to improve their ability to repay
  - Between graduation and start of first job
  - Economic hardship
- Provides borrower with time to obtain employment and income to support their obligations
- Applied most frequently in the first two years of repayment
- Majority of loans are in forbearance for less than 12 months
- Granted for three month intervals, up to a maximum of 24 months
- Placing a loan in forbearance suspends payments, with interest capitalized to the loan balance

# Performance of Loans Receiving Forbearance

- Three years after loans in the Managed portfolio first entered repayment, 60% were current and 8.0% charged-off vs. 68% and 5.4% for loans never entering forbearance

## Performance of Loans Receiving Forbearance vs Loans Not Receiving Forbearance <sup>(1)</sup>

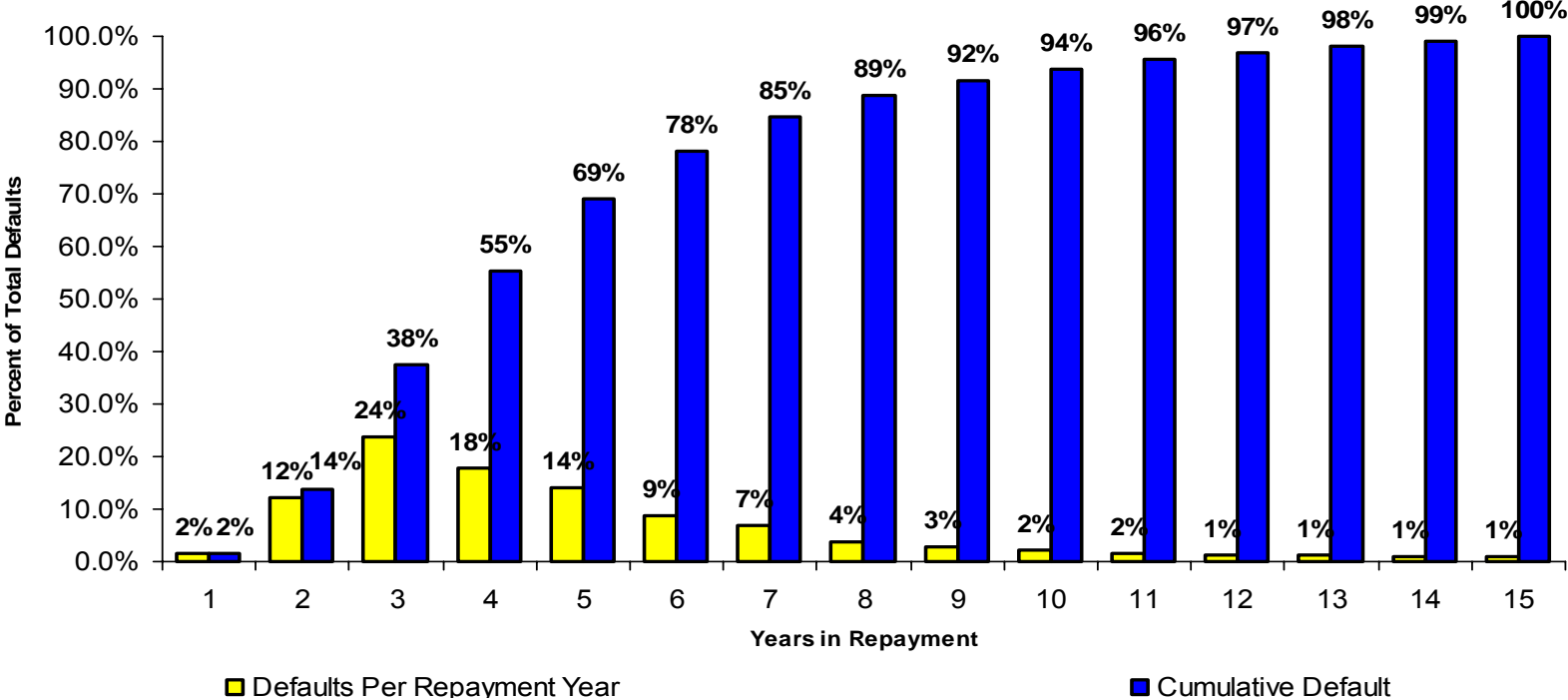
	Status distribution 36 months after entering forbearance for the first time	Status distribution 36 months after entering repayment for loans never entering forbearance
In-School/Grace/Deferment	8.5%	2.3%
Current	60.5%	67.6%
31-60 Days Delinquent	3.0%	0.6%
61-90 Days Delinquent	1.5%	0.2%
90+ Days Delinquent	2.6%	0.5%
Forbearance	8.1%	0.0%
Charged Off	8.0%	5.4%
Paid	<u>7.8%</u>	<u>23.4%</u>
	<u>100.0%</u>	<u>100.0%</u>

(1) Managed portfolio as of June 30, 2008. Tracked 36 months after first month-end forbearance, or 36 months after repayment begin date. Repayment cohorts since January 2001. Loans receiving first forbearances since January 2001.

# SLM Private Credit Default Emergence Profile

- Defaults in SLM Private Credit ABS Trusts increase as loans first enter repayment, then diminish steadily over time

**Expected Loss Emergence Timing (1)**



(1) The loss emergence curve is based on managed portfolio data for the standard grad/undergrad private loan product. The curve is created based on static pool default curves segmented by the primary drivers of portfolio performance (coborrower, school, and FICO), and weighted based on the managed volume in each segment.

# Performance Data Segmentation

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- Unless otherwise noted, historical data provided in this section has been segmented into two categories reflecting SLM's current underwriting and pool selection criteria

Loans Meeting  
Current Selection Criteria

Not-For-Profit Schools, FICO  $\geq$  640  
For-Profit Schools, FICO  $\geq$  670  
School Not Excluded List

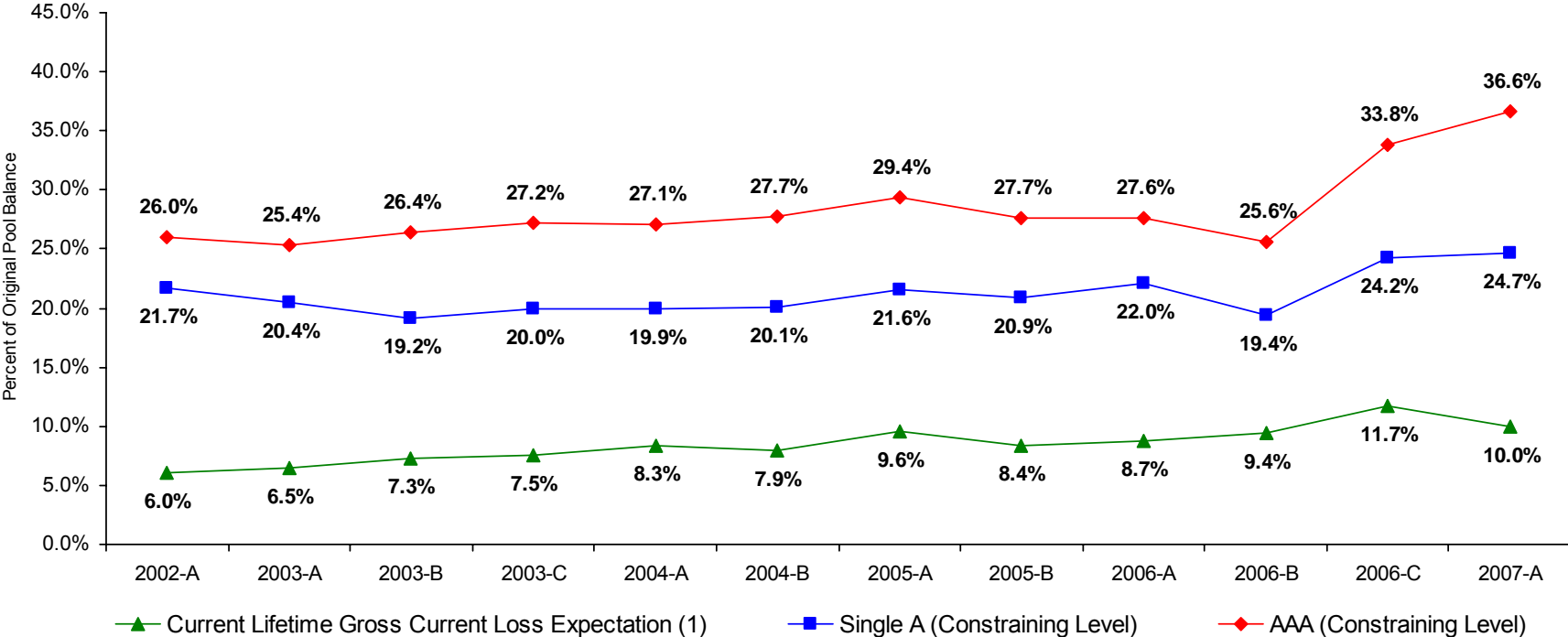
Loans Not Meeting  
Current Selection Criteria

Not-For-Profit Schools, FICO  $<$  640  
For-Profit Schools, FICO  $<$  670  
Excluded Schools

- Loans originated without a FICO score are not included in the data

# SLM Private Credit Gross Defaults: Current Lifetime Expectations vs. Constraining Rating Agency Stress Levels at Issuance

**Constraining Rating Agency Stress Levels at Issuance for 'AAA' and 'A' Ratings versus Current Lifetime Cumulative Gross Default Expectations All Trust Loans**



(1) Charge-offs per the servicer's portfolio definition which is generally 212+ days delinquent. Includes loans for which a borrower has filed bankruptcy which have subsequently become 212+ days delinquent.

Source: Sallie Mae

# Bonds Well Protected Against Expected Defaults

- SLM Private Student Loan Trust ABS are rated to withstand extremely high default rates on the underlying collateral

## Default Breakeven Analysis SLM 2007-A

Rating	Cumulative Default Breakeven <sup>(1)</sup>	
	SLM 2007-A	Multiple of Current Expected Losses <sup>(2)</sup>
<b>AAA</b>	<b>46%</b>	<b>4.6x</b>
<b>A</b>	<b>31%</b>	<b>3.1x</b>

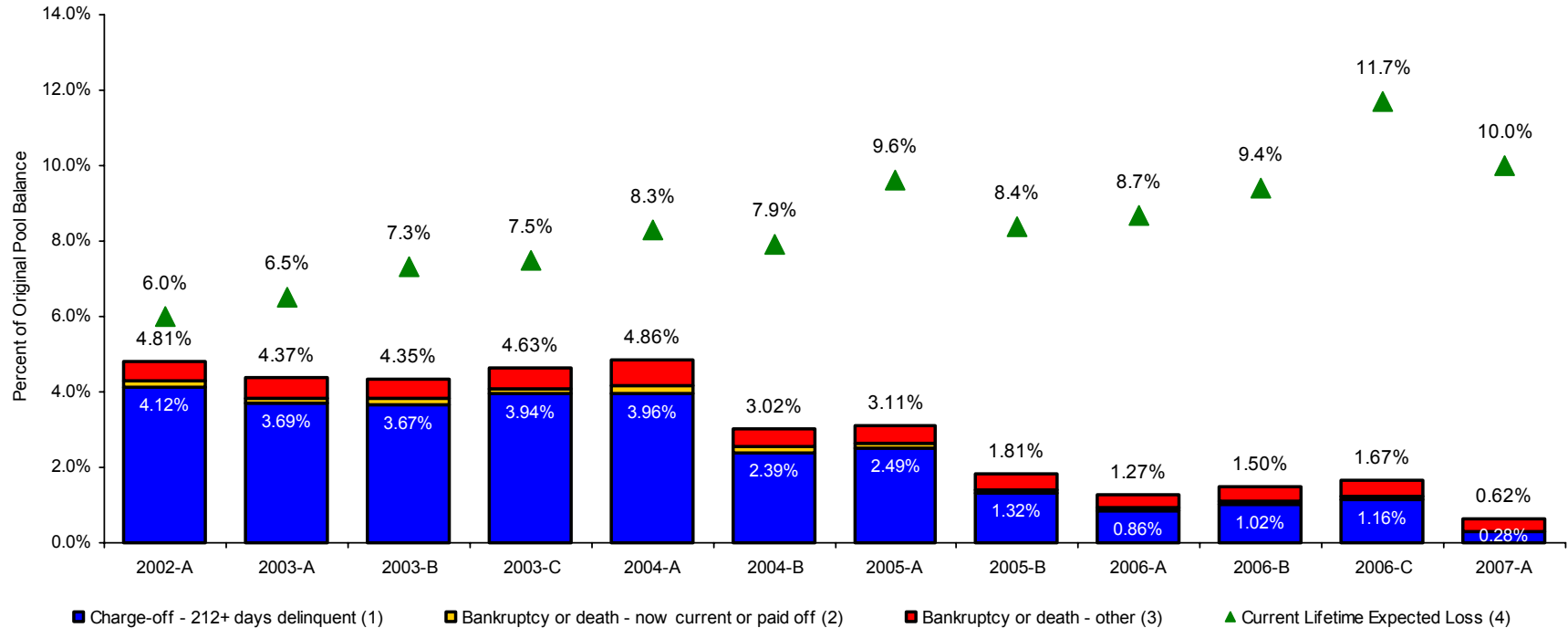
Source: Deutsche Bank Securities Inc. and Sallie Mae.

(1) Cumulative default breakeven before dollar of principal loss. Modeled to maturity and based on information as of the close. Assumptions: 3 year default curve of 70/20/10, 75% loss severity, 360 day recovery lag, 20% for 24 months of deferment, 10% for 24 months of forbearance and 10% delinquencies.

(2) Estimated by Sallie Mae based on August 31, 2008 data.

# SLM Private Credit Gross Defaults: Actual-To-Date vs. Current Lifetime Expectations

## Actual-to-Date Cumulative Gross Defaults and Current Lifetime Expectations, including Bankruptcy Information All Trust Loans

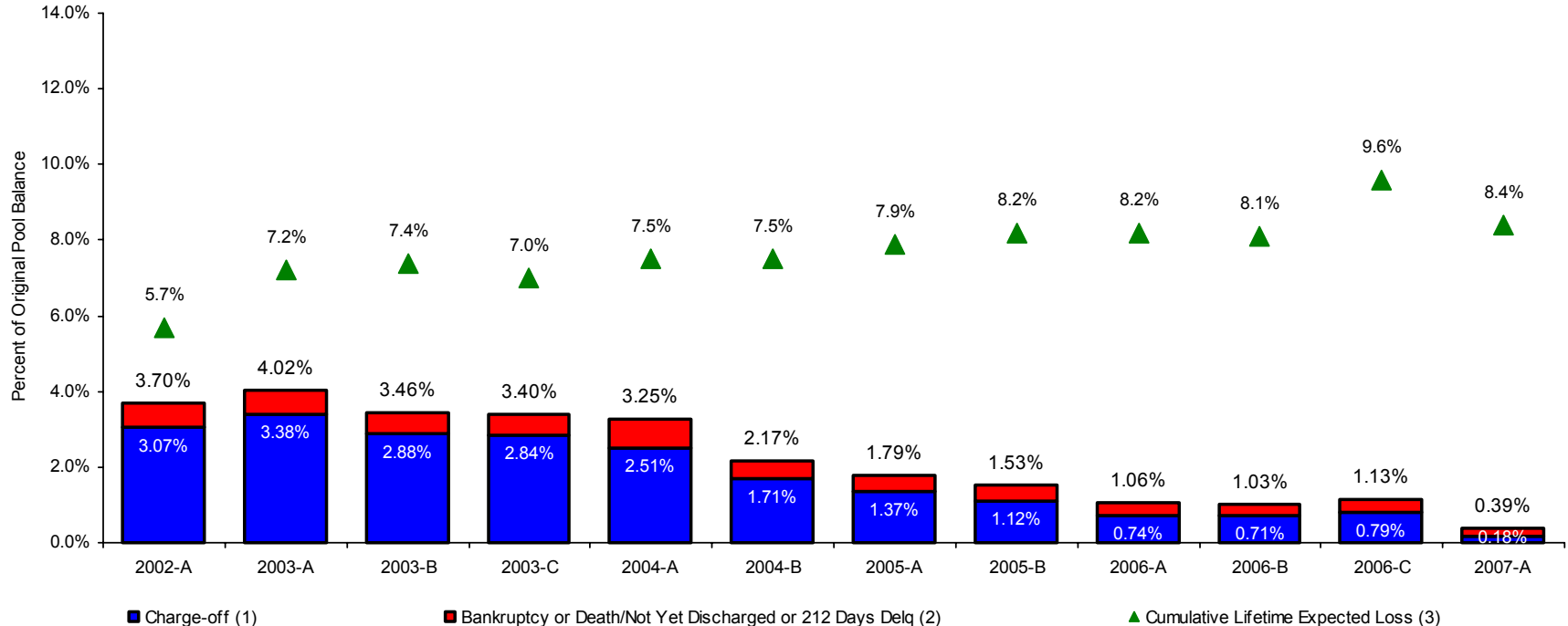


For SLM Private Credit Student Loan Trusts issued prior to 2005-B, the servicer has the option, but not the obligation, to repurchase loans that (i) become 180+ days delinquent and/or (ii) have a borrower who filed for bankruptcy or died. To date, the servicer has exercised this repurchase option and actual charge-offs in these trusts equals zero. For the purposes of comparison across all deals, this chart reflects trust charge-offs for SLM Private Credit Student Loan Trusts issued prior to 2005-B as if the servicer had not exercised its repurchase option.

- (1) Charge-offs per the servicer's portfolio definition which is generally 212+ days delinquent. Includes loans for which a borrower has filed bankruptcy which have subsequently become 212+ days delinquent. Loans that were transferred to a co-borrower's account due to bankruptcy or death and subsequently charged off are not included.
- (2) Charge-offs due to a borrower's bankruptcy filing for which the loan is now current or paid off. Loans that were transferred to a co-borrower's account due to bankruptcy or death and are now paid off or current are not included.
- (3) For loans not transferred to a co-borrower's account, charge-offs due to a borrower's bankruptcy filing or death for which the loan is not current or paid off but has not become 212+ days delinquent. These loans can be in various statuses including: bankruptcy stay, deferment, forbearance or delinquency. All loans that were transferred to a co-borrower's account due to bankruptcy or death are included.
- (4) Charge-offs per the servicer's portfolio definition explained in footnote (1).

# SLM Private Credit Gross Defaults: Actual To Date vs. Current Lifetime Expectations

## Actual-to-Date Cumulative Gross Defaults and Current Lifetime Expectations, including Bankruptcy Information Current Criteria Loans Only



For SLM Private Credit Student Loan Trusts issued prior to 2005-B, the servicer has the option, but not the obligation, to repurchase loans that (i) become 180+ days delinquent and/or (ii) have a borrower who filed for bankruptcy or died. To date, the servicer has exercised this repurchase option and actual charge-offs in these trusts equals zero. For the purposes of comparison across all deals, this chart reflects trust charge-offs for SLM Private Credit Student Loan Trusts issued prior to 2005-B as if the servicer had not exercised its repurchase option.

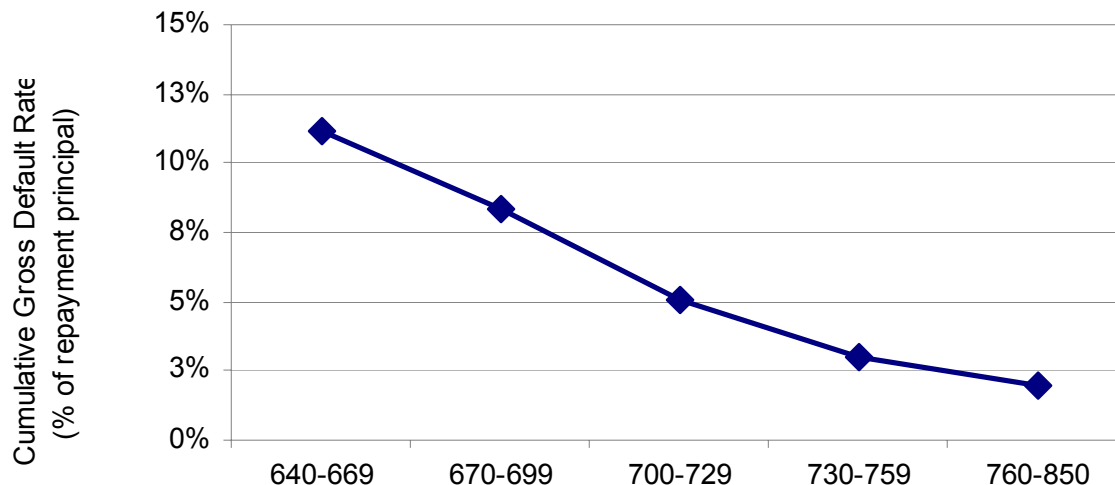
- (1) Charge-offs per the servicer's portfolio definition which is generally 212+ days delinquent. Includes loans for which a borrower has filed bankruptcy which have subsequently become 212+ days delinquent. Loans that were transferred to a co-borrower's account due to bankruptcy or death and subsequently charged off are not included.
- (2) Charge-offs due to a borrower's bankruptcy filing for which the loan has not charged off per the definition in footnote (1). Loans can be in various statuses including: current, paid in full, bankruptcy stay, deferment, forbearance or delinquency. All loans that were transferred to a co-borrower's account due to bankruptcy or death are included.
- (3) Expected loss information includes charge-offs under the managed portfolio definition explained in (1).

In general, Medloans are not included in the Current Criteria pool because they were not historically underwritten using FICO score. Medloans have low default rates and were included in higher proportions in the 2002 and 2003 deals. Exclusion of this segment of strong performing loans causes the default expectation to appear higher in the Current Criteria for 2003-A and 2003-B.

# SLM Private Credit Performance Drivers: Original FICO

- Original FICO is among several factors historically proven to be highly correlated with actual losses in Sallie Mae's Managed Private Credit Loan portfolio

**Impact of Original FICO**  
**Actual Cumulative Gross Defaults for Loans in Repayment Since 2002**  
**SLM Managed Loans Meeting Current Selection Criteria<sup>(1)</sup>**



<u>August 2008 Disbursements</u>	<u>640-669</u>	<u>670-699</u>	<u>700-729</u>	<u>730-759</u>	<u>760-850</u>
Wtd. Avg. Margin to LIBOR	8.3%	8.2%	7.2%	6.6%	4.8%
% of Total	6.3%	15.3%	17.6%	23.0%	37.8%

(1) Data as of June 30, 2008.

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# Appendix A: SLM Private Credit ABS Trust Characteristics

# SLM Private Credit ABS Trust Characteristics

SLM Private Credit Student Loan Trust

	2002-A	2003-A	2003-B	2003-C	2004-A	2004-B	2005-A	2005-B	2006-A	2006-B	2006-C	2007-A
Deal Size (mm)	\$0.7	\$1.1	\$1.3	\$1.3	\$1.3	\$1.5	\$1.7	\$1.7	\$2.2	\$2.2	\$1.2	\$2.2
ABI	\$14,220	\$13,021	\$12,068	\$13,648	\$11,944	\$11,767	\$11,394	\$11,690	\$12,121	\$12,016	\$10,999	\$13,020
WA FICO at Origination <sup>(1)</sup>	718	715	719	718	716	720	717	721	719	718	714	718
T-Bill Loan %	13.9%	30.0%	20.4%	12.8%	19.9%	4.5%	2.9%	1.7%	1.3%	0.1%	1.2%	0.5%
Prime Loan %	85.9%	69.2%	79.3%	87.1%	80.0%	95.4%	97.1%	98.3%	98.7%	99.9%	98.8%	99.5%
Fixed Loan %	0.2%	0.8%	0.3%	0.2%	0.1%	*	*	*	*	*	*	*
In School %	16.6%	47.4%	61.3%	51.4%	44.5%	85.4%	71.4%	68.2%	77.6%	65.9%	61.4%	71.1%
Grace %	44.1%	7.3%	7.3%	23.0%	13.5%	7.7%	12.3%	19.8%	8.4%	13.6%	19.9%	8.0%
Deferment %	1.6%	0.1%	*	0.1%	2.3%	1.0%	1.3%	1.1%	1.0%	0.8%	1.3%	1.1%
Forbearance %	2.7%	4.6%	2.4%	4.2%	9.1%	1.2%	1.7%	1.7%	2.2%	3.2%	3.5%	2.4%
Repayment %	35.0%	40.6%	29.1%	21.3%	30.6%	4.7%	13.3%	9.1%	10.8%	16.5%	13.9%	17.4%
WA T-Bill Margin	2.87%	3.34%	3.28%	3.25%	3.18%	2.90%	3.11%	3.11%	2.90%	2.89%	3.07%	2.67%
WA Prime Margin	0.85%	0.86%	0.91%	0.91%	1.39%	1.24%	1.85%	1.52%	1.96%	2.10%	2.30%	2.56%
% with Co-Borrower	39.3%	44.1%	50.0%	49.8%	44.2%	50.6%	48.3%	51.2%	51.8%	57.9%	48.3%	58.1%
% without Co-Borrower	60.7%	55.9%	50.0%	50.2%	55.8%	49.4%	51.7%	48.8%	48.2%	42.1%	51.7%	41.9%
WA Current Rate	5.52%	5.07%	5.05%	5.06%	5.15%	5.18%	7.17%	7.90%	9.41%	9.54%	10.50%	10.79%
WA Seasoning (months) <sup>(2)</sup>	5	40	35	26	17	21	9	9	6	12	10	4

(1) If there is a co-borrower, FICO score represents higher of borrower and co-borrower score

(2) Seasoning only for loans in repayment

\* Represents a percentage greater than 0% but less than 0.05%.

# SLM Private Credit ABS Trust Characteristics: Performance Drivers

## SLM Private Credit Student Loan Trust, Loans Meeting Current Selection Criteria

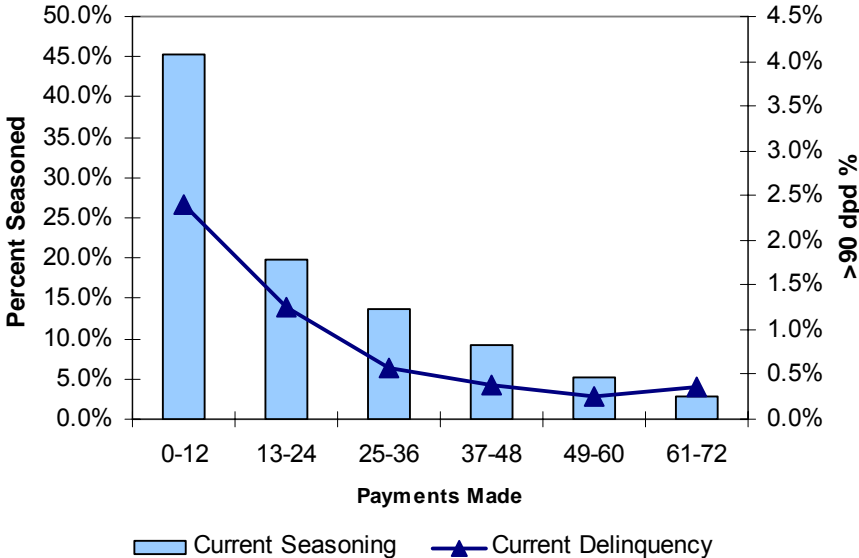
At Origination	2002-A	2003-A	2003-B	2003-C	2004-A	2004-B	2005-A	2005-B	2006-A	2006-B	2006-C	2007-A
% with Co-Borrower	47%	57%	60%	54%	54%	55%	51%	53%	53%	59%	51%	60%
% without Co-Borrower	53%	43%	40%	46%	46%	45%	49%	47%	47%	41%	49%	40%
FICO <sup>(1)</sup>												
760-850	25%	23%	26%	26%	24%	25%	23%	25%	27%	26%	24%	27%
730-760	20%	19%	18%	19%	19%	20%	20%	20%	18%	17%	18%	17%
700-729	21%	21%	21%	21%	21%	21%	22%	21%	20%	22%	21%	19%
670-699	18%	20%	19%	18%	20%	18%	19%	19%	20%	21%	22%	21%
640-669	15%	17%	16%	16%	16%	16%	16%	15%	15%	14%	15%	16%
% Meeting Current Selection Criteria	93%	95%	95%	94%	91%	94%	88%	97%	96%	91%	87%	88%

(1) If there is a co-borrower, FICO score represents higher of borrower and co-borrower score

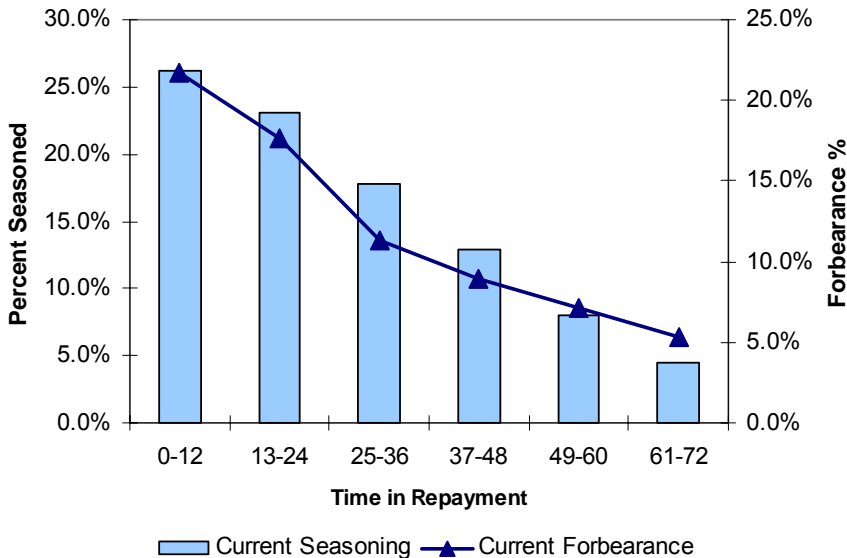
# SLM Private Credit Delinquency and Forbearance Seasoning Trends

- Delinquency and forbearance are highest when loans enter repayment, and diminish as loans season
- As the trust loans season, delinquency and forbearance are expected to decline

**90+ Day Delinquencies, % of Loans in Repayment  
SLM Private Credit Trusts**



**Forbearance, % of Loans in Repayment and  
Forbearance  
SLM Private Credit Trusts**



# SLM Private Credit Managed Portfolio Performance (All Loans)

## Cumulative Cohort Recovery Rates

- Recovery data is based substantially on experience under HICA, a captive insurance subsidiary of SLM that collected and recovered defaulted loans until 2004, when HICA was dissolved and SLM began managing recoveries in-house
- Current expectations are that recovery efforts conducted by SLM will ultimately collect more than HICA, and that the timing of collections will be more front-loaded

### RECOVERIES MADE THROUGH DECEMBER 31, 2006 PAYMENT RECOVERIES ONLY

YEAR	RECOVERIES MADE BY YEAR AFTER CLAIM PAID																			
	PAID	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1988	0.4%	2.1%	4.5%	10.8%	18.1%	20.3%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%	23.5%
1989	0.5%	3.8%	9.9%	11.0%	15.0%	16.3%	16.7%	16.8%	17.0%	17.1%	17.1%	17.1%	17.1%	17.3%	17.5%	18.0%	18.3%	18.3%	18.3%	18.3%
1990	0.3%	2.7%	5.0%	8.2%	11.2%	13.9%	16.7%	19.5%	22.0%	23.8%	27.5%	31.2%	33.1%	33.8%	35.6%	36.0%	36.9%			
1991	1.3%	5.5%	9.7%	12.7%	15.5%	17.2%	18.2%	20.5%	21.4%	22.2%	23.2%	25.2%	26.5%	28.4%	29.5%	29.8%	29.8%			
1992	1.7%	5.0%	6.9%	8.9%	10.4%	12.0%	13.7%	14.9%	16.8%	18.2%	20.2%	21.7%	23.0%	23.6%	23.7%	23.7%				
1993	2.5%	4.6%	6.6%	9.4%	11.1%	12.9%	14.7%	16.8%	18.5%	20.6%	23.3%	25.1%	26.3%	26.8%	26.8%					
1994	1.2%	4.2%	6.5%	8.9%	11.3%	13.1%	15.7%	17.3%	19.2%	21.1%	23.3%	25.0%	25.3%	25.3%						
1995	0.5%	2.4%	4.3%	6.1%	7.7%	9.6%	11.2%	12.6%	14.7%	16.9%	18.9%	19.4%	19.5%							
1996	1.4%	3.3%	4.9%	6.3%	8.0%	10.1%	12.8%	15.1%	18.8%	21.1%	22.5%	22.5%								
1997	1.6%	3.7%	5.7%	7.3%	9.0%	11.5%	14.5%	16.6%	18.3%	19.4%	19.5%									
1998	1.6%	3.7%	5.8%	8.4%	10.6%	12.8%	14.6%	17.0%	17.8%	17.8%										
1999	1.7%	4.1%	6.0%	8.3%	12.0%	14.6%	17.9%	18.7%	18.7%											
2000	1.9%	5.4%	7.6%	10.8%	13.7%	15.4%	16.8%	17.0%												
2001	1.0%	2.7%	5.1%	7.4%	10.0%	10.8%	10.9%													
2002	1.6%	3.2%	5.4%	7.1%	8.2%	8.2%														
2003	1.3%	4.1%	5.9%	7.2%	7.2%															
2004	1.1%	2.8%	3.8%	4.0%																

ASSET PERFORMANCE GROUP			
P&I Recoveries through 6/30/2008			
Chargeoff \$	1	2	3
2005 \$ 93,241,266	3.2%	7.9%	12.5%
2006 \$ 101,542,402	4.0%	7.4%	
2007 \$ 303,165,171	2.4%		

## Traditional vs. Non-Traditional Private Loan Performance

	<u>6/30/2008</u>	<u>3/31/2008</u>	<u>12/31/2007</u>	<u>9/30/2007</u>	<u>6/30/2007</u>
<b><u>Traditional</u></b>					
Loans Outstanding	\$28,349	\$27,502	\$25,791	\$24,474	\$22,283
Loans in Repay	\$14,433	\$12,683	\$12,711	\$10,784	\$10,871
% with a Co-Borrower	57.7%	57.6%	57.1%	56.8%	56.4%
90 Days Delinq as a % of Repay & Forb	1.4%	1.5%	1.5%	1.5%	1.2%
Forb as a % of Repay & Forb	12.0%	15.5%	12.8%	12.6%	10.6%
Annualized Net C/O's as a % of Repay	2.0%	1.7%	1.5%	1.6%	1.6%
	<u>6/30/2008</u>	<u>3/31/2008</u>	<u>12/31/2007</u>	<u>9/30/2007</u>	<u>6/30/2007</u>
<b><u>Non-Traditional</u></b>					
Loans Outstanding	\$4,873	\$4,811	\$4,580	\$4,368	\$4,119
Loans in Repay	\$2,451	\$2,187	\$2,155	\$2,015	\$1,969
% with a Co-Borrower	26.3%	25.7%	25.4%	25.0%	24.4%
90 Days Delinq as a % of Repay & Forb	8.0%	8.4%	8.9%	8.5%	7.9%
Forb as a % of Repay & Forb	18.5%	21.4%	19.4%	16.4%	15.0%
Annualized Net C/O's as a % of Repay	15.0%	12.9%	10.6%	11.7%	13.5%

- Reserve coverage of annualized net charge-offs totaled 2.0x and 2.6x for Traditional and Non-Traditional loans respectively for the first half of 2008

## Contact Information

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Ken Fischbach  
Senior Vice President, Corporate Finance  
Sallie Mae, Inc.  
12061 Bluemont Way  
Reston, VA 20190  
703-984-6310  
kenneth.fischbach@slma.com

Leo Subler  
Vice President, Corporate Finance  
Sallie Mae, Inc.  
12061 Bluemont Way  
Reston, VA 20190  
703-984-5564  
leo.subler@salliemae.com