
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **August 8, 2011**

SLM CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-13251
(Commission
File Number)

52-2013874
(I.R.S. Employer
Identification No.)

300 Continental Drive, Newark, Delaware
(Address of principal executive offices)

19713
(Zip Code)

Registrant's telephone number, including area code: **(302) 283-8000**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-
-

Item 8.01 Other Events.

SLM Corporation frequently provides relevant information to its investors via posting to its corporate website. On August 8, 2011, a presentation entitled "Q2 2011 Investor Presentation" was made available on SLM Corporation's web site at https://www1.salliemae.com/about/investors/webcasts/archived_presentations.htm. In addition, the document is being furnished herewith as Exhibit 99.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1* Q2 2011 Investor Presentation.

* Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SLM CORPORATION

Date: August 8, 2011

By: /s/ Jonathan C. Clark
Jonathan C. Clark
Executive Vice President and Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Q2 2011 Investor Presentation.

* Furnished herewith.



SLM CORPORATION

Q2 2011 Investor Presentation

FORWARD-LOOKING STATEMENTS

The following information is current as of August 8, 2011 (unless otherwise noted) and should be read in connection with SLM Corporation's 2010 Annual Report on Form 10-K (the "2010 Form 10-K"), second quarter 2011 Quarterly Report on Form 10-Q and in subsequent reports filed with the Securities and Exchange Commission (the "SEC"). Our actual results may differ materially from the forward-looking statements and information contained in this Presentation due to a variety of factors, including, but not limited to, those described in our 2010 Form 10-K and our second quarter Form 10-Q in "Part I – Item 1A Risk Factors" and in subsequent reports filed with the SEC.

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, increases in financing costs; limits on liquidity; increases in costs associated with compliance with laws and regulations; changes in accounting standards and the impact of related changes in significant accounting estimates; any adverse outcomes in any significant litigation to which we are a party; credit risk associated with our exposure to third parties, including counterparties to our derivative transactions; and changes in the terms of student loans and the educational credit marketplace (including changes resulting from new laws and the implementation of existing laws). We could also be affected by, among other things: changes in our funding costs and availability; reductions to our credit ratings or the credit ratings of the United States of America; failures of our operating systems or infrastructure, including those of third-party vendors; damage to our reputation; failures to successfully implement cost-cutting and restructuring initiatives and adverse effects of such initiatives on our business; changes in the demand for educational financing or in financing preferences of lenders, educational institutions, students and their families; changes in law and regulations with respect to the student lending business and financial institutions generally; increased competition from banks and other consumer lenders; the creditworthiness of our customers; changes in the general interest rate environment, including the rate relationships among relevant money-market instruments and those of our earning assets versus our funding arrangements; changes in general economic conditions; and changes in the demand for debt management services. The preparation of our consolidated financial statements also requires management to make certain estimates and assumptions including estimates and assumptions about future events. These estimates or assumptions may prove to be incorrect. All forward-looking statements contained in this Presentation are qualified by these cautionary statements and are made only as of the date of this Presentation. We do not undertake any obligation to update or revise these forward-looking statements to conform the statement to actual results or changes in our expectations.

SLM CORPORATION

SLM Corporation Overview	Page 4
The U.S. Student Loan Market	Page 15
Credit Quality	Page 24
Servicing: A Competitive Advantage	Page 36
Funding Diversity and Liquidity	Page 42
Risk-Adjusted Capitalization	Page 55
FFELP Appendix	Page 58
Private Credit Appendix	Page 62
SLM Appendix	Page 84

SLM CORPORATION OVERVIEW

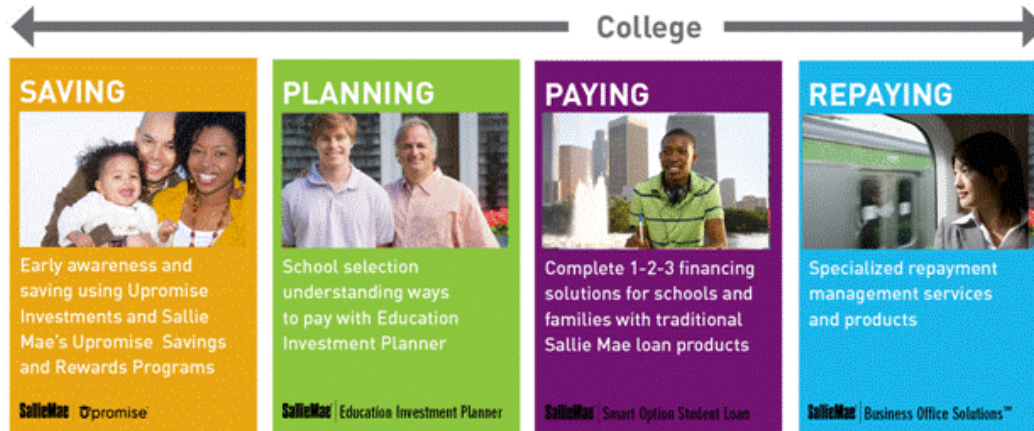
SLM CORPORATION



- ▶ #1 saving and paying for college company with 40-years of leadership in the education lending market
- ▶ #1 servicer and collector of student loans in the U.S. servicing FFELP and Private Credit education loans for SLM and third parties, including 3 million accounts for the Department of Education (ED) as of June 30, 2011
- ▶ Serving 23 million unique customers
- ▶ Fully independent private sector company with scale and a broad franchise, traded on the NYSE
- ▶ \$178 billion student loan portfolio, 80% of which is U.S. government guaranteed as of June 30, 2011
- ▶ At quarter-end, 96% of student loans were funded with term liabilities

LIFE STAGE CUSTOMER STRATEGY

- ▶ Sallie Mae offers an unmatched, integrated suite of Saving, Planning, and Paying for College SM products and services



SLM CORPORATION UPDATE

- ▶ “Core Earnings” for Q2 2011 of \$260 million*
- ▶ Paid dividend of \$0.10 per share on the company’s common stock
- ▶ Repurchased 9.6 million shares of company stock on the open market.
- ▶ Originated \$264 million Private Education Loans in Q2 2011, average FICO of 736 and 81% Cosigned
- ▶ Launched Sallie Mae Insurance Services

A BRIEF CORPORATE HISTORY

SLM Corporate Debt Ratings			
	Moody's	S & P	Fitch
Long-Term	Ba1	BBB-	BBB-
Short-Term	Not-Prime	A-3	F3
Outlook	Neg.	Stable	Stable

As of June 30, 2011

Loan Portfolio		
Loan Type	\$B	%
FFELP Loans	\$142.6	80%
Private Education	35.8	20%
Total Portfolio	\$ 178.4	100%

As of June 30, 2011
Net of provision



¹ Currently known as the Federal Family Education Loan Program (FFELP).

Q2 11 “CORE EARNINGS” SUMMARY

(\$ millions), except per share amounts	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q2 10</u>
EPS (Reported)	\$0.48	\$0.48	\$0.39
Net Income	\$260	\$260	\$211
Net Interest Income	\$761	\$772	\$761
Loan Loss Provision	\$291	\$303	\$382
Fee and Other Income - Excluding Debt Repurchase Gains	\$193	\$189	\$200
Debt Repurchase Gains	-	\$64	\$91
Operating Expenses	\$268	\$303	\$309
Tangible Capital Ratio	2.3%	2.3%	1.9%
Average Student Loans	\$180,783	\$184,387	\$184,571

- “Core Earnings” growth of 23% year over year
- Private Credit student loan originations increased 21% year over year
- Credit quality continues to improve

FFELP LOAN SEGMENT EARNINGS DETAIL

(\$ millions)	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q2 10</u>
Average Student Loans	\$143,999	\$147,381	\$148,101
Net Interest Income after Provision - FFELP	\$342	\$344	\$335
Net Interest Margin - FFELP	0.98%	0.98%	0.95%
Operating Expenses	\$192	\$195	\$187
OpEx Annualized as a % Average Student Loans	0.53%	0.54%	0.49%

CONSUMER LENDING SEGMENT EARNINGS DETAIL

(\$ millions)	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q1 10</u>
Private Originations	\$264	\$940	\$219
Average Student Loans	\$36,784	\$37,006	\$36,470
Net Interest Income after Provision - Private	\$136	\$135	\$47
Net Interest Margin - Private Education	4.05%	4.11%	3.79%
Operating Expenses	\$73	\$82	\$86
OpEx Annualized as a % Average Student Loans	0.80%	0.90%	0.95%

SLM BUSINESS MODEL

Three Distinct Aspects of the Business Model

Consumer Lending

- ▶ Largest originator of Private Education Loans
- ▶ Significant long term value
- ▶ Legacy portfolio quality vastly improved

Business Services

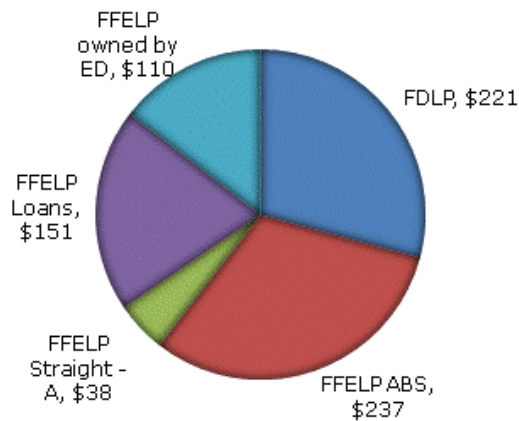
- ▶ Attractive fee business with little capital required & high return on equity
- ▶ Diverse portfolio of customers and services
- ▶ Opportunities exist to expand services provided including industry consolidation
- ▶ Efficient cost structure and top performer
- ▶ ABS servicing cash flows are super senior

FFELP Loan Portfolio

- ▶ Existing portfolios generating substantial income and cash flow
- ▶ Residuals stable due to minimal credit and interest rate risk
- ▶ Acquired \$29.2 Billion in FFELP assets since 1/10

FEDERAL STUDENT LOAN MARKET

**Outstanding Government Student Loan Market Distribution
FFYE 9/30/2010 (\$ in billions)**

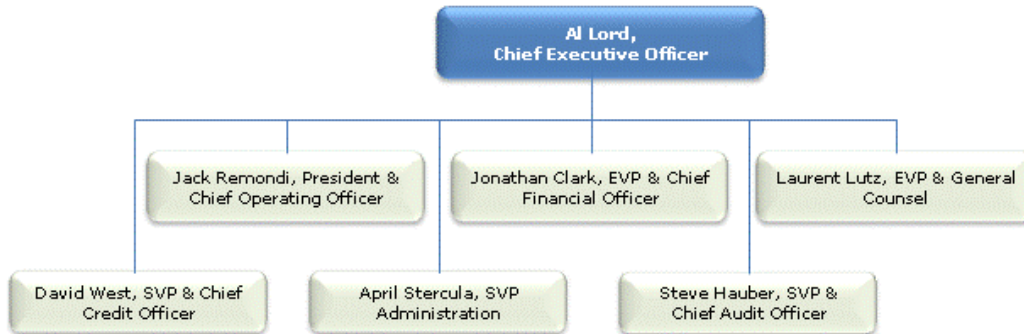


**Top 10 Holders of FFELP Loans
FFYE 9/30/2010 (\$ in millions)**

Lender Name	FY10
SLM CORPORATION	\$148,649 ¹
NELNET	\$24,514
WELLS FARGO	\$20,722
BRAZOS GROUP	\$12,080
JPMORGAN CHASE BANK	\$9,616
PA HIGHER ED ASST AUTH (PHEAA)	\$9,575
COLLEGE LOAN CORP	\$8,669
CIT ²	\$8,317
PNC	\$7,549
Goal Financial	\$6,881
Top 10 Holders	\$256,572

13 Sources: President's FY 2012 Budget, US Department of Education Report 4/2011
¹ Includes \$26.1 billion of FFELP Loans Purchased from the Student Loan Corporation on December 31, 2010
² Student Loan Xpress is a CIT company

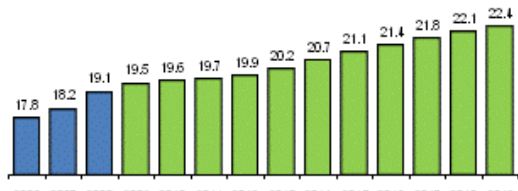
OFFICE OF THE CHIEF EXECUTIVE OFFICER



THE U.S. STUDENT LOAN MARKET

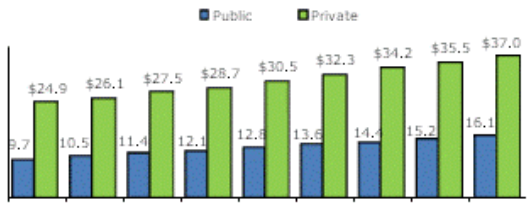
FAVORABLE STUDENT LOAN MARKET TRENDS

Higher Education Enrollment (millions)



Source: National Center for Education Statistics
 Note: Total enrollment in all degree-granting institutions; middle alternative projections for 2009 onward

Annual Cost of Education (\$ thousands)



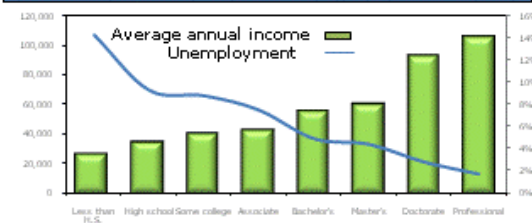
Source: College Board
 Note: Academic years, average published tuition, fees, room and board charges at four-year institutions; enrollment-weighted

Federal Student Loan Origination Volume (\$ billions)



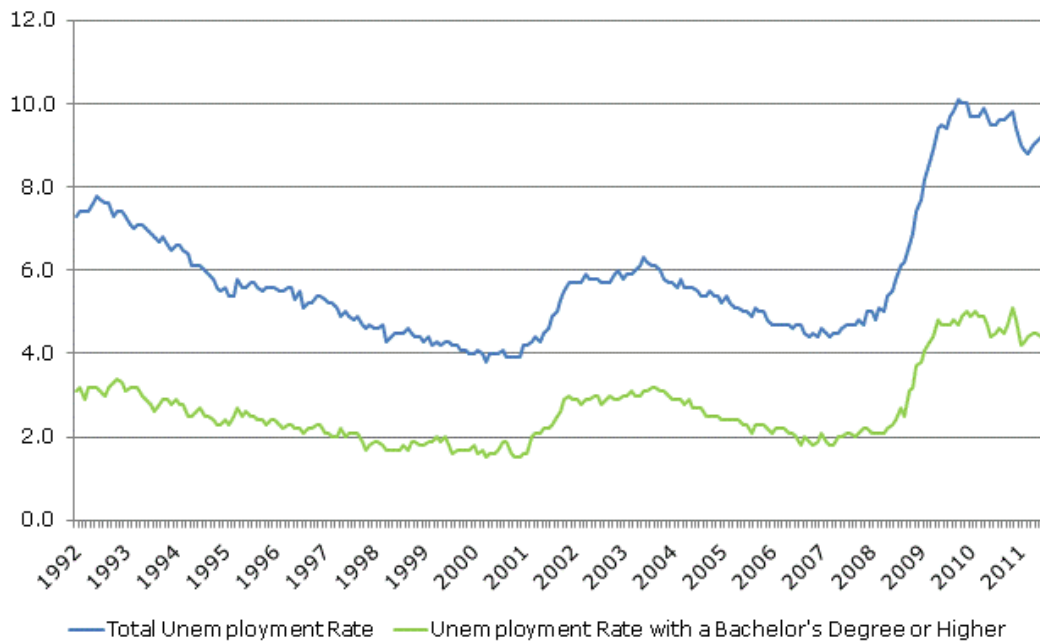
Source: President's 2012 Budget, Net commitments by fiscal year
 Note: Excludes consolidation volume

Relationship Between Higher Education, Income and Unemployment

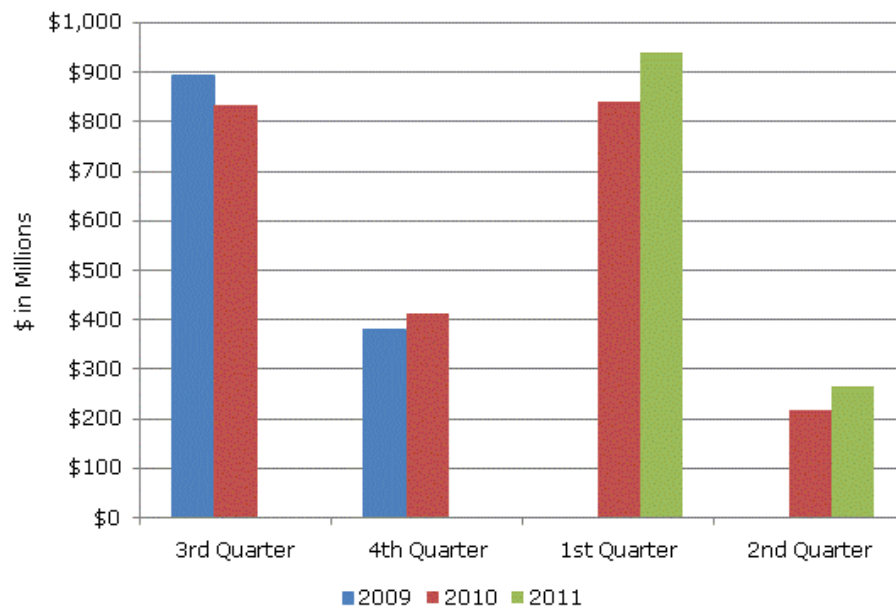


Source: U.S. Census Bureau, Current Population Survey, 2010 Annual Social and Economic Supplement. Represents median earnings for a full time, year-round worker over age 25. Unemployment data as of Dec. 2010. Represents unemployment for civilian non-institutional population over age 25.

COLLEGE GRADS EXPERIENCE LOWER LEVELS OF UNEMPLOYMENT



SLM PRIVATE EDUCATION LOAN ORIGINATIONS



SLM's PRIVATE EDUCATION LOAN PORTFOLIO

▶ Private Education Loan Portfolio Characteristics

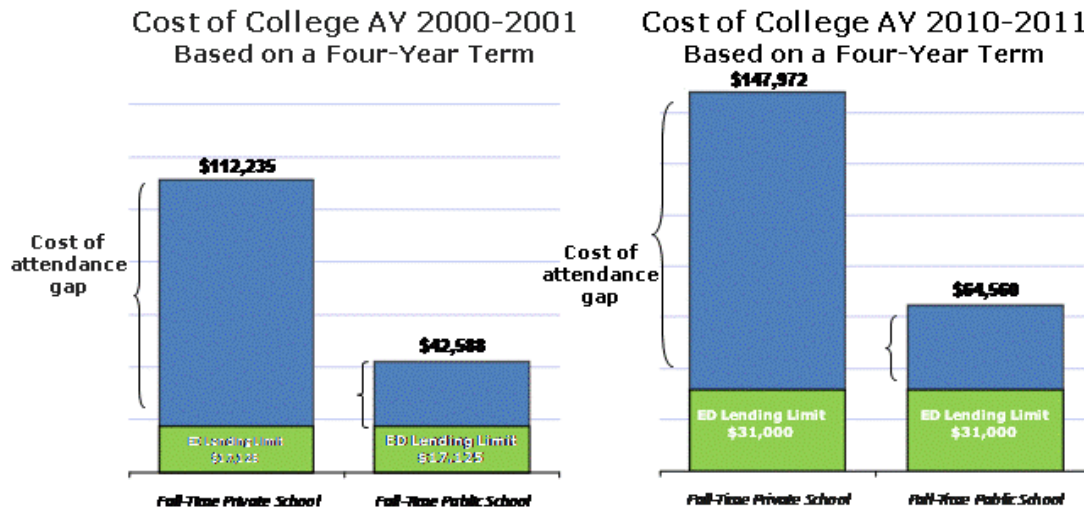
- \$36 billion portfolio
- 20% of SLM's total student loan portfolio
- Loans are based on floating interest rates, with loan margins determined by the credit quality of the borrower and/or cosigner
- Approximately 60% of portfolio has a cosigner, typically a parent
- Higher education loans typically non-dischargeable in bankruptcy
- Integrated underwriting, servicing and collections

SLM's NEW PRIVATE EDUCATION LOAN PRODUCT

- ▶ Smart Option Student Loan product offers three repayment choices designed to help borrowers balance their goals and budget while in school
 - Interest Only - Requires interest only payment during in-school period
 - Fixed Repayment - Requires \$25 monthly payments during in-school period
 - Deferred Repayment - Allows deferred payments while the customer is in school
- ▶ Repayment term is driven by cumulative amount borrowed and grade level
- ▶ Full communication with customers during in-school period
- ▶ Full collection activities employed at both the customer and cosigner level
- ▶ All loans certified by the school's financial aid office to ensure that customers borrow no more than the cost of attendance

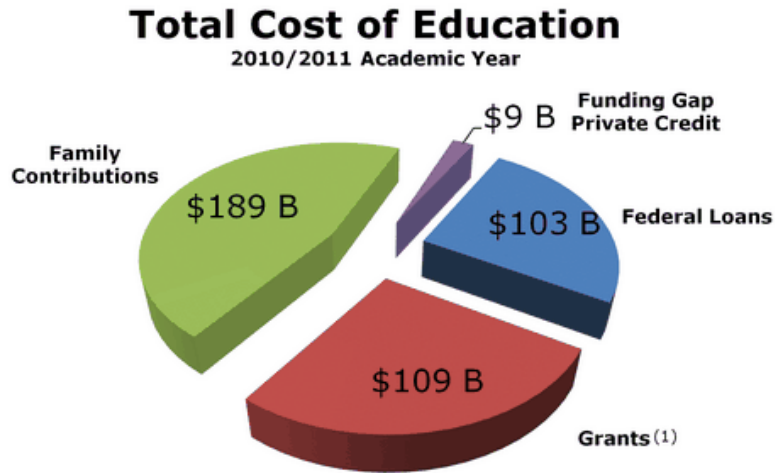
PRIVATE EDUCATION LOAN MARKET OPPORTUNITY

- ▶ Private education loans help bridge the gap between funding available through ED programs and the increasing cost of education
- ▶ Supplement U.S. Government guaranteed student loans, but not guaranteed by the U.S. Government



PRIVATE EDUCATION LOAN MARKET OPPORTUNITY

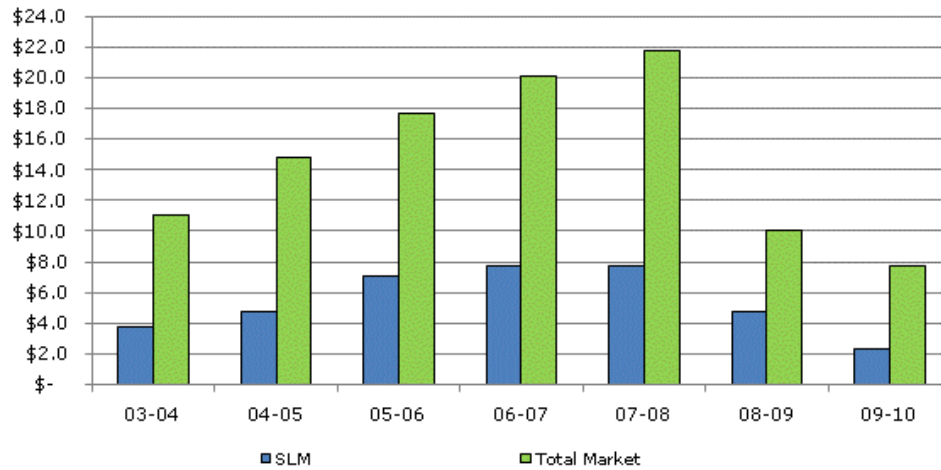
The total cost of education for Students and Parents is estimated at \$410 billion



PRIVATE CREDIT INDUSTRY ORIGINATIONS

- ▶ 2009-10 academic year market share approximately 33%

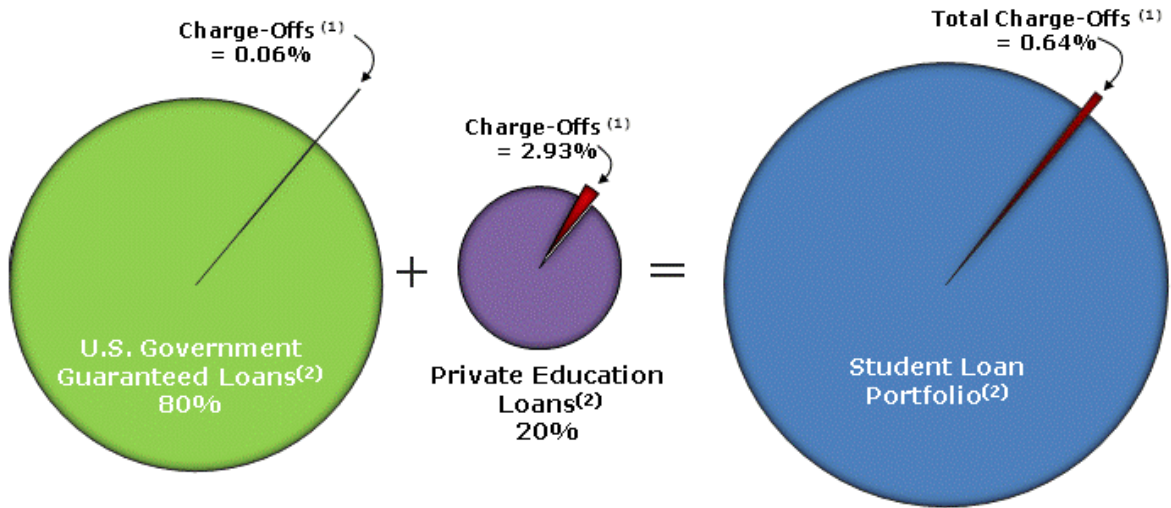
SLM vs. Industry Originations



Private Education Loans declined as result of an increase in federal student loan limits, an overall increase in the use of federal student loans as well as an increase in federal grants.

CREDIT QUALITY

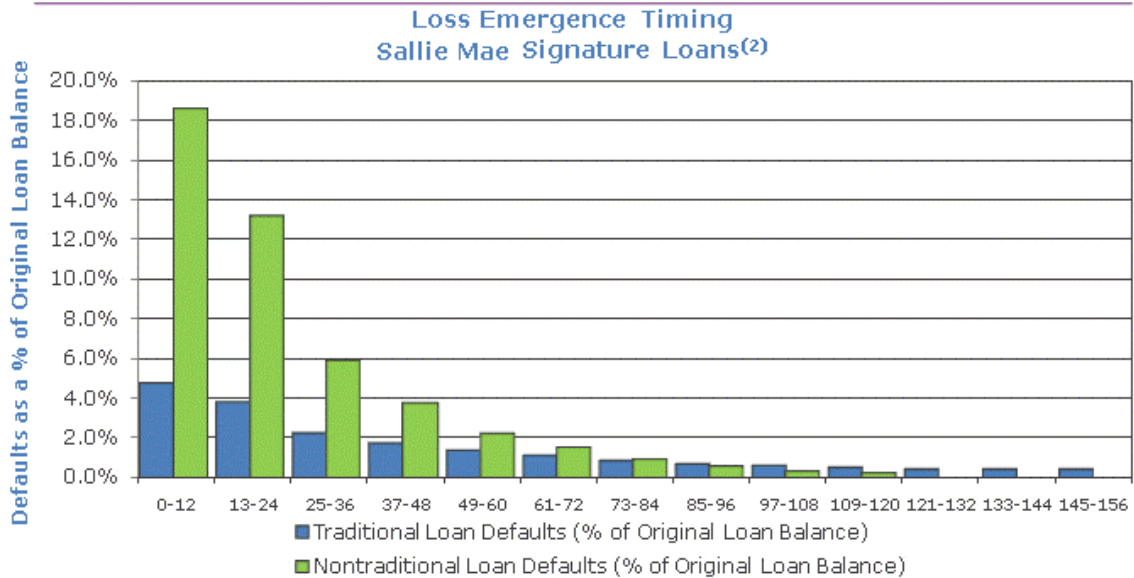
LOAN LOSSES



(1) All data as of June 30, 2011. Annualized FFELP charge-offs as a percentage of average FFELP loans. Annualized Private Education Loan charge-offs as a percentage of average Private Education Loans. Annualized Total charge-offs as a percentage of average FFELP Loans and Private Education Loans.
(2) Percentages of total student loan portfolio based upon average portfolio balances.

SLM PRIVATE CREDIT DEFAULT EMERGENCE PROFILE

PAYMENTS DUE⁽¹⁾ – TRADITIONAL VS. NON-TRADITIONAL

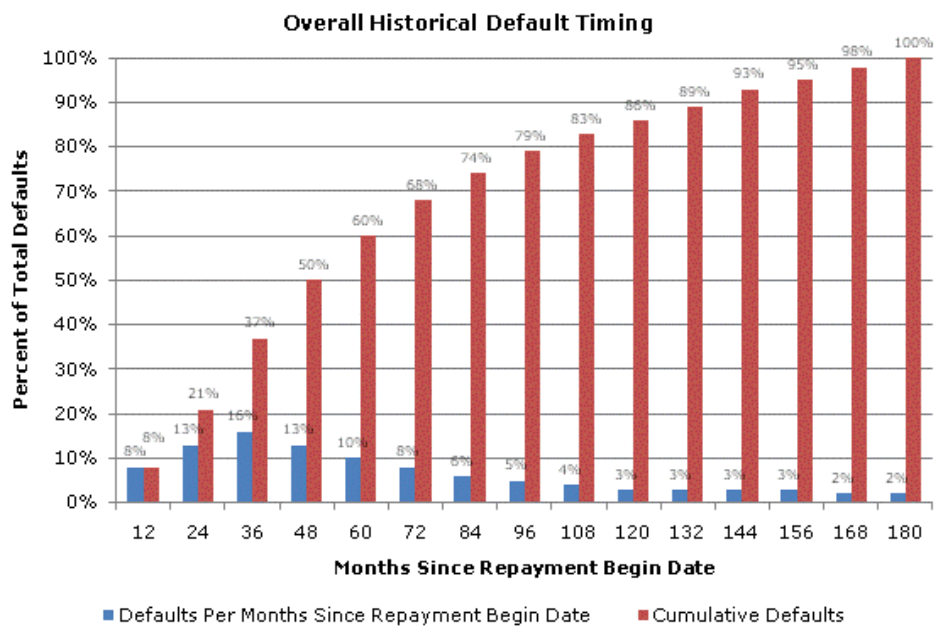


⁽¹⁾ Payments due includes all periods of active repayment, whether the borrower was delinquent or current. Also included are periods spent in deferment, although payments are typically not due during this time. Periods in a forbearance status are not included.

⁽²⁾ Excludes Sallie Mae Smart Option, LAW, MED, MBA, and bar-study/residency loans.

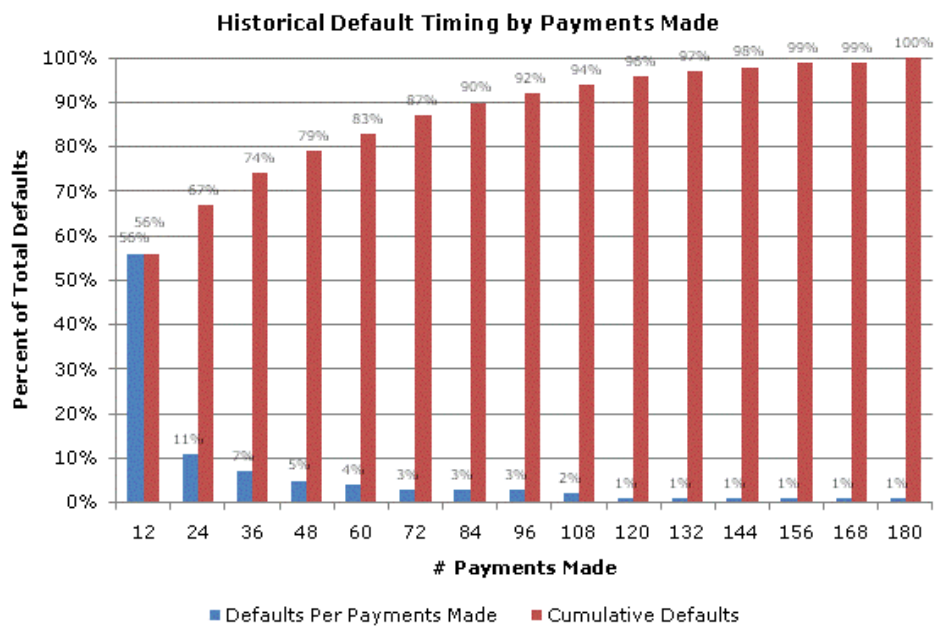
PRIVATE CREDIT DEFAULT PERFORMANCE

DEFAULT RATES BY MONTHS IN REPAYMENT



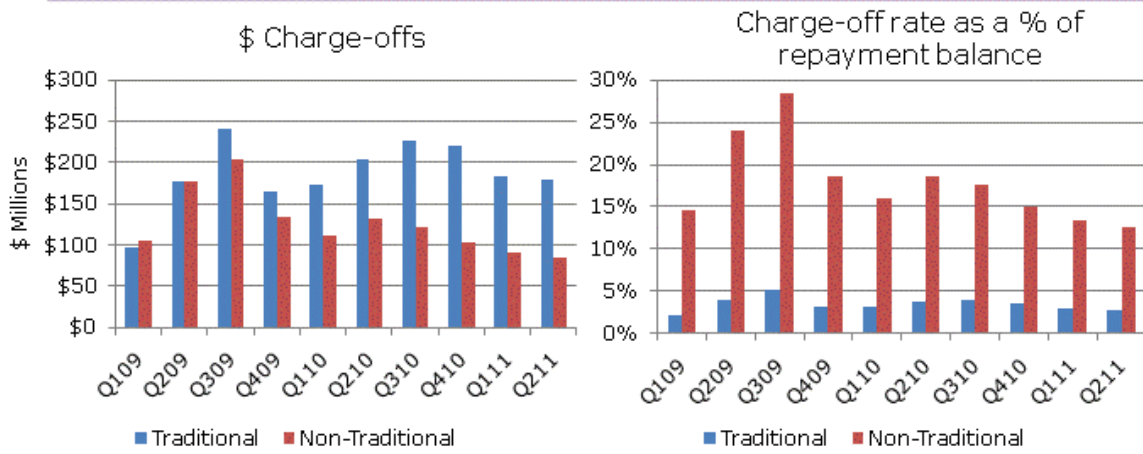
PRIVATE CREDIT DEFAULT PERFORMANCE

DEFAULT RATES BY PAYMENTS MADE



CHARGE-OFF TRENDS

MIX OF TRADITIONAL VS. NON-TRADITIONAL



- ▶ Non-Traditional loans represent approximately 10% of the Private Education Loan portfolio but nearly a third of charge-offs

PRIVATE EDUCATION LOAN PORTFOLIO PERFORMANCE

<u>Traditional Loans with a Cosigner</u>	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10</u>	<u>Q3 10</u>	<u>Q2 10</u>
Outstanding Balance as a % of Total	58%	57%	56%	56%	55%
90+ Delinquency as a % of Repayment	2.7%	3.0%	3.1%	3.3%	3.4%
Forbearance as a % of Repayment & Forbearance	4.0%	3.9%	4.0%	3.8%	4.7%
Charge-Offs as a % of Repayment ⁽¹⁾	1.8%	1.8%	2.0%	2.4%	2.3%
<u>Traditional Loans without a Cosigner</u>	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10</u>	<u>Q3 10</u>	<u>Q2 10</u>
Outstanding Balance as a % of Total	33%	33%	33%	33%	34%
90+ Delinquency as a % of Repayment	5.5%	5.9%	6.0%	6.3%	6.4%
Forbearance as a % of Repayment & Forbearance	5.1%	4.9%	4.9%	4.5%	5.4%
Charge-Offs as a % of Repayment ⁽¹⁾	4.6%	4.8%	5.1%	6.3%	5.7%
<u>Non-Traditional Loans with a Cosigner</u>	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10</u>	<u>Q3 10</u>	<u>Q2 10</u>
Outstanding Balance as a % of Total	3%	3%	3%	3%	3%
90+ Delinquency as a % of Repayment	11.0%	12.0%	12.6%	13.3%	13.3%
Forbearance as a % of Repayment & Forbearance	8.1%	7.5%	7.1%	7.2%	8.1%
Charge-Offs as a % of Repayment ⁽¹⁾	8.8%	9.2%	10.0%	11.5%	12.0%
<u>Non-Traditional Loans without a Cosigner</u>	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10</u>	<u>Q3 10</u>	<u>Q2 10</u>
Outstanding Balance as a % of Total	7%	7%	7%	8%	8%
90+ Delinquency as a % of Repayment	14.1%	15.4%	16.0%	17.1%	17.2%
Forbearance as a % of Repayment & Forbearance	6.5%	6.0%	5.7%	5.6%	6.8%
Charge-Offs as a % of Repayment ⁽¹⁾	14.0%	15.1%	17.0%	18.9%	20.6%

PRIVATE EDUCATION LOAN PORTFOLIO PERFORMANCE

	<u>Q2 11</u>	<u>Q1 11</u>	<u>Q4 10</u>	<u>Q3 10</u>	<u>Q2 10</u>
Charge-offs - Traditional Portfolio ⁽¹⁾	2.8%	2.9%	3.6%	3.9%	3.7%
Charge-offs - Non-Traditional Portfolio ⁽¹⁾	12.5%	13.4%	14.9%	17.6%	18.7%
Charge-offs - Total Portfolio ⁽¹⁾	3.7%	3.9%	4.8%	5.4%	5.3%
90+ Day Delinq as a % of Repay - Traditional Portfolio	3.7%	4.1%	4.2%	4.4%	4.6%
90+ Day Delinq as a % of Repay - Non-Traditional Portfolio	13.2%	14.4%	15.0%	16.0%	16.1%
90+ Day Delinq as a % of Repay - Total Portfolio	4.6%	5.1%	5.3%	5.7%	5.8%
Forb as a % of Forb & Repay - Traditional Portfolio	4.5%	4.4%	4.4%	4.1%	5.1%
Forb as a % of Forb & Repay - Non-Traditional Portfolio	7.0%	6.5%	6.1%	6.1%	7.2%
Forb as a % of Forb & Repay - Total Portfolio	4.7%	4.6%	4.6%	4.3%	5.3%
Allowance as a % of Loans in Repay - Traditional Portfolio	5.2%	5.1%	4.9%	5.1%	5.1%
Allowance as a % of Loans in Repay - Non-Traditional Portfolio	24.8%	27.1%	28.2%	31.4%	31.0%
Allowance as a % of Loans in Repay - Total Portfolio	7.1%	7.2%	7.3%	7.9%	7.9%

SIGNIFICANT IMPROVEMENT IN PORTFOLIO QUALITY

Legacy Loans Entering Repayment¹

	\$ Volume in Billions	% of Non Traditional	% of Cosigned	% of For Profit	Average Winning FICO
Actual					
2008	\$7.4	15%	54%	33%	708
2009	\$6.6	13%	56%	28%	711
2010	\$5.2	11%	59%	21%	713
Projected⁽²⁾					
2011	\$3.2	10%	62%	18%	716
2012	\$1.4	8%	66%	13%	719
2013	\$0.6	8%	70%	12%	726

- ▶ Total originations in 2009 had an average winning FICO of 745 and 83% were cosigned.
- ▶ Total originations in 2010 had an average winning FICO of 739 and 89% were cosigned.
- ▶ Total YTD 2011 originations had an average winning FICO of 737 and 85% were cosigned.

32 (1) Excludes Smart Option loans.
 (2) Projected loans entering repayment does not include new loan originations which are expected to be 100% Traditional loans and have significantly higher FICO scores and cosigners.
 Note: Volume for all years is based on outstanding balances.

SallieMae

LOAN SEASONING

TOTAL PORTFOLIO
Loan Seasoning Report
June 30, 2011
Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											6,431
Loans in Forbearance	842	8.8%	175	2.9%	103	2.5%	50	1.7%	55	1.2%	1,225
Loans in Repayment - Current	7,561	79.2%	5,447	89.8%	3,801	91.0%	2,825	93.9%	4,330	95.0%	23,964
Loans in Repayment - Delinq 31-60 days	378	4.0%	155	2.5%	104	2.5%	52	1.7%	70	1.5%	759
Loans in Repayment - Delinq 61-90 days	239	2.5%	85	1.4%	53	1.3%	25	0.8%	31	0.7%	433
Loans in Repayment - Delinq 90+ days	529	5.5%	207	3.4%	116	2.8%	56	1.9%	70	1.5%	978
Total Loans in Repayment	\$ 9,549	100%	\$ 6,069	100%	\$ 4,177	100%	\$ 3,008	100%	\$ 4,556	100%	\$ 27,359
Charge-offs as a % of loans in repayment	4.5%		2.7%		1.9%		1.4%		1.1%	2.8%	

Non-Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											785
Loans in Forbearance	148	11.9%	25	4.6%	15	3.7%	7	2.5%	10	2.2%	205
Loans in Repayment - Current	693	55.7%	397	71.2%	330	79.4%	215	82.9%	395	84.3%	2,030
Loans in Repayment - Delinq 31-60 days	109	8.8%	37	6.6%	23	5.6%	13	5.2%	22	4.7%	204
Loans in Repayment - Delinq 61-90 days	88	7.1%	23	4.2%	13	3.0%	7	2.7%	11	2.4%	142
Loans in Repayment - Delinq 90+ days	206	16.5%	74	13.3%	34	8.3%	17	6.7%	30	6.4%	301
Total Loans in Repayment	\$ 1,244	100%	\$ 556	100%	\$ 415	100%	\$ 259	100%	\$ 468	100%	\$ 2,942
Charge-offs as a % of loans in repayment	18.9%		13.1%		6.7%		5.4%		5.0%	12.5%	

Total

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											7,216
Loans in Forbearance	990	9.2%	200	3.0%	118	2.6%	57	1.8%	65	1.3%	1,430
Loans in Repayment - Current	8,254	76.5%	5,844	88.2%	4,131	90.0%	3,040	93.1%	4,725	94.0%	25,994
Loans in Repayment - Delinq 31-60 days	487	4.5%	192	2.9%	127	2.8%	65	2.0%	92	1.8%	963
Loans in Repayment - Delinq 61-90 days	327	3.0%	108	1.6%	66	1.4%	32	1.0%	42	0.8%	575
Loans in Repayment - Delinq 90+ days	735	6.8%	281	4.2%	150	3.3%	73	2.2%	100	2.0%	1,339
Total Loans in Repayment	\$ 10,793	100%	\$ 6,625	100%	\$ 4,592	100%	\$ 3,267	100%	\$ 5,024	100%	\$ 30,301
Charge-offs as a % of loans in repayment	6.2%		3.6%		2.4%		1.7%		1.5%	3.7%	

33 Dollars in millions

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LOAN SEASONING

TOTAL PORTFOLIO
Loan Seasoning Report
March 31, 2011
Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											7,414
Loans in Forbearance	827	9.0%	150	2.5%	87	2.1%	43	1.5%	48	1.1%	1,155
Loans in Repayment - Current	7,214	78.2%	5,473	89.9%	3,818	91.6%	2,658	94.0%	4,030	95.0%	23,193
Loans in Repayment - Delinq 31-60 days	363	3.9%	165	2.7%	102	2.4%	50	1.8%	65	1.5%	745
Loans in Repayment - Delinq 61-90 days	246	2.7%	81	1.3%	46	1.1%	22	0.8%	29	0.7%	424
Loans in Repayment - Delinq 90+ days	578	6.3%	222	3.7%	116	2.8%	59	1.9%	68	1.6%	1,089
Total Loans in Repayment	\$ 9,228	100%	\$ 6,091	100%	\$ 4,169	100%	\$ 2,828	100%	\$ 4,240	100%	\$ 26,556
Charge-offs as a % of loans in repayment	4.7%		2.9%		1.9%		1.5%		1.2%	2.9%	

Non-Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											909
Loans in Forbearance	140	11.2%	22	3.9%	12	3.0%	5	2.2%	9	2.1%	188
Loans in Repayment - Current	698	55.8%	410	71.5%	318	80.6%	206	83.5%	370	83.8%	2,002
Loans in Repayment - Delinq 31-60 days	97	7.7%	36	6.3%	20	5.1%	12	4.7%	20	4.5%	185
Loans in Repayment - Delinq 61-90 days	90	7.2%	23	4.0%	11	2.8%	6	2.4%	10	2.2%	140
Loans in Repayment - Delinq 90+ days	225	18.0%	82	14.3%	34	8.7%	18	7.2%	33	7.4%	392
Total Loans in Repayment	\$ 1,250	100%	\$ 573	100%	\$ 395	100%	\$ 247	100%	\$ 442	100%	\$ 2,907
Charge-offs as a % of loans in repayment	19.0%		14.5%		7.6%		6.1%		5.8%	13.4%	

Total

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											8,323
Loans in Forbearance	967	9.2%	172	2.6%	99	2.2%	48	1.6%	57	1.2%	1,343
Loans in Repayment - Current	7,312	75.5%	5,883	88.3%	4,136	90.6%	2,864	93.1%	4,400	94.0%	25,195
Loans in Repayment - Delinq 31-60 days	460	4.4%	201	3.0%	122	2.7%	62	2.0%	85	1.8%	930
Loans in Repayment - Delinq 61-90 days	336	3.2%	104	1.6%	57	1.2%	28	0.9%	39	0.8%	564
Loans in Repayment - Delinq 90+ days	803	7.7%	304	4.6%	150	3.3%	73	2.4%	101	2.2%	1,431
Total Loans in Repayment	\$ 10,478	100%	\$ 6,664	100%	\$ 4,564	100%	\$ 3,075	100%	\$ 4,682	100%	\$ 29,463
Charge-offs as a % of loans in repayment	6.4%		3.9%		2.4%		1.8%		1.6%	3.9%	

34 Dollars in millions

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LOAN SEASONING

TOTAL PORTFOLIO
Loan Seasoning Report
June 30, 2010
Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											8,559
Loans in Forbearance	916	9.0%	152	3.1%	76	2.2%	35	1.5%	39	1.2%	1,218
Loans in Repayment - Current	7,932	77.5%	4,377	88.4%	3,257	92.2%	2,137	94.1%	2,977	95.1%	20,680
Loans in Repayment - Delinq 31-60 days	428	4.2%	140	2.8%	76	2.2%	41	1.8%	48	1.5%	733
Loans in Repayment - Delinq 61-90 days	281	2.7%	78	1.6%	38	1.1%	20	0.9%	22	0.7%	439
Loans in Repayment - Delinq 90+ days	671	6.6%	206	4.2%	83	2.4%	40	1.7%	46	1.5%	1,046
Total Loans in Repayment	\$ 10,228	100%	\$ 4,953	100%	\$ 3,530	100%	\$ 2,273	100%	\$ 3,132	100%	\$ 24,116
Charge-offs as a % of loans in repayment	5.5%		3.8%		2.0%		1.5%		1.2%	3.7%	

Non-Traditional Portfolio

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											1,092
Loans in Forbearance	171	11.0%	23	4.0%	10	3.0%	6	2.8%	9	2.4%	219
Loans in Repayment - Current	829	53.4%	414	72.7%	264	79.4%	174	82.9%	308	81.6%	1,989
Loans in Repayment - Delinq 31-60 days	135	8.7%	34	6.0%	18	5.4%	9	4.4%	19	5.0%	215
Loans in Repayment - Delinq 61-90 days	114	7.3%	23	4.0%	11	3.3%	6	2.9%	11	2.9%	165
Loans in Repayment - Delinq 90+ days	304	19.6%	76	13.3%	29	8.8%	15	6.9%	31	8.1%	455
Total Loans in Repayment	\$ 1,553	100%	\$ 570	100%	\$ 332	100%	\$ 210	100%	\$ 378	100%	\$ 3,043
Charge-offs as a % of loans in repayment	26.8%		16.0%		8.9%		7.1%		5.8%	18.7%	

Total

Loan Status	Monthly Scheduled Payments Due										
	1-12 payments		13-24 payments		25-36 payments		37-48 payments		More than 48 payments		Total
Not Yet in Repayment											10,051
Loans in Forbearance	1,087	9.2%	175	3.2%	86	2.2%	41	1.7%	48	1.4%	1,437
Loans in Repayment - Current	8,761	74.4%	4,791	86.7%	3,521	91.2%	2,311	93.1%	3,285	93.6%	22,669
Loans in Repayment - Delinq 31-60 days	563	4.8%	174	3.1%	94	2.4%	50	2.0%	67	1.9%	948
Loans in Repayment - Delinq 61-90 days	395	3.4%	101	1.8%	49	1.3%	26	1.0%	33	0.9%	604
Loans in Repayment - Delinq 90+ days	975	8.3%	282	5.1%	112	2.9%	55	2.2%	77	2.2%	1,501
Total Loans in Repayment	\$ 11,781	100%	\$ 5,523	100%	\$ 3,862	100%	\$ 2,483	100%	\$ 3,510	100%	\$ 27,159
Charge-offs as a % of loans in repayment	8.4%		5.0%		2.6%		2.0%		1.7%	5.3%	

35 Dollars in millions

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SERVICING: A COMPETITIVE ADVANTAGE

BUSINESS SERVICES SEGMENT

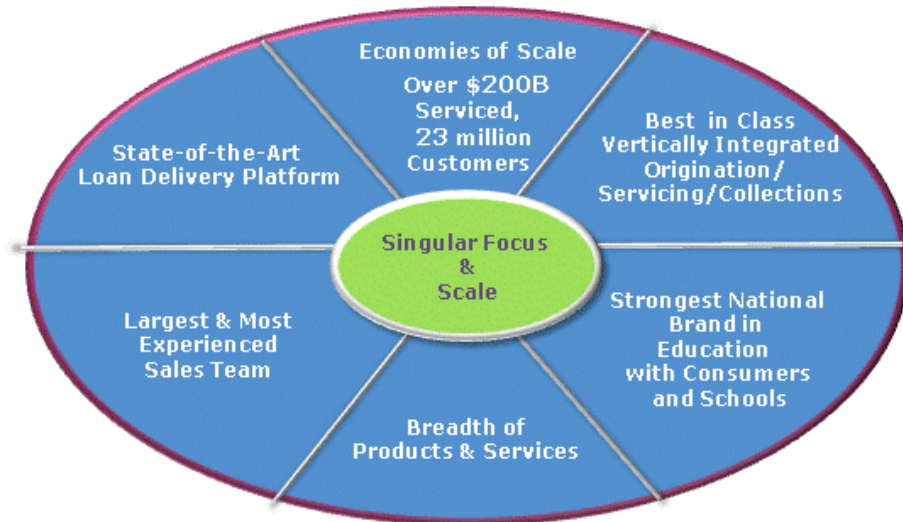
- ▶ “Core Earnings” Revenue of \$341 million in Q2 2011
- ▶ More than 79% of revenue generated by FFELP servicing and contingent collections
- ▶ ED servicing and collections businesses will grow organically with federal Direct Lending, added focus on increasing market share through performance
- ▶ Growth in 529 account asset servicing and transaction processing is key objective
- ▶ Plan to leverage campus relationships and servicing capabilities to grow Campus Solutions processing business

BUSINESS SERVICES SEGMENT EARNINGS DETAIL

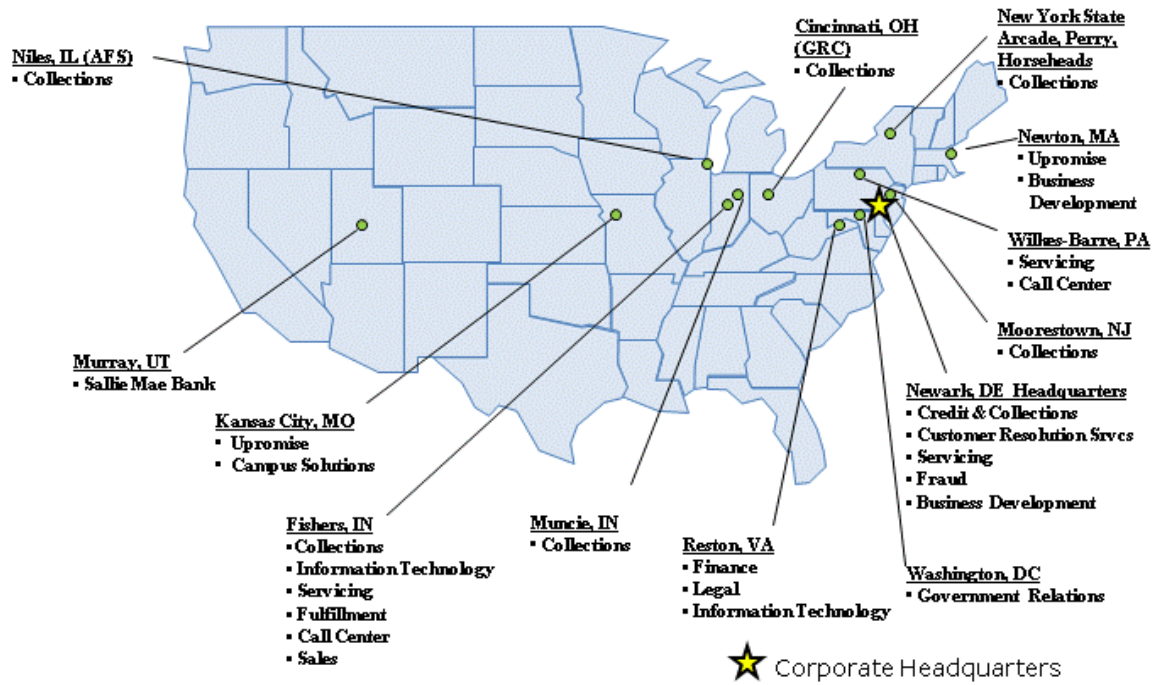
(\$ millions)	Q2 11	Q1 11	Q1 10
Intercompany loan servicing	\$167	\$169	\$165
Third-party loan servicing	\$20	\$21	\$17
Account asset servicing	\$19	\$19	\$19
Campus Solutions	\$3	\$7	\$4
Guarantor servicing	\$15	\$9	\$23
Contingency Revenue	\$86	\$78	\$88
Transaction Fees	\$11	\$11	\$12

SLM's COMPETITIVE ADVANTAGE

- ▶ SLM has a distinct competitive advantage in all facets of the education loan market.



OPERATIONS LOCATIONS



SLM PRIVATE EDUCATION LOAN COLLECTIONS

Overview	Collection Philosophy and Fundamentals
<ul style="list-style-type: none">▶ Sallie Mae services and collects the vast majority of loans in its Private Education Loan portfolio▶ Private Education Loan collections are conducted by a stand-alone consumer credit collections unit, not the company's FFELP collections operations▶ Private Education Loan collections are managed by individuals with extensive experience managing collections operations for credit cards and other consumer loans▶ Over the past two years, Private Education Loan collections technology and practices have been enhanced<ul style="list-style-type: none">▪ Multi-variable analysis has enabled prioritization of collection efforts on higher risk borrowers▪ Forbearance policies have been enhanced to reduce reliance on forbearance as a collection tool, while still meeting customer needs during an economic downturn▪ Additional workout and settlement programs have been introduced to help customers avoid default▪ Collection workstations, dialer capabilities, and internet utilities have all been enhanced with more effective technology solutions▶ Sallie Mae Private Education Loans are charged-off at the end of the month if the loan exceeds 212 days past due	<ul style="list-style-type: none">▶ Locate and make contact with the borrower and/or co-signer simultaneously▶ Understand and document each borrower's unique circumstance and reason for delinquency▶ Secure and understand how they will stay up-to-date once cured from delinquency▶ Document each account and update demographic and employment information▶ Focus on cash collections as the primary account resolution approach
	Segmented Collection Practices by Risk Tier
	<ul style="list-style-type: none">▶ Determine optimal contact channel based on borrower's preferences and risk profile. Channels include letter, phone, email, text messaging, Internet▶ Phone attempts begin at 5-15 days past due▶ Simultaneous collections efforts on borrower and cosigner▶ For lowest risk segments, contact begins at 30 days due to high self-cure rates▶ In high risk segments, communication begins before repayment to notify borrower of obligation coming due▶ Delinquency is reported to credit bureaus for borrower and co-signer beginning at 45 days past due and monthly thereafter, with no reporting for loans in forbearance▶ Focus on account ownership by collectors for middle and late stage accounts▶ Tenured collectors assigned to higher risk accounts▶ Credit reports reviewed as part of repayment negotiation

FUNDING DIVERSITY AND LIQUIDITY

2011 1ST HALF CAPITAL MARKETS SUMMARY

- Issued \$1.6 billion of FFELP ABS.
- Issued \$1.4 billion of Private Credit ABS.
- Issued a \$2 billion unsecured bond.
- Expanded and extended our ABCP facility.
- ABCP borrowings reduced to \$5.3 billion.
- Paid dividend of \$0.10 per common share.
- Repurchased 9.6 million shares on the open market.
- Retired 70 million shares of common stock held in treasury in March 2011.

RECENT ABS TRANSACTIONS

	Private Education Loans					Consolidation FFELP					Private Education Loans				
Issue	\$0.6B SLM Trust 2011-A					\$0.8B SLM Trust 2011-2					\$0.8B SLM Trust 2011-B				
Pricing Date	April 14, 2011					May 26, 2011					June 15, 2011				
Collateral	Private Education Loans					US Govt. Guaranteed FFELP Consolidation Loans					Private Education Loans				
Prepayment Speed ⁽¹⁾	4%					100% Consolidation Loan Ramp					4%				
Tranching		<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing⁽²⁾</u>		<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing⁽³⁾</u>		<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing⁽²⁾</u>
	A-1	Aaa	\$287	2.0	L+100	A-1	Aaa	\$622	3.9	L+65	A-1	Aaa	\$400	2.0	L+90
	A-2	Aaa	\$175	5.1	4.41%	A-2	Aaa	\$175	11.2	L+120	A-2	Aaa	\$300	5.3	3.78%
	A-3	Aaa	\$100	6.9	L+250	B	A3	\$24	13.8	L+391	A-3	Aaa	\$125	7.3	L+250

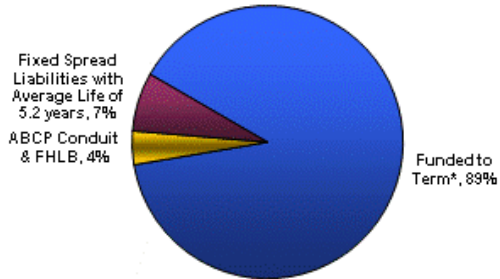
(1) Estimated based on a variety of assumptions concerning loan repayment behavior, as more fully described in the related prospectus, which may be obtained at <http://www2.salliemae.com/investors/debtasset/slmsltrusts/>. Actual average life may vary significantly from estimates.

(2) Pricing represents the yield to expected maturity.

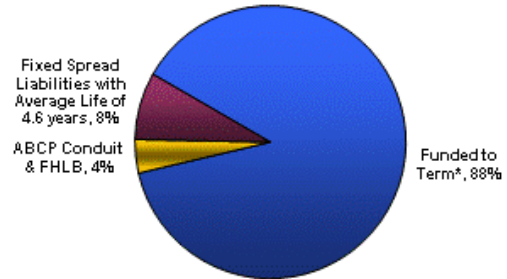
(3) Pricing represents the discount margin to the 10% optional redemption date.

HIGH PERCENTAGE OF STUDENT LOANS FUNDED TO TERM

\$178 Billion "Core Earnings" Student Loan Portfolio as of June 30, 2011



\$184 Billion "Core Earnings" Student Loan Portfolio as of June 30, 2010

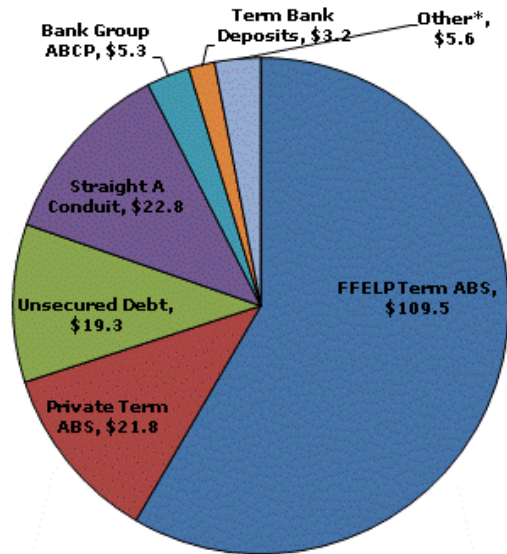


- **Employ conservative long-term funding model**

* Funded to Term includes 13% or \$22.5 billion of student loans funded under the Straight A Funding Facility as of June 30, 2011, and 19% or \$35.5 billion of student loans funded under the ED Purchase and Participation Program and Straight A Funding Facility as of June 30, 2010.

FUNDING DISTRIBUTION

At June 30, 2011 total "Core Earnings" borrowings were \$187.5 billion



SLM ASSET-BACKED FUNDING

SLM ABS Term Issuance Volume

ABS Issuance (\$ in billions)	Q2 11	Q1 11	2010	2009	2008
Non-Consolidation FFELP/ABS	\$ -	\$ -	\$ 2.0	\$ -	\$ 18.5
Consolidation FFELP/ABS	0.8	0.8	-	5.9	-
Private Credit ABS	1.4	-	4.2	7.5	-
Total ABS Issuance	\$ 2.2	\$ 0.8	\$ 6.2	\$ 13.4	\$ 18.5

SLM Secured Funding

Secured Borrowings (\$ in billions)	Q2 11	Q1 11	2010	2009	2008
Net ED Participation Program ⁽¹⁾	\$ -	\$ -	\$ -	\$ 9.0	\$ 7.4
Straight – A Funding Facility	22.8	23.6	24.5	14.3	-
ABCP & Other Secured Facilities ⁽²⁾	7.3	6.6	7.9	8.8	24.8
Total Asset Funding	\$ 30.1	\$ 30.2	\$ 32.4	\$ 32.1	\$ 32.2

SLM CORPORATE DEBT ACTIVITY

SLM Corporate Debt Issuance Volume

Issuance Type (US\$ in billions)	Q2 11	Q1 11	2010	2009	2008	2007
US\$ Global & Medium Term Notes	\$ -	\$ 2.0	\$ 1.5	\$ -	\$ 2.5	\$ 1.4
Foreign Currency Denominated ⁽¹⁾	-	-	-	-	-	0.2
Extendible Notes	-	-	-	-	-	-
Retail Note Program	-	-	-	-	-	-
Total Corporate Debt Issuance	\$ -	\$ 2.0	\$ 1.5	\$ -	\$ 2.5	\$ 1.6

SLM Corporate Debt Repurchases

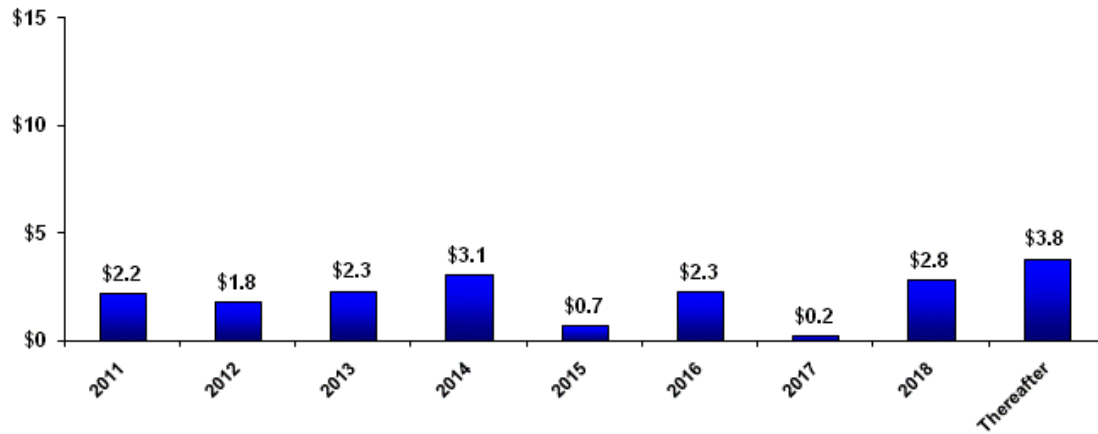
Denomination (US\$ in millions)	Q2 11	Q1 11	2010	2009	2008
USD ⁽²⁾	\$ 57	\$ 775	\$ 1,387	\$ 2,169	\$ 1,794
Foreign Currency Denominated ⁽²⁾	3	50	3,481	1,278	116
Total ⁽²⁾	\$ 60	\$ 825	\$ 4,868	\$ 3,447	\$ 1,910
Accounting Gain Generated	\$ 0.5	\$ 64	\$ 317	\$ 536	\$ 64

48 Note: Total may not foot due to rounding.
⁽¹⁾ US\$ equivalent at the time of issuance
⁽²⁾ Face value amounts repurchased

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UNSECURED DEBT MATURITIES

As of June 30, 2011
(par value, \$ in billions)



- Repurchased \$60 million of debt in Q2 11
- Repurchased \$825 million of debt in Q1 11
- Repurchased \$4.9 billion of debt in 2010

UNENCUMBERED ASSETS & UNSECURED DEBT

- The difference between unencumbered assets and outstanding unsecured debt continues to diminish

Unencumbered Assets & Unsecured Debt				
(\$ in billions)	6/30/11	12/31/10	12/31/09	12/31/08
FFELP Stafford and Plus Loans, net	\$ 0.7	\$ 1.0	\$ 1.6	\$ 3.8
FFELP Consolidation Loans, net	0.2	0.5	0.5	1.6
Private Education Loans, net	10.5	11.1	12.5	15.7
Other Loans	0.2	0.3	0.4	0.7
Available Cash & Investments	5.3	5.3	8.1	5.1
Retained Interests*	-	-	1.8	2.2
Other Assets	4.5	4.1	5.2	5.8
Total Unencumbered Tangible Assets	\$ 21.4	\$ 22.3	\$ 30.1	\$ 34.9
Unsecured Debt Outstanding	\$ 24.9	\$ 26.9	\$ 35.1	\$ 42.1

Net Assets in Secured Financing Facilities				
	6/30/11	12/31/10	12/31/09	12/31/08
Off-Balance Sheet ABS (Non-GAAP)*	\$ -	\$ -	\$ 0.6	\$ 0.9
On-Balance Sheet ABS (GAAP)**	12.4	13.1	12.7	13.4
Total	\$ 12.4	\$ 13.1	\$ 13.3	\$ 14.3

* On 1/1/10, upon adopting ASC810, the Retained Interests were removed from the consolidated balance sheet and the assets and liabilities of off-balance sheet ABS were consolidated onto the balance sheet.

** Amounts include loans, cash, and accrued interest receivable less debt outstanding for all secured borrowing facilities. Amounts reflect the current balance and prior period adjustments made to account for the impact of ASC815. Further detail of the nature of the adjustment can be found in the 2Q2011 SLM Corporation Supplemental Earnings Disclosure.

SECURED CASH FLOW

\$ in Millions	YTD 6/30/11	2010	2009	2008
FFELP				
Term Securitized				
Servicing (Cash Paid)	\$ 287	\$ 533	\$ 549	\$ 525
Net Residual* (Excess Distributions)	349	746	1,435	1,338
Other Secured FFELP				
Net Cash Flow	363	1,465	1,296	589
Total FFELP	\$ 999	\$ 2,743	\$ 3,280	\$ 2,452
Private Credit				
Term Securitized				
Servicing (Cash Paid)	\$ 94	\$ 179	\$ 130	\$ 97
Residual (Excess Distribution)	-	8	90	403
Other Secured Financings				
Net Cash Flow	-	-	58	81
Total Private Credit	\$ 94	\$ 187	\$ 278	\$ 581
Total FFELP and Private Credit	\$ 1,093	\$ 2,930	\$ 3,558	\$ 3,033
Average Principal Balances ⁽¹⁾				
	YTD 6/30/11	2010	2009	2008
FFELP				
Term FFELP	\$ 110,501	\$ 99,041	\$ 102,754	\$ 97,363
Other Secured FFELP ⁽²⁾	30,155	38,767	36,628	32,543
Total FFELP	\$ 140,656	\$ 137,808	\$ 139,382	\$ 129,906
Private Credit				
Term PC	\$ 25,483	\$ 25,854	\$ 19,144	\$ 14,505
Other Secured Financings	-	-	2,641	2,641
Total Private Credit	\$ 25,483	\$ 25,854	\$ 21,785	\$ 17,146
Total FFELP and Private Credit	\$ 166,139	\$ 163,661	\$ 161,167	\$ 147,052

Note: Totals may not add due to rounding

* Net residual represents excess distribution, net of payments on floor contracts and receipts from basis swaps

(1) 2008 – 2010 APBs are an average of 4 quarterly 2-point averages.

(2) Interest to be capitalized not available for On-Balance Sheet Indentured Trust balance

PROJECTED CASH FLOWS FROM FFELP PORTFOLIO

(\$ in Millions)

as of 6/30/11	<u>Q311 - Q411</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	
Projected FFELP Average Balance	\$138,466	\$132,539	\$123,459	\$112,860	\$102,453	\$92,779	\$83,004	
Projected Excess Spread	\$438	\$833	\$811	\$748	\$683	\$635	\$597	
Projected Servicing Revenue	<u>\$372</u>	<u>\$710</u>	<u>\$659</u>	<u>\$601</u>	<u>\$545</u>	<u>\$486</u>	<u>\$429</u>	
Projected Total Revenue	\$809	\$1,543	\$1,470	\$1,350	\$1,228	\$1,122	\$1,025	
	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>
Projected FFELP Average Balance	\$73,613	\$64,590	\$55,895	\$48,002	\$41,842	\$36,521	\$31,458	\$26,560
Projected Excess Spread	\$657	\$588	\$512	\$436	\$354	\$312	\$278	\$254
Projected Servicing Revenue	<u>\$373</u>	<u>\$319</u>	<u>\$267</u>	<u>\$223</u>	<u>\$183</u>	<u>\$167</u>	<u>\$143</u>	<u>\$120</u>
Projected Total Revenue	\$1,030	\$907	\$779	\$659	\$547	\$479	\$422	\$374
	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>
Projected FFELP Average Balance	\$21,849	\$17,313	\$13,255	\$10,117	\$7,688	\$5,604	\$3,716	\$2,088
Projected Excess Spread	\$221	\$183	\$149	\$118	\$96	\$74	\$51	\$27
Projected Servicing Revenue	<u>\$98</u>	<u>\$77</u>	<u>\$59</u>	<u>\$45</u>	<u>\$35</u>	<u>\$25</u>	<u>\$16</u>	<u>\$9</u>
Projected Total Revenue	\$319	\$260	\$208	\$164	\$131	\$99	\$67	\$36

- Total Cash Flows from Projected Excess Spread = \$9.1 Billion
- Total Cash Flows from Projected Servicing Revenues = \$6.0 Billion

52

Assumptions

- CP/LBOR = 10 basis points
- No Floor Income
- CPR/CDR = Stafford & Plus (5.5%), Consolidation (2.5%)

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SALLIE MAE BANK

▶ **Bank charter**

- Utah based ILC regulated by FDIC and Utah Department of Financial Institutions (UDFI)
- Charter granted October 2005

▶ **Current bank activity**

- Originates Sallie Mae's private education loans
- Funded through affiliate and brokered deposits and a direct retail deposit program launched in February 2010
- 24.4% Total Risk-based Capital at June 30, 2011
- Dividend of \$400 million paid to SLM Corporation in October 2010

▶ **Deposit taking activities**

- Strong cash position used to fund Private Credit originations
- Deposits totaled \$5.2 billion at June 30, 2011
 - \$3.5 billion Brokered Deposits
 - \$1.7 billion Direct Retail and other affiliate and non-affiliate Deposits
- Brokered Deposit term portfolio has a weighted average maturity of 19.7 months
- Total deposits decreased by 15.5% in Q2 11 due primarily to brokered deposit maturities

SALLIE MAE BANK – CAPITAL & DEPOSITS

Bank Deposits (\$ millions)						
	Jun 11	Mar 11	Dec 10	Sep 10	Jun 10	Mar 10
Brokered CDs	\$3,262	\$4,177	\$4,604	\$4,961	\$5,023	\$5,417
Brokered – Other	284	273	274	234	190	205
Retail Deposits	1,199	1,222	1,090	838	242	4
Other Deposits*	436	461	458	542	441	478
Total Deposits	\$5,181	\$6,133	\$6,426	\$6,575	\$5,896	\$6,104

*Primarily affiliate deposit accounts with no stated maturities

Regulatory Capital Ratios						
Ratio	Jun 11	Mar 11	Dec 10	Sep 10	Jun 10	Mar 10
Tier 1 Leverage	15.3%	12.9%	12.1%	16.7%	17.2%	16.2%
Tier 1 Risk Based	23.1%	17.0%	18.7%	26.7%	30.4%	30.7%
Total Risk Based	24.4%	18.3%	19.7%	27.7%	31.4%	31.6%

RISK-ADJUSTED CAPITALIZATION

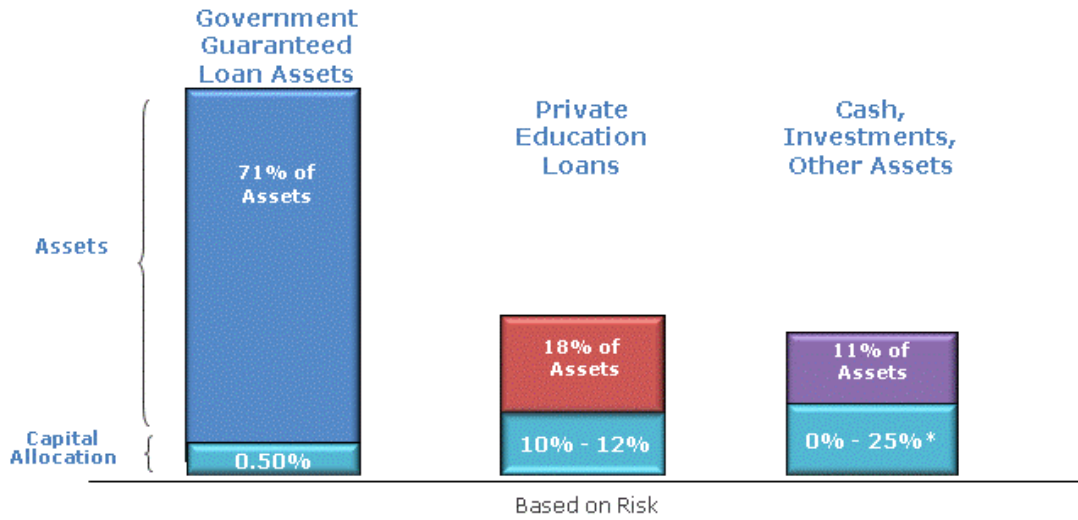
CAPITALIZATION

SLM Corporation

	2Q11	2010	2009	2008
Tangible Equity/"Core Earnings" Assets ⁽¹⁾	2.3%	2.2%	2.0%	1.8%
Tangible Equity/Charge-Offs ⁽²⁾	4x	3x	3x	7x

CAPITAL ALLOCATION

SLM allocates capital internally based on the risk of the assets it supports



FFELP APPENDIX

SLM FFELP ABS ISSUE CHARACTERISTICS

Typical SLM FFELP ABS Transaction Features

- ▶ Issue size of \$0.5B to \$1.0B
- ▶ Tranches or pass-through denominated in US\$
- ▶ AAA rated senior tranches make up to 97% of issue structure
- ▶ Floating rate tied to 1 mo. LIBOR
- ▶ Amortizing tranches, with 1 to 15(+) year average lives
- ▶ Masterservicer is 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⁽¹⁾
- ▶ 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+ yrs) term tranches available at new issue and in secondary

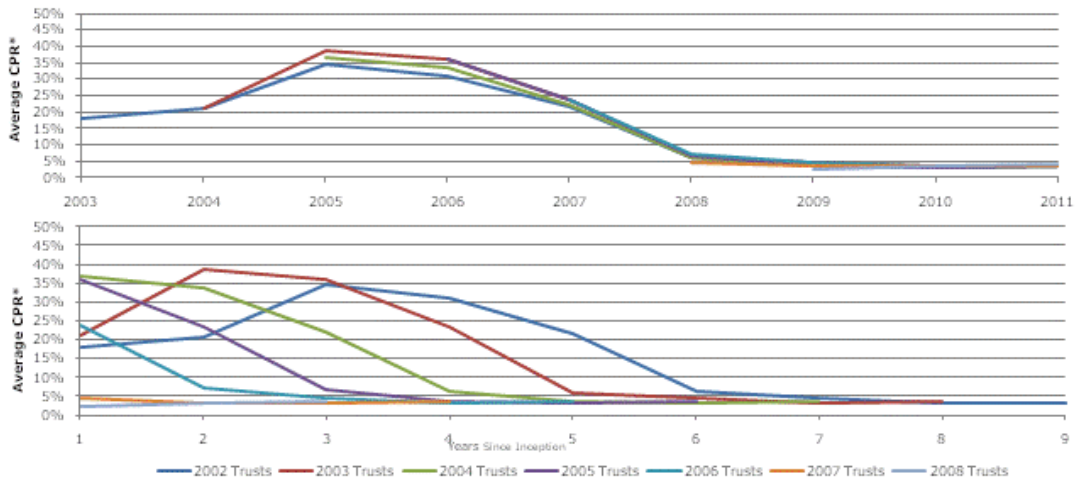
59⁽¹⁾ Principal and accrued interest on underlying FFELP loan collateral carry a guarantee of 97%-100% dependent on origination year and on meeting the servicing requirements of the U.S. Department of Education.

SLM STAFFORD/PLUS ABS TRUSTS

PREPAYMENT ANALYSIS

- ▶ Annualized CPRs for SLM Stafford/PLUS ABS Trusts have decreased significantly as incentives for borrowers to consolidate have declined

Historical SLM Stafford/PLUS ABS CPRs



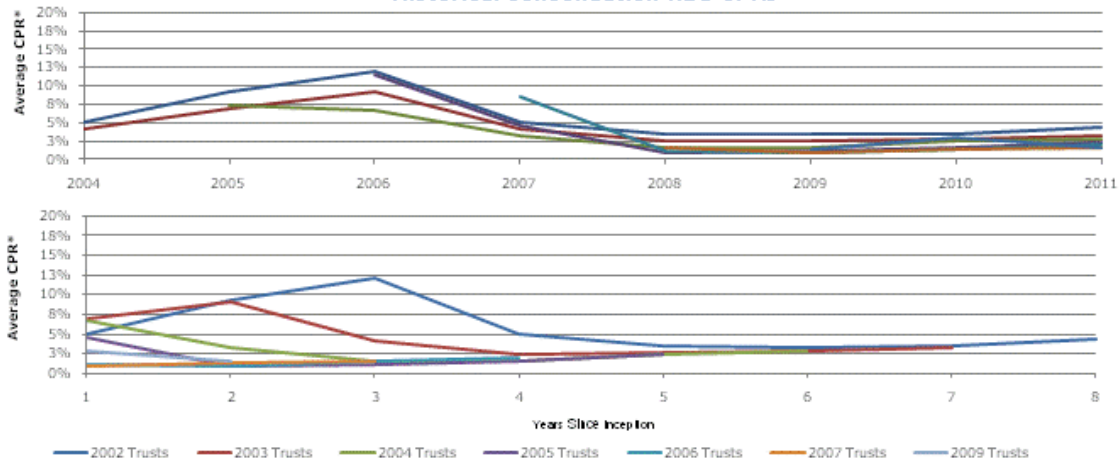
* Average CPR is the simple (non-weighted) average of four Quarterly CPR calculations for each calendar year. Quarterly CPR assumes School and Grace loans are not scheduled to make payments. Deferment, Forbearance and Repayment loans are scheduled to make payments.

SLM CONSOLIDATION ABS TRUSTS

PREPAYMENT ANALYSIS

- ▶ CPRs for SLM Consolidation ABS Trusts have declined significantly following legislation that prevented in-school and re-consolidation of borrowers' loans

Historical Consolidation ABS CPRs



* Average CPR is the simple (non-weighted) average of four Quarterly CPR calculations for each calendar year. Quarterly CPR assumes School and Grace loans are not scheduled to make payments. Deferment, Forbearance and Repayment loans are scheduled to make payments.

PRIVATE CREDIT APPENDIX

RECENT SLM PRIVATE EDUCATION LOAN ABS CHARACTERISTICS

Typical SLM Private Loan ABS Structures

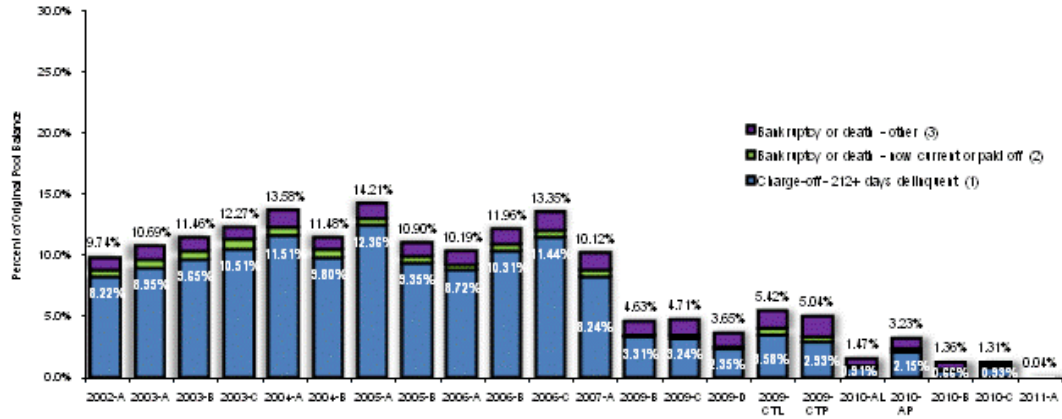
- ▶ Issue size of \$500M to \$1.0B
- ▶ US\$ denominated
- ▶ Triple-A rated senior notes only; no subordinate tranches
- ▶ 20-30(+) % overcollateralization
- ▶ Pass-thru with 3-5(+) yr average lives, or multiple tranches with 1-10(+) yr average lives
- ▶ Floating rate tied to 1 mo. LIBOR

Unique Characteristics of SLM Private Loan ABS

- ▶ Collateralized by loans made to students and parents to fund college tuition, room and board
- ▶ Underwritten using FICO, Custom Scorecard & DTI w/risk-based pricing
- ▶ 60-70(+) % with co-borrowers, typically a parent
- ▶ Typically non-dischargeable in bankruptcy
- ▶ Serviced exclusively by Sallie Mae

SLM PRIVATE EDUCATION LOAN GROSS DEFAULTS

Actual-to-Date Cumulative Gross Defaults,
including Bankruptcy Information
All Trust Loans



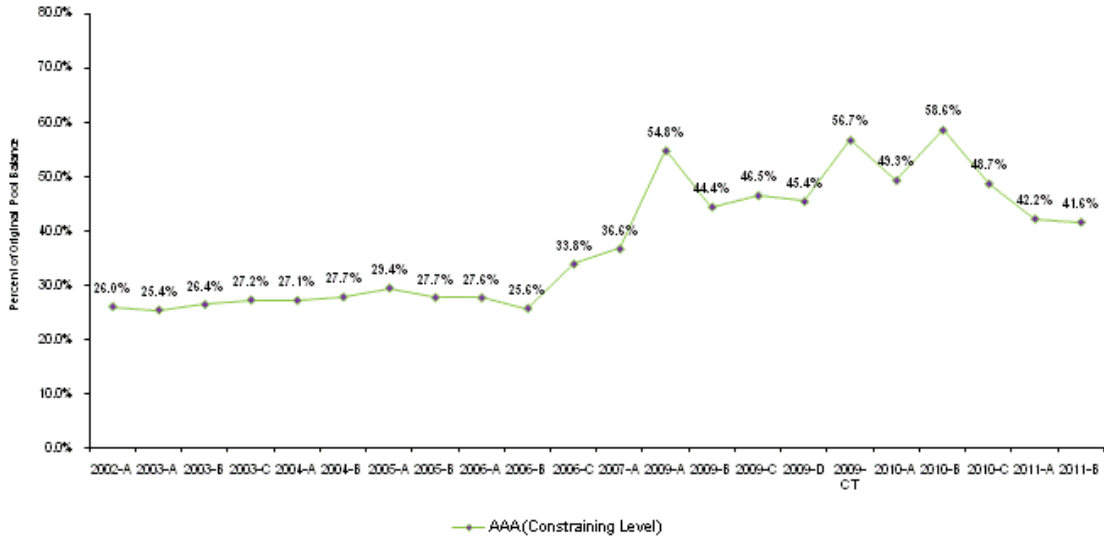
For SLM Private Education Loan Trusts issued prior to 2005-B, the servicer has the option, but not the obligation, to repurchase loans that (i) become 180+ days delinquent and/or (ii) have a borrower who filed for bankruptcy or died. Prior to November 1, 2008, the servicer exercised this repurchase option and actual charge-offs in these trusts equaled zero. Beginning November 1, 2008, the servicer ceased purchasing from the trust loans that are more than 180 days delinquent. For the purposes of comparison across all deals, this chart reflects trust charge-offs for SLM Private Education Loan Trusts issued prior to 2005-B as if the servicer had never 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.
- (2) Charge-offs due to a borrower's bankruptcy filing for which the loan is now current or paid off.
- (3) 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 are in various statuses including: bankruptcy stay, deferment, forbearance or delinquency.

SLM PRIVATE CREDIT GROSS DEFAULTS

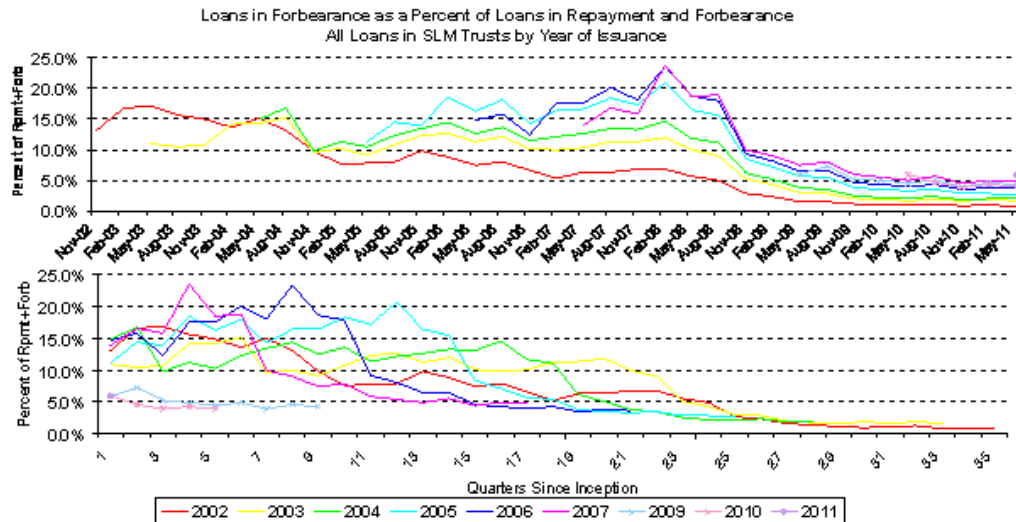
CONSTRAINING RATING AGENCY STRESS LEVELS AT ISSUANCE

Constraining Rating Agency Stress Levels at Issuance for 'AAA'



PRIVATE CREDIT ABS TRUSTS FORBEARANCE

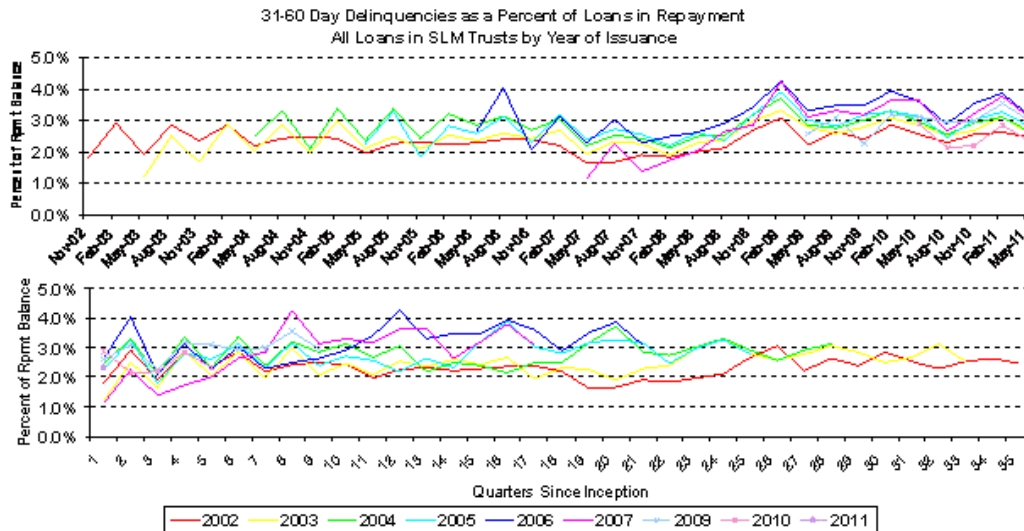
- ▶ Forbearance usage is typically highest when loans enter repayment, and declines as loans season
- ▶ Use of forbearance as a collection tool peaked in early 2008; forbearance has since declined as a result of changes in SLM's forbearance strategy



PRIVATE CREDIT ABS TRUSTS

31-60 DAY DELINQUENCIES

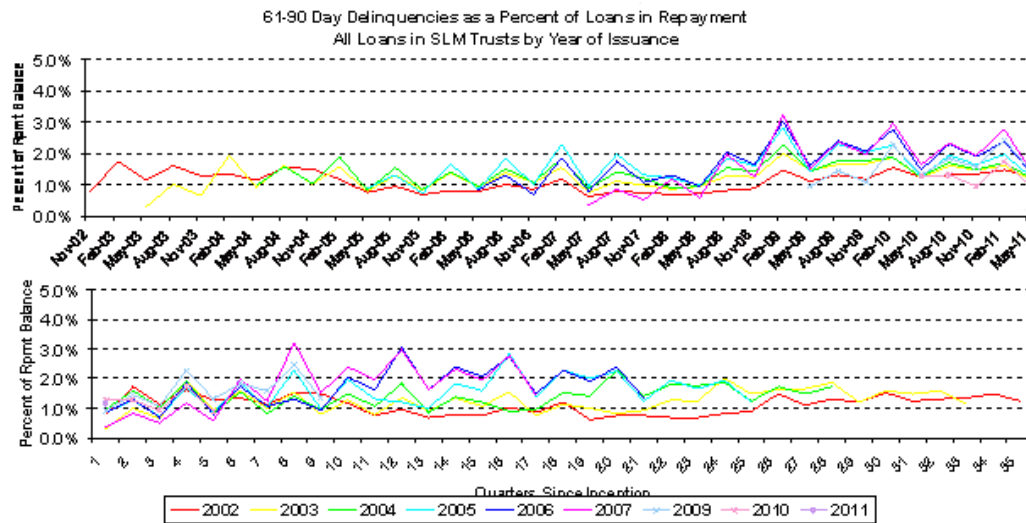
- ▶ Early stage delinquencies remained relatively steady through 2009 and 2010 even as unemployment increased



PRIVATE CREDIT ABS TRUSTS

61-90 DAY DELINQUENCIES

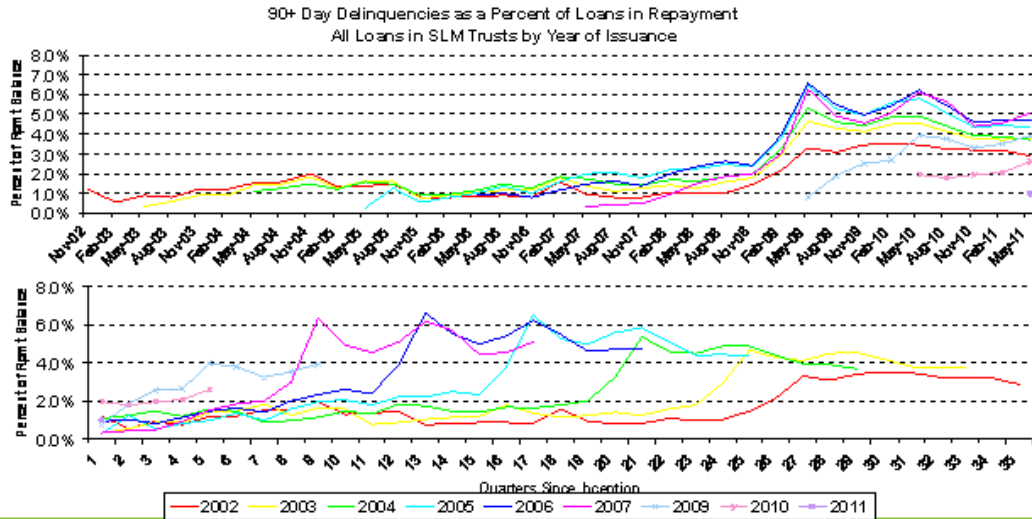
- ▶ Delinquencies show seasonal trends associated with groups of borrowers entering repayment at the same time after the grace period following graduation
- ▶ Delinquency has continued to improve since 2009



PRIVATE CREDIT ABS TRUSTS

90+ DAY DELINQUENCIES

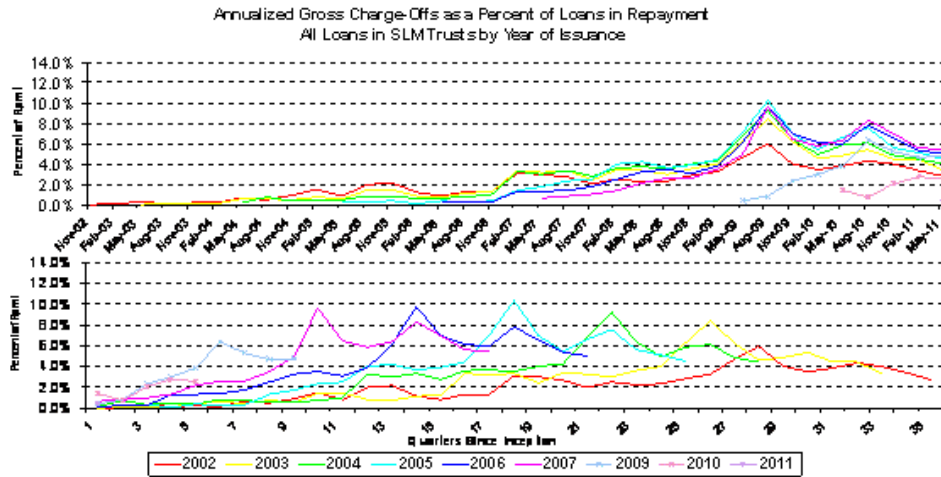
- ▶ As expected, later stage delinquency has remained elevated in recent periods due to tightening of forbearance and the current economic environment
- ▶ Increased emphasis on cash payment during delinquency means more borrowers remain in delinquency instead of receiving forbearance
- ▶ Because they are paying, fewer delinquent borrowers are expected to default



PRIVATE CREDIT ABS TRUSTS

ANNUALIZED GROSS CHARGE-OFFS

- ▶ Charge-offs decline in the latter half of 2009, after an increase resulting from changes to forbearance policy



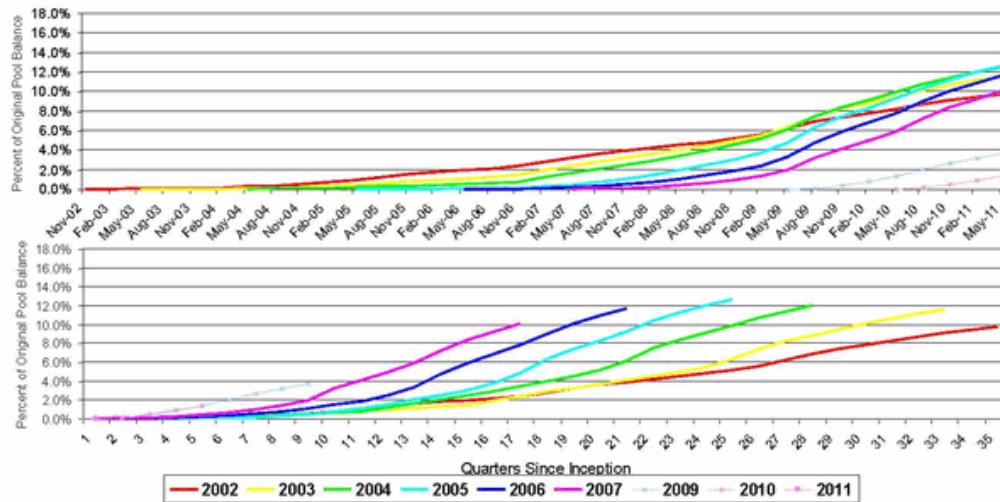
(1) For SLM Private Credit Student Loan Trusts issued prior to 2005-B, the servicer has the option, but not the obligation, to repurchase loans that (i) become 180+ days delinquent and/or (ii) have a borrower who filed for bankruptcy or died. Prior to November 1, 2008, the servicer exercised this repurchase option and actual charge-offs in these trusts equaled zero. Beginning November 1, 2008, the servicer ceased purchasing from the trust loans that are more than 180 days delinquent. 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 never exercised its repurchase option.

PRIVATE CREDIT ABS TRUSTS

HISTORICAL CUMULATIVE GROSS CHARGE-OFFS⁽¹⁾

- ▶ The decline in forbearance resulted in:
 - ▶ Increased defaults in mid 2009
 - ▶ A more front loaded default curve
 - ▶ No increase in lifetime defaults

Cumulative Gross Charge-Offs as a Percent of Original Pool Balance
All Loans in SLM Trusts by Year of Issuance

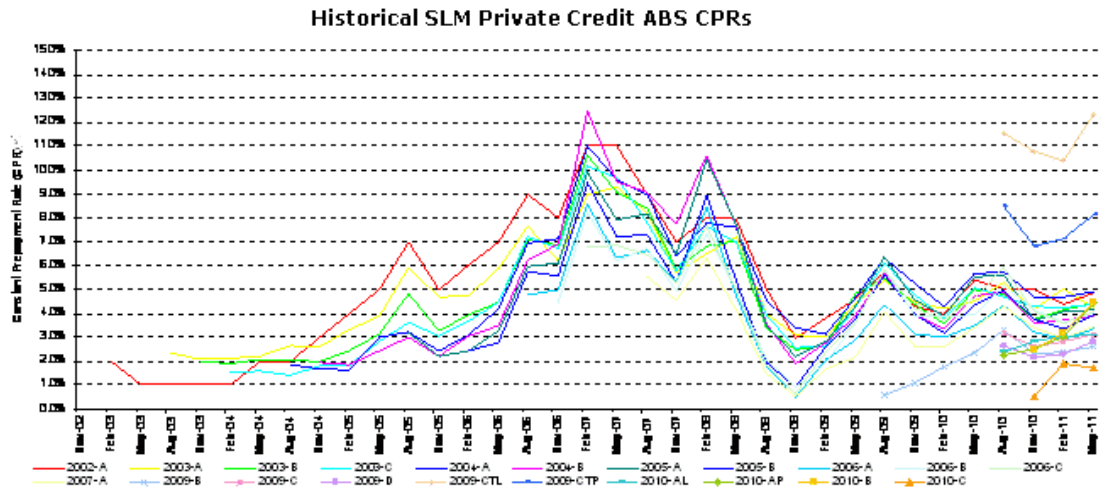


(1) For SLM Private Credit Student Loan Trusts issued prior to 2005-B, the servicer has the option, but not the obligation, to repurchase loans that (i) become 180+ days delinquent and/or (ii) have a borrower who filed for bankruptcy or died. Prior to November 1, 2008, the servicer exercised this repurchase option and actual charge-offs in these trusts equaled zero. Beginning November 1, 2008, the servicer ceased purchasing from the trust loans that are more than 180 days delinquent. 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 never exercised its repurchase option.

SLM PRIVATE CREDIT ABS TRUSTS

PREPAYMENT ANALYSIS

- ▶ Constant prepayment rates increased in 2007 due to the introduction of Private Credit Consolidation loans, but then declined accordingly following SLM's decision to suspend its consolidation loan program



COHORT DEFAULT TRIANGLES

- ▶ The following cohort default triangles provide loan performance information for certain private education loans of SLM Corporation and its consolidated subsidiaries that meet such subsidiaries' current securitization criteria (including those criteria listed below):
 - Program types include Undergraduate/Graduate⁽¹⁾, Direct-to-Consumer ("DTC")⁽²⁾, and Career Training⁽³⁾ loans
 - FICO scores are based on the greater of the borrower and co-borrower scores as of a date near the loan application and must be at least:
 - Undergraduate/Graduate at not-for-profit schools: ≥ 640
 - Undergraduate/Graduate at for-profit schools: ≥ 670
 - DTC loans: ≥ 670
 - Career Training loans: ≥ 670
 - Excludes loans made at selected schools that have historically experienced higher rates of default
- ▶ The cohort default triangles are not representative of the characteristics of the portfolio of private education loans of SLM Corporation and its consolidated subsidiaries as a whole or any particular securitization trust. Triangles report gross charge-offs not defaults. Calculations are based on disbursed principal which excludes capitalized interest. Results overstate actual default statistics.

⁽¹⁾ Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

⁽²⁾ Direct-to-Consumer Loans marketed under the Tuition Answer brand.

⁽³⁾ Career Training loans provide eligible borrowers financing at technical, trade, K-12 or tutoring schools.

COHORT DEFAULT TRIANGLES

- ▶ The cohort default triangles featured on subsequent slides are segmented by loan program type, FICO score, co-borrower status, and school type
- ▶ Terms and calculations used in the cohort default triangles are defined below:
 - Repayment Year – The calendar year loans entered repayment
 - Disbursed Principal Entering Repayment – The amount of principal entering repayment in a given year, based on disbursed principal prior to any interest capitalization
 - Years in Repayment – Measured in years between repayment start date and default date. Zero represents defaults that occurred prior to the start of repayment.
 - Periodic Defaults – Defaulted principal in each Year in Repayment as a percentage of the disbursed principal entering repayment in each Repayment Year
 - Defaulted principal includes any interest capitalization that occurred prior to default
 - Defaulted principal is not reduced by any amounts recovered after the loan defaulted
 - Because the numerator includes capitalized interest while the denominator does not, default rates are higher than if the numerator and denominator both included capitalized interest
 - Total – The sum of Periodic Defaults across Years in Repayment for each Repayment Year

COHORT DEFAULT TRIANGLES

Undergraduate/Graduate ⁽¹⁾																	
Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$11	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.5%	0.8%	0.4%	0.2%	1.5%	0.7%	0.4%	0.1%	0.0%	4.8%
1999	\$28	0.0%	0.0%	0.0%	0.1%	0.9%	0.6%	1.4%	0.4%	0.3%	1.0%	0.5%	0.3%	0.7%	0.0%		6.2%
2000	\$70	0.0%	0.0%	0.0%	0.6%	1.1%	1.3%	0.6%	0.9%	1.5%	1.5%	1.0%	0.6%	0.1%			9.3%
2001	\$187	0.0%	0.0%	0.1%	1.1%	1.4%	0.9%	1.8%	1.3%	2.3%	1.9%	1.1%	0.0%				11.9%
2002	\$386	0.0%	0.2%	0.2%	1.2%	1.1%	1.9%	1.6%	2.3%	1.9%	1.0%	0.0%					11.5%
2003	\$683	0.0%	0.2%	0.6%	1.0%	1.9%	1.6%	2.7%	2.4%	1.3%	0.1%						11.7%
2004	\$1,132	0.0%	0.2%	0.3%	1.9%	1.8%	3.0%	2.8%	1.4%	0.1%							11.5%
2005	\$1,537	0.0%	0.0%	0.5%	2.5%	3.7%	3.3%	1.7%	0.1%								11.8%
2006	\$2,016	0.0%	0.1%	1.6%	3.7%	3.7%	1.9%	0.1%									11.1%
2007	\$2,457	0.0%	0.4%	3.5%	4.6%	2.3%	0.1%										10.9%
2008	\$2,941	0.0%	2.3%	4.2%	3.0%	0.1%											9.7%
2009	\$3,275	0.0%	3.4%	2.8%	0.2%												6.4%
2010	\$2,817	0.0%	2.0%	0.2%													2.3%

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire managed portfolio. Please refer to section preamble on pages 77 and 78 for details.

(1) Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

(2) Periodic Defaults for the most recent two calendar Years in Repayment are for a partial year.

(3) Numerator is the amount of principal in each cohort that defaulted in each Year in Repayment. Denominator is the amount of disbursed principal for that Repayment Year.

COHORT DEFAULT TRIANGLES

Undergraduate/Graduate⁽¹⁾With Co-signer

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$6	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.8%	1.0%	0.4%	0.0%	0.2%	1.1%	0.1%	0.0%	0.0%	3.7%
1999	\$14	0.0%	0.0%	0.0%	0.0%	0.5%	0.1%	0.9%	0.4%	0.2%	0.1%	0.4%	0.0%	0.0%	0.0%	2.7%	
2000	\$37	0.0%	0.0%	0.0%	0.5%	0.5%	0.7%	0.7%	0.4%	0.7%	1.2%	0.8%	0.5%	0.0%		6.1%	
2001	\$90	0.0%	0.0%	0.1%	0.7%	0.9%	0.6%	1.2%	1.0%	1.7%	1.4%	0.7%	0.1%			8.4%	
2002	\$196	0.0%	0.2%	0.1%	0.8%	0.6%	1.4%	0.8%	1.9%	1.5%	0.9%	0.0%				8.3%	
2003	\$367	0.0%	0.1%	0.3%	0.6%	0.9%	1.1%	2.2%	1.8%	1.0%	0.0%					8.1%	
2004	\$632	0.0%	0.2%	0.2%	1.0%	1.0%	2.2%	2.1%	1.1%	0.1%						7.8%	
2005	\$843	0.0%	0.0%	0.2%	1.4%	2.5%	2.3%	1.3%	0.1%							7.7%	
2006	\$1,122	0.0%	0.0%	0.7%	2.4%	2.4%	1.3%	0.1%								7.0%	
2007	\$1,411	0.0%	0.2%	2.0%	2.9%	1.6%	0.1%									6.8%	
2008	\$1,762	0.0%	1.2%	2.6%	2.0%	0.1%										5.9%	
2009	\$2,100	0.0%	1.9%	1.8%	0.1%											3.9%	
2010	\$1,888	0.0%	1.2%	0.1%												1.4%	

Undergraduate/Graduate⁽¹⁾Without Co-signer

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$5	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%	0.6%	0.4%	0.4%	3.1%	0.2%	0.8%	0.2%	0.0%	6.1%
1999	\$14	0.0%	0.0%	0.0%	0.3%	1.2%	1.1%	1.9%	0.4%	0.3%	1.8%	0.6%	0.6%	1.4%	0.0%		9.6%
2000	\$33	0.0%	0.0%	0.0%	0.8%	1.7%	2.1%	0.6%	1.5%	2.3%	2.0%	1.1%	0.6%	0.2%			12.8%
2001	\$97	0.0%	0.0%	0.1%	1.5%	1.9%	1.2%	2.3%	1.5%	2.9%	2.3%	1.4%	0.0%				15.1%
2002	\$190	0.0%	0.2%	0.2%	1.6%	1.7%	2.3%	2.4%	2.8%	2.4%	1.1%	0.1%					14.7%
2003	\$315	0.0%	0.2%	0.9%	1.4%	2.9%	2.3%	3.3%	3.0%	1.7%	0.1%						15.8%
2004	\$499	0.0%	0.3%	0.5%	3.1%	2.8%	4.1%	3.7%	1.7%	0.1%							16.3%
2005	\$694	0.0%	0.1%	0.7%	3.9%	5.3%	4.6%	2.1%	0.2%								16.9%
2006	\$894	0.0%	0.2%	2.7%	5.3%	5.4%	2.6%	0.1%									16.3%
2007	\$1,046	0.0%	0.8%	5.5%	6.8%	3.3%	0.1%										16.5%
2008	\$1,180	0.0%	4.0%	6.5%	4.6%	0.2%											15.3%
2009	\$1,175	0.0%	5.9%	4.7%	0.3%												10.9%
2010	\$929	0.0%	3.6%	0.3%													4.0%

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire managed portfolio. Please refer to section preamble on pages 77 and 78 for details.

(1) Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

(2) Periodic Defaults for the most recent two calendar years in Repayment are for a partial year.

(3) Numerator is the amount of principal in each cohort that defaulted in each year in Repayment. Denominator is the amount of disbursed principal for that Repayment Year.

COHORT DEFAULT TRIANGLES

Undergraduate/Graduate⁽¹⁾ Non-Profit

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$11	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.6%	0.4%	0.4%	0.2%	1.1%	0.7%	0.3%	0.1%	0.0%	3.9%
1999	\$26	0.0%	0.0%	0.0%	0.0%	0.8%	0.5%	1.2%	0.4%	0.3%	1.0%	0.5%	0.2%	0.5%	0.0%		5.5%
2000	\$68	0.0%	0.0%	0.0%	0.7%	1.0%	1.4%	0.5%	0.9%	1.4%	1.3%	1.0%	0.6%	0.1%			8.8%
2001	\$180	0.0%	0.0%	0.1%	0.9%	1.4%	0.9%	1.7%	1.2%	2.4%	1.8%	1.1%	0.0%				11.5%
2002	\$360	0.0%	0.2%	0.2%	1.2%	1.0%	1.8%	1.6%	2.3%	2.0%	1.0%	0.0%					11.3%
2003	\$630	0.0%	0.2%	0.6%	0.8%	1.8%	1.6%	2.6%	2.3%	1.3%	0.1%						11.2%
2004	\$1,006	0.0%	0.2%	0.2%	1.8%	1.7%	2.9%	2.6%	1.3%	0.1%							10.8%
2005	\$1,362	0.0%	0.0%	0.4%	2.4%	3.5%	3.1%	1.6%	0.1%								11.2%
2006	\$1,769	0.0%	0.1%	1.5%	3.5%	3.5%	1.8%	0.1%									10.6%
2007	\$2,108	0.0%	0.4%	3.4%	4.2%	2.2%	0.1%										10.3%
2008	\$2,463	0.0%	2.2%	3.8%	2.8%	0.1%											8.9%
2009	\$2,705	0.0%	3.2%	2.5%	0.1%												5.9%
2010	\$2,404	0.0%	1.8%	0.2%													2.0%

Undergraduate/Graduate⁽¹⁾ For-Profit

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$0.36	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	13.6%	0.0%	0.0%	12.6%	0.0%	5.1%	0.0%	0.4%	31.7%
1999	\$2	0.0%	0.0%	0.0%	2.3%	1.4%	2.1%	4.8%	0.0%	0.0%	0.0%	0.0%	0.9%	5.3%	0.0%		16.9%
2000	\$2	0.0%	0.0%	0.0%	0.0%	2.8%	0.7%	3.2%	3.2%	3.7%	8.9%	0.0%	1.6%	0.0%			24.3%
2001	\$7	0.0%	0.1%	0.1%	4.7%	2.2%	1.1%	4.3%	2.2%	0.8%	3.5%	1.3%	0.0%				20.3%
2002	\$27	0.0%	0.0%	0.4%	1.9%	2.2%	2.1%	2.0%	2.9%	1.8%	1.1%	0.1%					14.5%
2003	\$52	0.0%	0.2%	0.7%	2.4%	2.7%	2.2%	3.8%	3.0%	1.9%	0.1%						16.9%
2004	\$126	0.0%	0.3%	0.6%	3.2%	3.0%	3.9%	4.6%	1.9%	0.1%							17.8%
2005	\$175	0.0%	0.0%	0.7%	3.7%	5.3%	4.9%	2.2%	0.1%								16.9%
2006	\$247	0.0%	0.2%	2.1%	4.9%	5.0%	2.6%	0.2%									15.0%
2007	\$349	0.0%	0.5%	4.3%	6.4%	3.3%	0.3%										14.8%
2008	\$478	0.0%	3.0%	5.9%	4.5%	0.2%											13.6%
2009	\$570	0.0%	4.2%	4.3%	0.3%												8.8%
2010	\$413	0.1%	3.4%	0.4%													3.8%

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire managed portfolio. Please refer to section preamble on pages 77 and 78 for details.

(1) Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

(2) Periodic Defaults for the most recent two calendar years in repayment are for a partial year.

(3) Numerator is the amount of principal in each cohort that defaulted in each year in repayment. Denominator is the amount of disbursed principal for that repayment year.

COHORT DEFAULT TRIANGLES

Undergraduate/Graduate⁽¹⁾ Loans, FICO 740-850⁽²⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(3),(4)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.0%	0.4%	0.4%	0.9%	0.9%	0.0%	0.0%	0.0%	2.8%
1999	\$6	0.0%	0.0%	0.0%	0.0%	0.5%	0.3%	1.7%	0.5%	0.2%	0.2%	0.0%	0.2%	0.0%	0.0%	3.6%	
2000	\$22	0.0%	0.0%	0.0%	0.3%	0.4%	0.4%	0.2%	0.3%	1.0%	0.9%	0.4%	0.3%	0.0%	4.3%		
2001	\$64	0.0%	0.0%	0.0%	0.5%	0.4%	0.4%	1.1%	0.8%	1.0%	0.7%	0.5%	0.0%	5.4%			
2002	\$137	0.0%	0.3%	0.1%	0.5%	0.4%	0.8%	0.6%	1.2%	0.9%	0.5%	0.0%	5.2%				
2003	\$248	0.0%	0.1%	0.2%	0.4%	0.6%	0.7%	1.2%	1.4%	0.6%	0.0%	5.3%					
2004	\$424	0.0%	0.1%	0.1%	0.7%	0.7%	1.4%	1.3%	0.7%	0.0%	5.2%						
2005	\$574	0.0%	0.0%	0.2%	1.0%	1.5%	1.5%	0.9%	0.0%	5.0%							
2006	\$762	0.0%	0.0%	0.5%	1.4%	1.5%	0.8%	0.0%	4.3%								
2007	\$938	0.0%	0.1%	1.2%	1.5%	0.8%	0.1%	3.7%									
2008	\$1,132	0.0%	0.7%	1.5%	1.1%	0.1%	3.4%										
2009	\$1,345	0.0%	1.1%	1.1%	0.1%	2.3%											
2010	\$1,218	0.0%	0.8%	0.1%	0.9%												

Undergraduate/Graduate⁽¹⁾ Loans, FICO 700-739⁽²⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(3),(4)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$3	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	1.0%	2.2%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	3.3%
1999	\$8	0.0%	0.0%	0.0%	0.0%	0.5%	0.4%	0.7%	0.0%	0.3%	1.5%	0.7%	0.1%	0.8%	0.0%	4.9%	
2000	\$20	0.0%	0.0%	0.0%	0.4%	0.7%	1.3%	0.8%	1.1%	0.8%	1.3%	0.7%	0.4%	0.1%	7.5%		
2001	\$54	0.0%	0.0%	0.1%	0.9%	1.2%	0.5%	1.4%	0.9%	1.9%	1.4%	0.7%	0.0%	9.2%			
2002	\$111	0.0%	0.1%	0.1%	1.1%	1.0%	1.7%	1.4%	2.2%	1.4%	0.9%	0.1%	9.9%				
2003	\$194	0.0%	0.2%	0.5%	0.8%	1.6%	1.5%	2.4%	1.9%	1.3%	0.0%	10.2%					
2004	\$321	0.0%	0.2%	0.2%	1.7%	1.5%	2.5%	2.8%	1.4%	0.1%	10.5%						
2005	\$439	0.0%	0.0%	0.4%	2.2%	3.3%	2.9%	1.6%	0.2%	10.7%							
2006	\$553	0.0%	0.1%	1.3%	3.1%	3.3%	1.8%	0.1%	9.8%								
2007	\$660	0.0%	0.4%	2.8%	4.0%	2.0%	0.0%	9.3%									
2008	\$784	0.0%	2.0%	3.8%	2.7%	0.2%	8.7%										
2009	\$884	0.0%	3.0%	2.8%	0.2%	5.9%											
2010	\$741	0.0%	2.0%	0.2%	2.2%												

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire managed portfolio. Please refer to section preamble on pages 77 and 78 for details.

⁽¹⁾ Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

⁽²⁾ FICO scores are based on the greater of the borrower and co-borrower scores as of a date near the loan application.

⁽³⁾ Periodic Defaults for the most recent two calendar Years in Repayment are for a partial year.

⁽⁴⁾ Numerator is the amount of principal in each cohort that defaulted in each Year in Repayment. Denominator is the amount of disbursed principal for that Repayment Year.

COHORT DEFAULT TRIANGLES

Undergraduate/Graduate⁽¹⁾ Loans, FICO 670-699⁽²⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(3),(4)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$3	0.0%	0.0%	0.0%	0.0%	0.0%	0.6%	0.6%	0.3%	0.5%	0.3%	2.8%	0.0%	0.5%	0.3%	0.1%	5.9%
1999	\$7	0.0%	0.0%	0.0%	0.5%	1.4%	0.5%	1.3%	0.3%	0.3%	0.1%	0.7%	0.5%	1.3%	0.0%		6.9%
2000	\$14	0.0%	0.0%	0.0%	0.9%	1.4%	1.9%	0.2%	1.0%	0.9%	1.4%	1.4%	0.8%	0.3%			10.2%
2001	\$37	0.0%	0.0%	0.1%	1.3%	2.1%	1.5%	1.9%	1.6%	2.7%	3.0%	1.8%	0.0%				16.0%
2002	\$77	0.0%	0.2%	0.3%	1.6%	1.8%	2.4%	2.4%	3.0%	2.7%	1.2%	0.0%					15.5%
2003	\$134	0.0%	0.1%	0.8%	1.3%	2.8%	2.1%	3.7%	3.2%	1.7%	0.1%						15.8%
2004	\$222	0.0%	0.3%	0.5%	2.9%	2.6%	4.2%	3.8%	1.7%	0.0%							16.0%
2005	\$298	0.0%	0.1%	0.7%	3.8%	5.2%	4.8%	2.2%	0.1%								16.9%
2006	\$403	0.0%	0.2%	2.6%	5.5%	5.5%	2.7%	0.1%									16.7%
2007	\$506	0.0%	0.7%	5.5%	7.3%	3.8%	0.2%										17.5%
2008	\$626	0.0%	3.8%	6.8%	4.9%	0.2%											15.8%
2009	\$665	0.1%	5.7%	4.7%	0.3%												10.7%
2010	\$547	0.0%	3.5%	0.3%													3.9%

Undergraduate/Graduate⁽¹⁾ Loans, FICO 640-669⁽²⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(3),(4)}														Total	
		0	1	2	3	4	5	6	7	8	9	10	11	12	13		14
1998	\$2	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.3%	0.5%	0.9%	0.0%	2.9%	2.3%	1.3%	0.0%	0.0%	8.1%
1999	\$6	0.0%	0.0%	0.0%	0.0%	1.1%	1.4%	2.3%	0.9%	0.3%	2.1%	0.5%	0.3%	0.7%	0.0%		9.6%
2000	\$14	0.0%	0.0%	0.0%	1.4%	2.5%	2.3%	1.4%	1.6%	3.8%	3.0%	1.9%	1.1%	0.0%			19.0%
2001	\$32	0.0%	0.0%	0.1%	2.3%	2.9%	2.0%	3.4%	2.6%	5.2%	3.8%	2.1%	0.2%				24.5%
2002	\$61	0.0%	0.2%	0.4%	2.7%	2.3%	3.9%	3.1%	4.6%	4.2%	2.0%	0.1%					23.4%
2003	\$107	0.0%	0.3%	1.3%	2.1%	4.1%	3.3%	5.4%	4.4%	2.7%	0.2%						23.9%
2004	\$165	0.0%	0.5%	0.5%	4.4%	3.9%	6.4%	5.5%	2.5%	0.1%							24.0%
2005	\$226	0.0%	0.1%	0.9%	5.4%	8.2%	6.9%	2.9%	0.2%								24.6%
2006	\$297	0.0%	0.2%	3.7%	8.2%	7.8%	3.5%	0.2%									23.5%
2007	\$352	0.0%	1.1%	8.0%	9.7%	4.8%	0.1%										23.7%
2008	\$400	0.0%	5.4%	8.4%	6.1%	0.2%											20.1%
2009	\$380	0.0%	8.0%	6.1%	0.3%												14.5%
2010	\$312	0.0%	4.3%	0.5%													4.8%

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire managed portfolio. Please refer to section preamble on pages 77 and 78 for details.

⁽¹⁾ Undergraduate/Graduate loans marketed under the Signature Student Loan brand.

⁽²⁾ FICO scores are based on the greater of the borrower and co-borrower scores as of a date near the loan application.

⁽³⁾ Periodic Defaults for the most recent two calendar Years in Repayment are for a partial year.

⁽⁴⁾ Numerator is the amount of principal in each cohort that defaulted in each Year in Repayment. Denominator is the amount of disbursed principal for that Repayment Year.

COHORT DEFAULT TRIANGLES

DTC With Co-signer, FICO \geq 670⁽¹⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}									Total
		0	1	2	3	4	5	6	7	8	
2004	\$8	0.0%	0.0%	0.0%	0.0%	0.0%	0.5%	0.3%	0.5%	0.0%	1.3%
2005	\$65	0.0%	0.1%	0.8%	0.8%	1.4%	2.1%	0.9%	0.0%		6.1%
2006	\$140	0.0%	0.7%	2.0%	4.4%	4.8%	1.9%	0.1%			13.9%
2007	\$246	0.0%	0.6%	4.8%	6.3%	3.5%	0.1%				15.3%
2008	\$370	0.0%	3.0%	5.9%	4.0%	0.2%					13.0%
2009	\$398	0.0%	3.7%	3.2%	0.2%						7.1%
2010	\$317	0.0%	2.3%	0.3%							2.6%

DTC Without Co-signer, FICO \geq 670⁽¹⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}									Total
		0	1	2	3	4	5	6	7	8	
2004	\$2	0.0%	0.0%	1.7%	1.3%	0.7%	5.6%	2.4%	0.0%	0.0%	11.7%
2005	\$18	0.0%	1.1%	2.1%	2.6%	4.1%	6.4%	2.4%	0.0%		18.7%
2006	\$65	0.0%	1.5%	2.7%	6.6%	6.4%	3.0%	0.2%			20.5%
2007	\$158	0.0%	1.1%	6.0%	8.1%	3.5%	0.2%				18.9%
2008	\$256	0.0%	3.9%	8.0%	5.6%	0.2%					17.8%
2009	\$236	0.1%	6.8%	5.1%	0.4%						12.4%
2010	\$153	0.2%	5.4%	0.4%							6.0%

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire merged portfolio. Please refer to section preamble on pages 77 and 78 for details.

(1) FICO scores are based on the greater of the borrower and co-borrower scores as of a date near the loan application.

(2) Periodic Defaults for the most recent two calendar Years in Repayment are for a partial year.

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COHORT DEFAULT TRIANGLES

Career Training Loans, 670+ FICO⁽¹⁾

Repayment Year	Disbursed Principal Entering Repayment (\$m)	Periodic Defaults by Years in Repayment ^{(2),(3)}										Total
		0	1	2	3	4	5	6	7	8	9	
2003	\$291	0.0%	0.4%	1.4%	1.6%	1.8%	1.5%	1.3%	1.0%	0.7%	0.1%	9.8%
2004	\$383	0.0%	0.4%	1.5%	2.3%	1.8%	1.9%	1.7%	1.0%	0.1%	10.6%	
2005	\$513	0.0%	0.3%	2.2%	2.2%	2.5%	2.2%	1.3%	0.1%	10.8%		
2006	\$633	0.0%	0.4%	2.5%	3.6%	3.2%	1.9%	0.2%	11.7%			
2007	\$675	0.0%	0.5%	3.5%	3.9%	2.6%	0.2%	10.8%				
2008	\$594	0.0%	0.6%	4.3%	3.2%	0.3%	8.4%					
2009	\$187	0.0%	0.2%	1.7%	0.4%	2.4%						
2010	\$24	0.0%	0.3%	0.1%	0.5%							

Note: Data as of 6/30/11. Cohort default data not representative of Sallie Mae's entire merged portfolio. Please refer to section preamble on pages 77 and 78 for details.

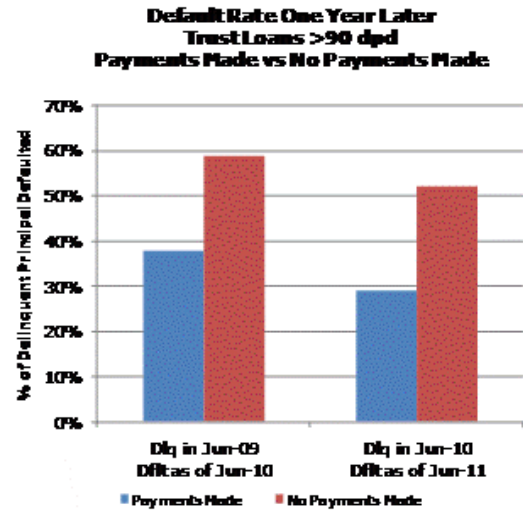
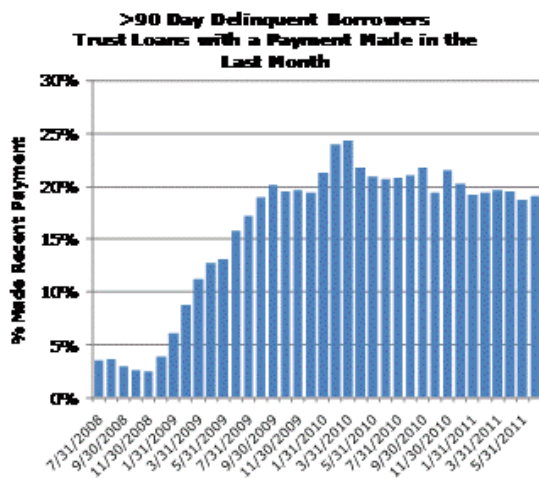
(1) FICO scores are based on the greater of the borrower and co-borrower scores as of a date near the loan application.

(2) Periodic Defaults for the most recent two calendar Years in Repayment are for a partial year.

(3) Numerator is the amount of principal in each cohort that defaulted in each Year in Repayment. Denominator is the amount of disbursed principal for that Repayment Year.

RECENT PRIVATE LOAN ABS TRUST PERFORMANCE

- ▶ Sallie Mae is currently collecting payments from a much higher percentage of delinquent borrowers than in the past
- ▶ Delinquent borrowers who have made at least one payment during delinquency are far less likely to default



RECOVERIES

- ▶ As of June 2011, Sallie Mae expects to collect 27 percent of a defaulted loan's balance, on average, across its private education loan portfolio
- ▶ Recoveries are typically realized over many years as a result of the prevalent use of long-term payment plans
- ▶ While student loans are non-dischargeable in bankruptcy, the proceedings can postpone recoveries until after borrowers emerge from bankruptcy
- ▶ In 2005, Sallie Mae changed its recovery practices, leading to an increase in overall recoveries and earlier collection of recovered amounts
 - ▶ Loans that defaulted in 1998-2003 had recovery rates of 7 – 14% five years after default
 - ▶ The 2005 cohort had a recovery rate of 22.5% five years after default
 - ▶ Recovery experience for more recent cohorts has varied based on economic conditions and the characteristics of defaulted loans

SLM APPENDIX

GAAP TO CORE EARNINGS RECONCILIATION

(\$ in millions, except per share amounts)

	Quarters Ended					
	June 30, 2011		March 31, 2011		June 30, 2010	
	Dollars	Diluted EPS	Dollars	Diluted EPS	Dollars	Diluted EPS
GAAP net income (loss)	\$ (6)	\$ (0.02)	\$ 175	\$ 0.32	\$ 338	\$ 0.63
Adjustment from GAAP to "Core Earnings"						
Net impact of derivative accounting	414		133		(211)	
Net impact of goodwill and acquired intangibles	6		6		10	
Total "Core Earnings" Adjustments before net tax effect	420		139		(201)	
Net tax effect	(154)		(54)		74	
Total "Core Earnings" Adjustments	266		85		(127)	
"Core Earnings" net income	\$260	\$0.48	\$260	\$0.48	\$211	\$0.39

Sallie Mae Investor Relations Website

www.salliemae.com/investors

- ▶ SLM student loan trust data (Debt/asset backed securities – SLM Student Loan Trusts)
 - Static pool information – Detailed portfolio stratifications by trust as of the cutoff date
 - Accrued interest factors
 - Quarterly distribution factors
 - Historical trust performance - monthly charge-off, delinquency, loan status, CPR, etc. by trust
 - Since issued CPR – monthly CPR data by trust since issuance
- ▶ SLM student loan performance by trust – Issue details
 - Current and historical monthly distribution reports
 - Distribution factors
 - Current rates
 - Prospectus for public transactions and Rule 144A transactions are available through underwriters
- ▶ Additional information (Webcasts and presentations)
 - Archived and historical webcasts, transcripts and investor presentations