



Debt Investor Presentation
Fourth Quarter and Year Ended December 31, 2006

Forward Looking Statements

Forward Looking Statements - This report contains forward-looking statements and information that are based on management's current expectations as of the date of this document. When used in this report, the words "anticipate," "believe," "estimate," "intend" and "expect" and similar expressions are intended to identify forward looking statements. These forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause the actual results to be materially different from those reflected in such forward-looking statements. These factors include, among others, changes in the terms of student loans and the educational credit marketplace arising from the implementation of applicable laws and regulations and from changes in these laws and regulations, which may reduce the volume, average term and yield on student loans under the Federal Family Education Loan Program ("FFELP") or 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 SLM Corporation, more commonly known as Sallie Mae, and its subsidiaries (collectively, "the Company"). In addition, a larger than expected increase in third party consolidations of our FFELP loans could materially adversely affect our results of operations. The Company could also be affected by 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; a significant decrease in our common stock price, which may result in counterparties terminating equity forward positions with us, which, in turn, could have a materially dilutive effect on our common stock; 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; losses from loan defaults; 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.

"Core Earnings" Performance Measures - The following presentation includes "Core Earnings" performance measures. A presentation of the most comparable GAAP financial measures and a reconciliation of the "Core Earnings" performance measures to the most directly comparable GAAP financial measures are included in the our most recent quarterly earnings release, quarterly earnings report on Form 10-Q and annual report on Form 10-K, which are available on our website at (<http://www2.salliemae.com/investors/stockholderinfo/earningsinfo>) and (<http://www2.salliemae.com/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 earnings report on Form 10-Q and annual report on Form 10-K, available on our website at (<http://www2.salliemae.com/investors/stockholderinfo/earningsinfo>) and (<http://www2.salliemae.com/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 U.S. Department of Education regulations. In addition, unless a loan default results from the borrower's death, disability or bankruptcy, the federal government guarantees only 98 percent of the principal balance (97 percent on loans disbursed after July 1, 2006) plus accrued interest and the holder of the loan generally must absorb the two percent (three percent after July 1, 2006) not guaranteed as a loss on the loan ("Risk Sharing"). FFELP loans serviced by a servicer that has an Exceptional Performer designation from the U.S. Department of Education are not subject to Risk Sharing and receive 100% reimbursement on default claims (99 percent reimbursement on default claims filed after July 1, 2006).

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 consolidation loan 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://www2.salliemae.com/investors/stockholderinfo/earningsinfo>) and (<http://www2.salliemae.com/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.

SLM Corporation Overview



- #1 originator, servicer and collector of student loans in the vital and growing U.S. education lending market
- Fully independent private sector company, traded on the NYSE with a market capitalization of \$20 billion⁽¹⁾
- \$142 billion managed student loan portfolio, 84% of which is U.S. government guaranteed⁽¹⁾
- Consistently profitable since its founding in 1972, through various political, interest rate and economic cycles
- Issued \$12 billion of 'A2/A/A+' corporate debt and \$34 billion of predominantly 'Aaa/AAA/AAA' asset-backed securities in 2006

(1) As of December 31, 2006.

SLM Corporation Update

Year Ended December 31, 2006 -

- Managed student loan outstandings increased to \$142 billion, up 16% from year-end 2005
- “Core Earnings” net income increased to \$1.2 billion, up 15% from 2005⁽¹⁾
- New student loan legislation passed by Congress in February 2006 and effective July 1, 2006, had no material impact on SLM’s growth or earnings
- Congress repealed the single-holder rule June 2006, allowing SLM and others to solicit consolidation loans from other lenders’ Stafford and PLUS borrowers
- In September 2006, the company completed the acquisition of Upromise, a provider of college savings plans

(1) “Core Earnings” net income adjusted for items disclosed separately, as described in the Company’s quarterly earnings releases. Prior year period adjusted for stock-based compensation expenses not previously included in earnings.

A Brief Corporate History

SLM Corporate Debt Ratings			
	Moody's	S&P	Fitch
Long-Term	A2	A	A+
Short-Term	P-1	A-1	F1+
Outlook	Stable	Stable	Stable

Managed Loan Portfolio (as of December 31, 2006)		
Loan Type	\$B	%
FFELP Loans	\$119.5	84%
Private Education	22.6	16%
Total Portfolio	\$142.1	100%



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

What Makes SLM Corporation Unique

Limited Credit Risk

- ▶ 84% of managed student loans carried a U.S. government guarantee as of December 31, 2006
- ▶ Total managed student loan losses were only 0.13% of managed student loans as of December 31, 2006

Limited Exposure to Interest Rate and Economic Cycles

- ▶ Interest rate sensitivities of floating rate assets closely matched with floating rate liabilities
- ▶ Growth and earnings not historically tied to interest rate or economic cycles

Conservative Risk-Adjusted Capitalization

- ▶ Tangible equity covered loan losses by 16x at year end 2006 vs. a 2005 median of 12x for 'Aa' banks⁽¹⁾
- ▶ Pre-tax income covered loan losses by 11x in 2006 vs. a 2005 median of 5x for 'Aa' banks⁽¹⁾⁽²⁾

Frequent Issuer with Stable Spreads

- ▶ Frequent issuer, with active secondary markets made in both its corporate bonds and ABS
- ▶ 'AAA' ABS and 'A' corporate debt, 1-30 years, floating or fixed, US\$, Euro and other currencies
- ▶ Highly stable spreads

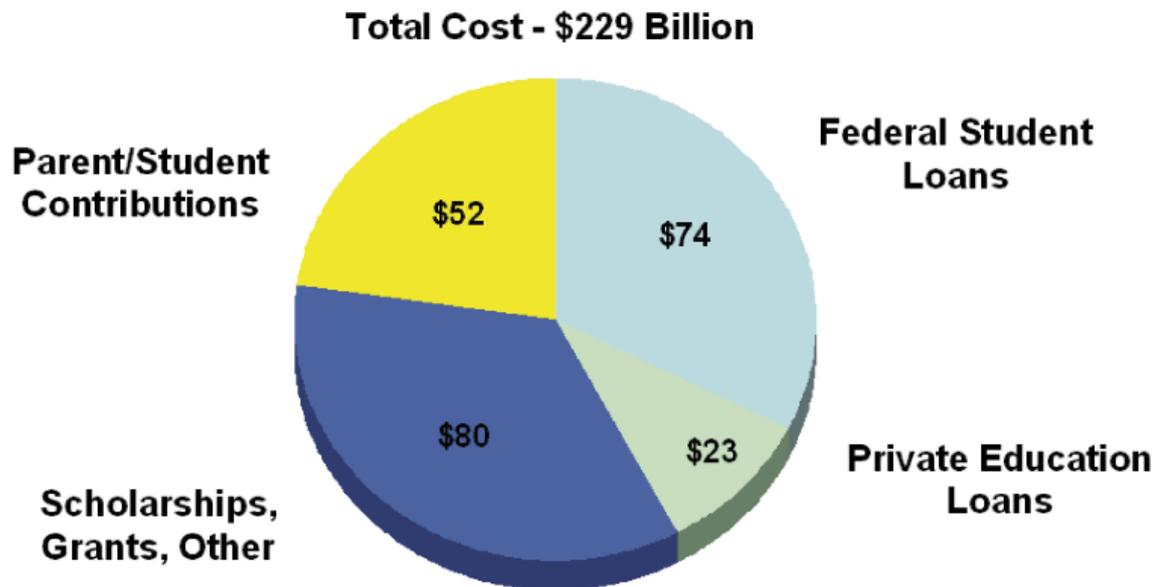
(1) 'Aa' bank comparisons based on 2005 median ratios for Citigroup, Bank of America, JPMorgan Chase, Wachovia and Wells Fargo. Source: SNL Securities and SEC filings.

(2) "Core Earnings" pre-tax income adjusted for items disclosed separately, as described in the Company's quarterly earnings releases.

The U.S. Student Loan Market

Sources of Funding for Higher Education in the U.S.

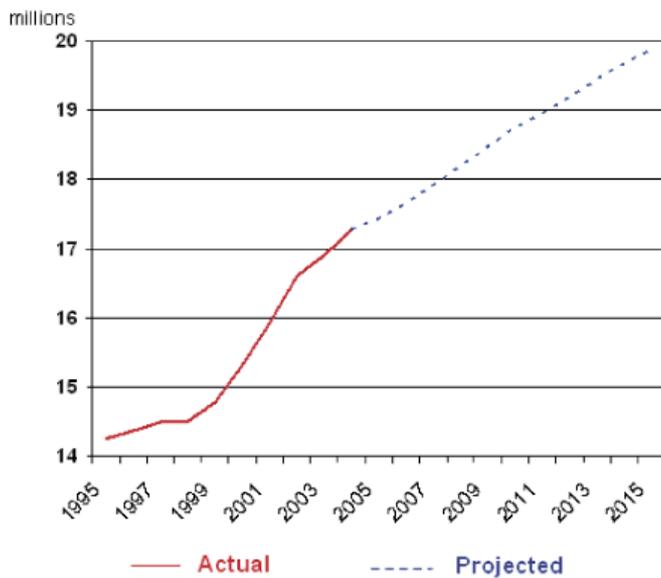
Sources of Funding for College Attendance
Academic Year 2006-2007 (\$billions)



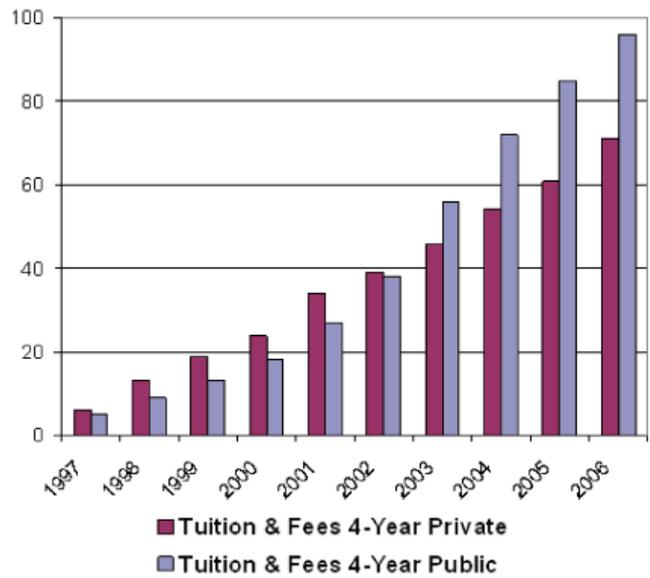
Source: Based on estimates by Octameron Associates, "Don't Miss Out," 30th Edition; College Board, "2006 Trends in Student Aid"; and Sallie Mae. Includes tuition, room, board, transportation and miscellaneous costs for two and four year college degree granting programs.

Trends in U.S. Higher Education Spending

Student Enrollment Projections Degree Granting Institutions



Average Cost of College Attendance Cumulative % Increase

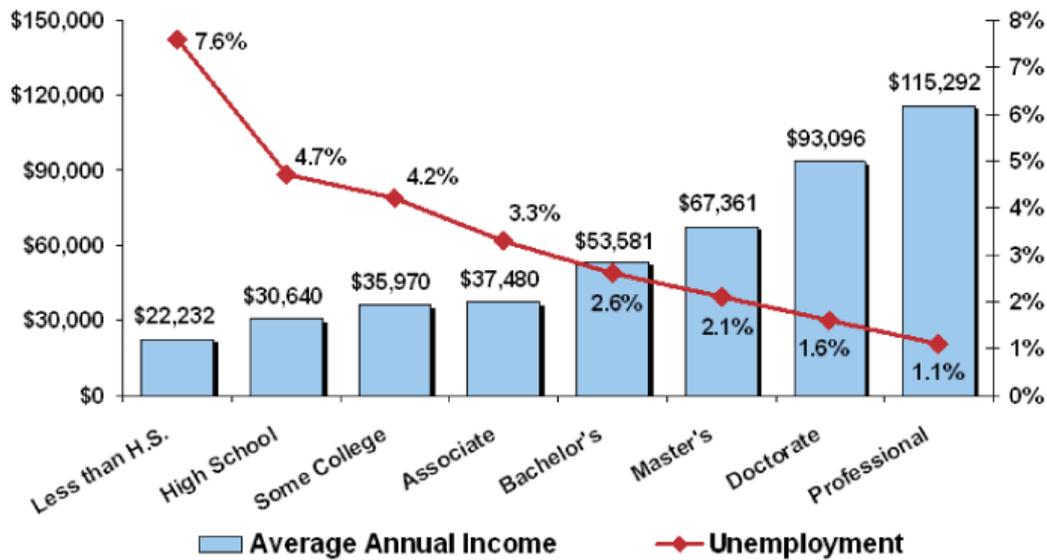


Source: National Center for Education Statistics, U.S. Census Bureau and The College Board. Cumulative average year over year percentage increase in per student cost of attendance in current dollars, including tuition, fees and on-campus room and board.

Higher Education's Return on Investment

- Income and employment are strongly correlated to educational attainment

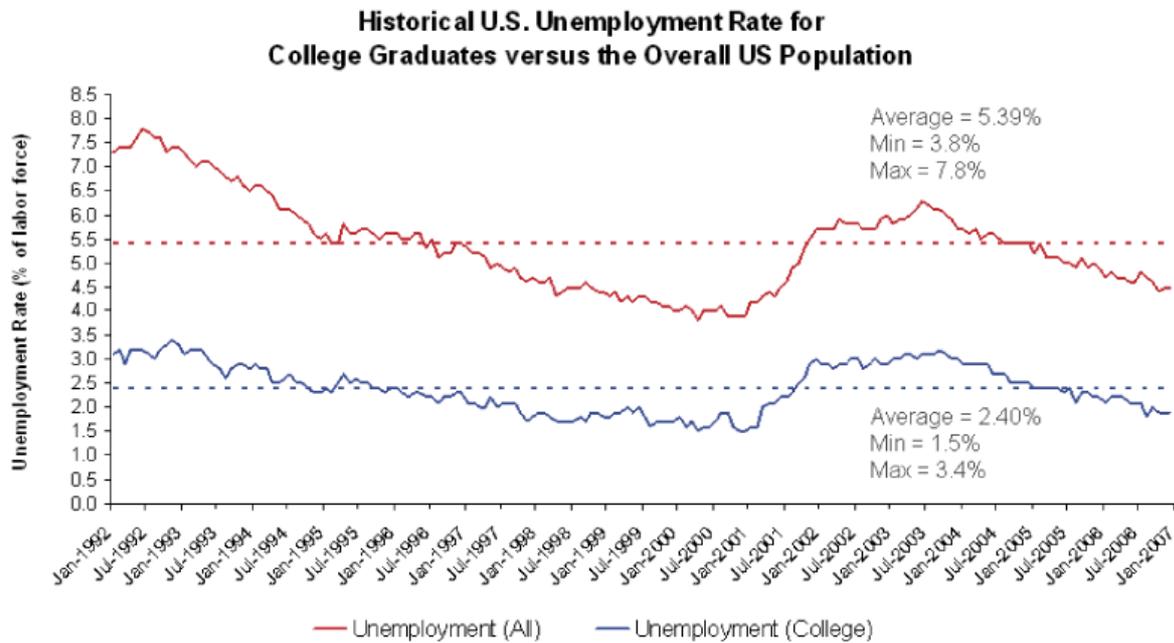
Relationship between Higher Education, Income and Employment



Source: Postsecondary Education Opportunity, U.S. Census Bureau. Unemployment data as of 2005. Average annual income figures for 2005. Represents average earnings for a full time, year-round worker over age 25.

Education and Unemployment Over Time

- The relationship between education and unemployment has been relatively constant over time



Source: Bureau of Labor Statistics.

The Federal Family Education Loan Program or “FFELP”

The Federal Family Education Loan Program (“FFELP”) –

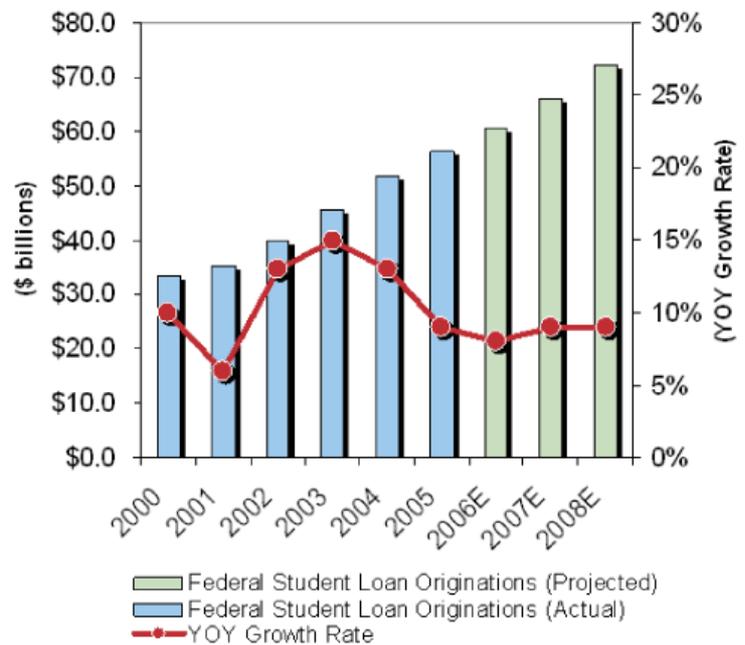
- Provides banks and others an explicit U.S. government guarantee and a guaranteed yield on student loans made pursuant to the FFELP program
- Loan pricing, terms and maximum borrowing limits set by Congress
- Available to undergraduate students, graduate students and their parents
- Floating or fixed rate loans, with 10 to 30+ year maturities and payments typically deferred until after graduation
- Borrower outstandings typically range from \$5,000 to \$25,000, although balances sometimes exceed \$100,000 for graduate students

Growth in Federally Supported Student Loan Originations

Stable, Long-Term Growth –

- In 2005, more borrowers took out more FFELP loans with higher loan balances than ever before
- Total federal student loan originations, including both FFELP and FDLP loans, increased by 9% in 2005, following a 13% increase in 2004 ⁽¹⁾
- The U.S. Department of Education is projecting 8% average annual growth in federal student loan volume through 2012, without consideration for pending increases in FFELP loan limits

Growth in Federal Education Loan Originations FY 2000 - 2008E (1)



(1) Source: U.S. Department of Education. Based on net commitments, fiscal year ended September 30. Includes both FFELP and FDLP loans.

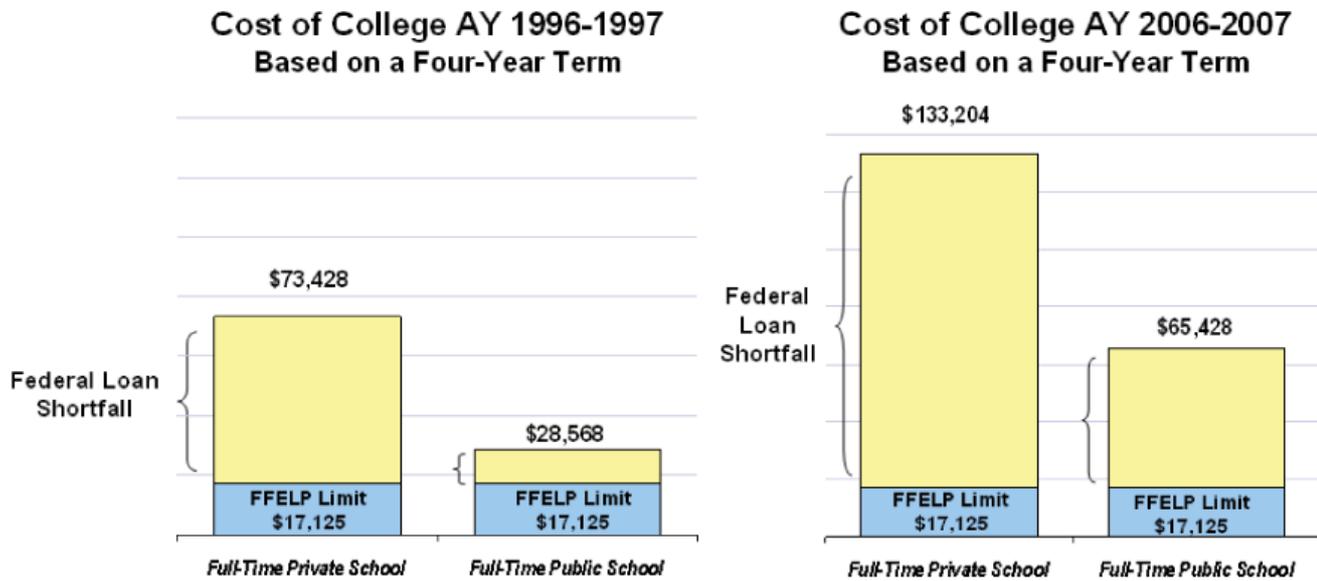
The Private Education Loan Market

Private Education Loans –

- Consumer loans made to students and parents specifically to fund the cost of undergraduate, graduate and other forms of post-secondary education
- Typically used to bridge the funding gap between grants, aid and FFELP loans, and the increasing cost of higher education
- Supplement U.S. Government guaranteed student loans, but not guaranteed by the U.S. Government
- Typically offered with floating interest rates, with loan margins set based on the credit quality of the borrower
- Generally 5 to 15 years in maturity, with terms similar to those offered under the guaranteed student loan program
- Typically non-dischargeable in bankruptcy

Private Education Loan Market Demand

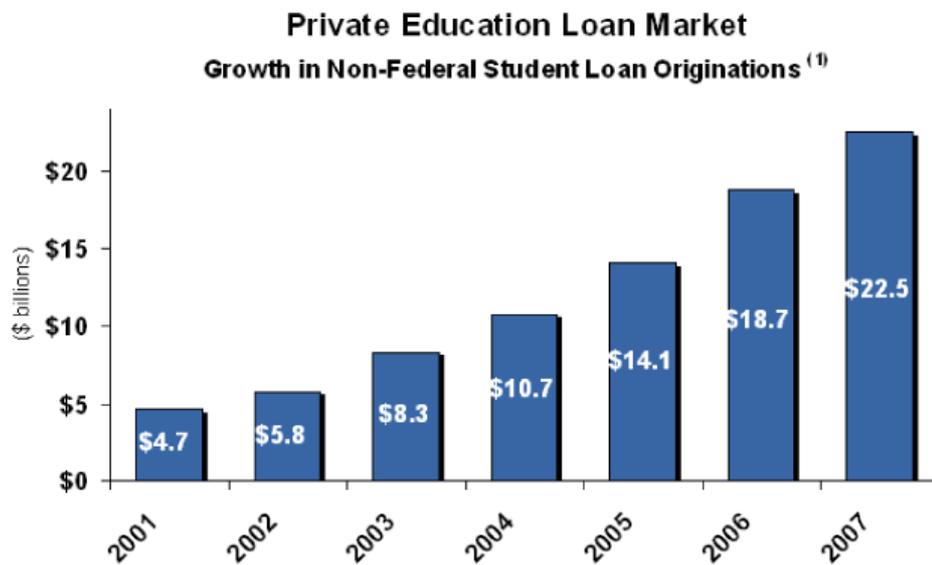
- Private education loans help bridge the gap between funding available through government student loan programs and the rapidly increasing cost of education



Source: College Board. Cost of college includes tuition, fees, room and board, transportation and other expenses for degree granting institutions. FFELP loan limits as of year ended December 31, 2005. FFELP loan limits for a traditional four year college education increase to \$19,000 on July 1, 2007.

Private Education Loan Market Growth

- The private education loan market has experienced steady growth, as demand for new sources of funding for higher education has increased



(1) Source: Based on estimates by The College Board and Sallie Mae. Figures for academic years ended June 30.

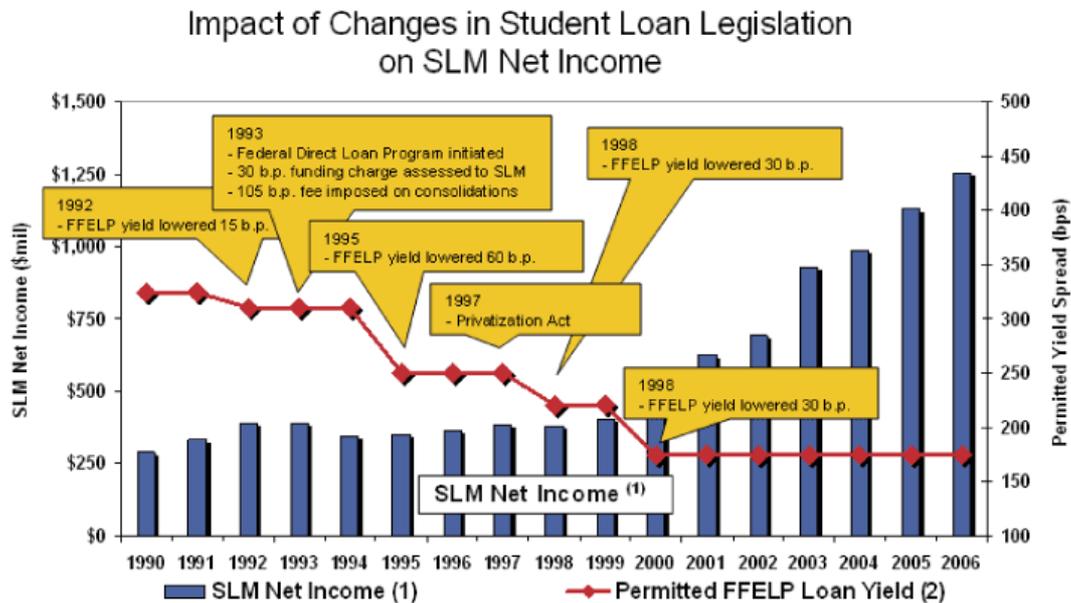
Federal Student Loan Legislation

Federal Student Loan Legislation

- On January 17, 2007, House bill H.R. 5 was passed by the House and sent to the Senate for further scrutiny and debate
- H.R. 5's primary purpose was to advance legislation to reduce new subsidized Stafford loan interest rates from 6.8% to 3.4% over a five-year period
- H.R. 5 also proposed changes to the guaranteed student loan program, including –
 - Reduction in lenders' guarantee from 97% to 95% on all new loans, and elimination of the 'Exceptional Performer' designation
 - Reduction in lenders' permitted yields by 10 b.p. (exemption for the smallest lenders)
 - Increase in fees paid by lenders to DOE on all new loans from 0.5% to 1.0%
 - Reduction in collection fee retentions from 23% to 20% immediately, and to 18% by 2010
 - Increase in consolidation loan offset fees to 1.30% for lenders with 90(+)% consolidation loans (not applicable to Sallie Mae)
- Historically, proposed changes in student loan legislation have been a) subject to considerable debate, revision and delay, and b) applied prospectively not retrospectively, to new and not existing loans

Political Change and SLM Earnings Growth

- Past changes in student loan legislation have not had a long-term impact on SLM's earnings



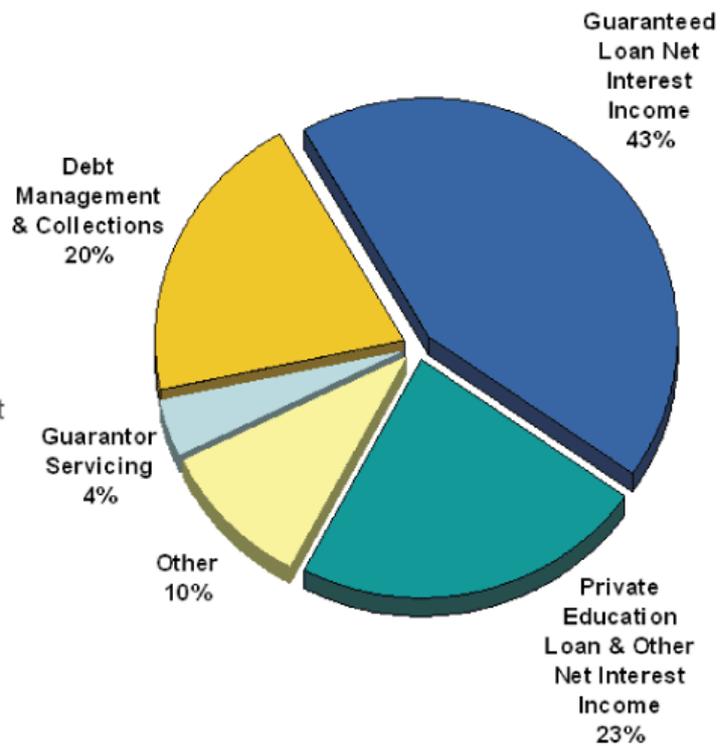
- (1) Based on SLM Corporation "Core Earnings" net income 1996-2006, "core" net income 1993-1995 and GAAP net income for earlier periods. 2004 figure adjusted for costs associated with the wind-down of the GSE and other items disclosed separately.
- (2) Permitted in-school Special Allowance Margin for FFELP Stafford loans. Yield spread based on 91 day T-bill index from 1990 to 1999, and 3-month commercial paper from 2000 thru present.

SLM Business Fundamentals

SLM “Core Earnings” Revenue Mix

2006 Revenue Breakdown -

- Net interest income from student loans made up 66% of net revenue in 2006
- The remaining 34% of net revenue was derived primarily from fee generating businesses
 - Debt Management & Collections Operations, primarily related to student loans
 - Guarantor Servicing for student loans
 - Other sources, including late fees on student loans

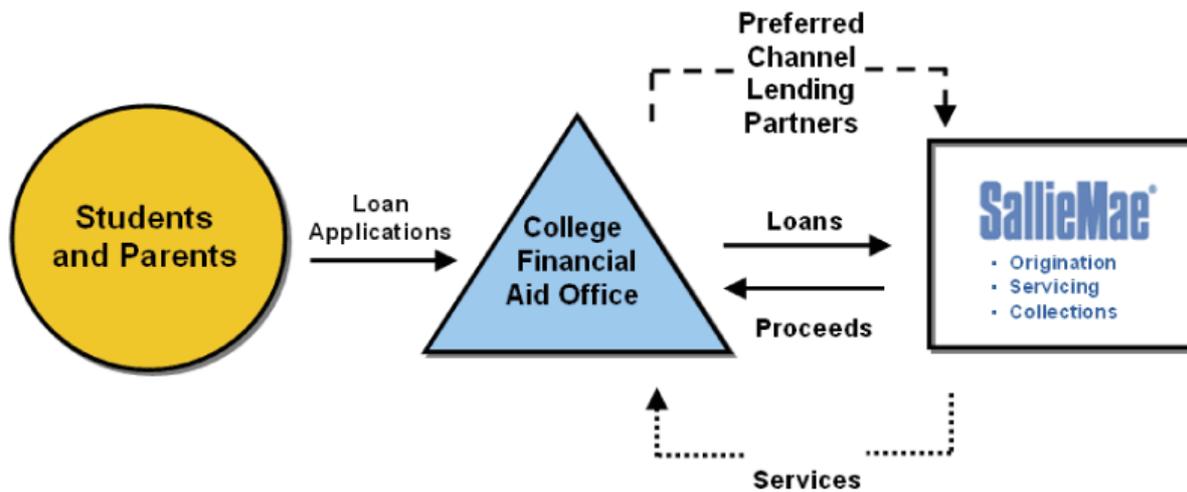


Note: Figures for fiscal year ended December 31, 2006, after provisions for losses. Adjusted for items separately disclosed in the Company's quarterly earnings releases.

SLM's Loan Origination Model

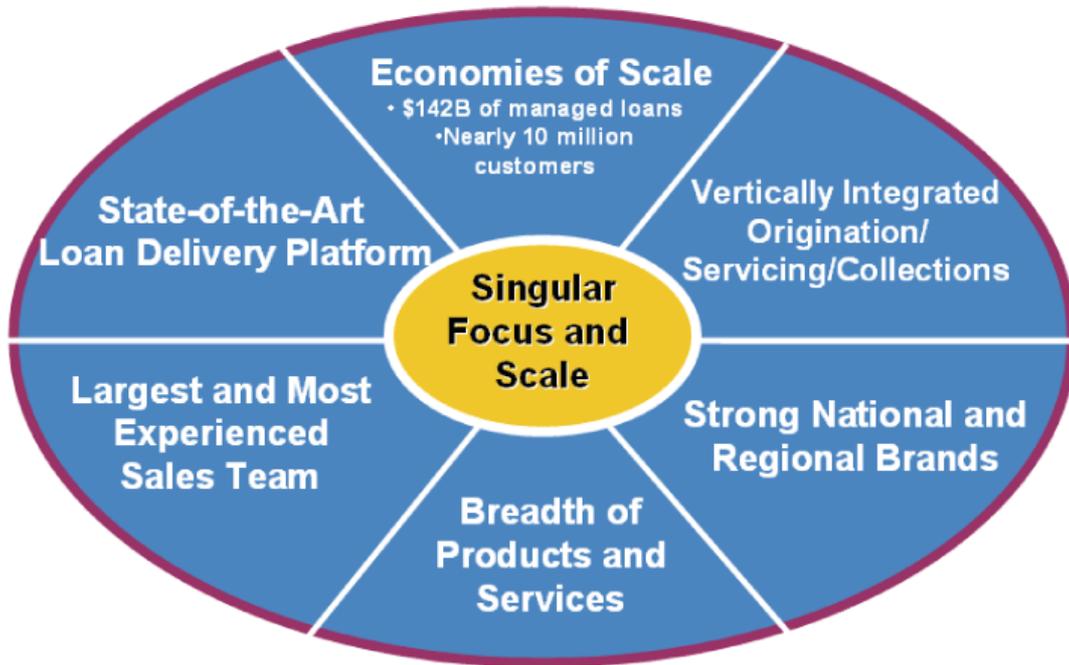
- Sallie Mae originates student loans primarily through schools' financial aid offices, and services and collects those loans throughout their life cycle

Sallie Mae's Primary Loan Origination Model



SLM's Competitive Advantage

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



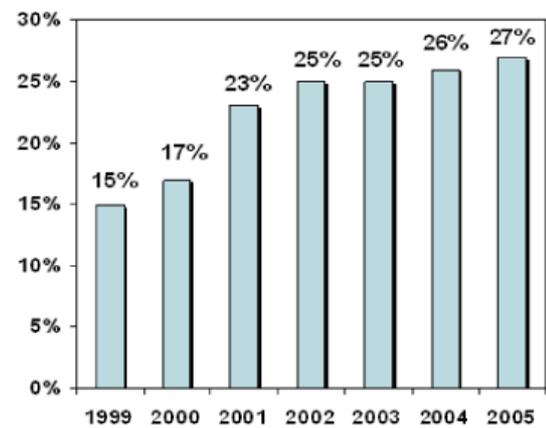
Note: Figures as of December 31, 2006.

Federal Student Loan Market Share

Federal Student Loan Originations (FFY 2004-2005)

Rank	Lender	2005 Market Share	1999 Market Share
1	Sallie Mae	27%	15%
2	Federal Govt	22%	32%
3	Citibank	5%	6%
4	Bank of America	4%	5%
5	Wells Fargo	4%	--

SLM Historical Market Share of Federal Student Loan Originations



(1) SLM Preferred Channel market share based on federal fiscal year 1999 and 2005 total FFELP and FDLP net commitment figures. All figures for federal fiscal year ended September 30. Source: U.S. Department of Education and SLSA Servicing Volume Survey.

SLM's Private Education Loan Portfolio

Private Education Loan Portfolio Characteristics⁽¹⁾ –

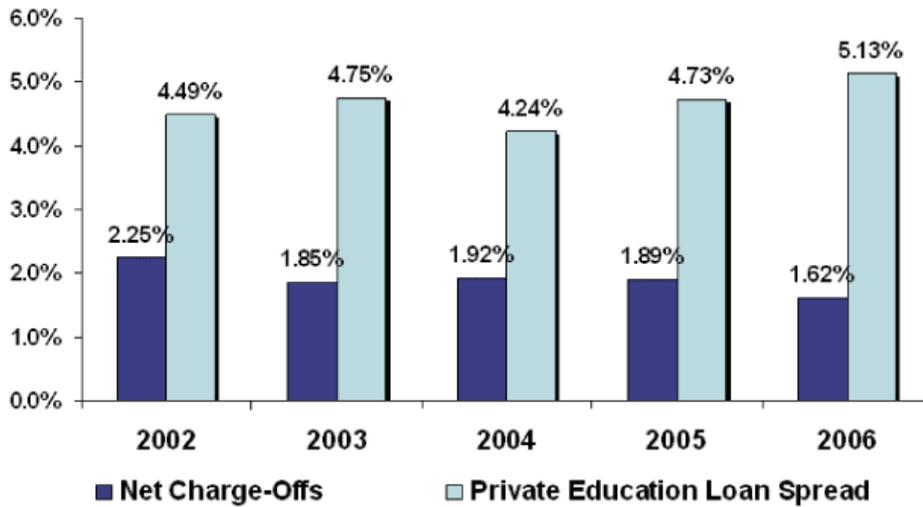
- \$23 billion of managed outstandings at year end 2006
- 16% of SLM's managed student loan portfolio
- High average FICO scores
- Risk-based pricing
- Approximately 51% of loans with co-borrowers, typically parents
- Higher education loans typically non-dischargeable in bankruptcy
- Graduate students represented 25% of higher education loans
- Integrated underwriting, servicing and collections

(1) All figures for the fiscal year ended December 31, 2006.

Private Education Loan Portfolio Trends

- Private Education Loan portfolio performance trends are very stable, in part as a result of sound underwriting, pricing, servicing and default management practices

"Core Earnings" Private Education Loan Spread vs. Net Charge-Offs⁽¹⁾



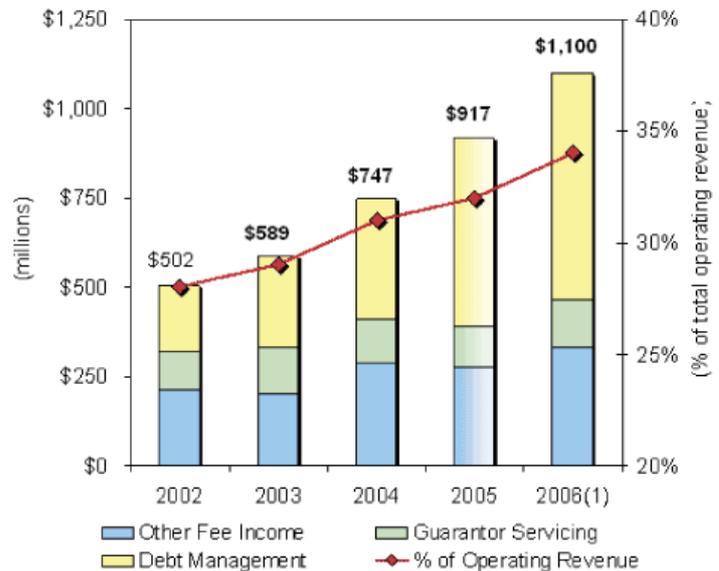
(1) "Core Earnings" Private Education Loan spread, before provision. Annualized net charge-offs as a percentage of average Managed Private Education Loans in repayment.

Debt Management, Guarantor Servicing and Other Income

Fee & Other Income –

- Debt Management & Collections Operations –
 - 20% of operating revenue ⁽¹⁾
 - Variable cost, low overhead business
 - Consistent, recurring earnings stream
- Guarantor Servicing –
 - 4% of operating revenue ⁽¹⁾
 - 29% share of the FFELP guarantor servicing market ⁽³⁾
 - Consistent, recurring earnings stream
- Other Fee Income –
 - 10% of operating revenue ⁽¹⁾
 - Late fees, third-party servicing fees, etc.
- In total, two-thirds of SLM's fee and other income was derived from education-related sources

**Fee & Other Income Growth
2002 - 2006(2)**



(1) Fiscal year ended December 31, 2006, adjusted for items disclosed separately in the Company's quarterly earnings release. Operating revenue as a percentage of net interest income after provision plus other operating revenue.

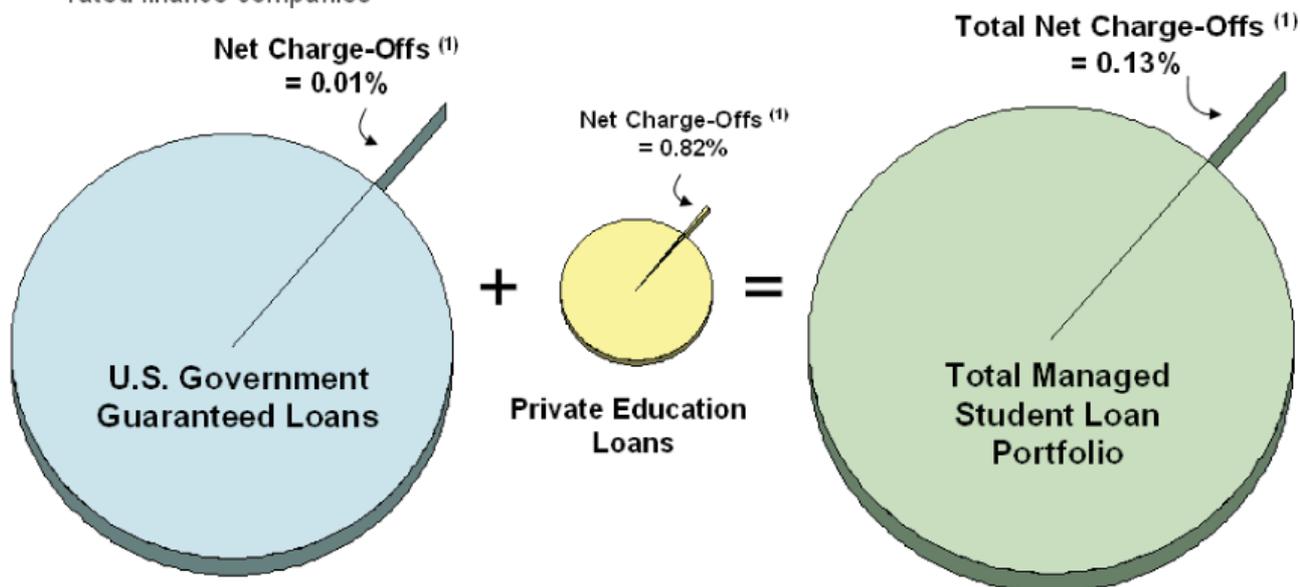
(2) Years 2002 - 2005 operating revenue and fee and other income adjusted for items disclosed separately in the Company's quarterly earnings releases.

(3) Guarantor services market share data as of March 31, 2006. Source: NSLDS.

What Makes SLM a Unique Credit

Extremely Low Loan Losses

- SLM's net charge-offs represented 0.13% of managed student loans for the twelve months ended December 31, 2006, compared to the 2005 median of 0.83% for 'Aa' banks and 4.20% for highly rated finance companies⁽¹⁾⁽²⁾

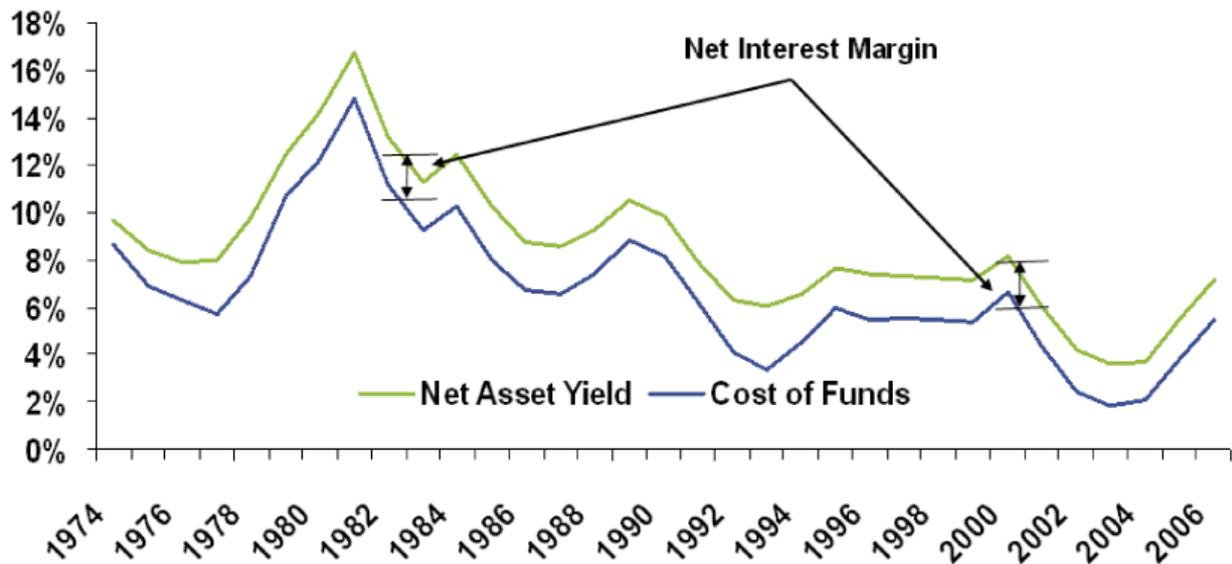


(1) Managed FFELP net charge-offs as a percentage of average managed FFELP assets. Managed Private Education Loan net charge-offs as a percentage of average managed Private Education Loan assets. Total net charge-offs as a percentage of average managed FFELP and Private Education Loan assets. Managed Private Education Loan net charge-offs represented 1.62% of managed Private Education Loans in repayment for the twelve months ended December 31, 2006.

(2) U.S. 'Aa' banks include Citicorp, JP Morgan Chase, Bank of America, Wells Fargo and Wachovia. Non-bank financials include American Express, CIT, Countrywide, MBNA and Capital One. MBNA data as of September 30, 2005, all others as of December 31, 2005. Source: SNL Securities database and SEC filings.

Stable Net Interest Margin

- Extremely low loan losses and match funding of interest rate sensitivities on floating rate assets and floating rate liabilities make SLM's net interest margin highly stable



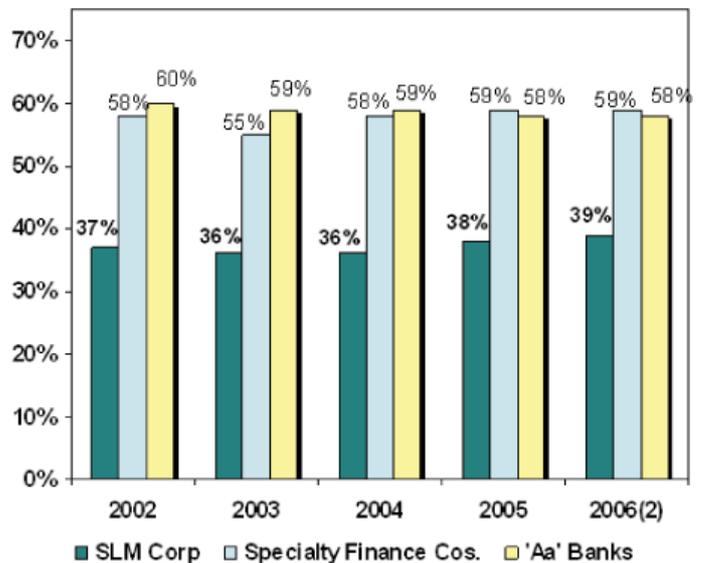
Note: Based on SLM Corporation "Core Earnings" results 1998-2006 and GAAP results for earlier periods.

Low Operating Expenses

High Operating Efficiency -

- SLM's operating expenses stood at only 39% of operating revenue in 2006⁽¹⁾
- SLM's operating efficiency ratio far outdistanced that of its peers over the past five years ⁽¹⁾⁽²⁾

SLM vs. 'Aa' Banks and Specialty Finance Companies
Operating Efficiency Ratio ⁽¹⁾⁽²⁾



(1) SLM figures based on operating expense as a percentage of net interest income after provision plus fee and other income, adjusted for items disclosed separately in the Company's quarterly earnings releases.

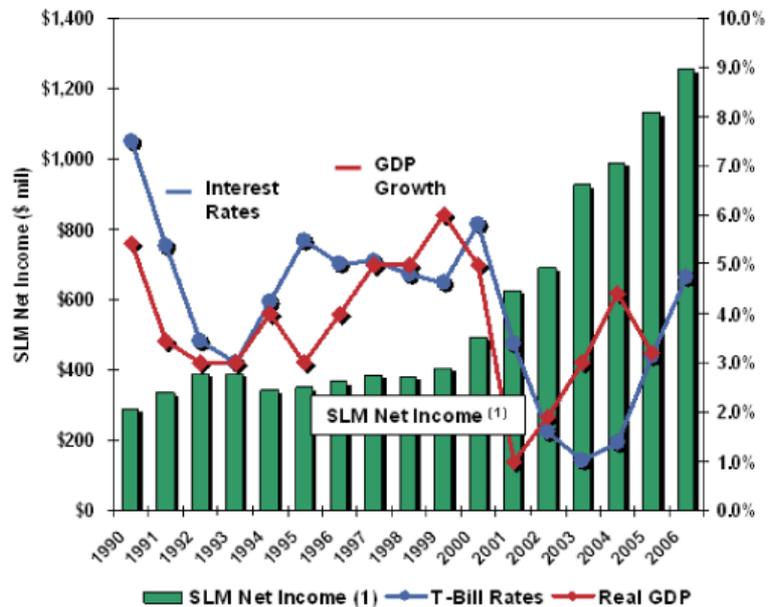
(2) Based on ratio of operating expenses as a percentage of operating revenue for Citibank, Bank of America, Wells Fargo, Wachovia and JP Morgan and for specialty finance companies: American Express, CIT, Countrywide, MBNA and Capital One. MBNA data as of September 30, 2005, all other as of December 30, 2005. 2006 peer data estimated based on actual 2005 figures. Source: SNL Securities database and SEC filings.

Highly Stable and Predictable Earnings

Highly Predictable Earnings -

- SLM has generated highly consistent earnings and cash flow since its inception in 1972
- Steady growth in the student loan market, the guaranteed nature of SLM's assets and strict asset and liability management policy protect SLM from economic and interest rate cycles

**SLM Net Income through
Interest Rate and Economic Cycles
1990 - 2006**



(1) "Core Earnings" net income 1996-2006, "core" net income 1993-1995 and GAAP net income for earlier years. 2004 "Core Earnings" net income adjusted for costs associated with the wind-down of the GSE and other items disclosed separately in the Company's quarterly earnings releases.

Sources: U.S. Federal Reserve and U.S. Bureau of Economic Analysis.

Strong Risk-Adjusted Capitalization

Strong Risk-Adjusted Capitalization

- SLM's leverage compares extremely favorably to 'Aa' banks and other non-bank financials when measured relative to actual loss experience

	SLM Corp			2005 Medians for 'Aa' U.S. Banks / Investment Grade Finance Cos. ⁽⁴⁾
	2004	2005	2006	
Not a risk adjusted capital ratio				
Tangible Equity/Managed Assets ⁽¹⁾	1.6%	1.9%	1.8%	4.9% / 7.3%
Tangible Equity/Net Charge-Offs ⁽²⁾	15x	16x	16x	12x / 6x
Pre-Tax Income/Net Charge-Offs ⁽³⁾	12x	12x	11x	5x / 2x
Risk adjusted ratios				

(1) GAAP tangible stockholders' equity as a percentage of total managed assets.

(2) Average GAAP tangible equity including preferred stock to net charge-offs. SLM net charge-offs based on total managed loans.

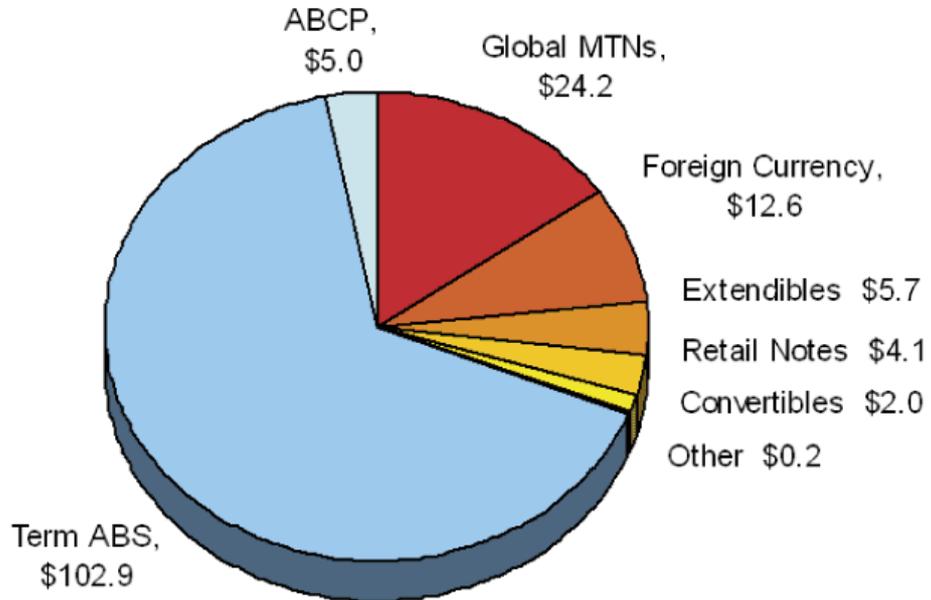
(3) SLM ratios based on "Core Earnings" pre-tax income, adjusted for items disclosed separately in the Company's quarterly earnings releases.

(4) 2005 medians for major 'Aa' rated banks: Citicorp, Wells Fargo, Bank of America, Wachovia and JP Morgan, and investment grade specialty finance companies American Express, CIT, Countrywide, MBNA and Capital One. MBNA data as of September 30, 2005, all others as of December 31, 2005. Managed assets and managed net charge-offs used when available. Source: SNL Securities database and SEC filings.

Funding Diversity and Liquidity

Funding Sources

- At December 31, 2006, ABS represented 69% and unsecured corporate debt 31% of SLM's \$157 billion of total managed debt outstanding



Note: Totals may not add due to rounding.

SLM Corporate Debt and ABS Issuance

- SLM has issued \$127 billion of long-term, non-GSE corporate debt and asset-backed securities since 2004, across a broad range of maturities –

New Issuance Volume

	<u>2004</u>	<u>2005</u>	<u>2006</u>
Corporate Debt Issuance ⁽¹⁾	\$15B	\$10B	\$12B
Term Asset-Backed Securities Issuance ⁽¹⁾	<u>\$30B</u>	<u>\$27B</u>	<u>\$34B</u>
Total Term Debt Issuance	\$45B	\$37B	\$45B
Range of Maturities in Years	1 - 30	1 - 30	1 - 30
Average Life to Call in Years	5.8	6.5	7.2
Average Cost of Funds vs. US\$ LIBOR ⁽²⁾	+25 bp	+18 bp	+19 bp

(1) Excludes issuance under SLM's \$6.5 billion corporate and \$6 billion asset-backed commercial paper programs.

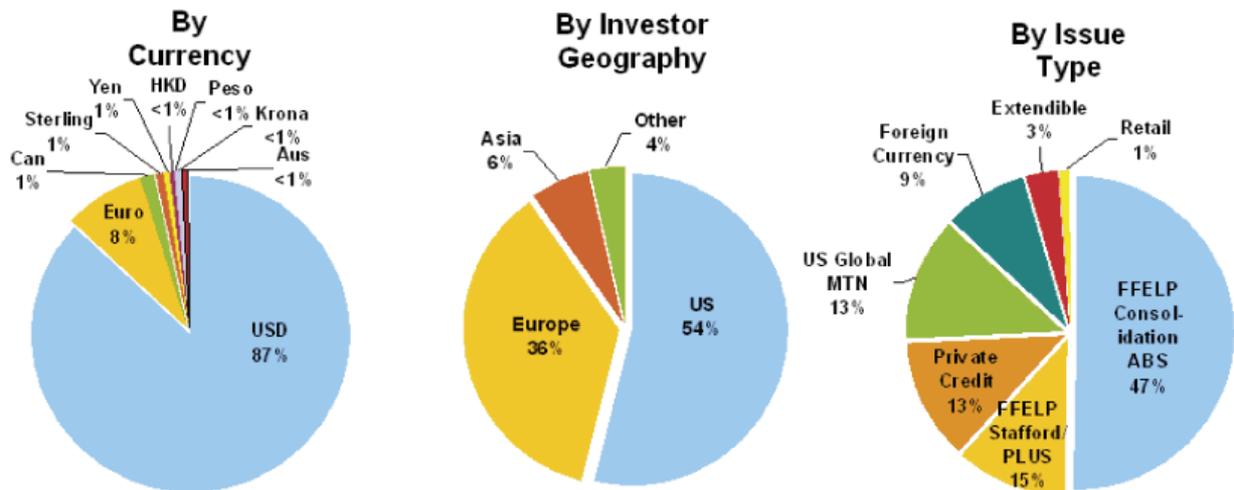
(2) Swapped equivalent spread, including amortized issuance costs. Includes SLM corporate debt and term asset-backed securities.

Note: Totals may not add due to rounding.

2006 Funding Diversity

- During 2006, SLM issued 45 term ABS and corporate debt securities in nine different currencies to over 450 institutional investors around the globe

SLM 2006 Total Managed Debt Issuance
by Currency, Investor Geography and Issue Type



Note: Estimates based on information provided by various investment dealers. Totals may not add due to rounding.

Excess Liquidity

- At December 31, 2006, SLM maintained significant excess liquidity...
 - Enough liquidity in unrestricted cash, investments and unused committed credit lines to repay 22 months' debt maturities
 - Together with cash, investments and unused credit lines, enough additional liquidity in its readily saleable, unencumbered FFELP loan portfolio to meet 7 years' debt maturities
 - At December 31, 2006, short term debt represented only 2% of total managed debt

	Available <u>December 31, 2006</u>
<u>Sources of Primary Liquidity:</u>	
Unrestricted Cash & Investments	\$4.7B
\$6.5B CP and Bank Lines	6.5B
\$6.0B Asset-Backed CP Program	<u>1.0B</u>
Total Sources of Primary Liquidity	\$12.2B
<u>Stand-by Liquidity:</u>	
Unencumbered FFELP Loans	<u>28.1B</u>
Total Primary and Stand-by Liquidity	\$40.3B

Dealers in SLM Corporate Debt and ABS

- SLM utilizes a broad base of dealers globally, promoting liquidity in its corporate bonds and ABS



SLM Corporate Debt Program

SLM Corporate Debt Issuance Volume

SLM Corporate Term Debt Issuance Volume (\$ billions) ⁽¹⁾ –

Issuance Type	<u>2004</u>	<u>2005</u>	<u>2006</u>
US\$ Global and Medium Term Notes	\$ 6.4	\$ 4.5	\$ 5.8
Foreign Currency Denominated ⁽²⁾	4.2	4.0	3.9
Extendible Notes	2.5	1.0	1.5
Retail Note Program	1.8	0.8	0.5
Convertible Debentures	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Total Corporate Debt Issuance	\$ 14.8	\$10.3	\$ 11.7

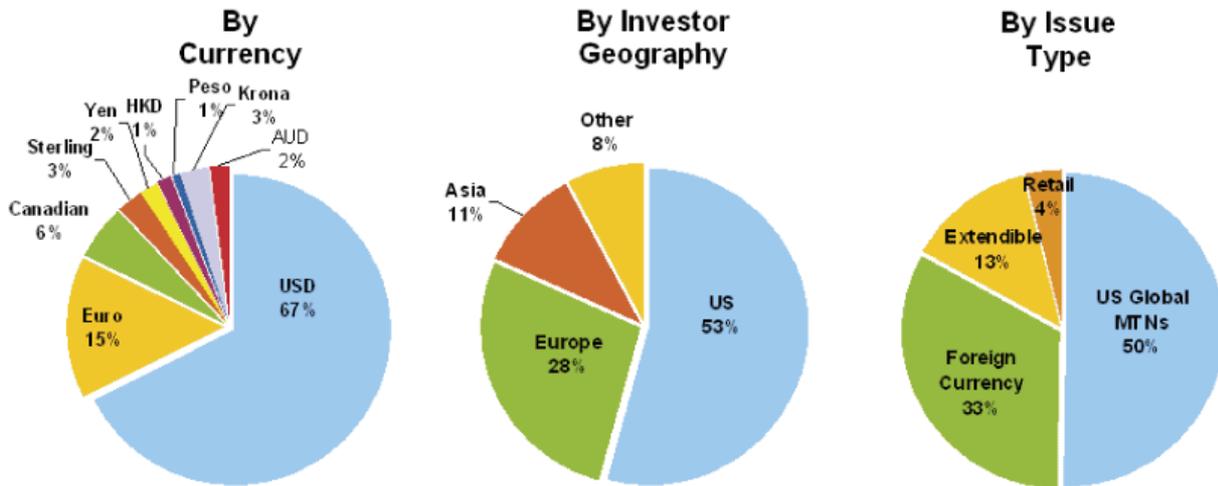
(1) Excludes issuance under SLM's \$6.5 billion commercial paper program.

(2) US\$ equivalent at the time of issuance.

2006 Corporate Debt Program Funding Diversity

- During 2006, SLM issued 32 corporate debt securities in nine different currencies to over 300 institutional investors

SLM 2006 Total Corporate Debt Issuance by Currency, Investor Geography and Issue Type



Note: Estimates based on information provided by various investment dealers. Totals may not add due to rounding.

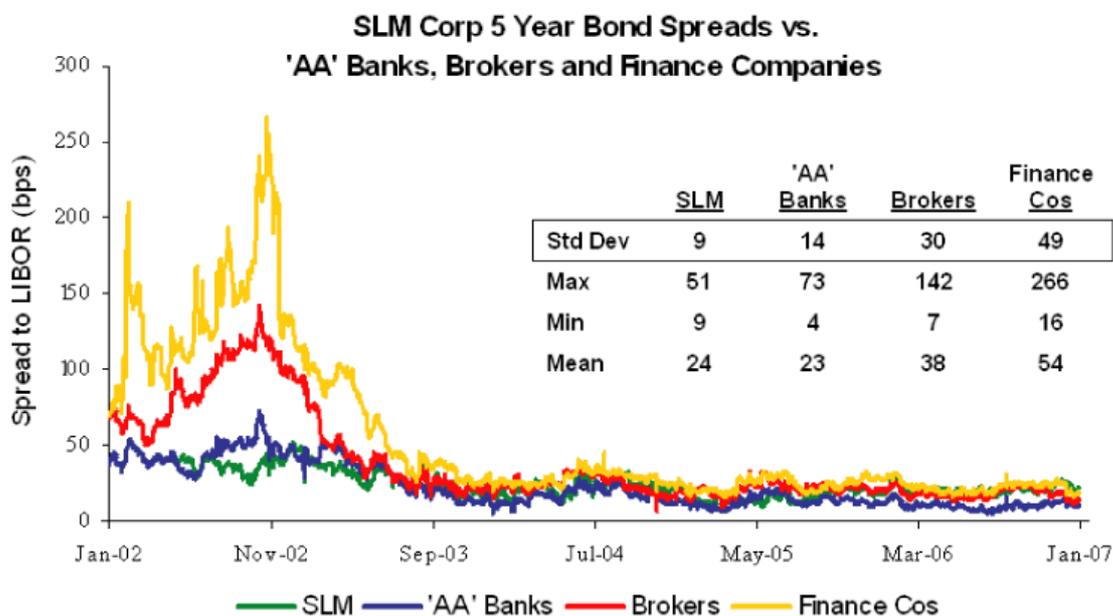
Representative SLM Corporate Benchmark Debt Issues

Representative US\$ & Euro Benchmark Corporate Debt Issuance

<u>Issue</u>	<u>Issue Date</u>	<u>Issue Size (mil)</u>	<u>Rating</u>	<u>Coupon</u>	<u>Maturity</u>
USD -					
SLM Corp	Jul '05	\$2,000	A2/A/A+	L+14	Jul '09
SLM Corp	Jul '05	\$1,250	A2/A/A+	4.500%	Jul '10
SLM Corp	Jul '06	\$2,000	A2/A/A+	L+16	Jul '10
SLM Corp	Mar '06	\$1,000	A2/A/A+	L+20	Mar '11
SLM Corp	Apr '06	\$750	A2/A/A+	5.450%	Apr '11
SLM Corp	Oct '06	\$1,250	A2/A/A+	L+23	Oct '11
SLM Corp	Oct '06	\$600	A2/A/A+	5.40%	Oct '11
SLM Corp	Jan '07	\$850	A2/A/A+	L+30	Jan '14
SLM Corp	Apr '04	\$1,000	A2/A/A+	5.375%	May '14
SLM Corp	Jul '03	\$750	A2/A/A+	5.625%	Aug '33
Euro -					
SLM Corp	Jun '05	€300	A2/A/A+	Euribor+15	Jun '09
SLM Corp	Oct '05	€500	A2/A/A+	Euribor+20	Dec '10
SLM Corp	Apr '04	€750	A2/A/A+	Euribor+35	Apr '11
SLM Corp	Nov '06	€650	A2/A/A+	Euribor+25	Nov '11
SLM Corp	Sep '05	€750	A2/A/A+	3.125%	Sep '12
SLM Corp	Jun '06	€700	A2/A/A+	Euribor+33	Jun '13
SLM Corp	Mar '04	€1,250	A2/A/A+	4.750%	Mar '14

Consistent Credit Spread Performance

- Over the past five years, SLM's five-year bond spreads have exhibited very low volatility, with levels similar to that of 'AA' bank spreads and far lower than that of brokers or other non-bank financials



Note: 'AA' bank index includes Citigroup, Wells Fargo, Bank of America, Wachovia and JPMorgan Chase. Broker index includes Goldman Sachs, Lehman Brothers, Merrill Lynch and Morgan Stanley. Finance Company index includes American Express, CIT, Countrywide and HSBC Finance. Five Year data compiled from January 2002 to December 2006. Source: Various investment dealers.

SLM Corporation ABS Program

SLM ABS Issuance Volume

SLM ABS Term Issuance Volume (\$ billions) ⁽¹⁾ –

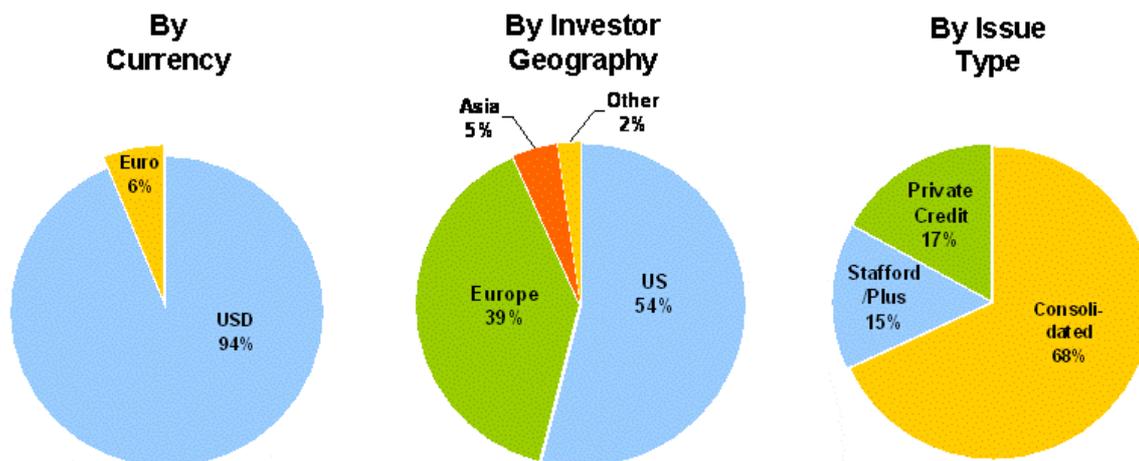
	<u>2004</u>	<u>2005</u>	<u>2006</u>
Non-Consolidation FFELP ABS	\$10.1	\$ 6.6	\$ 5.1
Consolidation FFELP ABS	17.4	17.1	22.9
Private Credit ABS	<u>2.8</u>	<u>3.4</u>	<u>5.7</u>
Total ABS Issuance	\$ 30.3	\$ 27.0	\$ 33.7

(1) Excludes outstandings under SLM's asset-backed commercial paper program. Totals may not add due to rounding.

2006 ABS Funding Diversity

- During 2006, SLM issued 13 term ABS issues in US\$ and Euro to over 150 institutional investors

**SLM 2006 Total Managed ABS Issuance
by Currency, Investor Geography and Issue Type**



Note: Estimates based on information provided by various investment dealers. Totals may not add due to rounding.

SLM ABS Structures

- Recent SLM new issue ABS Structures –

	<u>Non-Consolidation FFELP</u>					<u>Consolidation FFELP</u>					<u>Private Education Loans</u>				
Issue	\$2.6B SLM Trust 2006-3					\$4.2B SLM Trust 2006-10					\$1.2B SLM Trust 2006-C				
Pricing Date	March 2, 2006					November 15, 2006					September 20, 2006				
Collateral	US Govt. Guaranteed FFELP Stafford and Plus Loans					US Govt. Guaranteed FFELP Consolidation Loans					Non-Guaranteed Private Education Loans				
Initial Pricing CPR ⁽¹⁾	12%					CLR Ramp (0%-8% over 10 yrs)					4%				
Tranching	<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing</u>		<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing</u>		<u>Moody's</u>	<u>Amt</u>	<u>AL⁽¹⁾</u>	<u>Pricing</u>	
	A-1	Aaa	\$687	1.0	L-2	A-1	Aaa	\$420	1.0	L-3	A-1	Aaa	\$157	2.5	L+1
	A-2	Aaa	\$825	3.0	L+0	A-2	Aaa	\$611	3.0	L+1	A-2	Aaa	\$268	5.0	L+5
	A-3	Aaa	\$335	5.0	L+4	A-3	Aaa	\$380	5.0	L+2	A-3	Aaa	\$110	7.5	L+13
	A-4	Aaa	\$483	7.0	L+8	A-4	Aaa	\$680	7.0	L+7	A-4	Aaa	\$215	10.0	L+17
	A-5	Aaa	\$162	8.4	L+10	A-5A	Aaa	\$286	10.0	L+10	A-5	Aaa	\$356	14.2	L+24
	B	Aa1	\$77	8.4	L+20	A-5B	Aaa	\$512	10.0	L+9	B	Aa2	\$39	11.5	L+31
					A-6	Aaa	\$1179	15.5	L+15	C	A2	\$54	10.5	L+39	
					B	Aa1	\$126	12.0	L+22						

(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/slms/trusts/>. Actual average life may vary significantly from estimates.

2006 ABS Issuer Rankings

2006 US\$ ABS Issuance by Issuer			
(in equivalent US\$ billions)			
RANK	ISSUER	PROCEEDS	MARKET SHARE
1	Countrywide	\$63.8	9%
2	Lehman Brothers	\$41.9	6%
3	Morgan Stanley	\$40.0	5%
4	Goldman Sachs	\$34.2	5%
5	Sallie Mae	\$33.6	5%
6	Merrill Lynch	\$30.6	4%
7	Citigroup	\$28.4	4%
8	RFC	\$24.7	3%
9	JPMorgan	\$23.8	3%
10	Bear Stearns	\$19.3	3%
Top 10 Total		\$340.3	47%
ABS Industry Total		\$730.7	100%

2006 Student Loan ABS by Issuer			
(in equivalent US\$ billions)			
RANK	ISSUER	PROCEEDS	MARKET SHARE
1	Sallie Mae	\$33.6	43%
2	Student Loan Corp	\$7.9	10%
3	Nelnet	\$6.3	8%
4	First Marblehead	\$4.7	6%
5	Brazos	\$3.6	5%
6	PHEAA	\$3.0	4%
7	GCO	\$2.7	3%
8	Goal Financial	\$2.0	3%
9	College Loan Corp	\$2.0	3%
10	Wachovia	\$1.6	2%
Top 10 Total		\$67.4	86%
Student Loan ABS Total		\$78.2	100%

Note: Totals may not add due to rounding.

SLM U.S. Government Guaranteed Student Loan ABS

SLM FFELP ABS Issue Characteristics

Typical SLM FFELP ABS Transaction Features –

- U.S. Government guaranteed collateral ⁽¹⁾
- Issue size \$2.0B to \$4.0(+)^B
- Tranches denominated in US\$ or Euros
- 'Aaa/AAA/AAA' rated senior tranches make up 97% of issue structure
- 20% risk based capital weighting in most countries
- Floating rate tied to 3 mo. LIBOR, with occasional fixed rate issuance
- Amortizing tranches, with 1 to 15(+) year average lives
- Reset Rate Notes offer 'soft bullet' maturities for selected issues
- Serviced by Sallie Mae, Inc., designated an "Exceptional Performer" by the U.S. Department of Education

(1) As of December 31, 2006, 99% guarantee of principal and accrued interest on underlying collateral applicable to SLM and others with Exceptional Performance designation, 98% or 97% guarantee applicable to all others. Guarantee is dependent on meeting the servicing requirements of the U.S. Department of Education.

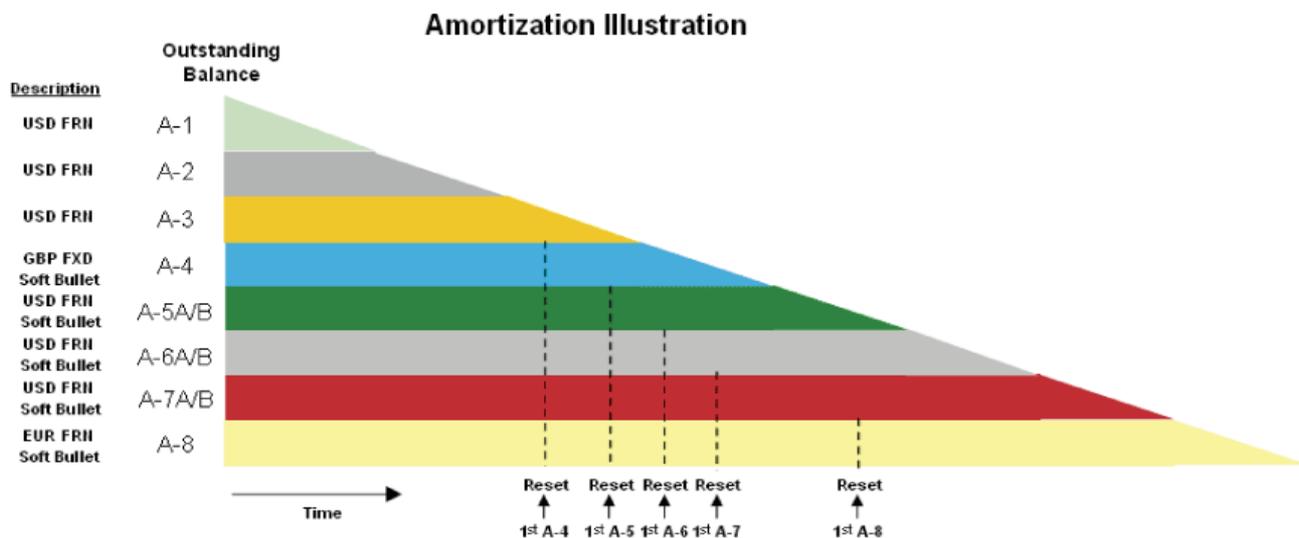
SLM FFELP ABS Reset Rate Notes

SLM FFELP ABS 'Soft Bullet' Fixed Rate, Euro and Sterling Structures -

- Shorter term “soft bullet” US\$ fixed rate, Euro and Sterling tranches, backed by long-dated collateral
- Remarketed at a date certain prior to the expected maturity date, typically 3, 5, 7 or 10 years from issuance
- Successful remarketing or call provides for full repayment of outstanding reset rate notes on remarketing date
- \$7.5 billion, €5.0 billion and £1.8 billion of reset rate notes issued to date

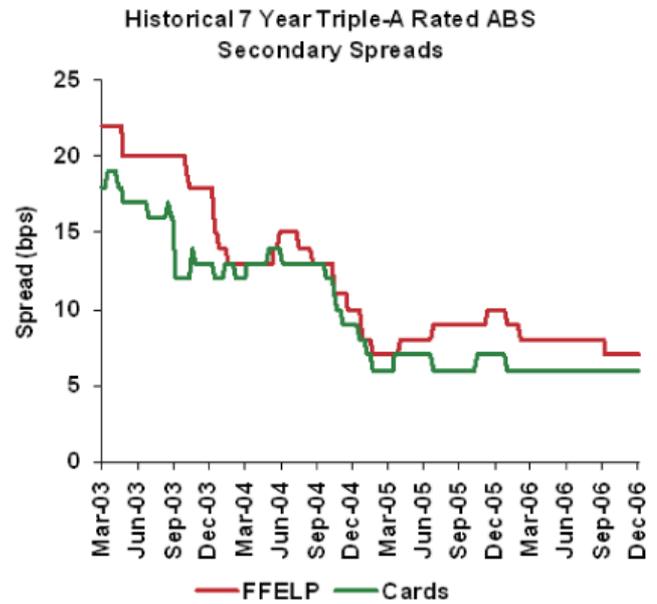
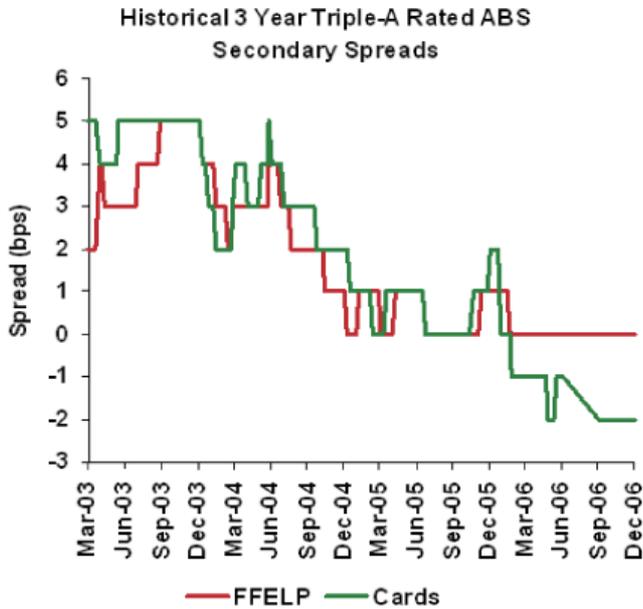
SLM Trust 2004-10 Reset Rate Note Structure

- Class A Notes pay sequentially
- A-4, A-5, A-6 and A-7 Reset Rate Note remarketing dates occur well in advance of expected amortization of underlying collateral



SLM FFELP ABS Relative Value

- SLM FFELP 'AAA' ABS spreads track 'AAA' prime credit card ABS, yet SLM FFELP ABS collateral is backed by an explicit U.S. government guarantee



Source: Merrill Lynch Research.

SLM 'AAA' FFELP ABS vs. US Agencies

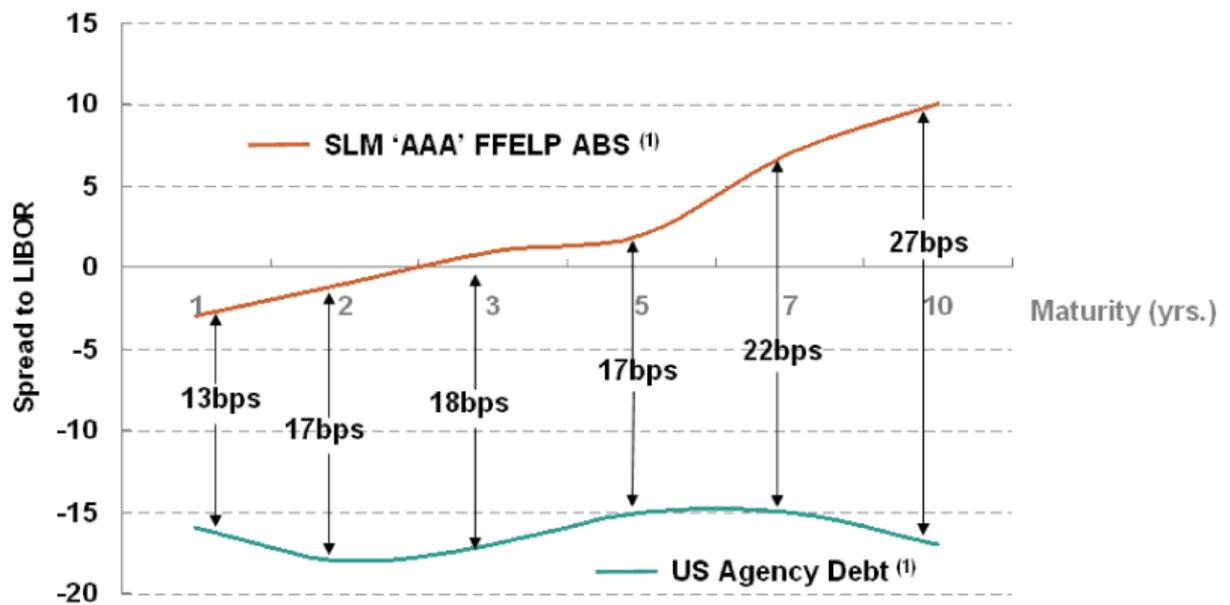
- SLM's 'AAA' FFELP ABS share many characteristics of U.S. agency debt

Attribute	SLM FFELP ABS	U.S. Agency Debt
U.S. Govt. Guarantee	U.S. government guaranteed collateral ⁽¹⁾	No explicit guarantee...market credit for 'implicit' guarantee
Risk Weighting	20% in many countries, including the US, UK, Germany, France	20%
Liquidity	~\$95 billion of SLM ABS outstanding at year end 2006	~\$2.4 trillion of non-MBS US agency debt outstanding
Currencies	US\$, Euro, Sterling	US\$, Euro, Sterling, other
Maturity	1 to 15+ years	1 to 30 years
Payment Window	Bullet or amortizer	Bullet
Coupon Rate	Fixed or floating	Fixed or floating
Payment Frequency	Quarterly	Semi-annual

(1) As of December 31, 2006, 99% guarantee of principal and accrued interest on underlying collateral applicable to SLM and others with Exceptional Performance designation, 98% or 97% guarantee applicable to all others. Guarantee is dependent on meeting the servicing requirements of the U.S. Department of Education.

SLM 'AAA' FFELP vs. US Agencies

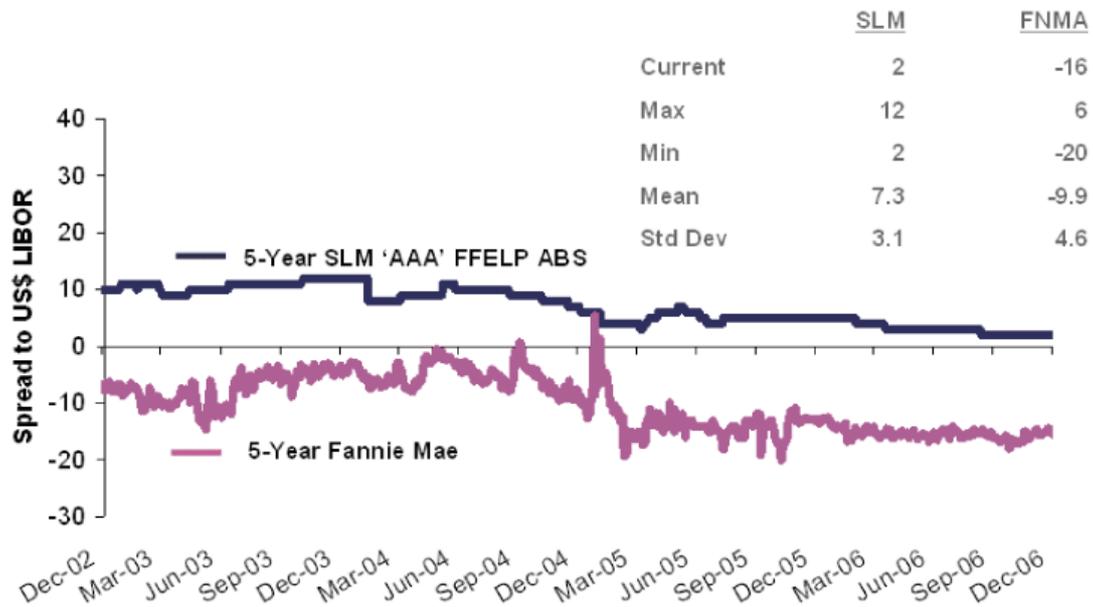
- Sallie Mae 'AAA' FFELP ABS offers wider new issue spreads than U.S. agency debentures across all maturities



(1) Spreads as of December 31, 2006. US Agency spreads average of Fannie Mae and Freddie Mac LIBOR equivalent spreads. Source: Various dealers.

SLM 'AAA' FFELP ABS Spread Performance vs. Agencies

Spread to LIBOR on SLM 'AAA' FFELP ABS vs. U.S. Agencies Dec 2002 - Dec 2006



(1) 5-year unsecured Fannie Mae, rolling weekly average LIBOR equivalent pricing. Source: Various dealers.

SLM Private Credit Student Loan ABS Program

SLM Private Credit ABS Issue Characteristics

Typical SLM Private Credit ABS Transaction Features –

- Issue size \$1.0B to \$2.5(+)B
- US\$ denominated
- Student loan collateral not guaranteed by the U.S. Government
- 'Aaa/AAA/AAA' rated class A senior tranches, 'Aa2/AA-/AA' rated Class B and 'A2/A/A' rated class C subordinate tranches
- Floating rate tied to 3 mo. LIBOR, with occasional fixed rate issuance
- Typically amortizing tranches, with 1 to 15 year average lives
- Serviced by Sallie Mae, Inc.

SLM Private Credit Loan Underwriting

SLM Higher Education Loan Program Underwriting Standards –

Loan Program	Description	Current Minimum FICO Score ⁽¹⁾	Underwriting Standards
Undergraduate and Graduate	Undergraduate and graduate students	640	FICO Basis (May 1998 – Present)
Law	Law school and graduates studying for the bar	640	
MBA	Graduate business school	640	
Medical	Medical students and graduates in residency	640 ⁽²⁾	Judgmental

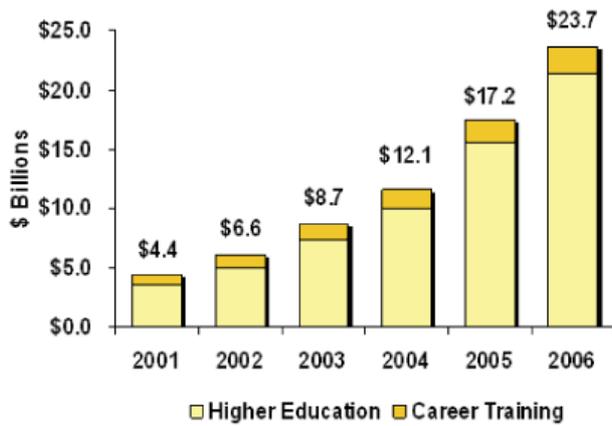
(1) Minimum FICO score for standard programs. Prior to July 1, 2001, minimum FICO score for Sallie Mae branded loans was 630. Custom programs have been negotiated with certain schools in which the FICO cut-off may be lower. In certain cases school recourse exists for these loans.

(2) Pursuant to its agreement with the American Association of Medical Colleges, Sallie Mae underwrites certain Medical loans on a judgmental basis, without reliance on the FICO score of the borrower.

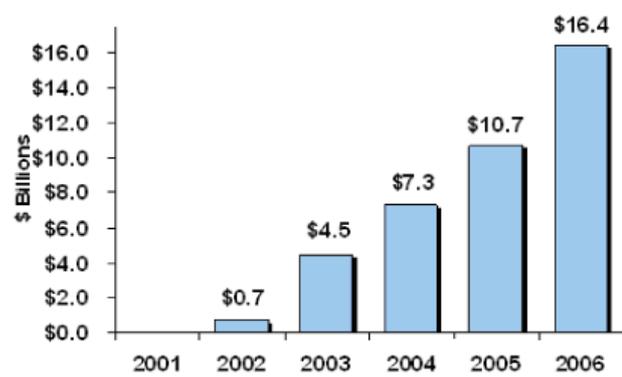
SLM Private Credit ABS Issuance

- SLM issued \$5.7B of private credit loan ABS during 2006, bringing total issuance to date to \$16.4 B

SLM Managed Private Education Loans Outstanding⁽¹⁾



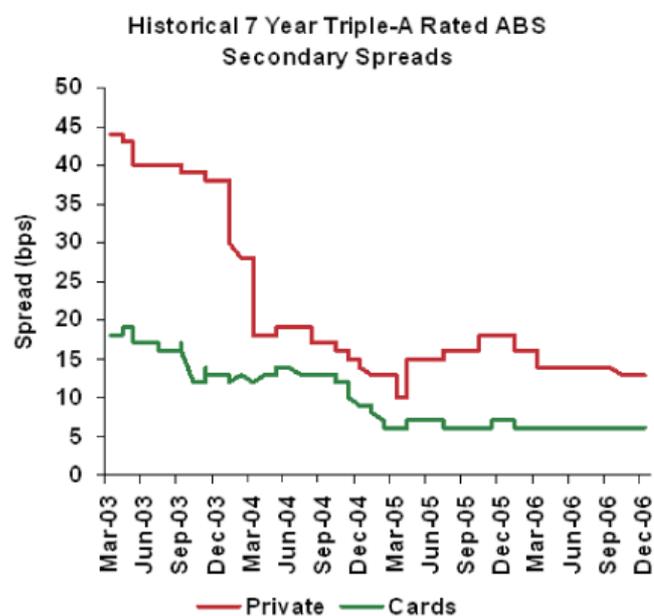
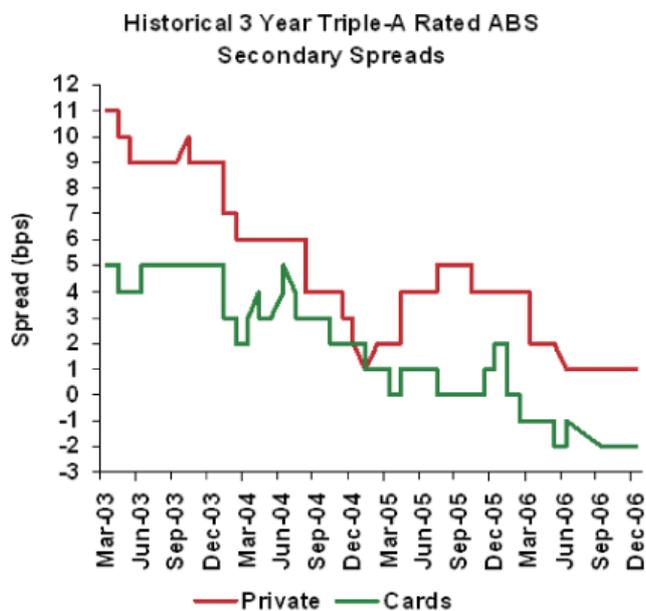
SLM Private Credit Cumulative ABS Issuance⁽¹⁾



⁽¹⁾ Gross outstandings for total managed portfolio, before deducting loan loss allowance and unamortized discount.

SLM Private Credit ABS Relative Value

- Spreads on SLM Private Credit ABS remain wide of comparable credit card ABS.



Source: Merrill Lynch Research.

SLM 2006-C Private Credit Student Loan ABS

SLM Private Credit Student Loan Trust 2006-C

The structure of SLM 2006-C is similar to prior Sallie Mae Private Credit ABS issues⁽¹⁾

Class	Principal Balance (\$)	Principal Balance (%)	Expected Ratings (M/S/F)	Index	WA Life to Call (4% CPR) ⁽²⁾	Expected Maturity	Principal Window	Legal Final Maturity
A-1	\$157,000,000	13.1%	Aaa/AAA/AAA	3mL	2.50	3/15/2010	12/06-03/10	3/15/2018
A-2	\$268,000,000	22.3%	Aaa/AAA/AAA	3mL	5.00	6/15/2013	03/10-06/13	9/15/2020
A-3	\$110,000,000	9.2%	Aaa/AAA/AAA	3mL	7.50	3/15/2015	06/13-03/15	6/15/2021
A-4	\$215,000,000	17.9%	Aaa/AAA/AAA	3mL	10.00	6/15/2018	03/15-06/18	3/15/2023
A-5	\$356,017,000	29.7%	Aaa/AAA/AAA	3mL	14.16	6/15/2022	06/18-06/22	12/15/2039
B	\$39,177,000	3.3%	Aa2/AA-/AA	3mL	11.54	9/15/2021	09/13-09/21	12/15/2039
C	\$54,245,000	4.5%	A2/AA	3mL	10.50	9/15/2020	09/13-09/20	12/15/2039
Total	\$1,199,439,000	100.0%			8.98			

Credit Enhancement	Initial ⁽³⁾	Target ⁽⁴⁾	Components of Subordination
Class A	8.50%	15.00%	Class B, Class C, O/C
Class B	5.25%	10.125%	Class C, O/C
Class C	0.75%	3.00%	O/C
Overcollateralization (O/C)	Builds from 0.50% to 2.00% of Initial Asset Balance		
Reserve Account	0.25% of Initial Pool Balance (non-declining)		
Other Enhancement	Four Prime/LIBOR Swaps (15-year) 9.71% Cash Capitalization Account for liquidity (steps down over time) ⁽⁵⁾		

(1) Preliminary, subject to change.

(2) Estimated based on a variety of assumptions concerning loan repayment behavior. Actual average life and repayment characteristics may vary significantly from estimates.

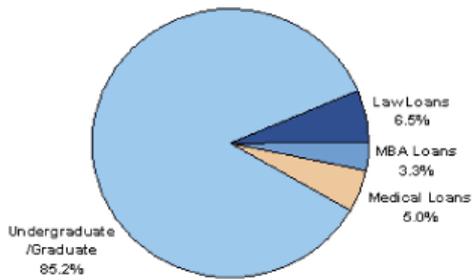
(3) Percent of Initial Asset Balance (including reserve account).

(4) Percent of Current Asset Balance.

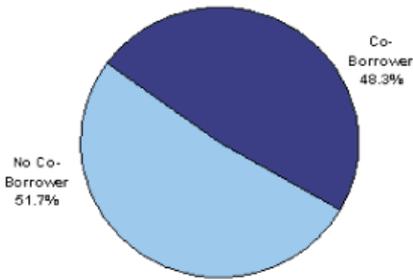
(5) Percent of Initial Asset Balance

SLM 2006-C Summary Pool Characteristics

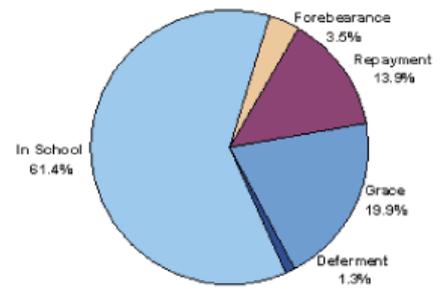
Loan Programs



% Co-Borrower as Obligor



Borrower Payment Status



- Pool Weighted Original Average FICO Score
- Pool Weighted Current Average FICO Score
- Average Borrower Indebtedness
- Weighted Average Remaining Term

714
700
\$10,999
200 months

SLM 2006-C FICO Distribution at Loan Origination⁽¹⁾



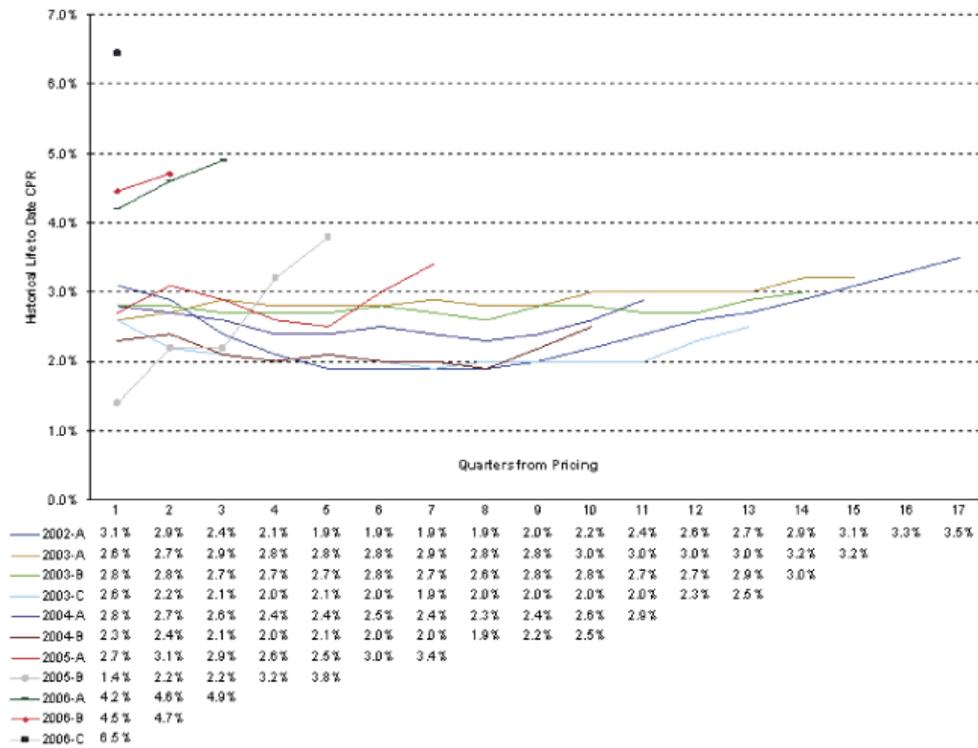
(1) If there is a co-borrower, the co-borrower's FICO was used.

(2) Loans with FICO scores greater than zero and less than 630 represent less than 0.02% of the portfolio.

(3) Approximately 3.3% of the trust consists of student loans where no FICO scores were currently available or which were underwritten without relying upon FICO scores.

SLM Private Credit ABS Prepayment Analysis

Historical SLM Private Credit ABS CPRs



Additional Information

“Core Earnings” Presentation

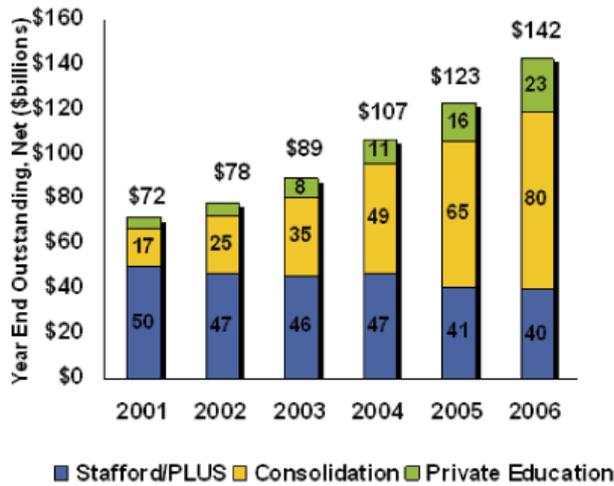
“Core Earnings” Performance Measures –

- Used by SLM’s management in developing financial plans, tracking results, establishing corporate performance targets and determining incentive compensation
- Used by equity investors, credit rating agencies and debt capital providers to measure the company’s business performance
- Treat securitizations as long-term financings and recognize the economic effect of hedges; and specifically exclude (i) gains on sales from securitizations, (ii) derivatives mark-to-market adjustments, (iii) floor income, and (iv) goodwill and intangible impairment and the amortization of acquired intangibles
- Reflect only current period adjustments to GAAP earnings and are not a substitute for reported results under GAAP
- May not be comparable to similarly titled measures reported by other companies

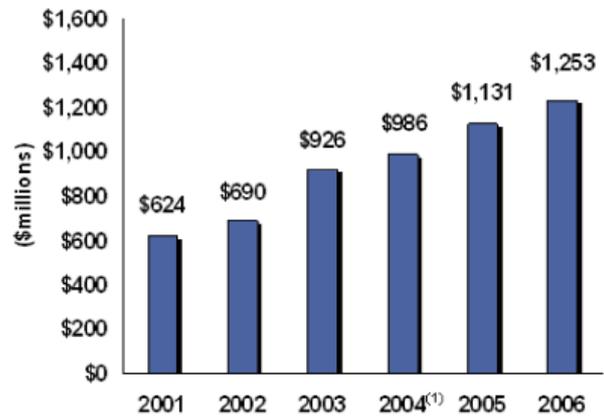
Note: Both a description of SLM’s “Core Earnings” treatment and a full reconciliation to the GAAP income statement is contained in the supplemental earnings disclosure to the company’s quarterly earnings releases and most recent Form 10-K.

SLM Corporation - Summary Financial Performance

Managed Student Loans Outstanding



"Core Earnings" Net Income



(1) 2004 "Core Earnings" net income adjusted for costs associated with the wind-down of the GSE and other items disclosed separately in the Company's quarterly earnings releases.

Presidential Award for Corporate Leadership

Sallie Mae Winner - 2006 Ron Brown Award for Corporate Leadership

- Most prestigious Presidential award for corporate citizenship
- Recognizes corporate commitment to employees and the community
- Presented annually at the White House by the Secretary of Commerce
- Sallie Mae one of two companies to receive this honor in 2006
- Sallie Mae to be honored for Sallie Mae Fund programs:
 - Outreach to Latino Community, Bus Tour
 - Scholarship Programs
 - DC Access Initiatives, Building Hope



Past Winners



The screenshot shows a web browser window titled "Investors - Microsoft Internet Explorer provided by Sallie Mae". The address bar shows "http://www2.salliemae.com/investors". The page features a blue header with the SallieMae logo and navigation links: "About us | Investors | News | Working@SallieMae | Contact us". A search bar is located to the right of the navigation links. Below the header, a breadcrumb trail reads "Home > Investors".

The main content area is divided into several sections:

- Investors** (left sidebar):
 - Stockholder information
 - Debt/Asset-backed securities
 - Plan for college
 - Apply for a loan
 - Manage your loans
 - Find a job
 - More financial services
 - Just for parents
- Investors** (main content):
 - Stockholder information**: Information for current and potential stockholders includes:
 - SEC Filings
 - Annual reports
 - Earnings information
 - Stock quotes, a stock chart, and dividend history
 - Fundamentals
 - Analyst coverage
 - Email alerts
 - Debt/Asset backed securities**: Find information regarding our debt securities issued by the:
 - SJM Corp.
 - SJM Student Loan Trusts
 - SMS Student Loan Trusts
 - Quickly find information on any Sallie Mae security by doing a CUSIP search, either by [number](#) or [maturity](#) date.
 - Webcasts and presentations**: Link to investor related webcasts and presentations:
 - Upcoming investor webcasts
 - Archived and historical webcasts
 - Archived and historical presentations
- 1ST QUARTER EARNINGS** (right sidebar): You can listen to SJM Corp.'s **First Quarter 2006 Earnings Conference Call** beginning at noon EDT on April 20, 2006.
- LATEST FILINGS** (right sidebar): View our latest [SEC filing](#).

Debt Investor Relations Contact Information

Guido van der Ven
Vice President, Corporate Finance
Sallie Mae, Inc.
36 Leitch Avenue
Skaneateles, NY 13152
315-685-9825
guido.e.vanderven@slma.com

Leo Subler
Managing Director, Corporate Finance
Sallie Mae, Inc.
12061 Bluemont Way
Reston, VA 20190
703-984-5564
leo.subler@slma.com