

FINANCIAL HIGHLIGHTS

INVESTMENTS CLIMB TO \$613 MILLION

Founding partners boost Newseum assets

The Freedom Forum's net assets grew by 3.3% in 2006. Positive returns from the endowment and continued progress on the Newseum construction project contributed to the increase.

Significant donor support boosted the Newseum's net assets 69.7%. The Newseum has raised \$79 million in pledges from 11 founding partners. Payments on those pledges totaled \$11.7 million in 2006.

Construction work on the Newseum project added \$125 million to the

Freedom Forum's building assets. The grand opening for the new Newseum and Freedom Forum headquarters is Oct. 15, 2007. The Freedom Forum owns the Newseum land and building.

The endowment returned 9.7% in 2006, adding \$59 million in value. The returns covered operating expenses of \$37 million, leaving \$22 million for reinvestment.

At the end of 2006, total investments were \$613 million.

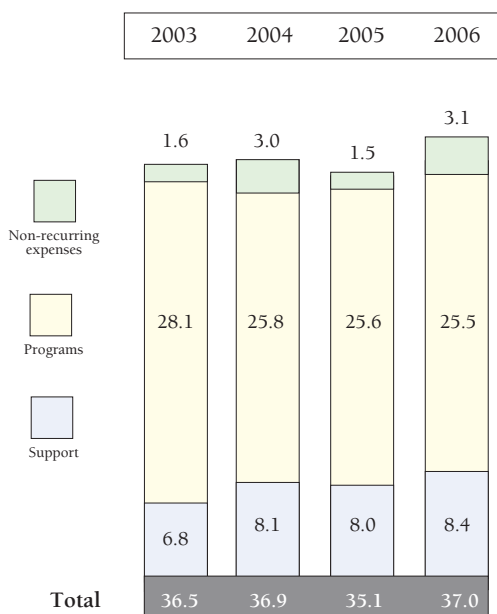
Investments are diversified into the following asset classes:

- Domestic equity 30%
- Hedge funds 26%
- Fixed income 24%
- International equity 18%
- Other 2%

Operating expenses increased 5.4% in 2006, ending the year at \$37 million compared to \$35.1 million in 2005.

OPERATING-EXPENSE TRENDS

(In millions of dollars; excludes depreciation;
2006 numbers are unaudited)



SIMPLIFIED BALANCE SHEET

(In millions of dollars;
2006 numbers are unaudited)

	2005			2006		
	Freedom Forum	Newseum	Total	Freedom Forum	Newseum	Total
Investments	590	.2	590.2	601.4	11.9	613.3
Balance of Bond Proceeds	208.1	0	208.1	90.4	0	90.4
Land & Buildings	259.2	0	259.2	384.1	0	384.1
Gifts Receivable	0	42.2	42.2	0	63.2	63.2
Property & Collections	0	6.3	6.3	6.8	6.7	13.5
Other	14.3	.6	14.9	13.9	.5	14.4
Total Assets	1,071.6	49.3	1,120.9	1,096.6	82.3	1,178.9
Accounts/Grants Payable	39.1	1.4	40.5	20.5	1.0	21.5
Notes Payable	336.1	0	336.1	357	0	357
Total Liabilities	375.2	1.4	376.6	377.5	1.0	378.5
Net Assets	696.4	47.9	744.3	719.1	81.3	800.4