American Capital Agency

Q4 2014 Stockholder Presentation

February 3, 2015

AGNC NASDAQ LISTED

SAFE HARBOR STATEMENT

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This presentation contains statements that, to the extent they are not recitations of historical fact, constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Reform Act"). All such forward-looking statements are intended to be subject to the safe harbor protection provided by the Reform Act. Actual outcomes and results could differ materially from such forecasts due to the impact of many factors beyond the control of American Capital Agency Corp. ("AGNC" or the "Company"). All forward-looking statements included in this presentation are made only as of the date of this presentation and are subject to change without notice. Certain important factors that could cause actual results to differ materially from those contained in the forward-looking statements are included in our periodic reports filed with the Securities and Exchange Commission ("SEC"). Copies are available on the SEC's website at www.sec.gov. AGNC disclaims any obligation to update such forward-looking statements unless required by law.

The following slides contain summaries of certain financial and statistical information about AGNC. They should be read in conjunction with our periodic reports that are filed from time to time with the SEC. Historical results discussed in this presentation are not indicative of future results.

CAPITAL STOCK HIGHLIGHTS

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TYPE / STOCK TICKER:
COMMON STOCK / AGNC

EXCHANGE:
NASDAQ

IPO DATE:
MAY 2008

IPO PRICE:
$20.00 PER SHARE

TOTAL DIVIDENDS PAID SINCE IPO [1]:
$30.22 PER SHARE

NET ASSET VALUE [2]:
$25.74 PER SHARE

TOTAL EQUITY CAPITAL [2]:
$9.1 B

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TYPE / NAME:
8.000% SERIES A CUMULATIVE REDEEMABLE PREFERRED STOCK

PREFERRED STOCK TICKER:
AGNCP

PER ANNUM DIVIDEND RATE:
8.000% PAYABLE QUARTERLY

EXCHANGE:
NASDAQ

TOTAL DIVIDENDS PAID SINCE OFFERING [1]:
$5.556 PER SHARE

PUBLIC OFFERING PRICE:
$25.00 PER SHARE

SHARES OUTSTANDING:
6.9 MILLION

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TYPE / NAME:
7.750% SERIES B CUMULATIVE REDEEMABLE PREFERRED STOCK

PREFERRED STOCK TICKER:
AGNCB

PER ANNUM DIVIDEND RATE:
7.750% PAYABLE QUARTERLY

EXCHANGE:
NASDAQ

TOTAL DIVIDENDS PAID SINCE OFFERING [1]:
$1.32934 PER DEPOSITARY SHARE

PUBLIC OFFERING PRICE:
$25.00 PER DEPOSITARY SHARE [3]

DEPOSITARY SHARES OUTSTANDING:
7.0 MILLION

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* As of December 31, 2014 unless otherwise indicated
1. As of January 15, 2015
2. "Net Asset Value" and "Total Equity Capital" are net of the 8.000% Series A Cumulative Redeemable Preferred Stock ("Series A Preferred Stock") liquidation preference of $173 million and the 7.750% Series B Cumulative Redeemable Preferred Stock ("Series B Preferred Stock") liquidation preference of $175 million
3. Each depositary share outstanding represents a 1/1,000th interest in a share of Series B Preferred Stock

Q4 2014 HIGHLIGHTS

- **$0.86 Comprehensive Income per Share, Comprised of:**
  - ✓ $(0.94) net loss per share
  - ✓ $1.80 other comprehensive income (“OCI”) per share
    - Includes net unrealized gains on investments marked-to-market through OCI
- **$0.92 Net Spread and Dollar Roll Income per Share, Excluding “Catch-Up” Premium Amortization [1]**
  - ✓ Includes $0.47 per share of dollar roll income associated with a $18.5 B average net long position in Agency MBS in the “to-be-announced” (“TBA”) market [2]
  - ✓ Excludes $0.07 per share of estimated “catch-up” premium amortization cost due to change in projected constant prepayment rate (“CPR”) estimates
- **$0.66 Dividend Declared per Share**
  - ✓ 12.1% annualized dividend yield based on Dec 31, 2014 closing stock price of $21.83 per share
- **$25.74 Net Book Value per Share as of Dec 31, 2014**
  - ✓ Increased $0.20, or 0.8% per share, from $25.54 per share as of Sept 30, 2014
- **3.4% Economic Return on Common Equity for the Quarter, or 13.4% Annualized**
  - ✓ Comprised of $0.66 dividend per share and $0.20 increase in net book value per share

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Note: Per share amounts included throughout this presentation are per common share, unless otherwise indicated

1. Represents a non-GAAP measure. Refer to the supplemental slides later in this presentation for a reconciliation and further discussion of non-GAAP measures
2. Dollar roll income is based on our net TBA position and is recognized in gain (loss) on derivative instruments and other securities, net

Q4 2014 Other Highlights

- **$71.5 B Agency MBS Investment Portfolio as of Dec 31, 2014**
  - Includes $14.8 B net long TBA mortgage position as of Dec 31, 2014
- **6.9x "At Risk" Leverage as of Dec 31, 2014 [1,2]**
  - 5.3x leverage excluding net long TBA mortgage position as of Dec 31, 2014
- **9% Portfolio CPR for the Quarter**
  - 9% average projected portfolio life CPR as of Dec 31, 2014
- **1.85% Annualized Net Interest Rate Spread for the quarter, including TBA Dollar Roll Income [3]**
  - 2.00% annualized net interest rate spread and TBA dollar roll income for the quarter excluding 15 bps of "catch-up" premium amortization cost due to change in CPR estimates

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1. Leverage calculated as sum of Agency MBS repurchase agreements ("repo"), net payable/receivable for Agency securities not yet settled, and other debt divided by the sum of total stockholders' equity less the fair value of investments in REIT equity securities. Leverage excludes U.S. Treasury repo
2. "At risk" leverage includes the components of "leverage," plus our net TBA position (at cost)
3. Net interest rate spread and TBA dollar roll income calculated as the average asset yield, less average cost of funds (actual and implied). Average cost of funds includes Agency MBS repo, TBA implied cost of funds, other debt and periodic swap interest costs. Cost of funds exclude other supplemental hedges, such as swaptions, U.S. Treasury positions and U.S. Treasury repos

2014 Full Year Highlights

AGNC generated strong economic returns during 2014 while operating with below average risk

- **18.5% Economic Return on Common Equity, Comprised of:**
  - ✓ $2.61 dividends per share
  - ✓ $1.81 increase in net book value per share
- **$4.41 Comprehensive Income per Share, Comprised of:**
  - ✓ $(0.72) net loss per share
  - ✓ $5.13 OCI per share
- **AGNC disagreed with the consensus view at the beginning of 2014 that interest rates would increase and mortgage spreads would widen as the FED ended QE3 and was well positioned for the environment that unfolded:**
  - ✓ Began 2014 with a larger duration gap given minimal extension risk
  - ✓ Increased TBA position to take advantage of very favorable dollar roll funding
  - ✓ Increased 30 year MBS position relative to 15 year MBS for most of 2014
  - ✓ Reduced leverage over the course of the year
- **AGNC took steps to reposition the portfolio during Q4 2014 to mitigate risks associated with lower interest rates and greater prepayment uncertainty**

MARKET INFORMATION [1]

Security	12/31/13	3/31/14	6/30/14	9/30/14	12/31/14	Q4 2014 ∆ Rate % / Price	2014 ∆ Rate % / Price	Security	12/31/13	3/31/14	6/30/14	9/30/14	12/31/14	Q4 2014 ∆ Rate % / Price	2014 ∆ Rate % / Price
Treasury Rates								Swap Rates							
2 Yr UST	0.38%	0.43%	0.46%	0.58%	0.67%	+0.09% / -0.18	+0.29% / -0.57	2 Yr Swap	0.49%	0.55%	0.58%	0.83%	0.89%	+0.06% / -0.12	+0.40% / -0.79
3 Yr UST	0.76%	0.88%	0.86%	1.06%	1.08%	+0.02% / -0.06	+0.32% / -0.93	3 Yr Swap	0.87%	1.01%	0.99%	1.31%	1.29%	-0.02% / +0.06	+0.42% / -1.24
5 Yr UST	1.74%	1.73%	1.62%	1.78%	1.65%	-0.13% / +0.62	-0.09% / +0.43	5 Yr Swap	1.78%	1.81%	1.70%	1.95%	1.77%	-0.18% / +0.87	-0.01% / +0.05
10 Yr UST	3.01%	2.72%	2.52%	2.51%	2.17%	-0.34% / +2.99	-0.84% / +7.38	10 Yr Swap	3.07%	2.85%	2.61%	2.65%	2.29%	-0.36% / +3.30	-0.78% / +7.14
30 Yr UST	3.94%	3.56%	3.34%	3.21%	2.75%	-0.46% / +9.13	-1.19% / +23.63	30 Yr Swap	3.91%	3.54%	3.31%	3.20%	2.70%	-0.50% / +10.76	-1.21% / +26.04
15 Year Fixed Rate Mortgages								30 Year Fixed Rate Mortgages							
2.50%	99.00	99.92	101.59	100.55	101.81	+1.26	+2.81	3.00%	95.11	96.53	98.77	98.59	101.22	+2.63	+6.11
3.00%	102.05	102.72	103.88	102.98	103.91	+0.93	+1.86	3.50%	99.48	100.59	102.92	102.23	104.28	+2.05	+4.80
3.50%	104.58	104.83	105.98	105.11	105.61	+0.50	+1.03	4.00%	103.11	103.94	106.11	105.41	106.75	+1.34	+3.64
4.00%	105.94	105.78	106.17	105.69	106.06	+0.37	+0.12	4.50%	106.06	106.69	108.30	107.91	108.56	+0.65	+2.50

- ♦ **The yield curve flattened materially during the fourth quarter of 2014 as longer term interest rates declined significantly, while short term rates increased modestly**
- ♦ **MBS performed relatively well, largely keeping pace with Treasury rates**

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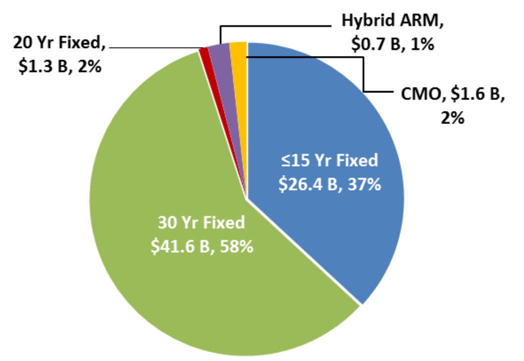
Note: Price information is provided for illustrative purposes only. Pricing information is as of 3:00 PM, is for generic instruments and is not meant to be reflective of securities held by AGNC. Prices can vary materially depending on the source

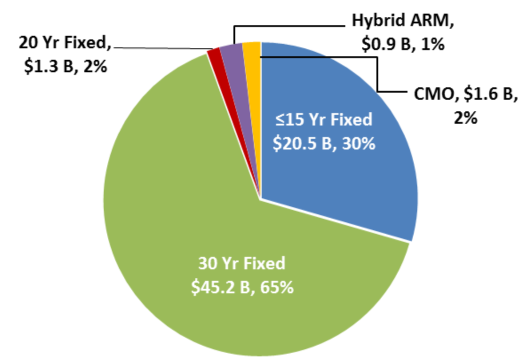
1. Source: Barclays; Change in Treasury and swap prices derived from Constant Maturity Treasury and Constant Maturity Swap and DV01 from JPM

Q4 2014 Portfolio Update

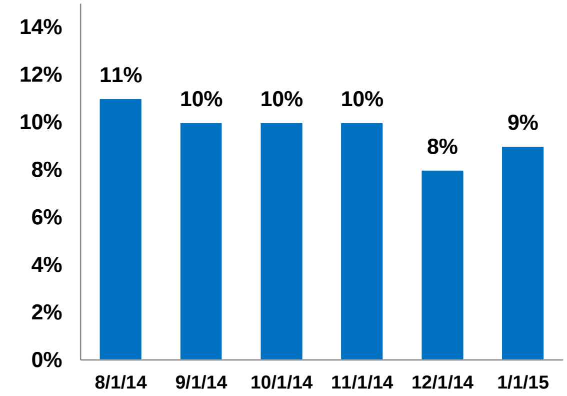
As of 12/31/14
$71.5 B Portfolio
MBS ($56.7 B, 79%) & Net TBA Position ($14.8 B, 21%)



As of 9/30/14
$69.5 B Portfolio
MBS ($51.8 B, 75%) & Net TBA Position ($17.7 B, 25%)



AGNC Actual CPR [1]



≤15 Year - $26.4 B Portfolio (37% of Total) as of 12/31/14

($ In Millions) Coupon	FMV	%	% LB/ HARP [2,3]	WALA [4]	Jan '15 1 M Actual CPR [1]	Life Forecast CPR [5]
2.5%	$7,011	26%	34%	26	7%	8%
3.0%	5,063	19%	75%	31	8%	9%
3.5%	5,511	21%	90%	41	12%	10%
≥4.0%	5,436	21%	89%	49	14%	12%
≤15 Year MBS	23,021	87%	70%	36	10%	10%
Net Long TBA	3,360	13%	N/A	N/A	N/A	N/A
Total ≤15 Year	**$26,381**	**100%**	N/A	N/A	N/A	N/A

30 Year - $41.6 B Portfolio (58% of Total) as of 12/31/14

Coupon	FMV	%	% LB/ HARP [2,3]	WALA [4]	Jan '15 1 M Actual CPR [1]	Life Forecast CPR [5]
≤ 3.0%	$1,656	4%	10%	19	4%	6%
3.5%	10,533	25%	87%	27	7%	7%
4.0%	15,525	38%	54%	20	8%	9%
≥4.5%	2,466	6%	82%	51	14%	11%
30 Year MBS	30,180	73%	65%	25	8%	8%
Net Long TBA	11,408	27%	N/A	N/A	N/A	N/A
Total 30 Year	**$41,588**	**100%**	N/A	N/A	N/A	N/A

1. Wtd/avg actual 1 month annualized CPR released at the beginning of the month based on the securities held as of the preceding month-end, excluding net TBA position
2. Lower balance ("LB") loans defined as pools backed by original loan balances of up to $150K. Wtd/avg original loan balance of $97K for ≤15-year and $96K for 30-year securities as of Dec. 31, 2014.
3. HARP defined as pools backed by 100% refinance loans with original LTVs ≥ 80%. Wtd/avg original LTV of 109% for ≤15-year and 118% for 30-year securities as of Dec. 31, 2014.
4. WALA represents the weighted average loan age presented in months. Excludes net TBA position
5. Average projected life CPR as of Dec 31, 2014. Excludes net TBA position

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Portfolio Changes Position Us For Faster Prepayments

AGNC took significant actions in Q4 that will help protect the portfolio from faster prepayment speeds

- **Given the significant decline in interest rates in Q4 and so far in 2015, we expect prepayments to pick up significantly on many parts of the MBS market**
- **Generic 30 year ≥ 4.0% MBS are likely to exhibit the fastest prepayment speeds**
  - ✓ AGNC's exposure to this segment of the market was less than 8% of its total portfolio as of Dec 31, 2014, with current exposure even lower due to continued portfolio repositioning in early Jan 2015

30 Year Portfolio Breakdown
Sept 30, 2014 vs. Dec 31, 2014

$ in Billions

Sept 30, 2014

Coupon	Total Face Value	LB/ HARP	TBA/Generic
Total 30 Year	**$43.5**	**$19.0**	**$24.5**
3.0%	$4.8	$0.2	$4.6
3.5%	15.5	8.8	6.7
Total ≤ 3.5%	**$20.3**	**$9.0**	**$11.3**
4.0%	$20.7	$7.7	$13.0
≥ 4.5%	2.5	2.4	0.1
Total ≥ 4.0%	**$23.2**	**$10.0**	**$13.2**

Dec 31, 2014

Coupon	Total Face Value	LB/ HARP	TBA/Generic
Total 30 Year	**$39.6**	**$18.5**	**$21.0**
3.0%	$6.9	$0.2	$6.7
3.5%	18.0	8.8	9.2
Total ≤ 3.5%	**$24.9**	**$9.0**	**$15.9**
4.0%	$12.6	$7.8	$4.9
≥ 4.5%	2.1	1.8	0.3
Total ≥ 4.0%	**$14.7**	**$9.6**	**$5.1**

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Note: Amounts may not total due to rounding

Portfolio Changes Position Us For Faster Prepayments (Cont.)

AGNC's 15 year holdings have attributes that should insulate the portfolio from significant increases in prepayment speeds

≤ 15 Year Portfolio Breakdown Dec 31, 2014 - $ in Billions			
Coupon	Total Face Value	LB/ HARP	TBA/Generic
Total	**$25.2**	**$15.2**	**$10.1**
2.5%	$7.8	$2.3	$5.5
3.0%	7.6	3.7	4.0
Total ≤ 3.0%	**$15.5**	**$6.0**	**$9.5**
3.5%	$4.7	$4.7	$0.1
≥ 4.0%	5.1	4.5	0.5
Total ≥ 3.5%	**$9.8**	**$9.2**	**$0.6**

- **Prepayment speeds on 15 year MBS should be lower than 30 year MBS**
- **TBA/Generic MBS with coupons ≥ 3.5% will likely experience the fastest prepayment speeds**
- **AGNC has negligible exposure to TBA/generic ≥ 3.5% coupon 15 year MBS, with the vast majority being highly seasoned lower loan balance securities**

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Note: Amounts may not total due to rounding

FINANCING SUMMARY

OUR FINANCING POSITION IS VERY STRONG, WITH SIGNIFICANT ACCESS TO ATTRACTIVE REPO FUNDING ACROSS A WIDE RANGE OF COUNTERPARTIES AND FINANCING TERMS

- **Average repo cost remained unchanged as of Dec 31, 2014 at 0.41%**
- **Repo counterparties totaled 34 as of Dec 31, 2014**
- **143 weighted average days to maturity as of Dec 31, 2014, a decrease from 152 days as of Sept 30, 2014**

Repurchase Agreements [1]
As of Dec 31, 2014 - $ in millions

Months to Maturity	Repo Outstanding %	Repo Outstanding $	Interest Rate	Average Days to Maturity
≤ 1	29%	$14,157	0.37%	15
> 1 to ≤ 3	42%	20,223	0.38%	61
> 3 to ≤ 6	14%	6,654	0.42%	120
> 6 to ≤ 9	3%	1,575	0.50%	225
> 9 to ≤ 12	6%	2,678	0.54%	313
> 12 to ≤ 24	1%	600	0.57%	551
> 24 to ≤ 36	2%	952	0.60%	999
> 36 to ≤ 48	1%	650	0.64%	1,266
> 48 to ≤ 60	2%	900	0.68%	1,542
Total / Wtd Avg	**100%**	**$48,389**	**0.41%**	**143**
As of Sept 30, 2014				
Total / Wtd Avg	100%	$43,572	0.41%	152

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1. Table excludes repurchase agreements of $1.9 B and $1.8 B associated with U.S. Treasury positions as of December 31, 2014 and September 30, 2014, respectively

HEDGING SUMMARY

OUR HEDGES ARE DESIGNED TO MITIGATE BOOK VALUE FLUCTUATIONS DUE TO INTEREST RATE CHANGES AND ARE NOT DESIGNED TO PROTECT AGAINST MARKET VALUE FLUCTUATIONS IN OUR ASSETS CAUSED BY CHANGES IN THE SPREAD BETWEEN OUR INVESTMENTS AND OTHER BENCHMARK RATES, SUCH AS SWAP AND TREASURY RATES, WHICH IS THEREFORE A RISK THAT IS INHERENT TO OUR BUSINESS [1]

- **Our hedge portfolio totaled $50.1 B and covered 76% of our repo, other debt and net TBA position as of Dec 31, 2014, unchanged from Sept 30, 2014**
  - ✓ **Interest Rate Swaps**
    - $43.7 B notional pay fixed swaps
    - Average maturity declined from 6.4 to 5.8 years
    - Covered 67% of repo, other debt and net TBA position as of Dec 31, 2014
  - ✓ **Payer Swaptions**
    - $6.8 B notional payer swaptions
    - Net increase of $0.7 B from prior quarter
  - ✓ **Receiver Swaptions**
    - $4.3 B notional receiver swaptions
    - Net increase of $1.8 B from prior quarter
  - ✓ **Treasury Securities and Futures**
    - $3.9 B net short treasury position market value
    - Net decrease in Treasury securities of $0.5 B face value from prior quarter, but average duration decreased from negative 9.7 to negative 1.7 years

Hedge Portfolio Summary
As of Dec 31, 2014 - $ in Millions

	Notional/ Market Value 12/31/2014	Duration 12/31/2014 [2]	Net Hedge Gains/ (Losses) Q4 2014 [3]	Net Hedge Gains/ (Losses) Per Share Q4 2014
Swaps	$(43,700)	(5.1)	$(731)	$(2.07)
Payer Swaptions	(6,800)	(0.9)	(34)	(0.10)
Receiver Swaptions	4,250	2.0	12	0.03
Treasury Securities	(2,935)	(1.7)	(163)	(0.46)
Treasury Futures	(925)	(6.3)	(21)	(0.06)
Total / Q4 2014 [4]	**$(50,110)**	**(3.3)**	**$(937)**	**$(2.66)**
As of Sept 30, 2014 / Q3 2014				
Total / Q3 2014 [4]	$(48,313)	(3.8)	$28	$0.08

1. The amount of interest rate protection provided by our hedge portfolio may vary considerably based on management's judgment, asset composition and general market conditions
2. Duration is a model estimate of interest rate sensitivity measured in years as of a point in time (see supplemental slides at the end of this presentation for additional information)
3. Net hedge gains/losses in the table above exclude periodic swap costs (a component of net spread income), TBA dollar roll income/loss and mark-to-market gains/losses on our net TBA position
4. Total duration is expressed in asset units

Q4 2014 Hedging Activity

We made significant adjustments to our hedge portfolio in response to the evolving interest rate exposure embedded in our asset portfolio

- **Repositioned our swap portfolio by terminating a portion of our longer dated swaps and adding shorter dated swaps as asset durations shortened given the decline in long term rates**
  - ✓ Notional exposure of > 7 year swaps declined by 18%, or $3.4 billion during the quarter
- **Altered the composition of our Treasury position by buying longer dated Treasuries and selling shorter dated Treasuries**
  - ✓ 10 year Treasury position went from short $2.7 billion to long $2.4 billion by year end
- **Added receiver swaptions to provide incremental "down" rate protection**

Hedge Summary
Sept 30, 2014 vs. Dec 31, 2014

$ in Billions	Sept 30, 2014		Dec 31, 2014		Change
	Notional/ Market Value	Average Maturity/Swap Term [1]	Notional/ Market Value	Average Maturity/Swap Term [1]	Notional/ Market Value
Interest Rate Swaps					
≤ 3 Years to Maturity	$9.4	1.8	$12.3	2.0	**$2.9**
> 3 to ≤ 5 Years	$7.2	3.9	$9.0	4.2	**$1.8**
> 5 to ≤ 7 Years	$5.2	5.8	$7.3	6.1	**$2.1**
> 7 to ≤ 10 Years	$12.9	8.4	$10.8	8.3	**$(2.1)**
> 10 Years	$5.7	13.2	$4.4	12.6	**$(1.3)**
Treasury Securities					
5 Year	$0.2	4.9	$(4.6)	4.9	**$4.8**
7 Year	$(0.6)	6.7	$(0.7)	7.0	**$0.1**
10 Year	$(2.7)	9.5	$2.4	9.9	**$(5.1)**
30 Year	$(0.5)	29.7	--	--	**$(0.5)**
Swaptions					
Payer	$6.2	4.9	$6.8	6.2	**$0.6**
Receiver	$2.5	8.2	$4.3	6.4	**$1.8**

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1. Weighted average maturity measured from period end through maturity date. Expressed in years.

Managing Duration Risk

We actively manage our exposure to both extension risk and contraction risk [1]

Duration Gap Sensitivity [2,3] As of Dec 31, 2014				
	Rates - 100 bps	Duration 12/31/2014	Rates + 100 bps	Rates + 200 bps
Mortgage Assets: [4]				
30-Year MBS	2.1	4.6	6.4	7.2
15-Year MBS	1.8	3.4	4.3	4.6
Total Mortgage Assets	**2.0**	**4.1**	**5.5**	**6.0**
Liabilities, Swaps and Treasuries	(3.8)	(3.6)	(3.5)	(3.5)
Net Duration Gap without Swaptions	**(1.8)**	**0.5**	**2.0**	**2.5**
Swaptions	0.4	--	(0.3)	(0.4)
Net Duration Gap with Swaptions	**(1.4)**	**0.5**	**1.7**	**2.1**
As of Sept 30, 2014				
Net Duration Gap with Swaptions	**(0.9)**	**1.0**	**2.0**	**2.2**

- **Ongoing portfolio rebalancing actions allow us to further mitigate our interest rate exposure**

1. Extension risk is the risk that the duration of a mortgage security increases in a rising rate environment
2. Durations are expressed in years. Liability, swap, U.S. Treasury and swaption durations are expressed in asset units
3. Duration is a model estimate of interest rate sensitivity measured in years as of a point in time (see supplemental slides at the end of this presentation for additional information). The sensitivity analysis assumes an instantaneous parallel shift in interest rates and, consequently, does not include the potential impact of ongoing portfolio rebalancing actions
4. Mortgage assets include net TBA position. 15-year MBS position includes 20-year fixed rate MBS

MARKET UPDATE – JANUARY 2015 [1]

Security	12/31/12	12/31/13	12/31/14	01/30/15	2015 ∆ Rate % / Price	Security	12/31/12	12/31/13	12/31/14	01/30/15	2015 ∆ Rate % / Price
Treasury Rates						Swap Rates					
2 Yr UST	0.25%	0.38%	0.67%	0.47%	-0.20% / +0.40	2 Yr Swap	0.39%	0.49%	0.89%	0.71%	-0.18% / +0.36
3 Yr UST	0.35%	0.76%	1.08%	0.77%	-0.31% / +0.91	3 Yr Swap	0.48%	0.87%	1.29%	0.99%	-0.30% / +0.89
5 Yr UST	0.72%	1.74%	1.65%	1.19%	-0.46% / +2.23	5 Yr Swap	0.83%	1.78%	1.77%	1.36%	-0.41% / +2.00
10 Yr UST	1.75%	3.01%	2.17%	1.68%	-0.49% / +4.51	10 Yr Swap	1.80%	3.07%	2.29%	1.82%	-0.47% / +4.39
30 Yr UST	2.93%	3.94%	2.75%	2.26%	-0.49% / +11.57	30 Yr Swap	2.77%	3.91%	2.70%	2.18%	-0.52% / +12.01
15 Year Fixed Rate Mortgages						30 Year Fixed Rate Mortgages					
2.50%	104.61	99.00	101.81	103.43	1.62	3.00%	104.84	95.11	101.22	103.39	2.17
3.00%	105.61	102.05	103.91	105.15	1.24	3.50%	106.66	99.48	104.28	105.64	1.36
3.50%	106.14	104.58	105.61	106.16	0.55	4.00%	107.22	103.11	106.75	107.09	0.34
4.00%	107.00	105.94	106.06	105.80	-0.26	4.50%	108.03	106.06	108.56	108.52	-0.04

- **Interest rates fell dramatically in January 2015**
  - ✓ 10 year Treasury rates have now more than erased the rate increases from the "taper tantrum"
  - ✓ 30 year Treasury rates are now nearly 70 bps lower than they were at the end of 2012
  - ✓ 2 to 5 year Treasury rates are still pricing in material FED tightening despite rally
- **Agency MBS have lagged interest rate hedges in 2015**
  - ✓ Generic higher coupon MBS were the weakest performing sector in January
    - 30 year 4.0% TBAs were up only around 35 bps in price despite a nearly 2.25 point increase in the price of the 5 year Treasury
    - 30 year 4.5% TBAs were essentially unchanged in price
  - ✓ Low coupon 30 year, high quality specified pools and 15 year MBS have outperformed TBA higher coupons

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Note: Price information is provided for illustrative purposes only. Pricing information is as of 3:00 PM, is for generic instruments and is not meant to be reflective of securities held by AGNC. Prices can vary materially depending on the source

1. Source: Barclays; Change in Treasury and swap prices derived from Constant Maturity Treasury and Constant Maturity Swap and DV01 from JPM

LOOKING AHEAD

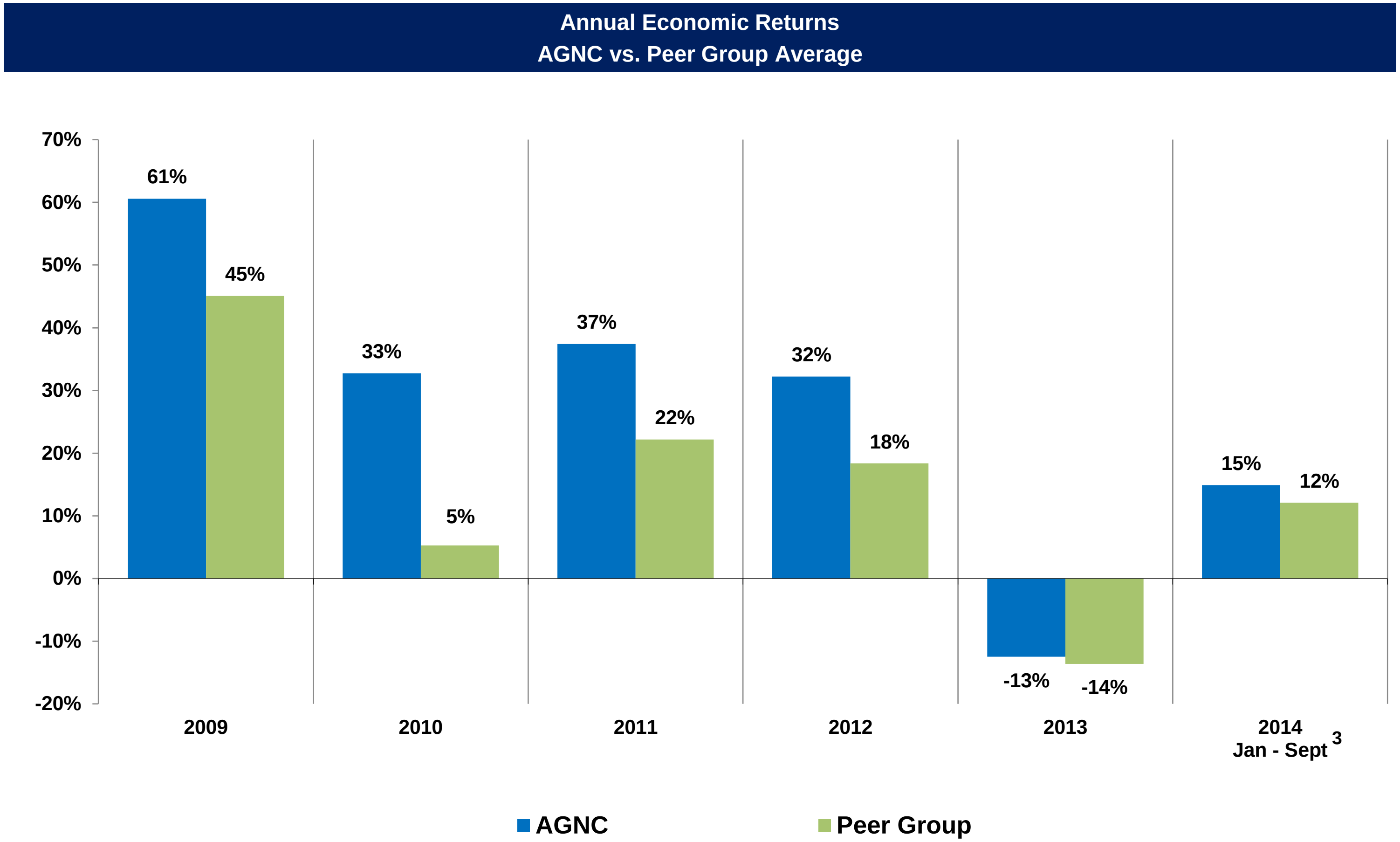
ACTIVE MANAGEMENT IS CRITICAL GIVEN SIGNIFICANT INCREASE IN INTEREST RATE VOLATILITY AND THE RAPIDLY CHANGING PREPAYMENT LANDSCAPE

- **Prepayment risk and extension risk are now significantly greater than they were in 2014**
  - ✓ 30 year mortgage rates have declined to within 50 bps of their all-time lows in late 2012
  - ✓ 30 year MBS with coupons of 4.0% and higher (with the exception of high quality specified pools) face significant prepayment risk
  - ✓ Mortgage durations have shortened dramatically, making duration extension risk more significant
- **Prepayment risk is manageable through prudent asset selection and active management**
  - ✓ Limited exposure to higher coupon TBA/generic MBS will be important
  - ✓ 15 year MBS provide protection against prepayment risk, extension risk and exposure to interest rate volatility
  - ✓ Specified pools can be used to manage prepayment risk when priced appropriately versus low coupon alternatives
  - ✓ New production pools offer significant prepayment protection, but require active management as benefits can be short lived
- **Hedging strategies are critical in the current interest rate environment**
  - ✓ Duration gap will likely be small or even negative when extension risk is high
  - ✓ Curve exposure must be carefully monitored relative to evolving asset composition and market conditions
  - ✓ Option based hedges could play a larger role in our hedging strategy depending on valuations
  - ✓ Leverage will be important to managing overall risk/return tradeoffs
- **AGNC's transparency, including monthly NAV estimates and detailed portfolio reporting, should also help investors and analysts better understand and evaluate the Company given the increase in market volatility**

SUPPLEMENTAL SLIDES

AGNC Annual Economic Returns vs. Peer Group Average [1,2]

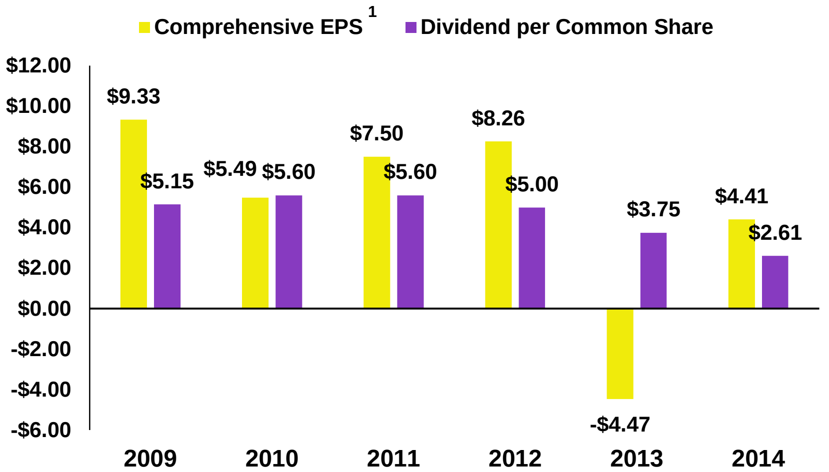
AGNC has consistently outperformed the Peer Group Average, due in part to AGNC's active approach to portfolio management

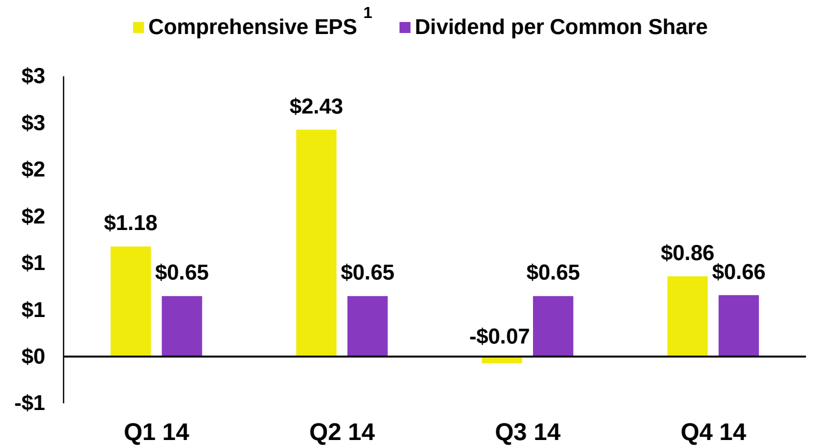


1. Economic return on common equity represents the sum of the change in net asset value per common share and dividends declared on common stock during the period over the beginning net asset value per common share
2. Peer group average consists of HTS, CMO, NLY, ANH, CYS and ARR on an unweighted basis
3. Not annualized

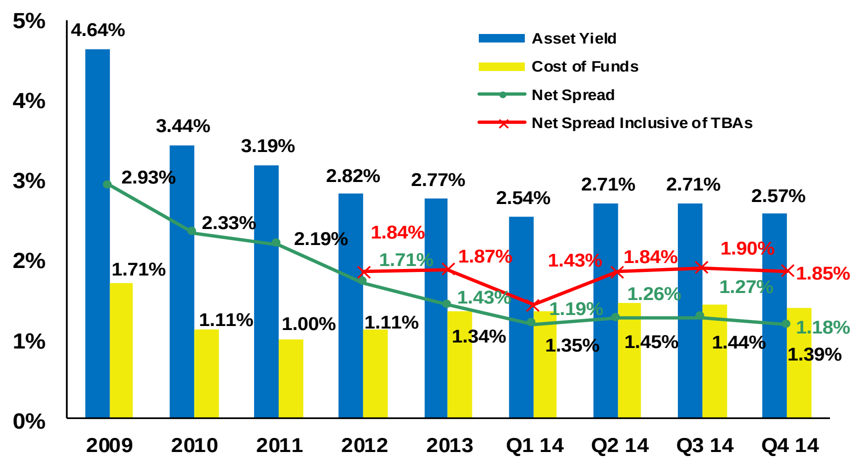
AGNC Historical Overview

Earnings and Dividends per Common Share

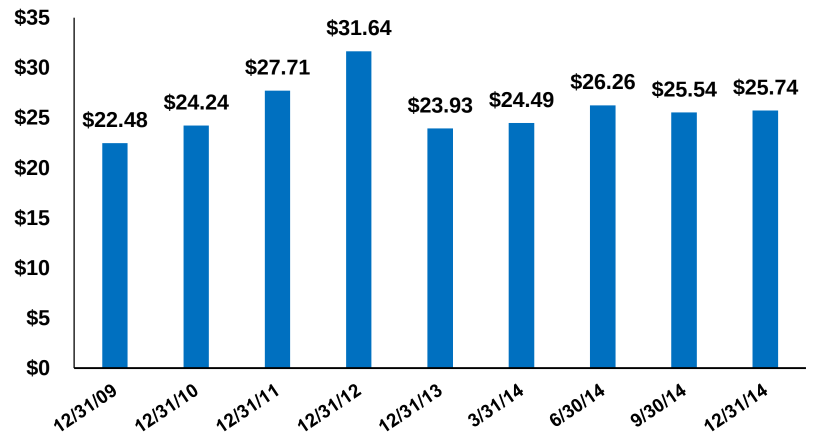




Net Spread [2]



Net Book Value per Common Share [3]

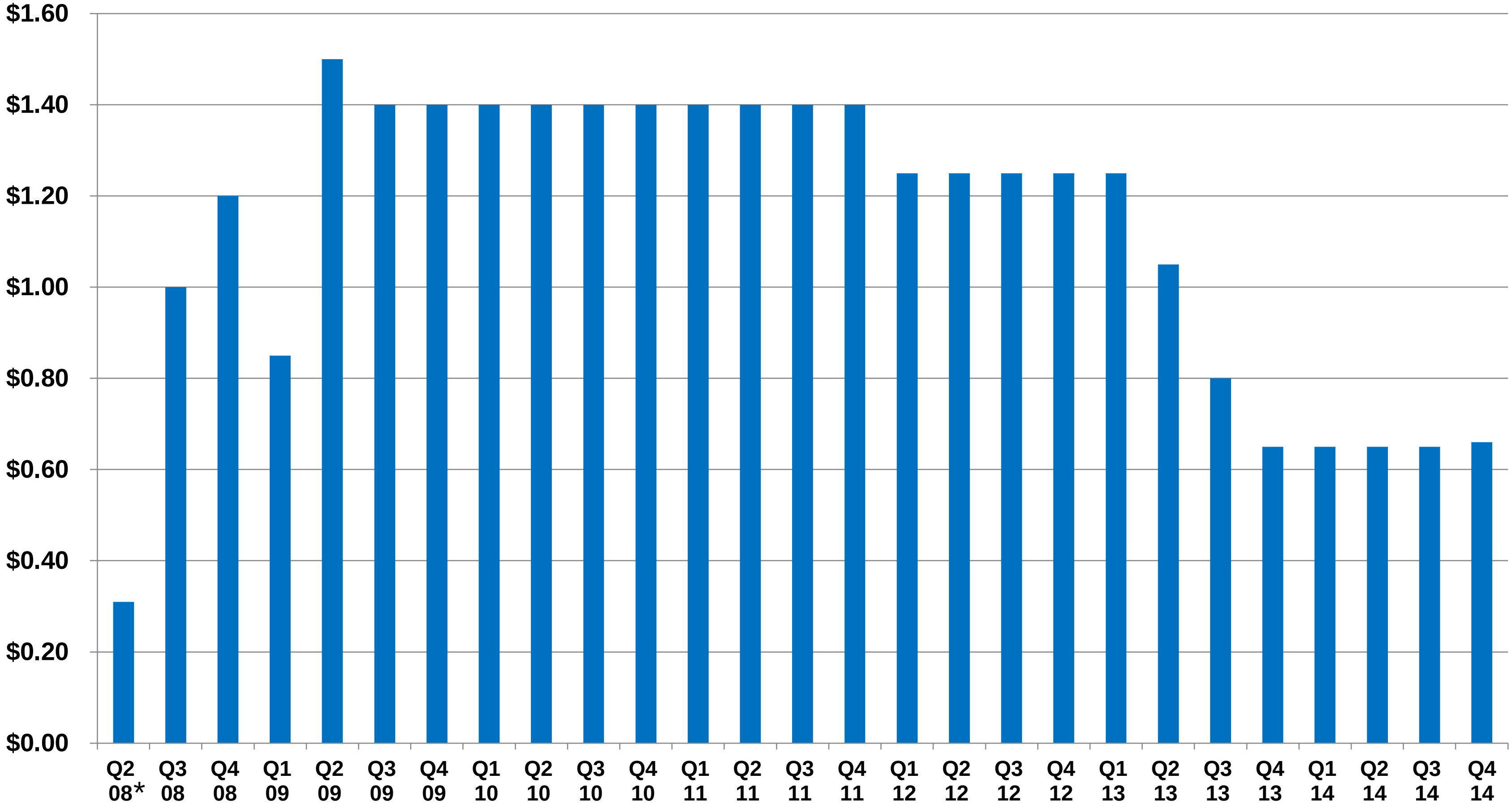


1. Comprehensive earnings per common share is a GAAP measure that consists of net income/loss per common share plus unrealized gains/losses on Agency MBS recognized in other comprehensive income, a separate component of equity
2. Represents average per quarter. Unless noted, excludes net dollar roll income/loss from our TBA mortgage position. Excludes other supplemental hedge costs, such as swaption and short U.S. Treasury costs
3. Net book value per common share calculated as total stockholders' equity, less the Series A and B Preferred Stock liquidation preference, divided by total common shares outstanding

AGNC HISTORICAL OVERVIEW

SINCE INCEPTION AGNC HAS PAID $5.1 BILLION IN COMMON DIVIDENDS, OR $30.22 PER COMMON SHARE

Dividends per Common Share by Quarter



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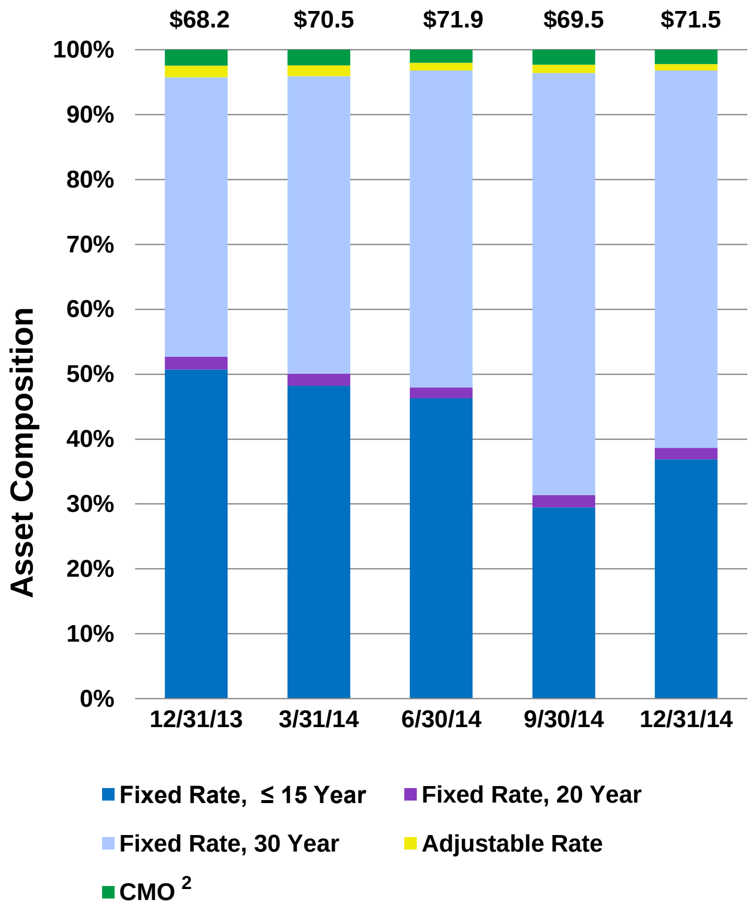
* Reflects the dividend for the shortened "stub" period from the closing of the Company's initial public offering ("IPO") and concurrent private placement on May 20, 2008 through June 30, 2008

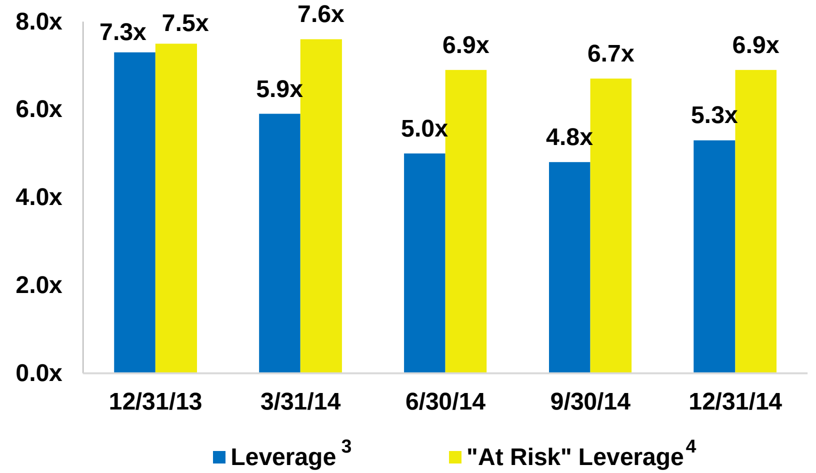
AGNC Historical Overview

Portfolio [1]

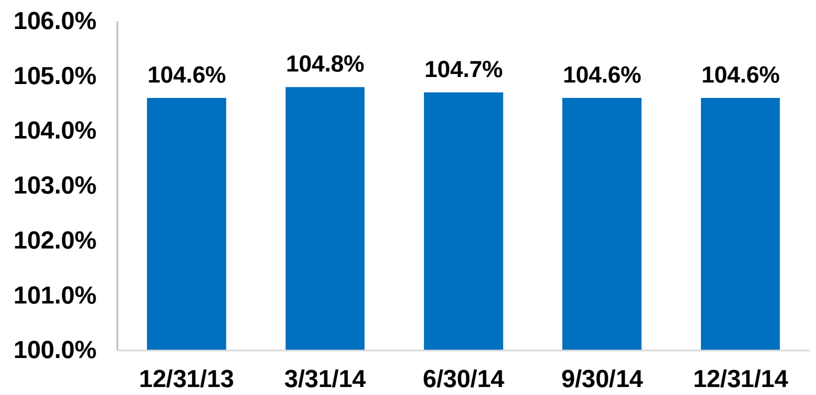
($ in Billions)



Leverage



Amortized Cost Basis



1. Amounts include the Company's net TBA mortgage position
2. Includes interest-only, inverse interest-only and principal-only securities
3. Leverage calculated as sum of Agency MBS repurchase agreements, net payable/receivable for Agency MBS not yet settled and other debt divided by the sum of total stockholders' equity less the fair value of investments in REIT equity securities. Leverage excludes U.S. Treasury repurchase agreements of $1.9, $1.8 B, $1.2 B, $0.1 B and $2.3 B as of Dec 31, Sept 30, June 30 and Mar 31, 2014 and Dec 31, 2013, respectively
4. "At risk" leverage includes the components of leverage plus our net TBA dollar roll position (at cost)

BALANCE SHEETS

($ in millions, except per share data, unaudited except 12/31/13)	12/31/14	9/30/14	6/30/14	3/31/14	12/31/13
Agency Securities, at Fair Value	$55,482	$50,420	$52,174	$54,960	$64,482
Agency Securities Transferred to Consolidated Variable Interest Entities, at Fair Value	1,266	1,310	1,377	1,417	1,459
U.S. Treasury Securities, at Fair Value	2,427	1,214	1,247	196	3,822
REIT Equity Securities, at Fair Value	68	66	202	352	237
Cash and Cash Equivalents	1,720	1,708	1,747	1,726	2,143
Restricted Cash	713	794	783	269	101
Derivative Assets, at Fair Value	408	462	593	686	1,194
Receivable for Securities Sold	239	905	1,872	799	652
Receivable under Reverse Repurchase Agreements	5,218	5,258	6,621	6,685	1,881
Other Assets	225	211	238	228	284
Total Assets	**$67,766**	**$62,348**	**$66,854**	**$67,318**	**$76,255**
Repurchase Agreements	$50,296	$45,327	$48,714	$49,729	$63,533
Debt of Consolidated Variable Interest Entities, at Fair Value	761	796	844	874	910
Payable for Securities Purchased	843	1,150	558	324	118
Derivative Liabilities, at Fair Value	890	510	583	417	422
Dividends Payable	85	236	235	232	235
Obligation to Return Securities Borrowed under Reverse Repurchase Agreements, at Fair Value	5,363	4,742	6,094	6,658	1,848
Accounts Payable and Other Accrued Liabilities	100	230	215	270	492
Total Liabilities	**58,338**	**52,991**	**57,243**	**58,504**	**67,558**
Preferred Equity at Aggregate Liquidation Preference	348	348	348	173	173
Common Equity	9,080	9,009	9,263	8,641	8,524
Total Stockholders' Equity	**9,428**	**9,357**	**9,611**	**8,814**	**8,697**
Total Liabilities and Stockholders' Equity	**$67,766**	**$62,348**	**$66,854**	**$67,318**	**$76,255**
Other Supplemental Data:					
Net TBA Long, at Fair Value [1]	**$14,768**	**$17,748**	**$18,384**	**$14,102**	**$2,119**
Leverage [2]	**5.3x**	**4.8x**	**5.0x**	**5.9x**	**7.3x**
"At Risk" Leverage [3]	**6.9x**	**6.7x**	**6.9x**	**7.6x**	**7.5x**
Net Book Value Per Common Share [4]	**$25.74**	**$25.54**	**$26.26**	**$24.49**	**$23.93**

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1. TBAs are reported in derivative assets/liabilities in the above balance sheet at their net carrying value (fair value less cost basis)
2. Leverage calculated as sum of Agency MBS repurchase agreements, net payable/receivable for Agency MBS not yet settled and debt of consolidated variable interest entities ("other debt") divided by the sum of total stockholders' equity less the fair value of investments in REIT equity securities. Leverage excludes U.S. Treasury repurchase agreements of $1.9 B, $1.8 B, $1.2 B, $0.1 B and $2.3 B as of Dec 31, Sept 30, June 30, and Mar 31, 2014 and Dec 31, 2013, respectively
3. "At risk" leverage includes the components of leverage plus our net TBA dollar roll position (at cost)
4. Net book value per common share calculated as stockholders' equity, less the Series A and Series B Preferred Stock liquidation preference, divided by total common shares outstanding

INCOME STATEMENTS

($ in millions, except per share data) (Unaudited)	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Year 2014
Interest Income	$331	$357	$385	$399	$1,472
Interest Expense	(81)	(88)	(95)	(108)	(372)
Net Interest Income	**250**	**269**	**290**	**291**	**1,100**
Gain (Loss) on Sale of Agency Securities, Net	34	14	22	(19)	51
Loss on Derivative Instruments and Other Securities, Net	(572)	(51)	(244)	(378)	(1,243)
Total Other Loss, Net	**(538)**	**(37)**	**(222)**	**(397)**	**(1,192)**
Management Fee	(30)	(30)	(30)	(29)	(119)
General and Administrative Expense	(5)	(5)	(6)	(6)	(22)
Total Operating Expenses	**(35)**	**(35)**	**(36)**	**(35)**	**(141)**
Net (Loss) Income	**(323)**	**197**	**32**	**(141)**	**(233)**
Dividend on Preferred Stock	(7)	(7)	(5)	(3)	(22)
Net (Loss) Income (Attributable) Available to Common Shareholders	**$(330)**	**$190**	**$27**	**$(144)**	**$(255)**
Net (Loss) Income	**$(323)**	**$197**	**$32**	**$(141)**	**$(233)**
Unrealized Gain (Loss) on Available-for-Sale Securities, Net	599	(253)	790	521	1,657
Unrealized Gain on Derivative Instruments, Net	35	38	40	43	156
Other Comprehensive Income (Loss)	**634**	**(215)**	**830**	**564**	**1,813**
Comprehensive Income (Loss)	**311**	**(18)**	**862**	**423**	**1,580**
Dividend on Preferred Stock	(7)	(7)	(5)	(3)	(22)
Comprehensive Income (Loss) Available (Attributable) to Common Shareholders	**$304**	**$(25)**	**$857**	**$420**	**$1,558**
Weighted Average Common Shares Outstanding – Basic and Diluted	**352.8**	**352.8**	**352.8**	**354.8**	**353.3**
Net (Loss) Income per Common Share	**$(0.94)**	**$0.54**	**$0.08**	**$(0.41)**	**$(0.72)**
Comprehensive Income (Loss) per Common Share	**$0.86**	**$(0.07)**	**$2.43**	**$1.18**	**$4.41**
Dividends Declared per Common Share	**$0.66**	**$0.65**	**$0.65**	**$0.65**	**$2.61**

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Note: Amounts may not total due to rounding

Reconciliation of GAAP Net Interest Income to Net Spread and Dollar Roll Income[1]

($ in millions, except per share data) (Unaudited)	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Year 2014
Interest Income	**$331**	**$357**	**$385**	**$399**	**$1,472**
Interest Expense:					
Repurchase Agreements and Other Debt	(46)	(50)	(55)	(65)	(216)
Interest Rate Swap Periodic Costs [2]	(35)	(38)	(40)	(43)	(156)
Total Interest Expense	**(81)**	**(88)**	**(95)**	**(108)**	**(372)**
Net Interest Income	**250**	**269**	**290**	**291**	**1,100**
Other Interest Rate Swap Periodic Costs [3,4]	(78)	(82)	(87)	(83)	(330)
Dividend on REIT Equity Securities [4]	2	2	6	10	20
TBA Dollar Roll Income, Net [4]	167	152	138	48	505
Adjusted Net Interest and Dollar Roll Income	**341**	**341**	**347**	**266**	**1,295**
Total Operating Expenses	**(35)**	**(35)**	**(36)**	**(35)**	**(141)**
Net Spread and Dollar Roll Income	**306**	**306**	**311**	**231**	**1,154**
Dividend on Preferred Stock	(7)	(7)	(5)	(3)	(22)
Net Spread and Dollar Roll Income Available to Common Shareholders	**299**	**299**	**306**	**228**	**1,132**
Estimated "Catch Up" Premium Amortization Cost due to Change in CPR Forecast	**25**	**3**	**--**	**25**	**53**
Net Spread and Dollar Roll Income, Excluding "Catch Up" Amortization Available to Common Shareholders	**$324**	**$302**	**$306**	**$253**	**$1,185**
Weighted Average Common Shares Outstanding – Basic and Diluted	**352.8**	**352.8**	**352.8**	**354.8**	**353.3**
Net Spread and Dollar Roll Income per Common Share	**$0.85**	**$0.85**	**$0.87**	**$0.64**	**$3.20**
Net Spread and Dollar Roll Income, Excluding "Catch Up" Amortization per Common Share	**$0.92**	**$0.86**	**$0.87**	**$0.71**	**$3.35**

Note: Amounts may not total due to rounding

1. Table includes non-GAAP financial measures. Please refer to additional information regarding non-GAAP financial measures at the end of this presentation
2. Voluntarily discontinued hedge accounting under GAAP as of Sept 30, 2011. Accumulated OCI on de-designated interest rate swaps is being amortized on a straight-line basis over the remaining swap terms into interest expense. All other periodic interest costs, termination fees and mark-to-market adjustments associated with interest rate swaps are reported in other income (loss), net pursuant to GAAP
3. Other interest rate swap periodic costs represent periodic interest costs on the Company's interest rate swap portfolio in excess of amortized amounts reclassified from accumulated OCI into interest expense. Other interest rate swap periodic costs exclude interest rate swap termination fees and mark-to-market adjustments on interest rate swaps
4. Reported in gain (loss) on derivative instruments and other securities, net in the accompanying income statement

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Reconciliation of GAAP Net Income to Estimated Taxable Income [1]

($ in millions, except per share data) (Unaudited)	Q4 2014	Q3 2014	Q2 2014	Q1 2014	Year 2014
Net (Loss) Income	**$(323)**	**$197**	**$32**	**$(141)**	**$(233)**
Book to Tax Differences:					
Premium Amortization, Net	15	(7)	(5)	31	34
Realized Loss/Gain, Net	318	136	5	36	495
Capital Loss Carryforward [2]	(364)	(246)	(310)	(102)	(1,022)
Unrealized Loss, Net	449	12	384	346	1,191
Other	--	--	(1)	--	(1)
Total Book to Tax Differences	**418**	**(105)**	**73**	**311**	**697**
Estimated REIT Taxable Income	**95**	**92**	**105**	**170**	**464**
Dividend on Preferred Stock	(7)	(7)	(5)	(3)	(22)
Estimated REIT Taxable Income, net of Preferred Stock Dividend	**$88**	**$85**	**$100**	**$167**	**$442**
Weighted Average Common Shares Outstanding – Basic and Diluted	**352.8**	**352.8**	**352.8**	**354.8**	**353.3**
Estimated REIT Taxable Income per Common Share	**$0.25**	**$0.24**	**$0.28**	**$0.47**	**$1.25**
Cumulative Common Stock Dividend Distributions (in Excess of)/Below Estimated Cumulative REIT Taxable Income, net of Preferred Stock Dividends	**$(0.77)**	**$(0.37)**	**$0.04**	**$0.42**	**$(0.77)**
Beginning Cumulative Non-Deductible Capital Losses	**$1,127**	**$1,373**	**$1,683**	**$1,785**	**$1,785**
Capital Loss Carryforward	(364)	(246)	(310)	(102)	(1,022)
Ending Cumulative Non-Deductible Capital Losses	**$763**	**$1,127**	**$1,373**	**$1,683**	**$763**
Ending Cumulative Non-Deductible Capital Losses per Common Share	**$2.16**	**$3.19**	**$3.89**	**$4.77**	**$2.16**

Taxable income determines our minimum REIT distribution requirement. Our “Earnings and Profits” (or “E&P”) determines the character of our dividends for shareholders (i.e., whether our distributions are characterized as dividend income or a return of capital for shareholders). E&P is a tax measure that generally conforms to taxable income; however, the utilization of net capital loss carry forwards does not reduce our current year E&P. Therefore, although our 2014 dividend distributions exceeded our taxable income, they did not exceed our 2014 E&P, and as such our dividend distributions reported to shareholders on Form 1099-DIV represent ordinary dividend income for shareholders for calendar year 2014.

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Amounts may not total due to rounding

1. Table includes non-GAAP financial measures. Please refer to information regarding non-GAAP financial measures at the end of this presentation
2. Capital losses in excess of capital gains are not deductible from ordinary taxable income, but may be carried forward for up to five years and applied against future net capital gains. As of Dec 31, 2014, $0.8 B of capital losses were available through Dec 2018

NET BOOK VALUE ROLL FORWARD

	Q4 2014			Year 2014		
(In millions, except per share data) (Unaudited)	Balance	Common Shares Outstanding	Net Book Value per Common Share	Balance	Common Shares Outstanding	Net Book Value per Common Share
Beginning Net Common Equity [1]	**$9,009**	**352.8**	**$25.54**	**$8,524**	**356.2**	**$23.93**
Net Loss	(323)			(233)		
Other Comprehensive Income	634			1,813		
Dividend on Common Stock	(233)			(921)		
Dividend on Preferred Stock	(7)			(23)		
Dilution from Issuance of Preferred Stock [2]	--			(5)		
Repurchase of Common Stock, Net of Expenses	--			(74)	(3.4)	$(22.10)
Ending Net Common Equity	**$9,080**	**352.8**	**$25.74**	**$9,080**	**352.8**	**$25.74**
Series A Preferred Stock Liquidation Preference	173			173		
Series B Preferred Stock Liquidation Preference	175			175		
Ending Total Stockholders' Equity	**$9,428**			**$9,428**		

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Amounts may not total due to rounding

1. Common equity is net of the Company's Series A and Series B Preferred Stock liquidation preference
2. Represents underwriting fees and other offering costs related to the Series B Preferred Stock issuance

BUSINESS ECONOMICS – PORTFOLIO ADJUSTED

Q4 2014 (unaudited)	Unadjusted Repo Funded Assets	Adjusted Repo Funded Assets	Adjusted Dollar Roll Funded Assets	Total Adjusted Repo and Dollar Roll Funded Assets
Asset Yield	**2.57%**	**2.57%**	**3.48%**	**2.81%**
Cost of Funds: [1]				
Cost of Funds – Repo / Implied Dollar Roll Financing	(0.40)%	(0.40)%	0.14%	(0.25)%
Cost of Funds – Swap [2]	(0.99)%	(0.71)%	(0.70)%	(0.71)%
Total Cost of Funds	**(1.39)%**	**(1.11)%**	**(0.56)%**	**(0.96)%**
Net Interest Rate Spread	**1.18%**	**1.46%**	**2.92%**	**1.85%**
Leverage [3]	**4.9x**	**4.9x**	**2.0x**	**6.9x**
Leveraged Net Interest Rate Spread	5.70%			12.66%
Plus Asset Yield	2.57%			2.81%
Gross Return on Equity (“ROE”) Before Expenses and Other Income	**8.27%**			**15.47%**
Management Fees as a % of Equity	(1.25)%			(1.25)%
Other Operating Expenses as a % of Equity	(0.23)%			(0.23)%
Total Operating Expenses as a % of Equity	**(1.48)%**			**(1.48)%**
Net Spread Income ROE	**6.79%**			**13.99%**
Other Miscellaneous [4]	(1.07)%			(1.07)%
Realized Other Loss	(0.43)%			(7.63)%
Unrealized Other Loss	(18.90)%			(18.90)%
Net Income ROE	**(13.61)%**			**(13.61)%**
Other Comprehensive Income	26.72%			26.72%
Comprehensive Income ROE	**13.11%**			**13.11%**
Comprehensive Income on Preferred Equity in Excess of Preferred Dividend	0.20%			0.20%
Net Comprehensive Income ROE Available to Common Shareholders	**13.31%**			**13.31%**

1. Cost of funds and net interest rate spread exclude other supplemental hedges, such as swaptions and U.S. Treasury positions, and U.S. Treasury repos
2. Swap costs are allocated to repo funded and dollar roll funded assets on a duration weighted basis
3. Average leverage excludes stockholders' equity allocated to investment in REIT equity securities
4. Other miscellaneous reflects the impact of differences between the use of daily averages used for investment securities and repurchase agreements and the month-end average used for stockholders' equity, cash and cash equivalents, restricted cash, other non investment assets and liabilities, and other immaterial rounding differences

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FIXED RATE AGENCY SECURITIES – MBS AND NET TBA POSITION

$ IN MILLIONS – AS OF DEC 31, 2014

MBS Coupon [1]	Par Value [2]	Market Value [2]	Higher Quality Specified Pools [3,5]	Other Specified Pools [4]	MBS Amortized Cost Basis [6]	MBS Average WAC [6,7]	MBS Average Age (Months) [6]	MBS Actual 1 Month CPR [6,8]	Duration (Years) [2,9]
≤15 YR Mortgage Securities									
2.5%	$7,828	$7,992	26%	9%	102.0%	2.96%	26	7%	3.9
3.0%	7,635	7,950	46%	6%	103.1%	3.50%	31	8%	3.4
3.5%	4,726	5,017	96%	6%	103.6%	3.95%	41	12%	3.0
4.0%	4,569	4,906	84%	7%	104.5%	4.40%	49	13%	2.5
4.5%	478	508	91%	7%	105.0%	4.87%	52	15%	2.8
≥ 5.0%	6	7	26%	65%	104.2%	6.46%	84	1%	2.5
Subtotal	$25,242	$26,381	58%	7%	103.2%	3.65%	36	10%	3.3
20 YR Mortgage Securities									
≤ 3.0%	$324	$334	18%	10%	99.3%	3.55%	19	6%	4.1
3.5%	698	736	58%	10%	102.2%	4.05%	22	9%	2.9
4.0%	80	86	36%	12%	104.5%	4.53%	40	11%	2.6
4.5%	101	111	99%	0%	106.8%	4.89%	49	11%	2.0
≥ 5.0%	5	5	0%	0%	106.0%	5.91%	79	16%	1.5
Subtotal	$1,208	$1,272	49%	9%	102.0%	4.03%	25	8%	3.1
30 YR Mortgage Securities									
≤ 3.0%	$6,887	$6,969	1%	2%	98.9%	3.58%	19	4%	5.9
3.5%	17,970	18,765	48%	1%	105.2%	3.98%	27	7%	4.5
4.0%	12,644	13,551	42%	23%	106.4%	4.43%	20	8%	4.2
4.5%	1,699	1,868	89%	10%	106.5%	4.96%	43	15%	3.8
5.0%	183	203	36%	31%	106.2%	5.45%	80	11%	3.5
≥ 5.5%	207	232	36%	13%	108.9%	6.23%	96	16%	2.7
Subtotal	$39,590	$41,588	40%	9%	105.6%	4.28%	25	8%	4.6
Total Fixed [8]	**$66,040**	**$69,241**	**47%**	**8%**	**104.5%**	**4.01%**	**29**	**9%**	**4.1**

1. The wtd/avg coupon on fixed rate securities held as of Dec 31, 2014 was 3.55%, excluding net long TBA mortgage position, and 3.45%, including net long TBA position
2. Excluding net long TBA position, total fixed-rate MBS as of Dec 31, 2014 had a par value of $51,628, market value of $54,472 and an avg duration of 3.91 years
3. Higher quality specified pools defined as pools backed by original loan balances of up to $150K. Includes HARP securities defined as pools backed by 100% refinance loans with original LTVs ≥ 100%
4. Other specified pools defined as pools backed by original loan balances of > $150K ≤ $175k. Includes HARP securities defined as pools backed by 100% refinance loans with original LTVs of ≥ 80 and < 100%. Includes low FICO pools backed by loans with a max original credit score of 700, pools which are 100% originated in New York and Puerto Rico and pools backed by 100% investor occupancy status loans
5. Percentages in table can exceed 100% of total market value due to inclusion of TBA positions
6. Average MBS cost basis, WAC, Age and CPR exclude net TBA position
7. Average WAC represents the weighted average coupon of the underlying collateral
8. Actual 1 month annualized CPR published during Jan 2015 for Agency securities held as of Dec 31, 2014
9. Duration derived from models that are dependent on inputs and assumptions provided by third parties as well as by our investment team and, accordingly, actual results could differ materially from these estimates. Refer to the supplemental slide at the end of this presentation for additional information

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REPO COUNTERPARTY CREDIT RISK

OUR REPO FUNDING IS WELL DIVERSIFIED BY COUNTERPARTY AND GEOGRAPHY

- **Repo counterparties well diversified**
- **Maintained excess capacity with most of our counterparties**
- **Less than 4% of our equity is at risk with any one counterparty**
- **Less than 12% of our equity is at risk with the top 5 counterparties**

Counterparty Region	Number of Counterparties	Percent of Repo Funding
North America	18	60%
Asia	5	12%
Europe	11	28%
Total	34	100%

Counterparty Region	Counterparty Rank	Counterparty Exposure as a % of NAV [1,2]
North America	1	2.66%
	2	2.00%
	3	1.67%
	4	1.67%
	5	1.29%
	6-18	11.58%
Asia	1	1.26%
	2	0.66%
	3	0.69%
	4	0.16%
	5	0.11%
Europe	1	3.26%
	2	1.30%
	3	0.52%
	4	0.49%
	5	0.29%
	6-11	2.47%

Total Exposure	32.08%
Top 5 Exposure	11.26%

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Note: All figures as of Dec 31, 2014
1. Excludes $0.8 B of other debt in connection with the consolidation of a structured transaction under GAAP
2. Counterparty exposure with regard to Agency collateral pledged under repo agreements. Amounts do not include exposure with regard to collateral pledged under derivative agreements, prime brokerage agreements and other debt

HEDGE INSTRUMENTS

OUR PRIMARY OBJECTIVE IS NOT TO ELIMINATE RISK OR TO LOCK IN A PARTICULAR NET INTEREST MARGIN, BUT TO MAINTAIN OUR NET BOOK VALUE WITHIN REASONABLE BANDS OVER A RANGE OF INTEREST RATE SCENARIOS

- **Interest Rate Swaps**
  - ✓ $43.7 B notional pay fixed swap book as of Dec 31, 2014
    - $8.2 B of swaps added during the quarter
      - 4.2 years average maturity, 1.36% average pay rate as of Dec 31, 2014
    - $4.8 B of swaps terminated during the quarter
- **Payer Swaptions**
  - ✓ $6.8 B notional payer swaptions as of Dec 31, 2014
    - $1.5 B of payer swaptions added at a cost of $21 MM
    - $0.9 B payer swaptions expired or terminated for net realized losses of $10 MM
    - 0.7 year average remaining option term, 6.2 years average underlying swap term
- **Receiver Swaptions**
  - ✓ $4.3 B notional receiver swaptions as of Dec 31, 2014
    - 0.4 year average remaining option term, 6.4 years average underlying swap term
  - ✓ $ 3.0 B notional receiver swaptions added at a cost of $10 MM during the quarter

As of Dec 31, 2014 ($ in Millions)

Interest Rate Swaps

Years to Maturity	Notional Amount [1]	Pay Rate [2]	Receive Rate [3]	Average Maturity [1,4]
≤ 3 Years	$12,300	1.33%	0.21%	2.0
> 3 to ≤ 5 Years	8,975	1.63%	0.24%	4.2
> 5 to ≤ 7 Years	7,250	2.47%	0.23%	6.1
> 7 to ≤ 10 Years	10,775	2.48%	0.24%	8.3
> 10 Years	4,400	3.19%	0.23%	12.6
Total / Wtd Avg	$43,700	2.05%	0.23%	5.8
As of Sept 30, 2014				
Total / Wtd Avg	$40,225	2.22%	0.22%	6.4

Payer Swaptions

Expiration	Notional Amount	Cost	Market Value	Pay Rate	Swap Term (Years)
≤ 1 Year	$5,600	$113	$36	3.15%	6.4
> 1 to ≤ 2 Years	1,200	32	10	3.87%	5.1
Total / Wtd Avg	$6,800	$145	$46	3.28%	6.2
As of Sept 30, 2014					
Total / Wtd Avg	$6,150	$132	$61	3.19%	4.9

Receiver Swaptions

Expiration	Notional Amount	Cost	Market Value	Receive Rate	Swap Term (Years)
≤ 1 Year	$4,250	$18	$29	1.78%	6.4
As of Sept 30, 2014					
Total / Wtd Avg	$2,500	$10	$9	2.08%	8.2

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1. Notional amount includes forward starting swaps of $12.4 B and $13.2 B as of Dec 31, 2014 and Sept 30, 2014, respectively, with an average forward start date of 1.1 and 1.4 years, respectively, and an average maturity of 7.9 years and 8.3 years from Dec 31, 2014 and Sept 30, 2014, respectively
2. Weighted average pay rate includes forward starting swaps. Excluding forward starting swaps, the weighted average pay rate was 1.68% and 1.82% as of Dec 31, 2014 and Sept 30, 2014, respectively
3. Weighted average receive rate excludes forward starting swaps
4. Weighted average maturity measured from period end through maturity date.

OTHER HEDGE AND DERIVATIVE INSTRUMENTS

WE CONTINUE TO USE A VARIETY OF HEDGING INSTRUMENTS TO MANAGE INTEREST RATE RISK

- **Treasury Securities**
  - ✓ $2.9 B net short treasury position market value
- **Treasury Futures**
  - ✓ $0.9 B short treasury futures market value
- **TBA Mortgages**
  - ✓ $14.4 B net long position market value
- **Total Hedge Portfolio**
  - ✓ Positions actively managed
  - ✓ 76% of our repo, other debt and net TBA position covered by swap, swaption and treasury positions as of Dec 31, 2014, unchanged from Sept 30, 2014

As of Dec 31, 2014 ($ in Millions)

Treasury Securities		
Maturity	Face Amount Net Long / (Short)	Market Value Net Long / (Short)
5 Year	$(4,674)	$(4,644)
7 Year	(717)	(718)
10 Year	2,410	2,427
Total	$(2,981)	$(2,935)
As of Sept 30, 2014		
Total	$(3,476)	$(3,529)

Net TBA Position		
Term	Face Amount Net Long / (Short)	Market Value Net Long / (Short)
15 Year	$3,260	$3,360
30 Year	11,152	11,408
Total	$14,412	$14,768
As of Sept 30, 2014		
Total	$17,259	$17,748

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Duration Gap Information

Duration gap is an estimate of the difference in the interest rate price sensitivity of our assets relative to our liabilities and hedges, excluding the impact of negative convexity and leverage

- **Our duration gap was positive 0.5 years as of Dec 31, 2014, compared to positive 1.0 year as of Sept 30, 2014**
- **The duration of our asset portfolio was 4.1 years as of Dec 31, 2014, compared to 5.1 years as of Sept 30, 2014**
- **The duration of our liability and hedge portfolio was negative 3.6 years as of Dec 31, 2014, compared to negative 4.1 years as of Sept 30, 2014**

($ in Billions, Duration in years)	Dec 31, 2014		Sept 30, 2014	
Asset	**Market Value**	**Duration**	**Market Value**	**Duration**
Fixed [1]	$53.2	3.9	$47.9	4.8
ARM	0.7	1.9	0.9	2.3
CMO [2]	2.1	5.6	2.2	6.6
Net TBA	14.8	4.7	17.7	6.0
REIT Equity Securities	0.1	10.0	0.1	10.0
Total	$70.9	**4.1**	$68.7	**5.1**
Liabilities & Hedges	**Market Value / Notional**	**Duration**	**Market Value / Notional**	**Duration**
Repo	$(50.3)	-0.4	$(45.3)	-0.4
Swaps	(43.7)	-5.1	(40.2)	-5.4
Preferred Stock	(0.3)	-7.6	(0.3)	-7.8
Payer Swaptions	(6.8)	-0.9	(6.2)	-1.3
Receiver Swaptions	4.3	2.0	(2.5)	1.0
Treasury Securities	(2.9)	-1.7	(3.5)	-9.7
Treasury Futures	(0.9)	-6.3	(0.9)	-6.3
Total [3]		**-3.6**		**-4.1**
Net Duration Gap		**0.5**		**1.0**

The estimated durations included in the table above are derived from models that are dependent on inputs and assumptions provided by third parties as well as by our investment team and, accordingly, actual results could differ materially from these estimates. In addition, different models could generate materially different estimates using similar inputs and assumptions. Management uses judgment to address the limitations and weaknesses inherent in model calculations as it seeks to balance the protection of book value with the generation of attractive returns. For example, we typically map lower loan balance and HARP securities to proxy securities within our models in order to derive durations and convexities that management believes are more consistent with how the prices of these securities would perform over larger interest rate movements. Other market participants could make materially different assumptions with respect to these and other judgments. Please also refer to the supplemental slide at the end of this presentation and our related disclosures in our 10-Ks and 10-Qs for a more complete discussion of duration (interest rate risk).

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1. Fixed rate securities exclude securities from consolidated structured transactions
2. CMO balance includes interest-only, inverse interest-only and principal-only securities and consolidated structured transactions, net of consolidated other debt
3. Total liability and hedge duration is expressed in asset units

NAV SENSITIVITY TO RATES AND MBS SPREADS

BOTH CHANGES IN INTEREST RATES AND CHANGES TO MBS SPREADS RELATIVE TO TREASURY AND SWAP RATES CAN IMPACT THE MARKET VALUE OF OUR EQUITY

- **Interest Rate Sensitivity**
  - ✓ Interest rate sensitivity is the sensitivity of our assets to changes in interest rates
    - The duration of a mortgage changes with interest rates and tends to increase when rates rise and decrease when rates fall
    - This "negative convexity" generally increases the interest rate exposure of a mortgage portfolio over what would be indicated by just our duration gap alone
  - ✓ The estimated change in the market value of our asset portfolio, net of hedges, incorporates the dual effects of both duration and convexity and assumes no portfolio rebalancing actions taken
- **MBS Spread Sensitivity ("Basis Risk")**
  - ✓ The MBS spread sensitivity is the sensitivity of our assets to changes in MBS spreads
  - ✓ Our estimated spread sensitivity is based on model predictions and assumes a spread duration of 5.3 years, which is based on interest rates and MBS prices as of Dec 31, 2014
  - ✓ The spread sensitivity is also sensitive to interest rates and increases as interest rates rise and prepayments slow

Interest Rate Sensitivity [1]
As of Dec 31, 2014
(based on instantaneous parallel shift in interest rates)

Interest Rate Shock (bps)	Estimated Change in Portfolio Market Value [2]	Estimated Change as a % of NAV [3]
-100	-0.6%	-4.7%
-50	0.1%	0.5%
+50	-0.5%	-3.8%
+100	-1.2%	-9.6%

MBS Spread Sensitivity ("Basis Risk") [1]
As of Dec 31, 2014

MBS Spread Shock (bps)	Estimated Change in Portfolio Market Value [2]	Estimated Change as a % of NAV [3]
-25	1.3%	10%
-10	0.5%	4%
+10	-0.5%	-4%
+25	-1.3%	-10%

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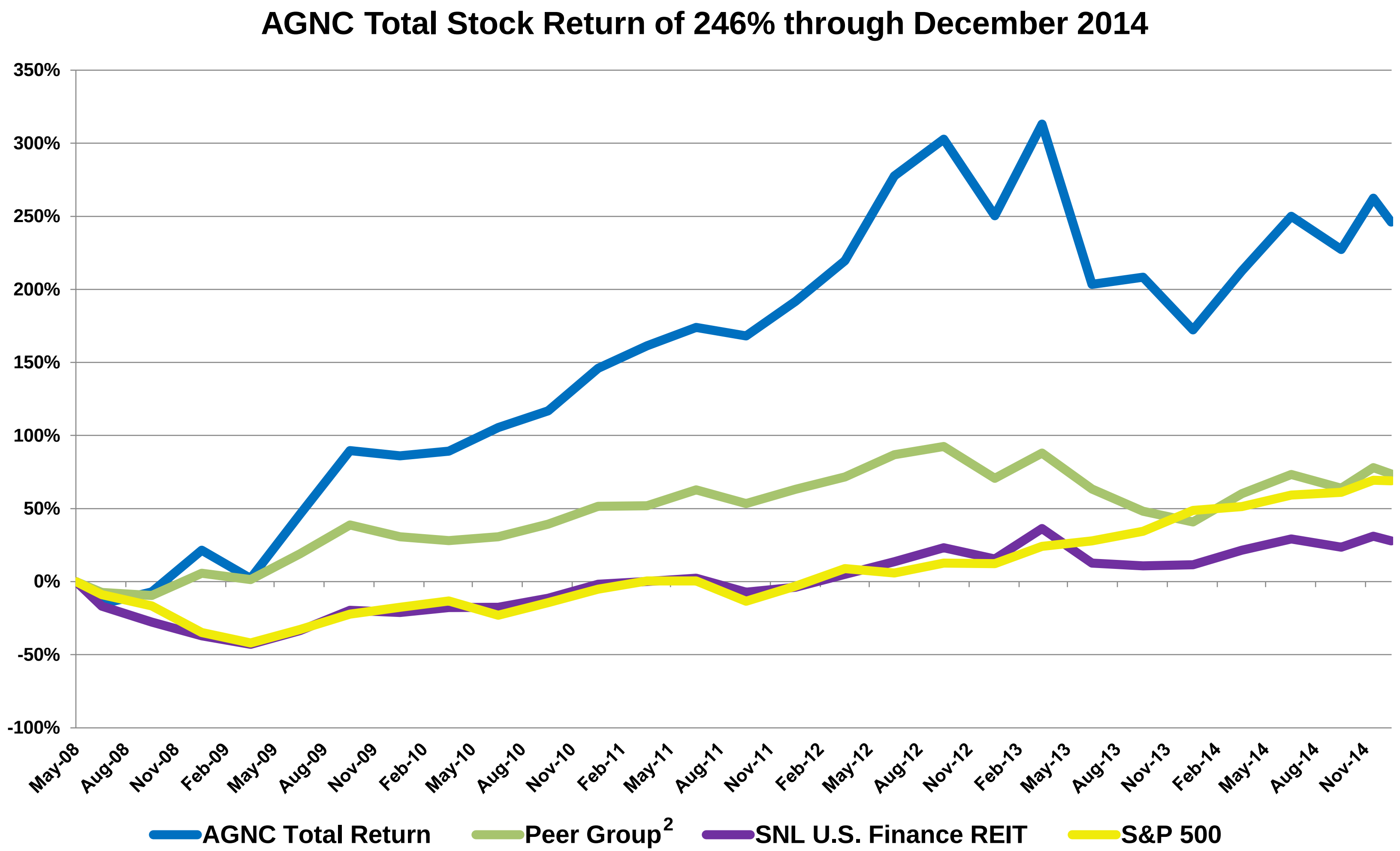
1. Interest rate and MBS spread sensitivity are derived from models that are dependent on inputs and assumptions provided by third parties as well as by our investment team and, accordingly, actual results could differ materially from these estimates. Please also refer to the supplemental slide at the end of this presentation entitled "Duration Gap" for additional information
2. Estimated dollar change in value expressed as a percentage of the total market value of "at risk" assets
3. Estimated change as a percentage of NAV incorporates the impact of leverage

STOCK PERFORMANCE

AGNC TOTAL STOCK RETURN VS. VARIOUS INDICES [1]

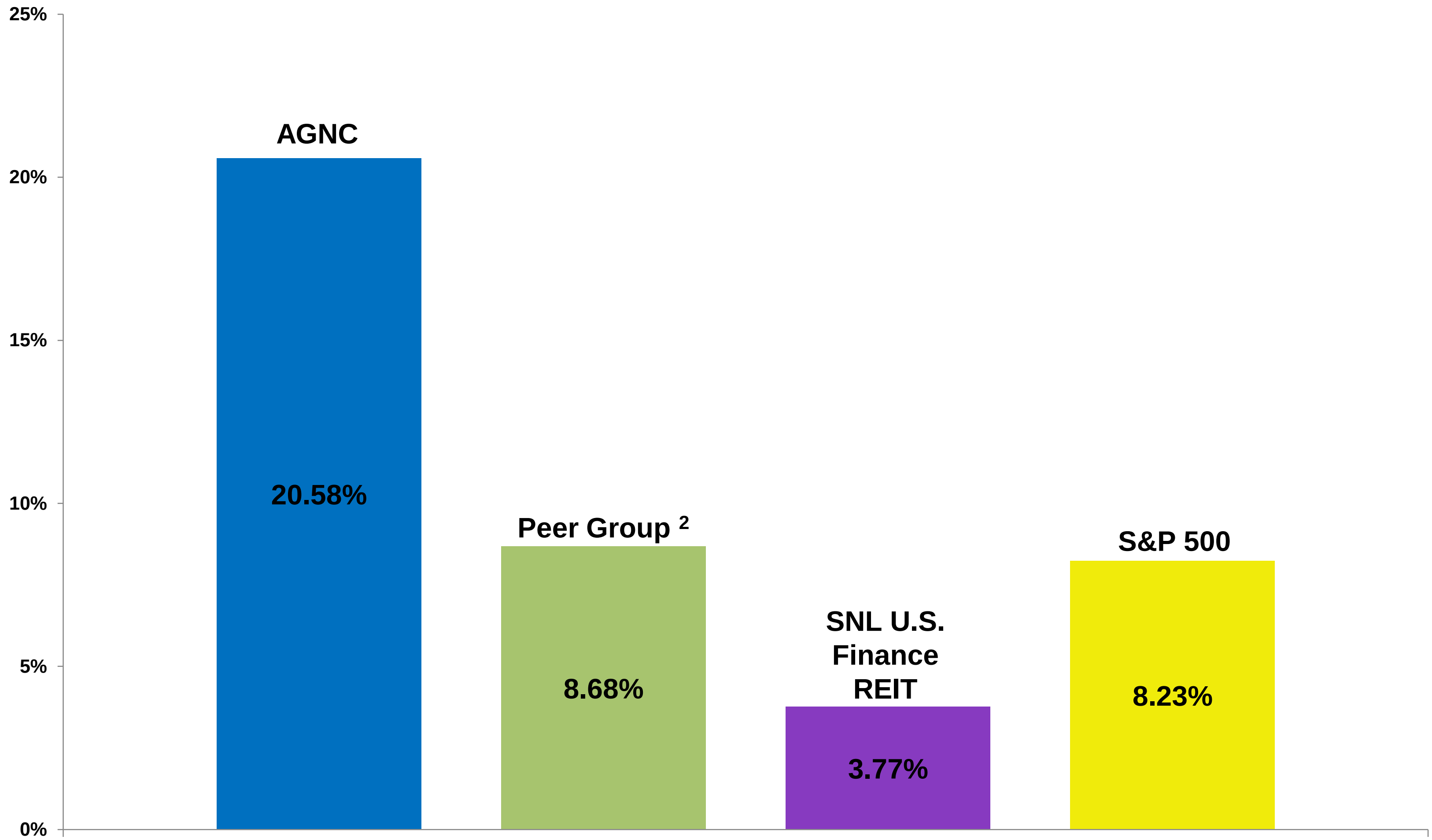
TOTAL STOCK RETURN (CHANGE IN SHARE PRICE PLUS DIVIDENDS REINVESTED) SINCE MAY 2008 IPO



1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Peer Group (unweighted): NLY, CMO, HTS, ANH, ARR and CYS

AGNC Total Stock Return vs. Various Indices [1]

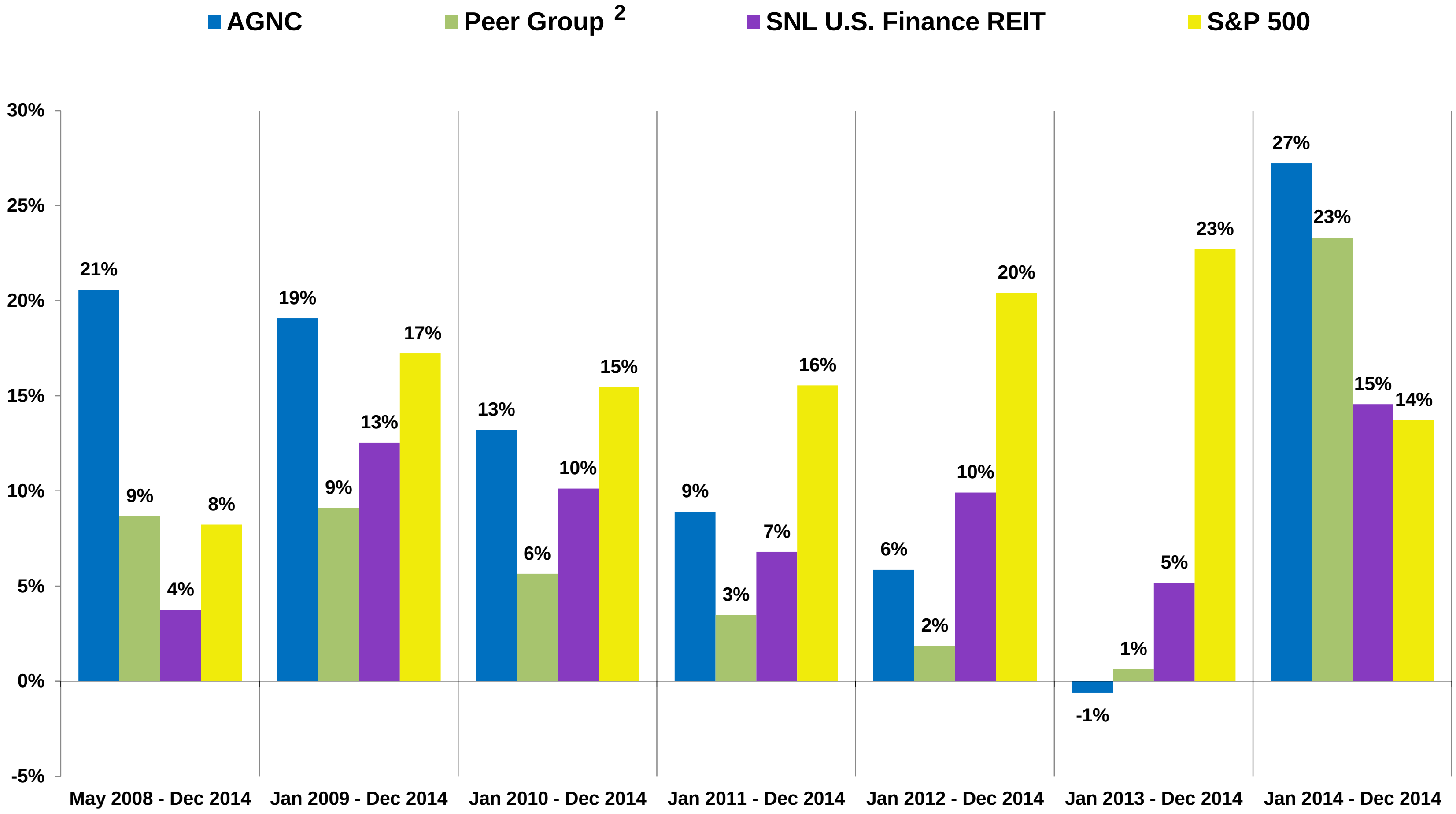
Annualized Total Stock Return Since May 2008 IPO, as of December 31, 2014



1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Peer Group (unweighted): NLY, CMO, HTS, ANH, ARR and CYS

AGNC Total Stock Returns vs. Various Indices [1]

Annualized Total Stock Returns By Year of Investment through December 2014



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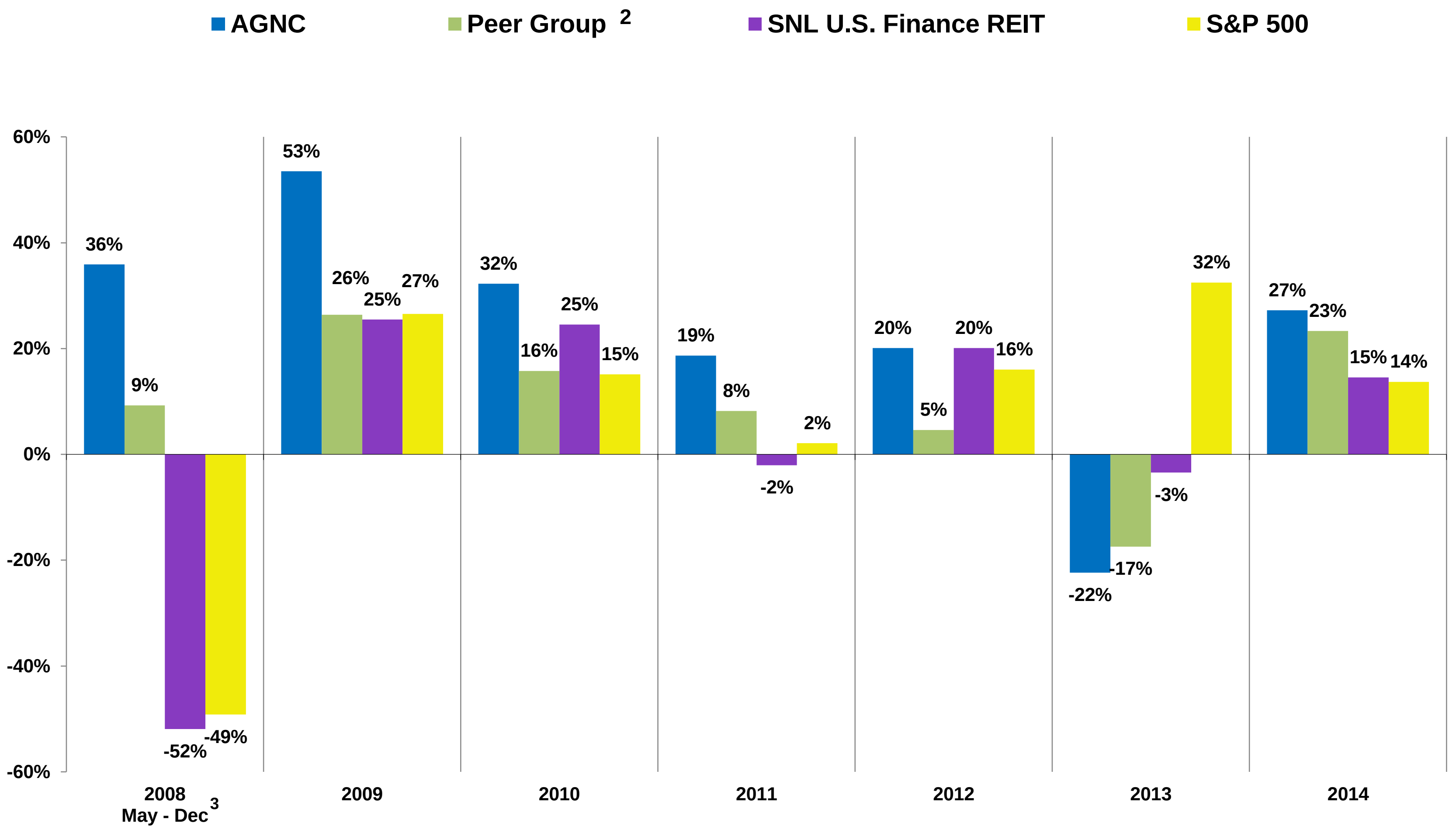
1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Peer Group (unweighted): NLY, CMO, HTS, ANH, ARR and CYS

AGNC Total Stock Returns vs. Various Indices [1]

Total Stock Returns By Calendar Year



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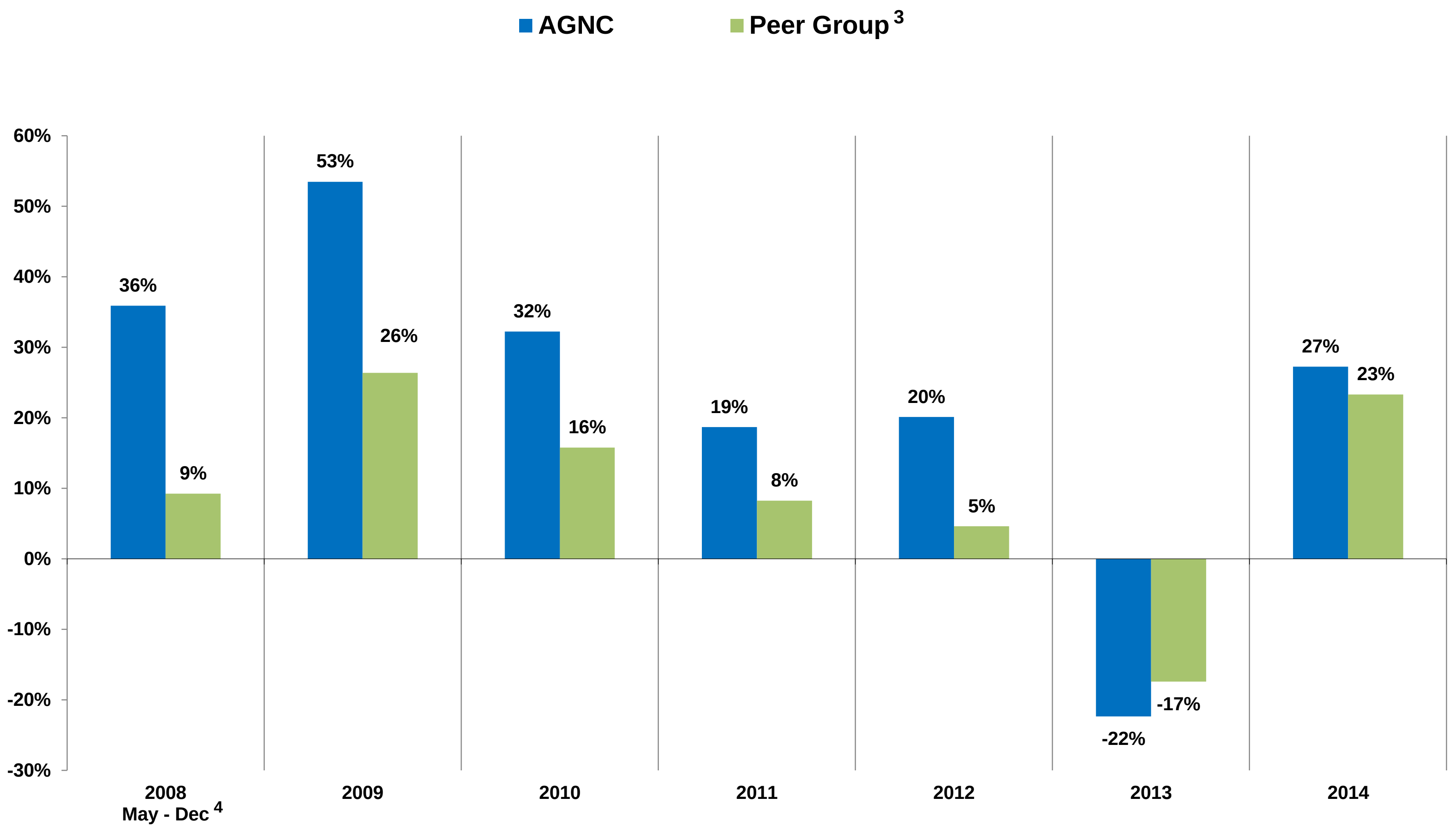
1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Peer Group (unweighted): NLY, CMO, HTS, ANH, ARR and CYS
3. Stub period(s) annualized

AGNC Total Stock Returns vs. Peer Group Index by Calendar Year [1]

85% of the Years AGNC Outperformed the Peer Group Index [2]



1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Stub period(s) weighted based on days outstanding
3. Peer Group (unweighted): NLY, CMO, HTS, ANH, ARR and CYS
4. Annualized

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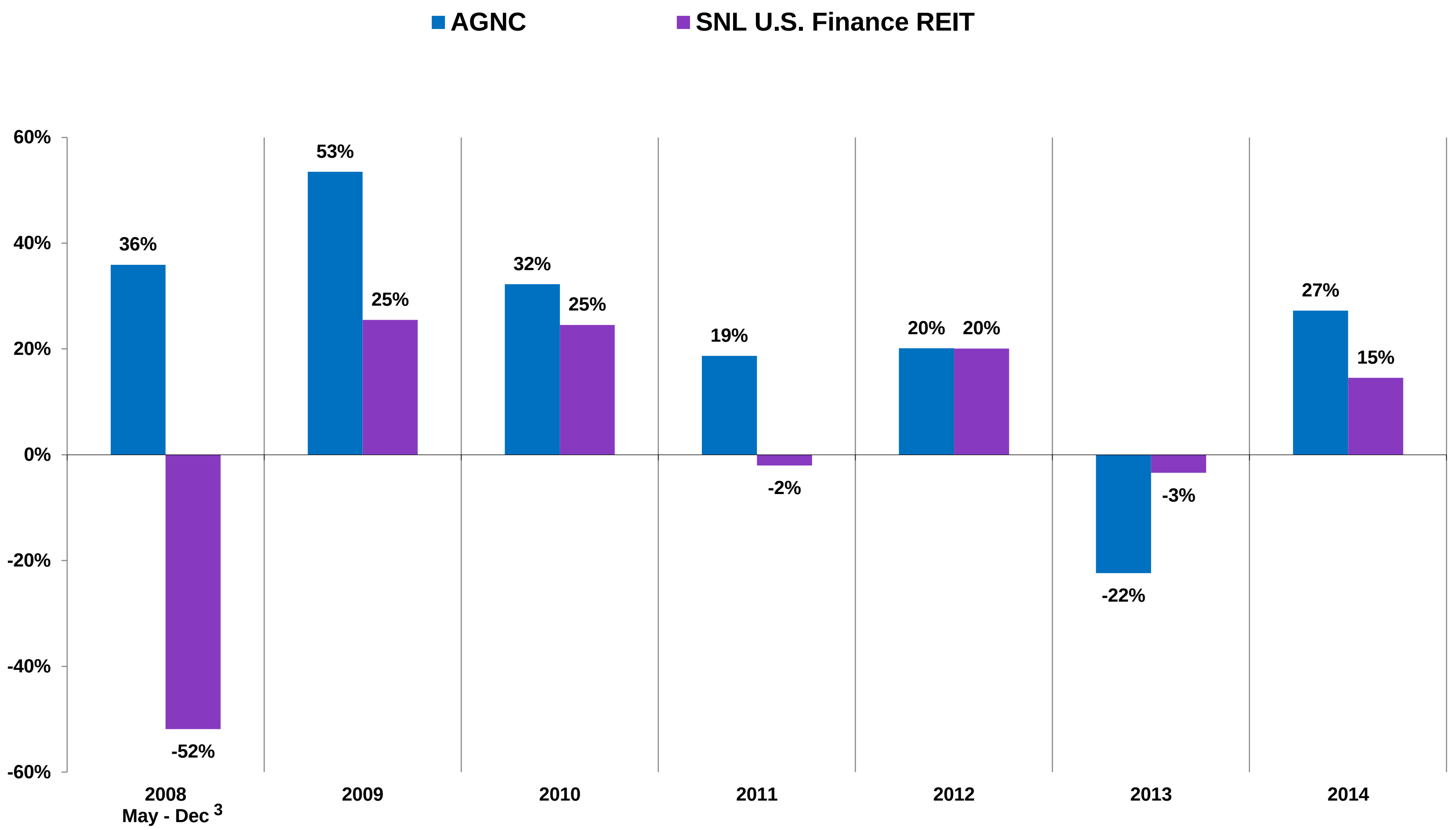
AGNC Total Stock Returns vs. SNL U.S. Finance REIT Index by Calendar Year [1]

70% of the Years AGNC Outperformed the SNL U.S. Finance REIT Index [2]



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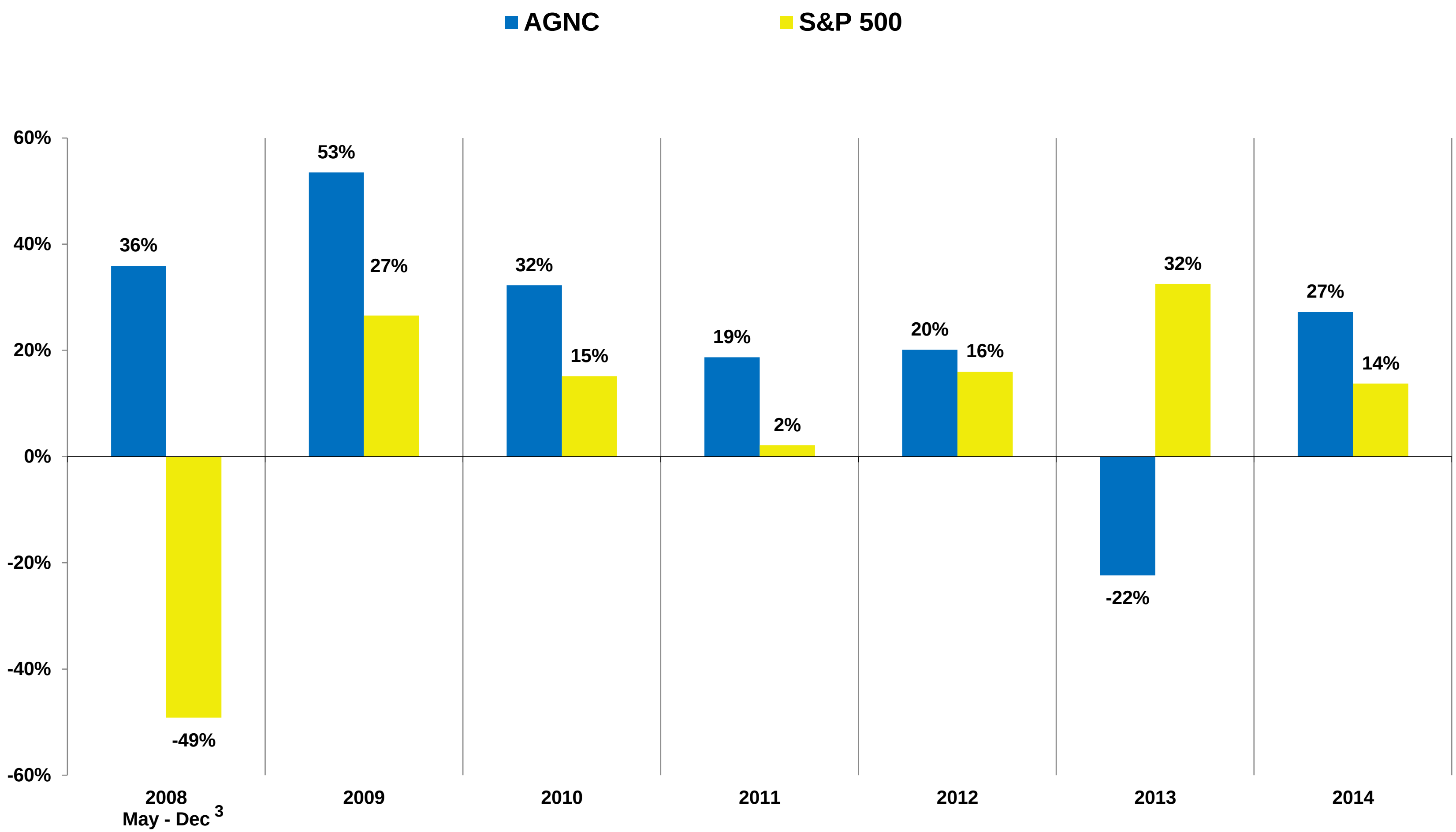
1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Stub period(s) weighted based on days outstanding
3. Annualized

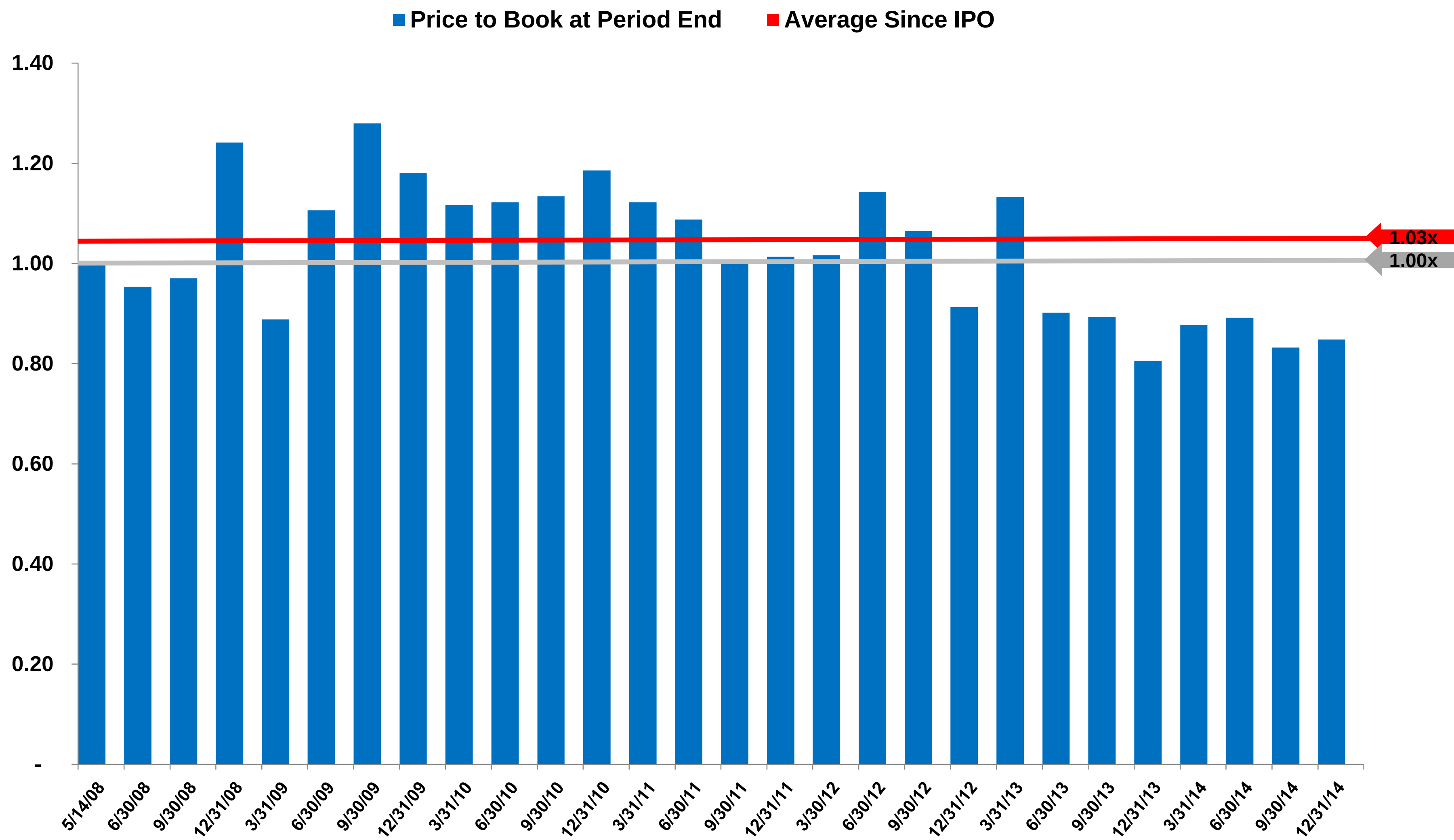
AGNC Total Stock Returns vs. S&P 500 Index by Calendar Year [1]

85% of the Years AGNC Outperformed the S&P 500 Index [2]



1. Source: SNL Financial; Total stock return over a period, including price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price of the security on the ex-dividend date
2. Stub period(s) weighted based on days outstanding
3. Annualized

AGNC Historical Price to Book Multiple



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SUPPLEMENTAL INFORMATION

DURATION GAP

- **The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner**
  - ✓ For example, an instrument with a 1 year duration is expected to change 1% in price for a 100 bps move in rates
- **Duration gap is a measure of the difference in the interest rate exposure, or estimated price sensitivity, of our assets and our liabilities (including hedges)**
  - ✓ It is calculated using relatively complex models and different models can produce substantially different results. Furthermore, the actual duration of both assets and liabilities (including hedges) may differ materially from the model estimates
  - ✓ Duration and convexity calculations generally assume all rates move in a parallel fashion (2 yr rates, 10 yr rates, swap rates, treasury rates etc.) and this is typically not the case. As such, these calculations do not measure the "basis risk" or yield curve exposure, embedded in these positions
  - ✓ Higher leverage increases the exposure of our book value (or equity) to a given duration gap
- **The duration of mortgage assets also changes as interest rates move. The duration generally extends when interest rates rise and contracts when interest rates fall. This is called "negative convexity" and is generally driven by changes in prepayment expectations, which have historically been correlated with interest rates. Interest rate caps embedded in ARM securities also increase negative convexity**
  - ✓ Negative convexity generally increases the interest rate exposure of a mortgage portfolio significantly over what would be indicated by the duration gap alone
- **AGNC uses a risk management system and models provided by Blackrock Solutions to generate these calculations and as a tool for helping us to measure other exposures, including exposure to larger interest rate moves and yield curve changes**
  - ✓ Base models, settings and market inputs are provided by Blackrock
  - ✓ Blackrock periodically adjusts these models as new information becomes available
  - ✓ AGNC management makes adjustments to the Blackrock model for certain securities as needed
  - ✓ Please refer to our most recent Form 10-K and 10-Q filed with the SEC for additional information on risk measures
- **The inputs and results from these models are not audited by our independent auditors**

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Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, our results of operations discussed within this presentation include certain non-GAAP financial information, including "adjusted net interest expense" (defined as interest expense plus the periodic interest rate costs of our interest rate swaps reported in gain (loss) on derivatives and other securities, net in our consolidated statements of comprehensive income), "net spread and dollar roll income" (defined as interest income, TBA dollar roll income and dividends from REIT equity securities, net of adjusted net interest expense and operating expenses) and "estimated taxable income" and certain financial metrics derived from non-GAAP information, such as "cost of funds" and "net interest rate spread."

By providing users of our financial information with such measures in addition to the related GAAP measures, we believe it gives users greater transparency into the information used by our management in its financial and operational decision-making and that it is meaningful information to consider related to: (i) the economic costs of financing our investment portfolio inclusive of interest rate swaps used to economically hedge against fluctuations in our borrowing costs, (ii) in the case of net spread and dollar roll income, our current financial performance without the effects of certain transactions that are not necessarily indicative of our current investment portfolio and operations, and (iii) in the case of estimated taxable income, information that is directly related to the amount of dividends we are required to distribute in order to maintain our REIT qualification status. However, because such measures are incomplete measures of our financial performance and involve differences from results computed in accordance with GAAP, they should be considered as supplementary to, and not as a substitute for, our results computed in accordance with GAAP. In addition, because not all companies use identical calculations, our presentation of such non-GAAP measures may not be comparable to other similarly-titled measures of other companies. Furthermore, estimated taxable income can include certain information that is subject to potential adjustments up to the time of filing our income tax returns, which occurs after the end of our fiscal year.

A reconciliation of GAAP net interest income to non-GAAP net spread and dollar roll income and a reconciliation of GAAP net income to non-GAAP estimated taxable income is included in this presentation.