



## **AGNC Investment Corp. Announces Amendment To MTGE Management Agreement In Connection With Proposed Acquisition Of MTGE Investment Corp. By Annaly Capital Management, Inc.**

May 2, 2018

BETHESDA, Md., May 2, 2018 /PRNewswire/ -- AGNC Investment Corp. (Nasdaq: AGNC) ("AGNC" or the "Company") announced today that its subsidiary MTGE Management, LLC has entered into an amendment to its management agreement with MTGE Investment Corp. (Nasdaq: MTGE) ("MTGE") in connection with the proposed acquisition of MTGE by Annaly Capital Management, Inc. (NYSE: NLY). The transaction is subject to customary closing conditions and is expected to close in the third quarter of 2018.

Pursuant to the amendment, MTGE Management, LLC will continue to manage MTGE through the closing of the merger and for a short transitional period following the merger. In addition to regular monthly management fees payable for ongoing service, MTGE Management, LLC will be paid a termination fee of \$41.7 million. Importantly, AGNC will retain all of its investment capabilities; personnel, including the employees responsible for investing on MTGE's behalf; and infrastructure.

"As AGNC's relationship with MTGE nears its end with MTGE's pending acquisition, we are extremely proud of what we, through our asset management subsidiary, have accomplished at MTGE and for its shareholders," said Gary Kain, AGNC's Chief Executive Officer and Chief Investment Officer. "From MTGE's initial public offering in 2011 through May 1, 2018, our portfolio management team has guided MTGE to an aggregate total stock return of 107%, or over 11% annualized. MTGE's performance in 2017 was particularly favorable, as it posted a total stock return of over 30% and an 18% economic return."

For further information or questions, please contact Investor Relations at (301) 968-9300 or [IR@AGNC.com](mailto:IR@AGNC.com).

### **ABOUT AGNC INVESTMENT CORP.**

AGNC Investment Corp. is an internally-managed real estate investment trust that invests primarily in residential mortgage-backed securities for which the principal and interest payments are guaranteed by a U.S. Government-sponsored enterprise or a U.S. Government agency. For further information, please refer to [www.AGNC.com](http://www.AGNC.com).

### **FORWARD-LOOKING STATEMENTS**

This press release contains forward-looking statements, including statements regarding the expected timing of completion of the proposed transaction, the expected benefits of the proposed transaction, and management's plans, projections and objectives for future operations. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance or results. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results could differ materially from those projected in these forward-looking statements due to a variety of important factors, including, without limitation, changes in interest rates, changes in the yield curve, changes in prepayment rates, the availability and terms of financing, changes in the market value of the Company's assets, the occurrence of any event or change of circumstances that could give rise to the termination of the transaction agreement, the risk that the proposed transaction will not be consummated in a timely manner or at all, the receipt of regulatory approval or other closing conditions for the proposed transaction, risks related to the disruption of management time from ongoing business operations due to the proposed transaction, the failure to realize the expected benefits from the proposed transaction, general economic conditions, market conditions, conditions in the market for agency securities, and legislative and regulatory changes that could adversely affect the business of the Company. Certain important factors that could cause actual results to differ materially from those contained in the forward-looking statements, are included in the Company's periodic reports filed with the Securities and Exchange Commission ("SEC"). Copies are available on the SEC's website, [www.sec.gov](http://www.sec.gov). The Company disclaims any obligation to update or revise any forward-looking statements based on the occurrence of future events, the receipt or new information, or otherwise.

### **CONTACT:**

Investor Relations - (301) 968-9300  
Media - (301) 968-9303

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