



AGNC Declares \$1.40 Fourth Quarter Dividend

December 18, 2009

BETHESDA, Md., Dec 18, 2009 /PRNewswire-FirstCall via COMTEX/ -- American Capital Agency Corp. (Nasdaq: AGNC) ("AGNC" or the "Company") announced today that its Board of Directors has declared a cash dividend of \$1.40 per share for the fourth quarter 2009. The dividend is payable on January 26, 2010 to common shareholders of record as of December 31, 2009, with an ex-dividend date of December 29, 2009.

The Company anticipates that the total dollar amount of undistributed taxable income will increase from September 30, 2009 and expects to incur a Federal excise tax. As a real estate investment trust ("REIT"), the Company is subject to a 4% annual Federal excise tax to the extent that the sum of (i) 85% of its ordinary taxable income, (ii) 95% of its capital gains and (iii) any undistributed taxable income from the prior year exceeds its distributions for such year. However, the Company does expect to distribute all of its taxable income for the 2009 fiscal year to its shareholders during 2010 in order to avoid any income taxes. As a REIT, the Company may distribute its current undistributed taxable income in the subsequent year if it is declared by the extended due date of its income tax return and paid by the end of the subsequent year.

ABOUT AGNC

AGNC is a REIT that invests exclusively in agency pass-through securities and collateralized mortgage obligations for which the principal and interest payments are guaranteed by a U.S. Government agency or a U.S. Government-sponsored entity. The Company is externally managed and advised by an affiliate of American Capital Ltd. ("American Capital"). For further information, please refer to <http://www.agnc.com/>.

ABOUT AMERICAN CAPITAL

American Capital is a publicly traded private equity firm and global asset manager. American Capital, both directly and through its asset management business, originates, underwrites and manages investments in middle market private equity, leveraged finance, real estate and structured products. Founded in 1986, American Capital has \$12 billion(1) in capital resources under management and eight offices in the U.S., Europe and Asia. For further information, please refer to <http://www.americancapital.com/>.

(1) As of September 30, 2009.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. 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. 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 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 our assets, 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 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. 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.

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SOURCE American Capital Agency Corp.

<http://www.agnc.com>