



AGNC Declares \$1.20 Fourth Quarter Dividend

December 19, 2008

BETHESDA, Md., Dec. 19 /PRNewswire-FirstCall/ -- American Capital Agency Corp. (Nasdaq: AGNC) (the "Company") announced today that its Board of Directors has declared a cash dividend of \$1.20 per share for the fourth quarter 2008. The dividend is payable on January 26, 2009 to common shareholders of record as of December 31, 2008, with an ex-dividend date of December 29, 2008.

"We are pleased to declare a fourth quarter 2008 dividend of \$1.20 per share," commented Malon Wilkus, Chairman, President and CEO of AGNC. "Our focus on relative value has generated attractive returns for our shareholders, despite the continued volatility in the broader markets."

ABOUT AGNC

AGNC is a REIT formed in 2008 to invest 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. For further information, please refer to <http://www.AGNC.com>.

ABOUT AMERICAN CAPITAL

American Capital, with \$17 billion in capital resources under management, is the only private equity fund and the largest alternative asset management company in the S&P 500. American Capital, both directly and through its global asset management business, originates, underwrites and manages investments in private equity, leveraged finance, real estate and structured products. American Capital and its affiliates invest from \$5 million to \$800 million per company in North America and euro 5 million to euro 500 million per company in Europe. American Capital was founded in 1986 and currently has 11 offices in the U.S., Europe and Asia. For further information, please refer to <http://www.AmericanCapital.com>.

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements. Forward-looking statements are not guarantees of future performance and are subject to various factors and uncertainties in predicting future results and conditions. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts. They often include words such as "believe," "expect," "anticipate," "estimate" and "intend" or future or conditional verbs such as "will," "would," "should," "could" or "may." Certain factors that could cause actual results to differ materially from expected results include 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. Persons considering an investment in the Company should consider the risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, as well as the investment objectives, charges and expenses of the Company carefully before investing. Such information and other information about the Company is available in the Company's Registration Statement on Form S-11, as amended, filed with the Securities and Exchange Commission ("SEC") on May 14, 2008 and in subsequent periodic reports filed with the SEC. Copies are available on the SEC's website, www.sec.gov. The Company disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement for any reason, except as otherwise required by law.

SOURCE American Capital Agency Corp.

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<http://www.AGNC.com> /

(ACAS AGNC)

CO: American Capital Agency Corp.; AGNC; American Capital

ST: Maryland

IN: FIN MFD

SU: DIV

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