CITI FINANCIAL SERVICES CONFERENCE

March 7, 2012

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 those forecast due to the impact of many factors beyond the control of American Capital Agency Corp. ("AGNC"). 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 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 our 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.

Corporate Overview

American Capital Agency

IPO DATE:
MAY 2008

IPO PRICE:
$20.00

TOTAL DIVIDENDS PAID / DECLARED SINCE IPO[1]:
$20.11

NET ASSET VALUE PER SHARE[2]:
$27.71

TOTAL EQUITY CAPITAL[3]:
$6.3 BILLION

STOCK TICKER:
AGNC

EXCHANGE:
NASDAQ

SUMMARY

American Capital Agency Corp. is a real estate investment trust that invests in and manages a levered portfolio of residential mortgage securities for which the principal and interest payments are guaranteed by a U.S. government-sponsored entity (Fannie Mae, Freddie Mac) or a U.S. government agency (Ginnie Mae).

OUR INVESTMENT OBJECTIVE

- Provide attractive risk-adjusted returns to our investors over the long-term through a combination of dividends and capital appreciation

OUR INVESTMENT STRATEGY

- Invest across the Agency MBS universe
- Relative value approach to asset selection
- Actively manage the portfolio
- Leverage and hedging strategies that are actively managed based on portfolio composition and market risks

OUR TEAM

- Senior investment professionals have worked together for the majority of their careers and, on average, have 19 years of investment experience across the residential mortgage universe
- Previously managed one of the world's largest portfolios of residential mortgage related investments

OUR FEE STRUCTURE

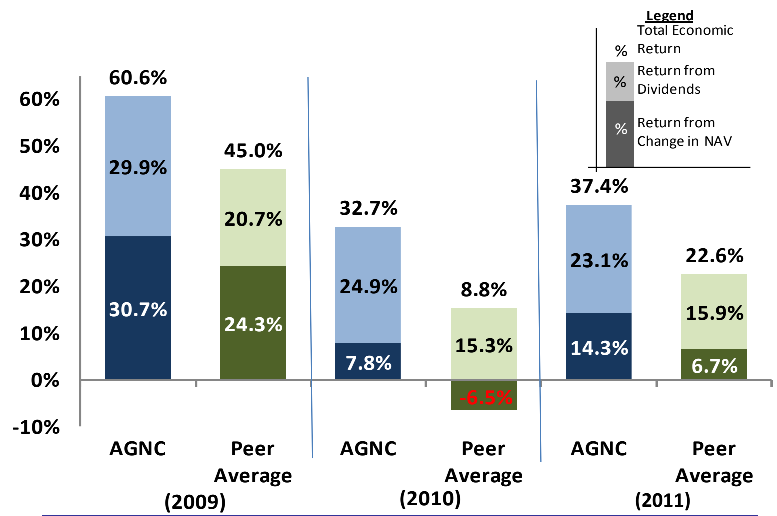
- 1.25% on equity
- No incentive fee

1. As of February 6, 2012.
2. As of December 31, 2011.
3. As of December 31, 2011.

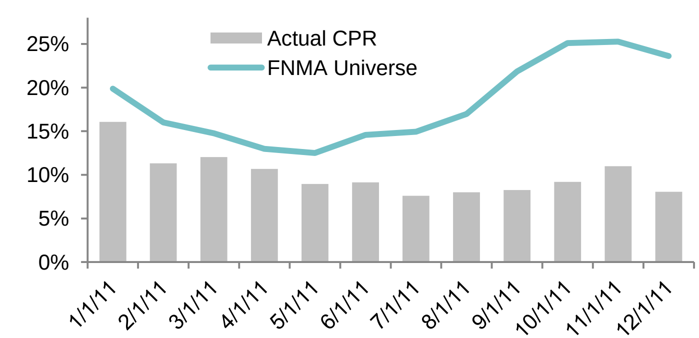
2011 Full Year Highlights

- **37% Economic Return Comprised of:**
  - ✓ $5.60 dividends declared per share
  - ✓ $3.47, or 14%, increase in net book value per share
    - ▶ Increased from $24.24 as of Dec 31, 2010 to $27.71 per share as of Dec 31, 2011
- **$7.50 Net Comprehensive Income per Share**
  - ✓ $5.02 net income per share
  - ✓ $2.48 other comprehensive income per share
- **$4.66 Net Spread Income per Share [1]**
  - ✓ $6.14 per share, including net realized gains and income tax
- **$6.70 Estimated Taxable Income Per Share**
  - ✓ Estimated undistributed taxable income increased from $39 million as of Dec 31, 2010 to $180 million as of Dec 31, 2011
  - ✓ On a per share basis, increased from $0.60 as of Dec 31, 2010 to $0.80 per share as of Dec 31, 2011
- **Portfolio Prepayments Remained Relatively Stable During 2011**

Economic Return Analysis [2]



AGNC 2011 Actual CPR's [3][4]



1) Net spread income is a non-GAAP measure that we define as interest income, net of cost of funds (including interest rate swaps) and operating expenses. As defined, net spread income includes net interest costs on interest rate swaps reported in other income (loss), net, but excludes amortized accumulated OCI reported in interest expense related to de-designated interest rate swap hedges. Please also refer to slide 20 and 29 for a reconciliation and further discussion of non-GAAP measures.
2) Peer group comprised of ANH, CMO, CYS, HTS, and NLY on an unweighted basis
3) Actual 1 month annualized CPR released at the beginning of each month during the respective periods based on the securities held as of the preceding month-end
4) "Universe" represents Fannie Mae and Freddie Mac fixed rate MBS universe

Business Economics

(unaudited)	As of 12/31/11	As of 9/30/11	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Year 2011	Year 2010
Asset Yield	3.07%	3.18%	3.06%	3.14%	3.35%	3.39%	3.19%	3.44%
Cost of Funds (1)	(1.13)%	(1.24)%	(1.16)%	(1.00)%	(0.89)%	(0.81)%	(0.78)%	(1.02)%
Net Interest Rate Spread before Terminated Swap Expense	**1.94%**	**1.94%**	**1.90%**	**2.14%**	**2.46%**	**2.58%**	**2.41%**	**2.42%**
Cost of Funds – Terminated Swap Expense	--	--	--	--	--	--	--	(0.09)%
Net Interest Rate Spread	**1.94%**	**1.94%**	**1.90%**	**2.14%**	**2.46%**	**2.58%**	**2.41%**	**2.33%**
Leverage (2)	**7.9x**	**7.7x**	**7.6x**	**7.9x**	**7.6x**	**7.4x**	**7.6x**	**8.0x**
Leveraged Net Interest Rate Spread	15.39%	14.93%	14.44%	16.89%	18.64%	18.99%	18.41%	18.67%
Plus: Asset Yield	3.07%	3.18%	3.06%	3.14%	3.35%	3.39%	3.19%	3.44%
Gross ROE Before Expenses and Other Income	**18.46%**	**18.12%**	**17.51%**	**20.03%**	**21.99%**	**22.38%**	**21.60%**	**22.11%**
Management Fees as a % of Equity	(1.18)%	(1.27)%	(1.34)%	(1.30)%	(1.32)%	(1.42)%	(1.33)%	(1.31)%
Other Operating Expenses as a % of Equity	(0.39)%	(0.47)%	(0.45)%	(0.49)%	(0.48)%	(0.44)%	(0.46)%	(0.88)%
Total Operating Expenses as a % of Equity	**(1.57)%**	**(1.75)%**	**(1.78)%**	**(1.79)%**	**(1.80)%**	**(1.86)%**	**(1.79)%**	**(2.19)%**
Net Spread Income ROE	**16.89%**	**16.37%**	**15.73%**	**18.24%**	**20.19%**	**20.52%**	**19.81%**	**19.92%**
Other Miscellaneous (3)	-- %	-- %	(1.10)%	(1.27)%	(0.70)%	(0.71)%	(2.64)%	(1.52)%
Realized Other Income/(Expense), net of Tax (4)	-- %	-- %	6.36%	7.21%	1.43%	5.92%	5.42%	12.55%
Unrealized Other Income/(Expense)	**-- %**	**-- %**	(6.11)%	(3.79)%	(2.08)%	(3.27)%	(4.11)%	2.57%
Net Income ROE (5)	**16.89%**	**16.37%**	**14.88%**	**20.39%**	**18.84%**	**22.46%**	**18.48%**	**33.52%**
Other Comprehensive Income (Loss)	**-- %**	**-- %**	19.12%	1.89%	7.02%	3.58%	2.48%	-10.21%
Comprehensive Income ROE	**16.89%**	**16.37%**	**34.00%**	**22.28%**	**25.86%**	**26.04%**	**20.96%**	**23.31%**

1) Cost of funds includes interest expense and other periodic swap interest costs reported in other income (loss). Cost of funds as of 12/31/11 and 9/30/11 includes the impact of swaps in effect as of each date ($27.7 B and $25.1 B, respectively), plus forward starting swaps becoming effective, net of swaps expiring, within three months of each date ($1.3 B and $1.6 B, respectively).
2) Leverage as of 12/31/11 and 9/30/11 calculated as sum of repurchase agreements, net payable / receivable for unsettled agency securities and other debt divided by total stockholders' equity. Average leverage calculated as the daily weighted average sum of repurchases agreements and other debt outstanding divided by the average month-ended equity for the period.
3) 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 shareholders' equity, cash and cash equivalents, restricted cash, other non investment assets and liabilities, and other immaterial rounding differences.
4) Other realized income/(expense), net of tax, excludes other periodic swap interest costs included in cost of funds.
5) Net income ROE for Q4 11 and Year 2011 is not comparable to prior periods due to the Company's discontinuation of hedge accounting for interest rate swaps as of Sept 30, 2011. Following hedge de-designation, mark-to-market adjustments on the Company's interest rate swaps are recognized in other income (loss), net, whereas they were previously recognized in other comprehensive income (OCI), a separate component of stockholders' equity.

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Update on HARP 2.0

AGNC continues to have very little exposure to HARP 2.0 with less than 5% of our portfolio being eligible under current guidelines

- **HARP 2.0 appears to be getting traction based on initial feedback from originators and regulators**
  - ✓ From Ed DeMarco, FHFA Director (1)
    - "Already many of the largest lenders are seeing tremendous borrower interest and we expect to see an increase in HARP volume in the upcoming reports"
  - ✓ From Frank Bisignano, Head of Home Lending, JP Morgan Chase & Co. (2)
    - "We're a big fan of HARP 2"
    - "HARP 2 is bigger than we thought"
  - ✓ From Terry Francisco, Spokesman for Bank of America Corp. (3)
    - "We've had strong demand, especially from the implementation of HARP 2, and we're working hard to satisfy that demand as capably as we can"
- **We believe the aggregate prepayment impact of HARP 2.0 will depend on many factors including mortgage rates and origination capacity (4)**
- **We believe it will take another several months before the initial impacts of HARP 2.0 show up in public prepayment data (4)**

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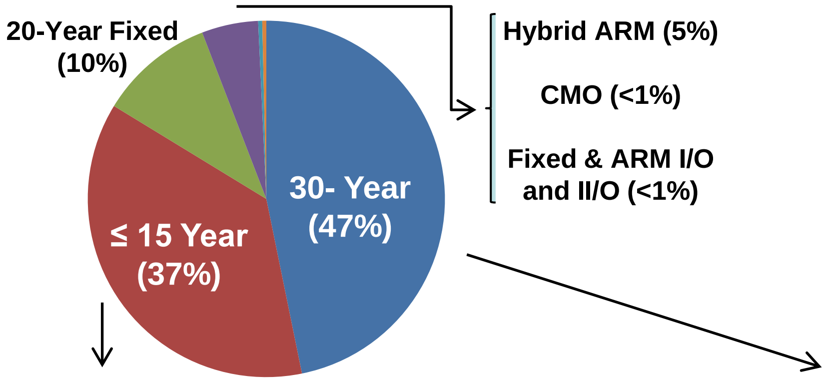
1. Source: Statement of Edward J. DeMarco, Acting Director, Federal Housing Finance Agency; February 28, 2012
2. Source: Bloomberg, February 28, 2012
3. Source: Bloomberg, February 7, 2012
4. The views expressed above are of the AGNC investment team as of February 28, 2012 and should not be interpreted as forecasts or investment advice. Opinions expressed may change without notice.

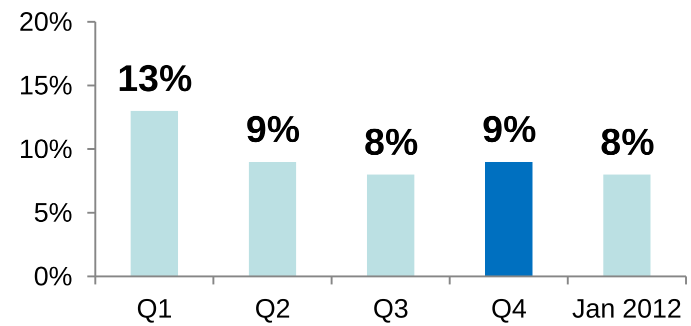
Q4 2011 Portfolio Summary

We believe our portfolio remains well positioned against prepayments

$54.7 B Portfolio as of 12/31/11 (1) (2) (3)



AGNC 2011/2012 Actual CPR's (4)



≤ 15 Year - $20.2 B Portfolio (37% of Total) as of 12/31/11

	MV ($ MM)	%	Coupon	WALA	Jan '12 1 M Actual CPR(5)	Dec '11 Life Forecast CPR(6)
Lower Loan Balance(5)	$17,028	85%	3.81%	12	9%	12%
HARP(6)	$1,235	6%	3.93%	10	4%	12%
Other(7)	$1,897	9%	3.54%	10	7%	15%
Total ≤15 Year	**$20,160**	**100%**	**3.79%**	**12**	**8%**	**13%**

30 Year - $25.6 B Portfolio (47% of Total)(8) as of 12/31/11

	MV ($ MM)	%	Coupon	WALA	Jan '12 1 M Actual CPR(9)	Dec '11 Life Forecast CPR(10)
HARP(6)	$12,591	49%	4.48%	9	3%	11%
Lower Loan Balance(5)	$4,927	19%	4.48%	15	8%	11%
Other 2009-2011	$7,380	29%	4.24%	6	9%	15%
Other (Pre 2009)	$715	3%	5.59%	72	18%	25%
Total 30 Year	**$25,613**	**100%**	**4.44%**	**11**	**6%**	**12%**

1) Excludes Markit IOS total return swap positions of $0.2 B net short notional value (underlying index value of $28.5 MM and AGNC carrying value of $1.2 MM (gain)) as of 12/31/11
2) Excludes net TBA and forward settling securities of $3.1 B 15-year net long position, $3.5 B 30-year net short position and $0.3 B of 20-year net long position
3) 30-year fixed rate securities include $84 MM of 40-year fixed rate securities
4) Weighted average actual 1 month annualized CPR released at the beginning of each month during the respective quarterly or monthly periods based on the securities held as of the preceding month-end
5) Lower loan balance securities, defined as pools backed by max original loan balances of up to $150 K. Weighted average original loan balance of $102 K and $108 K for 15 year and 30 year securities, respectively, as of December 31
6) HARP securities, defined as 100% refinance loans with original LTVs ≥ 80% and ≤ 125%. Weighted average original LTV of 98% and 97% for 15 year and 30 year securities, respectively, as of December 31.
7) Includes $687 MM of securities backed by loans with original loan balances ≤ 175 K
8) Includes $84 MM of 40 year securities
9) Actual 1 month annualized CPR released at the beginning of January, 2012 based on the securities held as of 12/31/2011
10) Average projected life CPR as of 12/31/2011

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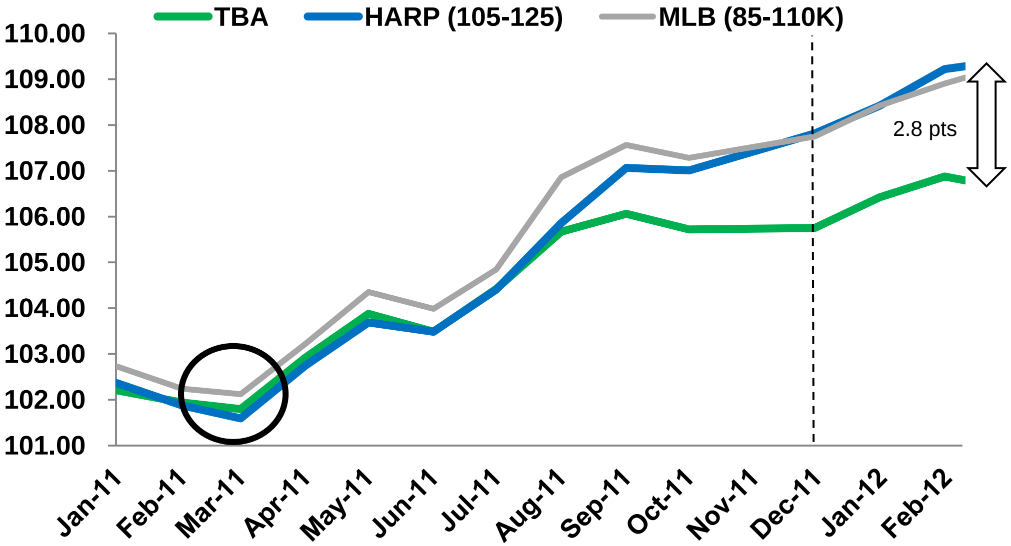
Asset Selection is a Key Driver of Book Value Performance

The difference in prices between securities with the same coupon demonstrates how critical asset selection is to book value performance



Date	TBA Price	HARP (105-125 LTV)	HARP-TBA Pay Up	MLB (85-110K)	MLB-TBA Pay Up
3/31/11	101.80	101.59	-0.2	102.12	0.3
6/30/11	103.48	103.48	0.0	103.98	0.5
9/30/11	106.06	107.06	1.0	107.56	1.5
12/31/11	106.42	108.42	2.0	108.42	2.0
2/27/12	106.64	109.39	2.8	109.27	2.6

- **The graph compares the pricing between various FNMA 4.5% 30-year mortgage-backed securities:**
  - ✓ TBA or generic mortgages (green line)
  - ✓ HARP securities with LTVs between 105-125 (blue line)
  - ✓ MLB securities with original loan sizes between $85-$115K (gray line)
- **As the interest rates fell and prepayment speeds increased, "pay-ups" or the price differences between generic and slower prepaying securities has increased significantly.**
  - ✓ In March 2011, 105-125 LTV HARP securities traded at lower prices than TBA mortgages

Note -The trend has been same for other types of loan balance and HARP securities, however, the price changes on 15-year, lower coupon 30-years, and lower LTV HARP securities have been less dramatic than those depicted here

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Source: Market participants

Slow Prepays: Why does it matter?

Hypothetical Yield Sensitivity Analysis* 30 Year 4.5% Agency MBS				
	10 CPR	20 CPR	30 CPR	40 CPR
Asset Yield(1)	3.38%	2.67%	1.85%	0.92%
Cost of Funds(2)	-0.70%	-0.70%	-0.70%	-0.70%
Net Margin	2.68%	1.97%	1.15%	0.22%
ROE (8x Lev)	24.8%	18.4%	11.1%	2.7%

- **ROE is very sensitive to prepayments given current market prices and record low interest rates**
- **With recent prepayment information, 2010 experience and the HARP changes, outcomes anywhere on the above spectrum are feasible depending on specific security attributes**

**The hypothetical ROEs listed above are intended for illustrative purposes only to show the effect of prepayment speeds on ROEs and are calculated at TBA prices. Specified collateral, such as lower loan balance securities, are now priced at significant premiums to generic mortgages and thus yields at the speeds listed above will be materially lower*

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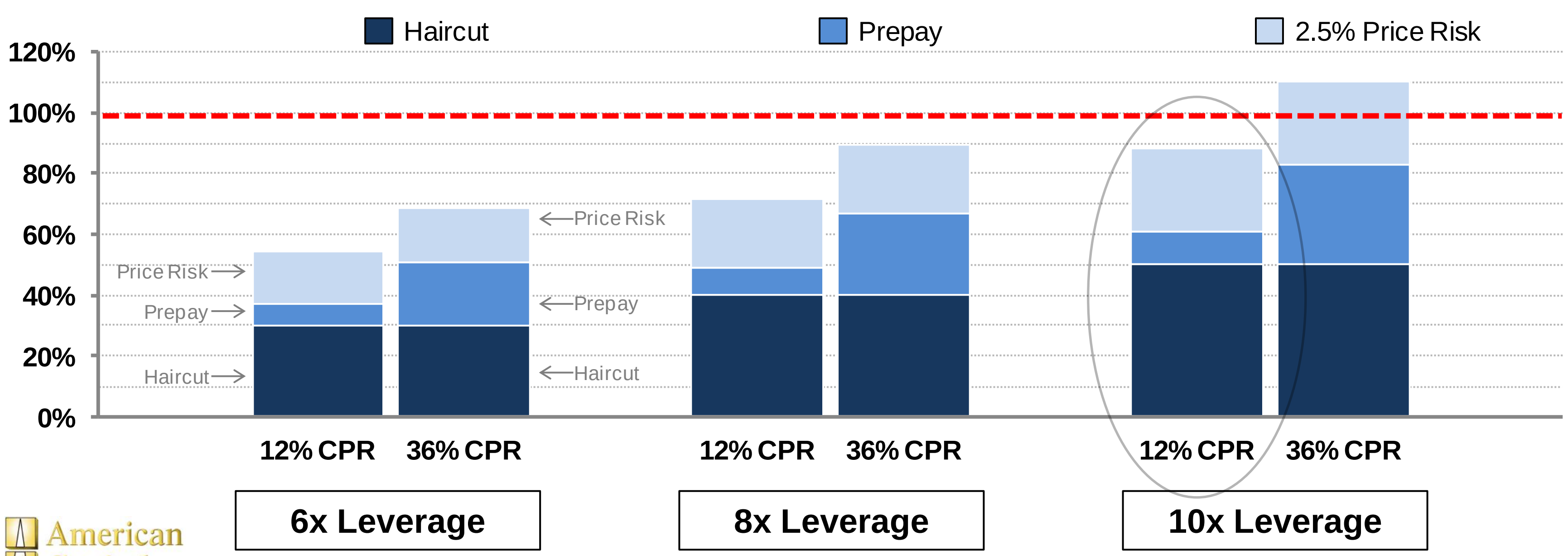
1) FNCL 4.5 – 106-20+ TBA as of 2/29/12
2) Assumes a blend of repo funding and swap hedges

Slow Prepays Critical to Prudent Use of Leverage

- **As the chart shows, a levered investor can prudently manage 10x leverage (and more in some environments) if they can contain their prepayment speeds (12% CPR) and assuming:**
  - ✓ A 5% haircut (average haircuts are around 4.5% for 1 to 2 month Repo)
  - ✓ An allowance of 2.5 percentage points for price declines relative to hedges
- **However, if portfolio prepayment speeds are materially faster, prudent leverage levels are lower**
  - ✓ At a 36% CPR, a portfolio at 8x leverage has slightly less of an equity cushion than a 10x levered portfolio that prepays at 12% CPR

Hypothetical Equity Cushion – Sensitivity Analysis: Leverage & CPRs



Looking Ahead

We remain optimistic about our ability to continue to generate attractive risk adjusted returns

- **We believe there are three scenarios that require significant attention as we enter 2012:**
  1. Recent economic improvement continues and/or core inflation picks up modestly (medium probability)
     - Decreased probability of QE3, yield curve steepens, 10 year rate increases gradually
     - Generic prepayments slow but prepayments on HARP 2.0 eligible mortgages remains elevated
     - Mortgage prices decline
     - Returns on new purchases and existing portfolio improve
  2. Economic backdrop weakens and/or core inflation remains well below FED's target (medium probability)
     - QE3 likely, yield curve flattens, 10 year rate falls, prepayments accelerate materially
     - Price of lower coupon and prepay protected mortgages increase
     - Returns on new purchases decline
  3. Economic rebound gains significant steam and/or inflation increases significantly (low probability)
     - No QE3, yield curve steepens, 10 year rate increases rapidly, prepayments slow significantly
     - Mortgage prices fall materially as "extension risk" becomes evident
     - Extension risk will result in portfolio rebalancing and compressed margins
     - Future purchases will be very attractive for those that can add assets

- **We believe AGNC is relatively well positioned against this backdrop based on the combination of our asset quality, relatively small duration gap, and our purchases of payer swaptions**
  - ✓ Of these scenarios, we believe the third presents the most risk to AGNC

The views expressed above are of the AGNC investment team as of February 28, 2012 and should not be interpreted as forecasts or investment advice. Opinions expressed may change without notice.