American Capital Agency

Q1 2011 Stockholder Presentation

April 26, 2011

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, including our annual report on Form 10-K for the year ended December 31, 2010. Historical results discussed in this presentation are not indicative of future results.

Q1 2011 Highlights

- **$1.48 per Share of Net Income**
  - ✓ $1.30 per share, excluding $0.18 per share of other investment related income
- **$1.68 per Share of Taxable Income [1]**
- **$1.40 per Share Dividend Declared**
- **$0.42 per Share of Undistributed Taxable Income as of March 31, 2011**
  - ✓ Undistributed taxable income increased $16 million to $55 million
- **$25.96 Book Value per Share as of March 31, 2011**
  - ✓ Increased $1.72, or 7%, from $24.24 per share as of December 31, 2010
- **22% Annualized Return on Average Stockholders' Equity ("ROE") for the quarter [2]**

(1) Taxable income per share is based on the weighted average shares outstanding for Q1 2011. Please refer to slide 25 on the use of Non-GAAP financial information
(2) Annualized ROE based on net income and average monthly stockholders' equity for Q1 2011

Q1 2011 Other Highlights

- **$28 Billion Investment Portfolio as of March 31, 2011**
- **13% Portfolio CPR for the Quarter (1)**
  - ✓ 11% CPR for the month of April 2011 (2)
- **7.6x Leverage as of March 31, 2011 (3)**
  - ✓ 7.4x average leverage for the quarter
- **2.58% Annualized Net Interest Spread for the Quarter**
  - ✓ 2.42% net interest spread as of March 31, 2011
- **$1.75 Billion of Net Proceeds Raised from Equity Issued during Q1**
  - ✓ $1.61 billion raised in two follow-on offerings
  - ✓ $141 million raised pursuant to a Controlled Equity Offering℠ Sales Agreement and via direct share purchase plan issuances
  - ✓ All equity issuances were accretive to book value

(1) Actual weighted average monthly annualized CPR for securities held during the first quarter of 2011
(2) Actual weighted average annualized CPR as of April 1, 2011 for agency securities held as of March 31, 2011
(3) Leverage calculated as the sum of total repurchase agreements, net payable for unsettled purchases and sales of securities and other debt divided by total stockholders' equity as of March 31, 2011

Market Information

Security	6/30/10	9/30/10	12/31/10	3/31/11	Q1 2011 Δ
Treasury Rates					
2 Yr UST	0.61%	0.43%	0.59%	0.83%	+0.24%
5 Yr UST	1.78%	1.27%	2.01%	2.28%	+0.27%
10 Yr UST	2.93%	2.51%	3.30%	3.47%	+0.17%
Swap Rates					
2 Yr Swap	0.97%	0.60%	0.80%	1.00%	+0.20%
5 Yr Swap	2.05%	1.52%	2.18%	2.47%	+0.29%
10 Yr Swap	3.00%	2.57%	3.39%	3.57%	+0.18%
30 Year Fixed Rate Mortgages					
4.0%	101.27	102.77	99.47	98.14	-1.33
4.5%	103.64	104.14	102.65	101.55	-1.10
5.0%	105.80	105.30	105.13	104.42	-0.71
5.5 %	107.33	106.33	106.98	106.77	-0.21
6.0%	108.42	107.45	108.65	108.67	+0.02

Security	6/30/10	9/30/10	12/31/10	3/31/11	Q1 2011 Δ
15 Year Fixed Rate Mortgages					
3.5%	101.73	103.16	100.72	100.08	-0.64
4.0%	103.89	104.39	102.94	102.61	-0.33
4.5%	105.48	105.20	104.80	104.67	-0.13
5.0%	106.67	106.11	106.11	106.27	+0.16
New Hybrid ARMs					
5/1 - 3.50%	103.55	104.41	103.38	103.20	-0.18
7/1 - 3.75%	103.65	104.78	103.06	102.73	-0.33
10/1- 4.25%	104.50	104.80	103.84	103.44	-0.40
Seasoned Hybrid ARMs					
5/1 - 5.75% 24 MTR	106.50	106.17	106.50	107.14	+0.64
10/1 - 5.75% 80 MTR	107.63	107.69	107.69	108.05	+0.36

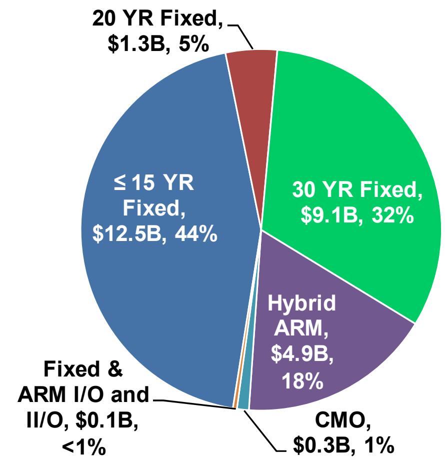
Source: Combination of Bloomberg and dealer indications

Note: Price information is provided for information only and is for generic instruments and is not meant to be reflective of securities held by AGNC. Prices can vary depending on the source and in some cases can vary materially.

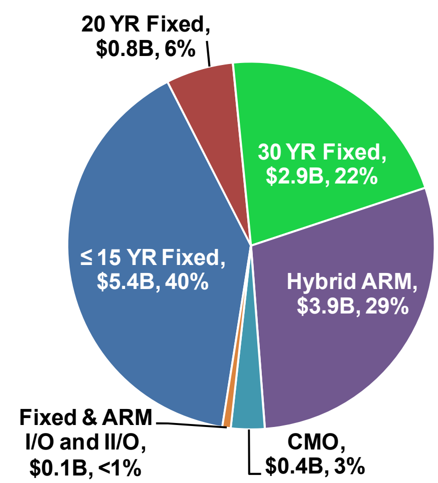
Q1 2011 Portfolio Update

- ♦ Maintained Diversified and Balanced Portfolio as we Invested the New Capital Raised
- ♦ Increased the Percentage of 15 Year and Selected Types of 30 Year Mortgages Securities
- ♦ Speeds on the Portfolio Remained Well Behaved, Averaging 13% CPR for the Quarter

$28.2 B Portfolio as of 3/31/11 (1)(2)



$13.5 B Portfolio as of 12/31/10 (2)



AGNC Actual Monthly CPR's (3)

	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011
AGNC Portfolio	19%	16%	11%	12%	11%

(1) Excludes $1 B notional ($0.2 B market value) of Markit IOS total return swap positions as of 3/31/11. Refer to slide 9 for further discussion of IOS total return swaps
(2) 3/31/11 and 12/31/10 30 YR fixed rate securities include $94MM and $81MM of 40 YR fixed rate securities, respectively
(3) Actual 1 month annualized CPR as of Dec 1, 2010 and Jan 1, Feb 1, Mar 1 and Apr 1, 2011, respectively, for agency securities held as of the preceding month end

Asset Selection – The Next Level

Asset Selection is Critical to our Performance and Goes Far Beyond the Product Level

- **Portfolio constructed around predictable prepayment performance while seeking to reduce our exposure to higher rates**
  - ✓ Within 15 year, lower loan balance and other attributes gives us prepayment protection and reduces convexity exposure
  - ✓ Within 30 year, higher coupons, seasoning, less pristine credits, and HARP originations provides similar benefits and significantly reduces duration
  - ✓ Within ARMs (as depicted on slide 22), holdings include mix of both new and seasoned mortgages and blend of both IO and non-IO securities
- **We remain committed to continually upgrading and evolving our holdings in response to an ever changing market landscape**

≤15 Year - $12.5 B Portfolio (44% of Total) as of 3/31/11

Loan Characteristics	
Lower Loan Size (≤ $150K)(1)	69%
HARP Originations	4%
Other:	
Seasoned > 12 months (2)	12%
Seasoned < 12 months	15%

30 Year - $9.1 B Portfolio (32% of Total) (3) as of 3/31/11

Loan Characteristics		
Vintage	**Coupon**	**%**
2010 - 2011 HARP Originations	4.66%	28%
2010 - 2011 Other Originations	4.91%	4%
2008 – 2009 Originations	5.84%	14%
2006 – 2007 Originations	5.80%	22%
2005 and earlier	5.10%	32%

(1) Average loan size of $96K
(2) Includes $292MM of 10 year securities
(3) Includes $94MM of 40 year securities

Financing Summary

As of March 31, 2011

- **Repurchase Agreements with 25 Financial Institutions**
- **7.6x Leverage, Including Net Payable for Unsettled Purchases and Sales of Securities and Other Debt (1)**
- **0.28% Weighted Average Repo Cost of Funds**
  - ✓ Decrease of 3 bps from December 31, 2010
  - ✓ As a result of the FDIC charge (affecting banks) that went into effect on April 1, 2011, repo rates have declined several basis points since March 31, 2011

AGNC Repos (2)
($ in millions – as of March 31, 2011)

Original Repo Maturities	Repo Outstanding	Interest Rate	WA Days to Maturity
30 Days or less	$ 5,684.6	0.28%	12
31 – 60 Days	8,715.0	0.28%	18
61 – 90 Days	5,773.2	0.28%	32
Greater than 90 Days	1,821.2	0.28%	21
Total / Wtd Avg	**$ 21,994.0**	**0.28%**	**20**

(1) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(2) Does not include other debt

Hedging Summary

Our Primary Hedging Objective is not to Eliminate Risk or to Lock in a Particular Net Interest Margin but to Maintain our Book Value within Reasonable Bands Under a Range of Interest Rate Scenarios

- **Interest Rate Swaps**
  - $15.1 B notional swap book as of 3/31/11 (1)
    - 3.6 years average maturity
    - 68% of repo balance and other debt hedged excluding benefits of other hedges
      - Reduces to 60% when incorporating net unsettled trades
- **Interest Rate Swaptions**
  - $2.1 B notional payer swaptions
    - Added $1.6 B at cost of $17.2 MM
    - $0.3 B expired, or were sold, for a net gain of $6.2 MM
    - $21.3 MM total market value as of 3/31/11
  - $0.3 B notional receiver swaptions
- **Other Hedge Positions**
  - $1.3 B net short mortgage TBAs positions
  - $1.0 B notional net long Markit IOS total return swaps (market value of $0.2 B) (2)

Interest Rate Swaps (1)
($ in millions – as of March 31, 2011)

Maturity	Notional Amount	Pay Rate	Receive Rate	WA Years to Maturity
2011	$ 750	1.40%	0.25%	0.5
2012	750	2.01%	0.25%	1.4
2013	2,300	1.21%	0.25%	2.3
2014	3,650	1.56%	0.25%	3.2
2015	3,550	1.80%	0.25%	4.2
2016	4,100	2.35%	0.25%	5.1
Total / Wtd Avg	$ 15,100	1.79%	0.25%	3.6

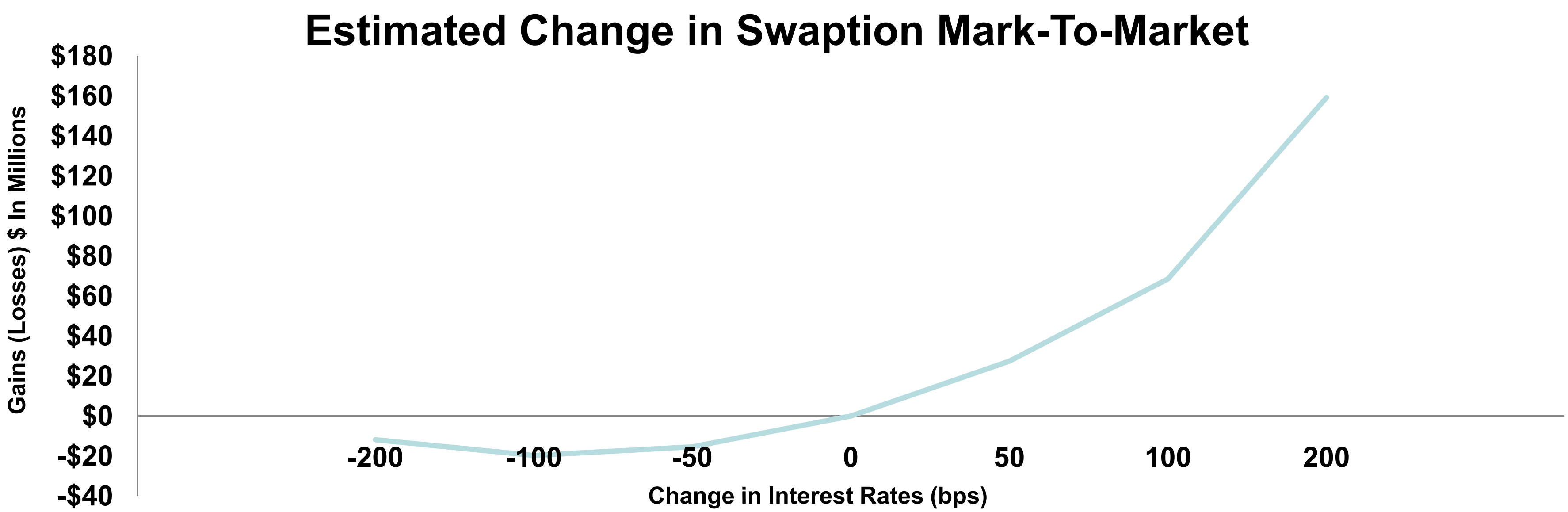
Interest Rate Swaptions
($ in millions – as of March 31, 2011)

Swaption	Cost	Weighted Average Expiration	Notional Amount	Pay Rate	Receive Rate	Term (Years)
Receiver	$0.4	< 3 Months	$250	1M Libor	1.75%	5.0
Payer	$3.6	< 3 Months	$700	2.88%	1M Libor	6.4
Payer	16.8	> 3 Months	1,400	3.30%	1M Libor	6.0
Total Payer	$20.4	6 Months	$2,100	3.16%	1M Libor	6.1

(1) Includes $5.6 B of forward starting swaps as of March 31, 2011 starting through December 2011
(2) Long total return swap position on the Markit IOS index synthetically replicates the purchase of an interest only security funded at 1 month LIBOR.

Swaption Portfolio – Why We Use Them

Swaptions Have an Asymmetric Return Profile Where Losses Are Limited to the Premium Paid, but Gains Can be Multiples of the Upfront Cost



- **The above graph displays the projected mark-to-market performance of our swaption portfolio assuming immediate interest rate shocks of +/-200 bps[1]**
  - ✓ **The gains in the rising rate scenarios can be attributed to the payer swaptions**
  - ✓ **The receiver swaption increases in value in the down rate scenarios and begins to offset the losses in MTM on the payer swaptions after rates decline by more than 100 bps**
  - ✓ **Please refer to slide 24 for a more detailed discussion of swaptions**

(1) Projections for the swaption portfolio are derived from Blackrock solutions as of March 31, 2011. These projections assume an immediate and parallel shift in rates and results would be materially different if rate shocks occur at a future date. Other models could produce different results as numerous assumptions are used in the analysis.

Duration Gap Information

AGNC's Portfolio Had a "Duration Gap" of Approximately 0.6 Years as of March 31, 2011

- The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner
- 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)
- While the duration gap is an important indicator of interest rate risk, the duration of a mortgage changes with interest rates and tends to extend when rates rise and fall when rates fall. This "negative convexity" generally increases the interest rate exposure of a mortgage portfolio over what would be indicated by the duration gap alone
- The effects of duration and negative convexity on equity are amplified by leverage

Duration Gap

($ in millions, duration in years)

March 31, 2011							Dec. 31, 2010	Δ
Assets			Hedges			Net	Net	
Products	Market Value	Duration	Hedges	Notional Amount	Duration			
Fixed [1]	$ 22,877	3.4	Swaps	$ 15,100	(3.3)			
ARM [1]	5,090	2.3	Swaptions	2,350	(1.8)			
CMO [2]	400	(2.6)	TBA [3]	1,254	(8.7)			
			IOS TRS [4]	1,015	(6.4)			
			Total	$ 19,719	(3.6)			
Total Assets	**$ 28,375**	**3.1**	**Hedge Duration Adjusted to Market Value of Assets**		**(2.5)**	**0.6**	**1.1**	**(55%)**

Our duration and duration gap estimates 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

Please also refer to slide 23 and our related disclosures in our 10-K's and 10-Q's for a more complete discussion of duration (interest rate risk)

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(1) Fixed rate and ARM securities include securities purchased and sold on a forward basis accounted for as derivatives but are included in the asset balance for the purpose of duration
(2) CMO balance includes interest-only and inverse interest-only securities
(3) The net TBA amount includes of $1.5 B of 15 YR net long positions and $2.7 B of 30 YR net short positions, which have the affect of extending the duration profile
(4) Please refer to slide 9 for a discussion of Markit IOS total return swaps

Business Economics

(unaudited)	As of 3/31/11	As of 12/31/10	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010	Full Year 2010
Asset Yield	3.47%	3.31%	3.39%	3.48%	3.23%	3.44%	3.78%	3.44%
Cost of Funds (1)	(1.05)%	(1.03)%	(0.81)%	(0.90)%	(1.02)%	(1.07)%	(1.23)%	(1.02)%
Net Interest Rate Spread before Terminated Swap Expense	**2.42%**	**2.28%**	**2.58%**	**2.58%**	**2.21%**	**2.37%**	**2.55%**	**2.42%**
Cost of Funds – Terminated Swap Expense (2)	--	--	--	--	--	(0.19)%	(0.39)%	(0.09)%
Net Interest Rate Spread	**2.42%**	**2.28%**	**2.58%**	**2.58%**	**2.21%**	**2.18%**	**2.16%**	**2.33%**
Leverage (3)	**7.6x**	**7.8x**	**7.4x**	**8.4x**	**8.5x**	**7.9x**	**6.5x**	**8.0x**
Leveraged Net Interest Rate Spread	18.31%	17.69%	18.99%	21.55%	18.77%	17.15%	14.09%	18.67%
Plus: Asset Yield	3.47%	3.31%	3.39%	3.48%	3.23%	3.44%	3.78%	3.44%
Gross ROE Before Expenses	**21.78%**	**21.00%**	**22.38%**	**25.03%**	**22.00%**	**20.59%**	**17.87%**	**22.11%**
Other Investment Income and Excise Tax, Net	**--%**	**--%**	**2.65%**	**20.99%**	**9.57%**	**4.39%**	**23.30%**	**15.12%**
Other Miscellaneous (4)	**--%**	**--%**	**(0.71)%**	**(1.56)%**	**(1.51)%**	**(1.69)%**	**(1.59)%**	**(1.52)%**
Management Fees as a % of Equity	(1.27)%	(1.31)%	(1.42)%	(1.37)%	(1.25)%	(1.32)%	(1.25)%	(1.31)%
Other Operating Expenses as a % of Equity	(0.31)%	(0.54)%	(0.44)%	(0.66)%	(0.90)%	(1.01)%	(1.17)%	(0.88)%
Total Operating Expenses as a % of Equity	**(1.58)%**	**(1.85)%**	**(1.86)%**	**(2.03)%**	**(2.15)%**	**(2.33)%**	**(2.42)%**	**(2.19)%**
Net Return on Equity	**20.20%**	**19.15%**	**22.46%**	**42.43%**	**27.91%**	**20.96%**	**37.16%**	**33.52%**

(1) Cost of funds as of 3/31/11 and 12/31/10 includes the impact of swaps in effect as of each date, plus forward starting swaps becoming effective, net of swaps expiring, within three months of each date

(2) Represents amortization expense associated with the termination of interest rate swaps during 2009

(3) Leverage as of 3/31/11 and 12/31/10 calculated as sum of repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt by total stockholders' equity

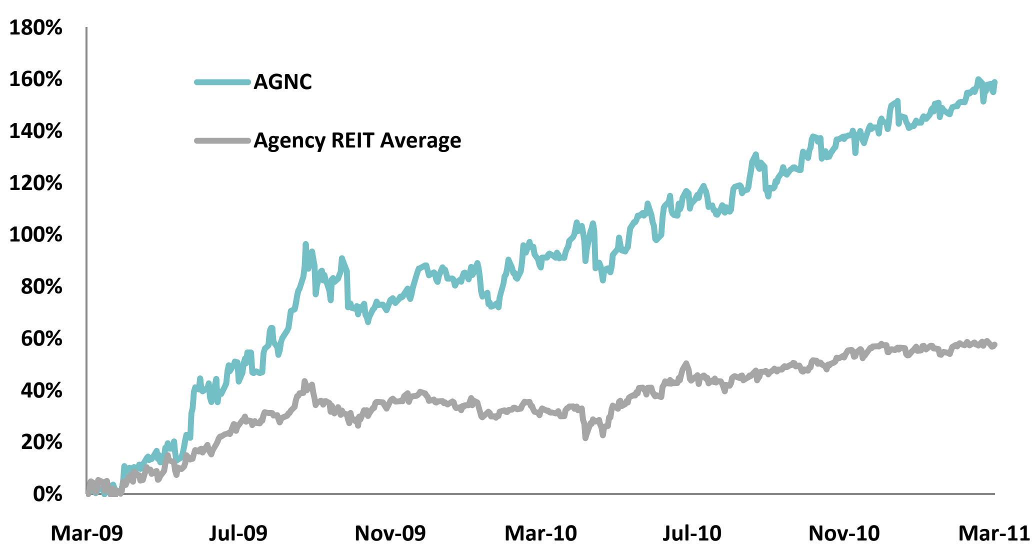
(4) Other miscellaneous reflects the impact of differences between the use of daily averages used for investment securities and repurchase agreements and monthly average used for shareholders' equity, of cash and cash equivalents, restricted cash, other non investment assets and liabilities, and of other immaterial rounding differences

AGNC Performance Review

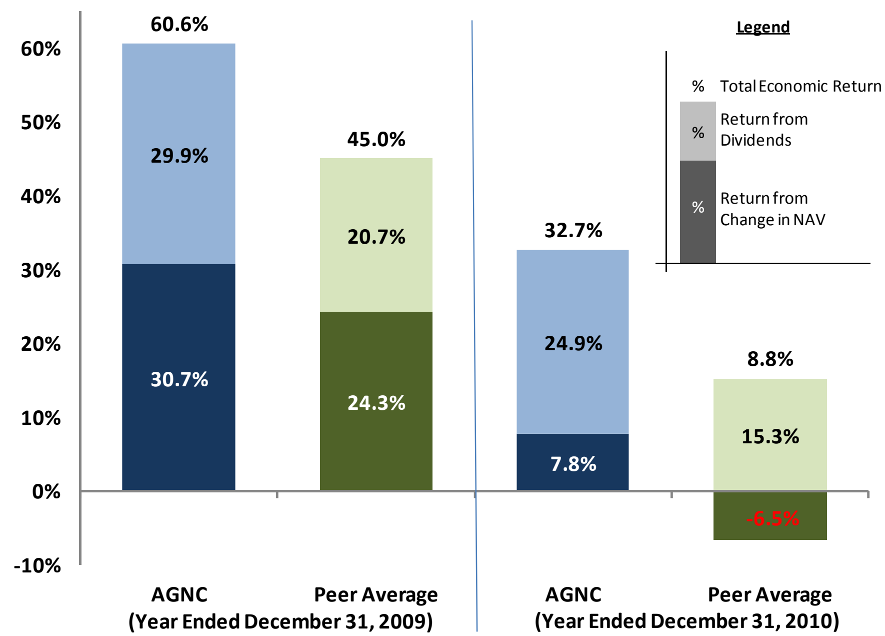
Strong Performance In Both Absolute and Relative Terms

- Total Stock Return of 159% over the past 8 quarters almost tripling the returns of the peer average of 58% during the same time frame[1]
  - ✓ Market value increased from $0.3 billion as of March 31, 2009 to $3.8 billion at March 31, 2011
  - ✓ Expense ratio declined from 3.32% as of March 31, 2009 to 1.58% as of March 31, 2011
- Quarterly GAAP net income averaged $1.83 per share over the past 8 quarters
  - ✓ GAAP net income increased from $16.3 million in Q1 2009 to $133.5 million in Q1 2011
- Quarterly Taxable net income averaged $1.77 per share over the past 8 quarters
- Declared $11.30 dividends per share over the past 8 quarters (quarterly average of $1.41 per share)
  - ✓ Accumulated $50 million in undistributed taxable income over the past 8 quarters as taxable income exceeded dividends despite expanding share count
- Grew book value by 35% to $25.96 per share as of March 31, 2011 from $19.26 per share as of March 31, 2009
- Cumulative economic return of 93% based on combination of dividends and changes in NAV from March 31, 2009 to March 31, 2011

Total Return (4/1/2009 – 3/31/2011)[1]



Economic Return (2009 & 2010 Calendar Years)[2]



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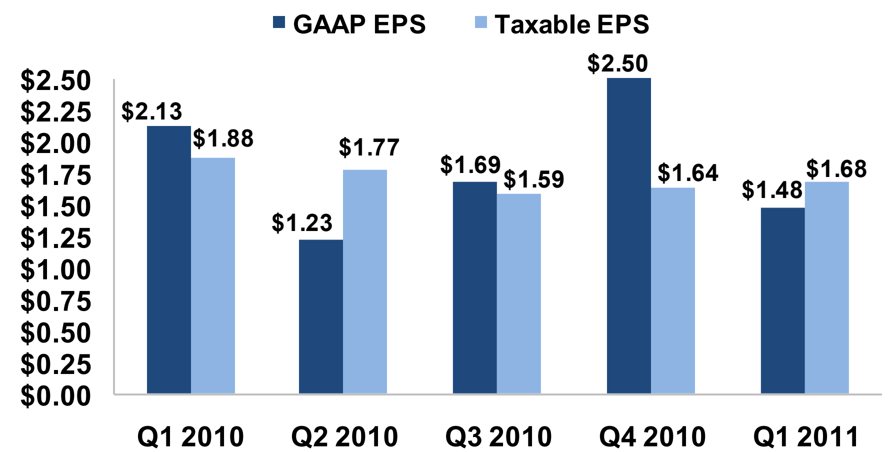
1. Source: SNL Financial, 4/1/2009 – 3/31/2011, assumes that dividends are reinvested; Agency REIT Average comprised of the following peers on an unweighted basis: ANH, CMO, CYS, HTS, NLY
2. Source: Company filings; Peer Average comprised of the following peers on an unweighted basis: ANH, CMO, CYS, HTS, NLY. NAV for selected peers have been adjusted to reflect the impact of dividends that are declared shortly after the closing of a quarter

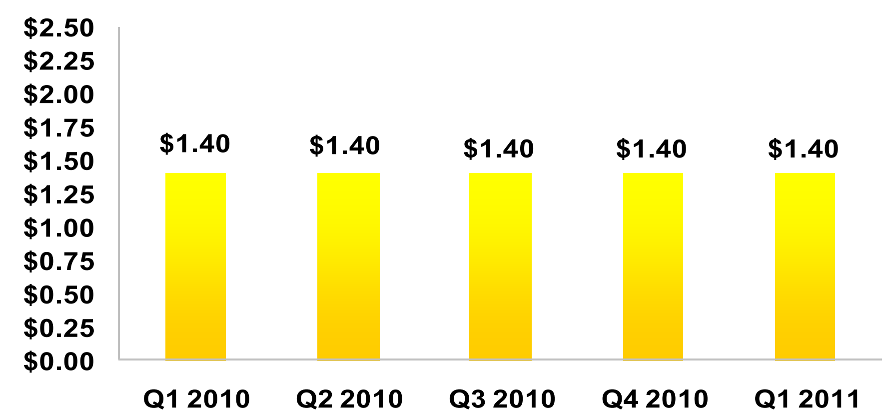
Supplemental Slides

AGNC Historical Overview

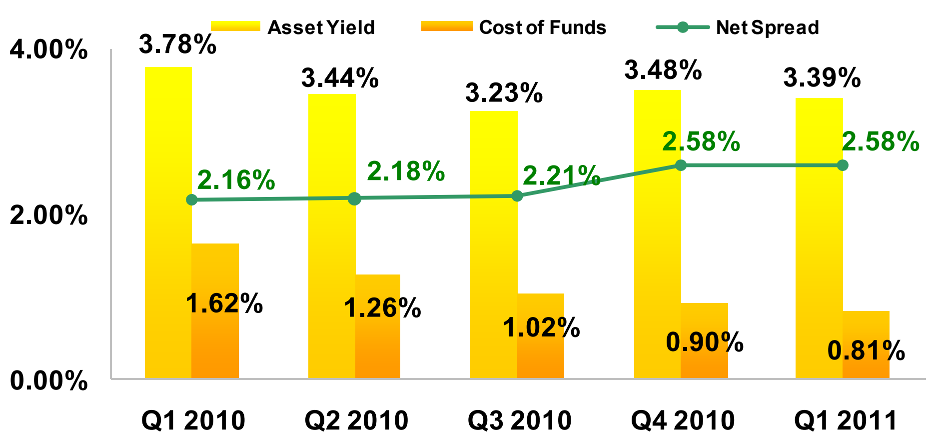
Earnings per Share



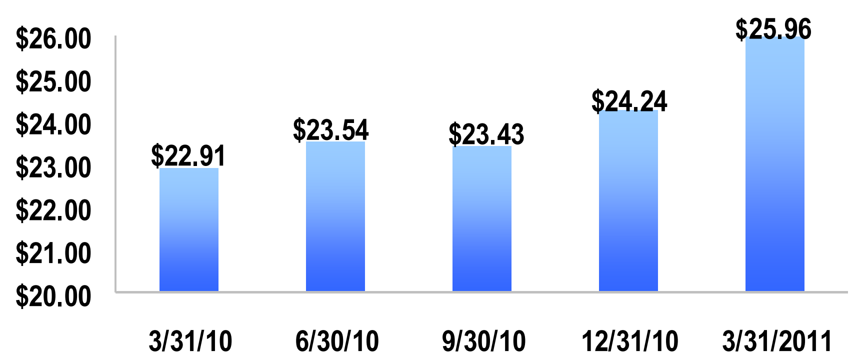
Dividend per Share



Net Spread



Book Value Per Share



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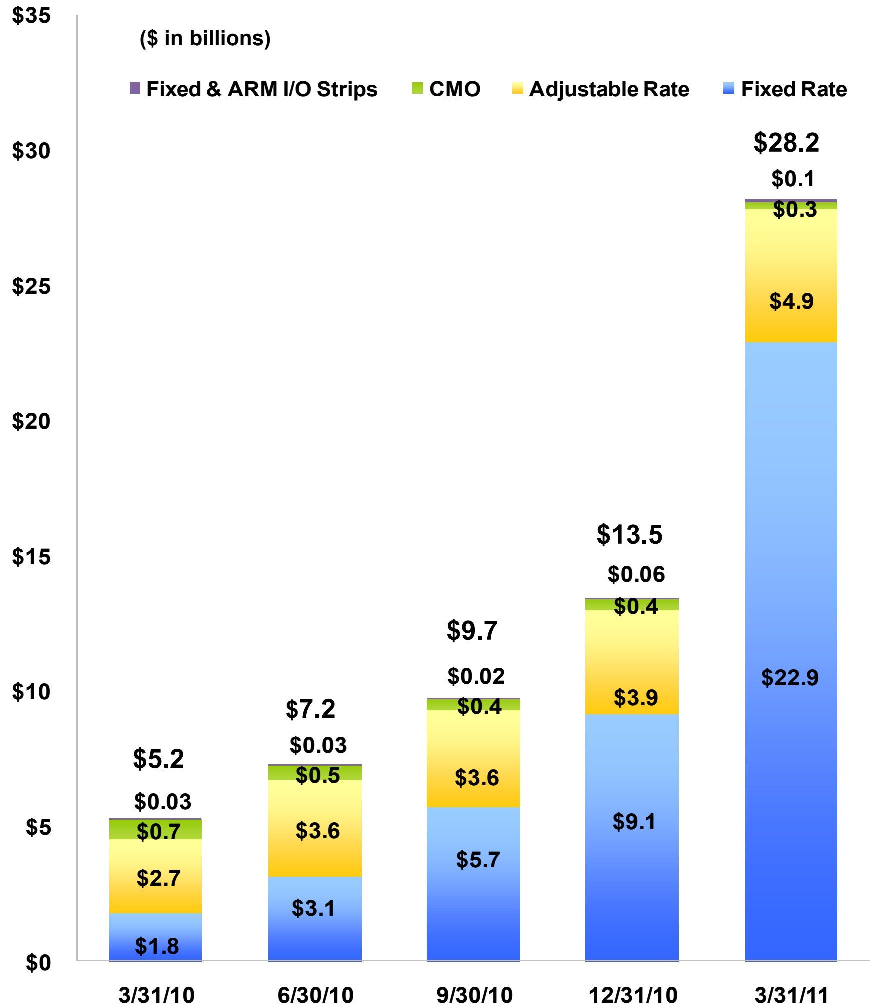
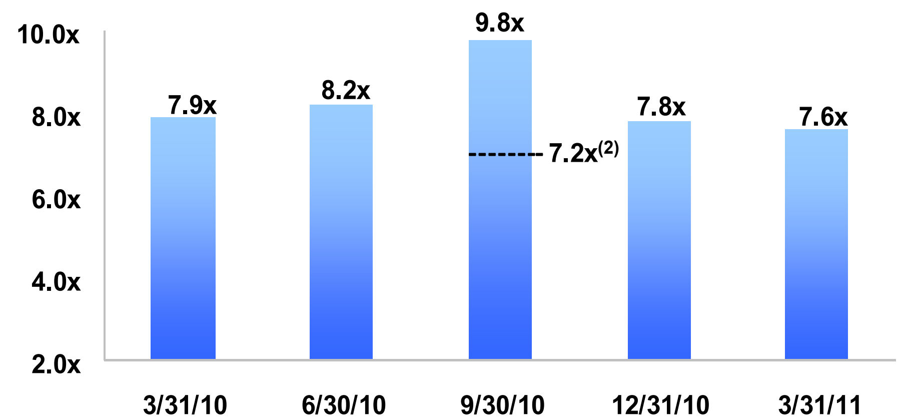
AGNC Historical Overview

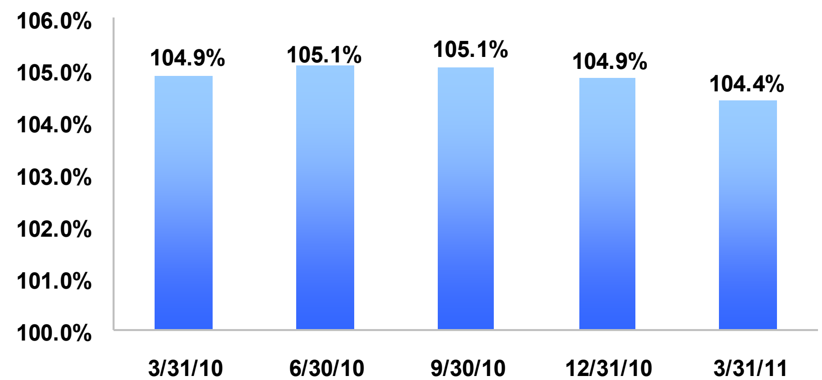
Investment Portfolio



Leverage(1)



Amortized Cost Basis



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(1) Leverage calculated as sum of repurchase agreements plus payable for agency securities purchased but not yet settled less receivable for agency securities sold but not yet settled and other debt divided by total stockholders' equity

(2) Leverage as of 9/30/10 was 7.2x, *pro forma*, when stockholder's equity was adjusted for the September follow-on equity offering of $328 million that settled on 10/1/10

Income Statements

($ in millions, except per share data) (Unaudited)	Q1 2011	Q4 2010	Q3 2010	Q2 2010
Interest Income	$164.4	$101.0	$62.6	$50.6
Interest Expense	(35.6)	(24.6)	(18.5)	(17.3)
Net Interest Income	128.8	76.4	44.1	33.3
Gain from Sale of Agency Securities, Net	4.2	10.4	24.6	29.6
Realized Gain (Loss) from Derivative Instruments and Trading Securities, Net	31.0	20.6	(0.8)	(4.9)
Unrealized (Loss) Gain from Derivative Instruments and Trading Securities, Net	(19.4)	37.5	(3.0)	(17.0)
Total Other Income, Net	15.8	68.5	20.8	7.7
Management Fee	(8.5)	(4.5)	(2.7)	(2.3)
General and Administrative Expenses	(2.6)	(2.1)	(1.9)	(1.8)
Total Operating Expenses	(11.1)	(6.6)	(4.6)	(4.1)
Income before Excise Tax	133.5	138.3	60.3	36.9
Excise Tax	--	(0.2)	(0.3)	--
Net Income	$133.5	$138.1	$60.0	$36.9
Weighted Average Shares Outstanding – Basic and Diluted	90.3	55.3	35.5	29.9
Net Income per Share – Basic and Diluted	$1.48	$2.50	$1.69	$1.23
Taxable Income per Share	$1.68	$1.64	$1.59	$1.77
Dividends Declared per Share	$1.40	$1.40	$1.40	$1.40

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Note: Amounts may not foot due to rounding.

Reconciliation of Taxable Income[1]

($ in millions, except per share data) (unaudited)	Q1 2011	Q4 2010	Q3 2010	Q2 2010
Net Income	$133.5	$138.1	$60.0	$36.9
Book to Tax Differences:				
Premium Amortization, Net	(5.1)	(12.2)	6.8	(1.6)
Realized and Unrealized (Loss) Gain, Net	22.9	(35.5)	(10.9)	17.6
Other [2]	--	0.3	0.3	(0.1)
Total Book to Tax Differences	17.8	(47.4)	(3.8)	15.9
Estimated REIT Taxable Income	$151.3	$90.7	$56.3	$52.8
Weighted Average Shares Outstanding – Basic and Diluted	90.3	55.3	35.5	29.9
Estimated REIT Taxable Income per Share – Basic and Diluted	$1.68	$1.64	$1.59	$1.77
Estimated Cumulative Undistributed REIT Taxable Income per Share [3]	$0.42	$0.60	$0.99	$1.10

Note: Amounts may not foot due to rounding.

(1) Please refer to slide 25 on the use of Non-GAAP financial information

(2) Other book to tax differences include temporary differences for non-deductible adjustments, such as GAAP ineffectiveness, stock compensation expense, and permanent differences for non-deductible excise tax expense

(3) Based on shares outstanding as of each period end

Balance Sheets

($ in millions, except per share data)	As of (1) 3/31/11	12/31/10	9/30/10	6/30/10	3/31/10
Agency Securities, at Fair Value (including pledged assets of $23,190.7, $12,270.9, $8,321.5 $6,870.7 and $4,855.6, respectively)	$28,193.0	$13,510.3	$9,736.5	$7,166.4	$5,240.3
Cash and Cash Equivalents ($75.2, $76.1, $62.5, $37.9 and $26.6 restricted, respectively)	375.8	249.4	177.7	187.9	131.9
Derivative Assets, at Fair Value	142.0	76.6	11.3	7.4	8.7
Receivable for Agency Securities Sold	298.3	259.0	350.1	311.8	273.8
Receivable from Prime Broker	42.7	75.5	40.1	44.9	88.5
Receivable under Reverse Repurchase Agreements	--	247.4	--	--	--
Other Assets	103.2	57.6	43.1	37.1	26.8
Total Assets	$29,155.0	$14,475.8	$10,358.8	$7,755.5	$5,770.0
Repurchase Agreements	21,994.0	11,680.1	7,969.4	6,634.4	4,651.1
Other Debt (2)	67.8	72.9	80.8	--	--
Payable for Agency Securities Purchased	3,504.6	727.4	1,223.1	201.8	436.1
Derivative Liabilities, at Fair Value	92.7	78.6	113.9	76.2	28.7
Dividend Payable	135.3	90.8	54.5	47.1	37.5
Obligation to Return Securities Borrowed under Reverse Repurchase Agreements, at Fair Value	--	245.5	--	--	--
Other Liabilities	16.1	8.4	4.1	3.6	3.5
Total Liabilities	25,810.5	12,903.7	9,445.8	6,963.1	5,156.9
Stockholders' Equity	3,344.5	1,572.1	913.0	792.4	613.1
Total Liabilities and Stockholders' Equity	$29,155.0	$14,475.8	$10,358.8	$7,755.5	$5,770.0
Leverage (3)	7.6x	7.8x	9.8x	8.2x	7.9x
Book Value Per Share	$25.96	$24.24	$23.43	$23.54	$22.91

(1) Unaudited except for 12/31/2010
(2) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(3) Leverage calculated as sum of repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt divided by total stockholders' equity

Book Value

Roll Forward of Net Book Value Per Share [1]	
Balance – December 31, 2010	**$24.24**
Net Income, Less Other Income	1.30
Other Income	0.18
Unrealized Loss on Available-for-Sale Securities, Net	(0.44)
Unrealized Gain on Swaps, Net	0.67
Dividends Declared	(1.40)
Accretion from Issuance of Common Stock	1.41
Balance – March 31, 2011 (unaudited)	**$25.96**

(1) Beginning and ending net book value per share and dividends declared calculated based on shares outstanding as of their respective dates, all other amounts calculated based on weighted average shares outstanding during the period

Portfolio Fixed Rate Agency Securities

AGNC Fixed Rate MBS

($ in millions – as of March 31, 2011)

≤ 15 YR Mortgages

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC[1]	Average Age (Months)	Actual 1 Month CPR[2]
≤ 4.0%	$ 10,527	$ 10,740	86%	102.6%	4.20%	6	4.2%
4.5%	1,648	1,738	14%	104.7%	4.89%	14	8.7%
5.0%	7	7	0%	105.2%	5.45%	34	7.2%
5.5%	2	3	0%	106.2%	6.54%	52	0.1%
≥ 6.5%	8	9	0%	105.3%	6.90%	47	0.4%
Total	**$12,192**	**$12,497**	**100%**	**102.9%**	**4.28%**	**7**	**4.8%**

20 YR Mortgages

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC[1]	Average Age (Months)	Actual 1 Month CPR[2]
≤ 4.0%	$1,154	$1,156	89%	102.1%	4.30%	3	1.6%
4.5%	106	110	8%	103.7%	4.95%	20	11.9%
5.0%	28	29	2%	105.2%	5.49%	10	4.0%
6.0%	7	8	1%	109.2%	6.42%	53	10.4%
Total	**$ 1,295**	**$1,303**	**100%**	**102.3%**	**4.43%**	**5**	**2.5%**

30 YR Mortgages[3]

Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC[1]	Average Age (Months)	Actual 1 Month CPR[2]
≤ 4.0%	$47	$48	0%	103.6%	5.40%	24	5.2%
4.5%	1,747	1,779	20%	102.6%	4.91%	3	1.6%
5.0%	3,361	3,532	39%	105.5%	5.46%	60	14.0%
5.5%	1,515	1,622	18%	106.9%	6.02%	60	22.3%
6.0%	1,880	2,043	22%	108.5%	6.58%	41	28.4%
≥ 6.5%	47	52	1%	107.9%	7.31%	43	17.2%
Total	**$ 8,597**	**$ 9,076**	**100%**	**105.8%**	**5.70%**	**43**	**16.2%**

(1) Average WAC represents the weighted average coupon of the underlying collateral. The average WAC of fixed rate securities held as of March 31, 2011 was 4.84% and the weighted average coupon on the fixed rate securities was 4.40%
(2) Actual 1 month annualized CPR as of April 1, 2011 for agency securities held as of March 31, 2011
(3) 30 YR securities include $94 MM of 40 YR securities

Portfolio Hybrid ARM Securities

New Issue Hybrid ARMs (2009/2010 Vintage)

Type	Par Value	Market Value	% Total	Amortized Cost Basis	Average Coupon	Average Age (1)	% Interest Only	1 Month CPR (2)
FH/FN 5/1	$ 141	$ 148	3.0%	104.2%	4.33	8	0%	21%
GN 5/1	95	99	2.0%	103.9%	4.14	11	0%	16%
FH/FN 7/1 and 10/1	2,520	2,595	53.0%	103.0%	3.82	4	39%	7%
GN 7/1	2	2	0.0%	104.5%	4.00	7	0%	0%
Subtotal	$ 2,758	$ 2,844	58.0%	103.1%	3.86	8	35%	8%

Seasoned Hybrid ARMs (Pre 2009 Vintage)

4.0%-4.9%	$ 393	417	8.0%	103.5%	4.74	62	12%	31.2%
5.0%-5.9%	1,472	1,575	32.0%	106.5%	5.42	46	53%	27.7%
≥ 6.0%	74	80	2.0%	107.0%	6.14	49	77%	20.4%
Subtotal	$ 1,939	$ 2,072	42.0%	105.9%	5.31	49	46%	28.1%
Total ARMs	**$ 4,697**	**$ 4,916**	**100%**	**104.3%**	**4.45%**	**25**	**40%**	**16.6%**

Reset	Market Value	% Total	Average Reset	Average Coupon
0-23 Months	$ 127	3%	6	5.29%
24-35 Months	711	14%	31	5.14%
36-60 Months	934	19%	45	5.03%
> 60 Months	3,145	64%	88	4.10%
Total	**$ 4,916**	**100%**	**69**	**4.45%**

Index	% Total
LIBOR	85%
CMT / MTA	15%
COFI / Other	--%
Total	**100%**

(1) Average age in months
(2) Actual 1 Month annualized CPR as of April 1, 2011 for agency securities held as of March 31, 2011

American Capital Agency

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 yr duration is expected to change 1% in price for a 100 bp 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, actual performance of both assets and hedges may differ materially from the model estimates
  - ✓ Duration and convexity calculations generally assume all rates move together (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
  - ✓ However, given the structural obstacles which currently impede some more seasoned borrowers' ability to easily refinance their mortgages, we believe that certain models have recently had a tendency to overstate the negative convexity of agency securities
- **AGNC uses a risk management system 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**
  - ✓ The base models, settings, and market inputs used to calculate the exposure to various scenarios are also provided by Blackrock Solutions but are adjusted from time to time by AGNC management personnel as needed. Blackrock also periodically adjusts their models in the normal course of business or if new information becomes available
- **The inputs and results from the models have not been audited by our independent auditors**

Swaptions – What are they?

- **Swaptions give the buyer the right, over a specified period of time, to enter into a swap with a predetermined term at an agreed upon rate**
- **Swaptions can be either *receive-fixed (receiver)* where the buyer has the option to receive a specified fixed-rate versus paying a floating rate (resembles a call option) or *pay-fixed (payer)* where the buyer has the option to pay a fixed-rate and receive a floating rate (resembles a put option)**
- **The following is an example of a pay-fixed or payer swaption:**
  - ✓ The buyer pays $2 million dollars for the right to enter into a $100 million notional swap with a 5 year maturity at a pay rate of 3.5%, beginning 2 years from now (the option period)
- **The return profile of a purchased swaption is asymmetric where the buyer's losses are limited to the premium paid irrespective of how far rates move against the buyer. Conversely the buyer's gains can be significant and will continue to grow in value if rates move significantly in the desired direction**

Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, this presentation includes non-GAAP financial information, including our taxable income and certain financial metrics derived based on taxable income, which management uses in its internal analysis of results, and believes may be informative to investors. Taxable income is pre-tax income calculated in accordance with the requirements of the Internal Revenue Code rather than GAAP. Taxable income differs from GAAP income because of both temporary and permanent differences in income and expense recognition. Examples include temporary differences for unrealized gains and losses on derivative instruments and trading securities recognized in income for GAAP but excluded from taxable income until realized or settled, differences in the CPR used to amortize premiums or accrete discounts as well as treatment of start-up organizational costs, hedge ineffectiveness, and stock-based compensation and permanent differences for excise tax expense. Furthermore, taxable income can include certain estimated information and is subject to potential adjustments up to the time of filing of the appropriate tax returns, which occurs after the end of the calendar year of the Company. The Company believes that these non-GAAP financial measures provide information useful to investors because taxable income is directly related to the amount of dividends the Company is required to distribute in order to maintain its REIT tax qualification status. The Company also believes that providing investors with our taxable income and certain financial metrics derived based on such taxable income, in addition to the related GAAP measures, gives investors greater transparency to the information used by management in its financial and operational decision-making. However, because taxable income is an incomplete measure of the Company's financial performance and involves differences from net income computed in accordance with GAAP, taxable income should be considered as supplementary to, and not as a substitute for, the Company's net income computed in accordance with GAAP as a measure of the Company's financial performance. In addition, because not all companies use identical calculations, our presentation of our estimated taxable income may not be comparable to other similarly-titled measures of other companies. A reconciliation of non-GAAP taxable income to GAAP net income is set forth on slide 18.