

**U.S. SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): January 12, 2011.**



**American Capital Agency Corp.**

(Exact name of registrant as specified in its charter)

**DELAWARE**  
(State or other jurisdiction  
of incorporation)

**001-34057**  
(Commission  
File Number)

**26-1701984**  
(I.R.S. Employer  
Identification No.)

**2 Bethesda Metro Center, 14th Floor Bethesda, MD 20814**  
(Address of principal executive offices, zip code)

Registrant's telephone number, including area code: **(301) 968-9300**

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

## **Item 2.02 Results of Operations and Financial Condition.**

On January 12, 2011, American Capital Agency Corp. (the "registrant") issued a press release announcing its preliminary estimates of select financial data as of and for the quarter ended December 31, 2010.

Pursuant to General Instruction F to the Securities and Exchange Commission's Current Report on Form 8-K, the Release is attached to this Report as Exhibit 99.1 and the information contained in the Release is incorporated into this Item 2.02 by this reference. The information contained in this Item 2.02 is being "furnished" and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended ("Exchange Act"), or otherwise subject to the liabilities of that section. The information in this Item 2.02 shall not be incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or into any filing or other document filed or furnished pursuant to the Exchange Act, except as otherwise expressly stated in such filing.

## **Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

### **Exhibit No. Description**

99.1 Press Release, dated January 12, 2011, issued by American Capital Agency Corp.

## **SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**AMERICAN CAPITAL AGENCY CORP.**

Dated: January 12, 2011

By: /s/ SAMUEL A. FLAX

Samuel A. Flax  
Executive Vice President and Secretary

**FOR IMMEDIATE RELEASE**

**January 12, 2011**

**CONTACT:**

Investors - (301) 968-9300

**AGNC ANNOUNCES PRELIMINARY ESTIMATES  
OF SELECT FINANCIAL DATA FOR Q4 2010**

Bethesda, MD - January 12, 2011 - American Capital Agency Corp. (Nasdaq: AGNC) ("AGNC" or the "Company") announced preliminary estimates of select financial data for the fourth quarter 2010 and as of December 31, 2010.

The Company estimates that, when finally determined, earnings per share for the quarter ended December 31, 2010 will exceed \$2.25. Earnings per share for the quarter ended December 31, 2010 were favorably impacted by non-recurring net realized and unrealized gains on its derivative instruments, such as to-be-announced (TBA) mortgage short positions and payer swaptions, which the Company uses primarily to hedge increases in interest rates, and by net realized gains on available-for-sale securities. Net of these items, the Company expects earnings per share for the quarter ended December 31, 2010 will exceed \$1.20, including an anticipated benefit from slower projected prepayment speeds.

The Company expects that taxable net income for the quarter will be lower than GAAP net income, due partly to the deferred recognition of certain unrealized gains/losses for tax purposes and other timing related differences. AGNC expects that its undistributed taxable income as of December 31, 2010 will exceed \$40 million and that the Company will incur a federal excise tax of less than \$1.0 million as a result of its decision to defer a portion of its 2010 taxable income.

The Company expects that when finally determined, book value per share as of December 31, 2010, will exceed \$24.00. The Company estimates that as of December 31, 2010, the fair value of AGNC's investment portfolio was approximately \$13.5 billion and AGNC's leverage ratio, including unsettled trades, was approximately 7.8x.

**ABOUT AGNC**

AGNC is a REIT that invests 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 American Capital Agency Management, LLC, an affiliate of American Capital, Ltd. ("American Capital").

**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 \$18 billion in capital resources under management and eight offices in the U.S., Europe and Asia. American Capital and its affiliates will consider investment opportunities from \$5 million to \$100 million.

**FORWARD-LOOKING STATEMENTS**

The press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. You should not place undue reliance on these estimates because they may prove to be materially inaccurate. The foregoing information and estimates have not been compiled or examined by the Company's independent auditors and they are subject to revision as the Company prepares its financial statements as of and for the year ended December 31, 2010, including all disclosures required by accounting principles generally accepted in

the United States, or GAAP, and as the Company's auditors conduct their audit of these financial statements. While the Company believes that such information and estimates are based on reasonable assumptions, actual results may vary, and such variations may be material. Factors that could cause the preliminary information and estimates to differ include, but are not limited to: (i) additional adjustments in the calculation of, or application of accounting principles for, the financial results for the year ended December 31, 2010, (ii) discovery of new information that impacts valuation methodologies underlying these results, (iii) errors in the assessment of portfolio value, and (iv) accounting changes required by GAAP. Furthermore, taxable net income often differs from GAAP net income, in part, as it does not include unrealized gains or losses on derivative instruments until realization and premium amortization does not incorporate revisions to prepayment projections.