American Capital Agency

BARCLAYS CAPITAL AMERICAS SELECT FRANCHISE CONFERENCE

MAY 16, 2012

AGNC
NASDAQ
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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 SINCE IPO[1]:
$20.11

NET ASSET VALUE PER SHARE[2]:
$29.06

TOTAL EQUITY CAPITAL[2]:
$8.7 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

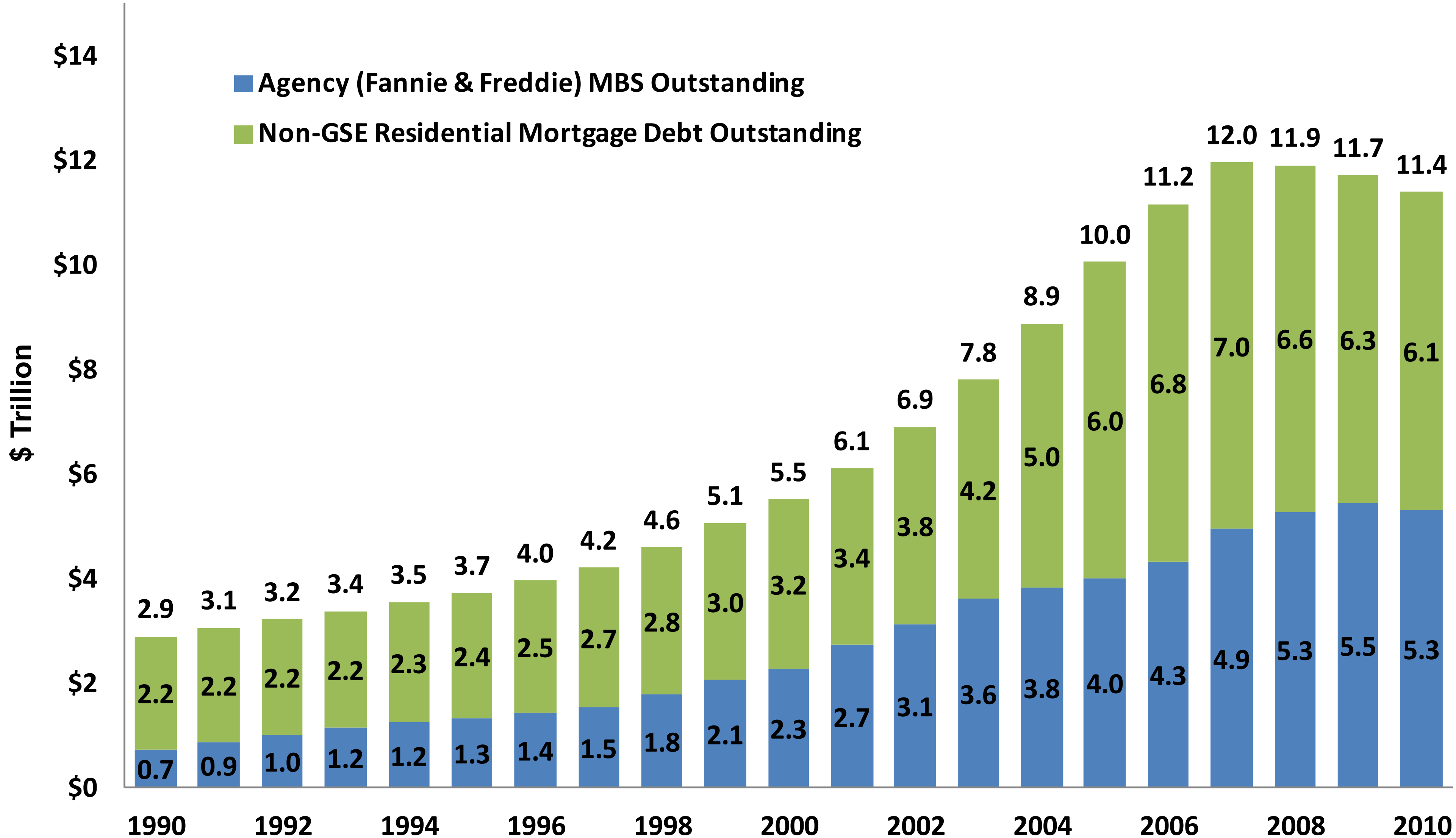
- Senior investment professionals have worked together for the majority of their careers and, on average, have 19 years of investment experience across the residential mortgage universe
- Previously managed one of the world's largest portfolios of residential mortgage related investments

OUR FEE STRUCTURE

- 1.25% on equity
- No incentive fee

1. As of April 27, 2012.
2. As of March 31, 2012.

Size of the U.S. Residential Mortgage Market



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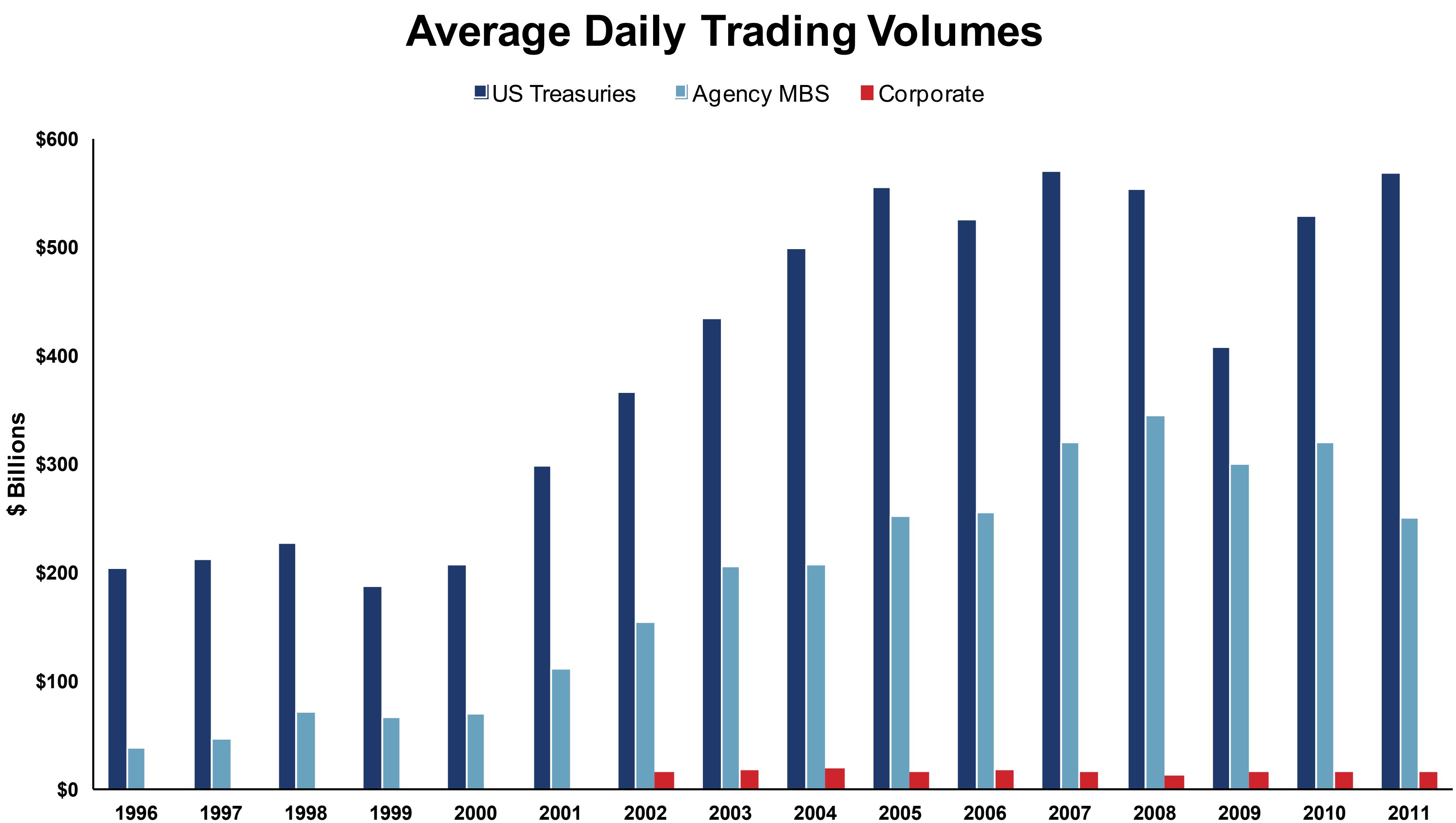
Source: Federal Housing Finance Agency, Enterprise Share of Residential Mortgage Debt Outstanding, 1990-2010; Agency MBS does not include Ginnie Mae

Depth and Liquidity of the Market

Behind the U.S. Treasury Market, the Agency MBS Market is the Second Most Liquid Fixed Income Market in the World



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Sources: SIFMA, Federal Reserve Bank of New York, Municipal Securities Rulemaking Board, FINRA TRACE
Primary dealer activity; Excludes all issues with maturities of one year or less and convertible securities; Totals may not add due to rounding; As of October 2011, agency trading activity is no longer limited to primary dealer activity; Includes non-agency RMBS and CMBS; Includes ABS, CDOs, and other.

Market Dynamics

Significant Changes in Investor Base is Very Positive for REITs

Evolving Role of the Government

- **GSEs have run the largest levered mortgage relative value portfolios for the past 2 decades**
  - GSEs historically ran relative value, profit oriented portfolios that could lever close to 50:1
  - Currently the GSEs are mandated to run off their existing MBS portfolios over the next decade
- **Void left by the disappearance of the GSEs should present significant opportunities for other investors in the agency space**
- **Almost $1 trillion in MBS currently owned by the FED**
  - FED is currently only reinvesting paydowns from existing MBS portfolio. Potential exists for the FED to become a significant buyer in 2012 if they initiate additional quantitative easing (“QE 3”)
  - Fed and Treasury are not value or profit oriented investors

Other Market Players

- Continued contraction of dealer arbitrage desks and bank proprietary trading activities

Business Economics

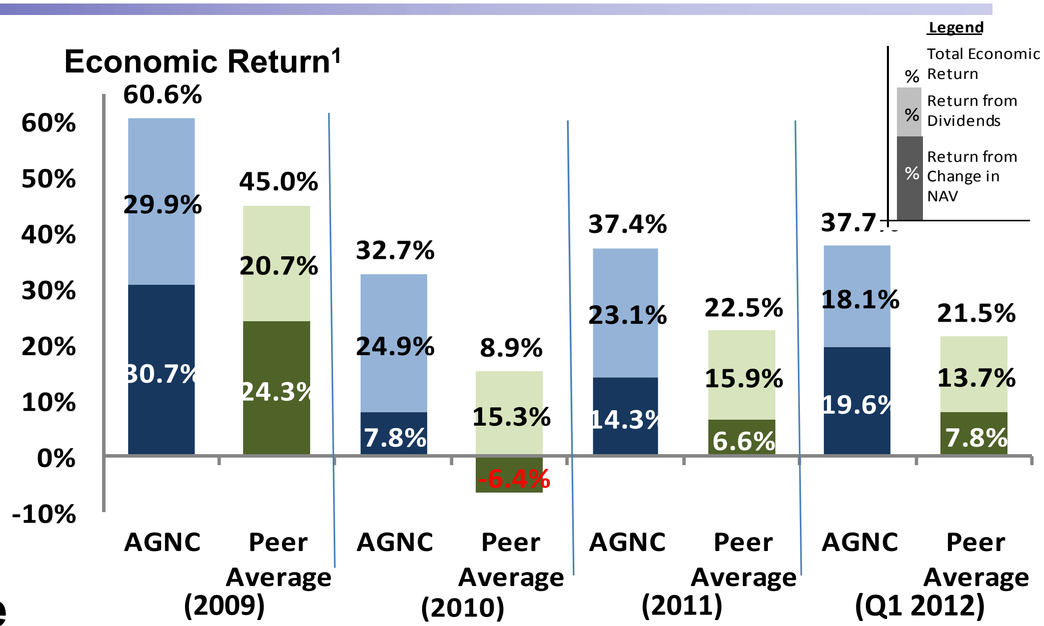
(unaudited)	As of 3/31/12 [1]	As of 12/31/11	Q1 2012	Q4 2011	Q3 2011	Q2 2011	Q1 2011	Year 2011
Asset Yield	3.06%	3.07%	3.32%	3.06%	3.14%	3.35%	3.39%	3.19%
Cost of Funds [2]	(0.99)%	(1.13)%	(1.01)%	(1.16)%	(1.00)%	(0.89)%	(0.81)%	(0.78)%
Net Interest Rate Spread	**2.07%**	**1.94%**	**2.31%**	**1.90%**	**2.14%**	**2.46%**	**2.58%**	**2.41%**
Leverage [3]	**8.4x**	**7.9x**	**8.2x**	**7.6x**	**7.9x**	**7.6x**	**7.4x**	**7.6x**
Leveraged Net Interest Rate Spread	17.29%	15.39%	19.02%	14.44%	16.89%	18.64%	18.99%	18.41%
Plus: Asset Yield	3.06%	3.07%	3.32%	3.06%	3.14%	3.35%	3.39%	3.19%
Gross ROE Before Expenses and Other Income	**20.34%**	**18.46%**	**22.34%**	**17.51%**	**20.03%**	**21.99%**	**22.38%**	**21.60%**
Management Fees as a % of Equity	(1.22)%	(1.18)%	(1.28)%	(1.31)%	(1.27)%	(1.32)%	(1.42)%	(1.33)%
Other Operating Expenses as a % of Equity	(0.26)%	(0.39)%	(0.32)%	(0.43)%	(0.48)%	(0.48)%	(0.44)%	(0.46)%
Total Operating Expenses as a % of Equity	**(1.48)%**	**(1.57)%**	**(1.60)%**	**(1.74)%**	**(1.75)%**	**(1.80)%**	**(1.86)%**	**(1.79)%**
Net Spread Income ROE	**18.86%**	**16.89%**	**20.74%**	**15.77%**	**18.28%**	**20.19%**	**20.52%**	**19.81%**
Other Miscellaneous [4]	-- %	-- %	(1.11)%	(1.14)%	(1.27)%	(0.70)%	(0.71)%	(2.64)%
Realized Other Income, net of Tax [5]	-- %	-- %	12.56%	6.37%	7.21%	1.43%	5.92%	5.42%
Unrealized Other Income/(Loss)	**-- %**	**-- %**	4.61%	(6.11)%	(3.79)%	(2.08)%	(3.27)%	(4.11)%
Net Income ROE [6]	**18.86%**	**16.89%**	**36.80%**	**14.88%**	**20.39%**	**18.84%**	**22.46%**	**18.48%**
Other Comprehensive Income (Loss)	**-- %**	**-- %**	(3.10)%	19.12%	1.89%	7.02%	3.58%	9.09%
Comprehensive Income ROE	**18.86%**	**16.89%**	**33.70%**	**34.00%**	**22.28%**	**25.86%**	**26.04%**	**27.57%**

1. As of 3/31/12, the mark-to-market yield on our MBS portfolio was 2.82%, the mark-to-market pay fixed rate on our swap portfolio was 1.18%, and the mark-to-market cost of funds was 0.80%
2. Cost of funds includes interest expense and other periodic swap interest costs reported in other income (loss). Cost of funds as of 3/31/12 and 12/31/11 includes the impact of swaps in effect as of each date ($31.0 B and $27.7 B, respectively), plus forward starting swaps becoming effective, net of swaps expiring, within three months of each date ($7.2 B and $1.3 B, respectively), but excludes costs associated with supplemental hedges such as swaptions and short treasury or TBA positions
3. Leverage as of 3/31/12 and 12/31/11 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
4. 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
5. Realized other income, net of tax, excludes other periodic swap interest costs included in cost of funds
6. Net income ROE for Q1 12, Q4 11 and Q3 11 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

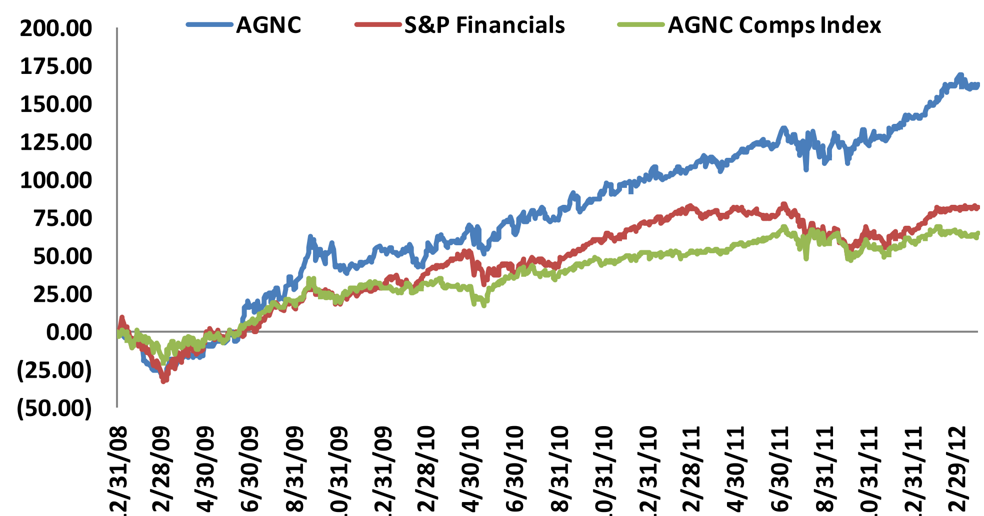
AGNC Returns vs. Peer Group

- The management of AGNC views Economic Return as a key measure of value creation for shareholders
- Economic Return represents the combination of dividends paid plus the change in net asset value over a given period
- AGNC has paid or declared $20.11 dollars per share in dividends since its IPO in May 2008
- AGNC has grown book value 68% from $17.25 per share on December 30, 2008 to $29.06 as of March 31, 2012
- These results have exceeded the performance of our peers over a volatile multiyear period

Economic Return[1]



Total Stock Return[2]



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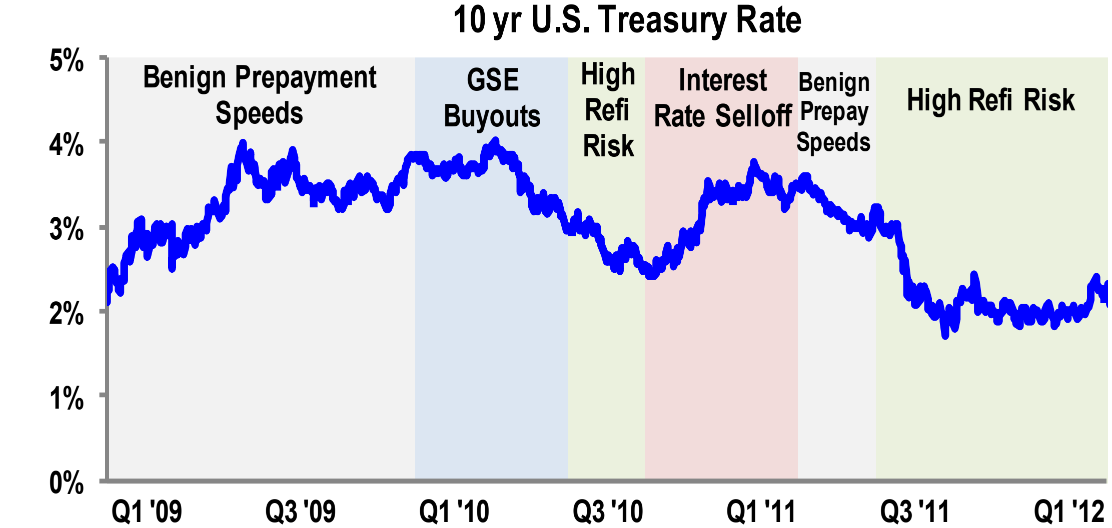
Past performance is not a guarantee of future results.

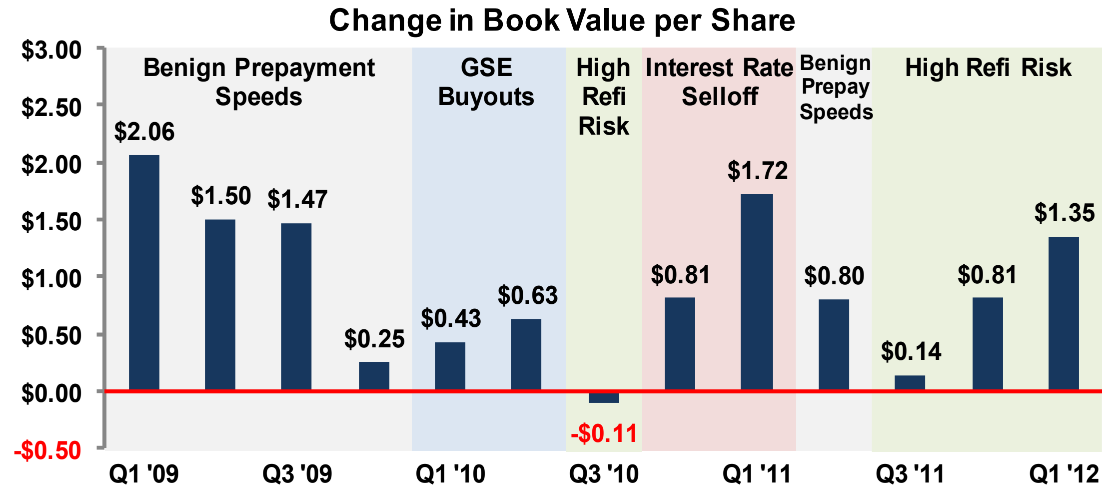
1. Source: Company filings; Peer Average comprised of the following peers on an unweighted basis: ANH, CMO, CYS, HTS, NLY. NAV for selected peers have been adjusted to reflect the impact of dividends that are declared shortly after the closing of a quarter
2. Source: SNL Financial; AGNC Comps Index comprised of the following peers on an unweighted basis: ANH, CMO, CYS, HTS, NLY.

History of Protecting Book Value

Our book value has grown since the beginning of 2009, increasing by $11.81 (68%) since Dec 31, 2008, from $17.25 to $29.06.

- Through prudent asset and hedge portfolio selection, we seek to protect book value regardless of the direction of interest rate changes
- Despite a volatile interest rate and prepayment environments over the last several years, our book value has consistently increased
- Total economic returns have been positive in every quarter during the same time period (includes dividend + change in book value)





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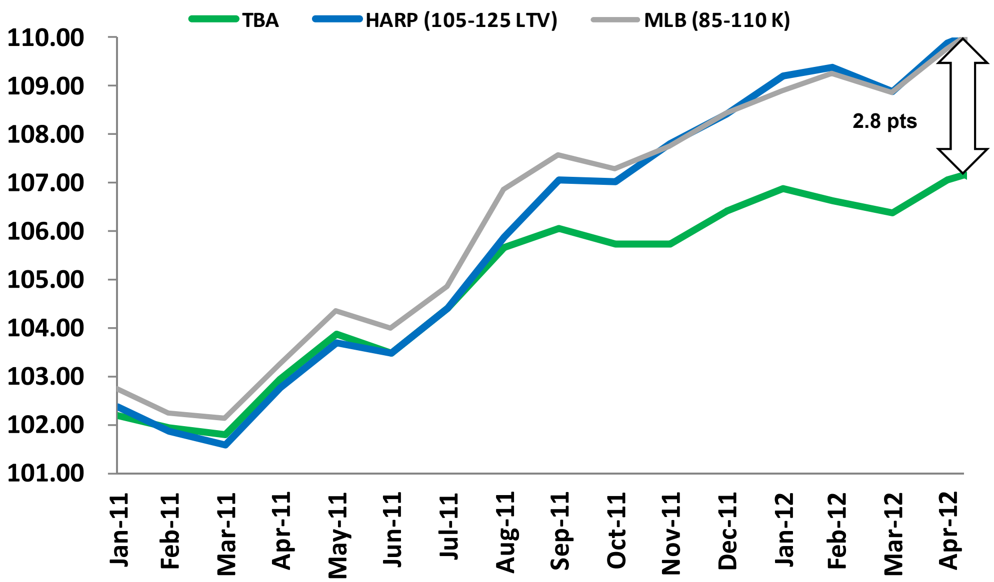
Note: Historical performance is not an indicator of future results and we would fully expect to have quarters with book value declines going forward.

Source: 10 Year UST – Capital IQ. Change represents peak to trough change during the time period.

Asset Selection is Critical to Book Value

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



As of	TBA Price	HARP (105-125 LTV) Price	HARP-TBA Pay Up	MLB (85-110K) Price	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
3/31/12	106.38	108.88	2.5	108.88	2.5
4/30/12	107.06	109.88	2.8	109.75	2.7

- **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-$110K (gray line)

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Source: Market participants

Slow Prepayments Are Critical to Returns

Hypothetical Yield Sensitivity Analysis* 30 Year 4.0% Agency MBS				
	10 CPR	20 CPR	30 CPR	40 CPR
Asset Yield(1)	3.01%	2.37%	1.63%	0.79%
Cost of Funds(2)	-0.80%	-0.80%	-0.80%	-0.80%
Net Margin	2.21%	1.57%	0.83%	-0.01%
ROE (8x Lev)	20.69%	14.93%	8.27%	0.71%

- **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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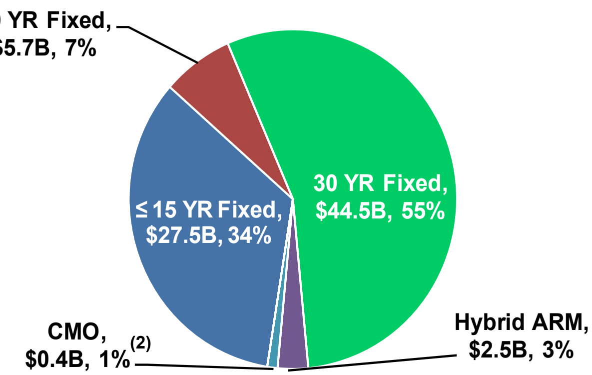
1. As of 5/8/2012 for 6/13/2012 FNCL 4s – 105-30
2. Assumes a blend of repo funding and swap hedges

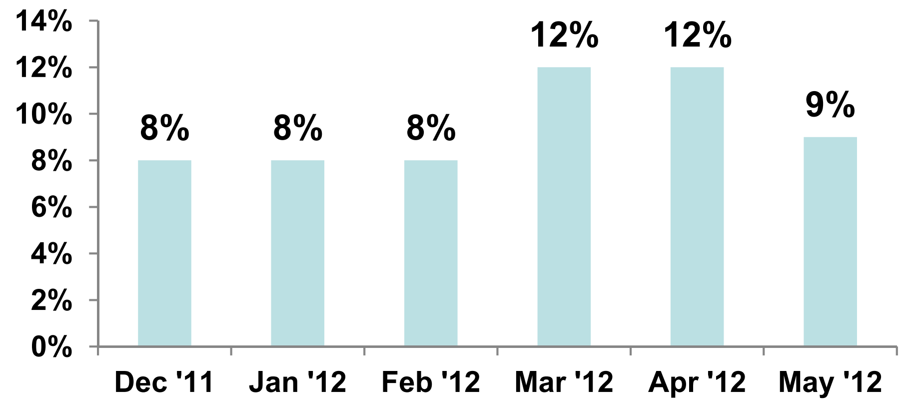
Q1 2012 Portfolio Update

Our portfolio remains well positioned against prepayments

$80.6 B Portfolio as of 3/31/12 [(1)]



AGNC 2011/2012 Actual CPR's [(3)]



≤ 15 Year - $27.5 B Portfolio (34% of Total) as of 3/31/12

($ In Millions)	FMV	%	Coupon	WALA	Apr'12 1 M Actual CPR [(3)]	Life Forecast CPR [(7)]
Lower Loan Bal [(4)]	$18,405	67%	3.74%	14	11%	10%
HARP[(5)]	$1,193	4%	3.80%	12	7%	9%
Other 2009-2012 [(6)]	$7,790	29%	3.64%	15	24%	15%
Other (Pre 2009)	$78	0%	4.30%	85	17%	15%
Total ≤15 Year	**$27,466**	**100%**	**3.71%**	**14**	**15%**	**12%**

30 Year - $44.5 B Portfolio (55% of Total) as of 3/31/12

($ In Millions)	FMV	%	Coupon	WALA	Apr'12 1 M Actual CPR [(3)]	Life Forecast CPR [(7)]
Lower Loan Bal [(4)]	$12,191	27%	4.09%	10	7%	7%
HARP[(5)]	$15,378	35%	4.14%	7	4%	7%
Other 2009-2012 [(6)]	$15,689	35%	3.87%	6	12%	8%
Other (Pre 2009) [(6)]	$1,265	3%	5.31%	79	33%	17%
Total 30 Year	**$44,523**	**100%**	**4.06%**	**9**	**8%**	**8%**

1. Excludes net TBA and forward settling securities of $1.0B 15-year net long position and $8.3B 30-year net short position
2. Includes interest-only, inverse interest-only and principal-only securities
3. Weighted average actual 1 month annualized CPR released at the beginning of the month based on the securities held as of the preceding month-end
4. Lower loan balance securities defined as pools backed by max original loan balances of up to $150K. Weighted average original loan balance of $101K and $107K for 15 and 30-year securities, respectively, as of Mar 31
5. HARP securities defined as pools backed by 100% refinance loans with original LTVs ≥ 80% and ≤ 125%. Weighted average original LTV of 95% and 92% for 15 and 30-year securities, respectively, as of Mar 31
6. Includes total of $954MM and $934MM of securities backed by loans with original loan balances ≤ $175K for 15 and 30-year securities, respectively, as of Mar 31
7. Average projected life CPR as of Mar 31

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Looking Ahead, Three Scenarios to Consider

	Moderate Growth Continues -and/or- Inflation Remains Near FED Target	Economy Weakens -and/or- Inflation Below FED Target	Economy Rebounds Strongly -and/or- Inflation Increases Significantly
Probability	Most Likely	Medium	Low
10-Year Rate	Moderate Increase	Flat to Lower	Large, Rapid Increase
Yield Curve	Steepens	Flattens	Steepens
QE3	Unlikely	Likely	None
Prepayment Rate Impact	Organic prepayments decrease, HARP 2.0 speeds could increase	Materially Accelerate	Slow Significantly
Expected Agency MBS Impact	• Mortgage prices decline moderately • Mortgage spreads perform reasonably well vs. hedges as slower prepays and steeper curve entice investors	• Price of lower coupon and prepay protected mortgages increase materially • Prices of generic, higher coupons and ARMs likely appreciate much less as prepayment fears weigh on sector and no FED bid [1]	• Mortgage prices fall • Extension risk increases • Spreads widen
Potential Implications for AGNC	• Returns on existing portfolio improve as prepays slow • Steeper yield curve leads to wider spreads on new purchases • Moderate book value changes	• Prepayment protection critical to returns on existing assets • Returns on new purchases significantly less attractive • Book value likely increases in response to QE3	• Effective hedges critical to performance • New purchases very attractive, but book value preservation is key to being able to add assets • Book value likely decreases

The views expressed above are of the AGNC investment team as of March 31, 2012 and should not be interpreted as forecasts or investment advice. Opinions expressed may change without notice.

1. In a QE3 scenario, the FED is more likely to purchase lower coupon generic mortgages and less likely to purchase generic higher coupons and ARMs

AGNC Positioning Against This Backdrop

We continue to believe AGNC is well positioned to generate attractive risk adjusted returns across a wide range of scenarios

	AGNC Positioning	Thought Process
Asset Selection	• Continue to focus on assets with prepay protection or low coupon generic mortgages • Manage "pay-up" exposure on pools [1] • Minimize HARP 2.0 exposure	• Maintain prepayment protected portfolio • Generic, low coupon fixed-rate mortgages can be sold to the FED at rich levels if QE3 occurs • Managing premiums paid for specified securities ("pay-up at risk") will improve book value performance if rates rise • Speeds on HARP 2.0 eligible mortgages could pick up meaningfully under a variety of scenarios
Hedging	• Greater reliance on swaptions in the near term • Increase hedge duration in response to asset composition and valuations	• Swaptions provide meaningful protection against the unlikely risk of a large selloff • Low swap rates and potential for QE3 reduce downside of longer hedge ratios
Funding	• Maintain focus on reducing rollover risk • Maintain substantial diversification of lenders	• Enhances liquidity position
Leverage	• Leverage levels consistent with recent history • Future leverage levels or strategies can change quickly and will be a function of perceived risk/return tradeoffs, liquidity considerations, changes in the market value of our equity, and other factors	• Current returns are still attractive and mortgages are unlikely to cheapen significantly in the absence of a large increase in interest rates • Recent outperformance of MBS (and pools backed by favorable prepayment characteristics in particular) make higher leverage less desirable • Lower leverage would be problematic in a QE3 scenario as FED purchases would drive MBS to very rich valuations

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1. Pay-ups represent the value of the price premium over generic TBA prices

Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, this presentation includes certain non-GAAP financial information, including net spread income, estimated taxable income and certain financial metrics derived from non-GAAP information, such as estimated undistributed taxable income, which the Company's management uses in its internal analysis of results, and believes may be informative to investors.

Net spread income consists of adjusted net interest income, less total operating expenses. Adjusted net interest income is interest income less interest expense (or “GAAP net interest income”), less other periodic interest rate swap interest costs reported in other income (loss), net.

Estimated taxable income is pre-tax income calculated in accordance with the requirements of the Internal Revenue Code rather than GAAP. Estimated taxable income differs from GAAP income because of both temporary and permanent differences in income and expense recognition. Examples include (i) unrealized gains and losses associated with interest rate swaps and other derivatives and securities marked-to-market in current income for GAAP purposes, but excluded from estimated taxable income until realized or settled, (ii) temporary differences related to the amortization of premiums paid on investments and (iii) timing differences in the recognition of certain realized gains and losses. Furthermore, estimated taxable income can include certain information that 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 net spread income is a financial metric used by management and investors and estimated 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 net spread income, estimated taxable income and certain financial metrics derived based on such estimated 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 net spread income and estimated taxable income are an incomplete measure of the Company's financial performance and involve differences from net income computed in accordance with GAAP, net spread income and estimated 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, the Company's presentation of net spread income and estimated taxable income may not be comparable to other similarly-titled measures of other companies. A reconciliation of non-GAAP net spread income and taxable income measures to GAAP net income is set forth on our Q1 2012 Shareholder Presentation.