

AT A GLANCE

American Capital Agency Corp. (Nasdaq: AGNC or “the Company”) is a REIT that invests in agency securities for which the principal and interest payments are guaranteed by a U.S. Government-sponsored entity (such as the Federal National Mortgage Association, or Fannie Mae, and the Federal Home Loan Mortgage Corporation, or Freddie Mac), or a U.S. Government agency (such as the Government National Mortgage Association, or Ginnie Mae).

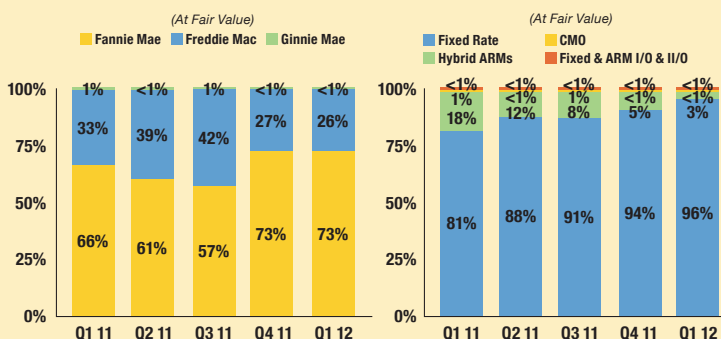
The principal objective of AGNC is to preserve our net asset value while generating attractive risk-adjusted returns for distribution to our stockholders through regular quarterly dividends from our net interest income, which is the spread between the interest income earned on our interest earning assets and the interest costs of our borrowings and hedging activities, and net realized gains and losses on our investments and other supplemental hedging activities. We fund our investments primarily through short-term borrowings structured as repurchase agreements.

Our Manager is a majority-owned subsidiary of a wholly-owned portfolio company of American Capital, Ltd. (Nasdaq: ACAS).

(All data as of March 31, 2012)

Asset Mix as of 3/31/12

(\$ in Millions)	Amortized Cost			Weighted Average		
	Par Value	Amount	Percent	Fair Value	Coupon	Yield ¹
AFS² Agency Securities						
Fixed-Rate	\$73,411	\$76,839	104.7%	\$77,675	3.91%	3.06%
Hybrid ARM	2,357	2,446	103.8%	2,500	4.19%	2.70%
CMO	218	224	102.9%	228	3.95%	2.81%
Total AFS Agency Securities	\$75,986	\$79,509	104.6%	\$80,403	3.92%	3.04%
Underlying Unamortized						
	Principal Balance	Amount	Percent	Fair Value	Coupon	Yield
Interest-Only and Principal-Only Strips ³	\$ 1,067	\$ 178	N/A	\$ 167	5.37%	8.12%
Total		\$79,687	N/A	\$80,570	3.99%	3.06%



Financing and Hedging Summary

AGNC has diversified funding sources. As of March 31, 2012 the Company had repurchase agreements with 30 counterparties, with no more than 4% of our equity at risk with a single counterparty.

Repurchase Agreements (\$ in Millions)

Original Repo Maturities	Repo Outstanding	Interest Rate	Weighted Average Days to Maturity
Total/Weighted Average	\$69,816	0.37%	104 Days

In terms of hedging, AGNC had \$38 billion notional value of interest rate swaps as of March 31, 2012, representing 55% of the repurchase agreements outstanding, AGNC also had \$10.5 billion in payer swaptions, which seek to hedge convexity risk.

Interest Rate Swaps as of 3/31/12 (\$ in Millions)

	Notional Amount	Fixed Pay Rate	Receive Rate	Average Maturity
Total/Weighted Average	\$38,100	1.55%	0.35%	3.9 Years

Business Economics

(unaudited)	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Asset Yield	3.32%	3.06%	3.14%	3.35%
Cost of Funds ⁴	(1.01)%	(1.16)%	(1.00)%	(0.89)%
Net Interest Rate Spread	2.31%	1.90%	2.14%	2.46%
Leverage ⁵	8.2x	7.6x	7.9x	7.6x
Leveraged Net Interest Rate Spread	19.02%	14.44%	16.89%	18.64%
Plus: Asset Yield	3.32%	3.06%	3.14%	3.35%
Gross ROE Before Expenses and Other Income	22.34%	17.51%	20.03%	21.99%
Management Fees as a % of Equity	(1.28)%	(1.31)%	(1.27)%	(1.32)%
Other Operating Expenses as a % of Equity	(0.32)%	(0.43)%	(0.48)%	(0.48)%
Total Operating Expenses as a % of Equity	(1.60)%	(1.74)%	(1.75)%	(1.80)%
Net Spread Income ROE	20.74%	15.77%	18.28%	20.19%
Other Miscellaneous ⁶	(1.11)%	(1.14)%	(1.27)%	(0.70)%
Realized Other Income, net of Tax ⁷	12.56%	6.37%	7.21%	1.43%
Unrealized Other Income/(Loss)	4.61%	(6.11)%	(3.79)%	(2.08)%
Net Income ROE ⁸	36.80%	14.88%	20.39%	18.84%
Other Comprehensive Income (Loss)	(3.10)%	19.12%	1.89%	7.02%
Comprehensive Income ROE	33.70%	34.00%	22.28%	25.86%

Summary Financial Highlights as of 3/31/12

(unaudited, in Millions, Except Per Share Data)	Q1 2012	Q4 2011	Q3 2011	Q2 2011
Net Interest Income	\$ 408	\$ 263	\$ 232	\$ 201
Total Other Income, Net of Excise Tax	\$ 263	\$ (25)	\$ 41	\$ (6)
Total Operating Expenses	\$ (28)	\$ (24)	\$ (22)	\$ (17)
Net Income	\$ 641	\$ 209	\$ 250	\$ 178
Basic and Diluted EPS	\$2.66	\$0.99	\$1.39	\$1.36
Dividends Per Share (Declared)	\$1.25	\$1.40	\$1.40	\$1.40
Estimated Cumulative Undistributed REIT Taxable Income per Share ⁹	\$1.28	\$0.80	\$0.85	\$0.44

(unaudited)	As of 3/31/12	As of 12/31/11	As of 9/30/11	As of 6/30/11
Total Assets	\$88,417	\$57,972	\$47,039	\$43,637
Total Repurchase Agreements	\$69,816	\$47,681	\$38,842	\$33,505
Total Equity	\$ 8,718	\$ 6,212	\$ 4,940	\$ 4,777
Leverage ⁵	8.4x	7.9x	7.7x	7.5x
Book Value Per Share	\$ 29.06	\$ 27.71	\$ 26.90	\$ 26.76

1. Weighted average yield incorporates future prepayment rate assumptions based on forward rates as of 3/31/12 and reset rates for adjustable rate securities equal to the underlying spot index rates in effect as of the date we acquired the adjustable rate securities plus their stated margin.

2. Available-For-Sale.

3. Interest-only securities represent the right to receive a specified portion of the contractual interest flows of the underlying unamortized principal balance ("UPB" or "par value") of specific CMO securities. Principal-only securities represent the right to receive contractual principal flows of the UPB of specific CMO securities.

4. 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.

5. 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.

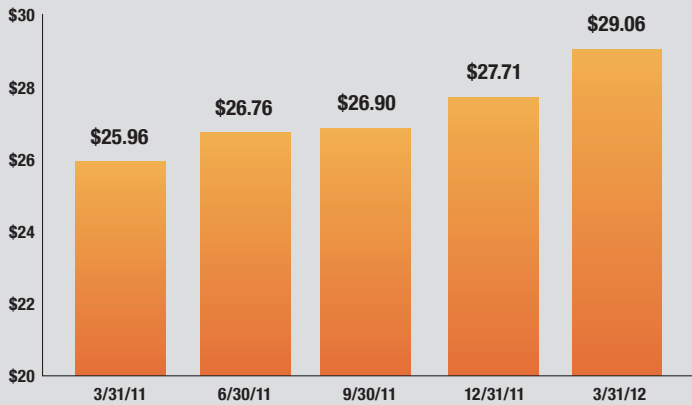
6. Other miscellaneous reflects the impact of differences between the use of daily averages used for investment securities and repurchase agreements and the month-end average used for shareholders' equity, cash and cash equivalents, restricted cash, other non investment assets and liabilities, and other immaterial rounding differences.

7. Realized other income, net of tax, excludes other periodic swap interest costs included in cost of funds.

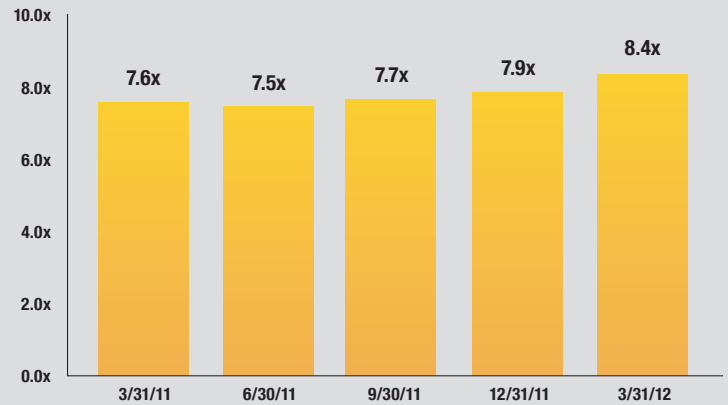
8. Net income ROE for Q1 12, Q4 11 and Q3 11 is not comparable to prior periods due to the Company's discontinuation of hedge accounting for interest rate swaps as of Sept 30, 2011. Following hedge de-designation, mark-to-market adjustments on the Company's interest rate swaps are recognized in other income (loss), net, whereas they were previously recognized in other comprehensive income (OCI), a separate component of stockholders' equity.

9. Based on shares outstanding as of each quarter-end.

Book Value Per Share



Leverage¹



Earnings per Share (EPS)

■ GAAP EPS
■ Taxable EPS
■ Comprehensive EPS

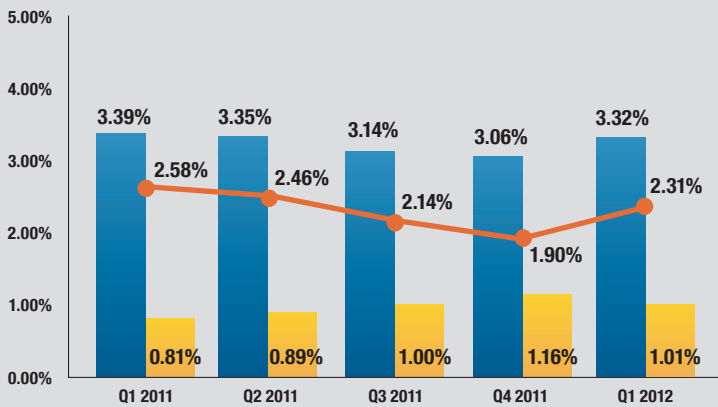


Dividend per Share

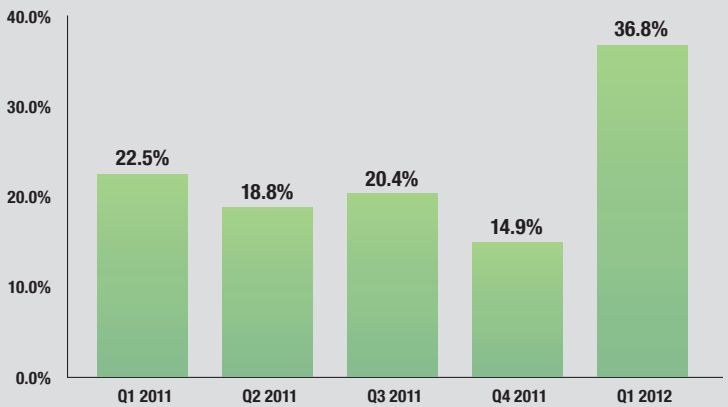


Net Spread

■ Asset Yield
■ Cost of Funds
—●— Net Spread



Return on Equity (ROE)



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.