

American Capital Agency Investor Fact Sheet – Q4 2012



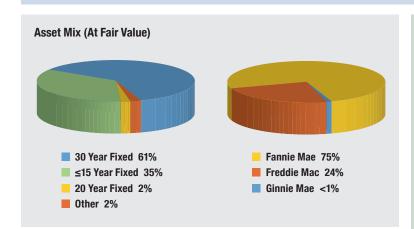
AT A GLANCE

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 (also referred to as "net book value", "NAV" and "stockholders' equity") while generating attractive risk-adjusted returns for distribution to our stockholders through regular quarterly dividends from the combination of our net interest income and net realized gains and losses on our investments and 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 December 31, 2012)



(unaudited)	Q4 2012	Q3 2012	Q2 2012	Q1 2012
Asset Yield	2.82%	2.55%	2.73%	3.32%
Cost of Funds ¹	(1.19%)	(1.13%)	(1.08%)	(1.01%
Net Interest Rate Spread	1.63%	1.42%	1.65%	2.31%
Leverage ²	6.7x	7.1x	7.5x	8.2x
Leveraged Net Interest Rate Spread	10.87%	10.12%	12.37%	19.02%
Plus Asset Yield	2.82%	2.55%	2.73%	3.32%
Gross Return on Equity ("ROE") Before				
Expenses and Other Income	13.69%	12.67%	15.10%	22.34%
Management Fees as a % of Equity	(1.10%)	(1.19%)	(1.24%)	(1.28%
Other Operating Expenses as a % of Equity	(0.32%)	(0.31%)	(0.35%)	(0.32%
Total Operating Expenses as a % of Equity	(1.42%)	(1.50%)	(1.59%)	(1.60%
Net Spread Income ROE	12.27%	11.16%	13.51%	20.74%
Other Miscellaneous ³	(1.40%)	(1.17%)	(0.86%)	(1.11%
Realized Other Income (Loss), Net of Tax4	13.30%	(1.80%)	4.80%	12.56%
Unrealized Other Income/(Loss)	4.58%	(4.95%)	(28.96%)	4.61%
Net Income ROE	28.75%	3.24%	(11.51%)	36.80%
Other Comprehensive (Loss)/Income	(24.28%)	46.45%	32.74%	(3.10%
Comprehensive Income ROE	4.47%	49.69%	21.23%	33.70%
Comprehensive Return on Preferred Equity				
in Excess of Preferred Dividend	(0.05%)	0.69%	0.24%	-%

Financing and Hedging Summary

AGNC has diversified funding sources. As of December 31, 2012 the Company had repurchase agreements with 32 counterparties, with less than 4% of our equity at risk with a single counterparty.

Repurchase Agreements (\$ in Millions)

Original Repo Maturities	Repo	Interest	Weighted Average
	Outstanding	Rate	Days to Maturity
Total/Weighted Average	\$74,478	0.51%	181

In terms of hedging, AGNC had \$46.9 billion notional value of interest rate swaps as of December 31, 2012, representing 62% of the repurchase agreements and other debt outstanding. AGNC also had \$14.5 billion in payer swaptions, which seek to hedge convexity risk.

Interest Rate Swaps (\$ in Millions)

Maturity	Notional	Pay	Receive	Weighted Average
	Amount	Rate	Rate	Years to Maturity
Total/Weighted Average	\$46,850	1.46%	0.29%	4.4

(In Millions, Except Per Share Data)		Q4 2	012	Q3 2012	Q2 2012	Q1 2012
Net Interest Income		\$ 4	23	\$ 381	\$ 384	\$ 408
Total Other Income, Net of Excise	Tax	\$ 4	42	\$(250)	\$ (612)	\$ 263
Total Operating Expenses		\$ (40)	\$ (40)	\$ (36)	\$ (28)
Net Income (Loss) Available (Attributo Common Shareholders	utable	s) \$8	07	\$ 83	\$ (264)	\$ 641
Basic and Diluted Earnings per Common Share		\$2.	37	\$0.25	\$(0.88)	\$2.66
Comprehensive Income per Common Share		\$0.	36	\$3.98	\$ 1.58	\$2.44
Estimated Cumulative Undistribute Taxable Income per Common S			93	\$1.36	\$ 1.62	\$2.03
(unaudited)	• • •	s of 31/12		of 0/12	As of 6/30/12	As of 3/31/12
Total Assets	\$10	0,453	\$102	2,177	\$84,782	\$88,417
Total Repurchase Agreements	\$ 7	4,478	\$ 79	9,254	\$69,540	\$69,816
Total Equity	\$ 1	0,895	\$ 1	1,273	\$ 9,136	\$ 8,718
Leverage ⁶		7.0x		7.0x	7.6x	8.4x
Book Value Per Common Share	\$	31.64	\$:	32.49	\$ 29.41	\$ 29.06

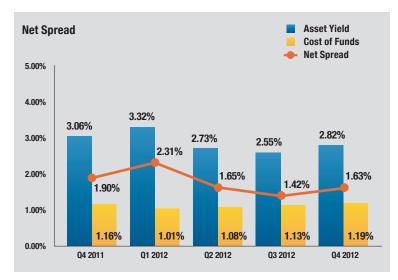
- 1. Cost of funds includes other periodic swap interest costs reported in other income (loss) net It excludes swap termination fees and costs associated with supplemental hedges such as swaptions (loss), net. swaptions, short treasury and net TBA positions.

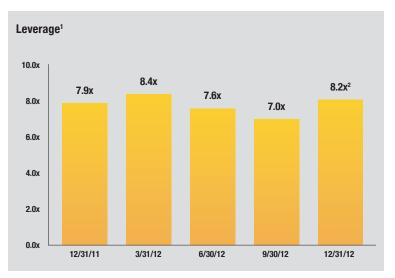
 2. Average leverage calculated as the daily weighted average sum of repurchases agreements and other debt outstanding divided by the average month-ended equity for the period.
- 2. Workings between the impact of differences between the use of daily averages used for investment securities and repurchase 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. Realized other income, net of tax, excludes other periodic swap interest costs included in cost of funds.
- Based on shares outstanding as of each quarter-end.
- 6. Leverage at period end calculated as sum of repurchase agreements, net payable/receivable for agency securities not yet settled and other debt divided by total stockholders' equity at period end.

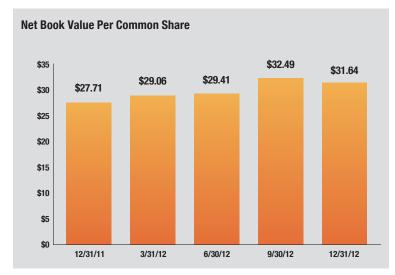


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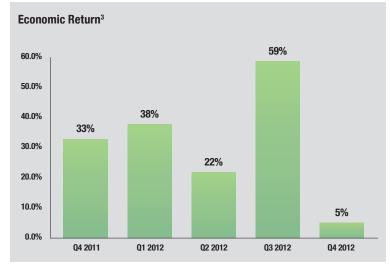


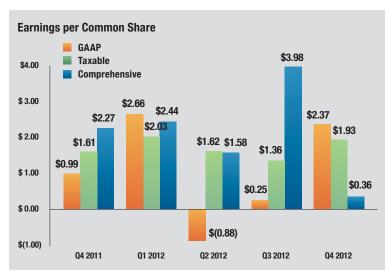












- 1. Leverage calculated as sum of repurchase agreements, net payable/receivable for agency securities not yet settled and other debt divided by total stockholders' equity.
- Leverage includes the impact of net TBA mortgage position as of 12/31/12.
- 3. Annualized economic return on common equity represents the sum of the change in net book value per common share and the dividend declared per common share during the period over beginning net book value per common share on an annualized basis.

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Persons considering an investment in American Capital Agency should consider the investment objectives, risks, charges and expenses of the Company carefully before investing. Such information and other information about the Company are available in the Company's annual report on Form 10-K, quarterly report on Form 10-Q and in the prospectuses the Company issues from time to time in connection with its offering of securities. Such materials are filed with the Securities and Exchange Commission and copies are available on the SEC's website, www.sec.gov. Prospective investors should read such materials carefully before investing. Performance data quoted above represents past performance of American Capital Agency. Past performance does not guarantee future results and the investment return and principal value of an investment in American Capital Agency will likely fluctuate. Consequently, an investor's shares, when sold, may be worth more or less than their original cost. Additionally, American Capital Agency's current performance may be lower or higher than the performance data quoted above.