



MTGE

INVESTMENT CORP

Q3 2016 Investor Fact Sheet

NASDAQ TICKER

COMMON SHARE PRICE

MARKET CAPITALIZATION

TOTAL DIVIDEND PAID SINCE MAY 2008 IPO

MTGE

\$17.19

\$787.3 Million

\$13.25

KEY STATISTICS

Net Book Value Per Share:	\$20.55
Q3 Dividend Per Share:	\$0.40
Q3 Dividend Yield (Annualized):	9.3%
Q3 Economic Return (Annualized):	30.4%
Total Portfolio:	\$5.6 B
Leverage (At Risk):	5.0x

FINANCIAL HIGHLIGHTS

	Q3 2016
Net Income Per Common Share	\$1.48
Net Spread and Dollar Roll Income Per Common Share	\$0.46
Net Spread and Dollar Roll Income Excluding "Catch-Up" Per Common Share	\$0.48

(\$MM)	As of 9/30/16
Total Assets	\$4,908.8
Total Repurchase Agreements and Financing Arrangements	\$3,558.6
Total Liabilities	\$3,912.2
Total Shareholder Equity	\$996.6

ANALYST COVERAGE

Citi, Credit Suisse, Deutsche Bank, JMP Securities, Keefe, Bruyette & Woods, Maxim Group, UBS, Wells Fargo Securities

AT A GLANCE

MTGE Investment Corp. ("MTGE" or the "Company") is a publicly traded (Nasdaq: MTGE) real estate investment trust ("REIT") that invests in and manages a leveraged portfolio of agency mortgage investments, non-agency mortgage investments and other mortgage-related investments.

The objective of MTGE is to provide attractive risk-adjusted returns to our stockholders over the long-term through a combination of dividends and net book value appreciation. In pursuing this objective, we rely on our Manager's expertise to construct and manage a diversified mortgage investment portfolio by identifying asset classes that, when properly financed and hedged, are selected to produce attractive returns across a variety of market conditions and economic cycles, considering the risks associated with owning such investments

FINANCING AND HEDGING SUMMARY

MTGE primarily funds its investments via short-term borrowings structured as repurchase agreements and FHLB advances, and maintains diversified funding resources. As of September 30, 2016, MTGE maintained master repurchase agreements with 32 counterparties.

(\$ MM)	Amount Outstanding	Interest Rate	Days to Maturity
Repurchase Agreements ¹	\$3,285	1.15%	142
FHLB Advances ²	274	0.62%	123
Total	\$3,559	1.11%	140

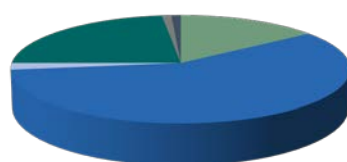
In terms of hedging, MTGE had \$2.1 billion³ notional value of interest rate swaps as of September 30, 2016, representing 44% of the Company's funding and TBA balance. MTGE also had \$150 million in payer swaptions.

Interest Rate Swaps Summary

(\$ MM)	Notional Amount ³	Pay Rate ⁴	Receive Rate ⁵	Average Maturity
Total/Weighted Average	\$2,100	1.22%	0.79%	2.9 years

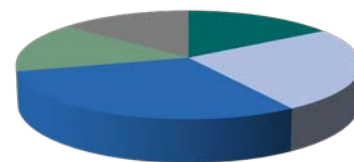
PORTFOLIO DETAILS (At Fair Value)

Total Portfolio Composition



- ≤ 15 Yr. Fixed 15%
- > 15 Yr. Fixed 58%
- Agency ARMs & CMO 2%
- Non-Agency Investments 23%
- MSR 1%
- Healthcare 1%

Non-Agency Portfolio Composition

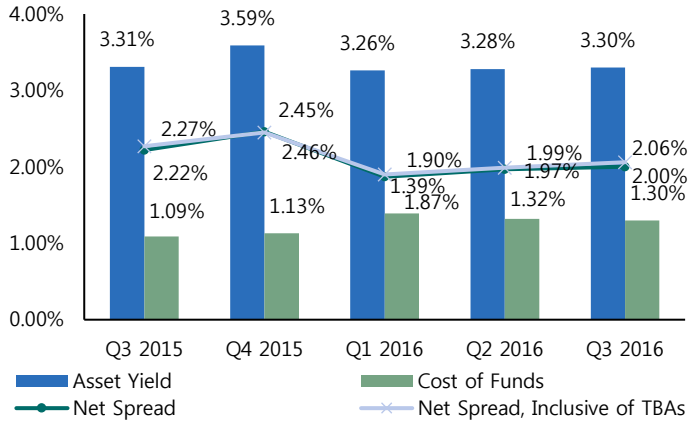


- Prime 16%
- Credit Risk Transfer 25%
- Alt-A 30%
- Option ARM 15%
- Subprime 14%

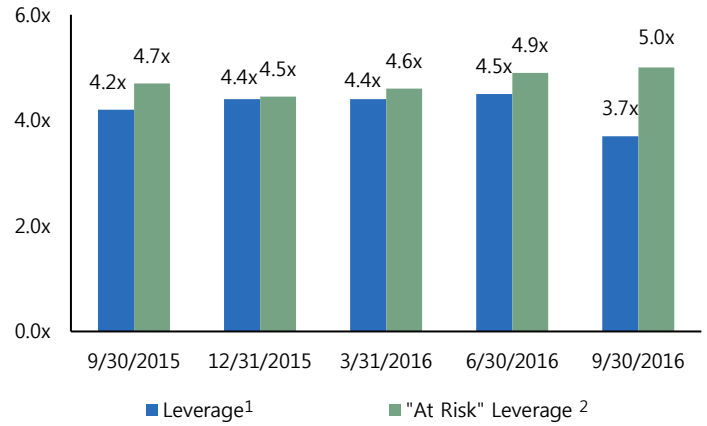
All per share amounts are per common share.

- As of September 30, 2016, \$2,410M, \$870M and \$5M of repurchase agreement borrowings were backed by agency, non-agency and U.S. Treasury collateral, respectively.
- On Jan 12, 2016 the Federal Housing Finance Agency ("FHFA") released its final rule on FHLB membership, which requires the termination of the Company's captive insurance subsidiary's FHLB membership and repayment of all FHLB advances after a one year period ending in February 2017
- Notional amount includes forward starting swaps of \$0.2B, with an average forward start date of 0.5 years, and an average remaining maturity of 5.5 years from September 30, 2016.
- Weighted average pay rate includes forward starting swaps. Excluding forward starting swaps, the weighted average pay rate was 1.15%.
- Weighted average receive rate excludes forward starting swaps.
- > 15-year category includes 20-year and 30-year collateral

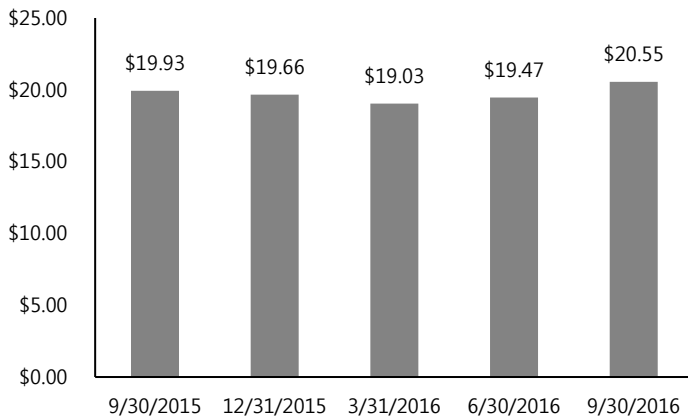
Net Spread



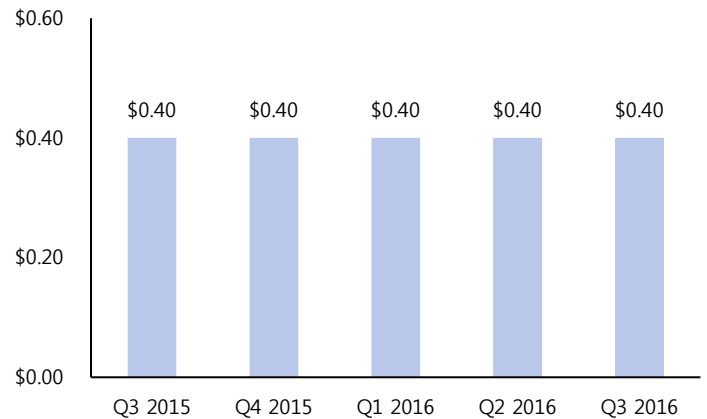
Leverage



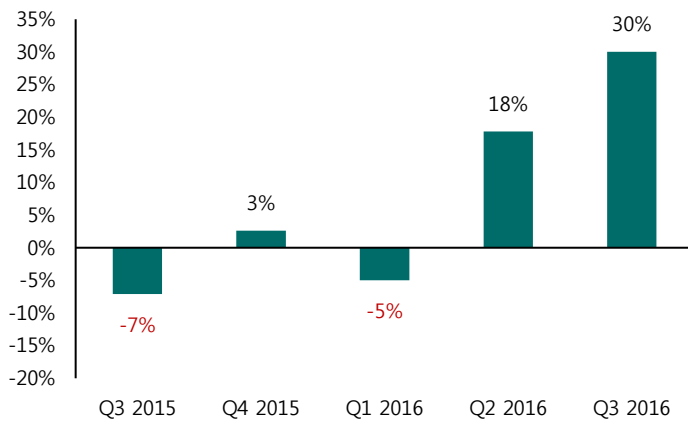
Net Book Value Per Common Share³



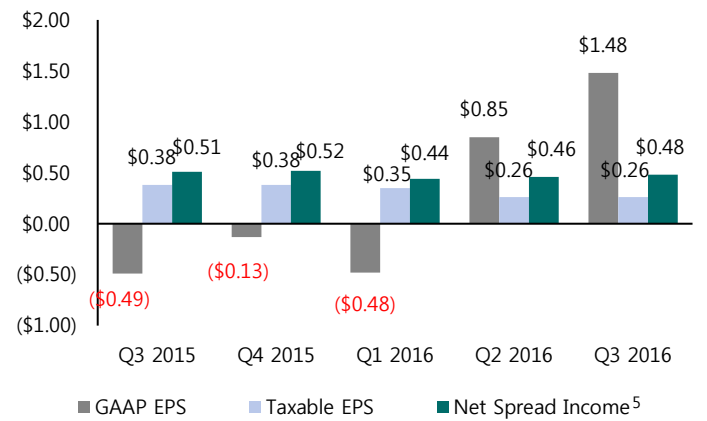
Dividends Per Common Share



Economic Return Annualized⁴



Earnings Per Common Share



- Leverage at period end was calculated by dividing the sum of the amount outstanding under the Company's agency and non-agency financing and the net receivable/payable for unsettled securities at period end by the Company's stockholders' equity at period end less investments in RCS, REIT equity securities and healthcare real estate investments. Leverage excludes U.S. Treasury repurchase agreements.
- "At Risk" leverage includes the components of leverage plus implied leverage from net TBA mortgage position.
- Net book value per common share calculated as total stockholders' equity, less the Series A Preferred Stock liquidation preference, divided by total common shares outstanding.
- Economic return on common equity represents the sum of the change in our net asset value per common share and our dividends on common stock during the period over our beginning net asset value per common share.
- Net spread and dollar roll income excluding "catch up" amortization per common share.

Persons considering an investment in MTGE Investment Corp. should consider the investment objectives, risks, charges and expenses of the Company carefully before investing. Information about the Company is available in its periodic reports on Forms 10-K and 10-Q and its offering prospectuses, all of which are filed with the Securities and Exchange Commission and 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 MTGE Investment Corp. Past performance may vary from current performance and does not guarantee future results. The investment return and principal value of an investment in MTGE Investment Corp. will likely fluctuate. Consequently, an investor's shares, when sold, may be worth more or less than their original cost.