American Capital Agency

Q3 2010 Stockholder Presentation

October 27, 2010

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, including our annual report on Form 10-K/A for the year ended December 31, 2009, and our quarterly report on Form 10-Q for the quarter ended September 30, 2010. Historical results discussed in this presentation are not indicative of future results.

Q3 2010 Highlights

- **$1.69 per Share of Net Income(1)**
  - $1.11 per share, excluding $0.59 per share of other investment related income and $0.01 of accrued excise tax
- **$1.59 per Share of Taxable Income(2)**
- **$1.40 per Share Dividend Declared**
- **$0.99 per Share of Undistributed Taxable Income as of September 30, 2010**
  - Undistributed taxable income was $39 million as of September 30, 2010, a $2 million increase from June 30, 2010
  - $0.74 per share, *pro forma,* when adjusted for the follow-on equity offering that settled on October 1, 2010
- **$23.43 Book Value per Share as of September 30, 2010**
  - $23.78 per share, *pro forma,* when adjusted for the $328 million follow-on equity offering
- **27.9% Annualized Return on Average Stockholders' Equity ("ROE") for the quarter(3)**

(1) Based on the weighted average shares outstanding for Q3 2010
(2) Based on the weighted average shares outstanding for Q3 2010. Please refer to slide 24 on the use of Non-GAAP financial information
(3) Annualized ROE based on net income and average monthly stockholders' equity for Q3 2010

Q3 2010 Other Highlights

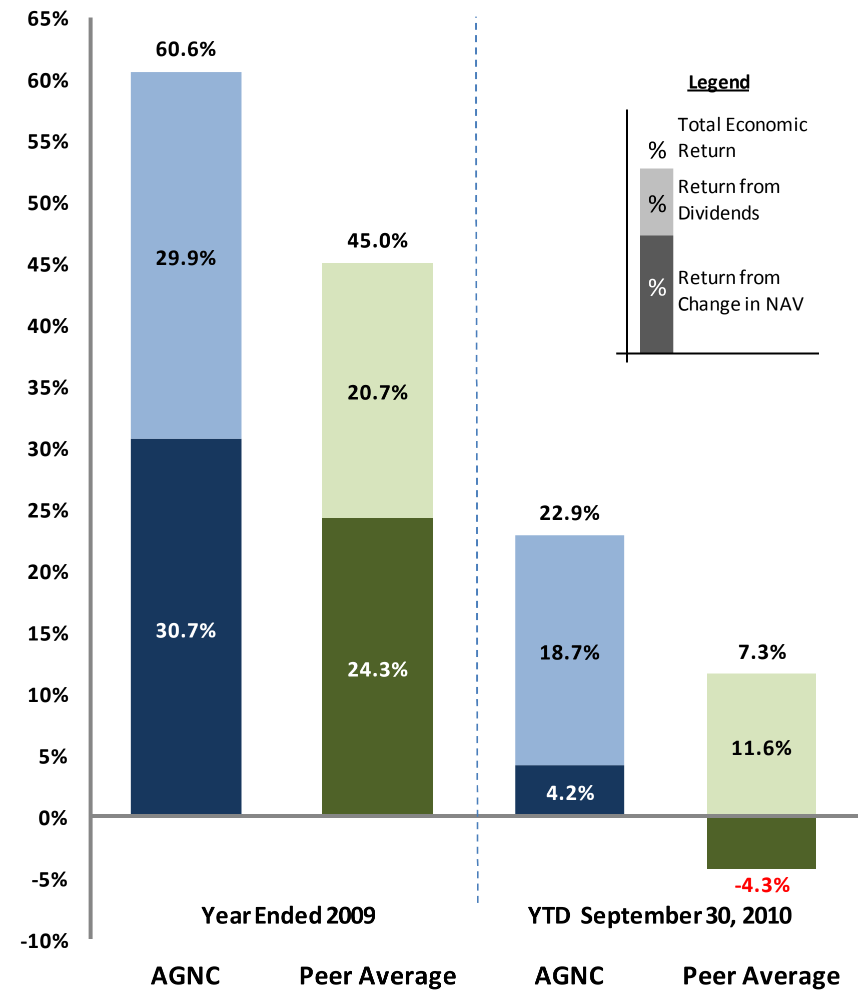
- **$9.7 B Investment Portfolio as of September 30, 2010**
- **15% Portfolio CPR for the Quarter(1)**
  - ✓ 17% Portfolio CPR in September 2010 (speeds released early October 2010)
- **9.8x Leverage as of September 30, 2010(2)**
  - ✓ 7.2x as of September 30, 2010 when adjusted for the follow-on equity offering(3)
  - ✓ 8.5x average leverage for the quarter
- **2.21% Annualized Net Interest Spread for the Quarter**
- **$470 MM of Net Proceeds Raised from Equity Offerings**
  - ✓ $328 million raised from a follow-on equity offering that settled on October 1
  - ✓ $142 million raised via the Direct Stock Purchase Plan ("DSPP")
  - ✓ All equity raised was accretive to book value

(1) Weighted average monthly annualized CPR for securities held during the quarter
(2) Leverage calculated as total repurchase agreements, net payable for unsettled purchases and sales of securities and other debt divided by total stockholders' equity as of September 30, 2010
(3) Adjusted leverage calculated as total repurchase agreements, net payable for unsettled purchases and sales of securities and other debt divided by total stockholders' equity plus $328 million of net proceeds from the follow-on equity offering

Economic Return

- **The management of AGNC views Economic Return as a key measure of value creation for shareholders over the long-term**
- **Economic Return represents the combination of dividends paid plus the change in net asset value over a given period**
  - ✓ NAV changes are driven by the mark-to-market of our portfolio, interest rate swaps and other hedges
  - ✓ Unlike GAAP results, economic returns:
    - Are independent of prepayment assumptions; and
    - Do not distinguish between realized or unrealized gains
- **For the full year ended 2009 AGNC generated an Economic Return of 61%**
- **For the 9 months ended September 30, 2010 AGNC generated an Economic Return of 23% (or 31% annualized)**

ECONOMIC RETURN ANALYSIS
AGNC VS. PEER GROUP[1]
YEAR ENDED 2009 & YTD 2010[2]



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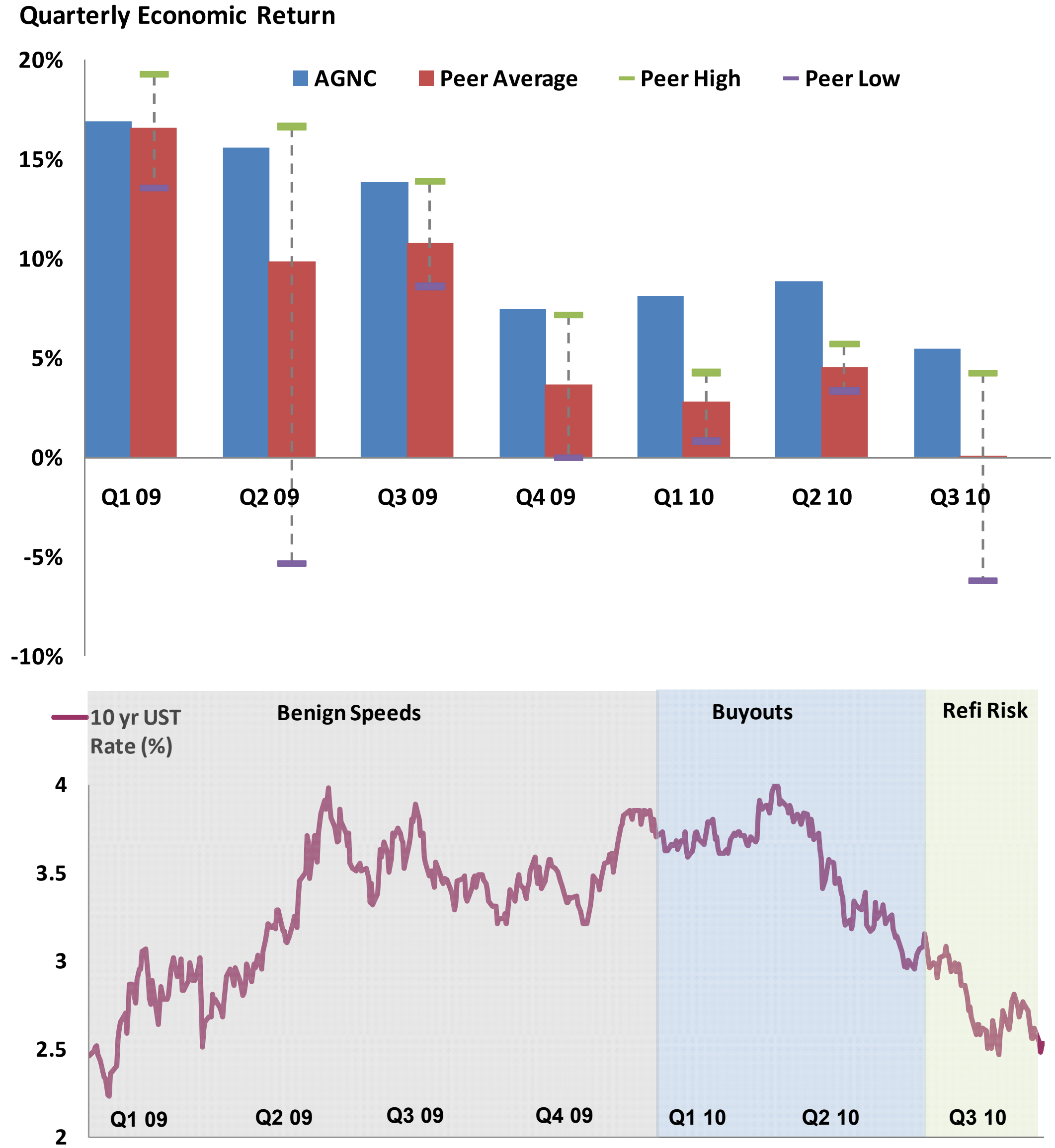
Note: Economic return percentage calculated using NAV per share at the start of the measurement period
(1) Peer group comprised of the following peers on an unweighted basis: ANH, CMO, CYS, HTS, NLY. NAV for selected peers have been adjusted to reflect the impact of dividends that are declared shortly after the closing of a quarter
(2) Year to date 2010 returns as of September 30, 2010. Updated on 10/29/10.

Economic Return – Volatility of Results

AGNC's Results Have Been Strong In Both Absolute and Relative Terms Despite Significant Volatility in the Markets

- **We have witnessed significant volatility in two of our largest risk factors:**
  - ✓ Prepayments:
    - 2009 – Consensus early in the year was for fast prepayments, however actual speeds were generally benign; a positive for higher coupon securities
    - Early 2010 – the GSE's announced their mass buyout initiatives, negatively impacting most higher coupon securities and seasoned hybrid ARMs
    - More recently – record low rates have significantly increased prepayments on many types of more recent vintage securities
  - ✓ Interest Rates:
    - Quarterly changes in interest rates have been substantial with the 10 year treasury increasing 150 bps during 2009 and then rallying back almost the entire amount in 2010



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Note: Peer group 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. Updated 10/29/10.

Market Information

Interest Rates Fell Substantially During the Third Quarter with Mortgage Rates Still Near Record Lows

Security [1]	12/31/09	3/31/10	6/30/10	9/30/10	Q3 2010 Δ
Treasury Rates					
2 Yr UST	1.14%	1.02%	0.61%	0.43%	-0.18%
5 Yr UST	2.68%	2.55%	1.78%	1.27%	-0.51%
10 Yr UST	3.84%	3.83%	2.93%	2.51%	-0.42%
Swap Rates					
2 Yr Swap	1.42%	1.19%	0.97%	0.60%	-0.37%
5 Yr Swap	2.98%	2.73%	2.05%	1.52%	-0.53%
10 Yr Swap	3.97%	3.84%	3.00%	2.57%	-0.43%
30 Year Fixed Rate Mortgages					
4.0%	96.64	96.80	101.27	102.77	+1.50
4.5%	99.86	100.11	103.64	104.14	+0.50
5.0%	102.67	103.08	105.80	105.30	-0.50
5.5 %	104.73	105.33	107.33	106.33	-1.00
6.0%	106.02	106.20	108.42	107.45	-0.97

Security [1]	12/31/09	3/31/10	6/30/10	9/30/10	Q3 2010 Δ
15 Year Fixed Rate Mortgages					
4.0%	100.77	101.36	103.89	104.39	+0.50
4.5%	102.98	103.67	105.48	105.20	-0.28
5.0%	104.67	105.39	106.67	106.11	-0.56
New Hybrid ARMs[2]					
5/1 - 3.50%	101.22	102.47	103.55	104.41	+0.86
7/1 - 3.75%	100.61	102.00	103.65	104.78	+1.13
10/1- 4.25%	101.17	102.28	104.50	104.80	+0.30
Seasoned Hybrid ARMs[2]					
5/1 - 5.75% 24 MTR	106.50	105.00	106.50	106.17	-0.33
10/1 - 5.75% 80 MTR	107.50	106.00	107.63	107.69	+0.06

Note: Price information is provided for information only and is for generic instruments and is not meant to be reflective of securities held by AGNC. Prices can vary depending on the source and in some cases can vary materially.

(1) Source: Bloomberg

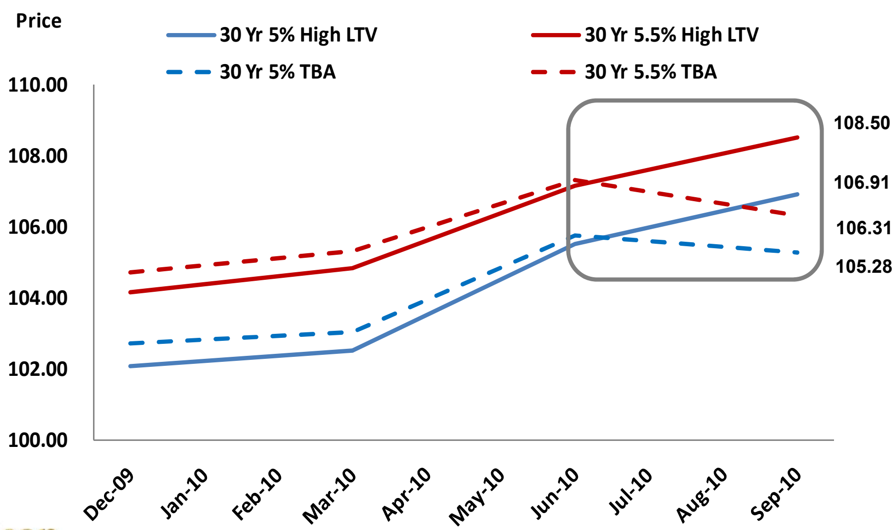
(2) Source: Agency Hybrid ARM securities were priced using dealer indications

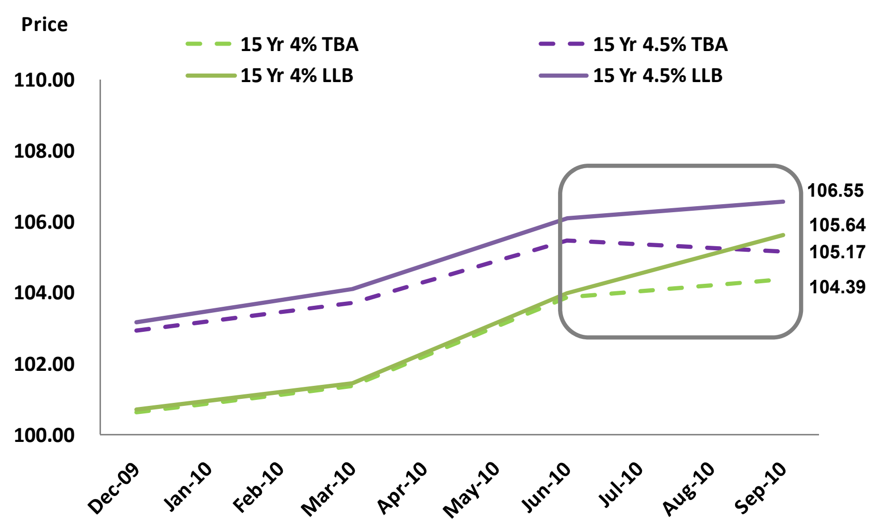
Key Themes This Quarter

- **Prepayment risk is one of the biggest risks facing Agency REITs**
  - ✓ AGNC has proactively sourced assets (with specified collateral) that it believes will be less exposed to prepayment activity; for example:

Strategy	MV of Holdings (6/30/10)	% of Category	Q3 CPR
105 -125 LTV 30 Yr Fixed-Rate (High LTV)[1]	$1.0 billion	34% of Total Fixed	1.4%
15 Year Lower Loan Balance (LLB)[2]	$1.0 billion	31% of Total Fixed	6.2%
New Issue IO ARMs	$0.7 billion	22% of Total ARMs	8.4%

- **Asset Selection is Critical and Relative Value Matters**
  - ✓ This quarter the market experienced a dramatic repricing of prepayment risk with specified pools significantly outperforming generic pools (e.g. TBA's), as seen below:



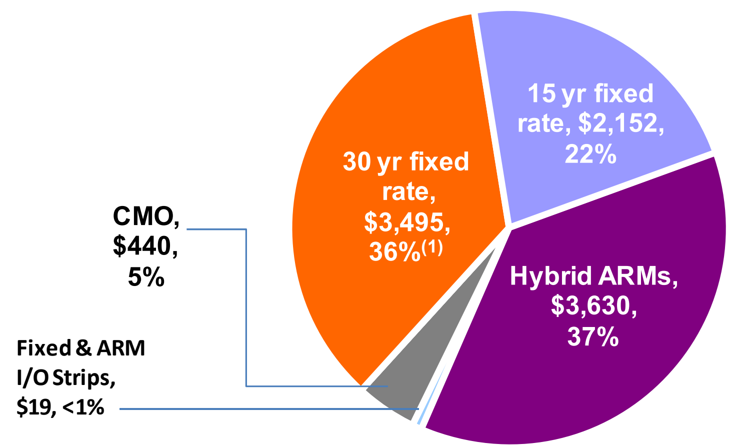


(1) Includes a small amount of 15 year and 20 year High LTV securities
(2) Includes bonds with a maximum loan size under $150,000, with the majority being under $110,000

Q3 2010 Portfolio Update

- **Maintained Diversified and Balanced Portfolio Comprised of a Mix of Hybrid ARMs, 15 and 30 Year Fixed Rate Mortgages and CMOs**
- **Assets Within Each Sector Selected for Their Favorable Prepayment Characteristics, Given Record Low Rates**
- **Speeds on the Portfolio Remained Relatively Constant, Averaging 15% CPR, despite the Continued Drop in Interest Rates and Faster Speeds on Generic Mortgages**
  - ✓ This performance was primarily driven by our strategy of identifying securities with favorable prepayment characteristics

$9.7 B Portfolio as of 9/30/10 *($ in millions)*



AGNC Actual Monthly CPR's (2)

	June	July	Aug	Sep
AGNC Portfolio	16%	15%	15%	17%

(1) 30 year fixed rate securities include $43 million and $76 million of 20 year and 40 year fixed rate securities, respectively
(2) Actual 1 month annualized CPR as of July 1, August 1, September 1 and October 1, 2010, respectively, for agency securities held as of the prior month end

Portfolio Fixed Rate Agency Securities

Prepayment Speeds on Our Fixed Rate Securities Remained Well Behaved

AGNC Fixed Rate MBS

($ in millions – as of September 30, 2010)

30 Year Mortgages ($ in millions)[1]								Generic Prepay Speeds	
Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC[2]	Average Age (Months)	Actual 1 Month CPR[3]	Fannie '08 1 Month CPR[4]	Ginnie '08 1 Month CPR [4]
≤ 4.5%	$ 173	$ 181	5%	103.7%	5.13%	4	0.3%	40.6%[5]	27.6% [5]
5.0%	1,509	1,605	46%	104.8%	5.49%	38	14.4%	41.8%	32.4%
5.5%	973	1,041	30%	106.0%	6.03%	31	20.2%	35.9%	33.5%
6.0%	570	611	17%	106.2%	6.61%	36	21.7%	30.8%	31.6%
≥ 6.5%	53	57	2%	107.7%	7.31%	36	22.7%	25.9%	32.4%
Total	**$ 3,278**	**$ 3,495**	**100%**	**105.4%**	**5.85%**	**34**	16.8%		

15 Year Mortgages ($ in millions)								Generic Prepay Speeds	
Coupon	Par Value	Market Value	% Total	Amortized Cost Basis	Average WAC[2]	Average Age (Months)	Actual 1 Month CPR[3]	Fannie '08 1 Month CPR[4]	Ginnie '08 1 Month CPR[4]
3.5%	$ 274	$ 283	13%	103.3%	3.89%	0	0.3%	25.0%	n/a
4.0%	1,009	1,062	49%	104.4%	4.47%	2	4.7%	36.9%	n/a
4.5%	740	787	37%	104.3%	4.89%	9	11.0%	47.8%	n/a
5.0%	7	8	0%	105.3%	5.46%	31	7.5%	39.1%	n/a
≥ 5.5%	12	12	1%	105.4%	6.82%	42	3.9%	35.1% (4)	n/a
Total	**$ 2,042**	**$ 2,152**	**100%**	**104.2%**	**4.56%**	**5**	**6.4%**		

(1) 30 year mortgages include $43 million and $76 million of 20 year and 40 year mortgages, respectively
(2) Average WAC represents the weighted average coupon of the underlying collateral. The average WAC of fixed rate securities held as of September 30, 2010 was 5.36% and the weighted average coupon on the fixed rate securities was 4.86%
(3) Actual 1 month annualized CPR as of October 1, 2010 for agency securities held as of September 30, 2010
(4) Source: EMBS data for Fannie Mae and Ginnie Mae securities (October 2010)
(5) Represents CPR for the coupon listed; not weighted based on coupons in grouping

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Portfolio Hybrid ARM Securities

- **AGNC's ARM Portfolio Prepaid at 21.2% CPR versus 24.5% CPR for the Fannie Mae ARM Universe and 27.4% CPR for Freddie Mac ARMs[1]**

Type	Par Value	Market Value	% Total	Amortized Cost Basis	Average Coupon	Average Age (2)	% Interest Only	1 Month CPR (3)
New Issue Hybrid ARMs (2009/2010 Vintage)								
FH/FN 5/1	$ --	$ --	--	--	--	--	--	---
GNMA 5/1	177	187	5.0%	104.6%	4.05%	5	0%	5%
FH/FN/GN 7/1 & 10/1	1,336	1,403	39.0%	103.7%	4.18%	5	74%	13%
Subtotal	1,513	1,590	44.0%	103.8%	4.17%	5	65%	12%
Seasoned Hybrid ARMs (Pre 2009 Vintage)								
4.0%-4.9%	$ 443	$ 470	13.0%	103.8%	4.78%	52	17%	13.5%
5.0%-5.9%	1,356	1,447	40.0%	106.3%	5.52%	42	49%	32.3%
≥ 6.0%	115	123	3.0%	107.0%	6.16%	44	88%	33.4%
Subtotal	1,914	2,040	56.0%	105.8%	5.39%	45	44%	28.1%
Total ARMs	**$ 3,427**	**$ 3,630**	**100%**	**104.9%**	**4.85%**	**27**	**53%**	**21.2%**

Reset	Market Value	% Total	Average Reset	Average Coupon
0-23 Months	$ 166	5%	17	5.62%
24-35 Months	233	6%	30	5.24%
36-60 Months	975	27%	46	5.01%
> 60 Months	2,256	62%	96	4.68%
Total	**$ 3,630**	**100%**	**75**	**4.85%**

Index	% Total
LIBOR	77%
CMT / MTA	23%
COFI / Other	--%
Total	**100%**

(1) Source: BofA Agency MBS Research Alert (October 2010)
(2) Average age in months
(3) 1 Month Annualized CPR as of October 1, 2010 for agency securities held as of September 30, 2010

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Financing Summary

As of September 30, 2010

- **Repurchase Agreements with 21 Financial Institutions**
- **9.8x Leverage, Including Net Payable for Unsettled Purchases and Sales of Securities and Other Debt but Excluding the Equity Raised on October 1(1)**
  - ✓ 7.2x as of September 30, 2010 when adjusted for the follow-on equity offering of $328 million that settled on October 1(2)
- **0.28% Weighted Average Repo Cost of Funds**
  - ✓ Unchanged from 0.28% as of June 30, 2010

AGNC Repos(3)
($ in millions – as of September 30, 2010)

Original Repo Maturities	Repo Outstanding	Interest Rate	WA Days to Maturity
30 Days or less	$ 3,024.9	0.27%	17
31 – 60 Days	3,460.6	0.28%	23
61 – 90 Days	886.2	0.29%	31
Greater than 90 Days	597.7	0.30%	22
Total / Wtd Avg	**$ 7,969.4**	**0.28%**	**22**

(1) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(2) Adjusted leverage calculated as total repurchase agreements, net payable for unsettled purchases and sales of securities and other debt divided by total stockholders' equity plus $328 million of net proceeds from follow-on equity raise
(3) Does not include other debt

Hedging Summary

➢ Swaps

- ✓ $4.05 B notional swap book as of September 30, 2010
  - 2.9 year average maturity
  - 50% of repo balance and other debt hedged excluding benefits of other hedges
    - Reduces to 45% when incorporating net unsettled trades

➢ Swaptions

- ✓ Exercised or net settled $300 MM of receiver swaptions during the quarter
  - Net gains on receiver swaptions totaled $9.3 million
- ✓ Added additional swaptions since quarter end

➢ Other Hedging Activity

- ✓ Mortgage TBA positions
- ✓ Intra-quarter held long and short positions in treasury securities

Interest Rate Swaps
($ in millions – as of September 30, 2010)

Maturity	Notional Amount	Pay Rate	Receive Rate	WA Years to Maturity
2011	$ 750	1.40%	0.26%	1.0
2012	750	2.01%	0.26%	1.9
2013	950	1.52%	0.26%	2.8
2014	700	2.21%	0.26%	3.9
2015	900	1.87%	0.26%	4.8
Total / Wtd Avg	$ 4,050	1.79%	0.26%	2.9

Interest Rate Swaptions
($ in millions – as of September 30, 2010)

Swaption	Cost	Expiration (Months)	Notional Amount	Pay Rate	Receive Rate	Term (Years)
Payer	$ 2.1	1	$ 200	4.23%	1M Libor	5

Duration Gap Information

AGNC's Portfolio Had a "Duration Gap" of Approximately 8 Months as of September 30, 2010

- The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner
- Duration gap is a measure of the difference in the interest rate exposure or estimated price sensitivity of our assets and our liabilities (including hedges)
- While the duration gap is an important indicator of interest rate risk, the duration of a mortgage changes with interest rates and tends to extend when rates rise and fall when rates fall. This "negative convexity" generally increases the interest rate exposure of a mortgage portfolio over what would be indicated by the duration gap alone

Duration Gap

($ in millions)

September 30, 2010						Net	June 30, 2010 Net	Δ
Assets			**Hedges**					
Products	**Market Value**	**Duration**	**Hedges**	**Notional Amount**	**Duration**			
Fixed [1]	$ 5,095	2.2	Swaps	$ 4,050	(2.8)			
ARM [1]	3,631	1.7	Swaptions	200	-			
CMO [2]	459	0.7	Total	$ 4,250	2.6			
Total Assets	**$ 9,185**	**1.9**	**Hedge Duration Adjusted to Market Value of Assets**		**(1.2)**	**0.7**	**0.7**	**- %**

Our duration and duration gap estimates are derived from models that are dependent on inputs and assumptions provided by third parties as well as by our investment team and accordingly actual results could differ materially from these estimates. In addition, different models could generate materially different estimates using similar inputs and assumptions

Management uses judgment, developed from experience spanning over 20 years in agency mortgages, to address the limitations and weaknesses inherent in model calculations as it seeks to balance the protection of book value with the generation of attractive returns

Please also refer to slide 24 and our related disclosures in our 10-K/A and 10-Q for a more complete discussion of duration (interest rate risk)

(1) Fixed rate and ARM securities include TBAs and securities purchased and sold on a forward basis accounted for as derivatives but are included in the asset balance for the purpose of duration
(2) CMOs include interest-only strips

Business Economics

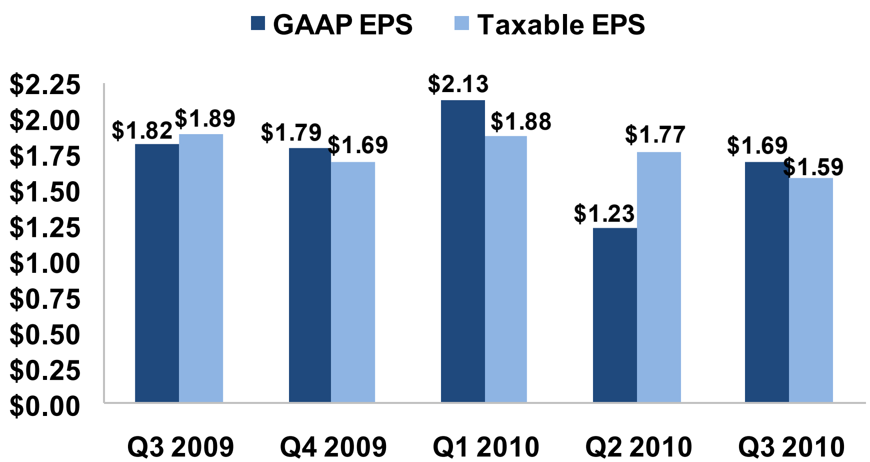
(unaudited)	As of 9/30/10	As of 6/30/10	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Full Year 2009
Asset Yield	3.25%	3.40%	3.23%	3.44%	3.78%	4.20%	4.64%
Cost of Funds	(1.09)%	(1.02)%	(1.02)%	(1.07)%	(1.23)%	(1.17)%	(1.30)%
Net Interest Rate Spread before Terminated Swap Expense	**2.16%**	**2.38%**	**2.21%**	**2.37%**	**2.55%**	**3.03%**	**3.34%**
Cost of Funds – Terminated Swap Expense(1)	--	--	--	(0.19)%	(0.39)%	(0.40)%	(0.41)%
Net Interest Rate Spread	**2.16%**	**2.38%**	**2.21%**	**2.18%**	**2.16%**	**2.63%**	**2.93%**
Leverage(2) (3)	**9.8x**	**8.2x**	**8.5x**	**7.9x**	**6.5x**	**6.8x**	**6.8x**
Leveraged Net Interest Rate Spread	21.09%	19.63%	18.77%	17.15%	14.09%	17.94%	19.96%
Plus: Asset Yield	3.25%	3.40%	3.23%	3.44%	3.78%	4.20%	4.64%
Gross ROE Before Expenses	**24.34%**	**23.03%**	**22.00%**	**20.59%**	**17.87%**	**22.14%**	**24.60%**
Other Investment Income and Excise Tax, Net	**--%**	**--%**	**9.57%**	**4.39%**	**23.30%**	**13.28%**	**12.25%**
Other Miscellaneous(4)	**--%**	**--%**	**(1.51)%**	**(1.69)%**	**(1.59)%**	**(2.45)%**	**(2.08)%**
Management Fees as a % of Equity	(1.27)%	(1.21)%	(1.25)%	(1.32)%	(1.25)%	(1.23)%	(1.25)%
Other Operating Expenses as a % of Equity	(0.84)%	(0.90)%	(0.90)%	(1.01)%	(1.17)%	(1.47)%	(1.74)%
Total Operating Expenses as a % of Equity	**(2.11)%**	**(2.11)%**	**(2.15)%**	**(2.33)%**	**(2.42)%**	**(2.70)%**	**(2.99)%**
Net Return on Equity	**22.23%**	**20.92%**	**27.91%**	**20.96%**	**37.16%**	**30.27%**	**31.78%**

(1) Represents amortization expense associated with the termination of interest rate swaps during 2009
(2) As of 9/30/10 and 6/30/10 leverage calculated as total repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt by total stockholders' equity
(3) Leverage as of 9/30/10 was 7.2x, *pro forma*, when stockholder's equity adjusted for the follow-on equity offering of $328 million that settled on 10/1/10
(4) Other miscellaneous reflects the impact of cash and cash equivalents, restricted cash, other non investment assets and liabilities, differences between the use of daily averages used for investment securities and repurchase agreements and monthly average used for shareholders' equity and other immaterial rounding differences

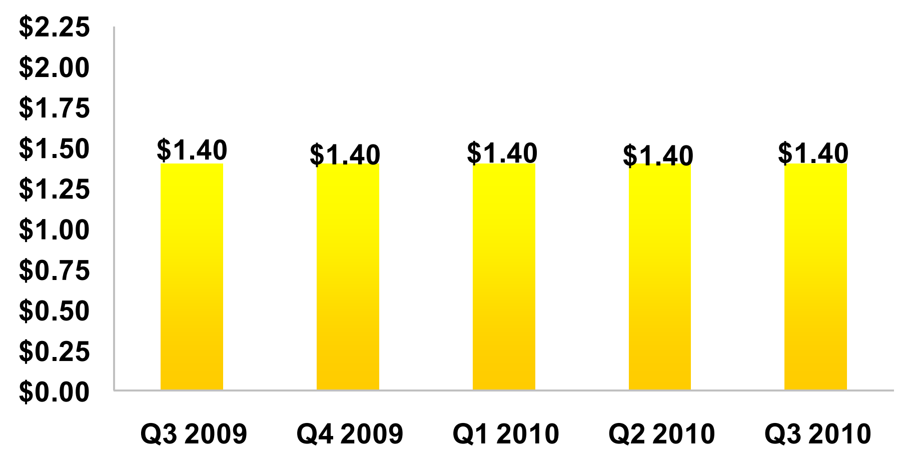
Supplemental Slides

AGNC Historical Overview

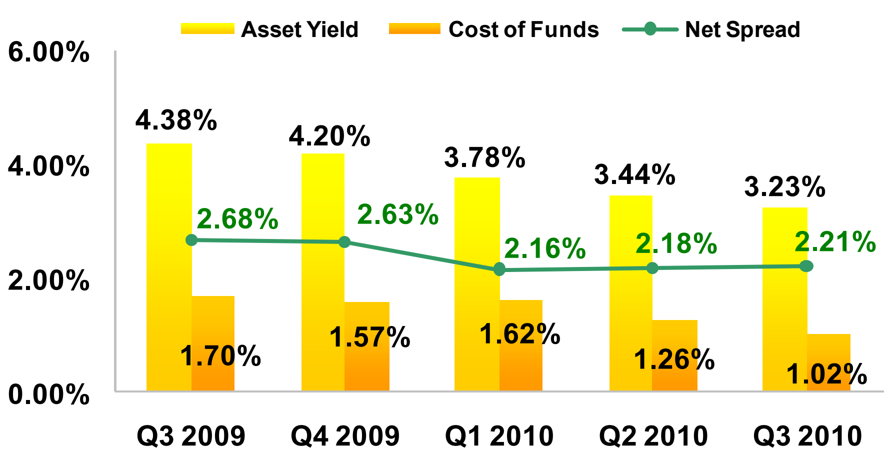
Earnings per Share



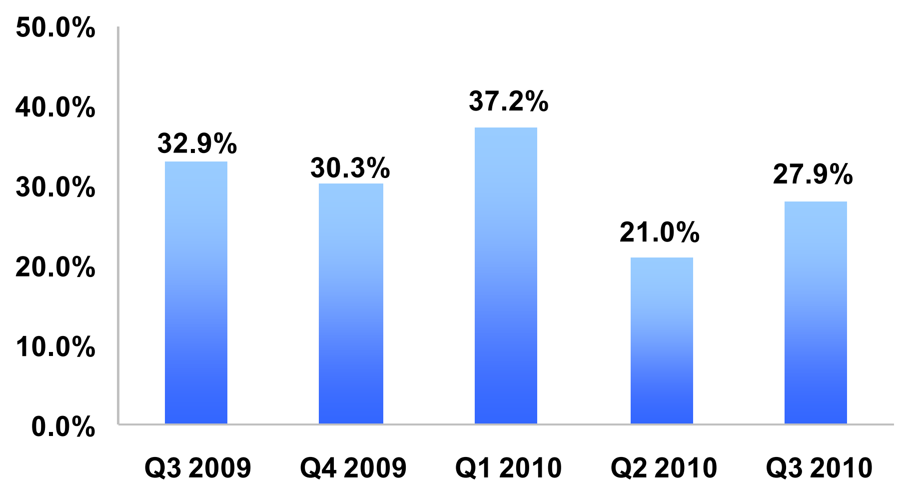
Dividend per Share



Net Spread



Return on Equity



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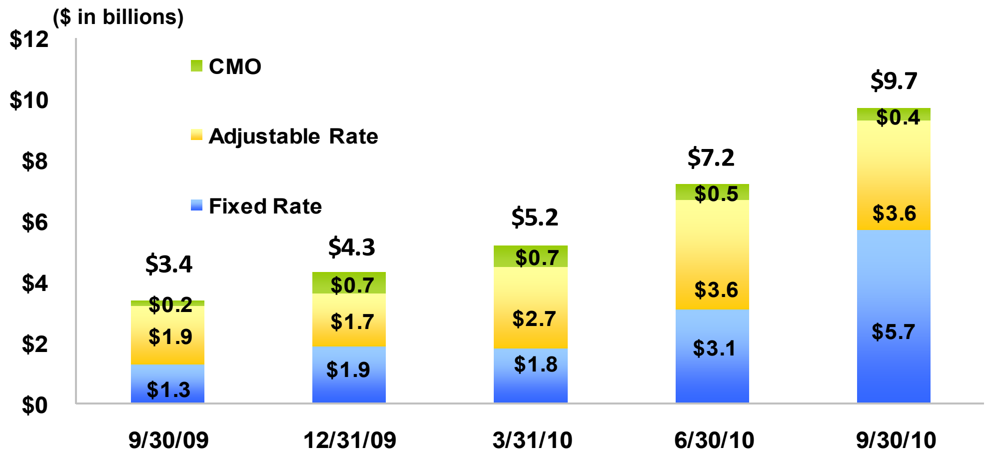
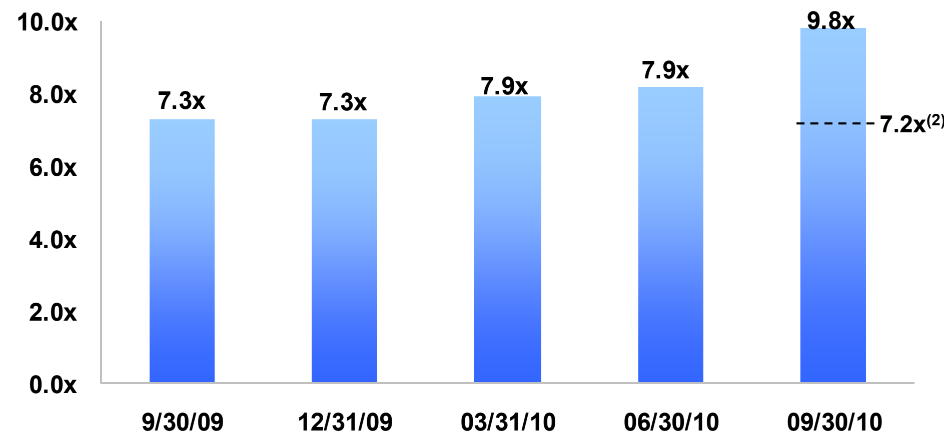
Nasdaq: AGNC

AGNC Historical Overview

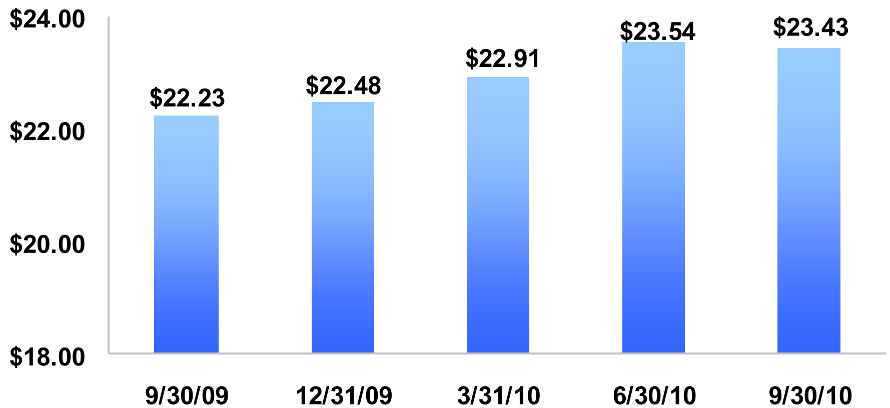
Investment Portfolio



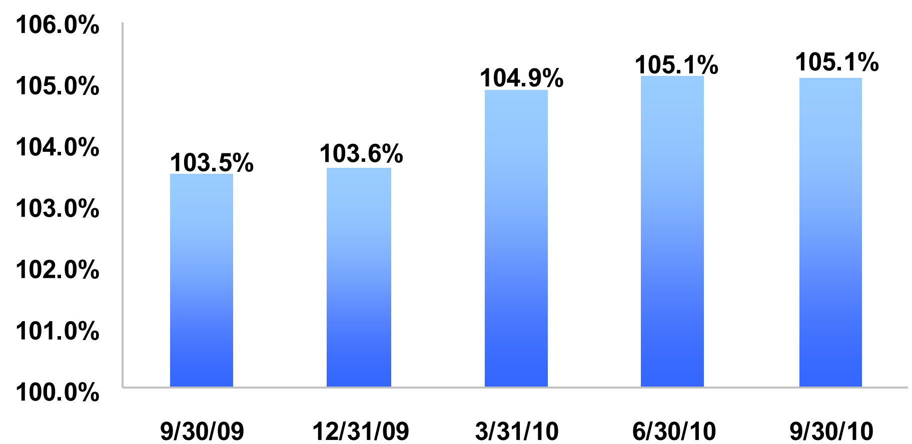
Leverage[1]



Book Value Per Share



Amortized Cost Basis



American Capital Agency

(1) Leverage calculated as total repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt divided by total stockholders' equity

(2) Leverage as of 9/30/10 is 7.2x, *pro forma*, when stockholder's equity adjusted for the follow-on equity offering of $328 million that settled on 10/1/10

Income Statements

($ in millions, except per share data) (unaudited)	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Interest Income	$62.6	$50.6	$38.8	$41.1	$32.8
Interest Expense	(18.5)	(17.3)	(15.5)	(14.3)	(11.6)
Net Interest Income	44.1	33.3	23.3	26.8	21.2
Gain from Sale of Agency Securities, Net	24.6	29.6	27.4	19.5	16.1
Realized (Loss) Gain from Derivative Instruments and Trading Securities, Net	(0.8)	(4.9)	1.4	(4.6)	(3.1)
Unrealized (Loss) Gain from Derivative Instruments and Trading Securities, Net	(3.0)	(17.0)	4.5	3.0	(0.3)
Total Other Income, Net	20.8	7.7	33.3	17.9	12.7
Management Fee	(2.7)	(2.3)	(1.8)	(1.7)	(1.2)
General and Administrative Expenses	(1.9)	(1.8)	(1.7)	(2.0)	(1.5)
Total Operating Expenses	(4.6)	(4.1)	(3.5)	(3.7)	(2.7)
Income before Excise Tax	60.3	36.9	53.1	41.0	31.2
Excise Tax	(0.3)	--	--	(0.3)	--
Net Income	$60.0	$36.9	$53.1	$40.7	$31.2
Weighted Average Shares Outstanding – Basic and Diluted	35.5	29.9	25.0	22.7	17.2
Net Income per Share – Basic and Diluted	$1.69	$1.23	$2.13	$1.79	$1.82
Taxable Income per Share	$1.59	$1.77	$1.88	$1.69	$1.89
Dividends Declared per Share	$1.40	$1.40	$1.40	$1.40	$1.40

Note: Total quarterly net income per share may not agree to total annual net income per share due to rounding. Amounts may not foot due to rounding.

Reconciliation of Taxable Income

($ in millions, except per share data) (unaudited)	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Net Income	$60.0	$36.9	$53.1	$40.7	$31.2
Book to Tax Differences:					
Premium Amortization, Net	6.8	(1.6)	(0.5)	3.2	3.1
Realized and Unrealized (Gain) Loss, Net	(10.9)	17.6	(5.9)	(5.7)	(2.1)
Other[(1)]	0.3	(0.1)	0.2	0.3	0.2
Total Book to Tax Differences	(3.8)	15.9	(6.1)	(2.2)	1.2
Estimated REIT Taxable Income	$56.3	$52.8	$47.0	$38.5	$32.4
Weighted Average Shares Outstanding – Basic and Diluted	35.5	29.9	25.0	22.7	17.2
Estimated REIT Taxable Income per Share – Basic and Diluted	$1.59	$1.77	$1.88	$1.69	$1.89
Estimated Cumulative Undistributed REIT Taxable Income per Share[(2)(3)]	$0.99	$1.10	$1.17	$0.90	$0.90

Note: Amounts may not foot due to rounding

(1) Other book to tax differences include temporary differences for non-deductible adjustments, such as GAAP ineffectiveness, start-up/organization costs and stock compensation expense, and permanent differences for non-deductible excise tax expense

(2) Based on shares outstanding as of each period end

(3) Estimated cumulative undistributed taxable income per share as of 9/30/10 is $0.74, *pro forma*, when adjusted for the share issuance that settled on 10/1/10

Balance Sheets

($ in millions, except per share data)	As of[1] 9/30/10	6/30/10	3/31/10	12/31/09	9/30/09
Agency Securities, at Fair Value (including pledged assets of $8,576.4, $6,870.7, $4,855.6 $4,136.6 and $3,189.8, respectively)	$9,736.5	$7,166.4	$5,240.3	$4,300.1	$3,438.1
Cash and Cash Equivalents ($62.5, $37.9, $26.6, $19.6 and $9.7 restricted, respectively)	177.7	187.9	131.9	222.4	113.3
Derivative Assets, at Fair Value	11.3	7.4	8.7	12.0	--
Receivable for Agency Securities Sold	350.1	311.8	273.8	47.1	84.9
Receivable from Prime Broker	40.1	44.9	88.5	20.5	22.7
Other Assets	43.1	37.1	26.8	23.6	21.1
Total Assets	$10,358.8	$7,755.5	$5,770.0	$4,625.7	$3,680.1
Repurchase Agreements	7,969.4	6,634.4	4,651.1	3,841.8	2,949.0
Other Debt[2]	80.8	--	--	--	--
Payable for Agency Securities Purchased	1,223.1	201.8	436.1	180.3	254.3
Derivative Liabilities, at Fair Value	113.9	76.2	28.7	17.8	17.5
Dividend Payable	54.5	47.1	37.5	34.1	27.1
Other Liabilities	4.1	3.6	3.5	4.9	2.7
Total Liabilities	9,445.8	6,963.1	5,156.9	4,078.9	3,250.6
Stockholders' Equity	913.0	792.4	613.1	546.8	429.5
Total Liabilities and Stockholders' Equity	$10,358.8	$7,755.5	$5,770.0	$4,625.7	$3,680.1
Leverage[3][4]	9.8x	8.2x	7.9x	7.3x	7.3x
Book Value Per Share	$23.43	$23.54	$22.91	$22.48	$22.23

(1) Unaudited except for 12/31/09
(2) Other debt consists of other variable rate debt outstanding at Libor + 25 bps in connection with the consolidation of a structured transaction recorded as a financing transaction under GAAP
(3) Leverage calculated as total repurchase agreements, net payable / receivable for agency securities purchased / sold but not yet settled and other debt divided by total stockholders' equity
(4) Leverage as of 9/30/10 is 7.2x, *pro forma*, when stockholder's equity adjusted for the follow-on equity offering of $328 million that settled on 10/1/10

Book Value

Roll Forward of Net Book Value Per Share[1]	
Balance – June 30, 2010 (unaudited)	**$23.54**
Unrealized Gain on Available-for-Sale Securities, Net	0.33
Unrealized Loss on Swaps, Net	(1.09)
Net Income Less Other Income and Excise Tax Accrual, Net	1.11
Other Income and Excise Tax Accrual, Net	0.58
Dividends Declared	(1.40)
Accretion from Issuance of Common Stock	0.36
Balance – September 30, 2010 (unaudited)[2]	**$23.43**

(1) June 30, 2010 NAV calculated based on shares outstanding as of June 30, 2010; all other amounts calculated based on shares outstanding as of September 30, 2010
(2) September 30, 2010 NAV was $23.78, *pro forma*, when adjusted for the follow-on equity offering that settled on October 1, 2010

Duration Gap

- **The duration of an asset or liability measures how much its price is expected to change if interest rates move in a parallel manner**
  - ✓ For example: an instrument with a 1 yr duration is expected to change 1% in price for a 100 bp move in rates
- **Duration gap is a measure of the difference in the interest rate exposure, or estimated price sensitivity, of our assets and our liabilities (including hedges)**
  - ✓ It is calculated using relatively complex models and different models can produce very substantially different results. Furthermore, actual performance of both assets and hedges may differ materially from the model estimates
  - ✓ Duration and convexity calculations generally assume all rates move together (2yr rates, 10 yr rates, swap rates, treasury rates etc.) and this is typically not the case. As such, these calculations do not measure the "basis risk" or yield curve exposure, embedded in these positions
  - ✓ Higher leverage increases the exposure of our book value (or equity) to a given duration gap
- **The duration of mortgage assets also changes as interest rates move. The duration generally extends when interest rates rise and contracts when interest rates fall. This is called "negative convexity" and is generally driven by changes in prepayment expectations, which have historically been correlated with interest rates. Interest rate caps embedded in ARM securities also increase negative convexity**
  - ✓ Negative convexity generally increases the interest rate exposure of a mortgage portfolio significantly over what would be indicated by the duration gap alone
  - ✓ However, given the structural obstacles which currently impede some more seasoned borrowers' ability to easily refinance their mortgages, we believe that certain models have recently had a tendency to overstate the negative convexity of agency securities
- **AGNC uses a risk management system provided by Blackrock Solutions to generate these calculations and as a tool for helping us to measure other exposures, including exposure to larger interest rate moves and yield curve changes**
  - ✓ The base models, settings, and market inputs used to calculate the exposure to various scenarios are also provided by Blackrock Solutions but are adjusted from time to time by AGNC management personnel as needed. Blackrock also periodically adjusts their models in the normal course of business or if new information becomes available
- **The inputs and results from the models have not been audited by our independent auditors**

Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, this presentation includes non-GAAP financial information, including our taxable income and certain financial metrics derived based on taxable income, which management uses in its internal analysis of results, and believes may be informative to investors. Taxable income is pre-tax income calculated in accordance with the requirements of the Internal Revenue Code rather than GAAP. Taxable income differs from GAAP income because of both temporary and permanent differences in income and expense recognition. Examples include temporary differences for unrealized gains and losses on derivative instruments and trading securities recognized in income for GAAP but excluded from taxable income until realized or settled, differences in the CPR used to amortize premiums or accrete discounts as well as treatment of start-up organizational costs, hedge ineffectiveness, and stock-based compensation and permanent differences for excise tax expense. Furthermore, taxable income can include certain estimated information and 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 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 our taxable income and certain financial metrics derived based on such 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 taxable income is an incomplete measure of the Company's financial performance and involves differences from net income computed in accordance with GAAP, 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, our presentation of our estimated taxable income may not be comparable to other similarly-titled measures of other companies. A reconciliation of non-GAAP taxable income to GAAP net income is set forth on slide 20.