



Q4 2020 Stockholder Presentation

January 26, 2021

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 such forecasts due to the impact of many factors beyond the control of AGNC Investment Corp. ("AGNC" or the "Company"). 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 important 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 such 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.



Type:
Common Stock

Exchange / Ticker:
Nasdaq / AGNC

IPO Price:
\$20.00 Per Share

Tangible Net Book Value²:
\$16.71 Per Share

IPO Date:
May 2008

Total Dividends Paid Since IPO¹:
\$42.88 Per Share

Total Common Equity Capital²:
\$9.5 B



Type:
Preferred Stock

Preferred Stock ³ :	Type ⁴ :	Issue Date:	Ticker:	Annual Dividend Rate:	Depositary Shares Outstanding ⁵ :	Aggregate Liquidation Preference:
Series C	Fixed-to-Floating Rate	Aug 22, 2017	AGNCN	7.000%	13.0 Million	\$325 Million
Series D	Fixed-to-Floating Rate	Mar 6, 2019	AGNCM	6.875%	9.4 Million	\$235 Million
Series E	Fixed-to-Floating Rate	Oct 3, 2019	AGNCO	6.500%	16.1 Million	\$403 Million
Series F	Fixed-to-Floating Rate	Feb 11, 2020	AGNCP	6.125%	23.0 Million	\$575 Million

Note: Information as of Dec 31, 2020 unless otherwise indicated

- As of Jan 15, 2021
- "Tangible Net Book Value" and "Total Common Equity Capital" are net of preferred stock liquidation preference
- Series C, D, E and F preferred stock are redeemable at the Company's option, in whole or in part, at their liquidation preference of \$25 per depositary share, plus any accumulated and unpaid dividends, on or after Oct 15, 2022, April 15, 2024, Oct 15, 2024 and April 15, 2025, respectively
- At the conclusion of the Series C, D, E and F fixed rate period on Oct 15, 2022, Apr 15, 2024, Oct 15, 2024 and April 15, 2025, respectively, the preferred stock dividend will accrue at a floating rate equal to 3M LIBOR plus a spread of 5.111%, 4.332%, 4.993% and 4.697%, respectively, per annum
- Each depositary share outstanding represents a 1/1,000th interest in a share of preferred stock

- **\$1.16 Comprehensive Income per Share, Comprised of:**
 - \$1.37 net income per share
 - \$(0.21) other comprehensive loss (“OCI”) per share on investments marked-to-market through OCI
- **\$0.75 Net Spread and Dollar Roll Income per Share, Excluding Estimated “Catch-Up” Premium Amortization Cost ¹**
 - Includes \$0.32 per share of dollar roll income associated with a \$33.8 B average net long position in forward purchases and sales of Agency MBS in the “to-be-announced” (“TBA”) market ²
 - Excludes \$(0.20) per share of estimated “catch-up” premium amortization cost due to change in projected constant prepayment rate (“CPR”) estimates
- **\$16.71 Tangible Net Book Value per Share as of Dec 31, 2020**
 - Increased \$0.83 per share, or 5.2%, from \$15.88 per share as of Sep 30, 2020
 - Excludes \$526 MM, or \$0.97 per share, of goodwill as of Dec 31, 2020
- **\$0.36 Dividends Declared per Share for the Fourth Quarter**
- **7.5% Economic Return on Tangible Common Equity for the Quarter**
 - Comprised of \$0.36 dividends per share and \$0.83 increase in tangible net book value per share

Note: Per share amounts included throughout this presentation are per share of common stock, unless otherwise indicated. Income and loss per share amounts included throughout this presentation are per diluted common share, unless otherwise indicated

1. Represents a non-GAAP measure. Refer to the supplemental slides later in this presentation for a reconciliation and further discussion of non-GAAP measures

2. Dollar roll income (loss) is recognized in gain (loss) on derivative instruments and other securities, net

- **\$97.9 B Investment Portfolio as of Dec 31, 2020**
 - \$65.1 B Agency MBS
 - \$31.5 B net TBA mortgage position
 - \$1.3 B credit risk transfer ("CRT") and non-Agency securities
- **8.5x Tangible Net Book Value "At Risk" Leverage as of Dec 31, 2020 ¹**
 - 8.4x average tangible net book value "at risk" leverage for the quarter
- **Cash and Unencumbered Agency MBS Totaled Approximately \$5.4 B as of Dec 31, 2020**
 - Excludes unencumbered CRT and non-Agency securities and unencumbered capital held at the Company's broker-dealer subsidiary, Bethesda Securities
- **27.6% Portfolio CPR for the Quarter**
 - 17.6% average projected portfolio life CPR as of Dec 31, 2020
- **2.02% Annualized Net Interest Spread and TBA Dollar Roll Income for the Quarter, Excluding Estimated "Catch-Up" Premium Amortization Cost ²**
 - Excludes -47 bps of "catch-up" premium amortization cost due to change in projected CPR estimates
- **6.6 MM Shares, or \$101 MM, of Common Stock Repurchased during the Quarter ³**
 - Represents 1.2% of common stock outstanding as of September 30, 2020
 - \$15.32 per share average repurchase price inclusive of transaction costs

1. Tangible net book value "at risk" leverage calculated as sum of Agency MBS repurchase agreements ("Agency repo"), net TBA position (at cost), net payable/receivable for investment securities not yet settled, and other debt divided by the sum of total stockholders' equity less goodwill

2. Net interest spread and TBA dollar roll income calculated as the average asset yield, less average cost of funds (actual and implied). Average cost of funds includes Agency MBS repo, TBA implied cost of funds, other debt and periodic swap interest income/cost. Cost of funds excludes other supplemental hedges (such as swaptions), U.S. Treasury positions and U.S. Treasury repurchase agreements

3. Includes common stock repurchases settling subsequent to quarter-end

- **\$0.47 Comprehensive Income per Share, Comprised of:**
 - \$(0.66) net loss per share
 - \$1.13 OCI per share
- **\$2.70 Net Spread and Dollar Roll Income per Share, Excluding Estimated "Catch-Up" Premium Amortization Cost ¹**
 - Includes \$0.77 per share of dollar roll income
 - Excludes \$(0.83) per share of estimated "catch-up" amortization cost
- **\$1.56 in Dividends Declared per Share**
- **3.5% Economic Return on Tangible Common Equity for the Year, Comprised of:**
 - \$1.56 dividends per share
 - \$(0.95) decrease in tangible net book value per share, or (5.4)%, from \$17.66 per share as of Dec 31, 2019
- **(1.6)% Total Stock Return ²**
- **\$1.4 B of Accretive Capital Transactions During the Year**
 - \$439 MM of At-the-Market equity offerings, net of offering costs
 - \$402 MM of share repurchases, net of repurchase costs
 - \$575 MM of 6.125% fixed-to-floating rate preferred equity issued in Feb 2020

1. Represents a non-GAAP measure. Refer to the supplemental slides later in this presentation for a reconciliation and further discussion of non-GAAP measures

2. Total stock return includes common stock price appreciation and dividend reinvestment. Dividends assumed to be reinvested at the closing price on the ex-dividend date. Source Bloomberg

Q4 2020							Q4 2020						
Security	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	Δ Rate % / Price ²	Security	12/31/19	3/31/20	6/30/20	9/30/20	12/31/20	Δ Rate % / Price ²
Swap Rates ¹							Treasury Rates ¹						
2 Yr Swap	1.70%	0.49%	0.23%	0.22%	0.20%	-0.02% / +0.04	2 Yr UST	1.57%	0.25%	0.15%	0.13%	0.12%	-0.01% / +0.01
5 Yr Swap	1.73%	0.52%	0.33%	0.35%	0.43%	+0.08% / -0.42	5 Yr UST	1.69%	0.38%	0.29%	0.28%	0.36%	+0.08% / -0.41
10 Yr Swap	1.90%	0.72%	0.64%	0.71%	0.93%	+0.22% / -2.11	10 Yr UST	1.92%	0.67%	0.66%	0.69%	0.92%	+0.23% / -2.17
30 Yr Swap	2.09%	0.88%	0.92%	1.12%	1.40%	+0.28% / -7.34	30 Yr UST	2.39%	1.32%	1.41%	1.46%	1.65%	+0.19% / -4.45
Agency 30 Year Fixed Rate MBS Price ³							Spreads ⁴						
1.50%	N/A	N/A	N/A	100.66	101.05	+0.39	30 Yr P/S	101	163	154	148	129	-19
2.00%	94.89	100.91	102.33	103.39	103.88	+0.49	30 Yr CC Tsy ZV	70	98	64	54	30	-24
2.50%	98.89	103.59	104.26	104.90	105.41	+0.51	30 Yr CC Tsy OAS	24	48	23	19	-2	-21
3.00%	101.42	104.83	105.33	104.75	104.77	+0.02	CRT M2	193	1,136	332	321	249	-72
3.50%	102.86	105.70	105.18	105.40	105.66	+0.26	CMBS AAA	81	178	113	86	66	-20
4.00%	104.01	106.67	105.98	106.64	106.78	+0.14	CDX IG	45	114	76	59	50	-9

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

1. Source: Bloomberg

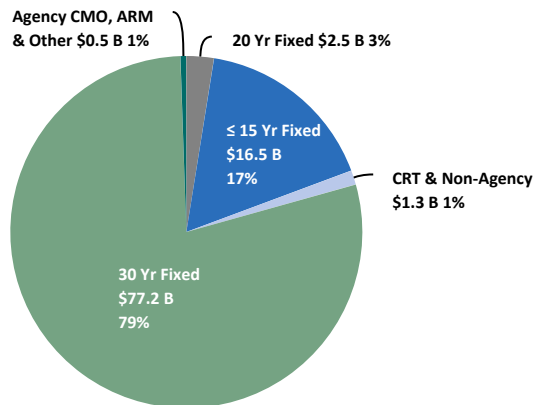
2. Change in Treasury and swap prices derived from Constant Maturity Treasury and Constant Maturity Swap and DV01 from JP Morgan

3. Source: Barclays

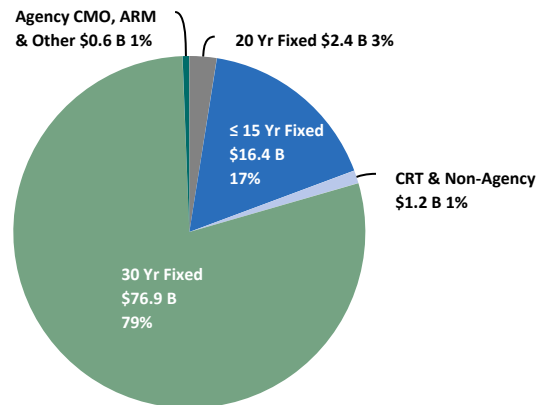
4. Source: CRT and CMBS spreads are averages of JP Morgan, Bank of America and Wells Fargo. CRT spreads are discount margins. CMBS spreads are spread to the swap curve. CDX, 30 year Primary-Secondary and CC Agency spreads are sourced from JP Morgan.

Agency Portfolio Update

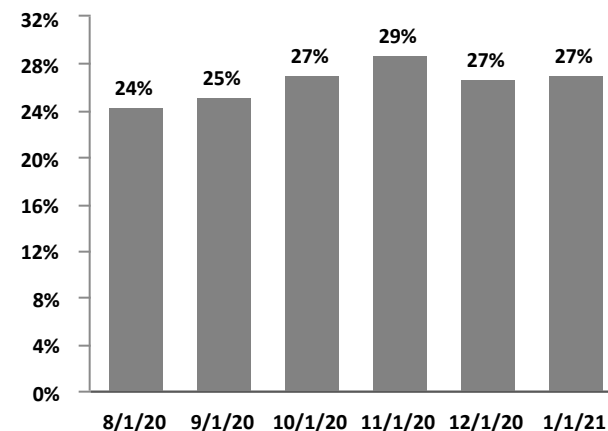
As of 12/31/20
\$97.9 B Portfolio
Including Net TBA Position



As of 9/30/20
\$97.6 B Portfolio
Including Net TBA Position



AGNC Actual CPR ¹



30 Year - \$77.2 B Portfolio (79% of Total) as of 12/31/20

(\$ In Millions)	Coupon	FMV	%	Specified Pool % ²	WALA ³	Jan '21 1 M Actual CPR ¹	12 M Forecast CPR ⁴	Life Forecast CPR ⁴
	2.0%	\$4,149	5%	—%	—	—%	14%	11%
	2.5%	6,170	8%	6%	4	5%	24%	16%
	3.0%	3,156	4%	20%	33	38%	36%	22%
	3.5%	14,020	18%	89%	66	28%	25%	17%
	4.0%	15,734	20%	92%	52	35%	29%	19%
	≥ 4.5%	9,434	12%	98%	38	33%	31%	21%
30 Year MBS		52,663	68%	71%	42	30%	27%	18%
Net TBA		24,499	32%	N/A	N/A	N/A	N/A	N/A
Total 30 Year		\$77,162	100%	48%	N/A	N/A	N/A	N/A

≤ 15 Year - \$16.5 B Portfolio (17% of Total) as of 12/31/20

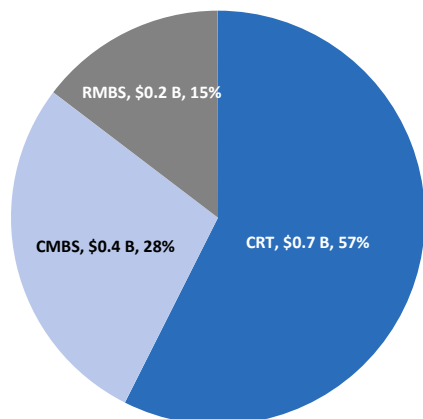
(\$ In Millions)	Coupon	FMV	%	Specified Pool % ²	WALA ³	Jan '21 1 M Actual CPR ¹	12 M Forecast CPR ⁴	Life Forecast CPR ⁴
	1.5%	\$1,306	8%	—%	1	4%	13%	13%
	2.0%	4,089	25%	—%	2	4%	19%	15%
	2.5%	632	4%	78%	13	14%	17%	15%
	3.0%	1,248	8%	94%	44	22%	18%	16%
	3.5%	1,356	8%	100%	40	24%	20%	18%
	≥ 4.0%	851	5%	92%	47	29%	21%	19%
≤ 15 Year MBS		9,482	58%	40%	17	14%	18%	16%
Net TBA		6,980	42%	N/A	N/A	N/A	N/A	N/A
Total ≤ 15 Year		\$16,462	100%	23%	N/A	N/A	N/A	N/A

Note: Amounts may not total due to rounding

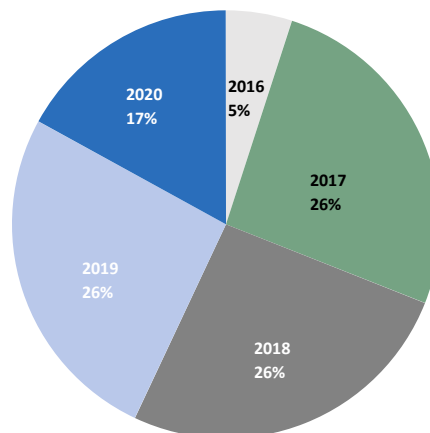
1. Wtd/avg actual 1 month annualized CPR released at the beginning of each month based on securities held as of the preceding month-end, excludes net TBA position
2. Specified pools include pools backed by lower balance loans with original loan balances of up to \$200K, HARP pools (defined as pools that were issued between May 2009 and Dec 2018 and backed by 100% refinance loans with original LTVs ≥ 80%) and pools backed by loans 100% originated in N.Y. and Puerto Rico. Lower balance pools have a wtd. avg. original loan balance of \$117 K for ≤15-year and \$117 K for 30-year securities as of Dec 31, 2020. HARP pools have a wtd. avg. original LTV of 126% for ≤15-year and 137% for 30-year securities as of Dec 31, 2020
3. WALA represents the weighted average loan age presented in months, excluding net TBA position
4. Average projected CPR as of Dec 31, 2020 excludes net TBA position

Credit Portfolio Update

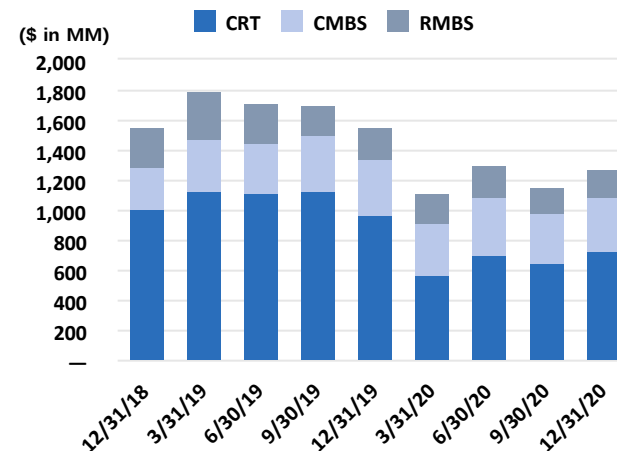
Credit Portfolio \$1.3 B as of Dec 31, 2020



GSE CRT Portfolio by Issuance Year



Historical Credit Portfolio



Credit Portfolio Characteristics ¹

Sector	Current Face ³	FMV	%	Price	Coupon	Credit Enhancement ⁵	60+ DQ ⁵
GSE Credit Risk Transfer	\$728	\$730	57%	100.26	3.44%	1.63%	5.56%
New Issue Jumbo/Conforming ⁴	187	188	15%	100.76	4.10%	5.26%	4.07%
MI Credit Risk Transfer	7	7	1%	100.38	3.05%	5.08%	5.95%
Residential Credit Total	922	925	72%	100.36	3.58%	2.39%	5.26%
Conduit	210	242	19%	115.09	4.33%	19.84%	5.72%
Single Asset/Single Borrower	121	115	9%	95.59	3.71%	23.29%	3.46%
Commercial Credit Total	331	357	28%	107.98	4.13%	20.96%	4.99%
Total	\$1,253	\$1,282	100%	102.38	3.73%	7.56%	5.18%

Ratings Distribution by Sector ^{1,2}

Sector	AAA	AA	A	BBB	Below Investment Grade	Total
GSE Credit Risk Transfer	0%	0%	0%	4%	96%	100%
New Issue Jumbo/Conforming	0%	11%	17%	44%	28%	100%
MI Credit Risk Transfer	0%	0%	0%	0%	100%	100%
Residential Credit Total	0%	2%	4%	12%	82%	100%
Conduit	14%	79%	4%	3%	0%	100%
Single Asset/Single Borrower	0%	0%	16%	41%	43%	100%
Commercial Credit Total	10%	53%	8%	15%	14%	100%
Total	3%	16%	5%	13%	63%	100%

1. As of Dec 31, 2020

2. Represents the lowest of Standard and Poor's ("S&P"), Moody's, Fitch, DBRS, Kroll Bond Rating Agency ("KBRA") and Morningstar credit ratings, stated in terms of the S&P equivalent rating

3. Excludes interest only securities (face value of \$59MM as of Dec 31, 2020)

4. Includes securities that are collateralized by mortgage loans from called legacy deals

5. Credit Enhancement and Delinquencies are sourced from Remittance Reports/INTEX/Bloomberg, and interest only securities are excluded

AGNC has access to attractive funding across a significant number of counterparties and a wide range of financing terms

- **Our average Agency repo cost for the fourth quarter was 0.38%, compared to 0.40% for the third quarter**
 - As of Dec 31, 2020, our Agency repo cost was 0.24%, compared to 0.37% as of Sep 30, 2020
- **Our total cost of funds, inclusive of our TBA dollar roll funding and interest rate swaps, for the fourth quarter was 0.05%, compared to 0.15% for the third quarter**
- **\$24.6 B of Agency repo funded through captive broker-dealer subsidiary, Bethesda Securities, as of Dec 31, 2020, compared to \$26.2 B as of Sep 30, 2020**

Agency Repurchase Agreements ¹				
As of Dec 31, 2020				
Maturity	%	Amount (\$ MM)	Interest Rate	Days to Maturity
≤ 3 Mths	82%	\$42,939	0.24%	26
> 3 to ≤ 6	14%	7,317	0.28%	142
> 6 to ≤ 12	4%	2,110	0.18%	308
Total / Wtd Avg	100%	\$52,366	0.24%	54
As of Sep 30, 2020				
Total / Wtd Avg	100%	\$54,366	0.37%	55

Average Cost of Funds For Q4 2020			
	%	Amount (\$ MM)	Interest Rate ²
Agency Repo	61%	\$53,645	0.38%
TBA	39%	33,753	(0.54)%
Total Funding Liabilities	100%	\$87,398	0.02%
Interest Rate Swaps	49%	\$43,157	0.03%
Total Avg. Cost of Funds	N/A	N/A	0.05%

1. Includes \$0.7 B of CRT and non-Agency MBS repurchase agreements and excludes \$0.2 B of debt of consolidated VIE's as of Dec 31, 2020

2. Refer to slide 17 for additional information regarding our average cost of funds

Hedging Summary

- **Our hedge portfolio totaled \$66.7 B and covered 80% of our funding liabilities (Agency repo, other debt and net TBA position) as of Dec 31, 2020, compared to 71% as of Sep 30, 2020**
- **Interest Rate Swaps**
 - \$43.2 B pay fixed swaps as of Dec 31, 2020
 - Increase of \$0.3 B from Sep 30, 2020
 - Covered 52% of funding liabilities as of Dec 31, 2020
 - 71% and 29% of swaps indexed to SOFR and OIS, respectively, as of Dec 31, 2020
- **Payer Swaptions**
 - \$10.4 B payer swaptions
 - Increase of \$3.5 B from Sep 30, 2020
- **U.S. Treasury Securities and Futures**
 - \$13.1 B net short Treasury position
 - Increase of \$3.3 B from Sep 30, 2020

Hedge Portfolio Summary				
As of Dec 31, 2020				
\$ in MM	Notional/ Market Value 12/31/2020	Duration 12/31/2020 ¹	Net Hedge Gains/ (Losses) Q4 2020 ²	Net Hedge Gains/ (Losses) Per Share Q4 2020
Interest Rate Swaps	\$43,225	(5.1)	\$276	\$0.51
Payer Swaptions	10,400	(2.3)	(7)	(0.01)
U.S. Treasuries, Net Short	13,108	(8.1)	117	0.21
Total / Q4 2020³	\$66,733	(3.6)	\$386	\$0.71
As of Sep 30, 2020 / Q3 2020				
Total / Q3 2020³	\$59,642	(3.2)	\$133	\$0.25

Interest Rate Swaps				
As of Dec 31, 2020				
Years to Maturity	Notional Amount (\$ MM)	Pay Rate	Receive Rate	Average Maturity (Years)
≤ 3 Years	\$8,750	0.04%	0.08%	2.4
> 3 to ≤ 5	17,000	0.10%	0.08%	4.1
> 5 to ≤ 7	9,800	0.21%	0.08%	5.8
> 7 to ≤ 10	6,200	0.28%	0.07%	8.5
> 10	1,475	0.47%	0.07%	14.2
Total / Wtd Avg	\$43,225	0.15%	0.08%	5.1
As of Sep 30, 2020				
Total / Wtd Avg	\$42,975	0.15%	0.08%	5.3

1. Duration is a model estimate of interest rate sensitivity measured in years as of a point in time

2. Net hedge gains/losses exclude periodic swap income/costs and TBA dollar roll income/loss (both components of net spread income) and mark-to-market gains/losses on our net TBA dollar roll position

3. Total duration is expressed in the asset unit equivalent

Our interest rate exposure remains limited over a wide range of interest rate scenarios

Duration Gap Sensitivity ^{1,2}			
As of Dec 31, 2020			
	Rates - 100 bps	Duration 12/31/2020	Rates + 100 bps
Mortgage Assets: ³			
30-Year MBS	0.7	3.3	6.0
15-Year MBS and Other Securities	1.3	3.0	4.5
Total Mortgage Assets	0.9	3.2	5.7
Liabilities and Hedges	(3.6)	(3.7)	(3.9)
Net Duration Gap	(2.7)	(0.5)	1.8

As of Sep 30, 2020			
Net Duration Gap	(1.7)	0.0	2.2

1. Duration is a model estimate of interest rate sensitivity measured in years as of a point in time. The sensitivity analysis assumes an instantaneous parallel shift in interest rates and, consequently, does not include the potential impact of ongoing portfolio rebalancing actions
2. Durations are expressed in years. Liability and hedge durations are expressed in asset unit equivalents
3. Mortgage assets include net TBA position.

Financial Results

Balance Sheets

(\$ in millions, except per share data, unaudited except 12/31/19)	12/31/20	9/30/20	6/30/20	3/31/20	12/31/19
Agency Securities, at Fair Value	\$64,836	\$66,556	\$75,488	\$70,292	\$98,516
Agency Securities Transferred to Consolidated Variable Interest Entities, at Fair Value	295	323	344	358	371
Credit Risk Transfer Securities, at Fair Value	737	653	712	574	976
Non-Agency Securities, at Fair Value	546	512	599	552	579
U.S. Treasury Securities, at Fair Value	—	—	1,181	3,721	97
Cash and Cash Equivalents	1,017	857	859	1,289	831
Restricted Cash	1,307	1,557	1,306	1,978	451
Derivative Assets, at Fair Value	391	130	140	664	190
Receivable for Investment Securities Sold	210	10	489	—	—
Receivable under Reverse Repurchase Agreements	11,748	8,625	7,944	4,938	10,181
Goodwill	526	526	526	526	526
Other Assets	204	219	265	245	364
Total Assets	\$81,817	\$79,968	\$89,853	\$85,137	\$113,082
Repurchase Agreements	\$52,366	\$54,566	\$69,685	\$66,540	\$89,182
Debt of Consolidated Variable Interest Entities, at Fair Value	177	192	204	214	228
Payable for Investment Securities Purchased	6,157	5,887	1,468	3,273	2,554
Derivative Liabilities, at Fair Value	2	13	3	138	6
Dividends Payable	90	90	92	113	104
Obligation to Return Securities Borrowed under Reverse Repurchase Agreements, at Fair Value	11,727	8,372	7,929	4,886	9,543
Accounts Payable and Other Liabilities	219	128	122	175	424
Total Liabilities	70,738	69,248	79,503	75,339	102,041
Preferred Equity at Aggregate Liquidation Preference	1,538	1,538	1,538	1,538	963
Common Equity	9,541	9,182	8,812	8,260	10,078
Total Stockholders' Equity	11,079	10,720	10,350	9,798	11,041
Total Liabilities and Stockholders' Equity	\$81,817	\$79,968	\$89,853	\$85,137	\$113,082
Other Supplemental Data:					
Net Long TBA, at Fair Value ¹	\$31,479	\$29,536	\$20,543	\$21,222	\$7,429
Tangible Net Book Value "At Risk" Leverage ²	8.5x	8.8x	9.2x	9.4x	9.4x
Tangible Net Book Value Per Common Share ³	\$16.71	\$15.88	\$14.92	\$13.62	\$17.66

1. Reported in derivative assets/liabilities at net carrying value (fair value less cost basis)

2. Calculated as the sum of Agency MBS repurchase agreements, net payable/receivable for investment securities not yet settled, net TBA dollar roll position (at cost) and debt of consolidated variable interest entities divided by the sum of total stockholders' equity less goodwill.

3. Calculated as stockholders' equity, less the Preferred Stock liquidation preference and goodwill, divided by total common shares outstanding

Income Statements



(\$ in millions, except per share data) (Unaudited)	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Year 2020
Interest Income	\$235	\$364	\$429	\$491	\$1,519
Interest Expense	(52)	(62)	(134)	(426)	(674)
Net Interest Income	183	302	295	65	845
Realized Gain on Sale of Investment Securities, Net	133	346	153	494	1,126
Unrealized Gain (Loss) on Investment Securities Measured at Fair Value through Net Income, Net	(192)	(365)	679	197	319
Gain (Loss) on Derivative Instruments and Other Securities, Net	676	400	(385)	(3,154)	(2,463)
Total Other Gain (Loss), Net	617	381	447	(2,463)	(1,018)
Compensation and Benefits	(17)	(13)	(13)	(13)	(56)
Other Operating Expenses	(8)	(8)	(11)	(10)	(37)
Total Operating Expenses	(25)	(21)	(24)	(23)	(93)
Net Income (Loss)	775	662	718	(2,421)	(266)
Dividend on Preferred Stock	(25)	(25)	(25)	(21)	(96)
Net Income (Loss) Available (Attributable) to Common Stockholders	\$750	\$637	\$693	\$(2,442)	\$(362)
Net Income (Loss)	\$775	\$662	\$718	\$(2,421)	\$(266)
Unrealized Gain (Loss) on Available-for-Sale Securities Measured at Fair Value through Other Comprehensive Income, Net	(115)	70	203	464	622
Comprehensive Income (Loss)	\$660	\$732	\$921	\$(1,957)	\$356
Dividend on Preferred Stock	(25)	(25)	(25)	(21)	(96)
Comprehensive Income (Loss) Available (Attributable) to Common Stockholders	\$635	\$707	\$896	\$(1,978)	\$260
Weighted Average Common Shares Outstanding – Basic	544.8	553.2	560.3	548.0	551.6
Weighted Average Common Shares Outstanding – Diluted	546.4	554.3	560.8	548.0	551.6
Net Income (Loss) per Common Share – Basic	\$1.38	\$1.15	\$1.24	\$(4.46)	\$(0.66)
Net Income (Loss) per Common Share – Diluted	\$1.37	\$1.15	\$1.24	\$(4.46)	\$(0.66)
Comprehensive Income (Loss) per Common Share – Basic	\$1.17	\$1.28	\$1.60	\$(3.61)	\$0.47
Comprehensive Income (Loss) per Common Share – Diluted	\$1.16	\$1.28	\$1.60	\$(3.61)	\$0.47
Dividends Declared per Common Share	\$0.36	\$0.36	\$0.36	\$0.48	\$1.56

Reconciliation of GAAP Net Interest Income to Net Spread and Dollar Roll Income (a Non-GAAP Measure)



(\$ in millions, except per share data) (Unaudited)	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Year 2020
GAAP Net Interest Income:					
Interest Income	\$235	\$364	\$429	\$491	\$1,519
Interest Expense	(52)	(62)	(134)	(426)	(674)
GAAP Net Interest Income	183	302	295	65	845
TBA Dollar Roll Income ¹	176	155	78	16	425
Interest Rate Swap Periodic (Cost) Income, Net ¹	(7)	(13)	(59)	31	(48)
Other Interest and Dividend Income ¹	—	—	1	2	3
Adjusted Net Interest and Dollar Roll Income	352	444	315	114	1,225
Operating Expenses	(25)	(21)	(24)	(23)	(93)
Net Spread and Dollar Roll Income	327	423	291	91	1,132
Dividend on Preferred Stock	(25)	(25)	(25)	(21)	(96)
Net Spread and Dollar Roll Income Available to Common Stockholders	302	398	266	70	1,036
Estimated "Catch Up" Premium Amortization Cost due to Change in CPR Forecast ²	107	50	57	243	457
Net Spread and Dollar Roll Income, Excluding "Catch Up" Amortization, Available to Common Stockholders	\$409	\$448	\$323	\$313	\$1,493
Weighted Average Common Shares Outstanding – Basic	544.8	553.2	560.3	548.0	551.6
Weighted Average Common Shares Outstanding – Diluted	546.4	554.3	560.8	549.2	552.7
Net Spread and Dollar Roll Income per Common Share – Basic	\$0.55	\$0.72	\$0.47	\$0.13	\$1.88
Net Spread and Dollar Roll Income per Common Share – Diluted	\$0.55	\$0.72	\$0.47	\$0.13	\$1.87
Net Spread and Dollar Roll Income, Excluding "Catch Up" Amortization, per Common Share – Basic	\$0.75	\$0.81	\$0.58	\$0.57	\$2.71
Net Spread and Dollar Roll Income, Excluding "Catch Up" Amortization, per Common Share – Diluted	\$0.75	\$0.81	\$0.58	\$0.57	\$2.70

Note: Table includes non-GAAP financial measures. Please refer to additional information regarding non-GAAP financial measures at the end of this presentation

1. Reported in gain (loss) on derivative instruments and other securities, net in the accompanying income statement
2. "Catch-up" premium amortization (cost)/benefit is reported in interest income on the accompanying income statement

Net Interest Spread Components by Funding Source



\$ in millions (Unaudited)	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Year 2020
Adjusted Net Interest and Dollar Roll Income, Excluding "Catch-Up" Amortization:					
Economic Interest Income:					
Investment Securities - GAAP Interest Income	\$235	\$364	\$429	\$491	\$1,519
Estimated "Catch-Up" Premium Amortization Cost due to Change in CPR Forecast ¹	107	50	57	243	457
TBA Dollar Roll Income - Implied Interest Income ^{2,3}	129	114	74	48	365
Economic Interest Income, Excluding "Catch-Up" Amortization	\$471	\$528	\$560	\$782	\$2,341
Economic Interest Expense:					
Repurchase Agreements and Other Debt - GAAP Interest Expense	\$(52)	\$(62)	\$(134)	\$(426)	\$(674)
TBA Dollar Roll Income - Implied Interest Benefit (Expense) ^{2,3}	47	41	4	(32)	60
Interest Rate Swap Periodic (Cost) Income, Net ²	(7)	(13)	(59)	31	(48)
Economic Interest Expense	\$(12)	\$(34)	\$(189)	\$(427)	\$(662)
Other Interest and Dividend Income ²	—	—	1	2	3
Adjusted Net Interest and Dollar Roll Income, Excluding "Catch-Up" Amortization	\$459	\$494	\$372	\$357	\$1,682
Net Interest Spread, Excluding "Catch-Up" Amortization:					
Average Asset Yield:					
Investment Securities - Average Asset Yield	1.64%	2.28%	2.39%	2.01%	2.09%
Estimated "Catch-Up" Premium Amortization Cost due to Change in CPR Forecast	0.75%	0.31%	0.32%	0.99%	0.63%
Investment Securities Average Asset Yield, Excluding "Catch-Up" Amortization	2.39%	2.59%	2.71%	3.00%	2.72%
TBA Securities - Average Implied Asset Yield	1.53%	1.64%	1.90%	2.54%	1.73%
Average Asset Yield, Excluding "Catch-Up" Amortization ⁴	2.07%	2.30%	2.56%	2.97%	2.50%
Average Total Cost of Funds:					
Repurchase Agreements and Other Debt - Average Funding Cost	0.38%	0.40%	0.76%	1.80%	0.96%
TBA Securities - Average Implied Funding (Benefit) Cost	(0.54)%	(0.58)%	(0.09)%	1.67%	(0.27)%
Average Cost of Funds, Before Interest Rate Swap Periodic Cost (Income), Net ⁴	0.02%	0.09%	0.61%	1.79%	0.67%
Interest Rate Swap Periodic Cost (Income), Net ⁵	0.03%	0.06%	0.27%	(0.12)%	0.05%
Average Total Cost of Funds	0.05%	0.15%	0.88%	1.67%	0.72%
Net Interest Spread, Excluding "Catch-Up" Amortization	2.02%	2.15%	1.68%	1.30%	1.78%

Note: Table includes non-GAAP financial measures. Please refer to additional information regarding non-GAAP financial measures at the end of this presentation

- "Catch-up" premium amortization cost/(benefit) is reported in interest income on the accompanying income statement
- Reported in gain (loss) on derivative instruments and other securities, net in the accompanying income statement
- TBA implied cost of funds derived from the Company's executed TBA roll levels and TBA delivery assumptions sourced from Credit Suisse for the associated weighted average coupon, weighted average maturity and 1 month projected CPR. TBA implied asset yields derived from the implied funding costs and gross executed TBA roll levels
- Calculated on a weighted basis relative to the average TBA balance and, as applicable, the average investment securities or average repo balance outstanding
- Represents interest rate swap periodic (income)/cost measured as a percent of total mortgage funding (Agency repurchase agreements, other debt and TBA securities)

Reconciliation of GAAP Net Income to Estimated Taxable Income (Non-GAAP Measure)



(\$ in millions, except per share data) (Unaudited)	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Year 2020
Net Income / (Loss)	\$775	\$662	\$718	\$(2,421)	\$(266)
Book to Tax Differences:					
Premium Amortization, Net	44	(11)	22	237	292
Realized Gain / Loss, Net	(548)	(472)	—	2,555	1,535
Net Capital Loss / (Utilization of Net Capital Loss Carryforward)	—	—	(426)	32	(394)
Unrealized (Gain) / Loss, Net	(121)	354	(291)	(263)	(321)
Other	5	—	(2)	(8)	(5)
Total Book to Tax Differences	(620)	(129)	(697)	2,553	1,107
Estimated REIT Taxable Income	155	533	21	132	841
Dividend on Preferred Stock	(25)	(25)	(25)	(21)	(96)
Estimated REIT Taxable Income (Loss), Net of Preferred Stock Dividend	\$130	\$508	\$(4)	\$111	\$745
Weighted Average Common Shares Outstanding – Basic	544.8	553.2	560.3	548.0	551.6
Weighted Average Common Shares Outstanding – Diluted	546.4	554.3	560.3	549.2	552.7
Estimated REIT Taxable Income (Loss) per Common Share – Basic	\$0.24	\$0.92	-\$0.01	\$0.20	\$1.35
Estimated REIT Taxable Income (Loss) per Common Share – Diluted	\$0.24	\$0.92	-\$0.01	\$0.20	\$1.35
Beginning Cumulative Non-Deductible Net Capital Loss	\$—	\$—	\$426	\$394	\$394
Increase (Decrease) in Net Capital Loss Carryforward	—	—	(426)	32	(394)
Ending Cumulative Non-Deductible Net Capital Loss	\$—	\$—	\$—	\$426	\$—
Ending Cumulative Non-Deductible Net Capital Loss per Common Share	\$0.00	\$0.00	\$0.00	\$0.75	\$0.00

Net Book Value Roll Forward

(In millions, except per share data) (Unaudited)	Q4 2020			Year 2020		
	Balance	Common Shares Outstanding	Net Book Value per Common Share	Balance	Common Shares Outstanding	Net Book Value per Common Share
Beginning Net Common Equity ¹	\$9,182	545.2	\$16.84	\$10,078	540.9	\$18.63
Net Income (Loss)	775			(266)		
Other Comprehensive Income (Loss), Net	(115)			622		
Common Stock Dividend	(195)			(858)		
Preferred Stock Dividend	(25)			(96)		
Common Stock Issuances	—			439	26.7	\$16.46
Common Stock Repurchases	(87)	(5.7)	\$15.08	(378)	(28.2)	\$13.33
Preferred Stock Issuance Costs	—			(18)		
Stock-Based Compensation	6			18	0.1	
Ending Net Common Equity	\$9,541	539.5	\$17.69	\$9,541	539.5	\$17.69
Goodwill	(526)			(526)		
Ending Tangible Net Common Equity	\$9,015	539.5	\$16.71	\$9,015		
Preferred Stock Liquidation Preference	1,538			1,538		
Ending Tangible Total Stockholders' Equity	\$10,553			\$10,553		
Ending Total Stockholders' Equity	\$11,079			\$11,079		

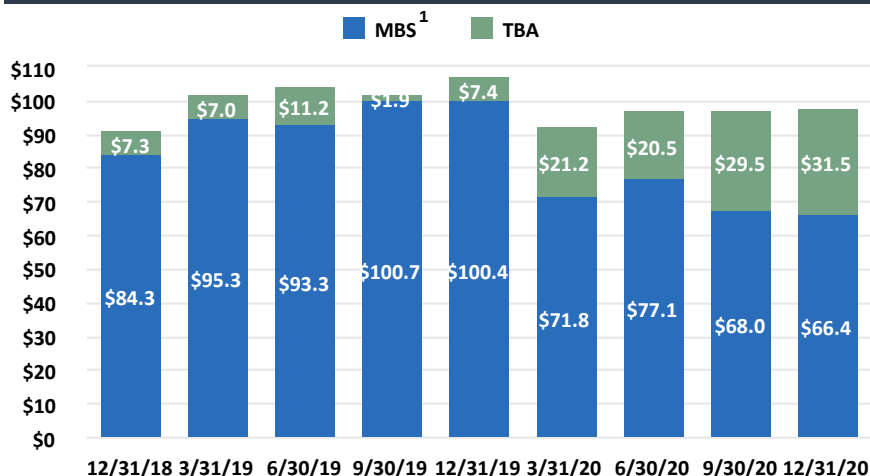
Amounts may not total due to rounding

1. Common equity is net of the Company's Preferred Stock liquidation preference

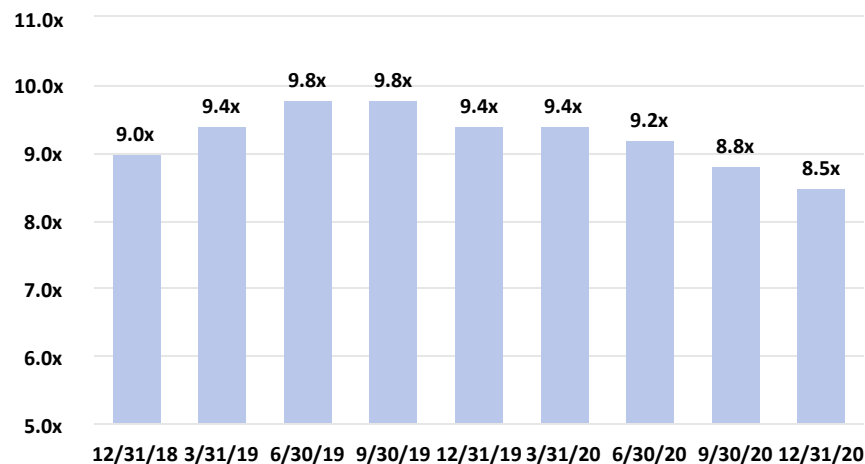
Supplemental Slides

AGNC Historical Overview

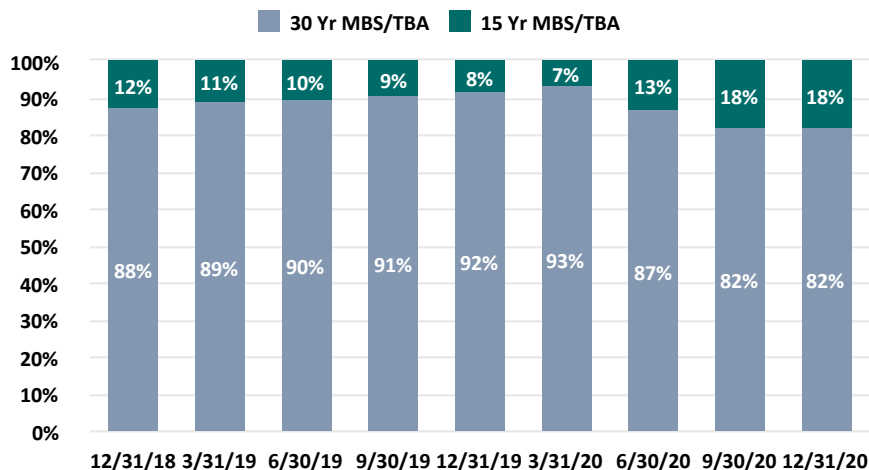
Asset Composition (\$ B)



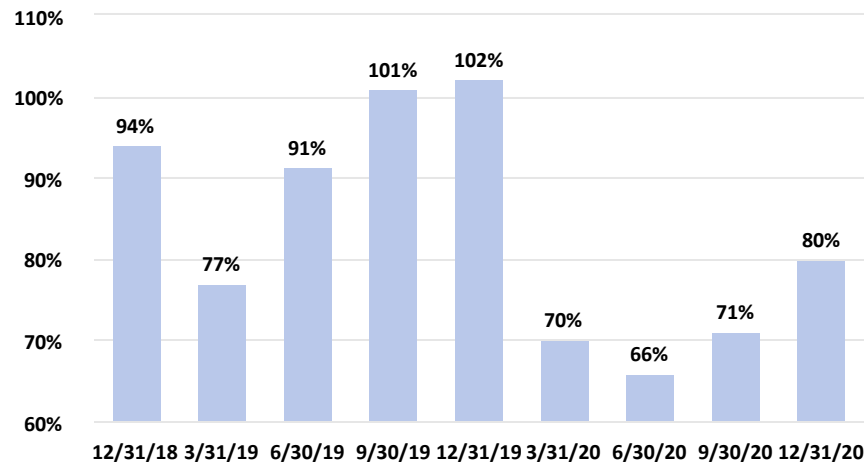
Tangible Net Book Value "At Risk" Leverage²



Agency MBS Fixed Rate Securities³



Hedge Ratio⁴



1. MBS includes CRT securities

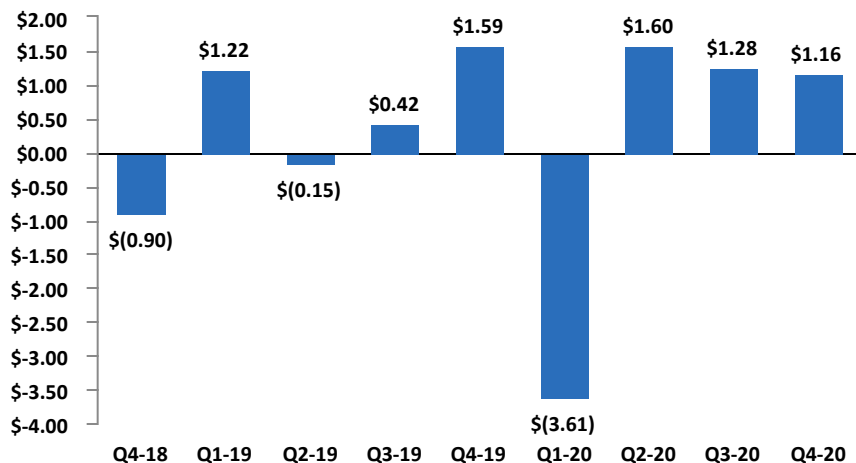
2. Tangible net book value "at risk" leverage calculated as sum of Agency MBS repurchase agreements, other debt, net payable/receivable for investment securities not yet settled and net TBA position (at cost) divided by the sum of total stockholders' equity less the fair value of investments in REIT equity securities and goodwill and other intangible assets, net. Leverage excludes U.S. Treasury repurchase agreements

3. Chart excludes 20 Yr fixed rate MBS

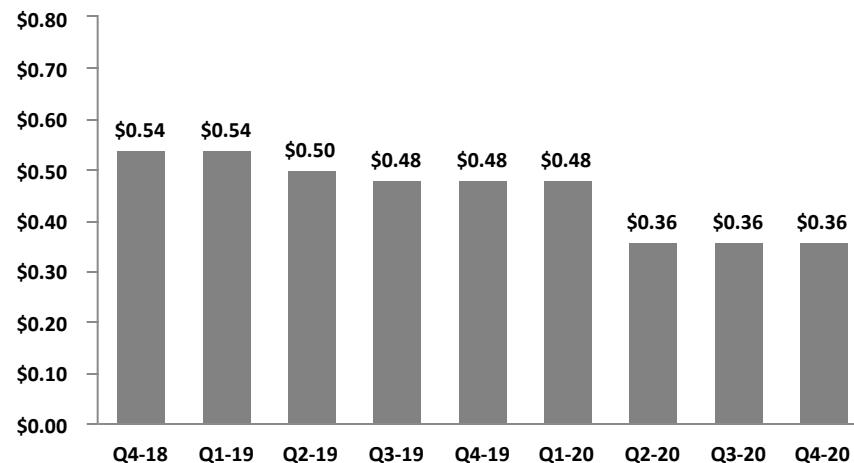
4. Measured as the ratio of interest rate swaps, swaptions and net U.S. Treasury position over repo agreements, other debt, forward settling securities and net TBA position excluding U.S. Treasury repurchase agreements, at cost

AGNC Historical Overview

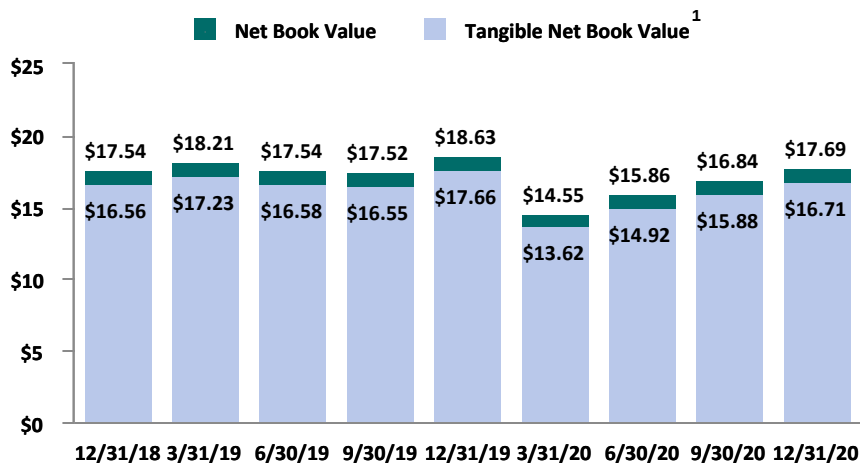
Comprehensive Income (Loss) per Common Share



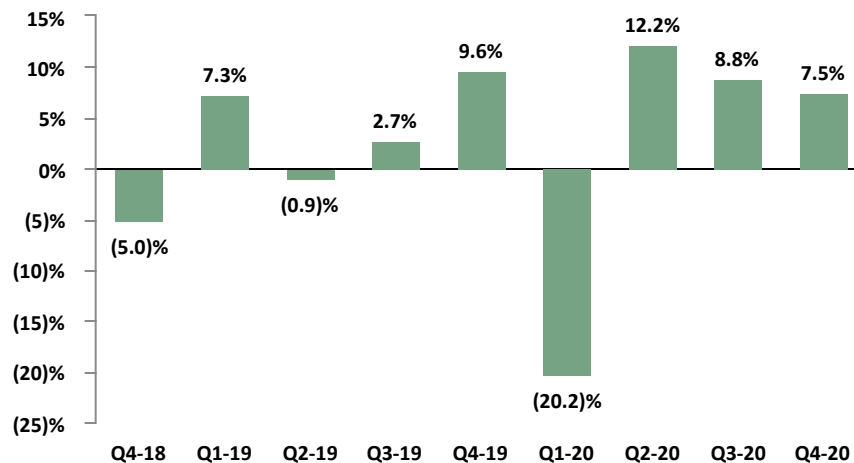
Dividends per Common Share



Net Book Value per Common Share



Economic Return²

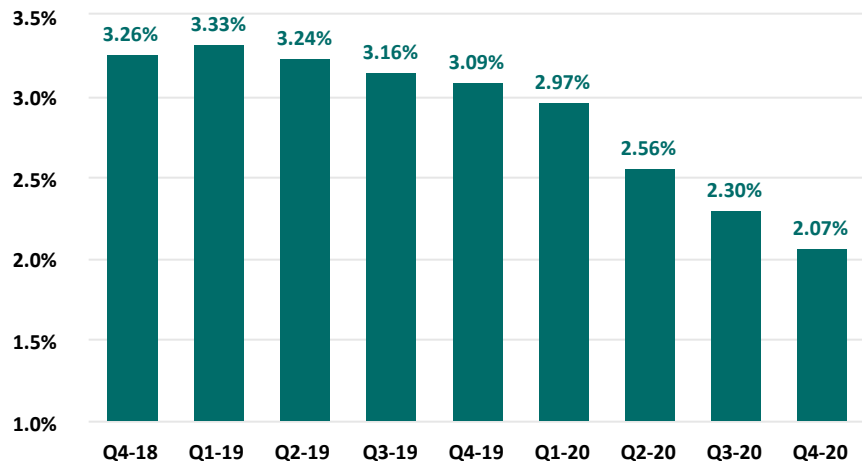


1. Tangible net book value per common share excludes goodwill and other intangible assets, net

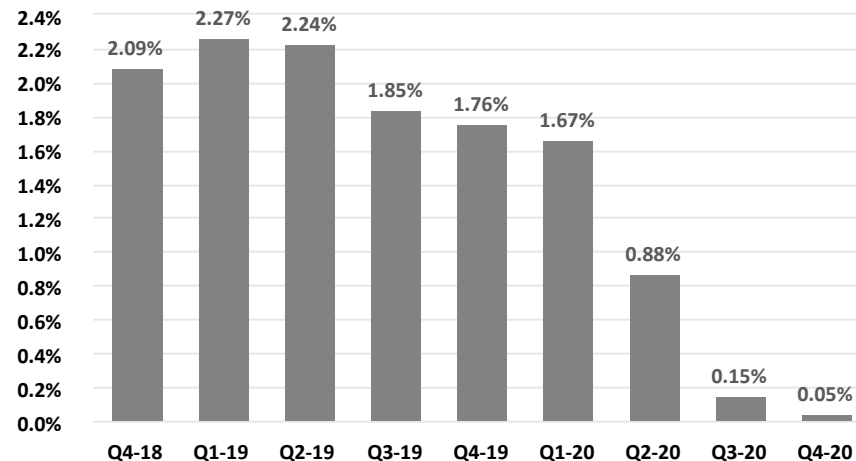
2. Economic return represents the change in tangible net book value per common share plus dividends per common share declared

AGNC Historical Overview

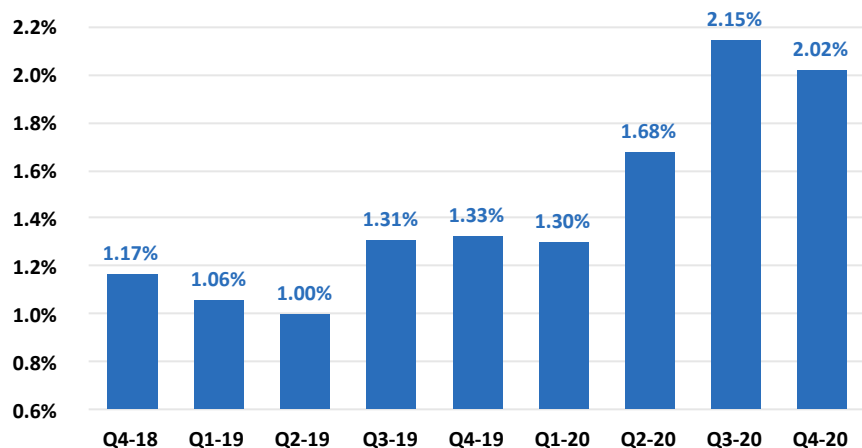
Average Asset Yield ¹



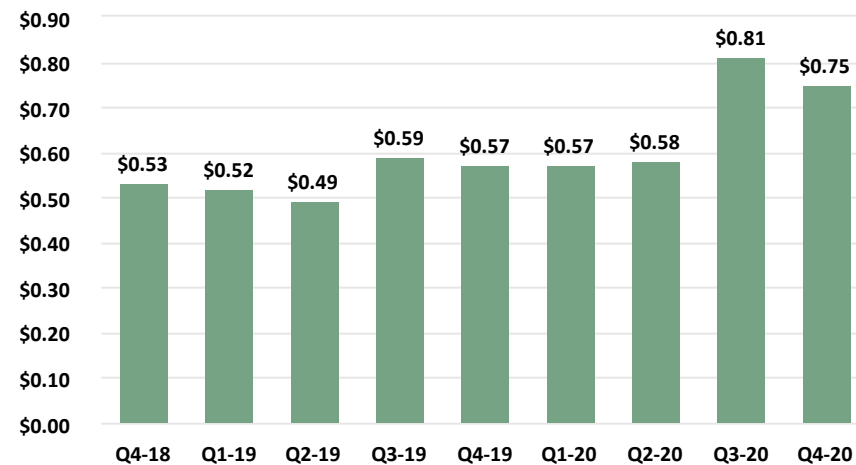
Average Cost of Funds ²



Net Interest Spread ^{1,2}



Net Spread and TBA Dollar Roll Income per Share, Excluding "Catch-Up" Premium Amortization ³



1. Asset yields include actual and implied yields on investment securities and net TBA position calculated on a weighted average basis. Amounts exclude "catch-up" premium amortization
 2. Cost of funds include repo, implied funding costs for the net TBA position and periodic swap income/costs calculated on a weighted average basis.. TBA implied fund cost is derived from AGNC's executed roll levels and TBA delivery assumptions sourced from Credit Suisse for the associated weighted average coupon, weighted average maturity and 1 month projected CPR
 3. Represents a non-GAAP measure. Please refer to the supplemental slides within this presentation for a reconciliation and further discussion of non-GAAP measures

Fixed Rate Agency Securities – MBS and Net TBA Position



\$ in millions – as of Dec 31, 2020

MBS Coupon ¹	Par Value ²	Market Value ²	Specified Pools ³	MBS Amortized Cost Basis ⁴	MBS Average WAC ^{4,5}	MBS WALA (Months) ^{4,5}	MBS Actual 1 Month CPR ^{4,6}	Duration (Years) ^{2,7}
≤15 YR Mortgage Securities								
1.5%	\$5,001	\$5,144	—%	102.4%	2.28%	1	4%	4.2
2.0%	6,718	7,023	—%	103.8%	2.62%	2	4%	2.5
2.5%	795	840	59%	105.5%	3.07%	13	14%	2.8
3.0%	1,168	1,248	94%	101.5%	3.55%	44	22%	2.8
3.5%	1,249	1,356	100%	102.1%	4.03%	40	24%	2.6
≥ 4.0%	788	851	92%	102.8%	4.63%	47	29%	2.3
Subtotal ≤15 YR	\$15,719	\$16,462	23%	103.1%	3.09%	17	14%	3.1
20 YR Mortgage Securities								
≤ 2.0%	\$1,168	\$1,215	—%	103.0%	2.87%	3	3%	3.0
2.5%	597	630	—%	103.9%	3.28%	6	14%	2.0
3.0%	48	52	98%	103.0%	3.78%	17	29%	2.2
3.5%	226	246	81%	101.6%	4.05%	89	21%	2.1
≥ 4.0%	296	327	96%	103.6%	4.73%	48	24%	1.8
Subtotal 20 YR	\$2,335	\$2,470	23%	103.2%	3.34%	18	12%	2.5
30 YR Mortgage Securities								
≤ 2.0%	\$23,805	\$24,628	—%	103.2%	2.89%	—	—%	4.9
2.5%	8,995	9,506	4%	105.2%	3.43%	4	5%	2.3
3.0%	3,507	3,709	17%	102.9%	3.74%	33	38%	2.1
3.5%	12,913	14,151	88%	104.0%	4.07%	66	28%	3.1
4.0%	14,245	15,734	92%	104.2%	4.51%	52	35%	2.5
≥ 4.5%	8,417	9,434	98%	105.0%	5.01%	38	33%	2.0
Subtotal 30 YR	\$71,882	\$77,162	48%	104.3%	4.17%	42	30%	3.3
Total Fixed	\$89,936	\$96,094	43%	104.0%	3.98%	37	27%	3.2

1. The wtd/avg coupon on fixed rate securities held as of Dec 31, 2020 was 3.35%, excluding the net long TBA mortgage position, and 2.89%, including the net long TBA position

2. Excluding net TBA position, total fixed-rate MBS as of Dec 31, 2020 had a par value of \$59,572, market value of \$64,615 and average duration of 2.8 years

3. Specified pools include pools backed by lower balance loans with original loan balances of up to \$200K, HARP pools (defined as pools that were issued between May 2009 and Dec 2018 and backed by 100% refinance loans with original LTVs ≥ 80%), and pools backed by loans 100% originated in N.Y. and Puerto Rico. Lower balance pools have a wtd/avg original loan balance of \$117 K for ≤15-year and \$117 K for 30-year securities as of Dec 31, 2020. HARP pools have a wtd/avg original LTV of 126% for ≤15-year and 137% for 30-year securities as of Dec 31, 2020

4. Average MBS cost basis, WAC, Age and CPR exclude net TBA position

5. Average WAC represents the weighted average coupon of the underlying collateral. WALA represents the weighted average loan age presented in months

6. Actual 1 month annualized CPR published during Jan 2021 for Agency securities held as of Dec 31, 2020

7. Duration 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

U.S. Treasury Position

- \$11.7 B short U.S. Treasury securities
- \$1.4 B short U.S. Treasury futures

Payer Swaptions

- \$10.4 B notional payer swaptions as of Dec 31, 2020
- 1.2 year average remaining option term, 9.5 years average underlying swap term

U.S. Treasury Position Net Long / (Short) As of Dec 31, 2020 (\$ MM)		
Maturity	Face Amount	Market Value
5 Year	\$(425)	\$(425)
7 Year	(1,083)	(1,089)
10 Year	(10,780)	(11,594)
Total	\$(12,288)	\$(13,108)
As of Sep 30, 2020		
Total	\$(8,728)	\$(9,767)

Payer Swaptions As of Dec 31, 2020 (\$ MM)					
Current Option Expiration Date ¹	Notional Amount	Cost	Market Value	Pay Rate	Swap Term (Years)
≤ 1 Year	\$5,900	\$123	\$15	2.17%	9.2
> 1 Year ≤ 2 Years	2,000	41	33	1.38%	10.0
> 2 Year ≤ 3 Years	2,250	65	60	1.40%	10.0
> 3 Year ≤ 4 Years	250	8	8	1.43%	10.0
Total	\$10,400	\$237	\$116	1.84%	9.5
As of Sep 30, 2020					
Total / Wtd Avg	\$6,900	\$141	\$5	2.32%	9.3

1. As of Dec 31, 2020, ≤ 1 year payer swaption notional amount includes \$700 million of Bermudan swaptions where the options may be exercised on predetermined dates up to their final exercise date, which is six months prior to the underlying swaps' maturity date

Changes in interest rates and MBS spreads relative to our hedges can impact the market value of our equity

Interest Rate Sensitivity

- The estimated change in the market value of our asset portfolio, net of hedges, assuming no portfolio rebalancing actions

MBS Spread Sensitivity (“Basis Risk”)

- The MBS spread sensitivity is the sensitivity of our assets to changes in MBS spreads
- The estimated change in the market value of our assets based on model predictions and assuming a spread duration of 4.4 years, based on interest rates and MBS prices as of Dec 31, 2020

Interest Rate Sensitivity ¹ As of Dec 31, 2020 (based on instantaneous parallel shift in interest rates)		
Interest Rate Shock (bps)	Estimated Change in Portfolio Market Value ²	Estimated Change in Tangible Common Equity
-100	(1.2)%	(12.6)%
-75	(0.9)%	(9.7)%
-50	(0.5)%	(5.8)%
+50	(0.1)%	(1.1)%
+75	(0.4)%	(4.0)%
+100	(0.8)%	(8.1)%

MBS Spread Sensitivity (“Basis Risk”) ¹ As of Dec 31, 2020		
MBS Spread Shock (bps)	Estimated Change in Portfolio Market Value ²	Estimated Change in Tangible Common Equity
-50	2.2%	23.9%
-25	1.1%	11.9%
-10	0.4%	4.8%
+10	(0.4)%	(4.8)%
+25	(1.1)%	(11.9)%
+50	(2.2)%	(23.9)%

1. Interest rate and MBS spread sensitivity 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. Rates are floored at zero percent

2. Estimated dollar change in value expressed as a percentage of the total market value of “at risk” assets

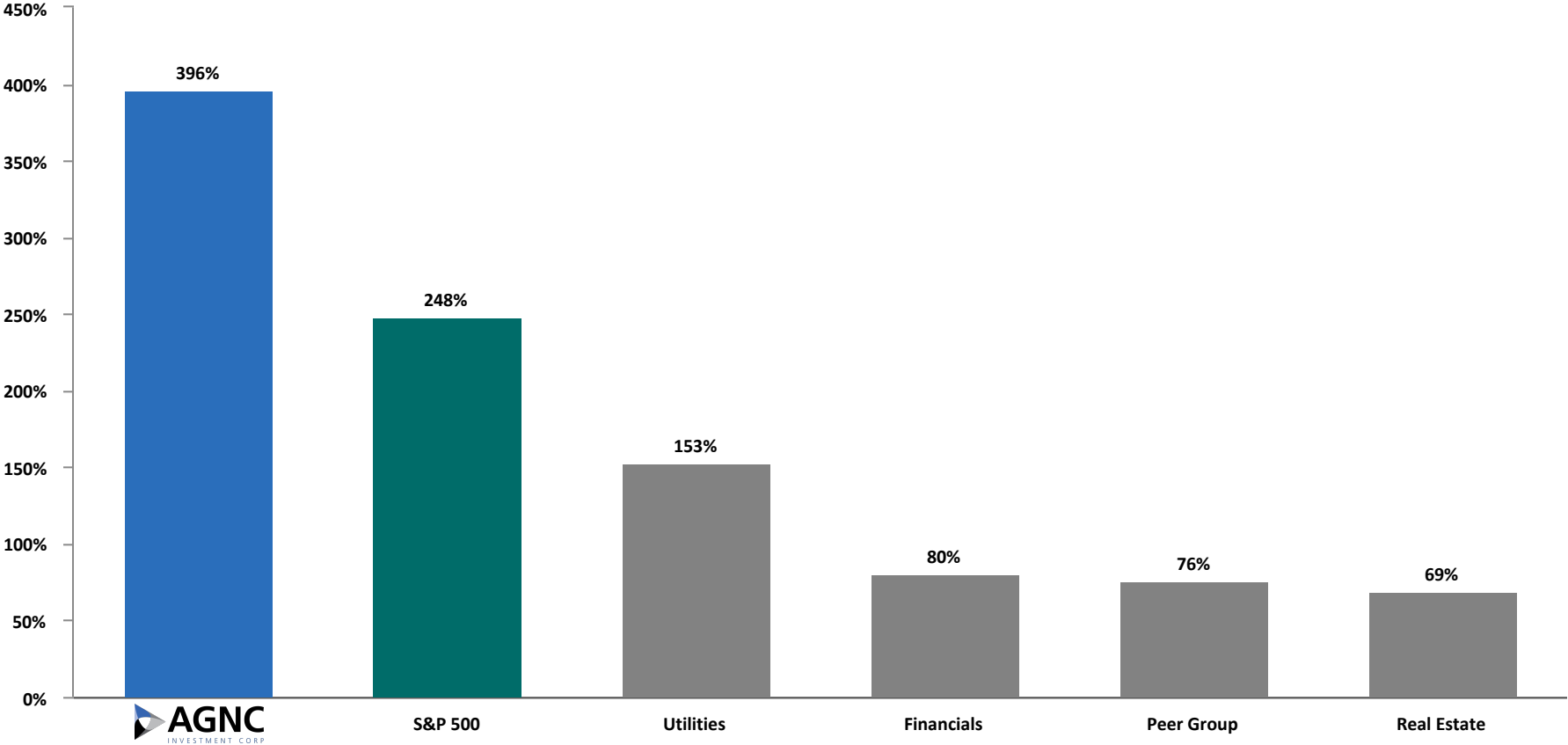
Appendix

Broad Market Outperformance Since IPO



Since its IPO, AGNC has outperformed the S&P 500 by 148%, the utilities sector by 243%, and the financials sector by 316%

Total Stock Return by Sector Since AGNC's May 2008 IPO ^{1,3,5}



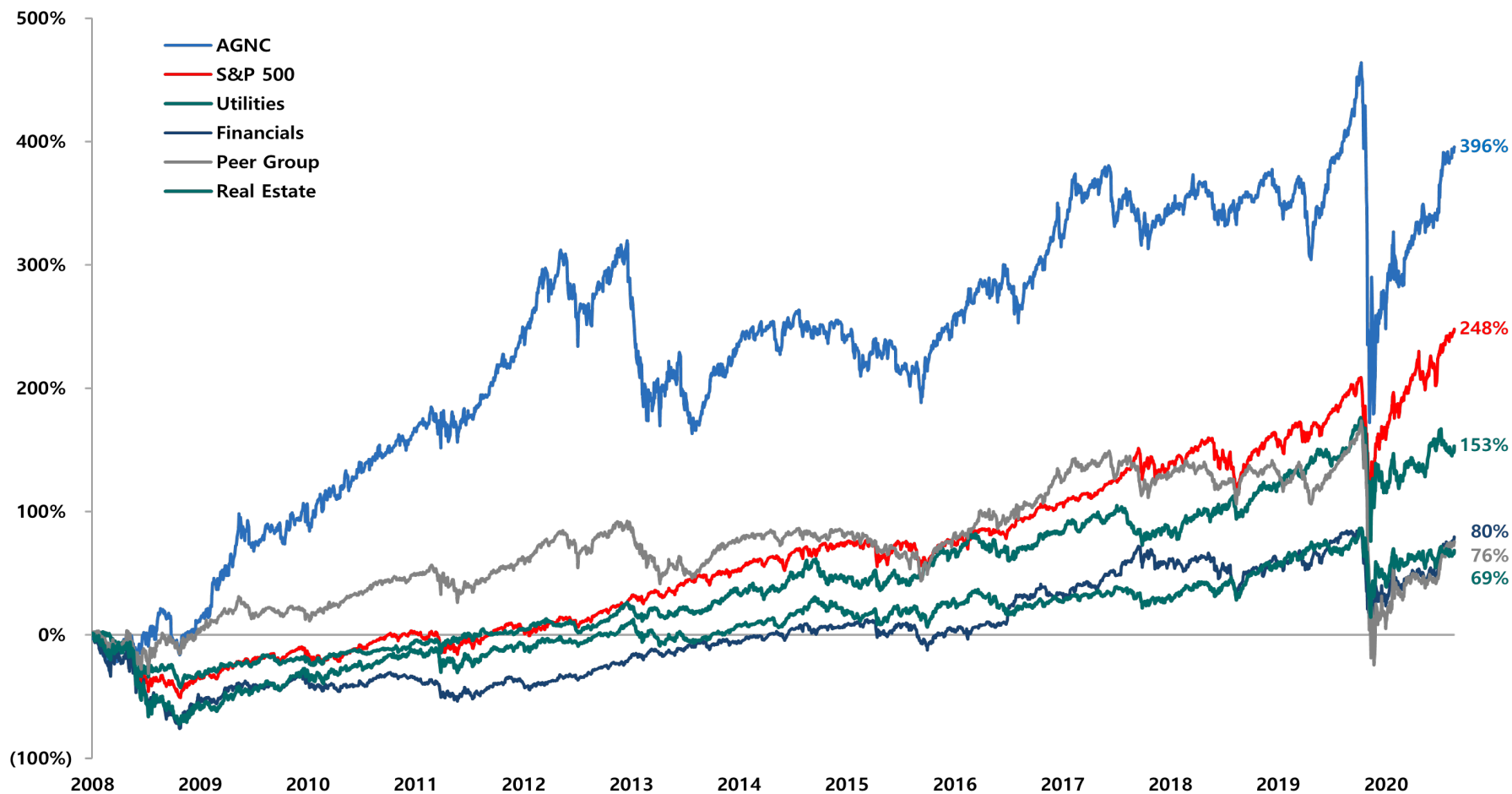
Note: For additional detail, refer to endnotes in the Appendix.

AGNC's Track Record of Outperformance



Since its May 2008 IPO, AGNC has generated a total stock return of 396% compared to 248% for the S&P 500 and 76% for the peer group

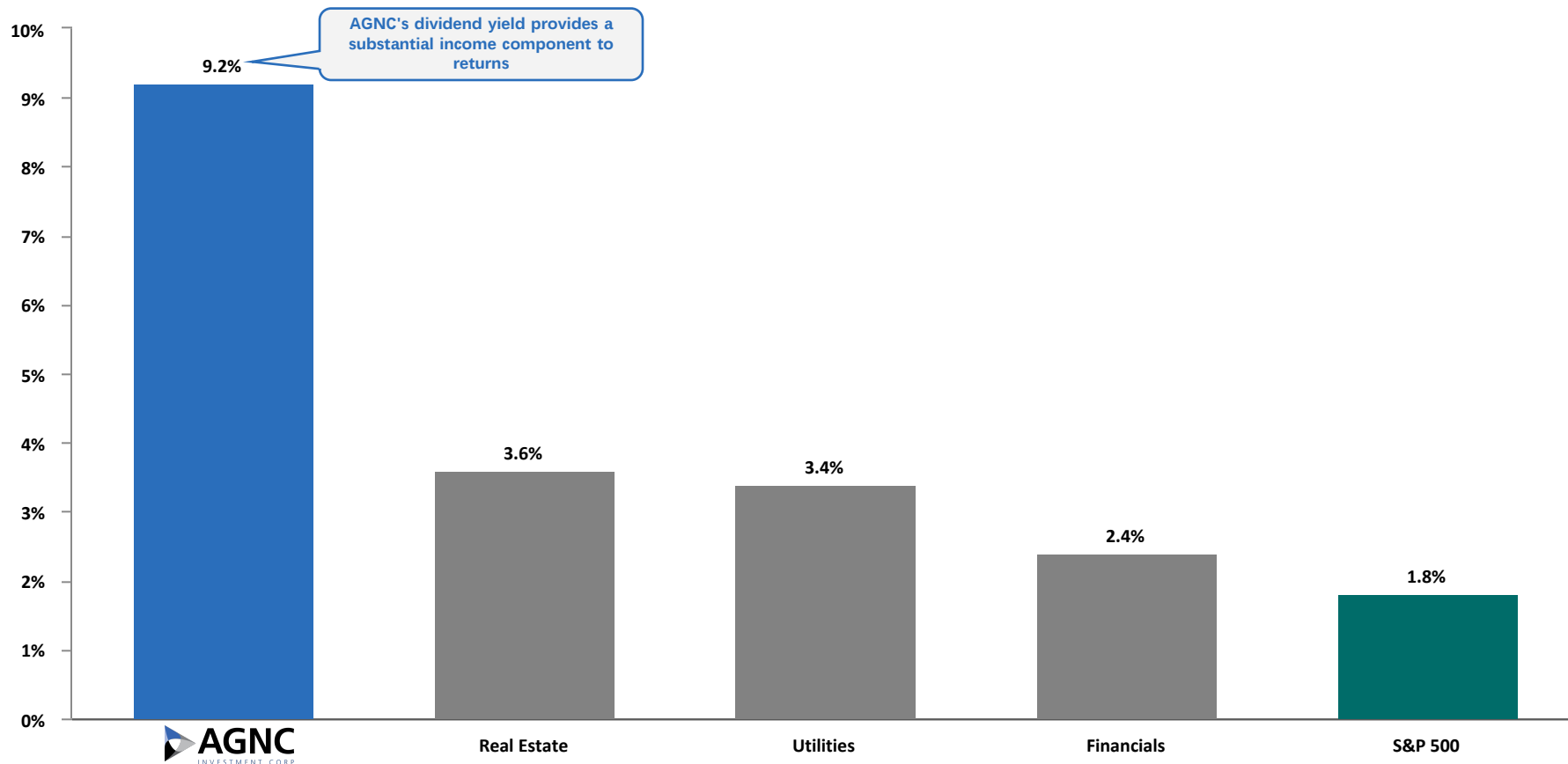
Total Stock Return by Sector Since AGNC's May 2008 IPO ^{1,3,5}



Note: For additional detail, refer to endnotes in the Appendix.

AGNC's current dividend yield significantly exceeds the average yields of the various S&P 500 sectors, including traditional defensive sectors

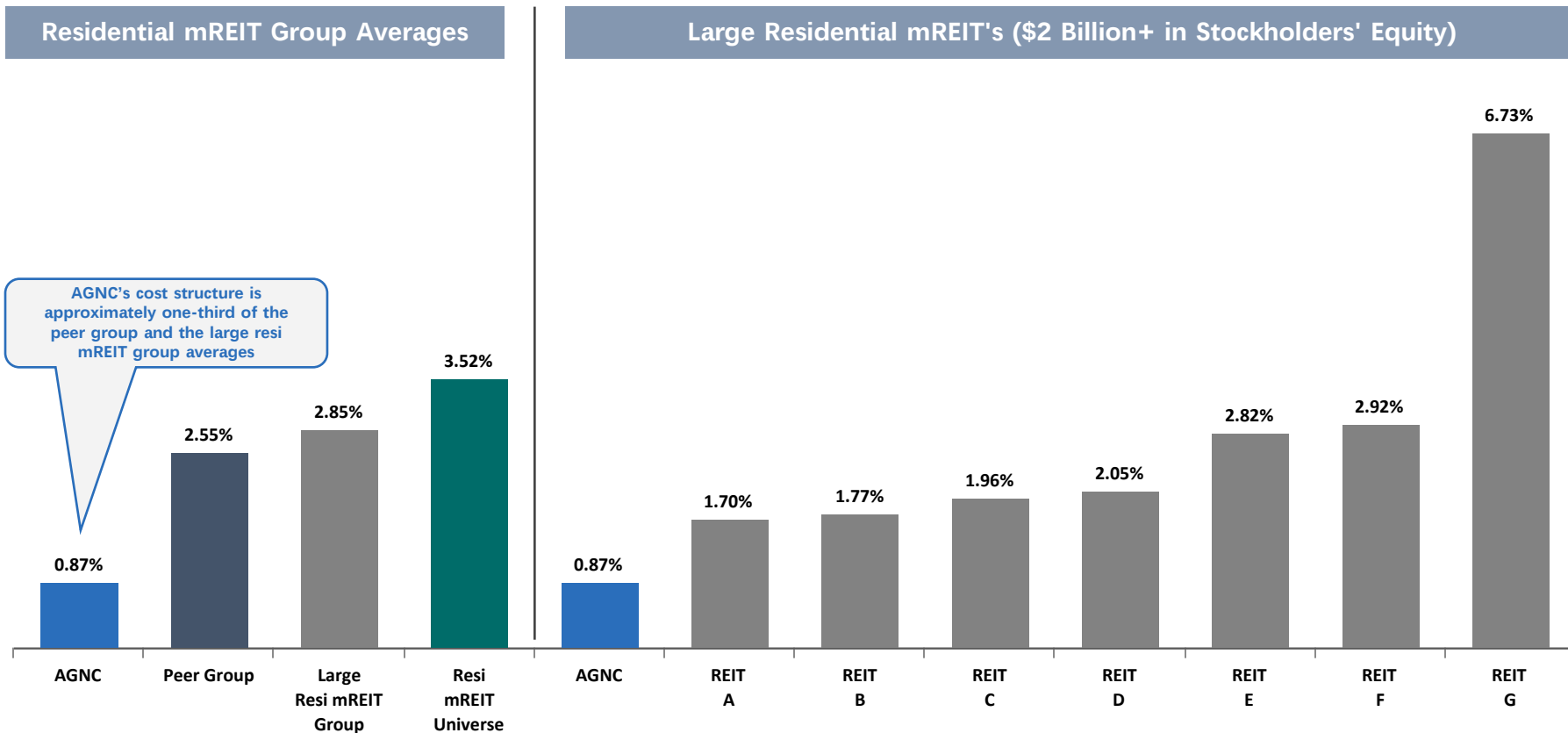
Dividend Yield by Sector as of Dec 31, 2020 ^{3,4}



Industry-Leading Cost Structure

AGNC has the lowest cost structure in the industry at less than 0.90% of stockholder's equity

Residential Mortgage REIT Operating Cost Structures ^{2,5}



Note: For additional detail, refer to endnotes in the Appendix.

1. Stock return is measured from AGNC's IPO through Dec 31, 2020. Total stock return over a period includes price appreciation and dividend reinvestment; dividends are assumed to be reinvested at the closing price of the security on the ex-dividend date. Source: S&P Global Market Intelligence and Bloomberg.
2. Cost structures are based on operating expenses and average stockholders' equity (excluding noncontrolling interests, as applicable) over the trailing twelve-month period ended Sep 30, 2020 as publicly reported by such REITs. Operating costs include expenses for compensation and benefits, management fees, incentive fees (if applicable), and G&A and may include one-time or nonrecurring expenses. Operating costs exclude direct costs associated with operating activities, such as loan acquisition costs, securitization costs, servicing expenses, etc. to the extent publicly disclosed by such REITs. Source: Company filings and S&P Global Market Intelligence.
3. Sectors reflect component companies of the various S&P 500 sector indices as they appear on Bloomberg as of Dec 31, 2020: Financials (S5FINL Index), Real Estate (S5RLST Index), and Utilities (S5UTIL Index).
4. Dividend yields as of Dec 31, 2020. Source: Bloomberg.
5. The residential mortgage REIT ("mREIT") universe is unweighted and includes AAIC, AJX, ANH, ARR, CHMI, CIM, CMO, DX, EARN, EFC, IVR, MFA, MITT, NLY, NRZ, NYMT, ORC, PMT, RWT, TWO and WMC. The large resi mREIT group is unweighted and includes residential mREITs with greater than \$2 billion in total stockholders' equity as of Sep 30, 2020: CIM, MFA, NLY, NRZ, NYMT, PMT and TWO. For Agency-focused residential mortgage REIT peer comparison purposes, AGNC's peer group is unweighted and includes TWO, IVR, CMO, ARR, DX, ANH and NLY.

Use of Non-GAAP Financial Information

In addition to the results presented in accordance with GAAP, the Company's results of operations discussed in this presentation include certain non-GAAP financial information, including "net spread and dollar roll income," "net spread and dollar roll income, excluding 'catch-up' premium amortization," "economic interest income" and "economic interest expense" (both components of "net spread and dollar roll income"), "estimated taxable income" and the related per common share measures and certain financial metrics derived from such non-GAAP information, such as "cost of funds" and "net interest spread."

"Net spread and dollar roll income" is measured as (i) net interest income (GAAP measure) adjusted to include TBA dollar roll income, interest rate swap periodic cost/income and other interest and dividend income (referred to as "adjusted net interest and dollar roll income"), less (ii) total operating expenses (GAAP measure). "Net spread and dollar roll income, excluding 'catch-up' premium amortization," further excludes retrospective "catch-up" adjustments to premium amortization due to changes in projected CPR estimates. Related amounts per common share exclude non-recurring issuance costs of redeemed preferred stock.

By providing users of our financial information with such measures in addition to the related GAAP measures, we believe users will have greater transparency into the information used by our management in its financial and operational decision-making. We also believe that it is important for users of our financial information to consider information related to our current financial performance without the effects of certain transactions that are not necessarily indicative of our current investment portfolio performance and operations.

Specifically, in the case of "adjusted net interest and dollar roll income," we believe the inclusion of TBA dollar roll income is meaningful as TBAs, which are accounted for under GAAP as derivative instruments with gains and losses recognized in other gain (loss) in our statement of operations, are economically equivalent to holding and financing generic Agency MBS using short-term repurchase agreements. Similarly, we believe that the inclusion of interest rate swap periodic cost/income in such measure, which is recognized under GAAP in other gain (loss), is meaningful as interest rate swaps are the primary instrument we use to economically hedge against fluctuations in our borrowing costs and inclusion of interest rate swap periodic cost/income is more indicative of our total cost of funds than interest expense alone. In the case of "net spread and dollar roll income, excluding 'catch-up' premium amortization," we believe the exclusion of "catch-up" adjustments to premium amortization is meaningful as it excludes the cumulative effect from prior reporting periods due to current changes in future prepayment expectations and, therefore, exclusion of such cost or benefit is more indicative of the current earnings potential of our investment portfolio. We also believe the exclusion of issuance costs of redeemed preferred stock reported as reduction to net income available to common stockholders under GAAP is meaningful as it represents non-recurring costs associated with capital transactions and is not representative of our ongoing costs. In the case of estimated taxable income, we believe it is meaningful information as it is directly related to the amount of dividends we are required to distribute in order to maintain our REIT qualification status.

However, because such measures are incomplete measures of our financial performance and involve differences from results computed in accordance with GAAP, they should be considered as supplementary to, and not as a substitute for, results computed in accordance with GAAP. In addition, because not all companies use identical calculations, our presentation of such non-GAAP measures may not be comparable to other similarly-titled measures of other companies. Furthermore, estimated taxable income can include certain information that is subject to potential adjustments up to the time of filing our income tax returns, which occurs after the end of our fiscal year.

A reconciliation of GAAP net interest income to non-GAAP "net spread and dollar roll income, excluding 'catch-up' premium amortization" and a reconciliation of GAAP net income to non-GAAP "estimated taxable income" is included in this presentation.