



AGNC Prices Public Offering of Common Stock

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BETHESDA, Md., Oct. 26 /PRNewswire-FirstCall/ -- American Capital Agency Corp. (Nasdaq: AGNC) ("AGNC" or the "Company") announced today that it priced a public offering of 5,000,000 shares of its common stock at a public offering price of \$26.60 per share for total gross proceeds of \$133 million. The Company has granted the underwriters an option to purchase up to an additional 750,000 shares to cover over-allotments. The offering is subject to customary closing conditions and is expected to close on Friday, October 30, 2009.

AGNC expects to use the net proceeds from this offering to acquire additional agency securities as market conditions warrant and for general corporate purposes.

Citi, Deutsche Bank Securities and UBS Investment Bank are the joint book-running managers for the offering. Credit Suisse Securities (USA) LLC and JMP Securities are the joint-lead managers, with Keefe, Bruyette & Woods, Inc. and RBC Capital Markets acting as co-managers for the offering.

The offering will be made under AGNC's existing shelf registration statement filed with the Securities and Exchange Commission. This press release is neither an offer to sell nor a solicitation of an offer to buy shares of common stock. The offering of these securities will be made only by means of a prospectus and a related prospectus supplement. When available, copies of the prospectus and prospectus supplement may be obtained from Citi, Brooklyn Army Terminal, 140 58th Street, 8th Floor, Brooklyn, New York 11220; telephone: (800) 831-9146, Deutsche Bank Securities, Prospectus Department, Harborside Financial Center, 100 Plaza One, Jersey City, New Jersey 07311-3988; telephone: (800) 503-4611 or UBS Investment Bank, Attn: Prospectus Department, 299 Park Avenue, New York, New York 10171; telephone: (888) 827-7275.

ABOUT AGNC

AGNC is a REIT that invests exclusively in agency pass-through securities and collateralized mortgage obligations for which the principal and interest payments are guaranteed by a U.S. Government agency or a U.S. Government-sponsored entity. The Company is externally managed and advised by an affiliate of American Capital, Ltd. ("American Capital").

ABOUT AMERICAN CAPITAL

American Capital is a publicly traded private equity firm and global asset manager. American Capital, both directly and through its asset management business, originates, underwrites and manages investments in middle market private equity, leveraged finance, real estate and structured products. Founded in 1986, American Capital has \$11 billion in capital resources under management⁽¹⁾ and nine offices in the U.S., Europe and Asia.

(1) As of June 30, 2009.

FORWARD-LOOKING STATEMENTS

This press release contains statements that constitute "forward-looking statements," including with regard to the Company's planned securities offering and the anticipated use of the net proceeds there from. These statements are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. No assurance can be given that the securities offering discussed above will be consummated on the terms described or at all. Consummation of the securities offering and the terms thereof are subject to numerous conditions, many of which are beyond the control of the Company, including, without limitation, changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability and terms of financing; changes in the market value of our assets; general economic conditions; market conditions; conditions in the market for agency securities; legislative and regulatory changes that could adversely affect the business of the Company; and other factors, including those set forth in the Risk Factors section of the Company's periodic reports filed with the Securities and Exchange Commission ("SEC"). Copies are available on the SEC's website, www.sec.gov. The Company undertakes no obligation to update these statements for revisions or changes after the date of this release.

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SOURCE American Capital Agency Corp.

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