AG Mortgage Investment Trust, Inc.
Q3 2016 Earnings Presentation

AG MORTGAGE Investment Trust, Inc.

November 4, 2016

Forward Looking Statements

AG MORTGAGE Investment Trust, Inc.

- This presentation includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995 related to dividends, our strategy related to our investments and portfolio, liquidity and financing, our assets, and regulatory approvals. Forward-looking statements are based on estimates, projections, beliefs and assumptions of management of the Company at the time of such statements and are not guarantees of future performance. Forward-looking statements involve risks and uncertainties in predicting future results and conditions. Actual results could differ materially from those projected in these forward-looking statements due to a variety of factors, 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, conditions in the market for Agency RMBS, Non-Agency RMBS, ABS and CMBS securities and loans, and legislative and regulatory changes that could adversely affect the business of the Company. Additional information concerning these and other risk factors are contained in the Company's filings with the Securities and Exchange Commission ("SEC"), including its most recent Annual Report on Form 10-K and subsequent filings. Copies are available free of charge on the SEC's website, http://www.sec.gov/. All information in this presentation is as of November 4, 2016. The Company undertakes no duty to update any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

Q3 2016 MITT Earnings Call Presenters

AG MORTGAGE Investment Trust, Inc.

	Title
David Roberts	Chief Executive Officer
Jonathan Lieberman	President/Chief Investment Officer
Brian Sigman	Chief Financial Officer
Karen Werbel	Head of Investor Relations

Q3 2016 Performance and Highlights

AG MORTGAGE Investment Trust, Inc.

- $1.54 of Net Income/(Loss) per diluted common share[1]
- $0.50 of Core Earnings[2] per diluted common share
  - Includes $0.01 attributable to Arc Home and a de minimis retrospective adjustment during the quarter
- 8.9% economic return on equity for the quarter, 35.5% annualized[6]
- $18.49 net book value per share[3] as of September 30, 2016
  - Includes impact of common dividend of $0.475 declared for the quarter and paid on October 31, 2016
  - Book value increased $1.07 or 6.1% from last quarter, inclusive of:
    - $0.07 or 0.4% due to our investments in Agency RMBS and associated derivative hedges
      - Hedge book was positioned to benefit from higher short term interest rates
      - Tightening of spread between Agency MBS and swap hedges was accretive to book value
    - $0.97 or 5.6% due to our investments in Credit
      - Strong demand brought credit spreads to the tightest levels in over a year, and nearly all parts of the capital structure participated in the rally, increasing book value
      - Significant transactions that contributed to the book value increase during the quarter:
        - Re-REMIC securitization contributed $0.19 per share to book value
        - Residential loan sales, including those held as securitized whole loans, contributed $0.13 per share to book value

Q3 2016 Performance and Highlights (cont'd)

- Repurchased 181,842 shares or $2.9 mm of common stock during the quarter for an average purchase price of $15.74; net accretion to book value of $0.01
  - To date, repurchased 741,410 shares of common stock at a cost of $10.4 mm; $14.6 mm remains authorized under our Stock Repurchase Program
- $2.7 billion investment portfolio as of September 30, 2016 as compared to the $2.8 billion investment portfolio as of June 30, 2016[4, 5]
  - 59% of our credit portfolio is fixed rate coupon and 41% is floating rate*

Portfolio Composition					
	12/31/2012	12/31/2013	12/31/2014	12/31/2015	9/30/2016
Agency RMBS	77.8%	65.1%	55.4%	44.2%	43.6%
Credit	22.2%	34.9%	44.6%	55.8%	56.4%

- 11.7% constant prepayment rate ("CPR")[7] on the Agency RMBS investment portfolio for the third quarter, excluding net TBA position
  - 12.5% CPR on the Agency RMBS investment portfolio in October

*Equity residuals, MSRs and principal only securities with a zero coupon rate are excluded from this calculation.

- 2.97% Net Interest Margin ("NIM") as of September 30, 2016[9]
  - Decline in yield primarily due to the monetization of higher yielding investments, resulting in a decline in Net Interest Margin
- 3.2x "At Risk" Leverage[5, 8]

	9/30/2015	12/31/2015	3/31/2016	6/30/2016	9/30/2016
Yield on Investment Portfolio[10]	4.70%	4.86%	4.75%	4.82%	4.73%
Cost of Funds[11]	1.69%	1.81%	1.73%	1.76%	1.76%
NIM excluding net TBA position	3.01%	3.05%	3.02%	3.06%	2.97%
"At Risk" Leverage including net TBA position[8]	3.6x	3.5x	3.4x	3.4x	3.2x
Leverage excluding net TBA position[8]	3.6x	3.4x	3.4x	3.2x	3.2x

Q3 2016 Performance and Highlights (cont'd)

AG MITT AG MORTGAGE Investment Trust, Inc.

- Agency RMBS and Derivatives:
  - Converted $100.0 mm of TBA to Agency RMBS 30 year new production pools at a minimal payup[18] over TBA
  - Reduced payup risk in portfolio on the margin
    - Sold face value of $73.7 mm higher coupon call protected Agency RMBS 30 year to monetize elevated payup levels
    - Purchased face value of $57.7 mm lower coupon Agency RMBS 30 year new production pools at a minimal payup over TBA
- Credit Investments:
  - Residential investments:
    - Purchased face value of $59.6 mm of Prime and Alt-A securities; monetized $66.3 mm Prime securities
    - Purchased face value of $40.9 mm of CRT securities and $51.0 mm of RPL/NPL securities
    - Completed a Re-REMIC securitization alongside other Angelo, Gordon funds, in which the senior tranches of the securitization were sold to a third party while retaining the junior tranches
      - Reduced short term recourse financing and simultaneously increased available capital
    - Sold residential loans, including those held as securitized whole loans
  - Commercial Investments:
    - Purchased face value of $36.5 mm CMBS, $63.6 mm CMBS IO ($6.9mm fair value) and $5.0 mm Freddie Mac K-series CMBS
    - Received proceeds of $10.0 mm from the repayment of a commercial real estate loan
  - ABS Investments:
    - Sold face value of $5.6 mm of ABS securities

Arc Home[17] Update

- Arc Home serves as both an offensive and defensive strategy for the Company
  - Should rates fall, Arc Home is positioned to participate in a refinancing wave
  - Should rates rise, Arc Home is expected to benefit from the increased value of servicing strips created by Mortgage Servicing Rights (“MSR”)
- MITT has completely funded its initial capital commitment of $13.4 mm to Arc Home
- Arc Home is originating mortgages in 44 states through retail and correspondent channels and will continue to pursue licenses in the remaining states
  - Loan originations across all channels totaled approximately $250 mm for the quarter. Generally, new loans are packaged and sold to the GSEs or Ginnie Mae within 30 days of origination
  - It is expected that volumes will grow over time, but there is no assurance that such growth will be achieved as residential mortgage origination is a highly competitive industry
- Arc Home is working diligently to build out its MSR investment platform
  - Arc Home purchased MSRs on $2.4 bn notional principal balance during the quarter and retained servicing on $213 mm of notional principal balance on loans it originated
  - It is expected that a substantial portion of Arc Home’s capital will be deployed to purchase/retain MSRs, but such deployments are subject to competitive market dynamics
  - In the fourth quarter of 2016, Arc Home anticipates launching a retention strategy with respect to its MSR portfolios

Outlook and Positioning

- Macro-economic expectation
  - In September, the FOMC maintained rates and revised inflation marginally lower
    - The FOMC is widely expected to increase the federal funds rate by year-end
    - The FOMC lowered forward guidance for the short run median federal funds rate and the long run median federal funds rate
  - Domestic economy continues to show modest but inconsistent growth, with little overall acceleration
  - Housing activity remains stable and generally positive
  - Improving borrower credit quality and credit availability remains stable to favorable
- AG MITT's portfolio outlook
  - Anticipate further opportunistic rotation of capital into Angelo, Gordon sourced residential and commercial real estate opportunities subject to '40 Act constraints
  - Portfolio is well diversified and positioned to withstand a range of interest rate movements with ongoing fine-tuning of hedges, including potential for swaptions, IO Index derivatives, U.S. Treasuries, futures, and swaps
  - Anticipate that MITT will be investing in mortgage related products originated and sourced by Arc Home in 2017

Q3 2016 Investment Portfolio Composition [4,5]

AG MITT AG MORTGAGE Investment Trust, Inc.

	Current Face (mm)	Premium (Discount) (mm)	Amortized Cost (mm)	Fair Value (mm)	Weighted Average Coupon *	Weighted Average Yield
Agency RMBS						
30 Year Fixed Rate	807.1	33.9	841.0	863.6	3.6%	2.9%
Fixed Rate CMO	67.5	0.5	68.0	70.0	3.0%	2.8%
Hybrid ARM	217.2	(2.3)	214.9	224.4	2.4%	2.8%
Inverse Interest Only and Interest Only	444.0	(400.8)	43.2	41.2	2.7%	6.1%
Total Agency RMBS	1,535.8	(368.7)	1,167.1	1,199.2	3.1%	3.0%
Credit Investments						
Residential Investments	1,840.1	(674.6)	1,165.5	1,186.8	3.3%	5.8%
Commercial Investments	2,778.2	(2,487.4)	290.8	292.4	0.7%	7.5%
ABS	71.2	(0.4)	70.8	70.5	5.3%	5.5%
Total Credit Investments	4,689.5	(3,162.4)	1,527.1	1,549.7	1.8%	6.1%
Total Portfolio	$6,225.3	$(3,531.1)	$2,694.2	$2,748.9	2.2%	4.7%

*Equity residuals, MSRs and principal only securities with a zero coupon rate are excluded from this calculation.

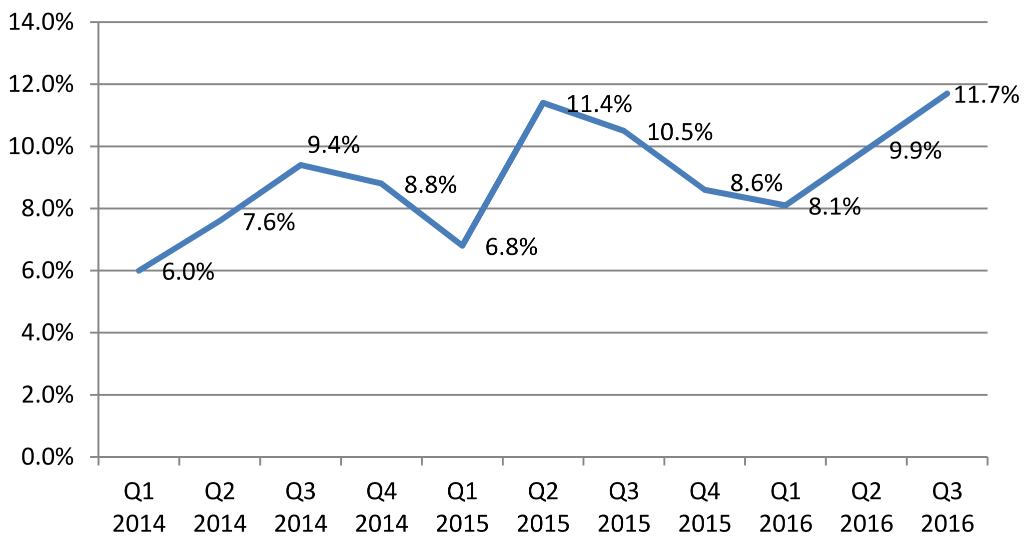
Note: The above table includes fair values of $10.1mm of Residential Investments and $42.2mm of Commercial Investments that are included in the “Investments in debt and equity of affiliates” line item on our consolidated GAAP balance sheet.

Q3 2016 Agency Portfolio Details

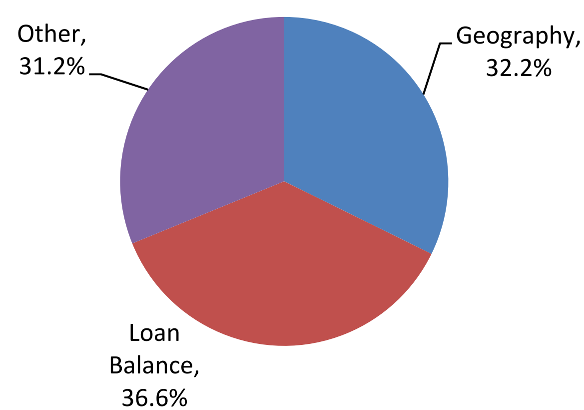
AG MITT AG MORTGAGE Investment Trust, Inc.

Description	Current Face (mm)	Fair Value (mm)	Weighted Average Coupon	Weighted Average Yield*	Funding Cost	NIM
30-year fixed rate	807.1	863.6	3.6%	2.9%	0.8%	2.1%
Fixed rate CMO	67.5	70.0	3.0%	2.8%	0.8%	2.0%
Hybrid ARM	217.2	224.4	2.4%	2.8%	0.9%	1.9%
Inverse Interest Only	41.6	8.9	5.9%	9.3%	1.3%	8.0%
Interest Only	402.4	32.3	2.4%	5.2%	1.3%	3.9%
Total Agency RMBS	**1,535.8**	**1,199.2**	**3.1%**	**3.0%**	**0.8%**	**2.2%**

Quarterly CPR



Total Agency Fixed Rate Pools (Fair Value)



*Excludes cost of interest rate hedges

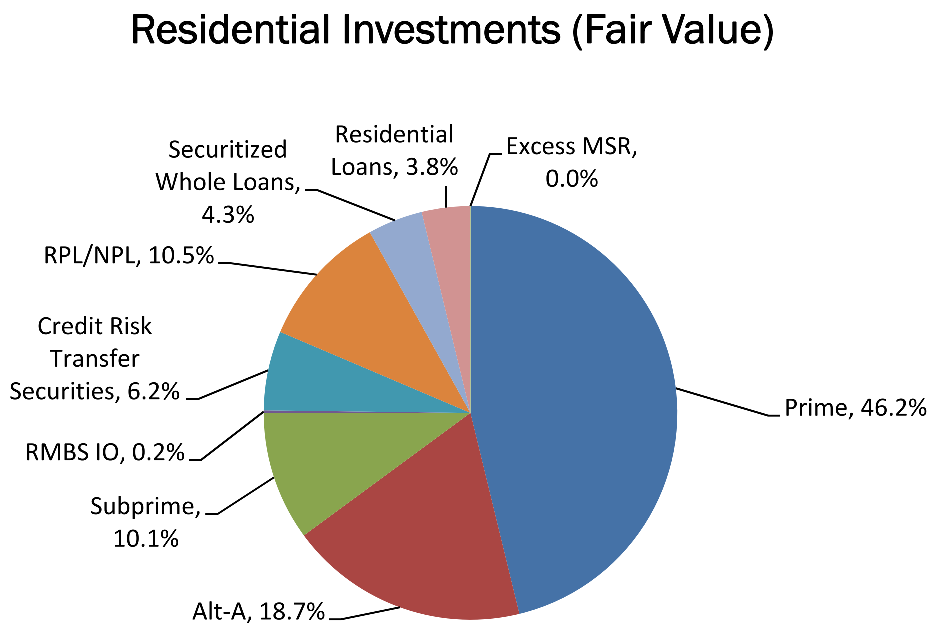
Q3 2016 Credit Portfolio Details

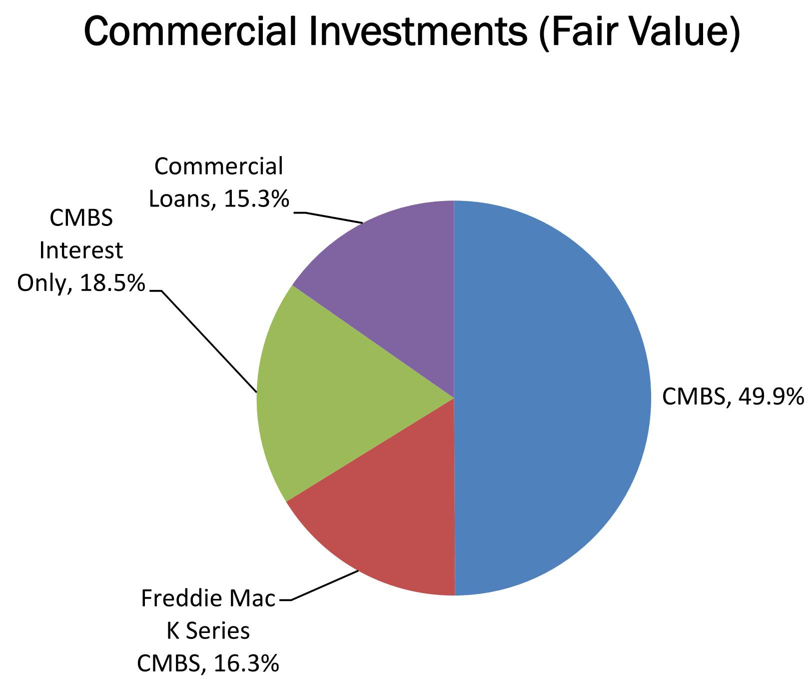
AG MITT AG MORTGAGE Investment Trust, Inc.

Description	Current Face (mm)	Fair Value (mm)	Weighted Average Coupon[b]	Weighted Average Yield	Funding Cost	NIM[c]
Residential Investments:						
Prime[a]	653.2	548.8	4.0%	5.6%	2.0%	3.6%
Alt-A[a]	254.3	222.0	4.2%	5.0%	2.1%	2.9%
Subprime[a]	124.9	119.7	3.8%	5.0%	2.0%	3.0%
RMBS Interest Only	414.0	2.7	0.2%	6.6%	0.0%	6.6%
Credit Risk Transfer Securities	71.2	73.0	5.2%	6.0%	2.2%	3.8%
RPL/NPL[d]	126.9	124.9	4.3%	4.8%	2.4%	2.4%
Securitized Whole Loans[e]	70.6	50.4	4.0%	11.5%	3.0%	8.5%
Residential Loans	62.8	45.0	5.7%	10.3%	3.2%	7.1%
Excess MSR	62.2	0.3	N/A	5.2%	0.0%	5.2%
Total Residential Investments	1,840.1	1,186.8	3.3%	5.8%	2.2%	3.6%
Commercial Investments:						
CMBS	213.7	145.9	5.0%	6.0%	2.2%	3.8%
Freddie Mac K-Series CMBS	126.5	47.6	5.7%	12.7%	2.4%	10.3%
CMBS Interest Only	2,393.2	54.1	0.3%	6.4%	1.7%	4.7%
Commercial Loans	44.8	44.8	6.7%	8.2%	4.6%	3.6%
Total Commercial Investments	2,778.2	292.4	0.7%	7.5%	2.4%	5.1%
ABS	71.2	70.5	5.3%	5.5%	2.2%	3.3%
Total Credit Investments	4,689.5	1,549.7	1.8%	6.1%	2.2%	3.9%

(a) Includes fair value of $169.1 mm new issue Prime, of this, $79.3 mm is new issue Prime Jumbo. Also includes $81.1 mm of new issue Alt-A and $34.9 mm of new issue Subprime. [16]
(b) Equity residuals, MSRs and principal only securities with a zero coupon rate are excluded from this calculation.
(c) Excluding cost of interest rate hedges.
(d) RPL/NPL MBS whose deal structures contain an interest rate step-up feature.
(e) Whole loans purchased by a MITT related party in securitized form.
Note: The above table includes fair value of $52.3 mm of investment in affiliates comprised of $7.7 mm of Securitized Whole Loans, $2.4 mm of Residential Loans, $3.5 mm of CMBS IO and $38.7 mm of Freddie Mac K-Series CMBS. These items inclusive of our investment in AG Arc LLC [17] debt and other items net to $60.7 mm which is included in the "Investments in debt and equity of affiliates" line item on our GAAP Balance Sheet.

Q3 2016 Credit Portfolio Details (cont'd)





Financing

- Financing arrangements with 38 counterparties
  - Currently financing investments at 22 of the counterparties
  - Weighted average funding cost of 0.8% for Agency RMBS and 2.2% for Credit Investments
  - Financing counterparties remain stable

Repurchase Agreements* ($ in thousands)				
Maturing Within	Amount Outstanding	WA Funding Cost	WA Days to Maturity**	% Outstanding
Overnight	$47,908	1.0%	3	2.2%
30 Days or less	1,535,999	1.4%	14	71.9%
31-60 Days	169,719	1.5%	40	7.9%
61-90 Days	84,788	2.4%	78	4.0%
Greater than 90 Days	298,133	2.1%	428	14.0%
Total and WA	$2,136,547	1.5%	76	100.0%

*Numbers in table above do not include securitized debt of $24.4 mm, loan participation payable of $1.8 mm or repurchase agreements associated with U.S. Treasury positions of $101.3 mm.
**Our weighted average original days to maturity is 194 days.

Duration Gap[14] and Interest Rate Sensitivity Summary

AG MORTGAGE Investment Trust, Inc.

- Duration gap of the Agency and Credit portfolio was approximately 1.81 years as of September 30, 2016, versus 1.63 years as of June 30, 2016

Duration	Years
Agency	1.17
Credit	1.23
Hedges	(0.50)
Repo Agreements	(0.09)
Duration Gap	1.81

- The interest rate sensitivity table below shows estimated impact of an immediate parallel shift in the yield curve up and down 25, 50, 75 and 100bps on the market value of the investment portfolio as of September 30, 2016[14]

Changes in Interest Rates (bps)	-100	-75	-50	-25	Base	25	50	75	100
Change in Market Value as a % of Assets	1.4%	1.1%	0.8%	0.4%	0.0%	-0.5%	-1.0%	-1.6%	-2.3%
Change in Market Value as a % of GAAP Equity	6.1%	5.0%	3.6%	1.9%	0.0%	-2.2%	-4.6%	-7.3%	-10.2%

Hedging

- Added Eurodollar hedges in Q2 immediately post-Brexit vote when probability of Fed tightening of monetary policy in 2016 fell to 0%
  - Duration gap increased in Q3 as we unwound these hedges when market implied probability of Fed tightening of monetary policy by year-end reached more reasonable levels

Hedge Portfolio Summary as of September 30, 2016 ($ in thousands)		
	Notional	Duration
Interest Rate Swaps	$369,000	(0.61)
U.S. Treasuries, net	(55,000)	0.06
Treasury Futures, net	(17,500)	0.05
Total	$296,500	(0.50)

- Swap position declined as we unwound majority of long swap spread position as spreads widened further

Interest Rate Swaps as of September 30, 2016 ($ in thousands)				
Maturity	Notional Amount	Weighted Average Pay Rate	Weighted Average Receive Rate	Weighted Average Years to Maturity
2017	36,000	0.88%	0.76%	1.09
2019	50,000	1.29%	0.75%	3.08
2020	115,000	1.59%	0.78%	3.45
2022	53,000	1.69%	0.83%	5.94
2023	85,000	2.30%	0.84%	6.68
2025	30,000	2.48%	0.84%	8.68
Total / Wtd Avg	$369,000	1.73%	0.80%	4.70

Q3 2016 Financial Metrics

($ in thousands) Key Statistics[5]	September 30, 2016	Weighted Average for the Quarter Ended September 30, 2016
Investment portfolio including net TBA position[4, 5]	$2,748,922	$2,654,436
Investment portfolio excluding net TBA position	$2,748,922	$2,676,571
Repurchase agreements*	$2,136,547	$2,117,183
Total Financing[15]	$2,162,464	$2,156,732
Stockholders' equity	$673,373	$661,202
Leverage ratio[8]	3.2x	3.2x
"At Risk" Leverage[8]	3.2x	3.3x
Yield on investment portfolio[10]	4.73%	4.73%
Cost of funds[11]	1.76%	1.69%
Net interest margin[9]	2.97%	3.03%
Management fees[12]	1.46%	1.48%
Other operating expenses[13]	1.71%	1.74%
Book value, per share[3]	$18.49	
Undistributed taxable income, per common share**	$1.99	
Dividend, per share	$0.475	

*Excludes $101.3 million of repurchase agreements associated with U.S. Treasury positions.
**Refer to slide 23 for further detail

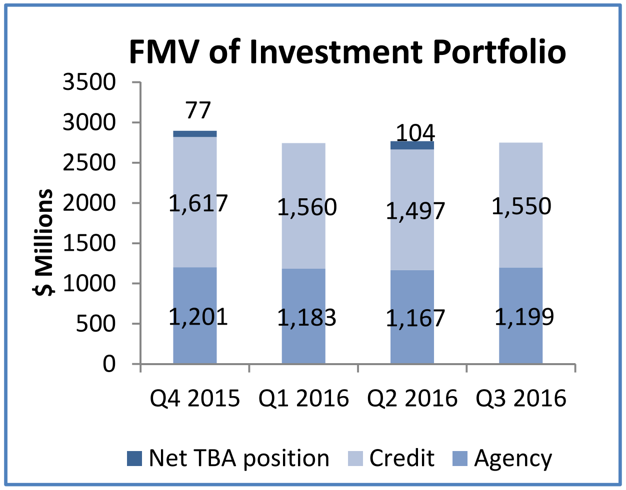
Non-GAAP Financial Information

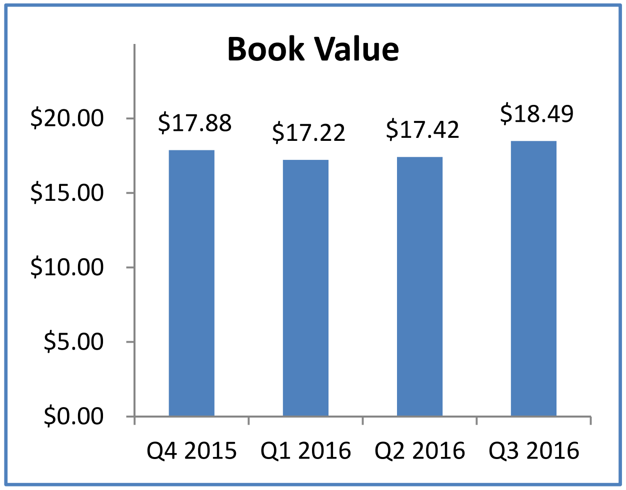
- In addition to the results presented in accordance with GAAP, this presentation includes certain non-GAAP financial results and financial metrics derived therefrom, which are calculated by including or excluding unconsolidated investments in affiliates, TBAs, and U.S. Treasuries as described in the footnotes. AG Mortgage Investment Trust, Inc.'s management believes that these non-GAAP measures, when considered with the Company's GAAP financials, provide supplemental information useful for investors in evaluating the results of the Company's operations. This presentation also contains Core Earnings, a non-GAAP financial measure. The Company's presentation of Core Earnings may not be comparable to similarly-titled measures of other companies, who may use different calculations. This non-GAAP measure should not be considered a substitute for, or superior to, the financial measures calculated in accordance with GAAP. Our GAAP financial results and the reconciliations from these results should be carefully evaluated.

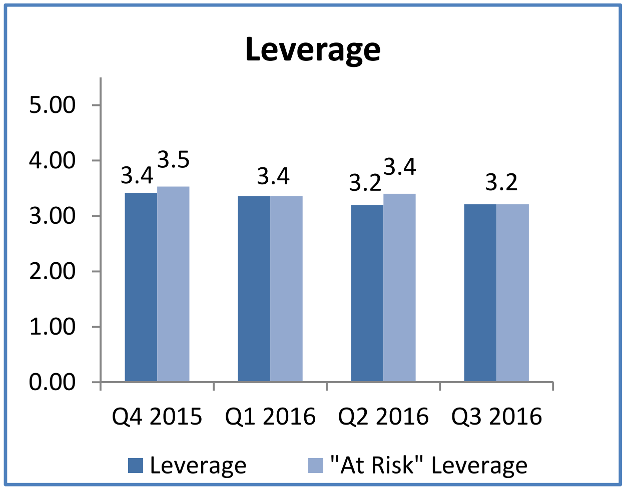
Supplemental Information & Financial Statements

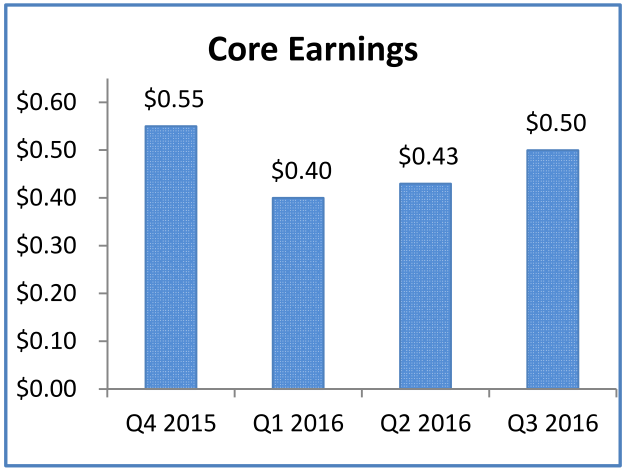
Quarter-over-Quarter Snapshot

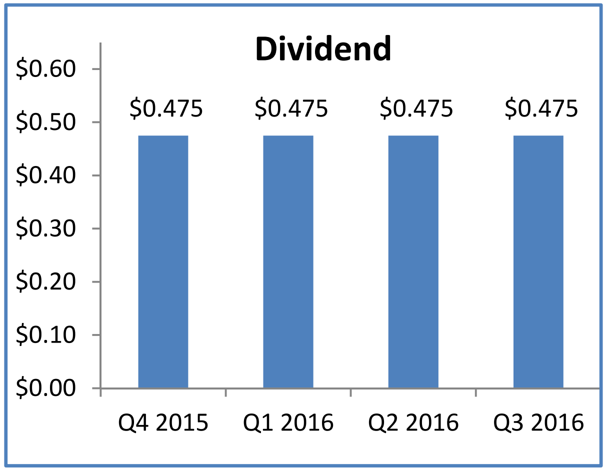
AG MORTGAGE Investment Trust, Inc.

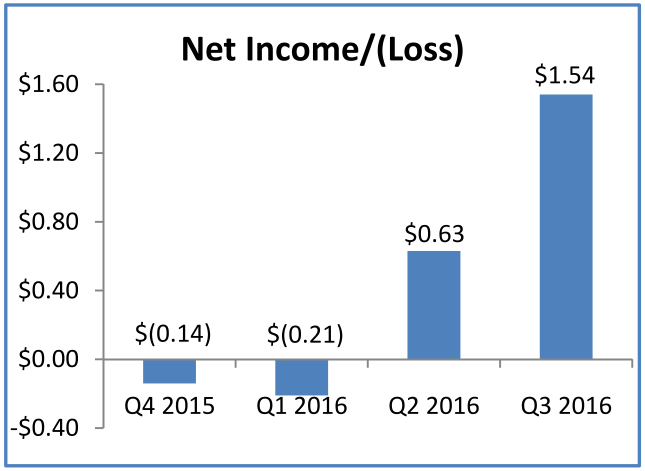












Market Snapshot

AG MITT AG MORTGAGE Investment Trust, Inc.

Interest Rates	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16
Treasuries					
2-year	0.631	1.050	0.723	0.584	0.764
5-year	1.358	1.761	1.206	1.000	1.150
10-year	2.038	2.270	1.770	1.471	1.595
Swaps					
3 month LIBOR	0.325	0.613	0.629	0.654	0.854
2-year	0.748	1.179	0.841	0.735	1.013
5-year	1.385	1.737	1.172	0.983	1.181
10-year	2.003	2.187	1.639	1.364	1.456

Agency RMBS	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16
Fannie Mae Pass-Thrus					
15 year 2.50%	102-00+	100-27+	102-22+	103-16+	103-18+
15 year 3.00%	104-05+	103-02+	104-16+	104-27+	104-31+
30 year 3.00%	101-14+	100-01+	102-21+	103-26+	103-31+
30 year 3.50%	104-12+	103-07+	104-29+	105-17+	105-17+
Mortgage Rates					
15-year	3.08%	3.24%	2.98%	2.78%	2.72%
30-year	3.86%	4.01%	3.71%	3.48%	3.42%

Credit	9/30/15	12/31/15	3/31/16	6/30/16	9/30/16
CDX IG	94	88	79	77	75
CMBX.NA 8 BBB- Mid Spread	450	489	570	616	578
Subprime LCF (ABX 07-1 AAA Index)	$79	$77	$74	$75	$75

Source: Bloomberg and Wall Street research. Data has not been independently validated.

Book Value Roll-Forward

	Amount (000's)	Per Share[3]
6/30/16 Book Value	$ 485,307	$ 17.42
Common dividend	(13,157)	(0.48)
Core earnings	14,013	0.50
Equity based compensation	106	-
Repurchase of common stock	(2,862)	(0.10)
Accretion/(dilution) from common stock buyback	-	0.11
Capital Appreciation/(Reduction)	(1,900)	0.03
Net realized gain/(loss)	9,578	0.35
Net realized and unrealized gain/(loss) on investments in affiliates	(1,119)	(0.04)
Net unrealized gain/(loss)	20,293	0.73
Net realized and unrealized gain/loss	28,752	1.04
9/30/16 Book Value	$ 512,159	$ 18.49
Change in Book Value	26,852	1.07

Reconciliation of GAAP Net Income to Core Earnings[2]

AG MORTGAGE Investment Trust, Inc.

3 Months Ended September 30, 2016	Amount (000's)	Per Share[1]
Net Income/(loss) available to common stockholders	$ 42,765	$ 1.54
Add (Deduct):		
Net realized (gain)/loss	(9,578)	(0.34)
Drop income	130	0.00
Equity in (earnings)/loss from affiliates	(534)	(0.03)
Net interest income and expenses from equity method investments	1,652	0.06
Unrealized (gain)/loss on real estate securities and loans, net	(13,461)	(0.48)
Unrealized (gain)/loss on derivative and other instruments, net	(6,961)	(0.25)
Core Earnings	$ 14,013	$ 0.50

Undistributed Taxable Income Roll-Forward

AG MORTGAGE Investment Trust, Inc.

	Amount (000's)	Per Share[3]
6/30/16 Undistributed Taxable Income	$ 51,930	$ 1.86
Net accretion/(dilution) from common stock buyback	-	0.01
Q3 Core Earnings	14,013	0.50
Q3 Recurring Core-Tax Differences	1,204	0.05
Q3 Non-Recurring Core-Tax Differences	1,115	0.04
Q3 2016 Ordinary Taxable Income, Net of Preferred Distribution	16,332	0.59
Q3 2016 Common Distribution	(13,157)	(0.48)
9/30/16 Undistributed Taxable Income	$ 55,105	$ 1.99

Note: This estimate of Undistributed taxable income per common share represents the total estimated undistributed taxable income as of quarter end. Undistributed taxable income is based on current estimates and projections as certain amounts are not available until after year end. As a result, the actual amount is not finalized until we file our annual tax return, typically in September of the following year.

Condensed Consolidated Balance Sheet

AG MITT AG MORTGAGE Investment Trust, Inc.

	September 30, 2016
	(Unaudited)
Amount (000's)	
Assets	
Real estate securities, at fair value	$ 2,608,901
Residential mortgage loans, at fair value	42,648
Commercial loans, at fair value	44,800
U.S. Treasury Securities, at fair value	101,612
Investments in debt and equity of affiliates	60,732
Excess mortgage servicing rights, at fair value	309
Cash and cash equivalents	46,039
Restricted cash	37,305
Interest receivable	8,870
Receivable on unsettle trades	283
Receivable under reverse repurchase agreements	45,964
Derivative assets, at fair value	423
Other assets	7,343
Due from broker	2,865
Total Assets	$ 3,008,094
Liabilities	
Repurchase agreements	$ 2,226,364
Securitized debt, at fair value	24,351
Obligation to return securities borrowed under reverse repurchase agreements, at fair value	45,026
Loan participation payable, at fair value	1,800
Interest payable	2,941
Derivative liabilities, at fair value	13,798
Dividend payable	13,157
Due to affiliates	4,587
Accrued expenses and other liabilities	2,697
Total Liabilities	2,334,721
Stockholders' Equity	
Preferred stock	161,214
Common stock	277
Additional paid-in capital	576,166
Retained earnings (deficit)	(64,284)
Total Stockholders' Equity	673,373
Total Liabilities & Stockholders' Equity	$ 3,008,094

Condensed Consolidated Statement of Operations

AG MORTGAGE Investment Trust, Inc.

	Three Months Ended September 30, 2016
	(Unaudited)
Amount (000's)	
Net Interest Income	
Interest income	$ 30,573
Interest expense	8,525
	22,048
Other Income	
Net realized gain/(loss)	9,578
Realized loss on periodic interest settlements of derivative instruments, net	(1,034)
Unrealized gain/(loss) on real estate securities and loans, net	13,461
Unrealized gain/(loss) on derivative and other instruments, net	6,961
Other Income	341
	29,307
Expenses	
Management fee to affiliate	2,451
Other operating expenses	2,871
Servicing fees	122
Equity based compensation to affiliate	76
Excise tax	238
	5,758
Income/(loss) before equity in earnings/(loss) from affiliates	45,597
Equity in earnings/(loss) from affiliates	534
Net Income/(Loss)	46,131
Dividends on preferred stock	3,367
Net Income/(Loss) Available to Common Stockholders	$ 42,764
Earnings/(Loss) Per Share of Common Stock	
Basic	$ 1.54
Diluted	$ 1.54
Weighted Average Number of Shares of Common Stock Outstanding	
Basic	27,802
Diluted	27,804

Footnotes

AG MITT AG MORTGAGE Investment Trust, Inc.

1. Diluted per share figures are calculated using weighted average outstanding shares in accordance with GAAP.

2. Core Earnings are defined as net income excluding both unrealized and realized gains/(losses) on the sale or termination of securities and the related tax expense/benefit or disposition expense, if any, and on such sale or termination, including investments held in affiliated entities and derivatives. See page 22 for a reconciliation of Core Earnings to GAAP net income.

3. Per share figures are calculated using a denominator of all outstanding common shares including all shares granted to our Manager and our independent directors under our equity incentive plans as of quarter end. Net book value uses stockholders' equity less net proceeds of the Company's 8.25% Series A and 8.00% Series B Cumulative Redeemable Preferred Stock as the numerator.

4. The total investment portfolio at period end is calculated by summing the fair market value of our Agency RMBS, any net TBA position, Residential Investments, Commercial Investments, and ABS, including securities and mortgage loans owned through investments in affiliates, exclusive of AG Arc LLC. Refer to footnote 5 for more information on the GAAP accounting for certain items included in our investment portfolio. The percentage of Agency RMBS and Credit Investments is calculated by dividing the respective fair market value of each, including any net TBA positions as Agency RMBS and securities and mortgage loans owned through investments in affiliates as Credit Investments, by the total investment portfolio, exclusive of AG Arc LLC.

5. Generally when we purchase a security and employ leverage, the security is included in our assets and the leverage is reflected in our liabilities on the balance sheet as either Repurchase agreements, Securitized debt, or Loan participations payable. Throughout this presentation where we disclose our investment portfolio and the related repurchase agreements that finance it, we have presented this information inclusive of (i) unconsolidated ownership interests in affiliates that are accounted for under GAAP using the equity method and (ii) TBAs, which are accounted for as derivatives under GAAP. This presentation excludes investments through AG Arc LLC unless otherwise noted. This presentation of our investment portfolio is consistent with how our management evaluates the business, and we believe this presentation, when considered with the GAAP presentation, provides supplemental information useful for investors in evaluating our investment portfolio and financial condition. See footnote 15 on further details on AG Arc LLC.

6. The economic return on equity for the quarter represents the change in net book value per share from the prior period, plus the dividend declared in the current period, divided by the prior period's net book value per share. The annualized economic return on equity is the quarterly return on equity multiplied by four.

7. This represents the weighted average monthly CPRs published during the quarter or month, as applicable, for our in-place portfolio during the same period. Any net TBA position is excluded from the CPR calculation.

8. The leverage ratio during the quarter was calculated by dividing our daily weighted average total financing by the weighted average stockholders' equity for the quarter, excluding our net TBA position. The leverage ratio at quarter end was calculated by dividing total financing by our GAAP stockholders' equity at quarter end. "At Risk" Leverage includes the components of "leverage" plus our net TBA position (at cost) of \$0.0 million, \$103.5 million, \$0.0 million, \$77.5 million, \$0.1 million, and \$0.6 million for the periods ending September 30, 2016, June 30,2016, March 31, 2016, December 31, 2015, September 30, 2015, respectively. See footnote 15 for further details on our definition of total financing.

9. Net interest margin is calculated by subtracting the weighted average cost of funds from the weighted average yield for the Company's investment portfolio, which excludes cash held by the Company. See footnotes 10 and 11 for further detail. Net Interest Margin also excludes any net TBA position.

10. The yield on our investment portfolio represents an effective interest rate, which utilizes all estimates of future cash flows and adjusts for actual prepayment and cash flow activity as of quarter end. The yield on our investment portfolio during the quarter was calculated by annualizing interest income for the quarter and dividing by our daily weighted average investment portfolio. This calculation excludes cash held by the Company and excludes any net TBA position.

11. The cost of funds during the quarter was calculated by annualizing the sum of our interest expense and net interest settlements on all derivative instruments and dividing that sum by our daily weighted average total financing for the period. Interest earning/paying derivative instruments may include interest rate swaps and U.S. Treasuries. The cost of funds at quarter end was calculated as the sum of the weighted average funding costs on total financing outstanding at quarter end and the weighted average of the net pay rate on our interest rate swaps, the net receive/pay rate on our Treasury long and short positions, respectively, and the net receivable rate on our IO index derivatives, if any. Both elements of the cost of funds at quarter end were weighted by the outstanding repurchase agreements, securitized debt outstanding and loan participations payable at quarter end, excluding repurchase agreements associated with U.S. Treasury positions. The cost of funds excludes any net TBA position.

12. The management fee percentage during the quarter was calculated by annualizing the management fees recorded during the quarter and dividing by the weighted average stockholders' equity for the quarter. The management fee percentage at quarter end was calculated by annualizing management fees recorded during the quarter and dividing by quarter end stockholders' equity.

13. The other operating expenses percentage during the quarter was calculated by annualizing the other operating expenses recorded during the quarter and dividing by our weighted average stockholders' equity for the quarter. The other operating expenses percentage at quarter end was calculated by annualizing other operating expenses recorded during the quarter and dividing by quarter end stockholders' equity.

14. The Company estimates duration based on third-party models. Different models and methodologies can produce different effective duration estimates for the same securities. In analyzing our credit bonds, over time the Company's Credit Investments have experienced significant price appreciation and we have allocated greater capital towards higher dollar price Non-Agency RMBS, ABS and CMBS positions. Higher dollar price credit securities may exhibit greater positive duration than historical lower priced Credit Investments. We allocate the net duration by asset type based on the interest rate sensitivity. Duration includes any net TBA position. Duration does not include our equity interest in AG Arc LLC.

15. Total financing at quarter end, and when shown, daily weighted average total financing, includes repurchase agreements inclusive of repurchase agreements through affiliated entities, exclusive of any financing utilized through AG Arc LLC, plus the payable on all unsettled buys less the financing on all unsettled sells, securitized debt, loan participations payable and any net TBA position (at cost). Total financing excludes repurchase agreements and unsettled trades on U.S. Treasuries. Agency financing at quarter end, and when shown, daily weighted average Agency financing, includes repurchase agreements secured by Agency RMBS, the payable on all Agency RMBS buys less the financing on all unsettled Agency RMBS sells and any net TBA position (at cost). See footnote 17 for further details on AG Arc LLC.

16. New issue RMBS is defined as securities issued after 2010. Securities issued in 2010 or earlier are considered legacy RMBS. Jumbo is defined as a security with an initial rating of AAA and a weighted average original loan balance greater than the conforming loan limits published by the FHFA.

17. The Company invests in Arc Home LLC through AG Arc LLC, one of its indirect subsidiaries.

18. The acquisition of Agency RMBS pools through taking delivery of TBA purchases results in an investor generally receiving pools with the most unfavorable prepayment characteristics available. As a result, many investors who hold their Agency MBS exposure in pools choose to select those pools individually based on specific, more favorable prepayment characteristics. Due to the more favorable prepayment profile of these securities versus what would be delivered into a TBA purchase, they trade at a price spread above TBA pricing. This price spread is referred to as a pool's "payup" over TBA, and is determined by a variety of both fundamental and technical factors.

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