



ANNALY®

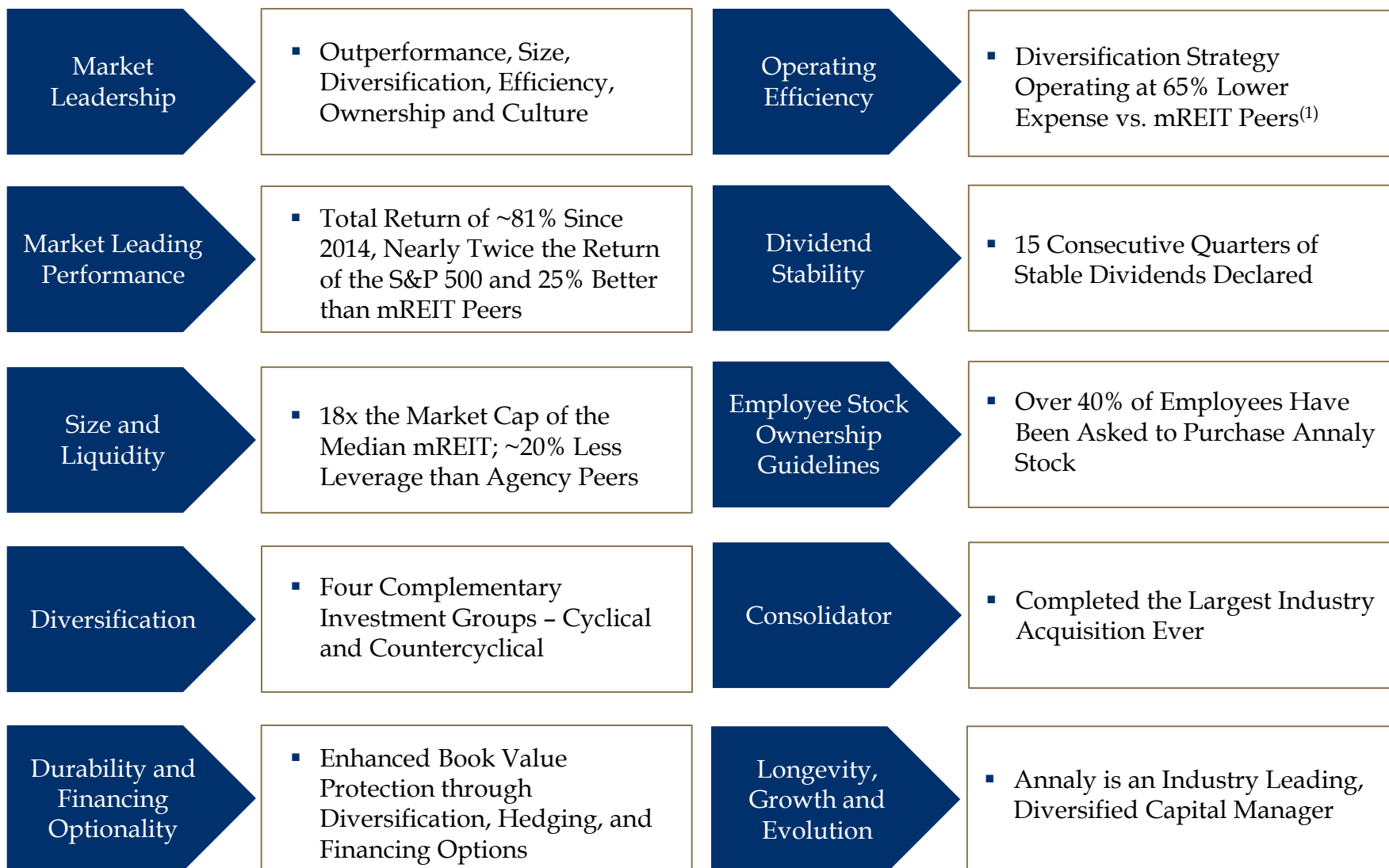
The JMP Securities Financial
Services & Real Estate Conference

June 22, 2017



This presentation, other written or oral communications, and our public documents to which we refer contain or incorporate by reference certain forward-looking statements which are based on various assumptions (some of which are beyond our control) and may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as “may,” “will,” “believe,” “expect,” “anticipate,” “continue,” or similar terms or variations on those terms or the negative of those terms. Actual results could differ materially from those set forth in forward looking statements due to a variety of factors, including, but not limited to, changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability of mortgage-backed securities and other securities for purchase; the availability of financing and, if available, the terms of any financings; changes in the market value of our assets; changes in business conditions and the general economy; our ability to grow our commercial business; our ability to grow our residential mortgage credit business; credit risks related to our investments in credit risk transfer securities, residential mortgage-backed securities and related residential mortgage credit assets, commercial real estate assets and corporate debt; risks related to investments in mortgage servicing rights and ownership of a servicer; our ability to consummate any contemplated investment opportunities; changes in government regulations affecting our business; our ability to maintain our qualification as a REIT for U.S. federal income tax purposes; and our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. We do not undertake, and specifically disclaim any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements, except as required by law.

Overview



Source: Bloomberg and Company filings. Market data as of June 19, 2017. Financial data as of March 31, 2017.

Note: mREIT peers represented by Bloomberg mREIT Index (“BBREMTG”) unless otherwise noted. Agency peers include AGNC, CYS, CMO, ANH and ARR.

(1) Represents Annaly Capital Management, Inc.’s (“Annaly” or “NLY”) average operating expense as a percentage of average assets compared to the BBREMTG from 2012 to Q1 2017 annualized. Analysis includes companies in BBREMTG with market capitalization above \$200mm as of December 31 of each respective year and as of March 31, 2017 for 2017.

Annaly is a Leading Diversified Capital Manager



Agency

\$83.8bn Assets⁽¹⁾ | \$9.4bn Capital⁽²⁾

The Annaly Agency Group invests in Agency Mortgage-Backed Securities (MBS)

Sector Rank⁽³⁾
#1/6

Countercyclical/
Defensive

Residential Credit

\$2.8bn Assets | \$1.1bn Capital⁽²⁾

The Annaly Residential Credit Group invests in non-Agency residential mortgage assets within securitized products and whole loan markets

Sector Rank⁽³⁾
#8/18

Cyclical/
Growth

Commercial Real Estate (CRE)

\$2.1bn Assets⁽¹⁾ | \$1.0bn Capital⁽²⁾

The Annaly Commercial Real Estate Group ("ACREG") originates and invests in commercial mortgage loans, securities, and other commercial real estate debt and equity investments

Sector Rank⁽³⁾
#4/11

Cyclical/
Growth

Middle Market Lending (MML)

\$0.8bn Assets | \$0.6bn Capital⁽²⁾

The Annaly Middle Market Lending Group ("AMML") provides financing to private equity backed middle market businesses across the respective capital structures

Sector Rank⁽³⁾
#14/41

Countercyclical/
Defensive

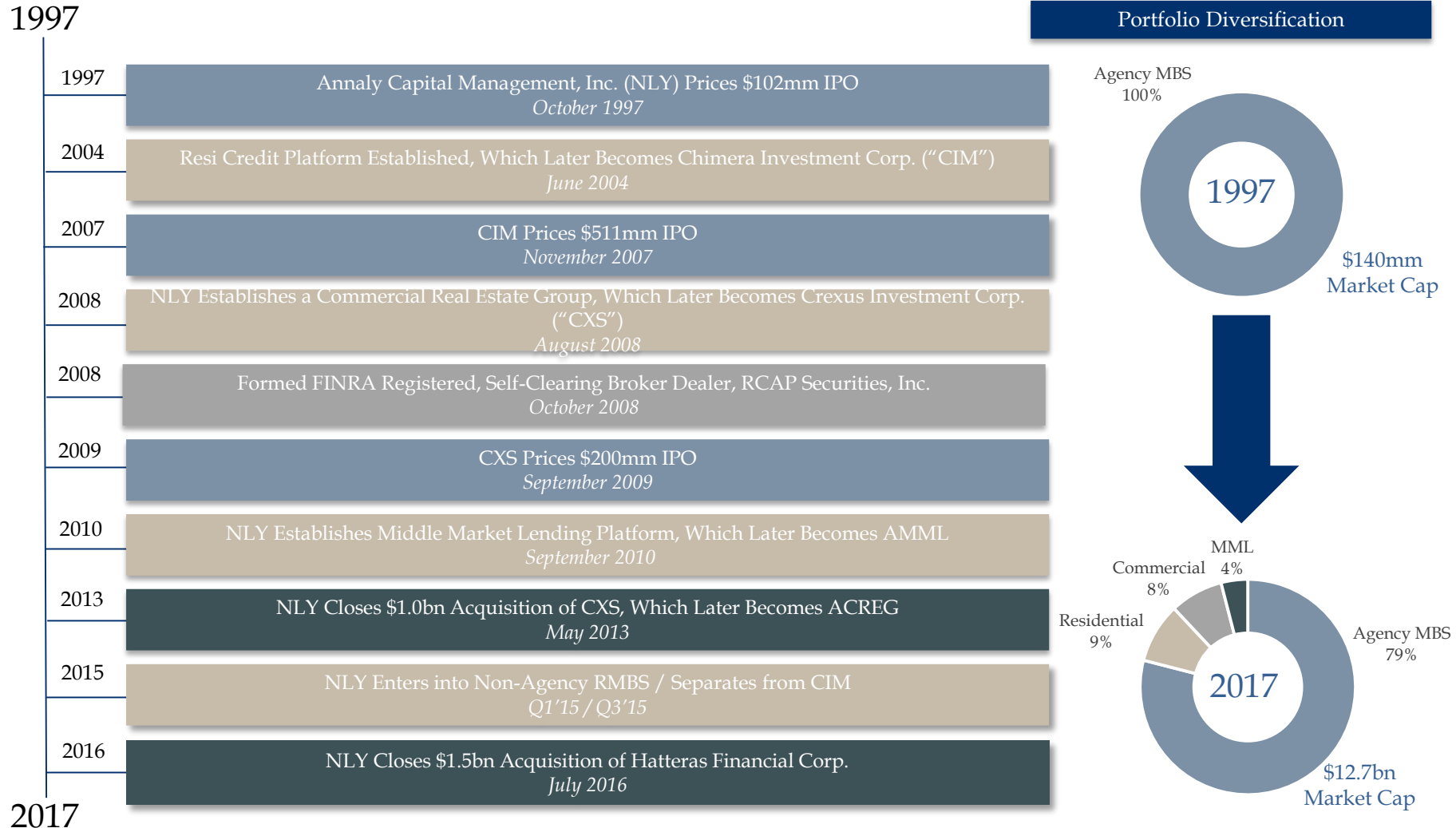
Source: Bloomberg, Company filings. Financial data as of March 31, 2017. Market data as of June 19, 2017.

- (1) Agency assets include to be announced ("TBA") purchase contracts (market value) and mortgage servicing rights ("MSRs"). Commercial Real Estate ("CRE") assets are exclusive of consolidated variable interest entities ("VIEs") associated with B-Piece commercial mortgage-backed securities.
- (2) Dedicated capital excludes TBA purchase contracts (market value), non-portfolio related activity and varies from total stockholders' equity.
- (3) Sector rank compares Annaly dedicated capital in each of its four investment groups at March 31, 2017 (adjusted for P/B as of June 19, 2017) to the market capitalization of the companies in each respective sector as of June 19, 2017. Comparative sectors used for Agency, CRE, Residential Credit ranking are their respective sector within the BBREMTG. The comparative sector used for the MML ranking is the S&P BDC Index.

Annaly's Strategic Evolution



Annaly has evolved into a diversified capital manager with various asset classes owned directly on balance sheet, which contribute to long-term growth and stability



Source: Company filings and financial data.

Note: 1997 portfolio composition and market data as of December 31, 1997. 2017 portfolio composition as of March 31, 2017 and market data as of June 19, 2017.



Our Views on Annaly's Opportunity and Differentiation

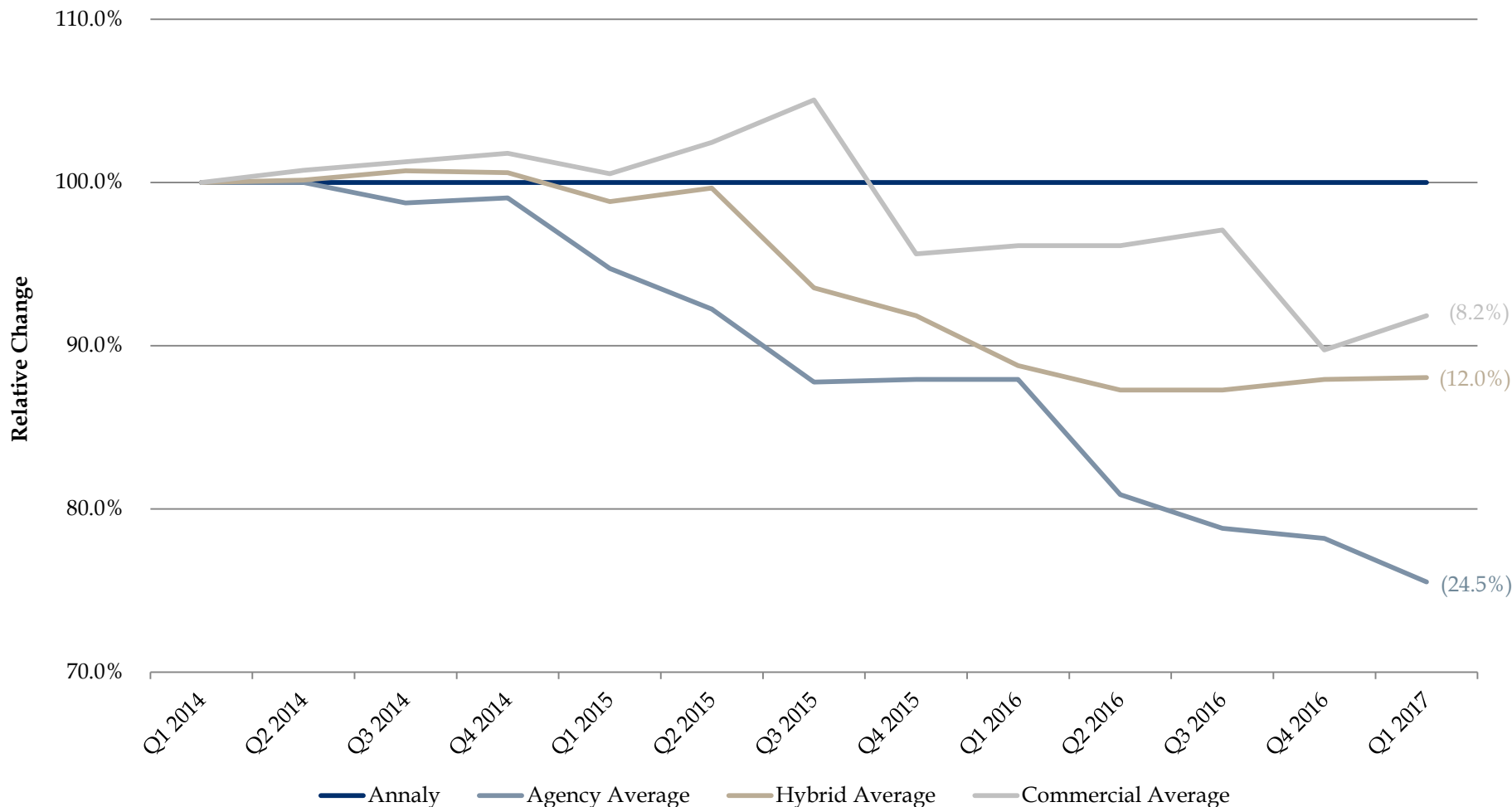


Market Environment	Annaly	mREIT Industry Trends
<ul style="list-style-type: none">➤ Slow Growth/Less Central Bank Influence/Benign Inflation	<ol style="list-style-type: none">1 Broad and Diversified Platform	<ol style="list-style-type: none">1 Higher Risk "Monoline" Strategy
<ul style="list-style-type: none">➤ Fed \$ Policy:<ul style="list-style-type: none">▪ Price = Interest Rates▪ Supply = Balance Sheet	<ol style="list-style-type: none">2 Protecting Book Value	<ol style="list-style-type: none">2 Losing Book Value
<ul style="list-style-type: none">➤ GSE Risk Sharing	<ol style="list-style-type: none">3 Growing Capital Base through Acquisition	<ol style="list-style-type: none">3 Diluting Capital Base with Equity Raises
<ul style="list-style-type: none">➤ Banks Outsourcing Credit	<ol style="list-style-type: none">4 Stable Dividends	<ol style="list-style-type: none">4 Cutting Dividends
<ul style="list-style-type: none">➤ Private Equity Needs New Partners	<ol style="list-style-type: none">5 Strong Liquidity/Multiple Financing Sources	<ol style="list-style-type: none">5 Less Liquid/Single Source Financing
<ul style="list-style-type: none">➤ Valuations at or above All Time Highs/Stable Yield in High Demand	<ol style="list-style-type: none">6 Management Buying Stock	<ol style="list-style-type: none">6 Management Selling Stock

Annaly's Dividend Stability Stands Out vs. the mREIT Industry...



While Annaly's dividend has remained stable for more than three years, the average quarterly dividends in each of the Agency, Hybrid and Commercial mREIT sectors have declined meaningfully



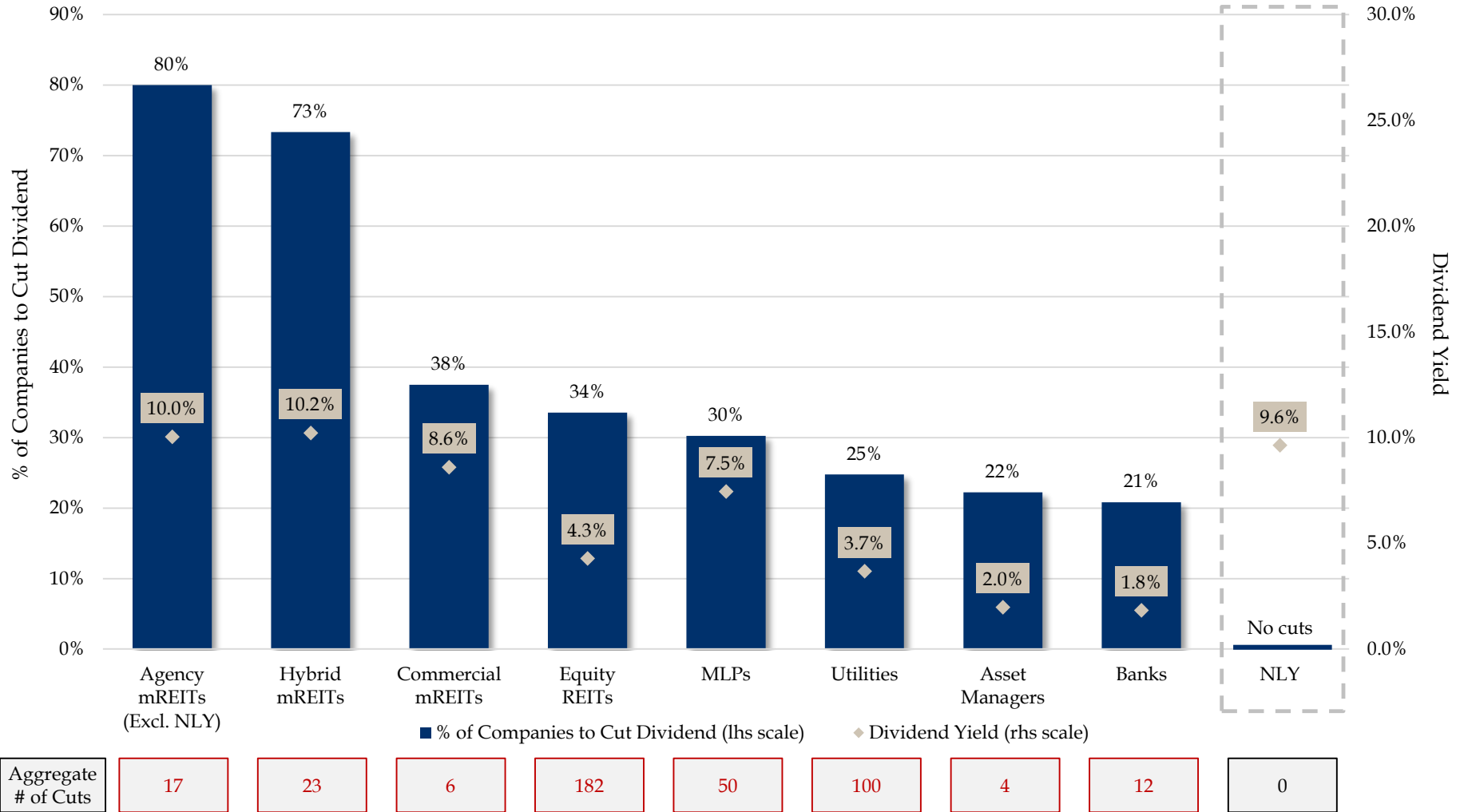
Note: Relative change in dividend represents dividends as a percentage of Q1 2014 level. Excludes special dividends.

Source: Bloomberg. Includes all companies in BBREMTG with market caps over \$200mm. Agency average represents AGNC, ARR, CYS, CMO and ANH. Hybrid average represents TWO, MFA, CIM, IVR, NRZ, RWT, PMT, MTGE, DX, MITT, NYMT, WMC, ORC, CHMI, and AJX. Commercial average represents STWD, BXMT, ARI, ACRE, ABR, RAS, RSO, and SLD.



...and vs. Other Equity Yield Investments

In a universe of yield manufacturers, Annaly has maintained superior dividend stability



Source: Bloomberg, Company filings. Market data as of June 19, 2017. Dividend declarations shown from December 31, 2013 to March 31, 2017.
 Note: mREIT sectors include companies that are currently in the BBREMTG as of June 19, 2017 with market caps over \$200mm. Equity REITs represent BBREIT Index. Utilities represent the Russell 3000 Utilities Index. MLPs represent the Alerian MLP Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. Banks represent the KBW Bank Index.

Efficiency of Annaly's Diversified Operating Model



Annaly broadly outperforms internally and externally managed mREITs

- From 2012 through Q1 2017, Annaly significantly outperformed its mREIT peers with respect to operating expenditures as a percentage of assets and as a percentage of equity ⁽¹⁾
 - Annaly's average expense levels over the period were **65% lower** as a percentage of average assets and **50% lower** as a percentage of average equity

		2012	2013	2014	2015	2016	2017E ⁽¹⁾	Average
OpEx as % of Avg Assets	ANNALY	0.19%	0.22%	0.24%	0.25%	0.25%	0.25%	0.23%
	Internally Managed Peers	0.54%	0.91%	0.87%	0.73%	0.44%	0.31%	0.63%
	Externally Managed Peers	0.60%	0.66%	0.75%	0.79%	0.66%	0.68%	0.69%
		2012	2013	2014	2015	2016	2017E ⁽¹⁾	Average
OpEx as % of Avg Equity	ANNALY	1.45%	1.66%	1.61%	1.58%	1.65%	1.71%	1.61%
	Internally Managed Peers	2.72%	3.83%	4.13%	3.84%	2.48%	1.72%	3.12%
	Externally Managed Peers	2.20%	3.06%	3.57%	3.75%	4.06%	3.75%	3.40%

Source: Company Filings, SNL and Bloomberg. Averages are market weighted based on market capitalization as of December 31 of each respective year and March 31 for 2017E.

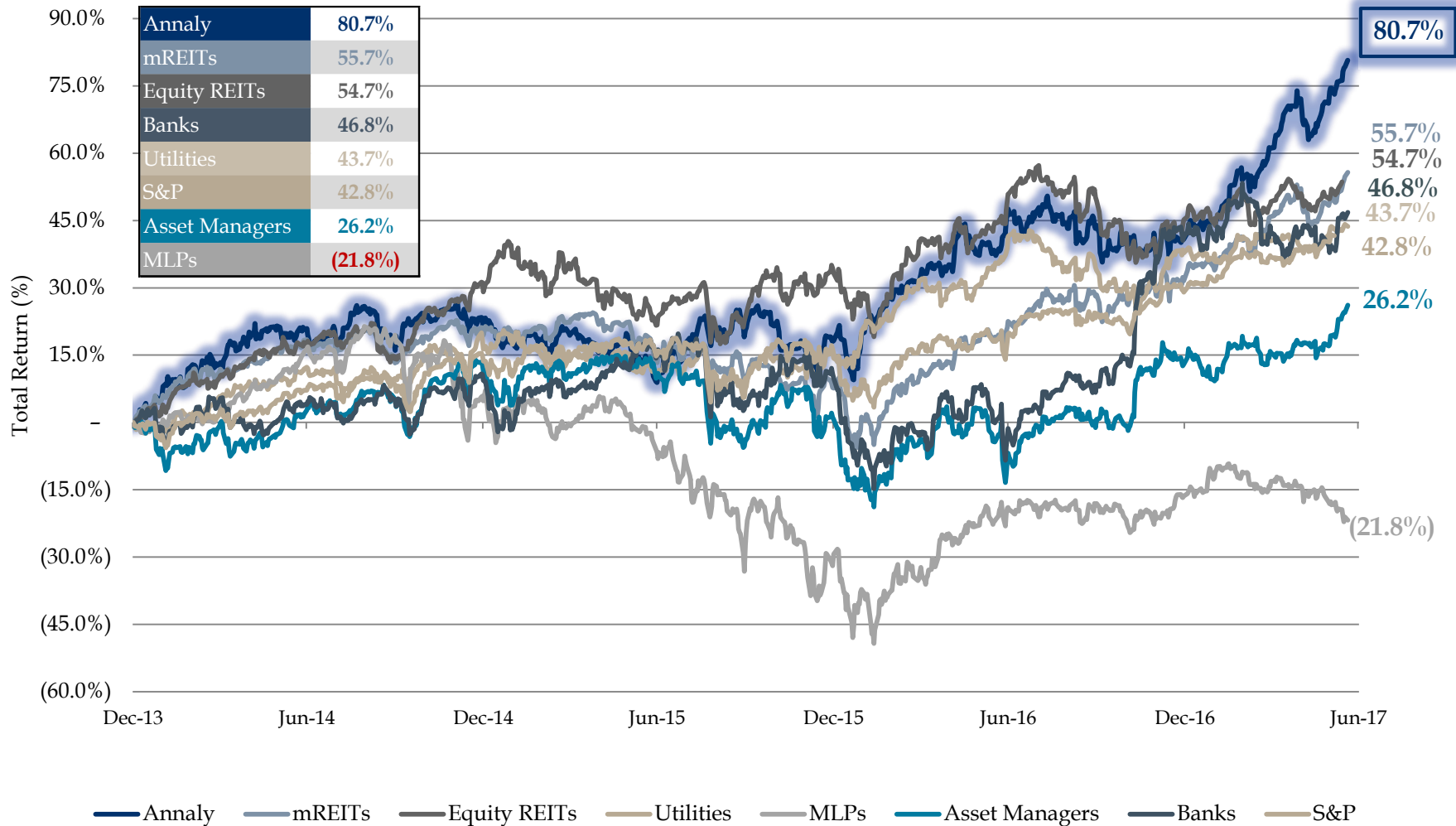
Note: Internally Managed Peers and Externally Managed Peers represent the respective internally and externally managed members of the BBREMTG with market capitalization above \$200mm as of the corresponding year end and March 31, 2017 for 2017E. Excludes Annaly and companies during years in which they became public or first listed. Operating Expense is defined as: (i) for Internally Managed Peers, the sum of compensation & benefits, general & administrative expenses and other operating expenses, and (ii) for Externally Managed Peers, the sum of net management fees, compensation & benefits (if any), general & administrative expenses and other operating expenses.

(1) 2017E represents annualized operating expenses as of Q1 2017. Average Assets and Average Equity are as of March 31, 2017.

Annaly Has Outperformed the S&P and Other Equity Yield Investments



Annaly's current investment team has outperformed other yield options since 2014



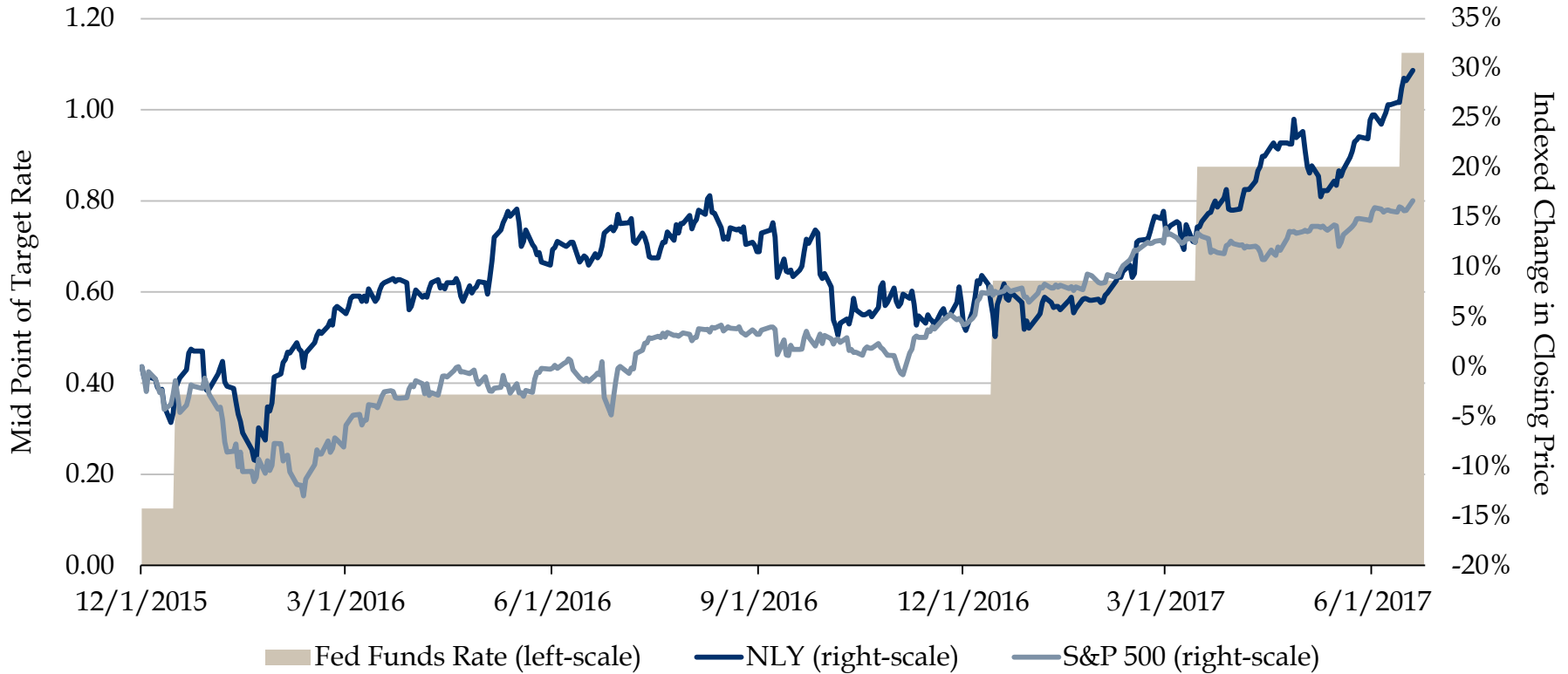
Source: Bloomberg. mREITs represent the BBREMTG. Equity REITs represent BBREIT Index. Utilities represent the Russell 3000 Utilities Index. MLPs represent the Alerian MLP Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. Banks represent the KBW Bank Index. S&P represents SPX Index.
 Note: Market data from December 31, 2013 to June 19, 2017.

3 Major Questions Have Been Answered

1 Increased Visibility of Fed Policy



Annaly has outperformed as market "paranoia" eases over Fed policy



Dates	1st Hike 12/16/15 - 12/13/16	2nd Hike 12/14/16 - 3/14/17	3rd Hike 3/15/17 - 6/13/17	4th Hike 6/14/17 - 6/19/17	Total Hiking Cycle 12/16/15 - 6/19/17
Fed Funds Rate	0.25 - 0.50%	0.50 - 0.75%	0.75 - 1.00%	1.00 - 1.25%	0.25 - 1.25%
NLY Total Return	26%	9%	16%	3%	62%
S&P Total Return	14%	5%	4%	1%	22%

Source: Bloomberg. Market data as of June 19, 2017.

Unwind of Fed Balance Sheet Presents Growth Opportunity



We believe a transparent unwind of the Fed's balance sheet...

- Caps limit runoff
- Global monetary policy divergence and a mediocre economy will likely result in slow progress
- Fed assets likely to remain permanently elevated from pre-QE period

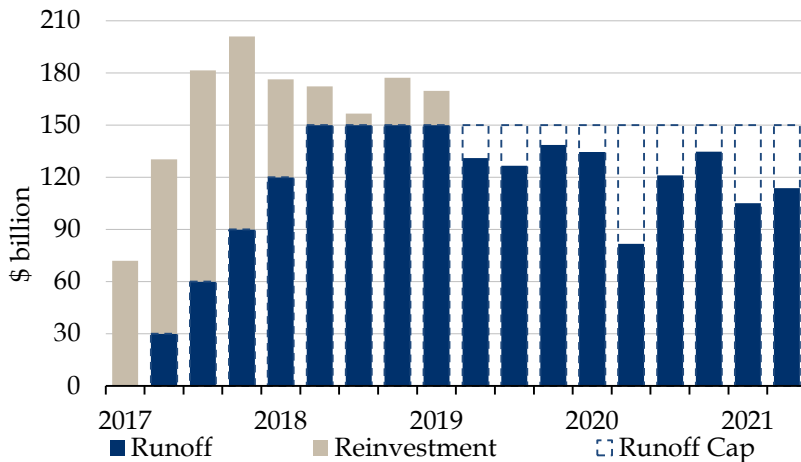
...is likely to cause market-wide portfolio rebalancing...

- MBS spreads are expected to widen modestly, but not in a vacuum
- Departure of Fed as an uneconomic buyer should raise relative value opportunities
- More liquid products should witness less spread impact

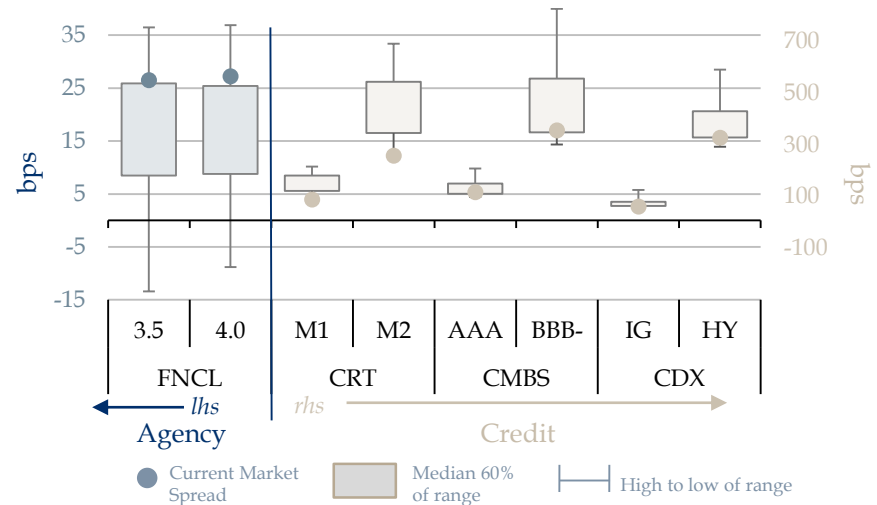
...but funding conditions will drive private market response

- Attractive ROEs expected to be available in multiple rate environments
- Regulatory proposals aim to relax funding conditions to support supply increase
- Fed unlikely to hike rates to pre-crisis levels

Quarterly Projected Fed Portfolio Runoff



Agency Spreads Attractive Relative to Credit ⁽¹⁾



A well-diversified industry leader like Annaly should be in a superior position to provide the private market solution

Source: Annaly Internal Calculations, The Yieldbook, Bloomberg, JP Morgan. Market data as of June 19, 2017.

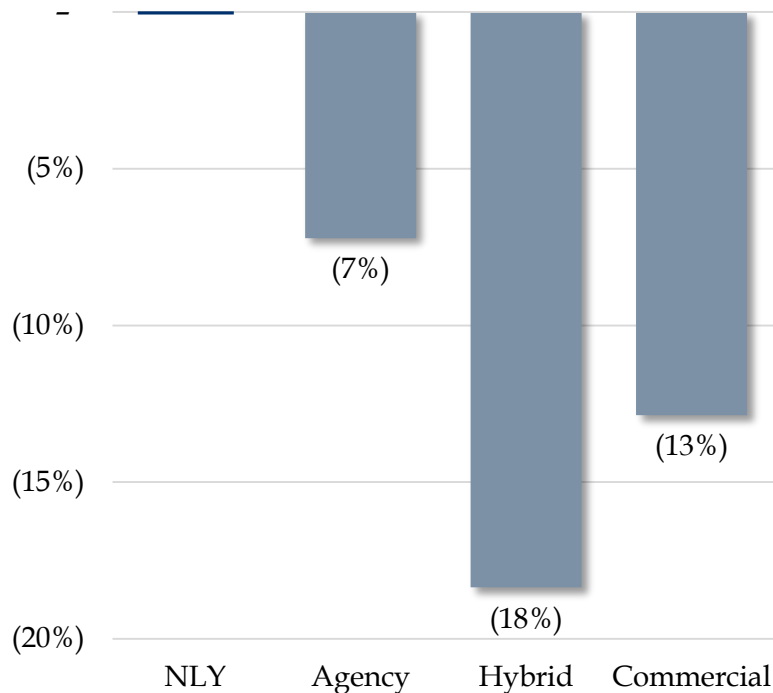
(1) Represents current vs. historical spreads. Range (whisker) represents the spreads between January 2, 2014 and June 19, 2017.

Demonstrated Resiliency – Scaled Diversification Enhances Stability



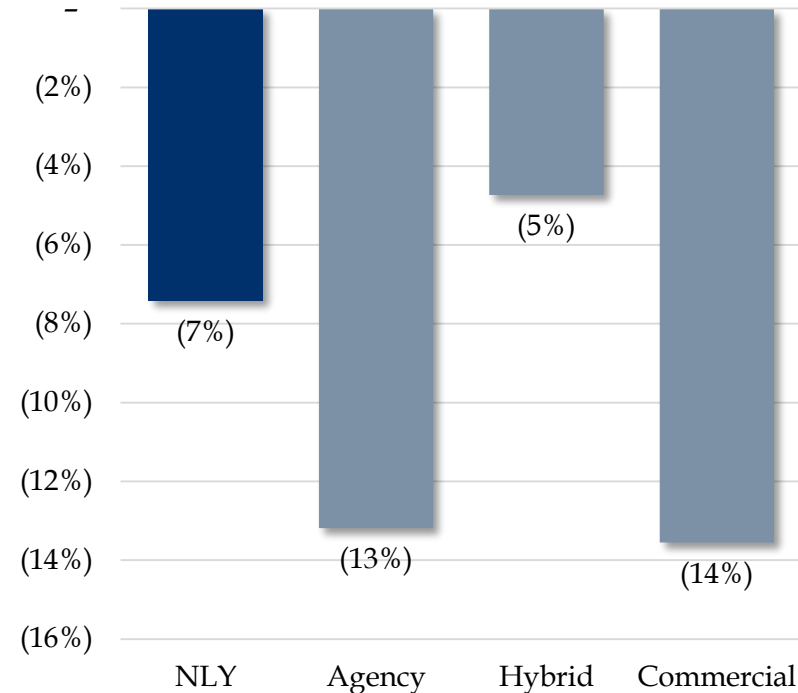
As a result of the diversification strategy, Annaly has delivered consistent dividends and stable book value

Dividend Stability⁽¹⁾



NLY has declared a consistent dividend over the past 15 quarters

Book Value Stability⁽²⁾



Book value has proved more stable than monoline models

In addition, the diversification strategy has allowed Annaly to operate with a leverage profile that is nearly 20% lower than mREITs with pure play Agency strategies

Source: Bloomberg and Company filings. Includes all companies in the respective Agency, Hybrid, and Commercial sectors of the BBREMTG with market caps above \$200mm as of June 19, 2017.

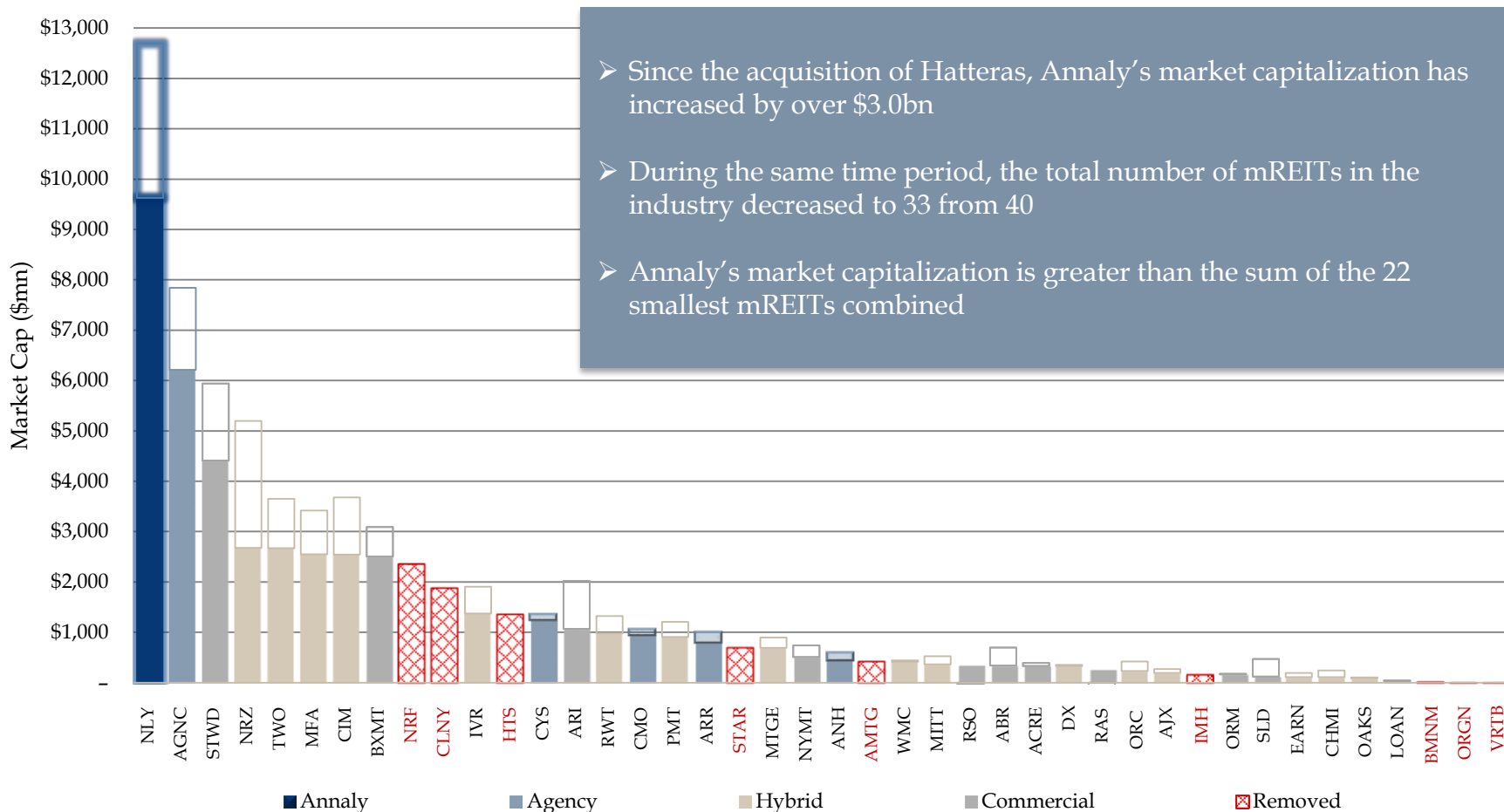
(1) Dividend Stability measures the change in dividend from Q4 2013 to Q1 2017.

(2) Book Value Stability measures the change in book value from Q4 2013 to Q1 2017.



Shifting Industry Landscape since Announcement of Hatteras Acquisition

~20% fewer mortgage REITs with over ~\$14 billion higher industry market capitalization



Source: Market data per Bloomberg as of June 19, 2017.


Note: Hatteras refers to Hatteras Financial Corp. Analysis compares companies in the BBREMTG as of June 19, 2017 to the same list of companies as of April 8, 2016 (trading day prior to Hatteras acquisition announcement). Outline denotes market cap gain from April 8, 2016 to June 19, 2017. Removed companies represent those that have been acquired or removed from the index.

Annaly's Outperformance



Annaly vs. Other Yield Sectors – Total Return

On a short-term and long-term basis, Annaly has continued to outperform the mREIT industry as well as the broader market and other yield oriented investment options

	Total Return Since:		
Diversification Strategy (Since 1/1/14)	Past Two Years (Since 6/30/15)	2017 YTD (Since 1/1/17)	
 ANNALY	80.7%	65.9%	28.3%
mREITs	55.7%	37.5%	18.4%
S&P	42.8%	24.1%	10.7%
Asset Managers	26.2%	14.3%	11.7%
MLPs	(21.8%)	(16.2%)	(6.4%)
Utilities	43.7%	30.4%	4.3%
Banks	46.8%	27.8%	3.9%

Source: Bloomberg. Market data as of June 19, 2017.

Note: mREITs represent BBREMITG. S&P represents the SPX Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. MLPs represent the Alerian MLP Index. Utilities represent the Russell 3000 Utilities Index. Banks represent the KBW Bank Index.

Annaly is a Market Leading Yield Manufacturer



Of the top 15 dividend paying financial companies ⁽¹⁾, Annaly has generated the highest total return in 2017 YTD

Rank	IPO Date	Company Name	Market Cap	Dividends Paid	Total Return	Employees
			6/19/2017	(\$mm)	2017 YTD	
1	12/10/1962	Wells Fargo	\$271,055	\$40,701	(0%)	273,000
2	3/5/1969	JP Morgan	\$312,895	\$36,634	3%	246,345
3	6/5/1979	Bank of America	\$237,950	\$15,619	9%	208,573
4	N/A	US Bancorp	\$88,595	\$10,004	3%	71,191
5	12/13/1993	Simon Property	\$49,631	\$8,759	(9%)	5,000
6	4/4/2000	MetLife	\$58,090	\$7,846	0%	58,000
7	10/7/1997	Annaly Capital Management	\$12,697	\$7,759	28%	159
8	5/4/1999	Goldman Sachs	\$92,555	\$7,595	(5%)	34,100
9	8/11/1993	Equity Residential	\$25,014	\$7,570	7%	2,700
10	9/30/1999	BlackRock	\$69,930	\$7,034	14%	13,000
11	7/7/1983	Public Storage	\$36,817	\$6,536	(3%)	5,500
12	N/A	PNC Financial Services	\$59,902	\$6,238	7%	49,671
13	3/24/1993	Chubb	\$68,689	\$5,838	12%	31,000
14	5/18/1977	American Express	\$73,183	\$5,574	11%	56,400
15	2/24/1984	Welltower Inc.	\$27,920	\$5,503	17%	466
Average:			\$98,995	\$11,947	6%	70,340

Legend
S&P Financials
Mortgage REITs
Property REITs

Source: Bloomberg and Company Filings. Market cap and total return data as of June 19, 2017.


Note: Dividend data as of quarter ended March 31, 2017. Rank based on dividends paid over the last 5 years. Number of employees is based on Bloomberg data as of June 19, 2017, except for Annaly which is based on internal data as of June 19, 2017.

(1) Analysis of top 15 dividend paying financial companies from 2012 to Q1 2017 by the largest 15 companies in each of the S&P Financials Index, BBREMTG, and US REIT list per Bloomberg (each by market cap). Excludes companies with less than \$1bn in dividends paid for 2016.

Annaly Stability and Management Ownership vs. mREIT Industry



In addition to producing superior book value and dividend stability, Annaly's management team has significantly increased ownership in the Company, tying decisions to performance and shareholder value

		 ANNALY	Agency	Hybrid	Commercial
Resiliency	Book Value Decline	(7%)	(13%)	(5%)	(14%)
	Dividend Decline	None	(7%)	(18%)	(13%)
	# of Dividend Cuts / % of Co's that Cut	None	17 / 80%	25 / 75%	6 / 38%

Ownership ⁽¹⁾	% of Management Teams that Sold Stock	None	100%	73%	100%
	% of Co's with CEO Sales	None	80%	67%	57%
	Open Market: Purchases vs. Sales	100%	9%	52%	12%

Source: SNL Financial, Bloomberg, Company Filings.

Note: Data shown from December 31, 2013 to March 31, 2017. Includes all companies in the respective Agency, Hybrid, and Commercial sectors of the BBREMTG with market caps above \$200mm as of June 19, 2017.

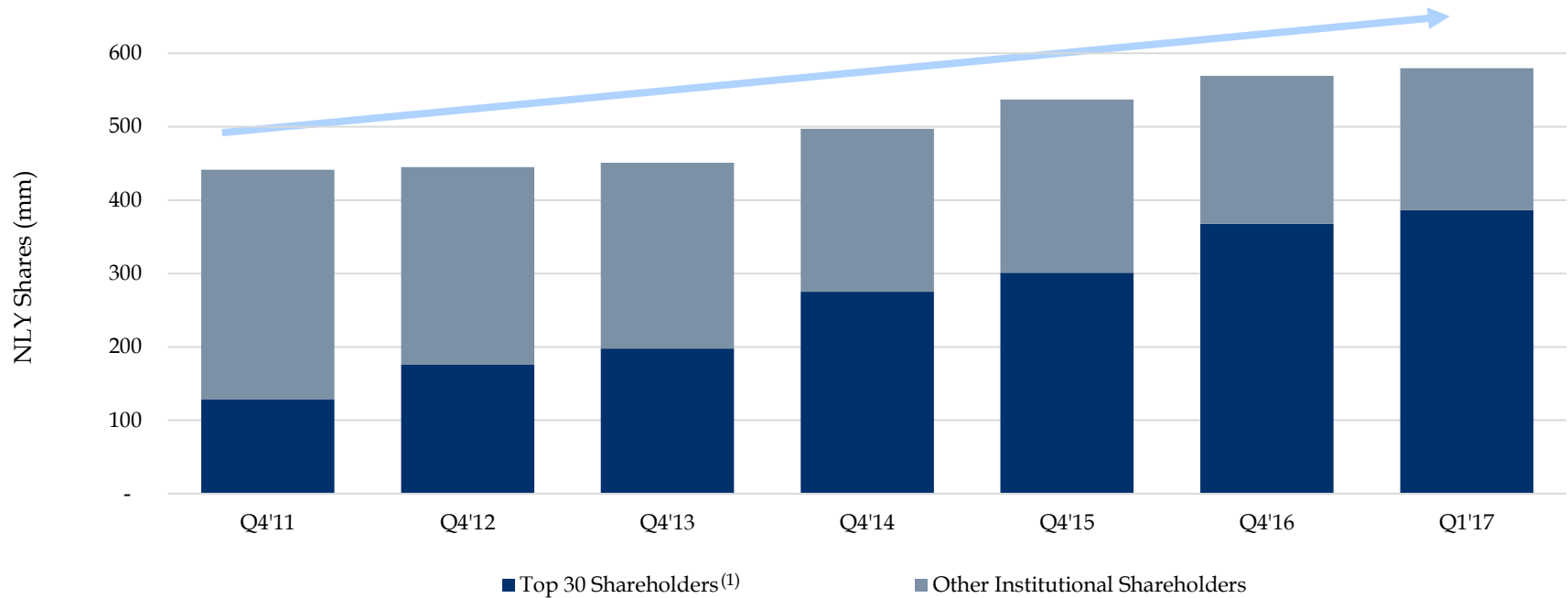
(1) CEO sales include sales by former and current CEOs over the relevant time period.

Annaly's Outperformance Supported by Growth in Institutional Sponsorship



Annaly's institutional shareholder base has increased in size and breadth as the company has continued to outperform as well as engage in a comprehensive marketing campaign

- Institutional ownership has increased by over 20% with over 300 new shareholders since Q4'13
- During this time, the Top 30 Shareholders have increased their share ownership by 95% ⁽¹⁾
- Within the institutional shareholder base, the number of international shareholders has increased by ~15% since Q4'13



Institutional Ownership (%) ⁽²⁾	Q4'11	Q4'12	Q4'13	Q4'14	Q4'15	Q4'16	Q1'17
	48%	53%	57%	57%	56%	58%	58%

Source: FactSet data as of March 31, 2017 filings.

(1) 'Top 30 Shareholders' denotes Top 30 NLY shareholders as of March 31, 2017. 27 of the Top 30 NLY shareholders initiated positions prior to or during Q4'13, while the remaining 3 have initiated positions in NLY since that time.

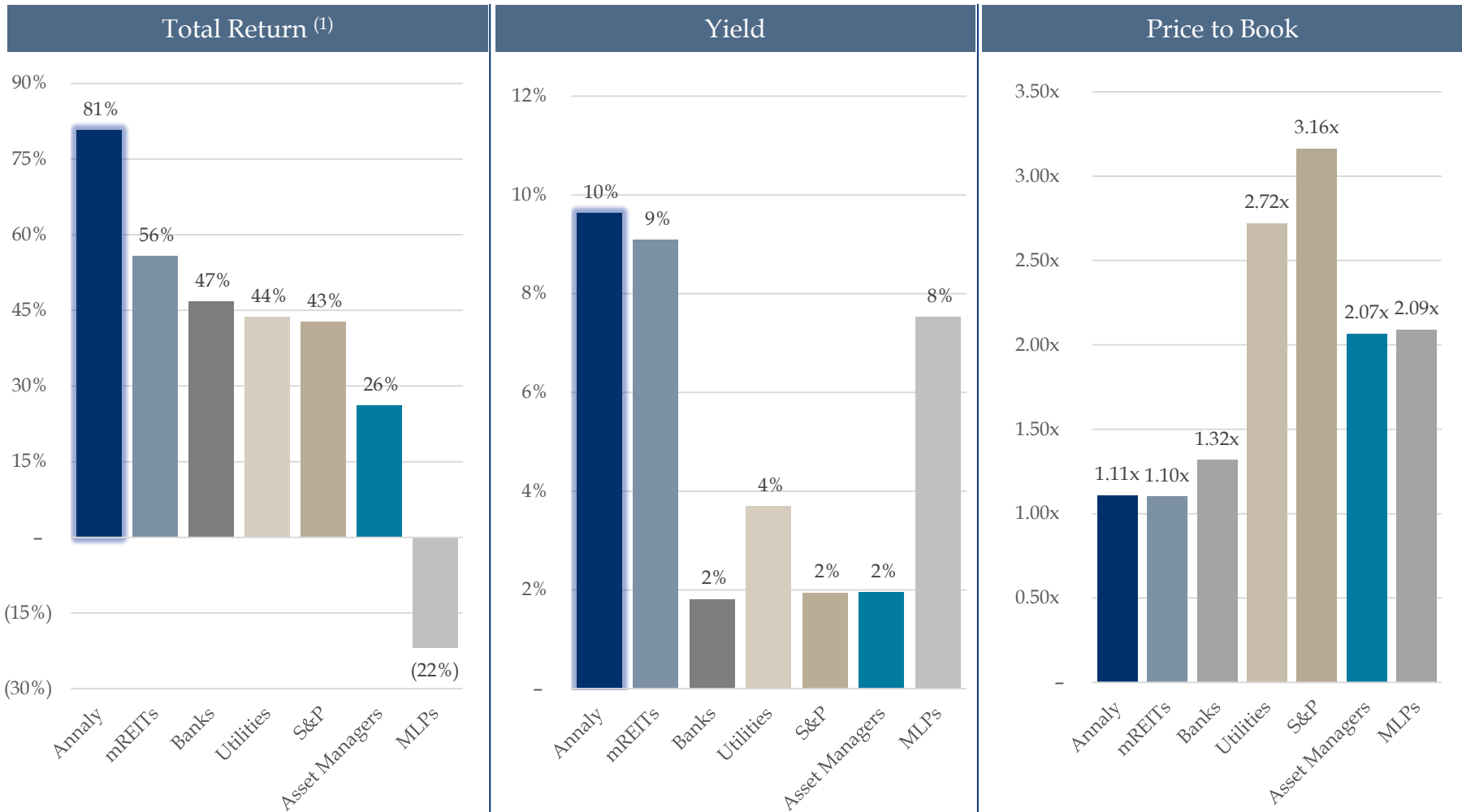
(2) Institutional ownership percentage represents the total NLY shares owned by institutional investors divided by NLY shares outstanding as of quarter end for each respective period.

Re-Evaluation of Valuation



Annaly vs. Other Yield Sectors – Relative Valuation

Annaly's performance and yield profiles are superior to other yield asset classes, yet valuation still lags the other yield sectors



Source: Bloomberg. mREITs represent BBREMTG. Banks represent the KBW Bank Index. Utilities represent the Russell 3000 Utilities Index. S&P represent the SPX Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. MLPs represent the Alerian MLP Index.

Note: Market Data as of June 19, 2017. Financial data as of Q1 2017.

(1) Total Return represents the total return for the period beginning December 31, 2013 to June 19, 2017.

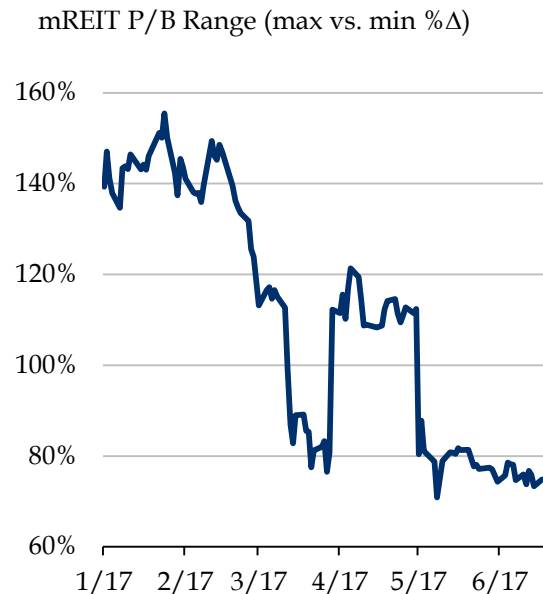


As valuations converge in the mREIT sector, it becomes an opportune time to reexamine valuation methodologies

We believe there is a lack of meaningful valuation differentiation among mREITs...

... resulting from limited approaches to valuing mREITs...

...despite differentiation between value drivers



Current Valuation Approach

Includes

- Price to Book Multiples
- Dividend Yields

Excludes

- Unique Investment Channels
- Diversification
- Relative Risk
- Cost of Capital
- Performance & Track Record
- Franchise Value

Factors That Impact Relative Value

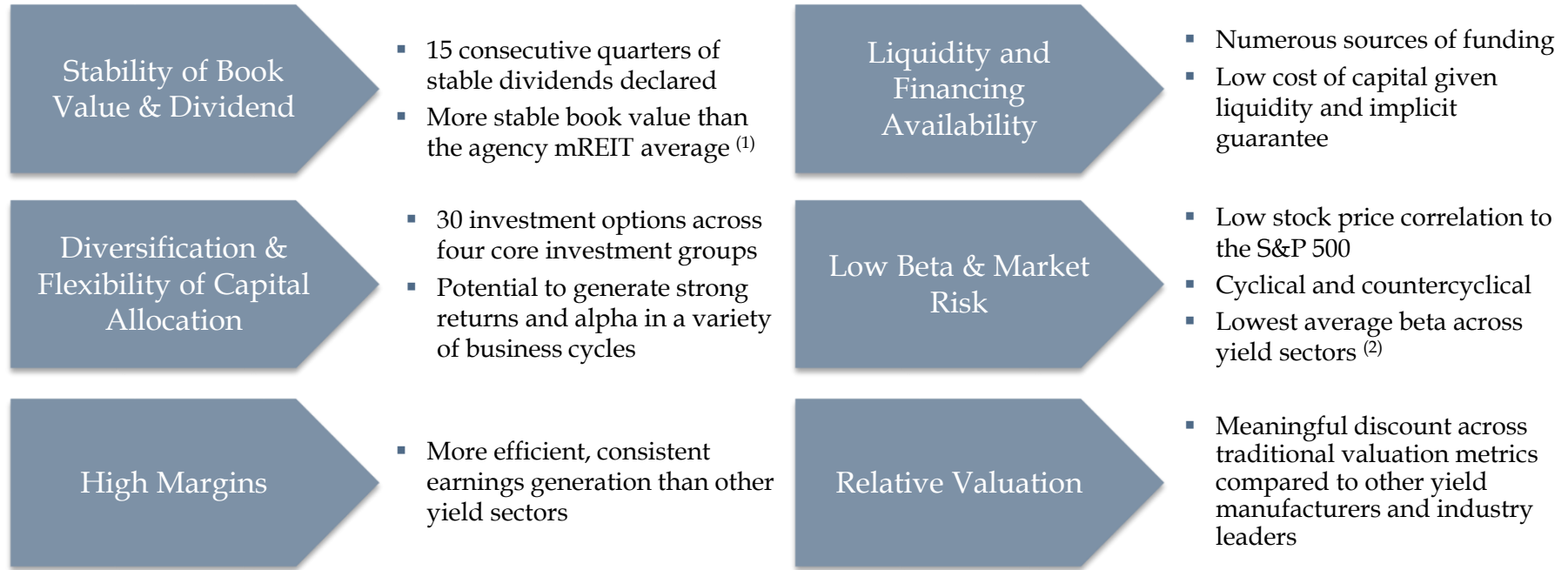
- Alpha
- Stability of Total Return (Book Value + Dividends)
- Margins & Operating Efficiency
- Diversification & Scalability
- Market Beta
- Availability of Funding & Liquidity
- Industry Relative Value to Other Sectors
- Industry Leadership Premium

A New Approach

Our New Approach to Valuation



Reviewing key factors which drive performance when analyzing relative value



Academic Methodology

- Dividend Discount Models
- Discounted Cash Flow Valuations
- Enterprise Value Added Models

Market Methodology

- Sum of the Parts Valuation
- Industry Leader Premium
- Alpha

Source: Bloomberg. Market data as of June 19, 2017.

(1) Agency mREIT sector consists of AGNC, CYS, CMO, ARR, and ANH. Stability measures the change in book value from Q4 2013 to Q1 2017.

(2) Beta refers to the Bloomberg BETA_ADJ_OVERRIDABLE field, calculated over a 2 year period as of June 19, 2017. SPX Index is used as the relative index for the beta calculation.

Relative Value Comparison



Annaly trades at a relative discount to other yield producing sectors despite outperforming across operating and performance metrics

		Annaly	mREITs	S&P	Asset Managers	MLPs	Utilities	Banks
Valuation Multiples	Price to Book	1.11x	1.10x	3.16x	2.07x	2.09x	2.27x	1.32x
	Price to Earnings	9.8x	9.7x	21.8x	17.0x	22.2x	18.9x	15.4x
	Dividend Yield	9.6%	9.5%	2.0%	2.1%	7.7%	3.8%	2.0%
Operating Efficiency & Risk	Operating Margin ⁽¹⁾	60%	58%	13%	28%	12%	15%	29%
	Leverage ⁽²⁾	6.1x	6.4x	3.2x	7.3x	2.9x	3.6x	8.7x
	Beta ⁽³⁾	0.5	0.8	1.0	1.3	1.2	0.9	1.2
Enterprise Value Added	ROE	11.1%	11.8%	16.8%	14.7%	13.1%	9.9%	9.0%
	Cost of Equity ⁽⁴⁾	6.1%	8.0%	9.5%	11.6%	10.9%	8.4%	10.7%
	EVA Spread ⁽⁵⁾	5.1%	3.9%	7.3%	3.1%	2.2%	1.5%	(1.7%)

Undervalued /
More Efficient

Overvalued /
Less Efficient



Source: Bloomberg, Company Financials. Operating Margin and ROE figures based on trailing 12 month financials. Market data as of June 19, 2017.

Note: mREITs represent BBREMITG. S&P represent the SPX Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. MLPs represent the Alerian MLP Index. Utilities represent the Russell 3000 Utilities Index. Banks represent the KBW Bank Index.

(1) Annaly Operating margin defined as (trailing 12 month net interest income - trailing 12 month operating expense) / trailing 12 month interest income. Bloomberg OPER_MARGIN field used for indices.

(2) Annaly Leverage is defined as Q1 2017 Economic Leverage. Bloomberg FNCL_LVRG field minus 1, making it a measure of debt to equity, used for indices. Companies with >50x leverage excluded.

(3) Beta refers to the Bloomberg BETA_ADJ_OVERRIDABLE field, calculated over a 2 year period as of June 19, 2017. SPX Index is used as the relative index for the beta calculation.

(4) Cost of Equity refers to the Bloomberg WACC_COST_EQUITY field which derives the cost of equity based on the Capital Asset Pricing Model methodology.

(5) EVA Spread Calculated as the ROE minus the Cost of Equity.

What Else Makes Annaly Unique



Market Leader

- Leading First Mover in Capital Markets, Financing Alternatives and Industry Strategy

Gender and Ethnic Diversity

- ~50% of the Firm - Female or Ethnically Diverse ⁽¹⁾

Shared Capital Model

- Strong Risk Management and Shareholder Alignment

Culture

- 88% Favorable Rating in Firm Pride and Engagement – Precursor to Organizational Success ⁽²⁾

Employee Stock Ownership Guidelines

- Over 40% of Employees Have Been Asked to Purchase Annaly Stock

Compensation

- Pay for Performance; Robust Talent Assessment Process

Talent Development

- Employee Training for 100% of the Firm through Six Programs

Maximizing Shareholder Value

- Market Cap Increased by over \$3.0 Billion since Hatteras Acquisition Announcement

Note: Market data as of June 19, 2017.

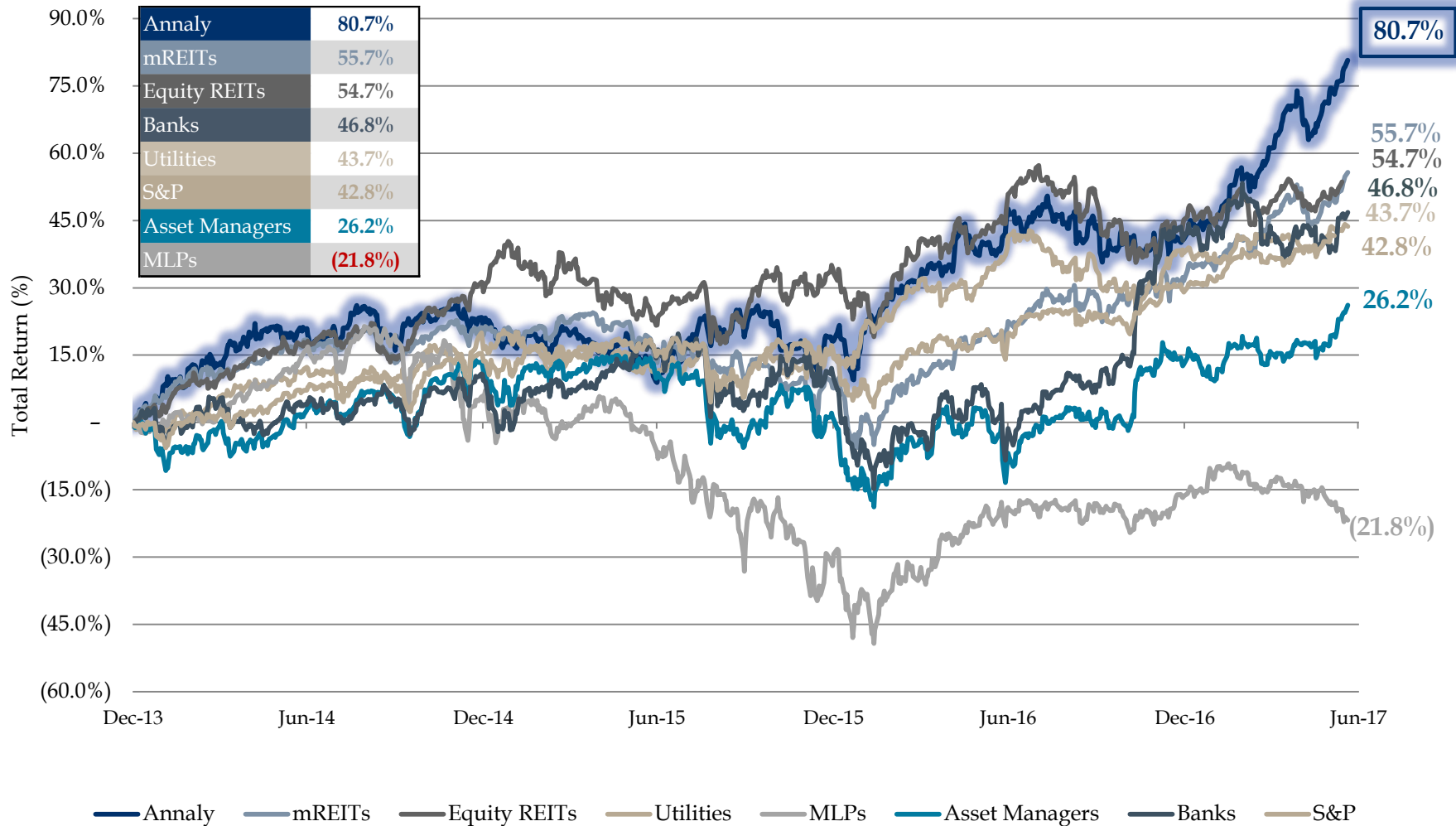
(1) As permitted by the Equal Employment Opportunity Commission, diversity composition was obtained from self-identification and visual observation when employee declined to self-identify. Ethnically diverse represents all non-white ethnicities.

(2) Source: Annaly Internal Survey.

Annaly Has Outperformed the S&P and Other Equity Yield Investments



Annaly's current investment team has outperformed other yield options since 2014



Source: Bloomberg. mREITs represent the BBREMTG. Equity REITs represent BBREIT Index. Utilities represent the Russell 3000 Utilities Index. MLPs represent the Alerian MLP Index. Asset Managers represent the S&P 500 Asset Management and Custody Bank Index. Banks represent the KBW Bank Index. S&P represents SPX Index.

Note: Market data from December 31, 2013 to June 19, 2017.