

Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

Part I Reporting Issuer

1 Issuer's name Annaly Capital Management Inc.		2 Issuer's employer identification number (EIN) 22-3479661	
3 Name of contact for additional information Investor Inquiries	4 Telephone No. of contact 1-888-826-6259	5 Email address of contact investor@annaly.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 1211 Avenue of the Americas, 41st Fl		7 City, town, or post office, state, and ZIP code of contact New York, NY 10036	
8 Date of action See Part II, Line 14		9 Classification and description Preferred and Common Stock - Distribution	
10 CUSIP number See attached	11 Serial number(s) N/A	12 Ticker symbol See attached	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **During the year ended December 31, 2021, the issuer distributed amounts to its shareholders, which constituted a non-taxable return of capital. The return of capital on a per share basis is as follows:**

See attached.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **The distribution made by Annaly Capital Management Inc. in 2021 attributable to the 2021 tax year is not taxable as a dividend under Section 301(c)(1), but is applied against basis under Section 301(c)(2). The return of capital on a per share basis is listed in the table above.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **Annaly Capital Management Inc. calculated Earnings and Profits in accordance with IRC Section 312, as modified by IRC Section 857(d) for a Real Estate Investment Trust and the regulations thereunder. The amount of distributions in excess of Earnings and Profits reduces shareholders' basis in its share of stock to the extent of basis.**

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► **Sections 301, 312 and 316.**

18 Can any resulting loss be recognized? ► **No loss can be recognized by the preferred and common shareholders as a result of the return of capital. Upon sale by the preferred and common shareholder, a per share loss would be recognized to the extent the sale price falls below the diminished basis.**

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ► The reporting tax year is the year ended December 31, 2021.

Please note: Information for shareholders is published on the company's website under investor relations and distributed via the transfer agent. All shareholders were informed on a timely basis of the return of capital.

**Sign
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►

S. Wolfen

Date ►

1/21/22

Print your name ► **Serena Wolfe**

Title ► **Chief Financial Officer**

**Paid
Preparer
Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if
self-employed

PTIN

Firm's name ▶

Firm's EIN ►

Firm's address ►

Phone no.	
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Annaly Capital Management Inc.

Attachment to Form 8937

Part I Reporting Issuer

Line 10 CUSIP number

See Line 12 response below.

Line 12 Ticker symbol

Security Description	CUSIP Number	Ticker Symbol
COMMON STOCK	035710409	NLY
PREFERRED STOCK SERIES F	035710870	NLY-PF
PREFERRED STOCK SERIES G	035710862	NLY-PG
PREFERRED STOCK SERIES I	035710847	NLY-PI

Part II Organizational Action

Line 14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.

During the year ended December 31, 2021, the issuer distributed amounts to its shareholders, which constituted a non-taxable return of capital. The return of capital on a per share basis is as follows:

Security Description	Record Date	Distribution Date	Amount per Share
COMMON STOCK CUSIP: 035710409	12/31/2020	1/29/2021	\$0.21292
	3/31/2021	4/30/2021	\$0.22000
	6/30/2021	7/30/2021	\$0.22000
	9/30/2021	10/29/2021	\$0.22000
PREFERRED STOCK SERIES F CUSIP: 035710870	3/1/2021	3/31/2021	\$0.43438
	6/1/2021	6/30/2021	\$0.43438
	9/1/2021	9/30/2021	\$0.43438
	12/1/2021	12/31/2021	\$0.43438
PREFERRED STOCK SERIES G CUSIP: 035710862	3/1/2021	3/31/2021	\$0.40625
	6/1/2021	6/30/2021	\$0.40625
	9/1/2021	9/30/2021	\$0.40625
	12/1/2021	12/31/2021	\$0.40625
PREFERRED STOCK SERIES I CUSIP: 035710847	3/1/2021	3/31/2021	\$0.42188
	6/1/2021	6/30/2021	\$0.42188
	9/1/2021	9/30/2021	\$0.42188
	12/1/2021	12/31/2021	\$0.42188