Invesco Mortgage Capital Inc.

JMP Securities Financial Services and Real Estate Conference

September 2011

Invesco

Forward-looking statements

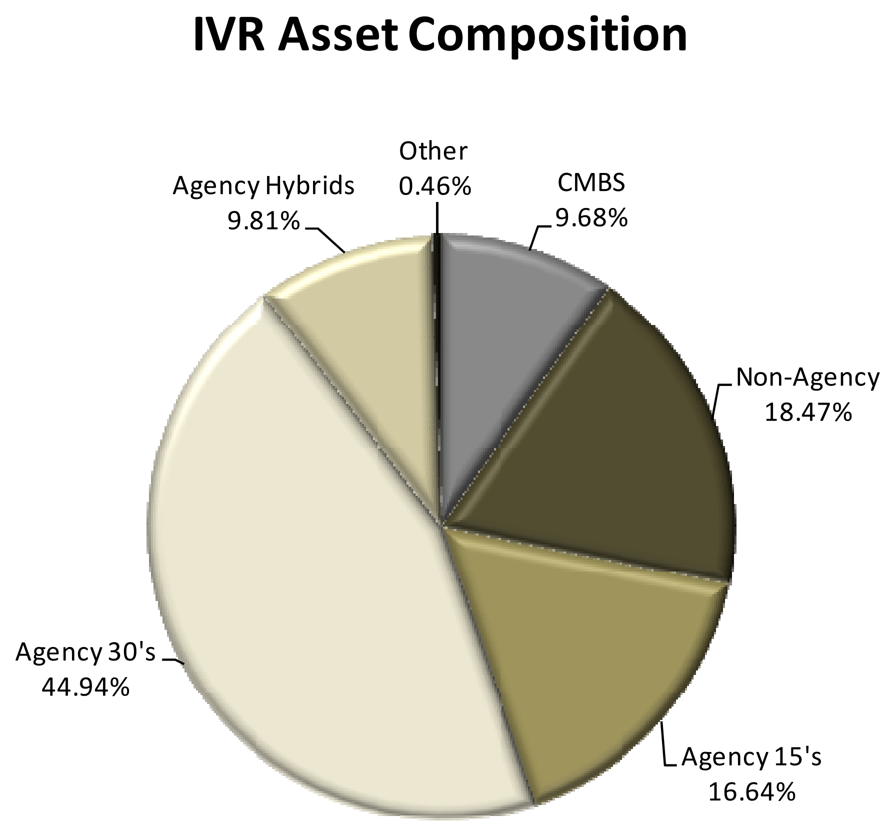
This presentation, and comments made in the associated Q&A session, may include "forward-looking statements" within the meaning of the U.S. securities laws. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, targets, expectations, anticipations, assumptions, estimates, intentions and future performance. In addition, words such as "anticipates," "believes," "intends," "projects," "expects" and "plans," and future or conditional verbs such as "will," "may," "could," "should," and "would," as well as any other statements that necessarily depends on future events, are intended to identify forward-looking statements.

Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. There can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks described in our most recent Form 10-K and subsequent Forms 10-Q, filed with the Securities and Exchange Commission. You may obtain these reports from the SEC's website at www.sec.gov. We expressly disclaim any obligation to update the information in any public disclosure if any forward-looking statement later turns out to be inaccurate. For all forward-looking statements, we claim the "safe harbor" provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. This is not to be construed as an offer to buy or sell any securities and should not be relied upon as the sole factor in an investment-making decision. As with all investments, there are associated inherent risks. Please obtain and review all financial material carefully before investing. All data is as of September 23, 2011, unless otherwise noted.

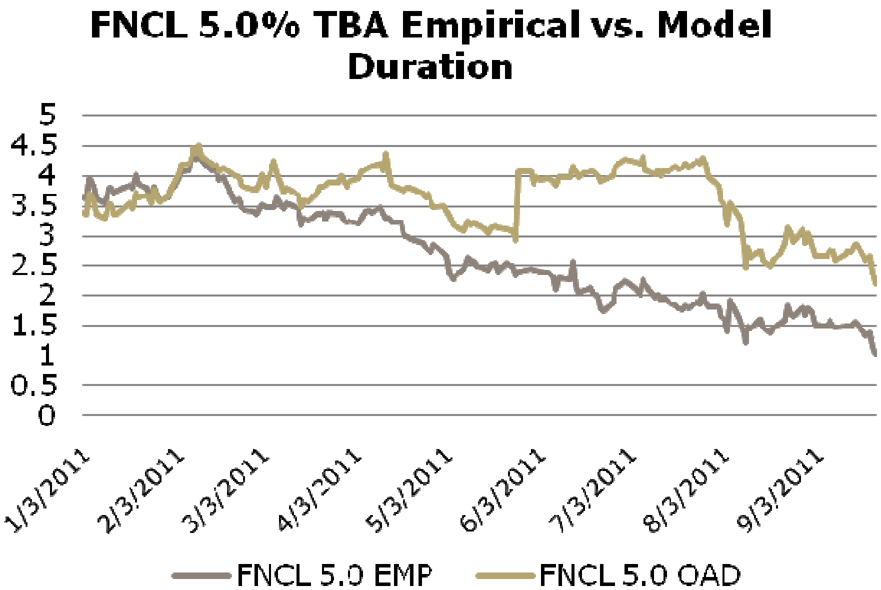
The opinions expressed are based on current market conditions and are subject to change without notice.

Portfolio Update

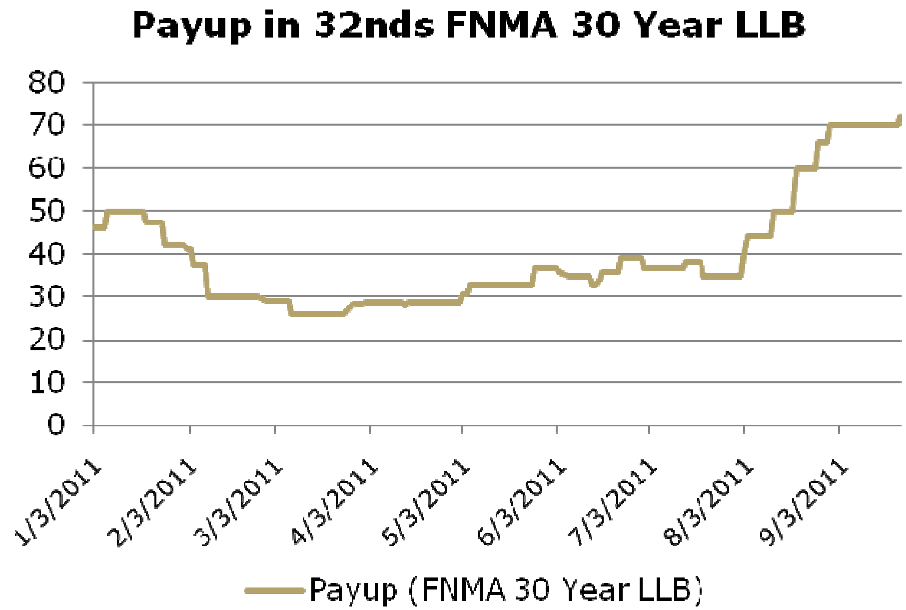


Market value as of September 23, 2011

Agency MBS



Barclays Capital Live data through 9/21/11

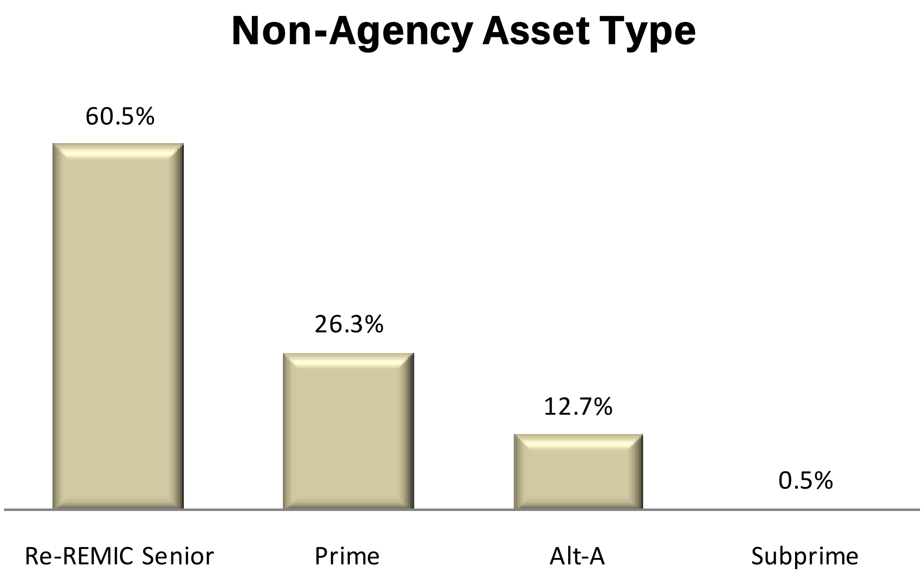


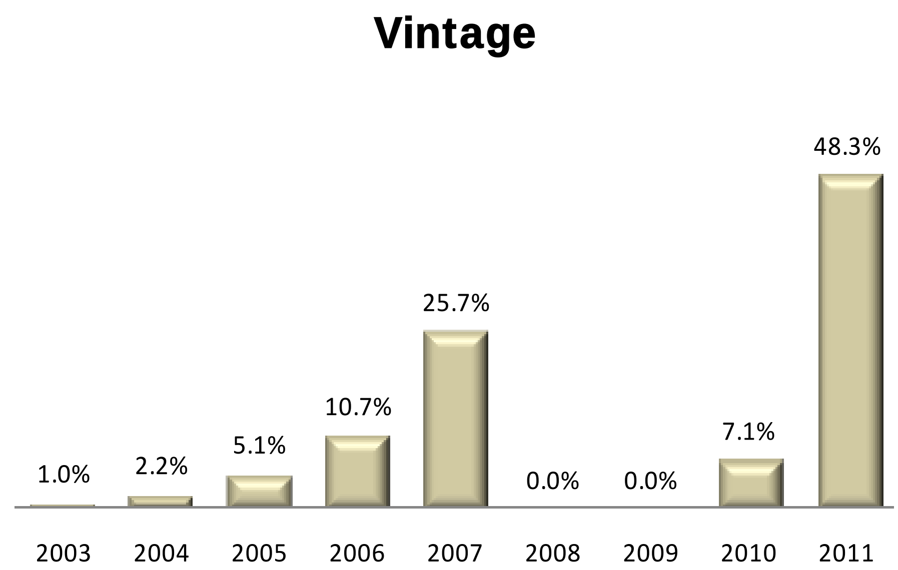
Barclays Capital Live data through 9/19/11

Comments

- Uncertainty over future prepayment speeds has caused empirical duration (over 30 days minus 10 year swaps -EMP) and model option adjusted durations (OAD) to de-couple
  - Our prepayment history suggest durations that are longer than empirical or model durations
  - Payups on specified pool collateral have continued to expand which is positive (see low loan balance example above)
- Prepayment speeds on our book have remained very stable even as rates have fallen
- We believe our collateral remains very well positioned for this interest rate environment
- We are predominantly invested in loan balance stories (48%), with the balance invested in pools backed by high LTV and low FICO borrowers, investor properties and seasoned paper.

Non-Agency Composition





Comments

- Non-Agency RMBS allocations have continued to focus on Senior Re-REMICs
- Senior Re-REMIC focus reduces price volatility while improving expected returns and overall enhancement levels
- Legacy non-agency book has declined as a percent of overall exposure
- Housing performance to date has been consistent with underwriting assumptions
- No OTTI has been recorded in 2011

Vintage reflects year of transaction issuance date
As of September 23, 2011

Past performance is not a guarantee of future results

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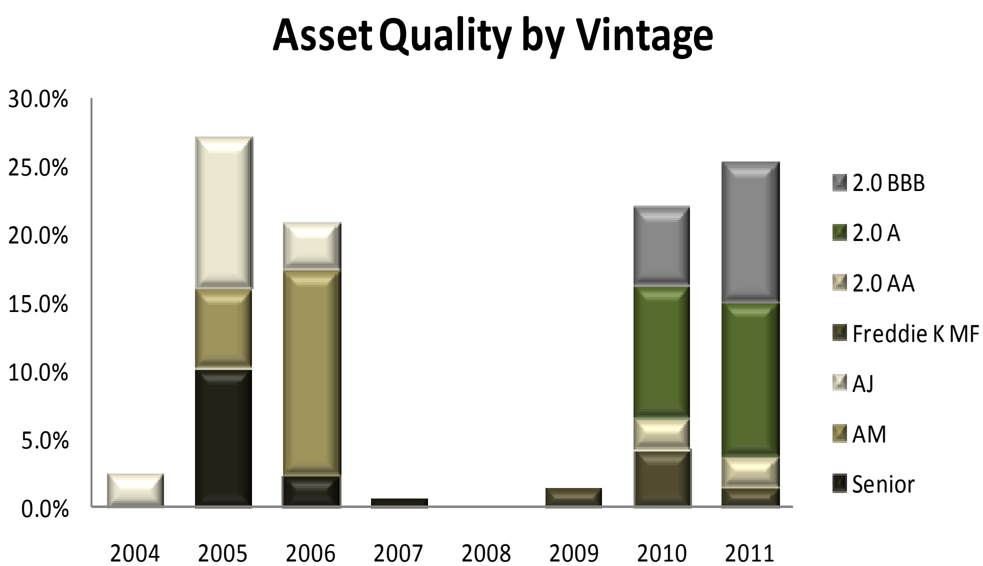
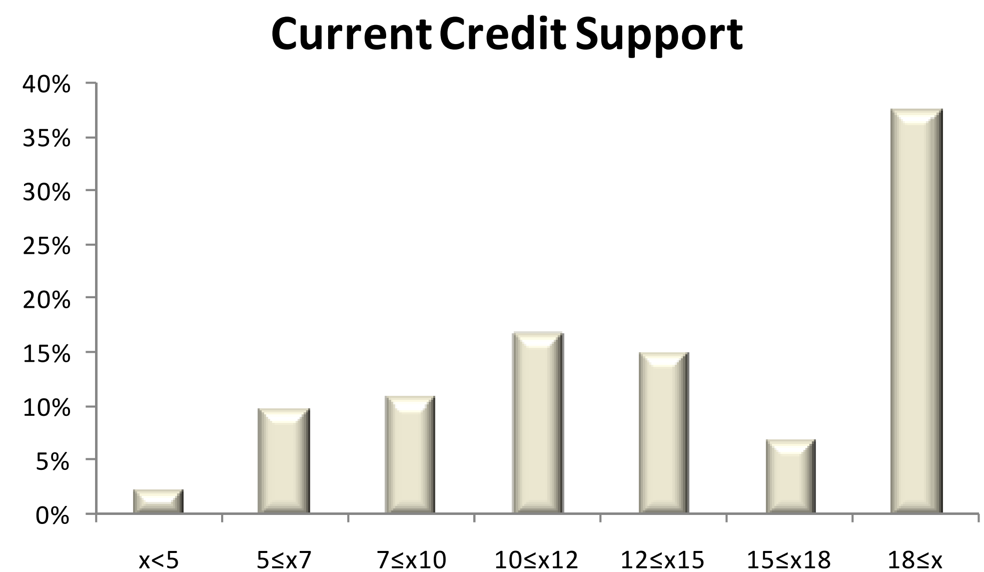
CMBS Composition





Comments

- Commercial real estate fundamentals continue to show signs of stabilization
- We believe our CMBS asset selection is concentrated in the highest quality bonds in each respective sub-sector and vintage - Our bonds have outperformed their peer group as credit tiering has become more pronounced
- We believe as investors move towards quality, the credit curve will steepen further, causing our bonds to be among the most resilient during periods of volatility
- With low rates and limited growth, we believe our bonds are well positioned as they offer attractive yields and positive downside scenarios
- 2010 and early 2011 CMBS 2.0 investments provide access to newly originated loans which we believe benefit from lower leverage and higher debt service coverage ratios than those underwritten at the peak of the real estate market

Vintage reflects year of underlying loan origination

Past performance is not a guarantee of future results

Repo Market Update

Agency RMBS

- ✓ Agency haircuts remain at ~5%
- ✓ Weighted average financing rate is ~28 bps

Non Agency RMBS

- ✓ Non-Agency haircut is ~19%
- ✓ Weighted average spread to LIBOR is ~125 bps

CMBS

- ✓ IVR's average CMBS haircut is ~18%
- ✓ Weighted average spread to LIBOR is ~110 bps

As of September 23, 2011

Past performance is not a guarantee of future results

Interest Rate Hedges

($ in thousands)

Maturity	Notional	Weighted Average Pay Rate
2012	175,000	2.07%
2013	300,000	1.76%
2014	100,000	2.79%
2015	800,000	1.89%
2016	4,700,000	2.27%
2018	450,000	2.96%
2021	400,000	2.99%
	$ 6,925,000	2.29%

Comments

- Average swap ~4.5 years
- Hedging strategy has been to maintain a model duration gap of 0.5 to 1.0 years
- No additional swaps have been added since 6/30/11
- Hedge ratio approximately 55 - 60% of total repo