



Ellington Financial LLC Completes Corporate Conversion and is Renamed Ellington Financial Inc.

March 4, 2019

OLD GREENWICH, Conn.--(BUSINESS WIRE)--Mar. 4, 2019-- Ellington Financial Inc. (NYSE:EFC) ("Ellington Financial" or the "Company") announced today that it has completed its conversion to a corporation under Delaware law and changed its name to Ellington Financial Inc. from Ellington Financial LLC. Since the Company had already elected to be taxed as a corporation for U.S. federal and state income tax purposes effective January 1, 2019, no material tax or financial changes are expected from the state law conversion.

Each existing common share of Ellington Financial LLC was converted into a fully paid share of common stock, \$0.001 par value per share, of Ellington Financial Inc. without any action required by shareholders.

"We are pleased to complete our state law conversion, which we've done in conjunction with our conversion to a REIT," said Laurence Penn, Chief Executive Officer and President. "We believe that our conversion will broaden our base of potential investors, enhance the liquidity of our stock, and provide us with the additional benefits of potential index fund inclusion. With this milestone complete, we expect to maintain our core investment and hedging strategies and focus on driving attractive risk-adjusted returns for our shareholders."

Cautionary Statement Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements involve numerous risks and uncertainties. Actual results may differ from the Company's beliefs, expectations, estimates, and projections and, consequently, you should not rely on these forward-looking statements as predictions of future events. Forward-looking statements are not historical in nature and can be identified by words such as "believe," "expect," "anticipate," "estimate," "project," "plan," "continue," "intend," "should," "would," "could," "goal," "objective," "will," "may," "seek," or similar expressions or their negative forms, or by references to strategy, plans, or intentions. Examples of forward-looking statements in this press release include, without limitation, statements regarding the consequences of the Company's state law conversion. The Company's results can fluctuate from month to month and from quarter to quarter depending on a variety of factors, some of which are beyond the Company's control and/or are difficult to predict, including, without limitation, changes in interest rates and the market value of the Company's securities, changes in mortgage default rates and prepayment rates, the Company's ability to borrow to finance its assets, changes in government regulations affecting the Company's business, the Company's ability to maintain its exclusion from registration under the Investment Company Act of 1940, the Company's ability to qualify and maintain its qualification as a real estate investment trust, or "REIT," and other changes in market conditions and economic trends. Furthermore, forward-looking statements are subject to risks and uncertainties, including, among other things, those described under Item 1A of the Company's Annual Report on Form 10-K filed on March 15, 2018 which can be accessed through the Company's website at www.ellingtonfinancial.com or at the SEC's website (www.sec.gov). Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected or implied may be described from time to time in reports the Company's files with the SEC, including reports on Forms 10-Q, 10-K and 8-K. The Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

About Ellington Financial

Ellington Financial invests in a diverse array of real-estate-related and other financial assets, including residential and commercial mortgage-backed securities, residential and commercial mortgage loans, consumer loans and asset-backed securities backed by consumer loans, collateralized loan obligations, non-mortgage and mortgage-related derivatives, equity investments in loan origination companies, and other strategic investments. Ellington Financial is externally managed and advised by Ellington Financial Management LLC, an affiliate of Ellington Management Group, L.L.C.

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