

Ellington Financial LLC Announces Expiration and Final Results of Exchange Offer

February 7, 2019

OLD GREENWICH, Conn.--(BUSINESS WIRE)--Feb. 7, 2019-- Ellington Financial LLC (NYSE:EFC) announced today the expiration and final results of its previously announced exchange offer to certain eligible holders of its outstanding 5.25% Senior Notes due September 1, 2022 (the "Existing Notes") for up to \$86,000,000 of a new issue of 5.50% Senior Notes due September 1, 2022 (the "New Notes"), issued by the Company's subsidiaries EF Holdco Inc. and EF Cayman Holdings Ltd. along with other Company subsidiaries that may be added as issuers, and guaranteed by the Company.

The Company has been informed by the information agent for the exchange offer that as of 5:00 p.m., New York City time, on February 6, 2019, all \$86,000,000 of the outstanding principal amount of the Existing Notes were validly tendered and not validly withdrawn. As a result, \$86,000,000 of New Notes will be issued upon the closing of the exchange offer, which is expected to occur once all closing conditions are met.

The New Notes have not been registered under the Securities Act, or any state securities laws and, unless so registered, may not be offered or sold in the United States except pursuant to an applicable exemption from the registration requirements of the Securities Act and applicable state securities laws. The exchange offer was not made to holders of Existing Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. This press release does not constitute an offer to sell or the solicitation of an offer to purchase any securities.

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 closing of the exchange offer. 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; 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 LLC

Ellington Financial LLC is a specialty finance company that invests in a diverse array of 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, corporate equity and debt securities (including distressed debt), non-mortgage and mortgage-related derivatives, equity investments in mortgage-related entities, and other strategic investments. Ellington Financial LLC is externally managed and advised by Ellington Financial Management LLC, an affiliate of Ellington Management Group, L.L.C.

View source version on businesswire.com: <https://www.businesswire.com/news/home/20190207005165/en/>

Source: Ellington Financial LLC

Investors:

Ellington Financial LLC

Investor Relations, 203-409-3575

info@ellingtonfinancial.com

or

Media:

Gasthalter & Co., for Ellington Financial LLC

Amanda Klein / Kevin FitzGerald, 212-257-4170

ellington@gasthalter.com