

ELLINGTON FINANCIAL LLC

Consolidated Statement of Operations for the Month Ended December 31, 2018 for purposes of CFTC Regulation 4.22^{1,4}

(In thousands)

Income (Loss) Related to Commodity Interests²:

Realized	\$ (4,841)
Change in Unrealized	(1,110)
Total Income (Loss) Related to Commodity Interests	(5,951)

Income (Loss) From Non-Commodity Investments and Non-Commodity Derivatives, Net³:

Non-Commodity Investments and Non-Commodity Derivatives, Net	8,398
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Expenses:

Base Management Fee (Net of Rebates)	(564)
Incentive Fee	5
Brokerage Commissions	-
Other Fees for Commodity Interests and Investment Transactions	9
Interest Expense on Repo Borrowings and Net Interest Expense on Margin Accounts	(4,058)
Other Expenses	(2,201)
Total Expenses	(6,809)

Net Increase (Decrease) in Equity Resulting From Operations	(4,362)
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Less: Net Increase (Decrease) in Equity Resulting From Operations Attributable to Non-Controlling Interests	229
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Net Increase (Decrease) in Shareholders' Equity Resulting From Operations	\$ (4,591)
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Notes:

¹ Ellington Financial Management LLC, our "Manager," is currently operating the Company pursuant to the commodity pool operational exemption in Regulation 4.12(c) promulgated by the Commodity Futures Trading Commission (the "CFTC"), which requires among other things, monthly account statements containing a statement of operations and a statement of changes in net assets presented in accordance with the requirements of CFTC Regulation 4.22.

² Income (Loss) Related to Commodity Interests include income or loss on interest rate swaps, credit default swaps on asset-backed indices, credit default swaps on corporate bond indices, futures, and swaptions.

³ Income (Loss) From Non-Commodity Investments and Non-Commodity Derivatives, Net includes income or loss from the Company's long and short non-commodity investments and its non-commodity derivatives.

⁴ These amounts are unaudited and have not been reviewed by the Company's registered independent public accountants. It is possible that, if the Company were to obtain a review or audit from its accountants for this month-end report, it could determine that the Company's financial results for the month ended December 31, 2018 differ materially from the estimate set forth above. There can be no assurance that the Company's statement of operations for purposes of CFTC Regulation 4.22 for the month ended December 31, 2018 is indicative of what the Company's results are likely to be in future periods, and we undertake no obligation to update or revise this disclosure prior to our issuance of financial statements for such period.

ELLINGTON FINANCIAL LLC

Consolidated Statement of Changes in Net Asset Value for the Month Ended December 31, 2018 for purposes of CFTC Regulation 4.22
(UNAUDITED)

(In Thousands, Except Per Share Data)

Net Asset Value, November 30, 2018	\$	580,977
Net Increase (Decrease) in Shareholders' Equity Resulting from Operations		(4,591)
Issuance of Shares		-
Redemption of LTIP Units		(9,537)
Shares Repurchased		(3,057)
Dividends		-
Share-Based LTIP Awards		41
Total Changes in Net Asset Value		(17,144)
Net Asset Value, December 31, 2018	\$	563,833
Shares Outstanding		29,797
Net Asset Value Per Share, November 30, 2018	\$	19.38
Net Asset Value Per Share, December 31, 2018	\$	18.92

Notes:

On December 10, 2018 and January 8, 2019, the Company released its estimates of month end book value per share as of November 30, 2018 and December 31, 2018, respectively. The amounts reported above supersede the amounts reported in these releases.

To the best of the knowledge and belief of the undersigned, the information contained in the preceding Statement of Operations and Changes in Net Assets for Ellington Financial LLC is accurate and complete.



JR Herlihy
Chief Financial Officer
Ellington Financial Management LLC and Ellington Financial LLC