

**ELLINGTON FINANCIAL LLC**

Consolidated Statement of Operations for the Month Ended January 31, 2019 for purposes of CFTC Regulation 4.22<sup>1,4</sup>

(In thousands)

**Income (Loss) Related to Commodity Interests<sup>2</sup>:**

Realized	\$	(473)
Change in Unrealized		(6,221)
Total Income (Loss) Related to Commodity Interests		(6,694)

**Income (Loss) From Non-Commodity Investments and Non-Commodity Derivatives, Net<sup>3</sup>:**

Non-Commodity Investments and Non-Commodity Derivatives, Net		17,336
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**Expenses:**

Base Management Fee (Net of Rebates)		(583)
Incentive Fee		-
Brokerage Commissions		-
Other Fees for Commodity Interests and Investment Transactions		-
Interest Expense on Repo Borrowings and Net Interest Expense on Margin Accounts		(4,408)
Other Expenses		(1,989)
Total Expenses		(6,980)

Net Increase (Decrease) in Equity Resulting From Operations		3,662
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Less: Net Increase (Decrease) in Equity Resulting From Operations Attributable to Non-Controlling Interests		286
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<b>Net Increase (Decrease) in Shareholders' Equity Resulting From Operations</b>	<b>\$</b>	<b>3,376</b>
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Notes:

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> 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.

<sup>4</sup> 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 January 31, 2019 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 January 31, 2019 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 January 31, 2019 for purposes of CFTC Regulation 4.22  
(UNAUDITED)

(In Thousands, Except Per Share Data)

Net Asset Value, December 31, 2018	\$	563,833
Net Increase (Decrease) in Shareholders' Equity Resulting from Operations		3,376
Issuance of Shares		-
Shares Repurchased		(786)
Dividends		-
Share-Based LTIP Awards		40
Total Changes in Net Asset Value		<u>2,630</u>
Net Asset Value, January 31, 2019	\$	566,463
Shares Outstanding		29,746
Net Asset Value Per Share, December 31, 2018	\$	18.92
Net Asset Value Per Share, January 31, 2019	\$	19.04

**Notes:**

On January 8, 2019 and February 7, 2019, the Company released its estimates of month end book value per share as of December 31, 2018 and January 31, 2019, 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.



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