



COMPANY PROFILE

Ellington Financial LLC, (“EFC” or “the Company”), is a specialty finance company that primarily acquires and manages mortgage-related assets, including residential mortgage-backed securities, residential mortgage loans, commercial mortgage-backed securities, commercial mortgage loans and other commercial real estate debt, real property, and mortgage-related derivatives. The Company also invests in corporate debt and equity securities, collateralized loan obligations, consumer loans and asset-backed securities backed by consumer and commercial assets, non-mortgage related derivatives, and other financial assets. EFC is externally managed and advised by Ellington Financial Management LLC, an affiliate of Ellington Management Group, L.L.C. (“Ellington”), a registered investment advisory firm founded in 1994 with approximately \$6.1 billion in assets under management, primarily focused on mortgage- and real estate-related securities.

INVESTMENT HIGHLIGHTS

Seasoned Mortgage Investor

Ellington’s portfolio managers and senior management have a long history of mortgage investing and long-standing relationships within the Company’s key markets. With an average of 25 years of trading in the mortgage markets, the senior management team has managed mortgage assets successfully over multiple market cycles. Ellington emphasizes a quantitative, analytic model-driven approach to portfolio management, and many of the firm’s principals have degrees in mathematics or engineering from top universities, including a number of advanced degrees. The firm’s investment management process is supported by its proprietary portfolio management and analytic systems, which process data covering over 100 million loans, and by over 150 employees, including over 30 professionals dedicated to research and systems.

Flexible and Active Investment Approach

The Company employs a sophisticated, active style of investing and has the flexibility to acquire and trade a diverse mix of mortgage-related securities. EFC’s primary objective is to generate attractive risk-adjusted returns by utilizing an opportunistic approach to investing in its target assets. The Company seeks to capture upside in good markets and control downside in difficult markets. The publicly traded partnership structure of EFC allows it to hedge its risks as it deems necessary, using a variety of instruments, in both its non-Agency and Agency MBS strategies. The Company uses interest rate and credit hedging instruments to manage risk and volatility. EFC generally seeks to deploy relatively low leverage in the execution of its strategies. The Company’s debt-to-equity ratio of 1.75:1 as of June 30, 2015 was significantly lower than the hybrid mortgage REIT peer group average.

High Insider Ownership Aligns Management with Shareholders

Management owns approximately 10% of EFC’s common shares and securities convertible into common shares, which aligns its interests with fellow shareholders⁽¹⁾.

Established and Strong Track Record

EFC has successfully preserved book value through market cycles while producing strong results for investors. The Company’s life-to-date diluted NAV-based total return on net book value since inception in August 2007 through June 30, 2015 is approximately 160%, or 12.9% annualized⁽⁵⁾.



Second Quarter 2015 Fact Sheet

NYSE: EFC

www.ellingtonfinancial.com

EFC OVERVIEW (as of 6/30/2015)

Market Capitalization ⁽²⁾ :	\$614.5mm
Q2 Dividend Per Share:	\$0.65
Dividend Yield ⁽²⁾ :	14.2%
Total Long Investments ⁽³⁾ :	\$1.88bn
Diluted Book Value/Share:	\$22.75
Debt-to-Equity:	1.75x
Q2 Diluted NAV Based Total Return ⁽⁵⁾ :	1.7%

TARGET ASSETS

- Non-Agency Strategy:
 - Residential Credit
 - Prime Jumbo MBS
 - Alt-A MBS
 - Manufactured Housing MBS
 - Subprime Residential MBS
 - Non-Performing Loans
 - Commercial Mortgage Credit
 - CMBS
 - Mortgage Loans
 - Other Real Estate Debt
 - Residential MBS Derivatives
 - Other Mortgage-Related Assets
 - Other Financial Assets
 - Corporate Debt
 - Consumer Loans and ABS
 - Equity Securities and Derivatives
- Agency RMBS Strategy:
 - Whole Pool Pass-Through Certificates
 - Partial Pool Pass-Through Certificates
 - Agency CMOs
 - TBAs
- Mortgage-Related Operating Businesses

ANALYST COVERAGE

- Bank of America Merrill Lynch
- Compass Point Research & Trading
- Credit Suisse
- Deutsche Bank
- JMP Securities
- Keefe, Bruyette & Woods
- Maxim Group
- MLV & Co.

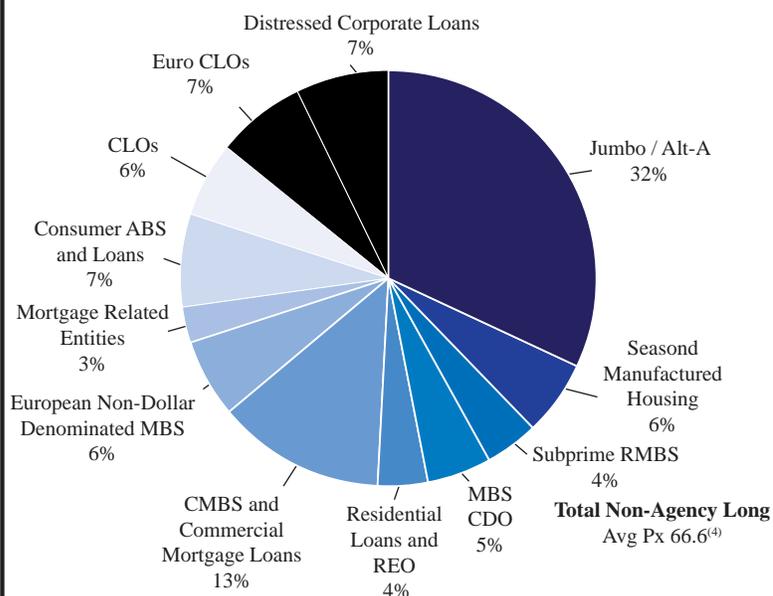
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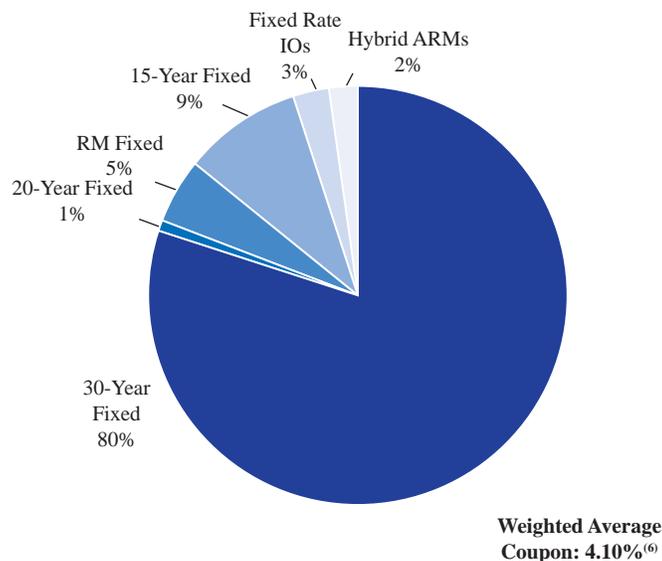
PORTFOLIO COMPOSITION AS OF 6/30/2015

The following charts set forth additional information regarding EFC's long investment portfolios⁽³⁾:

Non-Agency Long Portfolio - \$753mm



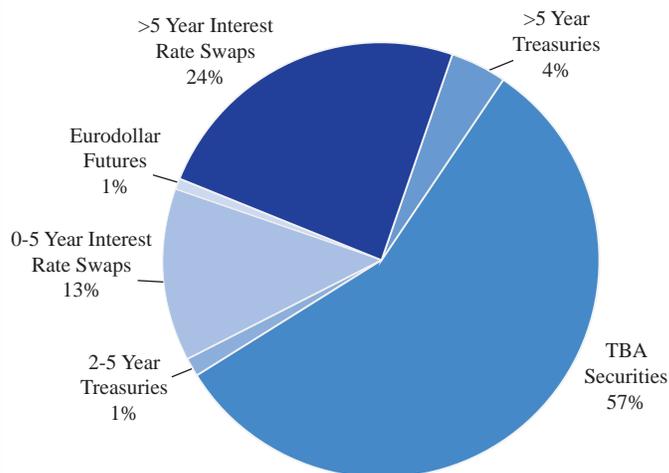
Agency MBS Long Portfolio - \$1,124mm



AGENCY HEDGING PORTFOLIO AS OF 6/30/2015

The following chart sets forth additional information regarding EFC's interest rate hedging portfolio:

Agency Hedging Portfolio - Short \$547mm 10-Year Equivalents⁽⁷⁾



PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. INVESTMENTS, INCLUDING TRADING IN COMMODITY INTERESTS, INVOLVE SUBSTANTIAL RISK, INCLUDING RISK OF LOSS. This summary does not constitute an offer to sell or the solicitation of an offer to purchase any securities from any entities described herein and may not be used or relied upon in evaluating the merits of investing therein. Information is as of June 30, 2015 unless otherwise noted.

(1) Management ownership includes common shares and convertible units held by principals of Ellington and related family trusts.

(2) Market capitalization is based on the August 5, 2015 closing share price of \$18.37. Dividend yield is calculated by annualizing the \$0.65 quarterly dividend declared for the quarter ended June 30, 2015, divided by the August 5, 2015 closing share price of \$18.37.

(3) Total Long Investments is equal to the sum of long positions in the Company's non-Agency portfolio, including long total return swaps based on their loan equivalent values which are based on the values of the underlying loans, and Agency RMBS. This information does not include interest rate swaps, TBA positions, corporate CDS, common stock and equity swaps, or other hedge positions. The loan equivalent value of long total return swaps included in the non-Agency long portfolio was \$32.5 million, and the corresponding value of the related total return swaps was \$(1.7) million, as of June 30, 2015.

(4) Average price excludes interest only, principal only, equity tranches and other similar investments, and REO at June 30, 2015.

(5) Diluted NAV-based total return is calculated based on diluted net asset value per share which assumes all convertible units were converted into common shares at their issuance dates. Diluted NAV-based total return assumes the reinvestment of dividends. Life-to-date total return is based on \$18.61 net diluted book value per share at inception in August 2007.

(6) Represents weighted average net pass-through rate. Excludes interest only securities.

(7) The Agency hedging portfolio is expressed in "10-year equivalents" which represent the amount of 10-year U.S. Treasury securities that would be expected to experience a similar change in market value under a standard parallel move in interest rates.