



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, including private debt and equity investments in mortgage-related entities. 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 160 employees, including over 30 professionals dedicated to research and systems.

Flexible and Active Investment Approach

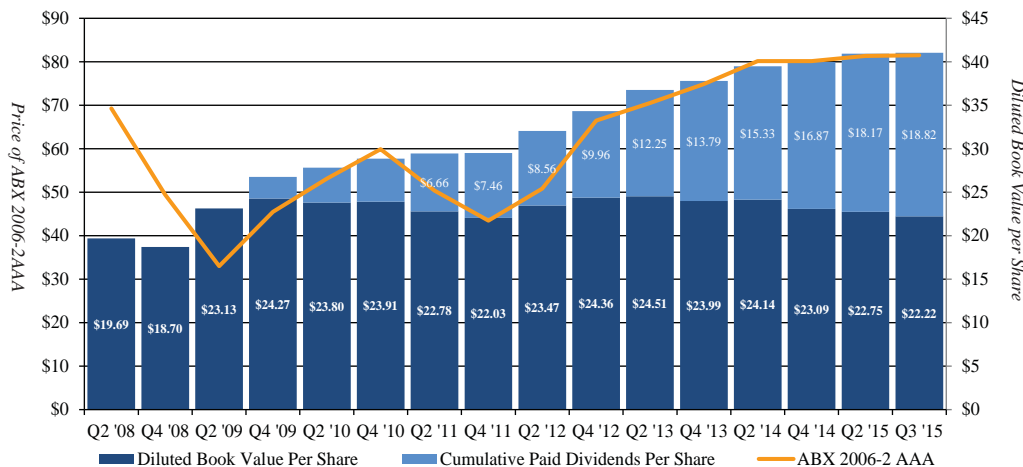
The Company employs a sophisticated, active style of investing and has the flexibility to acquire and trade a diverse mix of mortgage-related securities. EFC’s primary objective is to generate attractive risk-adjusted returns by utilizing an opportunistic approach to investing in its target assets. The 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 1.81:1 as of September 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 September 30, 2015 is approximately 161%, or 12.5% annualized⁽⁵⁾.



Third Quarter 2015 Fact Sheet

NYSE: EFC

www.ellingtonfinancial.com

EFC OVERVIEW (as of 9/30/2015)

Market Capitalization ⁽²⁾ :	\$603.8mm
Q3 Dividend Per Share:	\$0.50
Dividend Yield ⁽²⁾ :	11.1%
Total Long Investments ⁽³⁾ :	\$1.88bn
Diluted Book Value/Share:	\$22.22
Debt-to-Equity:	1.81x
Q3 Diluted NAV-Based Total Return ⁽⁵⁾ :	0.51%

TARGET ASSETS

Credit 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

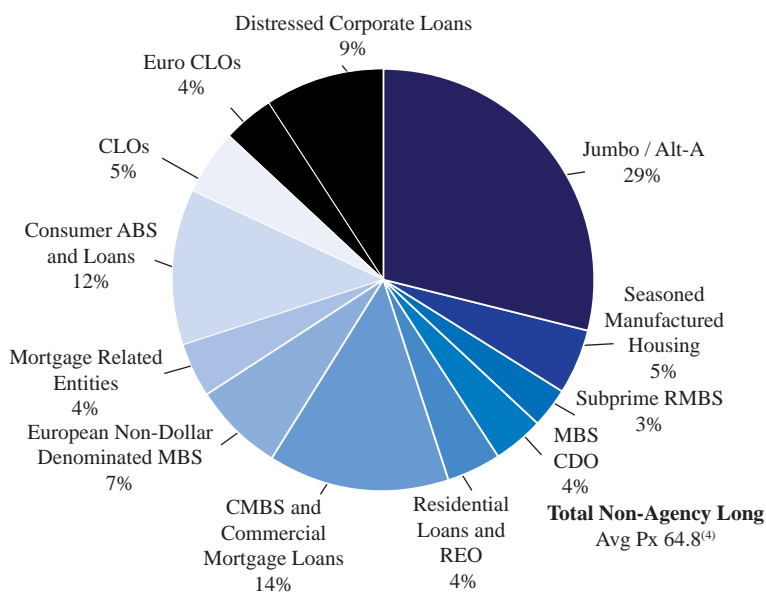
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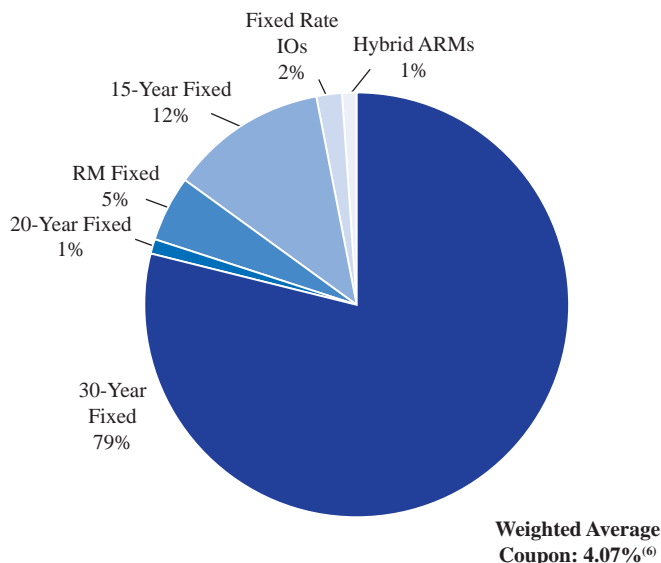
PORTFOLIO COMPOSITION AS OF 9/30/2015

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

Credit Long Portfolio - \$655mm



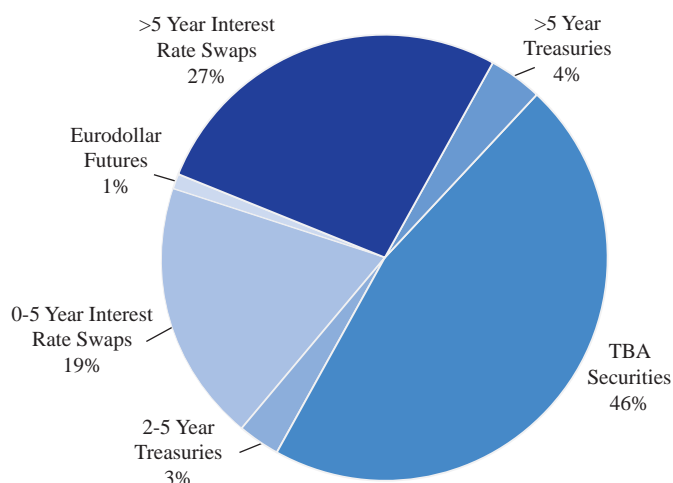
Agency MBS Long Portfolio - \$1,221mm



AGENCY HEDGING PORTFOLIO AS OF 9/30/2015

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

Agency Hedging Portfolio - Short \$486mm 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 September 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 November 4, 2015 closing share price of \$18.07. Dividend yield is calculated by annualizing the \$0.50 quarterly dividend declared for the quarter ended September 30, 2015, divided by the November 4, 2015 closing share price of \$18.07.

(3) Total Long Investments is equal to the sum of long positions in the Company's Credit 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 Credit long portfolio was \$37.1 million, and the corresponding value of the related total return swaps was \$(2.9) million, as of September 30, 2015.

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