

## **EAGLE POINT INCOME COMPANY INC. ANNOUNCES FOURTH QUARTER AND YEAR END 2019 FINANCIAL RESULTS**

GREENWICH, Conn. – February 27, 2020 – Eagle Point Income Company Inc. (the “Company”) (NYSE: EIC) today announced financial results for the quarter and fiscal year ended December 31, 2019, net asset value (“NAV”) as of December 31, 2019 and certain portfolio activity through February 18, 2020.

### **FOURTH QUARTER AND FULL YEAR 2019 HIGHLIGHTS**

- Net investment income (“NII”) of \$0.31 per weighted average common share<sup>1</sup> for the fourth quarter of 2019.
- NAV per common share of \$19.34 as of December 31, 2019.
- Fourth quarter 2019 GAAP net income (inclusive of unrealized mark-to-market gains) of \$2.8 million, or \$0.47 per weighted average common share.
- Weighted average effective yield of the Company’s collateralized loan obligation (“CLO”) debt and equity portfolio was 9.34% as of December 31, 2019.
- Deployed \$23.9 million in gross capital in the fourth quarter of 2019.
- As of December 31, 2019, the Company borrowed \$13.7 million of the \$30 million available on its revolving credit facility.

### **SUBSEQUENT EVENTS**

- NAV per common share estimated to be between \$19.57 and \$19.67 as of January 31, 2020.
- Deployed \$12.2 million in gross capital from January 1, 2020 through February 18, 2020.

“We are pleased that the Company has operated consistently with our goals set forth in connection with our IPO and experienced a strong fourth quarter. We believe the Company is well positioned to carry its momentum into 2020,” said Thomas Majewski, Chairman and Chief Executive Officer. “During the fourth quarter, we recorded NII of \$0.31 per share, a 19% increase from the third quarter, as we benefited from additional income generated as our portfolio continued to ramp up. We deployed \$23.9 million of capital into new investments during the quarter and saw prices for many of our holdings rally into the end of the year.”

“The Company has continued deploying capital into attractive investments during the first quarter and preliminary results for January show a further increase in NAV,” added Mr. Majewski. “Based on our incremental deployment, we expect the first quarter’s NII to increase from our fourth quarter results.”

### **FOURTH QUARTER 2019 RESULTS**

The Company’s NII for the quarter ended December 31, 2019 was \$0.31 per weighted average common share.

For the quarter ended December 31, 2019, the Company recorded GAAP net income of \$2.8 million, or \$0.47 per weighted average common share. The net income was comprised of total investment income of

---

<sup>1</sup> “Per weighted average common share” data are on a weighted average basis based on the average daily number of shares of common stock outstanding for the period and “per common share” refers to per share of the Company’s common stock.

\$2.8 million and net unrealized appreciation on investments of \$0.9 million, partially offset by total expenses of \$0.9 million.

NAV as of December 31, 2019 was \$116.4 million, or \$19.34 per common share.

During the quarter ended December 31, 2019, the Company deployed \$23.9 million in gross capital.

As of December 31, 2019, the weighted average effective yield on the Company's CLO debt and equity portfolio was 9.34% based on amortized cost.

## **FULL YEAR 2019 AND PORTFOLIO STATUS**

For the fiscal year ended December 31, 2019, the Company recorded net income of \$7.4 million. Fiscal year net income was comprised of total investment income of \$8.3 million and net unrealized appreciation (or unrealized mark-to-market gains on investments) of \$1.4 million, partially offset by net expenses of \$1.8 million and realized losses of \$0.5 million.

As of December 31, 2019, on a look-through basis, and based on the most recent CLO trustee reports received by such date, the Company had indirect exposure to approximately 1,287 unique corporate obligors. The largest look-through obligor represented 1.2% of the Company's CLO debt and equity portfolio. The top-ten largest look-through obligors together represented 5.8% of the Company's CLO debt and equity portfolio.

The look-through weighted average spread of the loans underlying the Company's CLO debt and equity investments was 3.58% as of December 2019.

As of December 31, 2019, the Company had \$13.7 million in outstanding borrowings from the revolving credit facility, representing leverage of 10.56% of total assets. Over the long term, management expects the Company to operate under current market conditions generally with leverage of approximately 20% of total assets. Based on applicable market conditions at any given time, or should significant opportunities present themselves, the Company may incur leverage in excess of this amount, subject to applicable regulatory limits.

## **FIRST QUARTER 2020 PORTFOLIO ACTIVITY THROUGH FEBRUARY 18, 2020 AND OTHER UPDATES**

From January 1, 2020 through February 18, 2020, the Company deployed \$12.2 million in gross capital.

As of February 18, 2020, the Company had approximately \$1.8 million of cash and capacity on its revolver available for investment.

As previously published on the Company's website, management's estimate of the Company's range of NAV per common share as of January 31, 2020 was \$19.57 to \$19.67, representing a 1.4% increase from December's level (based on the midpoint of the estimated range).

## **DISTRIBUTIONS**

The Company paid a monthly distribution of \$0.1326 per common share on January 31, 2020 to stockholders of record as of January 13, 2020. Additionally, and as previously announced, the Company declared distributions of \$0.1326 per share of common stock payable on February 28, 2020 and March 31, 2020, to stockholders of record as of February 12, 2020 and March 12, 2020, respectively. The ability of

the Company to declare and pay distributions is subject to several factors, including the Company's results of operations.

## **SPECIAL DISTRIBUTION**

As one of the requirements for the Company to maintain its ability to be taxed as a "regulated investment company" (which it has elected to be), the Company is generally required to pay distributions to holders of its common stock in an amount equal to substantially all of the Company's taxable income.

The Company has determined that its estimated taxable income for the tax year ending December 31, 2019 will exceed the aggregate amount of distributions to be paid to common stockholders during 2019 and as a result the Company will be required to distribute approximately \$2.3 million, or \$0.39 per common share (based on the number of shares of common stock currently outstanding), in one or more special distributions during the 2020 calendar year. The actual amount of special distributions will not be known until the Company files its tax returns for its tax year ending December 31, 2019 and the amount of special distributions per share of common stock will be determined based on the actual shares of common stock outstanding as of applicable record dates. The Company expects to pay one or more special distribution(s) during the second half of 2020 and will provide further information on the amount and exact timing in future communications.

## **CONFERENCE CALL**

The Company will host a conference call at 11:30 a.m. (Eastern Time) today to discuss the Company's financial results for the quarter and fiscal year ended December 31, 2019, as well as a portfolio update.

All interested parties may participate in the conference call by dialing (877) 407-0789 (domestic) or (201) 689-8562 (international). Please reference Conference ID 13698694 when calling and you are invited to dial in approximately 10 to 15 minutes prior to the start of call.

A live webcast will also be available on the Company's website ([www.eaglepointincome.com](http://www.eaglepointincome.com)). Please go to the Investor Relations section at least 15 minutes prior to the call to register, download and install any necessary audio software.

An archived replay of the call will be available shortly afterwards until March 27, 2020. To hear the replay, please dial (844) 512-2921 (toll-free) or (412) 317-6671 (international). For the replay, enter Conference ID 13698694.

## **ADDITIONAL INFORMATION**

The Company has made available on the investor relations section of its website, [www.eaglepointincome.com](http://www.eaglepointincome.com) (in the financial and portfolio updates section), its 2019 Stockholder Letter and Annual Report, which includes the Company's audited financial statements as of and for the period ended December 31, 2019. The Company also published on its website (in the presentations and events section) an investor presentation, which contains additional information about the Company and its portfolio as of and for the quarter and fiscal year ended December 31, 2019. The Company has filed these reports with the Securities and Exchange Commission.

## **ABOUT EAGLE POINT INCOME COMPANY**

The Company is a non-diversified, closed-end management investment company. The Company's investment objective is to generate high current income, with a secondary objective to generate capital

appreciation, by investing primarily in junior debt tranches of CLOs. In addition, the Company may invest up to 20% of its total assets (at the time of investment) in CLO equity securities and related securities and instruments (primarily via minority ownership positions). The Company makes a monthly estimate of NAV and certain additional financial information available to investors via its website ([www.eaglepointincome.com](http://www.eaglepointincome.com)). This information includes (1) an estimated range of the Company's net investment income and realized capital gains or losses per share of common stock for each calendar quarter end, generally made available within the first fifteen days after the applicable calendar month end, (2) an estimate of the Company's NAV (or an estimated range of the Company's NAV) per share of common stock for the prior month end and certain additional portfolio-level information, generally made available within the first fifteen days after the applicable calendar month end, and (3) with respect to each calendar quarter end, an updated estimate of the Company's NAV per share of common stock, if applicable, and net investment income and realized capital gains or losses per share for the applicable quarter, if available.

## **FORWARD-LOOKING STATEMENTS**

*This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described in the prospectus and the Company's other filings with the SEC. The Company undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.*

## **FURTHER INFORMATION REGARDING ESTIMATED TAX INFORMATION**

*The estimates of the Company's taxable income and distributions for the tax year ended December 31, 2019 reflects management's judgment as of the date of this press release of conditions it expects to exist and the course of action it expects the Company to take with respect to the tax year ended December 31, 2019. The estimates are based on taxable income reported to date and assumptions relating to the underlying tax characteristics of income and other items as reported to the Company. Although the Company considers its assumptions to be reasonable as of the date of this press release, such assumptions are subject to a wide variety of significant uncertainties that could cause actual results to differ materially from those contained in the estimates, including risks and uncertainties relating to the completeness and accuracy of preliminary information reported or received by the Company from underlying investments, and those described in the notes to the Company's audited financial statements for the fiscal year ended December 31, 2019. Accordingly, there can be no assurance that actual results will not differ materially from those presented in the estimates.*

*The estimate of taxable income was prepared on a reasonable basis and reflects the best currently available estimates and judgment of Company management. However, this estimate is not fact and readers of this press release should not rely upon this information or place undue reliance on such estimate.*

*Neither the Company's independent registered public accounting firm nor any other independent accountants has compiled, examined or performed any procedures with respect to estimated information contained herein, or expressed any opinion or assurance with respect to the estimated information or its achievability, and accordingly each assumes no responsibility for, and disclaims any association with, the estimates.*

Source: Eagle Point Income Company Inc.

Investor and Media Relations:

ICR

203-340-8510

[IR@EaglePointIncome.com](mailto:IR@EaglePointIncome.com)

[www.eaglepointincome.com](http://www.eaglepointincome.com)