

## EAGLE POINT INCOME COMPANY INC. ANNOUNCES SECOND QUARTER 2020 FINANCIAL RESULTS

GREENWICH, Conn. – August 17, 2020 – Eagle Point Income Company Inc. (the “Company”) (NYSE: EIC) today announced financial results for the quarter ended June 30, 2020, net asset value (“NAV”) as of June 30, 2020 and certain additional activity through August 7, 2020.

### SECOND QUARTER 2020 HIGHLIGHTS

- Net investment income (“NII”) and realized gains of \$0.34 per weighted average common share<sup>1</sup> for the second quarter of 2020.
- NAV per common share of \$14.14 as of June 30, 2020.
- Second quarter 2020 GAAP net income (inclusive of unrealized mark-to-market gains) of \$32.8 million, or \$5.40 per weighted average common share.
- Weighted average effective yield of the Company’s collateralized loan obligation (“CLO”) debt and equity portfolio (based on amortized cost) was 8.94% as of June 30, 2020.
- Deployed \$4.1 million in gross capital and received \$4.5 million in proceeds from the sale of investments in the second quarter of 2020.
- Issued 88,185 shares of common stock at a premium to NAV during the second quarter for total net proceeds to the Company of approximately \$0.9 million pursuant to the Company’s “at-the-market” offering program.

### SUBSEQUENT EVENTS

- NAV per common share estimated to be between \$14.28 and \$14.32 as of July 31, 2020.
- As of August 7, 2020, the Company had approximately \$23.2 million of cash and capacity on its revolving credit facility available for investment.

“The value of our portfolio increased dramatically during the second quarter, with our NAV up 57% from its March lows,” said Thomas Majewski, Chairman and Chief Executive Officer. “Every investment we held paid as scheduled during the second quarter. We were also able to opportunistically trade our portfolio, realizing some gains during the quarter. As of August 7, the Company had over \$23 million of cash and undrawn committed capital on its credit facility.”

“We were pleased to generate net investment income and realized gains of \$0.34, materially above our distribution level for the second quarter,” added Mr. Majewski. “The upward momentum in valuations that we saw in the second quarter continued in July, with management estimating our July NAV up an additional 2.5% before giving effect to the special distribution paid in July.”

### SECOND QUARTER 2020 RESULTS

The Company’s NII and realized gains for the quarter ended June 30, 2020 was \$0.34 per weighted average common share. This compared to -\$2.05 of NII and realized losses per weighted average common share for the quarter ended March 31, 2020.

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<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.

For the quarter ended June 30, 2020, the Company recorded GAAP net income of \$32.8 million, or \$5.40 per weighted average common share. The net gain was comprised of total investment income of \$2.7 million, net unrealized appreciation on investments of \$30.7 million and net realized gain on investments of \$0.4 million, partially offset by total expenses of \$1.0 million.

NAV as of June 30, 2020 was \$86.3 million, or \$14.14 per common share, which is \$5.15 per common share higher than the Company's NAV as of March 31, 2020.

During the quarter ended June 30, 2020, the Company deployed \$4.1 million in gross capital and received \$4.5 million in proceeds from the sale of investments.

As of June 30, 2020, the weighted average effective yield on the Company's CLO debt and equity portfolio (based on amortized cost) was 8.94%.

Pursuant to the Company's "at-the-market" offering program, the Company issued 88,185 shares of common stock at a premium to NAV during the second quarter for total net proceeds to the Company of approximately \$0.9 million.

## **PORTFOLIO STATUS**

As of June 30, 2020, 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 1,258 unique corporate obligors. The largest look-through obligor represented 1.3% of the Company's CLO debt and equity portfolio. The top-ten largest look-through obligors together represented 6.3% of the Company's CLO debt and equity portfolio.

As of June 30, 2020, the Company had \$7.6 million in outstanding borrowings from the revolving credit facility, representing leverage of 8.1% of total assets (less current liabilities). 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.

## **THIRD QUARTER 2020 PORTFOLIO ACTIVITY THROUGH AUGUST 7, 2020 AND OTHER UPDATES**

As of August 7, 2020, the Company had approximately \$23.2 million of cash and capacity on its revolving credit facility 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 July 31, 2020 was \$14.28 to \$14.32.

## **DISTRIBUTIONS**

The Company paid a monthly distribution of \$0.08 per common share on July 31, 2020 to stockholders of record as of July 13, 2020. Additionally, and as previously announced, the Company declared distributions of \$0.08 per share of common stock payable on August 31, 2020, September 30, 2020, October 30, 2020, November 30, 2020 and December 31, 2020 to stockholders of record as of August 12, 2020, September 11, 2020, October 13, 2020, November 12, 2020 and December 11, 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 DISTRIBUTIONS**

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.

As previously announced, the Company determined that its taxable income for the tax year ending December 31, 2019 exceeded the aggregate amount of distributions paid to common stockholders during 2019 and, as a result, the Company declared two special distributions of \$0.19 per common share. The Company paid the first special distribution of \$0.19 per common share on July 31, 2020 to stockholders of record as of July 13, 2020. The second special distribution of \$0.19 per common share will be paid on October 30, 2020, to stockholders of record on October 13, 2020.

## **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 ended June 30, 2020, 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 13707136 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 September 17, 2020. To hear the replay, please dial (844) 512-2921 (toll-free) or (412) 317-6671 (international). For the replay, enter Conference ID 13707136.

## **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 semiannual stockholder report for the period ended June 30, 2020 (which includes the Company's unaudited consolidated financial statements as of and for the period ended June 30, 2020). The Company has also filed this report with the Securities and Exchange Commission. 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 ended June 30, 2020.

## **ABOUT EAGLE POINT INCOME COMPANY**

The Company is a non-diversified, closed-end management investment company. The Company's primary 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 NII and realized 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 NII and realized 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.*

Source: Eagle Point Income Company Inc.

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