



## Orchid Island Capital Announces May 2019 Monthly Dividend and April 30, 2019 RMBS Portfolio Characteristics

May 15, 2019

- May 2019 Monthly Dividend of \$0.08 Per Share
- RMBS Portfolio Characteristics as of April 30, 2019
- Next Dividend Announcement Expected June 11, 2019

VERO BEACH, Fla., May 15, 2019 (GLOBE NEWSWIRE) -- Orchid Island Capital, Inc. (the "Company") (NYSE:ORC) announced today that the Board of Directors (the "Board") declared a monthly cash dividend for the month of May 2019. The dividend of \$0.08 per share will be paid June 28, 2019, to holders of record on May 31, 2019, with an ex-dividend date of May 30, 2019. The Company plans on announcing its next dividend after the Board's meeting on June 11, 2019.

The Company intends to make regular monthly cash distributions to its stockholders. In order to qualify as a real estate investment trust ("REIT"), the Company must distribute annually to its stockholders an amount at least equal to 90% of its REIT taxable income, determined without regard to the deduction for dividends paid and excluding any net capital gain. The Company will be subject to income tax on taxable income that is not distributed and to an excise tax to the extent that a certain percentage of its taxable income is not distributed by specified dates. The Company has not established a minimum distribution payment level and is not assured of its ability to make distributions to stockholders in the future.

As of May 15, 2019, the Company had 53,392,967 shares outstanding. At March 31, 2019, the Company had 49,937,700 shares outstanding.

### RMBS Portfolio Characteristics

Details of the RMBS portfolio as of April 30, 2019 are presented below. These figures are preliminary and subject to change. The information contained herein is an intra-quarter update created by the Company based upon information that the Company believes is accurate:

- RMBS Valuation Characteristics
- RMBS Assets by Agency
- Investment Company Act of 1940 (Whole Pool) Test Results
- Repurchase Agreement Exposure by Counterparty
- RMBS Risk Measures

### About Orchid Island Capital, Inc.

Orchid Island Capital, Inc. is a specialty finance company that invests in Agency RMBS that are either traditional pass-through Agency RMBS or structured Agency RMBS. Orchid Island Capital, Inc. has elected to be taxed as a REIT for federal income tax purposes.

### Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements include, but are not limited to, statements about the Company's distributions and the expected funding of purchased assets and anticipating borrowings. These forward-looking statements are based upon Orchid Island Capital, Inc.'s present expectations, but these statements are not guaranteed to occur. Investors should not place undue reliance upon forward-looking statements. For further discussion of the factors that could affect outcomes, please refer to the "Risk Factors" section of the Company's Form 10-K for the year ended December 31, 2018.

### RMBS Valuation Characteristics

(\$ in thousands)

Type	Current Face	Fair Value <sup>(1)</sup>	% of Portfolio	Net Weighted Current Average				Weighted Average Maturity (Months)	Realized Apr 2019	Realized Feb - Apr 2019	Modeled Interest Rate Sensitivity (-50 BPS) <sup>(2)</sup>	Modeled Interest Rate Sensitivity (+50 BPS) <sup>(2)</sup>
				Coupon	GWAC	Age	Weighted CPR (1-Month) (Reported in May)		Weighted CPR (3-Month) (Reported in May)			
<b>Pass Through RMBS</b>												
Post Reset ARM	\$ 1,136	\$ 1,202	0.04 %	\$ 105.81	4.78 %	5.22 %	176	185	0.00 %	40.67 %	\$ 7	\$(7)
Fixed Rate CMO	681,367	706,390	20.81 %	103.67	4.26 %	4.61 %	14	343	15.35 %	11.55 %	56	(3,508)
15yr 4.0	474,789	495,341	14.59 %	104.33	4.00 %	4.54 %	11	166	9.57 %	8.60 %	8,558	(9,097)
15yr Total	474,789	495,341	14.59 %	104.33	4.00 %	4.54 %	11	166	9.57 %	8.60 %	8,558	(9,097)
20yr 4.0	87,786	91,837	2.70 %	104.61	4.00 %	4.48 %	21	215	10.37 %	9.53 %	1,962	(2,049)

20yr Total	87,786	91,837	2.70	%	104.61	4.00	%	4.48	%	21	215	10.37	%	9.53	%	1,962	(2,049)
30yr 3.0	224,240	219,286	6.46	%	97.79	3.00	%	4.34	%	1	359	3.23	%	-	%	4,839	(6,924)
30yr 3.5	54,896	55,507	1.63	%	101.11	3.50	%	4.22	%	13	344	6.13	%	-	%	1,044	(1,414)
30yr 4.0	749,380	778,905	22.94	%	103.94	4.00	%	4.67	%	12	347	7.68	%	8.20	%	12,821	(18,291)
30yr 4.5	468,037	490,963	14.46	%	104.90	4.50	%	5.11	%	8	352	12.65	%	12.48	%	4,205	(6,591)
30yr 5.0	385,844	418,287	12.32	%	108.41	5.00	%	5.59	%	10	348	9.70	%	14.12	%	6,017	(7,482)
30yr Total	1,882,397	1,962,948	57.82	%	104.28	4.20	%	4.91	%	9	350	8.72	%	11.21	%	28,926	(40,702)
<b>Total Pass Through RMBS</b>	<b>3,127,475</b>	<b>3,257,718</b>	<b>95.95</b>	<b>%</b>	<b>104.16</b>	<b>4.18</b>	<b>%</b>	<b>4.78</b>	<b>%</b>	<b>11</b>	<b>316</b>	<b>10.44</b>	<b>%</b>	<b>10.66</b>	<b>%</b>	<b>39,509</b>	<b>(55,363)</b>
<b>Structured RMBS</b>																	
Interest-Only Securities	788,857	113,137	3.33	%	14.34	3.76	%	4.34	%	62	253	11.22	%	9.67	%	(17,821)	14,663
Inverse Interest-Only Securities	215,119	24,236	0.71	%	11.27	2.64	%	4.86	%	58	293	9.69	%	9.02	%	1,853	(2,699)
<b>Total Structured RMBS</b>	<b>1,003,976</b>	<b>137,373</b>	<b>4.05</b>	<b>%</b>	<b>13.68</b>	<b>3.52</b>	<b>%</b>	<b>4.45</b>	<b>%</b>	<b>61</b>	<b>262</b>	<b>10.89</b>	<b>%</b>	<b>9.53</b>	<b>%</b>	<b>(15,968)</b>	<b>11,964</b>
<b>Total Mortgage Assets</b>	<b>\$ 4,131,451</b>	<b>\$ 3,395,091</b>	<b>100.00</b>	<b>%</b>		<b>4.02</b>	<b>%</b>	<b>4.70</b>	<b>%</b>	<b>23</b>	<b>303</b>	<b>10.56</b>	<b>%</b>	<b>10.30</b>	<b>%</b>	<b>\$ 23,541</b>	<b>\$ (43,399)</b>

Hedge	Average	Hedge			Interest	Interest
	Notional	Period			Rate	Rate
	Balance	End			Sensitivity	Sensitivity
					(-50	(+50
					BPS)(2)	BPS)(2)
Eurodollar Futures	\$ (457,143 )	Dec-2020			\$ (4,000 )	\$ 4,000
Swaps	(1,760,000)	Sep-2020			(22,359 )	22,359
5-Year Treasury Future	(165,000 )	Jun-2019 <sup>(3)</sup>			(4,095 )	4,534
TBA	(250,000 )	May-2019			(4,349 )	6,289
Swaptions	(100,000 )	Jun-2026			(87 )	1,304
<b>Hedge Total</b>	<b>\$ (2,732,143)</b>				<b>\$ (34,890)</b>	<b>\$ 38,486</b>
<b>Rate Shock Grand Total</b>					<b>\$ (11,349)</b>	<b>\$ (4,913)</b>

- (1) Amounts in the tables above include assets with a fair value of approximately \$202.2 million purchased in April 2019, which settle in May 2019, and exclude assets with a fair value of approximately \$248.2 million sold in April 2019, which settle in May 2019.
- (2) Modeled results from Citigroup Global Markets Inc. Yield Book. Interest rate shocks assume instantaneous parallel shifts and horizon prices are calculated assuming constant LIBOR option-adjusted spreads. These results are for illustrative purposes only and actual results may differ materially.
- (3) Five year treasury futures contracts were valued at prices of \$115.64 at April 30, 2019. The notional contract value of the short position was \$190.8 million.

**RMBS Assets by Agency**  
(\$ in thousands)

Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio
<b>As of April 30, 2019</b>		
Fannie Mae	\$ 1,967,242	57.9 %
Freddie Mac	1,424,448	42.0 %
Ginnie Mae	3,401	0.1 %
Total Mortgage Assets	\$ 3,395,091	100.0 %

**Investment Company Act of 1940 Whole Pool Test**  
(\$ in thousands)

Asset Category	Fair Value <sup>(1)</sup>	Percentage of Portfolio
<b>As of April 30, 2019</b>		
Non-Whole Pool Assets	\$ 1,243,228	36.6 %
Whole Pool Assets	2,151,863	63.4 %
Total Mortgage Assets	\$ 3,395,091	100.0 %

- (1) Amounts in the tables above include assets with a fair value of approximately \$202.2 million purchased in April 2019, which settle in May 2019 and exclude assets with a fair value of approximately \$248.2 million sold in April 2019, which settle in May 2019.

**Borrowings By Counterparty**  
(\$ in thousands)

	Total	% of		Weighted	Weighted	
As of April 30, 2019	Borrowings <sup>(1)</sup>	Total		Average	Average	Longest
		Debt		Repo	Maturity	Maturity
				Rate	in Days	
RBC Capital Markets, LLC	\$ 469,669	14.5	%	2.69	% 36	7/15/2019
Mirae Asset Securities (USA) Inc.	369,666	11.4	%	2.65	% 106	10/9/2019
Wells Fargo Bank, N.A.	368,141	11.3	%	2.67	% 21	6/10/2019
J.P. Morgan Securities LLC	252,512	7.8	%	2.70	% 15	5/15/2019
ING Financial Markets LLC	225,957	6.9	%	2.65	% 61	7/24/2019
Cantor Fitzgerald & Co	204,110	6.3	%	2.68	% 17	6/5/2019
Mitsubishi UFJ Securities (USA), Inc	198,607	6.1	%	2.66	% 41	7/22/2019
South Street Securities, LLC	196,440	6.0	%	2.63	% 226	4/9/2020
ABN AMRO Bank N.V.	153,738	4.7	%	2.62	% 6	5/6/2019
ASL Capital Markets Inc.	136,771	4.2	%	2.65	% 64	10/7/2019
Citigroup Global Markets Inc	130,772	4.0	%	2.70	% 28	7/16/2019
ICBC Financial Services LLC	112,926	3.5	%	2.64	% 24	6/11/2019
ED&F Man Capital Markets Inc	97,735	3.0	%	2.63	% 116	10/7/2019
FHLB-Cincinnati	81,499	2.5	%	2.88	% 1	5/1/2019
Natixis, New York Branch	54,845	1.7	%	2.76	% 15	5/15/2019
Lucid Cash Fund USG LLC	48,678	1.5	%	2.65	% 16	5/16/2019
Bank of Montreal	42,816	1.3	%	2.70	% 42	6/14/2019
Guggenheim Securities, LLC	33,015	1.0	%	2.62	% 28	5/28/2019
Merrill Lynch, Pierce, Fenner & Smith	32,413	1.0	%	2.81	% 21	5/30/2019
J.V.B. Financial Group, LLC	24,447	0.8	%	2.64	% 44	7/3/2019
Lucid Prime Fund, LLC	17,802	0.5	%	2.72	% 16	5/16/2019
Total Borrowings	\$ 3,252,559	100.0	%	2.67	% 53	4/9/2020

(1) In April 2019, the Company purchased assets with a fair value of approximately \$202.2 million, which settle in May 2019 that are expected to be funded by repurchase agreements. The anticipated borrowings are not included in the table above. In addition, the Company sold assets with a fair value of approximately \$248.2 million, which settle in May 2019 that collateralize approximately \$241.2 million of repurchase agreements included in the table above.

**Contact:**

Orchid Island Capital, Inc.  
Robert E. Cauley  
3305 Flamingo Drive, Vero Beach, Florida 32963  
Telephone: (772) 231-1400



Source: Orchid Island Capital, Inc.