

## **EAGLE POINT CREDIT COMPANY INC. ANNOUNCES FIRST QUARTER 2019 FINANCIAL RESULTS AND PARTIAL REDEMPTION OF SERIES A TERM PREFERRED STOCK DUE 2022**

GREENWICH, Conn. – May 22, 2019 – Eagle Point Credit Company Inc. (the “Company”) (NYSE: ECC, ECCA, ECCB, ECCX, ECCY) today announced financial results for the quarter ended March 31, 2019, net asset value (“NAV”) as of March 31, 2019 and certain portfolio activity through May 15, 2019. The Company also announced that it will redeem 909,000 shares of its 7.75% Series A Term Preferred Stock (NYSE: ECCA) on June 28, 2019.

### **FIRST QUARTER 2019 HIGHLIGHTS**

- Net investment income (“NII”) and realized capital gains of \$0.36 per weighted average common share<sup>1</sup> for the first quarter of 2019.
- NAV per common share of \$13.70 as of March 31, 2019.
- First quarter 2019 GAAP net income (inclusive of unrealized mark-to-market gains) of \$45.0 million, or \$1.93 per weighted average common share.
- Weighted average effective yield of the Company’s collateralized loan obligation (“CLO”) equity portfolio (excluding called deals) was 13.58% as of March 31, 2019.
- Deployed \$58.5 million in gross capital, received \$44.0 million in proceeds from the sale of investments and received \$27.3 million in cash distributions from the Company’s investment portfolio in the first quarter of 2019.
- 2 of the Company’s CLO investments were reset during the first quarter of 2019.

### **SUBSEQUENT EVENTS**

- NAV per common share estimated to be between \$14.33 and \$14.43 as of April 30, 2019.
- Deployed \$5.7 million in gross capital from April 1, 2019 through May 15, 2019; received cash distributions from the Company’s investment portfolio of \$44.1 million over the same period. Excluding proceeds from called investments, the Company received cash distributions of \$24.4 million over the same period.

“The first quarter was strong for the Company and we saw a significant reversal of the mark-to-market losses from the fourth quarter,” said Thomas Majewski, Chief Executive Officer. “Cash flow from our portfolio remained solid during the first quarter, with recurring cash flows on our portfolio increasing both on an absolute and per share basis quarter over quarter. Loan market fundamentals remain solid, as evidenced by the lagging 12-month default rate heading under 1.0% at the end of March, the lowest it has been since the 2008-2009 financial crisis.”

“During the first quarter, we recorded NII and realized capital gains per share of \$0.36,” noted Mr. Majewski. “As we move ahead, we would expect the benefits from our past years’ refinancing and reset program will be better reflected in our CLO investments’ 2019 distributions and portfolio activities, which has started to be borne out as the weighted average effective yield on our CLO equity portfolio (excluding called deals) increased quarter over quarter.”

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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.

## **FIRST QUARTER 2019 RESULTS**

The Company's NII and realized capital gains for the quarter ended March 31, 2019 was \$0.36 per weighted average common share. This compared to NII and realized capital losses of \$0.38 per weighted average common share for the quarter ended December 31, 2018, and NII and realized capital gains of \$0.50 per weighted average common share for the quarter ended March 31, 2018.

For the quarter ended March 31, 2019, the Company recorded GAAP net income of \$45.0 million, or \$1.93 per weighted average common share. Net income was comprised of total investment income of \$16.6 million, net realized capital gains on investments of \$0.2 million, and net unrealized appreciation (or unrealized mark-to-market gains on investments and liabilities at fair value) of \$36.6 million, and partially offset by total expenses of \$8.4 million.

NAV as of March 31, 2019 was \$324.1 million, or \$13.70 per common share, which is \$1.30 per common share higher than the Company's NAV as of December 31, 2018, and \$2.95 per common share lower than the Company's NAV as of March 31, 2018.

During the quarter ended March 31, 2019, the Company deployed \$58.5 million in gross capital and \$14.5 million in net capital. The weighted average effective yield of new CLO equity investments made by the Company during the quarter, which includes a provision for credit losses, was 15.58% as measured at the time of investment. Additionally, during the quarter, the Company received \$44.0 million of proceeds from the sale of investments and converted 3 of its existing loan accumulation facilities into CLOs.

During the quarter ended March 31, 2019, the Company received \$27.3 million of cash distributions from its investment portfolio, or \$1.17 per weighted average common share, including amounts received from called investments. Excluding proceeds from called investments, the Company received cash distributions of \$1.13 per weighted average common share during the quarter, which was in excess of the Company's aggregate quarterly common distribution and other recurring operating costs.

During the quarter ended March 31, 2019, 2 of the Company's CLO investments were reset.

As of March 31, 2019, the weighted average effective yield on the Company's CLO equity portfolio (excluding called deals) was 13.58%, compared to 13.40% as of December 31, 2018 and 14.64% as of March 31, 2018.

Pursuant to the Company's "at-the-market" offerings, the Company issued 463,955 shares of common stock at a premium to NAV during the first quarter for total net proceeds to the Company of approximately \$7.5 million. This issuance resulted in \$0.05 per share of NAV accretion for the quarter ended March 31, 2019.

## **PORTFOLIO STATUS**

As of March 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 1,506 unique corporate obligors. The largest look-through obligor represented 0.9% of the Company's CLO equity and loan accumulation facility portfolio. The top-ten largest look-through obligors together represented 6.6% of the Company's CLO equity and loan accumulation facility portfolio.

The look-through weighted average spread of the loans underlying the Company's CLO equity and related investments was 3.53% as of March 2019. This is an increase of 1 basis point from 3.52% as of December 2018.

As of March 31, 2019, the Company had debt and preferred securities outstanding which totaled approximately 37.4% of its total assets (less current liabilities). Over the long term, management expects the Company to operate under current market conditions generally with leverage within a range of 25% to 35% of total assets. Based on applicable market conditions at any given time, or should significant opportunities present themselves, the Company may incur leverage outside of this range, subject to applicable regulatory limits.

## **SECOND QUARTER 2019 PORTFOLIO ACTIVITY THROUGH MAY 15, 2019 AND OTHER UPDATES**

From April 1, 2019 through May 15, 2019, the Company received \$44.1 million of cash distributions from its investment portfolio, or \$1.79 per weighted average common share, including amounts received from called investments. Excluding proceeds from called investments, the Company received cash distributions of \$0.99 per weighted average common share for the same period. As of May 15, 2019, some of the Company's investments had not yet reached their payment date for the quarter. Also from April 1, 2019 through May 15, 2019, the Company deployed \$5.7 million in net capital.

As of May 15, 2019, the Company has approximately \$33.5 million of cash available for investment.

From April 1, 2019 through May 15, 2019, pursuant to the Company's "at-the-market" offerings, the Company issued an additional 1,613,899 shares of common stock at a premium to NAV for total net proceeds to the Company of approximately \$27.3 million. This issuance resulted in approximately \$0.18 per share of NAV accretion for the second quarter through May 15, 2019.

As previously published on the Company's website, management's estimate of the Company's range of NAV per common share as of April 30, 2019 was \$14.33 to \$14.43.

On May 16, 2019, the Company recognized a realized loss of approximately \$4.5 million, or \$0.18 per weighted average common share, as a result of the write-off of the residual amortized cost associated with called CLO equity investments, the effect of which was already predominantly reflected in the Company's NAV as of March 31, 2019 as an unrealized loss on investments.

## **PREVIOUSLY DECLARED DISTRIBUTIONS**

The Company paid a monthly distribution of \$0.20 per common share on April 30, 2019 to stockholders of record as of April 12, 2019. Additionally, and as previously announced, the Company previously declared distributions of \$0.20 per share of common stock payable on May 31, 2019 and June 28, 2019, to stockholders of record as of May 13, 2019 and June 12, 2019, respectively.

The Company paid distributions of \$0.161459 per share of the Company's 7.75% Series A Term Preferred Stock due 2022 and 7.75% Series B Term Preferred Stock due 2026 (NYSE: ECCB) on April 30, 2019, to stockholders of record as of April 12, 2019. The distributions represented a 7.75% annualized rate, based on the \$25 liquidation preference per share for each series of preferred stock. Additionally, and as previously announced, the Company previously declared distributions of \$0.161459 per share on each series of preferred stock, payable on each of May 31, 2019 and June 28, 2019, to stockholders of record as of May 13, 2019 and June 12, 2019, respectively.

#### **PARTIAL REDEMPTION OF THE 7.75% SERIES A TERM PREFERRED STOCK DUE 2022**

The Company will redeem 909,000 shares of its 7.75% Series A Term Preferred Stock due 2022 ("Series A Term Preferred Stock") on June 28, 2019 (the "Redemption Date"). The redemption price per share of Series A Term Preferred Stock will be \$25 plus an amount equal to all unpaid dividends and distributions on such shares accumulated to (but excluding) the Redemption Date (the "Redemption Price"). Because the Company has declared dividends and distributions on the Series A Term Preferred Stock payable on each of May 31, 2019 and June 28, 2019, no such amounts will be unpaid as of the Redemption Date and, as such, the Redemption Price shall equal \$25 per share of Series A Term Preferred Stock. It should be noted that, since the Redemption Date occurs after the June 12, 2019 record date applicable to the June 28, 2019 dividend payment date, the dividend payable on June 28, 2019 in respect of the redeemed shares is payable to the holders of record of such shares at the close of business on June 12, 2019 record date, and is not payable as part of the Redemption Price.

All of the shares of the Series A Term Preferred Stock are held in book-entry form through The Depository Trust Company ("DTC") and shares will be redeemed in accordance with the procedures of DTC. Payment to DTC for the shares of the Series A Term Preferred Stock to be redeemed will be made by American Stock Transfer & Trust Company, LLC, the Company's redemption and paying agent for this redemption. From and after the Redemption Date, the shares of Series A Term Preferred Stock being redeemed will no longer be deemed outstanding, dividends will cease to accumulate and all the rights of the shareholders of such shares will cease, except the right to receive the Redemption Price, without interest.

The redemption of 909,000 shares of the Series A Term Preferred Stock is expected to result in interest savings through the original maturity date of the Series A Term Preferred Stock, but will also accelerate into net realized loss a portion of the remaining deferred issuance costs related to the issuance of the Series A Term Preferred Stock in the period such shares are redeemed. After giving effect to the partial redemption of the Series A Term Preferred Stock and the issuance of 1,613,899 shares of common stock pursuant to the Company's "at-the-market" offerings from April 1, 2019 through May 15, 2019, the Company's pro forma leverage ratio, based on the Company's total assets as of March 31, 2019, is approximately 32.7%, which is consistent with management's expectations to operate the Company generally with leverage within a range of 25% to 35% of total assets under current market conditions.

## **CONFERENCE CALL**

The Company will host a conference call at 10:00 a.m. (Eastern Time) today to discuss the Company's financial results for the quarter ended March 31, 2019, as well as a portfolio update.

All interested parties may participate in the conference call by dialing (800) 458-4148 (domestic) or (929) 477-0324 (international), and referencing Conference ID 2558745 approximately 10 to 15 minutes prior to the call.

A live webcast will also be available on the Company's website ([www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.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 June 24, 2019. To hear the replay, please dial (844) 512-2921 (toll-free) or (412) 317-6671 (international). For the replay, enter Conference ID 2558745.

## **ADDITIONAL INFORMATION**

The Company has made available on the investor relations section of its website, [www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.com) (in the financial statements and reports section), its unaudited consolidated financial statements as of and for the period ended March 31, 2019. 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 March 31, 2019.

## **ABOUT EAGLE POINT CREDIT COMPANY**

The Company is a non-diversified, closed-end management investment company. The Company's investment objectives are to generate high current income and capital appreciation primarily through investment in equity and junior debt tranches of collateralized loan obligations. The Company is externally managed and advised by Eagle Point Credit Management LLC.

The Company makes certain unaudited portfolio information available each month on its website in addition to making certain other unaudited financial information available on its website ([www.eaglepointcreditcompany.com](http://www.eaglepointcreditcompany.com)). This information includes (1) an estimated range of the Company's net investment income ("NII") and realized capital gains or losses per weighted average 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 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) during the latter part of each month, an updated estimate of NAV, if applicable, and, with respect to each calendar quarter end, an updated estimate of the Company's NII and realized capital gains or losses 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 Company's*

*filings with the U.S. Securities and Exchange Commission (“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.*

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