



PRESS RELEASE

FOR IMMEDIATE RELEASE
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DYNEX CAPITAL, INC. ANNOUNCES 2018 DIVIDEND TAX INFORMATION

GLEN ALLEN, Va.--Dynex Capital, Inc. (NYSE: DX) today announced tax information with respect to its 2018 Common Stock, Series A Preferred Stock and Series B Preferred Stock dividends.

Dividend Tax Information

We are providing the information below to assist shareholders with their tax reporting requirements relating to the dividend distributions by Dynex Capital, Inc. (“Dynex” or the “Company”). As detailed below, dividends paid by Dynex on its Common Stock were in part ordinary taxable income and in part a return of capital. No portion of the dividends paid in 2018 were capital gains. The portion of the dividends that is ordinary taxable income is a qualified REIT dividend for section 199A purposes.

Shareholders should review the 2018 tax statements and/or Forms 1099 that they receive from their brokerage firms to ensure that the dividend distribution information reported on such statements conforms to the information set forth in this press release.

The table below provides a summary of the tax information relating to the quarterly dividend distributions of the Company for the 2018 tax year:

Dynex Capital, Inc. Common Stock (CUSIP 26817Q506)

<u>Dividend Record Date</u>	<u>Payment Date</u>	<u>Dividends per Share</u>	<u>Ordinary Income</u>	<u>Capital Gain Distribution</u>	<u>Return of Capital</u>
12/31/2018	01/31/2019	\$0.18	\$0.0396568	\$0.00	\$0.1403432
10/03/2018	10/31/2018	\$0.18	\$0.0396568	\$0.00	\$0.1403432
07/05/2018	07/31/2018	\$0.18	\$0.0396568	\$0.00	\$0.1403432
04/03/2018	04/30/2018	\$0.18	\$0.0396568	\$0.00	\$0.1403432
		<u>\$0.72</u>	<u>\$0.1586272</u>	<u>\$0.00</u>	<u>\$0.5613728</u>

Dynex Capital, Inc. Series A Preferred Stock (CUSIP 26817Q704)

<u>Dividend Record Date</u>	<u>Payment Date</u>	<u>Dividends per Share</u>	<u>Ordinary Income</u>	<u>Capital Gain Distribution</u>	<u>Return of Capital</u>
10/01/2018	10/15/2018	\$0.53125000	\$0.53125000	\$0.00	\$0.00
07/01/2018	07/16/2018	\$0.53125000	\$0.53125000	\$0.00	\$0.00
04/01/2018	04/16/2018	\$0.53125000	\$0.53125000	\$0.00	\$0.00
01/01/2018	01/15/2018	\$0.53125000	\$0.53125000	\$0.00	\$0.00
		<u>\$2.12500000</u>	<u>\$2.12500000</u>	<u>\$0.00</u>	<u>\$0.00</u>

Dynex Capital, Inc. Series B Preferred Stock (CUSIP 26817Q803)

<u>Dividend Record Date</u>	<u>Payment Date</u>	<u>Dividends per Share</u>	<u>Ordinary Income</u>	<u>Capital Gain Distribution</u>	<u>Return of Capital</u>
10/01/2018	10/15/2018	\$0.47656250	\$0.47656250	\$0.00	\$0.00
07/01/2018	07/16/2018	\$0.47656250	\$0.47656250	\$0.00	\$0.00
04/01/2018	04/16/2018	\$0.47656250	\$0.47656250	\$0.00	\$0.00
01/01/2018	01/15/2018	\$0.47656250	\$0.47656250	\$0.00	\$0.00
		<u>\$1.90625000</u>	<u>\$1.90625000</u>	<u>\$0.00</u>	<u>\$0.00</u>

Tax Disclaimer

The information above should not be construed as tax advice and is not a substitute for careful tax planning and analysis. Shareholders should consult their tax advisors regarding the specific federal, state, local, foreign and other tax consequences to them regarding their ownership of shares of the Company's Common and Preferred Stock.

Dynex Capital, Inc. is an internally managed real estate investment trust, or REIT, which invests in mortgage assets on a leveraged basis. The Company invests in Agency and non-Agency RMBS, CMBS, and CMBS IO. Additional information about Dynex Capital, Inc. is available at www.dynexcapital.com.

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