

December 11, 2013



## **MFA Financial, Inc. Announces Quarterly Dividend of \$0.20 Per Share**

### **-Company Also Announces Increase to Share Repurchase Program-**

NEW YORK, Dec. 11, 2013 /PRNewswire/ -- MFA Financial, Inc. (NYSE: MFA) announced today that its Board of Directors declared a regular quarterly cash dividend of \$0.20 per share of common stock for the fourth quarter of 2013. The dividend will be paid on January 31, 2014, to stockholders of record on December 31, 2013.

As previously indicated, taxable income and GAAP income are expected to trend closer together. As a result, GAAP earnings have become a more significant factor in the Board's determination of the company's dividends.

MFA also announced today that its Board of Directors has increased by 6,000,000 shares the authorized number of shares of MFA common stock available for repurchase under its existing stock repurchase program. To date, MFA has repurchased approximately 3,150,000 shares of its common stock under the previously disclosed authorization to purchase up to 4,000,000 shares of common stock.

The shares authorized for repurchase are expected to be repurchased from time to time through privately negotiated transactions or open market transactions, including pursuant to any trading plan that may be adopted in accordance with Rule 10b5-1 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or by any combination of such methods. The company expects to make open market repurchases in accordance with Rule 10b-18 under the Exchange Act, which sets certain restrictions on the method, timing, price and volume of open market stock repurchases. The manner, timing, price and number of shares that may be repurchased will be subject a variety of factors, including market conditions and applicable U.S. Securities and Exchange Commission rules. The authorization does not obligate the company to acquire any particular amount of common stock, and the Company may suspend or discontinue stock repurchases at its discretion without prior notice.

MFA is a real estate investment trust primarily engaged in the business of investment, on a leveraged basis, in Agency and Non-Agency residential mortgage-backed securities.

### **Cautionary Note Regarding Forward-Looking Statements**

When used in this presentation or other written or oral communications, statements that are not historical in nature, including those containing words such as "will," "believe," "expect," "anticipate," "estimate," "plan," "may" or similar expressions, are intended to identify "forward-looking statements" for purposes of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as

such, may involve known and unknown risks, uncertainties and assumptions.

These forward-looking statements include information about possible or assumed future results with respect to our business, financial condition, liquidity, results of operations, plans and objectives. Statements regarding the following subjects, among others, may be forward-looking: MFA's estimates regarding taxable income the actual amount of which is dependent on a number of factors, including, but not limited to, changes in the amount of interest income and financing costs, the method elected by the Company to accrete the market discount on Non-Agency MBS and the extent of prepayments, realized losses and changes in the composition of MFA's Agency MBS and Non-Agency MBS portfolios that may occur during the applicable tax period, including gain or loss on any MBS disposals; and the timing and amount of distributions to stockholders, which are declared and paid at the discretion of MFA's Board of Directors and will depend on, among other things, MFA's taxable income, its financial results and overall financial condition and liquidity, maintenance of its REIT qualification and such other factors as the Board deems relevant. These forward-looking statements are based on beliefs, assumptions and expectations of MFA's future performance, taking into account all information currently available. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date on which they are made. New risks and uncertainties arise over time and it is not possible to predict those events or how they may affect MFA. Except as required by law, MFA is not obligated to, and does not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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