

February 19, 2020



Dynex Capital, Inc. Announces 2019 Dividend Tax Information

GLEN ALLEN, Va.--(BUSINESS WIRE)-- Dynex Capital, Inc. (NYSE: DX) today announced tax information with respect to its 2019 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"). Shareholders should review the 2019 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.

Common Stock Dividends

During 2019, Dynex Common Stock was listed under two CUSIPs: CUSIP #26817Q506 through the effective date on June 20, 2019 of the one-for-three reverse stock split (the "Reverse Split") of its Common Stock, and the current Common Stock CUSIP #26817Q886 effective as of June 21, 2019.

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 2019 were capital gains. The portion of the dividends that is ordinary taxable income is a qualified REIT dividend for section 199A purposes.

The following tables summarize the tax treatment for the 2019 Common Stock monthly dividend distributions:

2019 Split-Adjusted Common Stock Dividend Distributions

The information provided below for the dividends paid on the Common Stock for January 2019 through May 2019 has been adjusted for the Reverse Split.

Dynex Capital, Inc. Common Stock

Dividend Record Date	Payment Date	Dividends per Share	Ordinary Income	Capital Gain Distribution	Return of Capital
CUSIP 26817Q886					
12/23/19	01/02/20	\$0.15	\$0.0274005	\$0.00	\$0.1225995
11/22/19	12/02/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
10/21/19	11/01/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
09/23/19	10/01/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
08/22/19	09/03/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995

07/22/19	08/01/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
06/26/19	07/03/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
CUSIP 26817Q506					
05/28/19	06/07/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
04/22/19	05/01/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
03/22/19	04/01/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
02/14/19	02/28/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
01/18/19	01/31/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
12/31/18	01/31/19	\$0.54	\$0.0986419	\$0.00	\$0.4413581
		\$2.55	\$0.4658086	\$0.00	\$2.0841914

2019 Actual Common Stock Dividend Distributions

The information provided below for the dividends paid on the Common Stock for January 2019 through May 2019 has not been adjusted for the Reverse Split.

Dynex Capital, Inc. Common Stock

Dividend Record Date	Payment Date	Dividends per Share	Ordinary Income	Capital Gain Distribution	Return of Capital
12/23/19	01/02/20	\$0.15	\$0.0274005	\$0.00	\$0.1225995
11/22/19	12/02/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
10/21/19	11/01/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
09/23/19	10/01/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
08/22/19	09/03/19	\$0.15	\$0.0274005	\$0.00	\$0.1225995
07/22/19	08/01/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
06/26/19	07/03/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
05/28/19	06/07/19	\$0.06	\$0.0109602	\$0.00	\$0.0490398
04/22/19	05/01/19	\$0.06	\$0.0109602	\$0.00	\$0.0490398
03/22/19	04/01/19	\$0.06	\$0.0109602	\$0.00	\$0.0490398
02/14/19	02/28/19	\$0.06	\$0.0109602	\$0.00	\$0.0490398
01/18/19	01/31/19	\$0.06	\$0.0109602	\$0.00	\$0.0490398
12/31/18	01/31/19	\$0.18	\$0.0328806	\$0.00	\$0.1471194
		\$1.59	\$0.2904453	\$0.00	\$1.2995547

Preferred Stock Dividends

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

Dividend Record Date	Payment Date	Dividends per Share	Ordinary Income	Capital Gain Distribution	Return of Capital
10/1/2019	10/15/2019	\$0.5312500	\$0.5312500	\$0.00	\$0.00
7/1/2019	7/15/2019	\$0.5312500	\$0.5312500	\$0.00	\$0.00
4/1/2019	4/15/2019	\$0.5312500	\$0.5312500	\$0.00	\$0.00
1/1/2019	1/15/2019	\$0.5312500	\$0.5312500	\$0.00	\$0.00
		\$2.1250000	\$2.1250000	\$0.00	\$0.00

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

Dividend Record Date	Payment Date	Dividends per Share	Ordinary Income	Capital Gain Distribution	Return of Capital
10/1/2019	10/15/2019	\$0.47656250	\$0.47656250	\$0.00	\$0.00
7/1/2019	7/15/2019	\$0.47656250	\$0.47656250	\$0.00	\$0.00
4/1/2019	4/15/2019	\$0.47656250	\$0.47656250	\$0.00	\$0.00
1/1/2019	1/15/2019	\$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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Alison Griffin
(804) 217-5897

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