A Leading Residential Mortgage REIT

Founded in 2009, Two Harbors Investment Corp. (NYSE: TWO) has grown into a leading residential mortgage real estate investment trust (mortgage REIT). We leverage our core competencies of understanding and managing interest rate and prepayment risk to invest in our Agency residential mortgage-backed securities (RMBS) and mortgage servicing rights (MSR) portfolio, with the objective of delivering attractive risk-adjusted returns to our stockholders. Our team is located in St. Louis Park, Minnesota and New York City.

More Information

For more information, please visit our website:
https://www.twoharborsinvestment.com
Or contact Investor Relations:
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612-453-4100

Key Quarterly Metrics

Book Value per Common Share:	$16.39
Quarterly Common Stock Dividend per Share:	$0.45
Economic Return on Book Value:	2.2%(1)
Investment Portfolio:	$15.2 billion(2)
Economic Debt-to-Equity:	6.4x(3)

TWO HARBORS
Investment Corp.

Second Quarter 2023 Fact Sheet

Agency + MSR Advantage

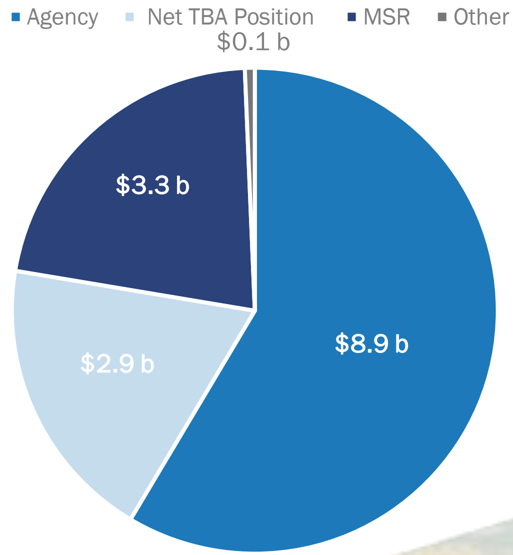
Our paired construction of MSR with Agency RMBS is unique and designed to generate attractive risk-adjusted returns.

Our Agency portfolio is 38%[4] of our capital allocation. It is comprised primarily of Agency RMBS and to-be-announced securities (TBAs). Agency RMBS are financed primarily through repurchase agreements.

Our MSR portfolio is 62%[4] of our capital allocation. MSR entitle the servicer to receive compensation in return for performing servicing activities for the underlying mortgage loan. MSR assets are financed through a combination of revolving credit facilities and collateralized securitization transactions.

Investment Portfolio

At June 30, 2023, $15.2[2] billion portfolio
Includes $12.3 billion settled positions



Key Differentiating Factors

1. **Market Presence:** Our size allows us to be nimble and to actively allocate capital.
2. **Investment Strategy:** Our portfolio is uniquely constructed with Agency RMBS and MSR. We believe this strategy will further benefit from our pending acquisition of RoundPoint Mortgage Servicing LLC, which will help us grow our MSR business, realize additional cost efficiencies and provide potential opportunities to more broadly capitalize in the mortgage finance space in the future.
3. **Market Environment:** Agency RMBS spreads are historically wide and we believe are very attractive at their current levels, even in the absence of spread tightening. MSR in this market environment generate a very stable cash flow, with very little duration and convexity and historically low speeds.
4. **Financing and Liquidity:** We have a strong balance sheet and diversified financing for both Agency RMBS and MSR.

Footnotes

1. Economic return on book value is defined as the increase (decrease) in book value per common share from the beginning to the end of the given period, plus dividends declared in the period, divided by book value as of the beginning of the period.
2. Includes $12.3 billion in settled positions and $2.9 billion net TBA position, which represents the bond equivalent value of the company's TBA position. Bond equivalent value is defined as notional amount multiplied by market price. Accounted for as derivative instruments in accordance with GAAP.
3. Economic debt-to-equity is defined as total borrowings to fund RMBS, MSR and Agency Derivatives, plus the implied debt on net TBA cost basis and net payable (receivable) for unsettled RMBS, divided by total equity.
4. Capital allocated represents management's internal allocation. Certain financing balances and associated interest expenses are allocated between investments based on management's assessment of leverage ratios and required capital or liquidity to support the investment.