

A Leading Residential Mortgage REIT

Founded in 2009, Two Harbors Investment Corp. (NYSE: TWO) is a leading MSR + Agency RMBS REIT and through our operational platform, RoundPoint Mortgage Servicing LLC, is one of the largest servicers of conventional loans in the country. We leverage our core competencies of understanding and managing interest rate and prepayment risks to invest in our portfolio of mortgage servicing rights and mortgage-backed securities.

More Information

For more information, please visit our website:
<https://www.twoharborsinvestment.com>
Or contact Investor Relations:
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Key Quarterly Metrics

Book Value per Common Share:	\$15.64
Quarterly Common Stock Dividend per Share:	\$0.45
Economic Return on Book Value:	5.8% ⁽¹⁾
Investment Portfolio:	\$14.7 billion ⁽²⁾
Economic Debt-to-Equity:	6.0x ⁽³⁾

First Quarter 2024 Fact Sheet

MSR + Agency Advantage



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



Our MSR portfolio is 63%⁽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.

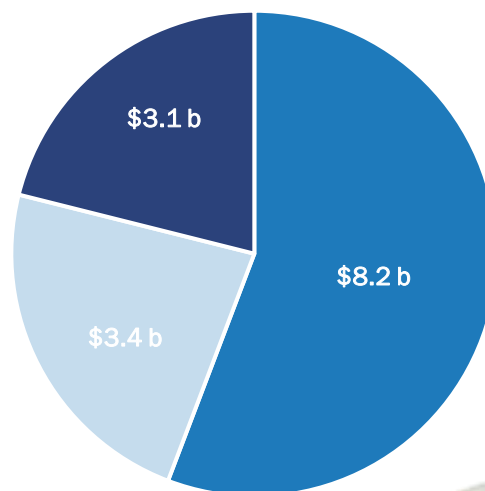


Our Agency portfolio is 37%⁽⁴⁾ of our capital allocation. It is comprised primarily of Agency RMBS and to-be-announced securities (TBAs). Agency RMBS are financed primarily through repurchase agreements.

Investment Portfolio

At March 31, 2024, \$14.7⁽²⁾ billion portfolio
Includes \$11.3 billion settled positions

■ Agency ■ Net TBA Position ■ MSR



Key Differentiating Factors

- 1. Market Presence:** Our size allows us to be nimble and to actively allocate capital to MSR and Agency RMBS.
- 2. Investment Strategy:** Our portfolio is uniquely constructed with MSR and Agency RMBS as well as an operational platform, RoundPoint Mortgage Servicing LLC.
- 3. Market Environment:** MSR is stable, with very little duration and convexity risks. Agency RMBS spreads are historically wide in nominal terms and can be expected to tighten should implied interest rate volatility return to historical norms.
- 4. Financing and Liquidity:** We have a strong balance sheet and diversified financing for both MSR and Agency RMBS.

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 \$11.3 billion in settled positions and \$3.4 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 Agency and non-Agency investment securities and MSR, 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.