

December 17, 2010



## Two Harbors Investment Corp. Announces Pricing of Common Stock Offering

NEW YORK--([BUSINESS WIRE](#))--**Two Harbors Investment Corp. (NYSE Amex: TWO; TWO.WS)** today announced that it has priced a public offering of 12,500,000 shares of its common stock at an offering price of \$9.35 per share, for total gross proceeds (before underwriting discount and commissions and estimated expenses) of approximately \$116.9 million. The Company has granted the underwriters an option for 30 days up to an additional 1,875,000 shares of the Company's common stock to cover over-allotments, if any. The offering is expected to close on or about December 22, 2010.

"Management's Discussion and Analysis of Financial Condition and Results of Operations"

The company intends to use the net proceeds from the offering to make additional acquisitions of residential mortgage-backed securities and other financial assets, and for other general corporate purposes.

Credit Suisse Securities (USA) LLC is acting as sole book-runner for the offering. Barclays Capital Inc. is acting as a co-lead manager. JMP Securities LLC, Keefe, Bruyette & Woods, Inc., and Ladenburg Thalmann & Co., Inc. are serving as co-managers in the offering.

The offering is being made pursuant to the company's existing shelf registration statement previously filed with and declared effective by the Securities and Exchange Commission on November 30, 2010 (Commission File No. 333-170251). The offering will be made only by means of a prospectus supplement and accompanying prospectus. Copies of the final prospectus supplement and accompanying prospectus may be obtained by contacting:

Credit Suisse Securities (USA)  
LLC  
One Madison Avenue  
New York, New York 10010  
Attention: Prospectus Department

or by telephone at (800) 221-1037

This press release shall not constitute an offer to sell, or a solicitation of an offer to buy, nor shall there be any sale of the company's securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such state or jurisdiction.

## **About Two Harbors Investment Corp.**

Two Harbors Investment Corp., a Maryland corporation, is a real estate investment trust that invests in residential mortgage-backed securities.

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

This release may include statements and information that constitute “forward-looking statements” within the meaning of section 27A of the Securities Act of 1933, as amended, and section 21E of the Securities Exchange Act of 1934, as amended, and we intend such forward-looking statements to be covered by the safe harbor provisions therein and are including this statement for purposes of invoking these safe harbor provisions. Forward-looking statements include statements with respect to our beliefs, plans, objectives, goals, targets, expectations, anticipations, assumptions, estimates, intentions and future performance. The forward-looking statements made in this release include, but may not be limited to, expectations regarding the timing of the closing of the offering.

Forward-looking statements are not guarantees, and they involve risks, uncertainties and assumptions. There can be no assurance that actual results will not differ materially from our expectations. We caution investors not to rely unduly on any forward-looking statements and urge you to carefully consider the risks identified under the captions “Risk Factors,” “Forward-Looking Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our public filings with the SEC, which are available on the SEC’s website at [www.sec.gov](http://www.sec.gov).

All written or oral forward-looking statements that we make, or that are attributable to us, are expressly qualified by this cautionary notice. We expressly disclaim any obligation to update the information in any public disclosure if any forward-looking statement later turns out to be inaccurate.