

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, DC 20549

FORM 8-K

CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15(d) OF THE  
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported):  
May 4, 2023

CHIMERA INVESTMENT CORPORATION  
(Exact name of registrant as specified in its charter)

<u>Maryland</u>	<u>1-33796</u>	<u>26-0630461</u>
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

630 Fifth Avenue, STE 2400  
New York, New York  
(Address of principal executive offices)  
10111  
(Zip Code)

Registrant's telephone number, including area code: (212) 626-2300

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.01 per share	CIM	New York Stock Exchange
8.00% Series A Cumulative Redeemable Preferred Stock	CIM PRA	New York Stock Exchange
8.00% Series B Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRB	New York Stock Exchange
7.75% Series C Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRC	New York Stock Exchange
8.00% Series D Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock	CIM PRD	New York Stock Exchange

Registrant's Web site address: [www.chimerareit.com](http://www.chimerareit.com)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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## Item 2.02. Results of Operations and Financial Condition

On May 4, 2023, the registrant issued a press release announcing its financial results for the quarter ended March 31, 2023. A copy of the press release is furnished as Exhibit 99.1 to this report.

On May 4, 2023, the registrant posted investor presentation information on the News & Events - Press Releases section of its website ([www.chimerareit.com](http://www.chimerareit.com)). A copy of the investor presentation information is furnished as Exhibit 99.2 to this report and incorporated herein by reference.

## Item 9.01 Financial Statements and Exhibits

### (d) Exhibits

99.1 [Press Release, dated May 4, 2023, issued by Chimera Investment Corporation](#)

99.2 [Investor Presentation Q1 2023](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Chimera Investment Corporation

By: /s/ Subramaniam Viswanathan

Name: Subramaniam Viswanathan

Title: Chief Financial Officer

Date: May 4, 2023



## PRESS RELEASE

NYSE: CIM

CHIMERA INVESTMENT CORPORATION  
630 Fifth Ave, Ste 2400  
New York, New York 10111

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Investor Relations  
888-895-6557  
[www.chimerareit.com](http://www.chimerareit.com)

### FOR IMMEDIATE RELEASE

## CHIMERA INVESTMENT CORPORATION REPORTS 1ST QUARTER 2023 EARNINGS

NEW YORK - (BUSINESS WIRE) - Chimera Investment Corporation (NYSE:CIM) today announced its financial results for the first quarter ended March 31, 2023.

### Financial Highlights:

- 1ST QUARTER GAAP NET INCOME OF \$0.17 PER DILUTED COMMON SHARE
- 1ST QUARTER EARNINGS AVAILABLE FOR DISTRIBUTION<sup>(1)</sup> OF \$0.13 PER DILUTED COMMON SHARE.
- GAAP BOOK VALUE OF \$7.41 PER COMMON SHARE

### Business Highlights:

#### *First Quarter*

- Settled \$547 million of seasoned re-performing residential mortgage loans.
- Sponsored \$586 million CIM 2023-R1 Securitization, \$134 million CIM 2023-NR1 securitization and \$447 million CIM 2023-R2 securitization.
- Committed to purchase approximately \$487 million of non-qualifying investor owned residential mortgage loans and \$162 million seasoned re-performing residential mortgage loans.
- Purchased and closed on \$52 million of business purpose loans.
- Reduced our recourse financing exposure by \$237 million and replaced it with non-recourse financing.

#### *Post Quarter*

- Sponsored \$236 million CIM 2023-I1 securitization, \$451 million CIM 2023-R3 securitization, \$67 million CIM 2023-NR2, and \$394 million CIM 2023-R4 securitization which further reduced our recourse leverage.
- Settled \$236 million of non-qualifying investor owned residential mortgage loans and \$160 million seasoned re-performing residential mortgage loans.

“This quarter Chimera committed to purchase \$1.25 billion of diversified mortgage loans, completed three securitizations, reduced recourse leverage by \$237 million, and generated a 2% total economic return. Since the quarter ended, including a securitization we expect to close later today, we have completed four securitizations, reduced our RPL loan warehouse exposure to zero, and reduced our recourse leverage by a further \$400 million, all in a very challenging environment,” said Phillip Kardis, CEO. “We remain optimistic about our future. Our ability to execute loan purchases and securitizations highlights the overall strength of Chimera’s franchise value.”

(1) Earnings available for distribution per adjusted diluted common share is a non-GAAP measure. See additional discussion on page 6.

## Other Information

Chimera Investment Corporation is a publicly traded real estate investment trust, or REIT, that is primarily engaged in the business of investing directly or indirectly through its subsidiaries, on a leveraged basis, in a diversified portfolio of mortgage assets, including residential mortgage loans, Non-Agency RMBS, Agency CMBS, Agency RMBS, and other real estate related securities.

### CHIMERA INVESTMENT CORPORATION CONSOLIDATED STATEMENTS OF FINANCIAL CONDITION (dollars in thousands, except share and per share data) (Unaudited)

	March 31, 2023	December 31, 2022
Cash and cash equivalents	\$ 232,392	\$ 264,600
Non-Agency RMBS, at fair value (net of allowance for credit losses of \$10 million and \$7 million, respectively)	1,140,776	1,147,481
Agency MBS, at fair value	263,743	430,944
Loans held for investment, at fair value	12,382,047	11,359,236
Accrued interest receivable	73,022	61,768
Other assets	97,582	133,866
Derivatives, at fair value	14,199	4,096
<b>Total assets <sup>(1)</sup></b>	<b>\$ 14,203,761</b>	<b>\$ 13,401,991</b>
Liabilities:		
Secured financing agreements (\$4.5 billion and \$4.7 billion pledged as collateral, respectively, and includes \$371 million and \$374 million at fair value, respectively)	\$ 3,195,322	\$ 3,434,765
Securitized debt, collateralized by Non-Agency RMBS (\$271 million and \$276 million pledged as collateral, respectively)	77,742	78,542
Securitized debt at fair value, collateralized by Loans held for investment (\$10.7 billion and \$10.0 billion pledged as collateral, respectively)	7,507,228	7,100,742
Payable for investments purchased	660,047	9,282
Accrued interest payable	31,487	30,696
Dividends payable	63,880	64,545
Accounts payable and other liabilities	18,668	16,616
<b>Total liabilities <sup>(1)</sup></b>	<b>\$ 11,554,374</b>	<b>\$ 10,735,188</b>
Commitments and Contingencies (See Note 16)		
Stockholders' Equity:		
Preferred Stock, par value of \$0.01 per share, 100,000,000 shares authorized:		
8.00% Series A cumulative redeemable: 5,800,000 shares issued and outstanding, respectively (\$145,000 liquidation preference)	\$ 58	\$ 58
8.00% Series B cumulative redeemable: 13,000,000 shares issued and outstanding, respectively (\$325,000 liquidation preference)	130	130
7.75% Series C cumulative redeemable: 10,400,000 shares issued and outstanding, respectively (\$260,000 liquidation preference)	104	104
8.00% Series D cumulative redeemable: 8,000,000 shares issued and outstanding, respectively (\$200,000 liquidation preference)	80	80
Common stock: par value \$0.01 per share; 500,000,000 shares authorized, 232,093,167 and 231,824,192 shares issued and outstanding, respectively	2,321	2,318
Additional paid-in-capital	4,320,803	4,318,388
Accumulated other comprehensive income	224,755	229,345
Cumulative earnings	4,096,308	4,038,942
Cumulative distributions to stockholders	(5,995,172)	(5,922,562)
<b>Total stockholders' equity</b>	<b>\$ 2,649,387</b>	<b>\$ 2,666,803</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 14,203,761</b>	<b>\$ 13,401,991</b>

(1) The Company's consolidated statements of financial condition include assets of consolidated variable interest entities, or VIEs, that can only be used to settle obligations and liabilities of the VIE for which creditors do not have recourse to the primary beneficiary (Chimera Investment Corporation). As of March 31, 2023, and December 31, 2022, total assets of consolidated VIEs were \$10,494,798 and \$10,199,266, respectively, and total liabilities of consolidated VIEs were \$7,196,538 and \$6,772,125, respectively.



**CHIMERA INVESTMENT CORPORATION**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	For the Quarters Ended	
	March 31, 2023	March 31, 2022
<b>Net interest income:</b>		
Interest income <sup>(1)</sup>	\$ 189,250	\$ 202,175
Interest expense <sup>(2)</sup>	119,615	64,473
Net interest income	69,635	137,702
<b>Increase/(decrease) in provision for credit losses</b>	<b>3,062</b>	<b>240</b>
<b>Other investment gains (losses):</b>		
Net unrealized gains (losses) on derivatives	(8,551)	—
Realized gains (losses) on derivatives	(34,134)	—
Periodic interest cost of swaps, net	2,819	—
Net gains (losses) on derivatives	(39,866)	—
Net unrealized gains (losses) on financial instruments at fair value	64,592	(370,167)
Net realized gains (losses) on sales of investments	(5,264)	—
Gains (losses) on extinguishment of debt	2,309	—
Other investment gains (losses)	117	—
Total other gains (losses)	21,888	(370,167)
<b>Other expenses:</b>		
Compensation and benefits	10,491	11,353
General and administrative expenses	5,778	5,711
Servicing and asset manager fees	8,417	9,291
Transaction expenses	6,409	3,804
Total other expenses	31,095	30,159
<b>Income (loss) before income taxes</b>	<b>57,366</b>	<b>(262,864)</b>
Income tax expense (benefit)	—	(70)
<b>Net income (loss)</b>	<b>\$ 57,366</b>	<b>\$ (262,794)</b>
<b>Dividends on preferred stock</b>	<b>18,438</b>	<b>18,408</b>
<b>Net income (loss) available to common shareholders</b>	<b>\$ 38,928</b>	<b>\$ (281,202)</b>
<b>Net income (loss) per share available to common shareholders:</b>		
Basic	\$ 0.17	\$ (1.19)
Diluted	\$ 0.17	\$ (1.19)
<b>Weighted average number of common shares outstanding:</b>		
Basic	231,994,620	237,012,702
Diluted	235,201,614	237,012,702

(1) Includes interest income of consolidated VIEs of \$139,902 and \$131,066 for the quarters ended March 31, 2023 and 2022, respectively.

(2) Includes interest expense of consolidated VIEs of \$60,152 and \$42,491 for the quarters ended March 31, 2023 and 2022, respectively.

**CHIMERA INVESTMENT CORPORATION**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
(dollars in thousands, except share and per share data)  
(Unaudited)

	For the Quarters Ended	
	March 31, 2023	March 31, 2022
<b>Comprehensive income (loss):</b>		
Net income (loss)	\$ 57,366	\$ (262,794)
<b>Other comprehensive income:</b>		
Unrealized gains (losses) on available-for-sale securities, net	(5,905)	(40,955)
Reclassification adjustment for net realized losses (gains) included in net income	1,315	—
Other comprehensive income (loss)	(4,590)	(40,955)
<b>Comprehensive income (loss) before preferred stock dividends</b>	<b>\$ 52,776</b>	<b>\$ (303,749)</b>
Dividends on preferred stock	\$ 18,438	\$ 18,408
<b>Comprehensive income (loss) available to common stock shareholders</b>	<b>\$ 34,338</b>	<b>\$ (322,157)</b>

### ***Earnings available for distribution***

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, interest expense on long term debt, changes in the provision for credit losses, other gains or losses on equity investments, and transaction expenses incurred. In addition, stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (36 months) rather than reported as an immediate expense.

Earnings available for distribution is the Economic net interest income, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges. Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for interest expense on long term debt, net periodic interest cost of interest rate swaps and excludes interest earned on cash. See a reconciliation of Economic net interest income to the most relevant GAAP measure below.

We view Earnings available for distribution as one measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our Board of Directors uses to determine the amount, if any, of dividends on our common stock. Other metrics that our Board of Directors may consider when determining the amount, if any, of dividends on our common stock include (among others) REIT taxable income, dividend yield, book value, cash generated from the portfolio, reinvestment opportunities and other cash needs. In addition, Earnings available for distribution is different than REIT taxable income and the determination of whether we have met the requirement to distribute at least 90% of our annual REIT taxable income (subject to certain adjustments) to our stockholders in order to maintain qualification as a REIT is not based on Earnings available for distribution. Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis. Certain prior period amounts have been reclassified to conform to the current period's presentation.

	For the Quarters Ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
	(dollars in thousands, except per share data)				
<b>GAAP Net income (loss) available to common stockholders</b>	<b>\$ 38,928</b>	<b>\$ 78,716</b>	<b>\$ (204,583)</b>	<b>\$ (179,765)</b>	<b>\$ (281,202)</b>
Adjustments:					
Net unrealized (gains) losses on financial instruments at fair value	(64,592)	(112,026)	239,513	239,246	370,167
Net realized (gains) losses on sales of investments	5,264	39,443	37,031	—	—
(Gains) losses on extinguishment of debt	(2,309)	—	—	2,897	—
Increase (decrease) in provision for credit losses	3,062	3,834	(1,534)	4,497	240
Net unrealized (gains) losses on derivatives	8,551	10,171	(10,307)	1,618	—
Realized gains (losses) on derivatives	34,134	561	—	—	—
Transaction expenses	6,409	3,274	2,341	6,727	3,804
Stock Compensation expense for retirement eligible awards	2,141	(309)	(310)	(309)	723
Other investment (gains) losses	(117)	2,383	462	(980)	—
<b>Earnings available for distribution</b>	<b>\$ 31,471</b>	<b>\$ 26,047</b>	<b>\$ 62,613</b>	<b>\$ 73,931</b>	<b>\$ 93,732</b>
<b>GAAP net income (loss) per diluted common share</b>	<b>\$ 0.17</b>	<b>\$ 0.34</b>	<b>\$ (0.88)</b>	<b>\$ (0.76)</b>	<b>\$ (1.19)</b>
<b>Earnings available for distribution per adjusted diluted common share</b>	<b>\$ 0.13</b>	<b>\$ 0.11</b>	<b>\$ 0.27</b>	<b>\$ 0.31</b>	<b>\$ 0.39</b>

The following tables provide a summary of the Company's MBS portfolio at March 31, 2023 and December 31, 2022.

	March 31, 2023					
	Principal or Notional Value at Period-End (dollars in thousands)	Weighted Average Amortized Cost Basis	Weighted Average Fair Value	Weighted Average Coupon	Weighted Average Yield at Period-End <sup>(1)</sup>	
Non-Agency RMBS						
Senior	\$ 1,135,367	\$ 46.07	65.63	5.4 %	16.8 %	
Subordinated	603,192	49.69	47.54	3.2 %	6.7 %	
Interest-only	3,049,186	5.29	3.57	0.6 %	5.8 %	
Agency RMBS						
Interest-only	406,985	4.59	3.65	0.5 %	7.2 %	
Agency CMBS						
Project loans	132,718	101.69	94.78	4.2 %	4.0 %	
Interest-only	2,441,039	5.59	5.04	0.7 %	3.1 %	

(1) Bond Equivalent Yield at period end.

	December 31, 2022				
	Principal or Notional Value at Period-End (dollars in thousands)	Weighted Average Amortized Cost Basis	Weighted Average Fair Value	Weighted Average Coupon	Weighted Average Yield at Period-End <sup>(1)</sup>
Non-Agency RMBS					
Senior	\$ 1,153,458	\$ 46.09	\$ 66.05	5.3 %	16.4 %
Subordinated	611,206	49.79	46.94	3.1 %	6.8 %
Interest-only	3,114,930	5.14	3.17	0.7 %	5.3 %
Agency RMBS					
Interest-only	409,940	4.58	3.70	0.9 %	5.0 %
Agency CMBS					
Project loans	302,685	101.85	95.62	4.3 %	4.1 %
Interest-only	2,669,396	5.23	4.73	0.7 %	3.4 %

(1) Bond Equivalent Yield at period end.

At March 31, 2023 and December 31, 2022, the secured financing agreements collateralized by MBS and Loans held for investment had the following remaining maturities and borrowing rates.

	March 31, 2023			December 31, 2022		
	(dollars in thousands)					
	Principal <sup>(1)</sup>	Weighted Average Borrowing Rates	Range of Borrowing Rates	Principal <sup>(1)</sup>	Weighted Average Borrowing Rates	Range of Borrowing Rates
Overnight	\$ —	N/A	N/A	\$ —	N/A	NA
1 to 29 days	\$ 613,425	6.42%	5.10% - 7.60%	\$ 493,918	4.66%	3.63% - 6.16%
30 to 59 days	383,381	6.12%	4.95% - 7.19%	762,768	6.14%	4.60% - 7.34%
60 to 89 days	211,194	5.67%	5.00% - 6.92%	225,497	6.04%	4.70% - 7.12%
90 to 119 days	74,203	5.90%	5.90% - 5.90%	43,180	6.54%	5.50% - 6.70%
120 to 180 days	373,651	6.78%	5.88% - 7.72%	401,638	5.88%	5.57% - 6.92%
180 days to 1 year	318,258	6.38%	6.18% - 6.91%	402,283	6.06%	5.63% - 6.64%
1 to 2 years	850,563	10.75%	8.54% - 13.98%	251,286	13.98%	13.98% - 13.98%
2 to 3 years	—	—%	0.00% - 0.00%	480,022	8.07%	8.07% - 8.07%
Greater than 3 years	381,474	5.16%	5.10% - 6.50%	382,839	5.14%	5.10% - 6.07%
Total	\$ 3,206,149	7.36%		\$ 3,443,431	6.61%	

(1) The outstanding balance for secured financing agreements in the table above is net of \$6 million and \$1 million of deferred financing cost as of March 31, 2023 and December 31, 2022, respectively.

The following table summarizes certain characteristics of our portfolio at March 31, 2023 and December 31, 2022.

	March 31, 2023		December 31, 2022	
GAAP Leverage at period-end	4.1:1		4.0:1	
GAAP Leverage at period-end (recourse)	1.2:1		1.3:1	

	March 31, 2023	December 31, 2022	March 31, 2023	December 31, 2022
	Amortized Cost		Fair Value	
Portfolio Composition				
Non-Agency RMBS	7.0 %	7.5 %	8.3 %	8.9 %
Senior	3.8 %	4.0 %	5.4 %	5.9 %
Subordinated	2.1 %	2.3 %	2.1 %	2.2 %
Interest-only	1.1 %	1.2 %	0.8 %	0.8 %
Agency RMBS	0.1 %	0.1 %	0.1 %	0.1 %
Interest-only	0.1 %	0.1 %	0.1 %	0.1 %
Agency CMBS	2.0 %	3.3 %	1.8 %	3.2 %
Project loans	1.0 %	2.3 %	0.9 %	2.2 %
Interest-only	1.0 %	1.0 %	0.9 %	1.0 %
Loans held for investment	90.9 %	89.1 %	89.8 %	87.8 %
Fixed-rate percentage of portfolio	96.7 %	96.5 %	95.9 %	95.6 %
Adjustable-rate percentage of portfolio	3.3 %	3.5 %	4.1 %	4.4 %

### *Economic Net Interest Income*

Our Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for net periodic interest cost of interest rate swaps and excludes interest earned on cash. For the purpose of computing economic net interest income and ratios relating to cost of funds measures throughout this section, interest expense includes net payments on our interest rate swaps, which is presented as a part of Net gains (losses) on derivatives in our Consolidated Statements of Operations. Interest rate swaps are used to manage the increase in interest paid on secured financing agreements in a rising rate environment. Presenting the net contractual interest payments on interest rate swaps with the interest paid on interest-bearing liabilities reflects our total contractual interest payments. We believe this presentation is useful to investors because it depicts the economic value of our investment strategy by showing all components of interest expense and net interest income of our investment portfolio. However, Economic net interest income should not be viewed in isolation and is not a substitute for net interest income computed in accordance with GAAP. Where indicated, interest expense, adjusting for any interest earned on cash, is referred to as Economic interest expense. Where indicated, net interest income reflecting net periodic interest cost of interest rate swaps and any interest earned on cash, is referred to as Economic net interest income.

The following table reconciles the Economic net interest income to GAAP net interest income and Economic interest expense to GAAP interest expense for the periods presented.

	GAAP Interest Income	GAAP Interest Expense	Periodic Interest Cost of Interest Rate Swaps	Interest Expense on Long Term Debt	Economic Interest Expense	GAAP Net Interest Income	Periodic Interest Cost of Interest Rate Swaps	Other <sup>(1)</sup>	Economic Net Interest Income
For the Quarter Ended March 31, 2023	\$ 189,250	\$ 119,615	\$ (2,819)	\$ —	\$ 116,796	\$ 69,635	\$ 2,819	\$ (3,035)	\$ 69,419
For the Quarter Ended December 31, 2022	\$ 187,286	\$ 106,891	\$ 1,629	\$ —	\$ 108,520	\$ 80,395	\$ (1,629)	\$ (1,867)	\$ 76,899
For the Quarter Ended September 30, 2022	\$ 188,303	\$ 83,464	\$ 122	\$ —	\$ 83,586	\$ 104,839	\$ (122)	\$ (540)	\$ 104,177
For the Quarter Ended June 30, 2022	\$ 195,357	\$ 78,467	\$ —	\$ —	\$ 78,467	\$ 116,890	\$ —	\$ (81)	\$ 116,809
For the Quarter Ended March 31, 2022	\$ 202,175	\$ 64,473	\$ —	\$ —	\$ 64,473	\$ 137,702	\$ —	\$ (18)	\$ 137,684

(1) Primarily interest income on cash and cash equivalents.

The table below shows our average earning assets held, interest earned on assets, yield on average interest earning assets, average debt balance, economic interest expense, economic average cost of funds, economic net interest income, and net interest rate spread for the periods presented.

	For the Quarter Ended								
	March 31, 2023			December 31, 2022			March 31, 2022		
	(dollars in thousands)			(dollars in thousands)			(dollars in thousands)		
	Average Balance	Interest	Average Yield/Cost	Average Balance	Interest	Average Yield/Cost	Average Balance	Interest	Average Yield/Cost
<b>Assets:</b>									
<b>Interest-earning assets <sup>(1)</sup>:</b>									
Agency RMBS	\$ 18,692	\$ 322	6.9 %	\$ 31,542	\$ 346	4.4 %	\$ 113,723	\$ 253	0.9 %
Agency CMBS	307,846	2,957	3.8 %	441,421	4,291	3.9 %	559,478	22,870	16.4 %
Non-Agency RMBS	990,721	30,098	12.2 %	1,013,693	29,304	11.6 %	1,310,359	45,675	13.9 %
Loans held for investment	12,334,025	152,838	5.0 %	12,075,239	151,478	5.0 %	11,599,206	133,359	4.6 %
Total	\$ 13,651,284	\$ 186,215	5.5 %	\$ 13,561,895	\$ 185,419	5.5 %	\$ 13,582,766	\$ 202,157	6.0 %
<b>Liabilities and stockholders' equity:</b>									
<b>Interest-bearing liabilities <sup>(2)</sup>:</b>									
Secured financing agreements collateralized by:									
Agency RMBS	\$ 4,095	\$ 52	5.1 %	\$ 4,547	\$ 46	4.0 %	\$ 20,342	\$ 31	0.6 %
Agency CMBS	252,102	2,956	4.7 %	358,914	3,464	3.9 %	435,545	270	0.2 %
Non-Agency RMBS	762,989	16,063	8.4 %	788,795	13,275	6.7 %	817,261	5,448	2.7 %
Loans held for investment	2,189,967	34,839	6.4 %	1,971,144	33,776	6.9 %	1,948,974	12,839	2.6 %
Securitized debt	8,049,843	62,886	3.1 %	8,056,913	57,959	2.9 %	7,870,127	45,885	2.3 %
Total	\$ 11,258,996	\$ 116,796	4.1 %	\$ 11,180,313	\$ 108,520	3.9 %	\$ 11,092,249	\$ 64,473	2.3 %
<b>Economic net interest income/net interest rate spread</b>									
		\$ 69,419	1.4 %		\$ 76,899	1.6 %		\$ 137,684	3.7 %
<b>Net interest-earning assets/net interest margin</b>									
	\$ 2,392,288		2.0 %	\$ 2,381,582		2.3 %	\$ 2,490,517		4.1 %
<b>Ratio of interest-earning assets to interest bearing liabilities</b>									
	1.21			1.21			1.22		

(1) Interest-earning assets at amortized cost

(2) Interest includes periodic net interest cost on swaps

The table below shows our Net Income and Economic net interest income as a percentage of average stockholders' equity and Earnings available for distribution as a percentage of average common stockholders' equity. Return on average equity is defined as our GAAP net income (loss) as a percentage of average equity. Average equity is defined as the average of our beginning and ending stockholders' equity balance for the period reported. Economic Net Interest Income and Earnings available for distribution are non-GAAP measures as defined in previous sections.

	Return on Average Equity	Economic Net Interest Income/Average Equity *	Earnings available for distribution/Average Common Equity
(Ratios have been annualized)			
For the Quarter Ended March 31, 2023	8.63 %	10.45 %	7.28 %
For the Quarter Ended December 31, 2022	14.61 %	11.56 %	6.02 %
For the Quarter Ended September 30, 2022	(26.47)%	14.81 %	13.30 %
For the Quarter Ended June 30, 2022	(20.45)%	14.81 %	13.29 %
For the Quarter Ended March 31, 2022	(29.72)%	15.57 %	14.38 %

\* Excludes long term debt expense.



The following table presents changes to Accretable Discount (net of premiums) as it pertains to our Non-Agency RMBS portfolio, excluding premiums on interest-only investments, during the previous five quarters.

For the Quarters Ended					
(dollars in thousands)					
Accretable Discount (Net of Premiums)	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
Balance, beginning of period	\$ 176,635	\$ 207,812	\$ 241,391	\$ 258,494	\$ 333,546
Accretion of discount	(11,663)	(11,128)	(12,989)	(17,408)	(19,470)
Purchases	—	—	—	—	—
Sales	—	(17,935)	—	—	—
Elimination in consolidation	—	—	—	—	(60,361)
Transfers from/(to) credit reserve, net	(7,719)	(2,114)	(20,590)	305	4,779
Balance, end of period	\$ 157,253	\$ 176,635	\$ 207,812	\$ 241,391	\$ 258,494

## Disclaimer

This press release includes “forward-looking statements” within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations, estimates and projections and, consequently, readers should not rely on these forward-looking statements as predictions of future events. Words such as “expect,” “target,” “assume,” “estimate,” “project,” “budget,” “forecast,” “anticipate,” “intend,” “plan,” “may,” “will,” “could,” “should,” “believe,” “predicts,” “potential,” “continue,” and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from expected results, including, among other things, those described in our most recent Annual Report on Form 10-K, and any subsequent Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, under the caption “Risk Factors.” Factors that could cause actual results to differ include, but are not limited to: our business and investment strategy; our ability to accurately forecast the payment of future dividends on our common and preferred stock, and the amount of such dividends; our ability to determine accurately the fair market value of our assets; availability of investment opportunities in real estate-related and other securities, including our valuation of potential opportunities that may arise as a result of current and future market dislocations; effect of a pandemic or other national or international crisis on real estate market, financial markets and our Company, including the impact on the value, availability, financing and liquidity of mortgage assets; changes in the value of our investments, including negative changes resulting in margin calls related to the financing of our assets; changes in interest rates and mortgage prepayment rates; prepayments of the mortgage and other loans underlying our mortgage-backed securities, or RMBS, or other asset-backed securities, or ABS; rates of default, delinquencies or decreased recovery rates on our investments; general volatility of the securities markets in which we invest; our ability to maintain existing financing arrangements and our ability to obtain future financing arrangements; our ability to effect our strategy to securitize residential mortgage loans; our ability to consummate proposed transactions; interest rate mismatches between our investments and our borrowings used to finance such purchases; effects of interest rate caps on our adjustable-rate investments; the degree to which our hedging strategies may or may not protect us from interest rate volatility; the impact of and changes to various government programs; impact of and changes in governmental regulations, tax law and rates, accounting guidance, and similar matters; market trends in our industry, interest rates, the debt securities markets or the general economy; estimates relating to our ability to make distributions to our stockholders in the future; our understanding of our competition; availability of qualified personnel; our ability to maintain our classification as a real estate investment trust, or, REIT, for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940, as amended, or 1940 Act; our expectations regarding materiality or significance; and the effectiveness of our disclosure controls and procedures.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Chimera does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statement to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based. Additional information concerning these and other risk factors is contained in Chimera’s most recent filings

with the Securities and Exchange Commission (SEC). All subsequent written and oral forward-looking statements concerning Chimera or matters attributable to Chimera or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements above.

Readers are advised that the financial information in this press release is based on Company data available at the time of this presentation and, in certain circumstances, may not have been audited by the Company's independent auditors.



# INVESTOR PRESENTATION

Q1 2023

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This presentation may include industry and market data obtained through research, surveys, and studies conducted by third parties and industry publications. We have not independently verified any such market and industry data from third-party sources. This presentation is provided for discussion purposes only and may not be relied upon as legal or investment advice, nor is it intended to be inclusive of all the risks and uncertainties that should be considered. This presentation does not constitute an offer to purchase or sell any securities, nor shall it be construed to be indicative of the terms of an offer that the parties or their respective affiliates would accept.

All information in this presentation is as of March 31, 2023, unless stated otherwise. Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company’s independent auditors.

# CHIMERA IS A RESIDENTIAL CREDIT HYBRID MORTGAGE REIT

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## Our Mission Is To Deliver Attractive, Risk-Adjusted Returns.

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- Established in 2007.
- Internally managed since August 2015.
- Total capital \$2.6 billion.
- Chimera has distributed \$6 billion to common and preferred stockholders since inception.
- Total preferred stock \$930 million.
- Total leverage ratio 4.1:1 / Recourse leverage ratio 1.2:1.
- Residential Mortgage Loans represent a significant part of our business and growth strategy. Our Residential Mortgage Loan portfolio is comprised of Re-Performing Loans (RPLs), Non-QM & Investor Loans, Business Purpose Loans (BPLs), and Prime Jumbo Loans.
- Leading securitization platforms in the RPL, Investor (INV), and Prime Jumbo residential credit sectors with over \$15 billion of RMBS & Loan issuance currently outstanding.

## 2023 ACTIVITY OVERVIEW

- Continued focus on acquiring and securitizing residential mortgage loans.
  - ✓ Committed to purchase \$1.25 billion of diversified residential mortgage loans.
  - ✓ 57% were Seasoned RPLs, 39% were Non-QM (DSCR) Investor Loans, and the remainder were Business Purpose Loans (BPLs).
  - ✓ Issued \$841 million in Seasoned RPL securitizations <sup>(1)</sup> and a Non-QM (DSCR) Investor Loans securitization totaling \$236 million.
  
- Further implemented our call optimization strategy on CIM securitizations.
  - ✓ We exercised the call rights and terminated six existing Seasoned RPL securitizations and issued 4 new Seasoned RPL securitizations totaling \$1.24 billion.
  - ✓ Resulted in re-capturing approximately \$130 million.
  - ✓ 2 securitizations have a 1-year call option, and 2 securitizations have a 2-year call option providing the ability to take advantage of future rate declines.
  
- Total securitizations of \$2.32 billion year-to-date <sup>(1)</sup>.
  
- Reduced our floating rate, recourse financing exposure by approximately \$640 million <sup>(1)</sup>.
  - ✓ Eliminated RPL warehouse loan exposure <sup>(1)</sup>.
  - ✓ Decrease in recourse leverage from 1.3x in Q4 2022 to 1.1x post Q1 2023 <sup>(1)</sup>.
  
- Our interest rate hedging allows us optionality to benefit from lower interest rates in the future.
  - ✓ Interest rate swaps protect approximately 48% of our floating rate liabilities.
  - ✓ Interest Rate Swaptions provide flexibility in an environment where rates are higher for longer.

Information is as of April 30, 2023 and is unaudited, estimated and subject to change.

(1) Upon the closing of the CIM 2023-R4 securitization.



# CURRENT BUSINESS HIGHLIGHTS

## Investment Portfolio

### Q1 2023

- ✓ Book value of \$7.41 per share compared to \$7.49 per share in Q4 2022.
- ✓ Committed to and purchased \$1.25B of Residential Mortgage Loans.
  - \$707MM in Seasoned RPLs.
  - \$487MM in Non-QM DSCR loans.
  - \$52MM in Business Purpose loans.
- ✓ Sponsored 3 RPL securitizations totaling \$1.17B resulting in equity extraction of approximately \$90MM.
  - CIM 2023-R1 \$586MM
  - CIM 2023-NR1 \$134MM
  - CIM 2023-R2 \$447MM

### Post Q1 2023

- ✓ Book value relatively unchanged from Q1 2023.
- ✓ Sponsored 3 RPL securitizations totaling \$912MM resulting in equity extraction of approximately \$40MM.
  - CIM 2023-R3 \$451MM
  - CIM 2023-NR2 \$67MM
  - CIM 2023-R4 \$394MM
- ✓ Sponsored 1 Non-QM DSCR Investor securitization totaling \$236MM.
- ✓ Sponsored a total of 7 securitizations totaling \$2.32B year-to-date.

## Financing

### Q1 2023

- ✓ Eliminated exposure to Credit Suisse by paying off \$168MM.
- ✓ Reduced our total recourse financing exposure by an additional \$71MM with securitizations and asset sales.
- ✓ 50% Non-Mark-to-Market on recourse financing.
- ✓ Recourse leverage of 1.2x down from 1.3x in Q4 2022.

### Post Q1 2023 <sup>(1)</sup>

- ✓ Reduced our total recourse financing exposure by approximately \$400MM with securitizations and asset sales.
- ✓ 56% Non-Mark-to-Market on recourse financing.
- ✓ Recourse leverage of 1.1x.

## Interest Rate Hedging

### Q1 2023

- ✓ \$2.46B of floating rate financing.
- ✓ \$1.0B of Interest Rate Swaps.
- ✓ \$1.0B of Interest Rate Swaptions.
- ✓ \$450MM of Treasury Futures to hedge securitization execution risk.

### Post Q1 2023 <sup>(1)</sup>

- ✓ \$2.07B of floating rate financing.
- ✓ \$1.0B of Interest Rate Swaps.
- ✓ \$1.0B of Interest Rate Swaptions.
- ✓ \$250MM of Treasury Futures to hedge securitization execution risk.

## Liquidity

### Q1 2023

- ✓ \$232MM in cash.
- ✓ \$427MM in unencumbered assets.

### Post Q1 2023

- ✓ \$225MM in cash.
- ✓ \$420MM in unencumbered assets.

Post Q1 2023 information is as of April 30, 2023. Information is unaudited, estimated and subject to change.

(1) Upon the closing of the CIM 2023-R4 securitization.

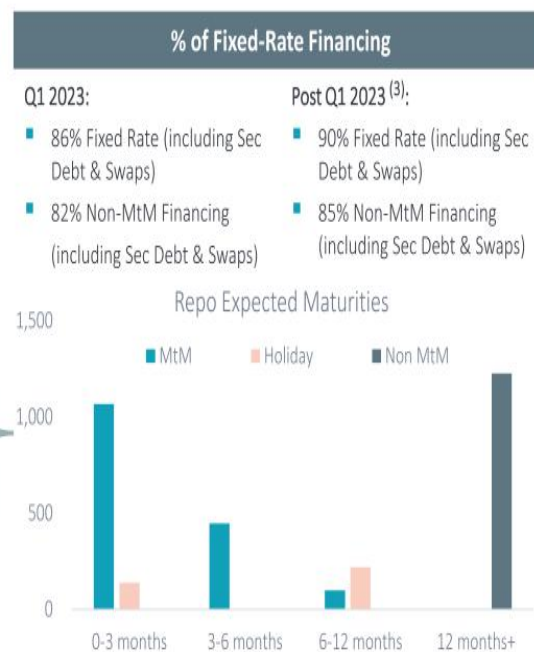
# Q1 2023 TOTAL GAAP PORTFOLIO

✓ Our Capital Is Mainly Allocated to Residential Mortgage Loans Financed With Non-Recourse and Repo Financing.

Q1 2023 GAAP Balance Sheet (\$ in Millions)<sup>(1)</sup>

Total Assets \$14,203

Total Liabilities \$11,554



Assets: Other Assets, Cash, Loans, Equity. Liabilities & Equity: Agency RMBS, Agency CMBS, Non Agency RMBS, Other Liabilities, Repo, Securitized Debt.

Information is unaudited, estimated and subject to change.

(1) At fair value. (2) Includes \$930 million of Preferred Equity. (3) Upon the closing of the CIM 2023-R4 securitization.

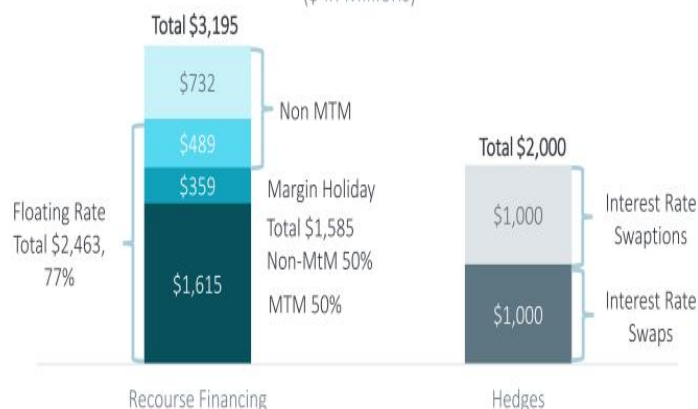


# RECOURSE FINANCING & INTEREST RATE HEDGING

## Q1 2023 Overview

- \$3.20B in repo liabilities.
- \$1.62B of Mark-to-Market financing.
- 1.2x recourse leverage.
- 50% of repos are Non-Mark-To-Market and Margin Holiday.
- Interest rate swaps hedge 41% of the floating rate liabilities.
- Average fixed pay rate of 3.26% on Interest Rate Swaps.
- \$1.0B of Interest Rate Swaptions.
- \$450MM of Treasury Futures to hedge securitization execution risk.

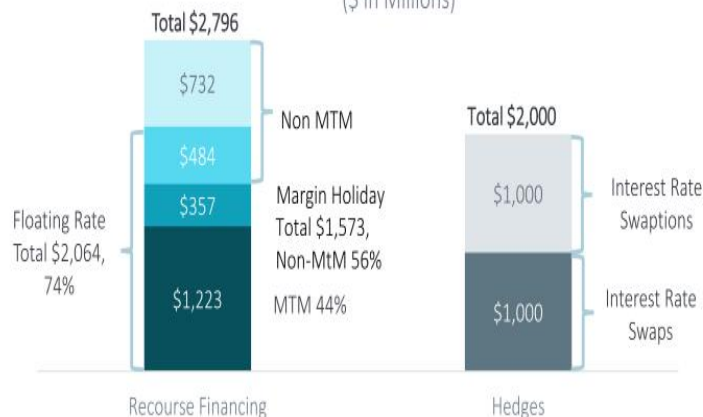
Q1 2023 Recourse Financing & Hedges  
(\$ in Millions)



## Post Q1 2023 Update <sup>(1)</sup>

- Eliminated RPL warehouse loan exposure.
- \$2.80B in repo liabilities.
- \$1.22B of Mark-to-Market financing.
- 1.1x recourse leverage.
- 56% of repos are Non-Mark-To-Market and Margin Holiday.
- Interest rate swaps hedge 48% of the floating rate liabilities. <sup>(1)</sup>
- Average fixed pay rate of 3.26% on Interest Rate Swaps.
- \$1.0B of Interest Rate Swaptions.
- \$250MM of Treasury Futures to hedge securitization execution risk.

Post Q1 2023 Recourse Financing & Hedges <sup>(1)</sup>  
(\$ in Millions)



Information is unaudited, estimated and subject to change. (1) Upon the closing of the CIM 2023-R4 securitization.

# RESIDENTIAL MORTGAGE LOANS OVERVIEW

## Chimera's Residential Mortgage Loan Process Overview

- Acquires residential mortgage loans from banks, non-bank financial institutions and government sponsored agencies.
- Finances purchases of mortgage loans via warehouse facilities and repurchase agreements (recourse financing).
- Securitizes mortgage loans by selling senior securities and retains subordinate and interest-only securities (long-term non-recourse financing).
- Finances retained securities via repurchase agreements (recourse financing) to enhance return on investment.

### Key Loan Statistics

Total Current Unpaid Principal Balance (UPB)	\$12.3 Billion <sup>(1)</sup>
Total Number of Loans	119,042
Weighted Average Loan Size	\$104K
Weighted Average Coupon	5.89%
WA FICO	661
Average Loan Age	182 Months
Loan-to-Value (LTV) at origination	81%
Amortized Loan-to-Value (LTV)	67%
HPI Updated Loan-to-Value (LTV)	48%
60+ Days Delinquent	10.2%

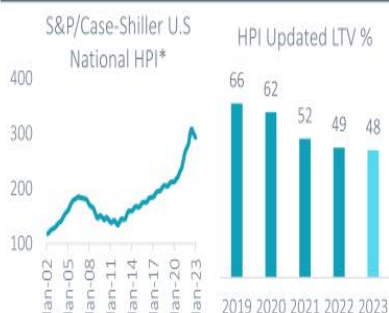
Source: Bloomberg & IntexCalc. Information is unaudited, estimated and subject to change.

(1) Includes \$1.0B of Warehouse Residential Mortgage Loans & \$219MM CIM 2022-11 Non-QM DSCR Securitization.

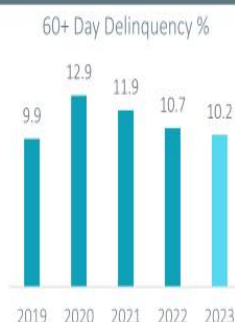
Chimera's loan portfolio is very seasoned with 85% of loans originated prior to 2008.



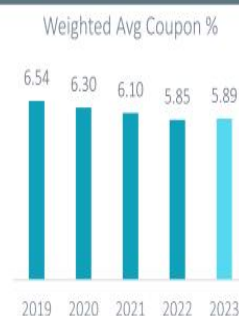
Chimera's loan portfolio has benefited from historic levels of home equity due to HPA.



Delinquencies on Chimera's loan portfolio have been low.



Chimera's loan portfolio has a weighted average coupon of 5.89%.



## SECURITIZATION ACTIVITY

- Chimera has completed 103 deals and securitized \$52.2 billion of residential mortgage assets which includes Legacy Non-Agency RMBS, Repperforming Loans, Investor Loans, Non-QM DSCR, and Prime Jumbo loans, since inception<sup>(1)</sup>.
- Chimera has RMBS & Loan issuance with an unpaid principal balance of approximately \$15 billion currently outstanding<sup>(1)</sup>.
- Chimera has 14 outstanding securitizations, with an unpaid principal balance of \$3.3 billion, callable in 2023.
- Re-securitization is an additional source for future capital re-deployment.

(\$ in thousands)

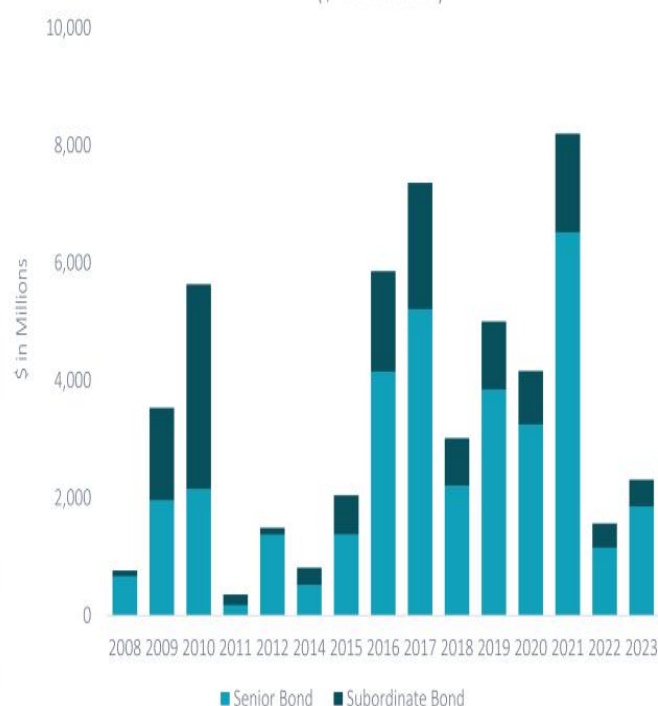
Deal & Senior/Sub Totals At Issuance

Vintage	Type	Number of Deals Issued	Total Orig. Balance	Senior Bond Orig. Balance	Subordinate Bond Orig. Balance
2008	Loan	2	770,865	670,949	99,916
2009	RMBS	3	3,535,035	1,965,001	1,570,034
2010	RMBS	14	5,638,378	2,156,169	3,482,209
2011	RMBS	2	359,154	177,139	182,015
2012	Loan	3	1,496,917	1,378,409	118,508
2014	Loan & RMBS	2	816,126	522,220	293,906
2015	Loan	4	2,048,483	1,385,162	663,321
2016	Loan	6	5,861,574	4,148,904	1,712,670
2017	Loan	9	7,364,441	5,217,632	2,146,809
2018	Loan	9	3,021,614	2,209,835	811,779
2019	Loan	12	5,007,276	3,850,091	1,157,185
2020	Loan	11	4,163,703	3,254,207	909,496
2021	Loan	14	8,202,315	6,521,955	1,680,360
2022	Loan	5	1,570,674	1,156,067	414,607
2023	Loan	7 <sup>(1)</sup>	2,314,770 <sup>(1)</sup>	1,856,160 <sup>(1)</sup>	458,610 <sup>(1)</sup>
<b>Total</b>		<b>103</b>	<b>52,171,325</b>	<b>36,469,900</b>	<b>15,701,425</b>

Information is as of April 30, 2023 and is unaudited, estimated and subject to change.

(1) Upon the closing of the CIM 2023-R4 securitization.

Chimera Securitization Issuance History  
(\$ in Millions)

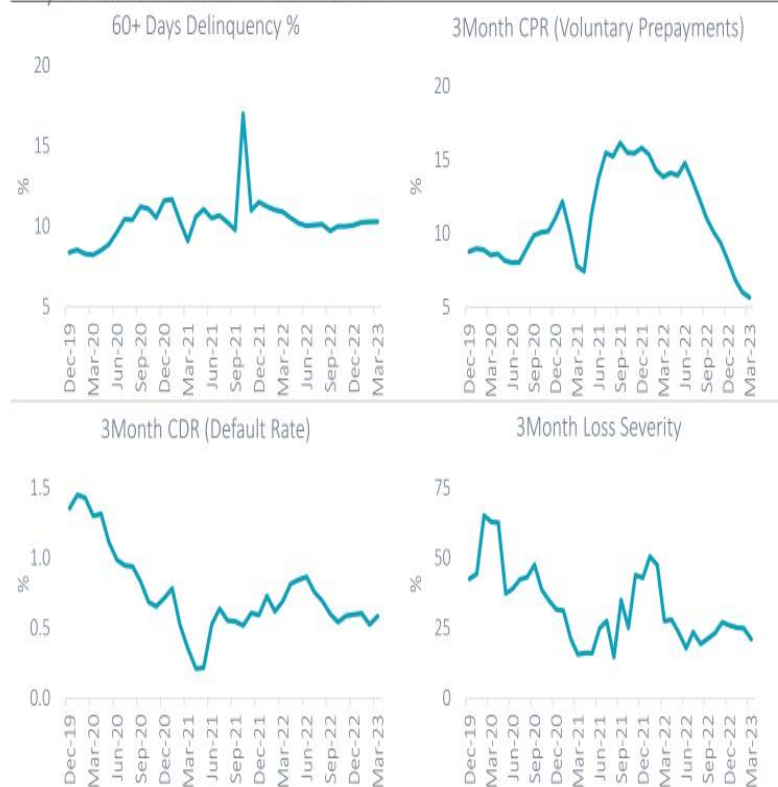


# RPL SECURITIZATIONS CREDIT PERFORMANCE

## RPL Securitizations Loan Characteristics

Total Original Unpaid Principal Balance (UPB)	\$16.0 Billion
Total Current Unpaid Principal Balance (UPB)	\$11.1 Billion
Total Number of Loans	111,413
Weighted Average Loan Size	\$116K
Weighted Average Coupon	5.92%
WA FICO	654
Average Loan Age	197 Months
Amortized Loan-to-Value (LTV)	66%
HPI Updated Loan-to-Value (LTV)	44%
60+ Days Delinquent	10.3%

Reperforming Loans are a cornerstone of our portfolio. Credit performance has been stable given home price appreciation and the fully seasoned nature of our loans.



Source: Bloomberg & IntexCalc.  
Information is unaudited, estimated and subject to change.



## OUR POSITIONING 2023

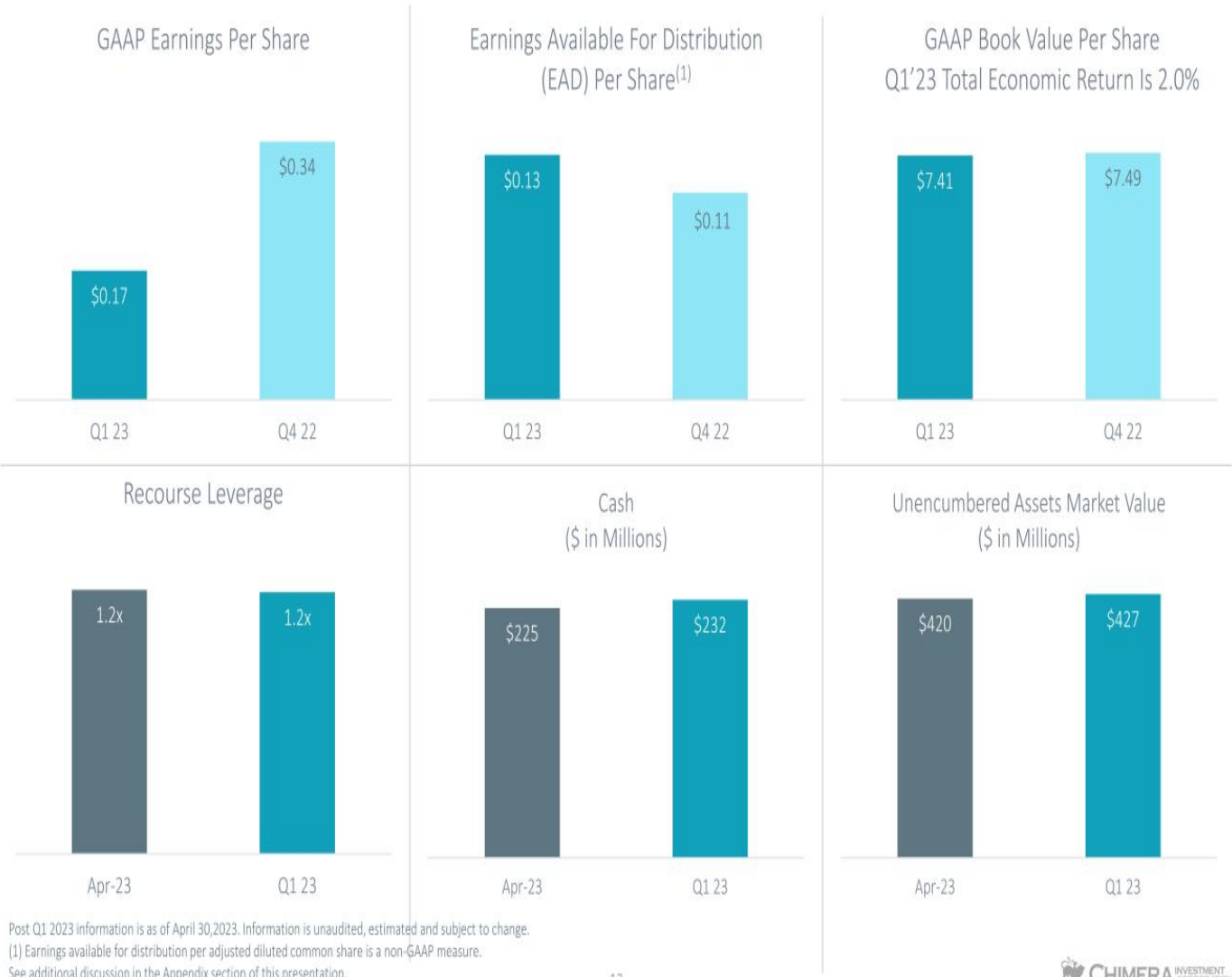
Capital	<ul style="list-style-type: none"> <li>✓ Equity extraction from our existing RPL portfolio serves as a significant source of capital.</li> <li>✓ 14 deals callable in 2023, 4 deals callable in 2024, and 6 deals callable in 2025.</li> <li>✓ The longer these deals are outstanding, the greater the potential equity take-out.</li> <li>✓ At the current rate of paydowns, estimated equity take-out of approximately \$1 billion if not called through 2025.</li> </ul>
Portfolio Investments	<ul style="list-style-type: none"> <li>✓ Deployed capital into Seasoned RPL, Non-QM (DSCR) Investor Loans, and BPL sectors in Q1 2023 and will continue to grow residential credit portfolio as opportunities arise.</li> <li>✓ Looking to rebuild Agency RMBS, Agency CMBS, and Senior Non-Agency RMBS portfolio given the attractive returns and liquidity profile.</li> </ul>
Credit Performance	<ul style="list-style-type: none"> <li>✓ Our existing loan portfolio remains stable given low-LTVs (Wavg HPI LTV of 48%) and 182 months of seasoning.</li> <li>✓ Potential for equity book value to increase approximately \$400 million if the accretable discount (net of premiums) on all assets and securitized debt were to be realized with current loss assumptions. Potential for equity book value to increase approximately \$500 million assuming all assets and securitized debt were repaid at par value.</li> </ul>
Financing & Liquidity	<ul style="list-style-type: none"> <li>✓ Chimera has \$225 million in cash and \$420 million in unencumbered assets<sup>(1)</sup>.</li> <li>✓ Recourse leverage of 1.1x down from 1.3x in Q4 2022<sup>(2)</sup>.</li> </ul>
Interest Rate Hedging <sup>(1)(2)</sup>	<ul style="list-style-type: none"> <li>✓ Current hedges are positioned in anticipation of the end of the Fed tightening cycle.</li> <li>✓ 1 Year Swap will protect 48% of the floating rate repos and the 1x1 Swaptions gives us flexibility in case the Fed holds rates higher through 2024.</li> </ul>

Information is unaudited, estimated and subject to change.

(1) Information is as of April 30, 2023. (2) Upon the closing of the CIM 2023-R4 securitization.

# APPENDIX

# FINANCIAL METRICS



## NET INTEREST SPREAD

The table below shows our average earning assets held, interest earned on assets, yield on average interest earning assets, average debt balance, economic interest expense, economic average cost of funds, economic net interest income, and net interest rate spread for the periods presented.

	March 31, 2023 (dollars in thousands)			For the Quarter Ended December 31, 2022 (dollars in thousands)			March 31, 2022 (dollars in thousands)		
	Average Balance	Interest	Average Yield/Cost	Average Balance	Interest	Average Yield/Cost	Average Balance	Interest	Average Yield/Cost
Assets:									
<i>Interest-earning assets<sup>(1)</sup>:</i>									
Agency RMBS	\$ 18,692	\$ 322	6.9 %	\$ 31,542	\$ 346	4.4 %	\$ 113,723	\$ 253	0.9 %
Agency CMBS	307,846	2,957	3.8 %	441,421	4,291	3.9 %	559,478	22,870	16.4 %
Non-Agency RMBS	990,721	30,098	12.2 %	1,013,693	29,304	11.6 %	1,310,359	45,675	13.9 %
Loans held for investment	12,334,025	152,838	5.0 %	12,075,239	151,478	5.0 %	11,599,206	133,359	4.6 %
Total	\$13,651,284	\$186,215	5.5 %	\$13,561,895	\$185,419	5.5 %	\$13,582,766	\$202,157	6.0 %
Liabilities and stockholders' equity:									
<i>Interest-bearing liabilities<sup>(2)</sup>:</i>									
Secured financing agreements collateralized by:									
Agency RMBS	\$ 4,095	\$ 52	5.1 %	\$ 4,547	\$ 46	4.0 %	\$ 20,342	\$ 31	0.6 %
Agency CMBS	252,102	2,956	4.7 %	358,914	3,464	3.9 %	435,545	270	0.2 %
Non-Agency RMBS	762,989	16,063	8.4 %	788,795	13,275	6.7 %	817,261	5,448	2.7 %
Loans held for investment	2,189,967	34,839	6.4 %	1,971,144	33,776	6.9 %	1,948,974	12,839	2.6 %
Securitized debt	8,049,843	62,886	3.1 %	8,056,913	57,959	2.9 %	7,870,127	45,885	2.3 %
Total	\$11,258,996	\$116,796	4.1 %	\$11,180,313	\$108,520	3.9 %	\$11,092,249	\$ 64,473	2.3 %
Economic net interest income/net interest rate spread		\$ 69,419	1.4 %		\$ 76,899	1.6 %		\$137,684	3.7 %
Net interest-earning assets/net interest margin	\$ 2,392,288		2.0 %	\$ 2,381,582		2.3 %	\$ 2,490,517		4.1 %
Ratio of interest-earning assets to interest bearing liabilities	1.21			1.21			1.22		

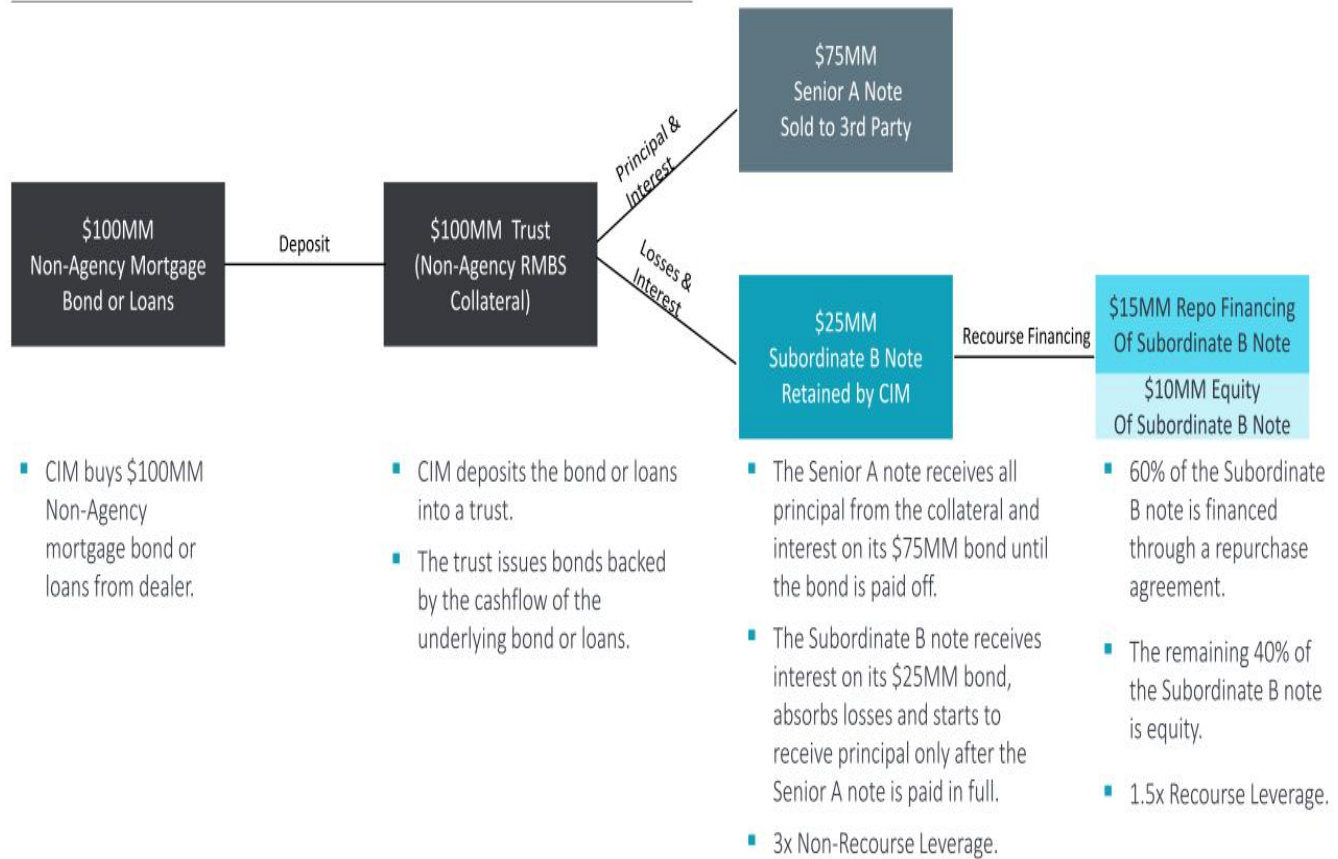
(1) Interest-earning assets at amortized cost

(2) Interest includes periodic net interest cost on swaps



# THE SECURITIZATION PROCESS

Chimera has created term-funding through securitization.



## CONSOLIDATED LOAN SECURITIZATIONS

VINTAGE	DEAL	TOTAL ORIGINAL FACE	TOTAL OF TRANCHES SOLD	TOTAL OF TRANCHES RETAINED	TOTAL REMAINING FACE	REMAINING FACE OF TRANCHES SOLD	REMAINING FACE OF TRANCHES RETAINED	FIRST CALL DATE
2023	CIM 2023-R4	393,997	297,270	96,727	393,997	297,270	96,727	April 2028
2023	CIM 2023-NR2	450,834	394,479	56,355	66,661	48,328	18,333	April 2024
2023	CIM 2023-R3	66,661	48,328	18,333	450,834	394,479	56,355	April 2025
2023	CIM 2023-I1	236,161	141,578	94,583	234,991	204,408	30,583	April 2026
2023	CIM 2023-R2	447,384	364,841	82,543	447,384	358,307	82,543	March 2028
2023	CIM 2023-NR1	134,016	97,161	36,855	132,052	90,458	36,408	Jan 2024
2023	CIM 2023-R1	585,718	512,503	73,215	570,456	497,228	73,215	Jan 2025
2022	CIM 2022-NR1	144,912	105,061	39,851	136,427	97,109	39,319	Oct 2025
2022	CIM 2022-R3	369,891	283,891	86,000	344,889	258,887	85,998	Sept 2027
2022	CIM 2022-I1	219,442	122,997	96,445	219,442	114,028	96,445	June 2026
2022	CIM 2022-R2	508,202	380,389	127,813	460,684	333,018	127,667	May 2027
2022	CIM 2022-R1	328,226	263,729	64,497	283,906	219,414	64,476	Feb 2027
2021	CIM 2021-NR4	167,596	125,747	41,849	131,587	90,350	41,237	Currently Callable
2021	CIM 2021-R6	353,797	336,284	17,513	246,650	229,137	17,513	Sept 2026
2021	CIM 2021-R5	450,396	382,836	67,560	369,025	301,696	67,326	Aug 2024
2021	CIM 2021-R4	545,684	463,831	81,853	393,695	311,622	81,853	June 2024
2021	CIM 2021-R3	859,735	730,775	128,960	577,076	447,320	128,960	April 2025
2021	CIM 2021-NR3	117,373	82,161	35,212	76,591	39,740	36,851	Currently Callable
2021	CIM 2021-R2	1,497,213	1,272,631	224,582	941,081	714,037	224,582	March 2025
2021	CIM 2021-NR2	240,425	180,318	60,107	161,775	95,949	65,826	Currently Callable
2021	CIM 2021-R1	2,098,584	1,783,797	314,787	1,335,884	1,016,910	314,787	Feb 2025
2021	CIM 2021-NR1	232,682	162,877	69,805	144,045	68,865	75,181	Currently Callable
2020	CIM 2020-R7	653,192	562,023	91,169	419,576	328,694	90,881	Nov 2023
2020	CIM 2020-R6	418,390	334,151	84,239	288,428	204,484	83,944	Oct 2023
2020	CIM 2020-R5	338,416	257,027	81,389	184,855	103,398	81,389	Clean-up Call
2020	CIM 2020-R3	438,228	328,670	109,558	279,683	170,636	109,047	Currently Callable
2020	CIM 2020-R2	492,347	416,761	75,586	318,141	244,485	73,655	Clean-up Call
2020	CIM 2020-R1	390,761	317,608	73,153	272,539	199,329	72,757	Currently Callable
2019	SLST 2019-1	1,217,441	941,719	275,722	824,634	577,374	241,308	May 2023
2019	CIM 2019-R5	315,039	252,224	62,815	176,528	113,765	61,981	Clean-up Call
2019	CIM 2019-R4	320,802	256,641	64,161	188,123	125,121	63,002	Currently Callable
2019	CIM 2019-R3	342,633	291,237	51,396	179,458	128,352	51,095	Currently Callable
2019	CIM 2019-R2	464,327	358,172	106,155	307,963	202,953	104,693	Clean-up Call
2019	CIM 2019-R1	371,762	297,409	74,353	236,537	163,419	73,118	Currently Callable
2018	CIM 2018-R3	181,073	146,669	34,404	69,447	36,899	32,286	Currently Callable
2016	CIM 2016-FRE1	185,811	115,165	70,646	74,239	17,664	56,574	Currently Callable
2008	PHHMC 2008-CIM1	619,710	549,142	70,568	8,541	6,342	2,176	Clean-up Call
<b>TOTAL</b>		<b>\$17,198,861</b>	<b>\$13,958,102</b>	<b>\$3,240,759</b>	<b>\$11,947,824</b>	<b>\$8,851,475</b>	<b>\$3,060,091</b>	

Information is as of April 30, 2023 and is unaudited, estimated and subject to change.

## EARNINGS AVAILABLE FOR DISTRIBUTION

Earnings available for distribution is a non-GAAP measure and is defined as GAAP net income excluding unrealized gains or losses on financial instruments carried at fair value with changes in fair value recorded in earnings, realized gains or losses on the sales of investments, gains or losses on the extinguishment of debt, interest expense on long term debt, changes in the provision for credit losses, other gains or losses on equity investments, and transaction expenses incurred. In addition, stock compensation expense charges incurred on awards to retirement eligible employees is reflected as an expense over a vesting period (36 months) rather than reported as an immediate expense.

Earnings available for distribution is the Economic net interest income, reduced by compensation and benefits expenses (adjusted for awards to retirement eligible employees), general and administrative expenses, servicing and asset manager fees, income tax benefits or expenses incurred during the period, as well as the preferred dividend charges. Economic net interest income is a non-GAAP financial measure that equals GAAP net interest income adjusted for interest expense on long term debt, net periodic interest cost of interest rate swaps and excludes interest earned on cash. See a reconciliation of Economic net interest income to the most relevant GAAP measure below.

We view Earnings available for distribution as one measure of our investment portfolio's ability to generate income for distribution to common stockholders. Earnings available for distribution is one of the metrics, but not the exclusive metric, that our Board of Directors uses to determine the amount, if any, of dividends on our common stock. Other metrics that our Board of Directors may consider when determining the amount, if any, of dividends on our common stock include (among others) REIT taxable income, dividend yield, book value, cash generated from the portfolio, reinvestment opportunities and other cash needs. In addition, Earnings available for distribution is different than REIT taxable income and the determination of whether we have met the requirement to distribute at least 90% of our annual REIT taxable income (subject to certain adjustments) to our stockholders in order to maintain qualification as a REIT is not based on Earnings available for distribution.

Therefore, Earnings available for distribution should not be considered as an indication of our REIT taxable income, a guaranty of our ability to pay dividends, or as a proxy for the amount of dividends we may pay. We believe Earnings available for distribution as described above helps us and investors evaluate our financial performance period over period without the impact of certain transactions. Therefore, Earnings available for distribution should not be viewed in isolation and is not a substitute for net income or net income per basic share computed in accordance with GAAP. In addition, our methodology for calculating Earnings available for distribution may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and accordingly, our Earnings available for distribution may not be comparable to the Earnings available for distribution reported by other REITs.

## EARNINGS AVAILABLE FOR DISTRIBUTION (CONTINUED)

The following table provides GAAP measures of net income and net income per diluted share available to common stockholders for the periods presented and details with respect to reconciling the line items to Earnings available for distribution and related per average diluted common share amounts. Earnings available for distribution is presented on an adjusted dilutive shares basis. Certain prior period amounts have been reclassified to conform to the current period's presentation.

	For the Quarters Ended				
	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022
	(dollars in thousands, except per share data)				
GAAP Net income (loss) available to common stockholders	\$ 38,928	\$ 78,716	\$ (204,583)	\$ (179,765)	\$ (281,202)
Adjustments:					
Net unrealized (gains) losses on financial instruments at fair value	(64,592)	(112,026)	239,513	239,246	370,167
Net realized (gains) losses on sales of investments	5,264	39,443	37,031	—	—
(Gains) losses on extinguishment of debt	(2,309)	—	—	2,897	—
Increase (decrease) in provision for credit losses	3,062	3,834	(1,534)	4,497	240
Net unrealized (gains) losses on derivatives	8,551	10,171	(10,307)	1,618	—
Realized gains (losses) on derivatives	34,134	561	—	—	—
Transaction expenses	6,409	3,274	2,341	6,727	3,804
Stock Compensation expense for retirement eligible awards	2,141	(309)	(310)	(309)	723
Other investment (gains) losses	(117)	2,383	462	(980)	—
Earnings available for distribution	\$ 31,471	\$ 26,047	\$ 62,613	\$ 73,931	\$ 93,732
GAAP net income (loss) per diluted common share	\$ 0.17	\$ 0.34	\$ (0.88)	\$ (0.76)	\$ (1.19)
Earnings available for distribution per adjusted diluted common share	\$ 0.13	\$ 0.11	\$ 0.27	\$ 0.31	\$ 0.39

Information is unaudited, estimated and subject to change.



