FINANCIAL SUPPLEMENT

NYSE: CIM

3rd Quarter 2018

CHIMERA INVESTMENT CORPORATION

DISCLAIMER

This presentation 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 goal 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, under the caption “Risk Factors. Factors that could cause actual results to differ include, but are not limited to: the state of credit markets and general economic conditions; changes in interest rates and the market value of our assets; the rates of default or decreased recovery on the mortgages underlying our target assets; the occurrence, extent and timing of credit losses within our portfolio; the credit risk in our underlying assets; declines in home prices; our ability to establish, adjust and maintain appropriate hedges for the risks in our portfolio; the availability and cost of our target assets; our ability to borrow to finance our assets and the associated costs; changes in the competitive landscape within our industry; our ability to manage various operational risks and costs associated with our business; interruptions in or impairments to our communications and information technology systems; our ability to acquire residential mortgage loans and successfully securitize the residential mortgage loans we acquire; our ability to oversee our third party sub-servicers; the impact of any deficiencies in the servicing or foreclosure practices of third parties and related delays in the foreclosure process; our exposure to legal and regulatory claims; legislative and regulatory actions affecting our business; the impact of new or modified government mortgage refinance or principal reduction programs; our ability to maintain our REIT qualification; and limitations imposed on our business due to our REIT status and our exempt status under the Investment Company Act of 1940.

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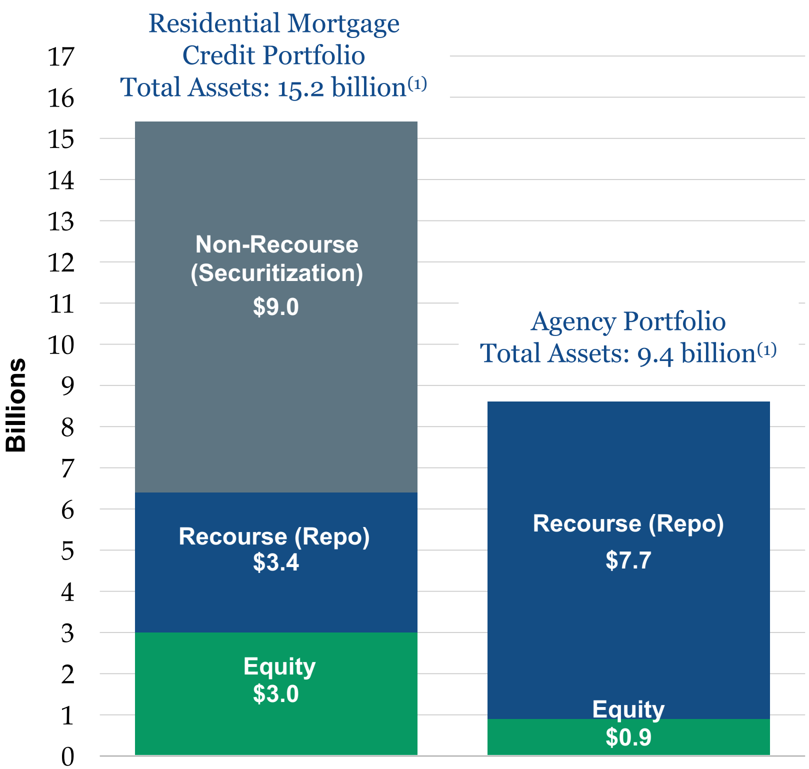
Readers are advised that the financial information in this presentation is based on company data available at the time of this presentation and, in certain circumstances, may not have been audited by the company s independent auditors.

PORTFOLIO COMPOSITION

76% of Chimera's equity capital is allocated to mortgage credit



Net Investment Analysis[2]

	Residential Mortgage Credit Portfolio	Agency Portfolio	Total Portfolio
Gross Asset Yield:	7.1%	3.4%	5.8%
Financing Cost[3]:	4.3%	2.3%	3.6%
Net Interest Spread:	2.8%	1.1%	2.2%
Net Interest Margin:	3.3%	1.5%	2.7%

All data as of September 30, 2018

(1) Financing excludes unsettled trades.

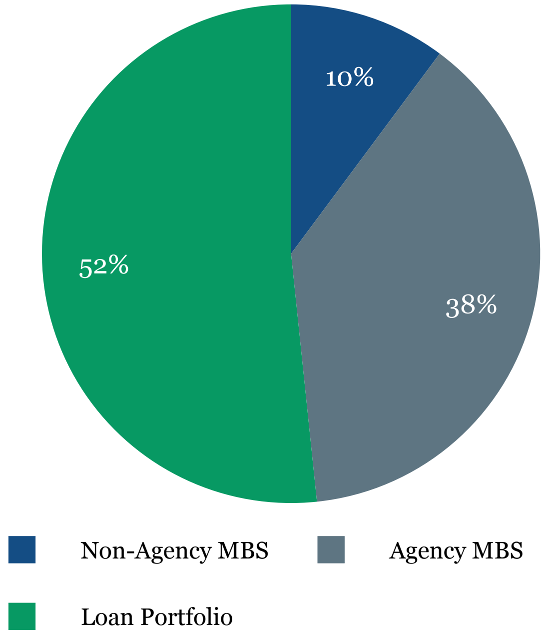
(2) Reflects third quarter 2018 average assets, yields, and spreads.

(3) Includes the interest incurred on interest rate swaps.

GAAP ASSET ALLOCATION[1]

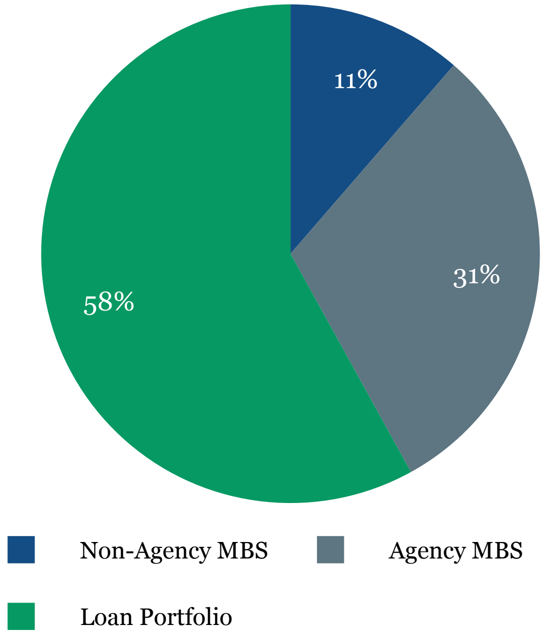
The increase in Agency MBS provides spread income and preserves portfolio liquidity

September 30, 2018



Total Portfolio: $24.6 billion

June 30, 2018



Total Portfolio: $22.8 billion

(1) Based on fair value.

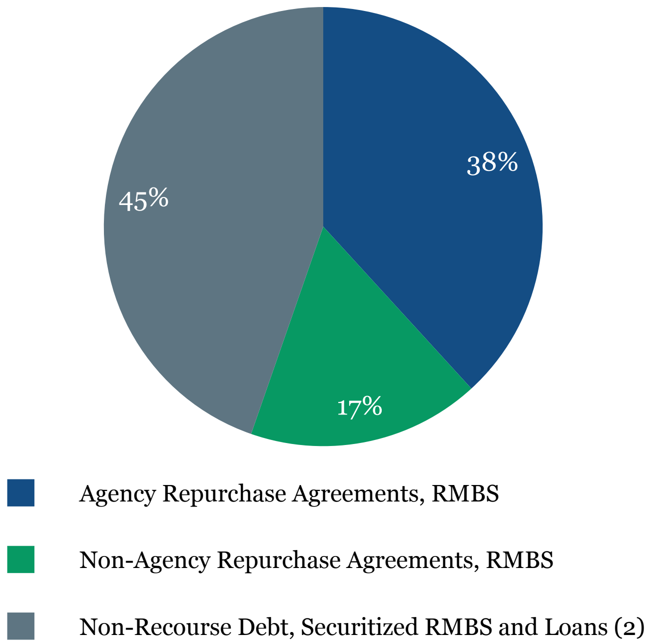
Information is unaudited, estimated and subject to change.

CHIMERA INVESTMENT CORPORATION

GAAP FINANCING SOURCES

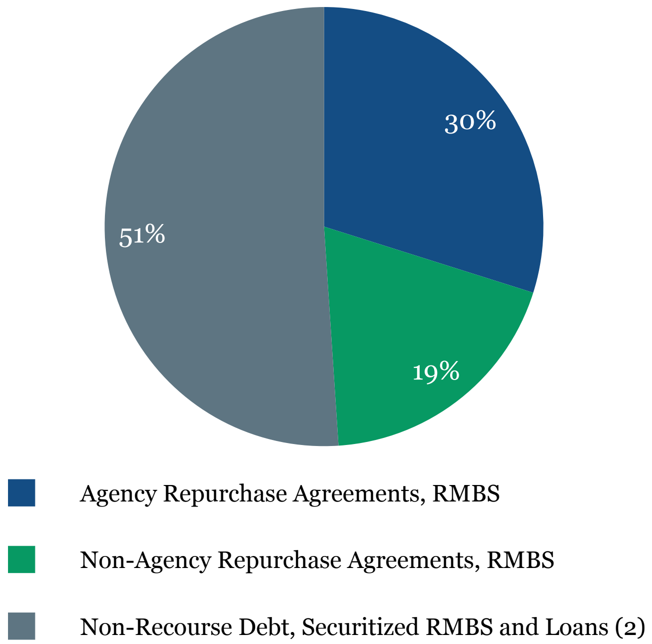
Total Leverage[1]: 5.1:1
Recourse Leverage[1]: 2.8:1

September 30, 2018



Total Financing: $20.1 Billion

June 30, 2018



Total Financing: $18.6 Billion

(1) Leverage ratios as of September 30, 2018
(2) Consists of tranches of RMBS and loan securitizations sold to third parties.

Information is unaudited, estimated and subject to change.

CONSOLIDATED LOAN SECURITIZATIONS

($ in thousands)

September 30, 2018

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
2018	CIM 2018-R5(1)	$380,194	$266,136	$114,058	$371,348	$257,294	$114,054
2018	CIM 2018-R4	387,222	271,056	116,166	375,840	259,732	116,108
2018	CIM 2018-R3(1)	181,073	146,669	34,404	171,196	136,846	34,350
2018	CIM 2018-R2	380,292	266,204	114,088	351,490	237,005	114,485
2018	CIM 2018-R1	169,032	140,297	28,735	157,880	128,869	29,011
2017	CMLTI 2017-RP2	421,329	341,276	80,053	384,196	304,345	79,851
2017	CIM 2017-8(1)	1,148,050	688,829	459,221	1,031,171	572,060	459,111
2017	CIM 2017-7	512,446	341,062	171,384	454,454	284,775	169,679
2017	CIM 2017-6	782,725	626,179	156,546	676,017	519,055	156,962
2017	CIM 2017-5	377,034	75,407	301,627	329,845	28,475	301,370
2017	CIM 2017-4	830,510	710,003	120,507	595,893	483,785	112,108
2017	CIM 2017-3	2,434,640	2,113,267	321,373	1,896,992	1,578,874	318,118
2017	CIM 2017-2	331,440	248,580	82,860	274,375	191,496	82,879
2017	CIM 2017-1	526,267	368,387	157,880	421,107	264,745	156,362
2016	CIM 2016-FRE1	185,811	115,165	70,646	148,834	79,908	68,926
2016	CIM 2016-4(1)	601,733	493,420	108,313	449,313	342,018	107,295
2016	CIM 2016-3	1,746,084	1,478,933	267,151	1,224,651	966,587	258,064
2016	CIM 2016-2	1,762,177	1,492,563	269,614	1,233,946	972,280	261,666
2016	CIM 2016-1	1,499,341	1,266,898	232,443	1,038,892	817,845	221,047
2015	CIM 2015-4AG(1)	750,647	530,970	219,677	460,012	273,458	186,554
2012	CSMC 2012-CIM1	741,939	707,810	34,129	49,425	22,297	27,128
2012	CSMC 2012-CIM2	425,091	404,261	20,830	41,678	24,222	17,456
2012	CSMC 2012-CIM3	329,886	305,804	24,082	106,867	88,872	17,995
2008	PHHMC 2008-CIM1	619,710	549,142	70,568	34,318	24,998	9,320
	TOTAL	**$17,524,673**	**$13,948,318**	**$3,576,355**	**$12,279,740**	**$8,859,841**	**$3,419,899**

All data as of September 30, 2018

(1) Contains collateral from Springleaf deals acquired in 2014.

CONSOLIDATED RMBS SECURITIZATIONS

- Re-securitized subordinate bonds have had slow prepayments considering the low interest rate environment
- Chimera expects the re-securitized subordinate bond portfolio to have meaningful impact on earnings for the foreseeable future

($ in thousands)

					September 30, 2018		
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
2010	CSMC 2010-1R	$1,730,581	$691,630	$1,038,951	$442,292	$3,154	$439,138
2009	CSMC 2009-12R	1,730,698	915,566	815,132	426,104	78,703	347,401
2009	JPMRR 2009-7	1,522,474	856,935	665,539	382,081	84,812	297,269
2009	JMAC 2009-R2	281,863	192,500	89,363	65,151	15,872	49,279
	TOTAL	**$5,265,616**	**$2,656,631**	**$2,608,985**	**$1,315,628**	**$182,541**	**$1,133,087**
		% of origination remaining			*25%*	*7%*	*43%*

* Chimera collapsed CSMC 2014-4R during the second quarter and owns the underlying securities

AGENCY SECURITIES AND REPO SUMMARY

Agency Securities – As of September 30, 2018

Security Type	Coupon(1)	Current Face	Weighted Average Market Price	Weighted Average CPR
Agency Pass-through	**3.50%**	$780,640	98.7	9.7
	4.00%	5,170,450	101.1	5.6
	4.50%	438,444	103.5	9.9
	5.0%	341,141	105.1	N/A(3)
Commercial	**3.6%**	2,532,460	97.8	—
Agency IO	**0.8%**	N/M(2)	4.2	3.7
Total		**$9,263,135**		

Agency Securities – As of June 30, 2018

Security Type	Coupon(1)	Current Face	Weighted Average Market Price	Weighted Average CPR
Agency Pass-through	**3.50%**	$805,356	99.7	8.8
	4.00%	3,270,033	102.1	6.0
	4.50%	452,341	104.4	5.6
	5.0%	—	—	—
Commercial	**3.6%**	2,300,891	98.8	0.1
Agency IO	**0.7%**	N/M(2)	3.4	5.5
Total		**$6,828,621**		

Repo Days to Maturity – As of September 30, 2018

Maturity	Principal Balance	Weighted Average Rate	Weighted Average Days
Within 30 days	$3,245,322	2.22%	
30 to 59 days	3,730,841	2.25%	
60 to 89 days	717,324	2.34%	
90 to 360 days	—	—%	
Total	**$7,693,487**	**2.25%**	**31 Days**

Repo Days to Maturity – As of June 30, 2018

Maturity	Principal Balance	Weighted Average Rate	Weighted Average Days
Within 30 days	$3,510,195	2.05%	
30 to 59 days	1,544,638	2.14%	
60 to 89 days	505,494	2.19%	
90 to 360 days	9,090	2.74%	
Total	**$5,569,417**	**2.09%**	**24 Days**

(1) Coupon is a weighted average for Commercial and Agency IO
(2) Notional Agency IO was $2.9 billion and $3.0 billion as of September 30, 2018 and June 30, 2018 respectively.
(3) New origination

Information is unaudited, estimated and subject to change.

INTEREST RATE SENSITIVITY

Chimera added to its Agency and hedge portfolios during the quarter

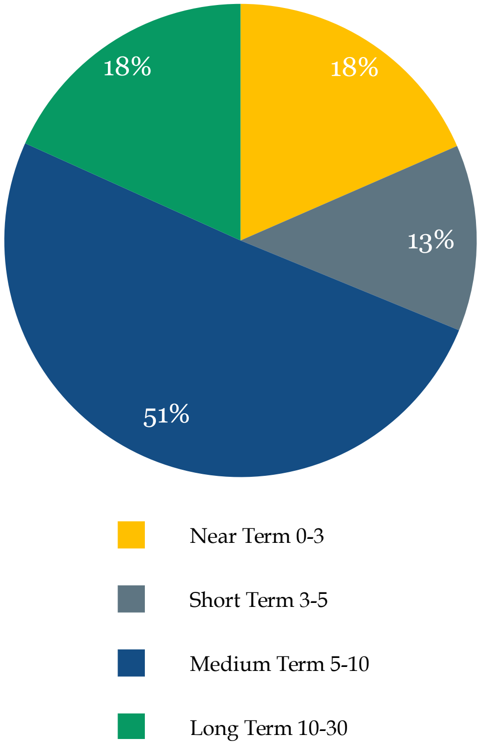
Description ($ in thousands)		- 100 Basis Points	- 50 Basis Points	Unchanged	+50 Basis Points	+100 Basis Points
Agency Securities	Market Value	$ 9,857,910	$ 9,650,351	$ 9,406,092	$ 9,133,202	$ 8,840,558
	Percentage Change	4.8 %	2.6 %	-	(2.9)%	(6.0)%
Swaps	Market Value	(413,821)	(202,279)	-	193,387	378,260
	Percentage Change	(4.4)%	(2.2)%	-	2.1 %	4.0 %
Futures	Market Value	(32,951)	(16,262)	-	15,868	31,328
	Percentage Change	(0.4)%	(0.2)%	-	0.2 %	0.3 %
Net Gain/(Loss)		$ 5,046	$ 25,718	-	$ (63,635)	$ (155,946)
Percentage Change in Portfolio Value[1]		0.1 %	0.3 %	-	(0.7)%	(1.7)%

Total Notional Balance - Derivative Instruments

	September 30, 2018	June 30, 2018
Agency Interest Rate Swaps	6,432,650	5,087,400
Swaptions	53,000	53,000
Futures	619,700	619,700

(1) Based on instantaneous moves in interest rates.

Hedge Book Maturities



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