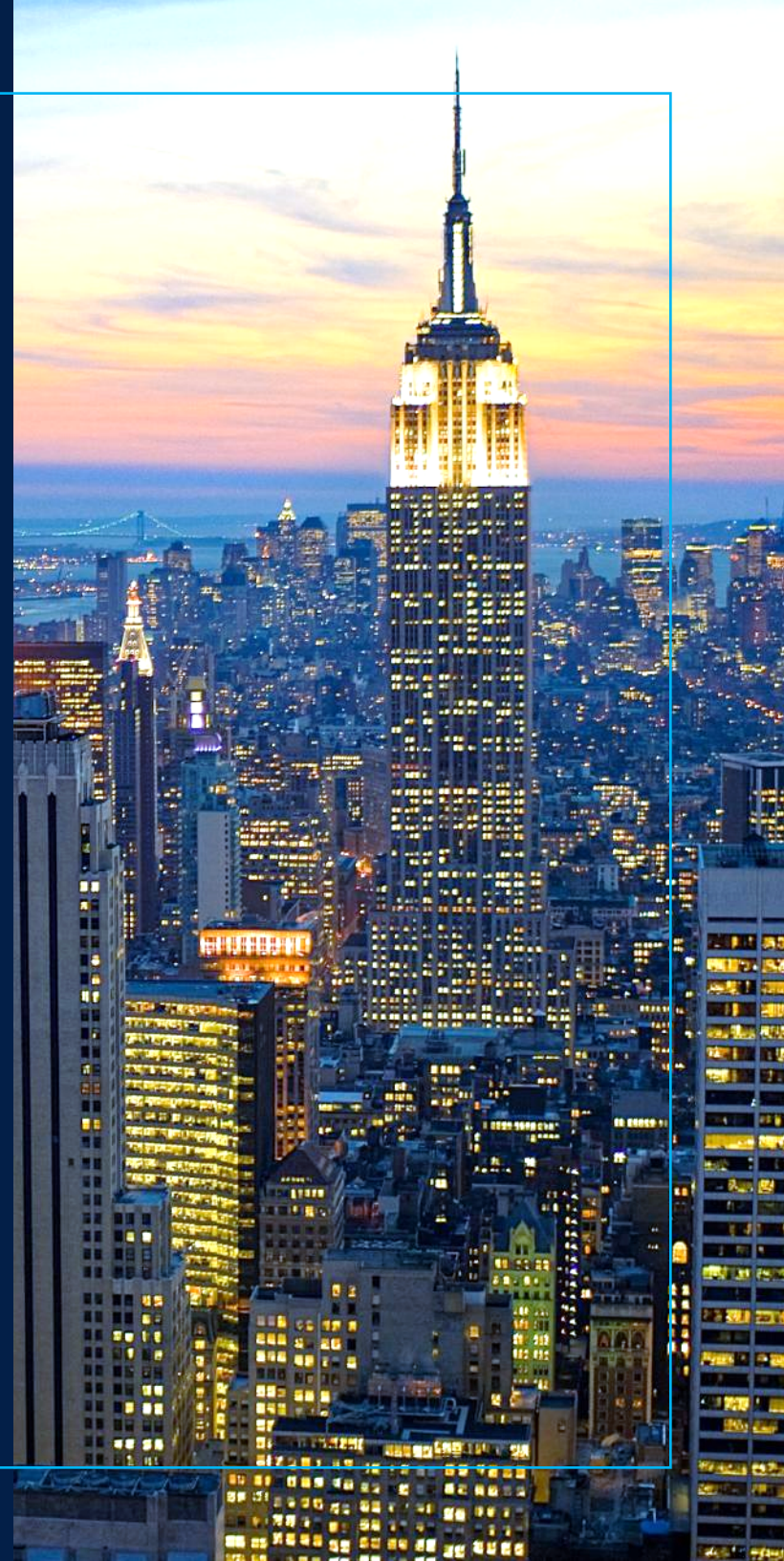


— ANNALY<sup>®</sup> —

Second Quarter 2025  
Financial  
Supplement

July 23, 2025



# Important Notices

This presentation is issued by Annaly Capital Management, Inc. ("Annaly"), an internally managed, publicly traded company that has elected to be taxed as a real estate investment trust for federal income tax purposes, and is being furnished in connection with Annaly's Second Quarter 2025 earnings release. This presentation is provided for investors in Annaly for informational purposes only and is not an offer to sell, or a solicitation of an offer to buy, any security or instrument.

## Forward-Looking Statements

This presentation, other written or oral communications, and our public documents to which we refer contain or incorporate by reference certain forward-looking statements which are based on various assumptions (some of which are beyond our control) and may be identified by reference to a future period or periods or by the use of forward-looking terminology, such as "may," "will," "believe," "expect," "anticipate," "continue," or similar terms or variations on those terms or the negative of those terms. Such statements include those relating to the Company's future performance, macro outlook, the interest rate and credit environments, tax reform and future opportunities. Actual results could differ materially from those set forth in forward-looking statements due to a variety of factors, including, but not limited to, changes in interest rates; changes in the yield curve; changes in prepayment rates; the availability of mortgage-backed securities ("MBS") and other securities for purchase; the availability of financing and, if available, the terms of any financing; changes in the market value of the Company's assets; changes in business conditions and the general economy including cybersecurity incidents; the Company's ability to grow its residential credit business; the Company's ability to grow its mortgage servicing rights business; credit risks related to the Company's investments in credit risk transfer securities and residential mortgage-backed securities and related residential mortgage credit assets; risks related to investments in mortgage servicing rights; the Company's ability to consummate any contemplated investment opportunities; changes in government regulations or policy affecting the Company's business; the Company's ability to maintain its qualification as a REIT for U.S. federal income tax purposes; the Company's ability to maintain its exemption from registration under the Investment Company Act of 1940; and operational risks or risk management failures by us or critical third parties, including cybersecurity incidents. For a discussion of the risks and uncertainties which could cause actual results to differ from those contained in the forward-looking statements, see "Risk Factors" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q. The Company does not undertake, and specifically disclaims any obligation, to publicly release the result of any revisions which may be made to any forward-looking statements to reflect the occurrence of anticipated or unanticipated events or circumstances after the date of such statements, except as required by law.

We use our website ([www.annaly.com](http://www.annaly.com)) and LinkedIn account ([www.linkedin.com/company/annaly-capital-management](http://www.linkedin.com/company/annaly-capital-management)) as channels of distribution of company information. The information we post through these channels may be deemed material. Accordingly, investors should monitor these channels, in addition to following our press releases, SEC filings and public conference calls and webcasts. In addition, you may automatically receive email alerts and other information about Annaly when you enroll your email address by visiting the "News & Insights" section of our website, then clicking on "Subscribe" and completing the email notification form.

Past performance is no guarantee of future results. There is no guarantee that any investment strategy referenced herein will work under all market conditions. Prior to making any investment decision, you should evaluate your ability to invest for the long-term, especially during periods of downturns in the market. You alone assume the responsibility of evaluating the merits and risks associated with any potential investment or investment strategy referenced herein. To the extent that this material contains reference to any past specific investment recommendations or strategies which were or would have been profitable to any person, it should not be assumed that recommendations made in the future will be profitable or will equal the performance of such past investment recommendations or strategies. The information contained herein is not intended to provide, and should not be relied upon for accounting, legal or tax advice or investment recommendations for Annaly or any of its affiliates.

Regardless of source, information is believed to be reliable for purposes used herein, but Annaly makes no representation or warranty as to the accuracy or completeness thereof and does not take any responsibility for information obtained from sources outside of Annaly. Certain information contained in the presentation discusses general market activity, industry or sector trends, or other broad-based economic, market or political conditions and should not be construed as research or investment advice.

# Financial Snapshot

Unaudited, dollars in thousands except per share amounts

		For the quarters ended	
		6/30/2025	3/31/2025
Income Statement	GAAP net income (loss) per average common share <sup>(1)</sup>	0.03	\$0.15
	Earnings available for distribution per average common share <sup>★(1)</sup>	\$0.73	\$0.72
	Annualized GAAP return (loss) on average equity <sup>(2)</sup>	1.82%	4.04%
	Annualized EAD return on average equity*	14.86%	14.43%
Balance Sheet	Book value per common share	\$18.45	\$19.02
	GAAP leverage at period-end <sup>(3)</sup>	7.1x	6.8x
	Economic leverage at period-end <sup>★(3)</sup>	5.8x	5.7x
	GAAP capital ratio at period-end <sup>(4)</sup>	12.0%	12.4%
	Economic capital ratio at period-end <sup>★(4)</sup>	14.3%	14.8%
Portfolio	Securities	\$73,500,626	\$70,361,364
	Loans, net	3,722,272	3,860,555
	Mortgage servicing rights	3,281,190	3,272,902
	Assets transferred or pledged to securitization vehicles	27,021,790	24,464,281
	Total investment portfolio	\$107,525,878	\$101,959,102
GAAP Key Statistics	Net interest margin <sup>(5)</sup>	1.04%	0.87%
	Average yield on interest earning assets <sup>(6)</sup>	5.42%	5.18%
	Average GAAP cost of interest bearing liabilities <sup>(7)</sup>	4.76%	4.77%
	Net interest spread	0.66%	0.41%
Non-GAAP Key Statistics	Net interest margin (excluding PAA) <sup>★(5)</sup>	1.71%	1.69%
	Average yield on interest earning assets (excluding PAA) <sup>★(6)</sup>	5.41%	5.23%
	Average economic cost of interest bearing liabilities <sup>★(7)</sup>	3.94%	3.88%
	Net interest spread (excluding PAA) *	1.47%	1.35%
Efficiency	Operating expenses to earnings available for distribution *	10.21%	10.41%
	Annualized operating expenses as a % of average total assets	0.18%	0.18%
	Annualized operating expenses as a % of average total equity	1.51%	1.49%

\* Represents a non-GAAP financial measure.

Detailed endnotes are included within the Appendix at the end of this presentation.

# Portfolio Data

Unaudited, dollars in thousands except per share amounts

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Portfolio-Related Data	Agency mortgage-backed securities	\$71,756,638	\$68,329,720	\$67,434,068	\$69,150,399	\$64,390,905
	Residential credit risk transfer securities	414,047	521,059	754,915	826,841	838,437
	Non-agency mortgage-backed securities	1,329,941	1,451,524	1,493,186	1,616,696	1,702,859
	Commercial mortgage-backed securities	—	59,061	74,278	106,241	112,552
	Total securities	\$73,500,626	\$70,361,364	\$69,756,447	\$71,700,177	\$67,044,753
	Residential mortgage loans	\$3,722,272	\$3,860,555	\$3,546,902	\$2,305,613	\$2,548,228
	Total loans, net	\$3,722,272	\$3,860,555	\$3,546,902	\$2,305,613	\$2,548,228
	Mortgage servicing rights	\$3,281,190	\$3,272,902	\$2,909,134	\$2,693,057	\$2,785,614
	Residential mortgage loans transferred or pledged to securitization vehicles	\$27,021,790	\$24,464,281	\$21,973,188	\$21,044,007	\$17,946,812
	Assets transferred or pledged to securitization vehicles	\$27,021,790	\$24,464,281	\$21,973,188	\$21,044,007	\$17,946,812
	Total investment portfolio	\$107,525,878	\$101,959,102	\$98,185,671	\$97,742,854	\$90,325,407
	Total assets	\$112,141,892	\$105,115,346	\$103,556,384	\$101,515,995	\$93,668,577
	Period-end TBA contract balances, implied market value	\$7,783,931	\$6,635,383	\$3,136,154	\$3,328,141	\$1,652,389
	Average TBA contract balances, implied market value	\$6,213,317	\$4,635,027	\$2,004,639	\$977,873	\$1,002,459

# Financing & Capital Data

Unaudited, dollars in thousands except per share amounts

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Financing Data	Repurchase agreements	\$66,541,378	\$61,659,460	\$65,688,923	\$64,310,276	\$60,787,994
	Other secured financing	1,025,000	900,000	750,000	600,000	600,000
	Debt issued by securitization vehicles	24,107,249	21,802,193	19,540,678	18,709,118	15,831,915
	Participations issued	1,556,900	1,748,273	1,154,816	467,006	1,144,821
	U.S. Treasury securities sold, not yet purchased	2,528,167	2,519,125	2,470,629	2,043,519	1,974,602
	Total debt	\$95,758,694	\$88,629,051	\$89,605,046	\$86,129,919	\$80,339,332
	Total liabilities	\$98,667,529	\$92,030,838	\$90,859,432	\$88,976,046	\$82,405,673
	Cumulative redeemable preferred stock	\$1,536,569	\$1,536,569	\$1,536,569	\$1,536,569	\$1,536,569
	Common equity <sup>(1)</sup>	11,844,730	11,458,147	11,072,672	10,906,693	9,644,555
	Total Annaly stockholders' equity	13,381,299	12,994,716	12,609,241	12,443,262	11,181,124
Key Capital and Hedging Metrics	Non-controlling interests	93,064	89,792	87,711	96,687	81,780
	Total equity	\$13,474,363	\$13,084,508	\$12,696,952	\$12,539,949	\$11,262,904
	Weighted average days to maturity of repurchase agreements	49	50	32	34	36
	Weighted average rate on repurchase agreements, for the quarter <sup>(2)(3)</sup>	4.53%	4.56%	4.93%	5.50%	5.53%
	Weighted average rate on repurchase agreements, at period-end <sup>(3)</sup>	4.57%	4.56%	4.76%	5.23%	5.59%
	GAAP leverage at period-end	7.1x	6.8x	7.1x	6.9x	7.1x
	Economic leverage at period-end *	5.8x	5.7x	5.5x	5.7x	5.8x
	GAAP capital ratio at period-end	12.0%	12.4%	12.3%	12.4%	12.0%
	Economic capital ratio at period-end *	14.3%	14.8%	14.8%	14.6%	14.4%
	Book value per common share	\$18.45	\$19.02	\$19.15	\$19.54	\$19.25
	Total common shares outstanding	642,076	602,338	578,357	558,048	501,018
	Hedge ratio <sup>(4)</sup>	92%	95%	100%	101%	98%
	Weighted average pay rate on interest rate swaps, at period-end	3.14%	2.98%	3.11%	3.05%	3.13%
	Weighted average receive rate on interest rate swaps, at period-end	4.47%	4.43%	4.50%	4.94%	5.30%
	Weighted average net rate on interest rate swaps, at period-end	(1.33%)	(1.45%)	(1.39%)	(1.89%)	(2.17%)

\* Represents a non-GAAP financial measure.

Detailed endnotes are included within the Appendix at the end of this presentation.

# Income Statement Data

Unaudited, dollars in thousands except per share amounts

	For the quarters ended				
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Total interest income	\$1,418,893	\$1,317,108	\$1,338,880	\$1,229,341	\$1,177,325
Total interest expense	1,145,693	1,097,137	1,151,592	1,215,940	1,123,767
Net interest income	\$273,200	\$219,971	\$187,288	\$13,401	\$53,558
Total economic interest expense <sup>*(1)</sup>	\$947,828	\$892,748	\$879,287	\$882,244	\$806,470
Economic net interest income *	\$471,065	\$424,360	\$459,593	\$347,097	\$370,855
Total interest income (excluding PAA) *	\$1,415,031	\$1,329,404	\$1,313,593	\$1,250,706	\$1,170,019
Economic net interest income (excluding PAA) *	\$467,203	\$436,656	\$434,306	\$368,462	\$363,549
GAAP net income (loss)	\$60,371	\$130,305	\$473,076	\$82,351	(\$8,833)
GAAP net income (loss) available (related) to common stockholders <sup>(2)</sup>	\$19,839	\$87,067	\$443,348	\$24,817	(\$46,641)
GAAP net income (loss) per average common share <sup>(2)</sup>	\$0.03	\$0.15	\$0.78	\$0.05	(\$0.09)
Earnings available for distribution *	\$489,906	\$461,857	\$447,015	\$382,509	\$377,139
Earnings available for distribution attributable to common stockholders <sup>*(2)</sup>	\$452,646	\$424,700	\$408,311	\$340,881	\$339,981
Earnings available for distribution per average common share <sup>*(2)</sup>	\$0.73	\$0.72	\$0.72	\$0.66	\$0.68
PAA cost (benefit)	(\$3,862)	\$12,296	(\$25,287)	\$21,365	(\$7,306)
Weighted average experienced CPR for the period	8.7%	7.1%	8.7%	7.6%	7.4%
Weighted average projected long-term CPR at period-end	9.1%	9.5%	8.6%	11.9%	8.5%

Summary  
Income  
Statement

\* Represents a non-GAAP financial measure.  
Detailed endnotes are included within the Appendix at the end of this presentation.



# Key Earnings Metrics

Unaudited, dollars in thousands except per share amounts

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Key GAAP Earnings Metrics	Dividends declared per common share	\$0.70	\$0.70	\$0.65	\$0.65	\$0.65
	Total common and preferred dividends declared <sup>(1)</sup>	\$489,459	\$461,020	\$416,910	\$406,542	\$364,899
	Annualized GAAP return (loss) on average equity <sup>(2)</sup>	1.82%	4.04%	15.00%	2.77%	(0.31%)
	Annualized GAAP return (loss) on average equity per unit of GAAP leverage	0.26%	0.59%	2.11%	0.40%	(0.04%)
	Net interest margin	1.04%	0.87%	0.75%	0.06%	0.24%
	Average yield on interest earning assets	5.42%	5.18%	5.36%	5.16%	5.17%
	Average GAAP cost of interest bearing liabilities	4.76%	4.77%	4.96%	5.42%	5.43%
	Net interest spread	0.66%	0.41%	0.40%	(0.26%)	(0.26%)
Key Non-GAAP Earnings Metrics	Annualized EAD return on average equity *	14.86%	14.43%	14.27%	12.95%	13.36%
	Annualized EAD return on average equity per unit of economic leverage *	2.56%	2.53%	2.59%	2.27%	2.30%
	Net interest margin (excluding PAA) *	1.71%	1.69%	1.71%	1.52%	1.58%
	Average yield on interest earning assets (excluding PAA) *	5.41%	5.23%	5.26%	5.25%	5.14%
	Average economic cost of interest bearing liabilities *	3.94%	3.88%	3.79%	3.93%	3.90%
	Net interest spread (excluding PAA) *	1.47%	1.35%	1.47%	1.32%	1.24%

\* Represents a non-GAAP financial measure.  
Detailed endnotes are included within the Appendix at the end of this presentation.

# Components of Economic Net Interest Income\*

Unaudited, dollars in thousands

	For the quarters ended					
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024	
Economic Net Interest Income *	Interest income:					
	Agency Securities	\$875,937	\$820,182	\$874,164	\$789,403	\$790,779
	Resi Credit Securities	36,853	40,207	47,004	49,863	50,895
	Residential mortgage loans	467,959	426,055	383,074	346,031	301,820
	Commercial investment portfolio	163	1,055	1,622	2,240	2,441
	Reverse repurchase agreements	37,981	29,609	33,016	41,804	31,390
	Total interest income	\$1,418,893	\$1,317,108	\$1,338,880	\$1,229,341	\$1,177,325
	Economic interest expense:					
	Repurchase agreements	\$775,918	\$760,783	\$857,533	\$942,780	\$881,926
	Net interest component of interest rate swaps and net interest on initial margin related to interest rate swaps <sup>(1)</sup>	(197,865)	(204,389)	(272,305)	(333,696)	(317,297)
	U.S. Treasury securities sold, not yet purchased	26,654	25,718	23,862	21,027	21,273
	Debt issued by securitization vehicles	312,383	283,592	260,290	234,299	200,812
	Participations issued	30,738	27,044	9,907	17,834	19,756
	Total economic interest expense *	\$947,828	\$892,748	\$879,287	\$882,244	\$806,470
	Economic net interest income *	\$471,065	\$424,360	\$459,593	\$347,097	\$370,855
PAA cost (benefit)	(3,862)	12,296	(25,287)	21,365	(7,306)	
Economic net interest income (excluding PAA) *	\$467,203	\$436,656	\$434,306	\$368,462	\$363,549	

\* Represents a non-GAAP financial measure.  
Detailed endnotes are included within the Appendix at the end of this presentation.



# GAAP Net Income to Earnings Available for Distribution\* Reconciliation

Unaudited, dollars in thousands

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
EAD* Reconciliation	GAAP net income (loss)	\$60,371	\$130,305	\$473,076	\$82,351	(\$8,833)
	Adjustments to exclude reported realized and unrealized (gains) losses:					
	Net (gains) losses on investments and other <sup>(1)</sup>	(82,854)	(810,970)	2,010,664	(1,724,051)	568,874
	Net (gains) losses on derivatives <sup>(2)</sup>	574,435	1,169,412	(1,958,777)	2,071,493	(132,115)
	Other adjustments:					
	Amortization of intangibles	672	673	671	673	673
	Non-EAD (income) loss allocated to equity method investments <sup>(3)</sup>	(403)	147	(652)	1,465	(523)
	Transaction expenses and non-recurring items <sup>(4)</sup>	5,706	6,782	6,251	4,966	5,329
	Income tax effect of non-EAD income (loss) items	1,003	7,355	5,594	(9,248)	10,016
	TBA dollar roll income <sup>(5)</sup>	7,252	11,275	2,086	(1,132)	486
	MSR amortization <sup>(6)</sup>	(68,804)	(62,433)	(64,497)	(62,480)	(56,100)
	EAD attributable to noncontrolling interests	(3,610)	(2,985)	(2,114)	(2,893)	(3,362)
	Premium amortization adjustment cost (benefit)	(3,862)	12,296	(25,287)	21,365	(7,306)
	Earnings available for distribution *	489,906	461,857	447,015	382,509	377,139
	Dividends on preferred stock	37,260	37,157	38,704	41,628	37,158
Earnings available for distribution attributable to common stockholders *	\$452,646	\$424,700	\$408,311	\$340,881	\$339,981	

\* Represents a non-GAAP financial measure.

Detailed endnotes are included within the Appendix at the end of this presentation.

# Quarter-Over-Quarter Changes in Key Metrics

Unaudited

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Book Value Rollforward	Book value per common share, beginning of period	\$19.02	\$19.15	\$19.54	\$19.25	\$19.73
	Net income (loss) available (related) to common stockholders	0.03	0.15	0.78	0.05	(0.09)
	Other comprehensive income (loss) attributable to common stockholders	0.08	0.39	(0.54)	0.86	0.25
	Common dividends declared	(0.70)	(0.70)	(0.65)	(0.65)	(0.65)
	Other <sup>(1)</sup>	0.02	0.03	0.02	0.03	0.01
	Book value per common share, end of period	\$18.45	\$19.02	\$19.15	\$19.54	\$19.25
Net Interest Margin	Prior quarter net interest margin	0.87%	0.75%	0.06%	0.24%	(0.03%)
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon on average interest earning assets	0.14%	0.03%	0.04%	0.16%	0.22%
	Net amortization of premiums	0.10%	(0.21%)	0.16%	(0.18%)	0.07%
	GAAP interest expense	(0.07%)	0.30%	0.49%	(0.16%)	(0.02%)
	Current quarter net interest margin	1.04%	0.87%	0.75%	0.06%	0.24%
Net Interest Spread	Prior quarter net interest spread	0.41%	0.40%	(0.26%)	(0.26%)	(0.52%)
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon on average interest earning assets	0.14%	0.03%	0.04%	0.16%	0.22%
	Net amortization of premiums	0.10%	(0.21%)	0.16%	(0.18%)	0.07%
	GAAP interest expense	0.01%	0.19%	0.46%	0.02%	(0.03%)
	Current quarter net interest spread	0.66%	0.41%	0.40%	(0.26%)	(0.26%)

Detailed endnotes are included within the Appendix at the end of this presentation.

# Quarter-Over-Quarter Changes in Key Metrics (cont'd)

Unaudited

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Net Interest Margin (excluding PAA)*	Prior quarter net interest margin (excluding PAA) *	1.69%	1.71%	1.52%	1.58%	1.43%
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon on average interest earning assets (including average TBA dollar roll balances)	0.06%	(0.09%)	(0.01%)	0.16%	0.18%
	Net amortization of premiums (excluding PAA)	0.04%	(0.05%)	(0.03%)	(0.06%)	0.05%
	TBA dollar roll income	(0.02%)	0.03%	0.02%	(0.01%)	0.00%
	Economic interest expense	(0.06%)	0.09%	0.21%	(0.15%)	(0.08%)
	Current quarter net interest margin (excluding PAA) *	1.71%	1.69%	1.71%	1.52%	1.58%
Net Interest Spread (excluding PAA)*	Prior quarter net interest spread (excluding PAA) *	1.35%	1.47%	1.32%	1.24%	1.09%
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon on average interest earning assets	0.14%	0.03%	0.04%	0.16%	0.22%
	Net amortization of premiums (excluding PAA)	0.04%	(0.06%)	(0.03%)	(0.05%)	0.05%
	Economic interest expense	(0.06%)	(0.09%)	0.14%	(0.03%)	(0.12%)
	Current quarter net interest spread (excluding PAA) *	1.47%	1.35%	1.47%	1.32%	1.24%

\* Represents a non-GAAP financial measure.  
Detailed endnotes are included within the Appendix at the end of this presentation.

# Quarter-Over-Quarter Changes in Annualized Return on Average Equity

Unaudited

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Annualized GAAP Return (Loss) on Average Equity	Prior quarter annualized GAAP return (loss) on average equity	4.04%	15.00%	2.77%	(0.31%)	16.29%
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon income	1.07%	0.09%	(0.19%)	1.37%	2.50%
	Net amortization of premiums and accretion of discounts	0.80%	(1.66%)	1.31%	(1.43%)	0.55%
	GAAP interest expense	(0.47%)	2.46%	4.36%	(1.37%)	(0.94%)
	Net servicing income	(0.09%)	0.25%	(0.02%)	(0.11%)	0.19%
	Net gains (losses) on investments and other	(22.64%)	88.89%	(121.66%)	77.92%	14.83%
	Net gains (losses) on derivatives	18.63%	(100.58%)	129.19%	(74.08%)	(33.10%)
	Other <sup>(1)</sup>	0.48%	(0.41%)	(0.76%)	0.78%	(0.63%)
	Current quarter annualized GAAP return (loss) on average equity	1.82%	4.04%	15.00%	2.77%	(0.31%)
Annualized EAD Return on Average Equity*	Prior quarter annualized EAD return on average equity *	14.43%	14.27%	12.95%	13.36%	12.63%
	<i>Quarter-over-quarter changes in contribution:</i>					
	Coupon income	1.07%	0.07%	(0.20%)	1.39%	2.50%
	Net amortization of premiums (excluding PAA)	0.31%	(0.48%)	(0.21%)	(0.47%)	0.41%
	Economic interest expense	(0.85%)	0.18%	1.80%	(1.32%)	(1.35%)
	Net servicing income	(0.10%)	0.26%	(0.02%)	(0.11%)	0.19%
	TBA dollar roll income	(0.13%)	0.29%	0.10%	(0.06%)	(0.03%)
	Other <sup>(2)</sup>	0.13%	(0.16%)	(0.15%)	0.16%	(0.99%)
	Current quarter annualized EAD return on average equity *	14.86%	14.43%	14.27%	12.95%	13.36%

\* Represents a non-GAAP financial measure.

Detailed endnotes are included within the Appendix at the end of this presentation.

# Residential & Other Investments Overview as of June 30, 2025

Unaudited, dollars in thousands

Agency Fixed-Rate Securities (Pools) <sup>(1)</sup>							
Original Weighted Avg. Years to Maturity	Current Face Value	% <sup>(3)</sup>	Weighted Avg. Coupon	Weighted Avg. Amortized Cost	Weighted Avg. Fair Value	Weighted Avg. 3-Month CPR	Estimated Fair Value
>=30 years <sup>(2)</sup>	67,150,081	100.0%	5.00%	100.0%	98.6%	8.7%	66,221,692
Total/Weighted Avg.	\$67,150,081	100.0%	5.00%	100.0%	98.6%	8.7%	\$66,221,692

Other Agency Securities							
Type	Current Face Value	% <sup>(3)</sup>	Weighted Avg. Coupon	Weighted Avg. Amortized Cost	Weighted Avg. Fair Value	Weighted Avg. 3-Month CPR	Estimated Fair Value
Multifamily	\$4,269,980	96.5%	4.77%	100.6%	101.2%	—%	\$4,319,088
Adjustable-rate	153,218	3.5%	6.23%	107.1%	103.4%	13.5%	158,439
Total/Weighted Avg.	\$4,423,198	100.0%	4.82%	100.8%	101.2%	13.5%	\$4,477,527

Agency Interest-Only Collateralized Mortgage-Backed Obligations							
Type	Current Notional Value	% <sup>(4)</sup>	Weighted Avg. Coupon	Weighted Avg. Amortized Cost	Weighted Avg. Fair Value	Weighted Avg. 3-Month CPR	Estimated Fair Value
Interest-only	\$1,132,481	3.5%	3.48%	18.1%	17.7%	6.2%	\$200,983
Inverse interest-only	3,202,875	10.1%	1.79%	12.3%	10.8%	7.9%	345,230
Multifamily interest-only	27,464,625	86.4%	0.50%	1.9%	1.9%	—%	511,206
Total/Weighted Avg.	\$31,799,981	100.0%	0.74%	3.5%	3.3%	6.8%	\$1,057,419

# Residential & Other Investments Overview as of June 30, 2025 (cont'd)

Unaudited, dollars in thousands

Mortgage Servicing Rights							
Type	Unpaid Principal Balance	Servicing Fee (bps)	Weighted Avg. Note Rate	Valuation (bps)	Discount Rate	Projected CPR	Estimated Fair Value
MSR held directly	\$218,564,821	26	3.2%	150.1	8.1%	5.4%	\$3,281,190
MSR of limited partnership interest <sup>(1)</sup>	2,230,968						30,657
Total/Weighted Avg.	\$220,795,789	26	3.2%	150.1	8.1%	5.4%	\$3,311,847

Residential Credit Portfolio							
Sector	Current Face / Notional Value	% <sup>(2)</sup>	Weighted Avg. Coupon	Weighted Avg. Amortized Cost	Weighted Avg. Fair Value		Estimated Fair Value
Residential credit risk transfer	\$391,979	1.3%	8.97%	99.5%	105.6%		\$414,047
Non-QM	222,058	0.7%	7.12%	99.0%	96.9%		215,213
Prime	2,342,031	0.3%	6.52%	128.0%	131.4%		104,091
Small balance commercial	207,735	0.6%	7.24%	94.8%	93.9%		195,037
Re-performing and non-performing loan securitizations	501,340	1.5%	7.16%	96.2%	96.8%		485,254
Residential transition loan securitizations	170,150	0.5%	7.20%	99.7%	100.3%		170,647
Prime jumbo	10,490,450	0.5%	5.07%	155.5%	169.5%		159,699
Residential mortgage loans	31,071,459	94.6%	6.61%	101.0%	98.9%		30,744,062
Total/Weighted Avg.	\$45,397,202	100.0%	6.65%				\$32,488,050

# Residential Credit Securities Detail as of June 30, 2025

Unaudited, dollars in thousands

Product	Estimated Fair Value	Payment Structure		Investment Characteristics <sup>(1)</sup>			
		Senior	Subordinate	Coupon	Credit Enhancement	60+ Delinquencies	3M VPR <sup>(2)</sup>
Credit Risk Transfer	\$414,047	\$—	\$414,047	8.97%	1.60%	1.07%	5.33%
Non-QM	215,213	—	215,213	7.12%	9.17%	4.38%	17.70%
Prime	104,091	91,667	12,424	6.52%	34.29%	3.66%	10.17%
Small balance commercial	195,037	24,784	170,253	7.24%	24.65%	13.36%	19.64%
Re-performing and non-performing loan securitizations	485,254	200,064	285,190	7.16%	22.95%	55.29%	6.68%
Residential transition loan securitizations	170,647	149,133	21,514	7.20%	18.84%	4.42%	63.85%
Prime Jumbo	159,699	89,581	70,118	5.07%	1.05%	0.95%	7.21%
<b>Total</b>	<b>\$1,743,988</b>	<b>\$555,229</b>	<b>\$1,188,759</b>	<b>7.45%</b>	<b>15.19%</b>	<b>20.16%</b>	<b>15.06%</b>

Product	Bond Coupon				Estimated Fair Value
	ARM	Fixed	Floater	Interest Only	
Credit Risk Transfer	\$—	\$—	\$414,047	\$—	\$414,047
Non-QM	1,313	213,900	—	—	\$215,213
Prime	—	71,504	—	32,587	\$104,091
Small balance commercial	—	188,295	6,742	—	\$195,037
Re-performing and non-performing loan securitizations	—	473,633	11,562	59	\$485,254
Residential transition loan securitizations	—	170,647	—	—	\$170,647
Prime Jumbo	—	51,251	18,868	89,580	159,699
<b>Total</b>	<b>\$1,313</b>	<b>\$1,169,230</b>	<b>\$451,219</b>	<b>\$122,226</b>	<b>\$1,743,988</b>



# Hedging & Liabilities as of June 30, 2025

Unaudited, dollars in thousands

	Maturity	Current Notional <sup>(1)(2)</sup>	Weighted Avg. Pay Rate	Weighted Avg. Receive Rate	Weighted Avg. Years to Maturity <sup>(3)</sup>
Interest Rate Swaps	0 to 3 years	\$23,100,137	3.60%	4.45%	1.63
	> 3 to 6 years	12,264,904	2.98%	4.45%	4.60
	> 6 to 10 years	19,739,427	2.75%	4.50%	7.37
	Greater than 10 years	1,959,430	3.39%	4.45%	22.52
	Total / Weighted Avg.	\$57,063,898	3.14%	4.47%	4.88

	Type	Long Contracts	Short Contracts	Net Positions	Weighted Avg. Years to Maturity
SOFR Futures and U.S. Treasury Hedging Positions	2-year swap equivalent SOFR contracts	\$—	(\$1,250,000)	(\$1,250,000)	2.00
	U.S. Treasury Positions - 2 year	\$1,469,000	\$—	\$1,469,000	1.90
	U.S. Treasury Positions - 5 year	\$2,438,700	\$—	\$2,438,700	4.40
	U.S. Treasury Positions - 10 year & greater	\$—	(\$17,283,700)	(\$17,283,700)	9.70
	Total / Weighted Avg.	\$3,907,700	(\$18,533,700)	(\$14,626,000)	8.18

	Maturity	Principal Balance		Weighted Avg. Rate At Period End
Repurchase Agreements and Other Secured Financing	Within 30 days	\$25,613,179		4.56%
	30 to 59 days	12,906,755		4.53%
	60 to 89 days	25,870,163		4.49%
	90 to 119 days	300,230		4.62%
	Over 120 days <sup>(4)</sup>	2,876,051		6.51%
	Total / Weighted Avg.	\$67,566,378		4.61%

		Principal Balance	Weighted Average Rate		Days to Maturity <sup>(5)</sup>
			At Period End	For the Quarter	
Total Indebtedness	Repurchase agreements	\$66,541,378	4.57%	4.53%	49
	Other secured financing	1,025,000	7.00%	7.03%	491
	Debt issued by securitization vehicles	24,729,626	5.52%	5.32%	12,947
	Participations issued	1,511,584	6.94%	6.48%	10,882
	Total indebtedness	\$93,807,588			

# Quarter-Over-Quarter Changes Interest Rate & MBS Spread Sensitivity

Unaudited

## Assumptions:

- The interest rate sensitivity and MBS spread sensitivity are based on the portfolios as of June 30, 2025 and March 31, 2025
- The interest rate sensitivity reflects instantaneous parallel shifts in rates
- The MBS spread sensitivity shifts MBS spreads instantaneously and reflects exposure to MBS basis risk
- All tables assume no active management of the portfolio in response to rate or spread changes

Interest Rate Sensitivity <sup>(1)</sup>				
Interest Rate Change (bps)	As of June 30, 2025		As of March 31, 2025	
	Estimated Percentage Change in Portfolio Market Value <sup>(2)</sup>	Estimated Change as a % of NAV <sup>(2)(3)</sup>	Estimated Percentage Change in Portfolio Market Value <sup>(2)</sup>	Estimated Change as a % of NAV <sup>(2)(3)</sup>
(75)	(0.3%)	(2.1%)	(0.1%)	(0.8%)
(50)	(0.1%)	(0.7%)	—%	0.1%
(25)	—%	—%	0.1%	0.4%
25	(0.1%)	(0.6%)	(0.1%)	(1.0%)
50	(0.2%)	(1.7%)	(0.3%)	(2.4%)
75	(0.4%)	(3.1%)	(0.6%)	(4.1%)

MBS Spread Sensitivity <sup>(1)</sup>				
MBS Spread Shock (bps)	As of June 30, 2025		As of March 31, 2025	
	Estimated Change in Portfolio Market Value <sup>(2)</sup>	Estimated Change as a % of NAV <sup>(2)(3)</sup>	Estimated Change in Portfolio Market Value <sup>(2)</sup>	Estimated Change as a % of NAV <sup>(2)(3)</sup>
(25)	1.4%	10.2%	1.4%	9.8%
(15)	0.9%	6.1%	0.8%	5.9%
(5)	0.3%	2.0%	0.3%	1.9%
5	(0.3%)	(2.0%)	(0.3%)	(1.9%)
15	(0.8%)	(6.0%)	(0.8%)	(5.8%)
25	(1.4%)	(9.9%)	(1.3%)	(9.6%)

Detailed endnotes are included within the Appendix at the end of this presentation.



ANNALY<sup>®</sup>

## Appendix

# Consolidated Statements of Financial Condition

Dollars in thousands except per share amounts

	6/30/2025 (unaudited)	3/31/2025 (unaudited)	12/31/2024 <sup>(1)</sup>	9/30/2024 (unaudited)	6/30/2024 (unaudited)
<b>Assets</b>					
Cash and cash equivalents	\$ 2,058,845	\$ 1,833,528	\$ 1,488,027	\$ 1,560,159	\$ 1,587,108
Securities	73,500,626	70,361,364	69,756,447	71,700,177	67,044,753
Loans, net	3,722,272	3,860,555	3,546,902	2,305,613	2,548,228
Mortgage servicing rights	3,281,190	3,272,902	2,909,134	2,693,057	2,785,614
Assets transferred or pledged to securitization vehicles	27,021,790	24,464,281	21,973,188	21,044,007	17,946,812
Derivative assets	149,690	67,257	225,351	59,071	187,868
Receivable for unsettled trades	1,134,896	2,523	2,201,447	766,341	320,659
Principal and interest receivable	830,535	836,946	1,069,038	1,060,991	917,130
Intangible assets, net	8,071	8,743	9,416	10,088	10,761
Other assets	433,977	407,247	377,434	316,491	319,644
Total assets	\$ 112,141,892	\$ 105,115,346	\$ 103,556,384	\$ 101,515,995	\$ 93,668,577
<b>Liabilities and stockholders' equity</b>					
<b>Liabilities</b>					
Repurchase agreements	\$ 66,541,378	\$ 61,659,460	\$ 65,688,923	\$ 64,310,276	\$ 60,787,994
Other secured financing	1,025,000	900,000	750,000	600,000	600,000
Debt issued by securitization vehicles	24,107,249	21,802,193	19,540,678	18,709,118	15,831,915
Participations issued	1,556,900	1,748,273	1,154,816	467,006	1,144,821
U.S. Treasury securities sold, not yet purchased	2,528,167	2,519,125	2,470,629	2,043,519	1,974,602
Derivative liabilities	425,993	181,065	59,586	102,628	100,829
Payable for unsettled trades	1,538,526	2,304,774	308,282	1,885,286	1,096,271
Interest payable	256,245	285,858	268,317	276,397	369,106
Dividends payable	449,453	421,637	375,932	362,731	325,662
Other liabilities	238,618	208,453	242,269	219,085	174,473
Total liabilities	98,667,529	92,030,838	90,859,432	88,976,046	82,405,673
<b>Stockholders' equity</b>					
Preferred stock, par value \$0.01 per share <sup>(2)</sup>	1,536,569	1,536,569	1,536,569	1,536,569	1,536,569
Common stock, par value \$0.01 per share <sup>(3)</sup>	6,421	6,023	5,784	5,580	5,010
Additional paid-in capital	26,520,657	25,749,468	25,257,716	24,851,604	23,694,663
Accumulated other comprehensive income (loss)	(740,046)	(787,402)	(1,017,682)	(712,203)	(1,156,927)
Accumulated deficit	(13,942,302)	(13,509,942)	(13,173,146)	(13,238,288)	(12,898,191)
Total stockholders' equity	13,381,299	12,994,716	12,609,241	12,443,262	11,181,124
Noncontrolling interests	93,064	89,792	87,711	96,687	81,780
Total equity	13,474,363	13,084,508	12,696,952	12,539,949	11,262,904
Total liabilities and equity	\$ 112,141,892	\$ 105,115,346	\$ 103,556,384	\$ 101,515,995	\$ 93,668,577

Detailed endnotes are included within the Appendix at the end of this presentation.

# Consolidated Statements of Comprehensive Income (Loss)

Unaudited, dollars in thousands except per share amounts

For the quarters ended	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
<b>Net interest income</b>					
Interest income	\$ 1,418,893	\$ 1,317,108	\$ 1,338,880	\$ 1,229,341	\$ 1,177,325
Interest expense	1,145,693	1,097,137	1,151,592	1,215,940	1,123,767
Net interest income	273,200	219,971	187,288	13,401	53,558
<b>Net servicing income</b>					
Servicing and related income	141,670	140,435	127,224	122,583	120,515
Servicing and related expense	14,571	14,113	11,648	12,988	12,617
Net servicing income	127,099	126,322	115,576	109,595	107,898
<b>Other income (loss)</b>					
Net gains (losses) on investments and other	83,503	810,812	(2,010,426)	1,723,713	(568,745)
Net gains (losses) on derivatives	(388,785)	(977,867)	2,215,680	(1,754,010)	430,487
Other, net	15,812	7,398	19,339	27,438	24,791
Total other income (loss)	(289,470)	(159,657)	224,593	(2,859)	(113,467)
<b>General and administrative expenses</b>					
Compensation expense	36,583	37,297	33,955	34,453	33,274
Other general and administrative expenses	13,435	10,767	10,019	9,468	11,617
Total general and administrative expenses	50,018	48,064	43,974	43,921	44,891
Income (loss) before income taxes	60,811	138,572	483,483	76,216	3,098
Income taxes	440	8,267	10,407	(6,135)	11,931
Net income (loss)	60,371	130,305	473,076	82,351	(8,833)
Net income (loss) attributable to noncontrolling interests	3,272	6,081	(8,976)	15,906	650
Net income (loss) attributable to Annaly	57,099	124,224	482,052	66,445	(9,483)
Dividends on preferred stock	37,260	37,157	38,704	41,628	37,158
Net income (loss) available (related) to common stockholders	\$ 19,839	\$ 87,067	\$ 443,348	\$ 24,817	\$ (46,641)
<b>Net income (loss) per share available (related) to common stockholders</b>					
Basic	\$ 0.03	\$ 0.15	\$ 0.78	\$ 0.05	\$ (0.09)
Diluted	\$ 0.03	\$ 0.15	\$ 0.78	\$ 0.05	\$ (0.09)
<b>Weighted average number of common shares outstanding</b>					
Basic	620,208,712	587,149,704	569,201,592	515,729,658	500,950,563
Diluted	621,103,218	588,420,998	570,651,985	516,832,152	500,950,563
<b>Other comprehensive income (loss)</b>					
Net income (loss)	\$ 60,371	\$ 130,305	\$ 473,076	\$ 82,351	\$ (8,833)
Unrealized gains (losses) on available-for-sale securities	33,559	164,877	(337,121)	428,955	(54,243)
Reclassification adjustment for net (gains) losses included in net income (loss)	13,797	65,403	31,642	15,769	179,234
Other comprehensive income (loss)	47,356	230,280	(305,479)	444,724	124,991
Comprehensive income (loss)	107,727	360,585	167,597	527,075	116,158
Comprehensive income (loss) attributable to noncontrolling interests	3,272	6,081	(8,976)	15,906	650
Comprehensive income (loss) attributable to Annaly	104,455	354,504	176,573	511,169	115,508
Dividends on preferred stock	37,260	37,157	38,704	41,628	37,158
Comprehensive income (loss) attributable to common stockholders	\$ 67,195	\$ 317,347	\$ 137,869	\$ 469,541	\$ 78,350

# Income Statement Gains (Losses) Detail

Unaudited, dollars in thousands

		For the quarters ended				
		6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Other Income Statement Details	Net gains (losses) on disposal of investments and other	(\$83,468)	(\$49,369)	(\$34,063)	(\$169,079)	(\$335,987)
	Net unrealized gains (losses) on instruments measured at fair value through earnings	166,971	860,181	(1,976,363)	1,892,792	(232,758)
	Net gains (losses) on investments and other	\$83,503	\$810,812	(\$2,010,426)	\$1,723,713	(\$568,745)
	Net interest component of interest rate swaps	\$185,650	\$191,545	\$256,903	\$317,483	\$298,372
	Realized gains (losses) on termination or maturity of interest rate swaps	(31,792)	(43,789)	36,043	(94,016)	18,721
	Unrealized gains (losses) on interest rate swaps	(492,183)	(753,601)	1,586,097	(1,582,495)	97,484
	Net gains (losses) on other derivatives	(50,460)	(372,022)	336,637	(394,982)	15,910
	Net gains (losses) on derivatives	(\$388,785)	(\$977,867)	\$2,215,680	(\$1,754,010)	\$430,487

# Non-GAAP Reconciliations

To supplement its consolidated financial statements, which are prepared and presented in accordance with GAAP, the Company provides non-GAAP financial measures. These measures should not be considered a substitute for, or superior to, financial measures computed in accordance with GAAP. While intended to offer a fuller understanding of the Company's results and operations, non-GAAP financial measures also have limitations. For example, the Company may calculate its non-GAAP metrics, such as Earnings Available for Distribution ("EAD"), or the premium amortization adjustment ("PAA"), differently than its peers making comparative analysis difficult. Additionally, in the case of non-GAAP measures that exclude the PAA, the amount of amortization expense excluding the PAA is not necessarily representative of the amount of future periodic amortization nor is it indicative of the term over which the Company will amortize the remaining unamortized premium. Changes to actual and estimated prepayments will impact the timing and amount of premium amortization and, as such, both GAAP and non-GAAP results. These non-GAAP measures provide additional detail to enhance investor understanding of the Company's period-over-period operating performance and business trends, as well as for assessing the Company's performance versus that of industry peers. Additional information pertaining to these non-GAAP financial measures and reconciliations to their most directly comparable GAAP results are provided on the following pages. A reconciliation of GAAP net income (loss) to non-GAAP Earnings available for distribution for the quarters ended June 30, 2025, March 31, 2025, December 31, 2024, September 30, 2024 and June 30, 2024, is provided on page 9 of this financial supplement.

[Earnings available for distribution, earnings available for distribution attributable to common stockholders, earnings available for distribution per average common share and annualized EAD return on average equity](#)

The Company's principal business objective is to generate net income for distribution to its stockholders and to preserve capital through prudent selection of investments and continuous management of its portfolio. The Company generates net income by earning a net interest spread on its investment portfolio, which is a function of interest income from its investment portfolio less financing, hedging and operating costs. Earnings available for distribution, which is defined as the sum of (a) economic net interest income, (b) TBA dollar roll income, (c) net servicing income less realized amortization of MSR, (d) other income (loss) (excluding amortization of intangibles, non-EAD income allocated to equity method investments and other non-EAD components of other income (loss)), (e) general and administrative expenses (excluding transaction expenses and non-recurring items), and (f) income taxes (excluding the income tax effect of non-EAD income (loss) items) and excludes (g) the premium amortization adjustment ("PAA") representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term prepayment speeds related to the Company's Agency mortgage-backed securities is used by the Company's management and, the Company believes, used by analysts and investors to measure its progress in achieving its principal business objective.

The Company seeks to fulfill this objective through a variety of factors including portfolio construction, the degree of market risk exposure and related hedge profile, and the use and forms of leverage, all while operating within the parameters of the Company's capital allocation policy and risk governance framework.

The Company believes these non-GAAP measures provide management and investors with additional details regarding the Company's underlying operating results and investment portfolio trends by (i) making adjustments to account for the disparate reporting of changes in fair value where certain instruments are reflected in GAAP net income (loss) while others are reflected in other comprehensive income (loss) and (ii) by excluding certain unrealized, non-cash or episodic components of GAAP net income (loss) in order to provide additional transparency into the operating performance of the Company's portfolio. In addition, EAD serves as a useful indicator for investors in evaluating the Company's performance and ability to pay dividends. Annualized EAD return on average equity, which is calculated by dividing earnings available for distribution over average stockholders' equity, provides investors with additional detail on the earnings available for distribution generated by the Company's invested equity capital.

## [Premium Amortization Expense](#)

In accordance with GAAP, the Company amortizes or accretes premiums or discounts into interest income for its Agency mortgage-backed securities, excluding interest-only securities, multifamily and reverse mortgages, taking into account estimates of future principal prepayments in the calculation of the effective yield. The Company recalculates the effective yield as differences between anticipated and actual prepayments occur. Using third-party model and market information to project future cash flows and expected remaining lives of securities, the effective interest rate determined for each security is applied as if it had been in place from the date of the security's acquisition. The amortized cost of the security is then adjusted to the amount that would have existed had the new effective yield been applied since the acquisition date. The adjustment to amortized cost is offset with a charge or credit to interest income. Changes in interest rates and other market factors will impact prepayment speed projections and the amount of premium amortization recognized in any given period.

The Company's GAAP metrics include the unadjusted impact of amortization and accretion associated with this method. Certain of the Company's non-GAAP metrics exclude the effect of the PAA, which quantifies the component of premium amortization representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term CPR.



# Non-GAAP Reconciliations (cont'd)

## Economic leverage and economic capital ratios

The Company uses capital coupled with borrowed funds to invest primarily in real estate related investments, earning the spread between the yield on its assets and the cost of its borrowings and hedging activities. The Company's capital structure is designed to offer an efficient complement of funding sources to generate positive risk-adjusted returns for its stockholders while maintaining appropriate liquidity to support its business and meet the Company's financial obligations under periods of market stress. To maintain its desired capital profile, the Company utilizes a mix of debt and equity funding. Debt funding may include the use of repurchase agreements, loans, securitizations, participations issued, lines of credit, asset backed lending facilities, corporate bond issuance, convertible bonds or other liabilities. Equity capital primarily consists of common and preferred stock.

The Company's economic leverage ratio is computed as the sum of recourse debt, cost basis of TBA derivatives outstanding, and net forward purchases (sales) of investments divided by total equity. Recourse debt consists of repurchase agreements, other secured financing, and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to the Company and are excluded from economic leverage.

## Interest income (excluding PAA), economic interest expense and economic net interest income (excluding PAA)

Interest income (excluding PAA) represents interest income excluding the effect of the PAA, and serves as the basis for deriving average yield on interest earning assets (excluding PAA), net interest spread (excluding PAA) and net interest margin (excluding PAA), which are discussed below. The Company believes this measure provides management and investors with additional detail to enhance their understanding of the Company's operating results and trends by excluding the component of premium amortization expense representing the cumulative impact on prior periods, but not the current period, of quarter-over-quarter changes in estimated long-term prepayment speeds related to the Company's Agency mortgage-backed securities (other than interest-only securities, multifamily and reverse mortgages), which can obscure underlying trends in the performance of the portfolio.

Economic interest expense includes GAAP interest expense, the net interest component of interest rate swaps (which includes net interest on variation margin related to interest rate swaps) and net interest on initial margin related to interest rate swaps. The Company uses interest rate swaps to manage its exposure to changing interest rates on its repurchase agreements by economically hedging cash flows associated with these borrowings. Accordingly, adding the net interest component of interest rate swaps to interest expense, as computed in accordance with GAAP, reflects the total contractual interest expense and thus, provides investors with additional information about the cost of the Company's financing strategy. The Company may use market agreed coupon ("MAC") interest rate swaps in which the Company may receive or make a payment at the time of entering into such interest rate swap to compensate for the off-market nature of such interest rate swap. In accordance with GAAP, upfront payments associated with MAC interest rate swaps are not reflected in the net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss).

## Average yield on interest earning assets (excluding PAA), net interest spread (excluding PAA), net interest margin (excluding PAA) and average economic cost of interest bearing liabilities

Net interest spread (excluding PAA), which is the difference between the average yield on interest earning assets (excluding PAA) and the average economic cost of interest bearing liabilities, which represents annualized economic interest expense divided by average interest bearing liabilities, and net interest margin (excluding PAA), which is calculated as the sum of interest income (excluding PAA) plus TBA dollar roll income less interest expense and the net interest component of interest rate swaps divided by the sum of average interest earning assets plus average TBA contract balances, provide management with additional measures of the Company's profitability that management relies upon in monitoring the performance of the business.

# Non-GAAP Reconciliations (cont'd)

Unaudited, dollars in thousands

	For the quarters ended				
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
<u>Economic leverage ratio reconciliation</u>					
Repurchase agreements	\$66,541,378	\$61,659,460	\$65,688,923	\$64,310,276	\$60,787,994
Other secured financing	1,025,000	900,000	750,000	600,000	600,000
Debt issued by securitization vehicles	24,107,249	21,802,193	19,540,678	18,709,118	15,831,915
Participations issued	1,556,900	1,748,273	1,154,816	467,006	1,144,821
U.S. Treasury securities sold, not yet purchased	2,528,167	2,519,125	2,470,629	2,043,519	1,974,602
Total GAAP debt	\$95,758,694	\$88,629,051	\$89,605,046	\$86,129,919	\$80,339,332
Less Non-recourse debt:					
Debt issued by securitization vehicles	(\$24,107,249)	(\$21,802,193)	(\$19,540,678)	(\$18,709,118)	(\$15,831,915)
Participations issued	(1,556,900)	(1,748,273)	(1,154,816)	(467,006)	(1,144,821)
Total recourse debt	\$70,094,545	\$65,078,585	\$68,909,552	\$66,953,795	\$63,362,596
Plus / (Less):					
Cost basis of TBA derivatives	\$7,686,600	\$6,612,755	\$3,158,058	\$3,333,873	\$1,639,941
Payable for unsettled trades	1,538,526	2,304,774	308,282	1,885,286	1,096,271
Receivable for unsettled trades	(1,134,896)	(2,523)	(2,201,447)	(766,341)	(320,659)
Economic debt *	\$78,184,775	\$73,993,591	\$70,174,445	\$71,406,613	\$65,778,149
Total equity	\$13,474,363	\$13,084,508	\$12,696,952	\$12,539,949	\$11,262,904
Economic leverage ratio *	5.8x	5.7x	5.5x	5.7x	5.8x

\* Represents a non-GAAP financial measure.

# Non-GAAP Reconciliations (cont'd)

Unaudited, dollars in thousands

	For the quarters ended				
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
<u>Economic capital ratio reconciliation</u>					
Total GAAP assets	\$112,141,892	\$105,115,346	\$103,556,384	\$101,515,995	\$93,668,577
Less:					
Gross unrealized gains on TBA derivatives <sup>(1)</sup>	(97,331)	(35,095)	(8,635)	(2,869)	(14,641)
Debt issued by securitization vehicles	(24,107,249)	(21,802,193)	(19,540,678)	(18,709,118)	(15,831,915)
Participations issued	(1,556,900)	(1,748,273)	(1,154,816)	(467,006)	(1,144,821)
Plus:					
Implied market value of TBA derivatives	7,783,931	6,635,383	3,136,154	3,328,141	1,652,389
Total economic assets *	\$94,164,343	\$88,165,168	\$85,988,409	\$85,665,143	\$78,329,589
Total equity	\$13,474,363	\$13,084,508	\$12,696,952	\$12,539,949	\$11,262,904
Economic capital ratio <sup>*(2)</sup>	14.3%	14.8%	14.8%	14.6%	14.4%
<u>Premium Amortization Reconciliation</u>					
Premium amortization expense	\$28,138	\$57,412	\$8,196	\$53,448	\$10,437
Less:					
PAA cost (benefit)	(3,862)	12,296	(25,287)	21,365	(7,306)
Premium amortization expense (excluding PAA)	\$32,000	\$45,116	\$33,483	\$32,083	\$17,743
<u>Interest Income (excluding PAA) Reconciliation</u>					
GAAP interest income	\$1,418,893	\$1,317,108	\$1,338,880	\$1,229,341	\$1,177,325
PAA cost (benefit)	(3,862)	12,296	(25,287)	21,365	(7,306)
Interest income (excluding PAA) *	\$1,415,031	\$1,329,404	\$1,313,593	\$1,250,706	\$1,170,019
<u>Economic Interest Expense Reconciliation</u>					
GAAP interest expense	\$1,145,693	\$1,097,137	\$1,151,592	\$1,215,940	\$1,123,767
Add:					
Net interest component of interest rate swaps and net interest on initial margin related to interest rate swaps <sup>(3)</sup>	(197,865)	(204,389)	(272,305)	(333,696)	(317,297)
Economic interest expense *	\$947,828	\$892,748	\$879,287	\$882,244	\$806,470
<u>Economic Net Interest Income (excluding PAA) Reconciliation</u>					
Interest income (excluding PAA) *	\$1,415,031	\$1,329,404	\$1,313,593	\$1,250,706	\$1,170,019
Less:					
Economic interest expense *	947,828	892,748	879,287	882,244	806,470
Economic net interest income (excluding PAA) *	\$467,203	\$436,656	\$434,306	\$368,462	\$363,549

\* Represents a non-GAAP financial measure.

Detailed endnotes are included within the Appendix at the end of this presentation.

# Non-GAAP Reconciliations (cont'd)

Unaudited, dollars in thousands

	For the quarters ended				
	6/30/2025	3/31/2025	12/31/2024	9/30/2024	6/30/2024
Economic Metrics (excluding PAA)					
Average interest earning assets	\$104,623,036	\$101,631,610	\$99,876,810	\$95,379,071	\$91,008,934
Interest income (excluding PAA) *	\$1,415,031	\$1,329,404	\$1,313,593	\$1,250,706	\$1,170,019
Average yield on interest earning assets (excluding PAA) *	5.41%	5.23%	5.26%	5.25%	5.14%
Average interest bearing liabilities	\$95,274,277	\$92,001,700	\$90,773,953	\$87,819,655	\$81,901,233
Economic interest expense *	\$947,828	\$892,748	\$879,287	\$882,244	\$806,470
Average economic cost of interest bearing liabilities *	3.94%	3.88%	3.79%	3.93%	3.90%
Economic net interest income (excluding PAA)*	\$467,203	\$436,656	\$434,306	\$368,462	\$363,549
Net interest spread (excluding PAA) *	1.47%	1.35%	1.47%	1.32%	1.24%
Interest income (excluding PAA) *	\$1,415,031	\$1,329,404	\$1,313,593	\$1,250,706	\$1,170,019
TBA dollar roll income	7,252	11,275	2,086	(1,132)	486
Economic interest expense *	(947,828)	(892,748)	(879,287)	(882,244)	(806,470)
Subtotal	\$474,455	\$447,931	\$436,392	\$367,330	\$364,035
Average interest earning assets	\$104,623,036	\$101,631,610	\$99,876,810	\$95,379,071	\$91,008,934
Average TBA contract balances, implied cost basis	6,218,305	4,625,212	2,013,666	973,713	998,990
Subtotal	\$110,841,341	\$106,256,822	\$101,890,476	\$96,352,784	\$92,007,924
Net interest margin (excluding PAA) *	1.71%	1.69%	1.71%	1.52%	1.58%

\* Represents a non-GAAP financial measure.

# Endnotes

## [Page 3](#)

- (1) Net of dividends on preferred stock.
- (2) Annualized GAAP return (loss) on average equity annualizes realized and unrealized gains and (losses) which may not be indicative of full year performance, unannualized GAAP return (loss) on average equity is 0.45% and 1.01% for the quarters ended June 30, 2025 and March 31, 2025, respectively.
- (3) GAAP leverage is computed as the sum of repurchase agreements, other secured financing, debt issued by securitization vehicles, participations issued and U.S. Treasury securities sold, not yet purchased divided by total equity. Economic leverage is computed as the sum of recourse debt, cost basis of to-be-announced ("TBA") derivatives outstanding, and net forward purchases (sales) of investments divided by total equity. Recourse debt consists of repurchase agreements, other secured financing, and U.S. Treasury securities sold, not yet purchased. Debt issued by securitization vehicles and participations issued are non-recourse to the Company and are excluded from economic leverage.
- (4) GAAP capital ratio is computed as total equity divided by total assets. Economic capital ratio is computed as total equity divided by total economic assets. Total economic assets include the implied market value of TBA derivatives and are net of debt issued by securitization vehicles and participations issued.
- (5) Net interest margin represents interest income less interest expense divided by average interest earning assets. Net interest margin (excluding PAA) represents the sum of the Company's interest income (excluding PAA) plus TBA dollar roll income less interest expense and the net interest component of interest rate swaps divided by the sum of average interest earning assets plus average TBA contract balances.
- (6) Average yield on interest earning assets represents annualized interest income divided by average interest earning assets. Average interest earning assets reflects the average amortized cost of our investments during the period. Average yield on interest earning assets (excluding PAA) is calculated using annualized interest income (excluding PAA).
- (7) Average GAAP cost of interest bearing liabilities represents annualized interest expense divided by average interest bearing liabilities. Average interest bearing liabilities reflects the average balances during the period. Average economic cost of interest bearing liabilities represents annualized economic interest expense divided by average interest bearing liabilities.

## [Page 5](#)

- (1) Consists of common stock, additional paid-in capital, accumulated other comprehensive income (loss) and accumulated deficit.
- (2) Utilizes an actual/360 factor.
- (3) The average and period-end rates are net of reverse repurchase agreements. Without netting reverse repurchase agreements, the average rate and the period-end rate was unchanged for each period.
- (4) Measures total notional balances of interest rate swaps, interest rate swaptions (excluding receiver swaptions), futures and U.S. Treasury securities sold, not yet purchased, at fair value relative to repurchase agreements, other secured financing, cost basis of TBA derivatives outstanding and net forward purchases (sales) of investments; excludes MSR and the effects of term financing, both of which serve to reduce interest rate risk. Additionally, the hedge ratio does not take into consideration differences in duration between assets and liabilities.

## [Page 6](#)

- (1) Economic interest expense is comprised of GAAP interest expense, the net interest component of interest rate swaps, and net interest on initial margin related to interest rate swaps, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss). Net interest on variation margin related to interest rate swaps is included in the Net interest component of interest rate swaps in the Company's Consolidated Statements of Comprehensive Income (Loss).
- (2) Net of dividends on preferred stock.

## [Page 7](#)

- (1) Includes dividend equivalents on share-based awards.
- (2) Annualized GAAP return (loss) on average equity annualizes realized and unrealized gains and (losses) which may not be indicative of full year performance, unannualized GAAP return (loss) on average equity is 0.45%, 1.01%, 3.75%, 0.69% and (0.08%) for the quarters ended June 30, 2025, March 31, 2025, December 31, 2024, September 30, 2024 and June 30, 2024, respectively.

## [Page 8](#)

- (1) Interest on initial margin related to interest rate swaps is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).

## [Page 9](#)

- (1) Includes write-downs or recoveries on investments which are reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).
- (2) The adjustment to add back Net (gains) losses on derivatives does not include the net interest component of interest rate swaps which is reflected in earnings available for distribution. The net interest component of interest rate swaps totaled \$185.7 million, \$191.5 million, \$256.9 million, \$317.5 million and \$298.4 million for the quarters ended June 30, 2025, March 31, 2025, December 31, 2024, September 30, 2024 and June 30, 2024, respectively.
- (3) The Company excludes non-EAD (income) loss allocated to equity method investments, which represents the unrealized (gains) losses allocated to equity interests in a portfolio of MSR, which is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).
- (4) All quarters presented include costs incurred in connection with securitizations of residential whole loans.
- (5) TBA dollar roll income represents a component of Net gains (losses) on derivatives.
- (6) MSR amortization utilizes purchase date cash flow assumptions and actual unpaid principal balances and is calculated as the difference between projected MSR yield income and net servicing income for the period.

## [Page 10](#)

- (1) Other includes the impact of net proceeds from the issuance, repurchase or redemption of common and preferred stock, stock compensation expense, the settlement of stock-based awards in satisfaction of withholding tax requirements and other timing differences on share count related to any of the aforementioned items.

# Endnotes (cont'd)

## Page 12

- (1) Includes other, net, general and administrative expenses and income taxes.
- (2) Includes other, net (excluding non-EAD items), MSR amortization (a component of net gains (losses) on investments and other), general and administrative expenses (excluding transaction related expenses) and income taxes (excluding non-EAD income tax).

## Page 13

- (1) Excludes TBA contracts with a notional value of \$8.1 billion.
- (2) Includes fixed-rate collateralized mortgage obligations with an estimated fair value of \$2.8 million.
- (3) Weighted by current face value.
- (4) Weighted by current notional value.

## Page 14

- (1) Included in Other assets in the Company's Consolidated Statements of Financial Condition.
- (2) Weighted by estimated fair value.

## Page 15

- (1) Investment characteristics exclude the impact of interest-only securities.
- (2) Represents the 3 month voluntary prepayment rate.

## Page 16

- (1) Current notional is presented net of receiver swaps.
- (2) As of June 30, 2025, 2% and 98% of the Company's interest rate swaps were linked to the Federal funds rate and the Secured Overnight Financing Rate, respectively.
- (3) The weighted average years to maturity of payer interest rate swaps is offset by the weighted average years to maturity of receiver interest rate swaps. As such, the net weighted average years to maturity for each maturity bucket may fall outside of the range listed.
- (4) Approximately 2% of the total repurchase agreements and other secured financing have a remaining maturity over one year.
- (5) Determined based on estimated weighted average lives of the underlying debt instruments.

## Page 17

- (1) Interest rate and MBS spread sensitivity are based on results from third party models in conjunction with internally derived inputs. Actual results could differ materially from these estimates.
- (2) Scenarios include Residential Investment Securities, residential mortgage loans, MSR and derivative instruments.
- (3) Net asset value ("NAV") represents book value of common equity.

## Page 19

- (1) Derived from the audited consolidated financial statements at December 31, 2024.
- (2) 6.95% Series F Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock - Includes 28,800,000 shares authorized, issued and outstanding. 6.50% Series G Fixed-to-Floating Rate Cumulative Redeemable Preferred Stock - Includes 17,000,000 shares authorized, issued and outstanding. 6.75% Series I Preferred Stock - Includes 17,700,000 shares authorized, issued and outstanding.
- (3) Includes 1,468,250,000 shares authorized. Includes 642,076,127 shares issued and outstanding at June 30, 2024, 602,338,286 shares issued and outstanding at March 31, 2025, 578,357,118 shares issued and outstanding at December 31, 2024, 558,047,743 shares issued and outstanding at September 30, 2024 and 501,018,415 shares issued and outstanding at June 30, 2024.

## Page 25

- (1) Included in Derivative assets in the Company's Consolidated Statements of Financial Condition.
- (2) Economic capital ratio is computed as total equity divided by total economic assets.
- (3) Interest on initial margin related to interest rate swaps is reported in Other, net in the Company's Consolidated Statements of Comprehensive Income (Loss).