



TWO Announces 2025 Dividend Tax Information

NEW YORK--(BUSINESS WIRE)-- [TWO](#) (Two Harbors Investment Corp, NYSE: TWO), an MSR-focused REIT, announced today the tax treatment of the company's common stock and preferred stock dividends declared and recorded in 2025. This information is provided to assist stockholders with tax reporting requirements related to dividend distribution of taxable income by TWO. Stockholders should review the 2025 tax statements received from their brokerage firms or other institutions to ensure that the statements agree with the information provided below. Additionally, as each stockholder's tax situation may be different, stockholders are encouraged to consult with their own professional tax advisor with respect to their individual tax consequences.

Tax Treatment of the Common and Preferred Distributions

TWO is required to report the portion of its 2025 dividends that are treated as excess inclusion income for federal income tax purposes. No portion of the company's 2025 dividend distributions are expected to consist of excess inclusion income, which may be treated as unrelated business taxable income (UBTI) and subject to special tax reporting for certain tax-exempt investors.

The company declared dividends with respect to its common stock and Series A, Series B and Series C preferred shares on December 18, 2024. The record date for the company's common stock distribution was January 3, 2025, and the record date for the company's Series A, Series B and Series C preferred distributions was January 10, 2025. Accordingly, these common and preferred distributions were treated as 2025 distributions for tax purposes and reported on the 2025 Form 1099-DIV. In addition, the company declared dividends with respect to its common stock and Series A, Series B and Series C preferred shares on December 18, 2025. The record date for the company's common stock distribution was January 5, 2026, and the record date for the company's Series A, Series B and Series C preferred distributions was January 12, 2026. Accordingly, these common and preferred distributions will be treated as 2026 distributions for tax purposes and reported on the 2026 Form 1099-DIV.

Distributions for TWO

The federal income tax classification of TWO's 2025 common and preferred stock distributions as it is expected to be reported on Form 1099-DIV is set forth in the following tables.

2025 FORM 1099-DIV – Common Stock						Box 1a Total	Box 1b Total	Box 2a Total	Box 3 Total
Distribution Type	Declaration Date	Record Date	Payable Date	2025 Total Distribution Per Share	Adjustments	2025 Ordinary Dividends	2025 Qualified Dividends	2025 Capital Gain Distributions	2025 Nondividend Distribution
Cash	12/18/2024	1/3/2025	1/29/2025	\$0.450000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.450000
Cash	3/19/2025	4/4/2025	4/29/2025	\$0.450000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.450000
Cash	6/18/2025	7/3/2025	7/29/2025	\$0.390000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.390000
Cash	8/20/2025	10/3/2025	10/29/2025	\$0.340000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.340000
Totals				\$1.630000	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$1.630000

2025 FORM 1099-DIV – Preferred Series A						Box 1a Total	Box 1b Total	Box 2a Total	Box 3 Total
Distribution Type	Declaration Date	Record Date	Payable Date	2025 Total Distribution Per Share	Adjustments	2025 Ordinary Dividends	2025 Qualified Dividends	2025 Capital Gain Distributions	2025 Nondividend Distribution

Cash	12/18/2024	1/10/2025	1/27/2025	\$0.507810	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.507810
Cash	3/19/2025	4/11/2025	4/28/2025	\$0.507810	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.507810
Cash	6/18/2025	7/11/2025	7/28/2025	\$0.507810	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.507810
Cash	8/20/2025	10/10/2025	10/27/2025	\$0.507810	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.507810
Totals				\$2.031240	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$2.031240

2025 FORM 1099-DIV – Preferred Series B						Box 1a Total	Box 1b Total	Box 2a Total	Box 3 Total
Distribution Type	Declaration Date	Record Date	Payable Date	2025 Total Distribution Per Share	Adjustments	2025 Ordinary Dividends	2025 Qualified Dividends	2025 Capital Gain Distributions	2025 Nondividen Distribution
Cash	12/18/2024	1/10/2025	1/27/2025	\$0.476560	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.476560
Cash	3/19/2025	4/11/2025	4/28/2025	\$0.476560	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.476560
Cash	6/18/2025	7/11/2025	7/28/2025	\$0.476560	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.476560
Cash	8/20/2025	10/10/2025	10/27/2025	\$0.476560	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.476560
Totals				\$1.906240	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$1.906240

2025 FORM 1099-DIV – Preferred Series C						Box 1a Total	Box 1b Total	Box 2a Total	Box 3 Total
Distribution Type	Declaration Date	Record Date	Payable Date	2025 Total Distribution Per Share	Adjustments	2025 Ordinary Dividends	2025 Qualified Dividends	2025 Capital Gain Distributions	2025 Nondividen Distribution
Cash	12/18/2024	1/10/2025	1/27/2025	\$0.453130	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.453130
Cash	3/19/2025	4/11/2025	4/28/2025	\$0.598280	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.598280
Cash	6/18/2025	7/11/2025	7/28/2025	\$0.603700	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.603700
Cash	8/20/2025	10/10/2025	10/27/2025	\$0.612500	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.612500
Totals				\$2.267610	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$2.267610

Consult Your Tax Advisor

Stockholders may have additional reporting obligations to the Internal Revenue Service and/or other tax authorities.

The U.S. federal income tax treatment of holding TWO common and preferred stock to any particular stockholder will depend on the stockholder's particular tax circumstances. You are urged to consult your tax advisor regarding the U.S. federal, state, local and foreign income and other tax consequences to you, in light of your particular investment or tax circumstances, of acquiring, holding and disposing of TWO common and preferred stock.

TWO does not provide tax, accounting or legal advice. Any tax statements contained herein were not intended or written to be used, and cannot be used for the purpose of avoiding U.S., federal, state or local tax penalties. Please consult your advisor as to any tax, accounting or legal statements made herein.

About TWO

TWO (Two Harbors Investment Corp., NYSE: TWO), a Maryland corporation, is a real estate investment trust that invests in mortgage servicing rights, residential mortgage-backed securities and other financial assets. TWO is headquartered in St. Louis Park, MN.

Additional Information

Stockholders of TWO and other interested persons may find additional information regarding the company at www.twoinv.com, at the Securities and Exchange Commission's internet site at www.sec.gov or by directing requests to: TWO, 1601 Utica Avenue South, Suite 900, St. Louis Park, MN 55416, (612) 453-

4100.

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