



Two Harbors Investment Corp. Announces Fourth Quarter 2017 Common and Preferred Stock Dividends

NEW YORK--(BUSINESS WIRE)-- [Two Harbors Investment Corp.](#) (NYSE: TWO), a leading hybrid mortgage real estate investment trust, today declared a quarterly dividend of \$0.47 per share of common stock for the fourth quarter of 2017. This dividend is payable on December 29, 2017 to common stockholders of record at the close of business on December 26, 2017. The company does not intend to declare an additional special dividend in 2017.

The company currently expects the \$0.47 per common share quarterly dividend amount to be sustainable into 2018, subject to market conditions and the discretion and approval of its Board of Directors. While the company does not typically provide guidance on dividends or other financial results, given the recent special dividend of Granite Point Mortgage Trust Inc. (NYSE: GPMT) common stock and one-for-two reverse stock split, the company believes it is beneficial at this time to give stockholders more insight. The company does not expect to provide regular updates on its dividend outlook.

Two Harbors distributes common stock dividends based on its current estimate of taxable earnings per common share, not GAAP earnings. Taxable and GAAP earnings are expected to differ principally because of differences in discount accretion and premium amortization, certain non-taxable unrealized and realized gain and losses on derivatives, and non-deductible general and administrative expenses.

Preferred Stock Dividends

Two Harbors also declared today the following preferred stock dividends:

- a dividend of \$0.50781 per share of the 8.125% Series A Cumulative Redeemable Preferred Stock;
- a dividend of \$0.47656 per share of the 7.625% Series B Cumulative Redeemable Preferred Stock; and
- a dividend of \$0.30208 per share of the 7.25% Series C Cumulative Redeemable Preferred Stock.

Each of the foregoing preferred dividends is payable on January 29, 2018 to the applicable preferred stockholders of record at the close of business on January 12, 2018.

Cautionary Notice Regarding Forward-Looking Statements

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, including with respect to future quarterly dividends. 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.

Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made. Two Harbors 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 Two Harbors' most recent filings with the Securities and Exchange Commission. All subsequent written and oral forward looking statements

concerning Two Harbors or matters attributable to Two Harbors or any person are qualified by these cautionary statements.

Two Harbors Investment Corp.

Two Harbors Investment Corp., a Maryland corporation, is a real estate investment trust that invests in residential mortgage-backed securities, mortgage servicing rights and other financial assets. Two Harbors is headquartered in New York, New York, and is externally managed and advised by PRCM Advisers LLC, a wholly owned subsidiary of Pine River Capital Management L.P. Additional information is available at www.twoharborsinvestment.com.

Additional Information

Stockholders of Two Harbors and other interested persons may find additional information regarding the company at the Securities and Exchange Commission's Internet site at www.sec.gov or by directing requests to: Two Harbors Investment Corp., 590 Madison Avenue, 36th floor, New York, NY 10022, telephone 612-629-2500.

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