

**Report of Organizational Actions
 Affecting Basis of Securities**

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
ANWORTH MORTGAGE ASSET CORPORATION		52-2059785	
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
JOHN T. HILLMAN	310-255-4438	JHILLMAN@ANWORTH.COM	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and ZIP code of contact	
1299 OCEAN AVENUE, 2ND FLOOR		SANTA MONICA, CA 90401	
8 Date of action		9 Classification and description	
SEE LINE 14 BELOW		COMMON STOCK NONDIVIDEND DISTRIBUTION	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
037347101		ANH	

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ DURING THE TAX YEAR ENDED DECEMBER 31, 2018, ANWORTH MORTGAGE ASSET CORPORATION MADE DISTRIBUTIONS TO ITS COMMON SHAREHOLDERS IN EXCESS OF ITS CURRENT AND ACCUMULATED EARNINGS AND PROFITS. THE RELEVANT DISTRIBUTION DATES WERE 01/29/2018, 04/30/2018, 07/30/2018, AND 10/29/2018.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ THE EXCESS DISTRIBUTIONS REDUCED THE BASIS OF EACH SHARE OF OF COMMON STOCK IN THE HANDS OF THE COMMON SHAREHOLDER(S) AS FOLLOWS:
 01/29/2018: 0.079577
 04/30/2018: 0.079577
 07/30/2018: 0.074271
 10/29/2018: 0.074271

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ THE TAXPAYER'S EARNINGS AND PROFITS WERE CALCULATED PURSUANT TO IRC SECTION 312, AS MODIFIED BY IRC SECTION 857 (d) FOR REAL ESTATE INVESTMENT TRUSTS, AND THE REGULATIONS THEREUNDER. DISTRIBUTIONS IN EXCESS OF EARNINGS AND PROFITS REDUCE EACH SHAREHOLDER'S TAX BASIS IN SHARES OWNED. TO THE EXTENT THE DISRIBUTION EXCEEDS THE SHAREHOLDER'S BASIS IN SHARES OWNED, THE EXCESS SHOULD BE TREATED AS GAIN FROM SALE OR EXCHANGE OF STOCK.

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
IRC SECTIONS 301(c), 312 and 857(d)

18 Can any resulting loss be recognized? ▶ NO RESULTING LOSS MAY BE RECOGNIZED.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ THE REPORTABLE TAX YEAR IS 2018.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶ *[Handwritten Signature]* Date ▶ 2/4/19
Print your name ▶ CHARLES J. NIEBEL Title ▶ CFO

Paid Preparer Use Only

Print/Type preparer's name SHERYL VANDER BAAN	Preparer's signature <i>[Handwritten Signature]</i> 2019.02.04	Date 11:40:06 -05'00'	Check <input type="checkbox"/> if self-employed	PTIN P00242444
Firm's name ▶ CROWE LLP	Firm's EIN ▶ 35-0921680		Phone no. 616-774-0774	
Firm's address ▶ 55 CAMPAU AVE NW STE 500, GRAND RAPIDS, MI 49503				