



Credit Suisse Financial Services Conference

February 12, 2014

Forward-Looking Statements

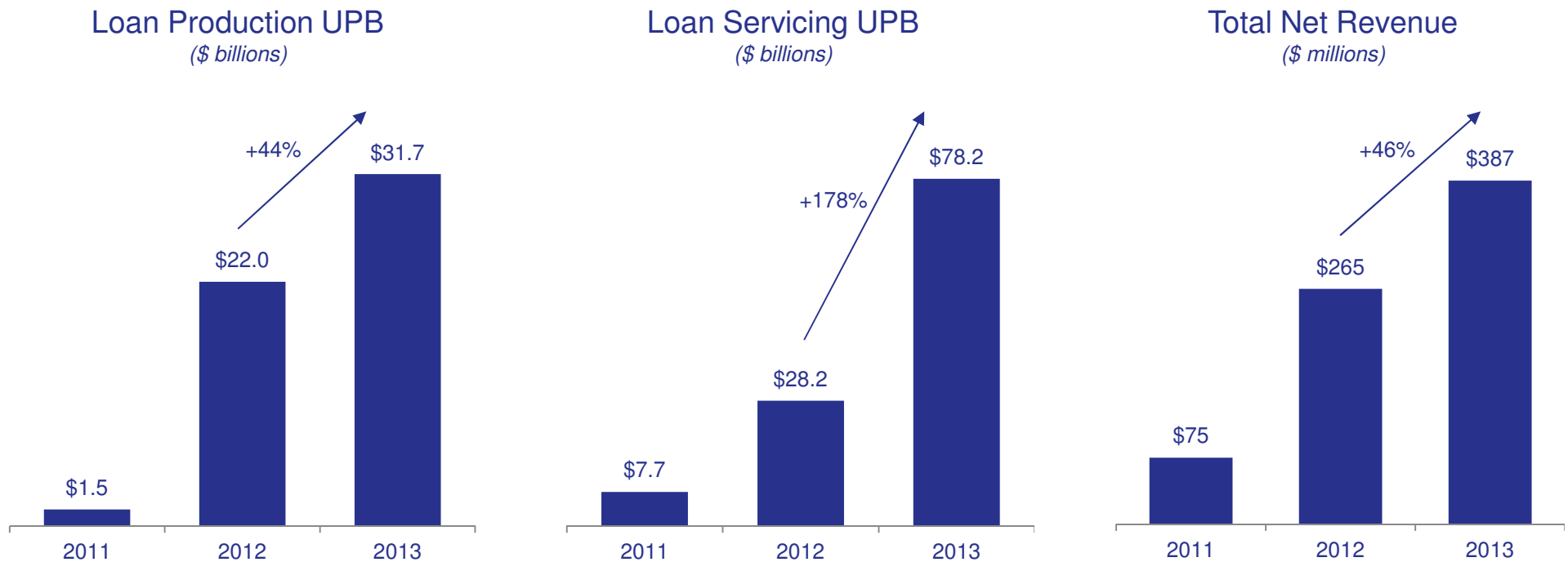
This presentation contains forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, regarding management's beliefs, estimates, projections and assumptions with respect to, among other things, the Company's financial results, future operations, business plans and investment strategies, as well as industry and market conditions, all of which are subject to change. Words like "believe," "expect," "anticipate," "promise," "plan," and other expressions or words of similar meanings, as well as future or conditional verbs such as "will," "would," "should," "could," or "may" are generally intended to identify forward-looking statements. Actual results and operations for any future period may vary materially from those projected herein, from past results discussed herein, or from illustrative examples provided herein.

Factors which could cause actual results to differ materially from historical results or those anticipated include, but are not limited to: changes in federal, state and local laws and regulations applicable to the highly regulated industry in which we operate; lawsuits or governmental actions if we do not comply with the laws and regulations applicable to our businesses; the creation of the Consumer Financial Protection Bureau, or CFPB, and enforcement of its rules; changes in existing U.S. government-sponsored entities, their current roles or their guarantees or guidelines; changes to government mortgage modification programs; the licensing and operational requirements of states and other jurisdictions applicable to our businesses, to which our bank competitors are not subject; foreclosure delays and changes in foreclosure practices; certain banking regulations that may limit our business activities; changes in macroeconomic and U.S. residential real estate market conditions; difficulties in growing loan production volume; changes in prevailing interest rates; increases in loan delinquencies and defaults; our reliance on PennyMac Mortgage Investment Trust as a significant source of financing for, and revenue related to, our correspondent lending business; availability of required additional capital and liquidity to support business growth; our obligation to indemnify third-party purchasers or repurchase loans that we originate, acquire or assist in with fulfillment; our obligation to indemnify advised entities or investment funds to meet certain criteria or characteristics or under other circumstances; decreases in the historical returns on the assets that we select and manage for our clients, and our resulting management and incentive fees; regulation applicable to our investment management segment; conflicts of interest in allocating our services and investment opportunities among ourselves and our advised entities; the potential damage to our reputation and adverse impact to our business resulting from ongoing negative publicity; and our rapid growth.

You should not place undue reliance on any forward-looking statement and should consider all of the uncertainties and risks described above, as well as those more fully discussed in reports and other documents filed by the Company with the Securities and Exchange Commission from time to time. The Company undertakes no obligation to publicly update or revise any forward-looking statements or any other information contained herein, and the statements made in this presentation are current as of the date of this presentation only.

PFSI: A Leading Non-Bank Residential Mortgage Specialist

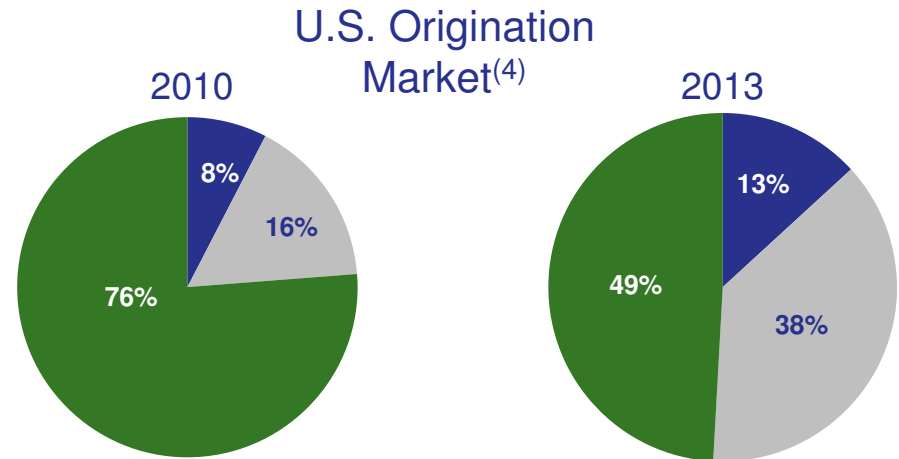
- Specialized mortgage platform for the post-financial crisis market
 - Legacy-free operations developed organically that are highly scalable to support continued growth
- Largest non-bank correspondent lender in the U.S.; Top 10 originator overall; Top 20 servicer⁽¹⁾
- Synergistic partnership with PennyMac Mortgage Investment Trust (NYSE: PMT)



(1) Source: Inside Mortgage Finance

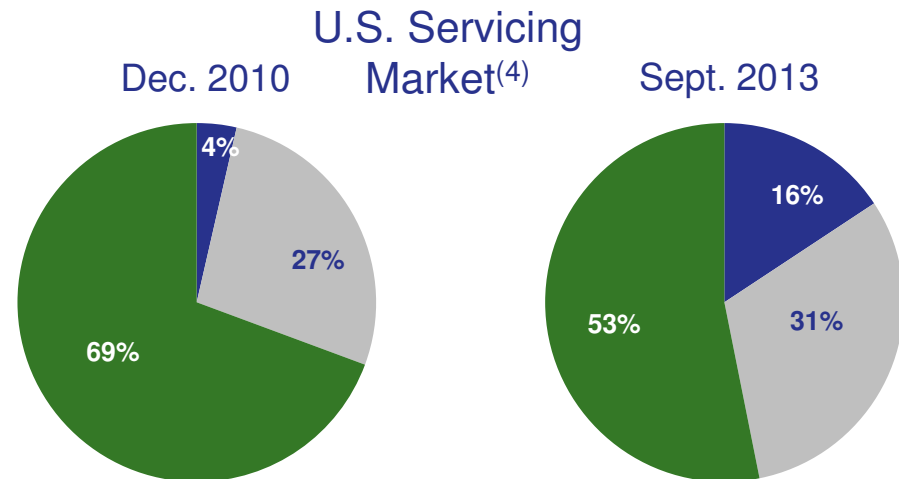
Substantial Opportunity in the U.S. Mortgage Markets for Non-Banks

- Mortgage markets remain large components of U.S. financial services
 - \$10 trillion in mortgage debt outstanding (servicing) at year-end
 - \$1.2 trillion in originations forecast for 2014⁽¹⁾ - opportunities in the retail, correspondent, and wholesale channels
- In the post-crisis era, large banks have been retreating, creating opportunities for non-banks with the capital, expertise, and requisite operational capabilities
- Substantial transfers of mortgage assets to new firms in the last 3 years alone
 - Over \$1 trillion in UPB of loan servicing⁽²⁾
 - Over \$50 billion in UPB of distressed whole loans⁽³⁾
- We expect these shifts to continue, providing significant growth opportunities for PennyMac**



PennyMac was the 10th largest originator by volume in 2013⁽⁵⁾

■ Banks in top 20⁽⁶⁾ ■ Non-banks in top 20⁽⁷⁾ ■ Firms outside top 20



PFSI was the 20th largest servicer by UPB in 3Q13

⁽¹⁾ Source: Average of Mortgage Bankers Association, Fannie Mae and Freddie Mac mortgage market forecasts as of January 2014

⁽²⁾ Source: Goldman Sachs

⁽³⁾ Source: PNMAC Capital Management estimate

⁽⁴⁾ Source: Inside Mortgage Finance

⁽⁵⁾ Includes loan acquisitions by PMT in correspondent lending and originations by PFSI's retail lending business

⁽⁶⁾ Market share held by banks that are among the 20 largest originators in the U.S. by volume or servicers by unpaid principal balance

⁽⁷⁾ Market share held by nonbank firms that are among the 20 largest originators in the U.S. by volume or servicers by unpaid principal balance

PFSI Has a Unique Business Model with Diverse Revenue Sources

Loan Production

Correspondent Lending

Aggregates newly originated loans from approved third-party sellers

Revenue sources:

- Gain on mortgage loans for government-insured correspondent acquisitions
- Fulfillment fees from PMT's conventional and jumbo correspondent acquisitions
- Loan origination fees and warehouse spread

Retail Lending

Originates loans to consumers for the purchase or refinance of a home

Revenue sources:

- Gain on mortgage loans
- Loan origination fees and warehouse spread

Loan Servicing

Collect and remit payments and provide borrower services on existing loans

Revenue sources:

- Servicing fees on owned MSRs
- Servicing and subservicing fees from Advised Entities, including special servicing of distressed loans
- Ancillary income

Investment Management

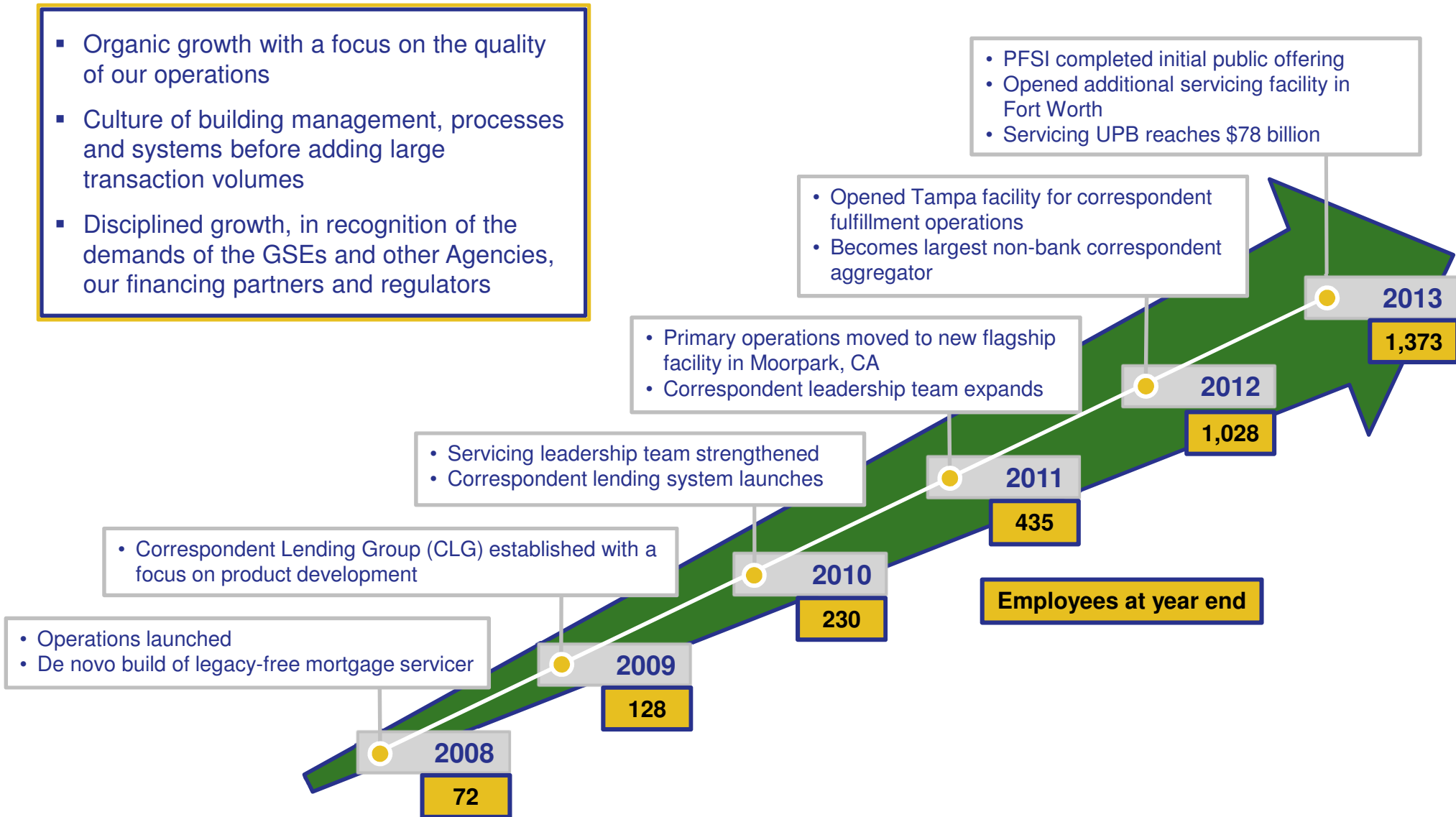
Serve as external manager to pools of capital investing in mortgage-related assets

Revenue sources:

- Management fees from all Advised Entities
- Performance-based incentive fees from PMT
- Carried interest from Investment Funds

PFSI Has Developed in a Sustainable Manner for Long-Term Growth

- Organic growth with a focus on the quality of our operations
- Culture of building management, processes and systems before adding large transaction volumes
- Disciplined growth, in recognition of the demands of the GSEs and other Agencies, our financing partners and regulators



PFSI's Full Range of Capabilities for Mortgage Banking and Investment Management

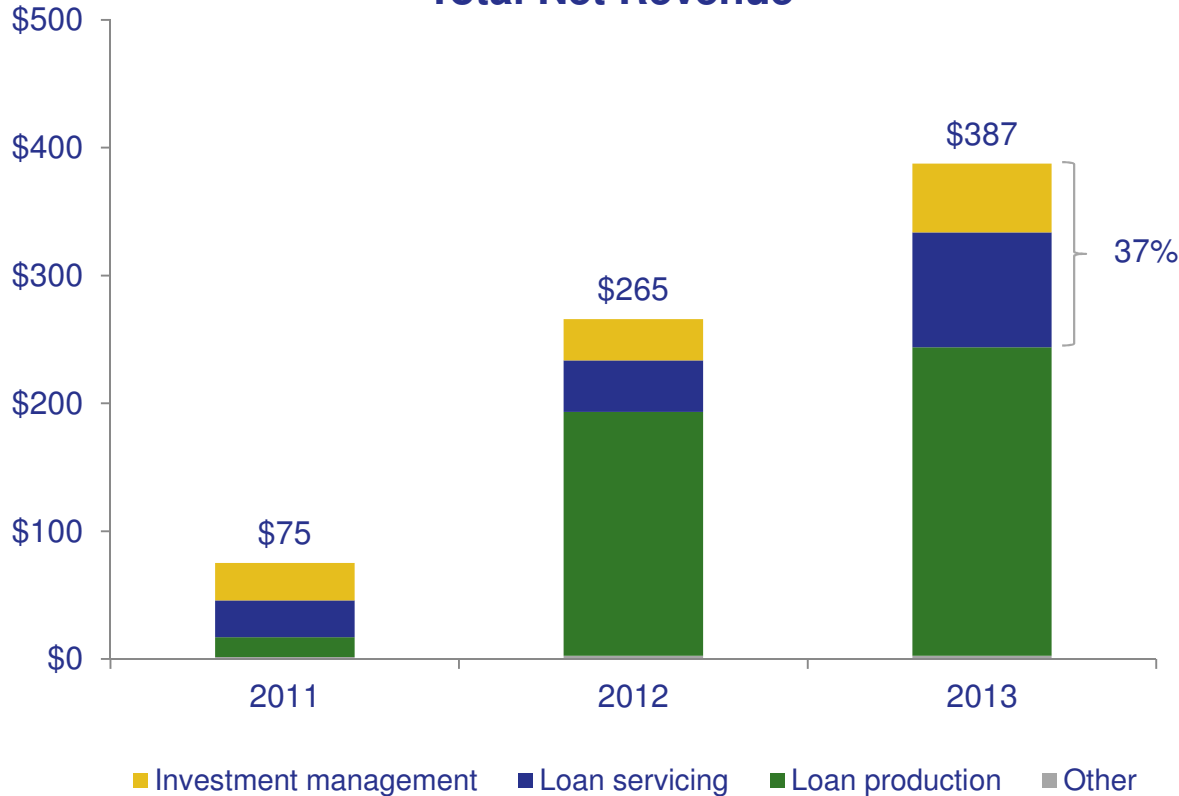
<p>Loan Production</p>	<ul style="list-style-type: none"> • Correspondent acquisitions • Counterparty review and management • Consumer direct lending • Consumer marketing • Loan fulfillment systems and operations 	
<p>Credit</p>	<ul style="list-style-type: none"> • Underwriting • Loan program / product development • GSE/Agency relationship management • Appraisal review • Quality control 	
<p>Capital Markets</p>	<ul style="list-style-type: none"> • Secondary marketing • Mortgage structuring and trading • Pooling and securitization • Hedging / interest rate risk management • Transaction management 	
<p>Servicing</p>	<ul style="list-style-type: none"> • Customer service and collections • Default management (special servicing) • Systems/workflow development • Loan administration • Investor accounting • Portfolio strategy 	
<p>Governance</p>	<ul style="list-style-type: none"> • Compliance (mortgage lending, securities-related, corporate) • Internal audit • Enterprise risk management • Strategic planning 	
<p>Corporate</p>	<ul style="list-style-type: none"> • Finance • Accounting • IT infrastructure and development • Treasury • Legal 	
<p>Public Company Management</p>	<ul style="list-style-type: none"> • Capabilities in place to manage multiple complex, regulated entities 	

Over 1,300 employees led by a highly experienced management team
 (60 senior-most executives have on average 23 years of relevant industry experience)

PFSI's Revenues Continue to Grow Steadily and Diversify

(\$ in millions)

Total Net Revenue



- Total net revenue grew 46% in 2013, in spite of volatile markets
- Loan Servicing and Investment Management revenues, which are mostly recurring fees, grew to more than one third of total net revenue
 - Relatively more stable businesses that are increasingly important components of PFSI's business model
 - Loan production businesses generate fee income and MSR assets and drive organic growth of the servicing portfolio

Growth Trends Across PennyMac Financial's Businesses

Mortgage Banking

Loan Production

Loan Production UPB⁽¹⁾



- Origination market remains challenged by higher rates; PennyMac gained market share throughout the year in correspondent and retail
- In correspondent lending, initiatives to increase share, including through smaller originators
- In retail lending, focus on refinance opportunities enabled by bulk MSR acquisitions

Loan Servicing

Loan Servicing UPB



- Bulk Agency MSR acquisitions successfully closed and transferred in 4Q13 as scheduled
- Continued organic growth of prime servicing from loan production activities
- Special servicing growth from PMT's distressed loan acquisitions continues over time

Investment Management

Net Assets Under Mgmt. (AUM)



- AUM growth over the long term expected to be driven by PMT
- Investment opportunities in mortgage-related assets remain significant

(1) Includes loans purchased by PMT for which PFSI earns a fulfillment fee

Focus on Initiatives to Profitably Grow Volumes in Loan Production

Correspondent Lending

- Relatively robust government-insured volumes reflect the specialized nature of the product and PennyMac's strong competitive position
- Strategic focus on initiatives to grow volume and optimize profitability
 - Greater emphasis on smaller mortgage originators and community banks, which benefit most from PennyMac's broad capabilities
 - Gaining relevance in the Northeast
 - Opportunities to increase business from clients delivering low volumes to PMT

Retail Lending

- MSR acquisitions expected to add meaningful portfolio-sourced volume
 - Recently acquired legacy MSRs have significant recapture potential – initial results promising
- Continued development of the consumer direct platform focused on the purchase-money market
 - Launched Business Development Officer (BDO) initiative to drive local/regional Realtor and builder leads to PennyMac's national call center platform
 - National marketing campaigns (TV, radio, direct mail) to build PennyMac Financial's brand recognition
 - Continued investment in operational platform and technology, e.g., mobile phone app