



Media

Stephen Hagey
(805) 530-5817

Investors

Christopher Oltmann
(818) 264-4907

PennyMac Announces Launch of Broker Direct Channel

Westlake Village, CA, January 11, 2018 – PennyMac Financial Services, Inc. (NYSE: PFSI), a leading U.S. mortgage lender, today announced the launch of its Broker Direct channel, offering mortgage brokers access to the Company’s state-of-the-art POWERSM platform combined with its unique centralized sales, client engagement services and best-in-class fulfillment capabilities.

“We are excited to announce PennyMac’s entrance into the broker channel,” said Doug Jones, President of PennyMac Loan Services, LLC, an indirectly controlled subsidiary of PFSI. “We spent considerable time evaluating this channel and believe it is the right time for us to participate. Our new broker channel will provide opportunities to grow volumes in attractive segments of the market, such as purchase-money and prime jumbo mortgages. We expect to leverage our leading market position to successfully grow our Broker Direct platform and achieve a leadership position over time.”

PennyMac is the fourth-largest producer of newly originated mortgage loans, according to *Inside Mortgage Finance*. The broker channel represents approximately 10% of the total U.S. mortgage originations market.

Through PennyMac’s POWERSM platform, brokers will have unprecedented access to data and the ability to proactively manage their pipelines. By providing detailed, accurate and timely communication to their customers on every loan, brokers and their loan officers can provide best-in-class service for their customers and maintain trust with their referral sources. POWERSM enables the broker to self-serve for a variety of functions and seamlessly

communicate with PennyMac's client engagement team. With its strong market position, PennyMac has the scale and operational capabilities to deliver process transparency, consistency and an exceptional customer experience for mortgage brokers and their clients. The Company's new Broker Direct organization is led by Kimberly Nichols, a seasoned mortgage executive who serves as Managing Director, Direct Lending Channels, for PennyMac.

The POWERSM platform is further enhanced by access to knowledgeable mortgage professionals through the Company's dedicated broker call center. Through PennyMac's portal, brokers will have access to the Company's loan offerings, along with its industry-leading loan fulfillment capabilities that deliver consistency and accuracy to the origination process.

For more information about PennyMac Financial and signing up to become a broker with the Company, please visit the Broker Direct channel website at www.pennymacbrokerdirect.com.

About PennyMac Financial Services, Inc.

PennyMac Financial Services, Inc. is a specialty financial services firm with a comprehensive mortgage platform and integrated business focused on the production and servicing of U.S. mortgage loans and the management of investments related to the U.S. mortgage market.

PennyMac Financial Services, Inc. trades on the New York Stock Exchange under the symbol "PFSI." Additional information about PennyMac Financial Services, Inc. is available at www.ir.pennymacfinancial.com.

Forward Looking Statements

This press release 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 and from past results discussed herein. Factors which could cause actual results to differ materially from historical results or those anticipated include, but are not limited to: the continually changing federal, state and local laws and regulations applicable to the highly regulated industry in which we operate; lawsuits or governmental actions that may result from any noncompliance with the laws and regulations applicable to our businesses; the mortgage lending and servicing-related regulations promulgated by the Consumer Financial Protection Bureau and its enforcement of these regulations; our dependence on U.S. government-sponsored entities and changes in 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 the Company's 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; our dependence on the multifamily and commercial real estate sectors for future originations of commercial mortgage loans and other commercial real estate related loans; changes in macroeconomic and U.S. real estate market conditions; difficulties inherent in growing loan production volume; difficulties inherent in adjusting the size of our operations to reflect changes in business levels; purchase opportunities for mortgage servicing rights and our success in winning bids; changes in prevailing interest rates; increases in loan delinquencies and defaults; our reliance on PennyMac Mortgage Investment Trust (NYSE: PMT) as a significant source of financing for, and revenue related to, our mortgage banking business; any required additional capital and liquidity to support business growth that may not be available on acceptable terms, if at all; our obligation to indemnify third-party purchasers or repurchase loans if loans that we originate, acquire, service or assist in the fulfillment of, fail to meet certain criteria or characteristics or under other circumstances; our obligation to indemnify PMT and the Investment Funds if its services fail to meet certain criteria or characteristics or under other circumstances; decreases in the returns on the assets that we select and manage for our clients, and our resulting management and incentive fees; the extensive amount of regulation applicable to our investment management segment; conflicts of interest in allocating our services and investment opportunities among us and our advised entities; the effect of public opinion on our reputation; our recent growth; our ability to effectively identify, manage, monitor and mitigate financial risks; our initiation of new business activities or expansion of existing business activities; our ability to detect misconduct and fraud; and our ability to mitigate cybersecurity risks and cyber incidents. 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 press release are current as of the date of this release only.