

PennyMac Mortgage Investment Trust



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 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 general business, economic, market and employment conditions from those expected; continued declines in residential real estate and disruption in the U.S. housing market; the availability of, and level of competition for, attractive risk-adjusted investment opportunities in residential mortgage loans and mortgage-related assets that satisfy our investment objectives and investment strategies; changes in our investment or operational objectives and strategies, including any new lines of business; the concentration of credit risks to which we are exposed; the availability, terms and deployment of short-term and long-term capital; unanticipated increases in financing and other costs, including a rise in interest rates; the performance, financial condition and liquidity of borrowers; increased rates of delinquency or decreased recovery rates on our investments; increased prepayments of the mortgage and other loans underlying our investments; changes in regulations or the occurrence of other events that impact the business, operation or prospects of government sponsored enterprises; changes in government support of homeownership; changes in governmental regulations, accounting treatment, tax rates and similar matters; and our ability to satisfy complex rules in order to qualify as a REIT for U.S. federal income tax purposes. 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.

Investment Opportunity Overview

PennyMac Mortgage Investment Trust (NYSE: PMT)

- Unique externally-managed specialty finance firm that is dedicated to U.S. residential mortgage opportunities
- Only public mortgage REIT with current focus on distressed residential whole loans
- Long-term strategy is to participate in a wide range of residential mortgage investments as the new mortgage markets continue to emerge
- Established Correspondent Lending Group to purchase and sell/securitize newly originated GSE conventional, non-agency (jumbo) and government loans⁽¹⁾

Key Investment Highlights

- Enterprise with access to a unique operational platform able to participate in the substantial opportunities in the residential mortgage market
- Attractive return investments with prudent use of leverage
- Distinguished management team with deep expertise in all aspects of residential mortgages
- Flexible strategy and full set of capabilities to capitalize on the convergence of the distressed and new mortgage markets

⁽¹⁾ Ultimate disposition of loans to third-parties is conducted by PennyMac Loan Services (PLS) where PMT is not approved or licensed to sell to such third party and PMT is paid a 3 basis point sourcing fee for each loan it sells to PLS.

Industry Forces Are Creating the Need for New Mortgage Entities

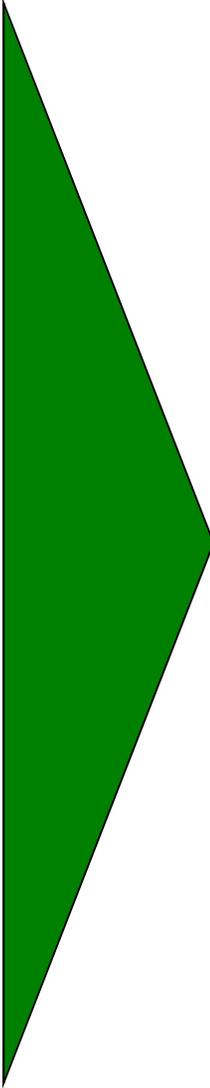
Bank legacy issues, including foreclosures, repurchases, and litigation, causing them to reduce their mortgage exposure

New capital requirements for banks including Basel III making it unattractive for them to hold mortgage servicing rights (MSRs) and subordinate bonds

New risk retention requirements for securitization sponsors and originators favor well-capitalized non-bank entities

GSE reform – although the exact outcome remains uncertain, likely to create more opportunity for the non-agency market and private firms

Regulators and others seeking to reduce market concentration in a handful of mega-banks



Need for a new non-bank mortgage firm such as PMT

First Quarter 2012 Highlights

- Net Income of \$19.1 million on revenue of \$46.6 million
- Diluted EPS of \$0.65 per share, and dividend of \$0.55 per share
- Correspondent funding volume increased to \$1.8 billion (Conventional fundings of \$992 million, 55% of total), up 81% from the fourth quarter; lock volume reached \$2.4 billion
- Entered into an agreement to purchase a distressed whole loan pool totaling over \$90 million of unpaid principal balance (UPB), which settled in April
 - Entered into agreements to purchase two additional pools totaling approximately \$240 million of UPB in April 2012, which are expected to settle in May 2012⁽¹⁾
- Raised \$47 million of equity to support growth initiatives and investment activity
- Business segment earnings reflect evolving business model
 - Investment Activities: \$14.3 million (58%)⁽²⁾
 - Correspondent Lending: \$10.3 million (42%)⁽²⁾

(1) These pending transactions are subject to continuing due diligence and customary closing conditions. There can be no assurance that the committed amount will ultimately be acquired or that the transactions will be completed.

(2) Segment earnings before tax.

REIT Structure

- PMT's unique hybrid structure allows the Company to focus its specialized operations on legacy loans and the emergence of the post-crisis mortgage market
- PMT wholly owns REIT subsidiaries that enjoy favorable tax treatment and taxable REIT subsidiaries that are taxable as a C-Corp
 - The REIT entities provide pass-through income from investments in qualifying real estate and real estate-related assets, and are generally not subject to federal or state income taxes to the extent that qualifying distributions are made and other tests are met
 - The TRS entities are taxable and facilitate our participation in activities that would not otherwise be permissible as a REIT
 - Generally includes Correspondent Lending, MSR investments and other mortgage banking activities
- Among the various tests that must be met to maintain REIT qualification, PMT's investment in the TRS cannot exceed 25% of REIT assets
- PMT's investment portfolio helps ensure that REIT qualification is maintained
 - The portfolio is a strategic blend of:
 - ABS and MBS
 - Performing and other distressed mortgage loans
- This structure provides PMT shareholders with both operational and investment returns while building franchise value

Strategy and Outlook for PMT

	<i>Illustrative Leveraged Gross Return⁽¹⁾</i>	<i>Strategy and Outlook</i>
Mortgage Backed and Asset Backed Securities	15% - 20%	<ul style="list-style-type: none"> Continuing to acquire ABS and MBS on an opportunistic basis Correspondent business provides additional insight into MBS opportunities
Distressed Mortgage Whole Loans	20% - 26%	<ul style="list-style-type: none"> PCM expects to review roughly \$1 billion per month for possible investments throughout 2012 Acquired \$90 million in UPB of whole loans in April and entered into agreements to purchase approximately \$240 million in UPB of performing and nonperforming whole loans, expected to settle in Q2⁽²⁾
Correspondent Lending <small>(avg. holding period 20 days)</small>	27% - 39%	<ul style="list-style-type: none"> Executing on growth strategies and prudently expanding network of approved sellers; HARP 2.0 refinance volume opportunity Target for total loan fundings: \$1 billion per month by end of the second quarter
Bulk Mortgage Servicing Rights Acquisitions	25% - 32%	<ul style="list-style-type: none"> Opportunities enabled by PennyMac Loan Services' operational platform and seller/servicer approvals Transactions would be structured in a way to optimize the qualification of a portion of the investments as a REIT asset

(1) Illustrative gross returns including the effect of leverage before corporate operating and other administrative expenses

(2) These pending transactions are subject to continuing due diligence and customary closing conditions. There can be no assurance that the committed amount will ultimately be acquired or that the transactions will be completed.

PMT's Manager and Servicer Have Capacity for Growth

- Management, processes, and infrastructure in place to support growth to many times the current volumes of business
- Correspondent Lending can ramp up to \$1 billion in monthly originations by the end of 2Q12
- PLS's high-touch servicing operations can grow to a total of ~500 employees and \$40 billion in sub-performing loans in 12 months
- 142,000 square-foot flagship operations facility in Moorpark, Calif.
 - Can accommodate a total of 1,000+ staff
 - Optimal location to attract an ample number of experienced mortgage industry personnel
- Opened a new Correspondent Lending office location in Tampa, Florida
 - Will provide fulfillment operations for Correspondent Lending Group and a broader lending footprint

Highlights of Investing in PMT

- ✓ Unique mortgage REIT able to capitalize on opportunities in residential whole loans
- ✓ Continued leadership in distressed whole loan investing, transitioning into correspondent lending
- ✓ Distinguished management team with deep expertise in all aspects of residential mortgages
- ✓ Access to legacy-free operational platform with full set of residential mortgage capabilities
- ✓ Attractive return investments with prudent use of leverage
- ✓ Flexibility to adapt with the evolution of the mortgage market

Positioned to capitalize on current and long-term opportunities in residential mortgage finance with the capital, bank relationships, operations, and management across all the critical areas for success

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