



**SECOND QUARTER 2018 RESULTS**

**INVESTOR SUPPLEMENT**

**JULY 17, 2018**

# IMPORTANT INFORMATION

This presentation contains summarized information concerning Nationstar Mortgage Holdings Inc. ("Nationstar") and the Nationstar's business, operations, financial performance and trends. No representation is made that the information in this presentation is complete. For additional financial, statistical and business related information, as well as information regarding business and segment trends, see the Nationstar's most recent Annual Report on Form 10-K ("Form 10-K") and Quarterly Reports on Form 10-Q filed with the U.S. Securities and Exchange Commission (the "SEC"), as well as the Nationstar's other reports filed with the SEC from time to time. Such reports are or will be available in the Investor Information section of the Nationstar's website ([www.nationstarholdings.com](http://www.nationstarholdings.com)) and the SEC's website ([www.sec.gov](http://www.sec.gov)).

## FORWARD LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, WMIH's and Nationstar's expectations or predictions of future financial or business performance or conditions and 2018 targets. All statements other than statements of historical or current fact included in this communication that address activities, events, conditions or developments that we expect, believe or anticipate will or may occur in the future are forward-looking statements. Forward-looking statements give our current expectations and projections relating to our financial condition, results of operations, plans, objectives, future performance and business and these statements are not guarantees of future performance. Forward-looking statements may include the words "anticipate," "estimate," "expect," "project," "intend," "plan," "believe," "strategy," "future," "opportunity," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Such forward-looking statements involve risks and uncertainties that may cause actual events, results or performance to differ materially from those indicated by such statements. Certain of these risks are identified and discussed in the registration statement and the definitive joint proxy statement/prospectus and other documents WMIH and Nationstar have filed or will file from time to time with the SEC. These risk factors will be important to consider in determining future results and should be reviewed in their entirety. These forward-looking statements are expressed in good faith, and WMIH and Nationstar believe there is a reasonable basis for them. However, there can be no assurance that the events, results or trends identified in these forward-looking statements will occur or be achieved. Forward-looking statements speak only as of the date they are made, and neither WMIH nor Nationstar is under any obligation, and expressly disclaim any obligation, to update, alter or otherwise revise any forward-looking statement, except as required by law. Readers should carefully review the statements set forth in the registration statement, the definitive joint proxy statement/prospectus or other reports, which WMIH and Nationstar have filed or will file from time to time with the SEC.

In addition to factors previously disclosed in WMIH's and Nationstar's reports filed with the SEC and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: ability to meet the closing conditions to the merger; delay in closing the merger; failure to realize the benefits expected from the proposed transaction; the effects of pending and future legislation; risks associated with investing in mortgage loans and mortgage servicing rights and changes in interest rates; risks related to disruption of management time from ongoing business operations due to the proposed transaction; business disruption following the transaction; macroeconomic factors beyond WMIH's or Nationstar's control; risks related to WMIH's or Nationstar's indebtedness and other consequences associated with mergers, acquisitions and divestitures and legislative and regulatory actions and reforms. Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results. Results for any specified quarter are not necessarily indicative of the results that may be expected for the full year or any future period.

## NON-GAAP MEASURES

This presentation contains certain references to non-GAAP measures. Please refer to the Appendix and Notes for more information on non-GAAP measures.

# ADDITIONAL INFORMATION FOR STOCKHOLDERS

This communication is being made in respect of the proposed merger transaction involving WMIH Corp. ("WMIH") and Nationstar. WMIH has filed a registration statement on Form S-4, and WMIH and Nationstar each filed the definitive joint proxy statement/prospectus with the SEC on May 31, 2018. The definitive joint proxy statement/prospectus was sent to the stockholders of WMIH and Nationstar on or about June 1, 2018, after the registration statement on Form S-4 was declared effective by the SEC on May 31, 2018. WMIH and Nationstar may also file other documents with the SEC regarding the proposed merger transaction. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. Before making any investment decision, investors and security holders of WMIH and Nationstar are urged to carefully read the entire registration statement and definitive joint proxy statement/prospectus and any other relevant documents filed with the SEC, as well as any amendments or supplements to these documents, because they will contain important information about the proposed transaction. The documents filed by WMIH and Nationstar with the SEC may be obtained free of charge at the SEC's website at [www.sec.gov](http://www.sec.gov). In addition, the documents filed by WMIH may be obtained free of charge from WMIH at [www.wmih-corp.com](http://www.wmih-corp.com), and the documents filed by Nationstar may be obtained free of charge from Nationstar at [www.nationstarholdings.com](http://www.nationstarholdings.com). Alternatively, these documents, when available, can be obtained free of charge from WMIH upon written request to WMIH Corp., 800 Fifth Avenue, Suite 4100, Seattle, Washington 98104, Attn: Secretary, or by calling (206) 922-2957, or from Nationstar upon written request to Nationstar Mortgage Holdings Inc., 8950 Cypress Waters Blvd, Dallas, TX 75019, Attention: Corporate Secretary, or by calling (469) 549-2000.

# Nationstar at a Glance

## 1 SERVICING

- Top performing servicer of agency and non-agency, owned MSR and subservicing portfolios
- Focused on customer service and asset performance for customers and investors

## 2 ORIGINATIONS

- Integrated platform for origination of conventional agency and government-insured loans
- Organic source of servicing customers, including recapture

## 3 XOME

- Real estate solutions provider to Nationstar, third parties, home buyers/sellers
- Asset management, property disposition, title, close, valuation, and field services through integrated technology

**3<sup>RD</sup> LARGEST**  
SERVICER IN THE U.S.<sup>(1)</sup>

**\$498 BILLION**  
SERVICING PORTFOLIO  
LARGEST NON-BANK SERVICER IN  
THE U.S.<sup>(2)</sup>

**15<sup>th</sup> LARGEST**  
ORIGINATOR IN THE U.S.<sup>(1)</sup>

ORIGINATED  
**\$21 BILLION**  
LOANS<sup>(3)</sup>

**11+ THOUSAND**  
XOME PROPERTIES SOLD<sup>(3)</sup>

**424+ THOUSAND**  
COMPLETED XOME ORDERS<sup>(3)</sup>



# Financial Overview

## HIGHLIGHTS

<b>\$ MM, EXCEPT PER SHARE DATA</b>	<b>Q1'18</b>	<b>Q2'18</b>	<b>% QoQ</b>
CONSOLIDATED GAAP PTI	\$206	\$79	
MARK-TO-MARKET	(\$152)	(\$19)	
ADJUSTMENTS	\$3	\$9	
ADJUSTED PRETAX INCOME <sup>(4)</sup>	\$58	\$69	19%
GAAP EPS	\$1.61	\$0.59	
ADJUSTED EPS <sup>(4)</sup>	\$0.44	\$0.53	20%

## KEY METRICS

<b>\$ MM, UNLESS NOTED</b>	<b>Q1'18</b>	<b>Q2'18</b>	<b>% QoQ</b>
ADJ SERVICING PROFITABILITY (BPS) <sup>(5)</sup>	5.5	5.8	5%
AVERAGE UPB	\$504	\$497	(1%)
CPR, NET OF RECAPTURE	8.9%	10.5%	(18%)
60+ DAY DELINQUENCY RATE	3.2%	2.8%	13%
RECAPTURE	27%	22%	(19%)
FUNDED VOLUME	\$5,087	\$5,542	9%
XOME 3 <sup>RD</sup> PARTY REVENUE %	27%	28%	4%

## SECOND QUARTER OVERVIEW

- Posted quarterly adjusted EPS<sup>(4)</sup> of \$0.53
  - GAAP EPS of \$0.59
- Servicing recorded quarterly adjusted pretax earnings<sup>(4)</sup> of \$72 million
  - Achieved adjusted servicing profitability of 5.8 bps<sup>(5)</sup>
- Originations recorded quarterly adjusted pretax earnings<sup>(4)</sup> of \$33 million
- Xome<sup>®</sup> recorded quarterly adjusted pretax earnings<sup>(4)</sup> of \$13 million

# Servicing – the Foundation of our Business

Self sustaining portfolio well positioned for a rising rate environment

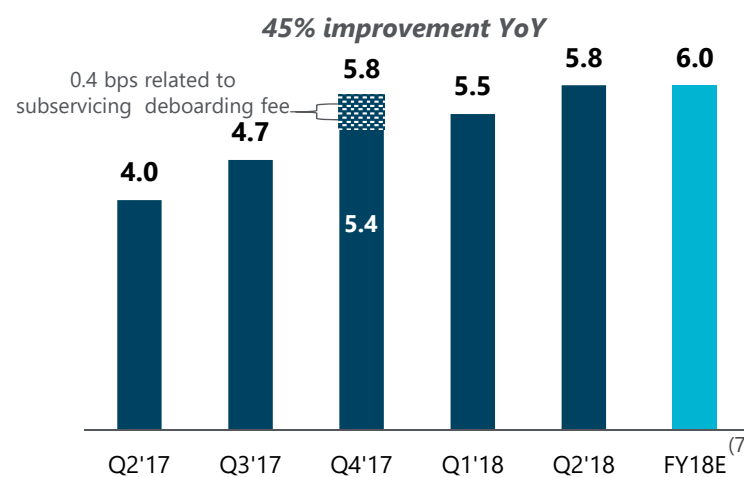
## HIGHLIGHTS

\$ MM, UNLESS NOTED	Q1'18	Q2'18	% QoQ
OPERATIONAL	\$291	\$277	(5%)
AMORTIZATION	(48)	(48)	-
MARK-TO-MARKET	152	19	
TOTAL REVENUES	395	\$248	
EXPENSES	(182)	(166)	9%
OTHER	7	6	
<b>GAAP PRETAX INCOME</b>	<b>\$220</b>	<b>\$88</b>	
MARK-TO-MARKET	(152)	(19)	
ADJUSTMENTS <sup>(6)</sup>	-	3	
ADJUSTED PRETAX INCOME <sup>(4)</sup>	\$69	\$72	4%
<b>ADJUSTED PROFITABILITY (bps)<sup>(5)</sup></b>	<b>5.5</b>	<b>5.8</b>	<b>5%</b>
AVERAGE UPB (\$B)	\$504	\$497	(1%)
CPR, NET OF RECAPTURE	8.9%	10.5%	(18%)
60+ DAY DELINQUENCY RATE	3.2%	2.8%	13%

## OVERVIEW

- Achieved \$72 million adjusted pretax income<sup>(4)</sup>, 5.8 bps<sup>(5)</sup> adjusted profitability
- Boarded \$20 billion in 2Q18; \$65+ billion already scheduled to board in second half of the year
- Unmatched platform and scale to penetrate significant servicing growth opportunities
- Realizing further efficiencies and improved customer experience through a transformation of our servicing operations

## ADJUSTED SERVICING PROFITABILITY (bps)<sup>(5)</sup>



# Originations - Creating Solutions for our Customers

Organic creation of servicing assets at attractive margins

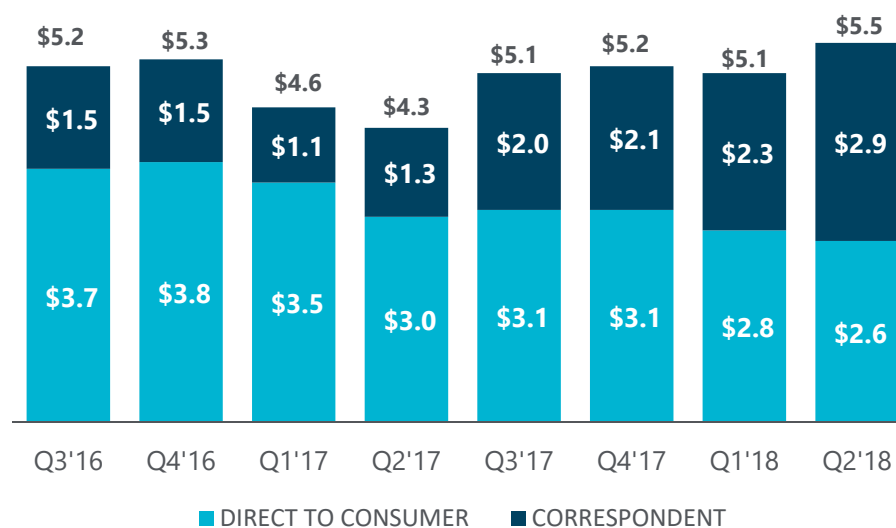
## HIGHLIGHTS

\$ MM, UNLESS NOTED	Q1'18	Q2'18	% QoQ
REVENUES	\$128	\$133	4%
EXPENSES	(\$109)	(\$101)	7%
GAAP PRETAX INCOME	\$19	\$32	68%
ADJUSTMENTS <sup>(8)</sup>	\$5	\$1	
<b>ADJUSTED PRETAX INCOME<sup>(4)</sup></b>	<b>\$25</b>	<b>\$33</b>	<b>32%</b>
PULL THROUGH LOCK VOLUME	\$4,862	\$5,440	12%
FUNDED VOLUME	\$5,087	\$5,542	9%
PURCHASE MIX <sup>(9)</sup>	40%	51%	28%
CONSUMER DIRECT MIX <sup>(9)</sup>	56%	48%	(14%)
RECAPTURE	27%	22%	(19%)

## OVERVIEW

- Earned \$33 million adjusted pretax income<sup>(4)</sup>, 32% improvement from prior quarter
- Highest quarterly volume in 18 quarters
- Refinance recapture continues to average 50%
- New Chief Business and Product Officer focused on improving recapture and new customer acquisition
- Home Intelligence app launched in Beta to provide solutions to customers

## FUNDED VOLUME BY CHANNEL<sup>(10)</sup>



# XOME<sup>®</sup> - Building Solutions for the Real Estate Market

High margin fee income business serves as an integral part of our unique home loan experience

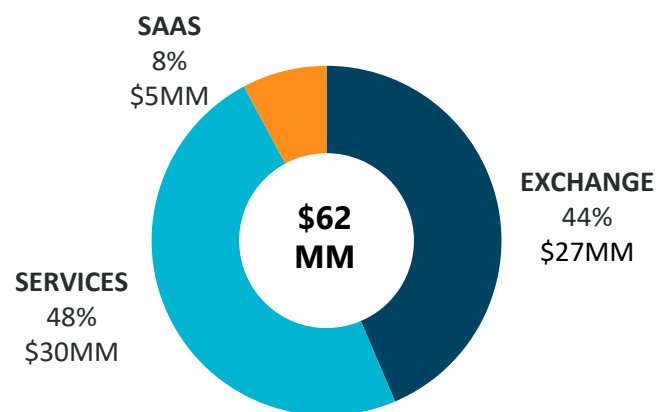
## HIGHLIGHTS

\$MM, UNLESS NOTED	Q1'18	Q2'18	% QoQ
GAAP PRETAX INCOME	\$22	\$10	(55%)
ADJUSTMENTS <sup>(11)</sup>	(\$8)	\$3	
ADJUSTED PRETAX INCOME <sup>(4)</sup>	\$14	\$13	(7%)
EXCHANGE PROPERTIES SOLD	3,202	3,720	16%
EXCHANGE PROPERTY LISTINGS AT PERIOD END	7,594	7,417	(2%)
SERVICES ORDERS COMPLETED	111,339	117,093	5%
3 <sup>RD</sup> PARTY REVENUE % <sup>(12)</sup>	27%	28%	4%

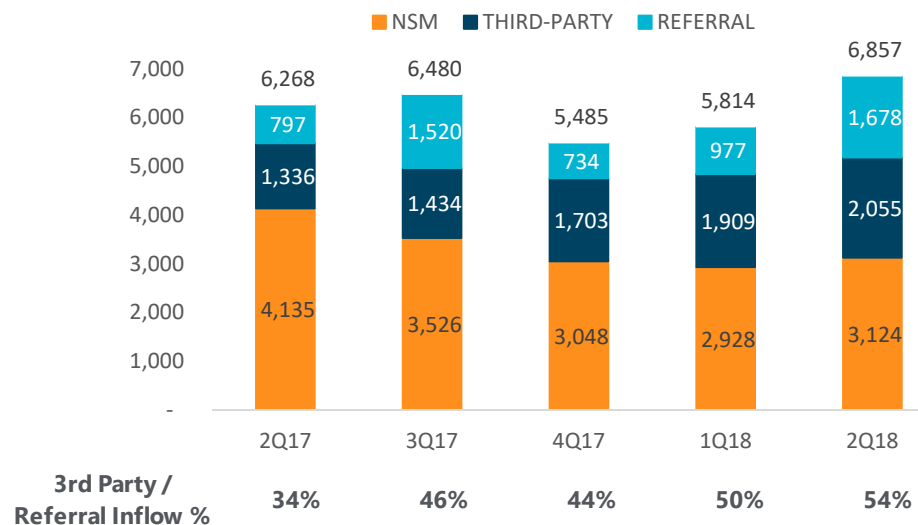
## OVERVIEW

- Posted \$13 million adjusted pretax income<sup>(4)</sup>
- Third-party inflows increasing across all segments
  - Exchange property sales, combining default and referral program, improved 16% QoQ
  - Service orders completed improved 5% QoQ
- Field services expected to be fully ramped by the end of the year

## Q2'18 REVENUE COMPOSITION (\$MM)



## EXCHANGE PROPERTY INFLOWS (UNITS)





# 2018 Goals and Focus

	YTD Q2'18 RESULTS	2018 TARGETS <sup>(7)</sup>	FOCUS
<b>SERVICING</b>	<b>5.6</b> BASIS POINTS <sup>(5)</sup> ADJUSTED PROFITABILITY	<b>6.0+</b> BASIS POINTS <sup>(5)</sup> ADJUSTED PROFITABILITY	<ul style="list-style-type: none"> <li>Improve customer experience</li> <li>Continued cost savings</li> <li>Penetrate significant opportunities</li> </ul>
<b>ORIGINATIONS</b>	<b>\$58</b> MILLION ADJUSTED PRETAX INCOME <sup>(4)</sup>	<b>\$120</b> MILLION ANNUAL ADJUSTED PRETAX INCOME <sup>(4)</sup>	<ul style="list-style-type: none"> <li>Home Intelligence</li> <li>Channel expansion</li> <li>New product offerings</li> </ul>
<b>XOME</b>	<b>\$27</b> MILLION ADJUSTED PRETAX INCOME <sup>(4)</sup>	<b>\$60</b> MILLION ANNUAL ADJUSTED PRETAX INCOME <sup>(4)</sup>	<ul style="list-style-type: none"> <li>Expand third-party opportunities</li> <li>Field services business</li> <li>Opportunistic M&amp;A</li> </ul>
<b>CORPORATE</b>	<b>\$17</b> MILLION SAVINGS FROM PRIOR YEAR	<b>\$30</b> MILLION ANNUAL SAVINGS FROM PRIOR YEAR <sup>(13)</sup>	<ul style="list-style-type: none"> <li>Close merger</li> <li>Disciplined capital management</li> </ul>

# WMIH Transaction Update



All regulatory approvals for merger received

Stock will initially trade under the WMIH ticker on NASDAQ

## MERGER BENEFITS

- Accretive to both Nationstar and WMIH shareholders
- Diversified ownership post merger with new strategically aligned shareholder in KKR
- Significant free cash flow
- No operational integration risk

## Appendix: Servicing Operational P&L

<b>BASIS POINTS</b>	<b>Q2'17</b>	<b>Q3'17</b>	<b>Q4'17</b>	<b>Q1'18</b>	<b>Q2'18</b>
OPERATING REVENUE	28.8	26.7	25.4	26.7	26.3
LABOR COSTS	5.1	4.4	4.3	4.9	5.1
DIRECT CORPORATE ALLOCATION	3.1	3.1	2.9	3.4	3.2
OTHER DIRECT EXPENSES	5.3	6.6	5.6	6.1	4.9
TOTAL EXPENSES	13.5	14.0	12.8	14.4	13.1
OTHER (INCOME) / EXPENSE	(0.3)	(2.1)	(2.8)	(1.9)	(1.8)
<b>ADJ. OPERATING INCOME B/F AMORTIZATION</b>	<b>15.6</b>	<b>14.7</b>	<b>15.4</b>	<b>14.1</b>	<b>14.9</b>
MSR AMORTIZATION	(8.6)	(7.8)	(6.9)	(6.2)	(6.8)
EXCESS SPREAD ACCRETION	3.3	3.2	2.8	2.4	2.9
TOTAL AMORTIZATION	(5.3)	(4.6)	(4.2)	(3.8)	(3.8)
<b>ADJUSTED OPERATING INCOME</b>	<b>10.4</b>	<b>10.1</b>	<b>11.3</b>	<b>10.3</b>	<b>11.0</b>
MSR FINANCING LIABILITY PAYMENTS	1.5	1.3	1.2	1.2	1.1
EXCESS SPREAD PAYMENTS – PRINCIPAL	3.3	2.7	3.0	2.4	2.9
EXCESS SPREAD PAYMENTS – INTEREST / OTHER	1.5	1.4	1.3	1.3	1.3
TOTAL FINANCING STRUCTURE PAYMENTS	6.4	5.4	5.5	4.9	5.3
<b>ADJUSTED PRETAX INCOME<sup>(5)</sup></b>	<b>4.0</b>	<b>4.7</b>	<b>5.8</b>	<b>5.5</b>	<b>5.8</b>
EXCESS SPREAD / FINANCING MTM	2.0	0.6	(0.2)	(4.0)	(0.5)
MSR MTM	(8.9)	(4.0)	0.3	16.0	2.0
TOTAL MTM ADJUSTMENTS	(6.8)	(3.4)	0.0	12.0	1.5
ADJUSTMENTS	(0.5)	(0.2)	(0.1)	(0.0)	(0.2)
<b>GAAP PRETAX INCOME</b>	<b>(3.4)</b>	<b>1.1</b>	<b>5.7</b>	<b>17.4</b>	<b>7.1</b>
AVERAGE UPB (\$B)	494	521	536	504	497

# Appendix: Notes

1. Inside Mortgage Finance as of 03/31/18.
2. As of 06/30/18.
3. Last twelve months ended 06/30/18.
4. Nationstar utilizes non-GAAP (or "adjusted") financial measures as the measures provide additional information to assist investors in understanding and assessing Nationstar's and our business segments' ongoing performance and financial results, as well as assessing our prospects for future performance. The adjusted financial measures facilitate a meaningful analysis and allow more accurate comparisons of our ongoing business operations because they exclude items that may not be indicative of or are unrelated to Nationstar's and our business segments' core operating performance, and are better measures for assessing trends in our underlying businesses. These adjustments are consistent with how management views our businesses. Management uses non-GAAP financial measures in making financial, operational and planning decisions and evaluating Nationstar's and our business segment's ongoing performance. Adjusted pre-tax income (loss) eliminates the effects of mark-to-market adjustments which primarily reflects unrealized gains or losses based on the changes in fair value measurements of MSRs and their related financial liabilities for which a fair value accounting election was made. These adjustments which can be highly volatile and material due to changes in credit markets, are not necessarily reflective of the gains and losses that will ultimately be realized by Nationstar. Adjusted pre-tax income (loss) also eliminates, as applicable, restructuring costs, rebranding and integration costs, gain (losses) on sales of fixed assets, certain legal settlement costs that are not considered normal operational matters, and other adjustments based on facts and circumstances that would provide investors a supplemental means for evaluating Nationstar's core operating performance.
5. Basis points ("bps") are calculated as annualized adjusted servicing pretax income \$ amount/Total average UPB X 10000.
6. Q2'18 Servicing adjustments are related to initiatives to transform servicing operations.
7. Estimates of future profitability and illustrative economic value are forward looking and based on a number of factors outside our control. Results could differ materially. Annualized, pro forma, projected and estimated numbers are used for illustrative purposes only, are not forecasts and may not reflect actual results. Results for any specified quarter are not necessarily indicative of the results that may be expected for the full year or any future period.
8. Q1'18 Originations adjustments include ramp costs related to purchase and NCA channels and IT development expenses. Q2'18 Originations adjustments include IT development expenses.
9. Based on a percentage of pull through adjusted lock volume.
10. Excludes volume from Home Community Mortgage joint venture which ended in Q3'16.
11. Q1'18 Xome adjustments were related to a strategic decision to sell RED's non-core brokerage web hosting business and legal fees. Q2'18 Xome adjustments include new business ramp up costs.
12. Q1'18 calculation excludes revenue earned from Real Estate Digital business lines which was sold in February 2018.
13. Corporate savings target does not include incremental debt expense incurred after the merger with WMIH.