
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**Current Report
Pursuant to Section 13 or 15 (d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): April 14, 2015

OCWEN FINANCIAL CORPORATION

(Exact name of registrant as specified in its charter)

Florida

1-13219

65-0039856

(State or other jurisdiction of incorporation)

(Commission File Number)

(IRS Employer Identification No.)

**1000 Abernathy Road NE, Suite 210
Atlanta, Georgia 30328
(Address of principal executive offices)**

Registrant's telephone number, including area code: (561) 682-8000

**Not applicable.
(Former name or former address, if changed since last report)**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On April 14, 2015, Ocwen Financial Corporation (the “Company”) issued a press release announcing its preliminary results for the year ended December 31, 2014. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The financial results and other financial data presented in the press release and in the presentation referred to below in Item 7.01 are preliminary, based upon the Company’s estimates and subject to completion of the Company’s final financial closing procedures. Moreover, this data has been prepared on the basis of currently available information. The Company’s independent auditor has not audited or reviewed, and does not express an opinion with respect to, this data. This data does not constitute a comprehensive statement of the Company’s financial results for the year ended December 31, 2014, and the Company’s final results could differ materially from these preliminary results. In particular, the data presented incorporates the impact of the Company fully reserving for its deferred tax asset, which results in a corresponding loss of approximately \$77 million, in order to present a conservative view of the Company’s results and financial position as the Company continues to prepare and evaluate information related to its ability to operate as a going concern and to provide such information to its auditors for the purposes of its audit of the Company’s financial statements for the year ended December 31, 2014. The Company is currently unable to provide an estimate of when its 2014 financial statements will be finalized.

Item 7.01. Regulation FD Disclosure.

Beginning on April 14, 2015, the Company will be using the materials attached as Exhibit 99.2 hereto in connection with presentations to our senior secured term loan lenders regarding a potential amendment thereto. The materials attached hereto as Exhibit 99.2 are incorporated herein by reference.

The information contained under Item 2.02 and Item 7.01 in this Current Report, including Exhibits 99.1 and 99.2, is being furnished and, as a result, such information shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall such information be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

Special Note Regarding Forward-Looking Statements

This Current Report on Form 8-K contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially.

Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the following: adverse effects on our business as a result of recent regulatory settlements; reactions to the announcement of such settlements by key counterparties; increased regulatory scrutiny and media attention, due to rumors or otherwise; uncertainty related to claims, litigation and investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification and other practices; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; our ability to effectively manage our regulatory and contractual compliance obligations; our ability to execute on our strategy to reduce the size of our Agency servicing portfolio; the adequacy of our financial resources, including our sources of liquidity and ability to fund and recover advances, repay borrowings and comply with debt covenants; our servicer and credit ratings as well as other actions from various rating agencies, including the impact of recent downgrades of our servicer and credit ratings; volatility in our stock price; the characteristics of our servicing portfolio, including prepayment speeds along with delinquency and advance rates; our ability to contain and reduce our operating costs; our ability to successfully modify delinquent loans, manage foreclosures and sell foreclosed properties; uncertainty related to legislation, regulations, regulatory agency actions, government programs and policies, industry initiatives and evolving best servicing practices; as well as other risks detailed in Ocwen’s reports and filings with the SEC, including its annual report on Form 10-K/A for the year ended December 31, 2013 (filed with the SEC on August 18, 2014) and its quarterly report on Form 10-Q for the quarter ended September 30, 2014 (filed with the SEC on October 31, 2014). Anyone wishing to understand Ocwen’s business should review its SEC filings. Ocwen’s forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise. Ocwen may post information that is important to investors on its website.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
99.1	Press release of Ocwen Financial Corporation dated April 14, 2015.
99.2	Lender Update dated April 14, 2015.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

OCWEN FINANCIAL CORPORATION
(Registrant)

Date: April 14, 2015

By: /s/ Michael R. Bourque, Jr.
Michael R. Bourque, Jr.
Chief Financial Officer
(On behalf of the Registrant and as its principal financial officer)



Ocwen Financial Corporation®

FOR IMMEDIATE RELEASE

**OCWEN FINANCIAL ANNOUNCES PRELIMINARY OPERATING RESULTS
FOR FISCAL YEAR 2014**

Atlanta, GA – (April 14, 2015) Ocwen Financial Corporation, (NYSE:OCN) (“Ocwen” or the “Company”), a leading financial services holding company, today reported a preliminary net loss of \$(546.0) million, or \$(4.18) per share, for the year ended December 31, 2014 compared to net income of \$310.4 million, or \$2.13 per share, for the year ended December 31, 2013. Ocwen generated preliminary revenue of \$2.1 billion, up 4% compared to \$2.0 billion in the prior year. Preliminary income from operations was \$76.1 million for the year ended December 31, 2014.

Preliminary pre-tax loss for 2014 was \$(443.2) million, compared to \$352.5 million pre-tax income in 2013. Preliminary pre-tax income on a normalized basis for 2014 was \$284.9 million, compared to the \$550.4 million normalized pre-tax income in 2013. During 2014, Ocwen incurred a total of \$728.1 million in preliminary normalized expenses. Normalization items in 2014 include \$420.2 million of goodwill impairment, \$186.1 million of legal and settlement expenses primarily related to the settlement with the New York Department of Financial Services, \$72.3 million for MSR-related fair value changes and \$49.5 million of transition and other items. The preliminary normalized results for 2014 were impacted by and include \$127.3 million of servicer expenses and uncollectible advances along with \$39.4 million in regulatory monitoring costs. In addition, our preliminary net loss results include a charge to record an approximately \$77 million valuation allowance against our remaining deferred tax asset.

“I am encouraged by the progress Ocwen has made so far in 2015. We currently expect to be profitable in 2015 and meet all of our ongoing financial and servicing obligations. In addition to generating substantial cash flow from pending asset sales that have already been announced so far this year, we expect our historical track record of generating substantial cash flow from operations to continue in 2015 and beyond. To accomplish our objectives we must, among other things, extend our \$1.8 billion advance receivable facility that begins amortizing in October 2015, continue meeting our regulatory requirements, execute on our plan to reduce our GSE servicing exposure, continue to comply with our debt covenants and maintain our current servicer ratings. We have already significantly advanced our Agency MSR sale strategy at attractive prices, entered into an amendment with Home Loan Servicing Solutions that provides more stability for the Company and reduced our 2015 refinancing risk,” commented Ron Faris, President and C.E.O. of Ocwen. “We have also continued to make progress and improvements in our risk and compliance management systems, a critical focus of our management team and employees. We are optimistic that the investments we have made and are making in these areas reduce significantly the substantial risks associated with non-compliance with laws and regulations and improves our service to homeowners which will ultimately result in better overall returns to our shareholders.”

The financial results and other financial data presented in this press release are preliminary, based upon the Company’s estimates and subject to completion of the Company’s final financial closing procedures. Moreover, this data has been prepared on the basis of currently available information. The Company’s independent auditor has not audited or reviewed, and does not express an opinion with respect to, this data. This data does not constitute a comprehensive statement of the Company’s financial results for the year ended December 31, 2014, and the Company’s final results could differ materially from these preliminary results. In particular, the preliminary financial results presented in this press release incorporate the impact of the Company fully reserving for its deferred tax asset in order to present a conservative view of Ocwen’s results and financial position as the Company continues to prepare and evaluate information related to its ability to operate as a going concern and to provide such information to its auditor for the purposes of its audit of the Company’s financial statements for the year ended December 31, 2014. The Company currently does not have an estimate of when its 2014 financial statements will be finalized.

About Ocwen Financial Corporation

Ocwen Financial Corporation is a financial services holding company which, through its subsidiaries, is engaged in the servicing and origination of mortgage loans. Ocwen is headquartered in Atlanta, Georgia, with offices throughout the United States and support operations in India and the Philippines. Utilizing proprietary technology, global infrastructure and superior training and processes, Ocwen provides solutions that help homeowners and make our clients' loans worth more. Ocwen may post information that is important to investors on its website (www.Ocwen.com).

Forward Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially.

Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the following: adverse effects on our business as a result of recent regulatory settlements; reactions to the announcement of such settlements by key counterparties; increased regulatory scrutiny and media attention, due to rumors or otherwise; uncertainty related to claims, litigation and investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification and other practices; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; our ability to effectively manage our regulatory and contractual compliance obligations; our ability to execute on our strategy to reduce the size of our Agency servicing portfolio; the adequacy of our financial resources, including our sources of liquidity and ability to fund and recover advances, repay borrowings and comply with debt covenants; our servicer and credit ratings as well as other actions from various rating agencies, including the impact of recent downgrades of our servicer and credit ratings; volatility in our stock price; the characteristics of our servicing portfolio, including prepayment speeds along with delinquency and advance rates; our ability to contain and reduce our operating costs; our ability to successfully modify delinquent loans, manage foreclosures and sell foreclosed properties; uncertainty related to legislation, regulations, regulatory agency actions, government programs and policies, industry initiatives and evolving best servicing practices; as well as other risks detailed in Ocwen's reports and filings with the Securities and Exchange Commission (SEC), including its annual report on Form 10-K/A for the year ended December 31, 2013 (filed with the SEC on 08/18/14) and its quarterly report on Form 10-Q for the quarter ended September 30, 2014 (filed with the SEC on 10/31/14). Anyone wishing to understand Ocwen's business should review its SEC filings. Ocwen's forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

This press release contains certain non-GAAP financial measures, such as our references to "normalized pre-tax income." We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition. We also believe these non-GAAP financial measures provide an alternative way to view certain aspects of our business that is instructive. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Ocwen's reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Further information regarding these measures may be found on Ocwen's website.

FOR FURTHER INFORMATION CONTACT:

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Preliminary Residential Servicing Statistics
(Dollars in thousands)

	At or for the three months ended				
	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014	December 31, 2013
Total unpaid principal balance of loans and REO serviced	\$ 398,727,727	\$ 411,279,614	\$ 435,119,848	\$ 449,570,596	\$ 464,651,332
Non-performing loans and REO serviced as a % of total UPB ⁽¹⁾	13.2%	13.4%	12.9%	13.8%	14.5%
Prepayment speed (average CPR) ⁽²⁾	12.7% ⁽³⁾	12.8%	12.9%	11.2%	13.1%

(1) Performing loans include those loans that are less than 90 days past due and those loans for which borrowers are making scheduled payments under loan modification, forbearance or bankruptcy plans. We consider all other loans to be non-performing.

(2) Constant Prepayment Rate for the prior three months.

(3) Includes average CPR of 14.6% for prime loans and 10.3% for non-prime loans.

Preliminary Segment Results (Unaudited)
(Dollars in thousands)

For the Periods Ended December 31,	Three Months		Twelve Months	
	2014	2013	2014	2013
Servicing				
Revenue	\$ 458,831	\$ 514,050	\$ 1,985,436	\$ 1,895,921
Operating expenses	723,324	300,439	1,643,323	1,096,084
Income (loss) from operations	(264,493)	213,611	342,113	799,837
Other expense, net	(122,264)	(68,985)	(516,203)	(408,170)
Income (loss) before income taxes	\$ (386,757)	\$ 144,626	\$ (174,090)	\$ 391,667
Lending				
Revenue	\$ 32,409	\$ 39,718	\$ 119,220	\$ 120,899
Operating expenses	75,011	28,650	156,272	98,194
Income (loss) from operations	(42,602)	11,068	(37,052)	22,705
Other income, net	1,518	3,744	10,210	12,919
Income (loss) before income taxes	\$ (41,084)	\$ 14,812	\$ (26,842)	\$ 35,624
Corporate Items and Other				
Revenue	\$ 2,090	\$ 2,335	\$ 6,825	\$ 22,092
Operating expenses	87,215	11,828	235,769	107,188
Loss from operations	(85,125)	(9,493)	(228,944)	(85,096)
Other income (expense), net	(6,807)	3,639	(13,283)	10,284
Loss before income taxes	\$ (91,932)	\$ (5,854)	\$ (242,227)	\$ (74,812)
Corporate Eliminations				
Revenue	\$ (38)	\$ (148)	\$ (156)	\$ (639)
Operating expenses	(38)	(41)	(156)	(172)
Loss from operations	—	(107)	—	(467)
Other income, net	—	107	—	467
Income (loss) before income taxes	\$ —	\$ —	\$ —	\$ —
Consolidated income (loss) before income taxes	\$ (519,773)	\$ 153,584	\$ (443,159)	\$ 352,479

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
PRELIMINARY CONSOLIDATED STATEMENTS OF OPERATIONS
(Dollars in thousands, except share data)
(UNAUDITED)

For the Periods Ended December 31,	Three Months		Twelve Months	
	2014	2013	2014	2013
Revenue				
Servicing and subservicing fees	\$ 446,079	\$ 490,167	\$ 1,894,175	\$ 1,823,559
Gain on loans held for sale, net	24,256	48,782	134,297	121,694
Other revenues	22,957	17,006	82,853	93,020
Total revenue	<u>493,292</u>	<u>555,955</u>	<u>2,111,325</u>	<u>2,038,273</u>
Operating expenses				
Compensation and benefits	99,412	112,098	415,530	442,777
Goodwill impairment loss	420,201	—	420,201	—
Amortization of mortgage servicing rights	64,300	85,346	250,375	282,781
Servicing and origination	73,266	22,387	202,739	112,127
Technology and communications	45,819	37,768	167,053	140,466
Professional services	113,922	24,658	326,667	123,886
Occupancy and equipment	26,675	30,513	109,179	105,145
Other operating expenses	41,917	28,106	143,464	94,112
Total operating expenses	<u>885,512</u>	<u>340,876</u>	<u>2,035,208</u>	<u>1,301,294</u>
Income (loss) from operations	<u>(392,220)</u>	<u>215,079</u>	<u>76,117</u>	<u>736,979</u>
Other income (expense)				
Interest income	5,519	5,025	22,991	22,355
Interest expense	(132,628)	(76,022)	(541,757)	(395,586)
Gain (loss) on extinguishment of debt	—	3,875	2,609	(8,681)
Other, net	(444)	5,627	(3,119)	(2,588)
Other expense, net	<u>(127,553)</u>	<u>(61,495)</u>	<u>(519,276)</u>	<u>(384,500)</u>
Income (loss) before income taxes	(519,773)	153,584	(443,159)	352,479
Income tax expense	78,514	18,309	102,888	42,061
Net income (loss)	<u>(598,287)</u>	<u>135,275</u>	<u>(546,047)</u>	<u>310,418</u>
Net income attributable to non-controlling interests	(80)	—	(245)	—
Net income (loss) attributable to Ocwen stockholders	<u>(598,367)</u>	<u>135,275</u>	<u>(546,292)</u>	<u>310,418</u>
Preferred stock dividends	—	(581)	(1,163)	(5,031)
Deemed dividend related to beneficial conversion feature of preferred stock	—	(416)	(1,639)	(6,989)
Net income (loss) attributable to Ocwen common stockholders	<u>\$ (598,367)</u>	<u>\$ 134,278</u>	<u>\$ (549,094)</u>	<u>\$ 298,398</u>
Earnings (loss) per share attributable to Ocwen common stockholders				
Basic	<u>\$ (4.77)</u>	<u>\$ 0.99</u>	<u>\$ (4.18)</u>	<u>\$ 2.20</u>
Diluted	<u>\$ (4.77)</u>	<u>\$ 0.95</u>	<u>\$ (4.18)</u>	<u>\$ 2.13</u>
Weighted average common shares outstanding				
Basic	125,564,301	135,191,178	131,362,284	135,678,088
Diluted	125,564,301	139,177,555	131,362,284	139,800,506

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
PRELIMINARY CONSOLIDATED BALANCE SHEETS
(Dollars in thousands, except share data) (UNAUDITED)

	December 31, 2014	December 31, 2013
Assets		
Cash	\$ 129,473	\$ 178,512
Mortgage servicing rights (\$93,901 and \$116,029 carried at fair value)	1,913,992	2,069,381
Advances	893,914	890,832
Match funded advances	2,409,442	2,552,383
Loans held for sale (\$401,120 and \$503,753 carried at fair value)	488,612	566,660
Loans held for investment - reverse mortgages, at fair value	1,550,141	618,018
Goodwill	—	420,201
Receivables, net	270,596	152,516
Deferred tax assets, net	—	115,571
Premises and equipment, net	43,310	53,786
Other assets (\$7,335 and \$0 carried at fair value)	490,811	309,143
Total assets	<u>\$ 8,190,291</u>	<u>\$ 7,927,003</u>
Liabilities, Mezzanine Equity and Equity		
Liabilities		
Match funded liabilities	\$ 2,090,247	\$ 2,364,814
Financing liabilities (\$2,058,693 and \$1,249,380 carried at fair value)	2,258,641	1,266,973
Other secured borrowings	1,733,691	1,777,669
Senior unsecured notes	350,000	—
Other liabilities	793,534	644,595
Total liabilities	<u>7,226,113</u>	<u>6,054,051</u>
Mezzanine Equity		
Series A Perpetual Convertible Preferred stock, \$.01 par value; 200,000 shares authorized; 62,000 shares issued and outstanding at December 31, 2013	<u>—</u>	<u>60,361</u>
Equity		
Ocwen Financial Corporation (Ocwen) stockholders' equity		
Common stock, \$.01 par value; 200,000,000 shares authorized; 125,215,615 and 135,176,271 shares issued and outstanding at December 31, 2014 and 2013, respectively	1,252	1,352
Additional paid-in capital	515,194	818,427
Retained earnings	453,869	1,002,963
Accumulated other comprehensive loss, net of income taxes	(8,908)	(10,151)
Total Ocwen stockholders' equity	961,407	1,812,591
Non-controlling interest in subsidiaries	2,771	—
Total equity	964,178	1,812,591
Total liabilities, mezzanine equity and equity	<u>\$ 8,190,291</u>	<u>\$ 7,927,003</u>

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
PRELIMINARY CONSOLIDATED STATEMENTS OF CASH FLOWS
(Dollars in thousands) (UNAUDITED)

	For the Years Ended December 31,	
	2014	2013
Cash flows from operating activities		
Net income (loss)	\$ (546,047)	\$ 310,418
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Goodwill impairment loss	420,201	—
Amortization of mortgage servicing rights	250,375	282,781
Amortization of debt issuance costs – senior secured term loan	5,139	4,395
Depreciation	21,910	24,245
Provision for bad debts	84,751	34,816
Gain on loans held for sale, net	(134,297)	(121,694)
Realized and unrealized losses on derivative financial instruments	2,643	14,336
(Gain) loss on extinguishment of debt	(2,609)	8,681
Loss (gain) on valuation of mortgage servicing rights, at fair value	22,068	(30,816)
Decrease (increase) in deferred tax assets, net	114,829	(21,125)
Equity-based compensation expense	10,729	5,648
Origination and purchase of loans held for sale	(7,430,340)	(9,678,038)
Proceeds from sale and collections of loans held for sale	7,345,730	9,468,627
Changes in assets and liabilities:		
Decrease in advances and match funded advances	291,989	295,108
(Increase) decrease in receivables and other assets, net	(37,394)	224,543
(Decrease) increase in other liabilities	(94,508)	70,336
Other, net	27,355	(7,842)
Net cash provided by operating activities	<u>352,524</u>	<u>884,419</u>

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
PRELIMINARY CONSOLIDATED STATEMENTS OF CASH FLOWS – (continued)
(Dollars in thousands)
(UNAUDITED)

	For the Years Ended December 31,	
	2014	2013
Cash flows from investing activities		
Cash paid to acquire ResCap Servicing Operations (a component of Residential Capital, LLC)	(54,220)	(2,289,709)
Net cash paid to acquire controlling interest in Ocwen Structured Investments, LLC	(7,833)	—
Cash paid to acquire Liberty Home Equity Solutions, Inc.	—	(26,568)
Net cash acquired in acquisition of Correspondent One S.A .	—	22,108
Distributions of capital from unconsolidated entities	6,572	1,300
Purchase of mortgage servicing rights, net	(22,488)	(987,663)
Acquisition of advances in connection with the purchase of mortgage servicing rights	(85,521)	(2,588,739)
Acquisition of advances in connection with the purchase of loans	(60,482)	—
Proceeds from sale of advances and match funded advances	1,054	3,842,537
Net proceeds from sale of diversified fee-based businesses to Altisource Portfolio Solutions, S.A.	—	210,793
Proceeds from sale of mortgage servicing rights	287	34,754
Origination of loans held for investment - reverse mortgages	(816,881)	(609,555)
Principal payments received on loans held for investment - reverse mortgages	86,234	5,886
Additions to premises and equipment	(11,430)	(28,915)
Other	6,461	(1,207)
Net cash used in investing activities	(958,247)	(2,414,978)
Cash flows from financing activities		
Repayment of match funded liabilities	(274,567)	(167,931)
Proceeds from other secured borrowings	5,677,291	9,633,914
Repayments of other secured borrowings	(5,809,239)	(8,804,558)
Proceeds from issuance of senior unsecured notes	350,000	—
Payment of debt issuance costs	(6,835)	(25,758)
Proceeds from sale of mortgage servicing rights accounted for as a financing	123,551	447,755
Proceeds from sale of loans accounted for as a financing	783,009	604,991
Proceeds from sale of advances accounted for as a financing	88,981	—
Repurchase of common stock	(382,487)	(217,903)
Payment of preferred stock dividends	(1,163)	(5,115)
Proceeds from exercise of common stock options	1,840	2,302
Other	6,303	21,244
Net cash provided by financing activities	556,684	1,488,941
Net decrease in cash	(49,039)	(41,618)
Cash at beginning of year	178,512	220,130
Cash at end of year	\$ 129,473	\$ 178,512

OCWEN FINANCIAL CORPORATION AND SUBSIDIARIES
PRELIMINARY CONSOLIDATED STATEMENTS OF CASH FLOWS – (continued)
(Dollars in thousands)
(UNAUDITED)

	For the Years Ended December 31,	
	2014	2013
Supplemental cash flow information		
Interest paid	\$ 560,208	\$ 395,758
Income tax payments, net	38,293	14,747
Supplemental non-cash investing and financing activities		
Transfers of loans held for sale to loans held for investment	\$ 110,874	\$ —
Transfers of loans held for sale to real estate owned	8,808	4,775
Conversion of Series A preferred stock to common stock	62,000	100,000
Supplemental business acquisition information		
Fair value of assets acquired:		
Advances	\$ —	\$ (1,786,409)
Mortgage servicing rights	—	(401,314)
Premises and equipment	—	(16,423)
Goodwill	—	(211,419)
Receivables and other assets	—	(2,989)
	—	(2,418,554)
Fair value of liabilities assumed:		
Accrued expenses and other liabilities	—	74,625
Total consideration	—	(2,343,929)
Amount due to seller for purchase price adjustments	—	54,220
Cash paid	—	(2,289,709)
Less cash acquired	—	—
Net cash paid	\$ —	\$ (2,289,709)

Preliminary Normalized Pre-Tax Income Summary (Dollars in Millions)

	For the Years Ended December 31,	
	2014	2013
GAAP Income before income taxes	\$ (443.2)	\$ 352.5
Transition and transaction related expenses	42.3	157.3
Legal/Settlement expense	186.1	60.4
Goodwill Impairment	420.2	—
Discontinued/Sold Operations	—	(6.7)
Funding related expenses	0.5	35.0
MSR-Related Fair Value Change	72.3	(48.1)
Other	6.6	—
Normalized income before income taxes	\$ 284.9	\$ 550.4



Lender Update

April 14, 2015

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FORWARD-LOOKING STATEMENTS:

Our presentation contains certain forward-looking statements as defined under the federal securities laws. These forward-looking statements may be identified by a reference to a future period or by the use of forward-looking terminology, and include pro forma financial information presented solely for illustrative purposes. Forward-looking statements by their nature address matters that are, to different degrees, uncertain. Forward-looking statements involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the following: adverse effects on our business as a result of recent regulatory settlements; reactions to the announcement of such settlements by key counterparties; increased regulatory scrutiny and media attention, due to rumors or otherwise; uncertainty related to claims, litigation and investigations brought by government agencies and private parties regarding our servicing, foreclosure, modification and other practices; any adverse developments in existing legal proceedings or the initiation of new legal proceedings; our ability to effectively manage our regulatory and contractual compliance obligations; our ability to execute on our strategy to reduce the size of our Agency servicing portfolio; the adequacy of our financial resources, including our sources of liquidity and ability to fund and recover advances, repay borrowings and comply with debt covenants; our servicer and credit ratings as well as other actions from various rating agencies, including the impact of recent downgrades of our servicer ratings; volatility in our stock price; the characteristics of our servicing portfolio, including prepayment speeds along with delinquency and advance rates; our ability to contain and reduce our operating costs; our ability to successfully modify delinquent loans, manage foreclosures and sell foreclosed properties; uncertainty related to legislation, regulations, regulatory agency actions, government programs and policies, industry initiatives and evolving best servicing practices; as well as other risks detailed in Ocwen's reports and filings with the SEC, including its annual report on Form 10-K/A for the year ended December 31, 2013 (filed with the SEC on August 18, 2014) and its quarterly report on Form 10-Q for the quarter ended September 30, 2014 (filed with the SEC on October 31, 2014). Anyone wishing to understand Ocwen's business should review its SEC filings. Ocwen's forward-looking statements speak only as of the date they are made and, except for our ongoing obligations under the U.S. federal securities laws, we undertake no obligation to update or revise forward-looking statements whether as a result of new information, future events or otherwise. Ocwen may post information that is important to investors on its website.

NON-GAAP FINANCIAL MEASURES:

Our presentation contains certain non-GAAP financial measures, such as our references to normalized pre-tax income and normalized operating cash flow. We believe these non-GAAP financial measures provide a useful supplement to discussions and analysis of our financial condition. We believe these non-GAAP financial measures provide an alternative way to view certain aspects of our business that is instructive. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, Ocwen's reported results under accounting principles generally accepted in the United States. Other companies may use non-GAAP financial measures with the same or similar titles that are calculated differently to our non-GAAP financial measures. As a result, comparability may be limited. Further information may be found on Ocwen's website.

2014 PRELIMINARY RESULTS:

This presentation includes preliminary results for our fiscal year ended December 31, 2014. The financial information for fiscal year 2014 is preliminary and subject to the Company finalizing its closing procedures and annual audit by the Company's independent registered public accounting firm. As such, the fiscal year 2014 results are subject to revision until the Company files its annual report on Form 10-K for its fiscal year 2014, and the Company's final results may differ materially from the preliminary results presented herein. In particular, the preliminary financial results presented herein include the potential impact of the Company fully reserving its deferred tax asset, which would result in a corresponding loss of approximately \$77 million, as Ocwen continues to prepare information related to its ability to operate as a going concern and to provide such information to the auditors for the purposes of their audit of the Company's financial statements for the year ended December 31, 2014.

Executive Summary

- 1 Company expects to be profitable in 2015 and beyond
- 2 Projected substantial deleveraging of approximately \$840 million as a result of projected asset sale proceeds and cash from operations in 2015 ^(a)
- 3 Track record of generating substantial cash flow from operations expected to continue in 2015 and beyond
- 4 Well capitalized non-bank mortgage servicer that meets all current and proposed capital standards
- 5 Proven leader in homeownership preservation through loan modifications and lending to seniors; leader in the U.S. Treasury Home Affordable Modification Program servicing 20% of all HAMP modifications
- 6 Framework in place for building strong 'bank-like' corporate governance, risk and compliance management systems
- 7 Experienced Board and Management team with proven track record and commitment to customer service and compliance
- 8 Leader in Reverse Mortgage lending and building a strong foundation for forward mortgage and alternative lending

a) Asset sales are subject to final contract terms, certain consents and closing conditions. While some asset sales have been announced and are under contract, some have yet to be finalized and are still subject to contract negotiations and certain closing conditions, including GSE and FHFA approvals. As such, proceed / gain amounts are still subject to change

Positive 2015 Outlook



- 1 Continue to generate strong operating free cash flow
- 2 Continue to demonstrate progress on corporate governance, risk and compliance management systems
- 3 Continue to refocus servicing business to improve operating margins and reduce interest rate risk
- 4 Reduce leverage and improve corporate and servicer ratings
 - No current plans to repurchase common stock
- 5 Continue to build profitable lending platform

Improve confidence, profitability and position for the future

Update on Preliminary Unaudited 2014 Results



In 2014, the Company generated \$353M in operating cash flow on a reported basis and \$474M of operating cash flow after normalization items

2014 Preliminary Results

- Servicing revenue up 5% driven by higher average UPB and change in mix
- Lending revenue slightly down 1% on lower volume
- The \$728M in 2014 pre-tax normalization items include the impacts of the non-cash goodwill impairment (\$420M), one-time legal settlements (\$186M), MSR fair value changes (\$72M), and other non-recurring costs primarily related to transition and transaction-related activities (\$49M)
- Normalized pre-tax income declined in 2014 due to higher legal, risk, compliance and monitor expenses along with \$127M of expenses related to recovery of advances and certain other servicing expenses
- The \$353M in operating cash flow would increase to \$474M after adjusting for the cash payments related to the NMS and NYDFS settlements (\$217M), offset by \$96M of net cash flow benefits related to changes in the balances of advances and loans held for sale

(\$ Millions)	Total 2014	Total 2013	Variance
Servicing Revenue	\$ 1,985	\$ 1,896	\$ 89
Lending Revenue	119	121	(2)
Other Revenues	7	22	(15)
Total Revenue	\$ 2,111	\$ 2,039	\$ 72
Reported Pre-Tax Income	\$ (443)	\$ 352	\$ (795)
Normalization Items	728	198	530
Normalized Pre-Tax Income	\$ 285	\$ 550	\$ (265)
Operating Cash Flow	\$ 353	\$ 884	\$ (531)
Normalization Items	121	(16)	137
Normalized Adjusted Operating Cash Flow	\$ 474	\$ 868	\$ (394)

2014 remains subject to final audit adjustments

Announced Asset Sales



(\$ in millions)

Asset	Buyer	Status	Expected / Estimated			
			Proceeds	Gain	Sale Date	Transfer Date
MSRs on \$10B of UPB (FHLMC)	Nationstar	Contract	\$100		3/31	4/16
MSRs on \$45B of UPB (FNMA)	Undisclosed	LOI	\$460		6/1	50% on 6/1; Remainder by 8/1
MSRs on \$10B of UPB (FHLMC)	Walter	LOI	\$85		4/30	6/16
MSRs on \$25B of UPB (FNMA & FHLMC)	Nationstar	LOI	\$235		TBD	TBD
Total			\$880	\$186		

Company also considering the sale of non-performing MSRs with potential sale proceeds of over \$100 million. These sales likely will result in recognized losses including settlements of estimated future losses.

Note: Asset sales are subject to final contract terms, certain consents and closing conditions. While some asset sales have been announced and are under contract, some have yet to be finalized and are still subject to contract negotiations and certain closing conditions, including GSE and FHFA approvals. As such, proceeds / gain amounts are still subject to change

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12/31/2014 Unaudited Pro Forma Balance Sheet Accounting for Announced 2015 Asset Sales



2014 Balance Sheet (\$ in Millions)	Actual 12/31/2014	Asset Sale Proceeds ⁽¹⁾	Term Loan Payments ⁽²⁾	Pro Forma 12/31/2014
Cash	\$ 129	\$ 880	\$ (840)	\$ 169
Loans Held for Investment, Liberty	1,550			1,550
Loans held for resale, at fair value	489	-		489
Advances	894			894
Match funded servicing advances	2,409			2,409
Mortgage servicing rights	1,914	(694)		1,220
Receivables, net	271			271
Premises and equipment, net	43			43
Other assets	491			491
Assets	\$ 8,190	\$ 186	\$ (840)	\$ 7,536
Match funded servicing advance liabilities ⁽³⁾	\$ 2,090			\$ 2,090
Senior Secured Term Loan	1,277		(840)	437
Other lines of credit and borrowings	456			456
Lines of credit and other borrowings	1,734	-	(840)	894
MSRs pledged with HLSS	614			614
Loans pledged to Investors - Reverse Lending ⁽³⁾	1,444			1,444
Other financing liabilities	200			200
Total Financing Liabilities	2,259	-	-	2,259
Debt Securities	350			350
Other liabilities	794			794
Liabilities	\$ 7,226	\$ -	\$ (840)	\$ 6,386
Total Parent stockholders' equity	\$ 964	\$ 186	\$ -	\$ 1,150

(1) Stockholder's equity gain has not been tax-effected and is for illustrative purposes only

(2) Amount represents the budgeted term loan paydown for 2015

(3) Amounts represent non-recourse match-funded liabilities

Note: Asset sales are subject to final contract terms, certain consents and closing conditions. While some asset sales have been announced and are under contract, some have yet to be finalized and are still subject to contract negotiations and certain closing conditions, including GSE and FHFA approvals. As such, proceed / gain amounts are still subject to change

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Recent Company Accomplishments

The Company has made significant progress strengthening its operations and capital structure

- 1 Recently amended key agreements with Home Loan Servicing Solutions, Ltd. ("HLSS"), which extend and strengthen the HLSS / Ocwen relationship while preserving existing economics
 - Extends the term during which Ocwen is entitled to be the named servicer on loans for which Rights to MSRs have been sold to HLSS for two additional years or until April 30, 2020, whichever is earlier
 - Provides that such extension will not apply with respect to any servicing agreement that, as of the date that it was scheduled to terminate under the Original Agreements, is affected by an uncured Termination Event (as defined in the Sale Supplements) due to a downgrade of Ocwen's servicer rating to "Below Average" or lower by S&P or to "SQ4" or lower by Moody's
 - Imposes a two year standstill (until April 6, 2017 and subject to certain conditions) on the rights of the HLSS Parties to replace Ocwen as named servicer
 - A monetization of the clean-up calls associated with HLSS, which help secure execution of the clean-up call rights and provide certainty of value
- 2 Asset sales at meaningful gains ^(a)
 - Projected proceeds of approximately \$880 million in 2015
 - Total projected paydown of Senior Secured Term Loan ("SSTL") of approximately \$840 million in 2015 from asset sale proceeds and cash from operations, reducing total debt / equity from industry-low 1.8x to below 1.0x
- 3 Funding
 - Secured commitment to extend and refinance \$400 million OFSART facility
 - Obtained \$225 million of new warehouse financing if existing warehouse lenders do not renew
 - Obtained a commitment from an existing lender to extend the maturity dates of two loan origination participation agreements totaling \$200 million to April 30, 2016

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Debt Overview



The Company has proactively worked with existing and new lenders to resolve significant amounts of maturity / rollover risk

(\$ in millions)		Facility Size	Usage	Commitment Update
Servicing Advance Facilities	OFSART - BofA	\$ 450	\$ 373	Back stop commitment in place
	OSART - Barclays	125	59	
	Subtotal	575	432	
	OMART - Credit Suisse	600	553	Amortization begins in November 2015 for OMART, though Company has already received preliminary indications from multiple banks of a willingness to extend / refinance
	OMART - Morgan Stanley	600	553	
	OMART - RBS	600	553	
	OMART	1,800	1,658	
Lending Warehouse Lines	WH HRI	550	352	\$425M in commitments / back up facilities
	WH LHES	135	77	
	WH OLS	201	32	
	Warehouse lines	886	460	
Corporate Debt	Senior unsecured notes	350	350	Matures May 2019
	OASIS	111	111	Match funded and full recourse
	Senior secured term loan	1,277	1,277	Leverage covenant amended in March
	Corporate debt	1,739	1,739	
Total		\$ 5,000	\$ 4,289	

Regulatory Compliance Update



Update on current regulatory and compliance landscape

- The Company continues to work closely with all regulators, including the Consumer Financial Protection Bureau and State regulators, on enhancing its risk and compliance management systems and remediating any identified deficiencies
- Currently unaware of any significant unresolved issues with state agencies and not aware of, nor anticipating any, material fines, penalties or settlements
- Not aware of any pending or threatened actions to suspend or revoke any state licenses

National Mortgage Settlement

- The company has cooperated fully with investigations by both the National Monitor and the counterparties to the Settlement into compliance with the National Settlement
- Although we do not have the final results of the retesting of certain 2014 metrics by the National Monitor, we do expect that, similar to many other Servicers in 2014, we will have metrics that will require remediation through corrective action plans as defined by the settlement
- The Company believes it has made progress in improving its internal testing and compliance monitoring of the National Mortgage Settlement requirements

Discussions with Regulators and GSEs

- The Company continues to have frequent and transparent communications with state and federal regulators, Attorneys General, GSEs, FHFA, Ginnie Mae, The Office of Mortgage Settlement and US Treasury
- To date, all counterparties have been constructive and supportive of the Company's goals and efforts, but there is no guarantee that they will remain supportive

The Company is subject to supervision by the CFPB. Applicable law and regulations prohibit us from public disclosures regarding any open or pending regulatory CFPB reviews or examinations.

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Current Status of 2014 Audit

The Company continues to work with its independent auditor regarding the Company's ability to continue as a going concern under Generally Accepted Auditing Standards (GAAS) but requires more time to provide information to its auditor

- The audit of the financial results is substantially complete, however, as previously publicly announced, the Company requires additional time to prepare information for its auditor related to Ocwen's ability to continue as a going concern
- The Company has been proactive and diligent in addressing our auditor's concerns:
 - Provided information demonstrating its ability to remain covenant-compliant in a variety of potential downside scenarios
 - Obtained future funding commitments ahead of certain 2015 maturities with existing and new lenders
 - Settled known material regulatory issues and is not aware of nor anticipating any material fines, penalties or settlements
 - Executed an amendment with HLSS to further stabilize the Company
- Despite the Company's numerous positive developments over the past several months, our auditor still has questions about Ocwen's ability to continue to operate as a going concern under GAAS, including:
 - Ocwen's residential servicer rating is on 'negative' watch from two of the three primary rating agencies - a servicer rating downgrade could invalidate certain lending commitments and could lead to other unanticipated consequences with GSE's and other parties
- Given our auditor's concerns as summarized above, and despite the plans we have and continue to put in place, Ocwen may not be able to file its 2014 financial statements in the near term without an explanatory paragraph with respect to the Company's ability to continue as a going concern

Summary



- 1 Continue to generate strong operating free cash flow
- 2 Continue to demonstrate progress on corporate governance, risk and compliance management systems
- 3 Continue to refocus servicing business to improve operating margins and reduce interest rate risk
- 4 Reduce leverage and improve corporate and servicer ratings
 - No current plans to repurchase common stock
- 5 Continue to build profitable lending platform

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Appendix

2014 Preliminary Unaudited Financials: Balance Sheet



2014 Balance Sheet (\$ in Millions)	12/31/2014
Cash	\$ 129
Loans Held for Investment, Liberty	1,550
Loans held for resale, at fair value	489
Advances	894
Match funded servicing advances	2,409
Mortgage servicing rights	1,914
Receivables, net	271
Premises and equipment, net	43
Other assets	491
Assets	\$ 8,190
Match funded servicing advance liabilities ⁽¹⁾	\$ 2,090
Senior Secured Term Loan	1,277
Other lines of credit and borrowings	456
Lines of credit and other borrowings	1,734
MSRs pledged with HLSS	614
Loans pledged to investors - reverse lending ⁽¹⁾	1,444
Other financing liabilities	200
Total Financing Liabilities	2,259
Debt Securities	350
Other liabilities	794
Liabilities	\$ 7,226
Total Parent stockholders' equity	\$ 964

(1) Amounts represent non-recourse match-funded liabilities

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2014 Preliminary Unaudited Financials: Income Statement



2014 Income Statement (\$ in Millions)	Total 2014
Servicing and subservicing fees	\$ 1,894
Gain (loss) on loans held for sale, net	134
Other revenues	83
Revenue	2,111
Compensation and benefits	416
Amortization	250
Servicing and origination	203
Technology and communications	167
Professional services	327
Occupancy and equipment	109
Other operating expenses	563
Operating Expense	2,035
Other Oncome (including Net Interest)	(519)
Pre-Tax Income	(443)
Income tax expense (benefit)	103
Net Income (Loss)	\$ (546)

2014 Preliminary Unaudited Financials: Cash Flow Statement



2014 Cash Flow Statement (\$ in Millions)	Total 2014
Net Income	\$ (546)
Amortization of mortgage servicing rights	250
Depreciation	22
(Gain) loss on sale of loans & MSR fair value changes	(112)
Loans held for resale, net	(85)
Decrease in advances and match funded advances	292
Goodwill impairment loss	420
DFS settlement	-
Other (including DTA valuation allowance)	111
Net Cash Provided by Operating Activities	\$ 353
Acquisition of ResCap Servicing Operations	(54)
Sale (Acquisition) of advances	(146)
Sale (Purchase) of mortgage servicing rights, net	(22)
Proceeds -- loans held for investment, Liberty	(731)
Acquisition of premises and equipment, net	(11)
Other	7
Net Cash (used) by Investing Activities	\$ (958)
(Repayment of) proceeds from match funded liabilities	(275)
OASIS Notes Issuance	124
Senior Unsecured Notes Issuance	350
Other secured borrowings, net	(132)
Proceeds from sale of loans accounted for as a financing	783
Proceeds from sale of advances accounted for as a financing	89
Stock Repurchase	(382)
Debt Issuance Costs	(7)
Other	7
Net Cash Provided by Financing Activities	\$ 557
Net Increase (Decrease) in Cash	\$ (49)
Beginning of Period Cash Balance	\$ 179
End of Period Cash Balance	\$ 129

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Normalized Pre-Tax Income Summary



Normalized Pre-Tax Income Summary (\$ in Millions)	Total 2014	Total 2013
GAAP Income Before Income Taxes	\$ (443)	\$ 353
Transition and Transaction Related	42	157
Legal/Settlement Expense	186	60
Goodwill Impairment	420	-
Discontinued/Sold Operations	-	(7)
Funding Related Expenses	1	35
MSR-Related FV Change	72	(48)
Other	7	-
Total Normalization Items	\$ 728	\$ 198
Normalized Income Before Taxes	\$ 285	\$ 550

Consolidated Statement of Cash Flows – Normalized Adjusted Cash Flow from Operations Calculation



Adjusted Cash Flow from Operations Calculation (\$ in Millions)	Total 2014	Total 2013
Cash Provided by Operating Activities (A)	\$ 353	\$ 884
Decrease in Advances and Match Funded Advances (B)	292	295
Funding Efficiency (C)	62%	77%
Reduction of Match Funded Liabilities (D=B*C)	181	225
Adjusted Cash Flow from Operations (A-D)	\$ 172	\$ 659
Payment for NMS/DFS Settlement (E)	217	-
LHFS Adjustments (F)	85	209
Normalized Adjusted Cash Flow From Operations (A-D) + (E) + (F)	\$ 474	\$ 868