1Q23 EARNINGS REPORT

PennyMac Financial Services, Inc.

April 2023

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, our 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," "project," "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. These forward-looking statements include, but are not limited to, statements regarding the future interest rate, housing and prepayment rates changes; future loan origination, servicing and production, including future production and operating expenses; future loan delinquencies and forbearances; future custodial balance earnings; future earnings and return on equity as well as other business and financial expectations. Factors which could cause actual results to differ materially from historical results or those anticipated include, but are not limited to: interest rate changes; declines in real estate or significant changes in U.S. housing prices or activity in the U.S. housing market; 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 business; 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 our business, to which our bank competitors are not subject; foreclosure delays and changes in foreclosure practices; changes in macroeconomic and U.S. real estate market conditions; 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; our substantial amount of indebtedness; the discontinuation of LIBOR; increases in loan delinquencies, defaults and forbearances; our reliance on PennyMac Mortgage Investment Trust (NYSE: PMT) as a significant contributor to our mortgage banking business; maintaining sufficient capital and liquidity and compliance with financial covenants; 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 if our services fail to meet certain criteria or characteristics or under other circumstances; decreases in investment management and incentive fees; 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 exposure to risks of loss and disruptions in operations resulting from adverse weather conditions, man-made or natural disasters, climate change and pandemics; our ability to effectively identify, manage and hedge our credit, interest rate, prepayment, liquidity and climate risks; our initiation or expansion of new business activities or strategies; our ability to detect misconduct and fraud; our ability to mitigate cybersecurity risks and cyber incidents; our ability to pay dividends to our stockholders; and our organizational structure and certain requirements in our charter documents. 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.

This presentation contains financial information calculated other than in accordance with U.S. generally accepted accounting principles ("GAAP"), such as pretax income excluding valuation-related items that provide a meaningful perspective on the Company's business results since the Company utilizes this information to evaluate and manage the business. Non-GAAP disclosure has limitations as an analytical tool and should not be viewed as a substitute for financial information determined in accordance with GAAP.

FIRST QUARTER HIGHLIGHTS

1Q23 Results

Net income	Diluted EPS
$30mm	$0.57

Return on equity	Book value per share
4%	$68.91

Capital Return

Shares repurchased	Dividend per common share
0.8mm	$0.20

PRODUCTION

Pretax income	Total loan acquisitions and originations[1]	PFSI correspondent lock volume	Broker direct lock volume	Consumer direct lock volume
$(20)mm	$22.8bn	$14.1bn	$2.6bn	$2.2bn

SERVICING

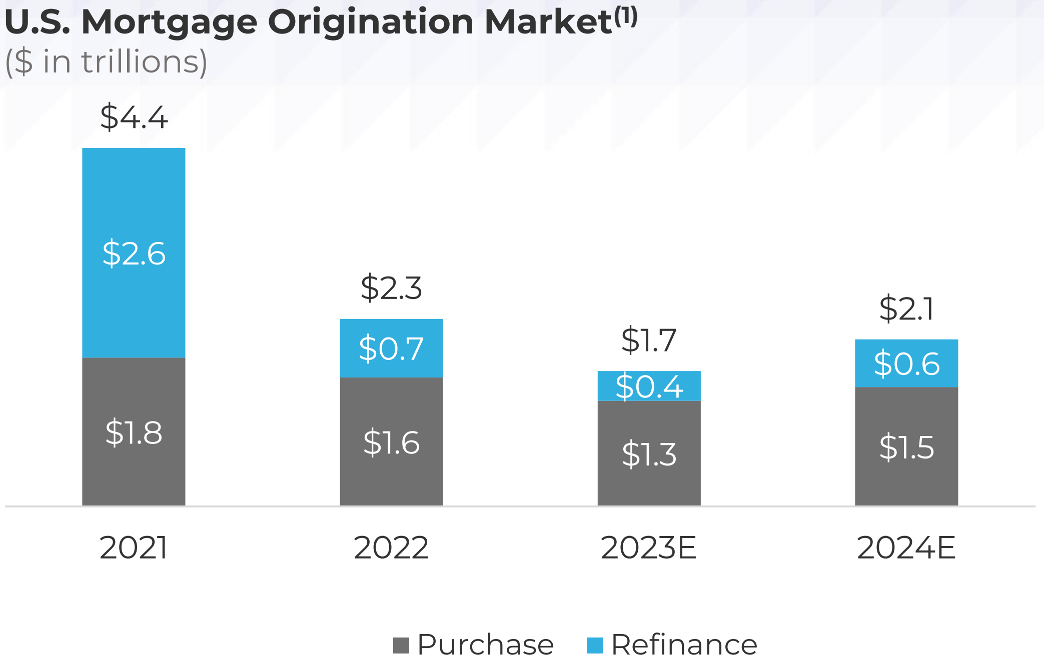
Pretax income	MSR[2] fair value changes and hedging results	MSR fair value changes and hedging impact to EPS	Pretax income excluding valuation-related items[3]	Total servicing portfolio UPB[1][2]
$57mm	$(43)mm	$(0.59)	$94mm	$564bn

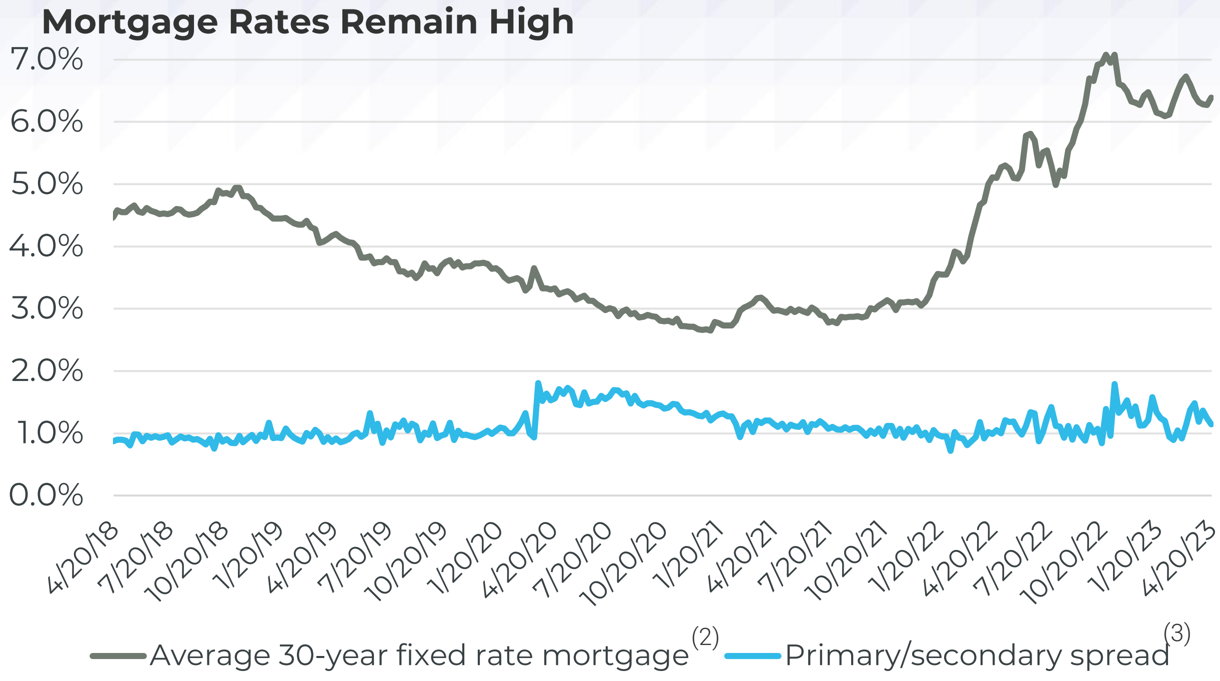
INVESTMENT MANAGEMENT

Pretax income	Assets under management	Revenue
$0.3mm	$2.0bn	$9.3mm

Note: All figures are for 1Q23 or as of 3/31/23
(1) Includes volume fulfilled or subserviced for PennyMac Mortgage Investment Trust (NYSE: PMT)
(2) MSR = mortgage servicing rights; UPB = unpaid principal balance, includes loans held for sale at fair value
(3) Excludes $90.3 million in MSR fair value losses, $47.2 million in hedging gains and a $6.1 million reversal related to provisions for losses on active loans; see slide 14 for additional details

ORIGINATION MARKET HAS DECLINED MEANINGFULLY





- Third party forecasts for 2023 originations range from $1.6 to $1.8 trillion, down meaningfully from 2022 originations
  - Excess industry capacity established in recent years continues to be reduced by market participants, albeit at a slow pace
  - Average quarterly originations for the remainder of 2023 are expected to be meaningfully higher than in 1Q23
- Mortgage banking companies with large servicing portfolios and diversified business models are better positioned to offset the decline in profitability that has resulted from decreased origination volumes and margins

(1) Actual originations: Inside Mortgage Finance; forecast originations: Average of Mortgage Bankers Association (4/17/23) and Fannie Mae (4/10/23) forecasts
(2) Freddie Mac Primary Mortgage Market Survey 6.39% as of 4/20/23
(3) Bloomberg: difference between Freddie Mac Primary Mortgage Market Survey and the 30-Year Fannie Mae or Freddie Mac Par Coupon (MTGEFNCL) Index

COMPREHENSIVE AND EFFICIENT MULTI-CHANNEL PLATFORM HAS ESTABLISHED PENNYMAC AS A LEADER IN MORTGAGE PRODUCTION

PENNYMAC FINANCIAL SERVICES

Significant and ongoing investments in mortgage-banking technology provide an exceptional loan origination experience for our customers and business partners

PENNYMAC® | TOP 3 producer of residential mortgage loans in 2022[1]

Scalable technology platform providing our consumers, brokers and correspondent partners with the liquidity, tools and products they need to succeed

Multiple access points to the origination market with a proven ability to allocate resources towards channels with opportunity in the current environment

Correspondent

Strong access to purchase market

Drives organic servicing portfolio growth

Broker Direct

Strong access to purchase market

Positive and consistent execution for brokers

Consumer Direct

Internet and call-center based

Cost-efficient leads from our large servicing portfolio

Centralized, cost-efficient fulfillment division supports all channels

[1] Inside Mortgage Finance; includes volumes fulfilled for PMT

CONTINUED INVESTMENTS IN PRODUCTION TECHNOLOGY TO DRIVE OPERATIONAL SCALE AND EFFICIENCIES FOR PENNYMAC AND ITS PARTNERS

- Targeted investments in proprietary solutions to support increased levels of self-service, transparency in the loan origination process and a quick close
- Technology platform improvements provide flexibility to ensure timely roll-out of new products and other key features supporting the needs of our customers and business partners

Correspondent Production

- Completed a multi-year technology initiative resulting in a more flexible loan delivery platform for our nearly 800 correspondent sellers
- Streamlined and automated processes to quality-check loans drives faster purchase evaluations and increased transparency

P3

Broker Direct

- Improved user interface and pipeline management tools provide self-service capabilities
- Ensures the best pricing for consumers and flawless execution for brokers throughout the closing process; drives broker success in the prevailing, competitive origination market

POWER+
BY PENNYMAC TPO

Consumer Direct

- Introduced additional customer relationship management (CRM) modules to drive increased lead conversion and loan officer efficiency
- More direct lines of communication with borrowers to ensure we can converse with them how they want and when they want

MY HOME
BY PENNYMAC

BENEFITS AND POTENTIAL VALUE FROM PENNYMAC'S LARGE AND GROWING SERVICING PORTFOLIO

PENNYMAC FINANCIAL SERVICES

SERVICING PORTFOLIO

2.3M
customers

$564B
unpaid principal balance

Recurring Cash Flows

- $1.2 billion in revenue from servicing and sub-servicing fees in 2022
- Higher short-term rates driving increased placement fee income

Proprietary Technology

- Cloud-based servicing system built for Pennymac's unique needs
- Operational and cost efficiencies, as well as increased flexibility

New Production Opportunities

- Drives efficient lead generation for consumer direct
- Purchase originations, new products, second liens

Loss Mitigation

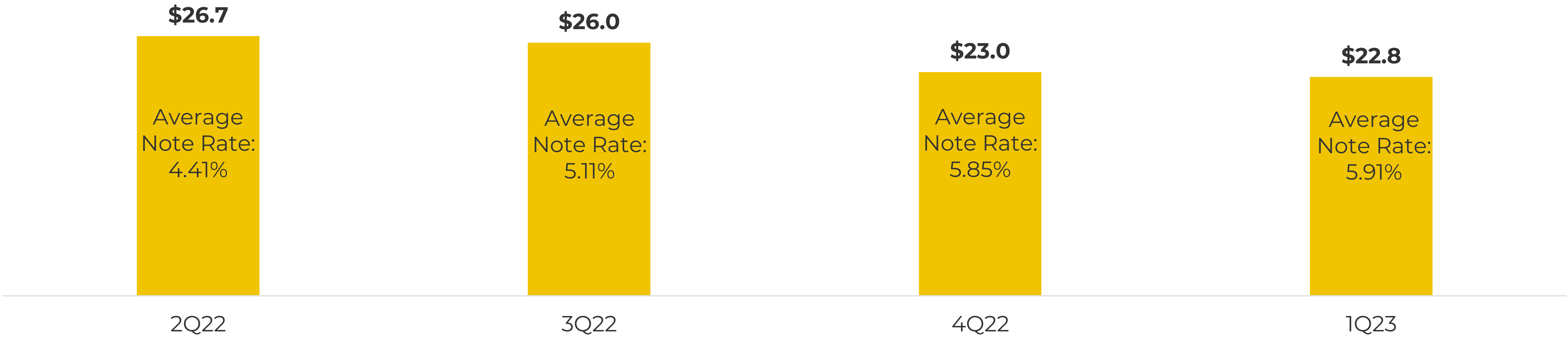
- Loss mitigation expertise to assist consumers and minimize losses
- Enhanced by flexible and proprietary servicing technology

Ancillary Products and Services

- Offering homeowners and title insurance to customers through joint ventures
- Evaluating additional partnerships and revenue opportunities

FUTURE RECAPTURE OPPORTUNITIES ENHANCED BY RECENT PRODUCTION AT HIGHER RATES

Pennymac's Total Production Volumes[1] and Average Note Rate for Last 4 Quarters



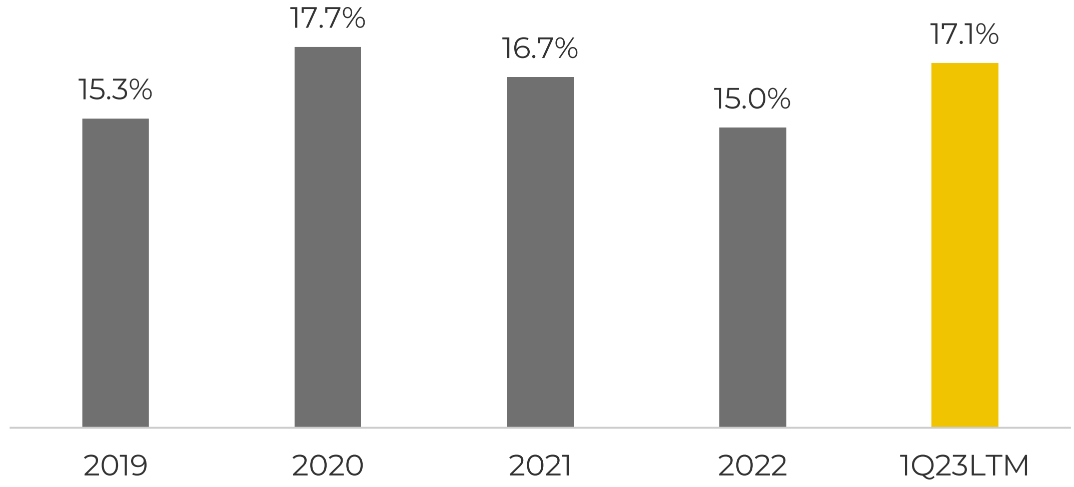
- Pennymac, through its multi-channel production platform, has been one of the largest producers of mortgage loans over the last twelve months as interest rates increased[1]
  - Pennymac retains MSRs on nearly all mortgage loan production, driving continued organic servicing portfolio growth
  - UPB of production volume on a quarterly basis consistently represents 4-5% of the total servicing portfolio
  - The majority of loans Pennymac produces are originated at note rates consistent with the market (currently 5% or higher)
    - The continued addition of higher interest rate loans that PFSI services provides significant refinance opportunities for Consumer Direct if mortgage rates decline

PFSI's ROE is projected to trend toward its pre-COVID range during 2023[2]

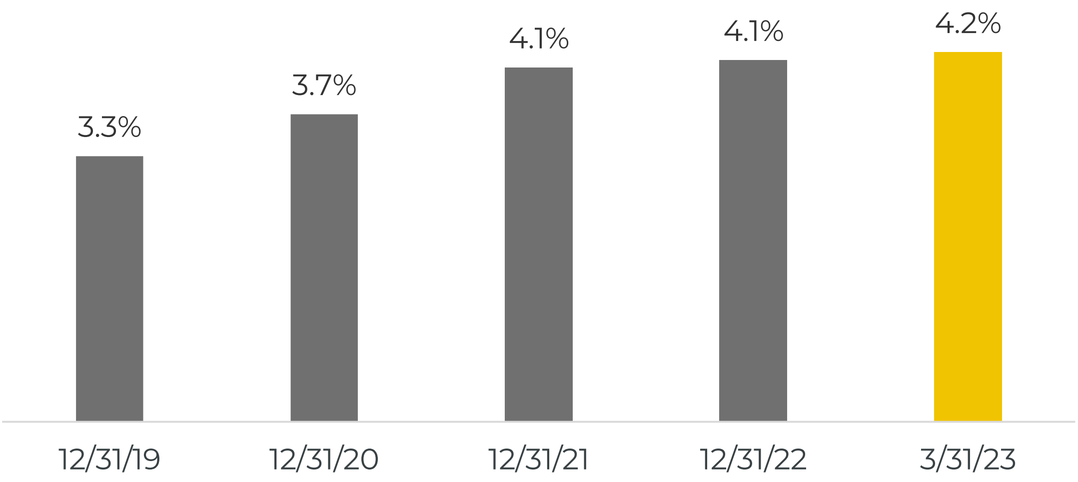
[1] Includes volume fulfilled for PMT
[2] See slide 23

PENNYMAC'S MARKET SHARE OVER TIME ACROSS ITS BUSINESSES

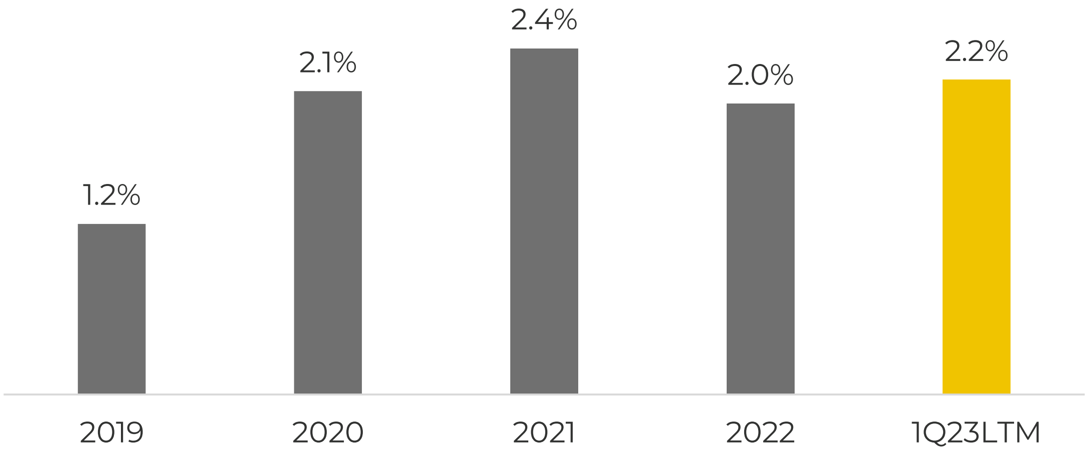
Correspondent Production Market Share[1]



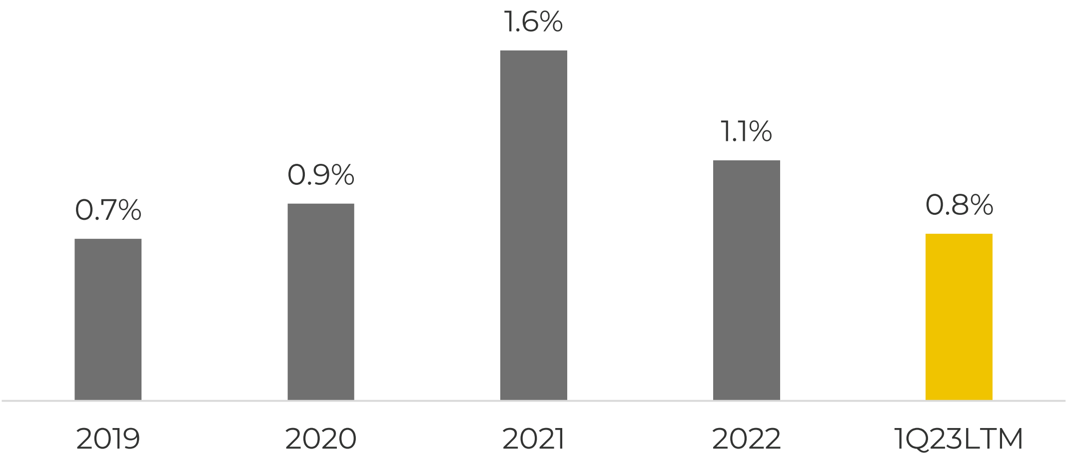
Loan Servicing Market Share[1]



Broker Direct Market Share[1]



Consumer Direct Market Share[1]



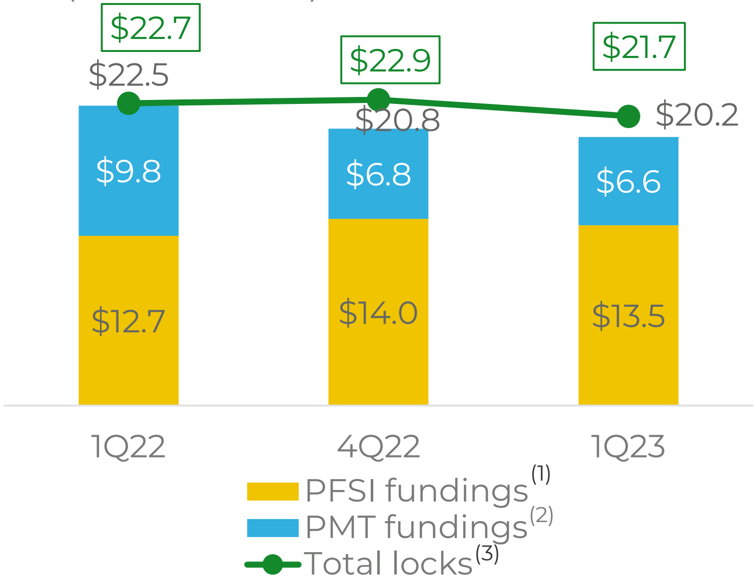
Note: All figures are for PFSI and include volume fulfilled or subserviced for PMT

[1] Historical market share estimates based on Inside Mortgage Finance (IMF); IMF estimates $1.9 trillion in total origination volume for last twelve months ended 3/31/23 (1Q23 LTM); for 1Q23 LTM, we estimate the correspondent channel represented 26% of the overall origination market, broker represented 15%, and retail represented 59%; loan servicing market share is based on PFSI's servicing portfolio UPB of $564 billion divided by an estimated $13.5 trillion in mortgage debt outstanding

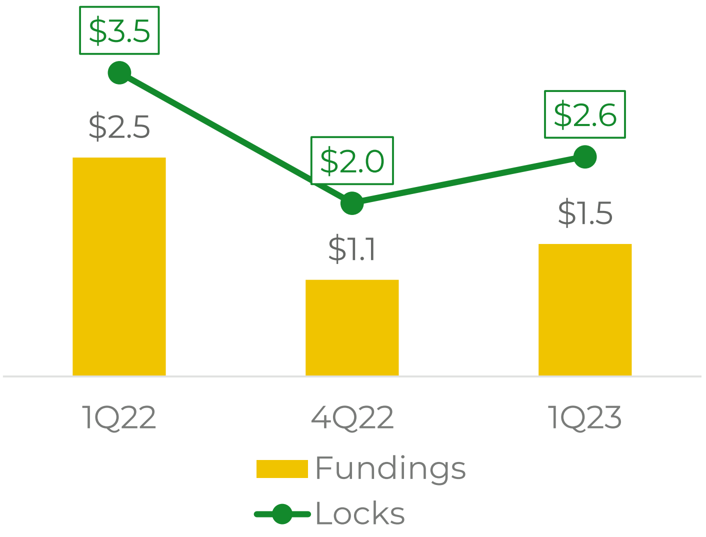
PRODUCTION SEGMENT HIGHLIGHTS – VOLUME BY CHANNEL

PENNYMAC FINANCIAL SERVICES

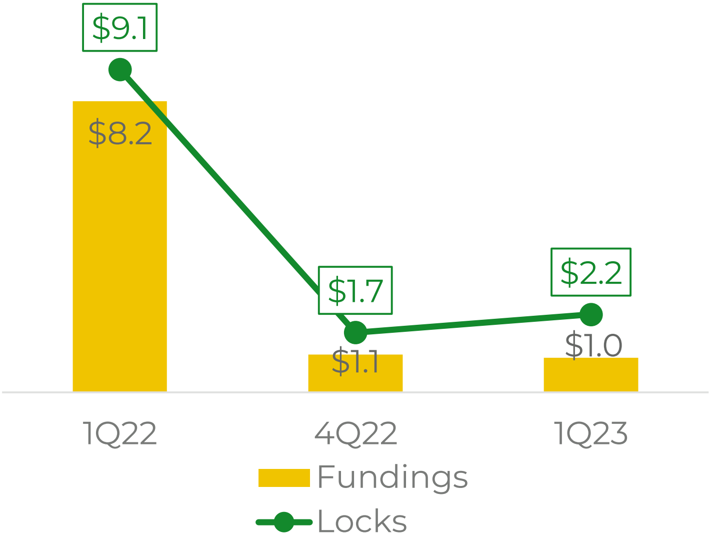
Correspondent
(UPB in billions)



Broker Direct
(UPB in billions)



Consumer Direct
(UPB in billions)



April 2023 (Estimated)

Locks: (UPB in billions)	$6.8
Acquisitions: (UPB in billions)	$6.3

April 2023 (Estimated)

Locks: (UPB in billions)	$0.9
Originations: (UPB in billions)	$0.6
Committed pipeline[4]: (UPB in billions)	$1.0

April 2023 (Estimated)

Locks: (UPB in billions)	$0.8
Originations: (UPB in billions)	$0.5
Committed pipeline[4]: (UPB in billions)	$1.0

Note: Figures may not sum due to rounding
(1) Includes all government-insured or guaranteed loans and certain conventional loans PMT acquires through its correspondent production business; PFSI earns income from holding and selling or securitizing the loans
(2) Loans fulfilled for PMT; for these loans, PFSI earns a fulfillment fee from PMT rather than income from holding and selling or securitizing the loans
(3) Includes locks related to both PFSI and PMT loan acquisitions
(4) Commitments to originate mortgage loans at specified terms at period end

DRIVERS OF PRODUCTION SEGMENT RESULTS

	1Q22				4Q22				1Q23			
	Fallout Adjusted Locks	Margin / Fulfillment Fee (bps)[1]	Revenue Contribution (net of Loan origination expense)	% of Production Revenue	Fallout Adjusted Locks	Margin / Fulfillment Fee (bps)[1]	Revenue Contribution (net of Loan origination expense)	% of Production Revenue	Fallout Adjusted Locks	Margin / Fulfillment Fee (bps)[1]	Revenue Contribution (net of Loan origination expense)	% of Production Revenue
PFSI Correspondent[2]	$ 12,145	23	$ 28.2	12%	$ 14,873	21	$ 30.5	29%	$ 13,521	25	$ 33.7	36%
Broker Direct	2,863	62	17.8	8%	1,466	56	8.2	8%	1,814	76	13.8	15%
Consumer Direct	6,471	297	192.3	82%	894	358	32.0	30%	1,398	323	45.2	48%
Other[3]	n/a	n/a	(19.5)	-9%	n/a	n/a	23.6	22%	n/a	n/a	(10.2)	-11%
Total PFSI account revenues (net of Loan origination expense)	**$ 21,479**	**102**	**$ 218.8**	**93%**	**$ 17,234**	**55**	**$ 94.4**	**89%**	**$ 16,733**	**49**	**$ 82.5**	**87%**
PMT Conventional Correspondent	9,720	17	16.8	7%	6,683	18	12.2	11%	6,929	17	11.9	13%
Total Production revenues (net of Loan origination expense)		**76**	**$ 235.6**	**100%**		**45**	**$ 106.6**	**100%**		**40**	**$ 94.4**	**100%**
Production expenses (less Loan origination expense)	**$ 31,199**	**73**	**$ 226.3**	**96%**	**$ 23,916**	**48**	**$ 115.6**	**108%**	**$ 23,662**	**48**	**$ 114.1**	**121%**
Production segment pretax income		**3**	**$ 9.3**	**4%**		**(4)**	**$ (9.0)**	**-8%**		**(8)**	**$ (19.6)**	**-21%**

- Production revenue margins were higher in PFSI Correspondent and Broker Direct; volumes were higher in the direct lending channels
- Revenue per fallout adjusted lock for PFSI's own account was 49 basis points in 1Q23, down from 4Q22 driven primarily by timing of revenue and loan origination expense recognition, and hedging, pricing, and execution changes

(1) Expected revenue net of direct origination costs at time of lock
(2) Includes government-insured or guaranteed loans, as well as certain conventional loans for PFSI's own account in 4Q22 and 1Q23
(3) Reflects timing of revenue and loan origination expense recognition, hedging, pricing & execution changes, and other items

PRODUCTION SEGMENT HIGHLIGHTS – BUSINESS TRENDS BY CHANNEL

Multi-channel approach provides flexibility and has proven to be a competitive advantage, supporting profitability and pricing discipline while driving growth of the servicing portfolio

Correspondent

- Pennymac remains the largest correspondent aggregator in the U.S.
- 771 correspondent sellers as of March 31, down slightly from 772 at December 31
- Purchase volume in 1Q23 was 94% of acquisitions, up from 93% in 4Q22
- Correspondent volume drives servicing portfolio growth while generating additional opportunities for consumer direct
- Lower fulfillment fees Q/Q due to the increased purchases of certain conventional correspondent loans from PMT
  - PFSI is expected to increase such purchases in 2Q23
- Additional opportunities in the channel driven by the exit of other participants

Broker Direct

- Funding volumes were up from 4Q22 despite the overall market decline
- Approved brokers totaled 2,988 at March 31, 2023, or approximately 20% of the total population of brokers
  - Large opportunity with approximately 15,000 brokers and non-delegated sellers active in the market
- Purchase loans were 86% of total originations
- Margins were higher than in the prior quarter though the channel remains highly competitive
- Expanded our product offerings with the release of an all-new Jumbo product, Optima Jumbo

Consumer Direct

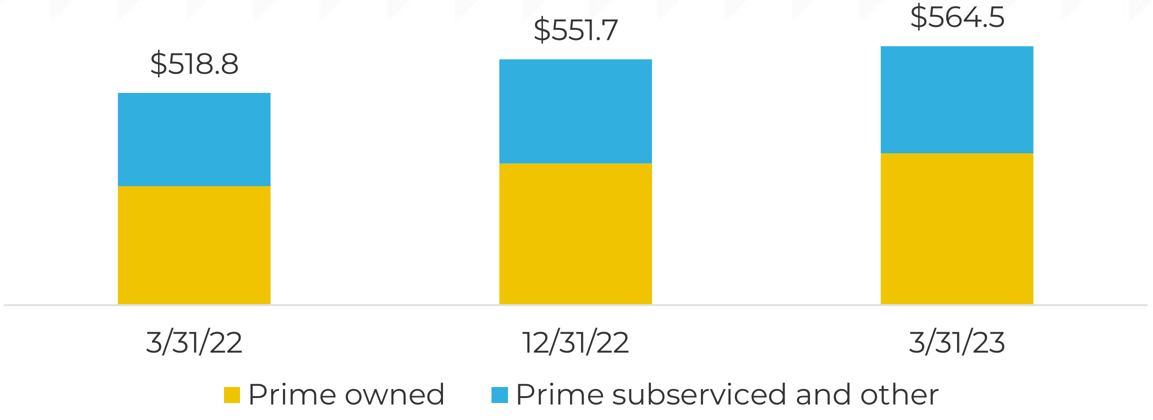
- Focused on meeting the changing needs of the 2.3 million customers in our servicing portfolio in a higher interest rate environment
  - Purchase lock volume in 1Q23 was $479 million, or 22% of total locks, compared to $681 million, or 40% of total locks in 4Q22
  - $422 million or approximately 87% of total purchase locks sourced from our large and growing servicing portfolio
  - $81 million of closed end second lien mortgage loans funded in 1Q23, up from $45 million in 4Q22

SERVICING SEGMENT HIGHLIGHTS

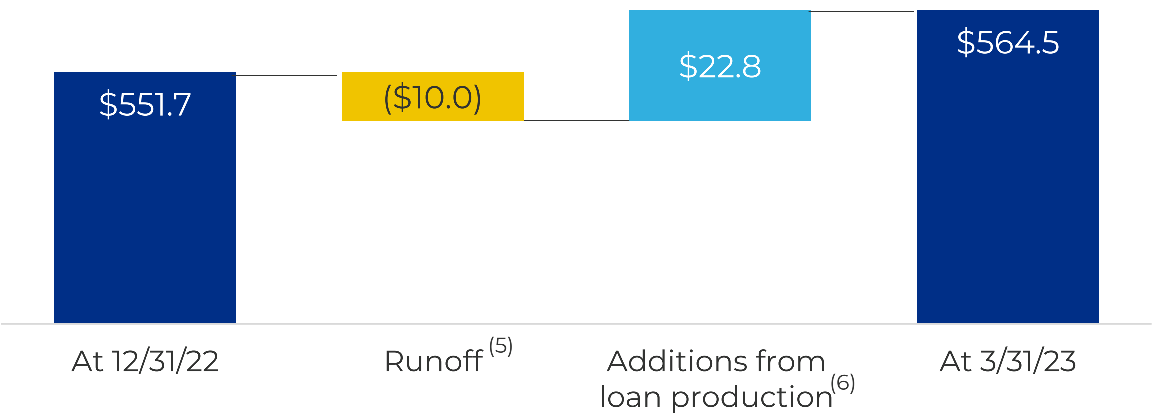
- Servicing portfolio totaled $564.5 billion in UPB at March 31, 2023, up 2% Q/Q and 9% Y/Y
- Production volumes more than offset prepayment activity, leading to continued portfolio growth
- Decrease in delinquency rates from the prior quarter, consistent with typical seasonal fluctuations
- Modifications were down slightly from the prior quarter while EBO loan volumes remain low

Selected Operational Metrics	4Q22	1Q23
Loans serviced (in thousands)	2,261	2,303
60+ day delinquency rate - owned portfolio[(1)]	3.8%	3.4%
60+ day delinquency rate - sub-serviced portfolio[(2)]	0.6%	0.5%
Actual CPR - owned portfolio[(1)]	5.4%	4.8%
Actual CPR - sub-serviced[(2)]	4.4%	3.9%
UPB of completed modifications ($ in millions)[(3)]	$2,349	$2,292
EBO loan volume ($ in millions)[(4)]	$307	$350

Loan Servicing Portfolio Composition
(UPB in billions)



Net Portfolio Growth
(UPB in billions)



(1) Owned portfolio is predominantly government-insured and guaranteed loans – see Appendix slide 28 for additional details; delinquency data based on loan count (i.e., not UPB); CPR = Conditional Prepayment Rate
(2) Represents PMT's MSRs that we service and excludes distressed loan investments
(3) UPB of completed modifications includes loss mitigation efforts associated with partial claims programs
(4) Early buyouts of delinquent loans from Ginnie Mae pools during the period
(5) Also includes loans sold with servicing released in connection with any asset sales by PMT
(6) Includes consumer and broker direct production, government and conventional correspondent acquisitions, and conventional conforming and jumbo loan acquisitions subserviced for PMT

PENNYMAC FINANCIAL SERVICES

SERVICING PROFITABILITY EXCLUDING VALUATION-RELATED CHANGES

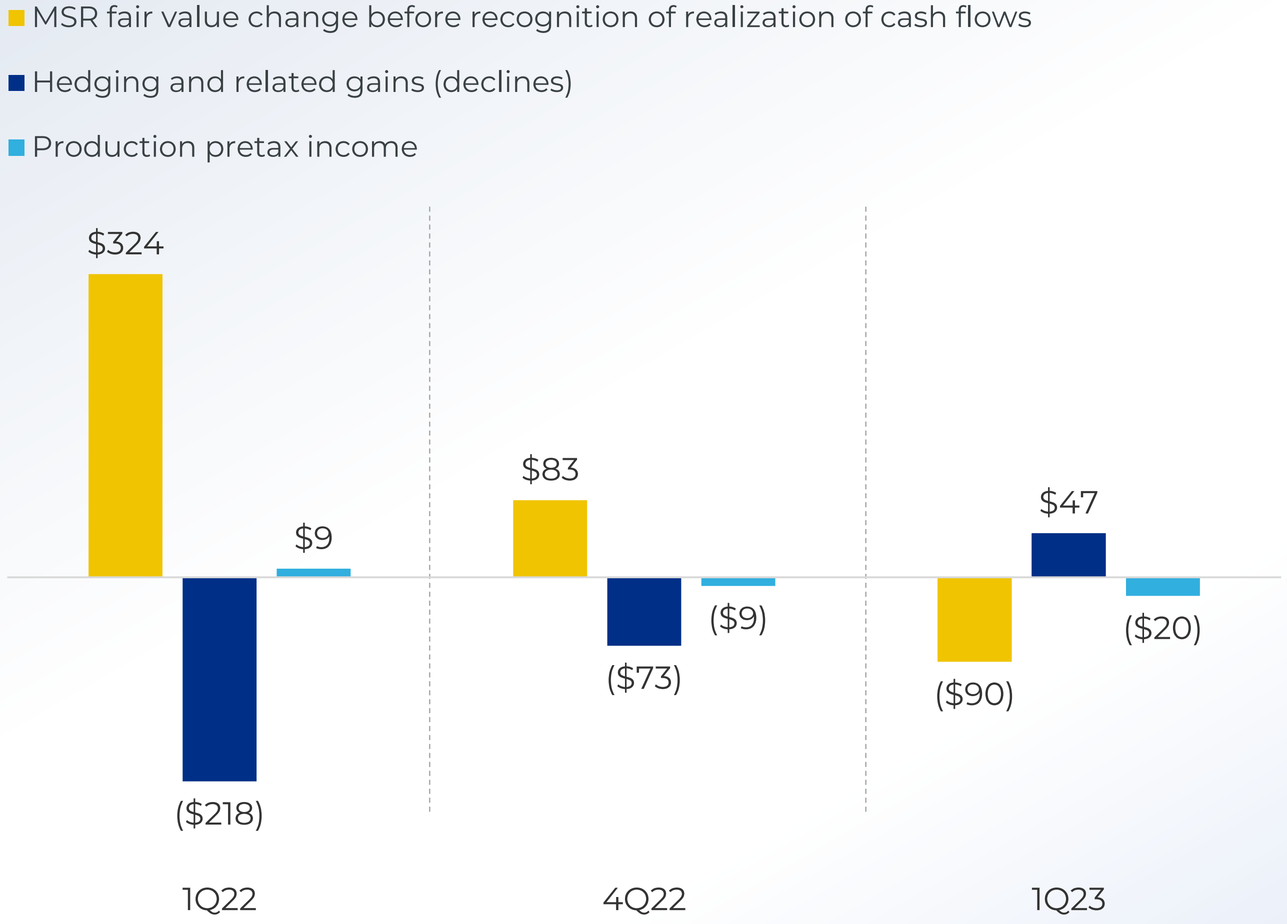
	1Q22 $ in millions	1Q22 basis points[1]	4Q22 $ in millions	4Q22 basis points[1]	1Q23 $ in millions	1Q23 basis points[1]
Loan servicing fees	$ 291.3	23.2	$ 321.9	23.6	$ 338.1	24.2
Earnings on custodial balances and deposits and other income	4.8	0.4	60.8	4.5	65.9	4.7
Realization of MSR cash flows	(111.2)	(8.8)	(148.8)	(10.9)	(146.2)	(10.5)
EBO loan-related revenue[2]	95.0	7.6	21.9	1.6	34.9	2.5
Servicing expenses:						
Operating expenses	(120.4)	(9.6)	(93.8)	(6.9)	(109.8)	(7.9)
Payoff-related expense[3]	(26.8)	(2.1)	(9.0)	(0.7)	(5.3)	(0.4)
Losses and provisions for defaulted loans	(13.5)	(1.1)	(14.1)	(1.0)	(10.5)	(0.8)
EBO loan transaction-related expense	(2.1)	(0.2)	(0.1)	(0.0)	(0.2)	(0.0)
Interest expense	(31.2)	(2.5)	(59.7)	(4.4)	(72.5)	(5.2)
Pretax income excluding valuation-related changes	**$ 86.0**	**6.8**	**$ 79.1**	**5.8**	**$ 94.4**	**6.8**
Valuation-related changes						
MSR fair value[4]	324.1		82.6		(90.3)	
Hedging derivatives gains (losses)	(217.9)		(72.9)		47.2	
Provision for losses on active loans[5]	32.9		(13.2)		6.1	
Servicing segment pretax income	**$ 225.2**		**$ 75.6**		**$ 57.4**	
Average servicing portfolio UPB	**$ 514,077**		**$ 545,367**		**$ 557,757**	

- Loan servicing fees increased from the prior quarter due to continued portfolio growth; operating expenses increased from a seasonal low in 4Q22
- Earnings on custodial balances and deposits increased from the prior quarter
  - Custodial funds managed for PFSI's owned servicing portfolio totaled $4.6 billion at March 31, 2023; average balances were low in 1Q23 due to seasonal property tax payments in 4Q22
  - Earnings rate generally fluctuates with changes in the Federal Funds rate
- EBO loan-related revenue increased $13 million from the prior quarter but is expected to remain low for a period of time
- Increase in interest expense driven primarily by higher short-term rates and issuance of a $680 million term loan

(1) Of average portfolio UPB, annualized (2) Comprised of net gains on mortgage loans held for sale at fair value and interest income related to EBO loans (3) Consists of interest shortfall and recording and release fees
(4) Changes in fair value do not include realization of MSR cash flows (5) Considered in the assessment of MSR fair value changes

HEDGING APPROACH MODERATES THE VOLATILITY OF PFSI'S RESULTS

MSR Valuation Changes and Offsets
($ in millions)

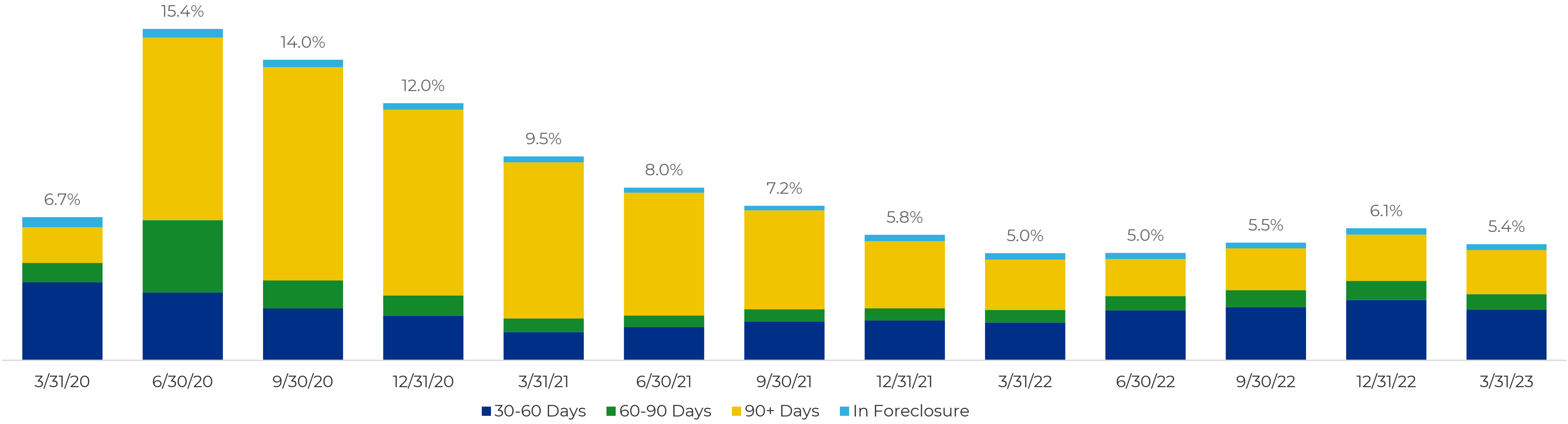


- PFSI seeks to moderate the impact of interest rate changes on the fair value of its MSR asset through a comprehensive hedge strategy that also considers production-related income
- In 1Q23, MSR fair value decreased slightly[(1)]
  - Interest rates declined over the quarter, incrementally increasing prepayment projections
- Partially offset by hedging gains
  - Hedging gains were impacted by $32 million in hedge costs, which were elevated due to significant interest rate volatility

[(1)] Before recognition of realization of cash flows

DELINQUENCY TRENDS AND SERVICING ADVANCES OUTSTANDING

Historical Trends in Delinquency and Foreclosure Rates[(1)]



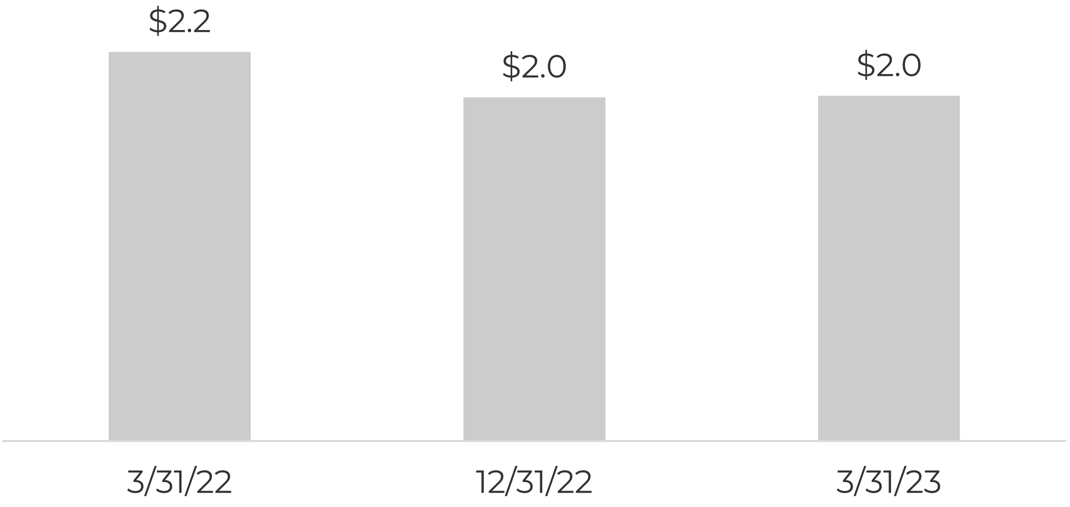
- Overall mortgage delinquency rates decreased from the prior quarter and remain below pre-pandemic levels
- Servicing advances outstanding for PFSI's MSR portfolio decreased to approximately $427 million at March 31, 2023 from $520 million at December 31, 2022
  - No P&I advances are outstanding, as prepayment activity continues to sufficiently cover remittance obligations

(1) Owned MSR portfolio and includes loans held for sale; delinquency and foreclosure rates based on UPB; as of 3/31/23, the UPB of mortgage servicing rights owned and loans held for sale totaled $328 billion

INVESTMENT MANAGEMENT SEGMENT HIGHLIGHTS

- Net AUM as of March 31, 2023 were $2.0 billion, up slightly from December 31, 2022 and down 11% from March 31, 2022
  - Slight increase in AUM from the prior quarter primarily due to PMT's strong financial performance
- Investment Management segment revenues were $9.3 million, down 6% from 4Q22 and 9% from 1Q22

Investment Management AUM
($ in billions)



Investment Management Revenues
($ in millions)

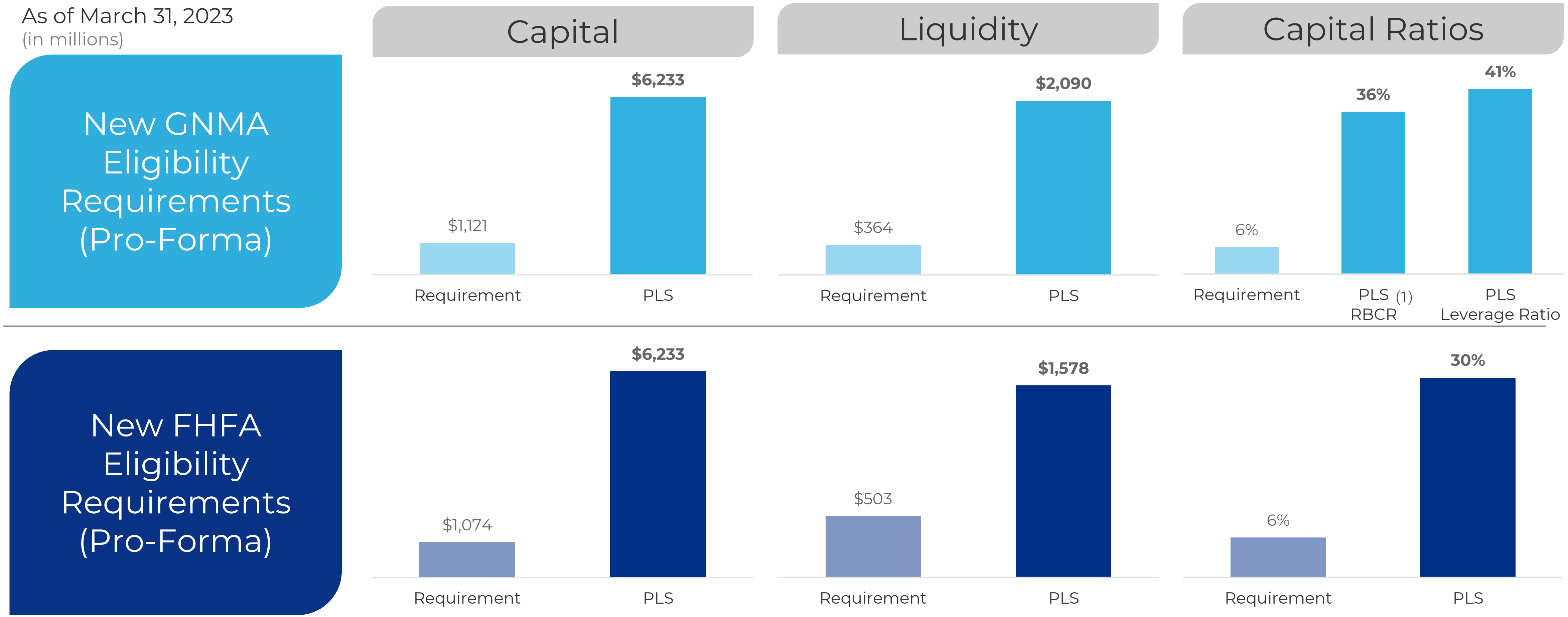
APPENDIX

PFSI IS WELL IN EXCESS OF PROSPECTIVE REGULATORY CAPITAL AND LIQUIDITY REQUIREMENTS

In August 2022, the Federal Housing Finance Agency (FHFA) and Ginnie Mae released updated eligibility standards for non-bank seller/servicers with a proposed effective date for most requirements of September 30, 2023

- PennyMac Loan Services, LLC (PLS), the entity at which these standards are applicable, is a wholly-owned subsidiary of PFSI and is approved as a seller/servicer of mortgage loans by Fannie Mae and Freddie Mac and as an issuer of securities guaranteed by Ginnie Mae

As of March 31, 2023
(in millions)



(1) Risk-based Capital Ratio; GNMA has extended the mandatory implementation date of the RBC requirement to December 31, 2024

PENNYMAC IS AN ESTABLISHED LEADER IN THE U.S. MORTGAGE MARKET WITH SUBSTANTIAL LONG-TERM GROWTH POTENTIAL

PENNYMAC FINANCIAL SERVICES

$2.0 billion in assets under management

13-year track record

$98 billion in LTM 1Q23

#3

IN PRODUCTION[(1)]

- CORRESPONDENT PRODUCTION
- BROKER DIRECT
- CONSUMER DIRECT

PMT

IS A LEADING RESIDENTIAL MORTGAGE REIT

#5

IN SERVICING[(2)]

$564 billion outstanding

2.3 million customers

15 YEARS OF OPERATIONS

9 YEARS FOR PFSI AS A PUBLIC COMPANY

Note: All figures are for PFSI and include volume fulfilled or subserviced for PMT; all figures are as of 3/31/23 unless otherwise noted
(1) Inside Mortgage Finance for the 12 months ended 3/31/23
(2) Inside Mortgage Finance as of 12/31/22

OVERVIEW OF PENNYMAC FINANCIAL'S BUSINESSES

PENNYMAC FINANCIAL SERVICES

LOAN PRODUCTION

Correspondent aggregation of newly originated loans from third-party sellers

Fulfillment fees for PMT's delegated conventional loans

PFSI earns gains on all loan production with the exception of loans fulfilled for PMT

Broker direct and consumer direct origination of conventional and government-insured loans

LOAN SERVICING

Servicing for owned MSRs and subservicing for MSRs owned by PMT

Major loan servicer for Fannie Mae, Freddie Mac and Ginnie Mae

Industry-leading capabilities in special servicing

Organic growth results from loan production, supplemented by MSR acquisitions and PMT investment activity

INVESTMENT MANAGEMENT

External manager of PMT, which invests in mortgage-related assets:

GSE credit risk transfer investments

MSR investments

Investments in prime non-agency MBS and asset-backed securities

Synergistic partnership with PMT

Complex and highly regulated mortgage industry requires effective governance, compliance and operating systems

Operating platform has been developed organically and is highly scalable

Commitment to strong corporate governance, compliance and risk management since inception

PFSI is well-positioned to navigate the current market and regulatory environment

PFSI'S BALANCED BUSINESS MODEL IS A FLYWHEEL

Large volumes of production grow servicing portfolio

Loan Production
3rd largest in the U.S.[1]

- Diversified business through correspondent, broker direct and consumer direct channels
- Correspondent and broker direct channels in particular allow PFSI to access purchase-money volume
- Lacks the fixed overhead of the traditional, retail origination model

Loan Servicing
5th largest in the U.S.[2]

- Recurring fee income business captured over the life of the loan
- With higher interest rates, expected life of the loan increases resulting in a more valuable MSR asset
- Creates a natural hedge to production income

Customer base of over 2.3 million drives leads for consumer direct

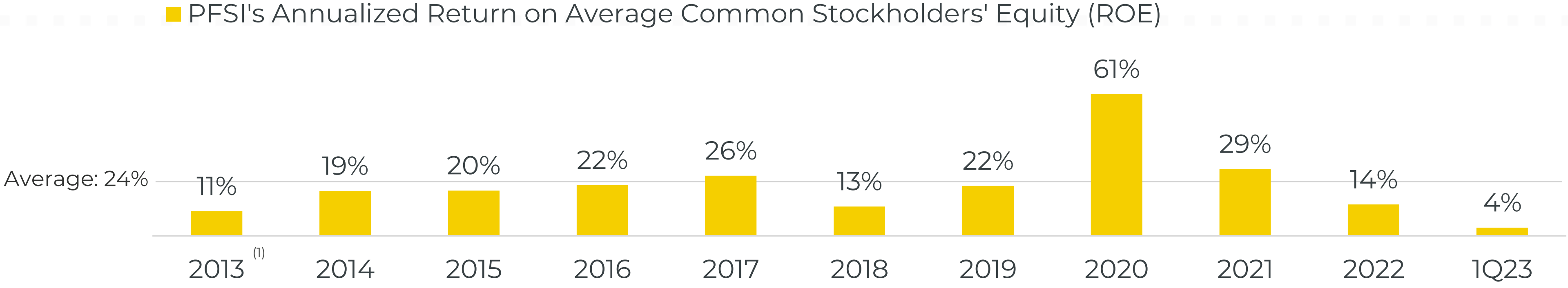
In both businesses, scale and efficiency are critical for success

Note: All figures are for PFSI and include volume fulfilled or subserviced for PMT
(1) Inside Mortgage Finance for the 12 months ended 3/31/23
(2) Inside Mortgage Finance as of 12/31/22

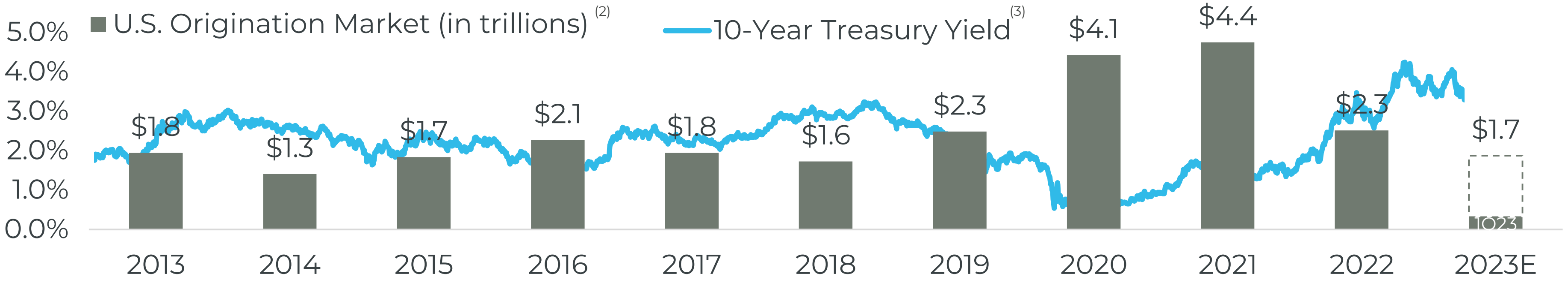
PFSI'S TRACK RECORD ACROSS VARIOUS MARKET ENVIRONMENTS IS UNIQUE AMONG INDEPENDENT MORTGAGE BANKS

PENNYMAC FINANCIAL SERVICES

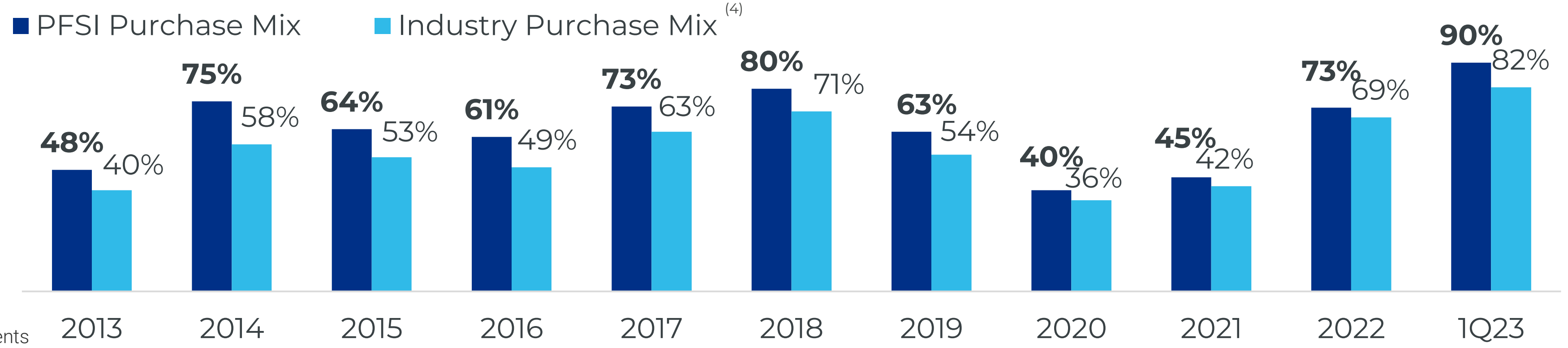
Proven ability to generate attractive ROEs…



…across different market environments…



…with a strong orientation towards purchase money mortgages.



(1) Represents partial year; initial public offering was May 8, 2013

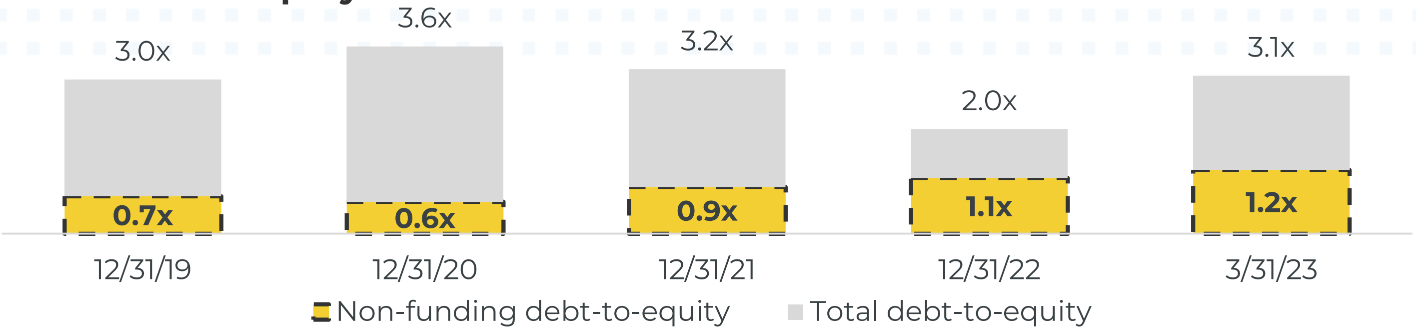
(2) Inside Mortgage Finance for historical data; forecasts for 2023 represents the average of Mortgage Bankers Association (4/17/23) and Fannie Mae (4/10/23) estimates

(3) Bloomberg

(4) Inside Mortgage Finance for historical data; industry purchase mix for 1Q23 represents the average of Mortgage Bankers Association (4/17/23) and Fannie Mae (4/10/23) estimates

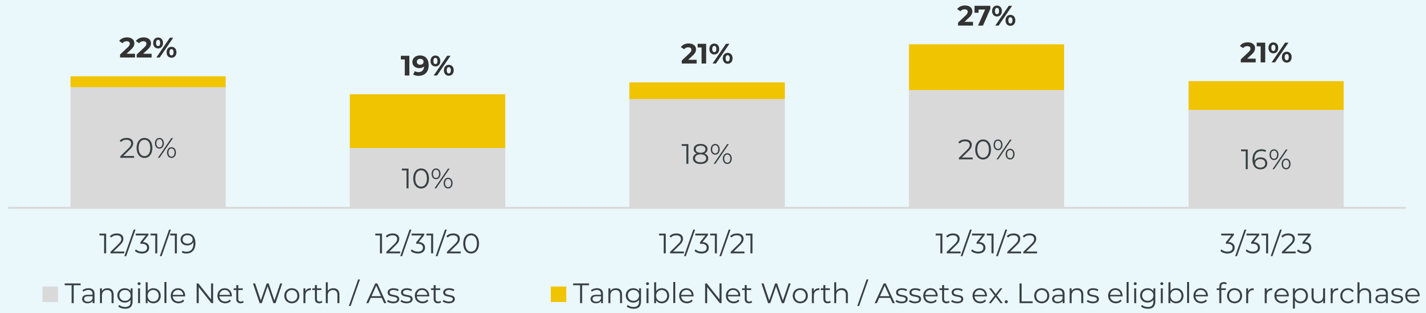
PFSI'S STRONG BALANCE SHEET AND DIVERSE CAPITAL STRUCTURES

Low Debt-to-Equity Ratio



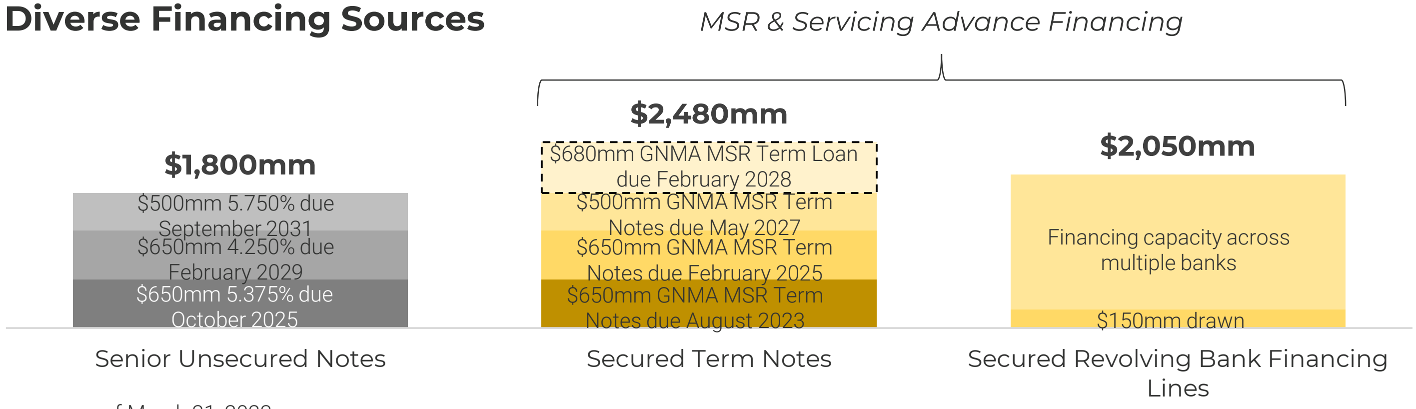
- Targeted debt-to-equity ratio near or below 3.5x with fluctuations largely driven by the origination environment or other market opportunities
- Low non-funding debt-to-equity ratio

High TNW[1]/Assets



- Tangible net worth (TNW) / assets excluding loans eligible for repurchase has decreased driven by an increase in balances of loans held for sale at fair value

Diverse Financing Sources



- Senior unsecured notes provide low, fixed interest rates; more than 2 years until first maturity
- Issued new, 5-year $680 million term loan and entered into a new revolving facility secured by Ginnie Mae MSR and servicing advances
- Secured term notes due in August 2023 contain the ability to extend the maturity for 2 years at PFSI's discretion
- Secured revolving bank financing lines provide flexibility to finance fluctuating MSR and advance balances

Note: All figures are as of March 31, 2023
(1) Tangible net worth excludes capitalized software

PENNYMAC HAS DEVELOPED IN A SUSTAINABLE MANNER FOR LONG-TERM SUCCESS

PENNYMAC FINANCIAL SERVICES

2008

Operations launched; de novo build of legacy-free mortgage servicer

Raised $500 million of capital in private opportunity funds

2009

PMT formed in an initial public offering raising $320 million

Correspondent group established with a focus on operations development and process design

2010

Added servicing leadership for prime portfolio and to drive scalable growth

Correspondent system launches

2011

Expanded infrastructure with flagship operations facility in Moorpark, CA

Correspondent leadership team expands

2012

Expanded infrastructure in Tampa, FL

Became largest non-bank correspondent aggregator

2013

PFSI completed initial public offering

Expanded infrastructure in Fort Worth, TX

2014

Continued organic growth and servicing portfolio UPB reaches $100 billion(1)

2015

PFSI stockholders' equity surpasses $1 billion

2016

Substantial growth in PFSI's consumer direct capacity

2017

PFSI issued MSR-backed term notes

2018

PFSI launched broker-direct lending channel

PFSI completes corporate reorganization

2019

Achieved position as the largest correspondent aggregator in the U.S.

PFSI launched proprietary, cloud-based Servicing Systems Environment (SSE)

2020

Record production volumes across all channels; nearly $200 billion in UPB(1)

PFSI issued inaugural $650 million of unsecured Senior Notes

2021

PFSI issued an additional $1.15 billion of unsecured Senior Notes

Servicing portfolio surpasses 2 million customers(1)

2022

Launched "Greatness Lives Here" brand marketing campaign celebrating home as the foundation for achieving life's aspirations

2023

Expanded capital structure with issuance of $680 million term loan due in 2028 secured by Ginnie Mae MSR and servicing advances

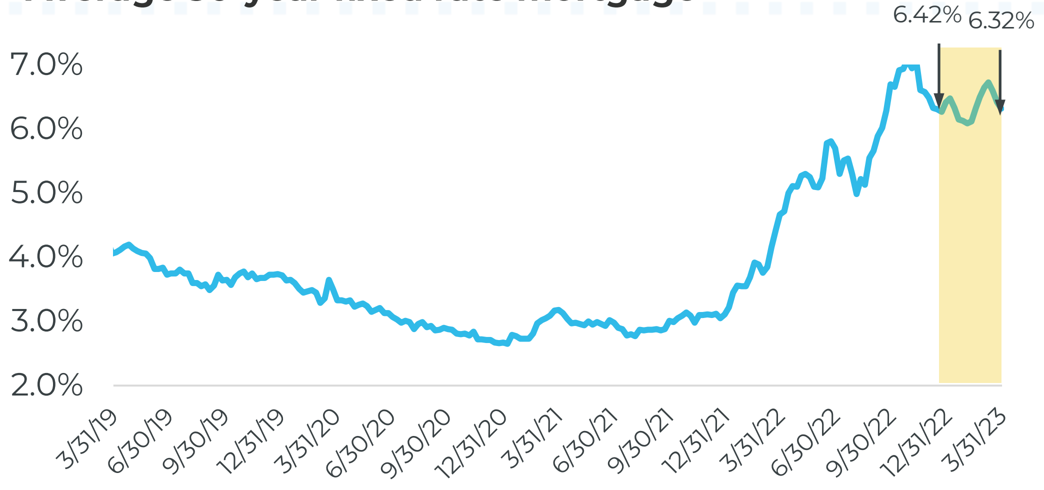
- Disciplined growth to address the demands of the GSEs, Agencies, regulators and our financing partners
  - Since inception, PennyMac has focused on building and testing processes and systems before adding significant transaction volumes
- Highly experienced management team has created a robust corporate governance system centered on compliance, risk management and quality control

(1) All figures are for PFSI and include volume fulfilled or subserviced for PMT

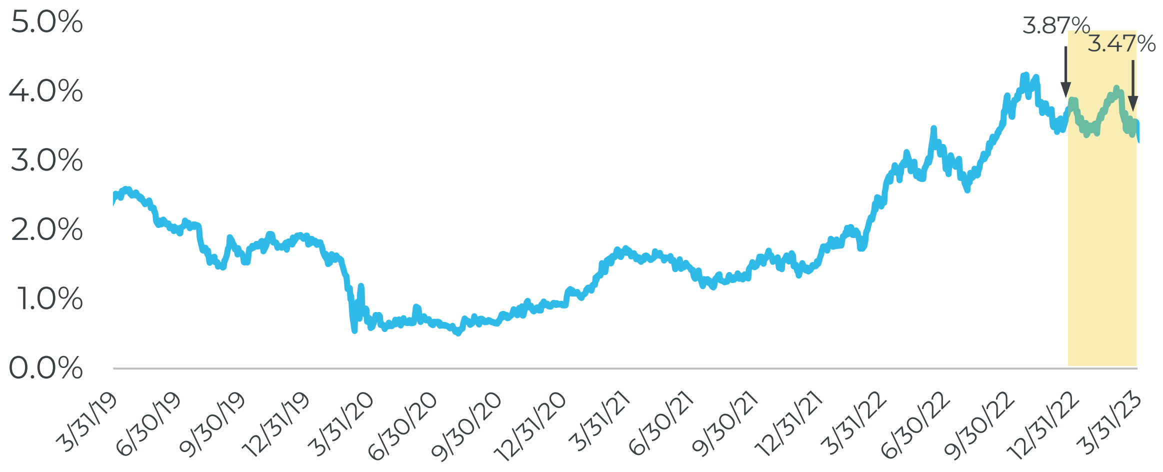
CURRENT MARKET ENVIRONMENT AND MACROECONOMIC TRENDS

PENNYMAC FINANCIAL SERVICES

Average 30-year fixed rate mortgage[1]



10-year Treasury Bond Yield[2]



Macroeconomic Metrics[3]

	3/31/22	6/30/22	9/30/22	12/31/22	3/31/23
10-year Treasury bond yield	2.3%	3.0%	3.8%	3.9%	3.5%
2/10 year Treasury yield spread	0.0%	0.1%	-0.5%	-0.6%	-0.6%
30-year fixed rate mortgage	4.7%	5.7%	6.7%	6.4%	6.3%
Secondary mortgage rate	3.5%	4.4%	5.6%	5.3%	5.1%
U.S. home price appreciation (Y/Y % change)	20.6%	19.7%	13.0%	7.7%	3.8%
Residential mortgage originations (in billions)	$760	$685	$530	$350	$290

Footnotes

(1) Freddie Mac Primary Mortgage Market Survey. 6.39% as of 4/20/23

(2) U.S. Department of the Treasury. 3.53% as of 4/20/23

(3) 10-year Treasury bond yield and 2/10 year Treasury yield spread: Bloomberg
Average 30-year fixed rate mortgage: Freddie Mac Primary Mortgage Market Survey
Average secondary mortgage rate: 30-Year FNCL Par Coupon Index (MTGEFNCL), Bloomberg
U.S. home price appreciation: S&P CoreLogic Case-Shiller U.S. National Home Price NSA Index (SPCSUSA); data is as of 1/31/23
Residential mortgage originations are for the quarterly period ended; source: Inside Mortgage Finance

MSR ASSET VALUATION

March 31, 2023 Unaudited ($ in millions)	Mortgage Servicing Rights
Pool UPB[1]	$321,264
Weighted average coupon	3.5%
Weighted average servicing fee/spread	0.37%
Weighted average prepayment speed assumption (CPR)	8.2%
Fair value	$6,003.4
As a multiple of servicing fee	5.05

[1] Excludes loans held for sale at fair value

PFSI'S OWNED MSR PORTFOLIO CHARACTERISTICS

PENNYMAC FINANCIAL SERVICES

Segment	UPB ($ in billions)[3]	% of Total UPB	Loan count (in thousands)	Note rate	Seasoning (months)	Remaining maturity (months)	Loan size ($ in thousands)	FICO credit score at origination	Original LTV	Current LTV	60+ Delinquency (by UPB)
Government[1]											
FHA	$120.3	37.5%	621	3.8%	43	320	$194	674	93%	69%	5.2%
VA	$115.3	35.9%	427	3.2%	28	330	$270	725	90%	73%	2.1%
USDA	$21.2	6.6%	143	3.6%	46	318	$148	698	98%	69%	4.7%
GSE											
FNMA	$29.9	9.3%	109	3.4%	26	305	$275	760	69%	57%	0.4%
FHLMC	$33.8	10.5%	120	3.6%	17	316	$283	753	72%	63%	0.4%
Other[2]											
Other	$0.6	0.2%	2	3.8%	17	332	$313	766	66%	60%	0.1%
Closed End Seconds											
Closed End Seconds	$0.1	0.0%	1	10.0%	3	271	$73	749	16%	16%	0.0%
Grand Total	**$321.3**	**100.0%**	**1,423**	**3.5%**	**33**	**322**	**$226**	**710**	**88%**	**68%**	**3.1%**

(1) Government loans include loans securitized in Ginnie Mae pools as well as loans sold to private investors
(2) Other represents MSRs collateralized by conventional loans sold to private investors
(3) Excludes loans held for sale at fair value

ACQUISITIONS AND ORIGINATIONS BY PRODUCT

PENNYMAC FINANCIAL SERVICES

Acquisitions/Originations

Unaudited ($ in millions)	1Q22	2Q22	3Q22	4Q22	1Q23
Correspondent Acquisitions					
Conventional Conforming - for PMT	$ 9,768	$ 10,320	$ 10,225	$ 6,771	$ 6,629
Conventional Conforming - for PFSI	-	-	-	3,912	4,063
Government	12,730	10,649	12,161	10,081	9,461
Jumbo	1	3	2	-	-
Total	**$ 22,500**	**$ 20,973**	**$ 22,387**	**$ 20,764**	**$ 20,153**
Broker Direct Originations					
Conventional Conforming	$ 1,979	$ 1,556	909	$ 758	$ 1,097
Government	560	396	384	362	441
Jumbo	2	24	5	7	28
Total	**$ 2,541**	**$ 1,976**	**$ 1,298**	**$ 1,126**	**$ 1,565**
Consumer Direct Originations					
Conventional Conforming	$ 4,553	$ 2,246	1,198	$ 489	$ 365
Government	3,669	1,492	1,130	572	611
Jumbo	-	5	2	4	-
Closed-end second liens	-	-	1	45	81
Total	**$ 8,222**	**$ 3,744**	**$ 2,330**	**$ 1,110**	**$ 1,057**
Total acquisitions/originations	**$ 33,262**	**$ 26,693**	**$ 26,016**	**$ 23,000**	**$ 22,775**
UPB of loans fulfilled for PMT (included in correspondent acquisitions)	**$ 9,768**	**$ 10,324**	**$ 10,227**	**$ 6,771**	**$ 6,629**

Note: Figures may not sum exactly due to rounding

INTEREST RATE LOCKS BY PRODUCT

PENNYMAC FINANCIAL SERVICES

Interest Rate Lock Commitments

Unaudited ($ in millions)	1Q22	2Q22	3Q22	4Q22	1Q23
Correspondent Locks					
Conventional Conforming - for PMT	$ 10,194	$ 11,080	$ 10,647	$ 7,507	$ 7,588
Conventional Conforming - for PFSI	-	-	-	4,747	3,781
Government	12,487	11,326	12,351	10,681	10,341
Jumbo	-	3	2	7	-
Total	**$ 22,682**	**$ 22,410**	**$ 22,999**	**$ 22,941**	**$ 21,709**
Broker Direct Locks					
Conventional Conforming	$ 2,732	$ 1,663	$ 1,236	$ 1,338	$ 1,716
Government	784	535	622	656	777
Jumbo	10	21	6	20	59
Total	**$ 3,527**	**$ 2,220**	**$ 1,865**	**$ 2,014**	**$ 2,552**
Consumer Direct Locks					
Conventional Conforming	$ 5,242	$ 2,511	$ 1,892	$ 700	$ 628
Government	3,861	1,804	1,889	885	1,410
Jumbo	8	11	14	6	9
Closed-end second liens	-	-	10	93	152
Total	**$ 9,112**	**$ 4,326**	**$ 3,804**	**$ 1,684**	**$ 2,199**
Total locks	**$ 35,320**	**$ 28,956**	**$ 28,668**	**$ 26,639**	**$ 26,459**

Note: Figures may not sum exactly due to rounding

CREDIT CHARACTERISTICS BY ACQUISITION/ORIGINATION PERIOD

Correspondent

Weighted Average FICO					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	691	682	680	690	709
Conventional	750	753	758	756	757

Weighted Average DTI					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	43	43	45	46	45
Conventional	36	37	38	39	39

Broker Direct

Weighted Average FICO					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	702	694	679	676	701
Conventional	754	757	759	756	757

Weighted Average DTI					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	43	44	45	46	46
Conventional	36	37	37	38	38

Consumer Direct

Weighted Average FICO					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	708	700	680	680	663
Conventional	738	727	724	728	734

Weighted Average DTI					
	1Q22	**2Q22**	**3Q22**	**4Q22**	**1Q23**
Government-insured	40	42	43	44	44
Conventional	35	37	37	38	38

ADJUSTED EBITDA RECONCILED TO NET INCOME

PENNYMAC FINANCIAL SERVICES

($ in millions)	1Q22	4Q22	1Q23
Net income	$ 173.6	$ 37.6	$ 30.4
Provision for income taxes	60.9	30.1	7.8
Income before provisions for income taxes	234.5	67.7	38.1
Depreciation and amortization	7.0	10.6	12.7
Decrease (increase) in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	(324.1)	(82.6)	90.3
Hedging (gains) losses associated with MSRs	217.9	72.9	(47.2)
Stock-based compensation	9.3	11.9	11.7
Interest expense on corporate debt and capital base	23.4	23.9	23.4
Adjusted EBITDA	**$ 168.0**	**$ 104.4**	**$ 129.0**

PENNYMAC®
FINANCIAL SERVICES