1Q24 EARNINGS REPORT

PennyMac Financial Services, Inc.

April 2024

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 future changes in interest rates, prepayment rates and the housing market; future loan origination, servicing and production, including future production, operating and hedge expenses; future loan delinquencies and forbearances; 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; 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; our substantial amount of indebtedness; 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; our ability to mitigate cybersecurity risks, cyber incidents and technology disruptions; the effect of public opinion on our reputation; our exposure to risks of loss and disruptions in operations resulting from severe weather events, man-made or other natural conditions, 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 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 press release are current as of the date of this release only.

This presentation contains financial information calculated other than in accordance with U.S. generally accepted accounting principles ("GAAP"), such as pretax income and operating income excluding valuation-related changes and a non-recurring legal accrual that provides 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

PENNYMAC FINANCIAL SERVICES

Strong operating performance partially offset by net fair value declines on hedged mortgage servicing rights

1Q24 Results

Net income	Diluted EPS[1]
$39mm	**$0.74**
Return on equity	**Book value per share**
4%	**$70.13**

Dividend per common share

$0.20

PRODUCTION

Pretax income	Total loan acquisitions and originations[2]	PFSI correspondent lock volume	Broker direct lock volume	Consumer direct lock volume
$36mm	**$21.7bn**	**$17.1bn**	**$3.4bn**	**$2.2bn**

SERVICING

Pretax income	MSR[1] fair value changes, hedge, and arbitration accrual impact	MSR fair value changes, hedge and arbitration accrual impact to diluted EPS	Pretax income excluding valuation-related items and arbitration accrual[3]	Total servicing portfolio UPB[1][2]
$5mm	**$(126)mm**	**$(1.74)**	**$125mm**	**$617bn**

INVESTMENT MANAGEMENT

Pretax income	Net AUM[1]	Revenue
$3mm	**$2.0bn**	**$9.4mm**

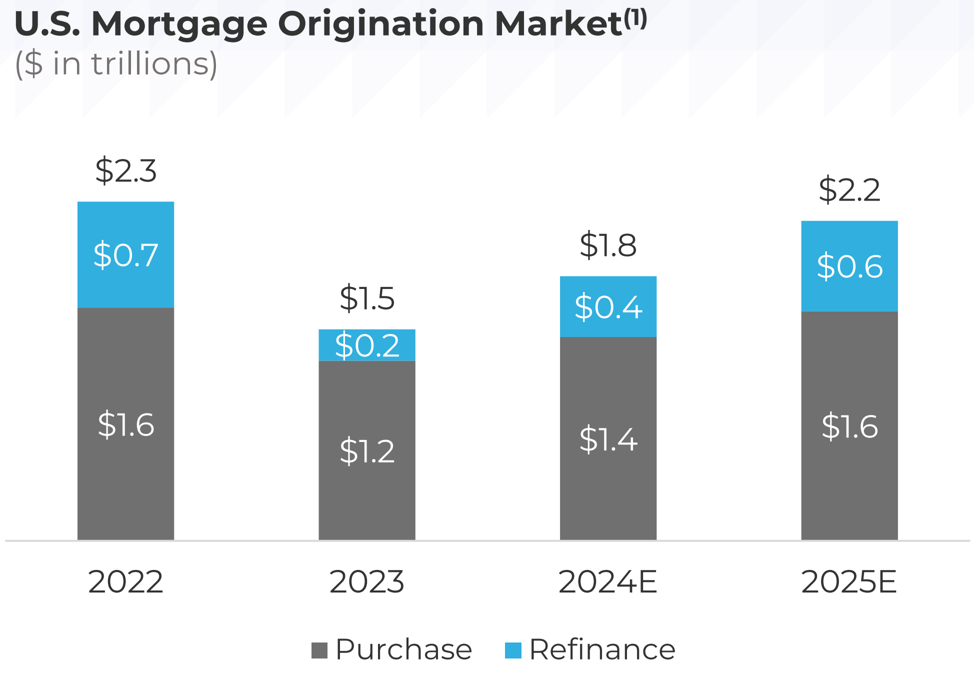
Note: All figures are for 1Q24 or as of 3/31/24

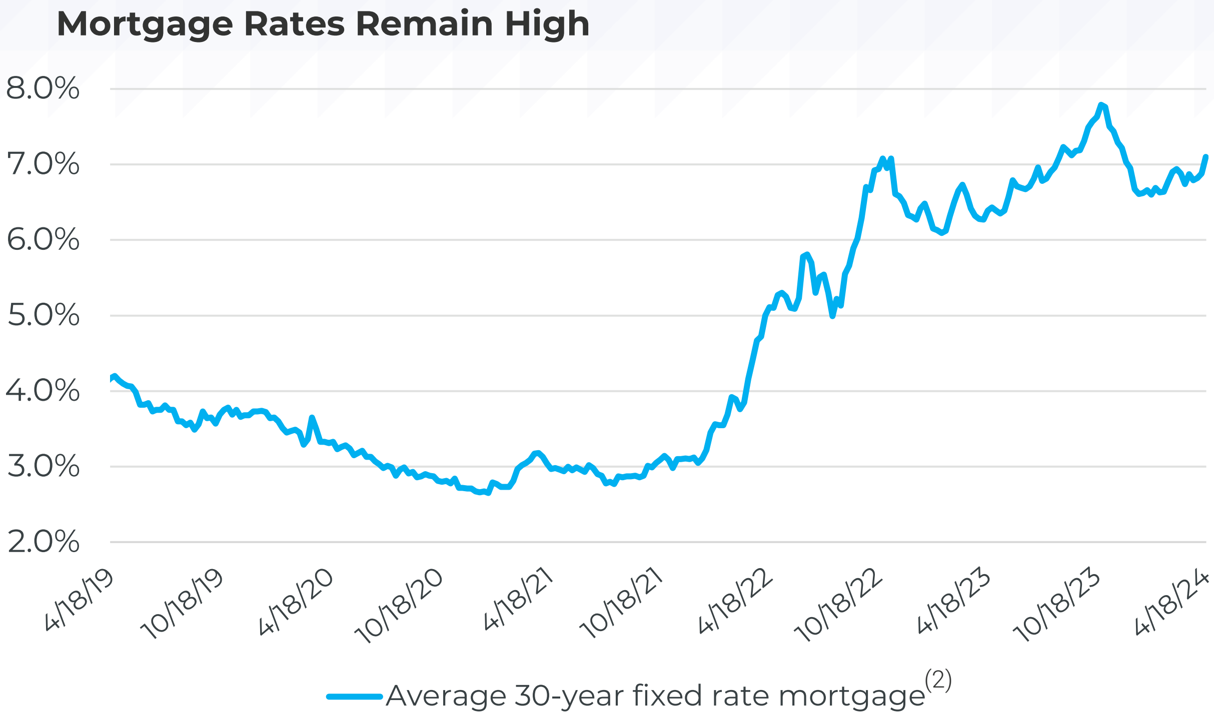
(1) EPS = earnings per share; MSR = mortgage servicing rights; UPB = unpaid principal balance, includes loans held for sale at fair value; AUM = assets under management

(2) Includes volume fulfilled or subserviced for PennyMac Mortgage Investment Trust (NYSE: PMT)

(3) Excludes $170 million in MSR fair value gains, $295 million in hedging losses, a $7 million reversal of provision for losses on active loans, and $2 million of accrued interest related to a non-recurring arbitration accrual - see slide 14 for additional details

ORIGINATION MARKET EXPECTATIONS REFLECT GROWTH



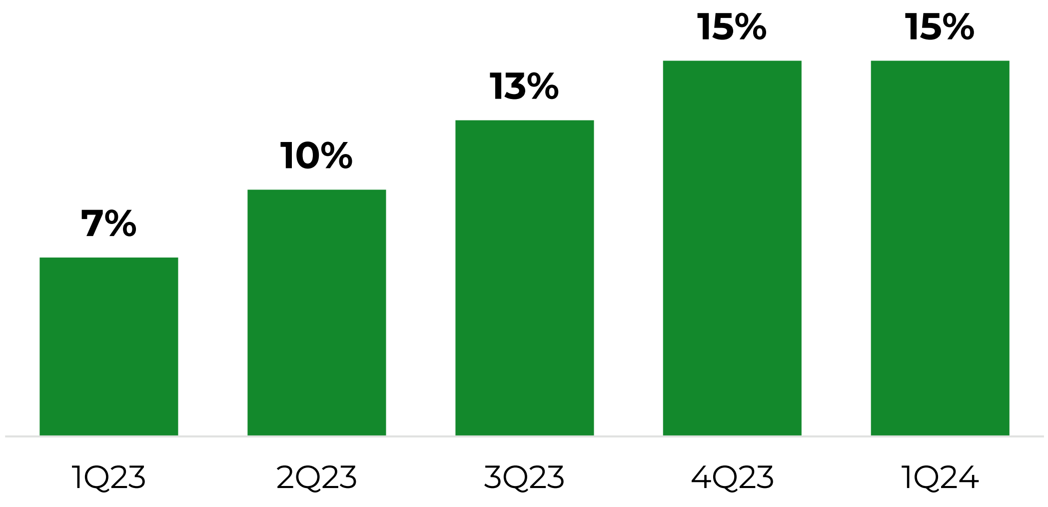


- Current third-party estimates for industry originations in 2024 average $1.8 trillion; however, these estimates have potential to decline if interest rates remain elevated for longer than forecasted
  - Unit origination volume is projected to increase in 2024, but remains well below normalized levels[3]
- 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

Note: Figures may not sum due to rounding
(1) Actual originations: Inside Mortgage Finance. Forecast originations: Average of Mortgage Bankers Association (4/18/24) and Fannie Mae (4/11/24) forecasts.
(2) Freddie Mac Primary Mortgage Market Survey 7.10% as of 4/18/24
(3) Zelman & Associates 3/28/2024

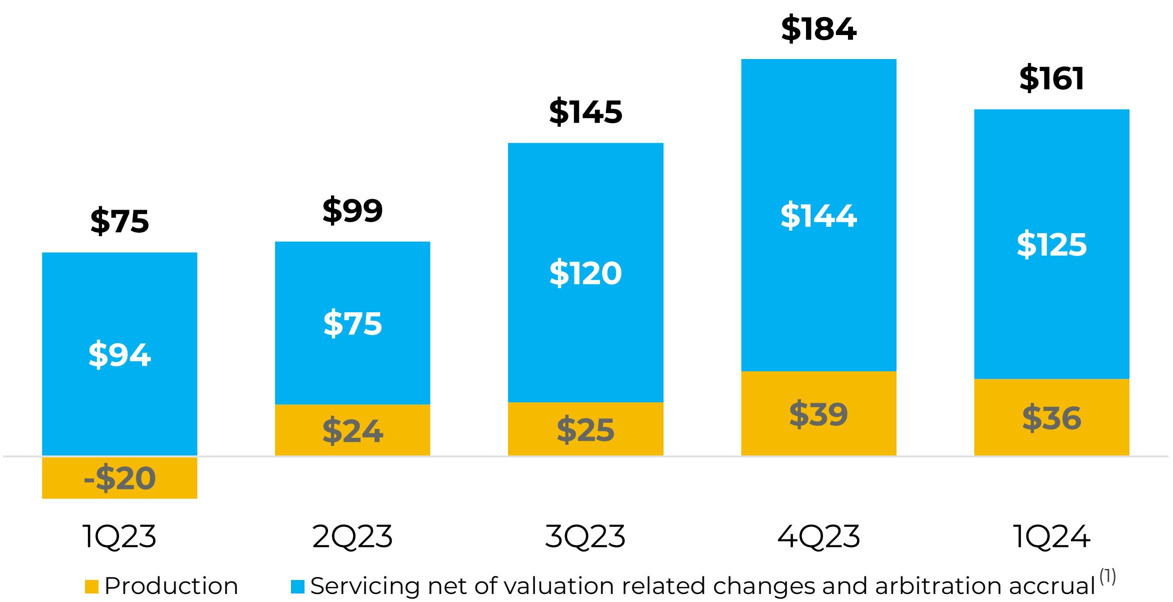
BUILDING ON DOUBLE DIGIT OPERATING RETURNS IN 2024

Annualized Operating ROE[1]



Mortgage Banking Operating Pretax Income

($ in millions)



- Significant increase in operating return on equity year over year in potentially one of the smallest quarterly origination markets of this interest rate cycle
- Double digit operating return on equity expected in 2024
  - Servicing to continue driving earnings with additional upside potential from the production segment as the origination market improves

Note: Figures may not sum due to rounding

[1] See slide 32 for a reconciliation of non-GAAP items

PENNYMAC
FINANCIAL SERVICES

TECHNOLOGY INNOVATION TO UNLOCK ADDITIONAL STAKEHOLDER VALUE

With our SSE technology free and clear of any restrictions on use or development, we are actively exploring a continuum of potential opportunities with benefits for our many stakeholders

Servicing
Systems
Environment

Drive efficiencies for our core businesses

Proven, low-cost servicing system with multiple competitive advantages versus others in the market

Direct and white label subservicing

Leverage SSE to expand our current sub-servicing business beyond PMT

Partnerships with third parties

Partner with innovative technologists to develop a comprehensive marketplace of next generation mortgage banking technology

Commercialization

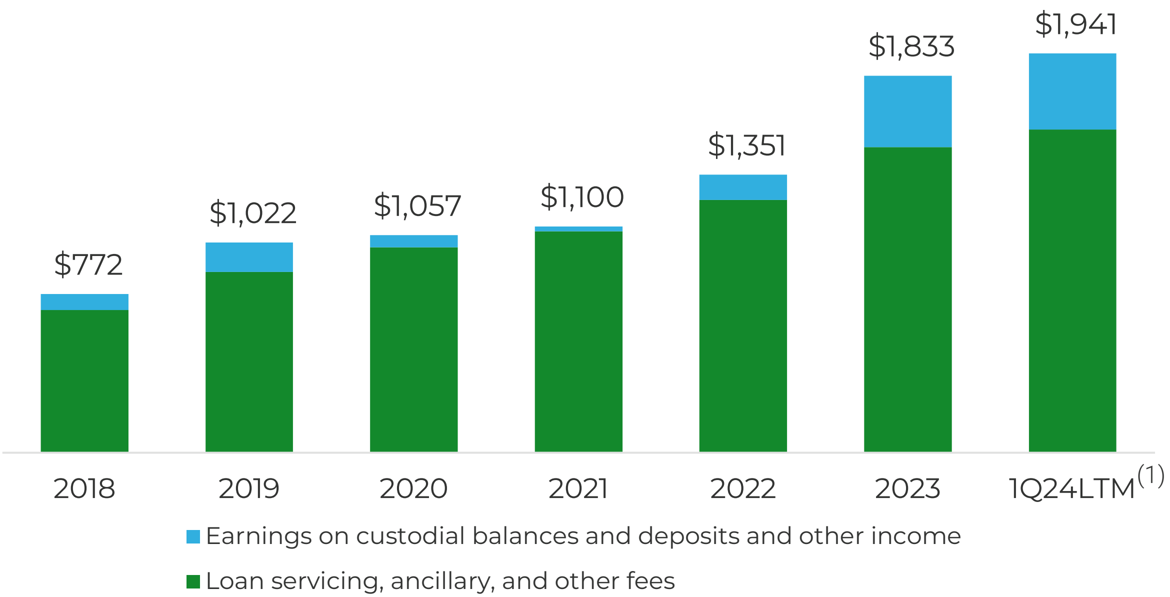
Commercialize SSE into a multi-tenant, industry-leading servicing software platform

SERVICING PROVIDES GROWING CASH FLOW AND SCALE BENEFITS

PENNYMAC FINANCIAL SERVICES

Revenue From Servicing & Placement Fees

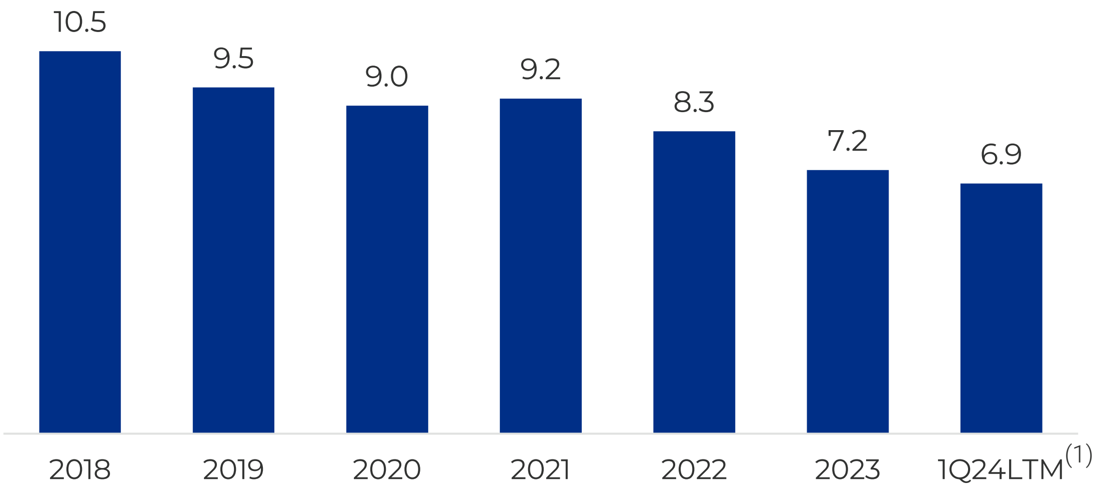
($ in millions)



- Increasing revenue contribution due to portfolio growth over time
- Higher proportion of owned servicing in more recent periods drives increased servicing fees
- Increasing contribution from placement fees driven by higher short-term rates in the current market environment

Operating Expenses

(bps of average servicing portfolio UPB)

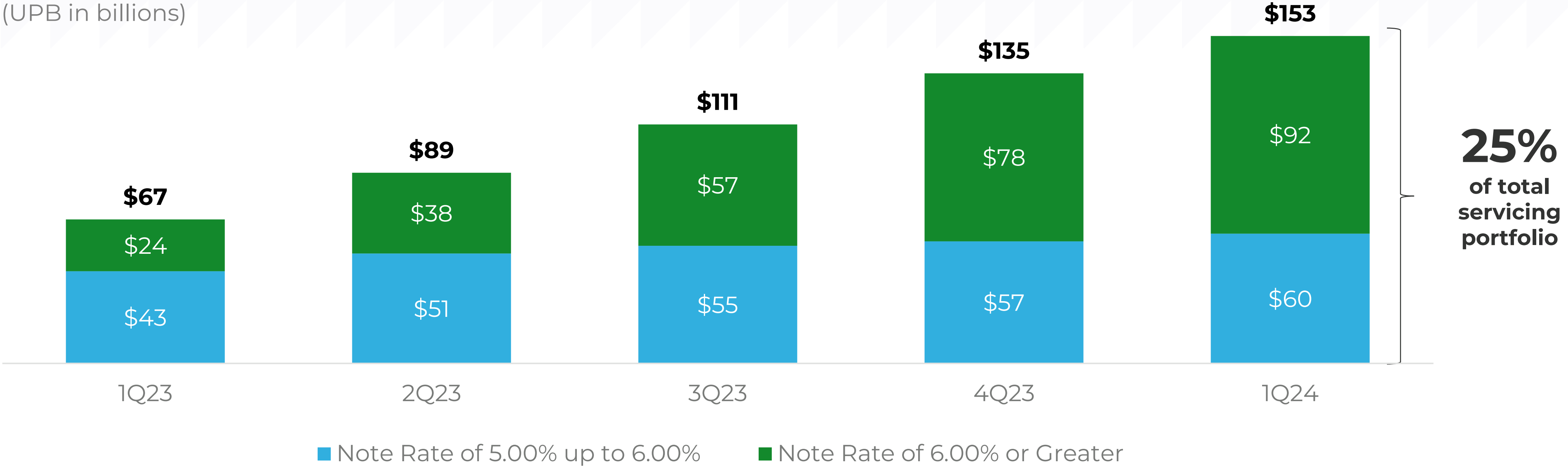


- Increased scale and efficiency as the portfolio grows
- Lower variable costs due to the implementation of our proprietary servicing system in 2019
- Delinquencies remain low in the current market environment, further reducing operating expenses

(1) LTM = Last Twelve Months

FUTURE RECAPTURE OPPORTUNITIES ENHANCED BY RECENT PRODUCTION

Total Servicing Portfolio With Note Rates of 5% or Greater[1]
(UPB in billions)

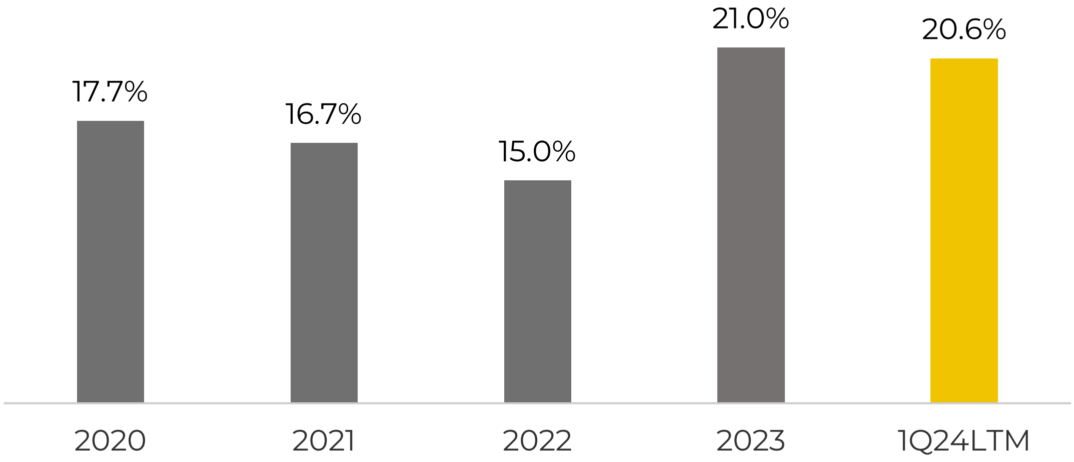


- Pennymac, through its multi-channel production platform, has been one of the largest producers of mortgage loans in recent periods as interest rates increased[1]
  - Pennymac retains MSRs on nearly all mortgage loan production, driving continued organic servicing portfolio growth
  - Quarterly production adds approximately $20 - $25 billion in UPB of loans at prevailing mortgage rates to the servicing portfolio each quarter
- The continued addition of higher interest rate loans to the servicing portfolio provides significant refinance opportunities for Consumer Direct when mortgage rates decline

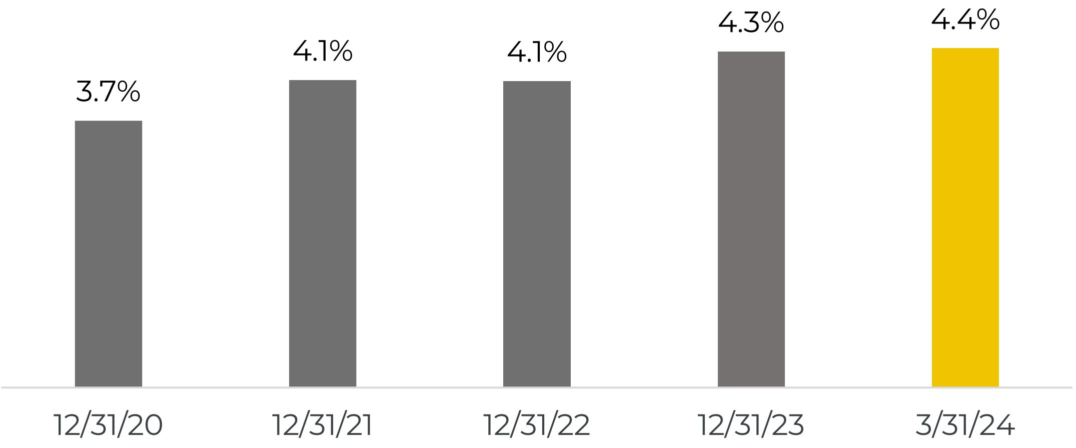
Note: Figures may not sum due to rounding
(1) Includes loans acquired or subserviced for PMT and includes loans held for sale at fair value

PENNYMAC'S MARKET SHARE OVER TIME ACROSS ITS BUSINESSES

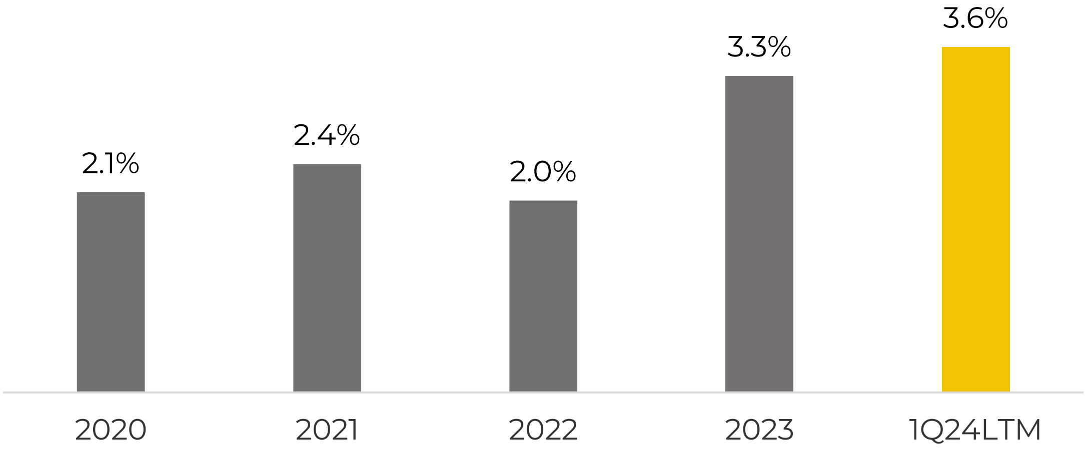
Correspondent Production Market Share[1]



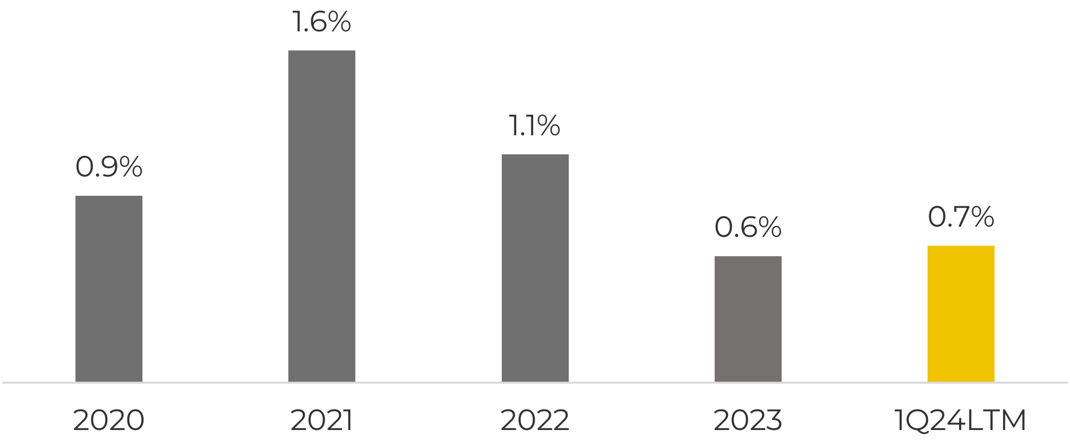
Loan Servicing Market Share[1]



Broker Direct Market Share[1]



Consumer Direct Market Share[1]

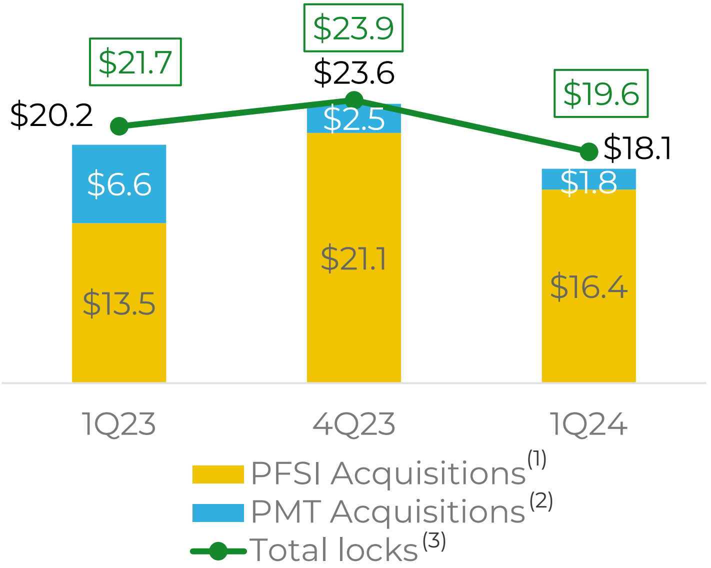


Note: All figures are for PFSI and include volume fulfilled or subserviced for PMT

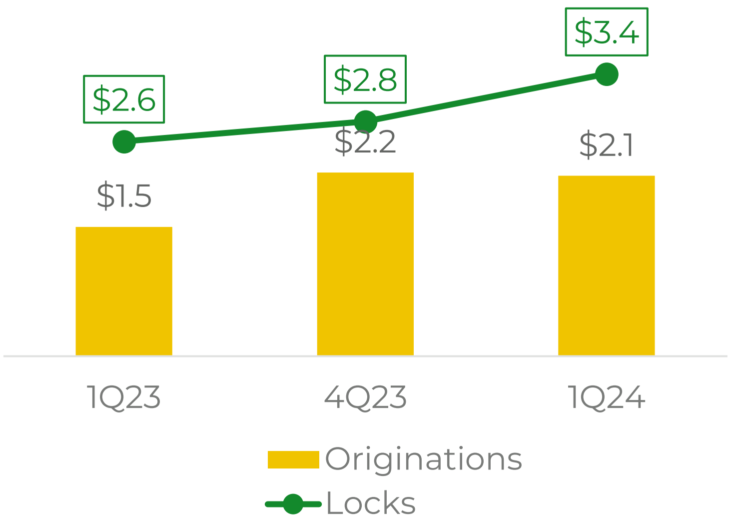
[1] Historical market share based on Inside Mortgage Finance. For 1Q24LTM, we estimate $1.5 trillion in total origination volume, and that the correspondent channel represented 28% of the overall origination market, retail represented 55%, and broker represented 17%. Loan servicing market share is based on PFSI's servicing portfolio UPB of $617 billion divided by $14.1 trillion in mortgage debt outstanding

PRODUCTION SEGMENT HIGHLIGHTS – VOLUME BY CHANNEL

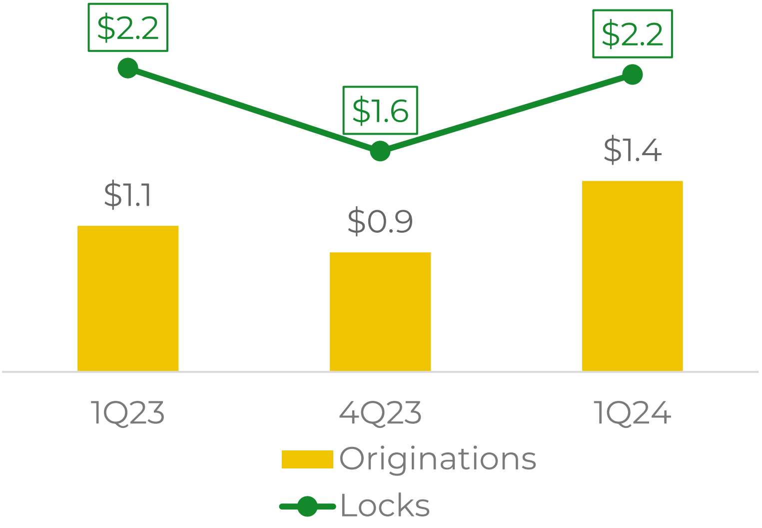
Correspondent
(UPB in billions)



Broker Direct
(UPB in billions)



Consumer Direct
(UPB in billions)



April 2024 (Estimated)

Locks: (UPB in billions)	$8.1
Acquisitions: (UPB in billions)	$7.5

April 2024 (Estimated)

Locks: (UPB in billions)	$1.5
Originations: (UPB in billions)	$1.0
Committed pipeline[4]: (UPB in billions)	$1.4

April 2024 (Estimated)

Locks: (UPB in billions)	$0.7
Originations: (UPB in billions)	$0.5
Committed pipeline[4]: (UPB in billions)	$0.8

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

PENNYMAC FINANCIAL SERVICES

DRIVERS OF PRODUCTION SEGMENT RESULTS

	1Q23				4Q23				1Q24			
	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]	$ 13,521	25	$ 33.7	36%	$ 20,728	34	$ 70.3	47%	$ 16,660	35	$ 58.5	38%
Broker Direct	1,814	76	13.8	15%	2,116	79	16.6	11%	2,423	103	24.8	16%
Consumer Direct	1,398	323	45.2	48%	1,045	410	42.8	29%	1,380	400	55.2	36%
Other[3]	n/a	n/a	(10.2)	-11%	n/a	n/a	15.2	10%	n/a	n/a	11.7	8%
Total PFSI account revenues (net of Loan origination expense)	**$ 16,733**	**49**	**$ 82.5**	**87%**	**$ 23,889**	**61**	**$ 144.9**	**97%**	**$ 20,462**	**73**	**$ 150.3**	**97%**
PMT Conventional Correspondent	6,929	17	11.9	13%	2,162	23	4.9	3%	1,958	21	4.0	3%
Total Production revenues (net of Loan origination expense)		**40**	**$ 94.4**	**100%**		**58**	**$ 149.8**	**100%**		**69**	**$ 154.3**	**100%**
Production expenses (less Loan origination expense)	**$ 23,662**	**48**	**$ 114.1**	**121%**	**$ 26,051**	**42**	**$ 110.4**	**74%**	**$ 22,421**	**53**	**$ 118.4**	**77%**
Production segment pretax income		**(8)**	**$ (19.6)**	**-21%**		**15**	**$ 39.4**	**26%**		**16**	**$ 35.9**	**23%**

- Revenue per fallout adjusted lock for PFSI's own account was 73 basis points in 1Q24, up from 61 basis points in 4Q23
  - Higher volumes in the direct lending channels
- Production expenses (net of loan origination expense) were 7% higher than the prior quarter due to increased volumes in the direct lending channels
- Broker Direct margins increased from the prior quarter; 4Q23 margins included impacts from higher levels of fallout

(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
(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.
- Lock volumes for PFSI's account were down 19% and acquisitions were down 21% from 4Q23
  - PFSI is expected to continue purchasing conventional loans acquired through PMT's correspondent channel in 2Q24
- 805 correspondent sellers at March 31, 2024, down slightly from December 31, 2023
- Purchase volume in 1Q24 was 91% of acquisitions

Broker Direct

- Lock volumes were up 20% and funded volumes were essentially unchanged from the prior quarter
- Approved brokers totaled 4,069 at March 31, 2024, up 7% from December 31, 2023 and 36% from March 31, 2022, representing approximately a quarter of the total population of brokers
  - Top brokers see Pennymac as a strong alternative to the top two channel lenders
- Purchase loans were 89% of total originations

Consumer Direct

- Lock volumes were up 35% and funding volumes were up 62% from 4Q23
  - Largely due to in an increase in refinances of government loans
- Focused on meeting the changing needs of the 2.5 million customers in our servicing portfolio in a higher interest rate environment
  - Purchase lock volume in 1Q24 was $374 million, or 17% of total locks, compared to $332 million, or 21% of total locks in 4Q23
  - $305 million or approximately 81% of total purchase locks sourced from our large and growing servicing portfolio
  - $204 million of closed-end second lien mortgage loans funded in 1Q24, down from $226 million in 4Q23

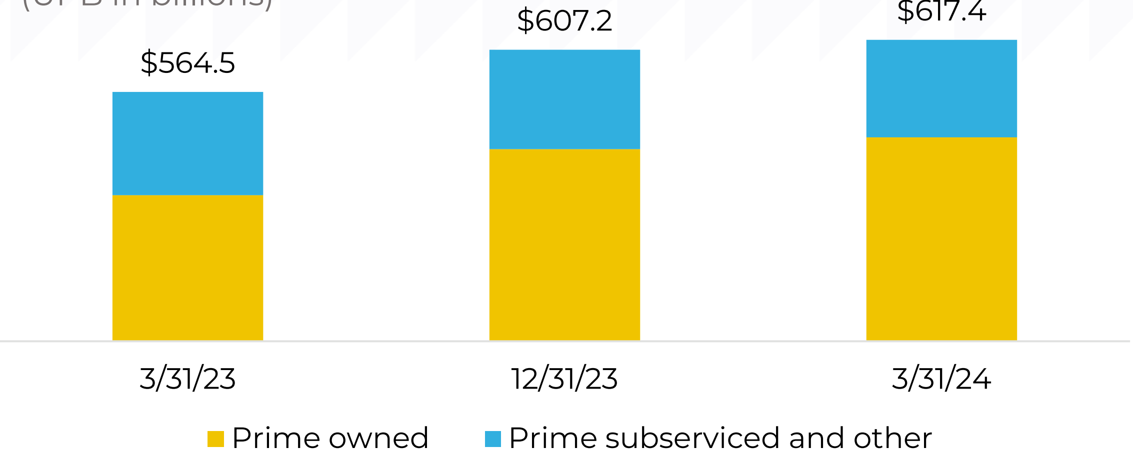
SERVICING SEGMENT HIGHLIGHTS

- Servicing portfolio totaled $617.4 billion in UPB at March 31, 2024, up 2% Q/Q and 9% Y/Y
- Production volumes more than offset prepayment activity, leading to continued portfolio growth
- 60+ day delinquency rates declined from December 31, 2023
- Modification and EBO loan volume increased from the prior quarter

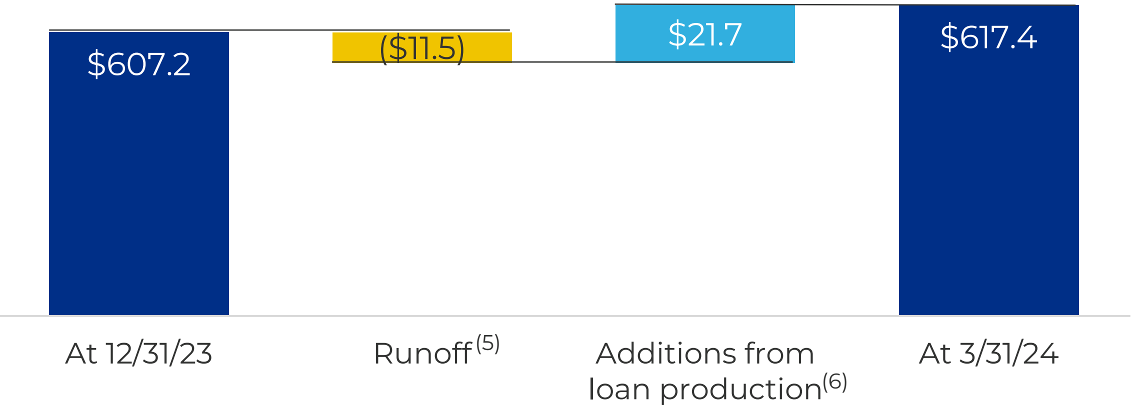
Selected Operational Metrics

	4Q23	1Q24
Loans serviced (in thousands)	2,430	2,465
60+ day delinquency rate - owned portfolio[1]	3.4%	2.9%
60+ day delinquency rate - sub-serviced portfolio[2]	0.6%	0.5%
Actual CPR - owned portfolio[1]	4.4%	5.4%
Actual CPR - sub-serviced[2]	3.8%	4.0%
UPB of completed modifications ($ in millions)[3]	$3,275	$3,910
EBO loan volume ($ in millions)[4]	$391	$681

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 27 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

SERVICING PROFITABILITY EXCLUDING VALUATION-RELATED CHANGES

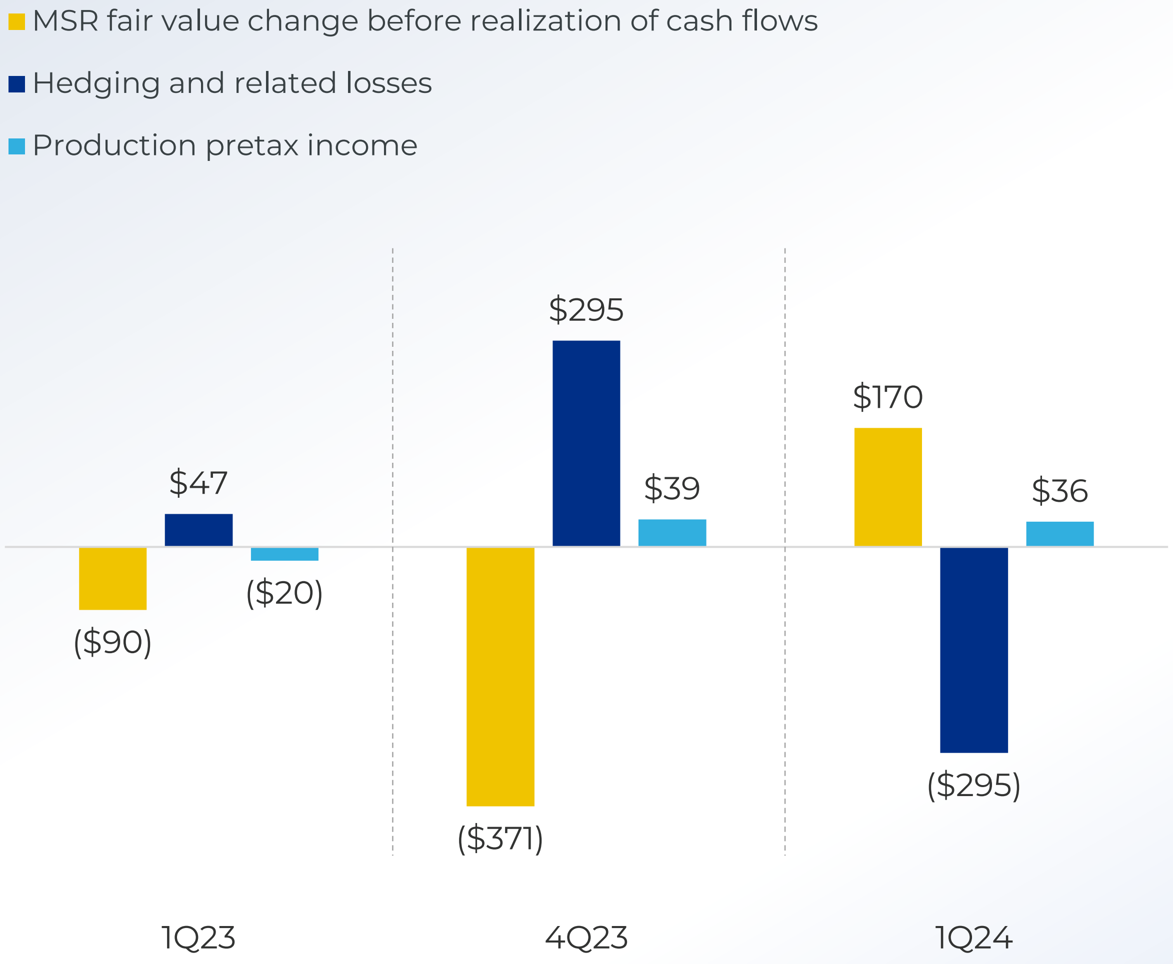
	1Q23		4Q23		1Q24	
	$ in millions	**basis points[1]**	**$ in millions**	**basis points[1]**	**$ in millions**	**basis points[1]**
Loan servicing fees	$ 338.1	24.2	$ 402.5	26.9	$ 424.2	27.7
Earnings on custodial balances and deposits and other income	65.9	4.7	89.9	6.0	87.7	5.7
Realization of MSR cash flows	(146.2)	(10.5)	(164.3)	(11.0)	(198.6)	(13.0)
EBO loan-related revenue[2]	34.9	2.5	28.3	1.9	26.4	1.7
Servicing expenses:						
Operating expenses	(109.8)	(7.9)	(93.6)	(6.3)	(97.6)	(6.4)
Payoff-related expense[3]	(5.3)	(0.4)	(7.1)	(0.5)	(8.2)	(0.5)
Losses and provisions for defaulted loans	(10.5)	(0.8)	(13.2)	(0.9)	(13.2)	(0.9)
EBO loan transaction-related expense	(0.2)	(0.0)	(0.3)	(0.0)	(0.2)	(0.0)
Interest expense	(72.5)	(5.2)	(97.8)	(6.5)	(95.8)	(6.3)
Pretax income excluding fair value changes and arbitration accrual	**$ 94.4**	**6.8**	**$ 144.4**	**9.6**	**$ 124.7**	**8.1**
Valuation-related changes						
MSR fair value[4]	(90.3)		(370.7)		170.0	
Hedging derivatives gains (losses)	47.2		294.8		(294.6)	
Provision for losses on active loans[5]	6.1		(5.7)		6.6	
Servicing segment pretax income excluding arbitration accrual	**$ 57.4**		**$ 62.8**		**$ 6.5**	
Accrual for arbitration ruling						
Arbitration accrual	0.0		(158.4)		(1.6)	
Servicing segment pretax income (loss)	**$ 57.4**		**$ (95.5)**		**$ 4.9**	
Average servicing portfolio UPB	**$ 557,757**		**$ 599,153**		**$ 612,733**	

- Loan servicing fees increased from the prior quarter due to growth in the owned portfolio; operating expenses increased slightly
- Realization of MSR cash flows increased by $34 million from the prior quarter due to lower average yields during the quarter
- Earnings on custodial balances and deposits decreased slightly from the prior quarter due to seasonally lower average balances
    - Custodial funds managed for PFSI's owned servicing portfolio totaled $5.4 billion at March 31, 2024 up from $3.7 billion at December 31, 2023
    - Earnings rate generally fluctuates with changes in the Federal Funds rate

(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)

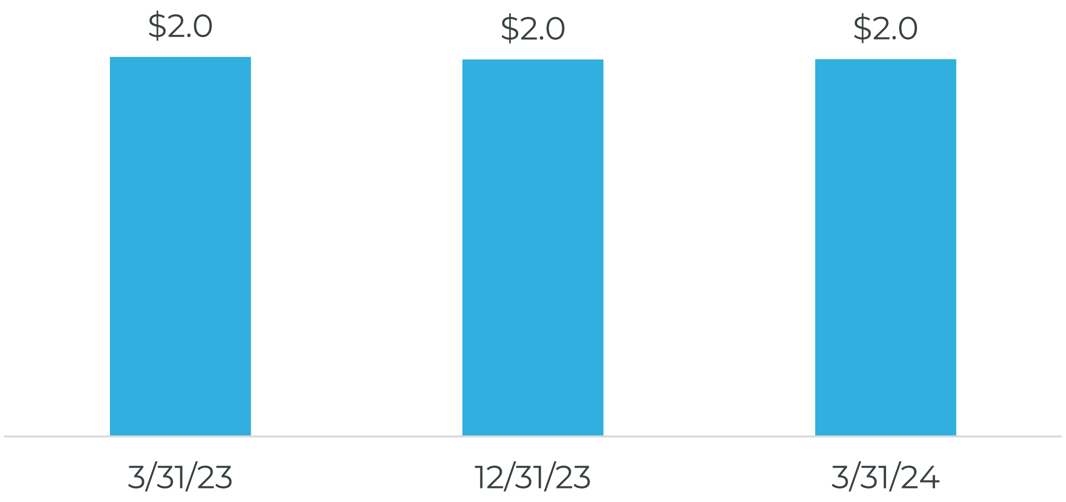


- PFSI seeks to moderate the impact of interest rate changes on the fair value of its MSR asset through a comprehensive hedging strategy that also considers production-related income
- In 1Q24, MSR fair value increased
  - Higher interest rates drove expectations for lower prepayments and higher contributions from earnings on custodial balances in the future
- Hedging declines more than offset MSR fair value gains
  - Positioned with increased net exposure to interest rate volatility during the quarter to limit elevated hedge costs
- Began purchasing principal-only bonds in 1Q24 as hedges against prepayment risk

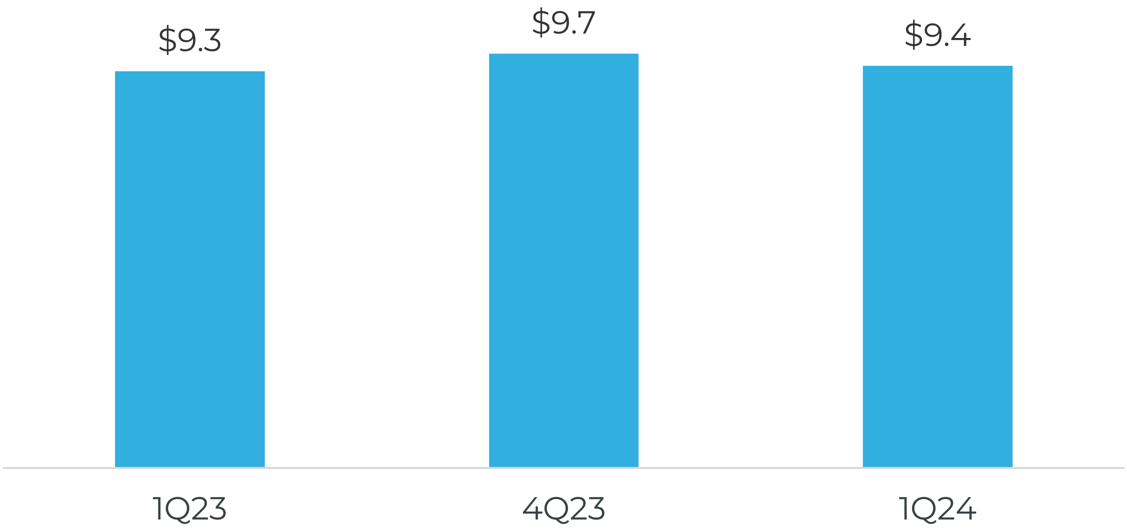
INVESTMENT MANAGEMENT SEGMENT HIGHLIGHTS

- Net AUM as of March 31, 2024 were $2.0 billion, essentially unchanged from December 31, 2023 and March 31, 2023
- Investment Management segment revenues were $9.4 million, down 3% from 4Q23 and up 1% from 1Q23

Investment Management AUM
($ in billions)



Investment Management Revenues
($ in millions)



APPENDIX

ESTABLISHED LEADER WITH SUBSTANTIAL LONG-TERM GROWTH POTENTIAL

$2.0 billion in assets under management

14-year track record

$98 billion in LTM 1Q24

#2

IN PRODUCTION(1)

- CORRESPONDENT PRODUCTION
- BROKER DIRECT
- CONSUMER DIRECT

PMT

IS A LEADING RESIDENTIAL MORTGAGE REIT

#5

IN SERVICING(2)

$617 billion outstanding

2.5 million customers

16 YEARS OF OPERATIONS

10 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 3/31/24 unless otherwise noted

(1) Inside Mortgage Finance for the 12 months ended 12/31/23

(2) Inside Mortgage Finance as of 12/31/23

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 agency MBS, senior 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

2nd 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 2.5 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 12/31/23
[2] Inside Mortgage Finance as of 12/31/23

TOP LENDER WITH COMPREHENSIVE AND EFFICIENT MULTI-CHANNEL PLATFORM

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

PENNYMAC | #2 producer of residential mortgage loans in 2023[(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

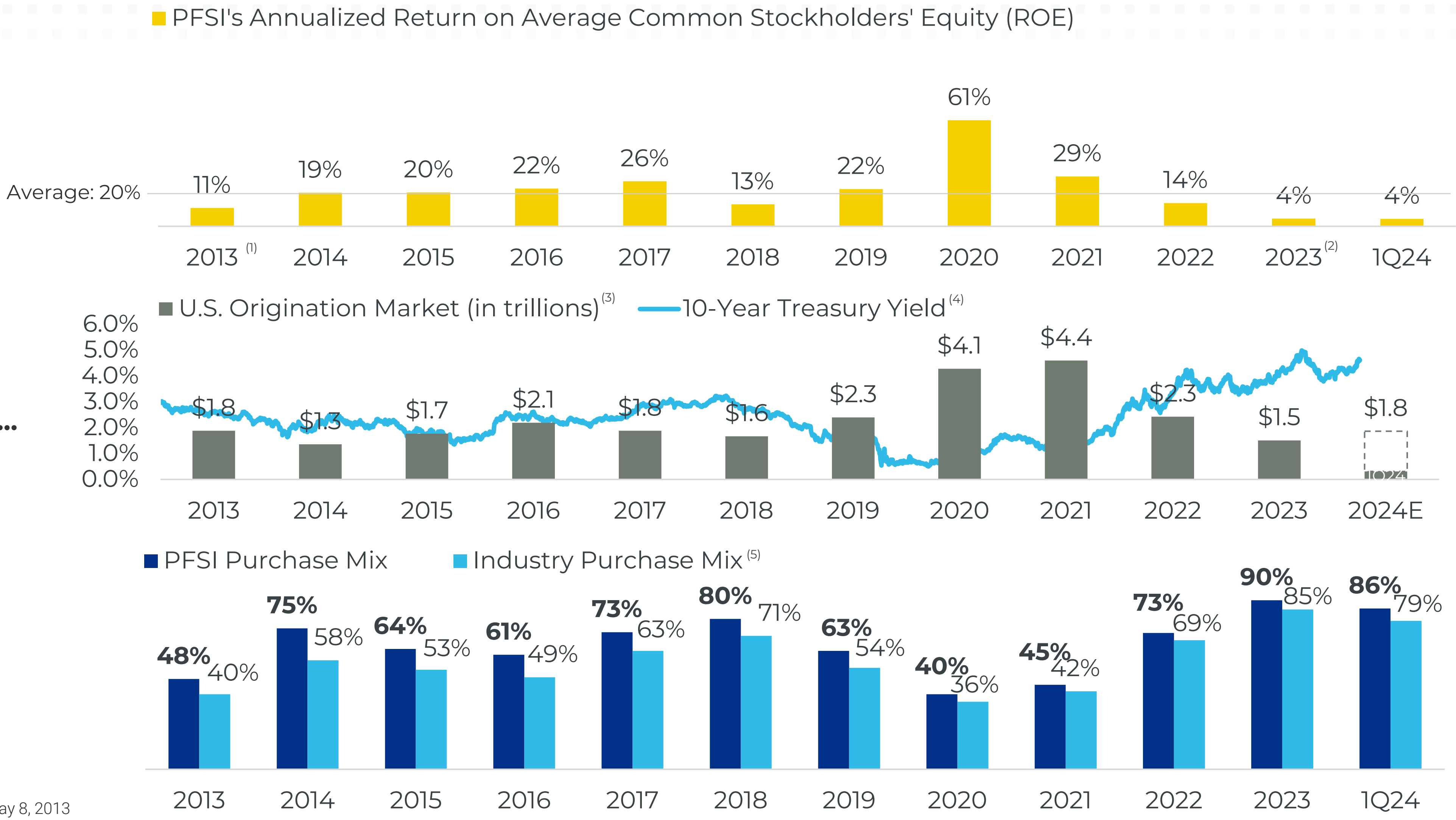
TRACK RECORD OF STRONG PERFORMANCE ACROSS MARKET ENVIRONMENTS

PENNYMAC FINANCIAL SERVICES

Proven ability to generate attractive ROEs…

…across different market environments…

…with a strong orientation towards purchase money mortgages.

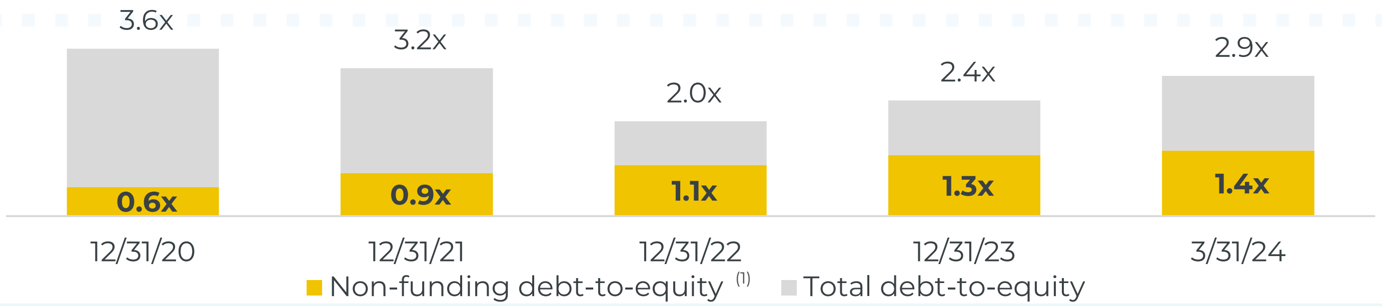


(1) Represents partial year; initial public offering was May 8, 2013
(2) Adjusted return on equity was 7% excluding arbitration accrual of $158 million and related tax impact
(3) Inside Mortgage Finance
(4) Bloomberg
(5) Inside Mortgage Finance for historical industry purchase mix, 1Q24 is an estimate of Mortgage Bankers Association (4/18/24) and Fannie Mae (4/11/24) forecasts

PFSI'S STRONG BALANCE SHEET AND DIVERSE CAPITAL STRUCTURES

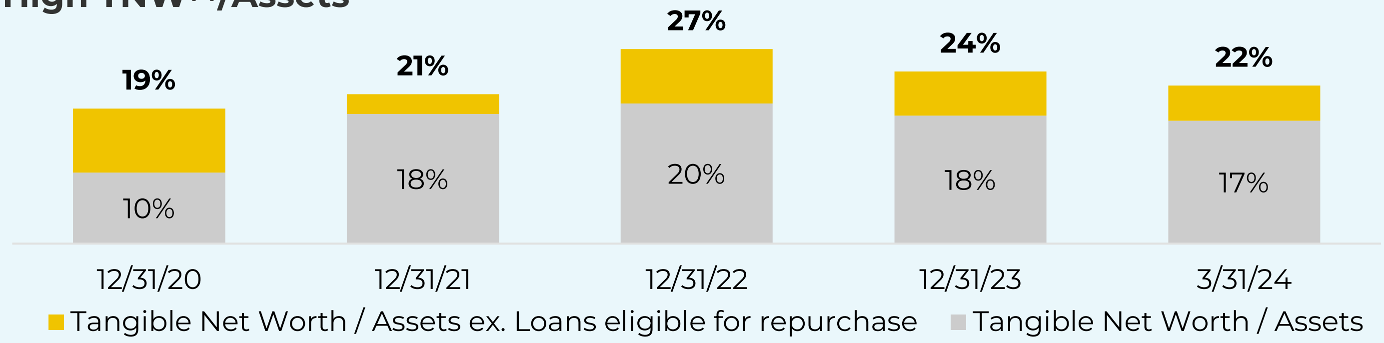
PENNYMAC FINANCIAL SERVICES

Low Debt-to-Equity Ratio



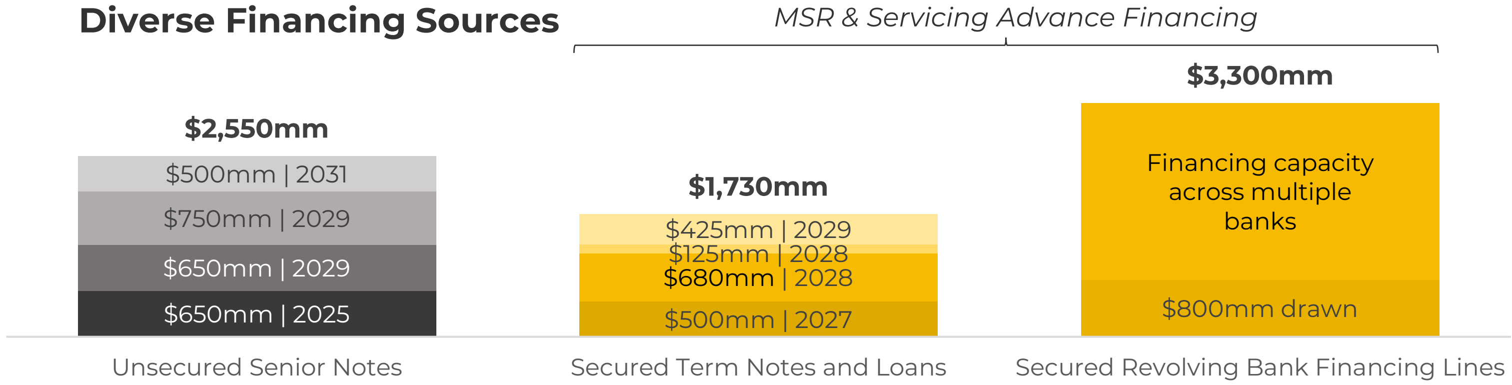
- Targeted debt-to-equity ratio near or below 3.5x with fluctuations largely driven by the origination environment or other market opportunities
- Low non-funding debt-to-equity ratio

High TNW(2)/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



- Unsecured senior notes provide low, fixed interest rates; first maturity in October 2025
- Issued 5-year $425 million term notes secured by Ginnie Mae MSR and servicing advances
- Redeemed $425 million of GNMA MSR term notes due August 2025
- Secured revolving bank financing lines provide flexibility to finance fluctuating MSR and advance balances

Note: All figures are as of March 31, 2024

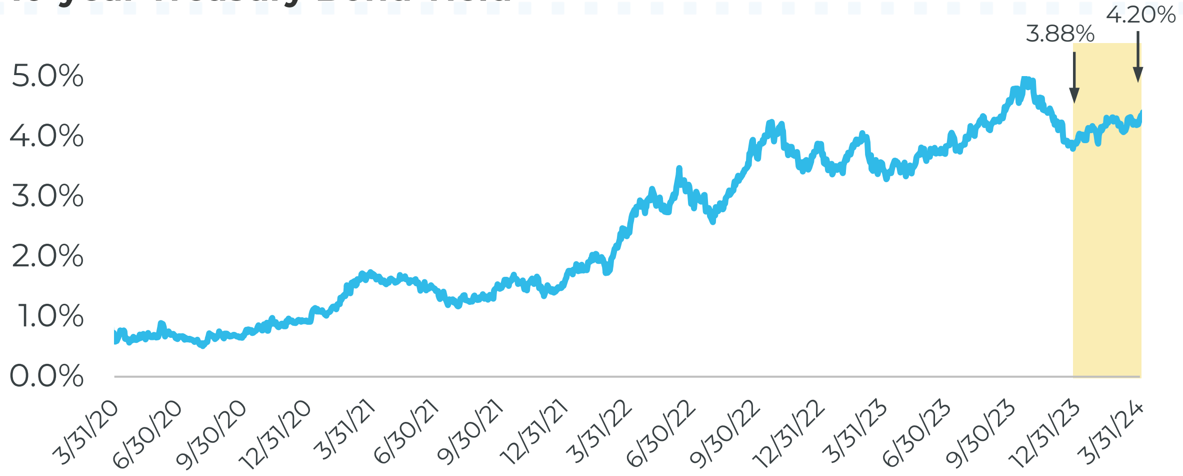
(1) Non-funding debt includes face value of unsecured senior notes and notes payable secured by MSR, in addition to the amount drawn on the variable funding note

(2) Tangible net worth excludes capitalized software

CURRENT MARKET ENVIRONMENT AND MACROECONOMIC TRENDS

Average 30-year fixed rate mortgage[1]

10-year Treasury Bond Yield[2]



Macroeconomic Metrics[3]

	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24
10-year Treasury bond yield	3.5%	3.8%	4.6%	3.9%	4.2%
2/10 year Treasury yield spread	-0.6%	-1.1%	-0.5%	-0.4%	-0.4%
30-year fixed rate mortgage	6.3%	6.7%	7.3%	6.6%	6.8%
Secondary mortgage rate	5.0%	5.6%	6.4%	5.3%	5.6%
U.S. home price appreciation (Y/Y % change)	0.8%	0.0%	4.0%	5.6%	6.0%
Residential mortgage originations (in billions)	$310	$420	$405	$315	$310

Footnotes

(1) Freddie Mac Primary Mortgage Market Survey. 7.10% as of 4/18/24

(2) U.S. Department of the Treasury. 4.63% as of 4/18/24

(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 1/31/24
Historical residential mortgage originations are for the quarterly period ended; source: Inside Mortgage Finance
First Quarter 2024 residential mortgage originations are an estimate

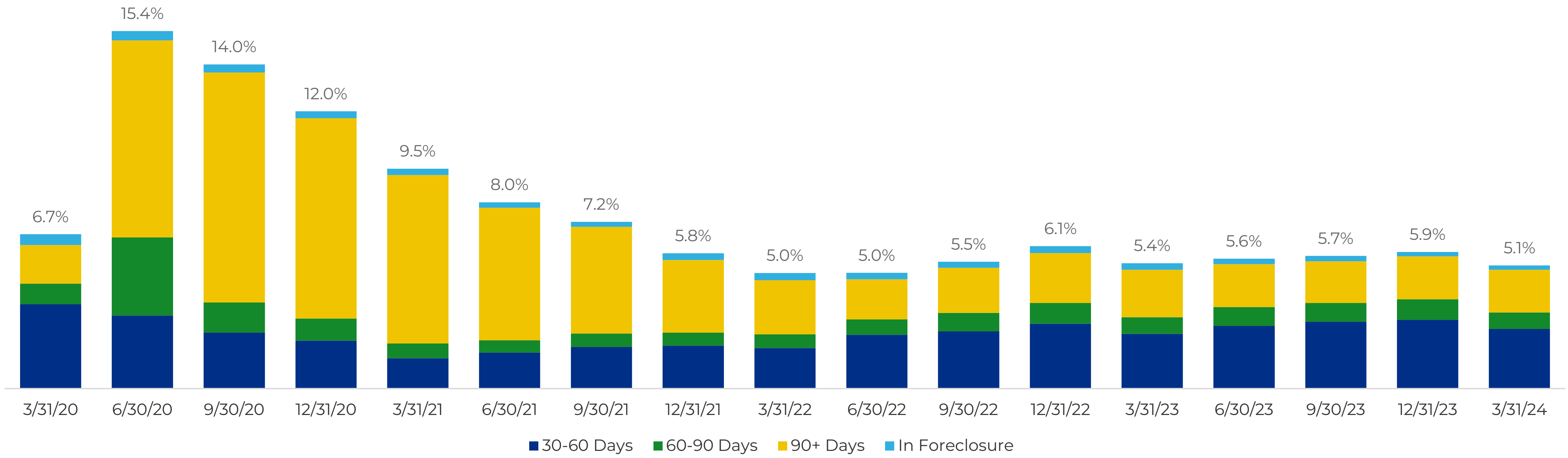
MSR ASSET VALUATION

March 31, 2024 Unaudited ($ in millions)	Mortgage Servicing Rights
Pool UPB[1]	$381,471
Weighted average coupon	4.2%
Weighted average servicing fee/spread	0.38%
Weighted average prepayment speed assumption (CPR)	7.9%
Fair value	$7,483
As a multiple of servicing fee	5.11

[1] Excludes loans held for sale at fair value

DELINQUENCY TRENDS AND SERVICING ADVANCES OUTSTANDING

Historical Trends in Delinquency and Foreclosure Rates[1]



- Overall mortgage delinquency rates decreased from the prior quarter
- Servicing advances outstanding for PFSI's MSR portfolio decreased to approximately $392 million at March 31, 2024 from $505 million at December 31, 2023
  - No principal and interest advances are outstanding

(1) Owned MSR portfolio and includes loans held for sale at fair value; delinquency and foreclosure rates based on UPB; as of 3/31/24, the UPB of mortgage servicing rights owned and loans held for sale at fair value totaled $387 billion

PFSI'S OWNED MSR PORTFOLIO CHARACTERISTICS

PENNYMAC FINANCIAL SERVICES

As of March 31, 2024

Segment	UPB ($ in billions)[4]	% 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	$135.4	35.5%	667	4.2%	45	318	$203	677	93%	68%	4.4%
VA	$123.7	32.4%	453	3.7%	34	324	$273	728	90%	71%	1.9%
USDA	$20.9	5.5%	141	3.8%	53	310	$148	699	98%	66%	4.5%
GSE											
FNMA	$44.6	11.7%	147	4.6%	25	316	$303	761	73%	62%	0.4%
FHLMC	$53.0	13.9%	170	4.9%	19	323	$311	757	74%	65%	0.5%
Other and Closed-End Seconds											
Other[2]	$3.3	0.9%	9	6.5%	10	348	$348	768	73%	69%	0.1%
Closed-End Seconds[3]	$0.6	0.2%	8	10.2%	7	250	$76	744	17%	17%	0.1%
Grand Total	**$381.5**	**100.0%**	**1,596**	**4.2%**	**36**	**320**	**$239**	**717**	**87%**	**68%**	**2.6%**

Note: Figures may not sum due to rounding
(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) Loan-to-values for closed-end seconds include only the second lien balance
(4) Excludes loans held for sale at fair value

ACQUISITIONS AND ORIGINATIONS BY PRODUCT

Unaudited ($ in millions)	1Q23	2Q23	3Q23	4Q23	1Q24
Correspondent Acquisitions					
Conventional Conforming - for PMT	$ 6,629	$ 3,029	$ 2,759	$ 2,477	$ 1,769
Conventional Conforming - for PFSI	4,063	7,018	9,933	10,129	8,190
Government - for PFSI	9,461	11,139	8,848	11,011	8,167
Jumbo - for PMT	-	-	1	3	3
Total	**$ 20,153**	**$ 21,186**	**$ 21,541**	**$ 23,620**	**$ 18,128**
Broker Direct Originations - for PFSI					
Conventional Conforming	$ 1,097	$ 1,436	$ 1,591	$ 1,560	$ 1,524
Government	441	685	621	623	619
Jumbo	28	19	10	18	42
Closed-end second liens	-	-	-	-	9
Total	**$ 1,565**	**$ 2,140**	**$ 2,223**	**$ 2,201**	**$ 2,193**
Consumer Direct Originations - for PFSI					
Conventional Conforming	$ 365	$ 400	$ 378	$ 264	$ 265
Government	611	1,028	741	372	931
Jumbo	-	4	3	2	-
Closed-end second liens	81	122	199	226	204
Total	**$ 1,057**	**$ 1,553**	**$ 1,322**	**$ 864**	**$ 1,400**
Total acquisitions/originations	**$ 22,775**	**$ 24,879**	**$ 25,085**	**$ 26,685**	**$ 21,721**

UPB of loans fulfilled for PMT (included in correspondent acquisitions)	**$ 6,629**	**$ 3,029**	**$ 2,760**	**$ 2,480**	**$ 1,772**

Note: Figures may not sum due to rounding

INTEREST RATE LOCKS BY PRODUCT

Unaudited ($ in millions)	1Q23	2Q23	3Q23	4Q23	1Q24
Correspondent Locks					
Conventional Conforming - for PMT	$ 7,588	$ 3,322	$ 3,493	$ 2,737	$ 2,472
Conventional Conforming - for PFSI	3,781	7,523	10,333	9,977	8,614
Government - for PFSI	10,341	10,735	10,063	11,197	8,467
Jumbo - for PMT	-	-	2	5	10
Total	**$ 21,709**	**$ 21,581**	**$ 23,891**	**$ 23,916**	**$ 19,563**
Broker Direct Locks - for PFSI					
Conventional Conforming	$ 1,716	$ 1,869	$ 2,146	$ 1,910	$ 2,234
Government	777	921	828	844	989
Jumbo	59	32	15	30	116
Closed-end second liens	-	-	-	3	14
Total	**$ 2,552**	**$ 2,822**	**$ 2,989**	**$ 2,787**	**$ 3,352**
Consumer Direct Locks - for PFSI					
Conventional Conforming	$ 628	$ 575	$ 559	$ 371	$ 474
Government	1,410	1,383	817	887	1,338
Jumbo	9	2	5	3	12
Closed-end second liens	152	205	326	335	328
Total	**$ 2,199**	**$ 2,166**	**$ 1,707**	**$ 1,597**	**$ 2,152**
Total locks	**$ 26,459**	**$ 26,568**	**$ 28,586**	**$ 28,300**	**$ 25,068**

Note: Figures may not sum due to rounding

CREDIT CHARACTERISTICS BY ACQUISITION/ORIGINATION PERIOD

PENNYMAC FINANCIAL SERVICES

Correspondent

Weighted Average FICO					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	709	715	712	714	719
Conventional	757	762	762	762	765

Weighted Average DTI					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	45	45	45	46	44
Conventional	39	38	38	39	38

Broker Direct

Weighted Average FICO					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	701	712	711	715	723
Conventional	757	761	761	763	762

Weighted Average DTI					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	46	45	46	47	46
Conventional	38	38	39	39	39

Consumer Direct

Weighted Average FICO					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	663	661	683	674	688
Conventional	734	744	743	747	746

Weighted Average DTI					
	1Q23	2Q23	3Q23	4Q23	1Q24
Government-insured	44	44	45	45	45
Conventional	38	37	38	38	38

ADJUSTED EBITDA RECONCILED TO NET INCOME

($ in millions)	1Q23	4Q23	1Q24
Net income (loss)	$ 30.4	$ (36.8)	$ 39.3
Provision for (benefit from) income taxes	7.8	(17.4)	4.6
Income (loss) before provision for (benefit from) income taxes	38.1	(54.2)	43.9
Depreciation and amortization	12.7	14.1	14.2
Decrease (increase) in fair value of MSRs and MSLs due to changed in valuation inputs used in the valuation model	90.3	370.7	(170.0)
Hedging (gains) losses associated with MSRs	(47.2)	(294.8)	294.6
Stock-based compensation	11.7	6.7	4.6
Non-recurring item - accrual for arbitration result	-	158.4	1.6
Interest expense on corporate debt and capital lease	23.4	27.3	38.8
Adjusted EBITDA	**$ 129.0**	**$ 228.2**	**$ 227.7**

Note: Figures may not sum due to rounding

RECONCILATION OF NON-GAAP ITEMS

($ in millions)	1Q23	2Q23	3Q23	4Q23	1Q24
Net income (loss)	**$ 30.4**	**$ 58.3**	**$ 92.9**	**$ (36.8)**	**$ 39.3**
Decrease (increase) in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	90.3	(118.9)	(398.9)	370.7	(170.0)
Hedging (gains) losses associated with MSRs	(47.2)	155.1	423.7	(294.8)	294.6
Non-recurring item - accrual for arbitration result	-	-	-	158.4	1.6
Adjustments	$ 43.0	$ 36.2	$ 24.8	$ 234.3	$ 126.3
Tax impacts of adjustments[1]	11.6	9.7	6.7	62.9	33.9
Operating net income	**$ 61.9**	**$ 84.8**	**$ 111.0**	**$ 134.5**	**$ 131.7**
Average stockholder's equity	$ 3,463.5	$ 3,440.9	$ 3,517.5	$ 3,555.4	$ 3,552.3
Annualized operating return on equity	**7%**	**10%**	**13%**	**15%**	**15%**

($ in millions)	1Q23	2Q23	3Q23	4Q23	1Q24
Servicing pretax income (loss)	**$ 57.4**	**$ 46.5**	**$ 101.2**	**$ (95.5)**	**$ 4.9**
Decrease (increase) in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	90.3	(118.9)	(398.9)	370.7	(170.0)
Hedging (gains) losses associated with MSRs	(47.2)	155.1	423.7	(294.8)	294.6
Non-recurring item - accrual for arbitration result	-	-	-	158.4	1.6
Provision for credit losses on active loans	(6.1)	(7.5)	(6.0)	5.7	(6.6)
Servicing pretax income net of valuation related changes and arbitration accrual	**$ 94.4**	**$ 75.3**	**$ 120.0**	**$ 144.4**	**$ 124.7**

Note: Figures may not sum due to rounding
[1] Assumes a tax rate of 26.85%

PENNYMAC®
FINANCIAL SERVICES