



3Q26 EARNINGS REPORT

PennyMac Financial Services, Inc.

October 2026

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, future operating expense reductions; future mortgage servicing rights sales; the expected acquisition of Cenlar's subservicing business; artificial intelligence and automation initiatives benefits; future loan delinquencies, defaults and forbearances; future earnings, return on equity as well as other business and financial projections and 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; changes in macroeconomic, consumer and real estate market conditions; changes in housing prices, housing sales and real estate values; rising homeownership costs negatively impacting housing affordability; the continually changing federal, state and local laws and regulations applicable to our highly regulated industry; lawsuits or governmental actions resulting from noncompliance with laws and regulations; the mortgage lending and servicing-related regulations promulgated by federal and state regulators and the enforcement of these regulations; licensing and operational requirements of jurisdictions applicable to our business, to which our bank competitors are not subject; our ability to close and integrate acquisitions, including the acquisition of Cenlar's subservicing business; changes to government modification programs; difficulties inherent in adjusting the size of our operations to reflect changes in business levels; our ability to realize anticipated cost savings from expense reduction initiatives; purchase and sales opportunities for mortgage servicing rights, including our ability to complete the pending sale of mortgage servicing rights on the anticipated terms and timeline and to deploy the related proceeds as intended; our substantial amount of indebtedness; increases in loan delinquencies, defaults and forbearances; foreclosure delays and changes in foreclosure practices; our dependence on U.S. government-sponsored entities and changes in their roles; our ability to manage third-party vendors and mortgage investor requirements; our exposure to counterparties that do not fulfill contractual obligations; 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; our obligation to indemnify PMT if our services fail to meet certain criteria or characteristics or under other circumstances; investment management and incentive fees; the accuracy or changes in the estimates we make about uncertainties, contingencies and asset and liability valuations; conflicts of interest in allocating our services and investment opportunities among us and our advised entity; our ability to mitigate cybersecurity risks, cyber incidents and technology disruptions; our ability to implement and develop new technologies and artificial intelligence; the effect of public opinion on our reputation; our exposure to risks of loss and disruption in operations from severe weather events, man-made or other natural conditions, including climate change and pandemics; our ability to effectively identify, manage and hedge our credit, interest rate, prepayment, liquidity and climate risks; expansion of new business activities or strategies; our ability to detect misconduct and fraud; our ability to pay dividends to our stockholders or repurchase shares of our common stock; 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. The presentation contains financial information calculated other than in accordance with U.S. generally accepted accounting principles ("GAAP"), such as adjusted net income, adjusted earnings per share, adjusted EBITDA, pretax income excluding valuation-related items and adjusted return on equity. Adjustments to GAAP financial measures include items that the Company deems non-operating, non-recurring and market-driven fair value adjustments to Mortgage Servicing Rights (MSRs) and associated hedging results that change based on interest rate shifts rather than operational efficiency. These non-GAAP measures provide a meaningful perspective on the Company's business results because the Company utilizes this information to evaluate and manage the business, and investors use this information to calculate financial and cash flow measures. These non-GAAP measures have limitations as analytical tools and should not be viewed as a substitute for financial information determined in accordance with GAAP. Furthermore, these non-GAAP measures may not be comparable to similarly titled metrics presented by other financial institutions.

THIRD QUARTER HIGHLIGHTS

3Q26 Results

Net
income

\$29mm

Book value
per share

\$83.85

Diluted
EPS⁽¹⁾

\$0.54

Adjusted
EPS⁽²⁾

\$1.05

Annualized
ROE⁽¹⁾

3%

Annualized
adjusted ROE⁽²⁾

5%

Production Segment

Pretax
loss

\$(7)mm

Total loan acquisitions
and originations⁽³⁾

\$24.4bn

PFSI correspondent
lock volume

\$15.3bn

Broker direct
lock volume

\$6.1bn

Consumer direct
lock volume

\$3.9bn

Servicing Segment

Pretax
income

\$99mm

Pretax income excluding
MSR fair value changes
net of hedge results⁽⁴⁾

\$132mm

MSR fair value changes
net of hedge results⁽⁴⁾

\$(34)mm

Impact to diluted EPS
from MSR fair value
changes net of hedge
results⁽⁴⁾

\$(0.47)

Total servicing
portfolio UPB⁽⁵⁾

\$737bn

Note: All figures are for 3Q26 or are as of 9/30/26

(1) EPS = earnings per share; ROE = return on equity

(2) See slide 24 for a reconciliation of GAAP net income to non-GAAP adjusted net income, adjusted EPS and annualized adjusted ROE

(3) Includes volume fulfilled for PennyMac Mortgage Investment Trust (NYSE: PMT)

(4) MSR fair value changes net of hedge results include \$936 million in MSR fair value gains, \$964 million in hedging losses, which include \$16 million in principal-only stripped MBS valuation-related accretion declines, and \$6 million in provision for losses on active loans - see slide 13

(5) UPB = unpaid principal balance; includes loans subserviced for PMT and others

CONSTRAINED INDUSTRY ORIGINATION ENVIRONMENT

30-Yr Fixed Rate Mortgage⁽¹⁾

7.4%

Up 93 bps from June 30, 2026

3Q26 Rate & Term Agency Deliveries⁽²⁾

\$22B

Down ~80% from 1Q26

Sept. 2026 Fannie Mae 30-Year CPR⁽²⁾

6.5%

Lowest level since March 2025

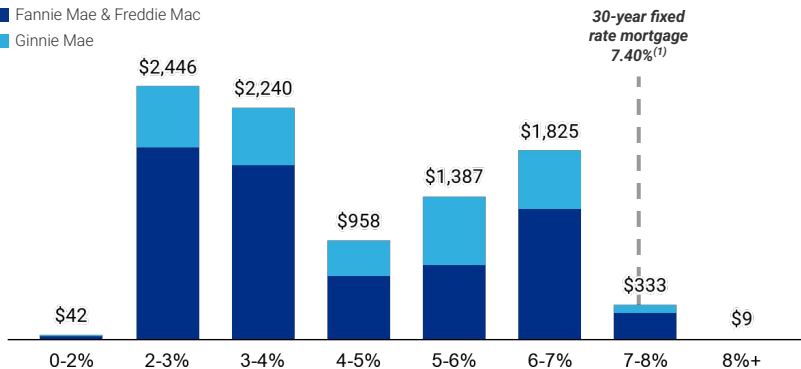
Refinance Incentive Pool

<1%

With >50 bp incentive to refinance

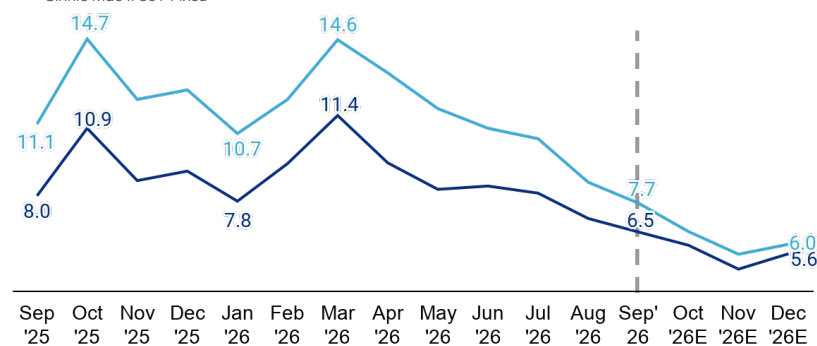
Distribution of Agency Mortgages by Coupon ⁽²⁾ (UPB in billions)

■ Fannie Mae & Freddie Mac
■ Ginnie Mae



Prepayment Speeds by Agency ⁽²⁾ (CPR %)

■ Conventional 30Y Fixed
■ Ginnie Mae II 30Y Fixed



(1) Optimal Blue 30-Year Conforming Fixed Rate; 7.40% is as of 9/30/26

(2) Source: Bloomberg CPR (Collateral Performance Research); projections for future prepayment speeds are an average of estimates from BofA, Morgan Stanley and Barclays research

BUSINESS UPDATES



Continued to make progress on the acquisition of Cenlar's subservicing business and expect the transaction to close in the first quarter of 2027



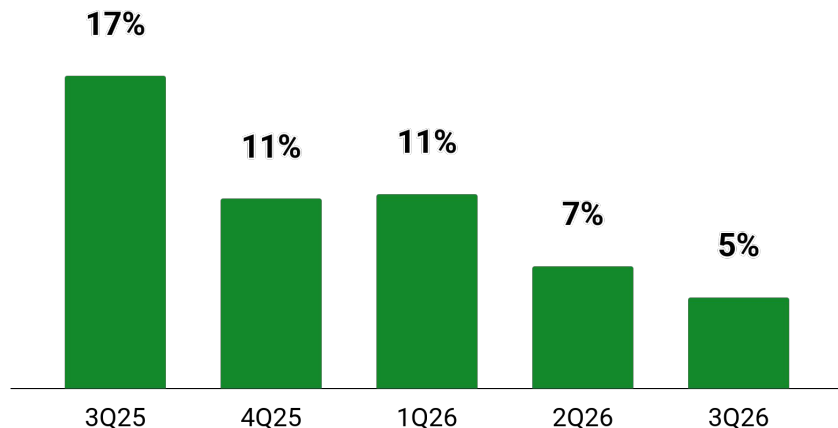
Given a smaller projected origination market and the realization of efficiencies due to technology, we are completing proactive expense reduction initiatives, which are expected to drive nearly \$160 million of declines in our annual expenses from 2Q26 to 1Q27



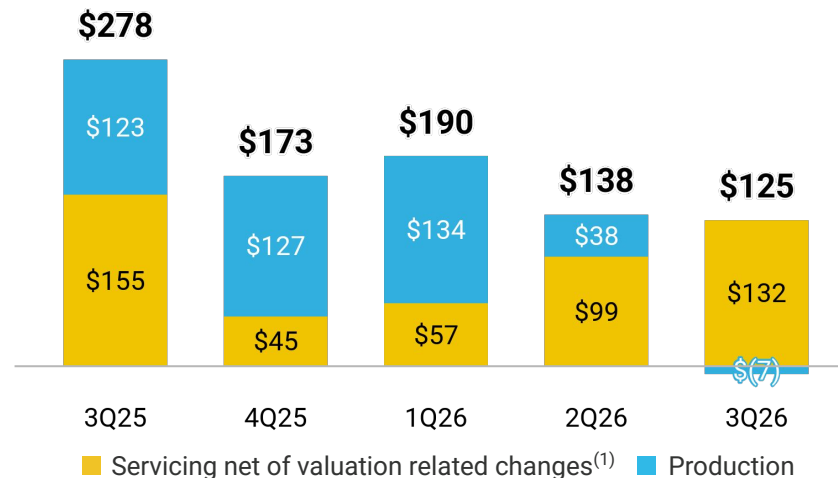
After quarter-end, entered into an agreement to sell \$29 billion in UPB of low-coupon conventional MSRs with an expected close in the fourth quarter; proceeds of approximately \$490 million will primarily be used to pay down debt

RECENT AND EXPECTED ADJUSTED RETURNS ON EQUITY

Annualized Adjusted ROE⁽¹⁾



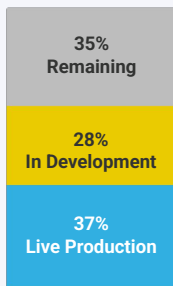
Mortgage Banking Adjusted Pretax Income (\$ in millions)



Given the smaller origination market and the ongoing execution of our expense adjustments through year-end, fourth quarter adjusted ROE is expected to remain near current levels

ACCELERATING AI AUTOMATION ACROSS OUR ORIGINATION BUSINESS

Progress on Origination Processing Automation



Oct '26

Across our production workflows, process automation has progressed meaningfully, with the 28% currently in development expected to be completed by year-end

Efforts will continue into 2027, focused primarily on advancing AI voice agent capabilities and deploying AI agents in broker direct once live on Vesta



AI Automation Driving Measurable Results

22 AI agents have been deployed, with more than 205,000 automated agent executions and 200,000 automated document reviews; an additional 17 agents are in process



AI Voice Agent Provides Exponential Scale in a Rally

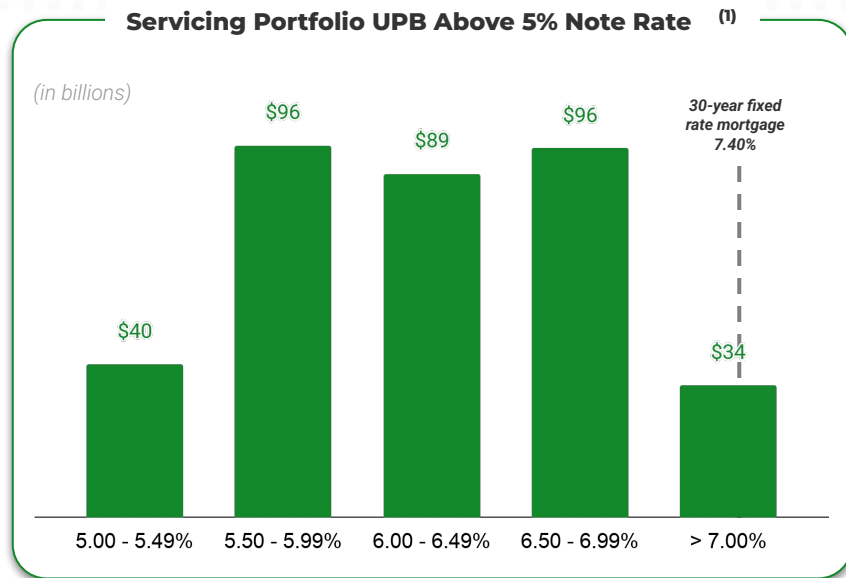
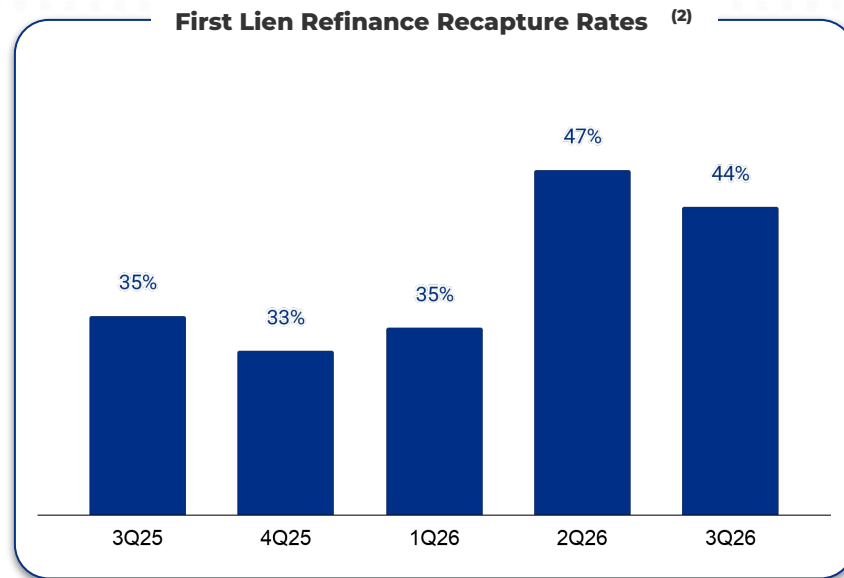
Supported more than 15,000 transfers and 1,600 rate locks in 3Q26, and provides the ability to rapidly add capacity to meet increased demand in a market rally, enabling borrower self-service to reduce hold times and lost sales opportunities



Uncoupling Platform Scale from Headcount

Automating labor-intensive fulfillment workflows permanently lowers per-loan fulfillment costs and enables substantial operating leverage with reduced variable hiring requirements

EARNINGS POTENTIAL FROM CONSUMER DIRECT RECAPTURE OPPORTUNITY



- **Nearly all of our servicing portfolio is out-of-the-money in today's rate environment**
- **Recent improvements in our recapture rates position us to capitalize on portfolio refinance opportunities when rates decline**

(1) As of 9/30/26; includes first-lien loans serviced for PFSI's own account as well as those subserviced for PMT and others with recapture arrangements with PFSI; mortgage rate: Optimal Blue 30-Year Conforming Fixed Rate as of 9/30/26

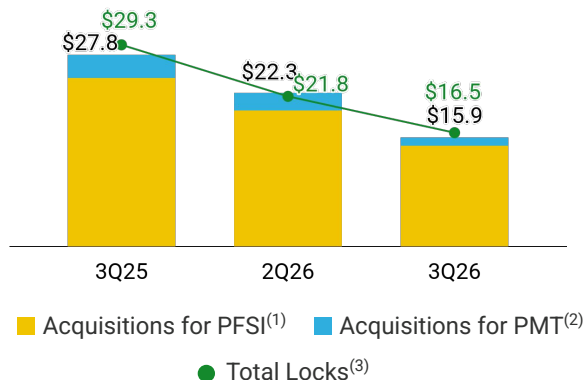
(2) Numerator = UPB of new consumer direct first lien refinance originations for existing portfolio customers; denominator = UPB of payoffs with no transfer of title or MLS listing identified and excludes loan payoffs where no subsequent mortgage lien was recorded (i.e. cash payoffs)

■ KEY OPERATING METRICS & OTHER FINANCIAL SCHEDULES

PRODUCTION SEGMENT – VOLUME BY CHANNEL

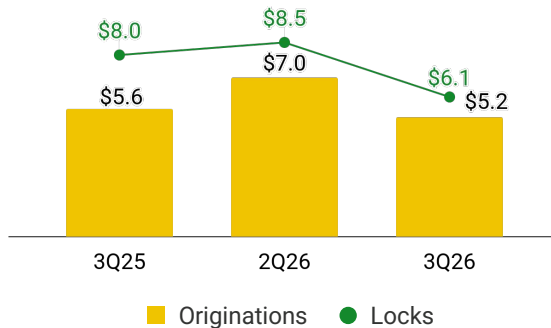
Correspondent

(UPB in billions)



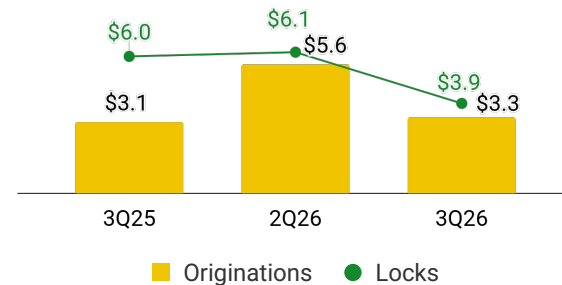
Broker Direct

(UPB in billions)



Consumer Direct

(UPB in billions)



October (Estimated)

Locks: \$5.4bn

Acquisitions: \$5.4bn

October (Estimated)

Locks: \$1.7bn

Originations: \$1.3bn

October (Estimated)

Locks: \$0.8bn

Originations: \$0.7bn

(1) Government-insured or guaranteed loans and certain conventional loans acquired through PFSI's 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 loans sold to PMT

DRIVERS OF PRODUCTION SEGMENT RESULTS⁽¹⁾

	3Q25			2Q26			3Q26		
(\$ in millions)	Fallout adjusted locks	Margin / fulfillment fee (bps) ⁽²⁾	Revenue contribution ⁽³⁾	Fallout adjusted locks	Margin / fulfillment fee (bps) ⁽²⁾	Revenue contribution ⁽³⁾	Fallout adjusted locks	Margin / fulfillment fee (bps) ⁽²⁾	Revenue contribution ⁽³⁾
PFSI correspondent ⁽⁴⁾	\$ 23,585	27	\$ 64	\$ 18,227	26	\$ 48	\$ 14,714	29	\$ 42
Broker direct	5,893	92	54	6,475	97	63	4,691	85	40
Consumer direct	3,872	351	136	4,490	300	135	2,824	335	95
Secondary market impacts ⁽⁵⁾	n/a	n/a	32	n/a	n/a	(7)	n/a	n/a	(5)
Total PFSI account revenues⁽³⁾	\$ 33,350	86	\$ 286	\$ 29,192	82	\$ 238	\$ 22,229	77	\$ 171
PMT conventional correspondent	3,602	17	6	2,292	22	5	879	36	3
Total production revenues⁽³⁾		79	\$ 292		77	\$ 243		76	\$ 175
Production expenses⁽³⁾	\$ 36,953	46	169	\$ 31,484	65	205	\$ 23,108	79	182
Production segment pretax income		33	\$ 123		12	\$ 38		(3)	\$ (7)

- Production segment pretax loss driven primarily by lower volumes resulting from the rapid increase in mortgage rates
- Increase in consumer direct margins as a result of a higher percentage of closed-end second lien volume versus first lien
- Production expenses⁽³⁾ declined 11% from the prior quarter as a result of lower volumes and capacity

Note: Figures may not sum due to rounding

(1) Prior period amounts have been recast to conform to the current period presentation

(2) Revenue net of direct origination costs

(3) Revenue contribution, total PFSI account revenues, total production revenues and production expenses are presented net of loan origination expenses, which are managed as a component of revenue

(4) Includes only loans acquired for PFSI's own account

(5) Reflects hedging, valuation changes, and other secondary marketing impacts

SERVICING SEGMENT

- Servicing portfolio totaled \$737 billion in UPB at September 30, 2026, up slightly from June 30, 2026
- Production volumes more than offset prepayment activity
- 60+ day delinquency rate for owned MSR was up slightly from the prior quarter
- Modification volume and EBO loan volume increased from the prior quarter

Selected Operational Metrics	2Q26	3Q26
Loans serviced (in thousands)	2,753	2,769
60+ day delinquency rate - owned portfolio ⁽²⁾	4.1%	4.2%
Actual CPR - owned portfolio ⁽²⁾	11.6%	8.1%
UPB of completed modifications (\$ in millions) ⁽³⁾	\$2,850	\$2,947
EBO loan volume (\$ in millions) ⁽⁴⁾	\$1,218	\$1,346

Note: Figures may not sum due to rounding

(1) Represents MSRs that we subservice for PMT and others

(2) Owned portfolio is predominantly government-insured and guaranteed loans - delinquency data based on loan count (i.e., not UPB); CPR = Conditional Prepayment Rate

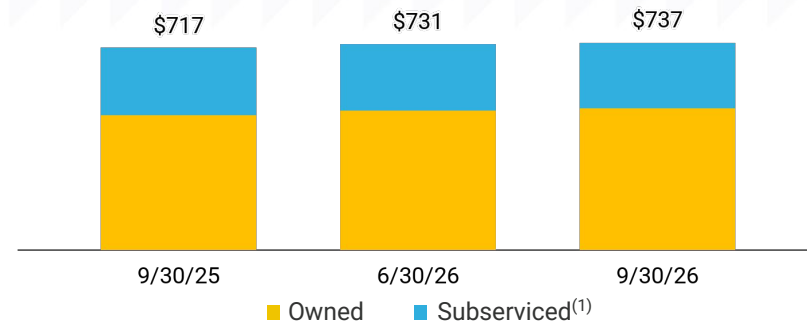
(3) UPB of completed modifications includes loss mitigation efforts associated with partial claims programs

(4) Early buyouts of delinquent loans from Ginnie Mae pools during the period

(5) Includes consumer and broker direct production, government and conventional correspondent acquisitions, and conventional conforming and jumbo loan acquisitions subserved for PMT

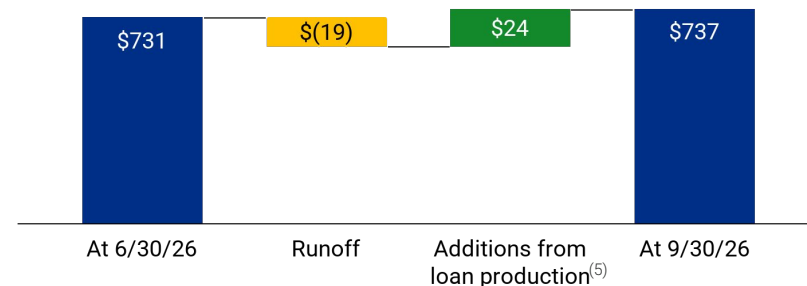
Loan Servicing Portfolio Composition

(UPB in billions)



Net Portfolio Growth

(UPB in billions)



DRIVERS OF SERVICING SEGMENT RESULTS

	3Q25		2Q26		3Q26	
	\$ in millions	basis points ⁽¹⁾	\$ in millions	basis points ⁽¹⁾	\$ in millions	basis points ⁽¹⁾
Loan servicing fees	\$ 535	30.2	\$ 536	29.5	\$ 548	30.0
Earnings on custodial balances and deposits and other income ⁽²⁾	122	6.9	119	6.6	110	6.0
Realization of MSR cash flows	(290)	(16.4)	(323)	(17.8)	(275)	(15.0)
EBO loan-related income ⁽³⁾	37	2.1	37	2.0	17	0.9
Servicing expenses:						
Operating expenses	(80)	(4.5)	(76)	(4.2)	(80)	(4.4)
Payoff-related expense ⁽⁴⁾	(18)	(1.0)	(29)	(1.6)	(19)	(1.0)
Losses and provisions for defaulted loans	(19)	(1.0)	(26)	(1.4)	(24)	(1.3)
Interest expense	(133)	(7.5)	(140)	(7.7)	(146)	(8.0)
Non-GAAP: Pretax income excluding MSR fair value changes net of hedge results	\$ 155	8.7	\$ 99	5.5	\$ 132	7.3
MSR fair value changes and hedge results						
MSR fair value ⁽⁵⁾	(102)		118		936	
Hedging results ⁽⁶⁾	105		(187)		(964)	
(Provision for) reversal of losses on active loans ⁽⁷⁾	(0)		(8)		(6)	
GAAP: Servicing segment pretax income	\$ 157		\$ 22		\$ 99	
Average servicing portfolio UPB	\$ 708,612		\$ 726,149		\$ 730,689	

- The decline in prepayment speeds from the prior quarter drove lower average custodial balances and related earnings, and also resulted in a 15% reduction in the realization of MSR cash flows
- EBO loan-related income was down \$20 million from the prior quarter due to higher mortgage rates and recent changes to FHA and VA loss mitigation programs, which changed the timing and volume of buyout and redelivery opportunities
- Interest expense was up \$6 million from the prior quarter due to higher average financing balances for MSRs

Note: Figures may not sum due to rounding

(1) Of average portfolio UPB, annualized (2) Also includes non-valuation related income from principal-only bonds (3) Comprised of net gains on mortgage loans held for sale at fair value and interest income related to EBO loans, net of related expenses (4) Consists of interest shortfall and recording and release fees (5) Changes in fair value do not include realization of MSR cash flows (6) Includes principal-only stripped MBS valuation-related accretion changes included within net interest income in the GAAP presentation (7) Considered in the assessment of MSR fair value changes

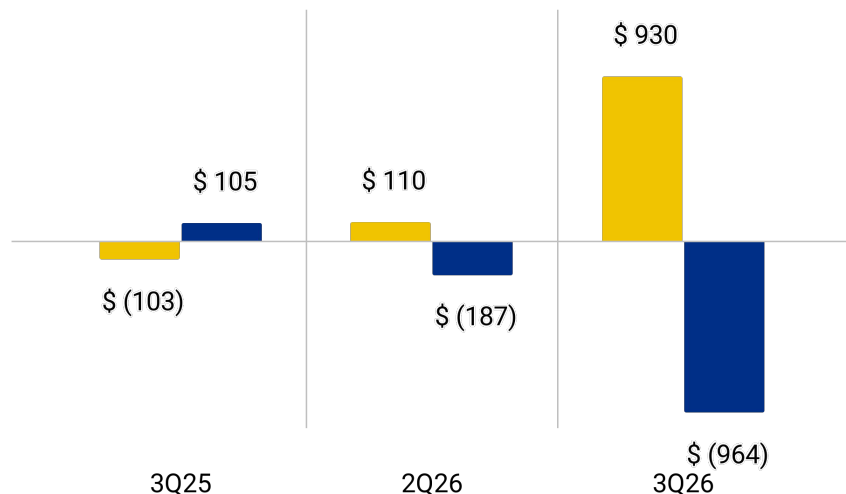
HEDGING APPROACH MODERATES THE VOLATILITY OF PFSI'S RESULTS

MSR Valuation Changes and Offsets

(\$ in millions)

■ MSR fair value changes before realization of cash flows⁽¹⁾

■ Hedging and related gains (losses)⁽²⁾



- In 3Q26, gains from changes in fair value inputs on MSR were offset by hedging declines and costs
- Hedge costs were meaningfully lower than the prior quarter
- Shape of the yield curve, volatility, changes in mortgage basis and other factors can impact our realized hedge ratio

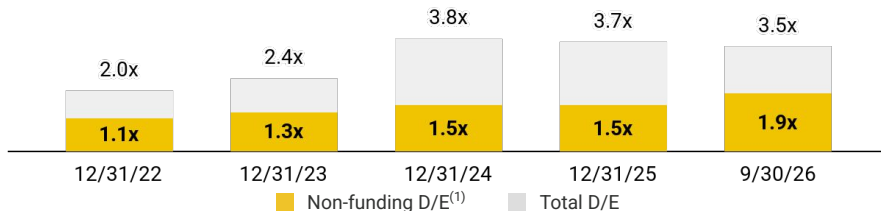
Attributed Performance	MSR ⁽¹⁾	Hedge ⁽²⁾	Net
Rate impacts	\$951	\$(946)	\$5
Hedge costs	-	\$(18)	\$(18)
Other assumption & performance impacts	\$(21)	-	\$(21)
Prepayment-related	-	-	-
Delinquency-related	\$(5)	-	\$(5)
Other	\$(16)	-	\$(16)
Total	\$930	\$(964)	\$(34)

(1) Includes (provision for) reversal of losses on active loans

(2) Includes principal-only stripped MBS valuation-related accretion changes

STRONG BALANCE SHEET AND DIVERSE CAPITAL STRUCTURES

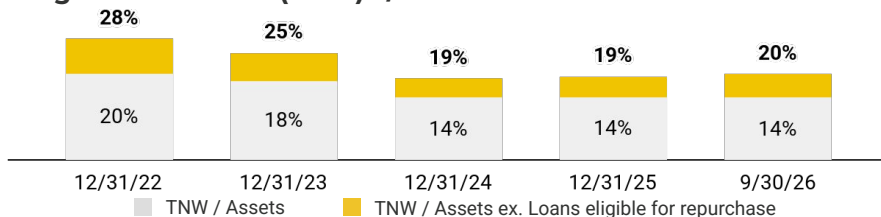
Debt-to-Equity (D/E) Ratio



• Active management of targeted D/E ratios:

- Non-funding D/E ratio increased as funding facilities were utilized to fund cash impacts from hedges as interest rates increased sharply
- Proceeds of approximately \$490 million from the expected sale of conventional portfolio in 4Q26 will be used to reduce debt and decrease non-funding D/E

Tangible Net Worth (TNW)⁽²⁾/Assets



- High tangible net worth (TNW) / assets excluding loans eligible for repurchase

Diverse Financing Sources⁽³⁾



- Unsecured senior notes enhance liquidity at low, fixed interest rates; first maturity in February 2029
- As of September 30, 2026 total liquidity including cash and amounts available to draw with collateral pledged was \$3.5 billion

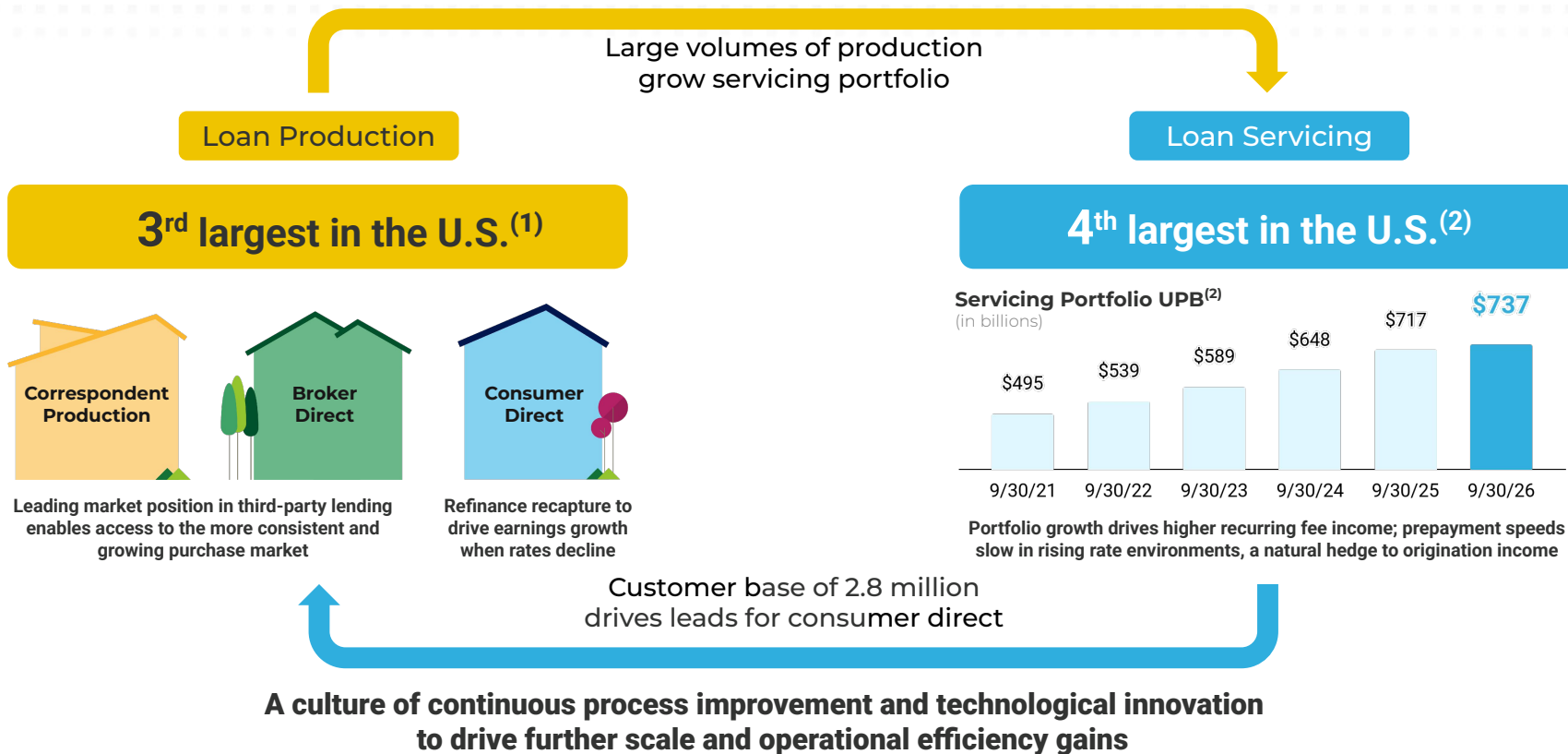
(1) Non-funding debt includes face value of unsecured senior notes and notes payable secured by MSR, in addition to the amount drawn on the variable funding note

(2) Tangible net worth excludes capitalized software

(3) As of 9/30/26

APPENDIX

COMPREHENSIVE MORTGAGE BANKING PLATFORM IS A FLYWHEEL

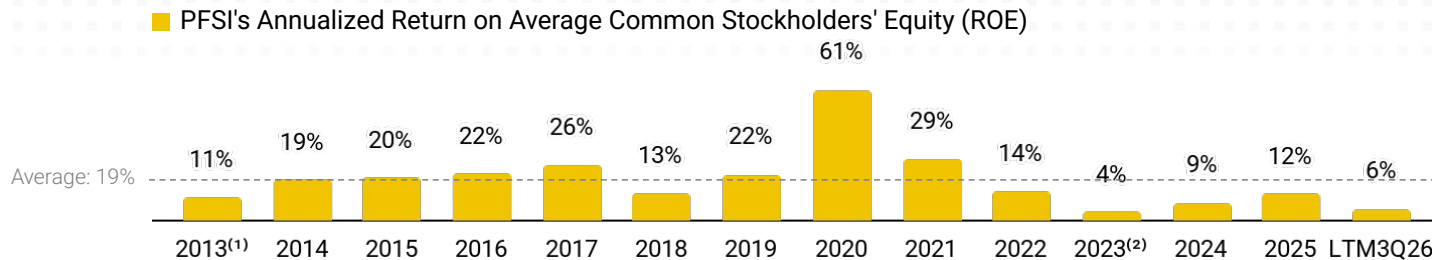


(1) Inside Mortgage Finance for the 12 months ended 6/30/26

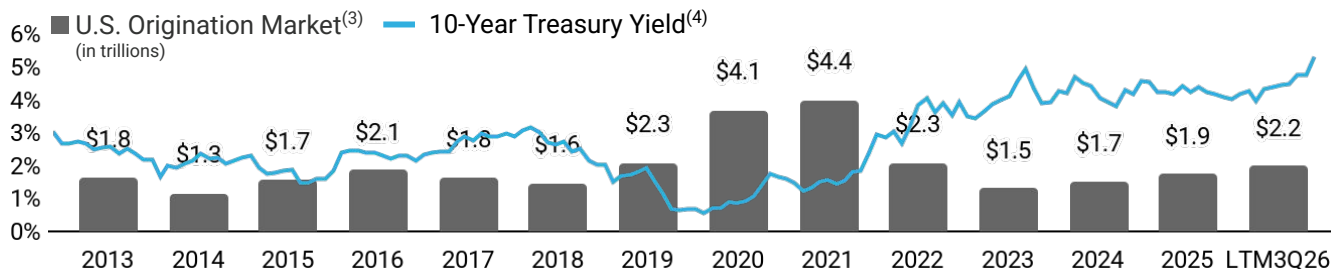
(2) Inside Mortgage Finance as of 6/30/26; includes volume subserviced for PMT and others

TRACK RECORD OF STRONG PERFORMANCE ACROSS MARKET ENVIRONMENTS

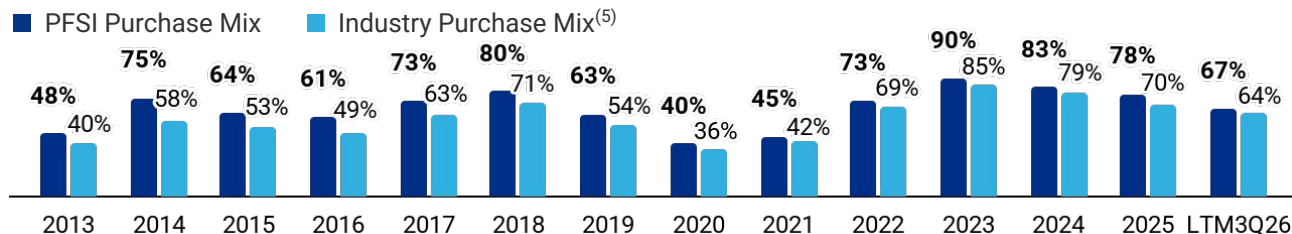
Proven ability to generate attractive ROEs...



...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, 3Q26 is an estimate based on Mortgage Bankers Association (10/11/26) and Fannie Mae (10/12/26) forecasts

CURRENT MARKET ENVIRONMENT AND MACROECONOMIC TRENDS

Average 30-year fixed rate mortgage⁽¹⁾

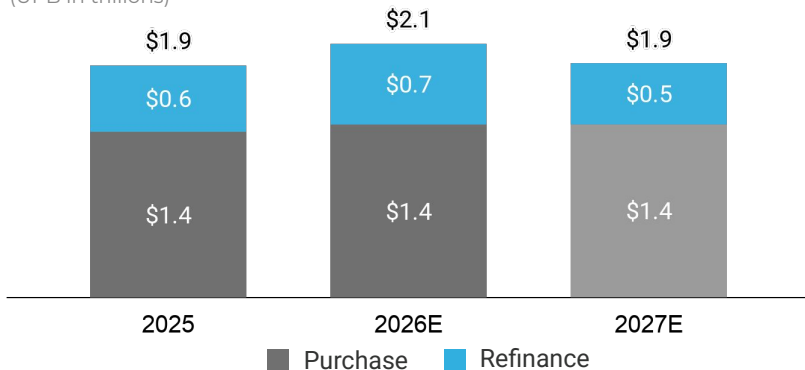


10-year Treasury Bond Yield⁽²⁾



U.S. Origination Market Forecast⁽³⁾

(UPB in trillions)



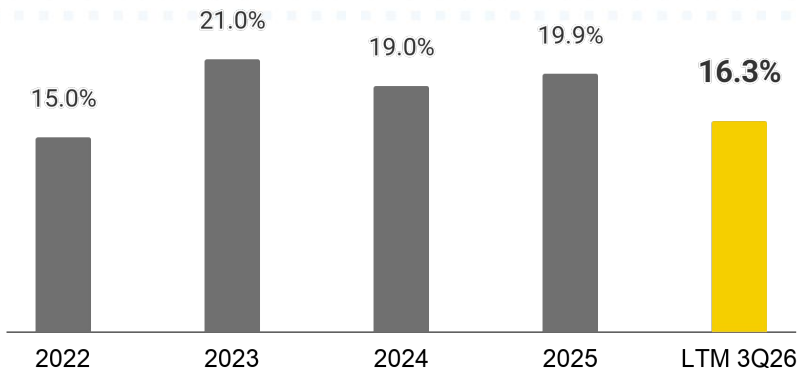
Macroeconomic Metrics⁽⁴⁾

	9/30/25	12/31/25	3/31/26	6/30/26	9/30/26
10-year Treasury bond yield	4.2%	4.2%	4.3%	4.5%	5.3%
Secondary mortgage rate	5.2%	5.0%	5.4%	5.4%	6.4%
30-year fixed rate mortgage	6.3%	6.2%	6.4%	6.5%	7.4%
Residential mortgage originations (in billions)	\$495	\$570	\$525	\$580	\$490

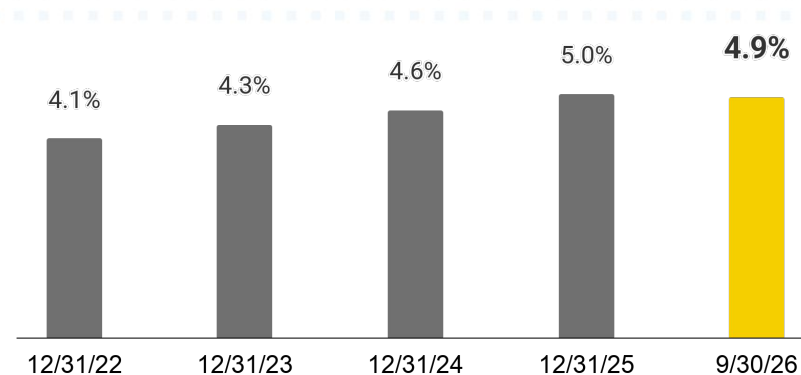
(1) Optimal Blue 30-Year Conforming Fixed Rate. (2) U.S. Department of the Treasury. (3) Actual originations: Inside Mortgage Finance; Forecast originations: Average of Mortgage Bankers Association (10/11/26) and Fannie Mae (10/12/26) forecasts
 (4) 10-year Treasury bond yield: Bloomberg. Secondary mortgage rate: 30-Year FNCL Par Coupon Index (MTGEFNCL), Bloomberg. 30-year fixed rate mortgage: Optimal Blue 30-Year Conforming Fixed Rate. Residential mortgage originations are for the quarterly period ended; source: Inside Mortgage Finance

PENNYMAC'S MARKET SHARE OVER TIME ACROSS ITS BUSINESSES

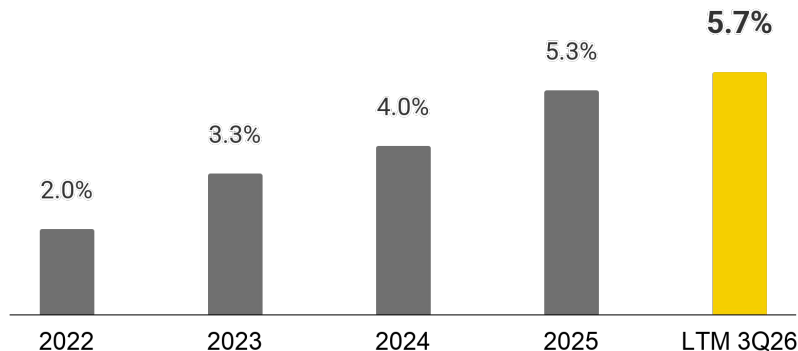
Correspondent Production Market Share⁽¹⁾



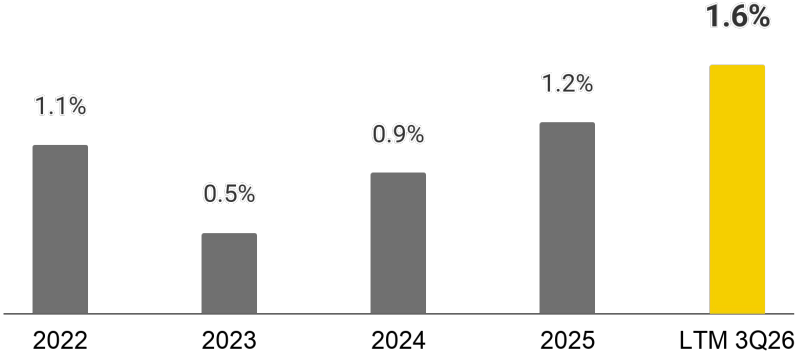
Loan Servicing Market Share⁽¹⁾



Broker Direct Market Share⁽¹⁾



Consumer Direct Market Share⁽¹⁾



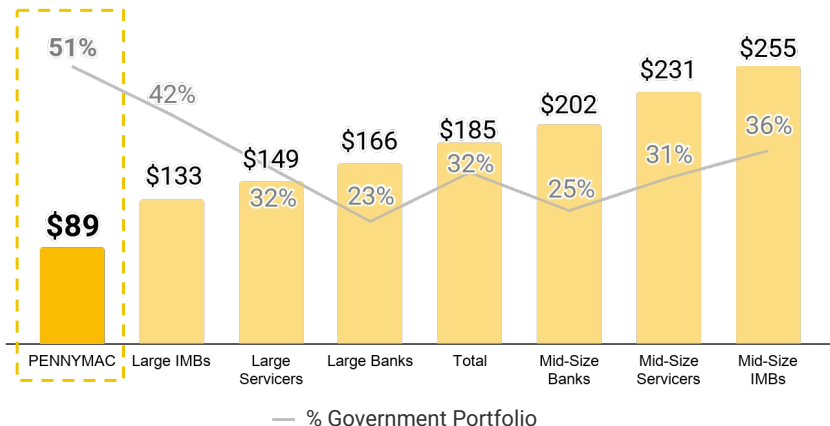
Note: All figures are for PFSI and include volume fulfilled or subserviced for PMT

(1) Historical market share: Inside Mortgage Finance; excludes second lien originations. For LTM 3Q26, we estimate \$2.2 trillion in total origination volume, and that the correspondent channel represented 26% of the overall origination market, retail represented 53%, and broker represented 21%. Loan servicing market share is based on PFSI's servicing portfolio UPB of \$737 billion divided by \$15.0 trillion in mortgage debt outstanding

TECHNOLOGY DRIVING EFFICIENCIES AND LOWER EXPENSES IN SERVICING

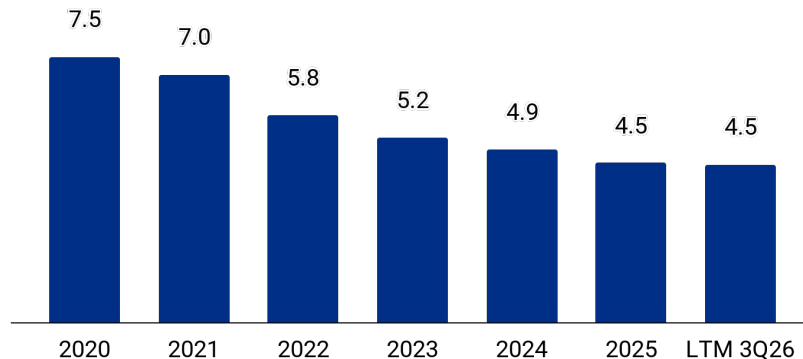
Direct Servicing Expense⁽¹⁾

(annual \$ cost per loan)



Operating Expenses

(annualized bps of average servicing portfolio UPB)

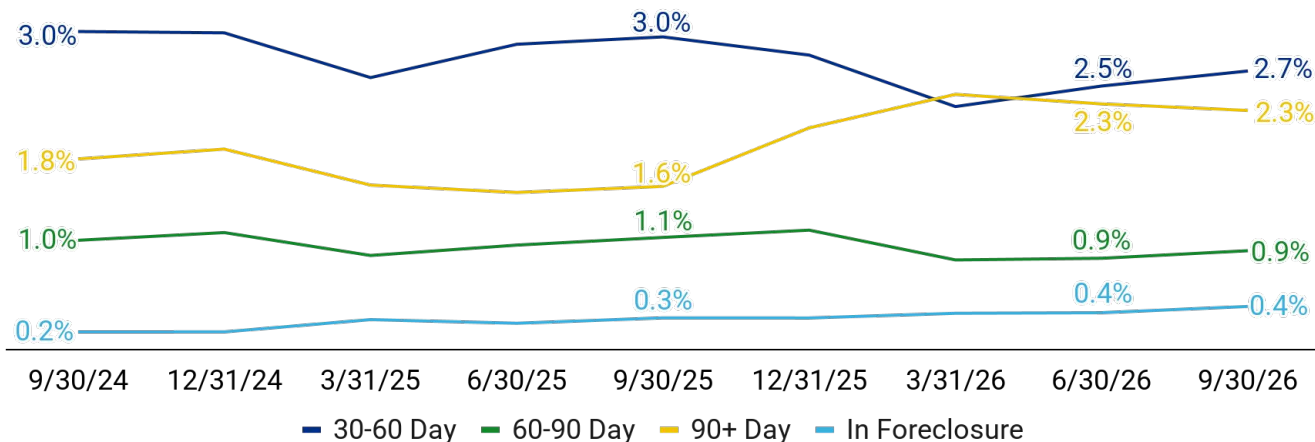


- Pennymac's per loan servicing expenses are among the lowest in the industry, despite a higher concentration of government loans, which are more costly to service
- Industry-leading customer service as evidenced by our multi-year servicing excellence awards from HUD, Fannie Mae and Freddie Mac

- Continuing to increase efficiency through the use of emerging technologies, including capabilities of generative AI
- Increased scale and efficiency as the portfolio grows
- Delinquencies remain moderated in the current market environment, further reducing operating expenses

DELINQUENCY TRENDS AND SERVICING ADVANCES OUTSTANDING

Trends in Delinquency and Foreclosure Rates⁽¹⁾



- Overall, mortgage delinquency rates for the MSR portfolio were up slightly from the prior quarter, consistent with typical seasonal trends and within expected ranges for a predominately government-insured or guaranteed loan portfolio
- Servicing advances outstanding for PFSI's MSR portfolio were approximately \$543 million at September 30, 2026, up slightly from \$526 million at June 30, 2026

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA⁽¹⁾

(\$ in millions)	3Q25	4Q25	1Q26	2Q26	3Q26
Net income	\$182	\$107	\$82	\$22	\$29
Provision for income taxes	55	28	22	10	14
Income (loss) before provisions for income taxes	236	134	105	32	43
Depreciation and amortization	13	13	14	14	14
(Increase) decrease in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	102	(40)	(183)	(118)	(936)
Hedging (gains) losses associated with MSRs ⁽¹⁾	(105)	37	221	187	964
Provision for losses on active loans	0	11	6	8	6
Stock-based compensation	10	8	2	4	6
Non-recurring items ⁽²⁾	-	-	3	(7)	2
Interest expense on corporate debt and capital lease	78	83	83	83	83
Adjusted EBITDA	\$335	\$246	\$251	\$204	\$182

Note: Figures may not sum due to rounding

(1) Includes principal-only stripped MBS valuation-related accretion changes included within net interest income in the GAAP presentation

(2) For 3Q26, includes \$2 million of Cenlar acquisition related expenses

RECONCILIATION OF GAAP ITEMS TO NON-GAAP ITEMS

Reconciliation of GAAP net income to adjusted net income, adjusted EPS and annualized adjusted return on equity

	3Q25	4Q25	1Q26	2Q26	3Q26
Net income	\$182	\$107	\$82	\$22	\$29
(Increase) decrease in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	102	(40)	(183)	(118)	(936)
Hedging (gains) losses associated with MSRs ⁽¹⁾	(105)	37	221	187	964
Provision for losses on active loans	0	11	6	8	6
Non-recurring pretax items ⁽²⁾	-	-	3	(7)	2
Total adjustments:	(3)	8	47	70	36
Assumed tax rate	25.2%	25.1%	25.1%	25.1%	25.1%
Tax impacts of adjustments	1	(2)	(12)	(18)	(9)
Adjusted net income	\$180	\$113	\$118	\$74	\$56
Diluted shares outstanding	53.9	54.2	53.9	53.3	53.1
Adjusted diluted EPS	\$3.33	\$2.08	\$2.19	\$1.39	\$1.05
Average stockholders' equity	4,110	4,238	4,324	4,323	4,352
Annualized adjusted return on equity	17%	11%	11%	7%	5%

Reconciliation of GAAP servicing pretax income to servicing pretax income net of valuation related changes⁽¹⁾

	3Q25	4Q25	1Q26	2Q26	3Q26
Servicing pretax income	\$157	\$37	\$13	\$22	\$99
(Increase) decrease in fair value of MSRs and MSLs due to changes in valuation inputs used in the valuation model	102	(40)	(183)	(118)	(936)
Hedging (gains) losses associated with MSRs ⁽¹⁾	(105)	37	221	187	964
Provision for losses on active loans	0	11	6	8	6
Servicing pretax income excluding valuation related changes	\$155	\$45	\$57	\$99	\$132

Note: Figures may not sum due to rounding

(1) Includes principal-only stripped MBS valuation-related accretion changes included within net interest income in the GAAP presentation

(2) For 3Q26, includes \$2 million of Cenlar acquisition related expenses

