

Ally Financial Inc.

Auto Securitization – Corporate Overview

3Q 2019

The Ally logo is positioned within a white circular area that is part of a larger purple graphic on the left side of the slide. The graphic consists of a large purple semi-circle with a white circle inside it. The text "ally" is in a bold, lowercase, sans-serif font, and "do it right." is in a smaller, lowercase, sans-serif font below it.

ally
do it right.

Forward-Looking Statements and Additional Information

This presentation and related communications should be read in conjunction with the financial statements, notes, and other information contained in our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. This information is preliminary and based on company and third-party data available at the time of the presentation or related communication.

This presentation and related communications contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts—such as statements about the outlook for various financial and operating metrics and statements about future capital allocation and actions. Forward-looking statements often use words such as “believe,” “expect,” “anticipate,” “intend,” “pursue,” “seek,” “continue,” “estimate,” “project,” “outlook,” “forecast,” “potential,” “target,” “objective,” “trend,” “plan,” “goal,” “initiative,” “priorities,” or other words of comparable meaning or future-tense or conditional verbs such as “may,” “will,” “should,” “would,” or “could.” Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, or results. All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Actual future objectives, strategies, plans, prospects, performance, conditions, or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events or circumstances to differ from those in forward-looking statements are described in our Annual Report on Form 10-K for the year ended December 31, 2018, our subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, or other applicable documents that are filed or furnished with the U.S. Securities and Exchange Commission (collectively, our “SEC filings”). Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent SEC filings.

This presentation and related communications contain specifically identified non-GAAP financial measures, which supplement the results that are reported according to U.S. generally accepted accounting principles (“GAAP”). These non-GAAP financial measures may be useful to investors but should not be viewed in isolation from, or as a substitute for, GAAP results. Differences between non-GAAP financial measures and comparable GAAP financial measures are reconciled in the presentation.

Unless the context otherwise requires, the following definitions apply. The term “loans” means the following consumer and commercial products associated with our direct and indirect financing activities: loans, retail installment sales contracts, lines of credit, and other financing products excluding operating leases. The term “operating leases” means consumer- and commercial-vehicle lease agreements where Ally is the lessor and the lessee is generally not obligated to acquire ownership of the vehicle at lease-end or compensate Ally for the vehicle’s residual value. The terms “lend,” “finance,” and “originate” mean our direct extension or origination of loans, our purchase or acquisition of loans, or our purchase of operating leases as applicable. The term “consumer” means all consumer products associated with our loan and operating-lease activities and all commercial retail installment sales contracts. The term “commercial” means all commercial products associated with our loan activities, other than commercial retail installment sales contracts.

Ally: Who We Are

Leading digital financial services company and top-20 bank holding company

Auto & Insurance

Nationwide | Industry Leader

18K+ Auto Dealers
4M Auto Customers
2M Insurance Customers

Deposits

Industry Leader | ZERO Branches

1.9M Retail Deposit Customers



Consumer Products

Ally Invest: +21% YoY @ 3Q '19
 Brokerage Account Growth

Ally Home: \$0.8B 3Q '19
 Direct-to-Consumer Originations

HCS: Digital Payment Solution
 Completed acquisition on 10/1

Corporate Finance

Senior Secured Middle Market Lending
+16% YoY
 HFI Portfolio Growth @ 3Q '19

Company Profile

Founded 1919

NYSE Ticker ALLY

Employees 8,500

Assets \$181B

Loans & Leases \$137B

Deposits \$119B

Branches 0

Customers 8M+

Note: Employees, customers, total assets, loans & leases and deposits as of September 30, 2019. End-of-period balances Top 20 ranking based on assets as of June 30, 2019.

Third Quarter 2019 Financial Results

(\$ millions; except per share data)

	3Q 19	2Q 19	3Q 18	Increase / (Decrease) vs.	
				2Q 19	3Q 18
Net financing revenue (excluding Core OID) ⁽¹⁾	\$ 1,195	\$ 1,164	\$ 1,129	\$ 31	\$ 67
Core OID	(7)	(7)	(22)	(0)	14
Net financing revenue (as reported)	\$ 1,188	\$ 1,157	\$ 1,107	\$ 31	\$ 81
Other revenue (excluding change in fair value of equity securities) ⁽²⁾	424	393	392	31	32
Change in fair value of equity securities ⁽²⁾	(11)	2	6	(13)	(17)
Other revenue (as reported)	413	395	398	18	15
Provision for loan losses	263	177	233	86	30
Noninterest expense	838	881	807	(43)	31
Pre-tax income from continuing operations	\$ 500	\$ 494	\$ 465	\$ 6	\$ 35
Income tax (benefit) / expense	119	(90)	91	209	28
(Loss) / income from discontinued operations, net of tax	-	(2)	-	2	-
Net income	\$ 381	\$ 582	\$ 374	\$ (201)	\$ 7

	3Q 19	2Q 19	3Q 18	2Q 19	3Q 18
GAAP EPS (diluted)	\$ 0.97	\$ 1.46	\$ 0.88	\$ (0.48)	\$ 0.09
Discontinued operations, net of tax	-	0.01	-	(0.01)	-
Core OID, net of tax	0.02	0.01	0.04	0.00	(0.03)
Change in fair value of equity securities, net of tax	0.02	(0.00)	(0.01)	0.03	0.03
Significant discrete tax items ⁽⁴⁾	-	(0.50)	-	0.50	-
Adjusted EPS ⁽³⁾	\$ 1.01	\$ 0.97	\$ 0.91	\$ 0.04	\$ 0.10
Core ROTCE ⁽³⁾	12.3%	12.4%	13.7%		
Adjusted Efficiency Ratio ⁽³⁾	45.3%	46.1%	46.0%		
Effective Tax Rate ⁽⁴⁾	23.9%	-18.2%	19.6%		

(1) Represents a non-GAAP financial measure. Adjusted for Core OID. See pages 8 and 13 for calculation methodology and details.

(2) Represents a non-GAAP financial measure. Adjusted for change in the fair value of equity securities due to the implementation of ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. For Non-GAAP calculation methodology and details see page 13.

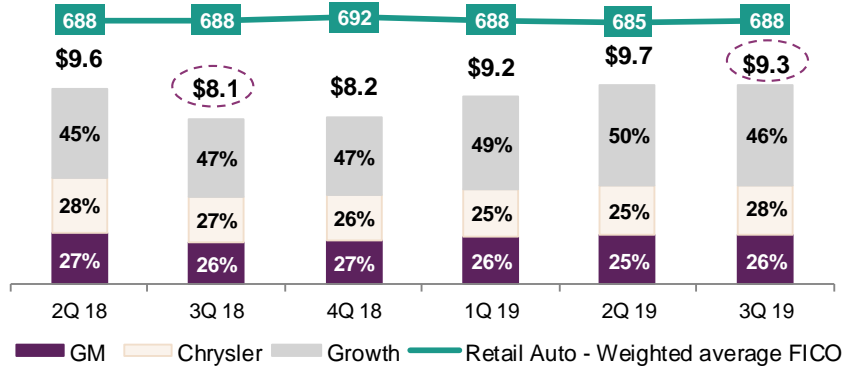
(3) For Non-GAAP calculation methodology and details see pages 9, 10 and 11.

(4) Significant discrete tax items do not relate to the operating performance of the core businesses. 2Q 19 effective tax rate was primarily impacted by the release of valuation allowance on foreign tax credit carryforwards. See page 15 for calculation methodology.

Auto Finance – Key Metrics

Consumer Originations

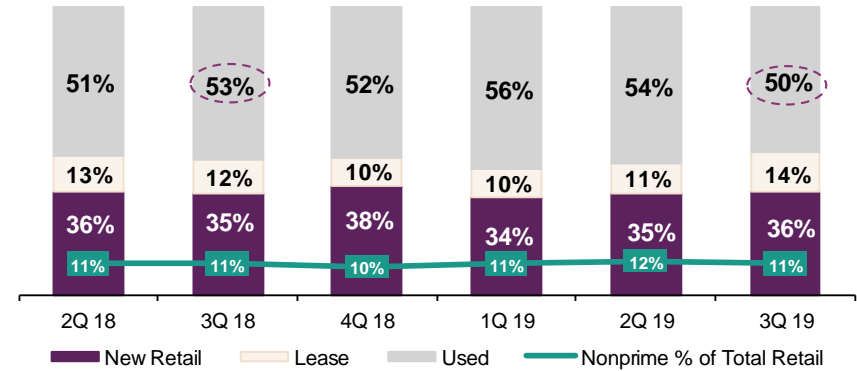
(\$ billions; % of \$ originations)



Note: See page 8 for definition.

Origination Mix

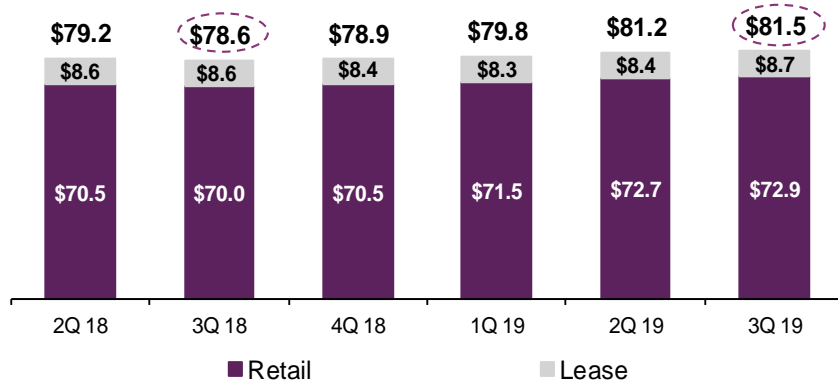
(% of \$ originations)



Note: See page 8 for definition.

Consumer Assets

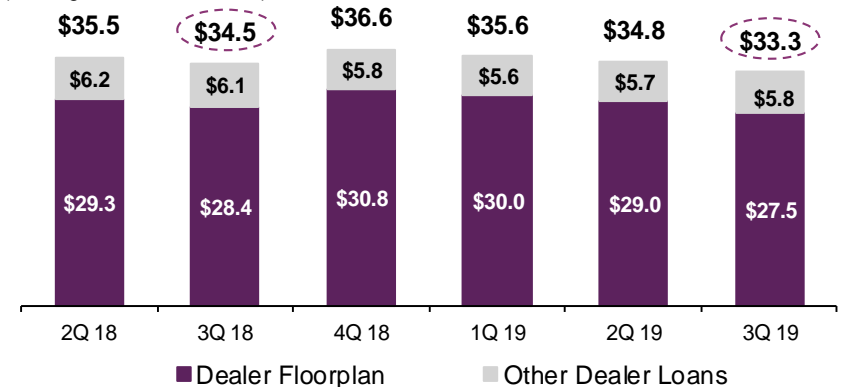
(End of period, \$ billions)



Note: See page 8 for definition.

Commercial Assets

(Average balance, \$ billions)

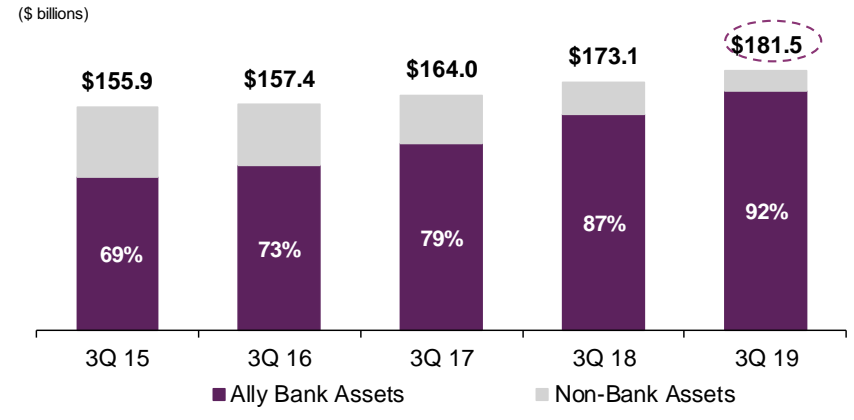


Note: Held-for-investment ("HFI") asset balances reflect the average daily balance for the quarter.

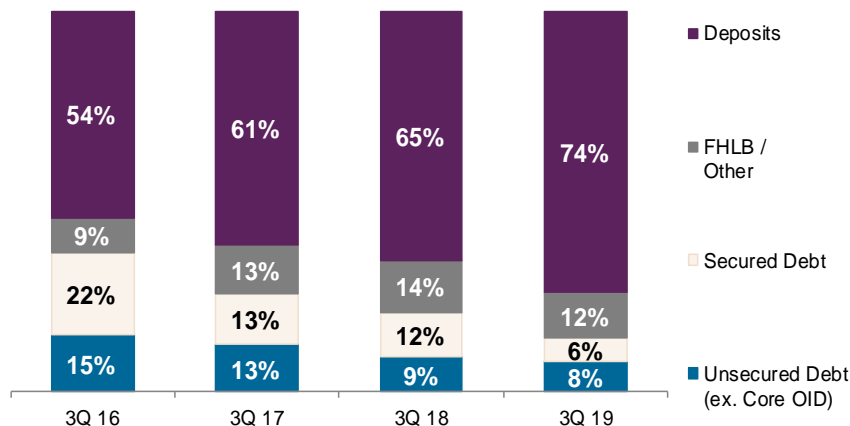
Funding and Liquidity

- **Ally Bank funded assets at 92% up 5 pts YoY**
- **Deposits at 74% of total funding (excluding Core OID balance)^(a) up 9 pts YoY**
- **Wholesale funding in 3Q:**
 - \$0.8 billion of new retail secured funding
- **Total liquidity levels at \$28.6 billion as of 9/30/19**

Growth in Bank Funded Assets



Funding Mix



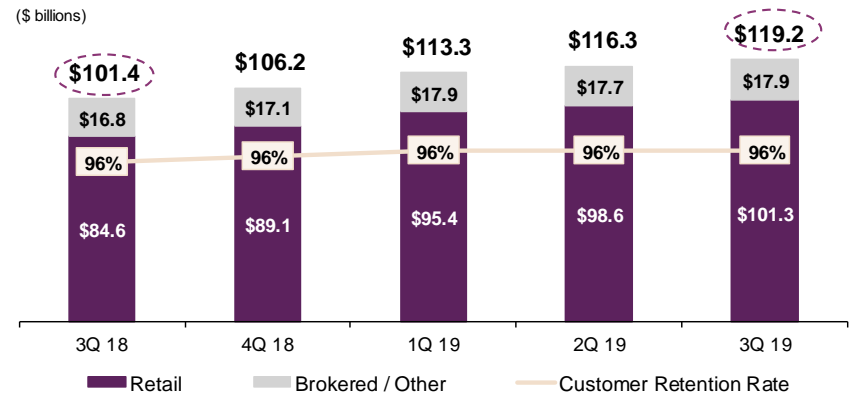
Note: Excludes Core OID balance. See page 13 for details.

Note: Total Liquidity includes cash & cash equivalents, highly liquid securities and current committed unused capacity. See page 18 of the Financial Supplement for more details.

(a) Excludes Core OID Balance. See page 13 for details.

Retail Deposit Balance Growth

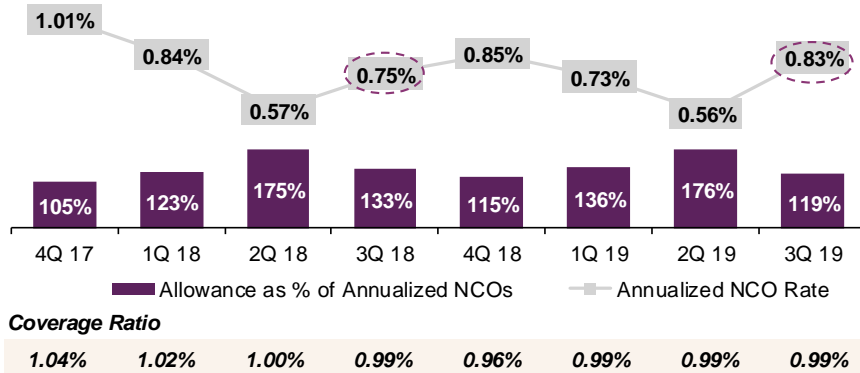
Deposit Levels (EOP) and Customer Retention Rate



Note: Brokered includes sweep deposits. Other includes mortgage escrow and other deposits. See page 8 for Customer Retention Rate definition.

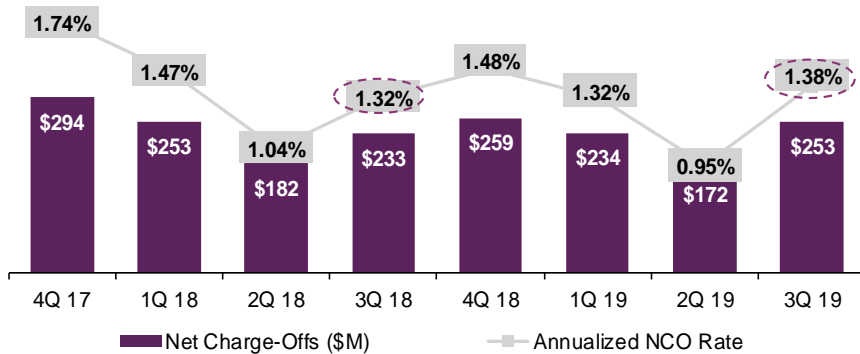
Asset Quality

Consolidated Net Charge-Offs



Note: Above loans are classified as held-for-investment and recorded at gross carrying value.

Retail Auto Net Charge-Offs



Note: See page 8 for definition.

Provision Expense

(\$ millions)

Provision Expense	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Retail Auto	\$ 229	\$ 261	\$ 257	\$ 180	\$ 264
Commercial Auto	-	1	5	-	1
Mortgage Finance	2	(3)	2	-	-
Corporate Finance	8	10	23	3	3
Corp/Other	(6)	(3)	(5)	(6)	(5)
Total	\$ 233	\$ 266	\$ 282	\$ 177	\$ 263

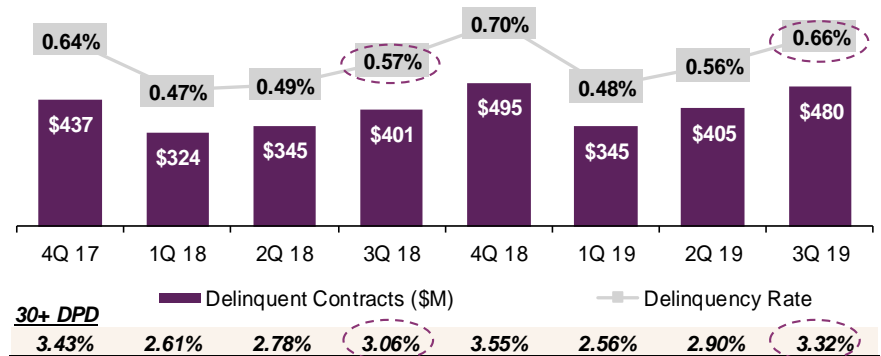
Retail Auto Coverage Ratio 1.49% 1.49% 1.50% 1.48% 1.50%

Retail Auto Loan Bal (EOP, \$ billions) \$ 70.0 \$ 70.5 \$ 71.5 \$ 72.7 \$ 72.9

Note: Retail auto loans exclude fair value adjustments for loans in hedge accounting relationship.

Retail Auto Delinquencies (60+ DPD)

(60+ DPD)



Note: Includes accruing contracts only. Days-past-due ("DPD").

Supplemental

A large, dark purple graphic element on the left side of the page, consisting of a thick, curved line that forms a partial circle and a vertical line extending downwards. Inside the circular part of this graphic is a white circle containing the text 'ally do it right.'

ally
do it right.

Notes on Non-GAAP and Other Financial Measures

The following are non-GAAP financial measures which Ally believes are important to the reader of the Consolidated Financial Statements, but which are supplemental to, and not a substitute for, GAAP measures: Adjusted Earnings per Share (Adjusted EPS), Core Pre-Tax Income, Core Net Income Attributable to Common Shareholders, Core Return on Tangible Common Equity (Core ROTCE), Adjusted Efficiency Ratio, fully phased-in Common Equity Tier 1 (CET1) capital, Adjusted Total Net Revenue, Adjusted Other Revenue, Core original issue discount (Core OID) amortization expense and Core outstanding original issue discount balance (Core OID balance), Net Financing Revenue, excluding Core OID and Adjusted Tangible Book Value per Share (Adjusted TBVPS). These measures are used by management and we believe are useful to investors in assessing the company's operating performance and capital. Refer to the Definitions of Non-GAAP Financial Measures and Other Key Terms, and Reconciliation to GAAP later in this document.

- 1) **Core net income attributable to common shareholders** is a non-GAAP financial measure that serves as the numerator in the calculations of Adjusted EPS and Core ROTCE and that, like those measures, is believed by management to help the reader better understand the operating performance of the core businesses and their ability to generate earnings. Core net income attributable to common shareholders adjusts GAAP net income attributable to common shareholders for discontinued operations net of tax, tax-effected Core OID expense, significant discrete tax items and tax-effected changes in equity investments measured at fair value. See page 9 for calculation methodology and details.
- 2) **Core original issue discount (Core OID) amortization expense** is a non-GAAP financial measure for OID, primarily related to bond exchange OID which excludes international operations and future issuances. See page 13 for calculation methodology and details.
- 3) **Core outstanding original issue discount balance (Core OID balance)** is a non-GAAP financial measure for outstanding OID, primarily related to bond exchange OID which excludes international operations and future issuances. See page 13 for calculation methodology and details.
- 4) **Core pre-tax income** is a non-GAAP financial measure that adjusts pre-tax income from continuing operations by excluding (1) Core OID and (2) equity fair value adjustments related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. Management believes core pre-tax income can help the reader better understand the operating performance of the core businesses and their ability to generate earnings. See page 12 for calculation methodology and details.
- 5) **Interest rate risk modeling**— We prepare our forward-looking baseline forecasts of net financing revenue taking into consideration anticipated future business growth, asset/liability positioning, and interest rates based on the implied forward curve. The analysis is highly dependent upon a variety of assumptions including the repricing characteristics of retail deposits with both contractual and non-contractual maturities. We continually monitor industry and competitive repricing activity along with other market factors when contemplating deposit pricing actions. Please see the 10-Q for more details.
- 6) **Net charge-off ratios** are calculated as annualized net charge-offs divided by average outstanding finance receivables and loans excluding loans measured at fair value and loans held-for-sale.
- 7) **Tangible Common Equity** is a non-GAAP financial measure that is defined as common stockholders' equity less goodwill and identifiable intangible assets, net of deferred tax liabilities. Ally considers various measures when evaluating capital adequacy, including tangible common equity. Ally believes that tangible common equity is important because we believe readers may assess our capital adequacy using this measure. Additionally, presentation of this measure allows readers to compare certain aspects of our capital adequacy on the same basis to other companies in the industry. For purposes of calculating Core return on tangible common equity (Core ROTCE), tangible common equity is further adjusted for Core OID balance and net deferred tax asset. See page 10 for more details.
- 8) **U.S. consumer auto originations**
 - New Retail – standard and subvented rate new vehicle loans
 - Lease – new vehicle lease originations
 - Used – used vehicle loans
 - Growth – total originations from non-GM/Chrysler dealers and direct-to-consumer loans
 - Nonprime - originations with a FICO® Score of less than 620
- 9) **Customer retention rate** is the annualized 3-month rolling average of 1 minus the monthly attrition rate.

GAAP to Core Results – Adjusted Earnings per Share

Adjusted Earnings per Share ("Adjusted EPS")

	QUARTERLY TREND												
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16
<i>Numerator</i> (\$ millions)													
GAAP net income attributable to common shareholders	\$ 381	\$ 582	\$ 374	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181	\$ 282	\$ 252	\$ 214	\$ 248	\$ 209
Discontinued operations, net of tax	-	2	1	(1)	-	(1)	2	(2)	(2)	2	(1)	(2)	52
Core OID	7	7	7	23	22	21	20	19	18	17	16	15	15
Change in the fair value of equity securities	11	(2)	(70)	95	(6)	(8)	40	-	-	-	-	-	-
Tax on Core OID, repositioning items, & change in the fair value of equity securities (tax rate 21% starting 1Q18, 35% starting 1Q16; 34% prior)	(4)	(1)	13	(25)	(3)	(3)	(13)	(7)	(6)	(6)	(6)	(5)	(5)
Significant discrete tax items	-	(201)	-	-	-	-	-	119	-	-	-	-	-
Core net income attributable to common shareholders	[a] \$ 396	\$ 387	\$ 325	\$ 382	\$ 386	\$ 358	\$ 300	\$ 310	\$ 292	\$ 265	\$ 224	\$ 256	\$ 271
<i>Denominator</i>													
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 392,604	399,916	405,959	414,750	424,784	432,554	438,931	444,985	451,078	458,819	466,829	474,505	483,575
<i>Metric</i>													
GAAP EPS	\$ 0.97	\$ 1.46	\$ 0.92	\$ 0.70	\$ 0.88	\$ 0.81	\$ 0.57	\$ 0.41	\$ 0.63	\$ 0.55	\$ 0.46	\$ 0.52	\$ 0.43
Discontinued operations, net of tax	-	0.01	0.00	(0.00)	-	(0.00)	0.00	(0.00)	(0.00)	0.00	(0.00)	(0.00)	0.11
Core OID	0.02	0.02	0.02	0.06	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.03	0.03
Change in the fair value of equity securities	0.03	(0.01)	(0.17)	0.23	(0.01)	(0.02)	0.09	-	-	-	-	-	-
Tax on Core OID, repositioning items, & change in the fair value of equity securities (tax rate 21% starting 1Q18, 35% starting 1Q16; 34% prior)	(0.01)	(0.00)	0.03	(0.06)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Significant discrete tax items	-	(0.50)	-	-	-	-	-	0.27	-	-	-	-	-
Adjusted EPS	[a] / [b] \$ 1.01	\$ 0.97	\$ 0.80	\$ 0.92	\$ 0.91	\$ 0.83	\$ 0.68	\$ 0.70	\$ 0.65	\$ 0.58	\$ 0.48	\$ 0.54	\$ 0.56

Adjusted earnings per share (Adjusted EPS) is a non-GAAP financial measure that adjusts GAAP EPS for revenue and expense items that are typically strategic in nature or that management otherwise does not view as reflecting the operating performance of the company. Management believes Adjusted EPS can help the reader better understand the operating performance of the core businesses and their ability to generate earnings. In the numerator of Adjusted EPS, GAAP net income attributable to common shareholders is adjusted for the following items: (1) excludes discontinued operations, net of tax, as Ally is primarily a domestic company and sales of international businesses and other discontinued operations in the past have significantly impacted GAAP EPS, (2) adds back the tax-effected non-cash Core OID, (3) excludes equity fair value adjustments (net of tax) related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity, and (4) excludes significant discrete tax items that do not relate to the operating performance of the core businesses.

GAAP to Core Results – Core ROTCE

Core Return on Tangible Common Equity ("Core ROTCE")

	QUARTERLY TREND				
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18
Numerator (\$ millions)					
GAAP net income attributable to common shareholders	\$ 381	\$ 582	\$ 374	\$ 290	\$ 374
Discontinued operations, net of tax	-	2	1	(1)	-
Core OID	7	7	7	23	22
Change in the fair value of equity securities	11	(2)	(70)	95	(6)
Tax on Core OID & change in the fair value of equity securities (tax rate 21% starting in 1Q18)	(4)	(1)	13	(25)	(3)
Significant discrete tax items & other	-	(201)	-	-	-
Core net income attributable to common shareholders	[a] \$ 396	\$ 387	\$ 325	\$ 382	\$ 386
Denominator (2-period average, \$ billions)					
GAAP shareholder's equity	\$ 14.4	\$ 14.0	\$ 13.5	\$ 13.2	\$ 13.1
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Tangible common equity	\$ 14.1	\$ 13.7	\$ 13.2	\$ 12.9	\$ 12.8
Core OID balance	(1.1)	(1.1)	(1.1)	(1.1)	(1.1)
Net deferred tax asset ("DTA")	(0.1)	(0.1)	(0.2)	(0.4)	(0.4)
Normalized common equity	[b] \$ 12.9	\$ 12.5	\$ 11.9	\$ 11.4	\$ 11.2
Core Return on Tangible Common Equity	[a] / [b] 12.3%	12.4%	10.9%	13.4%	13.7%

Core return on tangible common equity (Core ROTCE) is a non-GAAP financial measure that management believes is helpful for readers to better understand the ongoing ability of the company to generate returns on its equity base that supports core operations. For purposes of this calculation, tangible common equity is adjusted for Core OID balance and net DTA. Ally's Core net income attributable to common shareholders for purposes of calculating Core ROTCE is based on the actual effective tax rate for the period adjusted for significant discrete tax items including tax reserve releases, which aligns with the methodology used in calculating adjusted earnings per share.

- (1) In the numerator of Core ROTCE, GAAP net income attributable to common shareholders is adjusted for discontinued operations net of tax, tax-effected Core OID, fair value adjustments (net of tax) related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity, and significant discrete tax items.
- (2) In the denominator, GAAP shareholder's equity is adjusted for goodwill and identifiable intangibles net of DTL, Core OID balance, and net DTA.

GAAP to Core Results – Adjusted Efficiency Ratio

Adjusted Efficiency Ratio

	QUARTERLY TREND				
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18
<i>Numerator</i> (\$ millions)					
GAAP noninterest expense	\$ 838	\$ 881	\$ 830	\$ 804	\$ 807
Rep and warrant expense	(0)	(0)	-	1	(0)
Insurance expense	(247)	(301)	(227)	(215)	(241)
Adjusted noninterest expense for the efficiency ratio	[a] \$ 591	\$ 580	\$ 603	\$ 590	\$ 566
<i>Denominator</i> (\$ millions)					
Total net revenue	\$ 1,601	\$ 1,552	\$ 1,598	\$ 1,438	\$ 1,505
Core OID	7	7	7	23	22
Insurance revenue	(303)	(301)	(372)	(202)	(296)
Adjusted net revenue for the efficiency ratio	[b] \$ 1,305	\$ 1,258	\$ 1,233	\$ 1,259	\$ 1,231
Adjusted Efficiency Ratio	[a] / [b] 45.3%	46.1%	48.9%	46.9%	46.0%

Adjusted efficiency ratio is a non-GAAP financial measure that management believes is helpful to readers in comparing the efficiency of its core banking and lending businesses with those of its peers. In the numerator of Adjusted efficiency ratio, total noninterest expense is adjusted for Insurance segment expense and Rep and warrant expense. In the denominator, total net revenue is adjusted for Insurance segment revenue and Core OID. See 3Q 2019 Earnings Presentation for the combined ratio for the Insurance segment which management uses as a primary measure of underwriting profitability for the Insurance segment.

Notes on Non-GAAP and Other Financial Measures

(\$ millions)	3Q 19				2Q 19				3Q 18			
	GAAP	Core OID	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally												
Net financing revenue	\$ 1,188	\$ 7	\$ -	\$ 1,195	\$ 1,157	\$ 7	\$ -	\$ 1,164	\$ 1,107	\$ 22	\$ -	\$ 1,129
Total other revenue	413	-	11	424	395	-	(2)	393	398	-	(6)	392
Provision for loan losses	263	-	-	263	177	-	-	177	233	-	-	233
Noninterest expense	838	-	-	838	881	-	-	881	807	-	-	807
Pre-tax income from continuing operations	\$ 500	\$ 7	\$ 11	\$ 519	\$ 494	\$ 7	\$ (2)	\$ 499	\$ 465	\$ 22	\$ (6)	\$ 481
Corporate / Other												
Net financing revenue	\$ (3)	\$ 7	\$ -	\$ 4	\$ 13	\$ 7	\$ -	\$ 20	\$ 43	\$ 22	\$ -	\$ 65
Total other revenue	46	-	-	46	34	-	-	34	20	-	-	20
Provision for loan losses	(5)	-	-	(5)	(6)	-	-	(6)	(6)	-	-	(6)
Noninterest expense	88	-	-	88	78	-	-	78	86	-	-	86
Pre-tax (loss) income from continuing operations	\$ (40)	\$ 7	\$ -	\$ (33)	\$ (25)	\$ 7	\$ -	\$ (18)	\$ (17)	\$ 22	\$ -	\$ 5
Insurance												
Premiums, service revenue earned and other	\$ 283	\$ -	\$ -	\$ 283	\$ 263	\$ -	\$ -	\$ 263	\$ 260	\$ -	\$ -	\$ 260
Losses and loss adjustment expenses	74	-	-	74	127	-	-	127	77	-	-	77
Acquisition and underwriting expenses	173	-	-	173	174	-	-	174	164	-	-	164
Investment income and other	20	-	10	30	38	-	(4)	34	36	-	(7)	29
Pre-tax income from continuing operations	\$ 56	\$ -	\$ 10	\$ 66	\$ -	\$ -	\$ (4)	\$ (4)	\$ 55	\$ -	\$ (7)	\$ 48
Corporate Finance												
Net financing revenue	\$ 60	\$ -	\$ -	\$ 60	\$ 61	\$ -	\$ -	\$ 61	\$ 50	\$ -	\$ -	\$ 50
Total other revenue	9	-	1	10	10	-	2	12	14	-	0	14
Provision for loan losses	3	-	-	3	3	-	-	3	8	-	-	8
Noninterest expense	22	-	-	22	22	-	-	22	20	-	-	20
Pre-tax income from continuing operations	\$ 44	\$ -	\$ 1	\$ 45	\$ 46	\$ -	\$ 2	\$ 48	\$ 36	\$ -	\$ 0	\$ 36

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 8 for definitions.

Notes on Non-GAAP and Other Financial Measures

Net Financing Revenue (ex. Core OID)

(\$ millions)	QUARTERLY TREND												
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16
GAAP Net Financing Revenue	\$ 1,188	\$ 1,157	\$ 1,132	\$ 1,140	\$ 1,107	\$ 1,094	\$ 1,049	\$ 1,094	\$ 1,081	\$ 1,067	\$ 979	\$ 976	\$ 996
Core OID	7	7	7	23	22	21	20	19	18	17	16	15	15
Net Financing Revenue (ex. Core OID)	[a] \$ 1,195	\$ 1,164	\$ 1,139	\$ 1,163	\$ 1,129	\$ 1,115	\$ 1,069	\$ 1,113	\$ 1,099	\$ 1,084	\$ 995	\$ 991	\$ 1,011

Adjusted Other Revenue

(\$ millions)	QUARTERLY TREND												
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16
GAAP Other Revenue	\$ 413	\$ 395	\$ 466	\$ 298	\$ 398	\$ 364	\$ 354	\$ 379	\$ 381	\$ 388	\$ 396	\$ 392	\$ 388
Change in the fair value of equity securities	11	(2)	(70)	95	(6)	(8)	40	-	-	-	-	-	-
Adjusted Other Revenue	[b] \$ 424	\$ 393	\$ 396	\$ 393	\$ 392	\$ 356	\$ 394	\$ 379	\$ 381	\$ 388	\$ 396	\$ 392	\$ 388

Adjusted Total Net Revenue

(\$ millions)	QUARTERLY TREND												
Adjusted Total Net Revenue	[a]+[b] \$ 1,620	\$ 1,557	\$ 1,535	\$ 1,556	\$ 1,521	\$ 1,471	\$ 1,463	\$ 1,492	\$ 1,480	\$ 1,472	\$ 1,391	\$ 1,383	\$ 1,399

Original issue discount amortization expense

(\$ millions)	QUARTERLY TREND												
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16
Core original issue discount (Core OID) amortization expense	\$ 7	\$ 7	\$ 7	\$ 23	\$ 22	\$ 21	\$ 20	\$ 19	\$ 18	\$ 17	\$ 16	\$ 15	\$ 15
Other OID	3	3	3	2	4	4	4	5	5	5	5	6	6
GAAP original issue discount amortization expense	\$ 11	\$ 10	\$ 10	\$ 26	\$ 25	\$ 25	\$ 24	\$ 24	\$ 23	\$ 22	\$ 21	\$ 21	\$ 21

Outstanding original issue discount balance

(\$ millions)	QUARTERLY TREND												
	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16
Core outstanding original issue discount balance (Core OID balance)	\$ (1,071)	\$ (1,078)	\$ (1,085)	\$ (1,092)	\$ (1,115)	\$ (1,137)	\$ (1,158)	\$ (1,178)	\$ (1,197)	\$ (1,215)	\$ (1,232)	\$ (1,249)	\$ (1,264)
Other outstanding OID balance	(40)	(44)	(39)	(43)	(46)	(49)	(53)	(57)	(62)	(67)	(72)	(77)	(83)
GAAP outstanding original issue discount balance	\$ (1,111)	\$ (1,122)	\$ (1,125)	\$ (1,135)	\$ (1,161)	\$ (1,187)	\$ (1,211)	\$ (1,235)	\$ (1,259)	\$ (1,282)	\$ (1,304)	\$ (1,326)	\$ (1,347)

Note: Equity fair value adjustments related to ASU 2016-01 requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 8 for definitions.

Notes on Non-GAAP and Other Financial Measures

Regulatory Capital - Basel III transition to fully phased-in (\$ billions)	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18
<u>Numerator</u>					
Common equity tier 1 capital	\$ 14.0	\$ 13.9	\$ 13.6	\$ 13.4	\$ 13.4
<u>Denominator</u>					
Risk-weighted assets (transition)	\$ 145.8	\$ 145.9	\$ 145.9	\$ 146.6	\$ 142.2
DTAs arising from temporary differences that could not be realized through NOL, net of VA and net of DTLs phased-in during transition	0.1	0.2	0.1	0.2	0.3
Risk-weighted assets (fully phased-in)	\$ 145.9	\$ 146.0	\$ 146.0	\$ 146.8	\$ 142.5
<u>Metric</u>					
Common equity tier 1 (transition)	9.6%	9.5%	9.3%	9.1%	9.4%
Common equity tier 1 (fully phased-in)	9.6%	9.5%	9.3%	9.1%	9.4%

Common Equity Tier 1 (“CET1”) capital fully phased-in: Under the Basel III regulatory framework as adopted in the United States, banking organizations like the company are required to comply with a minimum ratio of common equity tier 1 capital to risk-weighted assets (CET1 Capital Ratio). Common equity tier 1 capital generally consists of common stock (plus any related surplus and net of any treasury stock), retained earnings, accumulated other comprehensive income, and minority interests in the common equity of consolidated subsidiaries, subject to specified conditions and adjustments. The obligation to comply with the minimum CET1 Capital Ratio is subject to ongoing transition periods and other provisions under Basel III. Management believes that both the transitional CET1 Capital Ratio and the fully phased-in CET1 Capital Ratio are helpful to readers in evaluating the company’s capital utilization and adequacy in absolute terms and relative to its peers. The fully phased-in CET1 Capital Ratio is a non-GAAP financial measure that is reconciled to the transitional CET1 Capital Ratio above.

Deferred Tax Asset

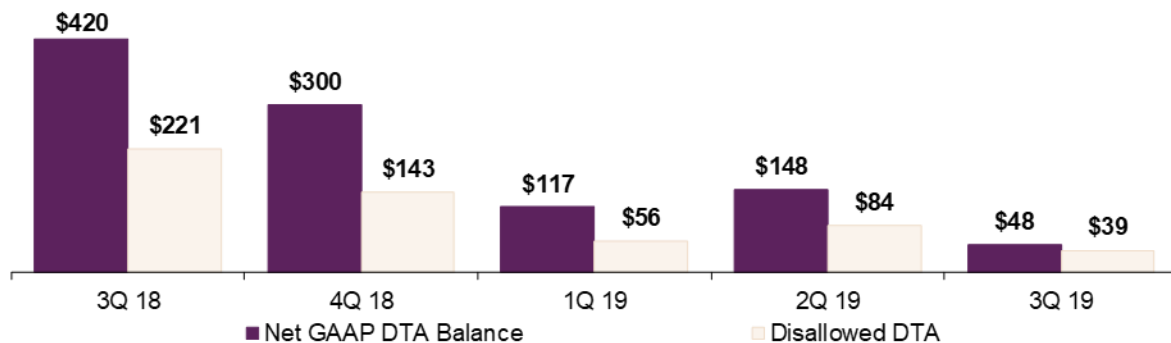
Deferred Tax Asset (\$ millions)	3Q 19 ⁽¹⁾			2Q 19 ⁽¹⁾
	Gross DTA/(DTL) Balance	Valuation Allowance	Net DTA/(DTL) Balance	Net DTA/(DTL) Balance
Net Operating Loss (Federal)	\$ 8	\$ -	\$ 8	\$ 8
Tax Credit Carryforwards	1,670	(752)	918	714
State/Local Tax Carryforwards	161	(98)	63	48
Other Deferred Tax Liabilities, net ⁽²⁾	(941)	-	(941)	(622)
Net Deferred Tax Assets	\$ 898	\$ (850)	\$ 48	\$ 148

(1) GAAP does not prescribe a method for calculating individual elements of deferred taxes for interim periods; therefore, these balances are estimates.

(2) Primarily book/tax timing differences.

Deferred Tax Asset Utilization

(\$ millions)



Note: reflects Basel III fully phased-in disallowed DTA. See page 14 for more details.

2Q Effective Tax Rate Details	2Q 19
Adjusted Effective Tax Rate	22.5%
Discrete Tax Item (\$201 million)	-40.7%
GAAP Effective Tax Rate	-18.2%

Note: Significant discrete tax items do not relate to the operating performance of the core businesses. 2Q 19 effective tax rate was primarily impacted by the release of valuation allowance on foreign tax credit carryforwards. Ally's effective tax rate was -18.2% for 2Q 19; excluding the discrete tax benefit of \$201 million (0.50 EPS impact), the adjusted effective tax rate would be 22.5%, which represents a non-GAAP financial measure.