



Ally Financial Inc.

BancAnalysts Association of Boston Conference
November 2, 2017



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 our statements about targets and expectations for various financial and operating metrics. 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, 2016, 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 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.

Our use of the term “loans” describes all of the products associated with our direct and indirect lending activities. The specific products include loans, retail installment sales contracts, lines of credit, leases, and other financing products. The term “lend” or “originate” refers to our direct origination of loans or our purchase or acquisition of loans.

Building the leading digital bank

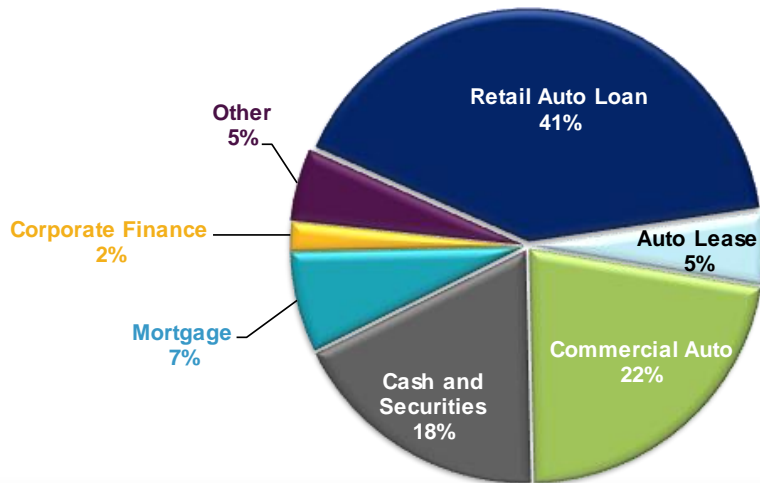
\$164 billion of Assets

\$90 billion of Deposits

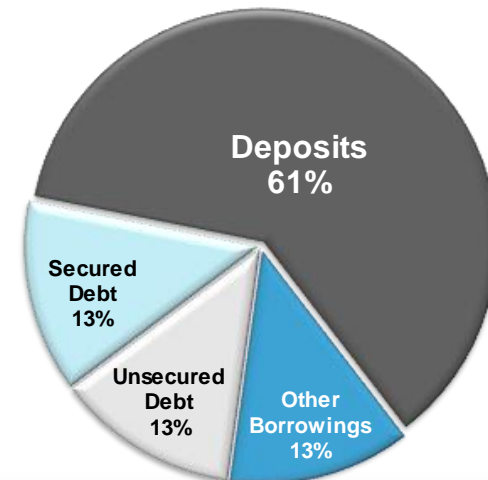
Over 5 million customers

Zero branches

Asset Mix



Funding Mix



End of period balances. 'Other' includes Insurance premium receivables and Other assets.

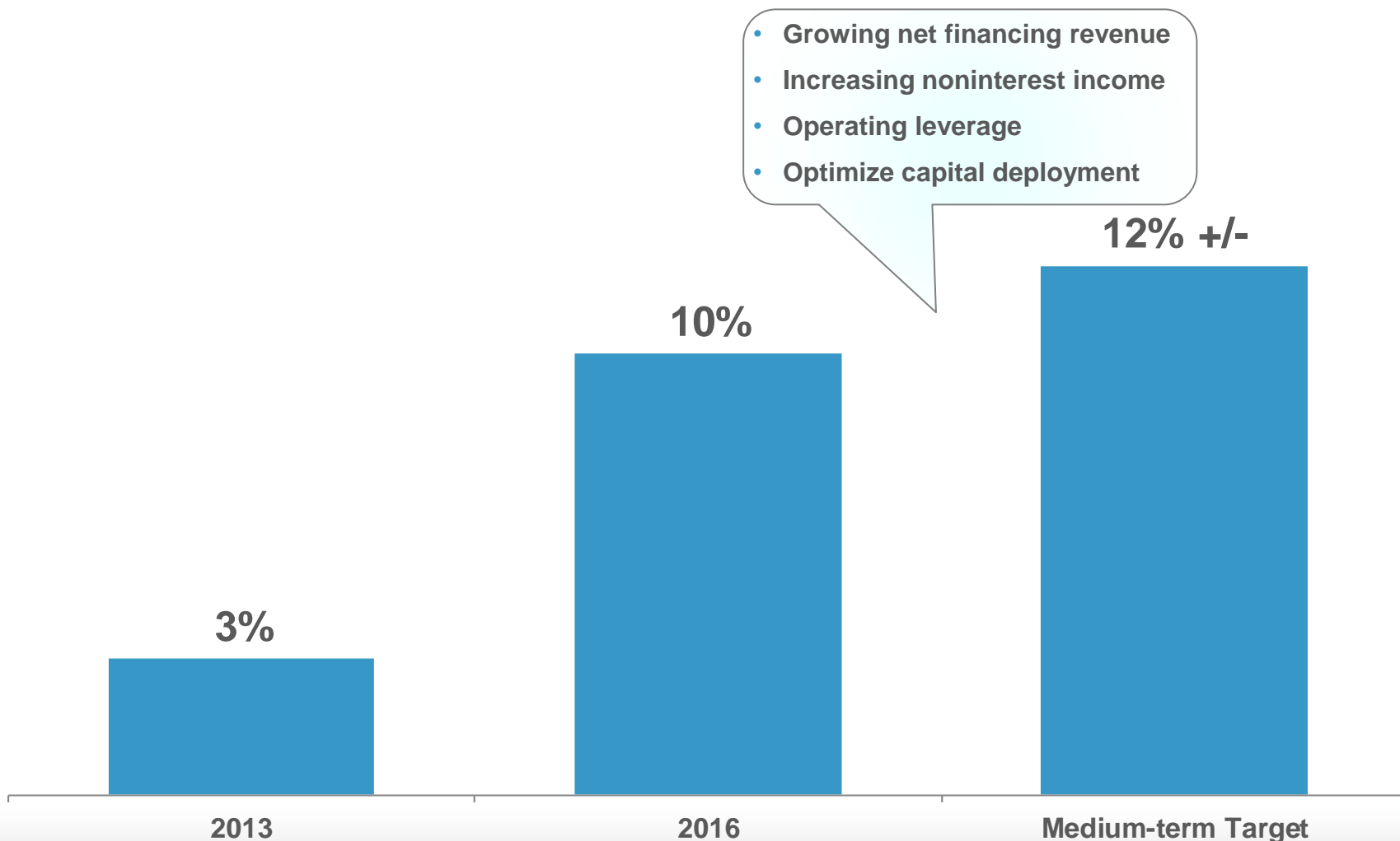
End of period balances. Excludes Core OID. See page 21 for details.

- **Demonstrate resilient returns in auto finance through the cycle**
- **Relentlessly focus on customers**
- **Grow deposit and customer base**
- **Expand additional products to unlock more value from Ally banking franchise**
- **Leverage position as leader in digital banking**

Driving Higher Shareholder Returns

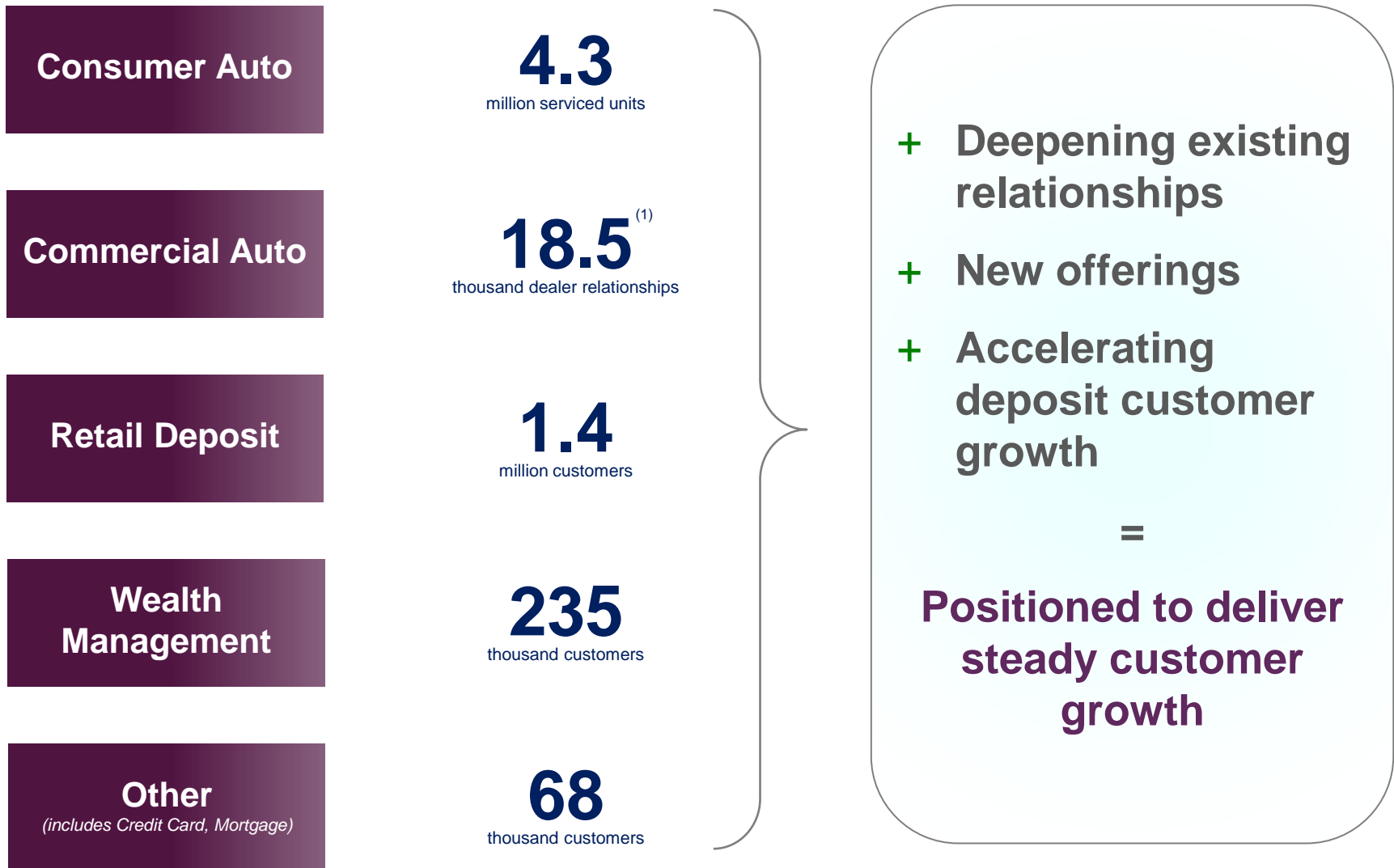
Improving Core ROTCE⁽¹⁾ through efficient capital allocation and earnings growth

- Growing net financing revenue
- Increasing noninterest income
- Operating leverage
- Optimize capital deployment



(1) Medium-term defined as over the next 3-4 years. Represents a non-GAAP financial measure. See page 21 for details.

Customer Growth Through Brand and New Offerings



(1) represents total consumer and commercial dealer relationships as of 9/30/17

Note: primary, active customers as of 9/30/2017

Relentless Focus on Customers – Our Brand and Culture



Simple, straightforward approach to banking – customer is at the core

DO RIGHT

TIRELESSLY INNOVATE

OBSESS OVER THE CUSTOMER

Do It Right

Build emotional relationship with customer beyond financial transactions

Customer-centricity

24/7 human customer service

Digital

No branches = Great Rates
No geographical constraints

Simple

Customer service that actually serves

Smart

Solutions oriented and deliver products that are never status quo

Low Fee / Great Rate

Fair and transparent fees; attractive, not top rate



Transparent

Deliver the plain and simple truth – no hidden messages or fees

Innovative

Align with disruptive trends

Strong Emotional Connection with Customers



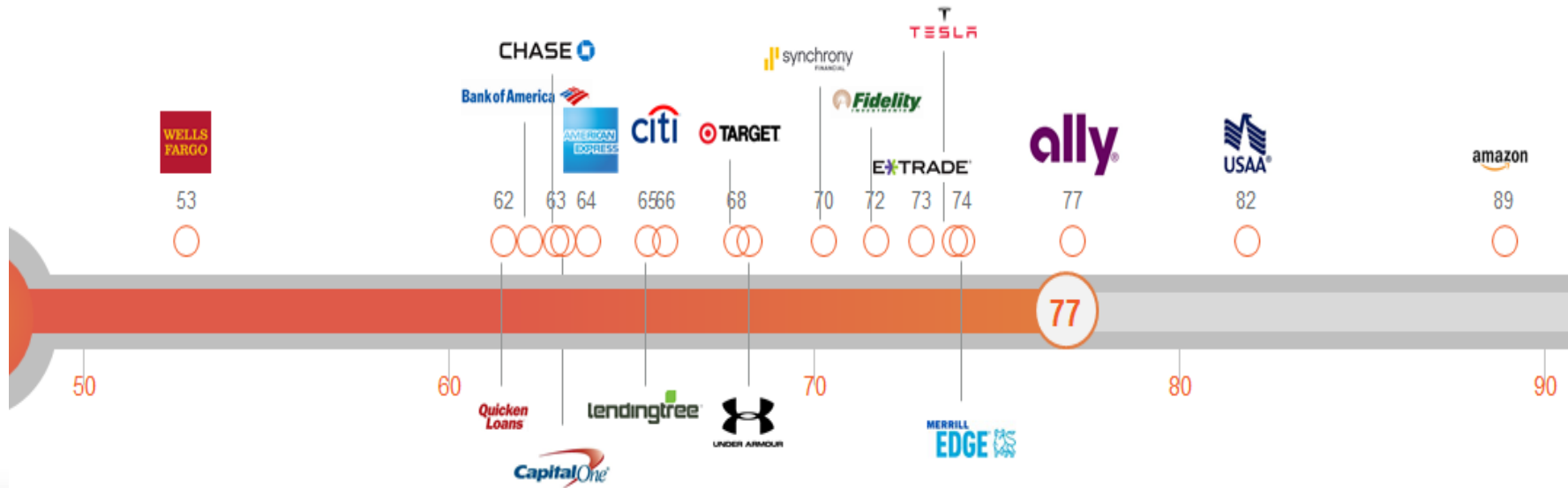
Brand has resonated and provides foundation for product expansion

➤ Emotional connection continues to increase



➤ Consumers' love for Ally driven by:

- Sense of pride and making them feel smart
- Status they realize from banking with an innovative, customer-centric, fun brand
- Belief that Ally understands their unique financial needs



Expanding Bank Franchise



ALLY AUTO



INSURANCE

ALLY INVEST



DEPOSITS

CORPORATE FINANCE



ALLY HOME



CASHBACK CARD

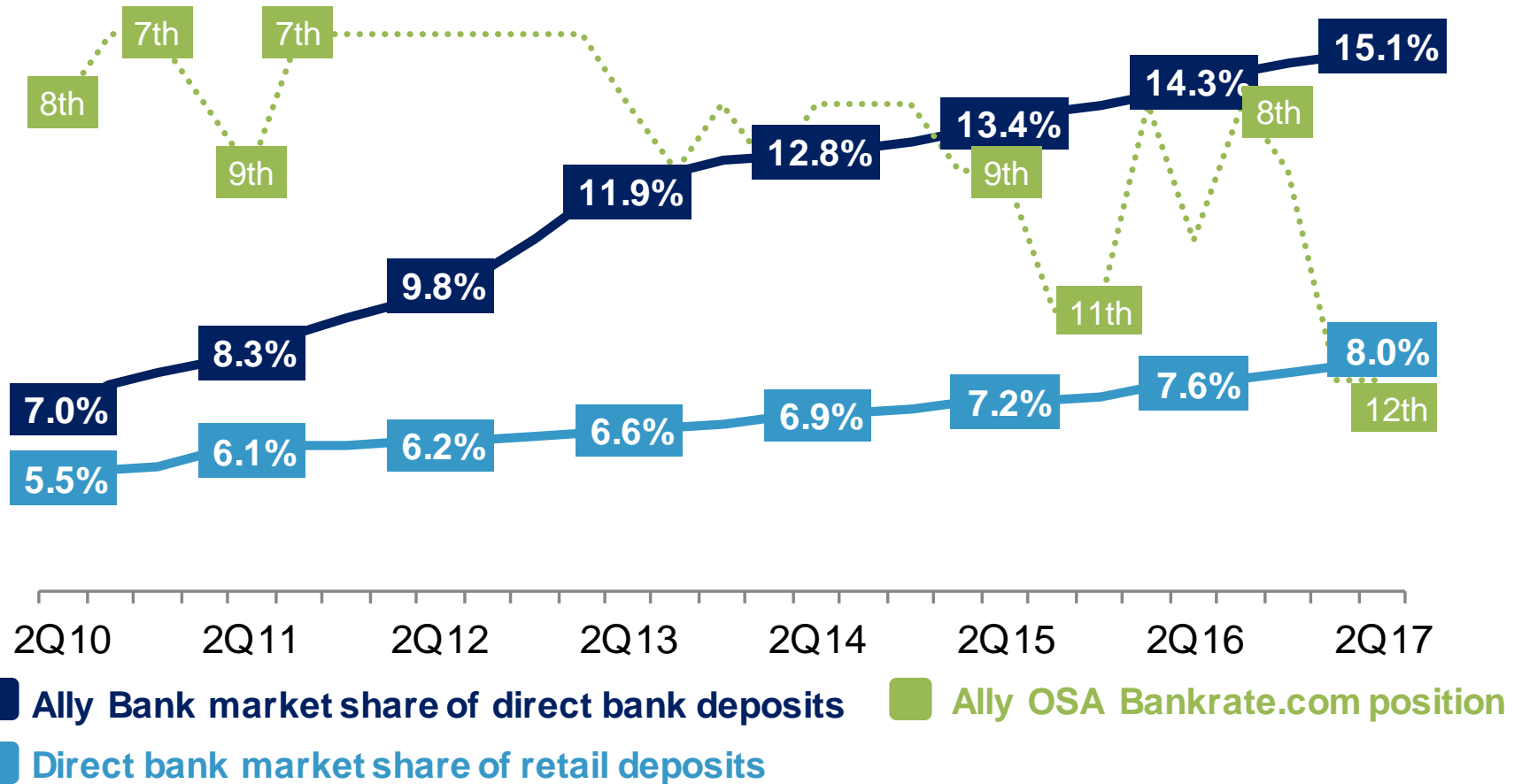
Co-brand product⁽¹⁾

(1) The Ally CashBack Credit Card is issued by TD Bank N.A.

Ally Bank Market Share Growth



Ally outpacing direct bank market share without being top rate payer

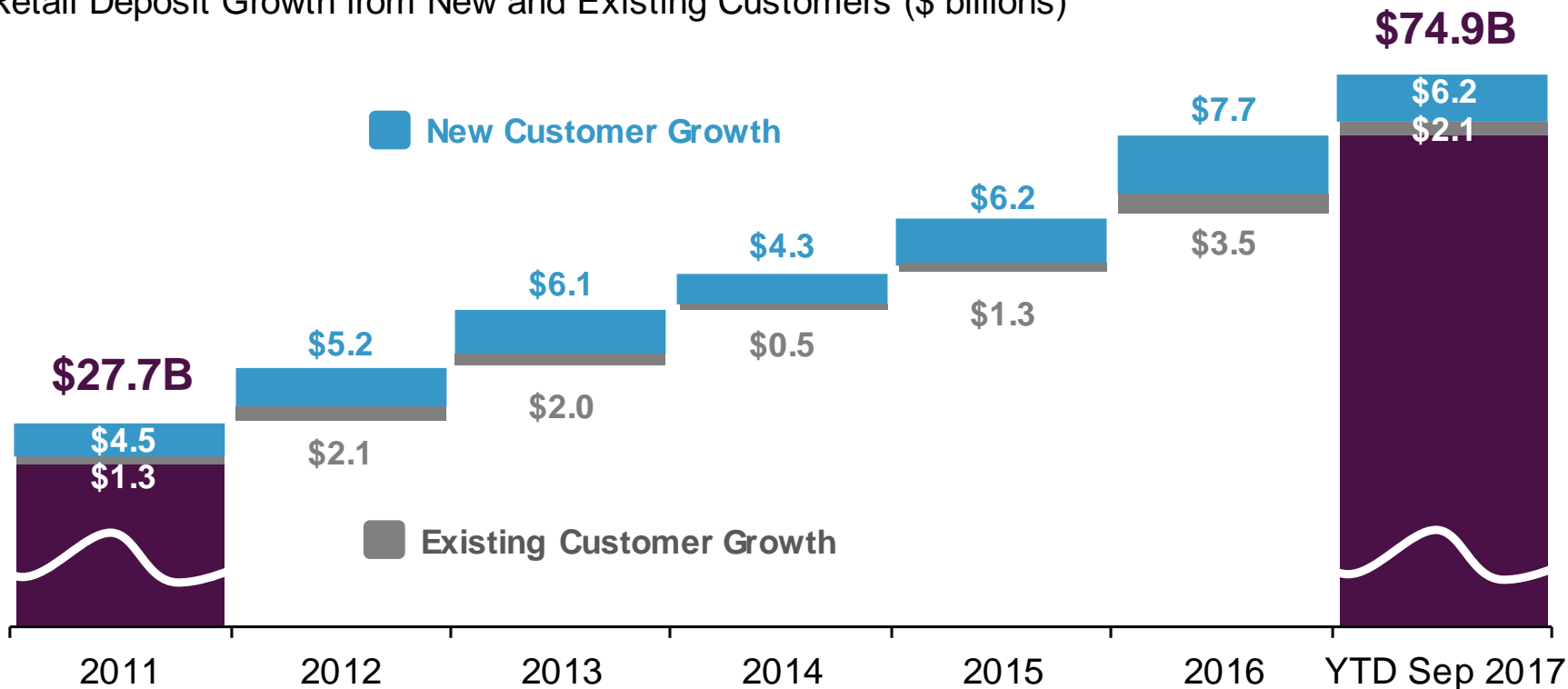


Source: Ally Bank estimates the Direct Bank Retail Deposit market size using various sources including FDIC, FFIEC, NIC, earnings releases, 10-K/Q (excludes brokered CDs and MMDA Sweeps)

Compounding Retail Deposit Growth

New and existing retail deposit customers fueling growth

Retail Deposit Growth from New and Existing Customers (\$ billions)

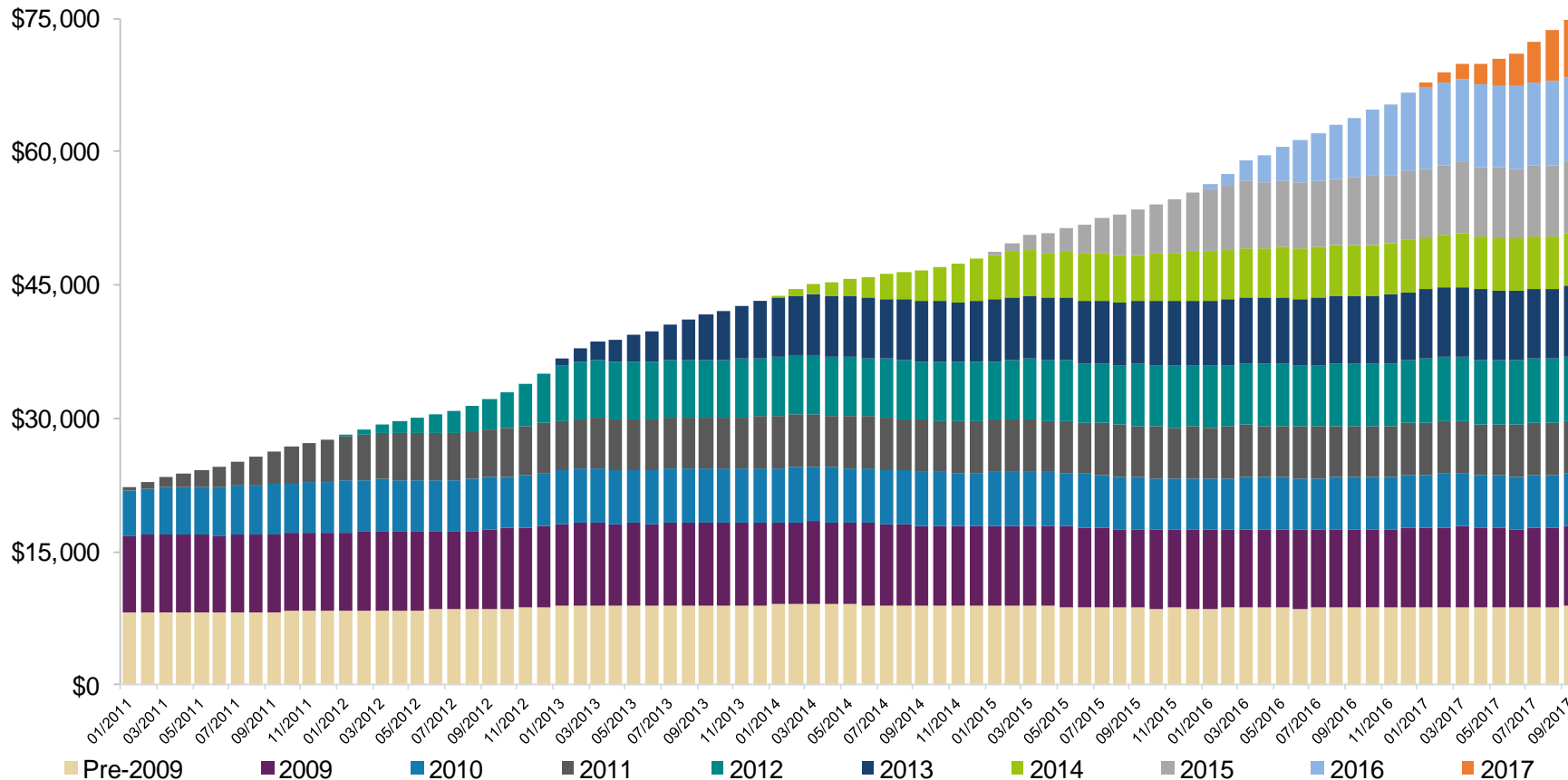


Stable Deposit Vintages



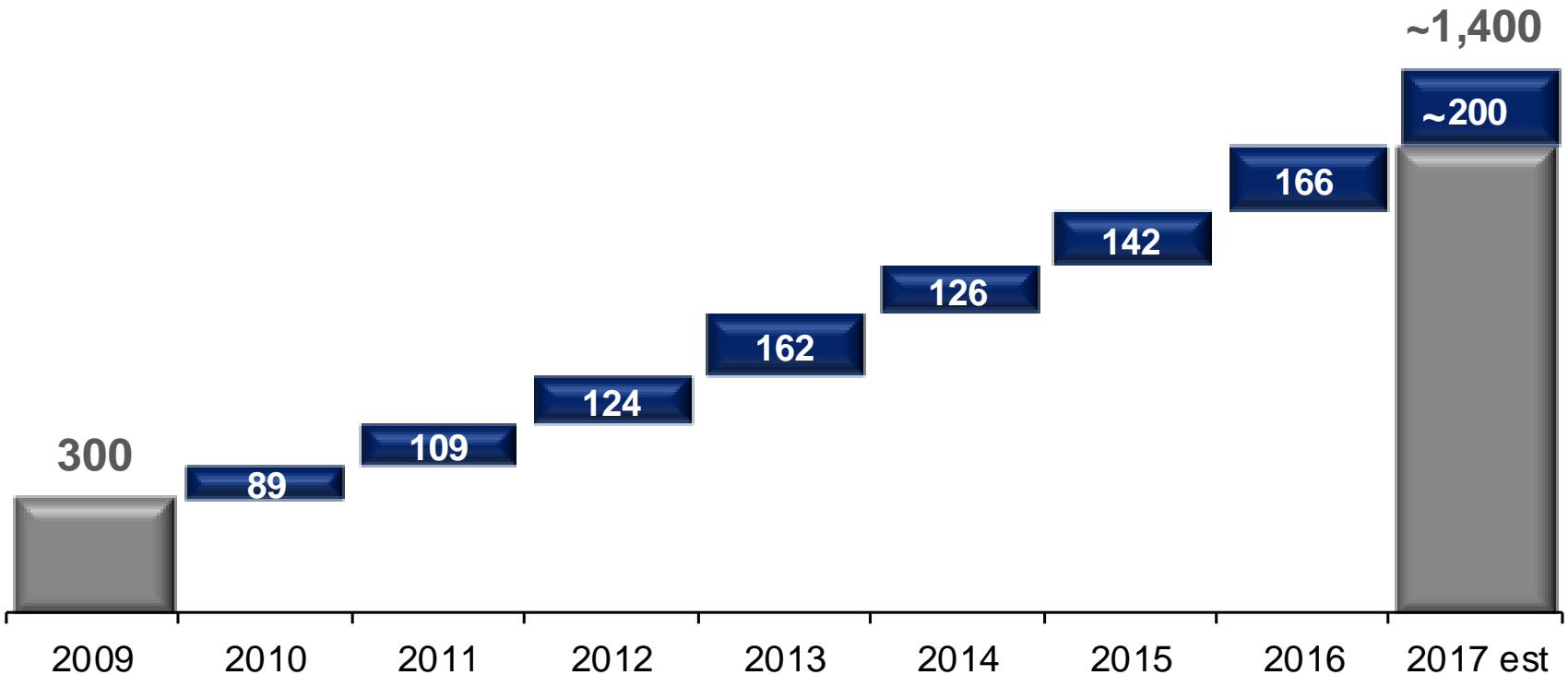
Ally Bank's retail deposit vintages have been stable over time

Ally Retail Deposit Balances by Vintage (\$ millions)



Accelerating retail deposit customer growth

Retail Deposit Customer Growth (thousands)



Move towards digital represents long-term tailwind

Direct Banking

- Cost effective
- Fewer Products
- Higher rates

~\$500 billion of deposits⁽¹⁾

Traditional Banking

- Brick & Mortar
- More products
- Lower rates

~\$5 trillion of deposits⁽²⁾

~\$4 trillion in consumer deposits with a rate paid of < 0.25%⁽³⁾

Functionality and customer adoption will continue to progress

Deposit pricing should converge as functionality and products converge

(1) Ally Bank estimates the market size using various sources including FDIC, FFIEC, NIC, earnings releases, 10K/Q
(2) FFIEC Call Reports / FDIC - Deposits (\$ trillions) in all accounts up to \$250k held in domestic offices and in insured branches in PR and US territories and possessions
(3) Internal Ally estimate calculated utilizing FDIC Call Report Data combined with third party rate reports

Retail deposit franchise positioned for growth

1.4
million

➤ **Retail deposit customers**

- > 50% new customers from Millennial generation (YTD 2017)
- in all 50 states

95%

➤ **Customer satisfaction⁽¹⁾**

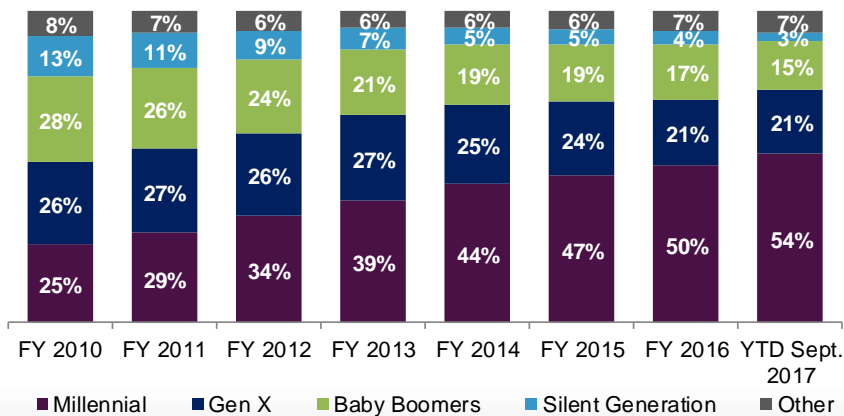
~\$30 trillion estimated wealth transfer to Millennial generation over the next 30 – 40 years⁽²⁾

94%

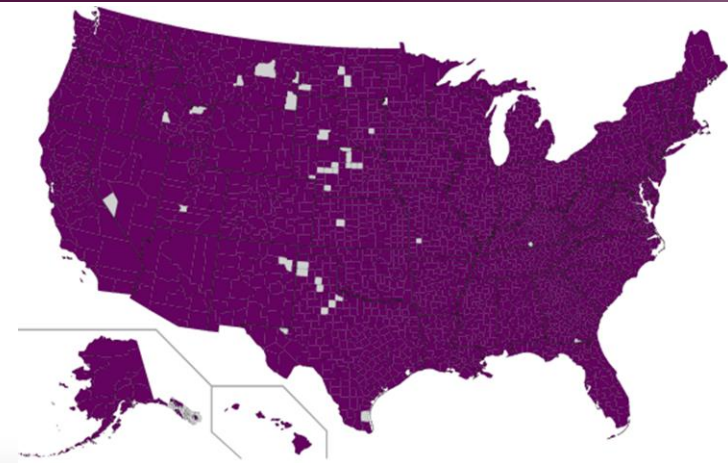
➤ **Customers would recommend Ally to a friend or family member⁽¹⁾**

Attractive demographic trends

New Retail Deposit Customers by Generation



Scalable national retail deposit platform



Note: a county is shaded Ally purple if there was at least one primary, active banking customer residing there.

(1) Survey administered by Ally September 2017

(2) Accenture. The "Greater" Wealth Transfer – Capitalizing on the Intergenerational Shift in Wealth, 2015

Value of Deposit Growth

Retail deposit growth drives strategic and financial path

- Entry point for new banking customers
- Reduce expensive capital markets funding
- Support smart asset growth

(\$ billions)	3Q 2013 ⁽¹⁾		3Q 2017 ⁽¹⁾	
	Average Balance	Average Yield	Average Balance	Average Yield
Deposits ⁽²⁾	\$51	1.3%	\$88	1.3%
Secured Debt	\$31	1.6%	\$23	2.2%
Unsecured Debt	\$33	5.0%	\$20	5.1%
FHLB/Other ⁽³⁾	\$5	1.0%	\$16	1.4%
Total Funding Sources⁽⁴⁾	\$120	2.4%	\$147	1.9%

(1) Balances and yields based on average daily balances for the quarter ending 3Q 2017 and 3Q 2013

(2) Includes brokered deposits

(3) Includes Demand Notes, FHLB borrowings, and Repurchase Agreements

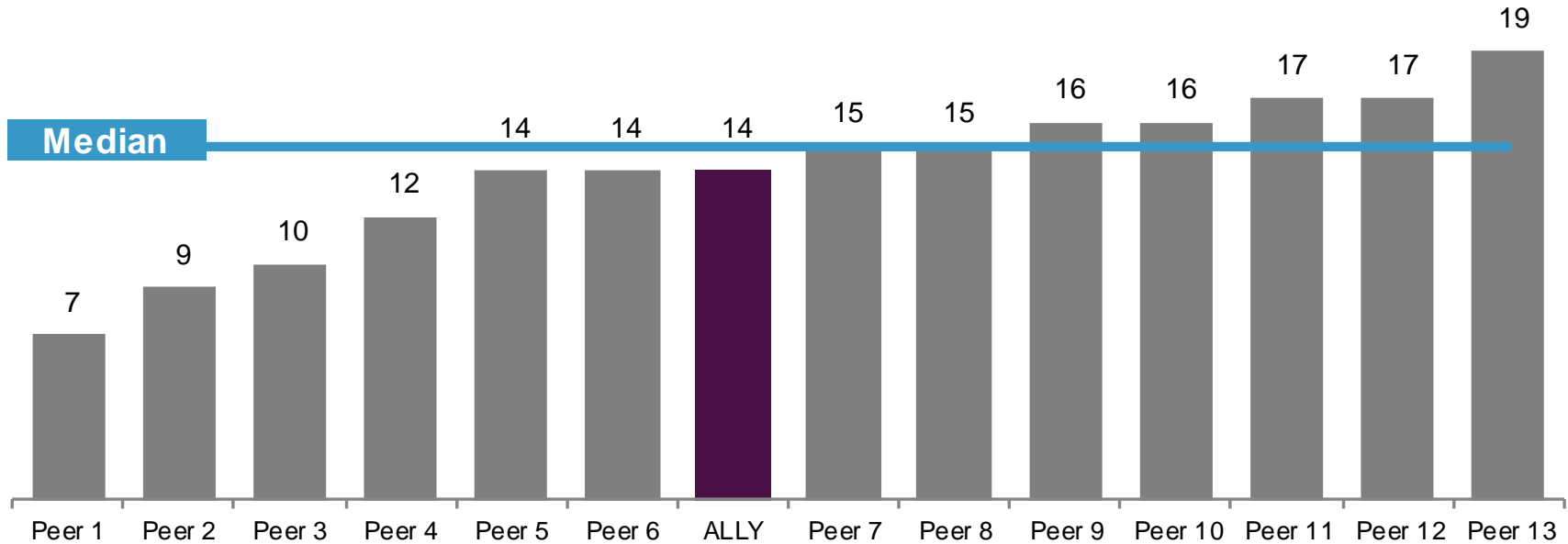
(4) Represents a non-GAAP financial measure. Excludes OID. See page 21 for calculation methodology and details.

Peer Deposit Pricing Changes and Balance Growth



Strong deposit growth with modest rate change

YoY Deposit Yield Change (basis points)⁽¹⁾



Balance Growth (YoY %)⁽¹⁾





Investment in Digital Capabilities

Direct Banks are growing deposits

2.5x⁽¹⁾

faster than the overall retail market

>95%

of Ally's customer
interactions are digital

Customers now interact with Ally more via

mobile

than any other channel and growing

Innovation to Drive Value

Zellesm

Real-time customer payments

Alexa Skill

Banking via artificial intelligence (AI) powered virtual assistant

Debit Controls

Customer controls more than just 'on/off'

Deposits Risk Engine

Machine learning to combat fraud

Advanced Analytics

Utilizing predictive analytics for personalized interactions

Process Automation

Use of Robotics/AI to drive efficiency and improved customer experience

- **Focused on demonstrating resilient returns in auto finance through the cycle**
- **Deposit growth is a key driver of strategic and financial path**
- **Secular digital trends are on our side**
- **Developing new products to drive more value from banking franchise and position for long-term growth**

Building the leading digital bank

Supplemental



Notes on non-GAAP and other financial measures



- 1) **Core original issue discount (Core OID)** is a non-GAAP financial measure for OID, primarily related to bond exchange OID which excludes international operations and future issuances.
- 2) **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 unamortized Core OID and net DTA. As of 1Q 2016, Ally's Core net income available to common for purposes of calculating Core ROTCE is based on the actual effective tax rate for the period adjusted for any discrete tax items including tax reserve releases, which aligns with the methodology used in calculating adjusted earnings per share.
- a) In the numerator of Core ROTCE, GAAP net income available to common is adjusted for discontinued operations net of tax, tax-effected Core OID expense, tax-effected repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities, certain discrete tax items and preferred stock capital actions.
- b) In the denominator, GAAP shareholder's equity is adjusted for preferred equity and goodwill and identifiable intangibles net of DTL, unamortized Core OID, and net DTA.

Core Return on Tangible Common Equity ("Core ROTCE")**Numerator** (\$ millions)

	FY 2016	FY 2013
GAAP net income available to common shareholders	\$ 1,037	\$ (688)
less: Disc Ops, net of tax	44	55
add back: Core original issue discount expense ("Core OID expense")	59	249
add back: Repositioning Items	11	244
less: Core OID & Repo. Tax (35% in '16, 34% in '15)	(24)	(168)
Significant Discrete Tax Items & Other	(84)	602
Series G Actions	-	-
Series A Actions	1	-
Core net income available to common shareholders	[a] \$ 1,043	\$ 294

Denominator (2-period average, \$ billions)

	FY 2016	FY 2013
GAAP shareholder's equity	\$ 13.4	\$ 17.1
less: Preferred equity	0.3	4.1
less: Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	0.2	0.3
Tangible common equity	\$ 12.9	\$ 12.7
less: Core unamortized original issue discount ("Core OID discount")	1.3	1.7
less: Net deferred tax asset ("DTA")	1.2	1.6
Normalized common equity	[b] \$ 10.4	\$ 9.4
Core Return on Tangible Common Equity	[a] / [b] 10.0%	3.1%

Total Funding Sources (based on average balances)

(\$ millions)

	3Q 17	3Q 13
Total Funding Sources (GAAP)	\$ 145,323	\$ 118,791
Core OID	1,206	1,631
Total Funding Sources (ex OID)	\$ 146,529	\$ 120,422

Unamortized Original Issue Discount (based on average balances)

(\$ millions)

	3Q 17	3Q 13
Core unamortized original issue discount	\$ (1,206)	\$ (1,631)
Other unamortized OID	(65)	(54)
GAAP unamortized original issue discount	\$ (1,271)	\$ (1,685)

Unamortized Original Issue Discount (based on EOP balances)

(\$ millions)

	3Q 17	3Q 13
Core unamortized original issue discount	\$ (1,197)	\$ (1,599)
Other unamortized OID	(62)	(57)
GAAP unamortized original issue discount	\$ (1,259)	\$ (1,656)

Unamortized Original Issue Discount Expense

(\$ millions)

	3Q 17	3Q 13
Core unamortized original issue discount	\$ 18	\$ 64
Other unamortized OID	5	3
GAAP unamortized original issue discount	\$ 23	\$ 67