

Ally Financial Inc. 4Q 2018 Earnings Review

January 30, 2019



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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, 2017, 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.

GAAP and Core Results - Annual



(\$ millions except per share data)

	2018	2017	2016	2015	2014
GAAP net income (loss) attributable to common shareholders ("NIAC")	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Core net income attributable to common shareholders ⁽¹⁾⁽²⁾	\$ 1,427	\$ 1,091	\$ 1,043	\$ 967	\$ 812
GAAP earnings per common share ("EPS") (diluted, NIAC)	\$ 2.95	\$ 2.04	\$ 2.15	\$ (2.66)	\$ 1.83
Adjusted EPS ⁽¹⁾⁽³⁾	\$ 3.34	\$ 2.39	\$ 2.16	\$ 2.00	\$ 1.68
Return (net income) on GAAP shareholder's equity	9.4%	6.9%	8.0%	8.9%	7.8%
Core ROTCE ⁽¹⁾⁽⁴⁾	12.3%	9.8%	10.0%	9.4%	7.9%
GAAP common shareholder's equity per share	\$ 32.8	\$ 30.9	\$ 28.5	\$ 26.4	\$ 29.5
Adjusted tangible book value per share ⁽¹⁾⁽⁵⁾	\$ 29.9	\$ 28.1	\$ 26.2	\$ 24.6	\$ 22.7
Efficiency Ratio	56.2%	53.9%	54.1%	56.8%	63.4%
Adjusted Efficiency Ratio ⁽¹⁾⁽⁶⁾	47.6%	45.8%	45.4%	45.3%	50.8%
GAAP total net revenue	\$ 5,804	\$ 5,765	\$ 5,437	\$ 4,861	\$ 4,651
Adjusted total net revenue ⁽¹⁾⁽⁷⁾	\$ 6,011	\$ 5,836	\$ 5,498	\$ 5,262	\$ 4,985

- (1) 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, Net Financing Revenue, excluding Core OID, Adjusted Other Revenue, Core original issue discount (Core OID) amortization expense, Core outstanding original issue discount balance (Core OID balance), 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.
- (2) 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. See pages 31 and 32 for calculation methodology and details.
- (3) 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. See page 32 for calculation methodology and details.
- (4) 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 the net deferred tax asset. See page 36 for calculation methodology and details.
- (5) Adjusted tangible book value per share (Adjusted TBVPS) is a non-GAAP financial measure that reflects the book value of equity attributable to shareholders even if tax-effected Core OID balance were accelerated immediately through the financial statements. As a result, management believes Adjusted TBVPS provides the reader with an assessment of value that is more conservative than GAAP common shareholder's equity per share. See page 34 for calculation methodology and details.
- (6) 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. Adjusted efficiency ratio generally adjusts for Insurance segment revenue and expense, rep and warrant expense and Core OID. See page 38 for calculation methodology and details.
- (7) Adjusted total net revenue is a non-GAAP financial measure that adjusts GAAP total net revenue for Core OID and for change in the fair value of equity securities due to the implementation of ASU 2016-01, effective 1/1/18, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 45 for calculation methodology and details.

GAAP and Core Results - Quarterly



(\$ millions except per share data)

	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
GAAP net income attributable to common shareholders ("NIAC")	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181
Core net income attributable to common shareholders ⁽¹⁾⁽²⁾	\$ 382	\$ 386	\$ 358	\$ 300	\$ 310
GAAP earnings per common share ("EPS") (<i>diluted, NIAC</i>)	\$ 0.70	\$ 0.88	\$ 0.81	\$ 0.57	\$ 0.41
Adjusted EPS ⁽¹⁾⁽³⁾	\$ 0.92	\$ 0.91	\$ 0.83	\$ 0.68	\$ 0.70
Return (net income) on GAAP shareholder's equity	8.8%	11.4%	10.6%	7.5%	5.3%
Core ROTCE ⁽¹⁾⁽⁴⁾	13.4%	13.7%	12.8%	10.6%	10.8%
GAAP common shareholder's equity per share	\$ 32.8	\$ 31.4	\$ 30.9	\$ 30.2	\$ 30.9
Adjusted tangible book value per share ⁽¹⁾⁽⁵⁾	\$ 29.9	\$ 28.6	\$ 28.1	\$ 27.4	\$ 28.1
Efficiency Ratio	55.9%	53.6%	57.5%	58.0%	52.2%
Adjusted Efficiency Ratio ⁽¹⁾⁽⁶⁾	46.9%	46.0%	47.7%	50.1%	46.4%
GAAP total net revenue	\$ 1,438	\$ 1,505	\$ 1,458	\$ 1,403	\$ 1,473
Adjusted total net revenue ⁽¹⁾⁽⁷⁾	\$ 1,556	\$ 1,521	\$ 1,471	\$ 1,463	\$ 1,492

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Solid business fundamentals underpinning strong earnings growth

✓ **2018 Adjusted EPS⁽¹⁾ of \$3.34 (+39% YoY) | Core ROTCE⁽¹⁾ of 12.3% (+256 bps YoY)**

- Adjusted Total Net Revenue⁽¹⁾ of \$6.0 billion, up \$175 million YoY

✓ **Auto optimization reflected in improved risk-adjusted returns**

- 2018 consumer auto originations of \$35.4 billion – 2018 estimated retail auto originated yield⁽²⁾ of 7.07%
- Maintained consistent credit profile – 2018 retail auto net charge-off rate of 1.33%
- Insurance written premiums of \$1.17 billion, up 18% YoY

✓ **Total deposits grew \$12.9 billion YoY – ending at \$106.2 billion**

- 1.65 million retail deposit customers at year-end – increased 230k in 2018 (+16% YoY)
- 4Q 2018 retail deposit growth of \$4.5 billion – highest quarterly growth ever

✓ **Ongoing momentum in growth businesses and digital product offerings**

- Corporate Finance pre-tax income up 26% YoY and held-for-investment loans up 19%
- Continued momentum in Ally Invest and Ally Home®

✓ **2018 common shareholder distributions increased to \$1.2 billion, up 26% YoY**

(1) Represents a non-GAAP financial measure. See pages 32, 36 and 45 for details.

(2) Estimated Retail Auto Originated Yield is a forward-looking non-GAAP financial measure determined by calculating the estimated average annualized yield for loans originated during the period.

2018 Full-Year Financial Performance



	2018 Revised Outlook	2018 Actuals	
Adjusted EPS⁽¹⁾ Growth	35 – 40%	39%	✓
Core ROTCE⁽¹⁾	12% +	12.3%	✓
Net Financing Revenue (excluding Core OID) ⁽¹⁾	Up 3 - 6%	Up 4.3%	✓
Other Revenue (excluding change in fair value of equity securities) ⁽¹⁾	Relatively Flat	Down < 1%	✓
Provision Expense	Down 15% +	Down 20%	✓
Noninterest Expense	Up 4 - 6%	Up 5.0%	✓
Retail Auto NCO%	<1.4%	1.33%	✓

(1) Represents a non-GAAP financial measure. See pages 32, 36 and 45 for details.

Core Metric Trends



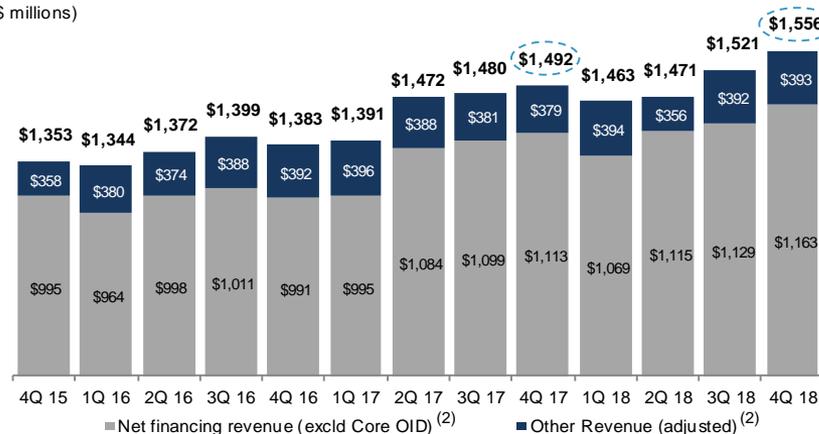
Adjusted Earnings Per Share⁽¹⁾



(1) Represents a non-GAAP financial measure. See page 33 for details.

Adjusted Total Net Revenue⁽²⁾

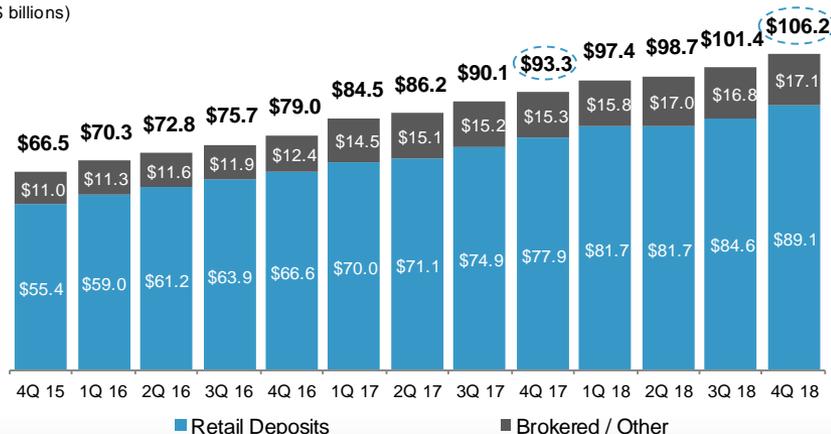
(\$ millions)



(2) Represents a non-GAAP financial measure. See page 45 for details.

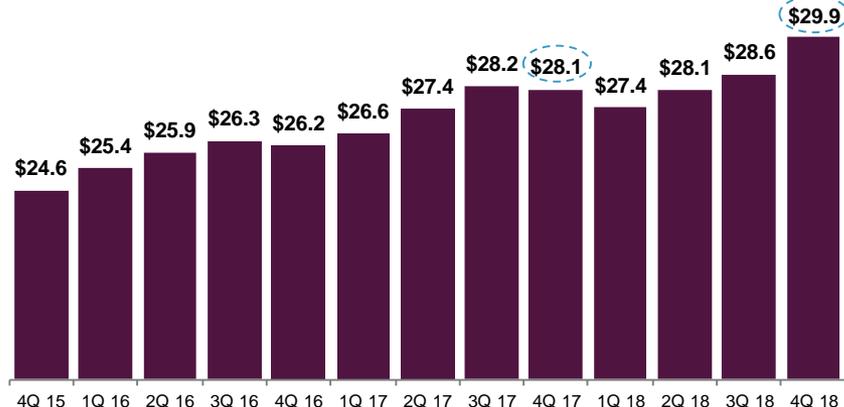
Total Deposits

(\$ billions)



Note: Other includes mortgage escrow, dealer and other deposits

Adjusted Tangible Book Value per Share⁽³⁾



(3) Represents a non-GAAP financial measure. See page 35 for details.

Fourth Quarter and Full Year Financial Results



(\$ millions; except per share data)

	4Q 18	3Q 18	4Q 17	2018	2017
Net financing revenue (excluding Core OID) ⁽¹⁾	\$ 1,163	\$ 1,129	\$ 1,113	\$ 4,476	\$ 4,292
Core OID	(23)	(22)	(19)	(86)	(71)
Net financing revenue (as reported)	\$ 1,140	\$ 1,107	\$ 1,094	\$ 4,390	\$ 4,221
Other revenue (excluding change in fair value of equity securities) ⁽²⁾	393	392	379	1,535	1,544
Change in fair value of equity securities ⁽²⁾	(95)	6	-	(121)	-
Other revenue (as reported)	298	398	379	1,414	1,544
Provision for loan losses	266	233	294	918	1,148
Noninterest expenses	804	807	769	3,264	3,110
Pre-tax income from continuing operations	\$ 368	\$ 465	\$ 410	\$ 1,622	\$ 1,507
Income tax expense	79	91	231	359	581
Income from discontinued operations, net of tax	1	-	2	-	3
Net income	\$ 290	\$ 374	\$ 181	\$ 1,263	\$ 929
	4Q 18	3Q 18	4Q 17	2018	2017
GAAP EPS (diluted)	\$ 0.70	\$ 0.88	\$ 0.41	\$ 2.95	\$ 2.04
Discontinued operations, net of tax	(0.00)	-	(0.00)	-	(0.01)
Core OID, net of tax	0.04	0.04	0.03	0.16	0.10
Change in fair value of equity securities, net of tax	0.18	(0.01)	-	0.22	-
Significant discrete tax items ⁽⁴⁾	-	-	0.27	-	0.26
Adjusted EPS ⁽³⁾	\$ 0.92	\$ 0.91	\$ 0.70	\$ 3.34	\$ 2.39
Core ROTCE ⁽³⁾	13.4%	13.7%	10.8%	12.3%	9.8%
Adjusted Efficiency Ratio ⁽³⁾	46.9%	46.0%	46.4%	47.6%	45.8%
Effective Tax Rate	21.5%	19.6%	56.3%	22.1%	38.6%

(1) Represents a non-GAAP financial measure. Adjusted for Core OID. See pages 44 and 45 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, effective 1/1/18, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. For Non-GAAP calculation methodology and details see pages 41, 42 and 43.

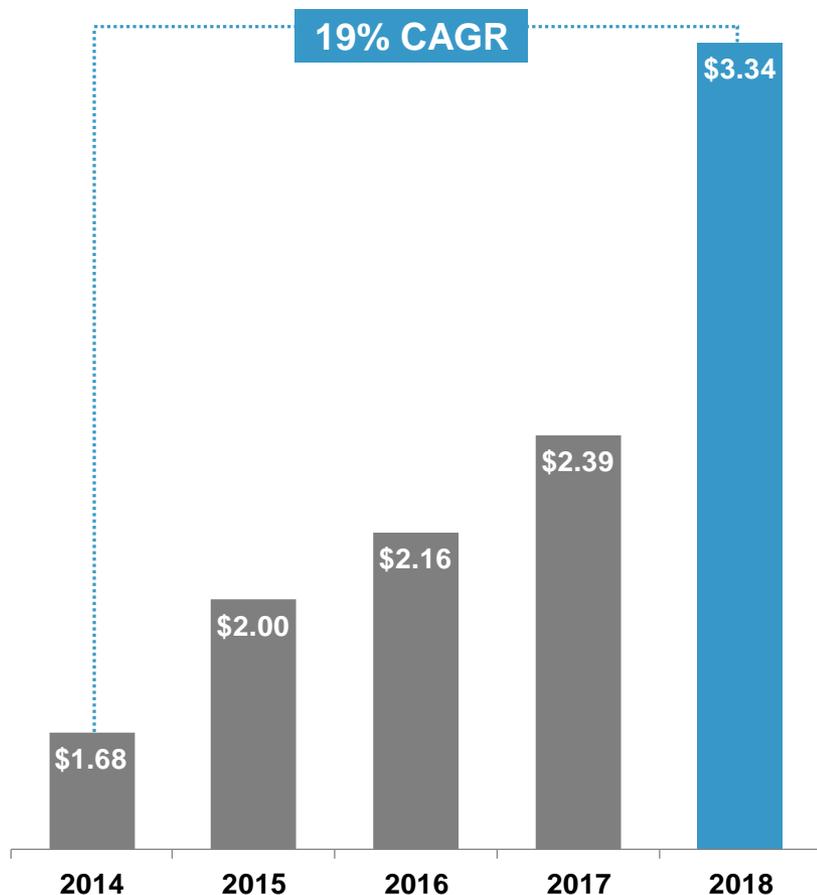
(3) For non-GAAP calculation methodology and details see pages 32, 33, 36, 37, 38 and 39.

(4) Significant discrete tax items do not relate to the operating performance of the core businesses. 2017 effective tax rate was impacted primarily by a \$119 million revaluation of federal deferred tax assets and liabilities and related valuation allowance recorded in 4Q 17 due to the enactment of the Tax Cuts and Jobs Act in 2017.

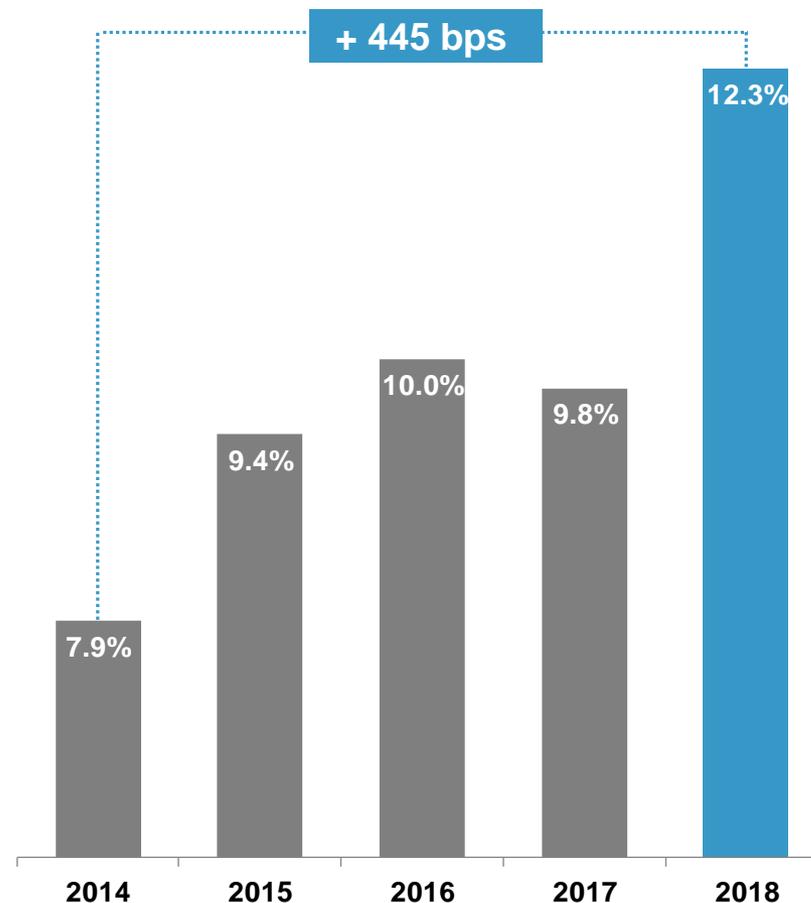
Adjusted EPS⁽¹⁾ and Core ROTCE⁽¹⁾

Sustained execution along strategic path

Adjusted Earnings per Share⁽¹⁾



Core ROTCE⁽¹⁾



(1) Represents a non-GAAP financial measure. See page 32 and 36 for calculation methodology and details.

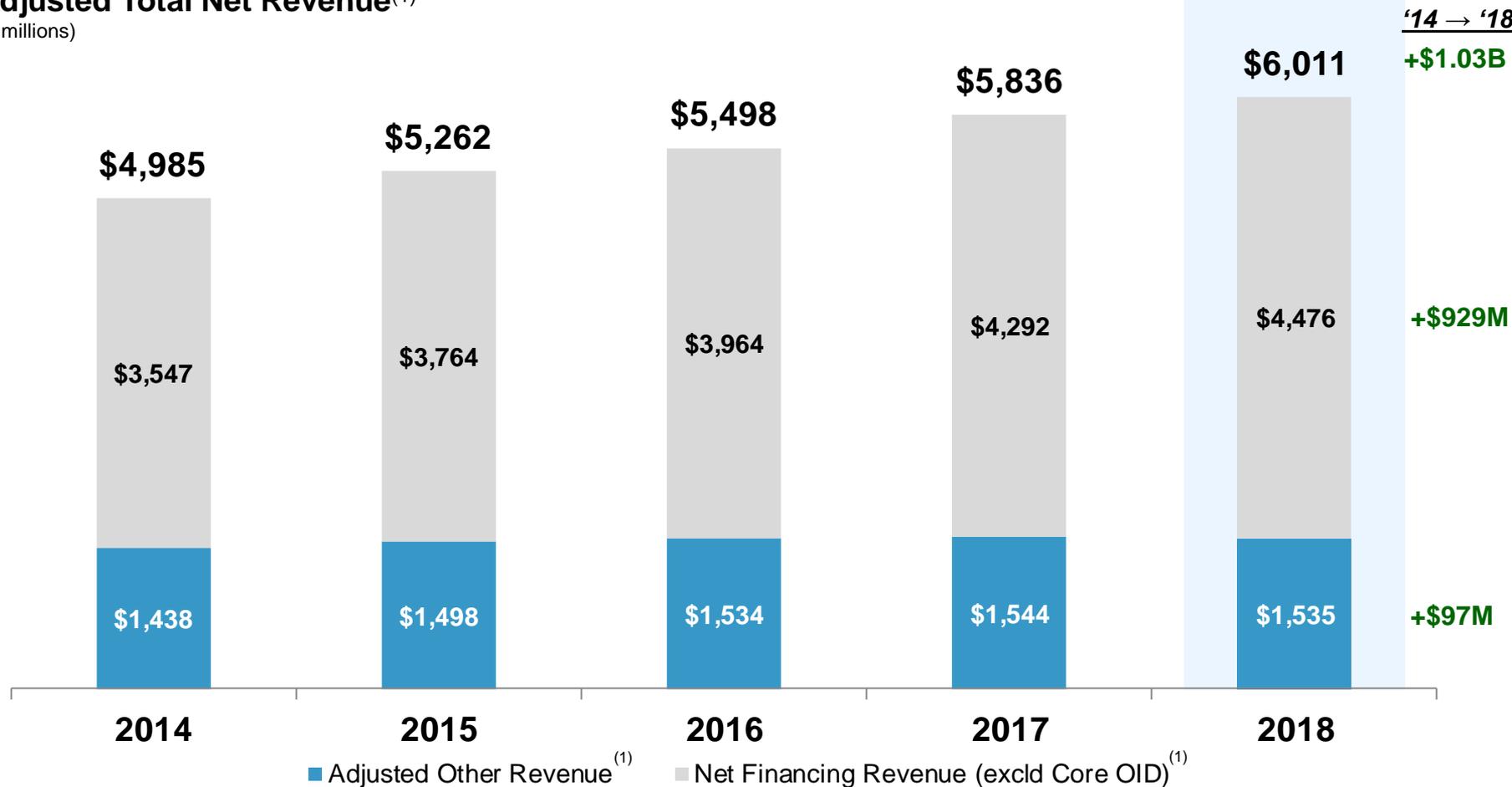
Adjusted Total Net Revenue⁽¹⁾



Top line revenue growth driven by balance sheet optimization and deposit growth

Adjusted Total Net Revenue⁽¹⁾

(\$ millions)



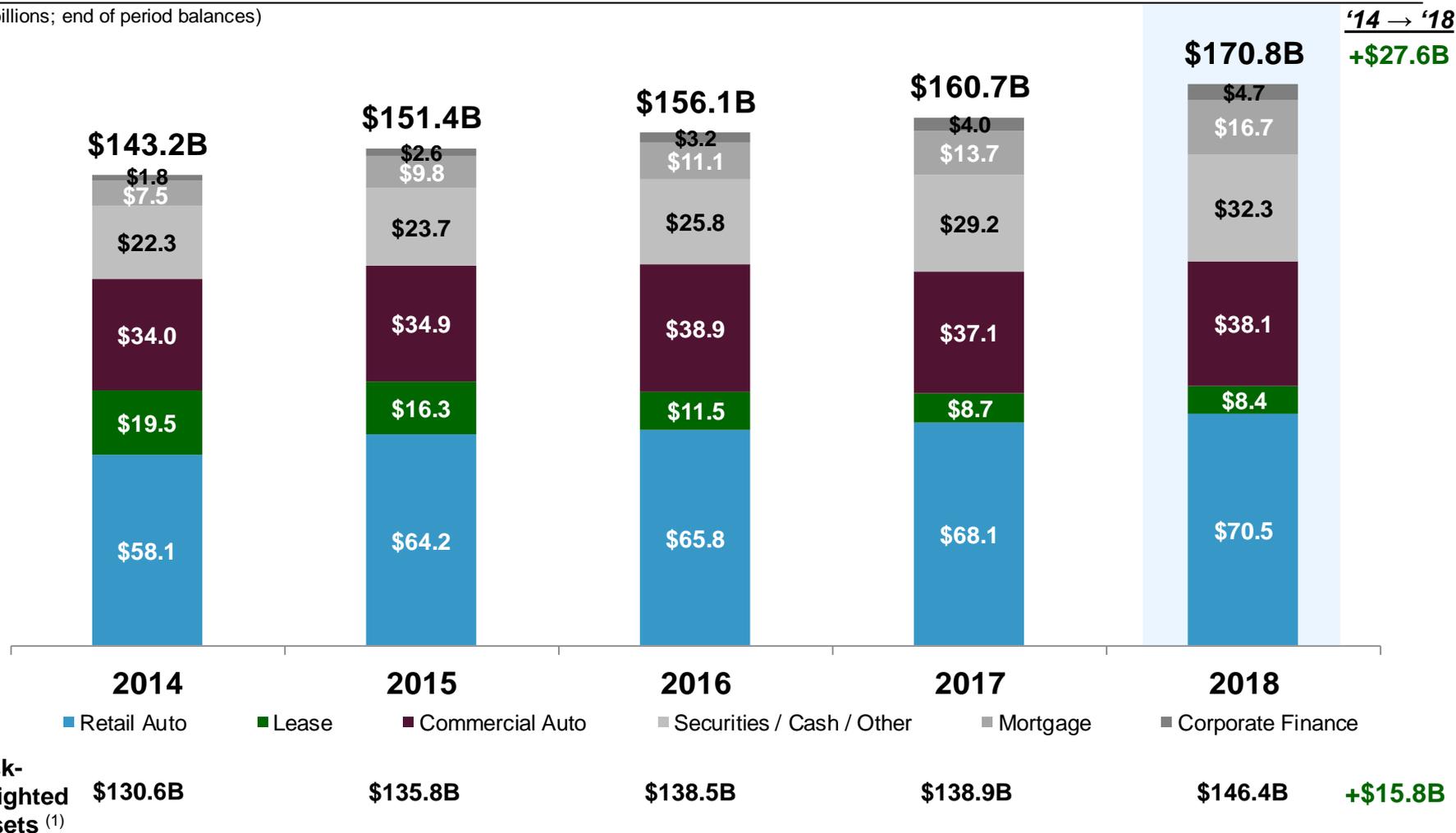
(1) Represents a non-GAAP financial measure. Excludes Core OID from Net Financing Revenue. Excludes activity related to the extinguishment of high-cost legacy debt and for change in the fair value of equity securities due to the implementation of ASU 2016-01, effective 1/1/18, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity, and repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities, from Other Revenue. See page 45 for calculation methodology and details.

Earning Asset Trends



Diversified balance sheet – optimizing auto, growing capital efficient assets

(\$ billions; end of period balances)



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

(1) Risk weighted assets are Basel III transitional for 2015 – 2018, Basel I for 2014

Secured Balance Sheet



Portfolio predominately composed of prime, secured consumer and commercial loans

	2018 Avg. Balances (\$ billions)	2018 NCO %	2018 NCO \$ (\$ millions)	Inc / (Dec) vs. 2017	
				NCO %	NCO \$ (\$ millions)
Retail Auto	\$70B	1.33%	\$927M	(0.15)%	(\$59)M
Commercial Auto	\$36B	0.01%	\$5M	0.01%	\$3M
Mortgage	\$15B	0.07%	\$10M	0.01%	\$4M
Corporate Finance	\$4B	0.07%	\$3M	(0.38)%	(\$13)M
Total Loans	\$125B	0.75%	\$945M	(0.10)%	(\$65)M
Lease	\$9B				
Total Loans & Lease	\$134B				

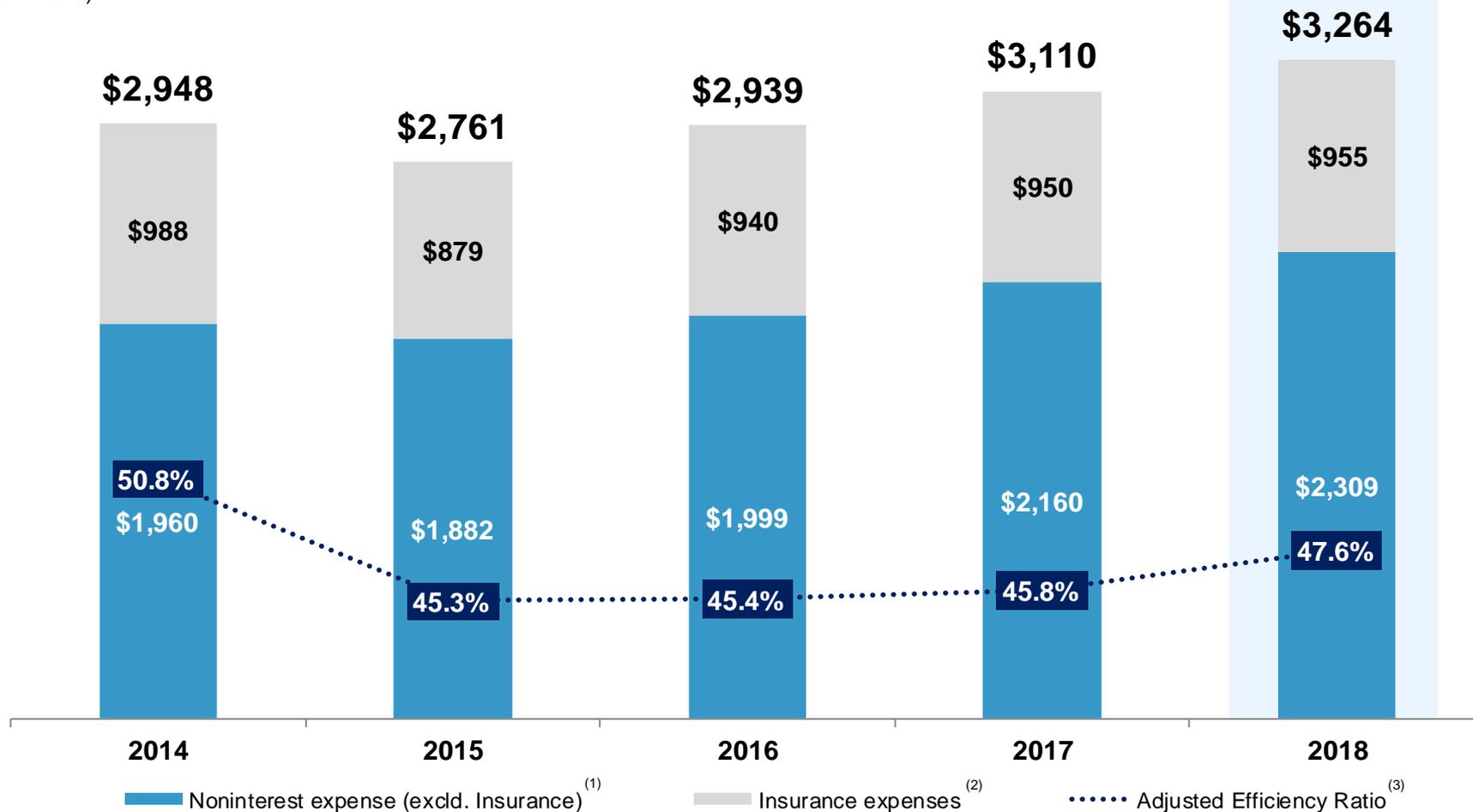
Note: Above loans are classified as held-for-investment and recorded at gross carrying value. Retail auto loans exclude fair value adjustments for loans in hedge accounting relationship. See page 31 for definition.

Noninterest Expense



Disciplined expense deployment – investing for the future

(\$ millions)



(1) Noninterest expense (excl. Insurance) is comprised of compensation & benefits, information technology, servicing and other unspecified noninterest expenses.

(2) Insurance expenses represents the segment's noninterest expenses.

(3) Represents a non-GAAP financial measure. See page 38 for calculation methodology and details.

Balance Sheet and Net Interest Margin



(\$ millions)	4Q 18		3Q 18		4Q 17		2018		2017	
	Average Balance	Yield								
Retail Auto Loan	\$ 69,982	6.39%	\$ 70,547	6.20%	\$ 67,501	5.90%	\$ 69,804	6.14%	\$ 66,502	5.80%
Auto Lease (net of depreciation)	8,516	5.82%	8,634	5.56%	8,831	6.29%	8,590	5.40%	9,791	6.36%
Commercial Auto	36,815	4.55%	34,529	4.40%	35,926	3.70%	35,570	4.26%	37,388	3.49%
Corporate Finance	4,402	7.48%	4,228	7.41%	3,936	7.06%	4,235	7.58%	3,624	7.06%
Mortgage	16,602	3.73%	15,660	3.65%	12,445	3.44%	15,295	3.64%	11,486	3.46%
Cash, Securities and Other	33,511	3.02%	30,812	2.83%	29,159	2.41%	32,079	2.74%	26,823	2.38%
Total Earning Assets	\$ 169,828	5.06%	\$ 164,410	4.94%	\$ 157,798	4.61%	\$ 165,573	4.85%	\$ 155,614	4.55%
Unsecured Debt ⁽¹⁾⁽⁴⁾	\$ 13,963	6.14%	\$ 15,014	5.79%	\$ 17,881	5.15%	\$ 15,287	5.80%	\$ 19,583	5.09%
Secured Debt	18,029	2.95%	18,840	2.79%	18,963	2.22%	18,346	2.71%	24,216	2.06%
Deposits ⁽²⁾	103,802	2.00%	99,964	1.84%	91,448	1.35%	99,189	1.75%	86,732	1.24%
Other Borrowings ⁽³⁾	22,451	2.33%	19,770	2.13%	18,859	1.51%	21,070	2.06%	15,459	1.37%
Total Funding Sources ⁽¹⁾	\$ 158,245	2.52%	\$ 153,588	2.38%	\$ 147,151	1.94%	\$ 153,892	2.31%	\$ 145,990	1.91%
NIM (excluding Core OID) ⁽¹⁾	2.72%		2.72%		2.80%		2.70%		2.76%	
NIM (as reported)	2.66%		2.67%		2.75%		2.65%		2.71%	

(1) Represents a non-GAAP financial measure. Excludes Core OID. See page 44 and 45 for calculation methodology and details.

(2) Includes brokered (inclusive of sweep deposits) and other deposits (inclusive of mortgage escrow, dealer, and other deposits)

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

(4) Includes trust preferred securities

Deposits

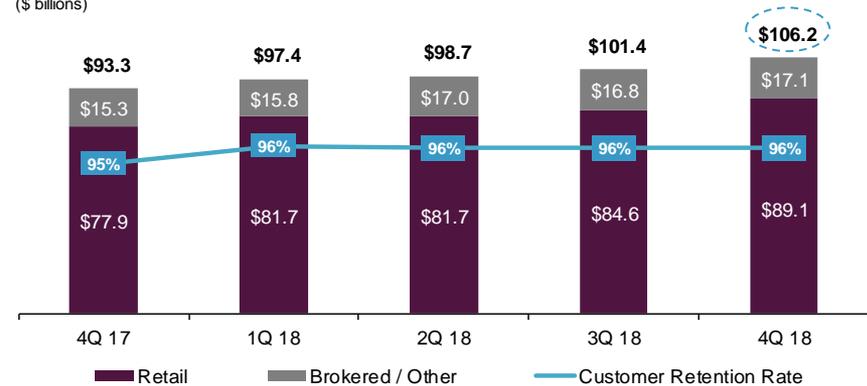


- Highest quarterly growth in retail balances and new retail deposit customers
- Total deposits of \$106.2 billion, up \$12.9 billion YoY
 - Customer retention strong at 96% throughout 2018
- Ending retail deposits at \$89.1 billion, up \$11.2 billion YoY and up \$4.5 billion QoQ
- Average retail deposits up \$10.7 billion YoY and \$3.9 billion QoQ
- Cumulative retail portfolio beta of 35% since 3Q 15
- 1.65 million retail deposit customers, up 16% YoY
 - Up 72k retail deposit customers QoQ

Stable, consistent growth of retail deposits

Deposit Levels (EOP) and Customer Retention Rate

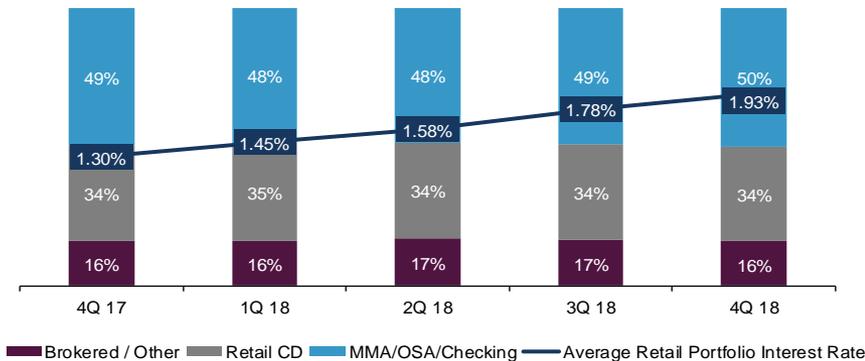
(\$ billions)



Note: Brokered includes sweep deposits. Other includes mortgage escrow, dealer, and other deposits. See page 31 for definition.

Deposit Mix

Ally Bank Deposit Composition (EOP) and Average Retail Portfolio Interest Rate

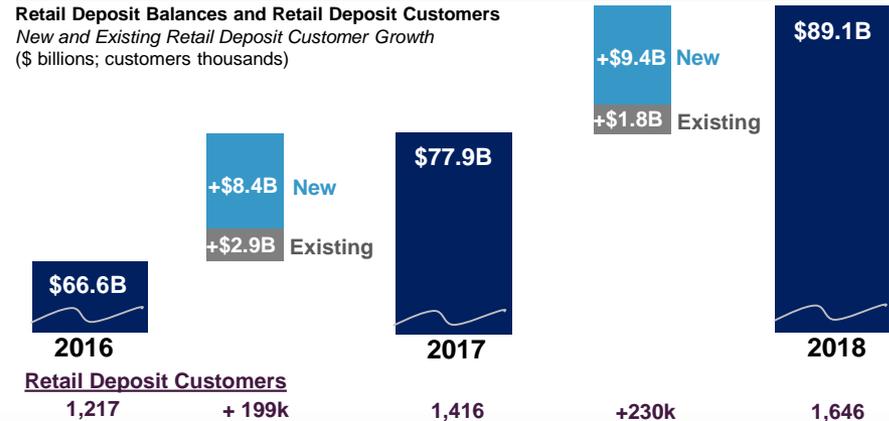


Note: Brokered includes sweep deposits. Other includes mortgage escrow, dealer, and other deposits.

Retail Deposits: Balance & Customer Growth

Retail Deposit Balances and Retail Deposit Customers

New and Existing Retail Deposit Customer Growth (\$ billions; customers thousands)



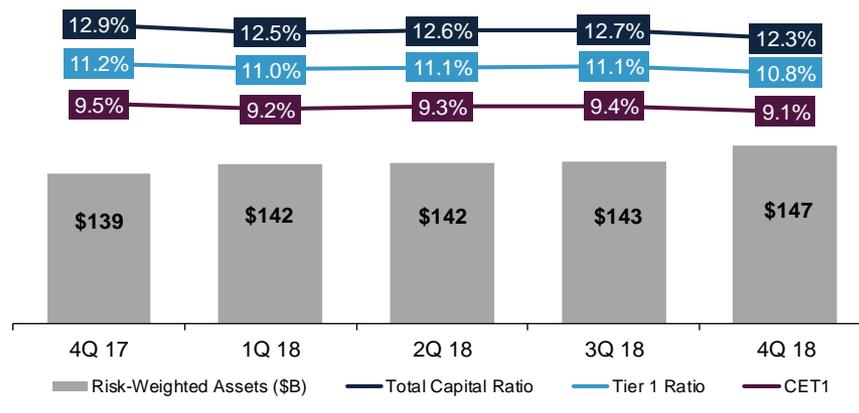
Retail Deposit Customers

1,217	+ 199k	1,416	+230k	1,646
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Capital

- **Preliminary fully phased-in Basel III CET1 ratio of 9.1%**
 - CET1 ratio down QoQ primarily driven by RWA growth from seasonally higher commercial auto balances
- **4Q 18 share repurchases equated to ~2.8% net reduction of total shares outstanding**
 - 16.3% shares outstanding decrease since inception
- **Board approved quarterly dividend increase from \$0.15 to \$0.17 per share for 1Q 19**
 - Included in FRB non-objection to 2018 CCAR capital plan

Capital Ratios⁽¹⁾ and Risk-Weighted Assets

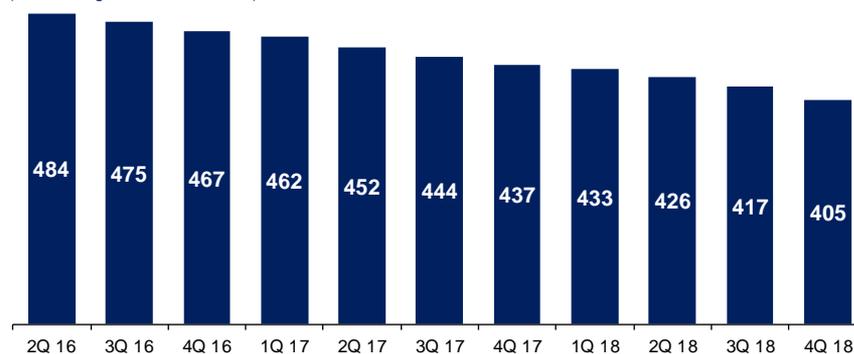


(1) All capital ratios represent fully phased-in Basel III, which are non-GAAP financial measures; See page 40 for details.

Share Buyback Summary

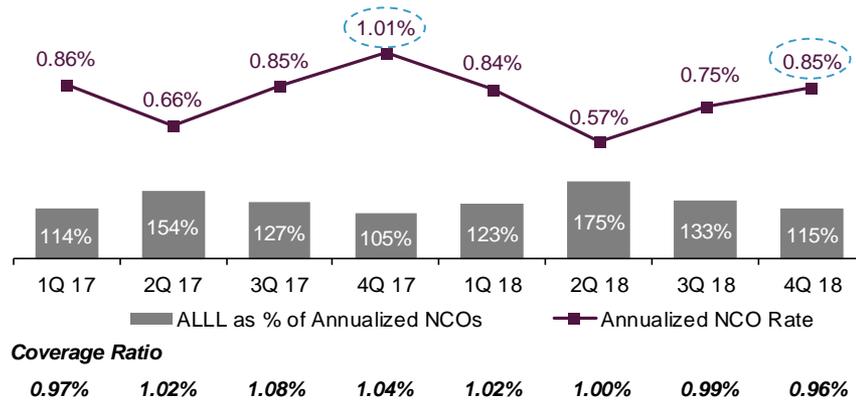
	4Q 18	Since Inception
Shares Repurchased (MM)	12.1	86.2
Dollars (\$MM)	\$309	\$2,017
Average Price Paid Per Share	\$25.52	\$23.39
Shares Outstanding Decrease (net)	-2.8%	-16.3%

(outstanding shares - # millions)



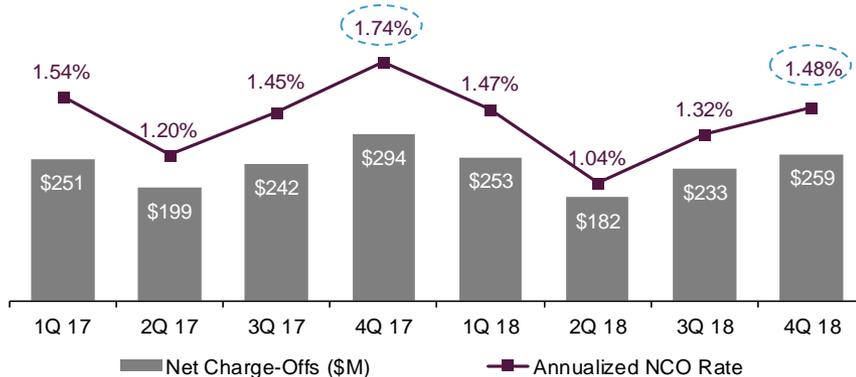
Note: 'Since Inception' is activity in 3Q16 - 4Q18. Shares Repurchased include shares withheld to cover income taxes owed by participants related to share-based incentive plans. Excludes commissions.

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 31 for definition

Provision Expense

(\$ millions)

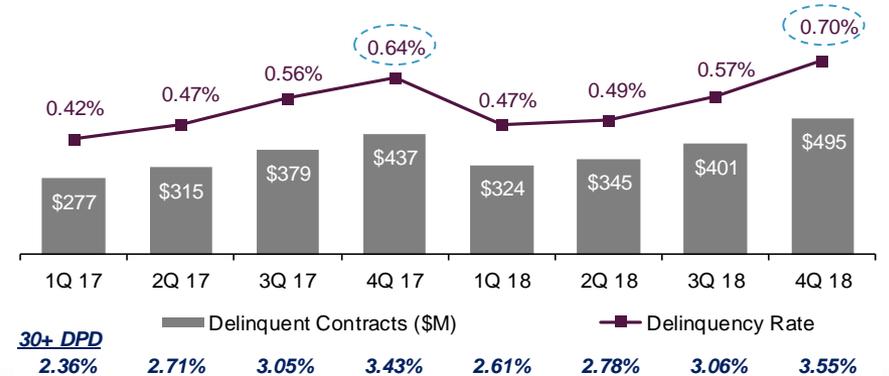
Provision Expense	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18
Retail Auto	\$ 314	\$ 286	\$ 253	\$ 168	\$ 229	\$ 262
Commercial Auto	(2)	2	6	2	-	1
Mortgage Finance	4	2	2	-	2	(3)
Corporate Finance	3	7	-	(6)	8	10
Corp/Other	(5)	(3)	-	(6)	(6)	(3)
Total	\$ 314	\$ 294	\$ 261	\$ 158	\$ 233	\$ 266

Retail Auto Coverage Ratio	1.60%	1.57%	1.54%	1.49%	1.49%	1.49%
Retail Auto Loan Bal (EOP, \$ billions)	\$ 67.1	\$ 68.1	\$ 69.3	\$ 70.5	\$ 70.0	\$ 70.5

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").

Auto Finance – Results

- **Auto Finance reported pre-tax income of \$335 million, up \$50 million YoY and down \$48 million QoQ**
 - Net financing revenue up YoY and QoQ primarily due to higher retail and commercial yields and assets
 - Other revenue down QoQ due to higher gains on loan sales in the prior quarter
 - Provision down YoY driven by lower retail auto NCOs
 - QoQ increase due primarily to seasonally higher retail auto charge-offs
- **Earning assets of \$117.1 billion, up \$3.2 billion YoY**
 - Retail auto portfolio growth more than offsetting decline in lease portfolio
- **All active dealer customers (excluding RV) of 17.8k in 4Q 18, up 3% YoY**
 - Highest application flow ever at 11.6 million in 2018, up 4% YoY
- **Retail auto portfolio optimization since 2016 resulting in higher risk-adjusted spreads**
 - Over time, retail portfolio yield migrating to estimated retail auto originated yield⁽¹⁾ of 7.07% for 2018

Key Financials (\$ millions)	4Q 18	Increase/(Decrease) vs.	
		3Q 18	4Q 17
Net financing revenue	\$ 979	\$ 23	\$ 40
Total other revenue	60	(20)	(5)
Total net revenue	1,039	3	35
Provision for loan losses	262	33	(26)
Noninterest expense ⁽¹⁾	442	18	11
Pre-tax income from continuing ops	\$ 335	\$ (48)	\$ 50
U.S. auto earning assets (EOP)	\$ 117,066	\$ 2,559	\$ 3,214
Net lease revenue (\$ millions)			
Operating lease revenue	\$ 365	\$ (3)	\$ (37)
Depreciation expense	268	(6)	(37)
Remarketing gains	28	1	(16)
Total depreciation expense	240	(7)	(22)
Net lease revenue	\$ 125	\$ 4	\$ (15)
Lease yield, net	5.82%	0.26%	-0.47%
Average gain per vehicle	\$ 1,089	\$ 145	\$ 280
Off-lease vehicles terminated	25,706	(3,312)	(28,455)

(On-balance sheet - # in units)

(1) Noninterest expense includes corporate allocations of \$182 million in 4Q 2018, \$172 million in 3Q 2018 and \$167 million in 4Q 2017

Retail Auto Portfolio Yield and Retail Auto NCO% Trends

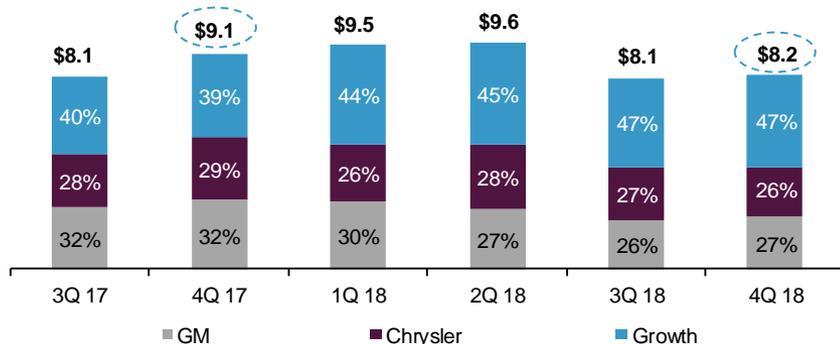


(1) Estimated Retail Auto Originated Yield is a forward-looking non-GAAP financial measure determined by calculating the estimated average annualized yield for loans originated during the period.

Auto Finance – Key Metrics

Consumer Originations

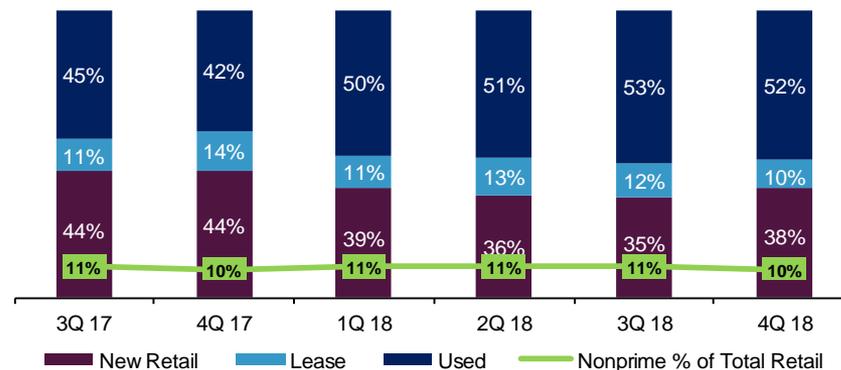
(\$ billions; % of \$ originations)



See page 31 for definitions

Origination Mix

(% of \$ originations)



See page 31 for definitions

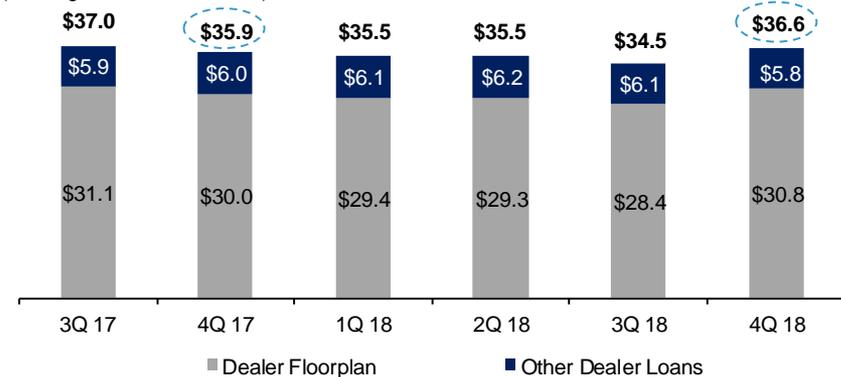
Consumer Assets

(End of period, \$ billions)



Commercial Assets

(Average balance, \$ billions)



Note: Asset balances reflect the average daily balance for the quarter

- **Pre-tax loss of \$13 million due to change in fair value of equity securities**
- **Core pre-tax income⁽¹⁾ of \$78 million, down \$2 million YoY and up \$30 million QoQ**
 - Earned premiums up YoY and QoQ driven by higher vehicle inventory insurance rates
 - Seasonally lower weather losses QoQ
 - Investment income down YoY and QoQ due to lower realized gains
- **Written premiums of \$298 million, up \$33 million YoY**
 - Increase driven by higher vehicle inventory insurance rates and growth in F&I products
 - QoQ decrease primarily driven by seasonality

Key Financials (\$ millions)	Increase/(Decrease) vs.		
	4Q 18	3Q 18	4Q 17
Premiums, service revenue earned and other	\$ 271	\$ 11	\$ 16
Losses and loss adjustment expenses	54	(23)	-
Acquisition and underwriting expenses ⁽²⁾	161	(3)	2
Total underwriting income	56	37	14
Investment income and other (adjusted) ⁽¹⁾	22	(7)	(16)
Core pre-tax income ⁽¹⁾	\$ 78	\$ 30	\$ (2)
Change in fair value of equity securities ⁽¹⁾	(91)	(98)	(91)
Pre-tax (loss) from continuing ops	\$ (13)	\$ (68)	\$ (93)
Total assets (EOP)	\$ 7,734	\$ (42)	\$ 270

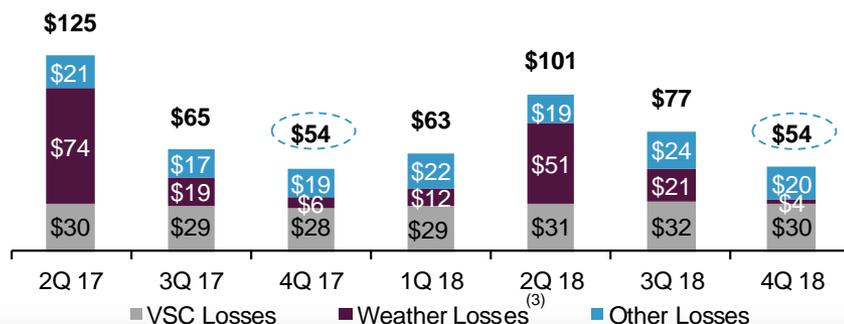
Key Statistics - Insurance Ratios	4Q 18	3Q 18	4Q 17
Loss ratio	20.1%	29.4%	21.3%
Underwriting expense ratio	59.4%	63.1%	62.2%
Combined ratio	79.5%	92.6%	83.5%

(1) Represents a non-GAAP financial measure. Excludes equity fair value adjustments related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 41 for details.

(2) Noninterest expense includes corporate allocations of \$12 million in 4Q 2018, \$12 million in 3Q 2018 and \$13 million in 4Q 2017

Insurance Losses

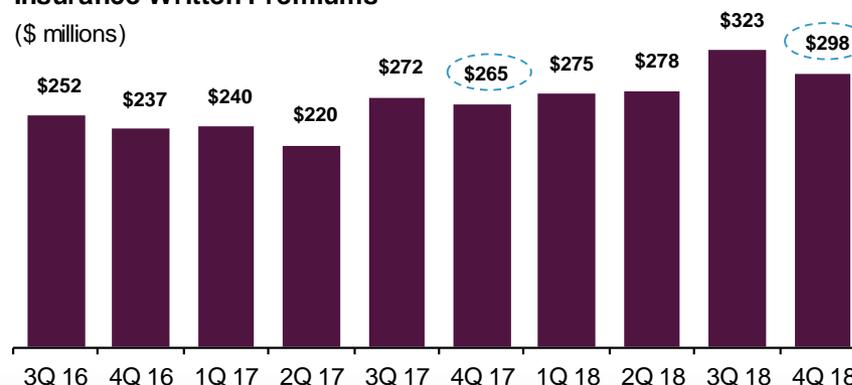
(\$ millions)



(3) 2Q 2017 - 4Q 2018 Weather Losses net of reinsurance coverage

Insurance Written Premiums

(\$ millions)



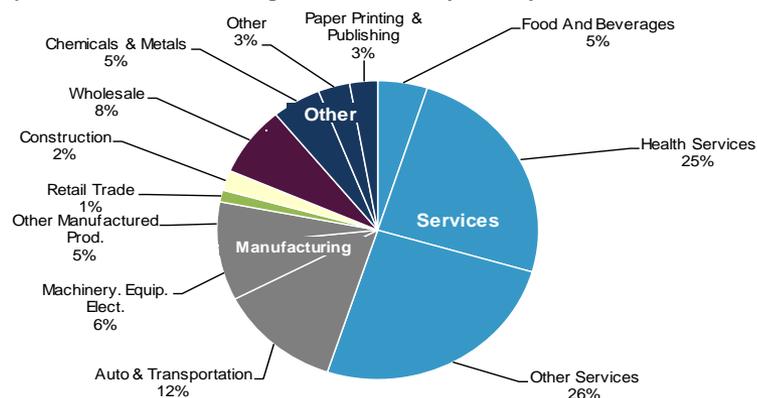
- **Pre-tax income of \$21 million**
- **Core pre-tax income⁽¹⁾ of \$25 million, down \$7 million YoY and down \$12 million QoQ**
 - Net financing revenue up YoY driven by strong loan growth
 - Total other revenue down YoY and QoQ from lower equity investment income
- **Held-for-investment portfolio up 19% YoY – strong credit profile**
 - Highly diversified portfolio with continued strong credit metrics

Key Financials (\$ millions)	Increase/(Decrease) vs.		
	4Q 18	3Q 18	4Q 17
Net financing revenue	\$ 51	\$ 1	\$ 5
Total other revenue (adjusted) ⁽¹⁾	6	(9)	(6)
Total net revenue (adjusted) ⁽¹⁾	57	(8)	(1)
Provision for loan losses	10	2	3
Noninterest expense ⁽²⁾	22	2	3
Core pre-tax income ⁽¹⁾	\$ 25	\$ (12)	\$ (7)
Change in fair value of equity securities ⁽¹⁾	(4)	(3)	(4)
Pre-tax income from continuing ops	\$ 21	\$ (15)	\$ (11)
Total assets (EOP)	\$ 4,670	\$ 211	\$ 691

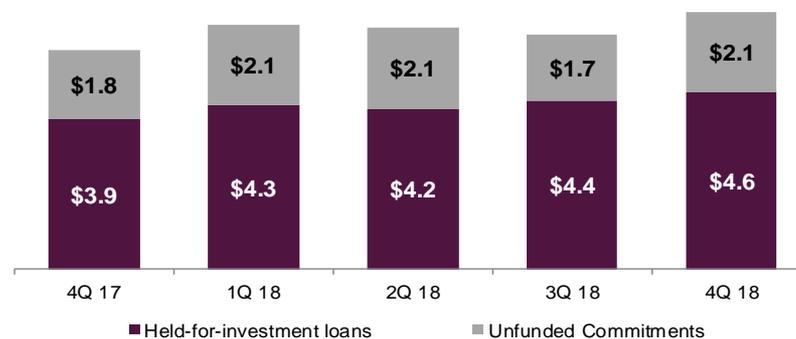
(1) Represents a non-GAAP financial measure. Excludes equity fair value adjustments related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 41 for details.

(2) Noninterest expense includes corporate allocations of \$6 million in 4Q 2018, \$6 million in 3Q 2018 and \$5 million in 4Q 2017

Corporate Finance Outstandings Loan Portfolio by Industry - 12/31/2018



Corporate Finance Held-for-investment Loans and Unfunded Commitments (end of period balances, \$ billions)



Mortgage Finance



- **Pre-tax income of \$15 million, up \$13 million YoY and up \$7 million QoQ**
 - Higher net financing revenue YoY driven by asset balance growth primarily from bulk purchase activity
 - Provision expense down QoQ and YoY driven primarily by strong credit performance and reserve releases
 - Noninterest expense up YoY driven by continued build out of direct-to-consumer offering and asset growth
- **Held-for-investment assets of \$15.2 billion, up 30% YoY**

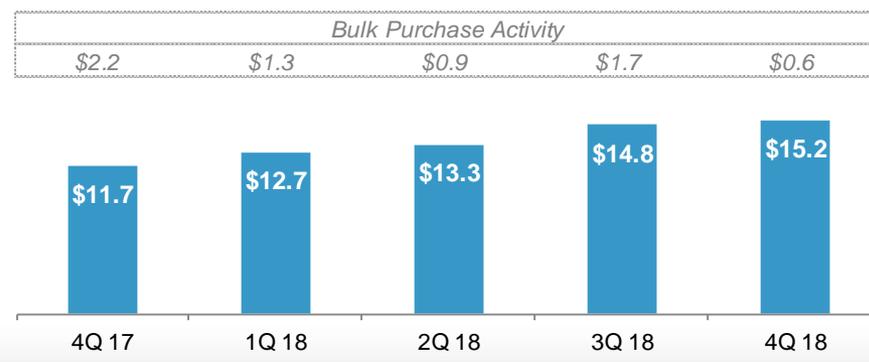
Key Financials (\$ millions)	Increase/(Decrease) vs.		
	4Q 18	3Q 18	4Q 17
Net financing revenue	\$ 48	\$ 4	\$ 14
Total other revenue	2	-	1
Total net revenue	\$ 50	\$ 4	\$ 15
Provision for loan losses	(3)	(5)	(5)
Noninterest expense ⁽¹⁾	38	2	7
Pre-tax income from continuing ops	\$ 15	\$ 7	\$ 13
Total assets (EOP)	\$ 15,211	\$ 315	\$ 3,503

Mortgage Finance HFI Portfolio	4Q 18	3Q 18	4Q 17
Net Carry Value (\$ billions)	\$ 15.1	\$ 14.8	\$ 11.6
Wtd. Avg. LTV/CLTV ⁽²⁾	59.6%	60.8%	60.8%
Refreshed FICO	774	772	772

(1) Noninterest expense includes corporate allocations of \$19 million in 4Q 2018, \$18 million in 3Q 2018 and \$14 million in 4Q 2017

(2) 1st lien only. Updated home values derived using a combination of appraisals, BPOs, AVMs and MSA level house price indices

Mortgage Finance Held-for-Investment Assets (\$ billions)



2019 Full-Year Outlook

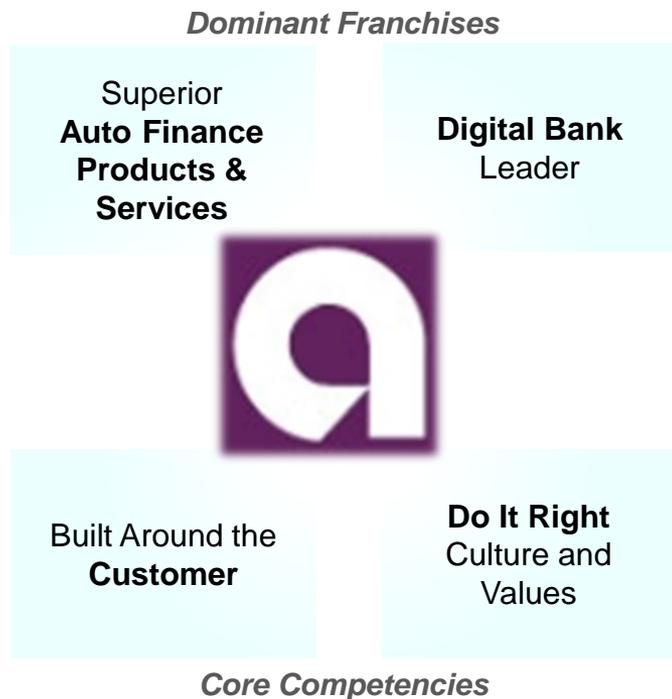


	2018 FY Results	2019 Outlook
Adjusted EPS ⁽¹⁾ Growth	\$3.34	Up 7 – 10%
Core ROTCE ⁽¹⁾	12.3%	12 – 13% +
Total Adjusted Net Revenue ⁽¹⁾	\$6.01B	Up 4 – 6%
Adjusted Efficiency Ratio ⁽¹⁾	47.6%	Flat to Down 1%
Retail Auto NCO %	1.33%	Low-end of 1.4 – 1.6%

Steady, Disciplined Execution

⁽¹⁾ Represents a non-GAAP financial measure. See pages 32, 36, 38 and 45 for details.

Ally – Do It Right.



- Ongoing optimization of auto & insurance
- Sustained deposit growth & customer acquisition
- Scale in expanded digital product offerings
- Efficient capital management & disciplined risk management
- Ongoing execution along earnings growth path
- Culture of relentless focus on customers, communities, associates and shareholders

Focused on Driving Long-term Shareholder Value

Supplemental Charts



Results by Segment



Pre-Tax Income

(\$ millions)	2018	2017	4Q 18	3Q 18	4Q 17
Automotive Finance	\$ 1,368	\$ 1,220	\$ 335	\$ 383	\$ 285
Insurance	80	168	(13)	55	80
Dealer Financial Services	\$ 1,448	\$ 1,388	\$ 322	\$ 438	\$ 365
Corporate Finance	144	114	21	36	32
Mortgage Finance	45	20	15	8	2
Corporate and Other	(15)	(15)	10	(17)	11
Pre-tax income from continuing operations	\$ 1,622	\$ 1,507	\$ 368	\$ 465	\$ 410
Core OID ⁽¹⁾	86	71	23	22	19
Change in fair value of equity securities ⁽²⁾	121	-	95	(6)	-
Core pre-tax income ⁽³⁾	\$ 1,829	\$ 1,578	\$ 486	\$ 481	\$ 429

(1) Core OID for all periods shown is applied to the pre-tax income of the Corporate and Other segment.

(2) Change in fair value of equity securities impacts the Insurance and Corporate Finance segments. Reflects equity fair value adjustments related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 41 and 42 for details.

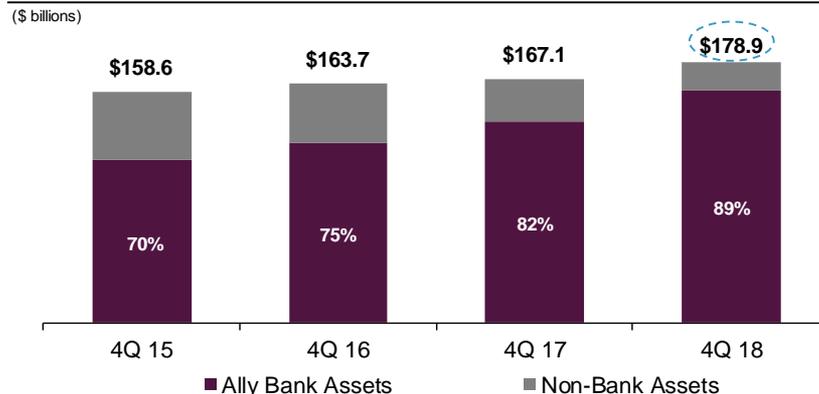
(3) Core pre-tax income is a non-GAAP financial measure that adjusts pre-tax income from continuing operations for Core OID and equity fair value adjustments related to ASU 2016-01. Management believes core pre-tax income can help the reader better understand the operating performance of the core businesses and their ability to generate earnings. See pages 31, 41 and 42 for calculation methodology and details.

Funding and Liquidity

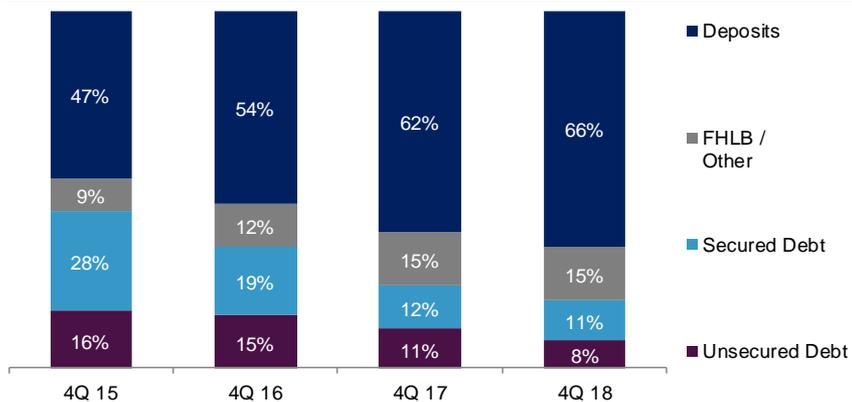


- Ally Bank funded assets at 89% up 7 pts YoY
- Deposits at 66% of total funding (ex Core OID balance) up 4 pts YoY
- \$0.7 billion of new secured funding in 4Q 18
 - \$0.7 billion retail auto securitization
- Strong total liquidity levels at \$19.0 billion as of 12/31/18

Growth in Bank Funded Assets

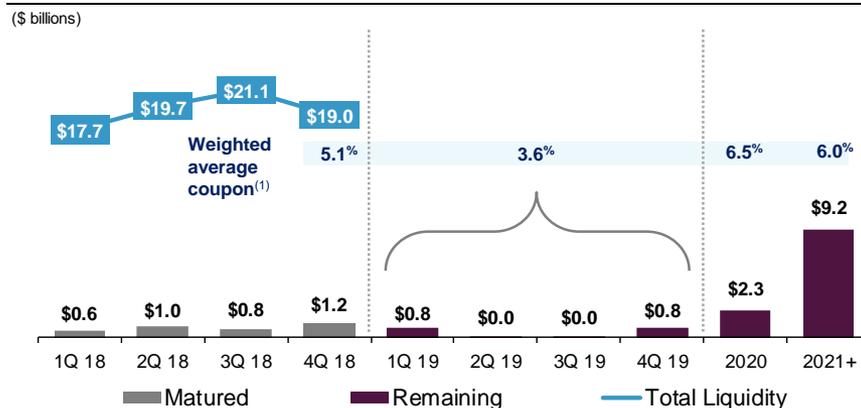


Funding Profile



Note: excludes Core OID balance. See pages 31 and 44 for details.

Unsecured Long-Term Debt Maturities



(1) Weighted average coupon based on notional value and corresponding coupon for all unsecured bonds as of January 1st of the respective year. Does not reflect weighted average interest expense for the respective year. 2021+ excludes ~\$2.6 billion Trust Preferred securities.

As of 12/31/18. Total maturities for 2021 and beyond do not exceed \$3.0 billion in any given year. Current period does not include early debt redemptions.

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.

Corporate and Other



- **Corporate and Other includes the impact of centralized asset and liability management, corporate overhead allocation activities, the legacy mortgage portfolio and Ally Invest activity**
- **Pre-tax income of \$10 million, down \$1 million YoY and up \$27 QoQ**
 - Net financing revenue down YoY primarily driven by higher deposit funding costs
 - Other revenue up YoY and QoQ primarily driven by investment gains
- **Total assets up \$4.0 billion YoY**
 - Higher investment securities balance partially offset by legacy mortgage portfolio run-off

Key Financials (\$ millions)	Increase/(Decrease) vs.		
	4Q 18	3Q 18	4Q 17
Net financing revenue	\$ 47	\$ 4	\$ (13)
Total other revenue	47	27	24
Total net revenue	\$ 94	\$ 31	\$ 11
Provision for loan losses	(3)	3	-
Noninterest expense	87	1	12
Pre-tax income from continuing ops	\$ 10	\$ 27	\$ (1)
Core OID ⁽¹⁾	23	1	4
Core pre-tax income ⁽²⁾	\$ 33	\$ 28	\$ 3
Cash & securities	\$ 27,853	\$ 2,481	\$ 4,075
Held-for-investment loans, net ⁽³⁾	1,696	6	(459)
Other	4,401	168	426
Total assets	\$ 33,950	\$ 2,655	\$ 4,042

(1) Represents a non-GAAP financial measure. See page 31 and 44 for details.

(2) Represents a non-GAAP financial measure. See page 41 for calculation methodology and details.

(3) Primarily HFI legacy mortgage portfolio.

Ally Invest Details (brokerage)	4Q 18	3Q 18	4Q 17
Net Funded Accounts ⁽¹⁾ (thousands)	301.9	286.6	244.7
Average Customer Trades Per Day (thousands)	19.6	19.1	16.8
Total Customer Cash Balances (\$ millions)	\$ 1,159	\$ 1,178	\$ 1,144
Total Net Customer Assets (\$ millions)	\$ 5,804	\$ 6,608	\$ 5,354

(1) Prior periods starting 1Q 18 adjusted to exclude small population of dormant low-balance legacy TradeKing accounts

Interest Rate Sensitivity



Net Financing Revenue Impacts ⁽¹⁾: Baseline vs. Forward Curve

(\$ millions)	4Q 18		3Q 18	
	Gradual ⁽²⁾	Instantaneous	Gradual ⁽²⁾	Instantaneous
-100 bp	\$ (20)	\$ (34)	\$ (21)	\$ (31)
+100 bp	\$ 51	\$ 10	\$ (3)	\$ (70)
Stable rate environment	n/m	\$ (10)	n/m	\$ (59)

(1) Net financing revenue impacts reflect a rolling 12-month view. See page 31 for additional details.

(2) Gradual changes in interest rates are recognized over 12 months.

Deferred Tax Asset



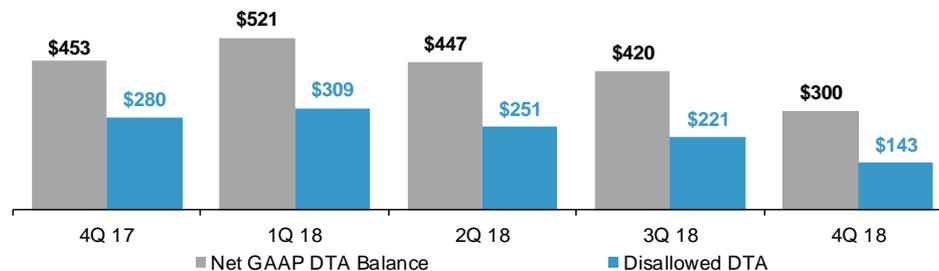
Deferred Tax Asset (\$ millions)	4Q 18			3Q 18 ⁽¹⁾
	Gross DTA/(DTL) Balance	Valuation Allowance	Net DTA/(DTL) Balance	Net DTA/(DTL) Balance
Net Operating Loss (Federal)	\$ 8	\$ -	\$ 8	\$ 15
Tax Credit Carryforwards	1,796	(963)	833	1,051
State/Local Tax Carryforwards	169	(94)	75	86
Other Deferred Tax Liabilities, net ⁽²⁾	(616)	-	(616)	(732)
Net Deferred Tax Assets	\$ 1,357	\$ (1,057)	\$ 300	\$ 420

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

(2) Primarily book / tax timing differences

Deferred Tax Asset Utilization

(\$ millions)



Note: reflects Basel III fully phased-in disallowed DTA. Disallowed DTA is phased in to CET1 during transition period. See page 31 for more details.

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, Adjusted Total Net Revenue 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) **Accelerated issuance expense (Accelerated OID)** is the recognition of issuance expenses related to calls of redeemable debt.
- 2) **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, 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 and tax-effected changes in equity investments measured at fair value. See page 32 for calculation methodology and details.
- 3) **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 44 for calculation methodology and details.
- 4) **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 44 for calculation methodology and details.
- 5) **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) repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities and (3) equity fair value adjustments related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods 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 41 for calculation methodology and details.
- 6) **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. Based on current market conditions, actual beta on our total retail deposits portfolio has been approximately 35% since the third quarter of 2015. 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.
- 7) **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.
- 8) **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 36 for more details.
- 9) **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
- 10) **Customer retention rate** is the annualized 3-month rolling average of 1 minus the monthly attrition rate.

GAAP to Core Results – Annual



Adjusted Earnings per Share ("Adjusted EPS")

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Numerator (\$ millions)					
GAAP net income attributable to common shareholders	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Discontinued operations, net of tax	-	(3)	44	(392)	(225)
Core OID	86	71	59	59	186
Repositioning items	-	-	11	349	187
Change in the fair value of equity securities	121	-	-	-	-
Tax on Core OID, repositioning items, & change in the fair value of equity securities (tax rate 21% starting 1Q18, 35% starting 1Q16; 34% prior)	(43)	(25)	(24)	(139)	(127)
Significant discrete tax items	-	119	(84)	-	(91)
Series G actions	-	-	-	2,350	-
Series A actions	-	-	1	22	-
Core net income attributable to common shareholders	[a] \$ 1,427	\$ 1,091	\$ 1,043	\$ 967	\$ 812
Denominator					
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 427,680	455,350	482,182	483,934	481,934
Adjusted EPS	[a] / [b] \$ 3.34	\$ 2.39	\$ 2.16	\$ 2.00	\$ 1.68

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) adds back tax-effected repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities, (4) excludes equity fair value adjustments (net of tax) related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity, (5) excludes certain discrete tax items that do not relate to the operating performance of the core businesses, and (6) adjusts for preferred stock capital actions (e.g., Series A and Series G) that have been taken by the company to normalize its capital structure.

GAAP to Core Results – Quarterly



Adjusted Earnings per Share ("Adjusted EPS")

	QUARTERLY TREND												
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
Numerator (\$ millions)													
GAAP net income attributable to common shareholders	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181	\$ 282	\$ 252	\$ 214	\$ 248	\$ 209	\$ 345	\$ 235	\$ (953)
Discontinued operations, net of tax	(1)	-	(1)	2	(2)	(2)	2	(1)	(2)	52	(3)	(3)	13
Core OID	23	22	21	20	19	18	17	16	15	15	14	15	12
Repositioning items	-	-	-	-	-	-	-	-	-	-	4	7	3
Change in the fair value of equity securities	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)	(25)	(3)	(3)	(13)	(7)	(6)	(6)	(6)	(5)	(5)	(6)	(8)	(5)
Significant discrete tax items	-	-	-	-	119	-	-	-	-	-	(91)	7	-
Series G actions	-	-	-	-	-	-	-	-	-	-	-	-	1,179
Series A actions	-	-	-	-	-	-	-	-	-	-	1	-	-
Core net income attributable to common shareholders	[a] \$ 382	\$ 386	\$ 358	\$ 300	\$ 310	\$ 292	\$ 265	\$ 224	\$ 256	\$ 271	\$ 263	\$ 253	\$ 249
Denominator													
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 414,750	424,784	432,554	438,931	444,985	451,078	458,819	466,829	474,505	483,575	486,074	484,654	484,845
Metric													
GAAP EPS	\$ 0.70	\$ 0.88	\$ 0.81	\$ 0.57	\$ 0.41	\$ 0.63	\$ 0.55	\$ 0.46	\$ 0.52	\$ 0.43	\$ 0.71	\$ 0.49	\$ (1.97)
Discontinued operations, net of tax	(0.00)	-	(0.00)	0.00	(0.00)	(0.00)	0.00	(0.00)	(0.00)	0.11	(0.01)	(0.01)	0.03
Core OID	0.06	0.05	0.05	0.05	0.04	0.04	0.04	0.04	0.03	0.03	0.03	0.03	0.03
Repositioning Items	-	-	-	-	-	-	-	-	-	-	0.01	0.01	0.01
Change in the fair value of equity securities	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)	(0.06)	(0.01)	(0.01)	(0.03)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.02)	(0.01)
Significant discrete tax items	-	-	-	-	0.27	-	-	-	-	-	(0.19)	0.01	-
Series G actions per share	-	-	-	-	-	-	-	-	-	-	-	-	2.42
Series A actions per share	-	-	-	-	-	-	-	-	-	-	0.00	-	-
Adjusted EPS	[a] / [b] \$ 0.92	\$ 0.91	\$ 0.83	\$ 0.68	\$ 0.70	\$ 0.65	\$ 0.58	\$ 0.48	\$ 0.54	\$ 0.56	\$ 0.54	\$ 0.52	\$ 0.52

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) adds back tax-effected repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities, (4) excludes equity fair value adjustments (net of tax) related to ASU 2016-01, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity, (5) excludes certain discrete tax items that do not relate to the operating performance of the core businesses, and (6) adjusts for preferred stock capital actions (e.g., Series A and Series G) that have been taken by the company to normalize its capital structure.

GAAP to Core Results – Annual



Adjusted Tangible Book Value per Share ("Adjusted TBVPS")

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Numerator (\$ billions)					
GAAP shareholder's equity	\$ 13.3	\$ 13.5	\$ 13.3	\$ 13.4	\$ 15.4
Preferred equity	-	-	-	(0.7)	(1.3)
GAAP common shareholder's equity	\$ 13.3	\$ 13.5	\$ 13.3	\$ 12.7	\$ 14.1
Goodwill and identifiable intangibles, net of DTLs	(0.3)	(0.3)	(0.3)	(0.0)	(0.0)
Tangible common equity	13.0	13.2	13.0	12.7	14.1
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior)	(0.9)	(0.9)	(0.8)	(0.9)	(0.9)
Series G discount	-	-	-	-	(2.3)
Adjusted tangible book value	[a] \$ 12.1	\$ 12.3	\$ 12.2	\$ 11.9	\$ 10.9
Denominator					
Issued shares outstanding (period-end, thousands)	[b] 404,900	437,054	467,000	481,980	480,095
Metric					
GAAP shareholder's equity per share	\$ 32.8	\$ 30.9	\$ 28.5	\$ 27.9	\$ 32.1
Preferred equity per share	-	-	-	(1.4)	(2.6)
GAAP common shareholder's equity per share	\$ 32.8	\$ 30.9	\$ 28.5	\$ 26.4	\$ 29.5
Goodwill and identifiable intangibles, net of DTLs per share	(0.7)	(0.7)	(0.6)	(0.1)	(0.1)
Tangible common equity per share	32.1	30.2	27.9	26.4	29.4
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior) per share	(2.1)	(2.1)	(1.7)	(1.8)	(1.9)
Series G discount per share	-	-	-	-	(4.9)
Adjusted tangible book value per share	[a] / [b] \$ 29.9	\$ 28.1	\$ 26.2	\$ 24.6	\$ 22.7

Adjusted tangible book value per share (Adjusted TBVPS) is a non-GAAP financial measure that reflects the book value of equity attributable to shareholders even if Core OID balance were accelerated immediately through the financial statements. As a result, management believes Adjusted TBVPS provides the reader with an assessment of value that is more conservative than GAAP common shareholder's equity per share. Adjusted TBVPS generally adjusts common equity for: (1) goodwill and identifiable intangibles, net of DTLs, (2) tax-effected Core OID balance to reduce tangible common equity in the event the corresponding discounted bonds are redeemed/tendered and (3) Series G discount which reduces tangible common equity as the company has normalized its capital structure.

Note: in December 2017, tax-effected Core OID balance was adjusted from a statutory U.S. Federal tax rate of 35% to 21% ("rate") as a result of changes to U.S. tax law. The adjustment conservatively increased the tax-effected Core OID balance and consequently reduced Adjusted TBVPS as any acceleration of the non-cash charge in future periods would flow through the financial statements at a 21% rate versus a previously modeled 35% rate.

GAAP to Core Results – Quarterly



Adjusted Tangible Book Value per Share ("Adjusted TBVPS")

	QUARTERLY TREND												
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
<i>Numerator</i> (\$ billions)													
GAAP shareholder's equity	\$ 13.3	\$ 13.1	\$ 13.1	\$ 13.1	\$ 13.5	\$ 13.6	\$ 13.5	\$ 13.4	\$ 13.3	\$ 13.6	\$ 13.6	\$ 13.8	\$ 13.4
Preferred equity	-	-	-	-	-	-	-	-	-	-	-	(0.7)	(0.7)
GAAP common shareholder's equity	\$ 13.3	\$ 13.1	\$ 13.1	\$ 13.1	\$ 13.5	\$ 13.6	\$ 13.5	\$ 13.4	\$ 13.3	\$ 13.6	\$ 13.6	\$ 13.1	\$ 12.7
Goodwill and identifiable intangibles, net of DTLs	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.0)	(0.0)
Tangible common equity	13.0	12.8	12.8	12.8	13.2	13.3	13.2	13.1	13.0	13.3	13.3	13.1	12.7
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)
Adjusted tangible book value	[a] \$ 12.1	\$ 11.9	\$ 12.0	\$ 11.9	\$ 12.3	\$ 12.5	\$ 12.4	\$ 12.3	\$ 12.2	\$ 12.5	\$ 12.5	\$ 12.3	\$ 11.9
<i>Denominator</i>													
Issued shares outstanding (period-end, thousands)	[b] 404,900	416,591	425,752	432,691	437,054	443,796	452,292	462,193	467,000	475,470	483,753	483,475	481,980
<i>Metric</i>													
GAAP shareholder's equity per share	\$ 32.8	\$ 31.4	\$ 30.9	\$ 30.2	\$ 30.9	\$ 30.6	\$ 29.8	\$ 28.9	\$ 28.5	\$ 28.7	\$ 28.1	\$ 28.6	\$ 27.9
Preferred equity per share	-	-	-	-	-	-	-	-	-	-	-	(1.4)	(1.4)
GAAP common shareholder's equity per share	\$ 32.8	\$ 31.4	\$ 30.9	\$ 30.2	\$ 30.9	\$ 30.6	\$ 29.8	\$ 28.9	\$ 28.5	\$ 28.7	\$ 28.1	\$ 27.2	\$ 26.4
Goodwill and identifiable intangibles, net of DTLs per share	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.6)	(0.1)	(0.1)
Tangible common equity per share	32.1	30.7	30.2	29.6	30.2	29.9	29.2	28.3	27.9	28.0	27.6	27.1	26.4
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior) per share	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(1.8)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)	(1.7)	(1.8)
Adjusted tangible book value per share	[a] / [b] \$ 29.9	\$ 28.6	\$ 28.1	\$ 27.4	\$ 28.1	\$ 28.2	\$ 27.4	\$ 26.6	\$ 26.2	\$ 26.3	\$ 25.9	\$ 25.4	\$ 24.6

Adjusted tangible book value per share (Adjusted TBVPS) is a non-GAAP financial measure that reflects the book value of equity attributable to shareholders even if Core OID balance were accelerated immediately through the financial statements. As a result, management believes Adjusted TBVPS provides the reader with an assessment of value that is more conservative than GAAP common shareholder's equity per share. Adjusted TBVPS generally adjusts common equity for: (1) goodwill and identifiable intangibles, net of DTLs, (2) tax-effected Core OID balance to reduce tangible common equity in the event the corresponding discounted bonds are redeemed/tendered and (3) Series G discount which reduces tangible common equity as the company has normalized its capital structure.

Note: in December 2017, tax-effected Core OID balance was adjusted from a statutory U.S. Federal tax rate of 35% to 21% ("rate") as a result of changes to U.S. tax law. The adjustment conservatively increased the tax-effected Core OID balance and consequently reduced Adjusted TBVPS as any acceleration of the non-cash charge in future periods would flow through the financial statements at a 21% rate versus a previously modeled 35% rate.

GAAP to Core Results – Annual



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

Numerator (\$ millions)

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP net income attributable to common shareholders	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Discontinued operations, net of tax	-	(3)	44	(392)	(225)
Core OID	86	71	59	59	186
Repositioning items	-	-	11	349	187
Change in the fair value of equity securities	121	-	-	-	-
Tax on Core OID & change in the fair value of equity securities (tax rate 21% starting in 1Q18, 35% prior)	(43)	(25)	(24)	(139)	(127)
Significant Discrete tax items & other	-	119	(84)	22	(103)
Series G actions	-	-	-	2,350	-
Series A actions	-	-	1	22	-
Core net income attributable to common shareholders	[a] \$ 1,427	\$ 1,091	\$ 1,043	\$ 990	\$ 800

Denominator (2-period average, \$ billions)

GAAP shareholder's equity	\$ 13.4	\$ 13.4	\$ 13.4	\$ 14.4	\$ 14.8
Preferred equity	-	-	(0.3)	(1.0)	(1.3)
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.3)	(0.3)	(0.2)	(0.0)	(0.0)
Tangible common equity	\$ 13.1	\$ 13.1	\$ 12.9	\$ 13.4	\$ 13.5
Core OID balance	(1.1)	(1.2)	(1.3)	(1.3)	(1.4)
Net deferred tax asset ("DTA")	(0.4)	(0.7)	(1.2)	(1.6)	(1.9)
Normalized common equity	[b] \$ 11.6	\$ 11.2	\$ 10.4	\$ 10.5	\$ 10.2
Core Return on Tangible Common Equity	[a] / [b] 12.3%	9.8%	10.0%	9.4%	7.9%

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 any 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, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity, 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.
- (2) In the denominator, GAAP shareholder's equity is adjusted for preferred equity and goodwill and identifiable intangibles net of DTL, Core OID balance, and net DTA.

GAAP to Core Results – Quarterly



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

	QUARTERLY TREND				
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
Numerator (\$ millions)					
GAAP net income attributable to common shareholders	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181
Discontinued operations, net of tax	(1)	-	(1)	2	(2)
Core OID	23	22	21	20	19
Change in the fair value of equity securities	95	(6)	(8)	40	-
Tax on Core OID & change in the fair value of equity securities (tax rate 21% starting in 1Q18, 35% prior)	(25)	(3)	(3)	(13)	(7)
Significant discrete tax items & other	-	-	-	-	119
Core net income attributable to common shareholders	[a] \$ 382	\$ 386	\$ 358	\$ 300	\$ 310
Denominator (2-period average, \$ billions)					
GAAP shareholder's equity	\$ 13.2	\$ 13.1	\$ 13.1	\$ 13.3	\$ 13.5
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Tangible common equity	\$ 12.9	\$ 12.8	\$ 12.8	\$ 13.0	\$ 13.2
Core OID balance	(1.1)	(1.1)	(1.1)	(1.2)	(1.2)
Net deferred tax asset ("DTA")	(0.4)	(0.4)	(0.5)	(0.5)	(0.6)
Normalized common equity	[b] \$ 11.4	\$ 11.2	\$ 11.2	\$ 11.3	\$ 11.5
Core Return on Tangible Common Equity	[a] / [b] 13.4%	13.7%	12.8%	10.6%	10.8%

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 any 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, effective 1/1/2018, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity, certain discrete tax items and preferred stock capital actions.
- (2) In the denominator, GAAP shareholder's equity is adjusted for preferred equity and goodwill and identifiable intangibles net of DTL, Core OID balance, and net DTA.

GAAP to Core Results – Annual

Adjusted Efficiency Ratio

	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
<i>Numerator</i> (\$ millions)					
Total noninterest expense	\$ 3,264	\$ 3,110	\$ 2,939	\$ 2,761	\$ 2,948
Rep and warrant expense	3	0	6	13	10
Insurance expense	(955)	(950)	(940)	(879)	(988)
Repositioning items	-	-	(9)	(7)	(39)
Adjusted noninterest expense for the efficiency ratio	[a] \$ 2,312	\$ 2,160	\$ 1,997	\$ 1,888	\$ 1,932
<i>Denominator</i> (\$ millions)					
Total net revenue	\$ 5,804	\$ 5,765	\$ 5,437	\$ 4,861	\$ 4,651
Core OID	86	71	59	59	186
Insurance revenue	(1,035)	(1,118)	(1,097)	(1,090)	(1,185)
Repositioning items	-	-	3	342	148
Adjusted net revenue for the efficiency ratio	[b] \$ 4,855	\$ 4,718	\$ 4,401	\$ 4,172	\$ 3,800
Adjusted Efficiency Ratio	[a] / [b] 47.6%	45.8%	45.4%	45.3%	50.8%

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, Rep and warrant expense and repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities. In the denominator, total net revenue is adjusted for Insurance segment revenue, Core OID and repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities. See page 20 for the combined ratio for the Insurance segment which management uses as a primary measure of underwriting profitability for the Insurance segment.

GAAP to Core Results – Quarterly

Adjusted Efficiency Ratio

	QUARTERLY TREND				
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
<i>Numerator</i> (\$ millions)					
GAAP noninterest expense	\$ 804	\$ 807	\$ 839	\$ 814	\$ 769
Rep and warrant expense	1	(0)	2	0	0
Insurance expense	(215)	(241)	(268)	(231)	(213)
Adjusted noninterest expense for the Adjusted efficiency ratio	[a] \$ 590	\$ 566	\$ 573	\$ 583	\$ 556
<i>Denominator</i> (\$ millions)					
Total net revenue	\$ 1,438	\$ 1,505	\$ 1,458	\$ 1,403	\$ 1,473
Core OID	23	22	21	20	19
Insurance revenue	(202)	(296)	(279)	(258)	(293)
Adjusted net revenue for the Adjusted efficiency ratio	[b] \$ 1,259	\$ 1,231	\$ 1,200	\$ 1,165	\$ 1,199
Adjusted Efficiency Ratio	[a] / [b] 46.9%	46.0%	47.7%	50.1%	46.4%

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 page 20 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



Regulatory Capital - Basel III transition to fully phased-in (\$ billions)	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
<u>Numerator</u>					
Common equity tier 1 capital (transition)	\$ 13.4	\$ 13.4	\$ 13.3	\$ 13.1	\$ 13.2
DTAs arising from NOL and tax credit carryforwards phased-in during transition	-	-	-	-	(0.1)
Intangibles phased-in during transition	-	-	-	-	(0.0)
Common equity tier 1 capital (fully phased-in)	\$ 13.4	\$ 13.4	\$ 13.3	\$ 13.1	\$ 13.2
<u>Denominator</u>					
Risk-weighted assets (transition)	\$ 146.4	\$ 142.2	\$ 141.6	\$ 141.2	\$ 138.9
DTAs arising from temporary differences that could not be realized through NOL , net of VA and net of DTLs phased-in during transition	0.2	0.3	0.3	0.3	0.3
Intangibles phased in during transition	-	-	-	-	(0.0)
Risk-weighted assets (fully phased-in)	\$ 146.7	\$ 142.5	\$ 141.9	\$ 141.6	\$ 139.2
<u>Metric</u>					
Common equity tier 1 (transition)	9.1%	9.4%	9.4%	9.3%	9.5%
Common equity tier 1 (fully phased-in)	9.1%	9.4%	9.3%	9.2%	9.5%

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.

Notes on non-GAAP and other financial measures



(\$ millions)	4Q 18				3Q 18				4Q 17			
	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally												
Net financing revenue	\$ 1,140	\$ 23	\$ -	1,163	\$ 1,107	\$ 22	\$ -	\$ 1,129	\$ 1,094	\$ 19	\$ -	\$ 1,113
Total other revenue	298	-	95	393	398	-	(6)	392	379	-	-	379
Provision for loan losses	266	-	-	266	233	-	-	233	294	-	-	294
Noninterest expense	804	-	-	804	807	-	-	807	769	-	-	769
Pre-tax income from continuing operations	\$ 368	\$ 23	\$ 95	\$ 486	\$ 465	\$ 22	\$ (6)	\$ 481	\$ 410	\$ 19	\$ -	\$ 429
Corporate / Other												
Net financing revenue	\$ 47	\$ 23	\$ -	\$ 70	\$ 43	\$ 22	\$ -	\$ 65	\$ 60	\$ 19	\$ -	\$ 79
Total other revenue	47	-	-	47	20	-	-	20	23	-	-	23
Provision for loan losses	(3)	-	-	(3)	(6)	-	-	(6)	(3)	-	-	(3)
Noninterest expense	87	-	-	87	86	-	-	86	75	-	-	75
Pre-tax (loss) income from continuing operations	\$ 10	\$ 23	\$ -	\$ 33	\$ (17)	\$ 22	\$ -	\$ 5	\$ 11	\$ 19	\$ -	\$ 30
Insurance												
Premiums, service revenue earned and other	\$ 271	\$ -	\$ -	\$ 271	\$ 260	\$ -	\$ -	\$ 260	\$ 255	\$ -	\$ -	\$ 255
Losses and loss adjustment expenses	54	-	-	54	77	-	-	77	54	-	-	54
Acquisition and underwriting expenses	161	-	-	161	164	-	-	164	159	-	-	159
Investment income and other	(69)	-	91	22	36	-	(7)	29	38	-	-	38
Pre-tax income from continuing operations	\$ (13)	\$ -	\$ 91	\$ 78	\$ 55	\$ -	\$ (7)	\$ 48	\$ 80	\$ -	\$ -	\$ 80
Corporate Finance												
Net financing revenue	\$ 51	\$ -	\$ -	\$ 51	\$ 50	\$ -	\$ -	\$ 50	\$ 46	\$ -	\$ -	\$ 46
Total other revenue	2	-	4	6	14	-	0	14	12	-	-	12
Provision for loan losses	10	-	-	10	8	-	-	8	7	-	-	7
Noninterest expense	22	-	-	22	20	-	-	20	19	-	-	19
Pre-tax income from continuing operations	\$ 21	\$ -	\$ 4	\$ 25	\$ 36	\$ -	\$ 0	\$ 36	\$ 32	\$ -	\$ -	\$ 32

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 31 for definitions.

Notes on non-GAAP and other financial measures



(\$ millions)	FY 2018				FY 2017				FY 2016			
	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally												
Net financing revenue	\$ 4,390	\$ 86	\$ -	4,476	\$ 4,221	\$ 71	\$ -	\$ 4,292	\$ 3,907	\$ 57	\$ -	\$ 3,964
Total other revenue	1,414	-	121	1,535	1,544	-	-	1,544	1,530	4	-	1,534
Provision for loan losses	918	-	-	918	1,148	-	-	1,148	917	-	-	917
Noninterest expense	3,264	-	-	3,264	3,110	-	-	3,110	2,939	(9)	-	2,931
Pre-tax income from continuing operations	\$ 1,622	\$ 86	\$ 121	\$ 1,829	\$ 1,507	\$ 71	\$ -	\$ 1,578	\$ 1,581	\$ 70	\$ -	\$ 1,651
Corporate / Other												
Net financing revenue	\$ 184	\$ 86	\$ -	\$ 270	\$ 150	\$ 71	\$ -	\$ 221	\$ (37)	\$ 57	\$ -	\$ 20
Total other revenue	119	-	-	119	81	-	-	81	162	4	-	166
Provision for loan losses	(15)	-	-	(15)	(16)	-	-	(16)	(13)	-	-	(13)
Noninterest expense	333	-	-	333	262	-	-	262	199	(9)	-	190
Pre-tax (loss) income from continuing operations	\$ (15)	\$ 86	\$ -	\$ 71	\$ (15)	\$ 71	\$ -	\$ 56	\$ (61)	\$ 70	\$ -	\$ 9
Insurance												
Premiums, service revenue earned and other	\$ 1,032	\$ -	\$ -	\$ 1,032	\$ 981	\$ -	\$ -	\$ 981	\$ 952	\$ -	\$ -	\$ 952
Losses and loss adjustment expenses	295	-	-	295	332	-	-	332	342	-	-	342
Acquisition and underwriting expenses	660	-	-	660	618	-	-	618	598	-	-	598
Investment income and other	3	-	112	115	137	-	-	137	145	-	-	145
Pre-tax income from continuing operations	\$ 80	\$ -	\$ 112	\$ 192	\$ 168	\$ -	\$ -	\$ 168	\$ 157	\$ -	\$ -	\$ 157
Corporate Finance												
Net financing revenue	\$ 204	\$ -	\$ -	\$ 204	\$ 167	\$ -	\$ -	\$ 167	\$ 121	\$ -	\$ -	\$ 121
Total other revenue	38	-	9	47	45	-	-	45	26	-	-	26
Provision for loan losses	12	-	-	12	22	-	-	22	10	-	-	10
Noninterest expense	86	-	-	86	76	-	-	76	66	-	-	66
Pre-tax income from continuing operations	\$ 144	\$ -	\$ 9	\$ 153	\$ 114	\$ -	\$ -	\$ 114	\$ 71	\$ -	\$ -	\$ 71

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 31 for definitions.

Notes on non-GAAP and other financial measures



(\$ millions)	FY 2015				FY 2014			
	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in the fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally								
Net financing revenue	\$ 3,719	\$ 45	\$ -	\$ 3,764	\$ 3,375	\$ 172	\$ -	\$ 3,547
Total other revenue	1,142	356	-	1,498	1,276	162	-	1,438
Provision for loan losses	707	-	-	707	457	-	-	457
Noninterest expense	2,761	(7)	-	2,754	2,948	(39)	-	2,909
Pre-tax income from continuing operations	\$ 1,393	\$ 408	\$ -	\$ 1,801	\$ 1,246	\$ 373	\$ -	\$ 1,619
Corporate / Other								
Net financing revenue	\$ 87	\$ 45	\$ -	\$ 132	\$ (97)	\$ 172	\$ -	\$ 75
Total other revenue	(151)	356	-	205	(149)	162	-	13
Provision for loan losses	(5)	-	-	(5)	(72)	-	-	(72)
Noninterest expense	155	(7)	-	148	282	(39)	-	243
Pre-tax (loss) income from continuing operations	\$ (214)	\$ 408	\$ -	\$ 194	\$ (456)	\$ 373	\$ -	\$ (83)
Insurance								
Premiums, service revenue earned and other	\$ 948	\$ -	\$ -	\$ 948	\$ 986	\$ -	\$ -	\$ 986
Losses and loss adjustment expenses	293	-	-	293	410	-	-	410
Acquisition and underwriting expenses	586	-	-	586	578	-	-	578
Investment income and other	142	-	-	142	199	-	-	199
Pre-tax income from continuing operations	\$ 211	\$ -	\$ -	\$ 211	\$ 197	\$ -	\$ -	\$ 197
Corporate Finance								
Net financing revenue	\$ 89	\$ -	\$ -	\$ 89	\$ 59	\$ -	\$ -	\$ 59
Total other revenue	25	-	-	25	32	-	-	32
Provision for loan losses	9	-	-	9	(16)	-	-	(16)
Noninterest expense	55	-	-	55	43	-	-	43
Pre-tax income from continuing operations	\$ 50	\$ -	\$ -	\$ 50	\$ 64	\$ -	\$ -	\$ 64

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 31 for definitions.

Notes on non-GAAP and other financial measures



	ANNUAL TREND				
	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
<u>Original issue discount amortization expense</u>					
(\$ millions)					
Core original issue discount (Core OID) amortization expense ⁽¹⁾	\$ 86	\$ 71	\$ 57	\$ 45	\$ 172
Other OID	15	20	21	16	11
GAAP original issue discount amortization expense	\$ 101	\$ 90	\$ 78	\$ 61	\$ 183

	ANNUAL TREND				
	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
<u>Outstanding original issue discount balance</u>					
(\$ millions)					
Core outstanding original issue discount balance (Core OID balance)	\$ (1,092)	\$ (1,178)	\$ (1,249)	\$ (1,304)	\$ (1,351)
Other outstanding OID balance	(43)	(57)	(77)	(87)	(64)
GAAP outstanding original issue discount balance	\$ (1,135)	\$ (1,235)	\$ (1,326)	\$ (1,391)	\$ (1,415)

	QUARTERLY TREND												
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
<u>Original issue discount amortization expense</u>													
(\$ millions)													
Core original issue discount (Core OID) amortization expense ⁽¹⁾	\$ 23	\$ 22	\$ 21	\$ 20	\$ 19	\$ 18	\$ 17	\$ 16	\$ 15	\$ 15	\$ 14	\$ 13	\$ 12
Other OID	2	4	4	4	5	5	5	5	6	6	4	5	5
GAAP original issue discount amortization expense	\$ 26	\$ 25	\$ 25	\$ 24	\$ 24	\$ 23	\$ 22	\$ 21	\$ 21	\$ 21	\$ 18	\$ 18	\$ 17

	QUARTERLY TREND												
	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
<u>Outstanding original issue discount balance</u>													
(\$ millions)													
Core outstanding original issue discount balance (Core OID balance)	\$ (1,092)	\$ (1,115)	\$ (1,137)	\$ (1,158)	\$ (1,178)	\$ (1,197)	\$ (1,215)	\$ (1,232)	\$ (1,249)	\$ (1,264)	\$ (1,279)	\$ (1,293)	\$ (1,304)
Other outstanding OID balance	(43)	(46)	(49)	(53)	(57)	(62)	(67)	(72)	(77)	(83)	(88)	(82)	(87)
GAAP outstanding original issue discount balance	\$ (1,135)	\$ (1,161)	\$ (1,187)	\$ (1,211)	\$ (1,235)	\$ (1,259)	\$ (1,282)	\$ (1,304)	\$ (1,326)	\$ (1,347)	\$ (1,367)	\$ (1,375)	\$ (1,391)

(1) Excludes accelerated OID. See page 31 for definitions.

Notes on non-GAAP and other financial measures

**Net Financing Revenue (ex. Core OID)**

(\$ millions)		FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP Net Financing Revenue		\$ 4,390	\$ 4,221	\$ 3,907	\$ 3,719	\$ 3,375
Core OID		86	71	57	45	172
Net Financing Revenue (ex. Core OID)	[a]	\$ 4,476	\$ 4,292	\$ 3,964	\$ 3,764	\$ 3,547

Adjusted Other Revenue

(\$ millions)		FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP Other Revenue		\$ 1,414	\$ 1,544	\$ 1,530	\$ 1,142	\$ 1,276
Accelerated OID & repositioning items		-	-	4	356	162
Change in the fair value of equity securities		121	-	-	-	-
Adjusted Other Revenue	[b]	\$ 1,535	\$ 1,544	\$ 1,534	\$ 1,498	\$ 1,438

Adjusted Total Net Revenue

(\$ millions)		FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Adjusted Total Net Revenue	[a]+[b]	\$ 6,011	\$ 5,836	\$ 5,498	\$ 5,262	\$ 4,985

Net Financing Revenue (ex. Core OID)

(\$ millions)		QUARTERLY TREND												
		4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
GAAP Net Financing Revenue		\$ 1,140	\$ 1,107	\$ 1,094	\$ 1,049	\$ 1,094	\$ 1,081	\$ 1,067	\$ 979	\$ 976	\$ 996	\$ 984	\$ 951	\$ 983
Core OID		23	22	21	20	19	18	17	16	15	15	14	13	12
Net Financing Revenue (ex. Core OID)	[a]	\$ 1,163	\$ 1,129	\$ 1,115	\$ 1,069	\$ 1,113	\$ 1,099	\$ 1,084	\$ 995	\$ 991	\$ 1,011	\$ 998	\$ 964	\$ 995

Adjusted Other Revenue

(\$ millions)		QUARTERLY TREND												
		4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
GAAP Other Revenue		\$ 298	\$ 398	\$ 364	\$ 354	\$ 379	\$ 381	\$ 388	\$ 396	\$ 392	\$ 388	\$ 374	\$ 376	\$ 356
Accelerated OID & repositioning items		-	-	-	-	-	-	-	-	-	-	-	4	2
Change in the fair value of equity securities		95	(6)	(8)	40	-	-	-	-	-	-	-	-	-
Adjusted Other Revenue	[b]	\$ 393	\$ 392	\$ 356	\$ 394	\$ 379	\$ 381	\$ 388	\$ 396	\$ 392	\$ 388	\$ 374	\$ 380	\$ 358

Adjusted Total Net Revenue

(\$ millions)		4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17	1Q 17	4Q 16	3Q 16	2Q 16	1Q 16	4Q 15
Adjusted Total Net Revenue	[a]+[b]	\$ 1,556	\$ 1,521	\$ 1,471	\$ 1,463	\$ 1,492	\$ 1,480	\$ 1,472	\$ 1,391	\$ 1,383	\$ 1,399	\$ 1,372	\$ 1,344	\$ 1,353

Note: Accelerated OID and repositioning items primarily related to the extinguishment of high-cost legacy debt and strategic activities. Equity fair value adjustments related to ASU 2016-01, effective 1/1/2018, requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 31 for definitions.