

Ally Financial Inc.

4Q 2020 Earnings Review

January 22, 2021

A large purple graphic on the left side of the slide, consisting of a thick, curved shape that forms a partial circle. Inside this shape is a white circle containing the Ally logo.

ally
do it right.

Contact Ally Investor Relations at (866) 710-4623 or investor.relations@ally.com

Forward-Looking Statements and Additional Information

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

This presentation and related communications contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts—such as statements about future effects of COVID-19 and our ability to navigate them, the outlook for financial and operating metrics and performance, and future capital allocation and actions. Forward-looking statements often use words such as “believe,” “expect,” “anticipate,” “intend,” “pursue,” “seek,” “continue,” “estimate,” “project,” “outlook,” “forecast,” “potential,” “target,” “objective,” “trend,” “plan,” “goal,” “initiative,” “priorities,” or other words of comparable meaning or future-tense or conditional verbs such as “may,” “will,” “should,” “would,” or “could.” Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, or results. All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future. Actual future objectives, strategies, plans, prospects, performance, conditions, or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events or circumstances to differ from those in forward-looking statements are described in our Annual Report on Form 10-K for the year ended December 31, 2019, our subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, or other applicable documents that are filed or furnished with the U.S. Securities and Exchange Commission (collectively, our “SEC filings”). Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent SEC filings.

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

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

GAAP and Core Results: Annual

(\$ millions except per share data)

	2020	2019	2018	2017	2016	2015	2014
GAAP net income (loss) attributable to common shareholders ("NIAC")	\$ 1,085	\$ 1,715	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Core net income attributable to common shareholders ⁽¹⁾⁽²⁾	\$ 1,141	\$ 1,472	\$ 1,427	\$ 1,091	\$ 1,043	\$ 967	\$ 812
GAAP earnings per common share ("EPS") (diluted, NIAC)	\$ 2.88	\$ 4.34	\$ 2.95	\$ 2.04	\$ 2.15	\$ (2.66)	\$ 1.83
Adjusted EPS ⁽¹⁾⁽³⁾	\$ 3.03	\$ 3.72	\$ 3.34	\$ 2.39	\$ 2.16	\$ 2.00	\$ 1.68
Return (net income) on GAAP shareholder's equity	7.7%	12.4%	9.4%	6.9%	8.0%	8.9%	7.8%
Core ROTCE ⁽¹⁾⁽⁴⁾	9.1%	12.0%	12.3%	9.8%	10.0%	9.4%	7.9%
GAAP common shareholder's equity per share	\$ 39.2	\$ 38.5	\$ 32.8	\$ 30.9	\$ 28.5	\$ 26.4	\$ 29.5
Adjusted tangible book value per share ⁽¹⁾⁽⁵⁾	\$ 36.1	\$ 35.1	\$ 29.9	\$ 28.1	\$ 26.2	\$ 24.6	\$ 22.7
Efficiency Ratio	57.3%	53.6%	56.2%	53.9%	54.1%	56.8%	63.4%
Adjusted Efficiency Ratio ⁽¹⁾⁽⁶⁾	50.3%	47.4%	47.6%	45.8%	45.4%	45.3%	50.8%
GAAP total net revenue	\$ 6,686	\$ 6,394	\$ 5,804	\$ 5,765	\$ 5,437	\$ 4,861	\$ 4,651
Adjusted total net revenue ⁽¹⁾⁽⁷⁾	\$ 6,692	\$ 6,334	\$ 6,011	\$ 5,836	\$ 5,498	\$ 5,262	\$ 4,985
Effective Tax Rate	23.2%	12.5%	22.1%	38.6%	29.7%	35.6%	25.7%

- (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 (loss), Core net income (loss) attributable to common shareholders, Core return on tangible common equity (Core ROTCE), Adjusted efficiency ratio, 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 (loss) 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 page 30 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, Core OID, and repositioning and other. 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 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 40 for calculation methodology and details.

GAAP and Core Results: Quarterly

(\$ millions except per share data)

	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP net income (loss) attributable to common shareholders (NIAC)	\$ 687	\$ 476	\$ 241	\$ (319)	\$ 378
Core net income (loss) attributable to common shareholders ⁽¹⁾⁽²⁾	\$ 606	\$ 473	\$ 228	\$ (166)	\$ 364
GAAP earnings per common share (EPS) (basic or diluted as applicable, NIAC)	\$ 1.82	\$ 1.26	\$ 0.64	\$ (0.85)	\$ 0.99
Adjusted EPS ⁽¹⁾⁽³⁾	\$ 1.60	\$ 1.25	\$ 0.61	\$ (0.44)	\$ 0.95
Return (NIAC) on GAAP shareholder's equity	19.1%	13.6%	7.1%	-9.1%	10.5%
Core ROTCE ⁽¹⁾⁽⁴⁾	18.7%	15.2%	7.6%	-5.4%	11.2%
GAAP common shareholder's equity per share	\$ 39.2	\$ 37.8	\$ 37.0	\$ 36.2	\$ 38.5
Adjusted tangible book value per share (Adjusted TBVPS) ⁽¹⁾⁽⁵⁾	\$ 36.1	\$ 34.6	\$ 33.7	\$ 32.8	\$ 35.1
Efficiency Ratio	51.6%	53.7%	61.2%	65.2%	53.6%
Adjusted Efficiency Ratio ⁽¹⁾⁽⁶⁾	49.8%	47.3%	52.5%	52.3%	49.4%
GAAP total net revenue	\$ 1,981	\$ 1,684	\$ 1,609	\$ 1,412	\$ 1,643
Adjusted total net revenue ⁽¹⁾⁽⁷⁾	\$ 1,879	\$ 1,680	\$ 1,528	\$ 1,606	\$ 1,622
Effective Tax Rate	19.7%	24.8%	28.2%	22.5%	21.7%

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Ally Priorities and 2020 Focus

- **'Do It Right' Culture and Values.**
Prioritize our people, our customers and our communities
- **Leading, Growing Businesses, Accelerating Momentum.**
'Be Even Better' through innovative products and leading service levels
- **Strong Foundations, Balanced Approach.**
Disciplined, dynamic management of risk, liquidity and capital
- **Build for the Long-term.**
Position for sustainable growth and ongoing value accretion

2020 Full-Year Highlights

Do It Right Culture | Relentless Customer Focus | Steady Execution

- Adjusted EPS⁽¹⁾ of \$3.03 | Core ROTCE⁽¹⁾ of 9.1% | CET1 capital ratio of 10.6%
- Adjusted Total Net Revenue⁽¹⁾ of \$6.69 billion, +6% YoY | Strong credit performance across all portfolios
- Combined result of leading Auto, Insurance, Direct-bank and digitally-driven consumer offerings
- Established Ally Charitable Foundation, enhancing Ally's ability to drive lasting and positive change

Auto & Insurance | Proven, Adaptable Businesses

- Consumer auto originations of \$35.1 billion | Sourced from 12.1 million applications
- 7.01% estimated retail auto originated yield⁽²⁾ | 0.96% retail net charge-offs
- Insurance written premiums of \$1.2 billion | Continued strong investment income trends

Digitally-driven, Direct-bank | Consumer and Commercial Products

- \$124.4B Retail Deposit Balances | \$20.6B FY'20 growth, +20% YoY | 2.25M Deposit customers, up 14% YoY
- Ally Home[®]: \$4.7B direct-to-consumer originations increased 74% YoY
- Ally Invest: 406k self-directed accounts, up 17% YoY | \$13.4 billion net customer assets, up over 70% YoY
- Ally Lending: \$503 million originations, up 75% YoY
- Corporate Finance: \$6.0 billion portfolio, up 6% YoY | Stable credit, disciplined risk management approach

⁽¹⁾ Represents a non-GAAP financial measure. See page 32, 36, and 40 for calculation methodology and 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. See page 30 for details.

Ally's Sustainable Competitive Advantages

Auto & Insurance: Established, Leading Platforms

 **Integrated Dealer Partner + Broad-Market Reach**
18,700+ Dealers | 10-years of Growth | 4M+ Auto Customers | 2.6M U.S. Insurance Customers

 **Full-Product Suite + Real-time Market Insights**
Tech, Digital Tools & Data Analytics | Modern Servicing System | Digital, Self-service Portals

 **Expert Field Teams + Innovative Tech & Tools**
100-years in Auto | Dynamic Underwriting + Disciplined Servicer | Anticipating & Evolving with Market

Ally Bank: Early-Disruptor with Expanding Digital Consumer Platform

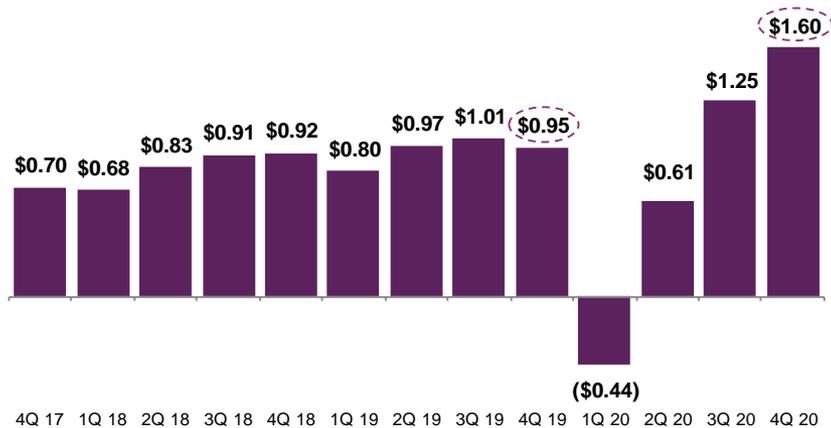
 **Digital, Award-winning Products & Services**
Built for the Customer | Scalable | 0 Branches | Differentiated by Digital | Industry Leading Retention

 **High Customer Growth + Deepening Relationships + Smart, Informed Tools**
10-years of Expanding Customer Base | Millennial-driven Account Openings | Save, Pay, Borrow & Invest

 **Innovative Tech, Data-driven Approach**
Leveraging Digital Model for Insights & Trends

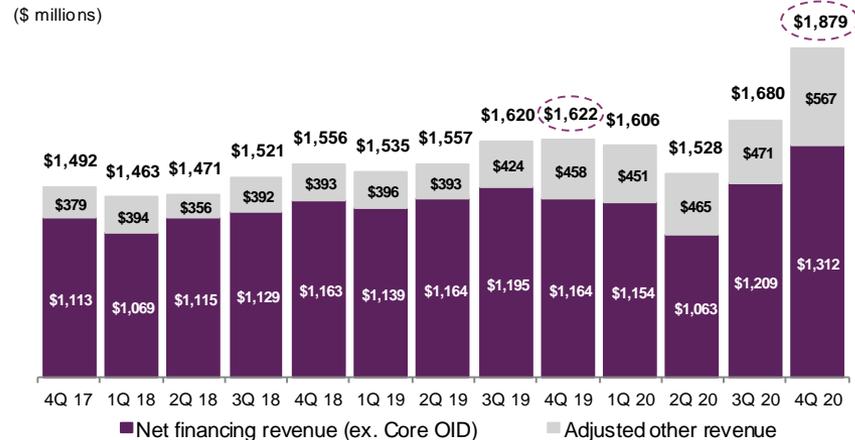
Quarterly Core Metric Trends

Adjusted Earnings Per Share⁽¹⁾



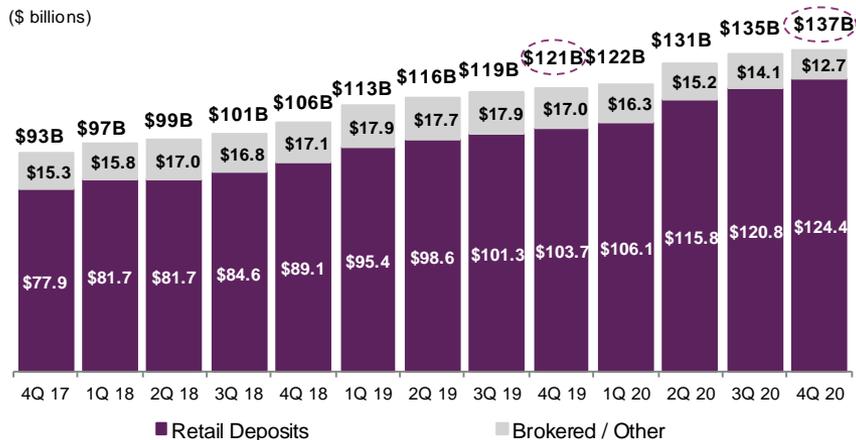
(1) Represents a non-GAAP financial measure. See page 33 for calculation methodology and details.

Adjusted Total Net Revenue⁽²⁾



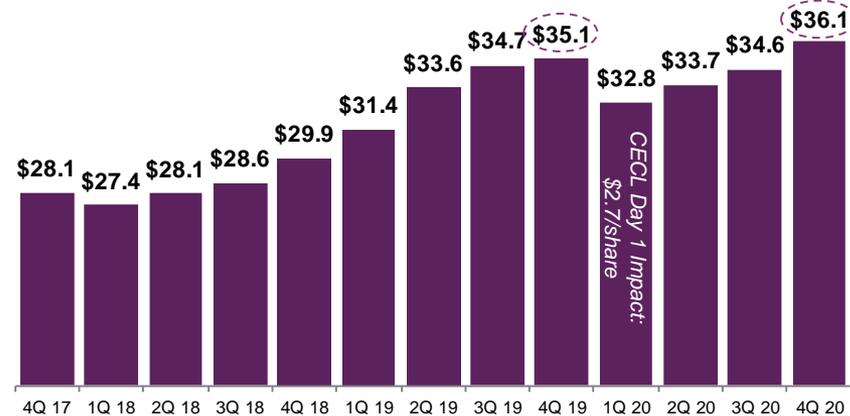
(2) Represents a non-GAAP financial measure. See page 44 for calculation methodology and details.

Total Deposits



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

Adjusted Tangible Book Value per Share⁽³⁾

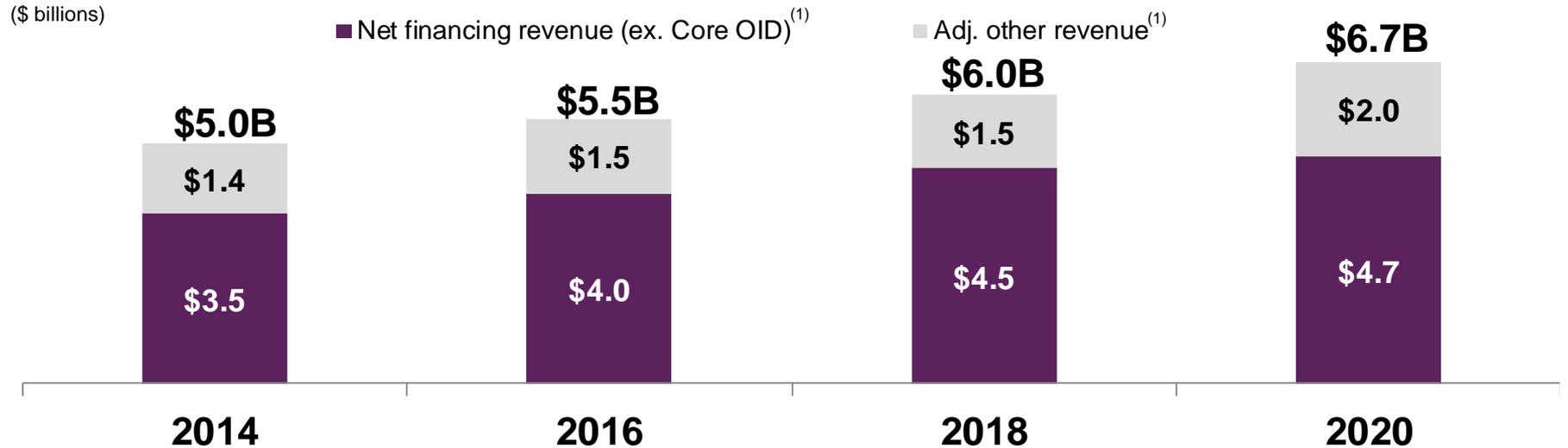


(3) Represents a non-GAAP financial measure. See page 35 for calculation methodology and details.

Revenue and Customer Evolution

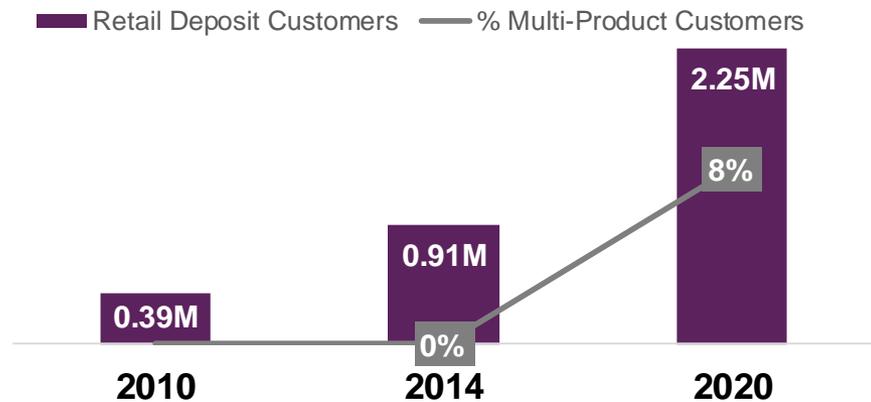
Ongoing Revenue Expansion | 10+ Years of Customer Growth

Adjusted Total Net Revenue⁽¹⁾



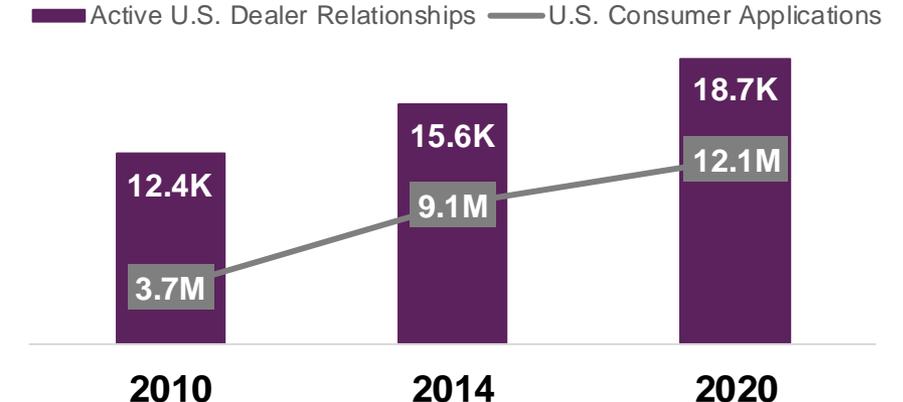
(1) Represents a non-GAAP financial measure. See page 43 for calculation methodology and details.

Ally Bank Customer Trends



Note: Multi-product Customers represent Deposit Customers with an Ally Invest or Ally Home relationship.

Ally Auto Dealer Relationship & Application Trends



Note: Active U.S. Dealer Relationships include Ally active dealers, excluding RV Commercial and Consumer lines of business exited in 2Q 18.

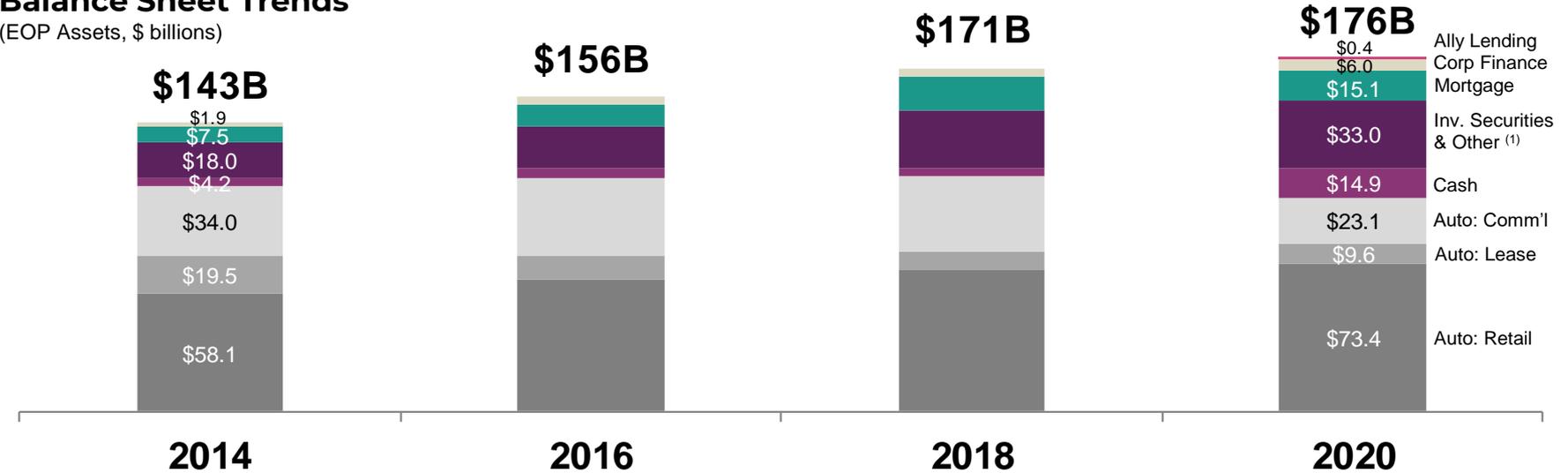
Balance Sheet Growth and Optimization

Sustained Asset Growth

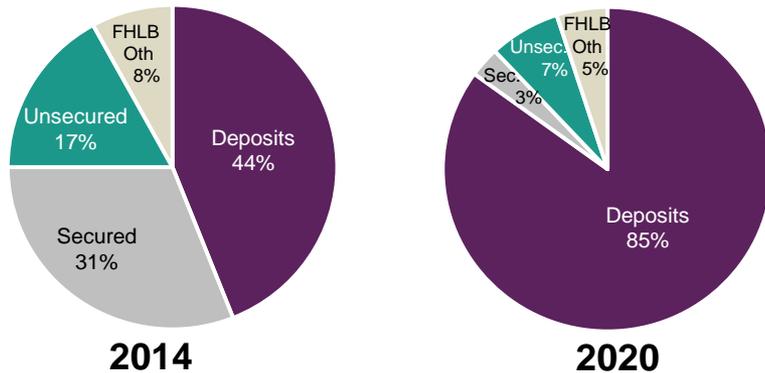
Optimization Across the Balance Sheet

Balance Sheet Trends

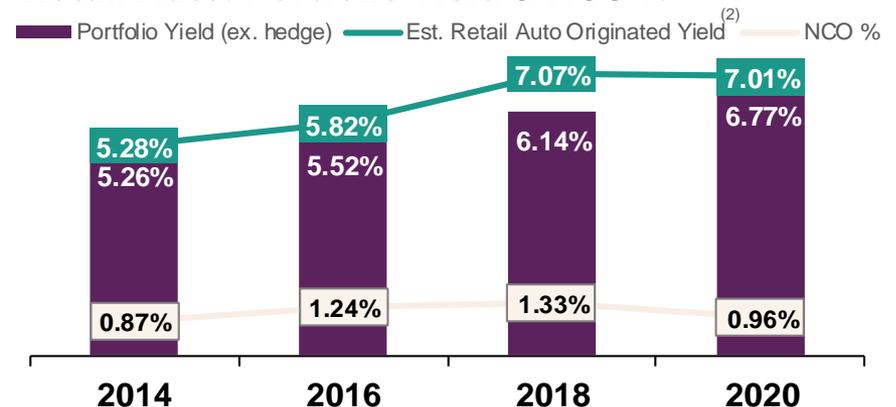
(EOP Assets, \$ billions)



Funding Profile



Retail Auto: Portfolio Yield & NCO %



Note: Retail auto loans exclude fair value adjustments for loans in hedge accounting relationship. Earning Assets excludes FHLB and FRB investments and restricted cash.

(1) 'Other' includes held-for-sale loans & Consumer & Commercial loans at Corp/Other.

(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. See page 31 for details.

4Q and Full-Year 2020 Financial Results

(\$ millions; except per share data)	4Q 20	3Q 20	4Q 19	2020	2019
Net financing revenue (ex. Core OID) ⁽¹⁾	\$ 1,312	\$ 1,209	\$ 1,164	\$ 4,739	\$ 4,662
Core OID	(9)	(9)	(8)	(36)	(29)
Net financing revenue	\$ 1,303	\$ 1,200	\$ 1,156	\$ 4,703	\$ 4,633
Adjusted other revenue ⁽²⁾	567	471	458	1,954	1,672
Change in fair value of equity securities ⁽²⁾	111	13	29	29	89
Other revenue	678	484	487	1,983	1,761
Provision for credit losses	102	147	276	1,439	998
Noninterest expense	1,023	905	880	3,833	3,429
Pre-tax income	\$ 856	\$ 632	\$ 487	\$ 1,414	\$ 1,967
Income tax expense	169	156	106	328	246
Net income from discontinued operations	-	-	(3)	(1)	(6)
Net income	\$ 687	\$ 476	\$ 378	\$ 1,085	\$ 1,715
	4Q 20	3Q 20	4Q 19	2020	2019
GAAP EPS (diluted)	\$ 1.82	\$ 1.26	\$ 0.99	\$ 2.88	\$ 4.34
Core OID, net of tax	0.02	0.02	0.02	0.07	0.06
Change in fair value of equity securities, net of tax	(0.23)	(0.03)	(0.06)	(0.06)	(0.18)
Repositioning, discontinued ops., and other, net of tax ⁽³⁾	-	-	0.01	0.14	(0.49)
Adjusted EPS ⁽⁴⁾	\$ 1.60	\$ 1.25	\$ 0.95	\$ 3.03	\$ 3.72
Significant Items - Pretax Impact	4Q 20	3Q 20	4Q 19	2020	2019
Other revenue: Liability Management	\$ (52)	\$ (49)	\$ -	\$ (101)	\$ -
Corporate Investment Gains	129	16	-	145	-
Noninterest expense: Legal Settlement Accrual	78	10	-	89	-
Contribution to Ally Charitable Foundation	34	-	-	34	-
Pretax (Loss) / Income of Significant Items	\$ (35)	\$ (43)	\$ -	\$ (79)	\$ -

(1) Represents a non-GAAP financial measure. For calculation methodology and details see pages 43 and 44.

(2) Represents a non-GAAP financial measure. Adjusted for change in the fair value of equity securities due to the implementation of ASU 2016-01, which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. For Non-GAAP calculation methodology and details see page 43 and 44.

(3) Repositioning, Discontinued Ops., and Other, Net of Tax includes a \$50 million goodwill impairment within the Ally Invest business in 2020 and a discrete tax item in 2019, whereby the 2019 effective tax rate was significantly impacted by the release of valuation allowance on foreign tax credit carryforwards. See page 32 and 33 for calculation methodology and details.

(4) Represents a non-GAAP financial measure. For calculation methodology and details see page 32 and 33.

Balance Sheet and Net Interest Margin

(\$ millions)	4Q 20		3Q 20		4Q 19		2020		2019	
	Average Balance	Yield								
Retail Auto Loan	\$ 73,401	6.57%	\$ 72,999	6.56%	\$ 72,626	6.68%	\$ 72,805	6.54%	\$ 72,268	6.60%
<i>Retail Auto Loan (ex. hedge impact)</i>		6.83%		6.83%		6.74%		6.77%		6.61%
Auto Lease (net of depreciation)	9,587	7.82%	9,317	7.89%	8,749	5.19%	9,264	6.30%	8,509	5.74%
Commercial Auto	22,418	3.34%	21,265	3.30%	31,921	4.25%	25,048	3.62%	33,886	4.61%
Corporate Finance	6,203	5.69%	6,188	5.40%	5,526	6.65%	6,265	5.74%	5,162	7.23%
Mortgage ⁽¹⁾	15,445	2.74%	17,096	3.00%	17,140	3.46%	16,812	3.09%	17,473	3.63%
Cash, Securities and Other ⁽²⁾	51,455	1.25%	53,248	1.43%	37,867	2.71%	46,961	1.73%	36,434	2.88%
Total Earning Assets	\$ 178,509	4.34%	\$ 180,113	4.35%	\$ 173,829	4.97%	\$ 177,155	4.49%	\$ 173,732	5.11%
Unsecured Debt ⁽³⁾⁽⁶⁾	\$ 12,735	5.45%	\$ 12,315	5.74%	\$ 12,741	6.20%	\$ 12,216	5.89%	\$ 12,831	6.26%
Secured Debt	5,289	3.07%	6,154	2.94%	9,563	2.92%	7,181	2.84%	12,302	3.07%
Deposits ⁽⁴⁾	135,642	1.08%	132,964	1.35%	120,057	2.11%	129,238	1.51%	115,385	2.20%
Other Borrowings ⁽⁵⁾	9,462	2.18%	14,427	2.36%	18,000	2.42%	14,426	2.29%	20,097	2.47%
Total Funding Sources ⁽³⁾	\$ 163,128	1.55%	\$ 165,860	1.82%	\$ 160,361	2.51%	\$ 163,061	1.97%	\$ 160,615	2.62%
NIM (ex. Core OID) ⁽³⁾	2.92%		2.67%		2.66%		2.67%		2.68%	
NIM (as reported)	2.90%		2.65%		2.64%		2.65%		2.67%	

(1) Mortgage includes held-for-investment (HFI) loans from the Mortgage Finance segment and the HFI legacy mortgage portfolio in run-off at the Corporate and Other segment.

(2) 'Other' includes Ally Lending held-for-investment consumer loans.

(3) Represents a non-GAAP financial measure. Excludes Core OID and Core OID balance. See page 43 and 44 for calculation methodology and details.

(4) Includes retail, brokered (inclusive of sweep deposits) and other deposits (inclusive of mortgage escrow and other deposits).

(5) Includes Demand Notes, FHLB borrowings and Repurchase Agreements.

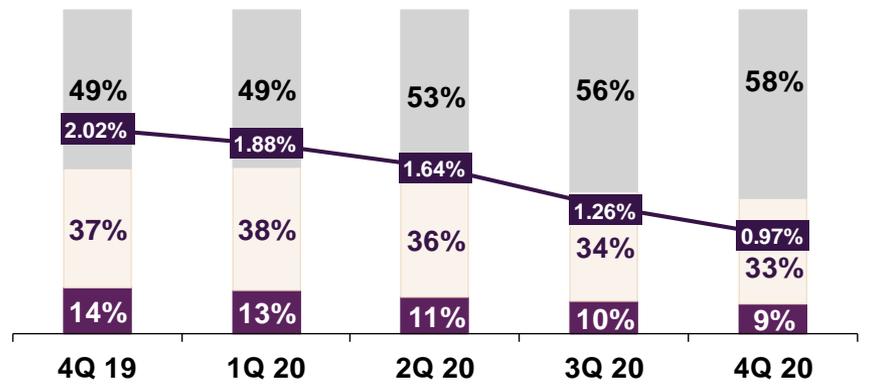
(6) Includes trust preferred securities.

Deposits

- **Deposits of \$137.0 billion, up \$16.3 billion or 13% YoY**
 - Retail deposits of \$124.4 billion, up \$3.6 billion QoQ and \$20.6 billion YoY
 - Existing customers drove 56% of growth in 2020 – Industry-leading customer retention rate remained at 96%
- **2.25 million retail deposit customers, up 14% YoY**
 - 41st consecutive quarter of customer growth
 - New customers: 39k in 4Q | 282k in 2020
 - Multi-product customers⁽¹⁾ up 51% YoY
- **Ally Bank named MONEY Magazine's Best Online Bank for 2020-2021 – 8th time over past 10 years**

Deposit Mix & Retail Portfolio Rate

■ Brokered / Other ■ Retail CD ■ MMA/OSA/Checking ■ Avg. Retail Portfolio Interest Rate



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

Retail Deposit Balances

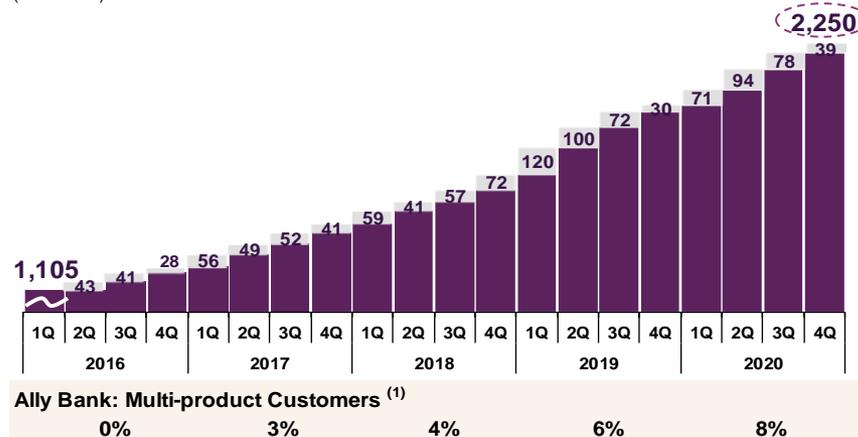
(\$ billions, EoP) ■ Retail ■ Brokered / Other ■ Customer Retention Rate



Note: Brokered includes sweep deposits. Other includes mortgage escrow and other deposits. See page 30 for Customer Retention Rate definition.

Retail Deposit Customers

(thousands)

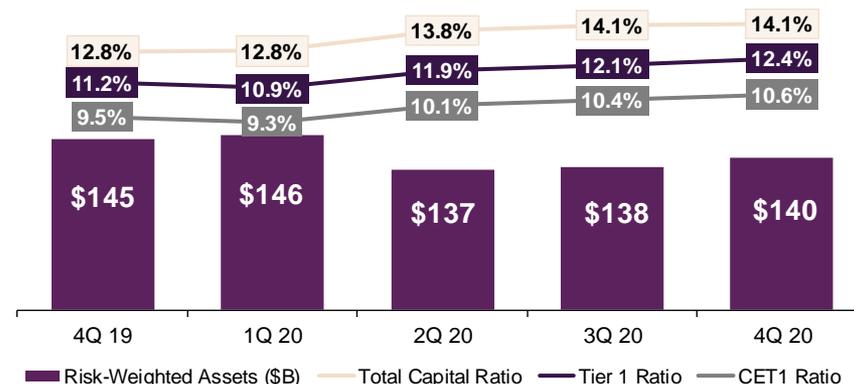


(1) Multi-product customers represent Deposit Customers with an Ally Invest or Ally Home relationship.

Capital Ratios and Shareholder Distributions

- **Preliminary 4Q 2020 CET1 ratio of 10.6%**
 - Capital position reflects earnings growth, lower commercial floorplan and suspension of share repurchase program
- **Ally Board of Directors approved 1Q 2021 common dividend of \$0.19 per share and authorized 2021 share repurchase program of up to \$1.6 billion**
- **Federal Reserve to provide banks >\$100B in assets with applicable changes to SCB by March 31, 2021**

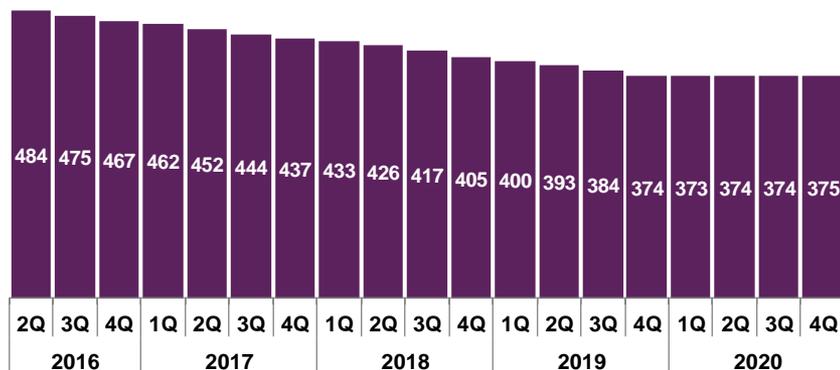
Capital Ratios and Risk-Weighted Assets



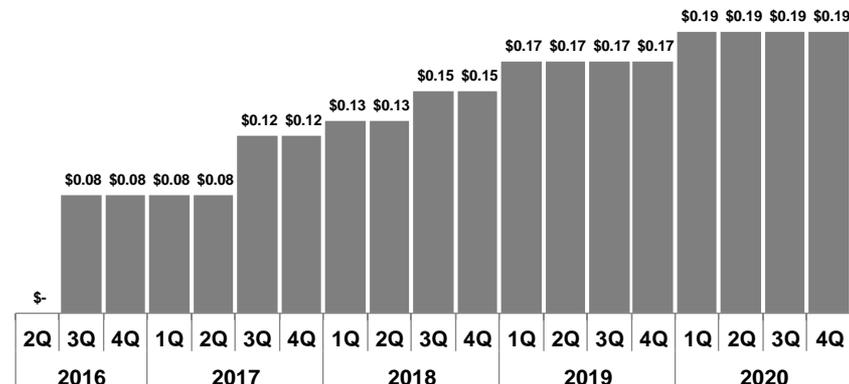
Note: For more details on the final rule to address the impact of CECL on regulatory capital by allowing BHCs and banks, including Ally, to delay and subsequently phase-in its impact, see page 35 for definition.

Capital Deployment Actions

Outstanding Shares (# millions)

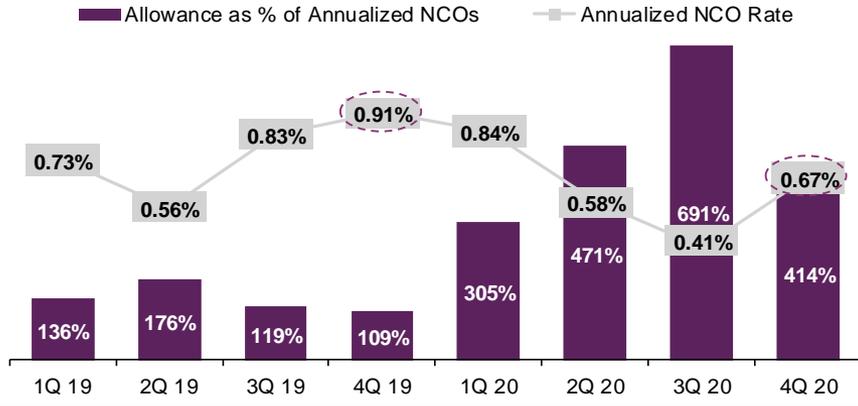


Dividend Per Share



Asset Quality: Key Metrics

Consolidated Net Charge-Offs



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

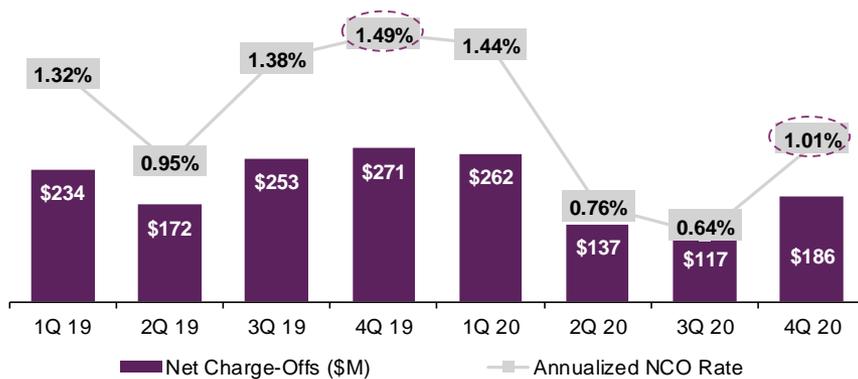
Net Charge-Off Activity

(\$ millions)

Net Charge-Offs	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20	4Q 20
Retail Auto	\$ 253	\$ 271	\$ 262	\$ 137	\$ 117	\$ 186
Commercial Auto	1	10	2	1	4	7
Mortgage Finance	-	-	-	-	1	2
Corporate Finance	15	6	-	38	-	(1)
Ally Lending	-	5	4	4	2	4
Corp/Other ⁽¹⁾	(2)	(2)	(2)	(2)	(2)	-
Total	\$ 267	\$ 290	\$ 266	\$ 178	\$ 122	\$ 198

(1) Corp/Other includes legacy Mortgage HFI portfolio.

Retail Auto Net Charge-Offs



Note: See page 30 for definition.

Retail Auto Delinquencies

(60+ DPD)



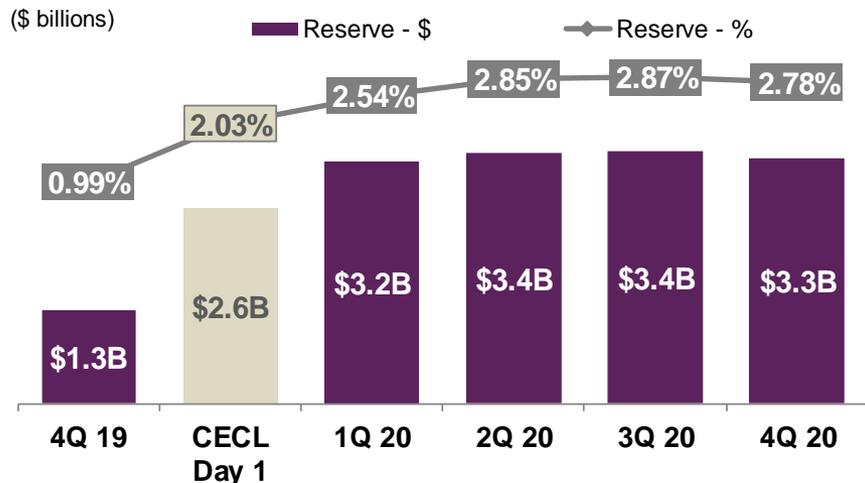
30+ DPD (\$M and %)

2.56%	2.90%	3.32%	3.61%	3.19%	2.20%	2.25%	2.49%
\$1,833	\$2,113	\$2,428	\$2,616	\$2,322	\$1,599	\$1,658	\$1,834

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

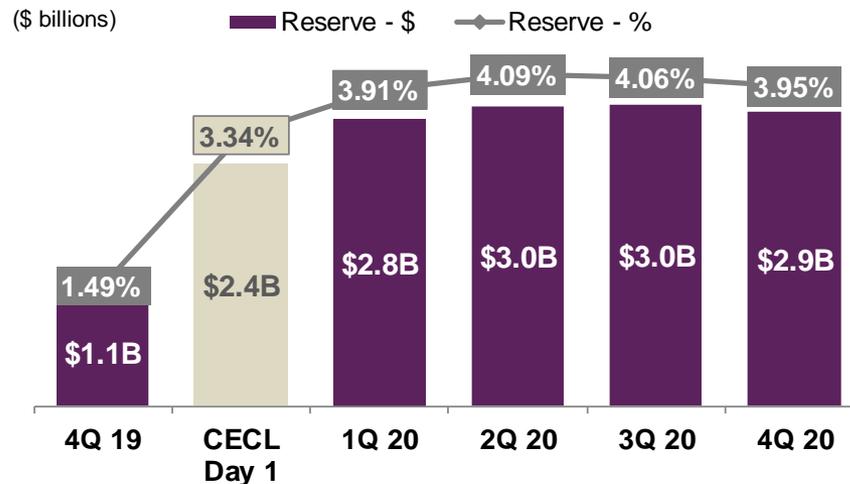
Asset Quality: Coverage and Reserves

Consolidated Coverage Ratio



Note: coverage rate calculations exclude fair value adjustment for loans in hedge accounting relationships.

Retail Auto Coverage Ratio



Note: coverage rate calculations exclude fair value adjustment for loans in hedge accounting relationships.

Consolidated QoQ Reserve Walk

(\$ millions)

3Q'20 Reserve
\$3,379

1 Net charge-off Activity
(\$198) 4Q'20 NCOs
\$198 Replenished

2 Δ in portfolio Size
\$18
↑ Auto (Retail & Comm'l),
↑ Ally Lending ↑ Corp Finance

3 All other, incl. macroeconomic
(\$114)
Primarily Favorable
Macro-economic Trends

4Q'20 Reserve
\$3,283

Auto Finance

- Pre-tax income of \$563 million, up \$162 million YoY and down \$3 million QoQ**

- Net financing revenue up YoY due to higher gains from off-lease vehicles and higher retail revenue
 - QoQ increase primarily from higher commercial balances
- Provision expense decline reflects strong consumer and commercial performance and improved economic trends
- 4Q noninterest expense includes \$78 million legal accrual

- Earning assets of \$106.2 billion, down \$7.4 billion YoY and up \$1.4 billion QoQ**

- Commercial balances up \$1.3 billion QoQ as industry inventory level grew steadily throughout the period
 - YoY decline reflects lower overall industry inventory levels

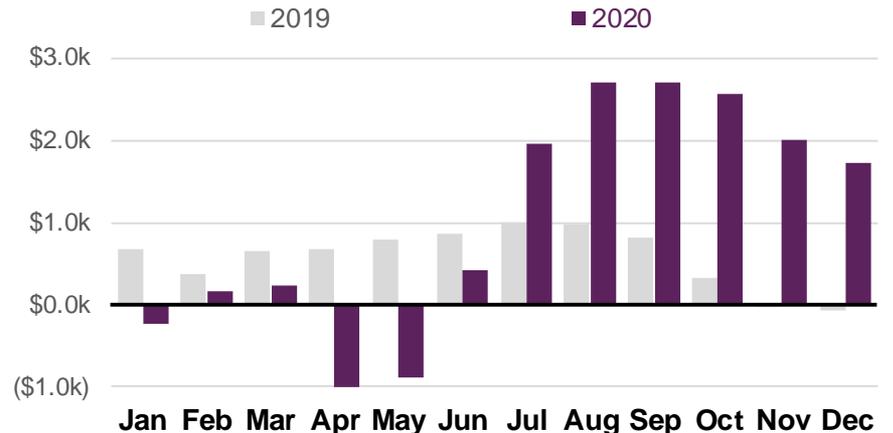
- Market-leading, adaptable auto franchise delivered innovative solutions for dealers and customers**

- Dealer relationships⁽²⁾ of 18.7k, highest in Ally's history
- Decided 12.1 million applications - 2nd highest FY level; increased auto-decisioning and use of advanced data analytics
- Pricing and credit trends reflect steady underwriting and disciplined servicing approach

Key Financials (\$ millions)	4Q 20	Increase/(Decrease) vs.	
		3Q 20	4Q 19
Net financing revenue	\$ 1,153	\$ 51	\$ 92
Total other revenue	56	(5)	(5)
Total net revenue	1,209	46	87
Provision for credit losses	86	(42)	(169)
Noninterest expense ⁽¹⁾	560	91	94
Pre-tax income	\$ 563	\$ (3)	\$ 162
U.S. auto earning assets (EOP)	\$ 106,223	\$ 1,431	\$ (7,385)
Key Statistics			
Remarketing gains (\$ millions)	\$ 66	\$ (5)	\$ 63
Average gain per vehicle	\$ 2,150	\$ (287)	\$ 2,051
Off-lease vehicles terminated (On-balance sheet - # in units)	30,480	1,563	2,648
Application Volume (# thousands)	2,804	(436)	(95)

(1) Noninterest expense includes corporate allocations of \$209 million in 4Q 2020, \$190 million in 3Q 2020, and \$186 million in 4Q 2019.

Lease: Average Gain / (Loss) per Vehicle

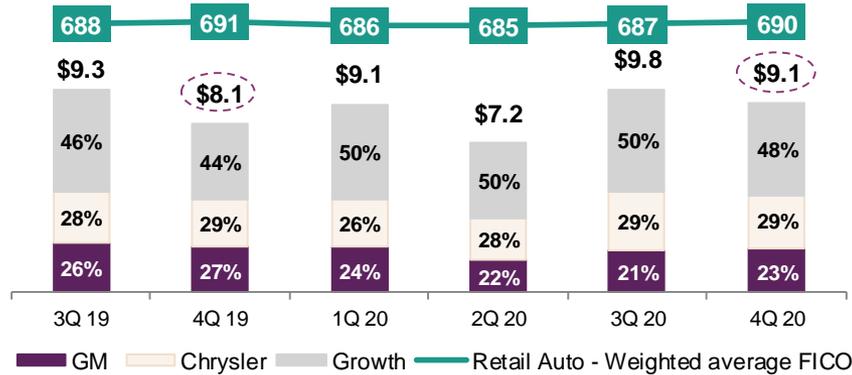


(2) Dealer relationships include Ally active dealers, excluding RV Commercial & Consumer lines of business exited in 2Q 18.

Auto Finance Key Metrics

Consumer Originations

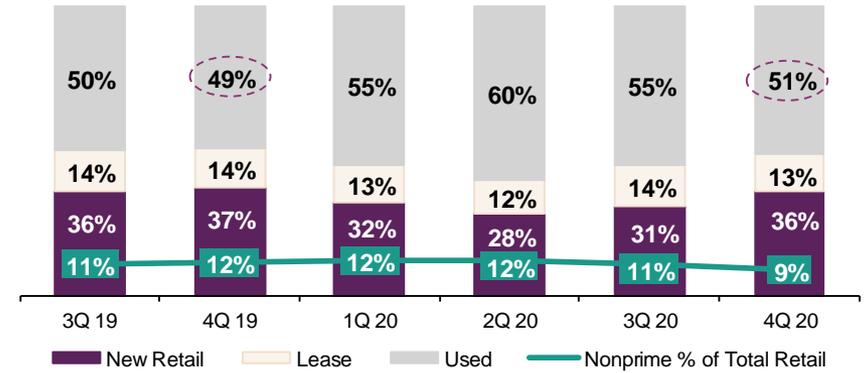
(\$ billions; % of \$ originations)



Note: See page 30 for definition.

Consumer Origination Mix

(% of \$ originations)



Note: See page 30 for definition.

Consumer Assets

(End of period, \$ billions)



Commercial Assets

(Average balance, \$ billions)



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

Insurance

- **Pre-tax income of \$183 million, up \$69 million YoY and up \$105 million QoQ**
 - Results positively impacted by favorable performance of the equity securities portfolio YoY and QoQ
- **Core pre-tax income⁽¹⁾ of \$72 million, down \$13 million YoY and up \$7 million QoQ**
 - Earned premiums up QoQ from higher P&C exposure
 - Losses down QoQ reflecting seasonally lower weather losses
 - Investment income decrease reflecting lower investment yields YoY and lower realized investment gains QoQ
- **Written premiums of \$312 million in 4Q 2020**
 - Reflects YoY COVID-19 impact on lower vehicle inventories and seasonal decline QoQ from retail business

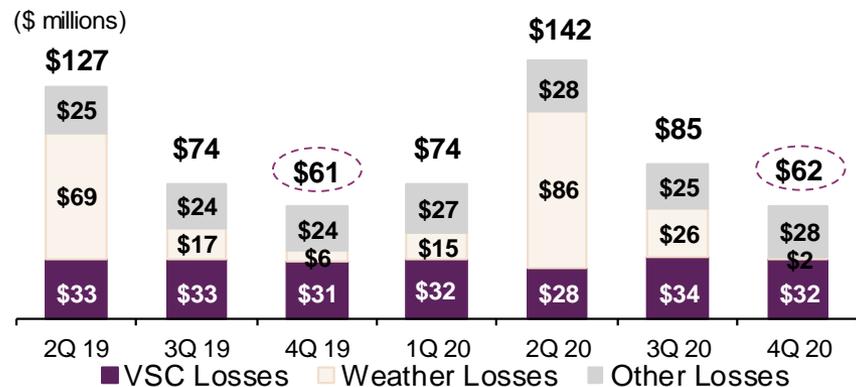
Key Financials (\$ millions)	4Q 20	Increase/(Decrease) vs.	
		3Q 20	4Q 19
Premiums, service revenue earned and other	\$ 290	\$ 11	\$ 2
Losses and loss adjustment expenses	62	(23)	1
Acquisition and underwriting expenses ⁽²⁾	184	1	7
Total underwriting income (loss)	44	33	(6)
Investment income and other (adjusted) ⁽¹⁾	28	(26)	(7)
Core pre-tax income ⁽¹⁾	\$ 72	\$ 7	\$ (13)
Change in fair value of equity securities ⁽¹⁾	111	98	82
Pre-tax income	\$ 183	\$ 105	\$ 69
Total assets (EOP)	\$ 9,137	\$ 193	\$ 590

Key Statistics - Insurance Ratios	4Q 20	3Q 20	4Q 19
Underwriting expense ratio	63.5%	65.8%	61.5%
Combined ratio	85.1%	96.1%	82.7%

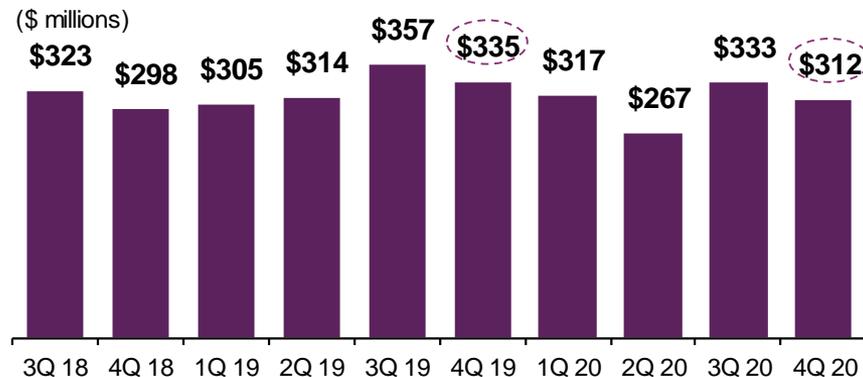
(1) Represents a non-GAAP financial measure. Excludes equity fair value adjustments related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 42 for details.

(2) Noninterest expense includes corporate allocations of \$15 million in 4Q 2020, \$17 million in 3Q 2020, and \$13 million in 4Q 2019.

Insurance Losses



Insurance Written Premiums



Corporate Finance

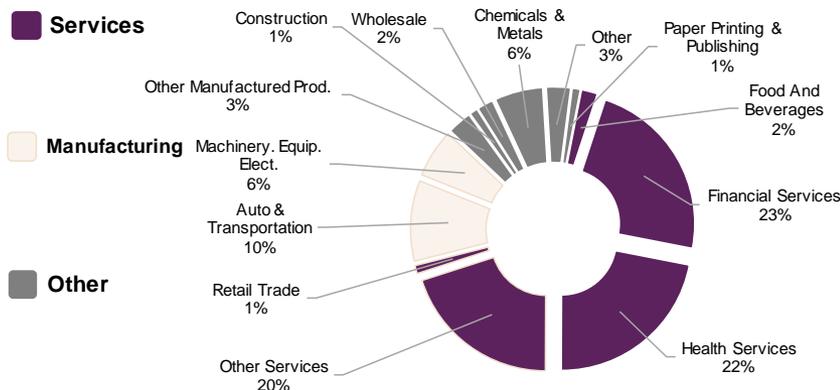
- **Pre-tax income of \$64 million, up \$14 million YoY and up \$4 million QoQ**
 - Net financing revenue increase YoY reflects higher loan balances
 - Other revenue up QoQ from higher investment and fee income
 - Provision increase driven primarily by modest increase in reserves
- **\$6.0 billion held-for-investment portfolio, up 6% YoY**
 - Asset-based lending products comprise 50% of total portfolio, up 7 pts YoY
 - Credit continues to perform well given adverse economic environment – criticized and non-accrual loans below historic avg.
 - Growth in commitments reflects steady origination activities – utilization levels remain low, supporting future loan growth

Key Financials (\$ millions)	4Q 20	Increase/(Decrease) vs.	
		3Q 20	4Q 19
Net financing revenue	\$ 79	\$ 4	\$ 15
Adjusted total other revenue ⁽¹⁾	16	8	2
Adjusted total net revenue ⁽¹⁾	95	12	17
Provision for credit losses	9	8	2
Noninterest expense ⁽²⁾	23	-	1
Core pre-tax income ⁽¹⁾	\$ 63	\$ 4	\$ 14
Change in fair value of equity securities ⁽¹⁾	1	(0)	0
Pre-tax income	\$ 64	\$ 4	\$ 14
Total assets (EOP)	\$ 6,108	\$ 113	\$ 321

(1) Represents a non-GAAP financial measure. Excludes equity fair value adjustments related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 42 for details.

(2) Noninterest expense includes corporate allocations of \$8 million in 4Q 2020, \$8 million in 3Q 2020, and \$7 million in 4Q 2019.

Corporate Finance Outstandings Loan Portfolio by Industry - 12/31/2020



Corporate Finance HFI Loans and Unfunded Commitments

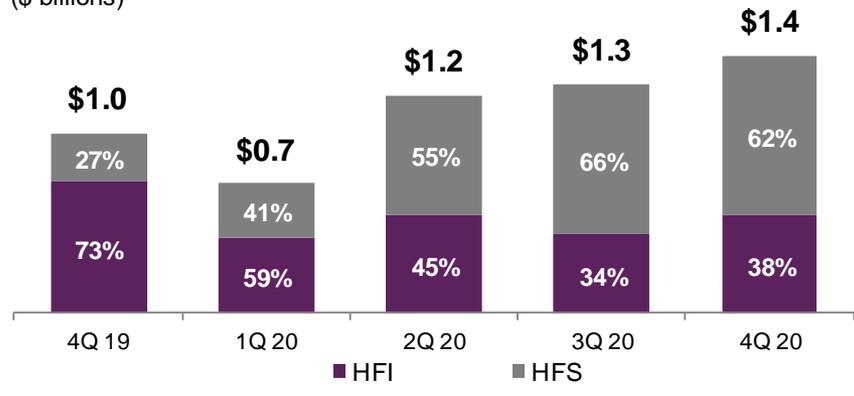
(end of period balances, \$ billions)



Mortgage Finance

- **Pre-tax income of \$7 million, up \$5 million YoY and down \$19 million QoQ**
 - Net financing revenue declined QoQ and YoY reflecting ongoing elevated prepayment activity
 - Other revenue up YoY reflecting strong gain-on-sale activity
- **Direct-to-consumer originations of \$1.4 billion in 4Q, up 43% YoY**
 - 52% of 4Q originations from Ally Bank deposit customers
 - 70% of originations from refinance activity, up 18% YoY

Mortgage Finance Direct-to-Consumer (DTC) Originations
(\$ billions)



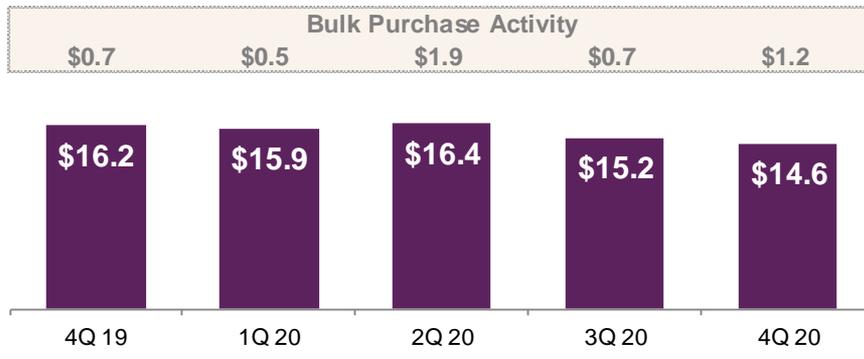
Key Financials (\$ millions)	4Q 20	Increase/(Decrease) vs.	
		3Q 20	4Q 19
Net financing revenue	\$ 20	\$ (10)	\$ (16)
Total other revenue	37	1	31
Total net revenue	\$ 57	\$ (9)	\$ 15
Provision for credit losses	3	3	-
Noninterest expense ⁽¹⁾	47	7	10
Pre-tax income	\$ 7	\$ (19)	\$ 5
Total assets (EOP)	\$ 14,889	\$ (614)	\$ (1,390)

Mortgage Finance HFI Portfolio	4Q 20	3Q 20	4Q 19
Net Carry Value (\$ billions)	\$ 14.6	\$ 15.1	\$ 16.2
Wtd. Avg. LTV/CLTV ⁽²⁾	60.1%	60.3%	60.3%
Refreshed FICO	776	776	774

(1) Noninterest expense includes corporate allocations of \$22 million in 4Q 2020, \$19 million in 3Q 2020, and \$19 million in 4Q 2019.

(2) 1st lien only. Updated home values derived using a combination of appraisals, Broker price opinion (BPOs), Automated Valuation Models (AVMs) and Metropolitan Statistical Area (MSA) level house price indices.

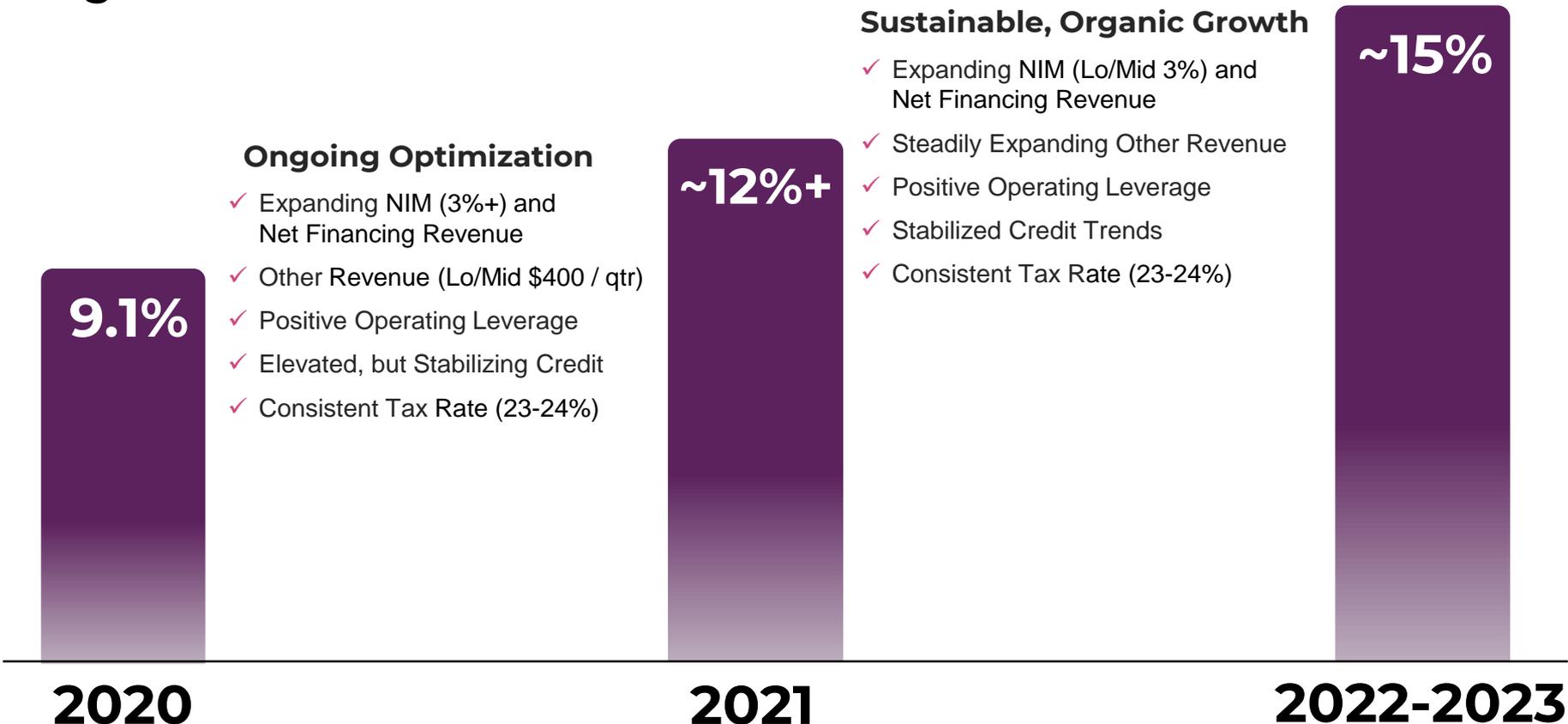
Mortgage Finance Held-for-Investment Assets
(\$ billions)



Financial Outlook

Steady execution, delivering against our long-term strategic objectives

Progression of Core ROTCE⁽¹⁾



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

Strategic Priorities

'Do It Right' culture | Relentless focus on employees, customer & communities



- **Leading, adaptable Auto and Insurance businesses and digitally-based bank platform**

- **Ongoing customer growth & relationship deepening across scalable platforms**

- **Sustainable, organic growth in expanded product offerings**

- **Efficient, disciplined risk management & capital deployment**

- **Long-term execution & sustainable results**

Delivering against our long-term strategic objectives

Supplemental



ally
do it right.

Results by Segment

Pre-Tax Income					
(\$ millions)	2020	2019	4Q 20	3Q 20	4Q 19
Automotive Finance	\$ 1,285	\$ 1,618	\$ 563	\$ 566	\$ 401
Insurance	284	315	183	78	114
Dealer Financial Services	\$ 1,569	\$ 1,933	\$ 746	\$ 644	\$ 515
Corporate Finance	88	153	64	60	50
Mortgage Finance	53	40	7	26	2
Corporate and Other	(296)	(159)	39	(98)	(80)
Pre-tax income from continuing operations	\$ 1,414	\$ 1,967	\$ 856	\$ 632	\$ 487
Core OID ⁽¹⁾	36	29	9	9	8
Change in fair value of equity securities ⁽²⁾	(29)	(89)	(111)	(13)	(29)
Repositioning and other ⁽³⁾	50	-	-	-	-
Core pre-tax income ⁽⁴⁾	\$ 1,470	\$ 1,907	\$ 754	\$ 628	\$ 466

(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 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 40 and 42 for details.

(3) Repositioning and other includes a \$50 million goodwill impairment within the Ally Invest business in 2020 and a discrete tax item in 2019, whereby the 2019 effective tax rate was significantly impacted by the release of valuation allowance on foreign tax credit carryforwards. See page 43 for calculation methodology and details.

(4) Core pre-tax income is a non-GAAP financial measure that adjusts pre-tax income from continuing operations for Core OID, equity fair value adjustments related to ASU 2016-01, and, repositioning and other which are primarily related to the extinguishment of high-cost legacy debt, strategic activities and significant other one-time items. 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 40 and 42 for calculation methodology and details.

Funding

- **Strong deposit portfolio growth has continued to reduce reliance on wholesale funding markets**
 - In 4Q, Ally paid down \$1.75 billion of fixed-rate FHLB borrowings at a weighted average coupon of ~2.9%; In addition to 3Q'20 pay-down of \$2.5 billion, 2.8% FHLB debt
 - 2020 unsecured maturities of \$2.2 billion with a weighted average coupon of 6.6% | Issued \$2.75 billion of unsecured debt in 2020 at a weighted average coupon of 3.10%
 - No term ABS issuance during 2020

Unsecured Long-Term Debt Maturities⁽¹⁾

Maturity Date	Coupon	Principal Amount Outstanding ⁽²⁾ (\$ billions)
4/15/2021	4.25	\$0.60
2022	4.32	\$1.05
2023	2.09	\$2.00
2024+ ⁽³⁾	6.27	\$6.24

(1) Excludes retail notes, demand notes and trust preferred securities; as of 12/31/2020.

(2) Reflects notional value of outstanding bond. Excludes total GAAP OID and capitalized transaction costs.

(3) 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. 2024+ excludes ~\$2.6 billion Trust Preferred securities (excluding OID/issuance costs).

Ally Financial Ratings Details

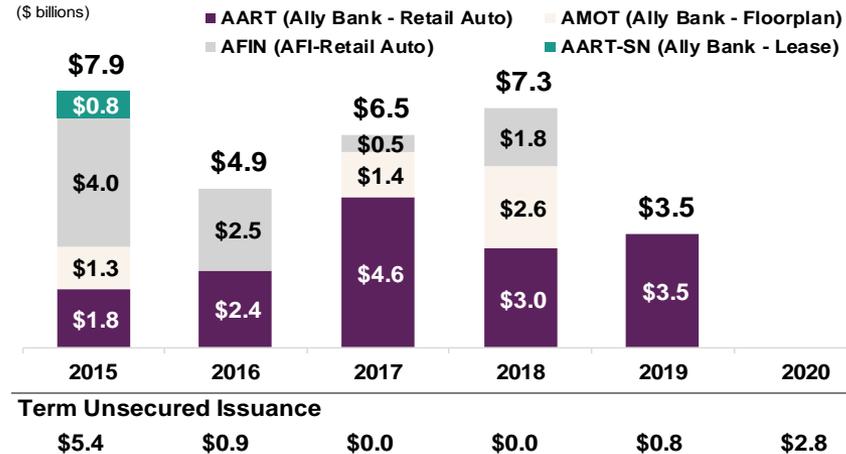
	LT Debt	ST Debt	Outlook	Date
Fitch	BBB-	F3	Negative	8/12/2020
Moody's	Ba1	Not Prime	Stable	5/12/2020
S&P	BBB-	A-3	Negative	5/4/2020
DBRS	BBB (Low)	R-3	Negative	4/21/2020

Note: Ratings and Outlook as of 12/31/2020. Our borrowing costs and access to the capital markets could be negatively impacted if our credit ratings are downgraded or otherwise fail to meet investor expectations or demands.

Wholesale Funding Issuance

Term ABS and Term Unsecured Issuance

(\$ billions)



Term Unsecured Issuance

2015	2016	2017	2018	2019	2020
\$5.4	\$0.9	\$0.0	\$0.0	\$0.8	\$2.8

Note: Term ABS shown includes funding amounts (notes sold) at new issue and does not include private offerings sold at a later date.

Corporate and Other

- **Corporate and Other activity reflects:**
 - Centralized asset and liability management
 - Corporate allocation activities
 - Legacy mortgage portfolio
 - Ally Invest and Ally Lending activities
- **Pre-tax income of \$39 million, up \$119 million YoY and up \$137 million QoQ**
 - Net financing revenue up QoQ and YoY from deposit pricing actions
 - Total other revenue up QoQ and YoY driven by Ally Ventures gain and Legacy mortgage portfolio gain on sale, partially offset by FHLB early retirement expense
 - Provision expense decrease from lower Legacy Mortgage held-for-investment loans
 - Noninterest expense up QoQ and YoY primarily from the establishment of the Ally Charitable Foundation
- **Total assets of \$47.2 billion, up \$11.1 billion YoY, driven by elevated cash balances**

Key Financials (\$ millions)	4Q 20	Increase/(Decrease) vs.	
		3Q 20	4Q 19
Net financing revenue	\$ 43	\$ 58	\$ 61
Total other revenue	147	107	81
Total net revenue	\$ 190	\$ 165	\$ 142
Provision for credit losses	4	(14)	(7)
Noninterest expense	147	42	30
Pre-tax income	\$ 39	\$ 137	\$ 119
Core OID ⁽¹⁾	9	0	2
Repositioning and other ⁽²⁾	-	-	-
Core pre-tax income ⁽²⁾	\$ 48	\$ 137	\$ 121
Cash & securities	\$ 42,324	\$ (3,451)	\$ 12,074
Held-for-investment loans, net ⁽³⁾	1,225	(327)	(356)
Intercompany loan ⁽⁴⁾	(830)	(830)	(830)
Other ⁽⁵⁾	4,518	383	181
Total assets	\$ 47,237	\$ (4,225)	\$ 11,069

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

(2) Represents a non-GAAP financial measure. See page 42 for calculation methodology and details.

(3) HFI legacy mortgage portfolio and HFI Ally Lending portfolio

(4) Intercompany loan related to activity between Insurance and Corporate for liquidity purposes from the wind down of the Demand Notes program.

(5) Includes loans held-for-sale.

Ally Invest Details (brokerage)	4Q 20	3Q 20	4Q 19
Net Funded Accounts (<i>thousands</i>)	405.9	399.8	346.7
Average Customer Trades Per Day (<i>thousands</i>)	60.1	58.7	21.2
Total Customer Cash Balances (\$ <i>millions</i>)	\$ 2,085	\$ 1,882	\$ 1,376
Total Net Customer Assets (\$ <i>millions</i>)	\$ 13,445	\$ 11,061	\$ 7,850

Interest Rate Sensitivity

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

(\$ millions)	4Q 20		3Q 20	
	Gradual ⁽²⁾	Instantaneous	Gradual ⁽²⁾	Instantaneous
-25 bps ⁽³⁾	\$ (3)	\$ (40)	\$ (1)	\$ (36)
+100 bps	\$ 32	\$ 68	\$ 88	\$ 181
Stable rate environment	n/m	\$ (8)	n/m	\$ 3

(1) Net financing revenue impacts reflect a rolling 12-month view. See page 30 for additional details.

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

(3) The -100bps shock has been replaced with a -25bps shock, given low interest rate environment.

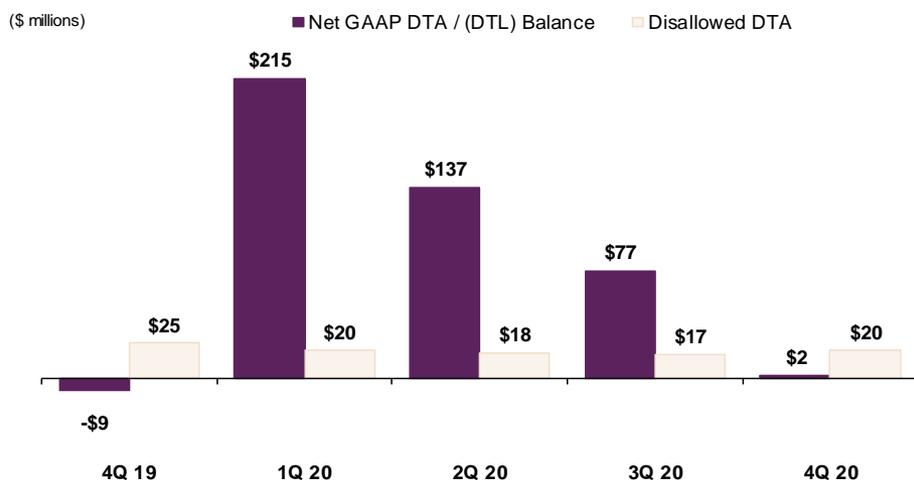
Deferred Tax Asset and Tax Rate

Deferred Tax Asset / (Liability) (\$ millions)	4Q 20			3Q 20 ⁽¹⁾
	Gross DTA/(DTL) Balance	Valuation Allowance	Net DTA/(DTL) Balance	Net DTA/(DTL) Balance
Net Operating Loss (Federal)	\$ 7	\$ -	\$ 7	\$ 7
Tax Credit Carryforwards	1,786	(734)	1,052	1,085
State/Local Tax Carryforwards	163	(101)	62	42
Other Deferred Tax Liabilities, net ⁽²⁾	(1,119)	-	(1,119)	(1,057)
Net Deferred Tax Asset / (Liability)	\$ 837	\$ (835)	\$ 2	\$ 77

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

(2) Primarily book / tax timing differences, including loan loss reserves impact of ~\$0.3 billion related to CECL implementation.

Deferred Tax Asset / (Liability) Utilization



Note: 4Q19 to 1Q20 DTA build was significantly impacted by CECL adoption on 1-1-2020.

Effective Tax Rate Details

	2020	2019
Adjusted Effective Tax Rate	23.2%	22.8%
Discrete Tax Items	0.0%	-10.2%
GAAP Effective Tax Rate	23.2%	12.5%

Note: Significant discrete tax items do not relate to the operating performance of the core businesses. 2019 effective tax rate was significantly impacted by the release of valuation allowance on foreign tax credit carryforwards.

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, Adjusted total net revenue, Adjusted other revenue, Adjusted noninterest expense, Core original issue discount (Core OID) amortization expense and Core outstanding original issue discount balance (Core OID balance), Net financing revenue (excluding Core OID), and Adjusted tangible book value per share (Adjusted TBVPS). These measures are used by management and we believe are useful to investors in assessing the company's operating performance and capital. Refer to the Definitions of Non-GAAP Financial Measures and Other Key Terms, and Reconciliation to GAAP later in this document.

- 1) **Core pre-tax income** is a non-GAAP financial measure that adjusts pre-tax income from continuing operations by excluding (1) Core OID, and (2) equity fair value adjustments related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity, and (3) Repositioning and other which are primarily related to the extinguishment of high cost legacy debt, strategic activities and significant other one-time items, as applicable for respective periods. 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 40-42 for calculation methodology and details.
- 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 and other primarily related to the extinguishment of high-cost legacy debt and strategic activities and significant other, preferred stock capital actions, significant discrete tax items and tax-effected changes in equity investments measured at fair value, as applicable for respective periods. See page 32 and 33 for calculation methodology and details.
- 3) **Core original issue discount (Core OID) amortization expense** is a non-GAAP financial measure for OID and is believed by management to help the reader better understand the activity removed from: Core pre-tax income (loss), Core net income (loss) attributable to common shareholders, Adjusted EPS, Core ROTCE, Adjusted efficiency ratio, Adjusted total net revenue, and Net financing revenue (excluding Core OID). Core OID is primarily related to bond exchange OID which excludes international operations and future issuances. See page 43 and 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 and is believed by management to help the reader better understand the balance removed from Core ROTCE and Adjusted TBVPS. Core OID balance is primarily related to bond exchange OID which excludes international operations and future issuances. See page 43 for calculation methodology and details.
- 5) **Accelerated issuance expense (Accelerated OID)** is the recognition of issuance expenses related to calls of redeemable debt.
- 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. We continually monitor industry and competitive repricing activity along with other market factors when contemplating deposit pricing actions. Please see the 10-K 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 33 and 34 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; excludes escheatment.

Notes on Non-GAAP and Other Financial Measures

- 11) **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. At this time there currently is no comparable GAAP financial measure for Estimated Retail Auto Originated Yield and therefore this forecasted estimate of yield at the time of origination cannot be quantitatively reconciled to comparable GAAP information.
- 12) **Estimated impact of CECL on regulatory capital per final rule issued by U.S. banking agencies** - In December 2018, the FRB and other U.S. banking agencies approved a final rule to address the impact of CECL on regulatory capital by allowing BHCs and banks, including Ally, the option to phase in the day-one impact of CECL over a three-year period. In March 2020, the FRB and other U.S. banking agencies issued an interim final rule that became effective on March 31, 2020 and provided an alternative option for banks to temporarily delay the impacts of CECL, relative to the incurred loss methodology for estimating the allowance for loan losses, on regulatory capital. A final rule that was largely unchanged from the March 2020 interim final rule was issued by the FRB and other U.S. banking agencies in August 2020, and became effective in September 2020. For regulatory capital purposes, these rules permitted us to delay recognizing the estimated impact of CECL on regulatory capital until after a two-year deferral period, which for us extends through December 31, 2021. Beginning on January 1, 2022, we will be required to phase in 25% of the previously deferred estimated capital impact of CECL, with an additional 25% to be phased in at the beginning of each subsequent year until fully phased in by the first quarter of 2025. Under these rules, firms that adopt CECL and elect the five-year transition will calculate the estimated impact of CECL on regulatory capital as the day-one impact of adoption plus 25% of the subsequent change in allowance during the two-year deferral period, which according to the final rule approximates the impact of CECL relative to an incurred loss model. We adopted this transition option during the first quarter of 2020, and plan to phase in the regulatory capital impacts of CECL based on this five-year transition period.

GAAP to Core Results: Adjusted EPS - Annual

Adjusted Earnings per Share ("Adjusted EPS")

Numerator (\$ millions)

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP net income attributable to common shareholders	\$ 1,085	\$ 1,715	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Discontinued operations, net of tax	1	6	-	(3)	44	(392)	(225)
Core OID	36	29	86	71	59	59	186
Repositioning items	50	-	-	-	11	349	187
Change in fair value of equity securities	(29)	(89)	121	-	-	-	-
Tax on Core OID, repositioning items, & change in fair value of equity securities (tax rate 21% starting 1Q18, 35% starting 1Q16; 34% prior)	(1)	13	(43)	(25)	(24)	(139)	(127)
Significant discrete tax items	-	(201)	-	119	(84)	-	(91)
Series G actions	-	-	-	-	-	2,350	-
Series A actions	-	-	-	-	1	22	-
Core net income attributable to common shareholders	[a] \$ 1,141	\$ 1,472	\$ 1,427	\$ 1,091	\$ 1,043	\$ 967	\$ 812
Denominator							
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 377,101	395,395	427,680	455,350	482,182	483,934	481,934
Adjusted EPS	[a] / [b] \$ 3.03	\$ 3.72	\$ 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) adjusts for tax-effected repositioning and other which are primarily related to the extinguishment of high cost legacy debt, strategic activities and significant other one-time items, (4) excludes equity fair value adjustments (net of tax) related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity, (5) excludes significant discrete tax items that do not relate to the operating performance of the core businesses, and 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, as applicable for respective periods.

GAAP to Core Results: Adjusted EPS - Quarterly

Adjusted Earnings per Share ("Adjusted EPS")	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
<i>Numerator</i> (\$ millions)													
GAAP net income attributable to common shareholders	\$ 687	\$ 476	\$ 241	\$ (319)	\$ 378	\$ 381	\$ 582	\$ 374	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181
Discontinued operations, net of tax	-	-	1	-	3	-	2	1	(1)	-	(1)	2	(2)
Core OID	9	9	9	8	8	7	7	7	23	22	21	20	19
Repositioning items	-	-	50	-	-	-	-	-	-	-	-	-	-
Change in fair value of equity securities	(111)	(13)	(90)	185	(29)	11	(2)	(70)	95	(6)	(8)	40	-
Tax on Core OID, repositioning items, & change in fair value of equity securities (assumes 21% tax rate starting in 1Q18, 35% prior)	21	1	17	(41)	4	(4)	(1)	13	(25)	(3)	(3)	(13)	(7)
Significant discrete tax items	-	-	-	-	-	-	(201)	-	-	-	-	-	119
Core net income attributable to common shareholders	[a] \$ 606	\$ 473	\$ 228	\$ (166)	\$ 364	\$ 396	\$ 387	\$ 325	\$ 382	\$ 386	\$ 358	\$ 300	\$ 310
<i>Denominator</i>													
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 378,424	377,011	375,762	375,723	383,391	392,604	399,916	405,959	414,750	424,784	432,554	438,931	444,985
<i>Metric</i>													
GAAP EPS	\$ 1.82	\$ 1.26	\$ 0.64	\$ (0.85)	\$ 0.99	\$ 0.97	\$ 1.46	\$ 0.92	\$ 0.70	\$ 0.88	\$ 0.81	\$ 0.57	\$ 0.41
Discontinued operations, net of tax	-	-	0.00	-	0.01	-	0.01	0.00	(0.00)	-	(0.00)	0.00	(0.00)
Core OID	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.02	0.06	0.05	0.05	0.05	0.04
Repositioning items	-	-	0.13	-	-	-	-	-	-	-	-	-	-
Change in fair value of equity securities	(0.29)	(0.04)	(0.24)	0.49	(0.08)	0.03	(0.01)	(0.17)	0.23	(0.01)	(0.02)	0.09	-
Tax on Core OID, repositioning items, & change in fair value of equity securities (assumes 21% tax rate starting in 1Q18, 35% prior)	0.06	0.00	0.05	(0.11)	0.01	(0.01)	(0.00)	0.03	(0.06)	(0.01)	(0.01)	(0.03)	(0.02)
Significant discrete tax items	-	-	-	-	-	-	(0.50)	-	-	-	-	-	0.27
Adjusted EPS	[a] / [b] \$ 1.60	\$ 1.25	\$ 0.61	\$ (0.44)	\$ 0.95	\$ 1.01	\$ 0.97	\$ 0.80	\$ 0.92	\$ 0.91	\$ 0.83	\$ 0.68	\$ 0.70

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) adjusts for tax-effected repositioning and other which are primarily related to the extinguishment of high cost legacy debt, strategic activities and significant other one-time items, (4) excludes equity fair value adjustments (net of tax) related to ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity, (5) excludes significant discrete tax items that do not relate to the operating performance of the core businesses, and 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, as applicable for respective periods.

GAAP to Core Results: Adjusted TBVPS - Annual

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

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Numerator (\$ billions)							
GAAP shareholder's equity	\$ 14.7	\$ 14.4	\$ 13.3	\$ 13.5	\$ 13.3	\$ 13.4	\$ 15.4
Preferred equity	-	-	-	-	-	(0.7)	(1.3)
GAAP common shareholder's equity	\$ 14.7	\$ 14.4	\$ 13.3	\$ 13.5	\$ 13.3	\$ 12.7	\$ 14.1
Goodwill and identifiable intangibles, net of DTLs	(0.4)	(0.5)	(0.3)	(0.3)	(0.3)	(0.0)	(0.0)
Tangible common equity	14.3	14.0	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)	(0.8)	(0.8)	(0.9)	(0.9)	(0.8)	(0.9)	(0.9)
Series G discount	-	-	-	-	-	-	(2.3)
Adjusted tangible book value	[a] \$ 13.5	\$ 13.1	\$ 12.1	\$ 12.3	\$ 12.2	\$ 11.9	\$ 10.9
Denominator							
Issued shares outstanding (period-end, thousands)	[b] 374,674	374,332	404,900	437,054	467,000	481,980	480,095
Metric							
GAAP shareholder's equity per share	\$ 39.2	\$ 38.5	\$ 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	\$ 39.2	\$ 38.5	\$ 32.8	\$ 30.9	\$ 28.5	\$ 26.4	\$ 29.5
Goodwill and identifiable intangibles, net of DTLs per share	(1.0)	(1.2)	(0.7)	(0.7)	(0.6)	(0.1)	(0.1)
Tangible common equity per share	38.2	37.3	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	(2.2)	(2.2)	(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] \$ 36.1	\$ 35.1	\$ 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, and (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: Adjusted TBVPS - Quarterly

Adjusted Tangible Book Value per Share ("Adjusted TBVPS")	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
<i>Numerator</i> (\$ billions)													
GAAP common shareholder's equity	\$ 14.7	\$ 14.1	\$ 13.8	\$ 13.5	\$ 14.4	\$ 14.5	\$ 14.3	\$ 13.7	\$ 13.3	\$ 13.1	\$ 13.1	\$ 13.1	\$ 13.5
Goodwill and identifiable intangibles, net of DTLs	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)	(0.3)
Tangible common equity	14.3	13.7	13.4	13.1	14.0	14.2	14.0	13.4	13.0	12.8	12.8	12.8	13.2
Tax-effected Core OID balance (assumes 21% tax rate starting in 4Q17, 35% prior)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)
Adjusted tangible book value	[a] \$ 13.5	\$ 12.9	\$ 12.6	\$ 12.2	\$ 13.1	\$ 13.3	\$ 13.2	\$ 12.6	\$ 12.1	\$ 11.9	\$ 12.0	\$ 11.9	\$ 12.3
<i>Denominator</i>													
Issued shares outstanding (period-end, thousands)	[b] 374,674	373,857	373,837	373,155	374,332	383,523	392,775	399,761	404,900	416,591	425,752	432,691	437,054
<i>Metric</i>													
GAAP common shareholder's equity per share	\$ 39.2	\$ 37.8	\$ 37.0	\$ 36.2	\$ 38.5	\$ 37.7	\$ 36.4	\$ 34.3	\$ 32.8	\$ 31.4	\$ 30.9	\$ 30.2	\$ 30.9
Goodwill and identifiable intangibles, net of DTLs per share	(1.0)	(1.0)	(1.0)	(1.2)	(1.2)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)
Tangible common equity per share	38.2	36.7	35.9	35.0	37.3	37.0	35.7	33.6	32.1	30.7	30.2	29.6	30.2
Tax-effected Core OID balance (assumes 21% tax rate starting in 4Q17, 35% prior) per share	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)	(2.1)
Adjusted tangible book value per share	[a] / [b] \$ 36.1	\$ 34.6	\$ 33.7	\$ 32.8	\$ 35.1	\$ 34.7	\$ 33.6	\$ 31.4	\$ 29.9	\$ 28.6	\$ 28.1	\$ 27.4	\$ 28.1

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, as applicable for respective periods.

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.

Calculated Impact to Adjusted TBVPS from CECL Day-1

	1Q 20
<i>Numerator</i> (\$ billions)	
Adjusted tangible book value	\$ 12.2
CECL Day-1 impact to retained earnings, net of tax	1.0
Adjusted tangible book value less CECL Day-1 impact	[a] \$ 13.3
<i>Denominator</i>	
Issued shares outstanding (period-end, thousands)	[b] 373,155
<i>Metric</i>	
Adjusted TBVPS	\$ 32.8
CECL Day-1 impact to retained earnings, net of tax per share	2.7
Adjusted tangible book value, less CECL Day-1 impact per share	[a] / [b] \$ 35.5

Ally adopted CECL on January 1, 2020. Upon implementation of CECL Ally recognized a reduction to our opening retained earnings balance of approximately \$1.0 billion, net of income tax, which reflects a pre-tax increase to the allowance for loan losses of approximately \$1.3 billion. This increase is almost exclusively driven by our consumer automotive loan portfolio.

GAAP to Core Results: Core ROTCE - Annual

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

Numerator (\$ millions)

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP net income attributable to common shareholders	\$ 1,085	\$ 1,715	\$ 1,263	\$ 929	\$ 1,037	\$ (1,282)	\$ 882
Discontinued operations, net of tax	1	6	-	(3)	44	(392)	(225)
Core OID	36	29	86	71	59	59	186
Repositioning items	50	-	-	-	11	349	187
Change in fair value of equity securities	(29)	(89)	121	-	-	-	-
Tax on Core OID & change in fair value of equity securities (tax rate 21% starting in 1Q18, 35% prior)	(1)	13	(43)	(25)	(24)	(139)	(127)
Significant Discrete tax items & other	-	(201)	-	119	(84)	22	(103)
Series G actions	-	-	-	-	-	2,350	-
Series A actions	-	-	-	-	1	22	-
Core net income attributable to common shareholders	[a] \$ 1,141	\$ 1,472	\$ 1,427	\$ 1,091	\$ 1,043	\$ 990	\$ 800

Denominator (Average, \$ billions)

GAAP shareholder's equity	\$ 14.1	\$ 13.8	\$ 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")	(0.4)	(0.4)	(0.3)	(0.3)	(0.2)	(0.0)	(0.0)
Tangible common equity	\$ 13.7	\$ 13.5	\$ 13.1	\$ 13.1	\$ 12.9	\$ 13.4	\$ 13.5
Core OID balance	(1.0)	(1.1)	(1.1)	(1.2)	(1.3)	(1.3)	(1.4)
Net deferred tax asset ("DTA")	(0.1)	(0.2)	(0.4)	(0.7)	(1.2)	(1.6)	(1.9)
Normalized common equity	[b] \$ 12.6	\$ 12.2	\$ 11.6	\$ 11.2	\$ 10.4	\$ 10.5	\$ 10.2

Core Return on Tangible Common Equity	[a] / [b] 9.1%	12.0%	12.3%	9.8%	10.0%	9.4%	7.9%
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Core return on tangible common equity (Core ROTCE) is a non-GAAP financial measure that management believes is helpful for readers to better understand the ongoing ability of the company to generate returns on its equity base that supports core operations. For purposes of this calculation, tangible common equity is adjusted for Core OID balance and net DTA. Ally's Core net income attributable to common shareholders for purposes of calculating Core ROTCE is based on the actual effective tax rate for the period adjusted for significant discrete tax items including tax reserve releases, which aligns with the methodology used in calculating adjusted earnings per share.

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

GAAP to Core Results: Core ROTCE - Quarterly

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

Numerator (\$ millions)

GAAP net income attributable to common shareholders

Discontinued operations, net of tax

Core OID

Repositioning Items

Change in fair value of equity securities

Tax on Core OID & change in fair value of equity securities

(assumes 21% tax rate)

Significant discrete tax items & other

Core net income attributable to common shareholders

Denominator (Average, \$ billions)

GAAP shareholder's equity

Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")

Tangible common equity

Core OID balance

Net deferred tax asset ("DTA")

Normalized common equity

Core Return on Tangible Common Equity

	QUARTERLY TREND				
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP net income attributable to common shareholders	\$ 687	\$ 476	\$ 241	\$ (319)	\$ 378
Discontinued operations, net of tax	-	-	1	-	3
Core OID	9	9	9	8	8
Repositioning Items	-	-	50	-	-
Change in fair value of equity securities	(111)	(13)	(90)	185	(29)
Tax on Core OID & change in fair value of equity securities (assumes 21% tax rate)	21	1	17	(41)	4
Significant discrete tax items & other	-	-	-	-	-
Core net income attributable to common shareholders	[a] \$ 606	\$ 473	\$ 228	\$ (166)	\$ 364
GAAP shareholder's equity	\$ 14.4	\$ 14.0	\$ 13.7	\$ 14.0	\$ 14.4
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)
Tangible common equity	\$ 14.0	\$ 13.6	\$ 13.3	\$ 13.5	\$ 14.1
Core OID balance	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)
Net deferred tax asset ("DTA")	(0.1)	(0.1)	(0.2)	(0.1)	(0.0)
Normalized common equity	[b] \$ 12.9	\$ 12.4	\$ 12.0	\$ 12.3	\$ 13.0
Core Return on Tangible Common Equity	[a] / [b] 18.7%	15.2%	7.6%	-5.4%	11.2%

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 Core OID balance and net DTA. Ally's Core net income attributable to common shareholders for purposes of calculating Core ROTCE is based on the actual effective tax rate for the period adjusted for significant discrete tax items including tax reserve releases, which aligns with the methodology used in calculating adjusted earnings per share.

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

GAAP to Core Results: Adjusted Efficiency Ratio - Annual

Adjusted Efficiency Ratio

Numerator (\$ millions)

GAAP noninterest expense

Rep and warrant expense	(0)
Insurance expense	(1,092)
Repositioning items	(50)

Adjusted noninterest expense for efficiency ratio

Denominator (\$ millions)

Total net revenue

Core OID	36
Insurance revenue	(1,376)
Repositioning items	-

Adjusted net revenue for efficiency ratio

Adjusted Efficiency Ratio

	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP noninterest expense	\$ 3,833	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,939	\$ 2,761	\$ 2,948
Rep and warrant expense	(0)	(0)	3	0	6	13	10
Insurance expense	(1,092)	(1,013)	(955)	(950)	(940)	(879)	(988)
Repositioning items	(50)	-	-	-	(9)	(7)	(39)
Adjusted noninterest expense for efficiency ratio	[a] \$ 2,691	\$ 2,416	\$ 2,312	\$ 2,160	\$ 1,997	\$ 1,888	\$ 1,932
Total net revenue	\$ 6,686	\$ 6,394	\$ 5,804	\$ 5,765	\$ 5,437	\$ 4,861	\$ 4,651
Core OID	36	29	86	71	59	59	186
Insurance revenue	(1,376)	(1,328)	(1,035)	(1,118)	(1,097)	(1,090)	(1,185)
Repositioning items	-	-	-	-	3	342	148
Adjusted net revenue for efficiency ratio	[b] \$ 5,346	\$ 5,095	\$ 4,855	\$ 4,718	\$ 4,401	\$ 4,172	\$ 3,800
Adjusted Efficiency Ratio	[a] / [b] 50.3%	47.4%	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.

- (1) In the numerator of Adjusted efficiency ratio, total noninterest expense is adjusted for Rep and warrant expense, Insurance segment expense, and repositioning and other which are primarily related to the extinguishment of high-cost legacy debt, strategic activities and significant other one-time items, as applicable for respective periods.
- (2) In the denominator, total net revenue is adjusted for Core OID and Insurance segment revenue. See page 19 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: Adjusted Efficiency Ratio - Quarterly

Adjusted Efficiency Ratio

Numerator (\$ millions)

GAAP noninterest expense

Rep and warrant expense

Insurance expense

Repositioning items

Adjusted noninterest expense for efficiency ratio

Denominator (\$ millions)

Total net revenue

Core OID

Insurance revenue

Adjusted net revenue for the efficiency ratio

Adjusted Efficiency Ratio

	QUARTERLY TREND				
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP noninterest expense	\$ 1,023	\$ 905	\$ 985	\$ 920	\$ 880
Rep and warrant expense	(0)	-	-	-	-
Insurance expense	(246)	(268)	(322)	(256)	(238)
Repositioning items	-	-	(50)	-	-
Adjusted noninterest expense for efficiency ratio	[a] \$ 777	\$ 637	\$ 613	\$ 664	\$ 642
Total net revenue	\$ 1,981	\$ 1,684	\$ 1,609	\$ 1,412	\$ 1,643
Core OID	9	9	9	8	8
Insurance revenue	(429)	(346)	(450)	(151)	(352)
Adjusted net revenue for the efficiency ratio	[b] \$ 1,561	\$ 1,347	\$ 1,168	\$ 1,269	\$ 1,299
Adjusted Efficiency Ratio	[a] / [b] 49.8%	47.3%	52.5%	52.3%	49.4%

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.

- (1) In the numerator of Adjusted efficiency ratio, total noninterest expense is adjusted for Rep and warrant expense, Insurance segment expense, and repositioning and other which are primarily related to the extinguishment of high-cost legacy debt, strategic activities and significant other one-time items, as applicable for respective periods.
- (2) In the denominator, total net revenue is adjusted for Core OID and Insurance segment revenue. See page 19 for the combined ratio for the Insurance segment which management uses as a primary measure of underwriting profitability for the Insurance segment.

Notes on Non-GAAP and Other Financial Measures

(\$ millions)	FY 2020				FY 2019				FY 2018			
	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally												
Net financing revenue	\$ 4,703	\$ 36	\$ -	\$ 4,739	\$ 4,633	\$ 29	\$ -	\$ 4,662	\$ 4,390	\$ 86	\$ -	\$ 4,476
Total other revenue	1,983	-	(29)	1,954	1,761	-	(89)	1,672	1,414	-	121	1,535
Provision for loan losses	1,439	-	-	1,439	998	-	-	998	918	-	-	918
Noninterest expense	3,833	(50)	-	3,783	3,429	-	-	3,429	3,264	-	-	3,264
Pre-tax income from continuing operations	\$ 1,414	\$ 86	\$ (29)	\$ 1,470	\$ 1,967	\$ 29	\$ (89)	\$ 1,907	\$ 1,622	\$ 86	\$ 121	\$ 1,829
Corporate / Other												
Net financing revenue	\$ (40)	\$ 36	\$ -	\$ (4)	\$ 28	\$ 29	\$ -	\$ 57	\$ 184	\$ 86	\$ -	\$ 270
Total other revenue	298	-	-	298	171	-	-	171	119	-	-	119
Provision for loan losses	47	-	-	47	(5)	-	-	(5)	(15)	-	-	(15)
Noninterest expense	507	(50)	-	457	363	-	-	363	333	-	-	333
Pre-tax income from continuing operations	\$ (296)	\$ 86	\$ -	\$ (210)	\$ (159)	\$ 29	\$ -	\$ (130)	\$ (15)	\$ 86	\$ -	\$ 71
Insurance												
Premiums, service revenue earned and other	\$ 1,114	\$ -	\$ -	\$ 1,114	\$ 1,099	\$ -	\$ -	\$ 1,099	\$ 1,032	\$ -	\$ -	\$ 1,032
Losses and loss adjustment expenses	363	-	-	363	321	-	-	321	295	-	-	295
Acquisition and underwriting expenses	729	-	-	729	692	-	-	692	660	-	-	660
Investment income and other	262	-	(31)	231	229	-	(88)	141	3	-	112	115
Pre-tax income from continuing operations	\$ 284	\$ -	\$ (31)	\$ 253	\$ 315	\$ -	\$ (88)	\$ 227	\$ 80	\$ -	\$ 112	\$ 192
Corporate Finance												
Net financing revenue	\$ 299	\$ -	\$ -	\$ 299	\$ 239	\$ -	\$ -	\$ 239	\$ 204	\$ -	\$ -	\$ 204
Total other revenue	45	-	1	46	45	-	(2)	43	38	-	9	47
Provision for loan losses	149	-	-	149	36	-	-	36	12	-	-	12
Noninterest expense	107	-	-	107	95	-	-	95	86	-	-	86
Pre-tax income from continuing operations	\$ 88	\$ -	\$ 1	\$ 89	\$ 153	\$ -	\$ (2)	\$ 151	\$ 144	\$ -	\$ 9	\$ 153

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 30 for definitions.

Notes on Non-GAAP and Other Financial Measures

(\$ millions)	FY 2017				FY 2016				FY 2015				FY 2014			
	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP ⁽¹⁾
Consolidated Ally																
Net financing revenue	\$ 4,221	\$ 71	\$ -	\$ 4,292	\$ 3,907	\$ 57	\$ -	\$ 3,964	\$ 3,719	\$ 45	\$ -	\$ 3,764	\$ 3,375	\$ 172	\$ -	\$ 3,547
Total other revenue	1,544	-	-	1,544	1,530	4	-	1,534	1,142	356	-	1,498	1,276	162	-	1,438
Provision for loan losses	1,148	-	-	1,148	917	-	-	917	707	-	-	707	457	-	-	457
Noninterest expense	3,110	-	-	3,110	2,939	(9)	-	2,931	2,761	(7)	-	2,754	2,948	(39)	-	2,909
Pre-tax income from continuing operations	\$ 1,507	\$ 71	\$ -	\$ 1,578	\$ 1,581	\$ 70	\$ -	\$ 1,651	\$ 1,393	\$ 408	\$ -	\$ 1,801	\$ 1,246	\$ 373	\$ -	\$ 1,619
Corporate / Other																
Net financing revenue	\$ 150	\$ 71	\$ -	\$ 221	\$ (37)	\$ 57	\$ -	\$ 20	\$ 87	\$ 45	\$ -	\$ 132	\$ (97)	\$ 172	\$ -	\$ 75
Total other revenue	81	-	-	81	162	4	-	166	(151)	356	-	205	(149)	162	-	13
Provision for loan losses	(16)	-	-	(16)	(13)	-	-	(13)	(5)	-	-	(5)	(72)	-	-	(72)
Noninterest expense	262	-	-	262	199	(9)	-	190	155	(7)	-	148	282	(39)	-	243
Pre-tax income from continuing operations	\$ (15)	\$ 71	\$ -	\$ 56	\$ (61)	\$ 70	\$ -	\$ 9	\$ (214)	\$ 408	\$ -	\$ 194	\$ (456)	\$ 373	\$ -	\$ (83)
Insurance																
Premiums, service revenue earned and other	\$ 981	\$ -	\$ -	\$ 981	\$ 952	\$ -	\$ -	\$ 952	\$ 948	\$ -	\$ -	\$ 948	\$ 986	\$ -	\$ -	\$ 986
Losses and loss adjustment expenses	332	-	-	332	342	-	-	342	293	-	-	293	410	-	-	410
Acquisition and underwriting expenses	618	-	-	618	598	-	-	598	586	-	-	586	578	-	-	578
Investment income and other	137	-	-	137	145	-	-	145	142	-	-	142	199	-	-	199
Pre-tax income from continuing operations	\$ 168	\$ -	\$ -	\$ 168	\$ 157	\$ -	\$ -	\$ 157	\$ 211	\$ -	\$ -	\$ 211	\$ 197	\$ -	\$ -	\$ 197
Corporate Finance																
Net financing revenue	\$ 167	\$ -	\$ -	\$ 167	\$ 121	\$ -	\$ -	\$ 121	\$ 89	\$ -	\$ -	\$ 89	\$ 59	\$ -	\$ -	\$ 59
Total other revenue	45	-	-	45	26	-	-	26	25	-	-	25	32	-	-	32
Provision for loan losses	22	-	-	22	10	-	-	10	9	-	-	9	(16)	-	-	(16)
Noninterest expense	76	-	-	76	66	-	-	66	55	-	-	55	43	-	-	43
Pre-tax income from continuing operations	\$ 114	\$ -	\$ -	\$ 114	\$ 71	\$ -	\$ -	\$ 71	\$ 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 30 for definitions.

Notes on Non-GAAP and Other Financial Measures

(\$ millions)	4Q 20					3Q 20					4Q 19				
	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾
Consolidated Ally															
Net financing revenue	\$ 1,303	\$ 9	\$ -	\$ -	\$ 1,312	\$ 1,200	\$ 9	\$ -	\$ -	\$ 1,209	\$ 1,156	\$ 8	\$ -	\$ -	\$ 1,164
Total other revenue	678	-	(111)	-	567	484	-	(13)	-	471	487	-	(29)	-	458
Provision for credit losses	102	-	-	-	102	147	-	-	-	147	276	-	-	-	276
Noninterest expense	1,023	-	-	-	1,023	905	-	-	-	905	880	-	-	-	880
Pre-tax income	\$ 856	\$ 9	\$ (111)	\$ -	\$ 754	\$ 632	\$ 9	\$ (13)	\$ -	\$ 628	\$ 487	\$ 8	\$ (29)	\$ -	\$ 466
Corporate / Other															
Net financing revenue	\$ 43	\$ 9	\$ -	\$ -	\$ 52	\$ (15)	\$ 9	\$ -	\$ -	\$ (6)	\$ (18)	\$ 8	\$ -	\$ -	\$ (10)
Total other revenue	147	-	-	-	147	40	-	-	-	40	66	-	-	-	66
Provision for credit losses	4	-	-	-	4	18	-	-	-	18	11	-	-	-	11
Noninterest expense	147	-	-	-	147	105	-	-	-	105	117	-	-	-	117
Pre-tax income	\$ 39	\$ 9	\$ -	\$ -	\$ 48	\$ (98)	\$ 9	\$ -	\$ -	\$ (89)	\$ (80)	\$ 8	\$ -	\$ -	\$ (72)
Insurance															
Premiums, service revenue earned and other	\$ 290	\$ -	\$ -	\$ -	\$ 290	\$ 279	\$ -	\$ -	\$ -	\$ 279	\$ 288	\$ -	\$ -	\$ -	\$ 288
Losses and loss adjustment expenses	62	-	-	-	62	85	-	-	-	85	61	-	-	-	61
Acquisition and underwriting expenses	184	-	-	-	184	183	-	-	-	183	177	-	-	-	177
Investment income and other	139	-	(111)	-	28	67	-	(13)	-	54	64	-	(28)	-	36
Pre-tax income	\$ 183	\$ -	\$ (111)	\$ -	\$ 72	\$ 78	\$ -	\$ (13)	\$ -	\$ 65	\$ 114	\$ -	\$ (28)	\$ -	\$ 86
Corporate Finance															
Net financing revenue	\$ 79	\$ -	\$ -	\$ -	\$ 79	\$ 75	\$ -	\$ -	\$ -	\$ 75	\$ 64	\$ -	\$ -	\$ -	\$ 64
Total other revenue	17	-	(1)	-	16	9	-	(1)	-	8	15	-	(0)	-	15
Provision for credit losses	9	-	-	-	9	1	-	-	-	1	7	-	-	-	7
Noninterest expense	23	-	-	-	23	23	-	-	-	23	22	-	-	-	22
Pre-tax income	\$ 64	\$ -	\$ (1)	\$ -	\$ 63	\$ 60	\$ -	\$ (1)	\$ -	\$ 59	\$ 50	\$ -	\$ (0)	\$ -	\$ 50

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See page 30 for definitions.

Notes on Non-GAAP and Other Financial Measures

Net Financing Revenue (ex. Core OID)

(\$ millions)	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP Net Financing Revenue	\$ 4,703	\$ 4,633	\$ 4,390	\$ 4,221	\$ 3,907	\$ 3,719	\$ 3,375
Core OID	36	29	86	71	57	45	172
Net Financing Revenue (ex. Core OID)	[a] \$ 4,739	\$ 4,662	\$ 4,476	\$ 4,292	\$ 3,964	\$ 3,764	\$ 3,547

Adjusted Other Revenue

(\$ millions)	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP Other Revenue	\$ 1,983	\$ 1,761	\$ 1,414	\$ 1,544	\$ 1,530	\$ 1,142	\$ 1,276
Accelerated OID & repositioning items	-	-	-	-	4	356	162
Change in fair value of equity securities	(29)	(89)	121	-	-	-	-
Adjusted Other Revenue	[b] \$ 1,954	\$ 1,672	\$ 1,535	\$ 1,544	\$ 1,534	\$ 1,498	\$ 1,438

Adjusted Total Net Revenue

(\$ millions)	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Adjusted Total Net Revenue	[a]+[b] \$ 6,692	\$ 6,334	\$ 6,011	\$ 5,836	\$ 5,498	\$ 5,262	\$ 4,985

Adjusted NIE (ex. Repositioning)

(\$ millions)	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
GAAP Noninterest Expense	\$ 3,833	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,939	\$ 2,761	\$ 2,948
Repositioning	(50)	-	-	-	(9)	(7)	(39)
Adjusted NIE (ex. Repositioning)	[c] \$ 3,783	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,931	\$ 2,754	\$ 2,909

Original issue discount amortization expense

(\$ millions)	ANNUAL TREND						
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Core original issue discount (Core OID) amortization expense ⁽¹⁾	\$ 36	\$ 29	\$ 86	\$ 71	\$ 57	\$ 45	\$ 172
Other OID	12	13	15	20	21	16	11
GAAP original issue discount amortization expense	\$ 48	\$ 42	\$ 101	\$ 90	\$ 78	\$ 61	\$ 183

Outstanding original issue discount balance

(\$ millions)	ANNUAL TREND						
	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016	FY 2015	FY 2014
Core outstanding original issue discount balance (Core OID balance)	\$ (1,027)	\$ (1,063)	\$ (1,092)	\$ (1,178)	\$ (1,249)	\$ (1,304)	\$ (1,351)
Other outstanding OID balance	(37)	(37)	(43)	(57)	(77)	(87)	(64)
GAAP outstanding original issue discount balance	\$ (1,064)	\$ (1,100)	\$ (1,135)	\$ (1,235)	\$ (1,326)	\$ (1,391)	\$ (1,415)

(1) Excludes accelerated OID. See page 30 for definitions.

Note: Equity fair value adjustments related to ASU 2016-01 requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. See page 30 for definitions.

Notes on Non-GAAP and Other Financial Measures

Net Financing Revenue (ex. Core OID) (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
GAAP Net Financing Revenue	\$ 1,303	\$ 1,200	\$ 1,054	\$ 1,146	\$ 1,156	\$ 1,188	\$ 1,157	\$ 1,132	\$ 1,140	\$ 1,107	\$ 1,094	\$ 1,049	\$ 1,094
Core OID	9	9	9	8	8	7	7	7	23	22	21	20	19
Net Financing Revenue (ex. Core OID)	[a] \$ 1,312	\$ 1,209	\$ 1,063	\$ 1,154	\$ 1,164	\$ 1,195	\$ 1,164	\$ 1,139	\$ 1,163	\$ 1,129	\$ 1,115	\$ 1,069	\$ 1,113

Adjusted Other Revenue (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
GAAP Other Revenue	\$ 678	\$ 484	\$ 555	\$ 266	\$ 487	\$ 413	\$ 395	\$ 466	\$ 298	\$ 398	\$ 364	\$ 354	\$ 379
Accelerated OID & repositioning items	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in fair value of equity securities	(111)	(13)	(90)	185	(29)	11	(2)	(70)	95	(6)	(8)	40	-
Adjusted Other Revenue	[b] \$ 567	\$ 471	\$ 465	\$ 451	\$ 458	\$ 424	\$ 393	\$ 396	\$ 393	\$ 392	\$ 356	\$ 394	\$ 379

Adjusted Total Net Revenue (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
Adjusted Total Net Revenue	[a]+[b] \$ 1,879	\$ 1,680	\$ 1,528	\$ 1,606	\$ 1,622	\$ 1,620	\$ 1,557	\$ 1,535	\$ 1,556	\$ 1,521	\$ 1,471	\$ 1,463	\$ 1,492

Adjusted NIE (ex. Repositioning) (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
GAAP Noninterest Expense	\$ 1,023	\$ 905	\$ 985	\$ 920	\$ 880	\$ 838	\$ 881	\$ 830	\$ 804	\$ 807	\$ 839	\$ 814	\$ 769
Repositioning	-	-	(50)	-	-	-	-	-	-	-	-	-	-
Adjusted NIE (ex. Repositioning)	[c] \$ 1,023	\$ 905	\$ 935	\$ 920	\$ 880	\$ 838	\$ 881	\$ 830	\$ 804	\$ 807	\$ 839	\$ 814	\$ 769

Original issue discount amortization expense (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
Core original issue discount (Core OID) amortization expense ⁽¹⁾	\$ 9	\$ 9	\$ 9	\$ 8	\$ 8	\$ 7	\$ 7	\$ 7	\$ 23	\$ 22	\$ 21	\$ 20	\$ 19
Other OID	3	3	4	3	3	3	3	3	2	4	4	4	5
GAAP original issue discount amortization expense	\$ 13	\$ 12	\$ 12	\$ 11	\$ 11	\$ 11	\$ 10	\$ 10	\$ 26	\$ 25	\$ 25	\$ 24	\$ 24

Outstanding original issue discount balance (\$ millions)	QUARTERLY TREND												
	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17
Core outstanding original issue discount balance (Core OID balance)	\$ (1,027)	\$ (1,037)	\$ (1,046)	\$ (1,055)	\$ (1,063)	\$ (1,071)	\$ (1,078)	\$ (1,085)	\$ (1,092)	\$ (1,115)	\$ (1,137)	\$ (1,158)	\$ (1,178)
Other outstanding OID balance	(37)	(48)	(46)	(34)	(37)	(40)	(44)	(39)	(43)	(46)	(49)	(53)	(57)
GAAP outstanding original issue discount balance	\$ (1,064)	\$ (1,084)	\$ (1,092)	\$ (1,089)	\$ (1,100)	\$ (1,111)	\$ (1,122)	\$ (1,125)	\$ (1,135)	\$ (1,161)	\$ (1,187)	\$ (1,211)	\$ (1,235)

(1) Excludes accelerated OID. See page 30 for definitions.

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

'Repositioning and other' are primarily related to the extinguishment of high-cost legacy debt, strategic activities and significant other one-time items. See page 30 for definitions.