

# Ally Financial Inc.

## Auto Securitization – Corporate Overview

4Q 2022

A large, stylized graphic on the left side of the slide. It consists of a dark purple shape that is roughly circular but has a large white circular cutout in the center. The cutout is positioned such that it partially overlaps the main purple shape. Inside this white cutout, the word "ally" is written in a bold, lowercase, dark purple font. Below "ally", the phrase "do it right." is written in a smaller, lowercase, dark red font.

**ally**  
do it right.

# Forward-Looking Statements and Additional Information

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

This presentation and related communications contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts—such as statements about the outlook for 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, 2021, 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.

# Ally: Who We Are

Leading Financial Service Provider | Top-25 Bank Holding Company

## Company Snapshot

**Founded** 1919

**Customers** 11M

**Employees** ~11,700

**Assets** \$192B

**Loans & Leases** \$146B

**Deposits** \$152B

**Branches** 0

## Auto & Insurance

Industry Leader | Adaptable Partner

**23.3K** Dealer Relationships

**2.9M** 3Q Auto Applications

**3.9M** Auto Customers

**2.7M** U.S. Insurance Customers

## Consumer + Deposits

Industry Leader | ALL-Digital

**2.7M** Deposit Customers

**\$12.8B** Invest: Net Customer Assets

**\$170M** Home: 3Q Originations

**\$498M** Lending: 3Q Originations

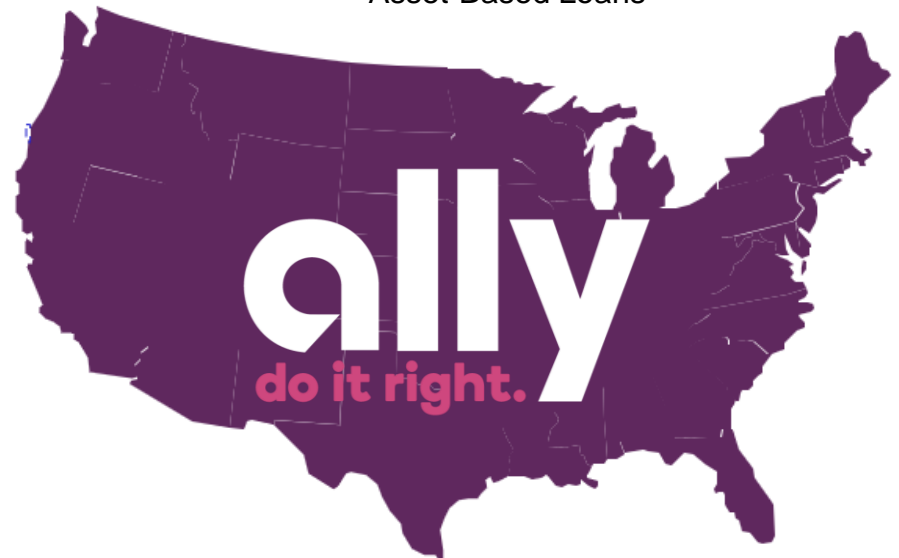
**\$1.6B** Card: 3Q EOP Balances

## Corporate Finance

Senior Secured Middle Market Lending

**\$10.1B** HFI Loans

**55%** Asset-Based Loans



Note: Employees, customers, total assets, loans & leases and deposits as of December 31, 2022. End-of-period balances. Top 25 ranking based on assets as September 30, 2022

# 4Q and Full-Year 2022 Financial Results

## Consolidated Income Statement

(\$ millions, except per share data)

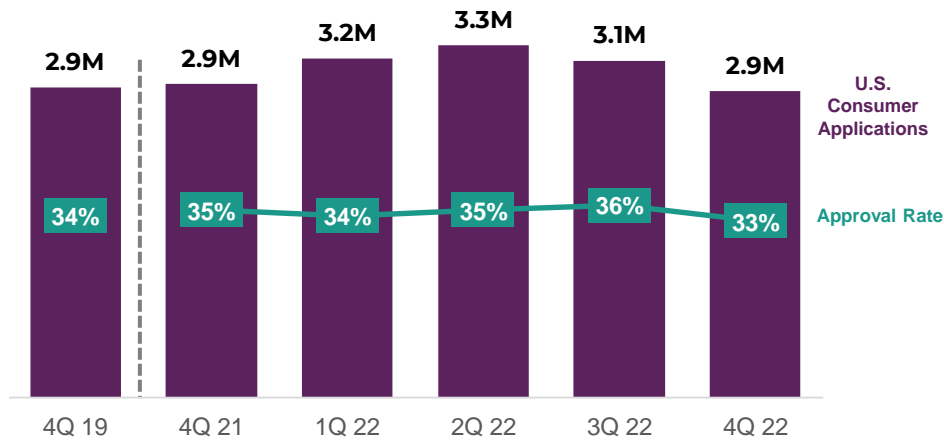
	4Q 22	3Q 22	4Q 21	2022	2021
Net financing revenue (ex. Core OID) <sup>(1)</sup>	\$ 1,685	\$ 1,730	\$ 1,663	\$ 6,892	\$ 6,205
Core OID <sup>(1)</sup>	(11)	(11)	(9)	(42)	(38)
Net financing revenue	\$ 1,674	\$ 1,719	\$ 1,654	\$ 6,850	\$ 6,167
Adjusted other revenue <sup>(1)</sup>	478	359	533	1,793	2,177
Repositioning & change in fair value of equity securities <sup>(2)</sup>	49	(62)	12	(215)	(138)
Other revenue	527	297	545	1,578	2,039
Net charge-offs	390	276	103	944	269
Provision build / (release)	100	162	10	455	(125)
Repositioning items <sup>(2)</sup>	-	-	97	-	97
Provision for credit losses	490	438	210	1,399	241
Noninterest expense (ex. Repositioning)	1,209	1,141	1,090	4,610	4,110
Repositioning items <sup>(2)</sup>	57	20	-	77	-
Noninterest expense	1,266	1,161	1,090	4,687	4,110
<b>Pre-tax income</b>	<b>\$ 445</b>	<b>\$ 417</b>	<b>\$ 899</b>	<b>\$ 2,342</b>	<b>\$ 3,855</b>
Income tax expense	167	117	241	627	790
Net loss from discontinued operations	-	(1)	(6)	(1)	(5)
<b>Net income</b>	<b>\$ 278</b>	<b>\$ 299</b>	<b>\$ 652</b>	<b>\$ 1,714</b>	<b>\$ 3,060</b>
Preferred stock dividends	27	27	28	110	57
<b>Net income attributable to common stockholders</b>	<b>\$ 251</b>	<b>\$ 272</b>	<b>\$ 624</b>	<b>\$ 1,604</b>	<b>\$ 3,003</b>
<b>GAAP EPS (diluted)</b>	<b>\$0.83</b>	<b>\$0.88</b>	<b>\$1.79</b>	<b>\$5.03</b>	<b>\$8.22</b>
Core OID, net of tax <sup>(1)</sup>	0.03	0.03	0.02	0.10	0.08
Change in fair value of equity securities, net of tax	(0.13)	0.16	(0.05)	0.52	0.02
Repositioning, discontinued ops., and other, net of tax <sup>(3)</sup>	0.15	0.05	0.26	0.20	0.51
Significant discrete tax items	0.20	-	-	0.20	(0.21)
<b>Adjusted EPS <sup>(4)</sup></b>	<b>\$1.08</b>	<b>\$1.12</b>	<b>\$2.02</b>	<b>\$6.06</b>	<b>\$8.61</b>

Impact from termination of legacy qualified pension plan

Impact from termination of legacy qualified pension plan

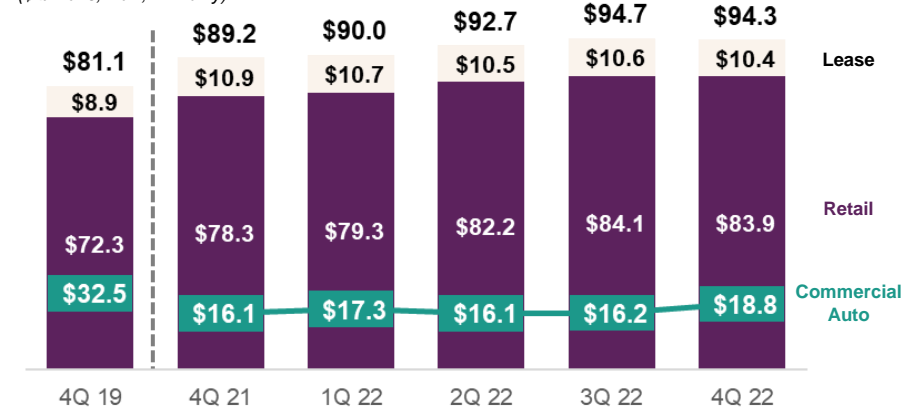
# Auto Finance: Key Metrics

## Consumer Applications and Approval Rate



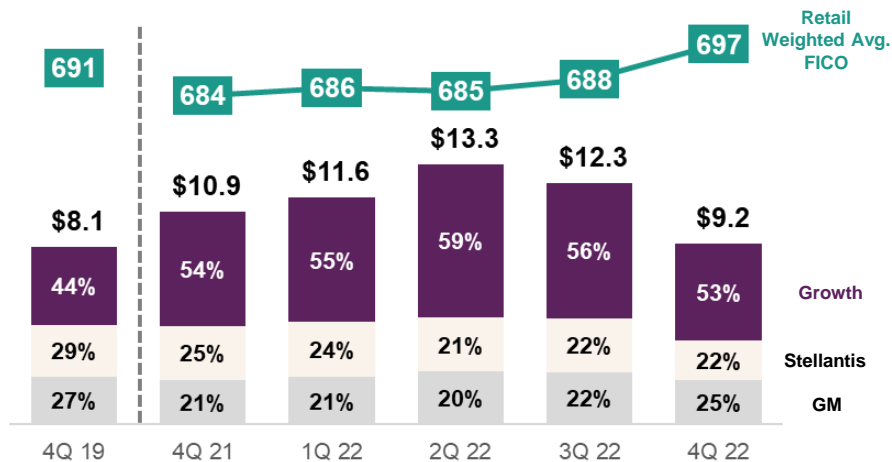
## Auto Balance Sheet Trends

(\$ billions; EoP, HFI only)



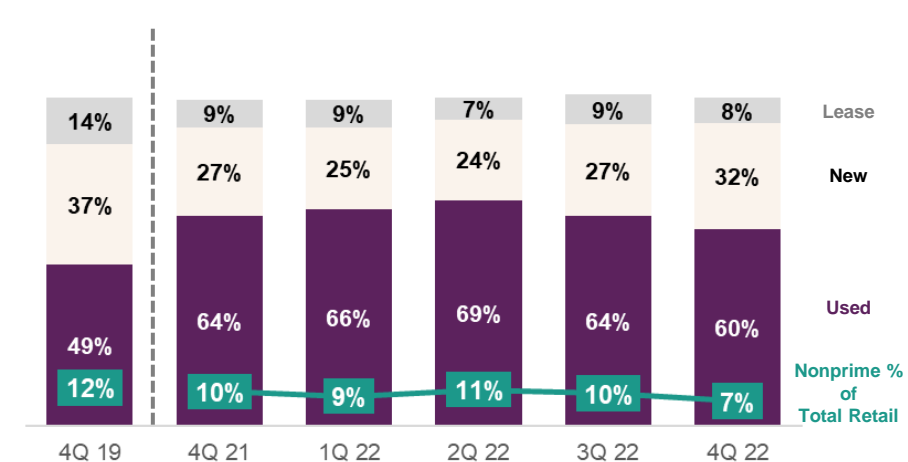
## Consumer Originations

(\$ billions; % of \$ originations)



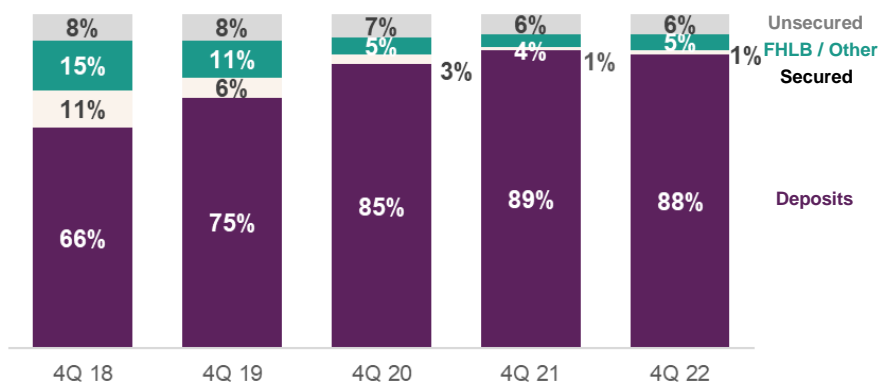
## Consumer Origination Mix

(% of \$ originations)



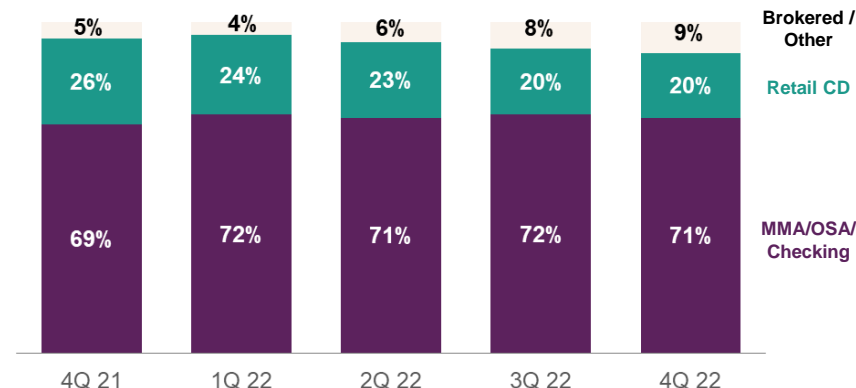
# Funding Profile Details

## Funding Mix



Note: Totals may not foot due to rounding.

## Deposit Mix



Note: Other includes sweep deposits, mortgage escrow and other deposits. Totals may not foot due to rounding.

## Unsecured Long-Term Debt Maturities<sup>(1)</sup>

(\$ billions)

Maturity Date	Weighted Avg. Coupon	Principal Amount Outstanding <sup>(2)</sup>
2023	2.09%	\$ 2.00
2024	4.48%	\$ 1.45
2025+ <sup>(3)</sup>	6.13%	\$ 7.04

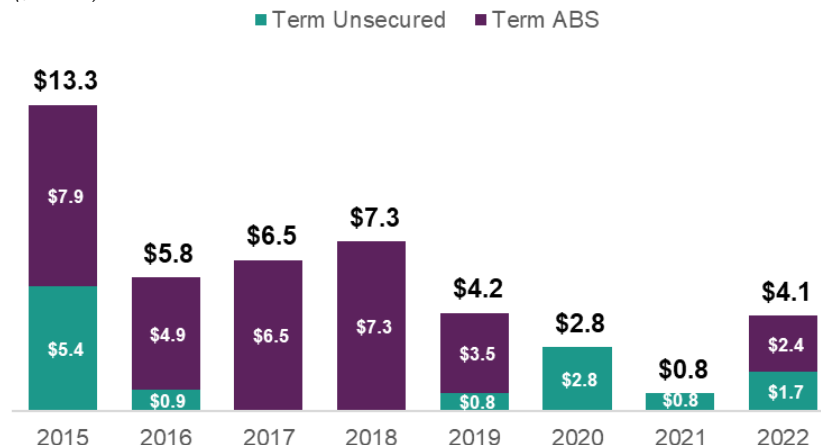
(1) Excludes retail notes and perpetual preferred equity; as of 12/31/2022.

(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.

## Wholesale Funding Issuance

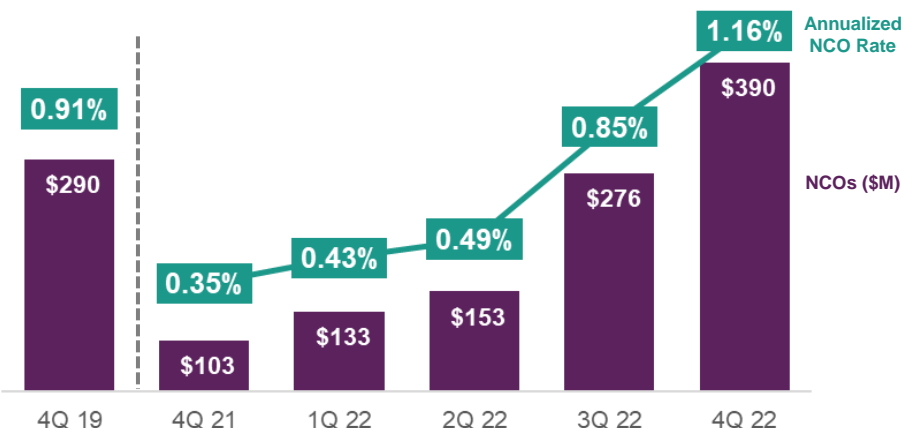
(\$ billions)



Note: Term ABS shown includes funding amounts (notes sold) at new issue and does not include private offerings sold later. Excludes \$2.35 billion of preferred equity issued in 2021. Totals may not foot due to rounding.

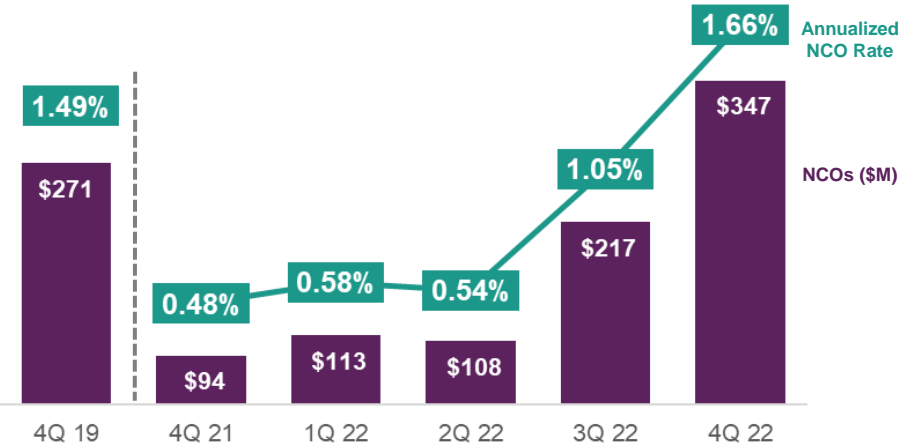
# Asset Quality: Key Metrics

## Consolidated Net Charge-Offs (NCOs)



Note: Ratios exclude loans measured at fair value and loans held-for-sale. See Appendix for definition.

## Retail Auto Net Charge-Offs (NCOs)



See Appendix for definition.

## Net Charge-Off Activity

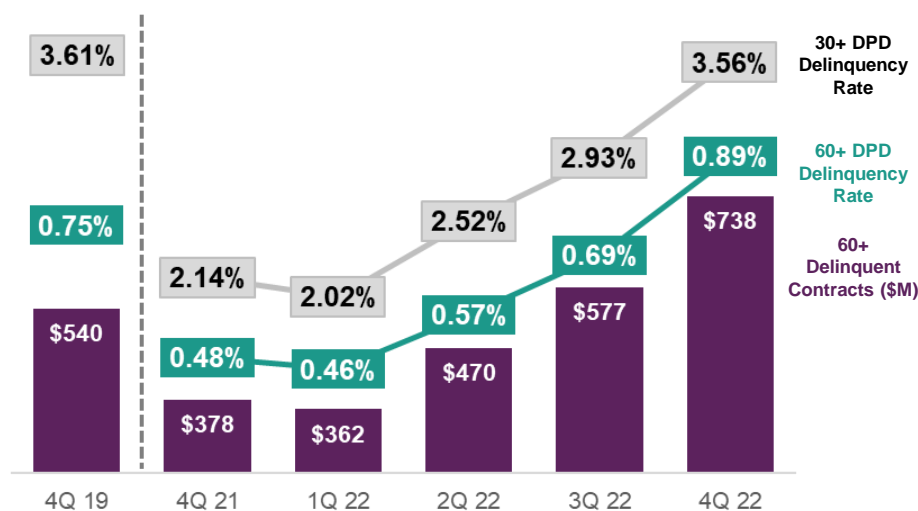
(\$ millions)

	4Q 19	4Q 21	1Q 22	2Q 22	3Q 22	4Q 22
Retail Auto	\$ 271	\$ 94	\$ 113	\$ 108	\$ 217	\$ 347
Commercial Auto	10	-	(1)	(1)	-	-
Mortgage Finance	-	-	-	(1)	1	-
Corporate Finance	6	1	-	26	31	-
Ally Lending	5	9	15	13	16	26
Ally Credit Card <sup>(1)</sup>	-	2	8	11	13	19
Corp/Other <sup>(2)</sup>	(2)	(3)	(2)	(3)	(2)	(2)
<b>Total</b>	<b>\$ 290</b>	<b>\$ 103</b>	<b>\$ 133</b>	<b>\$ 153</b>	<b>\$ 276</b>	<b>\$ 390</b>

(1) 4Q'21 Ally Credit Card NCOs represent December 2021 activity only.

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

## Retail Auto Delinquencies



Note: Includes accruing contracts only. Days Past Due ("DPD")

# Appendix



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# Notes on Non-GAAP 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, Pre-provision net revenue (PPNR) and Core pre-provision net revenue (Core PPNR), 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), Adjusted tangible book value per share (Adjusted TBVPS), and Net Interest Margin (excluding Core OID). These measures are used by management, and we believe are useful to investors in assessing the company's operating performance and capital. For calculation methodology, refer to the 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 (change in fair value of equity securities impacts the Insurance and Corporate Finance segments), 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 or businesses. 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 20-22 for calculation methodology and details.
- 2) **Pre-provision net revenue (PPNR)** is a non-GAAP financial measure calculated by adding GAAP net financing revenue and GAAP other revenue then subtracting GAAP noninterest expense, excluding provision for credit losses. Management believes that PPNR is a helpful financial metric because it enables the reader to assess the business' ability to generate earnings to cover credit losses and as it is utilized by Federal Reserve's approach to modeling within the Supervisory Stress Test Framework that generally follows U.S. generally accepted accounting principles (GAAP) and includes a calculation of PPNR as a component of projected pre-tax net income. See pages 23 and 24 for calculation methodology and details.
- 3) **Core pre-provision net revenue (Core PPNR)** is a non-GAAP financial measure calculated by adding GAAP net financing revenue and GAAP other revenue and subtracting GAAP noninterest expense then adding Core OID and repositioning expenses, excluding provision for credit losses. Management believes that Core PPNR is a helpful financial metric because it enables the reader to assess the core business' ability to generate earnings to cover credit losses. See pages 23 and 24 for calculation methodology and details.
- 4) **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 pages 12 and 13 for calculation methodology and details.
- 5) **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 pages 16 and 17 for more details.
- 6) **Accelerated issuance expense (Accelerated OID)** is the recognition of issuance expenses related to calls of redeemable debt.

# Notes on Non-GAAP Financial Measures

- 7) **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 pages 23 and 24 for calculation methodology and details.
- 8) **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. Core OID for all periods shown is applied to the pre-tax income of the Corporate and Other segment. See pages 23 and 24 calculation methodology and details.
- 9) **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. See pages 14 and 15 for calculation methodology and details.
- 10) **Net financing revenue ex. core OID** is calculated using a non-GAAP measure that adjusts net financing revenue by excluding Core OID. The Core OID balance is primarily related to bond exchange OID which excludes international operations and future issuances. Management believes net financing revenue ex. Core OID is a helpful financial metric because it enables the reader to better understand the business's ability to generate revenue. See pages 23 and 24 for calculation methodology and details.
- 11) **Net interest margin ex. core OID** is calculated using a non-GAAP measure that adjusts net interest margin by excluding Core OID. The Core OID balance is primarily related to bond exchange OID which excludes international operations and future issuances. Management believes net interest margin ex. Core OID is a helpful financial metric because it enables the reader to better understand the business's profitability and margins. See pages 23 and 24 for calculation methodology and details.
- 12) **Adjusted other revenue** is a non-GAAP financial measure that adjusts GAAP other revenue for OID expenses, repositioning, and change in fair value of equity securities. Management believes adjusted other revenue is a helpful financial metric because it enables the reader to better understand the business's ability to generate other revenue. See pages 23 and 24 for calculation methodology and details.
- 13) **Adjusted total net revenue** is a non-GAAP financial measure that management believes is helpful for readers to understand the ongoing ability of the company to generate revenue. For purposes of this calculation, GAAP net financing revenue is adjusted by excluding Core OID to calculate net financing revenue ex. core OID. GAAP other revenue is adjusted for OID expenses, repositioning, and change in fair value of equity securities to calculate adjusted other revenue. Adjusted total net revenue is calculated by adding net financing revenue ex. core OID to adjusted other revenue. See pages 23 and 24 for calculation methodology and details.
- 14) **Adjusted noninterest expense** is a non-GAAP financial measure that adjusts GAAP noninterest expense for repositioning items. Management believes adjusted noninterest expense is a helpful financial metric because it enables the reader better understand the business's expenses excluding nonrecurring items. See pages 23 and 24 for calculation methodology and details.

# Notes on Other Financial Measures

- 1) **Estimated retail auto originated yield** is a 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.
- 2) **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 our SEC filings for more details.
- 3) **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.
- 4) **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/Stellantis dealers and direct-to-consumer loans. Note: Stellantis N.V. (“Stellantis”) announced January 17, 2021, following completion of the merger of Peugeot S.A. (“Groupe PSA”) and Fiat Chrysler Automobiles N.V. (“FCA”) on January 16, 2021, the combined company was renamed Stellantis; **Nonprime** – originations with a FICO® score of less than 620
- 5) **Customer retention rate** is the annualized 3-month rolling average of 1 minus the monthly attrition rate; excludes escheatment.
- 6) **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 extended through December 31, 2021. Beginning on January 1, 2022, we are 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 beginning January 1, 2022 are phasing in the regulatory capital impacts of CECL based on this five-year transition period.
- 7) **Change in fair value of equity securities** impacts the Insurance, Corporate Finance and Corporate Other 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.
- 8) **Repositioning** is primarily related to the extinguishment of high-cost legacy debt, strategic activities, and significant other one-time items.
- 9) **Tier 1 common capital** is a financial measure defined as Tier 1 capital under the rules of U.S. Basel I less noncommon elements, including qualifying perpetual preferred stock, minority interest in subsidiaries, trust preferred securities, and mandatorily convertible preferred securities. Prior to the implementation of U.S. Basel III on January 1, 2015, Ally considered various measures when evaluating capital utilization and adequacy, including the Tier 1 common equity ratio, in addition to capital ratios defined by banking regulators. This calculation is intended to complement the capital ratios defined by banking regulators for both absolute and comparative purposes. For periods prior to the implementation of U.S. Basel III, we believe the Tier 1 common equity ratio is important because we believe analysts and banking regulators may assess our capital adequacy using this ratio. 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.

# GAAP to Core Results: Adjusted EPS – Annual

## Adjusted Earnings per Share ("Adjusted EPS")

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
<i>Numerator</i> (\$ millions)							
<b>GAAP net income attributable to common shareholders</b>	\$ 1,604	\$ 3,003	\$ 1,085	\$ 1,715	\$ 1,263	\$ 929	\$ 1,037
Discontinued operations, net of tax	1	5	1	6	-	(3)	44
Core OID	42	38	36	29	86	71	59
Repositioning items	77	228	50	-	-	-	11
Change in fair value of equity securities	215	7	(29)	(89)	121	-	-
Tax on Core OID, repositioning items, & change in fair value of equity securities (tax rate 21% starting 1Q18, 35% starting 1Q16)	(70)	(57)	(1)	13	(43)	(25)	(24)
Significant discrete tax items	61	(78)	-	(201)	-	119	(84)
<b>Core net income attributable to common shareholders</b>	<b>[a] \$ 1,929</b>	<b>\$ 3,146</b>	<b>\$ 1,141</b>	<b>\$ 1,472</b>	<b>\$ 1,427</b>	<b>\$ 1,091</b>	<b>\$ 1,043</b>
<i>Denominator</i>							
<b>Weighted-average common shares outstanding - (Diluted, thousands)</b>	<b>[b] 318,629</b>	<b>365,180</b>	<b>377,101</b>	<b>395,395</b>	<b>427,680</b>	<b>455,350</b>	<b>482,182</b>
<i>Metric</i>							
<b>Adjusted EPS</b>	<b>[a] / [b] \$ 6.06</b>	<b>\$ 8.61</b>	<b>\$ 3.03</b>	<b>\$ 3.72</b>	<b>\$ 3.34</b>	<b>\$ 2.39</b>	<b>\$ 2.16</b>

(1) Due to antidilutive effect of the net loss from pre-tax loss from continuing operations attributable to common shareholders for the first quarter 2020, basic weighted average common shares outstanding were used to calculate diluted earnings per share.

**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 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
<i>Numerator</i> (\$ millions)													
<b>GAAP net income / (loss) attributable to common shareholders</b>	\$ 251	\$ 272	\$ 454	\$ 627	\$ 624	\$ 683	\$ 900	\$ 796	\$ 687	\$ 476	\$ 241	\$ (319)	\$ 378
Discontinued operations, net of tax	-	1	-	-	6	-	(1)	-	-	-	1	-	3
Core OID	11	11	10	10	9	9	9	10	9	9	9	8	8
Repositioning Items	57	20	-	-	107	52	70	-	-	-	50	-	-
Change in fair value of equity securities	(49)	62	136	66	(21)	65	(19)	(17)	(111)	(13)	(90)	185	(29)
Tax on Core OID, Repo & change in fair value of equity securities (assumes 21% tax rate)	(4)	(20)	(31)	(16)	(20)	(26)	(13)	1	21	1	17	(41)	4
Significant discrete tax items	61	-	-	-	-	-	(78)	-	-	-	-	-	-
<b>Core net income / (loss) attributable to common shareholders</b>	[a] \$ 327	\$ 346	\$ 570	\$ 687	\$ 705	\$ 782	\$ 868	\$ 790	\$ 606	\$ 473	\$ 228	\$ (166)	\$ 364
<i>Denominator</i>													
<b>Weighted-average common shares outstanding - (Diluted, thousands)</b>	[b] 303,062	310,086	324,027	337,812	348,666	361,855	373,029	377,529	378,424	377,011	375,762	375,723	383,391
<i>Metric</i>													
<b>GAAP EPS</b>	\$ 0.83	\$ 0.88	\$ 1.40	\$ 1.86	\$ 1.79	\$ 1.89	\$ 2.41	\$ 2.11	\$ 1.82	\$ 1.26	\$ 0.64	\$ (0.85)	\$ 0.99
Discontinued operations, net of tax	-	0.00	-	-	0.02	-	(0.00)	-	-	-	0.00	-	0.01
Core OID	0.04	0.03	0.03	0.03	0.03	0.03	0.02	0.03	0.02	0.02	0.02	0.02	0.02
Change in fair value of equity securities	(0.16)	0.20	0.42	0.19	(0.06)	0.18	(0.05)	(0.04)	(0.29)	(0.04)	(0.24)	0.49	(0.08)
Repositioning Items	0.19	0.06	-	-	0.31	0.14	0.19	-	-	-	0.13	-	-
Tax on Core OID, Repo & change in fair value of equity securities (assumes 21% tax rate)	(0.01)	(0.06)	(0.09)	(0.05)	(0.06)	(0.07)	(0.03)	0.00	0.06	0.00	0.05	(0.11)	0.01
Significant discrete tax items	0.20	-	-	-	-	-	(0.21)	-	-	-	-	-	-
<b>Adjusted EPS</b>	[a] / [b] \$ 1.08	\$ 1.12	\$ 1.76	\$ 2.03	\$ 2.02	\$ 2.16	\$ 2.33	\$ 2.09	\$ 1.60	\$ 1.25	\$ 0.61	\$ (0.44)	\$ 0.95

(1) Due to antidilutive effect of the net loss from pre-tax loss from continuing operations attributable to common shareholders for the first quarter 2020, basic weighted average common shares outstanding were used to calculate diluted earnings per share.

**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 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
<i>Numerator</i> (\$ billions)							
GAAP shareholder's equity	\$ 12.9	\$ 17.1	\$ 14.7	\$ 14.4	\$ 13.3	\$ 13.5	\$ 13.3
Preferred equity	(2.3)	(2.3)	-	-	-	-	-
<b>GAAP common shareholder's equity</b>	<b>\$ 10.5</b>	<b>\$ 14.7</b>	<b>\$ 14.7</b>	<b>\$ 14.4</b>	<b>\$ 13.3</b>	<b>\$ 13.5</b>	<b>\$ 13.3</b>
Goodwill and identifiable intangibles, net of DTLs	(0.9)	(0.9)	(0.4)	(0.5)	(0.3)	(0.3)	(0.3)
Tangible common equity	9.6	13.8	14.3	14.0	13.0	13.2	13.0
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior)	(0.7)	(0.7)	(0.8)	(0.8)	(0.9)	(0.9)	(0.8)
Series G discount	-	-	-	-	-	-	-
<b>Adjusted tangible book value</b>	<b>[a] \$ 9.0</b>	<b>\$ 13.1</b>	<b>\$ 13.5</b>	<b>\$ 13.1</b>	<b>\$ 12.1</b>	<b>\$ 12.3</b>	<b>\$ 12.2</b>
<i>Denominator</i>							
<b>Issued shares outstanding (period-end, thousands)</b>	<b>[b] 299,324</b>	<b>337,941</b>	<b>374,674</b>	<b>374,332</b>	<b>404,900</b>	<b>437,054</b>	<b>467,000</b>
<i>Metric</i>							
GAAP shareholder's equity per share	\$ 43.0	\$ 50.5	\$ 39.2	\$ 38.5	\$ 32.8	\$ 30.9	\$ 28.5
Preferred equity per share	(7.8)	(6.9)	-	-	-	-	-
<b>GAAP common shareholder's equity per share</b>	<b>\$ 35.2</b>	<b>\$ 43.6</b>	<b>\$ 39.2</b>	<b>\$ 38.5</b>	<b>\$ 32.8</b>	<b>\$ 30.9</b>	<b>\$ 28.5</b>
Goodwill and identifiable intangibles, net of DTLs per share	(3.0)	(2.8)	(1.0)	(1.2)	(0.7)	(0.7)	(0.6)
Tangible common equity per share	32.2	40.8	38.2	37.3	32.1	30.2	27.9
Tax-effected Core OID balance (21% tax rate starting 4Q17, 35% starting 1Q16; 34% prior) per share	(2.2)	(2.1)	(2.2)	(2.2)	(2.1)	(2.1)	(1.7)
<b>Adjusted tangible book value per share</b>	<b>[a] / [b] \$ 30.0</b>	<b>\$ 38.7</b>	<b>\$ 36.1</b>	<b>\$ 35.1</b>	<b>\$ 29.9</b>	<b>\$ 28.1</b>	<b>\$ 26.2</b>

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

**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: Adjusted TBVPS – Quarterly

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

	QUARTERLY TREND												
	4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
<i>Numerator</i> (\$ billions)													
<b>GAAP shareholder's equity</b>	\$ 12.9	\$ 12.4	\$ 14.0	\$ 15.4	\$ 17.1	\$ 17.3	\$ 17.5	\$ 14.6	\$ 14.7	\$ 14.1	\$ 13.8	\$ 13.5	\$ 14.4
less: Preferred equity	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	-	-	-	-	-	-
<b>GAAP common shareholder's equity</b>	\$ 10.5	\$ 10.1	\$ 11.7	\$ 13.1	\$ 14.7	\$ 15.0	\$ 15.2	\$ 14.6	\$ 14.7	\$ 14.1	\$ 13.8	\$ 13.5	\$ 14.4
Goodwill and identifiable intangibles, net of DTLs	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.5)
Tangible common equity	9.6	9.2	10.7	12.2	13.8	14.6	14.8	14.2	14.3	13.7	13.4	13.1	14.0
Tax-effected Core OID balance (assumes 21% tax rate)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.7)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)	(0.8)
<b>Adjusted tangible book value</b>	[a] \$ 9.0	\$ 8.5	\$ 10.1	\$ 11.5	\$ 13.1	\$ 13.9	\$ 14.1	\$ 13.4	\$ 13.5	\$ 12.9	\$ 12.6	\$ 12.2	\$ 13.1
<i>Denominator</i>													
Issued shares outstanding (period-end, thousands)	[b] 299,324	300,335	312,781	327,306	337,941	349,599	362,639	371,805	374,674	373,857	373,837	373,155	374,332
<i>Metric</i>													
<b>GAAP common shareholder's equity per share</b>	\$ 35.2	\$ 33.7	\$ 37.3	\$ 40.0	\$ 43.6	\$ 42.8	\$ 41.9	\$ 39.3	\$ 39.2	\$ 37.8	\$ 37.0	\$ 36.2	\$ 38.5
Goodwill and identifiable intangibles, net of DTLs per share	(3.0)	(3.0)	(2.9)	(2.8)	(2.8)	(1.1)	(1.0)	(1.0)	(1.0)	(1.0)	(1.0)	(1.2)	(1.2)
Tangible common equity per share	32.2	30.6	34.3	37.1	40.8	41.8	40.9	38.3	38.2	36.7	35.9	35.0	37.3
Tax-effected Core OID balance (assumes 21% tax rate) per share	(2.2)	(2.2)	(2.2)	(2.1)	(2.1)	(2.0)	(2.1)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)	(2.2)
<b>Adjusted tangible book value per share</b>	[a] / [b] \$ 30.0	\$ 28.4	\$ 32.2	\$ 35.0	\$ 38.7	\$ 39.7	\$ 38.8	\$ 36.2	\$ 36.1	\$ 34.6	\$ 33.7	\$ 32.8	\$ 35.1

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

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
<i>Numerator</i> (\$ millions)							
<b>GAAP net income attributable to common shareholders</b>	\$ 1,604	\$ 3,003	\$ 1,085	\$ 1,715	\$ 1,263	\$ 929	\$ 1,037
Discontinued operations, net of tax	1	5	1	6	-	(3)	44
Core OID	42	38	36	29	86	71	59
Repositioning items	77	228	50	-	-	-	11
Change in fair value of equity securities	215	7	(29)	(89)	121	-	-
Tax on Core OID & change in fair value of equity securities (tax rate 21% starting in 1Q18, 35% prior)	(70)	(57)	(1)	13	(43)	(25)	(24)
Significant Discrete tax items & other	61	(78)	-	(201)	-	119	(84)
<b>Core net income attributable to common shareholders</b>	<b>[a] \$ 1,929</b>	<b>\$ 3,146</b>	<b>\$ 1,141</b>	<b>\$ 1,472</b>	<b>\$ 1,427</b>	<b>\$ 1,091</b>	<b>\$ 1,043</b>
<i>Denominator</i> (Average, \$ billions)							
<b>GAAP shareholder's equity</b>	\$ 14.3	\$ 16.2	\$ 14.1	\$ 13.8	\$ 13.4	\$ 13.4	\$ 13.4
Preferred equity	(2.3)	(1.4)	-	-	-	-	(0.3)
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.9)	(0.5)	(0.4)	(0.4)	(0.3)	(0.3)	(0.2)
Tangible common equity	\$ 11.1	\$ 14.4	\$ 13.7	\$ 13.5	\$ 13.1	\$ 13.1	\$ 12.9
Core OID balance	(0.9)	(1.0)	(1.0)	(1.1)	(1.1)	(1.2)	(1.3)
Net deferred tax asset ("DTA")	(0.8)	(0.5)	(0.1)	(0.2)	(0.4)	(0.7)	(1.2)
<b>Normalized common equity</b>	<b>[b] \$ 9.4</b>	<b>\$ 12.9</b>	<b>\$ 12.6</b>	<b>\$ 12.2</b>	<b>\$ 11.6</b>	<b>\$ 11.2</b>	<b>\$ 10.4</b>
<b>Core Return on Tangible Common Equity</b>	<b>[a] / [b] 20.5%</b>	<b>24.3%</b>	<b>9.1%</b>	<b>12.0%</b>	<b>12.3%</b>	<b>9.8%</b>	<b>10.0%</b>

**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")

	QUARTERLY TREND													
	4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19	
<b>Numerator</b> (\$ millions)														
<b>GAAP net income attributable to common shareholders</b>	\$ 251	\$ 272	\$ 454	\$ 627	\$ 624	\$ 683	\$ 900	\$ 796	\$ 687	\$ 476	\$ 241	\$ (319)	\$ 378	
Discontinued operations, net of tax	-	1	-	-	6	-	(1)	-	-	-	1	-	3	
Core OID	11	11	10	10	9	9	9	10	9	9	9	8	8	
Repositioning Items	57	20	-	-	107	52	70	-	-	-	50	-	-	
Change in fair value of equity securities	(49)	62	136	66	(21)	65	(19)	(17)	(111)	(13)	(90)	185	(29)	
Tax on Core OID, Repo & change in fair value of equity securities (assumes 21% tax rate)	(4)	(20)	(31)	(16)	(20)	(26)	(13)	1	21	1	17	(41)	4	
Significant discrete tax items & other	61	-	-	-	-	-	(78)	-	-	-	-	-	-	
<b>Core net income attributable to common shareholders</b>	<b>[a] \$ 327</b>	<b>\$ 346</b>	<b>\$ 570</b>	<b>\$ 687</b>	<b>\$ 705</b>	<b>\$ 782</b>	<b>\$ 868</b>	<b>\$ 790</b>	<b>\$ 606</b>	<b>\$ 473</b>	<b>\$ 228</b>	<b>\$ (166)</b>	<b>\$ 364</b>	
<b>Denominator</b> (Average, \$ billions)														
<b>GAAP shareholder's equity</b>	\$ 12.6	\$ 13.2	\$ 14.7	\$ 16.2	\$ 17.2	\$ 17.4	\$ 16.1	\$ 14.7	\$ 14.4	\$ 14.0	\$ 13.7	\$ 14.0	\$ 14.4	
less: Preferred equity	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(2.3)	(1.2)	-	-	-	-	-	-	
<b>GAAP common shareholder's equity</b>	<b>\$ 10.3</b>	<b>\$ 10.9</b>	<b>\$ 12.4</b>	<b>\$ 13.9</b>	<b>\$ 14.8</b>	<b>\$ 15.1</b>	<b>\$ 14.9</b>	<b>\$ 14.7</b>	<b>\$ 14.4</b>	<b>\$ 14.0</b>	<b>\$ 13.7</b>	<b>\$ 14.0</b>	<b>\$ 14.4</b>	
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.9)	(0.9)	(0.9)	(0.9)	(0.7)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	
Tangible common equity	\$ 9.4	\$ 10.0	\$ 11.4	\$ 13.0	\$ 14.2	\$ 14.7	\$ 14.5	\$ 14.3	\$ 14.0	\$ 13.6	\$ 13.3	\$ 13.5	\$ 14.1	
Core OID balance	(0.8)	(0.9)	(0.9)	(0.9)	(0.9)	(0.9)	(1.0)	(1.0)	(1.0)	(1.0)	(1.1)	(1.1)	(1.1)	
Net deferred tax asset ("DTA")	(1.2)	(1.1)	(0.8)	(0.4)	(0.6)	(0.9)	(0.6)	(0.1)	(0.1)	(0.1)	(0.2)	(0.1)	(0.0)	
<b>Normalized common equity</b>	<b>[b] \$ 7.4</b>	<b>\$ 8.0</b>	<b>\$ 9.8</b>	<b>\$ 11.7</b>	<b>\$ 12.7</b>	<b>\$ 12.9</b>	<b>\$ 13.0</b>	<b>\$ 13.1</b>	<b>\$ 12.9</b>	<b>\$ 12.4</b>	<b>\$ 12.0</b>	<b>\$ 12.3</b>	<b>\$ 13.0</b>	
<b>Core Return on Tangible Common Equity</b>	<b>[a] / [b] 17.6%</b>	<b>17.2%</b>	<b>23.2%</b>	<b>23.6%</b>	<b>22.1%</b>	<b>24.2%</b>	<b>26.7%</b>	<b>24.1%</b>	<b>18.7%</b>	<b>15.2%</b>	<b>7.6%</b>	<b>-5.4%</b>	<b>11.2%</b>	

**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

	FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
<i>Numerator</i> (\$ millions)							
<b>GAAP noninterest expense</b>	\$ 4,687	\$ 4,110	\$ 3,833	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,939
Rep and warrant expense	-	-	0	(0)	3	0	6
Insurance expense	(1,150)	(1,061)	(1,092)	(1,013)	(955)	(950)	(940)
Repositioning items	(77)	-	(50)	-	-	-	(9)
<b>Adjusted noninterest expense for efficiency ratio</b>	<b>[a] \$ 3,460</b>	<b>\$ 3,049</b>	<b>\$ 2,691</b>	<b>\$ 2,416</b>	<b>\$ 2,312</b>	<b>\$ 2,160</b>	<b>\$ 1,997</b>
<i>Denominator</i> (\$ millions)							
<b>Total net revenue</b>	<b>\$ 8,428</b>	<b>\$ 8,206</b>	<b>\$ 6,686</b>	<b>\$ 6,394</b>	<b>\$ 5,804</b>	<b>\$ 5,765</b>	<b>\$ 5,437</b>
Core OID	42	38	36	29	86	71	59
Insurance revenue	(1,112)	(1,404)	(1,376)	(1,328)	(1,035)	(1,118)	(1,097)
Repositioning items	-	131	-	-	-	-	3
<b>Adjusted net revenue for efficiency ratio</b>	<b>[b] \$ 7,358</b>	<b>\$ 6,970</b>	<b>\$ 5,346</b>	<b>\$ 5,095</b>	<b>\$ 4,855</b>	<b>\$ 4,718</b>	<b>\$ 4,401</b>
<b>Adjusted Efficiency Ratio</b>	<b>[a] / [b] 47.0%</b>	<b>43.7%</b>	<b>50.3%</b>	<b>47.4%</b>	<b>47.6%</b>	<b>45.8%</b>	<b>45.4%</b>

**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 the 4Q22 Earnings Presentation 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

Repositioning items

Insurance revenue

### Adjusted net revenue for the efficiency ratio

### Adjusted Efficiency Ratio

	QUARTERLY TREND				
	4Q 22	3Q 22	2Q 22	1Q 22	4Q 21
<b>GAAP noninterest expense</b>	\$ 1,266	\$ 1,161	\$ 1,138	\$ 1,122	\$ 1,090
Rep and warrant expense	-	-	-	-	-
Insurance expense	(286)	(290)	(300)	(274)	(263)
Repositioning items	(57)	(20)	-	-	-
<b>Adjusted noninterest expense for efficiency ratio</b>	<b>[a] \$ 923</b>	<b>\$ 851</b>	<b>\$ 838</b>	<b>\$ 848</b>	<b>\$ 827</b>
<b>Total net revenue</b>	\$ 2,201	\$ 2,016	\$ 2,076	\$ 2,135	\$ 2,199
Core OID	11	11	10	10	9
Repositioning items	-	-	-	-	9
Insurance revenue	(387)	(260)	(178)	(287)	(354)
<b>Adjusted net revenue for the efficiency ratio</b>	<b>[b] \$ 1,825</b>	<b>\$ 1,767</b>	<b>\$ 1,908</b>	<b>\$ 1,858</b>	<b>\$ 1,864</b>
<b>Adjusted Efficiency Ratio</b>	<b>[a] / [b] 50.6%</b>	<b>48.2%</b>	<b>43.9%</b>	<b>45.6%</b>	<b>44.4%</b>

**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 the 4Q22 Earnings Presentation for the combined ratio for the Insurance segment which management uses as a primary measure of underwriting profitability for the Insurance segment.

# Non-GAAP Reconciliation: Core Income – Annual

(\$ millions)	FY 2022				FY 2021				FY 2020			
	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>
<b>Consolidated Ally</b>												
Net financing revenue	\$ 6,850	\$ 42	\$ -	\$ 6,892	\$ 6,167	\$ 38	\$ -	\$ 6,205	\$ 4,703	\$ 36	\$ -	\$ 4,739
Total other revenue	1,578	-	215	1,793	2,039	131	7	2,177	1,983	-	(29)	1,954
Provision for loan losses	1,399	-	-	1,399	241	(97)	-	144	1,439	-	-	1,439
Noninterest expense	4,687	(77)	-	4,610	4,110	-	-	4,110	3,833	(50)	-	3,783
<b>Pre-tax income from continuing operations</b>	<b>\$ 2,342</b>	<b>\$ 119</b>	<b>\$ 215</b>	<b>\$ 2,676</b>	<b>\$ 3,855</b>	<b>\$ 265</b>	<b>\$ 7</b>	<b>\$ 4,128</b>	<b>\$ 1,414</b>	<b>\$ 86</b>	<b>\$ (29)</b>	<b>\$ 1,470</b>
<b>Corporate / Other</b>												
Net financing revenue	\$ 982	\$ 42	\$ -	\$ 1,024	\$ 467	\$ 38	\$ -	\$ 505	\$ (40)	\$ 36	\$ -	\$ (4)
Total other revenue	100	-	1	101	221	131	1	353	298	-	-	298
Provision for loan losses	317	-	-	317	151	(97)	-	54	47	-	-	47
Noninterest expense	972	(77)	-	895	723	-	-	723	507	(50)	-	457
<b>Pre-tax income from continuing operations</b>	<b>\$ (207)</b>	<b>\$ 119</b>	<b>\$ 1</b>	<b>\$ (87)</b>	<b>\$ (186)</b>	<b>\$ 265</b>	<b>\$ 1</b>	<b>\$ 81</b>	<b>\$ (296)</b>	<b>\$ 86</b>	<b>\$ -</b>	<b>\$ (210)</b>
<b>Insurance</b>												
Premiums, service revenue earned and other	\$ 1,166	\$ -	\$ -	\$ 1,166	\$ 1,129	\$ -	\$ -	\$ 1,129	\$ 1,114	\$ -	\$ -	\$ 1,114
Losses and loss adjustment expenses	280	-	-	280	261	-	-	261	363	-	-	363
Acquisition and underwriting expenses	870	-	-	870	800	-	-	800	729	-	-	729
Investment income and other	(54)	-	210	156	275	-	10	285	262	-	(31)	231
<b>Pre-tax income from continuing operations</b>	<b>\$ (38)</b>	<b>\$ -</b>	<b>\$ 210</b>	<b>\$ 172</b>	<b>\$ 343</b>	<b>\$ -</b>	<b>\$ 10</b>	<b>\$ 353</b>	<b>\$ 284</b>	<b>\$ -</b>	<b>\$ (31)</b>	<b>\$ 253</b>
<b>Corporate Finance</b>												
Net financing revenue	\$ 334	\$ -	\$ -	\$ 334	\$ 308	\$ -	\$ -	\$ 308	\$ 299	\$ -	\$ -	\$ 299
Total other revenue	122	-	4	126	128	-	(4)	128	45	-	1	46
Provision for loan losses	43	-	-	43	38	-	-	38	149	-	-	149
Noninterest expense	131	-	-	131	116	-	-	116	107	-	-	107
<b>Pre-tax income from continuing operations</b>	<b>\$ 282</b>	<b>\$ -</b>	<b>\$ 4</b>	<b>\$ 286</b>	<b>\$ 282</b>	<b>\$ -</b>	<b>\$ (4)</b>	<b>\$ 282</b>	<b>\$ 88</b>	<b>\$ -</b>	<b>\$ 1</b>	<b>\$ 89</b>

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See pages 9 and 10 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.

# Non-GAAP Reconciliation: Core Income – Annual

(\$ millions)	FY 2019				FY 2018				FY 2017				FY 2016			
	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>	GAAP	Core OID & Repositioning Items	Change in fair value of equity securities	Non-GAAP <sup>(1)</sup>
<b>Consolidated Ally</b>																
Net financing revenue	\$ 4,633	\$ 29	\$ -	\$ 4,662	\$ 4,390	\$ 86	\$ -	\$ 4,476	\$ 4,221	\$ 71	\$ -	\$ 4,292	\$ 3,907	\$ 57	\$ -	\$ 3,964
Total other revenue	1,761	-	(89)	1,672	1,414	-	121	1,535	1,544	-	-	1,544	1,530	4	-	1,534
Provision for loan losses	998	-	-	998	918	-	-	918	1,148	-	-	1,148	917	-	-	917
Noninterest expense	3,429	-	-	3,429	3,264	-	-	3,264	3,110	-	-	3,110	2,939	(9)	-	2,931
<b>Pre-tax income from continuing operations</b>	<b>\$ 1,967</b>	<b>\$ 29</b>	<b>\$ (89)</b>	<b>\$ 1,907</b>	<b>\$ 1,622</b>	<b>\$ 86</b>	<b>\$ 121</b>	<b>\$ 1,829</b>	<b>\$ 1,507</b>	<b>\$ 71</b>	<b>\$ -</b>	<b>\$ 1,578</b>	<b>\$ 1,581</b>	<b>\$ 70</b>	<b>\$ -</b>	<b>\$ 1,651</b>
<b>Corporate / Other</b>																
Net financing revenue	\$ 28	\$ 29	\$ -	\$ 57	\$ 184	\$ 86	\$ -	\$ 270	\$ 150	\$ 71	\$ -	\$ 221	\$ (37)	\$ 57	\$ -	\$ 20
Total other revenue	171	-	-	171	119	-	-	119	81	-	-	81	162	4	-	166
Provision for loan losses	(5)	-	-	(5)	(15)	-	-	(15)	(16)	-	-	(16)	(13)	-	-	(13)
Noninterest expense	363	-	-	363	333	-	-	333	262	-	-	262	199	(9)	-	190
<b>Pre-tax income from continuing operations</b>	<b>\$ (159)</b>	<b>\$ 29</b>	<b>\$ -</b>	<b>\$ (130)</b>	<b>\$ (15)</b>	<b>\$ 86</b>	<b>\$ -</b>	<b>\$ 71</b>	<b>\$ (15)</b>	<b>\$ 71</b>	<b>\$ -</b>	<b>\$ 56</b>	<b>\$ (61)</b>	<b>\$ 70</b>	<b>\$ -</b>	<b>\$ 9</b>
<b>Insurance</b>																
Premiums, service revenue earned and other	\$ 1,099	\$ -	\$ -	\$ 1,099	\$ 1,032	\$ -	\$ -	\$ 1,032	\$ 981	\$ -	\$ -	\$ 981	\$ 952	\$ -	\$ -	\$ 952
Losses and loss adjustment expenses	321	-	-	321	295	-	-	295	332	-	-	332	342	-	-	342
Acquisition and underwriting expenses	692	-	-	692	660	-	-	660	618	-	-	618	598	-	-	598
Investment income and other	229	-	(88)	141	3	-	112	115	137	-	-	137	145	-	-	145
<b>Pre-tax income from continuing operations</b>	<b>\$ 315</b>	<b>\$ -</b>	<b>\$ (88)</b>	<b>\$ 227</b>	<b>\$ 80</b>	<b>\$ -</b>	<b>\$ 112</b>	<b>\$ 192</b>	<b>\$ 168</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 168</b>	<b>\$ 157</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157</b>
<b>Corporate Finance</b>																
Net financing revenue	\$ 239	\$ -	\$ -	\$ 239	\$ 204	\$ -	\$ -	\$ 204	\$ 167	\$ -	\$ -	\$ 167	\$ 121	\$ -	\$ -	\$ 121
Total other revenue	45	-	(2)	43	38	-	9	47	45	-	-	45	26	-	-	26
Provision for loan losses	36	-	-	36	12	-	-	12	22	-	-	22	10	-	-	10
Noninterest expense	95	-	-	95	86	-	-	86	76	-	-	76	66	-	-	66
<b>Pre-tax income from continuing operations</b>	<b>\$ 153</b>	<b>\$ -</b>	<b>\$ (2)</b>	<b>\$ 151</b>	<b>\$ 144</b>	<b>\$ -</b>	<b>\$ 9</b>	<b>\$ 153</b>	<b>\$ 114</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 114</b>	<b>\$ 71</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 71</b>

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See pages 9 and 10 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.

# Non-GAAP Reconciliation: Core Income – Quarterly

(\$ millions)	4Q 22					3Q 22					4Q 21				
	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP <sup>(1)</sup>	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP <sup>(1)</sup>	GAAP	Core OID	Change in fair value of equity securities	Repositioning	Non-GAAP <sup>(1)</sup>
<b>Consolidated Ally</b>															
Net financing revenue	\$ 1,674	\$ 11	\$ -	\$ -	1,685	\$ 1,719	\$ 11	\$ -	\$ -	1,730	\$ 1,654	\$ 9	\$ -	\$ -	1,663
Total other revenue	527	-	(49)	-	478	297	-	62	-	359	545	-	(21)	9	533
Provision for credit losses	490	-	-	-	490	438	-	-	-	438	210	-	-	(97)	113
Noninterest expense	1,266	-	-	(57)	1,209	1,161	-	-	(20)	1,141	1,090	-	-	-	1,090
<b>Pre-tax income</b>	<b>\$ 445</b>	<b>\$ 11</b>	<b>\$ (49)</b>	<b>\$ 57</b>	<b>\$ 464</b>	<b>\$ 417</b>	<b>\$ 11</b>	<b>\$ 62</b>	<b>\$ 20</b>	<b>\$ 510</b>	<b>\$ 899</b>	<b>\$ 9</b>	<b>\$ (21)</b>	<b>\$ 107</b>	<b>\$ 994</b>
<b>Corporate / Other</b>															
Net financing revenue	\$ 172	\$ 11	\$ -	\$ -	183	\$ 255	\$ 11	\$ -	\$ -	266	\$ 173	\$ 9	\$ -	\$ -	182
Total other revenue	49	-	(0)	-	49	(74)	-	(0)	-	(74)	73	-	1	9	83
Provision for credit losses	97	-	-	-	97	95	-	-	-	95	131	-	-	(97)	34
Noninterest expense	303	-	-	(57)	246	237	-	-	(20)	217	222	-	-	-	222
<b>Pre-tax income</b>	<b>\$ (179)</b>	<b>\$ 11</b>	<b>\$ (0)</b>	<b>\$ 57</b>	<b>\$ (111)</b>	<b>\$ (151)</b>	<b>\$ 11</b>	<b>\$ (0)</b>	<b>\$ 20</b>	<b>\$ (120)</b>	<b>\$ (107)</b>	<b>\$ 9</b>	<b>\$ 1</b>	<b>\$ 107</b>	<b>\$ 10</b>
<b>Insurance</b>															
Premiums, service revenue earned and other	\$ 305	\$ -	\$ -	\$ -	305	\$ 292	\$ -	\$ -	\$ -	292	\$ 283	\$ -	\$ -	\$ -	283
Losses and loss adjustment expenses	63	-	-	-	63	70	-	-	-	70	55	-	-	-	55
Acquisition and underwriting expenses	223	-	-	-	223	220	-	-	-	220	208	-	-	-	208
Investment income and other	82	-	(49)	-	33	(32)	-	62	-	30	71	-	(24)	-	47
<b>Pre-tax income</b>	<b>\$ 101</b>	<b>\$ -</b>	<b>\$ (49)</b>	<b>\$ -</b>	<b>\$ 52</b>	<b>\$ (30)</b>	<b>\$ -</b>	<b>\$ 62</b>	<b>\$ -</b>	<b>\$ 32</b>	<b>\$ 91</b>	<b>\$ -</b>	<b>\$ (24)</b>	<b>\$ -</b>	<b>\$ 67</b>
<b>Corporate Finance</b>															
Net financing revenue	\$ 94	\$ -	\$ -	\$ -	94	\$ 80	\$ -	\$ -	\$ -	80	\$ 83	\$ -	\$ -	\$ -	83
Total other revenue	25	-	0	-	25	54	-	(0)	-	54	53	-	2	-	55
Provision for credit losses	16	-	-	-	16	13	-	-	-	13	33	-	-	-	33
Noninterest expense	36	-	-	-	36	30	-	-	-	30	30	-	-	-	30
<b>Pre-tax income</b>	<b>\$ 67</b>	<b>\$ -</b>	<b>\$ 0</b>	<b>\$ -</b>	<b>\$ 67</b>	<b>\$ 91</b>	<b>\$ -</b>	<b>\$ (0)</b>	<b>\$ -</b>	<b>\$ 91</b>	<b>\$ 73</b>	<b>\$ -</b>	<b>\$ 2</b>	<b>\$ -</b>	<b>\$ 75</b>

(1) Non-GAAP line items walk to Core pre-tax income, a non-GAAP financial measure that adjusts pre-tax income. See pages 9 and 10 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.

# Non-GAAP Reconciliations – Annually

## Net Financing Revenue (ex. Core OID)

(\$ millions)		FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
GAAP Net Financing Revenue	[x]	\$ 6,850	\$ 6,167	\$ 4,703	\$ 4,633	\$ 4,390	\$ 4,221	\$ 3,907
Core OID		42	38	36	29	86	71	57
Net Financing Revenue (ex. Core OID)	[a]	\$ 6,892	\$ 6,205	\$ 4,739	\$ 4,662	\$ 4,476	\$ 4,292	\$ 3,964

## Adjusted Other Revenue

(\$ millions)		FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
GAAP Other Revenue	[y]	\$ 1,578	\$ 2,039	\$ 1,983	\$ 1,761	\$ 1,414	\$ 1,544	\$ 1,530
Accelerated OID & repositioning items		-	131	-	-	-	-	4
Change in fair value of equity securities		215	7	(29)	(89)	121	-	-
Adjusted Other Revenue	[b]	\$ 1,793	\$ 2,177	\$ 1,954	\$ 1,672	\$ 1,535	\$ 1,544	\$ 1,534

## Adjusted NIE (ex. Repositioning)

(\$ millions)		FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
GAAP Noninterest Expense	[z]	\$ 4,687	\$ 4,110	\$ 3,833	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,939
Repositioning		77	-	50	-	-	-	9
Adjusted NIE (ex. Repositioning)	[c]	\$ 4,610	\$ 4,110	\$ 3,783	\$ 3,429	\$ 3,264	\$ 3,110	\$ 2,931

## Core Pre-Provision Net Revenue

(\$ millions)		FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Pre-Provision Net Revenue	[x]+[y]-[z]	3,741	4,096	2,853	2,965	2,540	2,655	2,498
Core Pre-Provision Net Revenue	[a]+[b]-[c]	\$ 4,075	\$ 4,271	\$ 2,909	\$ 2,905	\$ 2,747	\$ 2,726	\$ 2,568

## Adjusted Total Net Revenue

(\$ millions)		FY 2022	FY 2021	FY 2020	FY 2019	FY 2018	FY 2017	FY 2016
Adjusted Total Net Revenue	[a]+[b]	\$ 8,685	\$ 8,381	\$ 6,692	\$ 6,334	\$ 6,011	\$ 5,836	\$ 5,498

## Original issue discount amortization expense

(\$ millions)	ANNUAL TREND						
	2022	2021	2020	2019	2018	2017	2016
Core original issue discount (Core OID) amortization expense <sup>(1)</sup>	\$ 42	\$ 38	\$ 36	\$ 29	\$ 86	\$ 71	\$ 57
Other OID	11	11	13	13	15	20	21
GAAP original issue discount amortization expense	\$ 53	\$ 49	\$ 49	\$ 42	\$ 101	\$ 90	\$ 78

## Outstanding original issue discount balance

(\$ millions)	ANNUAL TREND						
	2022	2021	2020	2019	2018	2017	2016
Core outstanding original issue discount balance (Core OID balance)	\$ (841)	\$ (883)	\$ (1,027)	\$ (1,063)	\$ (1,092)	\$ (1,178)	\$ (1,249)
Other outstanding OID balance	(40)	(40)	(37)	(37)	(43)	(57)	(77)
GAAP outstanding original issue discount balance	\$ (882)	\$ (923)	\$ (1,064)	\$ (1,100)	\$ (1,135)	\$ (1,235)	\$ (1,326)

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.

Pre-provision revenue (PPNR) and Core pre-provision net revenue (Core PPNR) are non-GAAP financial measures. See page 9 for details.

'Repositioning' is primarily related to the extinguishment of high-cost legacy debt, strategic activities and significant other one-time items.

# Non-GAAP Reconciliations – Quarterly

Net Financing Revenue (ex. Core OID) (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP Net Financing Revenue	[x]	\$ 1,674	\$ 1,719	\$ 1,764	\$ 1,693	\$ 1,654	\$ 1,594	\$ 1,547	\$ 1,372	\$ 1,303	\$ 1,200	\$ 1,054	\$ 1,146	\$ 1,156
Core OID		11	11	10	10	9	9	9	10	9	9	9	8	8
<b>Net Financing Revenue (ex. Core OID)</b>	<b>[a]</b>	<b>\$ 1,685</b>	<b>\$ 1,730</b>	<b>\$ 1,774</b>	<b>\$ 1,703</b>	<b>\$ 1,663</b>	<b>\$ 1,603</b>	<b>\$ 1,556</b>	<b>\$ 1,382</b>	<b>\$ 1,312</b>	<b>\$ 1,209</b>	<b>\$ 1,063</b>	<b>\$ 1,154</b>	<b>\$ 1,164</b>

Adjusted Other Revenue (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP Other Revenue	[y]	\$ 527	\$ 297	\$ 312	\$ 442	\$ 545	\$ 391	\$ 538	\$ 565	\$ 678	\$ 484	\$ 555	\$ 266	\$ 487
Accelerated OID & repositioning items		-	-	-	-	9	52	70	-	-	-	-	-	-
Change in fair value of equity securities		(49)	62	136	66	(21)	65	(19)	(17)	(111)	(13)	(90)	185	(29)
<b>Adjusted Other Revenue</b>	<b>[b]</b>	<b>\$ 478</b>	<b>\$ 359</b>	<b>\$ 448</b>	<b>\$ 508</b>	<b>\$ 533</b>	<b>\$ 507</b>	<b>\$ 588</b>	<b>\$ 548</b>	<b>\$ 567</b>	<b>\$ 471</b>	<b>\$ 465</b>	<b>\$ 451</b>	<b>\$ 458</b>

Adjusted NIE (ex. Repositioning) (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
GAAP Noninterest Expense	[z]	\$ 1,266	\$ 1,161	\$ 1,138	\$ 1,122	\$ 1,090	\$ 1,002	\$ 1,075	\$ 943	\$ 1,023	\$ 905	\$ 985	\$ 920	\$ 880
Repositioning		57	20	-	-	-	-	-	-	-	-	50	-	-
<b>Adjusted NIE (ex. Repositioning)</b>	<b>[c]</b>	<b>\$ 1,209</b>	<b>\$ 1,141</b>	<b>\$ 1,138</b>	<b>\$ 1,122</b>	<b>\$ 1,090</b>	<b>\$ 1,002</b>	<b>\$ 1,075</b>	<b>\$ 943</b>	<b>\$ 1,023</b>	<b>\$ 905</b>	<b>\$ 935</b>	<b>\$ 920</b>	<b>\$ 880</b>

Core Pre-Provision Net Revenue (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
Pre-Provision Net Revenue	[x]+[y]-[z]	935	855	938	1,013	1,109	983	1,010	994	958	779	624	492	763
<b>Core Pre-Provision Net Revenue</b>	<b>[a]+[b]-[c]</b>	<b>\$ 954</b>	<b>\$ 948</b>	<b>\$ 1,084</b>	<b>\$ 1,088</b>	<b>\$ 1,107</b>	<b>\$ 1,108</b>	<b>\$ 1,070</b>	<b>\$ 987</b>	<b>\$ 856</b>	<b>\$ 775</b>	<b>\$ 593</b>	<b>\$ 686</b>	<b>\$ 742</b>

Adjusted Total Net Revenue (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
<b>Adjusted Total Net Revenue</b>	<b>[a]+[b]</b>	<b>\$ 2,163</b>	<b>\$ 2,089</b>	<b>\$ 2,222</b>	<b>\$ 2,210</b>	<b>\$ 2,197</b>	<b>\$ 2,110</b>	<b>\$ 2,145</b>	<b>\$ 1,930</b>	<b>\$ 1,879</b>	<b>\$ 1,680</b>	<b>\$ 1,528</b>	<b>\$ 1,606</b>	<b>\$ 1,622</b>

Original issue discount amortization expense (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
Core original issue discount (Core OID) amortization expense <sup>(1)</sup>		\$ 11	\$ 11	\$ 10	\$ 10	\$ 9	\$ 9	\$ 9	\$ 10	\$ 9	\$ 9	\$ 9	\$ 8	\$ 8
Other OID		3	3	2	3	3	3	3	3	3	3	4	3	3
<b>GAAP original issue discount amortization expense</b>		<b>\$ 14</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 13</b>	<b>\$ 12</b>	<b>\$ 12</b>	<b>\$ 12</b>	<b>\$ 12</b>	<b>\$ 13</b>	<b>\$ 12</b>	<b>\$ 12</b>	<b>\$ 11</b>	<b>\$ 11</b>

Outstanding original issue discount balance (\$ millions)		QUARTERLY TREND												
		4Q 22	3Q 22	2Q 22	1Q 22	4Q 21	3Q 21	2Q 21	1Q 21	4Q 20	3Q 20	2Q 20	1Q 20	4Q 19
Core outstanding original issue discount balance (Core OID balance)		\$ (841)	\$ (852)	\$ (863)	\$ (873)	\$ (883)	\$ (900)	\$ (952)	\$ (1,018)	\$ (1,027)	\$ (1,037)	\$ (1,046)	\$ (1,055)	\$ (1,063)
Other outstanding OID balance		(40)	(36)	(39)	(37)	(40)	(29)	(32)	(34)	(37)	(48)	(46)	(34)	(37)
<b>GAAP outstanding original issue discount balance</b>		<b>\$ (882)</b>	<b>\$ (888)</b>	<b>\$ (901)</b>	<b>\$ (911)</b>	<b>\$ (923)</b>	<b>\$ (929)</b>	<b>\$ (983)</b>	<b>\$ (1,052)</b>	<b>\$ (1,064)</b>	<b>\$ (1,084)</b>	<b>\$ (1,092)</b>	<b>\$ (1,089)</b>	<b>\$ (1,100)</b>

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.

Pre-provision revenue (PPNR) and Core pre-provision net revenue (Core PPNR) are non-GAAP financial measures. See page 9 for details.

'Repositioning' is primarily related to the extinguishment of high-cost legacy debt, strategic activities, and significant other one-time items.

(1) See page 10 for definition.