

Ally Financial Inc.

Auto Securitization – Corporate Overview

3Q 2020

The Ally logo is positioned within a white circular area that is part of a larger purple graphic on the left side of the slide. The graphic consists of a large purple semi-circle with a white circle inside it, and a purple triangle pointing downwards from the bottom right of the white circle.

ally
do it right.

Forward-Looking Statements and Additional Information

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

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

Ally: Who We Are

Leading Financial Service Provider | Top-20 Bank Holding Company

Company Snapshot

Founded 1919

Customers ~8.5M

Employees 9,300

Assets \$185B

Loans & Leases \$127B

Deposits \$135B

Branches 0

Auto & Insurance

Industry Leader | Adaptable Partner

18.7K Dealer Relationships

91% U.S. Franchised Dealers

4.1M Auto Customers

2.5M Insurance Customers

Consumer + Deposits

Industry Leader | ALL-Digital

2.2M Deposit Customers

\$11.1B Invest: Customer Assets

\$1.3B Home: 3Q Originations

\$167M Lending: 3Q Originations

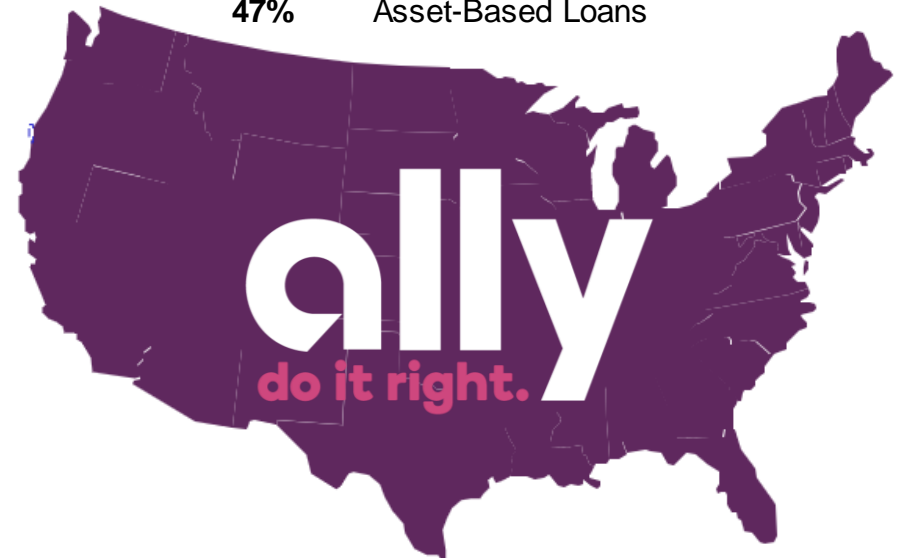
Corporate Finance

Senior Secured Middle Market Lending

\$5.9B HFI Loans

Steady Credit Profile

47% Asset-Based Loans



Note: Employees, customers, total assets, loans & leases and deposits as of September 30, 2020. End-of-period balances. Top 20 ranking based on assets as of June 30, 2020.

3Q 2020 Financial Results

(\$ millions; except per share data)

	3Q 20	2Q 20	3Q 19	Increase / (Decrease) vs.	
				2Q 20	3Q 19
Net financing revenue (excluding Core OID) ⁽¹⁾	\$ 1,209	\$ 1,063	\$ 1,195	\$ 146	\$ 14
Core OID	(9)	(9)	(7)	(0)	(2)
Net financing revenue (as reported)	\$ 1,200	\$ 1,054	\$ 1,188	\$ 146	\$ 12
Other revenue (excluding change in fair value of equity securities) ⁽²⁾	471	465	424	5	46
Change in fair value of equity securities ⁽²⁾	13	90	(11)	(76)	25
Other revenue (as reported)	484	555	413	(71)	71
Provision for credit losses	147	287	263	(140)	(116)
Noninterest expense	905	985	838	(80)	67
Pre-tax income from continuing operations	\$ 632	\$ 337	\$ 500	\$ 295	\$ 132
Income tax expense	156	95	119	61	37
(Loss) income from discontinued operations, net of tax	-	(1)	-	1	-
Net income	\$ 476	\$ 241	\$ 381	\$ 235	\$ 95
	3Q 20	2Q 20	3Q 19	2Q 20	3Q 19
GAAP EPS (diluted)	\$ 1.26	\$ 0.64	\$ 0.97	\$ 0.62	\$ 0.29
Core OID, net of tax	0.02	0.02	0.02	0.00	0.00
Change in fair value of equity securities, net of tax	(0.03)	(0.19)	0.02	0.16	(0.05)
Repositioning, discontinued ops., and other, net of tax ⁽³⁾	-	0.14	-	(0.14)	-
Adjusted EPS ⁽⁴⁾	\$ 1.25	\$ 0.61	\$ 1.01	\$ 0.65	\$ 0.25
Core ROTCE ⁽⁴⁾	15.2%	7.6%	12.3%		
Adjusted Efficiency Ratio ⁽⁴⁾	47.3%	52.5%	45.3%		
Effective Tax Rate	24.8%	28.2%	23.9%		

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

(2) Represents a non-GAAP financial measure. Adjusted for change in the fair value of equity securities due to the implementation of ASU 2016-01 which requires change in the fair value of equity securities to be recognized in current period net income as compared to periods prior to 1/1/18 in which such adjustments were recognized through other comprehensive income, a component of equity. For Non-GAAP calculation methodology and details see pages 12 and 13.

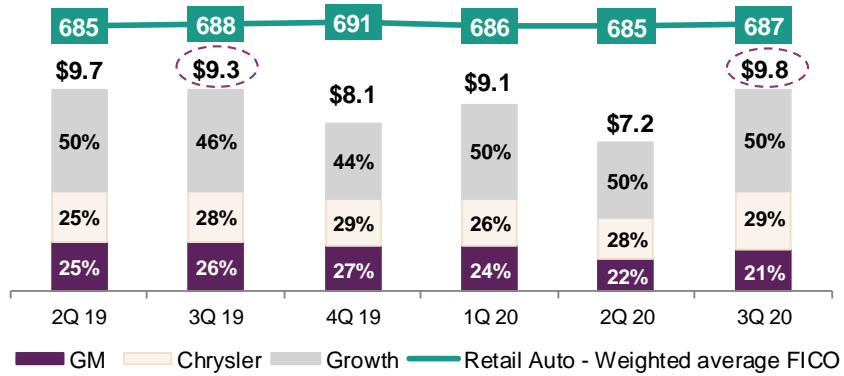
(3) Repositioning and other, net of tax (as applicable) in 2Q 20 includes a \$50 million Goodwill impairment at Ally Invest. See page 13 for calculation methodology and details.

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

Auto Finance – Key Metrics

Consumer Originations

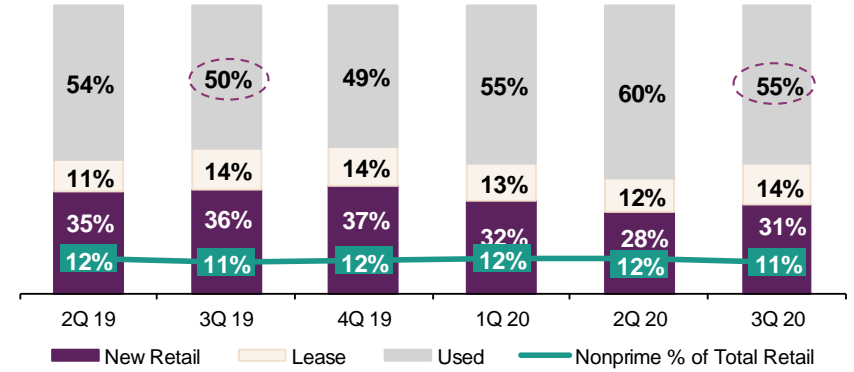
(\$ billions; % of \$ originations)



Note: See page 8 for definition.

Consumer Origination Mix

(% of \$ originations)



Note: See page 8 for definition.

Consumer Assets

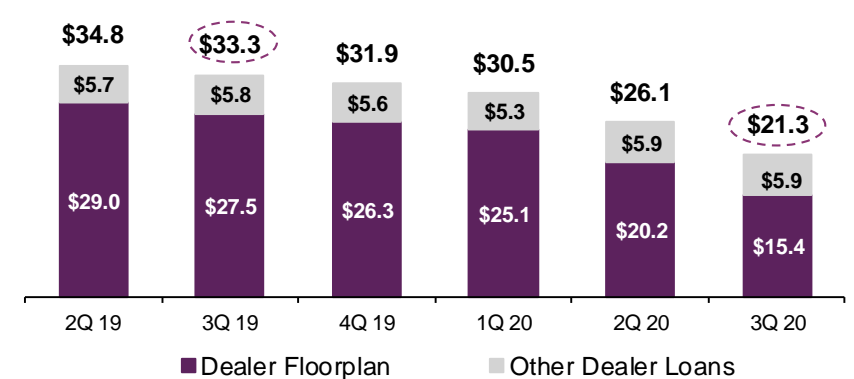
(End of period, \$ billions)



Note: See page 8 for definition.

Commercial Assets

(Average balance, \$ billions)



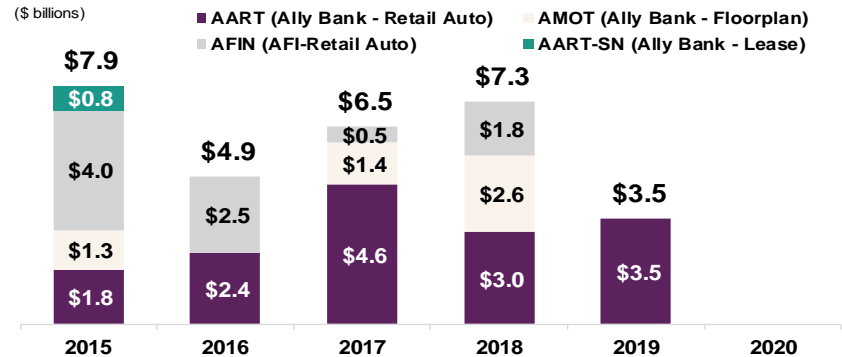
Note: Held-for-investment ("HFI") asset balances reflect the average daily balance for the quarter.

Funding and Liquidity

- **Total liquidity levels at \$44.2 billion as of 9/30/2020**
- **Ally's deposit portfolio growth has consistently reduced reliance on wholesale funding markets**
 - Total deposits of \$134.9 billion, up \$15.7 billion or 13% YoY
 - In Sep-20, Ally paid down \$2.5 billion of fixed-rate FHLB borrowings at a weighted average coupon of ~2.8%
- **Wide array of funding sources, expect to maintain access to wholesale funding markets**
 - During September 2020, Ally issued \$750 million of 1.45% senior unsecured notes due October 2, 2023

Wholesale Funding Issuance

Term ABS and Term Unsecured Issuance

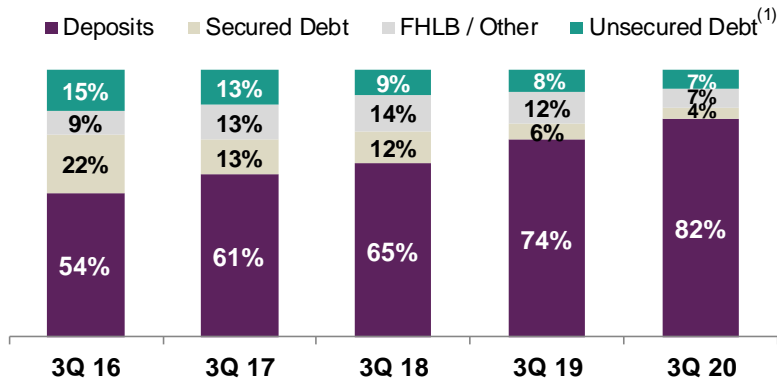


Term Unsecured Issuance

Year	2015	2016	2017	2018	2019	2020
Term Unsecured Issuance	\$5.4	\$0.9	\$0.0	\$0.0	\$0.8	\$2.3

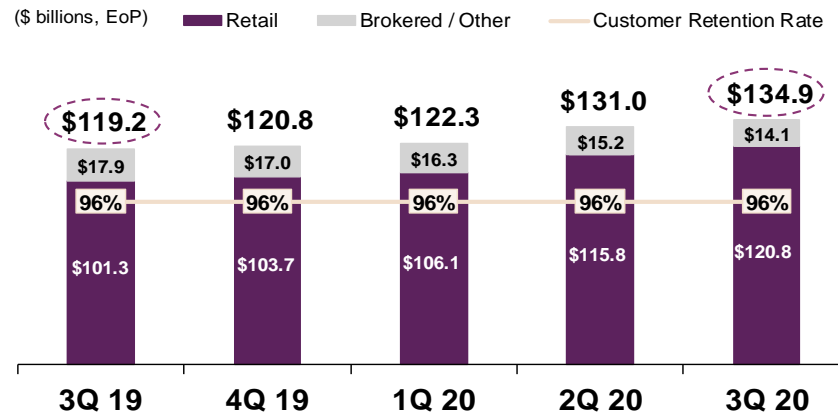
Note: Term ABS shown includes funding amounts (notes sold) at new issue, and does not include private offerings sold at a later date.

Funding



(1) Represents a non-GAAP financial measure. Excludes Core OID balance. See page 13 for calculation methodology and details.

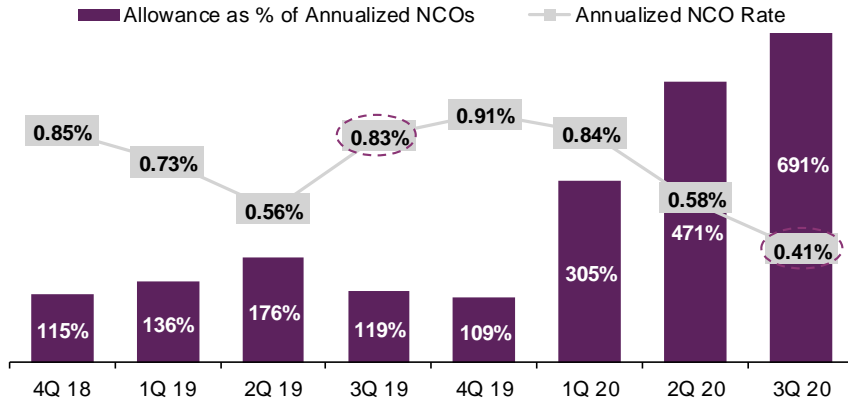
Retail Deposit Balances



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

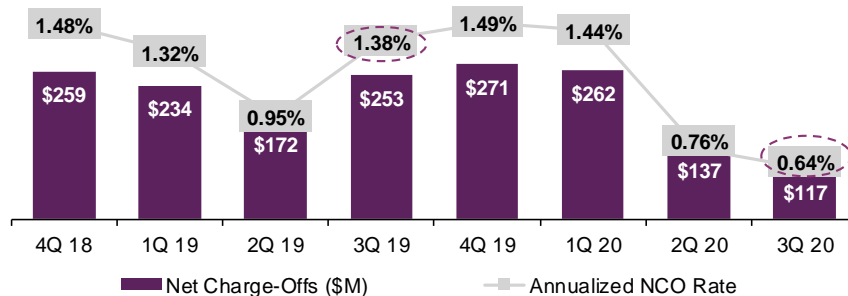
Asset Quality: Key Metrics

Consolidated Net Charge-Offs



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

Retail Auto Net Charge-Offs



Note: See page 8 for definition.

Net Charge-Off Activity

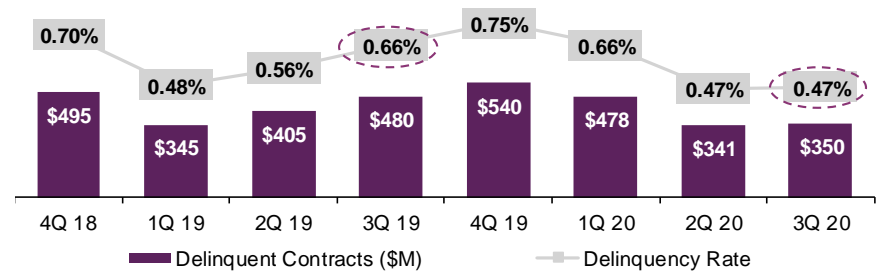
(\$ millions)

Net Charge-Offs	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20
Retail Auto	\$ 172	\$ 253	\$ 271	\$ 262	\$ 137	\$ 117
Commercial Auto	1	1	10	2	1	4
Mortgage Finance	-	-	-	-	-	1
Corporate Finance	11	15	6	-	38	-
Ally Lending	-	-	5	4	4	2
Corp/Other ⁽¹⁾	(2)	(2)	(2)	(2)	(2)	(2)
Total	\$ 182	\$ 267	\$ 290	\$ 266	\$ 178	\$ 122

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

Retail Auto Delinquencies

(60+ DPD)



30+ DPD (\$M and %)	2Q 19	3Q 19	4Q 19	1Q 20	2Q 20	3Q 20
	3.55%	2.56%	2.90%	3.32%	3.61%	3.19%
	\$2,501	\$1,833	\$2,113	\$2,428	\$2,616	\$2,322
						\$1,599
						\$1,658

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

Supplemental

A large, dark purple graphic element on the left side of the page, consisting of a thick, rounded shape that curves around a white circular area. Inside this white circle, the word "ally" is written in a bold, lowercase, dark purple font, and the phrase "do it right." is written below it in a smaller, lowercase, dark purple font.

ally
do it right.

Notes on Non-GAAP and Other Financial Measures

The following are non-GAAP financial measures which Ally believes are important to the reader of the Consolidated Financial Statements, but which are supplemental to, and not a substitute for, GAAP measures: Adjusted Earnings per Share (Adjusted EPS), Core pre-tax income, Core net income attributable to common shareholders, Core return on tangible common equity (Core ROTCE), Adjusted efficiency ratio, Adjusted total net revenue, Adjusted other revenue, Core original issue discount (Core OID) amortization expense and Core outstanding original issue discount balance (Core OID balance), Net financing revenue (excluding Core OID), and Adjusted tangible book value per share (Adjusted TBVPS). These measures are used by management and we believe are useful to investors in assessing the company's operating performance and capital. Refer to the Definitions of Non-GAAP Financial Measures and Other Key Terms, and Reconciliation to GAAP later in this document.

- 1) **Core 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 page 12 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 9 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 13 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 13 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-Q for more details.
- 7) **Net charge-off ratios** are calculated as annualized net charge-offs divided by average outstanding finance receivables and loans excluding loans measured at fair value and loans held-for-sale.
- 8) **Tangible Common Equity** is a non-GAAP financial measure that is defined as common stockholders' equity less goodwill and identifiable intangible assets, net of deferred tax liabilities. Ally considers various measures when evaluating capital adequacy, including tangible common equity. Ally believes that tangible common equity is important because we believe readers may assess our capital adequacy using this measure. Additionally, presentation of this measure allows readers to compare certain aspects of our capital adequacy on the same basis to other companies in the industry. For purposes of calculating Core return on tangible common equity (Core ROTCE), tangible common equity is further adjusted for Core OID balance and net deferred tax asset. See page 10 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 non-recurring escheatment.

GAAP to Core Results: Adjusted EPS - Quarterly

Adjusted Earnings per Share ("Adjusted EPS")

	QUARTERLY TREND												
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17
<i>Numerator</i> (\$ millions)													
GAAP net income (loss) attributable to common shareholders	\$ 476	\$ 241	\$ (319)	\$ 378	\$ 381	\$ 582	\$ 374	\$ 290	\$ 374	\$ 349	\$ 250	\$ 181	\$ 282
Discontinued operations, net of tax	-	1	-	3	-	2	1	(1)	-	(1)	2	(2)	(2)
Core OID	9	9	8	8	7	7	7	23	22	21	20	19	18
Repositioning items	-	50	-	-	-	-	-	-	-	-	-	-	-
Change in the fair value of equity securities	(13)	(90)	185	(29)	11	(2)	(70)	95	(6)	(8)	40	-	-
Tax on Core OID, repositioning items, & change in the fair value of equity securities (assumes 21% tax rate starting in 1Q18, 35% prior)	1	17	(41)	4	(4)	(1)	13	(25)	(3)	(3)	(13)	(7)	(6)
Significant discrete tax items	-	-	-	-	-	(201)	-	-	-	-	-	119	-
Core net income (loss) attributable to common shareholders	[a] \$ 473	\$ 228	\$ (166)	\$ 364	\$ 396	\$ 387	\$ 325	\$ 382	\$ 386	\$ 358	\$ 300	\$ 310	\$ 292
<i>Denominator</i>													
Weighted-average common shares outstanding - (Diluted, thousands)	[b] 377,011	375,762	375,723	383,391	392,604	399,916	405,959	414,750	424,784	432,554	438,931	444,985	451,078
<i>Metric</i>													
GAAP EPS	\$ 1.26	\$ 0.64	\$ (0.85)	\$ 0.99	\$ 0.97	\$ 1.46	\$ 0.92	\$ 0.70	\$ 0.88	\$ 0.81	\$ 0.57	\$ 0.41	\$ 0.63
Discontinued operations, net of tax	-	0.00	-	0.01	-	0.01	0.00	(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	0.06	0.05	0.05	0.05	0.04	0.04
Repositioning items	-	0.13	-	-	-	-	-	-	-	-	-	-	-
Change in the fair value of equity securities	(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 the fair value of equity securities (assumes 21% tax rate starting in 1Q18, 35% prior)	0.00	0.05	(0.11)	0.01	(0.01)	(0.00)	0.03	(0.06)	(0.01)	(0.01)	(0.03)	(0.02)	(0.01)
Significant discrete tax items	-	-	-	-	-	(0.50)	-	-	-	-	-	0.27	-
Adjusted EPS	[a] / [b] \$ 1.25	\$ 0.61	\$ (0.44)	\$ 0.95	\$ 1.01	\$ 0.97	\$ 0.80	\$ 0.92	\$ 0.91	\$ 0.83	\$ 0.68	\$ 0.70	\$ 0.65

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: Core ROTCE - Quarterly

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

	QUARTERLY TREND				
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19
Numerator (\$ millions)					
GAAP net income (loss) attributable to common shareholders	\$ 476	\$ 241	\$ (319)	\$ 378	\$ 381
Discontinued operations, net of tax	-	1	-	3	-
Core OID	9	9	8	8	7
Repositioning Items	-	50	-	-	-
Change in the fair value of equity securities	(13)	(90)	185	(29)	11
Tax on Core OID & change in the fair value of equity securities (assumes 21% tax rate)	1	17	(41)	4	(4)
Significant discrete tax items & other	-	-	-	-	-
Core net income (loss) attributable to common shareholders	[a] \$ 473	\$ 228	\$ (166)	\$ 364	\$ 396
Denominator (2-period average, \$ billions)					
GAAP shareholder's equity	\$ 14.0	\$ 13.7	\$ 14.0	\$ 14.4	\$ 14.4
Goodwill & identifiable intangibles, net of deferred tax liabilities ("DTLs")	(0.4)	(0.4)	(0.4)	(0.4)	(0.3)
Tangible common equity	\$ 13.6	\$ 13.3	\$ 13.5	\$ 14.1	\$ 14.1
Core OID balance	(1.0)	(1.1)	(1.1)	(1.1)	(1.1)
Net deferred tax asset ("DTA")	(0.1)	(0.2)	(0.1)	(0.0)	(0.1)
Normalized common equity	[b] \$ 12.4	\$ 12.0	\$ 12.3	\$ 13.0	\$ 12.9
Core Return on Tangible Common Equity	[a] / [b] 15.2%	7.6%	-5.4%	11.2%	12.3%

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 - Quarterly

Adjusted Efficiency Ratio

Numerator (\$ millions)

GAAP noninterest expense

Insurance expense

Repositioning items

Adjusted noninterest expense for the efficiency ratio

Denominator (\$ millions)

Total net revenue

Core OID

Insurance revenue

Adjusted net revenue for the efficiency ratio

Adjusted Efficiency Ratio

	QUARTERLY TREND				
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19
GAAP noninterest expense	\$ 905	\$ 985	\$ 920	\$ 880	\$ 838
Insurance expense	(268)	(322)	(256)	(238)	(247)
Repositioning items	-	(50)	-	-	-
Adjusted noninterest expense for the efficiency ratio	[a] \$ 637	\$ 613	\$ 664	\$ 642	\$ 591
Total net revenue	\$ 1,684	\$ 1,609	\$ 1,412	\$ 1,643	\$ 1,601
Core OID	9	9	8	8	7
Insurance revenue	(346)	(450)	(151)	(352)	(303)
Adjusted net revenue for the efficiency ratio	[b] \$ 1,347	\$ 1,168	\$ 1,269	\$ 1,299	\$ 1,305
Adjusted Efficiency Ratio	[a] / [b] 47.3%	52.5%	52.3%	49.4%	45.3%

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 20 of the 3Q 2020 Ally Earnings Presentation for the combined ratio for the Insurance segment which management uses as a primary measure of underwriting profitability for the Insurance segment.

Notes on Non-GAAP and Other Financial Measures

(\$ millions)	3Q 20					2Q 20					3Q 19				
	GAAP	Core OID	Change in the fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in the fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾	GAAP	Core OID	Change in the fair value of equity securities	Repositioning	Non-GAAP ⁽¹⁾
Consolidated Ally															
Net financing revenue	\$ 1,200	\$ 9	\$ -	\$ -	1,209	\$ 1,054	\$ 9	\$ -	\$ -	1,063	\$ 1,188	\$ 7	\$ -	\$ -	1,195
Total other revenue	484	-	(13)	-	471	555	-	(90)	-	465	413	-	11	-	424
Provision for credit losses	147	-	-	-	147	287	-	-	-	287	263	-	-	-	263
Noninterest expense	905	-	-	-	905	985	-	-	(50)	935	838	-	-	-	838
Pre-tax income (loss) from continuing operations	\$ 632	\$ 9	\$ (13)	\$ -	\$ 628	\$ 337	\$ 9	\$ (90)	\$ 50	\$ 306	\$ 500	\$ 7	\$ 11	\$ -	\$ 519
Corporate / Other															
Net financing revenue	\$ (15)	\$ 9	\$ -	\$ -	(6)	\$ (54)	\$ 9	\$ -	\$ -	(45)	\$ (3)	\$ 7	\$ -	\$ -	4
Total other revenue	40	-	-	-	40	52	-	-	-	52	46	-	-	-	46
Provision for credit losses	18	-	-	-	18	3	-	-	-	3	(5)	-	-	-	(5)
Noninterest expense	105	-	-	-	105	155	-	-	(50)	105	88	-	-	-	88
Pre-tax income (loss) from continuing operations	\$ (98)	\$ 9	\$ -	\$ -	\$ (89)	\$ (160)	\$ 9	\$ -	\$ 50	\$ (101)	\$ (40)	\$ 7	\$ -	\$ -	\$ (33)
Insurance															
Premiums, service revenue earned and other	\$ 279	\$ -	\$ -	\$ -	279	\$ 266	\$ -	\$ -	\$ -	266	\$ 283	\$ -	\$ -	\$ -	283
Losses and loss adjustment expenses	85	-	-	-	85	142	-	-	-	142	74	-	-	-	74
Acquisition and underwriting expenses	183	-	-	-	183	180	-	-	-	180	173	-	-	-	173
Investment income and other	67	-	(13)	-	54	184	-	(89)	-	95	20	-	10	-	30
Pre-tax income (loss) from continuing operations	\$ 78	\$ -	\$ (13)	\$ -	\$ 65	\$ 128	\$ -	\$ (89)	\$ -	\$ 39	\$ 56	\$ -	\$ 10	\$ -	\$ 66
Corporate Finance															
Net financing revenue	\$ 75	\$ -	\$ -	\$ -	75	\$ 77	\$ -	\$ -	\$ -	77	\$ 60	\$ -	\$ -	\$ -	60
Total other revenue	9	-	(1)	-	8	6	-	(1)	-	5	9	-	1	-	10
Provision for credit losses	1	-	-	-	1	25	-	-	-	25	3	-	-	-	3
Noninterest expense	23	-	-	-	23	26	-	-	-	26	22	-	-	-	22
Pre-tax income (loss) from continuing operations	\$ 60	\$ -	\$ (1)	\$ -	\$ 59	\$ 32	\$ -	\$ (1)	\$ -	\$ 31	\$ 44	\$ -	\$ 1	\$ -	\$ 45

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

Notes on Non-GAAP and Other Financial Measures

Net Financing Revenue (ex. Core OID)

(\$ millions)	QUARTERLY TREND												
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17
GAAP Net Financing Revenue	\$ 1,200	\$ 1,054	\$ 1,146	\$ 1,156	\$ 1,188	\$ 1,157	\$ 1,132	\$ 1,140	\$ 1,107	\$ 1,094	\$ 1,049	\$ 1,094	\$ 1,081
Core OID	9	9	8	8	7	7	7	23	22	21	20	19	18
Net Financing Revenue (ex. Core OID)	\$ 1,209	\$ 1,063	\$ 1,154	\$ 1,164	\$ 1,195	\$ 1,164	\$ 1,139	\$ 1,163	\$ 1,129	\$ 1,115	\$ 1,069	\$ 1,113	\$ 1,099

Adjusted Other Revenue

(\$ millions)	QUARTERLY TREND												
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17
GAAP Other Revenue	\$ 484	\$ 555	\$ 266	\$ 487	\$ 413	\$ 395	\$ 466	\$ 298	\$ 398	\$ 364	\$ 354	\$ 379	\$ 381
Accelerated OID & repositioning items	-	-	-	-	-	-	-	-	-	-	-	-	-
Change in the fair value of equity securities	(13)	(90)	185	(29)	11	(2)	(70)	95	(6)	(8)	40	-	-
Adjusted Other Revenue	\$ 471	\$ 465	\$ 451	\$ 458	\$ 424	\$ 393	\$ 396	\$ 393	\$ 392	\$ 356	\$ 394	\$ 379	\$ 381

Adjusted Total Net Revenue

(\$ millions)	QUARTERLY TREND												
Adjusted Total Net Revenue	\$ 1,680	\$ 1,528	\$ 1,606	\$ 1,622	\$ 1,620	\$ 1,557	\$ 1,535	\$ 1,556	\$ 1,521	\$ 1,471	\$ 1,463	\$ 1,492	\$ 1,480

Adjusted NIE (ex. Impairment)

(\$ millions)	QUARTERLY TREND												
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	1Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17
GAAP Noninterest Expense	\$ 905	\$ 985	\$ 920	\$ 880	\$ 838	\$ 881	\$ 830	\$ 804	\$ 807	\$ 839	\$ 814	\$ 769	\$ 753
Impairment	-	(50)	-	-	-	-	-	-	-	-	-	-	-
Adjusted NIE (ex. Impairment)	\$ 905	\$ 935	\$ 920	\$ 880	\$ 838	\$ 881	\$ 830	\$ 804	\$ 807	\$ 839	\$ 814	\$ 769	\$ 753

Original issue discount amortization expense

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

Outstanding original issue discount balance

(\$ millions)	QUARTERLY TREND												
	3Q 20	2Q 20	1Q 20	4Q 19	3Q 19	2Q 19	4Q 18	3Q 18	2Q 18	1Q 18	4Q 17	3Q 17	2Q 17
Core outstanding original issue discount balance (Core OID balance)	\$ (1,037)	\$ (1,046)	\$ (1,055)	\$ (1,063)	\$ (1,071)	\$ (1,078)	\$ (1,085)	\$ (1,092)	\$ (1,115)	\$ (1,137)	\$ (1,158)	\$ (1,178)	\$ (1,197)
Other outstanding OID balance	(48)	(46)	(34)	(37)	(40)	(44)	(39)	(43)	(46)	(49)	(53)	(57)	(62)
GAAP outstanding original issue discount balance	\$ (1,084)	\$ (1,092)	\$ (1,089)	\$ (1,100)	\$ (1,111)	\$ (1,122)	\$ (1,125)	\$ (1,135)	\$ (1,161)	\$ (1,187)	\$ (1,211)	\$ (1,235)	\$ (1,259)

(1) Excludes accelerated OID. See page 8 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 which are primarily related to the extinguishment of high cost legacy debt, strategic activities and significant other one-time items. See page 8 for definitions.