

# GAAP and Core Results - Annual



(\$ millions except per share data)

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

(1) The following are non-GAAP financial measures which Ally believes are important to the reader of the Consolidated Financial Statements, but which are supplemental to and not a substitute for GAAP measures: Adjusted Earnings per Share (Adjusted EPS), Core Pre-Tax Income, Core Net Income Attributable to Common Shareholders, Core Return on Tangible Common Equity (Core ROTCE), Adjusted Efficiency Ratio, fully phased-in Common Equity Tier 1 (CET1) capital, Adjusted Total Net Revenue, Net Financing Revenue, excluding Core OID, Adjusted Other Revenue, Core original issue discount (Core OID) amortization expense, Core outstanding original issue discount balance (Core OID balance), and Adjusted Tangible Book Value per Share (Adjusted TBVPS). These measures are used by management and we believe are useful to investors in assessing the company's operating performance and capital. Refer to the Definitions of Non-GAAP Financial Measures and Other Key Terms, and Reconciliation to GAAP later in this document.

(2) Core net income attributable to common shareholders is a non-GAAP financial measure that serves as the numerator in the calculations of Adjusted EPS and Core ROTCE and that, like those measures, is believed by management to help the reader better understand the operating performance of the core businesses and their ability to generate earnings. See pages 31 and 32 for calculation methodology and details.

(3) Adjusted earnings per share (Adjusted EPS) is a non-GAAP financial measure that adjusts GAAP EPS for revenue and expense items that are typically strategic in nature or that management otherwise does not view as reflecting the operating performance of the company. Management believes Adjusted EPS can help the reader better understand the operating performance of the core businesses and their ability to generate earnings. See page 32 for calculation methodology and details.

(4) Core return on tangible common equity (Core ROTCE) is a non-GAAP financial measure that management believes is helpful for readers to better understand the ongoing ability of the company to generate returns on its equity base that supports core operations. For purposes of this calculation, tangible common equity is adjusted for Core OID balance and the net deferred tax asset. See page 36 for calculation methodology and details.

(5) Adjusted tangible book value per share (Adjusted TBVPS) is a non-GAAP financial measure that reflects the book value of equity attributable to shareholders even if tax-effected Core OID balance were accelerated immediately through the financial statements. As a result, management believes Adjusted TBVPS provides the reader with an assessment of value that is more conservative than GAAP common shareholder's equity per share. See page 34 for calculation methodology and details.

(6) Adjusted efficiency ratio is a non-GAAP financial measure that management believes is helpful to readers in comparing the efficiency of its core banking and lending businesses with those of its peers. Adjusted efficiency ratio generally adjusts for Insurance segment revenue and expense, rep and warrant expense and Core OID. See page 38 for calculation methodology and details.

(7) Adjusted total net revenue is a non-GAAP financial measure that adjusts GAAP total net revenue for Core OID and for change in the fair value of equity securities due to the implementation of ASU 2016-01, effective 1/1/18, which requires change in the fair value of equity securities to be recognized in current period net income as compared to prior periods in which such adjustments were recognized through other comprehensive income, a component of equity. See page 45 for calculation methodology and details.