

Ally Financial Inc.
2011 Morgan Stanley Financials Conference

February 2, 2011



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Forward-Looking Statements and Additional Information



The following should be read in conjunction with the financial statements, notes and other information contained in the Company's 2009 Annual Report 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 data available at the time of the presentation

In the presentation that follows and related comments by Ally Financial Inc. ("Ally") management, the use of the words "expect," "anticipate," "estimate," "forecast," "initiative," "objective," "plan," "goal," "project," "outlook," "priorities," "target," "intend," "evaluate," "pursue," "seek," "may," "would," "could," "should," "believe," "potential," "continue," or similar expressions is intended to identify forward-looking statements. All statements herein and in related management comments, other than statements of historical fact, including without limitation, statements about future events and financial performance, are forward-looking statements that involve certain risks and uncertainties. While these statements represent our current judgment on what the future may hold, and we believe these judgments are reasonable, these statements are not guarantees of any events or financial results, and Ally's actual results may differ materially due to numerous important factors that are described in the most recent reports on SEC Forms 10-K and 10-Q for Ally, each of which may be revised or supplemented in subsequent reports on SEC Forms 10-Q and 8-K. Such factors include, among others, the following: our inability to repay our outstanding obligations to the U.S. Department of the Treasury, or to do so in a timely fashion and without disruption to our business or increase cost to Ally; uncertainty related to Chrysler's and GM's recent exits from bankruptcy; securing low cost funding for Ally and Residential Capital, LLC ("ResCap") and maintaining the mutually beneficial relationship between Ally and GM, and Ally and Chrysler; our ability to maintain an appropriate level of debt and capital; the profitability and financial condition of GM and Chrysler; our ability to realize the anticipated benefits associated with our conversion to a bank holding company, and the increased regulation and restrictions that we are now subject to; continued challenges in the residential mortgage and capital markets; the potential for deterioration in the residual value of off-lease vehicles; the continuing negative impact on ResCap of the decline in the U.S. housing market; any impact resulting from delayed foreclosure sales or related matters; the potential for legal liability resulting from claims related to the sale of private label mortgage-backed securities; changes in U.S. government-sponsored mortgage programs or disruptions in the markets in which our mortgage subsidiaries operate; disruptions in the market in which we fund Ally's and ResCap's operations, with resulting negative impact on our liquidity; changes in our accounting assumptions that may require or that result from changes in the accounting rules or their application, which could result in an impact on earnings; changes in the credit ratings of ResCap, Ally, Chrysler or GM; changes in economic conditions, interest rates, currency exchange rates or political stability in the markets in which we operate; and changes in the existing or the adoption of new laws, regulations, policies or other activities of governments, agencies and similar organizations (including as a result of the recently enacted financial regulatory reform bill). Investors are cautioned not to place undue reliance on forward-looking statements. Ally undertakes no obligation to update publicly or otherwise revise any forward-looking statements except where expressly required by law. Reconciliation of non-GAAP financial measures included within this presentation are provided in this presentation.

Use of the term "loans" describes products associated with direct and indirect lending activities of Ally's global operations. The specific products include retail installment sales contracts, loans, lines of credit, leases or other financing products. The term "originate" refers to Ally's purchase, acquisition or direct origination of various "loan" products.



Discussion Topics

Summary Overview

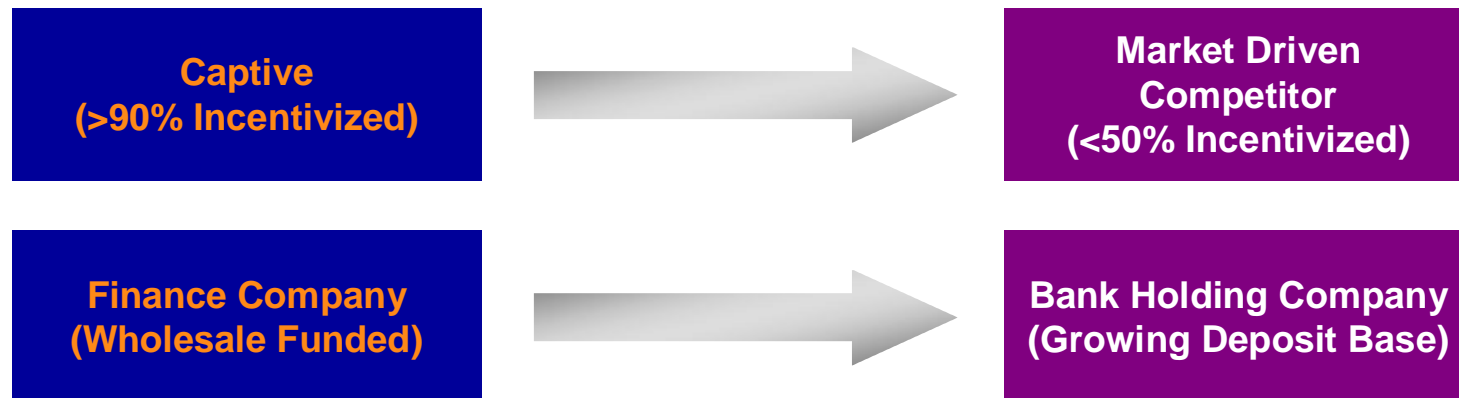
Premier Auto Finance Franchise

Mortgage Business Transformation

Successful Retail Bank Platform



Business Transformations are Driving Success



Key Business Franchises

Auto

- ✓ #1 U.S. new car lender with \$43 billion of global originations in 2010
- ✓ Uniquely positioned for continued success in an attractive asset class

Mortgage

- ✓ Streamlined and focused on strengths in agency origination and servicing
- ✓ Remaining risks have been mitigated through a series of strategic actions

Deposits

- ✓ Ally Bank is a leading online retail bank franchise
- ✓ Deposit base driving cost of funds improvement





2010 Achievements

- Ally earned core pre-tax income⁽¹⁾ of \$533 million and net income of \$79 million in 4Q10
 - \$2.5 billion of core pre-tax income⁽¹⁾ and \$1.1 billion of net income in 2010

Premier Auto Finance Provider

- ✓ Diversified business mix as a market driven competitor
- ✓ 72% YoY growth in U.S. consumer originations
- ✓ Successfully implemented Ally Dealer Rewards cross-product strategy

De-Risk Mortgage Business

- ✓ Completed strategic review of mortgage business
- ✓ Balance sheet has been streamlined and performance has stabilized
- ✓ Reached important rep and warrant settlements with both Fannie Mae and Freddie Mac

Access Capital Markets

- ✓ \$36 billion of new secured and unsecured funding transactions
- ✓ MCP conversion bolsters capital; Tier 1 Common increases from 5.3% to 8.6%

Grow Deposits

- ✓ Total deposits grew \$7.3 billion YoY and now comprise 29% of total funding
- ✓ Demonstrated Ally Bank franchise strength with CD retention rate of 85%

Improve Cost Structure

- ✓ Exceeded expense reduction goal with \$680 million of expense savings
- ✓ Sold 15 non-core operations in 2010

(1) Core pre-tax income is a non-GAAP financial measure. Please refer to slide 6 for further details





Full Year Segment Results

(\$ millions)	4Q 10	3Q 10	2Q 10	1Q 10	FY 2010
North American Automotive Finance	\$ 589	\$ 551	\$ 592	\$ 612	\$ 2,344
International Automotive Finance	12	74	95	47	228
Insurance	164	114	108	183	569
Global Automotive Services	765	739	795	842	3,141
Mortgage Origination and Servicing	172	425	249	71	917
Legacy Portfolio and Other ⁽¹⁾	(49)	(271)	(20)	85	(254)
Mortgage Operations	123	154	229	156	663
Corporate and Other (ex. OID) ⁽²⁾	(355)	(258)	(294)	(415)	(1,325)
Core pre-tax income ⁽³⁾	\$ 533	\$ 635	\$ 728	\$ 583	\$ 2,479
OID amortization expense	301	310	292	397	1,300
Income tax expense	36	48	34	36	153
Income (loss) from discontinued operations ⁽⁴⁾	(117)	(8)	163	11	49
Net income	\$ 79	\$ 269	\$ 565	\$ 161	\$ 1,075

(1) Legacy Portfolio and Other segment primarily consists of loans originated prior to Jan. 1, 2009, and includes non-core business activities including portfolios in run-off. Please refer to pages 14 and 38 of the 4Q10 earnings presentation filed with the SEC on 2/1/2011 for more details

(2) Corporate and Other as presented includes Commercial Finance Group ("CFG"), certain equity investments and treasury activities including the residual impacts from the corporate funds transfer pricing and asset liability management ("ALM") activities

(3) Core pre-tax income is defined as income from continuing operations before taxes and bond exchange original issue discount ("OID") amortization expense

(4) Please refer to slide 33 of the 4Q10 earnings presentation filed with the SEC on 2/1/2011 for a listing of businesses classified as discontinued operations





A Leader in Supporting the Economic Recovery

Ally has fulfilled its mission of supporting the U.S. Auto Industry

- Provided financing for 2.9 million GM and Chrysler vehicles sold to nearly 5,000 dealers
 - Up from 1.5 million during the prior 12-month period, an increase of 90%
- Financed 898,000 GM and Chrysler vehicles to consumers in 2010
 - Represents approximately 40% of the automakers' retail sales
 - Up from about 500,000 in the prior year

Only top 10 bank in commercial & industrial lending to show loan growth

- Loan growth is up 17% with the remaining of the top 10 being down 11% on average⁽¹⁾
 - Ally's dealer customer base is primarily small and medium sized businesses
- Enabled over 375,000 consumers to purchase homes, refinance, or modify existing loans representing \$90 billion of financing
- Leader in mortgage loan modifications, including in the HAMP program

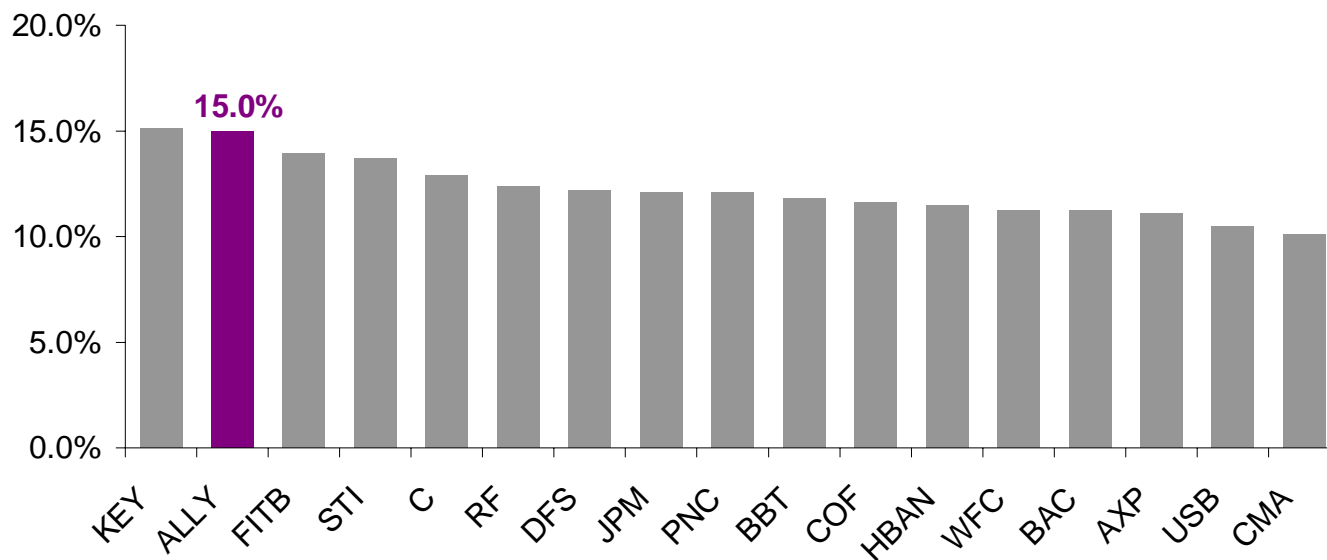
(1) Source: Federal Reserve Bank Holding Company Performance Reports as of 9/30/10, measured by commercial and industrial loans year-over-year growth



Capital and Liquidity

- Ally's capital ratios are strong relative to investment grade peers
 - Particularly notable given low risk profile of Ally's remaining balance sheet
- Conservative liquidity posture with over \$23.8 billion⁽¹⁾ of parent company liquidity
 - Manageable upcoming debt maturities with limited required unsecured issuance

Tier 1 Capital Ratio Comparison



Note: Capital ratios are preliminary as of 12/31/10, sourced from peer 4Q10 earnings releases, except DFS, which is as of 11/30/10

(1) Please refer to slide 41 of the 4Q10 earnings presentation filed with the SEC on 2/1/2011 for additional details



Discussion Topics

Summary Overview

Premier Auto Finance Franchise

Mortgage Business Transformation

Successful Retail Bank Platform





Ally's Preeminent Auto Franchise

- **Strong and proven competitive position in an attractive and growing market**

Uniquely Positioned

- ✓ Only auto-focused bank lender in the market
- ✓ Combination of leading auto finance platform and bank funding model benefits

Proven Market Leader

- ✓ #1 U.S. new car lender with 72% year-over-year growth
- ✓ Currently finance 50% of GM and 36% of Chrysler U.S. consumer sales
- ✓ Preferred retail financing provider for GM, Chrysler, Fiat (U.S.), Saab, Thor and Suzuki

Competitively Advantaged

- ✓ Broad range of product offerings for dealers and consumers
- ✓ Superior nationwide scale and infrastructure

Attractive Asset Class

- ✓ Stable, low loss, secured credit exposure
- ✓ Positioned to grow with economic recovery
- ✓ Auto manufacturers and dealer base have emerged from crisis much healthier and more stable





Success is Driven by Strong Dealer Relationships

- Broad product offerings serve as a strong foundation for deep dealer relationships
- Ally Dealer Rewards program recognizes & rewards volume and breadth of relationship
- Access to broad application flow ensures “first look” financing opportunities

Dealer is central to the indirect auto finance process



Depth of Dealer Relationships and Infrastructure

- **Superior infrastructure supports dealer and retail customer needs**

Dealers

- Over 14,000 unique dealer relationships
- More than 5,000 dealers utilize four or more Ally products

Underwriting & Origination

- Over 90 years of underwriting, servicing and risk management experience
- Financing capability from factory, to showroom floor, to customer's garage
- 309 credit underwriters and 207 dealer relationship representatives

Ally Servicing

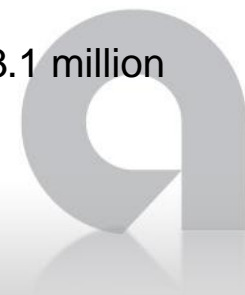
- Largest North American auto servicing entity
- 4,400 total employees and 4.2 million accounts serviced
- Diversified across levels of risk with specialized collector groups

Risk Management

- Originating broad credit spectrum utilizing robust analytics to manage end-to-end credit risk
- VIN-based tracking capabilities

SmartAuction

- Industry leading wholesale internet auction with more than 3.1 million vehicles sold



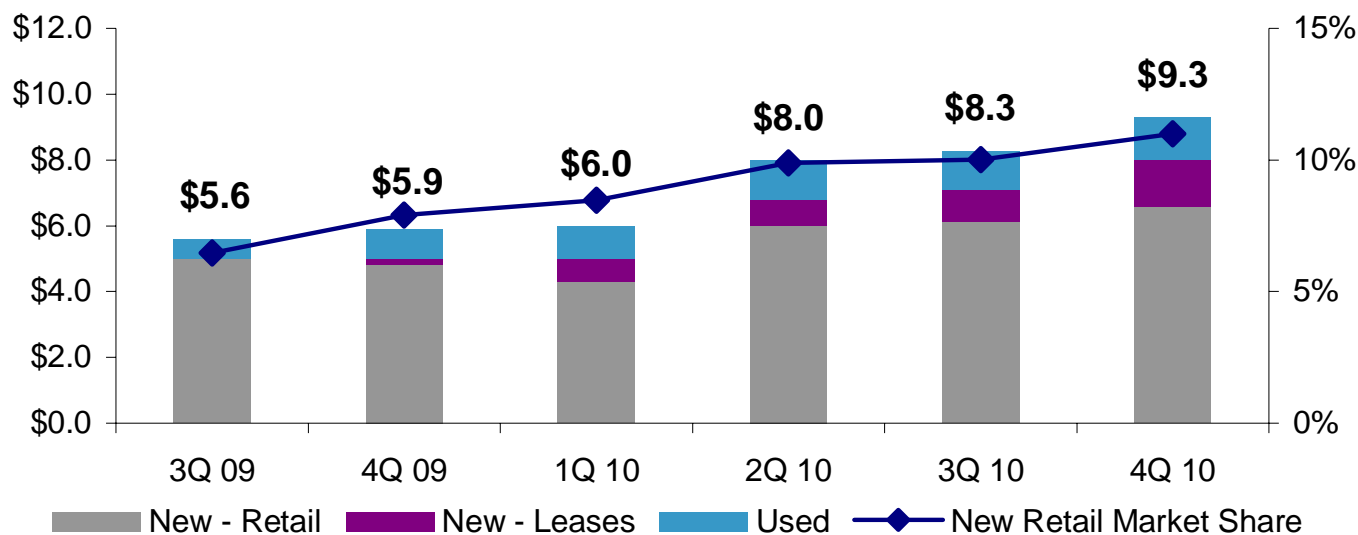
Leading Auto Finance Franchise - Originations



Originations and market share continue positive momentum

U.S. Consumer Auto Originations

(\$ billions)



Source: Experian Automotive and Ally internal data



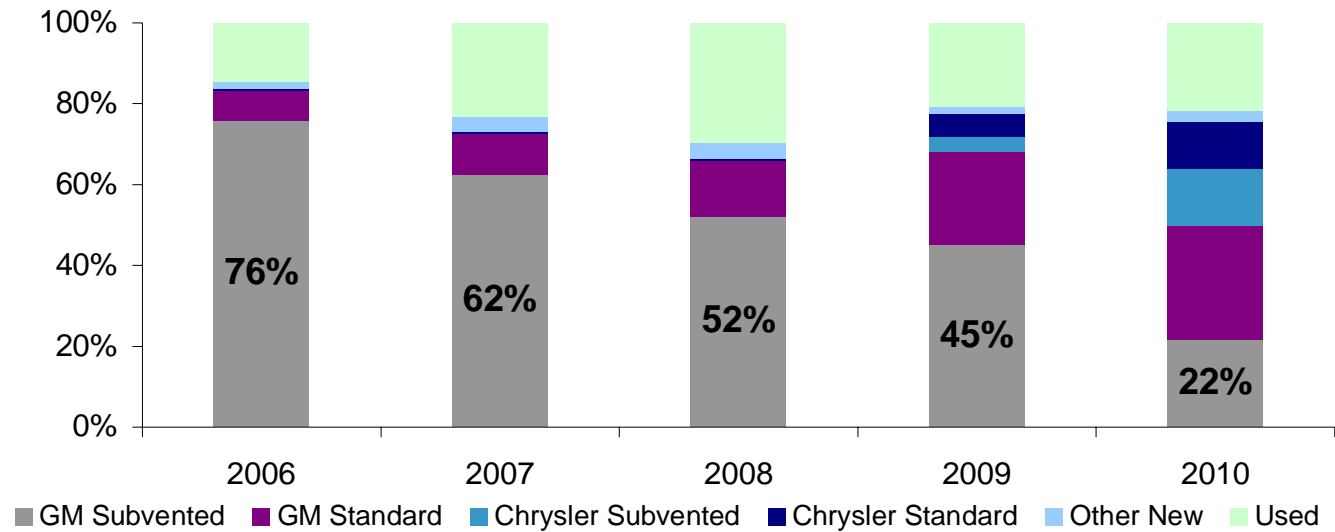
Leading Auto Finance Franchise – Business Mix



Increased diversification as an independent market driven competitor

U.S. Consumer Auto Originations

(% of units originated)

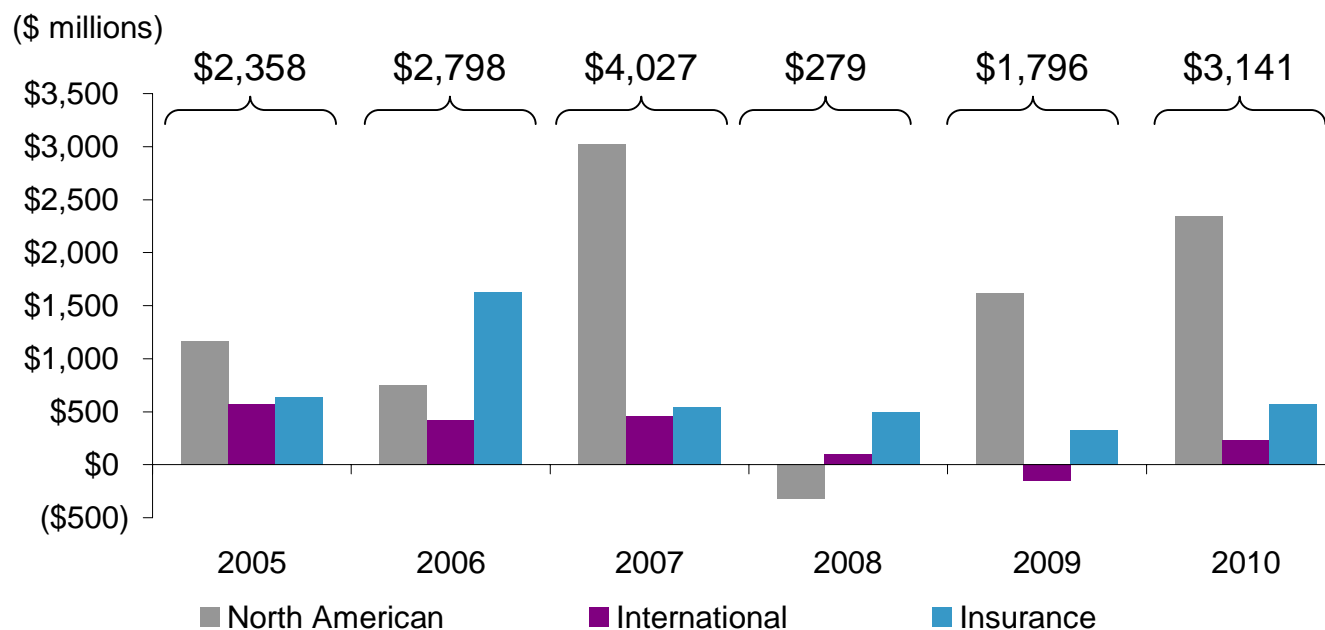




Stable Asset Class - Earnings

- Ally's auto finance and insurance franchises have been consistently profitable since 1919
 - Earnings will benefit as cost of funds declines with deposit growth
 - Platform scale provides efficiencies

Pre-Tax Income from Continuing Operations



Note: 2005, 2006 and 2007 income not adjusted to reflect FTP allocations, discontinued operations or changes in segment reporting

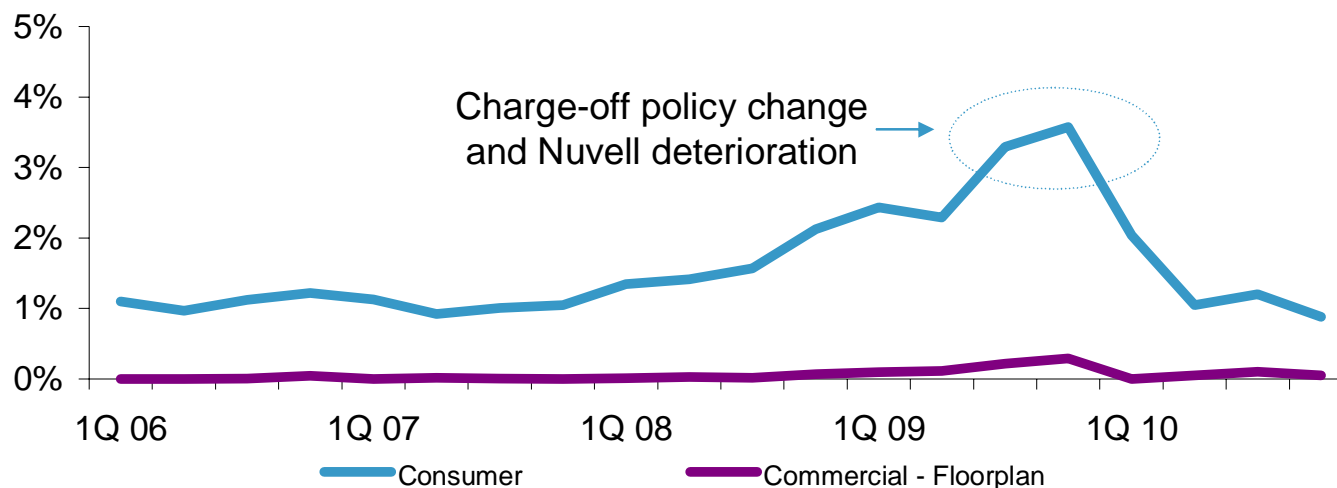


Stable Asset Class – Credit Performance

- Stable, low credit losses in both consumer and commercial portfolios
 - Significant benefits of long term risk management experience
 - Losses skewed by legacy Nuveel subprime platform
 - Performance has returned to normalized levels

Automotive Credit Losses

(% of Average Principal Balance, Annualized)



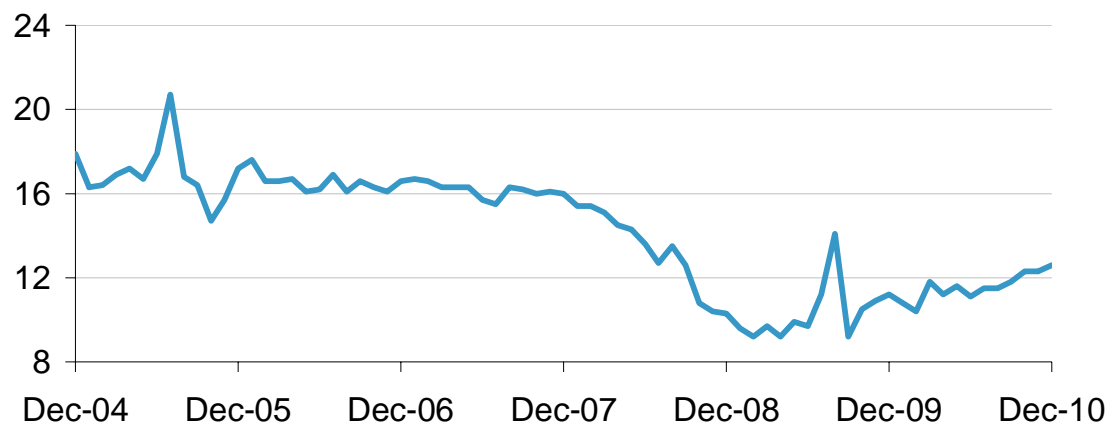
Growth – Leveraging Franchise Strengths

Growth Strategy and Outlook

- Positioned to benefit from the recovery in the auto industry and the economy
- Expand OEM preferred relationships
- Utilize dealer relationships to develop further used market participation
- Well positioned in high growth, high margin international markets (Brazil and China)
- Leverage strong competitive position

U.S. Light Vehicle Sales

(SAAR - millions of units)



Source: U.S. Department of Commerce



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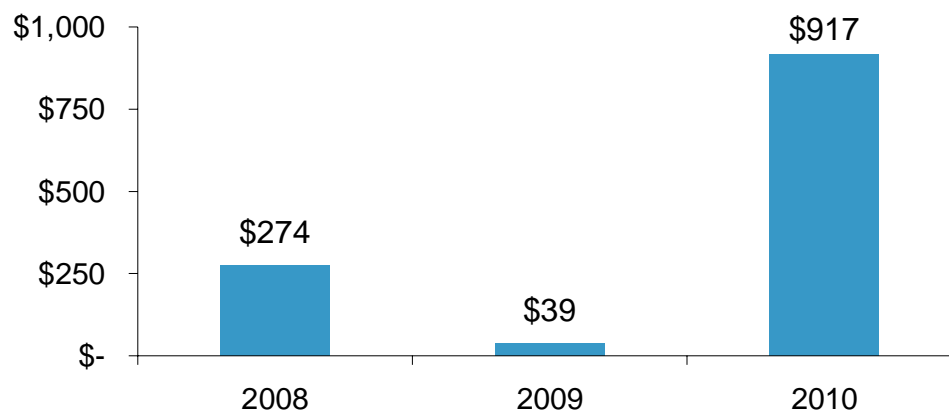
Mortgage Origination and Servicing Business

Focused on Strengths in Agency Origination and Servicing

- Ally is the 5th largest mortgage originator and servicer in the U.S.
 - ResCap platform supports business
 - Profitable every quarter in 2010
 - Lower risk business with strong market technicals
 - Requires minimal balance sheet usage
 - Provides business diversification opportunity

Mortgage Originations and Servicing Pre-Tax Results

(\$ millions)



Note: Originations and Servicing revenue excludes rep & warrant expense and 2009 excludes the impact of ~\$500MM in hedging related losses associated with liquidity constraints





Mortgage Business Transformation

Mortgage Balance Sheet has been Substantially De-risked

- Sold European mortgage operations, representing \$11 billion of assets
- Sold \$2.5 billion of legacy loans in 2010
- Sold \$1.0 billion legacy Resort Finance portfolio
- Reduced mortgage assets to \$37 billion from \$140 billion in 2006
- Remaining mortgage assets are largely non-economic exposures or support the ongoing origination and servicing business

Ally Financial Mortgage Assets

(\$ billions)

Accounting Assets / Cash	\$ 12.3	- Little economic risk
MSR, etc.	4.4	- At fair value
ResCap HFS Portfolio	1.8	- Marked at 45% UPB
Ally Bank HFI Portfolio	9.5	- 728 average FICO
Pipeline Assets ⁽¹⁾	8.7	- Agency warehouse lines and HFS
Total Mortgage Assets	\$ 36.8	

(1) Includes warehouse lines, Ally Bank cash, A/R, and other assets

Note: Refer to slide 38 of the 4Q10 earnings presentation filed with the SEC on 2/1/2011 for additional details.





Mortgage Repurchase Risk

- **Ally is addressing repurchase risk through settlements and established reserves**
- **Settlements**
 - Completed settlements with seven counterparties, including both Freddie Mac and Fannie Mae
 - Settlements have been generally in line with established reserves
- **Reserves established**
 - Significantly built reserves in 2009 with incremental expense in 2010
 - Ally will continue to closely monitor delinquency and claims trends and will adjust reserves as necessary
- GSE experience very mature at this point
- Private label securitization very different from GSE sales

Mortgage Repurchase Risk (\$ millions)	4Q 09	1Q 10	2Q 10	3Q 10	4Q 10
New Claims	410	392	225	281	222
Outstanding Claims ⁽¹⁾⁽²⁾	919	865	828	888	888 ⁽³⁾
Reserve Balance	1,263	890	855	1,128	830

(1) Includes claims that Ally has requested to be rescinded but not yet confirmed by the counterparty

(2) Represents current UPB and requested make-whole for claims and does not represent expected losses

(3) Excludes \$30 million of claims estimated to be covered by the Fannie Mae settlement



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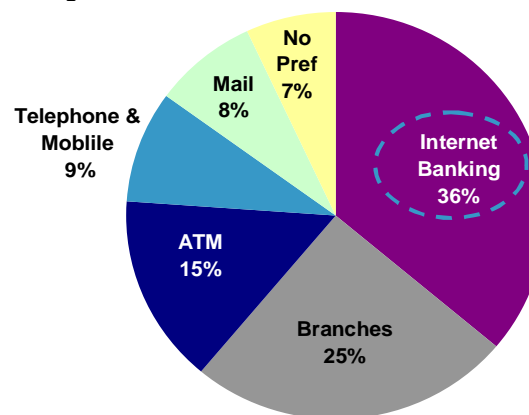
Successful Retail Bank Platform



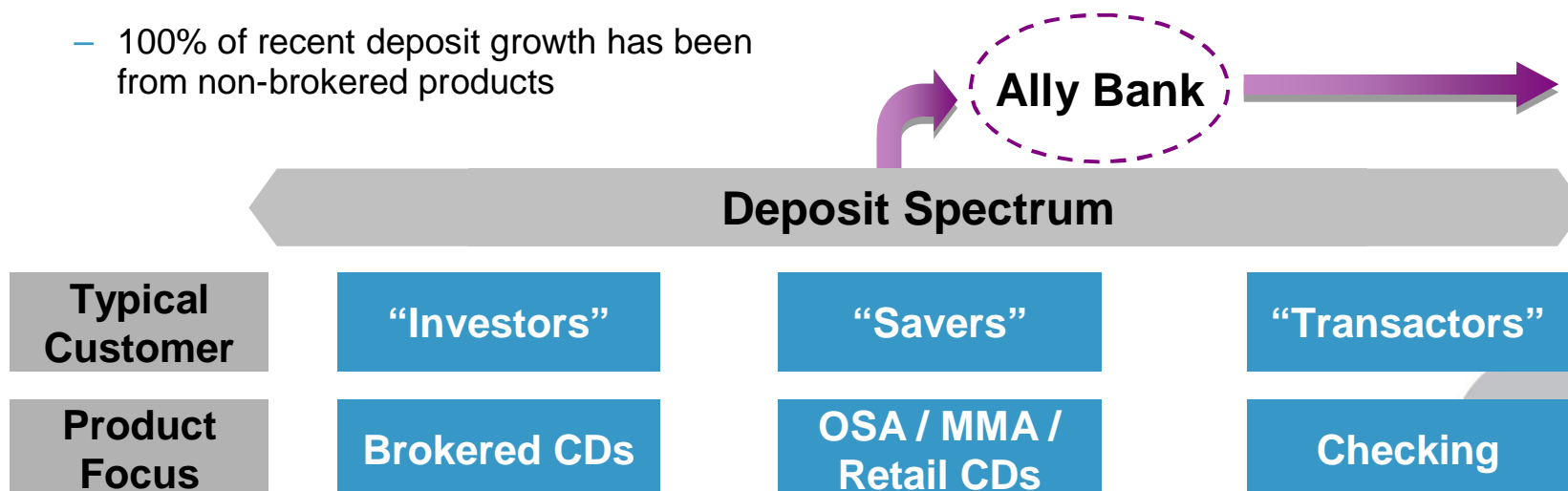
Deposits Market

- **Online banking preferred by consumers**
 - Consumer banking continues to migrate online
- **Ally Bank is an established and successful retail franchise**
 - Voted “Best Savings Account” by Money Magazine in 2010
 - Named “Top Financial Services Web Site” by Change Sciences Group in 2010
- **Ally offers products across the deposit spectrum**
 - 100% of recent deposit growth has been from non-brokered products

Preferred Banking Channel



Source: American Bankers Association (ABA)



Ally Bank is an Established Leader in Online Banking



Brand and Marketing Strategy

- Do Right – Advocate, strive for customer satisfaction
- Be Obviously Better – Intelligent experience, win-win, be a challenger
- Operate in a safe and sound manner at all times

Differentiate the Customer Experience

- Access to customer representatives 24/7
- Ease of Use – Streamlined account opening process, easy navigation on website
- No hidden fees, rules or penalties



Compelling Value Proposition

- Full spectrum of product offerings
- Products designed to address customer needs

Competitive Pricing

- Ally Bank offers an attractive alternative to traditional money center banks
- Competitive pricing but not a price leader



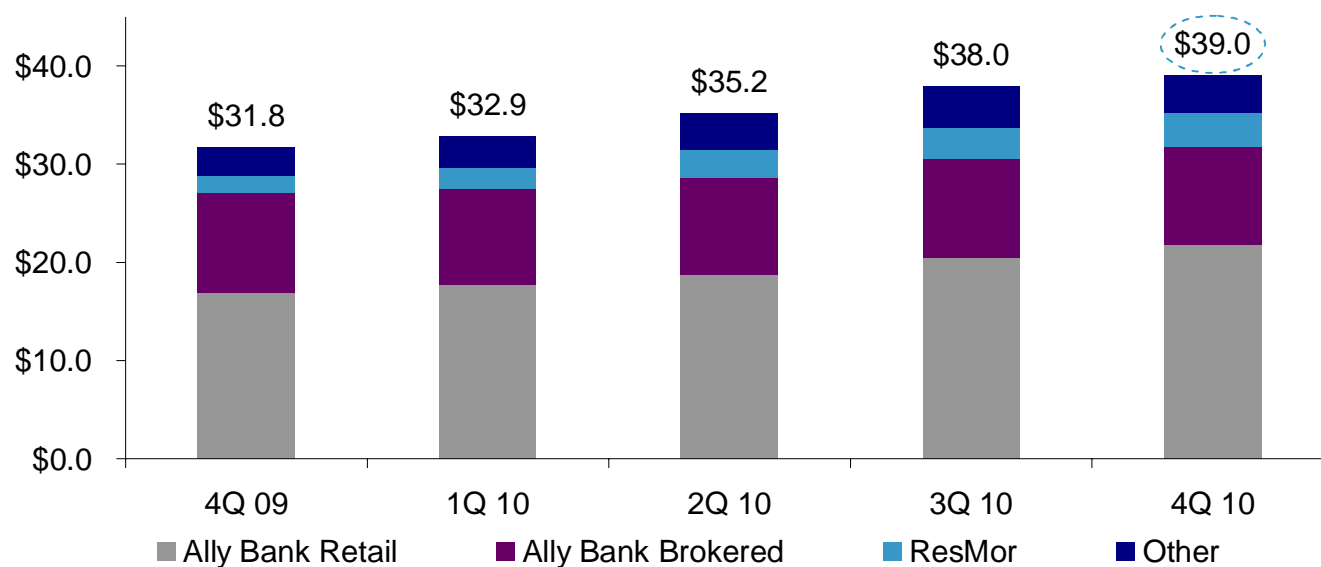
Deposits Franchise – Stable Growth



Stable, consistent growth of retail deposits

Ally Financial Deposit Levels

(\$ billions)



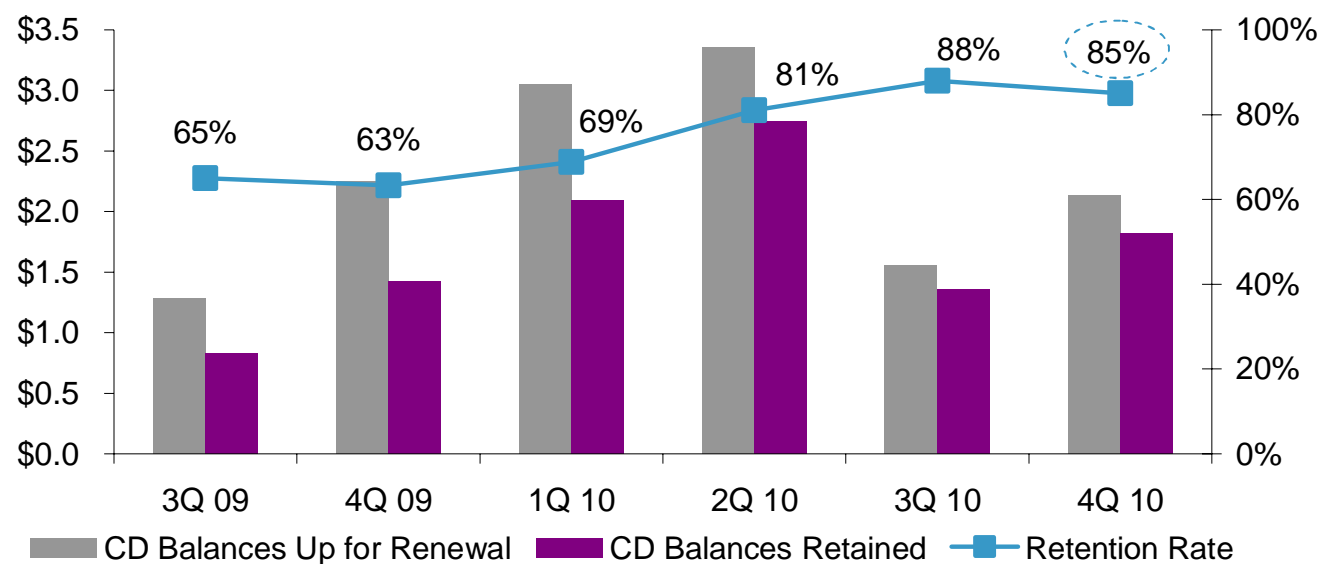


Deposits Franchise – CD Retention Rates

High CD retention rates reflect franchise strength

Retail CD Balance Retention ⁽¹⁾

(\$ billions)



(1) Retention includes balances retained in any Ally Bank product



Q & A

