Springleaf Finance Corporation

Bank of America Merrill Lynch

Leveraged Finance Conference

December 2013

Springleaf
Lending made personal

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Qualification and Safe Harbor Disclaimer

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Non-GAAP Financial Measures

We present Adjusted Pretax Earnings (Historical) and Pretax Core Earnings as "non-GAAP financial measures" in this presentation. These measures are derived on the basis of methodologies other than in accordance with accounting principles generally accepted in the United States of America ("GAAP"). Please refer to the Appendix hereto for the quantitative reconciliations from loss before provision for income taxes on a historical accounting basis to adjusted pretax earnings and to pretax core earnings.

We also present our segment financial information on a historical accounting basis in this presentation. This information represents a "non-GAAP measure" which uses the same accounting basis that we employed prior to the Fortress Acquisition. This presentation provides a consistent basis to better understand our operating results. Please refer to the Appendix hereto for quantitative reconciliations from our push-down accounting pretax earnings (loss) to our historical pretax earnings (loss) for each quarter in 2013 and the third quarter 2012.

Important Information

The following slides are part of a presentation by Springleaf Finance Corp. (the "Company") in connection with a leveraged finance conference presentation and are intended to be viewed as part of that presentation. No representation is made that the information in these slides are complete. For additional financial, statistical and business related information, as well as information regarding business and segment trends, see the Company's annual, quarterly, and current reports including the Company's quarterly report on Form 10-Q for the quarter ended September 30, 2013 and relevant prior periods, which are filed with the Securities and Exchange Commission from time to time and are available on the Company's website (www.springleaf.com) and the SEC's website (www.sec.gov.).

Forward Looking Statements

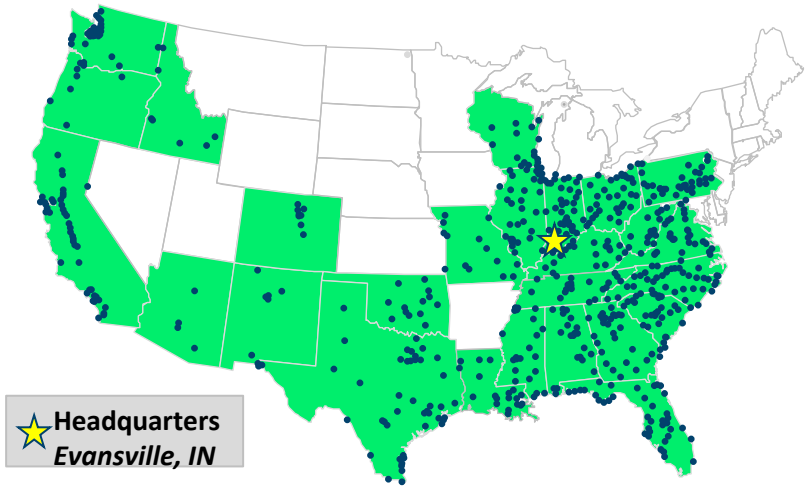
This presentation contains "forward-looking statements" within the meaning of the U.S. federal securities laws. Forward-looking statements include, without limitation, statements concerning plans, objectives, goals, projections, strategies, future events or performance, and underlying assumptions and other statements, which are not statements of historical facts. Statements preceded by, followed by or that otherwise include the words "anticipate," "appears," "believe," "foresee," "intend," "should," "expect," "estimate," "project," "plan," "may," "could," "will," "are likely" and similar expressions are intended to identify forward-looking statements. These statements involve predictions of our future financial condition, performance, plans and strategies, and are thus dependent on a number of factors including, without limitation, assumptions and data that may be imprecise or incorrect. Specific factors that may impact performance or other predictions of future actions include, but are not limited to: changes in general economic conditions, including the interest rate environment and the financial markets; levels of unemployment and personal bankruptcies; shifts in residential real estate values; shifts in collateral values, delinquencies, or credit losses; natural or accidental events such as earthquakes, hurricanes, tornadoes, fires, or floods; war, acts of terrorism, riots, civil disruption, pandemics, or other events disrupting business or commerce; the effectiveness of our credit risk scoring models; changes in our ability to attract and retain employees or key executives; changes in the competitive environment in which we operate; changes in federal, state and local laws, regulations, or regulatory policies and practices; potential liability relating to real estate and personal loans which we have sold or may sell in the future, or relating to securitized loans; the costs and effects of any litigation or governmental inquiries or investigations; our continued ability to access the capital markets or the sufficiency of our current sources of funds to satisfy our cash flow requirements; our ability to generate sufficient cash to service all of our indebtedness; the potential for downgrade of our debt by rating agencies; and other potential risks described in the Company's annual report on Form 10-K and quarterly reports on Form 10-Q. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. We caution you not to place undue reliance on these forward-looking statements that speak only as of the date they were made. We do not undertake any obligation to publicly release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events. You should not rely on forward looking statements as the sole basis upon which to make any investment decision.

Springleaf Overview

- **Leading consumer finance company – offering loans through nationwide branch network and online platform**
- **Focused on growing consumer loan business and uniquely positioned to capitalize on supply-demand imbalance within the non-prime lending space**
- **Springleaf believes in outstanding service, fair pricing and long-term borrower relationships**

Nationwide Footprint

Over 830 branches in 26 states plus online presence



Springleaf Portfolio

Focus on high-margin consumer lending

Consumer Lending

- *Services $3.0 billion of personal loans(1)*
- *Over 315,000 monthly applications(2)*
- *Over 61,500 monthly loan closings(2)*

Legacy Mortgage

- *Ceased originating mortgages*
- *$9.5 billion run-off portfolio(1)*
- *Actively managing wind-down*

(1) *Reflects historical accounting basis as of September 30, 2013.*
(2) *Rounded; monthly average for nine months ended September 30, 2013.*

Springleaf Today

Management Team	✓ Since Fortress acquisition in October 2010, appointed CEO, CFO, CRO, General Counsel, and heads of Capital Markets, Marketing, and Human Resources
Consumer Lending	✓ Re-focused business exclusively on consumer lending ✓ Commenced run-off of mortgage business
Liquidity	✓ Diversified funding sources ✓ S&P, Moody's, Fitch upgraded counter party ratings to B-/B3/B-
Earnings	✓ Posted positive Pretax Core Earnings(1) in Q2 2013 and Q3 2013(2) ✓ Pretax Core Earnings continue positive trajectory
Recent IPO	✓ Springleaf Holdings Inc. (parent company) recently completed IPO ✓ NYSE Ticker "LEAF" ✓ $235.6 million net proceeds to the Company

(1) *Pre-tax Core Earnings is a Non-GAAP measure. See the Appendix for a Reconciliation of Pretax Core Earnings to Push Down Accounting Pretax Earnings (Loss).*

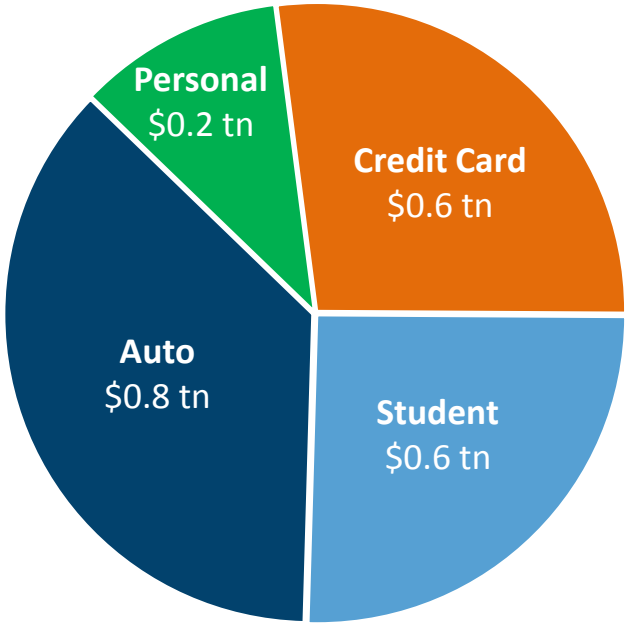
(2) *Net Income was positive for the first time since 2010 in Q2 2013. Net Income was negative in Q3 2013 due to non-recurring items related to early retirement of debt and non-cash compensation expenses associated with the IPO of Springleaf Holdings, Inc.*

Large Borrower Demand, Limited Supply

- **Uniquely positioned to capitalize on supply-demand imbalance within the non-prime lending space**
  - Large and Growing Non-Prime Population: 188 million Americans earn less than $75,000[(1)]
  - Limited Liquidity: Nearly half of Americans do not believe they could raise $2,000 in 30 days[(2)]
  - Reduced Supply**:** Few non-prime players still exist; non-prime lending down materially since 2008 peak[(3)]

$2.2 trillion of U.S. Consumer Debt[(3)]

$750 billion is Non-Prime, 34% of Total[(3)]



Few Large Scale Players Remain[(4)]

		Operating Today?
Personal Loans	Springleaf Financial	✓
	OneMain	✓
	Beneficial	X
	Wells Fargo Financial	X
	Household	X
Credit Cards	*NextCard*	X
	Providian	X
	Metris	X

(1) *US Census Bureau, "Race of Head of Household by Median and Mean Income", May 2011.*
(2) *NBER Working Paper, Financial Fragile Households Evidence and Implications, May 2011.*
(3) *Data as of June 2013 from Experian's national credit database. Excludes mortgage debt and home equity. "Personal" includes Personal plus Retail debt.*
(4) *Based on other large, national companies Springleaf deems to be comparable.*

Few Lending Alternatives

- **Of those still lending today:**
  - Banks are mainly lending to prime borrowers
  - Other non-prime lenders often offer less favorable terms
- **Springleaf offers responsible alternative for borrowers seeking affordable personal loans**



Payday / Pawn	
	Low credit quality
	High scrutiny
	High credit risk
APR	*100% to 500%+*
FICO	*< 600*
Size	*< $500*
Term	*Very Short*

Springleaf Financial	
	Focus on broad range of borrowers
	Results in-line with higher credit quality portfolios
APR	*18% to 36%*
FICO	*< 650*
Size	*Up to $10,000*
Term	*Up to 5 years*

Banks	
	High credit quality
	High scrutiny
	Low credit risk
APR	*10% to 20%*
FICO	*> 700*
Size	*Up to $80,000*
Term	*Up to 10 years*

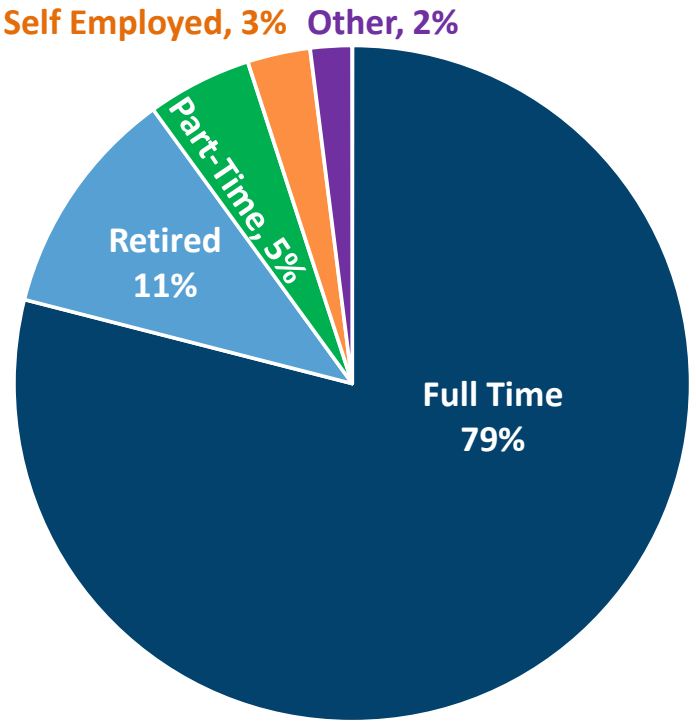
Note: APR, FICO, Size, and Term based on Springleaf estimates.

Springleaf Customers

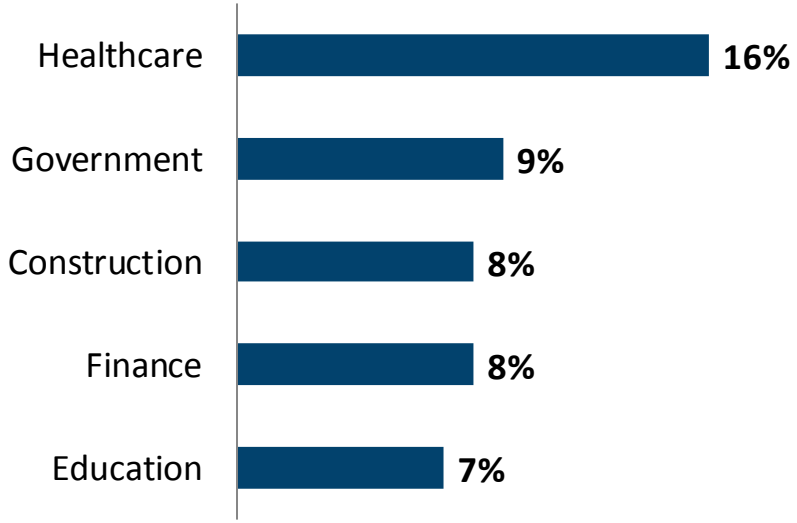
- **Borrowers typically have solid job history and consistent income, but are credit constrained**
  - Borrowers rely on our loans for: loan consolidation, home/auto repair, unexpected life events
- **Borrowers are also technologically adept - over 93% bank online(1) and 81% have smartphones(1)**

Average Borrower Demographics(1)

- **Age: 47 years**
- **Income: $49,000**
- **FICO: 600**
- **Homeowners: 56%**



Borrowers are employed in a wide array of industries



(1) *Demographic data is rounded and for the quarter ended June 30, 2013 based on a Company profile survey for loans booked January through May 2013.*

Springleaf Personal Loans

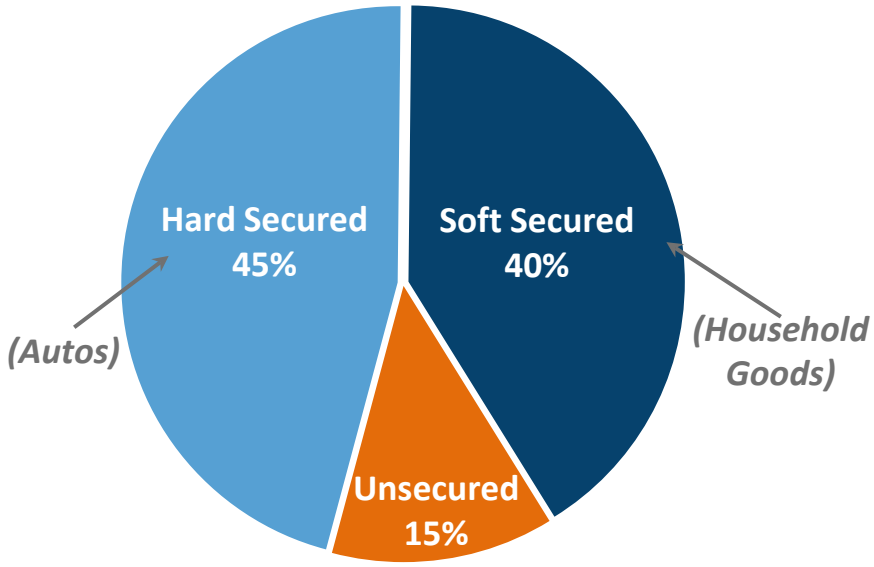
- **Springleaf makes 3 basic types of personal loans: hard secured, soft secured, unsecured**
  - Time tested underwriting principles enhanced by proprietary data

Capacity	Character	Collateral
Income to repay	*Willingness to repay*	*Additional loan support*

- **Face-to-face branch-based lending enhances servicing effectiveness**

Typical Loan Profile(1)

- **Size: $4,133**
- **Yield: 25.7%**
- **Max Term: 4 years**
- **Secured: 85%**



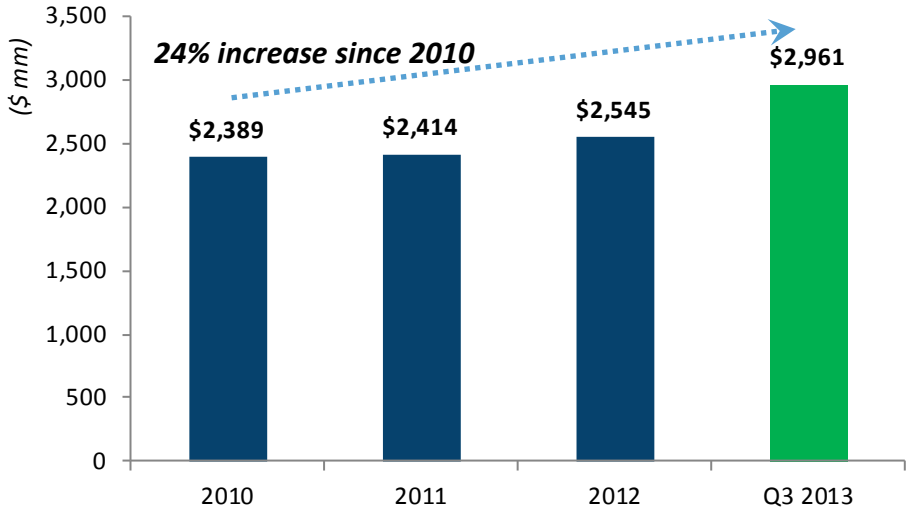
Typical Loan Economics(2)

Loan Balance	*$4,133*
Yield	*25.7%*
Maximum Term	*48 months*
Level Monthly Payments	*$172*
Loan Proceeds to Borrower	($4,133)
Total Payments	6,650
Net Charge-Offs *(Q3 '13: 4.04%)*	(396)
Risk-Adjusted Revenue	**$2,121**

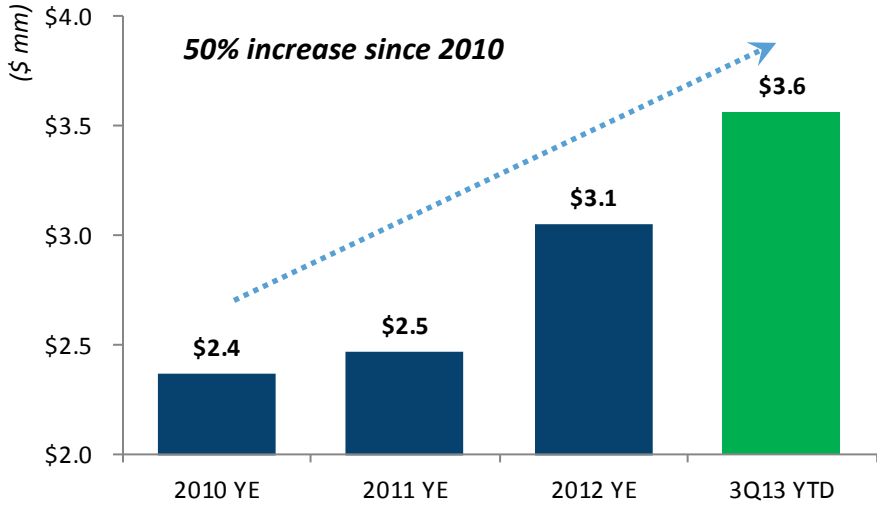
(1) *Data represents the nine month period ended Sept 30, 2013.*
(2) *Assumes no application fees, no insurance, all payments are received on time and simple interest.*

Focus On Consumer Lending, Conservative Underwriting

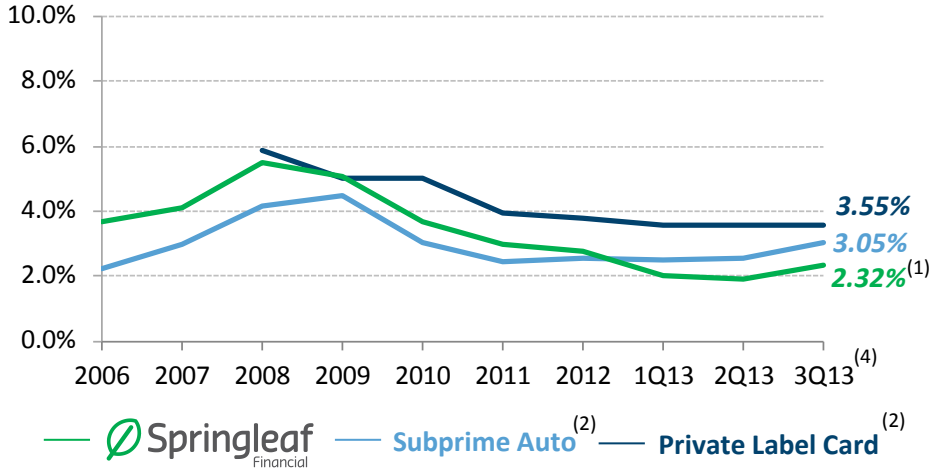
Consumer Lending Portfolio Continues To Increase…



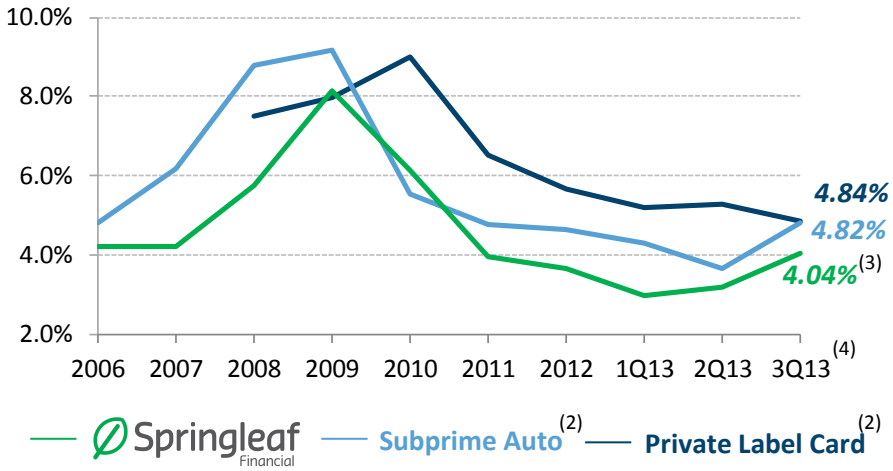
…Along With Receivables Per Branch



Portfolio Delinquencies Compare Favorably…



…And So Do Portfolio Losses



(1) *Springleaf financial statements, reflects Springleaf's 60+ day delinquency ratio (reflects three missed payments or more)*

(2) *Private Label Credit Card data (based on GE Master Trust) : Securities and Exchange Commission; Subprime Auto data: S&P monthly tracking. Data represents 60+ delinquency.*

(3) *Excludes $14.5 million of charge-offs recorded in March 2013 related to change in personal loan charge-off policy and $25.4 million in recoveries from June 2013 sale of charge-off finance receivables.*

(4) *Q3 '13 delinquency and net charge-off rates for Private Label Credit Card and Subprime Auto only include July and August 2013 data.*

Mortgage Portfolio Highlights

Conservatively Underwritten

- ✓ Substantially all loans are:
  - First lien
  - Fixed rate
  - Fully documented
  - Fully amortizing

Non-Recourse Financing

- ✓ 7 securitizations since 2011, raising over $4.1 billion
- ✓ Weighted average cost of funds of 3.25%(1)
- ✓ Liquid market

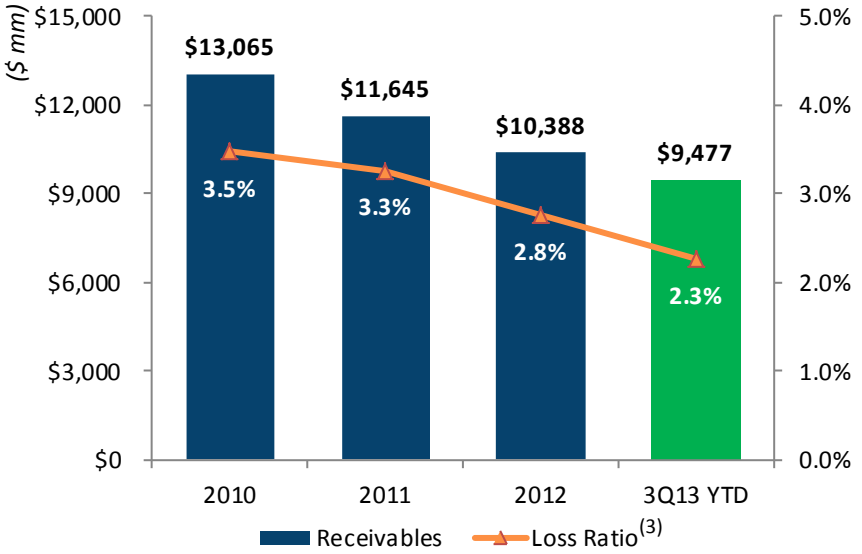
Stabilizing Losses

- ✓ Significant servicing resources added
- ✓ Centralization of servicing
- ✓ Strengthening home prices and employment

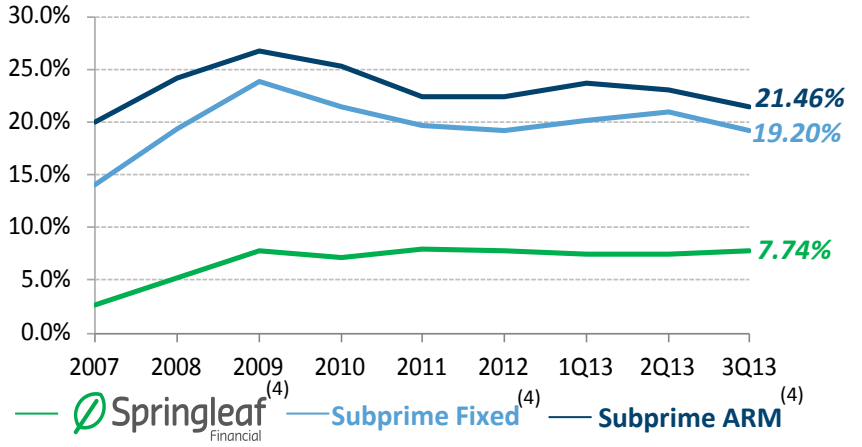
Predictable Run-Off Cash Flow

- ✓ Average annual mortgage portfolio cash flow(2) of $1.7 billion holds relatively steady at approximately 17% of average mortgage receivables

Mortgage Portfolio Summary



Mortgage Delinquencies Below Averages



(1) *On a historical basis weighted by initial and subsequent note amounts issued for the 7 securitizations since 2011.*

(2) *Represents approximate principal and interest receipts less principal losses on a historical accounting basis as of September 30, 2013.*

(3) *Q3 '13 data excludes $9.9 million in recoveries from June 2013 sale of charge-off finance receivables.*

(4) *Springleaf financial statements, reflects Springleaf's 60+ day delinquency ratio (reflects three missed payments or more); MBA National Delinquency Survey, 60+ days delinquent, Q3 2013.*

Regulatory Framework & Compliance

- **State Regulation**
  - Subject to supervision by state financial regulators, Attorneys General and the Indiana Department of Insurance
  - Over 800 state exams conducted each year
  - Licensed in all 50 states
  - Positive exam results with no material findings

- **Federal Regulation**
  - CFPB will be Springleaf's primary federal regulator once "larger participant" rules for installment loans are adopted by the CFPB. Timing of rule adoption is uncertain

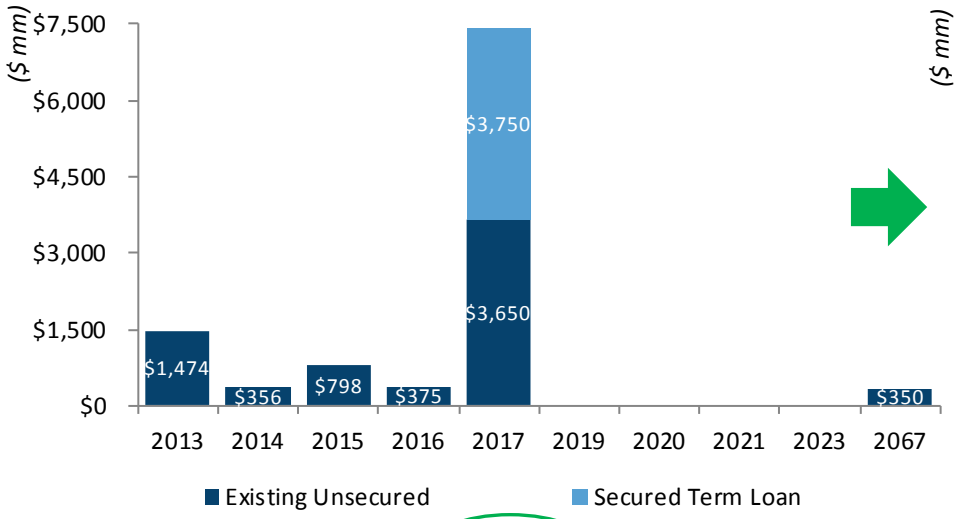


Springleaf has been pro-actively managing the business as though we are currently regulated by the CFPB

- ☑ Established a well developed compliance function
- ☑ Nationally recognized CFPB consultant hired to review all processes
- ☑ Board and management-led compliance culture

Liquidity and Funding

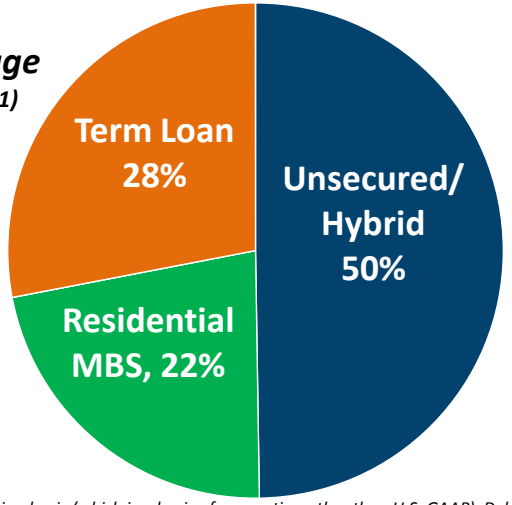
Debt Maturity Profile December 2012(1)



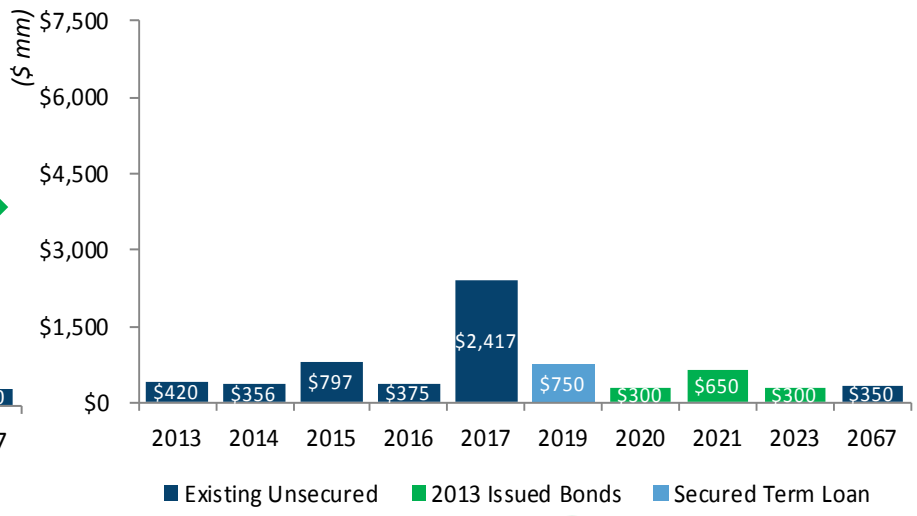
Long Term Debt **$13.3bn**

Weighted Average Cost of Funds(1)

6.06%



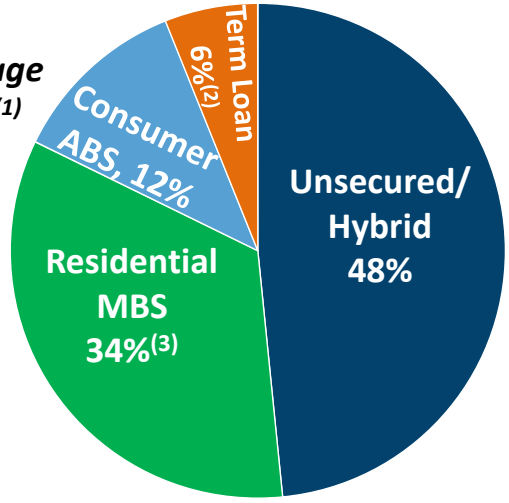
Debt Maturity Profile September 2013(1,2)



Long Term Debt *(2,3)* **$12.3bn**

Weighted Average Cost of Funds(1)

5.64%



(1) *Reflects historical accounting basis (which is a basis of accounting other than U.S. GAAP). Debt maturity profile excludes securitizations. Cost of funds includes securitizations.*

(2) *Adjusted September 2013 debt (historical basis) for full repayment of secured term loan in October 2013.*

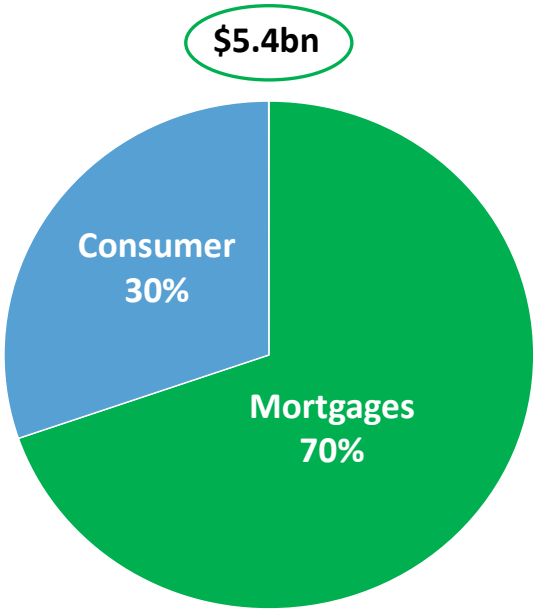
(3) *Includes the SLFMT 2013-3 transaction which was completed in October 2013.*

Liquidity and Funding

- **$1.0 billion cash on hand and $650 million of undrawn consumer loan capacity as of September 2013**
- **Retained interests in subordinate securities and unencumbered assets available to meet upcoming maturities**
- **Ample liquidity to run the business and repay obligations over the next twelve months**

	$ in billions[2]
Unsecured (net of cash)[1]	**$4.6**
Term Loan[2]	$0.8
Hybrid	$0.4
Consumer Securitizations	$1.4
Mortgage Securitizations[3]	$4.2
Total Long Term Debt	**$11.3**

Retained Securitization Tranches + Unencumbered Loans[2,3]



(1) *Unsecured debt is shown net of $1.0bn of cash and cash equivalents*
(2) *Adjusted September 2013 debt (historical basis) for full repayment of secured term loan in October 2013.*
(3) *Includes the SLFMT 2013-3 transaction which was completed in October 2013.*

3Q13 Summary Financial Results

($ in mm)	3Q13	2Q13	3Q12
Consumer & Insurance[2]	$45	$79	$30
Pretax Core Earnings[1]	**$45**	**$79**	**$30**
Real Estate[2]	(27)	(55)	106
Other Non-Core[2,3]	1	14	(14)
Adjusted Pretax Earnings (Historical)[1]	**$19**	**$38**	**$122**
Push Down Impact	–	2	(188)
Debt Repurchase / Repayment Loss	(35)	–	(11)
Equity Compensation	(131)	–	–
Pretax Income (Loss)	**(147)**	**40**	**(77)**
Income Tax	56	(15)	27
Net Income (Loss)	**($91)**	**$25**	**($50)**

Pretax Core Earnings down from prior quarter:

- 2Q13 sale of charged-off accounts increased quarterly earnings and negatively impacts subsequent quarters due to temporarily lower recoveries

Non-recurring items related to:

- Early retirement of debt
- Non-cash equity compensation expense associated with our IPO

(1) *Pretax Core Earnings and Adjusted Pretax Earnings (Historical) are Non-GAAP measures. See the Appendix for a reconciliation of Pretax Core Earnings) and Adjusted Pretax Earnings (Historical) to Push Down Accounting Pretax Earnings (Loss).*

(2) *Excludes impact of charges related to early retirement of debt.*

(3) *Excludes equity compensation.*

Springleaf Highlights

Successfully Restructured Operations	✓ Restored focus on consumer lending ✓ Commenced run-off of mortgage business
Improving Liquidity and Core Earnings Profile	✓ Demonstrated access to cost-efficient and diversified funding ✓ Posted positive Pretax Core Earnings(1) in Q2 2013 and Q3 2013(2)
Supportive Market Dynamics	✓ Target market is large, underserved and growing ✓ Banks and other lenders have largely retreated
Responsible Lender	✓ Performance driven by conservative underwriting and servicing ✓ Repeat business from clients

(1) *Pre-tax Core Earnings is a Non-GAAP measure. See the Appendix for a Reconciliation of Pretax Core Earnings to Push Down Accounting Pretax Earnings (Loss).*

(2) *Net Income was positive for the first time since 2010 in Q2 2013. Net Income was negative in Q3 2013 due to non-recurring items related to early retirement of debt and non-cash compensation expenses associated with the IPO of Springleaf Holdings, Inc.*

Appendix

Reconciliation – Push-Down Accounting to Historical / Pretax Core Earnings

($ in mm)	3Q13	2Q13	3Q12
Push-Down Accounting Pretax Earnings (Loss)[1]	**($147)**	**$40**	**($77)**
Finance Charges	(50)	(50)	(47)
Interest Expense	34	37	59
Provision for Receivable Losses	14	8	178
Net Interest Income (Loss) after Provision	($2)	($5)	$190
Investment Income	1	1	3
Debt Repurchase / Repayment Gain (Loss)	14	(21)	22
Other Income (Loss)	–	–	(10)
Total Other Revenues	15	(20)	15
Operating / Other Expenses	1	1	6
Historical Pretax Earnings (Loss)	**($133)**	**$16**	**$134**
Adjustments:			
Equity Compensation	131	–	–
Debt Repurchase / Repayment (Gain) Loss - Historica	21	22	(12)
Adjusted Pretax Earnings (Historical)	**$19**	**$38**	**$122**
Adjustments:			
Real Estate Segment:			
Historical Pretax (Earnings) Loss	45	74	(113)
Debt Repurchase / Repayment (Gain) Loss	(18)	(19)	7
Other Non-Core:			
Historical Pretax (Earnings) Loss	130	(13)	12
Debt Repurchase / Repayment (Gain) Loss	0	(1)	2
Equity Compensation	(131)	–	–
Pretax Core Earnings	**$45**	**$79**	**$30**

(1) Pretax earnings attributable to Springleaf Finance Corp.

Contacts

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