OneMain Financial

# OneMain Financial 4Q21 Earnings Presentation

## (NYSE: OMF)

February 3, 2022

# Important Information

**Cautionary Note Regarding Forward-Looking Statements**

This document contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements preceded by, followed by or that otherwise include the words "anticipates," "appears," "are likely," "assumes," "believes," "can," "continues," "could," "estimates," "expects," "forecasts," "foresees," "goal," "intends," "likely," "objective," "plans," "projects," "target," "trend," "remains," and similar expressions or future or conditional verbs such as "could," "may," "might," "should," "will" or "would" are intended to identify forward-looking statements, but these words are not the exclusive means of identifying forward-looking statements.

Forward-looking statements are not statements of historical fact but instead represent only management's current beliefs regarding future events, objectives, goals, projections, strategies, performance, and future plans, and underlying assumptions and other statements related thereto. You should not place undue reliance on these forward-looking statements. By their nature, forward-looking statements are subject to risks, uncertainties, assumptions and other important factors that may cause actual results, performance or achievements to differ materially from those expressed in or implied by such forward-looking statements. Important factors that could cause actual results, performance, or achievements to differ materially from those expressed in or implied by forward-looking statements include, without limitation, the following: adverse changes in general economic conditions, including the interest rate environment and the financial markets; risks associated with COVID-19 and the measures taken in response thereto; the sufficiency of our allowance for finance receivable losses; increased levels of unemployment and personal bankruptcies; natural or accidental events such as earthquakes, hurricanes, pandemics, floods or wildfires affecting our customers, collateral, or our facilities; a failure in or breach of our information, operational or security systems or infrastructure or those of third parties, including as a result of cyber-attacks or other disruptions; the adequacy of our credit risk scoring models; adverse changes in our ability to attract and retain employees or key executives; increased competition or adverse changes in customer responsiveness to our distribution channels or products; changes in federal, state, or local laws, regulations, or regulatory policies and practices or increased regulatory scrutiny of our industry; risks associated with our insurance operations; the costs and effects of any actual or alleged violations of any federal, state, or local laws, rules or regulations; the costs and effects of any fines, penalties, judgments, decrees, orders, inquiries, investigations, subpoenas, or enforcement or other proceedings of any governmental or quasi-governmental agency or authority; our substantial indebtedness and our continued ability to access the capital markets and maintain adequate current sources of funds to satisfy our cash flow requirements; our ability to comply with all of our covenants; the effects of any downgrade of our debt ratings by credit rating agencies; and other risks and uncertainties described in the "Risk Factors" and "Management's Discussion and Analysis" sections of the Company's most recent Form 10-K filed with the SEC and in the Company's other filings with the SEC from time to time.

If one or more of these or other risks or uncertainties materialize, or if our underlying assumptions prove to be incorrect, our actual results may vary materially from what we may have expressed or implied by these forward-looking statements. You should specifically consider the factors identified in this document that could cause actual results to differ before making an investment decision to purchase our securities. Furthermore, new risks and uncertainties arise from time to time, and it is impossible for us to predict those events or how they may affect us.

The disclosures on slides 7 and 16 relate to forward looking credit card metrics and capital generation that are based on management's estimates and assumptions for internal strategic planning purposes and do not constitute guidance or financial projections and should not be regarded or relied on as such.

Forward looking statements included in this presentation speak only as of the date on which they were made. We undertake no obligation to update or revise any forward-looking statements, whether written or oral, to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events or the non-occurrence of anticipated events, whether as a result of new information, future developments or otherwise, except as required by law.

**Use of Non-GAAP Financial Measures**

We report the operating results of Consumer and Insurance and Other using the Segment Accounting Basis, which (i) reflects our allocation methodologies for interest expense and operating costs, to reflect the manner in which we assess our business results and (ii) excludes the impact of applying purchase accounting (eliminates premiums/discounts on our finance receivables and long-term debt at acquisition, as well as the amortization/accretion in future periods). Consumer and Insurance adjusted pretax income, Consumer and Insurance adjusted net income and Consumer and Insurance adjusted earnings per diluted share are key performance measures used by management in evaluating the performance of our business. Consumer and Insurance adjusted pretax income represents income before income taxes on a Segment Accounting Basis and excludes the expense associated with the cash-settled stock-based awards, direct costs associated with COVID-19, net loss resulting from repurchases and repayments of debt, acquisition-related transaction and integration expenses, net gain on sale of cost method investment, and restructuring charges. We believe these non-GAAP financial measures are useful in assessing the profitability of our segment.

Management also uses pretax capital generation and capital generation, non-GAAP financial measures, as a key performance measure of our segment. Pretax capital generation represents Consumer & Insurance adjusted pretax income, as discussed above, and excludes the change in our Consumer & Insurance allowance for finance receivable losses in the period while still considering the Consumer & Insurance net charge-offs during the period. Capital generation represents the after-tax effect of pretax capital generation.

Management believes that these non-GAAP measures are useful in assessing the capital created in the period impacting the overall capital adequacy of the Company. Management believes that the Company's reserves, combined with its equity, represent the Company's loss absorption capacity.

Management utilizes these non-GAAP measures in evaluating our performance. Additionally, these non-GAAP measures are consistent with the performance goals established in OMH's executive compensation program. These non-GAAP financial measures should be considered supplemental to, but not as a substitute for or superior to, income (loss) before income taxes, net income, or other measures of financial performance prepared in accordance with GAAP.

# 2021 Highlights

| | |
|---|---|
| **Customer-Focused Vision** | • Our vision is to be the lender of choice for nonprime customers<br>• Provide a range of responsible lending options to meet customers' needs today and offer products and services that enable a better financial future<br>• Successful rollout of new Brightway credit cards; achieved target of 60K accounts by year-end |
| **Omnichannel Operating Model** | • Managed Receivables* grew $1.5B, or 9% in 2021; new product and channel initiatives supported growth in 2021<br>• Robust investment in digital, data science and new products/channels continued throughout 2021<br>• Nearly half of all loans closed digitally in 2021 |
| **Sophisticated and Conservative Underwriting** | • FY21 C&I net charge-offs* of 4.20%<br>• 4Q21 C&I 30-89 delinquent* at 2.43%<br>• 4Q21 C&I 90+ delinquent* at 1.99% |
| **Significant Liquidity and Capital Markets Access** | • Issued $1B 2-year revolving ABS at 0.98% in October<br>• Redeemed $1B, 6.125% unsecured senior notes due May 2022<br>• Enhanced liquidity profile with a 5-year, $1B unsecured corporate revolver |
| **Strong Capital Generation*** | • Strong capital generation of $1.3B in 2021<br>• Increased regular annual dividend by $1.00 to $3.80 per share, >7%[1] yield at current share price<br>• Repurchased 6.7 million shares in FY21; announced $1.0B share repurchase plan through 2024 |



** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*

*1. Yield assumes regular annual dividend of $3.80 over closing price share price of $52.15 as of February 1, 2022.*

# 4Q21 Financial Results

($ in millions, except Average Assets and Average Net Receivables in billions, and per share statistics)

## Earnings Summary

| | 4Q21 | 3Q21 | 4Q20 |
|---|---|---|---|
| Consumer & Insurance* | $413 | $421 | $498 |
| Other | (1) | (1) | (2) |
| Reconciling Items* | (57) | (44) | (20) |
| Pretax Income | $355 | $376 | $476 |
| Taxes | (93) | (88) | (117) |
| **Net Income** | **$262** | **$288** | **$359** |
| Effective Tax Rate | 26.1% | 23.5% | 24.5% |
| Diluted EPS | $2.02 | $2.17 | $2.67 |
| Average Assets* | $22.6 | $22.3 | $21.9 |
| **Return on Assets*** | **4.6%** | **5.1%** | **6.5%** |

## C&I* Adjusted Earnings Summary

| | 4Q21 | 3Q21 | 4Q20 |
|---|---|---|---|
| Interest Income | $1,119 | $1,111 | $1,093 |
| Other Net Revenue | 111 | 107 | 96 |
| Provision for Loan Losses | (236) | (224) | (130) |
| Operating Expenses | (348) | (338) | (319) |
| Interest Expense | (233) | (235) | (242) |
| Adjusted Pretax Income | $413 | $421 | $498 |
| **Adjusted Net Income[1]** | **$310** | **$316** | **$373** |
| Adjusted Diluted EPS | $2.38 | $2.37 | $2.77 |
| Avg. Net Receivables (ANR) | $19.0 | $18.5 | $18.0 |
| Capital Generation[1] | $334 | $360 | $329 |
| **Capital Generation RoR** | **7.0%** | **7.7%** | **7.3%** |

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*Note: Figures may not sum due to rounding.*

** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*

*1. Assumes a tax rate of 25% for 2021 and 2020.*

# FY 2021 Financial Results

($ in millions, except Average Assets and Average Net Receivables in billions, and per share statistics)

## Earnings Summary

| | 2021 | 2020 |
|---|---|---|
| Consumer & Insurance* | $1,918 | $1,092 |
| Other | (6) | (6) |
| Reconciling Items* | (171) | (109) |
| Pretax Income | $1,741 | $977 |
| Taxes | (427) | (247) |
| **Net Income** | **$1,314** | **$730** |
| Effective Tax Rate | 24.6% | 25.3% |
| Diluted EPS | $9.87 | $5.41 |
| Average Assets* | $22.0 | $22.6 |
| **Return on Assets*** | **6.0%** | **3.2%** |

## C&I* Adjusted Earnings Summary

| | 2021 | 2020 |
|---|---|---|
| Interest Income | $4,355 | $4,353 |
| Other Net Revenue | 421 | 309 |
| Provision for Loan Losses | (587) | (1,313) |
| Operating Expenses | (1,341) | (1,250) |
| Interest Expense | (930) | (1,007) |
| Adjusted Pretax Income | $1,918 | $1,092 |
| **Adjusted Net Income[1]** | **$1,438** | **$819** |
| Adjusted Diluted EPS | $10.81 | $6.07 |
| Avg. Net Receivables (ANR) | $18.3 | $18.0 |
| Capital Generation[1] | $1,303 | $1,056 |
| **Capital Generation RoR** | **7.1%** | **5.9%** |

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*Note: Figures may not sum due to rounding.*

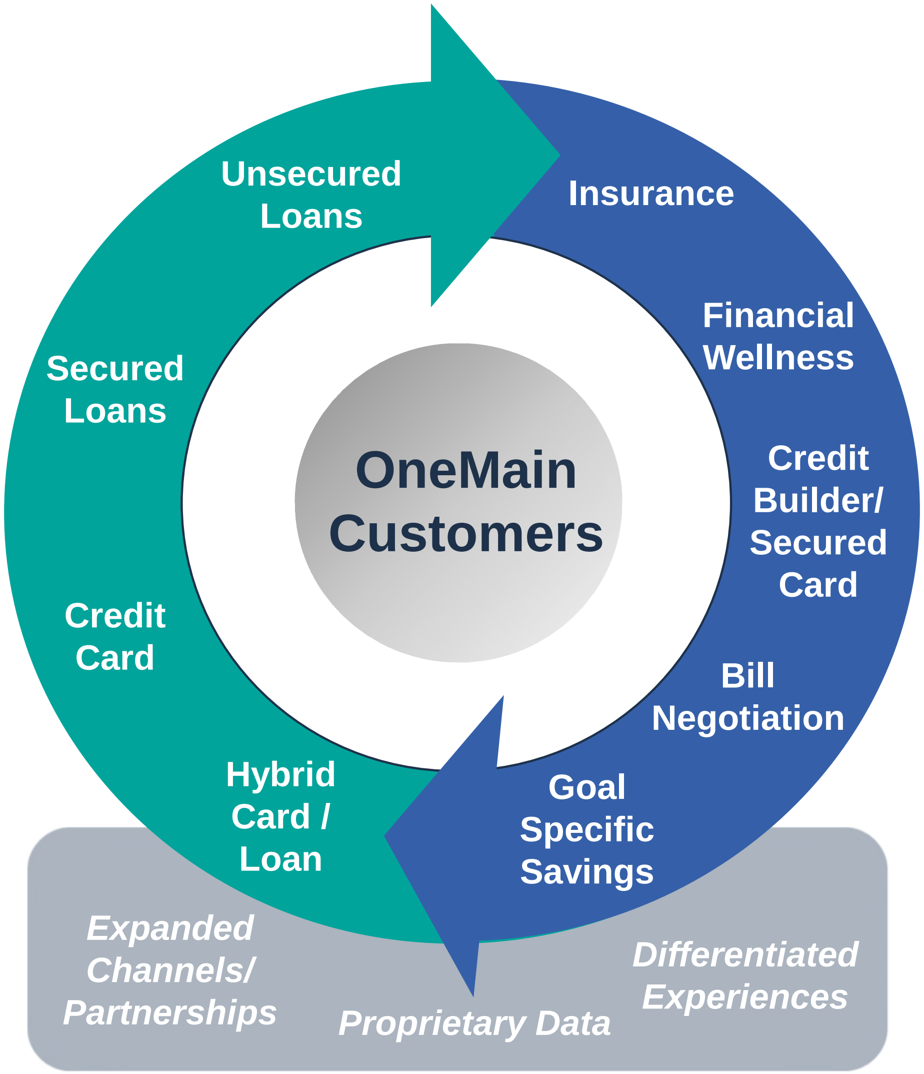
** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*

*1. Assumes a tax rate of 25% for 2021 and 2020.*

# Future Vision Deepens & Broadens Customer Relationships

## Meet the needs of today

*Lending products*




## Progress to a better future

*Products & Services that increase engagement, build loyalty & provide access to proprietary data*

**~$500B combined total addressable market[1]**



1. Source: Internal analysis of third-party credit data. Reflects near-prime credit card and personal loans, with a Vantage score of 550-700. Personal loans reflects original loan balance $1-30k.

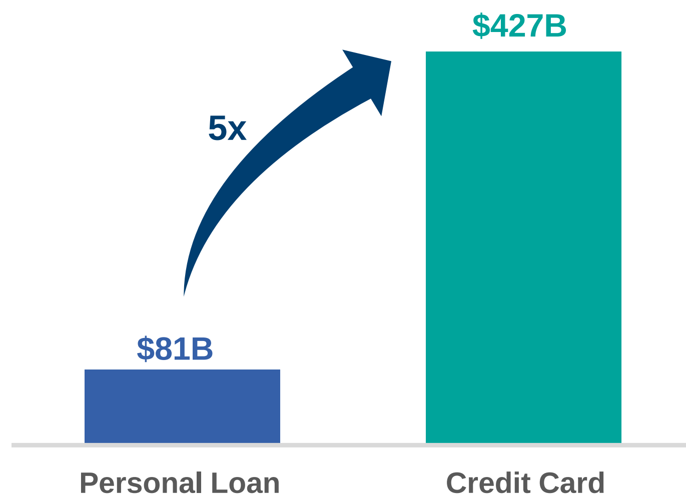
# Brightway Credit Card Rollout On Track


## Rewarding milestones...

## …with a great digital experience

- 66,000 cards issued in 2021 – in line with target
- Branch distribution model proving to be highly valuable to card adoption
- Digital engagement is encouraging as >90% of approved customers have installed mobile app and ~90% of payments have been made in app
- Activation and spending metrics in-line with expectations; being utilized for everyday purchases such as gas and groceries
- Active monitoring of credit performance and refinement of customer experience remains focus for 1H22
- Visit our Brightway Card website at: [www.omf.com/credit-cards](http://www.omf.com/credit-cards)

**Large Total Addressable Market[1]**




**Cards expected to generate $100 – 150MM of annual capital by 2025, with attractive growth beyond**



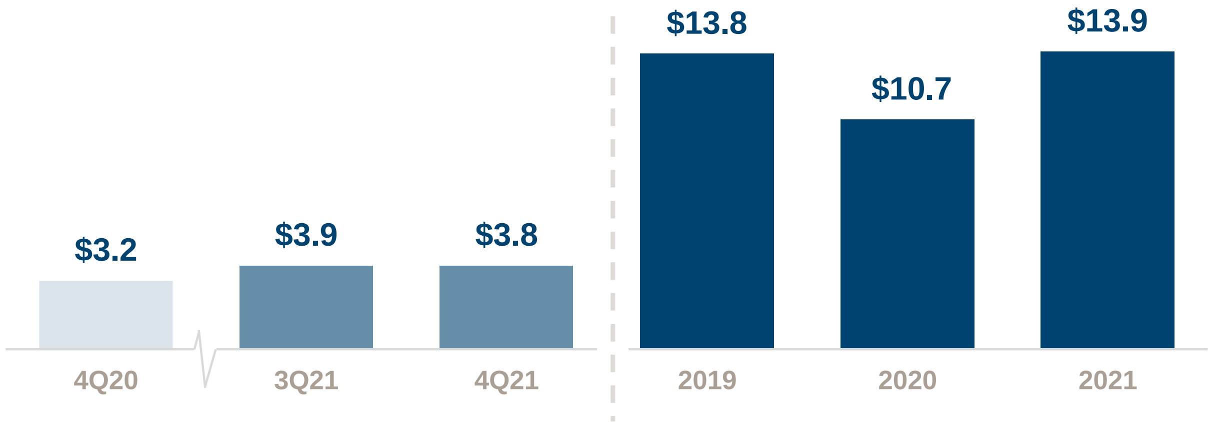
** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations*

*1. Source: Internal analysis of third-party credit data. Reflects near-prime credit card and personal loans, with a Vantage score of 550-700. Personal loans reflects original loan balance $1-30k.*

# Originations & Receivables (C&I)*

($ in billions unless noted)

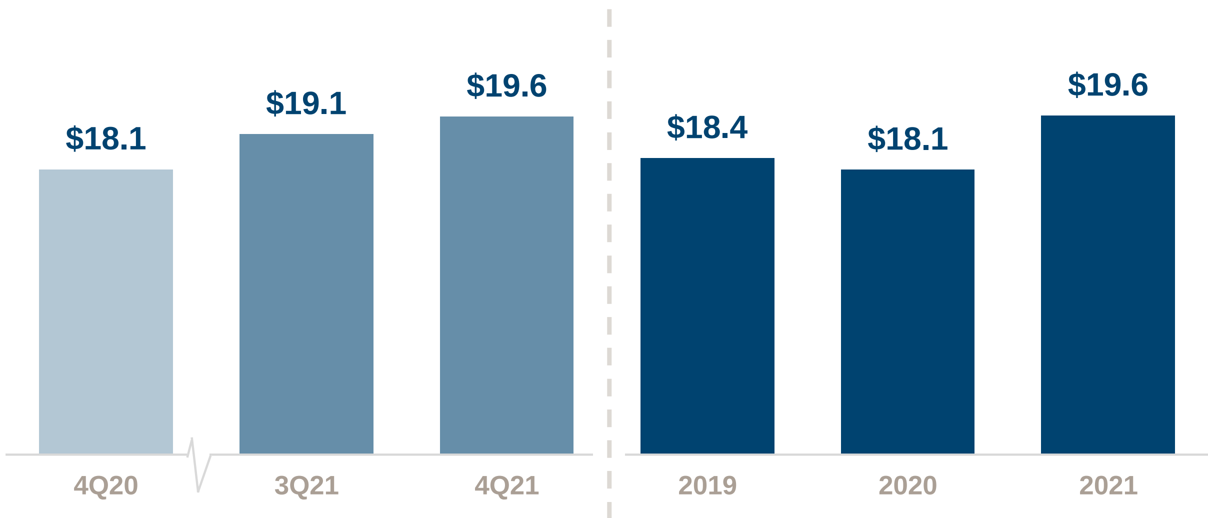
## Originations




## Highlights

- 4Q21 originations up 20% vs 4Q20 and 4% vs 4Q19[1]
- Strong originations driven by normalized demand as well as product and channel initiatives
- Portfolio yield of 23.3% in 4Q21 and 23.8% for FY21 reflecting higher credit quality originations with attractive returns that are contributing to our portfolio growth

## Managed Receivables




- Managed Receivables grew 9% year-over-year and 3% sequentially
- Includes $414MM of receivables sold through our whole loan sale partnerships and serviced by OneMain
- Net Finance Receivables of $19.2B reflected 52% secured mix

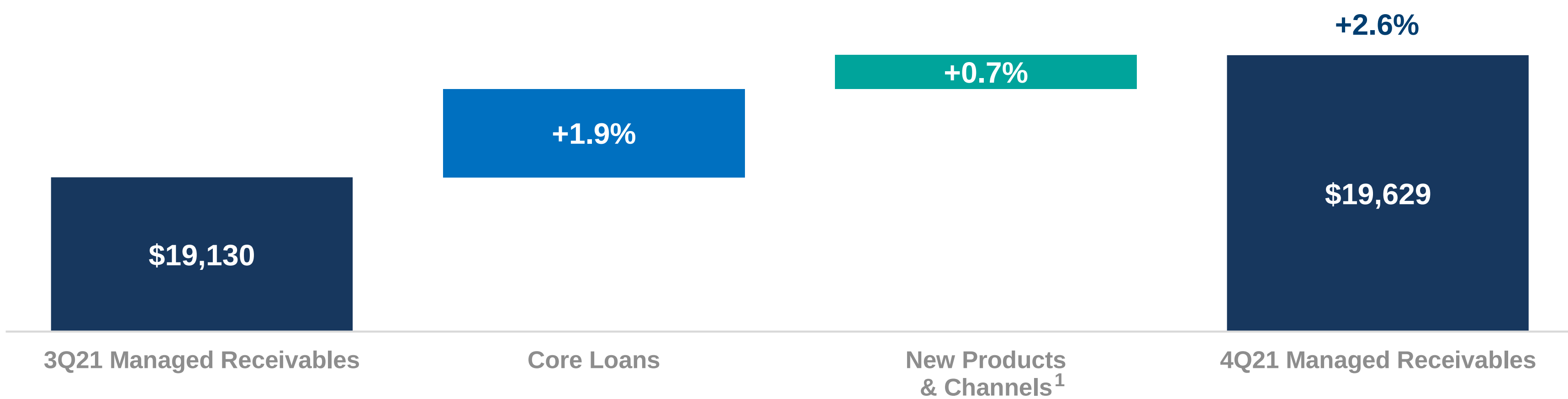


* See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.

1. For 4Q19 refer to the Company's fourth quarter 2020 earnings presentation on our IR website for originations

# New Products and Channels Support Growth With Attractive Returns (C&I)*

($ in millions)



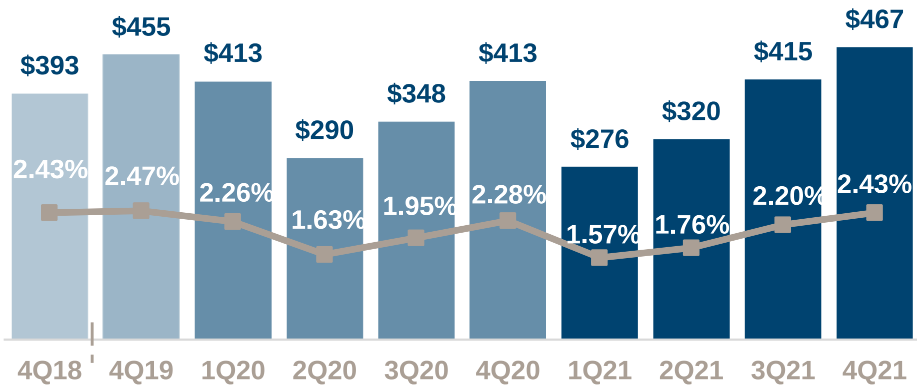

| ***Illustrative Economics*** | Core Loans | Prime Pricing | Distribution Partnerships |
|---|---|---|---|
| | | **Illustrative Select New Products and Channels** | |
| Yield | 23.6% | 17.9% | 17.8% |
| Net Charge-off | 6.0%[2] | 4.2% | 4.2% |
| Operating Expense | 7.3%[3] | 1.6%[4] | 1.4%[4] |
| **Capital Generation RoR%** | **5.9%** | **6.4%** | **6.0%** |

** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*
*1. Includes Cards, Distribution Partnerships, Prime Pricing and Small Dollar Loans.*
*2. Assumes 2019 level of annual loss rates.*
*3. Reflects fully-loaded operating expense.*
*4. Reflects direct costs associated with these originations.*

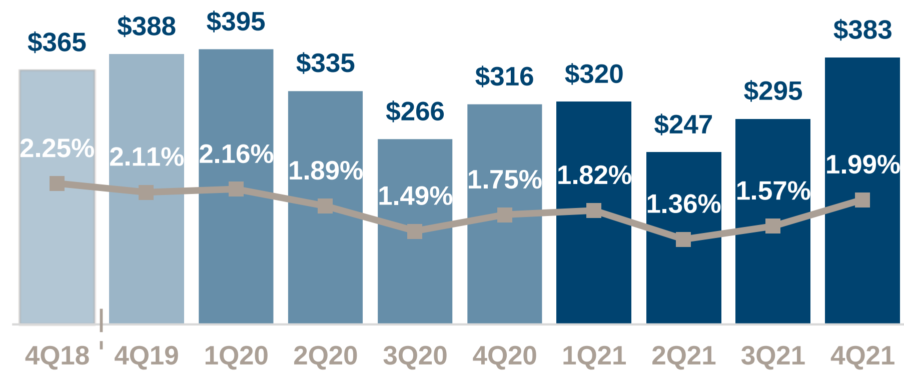
# Delinquency & Net Charge-off Trends (C&I)*[1]

($ in millions)

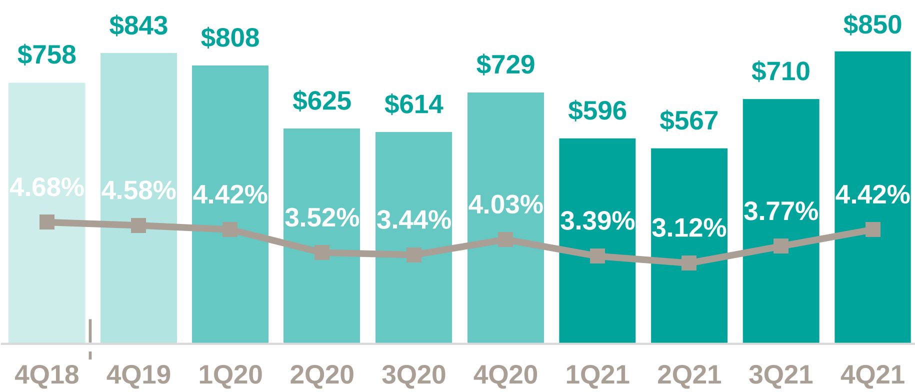
## 30-89 Days Delinquent



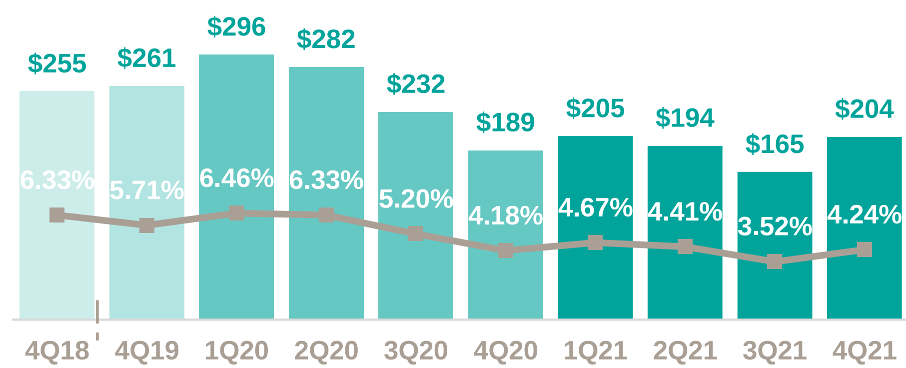

## 90+ Days Delinquent




## 30+ Days Delinquent




## Net Charge-offs




**Strong net charge-off performance of 4.2% for FY21**

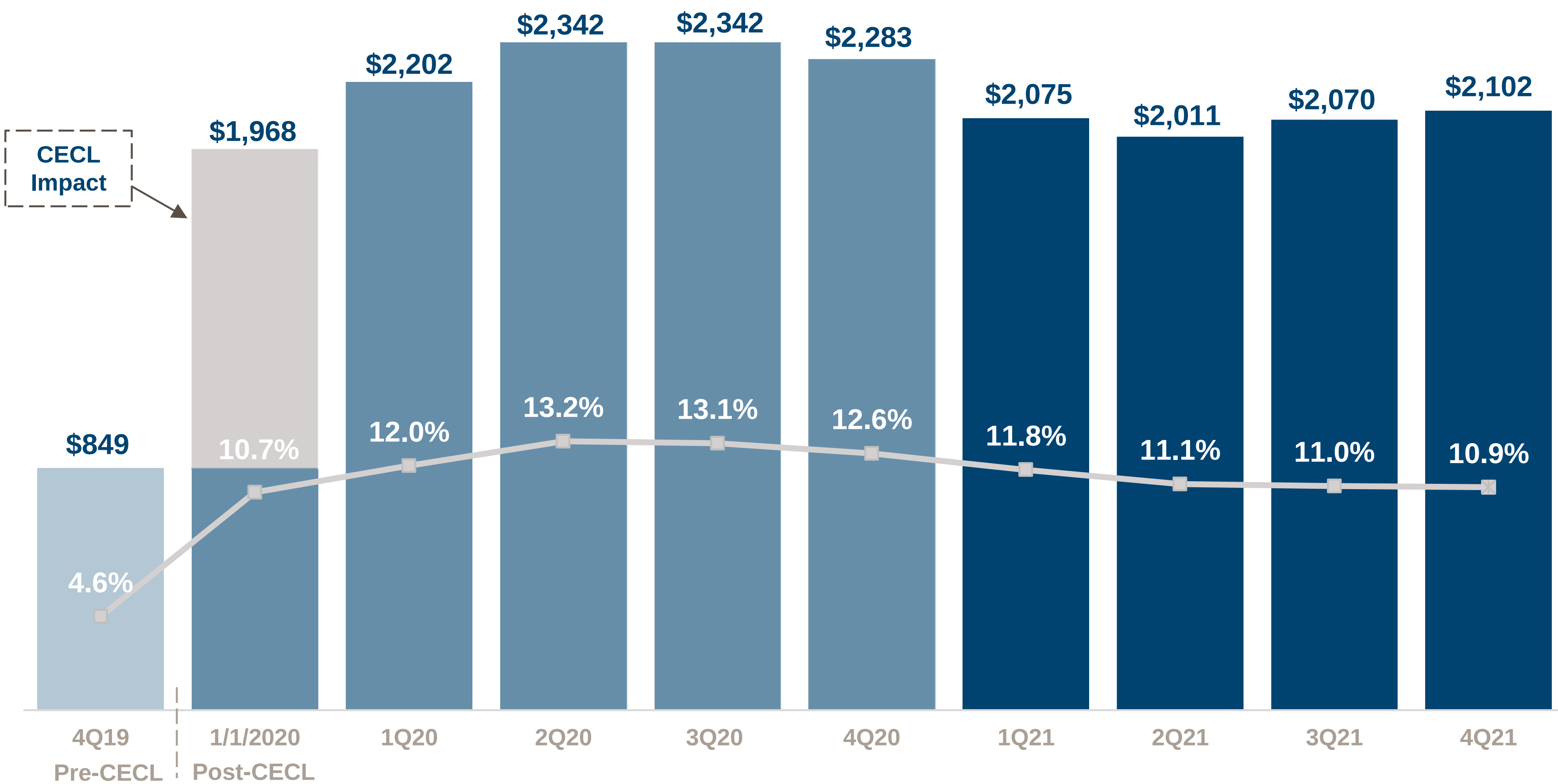


** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*

*1. For quarters 4Q18, 4Q19, 1Q20, 2Q20 and 3Q20 refer to the Company's fourth quarter 2019 and 2020 earnings presentation on our IR website for delinquency and net charge-offs.*

# Loss Loan Reserve Trends (C&I)*[1]

($ in millions)




**% reflects loan loss reserves as a % of ending net receivables**

**Continued macroeconomic trends improving, reserve builds accompany portfolio growth**



** See appendix for reconciliations and disclosures required by Regulation G for Non-GAAP Financial Measures along with glossary of select calculations.*

*1. For 4Q19, 1/1/20, 1Q20, 2Q20 and 3Q20 refer to the Company's third quarter 2020 earnings presentation on our IR website for loan loss reserve figures.*

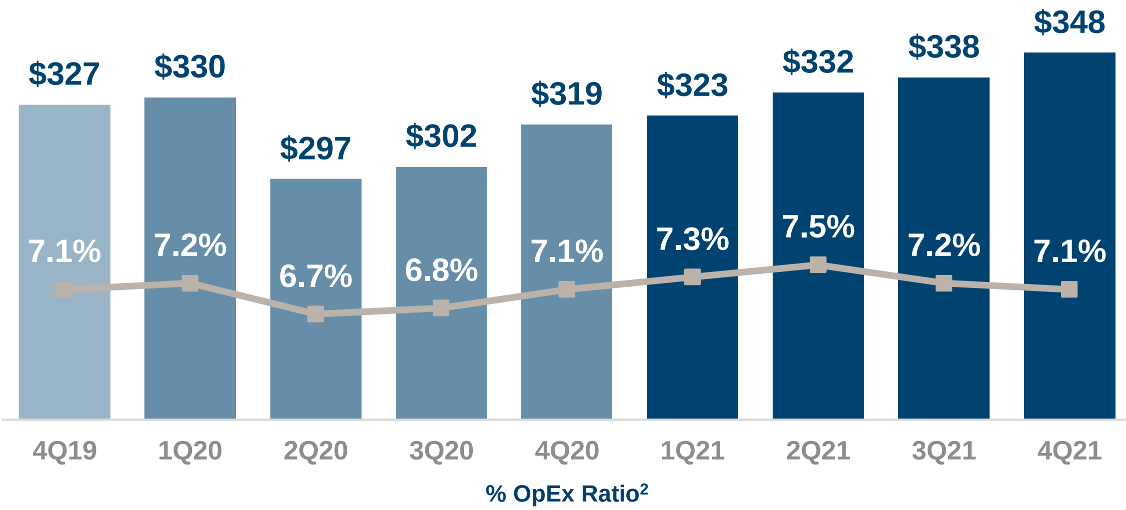
# Operating Expenses (C&I)*[1]

($ in millions)

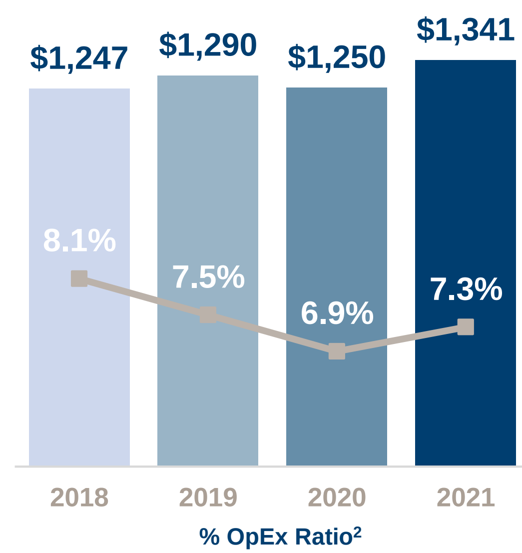
## Highlights

- FY21 operating expense of $1,341 reflects continued investment and receivables growth
- FY21 OpEx ratio remains below 2019 levels, driven by core expense efficiencies
- 2020 expenses reflect aggressive cost reductions taken in association with COVID-19

### Operating Expenses




### FY Operating Expenses

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*Note: YTD figures may not sum due to rounding.*

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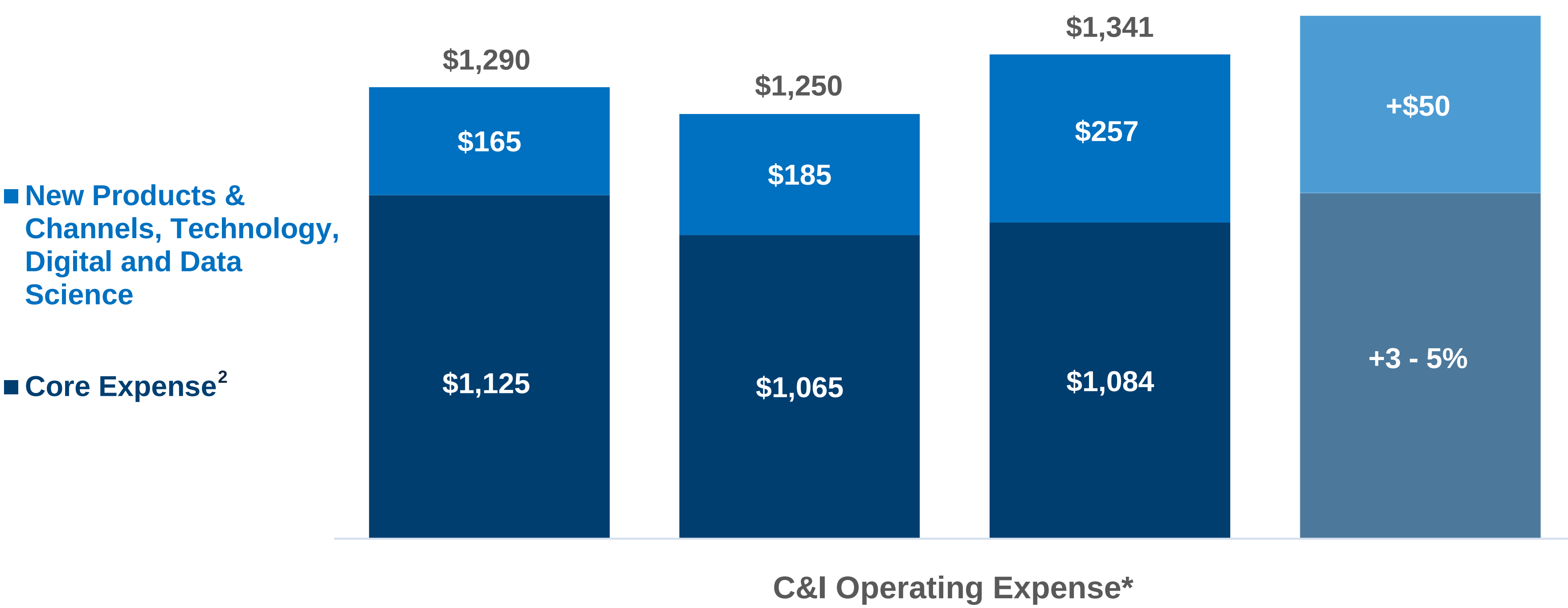
*1. For 4Q19, 1Q20, 2Q20, 3Q20 and FY18 refer to the Company's fourth quarter 2020 earnings presentation and press release on our IR website for operating expenses for respective period.*

*2. OpEx Ratio reflects operating expenses divided by average managed receivables. Refer to appendix for reconciliation.*

# Investing for Growth While Maintaining Expense Discipline

($ in millions, unless noted)

| | FY19 | FY20 | FY21 | FY22E |
|---|---|---|---|---|
| OpEx Ratio*[1] | 7.5% | 6.9% | 7.3% | < 7.3% |

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1. OpEx Ratio reflects operating expenses divided by average managed receivables. Refer to appendix for reconciliation.

2. Core expense reflects C&I Operating Expense excluding costs associated with New Products & Channels, Technology, Digital and Data Science.

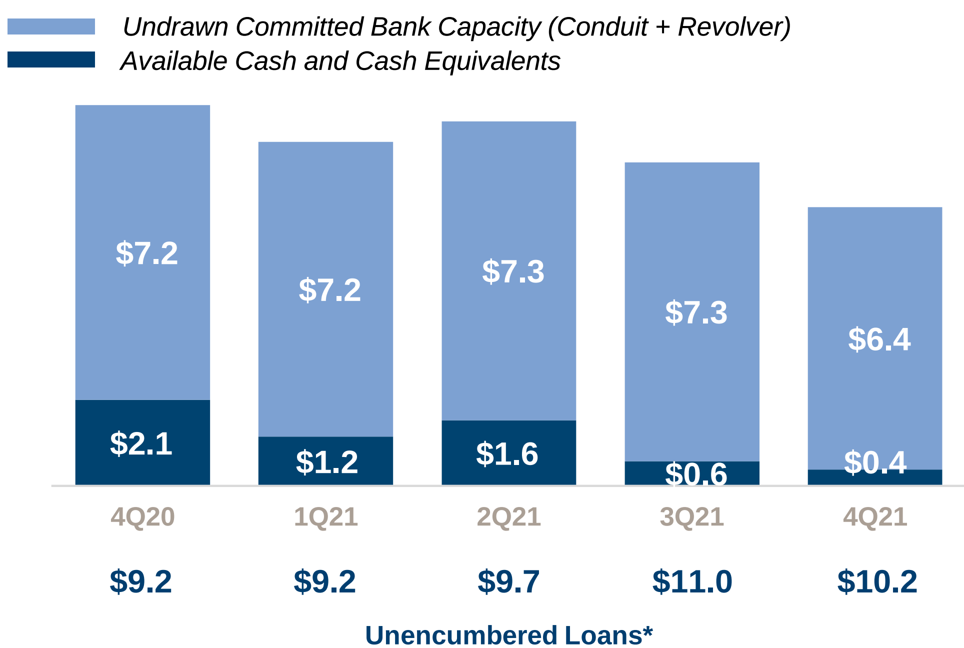
# Funding, Liquidity & Capital

($ in billions unless noted)

## Highlights

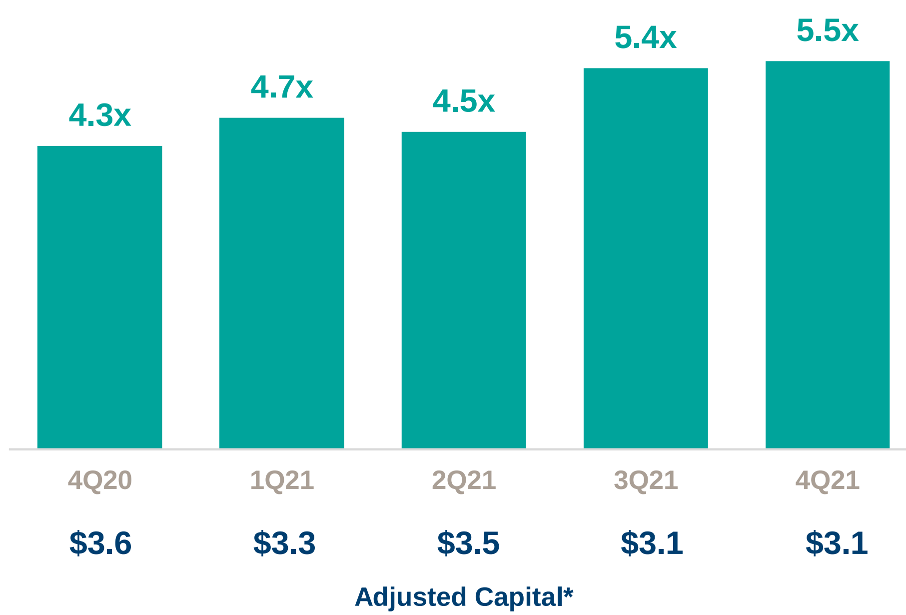
- Issued $1B 2-year revolving ABS at 0.98%; redeemed 6.125% $1B unsecured bond due May 2022
- Completed $1B 5-year unsecured corporate revolver to further diversify liquidity
- Committed bank capacity of $7B ($6B conduit, $1B revolver) - expect to periodically use conduits for funding flexibility between issuance; $600MM of conduit drawn at year-end

### Liquidity




### Net Leverage*

(Net Adjusted Debt to Adjusted Capital)



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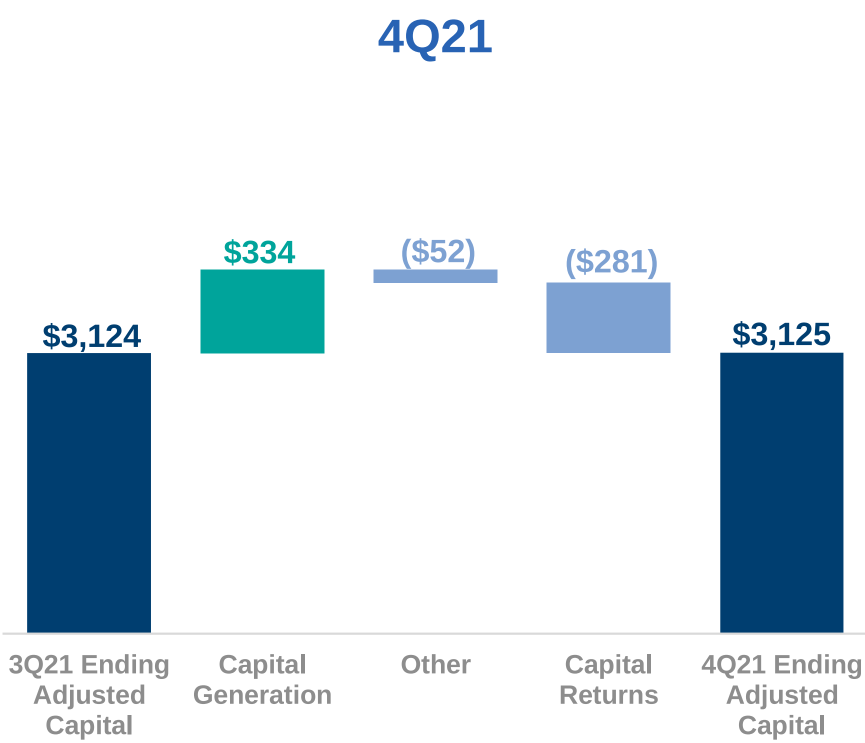
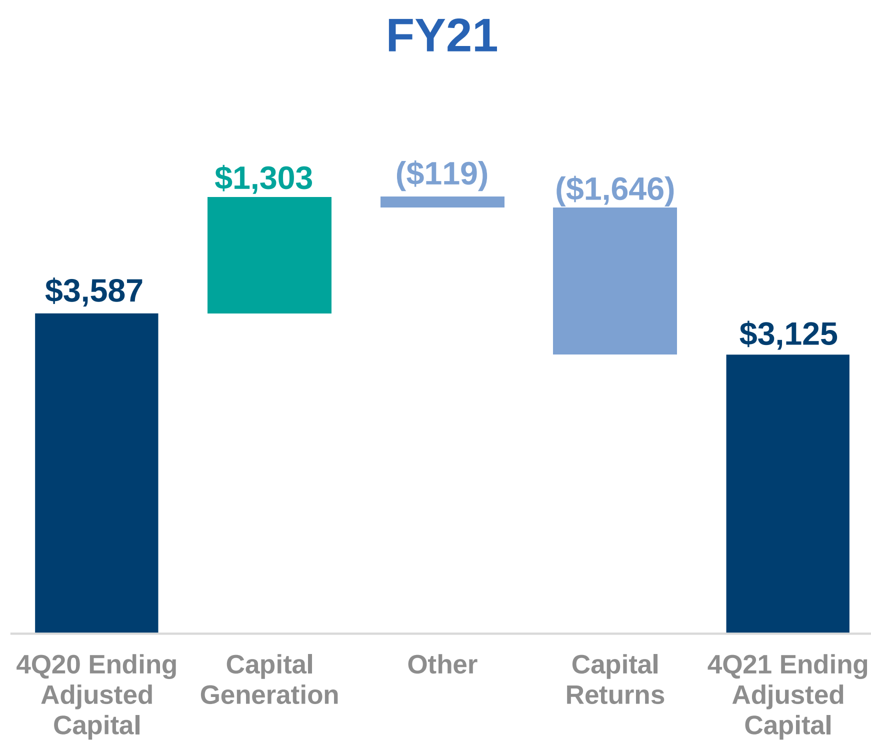
# Adjusted Capital* Roll-Forward

($ in millions)




**Continue to drive significant capital generation and capital returns**



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# Capital Allocation Framework

**Strategically positioned to deliver approximately $4B of capital generation over the next three years … to be allocated as follows:**

**1** Invest in portfolio growth / inorganic growth / maintain net leverage of 4 – 6x

- Portfolio generates 6%+ return on receivables and 30%+ return on adjusted capital*
- Investing in new products/channels that drive growth
- Continue to consider strategic acquisitions

**2** Provide a predictable regular dividend that can continue through a stress environment

- Increasing regular annual dividend by $1, or 36%, to $3.80 per share
- Robust yield above 7%[1] at current share price
- Expect to increase regular dividend on an annual basis

**3** Share repurchases as a regular part of capital return

- Board authorized $1B share repurchase through 2024
- Expect to utilize approximately one third of the $1B authorization in 2022

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*1. Yield assumes regular annual dividend of $3.80 over closing price share price of $52.15 as of February 1, 2022.*

# 2022 Strategic Priorities (C&I)*

($ in millions, except per share statistics)

| | FY19 | FY20 | FY21 | FY22E |
|---|---|---|---|---|
| Managed Receivables Growth | 14% | (2%) | 9% | 5 – 10% |
| Net Charge-offs | 6.0% | 5.5% | 4.2% | 5.6 - 6.0% |
| OpEx Ratio[1] | 7.5% | 6.9% | 7.3% | <7.3% |
| Capital Generation Return on Receivables | 5.7% | 5.9% | 7.1% | ~6% |
| Capital Generation | $975 | $1,056 | $1,303 | $1,150 – $1,200 |

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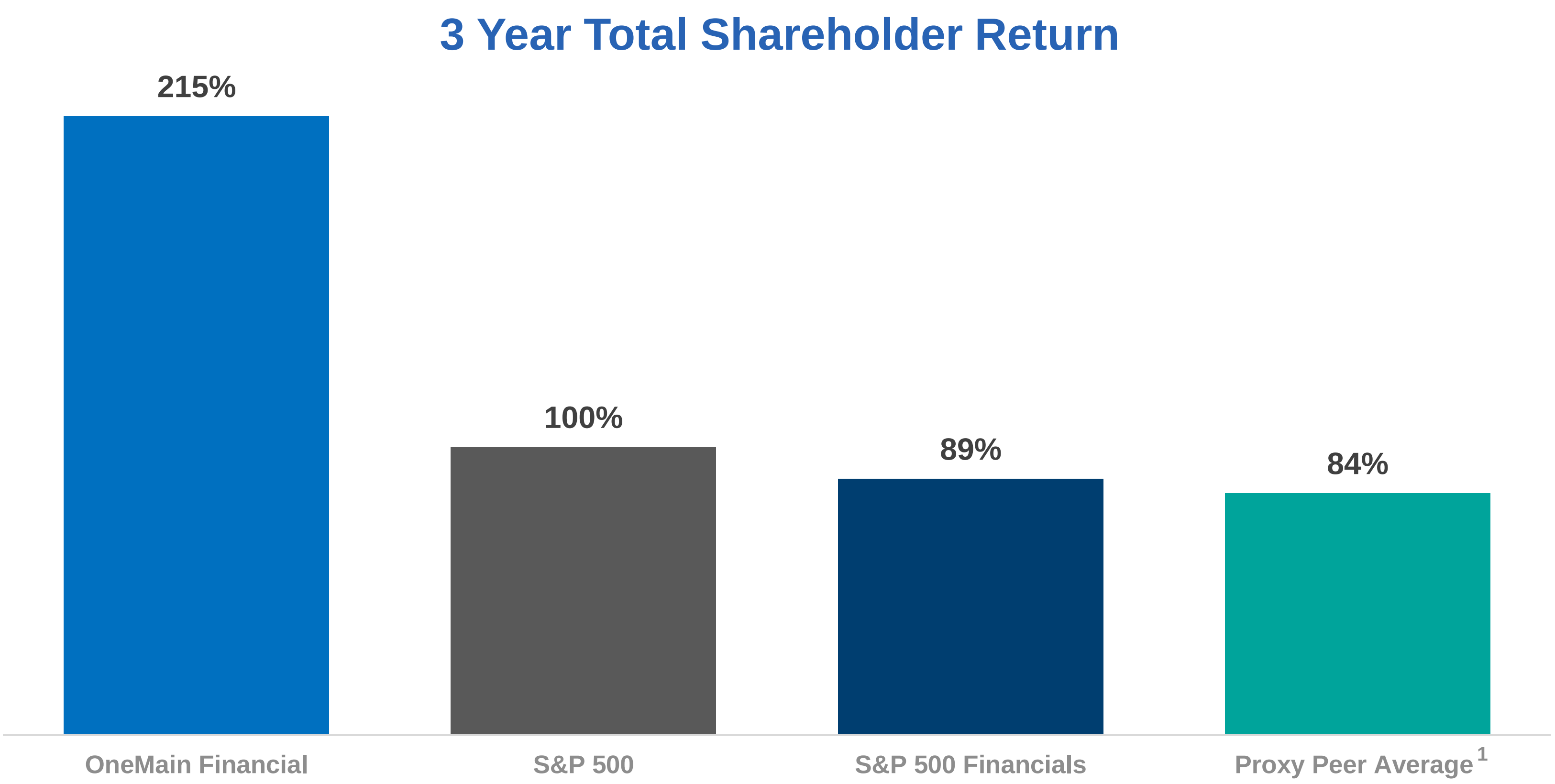
1. OpEx Ratio reflects operating expenses divided by average managed receivables. Refer to appendix for reconciliation.

# Total Shareholder Return




**OneMain has outperformed the market and peers on total shareholder return**

*1. Includes: Alliance Data Systems Corporation (ADS), Credit Acceptance Corporation (CACC), Commerce Bancshares, Inc. (CBSH), CIT Group Inc. (CIT), Comerica Incorporated (CMA), Dollar Tree, Inc. (DLTR), Fidelity National Information Services, Inc. (FIS), Huntington Bancshares Inc. (HBAN), Lending Club (LC), Navient Corporation (NAVI), Mr. Cooper Group Inc. (COOP), Santander Consumer USA Holdings Inc. (SC), SLM Corporation (SLM), Synchrony Financial (SYF), The Western Union Company (WU)*

*Source: Bloomberg (1/1/2019 – 12/31/2021); assumes reinvestment of dividends*

# Appendix

# Consolidated Income Statements

| (unaudited, $ in millions, except per share statistics) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Interest Income | $1,121 | $1,113 | $1,071 | $1,060 | $1,096 | $4,364 | $4,368 | $4,127 |
| Interest Expense | (235) | (237) | (231) | (235) | (246) | (937) | (1,027) | (970) |
| Provision for Finance Receivable Losses | (237) | (226) | (132) | 2 | (134) | (593) | (1,319) | (1,129) |
| **Net Interest Income after Provision for Finance Receivable Losses** | **649** | **650** | **708** | **827** | **716** | **2,834** | **2,022** | **2,028** |
| Insurance | 111 | 109 | 107 | 107 | 109 | 434 | 443 | 460 |
| Investment | 17 | 14 | 17 | 17 | 19 | 65 | 75 | 95 |
| Gain on Sales of Finance Receivables | 17 | 15 | 11 | 4 | 0 | 47 | 0 | 0 |
| Net Loss on Repurchases and Repayments of Debt | (29) | (1) | (1) | (47) | (1) | (78) | (39) | (35) |
| Other (1), (2) | 19 | 18 | 16 | 10 | 10 | 63 | 47 | 102 |
| **Total Other Revenues** | **135** | **155** | **150** | **91** | **137** | **531** | **526** | **622** |
| Operating Expenses | (379) | (384) | (347) | (339) | (336) | (1,448) | (1,329) | (1,367) |
| Insurance Policy Benefits and Claims | (50) | (45) | (48) | (33) | (41) | (176) | (242) | (185) |
| **Total Other Expenses** | **(429)** | **(429)** | **(395)** | **(372)** | **(377)** | **(1,624)** | **(1,571)** | **(1,552)** |
| **Income before Income Taxes** | **355** | **376** | **463** | **546** | **476** | **1,741** | **977** | **1,098** |
| Income Taxes (3) | (93) | (88) | (113) | (133) | (117) | (427) | (247) | (243) |
| **Net Income** | **$262** | **$288** | **$350** | **$413** | **$359** | **$1,314** | **$730** | **$855** |
| Weighted Average Number of Diluted Shares | 130.0 | 132.9 | 134.6 | 134.8 | 134.7 | 133.1 | 134.9 | 136.3 |
| Diluted EPS | $2.02 | $2.17 | $2.60 | $3.06 | $2.67 | $9.87 | $5.41 | $6.27 |
| Book Value per Basic Share | $24.20 | $23.74 | $26.42 | $24.59 | $25.61 | $24.20 | $25.61 | $31.82 |
| Return on Assets | 4.6% | 5.1% | 6.5% | 7.7% | 6.5% | 6.0% | 3.2% | 3.9% |
| Provision for Finance Receivable Losses | $237 | $226 | $132 | ($2) | $134 | $593 | $1,319 | $1,129 |
| Less: Net Charge-offs | (203) | (165) | (194) | (205) | (189) | (767) | (997) | (1,031) |
| **Change in Allowance for Finance Receivable Losses** | **$34** | **$61** | **($62)** | **($207)** | **($55)** | **($174)** | **$322** | **$98** |

*Note: YTD figures may not sum due to rounding.*
*(1) Effective 1Q21, the Portfolio Servicing Fees from SpringCastle and Net Gain on Sale of Real Estate Loans are included within 'Other' on our Consolidated Income Statement. Prior periods' income statement presentations have been revised to conform with this new alignment.*
*(2) 2Q21, 1Q21, 4Q20, FY21, FY20, and FY19 include fair value impairment of the remaining loans in finance receivables held for sale. FY19 also includes a gain on sale related to an investment held at cost.*
*(3) FY19 includes $22 of discrete tax benefits.*

# Consolidated Balance Sheets

| (unaudited, $ in millions) | 12/31/2021 | 9/30/2021 | 6/30/2021 | 3/31/2021 | 12/31/2020 |
|---|---|---|---|---|---|
| Cash and Cash Equivalents | $541 | $821 | $1,787 | $1,301 | $2,272 |
| Investment Securities | 1,992 | 1,963 | 1,969 | 1,951 | 1,922 |
| Net Finance Receivables | 19,212 | 18,843 | 18,163 | 17,564 | 18,084 |
| Unearned Insurance Premium and Claim Reserves | (761) | (750) | (728) | (719) | (771) |
| Allowance for Finance Receivable Losses | (2,095) | (2,061) | (2,000) | (2,062) | (2,269) |
| **Net Finance Receivables, Less Unearned Insurance Premium and Claim Reserves and Allowance for Finance Receivable Losses** | **16,356** | **16,032** | **15,435** | **14,783** | **15,044** |
| Restricted Cash and Cash Equivalents | 476 | 459 | 507 | 571 | 451 |
| Goodwill | 1,437 | 1,437 | 1,437 | 1,422 | 1,422 |
| Other Intangible Assets | 274 | 278 | 287 | 296 | 306 |
| Other Assets | 1,003 | 973 | 955 | 961 | 1,054 |
| **Total Assets** | **$22,079** | **$21,963** | **$22,377** | **$21,285** | **$22,471** |
| Long-Term Debt | $17,750 | $17,661 | $17,605 | $16,789 | $17,800 |
| Insurance Claims and Policyholder Liabilities | 621 | 616 | 617 | 614 | 621 |
| Deferred and Accrued Taxes | 1 | 9 | 10 | 90 | 45 |
| Other Liabilities | 614 | 556 | 608 | 484 | 564 |
| **Total Liabilities** | **18,986** | **18,842** | **18,840** | **17,977** | **19,030** |
| Common Stock | 1 | 1 | 1 | 1 | 1 |
| Additional Paid-In Capital | 1,672 | 1,665 | 1,661 | 1,657 | 1,655 |
| Accumulated Other Comprehensive Income (Loss) | 61 | 77 | 85 | 80 | 94 |
| Retained Earnings | 1,727 | 1,554 | 1,825 | 1,570 | 1,691 |
| Treasury Stock | (368) | (176) | (35) | 0 | 0 |
| **Total Shareholders' Equity** | **3,093** | **3,121** | **3,537** | **3,308** | **3,441** |
| **Total Liabilities and Shareholders' Equity** | **$22,079** | **$21,963** | **$22,377** | **$21,285** | **$22,471** |

# Balance Sheet Metrics

| (unaudited, $ in millions) | 12/30/2021 | 9/30/2021 | 6/30/2021 | 3/31/2021 | 12/31/2020 |
|---|---|---|---|---|---|
| Long-Term Debt | 17,750 | $17,661 | $17,605 | $16,789 | $17,800 |
| Less: Junior Subordinated Debt | (172) | (172) | (172) | (172) | (172) |
| **Adjusted Debt** | **$17,578** | **$17,489** | **$17,433** | **$16,617** | **$17,628** |
| Less: Available Cash and Cash Equivalents | (383) | (616) | (1,629) | (1,182) | (2,061) |
| **Net Adjusted Debt** | **$17,195** | **$16,873** | **$15,804** | **$15,435** | **$15,567** |
| Total Shareholders' Equity | 3,093 | $3,121 | $3,537 | $3,308 | $3,441 |
| Less: Goodwill | (1,437) | (1,437) | (1,437) | (1,422) | (1,422) |
| Less: Other Intangible Assets | (274) | (278) | (287) | (296) | (306) |
| Plus: Junior Subordinated Debt | 172 | 172 | 172 | 172 | 172 |
| **Adjusted Tangible Common Equity** | **$1,554** | **$1,578** | **$1,985** | **$1,762** | **$1,885** |
| Plus: Allowance for Finance Receivable Losses, net of tax (1) | 1,571 | 1,546 | 1,500 | 1,546 | 1,702 |
| **Adjusted Capital** | **$3,125** | **$3,124** | **$3,485** | **$3,308** | **$3,587** |
| **Net Leverage (Net Adjusted Debt to Adjusted Capital)** | **5.5x** | **5.4x** | **4.5x** | **4.7x** | **4.3x** |

*Note: See "Important Information" slide regarding Use of Non-GAAP Financial Measures.*
*(1) Income taxes assume a 25% tax rate for both 2021 and 2020.*

# Reconciliation of Non-GAAP Measures

| (unaudited, $ in millions) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Consumer & Insurance | $359 | $388 | $474 | $567 | $491 | $1,788 | $1,021 | $1,168 |
| Other | (1) | (1) | (2) | (3) | (4) | (7) | (9) | (3) |
| Segment to GAAP Adjustment | (3) | (11) | (9) | (18) | (11) | (40) | (35) | (67) |
| **Income Before Income Taxes - GAAP basis** | **$355** | **$376** | **$463** | **$546** | **$476** | **$1,741** | **$977** | **$1,098** |
| Pretax Income - Segment Accounting Basis | $359 | $388 | $474 | $567 | $491 | $1,788 | $1,021 | $1,168 |
| Cash-Settled Stock-Based Awards | 23 | 31 | 0 | 0 | 0 | 54 | 0 | 0 |
| Direct Costs Associated with COVID-19 | 2 | 1 | 2 | 2 | 5 | 6 | 17 | 0 |
| Acquisition-Related Transaction and Integration Expenses | 0 | 0 | 0 | 0 | 1 | 0 | 11 | 14 |
| Net Loss on Repurchases and Repayments of Debt (1) | 29 | 1 | 1 | 38 | 1 | 70 | 36 | 30 |
| Net Gain on Sale of Cost Method Investment | 0 | 0 | 0 | 0 | 0 | 0 | 0 | (11) |
| Restructuring Charges | 0 | 0 | 0 | 0 | 0 | 0 | 7 | 5 |
| **Consumer & Insurance Adjusted Pretax Income (non-GAAP)** | **$413** | **$421** | **$477** | **$607** | **$498** | **$1,918** | **$1,092** | **$1,206** |
| **Reconciling Items (2)** | **($57)** | **($44)** | **($12)** | **($59)** | **($20)** | **($171)** | **($109)** | **($99)** |

*Note: YTD figures may not sum due to rounding.*

*(1) Amounts may differ from those presented on "Consolidated Income Statements" slide as a result of purchase accounting adjustments that are not applicable on a Segment Accounting Basis.*

*(2) Reconciling Items consist of Total Segment to GAAP Adjustment less the adjustments to Pretax Income (Loss) – Segment Accounting Basis.*

# Reconciliation of Non-GAAP Measures (cont'd)

| (unaudited, $ in millions) | 12/31/2021 | 9/30/2021 | 6/30/2021 | 3/31/2021 | 12/31/2020 |
|---|---|---|---|---|---|
| Consumer & Insurance | $19,215 | $18,847 | $18,168 | $17,569 | $18,091 |
| Segment to GAAP Adjustment | (3) | (4) | (5) | (5) | (7) |
| **Net Finance Receivables - GAAP basis** | **$19,212** | **$18,843** | **$18,163** | **$17,564** | **$18,084** |
| | | | | | |
| Consumer & Insurance | $2,102 | $2,070 | $2,011 | $2,075 | $2,283 |
| Segment to GAAP Adjustment | (7) | (9) | (11) | (13) | (14) |
| **Allowance for Finance Receivable Losses - GAAP basis** | **$2,095** | **$2,061** | **$2,000** | **$2,062** | **$2,269** |

# Consumer & Insurance Segment (Non-GAAP)

| (unaudited, $ in millions, except per share statistics) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Interest Income | $1,119 | $1,111 | $1,069 | $1,057 | $1,093 | $4,355 | $4,353 | $4,114 |
| Interest Expense | (233) | (235) | (230) | (233) | (242) | (930) | (1,007) | (947) |
| Provision for Finance Receivable Losses | (236) | (224) | (130) | 3 | (130) | (587) | (1,313) | (1,105) |
| **Net Interest Income after Provision for Finance Receivable Losses** | **650** | **652** | **709** | **827** | **721** | **2,838** | **2,033** | **2,062** |
| Insurance | 111 | 109 | 107 | 107 | 109 | 434 | 443 | 460 |
| Investment | 17 | 14 | 17 | 17 | 19 | 65 | 75 | 96 |
| Gain on Sales of Finance Receivables | 17 | 15 | 11 | 4 | 0 | 47 | 0 | 0 |
| Other | 16 | 14 | 13 | 8 | 9 | 51 | 33 | 63 |
| **Total Other Revenues** | **161** | **152** | **148** | **136** | **137** | **597** | **551** | **619** |
| Operating Expenses | (348) | (338) | (332) | (323) | (319) | (1,341) | (1,250) | (1,290) |
| Insurance Policy Benefits and Claims | (50) | (45) | (48) | (33) | (41) | (176) | (242) | (185) |
| **Total Other Expenses** | **(398)** | **(383)** | **(380)** | **(356)** | **(360)** | **(1,517)** | **(1,492)** | **(1,475)** |
| **Adjusted Pretax Income (non-GAAP)** | **413** | **421** | **477** | **607** | **498** | **1,918** | **1,092** | **1,206** |
| Income Taxes [1] | (103) | (105) | (119) | (152) | (125) | (480) | (273) | (290) |
| **Adjusted Net Income (non-GAAP)** | **$310** | **$316** | **$358** | **$455** | **$373** | **$1,438** | **$819** | **$916** |
| Weighted Average Number of Diluted Shares | 130.0 | 132.9 | 134.6 | 134.8 | 134.7 | 133.1 | 134.9 | 136.3 |
| C&I Adjusted Diluted EPS | $2.38 | $2.37 | $2.66 | $3.37 | $2.77 | $10.81 | $6.07 | $6.72 |
| Net Finance Receivables | $19,215 | $18,847 | $18,168 | $17,569 | $18,091 | $19,215 | $18,091 | $18,421 |
| Average Net Receivables | $19,043 | $18,549 | $17,722 | $17,830 | $17,966 | $18,286 | $18,009 | $17,089 |
| Yield | 23.30% | 23.77% | 24.18% | 24.04% | 24.20% | 23.82% | 24.17% | 24.07% |
| Origination Volume | $3,836 | $3,870 | $3,835 | $2,284 | $3,206 | $13,851 | $10,729 | $13,803 |
| Purchase Volume | $26 | $0 | $0 | $0 | $0 | $26 | $0 | $0 |
| Net Finance Receivables | $19,215 | $18,847 | $18,168 | $17,569 | $18,091 | $19,215 | $18,091 | $18,421 |
| Finance Receivables Serviced for our Whole Loan Sale Partners | 414 | 283 | 149 | 43 | 0 | 414 | 0 | 0 |
| **Managed Receivables** | **$19,629** | **$19,130** | **$18,317** | **$17,612** | **$18,091** | **$19,629** | **$18,091** | **$18,421** |
| Average Net Receivables | $19,043 | $18,549 | $17,722 | $17,830 | $17,966 | $18,286 | $18,009 | $17,089 |
| Average Receivables Serviced for our Whole Loan Sale Partners | 351 | 211 | 114 | 22 | 0 | 174 | 0 | 0 |
| **Average Managed Receivables** | **$19,394** | **$18,760** | **$17,836** | **$17,852** | **$17,966** | **$18,460** | **$18,009** | **$17,089** |

*Note: Consumer & Insurance is presented on an adjusted Segment Accounting Basis. See "Important Information" slide regarding Use of Non-GAAP Financial Measures. YTD figures may not sum due to rounding.*
*(1) Income taxes assume a 25% tax rate for both 2021 and 2020 and a 24% tax rate for 2019.*

OneMain Financial.

# Consumer & Insurance Segment Metrics (Non-GAAP)

| (unaudited, $ in millions, except per share statistics) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Revenue [(1)] | 25.6% | 26.1% | 26.4% | 26.4% | 26.3% | 26.1% | 25.9% | 26.6% |
| Net Charge-off | (4.2%) | (3.5%) | (4.4%) | (4.7%) | (4.2%) | (4.2%) | (5.5%) | (6.0%) |
| **Risk Adjusted Margin** | **21.4%** | **22.6%** | **22.0%** | **21.7%** | **22.1%** | **21.9%** | **20.3%** | **20.6%** |
| Operating Expenses | (7.3%) | (7.2%) | (7.5%) | (7.3%) | (7.1%) | (7.3%) | (6.9%) | (7.5%) |
| **Unlevered Return on Receivables** | **14.1%** | **15.3%** | **14.5%** | **14.4%** | **15.1%** | **14.6%** | **13.4%** | **13.0%** |
| Interest Expense | (4.9%) | (5.0%) | (5.2%) | (5.3%) | (5.4%) | (5.1%) | (5.6%) | (5.5%) |
| Change in Allowance | (0.7%) | (1.3%) | 1.5% | 4.7% | 1.3% | 1.0% | (1.8%) | (0.4%) |
| Income Tax Expense [(2)] | (2.2%) | (2.3%) | (2.7%) | (3.4%) | (2.8%) | (2.6%) | (1.5%) | (1.7%) |
| **Return on Receivables** | **6.5%** | **6.8%** | **8.1%** | **10.3%** | **8.3%** | **7.9%** | **4.5%** | **5.4%** |
| Operating Expense | ($348) | ($338) | ($332) | ($323) | ($319) | ($1,341) | ($1,250) | ($1,290) |
| Average Managed Receivables | 19,394 | 18,760 | 17,836 | 17,852 | 17,966 | 18,460 | 18,009 | 17,089 |
| **Operating Expense % of Average Managed Receivables** | **(7.1%)** | **(7.2%)** | **(7.5%)** | **(7.3%)** | **(7.1%)** | **(7.3%)** | **(6.9%)** | **(7.5%)** |

*Note: Consumer & Insurance financial information is presented on an adjusted Segment Accounting Basis. All ratios are shown as a percentage of C&I average net finance receivables. See "Important Information" slide regarding Use of Non-GAAP Financial Measures. Ratios may not sum due to rounding.*
*(1) Revenue includes interest income on finance receivables plus other revenues less insurance policy benefits and claims.*
*(2) Income taxes assume a 25% tax rate for both 2021 and 2020 and a 24% tax rate for 2019.*

# Consumer & Insurance Capital Metrics (Non-GAAP)

| (unaudited, $ in millions) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Provision for Finance Receivable Losses | $236 | $224 | $130 | ($3) | $130 | $587 | $1,313 | $1,105 |
| Net Charge-offs | (204) | (165) | (194) | (205) | (189) | (768) | (998) | (1,028) |
| **Change in C&I Allowance for Finance Receivable Losses (non-GAAP)** | **32** | **59** | **(64)** | **(208)** | **(59)** | **(181)** | **315** | **77** |
| Adjusted Pretax Income (non-GAAP) | 413 | 421 | 477 | 607 | 498 | 1,918 | 1,092 | 1,206 |
| **Pretax Capital Generation (non-GAAP)** | **445** | **480** | **413** | **399** | **439** | **1,737** | **1,407** | **1,283** |
| **Capital Generation, net of tax [1] (non-GAAP)** | **$334** | **$360** | **$310** | **$299** | **$329** | **$1,303** | **$1,056** | **$975** |
| C&I Average Net Receivables | 19,043 | 18,549 | 17,722 | 17,830 | 17,966 | 18,286 | 18,009 | 17,089 |
| **Capital Generation Return on Receivables** | **7.0%** | **7.7%** | **7.0%** | **6.8%** | **7.3%** | **7.1%** | **5.9%** | **5.7%** |
| **Beginning Adjusted Capital** | **$3,124** | **$3,485** | **$3,308** | **$3,587** | **$3,300** | **$3,587** | **$3,367** | **$2,733** |
| **Capital Generation, net of tax [1] (non-GAAP)** | **$334** | **$360** | **$310** | **$299** | **$329** | **$1,303** | **$1,056** | **$975** |
| Common Stock Repurchased | (192) | (141) | (35) | 0 | 0 | (368) | (45) | 0 |
| Cash Dividends | (89) | (559) | (95) | (534) | (61) | (1,278) | (807) | (410) |
| **Capital Returns** | **($281)** | **($700)** | **($130)** | **($534)** | **($61)** | **($1,646)** | **($852)** | **($410)** |
| Adjustments to C&I, net of tax [1], [2] | (46) | (25) | (5) | (40) | (8) | (116) | (81) | (55) |
| Change in the Assumed Tax Rate [1] | 0 | 0 | 0 | 0 | 0 | 0 | (8) | 0 |
| Withholding Tax on Share-based Compensation | 0 | 0 | 0 | (5) | 0 | (6) | (6) | (5) |
| Adjusted Other Net Loss, net of tax [1] (non-GAAP) | (1) | (1) | (1) | (2) | (1) | (4) | (4) | (7) |
| Other Comprehensive Income (Loss) | (16) | (8) | 5 | (14) | 15 | (33) | 50 | 78 |
| Purchased Credit Deteriorated Finance Receivables Gross-up, net of tax [1], [3] | 0 | 0 | 0 | 0 | 0 | 0 | 11 | 0 |
| Other Intangibles Amortization | 4 | 9 | 9 | 10 | 9 | 32 | 37 | 45 |
| Trim Acquisition | 0 | 0 | (15) | 0 | 0 | (15) | 0 | 0 |
| Share-based Compensation Expense, net of forfeitures | 7 | 4 | 4 | 7 | 4 | 23 | 17 | 13 |
| **Other** | **($52)** | **($21)** | **($3)** | **($44)** | **$19** | **($119)** | **$16** | **$69** |
| **Ending Adjusted Capital** | **$3,125** | **$3,124** | **$3,485** | **$3,308** | **$3,587** | **$3,125** | **$3,587** | **$3,367** |

*Note: Consumer & Insurance is presented on an adjusted Segment Accounting Basis. See "Important Information" slide regarding Use of Non-GAAP Financial Measures. YTD figures may not sum due to rounding.*
*(1) Income taxes assume a 25% tax rate for both 2021 and 2020 and a 24% tax rate for 2019.*
*(2) Includes the effects of purchase accounting adjustments excluding loan loss reserves.*
*(3) As a result of the adoption of ASU 2016-13, all purchased credit impaired finance receivables were converted to purchased credit deteriorated finance receivables in accordance with ASC Topic 326, which resulted in the gross-up of net finance receivables and allowance for finance receivable losses of $15 on January 1, 2020.*

# Consumer & Insurance Credit Metrics (Non-GAAP)

| (unaudited, $ in millions) | 4Q21 | 3Q21 | 2Q21 | 1Q21 | 4Q20 | FY21 | FY20 | FY19 |
|---|---|---|---|---|---|---|---|---|
| Gross Charge-offs | $260 | $223 | $252 | $255 | $231 | $990 | $1,163 | $1,172 |
| Gross Charge-off Ratio | 5.42% | 4.77% | 5.70% | 5.81% | 5.12% | 5.42% | 6.46% | 6.86% |
| Recoveries | $56 | $58 | $58 | $50 | $42 | $222 | $165 | $143 |
| Recovery Ratio | 1.18% | 1.24% | 1.29% | 1.14% | 0.94% | 1.21% | 0.92% | 0.84% |
| Net Charge-offs | $204 | $165 | $194 | $205 | $189 | $768 | $998 | $1,028 |
| Net Charge-off Ratio | 4.24% | 3.52% | 4.41% | 4.67% | 4.18% | 4.20% | 5.54% | 6.02% |
| 30-89 Delinquency | $467 | $415 | $320 | $276 | $413 | $467 | $413 | $455 |
| 30-89 Delinquency Ratio | 2.43% | 2.20% | 1.76% | 1.57% | 2.28% | 2.43% | 2.28% | 2.47% |
| 30+ Delinquency | $850 | $710 | $567 | $596 | $729 | $850 | $729 | $843 |
| 30+ Delinquency Ratio | 4.42% | 3.77% | 3.12% | 3.39% | 4.03% | 4.42% | 4.03% | 4.58% |
| 60+ Delinquency | $568 | $452 | $365 | $439 | $478 | $568 | $478 | $570 |
| 60+ Delinquency Ratio | 2.96% | 2.40% | 2.01% | 2.50% | 2.64% | 2.96% | 2.64% | 3.09% |
| 90+ Delinquency | $383 | $295 | $247 | $320 | $316 | $383 | $316 | $388 |
| 90+ Delinquency Ratio | 1.99% | 1.57% | 1.36% | 1.82% | 1.75% | 1.99% | 1.75% | 2.11% |
| Non-TDR Allowance | $1,823 | $1,778 | $1,693 | $1,748 | $1,951 | $1,823 | $1,951 | $557 |
| TDR Allowance | 279 | 292 | 318 | 327 | 332 | 279 | 332 | 292 |
| **Allowance (1)** | **$2,102** | **$2,070** | **$2,011** | **$2,075** | **$2,283** | **$2,102** | **$2,283** | **$849** |
| Non-TDR Net Finance Receivables | $18,544 | $18,166 | $17,460 | $16,846 | $17,363 | $18,544 | $17,363 | $17,700 |
| TDR Net Finance Receivables | 671 | 681 | 708 | 723 | 728 | 671 | 728 | 721 |
| **Net Finance Receivables (1)** | **$19,215** | **$18,847** | **$18,168** | **$17,569** | **$18,091** | **$19,215** | **$18,091** | **$18,421** |
| Non-TDR Allowance Ratio | 9.83% | 9.79% | 9.69% | 10.38% | 11.24% | 9.83% | 11.24% | 3.15% |
| TDR Allowance Ratio | 41.56% | 42.87% | 44.93% | 45.23% | 45.55% | 41.56% | 45.55% | 40.46% |
| **Allowance Ratio** | **10.94%** | **10.98%** | **11.07%** | **11.81%** | **12.62%** | **10.94%** | **12.62%** | **4.61%** |

*Note: Delinquency ratios are calculated as a percentage of C&I ending net finance receivables. Charge-off and recovery ratios are calculated as a percentage of C&I average net finance receivables. See "Important Information" slide regarding Use of Non-GAAP Financial Measures. Numbers may not sum due to rounding.*
*(1) For reconciliation to GAAP, see "Reconciliation of Non-GAAP Measures (continued)" slide.*

# Glossary

## Select Calculations:

- **Adjusted Capital** = Adjusted Tangible Common Equity + Allowance for Finance Receivable Losses (ALLL), net of tax
- **Adjusted Debt** = Long-Term Debt – Junior Subordinated Debt
- **Adjusted Tangible Common Equity (TCE)** = Total Shareholders' Equity – Goodwill – Other Intangible Assets + Junior Subordinated Debt
- **Available Cash and Cash Equivalents** = Cash and Cash Equivalents – Cash and Cash Equivalents held at our regulated insurance subsidiaries or is unavailable for general corporate purposes
- **Average Assets** = Average of monthly average assets (assets at the beginning and end of each month divided by two) in the period
- **Average Managed Receivables** = Average Net Receivables + Average Receivables Serviced for our Whole Loan Sale Partners
- **C&I Adjusted Diluted EPS** = C&I Adjusted Net Income (Non-GAAP) / Weighted Average Diluted Shares
- **C&I Operating Expense % of Average Managed Receivables** = Annualized C&I Operating Expenses / C&I Average Managed Receivables
- **Capital Generation** = C&I Adjusted Net Income – Change in C&I Allowance for Finance Receivable Losses, net of tax
- **Capital Generation Return on Receivables** = Annualized Capital Generation / C&I Average Net Receivables
- **Finance Receivables Serviced for our Whole Loan Sale Partners** = Unpaid principal balance plus accrued interest of loans sold as part of our Whole Loan Sale program
- **Managed Receivables** = Net Finance Receivables + Finance Receivables Serviced for our Whole Loan Sale Partners
- **Net Adjusted Debt** = Adjusted Debt – Available Cash and Cash Equivalents
- **Net Leverage** = Net Adjusted Debt / Adjusted Capital
- **Other Net Revenue** = Other Revenues – Insurance Policy Benefits and Claims Expense
- **Pretax Capital Generation** = C&I Pretax Adjusted Net Income – Change in C&I Allowance for Finance Receivable Losses
- **Purchase Volume** = Credit Card Purchase Transactions + Cash Advances – Returns
- **Return on Assets (ROA)** = Annualized Net Income / Average Total Assets
- **Return on Receivables (C&I ROR)** = Annualized C&I Adjusted Net Income / C&I Average Net Receivables
- **Return on Tangible Common Equity (ROTCE)** = Annualized Net Income / Average Adjusted Tangible Common Equity
- **Unencumbered Loans** = Unencumbered Gross Finance Receivables