Q1 2020 Financial and Operational Highlights

Executing on our Strategy to Ensure Sallie Mae’s Long-Term Success

- **Performance Overview**
  - GAAP Diluted EPS: $0.87, YoY change +147.8%
  - Non-GAAP “Core Earnings” Diluted EPS: $0.79, YoY change +132.4%
  - Private Education Loan Originations: $2.3B, YoY change +8.0%

- **Remain Focused on Value Creation and Returning Capital to Shareholders**
  - $636M Completed ABS transaction
  - $525M Initiated ASR agreement
  - $0.03 Per share dividend; repurchased $461M of common stock in Q1
  - Completed Sale of $3.1B of Private Education Loans
    - $239M Recognized gain from loan sale
    - 8% Premium on loan sale

- **Ensuring Employee and Customer Well Being**
  - After working closely with regulators, implemented process changes to move to remote work
  - Providing disaster forbearance for customers affected by COVID-19
  - Implemented self-service capabilities that allowed us to process an unprecedented number of requests

- **Strong Capital Profile**
  - Solid balance sheet with 13.7% total risk-based capital and 23% liquidity ratio
  - Increased financing facility from $750M to $2B
  - Ample liquidity with no anticipated funding constraints

- **COVID-19 Business Update**
  - Lagging impact on first quarter results with forbearance at 6.2%
  - Withdrawing previously issued full-year guidance given uncertainty due to COVID-19
  - To minimize business disruption, will draw on deep partnerships and from experience, including 2008 financial crisis and stress tests

-The first quarter was an extraordinary time in all of our personal and professional lives. We responded to the pandemic with passion and purpose: moving swiftly to protect the health and safety of our team, providing service to customers without disruption, implementing accommodations to assist customers facing financial distress, and supporting our communities’ most vulnerable residents with contributions from our foundation. We continue to execute our business strategy to provide great value for customers and drive performance for shareholders.

Jonathan Witter, CEO
Cautionary Note Regarding Forward-Looking Statements

This communication contains “forward-looking statements” and information based on management’s current expectations as of the date of this communication. Statements that are not historical facts, including statements about our beliefs, opinions or expectations and statements to actual results or changes in our expectations. Only as of the date of this communication. We do not undertake any obligation to update or revise these forward-looking statements to conform such unrealized gains or loss over the life of the contract will be equal to $0. Management believes the company’s derivatives are effective economic hedges, and, as such, they are a critical element of the company’s interest rate risk management strategy. Our “Core Earnings” are not defined terms within GAAP and may not be comparable to similarly titled measures reported by other companies.