SLM CORPORATION EARNINGS PRESENTATION FIRST QUARTER 2016

April 21, 2016

SallieMae®
Let's Make College Happen℠

Forward-Looking Statements and Disclaimer

Cautionary Note Regarding Forward-Looking Statements

The following information is current as of April 20, 2016 (unless otherwise noted) and should be read in connection with the press release of SLM Corporation (the “Company”) announcing its financial results for the quarter ended March 31, 2016, and the Form 10-Q for the quarter ended March 31, 2016 (filed with the Securities and Exchange Commission (“SEC”) on April 20, 2016) and subsequent reports filed with the SEC.

This Presentation contains “forward-looking” statements and information based on management’s current expectations as of the date of this Presentation. Statements that are not historical facts, including statements about the Company’s beliefs, opinions or expectations and statements that assume or are dependent upon future events, are forward-looking statements. Forward-looking statements are subject to risks, uncertainties, assumptions and other factors that may cause actual results to be materially different from those reflected in such forward-looking statements. These factors include, among others, the risks and uncertainties set forth in Item 1A “Risk Factors” and elsewhere in the Company’s Annual Report on Form 10-K for the year ended Dec. 31, 2015 (filed with the SEC on Feb. 26, 2016) and subsequent filings with the SEC; increases in financing costs; limits on liquidity; increases in costs associated with compliance with laws and regulations; changes in accounting standards and the impact of related changes in significant accounting estimates; any adverse outcomes in any significant litigation to which the Company is a party; credit risk associated with the Company’s exposure to third parties, including counterparties to the Company’s derivative transactions; and changes in the terms of education loans and the educational credit marketplace (including changes resulting from new laws and the implementation of existing laws). The Company could also be affected by, among other things: changes in its funding costs and availability; reductions to its credit ratings; failures or breaches of its operating systems or infrastructure, including those of third-party vendors; damage to its reputation; failures to successfully implement cost-cutting and restructuring initiatives and adverse effects of such initiatives on the Company’s business; risks associated with restructuring initiatives; changes in the demand for educational financing or in financing preferences of lenders, educational institutions, students and their families; changes in law and regulations with respect to the student lending business and financial institutions generally; changes in banking rules and regulations, including increased capital requirements; increased competition from banks and other consumer lenders; the creditworthiness of customers; changes in the general interest rate environment, including the rate relationships among relevant money-market instruments and those of earning assets versus funding arrangements; rates of prepayments on the loans made by the Company and its subsidiaries; changes in general economic conditions and the Company’s ability to successfully effectuate any acquisitions; and other strategic initiatives. The preparation of the Company’s consolidated financial statements also requires management to make certain estimates and assumptions, including estimates and assumptions about future events. These estimates or assumptions may prove to be incorrect. All forward-looking statements contained in this Presentation are qualified by these cautionary statements and are made only as of the date of this Presentation. The Company does not undertake any obligation to update or revise these forward-looking statements to conform such statements to actual results or changes in its expectations.

The Company reports financial results on a GAAP basis and also provides certain “Core Earnings” performance measures. The difference between the Company’s “Core Earnings” and GAAP results for the periods presented were the unrealized, mark-to-market gains/losses on derivative contracts. These are recognized in GAAP, but not in “Core Earnings” results. The Company provides “Core Earnings” measures because this is what management uses when making management decisions regarding the Company’s performance and the allocation of corporate resources. The Company’s “Core Earnings” are not defined terms within GAAP and may not be comparable to similarly titled measures reported by other companies.

For additional information, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – GAAP Consolidated Earnings Summary-’Core Earnings’” in the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2016 for a further discussion and the “’Core Earnings’ to GAAP Reconciliation” table in this Presentation for a complete reconciliation between GAAP net income and “Core Earnings”.

Disclaimer. A significant portion of the historical data relating to historical Smart Option Student Loan performance used to prepare certain of these materials was provided to the Company by Navient Corporation (“Navient”) pursuant to a Data Sharing Agreement executed in connection with the Spin-Off (as hereinafter defined). Under the Data Sharing Agreement, Navient makes no representations or warranties to the Company concerning the accuracy and completeness of information that they provided. The Company and Sallie Mae Bank have not independently verified, and are not able to verify, the accuracy or completeness of the data provided under the agreement or of Navient’s representations and warranties. Although we have no reason to believe that the data received from Navient and used to prepare the tabular and graphic presentations in this document as a whole is materially inaccurate or incomplete, and have assumed that the data provided by Navient under the Data Sharing Agreement as a whole to be materially accurate and complete, neither the Company nor any person on its behalf has independently verified the accuracy and completeness of such data.

Sallie Mae Overview

Sallie Mae Key Statistics for Q1 2016

- $0.14 diluted earnings per share
- Portfolio of $12.0 billion of high quality Private Education Loans
- 90% of Private Education Loans are cosigned
- Average Private Education Loan Originations FICO of 748
- 79% of Private Education Loans outstanding have a FICO ≥ 700 at origination
- 32% of Private Education Loans are in full principal and interest repayment
- $938 million in cash
- Net interest income $210 million
- Net interest margin= 5.77%
- Private Education Loan yield= 8.03%

A diversified approach to funding which includes:

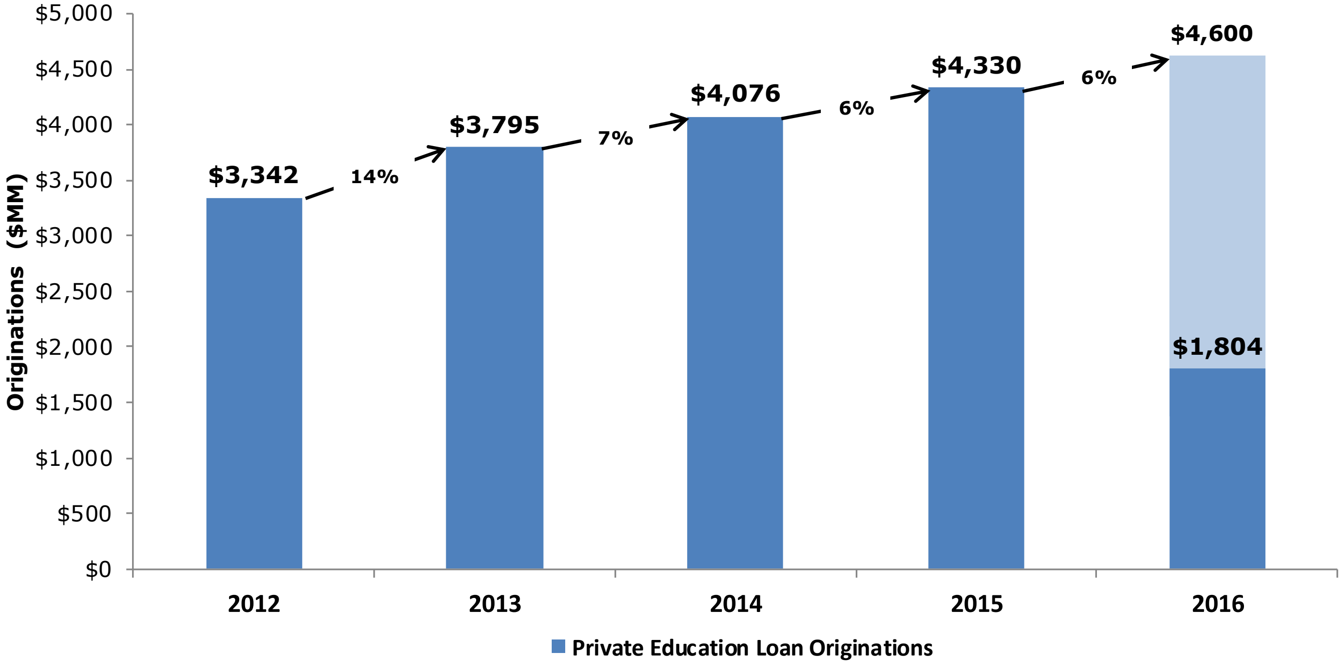
- $11.5 billion in deposits
  - $6.8 billion brokered deposits
  - $4.7 billion in retail and other deposits
- $750 million secured commercial paper funding facility
- $623 million of term funding raised in ABS market in July 2015

Key Financial Metrics

($Millions)	Q1 2016	Q4 2015	Q1 2015
Private Education Loans, Net	$ 12,021	$ 10,515	$ 9,701
Net Interest Income	$ 210	$ 188	$ 171
Net Interest Margin	5.77%	5.48%	5.60%
Private Education Yield	8.03%	7.84%	8.07%
Cost of Funds	1.26%	1.18%	1.17%
Operating Expenses[1]	$ 93	$ 86	$ 81
Restructuring Expenses	-	$ (1)	$ 5
Operating Efficiency Ratio[2]	40%	43%	45%
Bank Total Risk-Based Capital	14.4%	15.4%	14.4%

- Operating Efficiency Ratio for Q1 2016 is 42%, excluding the one-time $10 million change in reserve estimates related to our Upromise rewards business

High Quality Private Education Loan Originations Growth



Originations Statistics ($)	Q1 2016	Q1 2015
% Cosigned	90%	90%
% In School Payment	57%	56%
Average Originated FICO	748	749
YoY Originations Growth Rate	8.5%	

Private Education Loan Delinquencies[3,4]

($ Thousands)	March 31, 2016 Balance	%	December 31, 2015 Balance	%	March 31, 2015 Balance	%
Loans in repayment and percentage of each status:						
Loans current	7,678,446	97.9%	6,773,095	97.8%	5,896,132	98.4%
Loans delinquent 31-60 days	78,242	1.0%	91,129	1.3%	54,883	0.9%
Loans delinquent 61-90 days	56,906	0.7%	42,048	0.6%	31,202	0.5%
Loans delinquent greater than 90 days	29,482	0.4%	20,994	0.3%	12,904	0.2%
Total private education loans in repayment	7,843,076	100.0%	6,927,266	100.0%	5,995,121	100.0%
Loans delinquent 30+ days		2.1%		2.2%		1.7%
Loans in forbearance	241,462		241,207		170,162	
Loans in forbearance/ loans in repayment and forbearance		3.0%		3.4%		2.8%
Allowance as a % of the ending loans in repayment		1.6%		1.6%		1.4%

- Net charge-offs as a percentage of average loans in repayment(annualized) were 0.95% for 1Q 2016

Earnings Metrics[5,6,7]

($Millions, except per share amounts)	Q1 2016	Q4 2015	Q1 2015
GAAP Net Income	$ 66	$ 90	$ 48
GAAP Diluted Earnings Per Common Share	0.14	0.20	0.10
"Core Earnings" Adjustments to GAAP	1	0	(2)
"Core Earnings"	67	90	46
"Core Earnings" Diluted Earnings Per Common Share	0.14	0.20	0.10
Core Return on Assets ("ROA")	1.7%	2.5%	1.5%
Core Return on Common Equity ("ROCE")	15.9%	22.5%	13.2%

Footnotes

[1] Includes Acquired intangible asset amortization expense.

[2] Operating efficiency ratio is calculated as total expenses, excluding restructuring and other reorganization expenses, divided by net interest income (before provisions for credit losses) and other income, excluding gains on sales of loans, net.

[3] For this slide, “Loans in Repayment” include loans making interest only and fixed payments as well as loans that have entered full principal and interest repayment status.

[4] Loans in forbearance include loans for customers who have requested extension of grace period generally during employment transition or who have temporarily ceased making full payments due to hardship or other factors, consistent with established loan program servicing policies and procedures.

[5] The difference between “Core Earnings” and GAAP net income is driven by mark-to-market unrealized gains and losses on derivative contracts recognized in GAAP, but not in “Core Earnings” results. See page 9 for a reconciliation of GAAP and “Core Earnings” .

[6] Derivative Accounting: “Core Earnings” exclude periodic unrealized gains and losses caused by the mark-to-market valuations on derivatives that do not qualify for hedge accounting treatment under GAAP, as well as the periodic unrealized gains and losses that are a result of ineffectiveness recognized related to effective hedges under GAAP. Under GAAP, for our derivatives held to maturity, the cumulative net unrealized gain or loss over the life of the contract will equal $0.

[7] “Core Earnings” tax rate is based on the effective tax rate at the Bank where the derivative instruments are held.

"Core Earnings" to GAAP Reconciliation

	Quarters Ended		
	Mar. 31, 2016	Dec. 31, 2015	Mar. 31, 2015
(Dollars in thousands, except per share amounts)			
"Core Earnings" adjustments to GAAP:			
GAAP net income attributable to SLM Corporation	$ 65,915	$ 89,845	$ 47,699
Preferred stock dividends	5,139	4,989	4,823
GAAP net income attributable to SLM Corporation common stock...	$ 60,776	$ 84,856	$ 42,876
Adjustments:			
Net impact of derivative accounting(6)	1,042	(348)	(2,269)
Net tax effect(7)	399	(124)	(873)
Total "Core Earnings" adjustments to GAAP	643	(224)	(1,396)
"Core Earnings" attributable to SLM Corporation common stock..	$ 61,419	$ 84,632	$ 41,480
GAAP diluted earnings per common share	$ 0.14	$ 0.20	$ 0.10
Derivative adjustments, net of tax	-	-	-
"Core Earnings" diluted earnings per common share	$ 0.14	$ 0.20	$ 0.10