

3Q 2019 Earnings Call Supplemental Presentation

November 6, 2019

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This presentation also contains certain non-GAAP measures. Please refer to the Appendix accompanying this presentation for a reconciliation of non-GAAP measures to the most comparable GAAP measures.

The information and opinions contained in this document are provided as of the date of this presentation and are subject to change without notice. This document has not been approved by any regulatory or supervisory authority.

3Q 19 Highlights

dollars in millions (except per share amounts)	3Q 19	3Q 18	\$ Chg B/(W)	% Chg B/(W)
Average Finance Receivables	\$1,010.5	\$869.1	\$141.5	16.3%
Interest & Fee Income	83.1	72.1	11.0	15.2%
Total Revenue	91.7	77.9	13.8	17.7%
Provision for Credit Losses	24.5	23.6	(0.9)	(3.7%)
G&A Expense	40.2	35.9	(4.3)	(12.0%)
Interest Expense	10.3	8.7	(1.6)	(18.5%)
Net Income	12.6	7.4	5.1	68.8%
ROA	4.7%	3.3%	1.4%	42.4%
ROE	17.2%	11.3%	5.9%	52.2%
Diluted EPS	\$1.08	\$0.61	\$0.47	77.0%

- **Net income of \$12.6 million, or \$1.08 diluted EPS**
- **Total revenue growth of 17.7% driven by \$141.5 million year-over-year average portfolio growth**
 - Interest and fee income up 15.2% year-over-year on 16.3% increase in average finance receivables
 - Insurance income, net increased by \$2.2 million, primarily due to portfolio growth and a \$1.2 million reduction in non-file insurance claims filed (corresponding increase in net credit losses and was neutral to net income)
- **Provision for credit losses up 3.7%, or \$0.9 million, primarily due to:**
 - 16.3% increase in average finance receivables and \$1.2 million of reduced non-file insurance usage
 - 3Q 18 included \$3.9 million of incremental hurricane provision for credit losses
- **Operating expense ratio improved 0.6% over prior year to 15.9%**
 - 3Q 19 includes \$1.1 million of expense from 12 net new branches that opened since the prior-year period
- **Interest expense increase of 18.5%, primarily due to portfolio growth**

18 Consecutive Quarters of Year-Over-Year Double-Digit Portfolio Growth

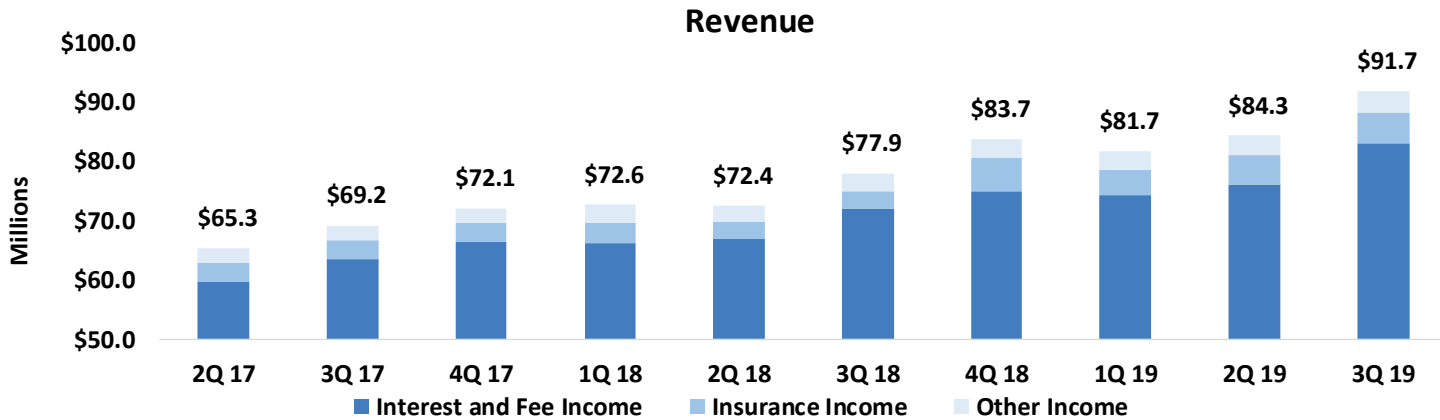


in millions	Ending Finance Receivables									
	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Small Loans (≤ \$2,500)	\$349	\$363	\$376	\$360	\$385	\$414	\$438	\$422	\$431	\$449
Large Loans (≥ \$2,500)	\$268	\$309	\$347	\$364	\$392	\$411	\$438	\$441	\$499	\$555
Core Loan Products	\$617	\$672	\$723	\$724	\$777	\$825	\$876	\$862	\$930	\$1,004
Automobile Loans	\$80	\$72	\$61	\$49	\$39	\$32	\$26	\$21	\$16	\$12
Retail Loans	\$30	\$31	\$33	\$32	\$31	\$31	\$30	\$29	\$28	\$26
Total	\$727	\$775	\$817	\$805	\$847	\$888	\$932	\$912	\$973	\$1,042
Total YoY Δ (\$)	\$81	\$79	\$100	\$110	\$120	\$113	\$115	\$107	\$126	\$154
Total YoY Δ (%)	12.5%	11.3%	13.9%	15.8%	16.6%	14.6%	14.0%	13.3%	14.9%	17.4%

vs. 2Q 19		vs. 3Q 18	
\$ Chg I/(D)	% Chg I/(D)	\$ Chg I/(D)	% Chg I/(D)
\$18	4.2%	\$35	8.4%
\$56	11.2%	\$144	35.0%
\$74	8.0%	\$179	21.7%
(\$4)	(22.7%)	(\$20)	(62.5%)
(\$2)	(6.5%)	(\$5)	(14.8%)
\$69	7.1%	\$154	17.4%

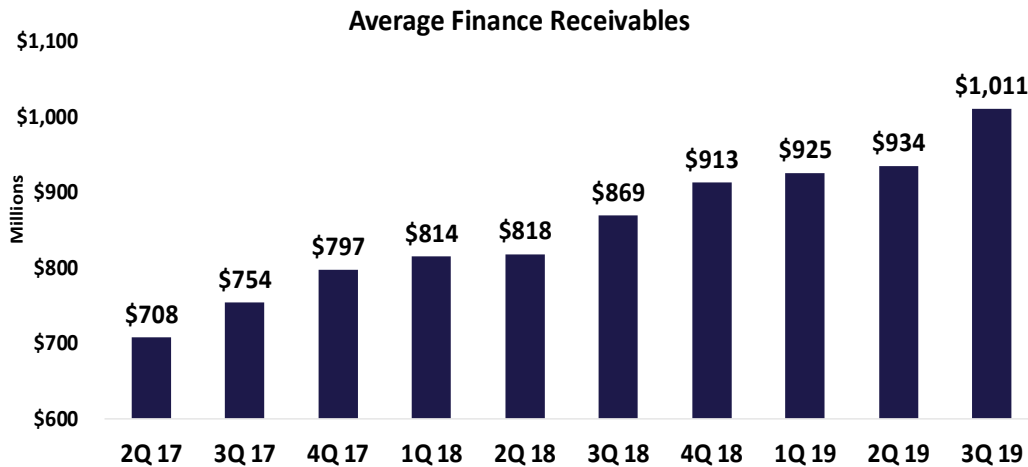
- 18 consecutive quarters of year-over-year double-digit growth in ending finance receivables
- Strong core loan growth of nearly 22% from prior year

13 Consecutive Quarters of Year-Over-Year Double-Digit Revenue Growth

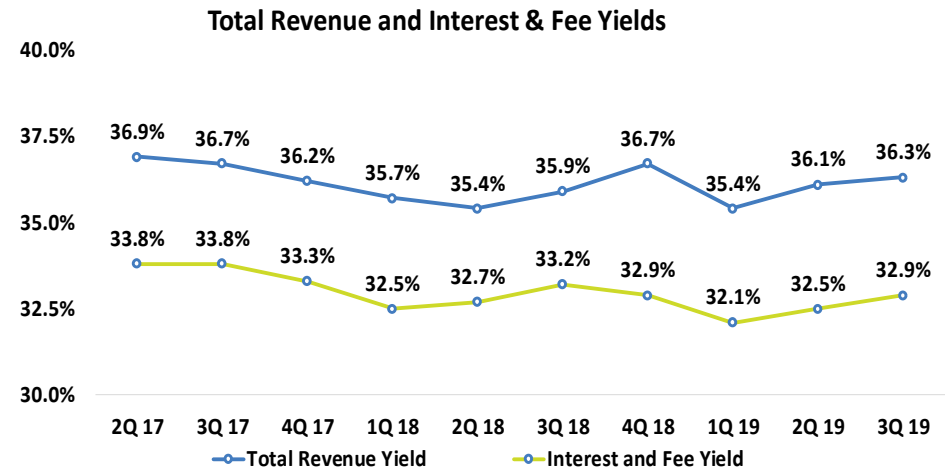


- Total revenue increased 17.7% vs. prior-year period
- Interest and fee yield decreased 30 basis points vs. the prior-year period, as large loan portfolio growth outpaced higher yielding small loan growth

Sequential Δ	(0.7%)	5.9%	4.2%	0.7%	(0.3%)	7.6%	7.5%	(2.4%)	3.1%	8.8%
YoY Δ	14.0%	10.8%	12.6%	10.3%	10.8%	12.6%	16.1%	12.6%	16.4%	17.7%



Sequential Δ	(0.2%)	6.5%	5.7%	2.2%	0.4%	6.2%	5.0%	1.4%	1.0%	8.1%
YoY Δ	13.3%	11.8%	12.7%	14.8%	15.6%	15.3%	14.5%	13.6%	14.2%	16.3%

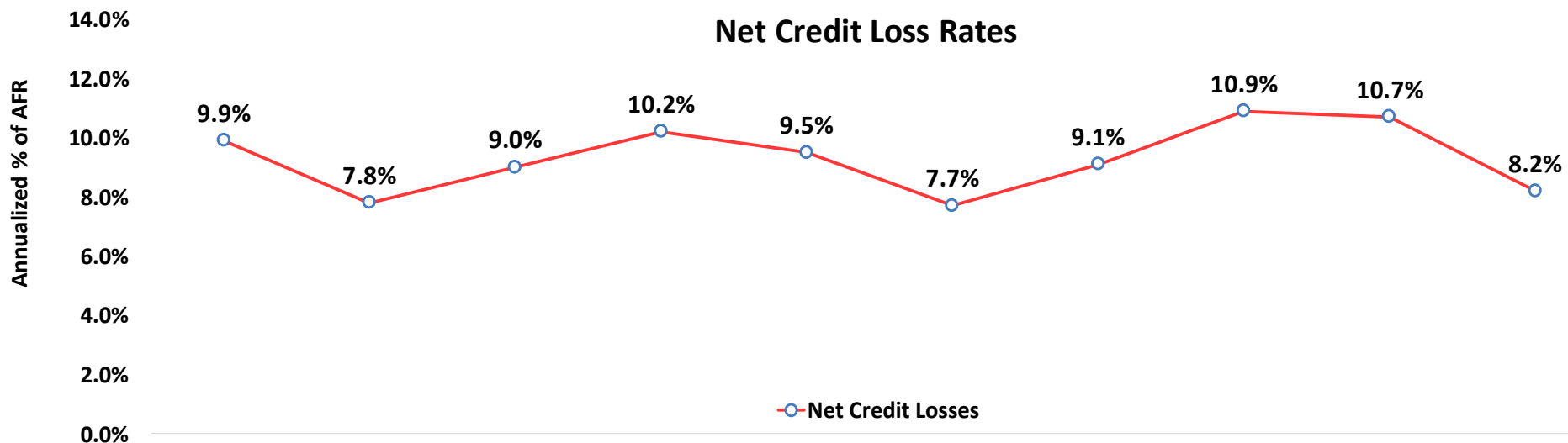


Sequential Δ	(0.2%)	(0.2%)	(0.5%)	(0.5%)	(0.3%)	0.5%	0.8%	(1.3%)	0.7%	0.2%
YoY Δ	0.2%	(0.3%)	-	(1.4%)	(1.5%)	(0.8%)	0.5%	(0.3%)	0.7%	0.4%

Note: Table above reflects changes in total revenue yield

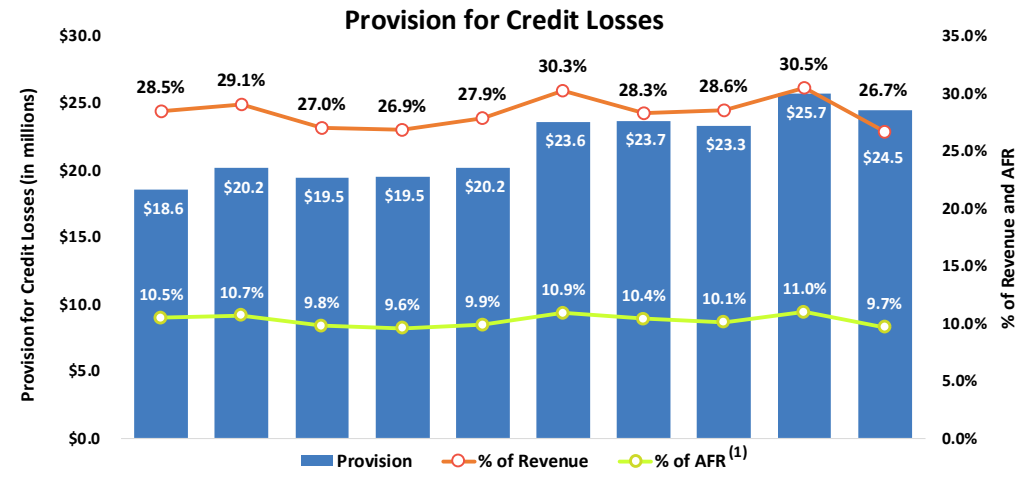
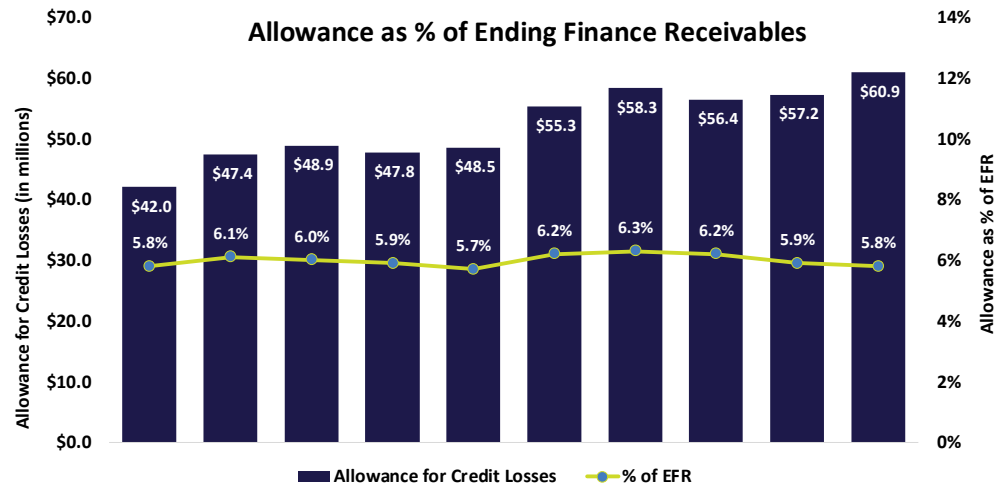
Recent Net Credit Loss Trends

- Annualized net credit loss rate increased 50 basis points vs. the prior-year period. The increase includes 40 basis points of additional non-file insurance claims (bankruptcy losses) that shifted to net credit losses following the business policy change implemented in 4Q 18.



	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	(1.0%)	(2.1%)	1.2%	1.2%	(0.7%)	(1.8%)	1.4%	1.8%	(0.2%)	(2.5%)
Year/Year Δ	1.3%	(0.2%)	(0.8%)	(0.7%)	(0.4%)	(0.1%)	0.1%	0.7%	1.2%	0.5%
Net credit loss rate above includes:										
Non-file claims	0.9%	0.5%	0.4%	0.3%	0.2%	0.3%	0.8%	0.7%	0.7%	0.7%
Bulk debt sale proceeds	-	(0.5%)	-	-	-	-	-	-	-	-
Hurricane losses	-	-	-	0.4%	0.5%	-	0.1%	0.4%	0.6%	-

Recent Provision Trends



% of EFR	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	(0.1%)	0.3%	(0.1%)	(0.1%)	(0.2%)	0.5%	0.1%	(0.1%)	(0.3%)	(0.1%)
YoY Δ	0.2%	0.5%	0.3%	-	(0.1%)	0.1%	0.3%	0.3%	0.2%	(0.4%)

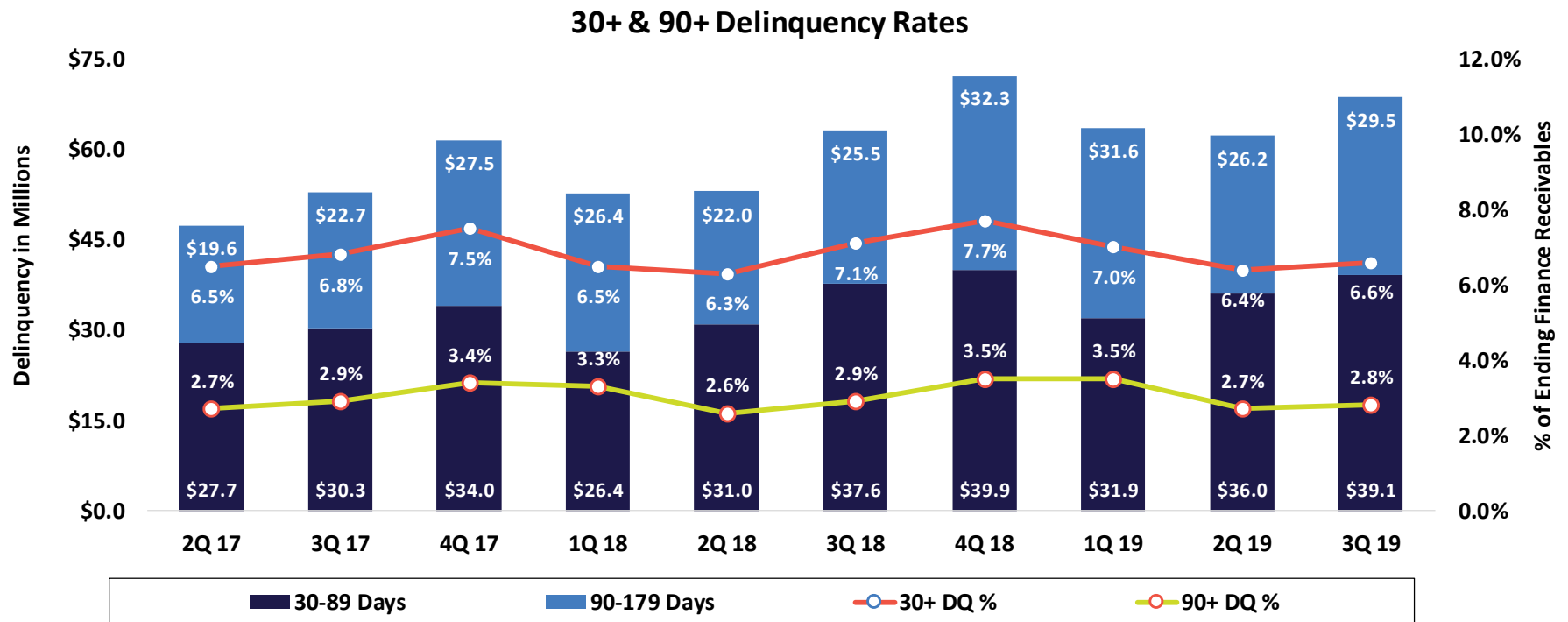
% of Revenue	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	(0.6%)	0.6%	(2.1%)	(0.1%)	1.0%	2.4%	(2.0%)	0.3%	1.9%	(3.8%)
YoY Δ	5.1%	2.8%	(3.3%)	(2.2%)	(0.6%)	1.2%	1.3%	1.7%	2.6%	(3.6%)

% of AFR (1)	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	(0.3%)	0.2%	(0.9%)	(0.2%)	0.3%	1.0%	(0.5%)	(0.3%)	0.9%	(1.3%)
YoY Δ	1.9%	1.0%	(1.2%)	(1.2%)	(0.6%)	0.2%	0.6%	0.5%	1.1%	(1.2%)

(1) The percentage of average finance receivables has been annualized

Seasonal Pattern of Delinquency

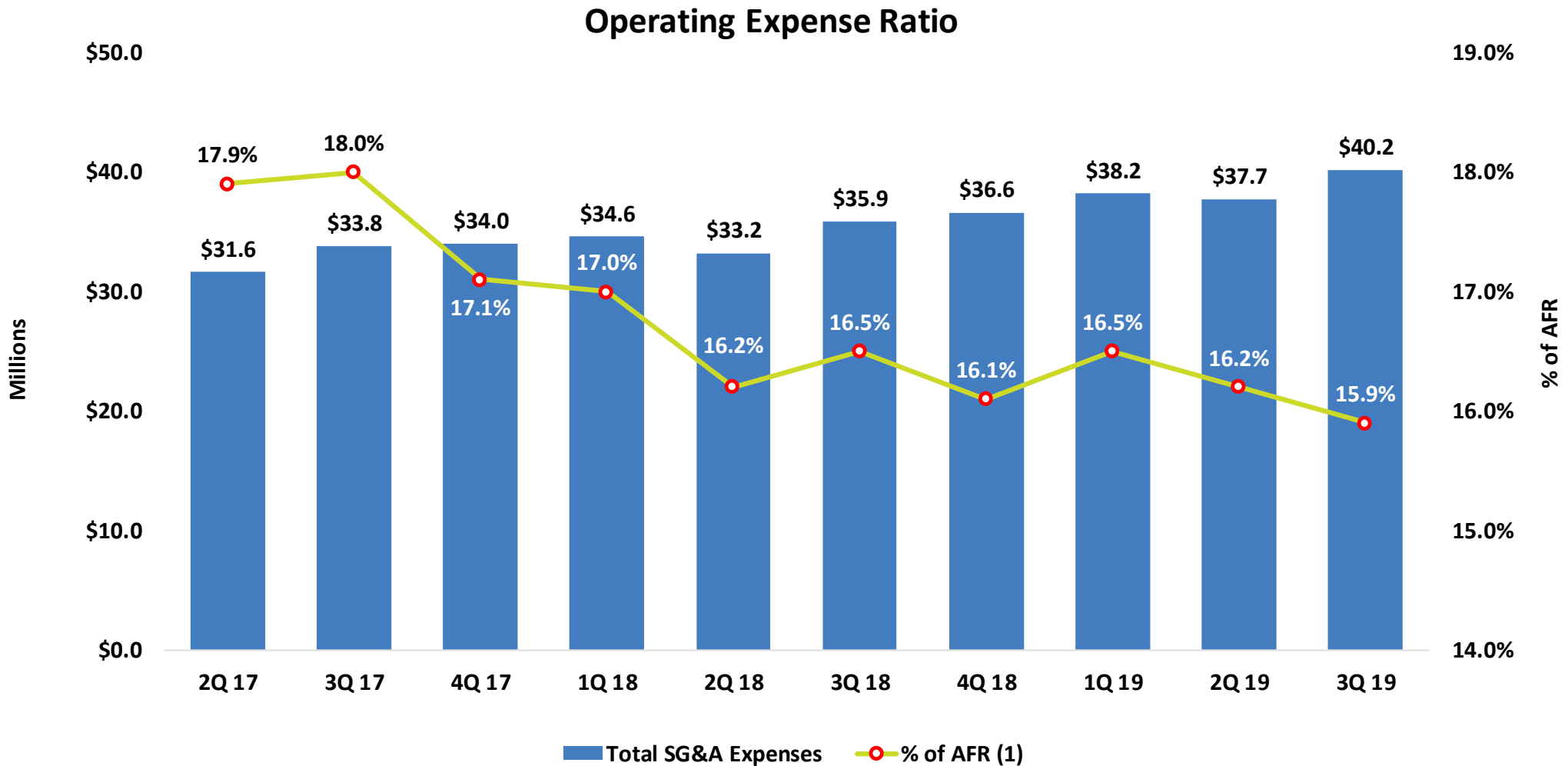
- 3Q 19 delinquency is down slightly from prior year largely due to new credit scorecards
 - 30+ days past due of 6.6% is 50 basis points lower than prior year
 - 90+ days past due of 2.8% is 10 basis points lower than prior year



30+ DQ	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	-	0.3%	0.7%	(1.0%)	(0.2%)	0.8%	0.6%	(0.7%)	(0.6%)	0.2%
YoY Δ	(0.3%)	(0.3%)	0.1%	-	(0.2%)	0.3%	0.2%	0.5%	0.1%	(0.5%)

90+ DQ	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Sequential Δ	(0.3%)	0.2%	0.5%	(0.1%)	(0.7%)	0.3%	0.6%	-	(0.8%)	0.1%
YoY Δ	-	(0.2%)	(0.1%)	0.3%	(0.1%)	-	0.1%	0.2%	0.1%	(0.1%)

Achieving Operating Leverage While Investing in Our Business



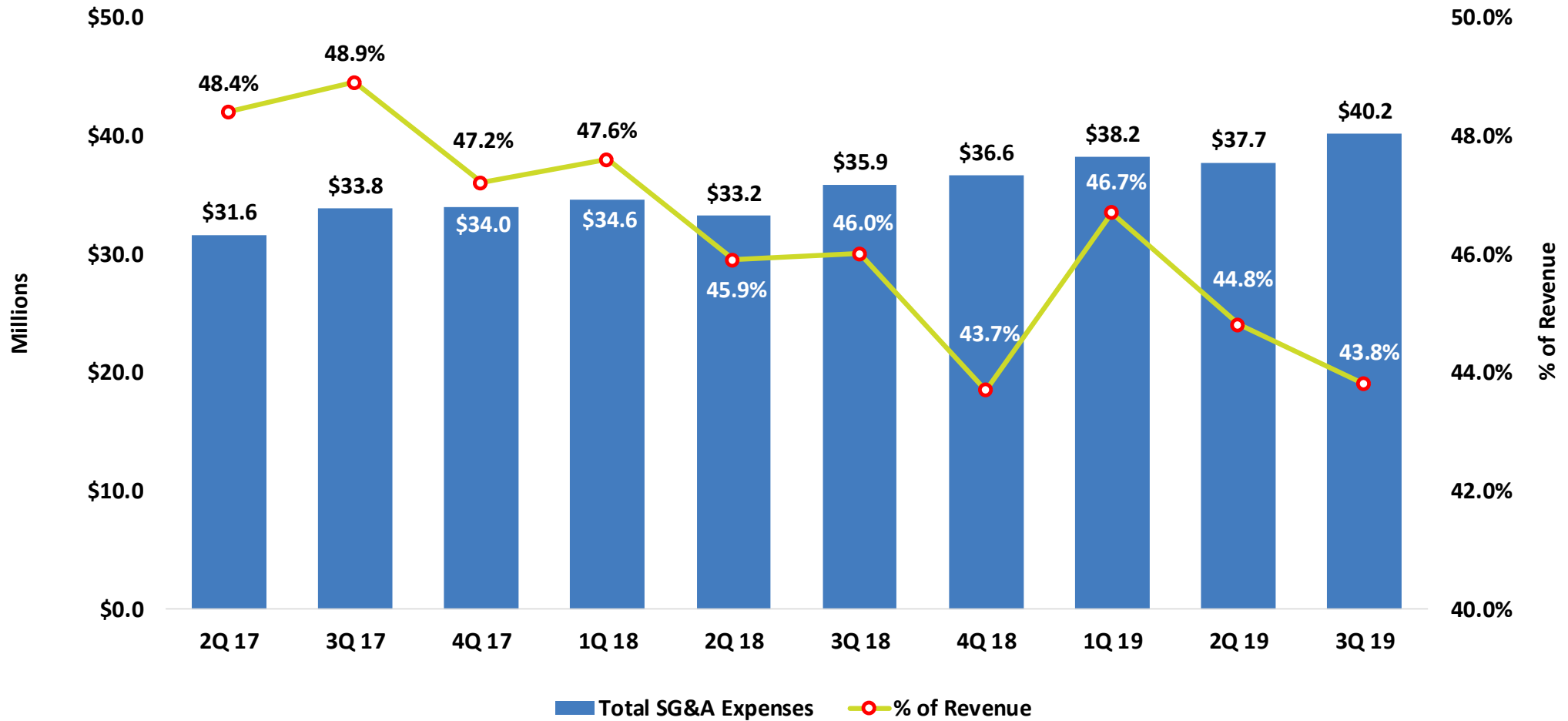
As % of AFR (1)	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Year/Year Δ	(1.0%)	(0.1%)	0.8%	(0.7%)	(1.7%)	(1.5%)	(1.0%)	(0.5%)	-	(0.6%)

(1) Annualized general and administrative expenses as a percentage of average finance receivables

Achieving Operating Leverage While Investing in Our Business

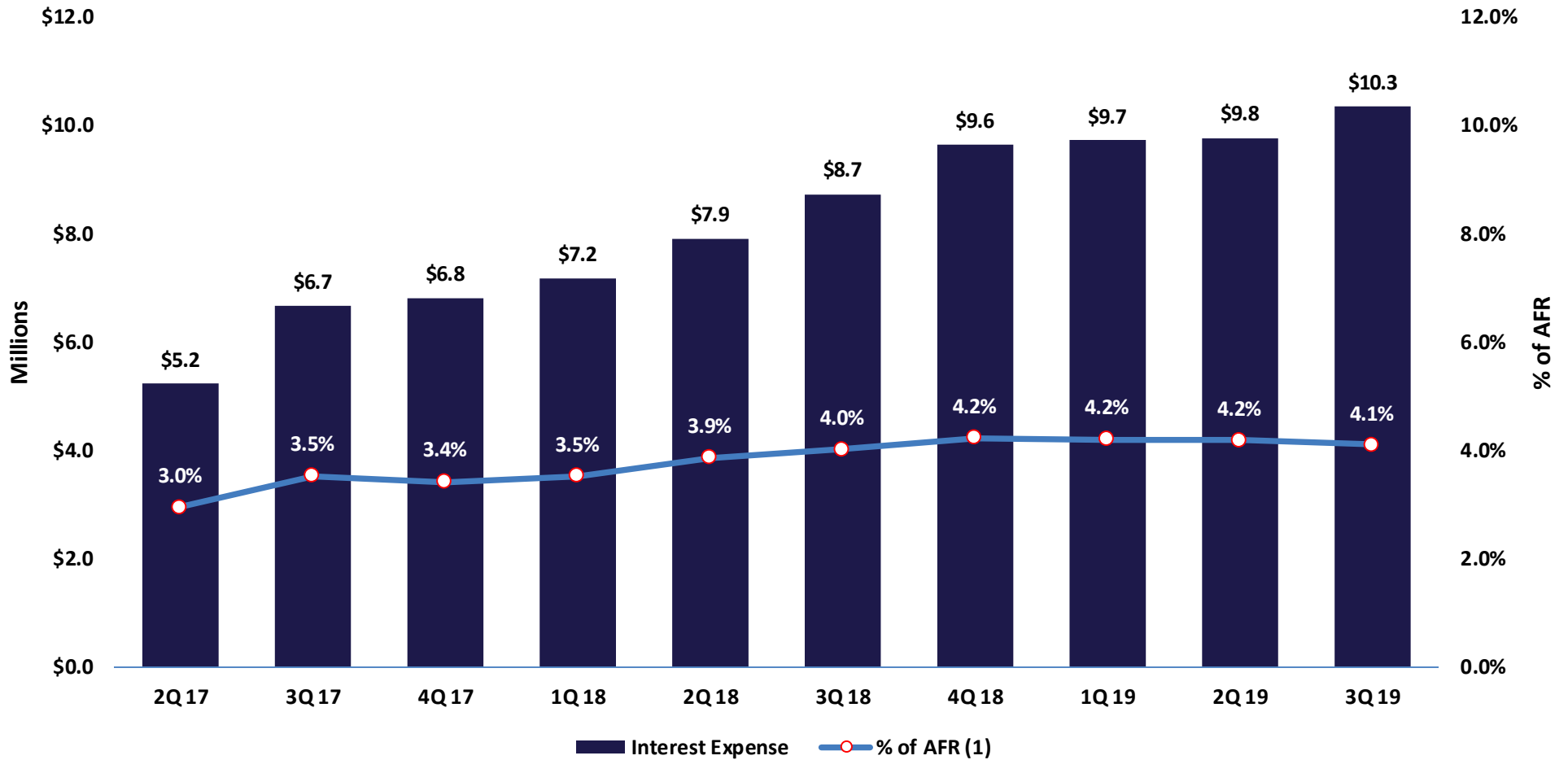


Efficiency Ratio



As % of Revenue	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
Year/Year Δ	(3.1%)	0.2%	2.2%	(0.2%)	(2.5%)	(2.9%)	(3.5%)	(0.9%)	(1.1%)	(2.2%)

Interest Expense Trend



% of AFR (1)	2Q 17	3Q 17	4Q 17	1Q 18	2Q 18	3Q 18	4Q 18	1Q 19	2Q 19	3Q 19
YoY Δ	(0.1%)	0.5%	0.4%	0.6%	0.9%	0.5%	0.8%	0.7%	0.3%	0.1%

- Currently have \$350 million notional amount of interest rate caps to hedge against rapid rate increases

(1) Annualized interest expense as a percentage of average finance receivables

Senior Revolver Amendment

- Extended the maturity to September 2022
- Changed Agent to Wells Fargo
- Increased advance rate on convenience check loans, which increases borrowing capacity
- Negotiated better covenants and legal provisions
- Added a new lender
- Added flexibility to execute on small loan securitizations and warehouse facilities

Warehouse Facility Amendment

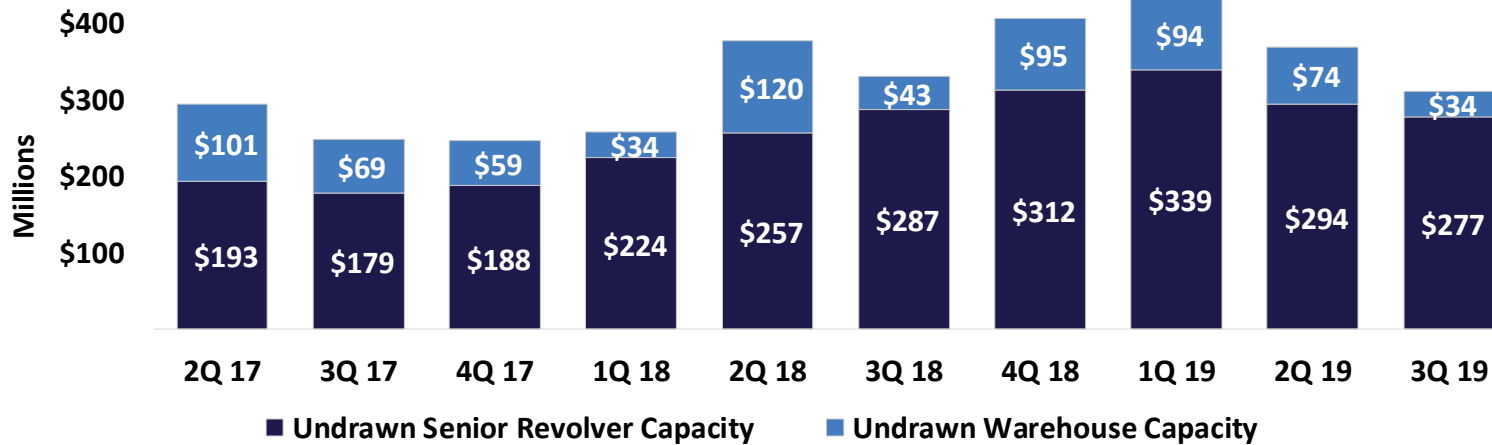
- Extended the maturity to April 2022
- Reduced pricing by 5 basis points
- Added flexibility to continue making larger large loans

RMIT 2019-1 Securitization

- \$130 million of new fixed-rate debt through the securitization market
- Continued strong investor demand and interest in RM paper
- Lowest cost of funds transaction to date (weighted average rate of 3.17%)

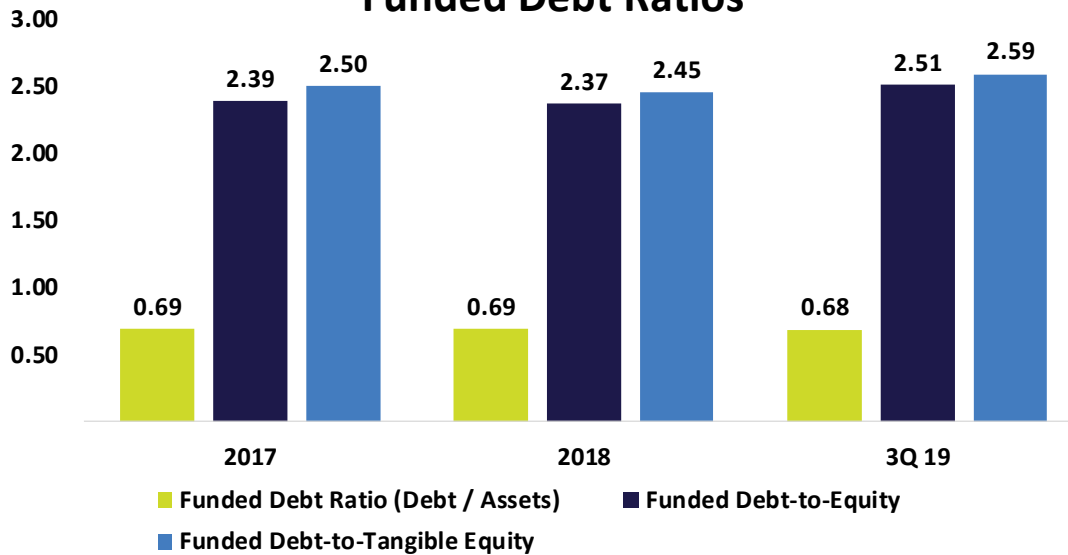
Strong Funding Profile

Debt Capacity

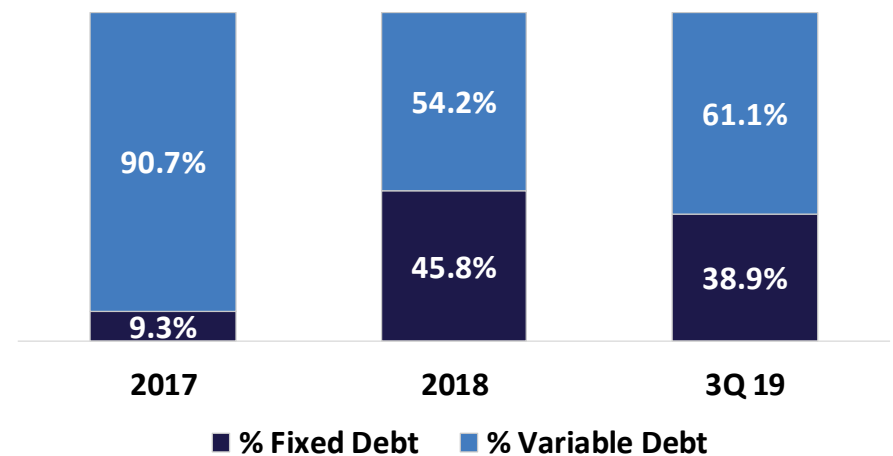


- As of September 30, 2019, total undrawn capacity was \$311 million (subject to borrowing base)
- Fixed rate debt represents 39% of total debt
- \$130 million securitization in 4Q 19 will increase capacity and move \$130 million to fixed-rate debt

Funded Debt Ratios



Fixed vs Variable Debt

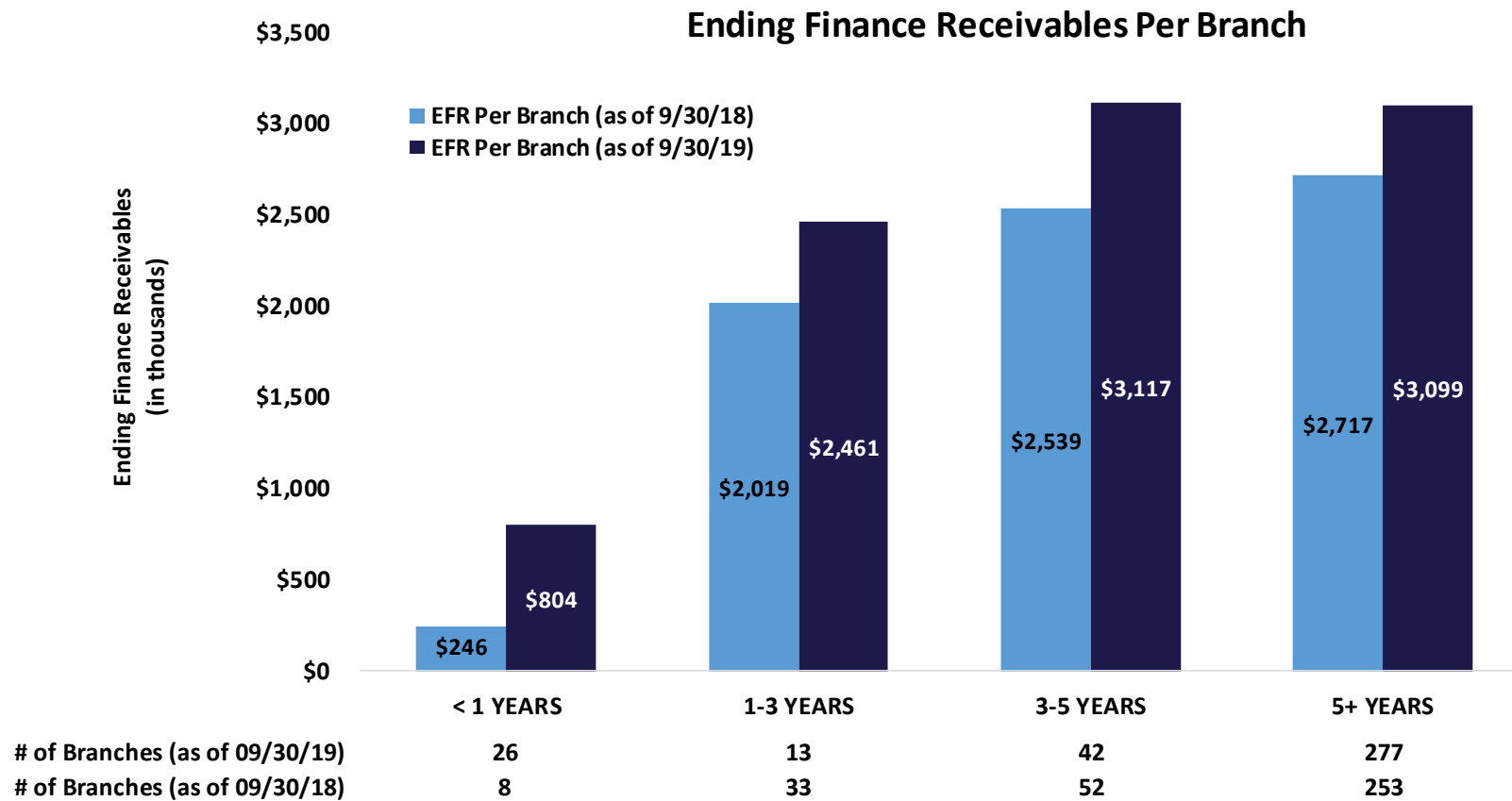


Interest Expense %	2017	2018	3Q 19 ⁽¹⁾
	3.2%	3.9%	4.1%

(1) YTD interest expense annualized as a percentage of average finance receivables

Continued Growth Opportunity from Existing and De Novo Branches

- Same store⁽¹⁾ portfolio growth in 3Q 19 of 15.9% vs. 14.4% in the prior-year period
- Considerable growth opportunities in our existing branch footprint, particularly from branches opened within the last 3 years
- Plan to open approximately 25 to 30 de novo branches next year

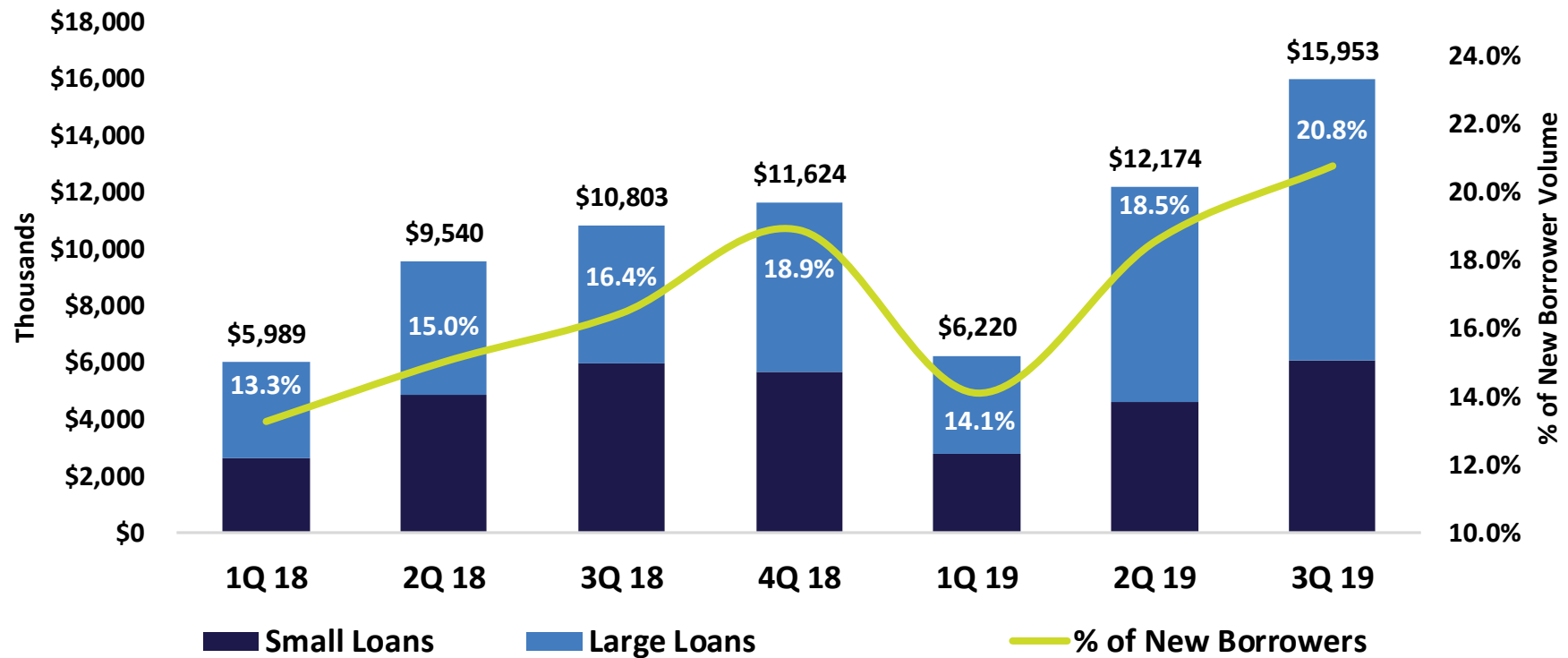


(1) Same store sales are based on branches more than 1 year old

Digitally Sourced Originations Continue to Accelerate

- Digital originations are sourced from either our affiliate partnerships or directly from our website
- All digitally sourced loans are underwritten in our branches by our custom credit scorecards and serviced by our branches
- As of 3Q 19, our digitally sourced volume represented approximately 21% of our total new borrower volume, inclusive of new direct mail and branch originations

Digitally Sourced Origination Volume Trend



Appendix

Consolidated Income Statements



in thousands	3Q 19	3Q 18	2018	2017	2016	2015
Revenue						
Interest and fee income	\$ 83,089	\$ 72,128	\$ 280,121	\$ 249,034	\$ 220,963	\$ 195,794
Insurance income, net	5,087	2,898	14,793	13,061	9,456	11,654
Other income	3,531	2,890	11,792	10,364	10,099	9,858
Total revenue	91,707	77,916	306,706	272,459	240,518	217,306
Expenses						
Provision for credit losses	24,515	23,640	87,056	77,339	63,014	47,348
Personnel	23,791	21,376	84,068	75,992	68,979	69,247
Occupancy	6,367	5,490	22,519	21,530	20,059	17,313
Marketing	2,397	2,132	7,745	7,128	6,837	7,017
Other	7,612	6,863	25,952	26,305	22,757	22,021
Total general and administrative	40,167	35,861	140,284	130,955	118,632	115,598
Interest expense	10,348	8,729	33,464	23,908	19,924	16,221
Income before income taxes	16,677	9,686	45,902	40,257	38,948	38,139
Income taxes	4,105	2,237	10,557	10,294	14,917	14,774
Net income	\$ 12,572	\$ 7,449	\$ 35,345	\$ 29,963	\$ 24,031	\$ 23,365

Consolidated Balance Sheets



in thousands	3Q 19	3Q 18	2018	2017	2016	2015
Cash	\$ 2,044	\$ 517	\$ 3,657	\$ 5,230	\$ 4,446	\$ 7,654
Gross finance receivables	1,404,172	1,175,797	1,237,526	1,066,650	916,954	785,042
Unearned finance charges and insurance premiums	<u>(361,986)</u>	<u>(287,721)</u>	<u>(305,283)</u>	<u>(249,187)</u>	<u>(199,179)</u>	<u>(156,598)</u>
Finance receivables	1,042,186	888,076	932,243	817,463	717,775	628,444
Allowance for credit losses	<u>(60,900)</u>	<u>(55,300)</u>	<u>(58,300)</u>	<u>(48,910)</u>	<u>(41,250)</u>	<u>(37,452)</u>
Net finance receivables	981,286	832,776	873,943	768,553	676,525	590,992
Restricted cash	43,659	29,327	46,484	16,787	8,297	10,506
Lease assets	25,688	-	-	-	-	-
Property and equipment	14,512	12,540	13,926	12,294	11,693	9,049
Intangible assets	9,574	10,429	10,010	10,607	6,448	3,023
Deferred tax asset	1,445	-	-	-	33	1,982
Other assets	<u>7,964</u>	<u>7,690</u>	<u>8,375</u>	<u>16,012</u>	<u>4,782</u>	<u>3,167</u>
Total assets	<u>\$ 1,086,172</u>	<u>\$ 893,279</u>	<u>\$ 956,395</u>	<u>\$ 829,483</u>	<u>\$ 712,224</u>	<u>\$ 626,373</u>
Long-term debt	\$ 743,835	\$ 611,593	\$ 660,507	\$ 571,496	\$ 491,678	\$ 411,177
Unamortized debt issuance costs	<u>(7,828)</u>	<u>(7,216)</u>	<u>(9,158)</u>	<u>(4,950)</u>	<u>(2,152)</u>	<u>(2,692)</u>
Net long-term debt	736,007	604,377	651,349	566,546	489,526	408,485
Lease liabilities	27,714	-	-	-	-	-
Accounts payable and accrued expenses	25,764	19,510	25,138	18,565	15,223	12,661
Deferred tax liability	<u>-</u>	<u>1,963</u>	<u>747</u>	<u>4,961</u>	<u>-</u>	<u>-</u>
Total liabilities	789,485	625,850	677,234	590,072	504,749	421,146
Common stock	1,351	1,334	1,332	1,321	1,300	1,291
Additional paid-in capital	101,682	97,814	98,778	94,384	92,432	89,178
Retained earnings	233,146	193,327	204,097	168,752	138,789	114,758
Treasury stock	<u>(39,492)</u>	<u>(25,046)</u>	<u>(25,046)</u>	<u>(25,046)</u>	<u>(25,046)</u>	<u>-</u>
Total stockholders' equity	296,687	267,429	279,161	239,411	207,475	205,227
Total liabilities and stockholders' equity	<u>\$ 1,086,172</u>	<u>\$ 893,279</u>	<u>\$ 956,395</u>	<u>\$ 829,483</u>	<u>\$ 712,224</u>	<u>\$ 626,373</u>

Balance Sheet Metrics



In addition to financial measures presented in accordance with generally accepted accounting principles (“GAAP”), this presentation contains certain non-GAAP financial measures. We utilize non-GAAP measures as additional metrics to aid in, and enhance, the understanding of our financial results. Tangible assets, tangible equity, funded debt to tangible equity, tangible equity to tangible assets, and tangible equity per share are non-GAAP measures. We use these non-GAAP measures to evaluate and manage our capital and leverage position. We also believe that these non-GAAP measures are commonly used in the financial services industry and provide useful information to users of our financial statements in the evaluation of our capital and leverage position. This non-GAAP financial information should be considered in addition to, not as a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. In addition, our non-GAAP measures may not be comparable to similarly titled non-GAAP measures of other companies. The following table provides a reconciliation of GAAP measures to non-GAAP measures.

in thousands	3Q 19	3Q 18	2018	2017	2016	2015
Total assets	\$ 1,086,172	\$ 893,279	\$ 956,395	\$ 829,483	\$ 712,224	\$ 626,373
Less: Intangible assets	9,574	10,429	10,010	10,607	6,448	3,023
Tangible assets (non-GAAP)	1,076,598	882,850	946,385	818,876	705,776	623,350
Gross long-term debt	743,835	611,593	660,507	571,496	491,678	411,177
Total stockholders' equity	296,687	267,429	279,161	239,411	207,475	205,227
Less: Intangible assets	9,574	10,429	10,010	10,607	6,448	3,023
Tangible common equity (non-GAAP)	\$ 287,113	\$ 257,000	\$ 269,151	\$ 228,804	\$ 201,027	\$ 202,204
Diluted weighted-average shares	11,677	12,133	12,078	11,783	12,085	13,074
Funded debt-to-equity	2.51	2.29	2.37	2.39	2.37	2.00
Funded debt-to-tangible equity (non-GAAP)	2.59	2.38	2.45	2.50	2.45	2.03
Total stockholders' equity to total assets	27.3%	29.9%	29.2%	28.9%	29.1%	32.8%
Tangible equity to tangible assets (non-GAAP)	26.7%	29.1%	28.4%	27.9%	28.5%	32.4%
Total stockholders' equity per share	\$ 25.41	\$ 22.04	\$ 23.11	\$ 20.32	\$ 17.17	\$ 15.70
Tangible equity per share (non-GAAP)	\$ 24.59	\$ 21.18	\$ 22.28	\$ 19.42	\$ 16.63	\$ 15.47

