Notice

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Company financial data presented herein is based on a calendar year. For historical calendar year financial data, see the Company's Annual Report on Form 10-K for the year ended December 31, 2015.

The presentation contains forward-looking statements. You are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made, which reflect management’s estimates, projections, expectations or beliefs at that time, and which are subject to risks and uncertainties that may cause actual results to differ materially. For a discussion of certain risks and uncertainties that may affect the future results of the Company, please see "Special Note Regarding Forward-Looking Statements," "Risk Factors," "Business – Competition," "Business – Supervision and Regulation" and "Management’s Discussion and Analysis of Financial Condition and Results of Operations" in the Company's Annual Report on Form 10-K for the year ended December 31, 2015, which is available on the Company's website and the SEC's website. The Company does not undertake to update or revise forward-looking statements as more information becomes available.

We own or have rights to use the trademarks, trade names and service marks that we use in conjunction with the operation of our business, including, but not limited to: Discover®, PULSE®, Cashback Bonus®, Discover Cashback Checking®, Discover it®, Freeze ItSM, Discover® Network and Diners Club International®. All other trademarks, trade names and service marks included in this presentation are the property of their respective owners.
THE DISCOVER® WAY

VISION
To be the leading direct bank and payments partner

MISSION
To help people spend smarter, manage debt better and save more so they can achieve a brighter financial future

KEY PRIORITIES
- Grow Discover® card loans while maintaining leading credit performance
- Expand direct consumer banking products
- Grow global network volume and acceptance
- Optimize funding, cost structure and capital position
- Enhance operating model including effective controls, risk management and leadership development

VALUES
- Doing the Right Thing
- Innovation
- Simplicity
- Collaboration
- Openness
- Volunteerism
- Enthusiasm
- Respect
2015 Accomplishments

• Generated solid loan growth with strong credit performance
  – 3.5% growth YOY in ending total receivables
  – 2.01% total net charge-off rate for 2015

• Delivered record level of originations in direct consumer banking products
  – $1.3Bn student loan originations and outstanding commitments
  – $3.0Bn personal loan originations

• Increased network acceptance and partners

• Strong returns and significant capital deployment
  – Full year return on equity of 21%
  – Returned $2.1Bn in capital with a 94% payout ratio, repurchased 6% of our stock
Additional Accomplishments/Developments

- Launched Discover it Miles
- Freeze It
- Double Cashback Bonus
- Apple Pay™
- Good Grades Reward Program
- “Pay With Cash Back” functionality
- Free FICO® Credit Score “trending”
- EMV “chip” cards
- Discover it Secured Card in 2016
- Exited mortgage origination business
Strong Customer Satisfaction and Brand Loyalty

“Highest in Customer Satisfaction with Credit Card Companies”¹

(1) Discover received the highest numerical score among credit card issuers in a tie in the proprietary J.D. Power 2015 Credit Card Satisfaction Study℠. Study based on responses from 20,730 consumers measuring 10 card issuers and measures opinions of consumers about the issuer of their primary credit card. Proprietary study results are based on experiences and perceptions of consumers surveyed in September 2014-May 2015. Your experiences may vary. Visit jdpower.com.
Additional Awards and Recognition

- **2016 Lafferty Bank Quality Ratings**
  - #1 U.S. Bank

- **Call Center Week Excellence Awards 2015 Winner**

- **#1 in customer satisfaction**

- **Innovation Project 2015 Awards Gold Winner**
  - AribaPay

- **Best Places to Work for LGBT Equality**
  - 100% Corporate Equality Index 2015

- **Overall Best Employer for Asian Pacific Americans**
  - Asia Society Best Employer 2015

- **CIO 100 Honoree 2015**
  - Innovative IT
Earnings Growth and Stock Price Performance

Diluted EPS of Common Stock

<table>
<thead>
<tr>
<th>Year</th>
<th>EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>$4.06</td>
</tr>
<tr>
<td>2012</td>
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<td>2013</td>
<td>$4.96</td>
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<tr>
<td>2014</td>
<td>$4.90</td>
</tr>
<tr>
<td>2015</td>
<td>$5.13</td>
</tr>
</tbody>
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DFS Stock Price vs SP500 Diversified Financials (Indexed)

- DFS: +128%
- SP500 Financials: +37%

Source: SNL, as of 5/10/16
Vision: to be the leading direct bank & payments partner

2016 Key Focus Areas

- Grow Loans and Revenue
- Operating Expense Leverage
- Leverage Payments Assets
- Enhance Controls & Risk Management
- Optimize Capital Deployment