2018 2nd Quarter Earnings Call Presentation

July 25, 2018

Forward-Looking Statements; Non-GAAP Financial Measures

The following information is current as of June 30, 2018 (unless otherwise noted) and should be read in connection with Navient Corporation's (Navient) Annual Report on Form 10-K for the year ended December 31, 2017 (the "2017 Form 10-K"), filed by Navient with the Securities and Exchange Commission (the "SEC") on February 26, 2018 and subsequent reports filed by Navient with the SEC. Definitions for capitalized terms in this presentation not defined herein can be found in our 2017 Form 10-K. This presentation contains "forward-looking" statements and other information that is 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 and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," or "target." 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.

For Navient, these factors include, among others, the risks and uncertainties associated with:
• increases in financing costs;
• the availability of financing or limits on our liquidity resulting from disruptions in the capital markets or other factors;
• unanticipated increases in costs associated with compliance with federal, state or local laws and regulations;
• changes in the demand for asset management and business processing solutions or other changes in marketplaces in which we compete (including increased competition);
• changes in accounting standards including but not limited to changes pertaining to loan loss reserves and estimates or other accounting standards that may impact our operations;
• adverse outcomes in any significant litigation to which the company is a party;
• credit risk associated with the company's underwriting standards or exposure to third parties, including counterparties to the hedging transactions; and
• changes in the terms of education loans and the educational credit marketplace generally (including changes resulting from new laws and the implementation of existing laws).

The company could also be affected by, among other things:
• unanticipated repayment trends on loans including prepayments or deferrals on loans in our FFELP securitization trusts that could accelerate or delay repayment of the bonds beyond their legal final maturity date;
• reductions to our credit ratings, the credit ratings of asset-backed securitizations we sponsor or the credit ratings of the United States of America;
• failures of our operating systems or infrastructure or those of third-party vendors;
• risks related to cybersecurity including the potential disruption of our systems or those of our third-party vendors or customers or potential disclosure of confidential customer information;
• damage to our reputation resulting from cyber-breaches, litigation, the politicization of student loan servicing or other actions or factors;
• failure to successfully implement cost-cutting initiatives and adverse effects of such initiatives on our business;
• failure to adequately integrate acquisitions or realize anticipated benefits from acquisitions including delays or errors in converting portfolio acquisitions to our servicing platform;
• changes in law and regulations whether new laws or regulations or new interpretations of existing laws and regulations applicable to any of our businesses or activities or those of our vendors, suppliers or customers;
• changes in the general interest rate environment, including the availability of any relevant money market index rate, including LIBOR, or the relationship between the relevant money-market index rate and the rate at which our assets are priced;
• our ability to successfully effectuate any acquisitions and other strategic initiatives;
• changes in general economic conditions;
• the other factors that are described in the "Risk Factors" section of Navient's Annual Report on Form 10-K and in our other reports filed with the Securities and Exchange Commission.

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 and actual results could differ materially. All forward-looking statements contained in this release are qualified by these cautionary statements and are made only as of the date of this release. The company does not undertake any obligation to update or revise these forward-looking statements except as required by law.

Navient reports financial results on a GAAP basis and also provides certain non-GAAP performance measures, including Core Earnings. When compared to GAAP results, Core Earnings exclude the impact of: (1) mark-to-market gains/losses on derivatives; and (2) goodwill and acquired intangible asset amortization and impairment. Navient provides Core Earnings measures because this is what management uses when making management decisions regarding Navient's performance and the allocation of corporate resources. Navient 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 Core Earnings in Navient's second quarter earnings release for a further discussion and a complete reconciliation between GAAP net income and Core Earnings.

Operating Results
Core Earnings Basis

Selected Financial Information and Ratios

(In millions, except per share amounts)	Q2 18	Q1 18	Q2 17
Adjusted Core EPS [1]	**$0.52**	**$0.43**	**$0.44**
Restructuring and regulatory-related expenses	($0.03)	($0.03)	($0.01)
Reported Core EPS	**$0.49**	**$0.40**	**$0.43**
Average common stock equivalent	269	269	285
Ending total education loans, net	$99,177	$102,326	$110,363
Average total education loans	$101,490	$104,555	$108,435

2nd Quarter Highlights

- Originated $629 million of private education refinance loans
- Private education charge-offs declined 39% from a year ago
- Business Processing fee revenue increased 23% from a year ago
- Continuing track record of operating efficiency

[1] Adjusted Core EPS excluding regulatory-related expenses and restructuring expenses.

Federal Education Loans Segment
Core Earnings Basis

Selected Financial Information and Ratios

($ In millions)	Q2 18	Q1 18	Q2 17
Segment net interest margin	0.82%	0.83%	0.81%
FFELP Loans:			
Provision for loan losses	$40	$10	$10
Charge-offs	$17	$11	$13
Charge-off rate	0.11%	0.07%	0.08%
30-day-plus delinquency rate	13.0%	13.1%	12.8%
90-day-plus delinquency rate	7.5%	7.7%	6.0%
Forbearance rate	12.2%	12.8%	12.3%
Average FFELP Loans	$78,170	$80,801	$85,321
Operating Expense	$36	$80	$79
Net Income	$148	$141	$138
Number of accounts serviced for ED (in millions)	6.0	6.0	6.0
Total federal loans serviced (in billions)	$294	$295	$293
Contingent collections receivables inventory - education loans (billions)	$15.4	$16.2	$8.6

2nd Quarter Highlights

- Acquired $58 million of FFELP Loans in the second-quarter
- The company expects higher temporary charge-offs in the next several quarters, as a result provision for loan losses increased $30 million from the prior quarter
- Operating expenses decreased $43 million primarily due to the release of a $40 million reserve
- Contingent collections receivables inventory has nearly doubled year over year

Consumer Lending Segment
Core Earnings Basis

Selected Financial Information and Ratios

($ In millions)	Q2 18	Q1 18	Q2 17
Segment net interest margin	3.21%	3.23%	3.28%
Private Education Loans (including Refinance Loans):			
Provision for loan losses	$72	$77	$95
Charge-offs	$75	$78	$122
Annualized charge-off rate	1.3%	1.4%	2.3%
30-day-plus delinquency rate	5.9%	5.7%	6.0%
90-day-plus delinquency rate	2.7%	2.4%	2.8%
Forbearance rate	3.8%	4.2%	3.6%
Average Private Education Loans	$23,320	$23,754	$23,114
Operating Expense	$39	$56	$37
Net Income	$66	$50	$40

2nd Quarter Highlights

- Originated $629 million of private education refinance loans
  - Year to date acquisitions of $1.2 billion of Private Education Loans including $1.1 billion in refinance loans [1]
- Charge-offs decreased 39% from a year ago
- Refinance loans continue to perform markedly better than budgeted
  - Charge-off and 90-day-plus delinquency rates are less than 10 basis points
- Legacy private loan portfolio continues to deliver strong and predictable cash flows

[1] Private Education Refinance Loans exclude loans acquired from third-parties.
[2] Legacy includes all Private Education Loans except originated Private Education Refinance Loans.

Business Processing Segment
Core Earnings Basis

Selected Financial Information and Ratios

($ In millions)	Q2 18	Q1 18	Q2 17
Government Services	$41	$53	$35
Healthcare RCM Services	$24	$20	$18
Total Business Processing Revenue	**$65**	**$73**	**$53**
Operating Expenses	$54	$59	$44
EBITDA [1]	$12	$15	$10
EBITDA Margin [1]	18%	21%	18%
Net Income	**$8**	**$10**	**$6**
Contingent collection receivables inventory (billions)	$11.6	$11.3	$12.3

2nd Quarter Highlights

- Total fee revenue increased 23% from the prior year
- Healthcare RCM revenues grew 33% from last year
- Continue to leverage operational skills and data analytics to deliver strong margins

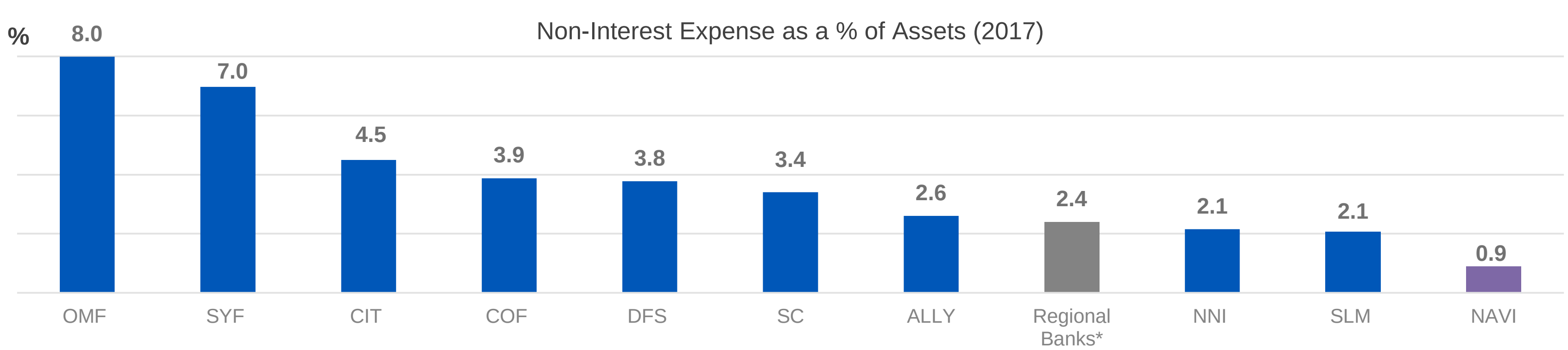
[1] EBITDA is calculated by adding back depreciation and amortization expenses of $1 million, $1 million and $1 million for Q2 18, Q1 18 and Q2 17, respectively, to pretax income. There is no interest expense in any period. EBITDA Margin is calculated as EBITDA divided by revenue. Numbers may not add due to rounding.

Navient Is Highly Committed to Expense Efficiency

Notable Items Impacting Total Expenses Compared to Prior Periods

($ In millions)	Q2 18	Q2 17	YTD Q2 18	YTD Q2 17
Reported Total Core Earnings Expenses	**$203**	**$230**	**$485**	**$469**
Restructuring & Reorganization Expenses	$2	-	$9	-
Regulatory-Related Expenses	$8	$3	$12	$8
Duncan & Earnest Operating Expenses	$25	-	$54	-
3rd Party Transfer & Servicing Fees	-	-	$12	-
Impact of ASC 606	$10	-	$24	-
Reserve Release	($40)	-	($40)	-
Adjusted Total Core Earnings Expenses	**$198**	**$227**	**$414**	**$461**

Expense Structure Compares Favorably to Peers



* Regional Banks is defined as the median of the KBW Regional Bank Index (KRX) as provided by SNL Financial. All other individual company data is provided by Bloomberg.

2nd Quarter 2018 Capital Markets Activity

- Funding capacity for education loans
  - Available capacity under FFELP secured facilities is $1.8 billion
  - Available capacity under Private Education Loan secured facilities is $830 million

- FFELP ABS Financing
  - In the second quarter of 2018, Navient issued 1 transaction for $997 million

- Private Education ABS Financing
  - In the second quarter of 2018, Navient issued 1 transaction for $521 million

- Unsecured Financing
  - Issued $500 million of unsecured debt, maturing June 2026
  - Retired or repurchased $1.3 billion of senior unsecured debt, extinguishing our remaining 2018 maturities

- TNA Ratio [1] improved to 1.23x at June 30, 2018 from 1.21x at March 31, 2018
  - Repurchased 4.3 million common shares for $60 million on July 2, 2018 through a derivative contract
  - Will manage the business to a TNA ratio between 1.23x - 1.25x by year end 2018

[1] The tangible net asset ratio equals GAAP tangible assets (total assets less goodwill and acquired intangible assets) less secured debt and other liabilities adjusted for the impact of derivative accounting under GAAP and unamortized net floor premiums divided by unsecured debt. For a more detailed reconciliation of the TNA ratio, see page [23] of Navient's second quarter 2018 earnings release.

GAAP Results

(In millions, except per share amounts)	Q2 18	Q1 18	Q2 17
Net income	$83	$126	$112
EPS	$0.31	$0.47	$0.39
Operating expenses	$201	$275	$230
Provision	$112	$87	$105
Average Student Loans	$101,490	$104,555	$108,435

Appendix

Education Loan Portfolio Generates Significant Cash Flows

Projected Life of Loan Cash Flows over ~20 Years

$'s in Billions

FFELP Cash Flows	**06/30/18**
Secured	
Residual (including O/C)	$6.8
Floor Income	1.5
Servicing	2.5
Total Secured	$10.8
Unencumbered	0.7
Total FFELP Cash Flows	**$11.5**
Private Credit Cash Flows	
Secured	
Residual (including O/C)	$10.1
Servicing	0.7
Total Secured	$10.8
Unencumbered	3.6
Total Private Cash Flows	**$14.4**
Combined Cash Flows before Unsecured Debt	**$25.9**
Unsecured Debt	**$13.0**

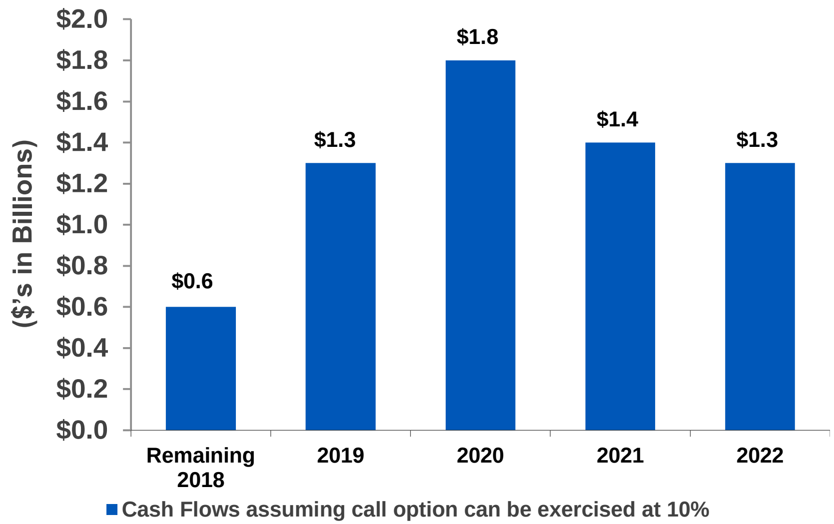
Enhancing Cash Flows

- Generated $1.4 billion of cash flows YTD 2018
- Issued $500 million of unsecured debt and paid down $1.4 billion YTD 2018
- Returned $85 million to shareholders through dividends YTD 2018
- Acquired $1.6 billion of student loans YTD 2018
- $25.9 billion of estimated future cash flows remain over ~ 20 years
  - Includes ~$10 billion of overcollateralization[1] (O/C) to be released from residuals
- $3.2 billion of unencumbered student loans
- $1.1 billion of hedged FFELP Loan embedded floor income

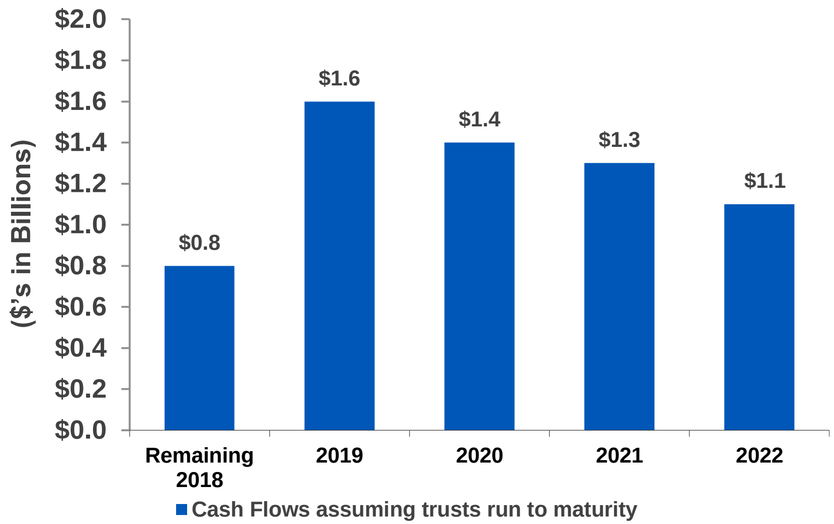
These projections are based on internal estimates and assumptions and are subject to ongoing review and modification. These projections may prove to be incorrect
[1]Includes the PC Turbo Repurchase Facility Debt totaling $2.7B as of 6/30/2018.

Education Loan Portfolio Generates Meaningful Cash Flows Over The Next Five Years

Projected Annual Private Education Loan Cash Flows



Projected Annual FFELP Loan Cash Flows



Private Education Loan Portfolio Assumptions

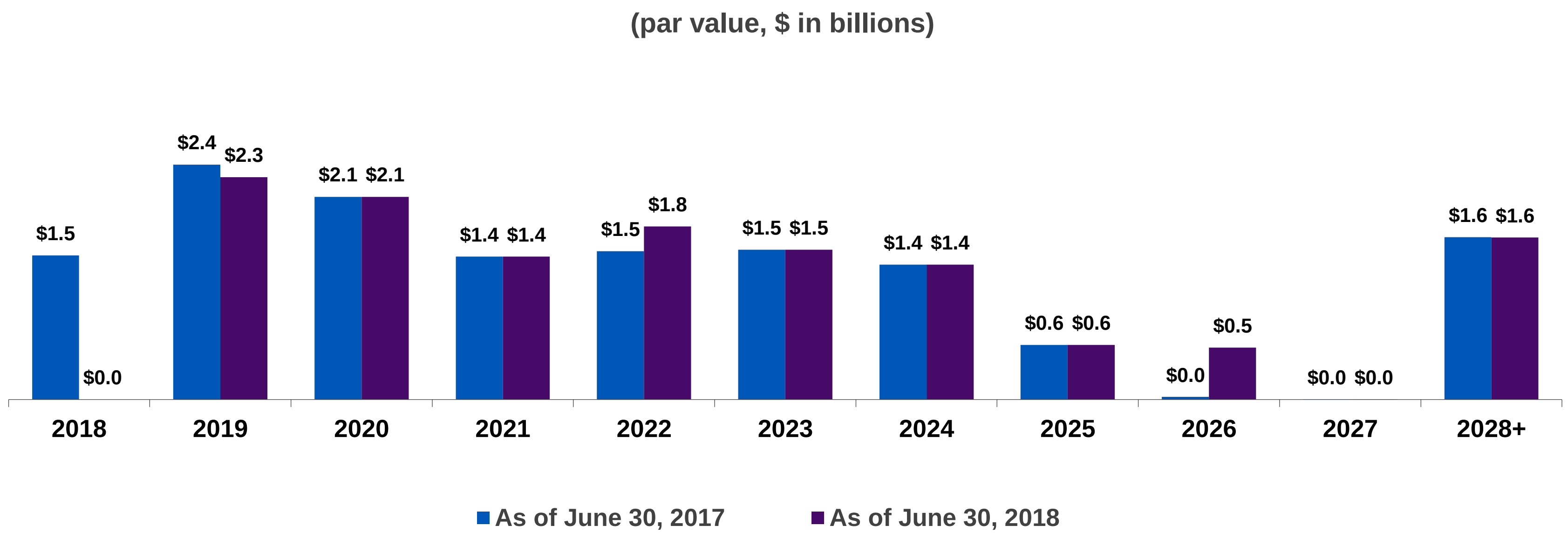
- The Private Education Loan portfolio is projected to generate $6 billion in cash flows over the next five years excluding operating expenses, taxes and unsecured debt principal and interest payments
- Future loan originations are not included
- Unencumbered loans of $2.7 billion are not securitized to term
- Includes the repayment of debt related to asset-backed securitization repurchase facilities when the call option is exercised

FFELP Loan Portfolio Assumptions

- The FFELP loan portfolio is projected to generate $6 billion in cash flows over the next five years excluding operating expenses, taxes and unsecured debt principal and interest payments
- Unencumbered loans of $0.4 billion are not securitized to term
- Includes projected floor income

These projections are based on internal estimates and assumptions and are subject to ongoing review and modification. These projections may prove to be incorrect.

Managing Unsecured Debt Maturities



Long-term Conservative Funding Approach

- Important to maintain our credit ratings to support ongoing access to the unsecured debt markets
- In the quarter, Navient
  - Issued $500 million of debt due in June of 2026
  - Retired or repurchased $1.3 billion of senior unsecured debt, extinguishing our remaining 2018 maturities
- Year over year total unsecured debt outstanding declined by more than $1.3 billion
- We continue to opportunistically repurchase debt in the open market

Consumer Loan Segment Credit Detail

Delinquency & Forbearance Usage

TDR Loans ($ in millions)	2Q 18	1Q 18	2Q 17
Total delinquencies	$1,116	$1,065	$1,145
Total delinquency rate as a % of loans in repayment	12.2%	11.6%	12.0%
Greater than 90-day delinquencies	$531	$465	$567
Greater than 90-day delinquency rate as a % of loans in repayment	5.8%	5.1%	6.0%
Forbearance	$690	$755	$624
Forbearance rate	7.0%	7.6%	6.2%

Non-TDR Loans ($ in millions)	2Q 18	1Q 18	2Q 17
Total delinquencies	$191	$211	$281
Total delinquency rate as a % of loans in repayment	1.5%	1.6%	2.0%
Greater than 90-day delinquencies	$71	$82	$91
Greater than 90-day delinquency rate as a % of loans in repayment	0.6%	0.6%	0.6%
Forbearance	$195	$214	$246
Forbearance rate	1.5%	1.6%	1.7%

Allowance for Loan Loss [1]

	June 30, 2018		
($ in millions)	Allowance	Ending Balance	Allowance as % of Ending Balance
Non-TDR Loans	$ 155	$ 13,692	1.1%
TDR Loans	1,142	10,296	11.1%
Total before RPCO	1,297	23,988	5.4%
RPCO		724	0.0%
Total	$ 1,297	$ 24,712	5.2%

	June 30, 2017		
	Allowance	Ending Balance	Allowance as % of Ending Balance
Non-TDR Loans	$ 133	$ 15,074	0.9%
TDR Loans	1,153	10,645	10.8%
Total before RPCO	1,286	25,719	5.0%
RPCO		784	0.0%
Total	$ 1,286	$ 26,503	4.9%

Receivable for Partially Charged-Off Private Education Loans (RPCO)

[1] Purchased Credit Impaired Loans' losses are not provided for by the allowance for loan losses in the above table as these loans are separately reserved for, if needed. Related to the Purchased Non-Credit Impaired Loans acquired at a discount, no allowance for loan losses has been established for these loans as of June 30, 2018.

Differences Between Core Earnings And GAAP

	Quarters Ended		
Core Earnings adjustments to GAAP: (Dollars in Millions)	**Jun. 30, 2018**	**Mar. 31, 2018**	**Jun. 30, 2017**
GAAP net income	$83	$126	$112
Net impact of derivative accounting	51	(31)	15
Net impact of goodwill and acquired intangible assets	6	9	6
Net income tax effect	(9)	3	(10)
Total Core Earnings adjustments to GAAP	48	(19)	11
Core Earnings net income	$131	$107	$123

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