

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934**

October 16, 2015
Date of Report
(Date of earliest event reported)

SYNCHRONY FINANCIAL

(Exact name of registrant as specified in its charter)

Delaware
**(State or other jurisdiction
of incorporation)**

001-36560
**(Commission
File Number)**

51-0483352
**(I.R.S. Employer
Identification No.)**

777 Long Ridge Road, Stamford, Connecticut
(Address of principal executive offices)

06902
(Zip Code)

(203) 585-2400
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 2.02 Results of Operations and Financial Condition.

On October 16, 2015, Synchrony Financial (the "Company") issued a press release setting forth the Company's third quarter 2015 earnings. A copy of the Company's press release is being furnished as Exhibit 99.1 and hereby incorporated by reference. The information furnished pursuant to this Item 2.02, including Exhibits, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.*(d) Exhibits*

The following exhibits are being furnished as part of this report:

<u>Number</u>	<u>Description</u>
99.1	Press release, dated October 16, 2015, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended September 30, 2015
99.3	Financial Results Presentation of the Company for the quarter ended September 30, 2015
99.4	Explanation of Non-GAAP Measures

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SYNCHRONY FINANCIAL

Date: October 16, 2015

By: /s/ Jonathan Mothner
Name: Jonathan Mothner
Title: Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

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Contact:

Investor Relations Media Relations

Greg Ketron Samuel Wang

(203) 585-6291 (203) 585-2933

For Immediate Release: October 16, 2015

Synchrony Financial Reports Third Quarter Net Earnings of \$574 Million or \$0.69 Per Diluted Share

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced third quarter 2015 net earnings of \$574 million, or \$0.69 per diluted share. Highlights for the quarter included:

- Total platform revenue increased 9% from the third quarter of 2014 to \$2.7 billion
- Loan receivables grew \$7 billion, or 12%, from the third quarter of 2014 to \$64 billion
- Purchase volume increased 12% from the third quarter of 2014
- Renewed PayPal, a top 10 partnership, and Sleepy's
- Signed new partners - Citgo and The Container Store
- Expanded our network - CareCredit cards will be accepted at all Rite Aid locations nationwide
- Launched new programs with Guitar Center and Athleta
- Launched Samsung Pay for Payment Solutions and CareCredit cardholders
- Continued strong deposit growth, up \$8 billion, or 24%, over the third quarter of 2014
- Received approval from Federal Reserve Board to become a standalone savings and loan holding company following completion of GE's proposed exchange offer

"The approval we received from the Federal Reserve is a major milestone in our journey towards being a fully independent company. The third quarter marked another period of strong performance with the signing or renewal of several significant partnerships, continued advancement of our mobile wallet strategy, solid financial results, and ongoing deposit growth through our fast-growing online bank," said Margaret Keane, President and Chief Executive Officer of Synchrony Financial. "We are concurrently focused on completing the separation from GE and driving our business forward—staying at the forefront of consumer finance by developing innovative solutions for our partners, while continuing to drive incremental value for our customers."

Business and Financial Highlights for the Third Quarter of 2015

All comparisons below are for the third quarter of 2015 compared to the third quarter of 2014, unless otherwise noted.

Earnings

- Net interest income increased \$224 million, or 8%, to \$3.1 billion, driven by strong loan receivables growth, partially offset by higher interest expense driven by growth, funding issued to increase liquidity, and funding mix. Net interest income after retailer share arrangements increased 9%.
- Total platform revenue increased \$221 million, or 9%.
- Provision for loan losses increased \$27 million to \$702 million largely due to loan receivables growth, partially offset by asset quality improvement.
- Other income decreased \$12 million to \$84 million, driven by higher loyalty and rewards costs associated with program initiatives, partially offset by an increase in interchange revenue.
- Other expense increased \$115 million to \$843 million, primarily driven by investments in growth and infrastructure build in preparation for separation from the General Electric Company (GE), and included expenses for the completion of the EMV card rollout for active Dual Card accounts.
- Net earnings totaled \$574 million for the quarter compared to \$548 million in the third quarter of 2014.

Balance Sheet

- Period-end loan receivables growth remained strong at 12%, primarily driven by purchase volume growth of 12% and average active account growth of 4%, and included the acquisition of the BP portfolio during the second quarter of 2015.
- Deposits grew to \$41 billion, up \$8 billion, or 24%, from the third quarter of 2014, and comprised 63% of funding compared to 54% last year.
- The Company's balance sheet remained strong with total liquidity (liquid assets and undrawn securitization capacity) at \$22 billion, or 28% of total assets.
- The estimated Common Equity Tier 1 ratio under Basel III subject to transition provisions was 17.5% and the estimated fully phased-in Common Equity Tier 1 ratio under Basel III was 16.6%.

Key Financial Metrics

- Return on assets was 2.9% and return on equity was 19.2%.
- Net interest margin declined 114 basis points to 15.97% primarily due to the impact from the significant increase in liquidity.
- Efficiency ratio was 34.2%, and included expenses associated with the completion of the EMV card rollout for active Dual Card accounts.

Credit Quality

- Loans 30+ days past due as a percentage of period-end loan receivables improved 24 basis points to 4.02%.
- Net charge-offs as a percentage of total average loan receivables improved 3 basis points to 4.02%.
- The allowance for loan losses as a percentage of total period-end receivables was 5.31%.

Sales Platforms

- Retail Card platform revenue increased 10%, driven primarily by purchase volume growth of 12% and period-end loan receivables growth of 13%, which included the acquisition of the BP portfolio during the second quarter of 2015. Loan receivables growth was broad-based across partner programs.
- Payment Solutions platform revenue increased 8%, driven primarily by purchase volume growth of 13% and period-end loan receivables growth of 12%. Loan receivables growth was led by home furnishing and automotive products.
- CareCredit platform revenue increased 3%, driven primarily by purchase volume growth of 13% and period-end loan receivables growth of 5%, with growth led by dental and veterinary specialties.

Corresponding Financial Tables and Information

No representation is made that the information in this news release is complete. Investors are encouraged to review the foregoing summary and discussion of Synchrony Financial's earnings and financial condition in conjunction with the detailed financial tables and information that follow and in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed February 23, 2015, and in the Company's forthcoming Quarterly Report on Form 10-Q for the quarter ended September 30, 2015. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at www.investors.synchronyfinancial.com. This information is also furnished in a Current Report on Form 8-K filed with the SEC today.

Conference Call and Webcast Information

On Friday, October 16, 2015, at 10:30 a.m. Eastern Time, Margaret Keane, President and Chief Executive Officer, and Brian Doubles, Executive Vice President and Chief Financial Officer, will host a conference call to review the financial results and outlook for certain business drivers. The conference call can be accessed via an audio webcast through the Investor Relations page of our website, www.investors.synchronyfinancial.com, under Events and Presentations. A replay will be available on the website or by dialing (888) 843-7419 (U.S. domestic) or (630) 652-3042 (international), passcode 32015#, and can be accessed beginning approximately two hours after the event through October 30, 2015.

About Synchrony Financial

Synchrony Financial (NYSE:SYF) is one of the nation's premier consumer financial services companies. Our roots in consumer finance trace back to 1932, and today we are the largest provider of private label credit cards in the United States based on purchase volume and receivables*. We provide a range of

credit products through programs we have established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations, and healthcare service providers to help generate growth for our partners and offer financial flexibility to our customers. Through our partners' over 300,000 locations across the United States and Canada, and their websites and mobile applications, we offer our customers a variety of credit products to finance the purchase of goods and services. Our offerings include private label and co-branded Dual Card credit cards, promotional financing and installment lending, loyalty programs and FDIC-insured savings products through Synchrony Bank. More information can be found at www.synchronyfinancial.com and twitter.com/SYFNews.

*Source: The Nilson Report (April, 2015, Issue # 1062) - based on 2014 data.

Cautionary Statement Regarding Forward-Looking Statements

This news release contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "outlook," "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated; retaining existing partners and attracting new partners, concentration of our platform revenue in a small number of Retail Card partners, promotion and support of our products by our partners, and financial performance of our partners; our need for additional financing, higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to securitize our loans, occurrence of an early amortization of our securitization facilities, loss of the right to service or subservice our securitized loans, and lower payment rates on our securitized loans; our reliance on dividends, distributions and other payments from Synchrony Bank; our ability to grow our deposits in the future; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk, the sufficiency of our allowance for loan losses and the accuracy of the assumptions or estimates used in preparing our financial statements; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of strategic investments; reductions in interchange fees; fraudulent activity; cyber-attacks or other security breaches; failure of third parties to provide various services that are important to our operations; disruptions in the operations of our computer systems and data centers; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; damage to our reputation; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and state sales tax rules and regulations; significant and extensive regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank

Act and the impact of the CFPB's regulation of our business; changes to our methods of offering our CareCredit products; impact of capital adequacy rules; restrictions that limit Synchrony Bank's ability to pay dividends; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; failure to comply with anti-money laundering and anti-terrorism financing laws; effect of General Electric Capital Corporation being subject to regulation by the Federal Reserve Board both as a savings and loan holding company and as a systemically important financial institution; GE not completing the separation from us as planned or at all, GE's inability to obtain savings and loan holding company deregistration (GE SLHC Deregistration) and GE continuing to have significant control over us; any conditions of the Federal Reserve Board approval required for us to continue to be a savings and loan holding company; our need to establish and significantly expand many aspects of our operations and infrastructure; loss of association with GE's strong brand and reputation; limited right to use the GE brand name and logo and need to establish a new brand; GE's significant control over us; terms of our arrangements with GE may be more favorable than what we will be able to obtain from unaffiliated third parties; obligations associated with being a public company; our incremental cost of operating as a standalone public company could be substantially more than anticipated; GE could engage in businesses that compete with us, and conflicts of interest may arise between us and GE; and failure caused by us of GE's distribution of our common stock to its stockholders in exchange for its common stock to qualify for tax-free treatment, which may result in significant tax liabilities to GE for which we may be required to indemnify GE.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this news release and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed on February 23, 2015. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

Non-GAAP Measures

The information provided herein includes measures we refer to as "platform revenue", "platform revenue excluding retailer share arrangements" and "tangible common equity" and certain capital ratios, which are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). For a reconciliation of these non-GAAP measures to the most directly comparable GAAP measures, please see the detailed financial tables and information that follow. For a statement regarding the usefulness of these measures to investors, please see the Company's Current Report on Form 8-K filed with the SEC today.

SYNCHRONY FINANCIAL

FINANCIAL SUMMARY

(unaudited, in millions, except per share statistics)

	Quarter Ended					3Q'15 vs. 3Q'14		Nine Months Ended		YTD'15 vs. YTD'14	
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014			Sep 30, 2015	Sep 30, 2014		
EARNINGS											
Net interest income	\$ 3,103	\$ 2,907	\$ 2,875	\$ 2,978	\$ 2,879	\$ 224	7.8%	\$ 8,885	\$ 8,342	\$ 543	6.5%
Retailer share arrangements	(723)	(621)	(660)	(698)	(693)	(30)	4.3%	(2,004)	(1,877)	(127)	6.8%
Net interest income, after retailer share arrangements	2,380	2,286	2,215	2,280	2,186	194	8.9%	6,881	6,465	416	6.4%
Provision for loan losses	702	740	687	797	675	27	4.0%	2,129	2,120	9	0.4%
Net interest income, after retailer share arrangements and provision for loan losses	1,678	1,546	1,528	1,483	1,511	167	11.1%	4,752	4,345	407	9.4%
Other income	84	120	101	162	96	(12)	(12.5)%	305	323	(18)	(5.6)%
Other expense	843	805	746	792	728	115	15.8%	2,394	2,135	259	12.1%
Earnings before provision for income taxes	919	861	883	853	879	40	4.6%	2,663	2,533	130	5.1%
Provision for income taxes	345	320	331	322	331	14	4.2%	996	955	41	4.3%
Net earnings	\$ 574	\$ 541	\$ 552	\$ 531	\$ 548	\$ 26	4.7%	\$ 1,667	\$ 1,578	\$ 89	5.6%
Net earnings attributable to common stockholders	\$ 574	\$ 541	\$ 552	\$ 531	\$ 548	\$ 26	4.7%	\$ 1,667	\$ 1,578	\$ 89	5.6%
COMMON SHARE STATISTICS											
Basic EPS	\$ 0.69	\$ 0.65	\$ 0.66	\$ 0.64	\$ 0.70	\$ (0.01)	(1.4)%	\$ 2.00	\$ 2.16	\$ (0.16)	(7.4)%
Diluted EPS	\$ 0.69	\$ 0.65	\$ 0.66	\$ 0.64	\$ 0.70	\$ (0.01)	(1.4)%	\$ 2.00	\$ 2.16	\$ (0.16)	(7.4)%
Common stock price	\$ 31.30	\$ 32.93	\$ 30.35	\$ 29.75	\$ 24.55	\$ 6.75	27.5%	\$ 31.30	\$ 24.55	\$ 6.75	27.5%
Book value per share	\$ 14.58	\$ 13.89	\$ 13.24	\$ 12.57	\$ 11.92	\$ 2.66	22.3%	\$ 14.58	\$ 11.92	\$ 2.66	22.3%
Tangible book value per share ⁽¹⁾	\$ 12.67	\$ 12.06	\$ 11.43	\$ 10.81	\$ 10.25	\$ 2.42	23.6%	\$ 12.67	\$ 10.25	\$ 2.42	23.6%
Beginning common shares outstanding	833.8	833.8	833.8	833.8	705.3	128.5	18.2%	833.8	705.3	128.5	18.2%
Issuance of common shares through initial public offering	—	—	—	—	128.5	(128.5)	(100.0)%	—	128.5	(128.5)	(100.0)%
Shares repurchased	—	—	—	—	—	—	—%	—	—	—	—%
Ending common shares outstanding	833.8	833.8	833.8	833.8	833.8	—	—%	833.8	833.8	—	—%
Weighted average common shares outstanding	833.8	833.8	833.8	833.8	781.8	52.0	6.7%	833.8	731.0	102.8	14.1%
Weighted average common shares outstanding (fully diluted)	835.8	835.4	835.0	834.3	781.9	53.9	6.9%	835.4	731.0	104.4	14.3%

(1) Tangible Common Equity ("TCE") is a non-GAAP measure. For corresponding reconciliation of TCE to a GAAP financial measure, see Reconciliation of Non-GAAP Measures and Calculations of Regulatory Measures.

SYNCHRONY FINANCIAL

SELECTED METRICS

(unaudited, \$ in millions, except account data)

	Quarter Ended					3Q'15 vs. 3Q'14	Nine Months Ended		YTD'15 vs. YTD'14		
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014		Sep 30, 2015	Sep 30, 2014			
PERFORMANCE METRICS											
Return on assets ⁽¹⁾	2.9%	2.9%	3.0%	2.7%	3.2%	(0.3)%	3.0%	3.4%	(0.4)%		
Return on equity ⁽²⁾	19.2%	19.2%	20.8%	20.2%	26.8%	(7.6)%	19.7%	29.7%	(10.0)%		
Return on tangible common equity ⁽³⁾	22.0%	22.2%	24.1%	23.4%	32.4%	(10.4)%	22.7%	36.7%	(14.0)%		
Net interest margin ⁽⁴⁾	15.97%	15.77%	15.79%	15.60%	17.11%	(1.14)%	15.81%	17.80%	(1.99)%		
Efficiency ratio ⁽⁵⁾	34.2%	33.5%	32.2%	32.4%	31.9%	2.3 %	33.3%	31.5%	1.8 %		
Other expense as a % of average loan receivables, including held for sale	5.35%	5.37%	5.06%	5.16%	5.09%	0.26 %	5.25%	5.11%	0.14 %		
Effective income tax rate	37.5%	37.2%	37.5%	37.7%	37.7%	(0.2)%	37.4%	37.7%	(0.3)%		
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	4.02%	4.63%	4.53%	4.32%	4.05%	(0.03)%	4.37%	4.57%	(0.20)%		
30+ days past due as a % of period-end loan receivables	4.02%	3.53%	3.79%	4.14%	4.26%	(0.24)%	4.02%	4.26%	(0.24)%		
90+ days past due as a % of period-end loan receivables	1.73%	1.52%	1.81%	1.90%	1.85%	(0.12)%	1.73%	1.85%	(0.12)%		
Net charge-offs	\$ 633	\$ 693	\$ 668	\$ 663	\$ 579	\$ 54	9.3 %	\$ 1,994	\$ 1,910	\$ 84	4.4 %
Loan receivables delinquent over 30 days	\$ 2,553	\$ 2,171	\$ 2,209	\$ 2,536	\$ 2,416	\$ 137	5.7 %	\$ 2,553	\$ 2,416	\$ 137	5.7 %
Loan receivables delinquent over 90 days	\$ 1,102	\$ 933	\$ 1,056	\$ 1,162	\$ 1,051	\$ 51	4.9 %	\$ 1,102	\$ 1,051	\$ 51	4.9 %
Allowance for loan losses (period-end)	\$ 3,371	\$ 3,302	\$ 3,255	\$ 3,236	\$ 3,102	\$ 269	8.7 %	\$ 3,371	\$ 3,102	\$ 269	8.7 %
Allowance coverage ratio ⁽⁶⁾	5.31%	5.38%	5.59%	5.28%	5.46%	(0.15)%	5.31%	5.46%	(0.15)%		
BUSINESS METRICS											
Purchase volume ⁽⁷⁾	\$ 29,206	\$ 28,810	\$ 23,139	\$ 30,081	\$ 26,004	\$ 3,202	12.3 %	\$ 81,155	\$ 73,068	\$ 8,087	11.1 %
Period-end loan receivables	\$ 63,520	\$ 61,431	\$ 58,248	\$ 61,286	\$ 56,767	\$ 6,753	11.9 %	\$ 63,520	\$ 56,767	\$ 6,753	11.9 %
Credit cards	\$ 60,920	\$ 58,827	\$ 55,866	\$ 58,880	\$ 54,263	\$ 6,657	12.3 %	\$ 60,920	\$ 54,263	\$ 6,657	12.3 %
Consumer installment loans	\$ 1,171	\$ 1,138	\$ 1,062	\$ 1,063	\$ 1,081	\$ 90	8.3 %	\$ 1,171	\$ 1,081	\$ 90	8.3 %
Commercial credit products	\$ 1,380	\$ 1,410	\$ 1,295	\$ 1,320	\$ 1,404	\$ (24)	(1.7)%	\$ 1,380	\$ 1,404	\$ (24)	(1.7)%
Other	\$ 49	\$ 56	\$ 25	\$ 23	\$ 19	\$ 30	157.9 %	\$ 49	\$ 19	\$ 30	157.9 %
Average loan receivables, including held for sale	\$ 62,504	\$ 60,094	\$ 59,775	\$ 59,547	\$ 57,391	\$ 5,113	8.9 %	\$ 60,946	\$ 56,238	\$ 4,708	8.4 %
Period-end active accounts (in thousands) ⁽⁸⁾	62,831	61,718	59,761	64,286	60,489	2,342	3.9 %	62,831	60,489	2,342	3.9 %
Average active accounts (in thousands) ⁽⁸⁾	62,247	60,923	61,604	61,667	59,907	2,340	3.9 %	61,762	59,394	2,368	4.0 %
LIQUIDITY											
Liquid assets											
Cash and equivalents	\$ 12,271	\$ 10,621	\$ 11,218	\$ 11,828	\$ 14,808	\$ (2,537)	(17.1)%	\$ 12,271	\$ 14,808	\$ (2,537)	(17.1)%
Total liquid assets	\$ 15,305	\$ 13,660	\$ 13,813	\$ 12,942	\$ 14,077	\$ 1,228	8.7 %	\$ 15,305	\$ 14,077	\$ 1,228	8.7 %
Undrawn credit facilities											
Undrawn committed securitization financings	\$ 6,550	\$ 6,125	\$ 6,600	\$ 6,100	\$ 5,650	\$ 900	15.9 %	\$ 6,550	\$ 5,650	\$ 900	15.9 %
Total liquid assets and undrawn credit facilities	\$ 21,855	\$ 19,785	\$ 20,413	\$ 19,042	\$ 19,727	\$ 2,128	10.8 %	\$ 21,855	\$ 19,727	\$ 2,128	10.8 %
Liquid assets % of total assets	19.27%	18.03%	18.99%	17.09%	19.16%	0.11 %	19.27%	19.16%	0.11 %		
Liquid assets including undrawn committed securitization financings % of total assets	27.51%	26.12%	28.07%	25.15%	26.85%	0.66 %	27.51%	26.85%	0.66 %		

(1) Return on assets represents net earnings as a percentage of average total assets.

(2) Return on equity represents net earnings as a percentage of average total equity.

(3) Return on tangible common equity represents net earnings as a percentage of average tangible common equity. Tangible Common Equity ("TCE") is a non-GAAP measure. For corresponding reconciliation of TCE to a GAAP financial measure, see Reconciliation of Non-GAAP Measures and Calculations of Regulatory Measures.

(4) Net interest margin represents net interest income divided by average interest-earning assets.

(5) Efficiency ratio represents (i) other expense, divided by (ii) net interest income, after retailer share arrangements, plus other income.

(6) Allowance coverage ratio represents allowance for loan losses divided by total period-end loan receivables.

(7) Purchase volume, or net credit sales, represents the aggregate amount of charges incurred on credit cards or other credit product accounts less returns during the period.

(8) Active accounts represent credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month.

SYNCHRONY FINANCIAL
STATEMENTS OF EARNINGS
(unaudited, \$ in millions)

	Quarter Ended					3Q'15 vs. 3Q'14		Nine Months Ended		YTD'15 vs. YTD'14	
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014			Sep 30, 2015	Sep 30, 2014		
Interest income:											
Interest and fees on loans	\$ 3,379	\$ 3,166	\$ 3,140	\$ 3,252	\$ 3,116	\$ 263	8.4 %	\$ 9,685	\$ 8,964	\$ 721	8.0 %
Interest on investment securities	13	11	10	8	7	6	85.7 %	34	18	16	88.9 %
Total interest income	3,392	3,177	3,150	3,260	3,123	269	8.6 %	9,719	8,982	737	8.2 %
Interest expense:											
Interest on deposits	159	146	137	139	126	33	26.2 %	442	331	111	33.5 %
Interest on borrowings of consolidated securitization entities	54	53	52	57	57	(3)	(5.3)%	159	158	1	0.6 %
Interest on third-party debt	76	71	82	78	46	30	65.2 %	229	46	183	NM
Interest on related party debt	—	—	4	8	15	(15)	(100.0)%	4	105	(101)	(96.2)%
Total interest expense	289	270	275	282	244	45	18.4 %	834	640	194	30.3 %
Net interest income	3,103	2,907	2,875	2,978	2,879	224	7.8 %	8,885	8,342	543	6.5 %
Retailer share arrangements	(723)	(621)	(660)	(698)	(693)	(30)	4.3 %	(2,004)	(1,877)	(127)	6.8 %
Net interest income, after retailer share arrangements	2,380	2,286	2,215	2,280	2,186	194	8.9 %	6,881	6,465	416	6.4 %
Provision for loan losses	702	740	687	797	675	27	4.0 %	2,129	2,120	9	0.4 %
Net interest income, after retailer share arrangements and provision for loan losses	1,678	1,546	1,528	1,483	1,511	167	11.1 %	4,752	4,345	407	9.4 %
Other income:											
Interchange revenue	135	123	100	120	101	34	33.7 %	358	269	89	33.1 %
Debt cancellation fees	61	61	65	67	68	(7)	(10.3)%	187	208	(21)	(10.1)%
Loyalty programs	(122)	(94)	(78)	(91)	(84)	(38)	45.2 %	(294)	(190)	(104)	54.7 %
Other	10	30	14	66	11	(1)	(9.1)%	54	36	18	50.0 %
Total other income	84	120	101	162	96	(12)	(12.5)%	305	323	(18)	(5.6)%
Other expense:											
Employee costs	268	250	239	227	239	29	12.1 %	757	639	118	18.5 %
Professional fees ⁽¹⁾	162	156	162	139	149	13	8.7 %	480	424	56	13.2 %
Marketing and business development	115	108	82	165	115	—	— %	305	295	10	3.4 %
Information processing	77	74	63	60	47	30	63.8 %	214	152	62	40.8 %
Other ⁽¹⁾	221	217	200	201	178	43	24.2 %	638	625	13	2.1 %
Total other expense	843	805	746	792	728	115	15.8 %	2,394	2,135	259	12.1 %
Earnings before provision for income taxes	919	861	883	853	879	40	4.6 %	2,663	2,533	130	5.1 %
Provision for income taxes	345	320	331	322	331	14	4.2 %	996	955	41	4.3 %
Net earnings attributable to common shareholders	\$ 574	\$ 541	\$ 552	\$ 531	\$ 548	\$ 26	4.7 %	\$ 1,667	\$ 1,578	\$ 89	5.6 %

(1) We have reclassified certain amounts within Professional fees to Other for all periods in 2014 to conform to the current period classifications.

SYNCHRONY FINANCIAL
STATEMENTS OF FINANCIAL POSITION
(unaudited, \$ in millions)

	Quarter Ended					Sep 30, 2015 vs. Sep 30, 2014	
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014		
Assets							
Cash and equivalents	\$ 12,271	\$ 10,621	\$ 11,218	\$ 11,828	\$ 14,808	\$ (2,537)	(17.1)%
Investment securities	3,596	3,682	3,121	1,598	325	3,271	NM
Loan receivables:							
Unsecuritized loans held for investment	38,325	36,019	33,424	34,335	30,474	7,851	25.8 %
Restricted loans of consolidated securitization entities	25,195	25,412	24,824	26,951	26,293	(1,098)	(4.2)%
Total loan receivables	63,520	61,431	58,248	61,286	56,767	6,753	11.9 %
Less: Allowance for loan losses	(3,371)	(3,302)	(3,255)	(3,236)	(3,102)	(269)	8.7 %
Loan receivables, net	60,149	58,129	54,993	58,050	53,665	6,484	12.1 %
Loan receivables held for sale	—	—	359	332	1,493	(1,493)	(100.0)%
Goodwill	949	949	949	949	949	—	— %
Intangible assets, net	646	575	557	519	449	197	43.9 %
Other assets	1,831	1,794	1,524	2,431	1,780	51	2.9 %
Total assets	<u>\$ 79,442</u>	<u>\$ 75,750</u>	<u>\$ 72,721</u>	<u>\$ 75,707</u>	<u>\$ 73,469</u>	<u>\$ 5,973</u>	<u>8.1 %</u>
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	\$ 40,408	\$ 37,629	\$ 34,788	\$ 34,847	\$ 32,480	\$ 7,928	24.4 %
Non-interest-bearing deposit accounts	140	143	162	108	209	(69)	(33.0)%
Total deposits	40,548	37,772	34,950	34,955	32,689	7,859	24.0 %
Borrowings:							
Borrowings of consolidated securitization entities	13,640	13,948	13,817	14,967	15,091	(1,451)	(9.6)%
Bank term loan	4,651	5,151	5,651	8,245	7,495	(2,844)	(37.9)%
Senior unsecured notes	5,590	4,593	4,592	3,593	3,593	1,997	55.6 %
Related party debt	—	—	—	655	1,405	(1,405)	(100.0)%
Total borrowings	23,881	23,692	24,060	27,460	27,584	(3,703)	(13.4)%
Accrued expenses and other liabilities	2,855	2,708	2,675	2,814	3,255	(400)	(12.3)%
Total liabilities	67,284	64,172	61,685	65,229	63,528	3,756	5.9 %
Equity:							
Parent's net investment	—	—	—	—	—	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,431	9,422	9,418	9,408	9,401	30	0.3 %
Retained earnings	2,746	2,172	1,631	1,079	548	2,198	NM
Accumulated other comprehensive income:	(20)	(17)	(14)	(10)	(9)	(11)	122.2 %
Total equity	12,158	11,578	11,036	10,478	9,941	2,217	22.3 %
Total liabilities and equity	<u>\$ 79,442</u>	<u>\$ 75,750</u>	<u>\$ 72,721</u>	<u>\$ 75,707</u>	<u>\$ 73,469</u>	<u>\$ 5,973</u>	<u>8.1 %</u>

SYNCHRONY FINANCIAL

AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN

(unaudited, \$ in millions)

	Quarter Ended														
	September 30, 2015			June 30, 2015			March 31, 2015			December 31, 2014			September 30, 2014		
	Average Balance	Interest Income/Expense	Average Yield/Rate	Average Balance	Interest Income/Expense	Average Yield/Rate	Average Balance	Interest Income/Expense	Average Yield/Rate	Average Balance	Interest Income/Expense	Average Yield/Rate	Average Balance	Interest Income/Expense	Average Yield/Rate
Assets															
Interest-earning assets:															
Interest-earning cash and equivalents	\$ 11,059	\$ 7	0.25%	\$ 10,728	\$ 6	0.22%	\$ 11,331	\$ 6	0.21%	\$ 13,631	\$ 7	0.20%	\$ 9,793	\$ 4	0.16%
Securities available for sale	3,534	6	0.67%	3,107	5	0.65%	2,725	4	0.60%	962	1	0.40%	309	3	3.89%
Loan receivables:															
Credit cards, including held for sale	59,890	3,315	21.96%	57,588	3,106	21.63%	57,390	3,079	21.76%	57,075	3,186	21.68%	54,891	3,054	22.32%
Consumer installment loans	1,160	27	9.23%	1,101	26	9.47%	1,057	25	9.59%	1,072	27	9.78%	1,070	25	9.37%
Commercial credit products	1,400	36	10.20%	1,372	34	9.94%	1,305	36	11.19%	1,379	38	10.70%	1,412	37	10.51%
Other	54	1	NM	33	—	—%	23	—	—%	21	1	NM	18	—	—%
Total loan receivables, including held for sale	62,504	3,379	21.45%	60,094	3,166	21.13%	59,775	3,140	21.30%	59,547	3,252	21.21%	57,391	3,116	21.78%
Total interest-earning assets	77,097	3,392	17.46%	73,929	3,177	17.24%	73,831	3,150	17.30%	74,140	3,260	17.07%	67,493	3,123	18.56%
Non-interest-earning assets:															
Cash and due from banks	1,216			583			497			1,220			1,260		
Allowance for loan losses	(3,341)			(3,285)			(3,272)			(3,160)			(3,058)		
Other assets	3,023			2,916			2,802			2,831			2,605		
Total non-interest-earning assets	898			214			27			891			807		
Total assets	\$ 77,995			\$ 74,143			\$ 73,858			\$ 75,031			\$ 68,300		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	\$ 39,136	\$ 159	1.61%	\$ 35,908	\$ 146	1.63%	\$ 34,981	\$ 137	1.59%	\$ 33,980	\$ 139	1.59%	\$ 31,459	\$ 126	1.61%
Borrowings of consolidated securitization entities	13,730	54	1.56%	14,026	53	1.52%	14,101	52	1.50%	14,766	57	1.50%	15,102	57	1.51%
Bank term loan ⁽¹⁾	4,901	29	2.35%	5,401	32	2.38%	6,531	47	2.92%	8,057	46	2.22%	3,747	28	3.00%
Senior unsecured notes ⁽¹⁾	5,340	47	3.49%	4,592	39	3.41%	4,093	35	3.47%	3,593	32	3.46%	1,797	18	4.02%
Related party debt ⁽¹⁾	—	—	—%	—	—	—%	407	4	3.99%	843	8	3.68%	4,582	15	1.31%
Total interest-bearing liabilities	63,107	289	1.82%	59,927	270	1.81%	60,113	275	1.86%	61,239	282	1.79%	56,687	244	1.73%
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	149			166			142			182			206		
Other liabilities	2,859			2,750			2,854			3,382			3,208		
Total non-interest-bearing liabilities	3,008			2,916			2,996			3,564			3,414		
Total liabilities	66,115			62,843			63,109			64,803			60,101		
Equity															
Total equity	11,880			11,300			10,749			10,228			8,199		
Total liabilities and equity	\$ 77,995			\$ 74,143			\$ 73,858			\$ 75,031			\$ 68,300		
Net interest income		\$ 3,103			\$ 2,907			\$ 2,875			\$ 2,978			\$ 2,879	
Interest rate spread⁽²⁾			15.64%			15.43%			15.44%			15.28%			16.83%
Net interest margin⁽³⁾			15.97%			15.77%			15.79%			15.60%			17.11%

(1) Interest on liabilities calculated above utilizes monthly average balances. The effective interest rates for the Bank term loan for the quarters ended September 30, 2015, June 30, 2015, March 31, 2015, December 31, 2014 and September 30, 2014, were 2.23%, 2.21%, 2.21%, 2.19% and 2.21%, respectively. The Bank term loan effective rate excludes the impact of charges incurred in connection with prepayments of the loan.

(2) Interest rate spread represents the difference between the yield on total interest-earning assets and the rate on total interest-bearing liabilities.

(3) Net interest margin represents net interest income divided by average interest-earning assets.

SYNCHRONY FINANCIAL

AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN

(unaudited, \$ in millions)

	Nine Months Ended Sep 30, 2015			Nine Months Ended Sep 30, 2014		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Assets						
Interest-earning assets:						
Interest-earning cash and equivalents	\$ 11,144	\$ 19	0.23%	\$ 6,587	\$ 9	0.18%
Securities available for sale	3,066	15	0.65%	281	9	4.31%
Loan receivables:						
Credit cards, including held for sale	58,442	9,500	21.73%	53,836	8,781	21.97%
Consumer installment loans	1,107	78	9.42%	1,012	72	9.58%
Commercial credit products	1,361	106	10.41%	1,374	111	10.88%
Other	36	1	NM	16	—	—%
Total loan receivables, including held for sale	60,946	9,685	21.25%	56,238	8,964	21.47%
Total interest-earning assets	75,156	9,719	17.29%	63,106	8,982	19.17%
Non-interest-earning assets:						
Cash and due from banks	782			863		
Allowance for loan losses	(3,304)			(2,997)		
Other assets	2,917			2,360		
Total non-interest-earning assets	395			226		
Total assets	\$ 75,551			\$ 63,332		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	\$ 36,768	\$ 442	1.61%	\$ 28,799	\$ 331	1.55%
Borrowings of consolidated securitization entities	13,966	159	1.52%	14,888	158	1.43%
Bank term loan ⁽¹⁾	5,653	108	2.55%	1,499	28	2.52%
Senior unsecured notes ⁽¹⁾	4,692	121	3.45%	719	18	3.37%
Related party debt ⁽¹⁾	163	4	3.28%	6,739	105	2.10%
Total interest-bearing liabilities	61,242	834	1.82%	52,644	640	1.64%
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	153			259		
Other liabilities	2,846			3,272		
Total non-interest-bearing liabilities	2,999			3,531		
Total liabilities	64,241			56,175		
Equity						
Total equity	11,310			7,157		
Total liabilities and equity	\$ 75,551			\$ 63,332		
Net interest income		\$ 8,885			\$ 8,342	
Interest rate spread⁽²⁾			15.47%			17.53%
Net interest margin⁽³⁾			15.81%			17.80%

(1) Interest on liabilities calculated above utilizes monthly average balances. The effective interest rate for the Bank term loan for the 9 months ended September 30, 2015 and September 30, 2014 were 2.22% and 2.21% respectively. The Bank term loan effective rate excludes the impact of charges incurred in connection with the prepayments of the loan. The effective interest rate for the Senior unsecured notes for the 9 months ended September 30, 2014 was 3.62%.

(2) Interest rate spread represents the difference between the yield on total interest-earning assets and the rate on total interest-bearing liabilities.

(3) Net interest margin represents net interest income divided by average interest-earning assets.

SYNCHRONY FINANCIAL

BALANCE SHEET STATISTICS

(unaudited, \$ in millions, except per share statistics)

	Quarter Ended					Sep 30, 2015 vs. Sep 30, 2014
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014	
BALANCE SHEET STATISTICS						
Total common equity	\$ 12,158	\$ 11,578	\$ 11,036	\$ 10,478	\$ 9,941	\$ 2,217 22.3%
Total common equity as a % of total assets	15.30%	15.28%	15.18%	13.84%	13.53%	1.77%
Tangible assets	\$ 77,847	\$ 74,226	\$ 71,215	\$ 74,239	\$ 72,071	\$ 5,776 8.0%
Tangible common equity ⁽¹⁾	\$ 10,563	\$ 10,054	\$ 9,530	\$ 9,010	\$ 8,543	\$ 2,020 23.6%
Tangible common equity as a % of tangible assets ⁽¹⁾	13.57%	13.55%	13.38%	12.14%	11.85%	1.72%
Tangible common equity per share ⁽¹⁾	\$ 12.67	\$ 12.06	\$ 11.43	\$ 10.81	\$ 10.25	\$ 2.42 23.6%

REGULATORY CAPITAL RATIOS⁽²⁾

	Basel III Transition		Basel I		
Total risk-based capital ratio ⁽³⁾⁽⁸⁾	18.8%	18.5%	18.2%	16.2%	16.4%
Tier 1 risk-based capital ratio ⁽⁴⁾⁽⁸⁾	17.5%	17.2%	16.9%	14.9%	15.1%
Tier 1 common ratio ⁽⁵⁾⁽⁸⁾	n/a	n/a	16.9%	14.9%	15.1%
Tier 1 leverage ratio ⁽⁶⁾⁽⁸⁾	14.6%	14.6%	13.7%	12.5%	12.2%
Common equity Tier 1 capital ratio ⁽⁷⁾⁽⁸⁾	17.5%	17.2%	n/a	n/a	n/a
Basel III Fully Phased-in					
Common equity Tier 1 capital ratio ⁽⁷⁾	16.6%	16.4%	16.4%	14.5%	14.6%

(1) Tangible common equity ("TCE") is a non-GAAP measure. We believe TCE is a more meaningful measure of the net asset value of the Company to investors. For corresponding reconciliation of TCE to a GAAP financial measure, see Reconciliation of Non-GAAP Measures and Calculations of Regulatory Measures.

(2) Regulatory capital metrics at September 30, 2015 are preliminary and therefore subject to change. As a new savings and loan holding company, the Company historically has not been required by regulators to disclose capital ratios, and therefore these ratios are non-GAAP measures. See Reconciliation of Non-GAAP Measures and Calculation of Regulatory Measures for components of capital ratio calculations.

(3) Total risk-based capital ratio is the ratio of total risk-based capital divided by risk-weighted assets.

(4) Tier 1 risk-based capital ratio is the ratio of Tier 1 capital divided by risk-weighted assets.

(5) Tier 1 common ratio is the ratio of common equity Tier 1 capital divided by risk-weighted assets.

(6) Tier 1 leverage ratio reported under Basel III transition rules is calculated based on Tier 1 capital divided by total average assets, after certain adjustments. Total assets, after certain adjustments is used as the denominator for prior periods calculated under Basel I rules.

(7) Common equity Tier 1 capital ratio is the ratio of common equity Tier 1 capital to total risk-weighted assets, each as calculated under Basel III rules. Common equity Tier 1 capital ratio (fully phased-in) is a preliminary estimate reflecting management's interpretation of the final Basel III rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance.

(8) Beginning June 30, 2015, regulatory capital ratios are calculated under Basel III rules subject to transition provisions. The Company reported under Basel I rules for periods prior to June 30, 2015.

SYNCHRONY FINANCIAL

PLATFORM RESULTS AND RECONCILIATION OF NON-GAAP MEASURES

(unaudited, \$ in millions)

	Quarter Ended					3Q'15 vs. 3Q'14		Nine Months Ended		YTD'15 vs. YTD'14	
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014			Sep 30, 2015	Sep 30, 2014		
RETAIL CARD											
Purchase volume ^{(1),(2)}	\$ 23,560	\$ 23,452	\$ 18,410	\$ 24,855	\$ 20,991	\$ 2,569	12.2 %	\$ 65,422	\$ 58,736	\$ 6,686	11.4 %
Period-end loan receivables	\$ 43,432	\$ 42,315	\$ 39,685	\$ 42,308	\$ 38,466	\$ 4,966	12.9 %	\$ 43,432	\$ 38,466	\$ 4,966	12.9 %
Average loan receivables, including held for sale	\$ 42,933	\$ 41,303	\$ 40,986	\$ 40,929	\$ 39,411	\$ 3,522	8.9 %	\$ 41,853	\$ 38,685	\$ 3,168	8.2 %
Average active accounts (in thousands) ^{(2),(3)}	49,953	48,981	49,617	49,871	48,433	1,520	3.1 %	49,671	48,116	1,555	3.2 %
Interest and fees on loans ⁽²⁾	\$ 2,508	\$ 2,335	\$ 2,337	\$ 2,405	\$ 2,299	\$ 209	9.1 %	\$ 7,180	\$ 6,635	\$ 545	8.2 %
Other income ⁽²⁾	70	107	86	141	78	(8)	(10.3)%	263	266	(3)	(1.1)%
Platform revenue, excluding retailer share arrangements⁽²⁾	2,578	2,442	2,423	2,546	2,377	201	8.5 %	7,443	6,901	542	7.9 %
Retailer share arrangements ⁽²⁾	(708)	(606)	(651)	(686)	(683)	(25)	3.7 %	(1,965)	(1,844)	(121)	6.6 %
Platform revenue⁽²⁾	\$ 1,870	\$ 1,836	\$ 1,772	\$ 1,860	\$ 1,694	\$ 176	10.4 %	\$ 5,478	\$ 5,057	\$ 421	8.3 %
PAYMENT SOLUTIONS											
Purchase volume ⁽¹⁾	\$ 3,635	\$ 3,371	\$ 2,948	\$ 3,419	\$ 3,226	\$ 409	12.7 %	\$ 9,954	\$ 9,028	\$ 926	10.3 %
Period-end loan receivables	\$ 12,933	\$ 12,194	\$ 11,833	\$ 12,095	\$ 11,514	\$ 1,419	12.3 %	\$ 12,933	\$ 11,514	\$ 1,419	12.3 %
Average loan receivables	\$ 12,523	\$ 11,971	\$ 11,970	\$ 11,772	\$ 11,267	\$ 1,256	11.1 %	\$ 12,183	\$ 10,965	\$ 1,218	11.1 %
Average active accounts (in thousands) ⁽³⁾	7,468	7,231	7,271	7,113	6,892	576	8.4 %	7,335	6,784	551	8.1 %
Interest and fees on loans	\$ 442	\$ 412	\$ 403	\$ 426	\$ 405	\$ 37	9.1 %	\$ 1,257	\$ 1,156	\$ 101	8.7 %
Other income	5	4	5	9	7	(2)	(28.6)%	14	23	(9)	(39.1)%
Platform revenue, excluding retailer share arrangements	447	416	408	435	412	35	8.5 %	1,271	1,179	92	7.8 %
Retailer share arrangements	(13)	(14)	(8)	(11)	(9)	(4)	44.4 %	(35)	(30)	(5)	16.7 %
Platform revenue	\$ 434	\$ 402	\$ 400	\$ 424	\$ 403	\$ 31	7.7 %	\$ 1,236	\$ 1,149	\$ 87	7.6 %
CARECREDIT											
Purchase volume ⁽¹⁾	\$ 2,011	\$ 1,987	\$ 1,781	\$ 1,807	\$ 1,787	\$ 224	12.5 %	\$ 5,779	\$ 5,304	\$ 475	9.0 %
Period-end loan receivables	\$ 7,155	\$ 6,922	\$ 6,730	\$ 6,883	\$ 6,787	\$ 368	5.4 %	\$ 7,155	\$ 6,787	\$ 368	5.4 %
Average loan receivables	\$ 7,048	\$ 6,820	\$ 6,819	\$ 6,846	\$ 6,713	\$ 335	5.0 %	\$ 6,910	\$ 6,588	\$ 322	4.9 %
Average active accounts (in thousands) ⁽³⁾	4,826	4,711	4,716	4,683	4,582	244	5.3 %	4,756	4,494	262	5.8 %
Interest and fees on loans	\$ 429	\$ 419	\$ 400	\$ 421	\$ 412	\$ 17	4.1 %	\$ 1,248	\$ 1,173	\$ 75	6.4 %
Other income	9	9	10	12	11	(2)	(18.2)%	28	34	(6)	(17.6)%
Platform revenue, excluding retailer share arrangements	438	428	410	433	423	15	3.5 %	1,276	1,207	69	5.7 %
Retailer share arrangements	(2)	(1)	(1)	(1)	(1)	(1)	100.0 %	(4)	(3)	(1)	33.3 %
Platform revenue	\$ 436	\$ 427	\$ 409	\$ 432	\$ 422	\$ 14	3.3 %	\$ 1,272	\$ 1,204	\$ 68	5.6 %
TOTAL SYF											
Purchase volume ^{(1),(2)}	\$ 29,206	\$ 28,810	\$ 23,139	\$ 30,081	\$ 26,004	\$ 3,202	12.3 %	\$ 81,155	\$ 73,068	\$ 8,087	11.1 %
Period-end loan receivables	\$ 63,520	\$ 61,431	\$ 58,248	\$ 61,286	\$ 56,767	\$ 6,753	11.9 %	\$ 63,520	\$ 56,767	\$ 6,753	11.9 %
Average loan receivables, including held for sale	\$ 62,504	\$ 60,094	\$ 59,775	\$ 59,547	\$ 57,391	\$ 5,113	8.9 %	\$ 60,946	\$ 56,238	\$ 4,708	8.4 %
Average active accounts (in thousands) ^{(2),(3)}	62,247	60,923	61,604	61,667	59,907	2,340	3.9 %	61,762	59,394	2,368	4.0 %
Interest and fees on loans ⁽²⁾	\$ 3,379	\$ 3,166	\$ 3,140	\$ 3,252	\$ 3,116	\$ 263	8.4 %	\$ 9,685	\$ 8,964	\$ 721	8.0 %
Other income ⁽²⁾	84	120	101	162	96	(12)	(12.5)%	305	323	(18)	(5.6)%
Platform revenue, excluding retailer share arrangements⁽²⁾	3,463	3,286	3,241	3,414	3,212	251	7.8 %	9,990	9,287	703	7.6 %
Retailer share arrangements ⁽²⁾	(723)	(621)	(660)	(698)	(693)	(30)	4.3 %	(2,004)	(1,877)	(127)	6.8 %
Platform revenue⁽²⁾	\$ 2,740	\$ 2,665	\$ 2,581	\$ 2,716	\$ 2,519	\$ 221	8.8 %	\$ 7,986	\$ 7,410	\$ 576	7.8 %

(1) Purchase volume, or net credit sales, represents the aggregate amount of charges incurred on credit cards or other credit product accounts less returns during the period.

(2) Includes activity and balances associated with loan receivables held for sale.

(3) Active accounts represent credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month.

SYNCHRONY FINANCIAL

RECONCILIATION OF NON-GAAP MEASURES AND CALCULATIONS OF REGULATORY MEASURES

(unaudited, \$ in millions, except per share statistics)

	Quarter Ended				
	Sep 30, 2015	Jun 30, 2015	Mar 31, 2015	Dec 31, 2014	Sep 30, 2014
COMMON EQUITY MEASURES					
GAAP Total common equity	\$ 12,158	\$ 11,578	\$ 11,036	\$ 10,478	\$ 9,941
Less: Goodwill	(949)	(949)	(949)	(949)	(949)
Less: Intangible assets, net	(646)	(575)	(557)	(519)	(449)
Tangible common equity	\$ 10,563	\$ 10,054	\$ 9,530	\$ 9,010	\$ 8,543
Adjustments for certain other intangible assets, deferred tax liabilities and certain items in accumulated comprehensive income (loss)			293	287	292
Basel I - Tier 1 capital and Tier 1 common equity			\$ 9,823	\$ 9,297	\$ 8,835
Adjustments for certain other intangible assets and deferred tax liabilities			(12)	(20)	(24)
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	291	293			
Basel III - Common equity Tier 1 (fully phased-in)	\$ 10,854	\$ 10,347	\$ 9,811	\$ 9,277	\$ 8,811
Adjustment related to capital components during transition	375	331			
Basel III - Common equity Tier 1 (transition)	\$ 11,229	\$ 10,678			
RISK-BASED CAPITAL					
Tier 1 capital and Tier 1 common equity ⁽¹⁾	\$ 11,229	\$ 10,678	\$ 9,823	\$ 9,297	\$ 8,835
Add: Allowance for loan losses includible in risk-based capital	835	806	759	809	760
Risk-based capital⁽¹⁾	\$ 12,064	\$ 11,484	\$ 10,582	\$ 10,106	\$ 9,595
ASSET MEASURES					
Total assets ⁽²⁾	\$ 77,995	\$ 74,143	\$ 72,721	\$ 75,707	\$ 73,469
Adjustments for:					
Disallowed goodwill and other disallowed intangible assets, net of related deferred tax liabilities	(931)	(903)	(1,213)	(1,181)	(1,110)
Other	104	60	136	79	4
Total assets for leverage purposes⁽¹⁾	\$ 77,168	\$ 73,300	\$ 71,644	\$ 74,605	\$ 72,363
Risk-weighted assets - Basel I	n/a	n/a	\$ 58,184	\$ 62,270	\$ 58,457
Risk-weighted assets - Basel III (fully phased-in)⁽³⁾	\$ 65,278	\$ 62,970	\$ 59,926	\$ 64,162	\$ 60,300
Risk-weighted assets - Basel III (transition)⁽³⁾	\$ 64,244	\$ 61,985	n/a	n/a	n/a
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	\$ 14.58	\$ 13.89	\$ 13.24	\$ 12.57	\$ 11.92
Less: Goodwill	(1.14)	(1.14)	(1.14)	(1.14)	(1.14)
Less: Intangible assets, net	(0.77)	(0.69)	(0.67)	(0.62)	(0.53)
Tangible common equity per share	\$ 12.67	\$ 12.06	\$ 11.43	\$ 10.81	\$ 10.25

(1) Beginning June 30, 2015, regulatory capital amounts are calculated under Basel III rules subject to transition provisions. The company reported under Basel I rules for periods prior to June 30, 2015.

(2) Represents total average assets beginning June 30, 2015 and total assets for all periods prior to June 30, 2015.

(3) Key differences between Basel III transitional rules and fully phased-in Basel III rules in the calculation of risk-weighted assets include, but not limited to, risk weighting of deferred tax assets and adjustments for certain intangible assets.

3Q'15 Financial Results

October 16, 2015



Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

The following slides are part of a presentation by Synchrony Financial in connection with reporting quarterly financial results. No representation is made that the information in these slides is complete. For additional information, see the earnings release and financial supplement included as exhibits to our Current Report on Form 8-K filed today and available on our website (www.synchronyfinancial.com) and the SEC's website (www.sec.gov). All references to net earnings and net income are intended to have the same meaning.

This presentation contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "outlook," "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated; retaining existing partners and attracting new partners, concentration of our platform revenue in a small number of Retail Card partners, promotion and support of our products by our partners, and financial performance of our partners; our need for additional financing, higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to securitize our loans, occurrence of an early amortization of our securitization facilities, loss of the right to service or subservice our securitized loans, and lower payment rates on our securitized loans; our reliance on dividends, distributions and other payments from Synchrony Bank; our ability to grow our deposits in the future; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk, the sufficiency of our allowance for loan losses and the accuracy of the assumptions or estimates used in preparing our financial statements; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of strategic investments; reductions in interchange fees; fraudulent activity; cyber-attacks or other security breaches; failure of third parties to provide various services that are important to our operations; disruptions in the operations of our computer systems and data centers; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; damage to our reputation; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and state sales tax rules and regulations; significant and extensive regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Act and the impact of the CFPB's regulation of our business; changes to our methods of offering our CareCredit products; impact of capital adequacy rules; restrictions that limit Synchrony Bank's ability to pay dividends; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; failure to comply with anti-money laundering and anti-terrorism financing laws; effect of General Electric Capital Corporation being subject to regulation by the Federal Reserve Board both as a savings and loan holding company and as a systemically important financial institution; General Electric Company (GE) not completing the separation from us as planned or at all, GE's inability to obtain savings and loan holding company deregistration (GE SLHC Deregistration) and GE continuing to have significant control over us; any conditions of the Federal Reserve Board approval required for us to continue to be a savings and loan holding company; our need to establish and significantly expand many aspects of our operations and infrastructure; loss of association with GE's strong brand and reputation; limited right to use the GE brand name and logo and need to establish a new brand; GE has significant control over us; terms of our arrangements with GE may be more favorable than what we will be able to obtain from unaffiliated third parties; obligations associated with being a public company; our incremental cost of operating as a standalone public company could be substantially more than anticipated; GE could engage in businesses that compete with us, and conflicts of interest may arise between us and GE; and failure caused by us of GE's distribution of our common stock to its stockholders in exchange for its common stock to qualify for tax-free treatment, which may result in significant tax liabilities to GE for which we may be required to indemnify GE.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as filed on February 23, 2015. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law. Differences between this presentation and the supplemental financials may occur due to rounding.

Non-GAAP Measures

The information provided herein includes measures we refer to as "platform revenue" and "platform revenue excluding retailer share arrangements" and certain capital ratios, which are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The reconciliations of such measures to the most directly comparable GAAP measures are included in the appendix of this presentation.

3Q'15 Highlights

Financial highlights

- \$574 million Net earnings, \$0.69 EPS
- Strong growth across the business
 - ✓ Purchase volume +12%, Loan receivables +12%, Platform revenue +9%
- Asset quality continues to improve
 - ✓ Net charge-offs improved from 4.05% to 4.02% compared to prior year
 - ✓ 30+ delinquency improved from 4.26% to 4.02% compared to prior year
- Expenses in-line with expectations ... increase driven by growth, infrastructure build and EMV rollout
- Delivering on our funding plan, deposits +\$7.8 billion compared to prior year
- Strong capital and liquidity
 - ✓ 17.5% CET1 (BIIT)^(a)
 - ✓ \$15.3 billion total liquid assets

(a) CET1 % calculated under the Basel III transition guidelines

Business highlights

- ✓ Received approval from Federal Reserve to become a standalone SLHC
- ✓ Renewed two partnerships, including a top 10 partner in PayPal



- ✓ Signed two new partners



- ✓ Expanded our CareCredit network



- ✓ Launched new programs

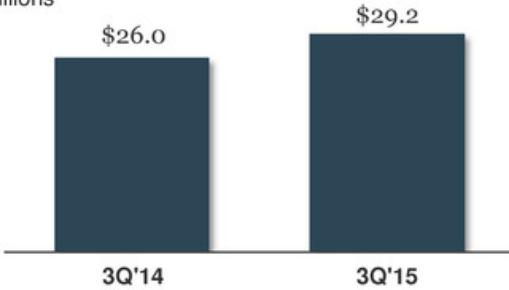


- ✓ Launched Samsung Pay for use with up to 12+ million active accounts

Growth Metrics

Purchase volume

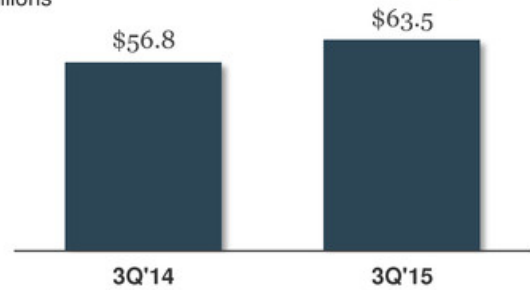
\$ in billions



+12%

Loan receivables

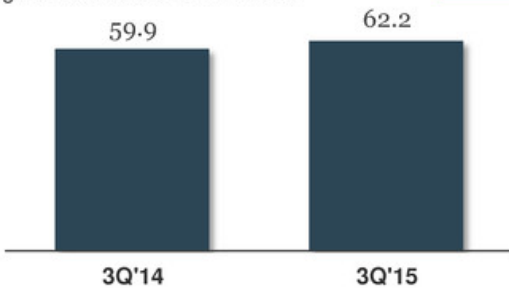
\$ in billions



+12%

Active accounts

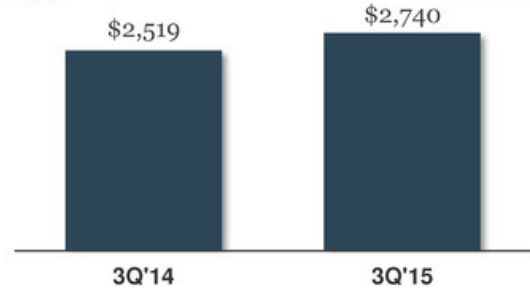
Average active accounts in millions



+4%

Platform revenue

\$ in millions



+9%

Platform Results ^(a)

Retail Card

Loan receivables, \$ in billions



	3Q'14	3Q'15	V%
Purchase volume	\$21.0	\$23.6	+12%
Accounts	48.4	49.9	+3%
Platform revenue	\$1,694	\$1,870	+10%

- ✓ Strong receivable growth across partner programs
- ✓ Platform revenue up 10% driven by receivable growth

Payment Solutions

Loan receivables, \$ in billions



	3Q'14	3Q'15	V%
Purchase volume	\$3.2	\$3.6	+13%
Accounts	6.9	7.5	+8%
Platform revenue	\$403	\$434	+8%

- ✓ Broad receivable growth led by home furnishings and auto
- ✓ Platform revenue up 8% driven by receivable growth

CareCredit

Loan receivables, \$ in billions



	3Q'14	3Q'15	V%
Purchase volume	\$1.8	\$2.0	+13%
Accounts	4.6	4.8	+5%
Platform revenue	\$422	\$436	+3%

- ✓ Receivable growth led by dental and veterinary
- ✓ Platform revenue up 3% driven by receivable growth

a) Accounts represent average active accounts in millions, which are credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month. Purchase volume \$ in billions and Platform revenue \$ in millions

Financial Results

Summary earnings statement

\$ in millions, except ratios	3Q'15	3Q'14	B/(W)	
			\$	%
Total interest income	\$3,392	\$3,123	\$269	9%
Total interest expense	289	244	(45)	(18)%
Net interest income (NII)	3,103	2,879	224	8%
Retailer share arrangements (RSA)	(723)	(693)	(30)	(4)%
NII, after RSA	2,380	2,186	194	9%
Provision for loan losses	702	675	(27)	(4)%
Other income	84	96	(12)	(13)%
Other expense	843	728	(115)	(16)%
Pre-Tax earnings	919	879	40	5%
Provision for income taxes	345	331	(14)	(4)%
Net earnings	\$574	\$548	\$26	5%
Return on assets	2.9%	3.2%	(0.3)pts.	

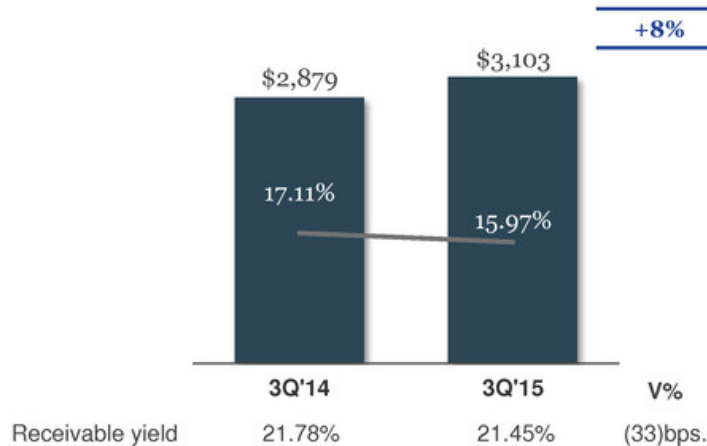
Third quarter 2015 highlights

- **\$574 million Net earnings, 2.9% ROA**
- **Net interest income up 8% driven by growth in loan receivables**
 - ✓ Interest and fees on loan receivables up 8% in-line with average receivable growth
 - ✓ Interest expense increase driven by growth, liquidity and funding mix
- **Provision for loan losses driven by receivable growth, partially offset with improved asset quality**
 - ✓ Asset quality improved ... 30+ delinquencies down 24bps. and NCO rate down 3bps. vs. prior year
- **Other income down 13%**
 - ✓ Increased loyalty costs partially offset by increased interchange due to program growth
- **Other expense in-line with expectations**
 - ✓ Other expense increase primarily driven by growth, infrastructure build and EMV rollout

Net Interest Income

Net interest income

\$ in millions, % of average interest-earning assets



Net interest margin walk

% of average interest-earning assets

3Q'14 Net interest margin	17.11%
Liquidity	(0.77)
Receiving yield	(0.33)
Interest expense	(0.04)
3Q'15 Net interest margin	15.97%

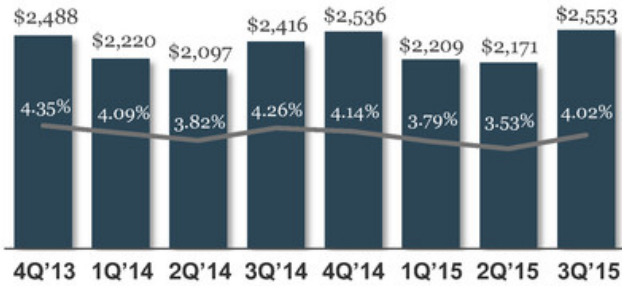
Third quarter 2015 highlights

- **Net interest income up 8% driven by growth in receivables, partially offset by higher funding costs**
 - ✓ Interest and fees on loans up 8% driven by loan receivable growth
- **Net interest margin decline driven primarily by increase in liquidity**
 - ✓ Liquid assets increased to \$15.3 billion, conservatively invested in cash and short-term U.S. Treasuries
 - ✓ Receiving yield 21.45%, down 33bps. reflecting higher payment rate and growth in promotional balances
 - ✓ Interest expense increased slightly to 1.82%, impacting Net interest margin by 4bps.

Asset Quality Metrics

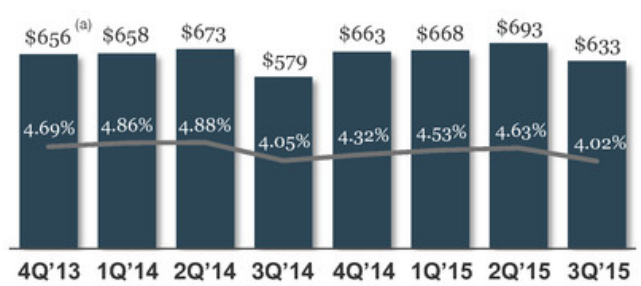
30+ days past due

\$ in millions, % of period-end loan receivables



Net charge-offs

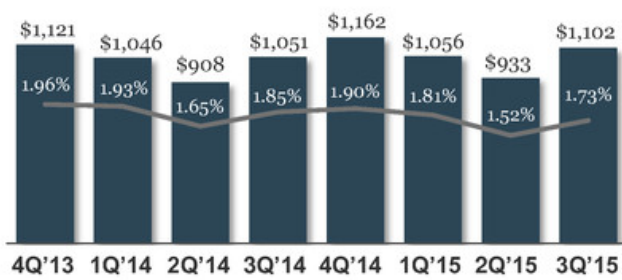
\$ in millions, % of average loan receivables including held for sale



(a) Excludes \$62 million net charge-off related to disposition of non-core receivables

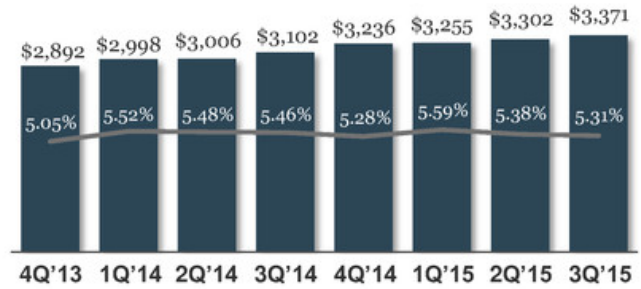
90+ days past due

\$ in millions, % of period-end loan receivables



Allowance for loan losses

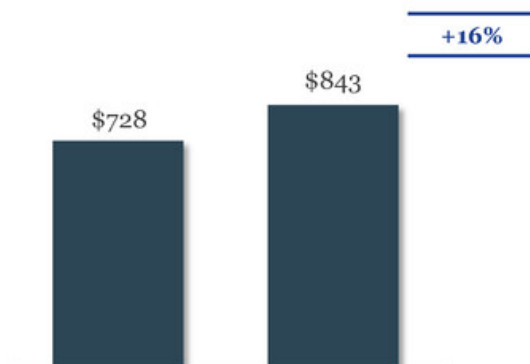
\$ in millions, % of period-end loan receivables



Other Expense

Other expense

\$ in millions



	3Q'14	3Q'15	V\$	V%
Employee costs	\$239	\$268	\$29	12%
Professional fees	149	162	\$13	9%
Marketing/BD	115	115	\$-	-%
Information processing	47	77	\$30	64%
Other	178	221	\$43	24%
Other expense	\$728	\$843	\$115	16%
Efficiency ^(a)	31.9%	34.2%		+2.3pts.

(a) "Other Expense" divided by sum of "NII, after RSA" plus "Other income"

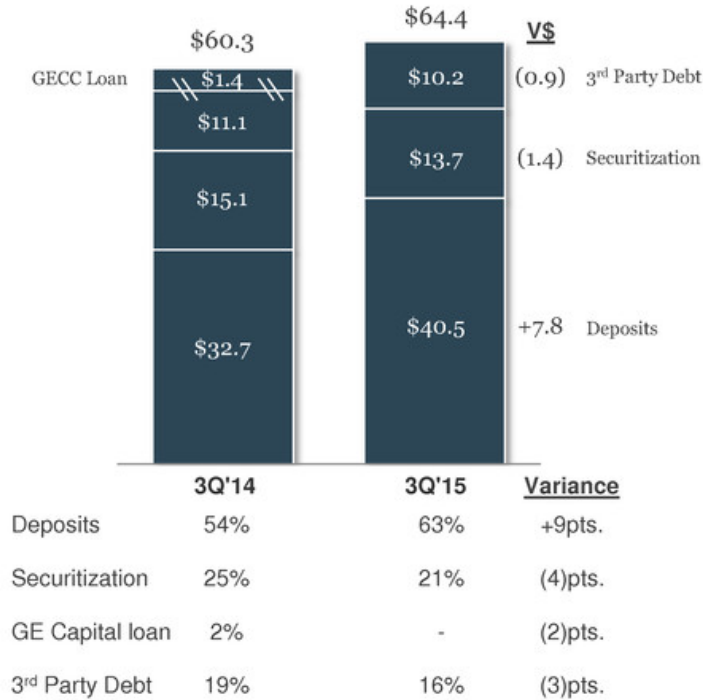
Third quarter 2015 highlights

- **Expense increase primarily driven by investments in growth, infrastructure build and EMV costs**
- **Employee costs up \$29 million**
 - ✓ Driven by employees added for separation and growth
- **Professional fees up \$13 million**
 - ✓ Driven primarily by growth
- **Marketing/BD costs flat**
 - ✓ Driven by an increase in portfolio marketing investments offset with lower brand advertising
- **Information processing up \$30 million**
 - ✓ Driven by IT investments and purchase volume growth
- **Other increased \$43 million**
 - ✓ Driven primarily by infrastructure build and growth
- **33.3% Efficiency ratio year-to-date**

Funding, Capital and Liquidity

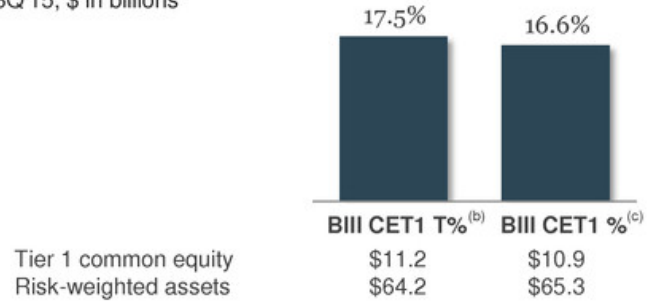
Funding sources

\$ in billions



Capital ratios^(a)

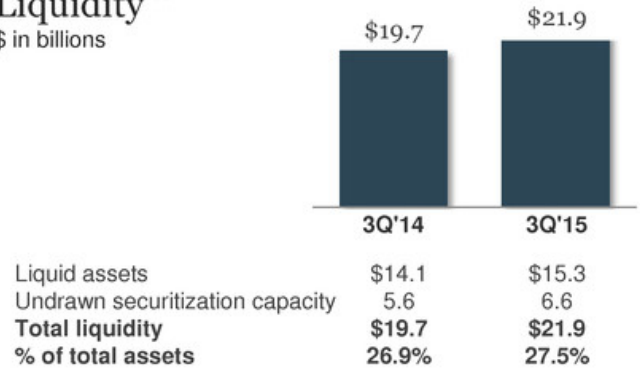
3Q'15, \$ in billions



(a) Estimated percentages and amounts
 (b) Calculated under the Basel III transition guidelines
 (c) Calculated under the fully phased-in Basel III guidelines

Liquidity^(d)

\$ in billions



(d) Does not include unencumbered assets in the Bank that could be pledged

3Q'15 Wrap Up

- Net earnings of \$574 million ... \$0.69 earnings per share
- Broad based growth ... Purchase volume +12%, Loan receivables +12%, Platform revenue +9%
- Renewed a top 10 partnership in PayPal, as well as Sleepy's
- Signed two new partnerships with Citgo and The Container Store
- Expanded CareCredit's network with our new Rite Aid partnership
- Launched new programs ... Guitar Center and Athleta
- Launched Samsung Pay for use with up to 12 million active accounts
- Fast-growing deposit platform ... deposits at \$40.5 billion, now 63% of funding
- Strong balance sheet, \$15.3 billion of liquid assets and 17.5% CET1 (BIIT)^(a)
- Received approval from Federal Reserve to become a standalone SLHC

(a) CET1 % calculated under the Basel III transition guidelines



Engage with us.



Appendix

Non-GAAP Reconciliations

In order to assess and internally report the revenue performance of our three sales platforms, we use measures we refer to as “platform revenue” and “platform revenue excluding retailer share arrangements.” Platform revenue is the sum of three line items in our Condensed Consolidated and Combined Statements of Earnings prepared in accordance with GAAP: “interest and fees on loans,” plus “other income,” less “retailer share arrangements.” Platform revenue and platform revenue excluding retailer share arrangements are not measures presented in accordance with GAAP. To calculate platform revenue we deduct retailer share arrangements but do not deduct other line item expenses, such as interest expense, provision for loan losses and other expense, because those items are managed for the business as a whole. We believe that platform revenue is a useful measure to investors because it represents management’s view of the net revenue contribution of each of our platforms. Platform revenue excluding retailer share arrangements represents management’s view of the gross revenue contribution of each of our platforms. These measures should not be considered a substitute for interest and fees on loans or other measures of performance we have reported in accordance with GAAP.

We present certain capital ratios. As a new savings and loan holding company, we historically have not been required by regulators to disclose capital ratios, and therefore these capital ratios are non-GAAP measures. We believe these capital ratios are useful measures to investors because they are widely used by analysts and regulators to assess the capital position of financial services companies, although our Basel I Tier 1 common ratio is not a Basel I defined regulatory capital ratio, and our Basel I and Basel III Tier 1 common ratios may not be comparable to similarly titled measures reported by other companies. Our Basel I Tier 1 common ratio is the ratio of Tier 1 common equity to total risk-weighted assets as calculated in accordance with the U.S. Basel I capital rules. Our Basel III Tier 1 common ratio is the ratio of common equity Tier 1 capital to total risk-weighted assets, each as calculated in accordance with the U.S. Basel III capital rules (on a fully phased-in basis). Our Basel III Tier 1 common ratio is a preliminary estimate reflecting management’s interpretation of the final Basel III capital rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance.

Non-GAAP Reconciliation

The following table sets forth each component of our platform revenue for periods indicated below.

(\$ in millions)	For the Three Months Ended Sep 30,	
	2015	2014
Platform Revenue		
Total:		
Interest and fees on loans	\$3,379	\$3,116
Other income	\$84	\$96
Retailer share arrangements	<u>\$(723)</u>	<u>\$(693)</u>
Platform revenue	\$2,740	\$2,519
 Retail Card:		
Interest and fees on loans	\$2,508	\$2,299
Other income	\$70	\$78
Retailer share arrangements	<u>\$(708)</u>	<u>\$(683)</u>
Platform revenue	\$1,870	\$1,694
 Payment Solutions:		
Interest and fees on loans	\$442	\$405
Other income	\$5	\$7
Retailer share arrangements	<u>\$(13)</u>	<u>\$(9)</u>
Platform revenue	\$434	\$403
 CareCredit:		
Interest and fees on loans	\$429	\$412
Other income	\$9	\$11
Retailer share arrangements	<u>\$(2)</u>	<u>\$(1)</u>
Platform revenue	\$436	\$422

Non-GAAP Reconciliation

The following table sets forth a reconciliation of each component of our capital ratios to the comparable GAAP component at September 30, 2015.

	\$ in millions at September 30, 2015
<u>COMMON EQUITY MEASURES</u>	
GAAP Total common equity	\$12,158
Less: Goodwill	(949)
Less: Intangible assets, net	(646)
Tangible common equity	\$10,563
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	291
Basel III – Common equity Tier 1 (fully phased-in)	\$10,854
Adjustments related to capital components during transition	375
Basel III – Common equity Tier 1 (transition)	\$11,229
Risk-weighted assets – Basel III (fully phased-in)	\$65,278
Risk-weighted assets – Basel III (transition)	\$64,244

Explanation of Non-GAAP Measures

The information provided in this Form 8-K and exhibits includes measures which are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP").

In order to assess and internally report the revenue performance of our three sales platforms, we use measures we refer to as "platform revenue" and "platform revenue excluding retailer share arrangements." Platform revenue is the sum of three line items in our Condensed Consolidated and Combined Statements of Earnings prepared in accordance with GAAP: "interest and fees on loans," plus "other income," less "retailer share arrangements." Platform revenue and platform revenue excluding retailer share arrangements are not measures presented in accordance with GAAP. To calculate platform revenue, we deduct retailer share arrangements but do not deduct other line item expenses, such as interest expense, provision for loan losses and other expense, because those items are managed for the business as a whole. We believe that platform revenue is a useful measure to investors because it represents management's view of the net revenue contribution of each of our platforms. Platform revenue excluding retailer share arrangements represents management's view of the gross revenue contribution of each of our platforms. These measures should not be considered a substitute for interest and fees on loans or other measures of performance we have reported in accordance with GAAP. The reconciliation of platform revenue, and platform revenue excluding retailer share arrangements, to interest and fees on loans for each platform is included in the detailed financial tables included in Exhibit 99.2.

We present certain capital ratios in this Form 8-K and exhibits. As a new savings and loan holding company, the Company historically has not been required by regulators to disclose capital ratios, and therefore these capital ratios are non-GAAP measures. We believe these capital ratios are useful measures to investors because they are widely used by analysts and regulators to assess the capital position of financial services companies, although our Basel I Tier 1 common ratio is not a Basel I defined regulatory capital ratio, and our Basel I and Basel III Tier 1 common ratios may not be comparable to similarly titled measures reported by other companies. Our Basel I Tier 1 common ratio is the ratio of Tier 1 common equity to total risk-weighted assets, each as calculated in accordance with the U.S. Basel I capital rules. Our Basel III Tier 1 common ratio is the ratio of common equity Tier 1 capital to total risk-weighted assets, each as calculated in accordance with the U.S. Basel III capital rules. Our Basel III Tier 1 common ratio (on a fully phased-in basis) is a preliminary estimate reflecting management's interpretation of the final Basel III capital rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance. The reconciliation of each component of our capital ratios included in this Form 8-K and exhibits to the comparable GAAP component at September 30, 2015 is included in the detailed financial tables included in Exhibit 99.2.

We also present a measure we refer to as "tangible common equity" in this Form 8-K and exhibits. Tangible common equity itself is not a measure presented in accordance with GAAP. We believe tangible common equity is a more meaningful measure to investors of the net asset value of the Company. The reconciliation of tangible common equity, to total equity reported in accordance with GAAP is included in the detailed financial tables included in Exhibit 99.2.