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

July 18, 2023
Date of Report
(Date of earliest event reported)

SYNCHRONY FINANCIAL

(Exact name of registrant as specified in its charter)

Delaware	**001-36560**	**51-0483352**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

777 Long Ridge Road **Stamford, Connecticut**	**06902**
(Address of principal executive offices)	(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))

Securities Registered Pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	**SYF**	**New York Stock Exchange**
Depositary Shares Each Representing a 1/40th Interest in a Share of 5.625% Fixed Rate Non-Cumulative Perpetual Preferred Stock, Series A	**SYFPrA**	**New York Stock Exchange**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ¨

Item 2.02 Results of Operations and Financial Condition.

On July 18, 2023, Synchrony Financial (the “Company”) issued a press release setting forth the Company’s second quarter 2023 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:

Number	Description
99.1	Press release, dated July 18, 2023, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended June 30, 2023
99.3	Financial Results Presentation of the Company for the quarter ended June 30, 2023
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

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: July 18, 2023	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

Number	Description
99.1	Press release, dated July 18, 2023, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended June 30, 2023
99.3	Financial Results Presentation of the Company for the quarter ended June 30, 2023
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

Exhibit 99.1

For Immediate Release
Synchrony Financial (NYSE: SYF)
July 18, 2023

SECOND QUARTER 2023 RESULTS AND KEY METRICS

2.1%	12.3%	$399M
Return on Assets	CET1 Ratio	Capital Returned

$94.8B

Loan Receivables

Net Earnings of $569 Million or $1.32 per Diluted Share

Continued Record Level of Purchase Volume, and Strong Receivables Growth

Returned $399 Million of Capital to Shareholders, including $300 Million of Share Repurchases

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced second quarter 2023 net earnings of $569 million, or $1.32 per diluted share, compared to $804 million, or $1.60 per diluted share in the second quarter 2022.

KEY OPERATING & FINANCIAL METRICS*

PERFORMANCE REFLECTS DIFFERENTIATED BUSINESS MODEL AND CONTINUED STRENGTH OF THE CONSUMER

- Purchase volume remained largely unchanged at $47.3 billion, and increased 6% on a Core basis**
- Loan receivables were $94.8 billion and increased 15%
- Average active accounts increased 1% to 69.5 million, and 7% on a Core basis
- New accounts decreased 1% to 5.9 million, and remained largely unchanged on a Core basis
- Net interest margin decreased 66 basis points to 14.94%
- Efficiency ratio decreased 220 basis points to 35.5%
- Return on assets decreased 130 basis points to 2.1%
- Return on equity decreased 7 percentage points to 17%; return on tangible common equity*** decreased 8.6 percentage points to 21.7%

CEO COMMENTARY

"Synchrony continues to demonstrate strong growth and financial performance as consumer behavior reverts to pre-pandemic norms - and as our products and value propositions resonate strongly across our diversified set of platforms and partners," said Brian Doubles, Synchrony's President and Chief Executive Officer.

"As we monitor the health of our customers, we are also advancing our key strategic priorities, including the expansion of our multi-product strategy. We have now launched our installment solution suite with over 700 partners, providers and merchants, and are seeing the benefits of deeper relationships with our customers.

"Our differentiated model has benefited the company through evolving environments. We consistently strive to power best-in-class experiences for our customers and strong outcomes for our partners, even as their needs change. As I look ahead to the remainder of this year, I am confident in our ability to execute on our strategic priorities and deliver value to our many stakeholders."

BUSINESS AND FINANCIAL RESULTS FOR THE SECOND QUARTER OF 2023*

CFO COMMENTARY

“Synchrony’s second quarter results demonstrated the benefit of our differentiated model. Our broad reach across industries and compelling value propositions drove continued volume growth, while our disciplined underwriting, diverse funding opportunities and RSA provided effective offsets to changes in the macroeconomic environment,” said Brian Wenzel, Synchrony’s Executive Vice President and Chief Financial Officer.

“Continuing our commitment to robust capital returns, we announced an incremental $1 billion share repurchase authorization through June of 2024, and a 9% increase in our common stock dividend.

“Synchrony has a long history of capital generation and management, which is empowered by our resilient business model. Given the uncertainties in both the macro environment and the financial services industry, we remain focused on actively managing the assets that we originate, and prudently managing the capital we generate, to optimize Synchrony’s long-term value creation and resiliency.”

BUSINESS HIGHLIGHTS

CONTINUED TO EXPAND PORTFOLIO, ENHANCE PRODUCTS AND EXTEND REACH

- Added or renewed more than 15 programs, including The Container Store, Zulily and NVA
- Expanded multi-product strategy through our installment solution suite, including expanded partnership with At Home as the exclusive provider of a buy now, pay later financing option, Synchrony Pay Later, to offer customers more options and flexibility in how they make their purchases

FINANCIAL HIGHLIGHTS

EARNINGS DRIVEN BY CORE BUSINESS DRIVERS

- Interest and fees on loans increased 19% to $4.8 billion, driven primarily by growth in average loan receivables and higher benchmark rates, partially offset by impacts of portfolios sold during 2Q’22.
- Net interest income increased $318 million, or 8%, to $4.1 billion, driven by higher interest and fees on loans, partially offset by an increase in interest expense from higher benchmark rates and higher funding liabilities.
- Retailer share arrangements decreased $240 million, or 21%, to $887 million, reflecting higher net charge-offs and the impact of portfolios sold during 2Q’22, partially offset by higher net interest income.
- Provision for credit losses increased $659 million to $1.4 billion, driven by higher net charge-offs and a higher reserve build in 2Q’23.
- Other income decreased $137 million, or 69%, to $61 million, driven primarily by a $120 million gain on portfolio sales in 2Q’22.
- Other expense increased $86 million, or 8%, to $1.2 billion, driven primarily by growth related items, as well as operational losses and technology investments, partially offset by additional marketing and site strategy actions in 2Q’22 related to reinvestment of Gain on Sale proceeds.
- Net earnings decreased to $569 million, compared to $804 million.

CREDIT QUALITY

CREDIT CONTINUES TO NORMALIZE IN LINE WITH EXPECTATIONS

- Loans 30+ days past due as a percentage of total period-end loan receivables were 3.84% compared to 2.74% in the prior year, an increase of 110 basis points.
- Net charge-offs as a percentage of total average loan receivables were 4.75% compared to 2.73% in the prior year, an increase of 202 basis points, and continue to normalize consistently with our expectations toward our underwriting target of 5.5-6.0%
- The allowance for credit losses as a percentage of total period-end loan receivables was 10.34%, compared to 10.44% in the first quarter 2023.

SALES PLATFORM HIGHLIGHTS

DIVERSITY ACROSS OUR PLATFORMS CONTINUES TO PROVIDE RESILIENCE

- Home & Auto purchase volume remained flat, as higher transaction values in Furniture and Home Specialty and commercial sales growth were generally offset by lower retail traffic and a reduction in gas prices. Period-end loan receivables increased 10%, reflecting lower payment rates. Interest and fees on loans were up 15%, primarily driven by the growth in loan receivables and higher benchmark rates. Average active accounts increased 6%.
- Digital purchase volume increased 8%, reflecting growth in average active accounts. Period-end loan receivables increased 18%, driven by lower payment rates and continued purchase volume growth. Interest and fees on loans increased 34%, reflecting loan receivables growth, the impact of higher benchmark rates and maturation of newer programs. Average active accounts increased 8%.
- Diversified & Value purchase volume increased 7%, driven by higher out-of-partner spend, strong retailer performance and penetration growth. Period-end loan receivables increased 14%, reflecting purchase volume growth and lower payment rates. Interest and fees on loans increased 32%, driven by the growth in loan receivables and higher benchmark rates. Average active accounts increased 7%.
- Health & Wellness purchase volume increased 17%, reflecting broad-based growth in active accounts and strong customer engagement. Period-end loan receivables increased 22%, driven by continued higher promotional purchase volume and lower payment rates. Interest and fees on loans increased 22%, reflecting the growth in volume and loan receivables. Average active accounts increased 14%.
- Lifestyle purchase volume increased 10%, reflecting stronger transaction values in Outdoor and Luxury. Period-end loan receivables increased 13%, driven by purchase volume growth and lower payment rates. Interest and fees on loans increased 20%, driven primarily by the growth in loan receivables and higher benchmark rates. Average active accounts increased 1%.

BALANCE SHEET, LIQUIDITY & CAPITAL

FUNDING, CAPITAL & LIQUIDITY REMAIN ROBUST

- Loan receivables of $94.8 billion increased 15%; purchase volume remained flat and average active accounts increased 1%.
- Deposits increased $11.1 billion, or 17%, to $75.8 billion and comprised 84% of funding.
- Total liquidity, consisting of liquid assets and undrawn credit facilities, was $19.4 billion, or 17.9% of total assets.
- The company returned $399 million in capital to shareholders, including $300 million of share repurchases and $99 million of common stock dividends.
- As of June 30, 2023, the Company had a total remaining share repurchase authorization of $1 billion.
- The estimated Common Equity Tier 1 ratio was 12.3% compared to 15.2%, and the estimated Tier 1 Capital ratio was 13.1% compared to 16.1%.

* *All comparisons are for the second quarter of 2023 compared to the second quarter of 2022, unless otherwise noted.*

** *Financial measures shown on a Core basis are non-GAAP measures and exclude from both the prior and current years amounts related to portfolios sold in the second quarter of 2022. See non-GAAP reconciliation in the financial tables.*

*** *Tangible common equity is a non-GAAP financial measure. See non-GAAP reconciliation in the financial tables.*

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 the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed February 9, 2023, and the Company’s forthcoming Quarterly Report on Form 10-Q for the quarter ended June 30, 2023. 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

On Tuesday, July 18, 2023, at 8:00 a.m. Eastern Time, Brian Doubles, President and Chief Executive Officer, and Brian Wenzel Sr., 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 on the Synchrony Financial corporate website, www.investors.synchronyfinancial.com, under Events and Presentations. A replay will also be available on the website.

ABOUT SYNCHRONY FINANCIAL

Synchrony (NYSE: SYF) is a premier consumer financial services company delivering one of the industry's most complete digitally-enabled product suites. Our experience, expertise and scale encompass a broad spectrum of industries including digital, health and wellness, retail, telecommunications, home, auto, outdoor, pet and more. We have an established and diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which we refer to as our "partners." We connect our partners and consumers through our dynamic financial ecosystem and provide them with a diverse set of financing solutions and innovative digital capabilities to address their specific needs and deliver seamless, omnichannel experiences. We offer the right financing products to the right customers in their channel of choice.

For more information, visit www.synchrony.com and Twitter: @Synchrony.

synchrony

Investor Relations
Kathryn Miller
(203) 585-6291

Media Relations
Lisa Lanspery
(203) 585-6143

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 "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "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, including the future impacts of the novel coronavirus disease (“COVID-19”) outbreak and measures taken in response thereto for which future developments are highly uncertain and difficult to predict; retaining existing partners and attracting new partners, concentration of our revenue in a small number of partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; the sufficiency of our allowance for credit losses and the accuracy of the assumptions or estimates used in preparing our financial statements, including those related to the CECL accounting guidance; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to grow our deposits in the future; damage to our reputation; our ability to securitize our loan receivables, occurrence of an early amortization of our securitization facilities, loss of the right to service or subservice our securitized loan receivables, and lower payment rates on our securitized loan receivables; 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; 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 acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third parties to provide various services that are important to our operations; 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; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau’s regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Synchrony Bank’s ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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, 2022, as filed on February 9, 2023. You should not consider any list of such factors to be an exhaustive statement of all 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 “Core,” "tangible common equity," and certain “CECL fully phased-in" capital measures, 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.

Exhibit 99.2

SYNCHRONY FINANCIAL

FINANCIAL SUMMARY

(unaudited, in millions, except per share statistics)

	Quarter Ended							Six Months Ended			
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	2Q'23 vs. 2Q'22		Jun 30, 2023	Jun 30, 2022	YTD'23 vs. YTD'22	
EARNINGS											
Net interest income	$ 4,120	$ 4,051	$ 4,106	$ 3,928	$ 3,802	$ 318	8.4 %	$ 8,171	$ 7,591	$ 580	7.6 %
Retailer share arrangements	(887)	(917)	(1,043)	(1,057)	(1,127)	240	(21.3)%	(1,804)	(2,231)	427	(19.1)%
Provision for credit losses	1,383	1,290	1,201	929	724	659	91.0 %	2,673	1,245	1,428	114.7 %
Net interest income, after retailer share arrangements and provision for credit losses	1,850	1,844	1,862	1,942	1,951	(101)	(5.2)%	3,694	4,115	(421)	(10.2)%
Other income	61	65	30	44	198	(137)	(69.2)%	126	306	(180)	(58.8)%
Other expense	1,169	1,119	1,151	1,064	1,083	86	7.9 %	2,288	2,122	166	7.8 %
Earnings before provision for income taxes	742	790	741	922	1,066	(324)	(30.4)%	1,532	2,299	(767)	(33.4)%
Provision for income taxes	173	189	164	219	262	(89)	(34.0)%	362	563	(201)	(35.7)%
Net earnings	$ 569	$ 601	$ 577	$ 703	$ 804	$ (235)	(29.2)%	$ 1,170	$ 1,736	$ (566)	(32.6)%
Net earnings available to common stockholders	$ 559	$ 590	$ 567	$ 692	$ 793	$ (234)	(29.5)%	$ 1,149	$ 1,715	$ (566)	(33.0)%
COMMON SHARE STATISTICS											
Basic EPS	$ 1.32	$ 1.36	$ 1.27	$ 1.48	$ 1.61	$ (0.29)	(18.0)%	$ 2.74	$ 3.40	$ (0.66)	(19.4)%
Diluted EPS	$ 1.32	$ 1.35	$ 1.26	$ 1.47	$ 1.60	$ (0.28)	(17.5)%	$ 2.73	$ 3.38	$ (0.65)	(19.2)%
Dividend declared per share	$ 0.23	$ 0.23	$ 0.23	$ 0.23	$ 0.22	$ 0.01	4.5 %	$ 0.46	$ 0.44	$ 0.02	4.5 %
Common stock price	$ 33.92	$ 29.08	$ 32.86	$ 28.19	$ 27.62	$ 6.30	22.8 %	$ 33.92	$ 27.62	$ 6.30	22.8 %
Book value per share	$ 30.25	$ 29.08	$ 27.70	$ 26.76	$ 25.95	$ 4.30	16.6 %	$ 30.25	$ 25.95	$ 4.30	16.6 %
Tangible common equity per share(1)	$ 24.67	$ 23.48	$ 22.24	$ 22.10	$ 21.39	$ 3.28	15.3 %	$ 24.67	$ 21.39	$ 3.28	15.3 %
Beginning common shares outstanding	428.4	438.2	458.9	487.8	506.2	(77.8)	(15.4)%	438.2	526.8	(88.6)	(16.8)%
Issuance of common shares	—	—	—	—	—	—	— %	—	—	—	— %
Stock-based compensation	0.2	1.5	0.1	0.4	0.2	—	— %	1.7	1.6	0.1	6.3 %
Shares repurchased	(10.5)	(11.3)	(20.8)	(29.3)	(18.6)	8.1	(43.5)%	(21.8)	(40.6)	18.8	(46.3)%
Ending common shares outstanding	418.1	428.4	438.2	458.9	487.8	(69.7)	(14.3)%	418.1	487.8	(69.7)	(14.3)%
Weighted average common shares outstanding	422.7	434.4	445.8	468.5	493.0	(70.3)	(14.3)%	418.9	504.1	(85.2)	(16.9)%
Weighted average common shares outstanding (fully diluted)	424.2	437.2	448.9	470.7	495.3	(71.1)	(14.4)%	421.1	507.3	(86.2)	(17.0)%

(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)

	Quarter Ended							Six Months Ended			
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	2Q'23 vs. 2Q'22		Jun 30, 2023	Jun 30, 2022	YTD'23 vs. YTD'22	
PERFORMANCE METRICS											
Return on assets(1)	2.1 %	2.3 %	2.2 %	2.8 %	3.4 %		(1.3)%	2.2 %	3.7 %		(1.5)%
Return on equity(2)	17.0 %	18.2 %	17.5 %	21.1 %	24.0 %		(7.0)%	17.6 %	25.8 %		(8.2)%
Return on tangible common equity(3)	21.7 %	23.2 %	22.1 %	26.6 %	30.3 %		(8.6)%	22.5 %	32.6 %		(10.1)%
Net interest margin(4)	14.94 %	15.22 %	15.58 %	15.52 %	15.60 %		(0.66)%	15.08 %	15.70 %		(0.62)%
Efficiency ratio(5)	35.5 %	35.0 %	37.2 %	36.5 %	37.7 %		(2.2)%	35.2 %	37.5 %		(2.3)%
Other expense as a % of average loan receivables, including held for sale	5.07 %	5.00 %	5.16 %	5.02 %	5.21 %		(0.14)%	5.03 %	5.15 %		(0.12)%
Effective income tax rate	23.3 %	23.9 %	22.1 %	23.8 %	24.6 %		(1.3)%	23.6 %	24.5 %		(0.9)%
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	4.75 %	4.49 %	3.48 %	3.00 %	2.73 %		2.02 %	4.62 %	2.73 %		1.89 %
30+ days past due as a % of period-end loan receivables(6)	3.84 %	3.81 %	3.65 %	3.28 %	2.74 %		1.10 %	3.84 %	2.74 %		1.10 %
90+ days past due as a % of period-end loan receivables(6)	1.77 %	1.87 %	1.69 %	1.43 %	1.22 %		0.55 %	1.77 %	1.22 %		0.55 %
Net charge-offs	$ 1,096	$ 1,006	$ 776	$ 635	$ 567	$ 529	93.3 %	$ 2,102	$ 1,125	$ 977	86.8 %
Loan receivables delinquent over 30 days(6)	$ 3,641	$ 3,474	$ 3,377	$ 2,818	$ 2,262	$ 1,379	61.0 %	$ 3,641	$ 2,262	$ 1,379	61.0 %
Loan receivables delinquent over 90 days(6)	$ 1,677	$ 1,705	$ 1,562	$ 1,232	$ 1,005	$ 672	66.9 %	$ 1,677	$ 1,005	$ 672	66.9 %
Allowance for credit losses (period-end)	$ 9,804	$ 9,517	$ 9,527	$ 9,102	$ 8,808	$ 996	11.3 %	$ 9,804	$ 8,808	$ 996	11.3 %
Allowance coverage ratio(7)	10.34 %	10.44 %	10.30 %	10.58 %	10.65 %		(0.31)%	10.34 %	10.65 %		(0.31)%
BUSINESS METRICS											
Purchase volume(8)(9)	$ 47,276	$ 41,557	$ 47,923	$ 44,557	$ 47,217	$ 59	0.1 %	$ 88,833	$ 87,707	$ 1,126	1.3 %
Period-end loan receivables	$ 94,801	$ 91,129	$ 92,470	$ 86,012	$ 82,674	$ 12,127	14.7 %	$ 94,801	$ 82,674	$ 12,127	14.7 %
Credit cards	$ 89,299	$ 86,113	$ 87,630	$ 81,254	$ 78,062	$ 11,237	14.4 %	$ 89,299	$ 78,062	$ 11,237	14.4 %
Consumer installment loans	$ 3,548	$ 3,204	$ 3,056	$ 2,945	$ 2,847	$ 701	24.6 %	$ 3,548	$ 2,847	$ 701	24.6 %
Commercial credit products	$ 1,826	$ 1,690	$ 1,682	$ 1,723	$ 1,689	$ 137	8.1 %	$ 1,826	$ 1,689	$ 137	8.1 %
Other	$ 128	$ 122	$ 102	$ 90	$ 76	$ 52	68.4 %	$ 128	$ 76	$ 52	68.4 %
Average loan receivables, including held for sale	$ 92,489	$ 90,815	$ 88,436	$ 84,038	$ 83,412	$ 9,077	10.9 %	$ 91,656	$ 83,081	$ 8,575	10.3 %
Period-end active accounts (in thousands)(10)	70,269	68,589	70,763	66,503	65,969	4,300	6.5 %	70,269	65,969	4,300	6.5 %
Average active accounts (in thousands)(9)(10)	69,517	69,494	68,373	66,266	68,671	846	1.2 %	69,637	69,438	199	0.3 %
LIQUIDITY											
Liquid assets											
Cash and equivalents	$ 12,706	$ 15,303	$ 10,294	$ 11,962	$ 10,682	$ 2,024	18.9 %	$ 12,706	$ 10,682	$ 2,024	18.9 %
Total liquid assets	$ 16,448	$ 18,778	$ 14,201	$ 16,566	$ 15,177	$ 1,271	8.4 %	$ 16,448	$ 15,177	$ 1,271	8.4 %
Undrawn credit facilities											
Undrawn credit facilities	$ 2,950	$ 2,950	$ 2,950	$ 3,700	$ 3,700	$ (750)	(20.3)%	$ 2,950	$ 3,700	$ (750)	(20.3)%
Total liquid assets and undrawn credit facilities	$ 19,398	$ 21,728	$ 17,151	$ 20,266	$ 18,877	$ 521	2.8 %	$ 19,398	$ 18,877	$ 521	2.8 %
Liquid assets % of total assets	15.13 %	17.41 %	13.58 %	16.44 %	15.94 %		(0.81)%	15.13 %	15.94 %		(0.81)%
Liquid assets including undrawn credit facilities % of total assets	17.85 %	20.15 %	16.40 %	20.11 %	19.83 %		(1.98)%	17.85 %	19.83 %		(1.98)%

(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 available to common stockholders 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, plus other income, less retailer share arrangements.

(6) Based on customer statement-end balances extrapolated to the respective period-end date.

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

(8) 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.

(9) Includes activity and accounts associated with loan receivables held for sale.

(10) 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							Six Months Ended			
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	2Q'23 vs. 2Q'22		Jun 30, 2023	Jun 30, 2022	YTD'23 vs. YTD'22	
Interest income:											
Interest and fees on loans	$ 4,812	$ 4,616	$ 4,576	$ 4,258	$ 4,039	$ 773	19.1 %	$ 9,428	$ 8,047	$ 1,381	17.2 %
Interest on cash and debt securities	209	170	132	84	35	174	NM	379	49	330	NM
Total interest income	5,021	4,786	4,708	4,342	4,074	947	23.2 %	9,807	8,096	1,711	21.1 %
Interest expense:											
Interest on deposits	717	557	441	280	160	557	NM	1,274	287	987	NM
Interest on borrowings of consolidated securitization entities	78	77	69	54	40	38	95.0 %	155	73	82	112.3 %
Interest on senior unsecured notes	106	101	92	80	72	34	47.2 %	207	145	62	42.8 %
Total interest expense	901	735	602	414	272	629	231.3 %	1,636	505	1,131	224.0 %
Net interest income	4,120	4,051	4,106	3,928	3,802	318	8.4 %	8,171	7,591	580	7.6 %
Retailer share arrangements	(887)	(917)	(1,043)	(1,057)	(1,127)	240	(21.3)%	(1,804)	(2,231)	427	(19.1)%
Provision for credit losses	1,383	1,290	1,201	929	724	659	91.0 %	2,673	1,245	1,428	114.7 %
Net interest income, after retailer share arrangements and provision for credit losses	1,850	1,844	1,862	1,942	1,951	(101)	(5.2)%	3,694	4,115	(421)	(10.2)%
Other income:											
Interchange revenue	262	232	251	238	263	(1)	(0.4)%	494	493	1	0.2 %
Debt cancellation fees	125	115	102	103	93	32	34.4 %	240	182	58	31.9 %
Loyalty programs	(345)	(298)	(351)	(326)	(322)	(23)	7.1 %	(643)	(580)	(63)	10.9 %
Other	19	16	28	29	164	(145)	(88.4)%	35	211	(176)	(83.4)%
Total other income	61	65	30	44	198	(137)	(69.2)%	126	306	(180)	(58.8)%
Other expense:											
Employee costs	451	451	459	416	404	47	11.6 %	902	806	96	11.9 %
Professional fees	209	186	233	204	185	24	13.0 %	395	395	—	— %
Marketing and business development	133	131	121	115	135	(2)	(1.5)%	264	251	13	5.2 %
Information processing	179	166	165	150	163	16	9.8 %	345	308	37	12.0 %
Other	197	185	173	179	196	1	0.5 %	382	362	20	5.5 %
Total other expense	1,169	1,119	1,151	1,064	1,083	86	7.9 %	2,288	2,122	166	7.8 %
Earnings before provision for income taxes	742	790	741	922	1,066	(324)	(30.4)%	1,532	2,299	(767)	(33.4)%
Provision for income taxes	173	189	164	219	262	(89)	(34.0)%	362	563	(201)	(35.7)%
Net earnings	$ 569	$ 601	$ 577	$ 703	$ 804	$ (235)	(29.2)%	$ 1,170	$ 1,736	$ (566)	(32.6)%
Net earnings available to common stockholders	$ 559	$ 590	$ 567	$ 692	$ 793	$ (234)	(29.5)%	$ 1,149	$ 1,715	$ (566)	(33.0)%

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

	Quarter Ended						
	Jun 30, 2023	**Mar 31, 2023**	**Dec 31, 2022**	**Sep 30, 2022**	**Jun 30, 2022**	**Jun 30, 2023 vs. Jun 30, 2022**	
Assets							
Cash and equivalents	$ 12,706	$ 15,303	$ 10,294	$ 11,962	$ 10,682	$ 2,024	18.9 %
Debt securities	4,294	4,008	4,879	5,082	5,012	(718)	(14.3)%
Loan receivables:							
Unsecuritized loans held for investment	75,532	72,079	72,638	67,651	63,350	12,182	19.2 %
Restricted loans of consolidated securitization entities	19,269	19,050	19,832	18,361	19,324	(55)	(0.3)%
Total loan receivables	94,801	91,129	92,470	86,012	82,674	12,127	14.7 %
Less: Allowance for credit losses	(9,804)	(9,517)	(9,527)	(9,102)	(8,808)	(996)	11.3 %
Loan receivables, net	84,997	81,612	82,943	76,910	73,866	11,131	15.1 %
Goodwill	1,105	1,105	1,105	1,105	1,105	—	— %
Intangible assets, net	1,226	1,297	1,287	1,033	1,118	108	9.7 %
Other assets	4,369	4,528	4,056	4,674	3,417	952	27.9 %
Total assets	$ 108,697	$ 107,853	$ 104,564	$ 100,766	$ 95,200	$ 13,497	14.2 %
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 75,344	$ 74,008	$ 71,336	$ 68,032	$ 64,328	$ 11,016	17.1 %
Non-interest-bearing deposit accounts	421	417	399	372	381	40	10.5 %
Total deposits	75,765	74,425	71,735	68,404	64,709	11,056	17.1 %
Borrowings:							
Borrowings of consolidated securitization entities	5,522	6,228	6,227	6,360	5,687	(165)	(2.9)%
Senior and subordinated unsecured notes	8,709	8,706	7,964	7,961	6,470	2,239	34.6 %
Total borrowings	14,231	14,934	14,191	14,321	12,157	2,074	17.1 %
Accrued expenses and other liabilities	5,321	5,301	5,765	5,029	4,941	380	7.7 %
Total liabilities	95,317	94,660	91,691	87,754	81,807	13,510	16.5 %
Equity:							
Preferred stock	734	734	734	734	734	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,727	9,705	9,718	9,685	9,663	64	0.7 %
Retained earnings	17,828	17,369	16,716	16,252	15,679	2,149	13.7 %
Accumulated other comprehensive income (loss)	(96)	(102)	(125)	(187)	(149)	53	(35.6)%
Treasury stock	(14,814)	(14,514)	(14,171)	(13,473)	(12,535)	(2,279)	18.2 %
Total equity	13,380	13,193	12,873	13,012	13,393	(13)	(0.1)%
Total liabilities and equity	$ 108,697	$ 107,853	$ 104,564	$ 100,766	$ 95,200	$ 13,497	14.2 %

SYNCHRONY FINANCIAL
AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN
(unaudited, $ in millions)

	Quarter Ended														
	Jun 30, 2023			Mar 31, 2023			Dec 31, 2022			Sep 30, 2022			Jun 30, 2022		
	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	$ 14,198	$ 178	5.03 %	$ 12,365	$ 140	4.59 %	$ 11,092	$ 104	3.72 %	$ 11,506	$ 65	2.24 %	$ 9,249	$ 20	0.87 %
Securities available for sale	3,948	31	3.15 %	4,772	30	2.55 %	5,002	28	2.22 %	4,861	19	1.55 %	5,063	15	1.19 %
Loan receivables, including held for sale:															
Credit cards	87,199	4,679	21.52 %	85,904	4,497	21.23 %	83,597	4,462	21.18 %	79,354	4,153	20.76 %	78,912	3,943	20.04 %
Consumer installment loans	3,359	94	11.22 %	3,103	83	10.85 %	2,991	78	10.35 %	2,884	74	10.18 %	2,775	69	9.97 %
Commercial credit products	1,808	36	7.99 %	1,697	34	8.13 %	1,757	34	7.68 %	1,720	30	6.92 %	1,654	25	6.06 %
Other	123	3	9.78 %	111	2	7.31 %	91	2	8.72 %	80	1	4.96 %	71	2	11.30 %
Total loan receivables, including held for sale	92,489	4,812	20.87 %	90,815	4,616	20.61 %	88,436	4,576	20.53 %	84,038	4,258	20.10 %	83,412	4,039	19.42 %
Total interest-earning assets	110,635	5,021	18.20 %	107,952	4,786	17.98 %	104,530	4,708	17.87 %	100,405	4,342	17.16 %	97,724	4,074	16.72 %
Non-interest-earning assets:															
Cash and due from banks	976			1,024			1,071			1,580			1,614		
Allowance for credit losses	(9,540)			(9,262)			(9,167)			(8,878)			(8,651)		
Other assets	6,330			6,128			5,772			5,587			5,386		
Total non-interest-earning assets	(2,234)			(2,110)			(2,324)			(1,711)			(1,651)		
Total assets	$ 108,401			$ 105,842			$ 102,206			$ 98,694			$ 96,073		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 74,812	$ 717	3.84 %	$ 72,216	$ 557	3.13 %	$ 69,343	$ 441	2.52 %	$ 66,787	$ 280	1.66 %	$ 63,961	$ 160	1.00 %
Borrowings of consolidated securitization entities	5,863	78	5.34 %	6,229	77	5.01 %	6,231	69	4.39 %	6,258	54	3.42 %	6,563	40	2.44 %
Senior and subordinated unsecured notes	8,707	106	4.88 %	8,442	101	4.85 %	7,962	92	4.58 %	7,102	80	4.47 %	6,974	72	4.14 %
Total interest-bearing liabilities	89,382	901	4.04 %	86,887	735	3.43 %	83,536	602	2.86 %	80,147	414	2.05 %	77,498	272	1.41 %
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	420			411			388			371			396		
Other liabilities	5,164			5,130			5,217			4,938			4,717		
Total non-interest-bearing liabilities	5,584			5,541			5,605			5,309			5,113		
Total liabilities	94,966			92,428			89,141			85,456			82,611		
Equity															
Total equity	13,435			13,414			13,065			13,238			13,462		
Total liabilities and equity	$ 108,401			$ 105,842			$ 102,206			$ 98,694			$ 96,073		
Net interest income		$ 4,120			$ 4,051			$ 4,106			$ 3,928			$ 3,802	
Interest rate spread(1)			14.16 %			14.55 %			15.01 %			15.11 %			15.31 %
Net interest margin(2)			14.94 %			15.22 %			15.58 %			15.52 %			15.60 %

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

	Six Months Ended Jun 30, 2023			Six Months Ended Jun 30, 2022		
	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	$ 13,287	$ 318	4.83 %	$ 9,113	$ 25	0.55 %
Securities available for sale	4,358	61	2.82 %	5,287	24	0.92 %
Loan receivables, including held for sale:						
Credit cards	86,555	9,176	21.38 %	78,738	7,856	20.12 %
Consumer installment loans	3,232	177	11.04 %	2,729	135	9.98 %
Commercial credit products	1,753	70	8.05 %	1,545	53	6.92 %
Other	116	5	8.69 %	69	3	8.77 %
Total loan receivables, including held for sale	91,656	9,428	20.74 %	83,081	8,047	19.53 %
Total interest-earning assets	109,301	9,807	18.09 %	97,481	8,096	16.75 %
Non-interest-earning assets:						
Cash and due from banks	1,000			1,620		
Allowance for loan losses	(9,402)			(8,663)		
Other assets	6,229			5,378		
Total non-interest-earning assets	(2,173)			(1,665)		
Total assets	$ 107,128			$ 95,816		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 73,521	$ 1,274	3.49 %	$ 63,142	$ 287	0.92 %
Borrowings of consolidated securitization entities	6,045	155	5.17 %	6,695	73	2.20 %
Senior and subordinated unsecured notes	8,575	207	4.87 %	7,096	145	4.12 %
Total interest-bearing liabilities	88,141	1,636	3.74 %	76,933	505	1.32 %
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	415			385		
Other liabilities	5,147			4,903		
Total non-interest-bearing liabilities	5,562			5,288		
Total liabilities	93,703			82,221		
Equity						
Total equity	13,425			13,595		
Total liabilities and equity	$ 107,128			$ 95,816		
Net interest income		$ 8,171			$ 7,591	
Interest rate spread(1)			14.35 %			15.43 %
Net interest margin(2)			15.08 %			15.70 %

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

(2) 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											
	Jun 30, 2023		**Mar 31, 2023**		**Dec 31, 2022**		**Sep 30, 2022**		**Jun 30, 2022**		**Jun 30, 2023 vs. Jun 30, 2022**	
BALANCE SHEET STATISTICS												
Total common equity	$	12,646	$	12,459	$	12,139	$	12,278	$	12,659	$ (13)	(0.1)%
Total common equity as a % of total assets		11.63 %		11.55 %		11.61 %		12.18 %		13.30 %		(1.67)%
Tangible assets	$	106,366	$	105,451	$	102,172	$	98,628	$	92,977	$ 13,389	14.4 %
Tangible common equity[(1)]	$	10,315	$	10,057	$	9,747	$	10,140	$	10,436	$ (121)	(1.2)%
Tangible common equity as a % of tangible assets[(1)]		9.70 %		9.54 %		9.54 %		10.28 %		11.22 %		(1.52)%
Tangible common equity per share[(1)]	$	24.67	$	23.48	$	22.24	$	22.10	$	21.39	$ 3.28	15.3 %
REGULATORY CAPITAL RATIOS[(2)(3)]												
	Basel III - CECL Transition											
Total risk-based capital ratio[(4)]		15.2 %		15.4 %		15.0 %		16.5 %		17.4 %		
Tier 1 risk-based capital ratio[(5)]		13.1 %		13.3 %		13.6 %		15.2 %		16.1 %		
Tier 1 leverage ratio[(6)]		11.6 %		11.6 %		12.3 %		13.2 %		13.8 %		
Common equity Tier 1 capital ratio		12.3 %		12.5 %		12.8 %		14.3 %		15.2 %		

(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 ratios at June 30, 2023 are preliminary and therefore subject to change.

(3) Capital ratios reflect the phase-in of an estimate of CECL's effect on regulatory capital over a three-year transitional period beginning in the first quarter of 2022 through 2024. Capital ratios for 2023 and 2022 reflect 50% and 25%, respectively, of the phase-in of CECL effects.

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

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

(6) Tier 1 leverage ratio is the ratio of Tier 1 capital divided by total average assets, after certain adjustments.

SYNCHRONY FINANCIAL
PLATFORM RESULTS
(unaudited, $ in millions)

	Quarter Ended							Six Months Ended			
	Jun 30, 2023	Mar 31, 2023	Dec 31, 2022	Sep 30, 2022	Jun 30, 2022	2Q'23 vs. 2Q'22		Jun 30, 2023	Jun 30, 2022	YTD'23 vs. YTD'22	
HOME & AUTO											
Purchase volume[1]	$ 12,853	$ 10,863	$ 11,860	$ 12,273	$ 12,895	$ (42)	(0.3)%	$ 23,716	$ 23,155	$ 561	2.4 %
Period-end loan receivables	$ 30,926	$ 29,733	$ 29,978	$ 29,017	$ 27,989	$ 2,937	10.5 %	$ 30,926	$ 27,989	$ 2,937	10.5 %
Average loan receivables, including held for sale	$ 30,210	$ 29,690	$ 29,402	$ 28,387	$ 27,106	$ 3,104	11.5 %	$ 29,951	$ 26,758	$ 3,193	11.9 %
Average active accounts (in thousands)[3]	18,935	18,521	18,539	18,350	17,942	993	5.5 %	18,769	17,746	1,023	5.8 %
Interest and fees on loans	$ 1,275	$ 1,225	$ 1,264	$ 1,210	$ 1,108	$ 167	15.1 %	$ 2,500	$ 2,196	$ 304	13.8 %
Other income	$ 27	$ 25	$ 23	$ 20	$ 23	$ 4	17.4 %	$ 52	$ 44	$ 8	18.2 %
DIGITAL											
Purchase volume[1]	$ 13,472	$ 12,261	$ 14,794	$ 12,941	$ 12,463	$ 1,009	8.1 %	$ 25,733	$ 23,659	$ 2,074	8.8 %
Period-end loan receivables	$ 25,758	$ 24,944	$ 25,522	$ 22,925	$ 21,842	$ 3,916	17.9 %	$ 25,758	$ 21,842	$ 3,916	17.9 %
Average loan receivables, including held for sale	$ 25,189	$ 24,982	$ 23,931	$ 22,361	$ 21,255	$ 3,934	18.5 %	$ 25,086	$ 21,208	$ 3,878	18.3 %
Average active accounts (in thousands)[3]	20,559	20,564	20,073	19,418	19,069	1,490	7.8 %	20,570	19,042	1,528	8.0 %
Interest and fees on loans	$ 1,422	$ 1,363	$ 1,322	$ 1,197	$ 1,058	$ 364	34.4 %	$ 2,785	$ 2,080	$ 705	33.9 %
Other income	$ (2)	$ 1	$ (14)	$ (22)	$ (13)	$ 11	(84.6)%	$ (1)	$ (25)	$ 24	(96.0)%
DIVERSIFIED & VALUE											
Purchase volume[1]	$ 15,356	$ 13,439	$ 16,266	$ 14,454	$ 14,388	$ 968	6.7 %	$ 28,795	$ 25,946	$ 2,849	11.0 %
Period-end loan receivables	$ 18,329	$ 17,702	$ 18,617	$ 16,566	$ 16,076	$ 2,253	14.0 %	$ 18,329	$ 16,076	$ 2,253	14.0 %
Average loan receivables, including held for sale	$ 17,935	$ 17,713	$ 17,274	$ 16,243	$ 15,498	$ 2,437	15.7 %	$ 17,825	$ 15,314	$ 2,511	16.4 %
Average active accounts (in thousands)[3]	20,346	20,807	20,386	19,411	19,026	1,320	6.9 %	20,652	19,189	1,463	7.6 %
Interest and fees on loans	$ 1,091	$ 1,070	$ 1,023	$ 935	$ 826	$ 265	32.1 %	$ 2,161	$ 1,652	$ 509	30.8 %
Other income	$ (21)	$ (14)	$ (42)	$ (19)	$ (35)	$ 14	(40.0)%	$ (35)	$ (44)	$ 9	(20.5)%
HEALTH & WELLNESS											
Purchase volume[1]	$ 4,015	$ 3,690	$ 3,505	$ 3,514	$ 3,443	$ 572	16.6 %	$ 7,705	$ 6,550	$ 1,155	17.6 %
Period-end loan receivables	$ 13,327	$ 12,581	$ 12,179	$ 11,590	$ 10,932	$ 2,395	21.9 %	$ 13,327	$ 10,932	$ 2,395	21.9 %
Average loan receivables, including held for sale	$ 12,859	$ 12,309	$ 11,846	$ 11,187	$ 10,596	$ 2,263	21.4 %	$ 12,585	$ 10,424	$ 2,161	20.7 %
Average active accounts (in thousands)[3]	7,063	6,887	6,673	6,411	6,177	886	14.3 %	6,976	6,102	874	14.3 %
Interest and fees on loans	$ 786	$ 735	$ 744	$ 706	$ 644	$ 142	22.0 %	$ 1,521	$ 1,260	$ 261	20.7 %
Other income	$ 54	$ 61	$ 60	$ 55	$ 49	$ 5	10.2 %	$ 115	$ 102	$ 13	12.7 %
LIFESTYLE											
Purchase volume[1]	$ 1,580	$ 1,302	$ 1,498	$ 1,374	$ 1,431	$ 149	10.4 %	$ 2,882	$ 2,626	$ 256	9.7 %
Period-end loan receivables	$ 6,280	$ 5,971	$ 5,970	$ 5,686	$ 5,558	$ 722	13.0 %	$ 6,280	$ 5,558	$ 722	13.0 %
Average loan receivables, including held for sale	$ 6,106	$ 5,919	$ 5,772	$ 5,610	$ 5,443	$ 663	12.2 %	$ 6,013	$ 5,411	$ 602	11.1 %
Average active accounts (in thousands)[3]	2,529	2,611	2,585	2,524	2,510	19	0.8 %	2,575	2,551	24	0.9 %
Interest and fees on loans	$ 232	$ 223	$ 221	$ 208	$ 194	$ 38	19.6 %	$ 455	$ 385	$ 70	18.2 %
Other income	$ 7	$ 7	$ 7	$ 8	$ 7	$ —	— %	$ 14	$ 13	$ 1	7.7 %
CORP, OTHER[4]											
Purchase volume[1][2]	$ —	$ 2	$ —	$ 1	$ 2,597	$ (2,597)	(100.0)%	$ 2	$ 5,771	$ (5,769)	(100.0)%
Period-end loan receivables	$ 181	$ 198	$ 204	$ 228	$ 277	$ (96)	(34.7)%	$ 181	$ 277	$ (96)	(34.7)%
Average loan receivables, including held for sale	$ 190	$ 202	$ 211	$ 250	$ 3,514	$ (3,324)	(94.6)%	$ 196	$ 3,966	$ (3,770)	(95.1)%
Average active accounts (in thousands)[2][3]	85	104	117	152	3,947	(3,862)	(97.8)%	95	4,808	(4,713)	(98.0)%
Interest and fees on loans	$ 6	$ —	$ 2	$ 2	$ 209	$ (203)	(97.1)%	$ 6	$ 474	$ (468)	(98.7)%
Other income	$ (4)	$ (15)	$ (4)	$ 2	$ 167	$ (171)	(102.4)%	$ (19)	$ 216	$ (235)	(108.8)%
TOTAL SYF											
Purchase volume[1][2]	$ 47,276	$ 41,557	$ 47,923	$ 44,557	$ 47,217	$ 59	0.1 %	$ 88,833	$ 87,707	$ 1,126	1.3 %
Period-end loan receivables	$ 94,801	$ 91,129	$ 92,470	$ 86,012	$ 82,674	$ 12,127	14.7 %	$ 94,801	$ 82,674	$ 12,127	14.7 %
Average loan receivables, including held for sale	$ 92,489	$ 90,815	$ 88,436	$ 84,038	$ 83,412	$ 9,077	10.9 %	$ 91,656	$ 83,081	$ 8,575	10.3 %
Average active accounts (in thousands)[2][3]	69,517	69,494	68,373	66,266	68,671	846	1.2 %	69,637	69,438	199	0.3 %
Interest and fees on loans	$ 4,812	$ 4,616	$ 4,576	$ 4,258	$ 4,039	$ 773	19.1 %	$ 9,428	$ 8,047	$ 1,381	17.2 %
Other income	$ 61	$ 65	$ 30	$ 44	$ 198	$ (137)	(69.2)%	$ 126	$ 306	$ (180)	(58.8)%

(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.
(4) Includes activity and balances associated with the Gap Inc. and BP portfolios which were both sold in 2Q 2022.

SYNCHRONY FINANCIAL

RECONCILIATION OF NON-GAAP MEASURES AND CALCULATIONS OF REGULATORY MEASURES[(1)]

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

	Quarter Ended				
	Jun 30, 2023	**Mar 31, 2023**	**Dec 31, 2022**	**Sep 30, 2022**	**Jun 30, 2022**
COMMON EQUITY AND REGULATORY CAPITAL MEASURES[(2)]					
GAAP Total equity	$ 13,380	$ 13,193	$ 12,873	$ 13,012	$ 13,393
Less: Preferred stock	(734)	(734)	(734)	(734)	(734)
Less: Goodwill	(1,105)	(1,105)	(1,105)	(1,105)	(1,105)
Less: Intangible assets, net	(1,226)	(1,297)	(1,287)	(1,033)	(1,118)
Tangible common equity	$ 10,315	$ 10,057	$ 9,747	$ 10,140	$ 10,436
Add: CECL transition amount	1,146	1,146	1,719	1,719	1,719
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	267	270	293	419	391
Common equity Tier 1	$ 11,728	$ 11,473	$ 11,759	$ 12,278	$ 12,546
Preferred stock	734	734	734	734	734
Tier 1 capital	$ 12,462	$ 12,207	$ 12,493	$ 13,012	$ 13,280
Add: Subordinated debt	741	740	—	—	—
Add: Allowance for credit losses includible in risk-based capital	1,276	1,233	1,220	1,142	1,099
Total Risk-based capital	$ 14,479	$ 14,180	$ 13,713	$ 14,154	$ 14,379
ASSET MEASURES[(2)]					
Total average assets	$ 108,401	$ 105,842	$ 102,206	$ 98,694	$ 96,073
Adjustments for:					
Add: CECL transition amount	1,146	1,146	1,719	1,719	1,719
Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(2,035)	(2,081)	(2,046)	(1,776)	(1,878)
Total assets for leverage purposes	$ 107,512	$ 104,907	$ 101,879	$ 98,637	$ 95,914
Risk-weighted assets	$ 95,060	$ 91,873	$ 91,596	$ 85,664	$ 82,499
CECL FULLY PHASED-IN CAPITAL MEASURES					
Tier 1 capital	$ 12,462	$ 12,207	$ 12,493	$ 13,012	$ 13,280
Less: CECL transition adjustment	(1,146)	(1,146)	(1,719)	(1,719)	(1,719)
Tier 1 capital (CECL fully phased-in)	$ 11,316	$ 11,061	$ 10,774	$ 11,293	$ 11,561
Add: Allowance for credit losses	9,804	9,517	9,527	9,102	8,808
Tier 1 capital (CECL fully phased-in) + Reserves for credit losses	$ 21,120	$ 20,578	$ 20,301	$ 20,395	$ 20,369
Risk-weighted assets	$ 95,060	$ 91,873	$ 91,596	$ 85,664	$ 82,499
Less: CECL transition adjustment	(580)	(580)	(870)	(870)	(870)
Risk-weighted assets (CECL fully phased-in)	$ 94,480	$ 91,293	$ 90,726	$ 84,794	$ 81,629
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 30.25	$ 29.08	$ 27.70	$ 26.76	$ 25.95
Less: Goodwill	(2.65)	(2.58)	(2.52)	(2.41)	(2.27)
Less: Intangible assets, net	(2.93)	(3.02)	(2.94)	(2.25)	(2.29)
Tangible common equity per share	$ 24.67	$ 23.48	$ 22.24	$ 22.10	$ 21.39

(1) Regulatory measures at June 30, 2023 are presented on an estimated basis.

(2) Capital ratios reflect the phase-in of an estimate of CECL's effect on regulatory capital over a three-year transitional period beginning in the first quarter of 2022 through 2024. Capital ratios for 2023 and 2022 reflect 50% and 25%, respectively, of the phase-in of CECL effects.

SYNCHRONY FINANCIAL
RECONCILIATION OF NON-GAAP MEASURES (Continued)
(unaudited, $ and accounts in millions)

	Quarter Ended	
	Jun 30, 2023	**Jun 30, 2022**
CORE PURCHASE VOLUME		
Purchase Volume	$ 47,276	$ 47,217
Less: Gap and BP Purchase volume	—	(2,597)
Core Purchase volume	$ 47,276	$ 44,620
CORE LOAN RECEIVABLES		
Loan receivables	$ 94,801	$ 82,674
Less: Gap and BP Loan receivables	(67)	(174)
Core Loan receivables	$ 94,734	$ 82,500
CORE AVERAGE ACTIVE ACCOUNTS		
Average active accounts	69.5	68.7
Less: Gap and BP Average active accounts	—	(3.9)
Core Average active accounts	69.5	64.8
CORE NEW ACCOUNTS		
New accounts	5.9	6.0
Less: Gap and BP New accounts	—	(0.1)
Core New accounts	5.9	5.9

Exhibit 99.3

2Q'23
FINANCIAL RESULTS

July 18, 2023

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. All comparisons are for the second quarter of 2023 compared to the second quarter of 2022, unless otherwise noted.

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 "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "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, including the future impacts of the novel coronavirus disease ("COVID-19") outbreak and measures taken in response thereto for which future developments are highly uncertain and difficult to predict; retaining existing partners and attracting new partners, concentration of our revenue in a small number of partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; the sufficiency of our allowance for credit losses and the accuracy of the assumptions or estimates used in preparing our financial statements, including those related to the CECL accounting guidance; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to grow our deposits in the future; damage to our reputation; our ability to securitize our loan receivables, occurrence of an early amortization of our securitization facilities, loss of the right to service or sub-service our securitized loan receivables, and lower payment rates on our securitized loan receivables; 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; 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 acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third-parties to provide various services that are important to our operations; 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; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau's (the "CFPB") regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Bank's ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

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 Relating to Our Business" and "Risk Factors Relating to Regulation" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed on February 9, 2023. You should not consider any list of such factors to be an exhaustive statement of all 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.

2Q'23 Financial Highlights

SUMMARY

$1.32
DILUTED EPS
compared to $1.60

$94.8 billion
LOAN RECEIVABLES
compared to $82.7 billion

69.5 million
AVERAGE ACTIVE ACCOUNTS
compared to 68.7 million

FINANCIAL METRICS

14.94%
NET INTEREST MARGIN
compared to 15.60%

4.75%
NET CHARGE-OFFS
compared to 2.73%

35.5%
EFFICIENCY RATIO
compared to 37.7%

CAPITAL

12.3%
CET1
liquid assets of $16.4 billion, 15.1% of total assets

$75.8 billion
DEPOSITS
84% of current funding

$399 million
CAPITAL RETURNED
$300 million share repurchases

2Q'23 Business Highlights

BUSINESS EXPANSION

Horizon Group Holdings, The Container Store, DestinationPet, TAG The Aspen Group, Roto-Rooter, Club Champion, heart+paw, Greatwater 360 Auto Care, at home The Home & Holiday Superstore, Robbins Brothers, O'Brien Veterinary Group, NVA, zulily, Conn's HomePlus, jtv jewelry love, Amerivet

LIVING SPACES

GROWTH METRICS

Purchase Volume
$ billions

	2Q'22	2Q'23	
Total	$47.2	$47.3	-%
Core(a)	44.6	47.3	6%
Dual Card / Co-Brand(b)	$17.0	$19.4	14%

Loan receivables
$ billions

	2Q'22	2Q'23	
Total	$82.7	$94.8	15%
Core(a)	$82.5	$94.7	15%
Dual Card / Co-Brand(b)	$18.6	$23.7	28%

Average active accounts
in millions

	2Q'22	2Q'23	
Total	68.7	69.5	1%
Core(a)	64.8	69.5	7%

CONSUMER PERFORMANCE

New Accounts(c)

	2Q'22	2Q'23	
Total	6.0	5.9	(1)%
Core(a)	5.9	5.9	-%

Purchase Volume per Account(d)

2Q'22	2Q'23	
$688	$680	(1)%

Average Balance per Account(e)

2Q'22	2Q'23	
$1,215	$1,330	9%

synchrony

(a) All metrics shown above on a Core basis are non-GAAP measures and exclude from both prior year and current year amounts related to portfolios that were sold in 2Q'22. See non-GAAP reconciliation in the appendix.

Financial Results

Summary earnings statement

$ in millions, except per share statistics	2Q'23	2Q'22	B/(W) $	B/(W) %
Total interest income	$5,021	$4,074	*$947*	*23 %*
Total interest expense	901	272	*(629)*	*(231) %*
Net interest income (NII)	**4,120**	**3,802**	***318***	***8 %***
Retailer share arrangements (RSA)	(887)	(1,127)	*240*	*21 %*
Provision for credit losses	1,383	724	*(659)*	*(91) %*
Other income	61	198	*(137)*	*(69) %*
Other expense	1,169	1,083	*(86)*	*(8) %*
Pre-tax earnings	**742**	**1,066**	***(324)***	***(30) %***
Provision for income taxes	173	262	*89*	*34 %*
Net earnings	**569**	**804**	***(235)***	***(29) %***
Preferred dividends	10	11	*1*	*NM*
Net earnings available to common stockholders	**$559**	**$793**	***$(234)***	***(30) %***
Diluted earnings per share	**$1.32**	**$1.60**	***$(0.28)***	***(18) %***

2Q'23 Highlights

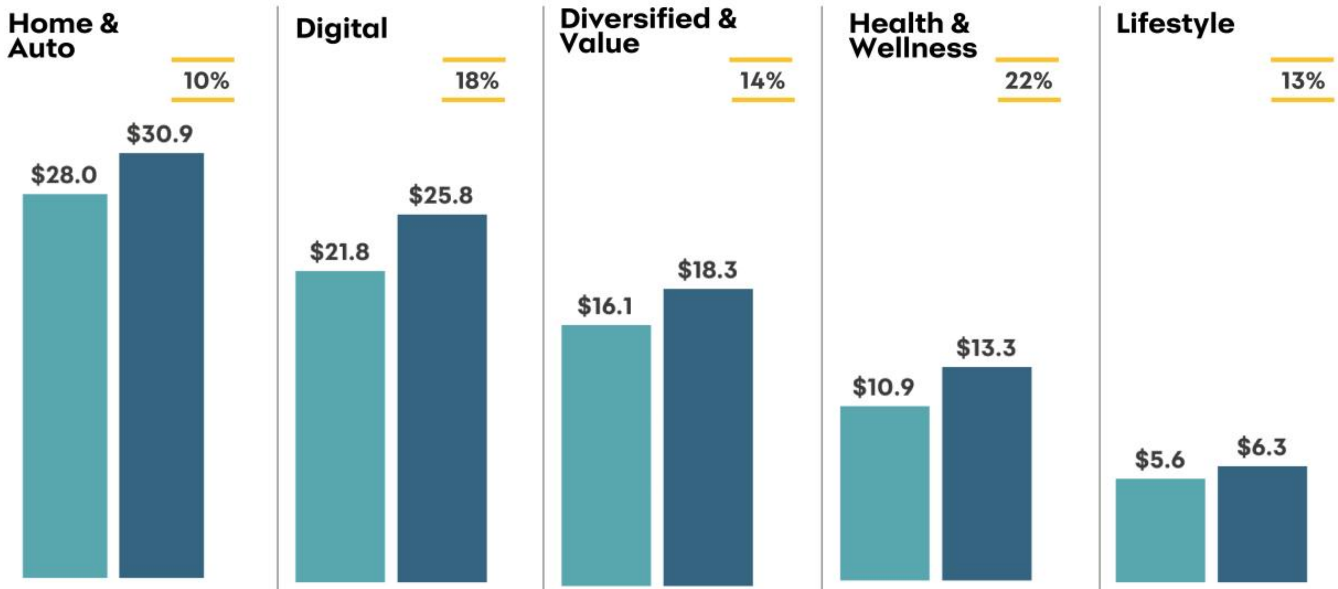
$569 million Net earnings, $1.32 diluted EPS

- **Net interest income up 8%**
  - Interest and fees on loans up 19% driven primarily by growth in average loan receivables and higher benchmark rates, partially offset by impacts of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Retailer share arrangements decreased (21)%**
  - Decrease driven by higher net charge-offs and the impact of portfolios sold during 2Q'22, partially offset by higher net interest income
- **Provision for credit losses up 91%**
  - Higher provision driven by higher net charge-offs and a higher reserve build in 2Q'23
- **Other income down (69)%**
  - Decrease driven primarily by $120 million gain on portfolio sales in 2Q'22
- **Total Other expense up 8%**
  - Increase primarily driven by growth related items as well as operational losses and technology investments
  - Increases were partially offset by additional marketing and site strategy actions in 2Q'22 related to reinvestment of Gain on Sale proceeds

synchrony

2Q'23 Platform Results[a]

Loan receivables $ in billions



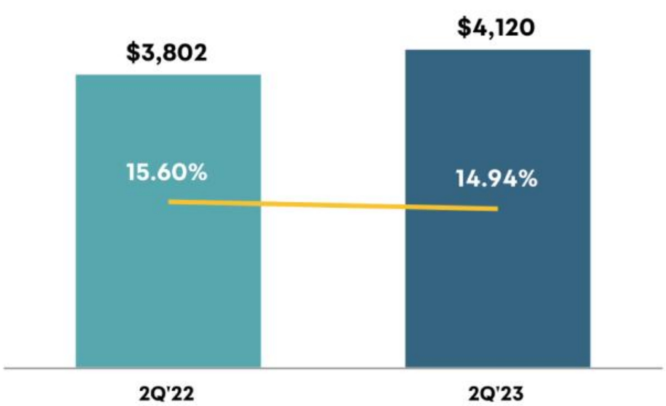
	Home & Auto 2Q'22	Home & Auto 2Q'23	Home & Auto V%	Digital 2Q'22	Digital 2Q'23	Digital V%	Diversified & Value 2Q'22	Diversified & Value 2Q'23	Diversified & Value V%	Health & Wellness 2Q'22	Health & Wellness 2Q'23	Health & Wellness V%	Lifestyle 2Q'22	Lifestyle 2Q'23	Lifestyle V%
Purchase Volume	$12.9	$12.9	*-%*	$12.5	$13.5	*8%*	$14.4	$15.4	*7%*	$3.4	$4.0	*17%*	$1.4	$1.6	*10%*
Accounts	17.9	18.9	*6%*	19.1	20.6	*8%*	19.0	20.3	*7%*	6.2	7.1	*14%*	2.5	2.5	*1%*
Interest & Fees on Loans	$1,108	$1,275	*15%*	$1,058	$1,422	*34%*	$826	$1,091	*32%*	$644	$786	*22%*	$194	$232	*20%*

Net Interest Income

Net Interest Income

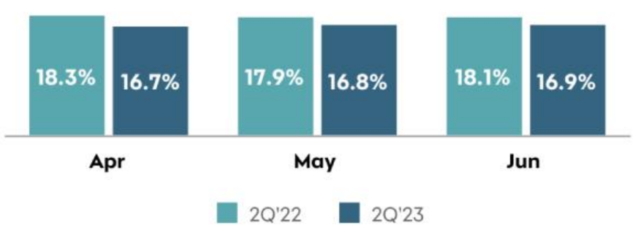
$ in millions
% of average interest-earning assets

8%



Payment Rate Trends[a]

(both periods exclude portfolios sold in 2Q'22)



2Q'23 Highlights

- **Net interest income increased 8%**
  - Interest and fees on loans up 19% driven primarily by growth in average loan receivables and higher benchmark rates, partially offset by impacts of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Net interest margin (NIM) decreased 66 bps**
  - Interest-bearing liabilities cost: (215) bps
    - Total cost increased 263 bps to 4.04%
  - Loan receivables yield: 124 bps
    - Loan receivables yield of 20.87%, up 145 bps
  - Liquidity portfolio yield: 53 bps
  - Mix of Interest-earnings assets: (28) bps
    - Loan receivable mix as a percent of total Earning Assets decreased from 85.4% to 83.6%
- **2Q'23 payment rate ~130 bps lower than prior year and ~150 bps higher than 5-year historical average ('15-'19)** (b)

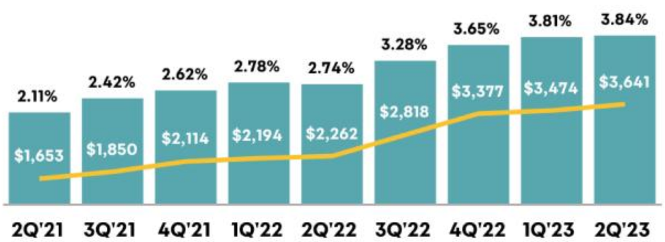
NIM Walk

2Q'22 NIM	**15.60%**
Interest-bearing liabilities cost	(2.15)%
Loan receivables yield	1.24%
Liquidity portfolio yield	0.53%
Mix of Interest-earning assets	(0.28)%
2Q'23 NIM	**14.94%**

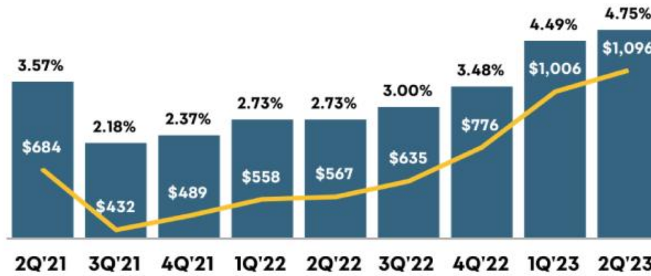
synchrony

Asset Quality Metrics

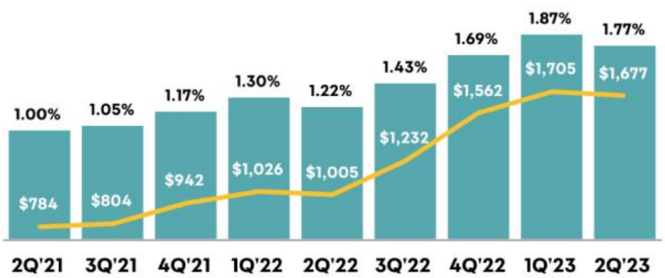
30+ days past due
$ in millions, % of period-end loan receivables



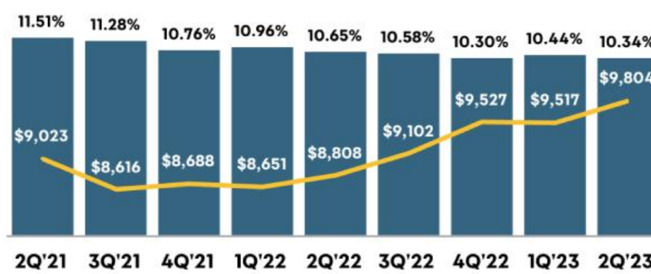
Net charge-offs
$ in millions, % of average loan receivables including held for sale



90+ days past due
$ in millions, % of period-end loan receivables



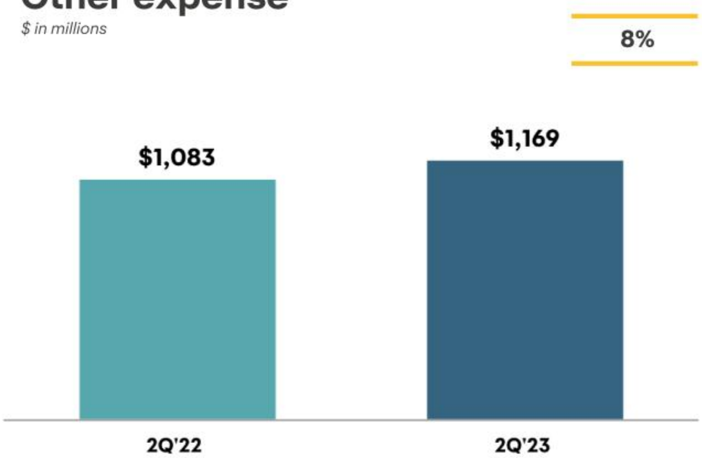
Allowance for credit losses[(a)]
$ in millions, % of period-end loan receivables



Other Expense

Other expense

$ in millions



	2Q'22	2Q'23	B/(W) V$	B/(W) V%
Employee costs	$404	$451	*$(47)*	*(12)%*
Professional fees	$185	$209	*$(24)*	*(13)%*
Marketing/BD	$135	$133	*$2*	*1%*
Information processing	$163	$179	*$(16)*	*(10)%*
Other	$196	$197	*$(1)*	*(1)%*
Other expense	**$1,083**	**$1,169**	***$(86)***	***(8)%***
Efficiency[a]	**37.7%**	**35.5%**		***(2.2) pts.***

2Q'23 Highlights

- **Total other expense up 8%**
  - Increase primarily driven by growth related items as well as operational losses and technology investments
    - Increases were partially offset by additional marketing and site strategy actions in 2Q'22 related to reinvestment of Gain on Sale proceeds
  - Employee cost increase primarily attributable to an increase in headcount driven by growth and higher benefit costs
  - Increased technology investments drove higher professional fees and information processing expenses
- **Efficiency ratio 35.5% vs. 37.7% prior year**
  - Decrease in ratio driven by higher revenue partially offset by higher expenses

Funding, Capital and Liquidity

Funding sources

$ in billions

	2Q'22	2Q'23	V%
Deposits	84%	84%	*0 pts.*
Securitization	8%	6%	*(2) pts.*
Unsecured	8%	10%	*2 pts.*

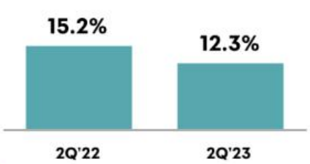
Liquidity[a]

$ in billions

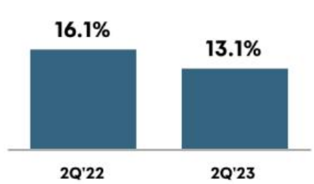
	2Q'22	2Q'23
Liquid assets	$15.2	$16.4
Undrawn credit facilities	$ 3.7	$ 3.0
Total liquidity	**$18.9**	**$19.4**
% of Total assets	**19.8 %**	**17.9 %**

Capital ratios[b]

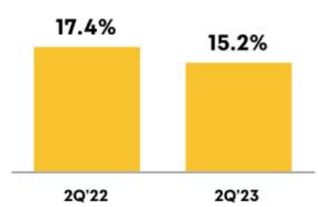
CET1 Capital Ratio



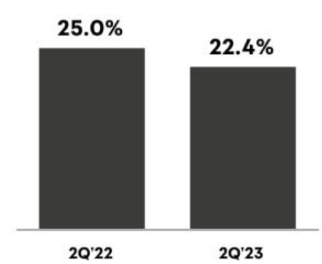
Tier 1 Capital Ratio



Total Capital Ratio



Tier 1 Capital + Credit Loss Reserve Ratio*



synchrony

* *The "Tier 1 Capital + Credit Loss Reserve Ratio" is the sum of our "Tier 1 Capital" and "Allowance for Credit Losses," divided by our "Total Risk-Weighted Assets". Tier 1 Capital and Risk-Weighted Assets are adjusted to reflect the fully phased-in impact of CECL. These adjusted metrics are non-GAAP measures, see non-GAAP reconciliation in appendix.*

2023 Outlook

Key Driver	Full Year 2023 Original	Full Year 2023 Current	Trends / Update
Loan Receivables Growth	8 – 10%	10+%	• 1H driven by payment rate moderation and Purchase Volume growth • Expect payment rate moderation to continue, but remain above pre-pandemic levels through year-end
Net Interest Margin	15.00 – 15.25%	15.00 – 15.15%	• 1H NIM influenced by: – Higher liquidity, reflecting stronger than anticipated deposit flows and pre-funding for 2H growth – Better than expected deposit betas • Expect 2H NIM in line with 1H, driven by potential variables: – Higher liquidity to pre-fund 2H growth – Higher deposit betas driven by competition and benchmark rate increases – Interest & fee growth, partly offset by rising reversals
Net Charge-Offs	4.75 – 5.00%	4.75 – 4.90%	• Credit performance remains in line with expectations – Delinquencies expected to reach pre-pandemic levels during 2H – Net charge-off dollars to continue rising through year; not expected to reach pre-pandemic levels on an annual basis until 2024
RSA / Average Loan Receivables	4.00 – 4.25%	3.95 – 4.10%	• Improvement in RSA driven by continued credit normalization, lower Net Interest Margin, and the mix of loan receivables growth, partially offset by higher Purchase Volume
Operating Expenses	~$1,125MM per qtr	~$1,150MM per qtr	• Expense increase driven by growth and operational losses • Managing expenses to deliver positive operating leverage (expense growth lower than NII growth) for the full year

(comments and trends in comparison to 2022, except where noted)

Footnotes

All amounts and metrics included in this presentation are as of, or for the three months ended, June 30, 2023, unless otherwise stated.

2Q'23 Business Highlights

b. Dual Card / Co-Brand metrics shown above are consumer only and excludes amounts related to portfolios that were sold in 2Q'22.
c. New Accounts represent accounts that were approved in the respective period, in millions.
d. Purchase Volume per Account is calculated as total Purchase volume divided by Average active accounts, in $.
e. Average Balance per Account is calculated as the Average loan receivables divided by Average active accounts, in $.

Platform Results

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 Interest and fees on loans $ in millions.

Net Interest Income:

a. Payment rate is calculated as customer payments divided by beginning of period loan receivables and excludes loan receivables and payments related to portfolios that were sold in 2Q'22.
b. Historical payment rate excludes portfolios sold in 2019 and 2022.

Asset Quality:

a. Allowance for credit losses reflects the adoption of ASU 2022-22, "Financial Instruments - Credit Losses (Topic 326): Troubled Debt Restructurings and Vintage Disclosures" on January 1, 2023, which included a $294 million reduction to the allowance for credit losses upon adoption.

Other Expense

a. Other expense divided by sum of Net interest income plus Other income less Retailer share arrangements (RSA).

Funding, Capital and Liquidity

a. Does not include unencumbered assets in the Bank that could be pledged.
b. Capital ratios reflect the phase-in of an estimate of CECL's effect on regulatory capital over a three-year transitional period beginning in the first quarter of 2022 through 2024. CET1, Tier 1, and Total Capital Ratio are presented on a Transition basis and capital ratios for 2023 and 2022 reflect 50% and 25%, respectively, of the phase-in of CECL effects.

synchrony

CHANGING WHAT'S POSSIBLE

Non-GAAP Reconciliation

The following table sets forth the components of our Core key metrics for the periods indicated below.

$ and accounts in millions	Quarter Ended June 30 Total	
	2022	2023
Loan receivables	**$ 82,674**	**$ 94,801**
Less: Gap and BP Loan receivables	(174)	(67)
Core Loan receivables	**$ 82,500**	**$ 94,734**
Purchase volume	**$ 47,217**	**$ 47,276**
Less: Gap and BP Purchase volume	(2,597)	—
Core Purchase volume	**$ 44,620**	**$ 47,276**
Average active accounts	**68.7**	**69.5**
Less: Gap and BP Average active accounts	(3.9)	—
Core Average active accounts	**64.8**	**69.5**
New Accounts	**6.0**	**5.9**
Less: Gap and BP New Accounts	(0.1)	—
Core New Accounts	**5.9**	**5.9**

Non-GAAP Reconciliation Continued*

The following table sets forth the components of our Tier 1 Capital + Reserves ratio for the periods indicated below.
$ in millions

	At June 30	
	Total	
	2022	2023
Tier 1 Capital	$ 13,280	$ 12,462
Less: CECL transition adjustment	(1,719)	(1,146)
Tier 1 capital (CECL fully phased-in)	**$ 11,561**	**$ 11,316**
Add: Allowance for credit losses	8,808	9,804
Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses	**$ 20,369**	**$ 21,120**
Risk-weighted assets	**$ 82,499**	**$ 95,060**
Less: CECL transition adjustment	(870)	(580)
Risk-weighted assets (CECL fully phased-in)	**$ 81,629**	**$ 94,480**

* *Estimated at June 30, 2023*

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").

We present certain information on our loan receivables that have been adjusted to exclude amounts related to portfolio sales in the second quarter of 2022, which we refer to as "Core" financial measures, in this Form 8-K and exhibits. These Core financial measures are not measures presented in accordance with GAAP. We believe the presentation of certain Core financial measures is a more meaningful measure to investors of the Company's ongoing credit programs. The reconciliation of these Core financial measures to the comparable GAAP component is included in Exhibit 99.3.

In addition, we also present certain capital measures in this Form 8-K and exhibits. Our “fully-phased Tier 1 Capital and Credit Loss Reserve Ratio” is not required by regulators to be disclosed, and therefore is considered a non-GAAP measure. We believe this ratio is a useful measure to investors as it provides a meaningful measure of what the Company’s total loss absorption capacity would be if the transitional rules currently in effect, which permit the temporary deferral of the regulatory capital effects of CECL, were no longer available for us to apply.

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 reconciliations of these capital and equity related non-GAAP measures to the applicable comparable GAAP financial measures are included in the detailed financial tables included in Exhibit 99.2.