

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

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**FORM 8-K**

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

**April 22, 2025  
Date of Report  
(Date of earliest event reported)**

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**SYNCHRONY FINANCIAL**

(Exact name of registrant as specified in its charter)

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**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)

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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:

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Title of each class Common stock, par value \$0.001 per share	Trading Symbol(s) SYF	Name of each exchange on which registered New York Stock Exchange
Depository 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
Depository Shares Each Representing a 1/40th Interest in a Share of 8.250% Fixed Rate Reset Non-Cumulative Perpetual Preferred Stock, Series B	SYFPrB	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 April 22, 2025, Synchrony Financial (the "Company") issued a press release setting forth the Company's first quarter 2025 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:

<b><u>Number</u></b>	<b><u>Description</u></b>
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press release, dated April 22, 2025, issued by Synchrony Financial</u></a>
<a href="#"><u>99.2</u></a>	<a href="#"><u>Financial Data Supplement of the Company for the quarter ended March 31, 2025</u></a>
<a href="#"><u>99.3</u></a>	<a href="#"><u>Financial Results Presentation of the Company for the quarter ended March 31, 2025</u></a>
<a href="#"><u>99.4</u></a>	<a href="#"><u>Explanation of Non-GAAP Measures</u></a>
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

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**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.

Date: April 22, 2025

**SYNCHRONY FINANCIAL**

By: /s/ Jonathan Mothner  
Name: Jonathan Mothner  
Title: Executive Vice President, Chief Risk and Legal Officer

## First Quarter 2025 Results and Key Metrics

STAMFORD, Conn - Synchrony Financial (NYSE: SYF) today announced first quarter 2025 net earnings of \$757 million, or \$1.89 per diluted share, compared to \$1.3 billion, or \$3.14 per diluted share in the first quarter 2024. Excluding the \$802 million post-tax impact of the Pets Best gain on sale in the prior year, first quarter 2024 adjusted net earnings were \$491 million, or \$1.18 per diluted share.\*\*\*

The Company also announced that its Board of Directors approved a new capital plan that included an incremental share repurchase authorization of \$2.5 billion through June 30, 2026, and increased the quarterly cash dividend by 20% to \$0.30 per share of common stock beginning in the second quarter 2025.

## CEO Commentary

*“Synchrony delivered a strong first quarter 2025 performance, which reflected the inherent resilience of our diversified portfolio of products and spend categories and our differentiated approach to serving our customers and partners,” said Brian Doubles, Synchrony’s President and Chief Executive Officer.*

*“During the quarter, Synchrony continued to leverage our core strengths – our proprietary data, our sophisticated credit underwriting, our diversified product suite and distribution channels, and our strong execution – to empower our approximately 70 million customers with prudent financial flexibility and enduring value, while also delivering loyalty and sales to the many partners, providers and small businesses that form the foundation of our economy.*

*“As Synchrony continues to drive innovation, expand access to flexible financing, and deliver compelling results for all those we serve, we remain focused on building upon our leadership position and driving significant long-term value for our stakeholders.”*

**2.5%**

Return on Assets

**13.2%**

CET1 Ratio

**\$697M**

Capital Returned

**\$99.6B**

Loan Receivables

## Key Operating and Financial Metrics\*

- Purchase volume decreased 4% to \$40.7 billion
- Loan receivables decreased 2% to \$99.6 billion
- Average active accounts decreased 3% to 69.3 million
- Net interest margin increased 19 basis points to 14.74%
- Efficiency ratio increased 830 basis points to 33.4%, or 110 basis points on an adjusted basis\*\*\*
- Return on assets decreased 190 basis points to 2.5%, or increased 80 basis points on an adjusted basis\*\*\*
- Return on equity decreased 17 percentage points to 18.4%, or increased 460 basis points on an adjusted basis\*\*\*
- Return on tangible common equity\*\* decreased 21 percentage points to 22.4%, or increased 560 basis points on an adjusted basis\*\*\*
- Book value per share increased 15% to \$40.37
- Tangible book value per share\*\* increased 15% to \$34.79



## CFO Commentary

*“Synchrony’s first quarter performance continues to demonstrate the strength of our differentiated business model, which is built to deliver resilient risk-adjusted returns through evolving market conditions,” said Brian Wenzel, Synchrony’s Executive Vice President and Chief Financial Officer.*

*“While the ongoing effects of our previous credit actions continued to impact purchase volume, active accounts and loan receivables growth, our net charge-off results outperformed historical seasonality. The RSA maintained alignment with our partners’ program performance and we remained disciplined in our efforts to drive efficiency across our business.*

*“As we look to the remainder of 2025 and beyond, Synchrony remains well-positioned to navigate the evolving economic landscape while also driving progress toward our long-term financial targets.”*

## Business Highlights

- Renewed or added more than 10 partners, including Ashley, Discount Tire, American Eagle, Sun Country, and Texas A&M Veterinary Hospital.
- Extended nearly 15-year partnership with Ashley, helping drive retail growth and enable customers to access flexible financing solutions and bring home quality furnishings that fit their lifestyle and budget.
- Continued to expand co-brand offering within travel industry through new partnership with Sun Country Airlines.

## Financial Highlights

- Interest and fees on loans remained flat to the prior year at \$5.3 billion as growth in loan receivables yield, primarily reflecting the impact of our product, pricing, and policy changes (PPPCs), was offset by a combination of lower benchmark rates and lower late fee incidence.
  - Net interest income increased \$59 million, or 1%, to \$4.5 billion, primarily driven by lower interest-bearing liabilities cost associated with lower benchmark rates.
  - Retailer share arrangements increased \$131 million, or 17%, to \$895 million, reflecting program performance which includes the impact of our PPPCs.
  - Provision for credit losses decreased \$393 million to \$1.5 billion, driven by a reserve release of \$97 million versus a reserve build of \$299 million in the prior year, which included a \$190 million reserve build related to the Ally Lending acquisition.
  - Other income decreased \$1.0 billion to \$149 million, primarily reflecting the impact of the Pets Best gain on sale in the prior year. Excluding the impact of the Pets Best gain on sale, Other income increased \$61 million, primarily reflecting the impact of PPPC related fees.
  - Other expense increased \$37 million, or 3%, to \$1.2 billion, primarily driven by costs related to technology investments, and included the impacts of a charitable contribution and an Ally Lending restructuring charge.
  - Net earnings decreased 41% to \$757 million, compared to \$1.3 billion, and increased 54% on an adjusted basis.\*\*\*
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## Credit Quality

- Loans 30+ days past due as a percentage of total period-end loan receivables were 4.52% compared to 4.74% in the prior year, a decrease of 22 basis points and approximately 4 basis points below the average of the first quarters in 2017 through 2019.
- Net charge-offs as a percentage of total average loan receivables were 6.38% compared to 6.31% in the prior year, an increase of 7 basis points, and 54 basis points above the average of the first quarters in 2017 through 2019.
- The allowance for credit losses as a percentage of total period-end loan receivables was 10.87%, compared to 10.44% in the fourth quarter 2024.

## Sales Platform Highlights

- Period-end loan receivables growth by platform ranged from down 7% to up 1%, primarily reflecting lower purchase volume as a result of credit actions, selective customer spend, and an approximate 1 percentage point impact due to one less day in the quarter. Growth of interest and fees on loans ranged from down 3% to up 5%, as growth in loan receivables yield, primarily reflecting the impact of our PPPCs, was offset by a combination of lower benchmark rates and lower late fee incidence.
  - **Home & Auto** purchase volume decreased 9%, driven by a combination of lower consumer traffic and the impact of credit actions.
  - **Digital** purchase volume decreased 1%, as growth in spend per account was offset by fewer active accounts, reflecting a more selective acquisition strategy.
  - **Diversified & Value** purchase volume decreased 2%, as growth in spend per account was offset by fewer active accounts, primarily reflecting lower consumer traffic and the impact of credit actions.
  - **Health & Wellness** purchase volume decreased 5%, as lower spend in Dental, Cosmetic, and Vision, combined with the impact of credit actions, was partially offset by growth in Pet and Audiology.
  - **Lifestyle** purchase volume decreased 6%, driven by lower spend in Outdoor and Specialty, as consumers continued to manage discretionary spend, and the impact of credit actions.
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## Balance Sheet, Liquidity, & Capital

- Loan receivables of \$99.6 billion decreased 2%; purchase volume decreased 4% and average active accounts decreased 3%.
- Deposits decreased \$119 million to \$83.4 billion and comprised 83% of funding.
- Total liquid assets were \$23.8 billion, or 19.5% of total assets.
- The Company returned \$697 million in capital to shareholders, including \$600 million of share repurchases and \$97 million of common stock dividends. As of March 31, 2025, the Company completed its existing share repurchase authorization for the period through June 30, 2025.
- The Company's Board approved a new share repurchase authorization of \$2.5 billion through June 30, 2026, and increased the quarterly cash dividend by 20% to \$0.30 per share of common stock beginning in the second quarter 2025.
- The estimated Common Equity Tier 1 ratio was 13.2% compared to 12.6%, and the estimated Tier 1 Capital ratio was 14.4% compared to 13.8% in the prior year.
- The Company achieved a credit rating upgrade from Fitch, moving our Long-term Issuer Default Rating up to "BBB" with a "Stable" outlook.

\* All comparisons are for the first quarter of 2025 compared to the first quarter of 2024, unless otherwise noted.

\*\* Return on tangible common equity represents net earnings available to common stockholders as a percentage of average tangible common equity. Tangible common equity and tangible book value per share are non-GAAP measures. See non-GAAP reconciliation in the financial supplement.

\*\*\* Prior year adjusted financial measures include amounts related to the Ally Lending acquisition, but exclude the gain on sale in the first quarter of 2024 related to Pets Best. These prior year measures presented on an adjusted basis are non-GAAP measures. See non-GAAP reconciliation in the financial supplement.

## Corresponding Financial Tables and Information

Investors should review the foregoing summary and discussion of Synchrony Financial's earnings and financial condition in conjunction with the financial results presentation, financial supplement and information that follow, the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, as filed February 7, 2025, and the Company's forthcoming Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2025. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at [www.investors.synchrony.com](http://www.investors.synchrony.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, April 22, 2025, 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.synchrony.com](http://www.investors.synchrony.com), under Events and Presentations. A replay will also be available on the website.

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## About Synchrony Financial

Synchrony (NYSE: SYF) is a leading consumer financing company at the heart of American commerce and opportunity. From health to home, auto to retail, our Synchrony products have been serving the needs of people and businesses for nearly 100 years. We provide responsible access to credit and banking products to support healthier financial lives for tens of millions of people, enabling them to access the things that matter to them. Additionally, through our innovative products and experiences, we support the growth and operations of some of the country's most respected brands, as well as more than 400,000 small and midsize businesses and health and wellness providers that Americans rely on. Synchrony is proud to be ranked as the country's #2 Best Company to Work For® by Fortune magazine and Great Place to Work®.

For more information, visit [www.synchrony.com](http://www.synchrony.com)



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## 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," "aim," "focus," "confident," "trajectory" 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, including factors impacting consumer confidence and economic growth in the United States, such as inflation, interest rates, tariffs (including retaliatory tariffs) and an economic downturn or recession, and whether industry trends we have identified develop as anticipated; the impact of changes in the U.S. presidential administration and Congress on fiscal, monetary and regulatory policy; 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 incidents or breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; product, pricing and policy changes related to the Consumer Financial Protection Bureau's (the "CFPB") final rule on credit card late fees, which was vacated in April 2025; 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; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, and 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 and susceptibility to market fluctuations and legislative regulatory developments; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions, dispositions 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, regulatory actions and compliance issues; 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 CFPB's regulation of our business, including new requirements and constraints that the Company and the Bank are or will become subject to as a result of having \$100 billion or more in total assets; 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.

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## Cautionary Statement Regarding Forward-Looking Statements (Continued)

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 Relating to our Business" and "Risk Factors Relating to Regulation" in the Company's most recent Annual Report on Form 10-K. 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 "tangible common equity" and "tangible book value per share," along with measures provided "on an adjusted basis," 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					1Q'25 vs. 1Q'24	
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024		
<b>EARNINGS</b>							
<b>Net interest income</b>	\$ 4,464	\$ 4,592	\$ 4,609	\$ 4,405	\$ 4,405	\$ 59	1.3 %
Retailer share arrangements	(895)	(919)	(914)	(810)	(764)	(131)	17.1 %
Other income	149	128	119	117	1,157	(1,008)	(87.1)%
<b>Net revenue</b>	3,718	3,801	3,814	3,712	4,798	(1,080)	(22.5)%
Provision for credit losses	1,491	1,561	1,597	1,691	1,884	(393)	(20.9)%
Other expense	1,243	1,267	1,189	1,177	1,206	37	3.1 %
<b>Earnings before provision for income taxes</b>	984	973	1,028	844	1,708	(724)	(42.4)%
Provision for income taxes	227	199	239	201	415	(188)	(45.3)%
<b>Net earnings</b>	\$ 757	\$ 774	\$ 789	\$ 643	\$ 1,293	\$ (536)	(41.5)%
<b>Net earnings available to common stockholders</b>	\$ 736	\$ 753	\$ 768	\$ 624	\$ 1,282	\$ (546)	(42.6)%
<b>COMMON SHARE STATISTICS</b>							
Basic EPS	\$ 1.91	\$ 1.93	\$ 1.96	\$ 1.56	\$ 3.17	\$ (1.26)	(39.7)%
Diluted EPS	\$ 1.89	\$ 1.91	\$ 1.94	\$ 1.55	\$ 3.14	\$ (1.25)	(39.8)%
Dividend declared per share	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ 0.25	\$ —	— %
Common stock price	\$ 52.94	\$ 65.00	\$ 49.88	\$ 47.19	\$ 43.12	\$ 9.82	22.8 %
Book value per share	\$ 40.37	\$ 39.55	\$ 37.92	\$ 36.24	\$ 35.03	\$ 5.34	15.2 %
Tangible book value per share <sup>(1)</sup>	\$ 34.79	\$ 34.07	\$ 32.68	\$ 31.05	\$ 30.36	\$ 4.43	14.6 %
Beginning common shares outstanding	388.3	389.2	395.1	401.4	406.9	(18.6)	(4.6)%
Issuance of common shares	—	—	—	—	—	—	NM
Stock-based compensation	2.0	0.6	0.7	0.6	2.0	—	— %
Shares repurchased	(9.8)	(1.5)	(6.6)	(6.9)	(7.5)	(2.3)	30.7 %
Ending common shares outstanding	380.5	388.3	389.2	395.1	401.4	(20.9)	(5.2)%
Weighted average common shares outstanding	385.2	389.3	392.3	399.3	404.7	(19.5)	(4.8)%
Weighted average common shares outstanding (fully diluted)	389.4	394.8	396.5	402.6	408.2	(18.8)	(4.6)%

(1) Tangible book value per share is a non-GAAP measure, calculated based on Tangible common equity divided by common shares outstanding. For corresponding reconciliation of this measure 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					1Q'25 vs. 1Q'24	
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024		
<b>PERFORMANCE METRICS</b>							
Return on assets <sup>(1)</sup>	2.5 %	2.6 %	2.6 %	2.2 %	4.4 %	(1.9)%	
Return on equity <sup>(2)</sup>	18.4 %	18.9 %	19.8 %	16.7 %	35.6 %	(17.2)%	
Return on tangible common equity <sup>(3)</sup>	22.4 %	23.0 %	24.3 %	20.2 %	43.6 %	(21.2)%	
Net interest margin <sup>(4)</sup>	14.74 %	15.01 %	15.04 %	14.46 %	14.55 %	0.19 %	
Net revenue as a % of average loan receivables, including held for sale	14.93 %	14.76 %	14.87 %	14.71 %	19.11 %	(4.18)%	
Efficiency ratio <sup>(5)</sup>	33.4 %	33.3 %	31.2 %	31.7 %	25.1 %	8.3 %	
Other expense as a % of average loan receivables, including held for sale	4.99 %	4.92 %	4.64 %	4.66 %	4.80 %	0.19 %	
Effective income tax rate	23.1 %	20.5 %	23.2 %	23.8 %	24.3 %	(1.2)%	
<b>CREDIT QUALITY METRICS</b>							
Net charge-offs as a % of average loan receivables, including held for sale	6.38 %	6.45 %	6.06 %	6.42 %	6.31 %	0.07 %	
30+ days past due as a % of period-end loan receivables <sup>(6)</sup>	4.52 %	4.70 %	4.78 %	4.47 %	4.74 %	(0.22)%	
90+ days past due as a % of period-end loan receivables <sup>(6)</sup>	2.29 %	2.40 %	2.33 %	2.19 %	2.42 %	(0.13)%	
Net charge-offs	\$ 1,588	\$ 1,661	\$ 1,553	\$ 1,621	\$ 1,585	\$ 3	0.2 %
Loan receivables delinquent over 30 days <sup>(6)</sup>	\$ 4,505	\$ 4,925	\$ 4,883	\$ 4,574	\$ 4,820	\$ (315)	(6.5)%
Loan receivables delinquent over 90 days <sup>(6)</sup>	\$ 2,285	\$ 2,512	\$ 2,382	\$ 2,244	\$ 2,459	\$ (174)	(7.1)%
Allowance for credit losses (period-end)	\$ 10,828	\$ 10,929	\$ 11,029	\$ 10,982	\$ 10,905	\$ (77)	(0.7)%
Allowance coverage ratio <sup>(7)</sup>	10.87 %	10.44 %	10.79 %	10.74 %	10.72 %		0.15 %
<b>BUSINESS METRICS</b>							
Purchase volume <sup>(8)</sup>	\$ 40,720	\$ 47,955	\$ 44,985	\$ 46,846	\$ 42,387	\$ (1,667)	(3.9)%
Period-end loan receivables	\$ 99,608	\$ 104,721	\$ 102,193	\$ 102,284	\$ 101,733	\$ (2,125)	(2.1)%
Credit cards	\$ 91,909	\$ 96,818	\$ 94,008	\$ 94,091	\$ 93,736	\$ (1,827)	(1.9)%
Consumer installment loans	\$ 5,736	\$ 5,971	\$ 6,125	\$ 6,072	\$ 5,957	\$ (221)	(3.7)%
Commercial credit products	\$ 1,859	\$ 1,826	\$ 1,936	\$ 2,003	\$ 1,912	\$ (53)	(2.8)%
Other	\$ 104	\$ 106	\$ 124	\$ 118	\$ 128	\$ (24)	(18.8)%
Average loan receivables, including held for sale	\$ 101,021	\$ 102,476	\$ 102,009	\$ 101,478	\$ 100,957	\$ 64	0.1 %
Period-end active accounts (in thousands) <sup>(9)</sup>	67,787	71,532	69,965	70,991	70,754	(2,967)	(4.2)%
Average active accounts (in thousands) <sup>(9)</sup>	69,315	70,299	70,424	70,974	71,667	(2,352)	(3.3)%
<b>LIQUIDITY</b>							
<b>Liquid assets</b>							
Cash and equivalents	\$ 21,629	\$ 14,711	\$ 17,934	\$ 18,632	\$ 20,021	\$ 1,608	8.0 %
Total liquid assets	\$ 23,817	\$ 17,159	\$ 19,704	\$ 20,051	\$ 21,929	\$ 1,888	8.6 %
<b>Undrawn credit facilities</b>							
Undrawn credit facilities	\$ 2,625	\$ 2,625	\$ 2,700	\$ 2,950	\$ 2,950	\$ (325)	(11.0)%
<b>Total liquid assets and undrawn credit facilities<sup>(10)</sup></b>	<b>\$ 26,442</b>	<b>\$ 19,784</b>	<b>\$ 22,404</b>	<b>\$ 23,001</b>	<b>\$ 24,879</b>	<b>\$ 1,563</b>	<b>6.3 %</b>
Liquid assets % of total assets	19.52 %	14.36 %	16.53 %	16.64 %	18.10 %		1.42 %
Liquid assets including undrawn credit facilities % of total assets	21.67 %	16.56 %	18.79 %	19.09 %	20.53 %		1.14 %

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

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

(3) Return on tangible common equity represents annualized 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 annualized net interest income divided by average total 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) Active accounts represent credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month.

(10) Excludes uncommitted credit facilities and available borrowing capacity related to unencumbered assets.

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

	Quarter Ended					1Q'25 vs. 1Q'24	
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024		
<b>Interest income:</b>							
Interest and fees on loans	\$ 5,312	\$ 5,480	\$ 5,522	\$ 5,301	\$ 5,293	\$ 19	0.4%
Interest on cash and debt securities	238	230	263	281	275	(37)	(13.5)%
Total interest income	5,550	5,710	5,785	5,582	5,568	(18)	(0.3)%
<b>Interest expense:</b>							
Interest on deposits	882	917	968	967	954	(72)	(7.5)%
Interest on borrowings of consolidated securitization entities	104	104	108	110	105	(1)	(1.0)%
Interest on senior unsecured notes	100	97	100	100	104	(4)	(3.8)%
Total interest expense	1,086	1,118	1,176	1,177	1,163	(77)	(6.6)%
Net interest income	4,464	4,592	4,609	4,405	4,405	59	1.3%
Retailer share arrangements	(895)	(919)	(914)	(810)	(764)	(131)	17.1%
Provision for credit losses	1,491	1,561	1,597	1,691	1,884	(393)	(20.9)%
Net interest income, after retailer share arrangements and provision for credit losses	2,078	2,112	2,098	1,904	1,757	321	18.3%
<b>Other income:</b>							
Interchange revenue	238	266	256	263	241	(3)	(1.2)%
Protection product revenue	147	151	145	125	141	6	4.3%
Loyalty programs	(311)	(371)	(346)	(346)	(319)	8	(2.5)%
Other	75	82	64	75	1,094	(1,019)	(93.1)%
Total other income	149	128	119	117	1,157	(1,008)	(87.1)%
<b>Other expense:</b>							
Employee costs	506	478	464	434	496	10	2.0%
Professional fees	217	249	231	236	220	(3)	(1.4)%
Marketing and business development	116	147	123	129	125	(9)	(7.2)%
Information processing	219	207	203	207	186	33	17.7%
Other	185	186	168	171	179	6	3.4%
Total other expense	1,243	1,267	1,189	1,177	1,206	37	3.1%
<b>Earnings before provision for income taxes</b>	984	973	1,028	844	1,708	(724)	(42.4)%
Provision for income taxes	227	199	239	201	415	(188)	(45.3)%
<b>Net earnings</b>	<u>\$ 757</u>	<u>\$ 774</u>	<u>\$ 789</u>	<u>\$ 643</u>	<u>\$ 1,293</u>	<u>\$ (536)</u>	<u>(41.5)%</u>
<b>Net earnings available to common stockholders</b>	<u>\$ 736</u>	<u>\$ 753</u>	<u>\$ 768</u>	<u>\$ 624</u>	<u>\$ 1,282</u>	<u>\$ (546)</u>	<u>(42.6)%</u>

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

	Quarter Ended					Mar 31, 2025 vs. Mar 31, 2024	
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024		
<b>Assets</b>							
Cash and equivalents	\$ 21,629	\$ 14,711	\$ 17,934	\$ 18,632	\$ 20,021	\$ 1,608	8.0 %
Debt securities	2,724	3,079	2,345	2,693	3,005	(281)	(9.4)%
Loan receivables:							
Unsecured loans held for investment	79,186	83,382	81,005	82,144	81,642	(2,456)	(3.0)%
Restricted loans of consolidated securitization entities	20,422	21,339	21,188	20,140	20,091	331	1.6 %
Total loan receivables	99,608	104,721	102,193	102,284	101,733	(2,125)	(2.1)%
Less: Allowance for credit losses	(10,828)	(10,929)	(11,029)	(10,982)	(10,905)	77	(0.7)%
Loan receivables, net	88,780	93,792	91,164	91,302	90,828	(2,048)	(2.3)%
Goodwill	1,274	1,274	1,274	1,274	1,073	201	18.7 %
Intangible assets, net	847	854	765	776	800	47	5.9 %
Other assets	6,772	5,753	5,747	5,812	5,446	1,326	24.3 %
Total assets	<u>\$ 122,026</u>	<u>\$ 119,463</u>	<u>\$ 119,229</u>	<u>\$ 120,489</u>	<u>\$ 121,173</u>	<u>\$ 853</u>	<u>0.7 %</u>
<b>Liabilities and Equity</b>							
Deposits:							
Interest-bearing deposit accounts	\$ 83,030	\$ 81,664	\$ 81,901	\$ 82,708	\$ 83,160	\$ (130)	(0.2)%
Non-interest-bearing deposit accounts	405	398	383	392	394	11	2.8 %
Total deposits	83,435	82,062	82,284	83,100	83,554	(119)	(0.1)%
Borrowings:							
Borrowings of consolidated securitization entities	8,591	7,842	8,015	7,517	8,016	575	7.2 %
Senior and Subordinated unsecured notes	8,418	7,620	7,617	8,120	8,117	301	3.7 %
Total borrowings	17,009	15,462	15,632	15,637	16,133	876	5.4 %
Accrued expenses and other liabilities	5,001	5,359	5,333	6,212	6,204	(1,203)	(19.4)%
Total liabilities	105,445	102,883	103,249	104,949	105,891	(446)	(0.4)%
Equity:							
Preferred stock	1,222	1,222	1,222	1,222	1,222	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,804	9,853	9,822	9,793	9,768	36	0.4 %
Retained earnings	22,209	21,635	20,975	20,310	19,790	2,419	12.2 %
Accumulated other comprehensive income (loss)	(53)	(59)	(50)	(73)	(69)	16	(23.2)%
Treasury stock	(16,602)	(16,072)	(15,990)	(15,713)	(15,430)	(1,172)	7.6 %
Total equity	16,581	16,580	15,980	15,540	15,282	1,299	8.5 %
Total liabilities and equity	<u>\$ 122,026</u>	<u>\$ 119,463</u>	<u>\$ 119,229</u>	<u>\$ 120,489</u>	<u>\$ 121,173</u>	<u>\$ 853</u>	<u>0.7 %</u>

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

	Quarter Ended														
	Mar 31, 2025			Dec 31, 2024			Sep 30, 2024			Jun 30, 2024			Mar 31, 2024		
	Average Balance	Interest Income/Expense	Average Yield/Rate <sup>(1)</sup>	Average Balance	Interest Income/Expense	Average Yield/Rate <sup>(1)</sup>	Average Balance	Interest Income/Expense	Average Yield/Rate <sup>(1)</sup>	Average Balance	Interest Income/Expense	Average Yield/Rate <sup>(1)</sup>	Average Balance	Interest Income/Expense	Average Yield/Rate <sup>(1)</sup>
<b>Assets</b>															
<b>Interest-earning assets:</b>															
Interest-earning cash and equivalents	\$ 18,539	\$ 203	4.44 %	\$ 16,131	\$ 193	4.76 %	\$ 17,316	\$ 235	5.40 %	\$ 18,337	\$ 249	5.46 %	\$ 17,405	\$ 236	5.45 %
Securities available for sale	3,231	35	4.39 %	3,111	37	4.73 %	2,587	28	4.31 %	2,731	32	4.71 %	3,432	39	4.57 %
<b>Loan receivables, including held for sale:</b>															
Credit cards	93,241	5,055	21.99 %	94,356	5,209	21.96 %	93,785	5,236	22.21 %	93,267	5,013	21.62 %	94,216	5,096	21.75 %
Consumer installment loans	5,833	211	14.67 %	6,041	224	14.75 %	6,107	238	15.50 %	6,085	243	16.06 %	4,734	149	12.66 %
Commercial credit products	1,842	45	9.91 %	1,953	45	9.17 %	1,992	46	9.19 %	2,001	43	8.64 %	1,878	45	9.64 %
Other	105	1	3.86 %	126	2	6.31 %	125	2	6.37 %	125	2	6.44 %	129	3	9.35 %
<b>Total loan receivables, including held for sale</b>	<b>101,021</b>	<b>5,312</b>	<b>21.33 %</b>	<b>102,476</b>	<b>5,480</b>	<b>21.27 %</b>	<b>102,009</b>	<b>5,522</b>	<b>21.54 %</b>	<b>101,478</b>	<b>5,301</b>	<b>21.01 %</b>	<b>100,957</b>	<b>5,293</b>	<b>21.09 %</b>
<b>Total interest-earning assets</b>	<b>122,791</b>	<b>5,550</b>	<b>18.33 %</b>	<b>121,718</b>	<b>5,710</b>	<b>18.66 %</b>	<b>121,912</b>	<b>5,785</b>	<b>18.88 %</b>	<b>122,546</b>	<b>5,582</b>	<b>18.32 %</b>	<b>121,794</b>	<b>5,568</b>	<b>18.39 %</b>
<b>Non-interest-earning assets:</b>															
Cash and due from banks	868			872			847			887			944		
Allowance for credit losses	(10,936)			(11,014)			(10,994)			(10,878)			(10,677)		
Other assets	7,770			7,678			7,624			7,309			6,973		
<b>Total non-interest-earning assets</b>	<b>(2,298)</b>			<b>(2,464)</b>			<b>(2,523)</b>			<b>(2,682)</b>			<b>(2,760)</b>		
<b>Total assets</b>	<b>\$ 120,493</b>			<b>\$ 119,254</b>			<b>\$ 119,389</b>			<b>\$ 119,864</b>			<b>\$ 119,034</b>		
<b>Liabilities</b>															
<b>Interest-bearing liabilities:</b>															
Interest-bearing deposit accounts	\$ 82,370	\$ 882	4.34 %	\$ 81,635	\$ 917	4.47 %	\$ 82,100	\$ 968	4.69 %	\$ 82,749	\$ 967	4.70 %	\$ 82,598	\$ 954	4.65 %
Borrowings of consolidated securitization entities	8,191	104	5.15 %	7,868	104	5.26 %	7,817	108	5.50 %	7,858	110	5.63 %	7,383	105	5.72 %
Senior and Subordinated unsecured notes	7,850	100	5.17 %	7,618	97	5.07 %	7,968	100	4.99 %	8,118	100	4.95 %	8,630	104	4.85 %
<b>Total interest-bearing liabilities</b>	<b>98,411</b>	<b>1,086</b>	<b>4.48 %</b>	<b>97,121</b>	<b>1,118</b>	<b>4.58 %</b>	<b>97,885</b>	<b>1,176</b>	<b>4.78 %</b>	<b>98,725</b>	<b>1,177</b>	<b>4.80 %</b>	<b>98,611</b>	<b>1,163</b>	<b>4.74 %</b>
<b>Non-interest-bearing liabilities</b>															
Non-interest-bearing deposit accounts	418			379			387			396			390		
Other liabilities	4,969			5,444			5,302			5,221			5,419		
<b>Total non-interest-bearing liabilities</b>	<b>5,387</b>			<b>5,823</b>			<b>5,689</b>			<b>5,617</b>			<b>5,809</b>		
<b>Total liabilities</b>	<b>103,798</b>			<b>102,944</b>			<b>103,574</b>			<b>104,342</b>			<b>104,420</b>		
<b>Equity</b>															
<b>Total equity</b>	<b>16,695</b>			<b>16,310</b>			<b>15,815</b>			<b>15,522</b>			<b>14,614</b>		
<b>Total liabilities and equity</b>	<b>\$ 120,493</b>			<b>\$ 119,254</b>			<b>\$ 119,389</b>			<b>\$ 119,864</b>			<b>\$ 119,034</b>		
<b>Net interest income</b>		<b>\$ 4,464</b>			<b>\$ 4,592</b>			<b>\$ 4,609</b>			<b>\$ 4,405</b>			<b>\$ 4,405</b>	
<b>Interest rate spread<sup>(2)</sup></b>			13.86 %			14.08 %			14.10 %			13.53 %			13.64 %
<b>Net interest margin<sup>(3)</sup></b>			14.74 %			15.01 %			15.04 %			14.46 %			14.55 %

(1) Average yields/rates are based on annualized total interest income/expense divided by average balances.

(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 annualized net interest income divided by average total interest-earning assets.



**SYNCHRONY FINANCIAL**  
**BALANCE SHEET STATISTICS**  
(unaudited, \$ in millions, except per share statistics)

	Quarter Ended					Mar 31, 2025 vs. Mar 31, 2024
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024	
<b>BALANCE SHEET STATISTICS</b>						
Total common equity	\$ 15,359	\$ 15,358	\$ 14,758	\$ 14,318	\$ 14,060	\$ 1,299 9.2 %
Total common equity as a % of total assets	12.59 %	12.86 %	12.38 %	11.88 %	11.60 %	0.99 %
Tangible assets	\$ 119,905	\$ 117,335	\$ 117,190	\$ 118,439	\$ 119,300	\$ 605 0.5 %
Tangible common equity <sup>(1)</sup>	\$ 13,238	\$ 13,230	\$ 12,719	\$ 12,268	\$ 12,187	\$ 1,051 8.6 %
Tangible common equity as a % of tangible assets <sup>(1)</sup>	11.04 %	11.28 %	10.85 %	10.36 %	10.22 %	0.82 %
Tangible book value per share <sup>(2)</sup>	\$ 34.79	\$ 34.07	\$ 32.68	\$ 31.05	\$ 30.36	\$ 4.43 14.6 %
<b>REGULATORY CAPITAL RATIOS<sup>(3)(4)</sup></b>						
	<b>Basel III - CECL Transition</b>					
Total risk-based capital ratio <sup>(5)</sup>	16.5 %	16.5 %	16.4 %	15.8 %	15.8 %	
Tier 1 risk-based capital ratio <sup>(6)</sup>	14.4 %	14.5 %	14.3 %	13.8 %	13.8 %	
Tier 1 leverage ratio <sup>(7)</sup>	12.4 %	12.9 %	12.5 %	12.0 %	12.0 %	
Common equity Tier 1 capital ratio	13.2 %	13.3 %	13.1 %	12.6 %	12.6 %	

(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) Tangible book value per share is a non-GAAP measure, calculated based on Tangible common equity divided by common shares outstanding. For corresponding reconciliation of this measure to a GAAP financial measure, see Reconciliation of Non-GAAP Measures and Calculations of Regulatory Measures.

(3) Regulatory capital ratios at March 31, 2025 are preliminary and therefore subject to change.

(4) 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 2025 and 2024 reflect 100% and 75%, respectively, of the phase-in of CECL effects.

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

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

(7) 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					1Q'25 vs. 1Q'24	
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024		
<b>HOME &amp; AUTO</b>							
Purchase volume <sup>(1)</sup>	\$ 9,567	\$ 10,705	\$ 11,361	\$ 12,496	\$ 10,512	\$ (945)	(9.0)%
Period-end loan receivables	\$ 30,460	\$ 32,034	\$ 32,542	\$ 32,822	\$ 32,615	\$ (2,155)	(6.6)%
Average loan receivables, including held for sale	\$ 31,018	\$ 32,120	\$ 32,613	\$ 32,592	\$ 31,865	\$ (847)	(2.7)%
Average active accounts (in thousands) <sup>(2)</sup>	18,030	18,674	19,157	19,335	18,969	(939)	(5.0)%
Interest and fees on loans	\$ 1,413	\$ 1,487	\$ 1,489	\$ 1,419	\$ 1,382	\$ 31	2.2%
Other income	\$ 57	\$ 63	\$ 56	\$ 38	\$ 33	\$ 24	72.7%
<b>DIGITAL</b>							
Purchase volume <sup>(1)</sup>	\$ 12,479	\$ 15,317	\$ 13,352	\$ 13,403	\$ 12,628	\$ (149)	(1.2)%
Period-end loan receivables	\$ 27,765	\$ 29,347	\$ 27,771	\$ 27,704	\$ 27,734	\$ 31	0.1%
Average loan receivables, including held for sale	\$ 28,216	\$ 28,158	\$ 27,704	\$ 27,542	\$ 28,081	\$ 135	0.5%
Average active accounts (in thousands) <sup>(2)</sup>	20,711	20,810	20,787	20,920	21,349	(638)	(3.0)%
Interest and fees on loans	\$ 1,544	\$ 1,582	\$ 1,593	\$ 1,544	\$ 1,567	\$ (23)	(1.5)%
Other income	\$ 9	\$ (6)	\$ 4	\$ —	\$ 6	\$ 3	50.0%
<b>DIVERSIFIED &amp; VALUE</b>							
Purchase volume <sup>(1)</sup>	\$ 13,732	\$ 16,711	\$ 14,992	\$ 15,333	\$ 14,023	\$ (291)	(2.1)%
Period-end loan receivables	\$ 19,436	\$ 20,867	\$ 19,466	\$ 19,516	\$ 19,559	\$ (123)	(0.6)%
Average loan receivables, including held for sale	\$ 19,670	\$ 19,793	\$ 19,413	\$ 19,360	\$ 19,593	\$ 77	0.4%
Average active accounts (in thousands) <sup>(2)</sup>	20,114	20,253	19,960	20,253	21,032	(918)	(4.4)%
Interest and fees on loans	\$ 1,178	\$ 1,206	\$ 1,209	\$ 1,165	\$ 1,214	\$ (36)	(3.0)%
Other income	\$ —	\$ (9)	\$ (11)	\$ (22)	\$ (17)	\$ 17	(100.0)%
<b>HEALTH &amp; WELLNESS</b>							
Purchase volume <sup>(1)</sup>	\$ 3,774	\$ 3,742	\$ 3,867	\$ 4,089	\$ 3,980	\$ (206)	(5.2)%
Period-end loan receivables	\$ 15,193	\$ 15,436	\$ 15,439	\$ 15,280	\$ 15,065	\$ 128	0.8%
Average loan receivables, including held for sale	\$ 15,280	\$ 15,448	\$ 15,311	\$ 15,111	\$ 14,697	\$ 583	4.0%
Average active accounts (in thousands) <sup>(2)</sup>	7,776	7,836	7,801	7,752	7,611	165	2.2%
Interest and fees on loans	\$ 914	\$ 935	\$ 956	\$ 911	\$ 869	\$ 45	5.2%
Other income	\$ 75	\$ 72	\$ 68	\$ 48	\$ 66	\$ 9	13.6%
<b>LIFESTYLE</b>							
Purchase volume <sup>(1)</sup>	\$ 1,168	\$ 1,480	\$ 1,411	\$ 1,525	\$ 1,244	\$ (76)	(6.1)%
Period-end loan receivables	\$ 6,636	\$ 6,914	\$ 6,831	\$ 6,822	\$ 6,604	\$ 32	0.5%
Average loan receivables, including held for sale	\$ 6,716	\$ 6,818	\$ 6,823	\$ 6,723	\$ 6,631	\$ 85	1.3%
Average active accounts (in thousands) <sup>(2)</sup>	2,651	2,688	2,677	2,662	2,642	9	0.3%
Interest and fees on loans	\$ 261	\$ 268	\$ 270	\$ 258	\$ 255	\$ 6	2.4%
Other income	\$ 10	\$ 7	\$ 9	\$ 6	\$ 8	\$ 2	25.0%
<b>CORP. OTHER</b>							
Purchase volume <sup>(1)</sup>	\$ —	\$ —	\$ 2	\$ —	\$ —	\$ —	NM
Period-end loan receivables	\$ 118	\$ 123	\$ 144	\$ 140	\$ 156	\$ (38)	(24.4)%
Average loan receivables, including held for sale	\$ 121	\$ 139	\$ 145	\$ 150	\$ 90	\$ 31	34.4%
Average active accounts (in thousands) <sup>(2)</sup>	33	38	42	52	64	(31)	(48.4)%
Interest and fees on loans	\$ 2	\$ 2	\$ 5	\$ 4	\$ 6	\$ (4)	(66.7)%
Other income	\$ (2)	\$ 1	\$ (7)	\$ 47	\$ 1,061	\$ (1,063)	(100.2)%
<b>TOTAL SVF</b>							
Purchase volume <sup>(1)</sup>	\$ 40,720	\$ 47,955	\$ 44,985	\$ 46,846	\$ 42,387	\$ (1,667)	(3.9)%
Period-end loan receivables	\$ 99,608	\$ 104,721	\$ 102,193	\$ 102,284	\$ 101,733	\$ (2,125)	(2.1)%
Average loan receivables, including held for sale	\$ 101,021	\$ 102,476	\$ 102,009	\$ 101,478	\$ 100,957	\$ 64	0.1%
Average active accounts (in thousands) <sup>(2)</sup>	69,315	70,299	70,424	70,974	71,667	(2,352)	(3.3)%
Interest and fees on loans	\$ 5,312	\$ 5,480	\$ 5,522	\$ 5,301	\$ 5,293	\$ 19	0.4%
Other income	\$ 149	\$ 128	\$ 119	\$ 117	\$ 1,157	\$ (1,008)	(87.1)%

(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) 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<sup>(1)</sup>  
(unaudited, \$ in millions, except per share statistics)

	Quarter Ended				
	Mar 31, 2025	Dec 31, 2024	Sep 30, 2024	Jun 30, 2024	Mar 31, 2024
<b>COMMON EQUITY AND REGULATORY CAPITAL MEASURES<sup>(2)</sup></b>					
GAAP Total equity	\$ 16,581	\$ 16,580	\$ 15,980	\$ 15,540	\$ 15,282
Less: Preferred stock	(1,222)	(1,222)	(1,222)	(1,222)	(1,222)
Less: Goodwill	(1,274)	(1,274)	(1,274)	(1,274)	(1,073)
Less: Intangible assets, net	(847)	(854)	(765)	(776)	(800)
<b>Tangible common equity</b>	<b>\$ 13,238</b>	<b>\$ 13,230</b>	<b>\$ 12,719</b>	<b>\$ 12,268</b>	<b>\$ 12,187</b>
Add: CECL transition amount	—	573	573	573	573
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	208	214	209	227	225
<b>Common equity Tier 1</b>	<b>\$ 13,446</b>	<b>\$ 14,017</b>	<b>\$ 13,501</b>	<b>\$ 13,068</b>	<b>\$ 12,985</b>
Preferred stock	1,222	1,222	1,222	1,222	1,222
<b>Tier 1 capital</b>	<b>\$ 14,668</b>	<b>\$ 15,239</b>	<b>\$ 14,723</b>	<b>\$ 14,290</b>	<b>\$ 14,207</b>
Add: Subordinated debt	742	741	741	741	741
Add: Allowance for credit losses includible in risk-based capital	1,388	1,427	1,400	1,407	1,399
<b>Total Risk-based capital</b>	<b>\$ 16,798</b>	<b>\$ 17,407</b>	<b>\$ 16,864</b>	<b>\$ 16,438</b>	<b>\$ 16,347</b>
<b>ASSET MEASURES<sup>(2)</sup></b>					
Total average assets	\$ 120,493	\$ 119,254	\$ 119,389	\$ 119,864	\$ 119,034
Adjustments for:					
Add: CECL transition amount	—	573	573	573	573
Less: Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(1,895)	(1,904)	(1,808)	(1,805)	(1,631)
<b>Total assets for leverage purposes</b>	<b>\$ 118,598</b>	<b>\$ 117,923</b>	<b>\$ 118,154</b>	<b>\$ 118,632</b>	<b>\$ 117,976</b>
<b>Risk-weighted assets</b>	<b>\$ 101,625</b>	<b>\$ 105,417</b>	<b>\$ 103,103</b>	<b>\$ 103,718</b>	<b>\$ 103,242</b>
<b>CECL FULLY PHASED-IN CAPITAL MEASURES</b>					
<b>Tier 1 capital</b>	<b>\$ 14,668</b>	<b>\$ 15,239</b>	<b>\$ 14,723</b>	<b>\$ 14,290</b>	<b>\$ 14,207</b>
Less: CECL transition adjustment	—	(573)	(573)	(573)	(573)
<b>Tier 1 capital (CECL fully phased-in)</b>	<b>\$ 14,668</b>	<b>\$ 14,666</b>	<b>\$ 14,150</b>	<b>\$ 13,717</b>	<b>\$ 13,634</b>
Add: Allowance for credit losses	10,828	10,929	11,029	10,982	10,905
<b>Tier 1 capital (CECL fully phased-in) + Reserves for credit losses</b>	<b>\$ 25,496</b>	<b>\$ 25,595</b>	<b>\$ 25,179</b>	<b>\$ 24,699</b>	<b>\$ 24,539</b>
<b>Risk-weighted assets</b>	<b>\$ 101,625</b>	<b>\$ 105,417</b>	<b>\$ 103,103</b>	<b>\$ 103,718</b>	<b>\$ 103,242</b>
Less: CECL transition adjustment	—	(290)	(290)	(290)	(290)
<b>Risk-weighted assets (CECL fully phased-in)</b>	<b>\$ 101,625</b>	<b>\$ 105,127</b>	<b>\$ 102,813</b>	<b>\$ 103,428</b>	<b>\$ 102,952</b>
<b>TANGIBLE BOOK VALUE PER SHARE</b>					
Book value per share	\$ 40.37	\$ 39.55	\$ 37.92	\$ 36.24	\$ 35.03
Less: Goodwill	(3.35)	(3.28)	(3.27)	(3.23)	(2.68)
Less: Intangible assets, net	(2.23)	(2.20)	(1.97)	(1.96)	(1.99)
<b>Tangible book value per share</b>	<b>\$ 34.79</b>	<b>\$ 34.07</b>	<b>\$ 32.68</b>	<b>\$ 31.05</b>	<b>\$ 30.36</b>

(1) Regulatory measures at March 31, 2025 are preliminary and therefore subject to change.

(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 2025 and 2024 reflect 100% and 75%, respectively, of the phase-in of CECL effects.

**SYNCHRONY FINANCIAL**  
**RECONCILIATION OF NON-GAAP MEASURES (Continued)**  
(unaudited, \$ in millions, except per share statistics)

**ADJUSTED FINANCIAL MEASURES**

	<b><u>Quarter Ended</u></b>
	<b><u>March 31, 2024</u></b>
<b>Net earnings:</b>	
Net earnings	\$ 1,293
Less: Pets Best gain on sale after-tax	(802)
Adjusted Net earnings	\$ 491
Preferred dividends	(11)
Adjusted Net earnings available to common stockholders	<u>\$ 480</u>
<b>Diluted earnings per share:</b>	
Diluted earnings per share	\$ 3.14
Less: Pets Best gain on sale impact	(1.96)
Adjusted Diluted earnings per share	<u>\$ 1.18</u>
<b>Return on assets:</b>	
Return on assets <sup>(1)</sup>	4.4 %
Less: Pets Best gain on sale impact	(2.7)%
Adjusted Return on assets	<u>1.7 %</u>
<b>Return on equity:</b>	
Return on equity <sup>(2)</sup>	35.6 %
Less: Pets Best gain on sale impact	(21.8)%
Adjusted Return on equity	<u>13.8 %</u>
<b>Return on tangible common equity:</b>	
Return on tangible common equity <sup>(3)</sup>	43.6 %
Less: Pets Best gain on sale impact	(26.8)%
Adjusted Return on tangible common equity	<u>16.8 %</u>
<b>Efficiency ratio:</b>	
Efficiency Ratio <sup>(4)</sup>	25.1 %
Less: Pets Best gain on sale impact	7.2 %
Adjusted Efficiency ratio	<u>32.3 %</u>

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

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

(3) Return on tangible common equity represents annualized 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) Efficiency ratio represents (i) other expense, divided by (ii) net interest income, plus other income, less retailer share arrangements.

# FIRST QUARTER 2025 FINANCIAL RESULTS

April 22, 2025

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# 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 and should be read in conjunction with 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.investors.synchrony.com](http://www.investors.synchrony.com)) and the SEC's website ([www.sec.gov](http://www.sec.gov)). All references to net earnings and net income are intended to have the same meaning. All comparisons are for the first quarter of 2025 compared to the first quarter of 2024, 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," "aim," "focus," "confident," "trajectory" 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, including factors impacting consumer confidence and economic growth in the United States, such as inflation, interest rates, tariffs (including retaliatory tariffs) and an economic downturn or recession, and whether industry trends we have identified develop as anticipated; the impact of changes in the U.S. presidential administration and Congress on fiscal, monetary and regulatory policy; 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 incidents or breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; product, pricing, and policy changes related to the Consumer Financial Protection Bureau's (the "CFPB") final rule on credit card late fees, which was vacated in April 2025; 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; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, and 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 and susceptibility to market fluctuations and legislative and regulatory developments; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions, dispositions 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, regulatory actions and compliance issues; 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 CFPB's regulation of our business, including new requirements and constraints the Company and the Bank are or will become subject to as a result of having \$100 billion or more in total assets; 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 headings "Risk Factors Relating to Our Business" and "Risk Factors Relating to Regulation" in the Company's most recent Annual Report on Form 10-K. 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, including the Baseline outlook on slide 10 of this presentation, 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.

# Delivering consistent execution through environments

## New and renewed partnerships



AMERICAN EAGLE



## Recognition



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## Customer engagement<sup>1</sup>

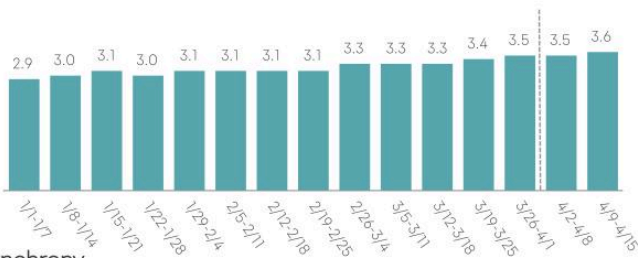
**69mm** average active accounts

**\$41bn** purchase volume

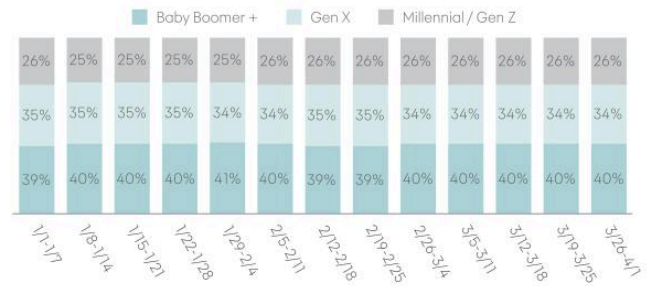
**\$100bn** loan receivables

## Spending trends

2025 Weekly Sales (\$bn)



2025 Weekly Sales Generational Mix<sup>2</sup>

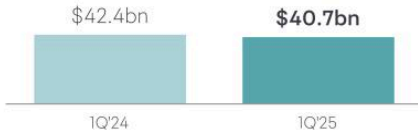


<sup>(1)</sup> Customer engagement metrics as of or for the quarter ended March 31, 2025 <sup>(2)</sup> Excludes accounts where generational data is not available

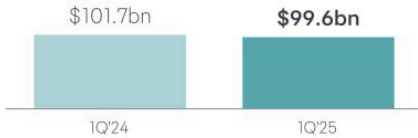
# First quarter in review

## Growth

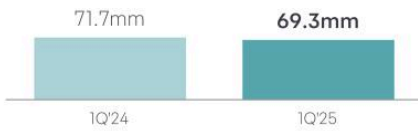
**Purchase volume (4)%**  
Dual Card / Co-Brand<sup>1</sup>: \$18.4bn, +2%



**Loan receivables (2)%**  
Dual Card / Co-Brand<sup>1</sup>: \$27.8bn, +6%



**Average active accounts<sup>2</sup> (3)%**



## Results

**Net interest margin** **14.74%**  
PY: 14.55%

**Net charge-offs** **6.38%**  
PY: 6.31%

**Efficiency ratio** **33.4%**  
PY: 25.1%  
Adj. PY<sup>3</sup>: 32.3%

**Diluted earnings per share** **\$1.89**  
PY: \$3.14  
Adj. PY<sup>3</sup>: \$1.18

**Return on assets** **2.5%**  
PY: 4.4%  
Adj. PY<sup>3</sup>: 1.7%

## Capital & Shareholder Value

**Common Equity Tier 1 (CET1) capital ratio<sup>4</sup>**  
12.6% **13.2%**

Quarter	CET1 Capital Ratio
1Q'24	12.6%
2Q'24	12.6%
3Q'24	12.6%
4Q'24	12.6%
1Q'25	13.2%

**Capital returned**  
\$402mm **\$697mm**

Quarter	Capital Returned
1Q'24	\$402mm
2Q'24	\$402mm
3Q'24	\$402mm
4Q'24	\$402mm
1Q'25	\$697mm

**Book value per share**  
\$35.03 **\$40.37**

Quarter	Book Value per Share
1Q'24	\$35.03
2Q'24	\$35.03
3Q'24	\$35.03
4Q'24	\$35.03
1Q'25	\$40.37

**Tangible book value per share<sup>5</sup>**  
\$30.36 **\$34.79**

Quarter	Tangible Book Value per Share
1Q'24	\$30.36
2Q'24	\$30.36
3Q'24	\$30.36
4Q'24	\$30.36
1Q'25	\$34.79



<sup>1</sup> Consumer only, including in- and out-of-partner activity. <sup>2</sup> Credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month. <sup>3</sup> Adjusted to exclude impact of Pets Best gain on sale in 1Q'24. This is a non-GAAP measure. See Non-GAAP reconciliation in appendix. <sup>4</sup> 2024 CET1 ratios are presented on a CECL transitional basis. <sup>5</sup> This is a non-GAAP measure. See Non-GAAP reconciliation in appendix.



## Financial results

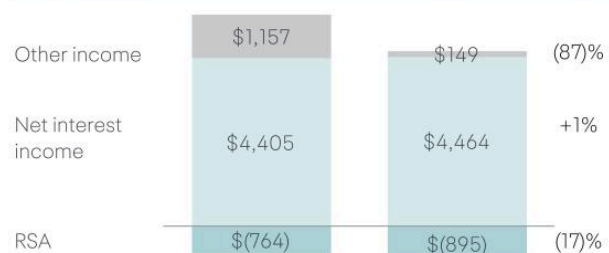
Results (\$mm, except per share statistics)			
	1Q'25	1Q'24	B / (W)
Interest income	\$5,550	\$5,568	—%
Interest expense	1,086	1,163	7%
<b>Net interest income</b>	<b>4,464</b>	<b>4,405</b>	<b>1%</b>
Retailer share arrangements (RSA)	(895)	(764)	(17)%
Other income	149	1,157	(87)%
<b>Net revenue</b>	<b>3,718</b>	<b>4,798</b>	<b>(23)%</b>
Provision for credit losses	1,491	1,884	21%
Other expense	1,243	1,206	(3)%
<b>Pre-tax earnings</b>	<b>984</b>	<b>1,708</b>	<b>(42)%</b>
Provision for income taxes	227	415	45%
<b>Net earnings</b>	<b>757</b>	<b>1,293</b>	<b>(41)%</b>
Preferred dividends	21	11	(91)%
<b>Net earnings available to common stockholders</b>	<b>\$736</b>	<b>\$1,282</b>	<b>(43)%</b>
<b>Diluted earnings per share</b>	<b>\$1.89</b>	<b>\$3.14</b>	<b>(40)%</b>

Excluding the Pets Best gain on sale, 1Q'24 Adjusted Net earnings of \$491 million<sup>1</sup> or \$1.18 per diluted share<sup>1</sup>

By Platform (\$bn)			
	1Q'25	1Q'24	B / (W) <sup>2</sup>
<b>Home &amp; Auto</b>			
Loan receivables	\$30.5	\$32.6	(7)%
Purchase volume	\$9.6	\$10.5	(9)%
Interest and fees on loans	\$1.4	\$1.4	2%
<b>Digital</b>			
Loan receivables	\$27.8	\$27.7	—%
Purchase volume	\$12.5	\$12.6	(1)%
Interest and fees on loans	\$1.5	\$1.6	(1)%
<b>Diversified &amp; Value</b>			
Loan receivables	\$19.4	\$19.6	(1)%
Purchase volume	\$13.7	\$14.0	(2)%
Interest and fees on loans	\$1.2	\$1.2	(3)%
<b>Health &amp; Wellness</b>			
Loan receivables	\$15.2	\$15.1	1%
Purchase volume	\$3.8	\$4.0	(5)%
Interest and fees on loans	\$0.9	\$0.9	5%
<b>Lifestyle</b>			
Loan receivables	\$6.6	\$6.6	—%
Purchase volume	\$1.2	\$1.2	(6)%
Interest and fees on loans	\$0.3	\$0.3	2%

## Net revenue

Results (\$mm)			
	1Q'24	1Q'25	B / (W)
<b>Net revenue</b>	<b>\$4,798</b>	<b>\$3,718</b>	<b>(23)%</b>



Net interest margin	
<b>1Q'24 Net interest margin</b>	<b>14.55%</b>
Loan receivables yield	+0.20 %
Interest-bearing liabilities cost	+0.25 %
Liquidity portfolio yield	(0.15)%
Mix of Interest-earning assets	(0.11)%
<b>1Q'25 Net interest margin</b>	<b>14.74%</b>

## Highlights

- **Net revenue decreased 23%**, or \$1.1 billion primarily reflecting Pets Best gain on sale in prior year
  - **Net interest income increased 1%**, or \$59 million
    - Loan receivables yield of 21.33%, up 24 bps primarily driven by the impact of our PPPCs<sup>1</sup>, partially offset by lower benchmark rates and lower late fee incidence
    - Lower benchmark rates primarily drove reductions in Interest-bearing liabilities cost of 26 bps to 4.48% and liquidity portfolio yield of 88 bps to 4.43%
  - **Retailer share arrangements increased 17%**, reflecting program performance which includes the impact of our PPPCs
  - **Other income decreased 87%**, driven by a \$1,069 million Pets Best gain on sale in 1Q'24 partially offset by the impact of PPPC related fees
- **Net interest margin of 14.74% increased 19bps**
  - Reflects higher loan receivables yield and lower liabilities cost, partially offset by liquidity portfolio yield and mix of Interest-earning assets
  - Loan receivables mix as a percent of Interest-earning assets of 82.27% decreased 62bps
- **Payment rate<sup>2</sup> of 15.8%** flat to 1Q'24<sup>3</sup> and up approximately 60bps vs. pre-pandemic 5-year historical average (15-'19)<sup>4</sup>

# Other expense

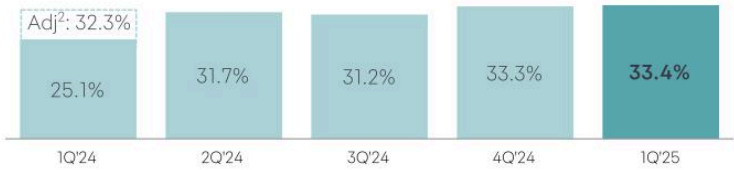
	Results (\$mm)		B / (W)
	1Q'24	1Q'25	
<b>Other expense</b>	<b>\$1,206</b>	<b>\$1,243</b>	<b>(3)%</b>



### Highlights

- Other expense increased 3%**, or \$37 million
  - Increase primarily driven by costs related to technology investments in Information processing
  - Increase also includes a charitable contribution in Other and an Ally Lending restructuring charge in Employee costs; see notable Other expense items in appendix for additional details

### Efficiency ratio<sup>1</sup>



(1) Other expense divided by sum of Net Interest Income, plus Other Income, less Retailer share arrangements. (2) Adjusted to exclude impact of Pits Best gain on sale in 1Q'24. This is a non-GAAP measure. See Non-GAAP reconciliation in appendix.

# Credit

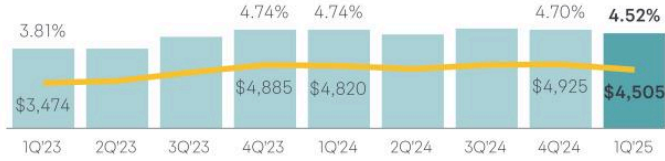
## Highlights

- **Provision for credit losses decreased 21%**, or \$393 million, driven by a reserve release of \$97 million versus a reserve build of \$299 million in the prior year which included a \$190 million reserve build related to the Ally Lending acquisition

## Credit trends

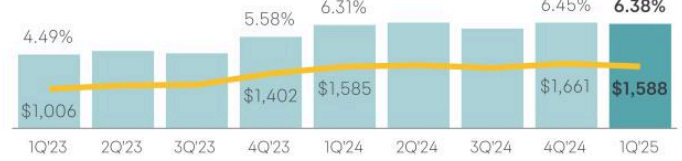
### 30+ days past due

\$mm, % of period-end loan receivables



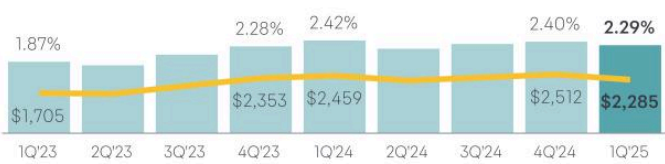
### Net charge-offs

\$mm, annualized as % of average loan receivables, including held for sale



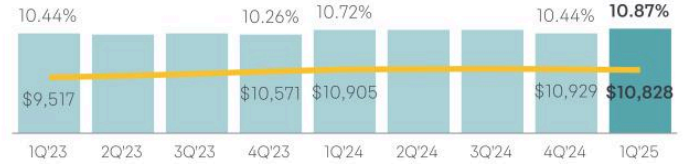
### 90+ days past due

\$mm, % of period-end loan receivables

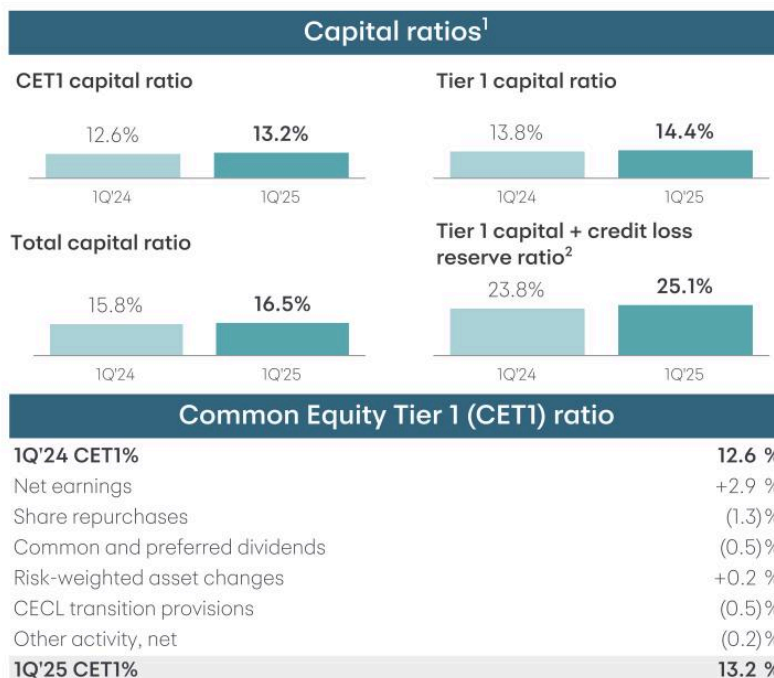


### Allowance for credit losses<sup>1</sup>

\$mm, % of period-end loan receivables



## Funding, capital and liquidity



## Baseline outlook

### Baseline economic assumptions:

- No deterioration in macroeconomic environment
- No changes to PPPCs already implemented
- No impact to consumer behavior from tariffs

Key drivers	FY 2025 Original	FY 2025 Revised	Commentary
Period-end loan receivables growth	Low single digit growth	✓	<ul style="list-style-type: none"> <li>• Purchase volume growth reflects the impact of credit actions and selective consumer behavior</li> <li>• Payment rate generally in-line with 2024</li> </ul>
Net revenue	\$15.2 – \$15.7bn	✓	<ul style="list-style-type: none"> <li>• Follow normal seasonal trends, adjusted for the following:               <ul style="list-style-type: none"> <li>– Growth in I&amp;F and Other income<sup>1</sup>, as the impact of our PPPCs builds partially offset by lower average benchmark rates and lower late fees</li> <li>– Lower funding cost due to lower benchmark rates as CD maturities reprice partially offset by lower yielding investment portfolio</li> </ul> </li> </ul>
RSA as % of average loan receivables	3.60 – 3.85%	3.70 – 3.85%	<ul style="list-style-type: none"> <li>• RSA increasing as program performance improves, driven by declining Net charge-offs and increasing impact of our PPPCs</li> </ul>
Net charge-offs	5.8 – 6.1%	5.8 – 6.0%	<ul style="list-style-type: none"> <li>• Generally follow seasonal trends in 2H</li> <li>• Improved range reflecting impact of credit actions</li> </ul>
Efficiency ratio	31.5 – 32.5%	✓	<ul style="list-style-type: none"> <li>• Remain focused on driving operating leverage</li> </ul>



## Transaction related activity and other notable items

The following table sets forth transaction related activity and notable Other expense items incurred during the periods indicated below.

\$ in millions

	Quarter Ended March 31	
	2025	2024
<b>Transaction related activity</b>		
<b>Disposition of Pets Best:</b>		
Total Other income - Pets Best gain on sale	\$—	\$1,069
Total Other expense - indirect sale-related expenses	—	3
<b>Total</b>	<b>\$—</b>	<b>\$1,066</b>
<b>Provision for credit losses - transaction related:</b>		
Ally Lending acquisition	\$—	\$190
Loan portfolio purchases	5	—
<b>Total</b>	<b>\$5</b>	<b>\$190</b>
<b>Notable Other expense items</b>		
Charitable contribution	\$15	\$—
Ally Lending restructuring charge	12	—
Preparatory expenses related to Late Fee rule change	1	7
<b>Total</b>	<b>\$28</b>	<b>\$7</b>



## Non-GAAP reconciliation\*

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

	At March 31	
	2025	2024
Tier 1 Capital	\$14,668	\$14,207
Less: CECL transition adjustment	—	(573)
<b>Tier 1 capital (CECL fully phased-in)</b>	<b>\$14,668</b>	<b>\$13,634</b>
Add: Allowance for credit losses	10,828	10,905
<b>Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses</b>	<b>\$25,496</b>	<b>\$24,539</b>
<b>Risk-weighted assets</b>	<b>\$101,625</b>	<b>\$103,242</b>
Less: CECL transition adjustment	—	(290)
<b>Risk-weighted assets (CECL fully phased-in)</b>	<b>\$101,625</b>	<b>\$102,952</b>

## Non-GAAP reconciliation (continued)

The following table sets forth a reconciliation between GAAP results and non-GAAP adjusted results.

\$ in millions

	1Q'25	4Q'24	3Q'24	2Q'24	1Q'24
<b>Tangible common equity (\$ in millions):</b>					
GAAP Total equity	\$16,581	\$16,580	\$15,980	\$15,540	\$15,282
Less: Preferred stock	(1,222)	(1,222)	(1,222)	(1,222)	(1,222)
Less: Goodwill	(1,274)	(1,274)	(1,274)	(1,274)	(1,073)
Less: Intangible assets, net	(847)	(854)	(765)	(776)	(800)
<b>Tangible common equity</b>	<b>\$13,238</b>	<b>\$13,230</b>	<b>\$12,719</b>	<b>\$12,268</b>	<b>\$12,187</b>
<b>Tangible book value per share:</b>					
Book value per share	\$40.37	\$39.55	\$37.92	\$36.24	\$35.03
Less: Goodwill	(3.35)	(3.28)	(3.27)	(3.23)	(2.68)
Less: Intangible assets, net	(2.23)	(2.20)	(1.97)	(1.96)	(1.99)
<b>Tangible book value per share</b>	<b>\$34.79</b>	<b>\$34.07</b>	<b>\$32.68</b>	<b>\$31.05</b>	<b>\$30.36</b>

## Non-GAAP reconciliation (continued)

The following table sets forth a reconciliation between GAAP results and non-GAAP adjusted results.

\$ in millions

	<u>Quarter Ended</u> <u>March 31, 2024</u>
<b>Net earnings:</b>	
Net earnings	\$1,293
Less: Pets Best gain on sale after-tax	<u>(802)</u>
Adjusted Net earnings	\$491
Preferred dividends	<u>(11)</u>
<b>Adjusted Net earnings available to common stockholders</b>	<b><u><u>\$480</u></u></b>
<b>Diluted earnings per share:</b>	
Diluted earnings per share	\$3.14
Less: Pets Best gain on sale impact	<u>(1.96)</u>
<b>Adjusted Diluted earnings per share</b>	<b><u><u>\$1.18</u></u></b>
<b>Return on assets:</b>	
Return on assets	4.4 %
Less: Pets Best gain on sale impact	<u>(2.7)%</u>
<b>Adjusted Return on assets</b>	<b><u><u>1.7 %</u></u></b>
<b>Efficiency ratio:</b>	
Efficiency ratio	25.1 %
Less: Pets Best gain on sale impact	<u>7.2 %</u>
<b>Adjusted Efficiency ratio</b>	<b><u><u>32.3 %</u></u></b>



**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 "adjusted" financial information and metrics in this Form 8-K and exhibits. Such measures have been adjusted to exclude the gain on sale recognized in our Condensed Consolidated Statement of Earnings in the first quarter of 2024 related to the disposition of Pets Best. These adjusted financial measures are not measures presented in accordance with GAAP. We believe the presentation of these adjusted financial measures is useful to investors as it provides more meaningful measures of the Company's ongoing performance. The reconciliations of these adjusted financial measures to the comparable GAAP financial measures are included in the detailed financial tables included in Exhibit 99.2.

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 measures we refer to as "return on tangible common equity" and "tangible book value per share" in this Form 8-K and exhibits. Tangible book value per share is calculated based on tangible common equity divided by common shares outstanding. Tangible common equity itself is not a measure presented in accordance with GAAP. We believe tangible common equity, and tangible book value per share, are more meaningful measures 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.