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

FORM 8-K

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

October 18, 2019
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**

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 October 18, 2019, Synchrony Financial (the "Company") issued a press release setting forth the Company's third quarter 2019 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 October 18, 2019, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended September 30, 2019
99.3	Financial Results Presentation of the Company for the quarter ended September 30, 2019
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: October 18, 2019	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

Number	Description
99.1	Press release, dated October 18, 2019, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended September 30, 2019
99.3	Financial Results Presentation of the Company for the quarter ended September 30, 2019
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

Investor Relations Media Relations
Greg Ketron Sue Bishop
(203) 585-6291 (203) 585-2802

For Immediate Release: October 18, 2019

Synchrony Financial Reports Third Quarter Net Earnings of $1.1 Billion or $1.60 Per Diluted Share

Includes Benefit from Walmart Portfolio Reserve Reduction of $0.38 Per Diluted Share

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced third quarter 2019 net earnings of $1.1 billion, or $1.60 per diluted share; this includes a $326 million pre-tax, $248 million after-tax, or $0.38 per diluted share benefit from a reduction in the reserve related to the sale of the Walmart consumer portfolio, which was completed in October. Highlights included*:

- Loan receivables decreased 5% to $83.2 billion; excluding the Walmart portfolio from both periods, loan receivables grew 6%
- Net interest income increased 4% to $4.4 billion
- Purchase volume grew 5% to $38.4 billion; and average active accounts grew 2% to 76.7 million
- Deposits grew $3.7 billion, or 6%, to $66.0 billion
- Completed the sale of the Walmart portfolio on October 11, 2019
- Expanded and extended key strategic consumer credit relationship with PayPal: will become the exclusive issuer of a Venmo co-branded consumer credit card, which is expected to launch in the second half of 2020, and extended existing PayPal relationship
- Renewed key Retail Card partnership: DICK'S Sporting Goods
- Renewed key Payment Solutions partnerships: Polaris, La-Z-Boy and Conn's HomePlus
- Expanded CareCredit credit card network to include 8,500+ Walgreens® and Duane Reade® stores and Loyale™ Healthcare and signed a new partnership with St. Luke’s University Health Network
- Paid quarterly common stock dividend of $0.22 per share and repurchased $550 million of Synchrony Financial common stock

“We continue to deliver strong results as we develop innovative and seamless digital consumer experiences driven by our technology and data investments. These capabilities have helped us grow organically, enabling the extension of key partnerships, while also helping us win new ones with fast-growing, digital-first partners. Our growth is supported by expanded acceptance and usage in our Home, Auto and CareCredit networks, and is funded through substantial growth in our direct-to-consumer deposit platform,” said Margaret Keane, Chief Executive Officer of Synchrony Financial. “Our focus is on executing a capital allocation strategy that drives strong growth at attractive risk adjusted returns, while maintaining a strong balance sheet and the ability to return capital to shareholders.”

** All comparisons are for the third quarter of 2019 compared to the third quarter of 2018, unless otherwise noted*

Business and Financial Highlights for the Third Quarter of 2019

All comparisons are for the third quarter of 2019 compared to the third quarter of 2018, unless otherwise noted.

Earnings

- Net interest income increased $183 million, or 4%, to $4.4 billion, primarily driven by loan receivables growth.
- Retailer share arrangements increased $145 million, or 17%, to $1.0 billion, mainly driven by improved program performance and growth in loan receivables.
- Provision for loan losses decreased $432 million, or 30%, to $1.0 billion, largely driven by the $326 million reserve reduction related to the Walmart portfolio.
- Other income increased $22 million, or 35%, to $85 million.
- Other expense increased $10 million, or 1%, to $1.1 billion.
- Net earnings totaled $1.1 billion compared to $671 million last year.

Balance Sheet

- Period-end loan receivables decreased 5%; excluding the Walmart portfolio from both periods, period-end loan receivables growth was 6%; purchase volume growth was 5% and average active accounts increased 2%.
- Deposits grew to $66.0 billion, up $3.7 billion, or 6%, and comprised 76% of funding.
- The Company's balance sheet remained strong with total liquidity (liquid assets and undrawn credit facilities) of $21.7 billion, or 20.5% of total assets.
- The estimated fully phased-in Common Equity Tier 1 ratio under Basel III was 14.5%, compared to 14.2%, reflecting the Company's strong capital generation capabilities while deploying capital through organic growth, program acquisitions, and continued execution of our capital plans.

Key Financial Metrics

- Return on assets was 3.9% and return on equity was 28.3%.
- Net interest margin was 16.29%.
- Efficiency ratio was 30.8%.

Credit Quality

- Loans 30+ days past due as a percentage of total period-end loan receivables were 4.47% compared to 4.59% last year; excluding the PayPal Credit program and the Walmart portfolio, the rate was flat compared to last year.
- Net charge-offs as a percentage of total average loan receivables were 5.35% compared to 4.97% last year; excluding the PayPal Credit program and the Walmart portfolio, the rate decreased approximately 20 basis points compared to last year.
- The allowance for loan losses as a percentage of total period-end loan receivables was 6.74% compared to 7.11% last year.

Sales Platforms

- Retail Card period-end loan receivables decreased 11%; excluding the Walmart portfolio from both periods, period-end loan receivables growth was 5% and driven by digital partners; interest and fees on loans increased 6%, primarily driven by loan receivables growth. Purchase volume growth was 5%, and average active accounts increased 1%.

- Payment Solutions period-end loan receivables grew 7%, led by home furnishings and power products. Interest and fees on loans increased 6%, primarily driven by the loan receivables growth. Purchase volume growth was 5% and average active accounts increased 3%.
- CareCredit period-end loan receivables grew 8%, led by dental and veterinary. Interest and fees on loans increased 9%, primarily driven by the loan receivables growth. Purchase volume growth was 10% and average active accounts increased 4%.

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, 2018, as filed February 15, 2019, and the Company's forthcoming Quarterly Report on Form 10-Q for the quarter ended September 30, 2019. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at www.investors.synchronyfinancial.com. This information is also furnished in a Current Report on Form 8-K filed with the SEC today.

Conference Call and Webcast Information

On Friday, October 18, 2019, at 7:30 a.m. Eastern Time, Margaret Keane, Chief Executive Officer, Brian Doubles, President, and Brian Wenzel, 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 be available on the website or by dialing (888) 843-7419 (U.S. domestic) or (630) 652-3042 (international), passcode 32019#, and can be accessed beginning approximately two hours after the event through November 1, 2019.

About Synchrony Financial

Synchrony Financial (NYSE: SYF) is a premier consumer financial services company delivering customized financing programs across key industries including retail, health, auto, travel and home, along with award-winning consumer banking products. With more than $140 billion in sales financed and 80.3 million active accounts, Synchrony Financial brings deep industry expertise, actionable data insights, innovative solutions and differentiated digital experiences to improve the success of every business we serve and the quality of each life we touch. More information can be found at www.synchronyfinancial.com and through Twitter: @Synchrony.

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; retaining existing partners and attracting new partners, concentration of our revenue in a small number of Retail Card partners, promotion and support of our products by our partners, and financial performance of our partners; cyber-attacks or other security breaches; 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; 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, the sufficiency of our allowance for loan losses and the accuracy of the assumptions or estimates used in preparing our financial statements; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third parties to provide various services that are important to our operations; disruptions in the operations of our computer systems and data centers; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; damage to our reputation; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; a material indemnification obligation to GE under the tax sharing and separation agreement with GE if we cause the split-off from GE or certain preliminary transactions to fail to qualify for tax-free treatment or in the case of certain significant transfers of our stock following the split-off; 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 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.

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, 2018, as filed on February 15, 2019. 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 certain “Core” financial measures that have been adjusted to exclude amounts related to the Walmart portfolio, 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							Nine Months Ended			
	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	3Q'19 vs. 3Q'18		Sep 30, 2019	Sep 30, 2018	YTD'19 vs. YTD'18	
EARNINGS											
Net interest income	$ 4,389	$ 4,155	$ 4,226	$ 4,333	$ 4,206	$ 183	4.4 %	$ 12,770	$ 11,785	$ 985	8.4 %
Retailer share arrangements	(1,016)	(859)	(954)	(855)	(871)	(145)	16.6 %	(2,829)	(2,244)	(585)	26.1 %
Provision for loan losses	1,019	1,198	859	1,452	1,451	(432)	(29.8)%	3,076	4,093	(1,017)	(24.8)%
Net interest income, after retailer share arrangements and provision for loan losses	2,354	2,098	2,413	2,026	1,884	470	24.9 %	6,865	5,448	1,417	26.0 %
Other income	85	90	92	64	63	22	34.9 %	267	201	66	32.8 %
Other expense	1,064	1,059	1,043	1,078	1,054	10	0.9 %	3,166	3,017	149	4.9 %
Earnings before provision for income taxes	1,375	1,129	1,462	1,012	893	482	54.0 %	3,966	2,632	1,334	50.7 %
Provision for income taxes	319	276	355	229	222	97	43.7 %	950	625	325	52.0 %
Net earnings	$ 1,056	$ 853	$ 1,107	$ 783	$ 671	$ 385	57.4 %	$ 3,016	$ 2,007	$ 1,009	50.3 %
Net earnings attributable to common stockholders	$ 1,056	$ 853	$ 1,107	$ 783	$ 671	$ 385	57.4 %	$ 3,016	$ 2,007	$ 1,009	50.3 %
COMMON SHARE STATISTICS											
Basic EPS	$ 1.60	$ 1.25	$ 1.57	$ 1.09	$ 0.91	$ 0.69	75.8 %	$ 4.42	$ 2.68	$ 1.74	64.9 %
Diluted EPS	$ 1.60	$ 1.24	$ 1.56	$ 1.09	$ 0.91	$ 0.69	75.8 %	$ 4.40	$ 2.66	$ 1.74	65.4 %
Dividend declared per share	$ 0.22	$ 0.21	$ 0.21	$ 0.21	$ 0.21	$ 0.01	4.8 %	$ 0.64	$ 0.51	$ 0.13	25.5 %
Common stock price	$ 34.09	$ 34.67	$ 31.90	$ 23.46	$ 31.08	$ 3.01	9.7 %	$ 34.09	$ 31.08	$ 3.01	9.7 %
Book value per share	$ 23.13	$ 22.03	$ 21.35	$ 20.42	$ 19.47	$ 3.66	18.8 %	$ 23.13	$ 19.47	$ 3.66	18.8 %
Tangible common equity per share(1)	$ 19.68	$ 18.60	$ 17.96	$ 17.41	$ 16.51	$ 3.17	19.2 %	$ 19.68	$ 16.51	$ 3.17	19.2 %
Beginning common shares outstanding	668.9	688.8	718.8	718.7	746.6	(77.7)	(10.4)%	718.8	770.5	(51.7)	(6.7)%
Issuance of common shares	—	—	—	—	—	—	— %	—	—	—	— %
Stock-based compensation	0.4	1.2	0.9	0.1	2.4	(2.0)	(83.3)%	2.5	2.9	(0.4)	(13.8)%
Shares repurchased	(15.6)	(21.1)	(30.9)	—	(30.3)	14.7	(48.5)%	(67.6)	(54.7)	(12.9)	23.6 %
Ending common shares outstanding	653.7	668.9	688.8	718.8	718.7	(65.0)	(9.0)%	653.7	718.7	(65.0)	(9.0)%
Weighted average common shares outstanding	658.3	683.6	706.3	718.7	734.9	(76.6)	(10.4)%	682.5	750.2	(67.7)	(9.0)%
Weighted average common shares outstanding (fully diluted)	661.7	686.5	708.9	720.9	738.8	(77.1)	(10.4)%	685.6	755.7	(70.1)	(9.3)%

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

SYNCHRONY FINANCIAL

SELECTED METRICS

(unaudited, $ in millions)

	Quarter Ended					3Q'19 vs. 3Q'18		Nine Months Ended		YTD'19 vs. YTD'18	
	Sep 30, 2019	**Jun 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sep 30, 2018**			**Sep 30, 2019**	**Sep 30, 2018**		
PERFORMANCE METRICS											
Return on assets[1]	3.9%	3.3%	4.3%	2.9%	2.7%		1.2 %	3.8%	2.8%		1.0 %
Return on equity[2]	28.3%	23.1%	30.4%	21.5%	18.5%		9.8 %	27.2%	18.7%		8.5 %
Return on tangible common equity[3]	33.4%	27.4%	35.8%	25.2%	21.5%		11.9 %	32.2%	21.5%		10.7 %
Net interest margin[4]	16.29%	15.75%	16.08%	16.06%	16.41%		(0.12)%	16.04%	15.94%		0.10 %
Efficiency ratio[5]	30.8%	31.3%	31.0%	30.4%	31.0%		(0.2)%	31.0%	31.0%		— %
Other expense as a % of average loan receivables, including held for sale	4.66%	4.78%	4.71%	4.79%	4.82%		(0.16)%	4.72%	4.96%		(0.24)%
Effective income tax rate	23.2%	24.4%	24.3%	22.6%	24.9%		(1.7)%	24.0%	23.7%		0.3 %
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	5.35%	6.01%	6.06%	5.54%	4.97%		0.38 %	5.80%	5.67%		0.13 %
30+ days past due as a % of period-end loan receivables[6]	4.47%	4.43%	4.92%	4.76%	4.59%		(0.12)%	4.47%	4.59%		(0.12)%
90+ days past due as a % of period-end loan receivables[6]	2.07%	2.16%	2.51%	2.29%	2.09%		(0.02)%	2.07%	2.09%		(0.02)%
Net charge-offs	$ 1,221	$ 1,331	$ 1,344	$ 1,248	$ 1,087	$ 134	12.3 %	$ 3,896	$ 3,444	$ 452	13.1 %
Loan receivables delinquent over 30 days[6]	$ 3,723	$ 3,625	$ 3,957	$ 4,430	$ 4,021	$ (298)	(7.4)%	$ 3,723	$ 4,021	$ (298)	(7.4)%
Loan receivables delinquent over 90 days[6]	$ 1,723	$ 1,768	$ 2,019	$ 2,135	$ 1,833	$ (110)	(6.0)%	$ 1,723	$ 1,833	$ (110)	(6.0)%
Allowance for loan losses (period-end)	$ 5,607	$ 5,809	$ 5,942	$ 6,427	$ 6,223	$ (616)	(9.9)%	$ 5,607	$ 6,223	$ (616)	(9.9)%
Allowance coverage ratio[7]	6.74%	7.10%	7.39%	6.90%	7.11%		(0.37)%	6.74%	7.11%		(0.37)%
BUSINESS METRICS											
Purchase volume[8][9]	$ 38,395	$ 38,291	$ 32,513	$ 40,320	$ 36,443	$ 1,952	5.4 %	$ 109,199	$ 100,337	$ 8,862	8.8 %
Period-end loan receivables	$ 83,207	$ 81,796	$ 80,405	$ 93,139	$ 87,521	$ (4,314)	(4.9)%	$ 83,207	$ 87,521	$ (4,314)	(4.9)%
Credit cards	$ 79,788	$ 78,446	$ 77,251	$ 89,994	$ 84,319	$ (4,531)	(5.4)%	$ 79,788	$ 84,319	$ (4,531)	(5.4)%
Consumer installment loans	$ 2,050	$ 1,983	$ 1,860	$ 1,845	$ 1,789	$ 261	14.6 %	$ 2,050	$ 1,789	$ 261	14.6 %
Commercial credit products	$ 1,317	$ 1,328	$ 1,256	$ 1,260	$ 1,353	$ (36)	(2.7)%	$ 1,317	$ 1,353	$ (36)	(2.7)%
Other	$ 52	$ 39	$ 38	$ 40	$ 60	$ (8)	(13.3)%	$ 52	$ 60	$ (8)	(13.3)%
Average loan receivables, including held for sale	$ 90,556	$ 88,792	$ 89,903	$ 89,340	$ 86,783	$ 3,773	4.3 %	$ 89,752	$ 81,270	$ 8,482	10.4 %
Period-end active accounts (in thousands)[9][10]	77,094	76,065	74,812	80,339	75,457	1,637	2.2 %	77,094	75,457	1,637	2.2 %
Average active accounts (in thousands)[9][10]	76,695	75,525	77,132	77,382	75,482	1,213	1.6 %	76,653	72,594	4,059	5.6 %
LIQUIDITY											
Liquid assets											
Cash and equivalents	$ 11,461	$ 11,755	$ 12,963	$ 9,396	$ 12,068	$ (607)	(5.0)%	$ 11,461	$ 12,068	$ (607)	(5.0)%
Total liquid assets	$ 15,201	$ 16,665	$ 17,360	$ 14,822	$ 18,214	$ (3,013)	(16.5)%	$ 15,201	$ 18,214	$ (3,013)	(16.5)%
Undrawn credit facilities											
Undrawn credit facilities	$ 6,500	$ 7,050	$ 6,050	$ 4,375	$ 5,125	$ 1,375	26.8 %	$ 6,500	$ 5,125	$ 1,375	26.8 %
Total liquid assets and undrawn credit facilities	$ 21,701	$ 23,715	$ 23,410	$ 19,197	$ 23,339	$ (1,638)	(7.0)%	$ 21,701	$ 23,339	$ (1,638)	(7.0)%
Liquid assets % of total assets	14.35%	15.66%	16.47%	13.88%	17.42%		(3.07)%	14.35%	17.42%		(3.07)%
Liquid assets including undrawn credit facilities % of total assets	20.48%	22.29%	22.21%	17.98%	22.32%		(1.84)%	20.48%	22.32%		(1.84)%

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

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

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

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

(5) Efficiency ratio represents (i) other expense, divided by (ii) net interest income, 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 loan 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							Nine Months Ended			
	Sep 30, 2019	**Jun 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sep 30, 2018**	**3Q'19 vs. 3Q'18**		**Sep 30, 2019**	**Sep 30, 2018**	**YTD'19 vs. YTD'18**	
Interest income:											
Interest and fees on loans	$ 4,890	$ 4,636	$ 4,687	$ 4,774	$ 4,617	$ 273	5.9 %	$ 14,213	$ 12,870	$ 1,343	10.4 %
Interest on cash and investment securities	91	102	99	102	77	14	18.2 %	292	242	50	20.7 %
Total interest income	4,981	4,738	4,786	4,876	4,694	287	6.1 %	14,505	13,112	1,393	10.6 %
Interest expense:											
Interest on deposits	411	397	375	350	314	97	30.9 %	1,183	836	347	41.5 %
Interest on borrowings of consolidated securitization entities	88	90	100	104	86	2	2.3 %	278	240	38	15.8 %
Interest on senior unsecured notes	93	96	85	89	88	5	5.7 %	274	251	23	9.2 %
Total interest expense	592	583	560	543	488	104	21.3 %	1,735	1,327	408	30.7 %
Net interest income	4,389	4,155	4,226	4,333	4,206	183	4.4 %	12,770	11,785	985	8.4 %
Retailer share arrangements	(1,016)	(859)	(954)	(855)	(871)	(145)	16.6 %	(2,829)	(2,244)	(585)	26.1 %
Provision for loan losses	1,019	1,198	859	1,452	1,451	(432)	(29.8)%	3,076	4,093	(1,017)	(24.8)%
Net interest income, after retailer share arrangements and provision for loan losses	2,354	2,098	2,413	2,026	1,884	470	24.9 %	6,865	5,448	1,417	26.0 %
Other income:											
Interchange revenue	197	194	165	193	182	15	8.2 %	556	517	39	7.5 %
Debt cancellation fees	64	69	68	70	65	(1)	(1.5)%	201	197	4	2.0 %
Loyalty programs	(203)	(192)	(167)	(208)	(196)	(7)	3.6 %	(562)	(543)	(19)	3.5 %
Other	27	19	26	9	12	15	125.0 %	72	30	42	140.0 %
Total other income	85	90	92	64	63	22	34.9 %	267	201	66	32.8 %
Other expense:											
Employee costs	359	358	353	353	365	(6)	(1.6)%	1,070	1,074	(4)	(0.4)%
Professional fees	205	231	232	231	232	(27)	(11.6)%	668	575	93	16.2 %
Marketing and business development	139	135	123	166	131	8	6.1 %	397	362	35	9.7 %
Information processing	127	123	113	118	105	22	21.0 %	363	308	55	17.9 %
Other	234	212	222	210	221	13	5.9 %	668	698	(30)	(4.3)%
Total other expense	1,064	1,059	1,043	1,078	1,054	10	0.9 %	3,166	3,017	149	4.9 %
Earnings before provision for income taxes	1,375	1,129	1,462	1,012	893	482	54.0 %	3,966	2,632	1,334	50.7 %
Provision for income taxes	319	276	355	229	222	97	43.7 %	950	625	325	52.0 %
Net earnings attributable to common shareholders	$ 1,056	$ 853	$ 1,107	$ 783	$ 671	$ 385	57.4 %	$ 3,016	$ 2,007	$ 1,009	50.3 %

SYNCHRONY FINANCIAL

STATEMENTS OF FINANCIAL POSITION

(unaudited, $ in millions)

	Quarter Ended						
	Sep 30, 2019	Jun 30, 2019	Mar 31, 2019	Dec 31, 2018	Sep 30, 2018	Sep 30, 2019 vs. Sep 30, 2018	
Assets							
Cash and equivalents	$ 11,461	$ 11,755	$ 12,963	$ 9,396	$ 12,068	$ (607)	(5.0)%
Debt securities	4,584	6,147	5,506	6,062	7,281	(2,697)	(37.0)%
Loan receivables:							
Unsecuritized loans held for investment	56,220	55,178	54,907	64,969	59,868	(3,648)	(6.1)%
Restricted loans of consolidated securitization entities	26,987	26,618	25,498	28,170	27,653	(666)	(2.4)%
Total loan receivables	83,207	81,796	80,405	93,139	87,521	(4,314)	(4.9)%
Less: Allowance for loan losses	(5,607)	(5,809)	(5,942)	(6,427)	(6,223)	616	(9.9)%
Loan receivables, net	77,600	75,987	74,463	86,712	81,298	(3,698)	(4.5)%
Loan receivables held for sale	8,182	8,096	8,052	—	—	8,182	NM
Goodwill	1,078	1,078	1,076	1,024	1,024	54	5.3 %
Intangible assets, net	1,177	1,215	1,259	1,137	1,105	72	6.5 %
Other assets	1,861	2,110	2,065	2,461	1,769	92	5.2 %
Total assets	$ 105,943	$ 106,388	$ 105,384	$ 106,792	$ 104,545	$ 1,398	1.3 %
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 65,677	$ 65,382	$ 63,787	$ 63,738	$ 62,030	$ 3,647	5.9 %
Non-interest-bearing deposit accounts	295	263	273	281	287	8	2.8 %
Total deposits	65,972	65,645	64,060	64,019	62,317	3,655	5.9 %
Borrowings:							
Borrowings of consolidated securitization entities	10,912	11,941	12,091	14,439	14,187	(3,275)	(23.1)%
Senior unsecured notes	9,451	9,303	9,800	9,557	9,554	(103)	(1.1)%
Total borrowings	20,363	21,244	21,891	23,996	23,741	(3,378)	(14.2)%
Accrued expenses and other liabilities	4,488	4,765	4,724	4,099	4,491	(3)	(0.1)%
Total liabilities	90,823	91,654	90,675	92,114	90,549	274	0.3 %
Equity:							
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,520	9,500	9,489	9,482	9,470	50	0.5 %
Retained earnings	11,533	10,627	9,939	8,986	8,355	3,178	38.0 %
Accumulated other comprehensive income:	(44)	(43)	(56)	(62)	(99)	55	(55.6)%
Treasury Stock	(5,890)	(5,351)	(4,664)	(3,729)	(3,731)	(2,159)	57.9 %
Total equity	15,120	14,734	14,709	14,678	13,996	1,124	8.0 %
Total liabilities and equity	$ 105,943	$ 106,388	$ 105,384	$ 106,792	$ 104,545	$ 1,398	1.3 %

SYNCHRONY FINANCIAL

AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN

(unaudited, $ in millions)

	Quarter Ended														
	Sep 30, 2019			**Jun 30, 2019**			**Mar 31, 2019**			**Dec 31, 2018**			**Sep 30, 2018**		
	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	$ 10,947	$ 59	2.14%	$ 10,989	$ 66	2.41%	$ 11,033	$ 65	2.39%	$ 10,856	$ 62	2.27%	$ 7,901	$ 39	1.96%
Securities available for sale	5,389	32	2.36%	6,010	36	2.40%	5,640	34	2.44%	6,837	40	2.32%	7,022	38	2.15%
Loan receivables:															
Credit cards, including held for sale	87,156	4,807	21.88%	85,488	4,557	21.38%	86,768	4,611	21.55%	86,131	4,695	21.63%	83,609	4,538	21.53%
Consumer installment loans	2,022	48	9.42%	1,924	44	9.17%	1,844	42	9.24%	1,815	42	9.18%	1,753	41	9.28%
Commercial credit products	1,329	35	10.45%	1,330	34	10.25%	1,252	34	11.01%	1,344	37	10.92%	1,355	37	10.83%
Other	49	—	—%	50	1	NM	39	—	—%	50	—	—%	66	1	NM
Total loan receivables, including held for sale	90,556	4,890	21.42%	88,792	4,636	20.94%	89,903	4,687	21.14%	89,340	4,774	21.20%	86,783	4,617	21.11%
Total interest-earning assets	106,892	4,981	18.49%	105,791	4,738	17.96%	106,576	4,786	18.21%	107,033	4,876	18.07%	101,706	4,694	18.31%
Non-interest-earning assets:															
Cash and due from banks	1,374			1,271			1,335			1,320			1,217		
Allowance for loan losses	(5,773)			(5,911)			(6,341)			(6,259)			(5,956)		
Other assets	3,920			3,752			3,729			3,688			3,482		
Total non-interest-earning assets	(479)			(888)			(1,277)			(1,251)			(1,257)		
Total assets	$ 106,413			$ 104,903			$ 105,299			$ 105,782			$ 100,449		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 65,615	$ 411	2.49%	$ 64,226	$ 397	2.48%	$ 63,776	$ 375	2.38%	$ 62,999	$ 350	2.20%	$ 60,123	$ 314	2.07%
Borrowings of consolidated securitization entities	11,770	88	2.97%	11,785	90	3.06%	13,407	100	3.02%	14,223	104	2.90%	12,306	86	2.77%
Senior unsecured notes	9,347	93	3.95%	9,543	96	4.03%	8,892	85	3.88%	9,554	89	3.70%	9,552	88	3.66%
Total interest-bearing liabilities	86,732	592	2.71%	85,554	583	2.73%	86,075	560	2.64%	86,776	543	2.48%	81,981	488	2.36%
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	283			271			286			284			275		
Other liabilities	4,570			4,260			4,148			4,283			3,772		
Total non-interest-bearing liabilities	4,853			4,531			4,434			4,567			4,047		
Total liabilities	91,585			90,085			90,509			91,343			86,028		
Equity															
Total equity	14,828			14,818			14,790			14,439			14,421		
Total liabilities and equity	$ 106,413			$ 104,903			$ 105,299			$ 105,782			$ 100,449		
Net interest income		$ 4,389			$ 4,155			$ 4,226			$ 4,333			$ 4,206	
Interest rate spread(1)			15.78%			15.23%			15.57%			15.59%			15.95%
Net interest margin(2)			16.29%			15.75%			16.08%			16.06%			16.41%

(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)

	Nine Months Ended Sep 30, 2019			Nine Months Ended Sep 30, 2018		
	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	$ 10,989	$ 190	2.31%	$ 11,128	$ 145	1.74%
Securities available for sale	5,679	102	2.40%	6,475	97	2.00%
Loan receivables:						
Credit cards, including held for sale	86,471	13,975	21.61%	78,227	12,647	21.62%
Consumer installment loans	1,931	134	9.28%	1,658	114	9.19%
Commercial credit products	1,304	103	10.56%	1,329	107	10.76%
Other	46	1	2.91%	56	2	4.77%
Total loan receivables, including held for sale	89,752	14,213	21.17%	81,270	12,870	21.17%
Total interest-earning assets	106,420	14,505	18.22%	98,873	13,112	17.73%
Non-interest-earning assets:						
Cash and due from banks	1,327			1,192		
Allowance for loan losses	(6,006)			(5,779)		
Other assets	3,801			3,188		
Total non-interest-earning assets	(878)			(1,399)		
Total assets	$ 105,542			$ 97,474		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 64,546	$ 1,183	2.45%	$ 57,941	$ 836	1.93%
Borrowings of consolidated securitization entities	12,315	278	3.02%	12,178	240	2.63%
Senior unsecured notes	9,262	274	3.96%	9,156	251	3.67%
Total interest-bearing liabilities	86,123	1,735	2.69%	79,275	1,327	2.24%
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	280			282		
Other liabilities	4,327			3,548		
Total non-interest-bearing liabilities	4,607			3,830		
Total liabilities	90,730			83,105		
Equity						
Total equity	14,812			14,369		
Total liabilities and equity	$ 105,542			$ 97,474		
Net interest income		$ 12,770			$ 11,785	
Interest rate spread(1)			15.53%			15.49%
Net interest margin(2)			16.04%			15.94%

(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											
		Sep 30, 2019		Jun 30, 2019		Mar 31, 2019		Dec 31, 2018		Sep 30, 2018	Sep 30, 2019 vs. Sep 30, 2018	
BALANCE SHEET STATISTICS												
Total common equity	$	15,120	$	14,734	$	14,709	$	14,678	$	13,996	$ 1,124	8.0%
Total common equity as a % of total assets		14.27%		13.85%		13.96%		13.74%		13.39%		0.88%
Tangible assets	$	103,688	$	104,095	$	103,049	$	104,631	$	102,416	$ 1,272	1.2%
Tangible common equity[1]	$	12,865	$	12,441	$	12,374	$	12,517	$	11,867	$ 998	8.4%
Tangible common equity as a % of tangible assets[1]		12.41%		11.95%		12.01%		11.96%		11.59%		0.82%
Tangible common equity per share[1]	$	19.68	$	18.60	$	17.96	$	17.41	$	16.51	$ 3.17	19.2%

REGULATORY CAPITAL RATIOS[2]	Basel III Fully Phased-in				
Total risk-based capital ratio[3]	15.8%	15.6%	15.8%	15.3%	15.5%
Tier 1 risk-based capital ratio[4]	14.5%	14.3%	14.5%	14.0%	14.2%
Tier 1 leverage ratio[5]	12.6%	12.4%	12.3%	12.3%	12.3%
Common equity Tier 1 capital ratio	14.5%	14.3%	14.5%	14.0%	14.2%

(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 metrics at September 30, 2019 are preliminary and therefore subject to change.

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

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

(5) Tier 1 leverage ratio is the ratio of Tier 1 capital divided by total average assets, after certain adjustments. Tier 1 leverage ratios are based upon the use of daily averages for all periods presented.

SYNCHRONY FINANCIAL

PLATFORM RESULTS

(unaudited, $ in millions)

	Quarter Ended							Nine Months Ended			
	Sep 30, 2019	**Jun 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sep 30, 2018**	**3Q'19 vs. 3Q'18**		**Sep 30, 2019**	**Sep 30, 2018**	**YTD'19 vs. YTD'18**	
RETAIL CARD[1]											
Purchase volume[2][3]	$ 29,282	$ 29,530	$ 24,660	$ 31,755	$ 27,863	$ 1,419	5.1 %	$ 83,472	$ 75,930	$ 7,542	9.9 %
Period-end loan receivables	$ 52,697	$ 52,307	$ 51,572	$ 63,827	$ 59,139	$ (6,442)	(10.9)%	$ 52,697	$ 59,139	$ (6,442)	(10.9)%
Average loan receivables, including held for sale	$ 60,660	$ 59,861	$ 60,964	$ 60,604	$ 58,964	$ 1,696	2.9 %	$ 60,494	$ 54,101	$ 6,393	11.8 %
Average active accounts (in thousands)[3][4]	58,082	57,212	58,632	58,962	57,459	623	1.1 %	58,156	54,717	3,439	6.3 %
Interest and fees on loans	$ 3,570	$ 3,390	$ 3,454	$ 3,502	$ 3,383	$ 187	5.5 %	$ 10,414	$ 9,313	$ 1,101	11.8 %
Other income	$ 65	$ 59	$ 76	$ 59	$ 57	$ 8	14.0 %	$ 200	$ 180	$ 20	11.1 %
Retailer share arrangements	$ (998)	$ (836)	$ (940)	$ (825)	$ (844)	$ (154)	18.2 %	$ (2,774)	$ (2,189)	$ (585)	26.7 %
PAYMENT SOLUTIONS[1]											
Purchase volume[2]	$ 6,281	$ 5,948	$ 5,249	$ 6,035	$ 6,007	$ 274	4.6 %	$ 17,478	$ 16,773	$ 705	4.2 %
Period-end loan receivables	$ 20,478	$ 19,766	$ 19,379	$ 19,815	$ 19,064	$ 1,414	7.4 %	$ 20,478	$ 19,064	$ 1,414	7.4 %
Average loan receivables, including held for sale	$ 20,051	$ 19,409	$ 19,497	$ 19,333	$ 18,659	$ 1,392	7.5 %	$ 19,654	$ 18,231	$ 1,423	7.8 %
Average active accounts (in thousands)[4]	12,384	12,227	12,406	12,350	12,062	322	2.7 %	12,354	11,992	362	3.0 %
Interest and fees on loans	$ 721	$ 685	$ 686	$ 708	$ 683	$ 38	5.6 %	$ 2,092	$ 1,970	$ 122	6.2 %
Other income	$ (1)	$ 11	$ 1	$ (2)	$ (2)	$ 1	(50.0)%	$ 11	$ (6)	$ 17	NM
Retailer share arrangements	$ (15)	$ (21)	$ (12)	$ (25)	$ (24)	$ 9	(37.5)%	$ (48)	$ (48)	$ —	— %
CARECREDIT											
Purchase volume[2]	$ 2,832	$ 2,813	$ 2,604	$ 2,530	$ 2,573	$ 259	10.1 %	$ 8,249	$ 7,634	$ 615	8.1 %
Period-end loan receivables	$ 10,032	$ 9,723	$ 9,454	$ 9,497	$ 9,318	$ 714	7.7 %	$ 10,032	$ 9,318	$ 714	7.7 %
Average loan receivables, including held for sale	$ 9,845	$ 9,522	$ 9,442	$ 9,403	$ 9,160	$ 685	7.5 %	$ 9,604	$ 8,938	$ 666	7.5 %
Average active accounts (in thousands)[4]	6,229	6,086	6,094	6,070	5,961	268	4.5 %	6,143	5,885	258	4.4 %
Interest and fees on loans	$ 599	$ 561	$ 547	$ 564	$ 551	$ 48	8.7 %	$ 1,707	$ 1,587	$ 120	7.6 %
Other income	$ 21	$ 20	$ 15	$ 7	$ 8	$ 13	162.5 %	$ 56	$ 27	$ 29	107.4 %
Retailer share arrangements	$ (3)	$ (2)	$ (2)	$ (5)	$ (3)	$ —	— %	$ (7)	$ (7)	$ —	— %
TOTAL SYF											
Purchase volume[2][3]	$ 38,395	$ 38,291	$ 32,513	$ 40,320	$ 36,443	$ 1,952	5.4 %	$ 109,199	$ 100,337	$ 8,862	8.8 %
Period-end loan receivables	$ 83,207	$ 81,796	$ 80,405	$ 93,139	$ 87,521	$ (4,314)	(4.9)%	$ 83,207	$ 87,521	$ (4,314)	(4.9)%
Average loan receivables, including held for sale	$ 90,556	$ 88,792	$ 89,903	$ 89,340	$ 86,783	$ 3,773	4.3 %	$ 89,752	$ 81,270	$ 8,482	10.4 %
Average active accounts (in thousands)[3][4]	76,695	75,525	77,132	77,382	75,482	1,213	1.6 %	76,653	72,594	4,059	5.6 %
Interest and fees on loans	$ 4,890	$ 4,636	$ 4,687	$ 4,774	$ 4,617	$ 273	5.9 %	$ 14,213	$ 12,870	$ 1,343	10.4 %
Other income	$ 85	$ 90	$ 92	$ 64	$ 63	$ 22	34.9 %	$ 267	$ 201	$ 66	32.8 %
Retailer share arrangements	$ (1,016)	$ (859)	$ (954)	$ (855)	$ (871)	$ (145)	16.6 %	$ (2,829)	$ (2,244)	$ (585)	26.1 %

(1) Beginning in 1Q 2019, our Oil and Gas retail credit programs are now included in our Payment Solutions sales platform. Prior period financial and operating metrics for Retail Card and Payment Solutions have been recast to reflect the current period presentation.

(2) 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.

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

(4) 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[(1)]

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

	Quarter Ended				
	Sep 30, 2019	**Jun 30, 2019**	**Mar 31, 2019**	**Dec 31, 2018**	**Sep 30, 2018**
COMMON EQUITY MEASURES					
GAAP Total common equity	$ 15,120	$ 14,734	$ 14,709	$ 14,678	$ 13,996
Less: Goodwill	(1,078)	(1,078)	(1,076)	(1,024)	(1,024)
Less: Intangible assets, net	(1,177)	(1,215)	(1,259)	(1,137)	(1,105)
Tangible common equity	$ 12,865	$ 12,441	$ 12,374	$ 12,517	$ 11,867
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	290	283	287	284	311
Basel III - Common equity Tier 1 (fully phased-in)	$ 13,155	$ 12,724	$ 12,661	$ 12,801	$ 12,178
RISK-BASED CAPITAL					
Common equity Tier 1	$ 13,155	$ 12,724	$ 12,661	$ 12,801	$ 12,178
Add: Allowance for loan losses includible in risk-based capital	1,190	1,169	1,152	1,212	1,137
Risk-based capital	$ 14,345	$ 13,893	$ 13,813	$ 14,013	$ 13,315
ASSET MEASURES					
Total average assets	$ 106,413	$ 104,903	$ 105,299	$ 105,782	$ 100,449
Adjustments for:					
Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(1,975)	(2,003)	(2,039)	(1,845)	(1,836)
Total assets for leverage purposes	$ 104,438	$ 102,900	$ 103,260	$ 103,937	$ 98,613
Risk-weighted assets - Basel III (fully phased-in)	$ 90,772	$ 88,890	$ 87,331	$ 91,742	$ 85,941
CORE LOAN RECEIVABLES					
Loan receivables	$ 83,207	$ 81,796	$ 80,405	$ 93,139	$ 87,521
Less: Walmart receivables	(112)	(431)	(692)	(9,519)	(9,217)
Core Loan receivables	$ 83,095	$ 81,365	$ 79,713	$ 83,620	$ 78,304
Retail Card Loan receivables[(2)]	$ 52,697	$ 52,307	$ 51,572	$ 63,827	$ 59,139
Less: Walmart receivables	(112)	(431)	(692)	(9,519)	(9,217)
Core Retail Card Loan receivables	$ 52,585	$ 51,876	$ 50,880	$ 54,308	$ 49,922
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 23.13	$ 22.03	$ 21.35	$ 20.42	$ 19.47
Less: Goodwill	(1.65)	(1.61)	(1.56)	(1.42)	(1.42)
Less: Intangible assets, net	(1.80)	(1.82)	(1.83)	(1.59)	(1.54)
Tangible common equity per share	$ 19.68	$ 18.60	$ 17.96	$ 17.41	$ 16.51

(1) Regulatory measures at September 30, 2019 are presented on an estimated basis.

(2) Beginning in 1Q 2019, our Oil and Gas retail credit programs are now included in our Payment Solutions sales platform. Prior period financial and operating metrics for Retail Card and Payment Solutions have been recast to reflect the current period presentation.

Exhibit 99.3

3Q'19 Financial Results
October 18, 2019

synchrony FINANCIAL

Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

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

This presentation contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "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; retaining existing partners and attracting new partners, concentration of our revenue in a small number of Retail Card partners, promotion and support of our products by our partners, and financial performance of our partners; cyber-attacks or other security breaches; 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; 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, the sufficiency of our allowance for loan losses and the accuracy of the assumptions or estimates used in preparing our financial statements; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third parties to provide various services that are important to our operations; disruptions in the operations of our computer systems and data centers; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; damage to our reputation; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; a material indemnification obligation to GE under the Tax Sharing and Separation Agreement with GE if we cause the split-off from GE or certain preliminary transactions to fail to qualify for tax-free treatment or in the case of certain significant transfers of our stock following the split-off; 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 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.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as filed on February 15, 2019. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law. Differences between this presentation and the supplemental financials may occur due to rounding.

3Q'19 Highlights

Financial Highlights

- $1.056 billion Net earnings, $1.60 diluted EPS
  - Reduction in the reserve related to the Walmart consumer portfolio sale completed in October was $326 million, or $248 million after-tax; EPS benefit of $0.38
- Strong growth metrics
  - Loan receivables down 5%; up 6%[a] on a core basis
  - Net interest income up 4%
  - Purchase volume up 5%
  - Average active accounts up 2%
- Net charge-offs 5.35% compared to 4.97% in the prior year
- Provision for loan losses down 30% primarily driven by the reduction in reserves related to the Walmart portfolio
- Efficiency ratio 30.8% compared to 31.0% in the prior year
- Deposits up $3.7 billion compared to prior year
- Strong capital and liquidity
  - 14.5% CET1 & $15.2 billion liquid assets
  - Returned $695 million in capital through $550 million of share repurchases and $145 million in dividends

Business Highlights

- Expanded and extended key partnership

venmo PayPal

- Renewed and extended key relationships

GOLF GALAXY · EVERY SEASON STARTS AT DICK'S SPORTING GOODS · FIELD & STREAM

POLARIS

LA-Z-BOY · Conn's HomePlus

- Expanded our CareCredit network and partnerships

St Luke's UNIVERSITY HEALTH NETWORK · Loyale

(a) Loan receivables shown above on a Core basis is a non-GAAP measure and excludes from both the prior year and the current year amounts related to the Walmart portfolio. See non-GAAP reconciliation in the appendix

Platform Results[a]

Retail Card[b]

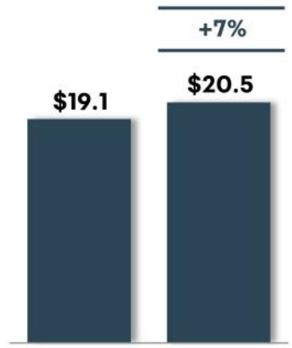
Loan receivables, $ in billions

	3Q'18	3Q'19	V%
Purchase volume	$27.8	$29.3	+5%
Accounts	57.4	58.1	+1%
Interest and fees on loans	$3,383	$3,570	+6%

- Decline due to Walmart portfolio; solid Core receivable growth driven by digital partners
- Interest and Fees on Loans up 6% driven by receivable growth

Payment Solutions[b]

Loan receivables, $ in billions



	3Q'18	3Q'19	V%
Purchase volume	$6.0	$6.3	+5%
Accounts	12.1	12.4	+3%
Interest and fees on loans	$683	$721	+6%

- Strong growth led by home furnishings and power
- Interest and Fees on Loans up 6% driven by receivable growth

CareCredit

Loan receivables, $ in billions

	3Q'18	3Q'19	V%
Purchase volume	$2.6	$2.8	+10%
Accounts	6.0	6.2	+4%
Interest and fees on loans	$551	$599	+9%

- Strong growth led by dental and veterinary
- Interest and Fees on Loans up 9% driven by receivable growth

(a) Accounts represent average active accounts in millions, which are credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month. Purchase volume $ in billions and Interest and fees on loans $ in millions
(b) Beginning in 1Q 2019, our Oil and Gas retail partners are now included in our Payment Solutions sales platform. Prior period financial and operating metrics for Retail Card and Payment Solutions have been recast to reflect the current period presentation
(c) Loan receivables shown above on a Core basis is a non-GAAP measure and excludes from both the prior year and the current year amounts related to the Walmart portfolio. See non-GAAP reconciliation in the appendix

Growing the Direct to Consumer Channel

Objective

Become a leading digital bank with competitive products and capabilities that drive deeper customer relationships and address SYF's funding needs, while launching innovative lending products

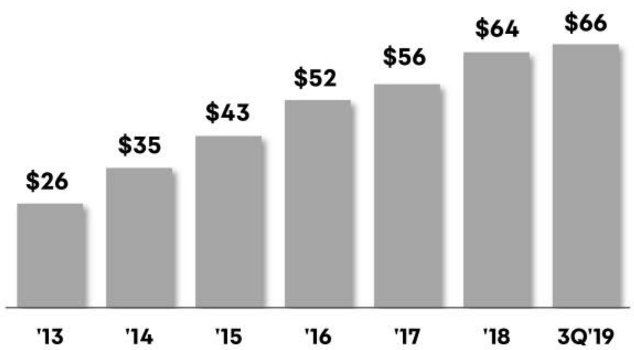
	Deposits	Lending
CURRENT	• Continuing to support Synchrony's funding needs through traditional products • Focus on reducing rate sensitivity and acquisition costs	• Successful conversion of Toys R Us accounts to Synchrony Mastercard® • Leveraging customer insights and data to test GPCC value proposition & features with consumers
FUTURE	• Investing in additional capabilities for future growth • Enhanced features and customer service • Differentiated rewards and loyalty programs	• Disciplined approach to future product offerings, value propositions and features • Targeted customer segments with focus on attractive returns

Synchrony Deposit Products

Deposit Balances

$ in billions

+20%
CAGR vs. 5% for industry[a]

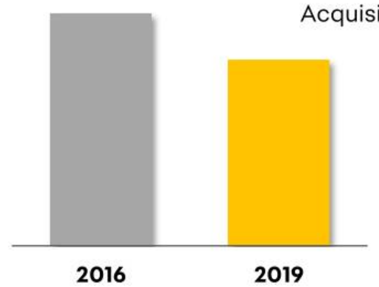


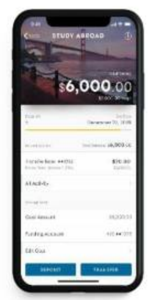
Rate Rank[b]	**#1 →**	**#19**

Strong deposit growth while reducing our reliance on rate

Acquisition Costs

~(20)%
Reduction in Acquisition Cost





- ✓ Investments in digital marketing reducing our acquisition costs
- ✓ New Native App with personalized content
- ✓ Strong foundation for future products and features

(a) Compound Annual Growth Rate "CAGR" 2013-2018. Industry based on savings balance CAGR 2013–2Q'18 per Novantas Review Fall 2018
(b) Rankings based on Savings product in June '16 & October '19 per Bank Rate (excludes MMA)

Synchrony Mastercard®

Sales / Active Account

~40%[(a)]
Increase in Sales / Active Account

Balance / Active Account

~50%
Increase in Balance / Active Account

Highlights

- ✓ Attractive 2% Cash Back value proposition plus spend incentives at launch
- ✓ Strong activation and repeat usage … good balance growth since conversion
- ✓ Testing optimal combination of promotional offers, go to APRs, and credit line assignment

synchrony FINANCIAL

(a) Toys R Us portfolio converted to the Synchrony branded Mastercard in May 2018 . The pre-period is June '17 to May '18 and post-period is June '18 to May '19.

Financial Results

Summary earnings statement

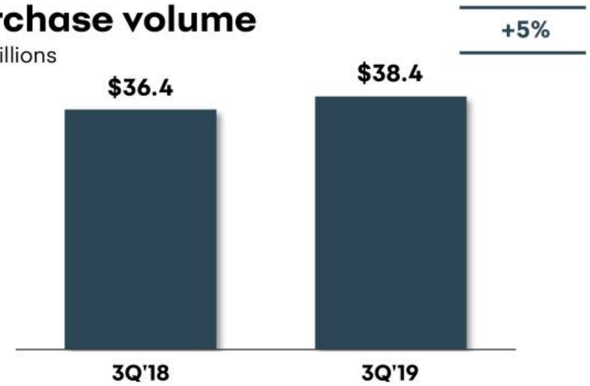
$ in millions, except per share statistics	3Q'19	3Q'18	B/(W) $	B/(W) %
Total interest income	$4,981	$4,694	$287	6%
Total interest expense	592	488	(104)	(21)%
Net interest income (NII)	**4,389**	**4,206**	**183**	**4%**
Retailer share arrangements (RSA)	(1,016)	(871)	(145)	(17)%
Provision for loan losses	1,019	1,451	432	30%
Other income	85	63	22	35%
Other expense	1,064	1,054	(10)	(1)%
Pre-Tax earnings	**1,375**	**893**	**482**	**54%**
Provision for income taxes	319	222	(97)	(44)%
Net earnings	**$1,056**	**$671**	**$385**	**57%**
Diluted earnings per share	**$1.60**	**$0.91**	**$0.69**	

3Q'19 Highlights

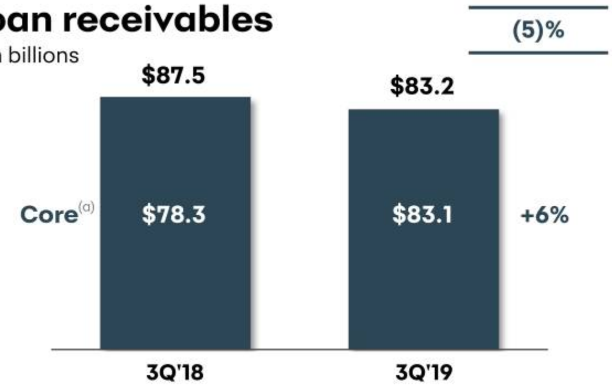
- **$1.056 billion Net earnings, $1.60 diluted EPS**
- **Net interest income up 4% driven by growth in Loan receivables**
  - Interest and fees on loans up 6% driven by average loan receivables growth
  - Interest expense increase driven primarily by increased benchmark rates and growth
- **Retailer share arrangements up 17%**
  - Increase driven by improved performance and growth
- **Provision for loan losses down 30% primarily driven by the reduction in reserves related to the Walmart portfolio**
  - Net charge-offs of 5.35% compared to 4.97% in the prior year
- **Other expense is up 1% driven by growth**

Growth Metrics

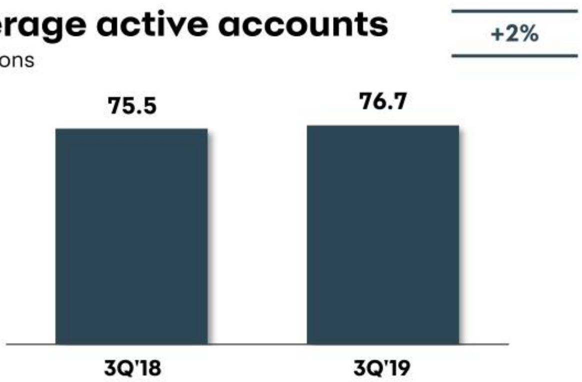
Purchase volume
$ in billions



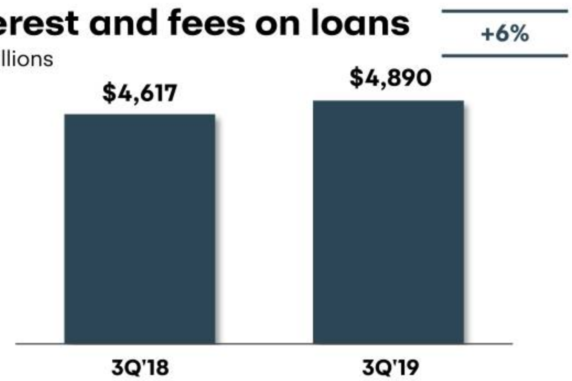
Loan receivables
$ in billions



Average active accounts
in millions



Interest and fees on loans
$ in millions

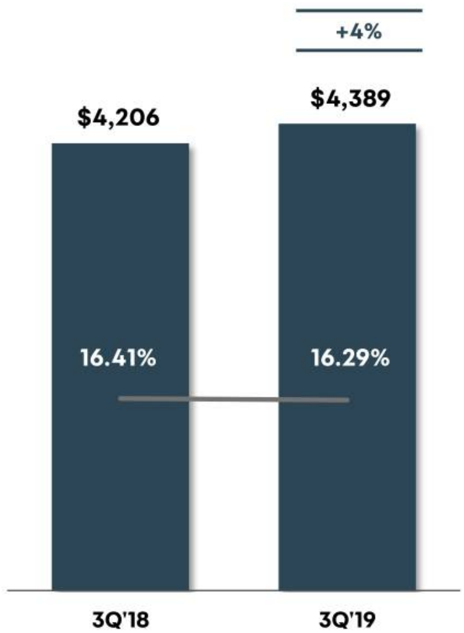


(a) Loan receivables shown above on a Core basis is a non-GAAP measure and excludes from both the prior year and the current year amounts related to the Walmart portfolio. See non-GAAP reconciliation in the appendix

Net Interest Income

Net interest income

$ in millions, % of average interest-earning assets



3Q'19 Highlights

- **Net interest income increased 4% compared to prior year driven by growth in Loan receivables**
  - Interest and fees on loans increased 6% compared to prior year driven by average loan receivables growth
- **Net interest margin down 12bps.**
  - Loan receivables mix as a percent of total Earning Assets decreased slightly from 85.3% to 84.7%
  - Loan receivables yield 21.42%, up 31bps. versus prior year which included purchase accounting impact from PayPal Credit program
  - Total interest-bearing liabilities cost increased 35bps. to 2.71%, due primarily to increased benchmark rates

synchrony FINANCIAL

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 loan losses

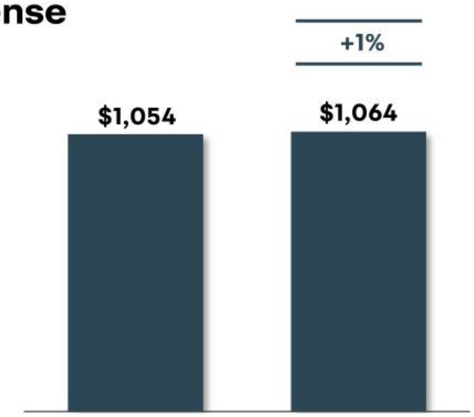
$ in millions, % of period-end loan receivables

(a) Excluding the PayPal Credit program and Walmart Portfolio, 3Q'19 30+ rate was flat versus 3Q'18
(b) Excluding the PayPal Credit program and Walmart Portfolio, 3Q'19 net charge-off rate was down ~20bps. versus 3Q'18
(c) Excluding the PayPal Credit program and Walmart Portfolio, 3Q'19 90+ rate was down ~5bps versus 3Q'18

Other Expense

Other expense

$ in millions



	3Q'18	3Q'19	V$	V%
Employee costs	$365	$359	$(6)	(2)%
Professional fees	232	205	(27)	(12)%
Marketing/BD	131	139	8	6%
Information processing	105	127	22	21%
Other	221	234	13	6%
Other expense	$1,054	$1,064	$10	1%
Efficiency[a]	**31.0%**	**30.8%**	**(0.2) pts.**	

3Q'19 Highlights

- **Other expense is up 1% driven by growth**
- **Efficiency ratio 30.8% vs. 31.0% prior year**

(a) "Other expense" divided by sum of "NII" plus "Other income" less "Retailer share arrangements (RSA)"

Funding, Capital and Liquidity

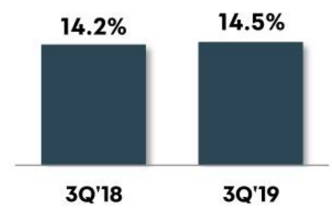
Funding sources

$ in billions

Deposits	72%	76%	+4 pts.
Securitization	17%	13%	(4) pts.
Unsecured	11%	11%	- pts.

Capital ratios

Common equity Tier 1 % - Basel III fully phased-in



Liquidity[(a)]

$ in billions

	3Q'18	3Q'19
Liquid assets	$18.2	$15.2
Undrawn credit facilities	5.1	6.5
Total liquidity	**$23.3**	**$21.7**
% of Total assets	**22.3%**	**20.5%**

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

synchrony FINANCIAL

3Q'19 Wrap Up

- Net earnings of $1.056 billion … $1.60 diluted earnings per share
  - Reduction in the reserve related to the Walmart consumer portfolio sale was $326 million, or $248 million after-tax; EPS benefit of $0.38
- Broad based growth … Purchase volume +5%, Core Loan receivables +6%,[a] Net interest income +4%
- Extended key partnership with PayPal and expanded the overall PayPal relationship with Venmo
- Renewed and extended key partnerships with Dick's Sporting Goods, Polaris, La-Z-Boy, and Conn's
- Expanded CareCredit network and partnerships with St. Luke's University Health Network and Loyale
- Fast-growing deposit platform … deposits at $66.0 billion comprising 76% of funding
- Returned $695 million in capital through $550 million of share repurchases and $145 million in dividends
- Strong balance sheet, 14.5% CET1 and $15.2 billion of liquid assets

(a) Loan receivables shown above on a Core basis is a non-GAAP measure and excludes from both the prior year and the current year amounts related to the Walmart portfolio. See non-GAAP reconciliation in the appendix

synchrony
FINANCIAL

Engage with us.

Appendix

Non-GAAP Reconciliation

The following table sets forth the components of our Loan receivables for the periods indicated below.

$ in billions	At September 30,			
	Total		Retail Card	
	2018	2019	2018	2019
Loan receivables	$87.5	$83.2	$59.1	$52.7
Less: Walmart Loan receivables	(9.2)	(0.1)	(9.2)	(0.1)
Core Loan receivables	**$78.3**	**$83.1**	**$49.9**	**$52.6**

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 the Walmart portfolio, 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. Given the sale of the Walmart portfolio which was completed in October 2019, we believe the presentation of certain Core financial measures is a more meaningful measure to investors of the loan receivables of the Company's ongoing credit programs. The reconciliation of these Core financial measures to the comparable GAAP component is included in Exhibit 99.1.

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