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

January 23, 2023
Date of Report
(Date of earliest event reported)

SYNCHRONY FINANCIAL
(Exact name of registrant as specified in its charter)

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

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

(203) 585-2400
(Registrant's telephone number, including area code)
N/A
(Former name or former address, if changed since last report)

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

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

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

Emerging growth company ☐

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

Item 2.02 Results of Operations and Financial Condition.

On January 23, 2023, Synchrony Financial (the “Company”) issued a press release setting forth the Company’s fourth quarter 2022 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 January 23, 2023, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended December 31, 2022
99.3	Financial Results Presentation of the Company for the quarter ended December 31, 2022
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: January 23, 2023	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

Number	Description
99.1	Press release, dated January 23, 2023, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended December 31, 2022
99.3	Financial Results Presentation of the Company for the quarter ended December 31, 2022
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

Exhibit 99.1

For Immediate Release
Synchrony Financial (NYSE: SYF)
January 23, 2023

synchrony

FOURTH QUARTER 2022 RESULTS AND KEY METRICS

2.2%	12.8%	$803M
Return on Assets	CET1 Ratio	Capital Returned

$92.5B

Loan Receivables

Net Earnings of $577 Million or $1.26 per Diluted Share

Delivered Record Purchase Volume and Strong Receivables Growth

Returned $803 Million of Capital to Shareholders, including $700 Million of Share Repurchases

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced fourth quarter 2022 net earnings of $577 million, or $1.26 per diluted share, compared to $813 million, or $1.48 per diluted share in the fourth quarter 2021.

KEY OPERATING & FINANCIAL METRICS*

PERFORMANCE REFLECTS DIFFERENTIATED BUSINESS MODEL AND CONTINUED STRENGTH OF THE CONSUMER

- Purchase volume increased 2% to $47.9 billion, or 11% on a Core basis**
- Loan receivables were $92.5 billion and increased 15% on both a GAAP and Core basis
- Average active accounts decreased 1% to 68.4 million, and increased 8% on a Core basis
- New accounts decreased 13% to 6.4 million, or 3% on a Core basis
- Net interest margin decreased 19 basis points to 15.58%
- Efficiency ratio decreased 390 basis points to 37.2%
- Return on assets decreased 120 basis points to 2.2%
- Return on equity decreased 550 basis points to 17.5%; return on tangible common equity*** decreased 660 basis points to 22.1%

CEO COMMENTARY

"Synchrony's strong fourth quarter performance reflected the strength of our differentiated business model: our diversified portfolio across industries, our scalable technology platform, our deep industry expertise and sophisticated underwriting, and the flexibility and choice of our digitally-powered product suite," said Brian Doubles, Synchrony's President and Chief Executive Officer.

"We closed the year with record purchase volume and double digit receivables growth, while also driving strong risk-adjusted margins, improved operating efficiency and robust capital returns to our shareholders.

"As Synchrony continues to execute on our key strategic priorities – growing existing partner programs and adding new ones; further diversifying our programs, products, and markets; and delivering best-in-class customer experiences – we are excited about the opportunities we see to continue driving sustainable, profitable growth and meaningful long-term value for all our stakeholders."

CFO COMMENTARY

“Synchrony delivered strong fourth quarter and full year financial results for 2022, highlighted by record purchase volume for the quarter and year — a reflection of the broad consumer demand for our wide range of products, our compelling value propositions and our best-in-class experiences,” said Brian Wenzel, Synchrony’s Executive Vice President and Chief Financial Officer.

“As anticipated, credit trends continued to normalize across our portfolio as consumers worked through excess savings and payment behavior migrated toward pre-pandemic levels. While credit losses remained meaningfully below our portfolio’s historical average, this normalization towards our net charge-off target contributed to the improvements in our RSA and operating efficiency ratios – both of which declined considerably year over year as our purpose-built business model supported each of our stakeholders as designed.

“Looking forward, Synchrony is uniquely positioned to continue to deliver best-in-class financing flexibility to our customers, consistently strong outcomes for our partners, and resilient risk-adjusted returns to our stakeholders.”

BUSINESS AND FINANCIAL RESULTS FOR THE FOURTH QUARTER OF 2022*

BUSINESS HIGHLIGHTS

CONTINUED TO EXPAND PORTFOLIO, ENHANCE PRODUCTS AND EXTEND REACH

- Added or renewed over 25 programs, including Lowe’s and Rooms to Go
- Launched Synchrony’s buy now, pay later products with Belk and Discount Tire, expanding access to responsible and flexible financing
- Renewed with Mars, Inc., keeping CareCredit as the pet financing solution of choice for the owner of VCA Hospitals, Banfield Pet Hospital and BluePearl

FINANCIAL HIGHLIGHTS

STRONG EARNINGS DRIVEN BY CORE BUSINESS DRIVERS

- Interest and fees on loans increased 13% to $4.6 billion, driven primarily by growth in average loan receivables, partially offset by impacts of portfolios sold during the second quarter.
- Net interest income increased $276 million, or 7%, to $4.1 billion, driven by higher interest and fees on loans, partially offset by higher benchmark rates and higher funding liabilities.
- Retailer share arrangements decreased $224 million, or 18%, to $1.0 billion, reflecting the impact of portfolios sold during the second quarter and higher net charge-offs, partially offset by higher net interest income.
- Provision for credit losses increased $640 million to $1.2 billion, driven by a higher reserve build and higher net charge-offs.
- Other income decreased $137 million, or 82%, to $30 million, driven primarily by a prior year gain on a venture investment and higher loyalty costs.
- Other expense increased $29 million, or 3%, to $1.2 billion, driven by higher employee costs, technology investments and higher transaction volume, partially offset by prior year asset impairments and lower marketing costs. Other expense included $12 million of additional marketing and growth reinvestment of the second quarter 2022 gain on sale proceeds.
- Net earnings decreased to $577 million, compared to $813 million.

CREDIT QUALITY

CREDIT PERFORMANCE CONTINUES TO BE DRIVEN BY A STRONG CONSUMER

- Loans 30+ days past due as a percentage of total period-end loan receivables were 3.65% compared to 2.62% in the prior year, an increase of 103 basis points.
- Net charge-offs as a percentage of total average loan receivables were 3.48% compared to 2.37% in the prior year, an increase of 111 basis points.
- The allowance for credit losses as a percentage of total period-end loan receivables was 10.30% compared to 10.58% in the third quarter 2022.

SALES PLATFORM HIGHLIGHTS

DIVERSITY ACROSS OUR PLATFORMS CONTINUES TO PROVIDE RESILIENCE

- Home & Auto purchase volume increased 9%, driven by strong spend in Home and higher prices in Furniture. Period-end loan receivables increased 12%, reflecting the higher purchase volume and slowing payment rates. Interest and fees on loans were up by 12%, primarily driven by the growth in loan receivables. Average active accounts increased 5%.
- Digital purchase volume increased 10%, reflecting growth in average active accounts and strong customer engagement. Period-end loan receivables increased 17%, reflecting moderation in payment rates and continued purchase volume growth. Interest and fees on loans increased 29%, reflecting the loan receivables growth and higher benchmark rates. Average active accounts increased 9%.
- Diversified & Value purchase volume increased 15%, driven by strong out-of-partner spend, in addition to partner performance and penetration growth. Period-end loan receivables increased 16%, reflecting the purchase volume growth and moderating payment rates. Interest and fees on loans increased 25%, driven by the growth in loan receivables and higher benchmark rates. Average active accounts increased 8%.
- Health & Wellness purchase volume increased 15%, reflecting broad-based growth in active accounts and higher spend per active account. Period-end loan receivables increased 19%, driven by continued higher promotional purchase volume and modestly lower payment rates. Interest and fees on loans increased 23%, reflecting the loan receivables growth and higher revolve rates, and average active accounts increased 13%.
- Lifestyle purchase volume increased 2%, driven by higher out-of-partner spend. Period-end loan receivables increased 9%, reflecting the purchase volume growth, lower payment rates and the longer-term nature of the financing products. Interest and fees on loans increased 14%, driven primarily by the growth in loan receivables and higher benchmark rates. Average active accounts increased 1%.

BALANCE SHEET, LIQUIDITY & CAPITAL

FUNDING, CAPITAL & LIQUIDITY REMAIN ROBUST

- Loan receivables of $92.5 billion increased 15%; purchase volume increased 2% and average active accounts decreased 1%.
- Deposits increased $9.4 billion, or 15%, to $71.7 billion and comprised 84% of funding.
- Total liquidity, consisting of liquid assets and undrawn credit facilities, was $17.2 billion, or 16.4% of total assets.
- The company returned $803 million in capital to shareholders, including $700 million of share repurchases and $103 million of common stock dividends.
- As of December 31, 2022, the Company had a total remaining share repurchase authorization of $700 million.
- The estimated Common Equity Tier 1 ratio was 12.8% compared to 15.6%, and the estimated Tier 1 Capital ratio was 13.6% compared to 16.5%.

* *All comparisons are for the fourth quarter of 2022 compared to the fourth quarter of 2021, unless otherwise noted.*

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

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

CORRESPONDING FINANCIAL TABLES AND INFORMATION

No representation is made that the information in this news release is complete. Investors are encouraged to review the foregoing summary and discussion of Synchrony Financial's earnings and financial condition in conjunction with the detailed financial tables and information that follow and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed February 10, 2022, and the Company's forthcoming Annual Report on Form 10-K for the year ended December 31, 2022. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at www.investors.synchronyfinancial.com. This information is also furnished in a Current Report on Form 8-K filed with the SEC today.

CONFERENCE CALL AND WEBCAST

On Monday, January 23, 2023, at 8:00 a.m. Eastern Time, Brian Doubles, President and Chief Executive Officer, and Brian Wenzel Sr., Executive Vice President and Chief Financial Officer, will host a conference call to review the financial results and outlook for certain business drivers. The conference call can be accessed via an audio webcast through the Investor Relations page on the Synchrony Financial corporate website, www.investors.synchronyfinancial.com, under Events and Presentations. A replay will also be available on the website.

ABOUT SYNCHRONY FINANCIAL

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

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

synchrony

Investor Relations
Kathryn Miller
(203) 585-6291

Media Relations
Lisa Lanspery
(203) 585-6143

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This news release contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated, including the future impacts of the novel coronavirus disease (“COVID-19”) outbreak and measures taken in response thereto for which future developments are highly uncertain and difficult to predict; retaining existing partners and attracting new partners, concentration of our revenue in a small number of partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; the sufficiency of our allowance for credit losses and the accuracy of the assumptions or estimates used in preparing our financial statements, including those related to the CECL accounting guidance; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to grow our deposits in the future; damage to our reputation; our ability to securitize our loan receivables, occurrence of an early amortization of our securitization facilities, loss of the right to service or subservice our securitized loan receivables, and lower payment rates on our securitized loan receivables; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third parties to provide various services that are important to our operations; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau’s regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Synchrony Bank’s ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this news release and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed on February 10, 2022. You should not consider any list of such factors to be an exhaustive statement of all the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

NON-GAAP MEASURES

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

SYNCHRONY FINANCIAL
FINANCIAL SUMMARY
(unaudited, in millions, except per share statistics)

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2022	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	4Q'22 vs. 4Q'21		Dec 31, 2022	Dec 31, 2021	YTD'22 vs. YTD'21	
EARNINGS											
Net interest income	$ 4,106	$ 3,928	$ 3,802	$ 3,789	$ 3,830	$ 276	7.2 %	$ 15,625	$ 14,239	$ 1,386	9.7 %
Retailer share arrangements	(1,043)	(1,057)	(1,127)	(1,104)	(1,267)	224	(17.7)%	(4,331)	(4,528)	197	(4.4)%
Provision for credit losses	1,201	929	724	521	561	640	114.1 %	3,375	726	2,649	NM
Net interest income, after retailer share arrangements and provision for credit losses	1,862	1,942	1,951	2,164	2,002	(140)	(7.0)%	7,919	8,985	(1,066)	(11.9)%
Other income	30	44	198	108	167	(137)	(82.0)%	380	481	(101)	(21.0)%
Other expense	1,151	1,064	1,083	1,039	1,122	29	2.6 %	4,337	3,963	374	9.4 %
Earnings before provision for income taxes	741	922	1,066	1,233	1,047	(306)	(29.2)%	3,962	5,503	(1,541)	(28.0)%
Provision for income taxes	164	219	262	301	234	(70)	(29.9)%	946	1,282	(336)	(26.2)%
Net earnings	$ 577	$ 703	$ 804	$ 932	$ 813	$ (236)	(29.0)%	$ 3,016	$ 4,221	$ (1,205)	(28.5)%
Net earnings available to common stockholders	$ 567	$ 692	$ 793	$ 922	$ 803	$ (236)	(29.4)%	$ 2,974	$ 4,179	$ (1,205)	(28.8)%
COMMON SHARE STATISTICS											
Basic EPS	$ 1.27	$ 1.48	$ 1.61	$ 1.79	$ 1.49	$ (0.22)	(14.8)%	$ 6.19	$ 7.40	$ (1.21)	(16.4)%
Diluted EPS	$ 1.26	$ 1.47	$ 1.60	$ 1.77	$ 1.48	$ (0.22)	(14.9)%	$ 6.15	$ 7.34	$ (1.19)	(16.2)%
Dividend declared per share	$ 0.23	$ 0.23	$ 0.22	$ 0.22	$ 0.22	$ 0.01	4.5 %	$ 0.90	$ 0.88	$ 0.02	2.3 %
Common stock price	$ 32.86	$ 28.19	$ 27.62	$ 34.82	$ 46.39	$ (13.53)	(29.2)%	$ 32.86	$ 46.39	$ (13.53)	(29.2)%
Book value per share	$ 27.70	$ 26.76	$ 25.95	$ 25.06	$ 24.53	$ 3.17	12.9 %	$ 27.70	$ 24.53	$ 3.17	12.9 %
Tangible common equity per share(1)	$ 22.24	$ 22.10	$ 21.39	$ 20.60	$ 20.21	$ 2.03	10.0 %	$ 22.24	$ 20.21	$ 2.03	10.0 %
Beginning common shares outstanding	458.9	487.8	506.2	526.8	547.2	(88.3)	(16.1)%	526.8	584.0	(57.2)	(9.8)%
Issuance of common shares	—	—	—	—	—	—	— %	—	—	—	— %
Stock-based compensation	0.1	0.4	0.2	1.4	0.1	—	— %	2.1	3.8	(1.7)	(44.7)%
Shares repurchased	(20.8)	(29.3)	(18.6)	(22.0)	(20.5)	(0.3)	1.5 %	(90.7)	(61.0)	(29.7)	48.7 %
Ending common shares outstanding	438.2	458.9	487.8	506.2	526.8	(88.6)	(16.8)%	438.2	526.8	(88.6)	(16.8)%
Weighted average common shares outstanding	445.8	468.5	493.0	515.3	537.8	(92.0)	(17.1)%	480.4	564.6	(84.2)	(14.9)%
Weighted average common shares outstanding (fully diluted)	448.9	470.7	495.3	519.5	543.0	(94.1)	(17.3)%	483.4	569.3	(85.9)	(15.1)%

(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							Twelve Months Ended			
	Dec 31, 2022	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**Dec 31, 2021**	**4Q'22 vs. 4Q'21**		**Dec 31, 2022**	**Dec 31, 2021**	**YTD'22 vs. YTD'21**	
PERFORMANCE METRICS											
Return on assets[1]	2.2 %	2.8 %	3.4 %	4.0 %	3.4 %		(1.2)%	3.1 %	4.5 %		(1.4)%
Return on equity[2]	17.5 %	21.1 %	24.0 %	27.5 %	23.0 %		(5.5)%	22.6 %	30.8 %		(8.2)%
Return on tangible common equity[3]	22.1 %	26.6 %	30.3 %	34.9 %	28.7 %		(6.6)%	28.5 %	38.8 %		(10.3)%
Net interest margin[4]	15.58 %	15.52 %	15.60 %	15.80 %	15.77 %		(0.19)%	15.63 %	14.74 %		0.89 %
Efficiency ratio[5]	37.2 %	36.5 %	37.7 %	37.2 %	41.1 %		(3.9)%	37.2 %	38.9 %		(1.7)%
Other expense as a % of average loan receivables, including held for sale	5.16 %	5.02 %	5.21 %	5.09 %	5.44 %		(0.28)%	5.12 %	5.02 %		0.10 %
Effective income tax rate	22.1 %	23.8 %	24.6 %	24.4 %	22.3 %		(0.2)%	23.9 %	23.3 %		0.6 %
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	3.48 %	3.00 %	2.73 %	2.73 %	2.37 %		1.11 %	3.00 %	2.92 %		0.08 %
30+ days past due as a % of period-end loan receivables[6]	3.65 %	3.28 %	2.74 %	2.78 %	2.62 %		1.03 %	3.65 %	2.62 %		1.03 %
90+ days past due as a % of period-end loan receivables[6]	1.69 %	1.43 %	1.22 %	1.30 %	1.17 %		0.52 %	1.69 %	1.17 %		0.52 %
Net charge-offs	$ 776	$ 635	$ 567	$ 558	$ 489	$ 287	58.7 %	$ 2,536	$ 2,304	$ 232	10.1 %
Loan receivables delinquent over 30 days[6]	$ 3,377	$ 2,818	$ 2,262	$ 2,194	$ 2,114	$ 1,263	59.7 %	$ 3,377	$ 2,114	$ 1,263	59.7 %
Loan receivables delinquent over 90 days[6]	$ 1,562	$ 1,232	$ 1,005	$ 1,026	$ 942	$ 620	65.8 %	$ 1,562	$ 942	$ 620	65.8 %
Allowance for credit losses (period-end)	$ 9,527	$ 9,102	$ 8,808	$ 8,651	$ 8,688	$ 839	9.7 %	$ 9,527	$ 8,688	$ 839	9.7 %
Allowance coverage ratio[7]	10.30 %	10.58 %	10.65 %	10.96 %	10.76 %		(0.46)%	10.30 %	10.76 %		(0.46)%
BUSINESS METRICS											
Purchase volume[8][9]	$ 47,923	$ 44,557	$ 47,217	$ 40,490	$ 47,072	$ 851	1.8 %	$ 180,187	$ 165,854	$ 14,333	8.6 %
Period-end loan receivables	$ 92,470	$ 86,012	$ 82,674	$ 78,916	$ 80,740	$ 11,730	14.5 %	$ 92,470	$ 80,740	$ 11,730	14.5 %
Credit cards	$ 87,630	$ 81,254	$ 78,062	$ 74,596	$ 76,628	$ 11,002	14.4 %	$ 87,630	$ 76,628	$ 11,002	14.4 %
Consumer installment loans	$ 3,056	$ 2,945	$ 2,847	$ 2,719	$ 2,675	$ 381	14.2 %	$ 3,056	$ 2,675	$ 381	14.2 %
Commercial credit products	$ 1,682	$ 1,723	$ 1,689	$ 1,530	$ 1,372	$ 310	22.6 %	$ 1,682	$ 1,372	$ 310	22.6 %
Other	$ 102	$ 90	$ 76	$ 71	$ 65	$ 37	56.9 %	$ 102	$ 65	$ 37	56.9 %
Average loan receivables, including held for sale	$ 88,436	$ 84,038	$ 83,412	$ 82,747	$ 81,784	$ 6,652	8.1 %	$ 84,672	$ 78,928	$ 5,744	7.3 %
Period-end active accounts (in thousands)[9][10]	70,763	66,503	65,969	69,122	72,420	(1,657)	(2.3)%	70,763	72,420	(1,657)	(2.3)%
Average active accounts (in thousands)[9][10]	68,373	66,266	68,671	70,127	69,397	(1,024)	(1.5)%	68,627	67,334	1,293	1.9 %
LIQUIDITY											
Liquid assets											
Cash and equivalents	$ 10,294	$ 11,962	$ 10,682	$ 10,541	$ 8,337	$ 1,957	23.5 %	$ 10,294	$ 8,337	$ 1,957	23.5 %
Total liquid assets	$ 14,201	$ 16,566	$ 15,177	$ 14,687	$ 12,989	$ 1,212	9.3 %	$ 14,201	$ 12,989	$ 1,212	9.3 %
Undrawn credit facilities											
Undrawn credit facilities	$ 2,950	$ 3,700	$ 3,700	$ 3,100	$ 2,700	$ 250	9.3 %	$ 2,950	$ 2,700	$ 250	9.3 %
Total liquid assets and undrawn credit facilities	$ 17,151	$ 20,266	$ 18,877	$ 17,787	$ 15,689	$ 1,462	9.3 %	$ 17,151	$ 15,689	$ 1,462	9.3 %
Liquid assets % of total assets	13.58 %	16.44 %	15.94 %	15.42 %	13.57 %		0.01 %	13.58 %	13.57 %		0.01 %
Liquid assets including undrawn credit facilities % of total assets	16.40 %	20.11 %	19.83 %	18.67 %	16.39 %		0.01 %	16.40 %	16.39 %		0.01 %

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

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

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

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

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

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

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

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

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

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

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

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2022	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	4Q'22 vs. 4Q'21		Dec 31, 2022	Dec 31, 2021	YTD'22 vs. YTD'21	
Interest income:											
Interest and fees on loans	$ 4,576	$ 4,258	$ 4,039	$ 4,008	$ 4,042	$ 534	13.2 %	$ 16,881	$ 15,228	$ 1,653	10.9 %
Interest on cash and debt securities	132	84	35	14	11	121	NM	265	43	222	NM
Total interest income	4,708	4,342	4,074	4,022	4,053	655	16.2 %	17,146	15,271	1,875	12.3 %
Interest expense:											
Interest on deposits	441	280	160	127	119	322	270.6 %	1,008	566	442	78.1 %
Interest on borrowings of consolidated securitization entities	69	54	40	33	33	36	109.1 %	196	169	27	16.0 %
Interest on senior unsecured notes	92	80	72	73	71	21	29.6 %	317	297	20	6.7 %
Total interest expense	602	414	272	233	223	379	170.0 %	1,521	1,032	489	47.4 %
Net interest income	4,106	3,928	3,802	3,789	3,830	276	7.2 %	15,625	14,239	1,386	9.7 %
Retailer share arrangements	(1,043)	(1,057)	(1,127)	(1,104)	(1,267)	224	(17.7)%	(4,331)	(4,528)	197	(4.4)%
Provision for credit losses	1,201	929	724	521	561	640	114.1 %	3,375	726	2,649	NM
Net interest income, after retailer share arrangements and provision for credit losses	1,862	1,942	1,951	2,164	2,002	(140)	(7.0)%	7,919	8,985	(1,066)	(11.9)%
Other income:											
Interchange revenue	251	238	263	230	254	(3)	(1.2)%	982	880	102	11.6 %
Debt cancellation fees	102	103	93	89	79	23	29.1 %	387	284	103	36.3 %
Loyalty programs	(351)	(326)	(322)	(258)	(310)	(41)	13.2 %	(1,257)	(992)	(265)	26.7 %
Other	28	29	164	47	144	(116)	(80.6)%	268	309	(41)	(13.3)%
Total other income	30	44	198	108	167	(137)	(82.0)%	380	481	(101)	(21.0)%
Other expense:											
Employee costs	459	416	404	402	409	50	12.2 %	1,681	1,501	180	12.0 %
Professional fees	233	204	185	210	207	26	12.6 %	832	782	50	6.4 %
Marketing and business development	121	115	135	116	167	(46)	(27.5)%	487	486	1	0.2 %
Information processing	165	150	163	145	143	22	15.4 %	623	550	73	13.3 %
Other	173	179	196	166	196	(23)	(11.7)%	714	644	70	10.9 %
Total other expense	1,151	1,064	1,083	1,039	1,122	29	2.6 %	4,337	3,963	374	9.4 %
Earnings before provision for income taxes	741	922	1,066	1,233	1,047	(306)	(29.2)%	3,962	5,503	(1,541)	(28.0)%
Provision for income taxes	164	219	262	301	234	(70)	(29.9)%	946	1,282	(336)	(26.2)%
Net earnings	$ 577	$ 703	$ 804	$ 932	$ 813	$ (236)	(29.0)%	$ 3,016	$ 4,221	$ (1,205)	(28.5)%
Net earnings available to common stockholders	$ 567	$ 692	$ 793	$ 922	$ 803	$ (236)	(29.4)%	$ 2,974	$ 4,179	$ (1,205)	(28.8)%

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

	Quarter Ended						
	Dec 31, 2022	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Dec 31, 2022 vs. Dec 31, 2021	
Assets							
Cash and equivalents	$ 10,294	$ 11,962	$ 10,682	$ 10,541	$ 8,337	$ 1,957	23.5 %
Debt securities	4,879	5,082	5,012	4,677	5,283	(404)	(7.6)%
Loan receivables:							
Unsecuritized loans held for investment	72,638	67,651	63,350	59,643	60,211	12,427	20.6 %
Restricted loans of consolidated securitization entities	19,832	18,361	19,324	19,273	20,529	(697)	(3.4)%
Total loan receivables	92,470	86,012	82,674	78,916	80,740	11,730	14.5 %
Less: Allowance for credit losses	(9,527)	(9,102)	(8,808)	(8,651)	(8,688)	(839)	9.7 %
Loan receivables, net	82,943	76,910	73,866	70,265	72,052	10,891	15.1 %
Loan receivables held for sale	—	—	—	4,046	4,361	(4,361)	(100.0)%
Goodwill	1,105	1,105	1,105	1,105	1,105	—	— %
Intangible assets, net	1,287	1,033	1,118	1,149	1,168	119	10.2 %
Other assets	4,056	4,674	3,417	3,484	3,442	614	17.8 %
Total assets	$ 104,564	$ 100,766	$ 95,200	$ 95,267	$ 95,748	$ 8,816	9.2 %
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 71,336	$ 68,032	$ 64,328	$ 63,180	$ 61,911	$ 9,425	15.2 %
Non-interest-bearing deposit accounts	399	372	381	395	359	40	11.1 %
Total deposits	71,735	68,404	64,709	63,575	62,270	9,465	15.2 %
Borrowings:							
Borrowings of consolidated securitization entities	6,227	6,360	5,687	6,139	7,288	(1,061)	(14.6)%
Senior unsecured notes	7,964	7,961	6,470	7,221	7,219	745	10.3 %
Total borrowings	14,191	14,321	12,157	13,360	14,507	(316)	(2.2)%
Accrued expenses and other liabilities	5,765	5,029	4,941	4,914	5,316	449	8.4 %
Total liabilities	91,691	87,754	81,807	81,849	82,093	9,598	11.7 %
Equity:							
Preferred stock	734	734	734	734	734	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,718	9,685	9,663	9,643	9,669	49	0.5 %
Retained earnings	16,716	16,252	15,679	15,003	14,245	2,471	17.3 %
Accumulated other comprehensive income (loss)	(125)	(187)	(149)	(121)	(69)	(56)	81.2 %
Treasury stock	(14,171)	(13,473)	(12,535)	(11,842)	(10,925)	(3,246)	29.7 %
Total equity	12,873	13,012	13,393	13,418	13,655	(782)	(5.7)%
Total liabilities and equity	$ 104,564	$ 100,766	$ 95,200	$ 95,267	$ 95,748	$ 8,816	9.2 %

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

	Quarter Ended														
	Dec 31, 2022			Sep 30, 2022			Jun 30, 2022			Mar 31, 2022			Dec 31, 2021		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Assets															
Interest-earning assets:															
Interest-earning cash and equivalents	$ 11,092	$ 104	3.72 %	$ 11,506	$ 65	2.24 %	$ 9,249	$ 20	0.87 %	$ 8,976	$ 5	0.23 %	$ 9,024	$ 4	0.18 %
Securities available for sale	5,002	28	2.22 %	4,861	19	1.55 %	5,063	15	1.19 %	5,513	9	0.66 %	5,517	7	0.50 %
Loan receivables, including held for sale:															
Credit cards	83,597	4,462	21.18 %	79,354	4,153	20.76 %	78,912	3,943	20.04 %	78,564	3,913	20.20 %	77,642	3,946	20.16 %
Consumer installment loans	2,991	78	10.35 %	2,884	74	10.18 %	2,775	69	9.97 %	2,682	66	9.98 %	2,641	65	9.76 %
Commercial credit products	1,757	34	7.68 %	1,720	30	6.92 %	1,654	25	6.06 %	1,434	28	7.92 %	1,434	30	8.30 %
Other	91	2	8.72 %	80	1	4.96 %	71	2	11.30 %	67	1	NM	67	1	NM
Total loan receivables, including held for sale	88,436	4,576	20.53 %	84,038	4,258	20.10 %	83,412	4,039	19.42 %	82,747	4,008	19.64 %	81,784	4,042	19.61 %
Total interest-earning assets	104,530	4,708	17.87 %	100,405	4,342	17.16 %	97,724	4,074	16.72 %	97,236	4,022	16.78 %	96,325	4,053	16.69 %
Non-interest-earning assets:															
Cash and due from banks	1,071			1,580			1,614			1,626			1,606		
Allowance for credit losses	(9,167)			(8,878)			(8,651)			(8,675)			(8,648)		
Other assets	5,772			5,587			5,386			5,369			5,424		
Total non-interest-earning assets	(2,324)			(1,711)			(1,651)			(1,680)			(1,618)		
Total assets	$ 102,206			$ 98,694			$ 96,073			$ 95,556			$ 94,707		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 69,343	$ 441	2.52 %	$ 66,787	$ 280	1.66 %	$ 63,961	$ 160	1.00 %	$ 62,314	$ 127	0.83 %	$ 61,090	$ 119	0.77 %
Borrowings of consolidated securitization entities	6,231	69	4.39 %	6,258	54	3.42 %	6,563	40	2.44 %	6,827	33	1.96 %	7,105	33	1.84 %
Senior unsecured notes	7,962	92	4.58 %	7,102	80	4.47 %	6,974	72	4.14 %	7,219	73	4.10 %	6,999	71	4.02 %
Total interest-bearing liabilities	83,536	602	2.86 %	80,147	414	2.05 %	77,498	272	1.41 %	76,360	233	1.24 %	75,194	223	1.18 %
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	388			371			396			374			343		
Other liabilities	5,217			4,938			4,717			5,091			5,137		
Total non-interest-bearing liabilities	5,605			5,309			5,113			5,465			5,480		
Total liabilities	89,141			85,456			82,611			81,825			80,674		
Equity															
Total equity	13,065			13,238			13,462			13,731			14,033		
Total liabilities and equity	$ 102,206			$ 98,694			$ 96,073			$ 95,556			$ 94,707		
Net interest income		$ 4,106			$ 3,928			$ 3,802			$ 3,789			$ 3,830	
Interest rate spread(1)			15.01 %			15.11 %			15.31 %			15.54 %			15.51 %
Net interest margin(2)			15.58 %			15.52 %			15.60 %			15.80 %			15.77 %

(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)

	Twelve Months Ended Dec 31, 2022			Twelve Months Ended Dec 31, 2021		
	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	$ 10,215	$ 194	1.90 %	$ 11,673	$ 15	0.13 %
Securities available for sale	5,108	71	1.39 %	5,975	28	0.47 %
Loan receivables, including held for sale:						
Credit cards	80,119	16,471	20.56 %	75,052	14,880	19.83 %
Consumer installment loans	2,834	287	10.13 %	2,460	241	9.80 %
Commercial credit products	1,642	117	7.13 %	1,359	103	7.58 %
Other	77	6	7.79 %	57	4	7.02 %
Total loan receivables, including held for sale	84,672	16,881	19.94 %	78,928	15,228	19.29 %
Total interest-earning assets	99,995	17,146	17.15 %	96,576	15,271	15.81 %
Non-interest-earning assets:						
Cash and due from banks	1,472			1,597		
Allowance for loan losses	(8,844)			(9,402)		
Other assets	5,529			5,343		
Total non-interest-earning assets	(1,843)			(2,462)		
Total assets	$ 98,152			$ 94,114		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 65,624	$ 1,008	1.54 %	$ 60,953	$ 566	0.93 %
Borrowings of consolidated securitization entities	6,468	196	3.03 %	7,248	169	2.33 %
Senior unsecured notes	7,315	317	4.33 %	7,173	297	4.14 %
Total interest-bearing liabilities	79,407	1,521	1.92 %	75,374	1,032	1.37 %
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	382			349		
Other liabilities	4,991			4,668		
Total non-interest-bearing liabilities	5,373			5,017		
Total liabilities	84,780			80,391		
Equity						
Total equity	13,372			13,723		
Total liabilities and equity	$ 98,152			$ 94,114		
Net interest income		$ 15,625			$ 14,239	
Interest rate spread(1)			15.23 %			14.44 %
Net interest margin(2)			15.63 %			14.74 %

(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						
	Dec 31, 2022	Sep 30, 2022	June 30, 2022	Mar 31, 2022	Dec 31, 2021	Dec 31, 2022 vs. Dec 31, 2021	
BALANCE SHEET STATISTICS							
Total common equity	$ 12,139	$ 12,278	$ 12,659	$ 12,684	$ 12,921	$ (782)	(6.1)%
Total common equity as a % of total assets	11.61 %	12.18 %	13.30 %	13.31 %	13.49 %		(1.88)%
Tangible assets	$ 102,172	$ 98,628	$ 92,977	$ 93,013	$ 93,475	$ 8,697	9.3 %
Tangible common equity[1]	$ 9,747	$ 10,140	$ 10,436	$ 10,430	$ 10,648	$ (901)	(8.5)%
Tangible common equity as a % of tangible assets[1]	9.54 %	10.28 %	11.22 %	11.21 %	11.39 %		(1.85)%
Tangible common equity per share[1]	$ 22.24	$ 22.10	$ 21.39	$ 20.60	$ 20.21	$ 2.03	10.0 %
REGULATORY CAPITAL RATIOS[2][3]							
	Basel III - CECL Transition						
Total risk-based capital ratio[4]	15.0 %	16.5 %	17.4 %	17.2 %	17.8 %		
Tier 1 risk-based capital ratio[5]	13.6 %	15.2 %	16.1 %	15.9 %	16.5 %		
Tier 1 leverage ratio[6]	12.3 %	13.2 %	13.8 %	13.9 %	14.7 %		
Common equity Tier 1 capital ratio	12.8 %	14.3 %	15.2 %	15.0 %	15.6 %		

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

(2) Regulatory capital ratios at Deceember 31, 2022 are preliminary and therefore subject to change.

(3) Capital ratios starting March 31, 2020 reflect election to delay for two years an estimate of CECL's effect on regulatory capital in accordance with the interim final rule issued by U.S. banking agencies in March 2020. Beginning in the first quarter of 2022, the effects are now being phased-in over a three-year transitional period through 2024.

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

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

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

SYNCHRONY FINANCIAL
PLATFORM RESULTS
(unaudited, $ in millions)

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2022	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**Dec 31, 2021**	**4Q'22 vs. 4Q'21**		**Dec 31, 2022**	**Dec 31, 2021**	**YTD'22vs. YTD'21**	
HOME & AUTO[6]											
Purchase volume[1]	$ 11,860	$ 12,273	$ 12,895	$ 10,260	$ 10,919	$ 941	8.6 %	$ 47,288	$ 42,848	$ 4,440	10.4 %
Period-end loan receivables	$ 29,978	$ 29,017	$ 27,989	$ 26,532	$ 26,781	$ 3,197	11.9 %	$ 29,978	$ 26,781	$ 3,197	11.9 %
Average loan receivables, including held for sale	$ 29,402	$ 28,387	$ 27,106	$ 26,406	$ 26,455	$ 2,947	11.1 %	$ 27,835	$ 25,663	$ 2,172	8.5 %
Average active accounts (in thousands)[3]	18,539	18,350	17,942	17,473	17,655	884	5.0 %	18,080	17,414	666	3.8 %
Interest and fees on loans	$ 1,264	$ 1,210	$ 1,108	$ 1,088	$ 1,126	$ 138	12.3 %	$ 4,670	$ 4,247	$ 423	10.0 %
Other income	$ 23	$ 20	$ 23	$ 21	$ 18	$ 5	27.8 %	$ 87	$ 69	$ 18	26.1 %
DIGITAL											
Purchase volume[1]	$ 14,794	$ 12,941	$ 12,463	$ 11,196	$ 13,451	$ 1,343	10.0 %	$ 51,394	$ 44,701	$ 6,693	15.0 %
Period-end loan receivables	$ 25,522	$ 22,925	$ 21,842	$ 21,075	$ 21,751	$ 3,771	17.3 %	$ 25,522	$ 21,751	$ 3,771	17.3 %
Average loan receivables, including held for sale	$ 23,931	$ 22,361	$ 21,255	$ 21,160	$ 20,388	$ 3,543	17.4 %	$ 22,185	$ 19,475	$ 2,710	13.9 %
Average active accounts (in thousands)[3]	20,073	19,418	19,069	19,000	18,375	1,698	9.2 %	19,421	17,685	1,736	9.8 %
Interest and fees on loans	$ 1,322	$ 1,197	$ 1,058	$ 1,022	$ 1,025	$ 297	29.0 %	$ 4,599	$ 3,792	$ 807	21.3 %
Other income	$ (14)	$ (22)	$ (13)	$ (12)	$ (28)	$ 14	(50.0)%	$ (61)	$ (87)	$ 26	(29.9)%
DIVERSIFIED & VALUE											
Purchase volume[1]	$ 16,266	$ 14,454	$ 14,388	$ 11,558	$ 14,154	$ 2,112	14.9 %	$ 56,666	$ 46,998	$ 9,668	20.6 %
Period-end loan receivables	$ 18,617	$ 16,566	$ 16,076	$ 15,166	$ 16,075	$ 2,542	15.8 %	$ 18,617	$ 16,075	$ 2,542	15.8 %
Average loan receivables, including held for sale	$ 17,274	$ 16,243	$ 15,498	$ 15,128	$ 14,999	$ 2,275	15.2 %	$ 16,042	$ 14,501	$ 1,541	10.6 %
Average active accounts (in thousands)[3]	20,386	19,411	19,026	19,201	18,829	1,557	8.3 %	19,594	17,953	1,641	9.1 %
Interest and fees on loans	$ 1,023	$ 935	$ 826	$ 826	$ 817	$ 206	25.2 %	$ 3,610	$ 3,115	$ 495	15.9 %
Other income	$ (42)	$ (19)	$ (35)	$ (9)	$ (23)	$ (19)	82.6 %	$ (105)	$ (28)	$ (77)	275.0 %
HEALTH & WELLNESS											
Purchase volume[1]	$ 3,505	$ 3,514	$ 3,443	$ 3,107	$ 3,055	$ 450	14.7 %	$ 13,569	$ 11,715	$ 1,854	15.8 %
Period-end loan receivables	$ 12,179	$ 11,590	$ 10,932	$ 10,407	$ 10,244	$ 1,935	18.9 %	$ 12,179	$ 10,244	$ 1,935	18.9 %
Average loan receivables, including held for sale	$ 11,846	$ 11,187	$ 10,596	$ 10,251	$ 10,057	$ 1,789	17.8 %	$ 10,975	$ 9,623	$ 1,352	14.0 %
Average active accounts (in thousands)[3]	6,673	6,411	6,177	6,027	5,922	751	12.7 %	6,326	5,739	587	10.2 %
Interest and fees on loans	$ 744	$ 706	$ 644	$ 616	$ 603	$ 141	23.4 %	$ 2,710	$ 2,271	$ 439	19.3 %
Other income	$ 60	$ 55	$ 49	$ 53	$ 42	$ 18	42.9 %	$ 217	$ 159	$ 58	36.5 %
LIFESTYLE											
Purchase volume[1]	$ 1,498	$ 1,374	$ 1,431	$ 1,195	$ 1,462	$ 36	2.5 %	$ 5,498	$ 5,319	$ 179	3.4 %
Period-end loan receivables	$ 5,970	$ 5,686	$ 5,558	$ 5,381	$ 5,479	$ 491	9.0 %	$ 5,970	$ 5,479	$ 491	9.0 %
Average loan receivables, including held for sale	$ 5,772	$ 5,610	$ 5,443	$ 5,379	$ 5,297	$ 475	9.0 %	$ 5,552	$ 5,135	$ 417	8.1 %
Average active accounts (in thousands)[3]	2,585	2,524	2,510	2,582	2,548	37	1.5 %	2,559	2,515	44	1.7 %
Interest and fees on loans	$ 221	$ 208	$ 194	$ 191	$ 194	$ 27	13.9 %	$ 814	$ 744	$ 70	9.4 %
Other income	$ 7	$ 8	$ 7	$ 6	$ 6	$ 1	16.7 %	$ 28	$ 23	$ 5	21.7 %
CORP, OTHER[4][6]											
Purchase volume[1][2]	$ —	$ 1	$ 2,597	$ 3,174	$ 4,031	$ (4,031)	(100.0)%	$ 5,772	$ 14,273	$ (8,501)	(59.6)%
Period-end loan receivables[5]	$ 204	$ 228	$ 277	$ 355	$ 410	$ (206)	(50.2)%	$ 204	$ 410	$ (206)	(50.2)%
Average loan receivables, including held for sale	$ 211	$ 250	$ 3,514	$ 4,423	$ 4,588	$ (4,377)	(95.4)%	$ 2,083	$ 4,531	$ (2,448)	(54.0)%
Average active accounts (in thousands)[2][3]	117	152	3,947	5,844	6,068	(5,951)	(98.1)%	2,647	6,028	(3,381)	(56.1)%
Interest and fees on loans	$ 2	$ 2	$ 209	$ 265	$ 277	$ (275)	(99.3)%	$ 478	$ 1,059	$ (581)	(54.9)%
Other income	$ (4)	$ 2	$ 167	$ 49	$ 152	$ (156)	(102.6)%	$ 214	$ 345	$ (131)	(38.0)%
TOTAL SYF											
Purchase volume[1][2]	$ 47,923	$ 44,557	$ 47,217	$ 40,490	$ 47,072	$ 851	1.8 %	$ 180,187	$ 165,854	$ 14,333	8.6 %
Period-end loan receivables[5]	$ 92,470	$ 86,012	$ 82,674	$ 78,916	$ 80,740	$ 11,730	14.5 %	$ 92,470	$ 80,740	$ 11,730	14.5 %
Average loan receivables, including held for sale	$ 88,436	$ 84,038	$ 83,412	$ 82,747	$ 81,784	$ 6,652	8.1 %	$ 84,672	$ 78,928	$ 5,744	7.3 %
Average active accounts (in thousands)[2][3]	68,373	66,266	68,671	70,127	69,397	(1,024)	(1.5)%	68,627	67,334	1,293	1.9 %
Interest and fees on loans	$ 4,576	$ 4,258	$ 4,039	$ 4,008	$ 4,042	$ 534	13.2 %	$ 16,881	$ 15,228	$ 1,653	10.9 %
Other income	$ 30	$ 44	$ 198	$ 108	$ 167	$ (137)	(82.0)%	$ 380	$ 481	$ (101)	(21.0)%

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

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

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

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

(5) Reflects the reclassification of $0.5 billion to loan receivables held for sale in 4Q 2021.

(6) In December 2021, we entered into an agreement to sell $0.5 billion of loan receivables associated with our program agreement with BP. In connection with this agreement, revenue activities for the BP portfolio are no longer managed within our Home & Auto sales platform. All metrics for the BP portfolio previously reported within our Home & Auto sales platform, are now reported within our Corp, Other information. We have recast all prior-period reported metrics for our Home & Auto sales platform and Corp, Other to conform to the current-period presentation.

SYNCHRONY FINANCIAL

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

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

	Quarter Ended				
	Dec 31, 2022	**Sep 30, 2022**	**Jun 30, 2022**	**Mar 31, 2022**	**Dec 31, 2021**
COMMON EQUITY AND REGULATORY CAPITAL MEASURES[(2)]					
GAAP Total equity	$ 12,873	$ 13,012	$ 13,393	$ 13,418	$ 13,655
Less: Preferred stock	(734)	(734)	(734)	(734)	(734)
Less: Goodwill	(1,105)	(1,105)	(1,105)	(1,105)	(1,105)
Less: Intangible assets, net	(1,287)	(1,033)	(1,118)	(1,149)	(1,168)
Tangible common equity	$ 9,747	$ 10,140	$ 10,436	$ 10,430	$ 10,648
Add: CECL transition amount	1,719	1,719	1,719	1,719	2,292
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	293	419	391	371	329
Common equity Tier 1	$ 11,759	$ 12,278	$ 12,546	$ 12,520	$ 13,269
Preferred stock	734	734	734	734	734
Tier 1 capital	$ 12,493	$ 13,012	$ 13,280	$ 13,254	$ 14,003
Add: Allowance for credit losses includible in risk-based capital	1,220	1,142	1,099	1,106	1,119
Total Risk-based capital	$ 13,713	$ 14,154	$ 14,379	$ 14,360	$ 15,122
ASSET MEASURES[(2)]					
Total average assets	$ 102,206	$ 98,694	$ 96,073	$ 95,556	$ 94,707
Adjustments for:					
Add: CECL transition amount	1,719	1,719	1,719	1,719	2,292
Less: Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(2,046)	(1,776)	(1,878)	(1,964)	(1,999)
Total assets for leverage purposes	$ 101,879	$ 98,637	$ 95,914	$ 95,311	$ 95,000
Risk-weighted assets	$ 91,596	$ 85,664	$ 82,499	$ 83,251	$ 84,950
CECL FULLY PHASED-IN CAPITAL MEASURES					
Tier 1 capital	$ 12,493	$ 13,012	$ 13,280	$ 13,254	$ 14,003
Less: CECL transition adjustment	(1,719)	(1,719)	(1,719)	(1,719)	(2,292)
Tier 1 capital (CECL fully phased-in)	$ 10,774	$ 11,293	$ 11,561	$ 11,535	$ 11,711
Add: Allowance for credit losses	9,527	9,102	8,808	8,651	8,688
Tier 1 capital (CECL fully phased-in) + Reserves for credit losses	$ 20,301	$ 20,395	$ 20,369	$ 20,186	$ 20,399
Risk-weighted assets	$ 91,596	$ 85,664	$ 82,499	$ 83,251	$ 84,950
Less: CECL transition adjustment	(870)	(870)	(870)	(870)	(1,353)
Risk-weighted assets (CECL fully phased-in)	$ 90,726	$ 84,794	$ 81,629	$ 82,381	$ 83,597
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 27.70	$ 26.76	$ 25.95	$ 25.06	$ 24.53
Less: Goodwill	(2.52)	(2.41)	(2.27)	(2.18)	(2.10)
Less: Intangible assets, net	(2.94)	(2.25)	(2.29)	(2.28)	(2.22)
Tangible common equity per share	$ 22.24	$ 22.10	$ 21.39	$ 20.60	$ 20.21

(1) Regulatory measures at December 31, 2022 are presented on an estimated basis.

(2) Capital ratios starting March 31, 2020 reflect election to delay for two years an estimate of CECL's effect on regulatory capital in accordance with the interim final rule issued by U.S. banking agencies in March 2020. Beginning in the first quarter of 2022, the effects are now being phased-in over a three-year transitional period through 2024.

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

	Quarter Ended	
	Dec 31, 2022	**Dec 31, 2021**
CORE PURCHASE VOLUME		
Purchase Volume	$ 47,923	$ 47,072
Less: Gap and BP Purchase volume	—	(4,032)
Core Purchase volume	$ 47,923	$ 43,040
CORE LOAN RECEIVABLES		
Loan receivables	$ 92,470	$ 80,740
Less: Gap and BP Loan receivables	(98)	(278)
Core Loan receivables	$ 92,372	$ 80,462
CORE AVERAGE ACTIVE ACCOUNTS (in thousands)		
Average active accounts	68,373	69,397
Less: Gap and BP Average active accounts	(77)	(6,007)
Core Average active accounts	68,296	63,390
CORE NEW ACCOUNTS (in millions)		
New accounts	6.4	7.3
Less: Gap and BP New accounts	—	(0.7)
Core New accounts	6.4	6.6

Exhibit 99.3

4Q'22
FINANCIAL RESULTS

January 23, 2023

Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

The following slides are part of a presentation by Synchrony Financial in connection with reporting quarterly financial results. No representation is made that the information in these slides is complete. For additional information, see the earnings release and financial supplement included as exhibits to our Current Report on Form 8-K filed today and available on our website (www.synchronyfinancial.com) and the SEC's website (www.sec.gov). All references to net earnings and net income are intended to have the same meaning. All comparisons are for the fourth quarter of 2022 compared to the fourth quarter of 2021, unless otherwise noted.

This presentation contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated, including the future impacts of the novel coronavirus disease ("COVID-19") outbreak and measures taken in response thereto for which future developments are highly uncertain and difficult to predict; retaining existing partners and attracting new partners, concentration of our revenue in a small number of partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our and our outsourced partners' computer systems and data centers; the financial performance of our partners; the sufficiency of our allowance for credit losses and the accuracy of the assumptions or estimates used in preparing our financial statements, including those related to the CECL accounting guidance; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to grow our deposits in the future; damage to our reputation; our ability to securitize our loan receivables, occurrence of an early amortization of our securitization facilities, loss of the right to service or sub-service our securitized loan receivables, and lower payment rates on our securitized loan receivables; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of acquisitions and strategic investments; reductions in interchange fees; fraudulent activity; failure of third-parties to provide various services that are important to our operations; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and/or interpretations, and state sales tax rules and regulations; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau's (the "CFPB") regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Bank's ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors Relating to Our Business" and "Risk Factors Relating to Regulation" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2021, as filed on February 10, 2022. 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.

2022 Year in Review

GROW & WIN NEW PARTNERS

30+
NEW PARTNER DEALS

50+
PARTNER RENEWALS

DIVERSIFY PROGRAMS, PRODUCTS & MARKETS

PayPal

sycle

460+ thousand
PARTNER LOCATIONS

DELIVER BEST-IN-CLASS CUSTOMER EXPERIENCES

+25%
NEW ACCOUNT VISITS
to Synchrony Marketplace

+80%
API TRANSACTIONS

~24 million
NEW ACCOUNT ORIGINATIONS

$180 billion
RECORD PURCHASE VOLUME

GENERATE STRONG FINANCIAL RESULTS

$3.0 billion
NET EARNINGS

3.1%
ROA

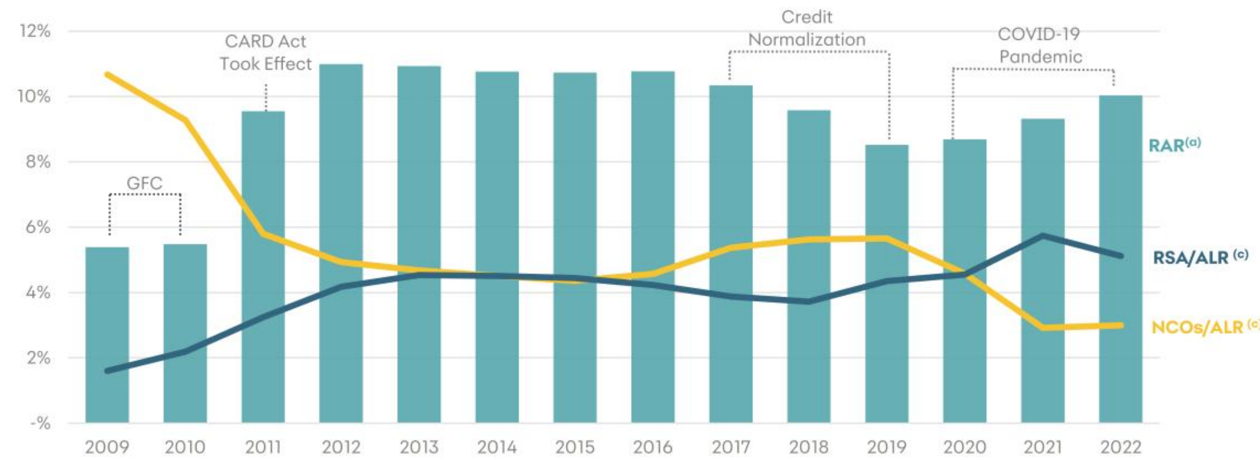
28.5%
ROTCE*

$3.8 billion
CAPITAL RETURNED

DRIVING VALUE FOR OUR STAKEHOLDERS

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

Delivering Consistent Returns over Time



	2009	2011	2013	2015	2017	2019	2021	2022
Prime & Super Prime/EOP(b)(c)	**63%**	**72%**	**72%**	**74%**	**74%**	**72%**	**78%**	**74%**
RSA / Purchase Volume(c)	**1.09%**	**1.83%**	**2.53%**	**2.41%**	**2.23%**	**2.58%**	**2.73%**	**2.40%**

LONG-TERM TARGETS: **~2.5+% ROA**
~28+% ROTCE

(a) Risk-adjusted return ("RAR") defined as Net Interest Income minus RSA and NCOs, divided by average loan receivables.

4Q'22 Financial Highlights

SUMMARY

$1.26
DILUTED EPS
compared to $1.48

$92.5 billion
LOAN RECEIVABLES
compared to $80.7 billion

68.4 million
AVERAGE ACTIVE ACCOUNTS
compared to 69.4 million

FINANCIAL METRICS

15.58%
NET INTEREST MARGIN
compared to 15.77%

3.48%
NET CHARGE-OFFS
compared to 2.37%

37.2%
EFFICIENCY RATIO
compared to 41.1%

CAPITAL

12.8%
CET1
liquid assets of $14.2 billion, 13.6% of total assets

$71.7 billion
DEPOSITS
84% of current funding

$803 million
CAPITAL RETURNED
$700 million share repurchases

4Q'22 Business Highlights

BUSINESS EXPANSION

GROWTH METRICS

Purchase Volume
$ billions

	4Q'21	4Q'22	
Total	$47.1	$47.9	2%
Core(a)	$43.0	$47.9	11%
Dual Card / Co-Brand(b)	$16.0	$19.3	21%

Loan receivables
$ billions

	4Q'21	4Q'22	
Total	$80.7	$92.5	15%
Core(a)	$80.5	$92.4	15%
Dual Card / Co-Brand(b)	$17.4	$22.3	28%

Average active accounts
in millions

	4Q'21	4Q'22	
Total	69.4	68.4	(1)%
Core(a)	63.4	68.3	8%

CONSUMER PERFORMANCE

New Accounts(c)

	4Q'21	4Q'22	
Total	7.3	6.4	(13)%
Core(a)	6.6	6.4	(3)%

Purchase Volume per Account(d)

	4Q'21	4Q'22	
	$678	$701	3%

Average Balance per Account(e)

	4Q'21	4Q'22	
	$1,178	$1,293	10%

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

Financial Results

Summary earnings statement

$ in millions, except per share statistics	4Q'22	4Q'21	B/(W) $	B/(W) %
Total interest income	$4,708	$4,053	$655	*16 %*
Total interest expense	602	223	(379)	*(170) %*
Net interest income (NII)	**4,106**	**3,830**	**276**	***7 %***
Retailer share arrangements (RSA)	(1,043)	(1,267)	224	*18 %*
Provision for credit losses	1,201	561	(640)	*(114) %*
Other income	30	167	(137)	*(82) %*
Other expense	1,151	1,122	(29)	*(3) %*
Pre-tax earnings	**741**	**1,047**	**(306)**	***(29) %***
Provision for income taxes	164	234	70	*30 %*
Net earnings	**577**	**813**	**(236)**	***(29) %***
Preferred dividends	10	10	—	*— %*
Net earnings available to common stockholders	**$567**	**$803**	**$(236)**	***(29) %***
Diluted earnings per share	**$1.26**	**$1.48**	**$(0.22)**	***(15) %***

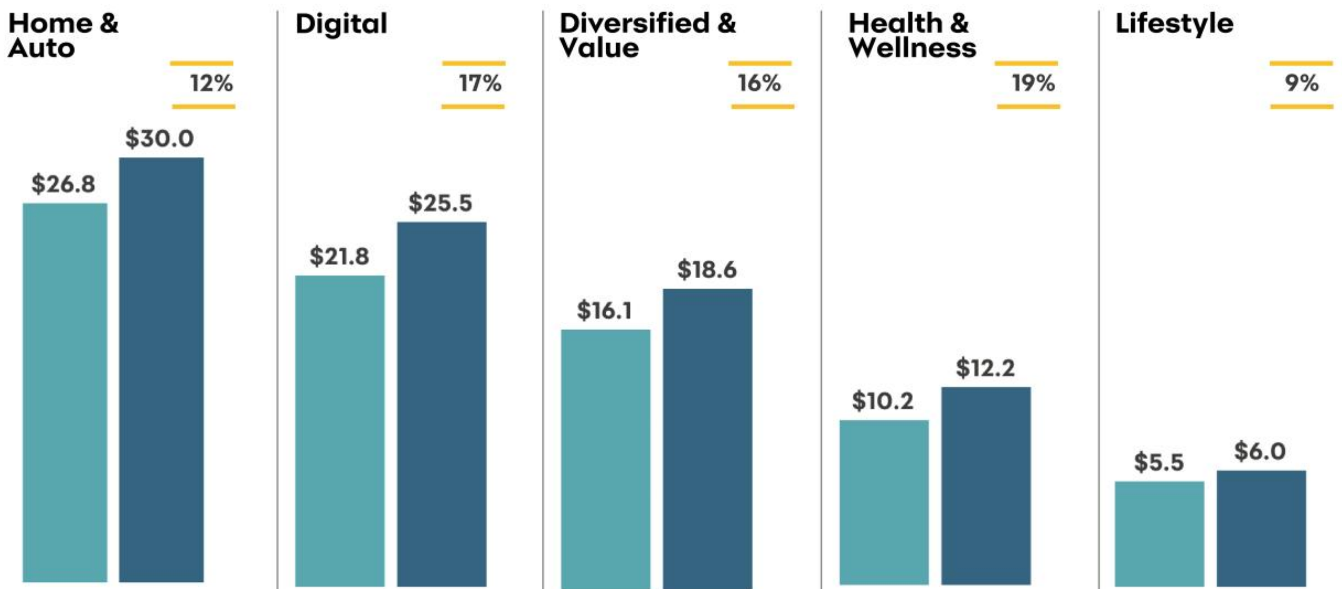
4Q'22 Highlights

$577 million Net earnings, $1.26 diluted EPS

- **Net interest income up 7%**
  - Interest and fees on loans up 13% driven primarily by growth in average loan receivables, partially offset by the impact of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Retailer share arrangements decreased (18)%**
  - Decrease driven by the impact of portfolios sold during 2Q'22 and higher net charge-offs, partially offset by higher net interest income
- **Provision for credit losses up 114%**
  - Higher provision driven by higher reserve build in 4Q'22 and higher net charge-offs
- **Other income down (82)%**
  - Lower other income driven primarily by prior year gain on a venture investment and higher loyalty costs
- **Total Other expense up 3%**
  - Increase primarily driven by higher employee costs, technology investments and higher transaction volume, partially offset by prior year asset impairments and lower marketing costs

4Q'22 Platform Results[(a)]

Loan receivables $ in billions



	Home & Auto			Digital			Diversified & Value			Health & Wellness			Lifestyle		
	4Q'21	4Q'22	V%	4Q'21	4Q'22	V%	4Q'21	4Q'22	V%	4Q'21	4Q'22	V%	4Q'21	4Q'22	V%
Purchase Volume	$10.9	$11.9	9%	$13.5	$14.8	10%	$14.2	$16.3	15%	$3.1	$3.5	15%	$1.5	$1.5	2%
Accounts	17.7	18.5	5%	18.4	20.1	9%	18.8	20.4	8%	5.9	6.7	13%	2.5	2.6	1%
Interest & Fees on Loans	$1,126	$1,264	12%	$1,025	$1,322	29%	$817	$1,023	25%	$603	$744	23%	$194	$221	14%

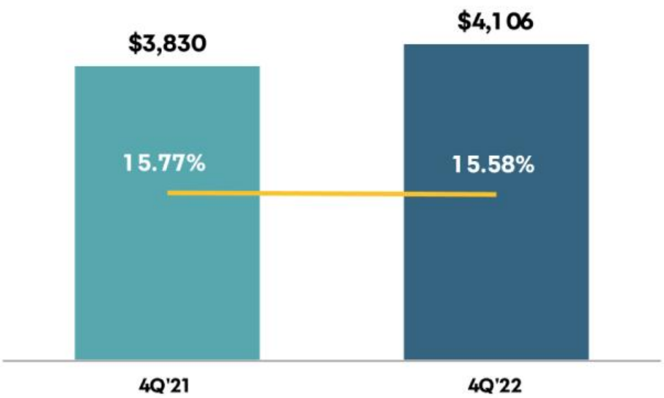
synchrony

Net Interest Income

Net Interest Income

$ in millions
% of average interest-earning assets

7%



Payment Rate Trends [a]

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

4Q'22 Highlights

- **Net interest income increased 7%**
  - Interest and fees on loans up 13% driven by growth in average loan receivables, partially offset by impacts of portfolios sold during 2Q'22
  - Interest expense increase attributed to higher benchmark rates and higher funding liabilities
- **Net interest margin (NIM) decreased 19 bps**
  - Interest-bearing liabilities cost: (136) bps
    - Total cost increased 168 bps to 2.86%
  - Loan receivables yield: 79 bps
    - Loan receivables yield of 20.53%, up 92 bps
  - Liquidity portfolio yield: 44 bps
  - Mix of Interest-earnings assets: (6) bps
    - Loan receivable mix as a percent of total Earning Assets decreased from 84.9% to 84.6%
  - **4Q'22 payment rate ~75 bps lower than prior year, and ~160 bps higher than 5-year historical average**

NIM Walk

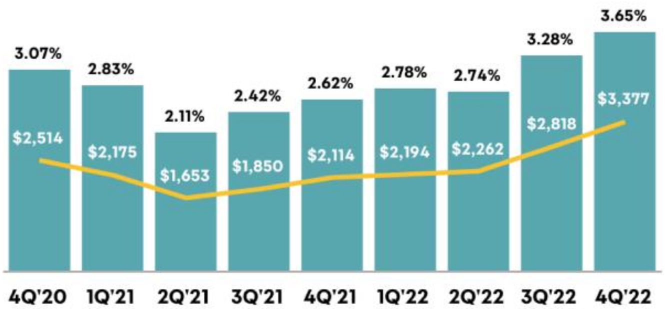
4Q'21 NIM	**15.77%**
Interest-bearing liabilities cost	(1.36)%
Loan receivables yield	0.79%
Liquidity portfolio yield	0.44%
Mix of Interest-earning assets	(0.06)%
4Q'22 NIM	**15.58%**

synchrony

Asset Quality Metrics

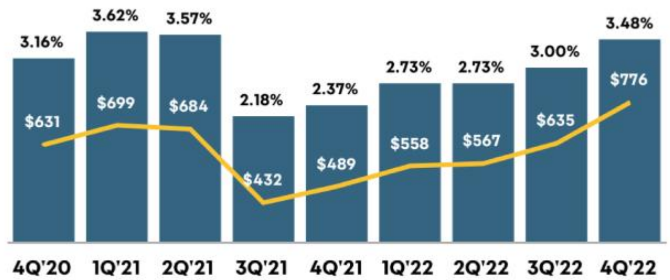
30+ days past due

$ in millions, % of period-end loan receivables



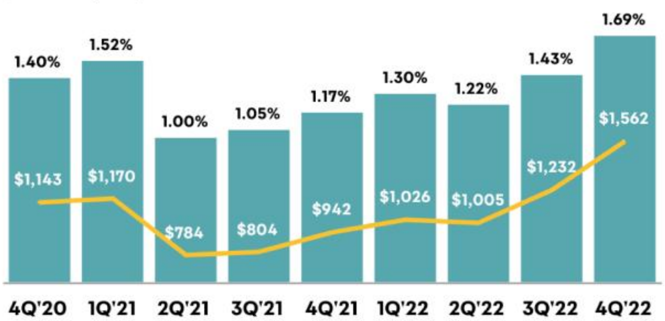
Net charge-offs

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



90+ days past due

$ in millions, % of period-end loan receivables



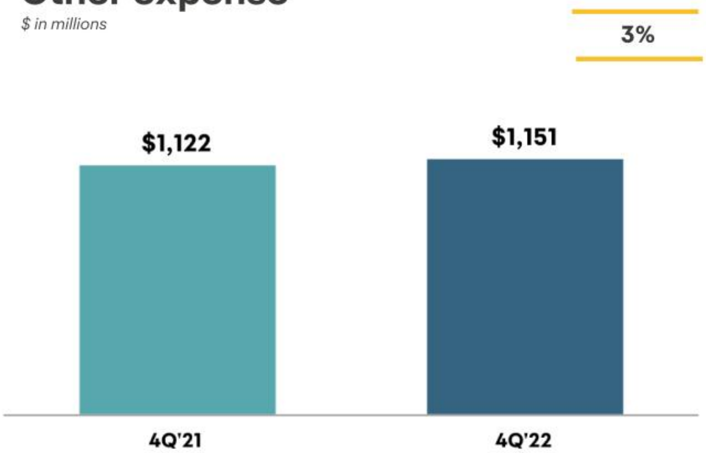
Allowance for credit losses

$ in millions, % of period-end loan receivables

Other Expense

Other expense

$ in millions



	4Q'21	4Q'22	B/(W) V$	B/(W) V%
Employee costs	$409	$459	*$(50)*	*(12)%*
Professional fees	$207	$233	*$(26)*	*(13)%*
Marketing/BD	$167	$121	*$46*	*28%*
Information processing	$143	$165	*$(22)*	*(15)%*
Other	$196	$173	*$23*	*12%*
Other expense	**$1,122**	**$1,151**	***$(29)***	***(3)%***
Efficiency[a]	**41.1%**	**37.2%**		***(3.9) pts.***

4Q'22 Highlights

- **Total other expense up 3%**
  - Increase primarily driven by higher employee costs, technology investments and higher transaction volume, partially offset by $75 million of asset impairments and certain incremental marketing investments recognized in 4Q'21
    - 4Q'22 Total other expense includes $12 million of remaining reinvestment of 2Q Gain on Sale proceeds
  - Employee cost increase includes certain additional compensation items of $21 million, higher stock-based compensation and higher headcount driven by growth and in-sourcing
  - Increased technology investments and transaction volume driving higher Professional fees and Information processing expenses
- **Efficiency ratio 37.2% vs. 41.1% prior year**
  - Decrease in ratio driven by higher revenue partially offset by higher expenses

Funding, Capital and Liquidity

Funding sources

$ in billions

	4Q'21	4Q'22	*V%*
Deposits	81%	84%	*3 pts.*
Securitization	10%	7%	*(3) pts.*
Unsecured	9%	9%	*0 pts.*

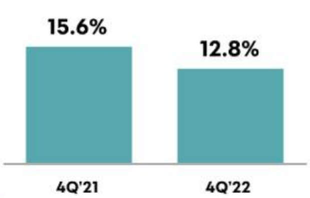
Liquidity[a]

$ in billions

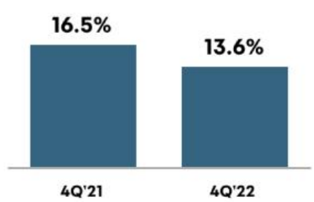
	4Q'21	4Q'22
Liquid assets	$13.0	$14.2
Undrawn credit facilities	$ 2.7	$ 3.0
Total liquidity	**$15.7**	**$17.2**
% of Total assets	**16.4 %**	**16.4 %**

Capital ratios[b]

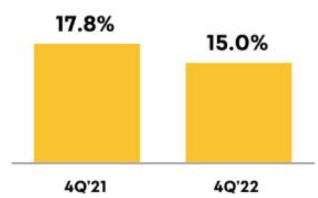
CET1 Capital Ratio



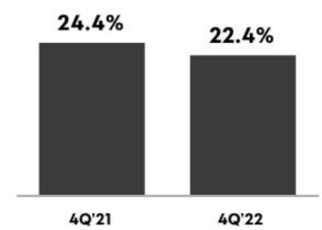
Tier 1 Capital Ratio



Total Capital Ratio



Tier 1 Capital + Credit Loss Reserve Ratio*



synchrony

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

2023 Outlook

Key Driver	Full Year Framework	FY 2023
Loan Receivables Growth	• Driven by continued Purchase Volume growth across all sales platforms • Payment rate moderation expected to continue, remaining above pre-pandemic levels during 2023	8 – 10%

Net Interest Margin	• Follow normal seasonal trends adjusted for the following items:
	  • increase in Interest-bearing liabilities cost driven by higher benchmark rates and higher retail deposit betas from competition and growth requirements
	  • higher Interest & Fee yield partially offset by higher reversals
	  • increase in Liquidity portfolio yield from higher benchmark rates
	  • fluctuation of ALR as a % of AEA driven by timing of growth and funding
	  • the impact of portfolios sold during 2Q'22
		15.00 – 15.25%

Net Charge-Offs	• Returning to pre-pandemic seasonal trends with continued credit normalization where delinquencies reach pre-pandemic levels in mid-2023 • Net Charge-Offs not expected to reach pre-pandemic levels on an annual basis until 2024 unless significant changes in macroeconomic environment develop	4.75 – 5.00%
RSA / Average Loan Receivables	• Moderation reflects the impact of continued credit normalization, and lower Net Interest Margin, partially offset by higher Purchase Volume • Impact of portfolios sold during 2Q'22	4.00% – 4.25%
Operating Expenses	• Manage expenses to deliver positive operating leverage (expense growth lower than NII growth) for the full year	~$1,125MM per quarter

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

Footnotes

All amounts and metrics included in this presentation are as of, or for the three months ended, December 31, 2022, unless otherwise stated.

References in this presentation to "HFS" are to Loan receivables held for sale

Delivering Resilient Returns through Cycles

(b) Classification of Prime & Super Prime refers to VantageScore credit scores of 651 or higher for 2019-2022, and FICO scores of 661 or higher for periods prior to 2019.

(c) RSA/ALR refers to Retail Share Arrangements as a percentage of Average Loan Receivables; NCO/ALR refers to Net Charge-Offs as a percentage of Average Loan Receivables; Prime & Super Prime /EOP refers to Prime & Super Prime loan receivables as a percentage of total Period-end Loan Receivables; RSA/Purchase Volume refers to Retailer Share Arrangements as a percentage of Purchase Volume.

4Q'22 Business Highlights

(b) Dual Card / Co-Brand metrics shown above are consumer only and excludes amounts related to portfolios that were sold in 2Q'22.

(c) New Accounts represent accounts that were approved in the respective period, in millions.

(d) Purchase Volume per Account is calculated as total Purchase volume divided by Average active accounts, in $.

(e) Average Balance per Account is calculated as the Average loan receivables divided by Average active accounts, in $.

Platform Results

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

Net Interest Income

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

Other Expense

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

Funding, Capital and Liquidity

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

(b) Capital ratios reflect election to delay an estimate of CECL's effect on regulatory capital for two years in accordance with the interim final rule issued by U.S. banking agencies in March 2020. CET1, Tier 1, and Total Capital Ratio are on a Transition basis.

CHANGING WHAT'S POSSIBLE

Gain on Sale Re-Investment

The following table sets forth the details of impacts of the gain on sale

$ in millions, except per share statistics

	2Q'22	3Q'22	4Q'22	Total
Gain on Sale from conveyance of HFS portfolios	**$120**			**$120**
Marketing / Growth Investments:				
RSA*	10			
Other Income - loyalty program costs	8	1		
Other Expense	38	27	12	
Site Strategy Costs:				
Other Expense	24			
Total Expense	**$80**	**$28**	**$12**	**$120**
EPS benefit (impact)	**$0.06**	**$(0.05)**	**$(0.02)**	

*Reimbursement of growth initiatives related to value proposition launch

Non-GAAP Reconciliation

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

$ and accounts in millions	Quarter Ended December 31, Total	
	2021	2022
Loan receivables	**$80,740**	**$92,470**
Less: Gap and BP Loan receivables	(278)	(98)
Core Loan receivables	**$80,462**	**$92,372**
Purchase volume	**$47,072**	**$47,923**
Less: Gap and BP Purchase volume	(4,032)	—
Core Purchase volume	**$43,040**	**$47,923**
Average active accounts	**69.4**	**68.4**
Less: Gap and BP Average active accounts	6.0	0.1
Core Average active accounts	**63.4**	**68.3**
New Accounts	**7.3**	**6.4**
Less: Gap and BP New Accounts	(0.7)	—
Core New Accounts	**6.6**	**6.4**

Non-GAAP Reconciliation Continued

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

$ in millions

	At December 31,	
	Total	
	2021	2022
Tier 1 Capital	$ 14,003	$ 12,493
Less: CECL transition adjustment	(2,292)	(1,719)
Tier 1 capital (CECL fully phased-in)	**$ 11,711**	**$ 10,774**
Add: Allowance for credit losses	8,688	9,527
Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses	**$ 20,399**	**$ 20,301**
Risk-weighted assets	**$ 84,950**	**$ 91,596**
Less: CECL transition adjustment	(1,353)	(870)
Risk-weighted assets (CECL fully phased-in)	**$ 83,597**	**$ 90,726**

Non-GAAP Reconciliation Continued

The following table sets forth the components of our Tangible common equity

$ in millions

	At December 31,	
	Total	
	2021	2022
GAAP Total Equity	**$13,655**	**$12,873**
Less: Preferred Stock	(734)	(734)
Less: Goodwill	(1,105)	(1,105)
Less: Intangible assets, net	(1,168)	(1,287)
Tangible common equity	**$10,648**	**$9,747**

Non-GAAP Reconciliation Continued

The following table sets forth a reconciliation between GAAP results and non-GAAP managed-basis results for 2009

$ in millions

	Year ended December 31, 2009
Net charge-offs as a % of average loan receivables, including held for sale:	
GAAP	**11.26 %**
Securitization adjustments	(0.59) %
Managed basis	**10.67 %**
Net interest income as a % of average loan receivables, including held for sale:	
GAAP	**16.21 %**
Securitization adjustments	1.44 %
Managed basis	**17.65 %**
Retailer share arrangements as a % of average loan receivables, including held for	
GAAP	**3.40 %**
Securitization adjustments	(1.80) %
Managed basis	**1.60 %**
Average loan receivables	
GAAP	**$23,485**
Securitization adjustments	23,181
Managed basis	**$46,666**
End of period loans	
GAAP	**$22,912**
Securitization adjustments	23,964
Managed basis	**$46,876**

Explanation of Non-GAAP Measures

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

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

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

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

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

Within Exhibit 99.3 we present certain historical financial information for 2009 on a "managed" basis. These metrics presented on a managed basis are non-GAAP measures. A reconciliation of the corresponding GAAP financial metrics to the financial information presented on a managed basis is included in the appendix of Exhibit 99.3.