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

April 19, 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 April 19, 2023, Synchrony Financial (the “Company”) issued a press release setting forth the Company’s first quarter 2023 earnings. A copy of the Company’s press release is being furnished as Exhibit 99.1 and hereby incorporated by reference. The information furnished pursuant to this Item 2.02, including Exhibits, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

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

Number	Description
99.1	Press release, dated April 19, 2023, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended March 31, 2023
99.3	Financial Results Presentation of the Company for the quarter ended March 31, 2023
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURES

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

	SYNCHRONY FINANCIAL	
Date: April 19, 2023	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

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Exhibit 99.1

For Immediate Release
Synchrony Financial (NYSE: SYF)
April 19, 2023

FIRST QUARTER 2023 RESULTS AND KEY METRICS

2.3%	12.5%	$500M
Return on Assets	CET1 Ratio	Capital Returned

$91.1B

Loan Receivables

Net Earnings of $601 Million or $1.35 per Diluted Share

Delivered Record First Quarter Purchase Volume and Strong Receivables Growth

Returned $500 Million of Capital to Shareholders, including $400 Million of Share Repurchases

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced first quarter 2023 net earnings of $601 million, or $1.35 per diluted share, compared to $932 million, or $1.77 per diluted share in the first quarter 2022.

KEY OPERATING & FINANCIAL METRICS*

PERFORMANCE REFLECTS DIFFERENTIATED BUSINESS MODEL AND CONTINUED STRENGTH OF THE CONSUMER

- Purchase volume increased 3% to $41.6 billion, or 11% on a Core basis**
- Loan receivables were $91.1 billion and increased 15%, or 16% on a Core basis
- Average active accounts decreased 1% to 69.5 million, and increased 8% on a Core basis
- New accounts decreased 7% to $5.2 million, and decreased 1% on a Core basis
- Net interest margin decreased 58 basis points to 15.22%
- Efficiency ratio decreased 220 basis points to 35.0%
- Return on assets decreased 170 basis points to 2.3%
- Return on equity decreased 9.3% to 18.2%; return on tangible common equity*** decreased 11.7% to 23.2%

CEO COMMENTARY

“Once again, the power of Synchrony’s differentiated business model, matched with the continued strength of the customers we serve, delivered strong, consistent growth across our diversified set of partners and products,” said Brian Doubles, Synchrony’s President and Chief Executive Officer.

“We drove record first quarter purchase volume, executed on our strategy by winning partners and diversifying our products, and demonstrated the resilience of our funding model as we grew deposit accounts and balances in our bank.

“Over decades, and through economic cycles and waves of technological innovation, Synchrony has prioritized strategies that deliver sustainable, long-term growth at attractive risk-adjusted returns. Our track record of execution reflects a differentiated approach to serving our customers and our partners, and that execution has fueled consistent results for our stakeholders.”

CFO COMMENTARY

“Synchrony’s first quarter performance was highlighted by broad based purchase volume and receivables growth, as well as credit normalization that is tracking in line with our expectations. In addition, our financial results demonstrated both the power of our RSA — which continued to provide some offset to the impact of higher net charge-offs — and the strength of our balance sheet,” said Brian Wenzel, Synchrony’s Executive Vice President and Chief Financial Officer.

“Synchrony’s funding model is anchored on a loyal retail deposit base, the vast majority of which is insured and diversified by geography. During a period of heightened uncertainty in the banking industry, Synchrony served as a stable foundation for both our existing and new customers. And while we see no effects of recent industry events on Synchrony’s delinquency metrics, our reserves now include consideration of the potential effects of credit contraction across the industry on consumers and the economy.

“Looking forward, while the macroeconomic environment remains uncertain, we remain confident in our business performance and financial outlook for the remainder of this year.”

BUSINESS AND FINANCIAL RESULTS FOR THE FIRST QUARTER OF 2023*

BUSINESS HIGHLIGHTS

CONTINUED TO EXPAND PORTFOLIO, ENHANCE PRODUCTS AND EXTEND REACH

- Added or renewed more than 15 programs, including Havertys and LoveSac
- Extended our partnerships with the two largest dental associations, the American Dental Association and the Academy of General Dentistry
- Launched the Synchrony Outdoors Card, enabling easy and affordable financing solutions to powersports enthusiasts

FINANCIAL HIGHLIGHTS

EARNINGS DRIVEN BY CORE BUSINESS DRIVERS

- Interest and fees on loans increased 15% to $4.6 billion, driven primarily by growth in average loan receivables, partially offset by impacts of portfolios sold during Q2’22.
- Net interest income increased $262 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 $187 million, or 17%, to $917 million, reflecting the impact of portfolios sold during Q2’22 and higher net charge-offs, partially offset by higher net interest income.
- Provision for credit losses increased $769 million to $1.3 billion, driven by higher net charge-offs and also a reserve build in Q1’23 mainly driven by higher loan receivables and the potential effects of industry credit contraction on the economy, compared to a reserve release in prior year.
- Other income decreased $43 million, or 40%, to $65 million, driven primarily by higher loyalty costs as well as lower investment gains/losses, partially offset by higher debt cancellation income.
- Other expense increased $80 million, or 8%, to $1.1 billion, driven by higher employee costs, operational losses and technology investments.
- Net earnings decreased to $601 million, compared to $932 million.

CREDIT QUALITY

CREDIT CONTINUES TO NORMALIZE IN LINE WITH EXPECTATIONS

- Loans 30+ days past due as a percentage of total period-end loan receivables were 3.81% compared to 2.78% in the prior year, an increase of 103 basis points.
- Net charge-offs as a percentage of total average loan receivables were 4.49% compared to 2.73% in the prior year, an increase of 176 basis points, but remain well below our underwriting target of 5.5%-6.0%.
- The allowance for credit losses as a percentage of total period-end loan receivables was 10.44%, which included a $294 million reduction related to the elimination of a separate allowance for Troubled Debt Restructurings (TDRs), compared to 10.30% in the fourth quarter 2022.

SALES PLATFORM HIGHLIGHTS

DIVERSITY ACROSS OUR PLATFORMS CONTINUES TO PROVIDE RESILIENCE

- Home & Auto purchase volume increased 6%, driven primarily by strong commercial spend and higher transaction values in Furniture and Home Specialty. Period-end loan receivables increased 12%, reflecting higher purchase volume and lower payment rates. Interest and fees on loans were up by 13%, primarily driven by the growth in loan receivables. Average active accounts increased 6%.
- Digital purchase volume increased 10%, reflecting growth in average active accounts and strong customer engagement. Period-end loan receivables increased 18%, reflecting lower payment rates and continued purchase volume growth. Interest and fees on loans increased 33%, reflecting the growth in loan receivables and higher benchmark rates. Average active accounts increased 8%.
- Diversified & Value purchase volume increased 16%, driven by higher out-of-partner spend, strong retailer performance and penetration growth. Period-end loan receivables increased 17%, reflecting purchase volume growth and lower payment rates. Interest and fees on loans increased 30%, driven by the growth in loan receivables and higher benchmark rates. Average active accounts increased 8%.
- Health & Wellness purchase volume increased 19%, reflecting broad-based growth in active accounts and higher spend per active account. Period-end loan receivables increased 21%, driven by continued higher promotional purchase volume and lower payment rates. Interest and fees on loans increased 19%, reflecting the growth in loan receivables and higher revolve rate. Average active accounts increased 14%.
- Lifestyle purchase volume increased 9%, reflecting stronger transaction values in Outdoor and Luxury. Period-end loan receivables increased 11%, driven by purchase volume growth and lower payment rates. Interest and fees on loans increased 17%, 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 $91.1 billion increased 15%; purchase volume increased 3% and average active accounts decreased 1%.
- Deposits increased $10.8 billion, or 17%, to $74.4 billion and comprised 83% of funding.
- Total liquidity, consisting of liquid assets and undrawn credit facilities, was $21.7 billion, or 20.2% of total assets.
- The company returned $500 million in capital to shareholders, including $400 million of share repurchases and $100 million of common stock dividends.
- As of March 31, 2023, the Company had a total remaining share repurchase authorization of $300 million.
- The estimated Common Equity Tier 1 ratio was 12.5% compared to 15.0%, and the estimated Tier 1 Capital ratio was 13.3% compared to 15.9%.

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

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

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

CORRESPONDING FINANCIAL TABLES AND INFORMATION

No representation is made that the information in this news release is complete. Investors are encouraged to review the foregoing summary and discussion of Synchrony Financial's earnings and financial condition in conjunction with the detailed financial tables and information that follow and the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed February 9, 2023, and the Company's forthcoming Quarterly Report on Form 10-Q for the quarter ended March 31, 2023. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at www.investors.synchronyfinancial.com. This information is also furnished in a Current Report on Form 8-K filed with the SEC today.

CONFERENCE CALL AND WEBCAST

On Wednesday, April 19, 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

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CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

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

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this news release and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed on February 9, 2023. You should not consider any list of such factors to be an exhaustive statement of all the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

NON-GAAP MEASURES

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

SYNCHRONY FINANCIAL

FINANCIAL SUMMARY

(unaudited, in millions, except per share statistics)

	Quarter Ended						
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**1Q'23 vs. 1Q'22**	
EARNINGS							
Net interest income	$ 4,051	$ 4,106	$ 3,928	$ 3,802	$ 3,789	$ 262	6.9 %
Retailer share arrangements	(917)	(1,043)	(1,057)	(1,127)	(1,104)	187	(16.9)%
Provision for credit losses	1,290	1,201	929	724	521	769	147.6 %
Net interest income, after retailer share arrangements and provision for credit losses	1,844	1,862	1,942	1,951	2,164	(320)	(14.8)%
Other income	65	30	44	198	108	(43)	(39.8)%
Other expense	1,119	1,151	1,064	1,083	1,039	80	7.7 %
Earnings before provision for income taxes	790	741	922	1,066	1,233	(443)	(35.9)%
Provision for income taxes	189	164	219	262	301	(112)	(37.2)%
Net earnings	$ 601	$ 577	$ 703	$ 804	$ 932	$ (331)	(35.5)%
Net earnings available to common stockholders	$ 590	$ 567	$ 692	$ 793	$ 922	$ (332)	(36.0)%
COMMON SHARE STATISTICS							
Basic EPS	$ 1.36	$ 1.27	$ 1.48	$ 1.61	$ 1.79	$ (0.43)	(24.0)%
Diluted EPS	$ 1.35	$ 1.26	$ 1.47	$ 1.60	$ 1.77	$ (0.42)	(23.7)%
Dividend declared per share	$ 0.23	$ 0.23	$ 0.23	$ 0.22	$ 0.22	$ 0.01	4.5 %
Common stock price	$ 29.08	$ 32.86	$ 28.19	$ 27.62	$ 34.82	$ (5.74)	(16.5)%
Book value per share	$ 29.08	$ 27.70	$ 26.76	$ 25.95	$ 25.06	$ 4.02	16.0 %
Tangible common equity per share(1)	$ 23.48	$ 22.24	$ 22.10	$ 21.39	$ 20.60	$ 2.88	14.0 %
Beginning common shares outstanding	438.2	458.9	487.8	506.2	526.8	(88.6)	(16.8)%
Issuance of common shares	—	—	—	—	—	—	— %
Stock-based compensation	1.5	0.1	0.4	0.2	1.4	0.1	7.1 %
Shares repurchased	(11.3)	(20.8)	(29.3)	(18.6)	(22.0)	10.7	(48.6)%
Ending common shares outstanding	428.4	438.2	458.9	487.8	506.2	(77.8)	(15.4)%
Weighted average common shares outstanding	434.4	445.8	468.5	493.0	515.3	(80.9)	(15.7)%
Weighted average common shares outstanding (fully diluted)	437.2	448.9	470.7	495.3	519.5	(82.3)	(15.8)%

(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						
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**1Q'23 vs. 1Q'22**	
PERFORMANCE METRICS							
Return on assets[1]	2.3 %	2.2 %	2.8 %	3.4 %	4.0 %		(1.7)%
Return on equity[2]	18.2 %	17.5 %	21.1 %	24.0 %	27.5 %		(9.3)%
Return on tangible common equity[3]	23.2 %	22.1 %	26.6 %	30.3 %	34.9 %		(11.7)%
Net interest margin[4]	15.22 %	15.58 %	15.52 %	15.60 %	15.80 %		(0.58)%
Efficiency ratio[5]	35.0 %	37.2 %	36.5 %	37.7 %	37.2 %		(2.2)%
Other expense as a % of average loan receivables, including held for sale	5.00 %	5.16 %	5.02 %	5.21 %	5.09 %		(0.09)%
Effective income tax rate	23.9 %	22.1 %	23.8 %	24.6 %	24.4 %		(0.5)%
CREDIT QUALITY METRICS							
Net charge-offs as a % of average loan receivables, including held for sale	4.49 %	3.48 %	3.00 %	2.73 %	2.73 %		1.76 %
30+ days past due as a % of period-end loan receivables[6]	3.81 %	3.65 %	3.28 %	2.74 %	2.78 %		1.03 %
90+ days past due as a % of period-end loan receivables[6]	1.87 %	1.69 %	1.43 %	1.22 %	1.30 %		0.57 %
Net charge-offs	$ 1,006	$ 776	$ 635	$ 567	$ 558	$ 448	80.3 %
Loan receivables delinquent over 30 days[6]	$ 3,474	$ 3,377	$ 2,818	$ 2,262	$ 2,194	$ 1,280	58.3 %
Loan receivables delinquent over 90 days[6]	$ 1,705	$ 1,562	$ 1,232	$ 1,005	$ 1,026	$ 679	66.2 %
Allowance for credit losses (period-end)	$ 9,517	$ 9,527	$ 9,102	$ 8,808	$ 8,651	$ 866	10.0 %
Allowance coverage ratio[7]	10.44 %	10.30 %	10.58 %	10.65 %	10.96 %		(0.52)%
BUSINESS METRICS							
Purchase volume[8][9]	$ 41,557	$ 47,923	$ 44,557	$ 47,217	$ 40,490	$ 1,067	2.6 %
Period-end loan receivables	$ 91,129	$ 92,470	$ 86,012	$ 82,674	$ 78,916	$ 12,213	15.5 %
Credit cards	$ 86,113	$ 87,630	$ 81,254	$ 78,062	$ 74,596	$ 11,517	15.4 %
Consumer installment loans	$ 3,204	$ 3,056	$ 2,945	$ 2,847	$ 2,719	$ 485	17.8 %
Commercial credit products	$ 1,690	$ 1,682	$ 1,723	$ 1,689	$ 1,530	$ 160	10.5 %
Other	$ 122	$ 102	$ 90	$ 76	$ 71	$ 51	71.8 %
Average loan receivables, including held for sale	$ 90,815	$ 88,436	$ 84,038	$ 83,412	$ 82,747	$ 8,068	9.8 %
Period-end active accounts (in thousands)[9][10]	68,589	70,763	66,503	65,969	69,122	(533)	(0.8)%
Average active accounts (in thousands)[9][10]	69,494	68,373	66,266	68,671	70,127	(633)	(0.9)%
LIQUIDITY							
Liquid assets							
Cash and equivalents	$ 15,303	$ 10,294	$ 11,962	$ 10,682	$ 10,541	$ 4,762	45.2 %
Total liquid assets	$ 18,778	$ 14,201	$ 16,566	$ 15,177	$ 14,687	$ 4,091	27.9 %
Undrawn credit facilities							
Undrawn credit facilities	$ 2,950	$ 2,950	$ 3,700	$ 3,700	$ 3,100	$ (150)	(4.8)%
Total liquid assets and undrawn credit facilities	$ 21,728	$ 17,151	$ 20,266	$ 18,877	$ 17,787	$ 3,941	22.2 %
Liquid assets % of total assets	17.41 %	13.58 %	16.44 %	15.94 %	15.42 %		1.99 %
Liquid assets including undrawn credit facilities % of total assets	20.15 %	16.40 %	20.11 %	19.83 %	18.67 %		1.48 %

(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						
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**1Q'23 vs. 1Q'22**	
Interest income:							
Interest and fees on loans	$ 4,616	$ 4,576	$ 4,258	$ 4,039	$ 4,008	$ 608	15.2 %
Interest on cash and debt securities	170	132	84	35	14	156	NM
Total interest income	4,786	4,708	4,342	4,074	4,022	764	19.0 %
Interest expense:							
Interest on deposits	557	441	280	160	127	430	NM
Interest on borrowings of consolidated securitization entities	77	69	54	40	33	44	133.3 %
Interest on senior unsecured notes	101	92	80	72	73	28	38.4 %
Total interest expense	735	602	414	272	233	502	215.5 %
Net interest income	4,051	4,106	3,928	3,802	3,789	262	6.9 %
Retailer share arrangements	(917)	(1,043)	(1,057)	(1,127)	(1,104)	187	(16.9)%
Provision for credit losses	1,290	1,201	929	724	521	769	147.6 %
Net interest income, after retailer share arrangements and provision for credit losses	1,844	1,862	1,942	1,951	2,164	(320)	(14.8)%
Other income:							
Interchange revenue	232	251	238	263	230	2	0.9 %
Debt cancellation fees	115	102	103	93	89	26	29.2 %
Loyalty programs	(298)	(351)	(326)	(322)	(258)	(40)	15.5 %
Other	16	28	29	164	47	(31)	(66.0)%
Total other income	65	30	44	198	108	(43)	(39.8)%
Other expense:							
Employee costs	451	459	416	404	402	49	12.2 %
Professional fees	186	233	204	185	210	(24)	(11.4)%
Marketing and business development	131	121	115	135	116	15	12.9 %
Information processing	166	165	150	163	145	21	14.5 %
Other	185	173	179	196	166	19	11.4 %
Total other expense	1,119	1,151	1,064	1,083	1,039	80	7.7 %
Earnings before provision for income taxes	790	741	922	1,066	1,233	(443)	(35.9)%
Provision for income taxes	189	164	219	262	301	(112)	(37.2)%
Net earnings	$ 601	$ 577	$ 703	$ 804	$ 932	$ (331)	(35.5)%
Net earnings available to common stockholders	$ 590	$ 567	$ 692	$ 793	$ 922	$ (332)	(36.0)%

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

	Quarter Ended						
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**Mar 31, 2023 vs. Mar 31, 2022**	
Assets							
Cash and equivalents	$ 15,303	$ 10,294	$ 11,962	$ 10,682	$ 10,541	$ 4,762	45.2 %
Debt securities	4,008	4,879	5,082	5,012	4,677	(669)	(14.3)%
Loan receivables:							
Unsecuritized loans held for investment	72,079	72,638	67,651	63,350	59,643	12,436	20.9 %
Restricted loans of consolidated securitization entities	19,050	19,832	18,361	19,324	19,273	(223)	(1.2)%
Total loan receivables	91,129	92,470	86,012	82,674	78,916	12,213	15.5 %
Less: Allowance for credit losses	(9,517)	(9,527)	(9,102)	(8,808)	(8,651)	(866)	10.0 %
Loan receivables, net	81,612	82,943	76,910	73,866	70,265	11,347	16.1 %
Loan receivables held for sale	—	—	—	—	4,046	(4,046)	(100.0)%
Goodwill	1,105	1,105	1,105	1,105	1,105	—	— %
Intangible assets, net	1,297	1,287	1,033	1,118	1,149	148	12.9 %
Other assets	4,528	4,056	4,674	3,417	3,484	1,044	30.0 %
Total assets	$ 107,853	$ 104,564	$ 100,766	$ 95,200	$ 95,267	$ 12,586	13.2 %
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 74,008	$ 71,336	$ 68,032	$ 64,328	$ 63,180	$ 10,828	17.1 %
Non-interest-bearing deposit accounts	417	399	372	381	395	22	5.6 %
Total deposits	74,425	71,735	68,404	64,709	63,575	10,850	17.1 %
Borrowings:							
Borrowings of consolidated securitization entities	6,228	6,227	6,360	5,687	6,139	89	1.4 %
Senior and subordinated unsecured notes	8,706	7,964	7,961	6,470	7,221	1,485	20.6 %
Total borrowings	14,934	14,191	14,321	12,157	13,360	1,574	11.8 %
Accrued expenses and other liabilities	5,301	5,765	5,029	4,941	4,914	387	7.9 %
Total liabilities	94,660	91,691	87,754	81,807	81,849	12,811	15.7 %
Equity:							
Preferred stock	734	734	734	734	734	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,705	9,718	9,685	9,663	9,643	62	0.6 %
Retained earnings	17,369	16,716	16,252	15,679	15,003	2,366	15.8 %
Accumulated other comprehensive income (loss)	(102)	(125)	(187)	(149)	(121)	19	(15.7)%
Treasury stock	(14,514)	(14,171)	(13,473)	(12,535)	(11,842)	(2,672)	22.6 %
Total equity	13,193	12,873	13,012	13,393	13,418	(225)	(1.7)%
Total liabilities and equity	$ 107,853	$ 104,564	$ 100,766	$ 95,200	$ 95,267	$ 12,586	13.2 %

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

	Quarter Ended														
	Mar 31, 2023			Dec 31, 2022			Sep 30, 2022			Jun 30, 2022			Mar 31, 2022		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Assets															
Interest-earning assets:															
Interest-earning cash and equivalents	$ 12,365	$ 140	4.59 %	$ 11,092	$ 104	3.72 %	$ 11,506	$ 65	2.24 %	$ 9,249	$ 20	0.87 %	$ 8,976	$ 5	0.23 %
Securities available for sale	4,772	30	2.55 %	5,002	28	2.22 %	4,861	19	1.55 %	5,063	15	1.19 %	5,513	9	0.66 %
Loan receivables, including held for sale:															
Credit cards	85,904	4,497	21.23 %	83,597	4,462	21.18 %	79,354	4,153	20.76 %	78,912	3,943	20.04 %	78,564	3,913	20.20 %
Consumer installment loans	3,103	83	10.85 %	2,991	78	10.35 %	2,884	74	10.18 %	2,775	69	9.97 %	2,682	66	9.98 %
Commercial credit products	1,697	34	8.13 %	1,757	34	7.68 %	1,720	30	6.92 %	1,654	25	6.06 %	1,434	28	7.92 %
Other	111	2	7.31 %	91	2	8.72 %	80	1	4.96 %	71	2	11.30	67	1	NM
Total loan receivables, including held for sale	90,815	4,616	20.61 %	88,436	4,576	20.53 %	84,038	4,258	20.10 %	83,412	4,039	19.42 %	82,747	4,008	19.64 %
Total interest-earning assets	107,952	4,786	17.98 %	104,530	4,708	17.87 %	100,405	4,342	17.16 %	97,724	4,074	16.72 %	97,236	4,022	16.78 %
Non-interest-earning assets:															
Cash and due from banks	1,024			1,071			1,580			1,614			1,626		
Allowance for credit losses	(9,262)			(9,167)			(8,878)			(8,651)			(8,675)		
Other assets	6,128			5,772			5,587			5,386			5,369		
Total non-interest-earning assets	(2,110)			(2,324)			(1,711)			(1,651)			(1,680)		
Total assets	$ 105,842			$ 102,206			$ 98,694			$ 96,073			$ 95,556		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 72,216	$ 557	3.13 %	$ 69,343	$ 441	2.52 %	$ 66,787	$ 280	1.66 %	$ 63,961	$ 160	1.00 %	$ 62,314	$ 127	0.83 %
Borrowings of consolidated securitization entities	6,229	77	5.01 %	6,231	69	4.39 %	6,258	54	3.42 %	6,563	40	2.44 %	6,827	33	1.96 %
Senior and subordinated unsecured notes	8,442	101	4.85 %	7,962	92	4.58 %	7,102	80	4.47 %	6,974	72	4.14 %	7,219	73	4.10 %
Total interest-bearing liabilities	86,887	735	3.43 %	83,536	602	2.86 %	80,147	414	2.05 %	77,498	272	1.41 %	76,360	233	1.24 %
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	411			388			371			396			374		
Other liabilities	5,130			5,217			4,938			4,717			5,091		
Total non-interest-bearing liabilities	5,541			5,605			5,309			5,113			5,465		
Total liabilities	92,428			89,141			85,456			82,611			81,825		
Equity															
Total equity	13,414			13,065			13,238			13,462			13,731		
Total liabilities and equity	$ 105,842			$ 102,206			$ 98,694			$ 96,073			$ 95,556		
Net interest income		$ 4,051			$ 4,106			$ 3,928			$ 3,802			$ 3,789	
Interest rate spread[1]			14.55 %			15.01 %			15.11 %			15.31 %			15.54 %
Net interest margin[2]			15.22 %			15.58 %			15.52 %			15.60 %			15.80 %

(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											
	Mar 31, 2023		Dec 31, 2022		Sep 30, 2022		June 30, 2022		Mar 31, 2022		Mar 31, 2023 vs. Mar 31, 2022	
BALANCE SHEET STATISTICS												
Total common equity	$	12,459	$	12,139	$	12,278	$	12,659	$	12,684	$ (225)	(1.8)%
Total common equity as a % of total assets		11.55 %		11.61 %		12.18 %		13.30 %		13.31 %		(1.76)%
Tangible assets	$	105,451	$	102,172	$	98,628	$	92,977	$	93,013	$ 12,438	13.4 %
Tangible common equity[1]	$	10,057	$	9,747	$	10,140	$	10,436	$	10,430	$ (373)	(3.6)%
Tangible common equity as a % of tangible assets[1]		9.54 %		9.54 %		10.28 %		11.22 %		11.21 %		(1.67)%
Tangible common equity per share[1]	$	23.48	$	22.24	$	22.10	$	21.39	$	20.60	$ 2.88	14.0 %

REGULATORY CAPITAL RATIOS[2][3]

	Basel III - CECL Transition				
Total risk-based capital ratio[4]	15.4 %	15.0 %	16.5 %	17.4 %	17.2 %
Tier 1 risk-based capital ratio[5]	13.3 %	13.6 %	15.2 %	16.1 %	15.9 %
Tier 1 leverage ratio[6]	11.6 %	12.3 %	13.2 %	13.8 %	13.9 %
Common equity Tier 1 capital ratio	12.5 %	12.8 %	14.3 %	15.2 %	15.0 %

(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 March 31, 2023 are preliminary and therefore subject to change.

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

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

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

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

SYNCHRONY FINANCIAL
PLATFORM RESULTS
(unaudited, $ in millions)

	Quarter Ended						
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**June 30, 2022**	**Mar 31, 2022**	**1Q'23 vs. 1Q'22**	
HOME & AUTO							
Purchase volume[1]	$ 10,863	$ 11,860	$ 12,273	$ 12,895	$ 10,260	$ 603	5.9 %
Period-end loan receivables	$ 29,733	$ 29,978	$ 29,017	$ 27,989	$ 26,532	$ 3,201	12.1 %
Average loan receivables, including held for sale	$ 29,690	$ 29,402	$ 28,387	$ 27,106	$ 26,406	$ 3,284	12.4 %
Average active accounts (in thousands)[3]	18,521	18,539	18,350	17,942	17,473	1,048	6.0 %
Interest and fees on loans	$ 1,225	$ 1,264	$ 1,210	$ 1,108	$ 1,088	$ 137	12.6 %
Other income	$ 25	$ 23	$ 20	$ 23	$ 21	$ 4	19.0 %
DIGITAL							
Purchase volume[1]	$ 12,261	$ 14,794	$ 12,941	$ 12,463	$ 11,196	$ 1,065	9.5 %
Period-end loan receivables	$ 24,944	$ 25,522	$ 22,925	$ 21,842	$ 21,075	$ 3,869	18.4 %
Average loan receivables, including held for sale	$ 24,982	$ 23,931	$ 22,361	$ 21,255	$ 21,160	$ 3,822	18.1 %
Average active accounts (in thousands)[3]	20,564	20,073	19,418	19,069	19,000	1,564	8.2 %
Interest and fees on loans	$ 1,363	$ 1,322	$ 1,197	$ 1,058	$ 1,022	$ 341	33.4 %
Other income	$ 1	$ (14)	$ (22)	$ (13)	$ (12)	$ 13	(108.3)%
DIVERSIFIED & VALUE							
Purchase volume[1]	$ 13,439	$ 16,266	$ 14,454	$ 14,388	$ 11,558	$ 1,881	16.3 %
Period-end loan receivables	$ 17,702	$ 18,617	$ 16,566	$ 16,076	$ 15,166	$ 2,536	16.7 %
Average loan receivables, including held for sale	$ 17,713	$ 17,274	$ 16,243	$ 15,498	$ 15,128	$ 2,585	17.1 %
Average active accounts (in thousands)[3]	20,807	20,386	19,411	19,026	19,201	1,606	8.4 %
Interest and fees on loans	$ 1,070	$ 1,023	$ 935	$ 826	$ 826	$ 244	29.5 %
Other income	$ (14)	$ (42)	$ (19)	$ (35)	$ (9)	$ (5)	55.6 %
HEALTH & WELLNESS							
Purchase volume[1]	$ 3,690	$ 3,505	$ 3,514	$ 3,443	$ 3,107	$ 583	18.8 %
Period-end loan receivables	$ 12,581	$ 12,179	$ 11,590	$ 10,932	$ 10,407	$ 2,174	20.9 %
Average loan receivables, including held for sale	$ 12,309	$ 11,846	$ 11,187	$ 10,596	$ 10,251	$ 2,058	20.1 %
Average active accounts (in thousands)[3]	6,887	6,673	6,411	6,177	6,027	860	14.3 %
Interest and fees on loans	$ 735	$ 744	$ 706	$ 644	$ 616	$ 119	19.3 %
Other income	$ 61	$ 60	$ 55	$ 49	$ 53	$ 8	15.1 %
LIFESTYLE							
Purchase volume[1]	$ 1,302	$ 1,498	$ 1,374	$ 1,431	$ 1,195	$ 107	9.0 %
Period-end loan receivables	$ 5,971	$ 5,970	$ 5,686	$ 5,558	$ 5,381	$ 590	11.0 %
Average loan receivables, including held for sale	$ 5,919	$ 5,772	$ 5,610	$ 5,443	$ 5,379	$ 540	10.0 %
Average active accounts (in thousands)[3]	2,611	2,585	2,524	2,510	2,582	29	1.1 %
Interest and fees on loans	$ 223	$ 221	$ 208	$ 194	$ 191	$ 32	16.8 %
Other income	$ 7	$ 7	$ 8	$ 7	$ 6	$ 1	16.7 %
CORP, OTHER[4]							
Purchase volume[1][2]	$ 2	$ —	$ 1	$ 2,597	$ 3,174	$ (3,172)	(99.9)%
Period-end loan receivables	$ 198	$ 204	$ 228	$ 277	$ 355	$ (157)	(44.2)%
Average loan receivables, including held for sale	$ 202	$ 211	$ 250	$ 3,514	$ 4,423	$ (4,221)	(95.4)%
Average active accounts (in thousands)[2][3]	104	117	152	3,947	5,844	(5,740)	(98.2)%
Interest and fees on loans	$ —	$ 2	$ 2	$ 209	$ 265	$ (265)	(100.0)%
Other income	$ (15)	$ (4)	$ 2	$ 167	$ 49	$ (64)	(130.6)%
TOTAL SYF							
Purchase volume[1][2]	$ 41,557	$ 47,923	$ 44,557	$ 47,217	$ 40,490	$ 1,067	2.6 %
Period-end loan receivables	$ 91,129	$ 92,470	$ 86,012	$ 82,674	$ 78,916	$ 12,213	15.5 %
Average loan receivables, including held for sale	$ 90,815	$ 88,436	$ 84,038	$ 83,412	$ 82,747	$ 8,068	9.8 %
Average active accounts (in thousands)[2][3]	69,494	68,373	66,266	68,671	70,127	(633)	(0.9)%
Interest and fees on loans	$ 4,616	$ 4,576	$ 4,258	$ 4,039	$ 4,008	$ 608	15.2 %
Other income	$ 65	$ 30	$ 44	$ 198	$ 108	$ (43)	(39.8)%

(1) Purchase volume, or net credit sales, represents the aggregate amount of charges incurred on credit cards or other credit product accounts less returns during the period.
(2) Includes activity and balances associated with loan receivables held for sale.
(3) Active accounts represent credit card or installment loan accounts on which there has been a purchase, payment or outstanding balance in the current month.
(4) Includes activity and balances associated with the Gap Inc. and BP portfolios which were both sold in 2Q 2022.

SYNCHRONY FINANCIAL

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

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

	Quarter Ended				
	Mar 31, 2023	**Dec 31, 2022**	**Sep 30, 2022**	**Jun 30, 2022**	**Mar 31, 2022**
COMMON EQUITY AND REGULATORY CAPITAL MEASURES[2]					
GAAP Total equity	$ 13,193	$ 12,873	$ 13,012	$ 13,393	$ 13,418
Less: Preferred stock	(734)	(734)	(734)	(734)	(734)
Less: Goodwill	(1,105)	(1,105)	(1,105)	(1,105)	(1,105)
Less: Intangible assets, net	(1,297)	(1,287)	(1,033)	(1,118)	(1,149)
Tangible common equity	$ 10,057	$ 9,747	$ 10,140	$ 10,436	$ 10,430
Add: CECL transition amount	1,146	1,719	1,719	1,719	1,719
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	270	293	419	391	371
Common equity Tier 1	$ 11,473	$ 11,759	$ 12,278	$ 12,546	$ 12,520
Preferred stock	734	734	734	734	734
Tier 1 capital	$ 12,207	$ 12,493	$ 13,012	$ 13,280	$ 13,254
Add: Subordinated debt	740	—	—	—	—
Add: Allowance for credit losses includible in risk-based capital	1,233	1,220	1,142	1,099	1,106
Total Risk-based capital	$ 14,180	$ 13,713	$ 14,154	$ 14,379	$ 14,360
ASSET MEASURES[2]					
Total average assets	$ 105,842	$ 102,206	$ 98,694	$ 96,073	$ 95,556
Adjustments for:					
Add: CECL transition amount	1,146	1,719	1,719	1,719	1,719
Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(2,081)	(2,046)	(1,776)	(1,878)	(1,964)
Total assets for leverage purposes	$ 104,907	$ 101,879	$ 98,637	$ 95,914	$ 95,311
Risk-weighted assets - Basel III (fully phased-in)	$ 91,873	$ 91,596	$ 85,664	$ 82,499	$ 83,251
CECL FULLY PHASED-IN CAPITAL MEASURES					
Tier 1 capital	$ 12,207	$ 12,493	$ 13,012	$ 13,280	$ 13,254
Less: CECL transition adjustment	(1,146)	(1,719)	(1,719)	(1,719)	(1,719)
Tier 1 capital (CECL fully phased-in)	$ 11,061	$ 10,774	$ 11,293	$ 11,561	$ 11,535
Add: Allowance for credit losses	9,517	9,527	9,102	8,808	8,651
Tier 1 capital (CECL fully phased-in) + Reserves for credit losses	$ 20,578	$ 20,301	$ 20,395	$ 20,369	$ 20,186
Risk-weighted assets	$ 91,873	$ 91,596	$ 85,664	$ 82,499	$ 83,251
Less: CECL transition adjustment	(580)	(870)	(870)	(870)	(870)
Risk-weighted assets (CECL fully phased-in)	$ 91,293	$ 90,726	$ 84,794	$ 81,629	$ 82,381
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 29.08	$ 27.70	$ 26.76	$ 25.95	$ 25.06
Less: Goodwill	(2.58)	(2.52)	(2.41)	(2.27)	(2.18)
Less: Intangible assets, net	(3.02)	(2.94)	(2.25)	(2.29)	(2.28)
Tangible common equity per share	$ 23.48	$ 22.24	$ 22.10	$ 21.39	$ 20.60

(1) Regulatory measures at March 31, 2023 are presented on an estimated basis.

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

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

	Quarter Ended	
	Mar 31, 2023	**Mar 31, 2022**
PURCHASE VOLUME		
Purchase Volume	$ 41,557	$ 40,490
Less: Gap and BP Purchase volume	—	(3,173)
Core Purchase volume	$ 41,557	$ 37,317
LOAN RECEIVABLES		
Loan receivables	$ 91,129	$ 78,916
Less: Gap and BP Loan receivables	(80)	(234)
Core Loan receivables	$ 91,049	$ 78,682
AVERAGE ACTIVE ACCOUNTS		
Average active accounts	69.5	70.1
Less: Gap and BP Average active accounts	(0.1)	(5.8)
Core Average active accounts	69.4	64.3
NEW ACCOUNTS		
New accounts	5.2	5.5
Less: Gap and BP New accounts	—	(0.3)
Core New accounts	5.2	5.2

Exhibit 99.3

1Q'23 FINANCIAL RESULTS

April 19, 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 first quarter of 2023 compared to the first quarter of 2022, unless otherwise noted.

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

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors Relating to Our Business" and "Risk Factors Relating to Regulation" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as filed on February 9, 2023. You should not consider any list of such factors to be an exhaustive statement of all the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

1Q'23 Financial Highlights

SUMMARY

$1.35
DILUTED EPS
compared to $1.77

$91.1 billion
LOAN RECEIVABLES
compared to $78.9 billion

69.5 million
AVERAGE ACTIVE ACCOUNTS
compared to 70.1 million

FINANCIAL METRICS

15.22%
NET INTEREST MARGIN
compared to 15.80%

4.49%
NET CHARGE-OFFS
compared to 2.73%

35.0%
EFFICIENCY RATIO
compared to 37.2%

CAPITAL

12.5%
CET1
liquid assets of $18.7 billion, 17.4% of total assets

$74.4 billion
DEPOSITS
83% of current funding

$500 million
CAPITAL RETURNED
$400 million share repurchases

1Q'23 Business Highlights

BUSINESS EXPANSION

HAVERTYS FURNITURE · EST 1885
LOVESAC Designed for Life Furniture Co.
CCA Global Partners enriching the lives of entrepreneurs
PIAGGIO
CertainPath
BIG BRAND TIRE & SERVICE
LG Air Conditioning Technologies
Haynes PEACE LOVE & SAVING
HAND & STONE MASSAGE AND FACIAL SPA
VALLEY VETERINARY
SYNCHRONY OUTDOORS
MARQUEE DENTAL PARTNERS

GROWTH METRICS

Purchase Volume
$ billions

	1Q'22	1Q'23	
Total	$40.5	$41.6	3%
Core(a)	$37.3	$41.6	11%
Dual Card / Co-Brand(b)	$13.9	$17.0	22%

Loan receivables
$ billions

	1Q'22	1Q'23	
Total	$78.9	$91.1	15%
Core(a)	$78.7	$91.0	16%
Dual Card / Co-Brand(b)	$17.0	$22.1	29%

Average active accounts
in millions

	1Q'22	1Q'23	
Total	70.1	69.5	(1)%
Core(a)	64.3	69.4	8%

CONSUMER PERFORMANCE

New Accounts(c)

	1Q'22	1Q'23	
Total	5.5	5.2	(7)%
Core(a)	5.2	5.2	(1)%

Purchase Volume per Account(d)

1Q'22	1Q'23	
$577	$598	4%

Average Balance per Account(e)

1Q'22	1Q'23	
$1,180	$1,307	11%

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(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.

Summary earnings statement

$ in millions, except per share statistics	1Q'23	1Q'22	B/(W) $	B/(W) %
Total interest income	$4,786	$4,022	$764	*19 %*
Total interest expense	735	233	(502)	*(215) %*
Net interest income (NII)	**4,051**	**3,789**	**262**	***7 %***
Retailer share arrangements (RSA)	(917)	(1,104)	187	*17 %*
Provision for credit losses	1,290	521	(769)	*(148) %*
Other income	65	108	(43)	*(40) %*
Other expense	1,119	1,039	(80)	*(8) %*
Pre-tax earnings	**790**	**1,233**	**(443)**	***(36) %***
Provision for income taxes	189	301	112	*37 %*
Net earnings	**601**	**932**	**(331)**	***(36) %***
Preferred dividends	11	10	(1)	*NM*
Net earnings available to common stockholders	**$590**	**$922**	**$(332)**	***(36) %***
Diluted earnings per share	**$1.35**	**$1.77**	**$(0.42)**	***(24) %***

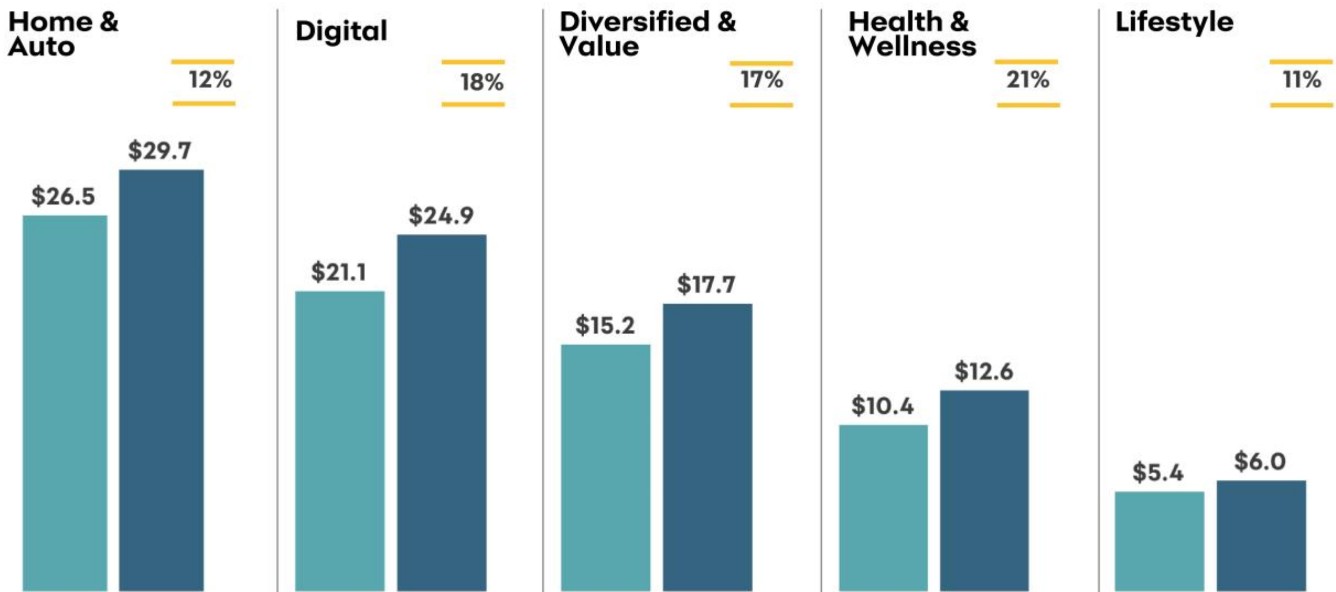
1Q'23 Highlights

$601 million Net earnings, $1.35 diluted EPS

- **Net interest income up 7%**
  - Interest and fees on loans up 15% driven primarily 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
- **Retailer share arrangements decreased (17)%**
  - 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 148%**
  - Higher provision driven by higher net charge-offs and also a reserve build in 1Q'23 primarily driven by higher loan receivables and the potential effects of industry credit contraction compared to a reserve release in prior year
- **Other income down (40)%**
  - Decrease driven primarily by higher loyalty costs as well as lower investment gains/losses, partially offset by higher debt cancellation income
- **Total Other expense up 8%**
  - Increase primarily driven by higher employee costs, operational losses and technology investments

1Q'23 Platform Results[a]

Loan receivables $ in billions

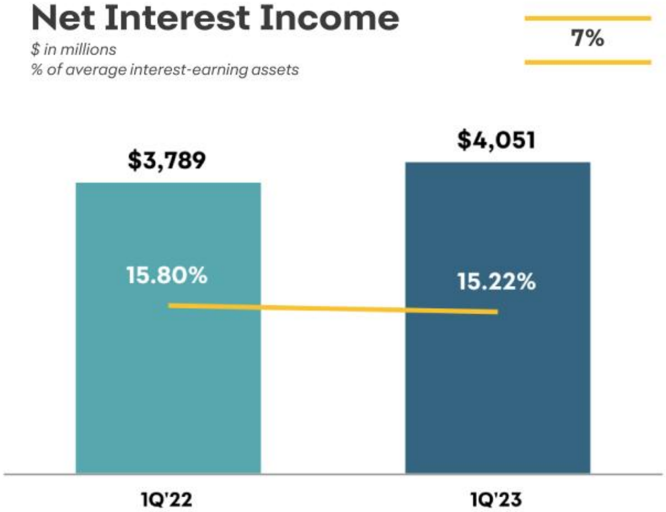


	Home & Auto			Digital			Diversified & Value			Health & Wellness			Lifestyle		
	1Q'22	1Q'23	V%	1Q'22	1Q'23	V%	1Q'22	1Q'23	V%	1Q'22	1Q'23	V%	1Q'22	1Q'23	V%
Purchase Volume	$10.3	$10.9	*6%*	$11.2	$12.3	*10%*	$11.6	$13.4	*16%*	$3.1	$3.7	*19%*	$1.2	$1.3	*9%*
Accounts	17.5	18.5	*6%*	19.0	20.6	*8%*	19.2	20.8	*8%*	6.0	6.9	*14%*	2.6	2.6	*1%*
Interest & Fees on Loans	$1,088	$1,225	*13%*	$1,022	$1,363	*33%*	$826	$1,070	*30%*	$616	$735	*19%*	$191	$223	*17%*

Net Interest Income

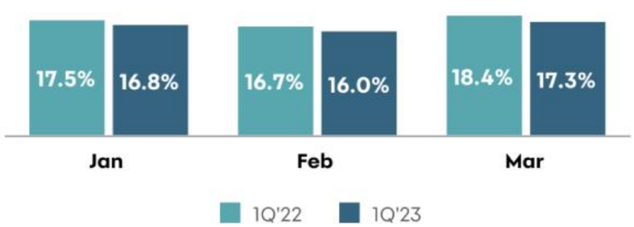
Net Interest Income

$ in millions
% of average interest-earning assets



Payment Rate Trends (a)

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



1Q'23 Highlights

- **Net interest income increased 7%**
  - Interest and fees on loans up 15% 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 58 bps**
  - Interest-bearing liabilities cost: (179) bps
    - Total cost increased 219 bps to 3.43%
  - Loan receivables yield: 83 bps
    - Loan receivables yield of 20.61%, up 97 bps
  - Liquidity portfolio yield: 54 bps
  - Mix of Interest-earnings assets: (16) bps
    - Loan receivable mix as a percent of total Earning Assets decreased from 85.1% to 84.1%
- **1Q'23 payment rate ~85 bps lower than prior year and ~150 bps higher than 5-year historical average ('15-'19)** (b)

NIM Walk

1Q'22 NIM	**15.80%**
Interest-bearing liabilities cost	(1.79)%
Loan receivables yield	0.83%
Liquidity portfolio yield	0.54%
Mix of Interest-earning assets	(0.16)%
1Q'23 NIM	**15.22%**

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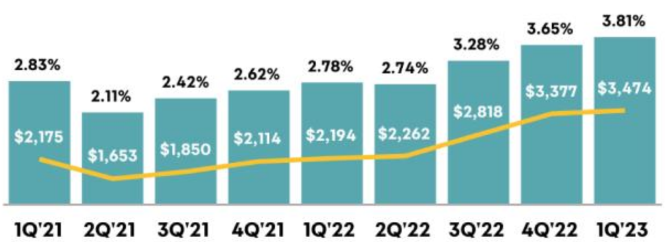
Asset Quality Metrics

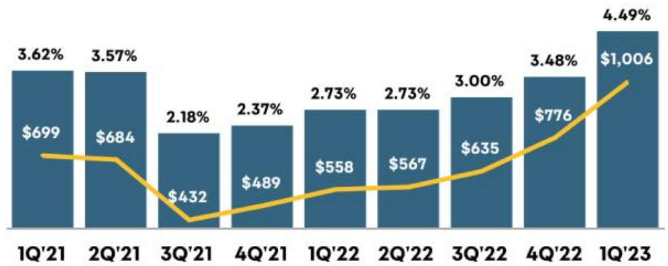
30+ days past due

$ in millions, % of period-end loan receivables



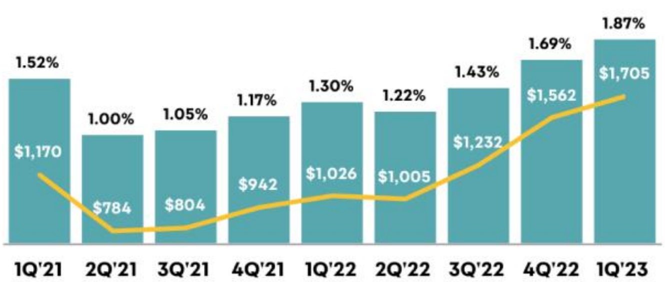
Net charge-offs

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



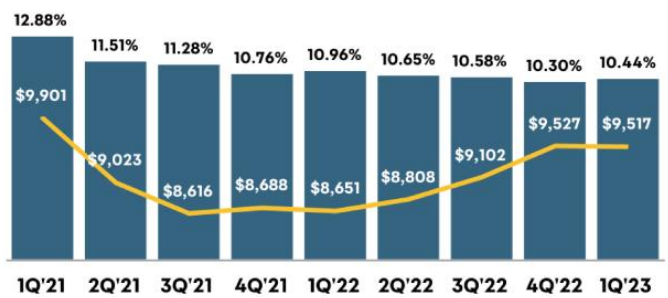
90+ days past due

$ in millions, % of period-end loan receivables



Allowance for credit losses [a]

$ in millions, % of period-end loan receivables



Other Expense

Other expense

$ in millions

	1Q'22	1Q'23	B/(W) V$	B/(W) V%
Employee costs	$402	$451	*$(49)*	*(12)%*
Professional fees	$210	$186	*$24*	*11%*
Marketing/BD	$116	$131	*$(15)*	*(13)%*
Information processing	$145	$166	*$(21)*	*(14)%*
Other	$166	$185	*$(19)*	*(11)%*
Other expense	**$1,039**	**$1,119**	***$(80)***	***(8)%***
Efficiency[a]	**37.2%**	**35.0%**		***(2.2) pts.***

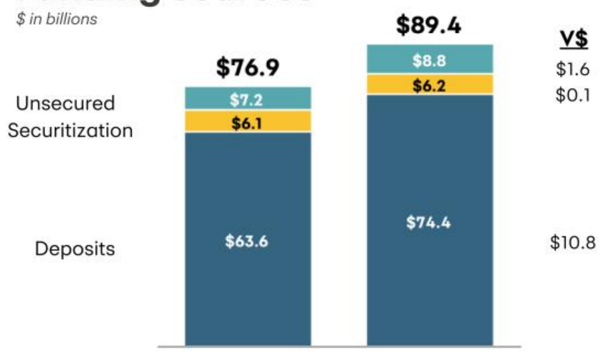
1Q'23 Highlights

- **Total other expense up 8%**
  - Increase primarily driven by higher employee costs, operational losses and technology investments
  - Employee cost increase primarily driven by higher headcount and increased average compensation rates
  - Increased technology investments drove higher information processing expenses
- **Efficiency ratio 35.0% vs. 37.2% prior year**
  - Decrease in ratio driven by higher revenue partially offset by higher expenses

Funding, Capital and Liquidity

Funding sources

$ in billions



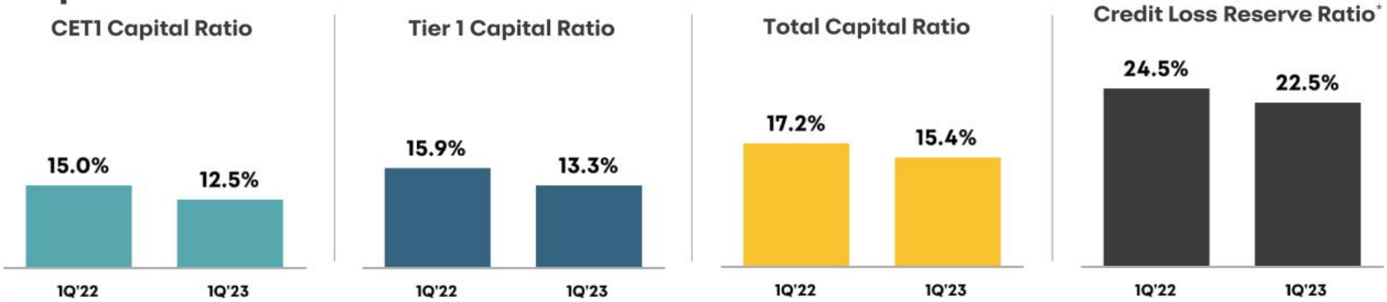
	1Q'22	1Q'23	V%
Deposits	83%	83%	*0 pts.*
Securitization	8%	7%	*(1) pts.*
Unsecured	9%	10%	*1 pts.*

Liquidity(a)

$ in billions

	1Q'22	1Q'23
Liquid assets	$14.7	$18.7
Undrawn credit facilities	$ 3.1	$ 3.0
Total liquidity	**$17.8**	**$21.7**
% of Total assets	**18.7 %**	**20.2 %**

Capital ratios(b)



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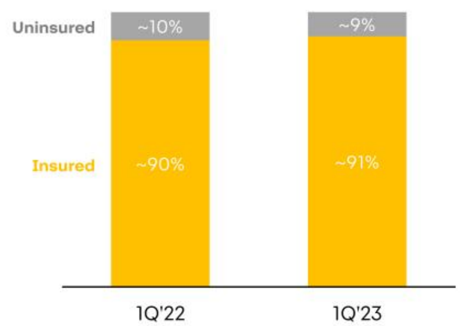
** The "Tier 1 Capital + Credit Loss Reserve Ratio" is the sum of our "Tier 1 Capital" and "Allowance for Credit Losses," divided by our "Total Risk-Weighted Assets". Tier 1 Capital and Risk-Weighted Assets are adjusted to reflect the fully phased-in impact of CECL. These adjusted metrics are non-GAAP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

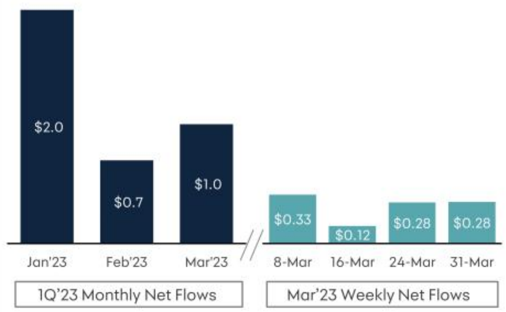
Synchrony Bank Direct Deposit Overview[(a)]

Insured/Uninsured Direct Deposit Balance Mix



1Q'23 Net Direct Deposit Flows

$ in billions

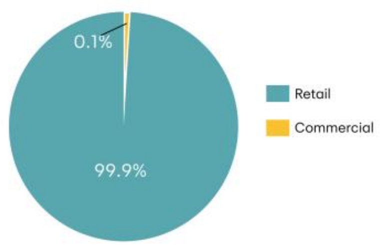


Observations

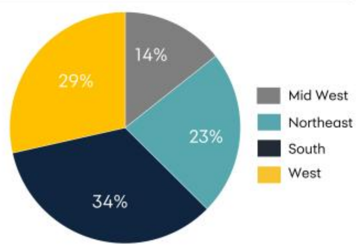
- Our customer demographic and focus on consumer deposits results in a stable and largely insured deposit base
- Coverage of cash at the Federal Reserve is ~2x the uninsured deposit balance
- While gross flows were elevated in the period post 3/10, each week of March was characterized by net inflows and new account origination

Direct Deposit Customer Profile

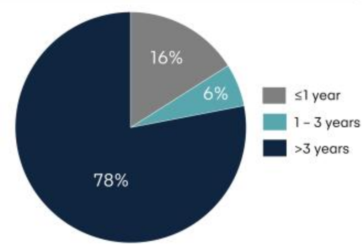
Predominantly Consumer



Geographically Diverse



Average Relationship Tenure: ~5 years



2023 Outlook

	Full Year 2023		
Key Driver	**Previous**	**Current**	**Trends / Update**
Loan Receivables Growth	8 – 10%	10+%	• 1Q Purchase Volume growth & payment rate moderation exceeded expectations • Expect payment rate moderation to continue through year, but remain above pre-pandemic levels through year-end

Net Interest Margin	15.00 – 15.25%	No change	• 1Q deposit betas trended better than expected, balanced by higher liquidity
			• Expect NIM to fluctuate within range driven by potential variables:
			  • Higher liquidity in response to market uncertainty/growth pre-funding
			  • Competitive pressures on deposit betas as industry navigates market uncertainty/funds growth
			  • Interest & fee growth, partly offset by rising reversals

Net Charge-Offs	4.75 – 5.00%	No change	• Credit normalization remains in line with expectations
			  • Delinquencies will approach pre-pandemic levels by mid-year
			  • Net charge-off dollars to generally rise sequentially through year; not expected to reach pre-pandemic levels on an annual basis until 2024

RSA / Average Loan Receivables	4.00 – 4.25%	No change	• Moderation expected to be driven by continued credit normalization and lower Net Interest Margin, partially offset by higher Purchase Volume
Operating Expenses	~$1,125MM per quarter	No change	• Managing expenses to deliver positive operating leverage (expense growth lower than NII growth) for the full year

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

Footnotes

All amounts and metrics included in this presentation are as of, or for the three months ended, March 31, 2023, unless otherwise stated.

1Q'23 Business Highlights

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

Platform Results

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

Net Interest Income:

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

Asset Quality:

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

Other Expense

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

Funding, Capital and Liquidity

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

Synchrony Bank Direct Deposit Overview

(a) Excludes non-interest-bearing deposits.

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CHANGING WHAT'S POSSIBLE

Non-GAAP Reconciliation

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

$ and accounts in millions	Quarter Ended March 31 Total	
	2022	2023
Loan receivables	**$78,916**	**$91,129**
Less: Gap and BP Loan receivables	(234)	(80)
Core Loan receivables	**$78,682**	**$91,049**
Purchase volume	**$40,490**	**$41,557**
Less: Gap and BP Purchase volume	(3,173)	—
Core Purchase volume	**$37,317**	**$41,557**
Average active accounts	**70.1**	**69.5**
Less: Gap and BP Average active accounts	(5.8)	(0.1)
Core Average active accounts	**64.3**	**69.4**
New Accounts	**5.5**	**5.2**
Less: Gap and BP New Accounts	(0.3)	—
Core New Accounts	**5.2**	**5.2**

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 March 31	
	Total	
	2022	2023
Tier 1 Capital	$ 13,254	$ 12,207
Less: CECL transition adjustment	(1,719)	(1,146)
Tier 1 capital (CECL fully phased-in)	$ 11,535	$ 11,061
Add: Allowance for credit losses	8,651	9,517
Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses	$ 20,186	$ 20,578
Risk-weighted assets	$ 83,251	$ 91,873
Less: CECL transition adjustment	(870)	(580)
Risk-weighted assets (CECL fully phased-in)	$ 82,381	$ 91,293

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.