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

FORM 8-K

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

October 21, 2016
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))

Item 2.02 Results of Operations and Financial Condition.

On October 21, 2016, Synchrony Financial (the “Company”) issued a press release setting forth the Company’s third quarter 2016 earnings. A copy of the Company’s press release is being furnished as Exhibit 99.1 and hereby incorporated by reference. The information furnished pursuant to this Item 2.02, including Exhibits, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934 (the “Exchange Act”) or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

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

Number	Description
99.1	Press release, dated October 21, 2016, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended September 30, 2016
99.3	Financial Results Presentation of the Company for the quarter ended September 30, 2016
99.4	Explanation of Non-GAAP Measures

SIGNATURES

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

SYNCHRONY FINANCIAL

Date: October 21, 2016	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

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Contacts:

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For Immediate Release: October 21, 2016

Synchrony Financial Reports Third Quarter Net Earnings of $604 Million or $0.73 Per Diluted Share

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced third quarter 2016 net earnings of $604 million, or $0.73 per diluted share. Highlights for the quarter included:

- Net interest income increased 12% from the third quarter of 2015 to $3.5 billion
- Loan receivables grew $7 billion, or 11%, from the third quarter of 2015 to $71 billion
- Purchase volume increased 8% from the third quarter of 2015
- Strong deposit growth continued, up $9 billion, or 23%, over the third quarter of 2015
- Renewed key relationships – TJX Companies, hhgregg, Nationwide Marketing Group and American Dental Association
- Signed new partnerships with Nissan and At Home
- Launched The Container Store and Google Store programs
- Commenced quarterly common stock dividend payment of $0.13 per share and repurchased $238 million of Synchrony Financial common stock

“Broad-based growth across our sales platforms generated double-digit loan receivables and net interest income growth and strong purchase volume growth this quarter. Organic growth is an important business driver for us and we are pleased to have recently renewed several key relationships. We also signed new partnerships and launched new programs. Strong deposit growth continued this quarter as we remain focused on this important source of funding to support our business,” said Margaret Keane, President and Chief Executive Officer of Synchrony Financial. “We are pleased to have initiated our quarterly dividend and share repurchase program during the quarter. We are focusing resources on driving strong organic growth and pursuing new profitable partnership opportunities, while also returning capital to shareholders through dividends and share repurchases—a testament to the strength of our business model and strategic focus.”

<u>Business and Financial Highlights for the Third Quarter of 2016</u>

All comparisons below are for the third quarter of 2016 compared to the third quarter of 2015, unless otherwise noted.

Earnings

- Net interest income increased $378 million, or 12%, to $3.5 billion, primarily driven by strong loan receivables growth. Net interest income after retailer share arrangements increased 14%.
- Provision for loan losses increased $284 million to $986 million due to higher loan loss reserve build and loan receivables growth.
- Other income was unchanged at $84 million primarily due to higher interchange income offset by higher loyalty program expense.
- Other expense increased $16 million to $859 million, primarily driven by business growth.
- Net earnings totaled $604 million compared to $574 million in the third quarter of 2015.

Balance Sheet

- Period-end loan receivables growth remained strong at 11%, primarily driven by purchase volume growth of 8% and average active account growth of 7%.
- Deposits grew to $50 billion, up $9 billion, or 23%, and comprised 71% of funding compared to 63% last year.
- The Company's balance sheet remained strong with total liquidity (liquid assets and undrawn credit facilities) of $24 billion, or 27% of total assets.
- The estimated Common Equity Tier 1 ratio under Basel III subject to transition provisions was 18.2% and the estimated fully phased-in Common Equity Tier 1 ratio under Basel III was 17.9%.

Key Financial Metrics

- Return on assets was 2.8% and return on equity was 17.4%.
- Net interest margin increased 30 basis points to 16.27%.
- Efficiency ratio was 30.6%, a 362 basis point improvement from the third quarter of 2015, driven by positive operating leverage arising from strong revenue growth that exceeded expense growth.

Credit Quality

- Loans 30+ days past due as a percentage of total period-end loan receivables were 4.26% compared to 4.02% last year.
- Net charge-offs as a percentage of total average loan receivables were 4.38% compared to 4.02% last year.
- The allowance for loan losses as a percentage of total period-end loan receivables was 5.82% compared to 5.31% last year.

Sales Platforms

- Retail Card interest and fees on loans increased 11%, driven primarily by purchase volume growth of 7% and period-end loan receivables growth of 11%. Average active account growth was 6%. Loan receivables growth was broad-based across partner programs.
- Payment Solutions interest and fees on loans increased 14%, driven primarily by purchase volume growth of 14% and period-end loan receivables growth of 14%. Average active account growth was 13%. Loan receivables growth was led by the home furnishings, automotive, and power product categories.
- CareCredit interest and fees on loans increased 11%, driven primarily by purchase volume growth of 8% and period-end loan receivables growth of 10%. Average active account growth was 8%. Loan receivables growth was led by the dental and veterinary specialties.

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 in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as filed February 25, 2016, and the Company's forthcoming Quarterly Report on Form 10-Q for the quarter ended September 30, 2016. The detailed financial tables and other information are also available on the Investor Relations page of the Company's website at www.investors.synchronyfinancial.com. This information is also furnished in a Current Report on Form 8-K filed with the SEC today.

Conference Call and Webcast Information

On Friday, October 21, 2016, at 8:30 a.m. Eastern Time, Margaret Keane, President and Chief Executive Officer, and Brian Doubles, 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 Synchrony Financial's corporate website, www.investors.synchronyfinancial.com, under Events and Presentations. A replay will be available on the website or by dialing (888) 843-7419 (U.S. domestic) or (630) 652-3042 (international), passcode 32016#, and can be accessed beginning approximately two hours after the event through November 4, 2016.

About Synchrony Financial

Synchrony Financial (NYSE: SYF) is one of the nation's premier consumer financial services companies. Our roots in consumer finance trace back to 1932, and today we are the largest provider of private label credit cards in the United States based on purchase volume and receivables.* We provide a range of credit products through programs we have established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers to help generate growth for our partners and offer financial flexibility to our customers. Through our partners' over 350,000 locations across the United States and Canada, and their websites and mobile applications, we offer our customers a variety of credit products to finance the purchase of goods and services. Synchrony Financial offers private label and co-branded Dual Card™ credit cards, promotional financing and installment lending, loyalty programs and FDIC-insured savings products through Synchrony Bank. More information can be found at www.synchronyfinancial.com, facebook.com/SynchronyFinancial,www.linkedin.com/company/synchrony-financial and twitter.com/SYFNews.

*Source: The Nilson Report (May 2016, Issue # 1087) - based on 2015 data.

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 "outlook," "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated; retaining existing partners and attracting new partners, concentration of our revenue in a small number of Retail Card partners, promotion and support of our products by our partners, and financial performance of our partners; higher borrowing costs and adverse financial market conditions impacting our funding and liquidity, and any reduction in our credit ratings; our ability to securitize our loans, occurrence of an early amortization of our securitization facilities, loss of the right to service or subservice our securitized loans, and lower payment rates on our securitized loans; our ability to grow our deposits in the future; changes in market interest rates and the impact of any margin compression; effectiveness of our risk management processes and procedures, reliance on models which may be inaccurate or misinterpreted, our ability to manage our credit risk, the sufficiency of our allowance for loan losses and the accuracy of the assumptions or estimates used in preparing our financial statements; our ability to offset increases in our costs in retailer share arrangements; competition in the consumer finance industry; our concentration in the U.S. consumer credit market; our ability to successfully develop and commercialize new or enhanced products and services; our ability to realize the value of strategic investments; reductions in interchange fees; fraudulent activity; cyber-attacks or other security breaches; failure of third parties to provide various services that are important to our operations; our transition to a replacement third-party vendor to manage the technology platform for our online retail deposits; disruptions in the operations of our computer systems and data centers; international risks and compliance and regulatory risks and costs associated with international operations; alleged infringement of intellectual property rights of others and our ability to protect our intellectual property; litigation and regulatory actions; damage to our reputation; our ability to attract, retain and motivate key officers and employees; tax legislation initiatives or challenges to our tax positions and state sales tax rules and regulations; a material indemnification obligation to GE under the tax sharing and separation agreement with GE if we cause the split-off from GE or certain preliminary transactions to fail to qualify for tax-free treatment or in the case of certain significant transfers of our stock following the split-off; obligations associated with being an independent public company; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and the impact of the Consumer Financial Protection Bureau's regulation of our business; changes to our methods of offering our CareCredit products; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit Synchrony Bank's ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this news release and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as filed on February 25, 2016. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

Non-GAAP Measures

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

SYNCHRONY FINANCIAL

FINANCIAL SUMMARY

(unaudited, in millions, except per share statistics)

	Quarter Ended							Nine Months Ended			
	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	3Q'16 vs. 3Q'15		Sep 30, 2016	Sep 30, 2015	YTD'16 vs. YTD'15	
EARNINGS											
Net interest income	$ 3,481	$ 3,212	$ 3,209	$ 3,208	$ 3,103	$ 378	12.2 %	$ 9,902	$ 8,885	$ 1,017	11.4 %
Retailer share arrangements	(757)	(664)	(670)	(734)	(723)	(34)	4.7 %	(2,091)	(2,004)	(87)	4.3 %
Net interest income, after retailer share arrangements	2,724	2,548	2,539	2,474	2,380	344	14.5 %	7,811	6,881	930	13.5 %
Provision for loan losses	986	1,021	903	823	702	284	40.5 %	2,910	2,129	781	36.7 %
Net interest income, after retailer share arrangements and provision for loan losses	1,738	1,527	1,636	1,651	1,678	60	3.6 %	4,901	4,752	149	3.1 %
Other income	84	83	92	87	84	—	— %	259	305	(46)	(15.1)%
Other expense	859	839	800	870	843	16	1.9 %	2,498	2,394	104	4.3 %
Earnings before provision for income taxes	963	771	928	868	919	44	4.8 %	2,662	2,663	(1)	0.0 %
Provision for income taxes	359	282	346	321	345	14	4.1 %	987	996	(9)	(0.9)%
Net earnings	$ 604	$ 489	$ 582	$ 547	$ 574	$ 30	5.2 %	$ 1,675	$ 1,667	$ 8	0.5 %
Net earnings attributable to common stockholders	$ 604	$ 489	$ 582	$ 547	$ 574	$ 30	5.2 %	$ 1,675	$ 1,667	$ 8	0.5 %
COMMON SHARE STATISTICS											
Basic EPS	$ 0.73	$ 0.59	$ 0.70	$ 0.66	$ 0.69	$ 0.04	5.8 %	$ 2.01	$ 2.00	$ 0.01	0.5 %
Diluted EPS	$ 0.73	$ 0.58	$ 0.70	$ 0.65	$ 0.69	$ 0.04	5.8 %	$ 2.01	$ 2.00	$ 0.01	0.5 %
Dividend declared per share	$ 0.13	$ —	$ —	$ —	$ —	$ 0.13	NM	$ 0.13	$ —	$ 0.13	NM
Common stock price	$ 28.00	$ 25.28	$ 28.66	$ 30.41	$ 31.30	$ (3.30)	(10.5)%	$ 28.00	$ 31.30	$ (3.30)	(10.5)%
Book value per share	$ 16.94	$ 16.45	$ 15.84	$ 15.12	$ 14.58	$ 2.36	16.2 %	$ 16.94	$ 14.58	$ 2.36	16.2 %
Tangible common equity per share(1)	$ 14.90	$ 14.46	$ 13.86	$ 13.14	$ 12.67	$ 2.23	17.6 %	$ 14.90	$ 12.67	$ 2.23	17.6 %
Beginning common shares outstanding	833.9	833.8	833.8	833.8	833.8	0.1	0.0 %	833.8	833.8	—	— %
Issuance of common shares	—	—	—	—	—	—	— %	—	—	—	— %
Stock-based compensation	0.1	0.1	—	—	—	0.1	NM	0.2	—	0.2	NM
Shares repurchased	(8.5)	—	—	—	—	(8.5)	NM	(8.5)	—	(8.5)	NM
Ending common shares outstanding	825.5	833.9	833.8	833.8	833.8	(8.3)	(1.0)%	825.5	833.8	(8.3)	(1.0)%
Weighted average common shares outstanding	828.4	833.9	833.8	833.8	833.8	(5.4)	(0.6)%	832.1	833.8	(1.7)	(0.2)%
Weighted average common shares outstanding (fully diluted)	830.6	836.2	835.5	835.8	835.8	(5.2)	(0.6)%	834.1	835.4	(1.3)	(0.2)%

(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[(1)]

(unaudited, $ in millions, except account data)

	Quarter Ended							Nine Months Ended			
	Sep 30, 2016	**Jun 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sep 30, 2015**	**3Q'16 vs. 3Q'15**		**Sep 30, 2016**	**Sep 30, 2015**	**YTD'16 vs. YTD'15**	
PERFORMANCE METRICS											
Return on assets[(2)]	2.8%	2.4%	2.8%	2.7%	2.9%		(0.1)%	2.7%	3.0%		(0.3)%
Return on equity[(3)]	17.4%	14.6%	18.1%	17.5%	19.2%		(1.8)%	16.7%	19.7%		(3.0)%
Return on tangible common equity[(4)]	19.8%	16.6%	20.8%	20.1%	22.0%		(2.2)%	19.1%	22.7%		(3.6)%
Net interest margin[(5)]	16.27%	15.86%	15.76%	15.73%	15.97%		0.30 %	15.94%	15.81%		0.13 %
Efficiency ratio[(6)]	30.6%	31.9%	30.4%	34.0%	34.2%		(3.6)%	31.0%	33.3%		(2.3)%
Other expense as a % of average loan receivables, including held for sale	4.92%	5.04%	4.82%	5.28%	5.35%		(0.43)%	4.92%	5.25%		(0.33)%
Effective income tax rate	37.3%	36.6%	37.3%	37.0%	37.5%		(0.2)%	37.1%	37.4%		(0.3)%
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	4.38%	4.49%	4.70%	4.23%	4.02%		0.36 %	4.51%	4.37%		0.14 %
30+ days past due as a % of period-end loan receivables[(7)]	4.26%	3.79%	3.85%	4.06%	4.02%		0.24 %	4.26%	4.02%		0.24 %
90+ days past due as a % of period-end loan receivables[(7)]	1.89%	1.67%	1.84%	1.86%	1.73%		0.16 %	1.89%	1.73%		0.16 %
Net charge-offs	$ 765	$ 747	$ 780	$ 697	$ 633	$ 132	20.9 %	$ 2,292	$ 1,994	$ 298	14.9 %
Loan receivables delinquent over 30 days[(7)]	$ 3,008	$ 2,585	$ 2,538	$ 2,772	$ 2,553	$ 455	17.8 %	$ 3,008	$ 2,553	$ 455	17.8 %
Loan receivables delinquent over 90 days[(7)]	$ 1,334	$ 1,143	$ 1,212	$ 1,273	$ 1,102	$ 232	21.1 %	$ 1,334	$ 1,102	$ 232	21.1 %
Allowance for loan losses (period-end)	$ 4,115	$ 3,894	$ 3,620	$ 3,497	$ 3,371	$ 744	22.1 %	$ 4,115	$ 3,371	$ 744	22.1 %
Allowance coverage ratio[(8)]	5.82%	5.70%	5.50%	5.12%	5.31%		0.51 %	5.82%	5.31%		0.51 %
BUSINESS METRICS											
Purchase volume[(9)]	$ 31,615	$ 31,507	$ 26,977	$ 32,460	$ 29,206	$ 2,409	8.2 %	$ 90,099	$ 81,155	$ 8,944	11.0 %
Period-end loan receivables	$ 70,644	$ 68,282	$ 65,849	$ 68,290	$ 63,520	$ 7,124	11.2 %	$ 70,644	$ 63,520	$ 7,124	11.2 %
Credit cards	$ 67,858	$ 65,511	$ 63,309	$ 65,773	$ 60,920	$ 6,938	11.4 %	$ 67,858	$ 60,920	$ 6,938	11.4 %
Consumer installment loans	$ 1,361	$ 1,293	$ 1,184	$ 1,154	$ 1,171	$ 190	16.2 %	$ 1,361	$ 1,171	$ 190	16.2 %
Commercial credit products	$ 1,385	$ 1,389	$ 1,318	$ 1,323	$ 1,380	$ 5	0.4 %	$ 1,385	$ 1,380	$ 5	0.4 %
Other	$ 40	$ 89	$ 38	$ 40	$ 49	$ (9)	(18.4)%	$ 40	$ 49	$ (9)	(18.4)%
Average loan receivables, including held for sale	$ 69,525	$ 66,943	$ 66,705	$ 65,406	$ 62,504	$ 7,021	11.2 %	$ 67,856	$ 60,946	$ 6,910	11.3 %
Period-end active accounts (in thousands)[(10)]	66,781	66,491	64,689	68,314	62,831	3,950	6.3 %	66,781	62,831	3,950	6.3 %
Average active accounts (in thousands)[(10)]	66,639	65,531	66,134	64,892	62,247	4,392	7.1 %	66,204	61,762	4,442	7.2 %
LIQUIDITY											
Liquid assets											
Cash and equivalents	$ 13,588	$ 11,787	$ 12,500	$ 12,325	$ 12,271	$ 1,317	10.7 %	$ 13,588	$ 12,271	$ 1,317	10.7 %
Total liquid assets	$ 16,362	$ 13,956	$ 14,915	$ 14,836	$ 15,305	$ 1,057	6.9 %	$ 16,362	$ 15,305	$ 1,057	6.9 %
Undrawn facilities											
Undrawn facilities	$ 7,150	$ 7,025	$ 7,325	$ 6,075	$ 6,550	$ 600	9.2 %	$ 7,150	$ 6,550	$ 600	9.2 %
Total liquid assets and undrawn facilities	$ 23,512	$ 20,981	$ 22,240	$ 20,911	$ 21,855	$ 1,657	7.6 %	$ 23,512	$ 21,855	$ 1,657	7.6 %
Liquid assets % of total assets	18.77%	16.94%	18.27%	17.66%	19.30%		(0.53)%	18.77%	19.30%		(0.53)%
Liquid assets including undrawn facilities % of total assets	26.98%	25.47%	27.24%	24.90%	27.56%		(0.58)%	26.98%	27.56%		(0.58)%

(1) Certain balance sheet amounts and related metrics have been updated to reflect the adoption of ASU 2015-03. More detail on this update is in footnote (1) on the Statements of Financial Position.

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

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

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

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

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

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

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

(9) 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.

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

SYNCHRONY FINANCIAL

STATEMENTS OF EARNINGS

(unaudited, $ in millions)

	Quarter Ended							Nine Months Ended			
	Sep 30, 2016	**Jun 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sep 30, 2015**	**3Q'16 vs. 3Q'15**		**Sep 30, 2016**	**Sep 30, 2015**	**YTD'16 vs. YTD'15**	
Interest income:											
Interest and fees on loans	$ 3,771	$ 3,494	$ 3,498	$ 3,494	$ 3,379	$ 392	11.6 %	$ 10,763	$ 9,685	$ 1,078	11.1 %
Interest on investment securities	25	21	22	15	13	12	92.3 %	68	34	34	100.0 %
Total interest income	3,796	3,515	3,520	3,509	3,392	404	11.9 %	10,831	9,719	1,112	11.4 %
Interest expense:											
Interest on deposits	188	179	172	165	159	29	18.2 %	539	442	97	21.9 %
Interest on borrowings of consolidated securitization entities	63	59	58	56	54	9	16.7 %	180	159	21	13.2 %
Interest on third-party debt	64	65	81	80	76	(12)	(15.8)%	210	229	(19)	(8.3)%
Interest on related party debt	—	—	—	—	—	—	— %	—	4	(4)	(100.0)%
Total interest expense	315	303	311	301	289	26	9.0 %	929	834	95	11.4 %
Net interest income	3,481	3,212	3,209	3,208	3,103	378	12.2 %	9,902	8,885	1,017	11.4 %
Retailer share arrangements	(757)	(664)	(670)	(734)	(723)	(34)	4.7 %	(2,091)	(2,004)	(87)	4.3 %
Net interest income, after retailer share arrangements	2,724	2,548	2,539	2,474	2,380	344	14.5 %	7,811	6,881	930	13.5 %
Provision for loan losses	986	1,021	903	823	702	284	40.5 %	2,910	2,129	781	36.7 %
Net interest income, after retailer share arrangements and provision for loan losses	1,738	1,527	1,636	1,651	1,678	60	3.6 %	4,901	4,752	149	3.1 %
Other income:											
Interchange revenue	154	151	130	147	135	19	14.1 %	435	358	77	21.5 %
Debt cancellation fees	67	63	64	62	61	6	9.8 %	194	187	7	3.7 %
Loyalty programs	(145)	(135)	(110)	(125)	(122)	(23)	18.9 %	(390)	(294)	(96)	32.7 %
Other	8	4	8	3	10	(2)	(20.0)%	20	54	(34)	(63.0)%
Total other income	84	83	92	87	84	—	— %	259	305	(46)	(15.1)%
Other expense:											
Employee costs	311	301	280	285	268	43	16.0 %	892	757	135	17.8 %
Professional fees	174	154	146	165	162	12	7.4 %	474	480	(6)	(1.3)%
Marketing and business development	92	107	94	128	115	(23)	(20.0)%	293	305	(12)	(3.9)%
Information processing	87	81	82	83	77	10	13.0 %	250	214	36	16.8 %
Other	195	196	198	209	221	(26)	(11.8)%	589	638	(49)	(7.7)%
Total other expense	859	839	800	870	843	16	1.9 %	2,498	2,394	104	4.3 %
Earnings before provision for income taxes	963	771	928	868	919	44	4.8 %	2,662	2,663	(1)	0.0 %
Provision for income taxes	359	282	346	321	345	14	4.1 %	987	996	(9)	(0.9)%
Net earnings attributable to common stockholders	$ 604	$ 489	$ 582	$ 547	$ 574	$ 30	5.2 %	$ 1,675	$ 1,667	$ 8	0.5 %

SYNCHRONY FINANCIAL

STATEMENTS OF FINANCIAL POSITION[(1)]

(unaudited, $ in millions)

	Quarter Ended						
	Sep 30, 2016	**Jun 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sep 30, 2015**	**Sep 30, 2016 vs. Sep 30, 2015**	
Assets							
Cash and equivalents	$ 13,588	$ 11,787	$ 12,500	$ 12,325	$ 12,271	$ 1,317	10.7 %
Investment securities	3,356	2,723	2,949	3,142	3,596	(240)	(6.7)%
Loan receivables:							
Unsecuritized loans held for investment	47,517	44,854	41,730	42,826	38,325	9,192	24.0 %
Restricted loans of consolidated securitization entities	23,127	23,428	24,119	25,464	25,195	(2,068)	(8.2)%
Total loan receivables	70,644	68,282	65,849	68,290	63,520	7,124	11.2 %
Less: Allowance for loan losses	(4,115)	(3,894)	(3,620)	(3,497)	(3,371)	(744)	22.1 %
Loan receivables, net	66,529	64,388	62,229	64,793	60,149	6,380	10.6 %
Goodwill	949	949	949	949	949	—	— %
Intangible assets, net	733	704	702	701	646	87	13.5 %
Other assets	2,004	1,833	2,327	2,080	1,679	325	19.4 %
Total assets	$ 87,159	$ 82,384	$ 81,656	$ 83,990	$ 79,290	$ 7,869	9.9 %
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 49,611	$ 46,220	$ 44,721	$ 43,215	$ 40,323	$ 9,288	23.0 %
Non-interest-bearing deposit accounts	204	207	256	152	140	64	45.7 %
Total deposits	49,815	46,427	44,977	43,367	40,463	9,352	23.1 %
Borrowings:							
Borrowings of consolidated securitization entities	12,411	12,236	12,423	13,589	13,624	(1,213)	(8.9)%
Bank term loan	—	—	1,494	4,133	4,630	(4,630)	(100.0)%
Senior unsecured notes	7,756	7,059	6,559	6,557	5,560	2,196	39.5 %
Related party debt	—	—	—	—	—	—	— %
Total borrowings	20,167	19,295	20,476	24,279	23,814	(3,647)	(15.3)%
Accrued expenses and other liabilities	3,196	2,947	2,999	3,740	2,855	341	11.9 %
Total liabilities	73,178	68,669	68,452	71,386	67,132	6,046	9.0 %
Equity:							
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,381	9,370	9,359	9,351	9,431	(50)	(0.5)%
Retained earnings	4,861	4,364	3,875	3,293	2,746	2,115	77.0 %
Accumulated other comprehensive income:	(24)	(20)	(31)	(41)	(20)	(4)	20.0 %
Treasury Stock	(238)	—	—	—	—	(238)	NM
Total equity	13,981	13,715	13,204	12,604	12,158	1,823	15.0 %
Total liabilities and equity	$ 87,159	$ 82,384	$ 81,656	$ 83,990	$ 79,290	$ 7,869	9.9 %

(1) In January 2016, we adopted ASU 2015-03, Interest–Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs, which requires the presentation of deferred issuance costs related to a recognized debt liability as a direct deduction from the carrying amount of the debt liability. Accordingly, we have reclassified issuance costs associated with our borrowings and certain brokered deposits, from other assets, and reflected as a reduction of borrowings and interest-bearing deposit accounts, as applicable, for each period presented to conform to the current period presentation. Related selected financial metrics included within this Financial Data Supplement have also been updated where applicable to reflect this reclassification.

SYNCHRONY FINANCIAL

AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN[(1)]

(unaudited, $ in millions)

	Quarter Ended														
	September 30, 2016			June 30, 2016			March 31, 2016			December 31, 2015			September 30, 2015		
	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	$ 12,574	$ 16	0.51%	$ 11,692	$ 14	0.48%	$ 12,185	$ 16	0.53%	$ 12,070	$ 9	0.30%	$ 11,059	$ 7	0.25%
Securities available for sale	3,018	9	1.19%	2,805	7	1.00%	2,995	6	0.81%	3,445	6	0.69%	3,534	6	0.67%
Loan receivables:															
Credit cards, including held for sale	66,746	3,705	22.08%	64,269	3,432	21.48%	64,194	3,436	21.53%	62,834	3,432	21.67%	59,890	3,315	21.96%
Consumer installment loans	1,331	31	9.27%	1,235	28	9.12%	1,159	27	9.37%	1,163	26	8.87%	1,160	27	9.23%
Commercial credit products	1,390	35	10.02%	1,373	33	9.67%	1,313	35	10.72%	1,361	36	10.49%	1,400	36	10.20%
Other	58	—	—%	66	1	NM	39	—	—%	48	—	—%	54	1	NM
Total loan receivables, including held for sale	69,525	3,771	21.58%	66,943	3,494	20.99%	66,705	3,498	21.09%	65,406	3,494	21.19%	62,504	3,379	21.45%
Total interest-earning assets	85,117	3,796	17.74%	81,440	3,515	17.36%	81,885	3,520	17.29%	80,921	3,509	17.20%	77,097	3,392	17.46%
Non-interest-earning assets:															
Cash and due from banks	641			774			1,277			1,268			1,216		
Allowance for loan losses	(3,977)			(3,729)			(3,583)			(3,440)			(3,341)		
Other assets	3,240			3,209			3,256			3,133			2,869		
Total non-interest-earning assets	(96)			254			950			961			744		
Total assets	$ 85,021			$ 81,694			$ 82,835			$ 81,882			$ 77,841		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 47,926	$ 188	1.56%	$ 45,490	$ 179	1.58%	$ 44,101	$ 172	1.57%	$ 42,079	$ 165	1.56%	$ 39,048	$ 159	1.62%
Borrowings of consolidated securitization entities	12,369	63	2.03%	12,291	59	1.93%	12,950	58	1.80%	13,550	56	1.64%	13,715	54	1.56%
Bank term loan[(2)]	—	—	—%	374	7	7.53%	2,565	24	3.76%	4,507	28	2.46%	4,878	29	2.36%
Senior unsecured notes	7,408	64	3.44%	6,809	58	3.43%	6,558	57	3.50%	5,810	52	3.55%	5,312	47	3.51%
Related party debt	—	—	—%	—	—	—%	—	—	—%	—	—	—%	—	—	—%
Total interest-bearing liabilities	67,703	315	1.85%	64,964	303	1.88%	66,174	311	1.89%	65,946	301	1.81%	62,953	289	1.82%
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	203			217			226			147			149		
Other liabilities	3,314			3,046			3,534			3,396			2,859		
Total non-interest-bearing liabilities	3,517			3,263			3,760			3,543			3,008		
Total liabilities	71,220			68,227			69,934			69,489			65,961		
Equity															
Total equity	13,801			13,467			12,901			12,393			11,880		
Total liabilities and equity	$ 85,021			$ 81,694			$ 82,835			$ 81,882			$ 77,841		
Net interest income		$ 3,481			$ 3,212			$ 3,209			$ 3,208			$ 3,103	
Interest rate spread[(3)]			15.89%			15.48%			15.40%			15.39%			15.64%
Net interest margin[(4)]			16.27%			15.86%			15.76%			15.73%			15.97%

(1) Certain balance sheet amounts and related metrics have been updated to reflect the adoption of ASU 2015-03. More detail on this update is in footnote (1) on the Statements of Financial Position.

(2) Average interest rate on liabilities calculated above utilizes monthly average balances. The effective interest rates for the Bank term loan for the quarters ended June 30, 2016, March 31, 2016, December 31, 2015, and September 30, 2015 were 2.51%, 2.47%, 2.26%, and 2.23%, respectively. The Bank term loan effective rate excludes the impact of charges incurred in connection with prepayments of the loan.

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

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

SYNCHRONY FINANCIAL

AVERAGE BALANCES, NET INTEREST INCOME AND NET INTEREST MARGIN(1)

(unaudited, $ in millions)

	Nine Months Ended September 30, 2016			Nine Months Ended September 30, 2015		
	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	$ 12,172	$ 46	0.50%	$ 11,144	$ 19	0.23%
Securities available for sale	2,960	22	0.99%	3,066	15	0.65%
Loan receivables:						
Credit cards, including held for sale	65,201	10,573	21.66%	58,442	9,500	21.73%
Consumer installment loans	1,242	86	9.25%	1,107	78	9.42%
Commercial credit products	1,360	103	10.12%	1,361	106	10.41%
Other	53	1	NM	36	1	NM
Total loan receivables, including held for sale	67,856	10,763	21.19%	60,946	9,685	21.25%
Total interest-earning assets	82,988	10,831	17.43%	75,156	9,719	17.29%
Non-interest-earning assets:						
Cash and due from banks	942			782		
Allowance for loan losses	(3,764)			(3,304)		
Other assets	3,250			2,759		
Total non-interest-earning assets	428			237		
Total assets	$ 83,416			$ 75,393		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 45,913	$ 539	1.57%	$ 36,677	$ 442	1.61%
Borrowings of consolidated securitization entities	12,578	180	1.91%	13,952	159	1.52%
Bank term loan(2)	1,026	31	4.04%	5,625	108	2.57%
Senior unsecured notes	6,948	179	3.44%	4,667	121	3.47%
Related party debt	—	—	—%	163	4	3.28%
Total interest-bearing liabilities	66,465	929	1.87%	61,084	834	1.83%
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	212			153		
Other liabilities	3,363			2,846		
Total non-interest-bearing liabilities	3,575			2,999		
Total liabilities	70,040			64,083		
Equity						
Total equity	13,376			11,310		
Total liabilities and equity	$ 83,416			$ 75,393		
Net interest income		$ 9,902			$ 8,885	
Interest rate spread(3)			15.56%			15.46%
Net interest margin(4)			15.94%			15.81%

(1) Certain balance sheet amounts and related metrics have been updated to reflect the adoption of ASU 2015-03. More detail on this update is in footnote (1) on the Statements of Financial Position.

(2) Average interest rate on liabilities calculated above utilizes monthly average balances. The effective interest rates for the Bank term loan for the 9 months ended September 30, 2016 and September 30, 2015 were 2.48% and 2.22%, respectively. The Bank term loan effective rate excludes the impact of charges incurred in connection with prepayments of the loan.

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

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

SYNCHRONY FINANCIAL

BALANCE SHEET STATISTICS[1]

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

	Quarter Ended											
	Sep 30, 2016		Jun 30, 2016		Mar 31, 2016		Dec 31, 2015		Sep 30, 2015		Sep 30, 2016 vs. Sep 30, 2015	
BALANCE SHEET STATISTICS												
Total common equity	$	13,981	$	13,715	$	13,204	$	12,604	$	12,158	$ 1,823	15.0%
Total common equity as a % of total assets		16.04%		16.65%		16.17%		15.01%		15.33%		0.71%
Tangible assets	$	85,477	$	80,731	$	80,005	$	82,340	$	77,695	$ 7,782	10.0%
Tangible common equity[2]	$	12,299	$	12,062	$	11,553	$	10,954	$	10,563	$ 1,736	16.4%
Tangible common equity as a % of tangible assets[2]		14.39%		14.94%		14.44%		13.30%		13.60%		0.79%
Tangible common equity per share[2]	$	14.90	$	14.46	$	13.86	$	13.14	$	12.67	$ 2.23	17.6%
REGULATORY CAPITAL RATIOS[3]												
	Basel III Transition											
Total risk-based capital ratio[4]		19.5%		19.8%		19.4%		18.1%		18.8%		
Tier 1 risk-based capital ratio[5]		18.2%		18.5%		18.1%		16.8%		17.5%		
Tier 1 leverage ratio[6]		15.3%		15.6%		14.8%		14.4%		14.6%		
Common equity Tier 1 capital ratio[7]		18.2%		18.5%		18.1%		16.8%		17.5%		
	Basel III Fully Phased-in											
Common equity Tier 1 capital ratio[7]		17.9%		18.0%		17.5%		15.9%		16.7%		

(1) Certain balance sheet amounts and related metrics have been updated to reflect the adoption of ASU 2015-03. More detail on this update is in footnote (1) on the Statements of Financial Position.

(2) 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.

(3) Regulatory capital metrics at September 30, 2016 are preliminary and therefore subject to change. As a new savings and loan holding company, the Company historically has not been required by regulators to disclose capital ratios prior to December 31, 2015, and therefore these ratios are non-GAAP measures. See Reconciliation of Non-GAAP Measures and Calculation of Regulatory Measures for components of capital ratio calculations.

(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.

(7) Common equity Tier 1 capital ratio is the ratio of common equity Tier 1 capital to total risk-weighted assets, each as calculated under Basel III rules. Common equity Tier 1 capital ratio (fully phased-in) is a preliminary estimate reflecting management's interpretation of the final Basel III rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance.

SYNCHRONY FINANCIAL

PLATFORM RESULTS

(unaudited, $ in millions)

	Quarter Ended							Nine Months Ended			
	Sep 30, 2016	Jun 30, 2016	Mar 31, 2016	Dec 31, 2015	Sep 30, 2015	3Q'16 vs. 3Q'15		Sep 30, 2016	Sep 30, 2015	YTD'16 vs. YTD'15	
RETAIL CARD											
Purchase volume[1][2]	$ 25,285	$ 25,411	$ 21,550	$ 26,768	$ 23,560	$ 1,725	7.3 %	$ 72,246	$ 65,422	$ 6,824	10.4 %
Period-end loan receivables	$ 48,010	$ 46,705	$ 45,113	$ 47,412	$ 43,432	$ 4,578	10.5 %	$ 48,010	$ 43,432	$ 4,578	10.5 %
Average loan receivables, including held for sale	$ 47,420	$ 45,861	$ 45,900	$ 44,958	$ 42,933	$ 4,487	10.5 %	$ 46,491	$ 41,853	$ 4,638	11.1 %
Average active accounts (in thousands)[2][3]	52,959	52,314	52,969	52,038	49,953	3,006	6.0 %	52,834	49,671	3,163	6.4 %
Interest and fees on loans[2]	$ 2,790	$ 2,585	$ 2,614	$ 2,594	$ 2,508	$ 282	11.2 %	$ 7,989	$ 7,180	$ 809	11.3 %
Other income[2]	$ 70	$ 69	$ 79	$ 76	$ 70	$ —	— %	$ 218	$ 263	$ (45)	(17.1)%
Retailer share arrangements[2]	$ (752)	$ (656)	$ (661)	$ (723)	$ (708)	$ (44)	6.2 %	$ (2,069)	$ (1,965)	$ (104)	5.3 %
PAYMENT SOLUTIONS											
Purchase volume[1]	$ 4,152	$ 3,903	$ 3,392	$ 3,714	$ 3,635	$ 517	14.2 %	$ 11,447	$ 9,954	$ 1,493	15.0 %
Period-end loan receivables	$ 14,798	$ 13,997	$ 13,420	$ 13,543	$ 12,933	$ 1,865	14.4 %	$ 14,798	$ 12,933	$ 1,865	14.4 %
Average loan receivables	$ 14,391	$ 13,644	$ 13,482	$ 13,192	$ 12,523	$ 1,868	14.9 %	$ 13,865	$ 12,183	$ 1,682	13.8 %
Average active accounts (in thousands)[3]	8,461	8,153	8,134	7,896	7,468	993	13.3 %	8,261	7,335	926	12.6 %
Interest and fees on loans	$ 505	$ 467	$ 457	$ 462	$ 442	$ 63	14.3 %	$ 1,429	$ 1,257	$ 172	13.7 %
Other income	$ 3	$ 3	$ 4	$ 3	$ 5	$ (2)	(40.0)%	$ 10	$ 14	$ (4)	(28.6)%
Retailer share arrangements	$ (3)	$ (7)	$ (7)	$ (10)	$ (13)	$ 10	(76.9)%	$ (17)	$ (35)	$ 18	(51.4)%
CARECREDIT											
Purchase volume[1]	$ 2,178	$ 2,193	$ 2,035	$ 1,978	$ 2,011	$ 167	8.3 %	$ 6,406	$ 5,779	$ 627	10.8 %
Period-end loan receivables	$ 7,836	$ 7,580	$ 7,316	$ 7,335	$ 7,155	$ 681	9.5 %	$ 7,836	$ 7,155	$ 681	9.5 %
Average loan receivables	$ 7,714	$ 7,438	$ 7,323	$ 7,256	$ 7,048	$ 666	9.4 %	$ 7,500	$ 6,910	$ 590	8.5 %
Average active accounts (in thousands)[3]	5,219	5,064	5,031	4,958	4,826	393	8.1 %	5,109	4,756	353	7.4 %
Interest and fees on loans	$ 476	$ 442	$ 427	$ 438	$ 429	$ 47	11.0 %	$ 1,345	$ 1,248	$ 97	7.8 %
Other income	$ 11	$ 11	$ 9	$ 8	$ 9	$ 2	22.2 %	$ 31	$ 28	$ 3	10.7 %
Retailer share arrangements	$ (2)	$ (1)	$ (2)	$ (1)	$ (2)	$ —	— %	$ (5)	$ (4)	$ (1)	25.0 %
TOTAL SYF											
Purchase volume[1][2]	$ 31,615	$ 31,507	$ 26,977	$ 32,460	$ 29,206	$ 2,409	8.2 %	$ 90,099	$ 81,155	$ 8,944	11.0 %
Period-end loan receivables	$ 70,644	$ 68,282	$ 65,849	$ 68,290	$ 63,520	$ 7,124	11.2 %	$ 70,644	$ 63,520	$ 7,124	11.2 %
Average loan receivables, including held for sale	$ 69,525	$ 66,943	$ 66,705	$ 65,406	$ 62,504	$ 7,021	11.2 %	$ 67,856	$ 60,946	$ 6,910	11.3 %
Average active accounts (in thousands)[2][3]	66,639	65,531	66,134	64,892	62,247	4,392	7.1 %	66,204	61,762	4,442	7.2 %
Interest and fees on loans[2]	$ 3,771	$ 3,494	$ 3,498	$ 3,494	$ 3,379	$ 392	11.6 %	$ 10,763	$ 9,685	$ 1,078	11.1 %
Other income[2]	$ 84	$ 83	$ 92	$ 87	$ 84	$ —	— %	$ 259	$ 305	$ (46)	(15.1)%
Retailer share arrangements[2]	$ (757)	$ (664)	$ (670)	$ (734)	$ (723)	$ (34)	4.7 %	$ (2,091)	$ (2,004)	$ (87)	4.3 %

(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.

SYNCHRONY FINANCIAL

RECONCILIATION OF NON-GAAP MEASURES AND CALCULATIONS OF REGULATORY MEASURES[1][2]

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

	Quarter Ended				
	Sep 30, 2016	**Jun 30, 2016**	**Mar 31, 2016**	**Dec 31, 2015**	**Sep 30, 2015**
COMMON EQUITY MEASURES					
GAAP Total common equity	$ 13,981	$ 13,715	$ 13,204	$ 12,604	$ 12,158
Less: Goodwill	(949)	(949)	(949)	(949)	(949)
Less: Intangible assets, net	(733)	(704)	(702)	(701)	(646)
Tangible common equity	$ 12,299	$ 12,062	$ 11,553	$ 10,954	$ 10,563
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	299	282	281	280	291
Basel III - Common equity Tier 1 (fully phased-in)	$ 12,598	$ 12,344	$ 11,834	$ 11,234	$ 10,854
Adjustment related to capital components during transition	273	266	265	399	375
Basel III - Common equity Tier 1 (transition)	$ 12,871	$ 12,610	$ 12,099	$ 11,633	11,229
RISK-BASED CAPITAL					
Common equity Tier 1	$ 12,871	$ 12,610	$ 12,099	$ 11,633	$ 11,229
Add: Allowance for loan losses includible in risk-based capital	923	890	869	898	833
Risk-based capital	$ 13,794	$ 13,500	$ 12,968	$ 12,531	$ 12,062
ASSET MEASURES					
Total average assets	$ 85,021	$ 81,694	$ 82,835	$ 81,882	$ 77,841
Adjustments for:					
Disallowed goodwill and other disallowed intangible assets, net of related deferred tax liabilities	(1,117)	(1,113)	(1,117)	(991)	(931)
Other	—	—	—	—	104
Total assets for leverage purposes	$ 83,904	$ 80,581	$ 81,718	$ 80,891	$ 77,014
Risk-weighted assets - Basel III (fully phased-in)[3]	$ 70,448	$ 68,462	$ 67,697	$ 70,493	$ 65,125
Risk-weighted assets - Basel III (transition)[3]	$ 70,660	$ 68,188	$ 66,689	69,224	64,090
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 16.94	$ 16.45	$ 15.84	$ 15.12	$ 14.58
Less: Goodwill	(1.14)	(1.14)	(1.14)	(1.14)	(1.14)
Less: Intangible assets, net	(0.90)	(0.85)	(0.84)	(0.84)	(0.77)
Tangible common equity per share	$ 14.90	$ 14.46	$ 13.86	$ 13.14	$ 12.67

(1) Certain balance sheet amounts and related metrics have been updated to reflect the adoption of ASU 2015-03. More detail on this update is in footnote (1) on the Statements of Financial Position.

(2) Regulatory measures at September 30, 2016 are presented on an estimated basis.

(3) Key differences between Basel III transitional rules and fully phased-in Basel III rules in the calculation of risk-weighted assets include, but not limited to, risk weighting of deferred tax assets and adjustments for certain intangible assets.

Exhibit 99.3

3Q'16 Financial Results
October 21, 2016

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Disclaimers

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

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

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, as filed on February 25, 2016. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law. Differences between this presentation and the supplemental financials may occur due to rounding.

Non-GAAP Measures
The information provided herein includes certain capital ratios, which are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The reconciliations of such measures to the most directly comparable GAAP measures are included in the appendix of this presentation.

3Q'16 Highlights

Financial highlights

- $604 million Net earnings, $0.73 diluted EPS
- Purchase volume +8%, Loan receivables +11%, Net interest income +12%
- Net charge-offs at 4.38% compared to 4.02% in the prior year
  - ✓ 30+ delinquency at 4.26% compared to 4.02% in the prior year
- Expenses +2% ... Efficiency ratio 30.6% compared to 34.2% in the prior year
- Deposits up $9.3 billion compared to prior year, comprise 71% of funding
- Strong capital and liquidity
  - ✓ 18.2% CET1[(a)] & $16.4 billion liquid assets
- Completed quarterly capital return
  - ✓ $0.13 quarterly dividend
  - ✓ $238 million share repurchase

Business highlights

✓ Renewed key relationships

THE TJX COMPANIES, INC. · hhgregg appliances & electronics · ADA American Dental Association · nationwide marketing group APPLIANCES • AUDIO/VIDEO • FURNITURE

✓ Signed new partnerships

NISSAN · at home The Home Décor Superstore

✓ Launched new programs

The Container Store The Original Storage and Organization Store · Google Store

(a) CET1 % calculated under the Basel III transitional guidelines

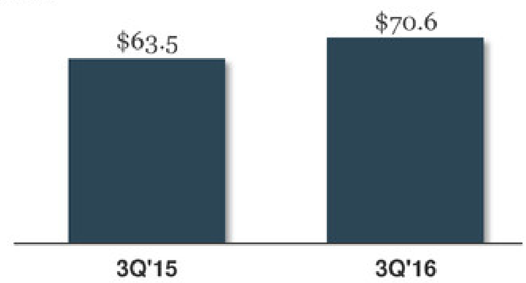
Growth Metrics

Purchase volume
$ in billions

+8%

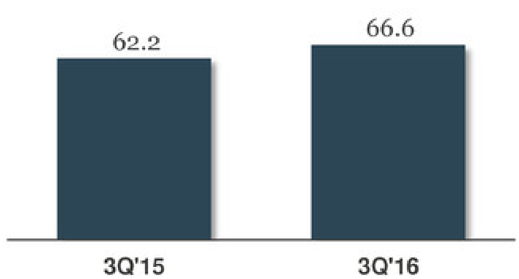
Loan receivables
$ in billions

+11%



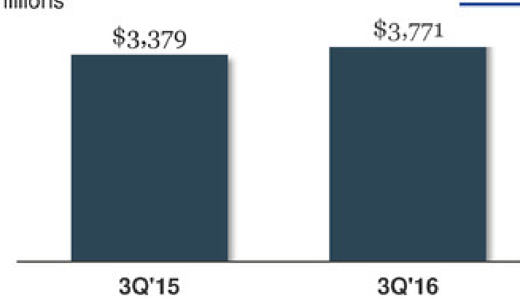
Average active accounts
in millions

+7%



Interest and fees on loans
$ in millions

+12%



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Platform Results[(a)]

Retail Card

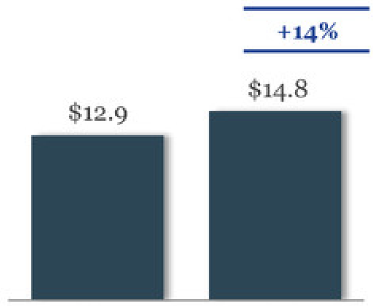
Loan receivables, $ in billions

	3Q'15	3Q'16	V%
Purchase volume	$23.6	$25.2	+7%
Accounts	49.9	52.9	+6%
Interest and fees on loans	$2,508	$2,790	+11%

- ✓ Strong receivable growth across partner programs
- ✓ Interest and fees on loans up 11% driven by receivable growth

Payment Solutions

Loan receivables, $ in billions

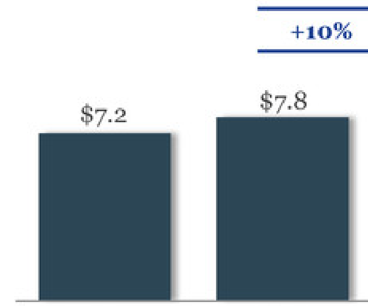


	3Q'15	3Q'16	V%
Purchase volume	$3.6	$4.2	+14%
Accounts	7.5	8.5	+13%
Interest and fees on loans	$442	$505	+14%

- ✓ Broad receivable growth led by home furnishings, auto and power
- ✓ Interest and fees on loans up 14% driven by receivable growth

CareCredit

Loan receivables, $ in billions



	3Q'15	3Q'16	V%
Purchase volume	$2.0	$2.2	+8%
Accounts	4.8	5.2	+8%
Interest and fees on loans	$429	$476	+11%

- ✓ Receivable growth led by dental and veterinary
- ✓ Interest and fees on loans up 11% driven by receivable growth

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

Financial Results

Summary earnings statement

$ in millions, except ratios	3Q'16	3Q'15	B/(W) $	B/(W) %
Total interest income	$3,796	$3,392	$404	12%
Total interest expense	(315)	(289)	(26)	(9)%
Net interest income (NII)	**3,481**	**3,103**	**378**	**12%**
Retailer share arrangements (RSA)	(757)	(723)	(34)	(5)%
NII, after RSA	**2,724**	**2,380**	**344**	**14%**
Provision for loan losses	986	702	(284)	(40)%
Other income	84	84	-	-%
Other expense	859	843	(16)	(2)%
Pre-Tax earnings	**963**	**919**	**44**	**5%**
Provision for income taxes	359	345	(14)	(4)%
Net earnings	**$604**	**$574**	**$30**	**5%**
Return on assets	2.8%	2.9%		(0.1)pts.

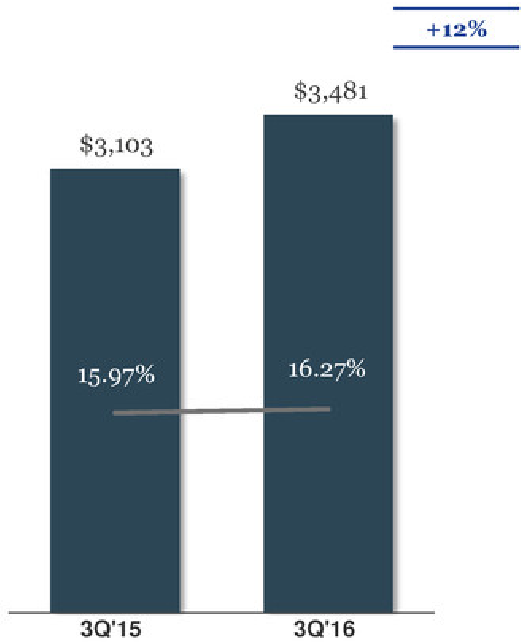
Third quarter 2016 highlights

- **$604 million Net earnings, 2.8% ROA**
- **Net interest income up 12% driven by growth in loan receivables**
  - ✓ Interest and fees on loans up 12% driven by receivable growth
  - ✓ Interest expense increase driven by growth
- **Provision for loan losses driven by higher reserve build and growth**
  - ✓ 30+ delinquency 4.26% compared to 4.02% in the prior year
  - ✓ NCO's 4.38% compared to 4.02% in the prior year
- **Other expense up 2%**
  - ✓ Other expense increase driven by growth partially offset with lower marketing, and EMV costs in prior year which did not repeat

Net Interest Income

Net interest income

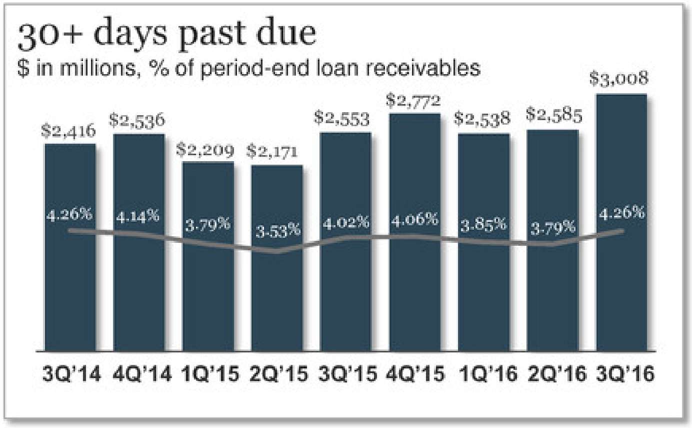
$ in millions, % of average interest-earning assets

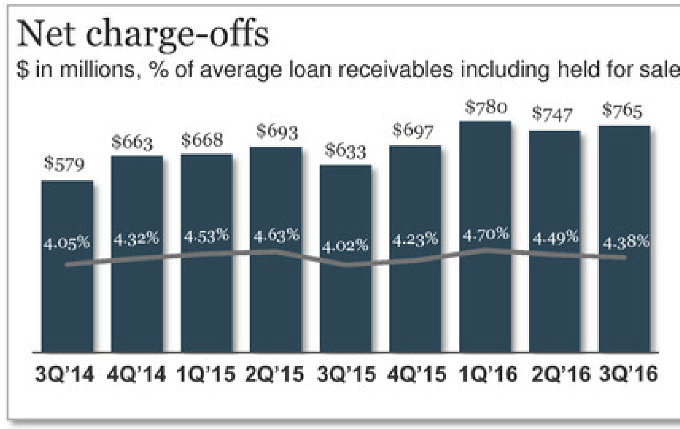


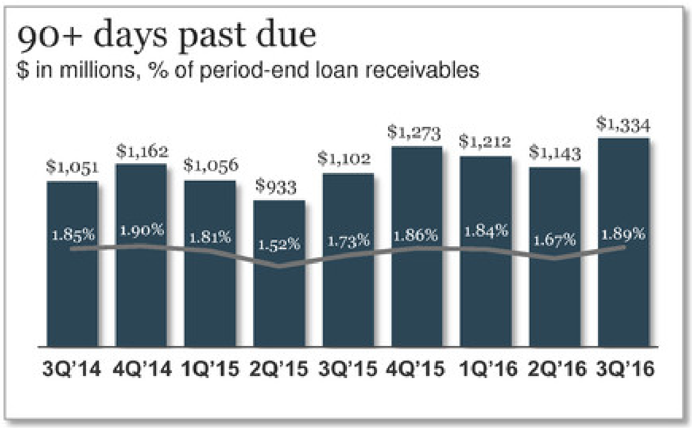
Third quarter 2016 highlights

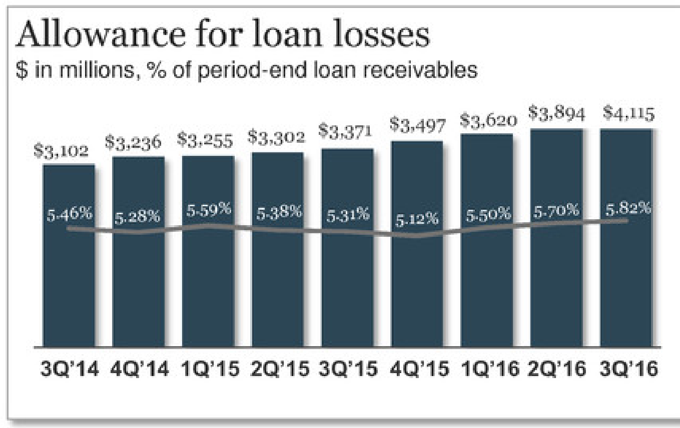
- **Net interest income increased 12% compared to prior year driven by growth in receivables**
  - ✓ Interest and fees on loans increased 12% compared to prior year driven by loan receivable growth
- **Net interest margin up 30bps.**
  - ✓ Loan receivables mix as a percent of total earning assets increased
  - ✓ Receivable yield 21.58%, up 13bps. versus prior year
  - ✓ Interest expense 1.85%, increased 3bps. reflecting rising benchmark rates

Asset Quality Metrics









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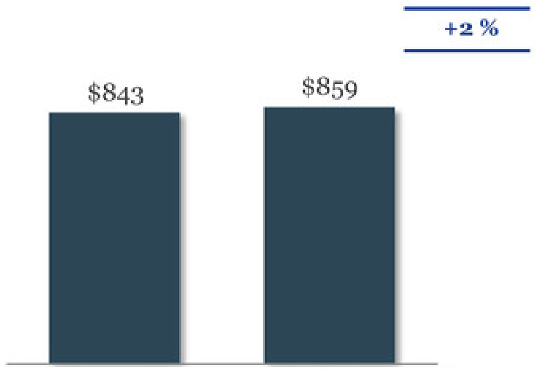
Other Expense

Other expense

$ in millions



	3Q'15	3Q'16	V$	V%
Employee costs	$268	$311	$43	16%
Professional fees	162	174	12	7%
Marketing/BD	115	92	(23)	(20)%
Information processing	77	87	10	13%
Other	221	195	(26)	(12)%
Other expense	$843	$859	$16	2%
Efficiency [(a)]	**34.2%**	**30.6%**		**(3.6)pts.**

Third quarter 2016 highlights

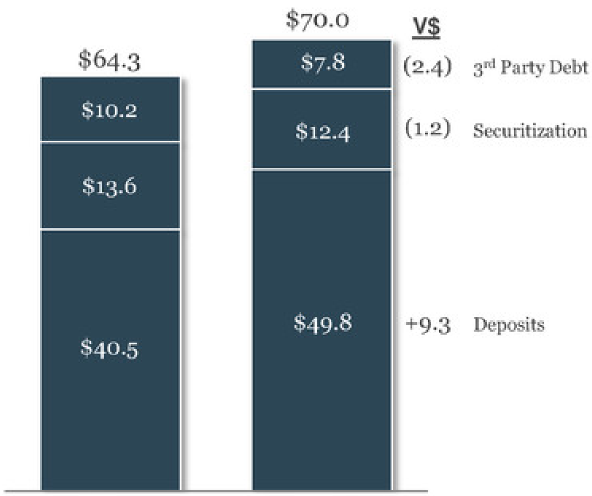
- **Expense increased 2% vs. prior year**
- **Employee costs up $43 million**
  - ✓ Driven by employees added for growth and replacement of certain 3rd party and GE services
- **Professional fees up $12 million**
  - ✓ Driven by growth and 3rd party services
- **Marketing/BD costs down $23 million**
  - ✓ Driven by redirecting marketing funds into everyday value props and reduced marketing on Retail Deposits
- **Information processing up $10 million**
  - ✓ Driven by continued IT investments and purchase volume growth
- **Other down $26 million**
  - ✓ Driven by reduction in payments under the GE Transition Service Agreement (TSA) and benefits from the rollout of EMV

(a) "Other Expense" divided by sum of "NII, after RSA" plus "Other income"

Funding, Capital and Liquidity

Funding sources

$ in billions



	3Q'15	3Q'16	Variance
Deposits	63%	71%	+8pts.
Securitization	21%	18%	(3)pts.
3rd Party Debt	16%	11%	(5)pts.

Capital ratios[a]

3Q'16, $ in billions

	BIII CET1 T%[b]	BIII CET1 %[c]
Common equity Tier 1	$12.9	$12.6
Risk-weighted assets	$70.7	$70.4

(a) Estimated percentages and amounts
(b) Calculated under the Basel III transition guidelines
(c) Calculated under the fully phased-in Basel III guidelines

Liquidity[d]

$ in billions

	3Q'15	3Q'16
Liquid assets	$15.3	$16.4
Undrawn credit facilities	6.6	7.1
Total liquidity	**$21.9**	**$23.5**
% of total assets	**27.6%**	**27.0%**

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

3Q'16 Wrap Up

- Net earnings of $604 million … $0.73 earnings per diluted share
- Broad based growth … Purchase volume +8%, Loan receivables +11%, Net interest income +12%
- Renewed key partners … TJX Companies, hhgregg, American Dental Association, and Nationwide Marketing Group
- Signed new partnerships with Nissan and At Home
- Launched new programs with Container Store and Google
- Fast-growing deposit platform … deposits at $50 billion comprising 71% of funding
- Strong balance sheet, $16.4 billion of liquid assets and 18.2% CET1 (BIIIT)[a]
- Completed quarterly common stock dividend of $0.13 per share and repurchased $238 million of shares in the quarter

(a) CET1 % calculated under the Basel III transition guidelines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Appendix

Non-GAAP Reconciliation

We present certain capital ratios. Our Basel III Tier 1 common ratio, calculated on a fully phased-in basis, is a preliminary estimate reflecting management's interpretation of the final Basel III capital rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance. This ratio is not currently required by regulators to be disclosed, and therefore is considered a non-GAAP measure. We believe this capital ratio is a useful measure to investors because it is widely used by analysts and regulators to assess the capital position of financial services companies, although this ratio may not be comparable to similarly titled measures reported by other companies.

Non-GAAP Reconciliation

The following table sets forth a reconciliation of each component of our capital ratios to the comparable GAAP component at September 30, 2016.

COMMON EQUITY MEASURES	**$ in millions at September 30, 2016**
GAAP Total common equity	$13,981
Less: Goodwill	(949)
Less: Intangible assets, net	(733)
Tangible common equity	**$12,299**
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	299
Basel III – Common equity Tier 1 (fully phased-in)	**$12,598**
Adjustments related to capital components during transition	273
Basel III – Common equity Tier 1 (transition)	**$12,871**
Risk-weighted assets – Basel III (fully phased-in)	**$70,448**
Risk-weighted assets – Basel III (transition)	**$70,660**

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 capital ratios in this Form 8-K and exhibits. Our Basel III Tier 1 common ratio, calculated on a fully phased-in basis, is a preliminary estimate reflecting management's interpretation of the final Basel III capital rules adopted in July 2013 by the Federal Reserve Board, which have not been fully implemented, and our estimate and interpretations are subject to, among other things, ongoing regulatory review and implementation guidance. This ratio is not currently required by regulators to be disclosed, and therefore is considered a non-GAAP measure. We believe this capital ratio is a useful measure to investors because it is widely used by analysts and regulators to assess the capital position of financial services companies, although this ratio may not be comparable to similarly titled measures reported by other companies. The reconciliation of our Basel III Tier 1 common ratio, calculated on a fully phased-in basis, to the comparable GAAP component is included in the detailed financial tables included in Exhibit 99.2.

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