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

FORM 8-K

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

January 29, 2021
Date of Report
(Date of earliest event reported)

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

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

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

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

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

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

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

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

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

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

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

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

Emerging growth company ☐

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

Item 2.02 Results of Operations and Financial Condition.

On January 29, 2021, Synchrony Financial (the "Company") issued a press release setting forth the Company's fourth quarter 2020 earnings. A copy of the Company's press release is being furnished as Exhibit 99.1 and hereby incorporated by reference. The information furnished pursuant to this Item 2.02, including Exhibits, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934 (the "Exchange Act") or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Exchange Act.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

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

Number	**Description**
99.1	Press release, dated January 29, 2021, issued by Synchrony Financial
99.2	Financial Data Supplement of the Company for the quarter ended December 31, 2020
99.3	Financial Results Presentation of the Company for the quarter ended December 31, 2020
99.4	Explanation of Non-GAAP Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURES

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

	SYNCHRONY FINANCIAL	
Date: January 29, 2021	By:	/s/ Jonathan Mothner
	Name:	Jonathan Mothner
	Title:	Executive Vice President, General Counsel and Secretary

EXHIBIT INDEX

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99.4	Explanation of Explanation of Non-GAAP Measures Measures
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

Exhibit 99.1

Investor Relations Media Relations
Kathryn Miller Sue Bishop
(203) 585-6291 (203) 585-2802

For Immediate Release: January 29, 2021

Synchrony Reports Fourth Quarter Net Earnings of $738 Million or $1.24 Per Diluted Share

– *Trends Improving, Still Impacted by Pandemic*

– *Building for the Future with 9 Renewals, 7 New Programs, and an Acquisition*

– *Board Approved $1.6 Billion Share Repurchase Program*

STAMFORD, Conn. – Synchrony Financial (NYSE: SYF) today announced fourth quarter 2020 earnings results amid the continuing Coronavirus (COVID-19) pandemic. Synchrony reported fourth quarter 2020 net earnings of $738 million, or $1.24 per diluted share.

Key Highlights*.

- Loan receivables decreased 6% to $81.9 billion
- Interest and fees on loans decreased 11% to $4.0 billion
- Purchase volume decreased 1% to $39.9 billion
- Average active accounts decreased 10% to 66.3 million
- Deposits decreased $2.3 billion, or 4%, to $62.8 billion
- Renewed Payment Solutions programs with Mattress Firm and Kawasaki, and added a new program with Doosan Bobcat
- Added new CareCredit programs with Walgreens and the Community Veterinary Partners, renewed program with Aspen Dental, and acquired Allegro Credit, a leading provider of point-of-sale consumer financing for audiology products and dental services
- Returned $128 million in capital through common stock dividends
- The Board of Directors approved a share repurchase program of up to $1.6 billion, commencing in the first quarter of 2021, subject to capital plan and any regulatory restrictions

“Last year brought challenges the likes of which we have never before experienced, and I am proud of how we came together as an organization to help our employees, partners, customers, and communities. We never lost sight of the necessity to build for the future, one in which the acceleration of digital adoption is profound. We quickly deployed digital assets to help our partners navigate this new environment and we continue to make investments for the future. In 2020, we renewed 41 key relationships, won 25 new deals, and launched promising new programs with Verizon and Venmo. We also took a deep look at our organization to decisively reduce costs to appropriately align the expenses of our business while maintaining investments in our long-term strategy,” said Margaret Keane, Chief Executive Officer, Synchrony Financial. “With Synchrony in a position of strength, now is the right time to implement the leadership transition announced earlier this month. Effective April 1, I will transition to the role of Executive Chair of our Board of Directors, and Brian Doubles will become President and CEO, allowing him to continue the incredible progress that has been made and drive the next stage of Synchrony’s exciting growth journey.”

Business and Financial Results for the Fourth Quarter of 2020*

Earnings

- Net interest income decreased $370 million, or 9%, to $3.7 billion, mainly due to the impact of COVID-19.
- Retailer share arrangements increased $18 million, or 2%, to $1.0 billion, reflecting the improvement in net charge-offs.
- Provision for credit losses decreased $354 million, or 32%, to $750 million, mainly driven by lower net charge-offs, partially offset by a $119 million reserve increase.
- Other income decreased $22 million, or 21%, to $82 million, largely driven by higher loyalty program costs.
- Other expense decreased $79 million, or 7%, to $1.0 billion, mainly driven by lower purchase volume and accounts, lower employee costs, and lower operational losses.
- Net earnings increased $7 million, or 1%, to $738 million .

Balance Sheet

- Period-end loan receivables decreased 6%; purchase volume decreased 1%; and average active accounts decreased 10%.
- Deposits decreased $2.3 billion, or 4%, to $62.8 billion and comprised 80% of funding.
- The Company's balance sheet remained strong with total liquidity (liquid assets and undrawn credit facilities) of $23.7 billion, or 24.7% of total assets.
- The Company has elected to defer the regulatory capital effects of CECL for two years; the estimated Common Equity Tier 1 ratio was 15.9% compared to 14.1%, and the estimated Tier 1 Capital ratio was 16.8% compared to 15.0%, reflecting the Company's strong capital generation capabilities.
- The Board of Directors approved a share repurchase program of up to $1.6 billion, commencing in the first quarter of 2021 and expiring December 31, 2021.

Key Financial Metrics

- Return on assets was 3.1% and return on equity was 23.6%.
- Net interest margin was 14.64%.
- Efficiency ratio was 37.1%.

Credit Quality

- Loans 30+ days past due as a percentage of total period-end loan receivables were 3.07% compared to 4.44% last year.
- Net charge-offs as a percentage of total average loan receivables were 3.16% compared to 5.15% last year.
- The allowance for credit losses as a percentage of total period-end loan receivables was 12.54%.

Sales Platforms

- Retail Card period-end loan receivables decreased 8%, driven primarily by the impact from COVID-19, partially offset by growth in digital partners. Interest and fees on loans decreased 13%, driven primarily by COVID-19 and the decline in loan receivables. Purchase volume increased 1% and average active accounts decreased 10%.

- Payment Solutions period-end loan receivables decreased 2%, primarily due to the impact from COVID-19, partially offset by growth in Power Sports and Home Specialty. Interest and fees on loans decreased 9%, driven primarily by lower yield on loan receivables. Purchase volume decreased 7% and average active accounts decreased 9%.
- CareCredit period-end loan receivables decreased 7%, driven primarily by the impact from COVID-19. Interest and fees on loans decreased 4%, driven primarily by lower merchant discount as a result of the decline in purchase volume, which decreased 6%. Average active accounts decreased 10%.

** All comparisons are for the fourth quarter of 2020 compared to the fourth quarter of 2019, unless otherwise noted.*

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, 2019, as filed February 13, 2020, and the Company's forthcoming Annual Report on Form 10-K for the year ended December 31, 2020. 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, January 29, 2021, at 8:30 a.m. Eastern Time, Margaret Keane, Chief Executive Officer, Brian Doubles, President, 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. We deliver a wide range of specialized financing programs, as well as innovative consumer banking products, across key industries including digital, retail, home, auto, travel, health and pet. Synchrony enables our partners to grow sales and loyalty with consumers. We are one of the largest issuers of private label credit cards in the United States; we also offer co-branded products, installment loans and consumer financing products for small- and medium-sized businesses, as well as healthcare providers.

Synchrony is changing what’s possible through our digital capabilities, deep industry expertise, actionable data insights, frictionless customer experience and customized financing solutions.

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

Cautionary Statement Regarding Forward-Looking Statements

This news release contains certain forward-looking statements as defined in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are subject to the "safe harbor" created by those sections. Forward-looking statements may be identified by words such as "expects," "intends," "anticipates," "plans," "believes," "seeks," "targets," "outlook," "estimates," "will," "should," "may" or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management's current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. Factors that could cause actual results to differ materially include global political, economic, business, competitive, market, regulatory and other factors and risks, such as: the impact of macroeconomic conditions and whether industry trends we have identified develop as anticipated, 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 Retail Card partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our 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 new 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; a material indemnification obligation to GE under the Tax Sharing and Separation Agreement with GE if we cause the split-off from GE or certain preliminary transactions to fail to qualify for tax-free treatment or in the case of certain significant transfers of our stock following the split-off; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau's regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Synchrony Bank's ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this 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, 2019, as filed on February 13, 2020, and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, as filed on October 22, 2020. You should not consider any list of such factors to be an exhaustive statement of all the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

Non-GAAP Measures

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

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

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2020	**Sep 30, 2020**	**Jun 30, 2020**	**Mar 31, 2020**	**Dec 31, 2019**	**4Q'20 vs. 4Q'19**		**Dec 31, 2020**	**Dec 31, 2019**	**YTD'20 vs. YTD'19**	
EARNINGS											
Net interest income	$ 3,659	$ 3,457	$ 3,396	$ 3,890	$ 4,029	$ (370)	(9.2)%	$ 14,402	$ 16,799	$ (2,397)	(14.3)%
Retailer share arrangements	(1,047)	(899)	(773)	(926)	(1,029)	(18)	1.7 %	(3,645)	(3,858)	213	(5.5)%
Provision for credit losses	750	1,210	1,673	1,677	1,104	(354)	(32.1)%	5,310	4,180	1,130	27.0 %
Net interest income, after retailer share arrangements and provision for credit losses	1,862	1,348	950	1,287	1,896	(34)	(1.8)%	5,447	8,761	(3,314)	(37.8)%
Other income	82	131	95	97	104	(22)	(21.2)%	405	371	34	9.2 %
Other expense	1,000	1,067	986	1,002	1,079	(79)	(7.3)%	4,055	4,245	(190)	(4.5)%
Earnings before provision for income taxes	944	412	59	382	921	23	2.5 %	1,797	4,887	(3,090)	(63.2)%
Provision for income taxes	206	99	11	96	190	16	8.4 %	412	1,140	(728)	(63.9)%
Net earnings	$ 738	$ 313	$ 48	$ 286	$ 731	$ 7	1.0 %	$ 1,385	$ 3,747	$ (2,362)	(63.0)%
Net earnings available to common stockholders	$ 728	$ 303	$ 37	$ 275	$ 731	$ (3)	(0.4)%	$ 1,343	$ 3,747	$ (2,404)	(64.2)%
COMMON SHARE STATISTICS											
Basic EPS	$ 1.25	$ 0.52	$ 0.06	$ 0.45	$ 1.15	$ 0.10	8.7 %	$ 2.28	$ 5.59	$ (3.31)	(59.2)%
Diluted EPS	$ 1.24	$ 0.52	$ 0.06	$ 0.45	$ 1.15	$ 0.09	7.8 %	$ 2.27	$ 5.56	$ (3.29)	(59.2)%
Dividend declared per share	$ 0.22	$ 0.22	$ 0.22	$ 0.22	$ 0.22	$ —	— %	$ 0.88	$ 0.86	$ 0.02	2.3 %
Common stock price	$ 34.71	$ 26.17	$ 22.16	$ 16.09	$ 36.01	$ (1.30)	(3.6)%	$ 34.71	$ 36.01	$ (1.30)	(3.6)%
Book value per share	$ 20.49	$ 19.47	$ 19.13	$ 19.27	$ 23.31	$ (2.82)	(12.1)%	$ 20.49	$ 23.31	$ (2.82)	(12.1)%
Tangible common equity per share[1]	$ 16.72	$ 15.75	$ 15.28	$ 15.35	$ 19.50	$ (2.78)	(14.3)%	$ 16.72	$ 19.50	$ (2.78)	(14.3)%
Beginning common shares outstanding	583.8	583.7	583.2	615.9	653.7	(69.9)	(10.7)%	615.9	718.8	(102.9)	(14.3)%
Issuance of common shares	—	—	—	—	—	—	— %	—	—	—	— %
Stock-based compensation	0.2	0.1	0.5	0.9	0.6	(0.4)	(66.7)%	1.7	3.1	(1.4)	(45.2)%
Shares repurchased	—	—	—	(33.6)	(38.4)	38.4	(100.0)%	(33.6)	(106.0)	72.4	(68.3)%
Ending common shares outstanding	584.0	583.8	583.7	583.2	615.9	(31.9)	(5.2)%	584.0	615.9	(31.9)	(5.2)%
Weighted average common shares outstanding	583.9	583.8	583.7	604.9	633.7	(49.8)	(7.9)%	589.0	670.2	(81.2)	(12.1)%
Weighted average common shares outstanding (fully diluted)	586.6	584.8	584.4	607.4	637.7	(51.1)	(8.0)%	590.8	673.5	(82.7)	(12.3)%

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

SYNCHRONY FINANCIAL
SELECTED METRICS
(unaudited, $ in millions)

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2020	**Sep 30, 2020**	**Jun 30, 2020**	**Mar 31, 2020**	**Dec 31, 2019**	**4Q'20 vs. 4Q'19**		**Dec 31, 2020**	**Dec 31, 2019**	**YTD'20 vs. YTD'19**	
PERFORMANCE METRICS											
Return on assets[1]	3.1 %	1.3 %	0.2 %	1.1 %	2.7 %		0.4 %	1.4 %	3.5 %		(2.1)%
Return on equity[2]	23.6 %	10.3 %	1.6 %	9.1 %	19.0 %		4.6 %	11.2 %	25.1 %		(13.9)%
Return on tangible common equity[3]	30.4 %	13.1 %	1.6 %	11.6 %	23.0 %		7.4 %	14.4 %	29.9 %		(15.5)%
Net interest margin[4]	14.64 %	13.80 %	13.53 %	15.15 %	15.01 %		(0.37)%	14.29 %	15.78 %		(1.49)%
Efficiency ratio[5]	37.1 %	39.7 %	36.3 %	32.7 %	34.8 %		2.3 %	36.3 %	31.9 %		4.4 %
Other expense as a % of average loan receivables, including held for sale	5.01 %	5.44 %	5.04 %	4.77 %	5.01 %		0.00 %	5.06 %	4.79 %		0.27 %
Effective income tax rate	21.8 %	24.0 %	18.6 %	25.1 %	20.6 %		1.2 %	22.9 %	23.3 %		(0.4)%
CREDIT QUALITY METRICS											
Net charge-offs as a % of average loan receivables, including held for sale	3.16 %	4.42 %	5.35 %	5.36 %	5.15 %		(1.99)%	4.58 %	5.65 %		(1.07)%
30+ days past due as a % of period-end loan receivables[6]	3.07 %	2.67 %	3.13 %	4.24 %	4.44 %		(1.37)%	3.07 %	4.44 %		(1.37)%
90+ days past due as a % of period-end loan receivables[6]	1.40 %	1.24 %	1.77 %	2.10 %	2.15 %		(0.75)%	1.40 %	2.15 %		(0.75)%
Net charge-offs	$ 631	$ 866	$ 1,046	$ 1,125	$ 1,109	$ (478)	(43.1)%	$ 3,668	$ 5,005	$ (1,337)	(26.7)%
Loan receivables delinquent over 30 days[6]	$ 2,514	$ 2,100	$ 2,453	$ 3,500	$ 3,874	$ (1,360)	(35.1)%	$ 2,514	$ 3,874	$ (1,360)	(35.1)%
Loan receivables delinquent over 90 days[6]	$ 1,143	$ 973	$ 1,384	$ 1,735	$ 1,877	$ (734)	(39.1)%	$ 1,143	$ 1,877	$ (734)	(39.1)%
Allowance for credit losses (period-end)	$ 10,265	$ 10,146	$ 9,802	$ 9,175	$ 5,602	$ 4,663	83.2 %	$ 10,265	$ 5,602	$ 4,663	83.2 %
Allowance coverage ratio[7]	12.54 %	12.92 %	12.52 %	11.13 %	6.42 %		6.12 %	12.54 %	6.42 %		6.12 %
BUSINESS METRICS											
Purchase volume[8][9]	$ 39,874	$ 36,013	$ 31,155	$ 32,042	$ 40,212	$ (338)	(0.8)%	$ 139,084	$ 149,411	$ (10,327)	(6.9)%
Period-end loan receivables	$ 81,867	$ 78,521	$ 78,313	$ 82,469	$ 87,215	$ (5,348)	(6.1)%	$ 81,867	$ 87,215	$ (5,348)	(6.1)%
Credit cards	$ 78,455	$ 75,204	$ 75,353	$ 79,832	$ 84,606	$ (6,151)	(7.3)%	$ 78,455	$ 84,606	$ (6,151)	(7.3)%
Consumer installment loans	$ 2,125	$ 1,987	$ 1,779	$ 1,390	$ 1,347	$ 778	57.8 %	$ 2,125	$ 1,347	$ 778	57.8 %
Commercial credit products	$ 1,250	$ 1,270	$ 1,140	$ 1,203	$ 1,223	$ 27	2.2 %	$ 1,250	$ 1,223	$ 27	2.2 %
Other	$ 37	$ 60	$ 41	$ 44	$ 39	$ (2)	(5.1)%	$ 37	$ 39	$ (2)	(5.1)%
Average loan receivables, including held for sale	$ 79,452	$ 78,005	$ 78,697	$ 84,428	$ 85,376	$ (5,924)	(6.9)%	$ 80,138	$ 88,649	$ (8,511)	(9.6)%
Period-end active accounts (in thousands)[9][10]	68,540	64,800	63,430	68,849	75,471	(6,931)	(9.2)%	68,540	75,471	(6,931)	(9.2)%
Average active accounts (in thousands)[9][10]	66,261	64,270	64,836	72,078	73,734	(7,473)	(10.1)%	67,131	75,721	(8,590)	(11.3)%
LIQUIDITY											
Liquid assets											
Cash and equivalents	$ 11,524	$ 13,552	$ 16,344	$ 13,704	$ 12,147	$ (623)	(5.1)%	$ 11,524	$ 12,147	$ (623)	(5.1)%
Total liquid assets	$ 18,321	$ 21,402	$ 22,352	$ 19,225	$ 17,322	$ 999	5.8 %	$ 18,321	$ 17,322	$ 999	5.8 %
Undrawn credit facilities											
Undrawn credit facilities	$ 5,400	$ 5,400	$ 5,650	$ 5,600	$ 6,050	$ (650)	(10.7)%	$ 5,400	$ 6,050	$ (650)	(10.7)%
Total liquid assets and undrawn credit facilities	$ 23,721	$ 26,802	$ 28,002	$ 24,825	$ 23,372	$ 349	1.5 %	$ 23,721	$ 23,372	$ 349	1.5 %
Liquid assets % of total assets	19.09 %	22.37 %	23.15 %	19.61 %	16.52 %		2.57 %	19.09 %	16.52 %		2.57 %
Liquid assets including undrawn credit facilities % of total assets	24.72 %	28.02 %	29.00 %	25.32 %	22.30 %		2.42 %	24.72 %	22.30 %		2.42 %

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

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

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

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

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

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

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

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

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

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

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

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	4Q'20 vs. 4Q'19		Dec 31, 2020	Dec 31, 2019	YTD'20 vs. YTD'19	
Interest income:											
Interest and fees on loans	$ 3,981	$ 3,821	$ 3,808	$ 4,340	$ 4,492	$ (511)	(11.4)%	$ 15,950	$ 18,705	$ (2,755)	(14.7)%
Interest on cash and debt securities	12	16	22	67	93	(81)	(87.1)%	117	385	(268)	(69.6)%
Total interest income	3,993	3,837	3,830	4,407	4,585	(592)	(12.9)%	16,067	19,090	(3,023)	(15.8)%
Interest expense:											
Interest on deposits	200	245	293	356	383	(183)	(47.8)%	1,094	1,566	(472)	(30.1)%
Interest on borrowings of consolidated securitization entities	52	53	59	73	80	(28)	(35.0)%	237	358	(121)	(33.8)%
Interest on senior unsecured notes	82	82	82	88	93	(11)	(11.8)%	334	367	(33)	(9.0)%
Total interest expense	334	380	434	517	556	(222)	(39.9)%	1,665	2,291	(626)	(27.3)%
Net interest income	3,659	3,457	3,396	3,890	4,029	(370)	(9.2)%	14,402	16,799	(2,397)	(14.3)%
Retailer share arrangements	(1,047)	(899)	(773)	(926)	(1,029)	(18)	1.7 %	(3,645)	(3,858)	213	(5.5)%
Provision for credit losses	750	1,210	1,673	1,677	1,104	(354)	(32.1)%	5,310	4,180	1,130	27.0 %
Net interest income, after retailer share arrangements and provision for credit losses	1,862	1,348	950	1,287	1,896	(34)	(1.8)%	5,447	8,761	(3,314)	(37.8)%
Other income:											
Interchange revenue	185	172	134	161	192	(7)	(3.6)%	652	748	(96)	(12.8)%
Debt cancellation fees	72	68	69	69	64	8	12.5 %	278	265	13	4.9 %
Loyalty programs	(202)	(155)	(134)	(158)	(181)	(21)	11.6 %	(649)	(743)	94	(12.7)%
Other	27	46	26	25	29	(2)	(6.9)%	124	101	23	22.8 %
Total other income	82	131	95	97	104	(22)	(21.2)%	405	371	34	9.2 %
Other expense:											
Employee costs	347	382	327	324	385	(38)	(9.9)%	1,380	1,455	(75)	(5.2)%
Professional fees	186	187	189	197	199	(13)	(6.5)%	759	867	(108)	(12.5)%
Marketing and business development	139	107	91	111	152	(13)	(8.6)%	448	549	(101)	(18.4)%
Information processing	128	125	116	123	122	6	4.9 %	492	485	7	1.4 %
Other	200	266	263	247	221	(21)	(9.5)%	976	889	87	9.8 %
Total other expense	1,000	1,067	986	1,002	1,079	(79)	(7.3)%	4,055	4,245	(190)	(4.5)%
Earnings before provision for income taxes	944	412	59	382	921	23	2.5 %	1,797	4,887	(3,090)	(63.2)%
Provision for income taxes	206	99	11	96	190	16	8.4 %	412	1,140	(728)	(63.9)%
Net earnings	$ 738	$ 313	$ 48	$ 286	$ 731	$ 7	1.0 %	$ 1,385	$ 3,747	$ (2,362)	(63.0)%
Net earnings available to common stockholders	$ 728	$ 303	$ 37	$ 275	$ 731	$ (3)	(0.4)%	$ 1,343	$ 3,747	$ (2,404)	(64.2)%

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

	Quarter Ended						
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Dec 31, 2020 vs. Dec 31, 2019	
Assets							
Cash and equivalents	$ 11,524	$ 13,552	$ 16,344	$ 13,704	$ 12,147	$ (623)	(5.1)%
Debt securities	7,469	8,432	6,623	6,146	5,911	1,558	26.4 %
Loan receivables:							
Unsecuritized loans held for investment	56,472	52,613	52,629	54,765	58,398	(1,926)	(3.3)%
Restricted loans of consolidated securitization entities	25,395	25,908	25,684	27,704	28,817	(3,422)	(11.9)%
Total loan receivables	81,867	78,521	78,313	82,469	87,215	(5,348)	(6.1)%
Less: Allowance for credit losses(1)	(10,265)	(10,146)	(9,802)	(9,175)	(5,602)	(4,663)	83.2 %
Loan receivables, net	71,602	68,375	68,511	73,294	81,613	(10,011)	(12.3)%
Loan receivables held for sale	5	4	4	5	725	(720)	(99.3)%
Goodwill	1,078	1,078	1,078	1,078	1,078	—	— %
Intangible assets, net	1,125	1,091	1,166	1,208	1,265	(140)	(11.1)%
Other assets	3,145	3,126	2,818	2,603	2,087	1,058	50.7 %
Total assets	$ 95,948	$ 95,658	$ 96,544	$ 98,038	$ 104,826	$ (8,878)	(8.5)%
Liabilities and Equity							
Deposits:							
Interest-bearing deposit accounts	$ 62,469	$ 63,195	$ 63,857	$ 64,302	$ 64,877	$ (2,408)	(3.7)%
Non-interest-bearing deposit accounts	313	298	291	313	277	36	13.0 %
Total deposits	62,782	63,493	64,148	64,615	65,154	(2,372)	(3.6)%
Borrowings:							
Borrowings of consolidated securitization entities	7,810	7,809	8,109	9,291	10,412	(2,602)	(25.0)%
Senior unsecured notes	7,965	7,962	7,960	7,957	9,454	(1,489)	(15.7)%
Total borrowings	15,775	15,771	16,069	17,248	19,866	(4,091)	(20.6)%
Accrued expenses and other liabilities	4,690	4,295	4,428	4,205	4,718	(28)	(0.6)%
Total liabilities	83,247	83,559	84,645	86,068	89,738	(6,491)	(7.2)%
Equity:							
Preferred stock	734	734	734	734	734	—	— %
Common stock	1	1	1	1	1	—	— %
Additional paid-in capital	9,570	9,552	9,532	9,523	9,537	33	0.3 %
Retained earnings	10,621	10,024	9,852	9,960	12,117	(1,496)	(12.3)%
Accumulated other comprehensive income (loss)	(51)	(31)	(37)	(49)	(58)	7	(12.1)%
Treasury stock	(8,174)	(8,181)	(8,183)	(8,199)	(7,243)	(931)	12.9 %
Total equity	12,701	12,099	11,899	11,970	15,088	(2,387)	(15.8)%
Total liabilities and equity	$ 95,948	$ 95,658	$ 96,544	$ 98,038	$ 104,826	$ (8,878)	(8.5)%

(1) Effective January 1, 2020, the Company adopted ASU 2016-13, Financial Instruments-Credit Losses ("CECL") that measures the allowance for credit losses based on management's best estimate of expected credit losses for the life of our loan receivables. Prior periods presented reflect measurement of the allowance based on management's estimate of probable incurred credit losses in accordance with the previous accounting guidance effective for those periods.

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

	Quarter Ended														
	Dec 31, 2020			Sep 30, 2020			Jun 30, 2020			Mar 31, 2020			Dec 31, 2019		
	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate	Average Balance	Interest Income/ Expense	Average Yield/ Rate
Assets															
Interest-earning assets:															
Interest-earning cash and equivalents	$ 11,244	$ 4	0.14 %	$ 13,664	$ 4	0.12 %	$ 15,413	$ 3	0.08 %	$ 12,902	$ 42	1.31 %	$ 16,269	$ 68	1.66 %
Securities available for sale	8,706	8	0.37 %	7,984	12	0.60 %	6,804	19	1.12 %	5,954	25	1.69 %	4,828	25	2.05 %
Loan receivables, including held for sale:															
Credit cards	76,039	3,908	20.45 %	74,798	3,752	19.96 %	75,942	3,740	19.81 %	81,716	4,272	21.03 %	81,960	4,409	21.34 %
Consumer installment loans	2,057	50	9.67 %	1,892	46	9.67 %	1,546	37	9.63 %	1,432	35	9.83 %	2,058	48	9.25 %
Commercial credit products	1,293	23	7.08 %	1,238	22	7.07 %	1,150	30	10.49 %	1,243	33	10.68 %	1,311	34	10.29 %
Other	63	—	— %	77	1	NM	59	1	NM	37	—	— %	47	1	NM
Total loan receivables, including held for sale	79,452	3,981	19.93 %	78,005	3,821	19.49 %	78,697	3,808	19.46 %	84,428	4,340	20.67 %	85,376	4,492	20.87 %
Total interest-earning assets	99,402	3,993	15.98 %	99,653	3,837	15.32 %	100,914	3,830	15.26 %	103,284	4,407	17.16 %	106,473	4,585	17.08 %
Non-interest-earning assets:															
Cash and due from banks	1,525			1,489			1,486			1,450			1,326		
Allowance for credit losses	(10,190)			(9,823)			(9,221)			(8,708)			(5,593)		
Other assets	5,228			5,021			4,779			4,696			3,872		
Total non-interest-earning assets	(3,437)			(3,313)			(2,956)			(2,562)			(395)		
Total assets	$ 95,965			$ 96,340			$ 97,958			$ 100,722			$ 106,078		
Liabilities															
Interest-bearing liabilities:															
Interest-bearing deposit accounts	$ 62,800	$ 200	1.27 %	$ 63,569	$ 245	1.53 %	$ 64,298	$ 293	1.83 %	$ 64,366	$ 356	2.22 %	$ 65,380	$ 383	2.32 %
Borrowings of consolidated securitization entities	7,809	52	2.65 %	8,057	53	2.62 %	8,863	59	2.68 %	9,986	73	2.94 %	10,831	80	2.93 %
Senior unsecured notes	7,963	82	4.10 %	7,960	82	4.10 %	7,958	82	4.14 %	8,807	88	4.02 %	9,452	93	3.90 %
Total interest-bearing liabilities	78,572	334	1.69 %	79,586	380	1.90 %	81,119	434	2.15 %	83,159	517	2.50 %	85,663	556	2.58 %
Non-interest-bearing liabilities															
Non-interest-bearing deposit accounts	308			307			309			299			281		
Other liabilities	4,663			4,308			4,349			4,672			4,906		
Total non-interest-bearing liabilities	4,971			4,615			4,658			4,971			5,187		
Total liabilities	83,543			84,201			85,777			88,130			90,850		
Equity															
Total equity	12,422			12,139			12,181			12,592			15,228		
Total liabilities and equity	$ 95,965			$ 96,340			$ 97,958			$ 100,722			$ 106,078		
Net interest income		$ 3,659			$ 3,457			$ 3,396			$ 3,890			$ 4,029	
Interest rate spread[(1)]			14.29 %			13.42 %			13.11 %			14.66 %			14.50 %
Net interest margin[(2)]			14.64 %			13.80 %			13.53 %			15.15 %			15.01 %

(1) Interest rate spread represents the difference between the yield on total interest-earning assets and the rate on total interest-bearing liabilities.
(2) Net interest margin represents net interest income divided by average interest-earning assets.

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

	Twelve Months Ended Dec 31, 2020			Twelve Months Ended Dec 31, 2019		
	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	$ 13,301	$ 53	0.40 %	$ 12,320	$ 258	2.09 %
Securities available for sale	7,367	64	0.87 %	5,464	127	2.32 %
Loan receivables, including held for sale:						
Credit cards	77,115	15,672	20.32 %	85,334	18,384	21.54 %
Consumer installment loans	1,733	168	9.69 %	1,963	182	9.27 %
Commercial credit products	1,231	108	8.77 %	1,306	137	10.49 %
Other	59	2	3.39 %	46	2	4.35 %
Total loan receivables, including held for sale	80,138	15,950	19.90 %	88,649	18,705	21.10 %
Total interest-earning assets	100,806	16,067	15.94 %	106,433	19,090	17.94 %
Non-interest-earning assets:						
Cash and due from banks	1,488			1,327		
Allowance for credit losses	(9,488)			(5,902)		
Other assets	4,932			3,819		
Total non-interest-earning assets	(3,068)			(756)		
Total assets	$ 97,738			$ 105,677		
Liabilities						
Interest-bearing liabilities:						
Interest-bearing deposit accounts	$ 63,755	$ 1,094	1.72 %	$ 64,756	$ 1,566	2.42 %
Borrowings of consolidated securitization entities	8,675	237	2.73 %	11,941	358	3.00 %
Senior unsecured notes	8,171	334	4.09 %	9,310	367	3.94 %
Total interest-bearing liabilities	80,601	1,665	2.07 %	86,007	2,291	2.66 %
Non-interest-bearing liabilities						
Non-interest-bearing deposit accounts	306			280		
Other liabilities	4,498			4,473		
Total non-interest-bearing liabilities	4,804			4,753		
Total liabilities	85,405			90,760		
Equity						
Total equity	12,333			14,917		
Total liabilities and equity	$ 97,738			$ 105,677		
Net interest income		$ 14,402			$ 16,799	
Interest rate spread(1)			13.87 %			15.28 %
Net interest margin(2)			14.29 %			15.78 %

(1) Interest rate spread represents the difference between the yield on total interest-earning assets and the rate on total interest-bearing liabilities.
(2) Net interest margin represents net interest income divided by average interest-earning assets.

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

	Quarter Ended						
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	Dec 31, 2020 vs. Dec 31, 2019	
BALANCE SHEET STATISTICS							
Total common equity	$ 11,967	$ 11,365	$ 11,165	$ 11,236	$ 14,354	$ (2,387)	(16.6)%
Total common equity as a % of total assets	12.47 %	11.88 %	11.56 %	11.46 %	13.69 %		(1.22)%
Tangible assets	$ 93,745	$ 93,489	$ 94,300	$ 95,752	$ 102,483	$ (8,738)	(8.5)%
Tangible common equity[1]	$ 9,764	$ 9,196	$ 8,921	$ 8,950	$ 12,011	$ (2,247)	(18.7)%
Tangible common equity as a % of tangible assets[1]	10.42 %	9.84 %	9.46 %	9.35 %	11.72 %		(1.30)%
Tangible common equity per share[1]	$ 16.72	$ 15.75	$ 15.28	$ 15.35	$ 19.50	$ (2.78)	(14.3)%

REGULATORY CAPITAL RATIOS[2][3]

	Basel III - CECL Transition				Basel III
Total risk-based capital ratio[4]	18.1 %	18.1 %	17.6 %	16.5 %	16.3 %
Tier 1 risk-based capital ratio[5]	16.8 %	16.7 %	16.3 %	15.2 %	15.0 %
Tier 1 leverage ratio[6]	14.0 %	13.3 %	12.7 %	12.3 %	12.6 %
Common equity Tier 1 capital ratio	15.9 %	15.8 %	15.3 %	14.3 %	14.1 %

(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 December 31, 2020 are preliminary and therefore subject to change.

(3) Capital ratios starting March 31, 2020 reflect election to delay for two years an estimate of CECL's effect on regulatory capital in accordance with the interim final rule issued by U.S. banking agencies in March 2020.

(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. Tier 1 leverage ratios are based upon the use of daily averages for all periods presented.

SYNCHRONY FINANCIAL
PLATFORM RESULTS
(unaudited, $ in millions)

	Quarter Ended							Twelve Months Ended			
	Dec 31, 2020	Sep 30, 2020	Jun 30, 2020	Mar 31, 2020	Dec 31, 2019	4Q'20 vs. 4Q'19		Dec 31, 2020	Dec 31, 2019	YTD'20 vs. YTD'19	
RETAIL CARD											
Purchase volume[1][2]	$ 31,256	$ 27,374	$ 24,380	$ 24,008	$ 30,968	$ 288	0.9 %	$ 107,018	$ 114,440	$ (7,422)	(6.5)%
Period-end loan receivables	$ 52,130	$ 49,595	$ 49,967	$ 52,390	$ 56,387	$ (4,257)	(7.5)%	$ 52,130	$ 56,387	$ (4,257)	(7.5)%
Average loan receivables, including held for sale	$ 50,235	$ 49,503	$ 50,238	$ 53,820	$ 54,505	$ (4,270)	(7.8)%	$ 50,943	$ 58,984	$ (8,041)	(13.6)%
Average active accounts (in thousands)[2][3]	49,001	47,065	46,970	53,018	54,662	(5,661)	(10.4)%	49,258	57,073	(7,815)	(13.7)%
Interest and fees on loans	$ 2,719	$ 2,619	$ 2,640	$ 3,037	$ 3,143	$ (424)	(13.5)%	$ 11,015	$ 13,557	$ (2,542)	(18.8)%
Other income	$ 50	$ 84	$ 56	$ 59	$ 77	$ (27)	(35.1)%	$ 249	$ 277	$ (28)	(10.1)%
Retailer share arrangements	$ (1,026)	$ (877)	$ (752)	$ (904)	$ (988)	$ (38)	3.8 %	$ (3,559)	$ (3,762)	$ 203	(5.4)%
PAYMENT SOLUTIONS											
Purchase volume[1][2]	$ 5,942	$ 5,901	$ 4,823	$ 5,375	$ 6,402	$ (460)	(7.2)%	$ 22,041	$ 23,880	$ (1,839)	(7.7)%
Period-end loan receivables	$ 20,153	$ 19,550	$ 19,119	$ 19,973	$ 20,528	$ (375)	(1.8)%	$ 20,153	$ 20,528	$ (375)	(1.8)%
Average loan receivables, including held for sale	$ 19,734	$ 19,247	$ 19,065	$ 20,344	$ 20,701	$ (967)	(4.7)%	$ 19,597	$ 19,918	$ (321)	(1.6)%
Average active accounts (in thousands)[2][3]	11,536	11,497	11,900	12,681	12,713	(1,177)	(9.3)%	11,921	12,451	(530)	(4.3)%
Interest and fees on loans	$ 673	$ 650	$ 632	$ 706	$ 737	$ (64)	(8.7)%	$ 2,661	$ 2,829	$ (168)	(5.9)%
Other income	$ 4	$ 13	$ 14	$ 13	$ 4	$ —	— %	$ 44	$ 15	$ 29	193.3 %
Retailer share arrangements	$ (17)	$ (20)	$ (18)	$ (18)	$ (37)	$ 20	(54.1)%	$ (73)	$ (85)	$ 12	(14.1)%
CARECREDIT											
Purchase volume[1]	$ 2,676	$ 2,738	$ 1,952	$ 2,659	$ 2,842	$ (166)	(5.8)%	$ 10,025	$ 11,091	$ (1,066)	(9.6)%
Period-end loan receivables	$ 9,584	$ 9,376	$ 9,227	$ 10,106	$ 10,300	$ (716)	(7.0)%	$ 9,584	$ 10,300	$ (716)	(7.0)%
Average loan receivables, including held for sale	$ 9,483	$ 9,255	$ 9,394	$ 10,264	$ 10,170	$ (687)	(6.8)%	$ 9,598	$ 9,747	$ (149)	(1.5)%
Average active accounts (in thousands)[3]	5,724	5,708	5,966	6,379	6,359	(635)	(10.0)%	5,952	6,197	(245)	(4.0)%
Interest and fees on loans	$ 589	$ 552	$ 536	$ 597	$ 612	$ (23)	(3.8)%	$ 2,274	$ 2,319	$ (45)	(1.9)%
Other income	$ 28	$ 34	$ 25	$ 25	$ 23	$ 5	21.7 %	$ 112	$ 79	$ 33	41.8 %
Retailer share arrangements	$ (4)	$ (2)	$ (3)	$ (4)	$ (4)	$ —	— %	$ (13)	$ (11)	$ (2)	18.2 %
TOTAL SYF											
Purchase volume[1][2]	$ 39,874	$ 36,013	$ 31,155	$ 32,042	$ 40,212	$ (338)	(0.8)%	$ 139,084	$ 149,411	$ (10,327)	(6.9)%
Period-end loan receivables	$ 81,867	$ 78,521	$ 78,313	$ 82,469	$ 87,215	$ (5,348)	(6.1)%	$ 81,867	$ 87,215	$ (5,348)	(6.1)%
Average loan receivables, including held for sale	$ 79,452	$ 78,005	$ 78,697	$ 84,428	$ 85,376	$ (5,924)	(6.9)%	$ 80,138	$ 88,649	$ (8,511)	(9.6)%
Average active accounts (in thousands)[2][3]	66,261	64,270	64,836	72,078	73,734	(7,473)	(10.1)%	67,131	75,721	(8,590)	(11.3)%
Interest and fees on loans	$ 3,981	$ 3,821	$ 3,808	$ 4,340	$ 4,492	$ (511)	(11.4)%	$ 15,950	$ 18,705	$ (2,755)	(14.7)%
Other income	$ 82	$ 131	$ 95	$ 97	$ 104	$ (22)	(21.2)%	$ 405	$ 371	$ 34	9.2 %
Retailer share arrangements	$ (1,047)	$ (899)	$ (773)	$ (926)	$ (1,029)	$ (18)	1.7 %	$ (3,645)	$ (3,858)	$ 213	(5.5)%

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

	Quarter Ended				
	Dec 31, 2020	**Sep 30, 2020**	**Jun 30, 2020**	**Mar 31, 2020**	**Dec 31, 2019**
COMMON EQUITY AND REGULATORY CAPITAL MEASURES[(2)]					
GAAP Total equity	$ 12,701	$ 12,099	$ 11,899	$ 11,970	$ 15,088
Less: Preferred stock	(734)	(734)	(734)	(734)	(734)
Less: Goodwill	(1,078)	(1,078)	(1,078)	(1,078)	(1,078)
Less: Intangible assets, net	(1,125)	(1,091)	(1,166)	(1,208)	(1,265)
Tangible common equity	$ 9,764	$ 9,196	$ 8,921	$ 8,950	$ 12,011
Add: CECL transition amount	2,686	2,656	2,570	2,417	—
Adjustments for certain deferred tax liabilities and certain items in accumulated comprehensive income (loss)	341	305	302	304	319
Common equity Tier 1	$ 12,791	$ 12,157	$ 11,793	$ 11,671	$ 12,330
Preferred stock	734	734	734	734	734
Tier 1 capital	$ 13,525	$ 12,891	$ 12,527	$ 12,405	$ 13,064
Add: Allowance for credit losses includible in risk-based capital	1,079	1,034	1,031	1,082	1,147
Total Risk-based capital	$ 14,604	$ 13,925	$ 13,558	$ 13,487	$ 14,211
ASSET MEASURES[(2)]					
Total average assets	$ 95,965	$ 96,340	$ 97,958	$ 100,722	$ 106,078
Adjustments for:					
Add: CECL transition amount	2,686	2,656	2,570	2,417	—
Disallowed goodwill and other disallowed intangible assets (net of related deferred tax liabilities) and other	(1,924)	(1,906)	(1,980)	(2,010)	(2,059)
Total assets for leverage purposes	$ 96,727	$ 97,090	$ 98,548	$ 101,129	$ 104,019
Risk-weighted assets	$ 80,561	$ 76,990	$ 77,048	$ 81,639	$ 87,302
CECL FULLY PHASED-IN CAPITAL MEASURES					
Tier 1 capital	$ 13,525	$ 12,891	$ 12,527	$ 12,405	$ 13,064
Less: CECL transition adjustment	(2,686)	(2,656)	(2,570)	(2,417)	—
Tier 1 capital (CECL fully phased-in)	10,839	10,235	9,957	9,988	13,064
Add: Allowance for credit losses	10,265	10,146	9,802	9,175	5,602
Tier 1 capital (CECL fully phased-in) + Reserves for credit losses	$ 21,104	$ 20,381	$ 19,759	$ 19,163	$ 18,666
Risk-weighted assets	$ 80,561	$ 76,990	$ 77,048	$ 81,639	$ 87,302
Less: CECL transition adjustment	(2,477)	(2,447)	(2,361)	(2,204)	—
Risk-weighted assets (CECL fully phased-in)	$ 78,084	$ 74,543	$ 74,687	$ 79,435	$ 87,302
TANGIBLE COMMON EQUITY PER SHARE					
GAAP book value per share	$ 20.49	$ 19.47	$ 19.13	$ 19.27	$ 23.31
Less: Goodwill	(1.85)	(1.85)	(1.85)	(1.85)	(1.75)
Less: Intangible assets, net	(1.92)	(1.87)	(2.00)	(2.07)	(2.06)
Tangible common equity per share	$ 16.72	$ 15.75	$ 15.28	$ 15.35	$ 19.50

(1) Regulatory measures at December 31, 2020 are presented on an estimated basis.
(2) Capital ratios starting March 31, 2020 reflect election to delay for two years an estimate of CECL's effect on regulatory capital in accordance with the interim final rule issued by U.S. banking agencies in March 2020

Exhibit 99.3

synchrony

4Q'20 FINANCIAL RESULTS

JANUARY 29, 2021

Disclaimers

Cautionary Statement Regarding Forward-Looking Statements

The following slides are part of a presentation by Synchrony Financial in connection with reporting quarterly financial results. No representation is made that the information in these slides is complete. For additional information, see the earnings release and financial supplement included as exhibits to our Current Report on Form 8-K filed today and available on our website (www.synchronyfinancial.com) and the SEC's website (www.sec.gov). All references to net earnings and net income are intended to have the same meaning. All comparisons are for the fourth quarter of 2020 compared to the fourth quarter of 2019, 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 Retail Card partners, and promotion and support of our products by our partners; cyber-attacks or other security breaches; disruptions in the operations of our 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 new 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; a material indemnification obligation to GE under the Tax Sharing and Separation Agreement with GE if we cause the split-off from GE or certain preliminary transactions to fail to qualify for tax-free treatment or in the case of certain significant transfers of our stock following the split-off; regulation, supervision, examination and enforcement of our business by governmental authorities, the impact of the Dodd-Frank Wall Street Reform and Consumer Protection Act and other legislative and regulatory developments and the impact of the Consumer Financial Protection Bureau's regulation of our business; impact of capital adequacy rules and liquidity requirements; restrictions that limit our ability to pay dividends and repurchase our common stock, and restrictions that limit the Synchrony Bank's ability to pay dividends to us; regulations relating to privacy, information security and data protection; use of third-party vendors and ongoing third-party business relationships; and failure to comply with anti-money laundering and anti-terrorism financing laws.

For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with the other cautionary statements that are included elsewhere in this presentation and in our public filings, including under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as filed on February 13, 2020, and the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020, as filed on October 22, 2020. 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.

4Q'20 Financial Highlights

SUMMARY

$1.24
DILUTED EPS
Full Year EPS of $2.27

$81.9 billion
LOAN RECEIVABLES
compared to $87.2 billion

66.3 million
AVERAGE ACTIVE ACCOUNTS
compared to 73.7 million

FINANCIAL METRICS

14.64%
NET INTEREST MARGIN
compared to 15.01%

3.16%
NET CHARGE-OFFS
compared to 5.15%

37.1%
EFFICIENCY RATIO
compared to 34.8%

CAPITAL

15.9%
CET1
liquid assets of $18.3 billion, 19.1% of total assets

$62.8 billion
DEPOSITS
compared to $65.1 billion, 80% of current funding

$128 million
CAPITAL RETURNED
$1.5 billion in total capital returned for 2020

4Q'20 Business Highlights

PARTNER EXPANSION

Kawasaki
Let the good times roll®

MATTRESS FIRM

Bobcat

Allegro Credit

Community Veterinary Partners

AspenDental

9 RENEWALS

7 NEW DEALS

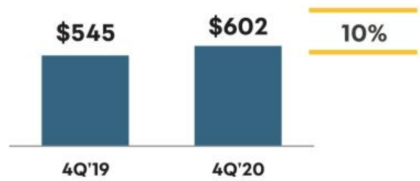
1 ACQUISITION

CONSUMER PERFORMANCE

New Accounts[a]

YTD 25.6 20.2 (21)%

Purchase Volume per Account[b]



Average Balance per Account[c]

DIGITAL ACCELERATION

~60%
DIGITAL APPLICATIONS*
Percentage of Total Applications

51%
ONLINE SALES*
Percentage of Retail Card Total

~65%
DIGITAL PAYMENTS*
4Q20 % of Total Payments

18%
Mobile Channel Application Growth

synchrony

Equal Payment Financing Strategy

PARTNER AND CUSTOMER NEEDS

Partners
- Seamless Integration
- Higher Average Order Value and Sales
- Increased Conversion Rate
- Product flexibility to manage merchant costs

Customers
- Affordability
- Transparency
- Ease and Convenience
- Flexibility
- Control

PRODUCT STRATEGY

Delivering broader choice in financing to meet the evolving needs of our partners and customers

Revolving Products
- Mid & Long-Term Equal Payment Plans
  (12 – 162 mos. / APRs start at 0%)
- Short Term Equal Payment Plans
  (3 – 12 mos. / APRs start at 0%)

Closed End Products
- Collateralized Installments (Secured)
  (12 – 180 mos. / APRs start at 0%)

setPAY
- Short & Long-Term Installments
  (3 – 36 mos. / APRs start at 0%)

$15 billion
TOTAL
equal payment balances
as of December 2020

~74,000
PARTNERS AND/OR LOCATIONS
of payment plan products

66%[a]
0% APR FINANCING
2020 YTD

~30%[b]
REPEAT PURCHASES
within 24 months
at participating partners

Summary earnings statement

$ in millions, except per share statistics	4Q'20	4Q'19	B/(W) $	B/(W) %
Total interest income	$3,993	$4,585	$(592)	(13)%
Total interest expense	334	556	222	40%
Net interest income (NII)	**3,659**	**4,029**	**(370)**	**(9)%**
Retailer share arrangements (RSA)	(1,047)	(1,029)	(18)	(2)%
Provision for credit losses	750	1,104	354	32%
Other income	82	104	(22)	(21)%
Other expense	1,000	1,079	79	7%
Pre-tax earnings	**944**	**921**	**23**	**2%**
Provision for income taxes	206	190	(16)	(8)%
Net earnings	**738**	**731**	**7**	**1%**
Preferred dividends	10	0	(10)	NM
Net earnings available to common stockholders	**$728**	**$731**	**$(3)**	**(0)%**
Diluted earnings per share	**$1.24**	**$1.15**	**$0.09**	

4Q'20 Highlights

- **$738 million Net earnings, $1.24 diluted EPS**
- **Net interest income down 9%**
  - Interest and fees on loans down 11% driven by the impact of COVID-19
  - Interest expense decrease driven primarily by lower benchmark rates
- **Provision for credit losses down 32%**
  - Decrease is primarily driven by lower net charge-offs
  - Net charge-offs of 3.16% compared to 5.15% in the prior year primarily driven by the impact of improvements in customer payment behavior
- **Other expense down 7%**
  - Decrease primarily due to lower purchase volume and accounts, lower employee costs, and lower operational losses

Growth Metrics

Purchase volume

$ in billions

(1)%

	4Q'19	4Q'20	
Dual Card / Co-Brand	$15.6	$15.1	(4)%

Loan receivables

$ in billions

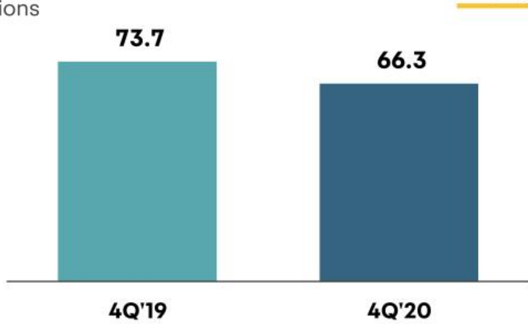
(6)%

	4Q'19	4Q'20	
Dual Card / Co-Brand	$21.6	$19.5	(10)%

Average active accounts

in millions

(10)%



Interest and fees on loans

$ in millions

(11)%

Platform Results[a]

Retail Card

Loan receivables, $ in billions

(8)%

	4Q'19	4Q'20	V%
Purchase volume	$31.0	$31.3	1%
Accounts	54.6	49.1	(10)%
Interest and fees on loans	$3,143	$2,719	(13)%

- Receivable reduction primarily due to COVID-19 partially offset by growth in digital partners
- Interest and fees on loans down 13% driven primarily by COVID-19 and the decline in loan receivables

Payment Solutions

Loan receivables, $ in billions

(2)%

	4Q'19	4Q'20	V%
Purchase volume	$6.4	$5.9	(7)%
Accounts	12.7	11.5	(9)%
Interest and fees on loans	$737	$673	(9)%

- Receivable reduction primarily due to COVID-19 partially offset by growth in Power Sports and Home Specialty
- Interest and fees on loans down 9% driven primarily by lower yield on loan receivables

CareCredit

Loan receivables, $ in billions

(7)%

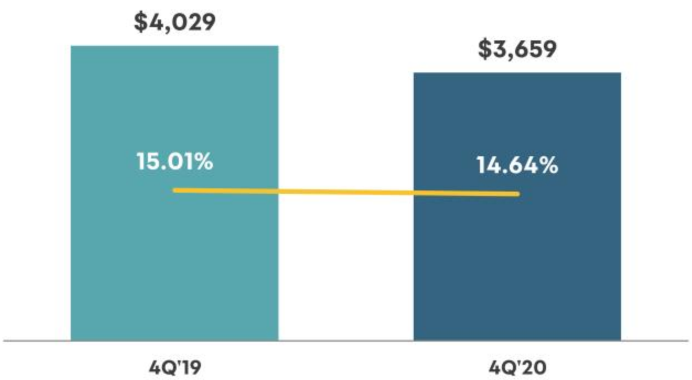
	4Q'19	4Q'20	V%
Purchase volume	$2.8	$2.7	(6)%
Accounts	6.4	5.7	(10)%
Interest and fees on loans	$612	$589	(4)%

- Receivable reduction primarily due to COVID-19
- Interest and fees on loans down 4% driven primarily by lower merchant discount resulting from lower purchase volume

Net interest income

$ in millions
% of average interest-earning assets

(9)%



NIM walk

4Q'19 NIM	**15.01%**
Mix of Interest-earning assets	(0.05)%
Loan receivables yield	(0.75)%
Liquidity portfolio yield	(0.30)%
Interest-bearing liabilities cost	0.73%
4Q'20 NIM	**14.64%**

4Q'20 Highlights

- **Net interest income decreased 9%**
  - Interest and fees on loans decreased 11% compared to prior year primarily driven by the impact of COVID-19
- **Net interest margin (NIM) down 37bps.**
  - Mix of Interest-earnings assets: (0.05)%
    - Loan receivables mix as a percent of total Earning Assets decreased from 80.2% to 79.9%
  - Loan receivables yield: (0.75)%
    - Loan receivables yield of 19.93%, down 94bps.
  - Liquidity portfolio yield: (0.30)%
  - Interest-bearing liabilities cost: 0.73%
    - Total cost decreased 89bps. to 1.69% due primarily to lower benchmark rates and higher proportion of deposit funding

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

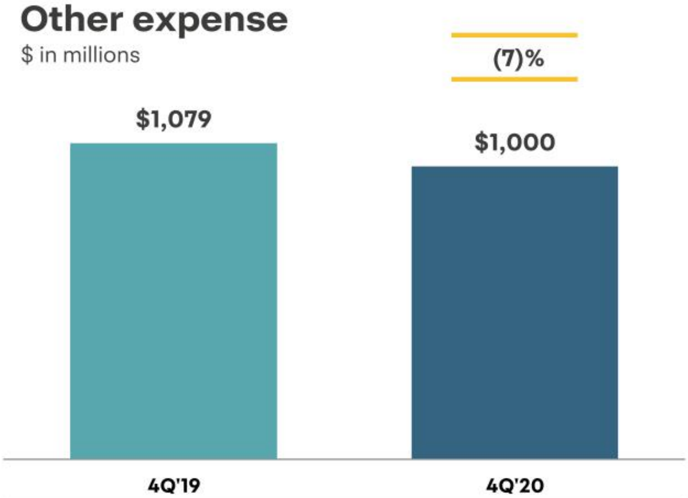
Allowance for credit losses[(a)]

$ in millions, % of period-end loan receivables

Other Expense

Other expense

$ in millions



	4Q'19	4Q'20	V$	V%
Employee costs	$385	$347	$(38)	(10)%
Professional fees	199	186	(13)	(7)%
Marketing/BD	152	139	(13)	(9)%
Information processing	122	128	6	5%
Other	221	200	(21)	(10)%
Other expense	$1,079	$1,000	$(79)	(7)%
Efficiency[(a)]	**34.8%**	**37.1%**		**2.3 pts.**

4Q'20 Highlights

Other expense down 7%

- Decrease primarily due to lower purchase volume and accounts, lower employee costs, and lower operational losses

Efficiency ratio 37.1% vs. 34.8% prior year

- Increase in ratio driven by decrease in revenue partially offset by lower employee costs and lower operational losses

Funding, Capital and Liquidity

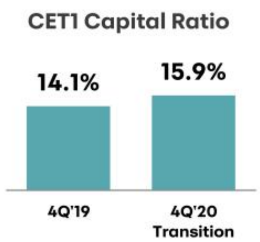
Funding sources
$ in billions

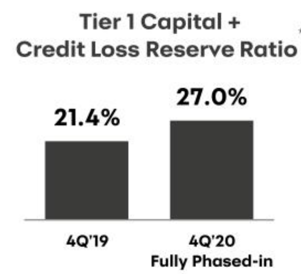
	4Q'19	4Q'20	V%
Deposits	77%	80%	+3 pts.
Securitization	12%	10%	(2) pts.
Unsecured	11%	10%	(1) pt.

Liquidity[a]
$ in billions

	4Q'19	4Q'20
Liquid assets	$17.3	$18.3
Undrawn credit facilities	6.1	5.4
Total liquidity	**$23.4**	**$23.7**
% of Total assets	**22.3%**	**24.7%**

Capital ratios[b]





* - 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". For 4Q'20, both 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.

2021 Outlook – Framework on Key Drivers

(comments and trends in comparison to 2020, except where noted)

Continued periods of uncertainty and volatility until pandemic is under control; 1H'21 assumption of continuing pressure from the pandemic and slow economic recovery; 2H'21 assumes pandemic largely in control and accelerated economic recovery

Purchase Volume	• *1H'21: 1Q consistent with trends ending '20, 2Q benefit from pandemic impact on 2Q'20* • *2H'21: improving growth trends as pandemic impact moderates and macroeconomic growth accelerates*
Loan Receivable Growth	• *1H'21: continued higher payment rates from stimulus expected to impact loan growth* • *2H'21: slowing payment rates and increasing purchase volume contribute to accelerating asset growth*
Net Interest Margin	• *Overall: continued expected improvement in NIM entering 2021* • *1H'21: higher payment rates will contribute to continued excess liquidity impacting asset mix* • *2H'21: asset growth reduces excess liquidity and slowing payment rates drives normalized interest and fee yields leading to increasing NIM*
Provision for Credit Losses	• *DQs: increase in delinquencies with peak delinquencies in 3Q'21* • *NCOs: sequential increase of NCOs as delinquencies rise throughout the year* • *Reserve: largely driven by asset growth and impacts from change in the macroeconomic scenario; anticipate reserve release during 2021 as macroeconomic environment develops*
RSAs - % of ALR	• *1H'21: RSA to remain elevated, primarily reflecting strong program performance (including revenue and NCOs)* • *2H'21: lower RSA generally reflecting higher NCOs partially offset by higher revenue*
Operating Expenses	• *Benefit of cost actions will result in ~$210 million in expense reduction* • *Partially offsetting cost reductions will be an increase for growth related items (e.g., active accounts, higher marketing expenses, etc.) and an increase in delinquent accounts*

Footnotes

4Q'20 Business Highlights | slide 4:

(a) New Accounts represent accounts that were approved in the respective period, in millions.
(b) Purchase Volume per Account is calculated as the Purchase volume divided by Average active accounts, in $.
(c) Average Balance per Account is calculated as the Average loan receivables divided by Average active accounts, in $.

Equal Payment Financing Strategy | slide 5:

(a) Based on percent of equal payment product sales
(b) Based on percent of equal payment product accounts with repeat purchases

Platform Results | slide 8:

(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.

Asset Quality Metrics | slide 10:

(a) Allowance for credit losses reflects adoption of CECL on January 1, 2020, which included a $3.0 billion increase in reserves upon adoption.

Other Expense | slide 11:

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

Funding, Capital and Liquidity | slide 12:

(a) Does not include unencumbered assets in the Bank that could be pledged.
(b) Capital ratios reflect election to delay for two years an estimate of CECL's effect on regulatory capital in accordance with the interim final rule issued by U.S. banking agencies in March 2020.

CHANGING WHAT'S POSSIBLE

Non-GAAP Reconciliation*

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

	At December 31,	
	Total	
	2019	2020
Tier 1 capital	$13,064	$13,525
Less: CECL transition adjustment	-	(2,686)
Tier 1 capital (CECL fully phased-in)	**$13,064**	**$10,839**
Add: Allowance for credit losses	5,602	10,265
Tier 1 capital (CECL fully phased-in) plus Reserves for credit losses.	**$18,666**	**$21,104**
Risk-weighted assets	**$87,302**	**$80,561**
Less: CECL transition adjustment	-	(2,477)
Risk-weighted assets (CECL fully phased-in)	**$87,302**	**$78,084**

* - Estimated at December 31, 2020, $ in millions.

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 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 reconciliation of the above non-GAAP measures to the applicable comparable GAAP financial measure are included in the detailed financial tables included in Exhibit 99.2.