



## NEWS RELEASE

### **Media Contact**

Alison Dowe  
Media Relations  
(706) 641-3781

### **Investor Contact**

Kevin Brown  
Investor Relations  
(706) 641-6500

## **Synovus Announces Earnings for the Third Quarter 2021**

**Diluted Earnings per Share of \$1.21 vs. \$0.56 in 3Q20**

**Adjusted Diluted Earnings per Share of \$1.20 vs. \$0.89 in 3Q20**

**COLUMBUS, Ga.,** October 19, 2021 - Synovus Financial Corp. (NYSE: SNV) today reported financial results for the quarter ended September 30, 2021.

### **Third Quarter 2021 Highlights**

- Net income available to common shareholders of \$178.5 million or \$1.21 per diluted share, up \$0.02 sequentially and up \$0.65 compared to prior year.
  - Adjusted diluted EPS of \$1.20, unchanged sequentially and up \$0.31 compared to prior year.
- Period-end loans increased \$105.0 million sequentially, or \$922.7 million excluding Paycheck Protection program (PPP) loans.
  - PPP loans declined \$817.7 million sequentially.
- Core transaction deposits (non-interest bearing, NOW/savings, and money market deposits excluding public and brokered funds) increased \$1.03 billion or 3% sequentially.
- Total deposit costs of 0.13% down 3 bps sequentially due to ongoing repricing and product remixing.
- Net interest income of \$384.9 million increased \$3.1 million sequentially as asset growth, reduced deposit costs, and a higher day count more than offset continued fixed-rate repricing and the slight reduction in LIBOR.
  - Net interest margin of 3.01%, down 1 bp sequentially.
- Non-interest revenue increased \$7.9 million as broad-based growth helped to offset continued normalization of net mortgage revenue.
  - Adjusted non-interest revenue increased \$8.1 million.
- Non-interest expense decreased \$3.5 million sequentially as reductions in third-party processing and other services offset increases in other areas such as net occupancy, equipment, and software expense.
  - Adjusted non-interest expense decreased \$1.2 million sequentially.
- Pre-provision net revenue of \$232.8 million increased \$14.4 million sequentially as total revenue increased \$10.9 million and non-interest expense decreased \$3.5 million.
- Reversal of provision for credit losses of \$7.9 million, primarily from a more favorable economic outlook.
  - Allowance for credit losses coverage ratio (to loans) of 1.40%, or 1.42% excluding PPP loans.
- Credit quality metrics remain relatively stable, near historical lows. The net charge-off ratio declined 6 bps from prior quarter to 0.22%; the non-performing loan and asset ratios each fell 1 bp to 0.41% and 0.45%, respectively; and criticized and classified loans declined 22%.
- Preliminary CET1 ratio declined 12 bps sequentially to 9.63%, with strong core earnings helping offset the decline from deploying capital for balance sheet growth and returning capital to shareholders.
  - Includes \$74.6 million in share repurchases at an average price of \$42.00.
- Achieved pre-tax run rate benefit of approximately \$100 million at the end of the quarter from a combination of revenue and expense initiatives under Synovus Forward, which is designed to make Synovus a more efficient, profitable, and nimble organization.
  - On track to achieve an aggregate \$175 million pre-tax run rate benefit by the end of 2022.

## Third Quarter Summary

(dollars in thousands)	Reported			Adjusted		
	3Q21	2Q21	3Q20	3Q21	2Q21	3Q20
Net income available to common shareholders	\$ 178,482	\$ 177,909	\$ 83,283	\$ 177,760	\$ 178,969	\$ 131,364
Diluted earnings per share	1.21	1.19	0.56	1.20	1.20	0.89
Total loans	38,341,030	38,236,018	39,549,847	N/A	N/A	N/A
Total deposits	47,688,419	47,171,962	44,665,904	N/A	N/A	N/A
Total TE <sup>(1)</sup> revenue	500,608	489,738	492,357	499,743	488,612	492,851
Return on avg assets	1.34 %	1.36 %	0.69 %	1.33 %	1.37 %	1.05 %
Return on avg common equity	14.96	15.40	7.28	14.90	15.50	11.48
Return on avg tangible common equity	16.85	17.41	8.46	16.79	17.52	13.24
Net interest margin	3.01	3.02	3.10	N/A	N/A	N/A
Efficiency ratio-TE <sup>(1)</sup>	53.34	55.24	64.31	52.96	54.41	53.83
NCO ratio	0.22	0.28	0.29	N/A	N/A	N/A
NPA ratio	0.45	0.46	0.49	N/A	N/A	N/A

<sup>(1)</sup> Taxable equivalent

“Our third quarter story was shaped by an intense focus on growth, and we are pleased with the results,” said Kevin Blair, Synovus president and CEO. “Loans, excluding PPP, grew \$923 million, core transaction deposits were up \$1.0 billion, and pre-provision net revenue increased 7 percent versus the second quarter. Our ongoing Synovus Forward initiatives reached a pre-tax run rate benefit of \$100 million by quarter end and we are executing on an additional \$75 million of benefits to be delivered by the end of 2022. Synovus Forward represents our ongoing innovation and profitable growth mindset, guiding our efforts to deliver sustainable, top quartile financial performance and enabling us to invest in areas with long-term benefit. With these strategic investments, combined with the momentum we are experiencing in our core businesses, our team is confident in our ability to continue to deliver as we build the bank of the future.”

## Balance Sheet

### Loans\*

(dollars in millions)	3Q21	2Q21	Linked Quarter Change	Linked Quarter % Change	3Q20	Year/ Year Change	Year/Year % Change
Commercial & industrial	\$ 18,934.8	\$ 19,150.1	\$ (215.3)	(1)%	\$ 20,123.6	\$ (1,188.9)	(6)%
Commercial real estate	10,540.3	10,361.1	179.2	2	10,736.1	(195.8)	(2)
Consumer	8,866.0	8,724.8	141.1	2	8,690.1	175.8	2
Total loans	<u>\$ 38,341.0</u>	<u>\$ 38,236.0</u>	<u>\$ 105.0</u>	<u>— %</u>	<u>\$ 39,549.8</u>	<u>\$ (1,208.9)</u>	<u>(3)%</u>

\*Amounts may not total due to rounding

- Total loans ended the quarter at \$38.34 billion, up \$105.0 million sequentially, or \$922.7 million excluding PPP loans.
- Commercial and industrial (C&I) loans declined \$215.3 million sequentially, led by a decline in PPP loan balances of \$817.7 million.
  - C&I loan growth of \$602.3 million excluding PPP balance changes despite line utilization remaining near historic lows at 39%.
- CRE loans increased \$179.2 million, primarily in the income-producing real estate portfolio.
- Consumer loans increased \$141.1 million sequentially, with growth of \$266.5 million in third-party consumer lending offsetting declines in consumer mortgages and HELOCs of \$92.3 million and \$50.0 million, respectively.

## Deposits\*

<i>(dollars in millions)</i>	3Q21	2Q21	Linked Quarter Change	Linked Quarter % Change	3Q20	Year/ Year Change	Year/Year % Change
Non-interest-bearing DDA	\$ 14,832.9	\$ 14,342.6	\$ 490.3	3 %	\$ 12,129.8	\$ 2,703.2	22 %
Interest-bearing DDA	6,056.0	5,839.8	216.2	4	5,291.1	764.8	14
Money market	14,267.4	13,983.1	284.3	2	12,441.3	1,826.1	15
Savings	1,380.4	1,341.5	39.0	3	1,126.0	254.4	23
Public funds	5,791.6	5,804.9	(13.3)	—	5,791.9	(0.4)	—
Time deposits	2,579.3	2,891.1	(311.8)	(11)	3,976.5	(1,397.1)	(35)
Brokered deposits	2,780.7	2,969.0	(188.3)	(6)	3,909.3	(1,128.6)	(29)
Total deposits	<u>\$ 47,688.4</u>	<u>\$ 47,172.0</u>	<u>\$ 516.5</u>	<u>1 %</u>	<u>\$ 44,665.9</u>	<u>\$ 3,022.5</u>	<u>7 %</u>

\*Amounts may not total due to rounding

- Total deposits ended the quarter at \$47.69 billion, up \$516.5 million sequentially.
- Core transaction deposits increased \$1.03 billion or 3% sequentially.
  - Broad-based growth in DDA, NOW, MMA, and savings accounts supported strategic declines in higher cost deposits.
- Total deposit costs declined 3 bps sequentially to 0.13%.

## Income Statement Summary\*\*

<i>(in thousands, except per share data)</i>	3Q21	2Q21	Linked Quarter Change	Linked Quarter % Change	3Q20	Year/ Year Change	Year/Year % Change
Net interest income	\$ 384,917	\$ 381,860	\$ 3,057	1 %	\$ 376,990	\$ 7,927	2 %
Non-interest revenue	114,955	107,087	7,868	7	114,411	544	—
Non-interest expense	267,032	270,531	(3,499)	(1)	316,655	(49,623)	(16)
(Reversal of) provision for credit losses	(7,868)	(24,598)	16,730	68	43,383	(51,251)	nm
Income before taxes	\$ 240,708	\$ 243,014	\$ (2,306)	(1)%	\$ 131,363	\$ 109,345	83 %
Income tax expense	53,935	56,814	(2,879)	(5)	39,789	14,146	36
Preferred stock dividends	8,291	8,291	—	—	8,291	—	—
Net income available to common shareholders	<u>\$ 178,482</u>	<u>\$ 177,909</u>	<u>\$ 573</u>	<u>— %</u>	<u>\$ 83,283</u>	<u>\$ 95,199</u>	<u>114 %</u>
Weighted average common shares outstanding, diluted	147,701	149,747	(2,046)	(1)%	147,976	(275)	— %
Diluted earnings per share	\$ 1.21	\$ 1.19	\$ 0.02	2	\$ 0.56	\$ 0.65	116
Adjusted diluted earnings per share	1.20	1.20	—	—	0.89	0.31	35

\*\* Amounts may not total due to rounding

## Core Performance

- Net interest income of \$384.9 million increased \$3.1 million sequentially as asset growth and reduced deposit costs more than offset continued fixed-rate repricing and the slight reduction in LIBOR.
  - Net PPP fee accretion of \$21.3 million, up \$0.9 million sequentially.
  - Net interest margin was 3.01%, down 1 bp sequentially.
- Non-interest revenue increased \$7.9 million, or 7% sequentially. Adjusted non-interest revenue increased \$8.1 million, or 8% sequentially, and decreased \$0.8 million, or 1% compared to prior year.
  - Broad-based growth including \$4.8 million in capital markets income helped offset normalization of net mortgage revenue, which declined \$2.7 million sequentially.
- Non-interest expense decreased \$3.5 million, or 1% sequentially. Adjusted non-interest expense decreased \$1.2 million sequentially.
  - Declines in third-party processing and other services of \$5.0 million offset an increase in additional project spend that contributed to the \$1.7 million increase in net occupancy, equipment, and software expense.
- Pre-provision net revenue of \$232.8 million increased \$14.4 million sequentially as total revenue increased \$10.9 million and non-interest expense decreased \$3.5 million.
- Reversal of provision for credit losses of \$7.9 million from the provision expense associated with strong loan growth being more than offset by a reduction in life of loan loss estimates; allowance for credit losses coverage ratio (to loans) of 1.40%, or 1.42% excluding PPP loans.
- Tax expense was \$53.9 million, a decrease of \$2.9 million sequentially due to lower taxable income and favorable changes in discrete items.
  - Year-to-date effective tax rate of 22.21%.

## Capital Ratios

	3Q21	2Q21	3Q20
Common equity Tier 1 capital (CET1) ratio	9.63 % *	9.75 %	9.30 %
Tier 1 capital ratio	10.83 *	11.00	10.57
Total risk-based capital ratio	12.96 *	13.25	13.16
Tier 1 leverage ratio	8.82 *	8.72	8.48
Tangible common equity ratio	7.68	7.73	7.67

\* Ratios are preliminary.

## Capital

- Preliminary CET1 ratio declined 12 bps during the quarter to 9.63% as strong core performance helped offset the impact of asset growth and \$74.6 million in share repurchases at an average price of \$42.00.
- Total risk-based capital ratio of 12.96% declined 29 bps from the prior quarter following a reduction in the Allowance for Credit Losses.

## Third Quarter Earnings Conference Call

Synovus will host an earnings highlights conference call at 8:30 a.m. EDT on October 19, 2021. The earnings call will be accompanied by a slide presentation. Shareholders and other interested parties may listen to this conference call via simultaneous Internet broadcast. For a link to the webcast, go to [investor.synovus.com/event](https://investor.synovus.com/event). The replay will be archived for 12 months and will be available 30-45 minutes after the call.

**Synovus Financial Corp.** is a financial services company based in Columbus, Georgia, with approximately \$56 billion in assets. Synovus provides commercial and retail banking, investment, and mortgage services through 283 branches in Alabama, Florida, Georgia, South Carolina, and Tennessee. Synovus Bank, a wholly owned subsidiary

of Synovus, has been recognized as one of the country's "Most Reputable Banks" by American Banker and the Reputation Institute. Synovus is on the web at [synovus.com](https://synovus.com), and on [Twitter](#), [Facebook](#), [LinkedIn](#), and [Instagram](#).

## **Forward-Looking Statements**

This press release and certain of our other filings with the Securities and Exchange Commission contain statements that constitute "forward-looking statements" within the meaning of, and subject to the protections of, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements other than statements of historical fact are forward-looking statements. You can identify these forward-looking statements through Synovus' use of words such as "believes," "anticipates," "expects," "may," "will," "assumes," "should," "predicts," "could," "would," "intends," "targets," "estimates," "projects," "plans," "potential" and other similar words and expressions of the future or otherwise regarding the outlook for Synovus' future business and financial performance and/or the performance of the banking industry and economy in general. These forward-looking statements include, among others, our expectations regarding our future operating and financial performance; expectations on our growth strategy, expense and revenue initiatives, capital management, balance sheet management, and future profitability; expectations on credit quality and performance; and the assumptions underlying our expectations. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve known and unknown risks and uncertainties which may cause the actual results, performance or achievements of Synovus to be materially different from the future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements are based on the information known to, and current beliefs and expectations of, Synovus' management and are subject to significant risks and uncertainties. Actual results may differ materially from those contemplated by such forward-looking statements. A number of factors could cause actual results to differ materially from those contemplated by the forward-looking statements in this press release. Many of these factors are beyond Synovus' ability to control or predict.

These forward-looking statements are based upon information presently known to Synovus' management and are inherently subjective, uncertain and subject to change due to any number of risks and uncertainties, including, without limitation, the risks and other factors set forth in Synovus' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2020, under the captions "Cautionary Notice Regarding Forward-Looking Statements" and "Risk Factors" and in Synovus' quarterly reports on Form 10-Q and current reports on Form 8-K. We believe these forward-looking statements are reasonable; however, undue reliance should not be placed on any forward-looking statements, which are based on current expectations and speak only as of the date that they are made. We do not assume any obligation to update any forward-looking statements as a result of new information, future developments or otherwise, except as otherwise may be required by law.

## Non-GAAP Financial Measures

The measures entitled adjusted non-interest revenue; adjusted non-interest expense; total adjusted revenue; adjusted tangible efficiency ratio; pre-provision net revenue; adjusted net income available to common shareholders; adjusted diluted earnings per share; adjusted return on average assets; adjusted return on average common equity; return on average tangible common equity; adjusted return on average tangible common equity; and tangible common equity ratio are not measures recognized under GAAP and therefore are considered non-GAAP financial measures. The most comparable GAAP measures to these measures are total non-interest revenue; total non-interest expense; total TE revenue; efficiency ratio-TE; income before income taxes; net income available to common shareholders; diluted earnings per share; return on average assets; return on average common equity; and the ratio of total shareholders' equity to total assets, respectively.

Management believes that these non-GAAP financial measures provide meaningful additional information about Synovus to assist management and investors in evaluating Synovus' operating results, financial strength, the performance of its business, and the strength of its capital position. However, these non-GAAP financial measures have inherent limitations as analytical tools and should not be considered in isolation or as a substitute for analyses of operating results or capital position as reported under GAAP. The non-GAAP financial measures should be considered as additional views of the way our financial measures are affected by significant items and other factors, and since they are not required to be uniformly applied, they may not be comparable to other similarly titled measures at other companies. Total adjusted revenue and adjusted non-interest revenue are measures used by management to evaluate total TE revenue and non-interest revenue exclusive of net investment securities gains (losses), gain on sale and changes in the fair value of private equity investments, net, and fair value adjustment on non-qualified deferred compensation. Adjusted non-interest expense and the adjusted tangible efficiency ratio are measures utilized by management to measure the success of expense management initiatives focused on reducing recurring controllable operating costs. Pre-provision net revenue is used by management to evaluate income before income taxes exclusive of (reversal of) provision for credit losses. Adjusted net income available to common shareholders, adjusted diluted earnings per share, adjusted return on average assets, and adjusted return on average common equity are measures used by management to evaluate operating results exclusive of items that are not indicative of ongoing operations and impact period-to-period comparisons. Return on average tangible common equity and adjusted return on average tangible common equity are measures used by management to compare Synovus' performance with other financial institutions because it calculates the return available to common shareholders without the impact of intangible assets and their related amortization, thereby allowing management to evaluate the performance of the business consistently. The tangible common equity ratio is used by management to assess the strength of our capital position. The computations of these measures are set forth in the tables below.

### Reconciliation of Non-GAAP Financial Measures

(dollars in thousands)

#### Adjusted non-interest revenue

	3Q21	2Q21	3Q20
Total non-interest revenue	\$ 114,955	\$ 107,087	\$ 114,411
Subtract/add: Investment securities (gains) losses, net	(962)	—	1,550
Subtract: Fair value increase of private equity investments	—	—	(260)
Add/subtract: Fair value adjustment on non-qualified deferred compensation	97	(1,126)	(796)
Adjusted non-interest revenue	<u>\$ 114,090</u>	<u>\$ 105,961</u>	<u>\$ 114,905</u>

#### Adjusted non-interest expense

Total non-interest expense	\$ 267,032	\$ 270,531	\$ 316,655
Add/subtract: Earnout liability adjustment	243	(750)	—
Subtract: Goodwill impairment	—	—	(44,877)
Subtract: Restructuring charges	(319)	(415)	(2,882)
Subtract: Loss on early extinguishment of debt, net	—	—	(154)
Add/subtract: Fair value adjustment on non-qualified deferred compensation	97	(1,126)	(796)
Adjusted non-interest expense	<u>\$ 267,053</u>	<u>\$ 268,240</u>	<u>\$ 267,946</u>

# **Reconciliation of Non-GAAP Financial Measures, continued**

*(dollars in thousands)*

## **Total adjusted revenue and adjusted tangible efficiency ratio**

	<b>3Q21</b>	<b>2Q21</b>	<b>3Q20</b>
Adjusted non-interest expense	\$ 267,053	\$ 268,240	\$ 267,946
Subtract: Amortization of intangibles	(2,379)	(2,379)	(2,640)
Adjusted tangible non-interest expense	<u>\$ 264,674</u>	<u>\$ 265,861</u>	<u>\$ 265,306</u>
Net interest income	\$ 384,917	\$ 381,860	\$ 376,990
Add: Tax equivalent adjustment	736	791	956
Add: Total non-interest revenue	114,955	107,087	114,411
Total TE revenue	500,608	489,738	492,357
Subtract/add: Investment securities (gains) losses, net	(962)	—	1,550
Subtract: Fair value increase of private equity investments	—	—	(260)
Add/subtract: Fair value adjustment on non-qualified deferred compensation	97	(1,126)	(796)
Total adjusted revenue	<u>\$ 499,743</u>	<u>\$ 488,612</u>	<u>\$ 492,851</u>
Efficiency ratio-TE	53.34 %	55.24 %	64.31 %
Adjusted tangible efficiency ratio	<u>52.96</u>	<u>54.41</u>	<u>53.83</u>

## **Pre-provision net revenue**

Net interest income	\$ 384,917	\$ 381,860	\$ 376,990
Add: Total non-interest revenue	114,955	107,087	114,411
Subtract: Total non-interest expense	267,032	270,531	316,655
Pre-provision net revenue	<u>\$ 232,840</u>	<u>\$ 218,416</u>	<u>\$ 174,746</u>

**Adjusted return on average assets**

Net income	\$ 186,773	\$ 186,200	\$ 91,574
Subtract/add: Earnout liability adjustment	(243)	750	—
Add: Goodwill impairment	—	—	44,877
Add: Restructuring charges	319	415	2,882
Add: Loss on early extinguishment of debt, net	—	—	154
Subtract/add: Investment securities (gains) losses, net	(962)	—	1,550
Subtract: Fair value increase of private equity investments	—	—	(260)
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	164	(105)	(1,122)
Adjusted net income	\$ 186,051	\$ 187,260	\$ 139,655
Net income annualized	\$ 741,002	\$ 746,846	\$ 364,305
Adjusted net income annualized	\$ 738,137	\$ 751,098	\$ 555,584
Total average assets	\$55,326,260	\$55,017,771	\$53,138,334
Return on average assets	1.34 %	1.36 %	0.69 %
Adjusted return on average assets	1.33	1.37	1.05

**Adjusted net income available to common shareholders and adjusted diluted earnings per share**

Net income available to common shareholders	\$ 178,482	\$ 177,909	\$ 83,283
Subtract/add: Earnout liability adjustment	(243)	750	—
Add: Goodwill Impairment	—	—	44,877
Add: Restructuring charges	319	415	2,882
Add: Loss on early extinguishment of debt, net	—	—	154
Subtract/add: Investment securities (gains) losses, net	(962)	—	1,550
Subtract: Fair value increase of private equity investments	—	—	(260)
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	164	(105)	(1,122)
Adjusted net income available to common shareholders	\$ 177,760	\$ 178,969	\$ 131,364
Weighted average common shares outstanding, diluted	147,701	149,747	147,976
Diluted earnings per share	\$ 1.21	\$ 1.19	\$ 0.56
Adjusted diluted earnings per share	1.20	1.20	0.89



**Reconciliation of Non-GAAP Financial Measures, continued**
*(dollars in thousands)*
**Adjusted return on average common equity, return on average tangible common equity, and adjusted return on average tangible common equity**

	3Q21	2Q21	3Q20
Net income available to common shareholders	\$ 178,482	\$ 177,909	\$ 83,283
Subtract/add: Earnout liability adjustment	(243)	750	—
Add: Goodwill impairment	—	—	44,877
Add: Restructuring charges	319	415	2,882
Add: Loss on early extinguishment of debt, net	—	—	154
Subtract/add: Investment securities (gains) losses, net	(962)	—	1,550
Subtract: Fair value increase of private equity investments	—	—	(260)
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	164	(105)	(1,122)
Adjusted net income available to common shareholders	\$ 177,760	\$ 178,969	\$ 131,364
Adjusted net income available to common shareholders annualized	\$ 705,243	\$ 717,843	\$ 522,600
Add: Amortization of intangibles, annualized net of tax	7,050	7,128	7,782
Adjusted net income available to common shareholders excluding amortization of intangibles annualized	\$ 712,293	\$ 724,971	\$ 530,382
Net income available to common shareholders annualized	\$ 708,108	\$ 713,591	\$ 331,322
Add: Amortization of intangibles, annualized net of tax	7,050	7,128	7,782
Net income available to common shareholders excluding amortization of intangibles annualized	\$ 715,158	\$ 720,719	\$ 339,104
Total average shareholders' equity less preferred stock	\$ 4,734,754	\$ 4,632,568	\$ 4,553,159
Subtract: Goodwill	(452,390)	(452,390)	(497,267)
Subtract: Other intangible assets, net	(39,109)	(41,399)	(49,075)
Total average tangible shareholders' equity less preferred stock	\$ 4,243,255	\$ 4,138,779	\$ 4,006,817
Return on average common equity	14.96 %	15.40 %	7.28 %
Adjusted return on average common equity	14.90	15.50	11.48
Return on average tangible common equity	16.85	17.41	8.46
Adjusted return on average tangible common equity	16.79	17.52	13.24

**Reconciliation of Non-GAAP Financial Measures, continued**
*(dollars in thousands)*
**Tangible common equity ratio**

	September 30, 2021	June 30, 2021	September 30, 2020
Total assets	\$55,509,129	\$54,938,659	\$53,040,538
Subtract: Goodwill	(452,390)	(452,390)	(452,390)
Subtract: Other intangible assets, net	(37,975)	(40,354)	(47,752)
Tangible assets	\$55,018,764	\$54,445,915	\$52,540,396
Total shareholders' equity	\$ 5,252,802	\$ 5,237,714	\$ 5,064,542
Subtract: Goodwill	(452,390)	(452,390)	(452,390)
Subtract: Other intangible assets, net	(37,975)	(40,354)	(47,752)
Subtract: Preferred Stock, no par value	(537,145)	(537,145)	(537,145)
Tangible common equity	\$ 4,225,292	\$ 4,207,825	\$ 4,027,255
Total shareholders' equity to total assets ratio	9.46 %	9.53 %	9.55 %
Tangible common equity ratio	7.68	7.73	7.67

<sup>(1)</sup> An assumed marginal tax rate of 25.3% for 2021 and 25.9% for 2020 was applied.

# INCOME STATEMENT DATA

(Unaudited)

(Dollars in thousands, except per share data)

	Nine Months Ended		
	2021	2020	21 vs '20 % Change
Interest income	\$ 1,235,064	\$ 1,371,016	(10) %
Interest expense	94,430	244,200	(61)
Net interest income	1,140,634	1,126,816	1
(Reversal of) provision for credit losses	(51,041)	343,956	nm
Net interest income after provision for credit losses	1,191,675	782,860	52
Non-interest revenue:			
Service charges on deposit accounts	64,089	54,069	19
Fiduciary and asset management fees	56,545	46,009	23
Card fees	38,538	30,959	24
Brokerage revenue	41,644	32,987	26
Mortgage banking income	47,312	66,987	(29)
Capital markets income	18,929	22,984	(18)
Income from bank-owned life insurance	22,851	21,572	6
Investment securities (losses) gains, net	(1,028)	76,594	nm
Other non-interest revenue	44,117	39,591	11
Total non-interest revenue	332,997	391,752	(15)
Non-interest expense:			
Salaries and other personnel expense	482,408	464,268	4
Net occupancy, equipment, and software expense	126,442	125,475	1
Third-party processing and other services	63,897	67,193	(5)
Professional fees	23,771	39,358	(40)
FDIC insurance and other regulatory fees	16,338	18,922	(14)
Other operating expenses	91,841	161,860	(43)
Total non-interest expense	804,697	877,076	(8)
Income before income taxes	719,975	297,536	142
Income tax expense	159,910	74,250	115
Net income	560,065	223,286	151
Less: Preferred stock dividends	24,872	24,872	—
Net income available to common shareholders	\$ 535,193	\$ 198,414	170 %
Net income per common share, basic	\$ 3.63	\$ 1.35	169 %
Net income per common share, diluted	3.59	1.34	168
Cash dividends declared per common share	0.99	0.99	—
Return on average assets *	1.37 %	0.58 %	79 bps
Return on average common equity *	15.37	5.87	950
Weighted average common shares outstanding, basic	147,622	147,304	0 %
Weighted average common shares outstanding, diluted	149,069	148,037	1

nm - not meaningful

bps - basis points

\* - ratios are annualized

# Synovus

## INCOME STATEMENT DATA

(Unaudited)

(Dollars in thousands, except per share data)

	2021			2020		Third Quarter
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	'21 vs '20 % Change
Interest income	\$412,504	412,743	409,817	433,479	435,550	(5) %
Interest expense	27,587	30,883	35,960	47,547	58,560	(53)
Net interest income	384,917	381,860	373,857	385,932	376,990	2
(Reversal of) provision for credit losses	(7,868)	(24,598)	(18,575)	11,066	43,383	nm
Net interest income after provision for credit losses	392,785	406,458	392,432	374,866	333,607	18
Non-interest revenue:						
Service charges on deposit accounts	22,641	21,414	20,033	19,063	17,813	27
Fiduciary and asset management fees	19,786	18,805	17,954	17,242	15,885	25
Card fees	13,238	13,304	11,996	11,743	10,823	22
Brokerage revenue	14,745	13,926	12,974	11,794	10,604	39
Mortgage banking income	11,155	13,842	22,315	24,426	31,229	(64)
Capital markets income	8,089	3,335	7,505	4,352	5,690	42
Income from bank-owned life insurance	6,820	7,188	8,843	9,725	7,778	(12)
Investment securities gains (losses), net	962	—	(1,990)	2,337	(1,550)	nm
Other non-interest revenue	17,519	15,273	11,326	14,079	16,139	9
Total non-interest revenue	114,955	107,087	110,956	114,761	114,411	—
Non-interest expense:						
Salaries and other personnel expense	160,364	160,567	161,477	153,946	154,994	3
Net occupancy, equipment, and software expense	43,483	41,825	41,134	44,183	41,554	5
Third-party processing and other services	19,446	24,419	20,032	20,799	21,827	(11)
Professional fees	6,739	7,947	9,084	17,541	13,377	(50)
FDIC insurance and other regulatory fees	5,212	5,547	5,579	6,288	6,793	(23)
Other operating expenses	31,788	30,226	29,828	59,741	78,110	(59)
Total non-interest expense	267,032	270,531	267,134	302,498	316,655	(16)
Income before income taxes	240,708	243,014	236,254	187,129	131,363	83
Income tax expense	53,935	56,814	49,161	36,720	39,789	36
Net income	186,773	186,200	187,093	150,409	91,574	104
Less: Preferred stock dividends	8,291	8,291	8,291	8,291	8,291	—
Net income available to common shareholders	\$178,482	177,909	178,802	142,118	83,283	114 %
Net income per common share, basic	\$ 1.22	1.20	1.20	0.96	0.57	114 %
Net income per common share, diluted	1.21	1.19	1.19	0.96	0.56	116
Cash dividends declared per common share	0.33	0.33	0.33	0.33	0.33	—
Return on average assets *	1.34 %	1.36	1.40	1.11	0.69	65 bps
Return on average common equity *	14.96	15.40	15.77	12.31	7.28	768
Weighted average common shares outstanding, basic	146,308	148,113	148,467	147,744	147,314	(1) %
Weighted average common shares outstanding, diluted	147,701	149,747	149,780	148,725	147,976	—

nm - not meaningful

bps - basis points

\* - ratios are annualized

# Synovus

## BALANCE SHEET DATA

(Unaudited)

(In thousands, except share data)

### ASSETS

	September 30, 2021	December 31, 2020	September 30, 2020
Cash and due from banks	\$ 483,035	\$ 531,579	\$ 578,026
Interest-bearing funds with Federal Reserve Bank	2,103,497	3,586,565	1,266,313
Interest earning deposits with banks	23,261	20,944	20,929
Federal funds sold and securities purchased under resale agreements	77,627	113,829	120,095
Cash, cash equivalents, and restricted cash	2,687,420	4,252,917	1,985,363
Investment securities available for sale, at fair value	10,481,071	7,962,438	7,566,525
Loans held for sale (\$152,258, \$216,647, and \$285,899 measured at fair value, respectively)	550,948	760,123	745,160
Loans, net of deferred fees and costs	38,341,030	38,252,984	39,549,847
Allowance for loan losses	(492,243)	(605,736)	(603,800)
Loans, net	37,848,787	37,647,248	38,946,047
Cash surrender value of bank-owned life insurance	1,065,256	1,049,373	1,044,046
Premises, equipment, and software, net	441,605	463,959	471,208
Goodwill	452,390	452,390	452,390
Other intangible assets, net	37,975	45,112	47,752
Other assets	1,943,677	1,760,599	1,782,047
Total assets	\$ 55,509,129	\$ 54,394,159	\$ 53,040,538

### LIABILITIES AND SHAREHOLDERS' EQUITY

#### Liabilities:

Deposits:			
Non-interest-bearing deposits	\$ 15,787,882	\$ 13,477,854	\$ 13,075,081
Interest-bearing deposits	31,900,537	33,213,717	31,590,823
Total deposits	47,688,419	46,691,571	44,665,904
Federal funds purchased and securities sold under repurchase agreements	262,548	227,922	202,344
Other short-term borrowings	—	7,717	400,000
Long-term debt	1,203,761	1,202,494	1,628,385
Other liabilities	1,101,599	1,103,121	1,079,363
Total liabilities	50,256,327	49,232,825	47,975,996

#### Shareholders' equity:

Preferred stock - no par value. Authorized 100,000,000 shares; issued 22,000,000	537,145	537,145	537,145
Common stock - \$1.00 par value. Authorized 342,857,143 shares; issued 169,170,589, 168,132,522, and 167,410,950; outstanding 145,483,994, 148,039,495, and 147,317,923	169,171	168,133	167,411
Additional paid-in capital	3,883,289	3,851,208	3,832,142
Treasury stock, at cost - 23,686,595, 20,093,027, and 20,093,027 shares	(898,707)	(731,806)	(731,806)
Accumulated other comprehensive (loss) income, net	(5,462)	158,635	174,914
Retained earnings	1,567,366	1,178,019	1,084,736
Total shareholders' equity	5,252,802	5,161,334	5,064,542
Total liabilities and shareholders' equity	\$ 55,509,129	\$ 54,394,159	\$ 53,040,538

# Synovus

## AVERAGE BALANCES AND YIELDS/RATES <sup>(1)</sup>

(Unaudited)

(Dollars in thousands)

	2021			2020	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
<b>Interest Earning Assets</b>					
Investment securities <sup>(2)(4)</sup>	\$ 9,876,651	9,184,691	8,437,563	7,493,822	7,227,400
Yield	1.45 %	1.45	1.40	2.07	2.39
Trading account assets <sup>(5)</sup>	\$ 5,192	2,831	3,063	8,496	5,391
Yield	1.15 %	1.15	2.81	1.03	1.69
Commercial loans <sup>(3)(4)</sup>	\$ 28,891,164	29,849,029	29,844,491	30,363,102	30,730,135
Yield	3.91 %	3.86	3.95	3.96	3.80
Consumer loans <sup>(3)</sup>	\$ 8,642,969	8,647,448	8,367,776	8,521,449	9,032,437
Yield	3.93 %	3.94	3.98	4.00	4.08
Allowance for loan losses	\$ (514,828)	(561,242)	(599,872)	(595,547)	(591,098)
Loans, net <sup>(3)</sup>	\$ 37,019,305	37,935,235	37,612,395	38,289,004	39,171,474
Yield	3.97 %	3.93	4.02	4.03	3.92
Mortgage loans held for sale	\$ 196,032	242,940	246,962	309,278	244,952
Yield	2.88 %	3.06	2.68	2.74	2.92
Other loans held for sale	\$ 527,736	615,301	660,753	544,301	493,940
Yield	3.06 %	3.05	2.91	2.81	3.61
Federal funds sold, due from Federal Reserve Bank, and other short-term investments	\$ 3,271,501	2,705,819	2,838,063	2,716,645	1,265,880
Yield	0.15 %	0.11	0.10	0.10	0.11
Federal Home Loan Bank and Federal Reserve Bank Stock <sup>(5)</sup>	\$ 159,741	159,340	157,657	162,537	200,923
Yield	1.26 %	2.01	1.69	2.64	2.73
Total interest earning assets	\$ 51,056,158	50,846,157	49,956,456	49,524,083	48,609,960
Yield	3.22 %	3.26	3.32	3.49	3.58
<b>Interest-Bearing Liabilities</b>					
Interest-bearing demand deposits	\$ 8,463,325	8,601,262	8,570,753	8,531,415	7,789,095
Rate	0.10 %	0.11	0.14	0.16	0.19
Money Market accounts	\$ 15,597,723	15,476,262	15,348,916	14,411,860	13,272,972
Rate	0.15 %	0.19	0.23	0.26	0.36
Savings deposits	\$ 1,377,089	1,333,297	1,219,288	1,147,667	1,114,956
Rate	0.02 %	0.02	0.02	0.01	0.02
Time deposits under \$100,000	\$ 993,284	1,077,931	1,161,306	1,239,592	1,379,923
Rate	0.33 %	0.41	0.56	0.74	1.03
Time deposits over \$100,000	\$ 2,430,744	2,714,451	2,993,996	3,302,959	3,863,821
Rate	0.45 %	0.56	0.74	1.03	1.44
Other brokered deposits	\$ 1,862,346	1,901,097	1,950,582	1,978,393	1,912,114
Rate	0.21 %	0.19	0.20	0.23	0.23
Brokered time deposits	\$ 996,777	1,156,510	1,418,751	1,795,982	2,232,940
Rate	1.27 %	1.35	1.50	1.60	1.59
Total interest-bearing deposits	\$ 31,721,288	32,260,810	32,663,592	32,407,868	31,565,821
Rate	0.20 %	0.24	0.31	0.39	0.54
Federal funds purchased and securities sold under repurchase agreements	\$ 202,525	204,053	209,448	174,316	180,342
Rate	0.07 %	0.07	0.07	0.07	0.09
Other short-term borrowings	\$ —	—	—	—	46,739
Rate	— %	—	—	—	1.12
Long-term debt	\$ 1,203,500	1,203,038	1,202,613	1,552,791	2,234,665
Rate	3.81 %	3.82	3.63	3.96	2.71
Total interest-bearing liabilities	\$ 33,127,313	33,667,901	34,075,653	34,134,975	34,027,567
Rate	0.33 %	0.36	0.42	0.55	0.68
Non-interest-bearing demand deposits	\$ 15,755,929	15,088,836	13,791,286	13,566,112	12,773,676
Cost of funds	0.22 %	0.25	0.30	0.40	0.50
Effective cost of funds <sup>(6)</sup>	0.21 %	0.24	0.28	0.37	0.48
Net interest margin	3.01 %	3.02	3.04	3.12	3.10
Taxable equivalent adjustment <sup>(4)</sup>	\$ 736	791	774	821	956

<sup>(1)</sup> Yields and rates are annualized.

<sup>(2)</sup> Excludes net unrealized gains and losses.

<sup>(3)</sup> Average loans are shown net of unearned income. Non-performing loans are included.

<sup>(4)</sup> Reflects taxable-equivalent adjustments, using the statutory federal income tax rate of 21%, in adjusting interest on tax-exempt loans and investment securities to a taxable-equivalent basis.

<sup>(5)</sup> Included as a component of other assets on the consolidated balance sheet.

<sup>(6)</sup> Includes the impact of non-interest-bearing capital funding sources.

# Synovus

## LOANS OUTSTANDING BY TYPE

(Unaudited)

(Dollars in thousands)

Loan Type	Total Loans September 30, 2021	Total Loans June 30, 2021	Linked Quarter % Change	Total Loans September 30, 2020	Year/Year % Change
Commercial, Financial, and Agricultural	\$ 11,771,037	\$ 12,085,534	(3)%	\$ 12,931,095	(9)%
Owner-Occupied	7,163,751	7,064,599	1	7,192,543	—
<b>Total Commercial &amp; Industrial</b>	<b>18,934,788</b>	<b>19,150,133</b>	<b>(1)</b>	<b>20,123,638</b>	<b>(6)</b>
Multi-Family	2,197,139	2,086,641	5	2,359,112	(7)
Hotels	1,441,414	1,411,443	2	1,407,238	2
Office Buildings	2,341,316	2,340,378	—	2,260,240	4
Shopping Centers	1,570,020	1,645,275	(5)	1,736,210	(10)
Warehouses	687,496	657,699	5	728,446	(6)
Other Investment Property	1,211,078	1,076,577	12	942,962	28
<b>Total Investment Properties</b>	<b>9,448,463</b>	<b>9,218,013</b>	<b>2</b>	<b>9,434,208</b>	<b>—</b>
1-4 Family Construction	191,906	174,009	10	180,277	6
1-4 Family Investment Mortgage	421,968	462,335	(9)	474,473	(11)
<b>Total 1-4 Family Properties</b>	<b>613,874</b>	<b>636,344</b>	<b>(4)</b>	<b>654,750</b>	<b>(6)</b>
Commercial Development	103,512	120,683	(14)	111,403	(7)
Residential Development	186,033	164,950	13	259,617	(28)
Land Acquisition	188,378	221,061	(15)	276,085	(32)
<b>Land and Development</b>	<b>477,923</b>	<b>506,694</b>	<b>(6)</b>	<b>647,105</b>	<b>(26)</b>
<b>Total Commercial Real Estate</b>	<b>10,540,260</b>	<b>10,361,051</b>	<b>2</b>	<b>10,736,063</b>	<b>(2)</b>
Consumer Mortgages	5,108,499	5,200,762	(2)	5,664,686	(10)
Home Equity Lines	1,308,254	1,358,211	(4)	1,629,482	(20)
Credit Cards	293,026	285,508	3	264,829	11
Other Consumer Loans	2,156,203	1,880,353	15	1,131,149	91
<b>Total Consumer</b>	<b>8,865,982</b>	<b>8,724,834</b>	<b>2</b>	<b>8,690,146</b>	<b>2</b>
<b>Total</b>	<b>\$ 38,341,030</b>	<b>\$ 38,236,018</b>	<b>— %</b>	<b>\$ 39,549,847</b>	<b>(3)%</b>

## NON-PERFORMING LOANS COMPOSITION

(Unaudited)

(Dollars in thousands)

Loan Type	Total Non-performing Loans September 30, 2021	Total Non-performing Loans June 30, 2021	Linked Quarter % Change	Total Non-performing Loans September 30, 2020	Year/Year % Change
Commercial, Financial, and Agricultural	\$ 77,349	\$ 70,943	9 %	\$ 95,365	(19)%
Owner-Occupied	13,134	13,155	—	20,261	(35)
<b>Total Commercial &amp; Industrial</b>	<b>90,483</b>	<b>84,098</b>	<b>8</b>	<b>115,626</b>	<b>(22)</b>
Multi-Family	2,396	2,407	—	157	nm
Office Buildings	2,488	1,618	54	27,608	(91)
Shopping Centers	932	124	652	257	263
Warehouses	302	218	39	—	nm
Other Investment Property	624	407	53	238	162
<b>Total Investment Properties</b>	<b>6,742</b>	<b>4,774</b>	<b>41</b>	<b>28,260</b>	<b>(76)</b>
1-4 Family Construction	522	548	(5)	1,556	(66)
1-4 Family Investment Mortgage	2,364	1,927	23	1,815	30
<b>Total 1-4 Family Properties</b>	<b>2,886</b>	<b>2,475</b>	<b>17</b>	<b>3,371</b>	<b>(14)</b>
Commercial Development	463	560	(17)	833	(44)
Residential Development	449	451	—	648	(31)
Land Acquisition	1,024	1,029	—	910	13
<b>Land and Development</b>	<b>1,936</b>	<b>2,040</b>	<b>(5)</b>	<b>2,391</b>	<b>(19)</b>
<b>Total Commercial Real Estate</b>	<b>11,564</b>	<b>9,289</b>	<b>24</b>	<b>34,022</b>	<b>(66)</b>
Consumer Mortgages	37,541	51,376	(27)	7,433	405
Home Equity Lines	8,688	8,938	(3)	10,297	(16)
Other Consumer Loans	7,189	7,327	(2)	1,459	393
<b>Total Consumer</b>	<b>53,418</b>	<b>67,641</b>	<b>(21)</b>	<b>19,189</b>	<b>178</b>
<b>Total</b>	<b>\$ 155,465</b>	<b>\$ 161,028</b>	<b>(3)%</b>	<b>\$ 168,837</b>	<b>(8)%</b>

# Synovus

## CREDIT QUALITY DATA (Unaudited)

(Dollars in thousands)	2021			2020		Third Quarter
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	'21 vs '20 % Change
Non-performing Loans (NPLs)	\$ 155,465	161,028	155,169	151,079	168,837	(8)%
Impaired Loans Held for Sale	—	—	23,590	23,590	—	nm
Other Real Estate and Other Assets	16,883	16,806	16,849	17,394	23,280	(27)
Non-performing Assets (NPAs)	172,348	177,834	195,608	192,063	192,117	(10)
Allowance for Loan Losses (ALL)	492,243	516,708	563,214	605,736	603,800	(18)
Reserve for Unfunded Commitments	42,971	46,890	51,528	47,785	60,794	(29)
Allowance for Credit Losses (ACL)	535,214	563,598	614,742	653,521	664,594	(19)
Net Charge-Offs - Quarter	20,516	26,547	20,204	22,139	28,466	
Net Charge-Offs - YTD	67,266	46,750	20,204	94,712	72,573	
Net Charge-Offs / Average Loans - Quarter <sup>(1)</sup>	0.22 %	0.28	0.21	0.23	0.29	
Net Charge-Offs / Average Loans - YTD <sup>(1)</sup>	0.24	0.24	0.21	0.24	0.25	
NPLs / Loans	0.41	0.42	0.40	0.39	0.43	
NPAs / Loans, ORE and specific other assets	0.45	0.46	0.50	0.50	0.49	
ACL/Loans	1.40	1.47	1.58	1.71	1.68	
ALL/Loans	1.28	1.35	1.45	1.58	1.53	
ACL/NPLs	344.27	350.00	396.18	432.57	393.63	
ALL/NPLs	316.63	320.88	362.97	400.94	357.62	
Past Due Loans over 90 days and Still Accruing	\$ 5,960	4,415	3,804	4,117	7,512	(21)
As a Percentage of Loans Outstanding	0.02 %	0.01	0.01	0.01	0.02	
Total Past Due Loans and Still Accruing	\$ 60,817	49,321	45,693	47,349	57,316	6
As a Percentage of Loans Outstanding	0.16 %	0.13	0.12	0.12	0.14	
Accruing Troubled Debt Restructurings (TDRs)	\$ 126,055	124,528	129,776	134,972	163,511	(23)

<sup>(1)</sup> Ratio is annualized.

## SELECTED CAPITAL INFORMATION <sup>(1)</sup> (Unaudited)

(Dollars in thousands)	September 30, 2021	December 31, 2020	September 30, 2020
Tier 1 Capital	\$ 4,836,672	4,572,010	4,450,547
Total Risk-Based Capital	5,788,290	5,604,230	5,536,918
Common Equity Tier 1 Capital Ratio	9.63 %	9.66	9.30
Tier 1 Capital Ratio	10.83	10.95	10.57
Total Risk-Based Capital Ratio	12.96	13.42	13.16
Tier 1 Leverage Ratio	8.82	8.50	8.48
Common Equity as a Percentage of Total Assets <sup>(2)</sup>	8.50	8.51	8.54
Tangible Common Equity Ratio <sup>(3)(5)</sup>	7.68	7.66	7.67
Book Value Per Common Share <sup>(4)</sup>	\$ 32.41	31.24	30.73
Tangible Book Value Per Common Share <sup>(3)</sup>	29.04	27.88	27.34

<sup>(1)</sup> Current quarter regulatory capital information is preliminary.

<sup>(2)</sup> Common equity consists of Total Shareholders' Equity less Preferred Stock.

<sup>(3)</sup> Excludes the carrying value of goodwill and other intangible assets from common equity and total assets.

<sup>(4)</sup> Book Value Per Common Share consists of Total Shareholders' Equity less Preferred Stock divided by total common shares outstanding.

<sup>(5)</sup> See "Non-GAAP Financial Measures" of this report for applicable reconciliation.