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**Synovus Announces Earnings for the Second Quarter 2022****Diluted Earnings per Share of \$1.16 vs. \$1.19 in 2Q21****Adjusted Diluted Earnings per Share of \$1.17 vs. \$1.20 in 2Q21**

**COLUMBUS, Ga., July 21, 2022** - Synovus Financial Corp. (NYSE: SNV) today reported financial results for the quarter ended June 30, 2022. "We are pleased with our second quarter results and financial metrics, which reflect the efforts of our team to expand client relationships and attract new business," said Synovus President and CEO Kevin Blair. "Revenues of \$523 million, up 7 percent year-over-year, were driven by our fourth consecutive quarter of annualized double-digit loan growth, excluding PPP, and 22 basis points of margin expansion during the quarter. Our ongoing focus on growing core operating deposit relationships led to another quarter of account growth, as well as non-interest bearing deposit growth of \$254 million. We also acknowledge the strength of our client base, with credit metrics at historically low levels and average operating liquidity up more than 40 percent on average compared to pre-pandemic levels. Despite the increasing uncertainty presented by economic risks, we have continued to prudently invest in our core businesses as well as new business initiatives, which will serve as ongoing sources of growth. I am confident in our ability to guide both our company and clients through the present environment while building an even stronger bank for the future."

**Second Quarter 2022 Highlights**

- Net income available to common shareholders of \$169.8 million, or \$1.16 per diluted share, up \$0.05 sequentially and down \$0.03 compared to prior year.
  - Adjusted diluted EPS of \$1.17, up \$0.09 sequentially and down \$0.03 compared to prior year. Year-over-year decline was primarily due to prior year benefit from reversal of provision for credit losses.
- Total revenue of \$522.7 million increased \$33.7 million, or 7%, compared to prior year.
  - Total revenue, excluding Paycheck Protection program (PPP) fees, of \$519.0 million increased \$50.4 million, or 11%, compared to prior year.
- Period-end loans increased \$1.04 billion sequentially, and \$1.15 billion, or 12% annualized, excluding PPP loans.
- Credit quality metrics remain at historically low levels with sequential improvement in the NPA, NPL, and criticized/classified loans ratios.

**Second Quarter Summary**

<i>(dollars in thousands)</i>	Reported			Adjusted		
	2Q22	1Q22	2Q21	2Q22	1Q22	2Q21
Net income available to common shareholders	\$ 169,761	\$ 162,746	\$ 177,909	\$ 171,018	\$ 158,368	\$ 178,969
Diluted earnings per share	1.16	1.11	1.19	1.17	1.08	1.20
Total revenue	522,654	497,582	488,947	N/A	N/A	N/A
Total loans	41,204,780	40,169,150	38,236,018	N/A	N/A	N/A
Total deposits	49,034,700	48,656,244	47,171,962	N/A	N/A	N/A
Return on avg assets	1.26 %	1.22 %	1.36 %	1.27 %	1.19 %	1.37 %
Return on avg common equity	16.48	14.20	15.40	16.60	13.82	15.50
Return on avg tangible common equity	18.84	16.02	17.41	18.98	15.59	17.52
Net interest margin	3.22	3.00	3.02	N/A	N/A	N/A
Efficiency ratio-TE <sup>(1)</sup>	53.87	54.66	55.24	53.43	55.50	54.41
NCO ratio-QTD	0.16	0.19	0.28	N/A	N/A	N/A
NPA ratio	0.33	0.40	0.46	N/A	N/A	N/A

(1) Taxable equivalent

## Balance Sheet

### Loans\*

<i>(dollars in millions)</i>	2Q22	1Q22	Linked Quarter Change	Linked Quarter % Change	2Q21	Year/Year Change	Year/Year % Change
Commercial & industrial	\$ 20,778.3	\$ 20,352.3	\$ 426.0	2 %	\$ 19,239.4	\$ 1,538.9	8 %
Commercial real estate	11,503.4	11,145.3	358.1	3	10,361.1	1,142.4	11
Consumer	8,923.0	8,671.5	251.5	3	8,635.5	287.5	3
Total loans	<u>\$ 41,204.8</u>	<u>\$ 40,169.2</u>	<u>\$ 1,035.6</u>	<u>3 %</u>	<u>\$ 38,236.0</u>	<u>\$ 2,968.8</u>	<u>8 %</u>

\*Amounts may not total due to rounding

- Total loans ended the quarter at \$41.20 billion, up \$1.04 billion sequentially, and \$1.15 billion, or 12% annualized, excluding PPP loans.
- Commercial and industrial (C&I) loans increased \$426.0 million sequentially, led by broad based growth within our Wholesale Banking segment, partially offset by declines in PPP loan balances of \$116.2 million.
- CRE loans increased \$358.1 million sequentially, led by multi-family loans in addition to our Specialty Healthcare group.
- Consumer loans increased \$251.5 million sequentially across multiple products including home equity and mortgage.

## Deposits\*

<i>(dollars in millions)</i>	2Q22	1Q22	Linked Quarter Change	Linked Quarter % Change	2Q21	Year/Year Change	Year/Year % Change
Non-interest-bearing DDA	\$ 15,781.1	\$ 15,526.7	\$ 254.4	2 %	\$ 14,342.6	\$ 1,438.5	10 %
Interest-bearing DDA	6,327.1	6,685.4	(358.3)	(5)	5,839.8	487.2	8
Money market	13,793.0	14,596.9	(803.9)	(6)	13,983.1	(190.1)	(1)
Savings	1,498.7	1,476.7	22.0	1	1,341.5	157.3	12
Public funds	5,863.9	6,048.7	(184.8)	(3)	5,804.9	59.0	1
Time deposits	2,147.8	2,284.2	(136.4)	(6)	2,891.1	(743.3)	(26)
Brokered deposits	3,623.1	2,037.7	1,585.4	78	2,969.0	654.2	22
Total deposits	<u>\$ 49,034.7</u>	<u>\$ 48,656.2</u>	<u>\$ 378.5</u>	<u>1 %</u>	<u>\$ 47,172.0</u>	<u>\$ 1,862.7</u>	<u>4 %</u>

\*Amounts may not total due to rounding

- Total deposits ended the quarter at \$49.03 billion, up \$378.5 million sequentially, impacted by seasonal effects and rate-driven outflows of \$803.9 million and \$358.3 million, respectively, in money-market and interest-bearing demand deposit accounts and offset by the use of brokered deposits as a cost-effective balance sheet and liquidity management tool.
  - Total non-interest-bearing deposits are now 35% of core deposits (total deposits excluding brokered deposits).
- Total deposit costs increased 4 bps sequentially to 0.15% and were impacted by the rising rate environment.

## Income Statement Summary\*\*

<i>(in thousands, except per share data)</i>	2Q22	1Q22	Linked Quarter Change	Linked Quarter % Change	2Q21	Year/Year Change	Year/Year % Change
Net interest income	\$ 425,388	\$ 392,248	\$ 33,140	8 %	\$ 381,860	\$ 43,528	11 %
Non-interest revenue	97,266	105,334	(8,068)	(8)	107,087	(9,821)	(9)
Non-interest expense	282,051	272,450	9,601	4	270,531	11,520	4
Provision for (reversal of) credit losses	12,688	11,400	1,288	11	(24,598)	37,286	nm
Income before taxes	\$ 227,915	\$ 213,732	\$ 14,183	7 %	\$ 243,014	\$ (15,099)	(6)%
Income tax expense	49,863	42,695	7,168	17	56,814	(6,951)	(12)
Preferred stock dividends	8,291	8,291	—	—	8,291	—	—
Net income available to common shareholders	<u>\$ 169,761</u>	<u>\$ 162,746</u>	<u>\$ 7,015</u>	<u>4 %</u>	<u>\$ 177,909</u>	<u>\$ (8,148)</u>	<u>(5)%</u>
Weighted average common shares outstanding, diluted	146,315	146,665	(350)	— %	149,747	(3,432)	(2)%
Diluted earnings per share	\$ 1.16	\$ 1.11	\$ 0.05	5	\$ 1.19	\$ (0.03)	(3)
Adjusted diluted earnings per share	1.17	1.08	0.09	8	1.20	(0.03)	(3)

\*\* Amounts may not total due to rounding

## Core Performance

- Net interest income of \$425.4 million was up \$33.1 million sequentially and increased \$43.5 million, or 11%, compared to prior year, driven by strong loan growth and higher rates.
  - PPP fees of \$3.7 million, down \$3.2 million sequentially and down \$16.7 million year-over-year.
  - Net interest margin was 3.22%, up 22 bps sequentially, aided by higher interest rates, lower cash balances, and slower deposit repricing.
- Non-interest revenue decreased \$8.1 million, or 8%, sequentially and decreased \$9.8 million, or 9%, compared to prior year.
  - Quarter-over-quarter and year-over-year declines were primarily related to a \$7 million write-down on a minority fintech investment and a challenging mortgage banking environment, partially offset by increases in wealth revenue, capital markets, and card fee income categories.
- Non-interest expense increased \$9.6 million, or 4%, sequentially and increased \$11.5 million, or 4%, compared to prior year. Adjusted non-interest expense increased \$4.1 million, or 1%, sequentially and increased \$15.4 million, or 6%, compared to prior year.
  - Year-over-year increase was primarily due to incentives and costs associated with elevated performance, merit increases, new business initiatives, and infrastructure investments.
- Credit quality ratios remain near historical lows. Both the non-performing loan and asset ratios improved to 0.26% and 0.33%, respectively; the net charge-off ratio for the quarter was 0.16%, and total past dues were 0.14% of total loans outstanding.
- Provision for credit losses of \$12.7 million increased \$1.3 million sequentially; allowance for credit losses coverage ratio (to loans) of 1.11% declined 4 bps sequentially. Drivers of the decline included our strong credit performance, including reduction of NPLs, and quality and mix of new originations, offset by an uncertain and generally negative economic outlook.
- The effective tax rate was 21.88% for the quarter.

## Capital Ratios

	2Q22	1Q22	2Q21
Common equity Tier 1 capital (CET1) ratio	9.46 % *	9.49 %	9.75 %
Tier 1 capital ratio	10.56 *	10.63	11.00
Total risk-based capital ratio	12.43 *	12.56	13.25
Tier 1 leverage ratio	9.03 *	8.87	8.72
Tangible common equity ratio	6.26	6.80	7.73

\* Ratios are preliminary.

## Capital

- Preliminary CET1 ratio declined 3 bps during the quarter to 9.46%, and the preliminary total risk-based capital ratio of 12.43% declined 13 bps from the previous quarter as capital generated through earnings helped offset the impact of loan growth.

## Second Quarter Earnings Conference Call

Synovus will host an earnings highlights conference call at 8:30 a.m. EDT on July 21, 2022. 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 \$57 billion in assets. Synovus provides commercial and retail banking and a full suite of specialized products and services, including private banking, treasury management, wealth management, mortgage services, premium finance, asset-based lending, structured lending, and international banking through 261 branches in Georgia, Alabama, South Carolina, Florida, and Tennessee. Synovus is a [Great Place to Work-Certified Company](#) and is on the web at [synovus.com](http://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, 2021, 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 expense; adjusted tangible efficiency ratio; 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 expense; efficiency ratio-TE; 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. 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. 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 expense

	<u>2Q22</u>	<u>1Q22</u>	<u>2Q21</u>
Total non-interest expense	\$ 282,051	\$ 272,450	\$ 270,531
Subtract: Earnout liability adjustments	—	—	(750)
Subtract/add: Restructuring charges	1,850	6,424	(415)
Subtract: Valuation adjustment to Visa derivative	(3,500)	—	—
Subtract: Loss on early extinguishment of debt, net	—	(677)	—
Subtract/add: Fair value adjustment on non-qualified deferred compensation	3,240	1,295	(1,126)
Adjusted non-interest expense	<u>\$ 283,641</u>	<u>\$ 279,492</u>	<u>\$ 268,240</u>

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

(dollars in thousands)

#### Adjusted tangible efficiency ratio

	<u>2Q22</u>	<u>1Q22</u>	<u>2Q21</u>
Adjusted non-interest expense	\$ 283,641	\$ 279,492	\$ 268,240
Subtract: Amortization of intangibles	(2,118)	(2,118)	(2,379)
Adjusted tangible non-interest expense	<u>\$ 281,523</u>	<u>\$ 277,374</u>	<u>\$ 265,861</u>

Net interest income	\$ 425,388	\$ 392,248	\$ 381,860
Add: Tax equivalent adjustment	960	865	791
Add: Total non-interest revenue	97,266	105,334	107,087
Total TE revenue	523,614	498,447	489,738
Subtract/add: Fair value adjustment on non-qualified deferred compensation	3,240	1,295	(1,126)
Total adjusted revenue	\$ 526,854	\$ 499,742	\$ 488,612
Efficiency ratio-TE	53.87 %	54.66 %	55.24 %
Adjusted tangible efficiency ratio	53.43	55.50	54.41

#### Adjusted return on average assets

Net income	\$ 178,052	\$ 171,037	\$ 186,200
Add: Earnout liability adjustments	—	—	750
Add/subtract: Restructuring charges	(1,850)	(6,424)	415
Add: Valuation adjustment to Visa derivative	3,500	—	—
Add: Loss on early extinguishment of debt, net	—	677	—
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	(393)	1,369	(105)
Adjusted net income	\$ 179,309	\$ 166,659	\$ 187,260
Net income annualized	\$ 714,165	\$ 693,650	\$ 746,846
Adjusted net income annualized	\$ 719,206	\$ 675,895	\$ 751,098
Total average assets	\$56,536,940	\$56,855,898	\$55,017,771
Return on average assets	1.26 %	1.22 %	1.36 %
Adjusted return on average assets	1.27	1.19	1.37

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

Net income available to common shareholders	\$ 169,761	\$ 162,746	\$ 177,909
Add: Earnout liability adjustments	—	—	750
Add/subtract: Restructuring charges	(1,850)	(6,424)	415
Add: Valuation adjustment to Visa derivative	3,500	—	—
Add: Loss on early extinguishment of debt, net	—	677	—
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	(393)	1,369	(105)
Adjusted net income available to common shareholders	\$ 171,018	\$ 158,368	\$ 178,969
Weighted average common shares outstanding, diluted	146,315	146,665	149,747
Diluted earnings per share	\$ 1.16	\$ 1.11	\$ 1.19
Adjusted diluted earnings per share	1.17	1.08	1.20

## 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

	2Q22	1Q22	2Q21
Net income available to common shareholders	\$ 169,761	\$ 162,746	\$ 177,909
Add: Earnout liability adjustments	—	—	750
Add/subtract: Restructuring charges	(1,850)	(6,424)	415
Add: Valuation adjustment to Visa derivative	3,500	—	—
Add: Loss on early extinguishment of debt, net	—	677	—
Add/subtract: Tax effect of adjustments <sup>(1)</sup>	(393)	1,369	(105)
Adjusted net income available to common shareholders	\$ 171,018	\$ 158,368	\$ 178,969
Adjusted net income available to common shareholders annualized	\$ 685,951	\$ 642,270	\$ 717,843
Add: Amortization of intangibles, annualized net of tax	6,471	6,543	7,128
Adjusted net income available to common shareholders excluding amortization of intangibles annualized	\$ 692,422	\$ 648,813	\$ 724,971
Net income available to common shareholders annualized	\$ 680,910	\$ 660,025	\$ 713,591
Add: Amortization of intangibles, annualized net of tax	6,471	6,543	7,128
Net income available to common shareholders excluding amortization of intangibles annualized	\$ 687,381	\$ 666,568	\$ 720,719
Total average shareholders' equity less preferred stock	\$ 4,132,536	\$ 4,647,426	\$ 4,632,568
Subtract: Goodwill	(452,390)	(452,390)	(452,390)
Subtract: Other intangible assets, net	(32,387)	(34,576)	(41,399)
Total average tangible shareholders' equity less preferred stock	\$ 3,647,759	\$ 4,160,460	\$ 4,138,779
Return on average common equity	16.48 %	14.20 %	15.40 %
Adjusted return on average common equity	16.60	13.82	15.50
Return on average tangible common equity	18.84	16.02	17.41
Adjusted return on average tangible common equity	18.98	15.59	17.52

(dollars in thousands)

### Tangible common equity ratio

	June 30, 2022	March 31, 2022	December 31, 2021	June 30, 2021
Total assets	\$57,382,745	\$56,419,549	\$57,317,226	\$54,938,659
Subtract: Goodwill	(452,390)	(452,390)	(452,390)	(452,390)
Subtract: Other intangible assets, net	(31,360)	(33,478)	(35,596)	(40,354)
Tangible assets	\$56,898,995	\$55,933,681	\$56,829,240	\$54,445,915
Total shareholders' equity	\$ 4,584,438	\$ 4,824,635	\$ 5,296,800	\$5,237,714
Subtract: Goodwill	(452,390)	(452,390)	(452,390)	(452,390)
Subtract: Other intangible assets, net	(31,360)	(33,478)	(35,596)	(40,354)
Subtract: Preferred Stock, no par value	(537,145)	(537,145)	(537,145)	(537,145)
Tangible common equity	\$ 3,563,543	\$ 3,801,622	\$ 4,271,669	\$4,207,825
Total shareholders' equity to total assets ratio	7.99 %	8.55 %	9.24 %	9.53 %
Tangible common equity ratio	6.26	6.80	7.52	7.73

<sup>(1)</sup> An assumed marginal tax rate of 23.8% for 2022 and 25.3% for 2021 was applied.



# Synovus

## INCOME STATEMENT DATA

(Unaudited)

(Dollars in thousands, except per share data)

	Six Months Ended June 30,		
	2022	2021	22 vs '21 % Change
Interest income	\$ 869,834	\$ 822,560	6 %
Interest expense	52,199	66,844	(22)
Net interest income	817,635	755,716	8
Provision for (reversal of) credit losses	24,088	(43,173)	nm
Net interest income after provision for credit losses	793,547	798,889	(1)
Non-interest revenue:			
Service charges on deposit accounts	46,030	41,448	11
Fiduciary and asset management fees	40,377	36,759	10
Card fees	30,846	25,300	22
Brokerage revenue	29,898	26,899	11
Mortgage banking income	9,857	36,157	(73)
Capital markets income	12,864	10,840	19
Income from bank-owned life insurance	15,722	16,031	(2)
Investment securities gains (losses), net	—	(1,990)	nm
Other non-interest revenue	17,006	26,599	(36)
Total non-interest revenue	202,600	218,043	(7)
Non-interest expense:			
Salaries and other personnel expense	325,747	322,044	1
Net occupancy, equipment, and software expense	86,076	82,959	4
Third-party processing and other services	42,947	44,451	(3)
Professional fees	19,338	17,031	14
FDIC insurance and other regulatory fees	13,144	11,127	18
Restructuring charges	(8,274)	946	nm
Other operating expenses	75,523	59,107	28
Total non-interest expense	554,501	537,665	3
Income before income taxes	441,646	479,267	(8)
Income tax expense	92,558	105,975	(13)
Net income	349,088	373,292	(6)
Less: Preferred stock dividends	16,581	16,581	—
Net income available to common shareholders	\$ 332,507	\$ 356,711	(7) %
Net income per common share, basic	\$ 2.29	\$ 2.41	(5) %
Net income per common share, diluted	2.27	2.38	(5)
Cash dividends declared per common share	0.68	0.66	3
Return on average assets *	1.24 %	1.38 %	(14) bps
Return on average common equity *	15.28	15.58	(30)
Weighted average common shares outstanding, basic	145,301	148,289	(2) %
Weighted average common shares outstanding, diluted	146,489	149,764	(2)

nm - not meaningful

bps - basis points

\* - ratios are annualized

# Synovus

## INCOME STATEMENT DATA

(Unaudited)

(Dollars in thousands, except per share data)

	2022		2021		Second Quarter	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	'22 vs '21 % Change
Interest income	\$453,772	416,062	418,279	412,504	412,743	10 %
Interest expense	28,384	23,814	25,966	27,587	30,883	(8)
Net interest income	425,388	392,248	392,313	384,917	381,860	11
Provision for (reversal of) credit losses	12,688	11,400	(55,210)	(7,868)	(24,598)	nm
Net interest income after provision for credit losses	412,700	380,848	447,523	392,785	406,458	2
Non-interest revenue:						
Service charges on deposit accounts	23,491	22,539	22,221	22,641	21,414	10
Fiduciary and asset management fees	20,100	20,277	20,602	19,786	18,805	7
Card fees	16,089	14,756	12,861	13,238	13,304	21
Brokerage revenue	15,243	14,655	14,795	14,745	13,926	9
Mortgage banking income	3,904	5,953	7,059	11,155	13,842	(72)
Capital markets income	7,393	5,472	7,188	8,089	3,335	122
Income from bank-owned life insurance	9,165	6,556	15,168	6,820	7,188	28
Investment securities gains (losses), net	—	—	230	962	—	nm
Other non-interest revenue	1,881	15,126	16,944	17,519	15,273	(88)
Total non-interest revenue	97,266	105,334	117,068	114,955	107,087	(9)
Non-interest expense:						
Salaries and other personnel expense	161,063	164,684	167,018	160,364	160,567	—
Net occupancy, equipment, and software expense	43,199	42,877	42,780	43,483	41,825	3
Third-party processing and other services	21,952	20,996	22,791	19,446	24,419	(10)
Professional fees	10,865	8,474	9,014	6,739	7,947	37
FDIC insurance and other regulatory fees	6,894	6,250	6,016	5,212	5,547	24
Restructuring charges	(1,850)	(6,424)	5,958	319	415	nm
Other operating expenses	39,928	35,593	41,630	31,469	29,811	34
Total non-interest expense	282,051	272,450	295,207	267,032	270,531	4
Income before income taxes	227,915	213,732	269,384	240,708	243,014	(6)
Income tax expense	49,863	42,695	68,983	53,935	56,814	(12)
Net income	178,052	171,037	200,401	186,773	186,200	(4)
Less: Preferred stock dividends	8,291	8,291	8,291	8,291	8,291	—
Net income available to common shareholders	\$169,761	162,746	192,110	178,482	177,909	(5) %
Net income per common share, basic	\$ 1.17	1.12	1.32	1.22	1.20	(3) %
Net income per common share, diluted	1.16	1.11	1.31	1.21	1.19	(3)
Cash dividends declared per common share	0.34	0.34	0.33	0.33	0.33	3
Return on average assets *	1.26 %	1.22	1.40	1.34	1.36	(10) bps
Return on average common equity *	16.48	14.20	16.11	14.96	15.40	108
Weighted average common shares outstanding, basic	145,328	145,273	145,316	146,308	148,113	(2) %
Weighted average common shares outstanding, diluted	146,315	146,665	146,793	147,701	149,747	(2)

nm - not meaningful

bps - basis points

\* - ratios are annualized

# Synovus

## BALANCE SHEET DATA

(Unaudited)

(In thousands, except share data)

### ASSETS

	June 30, 2022	December 31, 2021	June 30, 2021
Cash and due from banks	\$ 583,323	\$ 432,925	\$ 560,396
Interest-bearing funds with Federal Reserve Bank	1,023,030	2,479,006	2,598,213
Interest earning deposits with banks	29,139	25,535	21,513
Federal funds sold and securities purchased under resale agreements	29,568	72,387	82,554
Cash, cash equivalents, and restricted cash	1,665,060	3,009,853	3,262,676
Investment securities available for sale, at fair value	9,889,850	10,918,329	9,442,170
Loans held for sale (\$76,864, \$108,198, and \$202,216 measured at fair value, respectively)	917,679	750,642	750,916
Loans, net of deferred fees and costs	41,204,780	39,311,958	38,236,018
Allowance for loan losses	(407,837)	(427,597)	(516,708)
Loans, net	40,796,943	38,884,361	37,719,310
Cash surrender value of bank-owned life insurance	1,078,703	1,068,616	1,059,235
Premises, equipment, and software, net	383,060	407,241	446,447
Goodwill	452,390	452,390	452,390
Other intangible assets, net	31,360	35,596	40,354
Other assets	2,167,700	1,790,198	1,765,161
Total assets	<u>\$ 57,382,745</u>	<u>\$ 57,317,226</u>	<u>\$ 54,938,659</u>

### LIABILITIES AND SHAREHOLDERS' EQUITY

#### Liabilities:

##### Deposits:

Non-interest-bearing deposits	\$ 16,876,710	\$ 16,392,653	\$ 15,345,629
Interest-bearing deposits	32,157,990	33,034,623	31,826,333
Total deposits	49,034,700	49,427,276	47,171,962
Federal funds purchased and securities sold under repurchase agreements	345,242	264,133	194,786
Long-term debt	1,804,104	1,204,229	1,203,293
Other liabilities	1,614,261	1,124,788	1,130,904
Total liabilities	<u>52,798,307</u>	<u>52,020,426</u>	<u>49,700,945</u>

#### 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 170,012,527, 169,383,758, and 169,107,609; outstanding 145,357,669, 145,010,086, and 147,071,532	170,013	169,384	169,108
Additional paid-in capital	3,908,118	3,894,109	3,872,949
Treasury stock, at cost - 24,654,858, 24,373,672, and 22,036,077 shares	(944,484)	(931,497)	(824,197)
Accumulated other comprehensive income (loss), net	(1,026,705)	(82,321)	45,726
Retained earnings	1,940,351	1,709,980	1,436,983
Total shareholders' equity	<u>4,584,438</u>	<u>5,296,800</u>	<u>5,237,714</u>
Total liabilities and shareholders' equity	<u>\$ 57,382,745</u>	<u>\$ 57,317,226</u>	<u>\$ 54,938,659</u>

# Svnovus

## AVERAGE BALANCES, INTEREST, AND YIELDS/RATES

(Unaudited)

	Second Quarter 2022			First Quarter 2022			Second Quarter 2021		
	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
<i>(dollars in thousands)</i>									
<b>Assets</b>									
Interest earning assets:									
Commercial loans <sup>(1)(2)(3)</sup>	\$ 31,870,387	\$ 308,442	3.88 %	\$ 30,756,752	\$ 280,588	3.70 %	\$ 29,936,751	\$ 287,677	3.85 %
Consumer loans <sup>(1)(2)</sup>	8,720,488	83,826	3.86	8,594,009	81,368	3.81	8,559,726	84,402	3.94
Less: Allowance for loan losses	(415,372)	—	—	(423,953)	—	—	(561,242)	—	—
Loans, net	<u>40,175,503</u>	<u>392,268</u>	<u>3.92</u>	<u>38,926,808</u>	<u>361,956</u>	<u>3.76</u>	<u>37,935,235</u>	<u>372,079</u>	<u>3.93</u>
Investment securities available for sale	11,153,091	50,312	1.81	11,259,800	47,250	1.68	9,184,691	33,298	1.45
Trading account assets	11,987	73	2.44	9,078	39	1.73	2,831	8	1.15
Other earning assets <sup>(4)</sup>	813,028	1,660	0.81	1,919,531	815	0.17	2,705,819	740	0.11
FHLB and Federal Reserve Bank stock	179,837	1,820	4.05	160,065	685	1.71	159,340	800	2.01
Mortgage loans held for sale	85,299	921	4.32	103,887	882	3.40	242,940	1,859	3.06
Other loans held for sale	725,762	7,678	4.19	597,062	5,300	3.55	615,301	4,750	3.05
Total interest earning assets	<u>53,144,507</u>	<u>\$ 454,732</u>	<u>3.43 %</u>	<u>52,976,231</u>	<u>\$ 416,927</u>	<u>3.18 %</u>	<u>50,846,157</u>	<u>\$ 413,534</u>	<u>3.26 %</u>
Cash and due from banks	538,647			548,684			571,561		
Premises and equipment	385,457			398,774			452,652		
Other real estate	11,439			11,759			1,406		
Cash surrender value of bank-owned life insurance	1,077,231			1,070,886			1,055,663		
Other assets <sup>(5)</sup>	1,379,659			1,849,564			2,090,332		
Total assets	<u>\$ 56,536,940</u>			<u>\$ 56,855,898</u>			<u>\$ 55,017,771</u>		
<b>Liabilities and Shareholders' Equity</b>									
Interest-bearing liabilities:									
Interest-bearing demand deposits	\$ 9,513,334	\$ 3,598	0.15 %	\$ 9,549,527	\$ 2,372	0.10 %	\$ 8,601,262	\$ 2,441	0.11 %
Money market accounts	15,328,395	6,850	0.18	16,045,627	5,349	0.14	15,476,262	7,181	0.19
Savings deposits	1,506,195	72	0.02	1,460,648	67	0.02	1,333,297	55	0.02
Time deposits	2,829,684	1,688	0.24	3,009,795	2,138	0.29	3,792,382	4,894	0.52
Brokered deposits	2,878,536	6,293	0.88	2,788,124	3,733	0.54	3,057,607	4,799	0.63
Federal funds purchased and securities sold under repurchase agreements	246,737	219	0.35	194,352	11	0.02	204,053	35	0.07
Other short-term borrowings	478,469	896	0.74	4,653	—	—	—	—	—
Long-term debt	878,413	8,768	3.99	982,423	10,144	4.13	1,203,038	11,478	3.82
Total interest-bearing liabilities	<u>33,659,763</u>	<u>\$ 28,384</u>	<u>0.33 %</u>	<u>34,035,149</u>	<u>\$ 23,814</u>	<u>0.28 %</u>	<u>33,667,901</u>	<u>\$ 30,883</u>	<u>0.36 %</u>
Non-interest-bearing demand deposits	16,959,850			16,491,643			15,088,836		
Other liabilities	1,247,646			1,144,535			1,091,321		
Shareholders' equity	<u>4,669,681</u>			<u>5,184,571</u>			<u>5,169,713</u>		
Total liabilities and shareholders' equity	<u>\$ 56,536,940</u>			<u>\$ 56,855,898</u>			<u>\$ 55,017,771</u>		
Net interest income and net interest margin, taxable equivalent <sup>(6)</sup>		\$ 426,348	3.22 %		\$ 393,113	3.00 %		\$ 382,651	3.02 %
Less: taxable-equivalent adjustment		<u>960</u>			<u>865</u>			<u>791</u>	
Net interest income		<u>\$ 425,388</u>			<u>\$ 392,248</u>			<u>\$ 381,860</u>	

- Average loans are shown net of deferred fees and costs. NPLs are included.
- Interest income includes net loan fees as follows: Second Quarter 2022 — \$13.0 million, First Quarter 2022 — \$20.7 million, and Second Quarter 2021 — \$28.5 million.
- Reflects taxable-equivalent adjustments, using the statutory federal tax rate of 21%, in adjusting interest on tax-exempt loans and investment securities to a taxable-equivalent basis.
- Includes interest-bearing funds with Federal Reserve Bank, interest earning deposits with banks, and federal funds sold and securities purchased under resale agreements.
- Includes average net unrealized gains/(losses) on investment securities available for sale of \$(923.1) million, \$(247.4) million, and \$37.0 million for the Second Quarter 2022, First Quarter 2022, and Second Quarter 2021, respectively.
- The net interest margin is calculated by dividing annualized net interest income-taxable equivalent by average total interest earning assets.

# Svnovus

## AVERAGE BALANCES, INTEREST, AND YIELDS/RATES

(Unaudited)

(dollars in thousands)	Six Months Ended June 30,					
	2022			2021		
	Average Balance	Interest	Yield/ Rate	Average Balance	Interest	Yield/ Rate
<b>Assets</b>						
Interest earning assets:						
Commercial loans <sup>(1)(2)(3)</sup>	\$ 31,316,646	\$ 589,029	3.79 %	\$ 29,930,734	\$ 578,877	3.90 %
Consumer loans <sup>(1)(2)</sup>	8,657,598	165,194	3.83	8,424,423	166,466	3.97
Less: Allowance for loan losses	(419,639)			(580,450)		
Loans, net	39,554,605	754,223	3.84	37,774,707	745,343	3.97
Investment securities available for sale	11,206,150	97,562	1.74	8,813,191	62,755	1.42
Trading account assets	10,540	112	2.13	2,947	30	2.01
Other earning assets <sup>(4)</sup>	1,363,223	2,475	0.36	2,771,576	1,458	0.10
FHLB and Federal Reserve Bank stock	170,006	2,505	2.95	158,503	1,468	1.85
Mortgage loans held for sale	94,542	1,803	3.81	244,940	3,516	2.87
Other loans held for sale	661,768	12,978	3.90	637,901	9,555	2.98
Total interest earning assets	53,060,834	\$ 871,658	3.31 %	50,403,765	\$ 824,125	3.29 %
Cash and due from banks	543,638			545,295		
Premises and equipment	392,079			456,537		
Other real estate	11,598			1,613		
Cash surrender value of bank-owned life insurance	1,074,076			1,053,603		
Other assets <sup>(5)</sup>	1,613,313			2,144,615		
Total assets	\$ 56,695,538			\$ 54,605,428		
<b>Liabilities and Shareholders' Equity</b>						
Interest-bearing liabilities:						
Interest-bearing demand deposits	\$ 9,531,330	\$ 5,970	0.13 %	\$ 8,586,092	\$ 5,414	0.13 %
Money market accounts	15,685,030	12,199	0.16	15,412,941	15,911	0.21
Savings deposits	1,483,547	139	0.02	1,276,608	105	0.02
Time deposits	2,919,242	3,826	0.26	3,972,840	11,936	0.61
Brokered deposits	2,833,580	10,026	0.71	3,212,608	11,023	0.69
Federal funds purchased and securities sold under repurchase agreements	220,689	230	0.21	206,735	69	0.07
Other short-term borrowings	242,870	896	0.73	—	—	—
Long-term debt	930,131	18,913	4.07	1,202,827	22,386	3.73
Total interest-bearing liabilities	33,846,419	\$ 52,199	0.31 %	33,870,651	\$ 66,844	0.39 %
Non-interest-bearing demand deposits	16,727,040			14,443,645		
Other liabilities	1,196,375			1,138,073		
Shareholders' equity	4,925,704			5,153,059		
Total liabilities and shareholders' equity	\$ 56,695,538			\$ 54,605,428		
Net interest income, taxable equivalent net interest margin <sup>(6)</sup>		\$ 819,459	3.11 %		\$ 757,281	3.03 %
Less: taxable-equivalent adjustment		1,824			1,565	
Net interest income		\$ 817,635			\$ 755,716	

- Average loans are shown net of deferred fees and costs. NPLs are included.
- Interest income includes net loan fees as follows: 2022 — \$33.7 million and 2021 — \$60.4 million.
- Reflects taxable-equivalent adjustments, using the statutory federal tax rate of 21%, in adjusting interest on tax-exempt loans and investment securities to a taxable-equivalent basis.
- Includes interest-bearing funds with Federal Reserve Bank, interest earning deposits with banks, and federal funds sold and securities purchased under resale agreements.
- Includes average net unrealized gains/(losses) on investment securities available for sale of \$(587.1) million and \$76.3 million for the six months ended June 30, 2022 and 2021, respectively.
- The net interest margin is calculated by dividing net interest income-TE by average total interest earning assets.

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## LOANS OUTSTANDING BY TYPE

(Unaudited)

(Dollars in thousands)

Loan Type	Total Loans	Total Loans	Linked Quarter	Total Loans	Year/Year
	June 30, 2022	March 31, 2022	% Change	June 30, 2021	% Change
Commercial, Financial, and Agricultural	\$ 13,018,089	\$ 12,659,611	3 %	\$ 12,174,835	7 %
Owner-Occupied	7,760,236	7,692,714	1	7,064,599	10
<b>Total Commercial &amp; Industrial</b>	<b>20,778,325</b>	<b>20,352,325</b>	<b>2</b>	<b>19,239,434</b>	<b>8</b>
Multi-Family	2,547,706	2,288,497	11	2,086,641	22
Hotels	1,597,930	1,593,983	—	1,411,443	13
Office Buildings	2,680,399	2,521,381	6	2,340,378	15
Shopping Centers	1,458,902	1,500,768	(3)	1,611,249	(9)
Warehouses	811,738	814,756	—	657,699	23
Other Investment Property	1,311,373	1,327,760	(1)	1,110,603	18
<b>Total Investment Properties</b>	<b>10,408,048</b>	<b>10,047,145</b>	<b>4</b>	<b>9,218,013</b>	<b>13</b>
1-4 Family Construction	234,379	229,038	2	174,009	35
1-4 Family Investment Mortgage	407,476	391,636	4	462,335	(12)
<b>Total 1-4 Family Properties</b>	<b>641,855</b>	<b>620,674</b>	<b>3</b>	<b>636,344</b>	<b>1</b>
Commercial Development	109,764	102,757	7	120,683	(9)
Residential Development	156,816	193,580	(19)	164,950	(5)
Land Acquisition	186,934	181,162	3	221,061	(15)
<b>Land and Development</b>	<b>453,514</b>	<b>477,499</b>	<b>(5)</b>	<b>506,694</b>	<b>(10)</b>
<b>Total Commercial Real Estate</b>	<b>11,503,417</b>	<b>11,145,318</b>	<b>3</b>	<b>10,361,051</b>	<b>11</b>
Consumer Mortgages	5,124,523	5,052,003	1	5,200,718	(1)
Home Equity	1,579,218	1,416,341	11	1,395,717	13
Credit Cards	194,290	188,247	3	196,207	(1)
Other Consumer Loans	2,025,007	2,014,916	1	1,842,891	10
<b>Total Consumer</b>	<b>8,923,038</b>	<b>8,671,507</b>	<b>3</b>	<b>8,635,533</b>	<b>3</b>
<b>Total</b>	<b>\$ 41,204,780</b>	<b>\$ 40,169,150</b>	<b>3 %</b>	<b>\$ 38,236,018</b>	<b>8 %</b>

## NON-PERFORMING LOANS COMPOSITION

(Unaudited)

(Dollars in thousands)

Loan Type	Total	Total	Linked Quarter	Total	Year/Year
	Non-performing Loans	Non-performing Loans	% Change	Non-performing Loans	% Change
Commercial, Financial, and Agricultural	\$ 48,601	\$ 64,888	(25)%	\$ 70,943	(31)%
Owner-Occupied	11,398	10,854	5	13,155	(13)
<b>Total Commercial &amp; Industrial</b>	<b>59,999</b>	<b>75,742</b>	<b>(21)</b>	<b>84,098</b>	<b>(29)</b>
Multi-Family	2,598	2,639	(2)	2,406	8
Office Buildings	1,796	2,205	(19)	1,618	11
Shopping Centers	750	915	(18)	124	505
Warehouses	924	482	92	218	324
Other Investment Property	1,302	1,047	24	408	219
<b>Total Investment Properties</b>	<b>7,370</b>	<b>7,288</b>	<b>1</b>	<b>4,774</b>	<b>54</b>
1-4 Family Construction	55	55	—	548	(90)
1-4 Family Investment Mortgage	3,063	2,187	40	1,927	59
<b>Total 1-4 Family Properties</b>	<b>3,118</b>	<b>2,242</b>	<b>39</b>	<b>2,475</b>	<b>26</b>
Commercial Development	432	625	(31)	560	(23)
Residential Development	399	407	(2)	451	(12)
Land Acquisition	1,093	1,021	7	1,029	6
<b>Land and Development</b>	<b>1,924</b>	<b>2,053</b>	<b>(6)</b>	<b>2,040</b>	<b>(6)</b>
<b>Total Commercial Real Estate</b>	<b>12,412</b>	<b>11,583</b>	<b>7</b>	<b>9,289</b>	<b>34</b>
Consumer Mortgages	22,857	29,997	(24)	51,376	(56)
Home Equity	8,100	8,854	(9)	8,952	(10)
Other Consumer Loans	5,656	5,955	(5)	7,313	(23)
<b>Total Consumer</b>	<b>36,613</b>	<b>44,806</b>	<b>(18)</b>	<b>67,641</b>	<b>(46)</b>
<b>Total</b>	<b>\$ 109,024</b>	<b>\$ 132,131</b>	<b>(17)%</b>	<b>\$ 161,028</b>	<b>(32)%</b>

# Svnovus

## CREDIT QUALITY DATA

(Unaudited)

	2022		2021		Second Quarter	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	
Non-performing Loans (NPLs)	\$ 109.024	132.131	131.042	155.465	161.028	(32)%
Impaired Loans Held for Sale	—	—	—	—	—	nm
Other Real Estate and Other Assets	26.759	26.759	27.137	16.883	16.806	59
Non-performing Assets (NPAs)	135.783	158.890	158.179	172.348	177.834	(24)
Allowance for Loan Losses (ALL)	407.837	414.956	427.597	492.243	516.708	(21)
Reserve for Unfunded Commitments	50.559	47.317	41.885	42.971	46.890	8
Allowance for Credit Losses (ACL)	458.396	462.273	469.482	535.214	563.598	(19)
Net Charge-Offs - Quarter	16.566	18.609	10.522	20.516	26.546	
Net Charge-Offs - YTD	35.175	18.609	77.788	67.266	46.750	
Net Charge-Offs / Average Loans - Quarter <sup>(1)</sup>	0.16 %	0.19	0.11	0.22	0.28	
Net Charge-Offs / Average Loans - YTD <sup>(1)</sup>	0.18	0.19	0.20	0.24	0.24	
NPLs / Loans	0.26	0.33	0.33	0.41	0.42	
NPAs / Loans, ORE and specific other assets	0.33	0.40	0.40	0.45	0.46	
ACL/Loans	1.11	1.15	1.19	1.40	1.47	
ALL/Loans	0.99	1.03	1.09	1.28	1.35	
ACL/NPLs	420.45	349.86	358.27	344.27	350.00	
ALL/NPLs	374.08	314.05	326.31	316.63	320.88	
Past Due Loans over 90 days and Still Accruing	\$ 2.251	3.067	6.770	5.960	4.415	(49)
As a Percentage of Loans Outstanding	0.01 %	0.01	0.02	0.02	0.01	
Total Past Due Loans and Still Accruing	\$ 56.160	45.385	57.565	60.817	49.321	14
As a Percentage of Loans Outstanding	0.14 %	0.11	0.15	0.16	0.13	
Accruing Troubled Debt Restructurings (TDRs)	\$ 164.101	145.957	119.804	126.055	124.528	32

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

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

(Unaudited)

(Dollars in thousands)

	June 30, 2022	December 31, 2021	June 30, 2021
Common Equity Tier 1 Capital Ratio	9.46 %	9.50	9.75
Tier 1 Capital Ratio	10.56	10.66	11.00
Total Risk-Based Capital Ratio	12.43	12.61	13.25
Tier 1 Leverage Ratio	9.03	8.72	8.72
Total Shareholders' Equity as a Percentage of Total Assets	7.99	9.24	9.53
Tangible Common Equity Ratio <sup>(2)(4)</sup>	6.26	7.52	7.73
Book Value Per Common Share <sup>(3)</sup>	\$ 27.84	32.82	31.96
Tangible Book Value Per Common Share <sup>(2)</sup>	24.52	29.46	28.61

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

<sup>(2)</sup> Excludes the carrying value of goodwill and other intangible assets from common equity and total assets.

<sup>(3)</sup> Book Value Per Common Share consists of Total Shareholders' Equity less Preferred Stock divided by total common shares outstanding.

<sup>(4)</sup> See "Non-GAAP Financial Measures" of this report for applicable reconciliation.