



NEWS RELEASE

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Synovus announces earnings for the first quarter 2024

Diluted earnings per share of \$0.78 vs. \$1.32 in 1Q23

Adjusted diluted earnings per share of \$0.79 vs. \$1.33 in 1Q23

\$12.8 million FDIC Special Assessment reduced 1Q24 reported and adjusted EPS by \$0.07

COLUMBUS, Ga., April 17, 2024 - Synovus Financial Corp. (NYSE: SNV) today reported financial results for the quarter ended March 31, 2024.

"Our first quarter results demonstrate tangible progress on our strategic priorities, including key commercial category loan and core deposit growth, client non-interest revenue growth and excellent operating expense control. We remain focused on raising the bar on service and deepening client relationships, all while building a more risk-resilient bank, which was evidenced by our highest common equity tier 1 capital ratios in several years and an over 30% decline in wholesale funding versus last year," said Synovus Chairman, CEO and President Kevin Blair.

First Quarter 2024 Highlights

- Net income available to common shareholders was \$114.8 million, or \$0.78 per diluted share, compared to \$60.6 million or \$0.41 in the fourth quarter 2023 and \$193.9 million or \$1.32 in first quarter 2023.
- An incremental \$12.8 million FDIC Special Assessment reduced first quarter 2024 reported and adjusted EPS by \$0.07. A \$51.0 million FDIC Special Assessment impacted fourth quarter 2023 reported and adjusted EPS by \$0.26.
- Pre-provision net revenue of \$215.0 million increased \$79.2 million, or 58%, sequentially and was down \$77.0 million, or 26%, compared to first quarter 2023.
- Net interest income declined \$18.4 million, or 4%, compared to the prior quarter and was down \$61.9 million, or 13%, compared to first quarter 2023, primarily attributable to a decline in average earnings assets and higher funding costs. Net interest margin was 3.04% which compressed from the fourth quarter 2023 as higher deposit costs more than offset an increase in earning asset yields.
- Period-end loans declined \$94.6 million from the fourth quarter 2023 as core commercial lending growth was more than offset by soft loan demand, higher loan paydowns and strategic declines in certain loan categories such as non-relationship syndicated lending and third-party consumer lending. Commercial and industrial loans increased \$132.8 million or 1% from the prior quarter and \$131.1 million or 1% from first quarter 2023.
- Period-end core deposits ended the quarter at \$44.9 billion, an increase of \$165.1 million sequentially primarily as a result of time deposit growth, partially offset by a decline in non-interest bearing deposits. Total deposit costs increased 17 basis points from the fourth quarter 2023 to 2.67%.
- Non-interest revenue of \$118.9 million increased \$67.4 million, or 131%, sequentially and declined \$14.2 million, or 11%, compared to first quarter 2023. Adjusted non-interest revenue of \$116.6 million fell \$9.6 million, or 8%, sequentially and declined \$1.0 million, or 1%, compared to the first quarter 2023. Year-over-year pressure was the result of the consumer checking program changes and GLOBALT divestiture in 2023. The company experienced year-over-year growth in core banking fees and commercial sponsorship income.

- On a sequential basis, non-interest expense of \$322.7 million declined 9% while adjusted non-interest expense declined 10% to \$318.9 million. Compared to the prior year, non-interest expense and adjusted non-interest expense was flat and increased 5%, respectively. All comparisons were significantly impacted by the FDIC Special Assessments in fourth quarter 2023 and first quarter 2024. Headcount declined 1% sequentially and 7% year over year. Excluding the first quarter 2024 FDIC Special Assessment, adjusted non-interest expense was relatively stable compared to first quarter 2023.
- Provision for credit losses of \$54.0 million increased 19% sequentially and compares to \$32.2 million in first quarter 2023. The allowance for credit losses ratio (to loans) of 1.26% was up 2 basis points from the fourth quarter 2023.
- The non-performing loan and asset ratios were slightly higher at 0.81% and 0.86%, respectively; the net charge-off ratio for the quarter was 0.41%, and total past dues were 0.13% of total loans outstanding. Approximately 0.17% of first quarter 2024 net charge-offs were attributable to an \$18 million loss from a commercial and industrial loan relationship that is expected to be resolved later this month.
- The preliminary CET1 ratio rose sequentially to 10.38% as core earnings accretion more than offset the impact of \$29.9 million in common stock repurchases during the first quarter 2024.

First Quarter Summary

(dollars in thousands)	Reported			Adjusted		
	1Q24	4Q23	1Q23	1Q24	4Q23	1Q23
Net income available to common shareholders	\$ 114,822	\$ 60,645	\$ 193,868	\$ 115,973	\$ 116,901	\$ 195,276
Diluted earnings per share	0.78	0.41	1.32	0.79	0.80	1.33
Total revenue	537,734	488,682	613,877	536,745	564,593	599,469
Total loans	43,309,877	43,404,490	44,044,939	N/A	N/A	N/A
Total deposits	50,580,242	50,739,185	49,953,936	N/A	N/A	N/A
Return on avg assets	0.85 %	0.47 %	1.36 %	0.85 %	0.84 %	1.37 %
Return on avg common equity	10.2	5.9	19.2	10.3	11.3	19.4
Return on avg tangible common equity	11.7	7.0	21.9	11.8	13.3	22.1
Net interest margin	3.04 %	3.11 %	3.43 %	N/A	N/A	N/A
Efficiency ratio-TE ⁽¹⁾⁽²⁾	59.87	72.03	52.33	58.88	61.97	50.48
NCO ratio-QTD	0.41	0.38	0.17	N/A	N/A	N/A
NPA ratio	0.86	0.66	0.41	N/A	N/A	N/A

(1) Taxable equivalent

(2) Adjusted tangible efficiency ratio

N/A - not applicable

Balance Sheet

Loans*

(dollars in millions)	1Q24	4Q23	Linked Quarter Change	Linked Quarter % Change	1Q23	Year/Year Change	Year/Year % Change
Commercial & industrial	\$ 22,731.3	\$ 22,598.5	\$ 132.8	1 %	\$ 22,600.2	\$ 131.1	1 %
Commercial real estate	12,194.0	12,316.8	(122.7)	(1)	12,996.8	(802.7)	(6)
Consumer	8,384.6	8,489.2	(104.7)	(1)	8,448.0	(63.4)	(1)
Total loans	<u>\$ 43,309.9</u>	<u>\$ 43,404.5</u>	<u>\$ (94.6)</u>	<u>— %</u>	<u>\$ 44,044.9</u>	<u>\$ (735.0)</u>	<u>(2)%</u>

*Amounts may not total due to rounding

Deposits*

<i>(dollars in millions)</i>	1Q24	4Q23	Linked Quarter Change	Linked Quarter % Change	1Q23	Year/ Year Change	Year/Year % Change
Non-interest-bearing DDA	\$ 11,515.4	\$ 11,801.2	\$ (285.8)	(2)%	\$ 13,827.6	\$ (2,312.2)	(17)%
Interest-bearing DDA	6,478.8	6,541.0	(62.1)	(1)	5,837.0	641.8	11
Money market	10,712.7	10,819.7	(107.0)	(1)	11,780.0	(1,067.2)	(9)
Savings	1,045.1	1,062.6	(17.5)	(2)	1,312.7	(267.6)	(20)
Public funds	7,270.4	7,349.5	(79.1)	(1)	6,888.2	382.2	6
Time deposits	7,838.9	7,122.2	716.7	10	4,060.3	3,778.6	93
Brokered deposits	5,718.9	6,043.0	(324.1)	(5)	6,248.3	(529.3)	(8)
Total deposits	<u>\$ 50,580.2</u>	<u>\$ 50,739.2</u>	<u>\$ (158.9)</u>	<u>— %</u>	<u>\$ 49,953.9</u>	<u>\$ 626.3</u>	<u>1 %</u>

*Amounts may not total due to rounding

Income Statement Summary**

<i>(in thousands, except per share data)</i>	1Q24	4Q23	Linked Quarter Change	Linked Quarter % Change	1Q23	Year/ Year Change	Year/Year % Change
Net interest income	\$ 418,846	\$ 437,214	\$ (18,368)	(4)%	\$ 480,751	\$ (61,905)	(13)%
Non-interest revenue	118,888	51,468	67,420	131	133,126	(14,238)	(11)
Non-interest expense	322,741	352,858	(30,117)	(9)	321,852	889	—
Provision for (reversal of) credit losses	53,980	45,472	8,508	19	32,154	21,826	68
Income before taxes	\$ 161,013	\$ 90,352	\$ 70,661	78 %	\$ 259,871	\$ (98,858)	(38)%
Income tax expense	36,943	20,779	16,164	78	57,712	(20,769)	(36)
Net income	124,070	69,573	54,497	78	202,159	(78,089)	(39)
Less: Net income (loss) attributable to noncontrolling interest	(437)	(768)	331	(43)	—	(437)	NM
Net income attributable to Synovus Financial Corp.	124,507	70,341	54,166	77	202,159	(77,652)	(38)
Less: Preferred stock dividends	9,685	9,696	(11)	—	8,291	1,394	17
Net income available to common shareholders	<u>\$ 114,822</u>	<u>\$ 60,645</u>	<u>\$ 54,177</u>	<u>89 %</u>	<u>\$ 193,868</u>	<u>\$ (79,046)</u>	<u>(41)%</u>
Weighted average common shares outstanding, diluted	147,122	146,877	245	— %	146,727	395	— %
Diluted earnings per share	\$ 0.78	\$ 0.41	\$ 0.37	90	\$ 1.32	\$ (0.54)	(41)
Adjusted diluted earnings per share	0.79	0.80	(0.01)	(1)	1.33	(0.54)	(41)
Effective tax rate	22.94%	23.00%			22.21%		

** Amounts may not total due to rounding

NM - not meaningful

Capital Ratios

	1Q24	4Q23	1Q23
Common equity Tier 1 capital (CET1) ratio	10.38 % *	10.22 %	9.77 %
Tier 1 capital ratio	11.44 *	11.28	10.81
Total risk-based capital ratio	13.31 *	13.07	12.72
Tier 1 leverage ratio	9.62 *	9.49	9.14
Tangible common equity ratio	6.67	6.84	6.12

* Ratios are preliminary.

First Quarter Earnings Conference Call

Synovus will host an earnings highlights conference call at 8:30 a.m. ET on April 18, 2024. 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. 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 \$60 billion in assets. Synovus provides commercial and consumer 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, capital markets and international banking. Synovus has 246 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 and on [X, formerly known as 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, 2023, 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, non-interest expense; adjusted revenue; 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 revenue; total non-interest expense; total revenue; 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 Synovus Financial Corp. 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 revenue and adjusted revenue are measures used by management to evaluate non-interest revenue and total revenue exclusive of fair value adjustment on non-qualified deferred compensation and other items not indicative of ongoing operations that could impact period-to-period comparisons. 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 revenue

	1Q24	4Q23	1Q23
Total non-interest revenue	\$ 118,888	\$ 51,468	\$ 133,126
Investment securities (gains) losses, net	—	77,748	(1,030)
Recovery of NPA	—	—	(13,126)
Fair value adjustment on non-qualified deferred compensation	(2,299)	(3,053)	(1,371)
Adjusted non-interest revenue	<u>\$ 116,589</u>	<u>\$ 126,163</u>	<u>\$ 117,599</u>

Adjusted non-interest expense

Total non-interest expense	\$ 322,741	\$ 352,858	\$ 321,852
(Loss) gain on other loans held for sale	—	—	(16,750)
Gain (loss) on early extinguishment of debt	—	4,497	—
Restructuring (charges) reversals	(1,524)	(1,231)	733
Fair value adjustment on non-qualified deferred compensation	(2,299)	(3,053)	(1,371)
Adjusted non-interest expense	<u>\$ 318,918</u>	<u>\$ 353,071</u>	<u>\$ 304,464</u>

Reconciliation of Non-GAAP Financial Measures, continued

(dollars in thousands)

Adjusted revenue and tangible efficiency ratio

	1Q24	4Q23	1Q23
Adjusted non-interest expense	\$ 318,918	\$ 353,071	\$ 304,464
Amortization of intangibles	(2,907)	(3,168)	(1,857)
Adjusted tangible non-interest expense	<u>\$ 316,011</u>	<u>\$ 349,903</u>	<u>\$ 302,607</u>
Net interest income	\$ 418,846	\$ 437,214	\$ 480,751
Total non-interest revenue	<u>118,888</u>	<u>51,468</u>	<u>133,126</u>
Total revenue	<u>\$ 537,734</u>	<u>\$ 488,682</u>	<u>\$ 613,877</u>
Tax equivalent adjustment	<u>1,310</u>	<u>1,216</u>	<u>1,119</u>
Total TE revenue	<u>539,044</u>	<u>489,898</u>	<u>614,996</u>
Recovery of NPA	—	—	(13,126)
Investment securities losses (gains), net	—	77,748	(1,030)
Fair value adjustment on non-qualified deferred compensation	<u>(2,299)</u>	<u>(3,053)</u>	<u>(1,371)</u>
Adjusted revenue	<u>\$ 536,745</u>	<u>\$ 564,593</u>	<u>\$ 599,469</u>
Efficiency ratio-TE	<u>59.87 %</u>	<u>72.03 %</u>	<u>52.33 %</u>
Adjusted tangible efficiency ratio	<u>58.88</u>	<u>61.97</u>	<u>50.48</u>

Adjusted return on average assets

Net income	\$ 124,070	\$ 69,573	\$ 202,159
Recovery of NPA	—	—	(13,126)
Loss (gain) on other loans held for sale	—	—	16,750
(Gain) loss on early extinguishment of debt	—	(4,497)	—
Restructuring charges (reversals)	1,524	1,231	(733)
Investment securities losses (gains), net	—	77,748	(1,030)
Tax effect of adjustments ⁽¹⁾	<u>(373)</u>	<u>(18,226)</u>	<u>(453)</u>
Adjusted net income	<u>\$ 125,221</u>	<u>\$ 125,829</u>	<u>\$ 203,567</u>
Net income annualized	<u>\$ 499,007</u>	<u>\$ 276,023</u>	<u>\$ 819,867</u>
Adjusted net income annualized	<u>\$ 503,636</u>	<u>\$ 499,213</u>	<u>\$ 825,577</u>
Total average assets	<u>\$ 59,022,231</u>	<u>\$ 59,164,065</u>	<u>\$ 60,133,561</u>
Return on average assets	<u>0.85 %</u>	<u>0.47 %</u>	<u>1.36 %</u>
Adjusted return on average assets	<u>0.85</u>	<u>0.84</u>	<u>1.37</u>

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

Net income available to common shareholders	\$ 114,822	\$ 60,645	\$ 193,868
Recovery of NPA	—	—	(13,126)
Loss (gain) on other loans held for sale	—	—	16,750
(Gain) loss on early extinguishment of debt	—	(4,497)	—
Restructuring charges (reversals)	1,524	1,231	(733)
Investment securities losses (gains), net	—	77,748	(1,030)
Tax effect of adjustments ⁽¹⁾	<u>(373)</u>	<u>(18,226)</u>	<u>(453)</u>
Adjusted net income available to common shareholders	<u>\$ 115,973</u>	<u>\$ 116,901</u>	<u>\$ 195,276</u>
Weighted average common shares outstanding, diluted	<u>147,122</u>	<u>146,877</u>	<u>146,727</u>
Diluted earnings per share	<u>\$ 0.78</u>	<u>\$ 0.41</u>	<u>\$ 1.32</u>
Adjusted diluted earnings per share	<u>0.79</u>	<u>0.80</u>	<u>1.33</u>

⁽¹⁾ An assumed marginal tax rate of 24.5% for 1Q24 and 4Q23 and 24.3% for 1Q23 was applied.

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

	1Q24	4Q23	1Q23
Net income available to common shareholders	\$ 114,822	\$ 60,645	\$ 193,868
Recovery of NPA	—	—	(13,126)
Loss (gain) on other loans held for sale	—	—	16,750
(Gain) loss on early extinguishment of debt	—	(4,497)	—
Restructuring charges (reversals)	1,524	1,231	(733)
Investment securities losses (gains), net	—	77,748	(1,030)
Tax effect of adjustments ⁽¹⁾	(373)	(18,226)	(453)
Adjusted net income available to common shareholders	\$ 115,973	\$ 116,901	\$ 195,276
Adjusted net income available to common shareholders annualized	\$ 466,441	\$ 463,792	\$ 791,953
Amortization of intangibles, tax effected, annualized	8,831	9,493	5,699
Adjusted net income available to common shareholders excluding amortization of intangibles annualized	\$ 475,272	\$ 473,285	\$ 797,652
Net income available to common shareholders annualized	\$ 461,812	\$ 240,602	\$ 786,242
Amortization of intangibles, tax effected, annualized	8,831	9,493	5,699
Net income available to common shareholders excluding amortization of intangibles annualized	\$ 470,643	\$ 250,095	\$ 791,941
Total average Synovus Financial Corp. shareholders' equity less preferred stock	\$ 4,542,616	\$ 4,090,163	\$ 4,088,777
Average goodwill	(480,440)	(479,858)	(452,390)
Average other intangible assets, net	(44,497)	(47,502)	(26,245)
Total average Synovus Financial Corp. tangible shareholders' equity less preferred stock	\$ 4,017,679	\$ 3,562,803	\$ 3,610,142
Return on average common equity	10.2 %	5.9 %	19.2 %
Adjusted return on average common equity	10.3	11.3	19.4
Return on average tangible common equity	11.7	7.0	21.9
Adjusted return on average tangible common equity	11.8	13.3	22.1

⁽¹⁾ An assumed marginal tax rate of 24.5% for 1Q24 and 4Q23 and 24.3% for 1Q23 was applied.

(dollars in thousands)

Tangible common equity ratio

	March 31, 2024	December 31, 2023	March 31, 2023
Total assets	\$ 59,835,120	\$ 59,809,534	\$ 61,840,025
Goodwill	(480,440)	(480,440)	(452,390)
Other intangible assets, net	(43,021)	(45,928)	(25,267)
Tangible assets	<u>\$ 59,311,659</u>	<u>\$ 59,283,166</u>	<u>\$ 61,362,368</u>
Total Synovus Financial Corp. shareholders' equity	\$ 5,017,918	\$ 5,119,993	\$ 4,770,130
Goodwill	(480,440)	(480,440)	(452,390)
Other intangible assets, net	(43,021)	(45,928)	(25,267)
Preferred Stock, no par value	(537,145)	(537,145)	(537,145)
Tangible common equity	<u>\$ 3,957,312</u>	<u>\$ 4,056,480</u>	<u>\$ 3,755,328</u>
Total Synovus Financial Corp. shareholders' equity to total assets ratio	8.39 %	8.56 %	7.71 %
Tangible common equity ratio	<u>6.67</u>	<u>6.84</u>	<u>6.12</u>

Amounts may not total due to rounding

INCOME STATEMENT DATA
(Unaudited)

(Dollars in thousands, except per share data)

	2024	2023				First Quarter
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	'24 vs '23 % Change
Interest income	\$ 782,710	788,297	786,039	759,143	716,879	9 %
Interest expense	363,864	351,083	342,880	303,612	236,128	54
Net interest income	418,846	437,214	443,159	455,531	480,751	(13)
Provision for (reversal of) credit losses	53,980	45,472	72,572	38,881	32,154	68
Net interest income after provision for credit losses	364,866	391,742	370,587	416,650	448,597	(19)
Non-interest revenue:						
Service charges on deposit accounts	21,813	22,260	21,385	23,477	22,974	(5)
Fiduciary and asset management fees	19,013	18,149	20,205	20,027	19,696	(3)
Card fees	19,486	20,872	18,602	17,059	15,824	23
Brokerage revenue	22,707	21,961	21,387	22,451	24,204	(6)
Mortgage banking income	3,418	3,019	3,671	4,609	3,858	(11)
Capital markets income	6,627	6,456	7,980	9,482	15,127	(56)
Income from bank-owned life insurance	7,347	10,324	6,965	6,878	7,262	1
Investment securities gains (losses), net	—	(77,748)	—	—	1,030	nm
Recovery of NPA	—	—	—	—	13,126	nm
Other non-interest revenue	18,477	26,175	6,944	8,293	10,025	84
Total non-interest revenue	118,888	51,468	107,139	112,276	133,126	(11)
Non-interest expense:						
Salaries and other personnel expense	188,521	176,712	179,741	183,001	188,924	—
Net occupancy, equipment, and software expense	46,808	48,146	45,790	42,785	42,860	9
Third-party processing and other services	20,258	21,717	21,439	21,659	21,833	(7)
Professional fees	7,631	11,147	10,147	9,597	8,963	(15)
FDIC insurance and other regulatory fees	23,819	61,470	11,837	11,162	10,268	132
Restructuring charges (reversals)	1,524	1,231	17,319	(110)	(733)	nm
Loss on other loans held for sale	—	—	30,954	2,360	16,750	nm
Other operating expenses	34,180	32,435	36,305	36,727	32,987	4
Total non-interest expense	322,741	352,858	353,532	307,181	321,852	—
Income before income taxes	161,013	90,352	124,194	221,745	259,871	(38)
Income tax expense	36,943	20,779	27,729	47,801	57,712	(36)
Net income	124,070	69,573	96,465	173,944	202,159	(39)
Less: Net income (loss) attributable to noncontrolling interest	(437)	(768)	(630)	(166)	—	nm
Net income attributable to Synovus Financial Corp.	124,507	70,341	97,095	174,110	202,159	(38)
Less: Preferred stock dividends	9,685	9,696	9,672	8,291	8,291	17
Net income available to common shareholders	\$ 114,822	60,645	87,423	165,819	193,868	(41) %
Net income per common share, basic	\$ 0.78	0.41	0.60	1.13	1.33	(41) %
Net income per common share, diluted	0.78	0.41	0.60	1.13	1.32	(41)
Cash dividends declared per common share	0.38	0.38	0.38	0.38	0.38	—
Return on average assets *	0.85 %	0.47	0.64	1.15	1.36	(51) bps
Return on average common equity *	10.2	5.9	8.2	15.5	19.2	(900)
Weighted average common shares outstanding, basic	146,430	146,372	146,170	146,113	145,799	— %
Weighted average common shares outstanding, diluted	147,122	146,877	146,740	146,550	146,727	—

nm - not meaningful

bps - basis points

* - ratios are annualized

Amounts may not total due to rounding

Synovus

BALANCE SHEET DATA

(Unaudited)

(In thousands, except share data)

ASSETS

	March 31, 2024	December 31, 2023	March 31, 2023
Interest-earning deposits with banks and other cash and cash equivalents	\$ 2,379,778	\$ 2,414,103	\$ 3,329,882
Federal funds sold and securities purchased under resale agreements	43,722	37,323	35,518
Cash, cash equivalents, and restricted cash	2,423,500	2,451,426	3,365,400
Investment securities available for sale, at fair value	9,694,515	9,788,662	9,732,618
Loans held for sale (includes \$36,698, \$47,338 and \$44,400 measured at fair value, respectively)	130,586	52,768	669,447
Loans, net of deferred fees and costs	43,309,877	43,404,490	44,044,939
Allowance for loan losses	(492,661)	(479,385)	(457,010)
Loans, net	42,817,216	42,925,105	43,587,929
Cash surrender value of bank-owned life insurance	1,119,379	1,112,030	1,094,072
Premises, equipment, and software, net	375,315	365,851	367,089
Goodwill	480,440	480,440	452,390
Other intangible assets, net	43,021	45,928	25,267
Other assets	2,751,148	2,587,324	2,545,813
Total assets	\$ 59,835,120	\$ 59,809,534	\$ 61,840,025

LIABILITIES AND EQUITY

Liabilities:

Deposits:			
Non-interest-bearing deposits	\$ 12,042,353	\$ 12,507,616	\$ 14,642,677
Interest-bearing deposits	38,537,889	38,231,569	35,311,259
Total deposits	50,580,242	50,739,185	49,953,936
Federal funds purchased and securities sold under repurchase agreements	128,244	189,074	195,695
Other short-term borrowings	252,469	3,496	253,152
Long-term debt	2,031,735	1,932,534	5,146,252
Other liabilities	1,800,794	1,801,097	1,520,860
Total liabilities	54,793,484	54,665,386	57,069,895

Equity:

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 171,873,265, 171,360,188 and 170,713,864 respectively; outstanding 146,418,407, 146,705,330 and 146,059,006 respectively	171,873	171,360	170,714
Additional paid-in capital	3,957,576	3,955,819	3,925,449
Treasury stock, at cost; 25,454,858, 24,654,858 and 24,654,858 shares, respectively	(974,499)	(944,484)	(944,484)
Accumulated other comprehensive income (loss), net	(1,248,194)	(1,117,073)	(1,289,327)
Retained earnings	2,574,017	2,517,226	2,370,633
Total Synovus Financial Corp. shareholders' equity	5,017,918	5,119,993	4,770,130
Noncontrolling interest in subsidiary	23,718	24,155	—
Total equity	5,041,636	5,144,148	4,770,130
Total liabilities and equity	\$ 59,835,120	\$ 59,809,534	\$ 61,840,025

Synovus

AVERAGE BALANCES, INTEREST, AND YIELDS/RATES

(Unaudited)

	First Quarter 2024			Fourth Quarter 2023			First Quarter 2023		
(dollars in thousands)	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate	Average Balance	Interest	Yield/Rate
Assets									
Interest earning assets:									
Commercial loans ⁽¹⁾⁽²⁾⁽³⁾	\$ 34,943,797	\$ 583,459	6.72 %	\$ 35,106,156	\$ 590,588	6.67 %	\$ 35,030,809	\$ 526,529	6.10 %
Consumer loans ⁽¹⁾⁽²⁾	8,434,105	109,566	5.21	8,491,244	109,509	5.14	8,762,631	104,147	4.78
Less: Allowance for loan losses	(481,146)	—	—	(480,332)	—	—	(445,192)	—	—
Loans, net	42,896,756	693,025	6.49	43,117,068	700,097	6.45	43,348,248	630,676	5.89
Investment securities available for sale	11,148,242	71,906	2.58	11,164,487	65,176	2.33	11,293,958	61,054	2.16
Trading account assets	11,567	65	2.25	13,067	215	6.59	11,338	124	4.39
Other earning assets ⁽⁴⁾	1,218,090	16,173	5.25	1,463,176	19,689	5.26	1,513,800	17,212	4.55
FHLB and Federal Reserve Bank stock	187,825	2,273	4.84	187,015	3,536	7.56	306,935	3,355	4.37
Mortgage loans held for sale	29,773	495	6.65	39,024	696	7.14	36,497	566	6.20
Other loans held for sale	18,465	83	1.77	8,044	104	5.06	443,690	5,011	4.52
Total interest earning assets	55,510,718	784,020	5.68 %	55,991,881	789,513	5.59 %	56,954,466	717,998	5.11 %
Cash and due from banks	532,624			522,986			643,502		
Premises and equipment	370,376			366,647			370,275		
Other real estate	61			—			—		
Cash surrender value of bank-owned life insurance	1,114,703			1,108,766			1,091,080		
Other assets ⁽⁵⁾	1,493,749			1,173,785			1,074,238		
Total assets	\$ 59,022,231			\$ 59,164,065			\$ 60,133,561		
Liabilities and Equity									
Interest-bearing liabilities:									
Interest-bearing demand deposits	\$ 10,590,340	65,415	2.48 %	\$ 10,422,286	58,588	2.23 %	\$ 9,088,533	23,218	1.04 %
Money market accounts	12,826,385	103,129	3.23	13,053,781	103,211	3.14	14,397,683	72,618	2.05
Savings deposits	1,057,087	287	0.11	1,098,914	275	0.10	1,370,173	211	0.06
Time deposits	7,902,850	86,493	4.40	7,198,229	75,462	4.16	3,601,288	21,496	2.42
Brokered deposits	5,737,445	77,342	5.42	6,069,055	81,444	5.32	5,553,970	56,392	4.12
Federal funds purchased and securities sold under repurchase agreements	113,558	648	2.26	93,854	350	1.46	133,360	670	2.01
Other short-term borrowings	71,775	955	5.26	2,672	51	7.50	1,677,519	18,994	4.53
Long-term debt	1,764,740	29,595	6.69	1,922,661	31,702	6.55	3,148,062	42,529	5.41
Total interest-bearing liabilities	40,064,180	363,864	3.65 %	39,861,452	351,083	3.49 %	38,970,588	236,128	2.46 %
Non-interest-bearing demand deposits	12,071,670			12,744,275			15,014,224		
Other liabilities	1,782,659			1,906,686			1,522,827		
Total equity	5,103,722			4,651,652			4,625,922		
Total liabilities and equity	\$ 59,022,231			\$ 59,164,065			\$ 60,133,561		
Net interest income and net interest margin, taxable equivalent ⁽⁶⁾		\$ 420,156	3.04 %		\$ 438,430	3.11 %		\$ 481,870	3.43 %
Less: taxable-equivalent adjustment		1,310			1,216			1,119	
Net interest income		\$ 418,846			\$ 437,214			\$ 480,751	

⁽¹⁾ Average loans are shown net of deferred fees and costs. NPLs are included.

⁽²⁾ Interest income includes net loan fees as follows: First Quarter 2024 — \$10.6 million, Fourth Quarter 2023 — \$13.1 million, and First Quarter 2023 — \$11.5 million.

⁽³⁾ Reflects taxable-equivalent adjustments, using the statutory federal tax rate of 21%, in adjusting interest on tax-exempt loans to a taxable-equivalent basis.

⁽⁴⁾ Includes interest-bearing funds with Federal Reserve Bank, interest earning deposits with banks, and federal funds sold and securities purchased under resale agreements.

⁽⁵⁾ Includes average net unrealized gains/(losses) on investment securities available for sale of \$(1.36) billion, \$(1.89) billion, and \$(1.52) billion for the First Quarter 2024, Fourth Quarter 2023, and First Quarter 2023, respectively.

⁽⁶⁾ The net interest margin is calculated by dividing annualized net interest income-taxable equivalent 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
	March 31, 2024	December 31, 2023	% Change	March 31, 2023	% Change
Commercial, Financial, and Agricultural	\$ 14,616,902	\$ 14,459,345	1 %	\$ 14,201,398	3 %
Owner-Occupied	8,114,394	8,139,148	—	8,398,778	(3)
Total Commercial & Industrial	22,731,296	22,598,493	1	22,600,176	1
Multi-Family	4,199,435	4,098,188	2	3,374,129	24
Hotels	1,790,505	1,803,102	(1)	1,737,163	3
Office Buildings	1,852,208	1,891,587	(2)	3,071,236	(40)
Shopping Centers	1,302,754	1,319,049	(1)	1,332,078	(2)
Warehouses	871,662	854,475	2	1,020,921	(15)
Other Investment Property	1,294,317	1,396,903	(7)	1,441,303	(10)
Total Investment Properties	11,310,881	11,363,304	—	11,976,830	(6)
1-4 Family Construction	194,146	194,481	—	201,896	(4)
1-4 Family Investment Mortgage	385,992	404,021	(4)	394,754	(2)
Total 1-4 Family Properties	580,138	598,502	(3)	596,650	(3)
Commercial Development	66,000	73,022	(10)	63,004	5
Residential Development	72,024	79,961	(10)	106,872	(33)
Land Acquisition	164,976	201,969	(18)	253,399	(35)
Land and Development	303,000	354,952	(15)	423,275	(28)
Total Commercial Real Estate	12,194,019	12,316,758	(1)	12,996,755	(6)
Consumer Mortgages	5,384,602	5,411,723	(1)	5,246,640	3
Home Equity	1,804,348	1,807,399	—	1,757,250	3
Credit Cards	180,663	194,141	(7)	184,595	(2)
Other Consumer Loans	1,014,949	1,075,976	(6)	1,259,523	(19)
Total Consumer	8,384,562	8,489,239	(1)	8,448,008	(1)
Total	\$ 43,309,877	\$ 43,404,490	— %	\$ 44,044,939	(2)%

NON-PERFORMING LOANS COMPOSITION
(Unaudited)
(Dollars in thousands)

Loan Type	Total Non-performing Loans	Total Non-performing Loans	Linked Quarter	Total Non-performing Loans	Year/Year
	March 31, 2024	December 31, 2023	% Change	March 31, 2023	% Change
Commercial, Financial, and Agricultural	\$ 192,693	\$ 89,870	114 %	\$ 94,196	105 %
Owner-Occupied	80,218	91,370	(12)	25,591	213
Total Commercial & Industrial	272,911	181,240	51	119,787	128
Multi-Family	2,077	1,681	24	1,806	15
Office Buildings	7,630	35,338	(78)	190	nm
Shopping Centers	547	641	(15)	727	(25)
Warehouses	188	196	(4)	222	(15)
Other Investment Property	1,784	1,914	(7)	668	167
Total Investment Properties	12,226	39,770	(69)	3,613	238
1-4 Family Investment Mortgage	2,300	3,056	(25)	3,515	(35)
Total 1-4 Family Properties	2,300	3,056	(25)	3,515	(35)
Residential Development	478	267	79	267	79
Land Acquisition	540	537	1	886	(39)
Land and Development	1,018	804	27	1,153	(12)
Total Commercial Real Estate	15,544	43,630	(64)	8,281	88
Consumer Mortgages	42,563	46,108	(8)	39,536	8
Home Equity	12,451	10,473	19	7,967	56
Other Consumer Loans	6,981	6,726	4	6,889	1
Total Consumer	61,995	63,307	(2)	54,392	14
Total	\$ 350,450	\$ 288,177	22 %	\$ 182,460	92 %

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CREDIT QUALITY DATA

(Unaudited)

(Dollars in thousands)

	2024	2023				First Quarter
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	'24 vs '23 % Change
Non-performing Loans (NPLs)	\$ 350,450	288,177	280,532	261,506	182,460	92 %
Other Real Estate and Other Assets	21,210	—	—	—	—	nm
Non-performing Assets (NPAs)	371,660	288,177	280,532	261,506	182,460	104
Allowance for Loan Losses (ALL)	492,661	479,385	477,532	471,238	457,010	8
Reserve for Unfunded Commitments	53,579	57,231	55,185	55,729	57,473	(7)
Allowance for Credit Losses (ACL)	546,240	536,616	532,717	526,967	514,483	6
Net Charge-Offs - Quarter	44,356	41,574	66,822	26,396	18,550	
Net Charge-Offs - YTD	44,356	153,342	111,768	44,946	18,550	
Net Charge-Offs / Average Loans - Quarter ⁽¹⁾	0.41 %	0.38	0.61	0.24	0.17	
Net Charge-Offs / Average Loans - YTD ⁽¹⁾	0.41	0.35	0.34	0.20	0.17	
NPLs / Loans	0.81	0.66	0.64	0.59	0.41	
NPAs / Loans, ORE and specific other assets	0.86	0.66	0.64	0.59	0.41	
ACL/Loans	1.26	1.24	1.22	1.19	1.17	
ALL/Loans	1.14	1.10	1.09	1.06	1.04	
ACL/NPLs	155.87	186.21	189.90	201.51	281.97	
ALL/NPLs	140.58	166.35	170.22	180.20	250.47	
Past Due Loans over 90 days and Still Accruing	\$ 3,748	5,053	3,792	3,643	3,529	6
As a Percentage of Loans Outstanding	0.01 %	0.01	0.01	0.01	0.01	
Total Past Due Loans and Still Accruing	\$ 54,814	59,099	54,974	84,946	55,053	—
As a Percentage of Loans Outstanding	0.13 %	0.14	0.13	0.19	0.12	

⁽¹⁾ Ratio is annualized.

SELECTED CAPITAL INFORMATION ⁽¹⁾

(Unaudited)

(Dollars in thousands)

	March 31, 2024	December 31, 2023	March 31, 2023
Common Equity Tier 1 Capital Ratio	10.38 %	10.22	9.77
Tier 1 Capital Ratio	11.44	11.28	10.81
Total Risk-Based Capital Ratio	13.31	13.07	12.72
Tier 1 Leverage Ratio	9.62	9.49	9.14
Total Synovus Financial Corp. shareholders' equity as a Percentage of Total Assets	8.39	8.56	7.71
Tangible Common Equity Ratio ^{(2) (4)}	6.67	6.84	6.12
Book Value Per Common Share ⁽³⁾	\$ 30.60	31.24	28.98
Tangible Book Value Per Common Share ⁽²⁾	27.03	27.65	25.71

⁽¹⁾ Current quarter regulatory capital information is preliminary.

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

⁽³⁾ Book Value Per Common Share consists of Total Synovus Financial Corp. shareholders' equity less Preferred stock divided by total common shares outstanding.

⁽⁴⁾ See "Non-GAAP Financial Measures" for applicable reconciliation.