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**Synovus Announces Earnings for the First Quarter 2018
Diluted Earnings per Share of \$0.84, up 49.7% vs. \$0.56 in 1Q17**

COLUMBUS, Ga., April 24, 2018 – Synovus Financial Corp. (NYSE: SNV) today reported financial results for the quarter ended March 31, 2018.

First Quarter Highlights

- Net income available to common shareholders for the first quarter 2018 was \$100.6 million or \$0.84 per diluted share as compared to \$27.0 million or \$0.23 per diluted share for the fourth quarter 2017 and \$69.3 million or \$0.56 per diluted share for the first quarter 2017. The fourth quarter 2017 results included a \$23.2 million loss on early extinguishment of debt and a \$47.2 million charge related to Federal tax reform.
 - Adjusted earnings per diluted share for the first quarter 2018 were \$0.86, a 19.8% increase from the fourth quarter 2017 and a 50.9% increase from the first quarter 2017.
- As a result of Federal tax reform and other one-time and seasonal items, the effective tax rate for the first quarter was 22.6% compared to 32.0% in the first quarter 2017.
- Return on average assets for the first quarter 2018 was 1.34%, compared to 0.37% the previous quarter and 0.96% in the first quarter 2017.
 - Adjusted return on average assets was 1.36%, up 24 basis points from the previous quarter and up 39 basis points from the first quarter 2017.
- Return on average common equity was 14.62%, an increase of 465 basis points from the first quarter 2017.
 - Adjusted return on average common equity was 14.86%, an improvement of 480 basis points from the first quarter 2017.
 - Adjusted return on average tangible common equity was 15.23%, an increase of 490 basis points from the first quarter 2017.
- Total average loans grew \$240.8 million or 4.0% annualized from the previous quarter and \$816.4 million or 3.4% as compared to the first quarter 2017.
- Total average deposits decreased \$497.9 million or 7.7% annualized from fourth quarter 2017 and increased \$869.2 million or 3.5% as compared to the first quarter 2017.
- Total ending deposits increased \$105.6 million or 1.6% from fourth quarter 2017 and increased \$1.15 billion or 4.6% as compared to the first quarter 2017.
- Total revenues¹ were \$341.3 million, up \$37.2 million or 12.2% from the first quarter 2017.
- Net interest margin was 3.78%, up 13 basis points from the previous quarter and up 36 basis points from the first quarter 2017.

¹ Total revenues consist of net interest income and non-interest income excluding investment securities gains/(losses).

- Efficiency ratio was 57.16%, compared to 66.77% the previous quarter and 64.84% in the first quarter 2017.
 - Adjusted efficiency ratio was 57.42%, an improvement of 483 basis points from the first quarter 2017.
- Credit quality metrics remained favorable, with a net charge-off ratio of 7 basis points, down 8 basis points from the previous quarter and down 5 basis points from first quarter 2017. The non-performing asset ratio was 0.53%, unchanged from the previous quarter and down 24 basis points from first quarter 2017.

“2018 is off to a good start, with 12 percent growth in revenues and a 50 percent increase in earnings per share year-over-year,” said Kessel D. Stelling, Synovus chairman and CEO. “We delivered another quarter of strong operating leverage through disciplined execution of our growth strategies, including talent acquisition and expansion of our presence in high-potential markets. As we approach completion of the transition to a unified Synovus brand, we are already seeing the benefits of greater name recognition across our footprint. Our team is deeply committed to building on our reputation, improving the customer experience, and executing on core growth strategies to meet and exceed long-term targets.”

Balance Sheet

- Total average loans for the quarter were \$24.85 billion, up \$240.8 million or 4.0% annualized from the previous quarter and up \$816.4 million or 3.4% as compared to the first quarter 2017.
- Total loans ended the quarter at \$24.88 billion, up \$95.6 million or 1.6% annualized from the previous quarter and up \$624.6 million or 2.6% as compared to the first quarter 2017.
 - Commercial and industrial loans grew by \$78.3 million or 2.6% annualized from the previous quarter and \$369.2 million or 3.1% as compared to the first quarter 2017.
 - Consumer loans grew by \$115.5 million or 8.0% annualized from the previous quarter and \$885.2 million or 17.4% as compared to the first quarter 2017.
 - Commercial real estate loans declined by \$99.6 million or 5.8% annualized from the previous quarter and declined \$631.6 million or 8.5% as compared to first quarter 2017.
- Total average deposits for the quarter were \$25.79 billion, down \$497.9 million or 7.7% annualized from the previous quarter and up \$869.2 million or 3.5% as compared to the first quarter 2017.
 - Average non-time core deposits decreased \$120.4 million or 2.3% annualized from the previous quarter and increased \$504.1 million or 2.5% as compared to the first quarter 2017.
- Total deposits ended the quarter at \$26.25 billion, up \$105.6 million or 1.6% annualized from fourth quarter 2017 and up \$1.15 billion or 4.6% as compared to the first quarter 2017.
- The loan to deposit ratio remained stable at 95%.

Core Performance

- Total revenues¹ were \$341.3 million in the first quarter, up from \$339.1 million in the previous quarter, and up \$37.2 million or 12.2% from \$304.1 million in the first quarter 2017.
- Net interest income was \$274.3 million, up \$4.6 million or 1.7% from the previous quarter and up \$34.4 million or 14.3% from the first quarter 2017.

¹ Total revenues consist of net interest income and non-interest income excluding investment securities gains/(losses).

- Net interest margin was 3.78%, up 13 basis points from the previous quarter. Yield on earning assets was 4.31%, up 16 basis points from the previous quarter, and the effective cost of funds was 0.53%, up 3 basis points from the previous quarter.
- Total non-interest income was \$67.0 million, down \$2.3 million from the previous quarter and down \$4.8 million or 6.7% from first quarter 2017.
 - The first quarters of 2018 and 2017 include net decreases in fair value of private equity investments of \$3.1 million and \$1.8 million, respectively. First quarter 2017 also included net investment securities gains of \$7.7 million.
- Adjusted non-interest income was \$70.1 million, up \$849 thousand from the previous quarter and up \$4.1 million or 6.2% as compared to the first quarter 2017.
 - Core banking fees² were \$35.6 million, up \$303 thousand or 0.9% from the previous quarter and up \$900 thousand or 2.6% from first quarter 2017.
 - Fiduciary and asset management fees, brokerage revenue, and insurance revenues were \$23.3 million, up \$1.6 million or 7.2% from the previous quarter and up \$2.7 million or 12.9% from first quarter 2017.
- Total non-interest expense was \$195.2 million, down \$31.4 million or 13.8% from the previous quarter and down 1.1% from the first quarter 2017.
 - The first quarter 2018 includes a \$2.6 million reduction in litigation contingency accruals. The fourth quarter 2017 included a \$23.2 million loss on early extinguishment of debt, and the first quarter 2017 included \$6.5 million in restructuring charges.
- Adjusted non-interest expense was \$197.8 million, down \$3.3 million or 1.6% from the previous quarter and up \$7.2 million or 3.8% from the first quarter 2017.
 - Employment expense of \$113.7 million increased \$2.5 million or 2.2% from the previous quarter and 6.1% from the first quarter 2017.
 - Occupancy and equipment expense of \$31.5 million increased \$1.4 million or 4.5% from the previous quarter and 7.3% from the first quarter 2018.
 - Other expenses were \$52.6 million in the quarter, down \$7.1 million or 11.9% from the previous quarter and down \$1.5 million or 2.7% from the first quarter 2017.
 - Efficiency ratio for the first quarter was 57.16% as compared to 66.77% in the previous quarter and 64.84% in the first quarter 2017.
 - Adjusted efficiency ratio for the first quarter was 57.42% as compared to 59.29% in the previous quarter and 62.25% in the first quarter 2017.

Credit Quality

- Non-performing loans were \$120.1 million at March 31, 2018, up \$4.5 million or 3.9% from the previous quarter and down \$38.3 million or 24.2% from March 31, 2017. The non-performing loan ratio was 0.48% at March 31, 2018, compared to 0.47% at the end of the previous quarter and 0.65% at March 31, 2017.
- Total non-performing assets were \$131.2 million at March 31, 2018, compared to \$130.6 million in the previous quarter and down \$56.1 million or 29.9% from March 31, 2017. The non-performing asset ratio was 0.53% at March 31, 2018, unchanged from the previous quarter and down from 0.77% at March 31, 2017.

² Core banking fees include service charges on deposit accounts, card fees, letter of credit fees, ATM fee income, line of credit non-usage fees, gains from sales of government guaranteed loans, and miscellaneous other service charges.

- Net charge-offs were \$4.3 million in the first quarter 2017, down \$4.7 million or 52.3% from \$9.0 million in the previous quarter and down 38.1% from the first quarter 2017. The annualized net charge-off ratio was 0.07% in the first quarter as compared to 0.15% in the previous quarter and 0.12% in the first quarter 2017.
- Total delinquencies (consisting of loans 30 or more days past due and still accruing) remain low at 0.22% of total loans at March 31, 2018, as compared to 0.21% in the previous quarter and 0.26% at March 31, 2017.

Capital

- During the first quarter 2018, Synovus repurchased \$26.7 million in common stock, as part of the previously announced share repurchase program of up to \$150 million. Additionally, Synovus declared common dividends of \$0.25 per share, a 67% increase from the previous quarter.
- Common Equity Tier 1 ratio was 10.11% at March 31, 2018, up from 9.99% at December 31, 2017.
- Tier 1 Capital ratio was 10.51% at March 31, 2018, up from 10.38% at December 31, 2017.
- Total Risk Based Capital ratio was 12.37% at March 31, 2018, up from 12.23% at December 31, 2017.
- Tier 1 Leverage ratio was 9.37% at March 31, 2018, up from 9.19% at December 31, 2017.
- Tangible Common Equity ratio was 8.79% at March 31, 2018, compared to 8.88% at December 31, 2017.

First Quarter Earnings Conference Call

Synovus will host an earnings highlights conference call at 8:30 a.m. EDT on April 24, 2018. 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 more than \$31 billion in assets. Synovus provides commercial and retail banking, investment, and mortgage services through 250 branches in Georgia, Alabama, South Carolina, Florida, and Tennessee. Synovus Bank, a wholly owned subsidiary of Synovus, was recognized as the “Most Reputable Bank” by *American Banker* and the Reputation Institute in 2017. Synovus is on the web at 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 deposits, loan growth and the net interest margin; expectations on our growth strategy, expense initiatives, capital management and

future profitability; expectations on credit trends and key credit metrics; 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, 2017, 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 income; adjusted non-interest expense; adjusted efficiency ratio; adjusted earnings per diluted share; adjusted return on average assets; adjusted return on average common equity; adjusted return on average tangible common equity; average non-time core deposits; tangible common equity ratio; and common equity Tier 1 (CET1) ratio (fully phased-in); 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 income; total non-interest expense; efficiency ratio; earnings per diluted common share; return on average assets; return on average common equity; total average deposits; the ratio of total shareholders' equity to total assets; and the CET1 ratio; 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 income is a measure used by management to evaluate total revenue and non-interest income exclusive of net investment securities gains/losses and changes in fair value of private equity investments, net. Adjusted non-interest expense and the adjusted efficiency ratio are measures utilized by management to measure the success of expense management initiatives focused on reducing recurring controllable operating costs. Adjusted earnings per diluted share, adjusted return on average assets, and adjusted return on average common equity are measurements used by management to evaluate operating results exclusive of items that are not indicative of ongoing operations and impact period-to-period comparisons. Average non-time core deposits is a measure used by management to evaluate organic growth of deposits and the quality of deposits as a funding source. The adjusted return on average tangible common equity is a measure 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 and common equity Tier 1 (CET1) ratio (fully phased-in) are used by management and bank regulators 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

<i>(dollars in thousands)</i>	<u>1Q18</u>	<u>4Q17</u>	<u>1Q17</u>
Adjusted non-interest income			
Total non-interest income	\$67,046	\$69,352	\$71,839
Subtract: Investment securities gains, net	-	-	(7,668)
Add/subtract: Decrease/(increase) in fair value of private equity investments, net	<u>3,056</u>	<u>(100)</u>	<u>1,814</u>
Adjusted non-interest income	<u>\$70,102</u>	<u>\$69,252</u>	<u>\$65,985</u>
Adjusted non-interest expense			
Total non-interest expense	\$ 195,179	\$226,534	\$197,388
Subtract: Earnout liability adjustments	-	(1,700)	-
Add/subtract: Restructuring charges, net	315	29	(6,511)
Subtract: Loss on early extinguishment of debt	-	(23,160)	-
Add/subtract: Litigation contingency expense	2,626	(300)	-
Subtract: Merger-related expense	-	-	(86)
Subtract: Amortization of intangibles	<u>(292)</u>	<u>(292)</u>	<u>(183)</u>
Adjusted non-interest expense	<u>\$ 197,828</u>	<u>\$201,111</u>	<u>\$190,608</u>
Adjusted efficiency ratio			
Adjusted non-interest expense	\$ 197,828	\$ 201,111	\$190,608
Net interest income	274,284	269,713	239,927
Add: Tax equivalent adjustment	116	234	309
Add: Total non-interest income	67,046	69,352	71,839
Subtract: Investment securities gains, net	-	-	(7,668)
Total FTE revenues	341,446	339,299	304,407
Add/subtract: Decrease/(increase) in fair value of private equity investments, net	<u>3,056</u>	<u>(100)</u>	<u>1,814</u>
Adjusted total revenues	\$ 344,502	\$339,199	\$306,221
Efficiency ratio	57.16%	66.77%	64.84%
Adjusted efficiency ratio	<u>57.42%</u>	<u>59.29%</u>	<u>62.25%</u>

Reconciliation of Non-GAAP Financial Measures, continued

(in thousands, except per share data)	<u>1Q18</u>	<u>4Q17</u>	<u>1Q17</u>
Adjusted earnings per diluted share			
Net income available to common shareholders	\$ 100,607	\$ 27,046	\$69,298
Add: Earnout liability adjustments	-	1,700	-
Add: Income tax expense related to effects of Federal Tax Reform	-	47,181	-
Add: Income tax expense related to effects of State DTA remeasurement	1,325	-	-
Add: Merger-related expense	-	-	86
Subtract/add: Litigation contingency expense	(2,626)	300	-
Subtract/add: Restructuring charges, net	(315)	(29)	6,511
Add: Amortization of intangibles	292	292	183
Add: Loss on early extinguishment of debt	-	23,160	-
Subtract: Investment securities gains, net	-	-	(7,668)
Add/subtract: Decrease/(increase) in fair value of private equity investments, net	3,056	(100)	1,814
Subtract: Income tax benefit related to pre-2017 R&D credits and state taxes	-	(4,847)	-
Subtract: Tax effect of adjustments	<u>(96)</u>	<u>(8,740)</u>	<u>(333)</u>
Adjusted net income available to common shareholders	\$ 102,243	\$ 85,963	\$69,891
Weighted average common shares outstanding, diluted	119,321	120,182	123,059
 Adjusted earnings per diluted share	 <u>\$0.86</u>	 <u>\$0.72</u>	 <u>\$0.57</u>

Reconciliation of Non-GAAP Financial Measures, continued

<i>(dollars in thousands)</i>	<u>1Q18</u>	<u>4Q17</u>	<u>1Q17</u>
Adjusted return on average assets			
Net income	\$ 103,166	\$29,605	\$71,857
Add: Earnout liability adjustments	-	1,700	-
Add: Income tax expense related to effects of Federal Tax Reform	-	47,181	-
Add: Income tax expense related to effects of State DTA remeasurement	1,325	-	-
Add: Merger-related expense	-	-	86
Subtract/add: Litigation contingency expense	(2,626)	300	-
Subtract/add: Restructuring charges, net	(315)	(29)	6,511
Add: Amortization of intangibles	292	292	183
Add: Loss on early extinguishment of debt	-	23,160	-
Subtract: Investment securities gains, net	-	-	(7,668)
Add/subtract: Decrease/(increase) in fair value of private equity investments, net	3,056	(100)	1,814
Subtract: Income tax benefit related to pre-2017 R&D credits and state taxes	-	(4,847)	-
Subtract: Tax effect of adjustments	<u>(96)</u>	<u>(8,740)</u>	<u>(333)</u>
Adjusted net income	\$ 104,802	\$88,522	\$72,450
Net income annualized	\$425,030	\$351,201	\$293,825
Total average assets	\$31,245,708	\$31,388,724	\$30,442,089
Adjusted return on average assets	<u>1.36%</u>	<u>1.12%</u>	<u>0.97%</u>

Reconciliation of Non-GAAP Financial Measures, continued

(dollars in thousands)

	<u>1Q18</u>	<u>4Q17</u>	<u>1Q17</u>
Adjusted return on average common equity and adjusted return on average tangible common equity			
Net income available to common shareholders	\$ 100,607	\$27,046	\$69,298
Add: Earnout liability adjustments	-	1,700	-
Add: Income tax expense related to effects of Federal Tax Reform	-	47,181	-
Add: Income tax expense related to effects of State DTA remeasurement	1,325	-	-
Add: Merger-related expense	-	-	86
Subtract/add: Litigation contingency expense	(2,626)	300	-
Subtract/add: Restructuring charges, net	(315)	(29)	6,511
Add: Amortization of intangibles	292	292	183
Add: Loss on early extinguishment of debt	-	23,160	-
Subtract: Investment securities gains, net	-	-	(7,668)
Add/subtract: Decrease/(increase) in fair value of private equity investments, net	3,056	(100)	1,814
Subtract: Income tax benefit related to pre-2017 R&D credits and state taxes	-	(4,847)	-
Subtract: Tax effect of adjustments	<u>(96)</u>	<u>(8,740)</u>	<u>(333)</u>
Adjusted net income available to common shareholders	\$ 102,243	\$85,963	\$69,891
Net income annualized	\$414,652	\$341,049	\$283,447
Total average shareholders' equity less preferred stock	\$2,790,878	\$2,851,523	\$2,817,663
Subtract: Goodwill	(57,315)	(57,315)	(59,649)
Subtract: Other intangibles assets, net	<u>(10,915)</u>	<u>(11,353)</u>	<u>(13,177)</u>
Total average tangible shareholders' equity less preferred stock	\$2,722,648	\$2,782,855	\$2,744,837
Adjusted return on average common equity	<u>14.86%</u>	<u>11.96%</u>	<u>10.06%</u>
Adjusted return on average tangible common equity	<u>15.23%</u>	<u>12.26%</u>	<u>10.33%</u>

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

(dollars in thousands)

	<u>1Q18</u>	<u>4Q17</u>	<u>1Q17</u>
Tangible common equity ratio			
Total assets	\$31,501,028	\$31,221,837	\$30,679,589
Subtract: Goodwill	(57,315)	(57,315)	(57,010)
Subtract: Other intangible assets, net	<u>(10,750)</u>	<u>(11,254)</u>	<u>(12,137)</u>
Tangible assets	<u>\$ 31,432,963</u>	<u>\$31,153,268</u>	<u>\$30,610,442</u>
Total shareholders' equity	\$ 2,956,495	\$2,961,566	\$ 2,962,127
Subtract: Goodwill	(57,315)	(57,315)	(57,010)
Subtract: Other intangible assets, net	(10,750)	(11,254)	(12,137)
Subtract: Series C Preferred Stock	<u>(125,980)</u>	<u>(125,980)</u>	<u>(125,980)</u>
Tangible common equity	<u>\$ 2,762,450</u>	<u>\$2,767,017</u>	<u>\$ 2,767,000</u>
Total shareholders' equity to total assets ratio	9.39%	9.49%	9.66%
Tangible common equity ratio	8.79%	8.88%	9.04%

Average non-time core deposits

Total average deposits	\$25,788,073	\$26,286,009	\$24,918,855
Subtract: Average brokered deposits	<u>(1,951,910)</u>	<u>(2,198,333)</u>	<u>(1,380,787)</u>
Subtract: Average non-brokered time deposits	<u>(3,039,325)</u>	<u>(3,170,444)</u>	<u>(3,245,306)</u>
Average non-time core deposits	<u>\$ 20,796,838</u>	<u>\$20,917,232</u>	<u>\$20,292,762</u>

Common equity Tier 1 (CET1) ratio (fully phased-in)

Common Equity Tier 1 (CET1)	\$2,814,669
Subtract: Adjustment related to capital components	<u>(16,365)</u>
CET1 (fully phased-in)	<u>\$ 2,798,304</u>
Total risk-weighted assets	\$27,831,733
Total risk-weighted assets (fully phased-in)	\$ 27,957,172
Common equity Tier 1 (CET 1) ratio	10.11%
Common Equity Tier 1 (CET1) ratio (fully phased-in)	10.01%

Synovus

INCOME STATEMENT DATA

(Unaudited)

(In thousands, except per share data)

	2018		2017			First Quarter
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	'18 vs. '17 Change
Interest income	\$ 313,134	306,934	297,652	285,510	272,401	15.0 %
Interest expense	38,850	37,221	35,080	34,413	32,474	19.6
Net interest income	274,284	269,713	262,572	251,097	239,927	14.3
Provision for loan losses	12,776	8,565	39,686	10,260	8,674	47.3
Net interest income after provision for loan losses	261,508	261,148	222,886	240,837	231,253	13.1
Non-interest income:						
Service charges on deposit accounts	19,940	20,372	20,678	20,252	20,118	(0.9)
Fiduciary and asset management fees	13,435	13,195	12,615	12,524	12,151	10.6
Card fees ⁽¹⁾	10,199	9,762	9,729	10,041	9,844	3.6
Brokerage revenue	8,695	7,758	7,511	7,210	7,226	20.3
Mortgage banking income	5,047	5,645	5,603	5,784	5,766	(12.5)
Income from bank-owned life insurance	3,681	3,900	3,232	3,272	3,031	21.4
Cabela's transaction fee	-	-	75,000	-	-	nm
Investment securities (losses) gains, net	-	-	(7,956)	(1)	7,668	nm
(Decrease)/increase in fair value of private equity investments, net	(3,056)	100	(27)	(1,352)	(1,814)	nm
Other fee income	4,618	4,042	5,094	6,164	4,868	(5.1)
Other non-interest income ⁽¹⁾	4,487	4,578	3,956	4,807	2,981	50.5
Total non-interest income	67,046	69,352	135,435	68,701	71,839	(6.7)
Non-interest expense:						
Salaries and other personnel expense	113,720	111,243	109,675	105,213	107,191	6.1
Net occupancy and equipment expense	31,480	30,126	30,573	29,933	29,331	7.3
Third-party processing expense	13,945	14,827	13,659	13,620	12,603	10.6
FDIC insurance and other regulatory fees	6,793	6,288	7,078	6,875	6,770	0.3
Professional fees	5,505	6,183	7,141	7,551	5,355	2.8
Advertising expense	5,092	8,081	3,610	5,346	5,912	(13.9)
Foreclosed real estate expense, net	856	1,693	7,265	1,448	2,134	(59.9)
Earnout liability adjustments	-	1,700	2,059	1,707	-	nm
Amortization of intangibles	292	292	292	292	183	59.6
Loss on early extinguishment of debt	-	23,160	-	-	-	nm
Litigation contingency expense	(2,626)	300	401	-	-	nm
Restructuring charges, net	(315)	(29)	519	13	6,511	nm
Other operating expenses	20,437	22,670	23,374	19,749	21,398	(4.5)
Total non-interest expense	195,179	226,534	205,646	191,747	197,388	(1.1)
Income before income taxes	133,375	103,966	152,675	117,791	105,704	26.2
Income tax expense	30,209	74,361	54,668	41,788	33,847	(10.7)
Net income	103,166	29,605	98,007	76,003	71,857	43.6
Dividends on preferred stock	2,559	2,559	2,559	2,559	2,559	-
Net income available to common shareholders	\$ 100,607	27,046	95,448	73,444	69,298	45.2 %
Net income per common share, basic	\$ 0.85	0.23	0.79	0.60	0.57	49.6 %
Net income per common share, diluted	0.84	0.23	0.78	0.60	0.56	49.7
Cash dividends declared per common share	0.25	0.15	0.15	0.15	0.15	66.7
Return on average assets *	1.34 %	0.37	1.27	1.00	0.96	38 bps
Return on average common equity *	14.62	3.76	13.24	10.34	9.97	465
Weighted average common shares outstanding, basic	118,666	119,282	120,900	122,203	122,300	(3.0) %
Weighted average common shares outstanding, diluted	119,321	120,182	121,814	123,027	123,059	(3.0)

nm - not meaningful

bps - basis points

* - ratios are annualized

⁽¹⁾ Beginning January 1, 2018, Synovus began including merchant fees and other card-related fees in Card fees. For periods prior to January 1, 2018, these amounts were previously presented in Other non-interest income and have been reclassified for comparability.

Synovus

BALANCE SHEET DATA (Unaudited)

(In thousands, except share data)

ASSETS

	March 31, 2018	December 31, 2017	March 31, 2017
Cash and due from banks	\$ 348,027	397,848	380,493
Interest bearing funds with Federal Reserve Bank	636,947	460,928	622,460
Interest earning deposits with banks	16,851	26,311	24,259
Federal funds sold and securities purchased under resale agreements	57,192	47,846	50,003
Cash and cash equivalents ⁽¹⁾	<u>1,059,017</u>	<u>932,933</u>	<u>1,077,215</u>
Mortgage loans held for sale, at fair value	50,439	48,024	57,686
Investment securities available for sale, at fair value	3,990,978	3,987,069	3,782,942
Loans, net of deferred fees and costs	24,883,037	24,787,464	24,258,468
Allowance for loan losses	<u>(257,764)</u>	<u>(249,268)</u>	<u>(253,514)</u>
Loans, net	<u>24,625,273</u>	<u>24,538,196</u>	<u>24,004,954</u>
Cash surrender value of bank-owned life insurance	543,684	540,958	455,474
Premises and equipment, net	424,342	426,813	412,725
Goodwill	57,315	57,315	57,010
Other intangible assets	10,750	11,254	12,137
Deferred tax asset, net	179,343	165,788	359,121
Other assets	<u>559,887</u>	<u>513,487</u>	<u>460,325</u>
Total assets	<u>\$ 31,501,028</u>	<u>31,221,837</u>	<u>30,679,589</u>

LIABILITIES AND SHAREHOLDERS' EQUITY

Liabilities:

Deposits:			
Non-interest bearing deposits	\$ 7,381,070	7,686,339	7,264,856
Interest bearing deposits, excluding brokered deposits	16,865,859	16,500,436	16,452,703
Brokered deposits	<u>2,006,578</u>	<u>1,961,125</u>	<u>1,388,153</u>
Total deposits	26,253,507	26,147,900	25,105,712
Federal funds purchased and securities sold under repurchase agreements	185,531	161,190	146,480
Long-term debt	1,856,392	1,706,138	2,160,867
Other liabilities	<u>249,103</u>	<u>245,043</u>	<u>304,403</u>
Total liabilities	<u>28,544,533</u>	<u>28,260,271</u>	<u>27,717,462</u>

Shareholders' equity:

Series C Preferred Stock - no par value, 5,200,000 shares outstanding at March 31, 2018, December 31, 2017, and March 31, 2017	125,980	125,980	125,980
Common stock - \$1.00 par value. 118,702,497 shares outstanding at March 31, 2018, 118,897,295 shares outstanding at December 31, 2017, and 122,321,804 shares outstanding at March 31, 2017	143,017	142,678	142,441
Additional paid-in capital	3,039,757	3,043,129	3,025,775
Treasury stock, at cost - 24,314,804 shares at March 31, 2018, 23,780,154 shares at December 31, 2017, and 20,119,614 shares at March 31, 2017	<u>(866,407)</u>	<u>(839,674)</u>	<u>(679,746)</u>
Accumulated other comprehensive loss	(107,952)	(54,754)	(54,751)
Retained earnings	<u>622,100</u>	<u>544,207</u>	<u>402,428</u>
Total shareholders' equity	<u>2,956,495</u>	<u>2,961,566</u>	<u>2,962,127</u>
Total liabilities and shareholders' equity	<u>\$ 31,501,028</u>	<u>31,221,837</u>	<u>30,679,589</u>

(1) In connection with the adoption of ASU 2016-18, *Statement of Cash Flows-Restricted Cash*, Synovus changed its presentation of cash and cash equivalents to include cash and due from banks as well as interest bearing funds with the Federal Reserve Bank, interest earning deposits with banks, and federal funds sold and securities purchased under resale agreements, which are inclusive of any restricted cash.

Synovus

AVERAGE BALANCES AND YIELDS/RATES (1)

(Unaudited)

(Dollars in thousands)

	2018		2017		
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter
Interest Earning Assets					
Taxable investment securities ⁽²⁾	\$ 4,097,162	3,937,278	3,786,436	3,844,688	3,841,556
Yield	2.34 %	2.29	2.11	2.11	2.06
Tax-exempt investment securities ^{(2) (4)}	\$ 140	180	259	340	2,730
Yield (taxable equivalent)	6.57 %	7.97	7.86	6.87	5.81
Trading account assets ⁽⁵⁾	\$ 8,167	7,360	7,823	3,667	6,443
Yield	2.66 %	2.78	2.09	2.28	1.72
Commercial loans ^{(3) (4)}	\$ 18,963,515	18,935,774	19,059,936	19,137,733	19,043,384
Yield	4.64 %	4.49	4.41	4.27	4.16
Consumer loans ⁽³⁾	\$ 5,899,015	5,704,629	5,440,765	5,215,258	4,992,683
Yield	4.71 %	4.54	4.55	4.49	4.40
Allowance for loan losses	\$ (251,635)	(252,319)	(249,248)	(251,219)	(253,927)
Loans, net ⁽³⁾	\$ 24,610,895	24,388,084	24,251,453	24,101,772	23,782,140
Yield	4.70 %	4.55	4.49	4.36	4.25
Mortgage loans held for sale	\$ 38,360	45,353	52,177	52,224	46,554
Yield	3.95 %	3.96	3.88	3.87	4.01
Federal funds sold, due from Federal Reserve Bank, and other short-term investments	\$ 516,575	922,296	543,556	561,503	654,322
Yield	1.48 %	1.31	1.23	1.00	0.77
Federal Home Loan Bank and Federal Reserve Bank stock ⁽⁵⁾	\$ 177,381	159,455	175,263	177,323	170,844
Yield	3.39 %	4.03	3.50	2.99	3.42
Total interest earning assets	\$ 29,448,680	29,460,006	28,816,967	28,741,517	28,504,589
Yield	4.31 %	4.15	4.11	3.99	3.88
Interest Bearing Liabilities					
Interest bearing demand deposits	\$ 5,032,000	4,976,239	4,868,372	4,837,053	4,784,329
Rate	0.31 %	0.28	0.27	0.23	0.19
Money market accounts	\$ 7,561,554	7,514,992	7,528,036	7,427,562	7,424,627
Rate	0.43 %	0.36	0.34	0.32	0.31
Savings deposits	\$ 811,587	804,853	803,184	805,019	909,660
Rate	0.03 %	0.03	0.03	0.04	0.11
Time deposits under \$100,000	\$ 1,143,780	1,166,413	1,183,582	1,202,746	1,215,593
Rate	0.71 %	0.70	0.68	0.67	0.64
Time deposits over \$100,000	\$ 1,895,545	2,004,031	2,067,347	2,040,924	2,029,713
Rate	1.02 %	0.99	0.97	0.94	0.92
Non-maturing brokered deposits	\$ 424,118	546,413	547,466	564,043	619,627
Rate	1.14 %	0.81	0.73	0.54	0.41
Brokered time deposits	\$ 1,527,793	1,651,920	983,423	815,515	761,159
Rate	1.75 %	1.63	1.16	0.94	0.92
Total interest bearing deposits	\$ 18,396,377	18,664,861	17,981,410	17,692,862	17,744,708
Rate	0.58 %	0.54	0.46	0.41	0.39
Federal funds purchased and securities sold under repurchase agreements	\$ 202,226	184,369	191,585	183,400	176,854
Rate	0.21 %	0.15	0.08	0.10	0.09
Long-term debt	\$ 2,127,994	1,713,982	1,985,175	2,270,452	2,184,072
Rate	2.32 %	2.67	2.81	2.83	2.83
Total interest bearing liabilities	\$ 20,726,597	20,563,212	20,158,170	20,146,714	20,105,634
Rate	0.76 %	0.72	0.69	0.68	0.65
Non-interest bearing demand deposits	\$ 7,391,695	7,621,147	7,305,508	7,298,845	7,174,146
Effective cost of funds	0.53 %	0.50	0.48	0.48	0.46
Net interest margin	3.78 %	3.65	3.63	3.51	3.42
Taxable equivalent adjustment	\$ 116	234	283	298	309

(1) Yields and rates are annualized.

(2) Excludes net unrealized gains and losses.

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

(4) Reflects taxable-equivalent adjustments, using the statutory federal income tax rate (21% in 2018 and 35% in 2017), in adjusting interest on tax-exempt loans and investment securities to a taxable-equivalent basis.

(5) Included as a component of Other Assets on the consolidated balance sheet

Synovus

LOANS OUTSTANDING BY TYPE

(Unaudited)

(Dollars in thousands)

Loan Type	Total Loans March 31, 2018	Total Loans December 31, 2017	1Q18 vs. 4Q17 % change ⁽¹⁾	Total Loans March 31, 2017	1Q18 vs. 1Q17 % change
Commercial, Financial, and Agricultural Owner-Occupied	\$ 7,191,531	7,179,487	0.7 %	\$ 7,049,193	2.0 %
Total Commercial & Industrial	12,101,917	12,023,650	2.6	11,732,701	4.8
Multi-Family	1,479,573	1,492,159	(3.4)	1,638,250	(9.7)
Hotels	751,232	741,703	5.2	794,685	(5.5)
Office Buildings	1,464,473	1,499,834	(9.6)	1,552,817	(5.7)
Shopping Centers	782,580	791,311	(4.5)	902,954	(13.3)
Warehouses	583,645	581,410	1.6	533,262	9.4
Other Investment Property	557,547	563,648	(4.4)	594,084	(6.2)
Total Investment Properties	5,619,050	5,670,065	(3.6)	6,016,052	(6.6)
1-4 Family Construction	188,939	198,200	(18.9)	203,151	(7.0)
1-4 Family Investment Mortgage	569,965	583,419	(9.4)	659,346	(13.6)
Total 1-4 Family Properties	758,904	781,619	(11.8)	862,497	(12.0)
Commercial Development	65,371	70,062	(27.2)	65,376	(0.0)
Residential Development	104,137	114,079	(35.3)	130,653	(20.3)
Land Acquisition	288,265	299,463	(15.2)	392,710	(26.6)
Land and Development	457,773	483,604	(21.7)	588,739	(22.2)
Total Commercial Real Estate	6,835,727	6,935,288	(5.8)	7,467,288	(8.5)
Consumer Mortgages	2,663,371	2,633,503	4.6	2,350,730	13.3
Home Equity Lines	1,472,471	1,514,227	(11.2)	1,587,102	(7.2)
Credit Cards	226,713	232,676	(10.4)	224,349	1.1
Other Consumer Loans	1,606,799	1,473,451	36.7	922,018	74.3
Total Consumer	5,969,354	5,853,857	8.0	5,084,199	17.4
Unearned Income	(23,961)	(25,331)	(21.9)	(25,720)	(6.8)
Total	\$ 24,883,037	24,787,464	1.6 %	\$ 24,258,468	2.6 %

(1) Percentage change is annualized.

NON-PERFORMING LOANS COMPOSITION

(Unaudited)

(Dollars in thousands)

Loan Type	Total Non-performing Loans March 31, 2018	Total Non-performing Loans December 31, 2017	1Q18 vs. 4Q17 % change	Total Non-performing Loans March 31, 2017	1Q18 vs. 1Q17 % change
Commercial, Financial, and Agricultural Owner-Occupied	\$ 81,606	70,130	16.4 %	\$ 60,381	35.2 %
Total Commercial & Industrial	85,673	76,784	11.6	86,945	(1.5)
Multi-Family	1,028	1,241	(17.2)	1,556	(33.9)
Hotels	-	-	-	323	nm
Office Buildings	1,272	1,532	(17.0)	185	nm
Shopping Centers	89	165	(46.1)	-	nm
Warehouses	-	226	(100.0)	226	(100.0)
Other Investment Property	540	640	(15.6)	750	(28.0)
Total Investment Properties	2,929	3,804	(23.0)	3,040	(3.7)
1-4 Family Construction	-	-	-	306	nm
1-4 Family Investment Mortgage	2,634	2,849	(7.5)	8,497	(69.0)
Total 1-4 Family Properties	2,634	2,849	(7.5)	8,803	(70.1)
Commercial Development	44	45	(2.2)	205	(78.5)
Residential Development	3,220	3,257	(1.1)	9,033	(64.4)
Land Acquisition	1,311	2,495	(47.5)	5,114	(74.4)
Land and Development	4,575	5,797	(21.1)	14,352	(68.1)
Total Commercial Real Estate	10,138	12,450	(18.6)	26,195	(61.3)
Consumer Mortgages	7,708	7,203	7.0	19,874	(61.2)
Home Equity Lines	14,868	17,455	(14.8)	22,918	(35.1)
Other Consumer Loans	1,694	1,669	1.5	2,434	(30.4)
Total Consumer	24,270	26,327	(7.8)	45,226	(46.3)
Total	\$ 120,081	115,561	3.9 %	\$ 158,366	(24.2) %

Synovus

CREDIT QUALITY DATA

(Unaudited)

(Dollars in thousands)

	2018		2017			1st Quarter
	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	First Quarter	'18 vs. '17 Change
Non-performing Loans	\$ 120,081	115,561	97,838	159,317	158,366	(24.2) %
Impaired Loans Held for Sale ⁽¹⁾	6,591	11,278	30,197	127	8,442	(21.9)
Other Real Estate	4,496	3,758	10,551	19,476	20,425	(78.0)
Non-performing Assets	131,168	130,597	138,586	178,920	187,233	(29.9)
Allowance for loan losses	257,764	249,268	249,683	248,095	253,514	1.7
Net Charge-Offs - Quarter	4,280	8,979	38,099	15,678	6,919	
Net Charge-Offs / Average Loans - Quarter ⁽²⁾	0.07 %	0.15	0.62	0.26	0.12	
Non-performing Loans / Loans	0.48	0.47	0.40	0.65	0.65	
Non-performing Assets / Loans, Impaired Loans Held for Sale, & ORE	0.53	0.53	0.57	0.73	0.77	
Allowance / Loans	1.04	1.01	1.02	1.02	1.05	
Allowance / Non-performing Loans	214.66	215.70	255.20	155.72	160.08	
Allowance / Non-performing Loans ⁽³⁾	241.49	238.44	336.35	217.07	204.94	
Past Due Loans over 90 days and Still Accruing	\$ 5,416	4,414	5,685	4,550	2,777	95.0
As a Percentage of Loans Outstanding	0.02 %	0.02	0.02	0.02	0.01	
Total Past Due Loans and Still Accruing	\$ 54,150	52,032	84,853	66,788	62,137	(12.9)
As a Percentage of Loans Outstanding	0.22 %	0.21	0.35	0.27	0.26	
Accruing Troubled Debt Restructurings (TDRs)	\$ 129,394	151,271	166,918	167,395	172,421	(25.0)

(1) Represent impaired loans that have been specifically identified to be sold. Impaired loans held for sale are carried at the lower of cost or fair value, less costs to sell, based primarily on estimated sales proceeds net of selling costs.

(2) Ratio is annualized.

(3) Excludes non-performing loans for which the expected loss has been charged off.

SELECTED CAPITAL INFORMATION ⁽¹⁾

(Unaudited)

(Dollars in thousands)

	March 31, 2018	December 31, 2017	March 31, 2017
Tier 1 Capital	\$ 2,924,284	2,872,001	2,758,794
Total Risk-Based Capital	3,443,096	3,383,081	3,274,612
Common Equity Tier 1 Ratio (transitional)	10.11 %	9.99	9.86
Common Equity Tier 1 Ratio (fully phased-in) ⁽⁵⁾	10.01	9.88	9.63
Tier 1 Capital Ratio	10.51	10.38	10.18
Total Risk-Based Capital Ratio	12.37	12.23	12.08
Tier 1 Leverage Ratio	9.37	9.19	9.13
Common Equity as a Percentage of Total Assets ⁽²⁾	8.99	9.08	9.24
Tangible Common Equity as a Percentage of Tangible Assets ^{(3) (5)}	8.79	8.88	9.04
Book Value Per Common Share ⁽⁴⁾	\$ 23.85	23.85	23.19
Tangible Book Value Per Common Share ⁽³⁾	23.27	23.27	22.62

(1) Current quarter regulatory capital information is preliminary.

(2) Common equity consists of Total Shareholders' Equity less Preferred Stock.

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

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

(5) See "Non-GAAP Financial Measures" of this report for applicable reconciliation of GAAP measures.