

# Synovus

## INCOME STATEMENT DATA

(Unaudited)

(Dollars in thousands, except per share data)

Six Months Ended

	June 30,		
	2018	2017	Change
Interest income	\$ 642,968	557,911	15.2 %
Interest expense	84,107	66,887	25.7
Net interest income	558,861	491,024	13.8
Provision for loan losses	24,566	18,934	29.7
Net interest income after provision for loan losses	534,295	472,090	13.2
Non-interest income:			
Service charges on deposit accounts	39,938	40,370	(1.1)
Fiduciary and asset management fees	27,419	24,676	11.1
Card fees	21,032	19,885	5.8
Brokerage revenue	17,596	14,436	21.9
Mortgage banking income	9,887	11,548	(14.4)
Income from bank-owned life insurance	7,949	6,328	25.6
Investment securities (losses) gains, net	(1,296)	7,667	nm
Decrease in fair value of private equity investments, net	(3,093)	(3,166)	nm
Other fee income	9,877	11,033	(10.5)
Other non-interest income	11,124	7,762	43.3
Total non-interest income	140,433	140,539	(0.1)
Non-interest expense:			
Salaries and other personnel expense	225,583	212,404	6.2
Net occupancy and equipment expense	64,134	59,264	8.2
Third-party processing expense	29,012	26,223	10.6
FDIC insurance and other regulatory fees	13,335	13,645	(2.3)
Professional fees	11,789	12,907	(8.7)
Advertising expense	10,312	11,258	(8.4)
Foreclosed real estate expense, net	749	3,582	(79.1)
Earnout liability adjustments	-	1,707	nm
Amortization of intangibles	583	475	22.7
Valuation adjustment to Visa derivative	2,328	-	nm
Litigation settlement/contingency expense	(4,026)	-	nm
Restructuring charges, net	(212)	6,524	nm
Other operating expenses	45,647	41,144	10.9
Total non-interest expense	399,234	389,133	2.6
Income before income taxes	275,494	223,496	23.3
Income tax expense	61,146	75,635	(19.2)
Net income	214,348	147,861	45.0
Dividends on preferred stock	5,119	5,119	-
Net income available to common shareholders	\$ 209,229	142,742	46.6 %
Net income per common share, basic	\$ 1.77	1.17	51.2 %
Net income per common share, diluted	1.75	1.16	51.3
Cash dividends declared per common share	0.50	0.30	66.7
Return on average assets*	1.38 %	0.98	40 bps
Return on average common equity*	15.01	10.16	485
Weighted average common shares outstanding, basic	118,531	122,251	(3.0) %
Weighted average common shares outstanding, diluted	119,229	123,043	(3.1)

nm - not meaningful

bps - basis points

\* - ratios are annualized

# Synovus

## INCOME STATEMENT DATA

(Unaudited)

(In thousands, except per share data)

	2018			2017		Second Quarter
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	'18 vs. '17 Change
Interest income	\$ 329,834	313,134	306,934	297,652	285,510	15.5 %
Interest expense	45,257	38,850	37,221	35,080	34,413	31.5
Net interest income	284,577	274,284	269,713	262,572	251,097	13.3
Provision for loan losses	11,790	12,776	8,565	39,686	10,260	14.9
Net interest income after provision for loan losses	272,787	261,508	261,148	222,886	240,837	13.3
Non-interest income:						
Service charges on deposit accounts	19,999	19,940	20,372	20,678	20,252	(1.2)
Fiduciary and asset management fees	13,983	13,435	13,195	12,615	12,524	11.6
Card fees	10,833	10,199	9,762	9,729	10,041	7.9
Brokerage revenue	8,900	8,695	7,758	7,511	7,210	23.4
Mortgage banking income	4,839	5,047	5,645	5,603	5,784	(16.3)
Income from bank-owned life insurance	3,733	4,217	3,900	3,232	3,272	14.1
Cabela's transaction fee	-	-	-	75,000	-	nm
Investment securities (losses) gains, net	(1,296)	-	-	(7,956)	(1)	nm
(Decrease)/increase in fair value of private equity investments, net	(37)	(3,056)	100	(27)	(1,352)	nm
Other fee income	5,259	4,618	4,042	5,094	6,164	(14.7)
Other non-interest income	7,174	3,951	4,578	3,956	4,807	49.2
Total non-interest income	73,387	67,046	69,352	135,435	68,701	6.8
Non-interest expense:						
Salaries and other personnel expense	111,863	113,720	111,243	109,675	105,213	6.3
Net occupancy and equipment expense	32,654	31,480	30,126	30,573	29,933	9.1
Third-party processing expense	15,067	13,945	14,827	13,659	13,620	10.6
FDIC insurance and other regulatory fees	6,543	6,793	6,288	7,078	6,875	(4.8)
Professional fees	6,284	5,505	6,183	7,141	7,551	(16.8)
Advertising expense	5,220	5,092	8,081	3,610	5,346	(2.4)
Foreclosed real estate expense, net	(107)	856	1,693	7,265	1,448	nm
Earnout liability adjustments	-	-	1,700	2,059	1,707	nm
Amortization of intangibles	292	292	292	292	292	-
Valuation adjustment to Visa derivative	2,328	-	-	-	-	nm
Loss on early extinguishment of debt	-	-	23,160	-	-	nm
Litigation settlement/contingency expense	(1,400)	(2,626)	300	401	-	nm
Restructuring charges, net	103	(315)	(29)	519	13	nm
Other operating expenses	25,210	20,437	22,670	23,374	19,749	27.7
Total non-interest expense	204,057	195,179	226,534	205,646	191,747	6.4
Income before income taxes	142,117	133,375	103,966	152,675	117,791	20.7
Income tax expense	30,936	30,209	74,361	54,668	41,788	(26.0)
Net income	111,181	103,166	29,605	98,007	76,003	46.3
Dividends on preferred stock	2,559	2,559	2,559	2,559	2,559	-
Net income available to common shareholders	\$ 108,622	100,607	27,046	95,448	73,444	47.9 %
Net income per common share, basic	\$ 0.92	0.85	0.23	0.79	0.60	52.7 %
Net income per common share, diluted	0.91	0.84	0.23	0.78	0.60	52.7
Cash dividends declared per common share	0.25	0.25	0.15	0.15	0.15	66.7
Return on average assets *	1.42 %	1.34	0.37	1.27	1.00	42 bps
Return on average common equity *	15.39	14.62	3.76	13.24	10.34	505
Weighted average common shares outstanding, basic	118,397	118,666	119,282	120,900	122,203	(3.1) %
Weighted average common shares outstanding, diluted	119,139	119,321	120,182	121,814	123,027	(3.2)

nm - not meaningful

bps - basis points

\* - ratios are annualized

## Synovus

### BALANCE SHEET DATA (Unaudited)

(In thousands, except share data)

#### ASSETS

	June 30, 2018	December 31, 2017	June 30, 2017
Cash and due from banks	\$ 404,080	397,848	377,213
Interest bearing funds with Federal Reserve Bank	613,082	460,928	468,148
Interest earning deposits with banks	33,754	26,311	6,012
Federal funds sold and securities purchased under resale agreements	40,872	47,846	46,847
Cash and cash equivalents	1,091,788	932,933	898,220
Mortgage loans held for sale, at fair value	53,673	48,024	61,893
Investment securities available for sale, at fair value	3,929,962	3,987,069	3,827,058
Loans, net of deferred fees and costs	25,134,056	24,787,464	24,430,512
Allowance for loan losses	(251,725)	(249,268)	(248,095)
Loans, net	24,882,331	24,538,196	24,182,417
Cash surrender value of bank-owned life insurance	547,261	540,958	458,753
Premises and equipment, net	428,633	426,813	416,364
Goodwill	57,315	57,315	57,092
Other intangible assets	10,458	11,254	11,843
Deferred tax asset, net	182,983	165,788	320,403
Other assets	555,901	513,487	453,923
<b>Total assets</b>	<b>\$ 31,740,305</b>	<b>31,221,837</b>	<b>30,687,966</b>

#### LIABILITIES AND SHAREHOLDERS' EQUITY

##### Liabilities:

Deposits:			
Non-interest bearing deposits	\$ 7,630,491	7,686,339	7,363,476
Interest bearing deposits, excluding brokered deposits	16,961,187	16,500,436	16,387,032
Brokered deposits	1,851,010	1,961,125	1,468,308
Total deposits	26,442,688	26,147,900	25,218,816
Federal funds purchased and securities sold under repurchase agreements	207,580	161,190	150,379
Long-term debt	1,656,647	1,706,138	2,107,245
Other liabilities	265,696	245,043	213,579
<b>Total liabilities</b>	<b>28,572,611</b>	<b>28,260,271</b>	<b>27,690,019</b>

##### Shareholders' equity:

Series D Preferred Stock - no par value, 8,000,000 shares outstanding at June 30, 2018	195,138	-	-
Series C Preferred Stock - no par value, 5,200,000 shares outstanding at June 30, 2018, December 31, 2017, and June 30, 2017	125,980	125,980	125,980
Common stock - \$1.00 par value. 117,841,369 shares outstanding at June 30, 2018, 118,897,295 shares outstanding at December 31, 2017, and 121,661,092 shares outstanding at June 30, 2017	143,078	142,678	142,499
Additional paid-in capital	3,045,014	3,043,129	3,029,754
Treasury stock, at cost - 25,236,604 shares at June 30, 2018, 23,780,154 shares at December 31, 2017, and 20,837,814 shares at June 30, 2017	(916,484)	(839,674)	(709,944)
Accumulated other comprehensive loss	(125,720)	(54,754)	(47,865)
Retained earnings	700,688	544,207	457,523
<b>Total shareholders' equity</b>	<b>3,167,694</b>	<b>2,961,566</b>	<b>2,997,947</b>
<b>Total liabilities and shareholders' equity</b>	<b>\$ 31,740,305</b>	<b>31,221,837</b>	<b>30,687,966</b>

# Synovus

## AVERAGE BALANCES AND YIELDS/RATES (1)

(Unaudited)

(Dollars in thousands)

	2018			2017	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
<b>Interest Earning Assets</b>					
Taxable investment securities <sup>(2)</sup>	\$ 4,077,564	4,097,162	3,937,278	3,786,436	3,844,688
Yield	2.34 %	2.34	2.29	2.11	2.11
Tax-exempt investment securities <sup>(2) (4)</sup>	\$ 115	140	180	259	340
Yield (taxable equivalent)	6.87 %	6.57	7.97	7.86	6.87
Trading account assets <sup>(5)</sup>	\$ 23,772	8,167	7,360	7,823	3,667
Yield	2.79 %	2.66	2.78	2.09	2.28
Commercial loans <sup>(3) (4)</sup>	\$ 18,857,271	18,963,515	18,935,774	19,059,936	19,137,733
Yield	4.85 %	4.64	4.49	4.41	4.27
Consumer loans <sup>(3)</sup>	\$ 6,092,899	5,899,015	5,704,629	5,440,765	5,215,258
Yield	4.76 %	4.71	4.54	4.55	4.49
Allowance for loan losses	\$ (257,966)	(251,635)	(252,319)	(249,248)	(251,219)
Loans, net <sup>(3)</sup>	\$ 24,692,204	24,610,895	24,388,084	24,251,453	24,101,772
Yield	4.88 %	4.70	4.55	4.49	4.36
Mortgage loans held for sale	\$ 50,366	38,360	45,353	52,177	52,224
Yield	4.42 %	3.95	3.96	3.88	3.87
Federal funds sold, due from Federal Reserve Bank, and other short-term investments	\$ 724,537	516,575	922,296	543,556	561,503
Yield	1.77 %	1.48	1.31	1.23	1.00
Federal Home Loan Bank and Federal Reserve Bank stock <sup>(5)</sup>	\$ 165,845	177,381	159,455	175,263	177,323
Yield	4.63 %	3.39	4.03	3.50	2.99
<b>Total interest earning assets</b>	<b>\$ 29,734,403</b>	<b>29,448,680</b>	<b>29,460,006</b>	<b>28,816,967</b>	<b>28,741,517</b>
Yield	4.46 %	4.31	4.15	4.11	3.99
<b>Interest Bearing Liabilities</b>					
Interest bearing demand deposits	\$ 5,001,826	5,032,000	4,976,239	4,868,372	4,837,053
Rate	0.35 %	0.31	0.28	0.27	0.23
Money market accounts	\$ 7,791,107	7,561,554	7,514,992	7,528,036	7,427,562
Rate	0.55 %	0.43	0.36	0.34	0.32
Savings deposits	\$ 829,800	811,587	804,853	803,184	805,019
Rate	0.03 %	0.03	0.03	0.03	0.04
Time deposits under \$100,000	\$ 1,161,890	1,143,780	1,166,413	1,183,582	1,202,746
Rate	0.82 %	0.71	0.70	0.68	0.67
Time deposits over \$100,000	\$ 2,021,084	1,895,545	2,004,031	2,067,347	2,040,924
Rate	1.22 %	1.02	0.99	0.97	0.94
Non-maturing brokered deposits	\$ 262,976	424,118	546,413	547,466	564,043
Rate	1.94 %	1.14	0.81	0.73	0.54
Brokered time deposits	\$ 1,659,941	1,527,793	1,651,920	983,423	815,515
Rate	1.85 %	1.75	1.63	1.16	0.94
<b>Total interest bearing deposits</b>	<b>\$ 18,728,624</b>	<b>18,396,377</b>	<b>18,664,861</b>	<b>17,981,410</b>	<b>17,692,862</b>
Rate	0.70 %	0.58	0.54	0.46	0.41
Federal funds purchased and securities sold under repurchase agreements	\$ 210,679	202,226	184,369	191,585	183,400
Rate	0.38 %	0.21	0.15	0.08	0.10
Long-term debt	\$ 1,852,094	2,127,994	1,713,982	1,985,175	2,270,452
Rate	2.66 %	2.32	2.67	2.81	2.83
<b>Total interest bearing liabilities</b>	<b>\$ 20,791,397</b>	<b>20,726,597</b>	<b>20,563,212</b>	<b>20,158,170</b>	<b>20,146,714</b>
Rate	0.87 %	0.76	0.72	0.69	0.68
Non-interest bearing demand deposits	\$ 7,539,451	7,391,695	7,621,147	7,305,508	7,298,845
Effective cost of funds	0.61 %	0.53	0.50	0.48	0.48
<b>Net interest margin</b>	<b>3.86 %</b>	<b>3.78</b>	<b>3.65</b>	<b>3.63</b>	<b>3.51</b>
Taxable equivalent adjustment	\$ 120	116	234	283	298

(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 June 30, 2018	Total Loans March 31, 2018	2Q18 vs. 1Q18 % change <sup>(1)</sup>	Total Loans June 30, 2017	2Q18 vs. 2Q17 % change
Commercial, Financial, and Agricultural Owner-Occupied	\$ 7,271,080	7,191,531	4.4 %	\$ 6,993,817	4.0 %
<b>Total Commercial &amp; Industrial</b>	<b>12,275,472</b>	<b>12,101,917</b>	<b>5.8</b>	<b>11,742,945</b>	<b>4.5</b>
Multi-Family	1,358,211	1,479,573	(32.9)	1,724,917	(21.3)
Hotels	755,125	751,232	2.1	835,110	(9.6)
Office Buildings	1,429,166	1,464,473	(9.7)	1,539,494	(7.2)
Shopping Centers	811,186	782,580	14.7	864,868	(6.2)
Warehouses	602,707	583,645	13.1	495,860	21.5
Other Investment Property	553,201	557,547	(3.1)	575,415	(3.9)
<b>Total Investment Properties</b>	<b>5,509,596</b>	<b>5,619,050</b>	<b>(7.8)</b>	<b>6,035,664</b>	<b>(8.7)</b>
1-4 Family Construction	177,140	188,939	(25.0)	198,419	(10.7)
1-4 Family Investment Mortgage	543,570	569,965	(18.6)	638,407	(14.9)
<b>Total 1-4 Family Properties</b>	<b>720,710</b>	<b>758,904</b>	<b>(20.2)</b>	<b>836,826</b>	<b>(13.9)</b>
Commercial Development	61,375	65,371	(24.5)	66,055	(7.1)
Residential Development	100,246	104,137	(15.0)	118,032	(15.1)
Land Acquisition	252,244	288,265	(50.1)	365,657	(31.0)
<b>Land and Development</b>	<b>413,865</b>	<b>457,773</b>	<b>(38.5)</b>	<b>549,744</b>	<b>(24.7)</b>
<b>Total Commercial Real Estate</b>	<b>6,644,171</b>	<b>6,835,727</b>	<b>(11.2)</b>	<b>7,422,234</b>	<b>(10.5)</b>
Consumer Mortgages	2,750,935	2,663,371	13.2	2,470,665	11.3
Home Equity Lines	1,453,855	1,472,471	(5.1)	1,563,167	(7.0)
Credit Cards	238,424	226,713	20.7	225,900	5.5
Other Consumer Loans	1,793,916	1,606,799	46.7	1,031,639	73.9
<b>Total Consumer</b>	<b>6,237,130</b>	<b>5,969,354</b>	<b>18.0</b>	<b>5,291,371</b>	<b>17.9</b>
<b>Unearned Income</b>	<b>(22,717)</b>	<b>(23,961)</b>	<b>(20.8)</b>	<b>(26,038)</b>	<b>(12.8)</b>
<b>Total</b>	<b>\$ 25,134,056</b>	<b>24,883,037</b>	<b>4.0 %</b>	<b>\$ 24,430,512</b>	<b>2.9 %</b>

(1) Percentage change is annualized.

### NON-PERFORMING LOANS COMPOSITION (Unaudited)

(Dollars in thousands)

Loan Type	Total Non-performing Loans June 30, 2018	Total Non-performing Loans March 31, 2018	2Q18 vs. 1Q18 % change	Total Non-performing Loans June 30, 2017	2Q18 vs. 2Q17 % change
Commercial, Financial, and Agricultural Owner-Occupied	\$ 81,231	81,606	(0.5) %	\$ 69,550	16.8 %
<b>Total Commercial &amp; Industrial</b>	<b>87,307</b>	<b>85,673</b>	<b>1.9</b>	<b>94,468</b>	<b>(7.6)</b>
Multi-Family	176	1,028	(82.9)	1,621	(89.1)
Hotels	-	-	-	376	nm
Office Buildings	670	1,272	(47.3)	326	nm
Shopping Centers	412	89	362.9	161	nm
Warehouses	21	-	nm	41	(48.8)
Other Investment Property	459	540	(15.0)	1,187	(61.3)
<b>Total Investment Properties</b>	<b>1,738</b>	<b>2,929</b>	<b>(40.7)</b>	<b>3,712</b>	<b>(53.2)</b>
1-4 Family Investment Mortgage	3,247	2,634	23.3	8,535	(62.0)
<b>Total 1-4 Family Properties</b>	<b>3,247</b>	<b>2,634</b>	<b>23.3</b>	<b>8,535</b>	<b>(62.0)</b>
Commercial Development	42	44	(4.5)	269	(84.4)
Residential Development	3,184	3,220	(1.1)	5,585	(43.0)
Land Acquisition	1,398	1,311	6.6	5,077	(72.5)
<b>Land and Development</b>	<b>4,624</b>	<b>4,575</b>	<b>1.1</b>	<b>10,931</b>	<b>(57.7)</b>
<b>Total Commercial Real Estate</b>	<b>9,609</b>	<b>10,138</b>	<b>(5.2)</b>	<b>23,178</b>	<b>(58.5)</b>
Consumer Mortgages	4,822	7,708	(37.4)	18,035	(73.3)
Home Equity Lines	14,265	14,868	(4.1)	20,648	(30.9)
Other Consumer Loans	1,325	1,694	(21.8)	2,988	(55.7)
<b>Total Consumer</b>	<b>20,412</b>	<b>24,270</b>	<b>(15.9)</b>	<b>41,671</b>	<b>(51.0)</b>
<b>Total</b>	<b>\$ 117,328</b>	<b>120,081</b>	<b>(2.3) %</b>	<b>\$ 159,317</b>	<b>(26.4) %</b>

# Synovus

## CREDIT QUALITY DATA

(Unaudited)

(Dollars in thousands)

	2018			2017		2nd Quarter
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	'18 vs. '17 Change
Non-performing Loans	\$ 117,328	120,081	115,561	97,838	159,317	(26.4) %
Impaired Loans Held for Sale <sup>(1)</sup>	2,733	6,591	11,278	30,197	127	nm
Other Real Estate	6,288	4,496	3,758	10,551	19,476	(67.7)
Non-performing Assets	126,349	131,168	130,597	138,586	178,920	(29.4)
Allowance for loan losses	251,725	257,764	249,268	249,683	248,095	1.5
Net Charge-Offs - Quarter	17,829	4,280	8,979	38,099	15,678	
Net Charge-Offs - YTD	22,109	4,280	69,675	60,695	22,597	
Net Charge-Offs / Average Loans - Quarter <sup>(2)</sup>	0.29 %	0.07	0.15	0.62	0.26	
Net Charge-Offs / Average Loans - YTD <sup>(2)</sup>	0.18	0.07	0.29	0.33	0.19	
Non-performing Loans / Loans	0.47	0.48	0.47	0.40	0.65	
Non-performing Assets / Loans, Impaired Loans Held for Sale, & ORE	0.50	0.53	0.53	0.57	0.73	
Allowance / Loans	1.00	1.04	1.01	1.02	1.02	
Allowance / Non-performing Loans	214.55	214.66	215.70	255.20	155.72	
Allowance / Non-performing Loans <sup>(3)</sup>	262.99	241.49	238.44	336.35	217.07	
Past Due Loans over 90 days and Still Accruing	\$ 3,222	5,416	4,414	5,685	4,550	(29.2)
As a Percentage of Loans Outstanding	0.01 %	0.02	0.02	0.02	0.02	
Total Past Due Loans and Still Accruing	\$ 55,614	54,150	52,032	84,853	66,788	(16.7)
As a Percentage of Loans Outstanding	0.22 %	0.22	0.21	0.35	0.27	
Accruing Troubled Debt Restructurings (TDRs)	\$ 125,310	129,394	151,271	166,918	167,395	(25.1)

(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 <sup>(1)</sup>

(Unaudited)

(Dollars in thousands)

	June 30, 2018	December 31,	
		2017	June 30, 2017
Tier 1 Capital	\$ 3,156,805	2,872,001	2,829,340
Total Risk-Based Capital	3,668,904	3,383,081	3,340,155
Common Equity Tier 1 Ratio (transitional)	10.11 %	9.99	10.02
Common Equity Tier 1 Ratio (fully phased-in) <sup>(5)</sup>	10.05	9.88	9.82
Tier 1 Capital Ratio	11.25	10.38	10.37
Total Risk-Based Capital Ratio	13.07	12.23	12.24
Tier 1 Leverage Ratio	10.03	9.19	9.30
Common Equity as a Percentage of Total Assets <sup>(2)</sup>	8.97	9.08	9.36
Tangible Common Equity as a Percentage of Tangible Assets <sup>(3) (5)</sup>	8.77	8.88	9.15
Book Value Per Common Share <sup>(4)</sup>	\$ 24.16	23.85	23.61
Tangible Book Value Per Common Share <sup>(3)</sup>	23.58	23.27	23.04

(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.