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Synchrony Completes Acquisition of Ally Lending

Strengthens Relationships in Home Improvement and Health and Wellness Financing

STAMFORD, Conn., March 4, 2024 /PRNewswire/ -- Synchrony (NYSE: SYF) today announced it completed its [acquisition](#) of Ally Lending, the point of sale financing business for Ally Financial (NYSE: ALLY) that includes \$2.2 billion of loan receivables.*



Ally's loan portfolio includes relationships with nearly 2,500 merchant locations and supports more than 450,000 active borrowers in home improvement services and healthcare. Through this acquisition, Synchrony deepens its presence and reach in the home improvement and health and wellness sectors including high-growth specialty areas such as roofing, HVAC, and windows, as well as in cosmetic, audiology, and dentistry.

The closing expands Synchrony's multi-product strategy by extending its core revolving product to Ally's partners and speeds the Company's ability to offer installment products to Synchrony's merchants and contractors. Through this acquisition, Synchrony will create a differentiated solution in the industry -- simultaneously offering both revolving credit and installment loans at the point-of-sale in the home improvement vertical. Further, the Ally Lending health portfolio complements Synchrony's existing Health and Wellness platform and extends Synchrony's reach in cosmetic, audiology, and dentistry.

"We are pleased to welcome the Ally Lending team to our Synchrony family. The combination of their industry knowledge, flexible financing solutions and customer-focused mindset paired with Synchrony's multi-product strategy will provide more choice to our consumers and help our merchants grow," said Curtis Howse, CEO of Home & Auto at Synchrony. "This is a significant and exciting growth opportunity for Synchrony, and we look forward to using our expertise to scale the business."

Synchrony expects this acquisition to be accretive to full year 2024 earnings per share, excluding the impact of the initial reserve build for credit losses at acquisition. The acquisition is expected to realize an attractive internal rate of return for Synchrony with an approximate three-and-a-half-year tangible book value earnback.

**Amount of loan receivables as of December 31, 2023.*

About Synchrony

Synchrony (NYSE: [SYF](#)) is a premier consumer financial services company delivering one of the industry's most complete digitally-enabled product suites. Our experience, expertise and scale encompass a broad spectrum of industries including digital, health and wellness, retail, telecommunications, home, auto, outdoor, pet and more. We have an established and diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which we refer to as our "partners." We connect our partners and consumers through our dynamic financial ecosystem and provide them with a diverse set of financing solutions and innovative digital capabilities to address their specific needs and deliver seamless, omnichannel experiences. We offer the right financing products to the right customers in their channel of choice. For more information, visit www.synchrony.com.

Forward-Looking Statements

This press release includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by words such as "will," "expect," or words of similar meaning. The forward-looking statements convey our expectations, intentions, or forecasts related to the completion of the Ally Lending acquisition, which are based on management's assumptions and estimates, and are subject to inherent uncertainties, risks and changes that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements. For the reasons described above, we caution you against relying on any forward-looking statements, which should also be read in conjunction with our public filings, including under the heading "Risk Factors Relating to Our Business" and "Risk Factors Relating to Regulation" in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as filed on February 8, 2024. Any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update any forward-looking statement, except as otherwise may be required by law.

Synchrony Communications:

Lisa Lanspery

lisa.lanspery@syf.com

Synchrony Investor Relations:

Kathryn Miller

kathryn.miller@syf.com

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