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PayPal and Synchrony Complete Consumer Credit Receivables Sale

Synchrony becomes exclusive issuer of PayPal Credit in U.S.

Co-brand credit card relationship extended for enhanced customer experience

SAN JOSE, Calif. & STAMFORD, Conn.--(BUSINESS WIRE)-- PayPal Holdings, Inc. (NASDAQ:PYPL) today announced the closing of its consumer credit receivables transaction with Synchrony (NYSE:SYF). Under the terms of the transaction, and related transactions with unaffiliated third parties, Synchrony acquired \$7.6 billion in receivables, including PayPal's U.S. consumer credit receivables portfolio, which totaled \$6.8 billion at the time of closing, and approximately \$0.8 billion in participation interests in receivables held by unaffiliated third parties. PayPal received approximately \$6.9 billion in total consideration at closing.

This press release features multimedia. View the full release here:
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With the completion of the transaction, PayPal and Synchrony have extended their existing co-brand consumer credit card program agreement, and Synchrony is now the exclusive issuer of the PayPal Credit online consumer financing program in the U.S., through 2028.

"We're pleased that we've completed the sale of our U.S. consumer credit receivables portfolio," said Dan Schulman, President and CEO of PayPal. "Our agreement with Synchrony accomplishes every goal we set out for our asset light strategy. We look forward to working with Synchrony to double down on our innovative consumer credit experiences for our customers and profitably grow the portfolio over time."

"This collaboration plays to both companies' strengths in providing seamless digital payments and innovating for partners, merchants, and consumers. It also expands Synchrony's leadership in consumer credit programs," said Margaret Keane, President and CEO of Synchrony. "Together we can provide an enhanced customer experience for thousands of merchants and consumers."

Since 2004, PayPal and Synchrony Bank have partnered to offer PayPal-branded consumer credit cards to consumers. The expanded agreement with Synchrony Bank for both the U.S. PayPal Credit online consumer financing program and the U.S. PayPal-branded consumer credit card program allows PayPal to collaborate with an industry leader to enrich and expand PayPal's consumer credit offerings.

Synchrony will update the financial impact of the transaction in its second quarter 2018 earnings call.

About PayPal

Fueled by a fundamental belief that having access to financial services creates opportunity, PayPal Holdings, Inc. (NASDAQ: PYPL) is committed to democratizing financial services and empowering people and businesses to join and thrive in the global economy. Our open digital payments platform gives PayPal's 237 million active account holders the confidence to connect and transact in new and powerful ways, whether they are online, on a mobile device, in an app, or in person. Through a combination of technological innovation and strategic partnerships, PayPal creates better ways to manage and move money, and offers choice and flexibility when sending payments, paying or getting paid. Available in more than 200 markets around the world, the PayPal platform, including Braintree, Venmo and Xoom, enables consumers and merchants to receive money in more than 100 currencies, withdraw funds in 56 currencies and hold balances in their PayPal accounts in 25 currencies. For more information on PayPal, visit www.paypal.com/about or follow us at [@PayPalNews](https://twitter.com/PayPalNews). For PayPal Holdings, Inc. financial information, visit investor.paypal-corp.com.

Forward Looking Statements About PayPal

This announcement contains “forward-looking” statements within the meaning of applicable securities laws. Forward-looking statements and information relate to future events and future performance and reflect, among other things PayPal’s expectations regarding the anticipated benefits of the transaction. Forward looking statements may be identified by words such as “seek”, “believe”, “plan”, “estimate”, “anticipate”, “expect”, “intend”, and statements that an event or result “may”, “will”, “should”, “could”, or “might” occur or be achieved and any other similar expressions.

Forward-looking statements involve risks and uncertainties which may cause actual results to differ materially from the statements made. Factors that could cause or contribute to such differences include, but are not limited to, the possibility that the anticipated benefits of the transaction may not be realized. More information about these and other factors can be found in PayPal Holdings, Inc.’s most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other filings with the Securities and Exchange Commission (the “SEC”), and its future filings with the SEC.

There are no assurances PayPal can fulfill forward-looking statements and information. Such forward-looking statements and information are only predictions based on current information available to the PayPal management team as of the date that such predictions are made; actual events or results may differ materially as a result of risks facing PayPal, some of which are beyond PayPal’s control. Although PayPal believes that any forward-looking statements and information contained in this press release are based on reasonable assumptions, readers cannot be assured that actual outcomes or results will be consistent with such statements. Accordingly, readers should not place undue reliance on forward-looking statements and information.

About Synchrony

Synchrony (NYSE:[SYF](#)) is a premier consumer financial services company delivering customized financing programs across key industries including retail, health, auto, travel and home, along with award-winning consumer banking products. With more than \$130 billion in sales financed and 74.5 million active accounts, Synchrony brings deep industry expertise, actionable data insights, innovative solutions and differentiated digital experiences to

improve the success of every business we serve and the quality of each life we touch. More information can be found at www.synchrony.com and through Twitter: [@Synchrony](https://twitter.com/Synchrony).

Forward Looking Statements About Synchrony

This announcement contains certain forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may be identified by words such as “expects,” “intends,” “anticipates,” “plans,” “believes,” “seeks,” “targets,” “outlook,” “estimates,” “will,” “should,” “may” or words of similar meaning, but these words are not the exclusive means of identifying forward-looking statements. Forward-looking statements are based on management’s current expectations and assumptions, and are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, actual results could differ materially from those indicated in these forward-looking statements.

We caution you against relying on any forward-looking statements, including those that are included in our public filings, which should be read in conjunction with the other cautionary statements that are included in our public filings, including under the heading “Risk Factors” in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2017, as filed on February 22, 2018. You should not consider any list of such factors to be an exhaustive statement of all of the risks, uncertainties, or potentially inaccurate assumptions that could cause our current expectations or beliefs to change. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, except as otherwise may be required by law.

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