

Synchrony Financial
 Form 424B5
 March 15, 2019
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Filed Pursuant to Rule 424(b)(5)
 Registration No. 333-213681

CALCULATION OF REGISTRATION FEE

Amount	Proposed Maximum Offering Price Per Security	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee ⁽¹⁾
\$600,000,000	99.756%	\$598,536,000	\$72,542.56
\$650,000,000	99.784%	\$648,596,000	\$78,609.84

⁽¹⁾ Calculated in accordance with Rules 456(b) and 457(r) under the Securities Act of 1933, as amended, and relates to the Registration Statement on Form S-3 (File No. 333-213681) filed by the registrant on September 16, 2016.

Table of Contents**PROSPECTUS SUPPLEMENT****TO THE PROSPECTUS DATED SEPTEMBER 16, 2016****\$1,250,000,000****\$600,000,000 4.375% Senior Notes due 2024****\$650,000,000 5.150% Senior Notes due 2029**

We are offering \$600,000,000 aggregate principal amount of 4.375% Senior Notes due 2024 (the 2024 notes) and \$650,000,000 aggregate principal amount of 5.150% Senior Notes due 2029 (the 2029 notes and, together with the 2024 notes, the notes).

Interest on the 2024 notes will be payable semi-annually in arrears on March 19 and September 19 of each year, beginning on September 19, 2019. Interest on the 2029 notes will be payable semi-annually in arrears on March 19 and September 19 of each year, beginning on September 19, 2019. The 2024 notes will mature on March 19, 2024. The 2029 notes will mature on March 19, 2029. The notes of each series may not be redeemed by us prior to September 19, 2019. We may redeem each series of notes, in whole or in part, at any time on or after September 19, 2019 at the applicable prices described under Description of the Notes Optional Redemption.

The notes will be our senior, unsecured obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated obligations from time to time outstanding. The notes are not savings accounts, deposits or other obligations of any of our bank or non-bank subsidiaries and are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.

The notes will not be listed on any securities exchange or quoted on any automated quotation system. Currently, there is no established trading market for the notes.

Investing in the notes involves risks. See Risk Factors beginning on page S-11.

	2024 Notes		2029 Notes	
	Per 2024 Note	Total	Per 2029 Note	Total
Price to public ⁽¹⁾	99.756%	\$ 598,536,000	99.784%	\$ 648,596,000
Underwriting discount	0.500%	\$ 3,000,000	0.550%	\$ 3,575,000
Proceeds to us ⁽¹⁾	99.256%	\$ 595,536,000	99.234%	\$ 645,021,000

(1) Plus accrued interest, if any, from March 19, 2019.

Neither the Securities and Exchange Commission (the SEC) nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The underwriters expect to deliver the notes to purchasers in book-entry form only through The Depository Trust Company, for the benefit of its participants, including Clearstream Banking S.A. and Euroclear Bank SA/NV, on or about March 19, 2019.

Joint Book-Running Managers

J.P. Morgan

**Citigroup
Co-Managers**

Wells Fargo Securities

Academy Securities

Blaylock Van, LLC

CastleOak Securities, L.P.

Mischler Financial Group, Inc. R. Seelaus & Co., LLC Ramirez & Co., Inc. The Williams Capital Group, L.P.

March 14, 2019

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ABOUT THIS PROSPECTUS SUPPLEMENT

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This document is in two parts. The first part is this prospectus supplement, which contains the specific terms of this offering of notes. The second part, the accompanying prospectus dated September 16, 2016, which is part of our Registration Statement on Form S-3, gives more general information, some of which may not apply to this offering.

This prospectus supplement and the information incorporated by reference in this prospectus supplement may add, update or change information contained in the accompanying prospectus. If there is any inconsistency between the information in this prospectus supplement and the information contained in the accompanying prospectus, the information in this prospectus supplement will apply and will supersede any such information in the accompanying prospectus.

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In making your investment decision, it is important for you to read and consider all information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus relating to this offering prepared by us or on our behalf or to which we have referred you. You should also read and consider the information in the documents to which we have referred you in [Where You Can Find More Information](#) in the accompanying prospectus.

Neither we nor any of the underwriters have authorized anyone to provide any information other than that contained in or incorporated by reference in this prospectus supplement, the accompanying prospectus and any free writing prospectus relating to this offering prepared by us or on our behalf or to which we have referred you. We and the underwriters take no responsibility for, and provide no assurance as to the reliability of, any other information that others may give you.

Neither we nor any of the underwriters is making an offer to sell or soliciting offers to buy these securities in any jurisdiction where or to any person to whom the offer or sale is not permitted. The information contained or incorporated by reference in this prospectus supplement, the accompanying prospectus or any free writing prospectus that we may provide you in connection with this offering or other offering material filed by us with the SEC is accurate only as of the date of those documents or information, regardless of the time of delivery of the documents or information or the time of any sale of the securities. Our business, financial condition, results of operations and future growth prospects may have changed since those dates.

For investors outside the United States: Neither we nor any of the underwriters has done anything that would permit this offering or possession or distribution of this prospectus supplement, the accompanying prospectus or any free writing prospectus we may provide to you in connection with this offering in any jurisdiction where action for that purpose is required, other than in the United States. You are required to inform yourselves about and to observe any restrictions relating to this offering and the distribution of this prospectus supplement, the accompanying prospectus and any such free writing prospectus outside of the United States.

Certain Defined Terms

Except as the context may otherwise require in this prospectus supplement, references to:

we, us, our and the Company are to SYNCHRONY FINANCIAL and its subsidiaries;

Synchrony are to SYNCHRONY FINANCIAL only;

the Bank are to Synchrony Bank (a wholly-owned subsidiary of Synchrony);

GE are to General Electric Company and its subsidiaries; and

FICO score are to a credit score developed by Fair Isaac & Co., which is widely used as a means of evaluating the likelihood that credit users will pay their obligations.

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For a description of certain other terms we use, including active account and purchase volume, see the notes to Management's Discussion and Analysis of Financial Condition and Results of Operations Results of Operations for the Three Years Ended December 31, 2018 Other Financial and Statistical Data in our Annual Report on Form 10-K for the year ended December 31, 2018. There is no standard industry definition for many of these terms, and other companies may define them differently than we do.

We provide a range of credit products through programs we have established with a diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which, in our business and in this prospectus, we refer to as our partners. The terms of the programs all require cooperative efforts between us and our partners of varying natures and degrees to establish and operate the programs. Our use of the term partners to refer to these entities is not intended to, and does not, describe our legal relationship with them, imply that a legal partnership or other relationship exists between the parties or create any legal partnership or other relationship.

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Synchrony and its logos and other trademarks referred to in this prospectus supplement, including CareCredit[®] and Dual Cards[™], belong to us. Solely for convenience, we refer to our trademarks in this prospectus supplement without the [™] and [®] symbols, but such references are not intended to indicate that we will not assert, to the fullest extent under applicable law, our rights to our trademarks. Other service marks, trademarks and trade names referred to in this prospectus supplement are the property of their respective owners.

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SUMMARY

This summary highlights information contained elsewhere in this prospectus supplement and may not contain all of the information that may be important to you. You should read this entire prospectus supplement and the accompanying prospectus carefully, including the information set forth in Risk Factors, our consolidated financial statements and the related notes thereto and the other information incorporated by reference herein, before making an investment decision.

Our Company

We are a premier consumer financial services company delivering customized financing programs across key industries including retail, health, auto, travel and home, along with our award-winning consumer banking products. We provide a range of credit products through our financing programs which we have established with a 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. Through our partners over 390,000 locations across the United States and Canada, and their websites and mobile applications, we offer their customers a variety of credit products to finance the purchase of goods and services. During 2018, we financed \$140.7 billion of purchase volume, and at December 31, 2018, we had \$93.1 billion of loan receivables and 80.3 million active accounts. Our active accounts represent a geographically diverse group of both consumers and businesses, with an average FICO score of 716 for active accounts at December 31, 2018.

Our business benefits from longstanding and collaborative relationships with our partners, including some of the nation's leading retailers and manufacturers with well-known consumer brands, such as Lowe's and Ashley HomeStore and also leading e-commerce partners, such as Amazon and PayPal. We believe our partner-centric business model has been successful because it aligns our interests with those of our partners and provides substantial value to both our partners and our customers. Our partners promote our credit products because they generate increased sales and strengthen customer loyalty. Our customers benefit from instant access to credit, discounts and promotional offers. We seek to differentiate ourselves through deep partner integration and our extensive marketing expertise. We have omni-channel (in-store, online and mobile) technology and marketing capabilities, which allow us to offer and deliver our credit products instantly to customers across multiple channels.

We conduct our operations through a single business segment. Profitability and expenses, including funding costs, loan losses and operating expenses, are managed for the business as a whole. Substantially all of our operations are within the United States. We offer our credit products through three sales platforms (Retail Card, Payment Solutions and CareCredit). Those platforms are organized by the types of products we offer and the partners we work with, and are measured on interest and fees on loans, loan receivables, active accounts and other sales metrics. Retail Card is a leading provider of private label credit cards, and also provides Dual Cards, general purpose co-branded credit cards, and small-and-medium-sized business credit products. Payment Solutions is a leading provider of promotional financing for major consumer purchases, offering primarily private label credit cards and installment loans. CareCredit is a leading provider of promotional financing to consumers for health, veterinary and personal care procedures, services and products, including dental, vision, audiology and cosmetic.

We offer our credit products primarily through our wholly-owned subsidiary, the Bank. In addition, through the Bank, we offer, directly to retail and commercial customers, a range of deposit products insured by the Federal Deposit Insurance Corporation (FDIC), including certificates of deposit, individual retirement accounts (IRAs), money market accounts and savings accounts. We also take deposits at the Bank through third-party securities brokerage firms that offer our FDIC-insured deposit products to their customers. We have significantly expanded our online direct banking operations in recent years and our deposit base serves as a source of stable

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and diversified low cost funding for our credit activities. At December 31, 2018, we had \$64.0 billion in deposits, which represented 73% of our total funding sources.

Additional Information

Our corporate headquarters and principal executive offices are located at 777 Long Ridge Road, Stamford, Connecticut 06902. Our telephone number at that address is (203) 585-2400. Our internet address is www.synchronyfinancial.com. Information on, or accessible through, our website is not part of this prospectus supplement or the accompanying prospectus.

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The Offering

Issuer	SYNCHRONY FINANCIAL
Notes Offered	\$600,000,000 aggregate principal amount of 4.375% Senior Notes due 2024. \$650,000,000 aggregate principal amount of 5.150% Senior Notes due 2029.
Maturity Date	The 2024 notes will mature on March 19, 2024. The 2029 notes will mature on March 19, 2029.
Interest Rate	Interest on the 2024 notes will accrue at a rate of 4.375% per year. Interest on the 2029 notes will accrue at a rate of 5.150% per year.
Interest Payment Dates	Interest on the 2024 notes will be payable semi-annually in arrears on March 19 and September 19 of each year, beginning on September 19, 2019. Interest on the 2029 notes will be payable semi-annually in arrears on March 19 and September 19 of each year, beginning on September 19, 2019.
Ranking	The notes will rank equally in right of payment with all of our existing and future unsecured and unsubordinated obligations, and senior in right of payment to all of our existing and future indebtedness that is expressly subordinated to the notes. The notes will not be obligations of or guaranteed by any of our subsidiaries. As a result, the notes will be structurally subordinated to all indebtedness and other liabilities of our subsidiaries (including the outstanding senior unsecured notes and deposit liabilities of the Bank), as well as the indebtedness and other liabilities of our securitization entities, which means that creditors of our subsidiaries (including creditors and depositors of the Bank) and our securitization entities will be paid from their respective assets before holders of the notes would have any claims to those assets. As of December 31, 2018, we had \$7.6 billion of indebtedness that ranked equally with the notes, and our subsidiaries and securitization entities had outstanding \$84.1 billion of total liabilities, including \$80.4 billion of indebtedness and deposit liabilities (excluding, in each case, intercompany liabilities).

The indenture under which the notes will be issued will not limit our ability, or the ability of our subsidiaries, to incur senior, subordinated or secured debt, or our ability, or that of any of our subsidiaries, to incur other indebtedness and other liabilities or, subject to limited exceptions, issue preferred stock. As a holding company, we depend on the ability of our subsidiaries, particularly the Bank, to transfer funds to us to meet our obligations, including our obligations to make payments on the notes. See Risk Factors Risks Relating to This Offering We are a holding company and will rely significantly on

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dividends, distributions and other payments from the Bank to fund payments on the notes in this prospectus supplement.

Optional Redemption

The 2024 notes may not be redeemed by us prior to September 19, 2019. At any time and from time to time on or after September 19, 2019 prior to February 19, 2024 (one month prior to the maturity date of the 2024 notes), we may redeem the 2024 notes, in whole or in part, at our option, on at least 10 days and not more than 60 days prior notice, at a redemption price equal to the greater of:

(i) 100% of the aggregate principal amount of the 2024 notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date for the 2024 notes to be redeemed; and

(ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect of the 2024 notes to be redeemed (not including any portion of interest accrued to, but excluding, the redemption date for the 2024 notes to be redeemed), discounted to such redemption date, on a semi-annual basis, at the applicable 2024 Notes Treasury Rate plus 30 basis points, plus accrued and unpaid interest to, but excluding, the redemption date of the 2024 notes to be redeemed.

At any time and from time to time on or after February 19, 2024 (one month prior to the maturity date of the 2024 notes), we may redeem the 2024 notes, in whole or in part, at our option, on at least 10 days and not more than 60 days prior notice, at a redemption price equal to 100% of the principal amount of the 2024 notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date of the 2024 notes to be redeemed.

The 2029 notes may not be redeemed by us prior to September 19, 2019. At any time and from time to time on or after September 19, 2019 prior to December 19, 2028 (three months prior to the maturity date of the 2029 notes), we may redeem the 2029 notes, in whole or in part, at our option, as set forth below. We may redeem such 2029 notes at a redemption price equal to the greater of:

(i) 100% of the aggregate principal amount of the 2029 notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date for the 2029 notes to be redeemed; and

(ii) the sum of the present values of the remaining scheduled payments of principal and interest in respect of the 2029 notes to be redeemed (not including any portion of the interest accrued to, but excluding, the redemption date for the 2029 notes to be redeemed), discounted to such redemption date, on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months), at the applicable 2029 Notes Treasury

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Rate plus 40 basis points, plus accrued and unpaid interest to, but excluding, the redemption date of the 2029 notes to be redeemed.

At any time and from time to time on or after December 19, 2028 (three months prior to the maturity date of the 2029 notes), we may redeem the 2029 notes, in whole or in part, at our option, at a redemption price equal to 100% of the principal amount of the 2029 notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date of the 2029 notes to be redeemed.

See Description of the Notes Optional Redemption.

Sinking Fund

None.

Denominations

Each series of notes will be issued in minimum denominations of \$2,000 and integral multiples of \$1,000 in excess thereof.

Form of Notes

Each series of notes will be issued in the form of one or more fully registered global notes registered in the name of the nominee of The Depository Trust Company (DTC). Beneficial interests in the notes will be represented through book-entry accounts of financial institutions acting on behalf of beneficial owners as direct and indirect participants in DTC. Clearstream Banking S.A. and Euroclear Bank, SA/NV, as operator of the Euroclear System, will hold interests on behalf of their participants through their respective United States depositaries, which in turn will hold such interests in accounts as participants of DTC.

Use of Proceeds

We estimate that the net proceeds to us from the sale of the notes in this offering will be \$1,240,057,000, after deducting the underwriting discount and estimated offering expenses. We intend to use the net proceeds from this offering (or equivalent cash amounts) for general corporate purposes, which may include the redemption of some or all of the \$1,100,000,000 principal amount of our 3.000% Senior Notes due August 2019. See Use of Proceeds.

Trustee

The Bank of New York Mellon

Governing Law

The notes will be, and the indenture under which they will be issued is, governed by and construed in accordance with the laws of the State of

New York.

No Prior Market

Each series of notes is a new issue of securities and there is currently no established trading market for any series of notes. The notes will not be listed on any securities exchange. An active or liquid trading market may not develop for any series of notes. See Underwriting.

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Risk Factors

See the sections entitled "Risk Factors" beginning on page S-10 and under the captions "Risks Risk Factors Relating to Our Business" and "Regulation Risk Factors Relating to Regulation" in our Annual Report on Form 10-K for the year ended December 31, 2018, as updated by our subsequent filings under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including our Quarterly Reports on Form 10-Q and our Current Reports on Form 8-K and any amendments thereof, for a discussion of some of the factors you should consider before investing in the notes.

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Summary Historical Financial Information

The following tables set forth selected historical consolidated and combined financial information. The selected historical consolidated financial information for the years ended December 31, 2018, 2017, and 2016 has been derived from our historical consolidated financial statements, which have been audited by KPMG LLP and are included in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated by reference in this prospectus supplement. The selected historical consolidated and combined financial information at December 31, 2015 and 2014 and for the years ended December 31, 2015 and 2014 has been derived from our audited historical consolidated and combined financial information not included or incorporated by reference in this prospectus supplement.

Our historical results are not necessarily indicative of the results expected for any future period. You should read this information in conjunction with the information under Management's Discussion and Analysis of Financial Condition and Results of Operations and our historical consolidated financial statements and the related notes thereto, which are included in our Annual Report on Form 10-K for the year ended December 31, 2018, which is incorporated by reference in this prospectus supplement and the accompanying prospectus.

Table of Contents**Condensed Consolidated and/or Combined Statements of Earnings Information**

(\$ in millions, except per share data)	Years Ended December 31,				
	2018	2017	2016	2015	2014
Interest income	\$ 17,988	\$ 16,407	\$ 14,778	\$ 13,228	\$ 12,242
Interest expense	1,870	1,391	1,248	1,135	922
Net interest income	16,118	15,016	13,530	12,093	11,320
Retailer share arrangements	(3,099)	(2,937)	(2,902)	(2,738)	(2,575)
Net interest income, after retailer share arrangements	13,019	12,079	10,628	9,355	8,745
Provision for loan losses	5,545	5,296	3,986	2,952	2,917
Net interest income, after retailer share arrangements and provision for loan losses	7,474	6,783	6,642	6,403	5,828
Other income	265	288	344	392	485
Other expense	4,095	3,747	3,416	3,264	2,927
Earnings before provision for income taxes	3,644	3,324	3,570	3,531	3,386
Provision for income taxes	854	1,389	1,319	1,317	1,277
Net earnings	\$ 2,790	\$ 1,935	\$ 2,251	\$ 2,214	\$ 2,109
Weighted average shares outstanding (in millions)					
Basic	742.3	795.6	829.2	833.8	757.4
Diluted	746.9	799.7	831.5	835.5	757.6
Earnings per share					
Basic	\$ 3.76	\$ 2.43	\$ 2.71	\$ 2.66	\$ 2.78
Diluted	\$ 3.74	\$ 2.42	\$ 2.71	\$ 2.65	\$ 2.78

Condensed Consolidated and/or Combined Statements of Financial Position Information

(\$ in millions)	At December 31,				
	2018	2017	2016	2015	2014
Assets:					
Cash and equivalents	\$ 9,396	\$ 11,602	\$ 9,321	\$ 12,325	\$ 11,828
Debt securities	6,062	4,473	5,095	3,127	1,583
Loan receivables	93,139	81,947	76,337	68,290	61,286
Allowance for loan losses	(6,427)	(5,574)	(4,344)	(3,497)	(3,236)
Loan receivables held for sale					332
Goodwill	1,024	991	949	949	949
Intangible assets, net	1,137	749	712	701	519
Other assets	2,461	1,620	2,137	2,095	2,273

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Total assets	\$ 106,792	\$ 95,808	\$ 90,207	\$ 83,990	\$ 75,534
Liabilities and Equity:					
Total deposits	\$ 64,019	\$ 56,488	\$ 52,055	\$ 43,367	\$ 34,859
Total borrowings	23,996	20,799	20,147	24,279	27,383
Accrued expenses and other liabilities	4,099	4,287	3,809	3,740	2,814