Synchrony and Ally Financial Reach Agreement on Sale of Ally's Point-of-Sale Financing Business

Acquisition Enhances Synchrony's Reach and Scale in Home Improvement and Health and Wellness Financing; Sale Enables Ally To Invest Its Resources in Growing Scale Businesses and Strengthening Relationships with Dealer Customers and Consumers

STAMFORD, Conn. and CHARLOTTE, NC – January 19, 2024 - Synchrony (NYSE: SYF) and Ally Financial Inc. (NYSE: ALLY), today announced that they have entered into a definitive agreement for Synchrony to acquire Ally's point of sale financing business including $2.2 billion of loan receivables.* The 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 will create a differentiated solution in the industry -- simultaneously offering both revolving cred and installment loans at the point-of-sale in the home improvement vertical. This expands Synchrony's multi-product strategy by extending its revolving credit and promotional financing products to Ally Lending's merchants. The deal also expands Synchrony's reach in high-growth specialty areas such as roofing, HVAC and windows. Further, the Ally Lending health portfolio complements Synchrony's existing Health and Wellness platform and extends Synchrony's reach in cosmetic, audiology and dentistry.

"This deal represents a significant and exciting growth opportunity for Synchrony – it's a strong strategic fit that will unlock value and operational efficiency by integrating products and teams in our expanding platforms of home improvement and health and wellness," said Synchrony President and CEO Brian Doubles. "This accretive acquisition enhances Synchrony's position by offering our multi-product portfolio to nearly 2,500 Ally Lending merchant locations, and enables us to achieve attractive economies of scale while further diversifying our merchant base."

"Today's agreement to sell Ally Lending is part of a broader initiative to invest resources in growing scale businesses and strengthening relationships with dealer customers and consumers," said Ally Financial Chief Executive Officer Jeff (JB) Brown. "This transaction allows us to continue to be disciplined in allocating capital to optimize risk-adjusted returns as we manage through a dynamic operating environment."

Ally expects the sale to increase the company's CET1 ratio by approximately 15 basis points upon closing and be modestly accretive to tangible book value and earnings per share in 2024.

Synchrony expects the 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. Synchrony will provide more information regarding the acquisition during its fourth quarter 2023 earnings conference call on Tuesday, January 23, 2024.

Synchrony and Ally will work together to ensure a smooth transition for merchants, customers and employees. The transaction is expected to close in the first quarter of 2024, subject to the completion of customary closing conditions.

**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.

About Ally Financial

Ally Financial Inc. (NYSE: ALLY) is a financial services company with the nation's largest all-digital bank and an industry-leading auto financing business, driven by a mission to "Do It Right" and be a relentless ally for customers and communities. The company serves more than 11 million customers through a full range of online banking services (including deposits, mortgage, point-of-sale personal lending, and credit card products) and securities brokerage and investment advisory services. The company also includes a robust corporate finance business that offers capital for equity sponsors and middle-market companies, as well as auto financing

and insurance offerings. For more information, please visit www.ally.com and follow @allyfinancial.

For more information and disclosures about Ally, visithttps://www.ally.com/#disclosures.

For further images and news on Ally, please visithttp://media.ally.com.

Forward-Looking Statements

This press release and any related communications contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These statements can be identified by the fact that they do not relate strictly to historical or current facts — such as statements about the outlook for financial and operating metrics and performance and future capital allocation and actions. Forward-looking statements often use words such as "believe," "expect," "anticipate," "intend," "pursue," "seek," "continue," "estimate," "project," "outlook," "forecast," "potential," "target," "objective," "trend," "plan," "goal," "initiative," "priorities," or other words of comparable meaning or future-tense or conditional verbs such as "may," "will," "should," "would," or "could."

Forward-looking statements convey our expectations, intentions, or forecasts about future events, circumstances, or results. All forward-looking statements, by their nature, are subject to assumptions, risks, and uncertainties, which may change over time and many of which are beyond our control. You should not rely on any forward-looking statement as a prediction or guarantee about the future.

Actual future objectives, strategies, plans, prospects, performance, conditions, or results may differ materially from those set forth in any forward-looking statement. Some of the factors that may cause actual results or other future events or circumstances to differ from those in forward looking statements are described in our Annual Report on Form 10-K for the year ended December 31, 2022, our subsequent Quarterly Reports on Form 10-Q or Current Reports on Form 8-K, or other applicable documents that are filed or furnished with the U.S. Securities and Exchange Commission (collectively, our "SEC filings"). Any forward-looking statement made by us or on our behalf speaks only as of the date that it was made. We do not undertake to update any forward-looking statement to reflect the impact of events, circumstances, or results that arise after the date that the statement was made, except as required by applicable securities laws. You, however, should consult further disclosures (including disclosures of a forward-looking nature) that we may make in any subsequent SEC filings.

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