SYNOVUS FINANCIAL CORP
Form DEF 14A
March 13, 2009

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SCHEDULE 14A INFORMATION
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No.)

Filed by the Registrant þ
Filed by a Party other than the Registrant o

Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to Section 240.14a-12

Synovus Financial Corp.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement if other than the Registrant)

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SYNOVUS®

NOTICE OF THE 2009 ANNUAL MEETING OF SHAREHOLDERS

TIME	10:00 a.m. Thursday, April 23, 2009
PLACE	RiverCenter for the Performing Arts 900 Broadway Columbus, Georgia 31901
ITEMS OF BUSINESS	(1) To elect as directors the 18 nominees named in the attached Proxy Statement. (2) To ratify the appointment of KPMG LLP as Synovus independent auditor for the year 2009. (3) To approve the compensation of Synovus named executive officers as determined by the Compensation Committee. (4) To transact such other business as may properly come before the meeting and any adjournment thereof.
WHO MAY VOTE	You can vote if you were a shareholder of record on February 13, 2009.
ANNUAL REPORT	A copy of the 2008 Annual Report accompanies this Proxy Statement.
PROXY VOTING	Your vote is important. Please vote in one of these ways: (1) Use the toll-free telephone number shown on your proxy card; (2) Visit the Internet website listed on your proxy card; (3) Mark, sign, date and promptly return the enclosed proxy card in the postage-paid envelope provided; or (4) Submit a ballot at the Annual Meeting.

This Notice of the 2009 Annual Meeting of Shareholders and the accompanying Proxy Statement are sent by order of the Board of Directors.

Samuel F. Hatcher
Secretary

Columbus, Georgia
March 13, 2009

YOUR VOTE IS IMPORTANT. WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, PLEASE VOTE YOUR SHARES PROMPTLY.

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PROXY STATEMENT

VOTING INFORMATION

Purpose

You received this Proxy Statement and the accompanying proxy card because the Synovus Board of Directors is soliciting proxies to be used at the 2009 Annual Meeting of Shareholders, or Annual Meeting , which will be held on April 23, 2009, at 10:00 a.m., at the RiverCenter for the Performing Arts, 900 Broadway, Columbus, Georgia 31901. Proxies are solicited to give all shareholders of record an opportunity to vote on matters to be presented at the Annual Meeting. In the following pages of this Proxy Statement, you will find information on matters to be voted upon at the Annual Meeting or any adjournment of that meeting.

Internet Availability of Proxy Materials

As permitted by the federal securities laws, Synovus is making this Proxy Statement and 2008 Annual Report available to it shareholders primarily via the Internet instead of mailing printed copies of these materials to each shareholder. On March 13, 2009, we mailed to our shareholders (other than those who previously requested electronic or paper delivery) a Notice of Internet Availability, or Notice , containing instructions on how to access our proxy materials, including the Proxy Statement and accompanying 2008 Annual Report. These proxy materials are being made available to our shareholders on or about March 13, 2009. The Notice also provides instructions regarding how to access your proxy card to vote through the Internet or by telephone. The Proxy Statement and Annual Report are also available on our website at www.synovus.com/2009annualmeeting.

If you received a Notice by mail, you will not receive a printed copy of the proxy materials by mail unless you request printed materials. If you wish to receive printed proxy materials, you should follow the instructions for requesting such materials contained on the Notice.

If you receive more than one Notice, it means that your shares are registered differently and are held in more than one account. To ensure that all shares are voted, please either vote each account over the Internet or by telephone or sign and return by mail all proxy cards.

Who Can Vote

You are entitled to vote if you were a shareholder of record of Synovus common stock as of the close of business on February 13, 2009. Your shares can be voted at the meeting only if you are present or represented by a valid proxy.

If your shares are held in the name of a bank or other holder of record, you will receive instructions from the holder of record. You must follow the instructions of the holder of record in order for your shares to be voted. Telephone and Internet voting will also be offered to shareholders owning shares through certain banks and brokers. If your shares are not registered in your own name and you plan to vote your shares in person at the Annual Meeting, you should contact your broker or agent to obtain a legal proxy or broker s proxy card and bring it to the Annual Meeting in order to vote.

Quorum and Shares Outstanding

A majority of the votes entitled to be cast by the holders of the outstanding shares of Synovus stock must be present, either in person or represented by proxy, in order to conduct the Annual Meeting. On February 13, 2009, 330,369,072 shares of Synovus stock were outstanding.

Proxies

The Board has designated two individuals to serve as proxies to vote the shares represented by proxies at the Annual Meeting. If you properly submit a proxy but do not specify how you

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want your shares to be voted, your shares will be voted by the designated proxies in accordance with the Board s recommendations as follows:

(1) **FOR** the election of the 18 director nominees named in this Proxy Statement;

(2) **FOR** the ratification of the appointment of KPMG LLP as Synovus independent auditor for the year 2009; and

(3) **FOR** the approval of the compensation of Synovus named executive officers as determined by the Compensation Committee.

The designated proxies will vote in their discretion on any other matter that may properly come before the Annual Meeting. At this time, we are unaware of any matters, other than as set forth above, that may properly come before the Annual Meeting.

Voting of Shares

Holders of Synovus common stock are entitled to ten votes on each matter submitted to a vote of shareholders for each share of Synovus common stock owned on February 13, 2009 which: (1) has had the same owner since February 13, 2005; (2) was acquired by reason of participation in a dividend reinvestment plan offered by Synovus and is held by the same owner who acquired it under such plan; (3) is held by the same owner to whom it was issued as a result of an acquisition of a company or business by Synovus where the resolutions adopted by Synovus Board of Directors approving the acquisition specifically grant ten votes per share; (4) was acquired under any employee, officer and/or director benefit plan maintained for one or more employees, officers and/or directors of Synovus and/or its subsidiaries, and is held by the same owner for whom it was acquired under any such plan; (5) is held by the same owner to whom it was issued by Synovus, or to whom it was transferred by Synovus from treasury shares, and the resolutions adopted by Synovus Board of Directors approving such issuance and/or transfer specifically grant ten votes per share; (6) was acquired as a direct result of a stock split, stock dividend or other type of share distribution if the share as to which it was distributed was acquired prior to, and has been held by the same owner since, February 13, 2005; (7) has been owned continuously by the same shareholder for a period of 48 consecutive months prior to the record date of any meeting of shareholders at which the share is eligible to be voted; or (8) is owned by a holder who, in addition to shares which are owned under the provisions of (1)-(7) above, is the owner of less than 1,139,063 shares of Synovus stock (which amount has been appropriately adjusted to reflect stock splits and with such amount to be appropriately adjusted to properly reflect any other change in Synovus stock by means of a stock split, a stock dividend, a recapitalization or otherwise). Holders of shares of Synovus stock not described above are entitled to one vote per share for each share. The actual voting power of each holder of shares of Synovus common stock will be based on information possessed by Synovus at the time of the Annual Meeting.

Synovus common stock is registered with the Securities and Exchange Commission, or SEC, and is traded on the New York Stock Exchange, or NYSE . Accordingly, Synovus stock is subject to the provisions of an NYSE rule which, in general, prohibits a company s common stock and equity securities from being authorized or remaining authorized for trading on the NYSE if the company issues securities or takes other corporate action that would have the effect of nullifying, restricting or disparately reducing the voting rights of existing shareholders of the company. However, the rule contains a grandfather provision, under which Synovus ten vote provision falls, which, in general, permits grandfathered disparate voting rights plans to continue to operate as adopted. The number of votes that each shareholder will be entitled to exercise at the Annual Meeting will depend upon whether each share held by the shareholder meets the requirements which entitle one share of Synovus stock to ten votes on each matter submitted to a vote of shareholders. Shareholders of Synovus stock must complete the Certification on the proxy in order for any of the shares represented by the proxy to be entitled to ten votes per share. All shares entitled to vote and represented in person or by properly completed proxies

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received before the polls are closed at the Annual Meeting, and not revoked or superseded, will be voted in accordance with instructions indicated on those proxies.

SHAREHOLDERS WHO DO NOT CERTIFY ON THEIR PROXIES SUBMITTED BY MAIL, INTERNET OR PHONE THAT THEY ARE ENTITLED TO TEN VOTES PER SHARE WILL BE ENTITLED TO ONLY ONE VOTE PER SHARE.

Synovus Stock Plans: If you participate in the Synovus Dividend Reinvestment and Direct Stock Purchase Plan, the Synovus Employee Stock Purchase Plan and/or the Synovus Director Stock Purchase Plan, your proxy card represents shares held in the respective plan, as well as shares you hold directly in certificate form registered in the same name.

Required Votes

Election of 18 Directors. To be elected, each director nominee must receive more votes cast for such nominee s election than votes cast against such nominee s election. If a nominee who currently is serving as a director does not receive the required vote for re-election, Georgia law provides that such director will continue to serve on the Board of Directors as a holdover director. However, pursuant to Synovus Corporate Governance Guidelines, each holdover director has tendered an irrevocable resignation that will be effective upon the Board s acceptance of such resignation. In that situation, our Nominating and Corporate Governance Committee would consider the resignation and make a recommendation to the Board of Directors about whether to accept or reject such resignation and publicly disclose its decision within 90 days following certification of the shareholder vote.

Ratification of Appointment of Independent Auditor. The affirmative vote of a majority of the votes cast is needed to ratify the appointment of KPMG LLP as Synovus independent auditor for 2009.

Approval of Compensation of Named Executive Officers. The affirmative vote of a majority of the votes cast is needed to approve the advisory proposal on the compensation of Synovus named executive officers.

Abstentions and Broker Non-Votes

Under certain circumstances, brokers are prohibited from exercising discretionary authority for beneficial owners who have not provided voting instructions to the broker (a broker non-vote). In these cases, and in cases where the shareholder abstains from voting on a matter, those shares will be counted for the purpose of determining if a quorum is present, but will not be included as votes cast with respect to those matters. Abstentions and broker non-votes will have no effect on the outcome of the vote for any of the proposals to be voted on at the Annual Meeting.

How You Can Vote

If you hold shares in your own name, you may vote by proxy or in person at the meeting. To vote by proxy, you may select one of the following options:

Vote By Telephone:

You can vote your shares by telephone by calling the toll-free telephone number (at no cost to you) shown on your proxy card. Telephone voting is available 24 hours a day, seven days a week. Easy-to-follow voice prompts allow you to vote your shares and confirm that your instructions have been properly recorded. Our telephone voting procedures are designed to authenticate the shareholder by using individual control numbers. If you vote by telephone, you do NOT need to return your proxy card.

Vote By Internet:

You can also choose to vote on the Internet. The website for Internet voting is shown on your proxy card. Internet voting is available 24 hours a day, seven days a week. You will be given the opportunity to confirm that your instructions have been properly recorded, and you can consent to view future proxy statements and annual reports on the Internet instead of receiving them in the mail. If you vote on the Internet, you do NOT need to return your proxy card.

Vote By Mail:

If you choose to vote by mail, simply mark your proxy card, date and sign it, sign the Certification and return both in the postage-paid envelope provided.

If your shares are held in the name of a bank, broker or other nominee, you will receive instructions from the holder of record that you must follow for your shares to be voted. Please follow their instructions carefully. Also, please note that if the holder of record of your shares is a broker, bank or other nominee and you wish to vote in person at the Annual Meeting, you must request a legal proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the Annual Meeting.

Revocation of Proxy

If you are a shareholder of record and vote by proxy, you may revoke that proxy at any time before it is voted at the Annual Meeting. You may do this by (1) signing another proxy card with a later date and returning it to us prior to the Annual Meeting, (2) voting again by telephone or on the Internet prior to the Annual Meeting, or (3) attending the Annual Meeting in person and casting a ballot.

If your Synovus shares are held by a bank, broker or other nominee, you must follow the instructions provided by the bank, broker or other nominee if you wish to change or revoke your vote.

Attending the Annual Meeting

The Annual Meeting will be held on Thursday, April 23, 2009 at 10:00 a.m. at the RiverCenter for the Performing Arts, 900 Broadway, Columbus, Georgia. Directions to the RiverCenter can be obtained from the Investor Relations page of Synovus website at www.synovus.com. If you are unable to attend the meeting, you can listen to it live and view the slide presentation over the Internet at www.synovus.com/2009annualmeeting. Additionally, we will maintain copies of the slides and audio of the presentation for the Annual Meeting on our website for reference after the meeting. Information included on Synovus website, other than the Proxy Statement and form of proxy, is not a part of the proxy soliciting material.

Voting Results

You can find the official results of the voting at the Annual Meeting in Synovus Form 10-Q for the second quarter of 2009, which Synovus will file with the SEC no later than August 10, 2009.

CORPORATE GOVERNANCE AND BOARD MATTERS

Corporate Governance Philosophy

The business affairs of Synovus are managed under the direction of the Board of Directors in accordance with the Georgia Business Corporation Code, as implemented by Synovus Articles of Incorporation and bylaws. The role of the Board of Directors is to effectively govern the affairs of Synovus for the benefit of its shareholders and other constituencies. The Board strives to ensure the success and continuity of business through the election of qualified management. It is also responsible for ensuring that Synovus activities are conducted in a responsible and ethical manner. Synovus is committed to having sound corporate governance principles.

Independence

The NYSE listing standards provide that a director does not qualify as independent unless the Board of Directors affirmatively determines that the director has no material relationship with Synovus. The Board has established categorical standards of independence to assist it in determining director independence which conform to the independence requirements in the NYSE listing standards. The categorical standards of independence are incorporated within our Corporate Governance Guidelines, are attached to this Proxy Statement as Appendix A and are also available in the Corporate Governance Section of our website at www.synovus.com/governance.

The Board has affirmatively determined that a majority of its members are independent as defined by the listing standards of the NYSE and meet the categorical standards of independence set by the Board. Synovus Board has determined that the following directors are independent: Daniel P. Amos, Richard Y. Bradley, Frank W. Brumley, Elizabeth W. Camp, T. Michael Goodrich, V. Nathaniel Hansford, Mason H. Lampton, Elizabeth C. Ogie, H. Lynn Page, J. Neal Purcell, Melvin T. Stith, William B. Turner, Jr. and James D. Yancey. Please see Certain Relationships and Related Transactions on page 41 which includes information with respect to relationships between Synovus and its independent directors. These relationships have been considered by the Board in determining a director s independence from Synovus under Synovus Corporate Governance Guidelines and the NYSE listing standards and were determined to be immaterial.

Attendance at Meetings

The Board of Directors held six meetings in 2008. All directors attended at least 75% of Board and committee meetings held during their tenure during 2008 except Mr. Amos, who attended at least 66% of Board and committee meetings. The average attendance by directors at the aggregate number of Board and committee meetings they were scheduled to attend was 95%. Although Synovus has no formal policy with respect to Board members attendance at its annual meetings, it is customary for all Board members to attend the annual meetings. All but one of Synovus directors who were serving at the time attended Synovus 2008 Annual Meeting of Shareholders.

Committees of the Board

Synovus Board of Directors has four principal standing committees an Executive Committee, an Audit Committee, a Corporate Governance and Nominating Committee and a Compensation Committee. Each committee has a written charter adopted by the Board of Directors that complies with the listing standards of the NYSE pertaining to corporate governance. Copies of the committee charters are available in the Corporate Governance section of our website at www.synovus.com/governance. The Board has determined that each member of the Audit, Corporate Governance and Nominating and Compensation Committees is an independent director as defined by the listing standards of the NYSE and our Corporate

Governance Guidelines. The following table shows the membership of the various committees as of the date of this Proxy Statement.

Executive	Audit	Corporate Governance and Nominating	Compensation
V. Nathaniel Hansford, Chair	J. Neal Purcell, Chair	Richard Y. Bradley, Chair	T. Michael Goodrich, Chair*
Richard E. Anthony	Elizabeth W. Camp	Daniel P. Amos	V. Nathaniel Hansford
James H. Blanchard	H. Lynn Page	Frank W. Brumley	Mason H. Lampton
Richard Y. Bradley	Melvin T. Stith	Elizabeth C. Ogie	
Gardiner W. Garrard, Jr.			
T. Michael Goodrich			
Mason H. Lampton			
J. Neal Purcell			
William B. Turner, Jr.			
James D. Yancey			

* Mr. Goodrich was elected as Chairman of the Compensation Committee on January 22, 2009. Prior to that date, Mr. Hansford served as Chairman of the Compensation Committee.

Executive Committee. Synovus Executive Committee held four meetings in 2008. During the intervals between meetings of Synovus Board of Directors, Synovus Executive Committee possesses and may exercise any and all of the powers of Synovus Board of Directors in the management and direction of the business and affairs of Synovus with respect to which specific direction has not been previously given by Synovus Board of Directors unless Board action is required by Synovus governing documents, law or rule.

Audit Committee. Synovus Audit Committee held 10 meetings in 2008. Its report is on page 19. The Board has determined that all four members of the Committee are independent and financially literate under the rules of the NYSE and that at least one member, J. Neal Purcell, is an audit committee financial expert as defined by the rules of the SEC. The primary functions of Synovus Audit Committee include:

- Monitoring the integrity of Synovus financial statements, Synovus systems of internal controls and Synovus compliance with regulatory and legal requirements;
- Monitoring Synovus enterprise risk management framework;
- Monitoring the independence, qualifications and performance of Synovus independent auditor and internal auditing activities; and
- Providing an avenue of communication among the independent auditor, management, internal audit and the Board of Directors.

Corporate Governance and Nominating Committee. Synovus Corporate Governance and Nominating Committee held three meetings in 2008. The primary functions of Synovus Corporate Governance and Nominating Committee include:

Identifying qualified individuals to become Board members;

Recommending to the Board the director nominees for each annual meeting of shareholders and director nominees to be elected by the Board to fill interim director vacancies;

Overseeing the annual review and evaluation of the performance of the Board and its committees;

Developing and recommending to the Board corporate governance guidelines; and

Developing and recommending to the Board compensation for non-employee directors.

Compensation Committee. Synovus Compensation Committee held six meetings in 2008. Its report is on page 34. The primary functions of Synovus Compensation Committee include:

Designing and overseeing Synovus executive compensation program;

Designing and overseeing all compensation and benefit programs in which employees and officers of Synovus are eligible to participate; and

Performing an annual evaluation of the Chief Executive Officer.

The Compensation Committee s charter reflects these responsibilities and allows the Committee to delegate any matters within its authority to individuals or subcommittees it deems appropriate. In addition, the Committee has the authority under its charter to retain outside advisors to assist the Committee in the performance of its duties. In January 2008, the Committee retained the services of Hewitt Associates (Hewitt) for 2008 to:

Provide ongoing recommendations regarding executive compensation consistent with Synovus business needs, pay philosophy, market trends and latest legal and regulatory considerations;

Provide market data for base salary, short-term incentive and long-term incentive decisions; and

Advise the Committee as to best practices.

Hewitt was engaged directly by the Committee, although the Committee also directed that Hewitt continue to work with Synovus management. Synovus Director of Human Resources and his staff develop executive compensation recommendations for the Committee s consideration in conjunction with Synovus Chief Executive Officer and Chief People Officer and with the advice of Hewitt.

Synovus Director of Human Resources works with the Chairman of the Committee to establish the agenda for Committee meetings. Management also prepares background information for each Committee meeting. Synovus Chief People Officer and Director of Human Resources attend all Committee meetings, while Synovus Chief Executive Officer attends some Committee meetings by invitation of the Committee, such as the Committee meeting in which his performance is reviewed with the Committee or other meetings upon the request of the Committee. The Chief Executive Officer, Chief People Officer and the Director of Human Resources do not have authority to vote on Committee matters. A compensation consultant with Hewitt attended five of the Committee meetings held during 2008 upon the request of the Committee.

Compensation Committee Interlocks and Insider Participation. Messrs. Hansford, Goodrich and Lampton served on the Compensation Committee during 2008. None of these individuals is or has been an officer or employee of Synovus. There are no Compensation Committee interlocks.

Consideration of Director Candidates

Shareholder Candidates. The Corporate Governance and Nominating Committee will consider candidates for nomination as a director submitted by shareholders. Although the Committee does not have a separate policy that addresses the consideration of director candidates recommended by shareholders, the Board does not believe that such a separate policy is necessary as Synovus bylaws permit shareholders to nominate candidates and as one of the duties set forth in the Corporate Governance and Nominating Committee charter is to review and consider director candidates submitted by shareholders. The Committee will evaluate individuals recommended by shareholders for nomination as directors according to the criteria discussed below and in accordance with Synovus bylaws and the procedures described under Shareholder Proposals and Nominations on page 45.

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Director Qualifications. Synovus Corporate Governance Guidelines contain Board membership criteria considered by the Corporate Governance and Nominating Committee in recommending nominees for a position on Synovus Board. The Committee believes that, at a minimum, a director candidate must possess personal and professional integrity, sound judgment and forthrightness. A director candidate must also have sufficient time and energy to devote to the affairs of Synovus, be free from conflicts of interest with Synovus, must not have reached the retirement age for Synovus directors and be willing to make, and financially capable of making, the required investment in Synovus stock pursuant to Synovus Director Stock Ownership Guidelines. The Committee also considers the following criteria when reviewing a director candidate:

The extent of the director s/potential director s business acumen and experience;

Whether the director/potential director assists in achieving a mix of Board members that represents a diversity of background and experience, including with respect to age, gender, race, place of residence and specialized experience;

Whether the director/potential director meets the independence requirements of the listing standards of the NYSE;

Whether the director/potential director would be considered a financial expert or financially literate as defined in the listing standards of the NYSE;

Whether the director/potential director, by virtue of particular technical expertise, experience or specialized skill relevant to Synovus current or future business, will add specific value as a Board member; and

Whether the director/potential director possesses a willingness to challenge and stimulate management and the ability to work as part of a team in an environment of trust.

Identifying and Evaluating Nominees

The Corporate Governance and Nominating Committee has two primary methods for identifying director candidates (other than those proposed by Synovus shareholders, as discussed above). First, on a periodic basis, the Committee solicits ideas for possible candidates from a number of sources including members of the Board, Synovus executives and individuals personally known to the members of the Board. Second, the Committee is authorized to use its authority under its charter to retain at Synovus expense one or more search firms to identify candidates (and to approve such firms fees and other retention terms).

The Committee will consider all director candidates identified through the processes described above, and will evaluate each of them, including incumbents, based on the same criteria. The director candidates are evaluated at regular or special meetings of the Committee and may be considered at any point during the year. If based on the Committee s initial evaluation a director candidate continues to be of interest to the Committee, the Chair of the Committee will interview the candidate and communicate his evaluation to the other Committee members and executive management. Additional interviews are conducted, if necessary, and ultimately the Committee will meet to finalize its list of recommended candidates for the Board s consideration.

Meetings of Non-Management and Independent Directors

The non-management directors of Synovus meet separately at least four times a year after each regularly scheduled meeting of the Board of Directors. Synovus independent directors meet at least once a year. V. Nathaniel Hansford, Synovus Lead Director, presides at the meetings of non-management and independent directors.

Communicating with the Board

Synovus   Board provides a process for shareholders and other interested parties to communicate with one or more members of the Board, including the Lead Director, or the non-

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management or independent directors as a group. Shareholders and other interested parties may communicate with the Board by writing the Board of Directors, Synovus Financial Corp., c/o General Counsel s Office, 1111 Bay Avenue, Suite 500, Columbus, Georgia 31901 or by calling (800) 240-1242. These procedures are also available in the Corporate Governance section of our website at www.synovus.com/governance. Synovus process for handling shareholder and other communications to the Board has been approved by Synovus independent directors.

Additional Information about Corporate Governance

Synovus has adopted Corporate Governance Guidelines which are regularly reviewed by the Corporate Governance and Nominating Committee. We have also adopted a Code of Business Conduct and Ethics which is applicable to all directors, officers and employees. In addition, we maintain procedures for the confidential, anonymous submission of any complaints or concerns about Synovus, including complaints regarding accounting, internal accounting controls or auditing matters. Shareholders may access Synovus Corporate Governance Guidelines, Code of Business Conduct and Ethics, each committee s current charter, procedures for shareholders and other interested parties to communicate with the Lead Director or with the non-management or independent directors individually or as a group and procedures for reporting complaints and concerns about Synovus, including complaints concerning accounting, internal accounting controls and auditing matters in the Corporate Governance section of our website at www.synovus.com/governance. Copies of these documents are also available in print upon written request to the Corporate Secretary, Synovus Financial Corp., 1111 Bay Avenue, Suite 500, Columbus, Georgia 31901.

DIRECTOR COMPENSATION

Director Compensation Table

The following table summarizes the compensation paid by Synovus to directors for the year ended December 31, 2008.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	All Other Compensation ($)	Total ($)
Daniel P. Amos	$ 47,500	$ 14,012	$ 10,000(2)	$ 71,512
James H. Blanchard	50,000	9,013	130,579(3)(4)	189,592
Richard Y. Bradley	65,000	15,145	9,800(3)	89,945
Frank W. Brumley	47,500	14,012	31,850(2)(3)(5)	93,362
Elizabeth W. Camp	55,000	14,012	15,500(2)(3)	84,512
Gardiner W. Garrard, Jr.	50,000	14,012	9,800(3)(5)	73,812
T. Michael Goodrich	60,000	14,012	19,750(2)(3)	93,762
V. Nathaniel Hansford	75,000	14,012	16,550(2)(3)	105,562
Mason H. Lampton	60,000	14,012	10,000(2)	84,012
Elizabeth C. Ogie	47,500	14,012	5,900(3)	67,412
H. Lynn Page	55,000	14,012	9,900(3)	78,912
J. Neal Purcell	80,000	14,012	10,000(2)	104,012
Melvin T. Stith	55,000	14,012	10,000(2)	79,012
Philip W. Tomlinson	40,000	3,658	5,000(2)	48,658

William B. Turner, Jr.	50,000	14,012	6,600(3)	70,612
James D. Yancey	50,000	14,012	39,000(2)(3)(5)(6)	103,012

** Compensation for Messrs. Anthony and Green for service on the Synovus Board is described under the Summary Compensation Table found on page 35.

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(1) The grant date fair value of the 1,000 restricted shares of Synovus stock awarded to each director in 2008 was $12,400. The amounts in this column reflects the dollar amount recognized as accounting expense for financial statement reporting purposes for the year ended December 31, 2008 in accordance with FAS 123(R) and includes amounts from awards granted in 2008 and prior to 2008. For a discussion of the restricted stock awards reported in this column, see Note 20 of Notes to Consolidated Financial Statements in the Financial Appendix. At December 31, 2008, Mr. Tomlinson held 1,000 shares of Synovus restricted stock, none of which are vested, and the other directors each held 1,500 shares of Synovus restricted stock, none of which are vested. Dividends are paid on the restricted stock award shares.

(2) Includes $10,000 in contributions made by Synovus under Synovus Director Stock Purchase Plan for this director, except that $7,500 is included for Mr. Hansford and $5,000 is included for Mr. Tomlinson. As described more fully below, qualifying directors can elect to contribute up to $5,000 per calendar quarter to make purchases of Synovus stock, and Synovus contributes an additional amount equal to 50% of the directors cash contributions under the plan.

(3) Includes compensation of $5,400 for Mr. Blanchard, $9,800 for Mr. Bradley, $15,850 for Mr. Brumley, $5,500 for Ms. Camp, $3,800 for Mr. Garrard, $9,750 for Mr. Goodrich, $9,050 for Mr. Hansford, $5,900 for Ms. Ogie, $9,900 for Mr. Page, $6,600 for Mr. Turner and $23,000 for Mr. Yancey for service as a director of certain of Synovus subsidiaries.

(4) Includes perquisite of $106,974 for Mr. Blanchard for providing him with administrative assistance and includes the incremental cost to Synovus of $9,633 for providing him with personal use of corporate aircraft. Also includes the incremental costs incurred by Synovus, if any, for providing Mr. Blanchard with office space and security alarm monitoring. In calculating the incremental cost to Synovus of providing Mr. Blanchard with administrative assistance, Synovus aggregated the cost of providing salary, benefits and office space (based on lease payments per square foot) to Mr. Blanchard s administrative assistant. In calculating the incremental cost to Synovus of providing Mr. Blanchard with personal use of corporate aircraft, Synovus aggregated the cost of fuel, maintenance, crew travel expenses, on-board catering, landing fees, trip-related hangar and parking costs and smaller variable costs. Since the company owned aircraft are used primarily for business travel, the calculation does not include fixed costs that do not change based on usage, such as pilots salaries and the purchase costs of the aircraft. Amounts for office space and security alarm monitoring are not quantified because they do not exceed the greater of $25,000 or 10% of the total amount of perquisite.

(5) Includes $6,000 for service on the Real Estate Committee, an advisory committee to the Board of Directors. The Real Estate Committee held six meetings in 2008, with each member receiving $1,000 per meeting.

(6) Includes the incremental costs incurred by Synovus, if any, for providing Mr. Yancey with security alarm monitoring.

Director Compensation Program

The Corporate Governance and Nominating Committee is responsible for the oversight and administration of the Synovus director compensation program. The Committee s charter reflects these responsibilities and does not allow the Committee to delegate its authority to any person other than the members of the Corporate Governance and Nominating Committee. Under its charter, the Committee has authority to retain outside advisors to assist the Committee in performance of its duties. In November 2006, the Committee retained Mercer Human Resource Consulting (Mercer) to review the competitiveness of the Synovus director compensation program. Mercer was directed to evaluate existing peer groups of companies against which to benchmark director compensation at Synovus and to review and compare director pay practices at Synovus to industry peer companies and to those of general industry companies, analyzing compensation, long-term incentive compensation and total compensation. The Committee, with the assistance of Mercer, studied compensation at a peer group of 26 companies in the banking industry and at 350 large industrial, financial and service organizations. The Committee also asked Mercer to review recent director pay trends, including shifts in pay mix, equity compensation trends and changes related to increased responsibilities and liability. Mercer s recommendations for director compensation were then presented to the Committee. The Committee discussed and considered these recommendations and recommended to the Board that it approve the current compensation structure for non-management directors. The decisions made by the Committee are the responsibility of the Committee and may reflect factors and considerations other than the information and recommendations provided by Mercer.

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Cash Compensation of Directors. As reflected in the Fees Earned or Paid in Cash column of the Director Compensation Table above, for the fiscal year ended December 31, 2008, directors of Synovus received an annual cash retainer of $40,000, with Compensation Committee and Executive Committee members receiving an additional cash retainer of $10,000, Corporate Governance and Nominating Committee members receiving an additional cash retainer of $7,500 and Audit Committee members receiving an additional cash retainer of $15,000. In addition, the Chairperson of the Corporate Governance and Nominating Committee received a $7,500 cash retainer, the Chairperson of the Compensation Committee received a $10,000 cash retainer, the Chairperson of the Audit Committee received a $15,000 cash retainer and the Lead Director received a $5,000 cash retainer. Directors who are employees of Synovus do not receive any additional compensation for their service on the Board.

By paying directors an annual retainer, Synovus compensates each director for his or her role and judgment as an advisor to Synovus, rather than for his or her attendance or effort at individual meetings. In so doing, directors with added responsibility are recognized with higher cash compensation. For example, members of the Audit Committee receive a higher cash retainer based upon the enhanced duties, time commitment and responsibilities of service on that committee. The Corporate Governance and Nominating Committee believes that this additional cash compensation is appropriate. In addition, directors may from time to time receive compensation for serving on special committees of the Synovus Board.

Directors may elect to defer all or a portion of their cash compensation under the Synovus Directors Deferred Compensation Plan. The Directors Deferred Compensation Plan does not provide directors with an above market rate of return. Instead, the deferred amounts are deposited into one or more investment funds at the election of the director. In so doing, the plan is designed to allow directors to defer the income taxation of a portion of their compensation and to receive an investment return on those deferred amounts. All deferred fees are payable only in cash. Each of Messrs. Hansford and Purcell and Ms. Camp deferred all of their cash compensation under this plan during 2008.

Equity Compensation of Directors. During 2008, non-management directors also received an annual award of 1,000 restricted shares of Synovus stock under the Synovus 2007 Omnibus Plan, 100% of which vests after three years. The Board granted these restricted stock awards to directors on February 11, 2008. These restricted stock awards are intended to provide equity ownership and to focus directors on the long-term performance of Synovus. In January 2009, based upon a recommendation from the Corporate Governance and Nominating Committee, in light of current economic conditions, the Board determined to postpone any 2009 restricted stock awards to non-management directors.

Synovus Director Stock Purchase Plan is a non-qualified, contributory stock purchase plan pursuant to which qualifying Synovus directors can purchase, with the assistance of contributions from Synovus, presently issued and outstanding shares of Synovus stock. Under the terms of the Director Stock Purchase Plan, qualifying directors can elect to contribute up to $5,000 per calendar quarter to make purchases of Synovus stock, and Synovus contributes an additional amount equal to 50% of the directors cash contributions. Participants in the Director Stock Purchase Plan are fully vested in, and may request the issuance to them of, all shares of Synovus stock purchased for their benefit under the Plan. Synovus contributions under this Plan are included in the All Other Compensation column of the Director Compensation Table above. Synovus contributions under the Director Stock Purchase Plan further provide directors the opportunity to buy and maintain an equity interest in Synovus and to share in the capital appreciation of Synovus.

The restricted stock awards to directors and Synovus contributions under the Director Stock Purchase Plan also assist and facilitate directors fulfillment of their stock ownership requirements. Synovus Corporate Governance Guidelines require all directors to accumulate over time shares of Synovus stock equal in value to at least three times the value of their annual

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retainer. Directors have five years to attain this level of total stock ownership but must attain a share ownership threshold of one times the amount of the director s annual retainer within three years. These stock ownership guidelines are designed to align the interests of Synovus directors to that of Synovus shareholders and the long-term performance of Synovus. All of Synovus non-management directors were in compliance with the guidelines as of December 31, 2008.

Consulting Agreement

Synovus entered into a one-year Consulting Agreement with Mr. Blanchard effective October 18, 2006, the date of his retirement as Chairman of the Board, which agreement expired in October 2007. Under the Consulting Agreement, Mr. Blanchard provided consulting services as requested by the Synovus Chief Executive Officer or Board of Directors. Mr. Blanchard s specific duties included serving on various boards of directors of financial services and civic and charitable organizations and providing Synovus with advice and counsel regarding these matters, developing major prospective customers and existing customer relationships and entertaining prospects and customers, and providing leadership training. In exchange for these services, Mr. Blanchard received monthly payments of $26,667 and was provided with 25 hours of personal use of Synovus aircraft in 2007. Mr. Blanchard also received office space and administrative assistance during the term of the Agreement and will continue to do so for two years thereafter. In 2008, Mr. Blanchard received office space, administrative assistance and 6.3 hours of personal use of Synovus aircraft, resulting in aggregate benefits of $125,179, as set forth under All Other Compensation in the Director Compensation Table on page 9.

PROPOSALS TO BE VOTED ON

PROPOSAL 1: ELECTION OF 18 DIRECTORS

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR ALL 18 NOMINEES.

Number

Pursuant to Synovus bylaws, the Board shall consist of not less than 8 nor more than 25 directors with such number to be set either by the Board of Directors or shareholders representing at least 662/3% of the votes entitled to be cast by the holders of all of Synovus issued and outstanding shares. In January 2009, the Board set the size of the Board at 18. Proxies cannot be voted at the 2009 Annual Meeting for a greater number of persons than the 18 nominees named in this Proxy Statement.

Nominees for Election as Director

The Board has nominated each of the following 18 individuals to be elected as directors at the Annual Meeting upon the recommendation of the Corporate Governance and Nominating Committee. All nominees are currently directors of Synovus. Each director elected will serve until the next Annual Meeting and until his or her successor is duly elected and qualified or until his or her earlier retirement, resignation or removal. The Board believes that each director nominee will be able to stand for election. If any nominee becomes unable to stand for election, proxies in favor of that nominee will be voted in favor of the remaining nominees and in favor of any substitute nominee named by the Board upon the recommendation of the Corporate Governance and Nominating Committee.

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Following is the principal occupation, age and certain other information for each director nominee. Unless otherwise noted, each of the nominees has held, or is retired after holding, the same position for at least the past five years.

Name	Age	Year First Elected Director	Principal Occupation and Other Information
Daniel P. Amos(1)	57	2001	Chairman of the Board and Chief Executive Officer, Aflac Incorporated (Insurance Holding Company)
Richard E. Anthony(2)	62	1993	Chairman of the Board and Chief Executive Officer, Synovus Financial Corp.; Director, Total System Services, Inc.
James H. Blanchard(3)	67	1972	Chairman of the Board and Chief Executive Officer, Retired, Synovus Financial Corp.; Director, Total System Services, Inc. and AT&T Corp.
Richard Y. Bradley	70	1991	Partner, Bradley & Hatcher (Law Firm); Director, Total System Services, Inc.
Frank W. Brumley(4)	68	2004	Chairman of the Board and Chief Executive Officer, Daniel Island Company (Planned Community Development)
Elizabeth W. Camp	57	2003	President and Chief Executive Officer, DF Management, Inc. (Investment and Management of Commercial Real Estate)
Gardiner W. Garrard, Jr.	68	1972	President, The Jordan Company (Real Estate Development and Private Equity Investments); Director, Total System Services, Inc.
T. Michael Goodrich	63	2004	Chairman and Chief Executive Officer, Retired, BE&K, Inc. (Engineering and Construction Company); Director, Energen Corporation
Frederick L. Green, III(5)	50	2006	President and Chief Operating Officer, Synovus Financial Corp.
V. Nathaniel Hansford(6)	65	1985	President, Retired, North Georgia College and State University
Mason H. Lampton(7)	61	1993	Chairman of the Board, Standard Concrete Products (Construction Materials Company); Director, Total System Services, Inc.
Elizabeth C. Ogie(8)	58	1993	Private Investor
H. Lynn Page	68	1978	

Vice Chairman of the Board, Retired,
Synovus Financial Corp.; Director,
Total System Services, Inc.

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Name	Age	Year First Elected Director	Principal Occupation and Other Information
J. Neal Purcell	67	2003	Vice Chairman, Retired, KPMG LLP (Professional Services Provider); Director, Southern Company and Kaiser Permanente
Melvin T. Stith(9)	62	1998	Dean, Martin J. Whitman School of Management, Syracuse University; Director, Flowers Foods, Inc.
Philip W. Tomlinson(10)	62	2008	Chairman of the Board and Chief Executive Officer, Total System Services, Inc. (Payments Processing)
William B. Turner, Jr.(8)	57	2003	Vice Chairman of the Board and President, Retired, W.C. Bradley Co. (Consumer Products and Real Estate)
James D. Yancey(11)	67	1978	Chairman of the Board, Columbus Bank and Trust Company; Chairman of the Board, Retired, Synovus Financial Corp.; Director, Total System Services, Inc.

(1) Daniel P. Amos previously served as a director of Synovus from 1991 until 1998, when he resigned as a director as required by federal banking regulations to join the board of a company affiliated with a Japanese bank.

(2) Richard E. Anthony was elected Chairman of the Board and Chief Executive Officer of Synovus in October 2006. From 1995 until 2006, Mr. Anthony served in various capacities with Synovus, including Chief Executive Officer and President and Chief Operating Officer of Synovus.

(3) James H. Blanchard was elected Chairman of the Board of Synovus in July 2005 and retired from that position in October 2006. Prior to 2005, Mr. Blanchard served in various capacities with Synovus and Columbus Bank and Trust Company, a banking subsidiary of Synovus, including Chairman of the Board and Chief Executive Officer of Synovus and Chief Executive Officer of Columbus Bank and Trust Company. Mr. Blanchard also retired as an executive officer of Total System Services, Inc. (TSYS) in October 2006. Prior to 2006, Mr. Blanchard served as Chairman of the Executive Committee of TSYS in an executive officer capacity.

(4) Frank W. Brumley was elected Chairman of the Board and Chief Executive Officer of Daniel Island Company in January 2006. Prior to 2006, Mr. Brumley served as President of Daniel Island Company.

(5) Frederick L. Green, III was elected President and Chief Operating Officer of Synovus in October 2006. Mr. Green served as Vice Chairman of Synovus from 2003 until 2006. From 1991 until 2003, Mr. Green served in various capacities with The National Bank of South Carolina, a banking subsidiary of Synovus, including President of The National Bank of South Carolina.

(6) V. Nathaniel Hansford serves as Lead Director of the Synovus Board.

(7) Mason H. Lampton was elected Chairman of the Board of Standard Concrete Products in June 2004. Prior to 2004, Mr. Lampton served as President and Chief Executive Officer of Standard Concrete Products.

(8) Elizabeth C. Ogie and William B. Turner, Jr. are first cousins.

(9) Melvin T. Stith was appointed Dean of Syracuse University s Martin J. Whitman School of Management in January 2005. Prior to 2005, Mr. Stith served as Dean of the College of Business at Florida State University.

(10) Philip W. Tomlinson was elected Chairman of the Board and Chief Executive Officer of TSYS in January 2006. Prior to 2006, Mr. Tomlinson served as Chief Executive Officer of TSYS.

(11) James D. Yancey retired as an executive employee of Synovus in December 2004 and served as a non-executive Chairman of the Board until July 2005. Mr. Yancey was elected as an executive Chairman of the Board of Synovus in October 2003. Prior to 2003, Mr. Yancey served in various capacities with Synovus and/or Columbus Bank and Trust Company, including Vice Chairman of the Board and President of both Synovus and Columbus Bank and Trust Company.

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PROPOSAL 2: RATIFICATION OF APPOINTMENT OF THE INDEPENDENT AUDITOR

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS THE INDEPENDENT AUDITOR.

The Audit Committee has appointed the firm of KPMG LLP as the independent auditor to audit the consolidated financial statements of Synovus and its subsidiaries for the fiscal year ending December 31, 2009 and Synovus internal control over financial reporting as of December 31, 2009. Although shareholder ratification of the appointment of Synovus independent auditor is not required by our bylaws or otherwise, we are submitting the selection of KPMG to our shareholders for ratification to permit shareholders to participate in this important corporate decision. If not ratified, the Audit Committee will reconsider the selection, although the Audit Committee will not be required to select a different independent auditor for Synovus.

KPMG served as Synovus independent auditor for the fiscal year ending December 31, 2008. Representatives of KPMG will be present at the Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions from shareholders present at the meeting.

PROPOSAL 3: ADVISORY VOTE ON COMPENSATION OF NAMED EXECUTIVE OFFICERS

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT YOU VOTE FOR THE APPROVAL OF THE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS DETERMINED BY THE COMPENSATION COMMITTEE, AS DESCRIBED IN THE COMPENSATION DISCUSSION AND ANALYSIS AND THE TABULAR DISCLOSURE REGARDING NAMED EXECUTIVE OFFICER COMPENSATION (TOGETHER WITH THE ACCOMPANYING NARRATIVE DISCLOSURE) IN THIS PROXY STATEMENT.

Synovus believes that our compensation policies and procedures for our named executive officers are competitive, are focused on pay for performance principles and are strongly aligned with the long-term interests of our shareholders. Synovus also believes that both we and our shareholders benefit from responsive corporate governance policies and constructive and consistent dialogue. The proposal described below, commonly known as a Say on Pay proposal, gives you as a shareholder the opportunity to endorse or not endorse the compensation for our named executive officers by voting to approve or not approve such compensation as described in this Proxy Statement.

As discussed under Executive Compensation - Compensation Discussion and Analysis beginning on page 21, Synovus compensation program for its executive officers is competitive, performance-oriented and designed to support our strategic goals. Compensation of our named executive officers for 2008 reflected Synovus financial performance for 2008. In particular,

For the second year in a row, we paid no bonuses to named executive officers;

Long-term incentive opportunities that were earned based on 2006-2008 performance have been postponed indefinitely; and

There were no regular base salary increases for 2008 for named executive officers.

On February 13, 2009, the United States Congress passed the American Recovery and Reinvestment Act of 2009 (the ARRA). The ARRA requires, among other things, all participants in the Troubled Asset Relief Program to permit a non-binding shareholder vote to approve the compensation of the company s executives. Accordingly, we are asking you to approve the compensation of Synovus named executive officers as described under Executive Compensation - Compensation Discussion and Analysis and the tabular disclosure regarding named executive officer compensation (together with the accompanying narrative disclosure) in this Proxy Statement (see pages 21 to 41). Under the ARRA, your vote is advisory and will not be binding upon the Board. However, the Compensation Committee will take into account the outcome of the vote when considering future executive compensation arrangements.

EXECUTIVE OFFICERS

The following table sets forth the name, age and position with Synovus of each executive officer of Synovus.

Name	Age	Position with Synovus
Richard E. Anthony(1)	62	Chairman of the Board and Chief Executive Officer
Frederick L. Green, III(1)	50	President and Chief Operating Officer
Elizabeth R. James(2)	47	Vice Chairman, Chief People Officer and Chief Information Officer
Thomas J. Prescott(3)	54	Executive Vice President and Chief Financial Officer
Mark G. Holladay(4)	53	Executive Vice President and Chief Risk Officer
Samuel F. Hatcher(5)	63	Executive Vice President, General Counsel and Secretary
Liliana C. McDaniel(6)	44	Chief Accounting Officer

(1) As Messrs. Anthony and Green are directors of Synovus, relevant information pertaining to their positions with Synovus is set forth under the caption Nominees for Election as Director on page 12.

(2) Elizabeth R. James was elected Vice Chairman of Synovus in May 2000. From 1986 until 2000, Ms. James served in various capacities with Synovus and/or its subsidiaries, including Chief Information Officer and Chief People Officer of Synovus.

(3) Thomas J. Prescott was elected Executive Vice President and Chief Financial Officer of Synovus in December 1996. From 1987 until 1996, Mr. Prescott served in various capacities with Synovus, including Executive Vice President and Treasurer.

(4) Mark G. Holladay was elected Executive Vice President and Chief Risk Officer of Synovus in October 2008. From 2000 to 2008, Mr. Holladay served as Executive Vice President and Chief Credit Officer of Synovus. From 1974 until 2000, Mr. Holladay served in various capacities with Columbus Bank and Trust Company, including Executive Vice President.

(5) Samuel F. Hatcher was elected Executive Vice President, General Counsel and Secretary of Synovus in April 2008. From 2005 until April 2008, Mr. Hatcher was a partner in the law firm of Bradley & Hatcher in Columbus, Georgia and from 2002 until April 2008, he was a partner in the law firm of Hatcher Thomas, LLC in Atlanta, Georgia. Prior to 2002, Mr. Hatcher served as the General Counsel of Equitable Real Estate Investment Management, Inc.

(6) Liliana C. McDaniel was elected Chief Accounting Officer in July 2006. From 2001 until 2006, Ms. McDaniel was the Senior Vice President, Director of Financial Reporting at Synovus. From 1998 to 2001, she served as

Synovus Vice President, Financial Reporting Manager.

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STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth ownership of shares of Synovus common stock by each director, each executive officer named in the Summary Compensation Table and all directors and executive officers as a group as of December 31, 2008.

Name	Shares of Synovus Stock Beneficially Owned with Sole Voting And Investment Power as of 12/31/08	Shares of Synovus Stock Beneficially Owned with Shared Voting And Investment Power as of 12/31/08	Shares of Synovus Stock Beneficially Owned with Sole Voting and No Investment Power as of 12/31/08	Total Shares of Synovus Stock Beneficially Owned as of 12/31/08(1)	Percentage of Outstanding Shares of Synovus Stock Beneficially Owned as of 12/31/08
Daniel P. Amos	297,753	10,950	1,500	310,203	*
Richard E. Anthony	701,663	70,429	65,027	2,332,857	1
James H. Blanchard	353,014	1,486,057	6,150	6,776,839	2
Richard Y. Bradley	32,336	147,255	1,500	181,091	*
Frank W. Brumley	41,083	45,009	1,500	87,592	*
Elizabeth W. Camp	30,331	2,703	1,500	34,534	*
Gardiner W. Garrard, Jr.	155,147	628,821	1,500	785,468	*
T. Michael Goodrich	165,366	19,730(2)	1,500	186,596	*
Frederick L. Green, III	177,033	622	18,311	512,783	*
V. Nathaniel Hansford	126,934	341,832	1,500	470,266	*
Mark G. Holladay	53,326		3,909	885,360	*
Elizabeth R. James	69,188		9,136	1,279,600	*
Mason H. Lampton	103,921	1,395	1,500	106,816	*
Elizabeth C. Ogie	472,992	2,215,703	1,500	2,690,195	1
H. Lynn Page	662,712	11,515	1,500	675,727	*
Thomas J. Prescott	76,885		9,012	1,279,632	*
J. Neal Purcell	18,689		1,500	20,189	*
Melvin T. Stith	13,562	131	1,500	15,193	*
Philip W. Tomlinson	83,788		1,000	84,788	*
William B. Turner, Jr.	153,187	232,616	1,500	387,303	*
James D. Yancey	833,142	293,500	1,500	2,892,757	1
Directors and Executive Officers as a Group (23 persons)	4,653,360	5,508,268	135,355	22,105,975	6.5

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* Less than one percent of the outstanding shares of Synovus stock.

(1) The totals shown in the table above for the directors and executive officers of Synovus listed below include the following shares as of December 31, 2008: (a) under the heading Stock Options the number of shares of Synovus stock that each individual had the right to acquire within 60 days through the exercise of stock options, and (b) under the heading Pledged Shares the number of shares of Synovus stock that were pledged, including shares held in a margin account.

Name	Stock Options	Pledged Shares
Richard E. Anthony	1,495,738	67,823
James H. Blanchard	4,931,618	872,812
Gardiner W. Garrard, Jr.		290,427
Frederick L. Green, III	316,817	102,595
Mark G. Holladay	828,125	30,927
Elizabeth R. James	1,201,276	
Mason H. Lampton		58,275
Elizabeth C. Ogie		221,699
H. Lynn Page		66,468
Thomas J. Prescott	1,193,735	
William B. Turner, Jr.		50,000
James D. Yancey	1,764,615	241,228

In addition, the other executive officers of Synovus had rights to acquire an aggregate of 77,068 shares of Synovus stock within 60 days through the exercise of stock options.

(2) Includes 15,280 shares of Synovus stock held in a trust for which Mr. Goodrich is not the trustee. Mr. Goodrich disclaims beneficial ownership of these shares.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors is comprised of four directors, each of whom the Board has determined to be an independent director as defined by the listing standards of the New York Stock Exchange. The duties of the Audit Committee are summarized in this Proxy Statement under Committees of the Board on page 5 and are more fully described in the Audit Committee charter adopted by the Board of Directors.

One of the Audit Committee s primary responsibilities is to assist the Board in its oversight responsibility regarding the integrity of Synovus financial statements and systems of internal controls. Management is responsible for Synovus accounting and financial reporting processes, the establishment and effectiveness of internal controls and the preparation and integrity of Synovus consolidated financial statements. KPMG LLP, Synovus independent auditor, is responsible for performing an independent audit of Synovus consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and issuing opinions on whether those financial statements are presented fairly in conformity with accounting principles generally accepted in the United States and on the effectiveness of Synovus internal control over financial reporting. The Audit Committee is directly responsible for the compensation, appointment and oversight of KPMG LLP. The function of the Audit Committee is not to duplicate the activities of management or the independent auditor, but to monitor and oversee Synovus financial reporting process.

In discharging its responsibilities regarding the financial reporting process, the Audit Committee:

Reviewed and discussed with management and KPMG LLP Synovus audited consolidated financial statements as of and for the year ended December 31, 2008;

Discussed with KPMG LLP the matters required to be discussed by Statement on Auditing Standards No. 61 (Communication with Audit Committees); and

Received from KPMG LLP the written disclosures and the letter required by the applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant s communications with the Audit Committee concerning independence and has discussed with KPMG LLP their independence.

Based upon the review and discussions referred to in the preceding paragraph, the Audit Committee recommended to the Board of Directors that the audited consolidated financial statements referred to above be included in Synovus Annual Report on Form 10-K for the year ended December 31, 2008 filed with the Securities and Exchange Commission.

The Audit Committee
J. Neal Purcell, Chair
Elizabeth W. Camp
H. Lynn Page
Melvin T. Stith

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KPMG LLP Fees and Services

The following table presents fees for professional audit services rendered by KPMG LLP for the audit of Synovus annual consolidated financial statements for the years ended December 31, 2008 and December 31, 2007 and fees billed for other services rendered by KPMG during those periods.

	2008	**2007(1)**
Audit Fees(2)	$ 2,018,000	$ 3,837,000
Audit Related Fees(3)	136,000	1,747,000
Tax Fees(4)		490,000
All Other Fees(5)	226,000	-0-
Total	$ 2,380,000	$ 6,074,000

(1) Fees in 2007 include amounts billed to Total System Services, Inc. which, prior to December 31, 2007, was a majority-owned subsidiary of Synovus.

(2) Audit fees consisted of fees for professional services provided in connection with the audits of Synovus consolidated financial statements and internal control over financial reporting, reviews of quarterly financial statements, issuance of comfort letters and other SEC filing matters, and audit or attestation services provided in connection with other statutory or regulatory filings.

(3) Audit related fees consisted principally of fees for assurance and related services that are reasonably related to the performance of the audit or review of Synovus financial statements and are not reported above under the caption Audit Fees.

(4) Tax fees consisted of fees for tax compliance, tax advice and tax planning services.

(5) All other fees for 2008 consisted principally of fees for enterprise risk management consulting services.

Policy on Audit Committee Pre-Approval

The Audit Committee has the responsibility for appointing, setting the compensation for and overseeing the work of Synovus independent auditor. In recognition of this responsibility, the Audit Committee has established a policy to pre-approve all audit and permissible non-audit services provided by the independent auditor in order to assure that the provision of these services does not impair the independent auditor s independence. Synovus Audit Committee Pre-Approval Policy addresses services included within the four categories of audit and permissible non-audit services, which include Audit Services, Audit Related Services, Tax Services and All Other Services.

The annual audit services engagement terms and fees are subject to the specific pre-approval of the Audit Committee. In addition, the Audit Committee must specifically approve permissible non-audit services classified as All Other Services.

Prior to engagement, management submits to the Committee for approval a detailed list of the Audit Services, Audit Related Services and Tax Services that it recommends the Committee engage the independent auditor to provide for the fiscal year. Each specified service is allocated to the appropriate category and accompanied by a budget estimating the cost of that service. The Committee will, if appropriate, approve both the list of Audit Services, Audit Related Services and Tax Services and the budget for such services.

The Committee is informed at each Committee meeting as to the services actually provided by the independent auditor pursuant to the Pre-Approval Policy. Any proposed service that is not separately listed in the Pre-Approval Policy or any service exceeding the pre-approved fee levels must be specifically pre-approved by the Committee. The Audit Committee has delegated pre-approval authority to the Chairman of the Audit Committee. The Chairman must report any pre-approval decisions made by him to the Committee at its next scheduled meeting.

All of the services described in the table above under the captions Audit Fees, Audit Related Fees and Tax Fees were approved by the Committee pursuant to legal requirements and the Committee s Charter and Pre-Approval Policy.

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EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

Executive Summary

2008 Performance. 2008 was one of the most challenging years Synovus has faced. Due to the economic crisis in the U.S., earnings declined from the prior year, and stock price fell precipitously.

Synovus financial performance for 2008 is reflected in our total compensation for executives. For example:

- For the second year in a row, we paid no bonuses to named executive officers.
- Long-term incentive opportunities that were earned during 2008 based on 2005-2007 performance were at one-half of market levels.
- Long-term incentive opportunities that were earned based on 2006-2008 performance have been postponed indefinitely.
- Because our long-term incentive program is denominated entirely in equity vehicles, it has reflected the decline in our stock price.
  - Outstanding stock options have a current value of zero and will have no value until stock prices return to their former levels.
  - Unvested restricted stock has declined in value along with the declines in our stock price.
- Because of our stock ownership guidelines and hold until retirement requirements, executives hold a significant amount of Synovus stock which has declined in value the same as shareholders stock.

TARP-Related Actions. In addition to the above, on December 19, 2008, Synovus issued approximately $968 million of preferred stock and warrants to the United States Treasury Department under the Capital Purchase Program enacted under the Troubled Asset Relief Program (TARP). This had implications for executive pay:

- As required by the terms of the Capital Purchase Program, our named executive officers entered into agreements with Synovus that amended several of Synovus executive compensation programs. These amendments are described on page 30.
- The Committee met with Synovus senior risk officer in January 2009 to review Synovus incentive compensation arrangements and risks. The risk assessment and new incentive award processes are described in more detail on page 31.

A high point during the year was the completed spin-off of Total System Services, Inc. (the Spin-Off), discussed further below under Certain Relationships and Related Transactions. In recognition of that event, on January 22, 2008, our named executive officers received a one-time stock option grant as described on page 27. Those options have no current value and will have value only when our stock price returns to $13.18, the options grant prices.

Program Overview

What the CD&A Addresses. The following Compensation Discussion and Analysis (CD&A) describes our compensation program for the executive officers named in the Summary Compensation Table on page 35 (named executive officers). Specifically, the CD&A addresses:

- the objectives of our compensation program (found in the section entitled Compensation Philosophy and Overview);
- what our compensation program is designed to reward (also described in the section entitled Compensation Philosophy and Overview);
- each element of compensation (set forth in the section entitled Primary Elements of Compensation);

why each element was chosen (described with each element of compensation including base pay, short-term incentives and long-term incentives);

how amounts and formulas for pay are determined (also described with each element of compensation, including base pay, short-term incentives and long-term incentives); and

how each compensation element and our decisions regarding that element fit into Synovus overall compensation objectives and affect decisions regarding other elements (described with each element of compensation, as well as in the section entitled Benchmarking).

For information about the Compensation Committee and its charter, its processes and procedures for administering executive compensation, the role of compensation consultants and other governance information, please see Compensation Committee on page 7.

Elements of Compensation. Synovus has a performance-oriented executive compensation program that is designed to support our corporate strategic goals, including growth in earnings and growth in shareholder value. The elements of our total compensation program and the objectives of each element are identified in the following table:

Compensation Element	Objective	Key Features
Base Pay	To compensate an executive for performing his or her job on a daily basis.	Fixed cash salary targeted at median (50^{th} percentile) of identified list of Peer Companies (companies with similar size and scope of banking operations) for similar positions.
Short-Term Incentives	To provide an incentive for executives to meet our short-term earnings goals and ensure a competitive program given the marketplace prevalence of short-term incentive compensation.	Cash bonuses awarded based upon achievement of earnings per share goals for year of performance using the grid on page 25.
Long-Term Incentives	To (1) provide an incentive for our executives to provide exceptional shareholder return to Synovus shareholders by tying a significant portion of their compensation opportunity to growth in shareholder value, (2) align the interests of executives with shareholders by awarding executives equity in Synovus, and (3) ensure a competitive compensation program given the market prevalence of long-term incentive compensation.	Equity is awarded based upon a performance matrix that measures Synovus absolute and relative total shareholder return performance over the preceding three-year period. The equity awards made in 2008 were based upon total shareholder return for the 2005-2007 performance period as described on page 26. Awards are generally made 50% in stock options and 50% in restricted stock.
Perquisites	To align our compensation plan with competitive practices.	Small component of pay intended to provide an economic benefit to

		Synovus in retaining executive talent.
Retirement Plans	Defined contribution plans designed to provide income following an executive s retirement, combined with a deferred compensation plan to replace benefits lost under Synovus qualified plans.	Plans offered include a money purchase pension plan, a profit sharing plan, a 401(k) savings plan and a deferred compensation plan.
Change in Control Agreements	To provide orderly transition and continuity of management following a change in control of Synovus.	Dual-triggered change in control agreements described on page 40.
Stock Ownership/Retention Guidelines	To align the interests of our executives with shareholders.	Executive officers must maintain minimum ownership levels of Synovus common stock and must hold until retirement stock acquired in connection with equity compensation programs, all as described on pages 29-30.

Compensation Philosophy and Overview

Synovus has established a compensation program for our executives that is competitive, performance-oriented and designed to support our strategic goals. The goals and objectives of our compensation program are described below.

Synovus executive compensation program is designed to compete in the markets in which we seek executive talent. We believe that we must maintain a competitive compensation program that allows us to recruit top level executive talent and that will prevent our executives from being recruited from us. Our compensation program is also designed to be performance-oriented. A guiding principle in developing our compensation program has been average pay for average performance above-average pay for above-average performance. As a result, a significant portion of the total compensation of each executive is at risk based on short and long-term performance. This pay for performance principle also results in executive compensation that is below average when performance is below average. Because of our emphasis on performance, we also believe that compensation generally should be earned by executives while they are actively employed and can contribute to Synovus performance.

Synovus compensation program is also designed to support corporate strategic goals, including growth in earnings and growth in shareholder value. As described in more detail below, earnings are the primary driver of our short-term incentive program and shareholder value is the primary driver of our long-term incentive program. Synovus believes that the high degree of performance orientation and the use of goals based upon earnings and shareholder value in our incentive plans aligns the interests of our executives with the interests of our shareholders. In addition, Synovus has adopted stock ownership guidelines, which require executives to own a certain amount of Synovus stock based on a multiple of base salary, and a hold until retirement provision, which requires executives to retain ownership of 50% of all stock acquired through our equity compensation plans until their retirement or other termination of employment. These requirements are intended to focus executives on long-term shareholder value creation.

Primary Elements of Compensation

There are three primary elements of compensation in Synovus executive compensation program:

- base pay;
- short-term incentive compensation; and
- long-term incentive compensation.

As more fully described below, short-term and long-term incentive compensation are tied directly to performance. Short-term incentive compensation is based upon Synovus fundamental operating performance measured over a one-year period, while long-term incentive compensation is based upon Synovus total shareholder return measured over a three-year period. Synovus has not established a specific targeted mix of compensation between base pay and short-term and long-term incentives. However, both short-term and long-term incentives are based upon percentages or multiples of base pay. If both short-term and long-term incentives are paid at target, long-term incentives are the largest portion of an executive s total compensation package. For example, if short-term and long-term incentives are paid at target, long-term incentives would constitute almost fifty percent of an executive s total compensation package, thereby illustrating our emphasis on performance and growth in shareholder value.

Benchmarking

As described below, Synovus benchmarks base salaries and market short-term and long-term incentive target awards. The market used by Synovus for benchmarking is banks with similar asset size as Synovus. From a list of competitor banks ranked by asset size, Synovus selects the 10 banks immediately above and immediately below Synovus asset size as the appropriate companies against which to benchmark base pay (the Peer Companies). For 2008, the Peer Companies were:

Associated Banc-Corp.	Fulton Financial Corp.
Bok Financial Group	Huntington Bancshares, Inc.
City National Corp.	Marshall & Ilsley Corp.
Colonial Bancgroup, Inc.	M&T Bank Corp.
Comerica Inc.	Northern Trust Corporation
Commerce Bancorp	Popular, Inc.
Commerce Bancshares, Inc.	The South Financial Group, Inc.
First Bancorp Citizens BancShares, Inc.	TCF Financial Corp.
First Citizens BancShares, Inc.	Unionbancal Corp.
First Horizon National Corp.	Zions Bancorporation

Synovus also benchmarks total compensation (base salary, short-term incentives and long-term incentives) of its executives. Synovus uses the Peer Companies for benchmarking total compensation, as well as external market surveys. Synovus uses a three-year look back of the total compensation benchmark data to reduce the impact of short-term fluctuations in the data which may occur from year to year. When reviewing the total compensation benchmarking data, Synovus focuses on total compensation opportunities, not necessarily the amount of compensation actually paid, which varies depending upon Synovus performance results due to the program s performance orientation. For example, over the past five years, Synovus long-term incentive awards have been below target for four of the five years and above-target for one year. Although these awards result in compensation amounts for Synovus executives that could be considered below market in total, the Committee believes the amount of compensation paid to its executives is appropriate given Synovus shareholder return during this five-year period.

Base Pay. Base pay is seen as the amount paid to an executive for consistently performing his or her job on a daily basis. To ensure that base salaries are competitive, Synovus targets base pay at the median (e.g., the 50th percentile) of the market for similarly situated positions, based upon each executive s position and job responsibilities. When establishing base salaries, the Committee compares each executive s current base pay to the market median for that position using proxy information from the Peer Companies. For certain positions for which there is no clear market match in the benchmarking data, Synovus uses a blend of two or more positions from the benchmarking data. The Committee also reviews changes in the benchmarking data from the previous year. The Committee then uses this data to establish a competitive base salary for each executive. For example, an executive whose base salary is below the benchmarking target for his or her position may receive a larger percentage increase than an executive whose base salary exceeds the benchmarking target for his or her position.

In addition to market comparisons of similar positions at the Peer Companies, individual performance may affect base pay. For example, an executive whose performance is not meeting expectations may receive no increase in base pay or a smaller base pay increase in a given year. On the other hand, an executive with outstanding performance may receive a larger base pay increase or more frequent base pay increases.

Base pay is not directly related to Synovus performance. Comparison of an executive s base salary to the base salaries of other Synovus executives may also be a factor in establishing base salaries, especially with respect to positions for which there is no clear market match in the base pay benchmarking data. Because of the process we use to initially establish base pay, large increases in base pay generally occur only when an executive is promoted into a new position.

There were no base salary increases for 2008 based upon market comparisons and the other factors typically used by the Committee for base salary adjustments, such as internal pay equity, the merit pay budget, individual performance, experience, time in position and retention needs. However, effective January 1, 2008, the Committee increased the base salaries of Mr. Anthony,

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Mr. Green and Ms. James by $59,200, $62,100 and $40,000 respectively. The amount of this one-time increase was equal to the amount of Board of Director fees foregone by each executive as a result of the decision to eliminate the payment of cash director fees to named executives as described under Board Fees below. Thus, the increase in total compensation as a result of base salary changes was zero.

Short-Term Incentives. In addition to base salary, our executive compensation program includes short-term incentive compensation. We pay short-term incentive compensation in order to (1) provide an incentive for executives to meet our short-term earnings growth goals, and (2) ensure a competitive compensation program given the marketplace prevalence of short-term incentive compensation.

Our short-term incentive program is tied directly to our fundamental operating performance measured over a one-year period. Each year, the Committee establishes a target for percentage change in earnings per share (EPS). A target goal of 100% equates to a market award, which is set at the median target short-term incentive award for similar positions at the Peer Companies, expressed as a percentage of base salary earned during the year (base earnings). Actual short-term incentive targets for 2008 were set taking into account median market data at the Peer Companies, as well as existing incentive targets, internal pay equity, individual performance and retention needs. The target short-term incentive percentages for our named executive officers are set forth in the table below:

Named Executive Officer	Target Short-Term Incentive Percentage of Base Salary
Richard E. Anthony (CEO)	100%
Frederick L. Green, III (President and COO)	85%
All other executive officers	70%

The amount of a short-term incentive award can range from zero to 200% of a target grant in accordance with a schedule approved by the Committee each year. For 2008, the Committee approved the following schedule:

EPS Percentage Change		Percent of Target Bonus Paid	
15.4	%	200	%
10.6	%	175	%
5.8	%	150	%
1.0	%	125	%
−3.8	%	100	%
−8.6	%	90	%
−13.2	%	75	%
−18.2	%	50	%
−27.9	%	20	%
Below −27.9	%	0	%

Although the target EPS percentage change goal set by the Committee is generally based upon initial EPS projections calculated in accordance with generally accepted accounting principles (GAAP), from time to time the target percentages are based on non-GAAP EPS growth percentages for purposes of determining short-term incentive compensation because of unusual events that could occur during the year. These events include, but are not limited to, changes in accounting and regulatory standards, changes in tax rates and laws, charges for corporate or workforce restructurings, acquisitions and divestitures and, for 2008, reductions in net income or charges resulting from the

Spin-Off. The Committee made no such adjustments in 2008.

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Because Synovus did not attain the minimum EPS percentage change level required under the above schedule, no short-term incentive awards were paid to the named executive officers for 2008.

Long-Term Incentives. Our executive compensation program also includes long-term incentive compensation, which is awarded in the form of restricted stock units and stock options that are earned through performance. We have elected to provide long-term incentive compensation opportunities in order to: (1) provide an incentive for our executives to provide exceptional shareholder return to Synovus shareholders by tying a significant portion of their compensation opportunity to both past and future growth in shareholder value, (2) align the interests of executives with shareholders by awarding executives equity in Synovus, and (3) ensure a competitive compensation program given the market prevalence of long-term incentive compensation.

Synovus long-term incentive plan awards equity incentive opportunities to executives based upon Synovus performance as measured by total shareholder return (TSR), over a three-year period. TSR for each measurement period is calculated by dividing Synovus stock price appreciation and dividends paid by the stock price at the beginning of the measurement period. We use a three-year period to measure performance for purposes of our long-term incentive awards in order to link TSR performance over time and to reduce the impact, positive or negative, of unusual events that may occur in a given year.

Under Synovus long-term incentive program, TSR is compared to two benchmarks: (1) a range of absolute levels of TSR, and (2) TSRs of Synovus competitors. We do this because we believe shareholders are interested both in how Synovus shareholder return compares to its competitors, as well as shareholders actual return on their investment. Competitors for this purposes, are the banks in the Keefe, Bruyette and Woods 50 Index (KBW 50). Synovus selected the KBW 50 for awarding long-term incentives to ensure that the companies are chosen by an independent third party and to provide consistency from year to year in the assessment of long-term performance for incentive purposes.

The amount of long-term incentives awarded to executives each year is based upon a performance grid approved by the Committee. The performance grid has been in place in substantially its current form for over a decade. This grid is reproduced below showing the absolute TSR over the three preceding calendar years as the horizontal measurement and the percentile performance of Synovus against the KBW 50 over the three preceding calendar years as the vertical measurement.

Percentile of 3-year SNV TSR vs. KBW 50					
90th	50%	100%	150%	200%	250%
70th	50%	100%	125%	150%	200%
50th	50%	75%	100%	125%	150%
30th	50%	50%	75%	100%	100%
<30th	50%*	50%	50%	75%	75%
	<4%	4%	8%	10%	16%

3-Year Annualized Synovus TSR

* At this performance level, long-term incentives are awarded at 50% of target and solely in the form of stock options.

The award percentages in the performance grid are multiplied by target long-term incentive opportunities, which are expressed as percentages of base salary earned during the year (base earnings). Such targets are established taking into account market median data at the Peer Companies as well as existing incentive targets, internal pay equity, individual performance and retention needs. The target long-term incentive percentages for our named executive officers are set forth in the table below:

Named Executive Officer	Target Long-Term Incentive Percentage of Salary
Richard E. Anthony (CEO)	200%
Frederick L. Green, III (President and COO)	175%
All other executive officers	150%

Because there are advantages and disadvantages to every form of equity award, long-term incentive opportunities generated by the performance grid are provided 50% as restricted stock and 50% as stock options. While the Committee has the discretion to vary the form of the award as needed for accounting, tax or other reasons, it has not done so to date. The 50%/50% split in equity awarded is calculated based upon the estimated overall value of the award as of the date of grant (a stock option is determined to be equal to one-fourth the value of a restricted stock award).

Because the Committee may take action to approve equity awards on or near the date that Synovus annual earnings are released, the Committee has established the last business day of the month in which earnings are released as the grant date for equity awards to executives to ensure that the annual earnings release has time to be absorbed by the market before equity awards are granted and stock option exercise prices are established.

2005-2007 Performance Period (Awarded in 2008)

In 2008, long-term incentive equity awards were made to Synovus named executive officers pursuant to the above grid based upon the 2005-2007 performance period. For this performance period, Synovus annualized TSR was -2.93% and Synovus TSR was in the 59th percentile of the KBW 50. Under the grid, this resulted in a long-term incentive award equal to 50% of target, one-half as stock options and one-half as restricted stock units. The equity awards made to Synovus named executive officers in 2008 are set forth in the All Other Stock Awards and All Other Option Awards columns in the Grant of Plan-Based Awards Table.

Synovus released its annual earnings on January 24, 2008. The Committee met on January 22, 2008 to approve stock option and restricted stock awards to the named executive officers effective January 31, 2008. As a result, the grant date for long-term incentive awards (stock options and restricted stock awards) for the 2005-2007 performance period was January 31, 2008. The closing price of Synovus stock on January 31, 2008 was used as the exercise price for stock options and to determine the FAS 123(R) accounting expense and was also used for disclosure in the compensation tables in this Proxy Statement.

2006-2008 Performance Period (Not Awarded)

Under the long-term incentive payment process described above, our named executives would have been eligible to receive a 50% of target award in 2009 based upon Synovus total shareholder return (–.46%) and Synovus performance against the KBW 50 (68^{th} percentile) under the grid for the 2006-2008 performance period. However, in light of current economic conditions, the Committee exercised its discretion to postpone a long-term incentive grant for executive officers for the 2006-2008 performance period.

Spin-Off Stock Option Grant

In January 2008, the Committee also awarded a one-time special stock option grant in connection with the Spin-Off to (1) reward the executive officers for their efforts relating to the successful Spin-Off, (2) mobilize the executive team around performance following the Spin-Off as a financial services company, (3) retain key employees due to the impact of the Spin-Off; and (4) align the new executive team as a group. In making the grant, the Committee reviewed existing equity grants to determine the need for and size of the special grant. The awards were made in stock options so that the awards were entirely performance-based, requiring that the Company s stock price increase from the date of grant in order for executives to receive value from the grant. The awards vested over a five-year period, with one-third of each award vesting on January 31, 2011, January 31, 2012 and January 31, 2013. This longer vesting schedule was selected to reflect the retention component of the award.

Other Long-Term Incentive Awards

In addition to the annual long-term incentive awards awarded pursuant to the performance grid described above, the Committee has granted other long-term incentive awards. For example, the Committee made restricted stock awards grants to Messrs. Anthony and Green in 2005 to reflect their promotions and to serve as a vehicle for retaining their services in their new roles. The award to Mr. Green vests 20% a year for five years based upon continued service. As a result, 20% of Mr. Green s 2005 award vested in 2008. Although Mr. Anthony s 2005 award was primarily for retention, the grant was a performance-based grant to link his award to a threshold level of performance. Mr. Anthony s 2005 award vests over a five to seven year period. The Committee establishes performance measures each year during the seven year vesting period and, if the performance measure is attained for a particular year, 20% of the award vests. The performance measure established for 2008 was 75% of the EPS percentage change target established under Synovus short-term incentive plan. Because Synovus did not attain the EPS percentage change measure established for 2008, none of Mr. Anthony s 2005 performance-based restricted stock vested during 2008.

Perquisites

Perquisites are a small part of our executive compensation program. Perquisites are not tied to performance of Synovus. Perquisites are offered to align our compensation program with competitive practices because similar positions at Synovus competitors offer similar perquisites. The perquisites offered by Synovus are set forth in footnotes 6, 7 and 8 of the Summary Compensation Table. Considered both individually and in the aggregate, we believe that the perquisites we offer to our named executive officers are reasonable and appropriate. However, in light of current economic conditions, the Committee suspended the personal use of aircraft by the Company s executives for 2009, although the Committee can approve exceptions to that policy.

Employment Agreements

Synovus does not generally enter into employment agreements with its executives, except in unusual circumstances such as acquisitions. None of the named executive officers have employment agreements.

Retirement Plans

Our compensation program also includes retirement plans designed to provide income following an executive s retirement. Synovus compensation program is designed to reflect Synovus philosophy that compensation generally should be earned while actively employed. Although retirement benefits are paid following an executive s retirement, the benefits are earned while employed and are substantially related to performance. We have chosen to use defined contribution retirement plans because we believe that defined benefit plans are difficult to understand, difficult to communicate, and contributions to defined benefit plans often depend upon factors that are beyond Synovus control, such as the earnings performance of the assets in such plans compared to actuarial assumptions inherent in such plans. Synovus offers three qualified defined contribution retirement plans to its employees: a money purchase pension plan, a profit sharing plan and a 401(k) savings plan.

The money purchase pension plan has a fixed 7% of compensation employer contribution every year (effective March 15, 2009, this percentage was amended to 3%). The profit sharing plan and any employer contribution to the 401(k) savings plan are tied directly to Synovus performance. There are opportunities under both the profit sharing plan and the 401(k) savings

plan for employer contributions of up to 7% of compensation based upon the achievement of EPS percentage change goals. Based upon Synovus performance for 2008, Synovus named executive officers did not receive a contribution under the profit sharing plan or 401(k) savings plan. The retirement plan contributions for 2008 are included in the All Other Compensation column in the Summary Compensation Table.

In addition to these plans, the Synovus/TSYS Deferred Compensation Plan (Deferred Plan) replaces benefits foregone under the qualified plans due to legal limits imposed by the IRS. The Deferred Plan does not provide above market interest. Instead, participants in the Deferred Plan can choose to invest their accounts among mutual funds that are generally the same as the mutual funds that are offered in the 401(k) savings plan. The executives Deferred Plan accounts are held in a rabbi trust, which is subject to claims by Synovus creditors. The employer contribution to the Deferred Plan for 2008 for named executive officers is set forth in the All Other Compensation column in the Summary Compensation Table and the earnings (losses) on the Deferred Plan accounts during 2008 for named executive officers is set forth in the Aggregate Earnings in Last FY column in the Nonqualified Deferred Compensation Table and in a footnote to the All Other Compensation column in the Summary Compensation Table.

Post-Termination Compensation

Synovus compensation program is designed to reflect Synovus philosophy that compensation generally should be earned while actively employed. Although retirement benefits are paid following an executive s retirement, the benefits are earned while employed and are substantially related to performance as described above. Synovus has entered into limited post-termination arrangements when appropriate, such as the change of control agreements which are described in the Potential Payouts Upon Change of Control section. Synovus chose to enter into change of control arrangements with its executives to ensure: (1) the retention of executives and an orderly transition during a change of control, (2) that executives would be financially protected in the event of a change of control so they continue to act in the best interests of Synovus while continuing to manage Synovus during a change of control, and (3) a competitive compensation package because such arrangements are common in the market and it was determined that such agreements were important in recruiting executive talent.

Stock Ownership/Retention Guidelines

To align the interests of its executives with shareholders, Synovus has implemented stock ownership guidelines for its executives. Under the guidelines, executives are required to maintain ownership of Synovus common stock equal to at least a specified multiple of base salary, as set forth in the table below:

Named Executive Officer	**Ownership Level (as multiple of base salary)**
Richard E. Anthony (CEO)	5x
Frederick L. Green, III (President and COO)	4x
All other executive officers	3x

The guidelines are recalculated at the beginning of each calendar year. The guideline was initially adopted January 1, 2004 and executives had a five-year grace period to fully achieve the guideline with an interim three-year goal. Until the guideline is achieved, executives are required to retain all net shares received upon the exercise of stock options, excluding shares used to pay the option s exercise price and any taxes due upon exercise. In the event of a severe financial hardship, the guidelines permit the development of an alternative ownership plan by the Chairman of the Board of Directors and Chairman of the Compensation Committee. Like a number of other public companies, especially financial institutions, the market value of Synovus common stock decreased significantly during 2008. As a result of the decline in Synovus stock price in 2008, Mr. Anthony is the only named executive currently in compliance with the

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guidelines as of December 31, 2008. As a result, the Committee is evaluating administrative rules for application of the guidelines in various stock price scenarios.

Synovus has also adopted a hold until retirement provision that applies to all unexercised stock options and unvested restricted stock awards. Under this provision, executives that have attained the stock ownership guidelines described above are also required to retain ownership of 50% of all stock acquired through Synovus equity compensation plans (after taxes and transaction costs) until their retirement or other termination of employment. Synovus believes that the hold until retirement requirement further aligns the interests of its executives with shareholders.

Tally Sheets

The Committee reviewed a tally sheet for Mr. Anthony in July 2008 as part of an annual practice, and for other executives on a less frequent basis. The tally sheets add up all components of compensation for each officer, including base salary, bonus, long-term incentives, accumulative realized and unrealized stock options and restricted stock gains, the dollar value of perquisites and the total cost to the company, and earnings and accumulated payment obligations under Synovus nonqualified deferred compensation program. The tally sheets also provide estimates of the amounts payable to each executive upon the occurrence of potential future events, such as a change of control, retirement, voluntary or involuntary termination, death and disability. The tally sheets are used to provide the Committee with total compensation amounts for each executive so that the Committee can determine whether the amounts are reasonable or excessive. Although the tally sheets are not used to benchmark total compensation with specific companies, the Committee considers total compensation paid to executives at other companies in considering the reasonableness of our executives total compensation. After reviewing the tally sheet for Mr. Anthony in 2008, the Committee determined that his total compensation is fair, reasonable and competitive.

TARP Related Actions

Amendments to Executive Compensation Plans. On December 19, 2008, Synovus issued approximately $968 million of preferred stock and warrants to the Unites States Treasury Department under the Capital Purchase Program established under TARP. As required by the terms of the Capital Purchase Program, our senior executive officers entered into agreements with Synovus that amended the following Synovus executive compensation programs:

- the change of control agreements with our named executive officers (see page 40);
- the Synovus Financial Corp. Executive Cash Bonus Plan, pursuant to which short-term incentive awards are made to our executive officers (see page 25); and
- The Synovus Financial Corp. 1996, 2000 and 2002 Long-Term Incentive Plans and the Synovus Financial Corp. 2007 Omnibus Plan, pursuant to which certain long-term incentive awards were made to our named executive officers (see page 26).

The specific amendments were: (1) adding a recovery or clawback provision to the Company s incentive compensation programs requiring that senior executive officers return any bonus or incentive compensation award based upon materially inaccurate financial statements or performance metrics; (2) amending the Company s change of control agreements for the senior executive officers so that any future severance payments under such agreements will be limited so that no golden parachute payments will be made (the limit is basically three times the executive s five-year average compensation); and (3) agreeing to the limit on tax-deductible compensation for the senior executive officers of $500,000. These amendments were effective December 19, 2008 and continue to remain in effect for so long as the Treasury Department holds debt or equity securities issued by Synovus under the Capital Purchase Program.

Incentive Compensation Plan Risk Assessment. As required under the provisions of the TARP Capital Purchase Program, the Committee met with Synovus Chief Risk Officer in January 2009 to review the Company s incentive compensation plans. The purpose of the assessment was to identify any features of the Company s incentive compensation plans that could encourage the Company s senior executive officers to take unnecessary and excessive risks that threaten the value of Synovus.

The Committee reviewed a number of incentive compensation plan design features as part of its assessment. The features that were reviewed included the mix of salary and incentive compensation, the incentive compensation performance measures themselves, the relationship between the performance measures and the corresponding incentive payouts, the use of equity in incentive awards, and the equity retention requirements for executives who receive awards.

With respect to the Company s annual short-term incentive bonus program, the Committee noted that percentage change earnings per share had been used as the quantitative measure. The Committee believed that bonus goals had been set at achievable and realistic, yet challenging, levels. The Committee also concluded that the payment of short-term incentives in cash was appropriate and consistent with market practice. Although the Committee noted that the quantitative measure of earnings per share did not necessarily reflect the quality of earnings, the Committee also noted that it had exercised downward discretion for bonus payments on an informal basis on a number of prior occasions as the Committee deemed appropriate based on the circumstances.

With respect to the Company s long-term incentive plan, the Committee concluded that the mix of 50% restricted stock unit awards and 50% stock options was appropriate since there are advantages and disadvantages to every form of equity award. The Committee also concluded that the total shareholder return measures (both absolute and as compared to peers) were in the best long-term interests of shareholders, and that the 3-year measurement period did not encourage senior executive officers to take unnecessary or excessive risks through short-term actions that could influence stock price. The Committee also noted that it had not made any mega-option grants or any highly-leveraged performance-based restricted stock grants that could encourage the senior executive officers to take such risks.

Although the Committee noted that the mix of long-term incentive compensation was more performance-leveraged than the Company s peers, the Committee did not believe that the mix was unreasonable or encouraged senior executive officers to take unnecessary or excessive risks. The Committee noted that it established base pay and all incentive awards at the median of the Company s peers. The Committee also noted that it had adopted stock ownership guidelines and hold until retirement provisions for the Company s executives as described on pages 29 to 30.

Although the Committee did not conclude any features of its compensation plan necessarily encouraged senior executive officers to take unnecessary and excessive risks that could threaten the Company s value, the Committee concluded that it was appropriate to implement a formal process tying future incentive compensation awards to the risks and associated measurements of the risks that are reviewed with the Company s Audit Committee on a periodic basis. Under the new process, the Committee will formally select several areas of risks (and their associated measurements) that are reviewed with the Audit Committee, and use the Company s progress (or lack of progress) during the year toward mitigating these risks as a basis for exercising downward discretion for future incentive compensation awards. Examples of the areas of risks that may be selected by the Committee include concentrations in certain categories of loans, capital adequacy measures and liquidity measures. Under the new process, at the time incentive compensation goals are established, the Committee will also select the appropriate risks and associated measurements to be used in making incentive compensation awards after consulting with the Company s Chief Risk Officer.

Role of the Compensation Consultant

The Committee has retained Hewitt Associates as its independent executive compensation consultant. The role of the outside compensation consultant is to assist the Committee in analyzing executive pay packages and contracts and understanding Synovus financial measures. The Committee has the sole authority to hire and fire outside compensation consultants. The Committee s relationship with Hewitt Associates is described on page 7 of this Proxy Statement under Compensation Committee.

Role of the Executive Officers in the Compensation Process

Synovus Chief People Officer attends all Committee meetings. Synovus Chief Executive Officer attends some Committee meetings by invitation of the Committee, such as the Committee meeting in which his performance is reviewed with the Committee or other meetings upon the request of the Committee. The CEO provides the Committee with his assessment of the performance of the other named executive officers and makes recommendations regarding any changes to their compensation. Neither the Chief Executive Officer nor the Chief People Officer have authority to vote on Committee matters. For more information regarding Committee meetings, please refer to page 7 of this Proxy Statement under Compensation Committee.

Other Policies

Clawback Policy. As described above under TARP-related actions, Synovus added a recovery or clawback provision to all of our incentive plans for senior executive officers.

Tax Considerations. We have structured most forms of compensation paid to our executives to be tax deductible. Internal Revenue Code Section 162(m) limits the deductibility of compensation paid by a publicly-traded corporation to its Chief Executive Officer and four other highest paid executives for amounts in excess of $1 million, unless certain conditions are met. As described above under TARP related actions, however, we agreed to lower the tax deduction limit to $500,000. The short-term and long-term incentive plans have been approved by shareholders and awards under these plans are designed to qualify as performance-based compensation to ensure deductibility under Code Section 162(m). We reserve the right to provide compensation which is not tax-deductible, however, if we believe the benefits of doing so outweigh the loss of a tax deduction.

In general, Synovus does not gross-up its officers for taxes that are due with respect to their compensation. An example of an exception to this rule is for excise taxes that may be due with respect to the change of control agreements, as described above.

Accounting Considerations. We account for all compensation paid in accordance with GAAP. The accounting treatment has generally not affected the form of compensation paid to named executive officers.

Board Fees. Effective January 1, 2008, the Compensation Committee eliminated the payment of cash director fees to named executives. The primary reason for this decision is that paying cash director fees was not the prevalent market practice, although it had been the historical practice at Synovus for a number of years. As a result of this decision, the Committee adjusted the base salaries of the affected executives to reflect the amount of director fees foregone by each executive as described under Base Salary.

Significant Events After December 31, 2008

Because of current economic conditions, base pay for the named executive officers was not increased effective January 1, 2009.

We are currently assessing the impact of the executive compensation provisions of the American Recovery and Reimbursement Act of 2009 (ARRA). Synovus will comply with the provisions of the ARRA and its implementing regulations in all respects, which includes the

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submission of Proposal 3: Advisory Vote on Compensation of Named Executive Officers set forth on page 15 of this Proxy Statement.

In addition, the Compensation Committee has committed that, with respect to future equity awards made to named executive officers for each of the next three years, at least 50% of such awards will be performance-based equity awards. The performance-based equity awards will be earned or paid out based on the achievement of performance targets that will be disclosed to shareholders.

Compensation Realized by Named Executive Officers for 2008

The Summary Compensation Table on page 35 provides compensation information for each named executive officer as required by SEC rules. However, the Summary Compensation Table includes amounts that were not realized by the executives in 2008. For example, the Summary Compensation Table reflects the expense recognized for financial statement reporting purposes in connection with equity awards (i.e., stock options and restricted stock awards) for 2008 and prior years in accordance with SFAS 123(R) rather than the financial benefit realized by the executives in 2008 as a result of the exercise of stock options or the vesting of restricted stock units. This information is, however, set forth in the Option Exercises and Stock Vested Table on page 39.

The following table reflects only compensation realized by each named executive officer for 2008 and is not a substitute for the Summary Compensation Table. In addition, it is not part of the compensation tables that we are required by SEC rules to present in this Proxy Statement. Furthermore, it does not include a number of compensation opportunities that were made available in 2008. For example, the LTIP awards for 2008 are not included in the table because those awards did not vest during 2008. Detailed information on all compensation opportunities that were made available in 2008 and all compensation paid to or earned by the named executive officers during 2008 is included in this CD&A, the Summary Compensation Table and the series of other tables following this CD&A.

Although various compensation opportunities for the named executive officers are not included in the following table, the Compensation Committee considered all amounts paid to or earned by the named executive officers and all compensation opportunities in its determination that the compensation paid to or earned by each named executive officer in 2008 is fair, reasonable, competitive and performance oriented.

Table of Realized Compensation

The following table reflects the components of the compensation realized by the named executive officers for 2008:

Name and Principal Position	Base Pay	Annual Bonus	Value Realized on Exercise of Options During 2008(1)	Value Realized on Vesting of Restricted Stock Awards During 2008(2)	All Other Compensation(3)	Total
Richard E. Anthony (CEO)	$ 928,200	$ 0	$ 84,314	$ 199,748	$ 86,661	$ 1,298,923
Thomas J. Prescott (EVP and CFO)	387,000	0	0	123,968	48,041	558,739
	562,100	0	50,588	189,179	59,033	860,900

Frederick L. Green, III (President and COO)						
Elizabeth R. James (Vice Chairman and CPO)	431,000	0	0	130,249	65,122	626,371
Mark G. Holladay (EVP and CRO)	315,000	0	0	54,213	33,051	402,264

(1) Reflects the excess of the fair market value of the shares at the time of exercise over the exercise price of the options.

(2) Reflects the fair market value of the underlying shares as of the vesting date.

(3) The components of All Other Compensation for each named executive officer are set forth in footnotes 4 through 8 to the Summary Compensation Table on page 35.

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Conclusion

For the reasons described above, we believe that each element of compensation offered in our executive compensation program, and the total compensation delivered to each named executive officer, is fair, reasonable and competitive.

COMPENSATION COMMITTEE REPORT

Synovus Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by Item 402(b) of Regulation S-K with management and, based on such review and discussions, has recommended to the Board that the Compensation Discussion and Analysis be included in Synovus Annual Report on Form 10-K for the year ended December 31, 2008 and in this Proxy Statement.

The Compensation Committee certifies that it has reviewed with Synovus senior risk officer the Senior Executive Officer (SEO) incentive compensation arrangements and has made reasonable efforts to ensure that such arrangements do not encourage SEOs to take unnecessary or excessive risks that threaten the value of Synovus.

The Compensation Committee
T. Michael Goodrich, Chair
V. Nathaniel Hansford
Mason H. Lampton

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SUMMARY COMPENSATION TABLE

The table below summarizes the compensation for each of the named executive officers for each of the last three fiscal years.

The named executive officers were not entitled to receive payments which would be characterized as Bonus payments for any of these fiscal years. The short-term incentive amounts paid to the named executives for these three fiscal years, if any, are set forth in the Non-Equity Incentive Plan Compensation column. Synovus methodology and rationale for short-term incentive compensation are described in the Compensation Discussion and Analysis above.

The named executive officers did not receive any compensation that is reportable under the Change in Pension Value and Nonqualified Deferred Compensation Earnings column because, as described in the Compensation Discussion and Analysis, Synovus has no defined benefit pension plans and does not pay above-market interest on deferred compensation. The retirement plan contributions and earnings (if any) for the named executive officers for these three fiscal years are set forth in the All Other Compensation column.

and Principal on	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Com-pensation ($)	Change in Pension Value and Nonquali-fied Deferred Compen-sation Earnings ($)	All Other Compen-sation ($)	Tot ($
d E. Anthony	2008	$ 928,200(3)		$ 871,109	$ 902,075	$ -0-		$ 86,661(4)(5)(6)(7)(8)	$ 2,78
han of the and	2007	869,000		453,875	743,449	-0-		369,963	2,43
Executive r	2006	819,000		615,086	728,840	1,433,250		447,929	4,04
s J. Prescott	2008	387,000		210,944	218,223	-0-		48,041(5)(7)(8)	86
ive Vice ent and	2007	387,000		200,383	334,915	-0-		120,490	1,04
Financial r	2006	364,000		148,830	496,636	445,900		173,368	1,62
ick L. III	2008	562,100(3)		387,452	300,002	-0-		59,033(4)(5)(6)(7)	1,30
ent and	2007	500,000		355,822	157,675	-0-		180,801	1,19
Operating r	2006	408,333		297,054	124,443	522,083		235,482	1,58

eth R. James	2008	431,000(3)	217,888	223,062	-0-	65,122(4)(5)(7)(8)	93
hairman and	2007	391,000	209,348	339,689	-0-	160,080	1,10
People Officer	2006	375,500	156,073	502,520	459,988	202,954	1,69
G. Holladay	2008	315,000	91,375	121,199	-0-	33,051(5)(7)(8)	56
ive Vice	2007	315,000	87,185	203,611	-0-	78,372	68
ent and							
Risk Officer	2006	295,000	64,894	335,944	309,750	117,222	1,12

(1) The amounts in this column reflect the dollar amount recognized as an expense for financial statement reporting purposes for the last three fiscal years in accordance with FAS 123(R) (disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions), and include amounts from awards granted during these fiscal years and prior to 2006. For a discussion of the restricted stock awards reported in this column, see Note 20 of Notes to Consolidated Financial Statements in the Financial Appendix to our Annual Report on Form 10-K for the year ended December 31, 2008.

(2) The amounts in this column reflect the dollar amount recognized as an expense for financial statement reporting purposes for the last three fiscal years in accordance with FAS 123(R) (disregarding for this purpose the estimate of forfeitures related to service-based vesting conditions), and include amounts from awards granted during these fiscal years and prior to 2006. For a discussion of the assumptions made in the valuation of the stock option awards reflected in this column, see Note 20 of Notes to Consolidated Financial Statements in the Financial Appendix to our Annual Report on Form 10-K for the year ended December 31, 2008.

(3) Amount of change from 2008 to 2007 reflects base salary adjustments for director fees forgone by each executive as a result of decision to eliminate payment of cash directors fees to named executives ($59,200 by Mr. Anthony, $62,100 by Mr. Green and $40,000 by Ms. James).

(4) Amount includes matching contributions under the Synovus Director Stock Purchase Plan of $10,000 for each of Messrs. Anthony and Green and Ms. James.

(5) Amount includes company contributions by Synovus to qualified defined contribution plans of $16,100 for each executive and company contributions by Synovus to nonqualified deferred compensation plans of $48,876, $10,991, $23,248, $14,071 and $5,951 for Messrs. Anthony, Prescott and Green, Ms. James and Mr. Holladay, respectively.

(6) Amount includes cost of tax gross-up for spousal travel to business events where the spouse s attendance is expected of $685 for Mr. Anthony and $465 for Mr. Green.

(7) Amount includes the costs incurred by Synovus in connection with providing the perquisite of an automobile allowance. Amount also includes the incremental cost to Synovus for reimbursement of country club dues, if any, and the incremental cost to Synovus for personal use of the corporate aircraft, if any. Amounts for these items are not quantified because they do not exceed the greater of $25,000 or 10% of the total amount of perquisites.

(8) In addition to the items noted in footnote (5), the amount also includes the costs incurred by Synovus in connection with providing the perquisite of reimbursement for financial planning and the incremental cost to Synovus, if any, of security alarm monitoring. These items are not quantified because they do not exceed the greater of $25,000 or 10% of the total amount of perquisites.

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GRANTS OF PLAN-BASED AWARDS
for the Year Ended December 31, 2008

The table below sets forth the short-term incentive compensation (payable in cash) and long-term incentive compensation (payable in the form of restricted stock awards and stock options) awarded to the named executive officers for 2008.

			Estimated Future Payouts Under Non-Equity Incentive Plan Awards(2)			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)(3)	All Other Option Awards: Number of Securities Underlying Options (#)(4)	Exercise or Base Price of Option Awards ($/Sh)	Grant I Fair V of Stock Optio Awar
e	Grant Date	Action Date (1)	Thresh-old ($)	Target ($)	Maximum ($)	Thresh-old (#)	Target (#)	Maxi-mum (#)				
rd												
ony			$ 0	$ 928,200	$ 1,856,400							
	1-31-08	1-22-08							32,968			$ 434
	1-31-08	1-22-08								131,872	$ 13.18	197
	1-31-08	1-22-08								750,000(5)	13.18	1,410
as J.												
ott			0	270,900	541,800							
	1-31-08	1-22-08							11,011			145
	1-31-08	1-22-08								44,046	13.18	76
	1-31-08	1-22-08								225,000(5)	13.18	423
rick												
een,												
			0	477,785	955,570							
	1-31-08	1-22-08							16,598			218
	1-31-08	1-22-08								66,391	13.18	114
	1-31-08	1-22-08								400,000(5)	13.18	752
beth												
nes			0	301,700	603,400							
	1-31-08	1-22-08							11,125			146
	1-31-08	1-22-08								44,501	13.18	76
	1-31-08	1-22-08								225,000(5)	13.18	423
G.												
day			0	220,500	441,000							
	1-31-08	1-22-08							4,780			63
	1-31-08	1-22-08								19,121	13.18	33
	1-31-08	1-22-08								175,000(5)	13.18	329

(1) The Synovus Compensation Committee met on January 22, 2008 and approved the grant of restricted stock unit awards and stock options to the named executive officers effective January 31, 2008.

(2) The amounts shown in this column represent the minimum, target and maximum amounts payable under Synovus Executive Cash Bonus Plan for 2008. Awards are paid in cash and are based upon attainment of adjusted earnings per share goals.

(3) The number set forth in this column reflects the number of restricted stock units awarded to each executive during 2008. The restricted stock unit awards vest over a three-year period, with one-third of the shares vesting on each of the first, second and third anniversaries of the date of grant. Vesting is generally based upon continued employment through the vesting date. Dividend equivalents are paid on the restricted stock units.

(4) The number set forth in this column reflects the number of stock options granted to each executive during 2008. The first stock option award listed vests over a three-year period, with one-third of the shares vesting on each of the first, second and third anniversaries of the date of grant. The second stock option award listed vests over a five-year period, with one-third of the shares vesting on each of the third, fourth and fifth anniversaries of the date of grant. Vesting is generally based upon continued employment through the vesting date.

(5) One-time special stock option grant awarded in connection with the Spin-Off as described on page 27.

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OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END
December 31, 2008

	Option Awards					Stock Awards			
Name	Number of Securities Underlying Unexercised Options (#) Exercisable(1)	Number of Securities Underlying Unexercised Options (#) Unexercisable(1)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)(1)	Market Value of Shares or Units of Stock That Have Not Vested ($)(2)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(1)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(2)
Richard E. Anthony(3)								38,032	$ 315,666
	34,718			$ 8.44	01/19/2010	10,845	$ 90,014		
	856,347			8.27	06/28/2010	8,549	70,957		
	27,356			12.35	01/16/2011	32,968	461,552		
	49,685			12.38	04/28/2012				
	97,666			12.01	01/20/2014				
	122,130			12.53	01/20/2015				
	139,308	69,657		12.93	01/30/2016				
	27,454	54,915		14.92	01/31/2017				
		750,000		13.18	01/31/2018				
		131,872		13.18	01/31/2018				
Thomas J. Prescott(4)	44,894			10.69	02/08/2009	4,301	35,698		
	24,425			8.44	01/19/2010	2,849	23,647		
	856,347			8.27	06/28/2010	11,011	91,391		
	34,108			12.35	01/16/2011				
	33,324			12.38	04/28/2012				
	56,229			12.01	01/20/2014				
	28,557			12.53	01/20/2015				
	55,240	27,621		12.93	01/30/2016				
	9,152	18,304		14.92	01/31/2017				
		225,000		13.18	01/31/2018				

		44,046	13.18	01/31/2018		
Frederick L. Green, III(5)	76,649		10.69	02/08/2009	4,541	37,690
	42,802		8.44	01/19/2010	10,440	86,652
	34,108		12.35	01/16/2011	3,205	26,602
	21,631		12.38	04/28/2012	16,598	137,763
	35,928		12.01	01/20/2014		
	21,408		11.65	02/02/2014		
	30,083		12.53	01/20/2015		
	58,327	29,168	12.93	01/30/2016		
	10,616	21,231	14.92	01/31/2017		
		400,000	13.18	01/31/2018		
		66,391	13.18	01/31/2018		
Elizabeth R. James(6)	40,515		10.69	02/08/2009	4,478	37,167
	22,029		8.44	01/19/2010	2,939	24,394
	856,347		8.27	06/28/2010	11,125	92,338
	35,527		12.35	01/16/2011		
	36,354		12.38	04/28/2012		
	59,978		12.01	01/20/2014		
	30,533		26.82	01/20/2015		
	57,516	28,761	12.93	01/30/2016		
	9,441	18,882	14.92	01/31/2017		
		225,000	13.18	01/31/2018		
		44,501	13.18	01/31/2018		
Mark G. Holladay(7)	40,515		10.69	02/08/2009	1,862	15,455
	22,029		8.44	01/19/2010	1,232	10,226
	642,260		8.27	06/28/2010	4,780	39,674
	15,632		12.35	01/16/2011		
	19,850		12.38	04/28/2012		
	24,990		12.01	01/20/2014		
	12,961		12.53	01/21/2015		
	23,916	11,958	12.93	10/30/2016		
	3,955	7,911	14.92	01/31/2017		
		175,000	13.18	01/31/2018		
		19,121	13.18	01/31/2018		

(1) In connection with the Spin-Off, each named executive officer received approximately .483921 of a share of TSYS stock for each share of Synovus restricted stock held by the executive. The TSYS stock received by each executive in connection with the Spin-Off is subject to the same restrictions and conditions as the Synovus restricted stock. As a result of this distribution of TSYS stock, as of December 31, 2008, Mr. Anthony held 28,288 restricted shares of TSYS with a market value of $396,032, Mr. Prescott held 3,459 restricted shares of TSYS with a market value of $48,426, Mr. Green held 8,847 restricted shares of TSYS with a market value of $123,858, Ms. James held 3,588 restricted shares of TSYS with a market value of $50,232, and Mr. Holladay held 1,496 restricted shares of TSYS with a market value of $20,944. The TSYS restricted shares are not reflected in the table.

(2) Market value is calculated based on the closing price of Synovus common stock on December 31, 2008 of $8.30.

(3) With respect to Mr. Anthony s unexercisable stock options, the 69,657 options vest on January 31, 2009, the 54,915 options vest in equal installments on January 31, 2009 and January 31, 2010, the 131,872 options vest in equal installments on January 31, 2009, January 31, 2010 and January 31, 2011; and the 750,000 options vest in equal installments on January 31, 2011, January 31, 2012 and January 31, 2013. With respect to Mr. Anthony s restricted stock awards that have not vested, the 10,845 restricted share grant will vest on January 31, 2009; the 8,549 restricted share grant vests in equal installments on January 31, 2009 and January 31, 2010, and the 32,968 restricted stock unit grant vests in three equal installments on January 31, 2009, January 31, 2010 and January 31, 2011. Because Mr. Anthony meets the criteria for retirement eligibility (age 62 with 15 years of service), he will vest in the 32,968 restricted stock unit grant upon his retirement. In addition, the performance-based restricted stock award of 63,386 shares granted to Mr. Anthony in 2005 vests as follows: the restricted shares have seven one-year performance periods (2005-2011). During each performance period, the Compensation Committee establishes an earnings per share goal and, if such goal is attained during any performance period, 20% of the restricted shares will vest. As of December 31, 2008, 38,032 of the 63,386 restricted shares have not vested.

(4) With respect to Mr. Prescott s unexercisable stock options, the 27,621 options vest on January 21, 2009, the 18,304 options vest in equal installments on January 31, 2009 and January 31, 2010, the 44,046 options vest in equal installments on January 31, 2009, January 31, 2010 and January 31, 2011; and the 225,000 options vest in equal installments on January 31, 2011, January 31, 2012 and January 31, 2013. With respect to Mr. Prescott s restricted stock awards that have not vested, the 4,301 restricted share grant vests on January 21, 2009, the 2,849 restricted share grant vests in equal installments on January 31, 2009 and January 31, 2010, and the 11,011 restricted stock unit grant vests in equal installments of one-third each on January 31, 2009, January 31, 2010 and January 31, 2011.

(5) With respect to Mr. Green s unexercisable stock options, the 29,168 options vest on January 21, 2009, the 21,231 options vest in equal installments on January 31, 2009 and January 31, 2010, the 66,391 options vest in equal installments on January 31, 2009, January 31, 2010 and January 31, 2011; and the 400,000 options vest in equal installments on January 31, 2011, January 31, 2012 and January 31, 2013. With respect to Mr. Green s restricted stock awards that have not vested, the 4,541 restricted share grant vests on January 31, 2009, the 10,440 restricted share grant vests in equal installments on January 21, 2009 and January 21, 2010, the 3,205 restricted share grant vests in equal installments on January 31, 2009 and January 31, 2010, and the 16,598 restricted stock unit grant vests in equal installments of one-third each on January 31, 2009, January 31, 2010 and January 31, 2011.

(6) With respect to Ms. James unexercisable stock options, the 28,761 options vest on January 31, 2009, the 18,882 options vest in equal installments on January 31, 2009 and January 31, 2010, the 44,501 options vest in equal

installments on January 31, 2009, January 31, 2010 and January 31, 2011; and the 225,000 options vest in equal installments on January 31, 2011, January 31, 2012 and January 31, 2013. With respect to Ms. James restricted stock awards that have not vested, the 4,478 restricted share grant vests on January 31, 2009, the 2,939 restricted share grant vests in equal installments on January 31, 2009 and January 31, 2010, and the 11,125 restricted stock unit grant vests in equal installments of one-third each on January 31, 2009, January 31, 2010 and January 31, 2011.

(7) With respect to Mr. Holladay s unexercisable stock options, the 11,958 options vest on January 31, 2009, the 7,911 options vest in equal installments on January 31, 2009 and January 31, 2010, the 19,121 options vest in equal installments on January 31, 2009, January 31, 2010 and January 31, 2011; and the 175,000 options vest in equal installments on January 31, 2011, January 31, 2012 and January 31, 2013. With respect to Mr. Holladay s restricted stock awards that have not vested, the 1,862 share grant vests on January 31, 2009, the 1,232 share grant vests in equal installments on January 31, 2009 and January 31, 2010, and the 4,780 restricted stock unit grant vests in equal installments on January 31, 2009, January 31, 2011 and January 31, 2012.

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OPTION EXERCISES AND STOCK VESTED
for the Year Ended December 31, 2008

The following table sets forth the number and corresponding value realized during 2008 with respect to stock options that were exercised and restricted shares that vested for each named executive officer.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise ($)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting ($)(2)
Richard E. Anthony	127,749	$ 84,314	10,845	$ 143,262
			4,276	56,486
Thomas J. Prescott			4,300	56,803
			1,426	18,837
			4,446	48,328
Frederick L. Green, III	76,649	50,588	4,541	59,987
			1,653	21,836
			5,220	56,741
			4,684	50,915
Elizabeth R. James			4,478	59,154
			1,470	19,419
			4,754	51,676
Mark G. Holladay			1,861	24,584
			617	8,150
			1,976	21,479

(1) Reflects the excess of the fair market value of the shares at the time of exercise over the exercise price of the options.

(2) Reflects the fair market value of the underlying shares as of the vesting date.

NONQUALIFIED DEFERRED COMPENSATION
for the Year Ended December 31, 2008

Name	Executive Contributions in Last FY ($)	Registrant Contributions in Last FY ($)(1)	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)(2)(3)
Richard E. Anthony		$ 48,876	$ (400,085)		$ 578,136
Thomas J. Prescott		10,991	(224,553)		344,769
Frederick L. Green, III		23,248	(189,669)		331,210
Elizabeth R. James		14,071	(160,692)		306,455

Mark G. Holladay	5,951	(85,552)	235,219

(1) The amount in this column is reported in the Summary Compensation Table for 2008 as All Other Compensation.

(2) Of the balances reported in this column, the amounts of $22,692, $213,185, $184,597, $196,061 and $123,644 with respect to Messrs. Anthony, Prescott and Green and Ms. James and Mr. Holladay, respectively, were reported in the Summary Compensation Table as All Other Compensation in previous years. In addition, Mr. Anthony s balance includes losses on deferred director fees of ($23,222), with a year-end balance of $30,130.

(3) Each named executive officer is 100% vested and will therefore receive his or her account balance in Synovus nonqualified deferred compensation plan upon his or her termination of employment for any reason.

The Deferred Plan replaces benefits lost by executives under the qualified retirement plans due to IRS limits. Executives are also permitted to defer all or a portion of their base salary or short-term incentive award, although no named executive officers did so for the last fiscal year. Amounts deferred under the Deferred Plan are deposited into a rabbi trust, and executives are permitted to invest their accounts in mutual funds that are generally the same as the mutual funds available in the qualified 401(k) plan. Deferred Plan participants may elect to withdraw their accounts as of a specified date or upon their termination of employment. Distributions can be made in a single lump sum or in annual installments over a 2-10 year period, as elected by

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the executive. The Directors Deferred Compensation Plan permits directors to elect to defer director fees pursuant to similar distribution and investment alternatives as the Deferred Plan.

POTENTIAL PAYOUTS UPON CHANGE-IN-CONTROL

Synovus has entered into change of control agreements with its named executive officers. Under these agreements, benefits are payable upon the occurrence of two events (also known as a double trigger). The first event is a change of control and the second event is the actual or constructive termination of the executive within two years following the date of the change of control. Change of control is defined, in general, as the acquisition of 20% of Synovus stock by any person as defined under the Securities Exchange Act, turnover of more than one-third of the Board of Directors of Synovus, or a merger of Synovus with another company if the former shareholders of Synovus own less than 60% of the surviving company. For purposes of these agreements, a constructive termination is a material adverse reduction in an executive s position, duties or responsibilities, relocation of the executive more than 35 miles from where the executive is employed, or a material reduction in the executive s base salary, bonus or other employee benefit plans.

In the event payments are triggered under the agreements, each executive will receive three times his or her base salary as in effect prior to the termination, three times a percentage of his or her base salary equal to the average short-term incentive award percentage earned over the previous three calendar years prior to the termination, as well as a pro-rata short-term incentive award calculated at target for the year of termination. These amounts are paid to the executive in a single lump-sum cash payment. Each executive will also receive health and welfare benefits for a three year period following the second triggering event. The following table quantifies the estimated amounts that would be payable under the change of control agreements, assuming the triggering events occurred on December 31, 2008.

	3x Base Salary	Average 3-Yrs Short-Term Incentive Award	Pro-Rata Target Short-Term Incentive Award	Health & Welfare Benefits	Stock Award Vesting(1)	Stock Option Vesting(2)	Excise Tax Gross-up(3)	Total
Richard E. Anthony	$ 2,784,600	$ 1,624,350	$ 928,200	$ 52,740	$ 1,146,303	$ 0	$ 0	$ 6,536,193
Thomas J. Prescott	1,161,000	474,075	270,900	52,740	199,162	0	0	2,157,877
Frederick L. Green, III	1,686,300	836,124	477,785	52,740	386,233	0	0	3,439,182
Elizabeth R. James	1,293,000	527,931	301,700	52,740	204,131	0	0	2,379,502
Mark G. Holladay	945,000	330,750	220,500	52,740	86,290	0	0	1,715,080

(1) Estimated by multiplying number of stock awards that vest upon change of control by fair market value on December 31, 2008. Stock awards also vest upon death or disability, and the January 31, 2008 restricted stock unit award also vests upon retirement (age 62 with 15 years of service). Mr. Anthony is the only named executive officer who is currently eligible for retirement.

(2) Estimated by multiplying number of options that vest upon change of control by difference in fair market value on December 31, 2008 and exercise price. Because the fair market value of Synovus stock on December 31, 2008 is less than the exercise price of all unexercised options held by each named executive officer, amount is estimated at zero for each named executive officer. Excluding the Spin-Off stock option grant made on January 31, 2008, stock options also vest upon retirement (age 62 with 15 years of service), death, disability or involuntary termination not for cause.

(3) As described under TARP Related Actions on page 30, the change of control agreements for named executives were amended on December 19, 2008 to limit benefits so that no excise tax will apply. Under the above table, however, no excise tax would have been imposed on any of the named executives, regardless of the amendments.

Executives who receive these benefits are subject to a confidentiality obligation with respect to secret and confidential information about Synovus they know. There are no provisions regarding a waiver of this confidentiality obligation. No perquisites or other personal benefits are payable under the change of control agreements.

POTENTIAL PAYOUTS UNDER VARIOUS TERMINATION SCENARIOS

The following table compares the amounts payable to the CEO under various termination scenarios within 12 months. As described above, neither the CEO (nor any of the other named executive officers) has an employment agreement, so that the only amounts payable upon

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termination (other than the amounts set forth in the change of control agreement) are long-term incentives that vest upon retirement and the deferred compensation account balance.

	Termination	Not For Cause Termination	Change of Control Termination
Base Salary	$ 0	$ 0	$ 2,784,600
Bonus	0	0	2,552,550
Stock Options(1)	0	0	0
Restricted Stock	273,634(2)	273,634(2)	1,146,303
Health/Welfare	0	0	52,740
Perks	0	0	0
Deferred Compensation(3)	578,136	578,136	578,136
SERP	N/A	N/A	N/A
Total	$ 851,770	$ 851,770	$ 7,114.329

(1) Estimated by multiplying the number of options that vest by difference in fair market value and exercise price on December 31, 2008. As of December 31, 2008, exercise price exceeds fair market value of all outstanding shares.

(2) Estimated by multiplying number of restricted units that vest upon retirement (32,698) by closing price on December 31, 2008 ($8.30).

(3) Estimated based upon deferred compensation account balance as of December 31, 2008.

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Related Party Transaction Policy

Synovus Board of Directors has adopted a written policy for the review, approval or ratification of certain transactions with related parties of Synovus, which policy is administered by the Corporate Governance and Nominating Committee. Transactions that are covered under the policy include any transaction, arrangement or relationship, or series of similar transactions, arrangements or relationships, in which: (1) the aggregate amount involved will or may be expected to exceed $120,000 in any calendar year, (2) Synovus is a participant, and (3) any related party of Synovus (such as an executive officer, director, nominee for election as a director or greater than 5% beneficial owner of Synovus stock, or their immediate family members) has or will have a direct or indirect interest.

Among other factors considered by the Committee when reviewing the material facts of related party transactions, the Committee must take into account whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related party s interest in the transaction. Certain categories of transactions have standing pre-approval under the policy, including the following:

the employment of non-executive officers who are immediate family members of a related party of Synovus so long as the annual compensation received by this person does not exceed $250,000, which employment is reviewed by the Committee at its next regularly scheduled meeting; and

certain limited charitable contributions by Synovus, which transactions are reviewed by the Committee at its next regularly scheduled meeting.

The policy does not apply to certain categories of transactions, including the following:

certain lending transactions between related parties and Synovus and any of its banking and brokerage subsidiaries;

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certain other financial services provided by Synovus or any of its subsidiaries to related parties, including retail brokerage, deposit relationships, investment banking and other financial advisory services; and

transactions which occurred, or in the case of ongoing transactions, transactions which began, prior to the date of the adoption of the policy by the Synovus Board.

Related Party Transactions

During 2008, Synovus executive officers and directors (including their immediate family members and organizations with which they are affiliated) were also customers of Synovus and/or its subsidiaries. In management s opinion, the lending relationships with these directors and officers were made in the ordinary course of business and on substantially the same terms, including interest rates, collateral and repayment terms, as those prevailing at the time for comparable transactions with other customers and do not involve more than normal collection risk or present other unfavorable features. In addition to these lending relationships, some directors and their affiliated organizations provide services or otherwise do business with Synovus and its subsidiaries, and we in turn provide services, including retail brokerage and other financial services, or otherwise do business with the directors and their organizations, in each case in the ordinary course of business and on substantially the same terms as those prevailing at the time for comparable transactions with other nonaffiliated persons.

Total Technology Ventures and Related Funds

As of December 31, 2008, Synovus owned a 60% membership interest in Total Technology Ventures, LLC (TTV) and Gardiner W. Garrard, III, the son of Gardiner W. Garrard, Jr., a director of Synovus, owned a 20% membership interest in TTV. Gardiner W. Garrard, III also serves as a managing partner of TTV and received $250,000 in compensation during 2008 for this role. In addition to their ownership in TTV, each of Synovus and Gardiner W. Garrard, III owns interests in TTP Fund, L.P. (Fund I) and TTP Fund II, L.P. (Fund II), two private investment funds engaged in private equity investment transactions. Synovus holds approximately 79.8% of the limited partnership interests in Fund I and has a 5% profit allocation from Fund I. Synovus holds approximately 74.9% of the limited partnership interests in Fund II and, through its ownership interest in the general partner of Fund II, is entitled to receive approximately 15% of any profit allocation distributions made by Fund II. Gardiner W. Garrard, III owns an interest in the general partners of Fund I and Fund II. Through these ownership interests, he is entitled to receive 47.4% and 42.5%, respectively, of any profit allocations made by Fund I and Fund II to their general partners.

The general partners of Fund I and Fund II have entered into agreements with TTV pursuant to which TTV provides investment management administrative services to each general partner. The management fee payable quarterly to TTV for investment advisory services is equal to the management fee received quarterly by each general partner from Fund I and Fund II, respectively, subject to certain adjustments and reductions. The aggregate management fees paid to TTV by the general partners of Fund I and Fund II during 2008 were $626,827 and $1,802,272, respectively.

Effective as of January 1, 2009, Synovus sold 11% of its interests in TTV to Gardiner W. Garrard, III and an unrelated third party for a total purchase price of $242,782 in cash (the TTV Sale), reducing Synovus percentage interest in TTV to 49% and increasing Mr. Garrard s interest in TTV to 25.5%. The Committee reviewed the material terms of the TTV Sale in accordance with Synovus related party transactions policy and determined that the TTV Sale was on terms no less favorable to Synovus than terms generally available to an unaffiliated party under the same or similar circumstances.

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Total System Services, Inc.

On December 31, 2007, pursuant to an Agreement and Plan of Distribution, Columbus Bank and Trust Company (CB&T), a wholly owned banking subsidiary of Synovus, distributed its approximately 80.8% ownership interest in Total System Services, Inc. (TSYS) to Synovus and Synovus distributed all of those shares to Synovus shareholders in the Spin-Off. After this time, TSYS became a fully independent, publicly owned company. Phil Tomlinson, a director of Synovus, is the Chairman of the Board and Chief Executive Officer of TSYS. Richard E. Anthony, Chairman of the Board and Chief Executive Officer of Synovus, is a director of TSYS.

During 2008, Synovus and TSYS were parties to a Transition Services Agreement which was entered into in connection with the Spin-Off pursuant to which each party provided certain services to the other for a specified period during 2008. The services provided by Synovus to TSYS included human resource services, payroll services, corporate education services, investor relations services, legal services and tax services for which TSYS paid Synovus a fee of $3,211,987. The services provided by TSYS to Synovus included telecommunications services and legal services for which Synovus paid TSYS a fee of $1,005,218.

During 2008, TSYS provided electronic payment processing services to certain banking subsidiaries of Synovus, totaling $4,083,204 for electronic payment processing services and $9,068,303 for other data processing, software and business process management services. Synovus and its subsidiaries also paid TSYS an aggregate of $2,173,071 in miscellaneous reimbursable items such as data links, network services and postage, primarily related to processing services, in 2008.

In addition, Synovus and CB&T leased office space from TSYS in 2008 under various lease agreements, resulting in aggregate payments of $1,255,552 to TSYS during 2008. CB&T and other Synovus subsidiaries also paid subsidiaries of TSYS $455,125 for debt collection services and $554,361 for printing services in 2008.

All of the transactions set forth above between TSYS and Synovus and its subsidiaries are comparable to those provided by between similarly situated unrelated third parties in similar transactions. The payments to Synovus by TSYS and the payments to TSYS by Synovus represent less than 2% of TSYS 2008 gross revenues.

W.C. Bradley Co.

Synovus leased various properties in Columbus, Georgia from W.C. Bradley Co. for office space and storage during 2008. The rent paid for the space was $2,124,252. The terms of the lease agreements are comparable to those provided for between similarly situated unrelated third parties in similar transactions.

Synovus is a party to a Joint Ownership Agreement with TSYS and W.C.B. Air L.L.C. pursuant to which they jointly own or lease aircraft. W.C. Bradley Co. owns all of the limited liability interests of W.C.B. Air. The parties have each agreed to pay fixed fees for each hour they fly the aircraft owned and/or leased pursuant to the Joint Ownership Agreement. Synovus paid $1,768,411 for use of the aircraft during 2008. The charges payable by Synovus in connection with its use of this aircraft approximate charges available to unrelated third parties in the State of Georgia for use of comparable aircraft for commercial purposes.

James H. Blanchard, a director of Synovus, is a director of W.C. Bradley Co. James D. Yancey, Chairman of the Board of CB&T and a director of Synovus, is a director of W.C. Bradley Co. William B. Turner, Jr., Vice Chairman of the Board and Retired President of W.C. Bradley Co., is a director of Synovus and CB&T. John T. Turner, William B. Turner, Jr. s brother, is a director of W.C. Bradley Co. and a director of CB&T. The payments to W.C. Bradley Co. by Synovus and its subsidiaries and the payments to Synovus and its subsidiaries by W.C. Bradley Co. represent less than 2% of W.C. Bradley Co. s 2008 gross revenues.

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Other Related Party Transactions

During 2008, a banking subsidiary of Synovus leased office space in Daniel Island, South Carolina from DIBS Holdings, LLC for $202,331. Frank W. Brumley, a director of Synovus, is managing member of and holds a 30% equity interest in DIBS Holdings, LLC. The terms of the lease agreement are comparable to those provided for between similarly situated unrelated third parties in similar transactions.

During 2008, Synovus and its wholly owned subsidiaries paid to Communicorp, Inc. $414,889, for printing, marketing and promotional services, which payments are comparable to payments between similarly situated unrelated third parties for similar services. Communicorp is a wholly owned subsidiary of Aflac Incorporated. Daniel P. Amos, a director of Synovus, is Chief Executive Officer and a director of Aflac. The payments to Aflac by Synovus and its subsidiaries represent less than 2% of Aflac s 2008 gross revenues.

William Russell Blanchard, a son of director James H. Blanchard, was employed by a subsidiary of Synovus as a retail banking executive during 2008. William Russell Blanchard received $218,440 in compensation during 2008. William Fray McCormick, the son-in-law of director Richard Y. Bradley, was employed by a subsidiary of Synovus as a trust officer during 2008. Mr. McCormick received $123,620 in compensation for his services during the year. The compensation received by the employees listed above is determined under the standard compensation practices of Synovus.

The Transition Services Agreement between Synovus and TSYS and the TTV Sale were each approved pursuant to Synovus related party transaction policy. None of the other transactions described above required review, approval or ratification under Synovus related party transaction policy as they occurred or began prior to the adoption of the policy by the Synovus Board.

Other Information About Board Independence

In addition to the information set forth under the caption Related Party Transactions above, the Board also considered the following relationships in evaluating the independence of Synovus independent directors and determined that none of the relationships constitute a material relationship with Synovus:

Synovus provided lending and/or other financial services to each of Messrs. Amos, Bradley, Brumley, Goodrich, Hansford, Lampton, Page, Purcell, Stith, Turner and Yancey and Ms. Camp and Ms. Ogie, their immediate family members and/or their affiliated organizations during 2008 in the ordinary course of business and on substantially the same terms as those available to unrelated parties. These relationships meet the Board s categorical standards for independence;

Two immediate family members of Mr. Turner were compensated as non-executive employees of Synovus during 2008, which employment was in accordance with the Board s categorical standards for independence; and

Entities affiliated with Mr. Amos made minimal payments to or received payments from Synovus for services in the ordinary course of business during 2008, which payments did not approach the 2% of consolidated gross revenues threshold set forth in the Board s categorical standards for independence.

PRINCIPAL SHAREHOLDERS

The following table sets forth the number of shares of Synovus common stock held by the only known holders of more than 5% of the outstanding shares of Synovus common stock as of December 31, 2008.

Name and Address of Beneficial Owner	Shares of Synovus Stock Beneficially Owned as of 12/31/08	Percentage of Outstanding Shares of Synovus Stock Beneficially Owned as of 12/31/08
Synovus Trust Company, N.A.(1) 1148 Broadway Columbus, Georgia 31901	47,501,473(2)	14.38%
Wells Fargo & Company 420 Montgomery Street San Francisco, California 94163	23,087,514(3)	6.99%

(1) The shares of Synovus stock held by Synovus Trust Company are voted by the President of Synovus Trust Company.

(2) As of December 31, 2008, the banking, brokerage, investment advisory and trust company subsidiaries of Synovus, including CB&T through its wholly owned subsidiary, Synovus Trust Company, held in various fiduciary or advisory capacities a total of 47,522,355 shares of Synovus stock as to which they possessed sole or shared voting or investment power. Of this total, Synovus Trust Company held 42,232,296 shares as to which it possessed sole voting power, 44,266,249 shares as to which it possessed sole investment power, 157,735 shares as to which it possessed shared voting power and 2,492,456 shares as to which it possessed shared investment power. The other banking, brokerage, investment advisory and trust subsidiaries of Synovus held 20,882 shares as to which they possessed sole or shared investment power. Synovus and its subsidiaries disclaim beneficial ownership of all shares of Synovus stock which are held by them in various fiduciary, advisory, non-advisory or agency capacities.

(3) As of December 31, 2008, Wells Fargo & Company and its subsidiaries held 14,371,138 shares of Synovus stock as to which they possessed sole voting power, 1,000 shares as to which they possessed shared voting power, 22,809,994 shares as to which they possessed sole investment power and 103,226 shares as to which they possessed shared investment power. Of this total, Metropolitan West Capital Management, LLC, an investment advisory subsidiary of Wells Fargo & Company, beneficially owned a total of 19,875,805 shares of Synovus stock, 11,591,239 shares of which it possessed sole voting power and all of which it possessed sole investment power.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires Synovus officers and directors, and persons who own more than ten percent of Synovus stock, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the SEC and the NYSE. Officers, directors and greater than ten percent shareholders are required by SEC regulations to furnish Synovus with copies of all Section 16(a) forms they file.

To Synovus knowledge, based solely on its review of the copies of such forms received by it, and written representations from certain reporting persons that no Forms 5 were required for those persons, Synovus believes that during the fiscal year ended December 31, 2008 all Section 16(a) filing requirements applicable to its officers, directors and greater than ten percent beneficial owners were complied with, except that each of Messrs. Anthony, Green and Turner reported one transaction late.

SHAREHOLDER PROPOSALS AND NOMINATIONS

In order for a shareholder proposal to be considered for inclusion in Synovus Proxy Statement for the 2010 Annual Meeting of Shareholders, the written proposal must be received by the Corporate Secretary of Synovus at the address below. The Corporate Secretary must receive the proposal no later than November 13, 2009. The proposal will also need to comply with

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the SEC s regulations under Rule 14a-8 regarding the inclusion of shareholder proposals in company sponsored proxy materials. Proposals should be addressed to:

Corporate Secretary
Synovus Financial Corp.
1111 Bay Avenue, Suite 500
Columbus, Georgia 31901

For a shareholder proposal that is not intended to be included in Synovus Proxy Statement for the 2010 Annual Meeting of Shareholders, or if you want to nominate a person for election as a director, you must provide written notice to the Corporate Secretary at the address above. The Secretary must receive this notice not earlier than November 23, 2009 and not later than December 23, 2009. The notice of a proposed item of business must provide information as required in the bylaws of Synovus which, in general, require that the notice include for each matter a brief description of the matter to be brought before the meeting; the reason for bringing the matter before the meeting; your name, address, and number of shares you own beneficially or of record; and any material interest you have in the proposal.

The notice of a proposed director nomination must provide information as required in the bylaws of Synovus which, in general, require that the notice of a director nomination include your name, address and the number of shares you own beneficially or of record; the name, age, business address, residence address and principal occupation of the nominee; and the number of shares owned beneficially or of record by the nominee, as well as information on any hedging activities or derivative positions held by the nominee with respect to Synovus shares. It must also include the information that would be required to be disclosed in the solicitation of proxies for the election of a director under federal securities laws. You must submit the nominee s consent to be elected and to serve as well as a statement whether each nominee, if elected, intends to tender promptly following such person s failure to receive the required vote for election or re-election, an irrevocable resignation effective upon acceptance by the Board of Directors, in accordance with Synovus Corporate Governance Guidelines. A copy of the bylaw requirements will be provided upon request to the Corporate Secretary at the address above.

GENERAL INFORMATION

Financial Information

A copy of Synovus 2008 Annual Report on Form 10-K will be furnished, without charge, by writing to the Corporate Secretary, Synovus Financial Corp., 1111 Bay Avenue, Suite 500, Columbus, Georgia 31901. The Form 10-K is also available on Synovus home page on the Internet at www.synovus.com. See Financial Reports SEC Filings under the Investor Relations page.

Solicitation of Proxies

Synovus will pay the cost of soliciting proxies. Proxies may be solicited on behalf of Synovus by directors, officers or employees by mail, in person or by telephone, facsimile or other electronic means. Synovus will reimburse brokerage firms, nominees, custodians, and fiduciaries for their out-of-pocket expenses for forwarding proxy materials to beneficial owners.

Householding

The Securities and Exchange Commission s proxy rules permit companies and intermediaries, such as brokers and banks, to satisfy delivery requirements for proxy statements with respect to two or more shareholders sharing the same address by delivering a single proxy statement to those shareholders. This method of delivery, often referred to as householding, should reduce the amount of duplicate information that shareholders receive and lower printing and mailing costs for companies. Synovus and certain intermediaries are householding proxy materials for shareholders of record in connection with the Annual Meeting. This means that:

Only one Annual Report and Proxy Statement will be delivered to multiple shareholders sharing an address unless you notify your broker or bank to the contrary;

You can contact Synovus by calling (706) 649-5220 or by writing Director of Investor Relations, Synovus Financial Corp., P.O. Box 120, Columbus, Georgia 31902 to request a separate copy of the Annual Report and Proxy Statement for the 2009 Annual Meeting and for future meetings or, if you are currently receiving multiple copies, to receive only a single copy in the future or you can contact your bank or broker to make a similar request; and

You can request delivery of a single copy of Annual Reports or Proxy Statements from your bank or broker if you share the same address as another Synovus shareholder and your bank or broker has determined to household proxy materials.

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APPENDIX A

SYNOVUS FINANCIAL CORP.
DIRECTOR INDEPENDENCE STANDARDS

The following independence standards have been approved by the Board of Directors and are included within Synovus   Corporate Governance Guidelines.

A majority of the Board of Directors will be independent directors who meet the criteria for independence required by the NYSE. The Corporate Governance and Nominating Committee will make recommendations to the Board annually as to the independence of directors as defined by the NYSE. To be considered independent under the NYSE Listing Standards, the Board must determine that a director does not have any direct or indirect material relationship with the Company. The Board has established the following standards to assist it in determining director independence. A director is not independent if:

The director is, or has been within the last three years, an employee of the Company or an immediate family member is, or has been within the last three years, an executive officer of the Company.

The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than $100,000 in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service). (Compensation received by an immediate family member for service as an employee of the Company (other than an executive officer) is not taken into consideration under this independence standard).

(A) The director is a current partner or employee of a firm that is the Company s internal or external auditor; (B) the director has an immediate family member who is a current partner of such a firm; (C) the director has an immediate family member who is a current employee of such a firm and personally works on the Company s audit; or (D) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on the Company s audit within that time.

The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of the Company s present executive officers at the same time serves or served on that company s compensation committee.

The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of $1 million, or 2% of such other company s consolidated gross revenues. (The principal amount of loans made by the Company to any director or immediate family member shall not be taken into consideration under this independence standard; however, interest payments or other fees paid in association with such loans would be considered payments.)

The following relationships will not be considered to be material relationships that would impair a director s independence:

The director is a current employee, or an immediate family member of the director is a current executive officer, of a company that has made payments to, or received payments from, the Company for property or services (including financial services) in an amount which, in the prior fiscal year, is less than the greater of $1 million, or 2% of such other company s consolidated gross revenues. (In the event this threshold is exceeded, and where applicable in the standards set forth below, the three year look back period referenced above will apply to future independence determinations).

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The director or an immediate family member of the director is a partner of a law firm that provides legal services to the Company and the fees paid to such law firm by the Company in the prior fiscal year were less than the greater of $1 million, or 2% of the law firm s total revenues.

The director or an immediate family member of the director is an executive officer of a tax exempt organization and the Company s contributions to the organization in the prior fiscal year were less than the greater of $1 million, or 2% of the organization s consolidated gross revenues.

The director received less than $120,000 in direct compensation from the Company during the prior twelve month period, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

The director s immediate family member received in his or her capacity as an employee of the Company (other than as an executive officer of the Company), less than $250,000 in direct compensation from the Company in the prior fiscal year, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).

The director or an immediate family member of the director has, directly, in his or her individual capacities, or, indirectly, in his or her capacity as the owner of an equity interest in a company of which he or she is not an employee, lending relationships, deposit relationships or other banking relationships (such as depository, trusts and estates, private banking, investment banking, investment management, custodial, securities brokerage, insurance, cash management and similar services) with the Company provided that:

1) Such relationships are in the ordinary course of business of the Company and are on substantially the same terms as those prevailing at the time for comparable transactions with non-affiliated persons; and

2) With respect to extensions of credit by the Company s subsidiaries:

(a) such extensions of credit have been made in compliance with applicable law, including Regulation O of the Board of Governors of the Federal Reserve, Sections 23A and 23B of the Federal Reserve Act and Section 13(k) of the Securities Exchange Act of 1934; and

(b) no event of default has occurred under the extension of credit.

For relationships not described above or otherwise not covered in the above examples, a majority of the Company s independent directors, after considering all of the relevant circumstances, may make a determination whether or not such relationship is material and whether the director may therefore be considered independent under the NYSE Listing Standards. The Company will explain the basis of any such determinations of independence in the next proxy statement.

For purposes of these independence standards an immediate family member includes a person s spouse, parents, children, siblings, mothers and fathers-in-law, sons and daughters-in-law, brothers and sisters-in-law, and anyone (other than domestic employees) who shares such person s home.

For purposes of these independence standards Company includes any parent or subsidiary in a consolidated group with the Company.

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Financial Appendix

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Consolidated Balance Sheets

(In thousands, except share data)

	December 31, 2008	2007
ASSETS		
Cash and due from banks, including $24,965 and $18,946 in 2008 and 2007, respectively, on deposit to meet Federal Reserve requirements	**$ 524,327**	682,583
Interest bearing funds with Federal Reserve Bank	**1,206,168**	
Interest earning deposits with banks	**10,805**	10,950
Federal funds sold and securities purchased under resale agreements	**388,197**	76,086
Trading account assets	**24,513**	17,803
Mortgage loans held for sale, at fair value	**133,637**	153,437
Impaired loans held for sale	**3,527**	
Investment securities available for sale	**3,892,148**	3,666,974
Loans, net of unearned income	**27,920,177**	26,498,585
Allowance for loan losses	**(598,301)**	(367,613)
Loans, net	**27,321,876**	26,130,972
Premises and equipment, net	**605,019**	547,437
Goodwill	**39,521**	519,138
Other intangible assets, net	**21,266**	28,007
Other assets	**1,615,265**	1,231,094
Total assets	**$ 35,786,269**	33,064,481
LIABILITIES AND SHAREHOLDERS EQUITY		
Liabilities:		
Deposits:		
Non-interest bearing deposits	**$ 3,563,619**	3,472,423
Interest bearing deposits ($75,875 and $293,842 at fair value as of December 31, 2008 and 2007)	**25,053,560**	21,487,393
Total deposits	**28,617,179**	24,959,816
Federal funds purchased and securities sold under repurchase agreements	**725,869**	2,319,412
Long-term debt	**2,107,173**	1,890,235
Other liabilities	**516,541**	453,428
Total liabilities	**31,966,762**	29,622,891
Minority interest in consolidated subsidiaries	**32,349**	
Shareholders equity:		
	919,635	

Cumulative perpetual preferred stock no par value. Authorized 100,000,000 shares; 967,870 shares outstanding at December 31, 2008		
Common stock $1.00 par value. Authorized 600,000,000 shares; issued 336,010,941 in 2008 and 335,529,482 in 2007; outstanding 330,334,111 in 2008 and 329,867,944 in 2007	**336,011**	335,529
Additional paid-in capital	**1,165,875**	1,101,209
Treasury stock, at cost 5,676,830 shares in 2008 and 5,661,538 shares in 2007	**(114,117)**	(113,944)
Accumulated other comprehensive income	**129,253**	31,439
Retained earnings	**1,350,501**	2,087,357
Total shareholders equity	**3,787,158**	3,441,590
Total liabilities and shareholders equity	**$ 35,786,269**	33,064,481

See accompanying notes to consolidated financial statements.

Consolidated Statements of Income – –

(In thousands, except per share data)

	Years Ended December 31,		
	2008	**2007**	**2006**
Interest income:			
Loans, including fees	$ **1,661,012**	2,046,239	1,859,914
Investment securities available for sale:			
U.S. Treasury and U.S. Government agency securities	**82,856**	89,597	69,834
Mortgage-backed securities	**88,609**	67,744	52,469
State and municipal securities	**6,368**	8,095	9,208
Other investments	**5,415**	7,290	6,915
Trading account assets	**1,924**	3,418	2,691
Mortgage loans held for sale	**7,342**	9,659	8,638
Impaired loans held for sale	**93**		
Federal funds sold and securities purchased under resale agreements	**3,382**	5,258	6,422
Interest on Federal Reserve balances	**391**		
Interest earning deposits with banks	**188**	1,104	375
Total interest income	**1,857,580**	2,238,404	2,016,466
Interest expense:			
Deposits	**667,453**	912,472	746,669
Federal funds purchased and securities sold under repurchase agreements	**38,577**	92,970	72,958
Long-term debt	**73,657**	84,014	71,050
Total interest expense	**779,687**	1,089,456	890,677
Net interest income	**1,077,893**	1,148,948	1,125,789
Provision for losses on loans	**699,883**	170,208	75,148
Net interest income after provision for losses on loans	**378,010**	978,740	1,050,641
Non-interest income:			
Service charges on deposit accounts	**111,837**	112,142	112,417
Fiduciary and asset management fees	**48,779**	50,761	48,627
Brokerage and investment banking revenue	**33,119**	31,980	26,729
Mortgage banking income	**23,493**	27,006	29,255
Bankcard fees	**53,153**	47,770	44,303
Net gains (losses) on sales of investment securities available for sale	**45**	980	(2,118)
Other fee income	**37,246**	39,307	38,743
Increase in fair value of private equity investments, net	**24,995**	16,497	6,552
Proceeds from sale of MasterCard shares	**16,186**	6,304	2,481
Proceeds from redemption of Visa shares	**38,542**		
Other non-interest income	**47,795**	56,281	52,441

Total non-interest income	**435,190**	389,028	359,430
Non-interest expense:			
Salaries and other personnel expense	**458,927**	455,158	450,373
Net occupancy and equipment expense	**124,444**	112,888	100,270
FDIC insurance and other regulatory fees	**25,161**	10,347	8,796
Foreclosed real estate	**136,678**	15,736	3,294
Losses on impaired loans held for sale	**9,909**		
Goodwill impairment	**479,617**		
Professional fees	**30,276**	21,255	20,001
Visa litigation (recovery) expense	**(17,473)**	36,800	
Restructuring charges	**16,125**		
Other operating expenses	**201,957**	187,910	181,799
Total non-interest expense	**1,465,621**	840,094	764,533
Minority interest in consolidated subsidiaries	**7,712**		
Income (loss) from continuing operations before income taxes	**(660,133)**	527,674	645,538
Income tax expense (benefit)	**(77,695)**	184,739	230,435
Income (loss) from continuing operations	**(582,438)**	342,935	415,103
Income from discontinued operations, net of income taxes and minority interest		183,370	201,814
Net income (loss)	**(582,438)**	526,305	616,917
Dividends and accretion of discount on preferred stock	**2,057**		
Net income (loss) available to common shareholders	**$ (584,495)**	526,305	616,917
Basic earnings per share:			
Income (loss) from continuing operations	**$ (1.77)**	1.05	1.29
Net income (loss)	**(1.77)**	1.61	1.92
Diluted earnings per share:			
Income (loss) from continuing operations	**$ (1.77)**	1.04	1.28
Net income (loss)	**(1.77)**	1.60	1.90
Weighted average common shares outstanding:			
Basic	**329,319**	326,849	321,241
Diluted	**329,319**	329,863	324,232

See accompanying notes to consolidated financial statements.

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Consolidated Statements of Changes in Shareholders Equity and Comprehensive Income – –

cept per share data) **ecember 31,** **2006**	**Preferred Stock Shares Issued**	**Preferred Stock Amount**	**Common Stock Shares Issued**	**Common Stock Amount**	**Additional Paid-In Capital**	**Treasury Stock**	**Accumulated Other Comprehensive Income (Loss)**	**Retained Earnings**
mber 31, 2005		$	318,301	$ 318,301	683,321	(113,944)	(29,536)	2,091,187
justment to opening uity							826	3,434
nfunded health benefit doption of et of tax							(3,212)	
								616,917
nsive income, net of								
ain on cash flow								
							3,650	
ized gains/losses on ities available for ssification adjustment							13,268	
currency translation							12,875	
nsive income							29,793	
ncome								
leclared $.78 per								
								(251,084)
vested stock			610	610	(610)			
pensation expense					23,373			
ercised			3,459	3,459	62,051			
pensation tax benefit					11,390			
ge at majority-owned								
					6,031			
mon stock for								
			8,844	8,844	247,499			
mber 31, 2006			331,214	331,214	1,033,055	(113,944)	(2,129)	2,460,454
t of adoption of								
								(230)
								526,305
nsive income, net of								
							18,334	

ain on cash flow								
ized gains/losses on								
ities available for								
ssification adjustment							31,251	
postretirement								
benefit, net of tax							817	
currency translation							6,151	
nsive income							56,553	
ncome								
declared $.82 per								
								(269,082
vested stock			552	552	(552)			
pensation expense					21,540			
ercised			3,702	3,702	60,148			
pensation tax benefit					15,937			
mon stock for								
			61	61	2,054			
S					(30,973)		(22,985)	(630,090
mber 31, 2007			**335,529**	**335,529**	**1,101,209**	**(113,944)**	**31,439**	**2,087,357**
ct of adoption of								
06-4								**(2,248**
ct of adoption of								
								58
								(582,438
ensive income, net of								
gain on cash flow								
							21,589	
alized gains/losses on								
rities available for								
assification								
							76,045	
f postretirement								
n benefit, net of tax							**180**	
ensive income							**97,814**	
loss								
declared $.46 per								
								(151,918
s purchased						**(173)**		
-vested stock			**(39)**	**(39)**	**39**			
mpensation expense					**13,716**			
xercised			**521**	**521**	**2,481**			
mpensation tax								
					(115)			
erred stock and								
warrants	**967,870**	**919,325**			**48,545**			

count on preferred		**310**						**(310)**
mber 31, 2008	**967,870**	**$ 919,635**	**336,011**	**$ 336,011**	**1,165,875**	**(114,117)**	**129,253**	**1,350,501**

See accompanying notes to consolidated financial statements.

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Consolidated Statement of Cash Flows – –

(In thousands)

	Years Ended December 31, 2008	2007	2006
Operating Activities			
Net (loss) income	**$ (582,438)**	526,305	616,917
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Provision for losses on loans	**699,883**	170,208	75,148
Depreciation, amortization, and accretion, net	**70,615**	208,270	231,288
Goodwill impairment	**479,617**		
Equity in income of equity investments	**(3,517)**	(10,463)	(14,726)
Deferred income tax (benefit) expense	**(107,601)**	(28,057)	(44,970)
Decrease (increase) in interest receivable	**72,611**	(11,774)	(84,457)
(Decrease) increase in interest payable	**(13,783)**	830	74,422
Minority interest in consolidated subsidiaries net income	**7,712**	47,521	48,102
Decrease (increase) in trading account assets	**(6,710)**	(2,537)	12,056
Originations of mortgage loans held for sale	**(1,098,582)**	(1,328,905)	(1,550,099)
Proceeds from sales of mortgage loans held for sale	**1,129,843**	1,378,999	1,547,765
Gain on sale of mortgage loans held for sale	**(9,292)**	(27,105)	(29,211)
Decrease (increase) in prepaid and other assets	**105,865**	(238,950)	(150,668)
(Decrease) increase in accrued salaries and benefits	**(11,762)**	(33,428)	6,781
Increase (decrease) in other liabilities	**184,873**	(22,877)	6,719
Net (gains) losses on sales of investment securities available for sale	**(45)**	(980)	2,118
Gain on sale of loans			(1,975)
Loss on sale of impaired loans held for sale	**9,909**		
Gain on sale of other assets			(2,955)
Net increase in fair value of private equity investments	**(24,995)**	(16,497)	(6,346)
Gain from transfer of mutual funds		(6,885)	
Gain on sale of MasterCard shares	**(16,186)**	(6,303)	(2,481)
Gain on redemption of Visa shares	**(38,542)**		
(Decrease) increase in accrual for Visa litigation	**(17,473)**	36,800	
Share-based compensation	**13,716**	36,509	27,163
Excess tax benefit from share-based payment arrangements	**(870)**	(14,066)	(10,460)
Impairment of developed software		1,740	
Other, net	**(8,096)**	1,107	39,330
Net cash provided by operating activities	**834,752**	659,462	789,461
Investing Activities			
Net cash paid for acquisitions		(12,552)	(53,664)
Net decrease (increase) in interest earning deposits with banks	**145**	8,365	(16,409)
	(312,111)	25,005	(27,387)

Net (increase) decrease in Federal funds sold and securities purchased under resale agreements			
Net increase in interest bearing funds with Federal Reserve Bank	**(1,206,168)**		
Proceeds from maturities and principal collections of investment securities available for sale	**1,036,368**	721,679	676,492
Proceeds from sales of investment securities available for sale	**165,623**	25,482	130,457
Purchases of investment securities available for sale	**(1,289,912)**	(1,015,303)	(1,051,733)
Proceeds from sale of commercial loans			32,813
Proceeds from sale of impaired loans held for sale	**28,813**		
Net increase in loans	**(2,374,091)**	(2,071,602)	(2,498,467)
Purchases of premises and equipment	**(112,969)**	(168,202)	(140,143)
Proceeds from disposals of premises and equipment	**2,388**	790	1,201
Net proceeds from transfer of mutual funds		6,885	
Proceeds from sale of MasterCard shares	**16,186**	6,303	2,481
Proceeds from redemption of Visa shares	**38,542**		
Proceeds from sale of other assets			3,151
Additions to other intangible assets			(6,446)
Contract acquisition costs		(22,740)	(42,452)
Additions to licensed computer software from vendors		(33,382)	(11,858)
Additions to internally developed computer software		(17,785)	(13,973)
Dividend paid by TSYS to minority shareholders		(126,717)	(9,765)
Net cash used in investing activities	**(4,007,186)**	(2,673,774)	(3,025,702)
Financing Activities			
Net (decrease) increase in demand and savings deposits	**(900,032)**	549,001	600,371
Net increase (decrease) in certificates of deposit	**1,971,859**	(269,638)	1,019,302
Net increase (decrease) in brokered deposits	**2,585,536**	390,384	1,067,103
Net (decrease) increase in Federal funds purchased and securities sold under repurchase agreements	**(1,593,543)**	736,925	361,401
Principal repayments on long-term debt	**(250,789)**	(294,269)	(760,937)
Proceeds from issuance of long-term debt	**429,300**	1,087,079	127,203
Purchase of treasury shares	**(173)**		
Excess tax benefit from share-based payment arrangements	**870**	14,066	10,460
Dividends paid to common shareholders	**(199,722)**	(264,930)	(244,654)
Proceeds from issuance of preferred stock and common stock warrants	**967,870**		
Proceeds from issuance of common stock	**3,002**	63,850	65,510
Net cash provided by financing activities	**3,014,178**	2,012,468	2,245,759
Effect of exchange rate changes on cash and cash equivalent balances held in foreign currencies		4,970	(429)
(Decrease) increase in cash and cash equivalents	**(158,256)**	3,126	9,089
Cash retained by Total System Services, Inc.		(210,518)	
Cash and due from banks at beginning of year	**682,583**	889,975	880,886
Cash and due from banks at end of year	**$ 524,327**	682,583	889,975

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements – –

Note 1 Summary of Significant Accounting Policies

Business Operations

The consolidated financial statements of Synovus include the accounts of Synovus Financial Corp. (Parent Company) and its consolidated subsidiaries (collectively Synovus). Synovus provides integrated financial services including banking, financial management, insurance, mortgage, and leasing services through 31 wholly-owned subsidiary banks and other Synovus offices in Georgia, Alabama, South Carolina, Florida, and Tennessee.

Basis of Presentation

The accounting and reporting policies of Synovus conform to U.S. generally accepted accounting principles (GAAP) and to general practices within the banking and financial services industries. All significant intercompany accounts and transactions have been eliminated in consolidation.

In preparing the consolidated financial statements in accordance with U.S. generally accepted accounting principles, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the balance sheet and the reported amounts of revenues and expenses for the period. Actual results could differ significantly from those estimates.

Material estimates that are particularly susceptible to significant change relate to the determination of the fair value of investments; the allowance for loan losses; the valuation of other real estate; the valuation of long-lived assets, goodwill, and other intangible assets; the valuation of deferred tax assets; and the disclosures for contingent assets and liabilities. In connection with the determination of the allowance for loan losses and the valuation of certain impaired loans and other real estate, management obtains independent appraisals for significant properties and properties collateralizing impaired loans.

On December 31, 2007, Synovus completed the tax-free spin-off of Total System Services, Inc. (TSYS) common stock to Synovus shareholders. Accordingly, the results of operations and assets and liabilities of Synovus former majority owned subsidiary, TSYS, have been reported as discontinued operations for the years ended December 31, 2007 and 2006. As a result of the spin-off of TSYS, Synovus has only one business segment as defined by Statement of Financial Accounting Standards (SFAS) No. 131, Disclosures about Segments of an Enterprise and Related Information. Synovus statement of cash flows for the years ended December 31, 2007 and 2006 include, without segregation, cash flows of both continuing operations and discontinued operations. See Note 2 for further discussion of discontinued operations and the TSYS spin-off.

Following is a description of the more significant of Synovus accounting and reporting policies.

Cash Flow Information

Supplemental disclosure of cash flow information is as follows:

	Years Ended December 31,		
(In millions)	**2008**	**2007**	**2006**

Cash paid during the year for:				
Income taxes	$	**65.6**	440.7	391.4
Interest		**757.0**	1,068.9	806.4
Non-cash investing and financing activities:				
Loans receivable transferred to other real estate		**436.5**	111.1	33.0
Loans charged off to allowance for loan losses		**486.3**	131.2	72.8
Loans receivable transferred to impaired loans held for sale		**50.6**		
Common stock issued in business combinations			1.9	240.6

The tax-free spin-off of TSYS common stock completed on December 31, 2007 represented a $684.0 million non-cash distribution of the net assets of TSYS, net of minority interest, to Synovus shareholders.

Federal Funds Sold, Federal Funds Purchased, Securities Purchased Under Resale Agreements, and Securities Sold Under Repurchase Agreements

Federal funds sold, federal funds purchased, securities purchased under resale agreements, and securities sold under repurchase agreements generally mature in one day.

Trading Account Assets

Trading account assets, which include both debt and equity securities, are reported at fair value. Fair value adjustments and fees from trading account activities are included as a component of other fee income. Gains and losses realized from the sale of trading account assets are determined by specific identification and are included as a component of other fee income on the trade date. Interest income on trading assets is reported as a component of interest income.

Notes to Consolidated Financial Statements – –

Mortgage Loans Held for Sale

Mortgage loans held for sale are carried at fair value. Fair value is derived from a hypothetical-securitization model used to project the exit price of the loan in securitization. The bid pricing convention is used for loan pricing for similar assets. The valuation model is based upon forward settlement of a pool of loans of identical coupon, maturity, product, and credit attributes. The inputs to the model are continuously updated with available market and historical data. As the loans are sold in the secondary market and predominately used as collateral for securitizations, the valuation model represents the highest and best use of the loans in Synovus principal market.

Impaired Loans Held for Sale

Impaired loans held for sale are carried at the lower of aggregate cost or fair value. Impaired loans or pools of impaired loans are transferred to the impaired loans held for sale portfolio when the intent to hold the loans has changed due to portfolio management or risk mitigation strategies and when there is a plan to sell the loans within a reasonable period of time. The value of the impaired loans or pools of impaired loans is determined primarily by analyzing the underlying collateral of the loan and the estimated sales prices for the portfolio. At the time of transfer, any excess of cost over fair value which is attributable to declines in credit quality is recorded as a charge-off against the allowance for loan losses. Decreases in fair value subsequent to the transfer as well as losses from sale of these loans are recognized as a component of non-interest expense.

Investment Securities Available for Sale

Available for sale securities are recorded at fair value. Fair value is determined at a specific point in time, based on quoted market prices. Unrealized gains and losses on securities available for sale, net of the related tax effect, are excluded from earnings and are reported as a separate component of shareholders equity, within accumulated other comprehensive income (loss), until realized.

A decline in the fair market value of any available for sale security below cost that is deemed other than temporary results in a charge to earnings and the establishment of a new cost basis for the security.

Premiums and discounts are amortized or accreted over the life of the related security as an adjustment to the yield using the effective interest method and prepayment assumptions. Dividend and interest income are recognized when earned. Realized gains and losses for securities classified as available for sale are included in earnings and are derived using the specific identification method for determining the amortized cost of securities sold.

Gains and losses on sales of investment securities are recognized on the settlement date, based on the amortized cost of the specific security. The financial statement impact of settlement date accounting versus trade date accounting is inconsequential.

Loans and Interest Income

Loans are reported at principal amounts outstanding less unearned income, net deferred fees and expenses, and the allowance for loan losses.

Interest income on consumer loans, made on a discount basis, is recognized in a manner which approximates the level yield method. Interest income on substantially all other loans is recognized on a level yield basis.

Loans on which the accrual of interest has been discontinued are designated as nonaccrual loans. Accrual of interest on loans is discontinued when reasonable doubt exists as to the full collection of interest or principal, or when they become contractually in default for 90 days or more as to either interest or principal, unless they are both well-secured and in the process of collection. When a loan is placed on nonaccrual status, previously accrued and uncollected interest is charged to interest income on loans, unless management believes that the accrued interest is recoverable through the liquidation of collateral. Interest payments received on nonaccrual loans are applied as a reduction of principal. Loans are returned to accruing status when they are brought fully current with respect to interest and principal and when, in the judgment of management, the loans are estimated to be fully collectible as to both principal and interest. Interest is accrued on impaired loans as long as such loans do not meet the criteria for nonaccrual classification.

Allowance for Loan Losses

The allowance for loan losses is established through the provision for losses on loans charged to operations. Loans are charged against the allowance for loan losses when management believes that the collection of principal is unlikely. Subsequent recoveries are added to the allowance. Management s evaluation of the adequacy of the allowance for loan losses is based on a formal analysis which assesses the probable loss within the loan portfolio. This analysis includes consideration of loan portfolio quality, historical performance, current economic conditions, level of nonperforming loans, loan concentrations, and review of impaired loans.

Management believes that the allowance for loan losses is adequate. While management uses available information to recognize losses on loans, future additions to the allowance for loan losses may be necessary based on changes in economic conditions. In addition, various regulatory agencies, as an integral part of their examination process, periodically review the subsidiary banks allowances for loan losses. Such agencies may require the subsidiary banks to recognize adjustments to the allowance for loan losses based on their judgments about information available to them at the time of their examination.

Management, considering current information and events regarding a borrowers ability to repay its obligations, considers a loan to be impaired when the ultimate collectability of all amounts due, according to the contractual terms of the loan agreement, is in doubt. When a loan is considered to be impaired, it is placed on nonaccrual status and the amount of impairment is measured based on the present value of expected future cash flows discounted at the loan s effective interest rate. If the loan is collateral-dependent, the fair value of the collateral less estimated selling costs is used to determine the amount of impairment. Estimated losses on collateral-dependent impaired loans are typically charged off. Estimated losses on all other impaired loans are included in the allowance for loan losses through a charge to the provision for losses on loans.

The accounting for impaired loans described above applies to all loans, except for large pools of smaller-balance, homogeneous loans that are collectively evaluated for impairment, and loans that are measured at fair value or at the lower of cost or fair value. The allowance for loan losses for loans not considered impaired and for large pools of smaller-balance, homogeneous loans is established through consideration of such factors as changes in the nature and volume of the portfolio, overall portfolio quality, individual loan risk ratings, loan concentrations, and historical charge-off trends.

Premises and Equipment

Premises and equipment, including leasehold improvements and purchased internal-use software, are reported at cost, less accumulated depreciation and amortization which are computed using the straight-line method over the estimated useful lives of the related assets. Synovus reviews long-lived assets, such as premises and equipment, for impairment whenever events and circumstances indicate that the carrying amount of an asset may not be recoverable.

Goodwill and Other Intangible Assets

Goodwill, which represents the excess of cost over the fair value of net assets acquired of purchased companies, is tested for impairment at least annually, and when events or circumstances indicate that the carrying amount may not be recoverable. Synovus has established its annual impairment test date as June 30. To test for goodwill impairment, Synovus identifies its reporting units and determines the carrying value of each reporting unit by assigning the assets and liabilities, including the existing goodwill and intangible assets, to those reporting units. Synovus then compares the carrying value of each unit to its fair value to determine whether impairment exists. Synovus performed its annual evaluation of goodwill for impairment at June 30, 2008, 2007, and 2006. Based on an adverse change in the general business environment, significantly higher loan losses, reduced net interest margin, and a decline in Synovus market capitalization, Synovus additionally evaluated goodwill for impairment at December 31, 2008 and 2007. Impairment losses of $479.6 million were recognized for the year ended December 31, 2008 as a result of impairment testing during the year ended December 31, 2008. No impairment losses were identified or recorded as a result of Synovus goodwill impairment analyses during the years ended December 31, 2007 and 2006.

Identifiable intangible assets relate primarily to core deposit premiums, resulting from the valuation of core deposit intangibles acquired in business combinations or in the purchase of branch offices, customer relationships, and customer contract premiums resulting from the acquisition of investment advisory and transaction processing businesses. These identifiable intangible assets are amortized using accelerated methods over periods not exceeding the estimated average remaining life of the existing customer deposits, customer relationships, or contracts acquired.

Amortization periods range from 3 to 15 years. Amortization periods for intangible assets are monitored to determine if events and circumstances require such periods to be reduced.

Identifiable intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of the intangible assets is measured by a comparison of the carrying amount of the asset to future undiscounted cash flows expected to be generated by the asset. If such assets are considered impaired, the amount of impairment to be recognized is measured by the amount by which the carrying value of the assets exceeds the fair value of the assets based on the discounted expected future cash flows to be generated by the assets. Assets to be disposed of are reported at the lower of their carrying value or fair value less costs to sell.

Other Assets

Other assets include accrued interest receivable and other significant balances as described below.

Investments in Company-Owned Life Insurance Programs

Investments in company-owned life insurance programs are recorded at the net realizable value of the underlying insurance contracts. The change in contract value during the period is recorded as an adjustment of premiums paid in determining the expense or income to be recognized under

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the contract during the period. Income or expense from company-owned life insurance programs is included as a component of other non-interest income.

Synovus investment in company-owned life insurance programs was approximately $376.7 million at December 31, 2008, which included approximately $226.3 million of separate account life insurance policies covered by stable value agreements. At December 31, 2008, the market value of the investments underlying the separate account policies were within the coverage provided by the stable value agreements.

Other Real Estate

Other real estate, consisting of properties obtained through foreclosure or in satisfaction of loans, is reported at the lower of cost or fair value, determined on the basis of current appraisals, comparable sales, and other estimates of value obtained principally from independent sources, adjusted for estimated selling costs. At the time of foreclosure, any excess of the loan balance over the fair value of the real estate held as collateral is treated as a charge against the allowance for loan losses. Gains or losses on sale and any subsequent adjustments to the value are recorded as a component of foreclosed real estate expense.

Private Equity Investments

Private equity investments are recorded at fair value on the balance sheet with realized and unrealized gains and losses included in non-interest income in the results of operations in accordance with the AICPA Audit and Accounting Guide for Investment Companies. For private equity investments, Synovus uses information provided by the fund managers in the initial determination of estimated fair value. Valuation factors such as recent or proposed purchase or sale of debt or equity, pricing by other dealers in similar securities, size of position held, liquidity of the market, comparable market multiples, and changes in economic conditions affecting the issuer are used in the final determination of estimated fair value.

Derivative Instruments

Synovus risk management policies emphasize the management of interest rate risk within acceptable guidelines. Synovus objective in maintaining these policies is to achieve consistent growth in net interest income while limiting volatility arising from changes in interest rates. Risks to be managed include both fair value and cash flow risks. Utilization of derivative financial instruments provides a valuable tool to assist in the management of these risks.

In accordance with SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, as amended by SFAS No. 138, Accounting for Certain Derivative Instruments and Hedging Activities, an Amendment of SFAS No. 133, all derivative instruments are recorded on the consolidated balance sheet at their respective fair values, as components of other assets and other liabilities.

The accounting for changes in fair value (i.e., gains or losses) of a derivative instrument depends on whether it has been designated and qualifies as part of a hedging relationship and if so, on the reason for holding it. If certain conditions are met, entities may elect to designate a derivative instrument as a hedge of exposures to changes in fair values, cash flows, or foreign currencies. If the hedged exposure is a fair value exposure, the gain or loss on the derivative instrument is recognized in earnings in the period of change, together with the offsetting loss or gain on the hedged item attributable to the risk being hedged as a component of other non-interest income. If the hedged exposure is a cash flow exposure, the effective portion of the gain or loss on the hedged item is reported initially as a component of accumulated other comprehensive income (outside earnings), and subsequently reclassified into earnings when the forecasted transaction affects earnings. Any amounts excluded from the assessment of hedge effectiveness, as well as the ineffective portion of the gain or loss on the derivative instrument, are reported in earnings immediately as a component of other non-interest income. If the derivative instrument is not designated as a hedge, the gain or loss on the derivative instrument is recognized in earnings as a component of other non-interest income in the period of change. At December 31, 2008, Synovus does not have any derivative instruments which are measured for ineffectiveness using the short-cut method.

With the exception of commitments to fund and sell fixed-rate mortgage loans and derivatives utilized to meet the financing, interest rate and equity risk management needs of its customers, all derivatives utilized by Synovus to manage its interest rate sensitivity are designed as either a hedge of a recognized fixed-rate asset or liability (a fair value hedge), or a hedge of a forecasted transaction or of the variability of future cash flows of a floating rate asset or liability (cash flow hedge). Synovus does not speculate using derivative instruments.

Synovus utilizes interest rate swap agreements to hedge the fair value risk of fixed-rate balance sheet liabilities, primarily deposit and long term debt liabilities. Fair value risk is measured as the volatility in the value of these liabilities as interest rates change. Interest rate swaps entered into to manage this risk are designed to have the same notional value, as well as similar interest rates and interest calculation methods. These agreements entitle Synovus to receive fixed-rate interest payments and pay floating-rate interest payments based on the notional amount of the swap agreements. Swap agreements structured in this manner allow Synovus to effectively hedge the fair value risks of these fixed-rate liabilities. Ineffectiveness from fair value hedges is recognized in the consolidated statements of income as other operating income.

Synovus is potentially exposed to cash flow risk due to its holding of loans whose interest payments are based on floating rate indices. Synovus monitors changes in these exposures and their impact on its risk management activities and uses interest rate swap agreements to hedge the cash flow risk. These agreements entitle Synovus to receive fixed-rate interest payments and pay floating-rate interest payments. The maturity date of the agreement with the longest remaining term to maturity is July 9, 2012. These agreements allow Synovus to offset the variability of floating rate loan interest received with the variable interest payments paid on the interest rate swaps. The ineffectiveness from cash flow hedges is recognized in the consolidated statements of income as other operating income.

In 2005, Synovus entered into certain forward starting swap contracts to hedge the cash flow risk of certain forecasted interest payments on a forecasted debt issuance. Upon the determination to issue debt, Synovus was potentially exposed to cash flow risk due to changes in market interest rates prior to the placement of the debt. The forward starting swaps allowed Synovus to hedge this exposure. Upon placement of the debt, these swaps were cash settled concurrent with the pricing of the debt. The effective portion of the cash flow hedge previously included in accumulated other comprehensive income is being amortized over the life of the debt issue as an adjustment to interest expense.

Synovus also holds derivative instruments which consist of commitments to fund fixed-rate mortgage loans to customers (interest rate lock commitments) and forward commitments to sell mortgage-backed securities and individual fixed-rate mortgage loans. Synovus objective in obtaining the forward commitments is to mitigate the interest rate risk associated with the commitments to fund the fixed-rate mortgage loans and the mortgage loans that are held for sale. Both the interest rate lock commitments and the forward commitments are reported at fair value, with adjustments being recorded in current period earnings. Certain forward sales commitments are accounted for as hedges of mortgage loans held for sale.

Synovus also enters into derivative financial instruments to meet the financing and interest rate risk management needs of its customers. Upon entering into these instruments to meet customer needs, Synovus enters into offsetting positions to minimize interest rate risk to Synovus. These derivative financial instruments are reported at fair value with any resulting gain or loss recorded in current period earnings. These instruments, and their offsetting positions, are recorded in other assets and other liabilities on the consolidated balance sheets.

By using derivatives to hedge fair value and cash flow risks, Synovus exposes itself to potential credit risk from the counterparty to the hedging instrument. This credit risk is normally a small percentage of the notional amount and fluctuates as interest rates change. Synovus analyzes and approves credit risk for all potential derivative counterparties prior to execution of any derivative transaction. Synovus minimizes credit risk by dealing with highly rated counterparties, and by obtaining collateralization for exposures above certain predetermined limits.

Non-Interest Income

Service Charges on Deposit Accounts

Service charges on deposit accounts consist of non-sufficient funds fees, account analysis fees, and other service charges on deposits which consist primarily of monthly account fees. Non-sufficient funds fees are recognized at the time when the account overdraft occurs. Account analysis fees consist of fees charged to certain commercial demand deposit accounts based upon account activity (and reduced by a credit which is based upon cash levels in the account). These fees, as well as monthly account fees, are recorded under the accrual method of accounting.

Fiduciary and Asset Management Fees

Fiduciary and asset management fees are generally determined based upon market values of assets under management as of a specified date during the period. These fees are recorded under the accrual method of accounting as the services are performed.

Brokerage and Investment Banking Revenue

Brokerage revenue consists primarily of commission income, which represents the spread between buy and sell transactions processed, and net fees charged to customers on a transaction basis for buy and sell transactions processed. Commission income is recorded on a trade-date basis. Brokerage revenue also includes portfolio management fees which represent monthly fees charged on a contractual basis to customers for the management of their investment portfolios and are recorded under the accrual method of accounting.

Investment banking revenue represents fees for services arising from securities offerings or placements in which Synovus acts as the agent. It also includes fees earned from providing advisory services. Revenue is recognized at the time the underwriting is completed and the revenue is reasonably determinable.

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Mortgage Banking Income

Mortgage banking income consists primarily of gains and losses from the sale of mortgage loans. Mortgage loans are sold servicing released, without recourse or continuing involvement and satisfy SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, (SFAS No. 140) criteria for sale accounting. Gains (losses) on the sale of mortgage loans are determined and recognized at the time the sale proceeds are received and represent the difference between net sales proceeds and the carrying value of the loans at the time of sale adjusted for recourse obligations, if any, retained by Synovus.

Bankcard Fees

Bankcard fees consist primarily of interchange and merchant fees earned, net of fees paid, on debit card and credit card transactions. Net fees are recognized into income as they are collected.

Income Taxes

Synovus files a consolidated federal tax return with its wholly-owned and significant majority owned subsidiaries. Synovus accounts for income taxes in accordance with the asset and liability method. Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Valuation allowances against the carrying amount of a deferred tax asset are established when necessary to reflect the decreased likelihood of full realization of a deferred tax asset in the future. Changes in the valuation allowance that result from a favorable change in circumstances that causes a change in judgment about the realization of deferred tax assets in future years should reduce income tax expense. The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Synovus adopted the provisions of Financial Accounting Standards Board (FASB) Interpretation No. 48, Accounting for Uncertainty in Income Taxes an Interpretation of FASB Statement No. 109 (FIN 48) as of January 1, 2007. FIN 48 establishes a single model to address accounting for uncertain tax positions. FIN 48 clarifies the accounting for income taxes by prescribing a minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 provides a two-step process in the evaluation of a tax position. The first step is recognition. A company determines whether it is more-likely-than-not that a tax position will be sustained upon examination, including a resolution of any related appeals or litigation processes, based upon the technical merits of the position. The second step is measurement. A tax position that meets the more-likely-than-not recognition threshold is measured at the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. Upon adoption as of January 1, 2007, Synovus recognized a $1.4 million decrease in the liability for uncertain tax positions, with a corresponding increase in retained earnings of $1.4 million as a cumulative effect adjustment.

Significant estimates used in accounting for income taxes relate to the determination of taxable income, the determination of temporary differences between book and tax bases, as well as estimates on the realizability of tax credits and utilization of net operating losses.

Share-Based Compensation

Synovus adopted SFAS No. 123R, Share-Based Payment , effective January 1, 2006 and elected to use the modified prospective transition method. SFAS No. 123R was effective for all unvested awards at January 1, 2006 and for all awards granted or modified, repurchased, or cancelled after that date. This statement requires an entity to measure the cost of employee services received in exchange for an award of equity instruments based on the grant-date fair value of the award (with limited exceptions) and recognize compensation expense over the future service period.

Prior to adoption of SFAS No. 123R, Synovus accounted for its fixed share-based compensation in accordance with the provisions set forth in Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, and related interpretations. In accordance with APB Opinion No. 25, compensation expense was recorded on the grant date only to the extent that the current market price of the underlying stock exceeded the exercise price on the grant date.

Postretirement Benefits

Synovus sponsors a defined benefit health care plan for substantially all of its employees and certain early retirees. The expected costs of retiree health care and other postretirement benefits are being expensed over the period that employees provide service.

Fair Value Accounting

In September 2006, the FASB issued Statement of Financial Accounting Standard (SFAS) No. 157, Fair Value Measurements (SFAS No. 157). SFAS No. 157 defines fair value, establishes a framework for measuring fair value under GAAP, and expands disclosures about fair value measurements. This statement did not introduce any new requirements mandating the use of fair value; rather, it unified the meaning of fair value and added additional fair value disclosures. The provisions of this statement were effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. Effective January 1, 2008, Synovus adopted SFAS No. 157 for financial assets and liabilities. As permitted under FASB Staff Position No. FAS 157-2, Synovus has elected to defer the application of SFAS No. 157 to non-financial assets and liabilities until January 1, 2009.

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities (SFAS No. 159). SFAS No. 159 permits entities to make an irrevocable election, at specified election dates, to measure eligible financial instruments and certain other instruments at fair value. As of January 1, 2008, Synovus has elected the fair value option (FVO) for mortgage loans held for sale and certain callable brokered certificates of deposit. Accordingly, a cumulative adjustment of $58 thousand ($91 thousand less $33 thousand of income taxes) was recorded as an increase to retained earnings.

In October 2008, the FASB issued FSP FAS 157-3, Determining the Fair Value of a Financial Asset in a Market that is Not Active. FSP FAS 157-3 is intended to provide additional guidance on how an entity should classify the application of SFAS 157 in an inactive market, and illustrates how an entity should determine fair value in an inactive market. The provisions for this statement were effective upon its issuance on October 10, 2008. The impact to Synovus is minimal, as this FSP provides clarification to existing guidance.

Fair Value of Financial Instruments

Fair value estimates are made at a specific point in time, based on relevant market information and other information about the financial instrument. These estimates do not reflect any premium or discount that could result from offering for sale, at one time, the entire holdings of a particular financial instrument. Because no market exists for a portion of the financial instruments, fair value estimates are also based on judgments regarding future expected loss experience, current economic conditions, risk characteristics of various financial instruments, and other factors. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

Fair value estimates are based on existing balance sheet financial instruments, without attempting to estimate the value of anticipated future business and the value of assets and liabilities that are not considered financial instruments. Significant assets and liabilities that are not considered financial instruments include deferred income taxes, premises and equipment, computer software, equity method investments, goodwill and other intangible assets. In addition, the income tax ramifications related to the realization of the unrealized gains and losses can have a significant effect on fair value estimates and have not been considered in any of the estimates.

Recently Adopted Accounting Standards

In September 2006, the FASB s Emerging Issues Task Force (EITF) reached a consensus on EITF Issue No. 06-4, Accounting for Deferred Compensation and Postretirement Benefit Aspects of Endorsement Split-Dollar Life

Insurance Arrangements (EITF 06-4). EITF 06-4 requires an employer to recognize a liability for future benefits based on the substantive agreement with the employee. EITF 06-4 requires a company to use the guidance prescribed in SFAS No. 106, Employers Accounting for Postretirement Benefits Other Than Pensions and Accounting Principles Board Opinion (APB) No. 12, Omnibus Opinion, when entering into an endorsement split-dollar life insurance agreement and recognizing the liability. EITF 06-4 was effective for fiscal periods beginning after December 15, 2007. Synovus adopted the provisions of EITF 06-4 effective January 1, 2008 and recognized approximately $2.2 million as a cumulative effect adjustment to retained earnings.

In November 2006, the EITF reached a consensus on EITF Issue No. 06-10, Accounting for Deferred Compensation and Postretirement Benefit Aspects of Collateral Assignment Split-Dollar Life Insurance Arrangements (EITF 06-10). Under EITF 06-10, an employer should recognize a liability for the postretirement benefit related to a collateral assignment split-dollar life insurance arrangement. The recognition of an asset should be based on the nature and substance of the collateral, as well as the terms of the arrangement such as (1) future cash flows to which the employer is entitled and (2) employee s obligation (and ability) to repay the employer. EITF 06-10 was effective for fiscal periods beginning after December 15, 2007. Synovus adopted the provisions of EITF 06-10 effective January 1, 2008. There was no impact to Synovus upon adoption of EITF 06-10.

In November 2006, the EITF reached a consensus on EITF Issue No. 06-11, Accounting for Income Tax Benefits of

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Dividends on Share-Based Payment Awards (EITF 06-11). Employees may receive dividend payments (or the equivalent of) on vested and non-vested share-based payment awards. Under EITF 06-11, the Task Force concluded that a realized income tax benefit from dividends (or dividend equivalents) that are charged to retained earnings and are paid to employees for equity classified non-vested equity shares, non-vested equity share units, and outstanding equity share options should be recognized as an increase in additional paid-in capital. Once the award is settled, the Company should determine whether the cumulative tax deduction exceeded the cumulative compensation cost recognized on the income statement. If the total tax benefit exceeds the tax effect of the cumulative compensation cost, the excess would be an increase to additional paid-in capital. EITF 06-11 was effective for fiscal periods beginning after September 15, 2007. The impact of adoption of EITF 06-11 was not material to Synovus financial position, results of operations or cash flows.

In November 2007, the U.S. Securities and Exchange Commission (SEC) issued Staff Accounting Bulletin (SAB) No. 109, Written Loan Commitments Recorded at Fair Value Through Earnings, (SAB No. 109). SAB No. 109 supersedes SAB No. 105, Application of Accounting Principles to Loan Commitments. SAB No. 109, consistent with SFAS No. 156, Accounting for Servicing of Financial Assets, and SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities, requires that the expected net future cash flows related to the associated servicing of the loan should be included in the measurement of all written loan commitments that are accounted for at fair value through earnings. A separate and distinct servicing asset or liability is not recognized for accounting purposes until the servicing rights have been contractually separated from the underlying loan by sale or securitization of the loan with servicing retained. The provisions of this bulletin were effective for derivative loan commitments issued or modified in fiscal quarters beginning after December 15, 2007. The impact of adoption of SAB No. 109 was an increase in mortgage revenues of approximately $1.2 million for the year ended December 31, 2008.

In December 2007, the SEC issued SAB No. 110, Share-Based Payment, (SAB No. 110) SAB No. 110 allows eligible public companies to continue to use a simplified method for estimating the expected term of stock options if their own historical exercise data no longer provides a reasonable basis. Under SAB No. 107, Share-Based Payment, the simplified method was scheduled to expire for all grants made after December 31, 2007. The provisions of this bulletin were effective on January 1, 2008. Due to the spin-off of TSYS on December 31, 2007 and recent changes to the terms of stock option agreements, Synovus elected to continue using the simplified method for determining the expected term component for all share options granted during 2008.

In February 2006, the FASB issued SFAS No. 155, Accounting for Certain Hybrid Financial Instruments. SFAS No. 155 amends SFAS No. 133, Accounting for Derivative Instruments and Hedging Activities, and SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities. SFAS No. 155 resolves issues addressed in Statement No. 133 Implementation Issue No. D1, Application of Statement No. 133 to Beneficial Interests in Securitized Financial Assets. SFAS No. 155 eliminates the exemption from applying SFAS No. 133 to interests in securitized financial assets so that similar instruments are accounted for similarly regardless of the form of the instruments. SFAS No. 155 also permits election of fair value measurement at acquisition, at issuance, or when a previously recognized financial instrument is subject to a re-measurement event, on an instrument-by-instrument basis. The provisions of this statement were effective for all financial instruments acquired or issued after the beginning of the entity s first fiscal year that began after September 15, 2006. Synovus adopted the provisions of SFAS No. 155 effective January 1, 2007. The impact of adoption of SFAS No. 155 was not material to Synovus financial position, results of operations or cash flows.

In March 2006, the FASB issued SFAS No. 156, Accounting for Servicing of Financial Assets. SFAS No. 156 amends SFAS No. 140, Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities, with respect to the accounting for separately recognized servicing assets and servicing liabilities. SFAS No. 156 requires an entity to recognize a servicing asset or servicing liability each time it undertakes an obligation to service a financial asset by entering into a servicing contract in certain situations and requires that all separately recognized servicing assets and servicing liabilities be initially measured at fair value, if practicable. The provisions of this statement were effective as of the beginning of the first fiscal year that began after September 15, 2006. Synovus adopted the provisions of SFAS No. 156 effective January 1, 2007. The impact of adoption of SFAS No. 156 was not material to Synovus financial position, results of operations or cash flows.

In September 2006, the EITF reached a consensus on EITF Issue No. 06-5, Accounting for Purchases of Life Insurance Determining the Amount That Could Be Realized in Accordance with FASB Technical Bulletin No. 85-4 (EITF 06-5). EITF 06-5 requires that a determination of the amount that could be realized under an insurance contract should (1) consider any additional amounts beyond cash surrender value included in the contractual terms of the policy

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and (2) be based on an assumed surrender at the individual policy or certificate level, unless all policies or certificates are required to be surrendered as a group. Synovus adopted EITF 06-05 effective January 1, 2007. The impact of adoption of EITF 06-05 was not material to Synovus financial position, results of operations or cash flows.

In September 2006, the SEC issued SAB No. 108, Considering the Effects of Prior Year Misstatements When Quantifying Misstatements in Current Year Financial Statements. In December 2006, Synovus adopted the provisions of SAB No. 108, which clarifies the way that a company should evaluate an identified unadjusted error for materiality. SAB No. 108 requires that the effect of misstatements that were not corrected at the end of the prior year be considered in quantifying misstatements in the current year financial statements. Two techniques were identified as being used by companies in practice to accumulate and quantify misstatements the rollover approach and the iron curtain approach. The rollover approach, which is the approach that Synovus previously used, quantifies a misstatement based on the amount of the error originating in the current year income statement. Thus, this approach ignores the effects of correcting the portion of the current year balance sheet misstatement that originated in prior years. The iron curtain approach quantifies a misstatement based on the effects of correcting the misstatement existing in the balance sheet at the end of the current year, irrespective of the misstatement s year(s) of origination. The primary weakness of the iron curtain approach is that it does not consider the correction of prior year misstatements in the current year to be errors.

Using the rollover approach resulted in an accumulation of misstatements to Synovus balance sheets that were deemed immaterial to Synovus financial statements because the amounts that originated in each year were quantitatively and qualitatively immaterial. Synovus has elected, as allowed under SAB No. 108, to reflect the effect of initially applying this guidance by adjusting the carrying amount of the impacted accounts as of the beginning of 2006 and recording an offsetting adjustment to the opening balance of retained earnings in 2006. Accordingly, Synovus recorded a cumulative adjustment to increase retained earnings by $3.4 million upon the adoption of SAB No. 108.

The following table presents a description of the individual adjustments included in the cumulative adjustment to retained earnings:

(In millions)		**Adjustment**	**Nature of Error Being Corrected**	**Years Impacted**
Brokered time deposits	$	(10.3)	Adjusted to reflect incorrect use of hedges	2003-2005
Deferred income tax liability		3.8	Adjusted to reflect tax effect of incorrect use of hedges	2003-2005
Accumulated other comprehensive loss		(0.8)	Adjusted to reflect incorrect use of hedges	2004-2005
Deferred income tax liability		10.7	Adjusted to reflect impact of calculation errors	1993-2005
Total increase in retained earnings	$	3.4		

In the first quarter of 2003, Synovus entered into interest rate swaps to hedge the fair value of certain brokered time deposits. Effectiveness was measured using the short-cut method. Upon further review of these arrangements at September 30, 2005, Synovus determined that these hedges did not qualify for the shortcut method of hedge accounting as the broker placement fee for the related certificates of deposit was factored into the pricing of the swaps. The hedging relationships were redesignated on September 30, 2005, using the cumulative dollar offset method to measure effectiveness. Prior years adjustments were evaluated under the rollover approach and the correction of these misstatements was not material to Synovus results of operations in any of the years impacted. Brokered time deposits were increased by the amount of the cumulative fair value basis adjustment and the associated deferred tax liability was removed, resulting in a net decrease in shareholders equity of $6.5 million, to correct the incorrect use of hedge accounting.

In the fourth quarter of 2004, Synovus entered into certain forward starting interest rate swaps to hedge the future interest payments on debt forecasted to be issued in 2005. Synovus accounted for these arrangements as cash flow hedges. Upon further review of these arrangements, during the second quarter of 2005, it was determined that the swaps did not qualify for hedge accounting treatment. The hedging relationships were redesignated during the second quarter of 2005. The prior years adjustments were evaluated under the rollover approach and the correction of these misstatements was not material to Synovus results of operations in any of the years impacted. Accumulated other comprehensive losses were

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decreased and retained earnings were increased by $0.8 million, respectively, to correct the incorrect use of hedge accounting.

From 1993 through 2005, Synovus had errors in its calculation of deferred taxes for temporary differences related to certain business combinations and premises and equipment. The prior years errors were evaluated under the rollover approach and the correction of these misstatements was not material to Synovus results of operations in any of the years impacted. The deferred income tax liability was reduced by $10.7 million to correct the calculation errors.

Reclassifications

Certain prior years amounts have been reclassified to conform to the presentation adopted in 2008.

Note 2 Discontinued Operations

Transfer of Mutual Funds

During 2007, Synovus transferred its proprietary mutual funds (Synovus Funds) to a non-affiliated third party. As a result of the transfer, Synovus received gross proceeds of $8.0 million and incurred transaction related costs of $1.1 million, resulting in a pre-tax gain of $6.9 million, or $4.2 million after-tax. The net gain has been reported as a component of income from discontinued operations on the accompanying consolidated statements of income. Financial results of the business associated with the Synovus Funds for 2007 and 2006 have not been presented as discontinued operations as such amounts are inconsequential. This business did not have significant assets, liabilities, revenues, or expenses associated with it.

TSYS Spin-Off

On December 31, 2007, Synovus completed the tax-free spin-off of its shares of TSYS common stock to Synovus shareholders. The distribution of approximately 80.6% of TSYS outstanding shares owned by Synovus was made on December 31, 2007 to shareholders of record on December 18, 2007 (the record date). Each Synovus shareholder received 0.483921 of a share of TSYS common stock for each share of Synovus common stock held as of the record date. Synovus shareholders received cash in lieu of fractional shares for amounts of less than one share of TSYS common stock.

Pursuant to the agreement and plan of distribution, TSYS paid on a pro rata basis to its shareholders, including Synovus, a one-time cash dividend of $600 million or $3.0309 per TSYS share based on the number of TSYS shares outstanding as of the record date of December 17, 2007. Based on the number of TSYS shares owned by Synovus as of the record date, Synovus received $483.8 million in proceeds from this one-time cash dividend. The dividend was paid on December 31, 2007.

In accordance with the provisions of SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets, and SFAS No. 146, Accounting for Costs Associated with Exit or Disposal Activities, the historical consolidated results of operations of TSYS, as well as all costs associated with the spin-off of TSYS, are now presented as a component of income from discontinued operations. The balance sheet as of December 31, 2007 does not include assets and liabilities of TSYS.

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The following amounts have been segregated from continuing operations and included in income from discontinued operations, net of income taxes and minority interest, in the consolidated statements of income:

(In thousands)	**Years Ended December 31, 2007**	**2006**
TSYS revenues	$ 1,835,412	1,806,604
TSYS income, net of minority interest and before income taxes	335,567	327,995
Income tax expense	143,668	126,181
Income from discontinued operations, net of income taxes	191,899	201,814
Spin-off related expenses incurred by Synovus, before income taxes	13,858	
Income tax benefit	(1,129)	
Spin-off related expenses incurred by Synovus, net of income tax benefit	12,729	
Gain on transfer of mutual funds, before income taxes	6,885	
Income tax expense	2,685	
Gain on transfer of mutual funds, net of income taxes	4,200	
Income from discontinued operations, net of income taxes and minority interest	$ 183,370	201,814

Synovus adopted the provisions of FIN 48 as of January 1, 2007. Upon adoption, Synovus recognized a $2.0 million increase in the liability for uncertain tax positions, a corresponding decrease in minority interest of $377 thousand, and a decrease in retained earnings of $1.6 million as a cumulative effect adjustment with respect to discontinued operations.

Cash flows of discontinued operations are presented below.

(In thousands)		**Years Ended December 31, 2007**	**2006**
Cash provided by operating activities	$	341,728	385,759
Cash used in investing activities		(162,476)	(164,179)
Cash used in financing activities		(376,685)	(69,597)
Effect of exchange rates on cash and cash equivalents		4,970	(429)
Cash (used in) provided by discontinued operations	$	(192,463)	151,554

Note 3 Restructuring Charges

Project Optimus, an initiative focused on operating efficiency gains and enhanced revenue growth, was launched in April 2008. Synovus expects to implement ideas associated with this project over a twenty-four month period which began in September 2008. Synovus expects to incur restructuring charges of approximately $22.0 million in conjunction with the project, including $10.9 million in severance charges and $11.1 million in other project related costs. During the twelve months ended December 31, 2008, Synovus recognized a total of $16.1 million in restructuring charges including $5.2 million in severance charges. At December 31, 2008, Synovus had an accrued liability of $2.9 million related to restructuring charges.

Note 4 Business Combinations

Effective on March 25, 2006, Synovus acquired all of the issued and outstanding common shares of Riverside Bancshares, Inc., the parent company of Riverside Bank (Riverside), headquartered in Marietta, Georgia. The aggregate purchase price was $171.4 million, consisting of 5,883,426 shares of Synovus common stock valued at $159.8 million, stock options valued at $11.4 million, and $182 thousand in direct acquisition costs. During the first quarter of 2006, concurrent with the acquisition, Riverside was merged into a subsidiary of Synovus, Bank of North Georgia. The results of operations of Riverside Bancshares have been included in Synovus consolidated financial statements beginning March 25, 2006.

Effective on April 1, 2006, Synovus acquired all of the issued and outstanding common shares of Banking Corporation of Florida, the parent company of First Florida Bank (First Florida), headquartered in Naples, Florida. The aggregate purchase price was $84.8 million, consisting of 2,938,791 shares of Synovus common stock valued at $80.1 million, stock options valued at $4.7 million and $24 thousand in direct acquisition

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costs. On April 28, 2008, First Florida was merged into a subsidiary of Synovus, Synovus Bank of Tampa Bay, and the merged entity was renamed Synovus Bank. The results of operations of First Florida have been included in Synovus consolidated financial statements beginning April 1, 2006.

Proforma information relating to the impact of these two acquisitions on Synovus consolidated financial statements, assuming such acquisitions had occurred at the beginning of the periods reported, is not presented as such impact is inconsequential.

Note 5 Trading Account Assets

The following table summarizes trading account assets at December 31, 2008 and 2007, which are reported at fair value.

(In thousands)		**2008**	**2007**
U.S. Treasury and U.S. Government agency securities	**$**	**274**	162
Mortgage-backed securities		**19,422**	16,839
State and municipal securities		**1,753**	462
Other investments		**3,064**	340
Total	**$**	**24,513**	17,803

Note 6 Impaired Loans Held for Sale

Loans or pools of loans are transferred to the impaired loans held for sale portfolio when the intent to hold the loans has changed due to portfolio management or risk mitigation strategies and when there is a plan to sell the loans within a reasonable period of time. The value of the loans or pools of loans is primarily determined by analyzing the underlying collateral of the loan and the external market prices of similar assets. At the time of transfer, if the fair value is less than the cost, the difference attributable to declines in credit quality is recorded as a charge-off against the allowance for loan losses. Decreases in fair value subsequent to the transfer as well as losses (gains) from sale of these loans are recognized as a component of non-interest expense.

During the year ended December 31, 2008, Synovus transferred loans with a cost basis totaling $72.7 million to the impaired loans held for sale portfolio. Synovus recognized charge-offs totaling $22.1 million on these loans, resulting in a new cost basis for loans transferred to the impaired loans held for sale portfolio of $50.6 million. The $22.1 million in charge-offs were estimated based on the estimated sales price of the portfolio through bulk sales. Subsequent to their transfer to the impaired loans held for sale portfolio, Synovus recognized additional write-downs of $3.2 million and recognized additional net losses on sales of $9.9 million. The additional write-downs were based on the estimated sales proceeds from pending sales.

The following table provides the classification of impaired loans held for sale at December 31, 2008.

(In thousands)	
Commercial:	
Real estate construction	**$ 3,527**
Total	**$ 3,527**

Note 7 Investment Securities Available for Sale

The amortized cost, gross unrealized gains and losses, and estimated fair values of investment securities available for sale at December 31, 2008 and 2007 are summarized as follows:

	December 31, 2008			
(In thousands)	**Amortized Cost**	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Estimated Fair Value**
U.S. Treasury and U.S. Government agency securities	**$ 1,478,985**	**78,229**		**1,557,214**
Mortgage-backed securities	**2,002,855**	**70,288**	**(730)**	**2,072,413**
State and municipal securities	**120,552**	**3,046**	**(317)**	**123,281**
Equity securities	**131,581**		**(1,288)**	**130,293**
Other investments	**9,021**		**(74)**	**8,947**
Total	**$ 3,742,994**	**151,563**	**(2,409)**	**3,892,148**

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(In thousands)	Amortized Cost	December 31, 2007 Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
U.S. Treasury and U.S. Government agency securities	$ 1,916,005	30,639	(1,263)	1,945,381
Mortgage-backed securities	1,436,445	6,714	(12,836)	1,430,323
State and municipal securities	161,697	3,178	(319)	164,556
Equity securities	114,205	25		114,230
Other investments	12,560		(76)	12,484
Total	$ 3,640,912	40,556	(14,494)	3,666,974

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2008 and 2007 were as follows:

	December 31, 2008					
	Less than 12 Months		12 Months or Longer		Total Fair Value	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
U.S. Treasury and U.S. Government agency securities	$					
Mortgage-backed securities	**139,838**	**(535)**	**27,584**	**(195)**	**167,422**	**(730)**
State and municipal securities	**4,724**	**(142)**	**2,246**	**(175)**	**6,970**	**(317)**
Equity securities	**4,012**	**(1,288)**			**4,012**	**(1,288)**
Other investments			**926**	**(74)**	**926**	**(74)**
Total	**$ 148,574**	**(1,965)**	**30,756**	**(444)**	**179,330**	**(2,409)**

	December 31, 2007					
	Less than 12 Months		12 Months or Longer		Total Fair Value	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
	$ 104,857	(218)	335,372	(1,045)	440,229	(1,263)

U.S. Treasury and U.S. Government agency securities						
Mortgage-backed securities	356,124	(1,314)	527,472	(11,522)	883,596	(12,836)
State and municipal securities	8,459	(55)	12,745	(264)	21,204	(319)
Equity securities						
Other investments			1,674	(76)	1,674	(76)
Total	$ 469,440	(1,587)	877,263	(12,907)	1,346,703	(14,494)

U.S. Treasury and U.S. Government agency securities. As of December 31, 2008, Synovus did not have any unrealized losses in this securities category. As of December 31, 2007, the unrealized losses in this category consisted primarily of unrealized losses caused by interest rate increases, and not credit quality. Because Synovus had the ability and intent to hold these investments until a recovery of fair value, these investments were not considered to be other-than-temporarily impaired at December 31, 2007.

Mortgage-backed securities. The unrealized losses on investment in mortgage-backed securities were caused by interest rate increases. At December 31, 2008, all of the collateralized mortgage obligations and mortgage-backed pass-through securities held by Synovus were issued or backed by U.S. Government agencies. These securities are rated AAA by both Moody s and Standard and Poor s. Because the decline in fair value is attributable to changes in interest rates and not credit quality and because Synovus has the ability and intent to

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hold these investments until a recovery of fair value, which may be at maturity, Synovus does not consider these investments to be other-than-temporarily impaired at December 31, 2008 or December 31, 2007.

The amortized cost and estimated fair value by contractual maturity of investment securities available for sale at December 31, 2008 are shown below. Actual maturities may differ from contractual maturities because issuers may have the right to call or prepay obligations with or without call or prepayment penalties.

(In thousands)		**Amortized Cost**	**Estimated Fair Value**
U.S. Treasury and U.S. Government agency securities:			
Within 1 year	$	243,706	249,131
1 to 5 years		544,728	577,287
5 to 10 years		509,538	534,357
More than 10 years		181,013	196,439
	$	1,478,985	1,557,214
State and municipal securities:			
Within 1 year	$	13,811	13,936
1 to 5 years		50,739	52,029
5 to 10 years		44,599	45,916
More than 10 years		11,403	11,400
	$	120,552	123,281
Other investments:			
Within 1 year	$	250	250
1 to 5 years		997	997
5 to 10 years		1,800	1,800
More than 10 years		5,974	5,900
	$	9,021	8,947
Equity securities	$	131,581	130,293
Mortgage-backed securities	$	2,002,855	2,072,413
Total investment securities:	$	3,742,994	3,892,148
Within 1 year	$	257,767	263,317
1 to 5 years		596,464	630,313
5 to 10 years		555,937	582,073
More than 10 years		198,390	213,739
Equity securities		131,581	130,293
Mortgage-backed securities		2,002,855	2,072,413

	$	3,742,994	3,892,148

A summary of sales transactions in the investment securities available for sale portfolio for 2008, 2007, and 2006 is as follows:

(In thousands)		Proceeds	Gross Realized Gains	Gross Realized Losses
2008	**$**	**165,623**	**45**	
2007		25,482	1,056	(76)
2006		130,547		(2,118)

At December 31, 2008 and 2007, investment securities with a carrying value of $3.1 billion and $3.1 billion, respectively, were pledged to secure certain deposits, securities sold under repurchase agreements, and Federal Home Loan Bank (FHLB) advances, as required by law and contractual agreements.

Note 8 Loans

Loans outstanding, by classification, are summarized as follows:

		December 31,	
(In thousands)		**2008**	**2007**
Commercial:			
Commercial, financial, and agricultural	**$**	**6,874,904**	6,420,689
Owner occupied		**4,521,414**	4,226,707
Real estate construction		**7,336,943**	8,022,179
Real estate mortgage		**4,840,423**	3,877,808
Total commercial		**23,573,684**	22,547,383
Retail:			
Real estate mortgage		**3,485,818**	3,211,625
Retail loans credit card		**295,055**	291,149
Retail loans other		**603,003**	494,591
Total retail		**4,383,876**	3,997,365
Total loans		**27,957,560**	26,544,748
Unearned income		**(37,383)**	(46,163)
Total loans, net of unearned income	**$**	**27,920,177**	26,498,585

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Activity in the allowance for loan losses is summarized as follows:

		Years Ended December 31,		
(In thousands)		**2008**	**2007**	**2006**
Balance at beginning of year	$	**367,613**	314,459	289,612
Allowance for loan losses of acquired subsidiaries				9,915
Provision for losses on loans		**699,883**	170,208	75,148
Recoveries of loans previously charged off		**17,076**	14,155	12,590
Loans charged off		**(486,271)**	(131,209)	(72,806)
Balance at end of year	$	**598,301**	367,613	314,459

At December 31, 2008, the recorded investment in loans that were considered to be impaired was $726.1 million. Included in this amount is $618.2 million of impaired loans (which consist primarily of collateral dependent loans) for which there is no related allowance for loan losses determined in accordance with SFAS No. 114, Accounting by Creditors for Impairment of a Loan. The allowance on these loans is zero because estimated losses on collateral dependent impaired loans included in this total have been charged-off. Impaired loans at December 31, 2008 also include $108.0 million of impaired loans for which the related allowance for loan losses is $26.2 million. At December 31, 2008, all impaired loans were on non-accrual status.

At December 31, 2007, the recorded investment in loans that were considered to be impaired was $264.9 million. Included in this amount was $233.2 million of impaired loans for which there is no related allowance for loan losses. The allowance on these loans is zero because estimated losses on collateral dependent impaired loans included in this total have been charged-off. Impaired loans at December 31, 2007 also include $31.7 million of impaired loans for which the related allowance for loan losses is $6.4 million. At December 31, 2007, all impaired loans were on non-accrual status.

The allowance for loan losses on impaired loans was determined using either the fair value of the loan s collateral, less estimated selling costs, or discounted cash flows. The average recorded investment in impaired loans was approximately $575.4 million, $148.1 million, and $67.1 million for the years ended December 31, 2008, 2007, and 2006, respectively. There was no interest income recognized for the investment in impaired loans for the years ended December 31, 2008 and 2007, and 2006.

Loans on nonaccrual status amount to $921.7 million, $341.9 million, and $96.2 million, at December 31, 2008, 2007, and 2006, respectively.

Interest income on non-performing loans outstanding on December 31, 2008, that would have been recorded if the loans had been current and performed in accordance with their original terms was $96.8 million for the year ended December 31, 2008. Interest income recorded on these loans for the year ended December 31, 2008 was $52.2 million.

A substantial portion of the loans are secured by real estate in markets in which subsidiary banks are located throughout Georgia, Alabama, Tennessee, South Carolina, and Florida. Accordingly, the ultimate collectability of a substantial portion of the loan portfolio, and the recovery of a substantial portion of the carrying amount of real estate owned, are susceptible to changes in market conditions in these areas.

In the ordinary course of business, Synovus subsidiary banks have made loans to certain of their executive officers and directors (including their associates and affiliates) and of the Parent Company and its significant subsidiaries, as defined. Significant subsidiaries consist of Columbus Bank and Trust Company, Bank of North Georgia, and The National Bank of South Carolina. Management believes that such loans are made substantially on the same terms, including interest rate and collateral, as those prevailing at the time for comparable transactions with unaffiliated customers. The following is a summary of such loans outstanding and the activity in these loans for the year ended December 31, 2008.

(In thousands)		
Balance at December 31, 2007	$	313,516
Adjustment for executive officer and director changes		(134,429)
Adjusted balance at December 31, 2007		**179,087**
New loans		**568,808**
Repayments		**(402,272)**
Balance at December 31, 2008	**$**	**345,623**

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Note 9 Goodwill and Other Intangible Assets

The following table shows the changes in the carrying amount of goodwill for the years ended December 31, 2008 and 2007.

(In thousands)		**Goodwill**
Balance as of December 31, 2006	$	515,719
Goodwill acquired[(1)(2)]		3,419
Impairment losses		
Balance as of December 31, 2007		**519,138**
Goodwill acquired		
Impairment losses		**479,617**
Balance as of December 31, 2008	**$**	**39,521**

(1) $1.9 million pertains to contingent consideration relating to the GLOBALT acquisition.

(2) During the year ended December 31, 2007, Synovus finalized the purchase price allocation of the Riverside and First Florida acquisitions. This resulted in increases in goodwill of $1.3 million and $259 thousand for Riverside and First Florida, respectively.

Under SFAS No. 142 (SFAS No. 142), Goodwill and Other Intangible Assets, goodwill is required to be tested for impairment annually, or more frequently if events or circumstances indicate that there may be impairment. Synovus used the combination of the income approach utilizing the discounted cash flow (DCF) method, and the guideline company method using a combination of price to tangible book value, price to book value, and price to earnings to estimate the fair value of a reporting unit.

Impairment is tested at the reporting unit (sub-segment) level involving two steps. Step 1 compares the fair value of the reporting unit to its carrying value. If the fair value is greater than carrying value, there is no indication of impairment. Step 2 is performed when the fair value determined in Step 1 is less than the carrying value. Step 2 involves a process similar to business combination accounting where fair values are assigned to all assets, liabilities, and intangibles. The result of Step 2 is the implied fair value of goodwill. If the Step 2 implied fair value of goodwill is less than the recorded goodwill, an impairment charge is recorded for the difference. The total of all reporting unit fair values is compared for reasonableness to Synovus market capitalization plus a control premium.

At June 30, 2008, Synovus conducted its annual goodwill impairment evaluation. As a result of this evaluation, Synovus recognized a non-cash charge for impairment of goodwill on one of its reporting units of $36.9 million (pre-tax and after-tax). The impairment charge was primarily related to a decrease in valuation based on market trading and transaction multiples of tangible book value.

At December 31, 2008, Synovus determined that goodwill impairment should be reevaluated based on an adverse change in the general business environment, significantly higher loan losses, reduced interest margins, and a decline in Synovus market capitalization during the second half of 2008. Historically, Synovus determined the fair value of its reporting units based on a combination of the income approach (utilizing the discounted cash flows (DCF) method), the public company comparables approach (utilizing multiples of tangible book value), and the transaction approach (utilizing readily observable market valuation multiples for closed transactions). At December 31, 2008, due to the lack of observable market data, management enhanced the valuation methodology by using discounted cash flow analyses to estimate the fair values of its reporting units.

In performing Step 1 of the goodwill impairment testing and measurement process, the estimated fair values of the reporting units with goodwill were developed using the DCF method. The results of the DCF method were corroborated with estimates of fair value utilizing market price to earnings, price to book value, price to tangible book value, and Synovus market capitalization plus a control premium. The results of this Step 1 process indicated potential impairment in four reporting units, as the book values of each reporting unit exceeded their respective estimated fair values.

As a result, Synovus performed Step 2 to quantify the goodwill impairment, if any, for these four reporting units. In Step 2, the estimated fair values for each of the four reporting units were allocated to their respective assets and liabilities in order to determine an implied value of goodwill, in a manner similar to the calculation performed in a business combination. Based on the results of Step 2, Synovus recognized a $442.7 million (pre-tax and after-tax) charge for goodwill impairment during the three months ended December 31, 2008, which represented a total goodwill write-off for the four reporting units. The primary driver of the goodwill impairment for these four reporting units was the decline in Synovus market capitalization, which declined 31% from June 30, 2008 to December 31, 2008.

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Other intangible assets as of December 31, 2008 and 2007 are presented in the following table:

	2008			
(In thousands)	**Gross Carrying Amount**	**Accumulated Amortization**	**Impairment**	**Net**
Other intangible assets:				
Purchased trust revenues	**$ 4,210**	**(2,128)**		**2,082**
Acquired customer contracts	**5,270**	**(3,467)**	**(1,049)**	**754**
Core deposit premiums	**46,331**	**(28,416)**		**17,915**
Other	**666**	**(151)**		**515**
Total carrying value	**$ 56,477**	**(34,162)**	**(1,049)**	**21,266**

	2007			
	Gross Carrying Amount	**Accumulated Amortization**	**Impairment**	**Net**
Other intangible assets:				
Purchased trust revenues	$ 4,210	(1,848)		2,362
Acquired customer contracts	5,270	(2,863)		2,407
Core deposit premiums	46,331	(23,663)		22,668
Other	666	(96)		570
Total carrying value	$ 56,477	(28,470)		28,007

Aggregate other intangible assets amortization expense for the years ended December 31, 2008, 2007, and 2006 was $5.6 million, $5.1 million, and $5.8 million, respectively. Aggregate estimated amortization expense over the next five years is: $4.5 million in 2009, $4.1 million in 2010, $3.7 million in 2011, $3.2 million in 2012, and $1.6 million in 2013.

Synovus recorded an acquired customer contracts asset impairment charge of $1.0 million during the year ended December 31, 2008. The impairment charge was recorded based on management s estimate that the recorded values would not be recoverable and is presented in other operating expenses on the consolidated statement of income.

Note 10 Other Assets

Significant balances included in other assets at December 31, 2008 and 2007 are as follows:

(In thousands)		**2008**	2007
Accrued interest receivable	$	**171,909**	244,521
Accounts receivable		**45,331**	52,924
Cash surrender value of bank owned life insurance		**376,746**	361,737
Other real estate (ORE)		**246,121**	101,487
Private equity investments		**123,475**	55,575
Prepaid expenses		**31,774**	40,505
Net current income tax benefit		**95,768**	46,029
Net deferred income tax assets		**163,270**	117,172
Derivative asset positions		**307,771**	112,021
Miscellaneous other assets		**53,100**	99,123
Total other assets	$	**1,615,265**	1,231,094

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Note 11 Interest Bearing Deposits

A summary of interest bearing deposits at December 31, 2008 and 2007 is as follows:

(In thousands)		**2008**	**2007**
Interest bearing demand deposits	**$**	**3,359,410**	3,362,572
Money market accounts		**8,094,452**	7,557,031
Savings accounts		**437,656**	442,824
Time deposits under $100,000		**3,274,327**	2,773,815
Time deposits of $100,000 or more		**9,887,715**	7,351,151
Total interest bearing deposits	**$**	**25,053,560**	21,487,393

Interest bearing deposits include the unamortized balance of purchase accounting adjustments and the fair value basis adjustment for those time deposits which are hedged with interest rate swaps. Interest expense for the years ended December 31, 2008, 2007, and 2006 on time deposits of $100,000 or more was $332.4 million, $364.2 million, and $299.7 million, respectively.

The following table presents scheduled cash maturities of time deposits at December 31, 2008:

(In thousands)		
Maturing within one year	$	10,677,461
between 1 2 years		1,923,149
2 3 years		260,762
3 4 years		115,981
4 5 years		104,755
Thereafter		76,933
	$	13,159,041

Note 12 Long-Term Debt and Short-Term Borrowings

Long-term debt at December 31, 2008 and 2007 consists of the following:

(In thousands)		**2008**	**2007**
Parent Company:			
	$	**272,190**	300,000

4.875% subordinated notes, due February 15, 2013, with semi-annual interest payments and principal to be paid at maturity			
5.125% subordinated notes, due June 15, 2017, with semi-annual interest payments and principal to be paid at maturity		**450,000**	450,000
LIBOR + 1.80% debentures, due April 19, 2035 with quarterly interest payments and principal to be paid at maturity (rate of 3.80% at December 31, 2008)		**10,082**	10,150
Hedge-related basis adjustment		**50,111**	11,533
Total long-term debt Parent Company	**$**	**782,383**	771,683
Subsidiaries:			
Federal Home Loan Bank advances with interest and principal payments due at various maturity dates through 2018 and interest rates ranging from .45% to 6.09% at December 31, 2008 (weighted average interest rate of 1.50% at December 31, 2008)	**$**	**1,317,992**	1,111,420
Other notes payable and capital leases with interest and principal payments due at various maturity dates through 2031 (weighted average interest rate of 4.30% at December 31, 2008)		**6,798**	7,132
Total long-term debt subsidiaries		**1,324,790**	1,118,552
Total long-term debt	**$**	**2,107,173**	1,890,235

The provisions of the indentures governing Synovus subordinated notes and debentures contain certain restrictions, within specified limits, on mergers, disposition of common stock or assets, and investments in subsidiaries, and limit

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Synovus ability to pay dividends on its capital stock if there is an event of default under the applicable indenture. As of December 31, 2008, Synovus and its subsidiaries were in compliance with the covenants in these agreements.

The Federal Home Loan Bank advances are secured by certain loans receivable of approximately $3.5 billion, as well as investment securities with a fair market value of approximately $68.5 million at December 31, 2008.

Synovus had an unsecured line of credit with an unaffiliated bank for $25 million which expired during the year ended December 31, 2008 in accordance with its terms. The line of credit provided for an interest rate of 50 basis points above the short-term index, as defined, and an annual commitment fee of .125% on the average daily available balance. There were no advances outstanding at December 31, 2007.

Required annual principal payments on long-term debt for the five years subsequent to December 31, 2008 are shown on the following table:

(In thousands)		**Parent Company**	**Subsidiaries**	**Total**
2009	$		588,533	588,533
2010			606,471	606,471
2011			78,394	78,394
2012			42,926	42,926
2013		272,190	2,936	275,126

The following table sets forth certain information regarding Federal funds purchased and securities sold under repurchase agreements, the principal components of short-term borrowings.

(In thousands)		**2008**	**2007**	**2006**
Balance at December 31	**$**	**725,869**	2,319,412	1,582,487
Weighted average interest rate at December 31		**.68%**	3.81%	4.97%
Maximum month end balance during the year	**$**	**2,544,913**	2,767,055	1,986,919
Average amount outstanding during the year		**1,719,978**	1,957,990	1,578,163
Weighted average interest rate during the year		**2.24%**	4.75%	4.62%

Note 13 Cumulative Perpetual Preferred Stock

On December 19, 2008, Synovus issued to the United States Department of the Treasury (Treasury) 967,870 shares of Synovus Fixed Rate Cumulative Perpetual Preferred Stock, Series A, without par value (the Series A Preferred Stock), having a liquidation amount per share equal to $1,000, for a total price of $967,870,000. The Series A Preferred Stock pays cumulative dividends at a rate of 5% per year for the first five years and thereafter at a rate of 9% per year. Synovus may not redeem the Series A Preferred Stock during the first three years except with the proceeds from a qualified equity offering of not less than $241,967,500. After February 15, 2012, Synovus may, with the consent of the Federal Deposit Insurance Corporation, redeem, in whole or in part, the Series A Preferred Stock at the liquidation amount per share plus accrued and unpaid dividends. The Series A Preferred Stock is generally non-voting. Prior to December 19, 2011, unless Synovus has redeemed the Series A Preferred Stock or the Treasury has transferred the Series A Preferred Stock to a third party, the consent of the Treasury will be required for Synovus to (1) declare or pay any dividend or make any distribution on our common stock, par value $1.00 per share, other than regular quarterly cash dividends of not more than $0.06 per share, or (2) redeem, repurchase or acquire Synovus common stock or other equity or capital securities, other than in connection with benefit plans consistent with past practice. A consequence of the Series A Preferred Stock purchase includes certain restrictions on executive compensation that could limit the tax deductibility of compensation that Synovus pays to executive management. The recently enacted American Recovery and Reinvestment Act and the Treasury s February 10, 2009, Financial Stability Plan and regulations that may be adopted under these laws may retroactively affect Synovus and modify the terms of the Series A Preferred Stock. In particular, the ARRA provides that the Series A Preferred Stock may now be redeemed at any time with the consent of the Federal Deposit Insurance Corporation.

As part of the issuance of the Series A Preferred Stock, Synovus issued to the Treasury a warrant to purchase up to 15,510,737 shares of Synovus common stock (the Warrant) at an initial per share exercise price of $9.36. The Warrant provides for the adjustment of the exercise price and the number of shares of Synovus common stock issuable upon exercise pursuant to customary anti-dilution provisions, such as upon stock splits or distributions of securities or other assets to holders of our common stock, and upon certain issuances of our common stock at or below a specified price relative to the initial exercise price. The Warrant expires on December 19, 2018. If, on or prior to December 31, 2009, Synovus receives aggregate gross cash proceeds of not less

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than $967,870,000 from qualified equity offerings announced after October 13, 2008, the number of shares of common stock issuable pursuant to the Treasury s exercise of the Warrant will be reduced by one-half of the original number of shares, taking into account all adjustments, underlying the Warrant. Pursuant to the Securities Purchase Agreement, the Treasury has agreed not to exercise voting power with respect to any shares of Synovus common stock issued upon exercise of the Warrant.

Synovus has allocated the total proceeds received from the Treasury based on the relative fair values of the preferred shares and the warrants. This allocation resulted in the Series A Preferred Stock and the Warrants being initially recorded at amounts that are less than their respective fair values at the issuance date.

The $48.5 million discount on the Series A Preferred Stock will be accreted using a constant effective yield over the five-year period preceding the 9% perpetual dividend. Synovus records increases in the carrying amount of the preferred shares resulting from accretion of the discount by charges against retained earnings.

Note 14 Other Comprehensive Income (Loss)

The components of other comprehensive income (loss) for the years ended December 31, 2008, 2007, and 2006 are as follows:

	2008			2007			2006		
(In thousands)	**Before-Tax Amount**	**Tax (Expense) or Benefit**	**Net of Tax Amount**	**Before-Tax Amount**	**Tax (Expense) or Benefit**	**Net of Tax Amount**	**Before-Tax Amount**	**Tax (Expense) or Benefit**	**Net of Tax Amount**
Net unrealized gains on cash flow hedges	**$ 34,928**	**(13,339)**	**21,589**	29,859	(11,525)	18,334	5,909	(2,259)	3,650
Net unrealized gains on investment securities available for sale:									
Unrealized gains arising during the year	**123,137**	**(47,064)**	**76,073**	51,794	(19,940)	31,854	19,456	(7,482)	11,974
Reclassification adjustment for (gains) losses realized in net income	**(45)**	**17**	**(28)**	(980)	377	(603)	2,118	(824)	1,294
Net unrealized gains	**123,092**	**(47,047)**	**76,045**	50,814	(19,563)	31,251	21,574	(8,306)	13,268
	290	**(110)**	**180**	1,315	(498)	817			

Amortization of postretirement unfunded health benefit, net of tax									
Foreign currency translation gains (losses)				7,621	(1,470)	6,151	16,688	(3,813)	12,875
Other comprehensive income	**$ 158,310**	**(60,496)**	**97,814**	89,609	(33,056)	56,553	44,171	(14,378)	29,793

Cash settlements on cash flow hedges were $7.4 million, $3.1 million, and $2.5 million for the years ended December 31, 2008, 2007, and 2006 respectively, all of which were included in earnings. During 2008, 2007, and 2006, Synovus recorded cash (payments) receipts on terminated cash flow hedges of $2.2 million, ($1.3) million, and $159 thousand, respectively, which were deferred and are being amortized into earnings over the shorter of the remaining contract life or the maturity of the designated instrument as an adjustment to interest income (expense). There was one terminated cash flow hedge during 2008, two terminated cash flow hedges during 2007, and one terminated cash flow hedge during 2006. The corresponding net amortization on these settlements was approximately $17 thousand, ($816) thousand, and ($389) thousand in 2008, 2007, and 2006, respectively. The change in unrealized gains (losses) on cash flow hedges was approximately $32.8 million in 2008, $30.3 million in 2007, and $5.6 million in 2006.

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Note 15 Earnings Per Share

The following table displays a reconciliation of the information used in calculating basic and diluted earnings per share (EPS) for the years ended December 31, 2008, 2007, and 2006.

(In thousands, except per share data)		Years Ended December 31, 2008	2007	2006
Income (loss) from continuing operations	$	**(582,438)**	342,935	415,103
Preferred stock dividends		**2,057**		
Income available, (loss) attributable, to common shareholders		**(584,495)**	342,935	415,103
Income from discontinued operations, net of income taxes and minority interest			183,370	201,814
Net income (loss) available (attributable) to common shareholders	$	**(584,495)**	526,305	616,917
Weighted average common shares outstanding:				
Basic		**329,319**	326,849	321,241
Potentially dilutive shares from assumed exercise of securities or other contracts to purchase common stock*			3,014	2,991
Diluted		**329,319**	329,863	324,232
Basic earnings per share:				
Income (loss) from continuing operations	$	**(1.77)**	1.05	1.29
Net income (loss)		**(1.77)**	1.61	1.92
Diluted earning per share:				
Income (loss) from continuing operations	$	**(1.77)**	1.04	1.28
Net income (loss)		**(1.77)**	1.60	1.90

* Due to the net loss attributable to common shareholders for the year ended December 31, 2008, potentially dilutive shares were excluded from the earnings per share calculation as including such shares would have been antidilutive.

Basic earnings per share is computed by dividing net income (loss) by the average common shares outstanding for the period. Diluted earnings per share reflects the dilution that could occur if securities or other contracts to issue common stock were exercised or converted. The dilutive effect of outstanding options and restricted shares is reflected in diluted earnings per share by application of the treasury stock method.

The following represents potentially dilutive shares including options and warrants to purchase shares of Synovus common stock and non-vested shares that were outstanding during the periods noted below, but were not included in the computation of diluted earnings per share because the exercise price for options and warrants, and fair value of non-vested shares was greater than the average market price of the common shares during the period.

Quarter Ended	Number of Shares		Weighted Average Exercise Price Per Share
December 31, 2008[(1)]		**$**	
September 30, 2008[(1)]		**$**	
June 30, 2008[(1)]		**$**	
March 31, 2008[(1)]		**$**	
December 31, 2007	12,577,751	$	27.69(2)
September 30, 2007	4,902,564	$	29.38
June 30, 2007	2,500	$	32.57
March 31, 2007	2,500	$	32.57
December 31, 2006	11,863	$	30.61
September 30, 2006	4,651,345	$	29.21
June 30, 2006	5,727,935	$	28.79
March 31, 2006	5,710,605	$	28.89

(1) Due to the net loss attributable to common shareholders for the year ended December 31, 2008, potentially dilutive shares were excluded from the earnings per share calculation as including such shares would have been antidilutive.

(2) See the summary of stock option activity table in Note 20 for the adjustment to the exercise price of all options outstanding at December 31, 2007 in connection with the TSYS spin-off.

Note 16 Derivative Instruments, Commitments and Contingencies

Derivative Instruments

As part of its overall interest rate risk management activities, Synovus utilizes derivative instruments to manage its exposure to various types of interest rate risk. These derivative instruments consist of interest rate swaps, commitments to sell fixed-rate mortgage loans, and commitments to fund fixed-rate mortgage loans made to prospective mortgage loan customers. Mortgage rate lock commitments represent derivative instruments since it is intended that such loans will be sold.

Synovus originates first lien residential mortgage loans for sale into the secondary market and generally does not hold the originated loans for investment purposes. Mortgage loans are either converted to securities or are sold to a third party servicing aggregator.

At December 31, 2008 Synovus had commitments to fund fixed-rate mortgage loans to customers in the amount of $317.5 million. The fair value of these commitments at December 31, 2008 was an unrealized gain of $2.4 million, which was recorded as a component of mortgage banking income in the consolidated statements of income.

At December 31, 2008, outstanding commitments to sell fixed-rate mortgage loans amounted to approximately $467.2 million. Such commitments are entered into to reduce the exposure to market risk arising from potential changes in interest rates, which could affect the fair value of mortgage loans held for sale and outstanding commitments to originate residential mortgage loans for resale.

The commitments to sell mortgage loans are at fixed prices and are scheduled to settle at specified dates that generally do not exceed 90 days. The fair value of outstanding commitments to sell mortgage loans at December 31, 2008 was an unrealized loss of $3.5 million, which was recorded as a component of mortgage banking income in the consolidated statements of income.

Synovus utilizes interest rate swaps to manage interest rate risks, primarily arising from its core banking activities. These interest rate swap transactions generally involve the exchange of fixed and floating rate interest rate payment obligations without the exchange of underlying principal amounts. Entering into interest rate derivatives potentially exposes Synovus to the risk of counterparties failure to fulfill their legal obligations including, but not limited to, potential amounts due or payable under each derivative contract. Notional principal amounts often are used to express the volume of these transactions, but the amounts potentially subject to credit risk are much smaller.

The receive fixed interest rate swap contracts at December 31, 2008 are being utilized to hedge $850 million in floating rate loans and $993.9 million in fixed-rate liabilities. A summary of interest rate contracts and their terms at December 31, 2008 and 2007 is shown below. In accordance with the provisions of SFAS No. 133, the fair value (net unrealized gains and losses) of these contracts has been recorded on the consolidated balance sheets.

(Dollars in thousands)	**Notional Amount**	**Weighted Average Receive Rate**	**Weighted Average Pay Rate***	**Weighted Average Maturity In Months**	**Unrealized Gains**	**Unrealized Losses**	**Net Unrealized Gains (Losses)**
December 31, 2008							
Receive fixed swaps:							
Fair value hedges	**$ 993,936**	**3.88%**	**1.52%**	**25**	**$ 38,482**	**(1)**	**38,481**
Cash flow hedges	**850,000**	**7.86%**	**3.25%**	**25**	**65,125**		**65,125**
Total	**$ 1,843,936**	**5.72%**	**2.31%**	**25**	**$ 103,607**	**(1)**	**103,606**

December 31, 2007									
Receive fixed swaps:									
Fair value hedges	$	1,957,500	4.97%	4.87%	25	$	20,349	(2,268)	18,081
Cash flow hedges		800,000	8.06%	7.25%	34		32,340		32,340
Total	$	2,757,500	5.87%	5.56%	28	$	52,689	(2,268)	50,421

* Variable pay rate based upon contract rates in effect at December 31, 2008 and 2007.

Synovus designates hedges of floating rate loans as cash flow hedges. These swaps hedge against the variability of cash flows from specified pools of floating rate prime based loans. Synovus calculates effectiveness of the hedging relationship quarterly using regression analysis for all cash flow hedges entered into after March 31, 2007. The cumulative dollar offset method is used for all hedges entered into prior to that date. As of December 31, 2008 cumulative ineffectiveness for Synovus portfolio of cash flow hedges represented a gain of approximately $242 thousand. Ineffectiveness from cash flow hedges is recognized in the consolidated statements of income as a component of other non-interest income.

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Synovus expects to reclassify from accumulated other comprehensive income approximately $21 million as net-of-tax income during the next twelve months, as the related payments for interest rate swaps and amortization of deferred gains (losses) are recorded.

During 2008 and 2007, Synovus terminated certain cash flow hedges which resulted in a net pre-tax gain of $2.2 million and a net pre-tax loss of $1.3 million, respectively. These gains (losses) have been included as a component of accumulated other comprehensive income (loss) and are being amortized over the shorter of the remaining contract life or the maturity of the designated instrument as an adjustment to interest income (expense). The remaining unamortized deferred gain (loss) balances at December 31, 2008 and 2007 were ($808) thousand and ($4.4) million, respectively.

Synovus terminated certain fair value hedges at the end of 2008 which resulted in a net pre-tax gain of $18.9 million. These gains have been recorded as an adjustment to the carrying value of the hedged debt obligations and are being amortized over the shorter of the remaining contract life or the maturity of the designated instrument as an adjustment to interest expense. The remaining unamortized deferred gain at December 31, 2008 was $18.9 million. There were no fair value hedges terminated during 2007.

Synovus designates hedges of fixed rate liabilities as fair value hedges. These swaps hedge against the change in fair market value of various fixed rate liabilities due to changes in the benchmark interest rate LIBOR. Synovus calculates effectiveness of the hedging relationships quarterly using regression analysis for all fair value hedges. As of December 31, 2008, cumulative ineffectiveness for Synovus portfolio of fair value hedges represented a gain of approximately $983 thousand. Ineffectiveness from fair value hedges is recognized in the consolidated statements of income as other non-interest income.

Synovus also enters into derivative financial instruments to meet the financing and interest rate risk management needs of its customers. Upon entering into these instruments to meet customer needs, Synovus enters into offsetting positions in order to minimize the risk to Synovus. These derivative financial instruments are reported at fair value with any resulting gain or loss recorded in current period earnings. As of December 31, 2008 and 2007, the notional amount of customer related derivative financial instruments, including both the customer position and the offsetting position, was $3.71 billion and $2.96 billion, respectively. At December 31, 2008, Synovus had derivative positions for customer interest rate risk management needs with unrealized gains of $201.8 million and unrealized losses of $202.9 million for a net unrealized loss of $1.1 million. The fair value of the customer positions is reflected as a component of other assets and the offsetting position is reflected as a component of other liabilities in the consolidated balance sheet at December 31, 2008.

Loan Commitments and Letters of Credit

Synovus is a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby and commercial letters of credit. These instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the consolidated financial statements.

The carrying amount of loan commitments and letters of credit closely approximates the fair value of such financial instruments. Carrying amounts include unamortized fee income and, in some instances, allowances for any estimated credit losses from these financial instruments. These amounts are not material to Synovus consolidated balance sheets.

Synovus provides credit enhancements in the form of standby letters of credit to assist certain commercial customers in obtaining long-term funding through taxable and tax-exempt bond issues. Under these agreements and under certain conditions, if the bondholder requires the issuer to repurchase the bonds, Synovus is obligated to provide funding under the letter of credit to the issuer to finance the repurchase of the bonds by the issuer. Bondholders (investors) may require the issuer to repurchase the bonds for any reason, including general liquidity needs of the investors, general industry/ market considerations, as well as changes in Synovus credit ratings. Synovus maximum exposure to credit loss in the event of nonperformance by the counterparty is represented by the contract amount of those instruments. Synovus applies the same credit policies in entering into commitments and conditional obligations as it does for loans. The maturities of the funded letters of credit range from one to fifty-nine months, and the yields on these instruments are comparable to average yields for new commercial loans. Synovus has issued approximately $1.6 billion in letters of credit related to these bond issuances. At December 31, 2008, approximately $500 million was funded under these standby letters of credit agreements, all of which is reported as a component of total loans. As of February 26, 2009, approximately $294 million has been funded subsequent to December 31, 2008 related to these bond repurchases, bringing the total amount of funding related to bond repurchases to $794 million.

The exposure to credit loss in the event of nonperformance by the other party to the financial instrument for commitments to extend credit, and standby and commercial

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letters of credit, is represented by the contract amount of those instruments. Synovus uses the same credit policies in making commitments and conditional obligations as it does for on-balance sheet instruments.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, total commitment amounts do not necessarily represent future cash requirements.

Loan commitments and letters of credit at December 31, 2008 include the following:

(In thousands)		
Standby and commercial letters of credit	**$**	**1,753,754**
Commitments to fund commercial real estate, construction, and land development loans		**1,362,512**
Unused credit card lines		**1,535,734**
Commitments under home equity lines of credit		**970,500**
Other loan commitments		**3,513,092**
Total	**$**	**9,135,592**

Lease Commitments

Synovus and its subsidiaries have entered into long-term operating leases for various facilities and equipment. Management expects that as these leases expire they will be renewed or replaced by similar leases based on need.