

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

SYNOVUS FINANCIAL CORP
Form DEF 14A
March 19, 2003

SCHEDULE 14A INFORMATION

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

Filed by the Registrant [X]

Filed by a Party other than the Registrant []

Check the appropriate box:

- [] Preliminary Proxy Statement
[] Confidential, for use of the Commission Only
(as permitted by Rule 14a-6(e)(2))
[X] Definitive Proxy Statement
[] Definitive Additional Materials
[] 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)

Payment of Filing Fee (Check the appropriate box):

- [X] No fee required
[] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1) Title of each class of securities to which transaction applies:

2) Aggregate number of securities to which transaction applies:

3) Per unit price or other underlying value of transaction
computed pursuant to Exchange Act Rule 0-11 (Set forth the amount
on which the filing fee is calculated and state how it was
determined):

4) Proposed maximum aggregate value of transaction:

5) Total fee paid:

- [] Fee paid previously with preliminary materials.
[] Check box if any part of the fee is offset as provided by Exchange Act
Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid
previously. Identify the previous filing by registration statement number, or
the Form or Schedule and the date of its filing.

1) Amount Previously Paid:

2) Form, Schedule or Registration Statement No.:

3) Filing Party:

4) Date Filed:

[LOGO] (R)
SYNOVUS (R)

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

JAMES H. BLANCHARD
CHAIRMAN OF THE BOARD

March 21, 2003

Dear Shareholder:

You are cordially invited to attend our Annual Meeting of Shareholders at 10:00 a.m. on Thursday, April 24, 2003, at the RiverCenter for the Performing Arts, 900 Broadway, Columbus, Georgia 31901. Enclosed with this Proxy Statement are your proxy card and the 2002 Annual Report.

We hope that you will be able to be with us and let us give you a review of 2002. If you are unable to attend the meeting, you can listen to it live and view the slide presentation over the Internet. You can access the meeting by going to our website at www.synovus.com. Additionally, we will maintain copies of the slides and audio of the presentation to the 2003 Annual Meeting on the website for reference after the meeting.

Once again this year, we are offering you the option to receive proxy materials electronically via the Internet. You can sign up by following the simple instructions contained in this mailing. Consenting to view future annual reports and proxy statements on the Internet will save Synovus money by reducing printing and postage costs. If you have a computer with Internet access, we hope you will try this electronic distribution method.

Whether you own a few or many shares of stock and whether or not you plan to attend in person, it is important that your shares be voted on matters that come before the meeting. To make sure your shares are represented, we urge you to vote promptly.

Thank you for helping us make 2002 a good year. We look forward to your continued support in 2003 and another good year.

Sincerely yours,
/s/James H. Blanchard
JAMES H. BLANCHARD

Synovus Financial Corp. Post Office Box 120 Columbus, Georgia 31902-0120

SYNOVUS (R)

NOTICE OF THE 2003 ANNUAL MEETING OF SHAREHOLDERS

TIME..... 10:00 a.m. E.T.
Thursday, April 24, 2003

PLACE..... RiverCenter for the Performing Arts
900 Broadway
Columbus, Georgia 31901

- ITEMS OF BUSINESS.. (1) To elect three directors to serve until the Annual Meeting of Shareholders in 2006.
- (2) 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 17, 2003.

ANNUAL REPORT..... A copy of the Annual Report is enclosed.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

PROXY VOTING..... Your vote is important. Please vote in one of these ways:

- (1) Use the toll-free telephone number shown on the proxy card;
- (2) Visit the 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.

/s/G. Sanders Griffith, III
G. SANDERS GRIFFITH, III
Secretary

Columbus, Georgia
March 21, 2003

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

TABLE OF CONTENTS

Voting Information.....1
Election of Directors.....3
Board of Directors.....6
Audit Committee Report.....8
Directors' Compensation.....9
Executive Officers.....10
Stock Ownership of Directors and Executive Officers.....10
Executive Compensation.....11
Stock Performance Graph.....15
Compensation Committee Report on Executive Compensation.....15
Compensation Committee Interlocks and
Insider Participation.....18
Transactions With Management.....19
Principal Shareholders.....20
Relationships Between Synovus, Columbus Bank, TSYS and
Certain of Synovus' Subsidiaries and Affiliates.....21
Section 16(a) Beneficial Ownership Reporting Compliance.....24
Independent Auditors.....24
General Information:
Financial Information.....24
Shareholder Proposals for the 2004 Proxy Statement.....24
Director Nominees or Other Business for Presentation
at the 2004 Annual Meeting.....25
Solicitation of Proxies.....25
Householding.....25
Financial Appendix.....F-1

PROXY STATEMENT
VOTING INFORMATION

PURPOSE

This Proxy Statement and the accompanying proxy card are being mailed to Synovus shareholders beginning March 21, 2003. The Synovus Board of Directors is soliciting proxies to be used at the 2003 Annual Meeting of Synovus Shareholders which will be held on April 24, 2003, at 10:00 a.m., at the RiverCenter for the

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Performing Arts, 900 Broadway, Columbus, Georgia. 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 of Shareholders or any adjournment of that meeting.

WHO CAN VOTE

You are entitled to vote if you were a shareholder of record of Synovus stock as of the close of business on February 17, 2003. Your shares can be voted at the meeting only if you are present or represented by a valid proxy.

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 of Synovus Shareholders. On February 17, 2003, 300,449,238 shares of Synovus stock were outstanding.

PROXY CARD

The Board has designated two individuals to serve as proxies to vote the shares represented by proxies at the Annual Meeting of Shareholders.

If you sign the proxy card but do not specify how you want your shares to be voted, your shares will be voted by the designated proxies in favor of the election of all of the director nominees. The designated proxies will vote in their discretion on any other matter that may properly come before the meeting. At the date the Proxy Statement went to press, we did not anticipate that any other matters would be raised at the Annual Meeting.

VOTING OF SHARES

Holders of Synovus stock are entitled to ten votes on each matter submitted to a vote of shareholders for each share of Synovus stock owned on February 17, 2003 which: (i) has had the same owner since February 17, 1999; (ii) 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; (iii) 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; (iv) 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; (v) 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; (vi) 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 17, 1999; (vii) 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 (viii) is owned by a holder

1

who, in addition to shares which are owned under the provisions of (i)-(vii) 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

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

by means of a stock split, a stock dividend, a recapitalization or otherwise). Shareholders 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 stock will be based on information possessed by Synovus at the time of the Annual Meeting.

As Synovus stock is registered with the Securities and Exchange Commission and is traded on the New York Stock Exchange, 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 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 PROXY CARDS THAT THEY ARE ENTITLED TO TEN VOTES PER SHARE WILL BE ENTITLED TO ONLY ONE VOTE PER SHARE.

Synovus Dividend Reinvestment and Direct Stock Purchase Plan: If you participate in this Plan, your proxy card represents shares held in the Plan, as well as shares you hold directly in certificate form registered in the same name.

REQUIRED VOTES - ELECTION OF DIRECTOR NOMINEES

Directors are elected by a plurality of the votes, which means the three nominees who receive the largest number of properly executed votes will be elected as directors. Cumulative voting is not permitted. Shares that are represented by proxies which are marked "withhold authority" for the election of one or more director nominees will not be counted in determining the number of votes cast for those persons.

TABULATION OF VOTES

Under certain circumstances, brokers are prohibited from exercising discretionary authority for beneficial owners who have not returned proxies to the brokers (so-called "broker non-votes"). In such 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 in the vote totals with respect to those matters and, therefore, will have no effect on the vote. In addition, if a broker indicates on the proxy card that it does not have discretionary authority on other matters considered at the meeting, those shares will not be counted in determining the number of votes cast with respect to those matters.

2

HOW YOU CAN VOTE

You may vote by proxy or in person at the meeting. To vote by proxy, you may select one of the following options:

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

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 it in the postage-paid envelope provided.

REVOCAION OF PROXY

If you vote by proxy, you may revoke that proxy at any time before it is voted at the meeting. You may do this by (a) signing another proxy card with a later date and returning it to us prior to the meeting, (b) voting again by telephone or on the Internet prior to the meeting, or (c) attending the meeting in person and casting a ballot.

COLUMBUS BANK AND TRUST COMPANY AND TOTAL SYSTEM SERVICES, INC.

Synovus is the owner of all of the issued and outstanding shares of common stock of Columbus Bank and Trust Company(R) ("Columbus Bank"). Columbus Bank owns individually 81% of the outstanding shares of Total System Services, Inc.(R) ("TSYS(R)"), an electronic transaction processing company.

ELECTION OF DIRECTORS

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

NUMBER

At the date of this Proxy Statement, the Board of Directors of Synovus consists of 18 members. As 20 board seats have been authorized by Synovus' shareholders, Synovus has two directorships which remain vacant. These vacant directorships could be filled in the future at the discretion of Synovus' Board of Directors. This discretionary power gives Synovus' Board of Directors the flexibility of appointing new directors in the periods between Synovus' Annual Meetings should suitable candidates come to its attention. The Board is divided into three classes whose terms are staggered so that the term of one class expires at each Annual Meeting of Shareholders. The terms of office of the Class I directors expire at the 2004 Annual Meeting, the terms of office of the Class II directors expire at the 2005 Annual Meeting and the terms of office of the Class III directors expire at the 2003 Annual Meeting. Three director nominees have been nominated for election as Class III directors at this meeting. Proxies cannot be voted at the 2003 Annual Meeting for a greater number of persons than

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

the number of nominees named.

3

NOMINEES

The following nominees have been selected by the Corporate Governance Committee and approved by the Board for submission to the shareholders:

Richard Y. Bradley, John P. Illges, III and William B. Turner.

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 Committee. If you do not wish your shares voted for one or more of the nominees, you may so indicate on the proxy.

MEMBERS OF THE BOARD OF DIRECTORS

Following is the principal occupation, age and certain other information for each director nominee and other directors serving unexpired terms.

MEMBERS OF THE BOARD OF DIRECTORS

Following is the principal occupation, age and certain other information for each director nominee and other directors serving unexpired terms.

Name	Age	Synovus Director Classification	Year First Elected Director	Principal Occupation and Other Information
Daniel P. Amos (1)	51	II	2001	Chief Executive Officer and D AFLAC Incorporated (Insurance Company); Director, Southern
Richard E. Anthony (2)	56	II	1993	Vice Chairman of the Board, Synovus Financial Corp.; Chai of the Board, First Commercia of Birmingham (Banking Subsid of Synovus)
Joe E. Beverly	61	II	1983	Chairman of the Board, Commer Bank, Thomasville, Georgia (Banking Subsidiary of Synovu Director, Flowers Foods, Inc. Plum Creek Timber Company, In
James H. Blanchard (3)	61	I	1972	Chairman of the Board and Chi Executive Officer, Synovus Fi Corp.; Chairman of the Execut Committee, Total System Servi Inc.; Director, BellSouth Cor
Richard Y. Bradley	64	III	1991	Partner, Bradley & Hatcher (L Firm); Director, Total System Services, Inc.
Walter M. Deriso, Jr. (4)	56	II	1997	Vice Chairman of the Board, Synovus Financial Corp.; Chai of the Board, Security Bank a

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Name	Age	Class	Year	Position
				Trust Company, Albany, Georgia (Banking Subsidiary of Synovus)
C. Edward Floyd, M.D.	68	I	1995	Vascular Surgeon
Gardiner W. Garrard, Jr.	62	I	1972	President, The Jordan Company (Real Estate Development); Director, Total System Services, Inc.
V. Nathaniel Hansford(5)	59	I	1985	President, North Georgia College and State University
		4		
John P. Illges, III	68	III	1997	Senior Vice President and Financial Consultant, Retired, The Robi Company, Inc. (Stockbroker); Director, Total System Services, Inc.
Elizabeth R. James(6)	41	II	2001	Vice Chairman of the Board, Chief Officer and Chief People Officer, Synovus Financial Corp.
Alfred W. Jones III	45	I	2001	Chairman of the Board and Chief Officer, Sea Island Company (Real Estate Development and Management); Director, Total System Services, Inc.
Mason H. Lampton	55	II	1993	Chairman of the Board and President, The Hardaway Company and Chairman of the Board, Standard Concrete Products (Construction Companies); Director, Total System Services, Inc.
Elizabeth C. Ogie(7)	52	II	1993	Private Investor
H. Lynn Page	62	I	1978	Director, Synovus Financial Corp., Columbus Bank and Trust Company and Total System Services, Inc.
Melvin T. Stith	56	II	1998	Dean, College of Business, Florida State University; Director, Correctional Services Corp.
William B. Turner(7) (8)	80	III	1972	Chairman of the Executive Committee, Columbus Bank and Trust Company and Synovus Financial Corp.; Advisory Director, W. C. Bradley Co. (Metal Manufacturing and Real Estate); Director, Total System Services, Inc.
James D. Yancey(9)	61	I	1978	President and Chief Operating Officer, Synovus Financial Corp.; Chairman of Columbus Bank and Trust Company and Director, Total System Services, Inc.

 (1) Mr. 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.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

- (2) Richard E. Anthony was elected Vice Chairman of Synovus in September 1995. Prior to 1995, Mr. Anthony served, and continues to serve, as President of Synovus Financial Corp. of Alabama and Chairman of the Board of First Commercial Bank of Birmingham, both of which companies are subsidiaries of Synovus.

5

- (3) James H. Blanchard was elected Chairman of the Board of Synovus in April 1986. Prior to 1986, Mr. Blanchard served in various capacities with Synovus, Columbus Bank and/or TSYS, including President of Synovus.
- (4) Walter M. Deriso, Jr. was elected Vice Chairman of Synovus in January 1997. Prior to 1997, Mr. Deriso served as President of Security Bank and Trust Company.
- (5) V. Nathaniel Hansford was elected President of North Georgia College and State University in July 1999. Prior to 1999, Mr. Hansford served as Professor and Dean Emeritus of the University of Alabama School of Law.
- (6) Ms. James was elected Vice Chairman of Synovus in May 2000. Prior to 2000, Ms. James served in various capacities with Synovus, Columbus Bank and/or TSYS, including Chief Information Officer and Chief People Officer of Synovus.
- (7) Elizabeth C. Ogie is William B. Turner's niece.
- (8) William B. Turner was elected Chairman of the Executive Committee of Synovus in April 1986. Prior to 1986, Mr. Turner served in various capacities with Synovus and/or Columbus Bank, including Chairman of the Board of both Synovus and Columbus Bank.
- (9) James D. Yancey was elected President and Chief Operating Officer of Synovus in April 1998. Prior to 1998, Mr. Yancey served in various capacities with Synovus and/or Columbus Bank, including Vice Chairman of the Board and President of both Synovus and Columbus Bank.

BOARD OF DIRECTORS

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, which include Synovus employees, customers and the communities in which it does business. 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. The Corporate Governance Committee conducts an annual review of corporate governance procedures. As part of this review, the Corporate Governance Committee is monitoring the rules proposed by the New York Stock Exchange with respect to corporate governance and the rules of the Securities and Exchange Commission as mandated by the Sarbanes-Oxley Act of 2002. The Board will adopt changes to its corporate governance policies and practices, as appropriate, to comply with any rule changes made by the Securities and Exchange Commission and the New York Stock Exchange. A majority of Synovus' directors are independent, nonemployee directors as defined in Synovus' Board of Directors Guidelines on Significant Corporate Governance Issues.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

SUBMISSION OF DIRECTOR CANDIDATES

Shareholders who wish to suggest qualified candidates for consideration as directors of Synovus by the Corporate Governance Committee should write to: Corporate Secretary, Synovus Financial Corp., 901 Front Avenue, Suite 301, Columbus, Georgia 31901, stating in detail the qualifications of such persons.

BOARD AND COMMITTEE MEETINGS

The Board of Directors held four meetings in 2002. All directors attended at least 75% of Board and committee meetings held during their tenure during 2002, except Daniel P. Amos and Alfred W. Jones III. The average attendance by directors at the aggregate number of Board and committee meetings they were scheduled to attend was 94%.

6

COMMITTEES OF THE BOARD

Synovus' Board of Directors has four principal standing committees -- an Executive Committee, an Audit Committee, a Corporate Governance Committee and a Compensation Committee. The following table shows the membership of the various committees.

Executive	Audit	Corporate Governance	Compensation
William B. Turner, Chair James H. Blanchard Richard Y. Bradley Gardiner W. Garrard, Jr. John P. Illges, III Mason H. Lampton James D. Yancey	John P. Illges, III, Chair H. Lynn Page Melvin T. Stith	Richard Y. Bradley, Chair Daniel P. Amos C. Edward Floyd Elizabeth C. Ogie	Gardiner W. Garrard, Jr. V. Nathaniel Alfred W. Jones III Mason H. Lampton

Executive Committee. Synovus' Executive Committee held three meetings in 2002. 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.

Audit Committee. Synovus' Audit Committee held seven meetings in 2002. Its Report begins on page 8. The primary functions to be engaged in by Synovus' Audit Committee include:

- . Monitoring the quality and integrity of Synovus' financial reporting process and systems of internal controls regarding finance, accounting, regulatory and legal compliance;
- . Monitoring the independence and performance of Synovus' independent auditors and internal auditing activities; and
- . Providing an avenue of communication among the independent auditors, management, internal audit and the Board of Directors.

Corporate Governance Committee. Synovus' Corporate Governance Committee held three meetings in 2002. The primary functions to be engaged in by Synovus' Corporate Governance Committee include:

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

- . Making recommendations to the Board regarding the governance of Synovus as reflected in Synovus' Articles of Incorporation and bylaws;
- . Making recommendations to the Board regarding Board administration, including developing criteria for selecting and retaining Board members, seeking qualified candidates for the Board and recommending assignment of Board members to appropriate Board committees;
- . Making recommendations to the Board regarding a policy and program regarding director compensation and annual assessment of Board performance;
- . Establishing procedures for the Chief Executive Officer's annual performance review; and
- . Establishing procedures for annual reviews of succession planning and management development.

Compensation Committee. Synovus' Compensation Committee held four meetings in 2002. Its Report on Executive Compensation begins on page 15. The primary functions to be engaged in by Synovus' Compensation Committee include:

7

- . The design and oversight of Synovus' executive compensation program;
- . The design and oversight of all compensation and benefit programs in which employees, officers and directors of Synovus are eligible to participate; and
- . Performing an annual evaluation of the Chief Executive Officer.

AUDIT COMMITTEE REPORT

The Audit Committee of the Board of Directors is comprised of three directors who the Board and Audit Committee believe are independent as defined in the New York Stock Exchange's listing standards.

In accordance with its written charter adopted by the Board of Directors, the Audit Committee assists the Board with fulfilling its oversight responsibility regarding the quality and integrity of Synovus' financial reporting process. In discharging its oversight responsibilities regarding the audit process, the Audit Committee:

- . Reviewed and discussed with management Synovus' audited financial statements as of and for the year ended December 31, 2002;
- . Discussed with KPMG LLP, Synovus' independent auditors, 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 Independence Standards Board Standard No. 1 (Independence Discussions with Audit Committees) 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 financial statements referred to above be included in Synovus' Annual Report on Form 10-K for the year ended December 31, 2002, to be filed with the Securities and Exchange Commission.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

This Audit Committee Report shall not be deemed incorporated by reference in any document previously or subsequently filed with the Securities and Exchange Commission that incorporates by reference all or any portion of this Proxy Statement, except to the extent Synovus specifically requests that the Report be specifically incorporated by reference.

The Audit Committee

John P. Illges, III
H. Lynn Page
Melvin T. Stith

FEES PAID TO KPMG LLP

The following table presents fees for professional audit services rendered by KPMG LLP for the audit of Synovus' annual financial statements for 2002, and fees billed for other services rendered by KPMG LLP. All amounts include fees for services provided to TSYS by KPMG.

Audit fees, including out-of-pocket expenses	\$ 846,000
	=====
Financial information systems design and implementation	\$ 0
	=====
All other fees, including out of pocket expenses:	
Audit related fees (1)	788,000
Other non-audit services (2)	308,000

Total all other fees	\$1,096,000
	=====

8

- (1) Audit related fees consisted principally of audits of financial statements of employee benefit plans, reviews of registration statements, issuance of consents and other filing matters related to such registration statements, audits of financial statements of subsidiaries, customer and synthetic lease compliance reports, reports on data center reviews, assistance to internal audit in certain computer control technical audits, due diligence assistance on potential acquisition transactions, technical accounting assistance on certain completed transactions and the performance of other procedures to meet applicable regulatory requirements.
- (2) Other non-audit fees consisted of tax compliance, tax planning associated with international operations, tax services in connection with employees residing in foreign countries, tax opinion letters in connection with acquisitions and due diligence assistance in connection with a customer transaction.

The Audit Committee has considered whether the provision of the non-audit services to Synovus described above is compatible with maintaining KPMG's independence.

DIRECTORS' COMPENSATION

COMPENSATION

During 2002, directors received the following compensation:

Annual retainer	\$20,000
Attendance fee for each Board meeting	\$ 1,800
Attendance fee for each Executive Committee meeting,	

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

including the chairman	\$ 1,800
Attendance fee for each committee meeting chaired, other than executive	\$ 1,200
Attendance fee for committee meetings, other than executive	\$ 750

Directors may elect to defer all or a portion of their cash compensation. Deferred amounts are deposited into one or more investment funds chosen by the director. All deferred fees are payable in cash.

DIRECTOR STOCK PURCHASE PLAN

Synovus' Director Stock Purchase Plan is a nontax-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.

CONSULTING SERVICES

H. Lynn Page, a director and the former Vice Chairman of the Board of Synovus, and Synovus are parties to a Consulting Agreement pursuant to which Mr. Page was paid \$24,000 by Synovus during 2002 for providing consulting and advisory services to Synovus in connection with portfolio management and potential opportunities for business expansion.

Joe E. Beverly, a director and the former Vice Chairman of the Board of Synovus, and Synovus are parties to a Retirement Agreement pursuant to which Mr. Beverly was paid \$24,000 by Synovus during 2002 for providing consulting and advisory services to Synovus relating to Synovus' affiliate banks.

9

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
-----	---	-----
James H. Blanchard	61	Chairman of the Board and Chief Executive Officer
William B. Turner	80	Chairman of the Executive Committee
James D. Yancey	61	President and Chief Operating Officer
Richard E. Anthony	56	Vice Chairman of the Board
Walter M. Deriso, Jr.	56	Vice Chairman of the Board
Elizabeth R. James	41	Vice Chairman of the Board, Chief Information Officer and Chief People Officer
G. Sanders Griffith, III	49	Senior Executive Vice President, General Counsel and Secretary
Thomas J. Prescott	48	Executive Vice President and Chief Financial Officer
Mark G. Holladay	47	Executive Vice President and Chief Credit Officer
Calvin Smyre	55	Executive Vice President, Corporate Affairs

G. Sanders Griffith, III was elected Senior Executive Vice President, General Counsel and Secretary of Synovus in October 1995. From 1988 until 1995,

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Mr. Griffith served in various capacities with Synovus, including Executive Vice President, General Counsel and Secretary. 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. Mark G. Holladay was elected Executive Vice President and Chief Credit Officer of Synovus in April 2000. From 1974 until 2000, Mr. Holladay served in various capacities with Columbus Bank, including Executive Vice President. Calvin Smyre was elected Executive Vice President of Synovus in November 1996. From 1976 until 1996, Mr. Smyre served in various capacities with Columbus Bank and/or Synovus, including Senior Vice President of Synovus.

STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth ownership of shares of Synovus stock by each director, by each executive officer named in the Summary Compensation Table on page 12 and by all directors and executive officers as a group as of December 31, 2002.

Name	Shares of Synovus Stock Beneficially Owned with Sole Voting and Invest- ment Power as of 12/31/02	Shares of Synovus Stock Beneficially Owned with Shared Voting and Invest- ment Power as of 12/31/02	Shares of Synovus Stock Beneficially Owned with Sole Voting but no Invest- ment Power as of 12/31/02	Total Shares of Synovus Stock Beneficially Owned as of 12/31/02 (1)
Daniel P. Amos	47,318	408,803	---	456,121
Richard E. Anthony	517,380	192,694	4,719	1,061,894
Joe E. Beverly	394,391	29,100	---	527,981
James H. Blanchard	1,057,694	207,160	112,968	3,015,500
Richard Y. Bradley	23,317	84,887	---	108,204
Walter M. Deriso, Jr.	35,021	589	---	271,048
C. Edward Floyd, M.D.	842,331	269,365	---	1,111,696
Gardiner W. Garrard, Jr.	204,147	968,419	---	1,172,566

10

G. Sanders Griffith, III	102,310	3,072	60,330	684,934
V. Nathaniel Hansford	128,619	416,373	---	544,992
John P. Illges, III	280,704	441,429	---	722,133
Elizabeth R. James	22,843	105	---	111,922
Alfred W. Jones III	6,002	---	---	6,002
Mason H. Lampton	92,991	279,761 (2)	---	372,752
Elizabeth C. Ogie	502,548	2,852,710 (3)	---	3,355,258
H. Lynn Page	753,096	11,515	---	764,611
Melvin T. Stith	4,116	104	---	4,220
William B. Turner	1,037,319	3,687,367 (3)	---	4,724,686
James D. Yancey	1,013,683	90,650	---	2,192,411
Directors and Executive Officers as a Group (22 persons)	7,187,180	7,251,005 (3)	179,478	18,962,372

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

(1) The totals shown for the following directors and executive officers of Synovus include the number of shares of Synovus stock that each individual has the right to acquire within 60 days through the exercise of stock options:

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Person -----	Number of Shares -----
Richard E. Anthony	347,101
Joe E. Beverly	104,490
James H. Blanchard	1,637,678
Walter M. Deriso, Jr.	235,438
G. Sanders Griffith, III	519,222
Elizabeth R. James	88,974
James D. Yancey	1,088,078

In addition, the other executive officers of Synovus have rights to acquire an aggregate of 323,728 shares of Synovus stock within 60 days through the exercise of stock options.

- (2) Includes 276,187 shares of Synovus stock held in a trust for which Mr. Lampton is not the trustee. Mr. Lampton disclaims beneficial ownership of such shares.
- (3) Includes 2,693,098 shares of Synovus stock held by a charitable foundation of which Mrs. Ogie and Mr. Turner are among the trustees.

For a detailed discussion of the beneficial ownership of TSYS stock by Synovus' named executive officers and directors and by all directors and executive officers of Synovus as a group, see "TSYS Stock Ownership of Directors and Management" on page 21.

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table summarizes the cash and noncash compensation for each of the last three fiscal years for the chief executive officer of Synovus and for the other four most highly compensated executive officers of Synovus.

11

Name and Principal Position	Year	SUMMARY COMPENSATION TABLE			Other Annual Compen- sation(1)	Long-Term Compensat Restricted Stock Award(s) (2)
		Salary	Bonus	Annual Compensation		
James H. Blanchard Chairman of the Board and Chief Executive Officer	2002	\$746,500	\$388,180	\$10,000	\$ -0-	
	2001	714,000	571,200	15,000	-0-	
	2000	685,000	-0-	4,000	-0-	
James D. Yancey President and Chief Operating Officer	2002	565,000	293,800	20,000	-0-	
	2001	540,500	432,400	20,000	-0-	
	2000	515,000	-0-	4,000	-0-	
Richard E. Anthony Vice Chairman of the Board	2002	420,500	153,062	10,000	-0-	
	2001	397,500	236,513	10,000	106,688	
	2000	375,000	-0-	4,000	145,624	
Walter M. Deriso, Jr. Vice Chairman of the	2002	382,292	86,971	9,167	-0-	
	2001	342,500	71,925	10,000	-0-	

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Board	2000	322,500	-0-	4,000	-0-
G. Sanders Griffith, III	2002	350,625	127,628	-0-	-0-
Senior Executive Vice	2001	333,125	198,209	-0-	-0-
President, General Counsel and Secretary	2000	316,000	-0-	-0-	-0-

- (1) Amount for 2002 includes matching contributions under the Synovus Director Stock Purchase Plan of \$10,000 for each of Mr. Yancey and Mr. Anthony and \$9,167 for Mr. Deriso and matching contributions under the TSYS Director Stock Purchase Plan of \$10,000 for each of Mr. Blanchard and Mr. Yancey. Perquisites and other personal benefits are excluded because the aggregate amount does not exceed the lesser of \$50,000 or 10% of annual salary and bonus for the named executives.
- (2) As of December 31, 2002, Mr. Anthony held 6,652 restricted shares with a value of \$126,388. Dividends are paid on all restricted shares.
- (3) The 2002 amount includes director fees of \$65,200, \$66,600, \$27,200 and \$27,200 for Messrs. Blanchard, Yancey, Anthony and Deriso, respectively, in connection with their service as directors of Synovus and certain of its subsidiaries; contributions or other allocations to defined contribution plans of \$23,400 for each executive; allocations pursuant to defined contribution excess benefit agreements of \$130,771 \$93,296, \$53,470, \$29,743 and \$40,814 for each of Messrs. Blanchard, Yancey, Anthony Deriso and Griffith, respectively; premiums paid for group life insurance coverage of \$900, \$900, \$757, \$688 and \$631 for each of Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith, respectively; the economic benefit of life insurance coverage related to split-dollar life insurance policies of \$3,587, \$1,200, \$863, \$530 and \$3,407 for each of Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith, respectively; and the dollar value of the benefit of premiums paid for split-dollar life insurance policies (unrelated to term life insurance coverage) projected on an actuarial basis of \$35,550, \$22,694, \$23,967, \$3,245 and \$11,663 for each of Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith, respectively.

STOCK OPTION EXERCISES AND GRANTS

The following tables provide certain information regarding stock options granted and exercised in the last fiscal year and the number and value of unexercised options at the end of the fiscal year.

OPTION/SAR GRANTS IN LAST FISCAL YEAR						
Individual Grants						
Name	Options/ SARs Granted (#)	% of Total Options/ SARs Granted to Employees in Fiscal Year	Exercise or Base Price (\$/Share)	Expiration Date	Potent Realiz Assume Stock For Op ----- 5% (\$)	
James H. Blanchard	61,811 (2)	3.16%	\$26.50	04/28/12	\$781,9	
James D. Yancey	46,783 (2)	2.40	26.50	04/28/12	591,8	

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Richard E. Anthony	23,208(2)	1.19	26.50	04/28/12	293,5
Walter M. Deriso, Jr.	19,811(2)	1.00	26.50	04/28/12	250,6
G. Sanders Griffith, III	19,316(2)	1.00	26.50	04/28/12	244,3

(1) The dollar gains under these columns result from calculations using the identified growth rates and are not intended to forecast future price appreciation of Synovus stock.

(2) Options granted on April 29, 2002 at fair market value. Options become exercisable on April 29, 2004. Options are transferable to family members.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR AND FY-END
OPTION/SAR VALUES

Name	Shares Acquired on Exercise (#)	Value Realized (\$)(1)	Number of Securities Underlying Unexercised Options/SARs at FY-End (#)		Value of Unexercised In- Options/SARs at Exercisable/Un-
			Exercisable/Unexercisable	Exercisable/Un-	
James H. Blanchard	85,841	\$1,794,875	1,565,189 /	1,634,300	\$ 7,366,221 / \$
James D. Yancey	55,323	1,182,214	1,042,341 /	592,520	4,211,352 /
Richard E. Anthony	75,938	1,145,851	334,323 /	435,986	1,252,304 /
Walter M. Deriso, Jr.	4,625	101,809	213,200 /	442,049	364,093 /
G. Sanders Griffith, III	-0-	-0-	497,648 /	440,890	2,053,585 /

(1) Market value of underlying securities at exercise or year-end, minus the exercise or base price.

EMPLOYMENT CONTRACTS AND CHANGE IN CONTROL ARRANGEMENTS

Employment Agreement with Mr. Blanchard. Synovus entered into an Employment Agreement with Mr. Blanchard, Chairman of the Board of Directors and Chief Executive Officer of Synovus, effective September 13, 1999. Under the Employment Agreement, Mr. Blanchard agreed to serve as Chairman and CEO of Synovus for five years, and to remain employed by Synovus for seven years. Under this Agreement, Mr. Blanchard receives a base salary that is determined on an annual basis by the Synovus Compensation Committee. During 2002, Synovus paid Mr. Blanchard a base salary of \$746,500 under this Employment Agreement. The Employment Agreement with Mr. Blanchard also provides that Mr. Blanchard will receive deferred compensation totaling \$468,000 over a 10 to 15 year period following his death, disability or other termination of employment. This deferred compensation may be forfeited in the event Synovus terminates his employment for cause, he violates a 2-year covenant not to compete, or in the event of his death by suicide.

Employment Agreement with Mr. Yancey. Synovus has entered into an Employment Agreement with Mr. Yancey, President and Chief Operating Officer of Synovus. Mr. Yancey's Employment Agreement automatically renews every year and may be terminated upon 30 days

prior written notice. Under this Agreement, Mr. Yancey receives a base salary that is determined on an annual basis by the Synovus Compensation Committee.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

During 2002, Synovus paid Mr. Yancey a base salary of \$565,000 under this Employment Agreement. The Employment Agreement with Mr. Yancey also provides that Mr. Yancey will receive deferred compensation totaling \$375,000 over a 10 to 15 year period following his death, disability or other termination of employment. This deferred compensation may be forfeited in the event Synovus terminates his employment for cause, he violates a 2-year covenant not to compete, or in the event of his death by suicide.

Long-Term Incentive Plans. Under the terms of Synovus' 1992, 1994, 2000 and 2002 Long-Term Incentive Plans, all awards become automatically vested in the event of a Change of Control, as defined below, unless otherwise determined by the Committee at grant. Awards under the Plans may include stock options, restricted stock, stock appreciation and performance awards. Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith each have received restricted stock and stock options under the Long-Term Incentive Plans.

Change of Control Agreements. Synovus has entered into Change of Control Agreements with Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith, and certain other executive officers. In the event of a Change of Control, an executive would receive the following:

- * Three times the executive's current base salary and bonus (bonus is defined as the average bonus over the past three years measured as a percentage multiplied by the executive's current base salary).
- * Three years of medical, life, disability and other welfare benefits.
- * A pro rata bonus through the date of termination for the separation year.
- * A cash amount in lieu of a long-term incentive award for the year of separation equal to 1.5 times the normal market grant, if the executive received a long-term incentive award in the year of separation, or 2.5 times the market grant if not.

In order to receive these benefits, an executive must be actually or constructively terminated within one year following a Change of Control, or the executive may voluntarily or involuntarily terminate employment during the thirteenth month following a Change of Control. A Change of Control under these agreements is defined as: (i) the acquisition of 20% or more of the "beneficial ownership" of Synovus' outstanding voting stock, with certain exceptions for Turner family members; (ii) the persons serving as directors of Synovus as of January 1, 1996, and their replacements or additions, ceasing to comprise at least two-thirds of the Board members; (iii) a merger, consolidation, reorganization or sale of Synovus' assets unless the prior owners of Synovus own more than two-thirds of the new company, no person owns more than 20% of the new company, and two-thirds of the new company's Board members are prior Board members of Synovus; or (iv) a triggering event occurs as defined in the Synovus Rights Agreement. In the event an executive is impacted by the Internal Revenue Service excise tax that applies to certain Change of Control arrangements, the executive would receive additional payments so that he or she would be in the same position as if the excise tax did not apply. The Change of Control Agreements do not provide for any retirement benefits or perquisites.

14

STOCK PERFORMANCE GRAPH

The following graph compares the yearly percentage change in cumulative shareholder return on Synovus stock with the cumulative total return of the Standard & Poor's 500 Index and the Keefe, Bruyette & Woods 50 Bank Index for the last five fiscal years (assuming a \$100 investment on December 31, 1997 and

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

reinvestment of all dividends).

[Omitted Stock Performance Graph is represented by the following table.]

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN
SYNOVUS FINANCIAL CORP., S&P 500 AND KBW 50 BANK INDEX

	1997	1998	1999	2000	2001	2002
	----	----	----	-----	-----	-----
Synovus	\$100	\$111	\$ 94	\$130	\$123	\$ 98
S&P 500	\$100	\$129	\$156	\$141	\$125	\$ 97
KBW 50	\$100	\$108	\$105	\$125	\$120	\$112

COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation Committee ("Committee") of Synovus is responsible for the design and oversight of the Synovus executive compensation program, as well as the compensation and other benefit plans in which officers, employees and directors of Synovus and its subsidiaries participate. The Committee has designed its compensation program to attract and retain highly motivated and well-trained executives in order to create superior shareholder value for Synovus shareholders.

15

Elements of Executive Compensation. The four elements of executive compensation at Synovus are:

- * Base Salary
- * Annual Bonus
- * Long-Term Incentives
- * Other Benefits

The Committee believes that a substantial portion (though not a majority) of an executive's compensation should be at risk based upon performance, both in the short-term (through the annual bonus and the Synovus/TSYS Profit Sharing Plan and the Synovus/TSYS 401(k) Savings Plan) and long-term (through long-term incentives such as stock options and restricted stock awards). The remainder of each executive's compensation is primarily based upon the competitive practices of banks similar in size to Synovus, with a premium added to reflect the past performance of Synovus and the technology component of TSYS' business ("similar companies"). The Committee believes that this approach is the most appropriate market data to use for determining the compensation of Synovus executives. The companies used for comparison under this approach are not the same companies included in the peer group index appearing in the Stock Performance Graph on page 15. Each element of executive compensation is discussed in detail below.

Base Salary. Base salary is an executive's annual rate of pay without regard to any other elements of compensation. The primary consideration used by the Committee to determine an executive's base salary is a market comparison of comparable positions within similar companies based upon the executive's level of responsibility and experience. Base salaries are targeted in the median level of similar companies. In addition to market comparisons, individual performance is also considered in determining an executive's base salary, although it does not weigh heavily. Based solely upon market comparisons, the Committee increased Mr. Blanchard's base salary in 2002, as well as the base salaries of Synovus' other executive officers.

Annual Bonus. The Committee awards annual bonuses under two different

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

plans, the Synovus Executive Bonus Plan (which was approved by Synovus shareholders in 2001) and the Synovus Incentive Bonus Plan. The Committee selects the participants in each Plan from year to year. For 2002, the Committee selected Messrs. Blanchard and Yancey to participate in the Executive Bonus Plan while Messrs. Anthony, Deriso and Griffith were selected to participate in the Incentive Bonus Plan. Under the terms of the Plans, bonus amounts are paid as a percentage of base pay based on the achievement of performance goals that are established each year by the Committee. The performance goals may be chosen by the Committee from among the following measurements:

- * Return on assets;
- * Net income;
- * Operating income;
- * Non-performing assets and/or loans as a percentage of total assets and/or loans;
- * Return on capital compared to cost of capital;
- * Earnings per share and/or earnings per share growth;
- * Return on equity;
- * Non-interest expense as a percentage of total expense;
- * Loan charge-offs as a percentage of loans;
- * Productivity and expense control;
- * Number of cardholder, merchant and/or other customer accounts processed and/or converted by TSYS;
- * Successful negotiation or renewal of contracts with new and/or existing customers by TSYS;
- * Stock price; and
- * Asset growth.

16

The Committee established a payout matrix based on attainment of net income goals during 2002 for Mr. Blanchard and Synovus' other executive officers. The maximum percentage payouts under the Plans for 2002 were 100% for Messrs. Blanchard and Yancey and 70% for Messrs. Anthony, Deriso and Griffith. Synovus' financial performance and each executive's individual performance can reduce the bonus awards determined by the attainment of the goals. Based upon a recommendation from Synovus' management, the Committee excised downward discretion and lowered the bonus amounts that would otherwise have been payable based upon Synovus' attainment of net income goals for 2002. Based upon Synovus' net income and the exercise of downward discretion discussed above, Mr. Blanchard and Synovus' other executive officers were awarded the bonus amounts set forth in the Summary Compensation Table.

Long-Term Incentives. The Committee has awarded long-term incentives in the form of stock options and restricted stock awards to executives. Restricted stock awards are designed to focus executives on the long-term performance of Synovus. Stock options provide executives with the opportunity to buy and maintain an equity interest in Synovus and to share in its capital appreciation. Executives are encouraged to hold the shares received upon the lapse of

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

restrictions on restricted stock awards and upon the exercise of stock options, linking their interests to those of Synovus' shareholders. The Committee has established a payout matrix for long-term grants that uses total shareholder return measured by Synovus' performance (stock price increases plus dividends) and how Synovus' total shareholder return compares to the return of the peer group of companies appearing in the Stock Performance Graph on page 15. For the long-term incentive awards made in 2002, total shareholder return and peer comparisons were measured during the 1999 to 2001 performance period. Under the payout matrix, the Committee awarded Messrs. Blanchard, Yancey, Anthony, Deriso and Griffith stock options of 61,811, 46,783, 23,208, 19,811 and 19,316, respectively, which options become exercisable on April 29, 2004.

Other Benefits. Executives receive other benefits that serve a different purpose than the elements of compensation discussed above. In general, these benefits provide retirement income and protection against catastrophic events such as illness, disability and death. Executives generally receive the same benefits offered to the employee population, with the only exceptions designed to promote tax efficiency or to replace other benefits lost due to regulatory limits. The Synovus/TSYS Profit Sharing Plan and the Synovus/TSYS 401(k) Savings Plan, including an excess benefit plan which replaces benefits lost due to regulatory limits (collectively the "Plan"), is the largest component of Synovus' benefits package for executives. The Plan is directly related to the performance of Synovus because the contributions to the Plan, up to a maximum of 14% of an executive's compensation, depend upon Synovus' profitability. For 2002, Mr. Blanchard and Synovus' other executive officers received a Plan contribution of 4.7 percent of their compensation. The remaining benefits provided to executives are primarily based upon the competitive practices of similar companies.

The Internal Revenue Code limits the deductibility for federal income tax purposes of annual compensation paid by a publicly held corporation to its chief executive officer and four other highest paid executives for amounts in excess of \$1 million, unless certain conditions are met. Because the Committee seeks to maximize shareholder value, the Committee has taken steps to ensure that any compensation paid to its executives in excess of \$1 million is deductible. When necessary to meet the requirements for deductibility under the Internal Revenue Code, members of the Committee may abstain from voting on performance based compensation. For 2002, Messrs. Blanchard, Yancey and Anthony would have been affected by this provision, but for the steps taken by the Committee. The Committee reserves the ability to make awards which do not qualify for full deductibility under the Internal Revenue Code, however, if the Committee determines that the benefits of doing so outweigh full deductibility.

The Committee believes that its executive compensation program serves the best interests of the shareholders of Synovus. As described above, a substantial portion of the compensation of

17

Synovus' executives is directly related to Synovus' performance. The Committee believes that the performance of Synovus to date validates its compensation philosophy.

The Compensation Committee

Gardiner W. Garrard, Jr.
V. Nathaniel Hansford
Alfred W. Jones III
Mason H. Lampton

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Gardiner W. Garrard, Jr., Alfred W. Jones III, Mason H. Lampton and V. Nathaniel Hansford served as members of Synovus' Compensation Committee during 2002. No member of the Committee is a current or former officer of Synovus or its subsidiaries.

On May 18, 2000, Synovus, Garrard & Jordan Investments, LLC and Gardiner W. Garrard, III, together with an unrelated individual, formed Total Technology Ventures, LLC ("TTV"), a Georgia limited liability company, for the purpose of providing certain administrative services to TTP Fund, L.P., a venture capital fund formed in the first quarter of 2001 (the "Fund"). Garrard & Jordan Investments, LLC was formed by The Jordan Company to invest in TTV. Gardiner W. Garrard, Jr., a director of Synovus, TSYS and Columbus Bank, owns 52.3% of the outstanding stock of The Jordan Company and serves as its President, and his wife and son, Gardiner W. Garrard, III, each own 5.3% of its outstanding stock.

Pursuant to the organizational documents of TTV, Synovus, Garrard & Jordan Investments, LLC and Gardiner W. Garrard, III made initial capital commitments to TTV in the respective amounts of \$1,200,000, \$400,000 and \$200,000. As of the date hereof, 75% of the total capital commitments to TTV have been funded. Synovus, Garrard & Jordan Investments, LLC and Gardiner W. Garrard, III hold the following percentage interests in TTV: 60%, 20% and 10%, respectively. Synovus serves as the manager of TTV. Gardiner W. Garrard, III is President and Chief Executive Officer of TTV and has responsibility for the day-to-day operations of TTV and management of TTP Fund, L.P.

Synovus has made a capital commitment of \$30 million to the Fund, which currently represents an approximately 80% interest in the Fund, and Synovus will receive a 5% carried interest in the Fund. As of January 10, 2003, Synovus had funded approximately 48% of its capital commitment to the Fund through capital contributions of approximately \$14,475,000. The Fund is managed by Total Technology Partners, LLC, its general partner (the "General Partner"), an entity in which Gardiner W. Garrard, III and Garrard and Jordan Investments, LLC each own an approximately 33% capital interest. The General Partner will receive a 15% carried interest in the Fund. The General Partner entered into an agreement with TTV pursuant to which TTV provides certain administrative services to the General Partner. The fee payable quarterly by the General Partner to TTV for such services equals the management fee received quarterly by the General Partner from the Fund, subject to certain adjustments and reductions. The fee payable for such services during 2002 was \$1,611,816.

During 2002, Synovus and its wholly owned subsidiaries and TSYS paid \$47,685 and \$35,298, respectively, to subsidiaries of the Sea Island Company in connection with lodging, hospitality and landscaping services in the Sea Island, Georgia area. Alfred W. Jones III, a director of Synovus and TSYS, is an officer, director and shareholder of the Sea Island Company. James H. Blanchard, Chairman of the Board of Synovus, Chairman of the Executive Committee of TSYS and director of Columbus Bank, is a director of the Sea Island Company.

18

TRANSACTIONS WITH MANAGEMENT

During 2002, the subsidiary banks of Synovus had outstanding loans directly to or indirectly accruing to the benefit of certain of the then directors and executive officers of Synovus, and their related interests. These loans were made in the ordinary course of business and were made on substantially the same terms, including interest rates and collateral, as those prevailing at the time for comparable transactions with others. In the opinion of Synovus' management, such loans do not involve more than normal risks of collectibility or present other unfavorable features. In the future, the subsidiary banks of Synovus expect to have banking transactions in the ordinary course of business with Synovus' directors, executive officers and their related interests.

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Synovus leased various properties in Columbus, Georgia from W.C. Bradley Co. for office space and storage during 2002. The rent paid for the space, which is approximately 35,400 square feet, was \$99,366. During 2002, Synovus entered into a letter of intent to lease additional office space in Columbus, Georgia from W.C. Bradley Co. beginning in 2004. The rent to be paid for the space by Synovus pursuant to the letter of intent, which is approximately 37,500 square feet, will be approximately \$787,500 annually over a ten year term.

Columbus Bank and W.C.B. Air L.L.C. are parties to a Joint Ownership Agreement pursuant to which they jointly own or lease aircraft. W. C. Bradley Co. owns all of the limited liability company interests of W.C.B. Air. Columbus Bank and W.C.B. Air have each agreed to pay fixed fees for each hour they fly the aircraft owned and/or leased pursuant to the Joint Ownership Agreement. Columbus Bank paid an aggregate sum of \$2,708,304 for use of the aircraft during 2002 pursuant to the terms of the Joint Ownership Agreement. This amount represents the charges incurred by Columbus Bank and its affiliated corporations for use of the aircraft, and includes \$1,478,166 for TSYS' use of the aircraft, for which Columbus Bank was reimbursed by TSYS.

William B. Turner, Chairman of the Executive Committee of Synovus and Columbus Bank and a director of TSYS, is an advisory director and shareholder of W.C. Bradley Co. James H. Blanchard, Chairman of the Board of Synovus, Chairman of the Executive Committee of TSYS and a director of Columbus Bank, is a director of W.C. Bradley Co. W.B. Turner, Jr. and John T. Turner, the sons of William B. Turner, are officers and directors of W.C. Bradley Co., and are also directors of Columbus Bank. Sarah T. Butler and Elizabeth T. Corn, the sisters of William B. Turner, are shareholders of W.C. Bradley Co.

During 2002, Synovus and its wholly owned subsidiaries and TSYS paid to Communicorp, Inc. \$393,445 and \$341,708, respectively, for printing, marketing and promotional services provided by Communicorp, Inc. to Synovus and its wholly owned subsidiaries and TSYS. Communicorp, Inc. is a wholly owned subsidiary of AFLAC Incorporated. Daniel P. Amos, a director of Synovus, is Chief Executive Officer and a director of AFLAC Incorporated.

Bradley & Hatcher, a law firm located in Columbus, Georgia, was paid approximately \$15,000 for the performance of legal services on behalf of one of Synovus' subsidiaries during 2002. Richard Y. Bradley, a director of Synovus, Columbus Bank and TSYS, is a partner of Bradley & Hatcher.

For information about transactions with entities that are affiliates of Gardiner W. Garrard, Jr. and Alfred W. Jones III, directors of Synovus, see "Compensation Committee Interlocks and Insider Participation" immediately above.

PRINCIPAL SHAREHOLDERS

The following table sets forth the number of shares of Synovus stock held by the only known holders of more than 5% of the outstanding shares of Synovus stock as of December 31, 2002.

Name and Address of Beneficial Owner	Shares of Synovus Stock Beneficially Owned as of 12/31/02	Percentage of Outstanding Shares of Synovus Stock Beneficially Owned as of 12/31/02
Synovus Trust Company, N.A. (1) 1148 Broadway Columbus, Georgia 31901	50,463,436(2)	16.8%

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

-
- (1) The shares of Synovus stock held by Synovus Trust Company are voted by the Senior Manager of Synovus Trust Company's Investment Division.
 - (2) As of December 31, 2002, the banking and trust company subsidiaries of Synovus, including Columbus Bank through its wholly owned subsidiary Synovus Trust Company, held in various fiduciary capacities a total of 51,697,360 shares of Synovus stock as to which they possessed sole or shared voting or investment power. Of this total, Synovus Trust Company held 49,168,364 shares as to which it possessed sole investment power, 37,357,272 shares as to which it possessed sole voting power, 708,925 shares as to which it possessed shared voting power and 834,101 shares as to which it possessed shared investment power. The other banking and trust subsidiaries of Synovus held 1,045,803 shares as to which they possessed sole voting power, 870,215 shares as to which they possessed sole investment power, 131,539 shares as to which they possessed shared voting power and 117,477 shares as to which they possessed shared investment power. In addition, as of December 31, 2002, Synovus Trust Company and the banking and trust subsidiaries of Synovus held in various agency capacities an additional 7,027,468 and 118,033 shares, respectively (a total of 7,145,501), of Synovus stock as to which they possessed no voting or investment power. Synovus and its subsidiaries disclaim beneficial ownership of all shares of Synovus stock which are held by them in various fiduciary and agency capacities.

20

RELATIONSHIPS BETWEEN SYNOVUS, COLUMBUS BANK, TSYS AND CERTAIN OF SYNOVUS' SUBSIDIARIES AND AFFILIATES

BENEFICIAL OWNERSHIP OF TSYS STOCK BY COLUMBUS BANK

The following table sets forth, the number of shares of TSYS stock beneficially owned by Columbus Bank, the only known beneficial owner of more than 5% of the issued and outstanding shares of TSYS stock, as of December 31, 2002.

Name and Address of Beneficial Owner	Shares of TSYS Stock Beneficially Owned as of 12/31/02	Percentage of Outstanding Shares of TSYS Stock Beneficially Owned as of 12/31/02
Columbus Bank and Trust Company 1148 Broadway Columbus, Georgia 31901	159,630,980 (1) (2)	81%

-
- (1) Columbus Bank individually owns these shares.
 - (2) As of December 31, 2002, Synovus Trust Company, N.A. held in various fiduciary capacities a total of 3,053,762 shares (1.55%) of TSYS stock. Of this total, Synovus Trust Company held 2,824,467 shares as to which it possessed sole voting power, 2,751,277 shares as to which it possessed sole investment power, 218,274 shares as to which it possessed shared voting power and 227,632 shares as to which it possessed shared investment power. In addition, as of December 31, 2002, Synovus Trust Company held in various agency capacities an additional 2,703,818 shares of TSYS stock as to which it possessed no voting or investment power. Synovus and Synovus Trust

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

Company disclaim beneficial ownership of all shares of TSYS stock which are held by Synovus Trust Company in various fiduciary and agency capacities.

Columbus Bank, by virtue of its ownership of 159,630,980 shares, or 81% of the outstanding shares of TSYS stock on December 31, 2002, presently controls TSYS. Synovus presently controls Columbus Bank.

INTERLOCKING DIRECTORATES OF SYNOVUS, COLUMBUS BANK AND TSYS

Seven of the members of and nominees to serve on Synovus' Board of Directors also serve as members of the Boards of Directors of TSYS and Columbus Bank. They are James H. Blanchard, Richard Y. Bradley, Gardiner W. Garrard, Jr., John P. Illges, III, H. Lynn Page, William B. Turner and James D. Yancey. Elizabeth C. Ogie serves as a member of the Board of Directors of Columbus Bank and Alfred W. Jones III serves as a member of the Board of Directors of TSYS. Mason H. Lampton serves on the Board of Directors of TSYS and as an Advisory Director of Columbus Bank.

TSYS STOCK OWNERSHIP OF DIRECTORS AND MANAGEMENT

The following table sets forth the number of shares of TSYS stock beneficially owned by each of Synovus' directors, by each executive officer named in the Summary Compensation Table on page 12 and by all directors and executive officers as a group as of December 31, 2002.

21

Name	Shares of TSYS Stock Beneficially Owned with Sole Voting and Investment Power as of 12/31/02	Shares of TSYS Stock Beneficially Owned with Shared Voting and Investment Power as of 12/31/02	Total Shares of TSYS Stock Beneficially Owned as of 12/31/02	Perc Ou T Ben Ow
Daniel P. Amos	---	---	---	
Richard E. Anthony	---	---	---	
Joe E. Beverly	---	---	---	
James H. Blanchard	789,867	360,480	1,150,347	
Richard Y. Bradley	24,718	5,000	29,718	
Walter M. Deriso, Jr.	3,829	3,929	7,758	
C. Edward Floyd, M.D.	---	---	---	
Gardiner W. Garrard, Jr.	18,157	---	18,157	
G. Sanders Griffith, III	19,422 (1)	---	19,422	
V. Nathaniel Hansford	1,565	---	1,565	
John P. Illges, III	107,466	81,750	189,216	
Elizabeth R. James	16,929	---	16,929	
Alfred W. Jones III	2,272	---	2,272	
Mason H. Lampton	81,957	59,426 (2)	141,383	
Elizabeth C. Ogie	7,200	46,160	53,360	
H. Lynn Page	465,429	136,219	601,648	
Melvin T. Stith	---	---	---	
William B. Turner	169,214	576,000	745,214	
James D. Yancey	713,576	45,053	758,629	
Directors and Executive Officers as a Group (22 persons)	2,423,550	1,314,017	3,737,567	

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

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

-
- (1) Includes 16,734 shares of TSYS stock with respect to which Mr. Griffith has no investment power.
 - (2) Includes 28,800 shares of TSYS stock held in a trust for which Mr. Lampton is not the trustee. Mr. Lampton disclaims beneficial ownership of such shares.

TRANSACTIONS AND AGREEMENTS BETWEEN SYNOVUS, COLUMBUS BANK, TSYS AND CERTAIN OF SYNOVUS' SUBSIDIARIES

During 2002, Columbus Bank and certain of Synovus' other banking subsidiaries received electronic payment processing services from TSYS. The electronic payment processing agreement between Columbus Bank and TSYS can be terminated by Columbus Bank upon 60 days prior written notice to TSYS or terminated by TSYS upon 180 days prior written notice to Columbus Bank. During 2002, TSYS derived \$3,425,785 in revenues from Columbus Bank and certain of Synovus' other banking subsidiaries for the performance of electronic payment processing services and \$5,685,157 in revenues from Synovus and its subsidiaries for the performance of other data processing, software and business process management services. TSYS' charges to Synovus, Columbus Bank and Synovus' other banking subsidiaries for electronic payment and other data processing, software and business process management services are comparable to, and are determined on the same basis as, charges by TSYS to similarly situated unrelated third parties.

22

TSYS and Synovus are parties to a Lease Agreement pursuant to which Synovus leased from TSYS office space for lease payments aggregating \$537,140 during 2002. Synovus also paid TSYS \$24,900 during 2002 for data processing services. The terms of these transactions are comparable to those which could have been obtained in transactions with unaffiliated third parties.

Synovus and TSYS are parties to Management Agreements pursuant to which Synovus provided certain management services to TSYS. During 2002, these services included human resource services, maintenance services, security services, communication services, corporate education services, travel services, investor relations services, corporate governance services, legal services, regulatory and statutory compliance services, executive management services performed on behalf of TSYS by certain of Synovus' officers and financial services. As compensation for management services provided during 2002, TSYS paid Synovus aggregate management fees of \$8,078,484. In addition, Synovus and TSYS are parties to a Management Agreement pursuant to which TSYS provided management services to Synovus in connection with TSYS' assistance in managing the business of ProCard, Inc., a wholly owned subsidiary of Synovus during a portion of 2002. As compensation for management services provided during 2002, Synovus paid TSYS management fees of \$252,500 in connection with ProCard, Inc. Management fees are subject to future adjustments based upon charges at the time by unrelated third parties for comparable services.

During 2002, Synovus Trust Company served as trustee of various employee benefit plans of TSYS. During 2002, TSYS paid Synovus Trust Company trustee's fees under these plans of \$525,189.

During 2002, Columbus Depot Equipment Company, a wholly owned subsidiary of TSYS, and Columbus Bank and five of Synovus' other subsidiaries were parties to Lease Agreements pursuant to which Columbus Bank and five of Synovus' other subsidiaries leased from Columbus Depot Equipment Company computer related equipment for bankcard and bank data processing services for lease payments

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

aggregating \$31,825. The terms, conditions and rental rates provided for in these Agreements are comparable to corresponding terms, conditions and rates provided for in leases of similar equipment offered by unrelated third parties.

During 2002, Synovus and Columbus Bank paid TSYS an aggregate of \$1,227,151 for miscellaneous reimbursable items, such as data links, network services and postage, primarily related to processing services provided by TSYS. The charges for these services are comparable to those between unrelated third parties.

During 2002, Synovus, Columbus Bank and other Synovus subsidiaries paid to Columbus Productions, Inc., a wholly owned subsidiary of TSYS, \$1,241,818 for printing services. The charges for these services are comparable to those between unrelated third parties.

During 2002, Columbus Bank leased office space from TSYS for lease payments of \$39,405. In addition, TSYS leased furniture and equipment from Columbus Bank during 2002 for lease payments of \$377,285. Also during 2002, TSYS and its subsidiaries were paid \$1,082,405 of interest by Columbus Bank in connection with deposit accounts with, and commercial paper purchased from, Columbus Bank. The lease payments and interest rates are comparable to those in transactions between unrelated third parties.

In November 2002, TSYS acquired ProCard, Inc. from Synovus for \$30,000,000 in cash. The terms of the Share Purchase Agreement executed in connection with the transaction are comparable to those between unrelated third parties.

TSYS has entered into an agreement with Columbus Bank with respect to the use of aircraft owned or leased by Columbus Bank and W.C.B. Air L.L.C. Columbus Bank and W.C.B. Air are

23

parties to a Joint Ownership Agreement pursuant to which they jointly own or lease aircraft. TSYS paid Columbus Bank \$1,478,166 for its use of the aircraft during 2002. The charges payable by TSYS to Columbus Bank 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.

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 Securities and Exchange Commission and the New York Stock Exchange. 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, 2002 all Section 16(a) filing requirements applicable to its officers, directors and greater than ten percent beneficial owners were complied with, except for the following. Mr. Page filed one late report, which reported two transactions late and Mr. Amos filed one late report, which reported two transactions late.

INDEPENDENT AUDITORS

On February 21, 2003, upon the recommendation of the Audit Committee, Synovus' Board of Directors appointed KPMG LLP as the independent auditors to

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

audit the consolidated financial statements of Synovus and its subsidiaries for the fiscal year ending December 31, 2003. The Board of Directors knows of no direct or material indirect financial interest by KPMG in Synovus or any of its subsidiaries, or of any connection between KPMG and Synovus or any of its subsidiaries, in any capacity as promoter, underwriter, voting trustee, director, officer, shareholder or employee.

Representatives of KPMG will be present at Synovus' 2003 Annual Meeting with the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

GENERAL INFORMATION

FINANCIAL INFORMATION

Consolidated financial statements for Synovus and its subsidiaries are attached as a Financial Appendix to this Proxy Statement and are included in the Annual Report on Form 10-K as filed with the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549. A copy of the 2002 Form 10-K (excluding exhibits) will be furnished, without charge, by writing to the Corporate Secretary, Synovus Financial Corp., 901 Front Avenue, Suite 301, Columbus, Georgia 31901. The Form 10-K is also available on Synovus' home page on the Internet at www.synovus.com. Click on "Investor Relations."

SHAREHOLDER PROPOSALS FOR THE 2004 PROXY STATEMENT

Any shareholder satisfying the Securities and Exchange Commission requirements and wishing to submit a proposal to be included in the Proxy Statement for the 2004 Annual Meeting of Shareholders should submit the proposal in writing to the Secretary, Synovus Financial Corp.,

24

901 Front Avenue, Suite 301, Columbus, Georgia 31901. Synovus must receive a proposal by November 15, 2003 in order to consider it for inclusion in the Proxy Statement for the 2004 Annual Meeting of Shareholders.

DIRECTOR NOMINEES OR OTHER BUSINESS FOR PRESENTATION AT THE 2004 ANNUAL MEETING

Shareholders who wish to present director nominations or other business at the Annual Meeting are required to notify the Secretary of their intent between December 14, 2003 and January 28, 2004 and the notice must provide information as required in the bylaws, or the persons appointed as proxies may exercise their discretionary voting authority with respect to the proposal. A copy of these bylaw requirements will be provided upon request in writing to the Secretary, Synovus Financial Corp., 901 Front Avenue, Suite 301, Columbus, Georgia 31901. This requirement does not apply to the deadline for submitting shareholder proposals for inclusion in the Proxy Statement (see "Shareholder Proposals for the 2004 Proxy Statement" above), nor does it apply to questions a shareholder may wish to ask at the meeting.

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 recently adopted amendments to

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

its proxy rules which 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 is not householding proxy materials for its shareholders of record in connection with its 2003 Annual Meeting. However, we have been notified that certain intermediaries will household proxy materials. If you hold your shares of Synovus stock through a broker or bank that has determined to household proxy materials:

- . 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 2003 Annual Meeting and for future meetings 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.

The above Notice of Annual Meeting and Proxy Statement are sent by order of the Synovus Board of Directors.

/s/James H. Blanchard
JAMES H. BLANCHARD
Chairman of the Board

March 21, 2003

FINANCIAL APPENDIX

Consolidated Balance Sheets as of December 31, 2002 and 2001	F-2
Consolidated Statements of Income for the Years ended December 31, 2002, 2001, and 2000	F-3
Consolidated Statements of Changes In Shareholders' Equity for the Years ended December 31, 2002, 2001, and 2000	F-4
Consolidated Statements of Cash Flows for the Years ended December 31, 2002, 2001, and 2000	F-5
Notes to Consolidated Financial Statements	F-6
Report of Financial Responsibility	F-27
Independent Auditors' Report	F-28
Selected Financial Data	F-29
Financial Review	F-30
Summary of Quarterly Financial Data, Unaudited	F-53

F-1

CONSOLIDATED BALANCE SHEETS

Edgar Filing: SYNOVUS FINANCIAL CORP - Form DEF 14A

(In thousands, except share data)

	December 31,	
	2002	2001
ASSETS		
Cash and due from banks, including \$5,017 and \$7,714 in 2002 and 2001, respectively, on deposit to meet Federal Reserve requirements	\$ 741,092	648,179
Interest earning deposits with banks	5,055	3,884
Federal funds sold and securities purchased under resale agreements	92,709	23,673
Mortgage loans held for sale	245,858	397,940
Investment securities available for sale (note 3)	2,237,725	2,088,287
Loans, net of unearned income (note 4)	14,463,909	12,417,917
Allowance for loan losses (note 4)	(199,841)	(170,769)
	<u>14,264,068</u>	<u>12,247,148</u>
Loans, net		
Premises and equipment, net	616,355	572,618
Contract acquisition costs and computer software, net (note 5)	324,026	260,762
Goodwill and other intangible assets, net (notes 2, 5, and 16)	118,506	34,744
Other assets (note 5)	390,852	377,656
	<u>19,036,246</u>	<u>16,654,891</u>
Total assets		
LIABILITIES AND SHAREHOLDERS EQUITY		
Liabilities:		
Deposits:		
Non-interest bearing	\$ 2,303,375	1,984,523
Interest bearing (note 6)	11,625,459	10,161,675
	<u>13,928,834</u>	<u>12,146,198</u>
Total deposits		
Federal funds purchased and securities sold under repurchase agreements (note 7)	1,275,084	1,345,822
Long-term debt (note 7)	1,336,200	1,052,943
Other liabilities (note 15)	338,176	316,344
	<u>16,878,294</u>	<u>14,861,307</u>
Total liabilities		
Minority interest in consolidated subsidiaries	117,099	98,638
Shareholders' equity (notes 2, 11, and 13):		
Common stock \$1.00 par value. Authorized 600,000,000 shares; issued 300,573,027 in 2002 and 294,849,028 in 2001; outstanding 300,397,763 in 2002 and 294,673,764 in 2001	300,573	294,849