

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of The Securities Exchange Act of 1934
Date of Report (Date of earliest event reported) July 23, 2020



Huntington Bancshares Incorporated

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

1-34073
(Commission
File Number)

31-0724920
(I.R.S. Employer
Identification No.)

Registrant's address: 41 South High Street, Columbus, Ohio 43287

Registrant's telephone number, including area code: (614) 480-2265

Not Applicable
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of class	Trading Symbol(s)	Name of exchange on which registered
Common Stock—Par Value \$0.01 per Share	HBAN	NASDAQ
Depository Shares (each representing a 1/40th interest in a share of 5.875% Series C Non-Cumulative, perpetual preferred stock)	HBANN	NASDAQ
Depository Shares (each representing a 1/40th interest in a share of 6.250% Series D Non-Cumulative, perpetual preferred stock)	HBANO	NASDAQ

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§24012b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Item 2.02. Results of Operations and Financial Condition.

On July 23, 2020, Huntington Bancshares Incorporated (“Huntington”) issued a news release announcing its earnings for the quarter ended June 30, 2020. Also on July 23, 2020, Huntington made a Quarterly Financial Supplement available in the Investor Relations section of Huntington’s website. Copies of Huntington’s news release and quarterly financial supplement are attached hereto as Exhibit 99.1 and Exhibit 99.2, respectively, and are incorporated by reference in this Item 2.02.

Huntington’s senior management will host an earnings conference call on July 23, 2020, at 9:00 a.m. (Eastern Time). The call may be accessed via a live Internet webcast at the Investor Relations section of Huntington’s website, www.huntington.com, or through a dial-in telephone number at (877) 407-8029; Conference ID 13704964. Slides will be available in the Investor Relations section of Huntington’s website about an hour prior to the call. A replay of the webcast will be archived in the Investor Relations section of Huntington’s website. A telephone replay will be available approximately two hours after the completion of the call through July 31, 2020 at (877) 660-6853 or (201) 612-7415 conference ID 13704964.

The information contained or incorporated by reference in this Current Report on Form 8-K contains certain forward-looking statements, including certain plans, expectations, goals, projections, and statements, which are subject to numerous assumptions, risks, and uncertainties. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services including those implementing our “Fair Play” banking philosophy; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; and other factors that may affect our future results. Additional factors that could cause results to differ materially from those described above can be found in our 2019 Annual Report on Form 10-K, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as well as our subsequent Securities and Exchange Commission (“SEC”) filings, which are on file with the SEC and available in the “Investor Relations” section of our website, <http://www.huntington.com>, under the heading “Publications and Filings.”

All forward-looking statements speak only as of the date they are made and are based on information available at that time. We do not assume any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

The information contained or incorporated by reference in Item 2.02 of this Form 8-K shall be treated as “furnished” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

Item 9.01. Financial Statements and Exhibits.

The exhibits referenced below shall be treated as “furnished” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended.

(d) Exhibits.

Exhibit 99.1 – News release of Huntington Bancshares Incorporated, dated July 23, 2020.

Exhibit 99.2 – Quarterly Financial Supplement, June 2020.



FOR IMMEDIATE RELEASE

July 23, 2020

Analysts: Mark Muth (mark.muth@huntington.com), 614.480.4720

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HUNTINGTON BANCSHARES INCORPORATED REPORTS 2020 SECOND QUARTER EARNINGS

Results Driven by Record Mortgage Banking Income (182% Year-Over-Year Increase)

COLUMBUS, Ohio – Huntington Bancshares Incorporated (Nasdaq: HBAN; www.huntington.com) reported net income for the 2020 second quarter of \$150 million, a decrease of 59% from the year-ago quarter. Earnings per common share for the 2020 second quarter were \$0.13, down 61% from the year-ago quarter. Tangible book value per common share as of 2020 second quarter-end was \$8.32, a 4% year-over-year increase. Return on average assets was 0.51%, return on average common equity was 5.0%, and return on average tangible common equity was 6.7%. Results were impacted by elevated credit provisioning related to the ongoing uncertain economic outlook.

CEO Commentary:

“Our second quarter results reflect strong execution across the bank in a very challenging operating environment, including our extraordinary efforts to help our customers through the economic challenges associated with the pandemic,” said Steve Steinour, chairman, president, and CEO. “To aid small- and medium-sized businesses across our footprint, we funded more than 37,000 loans with a total volume of more than \$6 billion through the SBA’s Paycheck Protection Program (PPP), and we continue to originate more PPP loans. Many of our customers benefited from a variety of actions we instituted, including fee waivers and payment relief programs. These actions are consistent with our purpose of looking out for people. Huntington is well-positioned to support our customers through these current challenges and to help the economic recovery in the communities we serve.”

“I am pleased we maintained total revenues essentially level with the year-ago quarter. Total noninterest income increased 5% as a result of record mortgage banking activity, though waivers to assist our customers pressured certain of our noninterest income lines. We continue to balance investments in technology and strategic business initiatives with prudent expense management given the headwinds posed by the interest rate environment and the effects of the pandemic on credit costs. We are taking action to manage expenses this year and position ourselves to make further investments in technology and other strategic initiatives, which will drive future performance.”

“We saw strong balance sheet growth in the second quarter,” said Steinour. “Average loan growth of 7% was driven by the PPP loans. The funds provided from these loans and inflows from government stimulus programs were key drivers of average core deposit growth of 13%. While line utilization has largely returned to pre-pandemic levels at this point, the related core deposits have largely remained with the bank, resulting in an elevated amount of deposits at quarter-end. Recently, as the economic outlook stabilized, our loan pipelines also experienced a modest upturn, providing reason for optimism regarding loan growth late this year and next.”

"In June we received the results of the Federal Reserve's Comprehensive Capital Assessment and Review, and once again Huntington's credit results were among the best of the regional banks. Our projected cumulative loan losses in the Fed's independently-modeled, severely adverse scenario were tied for lowest in the peer group, and our projected capital ratios remained well in excess of regulatory requirements. Our consistently strong performance demonstrates our disciplined enterprise risk management and solid core earnings power."

"Yesterday, the Board declared the third quarter cash dividend of \$0.15 per common share, unchanged from the prior quarter. Based on what we know today, management expects to maintain the current quarterly dividend rate in the fourth quarter, subject to the Board's normal quarterly approval process."

2020 Second Quarter Highlights compared with 2019 Second Quarter:

- Fully-taxable equivalent total revenue decreased \$5 million, or less than 1%.
- Fully-taxable equivalent net interest income decreased \$22 million, or 3%.
- Net interest margin decreased 37 basis points to 2.94%.
- Noninterest income increased \$17 million, or 5%, driven by a \$62 million, or 182%, increase in mortgage banking income.
- Noninterest expense decreased \$25 million, or 4%.
- Efficiency ratio of 55.9%, down from 57.6%.
- Average loans and leases increased \$5.3 billion, or 7%, including a \$4.8 billion, or 13%, increase in average commercial loans, \$4.1 billion of which represented PPP loans, and a \$0.4 billion, or 1%, increase in average consumer loans.
- Average core deposits increased \$10.2 billion, or 13%, including a \$10.1 billion, or 26%, increase in average demand deposits.
- Net charge-offs equated to 0.54% of average loans and leases, up from 0.25%.
- Nonperforming asset ratio of 0.89%, up from 0.61%.
- Provision for credit losses increased \$268 million year-over-year to \$327 million.
- Allowance for loan and lease losses (ALLL) increased \$928 million to \$1.7 billion, or 2.12% of total loans and leases; allowance for credit losses (ACL) increased to \$1.8 billion, or 2.27% of total loans and leases.
- Common Equity Tier 1 (CET1) risk-based capital ratio of 9.84%, down from 9.88% and consistent with our 9% to 10% operating guideline.
- Tangible common equity (TCE) ratio of 7.28%, down from 7.80%.
- Tangible book value per common share increased \$0.35, or 4%, to \$8.32.

Table 1 – Earnings Performance Summary

	2020		2019		
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter
<i>(in millions, except per share data)</i>					
Net Income	\$ 150	\$ 48	\$ 317	\$ 372	\$ 364
Diluted earnings per common share	0.13	0.03	0.28	0.34	0.33
Return on average assets	0.51%	0.17%	1.15%	1.37%	1.36%
Return on average common equity	5.0	1.1	11.1	13.4	13.5
Return on average tangible common equity	6.7	1.8	14.3	17.3	17.7
Net interest margin	2.94	3.14	3.12	3.20	3.31
Efficiency ratio	55.9	55.4	58.4	54.7	57.6
Tangible book value per common share	\$ 8.32	\$ 8.28	\$ 8.25	\$ 8.25	\$ 7.97
Cash dividends declared per common share	0.15	0.15	0.15	0.15	0.14
Average diluted shares outstanding	1,029	1,035	1,047	1,051	1,060
Average earning assets	\$ 109,038	\$ 101,783	\$ 100,062	\$ 99,692	\$ 99,188
Average loans and leases	80,199	75,696	75,103	75,096	74,932
Average core deposits	88,878	79,528	79,690	79,335	78,723
Tangible common equity / tangible assets ratio	7.28%	7.52%	7.88%	8.00%	7.80%
Common equity Tier 1 risk-based capital ratio	9.84	9.47	9.88	10.02	9.88
NCOs as a % of average loans and leases	0.54%	0.62%	0.39%	0.39%	0.25%
NAL ratio	0.81	0.72	0.62	0.58	0.57
ACL as a % of total loans and leases	2.27	2.05	1.18	1.18	1.17

Net Interest Income, Net Interest Margin, and Average Balance Sheet

Table 2 – Net Interest Income and Net Interest Margin Performance Summary – Year-over-Year Net Interest Margin Compression Outpaced Increase in Average Earning Assets

(\$ in millions)	2020		2019			Change (%)	
	Second	First	Fourth	Third	Second	LQ	YOY
	Quarter	Quarter	Quarter	Quarter	Quarter		
Net interest income	\$ 792	\$ 790	\$ 780	\$ 799	\$ 812	0 %	(2)%
FTE adjustment	5	6	6	6	7	(17)	(29)
Net interest income - FTE	797	796	786	805	819	0	(3)
Noninterest income	391	361	372	389	374	8	5
Total revenue - FTE	\$ 1,188	\$ 1,157	\$ 1,158	\$ 1,194	\$ 1,193	3 %	0 %

Yield / Cost						Change (bp)	
						LQ	YOY
Total earning assets	3.35%	3.88%	4.03%	4.21%	4.35%	(53)	(100)
Total loans and leases	3.75	4.29	4.47	4.67	4.80	(54)	(105)
Total securities	2.35	2.64	2.68	2.74	2.79	(29)	(44)
Total interest-bearing liabilities	0.57	0.98	1.24	1.36	1.39	(41)	(82)
Total interest-bearing deposits	0.28	0.68	0.87	0.98	0.97	(40)	(69)
Net interest rate spread	2.78	2.90	2.79	2.85	2.96	(12)	(18)
Impact of noninterest-bearing funds on margin	0.16	0.24	0.33	0.35	0.35	(8)	(19)
Net interest margin	2.94%	3.14%	3.12%	3.20%	3.31%	(20)	(37)

See Pages 7-9 of Quarterly Financial Supplement for additional detail.

Fully-taxable equivalent (FTE) net interest income for the 2020 second quarter decreased \$22 million, or 3%, from the 2019 second quarter. This reflected a 37 basis point decrease in the FTE net interest margin (NIM) to 2.94%, partially offset by the benefit from a \$9.9 billion, or 10%, increase in average earning assets. The NIM compression reflected a 100 basis point year-over-year decrease in average earning asset yields and a 19 basis point decrease in the benefit from noninterest-bearing funds, partially offset by an 82 basis point decrease in average interest-bearing liability costs. The decrease in earning asset yields was primarily driven by the impact of lower interest rates on commercial and home equity loan yields and securities yields, pandemic-related late fee waivers, and elevated deposits at the Federal Reserve Bank. The decrease in average interest-bearing liability costs primarily reflected lower interest-bearing deposit costs (down 69 basis points) and lower long-term debt costs (down 133 basis points), both due to the impact of lower interest rates.

Compared to the 2020 first quarter, FTE net interest income increased \$1 million, or less than 1%, reflecting a 7% increase in average earning assets partially offset by NIM compression of 20 basis points. The NIM compression reflected a 53 basis point decrease in average earning asset yields and an 8 basis point decrease in the benefit from noninterest-bearing funds, partially offset by a 41 basis point decrease in average interest-bearing liability costs. The decrease in earning asset yields was primarily driven by the impact of lower interest rates on commercial and home equity loan yields as well as elevated deposits at the Federal Reserve Bank. The decrease in average interest-bearing liability costs primarily reflects lower interest-bearing deposit costs (down 40 basis points) and lower short-term borrowings costs (down 99 basis points), both due to the impact of lower interest rates. The NIM in the 2020 second quarter was negatively impacted by approximately 3 basis points of derivative ineffectiveness compared to a benefit of approximately 4 basis points in the 2020 first quarter.

Table 3 – Average Earning Assets – Commercial & Industrial Loans and Elevated Deposits at the Federal Reserve Bank Drive Year-Over-Year Earning Asset Growth

(\$ in billions)	2020		2019			Change (%)	
	Second	First	Fourth	Third	Second	LQ	YOY
	Quarter	Quarter	Quarter	Quarter	Quarter		
Commercial and industrial	\$ 35.3	\$ 30.8	\$ 30.4	\$ 30.6	\$ 30.6	14 %	15 %
Commercial real estate	7.1	6.7	6.8	6.9	6.9	5	3
Total commercial	42.4	37.6	37.2	37.6	37.5	13	13
Automobile	12.7	12.9	12.6	12.2	12.2	(2)	4
Home equity	8.9	9.0	9.2	9.4	9.5	(1)	(6)
Residential mortgage	11.5	11.4	11.3	11.2	11.0	1	4
RV and marine	3.7	3.6	3.6	3.5	3.4	3	9
Other consumer	1.1	1.2	1.2	1.3	1.3	(9)	(14)
Total consumer	37.8	38.1	37.9	37.5	37.4	(1)	1
Total loans and leases	80.2	75.7	75.1	75.1	74.9	6	7
Total securities	24.2	24.4	23.2	23.1	22.9	(1)	6
Held-for-sale and other earning assets	4.6	1.7	1.8	1.5	1.4	173	233
Total earning assets	\$ 109.0	\$ 101.8	\$ 100.1	\$ 99.7	\$ 99.2	7 %	10 %

See Page 7 of Quarterly Financial Supplement for additional detail.

Average earning assets for the 2020 second quarter increased \$9.9 billion, or 10%, from the year-ago quarter, primarily reflecting a \$5.3 billion, or 7%, increase in average total loans and leases, a \$2.9 billion, or 559%, increase in interest-bearing deposits at the Federal Reserve Bank, and a \$1.3 billion, or 6%, increase in average total securities. Average commercial & industrial (C&I) loans increased \$4.6 billion, or 15%, primarily reflecting the \$4.1 billion of average PPP loans. Average automobile loans increased \$0.5 billion, or 4%, driven by strong production over the past year. Average residential mortgage loans increased \$0.5 billion, or 4%, reflecting robust portfolio mortgage production over the past year. The increase in average total securities primarily reflected portfolio growth and the mark-to-market of the available-for-sale portfolio. Partially offsetting these increases, average home equity loans and lines of credit decreased \$0.6 billion, or 6%, reflecting a shift in consumer preferences.

Compared to the 2020 first quarter, average earning assets increased \$7.3 billion, or 7%, primarily reflecting a \$4.5 billion, or 6%, increase in average total loans and leases and a \$2.7 billion, or 402%, increase in interest-bearing deposits at the Federal Reserve Bank. Average commercial and industrial (C&I) loans increased \$4.4 billion, or 14%, primarily reflecting the \$4.1 billion of average PPP loans.

On June 14, 2019, Huntington completed the sale of the Wisconsin retail branches, which included \$117 million of loans held-for-sale.

Table 4 – Average Liabilities – Demand Deposits Drive Robust Year-over-Year Growth in Core Deposits

(\$ in billions)	2020		2019			Change (%)	
	Second Quarter	First Quarter	Fourth Quarter	Third Quarter	Second Quarter	LQ	YOY
Demand deposits - noninterest-bearing	\$ 25.7	\$ 20.1	\$ 20.6	\$ 19.9	\$ 19.8	28 %	30 %
Demand deposits - interest-bearing	23.9	21.2	20.1	19.8	19.7	13	21
Total demand deposits	49.6	41.3	40.7	39.7	39.5	20	26
Money market deposits	25.7	24.7	24.6	24.3	23.3	4	10
Savings and other domestic deposits	10.6	9.6	9.6	9.7	10.1	10	5
Core certificates of deposit	3.0	3.9	4.8	5.7	5.9	(24)	(49)
Total core deposits	88.9	79.5	79.7	79.3	78.7	12	13
Other domestic deposits of \$250,000 or more	0.2	0.3	0.3	0.3	0.3	(28)	(26)
Brokered deposits and negotiable CDs	4.1	2.9	2.6	2.6	2.7	43	53
Total deposits	\$ 93.2	\$ 82.7	\$ 82.6	\$ 82.2	\$ 81.7	13 %	14 %
Short-term borrowings	\$ 0.8	\$ 3.4	\$ 2.0	\$ 2.3	\$ 3.2	(76)%	(74)%
Long-term debt	9.8	10.1	9.9	9.5	8.9	(3)	10
Total debt	\$ 10.6	\$ 13.5	\$ 11.9	\$ 11.8	\$ 12.1	(21)%	(12)%
Total interest-bearing liabilities	\$ 78.2	\$ 76.1	\$ 73.8	\$ 74.2	\$ 74.0	3 %	6 %

See Page 7 of Quarterly Financial Supplement for additional detail.

Average total interest-bearing liabilities for the 2020 second quarter increased \$4.2 billion, or 6%, from the year-ago quarter. Average total deposits increased \$11.5 billion, or 14%, while average total core deposits increased \$10.2 billion, or 13%. The increase in average total core deposits was primarily driven by commercial growth related to the PPP loans and commercial line draws, consumer growth related to government stimulus, and reduced account attrition. Specifically within core deposits, average total demand deposits increased \$10.1 billion, or 26%, average money market deposits increased \$2.4 billion, or 10%, and average savings and other domestic deposits increased \$0.5 billion, or 5%. Partially offsetting these increases, average core certificates of deposit (CDs) decreased \$2.9 billion, or 49%, reflecting the maturity of balances related to the 2018 consumer deposit growth initiatives. Average brokered deposits and negotiable CDs increased \$1.4 billion, or 53%, reflecting balance growth in new and existing brokered deposit accounts. Average total debt decreased \$1.5 billion, or 12%, reflecting the repayment of short-term borrowings due to the strong core deposit growth.

Compared to the 2020 first quarter, average total interest-bearing liabilities increased \$2.1 billion, or 3%. Average total deposits increased \$10.5 billion, or 13%, while average total core deposits increased \$9.4 billion, or 12%. The increase in average total core deposits was primarily driven by commercial growth related to the PPP loans and commercial line draws, consumer growth related to government stimulus, and reduced account attrition. Specifically within core deposits, average total demand deposits increased \$8.3 billion, or 20%, average money market deposits increased \$1.0 billion, or 4%, and average savings and other domestic deposits increased \$1.0 billion, or 10%. Partially offsetting these increases, average core CDs decreased \$0.9 billion, or 24%, reflecting the maturity of balances related to the 2018 consumer deposit growth initiatives. Average brokered deposits and negotiable CDs increased \$1.2 billion, or 43%, reflecting balance growth in new and existing brokered deposit accounts. Average total debt decreased \$2.8 billion, or 21%, as short-term borrowings were repaid as a result of the strong core deposit inflows.

On June 14, 2019, Huntington completed the sale of the Wisconsin retail branches, which included \$725 million of deposits.

Noninterest Income

Table 5 – Noninterest Income – Record Mortgage Banking Income Drives Growth in Noninterest Income

(\$ in millions)	2020		2019			Change (%)	
	Second	First	Fourth	Third	Second	LQ	YOY
	Quarter	Quarter	Quarter	Quarter	Quarter		
Service charges on deposit accounts	\$ 60	\$ 87	\$ 95	\$ 98	\$ 92	(31)%	(35)%
Card and payment processing income	59	58	64	64	63	2	(6)
Mortgage banking income	96	58	58	54	34	66	182
Trust and investment management services	45	47	47	44	43	(4)	5
Insurance income	25	23	24	20	23	9	9
Capital markets fees	31	33	31	36	34	(6)	(9)
Bank owned life insurance income	17	16	17	18	15	6	13
Gain on sale of loans and leases	8	8	16	13	13	0	(38)
Net (losses) gains on sales of securities	(1)	0	(22)	0	(2)	NM	NM
Other noninterest income	51	31	42	42	59	65	(14)
Total noninterest income	\$ 391	\$ 361	\$ 372	\$ 389	\$ 374	8 %	5 %

See Pages 10-11 of Quarterly Financial Supplement for additional detail.

Total noninterest income for the 2020 second quarter increased \$17 million, or 5%, from the year-ago quarter. Mortgage banking income increased \$62 million, or 182%, primarily reflecting higher secondary marketing spreads and a 105% increase in salable mortgage originations. Partially offsetting this increase, service charges on deposit accounts decreased \$32 million, or 35%, primarily reflecting reduced customer activity and pandemic-related fee waivers. Other noninterest income decreased \$8 million, or 14%, primarily as a result of several notable items impacting each quarter. The 2019 second quarter included a \$15 million gain on the sale of the Wisconsin retail branches, a \$5 million mark-to-market adjustment on economic hedges, and \$2 million of mezzanine gains. Partially offsetting these items, the 2020 second quarter included a \$13 million gain on the annuitization of a retiree health plan, a \$5 million gain on the sale of the retirement plan services recordkeeping business, and \$3 million of mezzanine losses. Gain on sale of loans and leases decreased \$5 million, or 38%, primarily due to lower SBA loan sales.

Compared to the 2020 first quarter, total noninterest income increased \$30 million, or 8%. Mortgage banking income increased \$38 million, or 66%, primarily reflecting a 72% increase in salable mortgage originations and higher secondary marketing spreads. Other noninterest income increased \$20 million, or 65%, primarily reflecting a \$13 million gain on the annuitization of a retiree health plan, a \$5 million gain on the sale of the retirement plan services recordkeeping business, and a \$3 million increase in income on terminated leases, which was offset by \$3 million of mezzanine losses. Partially offsetting these increases, service charges on deposit accounts decreased \$27 million, or 31%, primarily reflecting reduced customer activity and pandemic-related fee waivers.

Noninterest Expense

Table 6 – Noninterest Expense – Continued Focus on Disciplined Expense Management While Investing in Technology and Other Strategic Business Initiatives

(\$ in millions)	2020		2019			Change (%)	
	Second	First	Fourth	Third	Second	LQ	YOY
	Quarter	Quarter	Quarter	Quarter	Quarter		
Personnel costs	\$ 418	\$ 395	\$ 426	\$ 406	\$ 428	6 %	(2)%
Outside data processing and other services	90	85	89	87	89	6	1
Equipment	46	41	42	41	40	12	15
Net occupancy	39	40	41	38	38	(3)	3
Professional services	11	11	14	16	12	0	(8)
Amortization of intangibles	10	11	12	12	12	(9)	(17)
Marketing	5	9	9	10	11	(44)	(55)
Deposit and other insurance expense	9	9	10	8	8	0	13
Other noninterest expense	47	51	58	49	62	(8)	(24)
Total noninterest expense	\$ 675	\$ 652	\$ 701	\$ 667	\$ 700	4 %	(4)%
<i>(in thousands)</i>							
Average full-time equivalent employees	15.7	15.4	15.5	15.7	15.8	2 %	(1)%

See Page 10 of Quarterly Financial Supplement for additional detail.

Total noninterest expense for the 2020 second quarter decreased \$25 million, or 4%, from the year-ago quarter. Other noninterest expense decreased \$15 million, or 24%, primarily as a result of lower travel and business development expense as well as a \$5 million donation to the Columbus Foundation in the year-ago quarter. Personnel costs decreased \$10 million, or 2%, primarily reflecting reduced benefits expense and lower equity compensation expense. Marketing expense decreased \$6 million, or 55%, related to the timing of marketing campaigns in light of the pandemic. Partially offsetting these decreases, equipment expense increased \$6 million, or 15%, primarily reflecting the impact of increased technology costs.

Total noninterest expense increased \$23 million, or 4%, from the 2020 first quarter. Personnel costs increased \$23 million, or 6%, primarily reflecting increased incentive compensation, particularly in mortgage, and the timing of equity compensation expense in the second quarter. Outside data processing and other services increased \$5 million, or 6%, and equipment expense increased \$5 million, or 12%, both primarily reflecting the impact of increased technology costs.

Table 7 – Credit Quality Metrics – Further Deterioration in Economic Outlook Drives Increase in Allowance

(\$ in millions)	2020		2019		
	June 30,	March 31,	December 31,	September 30,	June 30,
Total nonaccrual loans and leases	\$ 648	\$ 558	\$ 468	\$ 438	\$ 425
Total other real estate	7	10	11	12	14
Other NPAs (1)	58	18	19	32	21
Total nonperforming assets	713	586	498	482	460
Accruing loans and leases past due 90+ days	194	167	171	163	152
NPAs + accruing loans & leases past due 90+ days	\$ 907	\$ 753	\$ 669	\$ 645	\$ 612
NAL ratio (2)	0.81%	0.72%	0.62%	0.58%	0.57%
NPA ratio (3)	0.89	0.75	0.66	0.64	0.61
(NPAs+90 days)/(Loans+OREO)	1.13	0.96	0.89	0.86	0.82
Provision for credit losses	\$ 327	\$ 441	\$ 79	\$ 82	\$ 59
Net charge-offs	107	117	73	73	48
Net charge-offs / Average total loans	0.54%	0.62%	0.39%	0.39%	0.25%
Allowance for loans and lease losses (ALLL)	\$ 1,702	\$ 1,504	\$ 783	\$ 780	\$ 774
Allowance for unfunded loan commitments and letters of credit	119	99	104	101	101
Allowance for credit losses (ACL)	\$ 1,821	\$ 1,603	\$ 887	\$ 881	\$ 875
ALLL as a % of:					
Total loans and leases	2.12%	1.93%	1.04%	1.04%	1.03%
NALs	263	270	167	178	182
NPAs	239	257	157	163	168
ACL as a % of:					
Total loans and leases	2.27%	2.05%	1.18%	1.18%	1.17%
NALs	281	287	190	201	206
NPAs	255	273	178	184	190

(1) Other nonperforming assets include certain impaired securities and/or nonaccrual loans held-for-sale.

(2) Total NALs as a % of total loans and leases.

(3) Total NPAs as a % of sum of loans and leases, other real estate owned, and other NPAs.

See Pages 12-15 of Quarterly Financial Supplement for additional detail.

Asset quality performance continues to be impacted by our oil and gas portfolio, while the remainder of the commercial portfolio has performed in line with expectations. The consumer portfolio metrics continue to reflect our focus on high quality borrowers.

Nonperforming assets (NPAs) increased to \$713 million, or 0.89% of total loans and leases and OREO, from \$460 million, or 0.61%, a year ago. Nonaccrual loans and leases (NALs) increased \$223 million, or 52%, to \$648 million, or 0.81% of total loans and leases. The year-over-year increase was primarily in the commercial portfolio, particularly the oil and gas portfolio. OREO balances decreased \$7 million, or 50%, from the year-ago quarter. On a linked quarter basis, NALs increased \$90 million, or 16%, while NPAs increased \$127 million, or 22%. The oil and gas portfolio contributed approximately 56% of the newly categorized NPAs.

The provision for credit losses increased \$268 million year-over-year to \$327 million in the 2020 second quarter. Net charge-offs (NCOs) increased \$59 million to \$107 million. The oil and gas portfolio accounted for approximately 75% of the \$80 million of commercial NCOs, nearly all of which resulted from charge-offs on loans sold in the quarter or under contract to be sold. Consumer NCOs of \$27 million were down on both a year-over-year and linked quarter basis, consistent with our expectations. NCOs represented an annualized 0.54% of average loans and leases in the current quarter, down from 0.62% in the prior quarter and up from 0.25% in the year-ago quarter. We remain confident in the long-term credit performance of our loan portfolios.

The allowance for loan and lease losses (ALLL) increased \$928 million from the year-ago quarter to \$1.7 billion, or 2.12% of total loans and leases. The ALLL as a percentage of period-end total NALs increased to 263%

from 182% over the same period. The allowance for credit losses (ACL) increased by \$946 million from the year-ago quarter to \$1.8 billion, or 2.27% of total loans and leases. On a linked quarter basis, the ACL increased \$218 million. We believe the levels of the ALLL and ACL are appropriate given the current level of problem loans and the economic outlook.

Capital

Table 8 – Capital Ratios – Ratios Remain within Targeted Operating Ranges

(\$ in billions)	2020		2019		
	June 30,	March 31,	December 31,	September 30,	June 30,
Tangible common equity / tangible assets ratio	7.28%	7.52%	7.88%	8.00%	7.80%
Common equity tier 1 risk-based capital ratio (1)	9.84%	9.47%	9.88%	10.02%	9.88%
Regulatory Tier 1 risk-based capital ratio (1)	11.79%	10.81%	11.26%	11.41%	11.28%
Regulatory Total risk-based capital ratio (1)	13.84%	12.74%	13.04%	13.29%	13.13%
Total risk-weighted assets (1)	\$ 87.3	\$ 90.2	\$ 87.5	\$ 86.7	\$ 86.3

(1) June 30, 2020 figures are estimated. Amounts are presented on a Basel III standardized approach basis for calculating risk-weighted assets. The estimated June 30, 2020, and March 31, 2020, capital ratios reflect Huntington's election of a five-year transition to delay for two years the full impact of CECL on regulatory capital, followed by a three-year transition period.

See Pages 16-17 of Quarterly Financial Supplement for additional detail.

The tangible common equity to tangible assets ratio was 7.28% at June 30, 2020, down 52 basis points from a year ago due to year-over-year balance sheet growth. Common Equity Tier 1 (CET1) risk-based capital ratio was 9.84%, down from 9.88% a year ago. The regulatory Tier 1 risk-based capital ratio was 11.79% compared to 11.28% at June 30, 2019. The balance sheet growth impact on regulatory capital ratios was predominantly offset by a change in asset mix during the 2020 second quarter related to the PPP loans and elevated deposits at the Federal Reserve (both of which are 0% risk weighted). The capital impact of the repurchase of \$352 million of common stock over the last four quarters (none in the 2020 second quarter) and cash dividends effectively offset earnings, adjusted for the CECL transition, on a year-over-year basis. The regulatory Tier 1 risk-based capital and total risk-based capital ratios also reflect the issuance of \$500 million of Series F preferred stock in the 2020 second quarter.

We do not currently expect to repurchase common shares during the 2020 third quarter; however, the Board has authorized the repurchase of common shares during the 2020 third quarter to offset compensation plan-related share issuances as permitted by the Federal Reserve Board. We may, at our discretion, repurchase common shares as permitted by this Board authorization. Purchases of common shares under the authorization may include open market purchases, privately negotiated transactions, and accelerated share repurchase programs.

Income Taxes

The provision for income taxes was \$31 million in the 2020 second quarter and \$63 million in the 2019 second quarter. The effective tax rates for the 2020 second quarter and 2019 second quarter were 17.2% and 14.6%, respectively. The variance between the 2020 second quarter and the 2019 second quarter provision for income taxes and effective tax rates relates primarily to lower pre-tax income and the impact of stock-based compensation.

At June 30, 2020, we had a net federal deferred tax liability of \$222 million and a net state deferred tax asset of \$33 million.

Expectations - 2020 Third Quarter

Third quarter revenue is expected to increase approximately 2% from the 2020 second quarter. The 2020 third quarter NIM is expected to expand approximately 7 to 10 basis points on a linked quarter basis. Third quarter noninterest expense is expected to increase approximately 5% compared to the 2020 second quarter.

Average loans and leases are expected to remain relatively unchanged on a linked quarter basis. Average total deposits are expected to decrease approximately 1% compared to the 2020 second quarter.

Asset quality metrics are expected to continue to be impacted by the challenged economic outlook. Net charge-offs are expected to be near 65 basis points in the 2020 third quarter, impacted by the oil & gas portfolio and broader economic considerations.

Conference Call / Webcast Information

Huntington's senior management will host an earnings conference call on July 23, 2020, at 9:00 a.m. (Eastern Daylight Time). The call may be accessed via a live Internet webcast at the Investor Relations section of Huntington's website, www.huntington.com, or through a dial-in telephone number at (877) 407-8029; Conference ID #13704964. Slides will be available in the Investor Relations section of Huntington's website about an hour prior to the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's website. A telephone replay will be available approximately two hours after the completion of the call through July 31, 2020 at (877) 660-6853 or (201) 612-7415; conference ID #13704964.

Please see the 2020 Second Quarter Quarterly Financial Supplement for additional detailed financial performance metrics. This document can be found on the Investor Relations section of Huntington's website, <http://www.huntington.com>.

About Huntington

Huntington Bancshares Incorporated is a regional bank holding company headquartered in Columbus, Ohio, with \$118 billion of assets and a network of 839 full-service branches, including 12 Private Client Group offices, and 1,344 ATMs across seven Midwestern states. Founded in 1866, The Huntington National Bank and its affiliates provide consumer, small business, commercial, treasury management, wealth management, brokerage, trust, and insurance services. Huntington also provides vehicle finance, equipment finance, national settlement, and capital market services that extend beyond its core states. Visit huntington.com for more information.

Caution regarding Forward-Looking Statements

This communication contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; the magnitude and duration of the COVID-19 pandemic and its impact on the global economy and financial market conditions and our business, results of operations, and financial condition; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and

credit markets; movements in interest rates; reform of LIBOR; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services including those implementing our “Fair Play” banking philosophy; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; and other factors that may affect our future results. Additional factors that could cause results to differ materially from those described above can be found in our 2019 Annual Report on Form 10-K, and our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020, as well as our subsequent Securities and Exchange Commission (“SEC”) filings, which are on file with the SEC and available in the “Investor Relations” section of our website, <http://www.huntington.com>, under the heading “Publications and Filings.”

All forward-looking statements speak only as of the date they are made and are based on information available at that time. We do not assume any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.

Basis of Presentation

Use of Non-GAAP Financial Measures

This document contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding Huntington’s results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in this document, conference call slides, or the Form 8-K related to this document, all of which can be found in the Investor Relations section of Huntington’s website, <http://www.huntington.com>.

Annualized Data

Certain returns, yields, performance ratios, or quarterly growth rates are presented on an “annualized” basis. This is done for analytical and decision-making purposes to better discern underlying performance trends when compared to full-year or year-over-year amounts. For example, loan and deposit growth rates, as well as net charge-off percentages, are most often expressed in terms of an annual rate like 8%. As such, a 2% growth rate for a quarter would represent an annualized 8% growth rate.

Fully-Taxable Equivalent Interest Income and Net Interest Margin

Income from tax-exempt earning assets is increased by an amount equivalent to the taxes that would have been paid if this income had been taxable at statutory rates. This adjustment puts all earning assets, most notably tax-exempt municipal securities and certain lease assets, on a common basis that facilitates comparison of results to results of competitors.

Earnings per Share Equivalent Data

Significant income or expense items may be expressed on a per common share basis. This is done for analytical and decision-making purposes to better discern underlying trends in total corporate earnings per share performance excluding the impact of such items. Investors may also find this information helpful in their evaluation of our financial performance against published earnings per share mean estimate amounts, which typically exclude the impact of Significant Items. Earnings per share equivalents are usually calculated by applying an effective tax rate to a pre-tax amount to derive an after-tax amount, which is divided by the average shares outstanding during the respective reporting period. Occasionally, when the item involves special tax treatment, the after-tax amount is disclosed separately, with this then being the amount used to calculate the earnings per share equivalent.

Rounding

Please note that columns of data in this document may not add due to rounding.

Significant Items

From time to time, revenue, expenses, or taxes are impacted by items judged by management to be outside of ordinary banking activities and/or by items that, while they may be associated with ordinary banking activities, are so unusually large that their outsized impact is believed by management at that time to be infrequent or short term in nature. We refer to such items as "Significant Items". Most often, these Significant Items result from factors originating outside the company – e.g., regulatory actions/assessments, windfall gains, changes in accounting principles, one-time tax assessments/refunds, and litigation actions. In other cases they may result from management decisions associated with significant corporate actions out of the ordinary course of business – e.g., merger/restructuring charges, recapitalization actions, and goodwill impairment.

Even though certain revenue and expense items are naturally subject to more volatility than others due to changes in market and economic environment conditions, as a general rule volatility alone does not define a Significant Item. For example, changes in the provision for credit losses, gains/losses from investment activities, and asset valuation write-downs reflect ordinary banking activities and are, therefore, typically excluded from consideration as a Significant Item.

Management believes the disclosure of "Significant Items", when appropriate, aids analysts/investors in better understanding corporate performance and trends so that they can ascertain which of such items, if any, they may wish to include/exclude from their analysis of the company's performance - i.e., within the context of determining how that performance differed from their expectations, as well as how, if at all, to adjust their estimates of future performance accordingly. To this end, management has adopted a practice of listing "Significant Items" in our external disclosure documents (e.g., earnings press releases, quarterly performance discussions, investor presentations, and Forms 10-Q and 10-K).

"Significant Items" for any particular period are not intended to be a complete list of items that may materially impact current or future period performance. A number of items could materially impact these periods, including those which may be described from time to time in Huntington's filings with the Securities and Exchange Commission.

HUNTINGTON BANCSHARES INCORPORATED
Quarterly Financial Supplement
June 30, 2020
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Notes:

The preparation of financial statement data in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect amounts reported. Actual results could differ from those estimates. Certain prior period amounts have been reclassified to conform to the current period's presentation.

Fully-Taxable Equivalent Basis

Interest income, yields, and ratios on a FTE basis are considered non-GAAP financial measures. Management believes net interest income on a FTE basis provides a more accurate picture of the interest margin for comparison purposes. The FTE basis also allows management to assess the comparability of revenue arising from both taxable and tax-exempt sources. The FTE basis assumes a federal statutory tax rate of 21 percent.

Non-Regulatory Capital Ratios

In addition to capital ratios defined by banking regulators, the Company considers various other measures when evaluating capital utilization and adequacy, including:

- Tangible common equity to tangible assets,
and
- Tangible common equity to risk-weighted assets using Basel III definition.

These non-regulatory capital ratios are viewed by management as useful additional methods of reflecting the level of capital available to withstand unexpected market conditions. Additionally, presentation of these ratios allows readers to compare the Company's capitalization to other financial services companies. These ratios differ from capital ratios defined by banking regulators principally in that the numerator excludes preferred securities, the nature and extent of which varies among different financial services companies. These ratios are not defined in GAAP or federal banking regulations. As a result, these non-regulatory capital ratios disclosed by the Company may be considered non-GAAP financial measures.

Because there are no standardized definitions for these non-regulatory capital ratios, the Company's calculation methods may differ from those used by other financial services companies. Also, there may be limits in the usefulness of these measures to investors. As a result, the Company encourages readers to consider the consolidated financial statements and other financial information contained in the related press release in their entirety, and not to rely on any single financial measure.

Huntington Bancshares Incorporated
Quarterly Key Statistics
(Unaudited)

	Three Months Ended			Percent Changes vs.	
	June 30, 2020	March 31, 2020	June 30, 2019	1Q20	2Q19
<i>(dollar amounts in millions, except per share data)</i>					
Net interest income (2)	\$ 797	\$ 796	\$ 819	— %	(3)%
FTE adjustment	(5)	(6)	(7)	17	29
Net interest income	792	790	812	—	(2)
Provision for credit losses	327	441	59	(26)	454
Noninterest income	391	361	374	8	5
Noninterest expense	675	652	700	4	(4)
Income before income taxes	181	58	427	212	(58)
Provision for income taxes	31	10	63	210	(51)
Net income	150	48	364	213	(59)
Dividends on preferred shares	19	18	18	6	6
Net income applicable to common shares	\$ 131	\$ 30	\$ 346	337 %	(62)%
Net income per common share - diluted	\$ 0.13	\$ 0.03	\$ 0.33	333 %	(61)%
Cash dividends declared per common share	0.15	0.15	0.14	—	7
Tangible book value per common share at end of period	8.32	8.28	7.97	—	4
Number of common shares repurchased	—	7,088	11,344	(100)	(100)
Average common shares - basic	1,016	1,018	1,045	—	(3)
Average common shares - diluted	1,029	1,035	1,060	(1)	(3)
Ending common shares outstanding	1,017	1,014	1,038	—	(2)
Return on average assets	0.51%	0.17 %	1.36 %		
Return on average common shareholders' equity	5.0	1.1	13.5		
Return on average tangible common shareholders' equity (1)	6.7	1.8	17.7		
Net interest margin (2)	2.94	3.14	3.31		
Efficiency ratio (3)	55.9	55.4	57.6		
Effective tax rate	17.2	17.0	14.6		
Average total assets	\$ 118,191	\$ 110,147	\$ 107,479	7	10
Average earning assets	109,038	101,783	99,188	7	10
Average loans and leases	80,199	75,696	74,932	6	7
Average loans and leases - linked quarter annualized growth rate	23.8%	3.2 %	0.8 %		
Average total deposits	\$ 93,222	\$ 82,733	\$ 81,718	13	14
Average core deposits (4)	88,878	79,528	78,723	12	13
Average core deposits - linked quarter annualized growth rate	47.0%	(0.8)%	(1.6)%		
Average shareholders' equity	11,945	11,636	11,475	3	4
Average common total shareholders' equity	10,590	10,433	10,272	2	3
Average tangible common shareholders' equity	8,429	8,264	8,075	2	4
Total assets at end of period	118,425	113,897	108,247	4	9
Total shareholders' equity at end of period	12,314	11,769	11,668	5	6
NCOs as a % of average loans and leases	0.54%	0.62 %	0.25 %		
NAL ratio	0.81	0.72	0.57		
NPA ratio (5)	0.89	0.75	0.61		
Allowance for loan and lease losses (ALLL) as a % of total loans and leases at the end of period	2.12	1.93	1.03		
Common equity tier 1 risk-based capital ratio (6)	9.84	9.47	9.88		
Tangible common equity / tangible asset ratio (7)	7.28	7.52	7.80		

See Notes to the Quarterly Key Statistics.

Huntington Bancshares Incorporated
Year to Date Key Statistics
(Unaudited)

	Six Months Ended June 30,		Change	
	2020	2019	Amount	Percent
<i>(dollar amounts in millions, except per share data)</i>				
Net interest income (2)	\$ 1,593	\$ 1,648	\$ (55)	(3)%
FTE adjustment	(11)	(14)	3	21
Net interest income	1,582	1,634	(52)	(3)
Provision for credit losses	768	126	642	510
Noninterest income	752	693	59	9
Noninterest expense	1,327	1,353	(26)	(2)
Income before income taxes	239	848	(609)	(72)
Provision for income taxes	41	126	(85)	(67)
Net Income	198	722	(524)	(73)
Dividends on preferred shares	37	37	—	—
Net income applicable to common shares	\$ 161	\$ 685	\$ (524)	(76)%
Net income per common share - diluted	\$ 0.16	\$ 0.64	\$ (0.48)	(75)%
Cash dividends declared per common share	0.30	0.28	0.02	7
Average common shares - basic	1,017	1,046	(29)	(3)
Average common shares - diluted	1,032	1,063	(31)	(3)
Return on average assets	0.35%	1.35%		
Return on average common shareholders' equity	3.1	13.7		
Return on average tangible common shareholders' equity (1)	4.3	18.0		
Net interest margin (2)	3.04	3.35		
Efficiency ratio (3)	55.7	56.7		
Effective tax rate	17.2	14.8		
Average total assets	\$ 114,169	\$ 107,495	\$ 6,674	6
Average earning assets	105,410	99,200	6,210	6
Average loans and leases	77,947	74,853	3,094	4
Average total deposits	87,977	82,242	5,735	7
Average core deposits (4)	83,758	78,877	4,881	6
Average shareholders' equity	11,790	11,317	473	4
Average common total shareholders' equity	10,511	10,113	398	4
Average tangible common shareholders' equity	8,347	7,912	435	5
NCOs as a % of average loans and leases	0.58%	0.32%		
NAL ratio	0.81	0.57		
NPA ratio (5)	0.89	0.61		

See Notes to the Year to Date and Quarterly Key Statistics.

Key Statistics Footnotes

- (1) Net income applicable to common shares excluding expense for amortization of intangibles for the period divided by average tangible common shareholders' equity. Average tangible common shareholders' equity equals average total common shareholders' equity less average intangible assets and goodwill. Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 21% tax rate.
 - (2) On a fully-taxable equivalent (FTE) basis assuming a 21% tax rate.
 - (3) Noninterest expense less amortization of intangibles divided by the sum of FTE net interest income and noninterest income excluding securities gains (losses).
 - (4) Includes noninterest-bearing and interest-bearing demand deposits, money market deposits, savings and other domestic deposits, and core certificates of deposit.
 - (5) NPAs include other nonperforming assets, which includes certain impaired securities and/or nonaccrual loans held for sale, and other real estate owned.
 - (6) June 30, 2020, figures are estimated.
 - (7) Tangible common equity (total common equity less goodwill and other intangible assets) divided by tangible assets (total assets less goodwill and other intangible assets). Other intangible assets are net of deferred tax liability, calculated at a 21% tax rate.
-

Huntington Bancshares Incorporated
Consolidated Balance Sheets

<i>(dollar amounts in millions)</i>	June 30, 2020 <i>(Unaudited)</i>	December 31, 2019	Percent Changes
Assets			
Cash and due from banks	\$ 1,285	\$ 1,045	23 %
Interest-bearing deposits in Federal Reserve Bank	5,008	125	3,906
Interest-bearing deposits in banks	82	102	(20)
Trading account securities	45	99	(55)
Available-for-sale securities	13,297	14,149	(6)
Held-to-maturity securities	9,416	9,070	4
Other securities	438	441	(1)
Loans held for sale	1,165	877	33
Loans and leases (1)	80,139	75,404	6
Allowance for loan and lease losses	(1,702)	(783)	(117)
Net loans and leases	78,437	74,621	5
Bank owned life insurance	2,560	2,542	1
Premises and equipment	751	763	(2)
Goodwill	1,990	1,990	—
Service rights and other intangible assets	411	475	(13)
Other assets	3,540	2,703	31
Total assets	\$ 118,425	\$ 109,002	9 %
Liabilities and shareholders' equity			
Liabilities			
Deposits (2)	\$ 93,691	\$ 82,347	14 %
Short-term borrowings	146	2,606	(94)
Long-term debt	9,753	9,849	(1)
Other liabilities	2,521	2,405	5
Total liabilities	106,111	97,207	9
Shareholders' equity			
Preferred stock	1,697	1,203	41
Common stock	10	10	—
Capital surplus	8,743	8,806	(1)
Less treasury shares, at cost	(59)	(56)	(5)
Accumulated other comprehensive gain (loss)	290	(256)	213
Retained earnings (deficit)	1,633	2,088	(22)
Total shareholders' equity	12,314	11,795	4
Total liabilities and shareholders' equity	\$ 118,425	\$ 109,002	9 %
Common shares authorized (par value of \$0.01)	1,500,000,000	1,500,000,000	
Common shares outstanding	1,017,309,583	1,020,003,482	
Treasury shares outstanding	4,999,371	4,537,605	
Preferred stock, authorized shares	6,617,808	6,617,808	
Preferred shares outstanding	745,500	740,500	

(1) See page 5 for detail of loans and leases.

(2) See page 6 for detail of deposits.

Huntington Bancshares Incorporated
Loans and Leases Composition
(Unaudited)

	June 30, 2020		March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019						
<i>(dollar amounts in millions)</i>															
Ending Balances by Type:															
Total loans															
Commercial:															
Commercial and industrial	\$	34,879	44%	\$	32,959	42%	\$	30,664	41%	\$	30,394	41%	\$	30,608	41%
Commercial real estate:															
Construction		1,200	1		1,180	2		1,123	1		1,157	2		1,146	1
Commercial		5,979	7		5,793	7		5,551	7		5,698	8		5,742	8
Commercial real estate		7,179	8		6,973	9		6,674	8		6,855	10		6,888	9
Total commercial		42,058	52		39,932	51		37,338	49		37,249	51		37,496	50
Consumer:															
Automobile		12,678	16		12,907	17		12,797	17		12,292	15		12,173	16
Home equity		8,866	11		9,010	11		9,093	12		9,300	12		9,419	12
Residential mortgage		11,621	15		11,398	15		11,376	15		11,247	15		11,182	15
RV and marine		3,843	5		3,643	5		3,563	5		3,553	5		3,492	5
Other consumer		1,073	1		1,145	1		1,237	2		1,251	2		1,271	2
Total consumer		38,081	48		38,103	49		38,066	51		37,643	49		37,537	50
Total loans and leases	\$	80,139	100%	\$	78,035	100%	\$	75,404	100%	\$	74,892	100%	\$	75,033	100%

	June 30, 2020		March 31, 2020		December 31, 2019		September 30, 2019		June 30, 2019						
<i>(dollar amounts in millions)</i>															
Ending Balances by Business Segment:															
Consumer and Business Banking	\$	27,173	34%	\$	21,544	28%	\$	21,716	29%	\$	21,963	30%	\$	22,128	30%
Commercial Banking		26,916	34		29,421	38		27,050	36		27,090	36		27,311	36
Vehicle Finance		19,345	24		20,552	26		20,190	27		19,484	26		19,417	26
RBHPCG		6,576	8		6,457	8		6,366	8		6,294	8		6,179	8
Treasury / Other		129	—		61	—		82	—		61	—		(2)	—
Total loans and leases	\$	80,139	100%	\$	78,035	100%	\$	75,404	100%	\$	74,892	100%	\$	75,033	100%

Average Balances by Business Segment:															
Consumer and Business Banking	\$	25,379	32%	\$	21,593	29%	\$	21,845	30%	\$	22,092	30%	\$	22,139	30%
Commercial Banking		28,173	35		27,238	36		26,993	36		27,295	36		27,350	36
Vehicle Finance		19,822	25		20,307	27		19,852	26		19,370	26		19,298	26
RBHPCG		6,498	8		6,415	8		6,314	8		6,237	8		6,054	8
Treasury / Other		327	—		143	—		99	—		102	—		91	—
Total loans and leases	\$	80,199	100%	\$	75,696	100%	\$	75,103	100%	\$	75,096	100%	\$	74,932	100%

Huntington Bancshares Incorporated
Deposits Composition
(Unaudited)

	June 30,		March 31,		December 31,		September 30,		June 30,	
<i>(dollar amounts in millions)</i>	2020		2020		2019		2019		2019	
Ending Balances by Type:										
Demand deposits - noninterest-bearing	\$ 27,574	29%	\$ 21,039	24%	\$ 20,247	25%	\$ 20,553	25%	\$ 19,383	24%
Demand deposits - interest-bearing	22,961	25	23,115	27	20,583	25	19,976	24	19,085	24
Money market deposits	25,312	27	25,068	29	24,726	30	23,977	29	23,952	30
Savings and other domestic deposits	11,034	12	9,845	11	9,549	12	9,566	12	9,803	12
Core certificates of deposit (1)	2,478	3	3,599	4	4,356	5	5,443	7	5,703	7
Total core deposits	89,359	96	82,666	95	79,461	97	79,515	97	77,926	97
Other domestic deposits of \$250,000 or more	209	—	276	—	313	—	326	—	316	—
Brokered deposits and negotiable CDs	4,123	4	3,888	5	2,573	3	2,554	3	2,640	3
Total deposits	\$ 93,691	100%	\$ 86,830	100%	\$ 82,347	100%	\$ 82,395	100%	\$ 80,882	100%
Total core deposits:										
Commercial	\$ 41,630	47%	\$ 38,064	46%	\$ 34,957	44%	\$ 35,247	44%	\$ 33,371	43%
Consumer	47,729	53	44,602	54	44,504	56	44,268	56	44,555	57
Total core deposits	\$ 89,359	100%	\$ 82,666	100%	\$ 79,461	100%	\$ 79,515	100%	\$ 77,926	100%
Ending Balances by Business Segment:										
Consumer and Business Banking	\$ 59,202	63%	\$ 51,898	60%	\$ 51,675	63%	\$ 51,671	63%	\$ 51,577	64%
Commercial Banking	22,041	24	23,530	27	20,762	25	21,088	26	20,049	25
Vehicle Finance	824	1	525	1	376	—	363	—	339	—
RBHPCG	6,834	7	6,265	7	6,370	8	6,101	7	5,863	7
Treasury / Other (2)	4,790	5	4,612	5	3,164	4	3,172	4	3,054	4
Total deposits	\$ 93,691	100%	\$ 86,830	100%	\$ 82,347	100%	\$ 82,395	100%	\$ 80,882	100%

	June 30,		March 31,		December 31,		September 30,		June 30,	
<i>(dollar amounts in millions)</i>	2020		2020		2019		2019		2019	
Average Balances by Business Segment:										
Consumer and Business Banking	\$ 56,858	61%	\$ 51,296	62%	\$ 52,059	63%	\$ 51,604	63%	\$ 51,935	64%
Commercial Banking	24,414	26	21,525	26	20,974	25	21,227	26	20,361	25
Vehicle Finance	646	1	366	—	347	—	359	—	322	—
RBHPCG	6,565	7	6,100	7	6,113	7	5,958	7	5,918	7
Treasury / Other (2)	4,739	5	3,446	5	3,099	5	3,101	4	3,182	4
Total deposits	\$ 93,222	100%	\$ 82,733	100%	\$ 82,592	100%	\$ 82,249	100%	\$ 81,718	100%

(1) Includes consumer certificates of deposit of \$250,000 or more.

(2) Comprised primarily of national market deposits.

Huntington Bancshares Incorporated
Consolidated Quarterly Average Balance Sheets
(Unaudited)

	Quarterly Average Balances (1)					Percent Changes vs.	
	June 30,	March 31,	December 31,	September 30,	June 30,	1Q20	2Q19
	2020	2020	2019	2019	2019		
<i>(dollar amounts in millions)</i>							
Assets							
Interest-bearing deposits in Federal Reserve Bank	\$ 3,413	\$ 680	\$ 672	\$ 514	\$ 518	402 %	559 %
Interest-bearing deposits in banks	169	150	176	149	135	13	25
Securities:							
Trading account securities	39	95	109	137	161	(59)	(76)
Available-for-sale securities:							
Taxable	11,179	11,671	11,221	11,096	10,501	(4)	6
Tax-exempt	2,728	2,753	2,791	2,820	2,970	(1)	(8)
Total available-for-sale securities	13,907	14,424	14,012	13,916	13,471	(4)	3
Held-to-maturity securities - taxable	9,798	9,428	8,592	8,566	8,771	4	12
Other securities	474	445	448	437	466	7	2
Total securities	24,218	24,392	23,161	23,056	22,869	(1)	6
Loans held for sale	1,039	865	950	877	734	20	42
Loans and leases: (2)							
Commercial:							
Commercial and industrial	35,284	30,849	30,373	30,632	30,644	14	15
Commercial real estate:							
Construction	1,201	1,165	1,181	1,165	1,168	3	3
Commercial	5,885	5,566	5,625	5,762	5,732	6	3
Commercial real estate	7,086	6,731	6,806	6,927	6,900	5	3
Total commercial	42,370	37,580	37,179	37,559	37,544	13	13
Consumer:							
Automobile	12,681	12,924	12,607	12,181	12,219	(2)	4
Home equity	8,897	9,026	9,192	9,353	9,482	(1)	(6)
Residential mortgage	11,463	11,391	11,330	11,214	11,010	1	4
RV and marine	3,706	3,590	3,564	3,528	3,413	3	9
Other consumer	1,082	1,185	1,231	1,261	1,264	(9)	(14)
Total consumer	37,829	38,116	37,924	37,537	37,388	(1)	1
Total loans and leases	80,199	75,696	75,103	75,096	74,932	6	7
Allowance for loan and lease losses	(1,557)	(1,239)	(787)	(799)	(778)	(26)	(100)
Net loans and leases	78,642	74,457	74,316	74,297	74,154	6	6
Total earning assets	109,038	101,783	100,062	99,692	99,188	7	10
Cash and due from banks	1,299	914	864	817	835	42	56
Intangible assets	2,206	2,217	2,228	2,240	2,252	—	(2)
All other assets	7,205	6,472	6,346	6,216	5,982	11	20
Total assets	\$ 118,191	\$ 110,147	\$ 108,713	\$ 108,166	\$ 107,479	7 %	10 %
Liabilities and shareholders' equity							
Interest-bearing deposits:							
Demand deposits - interest-bearing	\$ 23,878	\$ 21,202	\$ 20,140	\$ 19,796	\$ 19,693	13 %	21 %
Money market deposits	25,728	24,697	24,560	24,266	23,305	4	10
Savings and other domestic deposits	10,609	9,632	9,552	9,681	10,105	10	5
Core certificates of deposit (3)	3,003	3,943	4,795	5,666	5,860	(24)	(49)
Other domestic deposits of \$250,000 or more	230	321	313	315	310	(28)	(26)
Brokered deposits and negotiable CDs	4,114	2,884	2,589	2,599	2,685	43	53
Total interest-bearing deposits	67,562	62,679	61,949	62,323	61,958	8	9
Short-term borrowings	826	3,383	1,965	2,331	3,166	(76)	(74)
Long-term debt	9,802	10,076	9,886	9,536	8,914	(3)	10
Total interest-bearing liabilities	78,190	76,138	73,800	74,190	74,038	3	6
Demand deposits - noninterest-bearing	25,660	20,054	20,643	19,926	19,760	28	30
All other liabilities	2,396	2,319	2,386	2,336	2,206	3	9
Shareholders' equity	11,945	11,636	11,884	11,714	11,475	3	4
Total liabilities and shareholders' equity	\$ 118,191	\$ 110,147	\$ 108,713	\$ 108,166	\$ 107,479	7 %	10 %

(1) Amounts include the effects of hedge and risk management activities associated with the respective asset and liability categories.

(2) Includes nonaccrual loans.

(3) Includes consumer certificates of deposit of \$250,000 or more.



Huntington Bancshares Incorporated
Consolidated Quarterly Net Interest Margin - Interest Income / Expense (1)(2)
(Unaudited)

	Quarterly Interest Income / Expense				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Assets					
Interest-bearing deposits in Federal Reserve Bank	\$ 1	\$ 2	\$ 3	\$ 3	\$ 3
Interest-bearing deposits in banks	—	1	1	1	—
Securities:					
Trading account securities	—	1	1	—	1
Available-for-sale securities:					
Taxable	65	76	73	74	72
Tax-exempt	19	23	24	26	27
Total available-for-sale securities	84	99	97	100	99
Held-to-maturity securities - taxable	58	59	54	54	56
Other securities	1	2	3	3	4
Total securities	143	161	155	157	160
Loans held for sale	9	7	8	9	7
Loans and leases:					
Commercial:					
Commercial and industrial	323	318	335	358	373
Commercial real estate:					
Construction	11	14	15	16	17
Commercial	43	56	63	68	71
Commercial real estate	54	70	78	84	88
Total commercial	377	388	413	442	461
Consumer:					
Automobile	121	130	131	126	123
Home equity	82	107	117	127	131
Residential mortgage	101	105	105	107	106
RV and marine	43	44	45	44	42
Other consumer	30	36	39	42	42
Total consumer	377	422	437	446	444
Total loans and leases	754	810	850	888	905
Total earning assets	\$ 907	\$ 981	\$ 1,017	\$ 1,058	\$ 1,075
Liabilities					
Interest-bearing deposits:					
Demand deposits - interest-bearing	\$ 4	\$ 23	\$ 32	\$ 29	\$ 28
Money market deposits	25	50	61	73	67
Savings and other domestic deposits	3	4	5	5	6
Core certificates of deposit (3)	7	19	25	31	32
Other domestic deposits of \$250,000 or more	5	1	3	1	1
Brokered deposits and negotiable CDs	3	8	10	15	16
Total interest-bearing deposits	47	105	136	154	150
Short-term borrowings	1	12	8	13	19
Long-term debt	62	68	87	86	87
Total interest bearing liabilities	110	185	231	253	256
Net interest income	\$ 797	\$ 796	\$ 786	\$ 805	\$ 819

- (1) Fully-taxable equivalent (FTE) income and expense calculated assuming a 21% tax rate. See page 10 for the FTE adjustment.
- (2) Amounts include the effects of hedge and risk management activities associated with the respective asset and liability categories.
- (3) Includes consumer certificates of deposit of \$250,000 or more.

Huntington Bancshares Incorporated
Consolidated Quarterly Net Interest Margin - Yield
(Unaudited)

	Quarterly Average Rates				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Fully-taxable equivalent basis (1)					
Assets					
Interest-bearing deposits in Federal Reserve Bank	0.10%	1.08%	1.66%	2.19%	2.38%
Interest-bearing deposits in banks	0.33	1.52	1.81	2.38	2.08
Securities:					
Trading account securities	1.99	3.21	2.45	2.36	1.92
Available-for-sale securities:					
Taxable	2.30	2.62	2.63	2.67	2.73
Tax-exempt	2.75	3.30	3.43	3.63	3.66
Total available-for-sale securities	2.39	2.75	2.79	2.87	2.94
Held-to-maturity securities - taxable	2.39	2.50	2.50	2.51	2.54
Other securities	0.57	2.07	2.57	3.15	3.44
Total securities	2.35	2.64	2.68	2.74	2.79
Loans held for sale	3.22	3.39	3.40	3.69	4.00
Loans and leases: (3)					
Commercial:					
Commercial and industrial	3.62	4.12	4.31	4.57	4.82
Commercial real estate:					
Construction	3.66	4.75	5.07	5.50	5.59
Commercial	2.94	4.00	4.36	4.67	4.88
Commercial real estate	3.06	4.13	4.48	4.81	5.00
Total commercial	3.53	4.12	4.34	4.61	4.85
Consumer:					
Automobile	3.84	4.05	4.15	4.09	4.02
Home equity	3.73	4.75	5.03	5.38	5.56
Residential mortgage	3.51	3.70	3.73	3.80	3.84
RV and marine	4.71	4.91	4.96	4.96	4.94
Other consumer	11.10	12.39	12.71	13.34	13.29
Total consumer	4.00	4.45	4.59	4.72	4.76
Total loans and leases	3.75	4.29	4.47	4.67	4.80
Total earning assets	3.35	3.88	4.03	4.21	4.35
Liabilities					
Interest-bearing deposits:					
Demand deposits - interest-bearing	0.07	0.43	0.63	0.57	0.58
Money market deposits	0.40	0.81	0.99	1.20	1.15
Savings and other domestic deposits	0.10	0.17	0.20	0.22	0.23
Core certificates of deposit (4)	1.55	1.91	2.09	2.17	2.15
Other domestic deposits of \$250,000 or more	1.25	1.56	1.70	1.85	1.92
Brokered deposits and negotiable CDs	0.18	1.22	1.67	2.21	2.39
Total interest-bearing deposits	0.28	0.68	0.87	0.98	0.97
Short-term borrowings	0.47	1.46	1.66	2.28	2.41
Long-term debt	2.58	2.70	3.50	3.59	3.91
Total interest-bearing liabilities	0.57	0.98	1.24	1.36	1.39
Demand deposits - noninterest-bearing	—	—	—	—	—
Net interest rate spread	2.78	2.90	2.79	2.85	2.96
Impact of noninterest-bearing funds on margin	0.16	0.24	0.33	0.35	0.35
Net interest margin	2.94%	3.14%	3.12%	3.20%	3.31%

Commercial Loan Derivative Impact
(Unaudited)

	Average Rates				
	2020 Second	2020 First	2019 Fourth	2019 Third	2019 Second
Fully-taxable equivalent basis (1)					
Commercial loans (2)(3)	3.17%	4.08%	4.36 %	4.70 %	4.88 %
Impact of commercial loan derivatives	0.36	0.04	(0.02)	(0.09)	(0.03)
Total commercial - as reported	3.53%	4.12%	4.34 %	4.61 %	4.85 %
Average 1 Month LIBOR	0.36%	1.41%	1.79 %	2.18 %	2.44 %

(1) Fully-taxable equivalent (FTE) yields are calculated assuming a 21% tax rate. See page 10 for the FTE adjustment.

- (2) Yield/rates exclude the effects of hedge and risk management activities associated with the respective asset and liability categories.
- (3) Includes nonaccrual loans.
- (4) Includes consumer certificates of deposit of \$250,000 or more.

Huntington Bancshares Incorporated
Selected Quarterly Income Statement Data
(Unaudited)

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions, except per share data)</i>					
Interest income	\$ 902	\$ 975	\$ 1,011	\$ 1,052	\$ 1,068
Interest expense	110	185	231	253	256
Net interest income	792	790	780	799	812
Provision for credit losses	327	441	79	82	59
Net interest income after provision for credit losses	465	349	701	717	753
Service charges on deposit accounts	60	87	95	98	92
Card and payment processing income	59	58	64	64	63
Trust and investment management services	45	47	47	44	43
Mortgage banking income	96	58	58	54	34
Capital markets fees	31	33	31	36	34
Insurance income	25	23	24	20	23
Bank owned life insurance income	17	16	17	18	15
Gain on sale of loans and leases	8	8	16	13	13
Net (losses) gains on sales of securities	(1)	—	(22)	—	(2)
Other noninterest income	51	31	42	42	59
Total noninterest income	391	361	372	389	374
Personnel costs	418	395	426	406	428
Outside data processing and other services	90	85	89	87	89
Equipment	46	41	42	41	40
Net occupancy	39	40	41	38	38
Professional services	11	11	14	16	12
Amortization of intangibles	10	11	12	12	12
Marketing	5	9	9	10	11
Deposit and other insurance expense	9	9	10	8	8
Other noninterest expense	47	51	58	49	62
Total noninterest expense	675	652	701	667	700
Income before income taxes	181	58	372	439	427
Provision for income taxes	31	10	55	67	63
Net income	150	48	317	372	364
Dividends on preferred shares	19	18	19	18	18
Net income applicable to common shares	\$ 131	\$ 30	\$ 298	\$ 354	\$ 346
Average common shares - basic	1,016	1,018	1,029	1,035	1,045
Average common shares - diluted	1,029	1,035	1,047	1,051	1,060
Per common share					
Net income - basic	\$ 0.13	\$ 0.03	\$ 0.29	\$ 0.34	\$ 0.33
Net income - diluted	0.13	0.03	0.28	0.34	0.33
Cash dividends declared	0.15	0.15	0.15	0.15	0.14
Revenue - fully-taxable equivalent (FTE)					
Net interest income	\$ 792	\$ 790	\$ 780	\$ 799	\$ 812
FTE adjustment	5	6	6	6	7
Net interest income (1)	797	796	786	805	819
Noninterest income	391	361	372	389	374
Total revenue (1)	\$ 1,188	\$ 1,157	\$ 1,158	\$ 1,194	\$ 1,193

(1) On a fully-taxable equivalent (FTE) basis assuming a 21% tax rate.

Huntington Bancshares Incorporated
Quarterly Mortgage Banking Noninterest Income
(Unaudited)

<i>(dollar amounts in millions)</i>	Three Months Ended					Percent Changes vs.	
	June 30,	March 31,	December 31,	September 30,	June 30,	1Q20	2Q19
	2020	2020	2019	2019	2019		
Net origination and secondary marketing income	\$ 91	\$ 45	\$ 43	\$ 42	\$ 30	102 %	203 %
Net mortgage servicing income							
Loan servicing income	14	16	15	15	15	(13)	(7)
Amortization of capitalized servicing	(12)	(9)	(13)	(13)	(10)	(33)	(20)
Operating income	2	7	2	2	5	(71)	(60)
MSR valuation adjustment (1)	(6)	(53)	25	(11)	(19)	89	68
Gains (losses) due to MSR hedging	6	57	(14)	19	17	(89)	(65)
Net MSR risk management	—	4	11	8	(2)	(100)	100
Total net mortgage servicing income	\$ 2	\$ 11	\$ 13	\$ 10	\$ 3	(82)%	(33)%
All other	3	2	2	2	1	50	200
Mortgage banking income	\$ 96	\$ 58	\$ 58	\$ 54	\$ 34	66 %	182 %
Mortgage origination volume	\$ 3,802	\$ 2,136	\$ 2,490	\$ 2,097	\$ 1,922	78 %	98 %
Mortgage origination volume for sale	2,268	1,409	1,518	1,483	1,181	61	92
Third party mortgage loans serviced (2)	23,184	22,775	22,425	21,674	21,486	2	8
Mortgage servicing rights (2)	172	165	212	180	192	4	(10)
MSR % of investor servicing portfolio (2)	0.74%	0.72%	0.95%	0.83%	0.90%	3 %	(18)%

(1) The change in fair value for the period represents the MSR valuation adjustment, net of amortization of capitalized servicing.

(2) At period end.

Huntington Bancshares Incorporated
Quarterly Credit Reserves Analysis
(Unaudited)

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Allowance for loan and lease losses, beginning of period	\$ 1,504	\$ 783	\$ 780	\$ 774	\$ 764
Cumulative-effect of change in accounting principle for financial instruments - credit losses (ASU 2016-13)	—	391	—	—	—
Loan and lease losses	(123)	(136)	(93)	(102)	(70)
Recoveries of loans previously charged off	16	19	20	29	22
Net loan and lease losses	(107)	(117)	(73)	(73)	(48)
Provision for loan and lease losses	305	447	77	79	58
Allowance of assets sold or transferred to loans held for sale	—	—	(1)	—	—
Allowance for loan and lease losses, end of period	1,702	1,504	783	780	774
Allowance for unfunded loan commitments and letters of credit, beginning of period	99	104	101	101	100
Cumulative-effect of change in accounting principle for financial instruments - credit losses (ASU 2016-13)	—	2	—	—	—
Provision for (reduction in) unfunded loan commitments and letters of credit losses	22	(6)	2	3	1
Unfunded commitment losses	(2)	(1)	(2)	—	—
Allowance for unfunded loan commitments and letters of credit, end of period	119	99	101	104	101
Total allowance for credit losses, end of period	\$ 1,821	\$ 1,603	\$ 884	\$ 884	\$ 875
Allowance for loan and lease losses (ALLL) as % of:					
Total loans and leases	2.12%	1.93%	1.04%	1.04%	1.03%
Nonaccrual loans and leases (NALs)	263	270	167	178	182
Nonperforming assets (NPAs)	239	257	157	163	168
Total allowance for credit losses (ACL) as % of:					
Total loans and leases	2.27%	2.05%	1.18%	1.18%	1.17%
Nonaccrual loans and leases (NALs)	281	287	190	201	206
Nonperforming assets (NPAs)	255	273	178	184	190

Huntington Bancshares Incorporated
Quarterly Net Charge-Off Analysis
(Unaudited)

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Net charge-offs by loan and lease type:					
Commercial:					
Commercial and industrial	\$ 80	\$ 84	\$ 36	\$ 40	\$ 21
Commercial real estate:					
Construction	1	—	—	(1)	(1)
Commercial	(1)	(1)	—	(1)	(2)
Commercial real estate	—	(1)	—	(2)	(3)
Total commercial	80	83	36	38	18
Consumer:					
Automobile	10	7	9	8	5
Home equity	—	5	1	2	2
Residential mortgage	—	1	1	1	1
RV and marine	4	2	4	2	2
Other consumer	13	19	22	22	20
Total consumer	27	34	37	35	30
Total net charge-offs	\$ 107	\$ 117	\$ 73	\$ 73	\$ 48

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Net charge-offs - annualized percentages:					
Commercial:					
Commercial and industrial	0.90 %	1.09 %	0.47 %	0.52 %	0.27 %
Commercial real estate:					
Construction	(0.01)	0.08	(0.03)	(0.40)	(0.08)
Commercial	(0.03)	(0.06)	0.01	(0.09)	(0.12)
Commercial real estate	(0.03)	(0.03)	—	(0.14)	(0.12)
Total commercial	0.75	0.89	0.38	0.40	0.20
Consumer:					
Automobile	0.31	0.22	0.30	0.26	0.17
Home equity	0.08	0.19	0.02	0.11	0.07
Residential mortgage	0.02	0.02	0.04	0.03	0.05
RV and marine	0.37	0.27	0.39	0.23	0.25
Other consumer	4.80	6.45	7.26	7.07	6.02
Total consumer	0.30	0.35	0.39	0.38	0.31
Net charge-offs as a % of average loans	0.54 %	0.62 %	0.39 %	0.39 %	0.25 %

Huntington Bancshares Incorporated
Quarterly Nonaccrual Loans and Leases (NALs) and Nonperforming Assets (NPAs)
(Unaudited)

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Nonaccrual loans and leases (NALs):					
Commercial and industrial	\$ 485	\$ 396	\$ 323	\$ 291	\$ 281
Commercial real estate	28	30	10	12	17
Automobile	8	6	4	5	4
Home equity	59	58	59	60	60
Residential mortgage	66	66	71	69	62
RV and marine	2	2	1	1	1
Other consumer	—	—	—	—	—
Total nonaccrual loans and leases	648	558	468	438	425
Other real estate, net:					
Residential	5	8	9	10	10
Commercial	2	2	2	2	4
Total other real estate, net	7	10	11	12	14
Other NPAs (1)	58	18	19	32	21
Total nonperforming assets	\$ 713	\$ 586	\$ 498	\$ 482	\$ 460
Nonaccrual loans and leases as a % of total loans and leases	0.81%	0.72%	0.62%	0.58%	0.57%
NPA ratio (2)	0.89	0.75	0.66	0.64	0.61
(NPA+90days)/(Loan+OREO) (3)	1.13	0.96	0.89	0.86	0.82

	Three Months Ended				
	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Nonperforming assets, beginning of period	\$ 586	\$ 498	\$ 482	\$ 460	\$ 461
New nonperforming assets	279	274	175	165	117
Returns to accruing status	(25)	(18)	(20)	(24)	(16)
Loan and lease losses	(61)	(91)	(48)	(66)	(34)
Payments	(63)	(70)	(63)	(38)	(54)
Sales	(3)	(7)	(28)	(15)	(14)
Nonperforming assets, end of period	\$ 713	\$ 586	\$ 498	\$ 482	\$ 460

- (1) Other nonperforming assets include certain impaired securities and/or nonaccrual loans held-for-sale.
(2) Nonperforming assets divided by the sum of loans and leases, net other real estate owned, and other NPAs.
(3) The sum of nonperforming assets and total accruing loans and leases past due 90 days or more divided by the sum of loans and leases and other real estate.

Huntington Bancshares Incorporated
Quarterly Accruing Past Due Loans and Leases and Accruing and Nonaccruing Troubled Debt Restructured Loans
(Unaudited)

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Accruing loans and leases past due 90+ days:					
Commercial and industrial	\$ 13	\$ 10	\$ 11	\$ 9	\$ 5
Commercial real estate	—	—	—	—	—
Automobile	8	8	8	8	7
Home equity	10	12	14	13	15
Residential mortgage (excluding loans guaranteed by the U.S. Government)	17	21	20	23	27
RV and marine	2	2	2	1	1
Other consumer	3	4	7	7	5
Total, excl. loans guaranteed by the U.S. Government	53	57	62	61	60
Add: loans guaranteed by U.S. Government	141	110	109	102	92
Total accruing loans and leases past due 90+ days, including loans guaranteed by the U.S. Government	\$ 194	\$ 167	\$ 171	\$ 163	\$ 152
Ratios:					
Excluding loans guaranteed by the U.S. Government, as a percent of total loans and leases	0.07%	0.07%	0.08%	0.08%	0.08%
Guaranteed by U.S. Government, as a percent of total loans and leases	0.18	0.14	0.14	0.14	0.12
Including loans guaranteed by the U.S. Government, as a percent of total loans and leases	0.24	0.21	0.23	0.22	0.20
Accruing troubled debt restructured loans:					
Commercial and industrial	\$ 192	\$ 219	\$ 213	\$ 225	\$ 245
Commercial real estate	35	37	37	40	48
Automobile	52	42	40	39	37
Home equity	209	219	226	233	241
Residential mortgage	229	227	223	221	221
RV and marine	6	3	3	3	2
Other consumer	10	11	11	10	10
Total accruing troubled debt restructured loans	\$ 733	\$ 758	\$ 753	\$ 771	\$ 804
Nonaccruing troubled debt restructured loans:					
Commercial and industrial	\$ 169	\$ 119	\$ 109	\$ 84	\$ 88
Commercial real estate	3	4	6	6	6
Automobile	2	2	2	3	3
Home equity	26	25	26	26	26
Residential mortgage	43	42	42	44	43
RV and marine	1	2	1	1	1
Other consumer	—	—	—	—	—
Total nonaccruing troubled debt restructured loans	\$ 244	\$ 194	\$ 186	\$ 164	\$ 167

Huntington Bancshares Incorporated
Quarterly Capital Under Current Regulatory Standards (Basel III) and Other Capital Data
(Unaudited)

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Common equity tier 1 risk-based capital ratio: (1)					
Total shareholders' equity	\$ 12,314	\$ 11,769	\$ 11,795	\$ 11,909	\$ 11,668
Regulatory capital adjustments:					
CECL transitional amount (2)	442	386	—	—	—
Shareholders' preferred equity	(1,701)	(1,207)	(1,207)	(1,207)	(1,207)
Accumulated other comprehensive income offset	(290)	(227)	256	175	273
Goodwill and other intangibles, net of related taxes	(2,129)	(2,141)	(2,153)	(2,162)	(2,174)
Deferred tax assets that arise from tax loss and credit carryforwards	(40)	(42)	(44)	(30)	(30)
Common equity tier 1 capital	8,596	8,538	8,647	8,685	8,530
Additional tier 1 capital					
Shareholders' preferred equity	1,701	1,207	1,207	1,207	1,207
Other	—	1	—	1	—
Tier 1 capital	10,297	9,746	9,854	9,893	9,737
Long-term debt and other tier 2 qualifying instruments	697	619	672	750	727
Qualifying allowance for loan and lease losses	1,094	1,127	887	884	875
Tier 2 capital	1,791	1,746	1,559	1,634	1,602
Total risk-based capital	\$ 12,088	\$ 11,492	\$ 11,413	\$ 11,527	\$ 11,339
Risk-weighted assets (RWA)(1)	\$ 87,324	\$ 90,193	\$ 87,512	\$ 86,719	\$ 86,332
Common equity tier 1 risk-based capital ratio (1)	9.84%	9.47%	9.88%	10.02%	9.88%
Other regulatory capital data:					
Tier 1 leverage ratio (1)	8.86	9.01	9.26	9.34	9.24
Tier 1 risk-based capital ratio (1)	11.79	10.81	11.26	11.41	11.28
Total risk-based capital ratio (1)	13.84	12.74	13.04	13.29	13.13

Non-regulatory capital data:

Tangible common equity / RWA ratio (1)	9.69	9.32	9.62	9.83	9.58
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(1) June 30, 2020, figures are estimated.

(2) The CECL transitional amount includes the impact of Huntington's adoption of the new CECL accounting standard on January 1, 2020 and 25 percent of the increase in reserves from January 1, 2020 through June 30, 2020.

Huntington Bancshares Incorporated
Quarterly Common Stock Summary, Non-Regulatory Capital, and Other Data
(Unaudited)

Quarterly common stock summary

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
Dividends, per share					
Cash dividends declared per common share	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.15	\$ 0.14
Common shares outstanding					
Average - basic	1,016	1,018	1,029	1,035	1,045
Average - diluted	1,029	1,035	1,047	1,051	1,060
Ending	1,017	1,014	1,020	1,033	1,038
Tangible book value per common share (1)	\$ 8.32	\$ 8.28	\$ 8.25	\$ 8.25	\$ 7.97
Common share repurchases					
Number of shares repurchased	—	7	13	5	11

Non-regulatory capital

	June 30, 2020	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019
<i>(dollar amounts in millions)</i>					
Calculation of tangible equity / asset ratio:					
Total shareholders' equity	\$ 12,314	\$ 11,769	\$ 11,795	\$ 11,909	\$ 11,668
Less: goodwill	(1,990)	(1,990)	(1,990)	(1,990)	(1,990)
Less: other intangible assets	(211)	(222)	(232)	(244)	(257)
Add: related deferred tax liability (1)	44	47	49	51	54
Total tangible equity	10,157	9,604	9,622	9,726	9,475
Less: preferred equity	(1,697)	(1,203)	(1,203)	(1,203)	(1,203)
Total tangible common equity	\$ 8,460	\$ 8,401	\$ 8,419	\$ 8,523	\$ 8,272
Total assets	\$ 118,425	\$ 113,897	\$ 109,002	\$ 108,735	\$ 108,247
Less: goodwill	(1,990)	(1,990)	(1,990)	(1,990)	(1,990)
Less: other intangible assets	(211)	(222)	(232)	(244)	(257)
Add: related deferred tax liability (1)	44	47	49	51	54
Total tangible assets	\$ 116,268	\$ 111,732	\$ 106,829	\$ 106,552	\$ 106,054
Tangible equity / tangible asset ratio	8.74%	8.60%	9.01%	9.13%	8.93%
Tangible common equity / tangible asset ratio	7.28	7.52	7.88	8.00	7.80
Other data:					
Number of employees (Average full-time equivalent)	15,703	15,386	15,495	15,659	15,780
Number of domestic full-service branches (2)	839	839	868	868	868
ATM Count	1,344	1,434	1,448	1,442	1,687

(1) Other intangible assets are net of deferred tax liability, calculated at a 21% tax rate.

(2) Includes Regional Banking and The Huntington Private Client Group offices.

Huntington Bancshares Incorporated
Consolidated Year To Date Average Balance Sheets
(Unaudited)

<i>(dollar amounts in millions)</i>	YTD Average Balances (1)			
	Six Months Ended June 30,		Change	
	2020	2019	Amount	Percent
Assets				
Interest-bearing deposits in Federal Reserve Bank	\$ 2,047	\$ 510	\$ 1,537	301 %
Interest-bearing deposits in banks	159	122	37	30
Securities:				
Trading account securities	67	149	(82)	(55)
Available-for-sale securities:				
Taxable	11,425	10,626	799	8
Tax-exempt	2,740	3,008	(268)	(9)
Total available-for-sale securities	14,165	13,634	531	4
Held-to-maturity securities - taxable	9,613	8,713	900	10
Other securities	460	501	(41)	(8)
Total securities	24,305	22,997	1,839	6
Loans held for sale	952	717	235	33
Loans and leases: (2)				
Commercial:				
Commercial and industrial	33,066	30,595	2,471	8
Commercial real estate:				
Construction	1,183	1,171	12	1
Commercial	5,726	5,710	16	—
Commercial real estate	6,909	6,881	28	—
Total commercial	39,975	37,476	2,499	7
Consumer:				
Automobile	12,803	12,290	513	4
Home equity	8,961	9,561	(600)	(6)
Residential mortgage	11,427	10,899	528	5
RV and marine	3,648	3,355	293	9
Other consumer	1,133	1,273	(140)	(11)
Total consumer	37,972	37,378	594	2
Total loans and leases	77,947	74,854	3,093	4
Allowance for loan and lease losses	(1,398)	(779)	(619)	(79)
Net loans and leases	76,549	74,075	2,474	3
Total earning assets	105,410	99,200	6,210	6
Cash and due from banks	1,106	844	262	31
Intangible assets	2,211	2,258	(47)	(2)
All other assets	6,840	5,972	868	15
Total assets	\$ 114,169	\$ 107,495	\$ 6,674	6 %
Liabilities and shareholders' equity				
Interest-bearing deposits:				
Demand deposits - interest-bearing	\$ 22,540	\$ 19,746	\$ 2,794	14 %
Money market deposits	25,213	23,121	2,092	9
Savings and other domestic deposits	10,120	10,222	(102)	(1)
Core certificates of deposit (3)	3,028	5,955	(2,927)	(49)
Other domestic deposits of \$250,000 or more	720	323	397	123
Brokered deposits and negotiable CDs	3,499	3,042	457	15
Total interest-bearing deposits	65,120	62,409	2,711	4
Short-term borrowings	2,105	2,745	(640)	(23)
Long-term debt	9,939	8,946	993	11
Total interest-bearing liabilities	77,164	74,100	3,064	4
Demand deposits - noninterest-bearing	22,857	19,833	3,024	15
All other liabilities	2,358	2,245	113	5
Shareholders' equity	11,790	11,317	473	4
Total liabilities and shareholders' equity	\$ 114,169	\$ 107,495	\$ 6,674	6 %

(1) Amounts include the effects of hedge and risk management activities associated with the respective asset and liability categories.

(2) Includes nonaccrual loans.

(3) Includes consumer certificates of deposit of \$250,000 or more.



Huntington Bancshares Incorporated
Consolidated Year To Date Net Interest Margin - Interest Income / Expense (1)(2)
(Unaudited)

<i>(dollar amounts in millions)</i>	YTD Interest Income / Expense	
	Six Months Ended June 30,	
	2020	2019
Assets		
Interest-bearing deposits in Federal Reserve Bank	\$ 3	\$ 6
Interest-bearing deposits in banks	1	1
Securities:		
Trading account securities	1	2
Available-for-sale securities:		
Taxable	141	148
Tax-exempt	42	55
Total available-for-sale securities	183	203
Held-to-maturity securities - taxable	117	110
Other securities	3	10
Total securities	304	325
Loans held for sale	16	14
Loans and leases:		
Commercial:		
Commercial and industrial	641	748
Commercial real estate:		
Construction	25	33
Commercial	99	142
Commercial real estate	124	175
Total commercial	765	923
Consumer:		
Automobile	251	243
Home equity	189	264
Residential mortgage	206	210
RV and marine	87	82
Other consumer	66	84
Total consumer	799	883
Total loans and leases	1,564	1,806
Total earning assets	\$ 1,888	\$ 2,152
Liabilities		
Interest-bearing deposits:		
Demand deposits - interest-bearing	\$ 27	\$ 55
Money market deposits	75	126
Savings and other domestic deposits	7	12
Core certificates of deposit (3)	26	63
Other domestic deposits of \$250,000 or more	6	3
Brokered deposits and negotiable CDs	11	36
Total interest-bearing deposits	152	295
Short-term borrowings	13	33
Long-term debt	130	176
Total interest-bearing liabilities	295	504
Net interest income	\$ 1,593	\$ 1,648

- (1) Fully-taxable equivalent (FTE) income and expense calculated assuming a 21% tax rate. See page 21 for the FTE adjustment.
- (2) Amounts include the effects of hedge and risk management activities associated with the respective asset and liability categories.
- (3) Includes consumer certificates of deposit of \$250,000 or more.

Huntington Bancshares Incorporated
Consolidated Year To Date Net Interest Margin - Yield
(Unaudited)

Fully-taxable equivalent basis (1)	YTD Average Rates	
	Six Months Ended June 30,	
	2020	2019
Assets		
Interest-bearing deposits in Federal Reserve Bank	0.26%	2.39%
Interest-bearing deposits in banks	0.89	1.93
Securities:		
Trading account securities	2.86	1.97
Available-for-sale securities:		
Taxable	2.46	2.78
Tax-exempt	3.03	3.68
Total available-for-sale securities	2.57	2.98
Held-to-maturity securities - taxable	2.44	2.53
Other securities	1.30	4.01
Total securities	2.50	2.82
Loans held for sale	3.30	4.04
Loans and leases: (3)		
Commercial:		
Commercial and industrial	3.86	4.87
Commercial real estate:		
Construction	4.19	5.58
Commercial	3.45	4.94
Commercial real estate	3.58	5.05
Total commercial	3.81	4.90
Consumer:		
Automobile	3.95	3.98
Home equity	4.24	5.57
Residential mortgage	3.60	3.85
RV and marine	4.81	4.95
Other consumer	11.77	13.27
Total consumer	4.23	4.75
Total loans and leases	4.01	4.83
Total earning assets	3.60%	4.38%
Liabilities		
Interest-bearing deposits:		
Demand deposits - interest-bearing	0.24%	0.57%
Money market deposits	0.60	1.10
Savings and other domestic deposits	0.14	0.23
Core certificates of deposit (4)	1.71	2.13
Other domestic deposits of \$250,000 or more	1.81	1.87
Brokered deposits and negotiable CDs	0.61	2.39
Total interest-bearing deposits	0.47	0.95
Short-term borrowings	1.26	2.41
Long-term debt	2.64	3.95
Total interest-bearing liabilities	0.77	1.37
Demand deposits - noninterest-bearing	—	—
Net interest rate spread	2.83	3.01
Impact of noninterest-bearing funds on margin	0.21	0.34
Net interest margin	3.04%	3.35%

Commercial Loan Derivative Impact
(Unaudited)

Fully-taxable equivalent basis (1)	YTD Average Rates	
	Six Months Ended June 30,	
	2020	2019
Commercial loans (2)(3)	3.60%	4.91%
Impact of commercial loan derivatives	0.21	(0.01)
Total commercial - as reported	3.81%	4.90%
Average 1 Month LIBOR	0.90%	2.47%

(1) Fully-taxable equivalent (FTE) yields are calculated assuming a 21% tax rate. See page 21 for the FTE adjustment.

- (2) Yield/rates exclude the effects of hedge and risk management activities associated with the respective asset and liability categories.
- (3) Includes the impact of nonaccrual loans.
- (4) Includes consumer certificates of deposit of \$250,000 or more.

Huntington Bancshares Incorporated
Selected Year To Date Income Statement Data
(Unaudited)

	Six Months Ended June 30,		Change	
	2020	2019	Amount	Percent
<i>(dollar amounts in millions, except per share data)</i>				
Interest income	\$ 1,877	\$ 2,138	\$ (261)	(12)%
Interest expense	295	504	(209)	(41)
Net interest income	1,582	1,634	(52)	(3)
Provision for credit losses	768	126	642	510
Net interest income after provision for credit losses	814	1,508	(694)	(46)
Service charges on deposit accounts	148	179	(31)	(17)
Card and payment processing income	117	119	(2)	(2)
Mortgage banking income	154	55	99	180
Trust and investment management services	92	87	5	6
Insurance income	48	44	4	9
Capital markets fees	64	56	8	14
Bank owned life insurance income	32	31	1	3
Gain on sale of loans and leases	17	26	(9)	(35)
Net (losses) gains on sales of securities	(1)	(2)	1	50
Other noninterest income	81	98	(17)	(17)
Total noninterest income	752	693	59	9
Personnel costs	814	822	(8)	(1)
Outside data processing and other services	175	170	5	3
Equipment	87	80	7	9
Net occupancy	79	80	(1)	(1)
Professional services	22	24	(2)	(8)
Amortization of intangibles	21	25	(4)	(16)
Marketing	14	18	(4)	(22)
Deposit and other insurance expense	18	16	2	13
Other noninterest expense	97	118	(21)	(18)
Total noninterest expense	1,327	1,353	(26)	(2)
Income before income taxes	239	848	(609)	(72)
Provision for income taxes	41	126	(85)	(67)
Net income	198	722	(524)	(73)
Dividends on preferred shares	37	37	—	—
Net income applicable to common shares	\$ 161	\$ 685	\$ (524)	(76)%
Average common shares - basic	1,017	1,046	(29)	(3)
Average common shares - diluted	1,032	1,063	(31)	(3)
Per common share				
Net income - basic	\$ 0.16	\$ 0.66	\$ (0.50)	(76)%
Net income - diluted	0.16	0.64	(0.48)	(75)
Cash dividends declared	0.30	0.28	0.02	7
Revenue - fully taxable equivalent (FTE)				
Net interest income	\$ 1,582	\$ 1,634	\$ (52)	(3)%
FTE adjustment (1)	11	14	(3)	(21)
Net interest income	1,593	1,648	(55)	(3)
Noninterest income	752	693	59	9
Total revenue (1)	\$ 2,345	\$ 2,341	\$ 4	— %

(1) On a fully-taxable equivalent (FTE) basis assuming a 21% tax rate.

Huntington Bancshares Incorporated
Year To Date Mortgage Banking Noninterest Income
(Unaudited)

	Six Months Ended June 30,		Change	
	2020	2019	Amount	Percent
<i>(dollar amounts in millions)</i>				
Net origination and secondary marketing income	\$ 136	\$ 47	89	189 %
Net mortgage servicing income				
Loan servicing income	30	29	1	3
Amortization of capitalized servicing	(21)	(19)	(2)	(11)
Operating income	9	10	(1)	(10)
MSR valuation adjustment (1)	(59)	(29)	(30)	(103)
Gains (losses) due to MSR hedging	63	24	39	163
Net MSR risk management	4	(5)	9	—
Total net mortgage servicing income	\$ 13	\$ 5	\$ 8	160 %
All other	5	3	2	67
Mortgage banking income	\$ 154	\$ 55	\$ 99	180 %
Mortgage origination volume	\$ 5,938	\$ 3,157	\$ 2,781	88 %
Mortgage origination volume for sale	3,677	1,937	1,740	90
Third party mortgage loans serviced (2)	23,184	21,486	1,698	8
Mortgage servicing rights (2)	172	192	(20)	(10)
MSR % of investor servicing portfolio	0.74 %	0.90 %	(0.16)%	(18)%

(1) The change in fair value for the period represents the MSR valuation adjustment, net of amortization of capitalized servicing.

(2) At period end.

Huntington Bancshares Incorporated
Year To Date Credit Reserves Analysis
(Unaudited)

	Six Months Ended June 30,	
	2020	2019
<i>(dollar amounts in millions)</i>		
Allowance for loan and lease losses, beginning of period	\$ 783	\$ 772
Cumulative-effect of change in accounting principle for financial instruments - credit losses (ASU 2016-13)	\$ 391	\$ —
Loan and lease losses	(259)	(167)
Recoveries of loans previously charged off	35	48
Net loan and lease losses	(224)	(119)
Provision for loan and lease losses	752	121
Allowance for loan and lease losses, end of period	1,702	774
Allowance for unfunded loan commitments and letters of credit, beginning of period	\$ 104	\$ 96
Cumulative-effect of change in accounting principle for financial instruments - credit losses (ASU 2016-13)	2	—
Provision for (reduction in) unfunded loan commitments and letters of credit losses	16	5
Unfunded commitment losses	(3)	—
Allowance for unfunded loan commitments and letters of credit, end of period	119	101
Total allowance for credit losses	\$ 1,821	\$ 875
Allowance for loan and lease losses (ALLL) as % of:		
Total loans and leases	2.12 %	1.03 %
Nonaccrual loans and leases (NALs)	263	182
Nonperforming assets (NPAs)	239	168
Total allowance for credit losses (ACL) as % of:		
Total loans and leases	2.27 %	1.17 %
Nonaccrual loans and leases (NALs)	281	206
Nonperforming assets (NPAs)	255	190

Huntington Bancshares Incorporated
Year To Date Net Charge-Off Analysis
(Unaudited)

<i>(dollar amounts in millions)</i>	Six Months Ended June 30,	
	2020	2019
Net charge-offs by loan and lease type:		
Commercial:		
Commercial and industrial	\$ 164	\$ 52
Commercial real estate:		
Construction	1	(1)
Commercial	(2)	—
Commercial real estate	(1)	(1)
Total commercial	163	51
Consumer:		
Automobile	17	15
Home equity	5	5
Residential mortgage	1	4
RV and marine	6	5
Other consumer	32	39
Total consumer	61	68
Total net charge-offs	\$ 224	\$ 119

	Six Months Ended June 30,	
	2020	2019
Net charge-offs - annualized percentages:		
Commercial:		
Commercial and industrial	0.99 %	0.34 %
Commercial real estate:		
Construction	0.04	(0.09)
Commercial	(0.04)	—
Commercial real estate	(0.03)	(0.02)
Total commercial	0.81	0.27
Consumer:		
Automobile	0.26	0.24
Home equity	0.14	0.10
Residential mortgage	0.02	0.08
RV and marine	0.32	0.32
Other consumer	5.66	6.08
Total consumer	0.33	0.36
Net charge-offs as a % of average loans	0.58 %	0.32 %

Huntington Bancshares Incorporated
Year To Date Nonaccrual Loans and Leases (NALs) and Nonperforming Assets (NPAs)
(Unaudited)

<i>(dollar amounts in millions)</i>	June 30,	
	2020	2019
Nonaccrual loans and leases (NALs):		
Commercial and industrial	\$ 485	\$ 281
Commercial real estate	28	17
Automobile	8	4
Home equity	59	60
Residential mortgage	66	62
RV and marine	2	1
Other consumer	—	—
Total nonaccrual loans and leases	648	425
Other real estate, net:		
Residential	5	10
Commercial	2	4
Total other real estate, net	7	14
Other NPAs (1)	58	21
Total nonperforming assets (3)	\$ 713	\$ 460
Nonaccrual loans and leases as a % of total loans and leases	0.81%	0.57%
NPA ratio (2)	0.89	0.61

<i>(dollar amounts in millions)</i>	Six Months Ended June 30,	
	2020	2019
Nonperforming assets, beginning of period	\$ 498	\$ 387
New nonperforming assets	553	335
Returns to accruing status	(43)	(49)
Loan and lease losses	(152)	(80)
Payments	(133)	(87)
Sales and held-for-sale transfers	(10)	(46)
Nonperforming assets, end of period (2)	\$ 713	\$ 460

- (1) Other nonperforming assets include certain impaired securities and/or nonaccrual loans held-for-sale.
(2) Nonperforming assets divided by the sum of loans and leases, net other real estate owned, and other NPAs.
(3) Nonaccruing troubled debt restructured loans are included in the total nonperforming assets balance.

Huntington Bancshares Incorporated
Year To Date Accruing Past Due Loans and Leases and Accruing and Nonaccruing Troubled Debt Restructured Loans
(Unaudited)

<i>(dollar amounts in millions)</i>	Six Months Ended June 30,	
	2020	2019
Accruing loans and leases past due 90+ days:		
Commercial and industrial	\$ 13	\$ 5
Commercial real estate	—	—
Automobile	8	7
Home equity	10	15
Residential mortgage (excluding loans guaranteed by the U.S. Government)	17	27
RV and marine	2	1
Other consumer	3	5
Total, excl. loans guaranteed by the U.S. Government	53	60
Add: loans guaranteed by U.S. Government	141	92
Total accruing loans and leases past due 90 days or more, including loans guaranteed by the U.S. Government	\$ 194	\$ 152
Ratios:		
Excluding loans guaranteed by the U.S. Government, as a percent of total loans and leases	0.07%	0.08%
Guaranteed by U.S. Government, as a percent of total loans and leases	0.18	0.12
Including loans guaranteed by the U.S. Government, as a percent of total loans and leases	0.24	0.20
Accruing troubled debt restructured loans:		
Commercial and industrial	\$ 192	\$ 245
Commercial real estate	35	48
Automobile	52	37
Home equity	209	241
Residential mortgage	229	221
RV and marine	6	2
Other consumer	10	10
Total accruing troubled debt restructured loans	\$ 733	\$ 804
Nonaccruing troubled debt restructured loans:		
Commercial and industrial	\$ 169	\$ 88
Commercial real estate	3	6
Automobile	2	3
Home equity	26	26
Residential mortgage	43	43
RV and marine	1	1
Other consumer	—	—
Total nonaccruing troubled debt restructured loans	\$ 244	\$ 167