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**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): **October 22, 2009**

**HUNTINGTON BANCSHARES  
INCORPORATED**

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other jurisdiction  
of incorporation)

**1-34073**

(Commission File Number)

**31-0724920**

(IRS Employer Identification No.)

**Huntington Center 41 South High Street  
Columbus, Ohio**

(Address of principal executive offices)

**43287**

(Zip Code)

Registrant's telephone number, including area code: **(614) 480-8300**

**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:

- 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))
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**Item 2.02. Results of Operations and Financial Condition.**

On October 22, 2009, Huntington Bancshares Incorporated (“Huntington”) issued a news release announcing its earnings for the quarter ended September 30, 2009. Also on October 22, 2009, Huntington made a Quarterly Financial Review available on its web site, [www.huntington-ir.com](http://www.huntington-ir.com).

Huntington’s senior management will host an earnings conference call October 22, 2009, at 1:00 p.m. (Eastern Time). The call may be accessed via a live Internet webcast at [www.huntington-ir.com](http://www.huntington-ir.com) or through a dial-in telephone number at 800-267-7495, conference ID 33264378. Slides will be available at [www.huntington-ir.com](http://www.huntington-ir.com) just prior to 1:00 p.m. (Eastern Time) on October 22, 2009, for review during the call. A replay of the web cast will be archived in the Investor Relations section of Huntington’s web site at [www.huntington-ir.com](http://www.huntington-ir.com). A telephone replay will be available two hours after the completion of the call through October 31, 2009, at 800-642-1687; conference call ID 33264378.

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. Actual results could differ materially from those contained or implied by such statements for a variety of factors including: (1) deterioration in the loan portfolio could be worse than expected due to a number of factors such as the underlying value of the collateral could prove less valuable than otherwise assumed and assumed cash flows may be worse than expected; (2) changes in economic conditions; (3) movements in interest rates; (4) competitive pressures on product pricing and services; (5) success and timing of other business strategies; (6) the nature, extent, and timing of governmental actions and reforms, including existing and potential future restrictions and limitations imposed in connection with the Troubled Asset Relief Program’s voluntary Capital Purchase Plan or otherwise under the Emergency Economic Stabilization Act of 2008; and (7) extended disruption of vital infrastructure. Additional factors that could cause results to differ materially from those described above can be found in Huntington’s 2008 Annual Report on Form 10-K, and documents subsequently filed by Huntington with the Securities and Exchange Commission. All forward-looking statements contained or incorporated by reference in this Current Report on Form 8-K are based on information available at the time of the release. Huntington assumes no obligation to update any forward-looking statement.

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Certain information provided in the news release attached as Exhibit 99.1 regarding pre-tax, pre-provision income excludes provision expense, investment securities gains/losses, amortization of intangibles expense, and certain specified significant items and, therefore, may be deemed to be a non-GAAP financial measure. 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 the time to be one-time or short-term in nature. These Significant Items are excluded from our pre-tax, pre-provision income because Management believes they may distort the company's underlying performance trends. Below is a reconciliation of this non-GAAP financial measure to the most directly comparable financial measure calculated and presented in accordance with GAAP.

<i>(in millions)</i>	2009			2008	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
<b>(Loss) Income Before Income</b>					
Taxes	\$ (257.4)	\$ (137.8)	\$ (2,685.0)	\$ (669.2)	\$ 92.1
Add: Provision for credit losses	475.1	413.7	291.8	722.6	125.4
Less: Securities gains (losses)	(2.4)	(7.3)	2.1	(127.1)	(73.8)
Add: Amortization of intangibles	17.0	17.1	17.1	19.2	19.5
Less: Significant items					
Gain on the redemption of junior subordinate debt	—	67.4	—	—	—
Goodwill impairment	—	(4.2)	(2,602.7)	—	—
Gain related to Visa® stock	—	31.4	—	—	—
FDIC special assessment	—	(23.6)	—	—	—
Gain on the extinguishment of debt	—	—	—	—	21.4
Visa® anti-trust indemnification	—	—	—	4.6	—
<b>Pre-tax, Pre-provision Income</b>	<b>\$ 237.1</b>	<b>\$ 229.3</b>	<b>\$ 224.6</b>	<b>\$ 195.1</b>	<b>\$ 289.4</b>
LQ Change — Amount	\$ 7.8	\$ 4.7	\$ 29.5	\$ (94.3)	\$ 38.2
LQ Change — Percent	3.4%	2.1%	15.1%	-32.6%	15.2%

Exhibit 99.2 includes certain ratios, specifically the tangible common equity ratio, and the Tier 1 common risk-based capital ratio, which are non-GAAP financial measures. These non-GAAP financial measures are included in this report because the Federal Reserve indicated that as part of their Supervisory Capital Assessment Program (SCAP), a year-end 2010 Tier 1 common risk-based capital ratio of 4.0% would be needed. Although Huntington is not one of the SCAP bank holding companies, the market has accepted this as a “de facto” standard for being adequately capitalized since 10 of the 19 bank holding companies included in SCAP were directed to increase their capital levels to meet this targeted threshold. Other companies may calculate these financial measures differently. Risk-weighted assets are calculated under regulatory capital rules applicable to us as discussed more fully on page 10 of our Form 10-K. The tangible common equity ratio, tangible assets, and Tier 1 common risk-based capital ratio were calculated as follows:

#### Capital Adequacy Reconciliations

<i>(in millions)</i>	2009			2008	
	September 30,	June 30,	March 31,	December 31,	September 30,
<b>Tangible common equity to asset ratio:</b>					
Total shareholders' equity	\$ 5,675	\$ 5,221	\$ 4,815	\$ 7,229	\$ 6,376
Shareholders' preferred equity	(1,683)	(1,679)	(1,768)	(1,878)	(569)
	3,992	3,542	3,047	5,351	5,807
Goodwill	(444)	(448)	(452)	(3,055)	(3,056)
Intangible assets	(303)	(322)	(340)	(357)	(376)
Intangible asset deferred tax liability <sup>(1)</sup>	106	112	119	125	131
Total tangible common equity	\$ 3,351	\$ 2,884	\$ 2,374	\$ 2,064	\$ 2,506
<b>Tier 1 common risk-based capital ratio</b>					
Total assets	\$ 52,513	\$ 51,397	\$ 51,702	\$ 54,353	\$ 54,661
Goodwill	(444)	(448)	(452)	(3,055)	(3,056)
Other intangible assets	(303)	(322)	(340)	(357)	(376)
Intangible asset deferred tax liability <sup>(1)</sup>	106	112	119	125	131
Total tangible assets	\$ 51,872	\$ 50,739	\$ 51,029	\$ 51,066	\$ 51,360
Tangible common equity to asset ratio	6.46%	5.68%	4.65%	4.04%	4.88%
<b>Tier 1 common risk-based capital ratio</b>					
Tier 1 capital	\$ 5,756	\$ 5,390	\$ 5,167	\$ 5,036	\$ 4,101
Shareholders' preferred equity	(1,683)	(1,679)	(1,768)	(1,878)	(569)
Trust preferred securities	(570)	(570)	(736)	(736)	(736)
REIT preferred stock	(50)	(50)	(50)	(50)	(50)
Tier 1 common	\$ 3,453	\$ 3,091	\$ 2,613	\$ 2,372	\$ 2,746
Risk weighted assets	\$ 44,128	\$ 45,463	\$ 46,383	\$ 46,994	\$ 46,608
Tier 1 common risk-based capital ratio	7.82%	6.80%	5.63%	5.05%	5.89%

<sup>(1)</sup> Intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate.

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 October 22, 2009.

Exhibit 99.2 — Quarterly Financial Review, September 2009.

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## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

HUNTINGTON BANCSHARES INCORPORATED

Date: October 22, 2009

By: /s/ Donald R. Kimble  
Donald R. Kimble  
Senior Executive Vice President and Chief Financial Officer

## EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	News release of Huntington Bancshares Incorporated, October 22, 2009.
Exhibit 99.2	Quarterly Financial Review, September 2009.

# NEWSRELEASE



FOR IMMEDIATE RELEASE  
October 22, 2009

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**HUNTINGTON BANCSHARES REPORTS**

- **2009 third quarter reported net loss of \$166.2 million, or \$0.33 per common share**
- **Improved pre-tax, pre-provision income of \$237.1 million, up \$7.8 million, or 3%**
  - **3.20% net interest margin, up 10 basis points**
- **Significantly strengthened capital**
  - **\$587.3 million of capital actions during the third quarter**
  - **6.46% tangible common equity ratio, up 78 basis points**
  - **13.04% and 16.24% Tier 1 and Total capital ratios, respectively, up 119 basis points and 130 basis points, respectively**
- **Strengthened liquidity position**
  - **10% annualized linked-quarter growth in average total core deposits**
  - **94% period end loan-to-deposit ratio, improved from 98% at June 30, 2009**
- **Credit actions contributed to higher residential mortgage net charge-offs, commercial loan nonaccruals, and provision for credit losses**
  - **Over 55% of newly identified commercial nonaccrual loans were less than 30 days past due at September 30, 2009**
  - **2.90% allowance for credit losses at September 30, 2009, up from 2.51% at June 30, 2009 as the provision for credit losses exceeded net charge-offs by \$119.2 million, or 33%**

COLUMBUS, Ohio — Huntington Bancshares Incorporated (NASDAQ: HBAN; [www.huntington.com](http://www.huntington.com)) reported a 2009 third quarter net loss of \$166.2 million, or \$0.33 per common share. This compared with a net loss of \$125.1 million, or \$0.40 per common share in the 2009 second quarter, and net income of \$75.1 million, or \$0.17 per common share in the year-ago quarter. The lower loss per share in the current quarter compared with the 2009 second quarter reflected an increase in average common shares on a fully diluted basis to 589.7 million shares in the 2009 third quarter, up from an average of 459.2 million shares on a fully diluted basis in the second quarter.

For the first nine months of 2009, Huntington reported a net loss of \$2,724.5 million, or \$6.08 per common share, compared with net income of \$303.5 million, or \$0.83 per common share in the comparable 2008 period. Results for the first nine months of 2009 reflected \$2,606.9 million, or \$5.51 per common share, in noncash goodwill impairment charges.

## PERFORMANCE OVERVIEW

“We believe it is in the best interest of our shareholders to position Huntington for a return to profitability as soon as possible,” said Stephen D. Steinour, chairman, president, and chief executive officer. “Fundamental to achieving this objective is growth in pre-tax, pre-provision income, a strong capital position, a liquid balance sheet, and a lower-risk loan portfolio. We made significant progress in each of these areas this past quarter.”

“Our reported loss for the quarter of \$166.2 million was entirely due to \$475.1 million of provision for credit loss expense as our pre-tax, pre-provision income increased \$7.8 million, or 3%, from the second quarter,” he continued. “Continual improvement in pre-tax, pre-provision income helps set the stage for profitable performance once credit costs return to more historical performance. Contributing to the pre-tax, pre-provision income improvement was a 10 basis point increase in our net interest margin.”

“On the capital front, we raised \$587.3 million of common equity. Our period-end tangible common equity ratio was 6.46%, up 78 basis points. Our period-end regulatory Tier 1 and Total risk-based capital were \$3.1 billion and \$2.8 billion significantly above the 6.0% and 10.0% ‘well capitalized’ regulatory thresholds, respectively. We believe we now have sufficient capital to weather a stressed economic scenario. We also continued to make excellent progress in improving liquidity due to strong core deposit growth and the cash received from our equity issuances. Our period-end loan-to-deposit ratio was 94%, improved from 98% at June 30, and much improved from 108% at the end of last year.”

“Lowering the risk profile of the loan portfolio has been a high priority since the beginning of the year,” he noted, “and we are aggressively addressing credit issues. In the first half of the year, we successfully restructured our Franklin Credit Management relationship and conducted significant commercial loan portfolio reviews. During the third quarter, utilizing the enhanced portfolio management processes put in place in the second quarter, we continued our emphasis on identifying changes in the risk profiles of our commercial borrowers. While nonaccrual loans increased by a net 20% in the quarter, the level of criticized loans increased by only 4%. This is important since the level of criticized loans is a leading indicator of future nonaccrual and charge-off levels. Our continued proactive identification of potential emerging problems contributed significantly to the increase in total nonaccrual loans. It is important to note that over 55% of the third quarter’s newly identified commercial nonaccrual loans were less than 30 days past due as of September 30.”

“With regard to our consumer portfolio, we continue to believe it will show better relative performance throughout this cycle. Nevertheless, some of our third quarter actions resulted in above trend line losses. For example, residential mortgage actions resulted in an outsized, third quarter annualized 6.15% net charge-off ratio. Excluding the impact of these actions, the third quarter annualized residential mortgage net charge-off ratio would have been 1.73%. While related net charge-offs increased, these actions contributed to a 151 basis point decline in the related ‘over 30 days past due’ ratio. These actions included taking a more conservative position on the timing of loss recognition, continued active loss mitigation and troubled debt restructuring efforts, as well as the sale of some underperforming loans.”



“In light of the continued stress on our loan portfolios, especially commercial real estate loans, it was prudent to continue to build our reserves. Our provision for credit losses exceeded net charge-offs by \$119.2 million, or 33%. As a result, our period-end allowance for credit losses increased to 2.90% from 2.51% at the end of the second quarter. Even though net charge-offs remained elevated, they continued to be below the two-year cumulative loss assumptions used in our loan portfolio stress test analysis announced on May 20, 2009.”

“We will continue to manage the company assuming that the economy will remain weak for the foreseeable future. History has shown that meaningful improvement in credit quality, and thereby a return of provision for credit losses to more normal levels, lags improvement in economic indicators. As we entered this year, a key objective was to assure that we had sufficient capital to get through this economic cycle. We believe this objective was accomplished through our capital actions. Going forward, we will continue to seek opportunities to accelerate the resolution of problem credits and position Huntington for its return to profitability. In summary, I am encouraged by the progress we have made. We are more focused and are seeing improvement in underlying performance in a number of key areas. We are getting stronger every day,” he concluded.

### **THIRD QUARTER PERFORMANCE DISCUSSION**

#### **Significant Items Influencing Financial Performance Comparisons**

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 one-time or short-term in nature. Management believes the disclosure of “Significant Items” in current and prior period results aids analysts/investors in better understanding corporate performance trends. (See *Significant Items under the Basis of Presentation for a full discussion*).

There were no Significant Items impacting 2009 third quarter performance. Those impacting prior periods are shown in Table 1 below.

**Table 1 — Significant Items Impacting Earnings Performance Comparisons**

<b>Three Months Ended</b> <i>(in millions, except per share)</i>	<b>Impact (1)</b>	
	<b>Pre-tax</b>	<b>EPS (2)</b>
<b>September 30, 2009 — GAAP loss</b>	<b>\$ (166.2)(2)</b>	<b>\$ (0.33)</b>
• None		
<b>June 30, 2009 — GAAP loss</b>	<b>\$ (125.1)(2)</b>	<b>\$ (0.40)</b>
• Gain on tender of trust preferred securities	67.4	0.10
• Gain related to Visa® stock	31.4	0.04
• Preferred stock conversion deemed dividend	NA	(0.06)
• FDIC special assessment	(23.6)	(0.03)
• Goodwill impairment	(4.2)	(0.01)
<b>September 30, 2008 — GAAP earnings</b>	<b>\$ 63.0(2)</b>	<b>\$ 0.17</b>
• Gain on the extinguishment of debt	21.4	0.03
• Visa® deferred tax valuation allowance provision	(3.7) (2)	(0.01)

(1) Favorable (unfavorable) impact on GAAP earnings; pre-tax unless otherwise noted

(2) After-tax; EPS reflected on a fully diluted basis

## Pre-tax, Pre-provision Income Trends

One performance metric that Management believes is useful in analyzing performance in times of economic stress is the level of earnings adjusted to exclude provision expense and certain other volatile items. (See *Pre-tax, Pre-provision in Basis of Presentation for a full discussion*).

Table 2 shows pre-tax, pre-provision income was \$237.1 million in the third quarter, up 3% from the prior quarter.

**Table 2 — Pre-tax, Pre-provision Income (1) — 3Q09 — 3Q08**

(in millions)	2009			2008	
	Third Quarter	Second Quarter	First Quarter	Fourth Quarter	Third Quarter
<b>(Loss) Income Before Income</b>					
<b>Taxes</b>	\$ (257.4)	\$ (137.8)	\$ (2,685.0)	\$ (669.2)	\$ 92.1
Add: Provision for credit losses	475.1	413.7	291.8	722.6	125.4
Less: Securities gains (losses)	(2.4)	(7.3)	2.1	(127.1)	(73.8)
Add: Amortization of intangibles	17.0	17.1	17.1	19.2	19.5
Less: Significant (1) items					
Gain on the redemption of junior subordinated debt	—	67.4	—	—	—
Goodwill impairment	—	(4.2)	(2,602.7)	—	—
Gain related to Visa® stock	—	31.4	—	—	—
FDIC special assessment	—	(23.6)	—	—	—
Gain on the extinguishment of debt	—	—	—	—	21.4
Visa® anti-trust indemnification	—	—	—	4.6	—
<b>Pre-tax, Pre-provision Income (1)</b>	<b>\$ 237.1</b>	<b>\$ 229.3</b>	<b>\$ 224.6</b>	<b>\$ 195.1</b>	<b>\$ 289.4</b>
LQ Change — Amount	\$ 7.8	\$ 4.7	\$ 29.5	\$ (94.3)	\$ 38.2
LQ Change — Percent	3.4%	2.1%	15.1%	-32.6%	15.2%

(1) See Basis of Presentation for definition

As discussed in the sections that follow, the improvement from the 2009 second quarter primarily reflected the benefit of higher net interest income, service charges on deposits, and electronic banking income, partially offset by higher OREO and foreclosure expense and lower mortgage banking income.

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

### 2009 Third Quarter versus 2009 Second Quarter

Compared with the 2009 second quarter, fully-taxable equivalent net interest income increased \$15.9 million, or 5%. This primarily reflected a 10 basis point increase in the net interest margin to 3.20% from 3.10% as average total earning assets were essentially unchanged. The increase in the net interest margin reflected a combination of factors including favorable impacts from strong core deposit growth and the benefit of lower deposit pricing, partially offset by the negative impact of maintaining a higher liquidity position. Average total earning assets were essentially unchanged as a \$1.2 billion, or 18%, increase in other earning assets, primarily investment securities, was offset by a \$1.2 billion, or 3%, decline in average total loans and leases.

Table 3 details the decrease in average loans and leases.

**Table 3 — Loans and Leases — 3Q09 vs. 2Q09**

(in billions)	Third Quarter 2009	Second Quarter 2009	Change	
			Amount	%
<b>Average Loans and Leases</b>				
Commercial and industrial	\$ 12.9	\$ 13.5	\$ (0.6)	(4)%
Commercial real estate	8.9	9.2	(0.3)	(3)
Total commercial	\$ 21.8	\$ 22.7	\$ (0.9)	(4)%
Automobile loans and leases	3.2	3.3	(0.1)	(2)
Home equity	7.6	7.6	(0.1)	(1)
Residential mortgage	4.5	4.7	(0.2)	(4)
Other consumer	0.8	0.7	0.1	8
Total consumer	16.1	16.3	(0.2)	(1)
Total loans and leases	\$ 37.9	\$ 39.0	\$ (1.2)	(3)%

Average total loans and leases declined \$1.2 billion, or 3%, reflecting a \$0.9 billion, or 4% decline in total commercial loans and a \$0.2 billion, or 1%, decline in total consumer loans.

Average total commercial loans decreased \$0.9 billion, or 4%. Average commercial and industrial (C&I) loans were lower based, in part on lower line utilization across the portfolio, particularly in automobile dealer floorplan loans. The lower floorplan balances were consistent with the lower level of dealer car inventories resulting from the “cash for clunkers” program and lower manufacturer production levels. We continue to expect no credit impact from dealership closings. The planned decline in average commercial real estate (CRE) loans primarily reflected payoffs, balance reductions, and charge-offs.

Average total consumer loans declined \$0.2 billion, or 1%. The decline was spread evenly across the portfolio segments. The decline in average automobile loans and leases was consistent with our expectations given market conditions along with the continued run-off of the automobile lease portfolio. Demand for home equity loans remained weak, reflecting the impact of the economic environment and depressed home values. The decline in residential mortgages reflected the impact of lower market interest rates, the related increase in fixed-rate refinancing activity, and our practice of selling virtually all of our longer-term fixed-rate production. It also reflected the more conservative position on loss recognition, active loss mitigation and troubled debt restructuring efforts, as well as the sale of some underperforming loans.

The \$1.2 billion, or 18%, increase in other earning assets reflected a \$1.3 billion, or 25%, increase in average total investment securities as the cash proceeds from capital actions during the second and third quarters were deployed (*See Capital for a full discussion*). The increase primarily represented the purchase of agency debt with an average 2-year maturity and agency CMOs with an average 3-year maturity.

Our period-end liquidity position remained strong. At September 30, 2009, total cash and due from banks was \$1.9 billion, down slightly from \$2.1 billion at the end of the prior quarter. During the first nine months of this year, we strengthened balance sheet liquidity as our available cash increased \$1.1 billion, and our unpledged investment securities increased \$4.2 billion from December 31, 2008.

Another metric indicating our improved liquidity position was a decline in our loan-to-deposit ratio. At September 30, 2009, our loan-to-deposit ratio was 94%, improved from 98% at the end of the second quarter, and from 108% at the end of last year. Growth in core deposits contributed to this improvement.

Table 4 details the increase in average total deposits.

**Table 4 — Deposits — 3Q09 vs. 2Q09**

<i>(in billions)</i>	Third Quarter 2009	Second Quarter 2009	Change	
			Amount	%
<b>Average Deposits</b>				
Demand deposits — noninterest bearing	\$ 6.2	\$ 6.0	\$ 0.2	3%
Demand deposits — interest bearing	5.1	4.5	0.6	13
Money market deposits	7.6	6.4	1.2	20
Savings and other domestic deposits	4.8	5.0	(0.3)	(5)
Core certificates of deposit	11.6	12.5	(0.9)	(7)
Total core deposits	35.3	34.5	0.9	3
Other deposits	4.2	5.1	(0.8)	(16)
Total deposits	<u>\$ 39.6</u>	<u>\$ 39.5</u>	<u>\$ 0.1</u>	<u>0%</u>

Average total deposits increased slightly from the prior quarter and reflected:

- \$0.9 billion, or 3%, growth in average total core deposits. The primary drivers of this change were 20% growth in average money market deposits, 13% growth in interest bearing demand deposits, and 3% increase in noninterest bearing demand deposits. These increases were partially offset by a \$0.9 billion, or 7%, decline in average core certificates of deposit, reflecting our focus on growing money market and transaction accounts. Average savings and other domestic deposits declined \$0.3 billion, or 5%.

Partially offset by:

- \$0.8 billion, or 16%, decline in other deposits, reflecting our deployment of excess liquidity in reducing noncore funding sources.

2009 Third Quarter versus 2008 Third Quarter

Fully-taxable equivalent net interest income decreased \$27.1 million, or 7%, from the year-ago quarter. This reflected the unfavorable impact of a \$2.1 billion, or 4%, decline in total average earning assets, as well as a 9 basis point decline in the net interest margin to 3.20% from 3.29%. The decline in total average earning assets reflected a \$3.1 billion, or 8%, decline in average total loans and leases, partially offset by a \$1.0 billion, or 16%, increase in other earning assets, primarily investment securities.

Table 5 details the \$3.1 billion decrease in average loans and leases.

**Table 5 — Loans and Leases — 3Q09 vs. 3Q08**

<i>(in billions)</i>	Third Quarter		Change	
	2009	2008	Amount	%
<b>Average Loans and Leases</b>				
Commercial and industrial	\$ 12.9	\$ 13.6	\$ (0.7)	(5)%
Commercial real estate	8.9	9.8	(0.9)	(10)
Total commercial	<u>\$ 21.8</u>	<u>\$ 23.4</u>	<u>\$ (1.6)</u>	<u>(7)%</u>
Automobile loans and leases	3.2	4.6	(1.4)	(30)
Home equity	7.6	7.5	0.1	2
Residential mortgage	4.5	4.8	(0.3)	(7)
Other consumer	0.8	0.7	0.1	13
Total consumer	16.1	17.6	(1.5)	(9)
Total loans and leases	<u>\$ 37.9</u>	<u>\$ 41.0</u>	<u>\$ (3.1)</u>	<u>(8)%</u>

The \$3.1 billion, or 8%, decrease in average total loans and leases reflected:

- \$1.6 billion, or 7%, decrease in average total commercial loans. The \$0.9 billion, or 10%, decrease in average CRE loans reflected a combination of factors, including our planned efforts to shrink this portfolio through payoffs and paydowns, as well as the impact of charge-offs and the 2009 first quarter reclassification of CRE loans to C&I loans. The decline in average C&I loans reflected the impact of the reclassification project, offset by paydowns, the automobile dealer floorplan reductions, and the Franklin restructuring and related 2008 fourth quarter and 2009 first quarter charge-offs.
- \$1.5 billion, or 9%, decrease in average total consumer loans. This primarily reflected a \$1.4 billion, or 30%, decline in average automobile loans and leases due to the 2009 first quarter securitization of \$1.0 billion of automobile loans, as well as the continued runoff of the automobile lease portfolio. The \$0.3 billion, or 7%, decline in average residential mortgages reflected the impact of loan sales, as well as the continued refinance of portfolio loans and the related increased sale of fixed-rate originations, partially offset by additions related to the 2009 first quarter Franklin restructuring. Average home equity loans increased 2%, due primarily to increased line usage and slower runoff experience. The increased line usage continued to be associated with higher quality borrowers taking advantage of the low interest rate environment.

The \$1.0 billion, or 16%, increase in other earning assets reflected a \$2.0 billion, or 42%, increase in average total investment securities as the cash proceeds from capital actions during the second and third quarters were deployed (*See Capital for a full discussion*). Average trading account securities declined \$0.9 billion, or 89%, from the year-ago quarter, due to the reduction in the use of securities to hedge mortgage servicing rights.

Table 6 details the \$1.8 billion, or 5%, increase in average total deposits.

**Table 6 — Deposits — 3Q09 vs. 3Q08**

<i>(in billions)</i>	Third Quarter		Change	
	2009	2008	Amount	%
<b>Average Deposits</b>				
Demand deposits — noninterest bearing	\$ 6.2	\$ 5.1	\$ 1.1	22%
Demand deposits — interest bearing	5.1	4.0	1.1	28
Money market deposits	7.6	5.9	1.7	30
Savings and other domestic deposits	4.8	5.1	(0.3)	(6)
Core certificates of deposit	11.6	12.0	(0.3)	(3)
Total core deposits	35.3	32.0	3.3	10
Other deposits	4.2	5.8	(1.5)	(26)
<b>Total deposits</b>	<b>\$ 39.6</b>	<b>\$ 37.8</b>	<b>\$ 1.8</b>	<b>5%</b>

Average total deposits increased \$1.8 billion, or 5%, from the year-ago quarter and reflected:

- \$3.3 billion, or 10%, growth in average total core deposits. The primary drivers of this change were 30% growth in average money market deposits, 28% growth in average interest bearing demand deposits, and 22% growth in average noninterest bearing demand deposits. These increases were partially offset by a \$0.3 billion, or 6%, decline in average savings and other domestic deposits and a \$0.3 billion, or 3%, decline in average core certificates of deposit.

Partially offset by:

- A \$1.5 billion, or 26%, decrease in average other deposits, primarily reflecting our deployment of excess liquidity in reducing noncore funding sources.

## Provision for Credit Losses

The provision for credit losses in the 2009 third quarter was \$475.1 million, up \$61.4 million, or 15%, from the prior quarter and up \$349.7 million from the year-ago quarter. The current quarter's provision for credit losses exceeded net charge-offs by \$119.2 million (See *Credit Quality discussion*).

## Noninterest Income

### 2009 Third Quarter versus 2009 Second Quarter

Noninterest income decreased \$9.9 million, or 4%, from the 2009 second quarter.

**Table 7 — Noninterest Income — 3Q09 vs. 2Q09**

<i>(in millions)</i>	Third Quarter 2009	Second Quarter 2009	Change	
			Amount	%
<b>Noninterest Income</b>				
Service charges on deposit accounts	\$ 80.8	\$ 75.4	\$ 5.5	7%
Brokerage and insurance income	34.0	32.1	1.9	6
Trust services	25.8	25.7	0.1	0
Electronic banking income	28.0	24.5	3.5	14
Bank owned life insurance income	13.6	14.3	(0.6)	(4)
Automobile operating lease income	12.8	13.1	(0.3)	(2)
Mortgage banking income	21.4	30.8	(9.4)	(30)
Securities losses	(2.4)	(7.3)	5.0	68
Other income	41.9	57.5	(15.6)	(27)
<b>Total noninterest income</b>	<b>\$ 256.1</b>	<b>\$ 265.9</b>	<b>\$ (9.9)</b>	<b>(4)%</b>

The \$9.9 million decrease in total noninterest income reflected:

- \$15.6 million, or 27%, decline in other income, as the prior quarter included a \$31.4 million gain on the sale of Visa® stock. The current quarter reflected a \$22.8 million benefit representing the change in fair value of our derivatives that did not qualify for hedge accounting. This benefit was partially offset by a \$7.5 million loss on commercial loans held for sale and other equity investment losses.
- \$9.4 million, or 30%, decline in mortgage banking income, primarily reflecting a \$15.3 million decline in origination and secondary marketing income as loan originations declined 37% from the prior quarter. This was partially offset by a \$2.5 million net improvement in MSR valuation and hedging from the prior quarter.

Partially offset by:

- \$5.5 million, or 7%, increase in service charges on deposit accounts, primarily reflecting seasonally higher personal service charges, mostly NSF/OD related, as well as account growth.
- \$5.0 million decline in securities losses as the current quarter reflected a \$2.4 million loss compared with a \$7.3 million loss in the prior quarter.
- \$3.5 million, or 14%, increase in electronic banking income including additional third-party processing fees.

### 2009 Third Quarter versus 2008 Third Quarter

Noninterest income increased \$88.2 million, or 53%, from the year-ago quarter.

**Table 8 — Noninterest Income — 3Q09 vs. 3Q08**

<i>(in millions)</i>	Third Quarter		Change	
	2009	2008	Amount	%
<b>Noninterest Income</b>				
Service charges on deposit accounts	\$ 80.8	\$ 80.5	\$ 0.3	0%
Brokerage and insurance income	34.0	34.3	(0.3)	(1)
Trust services	25.8	31.0	(5.1)	(17)
Electronic banking income	28.0	23.4	4.6	19
Bank owned life insurance income	13.6	13.3	0.3	2
Automobile operating lease income	12.8	11.5	1.3	11
Mortgage banking income	21.4	10.3	11.1	NM
Securities losses	(2.4)	(73.8)	71.4	97
Other income	41.9	37.3	4.6	12
<b>Total noninterest income</b>	<b>\$ 256.1</b>	<b>\$ 167.9</b>	<b>\$ 88.2</b>	<b>53%</b>

The \$88.2 million increase in total noninterest income reflected:

- \$71.4 million improvement in securities losses as the current quarter reflected a \$2.4 million loss compared with a \$73.8 million loss in the year-ago quarter as that period included a \$76.6 million other-than-temporary-impairment (OTTI) write down in the Alt-A mortgage loan-backed securities portfolio.
- \$11.1 million increase in mortgage banking income, reflecting an \$8.8 million increase in origination and secondary marketing income as originations in the current quarter were 47% higher, as well as a \$5.0 million net improvement in MSR valuation and hedging activity.
- \$4.6 million, or 19%, increase in electronic banking income.
- \$4.6 million, or 12%, increase in other income, reflecting the current quarter's net impact of a \$22.8 million change in fair value of our derivatives that did not qualify for hedge accounting, partially offset by a \$7.5 million loss on sale of loans held for sale, lower mezzanine lending income, lower equity investment gains, and lower derivatives income.

Partially offset by:

- \$5.1 million, or 17%, decline in trust services income, reflecting the impact of lower market values on asset management revenues and reduced yields on money market funds.

**Noninterest Expense**

2009 Third Quarter versus 2009 Second Quarter

Noninterest expense increased \$61.1 million, or 18%, from the 2009 second quarter.

**Table 9 — Noninterest Expense — 3Q09 vs. 2Q09**

<i>(in millions)</i>	Third	Second	Change	
	Quarter 2009	Quarter 2009	Amount	%
<b>Noninterest Expense</b>				
Personnel costs	\$ 172.2	\$ 171.7	\$ 0.4	0%
Outside data processing and other services	38.0	39.3	(1.3)	(3)
Net occupancy	25.4	24.4	1.0	4
OREO and foreclosure expense	39.0	26.5	12.4	47
Equipment	21.0	21.3	(0.3)	(1)
Amortization of intangibles	17.0	17.1	(0.1)	(1)
Professional services	18.1	16.7	1.5	9
Marketing	8.3	7.5	0.8	10
Automobile operating lease expense	10.6	11.4	(0.8)	(7)
Telecommunications	5.9	6.1	(0.2)	(3)
Printing and supplies	4.0	4.2	(0.2)	(5)
Goodwill impairment	—	4.2	(4.2)	NM
Other expense	41.8	(10.4)	52.2	NM
<b>Total noninterest expense</b>	<b>\$ 401.1</b>	<b>\$ 340.0</b>	<b>\$ 61.1</b>	<b>18%</b>

The \$61.1 million increase in noninterest expense reflected:

- \$52.2 million increase in other expense, reflecting the fact that the prior quarter expense was reduced by a \$67.4 gain on the redemption of a portion of our junior subordinated debt, partially offset by a reduction in FDIC insurance expense as the prior quarter included a \$23.6 million special assessment.
- \$12.4 million, or 47%, increase in OREO and foreclosure expense, reflecting higher levels of problem assets, as well as loss mitigation activities. The current quarter included a \$14.3 million charge related to one CRE retail OREO property.

**2009 Third Quarter versus 2008 Third Quarter**

Noninterest expense increased \$62.1 million, or 18%, from the year-ago quarter.

**Table 10 — Noninterest Expense — 3Q09 vs. 3Q08**

<i>(in millions)</i>	Third Quarter		Change	
	2009	2008	Amount	%
<b>Noninterest Expense</b>				
Personnel costs	\$ 172.2	\$ 184.8	\$ (12.7)	(7)%
Outside data processing and other services	38.0	32.4	5.6	17
Net occupancy	25.4	25.2	0.2	1
OREO and foreclosure expense	39.0	9.1	29.9	NM
Equipment	21.0	22.1	(1.1)	(5)
Amortization of intangibles	17.0	19.5	(2.5)	(13)
Professional services	18.1	12.2	5.9	48
Marketing	8.3	7.0	1.2	17
Automobile operating lease expense	10.6	9.1	1.5	16
Telecommunications	5.9	6.0	(0.1)	(2)
Printing and supplies	4.0	4.3	(0.4)	(8)
Other expense	41.8	7.2	34.6	NM
<b>Total noninterest expense</b>	<b>\$ 401.1</b>	<b>\$ 339.0</b>	<b>\$ 62.1</b>	<b>18%</b>



The \$62.1 million increase reflected:

- \$34.6 million increase in other expense, reflecting a \$19.8 million increase in FDIC insurance expenses as the prior period's assessment expense was offset by an assessment credit that has since been fully utilized. In addition, the year-ago quarter included a \$21.4 million reduction to expense as a result of a gain on the debt extinguishment.
- \$29.9 million increase in OREO and foreclosure expense, reflecting higher levels of problem assets, as well as loss mitigation activities.
- \$5.9 million, or 48%, increase in professional services, reflecting higher consulting and collection-related expenses.
- \$5.6 million, or 17%, increase in outside data processing and other services, primarily reflecting portfolio servicing fees now paid to Franklin resulting from the first quarter restructuring of this relationship.

Partially offset by:

- \$12.7 million, or 7%, decline in personnel costs, reflecting a decline in salaries and lower benefits and commission expense. Full-time equivalent staff declined 7% from the year-ago period.
- \$2.5 million, or 13%, decline in amortization of intangibles expense.

#### **Income Taxes**

The provision for income taxes in the 2009 third quarter was a benefit of \$91.2 million. The effective tax rate for the 2009 third quarter was a tax benefit of 35.4%. The effective tax rate for the nine months income ended September 30, 2009 was a tax benefit of 11.5%.

#### **Credit Quality Performance Discussion**

Credit quality performance in the 2009 third quarter continued to be negatively impacted by the sustained economic weakness in our Midwest markets. In addition, we initiated certain actions with regard to loss recognition on our residential mortgage portfolio that we believe will increase the flexibility in working the loans toward timelier resolution.

#### Net Charge-Offs (NCOs)

Total net charge-offs for the 2009 third quarter were \$355.9 million, or an annualized 3.76% of average total loans and leases. This was up \$21.5 million from \$334.4 million, or an annualized 3.43%, in the 2009 second quarter. While total commercial net charge-offs declined \$32.9 million from the prior quarter, this was offset by a \$54.4 million increase in total consumer net charge-offs. Net charge-offs in the year-ago quarter were \$83.8 million, or an annualized 0.82%.

Total C&I net charge-offs for the 2009 third quarter were \$68.8 million, or an annualized 2.13%, down 30% from \$98.3 million, or an annualized 2.91% of related loans, in the 2009 second quarter. Total C&I net charge-offs in the year-ago quarter were \$29.6 million, or an annualized 0.87%. Third quarter results were substantially improved on a net comparison basis with the prior quarter and our early-stage delinquencies were lower. The lower losses in the quarter were primarily a result of significantly lower activity associated with loans over \$5 million. While the decline from the prior quarter was a clear positive, there continues to be concern regarding the impact of the economic conditions on our commercial borrowers. The majority of the charge-offs were concentrated in smaller loans, distributed across our geographic markets. From an industry perspective, the broad category of manufacturing represented the most significant level of losses.

Current quarter CRE net charge-offs were \$169.2 million, down 2% from \$172.6 million in the prior quarter. Reflecting the decline in average outstandings, third quarter CRE net charge-offs expressed as an annualized percent of outstandings were 7.62%, up from an annualized 7.51% in the prior quarter. The single family homebuilder and retail projects continued to represent a significant portion, or 65%, of the losses. The level of losses in excess of \$5 million continued to decline, both in terms of the number of loans, as well as related cumulative amount, as we continued to actively address the credit issues in the portfolio.

Total consumer net charge-offs in the current quarter were \$117.9 million, or an annualized 2.94%, up 86% from \$63.5 million, or an annualized 1.56% of average total consumer loans in the second quarter. Total consumer net charge-offs in the year-ago quarter were \$43.1 million, or an annualized 0.98%. The residential mortgage portfolio actions were the primary driver of the increase in total consumer net charge-offs.

Residential mortgage net charge-offs were \$69.0 million, or an annualized 6.15% of related average balances, up \$51.8 million from the second quarter. Residential mortgage net charge-offs in the year-ago quarter were \$6.7 million, or an annualized 0.56%. The outsized increase from the second quarter reflected, among other actions, a more conservative position on the timing of loss recognition. This accounted for \$32.0 million of third quarter net charge-offs. In addition, during the quarter we sold \$45 million of underperforming mortgage loans that resulted in \$17.6 million of net charge-offs. Excluding the impact of these two actions, net charge-offs on residential mortgages would have been an annualized 1.73%. Even excluding the impact from these two portfolio actions, we were generally pleased with the delinquency trends in the portfolio. We continue to see some positive trends in early-stage delinquencies, indicating that even with the economic stress on our borrowers, our losses are expected to remain manageable.

Home equity net charge-offs in the 2009 third quarter were \$28.0 million, or an annualized 1.48%. This was up from \$24.7 million, or an annualized 1.29%, in the prior quarter and from \$15.8 million, or an annualized 0.85%, in the year-ago quarter. While net charge-offs were higher than prior quarters, there continued to be a declining trend in the early-stage delinquency level in the home equity line of credit portfolio, supporting our longer-term positive view for home equity portfolio performance. The higher losses resulted from a significant increase in loss mitigation activity and short sales. We continue to believe that our more proactive loss mitigation strategies are in the best interest of both the company and our customers. While there has been a clear increase in the losses from the year-ago quarter, given the market conditions, performance remained within expectations.

Automobile loan and lease net charge-offs were \$10.7 million, or an annualized 1.33%, down from \$14.6 million, or an annualized 1.78%, in the prior quarter. Automobile loan and lease net charge-offs in the year-ago quarter were \$13.3 million, or an annualized 1.15%. Performance of this portfolio on both an absolute and relative basis continued to be consistent with our views regarding the underlying quality of the portfolio. We were also pleased that the level of delinquencies dropped for the third quarter in a row, further substantiating our view of flat to improved performance of this portfolio.

Nonaccrual Loans (NALs) and Nonperforming Assets (NPAs)

The table below shows the change in NALs and NPAs between the 2009 third quarter and 2009 second quarter.

**Table 11 — Nonaccrual Loans and Nonperforming Assets — 3Q09 vs. 2Q09**

<i>(in millions)</i>	2009		Change	
	September 30,	June 30,	Amount	%
<b>Nonaccrual loans and leases (NALs):</b>				
Commercial and industrial	\$ 612.7	\$ 456.7	\$ 156.0	34%
Commercial real estate	1,133.7	850.8	282.8	33
Residential mortgage	390.5	475.5	(85.0)	(18)
Home equity	44.2	35.3	8.9	25
<b>Total nonaccrual loans and leases</b>	<b>2,181.1</b>	<b>1,818.4</b>	<b>362.7</b>	<b>20</b>
<b>Other real estate, net:</b>				
Residential	81.8	108.0	(26.1)	(24)
Commercial	60.8	65.0	(4.2)	(6)
<b>Total other real estate, net</b>	<b>142.6</b>	<b>172.9</b>	<b>(30.3)</b>	<b>(18)</b>
<b>Impaired loans held for sale</b>	<b>20.4</b>	<b>11.3</b>	<b>9.1</b>	<b>81</b>
<b>Total nonperforming assets</b>	<b>\$ 2,344.0</b>	<b>\$ 2,002.6</b>	<b>\$ 341.5</b>	<b>17%</b>

Nonaccrual loans (NALs) were \$2,181.1 million at September 30, 2009, and represented 5.85% of total loans and leases. This was up \$362.7 million, or 20%, from \$1,818.4 million, or 4.72% of total loans and leases, at June 30, 2009. Period end NALs in the year-ago quarter were \$585.9 million, or 1.42%. The increase from the prior quarter primarily reflected increases in CRE and C&I-related NALs.

During the third quarter, and because we believe that there will be no meaningful economic recovery for the foreseeable future, we took a more conservative approach in identifying and classifying emerging problem credits. In many cases, commercial loans were placed on nonaccrual status even though the loan was less than 30 days past due for both principal and interest payments. This significantly impacted the inflow of commercial loan NALs for the quarter. Of the commercial loans placed on nonaccrual status in the quarter, over 55% were less than 30 days past due. Of the period end \$1,746.4 million of CRE and C&I-related NALs, approximately 36% represented loans that were less than 30 days past due. We believe the decisions increase our options for working these loans toward timelier resolution.

CRE NALs increased \$282.8 million, or 33%, from the end of the second quarter. Unlike the second quarter, where 70% of the increase was centered in retail projects, the increase in the third quarter reflected higher NALs across the portfolio, including single family homebuilder, office, and warehouse segments.

C&I NALs increased \$156.0 million, or 34%, from the end of the second quarter. The increase was associated with loans throughout our footprint, with no specific geographic concentration. From an industry perspective, the manufacturing-related segment accounted for a significant portion of the increase.

Residential mortgage NALs declined \$85.0 million, or 18%, reflecting the impact of the more conservative position on the timing of loss recognition, active loss mitigation and troubled debt restructuring efforts, as well as the sale of loans. Our efforts to proactively address existing issues with loss mitigation and loan modification transactions have helped to minimize the inflow of new NALs.

Home equity NALs increased \$8.9 million, or 25%, reflecting loans migrating into the more serious delinquency stage. However, this does not indicate higher future losses, as all loans have been written down to expected proceeds.

Nonperforming assets (NPAs), which include NALs, were \$2,344.0 million at September 30, 2009, and represented 6.26% of related assets. This was up \$341.5 million, or 17%, from \$2,002.6 million, or 5.18% of related assets at the end of the second quarter. This was significantly higher than \$675.3 million, or 1.64% of related assets at the end of the year-ago period. The linked-quarter increase in NPAs was less than the increase in NALs as OREO assets declined \$30.3 million, or 18%, reflecting a continuation of our concerted efforts to sell OREO properties.

The over 90-day delinquent, but still accruing, ratio excluding loans guaranteed by the U.S. Government, was 0.29% at September 30, 2009, down from 0.38% at the end of second quarter, and 15 basis points lower than a year-ago. On this same basis, the delinquency ratio for total consumer loans was 0.66% at September 30, 2009, down from 0.90% at the end of the prior quarter, and up from 0.54% a year-ago.

#### Allowances for Credit Losses (ACL)

We maintain two reserves, both of which are available to absorb probable credit losses: the allowance for loan and lease losses (ALLL) and the allowance for unfunded loan commitments and letters of credit (AULC). When summed together, these reserves constitute the total ACL.

At September 30, 2009, the ALLL was \$1,032.0 million, up \$114.3 million, or 12%, from \$917.7 million at the end of the prior quarter, and up \$311.2 million, or 43%, from a year ago. Expressed as a percent of period-end loans and leases, the ALLL ratio at September 30, 2009, was 2.77%, up from 2.38% at the end of the prior quarter and from 1.75% a year ago. The ALLL as a percent of NALs was 47% at September 30, 2009, down from 50% at June 30, 2009, and from 123% a year ago.

At September 30, 2009, the AULC was \$50.1 million, up slightly from \$47.1 million at the end of the second quarter. The decline in the AULC from \$61.6 million from the end of the year-ago quarter reflected the transfer of \$12.1 million from the AULC to the ALLL and a \$5.4 million reduction related to unfunded loan commitments in the 2008 fourth quarter.

On a combined basis, the ACL as a percent of total loans and leases at September 30, 2009, was 2.90%, up from 2.51% at June 30, 2009, and from 1.90% a year ago. The ACL as a percent of NALs was 50% at September 30, 2009, down from 53% at June 30, 2009, and from 134% a year ago.

The increase in the ACL from the year-ago quarter reflected the impact of the weak economic environment as we have consistently added to our reserves across the entire loan portfolio. In the 2009 third quarter, the provision for credit losses exceeded net charge-offs by \$119.2 million.

#### **Capital**

During the third quarter, we completed a third discretionary equity issuance plan (DEIP) that raised \$150 million of common equity and a public offering of \$460 million of common equity. The net proceeds of the third quarter DEIP and common stock offering programs on a combined basis added \$587.3 million to common equity.

Table 12 recaps all of capital actions for the first nine months of 2009, which on a net basis added \$1.3 billion to common equity, and \$1.6 billion to Tier 1 regulatory capital.

**Table 12 — Capital Actions**

(\$ and Shares in millions)	Common Stock		Other Retained Earnings	Total
	Shares (1)	Amount		
<b>1Q09</b>				
Franklin restructuring	—	\$ —	\$ 159.9	\$ 159.9
Conversion of preferred stock	24.6	114.1	—	114.1
Other tangible capital improvements (2)	—	—	47.1	47.1
<b>1Q09 Total</b>	<b>24.6</b>	<b>114.1</b>	<b>207.0</b>	<b>321.1</b>
<b>2Q09</b>				
Discretionary equity issuance #1	38.5	117.6	—	117.6
Discretionary equity issuance #2	18.5	74.4	—	74.4
Conversion of preferred stock	16.5	92.3	—	92.3
Common stock offering	103.5	356.4	—	356.4
Gain on the redemption of junior subordinated debt	—	—	43.8	43.8
Gain related to Visa® stock	—	—	20.4	20.4
<b>2Q09 Total</b>	<b>177.0</b>	<b>640.7</b>	<b>64.2</b>	<b>704.9</b>
<b>3Q09</b>				
Discretionary equity issuance #3	35.7	146.9	—	146.9
Common stock offering	109.5	440.4	—	440.4
<b>3Q09 Total</b>	<b>145.2</b>	<b>587.3</b>	<b>—</b>	<b>587.3</b>
<b>Year-to-date</b>	<b>346.8</b>	<b>\$ 1,342.1</b>	<b>\$ 271.2</b>	<b>\$ 1,613.3</b>

(1) Excludes other miscellaneous issuances

(2) Other Comprehensive Income improvement included due to materiality

Reflecting these actions, our capital position at September 30, 2009 was much improved from June 30, 2009, and significantly strengthened from the end of last year as noted in Table 13.

**Table 13 — Capital Ratios**

(\$ millions)	2009			2008	
	Sep. 30,	Jun. 30,	Mar. 31,	Dec. 31,	Sep.30,
Tangible common equity / tangible assets ratio	6.46%	5.68%	4.65%	4.04%	4.88%
Tier 1 common risk-based capital ratio	7.82%	6.80%	5.63%	5.05%	5.89%
Regulatory Tier 1 risk-based capital ratio	13.04%	11.85%	11.14%	10.72%	8.80%
Excess over 6.0% (1)	\$ 3,107	\$ 2,660	\$ 2,384	\$ 2,218	\$ 1,305
Regulatory Total risk-based capital ratio	16.24%	14.94%	14.26%	13.91%	12.03%
Excess over 10.0% (1)	\$ 2,754	\$ 2,246	\$ 1,976	\$ 1,837	\$ 946
Total risk-weighted assets	\$ 44,128	\$ 45,463	\$ 46,383	\$ 46,994	\$ 46,608

(1) "Well-capitalized" regulatory threshold

At September 30, 2009, our regulatory Tier 1 and Total risk-based capital ratios were 13.04% and 16.24%, respectively, up from 11.86% and 14.94%, respectively, at June 30, 2009. On an absolute basis, our Tier 1 and Total risk-based capital ratios exceeded the regulatory "well capitalized" thresholds by \$3.1 billion and \$2.8 billion, respectively. The "well capitalized" level is the highest regulatory capital designation.

The tangible common equity to asset ratio at September 30, 2009, was 6.46%, up from 5.68% at the end of the prior quarter, and significantly strengthened from 4.04% at the end of last year. Our Tier 1 common risk-based capital ratio at quarter end was 7.82%, up from 6.80% at the end of the prior quarter and from 5.05% at the end of last year.

#### **2009 FOURTH QUARTER EXPECTATIONS**

Commenting on 2009 fourth quarter expectations Steinour noted, "Though we expect to continue to make good progress in improving those areas that drive pre-tax, pre-provision income, we continue to feel the effect of the weak economic environment in our markets. It is prudent to manage the company, therefore, with the view that there will be no material turnaround for the foreseeable future. We expect fourth quarter net charge-offs, provision for credit loss expenses, and loan loss reserve levels to remain elevated, reflecting our continued efforts to aggressively address problem loans."

"It is encouraging to see good progress in our noncredit related performance, and we anticipate further progress in improving our pre-tax, pre-provision income. By continuing to focus on disciplined loan and deposit pricing, we expect our fourth quarter net interest margin will be flat-to-slightly higher than the third quarter level. The very good traction we have achieved in growing transaction-related core deposits is also expected to continue. Funding will also benefit from the deposits from our previously announced FDIC-related acquisition of the failed Warren Bank in Michigan. However, loans are expected to decline modestly, reflecting the impacts of our continued efforts to reduce our commercial real estate exposure, the weak economy, as well as charge-offs. Fee income performance will likely remain mixed and expenses well-controlled," he concluded.

#### **Conference Call / Webcast Information**

Huntington's senior management will host an earnings conference call on Thursday, October 22, 2009, at 1:00 p.m. (Eastern Daylight Time). The call may be accessed via a live Internet webcast at [www.huntington-ir.com](http://www.huntington-ir.com) or through a dial-in telephone number at (800) 267-7495; conference ID 33264378. Slides will be available at [www.huntington-ir.com](http://www.huntington-ir.com) just prior to 1:00 p.m. (Eastern Daylight Time) on October 22, 2009, for review during the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's web site [www.huntington.com](http://www.huntington.com). A telephone replay will be available two hours after the completion of the call through October 31, 2009 at (800) 642-1687; conference ID 33264378.

#### **Forward-looking Statement**

This press release contains certain forward-looking statements, including certain plans, expectations, goals, projections, and statements, which are subject to numerous assumptions, risks, and uncertainties. Actual results could differ materially from those contained or implied by such statements for a variety of factors including: (1) deterioration in the loan portfolio could be worse than expected due to a number of factors such as the underlying value of the collateral could prove less valuable than otherwise assumed and assumed cash flows may be worse than expected; (2) changes in economic conditions; (3) movements in interest rates; (4) competitive pressures on product pricing and services; (5) success and timing of other business strategies; (6) the nature, extent, and timing of governmental actions and reforms, including existing and potential future restrictions and limitations imposed in connection with the Troubled Asset Relief Program's voluntary Capital Purchase Plan or otherwise under the Emergency Economic Stabilization Act of 2008; and (7) extended disruption of vital infrastructure. Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2008 Annual Report on Form 10-K, and documents subsequently filed by Huntington with the Securities and Exchange Commission. All forward-looking statements included in this release are based on information available at the time of the release. Huntington assumes no obligation to update any forward-looking statement.

## **Basis of Presentation**

### Use of Non-GAAP Financial Measures

This earnings press release 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 earnings release, the Quarterly Financial Review supplement to this release, the 2009 third quarter earnings conference call slides, or the Form 8-K filed related to this release, which can be found on Huntington's website at [huntington-ir.com](http://huntington-ir.com).

### Pre-tax, Pre-provision Income

One non-GAAP performance metric that Management believes is useful in analyzing underlying performance trends, particularly in times of economic stress, is pre-tax, pre-provision income. This is the level of earnings adjusted to exclude the impact of:

- provision expense, which is excluded because its absolute level is elevated and volatile in times of economic stress;
- investment securities gains/losses, which are excluded because in times of economic stress securities market valuations may also become particularly volatile;
- amortization of intangibles expense, which is excluded because return on tangible common equity is a key metric used by Management to gauge performance trends; and
- certain items identified by Management (*see Significant Items below*) which Management believes may distort the company's underlying performance trends.

### 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 one-time 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, etc. In other cases they may result from Management decisions associated with significant corporation actions out of the ordinary course of business; e.g., merger/restructuring charges, recapitalization actions, goodwill impairment, etc.

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, asset valuation writedowns, etc., reflect ordinary banking activities and are, therefore, typically excluded from consideration as a Significant Item.

Management believes the disclosure of "Significant Items" in current and prior period results 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 its external disclosure documents (e.g., earnings press releases, investor presentations, 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 described in Huntington's 2008 Annual Report on Form 10-K and other factors described from time to time in Huntington's other filings with the Securities and Exchange Commission.

#### 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 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 earnings 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 the company’s 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 a 35% 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.

#### NM or nm

Percent changes of 100% or more are typically shown as “nm” or “not meaningful” unless required. Such large percent changes typically reflect the impact of unusual or particularly volatile items within the measured periods. Since the primary purpose of showing a percent change is for discerning underlying performance trends, such large percent changes are typically “not meaningful” for trend analysis purposes.

#### **About Huntington**

Huntington Bancshares Incorporated is a \$53 billion regional bank holding company headquartered in Columbus, Ohio. Huntington has more than 143 years of serving the financial needs of its customers. Through our subsidiaries, including our banking subsidiary, The Huntington National Bank, we provide full-service commercial and consumer banking services, mortgage banking services, equipment leasing, investment management, trust services, brokerage services, customized insurance service program, and other financial products and services. Our over 600 banking offices are located in Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and West Virginia. Huntington also offers retail and commercial financial services online at [huntington.com](http://huntington.com); through its technologically advanced, 24-hour telephone bank; and through its network of almost 1,400 ATMs. The Auto Finance and Dealer Services group offers automobile loans to consumers and commercial loans to automobile dealers within our six-state banking franchise area. Selected financial service activities are also conducted in other states including: Private Financial Group offices in Florida and Mortgage Banking offices in Maryland and New Jersey. International banking services are available through the headquarters office in Columbus and a limited purpose office located in both the Cayman Islands and Hong Kong.

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**HUNTINGTON BANCSHARES INCORPORATED**
**Quarterly Key Statistics (1)**
*(Unaudited)*

<i>(in thousands, except per share amounts)</i>	2009		2008	Percent Changes vs.	
	Third	Second	Third	2Q09	3Q08
Net interest income	\$ 362,819	\$ 349,899	\$ 388,636	3.7%	(6.6)%
Provision for credit losses	475,136	413,707	125,392	14.8	N.M.
Noninterest income	256,052	265,945	167,857	(3.7)	52.5
Noninterest expense	401,097	339,982	338,996	18.0	18.3
(Loss) Income before income taxes	(257,362)	(137,845)	92,105	86.7	N.M.
(Benefit) Provision for income taxes	(91,172)	(12,750)	17,042	N.M.	N.M.
Net (Loss) Income	\$ (166,190)	\$ (125,095)	\$ 75,063	32.9%	N.M.%
Dividends on preferred shares	29,223	57,451	12,091	(49.1)	N.M.
Net (loss) income applicable to common shares	\$ (195,413)	\$ (182,546)	\$ 62,972	7.0%	N.M.%
Net (loss) income per common share — diluted	\$ (0.33)	\$ (0.40)	\$ 0.17	(17.5)%	N.M.%
Cash dividends declared per common share	0.0100	0.0100	0.1325	—	(92.5)
Book value per common share at end of period	5.59	6.23	15.86	(10.3)	(64.8)
Tangible book value per common share at end of period	4.69	5.07	6.85	(7.5)	(31.5)
Average common shares — basic	589,708	459,246	366,124	28.4	61.1
Average common shares — diluted(2)	589,708	459,246	367,361	28.4	60.5
Return on average assets	(1.28)%	(0.97)%	0.55%		
Return on average shareholders' equity	(12.5)	(10.2)	4.7		
Return on average tangible shareholders' equity (3)	(13.3)	(10.3)	11.6		
Net interest margin (4)	3.20	3.10	3.29		
Efficiency ratio (5)	61.4	51.0	50.3		
Effective tax rate (benefit)	(35.4)	(9.2)	18.5		
Average loans and leases	\$37,855,198	\$39,007,243	\$41,004,234	(3.0)	(7.7)
Average loans and leases — linked quarter annualized growth rate	(11.8)%	(18.2)%	(0.2)%		
Average earning assets	\$45,525,113	\$45,479,818	\$47,640,822	0.1	(4.4)
Average total assets	51,679,535	51,496,992	54,660,358	0.4	(5.5)
Average core deposits (6)	35,343,970	34,455,410	32,038,291	2.6	10.3
Average core deposits — linked quarter annualized growth rate (6)	10.3%	17.2%	4.1%		
Average shareholders' equity	\$ 5,285,473	\$ 4,927,592	\$ 6,323,247	7.3	(16.4)
Total assets at end of period	52,512,659	51,397,252	54,660,589	2.2	(3.9)
Total shareholders' equity at end of period	5,675,106	5,220,522	6,375,760	8.7	(11.0)
Net charge-offs (NCOs)	355,942	334,407	83,751	6.4	N.M.
NCOs as a % of average loans and leases	3.76%	3.43%	0.82%		
Nonaccrual loans and leases (NALs)	\$ 2,181,065	\$ 1,818,367	\$ 585,941	19.9	N.M.
NAL ratio	5.85%	4.72%	1.42%		
Non-performing assets (NPAs)	\$ 2,344,042	\$ 2,002,584	\$ 675,319	17.1	N.M.
NPA ratio	6.26%	5.18%	1.64%		
Allowance for loan and lease losses (ALLL) as a % of total loans and leases at the end of period	2.77	2.38	1.75		
ALLL plus allowance for unfunded loan commitments and letters of credit as a % of total loans and leases at the end of period	2.90	2.51	1.90		
ALLL as a % of NALs	47	50	123		
ALLL as a % of NPAs	44	46	107		
Tier 1 common risk-based capital ratio (7)	7.82	6.80	5.89		
Tier 1 risk-based capital ratio (7)	13.04	11.85	8.80		
Total risk-based capital ratio (7)	16.24	14.94	12.03		
Tier 1 leverage ratio (7)	11.30	10.62	7.99		
Tangible equity / assets(8)	9.71	8.99	5.99		
Tangible common equity / assets(9)	6.46	5.68	4.88		

N.M., not a meaningful value.

- (1) Comparisons for presented periods are impacted by a number of factors. Refer to "Significant Items".
- (2) For all the quarterly periods presented above, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation because the result would have been higher than basic earnings per common share (anti-dilutive) for the periods.
- (3) Net (loss) income excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity. Average tangible shareholders' equity equals average total stockholders' 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 35% tax rate.

- (4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.
- (5) Noninterest expense less amortization of intangibles (\$17.0 million in 3Q 2009, \$17.1 million in 2Q 2009, and \$19.5 million in 3Q 2008) divided by the sum of FTE net interest income and noninterest income excluding securities gains (losses).
- (6) Includes noninterest bearing and interest bearing demand deposits, money market deposits, savings and other domestic time deposits, and core certificates of deposit.
- (7) Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting Statement 158 from the regulatory capital calculations.
- (8) Tangible equity (total 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.
- (9) 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.

**HUNTINGTON BANCSHARES INCORPORATED**
**Year to Date Key Statistics (1)**
*(Unaudited)*

<i>(in thousands, except per share amounts)</i>	Nine Months Ended September 30,		Change	
	2009	2008	Amount	Percent
Net interest income	\$ 1,050,223	\$ 1,155,326	\$ (105,103)	(9.1)%
Provision for credit losses	1,180,680	334,855	845,825	N.M.
Noninterest income	761,099	640,038	121,061	18.9
Noninterest expense	3,710,848	1,087,277	2,623,571	N.M.
(Loss) Income before income taxes	(3,080,206)	373,232	(3,453,438)	N.M.
(Benefit) Provision for income taxes	(355,714)	69,747	(425,461)	N.M.
Net (Loss) Income	\$ (2,724,492)	\$ 303,485	\$ (3,027,977)	N.M.%
Dividends on preferred shares	145,467	—	145,467	—
Net (loss) income applicable to common shares	\$ (2,869,959)	\$ 303,485	\$ (3,173,444)	N.M.%
Net (loss) income per common share — diluted	\$ (6.08)	\$ 0.83	\$ (6.91)	N.M.%
Cash dividends declared per common share	0.030	0.530	(0.500)	(94.3)
Average common shares — basic	471,958	366,188	105,770	28.9
Average common shares — diluted(2)	471,958	367,268	104,690	28.5
Return on average assets	(6.95)%	0.74%		
Return on average shareholders' equity	(62.7)	6.6		
Return on average tangible shareholders' equity(3)	(83.8)	15.9		
Net interest margin (4)	3.09	3.27		
Efficiency ratio (5)	57.6	54.7		
Effective tax rate	(11.5)	18.7		
Average loans and leases	\$ 39,231,633	\$ 40,799,635	\$ (1,568,002)	(3.8)
Average earning assets	45,854,670	47,858,054	(2,003,384)	(4.2)
Average total assets	52,434,200	55,026,946	(2,592,746)	(4.7)
Average core deposits (6)	34,287,536	31,860,124	2,427,412	7.6
Average shareholders' equity	5,805,431	6,186,247	(380,816)	(6.2)
Net charge-offs (NCOs)	1,031,840	197,447	834,393	N.M.
NCOs as a % of average loans and leases	3.51%	0.65%		

N.M., not a meaningful value.

- (1) Comparisons for presented periods are impacted by a number of factors. Refer to the "Significant Items" discussion.
- (2) For all periods presented above, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation because the result was more than basic earnings per common share (anti-dilutive) for the period.
- (3) Net income less expense excluding amortization of intangibles for the period divided by average tangible shareholders' equity. Average tangible shareholders' equity equals average total 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 35% tax rate.
- (4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.
- (5) Noninterest expense less amortization of intangibles (\$51.2 million in 2009 and \$57.7 million in 2008) divided by the sum of FTE net interest income and noninterest income excluding securities gains (losses).
- (6) Includes noninterest bearing and interest bearing demand deposits, money market deposits, savings and other domestic time deposits, and core certificates of deposit.

**HUNTINGTON BANCSHARES INCORPORATED**  
**Quarterly Financial Review**  
**September 2009**

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**Notes:**

The preparation of financial statement data in conformity with accounting principals generally accepted in the United States 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.

**Huntington Bancshares Incorporated**  
**Consolidated Balance Sheets**

<i>(in thousands, except number of shares)</i>	2009		2008		Change September '09 vs '08	
	September 30, <i>(Unaudited)</i>	December 31,	September 30, <i>(Unaudited)</i>	Amount	Percent	
<b>Assets</b>						
Cash and due from banks	\$ 1,882,108	\$ 806,693	\$ 901,239	\$ 980,869	N.M.%	
Federal funds sold and securities purchased under resale agreements	—	37,975	269,519	(269,519)	(100.0)	
Interest bearing deposits in banks	397,941	292,561	298,297	99,644	33.4	
Trading account securities	121,366	88,677	998,249	(876,883)	(87.8)	
Loans held for sale	530,861	390,438	286,751	244,110	85.1	
Investment securities	8,503,150	4,384,457	4,565,064	3,938,086	86.3	
Loans and leases (1)	37,304,094	41,092,165	41,191,723	(3,887,629)	(9.4)	
Allowance for loan and lease losses	(1,031,971)	(900,227)	(720,738)	(311,233)	43.2	
Net loans and leases	36,272,123	40,191,938	40,470,985	(4,198,862)	(10.4)	
Bank owned life insurance	1,402,134	1,364,466	1,353,400	48,734	3.6	
Premises and equipment	496,280	519,500	527,798	(31,518)	(6.0)	
Goodwill	443,648	3,054,985	3,056,386	(2,612,738)	(85.5)	
Other intangible assets	302,612	356,703	375,914	(73,302)	(19.5)	
Accrued income and other assets	2,160,436	2,864,466	1,556,987	603,449	38.8	
<b>Total Assets</b>	<b>\$ 52,512,659</b>	<b>\$ 54,352,859</b>	<b>\$ 54,660,589</b>	<b>\$ (2,147,930)</b>	<b>(3.9)%</b>	
<b>Liabilities and Shareholders' Equity</b>						
<b>Liabilities</b>						
Deposits (2)	\$ 39,829,057	\$ 37,943,286	\$ 37,569,056	\$ 2,260,001	6.0%	
Short-term borrowings	852,076	1,309,157	1,974,368	(1,122,292)	(56.8)	
Federal Home Loan Bank advances	920,047	2,588,976	3,483,001	(2,562,954)	(73.6)	
Other long-term debt	2,434,858	2,331,632	2,497,002	(62,144)	(2.5)	
Subordinated notes	1,674,052	1,950,097	1,864,728	(190,676)	(10.2)	
Accrued expenses and other liabilities	1,127,463	1,000,805	896,674	230,789	25.7	
<b>Total Liabilities</b>	<b>46,837,553</b>	<b>47,123,953</b>	<b>48,284,829</b>	<b>(1,447,276)</b>	<b>(3.0)</b>	
<b>Equity</b>						
Huntington Bancshares Incorporated shareholders' equity						
Preferred stock — authorized 6,617,808 shares—						
5.00% Series B Non-voting, Cumulative Preferred Stock, par value of \$0.01 and liquidation value per share of \$1,000						
	1,320,898	1,308,667	—	1,320,898	—	
8.50% Series A Non-cumulative Perpetual Convertible Preferred Stock, par value and liquidation value per share of \$1,000;						
	362,507	569,000	569,000	(206,493)	—	
Common stock—						
Par value of \$0.01 and authorized 1,000,000,000 shares						
	7,154	3,670	3,670	3,484	94.9	
Capital surplus	6,723,923	5,322,428	5,228,381	1,495,542	28.6	
Less treasury shares at cost,	(11,827)	(15,530)	(15,501)	3,674	(23.7)	
Accumulated other comprehensive income (loss):						
Unrealized losses on investment securities	(103,010)	(207,756)	(207,816)	104,806	(50.4)	
Unrealized gains (losses) on cash flow hedging derivatives	50,311	44,638	(13,450)	63,761	N.M.	
Pension and other postretirement benefit adjustments	(159,143)	(163,575)	(45,411)	(113,732)	N.M.	
Retained (deficit) earnings	(2,515,707)	367,364	856,887	(3,372,594)	N.M.	
<b>Total Shareholders' Equity</b>	<b>5,675,106</b>	<b>7,228,906</b>	<b>6,375,760</b>	<b>(700,654)</b>	<b>(11.0)</b>	
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 52,512,659</b>	<b>\$ 54,352,859</b>	<b>\$ 54,660,589</b>	<b>\$ (2,147,930)</b>	<b>(3.9)%</b>	
Common shares issued	715,409,524	366,972,250	366,970,661			
Common shares outstanding	714,469,066	366,057,669	366,068,762			
Treasury shares outstanding	940,458	914,581	901,899			
Preferred shares issued	1,967,071	1,967,071	569,000			
Preferred shares outstanding	1,760,578	1,967,071	569,000			

N.M., not a meaningful value.

(1) See page 2 for detail of loans and leases.

(2) See page 3 for detail of deposits.

**Huntington Bancshares Incorporated**  
**Loans and Leases Composition**  
(Unaudited)

(in millions)	2009						2008			
	September 30, (Unaudited)		June 30, (Unaudited)		March 31, (Unaudited)		December 31, (Unaudited)		September 30, (Unaudited)	
<b>Ending Balances by Type</b>										
Commercial: (1)										
Commercial and industrial (2)	\$12,547	33.6%	\$13,320	34.6%	\$13,768	34.8%	\$13,541	33.0%	\$13,638	33.1%
Commercial real estate:										
Construction	1,815	4.9	1,857	4.8	2,074	5.2	2,080	5.1	2,111	5.1
Commercial (2)	6,900	18.5	7,089	18.4	7,187	18.2	8,018	19.5	7,796	18.9
Commercial real estate	8,715	23.4	8,946	23.2	9,261	23.4	10,098	24.6	9,907	24.0
Total commercial	21,262	57.0	22,266	57.8	23,029	58.2	23,639	57.6	23,545	57.1
Consumer:										
Automobile loans	2,939	7.9	2,855	7.4	2,894	7.3	3,901	9.5	3,918	9.5
Automobile leases	309	0.8	383	1.0	468	1.2	563	1.4	698	1.7
Home equity	7,576	20.3	7,631	19.8	7,663	19.4	7,556	18.4	7,497	18.2
Residential mortgage	4,468	12.0	4,646	12.1	4,837	12.2	4,761	11.6	4,854	11.8
Other loans	750	2.0	714	1.9	657	1.7	672	1.5	680	1.7
Total consumer	16,042	43.0	16,229	42.2	16,519	41.8	17,453	42.4	17,647	42.9
<b>Total loans and leases</b>	<b>\$37,304</b>	<b>100.0%</b>	<b>\$38,495</b>	<b>100.0%</b>	<b>\$39,548</b>	<b>100.0%</b>	<b>\$41,092</b>	<b>100.0%</b>	<b>\$41,192</b>	<b>100.0%</b>

<b>Ending Balances by Business Segment</b>										
Retail and Business Banking	\$15,383	41.2%	\$15,854	41.2%	\$16,117	40.8%	\$16,537	40.2%	\$16,634	40.4%
Commercial Banking	7,940	21.3	8,094	21.0	8,407	21.3	8,532	20.8	8,319	20.2
Commercial Real Estate	6,706	18.0	6,737	17.5	7,003	17.7	6,879	16.7	6,711	16.3
Auto Finance and Dealer Services	4,325	11.6	4,554	11.8	4,830	12.2	5,949	14.5	5,891	14.3
Private Financial Group	2,483	6.6	2,784	7.3	2,696	6.7	2,545	6.2	2,542	6.1
Treasury / Other (3)	467	1.3	472	1.2	495	1.3	650	1.6	1,095	2.7
<b>Total loans and leases</b>	<b>\$37,304</b>	<b>100.0%</b>	<b>\$38,495</b>	<b>100.0%</b>	<b>\$39,548</b>	<b>100.0%</b>	<b>\$41,092</b>	<b>100.0%</b>	<b>\$41,192</b>	<b>100.0%</b>

Average Balances by Business Segment	2009						2008			
	Third		Second		First		Fourth		Third	
Retail and Business Banking	\$15,573	41.1%	\$15,864	40.7%	\$16,407	40.1%	\$16,500	39.8%	\$16,557	40.4%
Commercial Banking	8,031	21.2	8,246	21.1	8,436	20.6	8,531	20.6	8,280	20.2
Commercial Real Estate	6,876	18.2	6,925	17.8	6,973	17.1	6,846	16.5	6,589	16.1
Auto Finance and Dealer Services	4,372	11.5	4,712	12.1	5,823	14.2	5,911	14.3	5,931	14.5
Private Financial Group	2,531	6.8	2,771	7.0	2,599	6.5	2,564	6.2	2,533	6.1
Treasury / Other (3)	472	1.2	489	1.3	628	1.5	1,085	2.6	1,114	2.7
<b>Total loans and direct financing leases</b>	<b>\$37,855</b>	<b>100.0%</b>	<b>\$39,007</b>	<b>100.0%</b>	<b>\$40,866</b>	<b>100.0%</b>	<b>\$41,437</b>	<b>100.0%</b>	<b>\$41,004</b>	<b>100.0%</b>

- (1) There were no commercial loans outstanding that would be considered a concentration of lending to a particular industry or group of industries.
- (2) The 2009 first quarter reflected a net reclassification of \$782.2 million from commercial real estate to commercial and industrial.
- (3) Comprised primarily of Franklin loans.

**Huntington Bancshares Incorporated**  
**Deposits Composition**  
(Unaudited)

(in millions)	2009						2008			
	September 30, (Unaudited)		June 30, (Unaudited)		March 31, (Unaudited)		December 31,		September 30, (Unaudited)	
<b>Ending Balances by Type</b>										
Demand deposits — non-interest bearing	\$ 6,306	15.8%	\$ 6,169	15.8%	\$ 5,887	15.1%	\$ 5,477	14.4%	\$ 5,135	13.7%
Demand deposits — interest bearing	5,401	13.6	4,842	12.4	4,306	11.0	4,083	10.8	4,052	10.8
Money market deposits	8,548	21.5	6,622	16.9	5,857	15.0	5,182	13.7	5,565	14.8
Savings and other domestic deposits	4,631	11.6	4,859	12.4	5,007	12.8	4,930	13.0	4,903	13.1
Core certificates of deposit	11,205	28.1	12,197	31.1	12,616	32.3	12,856	33.9	12,270	32.7
Total core deposits	36,091	90.6	34,689	88.6	33,673	86.2	32,528	85.8	31,925	85.1
Other domestic deposits of \$250,000 or more	689	1.7	846	2.2	1,041	2.7	1,328	3.5	1,749	4.7
Brokered deposits and negotiable CDs	2,630	6.6	3,229	8.2	3,848	9.8	3,355	8.8	2,925	7.8
Deposits in foreign offices	419	1.1	401	1.0	508	1.3	732	1.9	970	2.4
<b>Total deposits</b>	<b>\$39,829</b>	<b>100.0%</b>	<b>\$39,165</b>	<b>100.0%</b>	<b>\$39,070</b>	<b>100.0%</b>	<b>\$37,943</b>	<b>100.0%</b>	<b>\$37,569</b>	<b>100.0%</b>
Total core deposits:										
Commercial	\$10,884	30.2%	\$ 9,738	28.1%	\$ 8,934	26.5%	\$ 7,971	24.5%	\$ 8,208	25.7%
Personal	25,207	69.8	24,951	71.9	24,739	73.5	24,557	75.5	23,717	74.3
<b>Total core deposits</b>	<b>\$36,091</b>	<b>100.0%</b>	<b>\$34,689</b>	<b>100.0%</b>	<b>\$33,673</b>	<b>100.0%</b>	<b>\$32,528</b>	<b>100.0%</b>	<b>\$31,925</b>	<b>100.0%</b>
<b>Ending Balances by Business Segment</b>										
Retail and Business Banking	\$28,120	70.6%	\$27,852	71.1%	\$27,728	71.0%	\$27,314	72.0%	\$26,626	70.9%
Commercial Banking	6,241	15.7	5,614	14.3	5,639	14.4	5,180	13.7	5,946	15.8
Commercial Real Estate	454	1.1	404	1.0	418	1.1	433	1.1	494	1.3
Auto Finance and Dealer Services	96	0.2	84	0.2	71	0.2	68	0.2	68	0.2
Private Financial Group	2,954	7.4	2,728	7.0	2,283	5.8	1,777	4.7	1,584	4.2
Treasury / Other (1)	1,964	5.0	2,483	6.4	2,931	7.5	3,171	8.3	2,851	7.6
<b>Total deposits</b>	<b>\$39,829</b>	<b>100.0%</b>	<b>\$39,165</b>	<b>100.0%</b>	<b>\$39,070</b>	<b>100.0%</b>	<b>\$37,943</b>	<b>100.0%</b>	<b>\$37,569</b>	<b>100.0%</b>
<b>Average Balances by Business Segment</b>										
	2009						2008			
	Third		Second		First		Fourth		Third	
Retail and Business Banking	\$27,863	70.4%	\$27,791	70.3%	\$27,224	71.3%	\$26,988	71.8%	\$26,476	70.0%
Commercial Banking	5,954	15.0	5,642	14.3	5,324	13.9	5,349	14.2	6,031	16.0
Commercial Real Estate	430	1.1	402	1.0	415	1.1	450	1.2	486	1.3
Auto Finance and Dealer Services	93	0.2	72	0.2	65	0.2	63	0.2	64	0.2
Private Financial Group	2,897	7.3	2,515	6.3	1,971	5.1	1,634	4.4	1,619	4.2
Treasury / Other (1)	2,356	6.0	3,112	7.9	3,190	8.4	3,099	8.2	3,127	8.3
<b>Total deposits</b>	<b>\$39,593</b>	<b>100.0%</b>	<b>\$39,534</b>	<b>100.0%</b>	<b>\$38,189</b>	<b>100.0%</b>	<b>\$37,583</b>	<b>100.0%</b>	<b>\$37,803</b>	<b>100.0%</b>

(1) Comprised primarily of national market deposits.

**Huntington Bancshares Incorporated**  
**Consolidated Quarterly Average Balance Sheets**  
(Unaudited)

Fully taxable equivalent basis (in millions)	Average Balances					Change	
	2009			2008		3Q09 vs 3Q08	
	Third	Second	First	Fourth	Third	Amount	Percent
<b>Assets</b>							
Interest bearing deposits in banks	\$ 393	\$ 369	\$ 355	\$ 343	\$ 321	\$ 72	22.4%
Trading account securities	107	88	278	940	992	(885)	(89.2)
Federal funds sold and securities purchased under resale agreements	7	—	19	48	363	(356)	(98.1)
Loans held for sale	524	709	627	329	274	250	91.2
Investment securities:							
Taxable	6,510	5,181	3,961	3,789	3,975	2,535	63.8
Tax-exempt	129	126	465	689	712	(583)	(81.9)
Total investment securities	6,639	5,307	4,426	4,478	4,687	1,952	41.6
Loans and leases: (1)							
Commercial:							
Commercial and industrial	12,922	13,523	13,541	13,746	13,629	(707)	(5.19)
Commercial real estate:							
Construction	1,808	1,946	2,033	2,103	2,090	(282)	(13.5)
Commercial	7,071	7,253	8,079	8,115	7,726	(655)	(8.5)
Commercial real estate	8,879	9,199	10,112	10,218	9,816	(937)	(9.5)
Total commercial	21,801	22,722	23,653	23,964	23,445	(1,644)	(7.0)
Consumer:							
Automobile loans	2,886	2,867	3,837	3,899	3,856	(970)	(25.2)
Automobile leases	344	423	517	636	768	(424)	(55.2)
Automobile loans and leases	3,230	3,290	4,354	4,535	4,624	(1,394)	(30.1)
Home equity	7,581	7,640	7,577	7,523	7,453	128	1.7
Residential mortgage	4,487	4,657	4,611	4,737	4,812	(325)	(6.8)
Other loans	756	698	671	678	670	86	12.8
Total consumer	16,054	16,285	17,213	17,473	17,559	(1,505)	(8.6)
Total loans and leases	37,855	39,007	40,866	41,437	41,004	(3,149)	(7.7)
Allowance for loan and lease losses	(950)	(930)	(913)	(764)	(731)	(219)	(30.0)
Net loans and leases	36,905	38,077	39,953	40,673	40,273	(3,368)	(8.4)
Total earning assets	45,525	45,480	46,571	47,575	47,641	(2,116)	(4.4)
Cash and due from banks	2,553	2,466	1,553	928	925	1,628	N.M.
Intangible assets	755	780	3,371	3,421	3,441	(2,686)	(78.1)
All other assets	3,797	3,701	3,571	3,447	3,384	413	12.2
<b>Total Assets</b>	<b>\$ 51,680</b>	<b>\$ 51,497</b>	<b>\$ 54,153</b>	<b>\$ 54,607</b>	<b>\$ 54,660</b>	<b>\$ (2,980)</b>	<b>(5.5)%</b>
<b>Liabilities and Shareholders' Equity</b>							
Deposits:							
Demand deposits — noninterest bearing	\$ 6,186	\$ 6,021	\$ 5,544	\$ 5,205	\$ 5,080	\$ 1,106	21.8%
Demand deposits — interest bearing	5,140	4,547	4,076	3,988	4,005	1,135	28.3
Money market deposits	7,601	6,355	5,593	5,500	5,860	1,741	29.7
Savings and other domestic deposits	4,771	5,031	5,041	5,034	5,100	(329)	(6.5)
Core certificates of deposit	11,646	12,501	12,784	12,588	11,993	(347)	(2.9)
Total core deposits	35,344	34,455	33,038	32,315	32,038	3,306	10.3
Other domestic deposits of \$250,000 or more	747	886	1,069	1,365	1,692	(945)	(55.9)
Brokered deposits and negotiable CDs	3,058	3,740	3,449	3,049	3,025	33	1.1
Deposits in foreign offices	444	453	633	854	1,048	(604)	(57.6)
Total deposits	39,593	39,534	38,189	37,583	37,803	1,790	4.7
Short-term borrowings	879	879	1,099	1,748	2,131	(1,252)	(58.8)
Federal Home Loan Bank advances	924	947	2,414	3,188	3,139	(2,215)	(70.6)
Subordinated notes and other long-term debt	4,136	4,640	4,612	4,252	4,382	(246)	(5.6)
Total interest bearing liabilities	39,346	39,979	40,770	41,566	42,375	(3,029)	(7.1)
All other liabilities	863	569	614	817	882	(19)	(2.2)
Shareholders' equity	5,285	4,928	7,225	7,019	6,323	(1,038)	(16.4)
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 51,680</b>	<b>\$ 51,497</b>	<b>\$ 54,153</b>	<b>\$ 54,607</b>	<b>\$ 54,660</b>	<b>\$ (2,980)</b>	<b>(5.5)%</b>

N.M., not a meaningful value.

(1) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.



**Huntington Bancshares Incorporated**  
**Consolidated Quarterly Net Interest Margin Analysis**  
(Unaudited)

Fully taxable equivalent basis (1)	Average Rates (2)				
	2009			2008	
	Third	Second	First	Fourth	Third
<b>Assets</b>					
Interest bearing deposits in banks	0.28%	0.37%	0.45%	1.44%	2.17%
Trading account securities	1.96	2.22	4.04	5.32	5.45
Federal funds sold and securities purchased under resale agreements	0.14	0.82	0.20	0.24	2.02
Loans held for sale	5.20	5.19	5.04	6.58	6.54
Investment securities:					
Taxable	3.99	4.63	5.60	5.74	5.54
Tax-exempt	6.77	6.83	6.61	7.02	6.80
Total investment securities	4.04	4.69	5.71	5.94	5.73
Loans and leases: (3)					
Commercial:					
Commercial and industrial	5.19	5.00	4.60	5.01	5.46
Commercial real estate:					
Construction	2.61	2.78	2.76	4.55	4.69
Commercial	3.43	3.56	3.76	5.07	5.33
Commercial real estate	3.26	3.39	3.55	4.96	5.19
Total commercial	4.40	4.35	4.15	4.99	5.35
Consumer:					
Automobile loans	7.34	7.28	7.20	7.17	7.13
Automobile leases	6.25	6.12	6.03	5.82	5.70
Automobile loans and leases	7.22	7.13	7.06	6.98	6.89
Home equity	5.75	5.75	5.13	5.87	6.19
Residential mortgage	5.03	5.12	5.71	5.84	5.83
Other loans	7.21	8.22	8.97	9.25	9.71
Total consumer	5.91	5.95	5.92	6.28	6.41
Total loans and leases	5.04	5.02	4.90	5.53	5.80
<b>Total earning assets</b>	<b>4.86%</b>	<b>4.99%</b>	<b>4.99%</b>	<b>5.57%</b>	<b>5.77%</b>
<b>Liabilities and Shareholders' Equity</b>					
Deposits:					
Demand deposits — noninterest bearing	—%	—%	—%	—%	—%
Demand deposits — interest bearing	0.22	0.18	0.14	0.34	0.51
Money market deposits	1.20	1.14	1.02	1.31	1.66
Savings and other domestic deposits	1.33	1.37	1.50	1.72	1.79
Core certificates of deposit	3.27	3.50	3.81	4.02	4.05
Total core deposits	1.88	2.06	2.28	2.50	2.58
Other domestic deposits of \$250,000 or more	2.24	2.61	2.92	3.39	3.50
Brokered deposits and negotiable CDs	2.49	2.54	2.97	3.39	3.37
Deposits in foreign offices	0.20	0.20	0.17	0.90	1.49
Total deposits	1.92	2.11	2.33	2.58	2.66
Short-term borrowings	0.25	0.26	0.25	0.85	1.42
Federal Home Loan Bank advances	0.92	1.13	1.03	3.04	2.92
Subordinated notes and other long-term debt	2.58	2.91	3.29	4.49	4.29
<b>Total interest bearing liabilities</b>	<b>1.93%</b>	<b>2.14%</b>	<b>2.31%</b>	<b>2.74%</b>	<b>2.79%</b>
Net interest rate spread	2.93%	2.85%	2.68%	2.83%	2.98%
Impact of non-interest bearing funds on margin	0.27	0.25	0.29	0.35	0.31
<b>Net interest margin</b>	<b>3.20%</b>	<b>3.10%</b>	<b>2.97%</b>	<b>3.18%</b>	<b>3.29%</b>

(1) Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 6 for the FTE adjustment.

(2) Loan, lease, and deposit average rates include impact of applicable derivatives and non-deferrable fees.

(3) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

**Huntington Bancshares Incorporated**  
**Selected Quarterly Income Statement Data (1)**  
(Unaudited)

(in thousands, except per share amounts)	2009			2008		3Q09 vs 3Q08	
	Third	Second	First	Fourth	Third	Amount	Percent
Interest income	\$ 553,846	\$ 563,004	\$ 569,957	\$ 662,508	\$ 685,728	\$(131,882)	(19.2)%
Interest expense	191,027	213,105	232,452	286,143	297,092	(106,065)	(35.7)
Net interest income	362,819	349,899	337,505	376,365	388,636	(25,817)	(6.6)
Provision for credit losses	475,136	413,707	291,837	722,608	125,392	349,744	N.M.
<b>Net interest (loss) income after provision for credit losses</b>	<b>(112,317)</b>	<b>(63,808)</b>	<b>45,668</b>	<b>(346,243)</b>	<b>263,244</b>	<b>(375,561)</b>	<b>N.M.</b>
Service charges on deposit accounts	80,811	75,353	69,878	75,247	80,508	303	0.4
Brokerage and insurance income	33,996	32,052	39,948	31,233	34,309	(313)	(0.9)
Trust services	25,832	25,722	24,810	27,811	30,952	(5,120)	(16.5)
Electronic banking	28,017	24,479	22,482	22,838	23,446	4,571	19.5
Bank owned life insurance income	13,639	14,266	12,912	13,577	13,318	321	2.4
Automobile operating lease income	12,795	13,116	13,228	13,170	11,492	1,303	11.3
Mortgage banking income (loss)	21,435	30,827	35,418	(6,747)	10,302	11,133	N.M.
Securities (losses) gains	(2,374)	(7,340)	2,067	(127,082)	(73,790)	71,416	(96.8)
Other income	41,901	57,470	18,359	17,052	37,320	4,581	12.3
<b>Total noninterest income</b>	<b>256,052</b>	<b>265,945</b>	<b>239,102</b>	<b>67,099</b>	<b>167,857</b>	<b>88,195</b>	<b>52.5</b>
Personnel costs	172,152	171,735	175,932	196,785	184,827	(12,675)	(6.9)
Outside data processing and other services	37,999	29,266	32,432	31,230	32,386	5,613	17.3
Net occupancy	25,382	24,430	29,188	22,999	25,215	167	0.7
OREO and foreclosure expense	38,968	26,524	9,887	8,171	9,113	29,855	N.M.
Equipment	20,967	21,286	20,410	22,329	22,102	(1,135)	(5.1)
Amortization of intangibles	16,995	17,117	17,135	19,187	19,463	(2,468)	(12.7)
Professional services	18,108	16,658	16,454	16,430	12,234	5,874	48.0
Marketing	8,259	7,491	8,225	9,357	7,049	1,210	17.2
Automobile operating lease expense	10,589	11,400	10,931	10,483	9,093	1,496	16.5
Telecommunications	5,902	6,088	5,890	5,892	6,007	(105)	(1.7)
Printing and supplies	3,950	4,151	3,572	4,175	4,316	(366)	(8.5)
Goodwill impairment	—	4,231	2,602,713	—	—	—	—
Other expense	41,826	(10,395)	37,000	43,056	7,191	34,635	N.M.
<b>Total noninterest expense</b>	<b>401,097</b>	<b>339,982</b>	<b>2,969,769</b>	<b>390,094</b>	<b>338,996</b>	<b>62,101</b>	<b>18.3</b>
(Loss) Income before income taxes	(257,362)	(137,845)	(2,684,999)	(669,238)	92,105	(349,467)	N.M.
(Benefit) Provision for income taxes	(91,172)	(12,750)	(251,792)	(251,949)	17,042	(108,214)	N.M.
<b>Net (loss) income</b>	<b>\$ (166,190)</b>	<b>\$ (125,095)</b>	<b>\$ (2,433,207)</b>	<b>\$ (417,289)</b>	<b>\$ 75,063</b>	<b>\$(241,253)</b>	<b>N.M.%</b>
Dividends on preferred shares	29,223	57,451	58,793	23,158	12,091	17,132	N.M.
<b>Net (loss) income applicable to common shares</b>	<b>\$ (195,413)</b>	<b>\$ (182,546)</b>	<b>\$ (2,492,000)</b>	<b>\$ (440,447)</b>	<b>\$ 62,972</b>	<b>\$(258,385)</b>	<b>N.M.%</b>
Average common shares — basic	589,708	459,246	366,919	366,054	366,124	223,584	61.1%
Average common shares — diluted (2)	589,708	459,246	366,919	366,054	367,361	222,347	60.5
<b>Per common share</b>							
Net (loss) income — basic	\$ (0.33)	\$ (0.40)	\$ (6.79)	\$ (1.20)	\$ 0.17	\$ (0.50)	N.M.%
Net (loss) income — diluted	(0.33)	(0.40)	(6.79)	(1.20)	0.17	(0.50)	N.M.
Cash dividends declared	0.0100	0.0100	0.0100	0.1325	0.1325	(0.123)	(92.8)
Return on average total assets	(1.28)%	(0.97)%	(18.22)%	(3.04)%	0.55%	(1.83)%	N.M.%
Return on average total shareholders' equity	(12.5)	(10.2)	N.M.	(23.6)	4.7	(17.2)	N.M.
Return on average tangible shareholders' equity (3)	(13.3)	(10.3)	18.4	(43.2)	11.6	(24.90)	N.M.
Net interest margin (4)	3.20	3.10	2.97	3.18	3.29	(0.09)	(2.7)
Efficiency ratio (5)	61.4	51.0	60.5	64.6	50.3	11.1	22.1
Effective tax rate (benefit)	(35.4)	(9.2)	(9.4)	(37.6)	18.5	(53.9)	N.M.
<b>Revenue — fully taxable equivalent (FTE)</b>							
Net interest income	\$ 362,819	\$ 349,899	\$ 337,505	\$ 376,365	\$ 388,636	\$ (25,817)	(6.6)
FTE adjustment	4,177	1,216	3,582	3,641	5,451	(1,274)	(23.4)
Net interest income (4)	366,996	351,115	341,087	380,006	394,087	(27,091)	(6.9)
Noninterest income	256,052	265,945	239,102	67,099	167,857	88,195	52.5
<b>Total revenue (4)</b>	<b>\$ 623,048</b>	<b>\$ 617,060</b>	<b>\$ 580,189</b>	<b>\$ 447,105</b>	<b>\$ 561,944</b>	<b>\$ 61,104</b>	<b>10.9%</b>

N.M., not a meaningful value.

- Comparisons for presented periods are impacted by a number of factors. Refer to the "Significant Items" discussion.
- For all the quarterly periods presented above, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation because the result would have been higher than basic earnings per common share (anti-dilutive) for the periods.
- Net income (loss) excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity. Average tangible shareholders' equity equals average stockholders' 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 35% tax rate.
- On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.
- Noninterest expense less amortization of intangibles divided by the sum of FTE net interest income and noninterest income excluding securities (losses) gains.

**Huntington Bancshares Incorporated**  
**Quarterly Mortgage Banking Income**  
*(Unaudited)*

<i>(in thousands, except as noted)</i>	2009			2008		3Q09 vs 3Q08	
	Third	Second	First	Fourth	Third	Amount	Percent
<b>Mortgage Banking Income</b>							
Origination and secondary marketing	\$ 16,491	\$ 31,782	\$ 29,965	\$ 7,180	\$ 7,647	\$ 8,844	N.M.%
Servicing fees	12,320	12,045	11,840	11,660	11,838	482	4.1
Amortization of capitalized servicing <sup>(1)</sup>	(10,050)	(14,445)	(12,285)	(6,462)	(6,234)	(3,816)	(61.2)
Other mortgage banking income	4,109	5,381	9,404	2,959	3,519	590	16.8
Sub-total	22,870	34,763	38,924	15,337	16,770	6,100	36.4
MSR valuation adjustment <sup>(1)</sup>	(17,348)	46,551	(10,389)	(63,355)	(10,251)	(7,097)	69.2
Net trading gains (losses) related to MSR hedging	15,913	(50,487)	6,883	41,271	3,783	12,130	N.M.
Total mortgage banking income (loss)	\$ 21,435	\$ 30,827	\$ 35,418	\$ (6,747)	\$ 10,302	\$ 11,133	N.M.%
Mortgage originations <i>(in millions)</i>	\$ 998	\$ 1,587	\$ 1,546	\$ 724	\$ 680	\$ 318	46.8%
Average trading account securities used to hedge MSRs <i>(in millions)</i>	19	20	223	857	941	(922)	(98.0)
Capitalized mortgage servicing rights <sup>(2)</sup>	200,969	219,282	167,838	167,438	230,398	(29,429)	(12.8)
Total mortgages serviced for others <i>(in millions)</i> <sup>(2)</sup>	16,145	16,246	16,315	15,754	15,741	404	2.6
MSR % of investor servicing portfolio	1.24%	1.35%	1.03%	1.06%	1.46%	(0.22)%	(15.1)
<b>Net Impact of MSR Hedging</b>							
MSR valuation adjustment <sup>(1)</sup>	\$ (17,348)	\$ 46,551	\$ (10,389)	\$ (63,355)	\$ (10,251)	\$ (7,097)	69.2%
Net trading gains (losses) related to MSR hedging	15,913	(50,487)	6,883	41,271	3,783	12,130	N.M.
Net interest income related to MSR hedging	191	199	2,441	9,473	8,368	(8,177)	(97.7)
Net impact of MSR hedging	\$ (1,244)	\$ (3,737)	\$ (1,065)	\$ (12,611)	\$ 1,900	\$ (3,144)	N.M.%

N.M., not a meaningful value.

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

<sup>(2)</sup> At period end.

**Huntington Bancshares Incorporated**  
**Quarterly Credit Reserves Analysis**  
*(Unaudited)*

<i>(in thousands)</i>	2009			2008	
	Third	Second	First	Fourth	Third
<b>Allowance for loan and lease losses, beginning of period</b>	<b>\$ 917,680</b>	\$ 838,549	\$ 900,227	\$ 720,738	\$679,403
Loan and lease losses	(377,443)	(359,444)	(353,005)	(571,053)	(96,388)
Recoveries of loans previously charged off	21,501	25,037	11,514	10,433	12,637
Net loan and lease losses	(355,942)	(334,407)	(341,491)	(560,620)	(83,751)
Provision for loan and lease losses	472,137	413,538	289,001	728,046	125,086
Economic reserve transfer	—	—	—	12,063	—
Allowance of assets sold	—	—	(9,188)	—	—
Allowance for loans transferred to held-for-sale	(1,904)	—	—	—	—
<b>Allowance for loan and lease losses, end of period</b>	<b>\$ 1,031,971</b>	\$ 917,680	\$ 838,549	\$ 900,227	\$720,738
<b>Allowance for unfunded loan commitments and letters of credit, beginning of period</b>	<b>\$ 47,144</b>	\$ 46,975	\$ 44,139	\$ 61,640	\$ 61,334
Provision for (Reduction in) unfunded loan commitments and letters of credit losses	2,999	169	2,836	(5,438)	306
Economic reserve transfer	—	—	—	(12,063)	—
<b>Allowance for unfunded loan commitments and letters of credit, end of period</b>	<b>\$ 50,143</b>	\$ 47,144	\$ 46,975	\$ 44,139	\$ 61,640
<b>Total allowances for credit losses</b>	<b>\$ 1,082,114</b>	\$ 964,824	\$ 885,524	\$ 944,366	\$782,378
<b>Allowance for loan and lease losses (ALLL) as % of:</b>					
Total loans and leases	2.77	% 2.38	% 2.12	% 2.19	% 1.75%
Nonaccrual loans and leases (NALs)	47	50	54	60	123
Nonperforming assets (NPAs)	44	46	47	55	107
<b>Total allowances for credit losses (ACL) as % of:</b>					
Total loans and leases	2.90	% 2.51	% 2.24	% 2.30	% 1.90%
Nonaccrual loans and leases	50	53	57	63	134
Nonperforming assets	46	48	50	58	116

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

<i>(in thousands)</i>	2009			2008	
	Third	Second	First	Fourth	Third
<b>Net charge-offs by loan and lease type:</b>					
Commercial and industrial	\$ 68,842 <sup>(1)</sup>	\$ 98,300 <sup>(2)</sup>	\$ 210,648 <sup>(3)</sup>	\$ 473,426 <sup>(4)</sup>	\$29,646
Commercial real estate:					
Construction	50,359	31,360	25,642	2,390	3,539
Commercial	118,866	141,261	57,139	35,991	7,446
Commercial real estate	169,225	172,621	82,781	38,381	10,985
Total commercial	238,067	270,921	293,429	511,807	40,631
Consumer:					
Automobile loans	8,988	12,379	14,971	14,885	9,813
Automobile leases	1,753	2,227	3,086	3,666	3,532
Automobile loans and leases	10,741	14,606	18,057	18,551	13,345
Home equity	28,045	24,687	17,680	19,168	15,828
Residential mortgage <sup>(5)</sup>	68,955	17,160	6,298	7,328	6,706
Other loans	10,134	7,033	6,027	3,766	7,241
Total consumer	117,875	63,486	48,062	48,813	43,120
<b>Total net charge-offs</b>	<b>\$ 355,942</b>	<b>\$ 334,407</b>	<b>\$ 341,491</b>	<b>\$ 560,620</b>	<b>\$83,751</b>
<b>Net charge-offs — annualized percentages:</b>					
Commercial:					
Commercial and industrial <sup>(1), (2), (3), (4)</sup>	2.13%	2.91%	6.22%	13.78%	0.87%
Commercial real estate:					
Construction	11.14	6.45	5.05	0.45	0.68
Commercial	6.72	7.79	2.83	1.77	0.39
Commercial real estate	7.62	7.51	3.27	1.50	0.45
Total commercial	4.37	4.77	4.96	8.54	0.69
Consumer:					
Automobile loans	1.25	1.73	1.56	1.53	1.02
Automobile leases	2.04	2.11	2.39	2.31	1.84
Automobile loans and leases	1.33	1.78	1.66	1.64	1.15
Home equity	1.48	1.29	0.93	1.02	0.85
Residential mortgage <sup>(5)</sup>	6.15	1.47	0.55	0.62	0.56
Other loans	5.36	4.03	3.59	2.22	4.32
Total consumer	2.94	1.56	1.12	1.12	0.98
<b>Net charge-offs as a % of average loans</b>	<b>3.76%</b>	<b>3.43%</b>	<b>3.34%</b>	<b>5.41%</b>	<b>0.82%</b>

- (1) The 2009 third quarter included net recoveries totaling \$4,080 thousand associated with the Franklin restructuring.
- (2) The 2009 second quarter included net recoveries totaling \$9,884 thousand associated with the Franklin restructuring.
- (3) The 2009 first quarter included net charge-offs totaling \$128,338 thousand associated with the Franklin restructuring.
- (4) The 2008 fourth quarter included net charge-offs totaling \$423,269 thousand associated with Franklin.
- (5) Effective with the 2009 third quarter, a change to accelerate the timing for when a partial charge-off is recognized was made. This change resulted in \$31,952 thousand of charge-offs in the 2009 third quarter.

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

<i>(in thousands)</i>	2009			2008	
	September 30,	June 30,	March 31,	December 31,	September 30,
<b>Nonaccrual loans and leases (NALs):</b>					
Commercial and industrial <sup>(1)</sup>	\$ 612,701	\$ 456,734	\$ 398,286	\$ 932,648	\$ 174,207
Commercial real estate	1,133,661	850,846	629,886	445,717	298,844
Residential mortgage <sup>(1)</sup>	390,521	475,488	486,955	98,951	85,163
Home equity	44,182	35,299	37,967	24,831	27,727
<b>Total nonaccrual loans and leases</b>	<b>2,181,065</b>	<b>1,818,367</b>	<b>1,553,094</b>	<b>1,502,147</b>	<b>585,941</b>
<b>Other real estate, net:</b>					
Residential <sup>(1)</sup>	81,807	107,954	143,856	63,058	59,302
Commercial	60,784	64,976	66,906	59,440	14,176
<b>Total other real estate, net</b>	<b>142,591</b>	<b>172,930</b>	<b>210,762</b>	<b>122,498</b>	<b>73,478</b>
<b>Impaired loans held for sale <sup>(2)</sup></b>	<b>20,386</b>	<b>11,287</b>	<b>11,887</b>	<b>12,001</b>	<b>13,503</b>
<b>Other NPAs <sup>(3)</sup></b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>2,397</b>
<b>Total nonperforming assets</b>	<b>\$ 2,344,042</b>	<b>\$ 2,002,584</b>	<b>\$ 1,775,743</b>	<b>\$ 1,636,646</b>	<b>\$ 675,319</b>
<b>Nonperforming Franklin loans <sup>(1)</sup></b>					
Commercial	\$ —	\$ —	\$ —	\$ 650,225	\$ —
Residential mortgage	322,796	342,207	360,106	—	—
OREO	30,996	43,623	79,596	—	—
Home Equity	15,704	2,437	6,000	—	—
<b>Total nonperforming Franklin loans</b>	<b>\$ 369,496</b>	<b>\$ 388,267</b>	<b>\$ 445,702</b>	<b>\$ 650,225</b>	<b>\$ —</b>
Nonaccrual loans and leases as a % of total loans and leases (NAL ratio)	5.85%	4.72%	3.93%	3.66%	1.42%
NPA ratio <sup>(4)</sup>	6.26	5.18	4.46	3.97	1.64

<i>(in thousands)</i>	2009			2008	
	Third	Second	First	Fourth	Third
<b>Nonperforming assets, beginning of period</b>	<b>\$ 2,002,584</b>	<b>\$ 1,775,743</b>	<b>\$ 1,636,646</b>	<b>\$ 675,319</b>	<b>\$ 624,736</b>
New nonperforming assets	899,855	750,318	622,515	509,320	175,345
Franklin impact, net <sup>(1)</sup>	(18,771)	(57,436)	(204,523)	650,225	—
Returns to accruing status	(52,498)	(40,915)	(36,056)	(13,756)	(9,104)
Loan and lease losses	(305,405)	(282,713)	(168,382)	(95,687)	(47,288)
OREO losses	(30,623)	(20,614)	(4,034)	(4,648)	(5,504)
Payments	(117,710)	(95,124)	(61,452)	(66,536)	(43,319)
Sales	(33,390)	(26,675)	(8,971)	(17,591)	(19,547)
<b>Nonperforming assets, end of period</b>	<b>\$ 2,344,042</b>	<b>\$ 2,002,584</b>	<b>\$ 1,775,743</b>	<b>\$ 1,636,646</b>	<b>\$ 675,319</b>

- (1) Franklin loans were reported as accruing restructured commercial loans for the three-month period ended September 30, 2008. For the three-month period ended December 31, 2008, Franklin loans were reported as nonaccruing commercial and industrial loans. For the three-month periods ended March 31, 2009, June 30, 2009, and September 30, 2009, nonaccruing Franklin loans were reported as residential mortgage loans, home equity loans, and OREO; reflecting the 2009 first quarter restructuring.
- (2) The September 30, 2009, figure primarily represent impaired residential mortgage loans held for sale. All other presented figures represent impaired loans obtained from the Sky Financial acquisition. Held for sale loans are carried at the lower of cost or fair value less costs to sell.
- (3) Other NPAs represent certain investment securities backed by mortgage loans to borrowers with lower FICO scores.
- (4) Nonperforming assets divided by the sum of loans and leases, impaired loans held for sale, net other real estate, and other NPAs.

**Huntington Bancshares Incorporated**  
**Quarterly Accruing Past Due Loans and Leases and Accruing Restructured Loans**  
*(Unaudited)*

<i>(in thousands)</i>	2009			2008	
	September 30,	June 30,	March 31,	December 31,	September 30,
<b>Accruing loans and leases past due 90 days or more:</b>					
Commercial and industrial	\$ —	\$ —	\$ —	\$ 10,889	\$ 24,407
Commercial real estate	2,546	—	—	59,425	58,867
Residential mortgage (excluding loans guaranteed by the U.S. government)	46,592	97,937	88,386	71,553	58,280
Home equity	45,334	35,328	35,717	29,039	23,224
Other loans and leases	14,175	13,474	15,606	18,039	14,580
Total, excl. loans guaranteed by the U.S. government	\$ 108,647	\$ 146,739	\$ 139,709	\$ 188,945	\$ 179,358
Add: loans guaranteed by U.S. government	122,019	99,379	88,551	82,576	68,729
<b>Total accruing loans and leases past due 90 days or more, including loans guaranteed by the U.S. government</b>	<b>\$ 230,666</b>	<b>\$ 246,118</b>	<b>\$ 228,260</b>	<b>\$ 271,521</b>	<b>\$ 248,087</b>
Excluding loans guaranteed by the U.S. government, as a percent of total loans and leases	0.29%	0.38%	0.35%	0.46%	0.44%
Guaranteed by U.S. government, as a percent of total loans and leases	0.33%	0.26%	0.22%	0.20%	0.17%
Including loans guaranteed by the U.S. government, as a percent of total loans and leases	0.62%	0.64%	0.58%	0.66%	0.60%
<b>Accruing restructured loans:</b>					
Commercial (1)	\$ 153,010	\$ 267,975	\$ 201,508	\$ 185,333	\$ 364,939
Residential mortgage	204,463	158,568	108,011	82,857	71,512
Other	42,406	35,720	27,014	41,094	40,414
<b>Total accruing restructured loans</b>	<b>\$ 399,879</b>	<b>\$ 462,263</b>	<b>\$ 336,533</b>	<b>\$ 309,284</b>	<b>\$ 476,865</b>

(1) Franklin loans were reported as accruing restructured commercial loans for the three-month period ended September 30, 2008. For the three-month period ended December 31, 2008, Franklin loans were reported as nonaccruing commercial and industrial loans. For the three-month periods ended March 31, 2009, June 30, 2009, and September 30, 2009, nonaccruing Franklin loans were reported as residential mortgage loans, home equity loans, and OREO; reflecting the 2009 first quarter restructuring.

**Huntington Bancshares Incorporated**  
**Quarterly Common Stock Summary, Capital, and Other Data**  
*(Unaudited)*

**Quarterly common stock summary**

<i>(in thousands, except per share amounts)</i>	2009			2008	
	Third	Second	First	Fourth	Third
<b>Common stock price, per share</b>					
High (1)	\$ 4.970	\$ 6.180	\$ 8.000	\$ 11.650	\$ 13.500
Low (1)	3.260	1.550	1.000	5.260	4.370
Close	4.710	4.180	1.660	7.660	7.990
Average closing price	4.209	3.727	2.733	8.276	7.510

**Dividends, per share**

Cash dividends declared per common share	\$ 0.0100	\$ 0.0100	\$ 0.0100	\$ 0.1325	\$ 0.1325
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**Common shares outstanding**

Average — basic	589,708	459,246	366,919	366,054	366,124
Average — diluted (2)	589,708	459,246	366,919	366,054	367,361
Ending	714,469	568,741	390,682	366,058	366,069
Book value per common share	\$ 5.59	\$ 6.23	\$ 7.80	\$ 14.62	\$ 15.86
Tangible book value per common share(3)	4.69	5.07	6.08	5.64	6.85

**Capital data**

<i>(in millions)</i>	2009			2008	
	September 30,	June 30,	March 31,	December 31,	September 30,
<b>Calculation of tangible equity / asset ratio:</b>					
Total shareholders' equity	\$ 5,675	\$ 5,221	\$ 4,815	\$ 7,229	\$ 6,376
Less: goodwill	(444)	(448)	(452)	(3,055)	(3,056)
Less: other intangible assets	(303)	(322)	(340)	(357)	(376)
Add: related deferred tax liability(3)	106	112	119	125	131
Total tangible equity	5,034	4,563	4,142	3,942	3,075
Less: Preferred equity	(1,683)	(1,679)	(1,768)	(1,878)	(569)
Total tangible common equity	\$ 3,351	\$ 2,884	\$ 2,374	\$ 2,064	\$ 2,506
Total assets	\$ 52,513	\$ 51,397	\$ 51,702	\$ 54,353	\$ 54,661
Less: goodwill	(444)	(448)	(452)	(3,055)	(3,056)
Less: other intangible assets	(303)	(322)	(340)	(357)	(376)
Add: related deferred tax liability(3)	106	112	119	125	131
Total tangible assets	\$ 51,872	\$ 50,739	\$ 51,029	\$ 51,066	\$ 51,360

Tangible equity / tangible asset ratio	9.71%	8.99%	8.12%	7.72%	5.99%
Tangible common equity / tangible asset ratio	6.46	5.68	4.65	4.04	4.88

**Other capital data:**

Total risk-weighted assets	\$ 44,128	\$ 45,463	\$ 46,383	\$ 46,994	\$ 46,608
Tier 1 leverage ratio (4)	11.30%	10.62%	9.67%	9.82%	7.99%
Tier 1 common risk-based capital ratio (4)	7.82	6.80	5.63	5.05	5.89
Tier 1 risk-based capital ratio (4)	13.04	11.85	11.14	10.72	8.80
Total risk-based capital ratio (4)	16.24	14.94	14.26	13.91	12.03
Tangible equity / risk-weighted assets ratio	11.41	10.04	8.94	8.39	6.60

**Other data:**

Number of employees (full-time equivalent)	10,194	10,342	10,540	10,951	10,901
Number of domestic full-service banking offices(5)	610	610	608	613	612

- (1) High and low stock prices are intra-day quotes obtained from NASDAQ.
- (2) For all of the quarterly periods presented above, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation because the result would have been higher than basic earnings per common share (anti-dilutive) for the periods.
- (3) Other intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate.
- (4) Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting Statement 158 from the regulatory capital calculations.
- (5) Includes 9 Private Financial Group offices.



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

Fully taxable equivalent basis (in millions)	YTD Average Balances			
	Nine Months Ended September 30,		Change	
	2009	2008	Amount	Percent
<b>Assets</b>				
Interest bearing deposits in banks	\$ 372	\$ 290	\$ 82	28.3%
Trading account securities	157	1,139	(982)	(86.2)
Federal funds sold and securities purchased under resale agreements	8	565	(557)	(98.6)
Loans held for sale	620	446	174	39.0
Investment securities:				
Taxable	5,227	3,908	1,319	33.8
Tax-exempt	239	711	(472)	(66.4)
Total investment securities	5,466	4,619	847	18.3
Loans and leases: (1)				
Commercial:				
Commercial and industrial	13,327	13,535	(208)	(1.5)
Commercial real estate:				
Construction	1,928	2,047	(119)	(5.8)
Commercial	7,464	7,521	(57)	(0.8)
Commercial real estate	9,392	9,568	(176)	(1.8)
Total commercial	22,719	23,103	(384)	(1.7)
Consumer:				
Automobile loans	3,193	3,601	(408)	(11.3)
Automobile leases	427	924	(497)	(53.8)
Automobile loans and leases	3,620	4,525	(905)	(20.0)
Home equity	7,600	7,364	236	3.2
Residential mortgage	4,584	5,113	(529)	(10.3)
Other loans	709	695	14	2.0
Total consumer	16,513	17,697	(1,184)	(6.7)
Total loans and leases	39,232	40,800	(1,568)	(3.8)
Allowance for loan and lease losses	(931)	(672)	(259)	(38.5)
Net loans and leases	38,301	40,128	(1,827)	(4.6)
Total earning assets	45,855	47,859	(2,004)	(4.2)
Cash and due from banks	2,195	968	1,227	N.M.
Intangible assets	1,626	3,454	(1,828)	(52.9)
All other assets	3,689	3,419	270	7.9
<b>Total Assets</b>	<b>\$ 52,434</b>	<b>\$ 55,028</b>	<b>\$ (2,594)</b>	<b>(4.7)%</b>
<b>Liabilities and Shareholders' Equity</b>				
Deposits:				
Demand deposits — noninterest bearing	\$ 5,919	\$ 5,058	\$ 861	17.0%
Demand deposits — interest bearing	4,591	4,008	583	14.5
Money market deposits	6,524	6,292	232	3.7
Savings and other domestic deposits	4,946	5,185	(239)	(4.6)
Core certificates of deposit	12,308	11,317	991	8.8
Total core deposits	34,288	31,860	2,428	7.6
Other domestic deposits of \$250,000 or more	899	1,737	(838)	(48.2)
Brokered deposits and negotiable CDs	3,414	3,309	105	3.2
Deposits in foreign offices	509	1,015	(506)	(49.9)
Total deposits	39,110	37,921	1,189	3.1
Short-term borrowings	951	2,584	(1,633)	(63.2)
Federal Home Loan Bank advances	1,423	3,312	(1,889)	(57.0)
Subordinated notes and other long-term debt	4,461	4,043	418	10.3
Total interest bearing liabilities	40,026	42,802	(2,776)	(6.5)
All other liabilities	684	982	(298)	(30.3)
Shareholders' equity	5,805	6,186	(381)	(6.2)
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 52,434</b>	<b>\$ 55,028</b>	<b>\$ (2,594)</b>	<b>(4.7)%</b>

N.M., not a meaningful value.

(1) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

**Huntington Bancshares Incorporated**  
**Consolidated Year to Date Net Interest Margin Analysis**  
(Unaudited)

Fully Taxable Equivalent basis <sup>(1)</sup>	YTD Average Rates <sup>(2)</sup>	
	Nine Months Ended September 30,	
	2009	2008
<b>Assets</b>		
Interest bearing deposits in banks	0.36%	2.96%
Trading account securities	3.24	5.26
Federal funds sold and securities purchased under resale agreements	0.19	2.52
Loans held for sale	5.15	5.86
Investment securities:		
Taxable	4.60	5.58
Tax-exempt	6.72	6.77
Total investment securities	4.70	5.76
Loans and leases <sup>(3)</sup> :		
Commercial:		
Commercial and industrial	4.92	5.79
Commercial real estate:		
Construction	2.72	5.14
Commercial	3.59	5.68
Commercial real estate	3.41	5.56
Total commercial	4.30	5.68
Consumer:		
Automobile loans	7.26	7.16
Automobile leases	6.13	5.60
Automobile loans and leases	7.13	6.85
Home equity	5.55	6.60
Residential mortgage	5.29	5.83
Other loans	8.09	10.05
Total consumer	5.93	6.58
Total loans and leases	4.99	6.08
<b>Total earning assets</b>	<b>4.94%</b>	<b>6.01%</b>
<b>Liabilities and Shareholders' Equity</b>		
Deposits:		
Demand deposits — noninterest bearing	—%	—%
Demand deposits — interest bearing	0.19	0.62
Money market deposits	1.13	2.11
Savings and other domestic deposits	1.40	1.95
Core certificates of deposit	3.53	4.36
Total core deposits	2.07	2.80
Other domestic deposits of \$250,000 or more	2.63	3.87
Brokered deposits and negotiable CDs	2.67	3.75
Deposits in foreign offices	0.19	1.75
Total deposits	2.12	2.93
Short-term borrowings	0.26	1.99
Federal Home Loan Bank advances	1.03	3.30
Subordinated notes and other long-term debt	2.94	4.52
<b>Total interest bearing liabilities</b>	<b>2.12</b>	<b>3.05</b>
Net interest rate spread	2.82	2.96
Impact of non-interest bearing funds on margin	0.27	0.31
<b>Net interest margin</b>	<b>3.09%</b>	<b>3.27%</b>

(1) Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 15 for the FTE adjustment.

(2) Loan and lease and deposit average rates include impact of applicable derivatives and non-deferrable fees.

(3) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

**Huntington Bancshares Incorporated**  
**Selected Year to Date Income Statement Data (1)**  
*(Unaudited)*

<i>(in thousands, except per share amounts)</i>	Nine Months Ended September 30,		Change	
	2009	2008	Amount	Percent
Interest income	\$ 1,686,807	\$ 2,135,814	\$ (449,007)	(21.0)%
Interest expense	636,584	980,488	(343,904)	(35.1)
Net interest income	1,050,223	1,155,326	(105,103)	(9.1)
Provision for credit losses	1,180,680	334,855	845,825	N.M.
<b>Net interest (loss) income after provision for credit losses</b>	<b>(130,457)</b>	<b>820,471</b>	<b>(950,928)</b>	<b>N.M.</b>
Service charges on deposit accounts	226,042	232,806	(6,764)	(2.9)
Brokerage and insurance income	105,996	106,563	(567)	(0.5)
Trust services	76,364	98,169	(21,805)	(22.2)
Electronic banking	74,978	67,429	7,549	11.2
Bank owned life insurance income	40,817	41,199	(382)	(0.9)
Automobile operating lease income	39,139	26,681	12,458	46.7
Mortgage banking income	87,680	15,741	71,939	N.M.
Securities losses	(7,647)	(70,288)	62,641	(89.1)
Other income	117,730	121,738	(4,008)	(3.3)
<b>Total noninterest income</b>	<b>761,099</b>	<b>640,038</b>	<b>121,061</b>	<b>18.9</b>
Personnel costs	519,819	586,761	(66,942)	(11.4)
Outside data processing and other services	109,697	96,933	12,764	13.2
Net occupancy	79,000	85,429	(6,429)	(7.5)
OREO and foreclosure expense	75,379	25,284	50,095	N.M.
Equipment	62,663	71,636	(8,973)	(12.5)
Amortization of intangibles	51,247	57,707	(6,460)	(11.2)
Professional services	51,220	33,183	18,037	54.4
Marketing	23,975	23,307	668	2.9
Automobile operating lease expense	32,920	20,799	12,121	58.3
Telecommunications	17,880	19,116	(1,236)	(6.5)
Printing and supplies	11,673	14,695	(3,022)	(20.6)
Goodwill impairment	2,606,944	—	2,606,944	—
Other expense	68,431	52,427	16,004	30.5
<b>Total noninterest expense</b>	<b>3,710,848</b>	<b>1,087,277</b>	<b>2,623,571</b>	<b>N.M.</b>
(Loss) Income before income taxes	(3,080,206)	373,232	(3,453,438)	N.M.
(Benefit) Provision for income taxes	(355,714)	69,747	(425,461)	N.M.
<b>Net (loss) income</b>	<b>\$ (2,724,492)</b>	<b>\$ 303,485</b>	<b>\$ (3,027,977)</b>	<b>N.M.%</b>
Dividends declared on preferred shares	145,467	23,242	122,225	N.M.
<b>Net (loss) income applicable to common shares</b>	<b>\$ (2,869,959)</b>	<b>\$ 280,243</b>	<b>\$ (3,150,202)</b>	<b>N.M.%</b>
Average common shares — basic	471,958	366,188	105,770	28.9%
Average common shares — diluted <sup>(2)</sup>	471,958	367,268	104,690	28.5
<b>Per common share</b>				
Net (loss) income per common share — basic	\$ (6.08)	\$ 0.83	\$ (6.91)	N.M.%
Net (loss) income per common share — diluted	(6.08)	0.83	(6.91)	N.M.
Cash dividends declared	0.030	0.530	(0.500)	(94.3)
Return on average total assets	(6.95)%	0.74%	(7.69)%	N.M.%
Return on average total shareholders' equity	(62.7)	6.6	(69.3)	N.M.
Return on average tangible shareholders' equity <sup>(3)</sup>	(83.8)	15.9	(99.7)	N.M.
Net interest margin <sup>(4)</sup>	3.09	3.27	(0.18)	(5.5)
Efficiency ratio <sup>(5)</sup>	57.6	54.7	2.9	5.3
Effective tax rate (benefit)	(11.5)	18.7	(30.2)	N.M.
<b>Revenue — fully taxable equivalent (FTE)</b>				
Net interest income	\$ 1,050,223	\$ 1,155,326	\$ (105,103)	(9.1)%
FTE adjustment <sup>(4)</sup>	8,975	16,577	(7,602)	(45.9)
Net interest income	1,059,198	1,171,903	(112,705)	(9.6)
Noninterest income	761,099	640,038	121,061	18.9
<b>Total revenue</b>	<b>\$ 1,820,297</b>	<b>\$ 1,811,941</b>	<b>\$ 8,356</b>	<b>0.5%</b>

N.M., not a meaningful value.

- Comparisons for presented periods are impacted by a number of factors. Refer to the "Significant Items" discussion.
- For all periods presented above, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation because the result was more than basic earnings per common share (anti-dilutive) for the period.
- Net income excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity. Average tangible shareholders' equity equals average total 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 35% tax rate.
- On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.
- Noninterest expense less amortization of intangibles divided by the sum of FTE net interest income and noninterest income excluding securities (losses) gains.



**Huntington Bancshares Incorporated**  
**Year to Date Mortgage Banking Income**  
*(Unaudited)*

<i>(in thousands, except as noted)</i>	Nine Months Ended September 30,		Change	
	2009	2008	Amount	Percent
<b>Mortgage Banking Income</b>				
Origination and secondary marketing	\$ 78,238	\$ 30,077	\$ 48,161	N.M.%
Servicing fees	36,205	33,898	2,307	6.8
Amortization of capitalized servicing <sup>(1)</sup>	(36,780)	(20,172)	(16,608)	(82.3)
Other mortgage banking income	18,894	13,809	5,085	36.8
Sub-total	96,557	57,612	38,945	67.6
MSR valuation adjustment <sup>(1)</sup>	18,814	10,687	8,127	76.0
Net trading losses related to MSR hedging	(27,691)	(52,558)	24,867	(47.3)
<b>Total mortgage banking income</b>	<b>\$ 87,680</b>	<b>\$ 15,741</b>	<b>\$ 71,939</b>	<b>N.M.%</b>
Mortgage originations <i>(in millions)</i>	\$ 4,131	\$ 3,049	1,082	35.5%
Average trading account securities used to hedge				
MSRs <i>(in millions)</i>	87	1,089	(1,002)	(92.0)
Capitalized mortgage servicing rights <sup>(2)</sup>	200,969	230,398	(29,429)	(12.8)
Total mortgages serviced for others <i>(in millions)</i> <sup>(2)</sup>	16,145	15,741	404	2.6
MSR % of investor servicing portfolio	1.24%	1.46%	(0.22)%	(15.1)
<b>Net Impact of MSR Hedging</b>				
MSR valuation adjustment <sup>(1)</sup>	\$ 18,814	\$ 10,687	\$ 8,127	76.0%
Net trading losses related to MSR hedging	(27,691)	(52,558)	24,867	(47.3)
Net interest income related to MSR hedging	2,831	23,666	(20,835)	(88.0)
<b>Net impact of MSR hedging</b>	<b>\$ (6,046)</b>	<b>\$ (18,205)</b>	<b>\$ 12,159</b>	<b>(66.8)%</b>

N.M., not a meaningful value.

(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)*

<i>(in thousands)</i>	Nine Months Ended September 30,	
	2009	2008
<b>Allowance for loan and lease losses, beginning of period</b>	\$ 900,227	\$ 578,442
Loan and lease losses	(1,089,892)	(235,276)
Recoveries of loans previously charged off	58,052	37,829
Net loan and lease losses	(1,031,840)	(197,447)
Provision for loan and lease losses	1,174,676	339,743
Allowance of assets sold	(9,188)	—
Allowance for loans transferred to held-for-sale	(1,904)	—
<b>Allowance for loan and lease losses, end of period</b>	<u>\$ 1,031,971</u>	<u>\$ 720,738</u>
<b>Allowance for unfunded loan commitments and letters of credit, beginning of period</b>	\$ 44,139	\$ 66,528
Provision for (Reduction in) unfunded loan commitments and letters of credit losses	6,004	(4,888)
<b>Allowance for unfunded loan commitments and letters of credit, end of period</b>	<u>\$ 50,143</u>	<u>\$ 61,640</u>
<b>Total allowances for credit losses</b>	<u>\$ 1,082,114</u>	<u>\$ 782,378</u>
<b>Allowance for loan and lease losses (ALLL) as % of:</b>		
Total loans and leases	2.77%	1.75%
Nonaccrual loans and leases (NALs)	47	123
Nonperforming assets (NPAs)	44	107
<b>Total allowances for credit losses (ACL) as % of:</b>		
Total loans and leases	2.90%	1.90%
Nonaccrual loans and leases	50	134
Nonperforming assets	46	116

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

<i>(in thousands)</i>	Nine Months Ended September 30,	
	2009	2008
<b>Net charge-offs by loan and lease type:</b>		
Commercial:		
Commercial and industrial	\$ 377,790 <sup>(1)</sup>	\$ 52,739
Commercial real estate:		
Construction	107,361	4,236
Commercial	317,266	26,123
Commercial real estate	424,627	30,359
Total commercial	802,417	83,098
Consumer:		
Automobile loans	36,338	26,343
Automobile leases	7,066	9,671
Automobile loans and leases	43,404	36,014
Home equity	70,412	48,388
Residential mortgage <sup>(2)</sup>	92,413	13,919
Other loans	23,194	16,028
Total consumer	229,423	114,349
<b>Total net charge-offs</b>	<b>\$ 1,031,840</b>	<b>\$ 197,447</b>
<b>Net charge-offs — annualized percentages:</b>		
Commercial:		
Commercial and industrial <sup>(1)</sup>	3.78%	0.52%
Commercial real estate:		
Construction	7.42	0.28
Commercial	5.67	0.46
Commercial real estate	6.03	0.42
Total commercial	4.71	0.48
Consumer:		
Automobile loans	1.52	0.98
Automobile leases	2.21	1.40
Automobile loans and leases	1.60	1.06
Home equity	1.24	0.88
Residential mortgage <sup>(2)</sup>	2.69	0.36
Other loans	4.36	3.07
Total consumer	1.85	0.86
<b>Net charge-offs as a % of average loans</b>	<b>3.51%</b>	<b>0.65%</b>

- (1) The 2009 first nine-month period included net charge-offs totaling \$114,374 thousand associated with the Franklin relationship.
- (2) Effective with the 2009 third quarter, a change to accelerate the timing for when a partial charge-off is recognized was made. This change resulted in \$31,952 thousand of charge-offs in the 2009 third quarter.

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

<i>(in thousands)</i>	September 30,	
	2009	2008
<b>Nonaccrual loans and leases (NALs):</b>		
Commercial and industrial (1)	\$ 612,701	\$ 174,207
Commercial real estate	1,133,661	298,844
Residential mortgage (1)	390,521	85,163
Home equity	44,182	27,727
<b>Total nonaccrual loans and leases</b>	<b>2,181,065</b>	<b>585,941</b>
<b>Other real estate, net:</b>		
Residential	81,807	59,302
Commercial	60,784	14,176
<b>Total other real estate, net</b>	<b>142,591</b>	<b>73,478</b>
<b>Impaired loans held for sale (2)</b>	<b>20,386</b>	<b>13,503</b>
<b>Other NPAs (3)</b>	<b>—</b>	<b>2,397</b>
<b>Total nonperforming assets</b>	<b>\$ 2,344,042</b>	<b>\$ 675,319</b>
<b>Nonperforming Franklin loans (1)</b>		
Commercial	\$ —	\$ —
Residential mortgage	322,796	—
OREO	30,996	—
Home Equity	15,704	—
<b>Total nonperforming Franklin loans</b>	<b>\$ 369,496</b>	<b>\$ —</b>
Nonaccrual loans and leases as a % of total loans and leases (NAL ratio)	5.85%	1.42%
NPA ratio (4)	6.26	1.64

*(in thousands)*

<b>Nonperforming assets, beginning of period</b>	<b>\$ 1,636,646</b>	<b>\$ 472,902</b>
New nonperforming assets	2,272,688	572,743
Franklin impact, net (1)	(280,730)	—
Returns to accruing status	(129,469)	(28,405)
Loan and lease losses	(756,500)	(106,562)
OREO losses	(55,271)	(14,934)
Payments	(274,286)	(128,156)
Sales	(69,036)	(92,269)
<b>Nonperforming assets, end of period</b>	<b>\$ 2,344,042</b>	<b>\$ 675,319</b>

- (1) Franklin loans were reported as accruing restructured commercial loans at September 30, 2008. At September 30, 2009, nonaccruing Franklin loans were reported as residential mortgage loans, home equity loans, and OREO, reflecting the 2009 first quarter restructuring.
- (2) The September 30, 2009, figure primarily represent impaired residential mortgage loans held for sale. All other presented figures represent impaired loans obtained from the Sky Financial acquisition. Held for sale loans are carried at the lower of cost or fair value less costs to sell.
- (3) Other NPAs represent certain investment securities backed by mortgage loans to borrowers with lower FICO scores.
- (4) Nonperforming assets divided by the sum of loans and leases, impaired loans held for sale, net other real estate, and other NPAs.



**Huntington Bancshares Incorporated**  
**Year to Date Accruing Past Due Loans and Leases and Accruing Restructured Loans**  
*(Unaudited)*

<i>(in thousands)</i>	September 30,	
	2009	2008
<b>Accruing loans and leases past due 90 days or more:</b>		
Commercial and industrial	\$ —	\$ 24,407
Commercial real estate	2,546	58,867
Residential mortgage (excluding loans guaranteed by the U.S. government)	46,592	58,280
Home equity	45,334	23,224
Other loans and leases	14,175	14,580
Total, excl. loans guaranteed by the U.S. government	<u>\$ 108,647</u>	<u>\$ 179,358</u>
Add: loans guaranteed by U.S. government	<u>122,019</u>	<u>68,729</u>
<b>Total accruing loans and leases past due 90 days or more, including loans guaranteed by the U.S. government</b>	<b><u>\$ 230,666</u></b>	<b><u>\$ 248,087</u></b>
Excluding loans guaranteed by the U.S. government, as a percent of total loans and leases	0.29%	0.44%
Guaranteed by U.S. government, as a percent of total loans and leases	0.33%	0.17%
Including loans guaranteed by the U.S. government, as a percent of total loans and leases	0.62%	0.60%
<b>Accruing restructured loans</b>		
Commercial (1)	\$ 153,010	\$ 364,939
Residential mortgage	204,463	71,512
Other	42,406	40,414
<b>Total accruing restructured loans</b>	<b><u>\$ 399,879</u></b>	<b><u>\$ 476,865</u></b>

(1) Franklin loans were reported as accruing restructured commercial loans at September 30, 2008. At September 30, 2009, nonaccruing Franklin loans were reported as residential mortgage loans, home equity loans, and OREO, reflecting the 2009 first quarter restructuring.