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): January 20, 2011

HUNTINGTON BANCSHARES INCORPORATED
(Exact name of registrant as specified in its charter)

Maryland	**1-34073**	**31-0724920**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

Huntington Center 41 South High Street Columbus, Ohio	**43287**
(Address of principal executive offices)	(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))

Item 2.02. Results of Operations and Financial Condition.

On January 20, 2011, Huntington Bancshares Incorporated ("Huntington") issued a news release announcing its earnings for the quarter ended December 31, 2010. Also on January 20, 2011, Huntington made a Quarterly Financial Review available on its web site, www.huntington-ir.com.

Huntington's senior management will host an earnings conference call January 20, 2011, at 10:00 a.m. (Eastern Time). The call may be accessed via a live Internet webcast at www.huntington-ir.com or through a dial-in telephone number at 800-267-7495, conference ID 33285653. Slides will be available at www.huntington-ir.com just prior to the call. A replay of the web cast will be archived in the Investor Relations section of Huntington's web site at www.huntington.com. A telephone replay will be available two hours after the completion of the call through January 31, 2011, at 800-642-1687; conference call ID 33285653.

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) worsening of credit quality performance 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, impact, and timing of our business strategies, including market acceptance of any new products or services introduced to implement our 'Fair Play banking philosophy; (6) changes in accounting policies and principles and the accuracy of our assumptions and estimates used to prepare our financial statements;(7) extended disruption of vital infrastructure; and (8) the nature, extent, and timing of governmental actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as future regulations which will be adopted by the relevant regulatory agencies, including the newly created Consumer Financial Protection Bureau (CAP), to implement the Act's provisions. Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2009 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.

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 8 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

	2010				2009
(in millions)	December 31,	September 30,	June 30,	March 31,	December 31,
Tangible common equity to asset ratio:					
Total shareholders' equity	$ 4,981	$ 5,567	$ 5,438	$ 5,370	$ 5,336
Shareholders' preferred equity	(363)	(1,700)	(1,696)	(1,692)	(1,688)
	4,618	3,867	3,742	3,678	3,648
Goodwill	(444)	(444)	(444)	(444)	(444)
Intangible assets	(229)	(244)	(259)	(274)	(289)
Intangible asset deferred tax liability (1)	80	85	91	95	101
Total tangible common equity	$ 4,025	$ 3,264	$ 3,130	$ 3,055	$ 3,016
Total assets	$ 53,820	$ 53,247	$ 51,771	$ 51,867	$ 51,555
Goodwill	(444)	(444)	(444)	(444)	(444)
Other intangible assets	(229)	(244)	(259)	(274)	(289)
Intangible asset deferred tax liability (1)	80	85	91	95	101
Total tangible assets	$ 53,227	$ 52,644	$ 51,159	$ 51,244	$ 50,923
Tangible common equity to asset ratio	7.56%	6.20%	6.12%	5.96%	5.92%
Tier 1 common risk-based capital ratio (2)					
Tier 1 capital	$ 5,022	$ 5,480	$ 5,317	$ 5,090	$ 5,201
Shareholders' preferred equity	(363)	(1,700)	(1,696)	(1,692)	(1,688)
Trust preferred securities	(570)	(570)	(570)	(570)	(570)
REIT preferred stock	(50)	(50)	(50)	(50)	(50)
Tier 1 common	$ 4,039	$ 3,160	$ 3,001	$ 2,778	$ 2,893
Risk weighted assets	$ 43,678	$ 42,759	$ 42,486	$ 42,418	$ 42,816
Tier 1 common risk-based capital ratio	9.25%	7.39%	7.06%	6.55%	6.76%

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

(2) December 31, 2010 figures are estimated.

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 January 20, 2011.
Exhibit 99.2	—	Quarterly Financial Review, December 2010.

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: January 20, 2011

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

EXHIBIT INDEX

Exhibit No.	Description
Exhibit 99.1	News release of Huntington Bancshares Incorporated, January 20, 2011.
Exhibit 99.2	Quarterly Financial Review, December 2010.

NEWS

FOR IMMEDIATE RELEASE —
Date: January 20, 2011

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HUNTINGTON BANCSHARES REPORTS FOURTH QUARTER RESULTS

RESULTS COMPARED WITH 2010 THIRD QUARTER REFLECTED:

- **$122.9 MILLION OF NET INCOME, UP 22% FROM $100.9 MILLION**
- **EARNINGS PER COMMON SHARE OF $0.05, INCLUDING A ONE-TIME REDUCTION OF $0.07 PER COMMON SHARE FOR THE DEEMED DIVIDEND RESULTING FROM THE DECEMBER REPURCHASE OF $1.4 BILLION IN TARP CAPITAL**
- **10% ANNUALIZED GROWTH IN AVERAGE TOTAL CORE DEPOSITS**
- **1% GROWTH IN FULLY-TAXABLE EQUIVALENT REVENUE**
  - **15% ANNUALIZED GROWTH IN EARNING ASSETS, INCLUDING 6% ANNUALIZED GROWTH IN AVERAGE LOANS AND LEASES**
  - **3.37% NET INTEREST MARGIN, DOWN 8 BASIS POINTS, PRIMARILY REFLECTING GROWTH IN LOWER YIELD INVESTMENT SECURITIES**
- **CONTINUED SIGNIFICANT IMPROVEMENT IN CREDIT QUALITY**
  - **21% DECLINE IN NONACCRUAL LOANS, LOWEST ABSOLUTE LEVEL SINCE 2008 THIRD QUARTER**
  - **166% ALLOWANCE FOR CREDIT LOSSES COVERAGE OF NONACCRUAL LOANS, UP FROM 140%**
- **SIGNIFICANTLY STRENGTHENED COMMON EQUITY RATIOS AFTER TARP CAPITAL REPURCHASE COMPARED WITH SEPTEMBER 30, 2010**
  - **9.25% TIER 1 COMMON RISK-BASED CAPITAL, UP FROM 7.39%**
  - **7.56% TANGIBLE COMMON EQUITY RATIO, UP FROM 6.20%**

COLUMBUS, Ohio — Huntington Bancshares Incorporated (NASDAQ: HBAN; www.huntington.com) reported 2010 fourth quarter net income of $122.9 million, or $0.05 per common share. The current quarter included a one-time reduction of $0.07 per common share for the deemed dividend resulting from the previously announced repurchase of $1.4 billion in TARP capital in December. This compared with net income of $100.9 million, or $0.10 per common share, in the 2010 third quarter and a net loss of $369.7 million, or $0.56 per common share, in the year-ago quarter.

For full-year 2010, Huntington reported net income of $312.3 million, or $0.19 per common share. The current year included a one-time reduction of $0.08 per common share for the deemed dividend resulting from the repurchase of $1.4 billion in TARP capital. This compared with a net loss of $3.1 billion, or $6.14 per common share, for full year 2009, which included $2.6 billion pre-tax, or $4.89 per common share, of goodwill impairment charges.

“Fourth quarter results capped a good year for Huntington,” said Stephen D. Steinour, chairman and chief executive officer. “The hard work and progress we are making in organically growing our core business were clearly evident. Loan growth continued to gain traction and was broad based. Core deposit growth was again strong. This resulted in an increase in lower yield investment securities, which contributed to more of a decline in our net interest margin than we expected three months ago. But, strong earning asset growth resulted in an increase in total net interest income sufficient to overcome the expected decline in deposit service charge income. As a result, we reported another quarter of revenue growth. Credit quality again improved significantly, a trend we anticipate will continue. Importantly, we repaid our TARP capital and ended the quarter with strong regulatory capital and very strong common equity capital ratios.”

Total fully-taxable equivalent revenue for the fourth quarter was $683.2 million, up 1% from the prior quarter, driven by a $6.4 million, or 2%, increase in fully-taxable equivalent net interest income. This reflected 15% annualized growth in average earnings assets, including 6% annualized growth in average total loans and leases, and a net interest margin of 3.37%, down eight basis points from the prior quarter. Total average core deposits grew 10% annualized, with noninterest bearing demand deposits increasing at a 25% annualized rate.

Nonperforming assets (NPAs) declined 24% to $0.8 billion at December 31, 2010, from $1.1 billion at the end of the prior quarter. Total criticized commercial loans at quarter end were $3.1 billion, down 15% from $3.6 billion at September 30, 2010. While the period end allowance for credit losses (ACL) as a percentage of total loans and leases declined to 3.39% from 3.67%, the ACL as a percentage of total nonaccrual loans (NALs) increased to 166% from 140%. Net charge-offs were $172.3 million, or an annualized 1.82% of average total loans and leases, down from $184.5 million, or 1.98%, in the 2010 third quarter.

The Tier 1 common risk-based capital ratio at December 31, 2010, was 9.25%, up from 7.39% at the end of the prior quarter, with the tangible common equity ratio also showing a significant increase to 7.56% from 6.20%. The regulatory Tier 1 and Total capital ratios were 11.50% and 14.39%, respectively, down from 12.82% and 15.08%, respectively, at the end of September, primarily reflecting the repurchase of $1.4 billion of TARP capital.

“Each of the last two years represented major milestones in positioning Huntington for long-term growth,” Steinour continued. “2009 was the year we aggressively addressed our credit issues. We said that represented the high water mark. Our results since then have shown more rapid improvement in credit quality than originally envisioned. 2010 was the year we addressed our capital issues, particularly our low relative level of common equity. And we repurchased our TARP capital. From a quality of capital perspective, we have never felt better. As we enter 2011, we expect earnings will continue to grow. In the near term, and consistent with fourth quarter performance, this will mostly reflect the benefit of lower credit costs. Yet, we are beginning to see positive results from our investments in growing the business. We believe this is going to be a year when Huntington breaks away even more from our peers in both financial performance, as well as in delivering more innovative and customer friendly products and services to our customers.”

FOURTH QUARTER PERFORMANCE DISCUSSION

EARNINGS PERFORMANCE OVERVIEW COMPARED WITH 2010 THIRD QUARTER

- **Net income of $122.9 million, up $22.0 million, or 22%, from $100.9 million, reflecting:**
    - $32.2 million reduction in provision for credit losses as credit quality performance improved.
    - $5.3 million increase in net interest income, primarily reflecting growth in loans and investment securities.

    Partially offset by:

    - $7.3 million increase in noninterest expenses primarily reflecting a $3.9 million increase in personnel costs related to investments in strategic initiatives, a $4.1 million increase associated with repurchase losses related to representations and warranties made on mortgage loans sold, and a $2.4 million increase in fraud losses.
    - $2.9 million decline in noninterest income primarily reflecting lower service charges on deposit accounts.
- **Earnings per common share of $0.05, including a one-time $0.07 per common share reduction for the deemed dividend resulting from the repurchase of our $1.4 billion in TARP capital. This compared to earnings of $0.10 per common share in the prior quarter.**
- **Pre-tax, pre-provision income of $260.1 million, down $5.2 million, or 2%, reflecting higher noninterest expense and lower noninterest income, partially offset by growth in net interest income.**

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 infrequent 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.)*

Specific significant items impacting 2010 fourth quarter performance included *(see Table 1 below)*:

- In connection with the redemption of our TARP Series B Preferred Stock, the accretion of the remaining issuance discount on the Series B Preferred Stock was accelerated and recorded as a deemed dividend and resulted in a corresponding reduction in retained earnings of $56.3 million. This resulted in a one-time, noncash reduction in net income attributable to common shareholders and a related $0.07 per common share reduction to basic and diluted earnings per share.

Table 1 — Significant Items Influencing Earnings Performance Comparisons

Three Months Ended	Impact (1)	
(in millions, except per share)	Pre-tax	EPS (2)
December 31, 2010 — GAAP income	**$ 122.9**	**$ 0.05**
• Deemed dividend	NA	(0.07)
September 30, 2010 — GAAP income	**$ 100.9**	**$ 0.10**
• None		
December 31, 2009 — GAAP loss	**$ (369.7)**	**$ (0.56)**
• Gain on the early extinguishment of debt	73.6	0.07
• Deferred tax valuation allowance benefit	11.3 (2)	0.02

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

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

NA- Not applicable

Pre-Tax, Pre-Provision Income Trends

One metric that Management believes is useful in analyzing performance is the level of earnings adjusted to exclude provision expense, securities gains or losses, amortization of intangibles, and certain Significant Items. *(See Pre-Tax, Pre-Provision Income in Basis of Presentation for a full discussion.)*

Table 2 shows pre-tax, pre-provision income was $260.1 million in the 2010 fourth quarter, down 2% from the prior quarter.

Table 2 — Pre-Tax, Pre-Provision Income (1)

(in millions)	2010 Fourth Quarter	2010 Third Quarter	2010 Second Quarter	2010 First Quarter	2009 Fourth Quarter
Income (Loss) Before Income Taxes	**$ 157.9**	$ 130.6	$ 62.1	$ 1.6	$ (598.0)
Add: Provision for credit losses	**87.0**	119.2	193.4	235.0	894.0
Less: Securities (losses) gains	**(0.1)**	(0.3)	0.2	(0.0)	(2.6)
Add: Amortization of intangibles	**15.0**	15.1	15.1	15.1	17.1
Less: Significant items (1)					
Gain on early extinguishment of debt	**—**	—	—	—	73.6
Pre-Tax, Pre-Provision Income (1)	**$ 260.1**	$ 265.2	$ 270.5	$ 251.8	$ 242.1
Linked-quarter change — amount	**$ (5.2)**	$ (5.2)	$ 18.6	$ 9.8	$ 4.9
Linked-quarter change — percent	**-1.9%**	-1.9%	7.4%	4.0%	2.1%

(1) *See Basis of Presentation for definition*

As discussed in the sections that follow, the decline from the 2010 third quarter primarily reflected higher noninterest expense and lower noninterest income, partially offset by higher net interest income.

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

2010 Fourth Quarter versus 2010 Third Quarter

Compared with the 2010 third quarter, fully-taxable equivalent net interest income increased $6.4 million, or 2%. This reflected an annualized 15% increase in average earning assets as the fully-taxable equivalent net interest margin declined to 3.37% from 3.45%. The increase in average earning assets reflected a combination of activities including:

- $1.0 billion, or 10%, increase in average investment securities, reflecting the deployment of cash from deposit growth into short- and intermediate-term securities, and
- $0.6 billion, or 2%, increase in average total loans and leases.

The net interest margin declined 8 basis points, reflecting the impact of stronger deposit growth funding investment security purchases at a lower incremental spread.

Table 3 details the increase in average total loans and leases.

Table 3 — Loans and Leases — 4Q10 vs. 3Q10

(in billions)	2010 Fourth Quarter	2010 Third Quarter	Change Amount	Change %
Average Loans and Leases				
Commercial and industrial	**$ 12.8**	$ 12.4	$ 0.4	3%
Commercial real estate	**6.8**	7.1	(0.3)	(4)
Total commercial	**19.6**	19.5	0.1	1
Automobile loans and leases	**5.5**	5.1	0.4	7
Home equity	**7.7**	7.6	0.1	2
Residential mortgage	**4.4**	4.4	0.0	1
Other consumer	**0.6**	0.7	(0.1)	(12)
Total consumer	**18.2**	17.7	0.5	3
Total loans and leases	**$ 37.8**	$ 37.2	$ 0.6	2%

Average total loans and leases increased $0.6 billion, or 2%, reflecting a $0.5 billion, or 3%, increase in total consumer loans, and a $0.1 billion, or 1%, increase in average total commercial loans.

- Average commercial and industrial (C&I) loans increased $0.4 billion, or 3%. Fourth quarter results were consistent with our belief that there are opportunities for growth in the C&I segment. Of the $0.4 billion increase, $0.2 billion represented an increase in automobile dealer floor plan loans resulting from increased inventory purchases, as well as growth in automobile dealer relationships. The remaining increase reflected a combination of growth in our asset based lending business, as well as traditional business lending. We continue to be pleased with the quality of customers we attracted. The economic environment continued to cause many of our existing customers to be appropriately focused on maintaining a lower leverage position as exemplified by a continued low 42% level of line-of-credit utilization. We consider this a positive as the financial condition of our borrowers is of primary concern to generating long-term returns. We continue to be focused on expanding our customer base within our markets and are seeing an increasing C&I pipeline.

- Average commercial real estate loans (CRE) declined $0.3 billion, or 4%, primarily as a result of our ongoing strategy to reduce our exposure to the commercial real estate market. The current quarter decline was consistent with the reduction in the third quarter and was primarily a result of continuing paydowns and charge-offs in the noncore CRE portfolio. It is important to note that the composition of the reduction is substantially more weighted toward paydowns in the current quarter compared to the prior quarter as a result of the workout strategies by our Special Assets Department. The portion of our CRE portfolio designated as core continued to perform as expected.

- Average total consumer loans increased $0.5 billion, or 3%, led by a $0.4 billion, or 7%, increase in average automobile loans and leases. Fourth quarter automobile loan production continued to reflect high credit quality metrics with an appropriate return. Our recent expansion into Eastern Pennsylvania and the five New England states began to have a positive impact on volume. We expect our growth in these markets to become more evident over time as we further develop our dealership base. Average home equity loans increased $0.1 billion, or 2%, in the quarter.

Table 4 details changes within the various deposit categories.

Table 4 — Deposits — 4Q10 vs. 3Q10

(in billions)	2010 Fourth Quarter	2010 Third Quarter	Change Amount	Change %
Average Deposits				
Demand deposits — noninterest bearing	**$ 7.2**	$ 6.8	$ 0.4	6%
Demand deposits — interest bearing	**5.3**	5.3	(0.0)	(0)
Money market deposits	**13.2**	12.3	0.8	7
Savings and other domestic deposits	**4.6**	4.6	0.0	0
Core certificates of deposit	**8.6**	8.9	(0.3)	(3)
Total core deposits	**38.9**	38.0	0.9	2
Other domestic deposits of $250,000 or more	**0.7**	0.7	0.0	7
Brokered deposits and negotiable CDs	**1.6**	1.5	0.1	5
Other deposits	**0.4**	0.5	(0.0)	(2)
Total deposits	**$ 41.7**	$ 40.6	$ 1.1	3%

Average total deposits increased $1.1 billion, or 3%, from the prior quarter reflecting:

- $0.9 billion, or 2%, growth in average total core deposits. The primary drivers of this growth were a 7% increase in average money market deposits, and 6% growth in average noninterest bearing demand deposits. Partially offsetting this growth was a 3% decline in average core certificates of deposit.

2010 Fourth Quarter versus 2009 Fourth Quarter

Fully-taxable equivalent net interest income increased $42.4 million, or 11%, from the year-ago quarter. This reflected the favorable impact of the significant increase in the net interest margin to 3.37% from 3.19%. This also reflected the benefit of a $2.4 billion, or 5%, increase in average total earning assets due to a $1.4 billion, or 15%, increase in average total investment securities, and a $0.7 billion, or 2%, increase in average total loans and leases.

Table 5 details the $0.7 billion, or 2%, increase in average total loans and leases.

Table 5 — Loans and Leases — 4Q10 vs. 4Q09

	Fourth Quarter		Change	
(in billions)	**2010**	2009	Amount	%
Average Loans and Leases				
Commercial and industrial	**$ 12.8**	$ 12.6	$ 0.2	2%
Commercial real estate	**6.8**	8.5	(1.7)	(20)
Total commercial	**19.6**	21.0	(1.5)	(7)
Automobile loans and leases	**5.5**	3.3	2.2	66
Home equity	**7.7**	7.6	0.1	2
Residential mortgage	**4.4**	4.4	0.0	0
Other consumer	**0.6**	0.8	(0.2)	(24)
Total consumer	**18.2**	16.1	2.2	14
Total loans and leases	**$ 37.8**	$ 37.1	$ 0.7	2%

The increase in average total loans and leases reflected:

- $2.2 billion, or 66%, increase in average automobile loans and leases. In early 2009, we transferred automobile loans to a trust in a securitization transaction. With the adoption of ASC 810 — Consolidation, that trust was consolidated as of January 1, 2010. At December 31, 2010, these securitized loans had a remaining balance of $0.5 billion. Underlying growth in automobile loans continued to be strong, reflecting a significant increase in loan originations compared to the year-ago period. The growth has come while maintaining our commitment to excellent credit quality and an appropriate return.

- $0.1 billion, or 2%, increase in average home equity loans, reflecting slightly higher line utilization and slower runoff experience, partially offset by lower origination volume.

- $0.2 billion, or 2%, increase in average C&I loans, reflecting a combination of factors. This included a positive benefit of (1) $0.6 billion in reclassifications of certain CRE loans, primarily owner-occupied properties, to C&I loans at the end of 2009, (2) $0.3 billion of growth in automobile dealer floorplan loans, and (3) $0.1 billion of growth in asset based lending. These benefits were partially offset by a $0.5 billion reduction in traditional business loans, primarily in the first quarter of 2010, and a $0.3 billion reclassification in the 2010 first quarter of variable rate demand notes to municipal securities. We continue to believe there are opportunities for C&I growth in the coming quarters.

Partially offset by:

- $1.7 billion, or 20%, decrease in average CRE loans reflecting the impact of 2009 reclassifications of certain CRE loans, primarily representing owner-occupied properties, to C&I loans, as well as our ongoing commitment to lower our overall CRE exposure. We continue to effectively execute our plan to reduce the CRE exposure while maintaining a commitment to our core CRE borrowers. The decrease in average balances is associated with the noncore portfolio, as we have maintained relatively consistent balances with good performance in the core portfolio.

The $1.4 billion, or 15%, increase in average total investment securities reflected the deployment of cash from core deposit growth.

Table 6 details the $1.5 billion, or 4%, increase in average total deposits.

Table 6 — Deposits — 4Q10 vs. 4Q09

	Fourth Quarter		Change	
(in billions)	**2010**	2009	Amount	%
Average Deposits				
Demand deposits — noninterest bearing	**$ 7.2**	$ 6.5	$ 0.7	11%
Demand deposits — interest bearing	**5.3**	5.5	(0.2)	(3)
Money market deposits	**13.2**	9.3	3.9	42
Savings and other domestic deposits	**4.6**	4.7	(0.0)	(1)
Core certificates of deposit	**8.6**	10.9	(2.2)	(20)
Total core deposits	**38.9**	36.8	2.2	6
Other domestic deposits of $250,000 or more	**0.7**	0.7	0.1	10
Brokered deposits and negotiable CDs	**1.6**	2.4	(0.8)	(33)
Other deposits	**0.4**	0.4	0.0	5
Total deposits	**$ 41.7**	$ 40.2	$ 1.5	4%

The increase in average total deposits from the year-ago quarter reflected:

- $2.2 billion, or 6%, growth in average total core deposits. The drivers of this change were a $3.9 billion, or 42%, growth in average money market deposits, and a $0.7 billion, or 11%, growth in average noninterest bearing demand deposits. These increases were partially offset by a $2.2 billion, or 20%, decline in average core certificates of deposit and a $0.2 billion, or 3%, decrease in average interest bearing demand deposits.

Partially offset by:

- $0.8 billion, or 33%, decline in brokered deposits and negotiable CDs, primarily reflecting a reduction of noncore funding sources.

Provision for Credit Losses

The provision for credit losses in the 2010 fourth quarter was $87.0 million, down $32.2 million, or 27%, from the prior quarter and down $807.0 million, or 90%, from the year-ago quarter. Reflecting the resolution of problem credits for which reserves had been previously established, the current quarter's provision for credit losses was $85.3 million less than total net charge-offs (*see Credit Quality discussion).*

Noninterest Income

2010 Fourth Quarter versus 2010 Third Quarter

Noninterest income decreased $2.9 million, or 1%, from the 2010 third quarter.

Table 7 — Noninterest Income — 4Q10 vs. 3Q10

	2010		Change	
(in millions)	**Fourth Quarter**	Third Quarter	Amount	%
Noninterest Income				
Service charges on deposit accounts	**$ 55.8**	$ 65.9	$ (10.1)	(15)%
Mortgage banking income	**53.2**	52.0	1.1	2
Trust services	**29.4**	27.0	2.4	9
Electronic banking income	**28.9**	28.1	0.8	3
Insurance income	**19.7**	19.8	(0.1)	(1)
Brokerage income	**17.0**	16.6	0.4	2
Bank owned life insurance income	**16.1**	14.1	2.0	14
Automobile operating lease income	**10.5**	11.4	(0.9)	(8)
Securities (losses) gains	**(0.1)**	(0.3)	0.2	65
Other income	**33.8**	32.6	1.3	4
Total noninterest income	**$ 264.2**	$ 267.1	$ (2.9)	(1)%

The decrease in total noninterest income reflected:

- $10.1 million, or 15%, decrease in service charges on deposit accounts. This decline represented a decrease in personal NSF/OD service charges and reflected a combination of factors. These included the impact from the 2010 third quarter implementation of changes to Regulation E and introduction of our "Fair Play" banking philosophy, as well as the continued underlying decline in activity as customers better manage their account balances. As part of our "Fair Play" banking philosophy, in the third quarter we voluntary reduced certain NSF/OD fees and implemented our 24-Hour Grace™ overdrafts policy. The goal of our "Fair Play" banking philosophy is to introduce more customer friendly fee structures with the objective of accelerating the acquisition and retention of new households. Over the second half of 2010, the reduction in service charge income related to our 24- Hour Grace™ initiative was consistent with our expectations. Importantly, last year checking households grew 6.5%, which was 1%, more than expected. However, overall service charge income over the second half of the year was slightly lower than our 2010 mid-year expectations, as customers continued to better manage their account balances.

Partially offset by:

- $2.4 million, or 9%, growth in trust services income, reflecting the increase in asset market values, and growth in new business and seasonal renewal fees.

- $2.0 million, or 14%, increase in bank owned life insurance income.

2010 Fourth Quarter versus 2009 Fourth Quarter

Noninterest income increased $19.7 million, or 8%, from the year-ago quarter.

Table 8 — Noninterest Income — 4Q10 vs. 4Q09

	Fourth Quarter		Change	
(in millions)	**2010**	2009	Amount	%
Noninterest Income				
Service charges on deposit accounts	**$ 55.8**	$ 76.8	$ (20.9)	(27)%
Mortgage banking income	**53.2**	24.6	28.6	116
Trust services	**29.4**	27.3	2.1	8
Electronic banking income	**28.9**	25.2	3.7	15
Insurance income	**19.7**	16.1	3.6	22
Brokerage income	**17.0**	16.0	0.9	6
Bank owned life insurance income	**16.1**	14.1	2.1	15
Automobile operating lease income	**10.5**	12.7	(2.2)	(17)
Securities (losses) gains	**(0.1)**	(2.6)	2.5	96
Other income	**33.8**	34.4	(0.6)	(2)
Total noninterest income	**$ 264.2**	$ 244.5	$ 19.7	8%

The increase in total noninterest income reflected:

- $28.6 million, or 116%, increase in mortgage banking income. This reflected a $31.8 million increase in origination and secondary marketing income, as originations increased 62% from the year-ago quarter, partially offset by a $4.0 million decrease in net servicing revenues.
- $3.7 million, or 15%, increase in electronic banking income, reflecting an increase in debit card transaction volume.
- $3.6 million, or 22%, increase in insurance income, primarily reflecting an increase in title insurance income due to higher mortgage refinance activity.
- $2.5 million benefit from lower securities losses in the current quarter compared with the year-ago quarter.
- $2.1 million, or 15%, increase in insurance benefits associated with bank owned life insurance.
- $2.1 million, or 8%, increase in trust services income, with half of the increase due to increases in asset market values, and the remainder reflecting growth in new business.

Partially offset by:

- $20.9 million, or 27%, decline in service charges on deposit accounts, reflecting lower personal service charges due to a combination of factors including the implementation of the amendment to Regulation E, our “Fair Play” banking philosophy, and lower underlying activity levels.
- $2.2 million, or 17%, decline automobile operating lease income reflecting the impact of a declining portfolio having exited that business in 2008.

Noninterest Expense

2010 Fourth Quarter versus 2010 Third Quarter

Noninterest expense increased $7.3 million, or 2%, from the 2010 third quarter.

Table 9 — Noninterest Expense — 4Q10 vs. 3Q10

	2010		Change	
(in millions)	**Fourth Quarter**	Third Quarter	Amount	%
Noninterest Expense				
Personnel costs	**$ 212.2**	$ 208.3	$ 3.9	2%
Outside data processing and other services	**40.9**	38.6	2.4	6
Net occupancy	**26.7**	26.7	(0.0)	(0)
Deposit and other insurance expense	**23.3**	23.4	(0.1)	(0)
Professional services	**21.0**	20.7	0.3	2
Equipment	**22.1**	21.7	0.4	2
Marketing	**16.2**	20.9	(4.8)	(23)
Amortization of intangibles	**15.0**	15.1	(0.1)	(1)
OREO and foreclosure expense	**10.5**	12.0	(1.5)	(13)
Automobile operating lease expense	**8.1**	9.2	(1.0)	(11)
Other expense	**38.5**	30.8	7.8	25
Total noninterest expense	**$ 434.6**	$ 427.3	$ 7.3	2%
(in thousands)				
Number of employees (full-time equivalent)	**11.3**	11.3	0.1	1%

The increase in noninterest expense reflected:

- $7.8 million, or 25%, increase in other expense, reflecting $4.1 million associated with increases in repurchase reserves related to representations and warranties losses made on mortgage loans sold and a $2.4 million increase in fraud losses.
- $3.9 million, or 2%, increase in personnel costs, reflecting a combination of factors including higher salaries due to a 1% increase in full-time equivalent staff in support of strategic initiatives and higher sales commissions.
- $2.4 million, or 6%, increase in outside data processing and other services, reflecting higher outside programming costs.

Partially offset by:

- $4.8 million, or 23%, decrease in marketing expense, reflecting a reduction in branding and advertising activities to planned levels following a third quarter rollout emphasis.

2010 Fourth Quarter versus 2009 Fourth Quarter

Noninterest expense increased $112.0 million, or 35%, from the year-ago quarter.

Table 10 — Noninterest Expense — 4Q10 vs. 4Q09

	Fourth Quarter		Change	
(in millions)	**2010**	2009	Amount	%
Noninterest Expense				
Personnel costs	**$ 212.2**	$ 180.7	$ 31.5	17%
Outside data processing and other services	**40.9**	36.8	4.1	11
Net occupancy	**26.7**	26.3	0.4	2
Deposit and other insurance expense	**23.3**	24.4	(1.1)	(5)
Professional services	**21.0**	25.1	(4.1)	(16)
Equipment	**22.1**	20.5	1.6	8
Marketing	**16.2**	9.1	7.1	78
Amortization of intangibles	**15.0**	17.1	(2.0)	(12)
OREO and foreclosure expense	**10.5**	18.5	(8.0)	(43)
Automobile operating lease expense	**8.1**	10.4	(2.3)	(22)
Gain on early extinguishment of debt	**—**	(73.6)	73.6	(100)
Other expense	**38.5**	27.3	11.2	41
Total noninterest expense	**$ 434.6**	$ 322.6	$ 112.0	35%
(in thousands)				
Number of employees (full-time equivalent)	**11.3**	10.3	1.1	10%

The increase reflected:

- $73.6 million gain on early extinguishment of debt that reduced expenses in the year-ago quarter.
- $31.5 million, or 17%, increase in personnel costs, primarily reflecting a 10% increase in full-time equivalent staff in support of strategic initiatives, as well as higher commissions and other incentive expenses, and the reinstatement of our 401(k) plan matching contribution.
- $11.2 million, or 41%, increase in other expense, reflecting $5.9 million associated with increases in repurchase losses related to representations and warranties made on mortgage loans sold, as well as increased travel and miscellaneous fees.
- $7.1 million, or 78%, increase in marketing expense, reflecting increases in branding and product advertising activities in support of strategic initiatives.
- $4.1 million, or 11%, increase in outside data processing and other services, reflecting higher outside programming and other costs associated with the implementation of strategic initiatives, partially offset by lower Franklin-related servicing costs.

Partially offset by:

- $8.0 million, or 43%, decline in OREO and foreclosure expense.
- $4.1 million, or 16%, decrease in professional services, reflecting lower legal expenses.
- $2.3 million, or 22%, decline in automobile operating lease expense as that portfolio continued to run-off.
- $2.0 million, or 12%, decrease in the amortization of intangibles expense.

Income Taxes

The provision for income taxes in the 2010 fourth quarter was $35.0 million. For the full-year 2010, the provision for income taxes was $40.0 million. The effective tax rates for the 2010 fourth quarter and full-year 2010 were 22.2% and 11.3%, respectively. At December 31, 2010, we had a deferred tax asset of $538.3 million. Based on both positive and negative evidence and our level of forecasted future taxable income, there was no impairment of the deferred tax asset at December 31, 2010. The total disallowed deferred tax asset for regulatory capital purposes increased to $161.3 million at December 31, 2010, from $112.9 million at September 30, 2010.

Credit Quality Performance Discussion

Credit quality performance in the 2010 fourth quarter continued to show improvement. Total net charge-offs were down from the third quarter. The composition of the losses also changed, as a significant declining trend in the CRE portfolio continued to develop. The increase in the residential mortgage net charge-offs was partially driven by charge-offs associated with loans sold during the quarter. The slight increase in auto loan and lease net charge-offs losses was well within our expectations given the seasonality impact and is not an indication of any portfolio weakness.

Other key credit quality metrics also showed improvement, including a 24% decline in nonperforming assets (NPAs) and a 15% decline in the level of criticized commercial loans. These declines reflected the positive impact of significant levels of restructures, upgrades, and payment activity. Notably, the level of new additions was more comparable to that in the first half of 2010 than to the elevated third quarter level. The economic environment remains challenging. Yet, reflecting the benefit of our focused credit actions, we continue to expect declines in total NPAs and criticized loans going forward.

We continue to see stable to improving delinquency trends across the entire loan and lease portfolio, with a significant opportunity for further improvement in the residential and home equity portfolios. Automobile loan delinquency rates continued to decline. Given the significant increase in new automobile origination volume, we use a lagged delinquency measure to ensure that the underlying portfolio performance is consistent with our expectations. Based on the lagged analysis and the origination quality, we remain very comfortable with the ongoing performance of our automobile loan portfolio.

This quarter's net charge-offs were primarily related to reserves established in prior periods. Our allowance for credit losses (ACL) declined $85.3 million to $1,291.1 million, or 3.39% of period-end total loans and leases, from $1,376.4 million, or 3.67%, at September 30, 2010. Importantly, our ACL as a percent of period-end NALs increased to 166% from 140%, along with improved coverage ratios associated with NPAs and criticized assets. These improved coverage ratios indicate a strengthening of our reserves relative to troubled assets from the end of the prior quarter.

Net Charge-Offs (NCOs)

Table 11 — Net Charge-offs

	2010				2009
(in millions)	**Fourth Quarter**	Third Quarter	Second Quarter	First Quarter	Fourth Quarter
Net Charge-offs					
Commercial and industrial	**$ 59.1**	$ 62.2	$ 58.1	$ 75.4	$ 109.8
Commercial real estate	**44.9**	63.7	81.7	85.3	258.1
Total commercial	**104.0**	125.9	139.9	160.7	367.9
Automobile loans and leases	**7.0**	5.6	5.4	8.5	12.9
Home equity	**29.2**	27.8	44.5	37.9	35.8
Residential mortgage	**26.8**	19.0	82.8	24.3	17.8
Other consumer	**5.3**	6.3	6.6	7.0	10.3
Total consumer	**68.3**	58.6	139.4	77.7	76.8
Total net charge-offs	**$ 172.3**	$ 184.5	$ 279.2	$ 238.5	$ 444.7
Net Charge-offs — annualized percentages					
Commercial and industrial	**1.85%**	2.01%	1.90%	2.45%	3.49%
Commercial real estate	**2.64**	3.60	4.44	4.44	12.21
Total commercial	**2.13**	2.59	2.85	3.22	7.00
Automobile loans and leases	**0.51**	0.43	0.47	0.80	1.55
Home equity	**1.51**	1.47	2.36	2.01	1.89
Residential mortgage	**2.42**	1.73	7.19	2.17	1.61
Other consumer	**3.66**	3.83	3.81	3.87	5.47
Total consumer	**1.50**	1.32	3.19	1.83	1.91
Total net charge-offs	**1.82%**	1.98%	3.01%	2.58%	4.80%
MEMO: Franklin-Related Net Charge-offs					
Commercial and industrial	**$ (0.1)**	$ (4.5)	$ (0.2)	$ (0.3)	$ 0.1
Home equity	—	1.2	15.9	3.7	—
Residential mortgage	**(4.4)**	3.4	64.2	8.1	1.1
Total net charge-offs	**$ (4.6)**	$ 0.0	$ 80.0	$ 11.5	$ 1.2

Total net charge-offs for the 2010 fourth quarter were $172.3 million, or an annualized 1.82% of average total loans and leases. This was down $12.3 million from $184.5 million, or an annualized 1.98%, in the 2010 third quarter.

Total C&I net charge-offs for the 2010 fourth quarter were $59.1 million, or an annualized 1.85%, down 5% from $62.2 million, or an annualized 2.01% of related loans, in the 2010 third quarter. The relative stabilization in the second half of 2010 is a positive trend for the portfolio going forward.

Current quarter CRE net charge-offs were $44.9 million, down 30% from $63.7 million in the prior quarter. Annualized net charge-offs in the current quarter were 2.64%, down from 3.60% in the prior quarter. The decline was consistent with the improving asset quality metrics. The level of CRE NALs and criticized loans ended the quarter at their lowest level since 2008, and early stage delinquency continued to improve. These trends give us confidence in our outlook for improved results going forward. The fourth quarter net charge-offs continued to be centered in retail projects, with no significant charge-offs in the multi-family portfolio. The retail property portfolio remains the most susceptible to a continued decline in market conditions. We believe we are adequately reserved to support effective ongoing management of this portfolio segment. While the office portfolio has experienced stress, we remain comfortable with this exposure.

Total consumer net charge-offs in the current quarter were $68.3 million, or an annualized 1.50%, up from $58.6 million, or an annualized 1.32%, in the third quarter.

Automobile loan and lease net charge-offs were $7.0 million, or an annualized 0.51% of related average balances, up 26% from $5.6 million, or an annualized 0.43%, in the third quarter. The increase from the prior quarter primarily reflected seasonal factors. We continued our strategy of originating high quality automobile loans. During the fourth quarter, we originated $795 million of loans with an average FICO score of 764 with a continued emphasis on lower loan-to-value ratios. The level and quality of new production in 2010 position us well for continued future performance.

Home equity net charge-offs were $29.2 million, or an annualized 1.51% of related average balances, up $1.3 million from $27.8 million, or an annualized 1.47%, in the 2010 third quarter. We continue to manage the default rate through focused delinquency monitoring as virtually all defaults for home equity loans in a second lien position incur substantial losses given the lack of equity. Our strategies focus on loss mitigation activity via early intervention and restructured terms, as 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 losses given the market conditions, our performance has remained within our expectations.

Residential mortgage net charge-offs in the current quarter were $26.8 million, or an annualized 2.42% of related loans, up $7.8 million from $19.0 million, or an annualized 1.73%, in the prior quarter. The fourth quarter results were impacted by $16.4 million of charge-offs associated with loans sold during the quarter. The sale represented a continuation of our strategy to seek strategic opportunities to reduce the level of troubled loans in our portfolio. In this case, we were able to close a transaction which reduced NALs, at a loss close to that expected were these loans to go through foreclosure and ultimate sale as OREO properties. In addition, we have avoided much of the foreclosure expense and other resources associated with workout activity. Without the sale, the quarter’s results would have been lower than in the third quarter, as the economic environment and significantly reduced equity position continued to impact the industry. We did see continued positive trends in the delinquency mix, and the percent of the portfolio falling into the low score ranges on our updated score process continued to decline. We are very aware of the impact of the government sponsored entities (GSEs) Fannie Mae and Freddie Mac, from both a repurchase risk standpoint and the potential for a substantial increase in properties on the market in the coming months. From a market condition perspective, we are appropriately considering the impact of a large increase in the number of properties for sale over the coming months by adjusting our remarketing and sales strategies.

Nonaccrual Loans (NALs) and Nonperforming Assets (NPAs)

Table 12 — Nonaccrual Loans and Nonperforming Assets

	2010				2009
(in millions)	**Dec. 31**	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Nonaccrual loans and leases (NALs):					
Commercial and industrial	**$ 346.7**	$ 398.4	$ 429.6	$ 511.6	$ 578.4
Commercial real estate	**363.7**	478.8	663.1	826.8	935.8
Residential mortgage	**45.0**	83.0	86.5	373.0	362.6
Home equity	**22.5**	21.7	22.2	54.8	40.1
Total nonaccrual loans and leases (NALs)	**777.9**	981.8	1,201.3	1,766.1	1,917.0
Other real estate, net:					
Residential	**31.6**	65.8	71.9	68.3	71.4
Commercial	**35.2**	57.3	67.2	84.0	68.7
Total other real estate, net	**66.8**	123.1	139.1	152.3	140.1
Impaired loans held for sale *(1)*	**—**	—	242.2	—	1.0
Total nonperforming assets (NPAs)	**$ 844.8**	$ 1,104.9	$ 1,582.7	$ 1,918.4	$ 2,058.1
Nonperforming Frankin assets					
Residential mortgage	**$ —**	$ —	$ —	$ 298.0	$ 299.7
Home equity	**—**	—	—	31.1	15.0
OREO	**9.5**	15.3	24.5	24.4	23.8
Impaired loans held for sale *(1)*	**—**	—	242.2	—	—
Total nonperforming Franklin assets	**$ 9.5**	$ 15.3	$ 266.7	$ 353.5	$ 338.5
NAL ratio *(2)*	**2.04%**	2.62%	3.25%	4.78%	5.21%
NPA ratio *(3)*	**2.21**	2.94	4.24	5.17	5.57

(1) *June 30, 2010, figure represents NALs associated with the transfer of Franklin-related residential mortgage and home equity loans to loans held for sale. December 31, 2009 figure represents impaired loans obtained in the Sky Financial acquisition. Held for sale loans are carried at the lower of cost or fair value less costs to sell.*

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

(3) *Total NPAs as a % of sum of loans and leases, impaired loans held for sale, and net other real estate*

Total nonaccrual loans and leases (NALs) were $777.9 million at December 31, 2010, and represented 2.04% of total loans and leases. This was down $203.8 million, or 21%, from $981.8 million, or 2.62% of total loans and leases, at September 30, 2010.

CRE NALs decreased $115.1 million, or 24%, from September 30, 2010. This primarily reflected problem credit resolution activity and charge-offs. This substantial decline is a direct result of our commitment to the ongoing proactive management of these credits by our Special Assets Department. Also key to this improvement was the lower level of inflows. The level of inflows, or migration, is an important indicator of the future trend for the portfolio.

C&I NALs decreased $51.6 million, or 13%, from the end of prior quarter. This reflected both charge-off activity and problem credit resolutions, including pay-offs, and was associated with loans throughout our footprint with no specific geographic concentration. From an industry perspective, some improvement in the manufacturing-related segment accounted for a significant portion of the decrease.

Nonperforming assets (NPAs), which include NALs, were $844.8 million at December 31, 2010, and represented 2.21% of related assets. This was down $260.1 million, or 24%, from $1,104.9 million, or 2.94%, of related assets at the end of the prior quarter.

Table 13 — 90 Days Past Due and Accruing Restructured Loans

	2010				2009
(in millions)	**Dec. 31**	Sep. 30	Jun. 30	Mar. 31	Dec. 31
Accruing loans and leases past due 90 days or more:					
Total excluding loans guaranteed by the U.S. Government	**$ 87.7**	$ 95.4	$ 83.4	$ 113.2	$ 145.7
Loans guaranteed by the U.S. Government	**98.3**	94.2	95.4	96.8	101.6
Total loans and leases	**$ 185.9**	$ 189.6	$ 178.8	$ 210.0	$ 247.3
Ratios *(1)*					
Excluding loans guaranteed by the U.S. government	**0.23%**	0.25%	0.23%	0.31%	0.40%
Guaranteed by U.S. government	**0.26**	0.26	0.26	0.26	0.28
Including loans guaranteed by the U.S. government	**0.49**	0.51	0.49	0.57	0.68
Accruing restructured loans (ARLs):					
Commercial	**$ 171.8**	$ 158.0	$ 141.4	$ 117.7	$ 157.0
Residential mortgages	**313.0**	287.5	269.6	242.9	219.6
Other	**76.6**	73.2	65.1	62.1	52.9
Total accruing restructured loans	**$ 561.4**	$ 518.7	$ 476.0	$ 422.7	$ 429.6

(1) Percent of related loans and leases

Total accruing loans and leases over 90 days past due, excluding loans guaranteed by the U.S. Government, were $87.7 million at December 31, 2010, down $7.7 million, or 8%, from the end of the prior quarter, but down $58.0 million, or 40%, from the end of the year-ago period. On this same basis, the over 90-day delinquency ratio was 0.23% at December 31, 2010, down from 0.25% at the end of the 2010 third quarter, and down 17 basis points from a year earlier. For total consumer loans, and on this same basis, the over 90-day delinquency ratio was 0.49% at December 31, 2010, down slightly from the end of the prior quarter.

Allowances for Credit Losses (ACL)

We maintain two reserves, both of which are available to absorb inherent 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.

Table 14 — Allowances for Credit Losses (ACL)

	2010				2009
(in millions)	**Dec. 31,**	Sep. 30	Jun. 30	Mar. 31	Dec. 31,
Allowance for loan and lease losses (ALLL)	**$ 1,249.0**	$ 1,336.4	$ 1,402.2	$ 1,478.0	$ 1,482.5
Allowance for unfunded loan commitments and letters of credit	**42.1**	40.1	39.7	49.9	48.9
Allowance for credit losses (ACL)	**$ 1,291.1**	$ 1,376.4	$ 1,441.8	$ 1,527.9	$ 1,531.4
ALLL as a % of:					
Total loans and leases	**3.28%**	3.56%	3.79%	4.00%	4.03%
Nonaccrual loans and leases (NALs)	**161**	136	117	84	77
Nonperforming assets (NPAs)	**148**	121	89	77	72
ACL as a % of:					
Total loans and leases	**3.39%**	3.67%	3.90%	4.14%	4.16%
Nonaccrual loans and leases (NALs)	**166**	140	120	87	80
Nonperforming assets (NPAs)	**153**	125	91	80	74

At December 31, 2010, the ALLL was $1,249.0 million, down $87.3 million, or 7%, from $1,336.4 million at the end of the prior quarter. Expressed as a percent of period-end loans and leases, the ALLL ratio at December 31, 2010, was 3.28%, down from 3.56% at September 30, 2010. The ALLL as a percent of NALs was 161% at December 31, 2010, up from 136% at September 30, 2010.

At December 31, 2010, the AULC was $42.1 million, up $2.1 million, or 5%, from the end of the prior quarter.

On a combined basis, the ACL as a percent of total loans and leases at December 31, 2010, was 3.39%, down from 3.67% at September 30, 2010. This reduction was centered in the CRE portfolio as a result of the reduction in the level of problem credits detailed above. The ACL as a percent of NALs was 166% at December 31, 2010, up from 140% at September 30, 2010, indicating additional strength in the reserve level relative to the level of problem credits.

Capital

Table 15 — Capital Ratios

During the fourth quarter we issued $920.0 million of common stock and $300.0 million of subordinated debt. The net proceeds of these issuances, along with existing cash, were used to repurchase all $1.4 billion of the Series B Fixed Rate Cumulative Perpetual Preferred Stock that we issued to the U.S. Department of the Treasury under its Troubled Asset Relief Program's (TARP) Capital Purchase Program.

As previously announced on January 19, 2011, we repurchased the warrant we had issued to the U.S. Department of the Treasury as part of the TARP Capital Purchase Program for $49.1 million. The warrant had entitled the U.S. Department of the Treasury to purchase 23.6 million common shares.

	2010				2009
(in millions)	**Dec. 31,**	Sep. 30	Jun. 30	Mar. 31	Dec. 31,
Tangible common equity / tangible assets ratio	**7.56%**	6.20%	6.12%	5.96%	5.92%
Tier 1 common risk-based capital ratio	**9.25%**	7.39%	7.06%	6.55%	6.76%
Regulatory Tier 1 risk-based capital ratio	**11.50%**	12.82%	12.51%	12.00%	12.15%
Excess over 6.0% *(1)*	**$ 2,402**	$ 2,916	$ 2,766	$ 2,545	$ 2,633
Regulatory Total risk-based capital ratio	**14.39%**	15.08%	14.79%	14.31%	14.55%
Excess over 10.0% *(1)*	**$ 1,917**	$ 2,172	$ 2,035	$ 1,828	$ 1,948
Total risk-w eighted assets	**$ 43,678**	$ 42,759	$ 42,486	$ 42,418	$ 42,816

(1) "Well-capitalized" regulatory threshold

The tangible common equity to asset ratio at December 31, 2010, was 7.56%, up from 6.20% at the end of the prior quarter. The net impact of the common equity issuance of $883.9 million positively impacted the tangible common equity ratio by 168 basis points. This benefit was partially offset by a negative 32 basis point impact related to $169.1 million reduction in other comprehensive income, primarily reflecting the impact of changing interest rates on the market value of investment securities, derivatives, and pension obligations.

Our Tier 1 common risk-based capital ratio at quarter end was 9.25%, up from 7.39% at the end of the prior quarter.

At December 31, 2010, our regulatory Tier 1 and Total risk-based capital ratios were 11.50% and 14.39%, respectively, down from 12.82% and 15.08%, respectively, at September 30, 2010. The decrease in our Tier 1 and Total risk-based capital ratios from September 30, 2010, primarily reflected the impact of the repurchase of $1.4 billion in TARP capital. On an absolute basis, our Tier 1 and Total risk-based capital ratios at December 31, 2010, exceeded the regulatory “well capitalized” thresholds by $2.4 billion and $1.9 billion, respectively. The “well capitalized” level is the highest regulatory capital designation.

2011 EXPECTATIONS

Borrower and consumer confidence remains a major factor impacting growth opportunities for 2011. We continue to believe that the economy will remain relatively stable throughout the coming year, with the potential for improvement in the latter half. Revenue headwinds as a result of regulatory and legislative actions, combined with higher interest rates as we enter 2011 that we expect will reduce mortgage banking revenue, and continued investments in growing the business, will represent challenges to earnings growth.

Reflecting these factors, pre-tax, pre-provision income levels are expected to remain in line with 2010 second half performance. Nevertheless, net income growth from current levels is anticipated throughout the year. This will primarily reflect ongoing reductions in credit costs. We expect the absolute levels of net charge-offs, NPAs, and criticized loans will continue to decline, resulting in lower levels of provision expense. Given the significant improvements in 2010, coupled with our expectation for continued improvement, our return to more normalized levels of credit costs could occur earlier than previously expected.

The net interest margin is expected to be flat to up slightly from the 2010 fourth quarter level. We anticipate continued benefit from lower deposit pricing. In addition, the absolute growth in loans compared with deposits is anticipated to be more comparable, thus reducing the absolute growth in lower yield investment securities.

The automobile loan portfolio is expected to continue its strong growth, and we anticipate continued growth in C&I loans. CRE loans are expected to continue to decline, but at a slower rate. Home equity and residential mortgages are likely to show only modest growth.

Core deposits are expected to show continued growth. Further, we expect the shift toward lower-cost demand deposit accounts will continue.

Fee income, compared with the 2010 fourth quarter, will be negatively impacted by lower interchange fees and a decline in mortgage banking revenues due to continued weak market conditions. With regard to interchange fees, if enacted as recently outlined, the Federal Reserve’s proposed interchange fee structure will significantly lower interchange revenue. Other fee categories are expected to grow, reflecting the impact of our cross-sell initiatives throughout the company, as well as the positive impact from strategic initiatives. Over time, we anticipate more than offsetting revenue challenges with revenue we expect to generate by accelerating customer growth and cross-sell results. Expense levels early in the year should be up modestly from 2010 fourth quarter performance, with increases later in the year due to continued investments to grow the business.

Conference Call / Webcast Information

Huntington's senior management will host an earnings conference call on Thursday, January 20, 2011, at 10:00 a.m. (Eastern Time). The call may be accessed via a live Internet webcast at www.huntington-ir.com or through a dial-in telephone number at (800) 267-7495; conference ID 33285653. Slides will be available at www.huntington-ir.com about an hour prior to the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's web site www.huntington.com. A telephone replay will be available two hours after the completion of the call through January 31, 2011 at (800) 642-1687; conference ID 33285653.

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) worsening of credit quality performance 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, impact, and timing of our business strategies, including market acceptance of any new products or services introduced to implement our 'Fair Play' banking philosophy; (6) changes in accounting policies and principles and the accuracy of our assumptions and estimates used to prepare our financial statements; (7) extended disruption of vital infrastructure; and (8) the nature, extent, and timing of governmental actions and reforms, including the Dodd-Frank Wall Street Reform and Consumer Protection Act, as well as future regulations which will be adopted by the relevant regulatory agencies, including the newly created Consumer Financial Protection Bureau (CAP), to implement the Act's provisions. Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2009 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-GAP Financial Measures

This earnings press release contains GAP 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 2010 fourth quarter earnings conference call slides, or the Form 8-K related to this release, which can be found on Huntington's website at huntington-ir.com.

Pre-Tax, Pre-Provision Income

One non-GAAP performance metric that Management believes is useful in analyzing underlying performance trends 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 infrequent or short-term in nature. We refer to such items as "Significant Items". Most often, these Significant Items result from factors originating outside the company — e.g., regulatory actions/assessments, windfall gains, changes in accounting principles, one-time tax assessments/refunds, etc. In other cases they may result from Management decisions associated with significant corporate actions out of the ordinary course of business — e.g., merger/restructuring charges, recapitalization actions, 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 2009 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, as well as net charge-off percentages, are most often expressed in terms of an annual rate like 8%. As such, a 2% growth rate for a quarter would represent an annualized 8% growth rate.

Fully-taxable equivalent interest income and net interest margin

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

Earnings per share equivalent data

Significant income or expense items may be expressed on a per common share basis. This is done for analytical and decision-making purposes to better discern underlying trends in total corporate earnings per share performance excluding the impact of such items. Investors may also find this information helpful in their evaluation of 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.

About Huntington

Huntington Bancshares Incorporated is a $54 billion regional bank holding company headquartered in Columbus, Ohio. Through its affiliated companies, Huntington has been providing a full range of financial services for 144 years. Huntington offers checking, loans, savings, insurance and investment services. It has 620 branches and also offers retail and commercial financial services online at huntington.com; through its telephone bank; and through its network of over 1,350 ATMs. Huntington's Auto Finance and Dealer Services group offers automobile loans to consumers and commercial loans to automobile dealers within our six-state banking franchise area, as well as selected New England states.

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

	2010		2009	Percent Changes vs.	
(dollar amounts in thousands, except per share amounts)	**Fourth**	Third	Fourth	3Q10	4Q09
Net interest income	**$ 415,294**	$ 409,962	$ 374,064	1%	11%
Provision for credit losses	**86,973**	119,160	893,991	(27)	(90)
Noninterest income	**264,220**	267,143	244,546	(1)	8
Noninterest expense	**434,593**	427,309	322,596	2	35
Income (loss) before income taxes	**157,948**	130,636	(597,977)	21	N.R.
Provision (benefit) for income taxes	**35,048**	29,690	(228,290)	18	N.R.
Net Income (loss)	**$ 122,900**	$ 100,946	$ (369,687)	22%	N.R.
Dividends on preferred shares	**83,754**	29,495	29,289	184	186
Net income (loss) applicable to common shares	**$ 39,146**	$ 71,451	$ (398,977)	(45)%	N.R.
Net income (loss) per common share — diluted	**$ 0.05**	$ 0.10	$ (0.56)	(50)%	N.R.
Cash dividends declared per common share	**0.01**	0.01	0.01	—	—
Book value per common share at end of period	**5.35**	5.39	5.10	(1)	5
Tangible book value per common share at end of period	**4.66**	4.55	4.21	2	11
Average common shares — basic	**757,924**	716,911	715,336	6	6
Average common shares — diluted(2)	**760,582**	719,567	715,336	6	6
Return on average assets	**0.90%**	0.76%	(2.80)%		
Return on average common shareholders' equity	**3.8**	7.4	(39.1)		
Return on average common tangible shareholders' equity(3)	**5.6**	10.0	(45.1)		
Net interest margin (4)	**3.37**	3.45	3.19		
Efficiency ratio(5)	**61.4**	60.6	49.0		
Effective tax rate (benefit)	**22.2**	22.7	(38.2)		
Average loans and leases	**$ 37,800,546**	$ 37,214,601	$ 37,089,197	2	2
Average loans and leases — linked quarter annualized growth rate	**6.3%**	1.4%	(8.1)%		
Average earning assets	**$ 49,290,186**	$ 47,511,255	$ 46,847,132	4	5
Average total assets	**54,146,249**	52,716,881	52,458,276	3	3
Average core deposits (6)	**38,949,046**	38,009,764	36,771,778	3	6
Average core deposits — linked quarter annualized growth rate	**9.9%**	2.2%	16.2%		
Average shareholders' equity	**$ 5,645,445**	$ 5,519,638	$ 5,733,898	2	(2)
Total assets at end of period	**53,819,642**	53,246,776	51,554,665	1	4
Total shareholders' equity at end of period	**4,980,542**	5,567,403	5,336,002	(11)	(7)
Net charge-offs (NCOs)	**172,251**	184,514	444,747	(7)	(61)
NCOs as a % of average loans and leases	**1.82%**	1.98%	4.80%		
Nonaccrual loans and leases (NALs)	**$ 777,948**	$ 981,780	$ 1,916,978	(21)	(59)
NAL ratio	**2.04%**	2.62%	5.21%		
Nonperforming assets (NPAs)	**$ 844,752**	$ 1,104,864	$ 2,058,091	(24)	(59)
NPA ratio	**2.21%**	2.94%	5.57%		
Allowance for loan and lease losses (ALLL) as a % of total loans and leases at the end of period	**3.28**	3.56	4.03		
ALLL plus allowance for unfunded loan commitments and letters of credit (ACL) as a % of total loans and leases at the end of period	**3.39**	3.67	4.16		
ACL as a % of NALs	**166**	140	80		
ACL as a % of NPAs	**153**	125	74		
Tier 1 leverage ratio (7)	**9.41**	10.54	10.09		
Tier 1 common risk-based capital ratio(7)	**9.25**	7.39	6.76		
Tier 1 risk-based capital ratio (7)	**11.50**	12.82	12.15		
Total risk-based capital ratio (7)	**14.39**	15.08	14.55		
Tangible common equity / risk-weighted assets ratio	**9.22**	7.63	7.04		
Tangible equity / tangible assets ratio(8)	**8.24**	9.43	9.24		
Tangible common equity / tangible assets ratio(9)	**7.56**	6.20	5.92		

N.R. — Not relevant, as denominator of calculation is a loss in prior period compared with income in current period.

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

HUNTINGTON BANCSHARES INCORPORATED
Annual Key Statistics(1)
(Unaudited)

	Year Ended December 31,		Change	
(dollar amounts in thousands, except per share amounts)	**2010**	2009	Amount	Percent
Net interest income	**$ 1,618,805**	$ 1,424,287	$ 194,518	14%
Provision for credit losses	**634,547**	2,074,671	(1,440,124)	(69)
Noninterest income	**1,041,858**	1,005,644	36,214	4
Noninterest expense	**1,673,805**	4,033,443	(2,359,638)	(59)
Income (loss) before income taxes	**352,311**	(3,678,183)	4,030,494	N.R.
Provision (benefit) for income taxes	**39,964**	(584,004)	623,968	N.R.
Net Income (loss)	**$ 312,347**	$ (3,094,179)	$ 3,406,526	N.R.
Dividends on preferred shares	**172,032**	174,756	(2,724)	(2)
Net income (loss) applicable to common shares	**$ 140,315**	$ (3,268,935)	$ 3,409,250	N.R.
Net income (loss) per common share — diluted	**$ 0.19**	$ (6.14)	$ 6.33	103%
Cash dividends declared per common share	**0.04**	0.04	—	—
Average common shares — basic	**726,934**	532,802	194,132	36
Average common shares — diluted(2)	**729,532**	532,802	196,730	37
Return on average assets	**0.59%**	(5.90)%		
Return on average common shareholders' equity	**3.7**	(80.8)		
Return on average tangible common shareholders' equity(3)	**5.6**	(22.4)		
Net interest margin(4)	**3.44**	3.11		
Efficiency ratio(5)	**60.4**	55.4		
Effective tax rate (benefit)	**11.3**	(15.9)		
Average loans and leases	**$ 37,273,057**	$ 38,691,622	$ (1,418,565)	(4)%
Average earning assets	**47,420,610**	46,104,825	1,315,785	3
Average total assets	**52,574,231**	52,440,268	133,963	—
Average core deposits(6)	**38,011,856**	34,913,694	3,098,162	9
Average shareholders' equity	**5,482,502**	5,787,401	(304,898)	(5)
Net charge-offs (NCOs)	**874,474**	1,476,587	(602,113)	(41)
NCOs as a % of average loans and leases	**2.35%**	3.82%	(1.47)	(38)

N.R. — Not relevant, as denominator of calculation is a loss in prior period compared with income in current period.

Notes to the Quarterly Key Statistics and Annual Key Statistics

(1) Comparisons for all presented periods are impacted by a number of factors. Refer to "Significant Items".

(2) For all periods presented, the impact of the convertible preferred stock issued in 2008 and the warrants issued to the U.S. Department of the Treasury in 2008 related to Huntington's participation in the voluntary Capital Purchase Program was excluded from the diluted share calculation because the result was more than basic earnings per common share (anti-dilutive) for the periods.

(3) Net income (loss) 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.

(4) On a fully-taxable equivalent (FTE) basis assuming a 35% tax rate.

(5) Noninterest expense less amortization of intangibles and goodwill impairment 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 deposits, and core certificates of deposit.

(7) December 31, 2010, figures are estimated. Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting ASC Topic 715, "Compensation — Retirement Benefits", 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 liability, and calculated assuming a 35% tax rate.

(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 liability, and calculated assuming a 35% tax rate.

Exhibit 99.2

HUNTINGTON BANCSHARES INCORPORATED
Quarterly Financial Review
December 2010

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Notes:

The preparation of financial statement data in conformity with accounting principles 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

(in thousands, except numbers of shares)	2010 December 31,	2010 September 30, *(Unaudited)*	2009 December 31,	Change December '10 vs '09 Amount	Change December '10 vs '09 Percent
Assets					
Cash and due from banks	**$ 847,888**	$ 1,139,226	$ 1,521,344	$ (673,456)	(44)%
Interest bearing deposits in banks	**135,038**	274,240	319,375	(184,337)	(58)
Trading account securities	**185,404**	138,677	83,657	101,747	122
Loans held for sale	**793,285**	744,439	461,647	331,638	72
Investment securities	**9,895,244**	9,723,558	8,587,914	1,307,330	15
Loans and leases(1)	**38,106,507**	37,500,587	36,790,663	1,315,844	4
Allowance for loan and lease losses	**(1,249,008)**	(1,336,352)	(1,482,479)	233,471	(16)
Net loans and leases	**36,857,499**	36,164,235	35,308,184	1,549,315	4
Bank owned life insurance	**1,458,224**	1,450,335	1,412,333	45,891	3
Premises and equipment	**491,602**	489,349	496,021	(4,419)	(1)
Goodwill	**444,268**	444,268	444,268	—	—
Other intangible assets	**228,620**	243,666	289,098	(60,478)	(21)
Accrued income and other assets	**2,482,570**	2,434,783	2,630,824	(148,254)	(6)
Total Assets	**$ 53,819,642**	$ 53,246,776	$ 51,554,665	$ 2,264,977	4%
Liabilities and Shareholders' Equity					
Liabilities					
Deposits(2)	**$ 41,853,898**	$ 41,072,371	$ 40,493,927	$ 1,359,971	3%
Short-term borrowings	**2,040,732**	1,859,134	876,241	1,164,491	133
Federal Home Loan Bank advances	**172,519**	23,643	168,977	3,542	2
Other long-term debt	**2,144,092**	2,393,071	2,369,491	(225,399)	(10)
Subordinated notes	**1,497,216**	1,202,568	1,264,202	233,014	18
Accrued expenses and other liabilities	**1,130,643**	1,128,586	1,045,825	84,818	8
Total Liabilities	**48,839,100**	47,679,373	46,218,663	2,620,437	6
Shareholder's 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	**—**	1,337,749	1,325,008	(1,325,008)	(100)
8.50% Series A Non-cumulative Perpetual Convertible Preferred Stock, par value and liquidiation value per share of $1,000	**362,507**	362,507	362,507	—	—
Common stock -					
Par value of $0.01	**8,642**	7,180	7,167	1,475	21
Capital surplus	**7,630,093**	6,743,724	6,731,796	898,297	13
Less treasury shares at cost	**(8,771)**	(8,969)	(11,465)	2,694	(23)
Accumulated other comprehensive income (loss):					
Unrealized losses on investment securities	**(101,717)**	4,568	(103,382)	1,665	(2)
Unrealized gains (losses) on cash flow hedging derivatives	**35,710**	76,006	58,865	(23,155)	(39)
Pension and other postretirement benefit adjustments	**(131,489)**	(108,970)	(112,468)	(19,021)	17
Retained (deficit) earnings	**(2,814,433)**	(2,846,392)	(2,922,026)	107,593	(4)
Total Shareholders' Equity	**4,980,542**	5,567,403	5,336,002	(355,460)	(7)
Total Liabilities and Shareholders' Equity	**$ 53,819,642**	$ 53,246,776	$ 51,554,665	$ 2,264,977	4%
Common shares authorized (par value of $0.01)	**1,500,000,000**	1,500,000,000	1,000,000,000		
Common shares issued	**864,195,369**	718,015,276	716,741,249		
Common shares outstanding	**863,319,435**	717,132,197	715,761,672		
Treasury shares outstanding	**875,934**	883,079	979,577		
Preferred shares issued	**1,967,071**	1,967,071	1,967,071		
Preferred shares outstanding	**362,507**	1,760,578	1,760,578		

(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

(dollar amounts in millions)	2010								2009	
	December 31,		September 30, *(Unaudited)*		June 30, *(Unaudited)*		March 31, *(Unaudited)*		December 31,	
Ending Balances by Type										
Commercial:(1)										
Commercial and industrial(2)	**$ 13,063**	**34%**	$ 12,425	34%	$ 12,392	34%	$ 12,245	33%	$ 12,888	35%
Commercial real estate:										
Construction	**650**	**2**	738	2	1,106	3	1,443	4	1,469	4
Commercial(2)	**6,001**	**16**	6,174	16	6,078	16	6,013	16	6,220	17
Commercial real estate(2)	**6,651**	**18**	6,912	18	7,184	19	7,456	20	7,689	21
Total commercial	**19,714**	**52**	19,337	52	19,576	53	19,701	53	20,577	56
Consumer:										
Automobile loans and leases(3)	**5,614**	**15**	5,385	14	4,847	13	4,403	12	3,390	10
Home equity	**7,713**	**20**	7,690	21	7,510	20	7,514	20	7,563	21
Residential mortgage	**4,500**	**12**	4,511	12	4,354	12	4,614	12	4,510	12
Other loans	**566**	**1**	578	1	683	2	700	3	751	1
Total consumer	**18,393**	**48**	18,164	48	17,394	47	17,231	47	16,214	44
Total loans and leases	**$ 38,107**	**100%**	$ 37,501	100%	$ 36,970	100%	$ 36,932	100%	$ 36,791	100%
Ending Balances by Business Segment										
Retail and Business Banking	**$ 11,717**	**31%**	$ 11,804	31%	$ 11,772	32%	$ 11,751	32%	$ 11,792	32%
Commercial Banking	**7,792**	**20**	7,373	20	7,317	20	7,227	20	7,658	21
Auto Finance and Commercial Real Estate	**13,283**	**35**	13,167	35	12,931	35	12,739	34	12,139	33
HWG	**5,176**	**14**	5,066	14	4,864	13	4,722	13	4,670	13
Treasury / Other(4)	**139**	**—**	91	—	86	—	493	1	532	1
Total loans and leases	**$ 38,107**	**100%**	$ 37,501	100%	$ 36,970	100%	$ 36,932	100%	$ 36,791	100%

	2010								2009	
	Fourth		Third		Second		First		Fourth	
Average Balances by Business Segment										
Retail and Business Banking	**$ 11,794**	**31%**	$ 11,817	32%	$ 11,809	32%	$ 11,779	32%	$ 11,899	32%
Commercial Banking	**7,657**	**20**	7,419	20	7,247	20	7,316	20	7,792	21
Auto Finance and Commerical Real Estate	**13,299**	**35**	13,085	35	12,890	35	12,817	35	12,348	33
HWG	**5,050**	**14**	4,894	13	4,729	12	4,631	12	4,569	13
Treasury / Other(4)	**—**	**—**	—	—	414	1	437	1	481	1
Total loans and leases	**$ 37,800**	**100%**	$ 37,215	100%	$ 37,089	100%	$ 36,980	100%	$ 37,089	100%

(1) There were no commercial loans outstanding that would be considered a concentration of lending to a particular industry.

(2) The 2009 fourth quarter reflected net reclassifications from commercial real estate loans to commercial and industrial loans of $589.0 million.

(3) The 2010 first quarter included an increase of $730.5 million resulting from the adoption of a new accounting standard to consolidate a previously off-balance automobile loan securitization transaction.

(4) Comprised primarily of Franklin loans through the 2010 second quarter.

Huntington Bancshares Incorporated
Deposits Composition

(dollar amounts in millions)	**2010**								2009	
	December 31,		September 30, *(Unaudited)*		June 30, *(Unaudited)*		March 31, *(Unaudited)*		December 31,	
Ending Balances by Type										
Demand deposits — non-interest bearing	**$ 7,217**	**17%**	$ 6,926	17%	$ 6,463	16%	$ 6,938	17%	$ 6,907	17%
Demand deposits — interest bearing	**5,469**	**13**	5,347	13	5,850	15	5,948	15	5,890	15
Money market deposits	**13,410**	**32**	12,679	31	11,437	29	10,644	26	9,485	23
Savings and other domestic deposits	**4,643**	**11**	4,613	11	4,652	12	4,666	12	4,652	11
Core certificates of deposit	**8,525**	**20**	8,765	21	8,974	23	9,441	23	10,453	26
Total core deposits	**39,264**	**93**	38,330	93	37,376	95	37,637	93	37,387	92
Other domestic deposits of $250,000 or more	**675**	**2**	730	2	678	2	684	2	652	2
Brokered deposits and negotiable CDs	**1,532**	**4**	1,576	4	1,373	3	1,605	4	2,098	5
Deposits in foreign offices	**383**	**1**	436	1	422	—	377	1	357	1
Total deposits	**$ 41,854**	**100%**	$ 41,072	100%	$39,849	100%	$40,303	100%	$40,494	100%
Total core deposits:										
Commercial	**$ 12,476**	**32%**	$ 12,262	32%	$11,515	31%	$11,844	31%	$11,368	30%
Personal	**26,788**	**68**	26,068	68	25,861	69	25,793	69	26,019	70
Total core deposits	**$ 39,264**	**100%**	$ 38,330	100%	$37,376	100%	$37,637	100%	$37,387	100%
Ending Balances by Business Segment:										
Retail and Business Banking	**$ 29,298**	**70%**	$ 28,808	70%	$28,542	72%	$28,335	70%	$28,512	70%
Commercial Banking	**3,538**	**8**	3,245	8	2,861	7	3,003	7	3,056	8
Auto Finance and Commercial Real Estate	**753**	**2**	739	2	725	2	653	2	618	2
HWG	**7,449**	**18**	7,184	17	6,734	17	7,134	18	6,749	17
Treasury / Other(1)	**816**	**2**	1,096	3	987	2	1,178	3	1,559	4
Total deposits	**$ 41,854**	**100%**	$ 41,072	100%	$39,849	100%	$40,303	100%	$40,494	101%

	2010								2009	
	Fourth		Third		Second		First		Fourth	
Average Balances by Business Segment:										
Retail and Business Banking	**$ 29,241**	**70%**	$ 28,874	71%	$28,592	71%	$28,371	71%	$28,381	71%
Commercial Banking	**3,471**	**8**	3,090	8	3,001	7	3,130	8	3,014	7
Auto Finance and Commercial Real Estate	**752**	**2**	714	1	672	2	636	1	610	2
HWG	**7,333**	**18**	6,867	17	6,994	17	6,759	17	6,477	16
Treasury / Other (1)	**907**	**2**	1,101	3	1,108	3	1,327	3	1,732	4
Total deposits	**$ 41,704**	**100%**	$ 40,646	100%	$40,367	100%	$40,223	100%	$40,214	100%

(1) Comprised primarily of national market deposits.

Huntington Bancshares Incorporated
Consolidated Quarterly Average Balance Sheets
(Unaudited)

	Average Balances					Change	
	2010				2009	4Q10 vs 4Q09	
(dollar amounts in millions)	**Fourth**	Third	Second	First	Fourth	Amount	Percent
Assets							
Interest bearing deposits in banks	**$ 218**	$ 282	$ 309	$ 348	$ 329	$ (111)	(34)%
Trading account securities	**297**	110	127	96	110	187	170
Federal funds sold and securities purchased under resale agreements	**—**	—	—	—	15	(15)	(100)
Loans held for sale	**779**	663	323	346	470	309	66
Investment securities:							
Taxable	**9,747**	8,876	8,369	8,027	8,698	1,049	12
Tax-exempt	**449**	365	389	443	136	313	230
Total investment securities	**10,196**	9,241	8,758	8,470	8,834	1,362	15
Loans and leases:(1)							
Commercial:							
Commercial and industrial	**12,767**	12,393	12,244	12,314	12,570	197	2
Commercial real estate:							
Construction	**716**	989	1,279	1,409	1,651	(935)	(57)
Commercial	**6,082**	6,084	6,085	6,268	6,807	(725)	(11)
Commercial real estate	**6,798**	7,073	7,364	7,677	8,458	(1,660)	(20)
Total commercial	**19,565**	19,466	19,608	19,991	21,028	(1,463)	(7)
Consumer:							
Automobile loans and leases	**5,520**	5,140	4,634	4,250	3,326	2,194	66
Home equity	**7,709**	7,567	7,544	7,539	7,561	148	2
Residential mortgage	**4,430**	4,389	4,608	4,477	4,417	13	—
Other loans	**576**	653	695	723	757	(181)	(24)
Total consumer	**18,235**	17,749	17,481	16,989	16,061	2,174	14
Total loans and leases	**37,800**	37,215	37,089	36,980	37,089	711	2
Allowance for loan and lease losses	**(1,323)**	(1,384)	(1,506)	(1,510)	(1,029)	(294)	29
Net loans and leases	**36,477**	35,831	35,583	35,470	36,060	417	1
Total earning assets	**49,290**	47,511	46,606	46,240	46,847	2,443	5
Cash and due from banks	**1,187**	1,618	1,509	1,761	1,947	(760)	(39)
Intangible assets	**679**	695	710	725	737	(58)	(8)
All other assets	**4,313**	4,277	4,384	4,486	3,956	357	9
Total Assets	**$ 54,146**	$ 52,717	$ 51,703	$ 51,702	$ 52,458	$ 1,688	3%
Liabilities and Shareholders' Equity							
Deposits:							
Demand deposits — noninterest-bearing	**$ 7,188**	$ 6,768	$ 6,849	$ 6,627	$ 6,466	$ 722	11%
Demand deposits — interest-bearing	**5,317**	5,319	5,971	5,716	5,482	(165)	(3)
Money market deposits	**13,158**	12,336	11,103	10,340	9,271	3,887	42
Savings and other domestic deposits	**4,640**	4,639	4,677	4,613	4,686	(46)	(1)
Core certificates of deposit	**8,646**	8,948	9,199	9,976	10,867	(2,221)	(20)
Total core deposits	**38,949**	38,010	37,799	37,272	36,772	2,177	6
Other domestic deposits of $250,000 or more	**737**	690	661	698	667	70	10
Brokered deposits and negotiable CDs	**1,575**	1,495	1,505	1,843	2,353	(778)	(33)
Deposits in foreign offices	**443**	451	402	410	422	21	5
Total deposits	**41,704**	40,646	40,367	40,223	40,214	1,490	4
Short-term borrowings	**2,134**	1,739	966	927	879	1,255	143
Federal Home Loan Bank advances	**112**	188	212	179	681	(569)	(84)
Subordinated notes and other long-term debt	**3,558**	3,672	3,836	4,062	3,908	(350)	(9)
Total interest bearing liabilities	**40,320**	39,477	38,532	38,764	39,216	1,104	3
All other liabilities	**993**	952	924	947	1,042	(49)	(5)
Shareholders' equity	**5,645**	5,520	5,398	5,364	5,734	(89)	(2)
Total Liabilities and Shareholders' Equity	**$ 54,146**	$ 52,717	$ 51,703	$ 51,702	$ 52,458	$ 1,688	3%

(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)

	Average Rates (2)				
	2010				2009
Fully-taxable equivalent basis(1)	**Fourth**	Third	Second	First	Fourth
Assets					
Interest bearing deposits in banks	**0.63%**	0.21%	0.20%	0.18%	0.16%
Trading account securities	**1.98**	1.20	1.74	2.15	1.89
Federal funds sold and securities purchased under resale agreements	**—**	—	—	—	0.03
Loans held for sale	**4.01**	5.75	5.02	4.98	5.13
Investment securities:					
Taxable	**2.42**	2.77	2.85	2.94	3.20
Tax-exempt	**4.59**	4.70	4.62	4.37	6.42
Total investment securities	**2.52**	2.84	2.93	3.01	3.25
Loans and leases:(2)(3)					
Commercial:					
Commercial and industrial	**4.94**	5.14	5.31	5.60	5.20
Commercial real estate:					
Construction	**3.07**	2.83	2.61	2.66	2.63
Commercial	**3.92**	3.91	3.69	3.60	3.40
Commercial real estate	**3.83**	3.76	3.49	3.43	3.25
Total commercial	**4.56**	4.64	4.63	4.76	4.41
Consumer:					
Automobile loans and leases	**5.46**	5.79	6.46	6.63	7.09
Home equity	**4.64**	4.74	5.26	5.59	5.82
Residential mortgage	**4.82**	4.97	4.70	4.89	5.04
Other loans	**7.92**	7.10	6.84	7.00	6.90
Total consumer	**5.04**	5.19	5.49	5.73	5.92
Total loans and leases	**4.79**	4.90	5.04	5.21	5.07
Total earning assets	**4.29%**	4.49%	4.63%	4.82%	4.70%
Liabilities and Shareholders' Equity					
Deposits:					
Demand deposits — noninterest-bearing	**—%**	—%	—%	—%	—%
Demand deposits — interest-bearing	**0.13**	0.17	0.22	0.22	0.22
Money market deposits	**0.77**	0.86	0.93	1.00	1.21
Savings and other domestic deposits	**0.90**	0.99	1.07	1.19	1.27
Core certificates of deposit	**2.11**	2.31	2.68	2.93	3.07
Total core deposits	**1.05**	1.18	1.33	1.51	1.71
Other domestic deposits of $250,000 or more	**1.21**	1.28	1.37	1.44	1.88
Brokered deposits and negotiable CDs	**1.53**	2.21	2.56	2.49	2.52
Deposits in foreign offices	**0.17**	0.22	0.19	0.19	0.18
Total deposits	**1.06**	1.21	1.37	1.55	1.75
Short-term borrowings	**0.20**	0.22	0.21	0.21	0.24
Federal Home Loan Bank advances	**0.95**	1.25	1.93	2.71	1.01
Subordinated notes and other long-term debt	**2.15**	2.15	2.05	2.25	2.67
Total interest bearing liabilities	**1.11**	1.25	1.41	1.60	1.80
Net interest rate spread	**3.16**	3.24	3.22	3.22	2.90
Impact of noninterest bearing funds on margin	**0.21**	0.21	0.24	0.25	0.29
Net interest margin	**3.37%**	3.45%	3.46%	3.47%	3.19%

(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, non-deferrable fees, and amortized 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)

(dollar amounts in thousands, except per share amounts)	**2010** Fourth	2010 Third	2010 Second	2010 First	2009 Fourth	4Q10 vs 4Q09 Amount	4Q10 vs 4Q09 Percent
Interest income	**$ 528,291**	$ 534,669	$ 535,653	**$** 546,779	$ 551,335	$ (23,044)	(4)%
Interest expense	**112,997**	124,707	135,997	152,886	177,271	(64,274)	(36)
Net interest income	**415,294**	409,962	399,656	393,893	374,064	41,230	11
Provision for credit losses	**86,973**	119,160	193,406	235,008	893,991	(807,018)	(90)
Net interest income (loss) after provision for credit losses	**328,321**	290,802	206,250	158,885	(519,927)	848,248	N.R.
Service charges on deposit accounts	**55,810**	65,932	75,934	69,339	76,757	(20,947)	(27)
Mortgage banking income	**53,170**	52,045	45,529	25,038	24,618	28,552	116
Trust services	**29,394**	26,997	28,399	27,765	27,275	2,119	8
Electronic banking	**28,900**	28,090	28,107	25,137	25,173	3,727	15
Insurance income	**19,678**	19,801	18,074	18,860	16,128	3,550	22
Brokerage income	**16,953**	16,575	18,425	16,902	16,045	908	6
Bank owned life insurance income	**16,113**	14,091	14,392	16,470	14,055	2,058	15
Automobile operating lease income	**10,463**	11,356	11,842	12,303	12,671	(2,208)	(17)
Securities (losses) gains	**(103)**	(296)	156	(31)	(2,602)	2,499	(96)
Other income	**33,842**	32,552	28,785	29,069	34,426	(584)	(2)
Total noninterest income	**264,220**	267,143	269,643	240,852	244,546	19,674	8
Personnel costs	**212,184**	208,272	194,875	183,642	180,663	31,521	17
Outside data processing and other services	**40,943**	38,553	40,670	39,082	36,812	4,131	11
Net occupancy	**26,670**	26,718	29,719	24,755	26,273	397	2
Deposit and other insurance expense	**23,320**	23,406	21,736	29,086	24,420	(1,100)	(5)
Professional services	**21,021**	20,672	35,555	11,530	25,146	(4,125)	(16)
Equipment	**22,060**	21,651	21,585	20,624	20,454	1,606	8
Marketing	**16,168**	20,921	6,138	22,697	9,074	7,094	78
Amortization of intangibles	**15,046**	15,145	15,141	15,146	17,060	(2,014)	(12)
OREO and foreclosure expense	**10,502**	12,047	6,434	10,066	18,520	(8,018)	(43)
Automobile operating lease expense	**8,142**	9,159	8,580	11,153	10,440	(2,298)	(22)
Goodwill impairment	**—**	—	—	—	—	—	—
Gain on early extinguishment of debt (2)	**—**	—	—	—	(73,615)	73,615	(100)
Other expense	**38,537**	30,765	33,377	30,312	27,349	11,188	41
Total noninterest expense	**434,593**	427,309	413,810	398,093	322,596	111,997	35
Income (loss) before income taxes	**157,948**	130,636	62,083	1,644	(597,977)	755,925	N.R.
Provision (benefit) for income taxes	**35,048**	29,690	13,319	(38,093)	(228,290)	263,338	N.R.
Net income (loss)	**$ 122,900**	$ 100,946	$ 48,764	**$** 39,737	$ (369,687)	$ 492,587	N.R.
Dividends on preferred shares	**83,754**	29,495	29,426	29,357	29,289	54,465	186
Net income (loss) applicable to common shares	**$ 39,146**	$ 71,451	$ 19,338	**$** 10,380	$ (398,976)	$ 438,122	N.R.
Average common shares — basic	**757,924**	716,911	716,580	716,320	715,336	42,588	6%
Average common shares — diluted (3)	**760,582**	719,567	719,387	718,593	715,336	45,246	6
Per common share							
Net income (loss) — basic	**$ 0.05**	$ 0.10	$ 0.03	**$** 0.01	$ (0.56)	$ 0.61	N.R.
Net income (loss) — diluted	**0.05**	0.10	0.03	0.01	(0.56)	0.61	N.R.
Cash dividends declared	**0.01**	0.01	0.01	0.01	0.01	—	—
Return on average total assets	**0.90%**	0.76%	0.38%	0.31%	(2.80)%	3.70%	N.R.
Return on average common shareholders' equity	**3.8**	7.4	2.1	1.1	(39.1)	42.9	N.R.
Return on average common tangible shareholders' equity (4)	**5.6**	10.0	3.8	2.7	(45.1)	50.70	N.R.
Net interest margin (5)	**3.37**	3.45	3.46	3.47	3.19	0.18	6
Efficiency ratio (6)	**61.4**	60.6	59.4	60.1	49.0	12.4	25
Effective tax rate (benefit)	**22.2**	22.7	21.5	—	(38.2)	60.4	N.R.
Revenue — fully-taxable equivalent (FTE)							
Net interest income	**$ 415,294**	$ 409,962	$ 399,656	**$** 393,893	$ 374,064	$ 41,230	11
FTE adjustment	**3,708**	2,631	2,490	2,248	2,497	1,211	48
Net interest income (5)	**419,002**	412,593	402,146	396,141	376,561	42,441	11
Noninterest income	**264,220**	267,143	269,643	240,852	244,546	19,674	8
Total revenue (5)	**$ 683,222**	$ 679,736	$ 671,789	**$** 636,993	$ 621,107	$ 62,115	10%

N.R. — Not relevant, as denominator of calculation is a loss in prior period compared with income in current period.

(1) Comparisons for presented periods are impacted by a number of factors. Refer to “Significant Items” for additional discussion regarding these key factors.

(2) The 2009 fourth quarter gain related to the purchase of certain subordinated bank notes.

(3) For all periods presented, the impact of the convertible preferred stock issued in 2008 and the warrants issued to the U.S. Department of the Treasury in 2008 related to Huntington’s participation in the voluntary Capital Purchase Program was excluded from the diluted share calculation because the result was more than basic earnings per common share (anti-dilutive) for the periods.

(4) Net income (loss) 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.

(5) On a fully-taxable equivalent (FTE) basis assuming a 35% tax rate.

(6) Noninterest expense less amortization of intangibles and goodwill impairment divided by the sum of FTE net interest income and noninterest income excluding securities gains (losses).

Huntington Bancshares Incorporated
Quarterly Mortgage Banking Income
(Unaudited)

	2010				2009	4Q10 vs 4Q09	
(in thousands, except as noted)	**Fourth**	Third	Second	First	Fourth	Amount	Percent
Mortgage Banking Income							
Origination and secondary marketing	**$ 48,236**	$ 35,840	$ 19,778	$ 13,586	$ 16,473	$ 31,763	193%
Servicing fees	**11,474**	12,053	12,178	12,418	12,289	(815)	(7)
Amortization of capitalized servicing	**(13,960)**	(13,003)	(10,137)	(10,065)	(10,791)	(3,169)	29
Other mortgage banking income	**4,790**	4,966	3,664	3,210	4,466	324	7
Subtotal	**50,540**	39,856	25,483	19,149	22,437	28,103	125
MSR valuation adjustment(1)	**31,319**	(12,047)	(26,221)	(5,772)	15,491	15,828	102
Net trading gains (losses) related to MSR hedging	**(28,689)**	24,236	46,268	11,661	(13,310)	(15,379)	116
Total mortgage banking income	**$ 53,170**	$ 52,045	$ 45,530	$ 25,038	$ 24,618	$ 28,552	116%
Mortgage originations (in millions)	**$ 1,827**	$ 1,619	$ 1,161	$ 869	$ 1,131	$ 696	62%
Average trading account securities used to hedge MSRs (in millions)	**184**	23	28	18	19	165	868
Capitalized mortgage servicing rights(2)	**196,194**	161,594	179,138	207,552	214,592	(18,398)	(9)
Total mortgages serviced for others (in millions) (2)	**15,933**	15,713	15,954	15,968	16,010	(77)	—
MSR % of investor servicing portfolio	**1.23%**	1.03%	1.12%	1.30%	1.34%	(0.11)%	(8)
Net Impact of MSR Hedging							
MSR valuation adjustment(1)	**$ 31,319**	$ (12,047)	$ (26,221)	$ (5,772)	$ 15,491	$ 15,828	102%
Net trading gains (losses) related to MSR hedging	**(28,689)**	24,236	46,268	11,661	(13,310)	(15,379)	116
Net interest income related to MSR hedging	**713**	32	58	169	168	545	324
Net impact of MSR hedging	**$ 3,343**	$ 12,221	$ 20,105	$ 6,058	$ 2,349	$ 994	42%

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

(2) At period end.

Huntington Bancshares Incorporated
Quarterly Credit Reserves Analysis
(Unaudited)

(dollar amounts in thousands)	2010 Fourth	2010 Third	2010 Second	2010 First	2009 Fourth
Allowance for loan and lease losses, beginning of period	**$ 1,336,352**	$ 1,402,160	$ 1,477,969	$ 1,482,479	$ 1,031,971
Loan and lease losses	**(205,587)**	(221,144)	(312,954)	(264,222)	(471,486)
Recoveries of loans previously charged off	**33,336**	36,630	33,726	25,741	26,739
Net loan and lease losses	**(172,251)**	(184,514)	(279,228)	(238,481)	(444,747)
Provision for loan and lease losses	**84,907**	118,788	203,633	233,971	895,255
Allowance of assets sold	**—**	(82)	(214)	—	—
Allowance for loans transferred to held-for-sale	**—**	—	—	—	—
Allowance for loan and lease losses, end of period	**$ 1,249,008**	$ 1,336,352	$ 1,402,160	$ 1,477,969	$ 1,482,479
Allowance for unfunded loan commitments and letters of credit, beginning of period	**$ 40,061**	$ 39,689	$ 49,916	$ 48,879	$ 50,143
Provision for (Reduction in) unfunded loan commitments and letters of credit losses	**2,066**	372	(10,227)	1,037	(1,264)
Allowance for unfunded loan commitments and letters of credit, end of period	**$ 42,127**	$ 40,061	$ 39,689	$ 49,916	$ 48,879
Total allowance for credit losses	**$ 1,291,135**	$ 1,376,413	$ 1,441,849	$ 1,527,885	$ 1,531,358
Allowance for loan and lease losses (ALLL) as % of:					
Total loans and leases	**3.28%**	3.56%	3.79%	4.00%	4.03%
Nonaccrual loans and leases (NALs)	**161**	136	117	84	77
Nonperforming assets (NPAs)	**148**	121	89	77	72
Total allowance for credit losses (ACL) as % of:					
Total loans and leases	**3.39%**	3.67%	3.90%	4.14%	4.16%
Nonaccrual loans and leases	**166**	140	120	87	80
Nonperforming assets	**153**	125	91	80	74

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

(dollar amounts in thousands)	2010 Fourth	2010 Third	2010 Second	2010 First	2009 Fourth
Net charge-offs by loan and lease type:					
Commercial:					
Commercial and industrial	**$ 59,124**	$ 62,241	$ 58,128	$ 75,439	$ 109,816
Commercial real estate:					
Construction	**11,084**	17,936	45,562	34,426	85,345
Commercial	**33,787**	45,725	36,169	50,873	172,759
Commercial real estate	**44,871**	63,661	81,731	85,299	258,104
Total commercial	**103,995**	125,902	139,859	160,738	367,920
Consumer:					
Automobile loans and leases	**7,035**	5,570	5,436	8,531	12,928
Home equity	**29,175**	27,827	44,470(1)	37,901	35,764
Residential mortgage	**26,775(3)**	18,961	82,848(2)	24,311	17,789
Other loans	**5,271**	6,254	6,615	7,000	10,346
Total consumer	**68,256**	58,612	139,369	77,743	76,827
Total net charge-offs	**$ 172,251**	$ 184,514	$ 279,228	$ 238,481	$ 444,747
Net charge-offs — annualized percentages:					
Commercial:					
Commercial and industrial	**1.85%**	2.01%	1.90%	2.45%	3.49%
Commercial real estate:					
Construction	**6.19**	7.25	14.25	9.77	20.68
Commercial	**2.22**	3.01	2.38	3.25	10.15
Commercial real estate	**2.64**	3.60	4.44	4.44	12.21
Total commercial	**2.13**	2.59	2.85	3.22	7.00
Consumer:					
Automobile loans and leases	**0.51**	0.43	0.47	0.80	1.55
Home equity(1)	**1.51**	1.47	2.36	2.01	1.89
Residential mortgage(2)	**2.42**	1.73	7.19	2.17	1.61
Other loans	**3.66**	3.83	3.81	3.87	5.47
Total consumer	**1.50**	1.32	3.19	1.83	1.91
Net charge-offs as a % of average loans	**1.82%**	1.98%	3.01%	2.58%	4.80%

(1) The 2010 second quarter included net charge-offs of $14,678 thousand associated with the transfer of Franklin-related loans to loans held for sale and $1,262 thousand of other Franklin-related net charge-offs.

(2) The 2010 second quarter included net charge-offs of $60,822 thousand associated with the transfer of Franklin-related loans to loans held for sale and $3,403 thousand of other Franklin-related net charge-offs.

(3) The 2010 fourth quarter included net charge-offs of $16,389 thousand related to the sale of certain underperforming residential mortgage loans.

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

(dollar amounts in thousands)	2010 December 31,	2010 September 30,	2010 June 30,	2010 March 31,	2009 December 31,
Nonaccrual loans and leases (NALs):					
Commercial and industrial	**$ 346,720**	$ 398,353	$ 429,561	$ 511,588	$ 578,414
Commercial real estate	**363,692**	478,754	663,103	826,781	935,812
Total residential mortgages	**45,010**	82,984	86,486	372,950	362,630
Home equity	**22,526**	21,689	22,199	54,789	40,122
Total nonaccrual loans and leases	**777,948**	981,780	1,201,349	1,766,108	1,916,978
Other real estate, net:					
Residential	**31,649**	65,775	71,937	68,289	71,427
Commercial	**35,155**	57,309	67,189	83,971	68,717
Total other real estate, net	**66,804**	123,084	139,126	152,260	140,144
Impaired loans held for sale(1)	**—**	—	242,227	—	969
Total nonperforming assets	**$ 844,752**	$ 1,104,864	$ 1,582,702	$ 1,918,368	$ 2,058,091
Nonperforming Franklin assets:					
Residential mortgage	**$ —**	$ —	$ —	$ 297,967	$ 299,670
Home Equity	**—**	—	—	31,067	15,004
OREO	**9,477**	15,330	24,515	24,423	23,826
Impaired loans held for sale	**—**	—	242,227	—	—
Total nonperforming Franklin assets	**$ 9,477**	$ 15,330	$ 266,742	$ 353,457	$ 338,500
Nonaccrual loans and leases as a % of total loans and leases	**2.04%**	2.62%	3.25%	4.78%	5.21%
NPA ratio(2)	**2.21**	2.94	4.24	5.17	5.57

	2010 Fourth	2010 Third	2010 Second	2010 First	2009 Fourth
Nonperforming assets, beginning of period	**$ 1,104,864**	$ 1,582,702	$ 1,918,368	$ 2,058,091	$ 2,344,042
New nonperforming assets	**237,802**	278,388	171,595	237,914	494,607
Franklin impact, net	**(5,853)**	(244,389)	(86,715)	14,957	(30,996)
Returns to accruing status	**(100,051)**	(111,168)	(78,739)	(80,840)	(85,867)
Loan and lease losses	**(126,047)**	(155,553)	(173,159)	(185,387)	(391,635)
OREO losses	**(5,117)**	(5,302)	2,483	(4,160)	(7,394)
Payments	**(191,296)**	(213,095)	(140,881)	(107,640)	(222,790)
Sales	**(69,550)**	(26,719)	(30,250)	(14,567)	(41,876)
Nonperforming assets, end of period	**$ 844,752**	$ 1,104,864	$ 1,582,702	$ 1,918,368	$ 2,058,091

(1) The June 30, 2010, figure represented NALs associated with the transfer of Franklin-related residential mortgage and home equity loans to loans held for sale. The December 31, 2009, figure primarily represented 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.

(2) Nonperforming assets divided by the sum of loans and leases, impaired loans held for sale, and net other real estate.

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

	2010				2009
(dollar amounts in thousands)	**December 31,**	September 30,	June 30,	March 31,	December 31,
Accruing loans and leases past due 90 days or more:					
Commercial and industrial	**$ —**	$ —	$ —	$ 475	$ —
Commercial real estate	**—**	—	—	—	—
Residential mortgage (excluding loans guaranteed by the U.S. Government)	**53,983**	56,803	47,036	72,702	78,915
Home equity	**23,497**	27,160	26,797	29,438	53,343
Other loans and leases	**10,177**	11,423	9,533	10,598	13,400
Total, excl. loans guaranteed by the U.S. Government	**87,657**	95,386	83,366	113,213	145,658
Add: loans guaranteed by U.S. Government	**98,288**	94,249	95,421	96,814	101,616
Total accruing loans and leases past due 90 days or more, including loans guaranteed by the U.S. Government	**$ 185,945**	$ 189,635	$ 178,787	$ 210,027	$ 247,274
Ratios:					
Excluding loans guaranteed by the U.S. Government, as a percent of total loans and leases	**0.23%**	0.25%	0.23%	0.31%	0.40%
Guaranteed by U.S. Government, as a percent of total loans and leases	**0.26%**	0.26%	0.26%	0.26%	0.28%
Including loans guaranteed by the U.S. Government, as a percent of total loans and leases	**0.49%**	0.51%	0.49%	0.57%	0.68%
Accruing troubled debt restructured loans					
Commercial	**$ 171,830**	$ 157,971	$ 141,353	$ 117,667	$ 157,049
Total residential mortgages	**313,020**	287,481	269,570	242,870	219,639
Other	**76,586**	73,210	65,061	62,148	52,871
Total accruing troubled debt restructured loans	**$ 561,436**	$ 518,662	$ 475,984	$ 422,685	$ 429,559

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

Quarterly common stock summary

(dollar amounts in thousands, except per share amounts)	**2010**				2009
	Fourth	Third	Second	First	Fourth
Common stock price, per share					
High[1]	**$ 7.000**	$ 6.450	$ 7.400	$ 5.810	$ 4.770
Low[1]	**5.430**	5.040	5.260	3.650	3.500
Close	**6.870**	5.690	5.540	5.390	3.650
Average closing price	**6.050**	5.787	6.130	4.840	3.970
Dividends, per share					
Cash dividends declared per common share	**$ 0.01**	$ 0.01	$ 0.01	$ 0.01	$ 0.01
Common shares outstanding					
Average — basic	**757,924**	716,911	716,580	716,320	715,336
Average — diluted[2]	**760,582**	719,567	719,387	718,593	715,336
Ending	**863,319**	717,132	716,623	716,557	715,762
Book value per common share	**$ 5.35**	$ 5.39	$ 5.22	$ 5.13	$ 5.10
Tangible book value per common share[3]	**4.66**	4.55	4.37	4.26	4.21

Capital data

(dollar amounts in millions)	**2010**				2009
	December 31,	September 30,	June 30,	March 31,	December 31,
Calculation of tangible equity / asset ratio:					
Total shareholders' equity	**$ 4,981**	$ 5,567	$ 5,438	$ 5,370	$ 5,336
Less: goodwill	**(444)**	(444)	(444)	(444)	(444)
Less: other intangible assets	**(229)**	(244)	(259)	(274)	(289)
Add: related deferred tax liability[3]	**80**	85	91	95	101
Total tangible equity	**4,388**	4,964	4,826	4,747	4,704
Less: Preferred equity	**(363)**	(1,700)	(1,696)	(1,692)	(1,688)
Total tangible common equity	**$ 4,025**	$ 3,264	$ 3,130	$ 3,055	$ 3,016
Total assets	**$ 53,820**	$ 53,247	$ 51,771	$ 51,867	$ 51,555
Less: goodwill	**(444)**	(444)	(444)	(444)	(444)
Less: other intangible assets	**(229)**	(244)	(259)	(274)	(289)
Add: related deferred tax liability[3]	**80**	85	91	95	101
Total tangible assets	**$ 53,227**	$ 52,644	$ 51,159	$ 51,244	$ 50,923
Tangible equity / tangible asset ratio	**8.24%**	9.43%	9.43%	9.26%	9.24%
Tangible common equity / tangible asset ratio	**7.56**	6.20	6.12	5.96	5.92
Other capital data:					
Total risk-weighted assets	**$ 43,678**	$ 42,759	$ 42,486	$ 42,418	$ 42,816
Tier 1 leverage ratio[4]	**9.41%**	10.54%	10.45%	10.05%	10.09%
Tier 1 common risk-based capital ratio[4]	**9.25**	7.39	7.06	6.55	6.76
Tier 1 risk-based capital ratio[4]	**11.50**	12.82	12.51	12.00	12.15
Total risk-based capital ratio[4]	**14.39**	15.08	14.79	14.31	14.55
Tangible common equity / risk-weighted assets ratio	**9.22**	7.63	7.37	7.20	7.04
Other data:					
Number of employees (full-time equivalent)	**11,341**	11,279	11,117	10,678	10,272
Number of domestic full-service branches[5]	**620**	617	617	617	611

(1) High and low stock prices are intra-day quotes obtained from NASDAQ.

(2) For all periods presented, the impact of the convertible preferred stock issued in 2008 and the warrants issued to the U.S. Department of the Treasury in 2008 related to Huntington's participation in the voluntary Capital Purchase Program was excluded from the diluted share calculation because the result was more 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) December 31, 2010, figures are estimated. Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting ASC Topic 715, "Compensation — Retirement Benefits", from the regulatory capital calculations.

(5) Includes 9 Private Financial Group offices.

Huntington Bancshares Incorporated
Consolidated Annual Average Balance Sheets
(Unaudited)

	Annual Average Balances						
		Change from 2009			Change from 2008		
(dollar amounts in millions)	**2010**	**Amount**	**%**	2009	Amount	%	2008
Assets							
Interest bearing deposits in banks	**$ 289**	**$ (72)**	**(20)%**	$ 361	$ 58	19%	$ 303
Trading account securities	**158**	**13**	**9**	145	(945)	(87)	1,090
Federal funds sold and securities purchased under resale agreements	**—**	**(10)**	**(100)**	10	(425)	(98)	435
Loans held for sale	**529**	**(53)**	**(9)**	582	166	40	416
Investment securities:							
Taxable	**8,760**	**2,659**	**44**	6,101	2,223	57	3,878
Tax-exempt	**411**	**197**	**92**	214	(491)	(70)	705
Total investment securities	**9,171**	**2,856**	**45**	6,315	1,732	38	4,583
Loans and leases:(1)							
Commercial:							
Commercial and industrial	**12,431**	**(705)**	**(5)**	13,136	(452)	(3)	13,588
Commercial real estate:							
Construction	**1,096**	**(762)**	**(41)**	1,858	(203)	(10)	2,061
Commercial	**6,129**	**(1,169)**	**(16)**	7,298	(373)	(5)	7,671
Commercial real estate	**7,225**	**(1,931)**	**(21)**	9,156	(576)	(6)	9,732
Total commercial	**19,656**	**(2,636)**	**(12)**	22,292	(1,028)	(4)	23,320
Consumer:							
Automobile loans and leases	**4,890**	**1,344**	**38**	3,546	(981)	(22)	4,527
Home equity	**7,590**	**—**	**—**	7,590	186	3	7,404
Residential mortgage	**4,476**	**(66)**	**(1)**	4,542	(476)	(9)	5,018
Other loans	**661**	**(61)**	**(8)**	722	31	4	691
Total consumer	**17,617**	**1,217**	**7**	16,400	(1,240)	(7)	17,640
Total loans and leases	**37,273**	**(1,419)**	**(4)**	38,692	(2,268)	(6)	40,960
Allowance for loan and lease losses	**(1,430)**	**(474)**	**50**	(956)	(261)	38	(695)
Net loans and leases	**35,843**	**(1,893)**	**(5)**	37,736	(2,529)	(6)	40,265
Total earning assets	**47,420**	**1,315**	**3**	46,105	(1,682)	(4)	47,787
Cash and due from banks	**1,518**	**(614)**	**(29)**	2,132	1,174	123	958
Intangible assets	**702**	**(700)**	**(50)**	1,402	(2,044)	(59)	3,446
All other assets	**4,364**	**607**	**16**	3,757	332	10	3,425
Total Assets	**$ 52,574**	**$ 134**	**—%**	$ 52,440	$ (2,481)	(5)%	$ 54,921
Liabilities and Shareholders' Equity							
Deposits:							
Demand deposits — noninterest-bearing	**$ 6,859**	**$ 802**	**13%**	$ 6,057	$ 962	19%	$ 5,095
Demand deposits — interest-bearing	**5,579**	**763**	**16**	4,816	813	20	4,003
Money market deposits	**11,743**	**4,527**	**63**	7,216	1,123	18	6,093
Savings and other domestic deposits	**4,642**	**(239)**	**(5)**	4,881	(266)	(5)	5,147
Core certificates of deposit	**9,188**	**(2,756)**	**(23)**	11,944	307	3	11,637
Total core deposits	**38,011**	**3,097**	**9**	34,914	2,939	9	31,975
Other domestic deposits of $250,000 or more	**697**	**(144)**	**(17)**	841	(802)	(49)	1,643
Brokered deposits and negotiable CDs	**1,603**	**(1,544)**	**(49)**	3,147	(96)	(3)	3,243
Deposits in foreign offices	**427**	**(60)**	**(12)**	487	(488)	(50)	975
Total deposits	**40,738**	**1,349**	**3**	39,389	1,553	4	37,836
Short-term borrowings	**1,446**	**513**	**55**	933	(1,441)	(61)	2,374
Federal Home Loan Bank advances	**173**	**(1,063)**	**(86)**	1,236	(2,045)	(62)	3,281
Subordinated notes and other long-term debt	**3,780**	**(541)**	**(13)**	4,321	227	6	4,094
Total interest bearing liabilities	**39,278**	**(544)**	**(1)**	39,822	(2,668)	(6)	42,490
All other liabilities	**956**	**182**	**24**	774	(166)	(18)	940
Shareholders' equity	**5,481**	**(306)**	**(5)**	5,787	(609)	(10)	6,396
Total Liabilities and Shareholders' Equity	**$ 52,574**	**$ 134**	**—%**	$ 52,440	$ (2,481)	(5)%	$ 54,921

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

Huntington Bancshares Incorporated
Consolidated Annual Net Interest Margin Analysis
(Unaudited)

Fully-taxable equivalent basis(1)	Annual Average Rates(2)		
	2010	2009	2008
Assets			
Interest bearing deposits in banks	**0.28%**	0.32%	2.53%
Trading account securities	**1.82**	2.99	5.28
Federal funds sold and securities purchased under resale agreements	—	0.13	2.46
Loans held for sale	**4.85**	5.15	6.01
Investment securities:			
Taxable	**2.73**	4.10	5.62
Tax-exempt	**4.56**	6.68	6.83
Total investment securities	**2.81**	4.18	5.81
Loans and leases:(3)			
Commercial:			
Commercial and industrial	**5.31**	5.06	5.67
Commercial real estate:			
Construction	**2.79**	2.74	5.05
Commercial	**3.83**	3.59	5.61
Commercial real estate	**3.67**	3.42	5.49
Total commercial	**4.71**	4.39	5.59
Consumer:			
Automobile loans and leases	**6.04**	7.12	6.88
Home equity	**5.06**	5.62	6.42
Residential mortgage	**4.84**	5.23	5.83
Other loans	**7.18**	7.78	9.85
Total consumer	**5.35**	5.93	6.50
Total loans and leases	**5.02**	5.04	5.99
Total earning assets	**4.55%**	4.88%	5.90%
Liabilities and Shareholders' Equity			
Deposits:			
Demand deposits — noninterest-bearing	**—%**	—%	—%
Demand deposits — interest-bearing	**0.19**	0.20	0.55
Money market deposits	**0.88**	1.16	1.93
Savings and other domestic deposits	**1.04**	1.37	1.95
Core certificates of deposit	**2.52**	3.43	4.26
Total core deposits	**1.26**	1.97	2.74
Other domestic deposits of $250,000 or more	**1.32**	2.48	3.77
Brokered deposits and negotiable CDs	**2.21**	2.64	3.66
Deposits in foreign offices	**0.20**	0.19	1.56
Total deposits	**1.30**	2.02	2.85
Short-term borrowings	**0.21**	0.25	1.78
Federal Home Loan Bank advances	**1.80**	1.04	3.29
Subordinated notes and other long-term debt	**2.15**	2.88	4.51
Total interest bearing liabilities	**1.34**	2.04	2.98
Net interest rate spread	**3.21**	2.84	2.92
Impact of noninterest bearing funds on margin	**0.23**	0.27	0.33
Net interest margin	**3.44%**	3.11%	3.25%

(1) Fully-taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 16 for the FTE adjustment.

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

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

Huntington Bancshares Incorporated
Selected Annual Income Statement Data[1]
(Unaudited)

	Year Ended December 31,						
		Change from 2009			Change from 2008		
(dollar amounts in thousands, except per share amounts)	**2010**	**Amount**	**%**	2009	Amount	%	2008
Interest income	**$ 2,145,392**	**$ (92,750)**	**(4)%**	$ 2,238,142	$ (560,180)	(20)%	$ 2,798,322
Interest expense	**526,587**	**(287,268)**	**(35)**	813,855	(452,776)	(36)	1,266,631
Net interest income	**1,618,805**	**194,518**	**14**	1,424,287	(107,404)	(7)	1,531,691
Provision for credit losses	**634,547**	**(1,440,124)**	**(69)**	2,074,671	1,017,208	96	1,057,463
Net interest income (loss) after provision for credit losses	**984,258**	**1,634,642**	**N.R.**	(650,384)	(1,124,612)	N.R.	474,228
Service charges on deposit accounts	**267,015**	**(35,784)**	**(12)**	302,799	(5,254)	(2)	308,053
Mortgage banking income	**175,782**	**63,484**	**57**	112,298	103,304	1,149	8,994
Trust services	**112,555**	**8,916**	**9**	103,639	(22,341)	(18)	125,980
Electronic banking	**110,234**	**10,083**	**10**	100,151	9,884	11	90,267
Insurance income	**76,413**	**3,087**	**4**	73,326	702	1	72,624
Brokerage income	**68,855**	**4,012**	**6**	64,843	(329)	(1)	65,172
Bank owned life insurance income	**61,066**	**6,194**	**11**	54,872	96	—	54,776
Automobile operating lease income	**45,964**	**(5,846)**	**(11)**	51,810	11,959	30	39,851
Securities losses	**(274)**	**9,975**	**(97)**	(10,249)	187,121	(95)	(197,370)
Other income	**124,248**	**(27,907)**	**(18)**	152,155	13,364	10	138,791
Total noninterest income	**1,041,858**	**36,214**	**4**	1,005,644	298,506	42	707,138
Personnel costs	**798,973**	**98,491**	**14**	700,482	(83,064)	(11)	783,546
Outside data processing and other services	**159,248**	**11,153**	**8**	148,095	17,869	14	130,226
Net occupancy	**107,862**	**2,589**	**2**	105,273	(3,155)	(3)	108,428
Deposit and other insurance expense	**97,548**	**(16,282)**	**(14)**	113,830	91,393	407	22,437
Professional services	**88,778**	**12,412**	**16**	76,366	26,753	54	49,613
Equipment	**85,920**	**2,803**	**3**	83,117	(10,848)	(12)	93,965
Marketing	**65,924**	**32,875**	**99**	33,049	385	1	32,664
Amortization of intangibles	**60,478**	**(7,829)**	**(11)**	68,307	(8,587)	(11)	76,894
OREO and foreclosure expense	**39,049**	**(54,850)**	**(58)**	93,899	60,444	181	33,455
Automobile operating lease expense	**37,034**	**(6,326)**	**(15)**	43,360	12,078	39	31,282
Goodwill impairment	**—**	**(2,606,944)**	**(100)**	2,606,944	2,606,944	—	—
Gain on early extinguishment of debt[2]	**—**	**147,442**	**(100)**	(147,442)	(123,900)	526	(23,542)
Other expense	**132,991**	**24,828**	**23**	108,163	(30,243)	(22)	138,406
Total noninterest expense	**1,673,805**	**(2,359,638)**	**(59)**	4,033,443	2,556,069	173	1,477,374
Income (loss) before income taxes	**352,311**	**4,030,494**	**N.R.**	(3,678,183)	(3,382,175)	1,143	(296,008)
Provision (benefit) for income taxes	**39,964**	**623,968**	**N.R.**	(584,004)	(401,802)	221	(182,202)
Net income (loss)	**$ 312,347**	**$ 3,406,526**	**N.R.**	$ (3,094,179)	$ (2,980,373)	2,619	$ (113,806)
Dividends on preferred shares	**172,032**	**(2,724)**	**(2)**	174,756	128,356	277.0	46,400
Net income (loss) applicable to common shares	**$ 140,315**	**$ 3,409,250**	**N.R.**	$ (3,268,935)	$ (3,108,729)	1,940%	$ (160,206)
Average common shares — basic	**726,934**	**194,132**	**36%**	532,802	166,647	46%	366,155
Average common shares — diluted[3]	**729,532**	**196,730**	**37**	532,802	166,647	46	366,155
Per common share							
Net income (loss) — basic	**$ 0.19**	**$ 6.33**	**N.R.**	$ (6.14)	$ (5.70)	1,295%	$ (0.44)
Net income (loss) — diluted	**0.19**	**6.33**	**N.R.**	(6.14)	(5.70)	1,295	(0.44)
Cash dividends declared	**0.0400**	**—**	**—**	0.0400	(0.6225)	(94)	0.6625
Return on average total assets	**0.59%**	**6.49%**	**N.R.**	(5.90)%	(5.69)%	2,710%	(0.21)%
Return on average common shareholders' equity	**3.7**	**84.5**	**N.R.**	(80.8)	(79.0)	4,389	(1.8)
Return on average tangible common shareholders' equity[4]	**5.6**	**28.0**	**N.R.**	(22.4)	(18.8)	522	(3.6)
Net interest margin[5]	**3.44**	**0.33**	**11**	3.11	(0.14)	(4)	3.25
Efficiency ratio[6]	**60.4**	**5.0**	**9**	55.4	(1.6)	(3)	57.0
Effective tax rate (benefit)	**11.3**	**27.2**	**N.R.**	(15.9)	45.7	(74)	(61.6)
Revenue — fully taxable equivalent (FTE)							
Net interest income	**$ 1,618,805**	**$ 194,518**	**14%**	$ 1,424,287	$ (107,404)	(7)%	$ 1,531,691
FTE adjustment[5]	**11,077**	**(395)**	**(3)**	11,472	(8,746)	(43)	20,218
Net interest income	**1,629,882**	**194,123**	**14**	1,435,759	(116,150)	(7)	1,551,909
Noninterest income	**1,041,858**	**36,214**	**4**	1,005,644	298,506	42	707,138
Total revenue	**$ 2,671,740**	**$ 230,337**	**9%**	$ 2,441,403	$ 182,356	8%	$ 2,259,047

N.R. — Not relevant, as denominator of calculation is a loss in prior period compared with income in current period.

(1) Comparisons for presented periods are impacted by a number of factors. Refer to the "Significant Items" discussion.

(2) The 2009 gain included $67.4 million related to the purchase of certain trust preferred securities.

(3) For all periods presented, the impact of the convertible preferred stock issued in 2008 and the warrants issued to the U.S. Department of the Treasury in 2008 related to Huntington's participation in the voluntary Capital Purchase Program was excluded from the diluted share calculation because the result was more than basic earnings per common share (anti-dilutive) for the periods.

(4) 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.

(5) On a fully-taxable equivalent (FTE) basis assuming a 35% tax rate.

(6) Noninterest expense less amortization of intangibles and goodwill impairment divided by the sum of FTE net interest income and noninterest income excluding securities gains (losses).

Huntington Bancshares Incorporated
Annual Mortgage Banking Income
(Unaudited)

(dollar amounts in thousands, except as noted)	Year Ended December 31, 2010	2009	2008	2007	2006
Mortgage Banking Income					
Origination and secondary marketing	**$ 117,440**	$ 94,711	$ 37,257	$ 25,965	$ 18,217
Servicing fees	**48,123**	48,494	45,558	36,012	24,659
Amortization of capitalized servicing	**(47,165)**	(47,571)	(26,634)	(20,587)	(15,144)
Other mortgage banking income	**16,629**	23,360	16,768	13,198	10,173
Subtotal	**135,027**	118,994	72,949	54,588	37,905
MSR valuation adjustment(1)	**(12,721)**	34,305	(52,668)	(16,131)	4,871
Net trading gains (losses) related to MSR hedging	**53,476**	(41,001)	(11,287)	(8,653)	(1,285)
Total mortgage banking income	**$ 175,782**	$ 112,298	$ 8,994	$ 29,804	$ 41,491
Mortgage originations (in millions)	**$ 5,476**	$ 5,262	$ 3,773	$ 3,493	$ 2,822
Average trading account securities used to hedge MSRs (in millions)	**64**	70	1,031	594	26
Capitalized mortgage servicing rights(2)	**196,194**	214,592	167,438	207,894	131,104
Total mortgages serviced for others (in millions)(2)	**15,933**	16,010	15,754	15,088	8,252
MSR % of investor servicing portfolio	**1.23%**	1.34%	1.06%	1.38%	1.59%
Net Impact of MSR Hedging					
MSR valuation adjustment(1)	**$ (12,721)**	$ 34,305	$ (52,668)	$ (16,131)	$ 4,871
Net trading gains (losses) related to MSR hedging	**53,476**	(41,001)	(11,287)	(8,653)	(1,285)
Net interest income related to MSR hedging	**972**	2,999	33,139	5,797	36
Net impact of MSR hedging	**$ 41,727**	$ (3,697)	$ (30,816)	$ (18,987)	$ 3,622

(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
Annual Credit Reserves Analysis
(Unaudited)

(dollar amounts in thousands)	Year Ended December 31, 2010	2009	2008	2007	2006
Allowance for loan and lease losses, beginning of period	**$ 1,482,479**	$ 900,227	$ 578,442	$ 272,068	$ 268,347
Acquired allowance for loan and lease losses	**—**	—	—	188,128	23,785
Loan and lease losses	**(1,003,907)**	(1,561,378)	(806,330)	(517,942)	(119,692)
Recoveries of loans previously charged off	**129,433**	84,791	48,263	40,311	37,316
Net loan and lease losses	**(874,474)**	(1,476,587)	(758,067)	(477,631)	(82,376)
Provision for loan and lease losses	**641,299**	2,069,931	1,067,789	628,802	62,312
Economic reserve transfer	**—**	—	12,063	—	—
Allowance of assets sold	**(296)**	(9,188)	—	—	—
Allowance for loans transferred to held-for-sale	**—**	(1,904)	—	(32,925)	—
Allowance for loan and lease losses, end of period	**$ 1,249,008**	$ 1,482,479	$ 900,227	$ 578,442	$ 272,068
Allowance for unfunded loan commitments and letters of credit, beginning of period	**$ 48,879**	$ 44,139	$ 66,528	$ 40,161	$ 36,957
Acquired AULC	**—**	—	—	11,541	325
(Reduction in) Provision for unfunded loan commitments and letters of credit losses	**(6,752)**	4,740	(10,326)	14,826	2,879
Economic reserve transfer	**—**	—	(12,063)	—	—
Allowance for unfunded loan commitments and letters of credit, end of period	**$ 42,127**	$ 48,879	$ 44,139	$ 66,528	$ 40,161
Total allowance for credit losses	**$ 1,291,135**	$ 1,531,358	$ 944,366	$ 644,970	$ 312,229
Allowance for loan and lease losses (ALLL) as % of:					
Total loans and leases	**3.28%**	4.03%	2.19%	1.44%	1.04%
Nonaccrual loans and leases (NALs)	**161**	77	60	181	189
Nonperforming assets (NPAs)	**148**	72	55	122	141
Total allowance for credit losses (ACL) as % of:					
Total loans and leases	**3.39%**	4.16%	2.30%	1.61%	1.19%
Nonaccrual loans and leases (NALs)	**166**	80	63	202	217
Nonperforming assets (NPAs)	**153**	74	58	136	161

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

(dollar amounts in thousands)	Year Ended December 31, 2010	2009	2008	2007	2006
Net charge-offs by loan and lease type:					
Commercial:					
Commercial and industrial(1)(2)(3)(4)	**$ 254,932**	$ 487,606	$ 526,165	$ 345,840	$ 20,868
Commercial real estate:					
Construction	**109,008**	192,706	6,626	11,854	3,553
Commercial	**166,554**	490,025	62,114	27,250	3,230
Commercial real estate	**275,562**	682,731	68,740	39,104	6,783
Total commercial	**530,494**	1,170,337	594,905	384,944	27,651
Consumer:					
Automobile loans and leases	**26,572**	56,332	54,565	27,692	18,775
Home equity(5)	**139,373**	106,176	67,556	34,426	21,854
Residential mortgage(6)(7)	**152,895**	110,202	21,247	11,371	4,505
Other loans	**25,140**	33,540	19,794	19,198	9,591
Total consumer	**343,980**	306,250	163,162	92,687	54,725
Total net charge-offs	**$ 874,474**	$ 1,476,587	$ 758,067	$ 477,631	$ 82,376
Net charge-offs — annualized percentages:					
Commercial:					
Commercial and industrial'(1)(2)(3)(4)	**2.05%**	3.71%	3.87%	3.25%	0.28%
Commercial real estate:					
Construction	**9.95**	10.37	0.32	0.77	0.28
Commercial	**2.72**	6.71	0.81	0.52	0.10
Commercial real estate	**3.81**	7.46	0.71	0.57	0.15
Total commercial	**2.70**	5.25	2.55	2.21	0.23
Consumer:					
Automobile loans and leases	**0.54**	1.59	1.21	0.67	0.46
Home equity(5)	**1.84**	1.40	0.91	0.56	0.44
Residential mortgage(6)(7)	**3.42**	2.43	0.42	0.23	0.10
Other loans	**3.80**	4.65	2.86	3.63	2.18
Total consumer	**1.95**	1.87	0.92	0.59	0.39
Net charge-offs as a % of average loans	**2.35%**	3.82%	1.85%	1.44%	0.32%

(1) 2010 included net recoveries associated with the Franklin relationship totaling $5.1 million.

(2) 2009 included net charge-offs associated with the Franklin relationship totaling $114.5 million.

(3) 2008 included net charge-offs associated with the Franklin relationship totaling $423.3 million.

(4) 2007 included net charge-offs associated with the Franklin restructuring totaling $397.0 million. These net charge-offs were reduced by the unamortized discount with the loans and by other amounts received by Franklin totaling $88.5 million, resulting in net charge-offs totaling $308.5 million.

(5) 2010 included net charge-offs of $14.7 million associated with the transfer of Franklin-related loans to loans held for sale and $6.1 million of other Franklin-related net charge-offs.

(6) 2010 included net charge-offs of $60.8 million associated with the transfer of Franklin-related loans to loans held for sale and $10.5 million of other Franklin-related net charge-offs.

(7) Effective in 2009, a change to accelerate the timing of when a partial charge-off is recognized was made. This change resulted in $32.0 million of charge-offs in 2009.

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

(dollar amounts in thousands)	December 31, 2010	2009	2008	2007	2006
Nonaccrual loans and leases (NALs):					
Commercial and industrial (1)	**$ 346,720**	$ 578,414	$ 932,648	$ 87,679	$ 58,393
Commercial real estate	**363,692**	935,812	445,717	148,467	37,947
Total residential mortgages (1)	**45,010**	362,630	98,951	59,557	32,527
Home equity	**22,526**	40,122	24,831	24,068	15,266
Total nonaccrual loans and leases	**777,948**	1,916,978	1,502,147	319,771	144,133
Other real estate, net:					
Residential	**31,649**	71,427	63,058	60,804	47,898
Commercial	**35,155**	68,717	59,440	14,467	1,589
Total other real estate, net	**66,804**	140,144	122,498	75,271	49,487
Impaired loans held for sale (2)	**—**	969	12,001	73,481	—
Other NPAs (3)	**—**	—	—	4,379	—
Total nonperforming assets	**$ 844,752**	$ 2,058,091	$ 1,636,646	$ 472,902	$ 193,620
Nonperforming Franklin assets:					
Commercial	**$ —**	$ —	$ 650,225	$ —	$ —
Residential mortgage	**—**	299,670	—	—	—
Home Equity	**—**	15,004	—	—	—
OREO	**9,477**	23,826	—	—	—
Total nonperforming Franklin assets	**$ 9,477**	$ 338,500	$ 650,225	$ —	$ —
Nonaccrual loans and leases as a % of total loans and leases	**2.04%**	5.21%	3.66%	0.80%	0.55%
NPA ratio (4)	**2.21**	5.57	3.97	1.18	0.74

(dollar amounts in thousands)	December 31, 2010	2009	2008	2007	2006
Nonperforming assets, beginning of period	**$ 2,058,091**	$ 1,636,646	$ 472,902	$ 193,620	$ 117,155
New nonperforming assets	**925,699**	2,767,295	1,082,063	468,056	222,043
Franklin impact, net	**(322,000)**	(311,726)	650,225	—	—
Acquired nonperforming assets	**—**	—	—	144,492	33,843
Returns to accruing status	**(370,798)**	(215,336)	(42,161)	(24,952)	(43,999)
Loan and lease losses	**(640,146)**	(1,148,135)	(202,249)	(120,959)	(45,648)
OREO losses	**(12,096)**	(62,665)	(19,582)	(5,795)	(543)
Payments	**(652,912)**	(497,076)	(194,692)	(86,093)	(59,469)
Sales	**(141,086)**	(110,912)	(109,860)	(95,467)	(29,762)
Nonperforming assets, end of period	**$ 844,752**	$ 2,058,091	$ 1,636,646	$ 472,902	$ 193,620

(1) Franklin loans were reported as commercial accruing restructured loans at December 31, 2007. At December 31, 2008, Franklin loans were reported as nonaccrual commercial and industrial loans. At December 31, 2009, nonaccrual Franklin loans were reported as residential mortgage loans, home equity loans, and OREO, reflecting the 2009 first quarter restructuring.

(2) Represents 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
Annual Accruing Past Due Loans and Leases and Accruing Troubled Debt Restructured Loans
(Unaudited)

	December 31,				
(dollar amounts in thousands)	**2010**	2009	2008	2007	2006
Accruing loans and leases past due 90 days or more:					
Commercial and industrial	**$ —**	$ —	$ 10,889	$ 10,474	$ 170
Commercial real estate	**—**	—	59,425	25,064	1,711
Residential mortgage (excluding loans guaranteed by the U.S. Government)	**53,983**	78,915	71,553	67,391	35,555
Home equity	**23,497**	53,343	29,039	24,086	13,423
Other loans and leases	**10,177**	13,400	18,039	13,962	6,650
Total, excl. loans guaranteed by the U.S. Government	**87,657**	145,658	188,945	140,977	57,509
Add: loans guaranteed by U.S. Government	**98,288**	101,616	82,576	51,174	31,308
Total accruing loans and leases past due 90 days or more, including loans guaranteed by the U.S. Government	**$ 185,945**	$ 247,274	$ 271,521	$ 192,151	$ 88,817
Ratios:					
Excluding loans guaranteed by the U.S. Government, as a percent of total loans and leases	**0.23%**	0.40%	0.46%	0.35%	0.22%
Guaranteed by U.S. Government, as a percent of total loans and leases	**0.26%**	0.28%	0.20%	0.13%	0.12%
Including loans guaranteed by the U.S. Government, as a percent of total loans and leases	**0.49%**	0.68%	0.66%	0.48%	0.34%
Accruing troubled debt restructured loans					
Commercial	**$ 171,830**	$ 157,049	$ 185,333	$ 1,187,368	$ —
Total residential mortgages	**313,020**	219,639	82,857	32,005	7,496
Other	**76,586**	52,871	41,094	—	—
Total accruing troubled debt restructured loans	**$ 561,436**	$ 429,559	$ 309,284	$ 1,219,373	$ 7,496