SCHEDULE 14A INFORMATION

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

Filed by the Registrant / /
Filed by a party other than the Registrant / /

Check the appropriate box:
/ / Preliminary Proxy Statement
/ / Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
/X/ Definitive Proxy Statement
/ / Definitive Additional Materials
/ / Soliciting Material Pursuant to Section 240.14a-11(c) or Section 240.14a-12

Huntington Bancshares Incorporated

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):

/X/ No fee required

/ / Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11

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

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(2) Aggregate number of securities to which transaction applies:

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

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(4) Proposed maximum aggregate value of transaction:

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(5) Total fee paid:

/ / Fee paid previously with preliminary materials.

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

(1) Amount Previously Paid:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

NOTICE OF ANNUAL MEETING

PROXY STATEMENT

FINANCIAL SUPPLEMENT

Huntington Bancshares Incorporated
Huntington Center
41 South High Street
Columbus, Ohio 43287

RICHARD A. CHEAP
General Counsel and Secretary

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS

To Our Shareholders:

The Thirty-Third Annual Meeting of Shareholders of Huntington Bancshares Incorporated will be held in the Capitol Square Banking Lobby of The Huntington National Bank, 17 South High Street, Columbus, Ohio, on Thursday, April 22, 1999, at 5:00 p.m. local Columbus, Ohio time, for the following purposes:

(1) To elect four directors to serve as Class III Directors until the Annual Meeting of Shareholders to be held in the year 2002 and until their successors are elected, and one director to serve as a Class I Director until the Annual Meeting of Shareholders to be held in the year 2000 and until his successor is elected.

(2) To consider and act upon a proposal to approve the Corporation's Amended and Restated Incentive Compensation Plan.

(3) To consider and act upon a proposal to approve the Corporation's Amended and Restated Long-Term Incentive Compensation Plan.

(4) To ratify the appointment of Ernst & Young LLP, independent auditors, to serve as auditors for the Corporation for the year 1999.

(5) To transact any other business which may properly come before the meeting.

You will be welcome at the meeting, and we hope you can attend. Directors and officers of Huntington Bancshares Incorporated and representatives of its independent auditors will be present to answer your questions and to discuss its business.

We urge you to vote your proxy by telephone or execute and return the enclosed proxy as soon as possible so that your shares may be voted in accordance with your wishes. If you attend the meeting, you may vote in person, and your proxy will not be used.

Sincerely yours,

Richard A. Cheap
February 17, 1999

SHAREHOLDERS ARE REQUESTED TO VOTE THEIR PROXIES EITHER BY TELEPHONE OR BY SENDING THEIR PROXY CARDS IN THE ACCOMPANYING ENVELOPE WHICH REQUIRES NO POSTAGE IF MAILED IN THE UNITED STATES

PROXY STATEMENT

This Proxy Statement is furnished to the shareholders of Huntington Bancshares Incorporated (the "Corporation") in connection with the solicitation of proxies by the Corporation's Board of Directors to be used in voting at the Annual Meeting of Shareholders to be held on April 22, 1999, and at any adjournment thereof. This Proxy Statement and the enclosed proxy will be first sent or given to the Corporation's shareholders on approximately February 23, 1999. The Financial Supplement attached to this Proxy Statement contains information relating to the Corporation's financial results for the fiscal year ended December 31, 1998, including the Corporation's consolidated financial statements, accompanying notes, and Management's Discussion and Analysis of Financial Condition and Results of Operations.

The shares represented by a properly submitted proxy will be voted as directed if the proxy is received by the Corporation prior to the meeting. The proxy will be voted FOR the nominees for director named herein, FOR the approval of the Corporation's Amended and Restated Incentive Compensation Plan, FOR the approval of the Corporation's Amended and Restated Long-Term Incentive Compensation Plan, and FOR the ratification of Ernst & Young LLP's appointment as independent auditors, if no direction is made to the contrary. A properly submitted proxy will also confer discretionary authority to vote on any other matter which may properly come before the meeting.

A person voting by proxy either telephonically or by properly signing and submitting the enclosed proxy card has the power to revoke it at any time before it is exercised by filing a written notice with the Secretary of the Corporation prior to the meeting. Shareholders who attend the meeting may vote in person and their proxies will not be used.

The Corporation will bear the cost of the solicitation of proxies, including the reasonable charges and expenses of brokerage firms and others for forwarding solicitation material to beneficial owners of stock. Representatives of the Corporation may solicit proxies by mail, telegram, telephone or other means of electronic transmission, or personal interview. The Corporation has retained Morrow & Co., Inc. to assist in the solicitation of proxies and will pay such firm fees of approximately $5,500.00 plus expenses.

Holders of record of Common Stock at the close of business on February 8, 1999, will be entitled to vote at the Annual Meeting. At that date, the Corporation had 210,471,299 shares of Common Stock outstanding and entitled to vote. Each share of Common Stock outstanding on the record date entitles the

holder to one vote on each matter submitted at the Annual Meeting.

A majority of the outstanding shares of the Corporation will constitute a quorum at the meeting. Under the law of Maryland, the Corporation's state of incorporation, abstentions and broker non-votes are counted for purposes of determining the presence or absence of a quorum, but are not counted as votes cast at the meeting. Broker non-votes occur when brokers, who hold their customers' shares in street name, submit proxies for such shares on some matters, but not others. Typically, this would occur when brokers have not received any instructions from their customers, in which case the brokers, as the holders of record, are permitted to vote on "routine" matters, which typically include the election of directors and ratification of independent auditors, but not on non-routine matters.

The election of each director nominee requires the favorable vote of a plurality of all votes cast by the holders of Common Stock at a meeting at which a quorum is present. Only shares that are voted in favor of a particular nominee will be counted toward such nominee's achievement of a plurality and thus broker non-votes and abstentions will have no effect. Each other matter to be submitted to the shareholders at this meeting requires the affirmative vote of a majority of all the votes cast by the holders of Common Stock at a meeting at which a quorum is present for approval or ratification of the matter. Broker non-votes and abstentions will have no effect on these matters since they are not counted as votes cast at the meeting.

ELECTION OF DIRECTORS

The Corporation's Charter provides for a classified Board of Directors. The number of authorized directors has been set at eleven. The Board of Directors proposes the election of five directors at the 1999 Annual Meeting of Shareholders - four to serve as Class III Directors and one to serve as a Class I Director.

Don M. Casto III, Patricia T. Hayot, Wm. J. Lhota and Timothy P. Smucker are currently Class III Directors of the Corporation and were elected at the 1996 Annual Meeting of Shareholders to serve three-year terms expiring in 1999. Mr. Casto, Ms. Hayot, and Messrs. Lhota and Smucker are being nominated by the Board of Directors for reelection as

Class III Directors. The nominees for Class III Directors, if elected, will each serve a three-year term expiring at the 2002 Annual Meeting of Shareholders and until their successors are elected.

John B. Gerlach, Jr. is being nominated by the Board of Directors for election as a Class I Director. Mr. Gerlach currently serves as a director of The Huntington National Bank. Mr. Gerlach, if elected, will serve a one-year term expiring at the 2000 Annual Meeting of Shareholders and until his successor is elected.

It is intended that, unless otherwise directed, the shares represented by the enclosed proxy will be voted FOR the election of Mr. Casto, Ms. Hayot, and Messrs. Lhota and Smucker as Class III Directors and FOR the election of Mr. Gerlach as a Class I Director. In the event that any of the nominees for director should become unavailable, the number of directors of the Corporation may be decreased pursuant to the Bylaws, or the Board of Directors may designate a substitute nominee, in which event such shares will be voted for such substitute nominee.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE ELECTION OF EACH OF THE NOMINEES FOR DIRECTOR.

The following tables set forth certain information concerning each nominee and each continuing director of the Corporation.

CLASS III DIRECTORS
(NOMINEES FOR TERMS EXPIRING IN 2002)

<TABLE>
<CAPTION>

Name and Principal Occupation(1)	Age	Director Since	Directorships held in any company with a class of securities registered pursuant to Sections 12 or 15(d) of the Securities Exchange Act of 1934
<S>	<C>	<C>	<C>
DON M. CASTO III President, Don M. Casto Organization, real estate developers	54	1985	
Patricia T. Hayot Head of Columbus School for Girls	53	1996	
WM. J. LHOTA Executive Vice President, American Electric Power, management, technical and professional subsidiary of AEP, a major investor-owned electric utility system	59	1990	AEP Generating Company, AEP Resources, Inc., American Electric Power Service Corp., Appalachian Power Company, Cedar Coal Company, Central Ohio Coal Company, Columbus

Name and Principal Occupation(1)	Age	Director Since	Directorships held in any company with a class of securities registered pursuant to Sections 12 or 15(d) of the Securities Exchange Act of 1934
			Southern Power Company, Indiana Michigan Power Company, Kentucky Power Company, Kingsport Power Company, Ohio Power
Company,			Ohio Valley Electric Corporation, State
Auto			Financial Corporation
TIMOTHY P. SMUCKER Chairman, The J. M. Smucker Company, manufacturer of jams, jellies, ice cream toppings, juices, and peanut butter	54	1978	The J. M. Smucker Company, Dreyer's Grand Ice Cream, Inc.

</TABLE>

CLASS II DIRECTORS
(TERMS EXPIRE IN 2001)

<TABLE>
<CAPTION>

Name and Principal Occupation(1)	Age	Director Since	Directorships held in any company with a class of securities registered pursuant to Sections 12 or 15(d) of the Securities Exchange Act of 1934
<S>	<C>	<C>	<C>
DON CONRAD Chairman and Chief Executive Officer, WACO Oil Co., Inc., retail gasoline/convenience stores, car washes, and self storage warehouses	70	1989	
GEORGE A. SKESTOS Retired Chairman, Homewood Corporation, residential construction and development	71	1995	
LEWIS R. SMOOT, SR. President and Chief Executive Officer, The Smoot Corporation, general construction and construction management	65	1995	M/I Schottenstein Homes, Inc.
FRANK WOBST Chairman and Chief Executive Officer of the Corporation; Chairman and Chief Executive Officer of The Huntington National Bank	65	1974	

</TABLE>

CLASS I DIRECTORS
(TERMS EXPIRE IN 2000)

<TABLE>

<S>	<C>	<C>	<C>
ROBERT H. SCHOTTENSTEIN President, M/I Schottenstein Homes, Inc., homebuilding	46	1997	M/I Schottenstein Homes, Inc.
WILLIAM J. WILLIAMS Chairman, Freeburn Ventures, Ltd., venture capital and private equity investments	70	1985	

</TABLE>

(NOMINEE FOR TERM EXPIRING IN 2000)

<TABLE>

<S>	<C>	<C>	<C>
JOHN B. GERLACH, JR. Chairman, President and Chief Executive Officer, Lancaster Colony Corporation, manufacturer and marketer of specialty food, glassware, candles and automotive accessories	44	--	Lancaster Colony Corporation

</TABLE>

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(1) Each nominee and continuing director has held, or been retired from, the various positions indicated or other executive positions with the same organizations (or predecessor organizations) for at least the past five years, except that Mr. Williams has served in his current position since July 24, 1996, and Mr. Gerlach has served in his current position since February 1997. Mr. Williams retired from the position of Chairman of The

Huntington National Bank as of September 1, 1993. Mr. Gerlach has served in various other senior executive positions with Lancaster Colony Corporation since November 1985. Mr. Wobst is also a director of The Huntington National Bank and various other entities affiliated with the Corporation. Mr. Williams is also a director of The Huntington National Bank.

The Board of Directors of the Corporation held a total of nine regular and special meetings during 1998. The Board of Directors has standing Audit, Compensation and Stock Option, Executive, and Pension Review Committees. The members of the Audit Committee are Ms. Hayot and Messrs. Lhota, Schottenstein, Smoot, and Casto, Chairman. The Audit Committee met three times during 1998 and performs the function of overseeing the work of the internal and external auditors. The members of the Compensation and Stock Option Committee are Messrs. Conrad, Skestos, and Smucker, Chairman. This committee met four times during 1998 and reviews benefits and executive compensation, including incentive compensation, and grants stock options. The Executive Committee is composed of Messrs. Casto, Conrad, Smucker, and Wobst, Chairman, and makes recommendations to the full Board of Directors with respect to significant policy issues and nominations to the Board of Directors of the Corporation. The Executive Committee met once in 1998. The members of the Pension Review Committee are Messrs. Skestos, Smucker, and Conrad, Chairman. The Pension Review Committee met twice during 1998 and administers the Corporation's Retirement Plan, oversees the investment of plan assets, and makes recommendations to the Board of Directors regarding the Retirement Plan.

COMPENSATION OF DIRECTORS

Each non-employee director of the Corporation receives $1,500 for each Board or committee meeting of the Corporation the director attends (excluding special teleconference meetings). In addition, each non-employee director of the Corporation receives retainer payments at an annual rate of $27,000. Non-employee chairmen of standing committees of the Board of Directors of the Corporation receive additional retainer payments at an annual rate of $5,000. All or any portion of the compensation otherwise payable to a director may be deferred if such director elects to participate in the Huntington Bancshares Incorporated Deferred Compensation Plan and Trust for Huntington Bancshares Incorporated Directors (the "Directors' Plan").

The Directors' Plan, adopted in 1991, allows the members of the Board of Directors of the Corporation to elect to defer receipt of all or a portion of the compensation payable to them in the future for services as directors. Such deferred amounts are not included in the gross income of the directors until such time as the deferred amounts are distributed from the Directors' Plan. The Corporation transfers cash equal to the compensation deferred pursuant to the Directors' Plan to a trust fund where it is allocated to the accounts of the participating directors.

The trustee of the Directors' Plan has broad investment discretion over the trust fund and is authorized to invest in many forms of securities and other instruments, including Common Stock of the Corporation. During 1998, the trustee invested the trust fund primarily in Common Stock of the Corporation. The trustee may hold some assets of the Directors' Plan in the form of cash to the extent the trustee deems necessary. The trustee maintains a separate account for each participating director. Amounts contributed to the Directors' Plan are credited to the account of each director in the ratio that the amount deferred by each director bears to the total amount deferred by all directors. Distribution of a director's account will be made either in a lump sum or in equal annual installments over a period of not more than ten years, as elected by each director. Such distribution will commence upon the earlier of 30 days after the attainment of an age specified by the director at the time the deferral election was made, or within 30 days of the director's termination as a director.

All of the assets of the Directors' Plan are subject to the claims of the creditors of the Corporation and the rights of a director or his or her beneficiaries to any of the assets of the Directors' Plan are no greater than the rights of an unsecured general creditor of the Corporation. Directors who are also employees of the Corporation do not receive compensation as directors and, therefore, are ineligible to participate in the Directors' Plan.

Non-employee directors of the Corporation are also eligible to participate in the Corporation's Amended and Restated 1994 Stock Option Plan (the "1994 Stock Option Plan"). The Corporation considers stock option grants on an annual basis in amounts determined at the discretion of the Compensation and Stock Option Committee. Options to purchase 5,500 shares of the Corporation's Common Stock were granted on May 20, 1998, to each of the non-employee directors at an exercise price of $31.99 per share. The exercise price, which was equal to the average of the high and low market price of the underlying shares on the date of grant, has been adjusted to reflect the effect of the ten percent stock dividend paid July 31, 1998. The options become exercisable in equal increments on each of the first three anniversaries of the date of grant. Generally, the exercise price of options may be paid for in cash or in shares of Common Stock of the Corporation.

OWNERSHIP OF VOTING STOCK

The following table sets forth the beneficial ownership of the Corporation's Common Stock by each of the Corporation's directors, nominees, and five most highly compensated executive officers, and the directors and executive officers as a group as of December 31, 1998.

<TABLE>
<CAPTION>

Name of Beneficial Owner	Shares of Common Stock Owned(1)	Percent of Class
<S>	<C>	<C>
Don M. Casto III...	171,410 (2)(4)	.08%
Don Conrad...	1,033,589 (2)(4)	.49
Judith D. Fisher...	128,450 (3)	.06
Peter E. Geier...	78,023 (3)	.04
John B. Gerlach, Jr..	1,251,692 (2)(4)	.60
Patricia T. Hayot..	33,903 (4)	.02
Wm. J. Lhota..	39,844 (2)(4)	.02
Robert H. Schottenstein....................................	16,282 (4)	.01
Ronald J. Seiffert..	84,562 (2)(3)	.04
George A. Skestos...	19,426 (2)(4)	.01
Lewis R. Smoot, Sr..	66,360 (2)(4)	.03
Timothy P. Smucker..	67,334 (4)	.03
Gerald R. Williams..	170,253 (3)	.08
William J. Williams...	120,552 (2)	.06
Frank Wobst...	1,884,780 (2)(3)	.89
Directors and Executive Officers as a Group (15 in group)..................................	3,920,625 (2)(3)(4)	1.85

</TABLE>

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(1) Except as otherwise noted, none of the named individuals shares with another person either voting or investment power as to the shares reported. Figures include 1,210 shares for Mr. Casto, 6,957 shares for Mr. Conrad, 22,382 shares for Ms. Fisher, 64,918 shares for Mr. Geier, 302 shares for Ms. Hayot, 1,512 shares for Mr. Lhota, 302 shares for Mr. Schottenstein, 59,807 shares for Mr. Seiffert, 3,025 shares for Mr. Skestos, 1,512 shares for Mr. Smoot, 1,512 shares for Mr. Smucker, 78,706 shares for Mr. G. Williams, 9,602 shares for Mr. W. Williams, 929,643 shares for Mr. Wobst, and 1,181,390 shares of Common Stock for all directors and executive officers as a group, which could have been acquired under stock options exercisable within 60 days of December 31, 1998.

(2) Figures include 6,946; 156,651; 40,287; 1,476; 2,795; 2,825; 1,278; and 51,838 shares of Common Stock owned by members of the immediate families of Messrs. Casto, Conrad, Gerlach, Seiffert, Skestos, Smoot, W. Williams, and Wobst respectively; 13,866 shares of Common Stock owned jointly by Mr. Lhota and his spouse; 1,500 shares owned jointly by Mr. Seiffert and his spouse; 841,189 shares owned by the John B. Gerlach Trust of which Mr. Gerlach is trustee and beneficiary; 310,642 shares owned by the Gerlach Foundation of which Mr. Gerlach is an officer and trustee; 29,282 shares

owned by Lehrs, Inc. of which Mr. Gerlach is a director and executive officer; 19,214 shares of Common Stock owned by The Smoot Corporation, of which Mr. Smoot is President, and 45,881 shares of Common Stock reported as owned by individuals as to which the respective directors and executive officers have disclaimed beneficial ownership.

(3) Also includes 3,530 shares for Ms. Fisher, 1,194 shares for Mr. Geier, 1,838 shares for Mr. Seiffert, 8,598 shares for Mr. G. Williams, 65,035 shares for Mr. Wobst, and 80,196 shares of Common Stock for all executive officers as a group, held in the Huntington Supplemental Stock Purchase and Tax Savings Plan and Trust. Prior to the distribution of shares of Common Stock from this plan to the participants, voting and dispositive power for the shares allocated to the accounts of participants is held by The Huntington National Bank, as trustee of the plan.

(4) Includes 56,088 shares for Mr. Casto, 36,128 shares for Mr. Conrad, 1,755 shares for Mr. Gerlach, 33,086 shares for Ms. Hayot, 24,074 shares for Mr. Lhota, 6,539 shares for Mr. Schottenstein, 6,823 shares for Mr. Skestos, 36,899 shares for Mr. Smoot, and 58,526 shares of Common Stock for Mr. Smucker held in the deferred compensation plans for Directors. Prior to the distribution of shares of Common Stock from the deferred compensation plans for Directors to the participants, voting and dispositive power for the shares allocated to the accounts of participants is held by The Huntington National Bank, as trustee of the plans.

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As of December 31, 1998, no person was known by the Corporation to be the beneficial owner of more than 5% of the outstanding shares of Common Stock of the Corporation, except as follows:

<TABLE>
<CAPTION>

Name and Address of Beneficial Owner	Shares of Common Stock Owned	Percent of Class

<S>	<C>	<C>
The Huntington National Bank Huntington Center 41 South High Street Columbus, Ohio 43287	20,517,499 (1)	9.72%

</TABLE>

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(1) These shares are held in various fiduciary capacities in the ordinary course of business under numerous trust relationships by The Huntington National Bank. As fiduciary, The Huntington National Bank has sole power to dispose of 4,821,038 of these shares, shared power to dispose of 2,237,781 of these shares, sole power to vote 19,456,855 of these shares, and shared power to vote 166,214 of these shares.

TRANSACTIONS WITH DIRECTORS AND EXECUTIVE OFFICERS

INDEBTEDNESS OF MANAGEMENT

Some of the directors, nominees for election as director, and executive officers of the Corporation are customers of the Corporation's affiliated financial and lending institutions and have transactions with such affiliates in the ordinary course of business. Directors, nominees and executive officers of the Corporation also may be affiliated with entities which are customers of the Corporation's affiliated financial and lending institutions and which enter into transactions with such affiliates in the ordinary course of business. Transactions with directors, nominees, executive officers, and their affiliates have been on substantially the same terms, including interest rates and collateral on loans, as those prevailing at the time for comparable transactions with others and did not involve more than the normal risk of collectibility or present other unfavorable features.

CERTAIN OTHER TRANSACTIONS

In 1997, The Huntington National Bank began construction of a new Business Service Center at the Easton Development in Columbus, Ohio, to replace the existing Operations Center, also located in Columbus. The Business Service Center will consist of five floors of approximately 460,000 total square feet, which are to be occupied primarily by employees of The Huntington National Bank

and affiliates of The Huntington National Bank. Occupancy is expected to begin in the first quarter of 1999 and construction is expected to be completed in the second quarter of 1999.

Management considered possible alternatives and determined that it would be appropriate to retain the services of an experienced consultant to undertake the planning, design, and oversight of the construction and provide budgeting and cost control, management and contracting of required contractors and specialists, and guidance to the architect, all consistent with prudent industry standards. Management solicited bids from three qualified construction management firms, each having national or regional prominence, local resources and experience with similar projects, to act as Construction Manager for the Business Service Center. After thorough evaluation of the bids and the qualifications of the firms, management recommended that The Huntington National Bank utilize Gilbane-Smoot, a joint venture comprised of Gilbane Building Company and The Sherman R. Smoot Company of Ohio. Gilbane-Smoot was also selected through a bidding and review process to provide comprehensive move management services for the relocation of the existing Operations Center to the Business Service Center. Gilbane-Smoot will be paid a fee of approximately $1,700,000 for services as Construction Manager and approximately $398,000 for the move management services.

In addition, after evaluating the bids and qualification of several general contractors, The Huntington National Bank entered into a contract with The Sherman R. Smoot Company of Ohio for the construction of a single deck parking garage at the Business Service Center site for use by the occupants and visitors. The parking garage was completed in October 1998 and accommodates approximately 625 vehicles. The Sherman R. Smoot Company of Ohio was paid approximately $2,350,000 for the design and construction of the parking garage.

Some of the factors leading to the selection of Gilbane-Smoot and The Sherman R. Smoot Company of Ohio were the prominence, reputation and highly qualified personnel of both entities, the competitive bids submitted by both entities, and, with respect to Gilbane-Smoot, its experience with the development of bank operations centers, its cooperative working relationship with the developers of the Easton Development, and its experience in completing large-scale technical moves. Lewis R. Smoot, Sr., a director of the Corporation, is President and Chief Executive Officer of The Sherman R. Smoot Company of Ohio. Mr. Smoot is also President and Chief Executive Officer and 87.68% owner of The Smoot Corporation, which is the parent company of The Sherman R. Smoot Company of Ohio. The Sherman R. Smoot Company of Ohio is a 45% equity partner in the Gilbane-Smoot joint venture. The foregoing transactions were presented to the Boards of Directors of both the Corporation and The Huntington National Bank and approved after thorough discussion and review.

EXECUTIVE COMPENSATION

The following table sets forth the compensation paid by the Corporation and its subsidiaries to the Corporation's Chief Executive Officer and each of the next four most highly compensated executive officers, for each of the last three fiscal years ended December 31, 1998.

SUMMARY COMPENSATION TABLE

<TABLE>
<CAPTION>

		Annual Compensation			Long-Term Compensation: Awards	Long-Term Compensation: Payouts	
Name and Principal Position	Year	Salary ($)(1)	Bonus ($)	Other Annual Compen-sation ($)(2)	Securities Underlying Options (#)(3)	LTIP Payouts ($)(4)	All Other Compen-sation ($)(5)
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
FRANK WOBST							
Chairman, President	1998	957,500	273,240	88,790	275,000	217,010	39,456
and Chief Executive	1997	910,738	693,750	75,487	242,000	-0-	39,058
Officer	1996	867,950	559,828	74,239	199,647	433,975	39,058
PETER E. GEIER							
President and Chief	1998	337,500	108,675	(2)	55,000	82,200	13,875
Operating Officer, The	1997	255,000	189,000	(2)	48,398	-0-	11,381
Huntington National Bank	1996	156,667	112,320	(2)	19,962	90,000	6,750
RONALD J. SEIFFERT							
Vice Chairman,	1998	337,500	108,675	(2)	55,000	82,200	13,875
The Huntington	1997	255,000	189,000	(2)	48,398	-0-	11,381
National Bank	1996	151,577	112,320	29,145	19,963	-0-	6,304
GERALD R. WILLIAMS (6)							
Executive Vice	1998	290,000	87,244	(2)	36,400	63,570	11,962
President and Chief	1997	280,000	179,760	(2)	26,620	-0-	12,263
Financial Officer	1996	272,500	176,400	(2)	26,616	140,000	12,263
JUDITH D. FISHER (6)							
Executive Vice	1998	277,083	90,252	(2)	36,300	65,760	11,438
President and	1997	258,333	179,850	(2)	36,298	-0-	11,625
Treasurer	1996	242,146	162,000	(2)	26,618	125,000	10,897

</TABLE>

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(1) Includes amounts deferred pursuant to the Huntington Investment and Tax Savings Plan (formerly known as the Employee Stock Purchase and Tax Savings Plan) and the Supplemental Stock Purchase and Tax Savings Plan.

(2) During 1998, 1997, and 1996, Mr. Wobst received other annual compensation in the amounts indicated, including executive life insurance premiums in the amounts of $67,498, $56,772, and $50,064, respectively. During 1996, Mr. Seiffert received other annual compensation in the amount indicated, including reimbursement for moving expense of $27,972. Other annual compensation for each of the other named executive officers for each year indicated was less than $50,000 and less than 10% of the total of annual salary and bonus reported for the named executive.

(3) Represents shares of the Corporation's Common Stock, adjusted for stock dividends and stock splits paid after the date of grant.

(4) Awards were paid under the Corporation's Long-Term Incentive Compensation Plan for the overlapping performance cycles ended December 31, 1996 and December 31, 1998. Figures indicated represent total dollar value of the awards. Awards are normally made in shares of the Corporation's Common Stock, however, a participant may elect to receive up to fifty percent of an award in cash. Mr. Seiffert was not eligible to participate in the cycle that ended December 31, 1996.

(5) Figures represent amounts contributed for each named executive officer by the Corporation to the Huntington Investment and Tax Savings Plan (formerly known as the Employee Stock Purchase and Tax Savings Plan) and the Supplemental Stock Purchase and Tax Savings Plan. For 1998, $7,200, $6,762, $6,744, $6,375, and $4,842, were contributed for Messrs. Wobst and Williams, Ms. Fisher, and Messrs. Geier and Seiffert, respectively, under the Huntington Investment and Tax Savings Plan, and $32,256, $5,200, $4,694, $7,500, and $9,033 were contributed for Messrs. Wobst and Williams, Ms. Fisher, and Messrs. Geier and Seiffert, respectively, under the Supplemental Stock Purchase and Tax Savings Plan.

(6) On January 20, 1999, the Corporation's Board of Directors announced that

Judith D. Fisher will assume the role of Chief Financial Officer effective April 1, 1999. Gerald R. Williams, who has served as the Corporation's Chief Financial Officer since April 1989, will take early retirement on that date.

EMPLOYMENT AND EXECUTIVE AGREEMENTS

Mr. Wobst has an agreed upon term of employment. Under an Employment Agreement, Mr. Wobst will be employed by the Corporation through November 15, 2001, with automatic five-year renewals until his death, disability, or retirement. In addition, the Employment Agreement can be terminated earlier by Mr. Wobst or the Corporation upon written notice delivered to the other party at least 60 days prior to the expiration of the initial or any renewal period. Mr. Wobst's Employment Agreement provides that his annual rate of compensation will not be less than $990,000. It also provides for Mr. Wobst's continued participation in the Corporation's Incentive Compensation Plans, Stock Purchase and Tax Savings Plan, Retirement Plans, Stock Option Plans, and certain other benefits afforded to executive officers of the Corporation.

In the event Mr. Wobst is terminated for cause, he will be entitled to receive salary payments for three calendar months following the date of termination plus any compensation to which he is entitled under the Incentive Compensation Plans. In the event Mr. Wobst is terminated without cause, he will be entitled to his full compensation and benefits under his Employment Agreement until the later of six months after his termination or the expiration of the then current term of the Employment Agreement. In the event Mr. Wobst becomes disabled, which disability continues for more than six months during a twelve-month period, the Corporation may terminate Mr. Wobst's Employment Agreement, and he will be entitled to his full compensation (base salary and payments under the Incentive Compensation Plans) to the date of termination. Thereafter, Mr. Wobst will be entitled to two-thirds of his base salary, less disability benefits received from any of the Corporation's disability insurance programs, until the first to occur of the termination of the disability, or until the termination of his Employment Agreement. His base salary will be reinstated upon his return to employment. In the event of Mr. Wobst's death, his beneficiaries will receive his base annual salary for six months plus Incentive Compensation Plan payments.

The Corporation also has entered into Executive Agreements with each of the executive officers named in the Summary Compensation Table. These Executive Agreements were entered into as part of the Corporation's corporate strategy to provide protection for, and thus retain, its well-qualified executive officers notwithstanding any actual or threatened change in control of the Corporation. A "Change in Control" generally includes:

- - the acquisition by any person of beneficial ownership of 25% or more of the Corporation's outstanding voting securities;

- - a change in the composition of the Board of Directors if a majority of the new directors were not appointed or nominated by the directors currently sitting on the Board of Directors or their subsequent nominees;

- - a merger involving the Corporation where the Corporation's shareholders immediately prior to the merger own less than 51% of the combined voting

power of the surviving entity immediately after the merger;

- - the dissolution of the Corporation; and

- - a disposition of assets, reorganization, or other corporate event involving the Corporation which would have the same effect as any of the above-described events.

Under each Executive Agreement, the Corporation or its successor must provide severance benefits to the executive officer if his or her employment is terminated (other than on account of the officer's death or disability or for cause):

- - by the Corporation, at any time within 36 months after a Change in Control;

- - by the Corporation, at any time prior to a Change in Control but after commencement of any discussions with a third party relating to a possible Change in Control involving such third party ("Change in Control Discussions") if the officer's termination is in contemplation of such possible Change in Control and such Change in Control is actually consummated within 12 months after the date of such officer's termination;

- - by the executive officer voluntarily with Good Reason at any time within 36 months after a Change in Control of the Corporation; and

- - by the executive officer voluntarily with Good Reason at any time after commencement of Change in Control Discussions if such Change in Control is actually consummated within 12 months after the date of such officer's termination.

"Good Reason" generally means the assignment to the executive officer of duties which are materially (and, in the case of Ms. Fisher and Mr. Williams, adversely) different from such duties prior to the Change in Control, a reduction in such officer's salary or benefits, or a demand to relocate to an unacceptable location, made by the Corporation or its successor either after a Change in Control or after the commencement of Change in Control Discussions if such change or reduction is made in contemplation of a Change in Control and such Change in Control is actually consummated within 12 months after such change or reduction. An executive officer's determination of Good Reason will be conclusive and binding upon the parties if made in good faith, except that, if the executive officer is serving as Chief Executive Officer of the Corporation immediately prior to a Change in Control, the occurrence of a Change in Control will be conclusively deemed to constitute Good Reason.

In addition to accrued compensation, bonuses, and vested benefits and stock options, the executive officer's severance benefits payable under the Executive Agreements include:

- a lump-sum cash payment equal to three times (or, in the case of Ms. Fisher and Mr. Williams, two and one-half times) the officer's highest base annual salary;
- a lump-sum cash payment equal to three times (or, in the case of Ms. Fisher and Mr. Williams, two and one-half times) the highest annual incentive compensation to which the officer would be entitled;
- a lump sum cash payment equal to one and one-half times the highest long-term incentive compensation to which the officer would be entitled;
- thirty-six months of continued insurance benefits; and
- thirty-six months of additional service credited for purposes of retirement benefits.

Each Executive Agreement also provides that the Corporation will pay the executive officer such amounts as would be necessary to compensate such officer for any excise tax paid or incurred due to any severance payment or other benefit provided under the Executive Agreement. However, in the case of Ms. Fisher and Mr. Williams, if the total severance payments or other benefits provided under the Executive Agreement would not be subject to the excise tax if the total of such payments and benefits would be reduced by 10% or less, then such payments or benefits will be reduced by the minimum amount necessary so that the Corporation will not have to pay an excess severance payment and the executive officer will not be subject to an excise tax.

The Executive Agreements provide that, for a period of five years after any termination of the executive's employment, the Corporation will provide the executive with coverage under a standard directors' and officers' liability insurance policy at its expense, and shall indemnify, hold harmless and defend the executive to the fullest extent permitted under Maryland law against all expenses and liabilities reasonably incurred by the executive in connection with or arising out of any action, suit, or proceeding in which he may be involved by reason of having been a director or officer of the Corporation or any subsidiary.

The Corporation must pay the cost of counsel (legal and accounting) for an executive officer in the event such officer is required to enforce any of the rights granted under his Executive Agreement. In addition, the executive officer is entitled to prejudgment interest on any amounts found to be due to him or her in connection with any action taken to enforce such officer's rights under the Executive Agreement at a rate equal to the prime commercial rate of The

Huntington National Bank or its successor in effect from time to time plus 4%.

The Executive Agreements are in effect through December 31, 1999, subject to automatic two year renewals and to an extension for thirty-six months after any month in which a Change of Control occurs. An Executive Agreement will terminate if the employment of the executive officer terminates other than under circumstances which trigger the severance benefits.

OPTION GRANTS IN LAST FISCAL YEAR

INDIVIDUAL GRANTS

<TABLE>
<CAPTION>

Name	Number of Securities Underlying Options Granted (#)(1)	Percent of Total Options Granted to Employees in Fiscal Year	Exercise Price ($/sh)(2)	Expiration Date	Grant Date Present Value ($) (3)

<S>	<C>	<C>	<C>	<C>	<C>
Frank Wobst	275,000	23.0	$31.99	5/20/08	3,454,000
Peter E. Geier	55,000	4.6	31.99	5/20/08	690,800
Ronald J. Seiffert	55,000	4.6	31.99	5/20/08	690,800
Gerald R. Williams	26,400	2.2	31.99	5/20/08	331,584
	10,000	.8	28.00	8/19/08	104,200
Judith D. Fisher	36,300	3.0	31.99	5/20/08	455,928

</TABLE>

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(1) All options granted expire ten years from the date of grant. The options granted prior to July 31, 1998, have been adjusted to reflect the effect of a ten percent stock dividend paid on that date. The options granted to each named executive officer become exercisable in equal increments on each of the first three anniversaries of the date of grant. Options not yet exercised are canceled upon a termination of employment for any reason other than death, retirement under one or more of the Corporation's retirement plans, termination following a change in control of the Corporation, or a disposition (other than a change in control) of substantially all of the stock or assets of the Corporation, in which case all options become exercisable immediately as of such termination date and remain exercisable for a specified period following the termination. Generally, the exercise price of options may be paid for in cash or in shares of Common Stock of the Corporation. In addition, any tax which the Corporation is required to withhold in connection with the exercise of any stock option may be satisfied by the option holder by electing to have the number of shares to be delivered on the exercise of the option reduced by, or otherwise by delivering to the Corporation, such number of shares of Common Stock having a fair market value equal to the amount of the withholding requirement.

(2) In all cases, the exercise price was equal to the average of the high and low market price of the underlying shares on the date of grant. Where applicable, the exercise price has been adjusted to reflect the effect of the ten percent stock dividend paid July 31, 1998.

(3) The dollar amounts in this column are the result of calculations made using the Black-Scholes model, a theoretical method for estimating the present value of stock options based on complex assumptions about the stock's price volatility and dividend rate as well as interest rates. Because of the unpredictability of the assumptions required, the Black-Scholes model, or any other valuation model, is incapable of accurately predicting the Corporation's stock price or of placing an accurate present value on options to purchase its stock. In performing the calculations it was assumed that: the options were exercised at the end of their ten-year terms; the volatility of the stock price was equal to 31.6% for the May 1998 grants and 31.2% for the August 1998 grant, which volatility was calculated on a natural logarithmic basis of the Corporation's stock price for the twelve-month period preceding the date of grant; the risk-free rate of return was equal to the ten-year United States Treasury Note Rate effective the date of the grant, to correspond to the term of the options; and the dividend yield was equal to the

Corporation's annualized dividend yield at the end of the calendar quarter preceding the option grant, which was 2.2% for the May 1998 grants and 2.4% for the August 1998 grant. No adjustments were made for vesting requirements, non-transferability, or risk of forfeiture. In spite of any theoretical value which may be placed on a stock option grant, no increase of the stock option's value is possible without an increase in the market value of the underlying stock. Any appreciation in the market value of the Corporation's stock would benefit all shareholders and would be dependent in part upon the efforts of the named executive officers. The total of the grant date values indicated in the table for all stock options granted in 1998 to the named executive officers was $5,727,312, representing approximately .085% of the value of all shares of the Corporation outstanding on May 31, 1998.

AGGREGATED OPTION EXERCISES IN LAST FISCAL YEAR
AND FISCAL YEAR-END OPTION VALUES

<TABLE>
<CAPTION>

Number of Securities Underlying Unexercised Options at Fiscal Year-End (#)(2)	Value of Unexercised In-the-Money(3) Options at Fiscal Year-End ($)

Name	Shares Acquired on Exercise (#)(1)	Value Realized ($)	Exercisable/ Unexercisable	Exercisable/ Unexercisable
<S>	<C>	<C>	<C>	<C>
Frank Wobst	-0-	-0-	1,009,400/ 599,994	18,160,381/ 3,184,024
Peter E. Geier	2,345	45,965	64,918/ 106,522	966,378/ 456,510
Ronald J. Seiffert	-0-	-0-	59,807/ 104,777	879,838/ 427,137
Gerald R. Williams	48,429	1,116,305	78,706/ 74,912	1,564,089/ 408,388
Judith D. Fisher	22,398	398,862	22,382/ 79,452	223,667/ 391,161

</TABLE>

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(1) The actual number of shares received may be less than indicated in the event the option holder elected to have shares withheld for the payment of the exercise price or withholding tax liability.

(2) Adjusted for stock splits and stock dividends paid after the date of grant.

(3) An option is in-the-money if the fair market value of the underlying Common Stock exceeds the exercise price of the option.

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Pension Plan Table

<TABLE>
<CAPTION>

	Years of Service					
Remuneration	15	20	25	30	35	40
<S>	<C>	<C>	<C>	<C>	<C>	<C>
$ 275,000	$ 78,990	$105,320	$131,650	$145,400	$159,150	$172,900
325,000	93,990	125,320	156,650	172,900	189,150	205,400
350,000	101,490	135,320	169,150	186,650	204,150	221,650
400,000	116,490	155,320	194,150	214,150	234,150	254,150
550,000	161,490	215,320	269,150	296,650	324,150	351,650
625,000	183,990	245,320	306,650	337,900	369,150	400,000
900,000	266,490	355,320	444,150	489,150	534,150	579,150
1,000,000	296,490	395,320	494,150	544,150	594,150	644,150
1,125,000	333,990	445,320	556,650	612,900	669,150	725,400
1,150,000	341,490	455,320	569,150	626,650	684,150	741,650

</TABLE>

The table above illustrates the operation of the Corporation's Retirement Plan and Supplemental Retirement Income Plan (the "SRIP") by showing various annual benefits assuming various levels of final average compensation and years of credited service. The maximum years of credited service recognized by the plans is forty. Years of service and credited service in addition to those actually earned by a participant can be granted by the Pension Review Committee for the purposes of determining benefits under the SRIP. Benefit figures shown are computed on the assumption that participants retire at age 65. The normal form of benefit under both the Retirement Plan and the SRIP is a life annuity. The SRIP provides benefits according to the same benefit formula as the Retirement Plan, except that benefits under the SRIP are not limited by Sections 401(a)(17) and 415 of the Internal Revenue Code (the "Code"). Code Section 401(a)(17) limits the annual amount of compensation that may be taken into account when calculating benefits under the Retirement Plan. For 1998, this limit was $160,000. Code Section 415 limits the annual benefit amount that a participant may receive under the Retirement Plan. For 1998, this amount was $130,000.

An employee who has completed two years of continuous service with the Corporation (or an affiliated company) and whose compensation is in excess of the limitation imposed by Section 401(a)(17) of the Code is eligible to participate in the SRIP. Each of the named executive officers was eligible to participate in the SRIP in 1998.

The Corporation also has a Supplemental Executive Retirement Plan ("SERP"). Only those executive officers selected by the Compensation and Stock Option Committee may participate in the SERP. The SERP ensures that each participating executive officer (who retires at age 65) receives a level of retirement benefits, without respect to years of service, equal to at least 65% of the officer's highest consecutive twelve months' base salary within the previous sixty months. Benefits under the SERP are paid in the form of a life annuity (with 120 months certain). At the time a participating officer retires, the benefit the participant is entitled to through the SERP is calculated, and then funds from the following sources are deducted to determine the amount (if any) of the payment due from the Corporation under the SERP: (a) Social Security

benefits payable; (b) the benefit under the Retirement Plan; and (c) any benefits under retirement plans of prior employers. If the sum of the payments due from Social Security, the Retirement Plan, and retirement plans of prior employers exceeds 65% of the executive officer's highest consecutive twelve months' base salary, then no payment will be due from the Corporation under the SERP.

The SERP generally has the effect of equalizing a participant's combined retirement benefits for a particular level of covered compensation for all years of service. Thus, the total annual benefits payable by the Corporation pursuant to the Retirement Plan and the SERP would be the same for an executive officer with fifteen years of service as for an executive officer with forty years of service, assuming each had the same level of covered compensation, the only difference being that the fifteen year executive officer, having a smaller benefit from the Retirement Plan, will receive a greater portion of his benefit from the SERP. Monthly benefits received by participants under the SERP may be increased annually, if indicated, to reflect increases

in the United States Bureau of Labor Statistics Consumer Price Index for Urban Wage Earners and Clerical Workers. Because the SERP generally provides a larger benefit than the SRIP, executives participating in the SERP generally will not receive any payments under the SRIP. During 1998, Mr. Wobst was the only named executive officer who participated in the SERP. The estimated annual benefits payable upon Mr. Wobst's retirement under the Retirement Plan and the SERP, reduced by Social Security benefits payable, is $605,899.

For each of the executive officers named in the Summary Compensation Table, the compensation covered by the Retirement Plan, the SRIP, and, if applicable, the SERP is based on base salary as indicated in the Summary Compensation Table. The estimated credited years of service for each of the executive officers named in the Summary Compensation Table are 24.5 for Mr. Wobst, 14.83 for Mr. Geier, 19.58 for Mr. Seiffert, 19.75 for Mr. Williams, and 11.33 for Ms. Fisher.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

The Compensation and Stock Option Committee is composed of Don Conrad, George A. Skestos, and Timothy P. Smucker. None of the members other than Mr. Conrad is or has ever been an officer of the Corporation or its subsidiaries. Mr. Conrad served as Chairman of the Board of Directors of Huntington Bancshares Kentucky, Inc., a subsidiary of the Corporation, from its inception in 1985 until its dissolution in 1996.

On December 31, 1997, the Corporation purchased $15 million of nonvoting Preferred Securities of MFS Capital Trust I, a Delaware business trust (the "Trust"). National Capital Financial Corporation ("National Capital"), owns all of the voting Common Securities of the Trust. The Trust invested the proceeds from the sale of its Common and Preferred Securities in a junior subordinated deferrable interest note issued by National Capital bearing interest at 7.41% per annum, payable quarterly, and maturing December 31, 2027 (the "Subordinated Note"). The distribution rate and distribution payment dates of the Preferred Securities and liquidation date of the Trust correspond to the interest rate, interest payment dates, and maturity or earlier repayment date of the Subordinated Note, which is the sole asset of the Trust.

National Capital has guaranteed payment of distributions on the Preferred Securities out of funds held by the Trust to the extent the Trust has funds available (the "Guarantee"). The Guarantee and the Subordinated Note rank subordinate and junior in right of payment to all indebtedness of National Capital. The Guarantee, together with National Capital's obligations under the Subordinated Note, constitute a full and unconditional guarantee of all of the Trust's obligations under the Preferred Securities. The Preferred Securities are redeemable at par by the Trust upon the redemption by National Capital of the Subordinated Note, which may occur, in whole or in part, at the option of National Capital, at any time on or after December 31, 2007. The Preferred Securities may also be redeemed at par prior to this date upon the occurrence of certain events specified in the trust documents. George A. Skestos is a director of National Capital. The spouse and children of Mr. Skestos collectively own approximately 18% of the common stock of National Capital.

THE FOLLOWING BOARD COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION AND PERFORMANCE GRAPH SHALL NOT BE DEEMED INCORPORATED BY REFERENCE BY ANY GENERAL STATEMENT INCORPORATING BY REFERENCE THIS PROXY STATEMENT INTO ANY OF THE CORPORATION'S FILINGS UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT TO THE EXTENT THAT THE CORPORATION SPECIFICALLY INCORPORATES THIS INFORMATION BY REFERENCE, AND SHALL NOT OTHERWISE BE DEEMED FILED UNDER SUCH ACTS.

BOARD COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Compensation and Stock Option Committee of the Board of Directors (the "Committee") oversees the Corporation's executive compensation programs. The Committee met four times in 1998 to review and approve executive compensation matters.

The Corporation's executive compensation philosophy is designed to meet four primary goals:

(1) Ensure a strong linkage between corporate, unit, and individual performance

and total compensation.

(2) Integrate compensation programs with the Corporation's annual and long-term strategic goals.

(3) Encourage long-term strategic management and enhancement of shareholder value through equity awards.

(4) Attract and retain key executives critical to the long-term success of the Corporation by providing a fully competitive reward package that is appropriately sensitive to performance.

These principles are reflected in the key components of the Corporation's executive compensation programs which consist of base salary, annual incentive awards, and long-term incentive awards. Mr. Wobst has an employment agreement with the Corporation (the "Existing Contract") which remained in effect during 1998. The Existing Contract, among other things, establishes a minimum base salary and participation in the Corporation's incentive compensation plans (see "Employment and Executive Agreements" above). Increases in the minimum base salary and the specific level of participation in the incentive compensation plan for Mr. Wobst is determined by the Committee based on the factors described below. The Corporation's executive compensation programs are regularly evaluated to ensure that they continue to reinforce shareholder interests and support the goals of the Corporation's executive compensation philosophy.

BASE SALARY

An executive's base salary and subsequent adjustments are determined relative to the following factors: individual and business unit performance, scope of responsibility and accountability, comparison with industry pay practices, and cost of living considerations. The Committee feels that all of these factors are significant and the relevance of each varies from executive to executive. Therefore, no specific weight has been assigned to these factors in the evaluation of an executive's base salary.

The specific measures of business unit performance vary depending upon the executive's performance area and the goals periodically set for the performance area by the Corporation. Industry salary comparisons, primarily of banking organizations of comparable asset size, are drawn from survey data relating to various executive levels published by independent sources. Where relevant, cross-industry comparisons are utilized for certain executives whose functions are not specific to banking. Although the Committee reviews data representing pay practices of the 25th to 75th percentiles of the competitive market, in terms of compensation, the Committee does not have a policy to target compensation at a designated level of the pay practices of such market. Many of the banking organizations represented by the data are included in the index published by Keefe, Bruyette & Woods, Inc. and known as the KBW 50 Total Return Index which was used for comparative purposes in the shareholder return graph (see "Comparison of Five Year Cumulative Total Return Between the Corporation, S&P 500 Index, and KBW 50 Total Return Index", below).

Mr. Wobst received a salary increase of 7.027% effective July 1, 1998, which was the first adjustment in base salary he had received since April 1, 1997. The increase represented recognition of Mr. Wobst's continued leadership relative to the strong financial performance of the Corporation over this fifteen month performance period, as well as his direction in positioning the Corporation for continued success. Key financial accomplishments during the performance period included a total return to shareholders of 54% for 1997, with strong earnings reported throughout the period driven by growth in the loan portfolio and increases in non-interest fee income. Some of the Corporation's other key accomplishments during this performance period included the successful conversion of the 60 former Barnett Bank banking offices in the Florida market and the acquisition of Pollock & Pollock, Inc. which allowed the Corporation to expand the array of insurance products available to its customers. In addition, through Mr. Wobst's leadership, the Corporation became one of the first bank holding companies to consolidate substantially all its individual bank charters into one lead bank, The Huntington National Bank.

ANNUAL CASH INCENTIVE AWARDS

Under the Corporation's Incentive Compensation Plan in effect for 1998, executive officers earned annual cash incentive awards determined as a percentage of base salary. The percentage of base salary for an executive was determined by (a) the category to which the executive was assigned for 1998 based upon his level of responsibility and (b) the Corporation's performance as measured by return on average shareholders' equity ("ROAE") relative to a range of ROAE targets established by the Committee in February of 1998. An executive's award expressed as a percentage of base salary will be greater, as higher ROAE targets are achieved.

For 1998, the range of incentive opportunity as a percentage of base salary did not change from the previous year. ROAE targets that were set for 1998 had no predetermined relationship to the ROAE targets set for the previous year. In establishing the targets, consideration was given to internal corporate performance goals and the Corporation's assessment of its economic environment and industry trends.

Awards for those executive officers whose compensation in 1998 was anticipated to be effected by Section 162(m) of the Internal Revenue Code were

based solely on the Corporation's performance relative to ROAE goals (see "Tax Deductibility of Executive Compensation" below). For 1998, the remaining executive officers' awards were weighted as follows: 20% or 40% for corporate performance, 40% or 60% for business unit performance, and 20% for individual performance. The portions of an

executive's award tied to these factors were based upon the scope of the executive's responsibility, and could have been adjusted as recommended by the managing executive's subjective evaluation.

No awards could have been paid under the plan unless the Corporation's performance met the established minimum ROAE target level of 13%. The Committee certified in writing that ROAE goals had been met for 1998 and approved all awards. Based solely on the Corporation's ROAE performance in 1998, Mr. Wobst's award was $273,240.

In addition to the annual cash incentive awards under the Incentive Compensation Plan, the Committee may, in certain circumstances, approve a discretionary cash bonus award for an executive officer due to extraordinary performance.

LONG-TERM INCENTIVE AWARDS

Long-term incentive awards are in the form of stock and cash awards granted under the Long-Term Incentive Compensation Plan and stock options granted under the Corporation's employee stock option plans. The value of these awards is dependent upon the Corporation's performance over a period of time, as described below.

Each of the named executive officers was selected by the Committee to participate in the cycle of the Long-Term Incentive Compensation Plan that began on January 1, 1996, and ended on December 31, 1998 (the "1996 Cycle"). The Long-Term Incentive Compensation Plan, as in effect for the 1996 Cycle, measures the Corporation's performance over three-year cycles. The Committee selects as participants for each cycle those officers who, in the opinion of the Committee, will significantly contribute to the long-term strategic performance and growth of the Corporation.

Awards under the Long-Term Incentive Compensation Plan for the 1996 Cycle were based on a comparison of the Corporation's three-year average ROAE to the three-year average ROAE of a peer group. The Committee approved the peer group for the 1996 Cycle which was based on the fifty largest (based on assets) United States banking organizations whose stock was publicly traded during the cycle minus those banking organizations deemed by the Committee to be money center banking organizations and any other banking organizations that did not provide a meaningful standard for comparison with the Corporation. The peer group remained fixed for the cycle, except to the extent it was reduced due to attrition (as the result of mergers and organizations ceasing to be reporting companies). At the end of the 1996 Cycle, the peer group consisted of 27 banking organizations (including the Corporation) all of which were included in the KBW 50 Total Return Index.

Awards under the 1996 Cycle were determined as a percentage of the executive officers' base salary at the end of the cycle. The percentage of base salary for an executive is determined individually by (a) the category to which the executive is assigned for a cycle based upon the participant's level of responsibility and (b) the Corporation's ROAE performance relative to other banking organizations in the peer group for the cycle. The terms of the plan are such that if the Corporation's ROAE performance is at the 25th percentile of all peer group banks in the cycle (the "Threshold Level"), awards will be paid. The percentage of base salary awarded to an executive officer increases incrementally as performance increases. Target level performance is achieved if the Corporation's performance is at the 50th percentile of all peer group banks in the cycle. The percentage of base salary awarded increases incrementally at a higher rate once the Corporation's ROAE results go over the plan target levels. No award would be made pursuant to the Long-Term Incentive Compensation Plan if the Corporation's ROAE performance were below the Threshold Level, and the maximum award would be paid if the Corporation's ROAE performance were at or above the 90th percentile of the peer group. The maximum award is 60% to 100% of a participant's base salary depending upon the category to which a participant is assigned based on level of responsibility. Awards are typically made in stock, however, participants may elect to receive up to 50% of their awards in cash.

The Corporation's three-year average ROAE for the 1996 Cycle resulted in performance at the 39th percentile of the peer group. Since that performance exceeded the performance threshold specified by the plan for the 1996 Cycle, awards were made equaling 21.92% of participant's base salary. Under the formula, Mr. Wobst received an award valued at $217,010.

Stock option awards are generally considered annually by the Committee and the number of shares granted to an executive officer is based on the individual's scope of responsibility, a subjective evaluation of the performance of the individual and his or her business unit since the last grant, and industry comparisons. No specific weight is attached to these factors.

Data from two surveys published by nationally known compensation and human resources consulting firms was reviewed by the Committee to determine competitive

benchmarks for awarding 1998 options. The two surveys provided data on financial institutions. One survey included 115 companies of which 47 were commercial banks. The other survey included 115 financial institutions of which 51 were commercial banks. Competitive grants were considered by using sources presenting data as a percentage of base salary, as a dollar value, and as a percentage of total shares of Common Stock outstanding. The Committee does not have a policy to target its option awards at any specific level of data as provided from these sources.

In addition, information as to the options awarded to each executive during recent years was reviewed by the Committee. However, the Committee did not consider the total amount of options held by an executive officer in determining the size of an option awarded for 1998.

Each stock option has an exercise price equal to the fair market value of the underlying Common Stock of the Corporation on the date of grant. Each stock option granted in 1998 becomes exercisable in three equal annual increments beginning on the first anniversary of the grant and remains exercisable for a period of ten years from the date of grant (subject to plan forfeiture restrictions). Since the stock options are granted at market price, the value of the stock options is entirely dependent upon the growth in the Corporation's stock price.

For 1998, the Committee awarded stock options to 294 employees in a total amount equal to .56% of the Corporation's average shares of Common Stock outstanding for the year. Mr. Wobst received 23% of all option shares granted to employees, or 275,000 shares, as adjusted for a ten percent stock dividend paid in July 1998. The majority of option shares granted to the named executive officers had a value at grant, adjusted for the stock dividend paid in July 1998, of $31.99 per share. Additional detail on executive stock option grants is provided in the table above entitled "Option Grants in Last Fiscal Year."

TAX DEDUCTIBILITY OF EXECUTIVE COMPENSATION

Internal Revenue Code Section 162(m) no longer permits the Corporation to deduct certain non-performance-based compensation in excess of $1,000,000 per taxable year paid to each of the Chief Executive Officer and the four most highly compensated executives required to be named in the Annual Proxy Statement. The Corporation may continue to deduct compensation paid to the named executive officers in excess of $1,000,000 provided the payment of such compensation qualifies for an exception under Section 162(m), including an exception for certain performance-based compensation.

The Committee believes that Section 162(m) should not cause the Corporation to be denied a deduction for 1998 compensation paid to the named executive officers. The Committee will continue to work to structure components of its executive compensation package to achieve maximum deductibility under Section 162(m) while at the same time considering the goals of its executive compensation philosophy.

COMPENSATION AND STOCK OPTION COMMITTEE

Timothy P. Smucker, Chairman
Don Conrad
George A. Skestos

COMPARISON OF FIVE YEAR CUMULATIVE TOTAL RETURN
BETWEEN THE CORPORATION, S&P 500 INDEX, AND KBW 50 TOTAL RETURN INDEX (1)

The line graph below compares the yearly percentage change in cumulative total shareholder return on the Corporation's Common Stock and the cumulative total return of both the S&P 500 Index and the KBW 50 Total Return Index for the period December 31, 1993, through December 31, 1998. An investment of $100 on December 31, 1993, and the reinvestment of all dividends are assumed.

EDGAR REPRESENTATION OF DATA POINTS USED IN PRINTED GRAPHIC

<TABLE>
<CAPTION>

	HBI	KBW	S&P
<S>	<C>	<C>	<C>
1993	$100	$100	$100
1994	$94	$95	$101
1995	$143	$152	$139
1996	$179	$215	$171
1997	$275	$314	$226
1998	$259	$340	$294

</TABLE>

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(1) The KBW 50 Total Return Index, published by Keefe, Bruyette & Woods, Inc., is a market-capitalization-weighted bank stock index that includes all

money-center and most major regional bank holding companies.

EXECUTIVE OFFICERS OF THE CORPORATION

The executive officers of the Corporation are listed below. Each listing includes a statement of the business experience of each executive officer during at least the last five years. Executive officers are elected annually by the Board of Directors and serve at the pleasure of the Board.

RICHARD A. CHEAP, age 47, has served as General Counsel and Secretary for the Corporation and as Executive Vice President, General Counsel, Secretary, and Cashier of The Huntington National Bank since May 1998. Prior to joining the Corporation, Mr. Cheap practiced law with the 265 lawyer firm of Porter, Wright, Morris & Arthur, Columbus, Ohio, from 1981, and as a partner from 1987 to May 1998. Mr. Cheap concentrated in the areas of general business, corporate finance, mergers and acquisitions, and business taxation. While with Porter, Wright, Morris & Arthur, Mr. Cheap represented the Corporation in a variety of matters, including acting as lead attorney in negotiating the terms and documentation of most of the Corporation's bank acquisitions during the preceding nine years.

JUDITH D. FISHER, age 53, has served as Treasurer of the Corporation since July 1, 1998, as Executive Vice President of the Corporation since February 1994, and as Executive Vice President and Manager of the Treasury Group of The Huntington National Bank since January 1991. Ms. Fisher has also served as President of Huntington Bancshares Financial Corporation since April 1991. Ms. Fisher served as Senior Vice President and Manager, Investment and Funds Management, for The Huntington National Bank, from September 1987 to January 1991. Ms. Fisher will assume the role of Chief Financial Officer for the Corporation on April 1, 1999.

PETER E. GEIER, age 41, has served as Vice Chairman of the Corporation and as a director and President and Chief Operating Officer of The Huntington National Bank since December 1996. Mr. Geier served as Executive

Vice President of the Corporation from November 1994 until December 1996 and as Executive Director of Consumer Services from March 1994 to December 1996. Mr. Geier served as Senior Vice President of the Corporation from March 1994 to November 1994. Prior thereto, Mr. Geier served as Senior Vice President and Manager of Commercial Banking of The Huntington National Bank from November 1989 to March 1994. Mr. Geier joined The Huntington National Bank in March 1984 and served in various other capacities prior to November 1989.

RONALD J. SEIFFERT, age 42, has served as Vice Chairman of the Corporation and as a director and Vice Chairman of The Huntington National Bank since December 1996. He served as Executive Vice President and Executive Director of Commercial Services of the Corporation from January 1996 to December 1996. Prior thereto, Mr. Seiffert served as Executive Vice President and Group Manager of the Commercial Banking Group for the Northern Region of The Huntington National Bank from February 1994. Mr. Seiffert joined the Bank in 1979 and served in various other capacities prior to February 1994.

GERALD R. WILLIAMS, age 62, has served as Executive Vice President and Chief Financial Officer of the Corporation from April 1989 to the present. Mr. Williams has also served as Principal Accounting Officer since January 1997. From January 1987 to April 1989, Mr. Williams was the owner and President of Mattara Services, Inc., a consulting company to financial institutions and investors in financial institutions. Mr. Williams has announced his early retirement effective on April 1, 1999.

FRANK WOBST, age 65, has served as Chairman of the Board and Chief Executive Officer of the Corporation from February 1981 to the present, as President of the Corporation from July 1, 1998 to the present, and as Chairman of the Board and Chief Executive Officer of The Huntington National Bank from December 1996 to the present. Mr. Wobst has also served as a director of The Huntington National Bank and the Corporation from the time he joined the Corporation in 1974 to the present. In addition, Mr. Wobst served as Chairman of The Huntington Trust Company, National Association, from February 1988 until June 1997 when that entity was merged into The Huntington National Bank. Mr. Wobst served as President of the Corporation from February 1981 to October 1984, as President of The Huntington National Bank from July 1974 until March 1983 and from March 1984 to September 1986 and as Chairman of the Board and Chief Executive Officer of The Huntington National Bank from February 1981 to September 1986.

PROPOSALS TO APPROVE THE AMENDED AND RESTATED COMPENSATION PLANS

INTRODUCTION

Proposals to approve the Huntington Bancshares Incorporated Amended and Restated Incentive Compensation Plan (the "Annual Plan") and the Huntington Bancshares Incorporated Amended and Restated Long-Term Incentive Compensation Plan (the "Long-Term Plan") will be presented at the Annual Meeting of Shareholders. The purpose of both the Annual Plan and the Long-Term Plan is to provide incentives for key employees whose sustained performance directly influences the creation of shareholder value.

The Corporation has maintained an annual incentive compensation plan (the

"Prior Annual Plan") and a long-term incentive compensation plan (the "Prior Long-Term Plan") as integral parts of its compensation program for many years. The Prior Annual Plan and the Prior Long-Term Plan were amended and approved by the Corporation's shareholders in 1995 and 1996, respectively, in order to, among other items, comply with Internal Revenue Code Section 162(m) ("Section 162(m)"). Section 162(m) prohibits the deduction of non-performance based compensation in excess of $1,000,000 to certain of the Corporation's highest paid executive officers.

Upon reviewing the recommendations of a nationally recognized compensation consulting firm, the Board of Directors approved amendments to the Prior Annual Plan and the Prior Long-Term Plan on January 20, 1999. These amendments were adopted to ensure that the Compensation and Stock Option Committee of the Board of Directors (the "Committee") has flexibility in selecting financial criteria for performance goals and ensuring award opportunities are consistent with peer financial institutions. The plans were then restated to incorporate the amendments and the restated Annual Plan and Long-Term Plan were approved by the Board of Directors on February 17, 1999.

Since the Annual Plan and the Long-Term Plan contain material changes from the plans previously approved by the Corporation's shareholders, shareholder approval is required at this time to enable the Corporation to qualify awards under these plans made to certain of the Corporation's highest paid executive officers as deductible for federal income tax purposes. By approving the Annual Plan and the Long-Term Plan, the shareholders will be approving the performance measures, eligibility requirements, and limits on the amount of awards which

may be made pursuant to these plans for performance cycles beginning on or after January 1, 1999.

PROPOSAL TO APPROVE THE AMENDED AND RESTATED INCENTIVE COMPENSATION PLAN

DESCRIPTION OF THE ANNUAL PLAN

ADMINISTRATION. The Annual Plan will be administered by the Committee which will consist of outside directors within the meaning of Section 162(m).

ELIGIBILITY. Within the first 90 days of each calendar year (or such earlier or later date as may be required or permitted by Section 162(m)), the Committee will designate those executive officers whose awards under the Annual Plan will be calculated pursuant to the qualified performance-based compensation provisions of Section 162(m) (the "Covered Officers"). The Covered Officers, as well as all other officers of the Corporation or affiliated entities who are designated by the Committee each year to be key employees whose performance may significantly contribute to the long-term strategic performance and growth of the Corporation, will be eligible to participate in the Annual Plan for that year. The Covered Officers will be subject to special provisions of the Annual Plan designed to qualify awards payable to them as performance-based compensation not subject to the deduction limit. It is anticipated that approximately 174 officers will participate in the Annual Plan for the plan year beginning January 1, 1999.

OPERATION OF THE ANNUAL PLAN. Awards paid to participants in the Annual Plan are determined as a percentage of base salary based upon certain financial criteria selected annually by the Committee and an evaluation of the participant's business unit and individual performance. However, awards paid to Covered Officers will be based upon the achievement of a performance goal or goals measured solely by the financial criteria selected annually by the Committee. Potential awards may vary among participants in different incentive groups as determined by the Committee. The Committee will select the financial criteria from one or a combination of the following ("Qualifying Performance Criteria"):

- earnings per share;
- return on equity or return on average equity ("ROAE");
- return on assets or return on average assets;
- net income; and
- operating expenses as a percentage of total revenue (known as the Efficiency Ratio).

In all cases, such criteria will be either on a reported basis or adjusted to exclude the impact of intangible assets and related amortization expense (referred to as "cash basis" or "tangible" results), whichever will produce the higher award. The Committee may select different performance criteria for different incentive groups.

The Committee will designate each year whether the Qualifying Performance Criteria will be applied to the Corporation as a whole, a subsidiary, a business unit, or a combination of these entities. The Committee will also designate whether the measurement will be made on an absolute basis or relative to a pre-established target to previous years' results or to a designated comparison group.

Extraordinary Events (as defined below), if any, will either be excluded or included in determining the extent to which the corresponding performance goals

have been achieved, whichever will produce the higher award. Except for awards payable upon a Change in Control, the Committee does, however, have the discretion to reduce the amount of any award, if appropriate, thereby assuring optimal flexibility within the parameters of Section 162(m). Extraordinary Events include:

- asset write-downs;
- litigation or claim judgments or settlements;
- the effect of changes in tax law, accounting principles, or other such laws or provisions affecting reported results;
- accruals for reorganization and restructuring programs;
- special charges in connection with mergers and acquisitions;
- capital gains and losses; and
- any extraordinary non-recurring items as described in Accounting Principles Board Opinion No. 30 and/or in management's discussion and analysis of financial condition and results of operation in the Corporation's Annual Report on Form 10-K for the applicable year.

In addition to the Committee's ability to reduce any award, the Committee may increase the amount of an award paid to a participant (other than a Covered Officer) if appropriate under extraordinary circumstances. For an officer who is selected to participate in the Annual Plan after the first 90 days of a plan year, the award is prorated based upon the length of time the officer is a participant. The maximum award payable to any participant (including a Covered Officer) for any given year cannot exceed $2,500,000.

The award payable to a Covered Officer will be solely based on the performance relative to the Qualifying Performance Criteria selected by the Committee. The

Committee may reduce but not increase the amount of an award otherwise payable to a Covered Officer. Awards may be paid to Covered Officers only after the Committee has certified in writing that the performance goals and other material terms of the Annual Plan have been met.

Incentive awards actually paid under the Annual Plan to the executive officers named in the Summary Compensation Table will be included each year in the disclosures regarding executive compensation as required by the disclosure rules promulgated by the Securities and Exchange Commission (the "SEC").

In the event of a Change in Control or at the direction of the Committee in anticipation of a Change in Control, the Committee will make pro rata interim incentive compensation awards based upon the quarterly financial statements of the Corporation for the quarter ending immediately prior to or coinciding with the Change in Control. However, any interim award paid to any participant in the Annual Plan who received an award for the immediately preceding year, cannot be less than the award received for such year on a prorated basis.

AMENDMENT AND TERMINATION. The Annual Plan may be amended or terminated at any time by the Committee or by the Board of Directors without shareholder approval, unless such approval is otherwise required to satisfy the applicable provisions of Section 162(m).

MATERIAL AMENDMENTS TO ANNUAL PLAN

The Annual Plan differs from the Prior Annual Plan previously approved by the shareholders in the following material respects:

- the Committee is given the flexibility to choose among a variety of criteria for measuring corporate performance in addition to ROAE;
- the Committee will either include or exclude Extraordinary Events in order to produce the higher award (but then can reduce the amount of the award, if appropriate);
- the Committee has the discretion to adopt absolute financial criteria and/or to measure the performance criteria against other banking organizations' performance; and
- the maximum award payable to any participant for any cycle has been increased from $1,000,000 to $2,500,000.

If the Annual Plan is not approved by the shareholders of the Corporation, no payments will be made under the Annual Plan with respect to performance cycles beginning on or after January 1, 1999. In that event, the Committee intends to review and reconsider the incentive compensation programs of the Corporation in light of such vote and the principles described in the Board Compensation Committee Report on Executive Compensation.

The Corporation believes that its incentive compensation plans, including the Annual Plan, have made a significant contribution to the success of the Corporation in attracting and retaining key employees. ACCORDINGLY, THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR APPROVAL OF THE ANNUAL

PLAN.

PROPOSAL TO APPROVE THE AMENDED AND RESTATED LONG-TERM INCENTIVE COMPENSATION PLAN

DESCRIPTION OF THE LONG-TERM PLAN

ADMINISTRATION. The Long-Term Plan will be administered by the Committee which will consist of outside directors within the meaning of Section 162(m).

ELIGIBILITY. Participation in the Long-Term Plan is limited to officers who are specified by the Committee to be key employees whose performance may, in the opinion of the Committee, significantly contribute to the long-term strategic performance and growth of the Corporation. The Committee will establish a two, three, or four year performance cycle; a new performance cycle is expected to begin every two years. During the first 90 days of each performance cycle (or such earlier or later date as may be required or permitted by Section 162(m)), the Committee will select those officers who will participate in that cycle. In addition, the Committee may select officers hired or promoted during a cycle to participate for the remainder of the cycle. It is anticipated that approximately 23 officers will participate in the performance cycle of the Long-Term Plan which began January 1, 1999.

OPERATION OF THE LONG-TERM PLAN. During the first 90 days of each performance cycle (or such later or earlier date as permitted or required by Section 162(m)), the Committee establishes written performance goals based upon the Qualifying Performance Criteria (which are the same criteria used for the Annual Plan) selected by the Committee. The Committee may select different Qualifying Performance Criteria for different incentive groups. For each group, the Committee will designate whether the Qualifying Performance Criteria will be applied to the Corporation as a whole, a subsidiary, a business unit, or a combination of these entities. The Committee will also designate the Qualifying Performance Criteria, which will

be measured over a period of years, and whether the measurement will be made on an absolute basis or relative to a pre-established target to previous years' results or to a designated comparison group. In addition, the Committee will adopt a written schedule of potential awards, expressed as a percentage of base salary. Potential awards may vary among participants in different incentive groups as determined by the Committee.

Incentive awards are determined as a percentage of base salary as of the last day of the last year of the performance cycle and are based upon achievement of the performance goals set by the Committee. No award will be paid under the Long-Term Plan with respect to a performance cycle if the Qualifying Performance Criteria for that performance cycle is below the minimum corporate performance goal established by the Committee. For an officer who is selected to participate in the Long-Term Plan after the first 90 days of a cycle, the award is prorated based upon the length of time the officer is a participant.

Extraordinary Events (which are the same events used for the Annual Plan), if any, will either be excluded or included in determining the extent to which the corresponding performance goals have been achieved, whichever will produce the higher award. The Committee does, however, have the discretion to reduce (but not increase) the amount of, or eliminate, any award, if appropriate, thereby assuring optimal flexibility within the parameters of Section 162(m). The maximum award payable to a participant for any multi-year performance cycle will not exceed $4,000,000 (or the Common Stock equivalent). Awards may be paid to participants only after the Committee has certified in writing that the performance goals have been met.

Incentive awards paid under the Long-Term Plan to the executive officers named in the Summary Compensation Table will be included each year in the disclosures regarding executive compensation as required by disclosure rules promulgated by the SEC.

PAYMENT OF AWARDS. Incentive awards under the Long-Term Plan will normally be paid in the form of Common Stock of the Corporation; however, a participant may elect to receive up to 50% of the award in cash with the approval of the Committee. The total number of shares of Common Stock that can be issued under the Long-Term Plan is 400,000.

No award will be paid to an officer who is not employed by the Corporation or a subsidiary on the day the award is paid, except in the case of death, disability, retirement, or a Change in Control of the Corporation. In the event of death, disability, or retirement of a participant, awards may be paid at the discretion of the Committee. In the event a Change in Control of the Corporation occurs during a performance cycle or before awards for a completed cycle have been received, the following will occur:

- if the Change in Control occurs during the first year of a cycle no award will be paid;
- if the Change in Control occurs during the second year of a cycle, the Qualifying Performance Criteria results for the two most recently completed years prior to the Change in Control will be considered in determining awards even though the measuring period includes a year prior to the commencement of the cycle; and

- -   if a Change in Control occurs after the second year of the cycle, then participants will receive awards based on performance as of the end of the last full year of the cycle preceding the date of the Change in Control.

AMENDMENT AND TERMINATION. The Long-Term Plan may be amended or terminated at any time by the Committee or by the Board of Directors without shareholder approval, unless such approval is otherwise required to satisfy the applicable provisions of Section 162(m).

MATERIAL AMENDMENTS

The amended Long-Term Plan differs from the Prior Long-Term Plan previously approved by the shareholders in the following material respects:

- -   the Committee is given the flexibility to choose among a variety of criterion for measuring corporate performance in addition to ROAE;

- -   the Committee will either include or exclude Extraordinary Events in order to produce the higher award (but then can reduce the amount of the award, if appropriate);

- -   the Committee has the discretion to adopt absolute financial criteria and/or to measure the performance criteria against other banking organizations' performance;

- -   the maximum award payable to any participant for any multi-year cycle has been increased from $1,000,000 to $4,000,000 (or the Common Stock equivalent); and

- -   the number of shares of Common Stock that may be issued by the Corporation under the Long-Term Plan is increased from 177,519 shares (prior to the issuance of shares for the cycle under the Prior Long-Term Plan which ended December 31, 1998) remaining from the total previously approved, adjusted for stock dividends and splits, to 400,000 shares.

If the Long-Term Plan is not approved by the shareholders of the Corporation, no payments will be made under the Long-Term Plan with respect to performance cycles beginning on and after January 1, 1999. In that event, the Committee intends to review and reconsider the incentive compensation programs of the Corporation in light of the shareholders' vote and the principles described in the Board's Compensation Committee Report on Executive Compensation. A performance cycle which began under the Prior Long-Term Plan on January 1, 1998 has been terminated.

The Corporation believes that its incentive compensation plans, including the Long-Term Plan, have made a significant contribution to the success of the Corporation in attracting and retaining key employees and encouraging their ownership of the Corporation. ACCORDINGLY, THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR APPROVAL OF THE LONG-TERM PLAN.

PROPOSAL TO RATIFY THE APPOINTMENT OF INDEPENDENT AUDITORS

The Board of Directors has selected Ernst & Young LLP, independent auditors, as auditors for the Corporation for the year 1999. Although not required, the Board of Directors is submitting its selection to the shareholders of the Corporation for ratification. Ernst & Young LLP has served as the independent auditor for the Corporation since its inception in 1966. The Board of Directors believes that the reappointment of Ernst & Young LLP for the year 1999 is appropriate because of the firm's reputation, qualifications, and experience. Representatives of Ernst & Young LLP will be present at the meeting and will have an opportunity to make a statement if they desire to do so. Such representatives will be available to respond to appropriate questions. The Board of Directors will reconsider the appointment of Ernst & Young LLP if its selection is not ratified by the shareholders.

THE BOARD OF DIRECTORS RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 requires the Corporation's officers, directors and persons who are beneficial owners of more than ten percent of the Corporation's Common Stock ("reporting persons") to file reports of ownership and changes in ownership with the SEC. Reporting persons are required by SEC regulations to furnish the Corporation with copies of all Section 16(a) forms filed by them. Based on its review of the copies of Section 16(a) forms received by it, and on written representations from reporting persons concerning the necessity of filing a Form 5-Annual Statement of Changes in Beneficial Ownership, the Corporation believes that, during 1998, all filing requirements applicable for reporting persons were met.

PROPOSALS BY SHAREHOLDERS FOR 2000 ANNUAL MEETING

If any shareholder of the Corporation wishes to submit a proposal for consideration for inclusion in next year's Proxy Statement and to be acted upon at the annual meeting of the Corporation to be held in 2000, the proposal must be received by the Secretary of the Corporation at the principal executive

offices of the Corporation, Huntington Center, 41 South High Street, Columbus, Ohio 43287, prior to the close of business on October 21, 1999. If the Corporation receives notice of a shareholder proposal after January 9, 2000, persons named as proxies for the 2000 Annual Meeting of Shareholders will have discretionary voting authority to vote on such proposal at the meeting.

In addition, the Corporation's Bylaws establish advance notice procedures as to (1) business to be brought before an annual meeting of shareholders other than by or at the direction of the Board of Directors, and (2) the nomination, other than by or at the direction of the Board of Directors, of candidates for election as directors. Any shareholder who wishes to submit a proposal to be acted upon at next year's annual meeting or who wishes to nominate a candidate for election as a director should obtain a copy of these Bylaw provisions and may do so by written request addressed to the Secretary of the Corporation at the principal executive offices of the Corporation.

OTHER MATTERS

As of the date of this Proxy Statement, management knows of no other business that will come before the meeting. Should any other matter requiring a vote of the shareholders arise, a properly submitted proxy confers upon the person or persons designated to vote the shares discretionary authority to vote the same with respect to any such other matter in accordance with their best judgment.

The Corporation's 1998 Annual Report was furnished to shareholders concurrently with the mailing of this proxy material. THE CORPORATION'S FORM 10-K FOR 1998 AND

ADDITIONAL COPIES OF THE 1998 ANNUAL REPORT WILL BE FURNISHED, WITHOUT CHARGE, TO SHAREHOLDERS OF THE CORPORATION UPON WRITTEN REQUEST TO INVESTOR RELATIONS, HUNTINGTON BANCSHARES INCORPORATED, HUNTINGTON CENTER, COLUMBUS, OHIO 43287.

If you are an employee of the Corporation or its affiliated entities and are receiving this Proxy Statement as a result of your participation in the Huntington Investment and Tax Savings Plan, a proxy card has not been included. Instead, an instruction card, similar to a proxy card, has been provided so that you may instruct the trustee how to vote your shares held under this plan.

Financial Supplement

Table of Contents

I.	Management's Discussion and Analysis of Financial Condition and Results of Operations	F-1
II.	Report of Management	F-20
III.	Report of Independent Auditors	F-20
IV.	Consolidated Balance Sheets	F-21
V.	Consolidated Statements of Income	F-22
VI.	Consolidated Statements of Changes in Shareholders' Equity	F-23
VII.	Consolidated Statements of Cash Flows	F-24
VIII.	Notes to Consolidated Financial Statements	F-25

MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

TABLE 1

CONSOLIDATED SELECTED FINANCIAL DATA — Year Ended December 31,

(in thousands of dollars, except per share amounts)	1998	1997	1996	1995	1994	1993

<S>	<C>	<C>	<C>	<C>	<C>	<C>
SUMMARY OF OPERATIONS						
Total interest income	$ 1,999,364	$ 1,981,473	$ 1,775,734	$ 1,709,627	$ 1,418,610	$ 1,410,401
Total interest expense	978,271	954,243	880,648	856,860	546,880	514,812
Net interest income	1,021,093	1,027,230	895,086	852,767	871,730	895,589
Securities gains	29,793	7,978	17,620	9,380	2,297	27,316
Provision for loan losses	105,242	107,797	76,371	36,712	21,954	84,682
Net income	301,768	292,663	304,269	281,801	276,320	266,925
Operating earnings (1)	362,068	338,897	304,269	281,801	276,320	266,925
PER COMMON SHARE (2)						
Net income						
Basic	1.43	1.39	1.44	1.29	1.27	1.25
Diluted	1.41	1.38	1.42	1.28	1.26	1.23
Diluted--Operating (1)	1.70	1.60	1.42	1.28	1.26	1.23
Cash dividends declared	0.76	0.68	0.62	0.56	0.51	0.42
Book value at year-end	10.20	9.60	8.60	8.35	7.54	7.08
BALANCE SHEET HIGHLIGHTS						
Total assets at year-end	28,296,336	26,730,540	24,371,946	23,495,337	20,688,505	20,214,835
Total long-term debt at year-end	707,359	498,889	550,531	517,202	555,514	580,605
Average long-term debt	620,688	526,379	515,664	529,140	561,872	612,617
Average shareholders' equity	2,064,241	1,893,788	1,776,151	1,742,826	1,621,443	1,415,839
Average total assets	$ 26,891,558	$ 25,150,659	$ 23,374,490	$ 22,098,785	$ 19,498,530	$ 19,340,577

<CAPTION>

KEY RATIOS AND STATISTICS	1998	1997	1996	1995	1994	1993
<S>	<C>	<C>	<C>	<C>	<C>	<C>
MARGIN ANALYSIS--AS A % OF AVERAGE EARNING ASSETS (3)						
Interest income	8.33%	8.52%	8.26%	8.43%	7.99%	8.02%
Interest expense	4.05	4.08	4.07	4.19	3.04	2.88
NET INTEREST MARGIN	4.28%	4.44%	4.19%	4.24%	4.95%	5.14%
RETURN ON						
Average total assets	1.12%	1.16%	1.30%	1.28%	1.42%	1.38%
Average total assets--Operating (1)	1.35	1.35	1.30	1.28	1.42	1.38
Average shareholders' equity	14.62	15.44	17.13	16.17	17.04	18.85
Average shareholders' equity--Operating (1)	17.54	17.88	17.13	16.17	17.04	18.85
Dividend payout ratio	53.15	49.67	42.22	43.82	38.50	32.47
Average shareholders' equity to average total assets	7.68	7.53	7.60	7.89	8.32	7.32
Tier I risk-based capital ratio	7.10	8.83	8.11	8.66	9.67	9.78
Total risk-based capital ratio	10.73	11.68	11.29	12.01	13.32	13.81
Tier I leverage ratio	6.37%	7.77%	6.80%	6.99%	7.95%	7.12%

<CAPTION>

OTHER DATA	1998	1997	1996	1995	1994	1993
Full-time equivalent employees	10,159	9,485	9,467	9,083	9,642	9,820
Banking offices	531	454	429	406	420	423

(1) Reported net income, adjusted to exclude special charges and related taxes.

(2) Adjusted for stock splits and stock dividends, as applicable.

(3) Presented on a fully tax equivalent basis assuming a 35% tax rate.

INTRODUCTION

FORWARD-LOOKING STATEMENTS

Congress passed the Private Securities Litigation Reform Act of 1995 to encourage corporations to provide investors with information about the company's anticipated future financial performance, goals, and strategies. The act provides a safe harbor for such disclosure, or in other words, protection from unwarranted litigation if actual results are not the same as management's expectations.

Huntington Bancshares Incorporated (Huntington) desires to provide its shareholders with sound information about past performance and future trends. Consequently, this Financial Supplement to the Proxy Statement, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements including certain plans, expectations, goals, and projections--including without limitation those relating to Huntington's Year 2000 readiness--that are subject to numerous assumptions, risks, and uncertainties. Actual results could differ materially from those contained in or implied by Huntington's statements due to a variety of factors including: changes in economic conditions; movements in interest rates; competitive pressures on product pricing and services; success and timing of business strategies; the successful integration of acquired businesses; the nature, extent, and timing of governmental actions and reforms; the risks of Year 2000 disruption; and extended disruption of vital infrastructure. The management of Huntington encourages readers of this Financial Supplement to the Proxy Statement to understand forward-looking statements to be strategic objectives rather than absolute targets of future performance.

ACQUISITIONS AND OTHER STRATEGIC INITIATIVES

In June 1998, Huntington completed the acquisition of sixty former Barnett Banks banking offices in Florida from NationsBank Corporation (the Branch Purchase). The transaction was accounted for as a purchase; accordingly, the assets acquired and liabilities assumed were recorded at estimated fair

TABLE 2

CHANGE IN NET INTEREST INCOME DUE TO CHANGES IN AVERAGE VOLUME AND INTEREST RATES (1)

	1998 Increase (Decrease) From Previous Year Due To:			1997 Increase (Decrease) From Previous Year Due To:		
Fully Tax Equivalent Basis (2) (in millions of dollars)	Volume	Yield/ Rate	Total	Volume	Yield/ Rate	Total
Interest bearing deposits in banks	$ 0.6	$ (0.1)	$ 0.5	$ (0.3)	$ ---	$ (0.3)
Trading account securities	---	---	---	(0.4)	0.1	(0.3)
Federal funds sold and securities purchased under resale agreements	10.4	0.1	10.5	(1.3)	(0.1)	(1.4)
Mortgages held for sale	11.1	(1.0)	10.1	1.4	---	1.4
Taxable securities	(28.7)	(2.3)	(31.0)	10.0	(3.9)	6.1
Tax-exempt securities	(1.6)	(1.8)	(3.4)	(2.6)	---	(2.6)
Total loans	76.9	(47.2)	29.7	145.6	56.7	202.3
TOTAL EARNING ASSETS	68.7	(52.3)	16.4	152.4	52.8	205.2
Interest bearing demand deposits	10.2	1.8	12.0	3.6	0.6	4.2
Savings deposits	7.5	6.1	13.6	7.0	7.1	14.1

Other domestic time deposits	24.1	(4.7)	19.4	22.2	(2.8)	19.4
Certificates of deposit of $100,000 or more	(3.0)	0.6	(2.4)	22.6	1.3	23.9
Foreign time deposits	(16.0)	(0.3)	(16.3)	4.5	(0.7)	3.8
Short-term borrowings	(35.8)	(12.9)	(48.7)	(3.3)	0.6	(2.7)
Medium-term notes	52.3	(3.9)	48.4	9.3	(13.3)	(4.0)
Subordinated notes and other long-term debt, including capital securities	7.6	(9.5)	(1.9)	13.7	1.1	14.8
TOTAL INTEREST BEARING LIABILITIES	46.9	(22.8)	24.1	79.6	(6.1)	73.5
NET INTEREST INCOME	$ 21.8	$(29.5)	$ (7.7)	$ 72.8	$ 58.9	$131.7

</TABLE>

(1) The change in interest rates due to both rate and volume has been allocated between the factors in proportion to the relationship of the absolute dollar amounts of the change in each.
(2) Calculated assuming a 35% tax rate.

value. The Branch Purchase added approximately $1.3 billion in loans and $2.3 billion in deposits. Intangible assets arising from the transaction totaled approximately $460 million. The acquired branches' results of operations have been included in Huntington's consolidated totals from the date of the acquisition only.

In October 1998, Huntington announced several initiatives to strengthen the company's financial performance. These included the realignment of the banking network; the exit of under-performing product lines and delivery channels; implementation of numerous cost savings measures, including the reduction of approximately 10% of workforce positions; and a repositioning of the balance sheet to maximize returns on equity. When fully implemented, management anticipates that these actions will result in an estimated $125 million in sustainable pretax annual profit improvements. In connection with these initiatives, Huntington incurred one-time, pre-tax expenses of $90 million in the fourth quarter of 1998. This special charge included $32 million related to exit activities, $26 million for severance and other personnel-related items, $20 million from the closure of banking offices, and $12 million of fixed asset write-offs.

"Operating" results, as used below, refers to Huntington's financial performance before the impact of the fourth quarter 1998 special charges and the merger-related expenses incurred in connection with the acquisition in 1997 of First Michigan Bank Corporation, a $3.6 billion bank holding company headquartered in Holland, Michigan (First Michigan).

OVERVIEW

Huntington's operating earnings totaled $362.1 million in 1998, up from $338.9 million in the preceding year, and $304.3 million in 1996. On a diluted per share basis, operating earnings were $1.70 in the recent year, versus $1.60 and $1.42, respectively, in 1997 and 1996. Reported net income for 1998, including special charges, was $301.8 million, or $1.41 per share. Per share amounts for all prior periods have been restated to reflect the ten percent stock dividend distributed to shareholders in July 1998.

<TABLE>
<CAPTION>
TABLE 3

LOAN PORTFOLIO COMPOSITION	DECEMBER 31,				
(in millions of dollars)	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
Commercial	$ 6,027	$ 5,271	$ 5,130	$ 4,869	$ 4,285
Real Estate					
Construction	919	864	699	524	414
Mortgage	3,640	3,598	3,623	3,552	3,736
Consumer					
Loans	6,958	6,463	6,123	5,741	5,214
Lease financing	1,911	1,542	1,183	784	572
Total Loans	$ 19,455	$ 17,738	$ 16,758	$ 15,470	$ 14,221

</TABLE>

Note: There are no loans outstanding which would be considered a concentration of lending in any particular industry or group of industries.

<TABLE>
<CAPTION>
TABLE 4

MATURITY SCHEDULE OF SELECTED LOANS

(in millions of dollars) DECEMBER 31, 1998

	Within One Year	After One But Within Five Years	After Five Years	Total
<S>	<C>	<C>	<C>	<C>
Commercial	$ 1,371	$ 3,815	$ 841	$ 6,027
Real estate - construction	381	402	136	919
TOTAL	$ 1,752	$ 4,217	$ 977	$ 6,946
Variable interest rates		$ 2,451	$ 649	
Fixed interest rates		$ 1,766	$ 328	

</TABLE>

On an operating basis, return on average equity (ROE) was 17.54% in 1998 and return on average assets (ROA) was 1.35%. In the two preceding years, ROE was 17.88% and 17.13%, respectively, and ROA was 1.35% and 1.30%. Adjusted for the impact of intangible assets and related amortization expense, "cash" basis ROE improved to 24.35% for 1998, compared with 21.36% for 1997 and 19.88% in 1996. Cash basis ROA was 1.45% in the recent twelve months versus 1.41% and 1.36% in 1997 and 1996, respectively.

Total assets were $28.3 billion at December 31, 1998, up nearly 6% from year-end 1997. The Branch Purchase drove much of the asset growth, complemented by new loan production, including a significant increase in mortgages held for sale. A strategic repositioning of the balance sheet, designed to improve equity returns, resulted in other portions of the balance sheet showing reductions from 1997. These initiatives included the sale of $3.4 billion of securities available for sale, the exit of out-of-market credit card operations through the sale of approximately $90 million of loans outstanding, and the closure of the Pittsburgh indirect loan production office. Huntington also sold 59 properties with a book value approximating $110 million, that included a mix of branch banking offices, regional offices, and operations facilities, which the company will continue to operate under long-term leases.

Adjusted for the impact of the Branch Purchase and loan sales/securitizations, average total loans outstanding were up 4.2% from 1997. Both commercial and consumer loans grew more than 5%. Residential mortgage refinancing activity, coupled with the impact of the General Motors strike on automobile dealer floor plan lending, softened overall loan growth.

Core deposits, adjusted for the Branch Purchase, increased 3.1% with particular strength in transaction accounts and savings products--up 5.5% and 3.2%, respectively. Core deposits represent Huntington's most significant source of funding; when combined with other core funding sources, they provide approximately 76% of Huntington's funding needs.

In terms of wholesale liabilities, Huntington issued $300 million of subordinated notes in 1998 as well as an additional $100 million of capital securities through Huntington Capital II, a special-purpose subsidiary.

LINES OF BUSINESS

For internal reporting and planning purposes, Huntington segments its operations into five distinct lines of business: retail banking, corporate banking, dealer sales, private financial group, and treasury/other. Line of business results are determined based upon Huntington's business profitability reporting system which assigns balance sheet and income statement items to each of the business segments identified above. This is a dynamic process that mirrors Huntington's organizational and management structure. Accordingly, the results are not necessarily comparable with similar information published by other financial institutions that may define business segments differently. In addition, methodologies used to assign certain balance sheet, income statement, and overhead items may change as Huntington continues to refine the data and its allocation assumptions used to present segment information.

A description of each line of business and its operating earnings contribution is discussed below:

RETAIL BANKING

Retail Banking provides products and services to retail and small community banking business customers. This business unit's products include home equity loans, first mortgage loans, installment loans, credit cards, deposit products, as well as investment and insurance services. These products and services are offered through Huntington's traditional banking

network, in-store branches, Direct Bank, and Web Bank.

CORPORATE BANKING

Customers in this segment represent the small, middle-market, and large corporate banking relationships which use a variety of banking products and services including, but not limited to, commercial loans, asset based financing, international trade, and cash management. Huntington's capital markets division also provides alternative financing solutions for larger business clients, including privately placed debt and syndicated commercial lending.

DEALER SALES

Dealer Sales product offerings pertain to the automobile lending sector and include floor plan financing, as well as indirect consumer loans and leases. Indirect consumer lending comprises the vast majority of the business and involves dealerships selling Huntington's products to individuals purchasing or leasing vehicles.

PRIVATE FINANCIAL GROUP

Huntington's Private Financial Group (PFG) provides an array of products and services designed to meet the needs of Huntington's higher wealth banking customers. Revenue is derived through personal trust, asset management, investment advisory, and other wealth management services. Huntington's Private Financial Group provides customers with "one-stop shopping" for all their financial needs.

TREASURY/OTHER

Huntington uses a match-funded transfer pricing system to allocate interest income and interest expense to its business segments. This approach consolidates the interest rate risk management of the company into its Treasury Group. As part of its overall interest rate risk and liquidity management strategy, Treasury administers an investment portfolio of approximately $5 billion. Revenue and expense associated with these activities remain within Treasury. Additionally, the Treasury/Other group absorbs unassigned equity that may be used to fund acquisitions or other internal growth initiatives. Costs associated with intangibles that have not been allocated to the major business lines are also included in the Other category.

EARNINGS CONTRIBUTION BY BUSINESS SEGMENT

Retail banking provided 43% of Huntington's operating earnings for 1998. This segment represents 36% of Huntington's outstanding loan portfolio, and generates retail deposits, the key source of funding for Huntington. Retail Banking is allocated from Treasury a "deposit credit" based on the cost of deposits gathered versus rates available on wholesale funds of similar duration. The Corporate Banking lending portfolio represents approximately 31% of Huntington's total loan book and was responsible for 29% of 1998 operating earnings. Dealer Sales represented 29% of the loans outstanding and provided a 14% earnings contribution in the recent year. Private Financial Group, a very profitable and growing business segment, generated 6% of the annual operating earnings, mostly driven by its fee-based services. Treasury/Other includes approximately $30 million of securities gains in 1998.

[GRAPH]

RESULTS OF OPERATIONS

NET INTEREST INCOME

Huntington's net interest income was $1,021.1 million in 1998, compared with $1,027.2 million and $895.1 million, respectively, in 1997 and 1996. The net interest margin, on a fully tax equivalent basis, was 4.28% during the recent twelve months, versus 4.44% and 4.19% in the two preceding years. The margin decline is primarily due to the drop in earning asset yields, as the highly competitive marketplace continues to erode loan spreads across much of the banking industry. Interest rate swaps and other off-balance sheet financial instruments used for asset/liability management purposes provided benefits of $27.3 million and $6.0 million in the recent two years versus a reduction of $52.1 million in 1996.

PROVISION AND ALLOWANCE FOR LOAN LOSSES

The provision for loan losses was $105.2 million in 1998, down slightly from $107.8 million one year ago. In 1996, the provision totaled $76.4 million. Net charge-offs as a percent of average total loans were .51% in the

year just ended versus .50% in 1997 and .44% in 1996. Consumer losses were up 10.1% from 1997, while commercial charge-offs increased 5.6%.

The allowance for loan losses (ALL) is maintained at a level considered appropriate by management, based on its estimate of probable losses in the loan portfolio. The procedures employed by Huntington in evaluating the adequacy of the ALL include an analysis of specific credits that are generally selected for review on the basis of size and relative risk, portfolio trends, recent loss experience, prevailing economic conditions, and other relevant factors. For analytical purposes, the ALL has been allocated to various portfolio segments. However, the total ALL is available to absorb losses from any segment of the portfolio.

At December 31, 1998, the ALL was $290.9 million and represented 1.50% of total loans, up modestly from 1.46% a year ago. The ALL covered non-performing loans more than three times, consistent with the prior year's level. Additional information regarding the ALL and asset quality appears in the section "Credit Risk".

NON-INTEREST INCOME

Non-interest income totaled $438.2 million in 1998, versus $342.8 million and $314.1 million, respectively, in 1997 and 1996. Excluding securities gains, non-interest income increased 22% over last year. Fee income continues to be a growing source of revenue for Huntington, as it represented 28.6% of total revenues in the recent year, versus 24.6% in 1997. Improvements were evident in all non-interest income categories, led by brokerage and insurance services, electronic banking, and mortgage banking. Huntington also generated $28.7 million of income from Bank Owned Life Insurance policies in 1998. Included in "Other" non-interest income is a gain of $9.5 million from the sale of Huntington's out-of-market credit card portfolio.

NON-INTEREST EXPENSE

On an operating basis, non-interest expense was $823.9 million, compared with $751.9 million and $675.5 million in the two preceding years. Fueling the expenses were higher sales commissions related to growth in fee-based businesses; additional telecommunication costs resulting from continued expansion of Huntington's ATM network; contract programming for Year 2000 remediation; systems conversions and other costs of consolidating operations; and intangible asset amortization attributable to the Branch Purchase.

Huntington believes it is well positioned to achieve significant efficiencies in the future. The movement to a common operating platform is substantially completed, banking activities are provided under a single interstate charter, and the number of operations and processing centers has been significantly reduced. Moreover, the company recently announced several additional strategic actions that are expected to enhance profitability, including its plans to close approximately 39 underperforming banking offices and terminate certain business activities including employee benefit plan administrative services. In connection with the initiatives, Huntington expects to eliminate approximately 1,000 positions, or roughly 10% of its work force.

During the fourth quarter of 1998, Huntington recorded a $90 million (approximately $60 million net of taxes, or $.28 per share) special charge as a result of the above-mentioned strategic actions. It is anticipated that the exit activities and the closure of banking offices will be completed by the end of 1999. At the recent year end, approximately $54 million of the reserves remained from the special charge. See note 2 to the Consolidated Financial Statements for additional information regarding the 1998 Special Charge.

<TABLE>
<CAPTION>
TABLE 5

SUMMARY OF ALLOWANCE FOR LOAN LOSSES AND SELECTED STATISTICS

(in thousands of dollars)	1998	1997	1996	1995	1994
<S>	<C>	<C>	<C>	<C>	<C>
ALLOWANCE FOR LOAN LOSSES, BEGINNING OF YEAR	$ 258,171	$ 230,778	$ 222,487	$ 225,225	$ 233,123
LOAN LOSSES					
Commercial	(24,512)	(23,276)	(23,904)	(15,947)	(11,450)
Real estate					
Construction	(80)	(375)	---	(392)	(5,957)
Mortgage	(3,358)	(2,663)	(2,768)	(5,086)	(5,840)
Consumer					
Loans	(84,961)	(74,761)	(59,843)	(39,000)	(27,283)
Leases	(13,444)	(9,648)	(4,492)	(1,989)	(962)
Total loan losses	(126,355)	(110,723)	(91,007)	(62,414)	(51,492)
RECOVERIES OF LOANS PREVIOUSLY CHARGED OFF					

Commercial	4,546	4,373	4,884	3,696	8,204
Real estate					
Construction	441	111	556	5	1
Mortgage	2,167	619	1,402	977	859
Consumer					
Loans	23,140	16,382	13,457	11,156	10,830
Leases	1,554	1,057	721	303	353
Total recoveries of loans previously charged off	31,848	22,542	21,020	16,137	20,247
NET LOAN LOSSES	(94,507)	(88,181)	(69,987)	(46,277)	(31,245)
PROVISION FOR LOAN LOSSES	105,242	107,797	76,371	36,712	21,954
ALLOWANCE ACQUIRED/OTHER	22,042	7,777	1,907	6,827	1,393
ALLOWANCE FOR LOAN LOSSES, END OF YEAR	$ 290,948	$ 258,171	$ 230,778	$ 222,487	$ 225,225
AS A % OF AVERAGE TOTAL LOANS					
Net loan losses	0.51%	0.50%	0.44%	0.30%	0.23%
Provision for loan losses	0.57%	0.61%	0.48%	0.24%	0.16%
Allowance for loan losses as a % of total loans (end of period)	1.50%	1.46%	1.38%	1.44%	1.58%
Net loan loss coverage (1)	6.72x	7.01x	7.62x	10.07x	13.86x

</TABLE>

(1) Income before income taxes (excluding special charges) and the provision for loan losses to net loan losses.

<TABLE>
<CAPTION>

TABLE 6

ALLOCATION OF ALLOWANCE FOR LOAN LOSSES

(in thousands of dollars)	1998	Percent of Loans to Total Loans	1997	Percent of Loans to Total Loans	1996	Percent of Loans to Total Loans	1995	Percent of Loans to Total Loans	1994	Percent of Loans to Total Loans
<S>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>	<C>
Commercial	$ 82,129	31.0%	$ 86,439	29.7%	$113,555	30.6%	$119,200	31.5%	$133,542	30.1%
Real estate										
Construction	11,112	4.7	8,140	4.9	2,033	4.2	2,258	3.4	1,454	2.9
Mortgage	40,070	18.7	38,598	20.3	18,987	21.6	18,179	23.0	20,601	26.3
Consumer										
Loans	104,198	35.8	75,405	36.4	54,564	36.5	43,880	37.1	36,315	36.7
Leases	17,823	9.8	6,631	8.7	3,457	7.1	3,651	5.0	2,632	4.0
Unallocated	35,616	---	42,958	---	38,182	---	35,319	---	30,681	---
Total	$290,948	100.0%	$258,171	100.0%	$230,778	100.0%	$222,487	100.0%	$225,225	100.0%

</TABLE>

In connection with the acquisition of First Michigan in 1997, Huntington incurred a merger-related charge of $51 million consisting primarily of personnel, facilities, and systems costs, as well as $12 million of professional fees and other costs to effect the business combination. At December 31, 1998, the merger-related reserve had been fully used.

PROVISION FOR INCOME TAXES

The provision for income taxes was $138.4 million in 1998, down from $166.5 million in 1997, and $153.0 million in 1996. Huntington's effective tax rate decreased to 31.4% in the recent year versus 36.3% in 1997. The lower rate is due primarily to a higher mix of tax-exempt income. In addition, the 1997 rate was higher than normal as a result of significant nondeductible expenses incurred in connection with the First Michigan and other bank acquisitions.

YEAR 2000

The Year 2000 problem is the result of many existing computer programs using only the last two-digits, as opposed to four digits, to indicate the year. Such computer systems may be unable to recognize a year that begins with "20" instead of "19". If not corrected, many computer programs could cause systems to fail or other computer errors, leading to possible disruptions in operations or creation of erroneous results.

Huntington, in an enterprise-wide effort, is taking steps to ensure

that its internal systems are secure from such failure and that its current products will perform. The company's Year 2000 Plan (the Plan) addresses all systems, software, hardware, and infrastructure components. In addition, business processes are being assessed and validated throughout the organization.

The Plan identifies and addresses "Mission Critical" and "Non-mission Critical" components for Information Technology (IT) systems, Non-information Technology (Non-IT) systems, and business processes. IT includes, for example, systems that service loan and deposit customers. Non-IT systems include, among other things, security systems, elevators, utilities, and voice/data communications. An application, system, or process is Mission Critical if it is vital to the successful continuance of a core business activity.

Huntington's progress towards meeting the Plan's goals for both IT and Non-IT systems, which follows a five phase approach recommended by federal bank regulators, is as follows:

Phase	Percent Complete	Completion Date
MISSION CRITICAL		
Awareness	100%	06/30/1998
Assessment	100%	09/30/1998
Renovation	95%	06/30/1999
Testing/Validation	95%	06/30/1999
Implementation	73%	06/30/1999
NON-MISSION CRITICAL		
Awareness	100%	06/30/1998
Assessment	100%	12/31/1998
Renovation	90%	06/30/1999
Testing/Validation	63%	06/30/1999
Implementation	58%	10/31/1999

Huntington depends on various third-party vendors, suppliers, and service providers. The activities undertaken by these third parties can vary from processing and settlement of automated teller transactions to mortgage loan processing. Huntington will be dependent on the continued service by its vendors, suppliers, service providers, and ultimately its customers' continued operations in order to avoid business interruptions. Any interruption in a third party's ability to provide goods and services, such as issues with telecommunication links, power, and transportation, could present problems. Huntington has identified approximately ten material third-party relationships with a focus on those considered "Mission Critical." Huntington is presently working with each of these parties to test transactions and/or interfaces between its processors, obtain appropriate information from each party, or assess each party's ability to be prepared for the Year 2000.

Over forty full-time staff members are dedicated to the Year 2000 effort and, on a part-time basis, multitudes of internal personnel from various disciplines throughout the Huntington organization are also working on this project. Furthermore, Huntington has engaged an independent consultant to establish a Year 2000 Program Management Office (PMO). The PMO organizes Huntington's Year 2000 project management activities beyond the technical information services group into all business units. The PMO creates the methodology that is used in every business unit and also brings a quality assurance process that reviews the thoroughness of the actions taken to remedy the Year 2000 problem.

Identifiable costs for the Year 2000 project incurred in 1998 were $13.1 million. Management estimates it will cost an additional $16 million to bring its systems and business processes into compliance and to implement elements of its contingency plan. However, these expenses are not expected to materially impact operating results in any one period. These estimated costs incorporate not only incremental third-party expenses but also include salary and benefit costs of employees redeployed and full implementation of a call center to handle increased customer inquiries before and after January 1, 2000.

Major business risks associated with the Year 2000 problem include, but are not limited to, infrastructure failures, disruptions to the economy in general, excessive cash withdrawal activity, closure of government offices, foreign banks, and clearing houses, and increased problem loans and credit losses in the event that borrowers fail to properly respond to the problem. These risks, along with the risk of Huntington failing to adequately complete the remaining phases of its project work and the resulting possible inability to properly process core business transactions and meet contractual servicing agreements, could expose Huntington to loss of revenues, litigation, and asset quality deterioration.

The Year 2000 problem is unique in that it has never previously occurred; thus, it is not possible to completely foresee or quantify the overall or any specific financial or operational impacts to Huntington or to third parties which provide Mission Critical services to the company. Huntington has, however, implemented several proactive processes to identify and mitigate risk involving systems and processes over which it has control, including strengthening its Business Resumption Plan for the Year 2000 by adding alternatives for systems and networks in support of critical applications. The modifications to Huntington's contingency plan are now complete and have been tested and validated for all core business processes. Huntington's senior management believes successful modifications to existing systems and conversions to new systems will substantially reduce the risk of Year 2000 disruption.

INTEREST RATE RISK AND LIQUIDITY MANAGEMENT

INTEREST RATE RISK MANAGEMENT

Huntington seeks to achieve consistent growth in net interest income and net income while managing volatility arising from shifts in interest rates. The Asset and Liability Management Committee (ALCO) oversees financial risk management, establishing broad policies and specific

TABLE 7

INVESTMENT SECURITIES	DECEMBER 31,		
(in thousands of dollars)	1998	1997	1996
U.S. Treasury and Federal Agencies	$ 156	$ 656	$111,559
States and political subdivisions	24,778	32,354	233,458
Other Securities	---	---	118
TOTAL INVESTMENT SECURITIES	$24,934	$33,010	$345,135

AMORTIZED COST AND FAIR VALUES BY MATURITY AT DECEMBER 31, 1998

(in thousands of dollars)	AMORTIZED COST	FAIR VALUE	YIELD
U.S. Treasury and Federal Agencies			
1-5 years	$ 156	$ 156	6.57%
Total	156	156	
States and political subdivisions			
Under 1 year	4,318	3,937	8.45%
1-5 years	13,310	13,530	7.59%
6-10 years	5,463	5,674	8.44%
Over 10 years	1,687	1,747	8.70%
Total	24,778	24,888	
TOTAL INVESTMENT SECURITIES	$24,934	$25,044	

Note: Weighted average yields were calculated on the basis of amortized cost and have been adjusted to a fully tax equivalent basis, assuming a 35% tax rate.

operating limits that govern a variety of financial risks inherent in Huntington's operations, including interest rate, liquidity, counterparty, settlement, and market risks. On and off-balance sheet strategies and tactics are reviewed and monitored regularly by ALCO to ensure consistency with approved risk tolerances.

Interest rate risk management is a dynamic process, encompassing the business flows onto the balance sheet, wholesale investment and funding, and the changing market and business environment. Effective management of interest rate risk begins with appropriately diversified investments and funding sources. To accomplish its overall balance sheet objectives,

Huntington regularly accesses a variety of global markets--money, bond, futures, and options--as well as numerous trading exchanges. In addition, dealers in over-the-counter financial instruments provide availability of interest rate swaps as needed.

Measurement and monitoring of interest rate risk is an ongoing process. A key element in this process is Huntington's estimation of the amount that net interest income will change over a twelve to twenty-four month period given a directional shift in interest rates. The income simulation model used by Huntington captures all assets, liabilities, and off-balance sheet financial instruments, accounting for significant variables that are believed to be affected by interest rates. These include prepayment speeds on mortgages and consumer installment loans, cash flows of loans and deposits, principal amortization on revolving credit instruments, and balance sheet growth assumptions. The model also captures embedded options, e.g. interest rate caps/floors or call options, and accounts for changes in rate relationships, as various rate indices lead or lag changes in market rates. While these assumptions are inherently uncertain, management assigns probabilities and, therefore, believes that, at any point in time, the model provides a reasonably accurate estimate of Huntington's interest rate risk exposure. Management reporting of this information is regularly shared with the Board of Directors.

At December 31, 1998, the results of Huntington's interest sensitivity analysis indicated that net interest income would increase by approximately 1% given a 100 to 200 basis point decrease in the federal funds rate (assuming the change occurs evenly over the next year and that corresponding changes in other market rates occur as forecasted). Net interest income would be expected to decrease by approximately 1% if rates rose 100 basis points and would drop 2% in the event of a 200 basis point increase.

Active interest rate risk management necessitates the use of various types of off-balance sheet financial instruments, primarily interest rate swaps. Risk that is created by different indices on products, by unequal terms to maturity of assets and liabilities, and by products that are appealing to customers but incompatible with current risk limits can be eliminated or decreased in a cost efficient manner by utilizing interest rate swaps. Often, the swap strategy has enabled Huntington to lower the overall cost of raising wholesale funds. Similarly, financial futures, interest rate caps and floors, options, and forward rate agreements are used to control financial risk effectively. Off-balance sheet instruments are often preferable to similar cash instruments because, though performing identically, they require less capital while preserving access to the marketplace.

<TABLE>
<CAPTION>
Table 8

SECURITIES AVAILABLE FOR SALE	December 31,		
(in thousands of dollars)	1998	1997	1996
<S>	<C>	<C>	<C>
U.S. Treasury and Federal Agencies	$4,096,134	$5,001,034	$4,714,821
Other	685,281	708,780	494,572
TOTAL SECURITIES AVAILABLE FOR SALE	$4,781,415	$5,709,814	$5,209,393

<CAPTION>
AMORTIZED COST AND FAIR VALUES BY MATURITY AT DECEMBER 31, 1998

(in thousands of dollars)	AMORTIZED COST	FAIR VALUE	YIELD (1)
U.S. Treasury			
Under 1 year	$ 1,000	$ 1,007	7.00%
1-5 years	63,537	65,364	5.50%
6-10 years	169,959	176,945	5.52%
Total	234,496	243,316	
Federal Agencies			
Mortgage-backed securities			
1-5 years	11	11	8.13%
6-10 years	87,342	89,162	6.79%
Over 10 years	1,356,722	1,363,015	6.40%
Total	1,444,075	1,452,188	
Other agencies			

1-5 years	968,753	975,253	6.00%
6-10 years	678,245	684,230	5.71%
Over 10 years	740,139	741,147	6.39%
Total	2,387,137	2,400,630	
Total U.S. Treasury and Federal Agencies	4,065,708	4,096,134	
Other			
Under 1 year	7,492	7,478	8.33%
1-5 years	188,551	190,871	7.48%
6-10 years	204,788	210,698	7.36%
Over 10 years	268,319	268,930	6.05%
Marketable equity securities	8,359	7,304	5.52%
Total	677,509	685,281	
TOTAL SECURITIES AVAILABLE FOR SALE	$4,743,217	$4,781,415	

</TABLE>

At December 31, 1998, Huntington had no concentrations of securities by a single issuer in excess of 10% of shareholders' equity.

(1) Weighted average yields were calculated on the basis of amortized cost.

<TABLE>
<CAPTION>
TABLE 9

INTEREST RATE SWAP PORTFOLIO — DECEMBER 31, 1998

(in millions of dollars)	ASSET CONVERSION SWAPS (1)	LIABILITY CONVERSION SWAPS Receive Fixed	Receive fixed-amortizing	Pay fixed	Total	BASIS PROTECTION SWAPS
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Notional value	$ 941	$1,620	$ 152	$975	$2,747	$ 985
Average maturity (years)	3.60	3.88	0.90	2.57	3.25	1.27
Market value	$ 7.0	$ 41.2	$ 0.3	$ (9.8)	$ 31.7	$(0.1)
Average rate:						
Receive	6.22%	6.33%	5.63%	5.35%	5.94%	5.23%
Pay	5.29	5.43	5.62	5.25	5.38	5.14

</TABLE>

(1) Receive fixed only at December 31, 1998.

Table 9 above illustrates the approximate market values, estimated maturities and weighted average rates of the interest rate swaps used by Huntington in its interest rate risk management program at December 31, 1998.

As is the case with cash securities, the market value of interest rate swaps is largely a function of the financial market's expectations regarding the future direction of interest rates. Accordingly, current market values are not necessarily indicative of the future impact of the swaps on net interest income. This will depend, in large part, on the shape of the yield curve as well as interest rate levels. With respect to the variable rate information and the indexed amortizing swap maturities presented in Table 9, management made no assumptions regarding future changes in interest rates.

The pay rates on Huntington's receive-fixed swaps vary based on movements in the applicable London interbank offered rate (LIBOR). Receive-fixed asset conversion swaps and receive-fixed liability conversion swaps with notional values of $600 million and $800 million, respectively, have embedded written LIBOR-based call options. The portfolio of amortizing swaps consists primarily of contracts that are indexed to the prepayment experience of a specified pool of mortgage loans. As market interest rates change, the amortization of the notional value of the swap will also change, generally slowing as rates increase and accelerating when rates fall. Basis swaps are contracts that provide for both parties to receive interest payments according to different rate indices and are used to protect against changes in spreads between market rates.

The notional values of the swap portfolio represent contractual amounts

on which interest payments to be exchanged are based. These notional values do not represent direct credit exposures. At December 31, 1998, Huntington's credit risk from interest rate swaps used for asset/liability management purposes was $103.4 million, which represents the sum of the aggregate fair value of positions that have become favorable to Huntington, including any accrued interest receivable due from counterparties. In order to minimize the risk that a swap counterparty will not satisfy its interest payment obligation under the terms of the contract, Huntington performs credit reviews on all counterparties, restricts the number of counterparties used to a select group of high quality institutions, obtains collateral, and enters into formal netting arrangements. Huntington has never experienced any past due amounts from a swap counterparty and does not anticipate nonperformance in the future by any such counterparties.

The total notional amount of off-balance sheet instruments used by Huntington on behalf of customers (for which the related interest rate risk is offset by third party contracts) was $564 million at December 31, 1998. Total credit exposure from such contracts is not material. These separate activities, which are accounted for at fair value, are not a significant part of Huntington's operations. Accordingly, they have been excluded from the above discussion of off-balance sheet financial instruments and the related table.

<TABLE>
<CAPTION>
TABLE 10

MATURITY OF DOMESTIC CERTIFICATES OF DEPOSIT OF $100,000 OR MORE AS OF DECEMBER 31, 1998

(in thousands of dollars)

<S>	<C>
Three months or less	$ 900,764
Over three through six months	390,580
Over six through twelve months	265,308
Over twelve months	142,609
Total	$ 1,699,261

</TABLE>

LIQUIDITY MANAGEMENT

Liquidity management is also a significant responsibility of ALCO. The objective of ALCO in this regard is to maintain an optimum balance of maturities among Huntington's assets and liabilities such that sufficient cash, or access to cash, is available at all times to meet the needs of borrowers, depositors, and creditors, as well as to fund corporate expansion and other activities.

A chief source of Huntington's liquidity is derived from the large retail deposit base accessible by its network of geographically dispersed banking offices. This core funding is supplemented by Huntington's demonstrated ability to raise funds in capital markets and to access funds nationwide. The company's $6 billion domestic bank note and $2 billion European bank note programs are significant sources of wholesale funding. Under these programs, unsecured senior and subordinated notes are issuable with maturities ranging from one month to thirty years. A similar $750 million note program exists at the parent holding company, the proceeds from which are used from time to time to fund certain non-banking activities, finance acquisitions, repurchase Huntington's common stock, or for other general corporate purposes. At December 31, 1998, approximately $5.2 billion of notes were available under these programs to fund Huntington's future activities. Huntington also has $300 million of capital securities outstanding through its wholly-owned subsidiaries, Huntington Capital I and II. A $200 million line of credit is also available to the parent holding company to support commercial paper borrowings and other short-term working capital needs.

While liability sources are many, significant liquidity is also available from Huntington's investment and loan portfolios. ALCO regularly monitors the overall liquidity position of the business and ensures that various alternative strategies exist to cover unanticipated events. At the end of the recent year, sufficient liquidity was available to meet estimated short-term and long-term funding needs.

CREDIT RISK

Huntington's exposure to credit risk is managed through the use of consistent underwriting standards that emphasize "in-market" lending to established borrowers. Highly leveraged transactions and excessive industry or other concentrations are avoided. The credit administration function also employs extensive monitoring procedures to ensure problem loans are promptly identified and that loans adhere to corporate policy. These procedures provide executive management with the information necessary to implement

appropriate change and take corrective action as needed.

Non-performing assets consist of loans that are no longer accruing interest, loans that have been renegotiated based upon financial difficulties of the borrower, and real estate acquired through foreclosure. Total non-performing assets were $96.1 million and $87.1 million, respectively, at December 31, 1998 and 1997. As of these same dates, non-performing loans represented .40% of total loans, and non-performing assets as a percent of total loans and other real estate were .49%. Loans past due ninety days or more but continuing to accrue interest were $51.0 million at the end of the recent year, up only slightly from $49.7 million in 1997.

Huntington also actively manages potential problem loans that are current as to principal and interest but require closer monitoring in the event of deterioration in borrower performance. These potential problem credits totaled $27.1 million and $54.2 million, respectively, at December 31, 1998, and 1997.

TABLE 11

SHORT-TERM BORROWINGS	Year Ended December 31,		
(in thousands of dollars)	1998	1997	1996
FEDERAL FUNDS PURCHASED AND REPURCHASE AGREEMENTS			
Balance at year-end	$ 2,137,374	$ 3,064,344	$ 3,309,445
Weighted average interest rate at year-end	4.05%	5.26%	5.21%
Maximum amount outstanding at month-end during the year	$ 2,897,385	$ 3,387,690	$ 3,309,445
Average amount outstanding during the year	$ 1,980,648	$ 2,733,764	$ 2,766,185
Weighted average interest rate during the year	4.72%	5.15%	5.16%

CAPITAL AND DIVIDENDS

Huntington places significant emphasis on the maintenance of strong capital, which promotes investor confidence, provides access to the national markets under favorable terms, and enhances business growth and acquisition opportunities. Huntington also recognizes the importance of managing excess capital and continually strives to maintain an appropriate balance between capital adequacy and returns to shareholders. Capital is managed at each subsidiary based upon the respective risks and growth opportunities, as well as regulatory requirements.

Average shareholders' equity for the twelve months ended December 31, 1998, and 1997 was $2.1 billion and $1.9 billion, respectively. Huntington's ratio of average equity to average assets in the recent twelve months was 7.68%, compared with 7.53% one year ago.

Risk-based capital guidelines established by the Federal Reserve Board set minimum capital requirements and require institutions to calculate risk-based capital ratios by assigning risk weightings to assets and off-balance sheet items, such as interest rate swaps and loan commitments. These guidelines further define "well-capitalized" levels for Tier 1, Total Capital, and Leverage ratio purposes at 6%, 10%, and 5%, respectively. At the recent year end, Huntington's Tier 1 risk-based capital ratio was 7.10%, its total risk-based capital ratio was 10.73%, and its leverage ratio was 6.37%, each of which exceeds the "well-capitalized" requirements.

Cash dividends declared were $.76 a share in 1998, up 11.8% from 1997. A 10% stock dividend was also distributed to shareholders in the year just ended, marking the twenty-fifth consecutive year in which Huntington has issued a stock split or stock dividend.

In September 1998, the Board of Directors authorized the reactivation of Huntington's common stock repurchase program, which was previously suspended in May 1997 due to the First Michigan pooling-of-interests merger transaction. In connection with the reinstatement of the program, the Board of Directors also increased the number of shares authorized for repurchase to 15 million, up from approximately 3 million shares remaining when the

TABLE 12

NON-PERFORMING ASSETS AND PAST DUE LOANS	DECEMBER 31,					
(in thousands of dollars)	1998	1997	1996	1995	1994	1993
Non-accrual loans	$ 72,429	$ 65,981	$ 55,040	$ 55,423	$ 47,524	$ 81,310
Renegotiated loans	4,706	5,822	4,422	5,320	3,768	3,080
TOTAL NON-PERFORMING LOANS	77,135	71,803	59,462	60,743	51,292	84,390

Other real estate, net	18,964	15,343	17,208	23,598	54,153	66,578
TOTAL NON-PERFORMING ASSETS	$ 96,099	$ 87,146	$ 76,670	$ 84,341	$ 105,445	$ 150,968
ACCRUING LOANS PAST DUE 90 DAYS OR MORE	$ 51,037	$ 49,608	$ 39,267	$ 30,937	$ 23,753	$ 28,623
NON-PERFORMING LOANS AS A % OF TOTAL LOANS	0.40%	0.40%	0.35%	0.39%	0.36%	0.67%
NON-PERFORMING ASSETS AS A % OF TOTAL LOANS AND OTHER REAL ESTATE	0.49%	0.49%	0.46%	0.54%	0.74%	1.19%
ALLOWANCE FOR LOAN LOSSES AS A % OF NON-PERFORMING LOANS	377.19%	359.55%	388.11%	366.28%	439.10%	276.24%
ALLOWANCE FOR LOAN LOSSES AND OTHER REAL ESTATE AS A % OF NON-PERFORMING ASSETS	301.00%	294.32%	297.12%	250.06%	199.12%	146.25%
ACCRUING LOANS PAST DUE 90 DAYS OR MORE TO TOTAL LOANS	0.26%	0.28%	0.23%	0.20%	0.17%	0.23%

</TABLE>

Note: For 1998, the amount of interest income which would have been recorded under the original terms for total loans classified as non-accrual or renegotiated was $6.4 million. Amounts actually collected and recorded as interest income for these loans totaled $2.9 million.

plan was suspended. The shares will be purchased through open market purchases and privately negotiated transactions. Repurchased shares will be reserved for reissue in connection with Huntington's dividend reinvestment, stock option, and other benefit plans as well as for stock dividends and other corporate purposes. In 1998, Huntington repurchased approximately 1.1 million shares.

FOURTH QUARTER RESULTS

On an operating basis, earnings for the fourth quarter of 1998 were $91.5 million, compared with $90.6 million in the same period last year. On a diluted per share basis, operating earnings were $.43, versus $.42 per share in 1997. ROE for the most recent quarter was 17.87%, compared with 18.23% for the same period a year ago. ROA was 1.31%, versus 1.41% in last year's final three months. Cash basis ROE was 29.44% in the recent quarter compared with 21.78% in the comparable period of 1997. Cash basis ROA was 1.45% versus 1.48% one year ago. Reported net income for the fourth quarter of 1998, including special charges, was $31.2 million, or $.15 per share. ROE was 6.10% and ROA was .45%.

Net interest income was $267.3 million in the recent quarter, an increase of 3% over the corresponding period last year. This increase was driven by growth in, and a favorable mix of, earning assets as well as a less expensive liability structure. Compression in loan spreads and higher non-earning assets mitigated these benefits and caused a narrowing of the margin percentage. Commercial loans, indirect automobile financing, credit card, and home equity lending each posted double-digit growth in the recent three months. As a result, total loans increased 6.6% (annualized) from the prior quarter, despite softness in real estate portfolio lending. Core deposits grew 3.2%, primarily due to increases in transaction accounts of 2.4% and savings deposits of 13.8%.

The provision for loan losses was $34.3 million in the last quarter of the year, compared with $26.2 million in the same period of 1997. Annualized net charge-offs were .61% of average loans in both the fourth quarters of 1998 and 1997.

Non-interest income, excluding securities gains, was $106.7 million for the recent quarter, up from $87.5 million for the three months ended December 31, 1997, or an increase of 22%. Improvements were broad-based with substantial increases in brokerage and insurance and electronic banking. Non-interest expense, excluding special charges, totaled $208.9 million in the most recent three months, versus $188.5 million in the final three months of 1997. The recently announced expense reduction initiatives have already contributed to a 7.3% decrease in personnel and related costs versus the prior quarter and helped reduce the fourth quarter efficiency ratio to 52.98%.

<TABLE>
<CAPTION>
CONSOLIDATED AVERAGE BALANCES AND INTEREST RATES

Fully Tax Equivalent Basis (1) (in millions of dollars)	1998 AVERAGE BALANCE	 INTEREST INCOME/ EXPENSE	 YIELD/ RATE
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 10	$ 1.0	5.22%
Trading account securities	11	0.6	5.71
Federal funds sold and securities purchased under resale agreements	229	12.9	5.64
Mortgages held for sale	289	20.2	6.99
Securities:			
Taxable	4,896	308.8	6.31
Tax exempt	247	21.9	8.83
Total Securities	5,143	330.7	6.43
Loans:			
Commercial	5,629	469.0	8.33
Real Estate			
Construction	829	71.7	8.65
Mortgage	3,604	304.2	8.44
Consumer			
Loans	6,679	593.9	8.89
Leases	1,693	120.1	7.09
Total Consumer loans	8,372	714.0	8.53
Total Loans	18,434	1,558.9	8.46
Allowance for loan losses/loan fees	280	85.4	
Net loans	18,154	1,644.3	8.92
Total earning assets	24,116	2,009.7	8.33%
Cash and due from banks	975		
All other assets	2,081		
TOTAL ASSETS	$ 26,892		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 3,287		
Interest bearing demand deposits	3,585	96.4	2.69%
Savings deposits	3,277	114.0	3.46
Other domestic time deposits	6,291	349.1	5.55
Total core deposits	16,440	559.5	4.25
Certificates of deposit of $100,000 or more	1,870	107.0	5.72
Foreign time deposits	103	5.9	5.66
Total deposits	18,413	672.4	4.44
Short-term borrowings	2,084	97.7	4.83
Medium-term notes	2,903	164.6	5.67
Subordinated notes and other long-term debt, including capital securities	876	43.6	4.98
Total interest bearing liabilities	20,989	978.3	4.66%
All other liabilities	552		
Shareholders' equity	2,064		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 26,892		
Net interest rate spread			3.67%
Impact of non-interest bearing funds on margin			0.61%
NET INTEREST MARGIN		$ 1,031.4	4.28%

<CAPTION>

Fully Tax Equivalent Basis (1) (in millions of dollars)	1997 Average Balance	 Interest Income/ Expense	 Yield/ Rate
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 9	$ 0.5	5.47%
Trading account securities	10	0.6	5.70
Federal funds sold and securities purchased			

under resale agreements	44	2.4	5.50
Mortgages held for sale	131	10.1	7.75
Securities:			
Taxable	5,351	339.8	6.35
Tax exempt	264	25.3	9.55
Total Securities	5,615	365.1	6.50
Loans:			
Commercial	5,302	456.6	8.61
Real Estate			
Construction	813	73.8	8.85
Mortgage	3,761	326.9	8.71
Consumer			
Loans	6,299	574.8	9.12
Leases	1,406	106.7	7.59
Total Consumer loans	7,705	681.5	8.84
Total Loans	17,581	1,538.8	8.75
Allowance for loan losses/loan fees	253	75.8	
Net loans	17,328	1,614.6	9.18
Total earning assets	23,391	1,993.3	8.52%
Cash and due from banks	910		
All other assets	1,103		
TOTAL ASSETS	$ 25,151		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 2,774		
Interest bearing demand deposits	3,204	84.4	2.64%
Savings deposits	3,056	100.4	3.28
Other domestic time deposits	5,857	329.7	5.63
Total core deposits	14,891	514.5	4.25
Certificates of deposit of $100,000 or more	1,922	109.4	5.70
Foreign time deposits	382	22.2	5.81
Total deposits	17,195	646.1	4.48
Short-term borrowings	2,826	146.4	5.18
Medium-term notes	1,983	116.2	5.86
Subordinated notes and other long-term debt, including capital securities	739	45.5	6.16
Total interest bearing liabilities	19,969	954.2	4.78%
All other liabilities	514		
Shareholders' equity	1,894		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 25,151		
Net interest rate spread			3.74%
Impact of non-interest bearing funds on margin			0.70%
NET INTEREST MARGIN		$ 1,039.1	4.44%

(1) Fully tax equivalent yields are calculated assuming a 35% tax rate.
Average loan balances include non-accruing loans. Interest income includes cash received on non-accruing loans.

<CAPTION>

Fully Tax Equivalent Basis (1) (in millions of dollars)	1996 Average Balance	 Interest Income/ Expense	 Yield/ Rate
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 14	$ 0.8	5.85%
Trading account securities	16	0.9	5.66
Federal funds sold and securities purchased under resale agreements	67	3.8	6.03
Mortgages held for sale	113	8.7	7.74
Securities:			
Taxable	5,194	333.7	6.42

Tax exempt	291	27.9	9.59
Total Securities	5,485	361.6	6.59
Loans:			
Commercial	4,955	396.9	8.01
Real Estate			
Construction	580	50.7	8.75
Mortgage	3,614	312.3	8.64
Consumer			
Loans	5,880	528.4	8.99
Leases	950	74.8	7.87
Total Consumer loans	6,830	603.2	8.83
Total Loans	15,979	1,363.1	8.53
Allowance for loan losses/loan fees	231	49.2	
Net loans	15,748	1,412.3	8.84
Total earning assets	21,674	1,788.1	8.26%
Cash and due from banks	901		
All other assets	1,031		
TOTAL ASSETS	$ 23,375		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 2,664		
Interest bearing demand deposits	3,068	80.2	2.61%
Savings deposits	2,836	86.3	3.04
Other domestic time deposits	5,463	310.3	5.68
Total core deposits	14,031	476.8	4.19
Certificates of deposit of $100,000 or more	1,525	85.5	5.61
Foreign time deposits	305	18.4	6.03
Total deposits	15,861	580.7	4.40
Short-term borrowings	2,883	149.1	5.17
Medium-term notes	1,835	120.2	6.55
Subordinated notes and other long-term debt, including capital securities	516	30.7	5.96
Total interest bearing liabilities	18,430	880.7	4.78%
All other liabilities	505		
Shareholders' equity	1,776		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 23,375		
Net interest rate spread			3.48%
Impact of non-interest bearing funds on margin			0.71%
NET INTEREST MARGIN		$ 907.4	4.19%

<CAPTION>

	1995		
Fully Tax Equivalent Basis (1) (in millions of dollars)	Average Balance	Interest Income/ Expense	Yield/ Rate
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 26	$ 1.6	5.99%
Trading account securities	23	1.6	7.29
Federal funds sold and securities purchased under resale agreements	93	5.6	6.10
Mortgages held for sale	133	10.0	7.58
Securities:			
Taxable	4,679	310.7	6.64
Tax exempt	342	33.2	9.73
Total Securities	5,021	343.9	6.85
Loans:			
Commercial	4,703	403.3	8.58
Real Estate			
Construction	473	41.6	8.79
Mortgage	3,834	328.1	8.56
Consumer			
Loans	5,508	494.2	8.97
Leases	657	51.0	7.76

Total Consumer loans	6,165	545.2	8.84
Total Loans	15,175	1,318.2	8.69
Allowance for loan losses/loan fees	227	43.4	
Net loans	14,948	1,361.6	8.97
Total earning assets	20,471	1,724.3	8.43%
Cash and due from banks	883		
All other assets	972		
TOTAL ASSETS	$ 22,099		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 2,477		
Interest bearing demand deposits	2,815	68.6	2.44%
Savings deposits	2,666	77.9	2.92
Other domestic time deposits	5,382	300.3	5.58
Total core deposits	13,340	446.8	4.11
Certificates of deposit of $100,000 or more	1,269	74.8	5.89
Foreign time deposits	262	17.0	6.50
Total deposits	14,871	538.6	4.34
Short-term borrowings	2,422	138.1	5.70
Medium-term notes	2,103	146.4	6.96
Subordinated notes and other long-term debt, including capital securities	529	33.8	6.38
Total interest bearing liabilities	17,448	856.9	4.91%
All other liabilities	432		
Shareholders' equity	1,742		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 22,099		
Net interest rate spread			3.52%
Impact of non-interest bearing funds on margin			0.72%
NET INTEREST MARGIN		$ 867.4	4.24%

<CAPTION>

Fully Tax Equivalent Basis (1) (in millions of dollars)	1994 Average Balance	Interest Income/ Expense	Yield/ Rate
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 8	$ 0.5	6.23%
Trading account securities	14	0.9	6.16
Federal funds sold and securities purchased under resale agreements	134	5.8	4.30
Mortgages held for sale	367	25.9	7.06
Securities:			
Taxable	3,713	226.5	6.10
Tax exempt	419	42.0	10.03
Total Securities	4,132	268.5	6.50
Loans:			
Commercial	4,140	350.1	8.46
Real Estate			
Construction	396	30.6	7.73
Mortgage	3,474	278.3	8.01
Consumer			
Loans	4,837	401.6	8.31
Leases	485	34.7	7.15
Total Consumer loans	5,322	436.3	8.20
Total Loans	13,332	1,095.3	8.21
Allowance for loan losses/loan fees	235	40.1	
Net loans	13,097	1,135.4	8.52
Total earning assets	17,987	1,437.0	7.99%
Cash and due from banks	841		
All other assets	906		

TOTAL ASSETS	$ 19,499		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 2,390		
Interest bearing demand deposits	2,984	65.9	2.21%
Savings deposits	2,935	68.0	2.32
Other domestic time deposits	4,383	187.3	4.27
Total core deposits	12,692	321.2	3.12
Certificates of deposit of $100,000 or more	914	39.3	4.30
Foreign time deposits	286	12.2	4.25
Total deposits	13,892	372.7	3.24
Short-term borrowings	1,606	59.2	3.68
Medium-term notes	1,532	75.2	4.91
Subordinated notes and other long-term debt, including capital securities	562	39.8	7.09
Total interest bearing liabilities	15,202	546.9	3.60%
All other liabilities	286		
Shareholders' equity	1,621		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 19,499		
Net interest rate spread			4.39%
Impact of non-interest bearing funds on margin			0.56%
NET INTEREST MARGIN		$ 890.1	4.95%

<CAPTION>

Fully Tax Equivalent Basis (1) (in millions of dollars)	1993 Average Balance	1993 Interest Income/ Expense	1993 Yield/ Rate
<S>	<C>	<C>	<C>
ASSETS			
Interest bearing deposits in banks	$ 30	$ 1.3	4.27%
Trading account securities	10	0.5	5.04
Federal funds sold and securities purchased under resale agreements	103	3.3	3.22
Mortgages held for sale	827	60.2	7.28
Securities:			
Taxable	4,703	284.5	6.05
Tax exempt	464	49.6	10.70
Total Securities	5,167	334.1	6.47
Loans:			
Commercial	3,823	321.5	8.41
Real Estate			
Construction	445	31.1	6.99
Mortgage	3,084	253.9	8.24
Consumer			
Loans	4,008	364.6	9.10
Leases	349	27.8	7.97
Total Consumer loans	4,357	392.4	9.01
Total Loans	11,709	998.9	8.53
Allowance for loan losses/loan fees	215	33.2	
Net loans	11,494	1,032.1	8.82
Total earning assets	17,846	1,431.5	8.02%
Cash and due from banks	787		
All other assets	923		
TOTAL ASSETS	$ 19,341		
LIABILITIES AND SHAREHOLDERS' EQUITY			
Core deposits			
Non-interest bearing deposits	$ 2,384		
Interest bearing demand deposits	2,908	70.2	2.41%
Savings deposits	2,863	75.4	2.63
Other domestic time deposits	4,376	187.6	4.29
Total core deposits	12,531	333.2	3.28
Certificates of deposit of $100,000 or more	1,049	39.8	3.79

Foreign time deposits	455	15.0	3.30
Total deposits	14,035	388.0	3.33
Short-term borrowings	2,503	73.8	2.95
Medium-term notes	478	20.3	4.23
Subordinated notes and other long-term debt, including capital securities	613	32.7	5.35
Total interest bearing liabilities	15,244	514.8	3.38%
All other liabilities	298		
Shareholders' equity	1,415		
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 19,341		
Net interest rate spread			4.64%
Impact of non-interest bearing funds on margin			0.50%
NET INTEREST MARGIN		$ 916.7	5.14%

</TABLE>

SELECTED ANNUAL INCOME STATEMENT DATA

<TABLE>
<CAPTION>

(in thousands of dollars, except per share amounts)	YEAR ENDED DECEMBER 31, 1998	1997	1996	1995	1994	1993
<S>	<C>	<C>	<C>	<C>	<C>	<C>
TOTAL INTEREST INCOME	$1,999,364	$1,981,473	$1,775,734	$1,709,627	$1,418,610	$1,410,401
TOTAL INTEREST EXPENSE	978,271	954,243	880,648	856,860	546,880	514,812
NET INTEREST INCOME	1,021,093	1,027,230	895,086	852,767	871,730	895,589
Provision for loan losses	105,242	107,797	76,371	36,712	21,954	84,682
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	915,851	919,433	818,715	816,055	849,776	810,907
Service charges on deposit accounts	126,403	117,852	107,669	97,505	88,457	83,570
Mortgage banking	60,006	55,715	43,942	39,309	47,194	63,964
Trust services	50,754	48,102	42,237	37,627	35,278	33,879
Brokerage and insurance income	36,710	27,084	20,856	17,979	14,721	16,342
Electronic banking fees	29,202	22,705	12,013	6,190	3,405	2,078
Bank Owned Life Insurance income	28,712	--	--	--	--	--
Credit card fees	21,909	20,467	23,086	18,757	18,589	18,084
Other	54,711	42,936	46,640	48,343	34,773	35,967
TOTAL NON-INTEREST INCOME BEFORE SECURITY GAINS	408,407	334,861	296,443	265,710	242,417	253,884
Securities gains	29,793	7,978	17,620	9,380	2,297	27,316
TOTAL NON-INTEREST INCOME	438,200	342,839	314,063	275,090	244,714	281,200
Personnel and related costs	428,539	392,793	360,865	344,905	347,361	350,615
Outside data processing and other services	74,795	66,683	58,367	53,582	56,424	49,924
Equipment	62,040	57,867	50,887	44,646	44,806	43,012
Net occupancy	54,123	49,509	49,676	47,824	46,304	45,496
Marketing	32,260	32,782	20,331	17,598	20,074	18,163
Telecommunications	29,429	21,527	16,567	13,946	13,068	11,454
Amortization of intangible assets	25,689	13,019	10,220	9,471	9,612	6,671
Legal and other professional services	25,160	24,931	20,313	18,656	18,457	21,060
Printing and supplies	23,673	21,584	19,602	18,103	18,379	18,405
Franchise and other taxes	22,103	19,836	20,359	17,083	16,149	15,920
Other	46,118	51,414	48,323	76,247	92,886	108,731
TOTAL NON-INTEREST EXPENSE BEFORE SPECIAL CHARGES	823,929	751,945	675,510	662,061	683,520	689,451
Special charges, including merger costs	90,000	51,163	--	--	--	--
TOTAL NON-INTEREST EXPENSE	913,929	803,108	675,510	662,061	683,520	689,451
INCOME BEFORE INCOME TAXES	440,122	459,164	457,268	429,084	410,970	402,656
Provision for income taxes	138,354	166,501	152,999	147,283	134,650	135,731
NET INCOME	$ 301,768	$ 292,663	$ 304,269	$ 281,801	$ 276,320	$ 266,925
PER COMMON SHARE (1)						
Net income						
Basic	$1.43	$1.39	$1.44	$1.29	$1.27	$1.25
Diluted	$1.41	$1.38	$1.42	$1.28	$1.26	$1.23

Cash dividends declared	$0.76	$0.68	$0.62	$0.56	$0.51	$0.42
FULLY TAX EQUIVALENT MARGIN:						
Net Interest Income	$1,021,093	$1,027,230	$ 895,086	$ 852,767	$ 871,730	$ 895,589
Tax Equivalent Adjustment (2)	10,307	11,864	12,363	14,602	18,405	21,072
Tax Equivalent Net Interest Income	$1,031,400	$1,039,094	$ 907,449	$ 867,369	$ 890,135	$ 916,661

</TABLE>

(1) Adjusted for stock dividends and stock splits, as applicable.
(2) Calculated assuming a 35% tax rate.

MARKET PRICES, KEY RATIOS
AND STATISTICS (QUARTERLY DATA)

<TABLE>
<CAPTION>

QUARTERLY COMMON STOCK SUMMARY (1)	1998			
	IV Q	III Q	II Q	I Q
High	$31 1/2	$33 7/8	$34 9/16	$34 7/32
Low	23 5/8	22	29 9/16	29 1/16
Close	30 1/16	25 1/8	30 9/16	33 1/8
Cash dividends declared	$0.20	$0.20	$0.18	$0.18

<CAPTION>

	1997			
	IV Q	III Q	II Q	I Q
High	$35 5/16	$34 5/16	$25 1/16	$26 1/4
Low	28 5/8	24 1/16	21 5/16	20 11/16
Close	32 3/4	32 3/4	24 3/4	21 11/16
Cash dividends declared	$0.18	$0.18	$0.16	$0.16

</TABLE>

(1) Adjusted for stock splits and stock dividends, as applicable.
Note: Stock price quotations were obtained from NASDAQ.

<TABLE>
<CAPTION>

KEY RATIOS AND STATISTICS (1)	1998			
	IV Q	III Q	II Q	I Q
MARGIN ANALYSIS - AS A % OF AVERAGE EARNING ASSETS (2)				
Interest Income	8.17%	8.33%	8.37%	8.48%
Interest Expense	3.93	4.15	4.14	4.18
Net Interest Margin	4.24%	4.18%	4.23%	4.30%
RETURN ON				
Average total assets	1.31%	1.28%	1.42%	1.38%
Average total assets- cash basis	1.45%	1.43%	1.49%	1.44%
Average shareholders' equity	17.87%	16.43%	17.70%	17.73%
Average shareholders' equity- cash basis	29.44%	26.59%	21.17%	21.09%

<CAPTION>

	1997			
	IV Q	III Q	II Q	I Q
MARGIN ANALYSIS - AS A % OF AVERAGE EARNING ASSETS (2)				
Interest Income	8.51%	8.52%	8.62%	8.43%
Interest Expense	4.07	4.11	4.08	4.04
Net Interest Margin	4.44%	4.41%	4.54%	4.39%

RETURN ON

Average total assets	1.41%	1.37%	1.33%	1.27%
Average total assets- cash basis	1.48%	1.44%	1.40%	1.33%
Average shareholders' equity	18.23%	17.85%	18.07%	17.42%
Average shareholders' equity- cash basis	21.78%	21.37%	21.90%	20.59%

</TABLE>

(1) Presented on an "operating" basis (excludes special charges and related taxes).
(2) Presented on a fully tax equivalent basis assuming a 35% tax rate.

SELECTED QUARTERLY INCOME STATEMENT DATA

<TABLE>
<CAPTION>

(in thousands of dollars, except per share amounts)	1998 IVQ	IIIQ	IIQ	IQ
<S>	<C>	<C>	<C>	<C>
TOTAL INTEREST INCOME	$500,395	$505,221	$491,268	$502,480
TOTAL INTEREST EXPENSE	233,094	253,706	243,839	247,632
NET INTEREST INCOME	267,301	251,515	247,429	254,848
Provision for loan losses	34,306	24,160	24,595	22,181
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	232,995	227,355	222,834	232,667
Service charges on deposit accounts	33,992	32,493	30,428	29,490
Mortgage banking	15,388	15,270	15,191	14,157
Trust services	12,924	12,502	12,745	12,583
Brokerage and insurance income	9,848	10,057	8,520	8,285
Electronic banking fees	8,037	7,897	7,520	5,748
Bank Owned Life Insurance income	8,098	8,098	7,168	5,348
Credit card fees	6,367	5,197	5,450	4,895
Other	12,057	12,512	18,318	11,824
TOTAL NON-INTEREST INCOME BEFORE SECURITY GAINS	106,711	104,026	105,340	92,330
Securities gains	1,773	10,615	14,316	3,089
TOTAL NON-INTEREST INCOME	108,484	114,641	119,656	95,419
Personnel and related costs	103,600	111,744	108,483	104,712
Outside data processing and other services	20,915	17,550	16,988	19,342
Equipment	16,202	15,001	15,688	15,149
Net occupancy	11,602	15,019	14,063	13,439
Amortization of intangible assets	9,436	9,467	3,393	3,393
Marketing	8,251	8,762	8,315	6,932
Telecommunications	8,173	7,793	7,450	6,013
Legal and other professional services	7,847	5,291	6,234	5,788
Printing and supplies	6,450	5,851	5,611	5,761
Franchise and other taxes	5,554	5,523	5,526	5,500
Other	10,902	9,876	14,927	10,413
TOTAL NON-INTEREST EXPENSE BEFORE SPECIAL CHARGES	208,932	211,877	206,678	196,442
Special charges, including merger costs	90,000	--	--	--
TOTAL NON-INTEREST EXPENSE	298,932	211,877	206,678	196,442
INCOME BEFORE INCOME TAXES	42,547	130,119	135,812	131,644
Provision for income taxes	11,329	41,364	43,503	42,158
NET INCOME	$ 31,218	$ 88,755	$ 92,309	$ 89,486
PER COMMON SHARE (1)				
Net income--Diluted	$0.15	$0.42	$0.43	$0.42
Cash dividends declared	$0.20	$0.20	$0.18	$0.18
OPERATING RESULTS (2)				
Net income	$ 91,518	$ 88,755	$ 92,309	$ 89,486
Net income per common share				
Diluted	$0.43	$0.42	$0.43	$0.42
Diluted--cash basis (3)	$0.47	$0.45	$0.45	$0.43

<CAPTION>

(in thousands of dollars, except per share amounts)	1997 IVQ	IIIQ	IIQ	IQ
<S>	<C>	<C>	<C>	<C>
TOTAL INTEREST INCOME	$499,760	$502,821	$503,018	$475,874
TOTAL INTEREST EXPENSE	240,197	245,663	240,060	228,323
NET INTEREST INCOME	259,563	257,158	262,958	247,551
Provision for loan losses	26,235	28,351	30,831	22,380
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	233,328	228,807	232,127	225,171
Service charges on deposit accounts	31,035	30,382	28,841	27,594
Mortgage banking	15,889	20,672	10,157	8,997
Trust services	12,019	12,124	11,814	12,145
Brokerage and insurance income	6,131	7,614	6,254	7,085
Electronic banking fees	6,175	5,965	6,200	4,365
Bank Owned Life Insurance income	--	--	--	--
Credit card fees	6,634	5,112	4,787	3,934
Other	9,593	12,986	9,844	10,513
TOTAL NON-INTEREST INCOME BEFORE SECURITY GAINS	87,476	94,855	77,897	74,633
Securities gains	1,034	1,242	3,604	2,098
TOTAL NON-INTEREST INCOME	88,510	96,097	81,501	76,731
Personnel and related costs	97,217	101,334	96,994	97,248
Outside data processing and other services	19,067	16,665	16,454	14,497
Equipment	16,004	14,503	14,173	13,187
Net occupancy	11,755	12,772	11,650	13,332
Amortization of intangible assets	3,285	3,382	3,406	2,946
Marketing	8,187	7,845	7,785	8,965
Telecommunications	5,636	5,639	5,285	4,967
Legal and other professional services	8,318	6,095	5,089	5,429
Printing and supplies	6,239	5,384	5,035	4,926
Franchise and other taxes	4,576	4,685	5,335	5,240
Other	8,248	15,443	14,599	13,124
TOTAL NON-INTEREST EXPENSE BEFORE SPECIAL CHARGES	188,532	193,747	185,805	183,861
Special charges, including merger costs	--	51,163	--	--
TOTAL NON-INTEREST EXPENSE	188,532	244,910	185,805	183,861
INCOME BEFORE INCOME TAXES	133,306	79,994	127,823	118,041
Provision for income taxes	42,657	38,762	44,220	40,862
NET INCOME	$ 90,649	$ 41,232	$ 83,603	$ 77,179
PER COMMON SHARE (1)				
Net income--Diluted	$0.42	$0.20	$0.39	$0.37
Cash dividends declared	$0.18	$0.18	$0.16	$0.16
OPERATING RESULTS (2)				
Net income	$ 90,649	$ 87,466	$ 83,603	$ 77,179
Net income per common share				
Diluted	$0.42	$0.41	$0.39	$0.37
Diluted--cash basis (3)	$0.44	$0.43	$0.41	$0.38

</TABLE>

(1) Adjusted for stock dividends and stock splits, as applicable.
(2) Presented on an "operating basis" (excludes special charges and related taxes).
(3) Tangible or "Cash Basis" net income excludes amortization of goodwill and other intangibles.

REPORT OF MANAGEMENT

The integrity of the financial statements and other financial information contained in this Financial Supplement to the Proxy Statement is the responsibility of the management of Huntington. Such financial information has been prepared in accordance with generally accepted accounting principles, based on the best estimates and judgment of management.

Huntington maintains a system of internal accounting controls designed to provide reasonable assurance that transactions are executed and recorded in accordance with management's authorization and that the assets of Huntington are properly safeguarded. This system includes the careful selection and training of staff, the communication of policies and procedures consistent with the highest standards of business conduct, and the

maintenance of an internal audit function.

The Audit Committee of the Board of Directors is composed entirely of outside directors and it meets periodically with both internal and independent auditors to review the results and recommendations of their audits. This Committee selects the independent auditor with the approval of shareholders.

The accounting firm of Ernst & Young LLP has been engaged by Huntington to audit its financial statements, and their report appears to the right.

/s/ FRANK WOBST

Frank Wobst
Chairman and
Chief Executive Officer

/s/ GERALD R. WILLIAMS

Gerald R. Williams
Executive Vice President
and Chief Financial Officer

REPORT OF ERNST & YOUNG LLP,
INDEPENDENT AUDITORS

To the Board of Directors and Shareholders
Huntington Bancshares Incorporated

We have audited the accompanying consolidated balance sheets of Huntington Bancshares Incorporated and Subsidiaries as of December 31, 1998 and 1997, and the related consolidated statements of income, changes in shareholders' equity, and cash flows for each of the three years in the period ended December 31, 1998. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Huntington Bancshares Incorporated and Subsidiaries at December 31, 1998 and 1997, and the consolidated results of their operations and their cash flows for each of the three years in the period ended December 31, 1998, in conformity with generally accepted accounting principles.

/s/ ERNST & YOUNG LLP

Columbus, Ohio
January 13, 1999

CONSOLIDATED BALANCE SHEETS

<TABLE>
<CAPTION>

(in thousands of dollars)	DECEMBER 31, 1998	1997
<S>	<C>	<C>
ASSETS		
Cash and due from banks	$ 1,215,814	$ 1,142,450
Interest bearing deposits in banks	102,564	39,618
Trading account securities	3,839	7,082
Federal funds sold and securities purchased under resale agreements	135,764	509,119
Mortgages held for sale	466,664	192,948
Securities available for sale - at fair value	4,781,415	5,709,814
Investment securities - fair value $25,044 and $33,383, respectively	24,934	33,010
Total loans	19,454,551	17,738,248
Less allowance for loan losses	290,948	258,171
Net loans	19,163,603	17,480,077
Bank owned life insurance	727,837	400,000
Premises and equipment	447,038	389,481
Customers' acceptance liability	22,591	27,818

Accrued income and other assets	1,204,273	799,123
TOTAL ASSETS	$ 28,296,336	$ 26,730,540
LIABILITIES AND SHAREHOLDERS' EQUITY		
Demand deposits		
Non-interest bearing	$ 3,129,199	$ 2,549,518
Interest bearing	4,642,147	3,762,862
Savings deposits	3,690,040	3,133,014
Other domestic time deposits	6,186,985	6,115,534
Total Core Deposits	17,648,371	15,560,928
Certificates of deposit of $100,000 or more	1,699,261	1,903,657
Foreign time deposits	375,140	519,133
Total Deposits	19,722,772	17,983,718
Short-term borrowings	2,216,644	3,141,671
Bank acceptances outstanding	22,591	27,818
Medium-term notes	2,539,900	2,332,150
Subordinated notes and other long-term debt	707,359	498,889
Company obligated mandatorily redeemable preferred capital securities of subsidiary trusts holding solely the junior subordinated debentures of the parent company	300,000	200,000
Accrued expenses and other liabilities	638,275	520,903
Total Liabilities	26,147,541	24,705,149
Shareholders' equity		
Preferred stock - authorized 6,617,808 shares; none outstanding		
Common stock - without par value; authorized 500,000,000 shares; issued and outstanding 212,596,344 and 193,279,797 shares, respectively	2,152,076	1,528,768
Less 1,850,007 and 1,543,371 treasury shares, respectively	(49,271)	(36,791)
Capital surplus	(14,161)	404,235
Accumulated other comprehensive income	24,693	14,800
Retained earnings	35,458	114,379
Total Shareholders' Equity	2,148,795	2,025,391
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 28,296,336	$ 26,730,540

</TABLE>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,		
(in thousands of dollars, except per share amounts)	1998	1997	1996
<S>	<C>	<C>	<C>
Interest and fee income			
Loans	$ 1,641,081	$ 1,611,541	$ 1,411,551
Securities	323,595	356,388	349,937
Other	34,688	13,544	14,246
TOTAL INTEREST INCOME	1,999,364	1,981,473	1,775,734
Interest expense			
Deposits	672,433	646,121	580,685
Short-term borrowings	97,656	146,397	149,088
Medium-term notes	164,590	116,221	120,147
Subordinated notes and other long-term debt	43,592	45,504	30,728
TOTAL INTEREST EXPENSE	978,271	954,243	880,648
NET INTEREST INCOME	1,021,093	1,027,230	895,086
Provision for loan losses	105,242	107,797	76,371
NET INTEREST INCOME AFTER PROVISION FOR LOAN LOSSES	915,851	919,433	818,715
Total non-interest income	438,200	342,839	314,063
Total non-interest expense	913,929	803,108	675,510
INCOME BEFORE INCOME TAXES	440,122	459,164	457,268
Provision for income taxes	138,354	166,501	152,999
NET INCOME	$ 301,768	$ 292,663	$ 304,269

PER COMMON SHARE (1)			
Net income			
Basic	$1.43	$1.39	$1.44
Diluted	$1.41	$1.38	$1.42
Cash dividends declared	$0.76	$0.68	$0.62
AVERAGE COMMON SHARES(1)			
Basic	211,426,422	209,884,443	211,740,756
Diluted	213,454,215	212,447,637	213,764,495

</TABLE>

(1) Adjusted for stock dividends and stock splits, as applicable.

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

<TABLE>
<CAPTION>

(in thousands, except per share amounts)	COMMON SHARES	COMMON STOCK	TREASURY SHARES	TREASURY STOCK	CAPITAL SURPLUS	ACCUMULATED OTHER COMPREHENSIVE INCOME
<S>	<C>	<C>	<C>	<C>	<C>	<C>
BALANCE -- JANUARY 1, 1996	163,172	$ 1,075,057	(8,352)	$(180,632)	$ 382,732	$ 42,790
Comprehensive Income:						
Net income						
Unrealized net holding losses on securities available for sale arising during the period						(56,721)
Total comprehensive income						
Stock issued for acquisitions			4,733	102,760	5,037	
Cash dividends declared ($0.62 per share)						
Stock options exercised			284	5,385	(4,318)	
10% stock dividend	10,431	208,110	2,837	78,030	2,444	
Treasury shares purchased			(10,419)	(246,341)	(2,819)	
Treasury shares sold:						
Shareholder dividend reinvestment plan			1,405	31,189	805	
Employee benefit plans			227	4,975	397	
Conversion of convertible notes	50	345				
Pre-merger transactions of pooled subsidiary	8,612	7,456			16,898	
BALANCE -- DECEMBER 31, 1996	182,265	1,290,968	(9,285)	(204,634)	401,176	(13,931)
Comprehensive Income:						
Net income						
Unrealized net holding gains on securities available for sale arising during the period						28,731
Total comprehensive income:						
Stock issued for acquisitions			3,244	73,775	16,463	
Cash dividends declared ($0.68 per share)						
Stock options exercised			461	7,000	(3,641)	
10% stock dividend	9,181	236,214	5,274	124,920	(51,488)	
Treasury shares purchased			(1,930)	(53,427)	(2,748)	
Treasury shares sold:						
Shareholder dividend reinvestment plan			534	11,968	2,345	
Employee benefit plans			159	3,607	1,110	
Pre-merger transactions of pooled subsidiary	1,833	1,586			41,018	
BALANCE -- DECEMBER 31, 1997	193,279	1,528,768	(1,543)	(36,791)	404,235	14,800
Comprehensive Income:						
Net income						
Unrealized net holding gains on securities available for sale arising during the period						9,893
Total comprehensive income						
Stock issued for acquisition			160	3,883	(3,815)	
Cash dividends declared ($0.76 per share)						
Stock options exercised			736	14,350	(10,348)	
10% stock dividend	19,317	623,308	(83)		(404,437)	
Treasury shares purchased			(1,139)	(31,192)		
Treasury shares sold to employee benefit plans			19	479	204	
BALANCE -- DECEMBER 31, 1998	212,596	$ 2,152,076	(1,850)	$ (49,271)	$ (14,161)	$ 24,693

<CAPTION>

(in thousands, except per share amounts)	RETAINED EARNINGS	TOTAL
<S>	<C>	<C>
BALANCE -- JANUARY 1, 1996	$ 452,746	$ 1,772,693
Comprehensive Income:		
Net income	304,269	304,269
Unrealized net holding losses on securities available for sale arising during the period		(56,721)
Total comprehensive income		247,548
Stock issued for acquisitions		107,797
Cash dividends declared ($0.62 per share)	(111,120)	(111,120)
Stock options exercised		1,067
10% stock dividend	(288,790)	(206)
Treasury shares purchased		(249,160)
Treasury shares sold:		
Shareholder dividend reinvestment plan		31,994
Employee benefit plans		5,372
Conversion of convertible notes		345
Pre-merger transactions of pooled subsidiary	(45,026)	(20,672)
BALANCE -- DECEMBER 31, 1996	312,079	1,785,658
Comprehensive Income:		
Net income	292,663	292,663
Unrealized net holding gains on securities available for sale arising during the period		28,731
Total comprehensive income		321,394
Stock issued for acquisitions		90,238
Cash dividends declared ($0.68 per share)	(128,013)	(128,013)
Stock options exercised		3,359
10% stock dividend	(309,846)	(200)
Treasury shares purchased		(56,175)
Treasury shares sold:		
Shareholder dividend reinvestment plan		14,313
Employee benefit plans		4,717
Pre-merger transactions of pooled subsidiary	(52,504)	(9,900)
BALANCE -- DECEMBER 31, 1997	114,379	2,025,391
Comprehensive Income:		
Net income	301,768	301,768
Unrealized net holding gains on securities available for sale arising during the period		9,893
Total comprehensive income		311,661
Stock issued for acquisition		68
Cash dividends declared ($0.76 per share)	(161,447)	(161,447)
Stock options exercised		4,002
10% stock dividend	(219,242)	(371)
Treasury shares purchased		(31,192)
Treasury shares sold to employee benefit plans		683
BALANCE -- DECEMBER 31, 1998	$ 35,458	$ 2,148,795

</TABLE>

See notes to consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

<TABLE>
<CAPTION>

	YEAR ENDED DECEMBER 31,		
(in thousands of dollars)	1998	1997	1996
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net Income	$ 301,768	$ 292,663	$ 304,269

Adjustments to reconcile net income to net cash provided by operating activities			
Provision for loan losses	105,242	107,797	76,371
Provision for depreciation and amortization	80,956	63,383	91,903
Deferred income tax expense	2,769	47,687	35,740
Decrease (increase) in trading account securities	3,243	(5,209)	11,051
(Increase) decrease in mortgages held for sale	(273,716)	(71,526)	46,909
Net gains on sales of securities	(29,793)	(7,978)	(17,620)
Net gains on sales of loans	(9,903)	(12,200)	(1,382)
Decrease (increase) in accrued income receivable	31,663	(7,003)	6,319
Net increase in other assets	(79,588)	(111,259)	(53,471)
Decrease in accrued expenses	65,938	15,993	(26,066)
Net (decrease) increase in other liabilities	(31,150)	11,228	5,111
NET CASH PROVIDED BY OPERATING ACTIVITIES	167,429	323,576	479,134
INVESTING ACTIVITIES			
(Increase) decrease in interest bearing deposits in banks	(62,946)	(36,185)	286,537
Proceeds from:			
Maturities and calls of investment securities	8,348	90,287	104,180
Maturities and calls of securities available for sale	1,356,659	787,788	477,462
Sales of securities	3,782,540	2,297,166	2,743,036
Purchases of:			
Investment securities	(355)	(2,962)	(19,247)
Securities available for sale	(4,043,068)	(2,958,135)	(3,111,606)
Proceeds from sales of loans	142,801	357,396	110,737
Net loan originations, excluding sales	(724,662)	(1,209,015)	(1,354,362)
Proceeds from sale of premises and equipment	176,513	8,243	1,664
Purchases of premises and equipment	(147,045)	(45,849)	(51,617)
Proceeds from sales of other real estate	13,856	17,441	18,627
Purchases of Bank Owned Life Insurance	(300,000)	(400,000)	--
Net cash received (paid) in purchase acquisitions	417,031	(2,294)	631
NET CASH PROVIDED BY (USED FOR) INVESTING ACTIVITIES	619,672	(1,096,119)	(793,958)
FINANCING ACTIVITIES			
(Decrease) increase in total deposits	(495,638)	1,025,005	521,255
(Decrease) increase in short-term borrowings	(925,027)	(251,629)	307,317
Proceeds from issuance of long-term debt	300,000	95,500	66,866
Payment of long-term debt	(90,038)	(122,372)	(58,421)
Proceeds from issuance of medium-term notes	1,395,000	1,792,150	1,540,300
Payment of medium-term notes	(1,187,250)	(1,245,300)	(1,934,000)
Proceeds from issuance of capital securities	100,000	200,000	--
Dividends paid on common stock, including pre-merger dividends of pooled subsidiary	(157,632)	(132,760)	(125,379)
Repurchases of common stock	(31,192)	(56,175)	(258,415)
Proceeds from issuance of common stock	4,685	27,266	43,971
NET CASH (USED FOR) PROVIDED BY FINANCING ACTIVITIES	(1,087,092)	1,331,685	103,494
CHANGE IN CASH AND CASH EQUIVALENTS	(299,991)	559,142	(211,330)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,651,569	1,092,427	1,303,757
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 1,351,578	$ 1,651,569	$ 1,092,427

</TABLE>

NOTE: Huntington made interest payments of $995,625, $964,203, and $886,020 in 1998, 1997, and 1996, respectively. Federal income tax payments were $77,407 in 1998, $114,755 in 1997, and $120,645 in 1996.

See notes to consolidated financial statements.

1. ACCOUNTING POLICIES

NATURE OF OPERATIONS: Huntington Bancshares Incorporated (Huntington) is a multi-state bank holding company organized under Maryland law in 1966 and headquartered in Columbus, Ohio. Through its subsidiaries, Huntington conducts a full-service commercial and consumer banking business and provides other financial products and services, principally to domestic customers.

BASIS OF PRESENTATION: The consolidated financial statements include the accounts of Huntington and its subsidiaries and are presented on the basis of generally accepted accounting principles (GAAP). All significant intercompany accounts and transactions have been eliminated in consolidation. Certain prior period amounts have been reclassified to conform to the current year's presentation.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements. Actual results could differ from those estimates.

NEW PRONOUNCEMENTS: In June 1997, the Financial Accounting Standards Board (FASB) issued Statement No. 130, "Reporting Comprehensive Income." Pursuant to this rule, the Consolidated Statements of Changes in Shareholders' Equity now include a new measure called "Comprehensive Income," which includes net income

as well as certain items that are reported within a separate component of shareholders' equity that bypass net income. Currently, Huntington's only component of Other Comprehensive Income is its unrealized gains (losses) on securities available for sale.

The FASB also issued Statement No. 131, "Disclosure about Segments of an Enterprise and Related Information" in June 1997. The provisions of this Statement require disclosure of financial and descriptive information about an enterprise's operating segments. The Statement defines an operating segment as a component of an enterprise that engages in business activities that generate revenue and incur expense. A segment is further defined as a component whose operating results are reviewed by the chief operating decision-maker in the determination of resource allocation and performance, and for which discrete financial information is available. It also establishes standards for related disclosures about products and services, geographic areas, and major customers. Note 15 to the Consolidated Financial Statements includes the segment information required by the new standard.

In June 1998, the FASB issued Statement No. 133, "Accounting for Derivative Instruments and Hedging Activities" (FAS 133). This Statement establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. The Statement requires that changes in the derivative's fair value be recognized currently in earnings unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows gains and losses from derivatives to offset related results on the hedged item in the income statement, and requires that a company must formally document, designate, and assess the effectiveness of transactions for which hedge accounting is applied.

FAS 133 is effective for fiscal years beginning after June 15, 1999. It may be implemented earlier provided adoption occurs as of the beginning of any fiscal quarter after issuance. FAS 133 cannot be applied retroactively.

Huntington expects to adopt FAS 133 in the first quarter of 2000. Based on information available, the impact of adoption is not expected to be material to the Consolidated Financial Statements.

SECURITIES: Debt securities that Huntington has both the positive intent and ability to hold to maturity are classified as investments and are carried at amortized cost. Securities purchased with the intention of recognizing short-term profits are placed in the trading account and carried at fair value. Securities not classified as investments or trading are designated available for sale and carried at fair value. Unrealized gains and losses on securities available for sale are carried as a separate component of accumulated other comprehensive income in shareholders' equity. Unrealized gains and losses on securities classified as trading are reported in earnings. The amortized cost of specific securities sold is used to compute realized gains and losses.

LOANS: Loans are stated at the principal amount outstanding, net of unearned discount. Interest income on loans is primarily accrued based on principal amounts outstanding. Income from lease financing is recognized on a basis to achieve a constant periodic rate of return on the outstanding investment. The accrual of interest income on loans and leases is discontinued when the collection of principal, interest, or both is doubtful. When interest accruals are suspended, interest income accrued in the current period is generally reversed. Huntington uses the cost recovery method in accounting for cash

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1. ACCOUNTING POLICIES (CONTINUED)

received on non-accrual loans. Under this method, cash receipts are applied entirely against principal until the loan has been collected in full, after which time any additional cash receipts are recognized as interest income.

Net direct loan origination costs/fees, when material, are deferred and amortized over the term of the loan as a yield adjustment.

ALLOWANCE FOR LOAN LOSSES: The allowance for loan losses reflects management's judgment as to the level considered appropriate to absorb probable losses in the loan portfolio. This judgment is based on a review of individual loans, historical loss experience, economic conditions, portfolio trends, and other factors. The allowance is increased by provisions charged to earnings and reduced by charge-offs, net of recoveries.

The portion of the allowance for loan losses related to impaired loans (non-accruing and restructured credits, exclusive of smaller, homogeneous loans) is based on discounted cash flows using the loans initial effective interest rate or the fair value of the collateral for collateral-dependent loans.

OTHER REAL ESTATE: Other real estate acquired through partial or total satisfaction of loans, is included in other assets and carried at the lower of cost or fair value less estimated costs of disposition. At the date of acquisition, any losses are charged to the allowance for loan losses. Subsequent write-downs are included in non-interest expense. Realized losses from disposition of the property and declines in fair value that are considered

permanent are charged to the reserve for other real estate, as applicable.

PREMISES AND EQUIPMENT: Premises and equipment are stated at cost, less accumulated depreciation. Depreciation is computed principally by the straight-line method over the estimated useful lives of the related assets. Estimated useful lives employed are on average 30 years for buildings, 10 to 20 years for building improvements, 10 years for land improvements, 3 to 7 years for equipment, and 10 years for furniture and fixtures.

MORTGAGE BANKING ACTIVITIES: Mortgages held for sale are reported at the lower of cost or aggregate market value primarily as determined by outstanding commitments from investors.

Capitalized mortgage servicing rights (MSRs) are evaluated for impairment based on the fair value of those rights, using a disaggregated approach. MSRs are amortized on an accelerated basis over the estimated period of net servicing revenue.

BUSINESS COMBINATIONS: Net assets of entities acquired, for which the purchase method of accounting was used by Huntington, were recorded at their estimated fair value at the date of acquisition. The excess of cost over the fair value of net assets acquired (goodwill) is being amortized over periods generally up to 25 years. Core deposits and other identifiable acquired intangible assets are amortized over their estimated useful lives.

OFF-BALANCE SHEET FINANCIAL INSTRUMENTS: Huntington uses certain off-balance sheet financial instruments, principally interest rate swaps, in connection with its asset/liability management activities. Purchased interest rate options (including caps and floors), futures, and forwards are also used to manage interest rate risk. Provided these instruments meet specific criteria, they are considered hedges and accounted for under the accrual or deferral methods, as more fully discussed below. Off-balance sheet financial instruments that do not meet the required criteria are carried on the balance sheet at fair value with realized and unrealized changes in that value recognized in earnings. Similarly, if the hedged item is sold or its outstanding balance otherwise declines below that of the related hedging instrument, the off-balance sheet product is marked-to-market and the resulting gain or loss is included in earnings. Accrual accounting is used when the cash flows attributable to the hedging instrument satisfy the objectives of the asset/liability management strategy. Huntington uses the accrual method for substantially all of its interest rate swaps as well as for interest rate options. Amounts receivable or payable under these agreements are recognized as an adjustment to the interest income or expense of the hedged item. There is no recognition on the balance sheet for changes in the fair value of the hedging instrument, except for interest rate swaps designated as hedges of securities available for sale, for which changes in fair values are reported in accumulated other comprehensive income. Premiums paid for interest rate options are deferred as a component of other assets and amortized to interest income or expense over the contract term. Gains and losses on terminated hedging instruments are also deferred and amortized to interest income or expense generally over the remaining life of the hedged item.

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1. ACCOUNTING POLICIES (CONTINUED)

Huntington employs deferral accounting when the market value of the hedging instrument meets the objectives of the asset/liability management strategy and the hedged item is reported at other than fair value. In such cases, gains and losses associated with futures and forwards are deferred as an adjustment to the carrying value of the related asset or liability and are recognized in the corresponding interest income or expense accounts over the remaining life of the hedged item.

STATEMENT OF CASH FLOWS: Cash and cash equivalents are defined as `Cash and due from banks' and "Federal funds sold and securities purchased under resale agreements."

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2. 1998 SPECIAL CHARGE

In October 1998, Huntington announced several initiatives to strengthen its financial performance. These initiatives included the realignment of the banking network; the exit of underperforming product lines and delivery channels; the reduction of 1,000 work force positions, or approximately 10% of the total employee base; and other cost savings measures. As a result of the above initiatives, Huntington incurred a special charge of $90 million in the fourth quarter of the year. Included in the one-time expenses were severance costs for terminated employees, the non-cash write-off of information systems equipment and software that were abandoned in the fourth quarter of the year, the write-down to fair value of retail banking offices to be closed, the costs to terminate certain long-term lease contracts related to retail banking offices to be closed, and the estimated amounts to be written off or paid to complete the exit activities, as more fully described below, that were begun in 1998. Management expects that the actions discussed below will be substantially complete by the fourth quarter of 1999.

The work force reduction spans the entire organization and is in large part

attributable to continued internal consolidation efforts by Huntington that resulted in the formation of a single interstate banking charter, as well as continued efficiency opportunities in back room operations such as loan and deposit administration. Through December 31, 1998, 409 employees had been terminated.

Operational equipment charges relate to the write-off of $4 million in computer equipment that was abandoned and replaced in the fourth quarter of 1998. In addition, Huntington abandoned certain customized software projects with a book value of $8 million that were determined not to be economically viable and had no alternative use within the organization.

The retail banking office costs stem from Huntington's announcement that it will close 39 underperforming banking offices, substantially all of which will be closed by the end of the second quarter of 1999. Non-cash charges relate to the write-down to fair value (estimated selling price) of 20 branches that are to be closed and held for disposal. These branches have a remaining carrying value of approximately $4 million. Other non-cash charges relate to the write-off of leasehold improvements in 19 branches that are to be closed. The cash portion of the charge relates to amounts to be paid to terminate lease and other contracts on the branches that are to be closed.

Non-cash exit costs relate to unrecoverable assets associated with discontinued business activities such as returned check processing, commercial equipment leasing, out of geographic market credit card lending, and the indirect lending operation in Pittsburgh. Cash exit costs relate principally to the decision to terminate the employee benefit plan administrative services business. Such business was exited in the fourth quarter of 1998. The costs primarily are composed of cash payments to third party vendors to be incurred to fulfill Huntington's contractual obligations with regard to benefit plan customers prior to the transfer of the administrative service to another vendor.

Revenues and operating income of activities exited and retail banking offices to be closed are not significant to Huntington's operating results.

The table below summarizes the major components of the special charge, as well as the related amounts applied against the reserve in 1998. Huntington expects that the remaining reserve of $54 million, which represents estimated future cash outlays, will be substantially utilized during 1999.

(in millions of dollars)	EMPLOYEE COSTS	OPERATIONS EQUIPMENT	RETAIL BANK OFFICES	EXIT COSTS	TOTAL
Special Charge	$ 26	$ 12	$ 20	$ 32	$ 90
Utilization:					
Cash	(8)	--	--	(7)	(15)
Non-cash	--	(12)	(5)	(4)	(21)
Balance as of December 31, 1998	$ 18	$ --	$ 15	$ 21	$ 54

3. MERGERS AND ACQUISITIONS

On June 26, 1998, Huntington completed the acquisition of sixty former Barnett Banks banking offices in Florida from NationsBank Corporation. The transaction was accounted for as a purchase, and accordingly, the assets acquired and liabilities assumed were recorded at estimated fair value. The transaction added approximately $1.3 billion in loans and $2.3 billion in deposits. Intangible assets arising from the acquisition totaled approximately $460 million. The acquired branches' results of operations have been included in Huntington's consolidated totals from the date of the acquisition only.

On September 30, 1997, Huntington completed its acquisition of First Michigan, a $3.6 billion bank holding company headquartered in Holland, Michigan. Huntington issued approximately 32.2 million shares of common stock to the shareholders of First Michigan in a transaction accounted for as a pooling of interests. In connection with the acquisition, Huntington incurred a merger-related charge of $51 million consisting primarily of personnel, facilities, and systems costs, as well as $12 million of professional fees and other costs to effect the business combination. At December 31, 1998, the merger-related reserve had been fully used.

4. SECURITIES AVAILABLE FOR SALE

Amortized cost, unrealized gains and losses, and fair values of securities available for sale as of December 31, 1998 and 1997, were:

UNREALIZED

(in thousands of dollars)	AMORTIZED COST	GROSS GAINS	GROSS LOSSES	FAIR VALUE
<S>	<C>	<C>	<C>	<C>
AT DECEMBER 31, 1998				
U.S. Treasury	$ 234,496	$ 8,820	$ ---	$ 243,316
Federal Agencies				
Mortgage-backed securities	1,444,075	12,098	3,985	1,452,188
Other agencies	2,387,137	21,892	8,399	2,400,630
Total U.S. Treasury and Federal Agencies	4,065,708	42,810	12,384	4,096,134
Other Securities	677,509	11,689	3,917	685,281
Total securities available for sale	$4,743,217	$54,499	$16,301	$4,781,415
AT DECEMBER 31, 1997				
U.S. Treasury	$ 730,862	$ 4,501	$ 5,689	$ 729,674
Federal Agencies				
Mortgage-backed securities	1,368,502	8,031	5,093	1,371,440
Other agencies	2,888,971	16,049	5,100	2,899,920
Total U.S. Treasury and Federal Agencies	4,988,335	28,581	15,882	5,001,034
Other Securities	698,584	11,953	1,757	708,780
Total securities available for sale	$5,686,919	$40,534	$17,639	$5,709,814

</TABLE>

Contractual maturities of securities available for sale as of December 31, 1998 and 1997, were:

<TABLE>
<CAPTION>

(in thousands of dollars)	AMORTIZED COST	FAIR VALUE	(in thousands of dollars)	AMORTIZED COST	FAIR VALUE
<S>	<C>	<C>	<C>	<C>	<C>
AT DECEMBER 31, 1998			AT DECEMBER 31, 1997		
Under 1 year	$ 8,492	$ 8,485	Under 1 year	$ 18,148	$ 18,145
1 - 5 years	1,220,852	1,231,499	1 - 5 years	2,381,776	2,387,294
6 - 10 years	1,140,334	1,161,035	6 - 10 years	1,805,524	1,812,872
Over 10 years	2,365,180	2,373,092	Over 10 years	1,419,307	1,430,374
Marketable equity securities	8,359	7,304	Marketable equity securities	62,164	61,129
Total	$4,743,217	$4,781,415	Total	$5,686,919	$5,709,814

</TABLE>

4. SECURITIES AVAILABLE FOR SALE (CONTINUED)

Gross gains from sales of securities of $41.5. million, $12.3 million, and $24.7 million were realized in 1998, 1997, and 1996, respectively. Gross losses totaled $11.7 million in 1998, $4.3 million in 1997, and $7.1 million in 1996. Huntington securitized and transferred to securities available for sale $108.7 million and $115.1 million of residential mortgage loans in 1998 and 1997, respectively.

5. INVESTMENT SECURITIES

Amortized cost, unrealized gains and losses, and fair values of investment securities as of December 31, 1998 and 1997, were:

<TABLE>
<CAPTION>

		UNREALIZED		
(in thousands of dollars)	AMORTIZED COST	GROSS GAINS	GROSS LOSSES	FAIR VALUE
<S>	<C>	<C>	<C>	<C>
AT DECEMBER 31, 1998				
U.S. Treasury and Federal Agencies	$ 156	$---	$---	$ 156
States and political subdivisions	24,778	154	44	24,888
Total investment				

securities	$24,934	$154	$ 44	$25,044
AT DECEMBER 31, 1997				
U.S. Treasury and Federal Agencies	$ 656	$---	$---	$ 656
States and political subdivisions	32,354	471	98	32,727
Total investment securities	$33,010	$471	$ 98	$33,383

</TABLE>

Amortized cost and fair values by contractual maturity at December 31, 1998 and 1997, were:

<TABLE>
<CAPTION>

(in thousands of dollars)	AMORTIZED COST	FAIR VALUE
AT DECEMBER 31, 1998		
Under 1 year	$ 4,318	$ 3,937
1 - 5 years	13,466	13,686
6 - 10 years	5,463	5,674
Over 10 years	1,687	1,747
Total	$24,934	$25,044
AT DECEMBER 31, 1997		
Under 1 year	$ 6,311	$ 6,310
1 - 5 years	14,248	14,375
6 - 10 years	9,605	9,788
Over 10 years	2,846	2,910
Total	$33,010	$33,383

</TABLE>

The portfolio of investment securities acquired in the September 1997 First Michigan merger was sold and/or transferred to the available for sale category to maintain Huntington's existing interest rate risk position. At the date of sale/transfer, amortized cost and fair value were $225.3 million and $233.5 million, respectively.

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6. LOANS

At December 31, 1998 and 1997, loans were comprised of the following:

<TABLE>
<CAPTION>

(in thousands of dollars)	1998	1997
Commercial	$ 6,026,736	$ 5,270,660
Real estate		
Construction	919,326	863,635
Commercial	2,231,786	2,370,652
Residential	1,408,289	1,228,446
Consumer		
Loans	6,957,772	6,462,716
Leases	1,910,642	1,542,139
Total loans	$19,454,551	$17,738,248

</TABLE>

Huntington's subsidiaries have granted loans to their officers, directors, and related associates. Such loans were made in the ordinary course of business under normal credit terms, including interest rate and collateralization, and do not represent more than the normal risk of collection. These loans to related parties are summarized as follows:

<TABLE>
<CAPTION>

(in thousands of dollars)	1998	1997
Balance, beginning of year	$ 206,971	$173,491
Loans made	97,887	126,503
Repayments	(161,945)	(46,828)
Changes due to status of executive officers and directors	(10,744)	(46,195)
Balance, end of year	$ 132,169	$206,971

</TABLE>

7. ALLOWANCE FOR LOAN LOSSES

A summary of the transactions in the allowance for loan losses and details regarding impaired loans follows for the three years ended December 31:

<TABLE>
<CAPTION>

(in thousands of dollars)	1998	1997	1996
BALANCE, BEGINNING OF YEAR	$ 258,171	$ 230,778	$222,487
Allowance related to acquisitions/other	22,042	7,777	1,907
Loan losses	(126,355)	(110,723)	(91,007)
Recoveries of loans previously charged off	31,848	22,542	21,020
Provision for loan losses	105,242	107,797	76,371
BALANCE, END OF YEAR	$ 290,948	$ 258,171	$230,778
RECORDED BALANCE OF IMPAIRED LOANS, AT END OF YEAR:			
With related allowance for loan losses	$ 13,277	$ 20,593	$ 11,770
With no related allowance for loan losses	18,340	14,166	17,503
Total	$ 31,617	$ 34,759	$ 29,273
AVERAGE BALANCE OF IMPAIRED LOANS FOR THE YEAR	$ 32,547	$ 33,968	$ 31,519
ALLOWANCE FOR LOAN LOSSES RELATED TO IMPAIRED LOANS	$ 4,459	$ 6,449	$ 4,785

</TABLE>

8. PREMISES AND EQUIPMENT

At December 31, 1998 and 1997, premises and equipment stated at cost were comprised of the following:

<TABLE>
<CAPTION>

(in thousands of dollars)	1998	1997
Land and land improvements	$ 61,902	$ 71,313
Buildings	257,066	286,320
Leasehold improvements	98,162	93,485
Equipment	439,435	355,668
Total premises and equipment	856,565	806,786
Less accumulated depreciation and amortization	409,527	417,305
Net premises and equipment	$ 447,038	$ 389,481

</TABLE>

Depreciation and amortization charged and rental income credited to expense were as follows:

(in thousands of dollars)	1998	1997	1996
Total depreciation and amortization	$40,489	$41,383	$39,492
Rental income credited to occupancy expense	$13,133	$14,842	$11,966

In 1998, Huntington entered into a sale/leaseback agreement that included the sale of 59 properties with a book value approximating $110 million. The transaction included a mix of branch banking offices, regional offices, and operations facilities, which Huntington will continue to operate under a long-term lease. Proceeds of $174.1 million received from the sale were used to reduce short-term debt. The resulting deferred gain is being amortized as a reduction of occupancy expense over the lease term.

9. SHORT-TERM BORROWINGS

At December 31, 1998 and 1997, short-term borrowings were comprised of the following:

(in thousands of dollars)	1998	1997
Federal funds purchased and securities sold under agreements to repurchase	$2,137,374	$3,064,344
Commercial paper	30,133	40,050
Other	49,137	37,277
Total short-term borrowings	$2,216,644	$3,141,671

Information concerning securities sold under agreements to repurchase is summarized as follows:

(in thousands of dollars)	1998	1997
Average balance during the year	$1,304,499	$1,253,724
Average interest rate during the year	4.48%	4.58%
Maximum month-end balance during the year	$1,647,599	$1,356,785

Commercial paper is issued by Huntington Bancshares Financial Corporation, a non-bank subsidiary, with principal and interest guaranteed by Huntington Bancshares Incorporated (Parent Company).

Huntington has the ability to borrow under a line of credit totaling $200 million to support short-term working capital needs. Under the terms of the agreement, a quarterly fee must be paid and there are no compensating balances required. The line is cancelable, by Huntington, upon written notice and terminates August 23, 2000. There were no borrowings under the line in 1998 or 1997.

Securities pledged to secure public or trust deposits, repurchase agreements, and for other purposes were $2.0 billion and $2.1 billion at December 31, 1998 and 1997, respectively.

10. CAPITAL SECURITIES

The Company obligated mandatorily redeemable preferred capital securities of subsidiary trusts holding solely the junior subordinated debentures of the parent company ("Capital Securities") were issued by two wholly-owned business trusts, Huntington Capital I and II ("the Trusts"). Huntington Capital I was formed in January 1997 while Huntington Capital II was formed in June 1998. The Trusts used the proceeds from the issuance of the Capital Securities, together with Huntington's investment in the common stock of the Trusts, to purchase debentures of the parent company. The junior subordinated debentures of the parent company are the only assets of the Trusts. The debentures and their related income statement effects are eliminated in Huntington's consolidated financial statements.

The parent company has entered into contractual arrangements that, taken collectively and in the aggregate, constitute a full and unconditional guarantee by the parent company of the Trusts' obligations under the Capital Securities. The contractual arrangements guarantee payment of (a) accrued and unpaid distributions required to be paid on the Capital Securities; (b) the redemption price with respect to any Capital Securities called for redemption by the Trusts; and (c) payments due upon voluntary or involuntary liquidation, winding-up, or termination of the Trusts, as set forth in the Guarantee. The Capital Securities, and common stock, and related debentures are summarized as follows:

DECEMBER 31, 1998

(in thousands of dollars)	Capital Securities	Common Stock	Principal Amount of Debentures	Interest Rate of Securities and Debentures	Maturity of Securities and Debentures
Huntington Capital I	$200,000	$6,186	$206,186	LIBOR + .70% (1)	02/01/2027
Huntington Capital II	100,000	3,093	103,093	LIBOR + .625% (2)	06/15/2028
Total	$300,000	$9,279	$309,279		

(1) Variable effective rate at December 31, 1998 and 1997, of 5.92% and 6.48%, respectively.

(2) Variable effective rate at December 31, 1998, of 5.85%.

11. DEBT

At December 31, 1998 and 1997, Huntington's debt consisted of the following:

(in thousands of dollars)	1998	1997
MEDIUM-TERM		
Parent company (maturing through 1999)	$ 60,000	$ 220,000
Subsidiary bank (maturing through 2007)	2,479,900	2,112,150
TOTAL MEDIUM-TERM DEBT	2,539,900	2,332,150
LONG-TERM		
Subordinated notes, 7 5/8%, maturing in 2003, face value $150,000 at December 31, 1998 and 1997, net of discount	149,724	149,657
Subordinated notes, 7 7/8%, maturing in 2002, face value $150,000 at December 31, 1998 and 1997, net of discount	149,505	149,376
Subordinated notes, 6 3/4%, maturing in 2003, face value $100,000 at December 31, 1998 and 1997, net of discount	99,852	99,819
Subordinated notes, 6 3/5%, maturing in 2018, face value $200,000 at December 31, 1998, net of discount	198,278	---
Subordinated notes, Floating Rate, maturing in 2008, face value $100,000 at December 31, 1998, net of discount	100,000	---
Federal Home Loan Bank notes maturing through 1999	10,000	95,500
Other	---	4,537
TOTAL SUBORDINATED NOTES AND OTHER LONG-TERM DEBT	707,359	498,889
TOTAL DEBT	$3,247,259	$2,831,039

</TABLE>

PARENT COMPANY OBLIGATIONS:

The 7 7/8% Notes are not redeemable prior to maturity in 2002, and do not provide for any sinking fund. Interest rate swaps were used by Huntington to convert the Notes to a variable interest rate. At December 31, 1998, the effective interest rate on the swap-adjusted Notes was 5.96%.

The Medium-term notes had weighted average interest rates of 6.12% and 5.99% at December 31, 1998 and 1997, respectively.

SUBSIDIARY OBLIGATIONS:

The 7 5/8% Notes and the 6 3/4% Notes were both issued by The Huntington National Bank in 1993. Adjusted for the effects of interest rate swaps, the effective rates were 5.82% and 5.26%, respectively, at December 31, 1998. These Notes are not redeemable prior to maturity in 2003, and do not provide for any sinking fund. The 6 3/5% Notes and the Floating Rate Notes were issued by The Huntington National Bank in 1998. Adjusted for the effects of interest rate swaps, the interest rates were 5.68% and 5.73% at December 31, 1998. The Floating Rate Notes are based on the three-month London Interbank Offered Rate (LIBOR).

The Medium-term bank notes had weighted average interest rates of 5.57% and 5.98% at December 31, 1998 and 1997, respectively. The stated interest rates on certain of these notes have also been modified by interest rate swaps. At December 31, 1998, the weighted average effective interest rate on the swap-adjusted Medium-term bank notes was 5.16%.

The Federal Home Loan Bank notes mature serially from February 1999 through December 1999, and had a weighted average interest rate of 6.15% and 5.84% at December 31, 1998 and 1997, respectively. These advances cannot be prepaid without penalty.

The terms of Huntington's medium and long-term debt obligations contain various restrictive covenants including limitations on the acquisition of additional debt in excess of specified levels, dividend payments, and the disposition of subsidiaries. As of December 31, 1998, Huntington was in compliance with all such covenants.

11. DEBT (CONTINUED)

The following table summarizes the maturities of Huntington's medium and long-term debt:

<TABLE>
<CAPTION>

YEAR	(in thousands of dollars)
1999	$1,537,750
2000	340,000
2001	475,000
2002	242,150
2003	305,000
2004 and thereafter	350,000
	3,249,900
Discount	(2,641)
Total	$3,247,259

</TABLE>

12. OPERATING LEASES

At December 31, 1998, Huntington and its subsidiaries were obligated under noncancelable operating leases for land, buildings, and equipment. Many of these leases contain renewal options, and certain leases provide options to purchase the leased property during or at the expiration of the lease period at specified prices. Some leases contain escalation clauses calling for rentals to be adjusted for increased real estate taxes and other operating expenses, or proportionately adjusted for increases in the consumer or other price indices. The following summary reflects the future minimum rental payments, by year, required under operating leases that, as of December 31, 1998, have initial or remaining noncancelable lease terms in excess of one year.

Excluded from the following amounts are minimum sublease rentals of $50.3 million due in the future under noncancelable subleases. The rental expense for all operating leases was $23.3 million for 1998, compared with $25.2 million in 1997 and $23.0 million in 1996.

<TABLE>

<CAPTION>

YEAR	(in thousands of dollars)
1999	$ 41,206
2000	38,458
2001	36,515
2002	34,406
2003	32,164
2004 and thereafter	429,918
Total Minimum Payments	$612,667

</TABLE>

13. OFF-BALANCE SHEET TRANSACTIONS

In the normal course of business, Huntington is party to financial instruments with varying degrees of credit and market risk in excess of the amounts reflected as assets and liabilities in the consolidated balance sheet. Loan commitments and letters of credit are commonly used to meet the financing needs of customers, while interest rate swaps, purchased options, futures, and forwards are an integral part of Huntington's asset/liability management activities. To a much lesser extent, various financial instrument agreements are entered into to assist customers in managing their exposure to interest rate fluctuations. These customer agreements, for which Huntington counters interest rate risk through offsetting third party contracts, are considered trading activities.

The credit risk arising from loan commitments and letters of credit, represented by their contract amounts, is essentially the same as that involved in extending loans to customers, and both arrangements are subject to Huntington's standard credit policies and procedures. Collateral is obtained based on management's credit assessment of the customer and, for commercial transactions, may consist of accounts receivable, inventory, income-producing properties, and other assets. Residential properties are the principal form of collateral for consumer commitments.

Notional values of interest rate swaps and other off-balance sheet financial instruments significantly exceed the credit risk associated with these instruments and represent contractual balances on which calculations of amounts to be exchanged are based. Credit exposure is limited to the sum of the aggregate fair value of positions that have become favorable to Huntington, including any accrued interest receivable due from counterparties. Potential credit losses are minimized through careful evaluation of counterparty credit standing, selection of counterparties from a limited group of high quality institutions, collateral agreements, and other contract provisions. At December 31, 1998, Huntington's credit risk from these off-balance sheet arrangements, including trading activities, was approximately $131.3 million.

13. OFF-BALANCE SHEET TRANSACTIONS (CONTINUED)

The contract or notional amount of financial instruments with off-balance sheet risk at December 31, 1998 and 1997, is presented in the following table:

<TABLE>
<CAPTION>

(in millions of dollars)	1998	1997
CONTRACT AMOUNT REPRESENTS CREDIT RISK		
Commitments to extend credit		
Commercial	$3,833	$ 4,058
Consumer	3,820	2,992
Other	227	314
Standby letters of credit	758	677
Commercial letters of credit	138	132
NOTIONAL AMOUNT EXCEEDS CREDIT RISK		
Asset/liability management activities		
Interest rate swaps	4,673	3,194
Purchased interest rate options	965	679
Interest rate forwards and futures	620	267
Trading activities		
Interest rate swaps	496	126
Interest rate options	68	53

</TABLE>

Commitments to extend credit generally have short-term, fixed expiration dates, are variable rate, and contain clauses that permit Huntington to terminate or otherwise renegotiate the contracts in the event of a significant deterioration in the customer's credit quality. These

arrangements normally require the payment of a fee by the customer, the pricing of which is based on prevailing market conditions, credit quality, probability of funding, and other relevant factors. Since many of these commitments are expected to expire without being drawn upon, the contract amounts are not necessarily indicative of future cash requirements. The interest rate risk arising from these financial instruments is insignificant as a result of their predominantly short-term, variable rate nature.

Standby letters of credit are conditional commitments issued by Huntington to guarantee the performance of a customer to a third party. These guarantees are primarily issued to support public and private borrowing arrangements, including commercial paper, bond financing, and similar transactions. Most of these arrangements mature within two years. Approximately 38% of standby letters of credit are collateralized, and nearly 90% are expected to expire without being drawn upon.

Commercial letters of credit represent short-term, self-liquidating instruments that facilitate customer trade transactions and have maturities of no longer than ninety days. These instruments are normally secured by the merchandise or cargo being traded.

Interest rate swaps are agreements between two parties to exchange periodic interest payments that are calculated on a notional principal amount. Huntington enters into swaps to synthetically alter the repricing characteristics of designated earning assets and interest bearing liabilities and, on a much more limited basis, as an intermediary for customers. Because only interest payments are exchanged, cash requirements of swaps are significantly less than the notional amounts.

Interest rate futures are commitments to either purchase or sell a financial instrument at a future date for a specified price or yield and may be settled in cash or through delivery of the underlying financial instrument. Forward contracts, used primarily by Huntington in connection with its mortgage banking activities, settle in cash at a specified future date based on the differential between agreed interest rates applied to a notional amount. Huntington also purchases interest rate options (e.g. caps and floors) to manage fluctuating interest rates. Premiums paid for interest rate options grant Huntington the right to receive at specified future dates the amount, if any, by which a specified market interest rate exceeds the fixed cap rate or falls below the fixed floor rate, applied to a notional amount. Exposure to loss from interest rate contracts changes as interest rates fluctuate.

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14. REGULATORY MATTERS

The bank subsidiary of Huntington is required to maintain reserve balances with the Federal Reserve Bank. During 1998, the average balance of these deposits was $192.5 million.

Payment of dividends to Huntington by its subsidiary bank is subject to various regulatory restrictions. Regulatory approval is required prior to the declaration of any dividends in excess of available retained earnings. The amount of dividends that may be declared without regulatory approval is further limited to the sum of net income for that year and retained net income for the preceding two years, less any required transfers to surplus. Huntington's subsidiary bank could, without regulatory approval, declare dividends in 1999 of approximately $153.0 million plus an additional amount equal to its net income through the date of declaration.

The subsidiary bank is also restricted as to the amount and type of loans it may make to Huntington. At December 31, 1998, the subsidiary bank could lend to Huntington $222.7 million, subject to the qualifying collateral requirements defined in the regulations.

Huntington and its bank subsidiary are subject to various regulatory capital requirements administered by federal and state banking agencies. Failure to meet minimum capital requirements can initiate certain actions by regulators that, if undertaken, could have a material effect on Huntington's and its bank subsidiary's financial statements. Capital adequacy guidelines require minimum ratios of 4.00% for Tier I risk-based capital, 8.00% for total risk-based capital, and 3.00% for Tier I leverage. To be considered well capitalized under the regulatory framework for prompt corrective action, the ratios must be at least 6.00%, 10.00%, and 5.00%, respectively.

Capital amounts and classification are also subject to qualitative judgments by the regulators about components, risk-weightings of assets and certain off-balance sheet items, and other factors. As of December 31, 1998 and 1997, Huntington has met all capital adequacy requirements. In addition, its bank subsidiary had regulatory capital ratios in excess of the levels established for well capitalized institutions.

Presented in the table below are the capital ratios of Huntington and its bank subsidiary, The Huntington National Bank, as well as a comparison of the period-end capital balances with the related amounts established by the regulatory agencies.

<TABLE>
<CAPTION>

(in millions of dollars)	Ratios	Capital Amounts Actual	Minimum	Well Capitalized
<S>	<C>	<C>	<C>	<C>
AS OF DECEMBER 31, 1998:				
Tier I Risk-Based Capital				
Huntington Bancshares Incorporated	7.10%	$1,720	$ 970	$1,454
The Huntington National Bank	6.28	1,507	960	1,440
Total Risk-Based Capital				
Huntington Bancshares Incorporated	10.73	2,601	1,939	2,424
The Huntington National Bank	10.48	2,515	1,920	2,400
Tier I Leverage				
Huntington Bancshares Incorporated	6.37	1,720	810	1,350
The Huntington National Bank	5.61	1,507	806	1,343
AS OF DECEMBER 31, 1997:				
Tier I Risk-Based Capital				
Huntington Bancshares Incorporated	8.83%	$1,954	$ 885	$1,328
The Huntington National Bank	6.62	1,456	880	1,321
Total Risk-Based Capital				
Huntington Bancshares Incorporated	11.68	2,584	1,770	2,213
The Huntington National Bank	11.10	2,443	1,761	2,201
Tier I Leverage				
Huntington Bancshares Incorporated	7.77	1,954	755	1,258
The Huntington National Bank	5.70	1,456	766	1,276

</TABLE>

15. LINES OF BUSINESS

Huntington segments its operations into five distinct lines of business: Retail Banking; Corporate Banking; Dealer Sales; Private Financial Group; and Treasury/Other. Line of business results are determined based upon Huntington's business profitability reporting system, which assigns balance sheet and income statement items to each of the business segments. The process is designed around Huntington's organizational and management structure and accordingly, the results are not necessarily comparable with similar information published by other financial institutions. Listed below is certain financial information regarding Huntington's 1998 results by line of business. For a detailed description of the individual segments, refer to page F-4 of Huntington's Management's Discussion and Analysis.

<TABLE>
<CAPTION>

YEAR ENDED DECEMBER 31, 1998

INCOME STATEMENT (IN THOUSANDS OF DOLLARS)	Retail Banking	Corporate Banking	Dealer Sales	Private Financial Group	Treasury/ Other	Huntington Consolidated
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Net interest income (FTE)	$576,211	$235,041	$164,774	$31,585	$ 23,789	$1,031,400
Provision for Loan Losses	39,934	14,631	49,655	1,022	---	105,242
Non-Interest Income	242,152	70,381	7,992	43,978	73,697	438,200
Non-Interest Expense	543,969	134,697	49,074	39,989	146,200	913,929
Income Taxes/FTE Adjustment	79,704	52,982	25,119	11,727	(20,871)	148,661
Net Income	$154,756	$103,112	$ 48,918	$22,825	$(27,843)	$ 301,768
Depreciation and Amortization	$ 43,438	$ 7,408	$ 1,412	$ 1,370	$ 27,328	$ 80,956

<CAPTION>

BALANCE SHEET (IN MILLIONS OF DOLLARS)						
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Identifiable Assets (avg)	$ 7,652	$ 6,003	$ 5,268	$ 597	$ 7,372	$ 26,892

Total Deposits (avg)	$ 16,392	$ 997	$ 62	$ 475	$ 487	$ 18,413
Capital Expenditures	$ 37	$ 6	$ ---	$ ---	$ 104	$ 147

</TABLE>

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16. LEGAL CONTINGENCIES

In the ordinary course of business, there are various legal proceedings pending against Huntington and its subsidiaries. In the opinion of management, the aggregate liabilities, if any, arising from such proceedings are not expected to have a material adverse effect on Huntington's consolidated financial position.

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17. EMPLOYEE BENEFIT PLANS

Huntington sponsors a non-contributory defined benefit pension plan covering substantially all employees. The plan provides benefits based upon length of service and compensation levels. The funding policy of Huntington is to contribute an annual amount which is at least equal to the minimum funding requirements but not more than that deductible under the Internal Revenue Code. Plan assets, held in trust, primarily consist of mutual funds.

Huntington's unfunded defined benefit post-retirement plan provides certain health care and life insurance benefits to retired employees who have attained the age of 55 and have at least 10 years of service. For any employee retiring on or after January 1, 1993, post-retirement healthcare and life insurance benefits are based upon the employee's number of months of service and are limited to the actual cost of coverage.

---

17. EMPLOYEE BENEFIT PLANS (CONTINUED)

The following table reconciles the funded status of the pension plan and the post-retirement benefit plan at the applicable September 30 measurement dates with the amounts recognized in the consolidated balance sheet at December 31:

<TABLE>
<CAPTION>

	Pension Benefits		Post-Retirement Benefits	
(in thousands of dollars)	1998	1997	1998	1997
<S>	<C>	<C>	<C>	<C>
Projected benefit obligation at beginning of year	$178,325	$163,113	$ 40,477	$ 32,203
Changes due to:				
Service cost	11,979	10,698	1,410	959
Interest cost	12,897	12,502	3,080	2,386
Benefits paid	(16,619)	(11,701)	(3,148)	(2,694)
Plan amendments	---	---	846	4,139
Actuarial assumptions	11,959	3,713	3,786	3,484
Total changes	20,216	15,212	5,974	8,274
Projected benefit obligation at end of year	198,541	178,325	46,451	40,477
Fair value of plan assets at beginning of year	194,336	158,903	---	---
Changes due to:				
Actual return on plan assets	4,608	47,943	---	---
Benefits paid	(19,217)	(12,510)	---	---
Total changes	(14,609)	35,433	---	---
Fair value of plan assets at end of year	179,727	194,336	---	---
Projected benefit obligation less (greater) than plan assets	(18,814)	16,011	(46,451)	(40,477)
Unrecognized net actuarial loss (gain)	2,145	(26,920)	(1,119)	(4,653)
Unrecognized prior service cost	(13,578)	(14,905)	9,078	6,474
Unrecognized transition (asset)/ liability, net of amortization	(1,545)	(1,986)	17,649	19,679
Accrued liability	$(31,792)	$(27,800)	$(20,843)	$(18,977)

Weighted-average assumptions at September 30:				
Discount rate	7.00%	7.50%	7.00%	7.50%
Expected return on plan assets	9.25%	8.75%	N/A	N/A
Rate of compensation increase	5.00%	5.00%	N/A	N/A

</TABLE>

The following table shows the components of pension cost recognized in 1998, 1997, and 1996:.

<TABLE>
<CAPTION>

	Pension Benefits			Post-Retirement Benefits		
(in thousands of dollars)	1998	1997	1996	1998	1997	1996
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Service cost	$ 11,979	$ 10,698	$ 11,243	$1,410	$ 959	$1,214
Interest cost	12,897	12,502	11,731	3,080	2,386	2,832
Expected return on plan assets	(16,447)	(14,197)	(12,404)	---	---	---
Amortization of transition asset	(319)	(341)	(367)	1,261	1,331	1,331
Amortization of prior service cost	(1,326)	1	140	670	259	500
Recognized net actuarial (gain) loss	(620)	(755)	24	(52)	(323)	6
Benefit cost	$ 6,164	$ 7,908	$ 10,367	$6,369	$4,612	$5,883

</TABLE>

The 1999 health care cost trend rate was projected to be 8.50% for pre-65 participants and 7.50% for post-65 participants compared with estimates of 9.25% and 8.00% in 1998. These rates are assumed to decrease gradually until they reach 4.75% in the year 2005 and remain at that level thereafter.

17. EMPLOYEE BENEFIT PLANS (CONTINUED)

The assumed health care cost trend rate has a significant effect on the amounts reported. A one-percentage point increase would increase service and interest costs and post-retirement benefit obligation by $103 thousand and $1.1 million, respectively. A one-percentage point decrease would reduce service and interest costs by $124 thousand and post-retirement benefit obligation by $1.3 million.

Huntington also sponsors an unfunded Supplemental Executive Retirement Plan, a nonqualified plan that provides certain key officers of Huntington and its subsidiaries with defined pension benefits in excess of limits imposed by federal tax law. At December 31, 1998 and 1997, the accrued pension cost for this plan totaled $9.8 million and $10.5 million, respectively. Pension expense for the plan was $1.2 million in 1998, and $1.3 million in both 1997, and 1996.

Huntington has a contributory employee investment and tax savings plan available to eligible employees. The plan was restated from an employee stock purchase plan effective April 1, 1998, and renamed the Huntington Investment and Tax Savings Plan. Matching contributions by Huntington equal 100% on the first 3% and 50% on the next 2% of participant elective deferrals. The cost of providing this plan was $8.3 million in 1998, $9.7 million in 1997 and $9.0 million in 1996.

18. STOCK OPTIONS

Huntington sponsors non-qualified and incentive stock option plans covering key employees. Approximately 19.8 million shares have been authorized under the plans, 6.6 million of which were available at December 31, 1998 for future grants. All options granted have a maximum term of ten years. Options granted on or after May 18, 1994, vest ratably over prescribed periods; all grants preceding this date became fully exercisable after one year.

Huntington has elected to follow Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" (APB 25) and related interpretations in accounting for its employee stock options because the alternative fair value accounting provided for under FASB Statement No. 123, "Accounting for Stock-Based Compensation," requires use of option valuation models that were not developed for use in valuing employee stock options. Under APB 25, because the exercise price of Huntington's employee stock options equals the market price of the underlying stock on the date of grant, no compensation expense is recognized.

Huntington's stock option activity and related information for the three

years ended December 31 is summarized below. All such data has been restated, as applicable, for subsequent stock splits and stock dividends.

(in thousands, except per share)	1998 OPTIONS (IN 000'S)	1998 WEIGHTED AVERAGE EXERCISE PRICE	1997 Options (in 000's)	1997 Weighted Average Exercise Price	1996 Options (in 000's)	1996 Weighted Average Exercise Price
Outstanding at beginning of period	5,417	$15.28	5,157	$12.45	5,087	$10.86
Granted	1,244	30.91	1,323	25.14	1,140	17.62
Exercised	(1,278)	10.92	(891)	13.45	(1,009)	10.14
Forfeited/Expired	(222)	22.82	(172)	15.69	(61)	14.75
Outstanding at end of period	5,161	$19.80	5,417	$15.28	5,157	$12.45
Exercisable at end of period	2,906	$14.52	3,242	$11.61	3,117	$ 9.96
Weighted-average fair value of options granted during the year		$ 8.59		$ 6.94		$ 5.02

Exercise prices for options outstanding as of December 31, 1998, ranged from $5.30 to $32.27. The weighted-average remaining contractual life of these options is 6.9 years.

The fair value of the options presented above was estimated at the date of grant using a Black-Scholes option pricing model. The following weighted-average assumptions were used for 1998, 1997, and 1996, respectively: risk-free interest rates of 5.28%, 6.44%, and 6.78%; dividend yields of 2.59%, 2.86%, and 3.41%; volatility factors of the expected market price of Huntington's common stock of .262, .262, and .280; and a weighted average expected option life of 6 years.

18. STOCK OPTIONS (CONTINUED)

The following pro forma disclosures present Huntington's net income and earnings per common share under the fair value method of accounting for stock options:

(in millions, except per share amounts)	Year Ended December 31, 1998	1997	1996
PRO FORMA			
Net income	$297.8	$290.6	$303.2
Earnings per common share--diluted	$ 1.40	$ 1.37	$ 1.42

19. EARNINGS PER SHARE AND COMMON STOCK REPURCHASE PROGRAM

Basic earnings per share is the amount of earnings for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of earnings available to each share of common stock outstanding during the reporting period adjusted for the potential issuance of common shares for stock options and the conversion impact of convertible equity instruments. The calculation of basic and diluted earnings per share follows for each of the three years ended December 31:

(in thousands, except per share amounts)	1998	1997	1996

Net income	$301,768	$292,663	$304,269
Impact of convertible debt	---	---	13
Diluted net income	$301,768	$292,663	$304,282
Average common shares outstanding	211,426	209,884	211,741
Dilutive effect of:			
Stock options	2,028	2,564	1,991
Convertible debt	---	---	33
Diluted common shares outstanding	213,454	212,448	213,765
Earnings per share			
Basic	$ 1.43	$ 1.39	$ 1.44
Diluted	$ 1.41	$ 1.38	$ 1.42

Average common shares outstanding and the dilutive effect of stock options and convertible debt have been adjusted for subsequent stock dividends and stock splits, as applicable.

In September 1998, the Board of Directors authorized the reactivation of Huntington's common stock repurchase program, which was previously suspended in May 1997 due to the First Michigan pooling-of-interests merger transaction. In connection with the reinstatement of the program, the Board of Directors also increased the number of shares authorized for repurchase to 15 million, up from approximately 3 million shares remaining when the plan was suspended. The shares will be purchased through open market purchases and privately negotiated transactions.

Repurchased shares will be reserved for reissue in connection with Huntington's dividend reinvestment, stock option, and other benefit plans as well as for stock dividends and other corporate purposes. In 1998, Huntington repurchased approximately 1.1 million shares.

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20. INCOME TAXES

The following is a summary of the provision for income taxes:

(in thousands of dollars)	1998	1997	1996
Currently payable			
Federal	$133,012	$115,197	$114,183
State	2,573	3,617	3,076
Total current	135,585	118,814	117,259
Deferred tax expense			
Federal	1,972	46,088	34,378
State	797	1,599	1,362
Total deferred	2,769	47,687	35,740
Total provision for income taxes	$138,354	$166,501	$152,999

Tax expense associated with securities transactions included in the above amounts were $10.8 million in 1998, $2.9 million in 1997, and $6.2 million in 1996.

The following is a reconcilement of income tax expense to the amount computed at the statutory rate of 35%:

(in thousands of dollars)	1998	1997	1996
Pre-tax income computed at the statutory rate	$154,043	$160,708	$160,043
Increases (decreases):			
Tax-exempt income	(16,107)	(7,101)	(7,623)

State income taxes	2,191	3,391	2,885
Other-net	(1,773)	9,503	(2,306)
Provision for income Taxes	$138,354	$166,501	$152,999

</TABLE>

The significant components of deferred tax assets and liabilities at December 31, 1998 and 1997, are as follows:

<TABLE>
<CAPTION>

(in thousands of dollars)	1998	1997
Deferred tax assets:		
Allowance for loan losses	$ 87,642	$ 85,873
Pension and other employee benefits	29,214	28,131
Premises and equipment	7,641	---
Revalued liabilities - net	6,991	---
Other	36,322	12,535
Total deferred tax assets	167,810	126,539
Deferred tax liabilities:		
Lease financing	225,883	181,987
Mortgage servicing rights	18,964	14,094
Premises and equipment	---	12,201
Securities	13,369	8,192
Other	27,637	23,057
Total deferred tax liabilities	285,853	239,531
Net deferred tax liability	$118,043	$112,992

</TABLE>

21. QUARTERLY RESULTS OF OPERATIONS (UNAUDITED)

The following is a summary of the unaudited quarterly results of operations for the years ended December 31, 1998 and 1997:

<TABLE>
<CAPTION>

(in thousands of dollars, except per share data)	I Q	II Q	III Q	IV Q
1998				
Interest income	$502,480	$491,268	$505,221	$500,395
Interest expense	247,632	243,839	253,706	233,094
Net interest income	254,848	247,429	251,515	267,301
Provision for loan losses	22,181	24,595	24,160	34,306
Securities gains	3,089	14,316	10,615	1,773
Non-interest income	92,330	105,340	104,026	106,711
Non-interest expense	196,442	206,678	211,877	208,932
Special charges	---	---	---	90,000
Income before income taxes	131,644	135,812	130,119	42,547
Provision for income taxes	42,158	43,503	41,364	11,329
Net income	$ 89,486	$ 92,309	$ 88,755	$ 31,218
Net income per common share (1)				
Basic	$ 0.42	$ 0.44	$ 0.42	$0.15
Diluted	$ 0.42	$ 0.43	$ 0.42	$0.15

<CAPTION>

(in thousands of dollars, except per share data)	I Q	II Q	III Q	IV Q

1997				
Interest income	$475,874	$503,018	$502,821	$499,760
Interest expense	228,323	240,060	245,663	240,197
Net interest income	247,551	262,958	257,158	259,563
Provision for loan losses	22,380	30,831	28,351	26,235
Securities gains	2,098	3,604	1,242	1,034
Non-interest income	74,633	77,897	94,855	87,476
Non-interest expense	183,861	185,805	193,747	188,532
Special charges	---	---	51,163	---
Income before income taxes	118,041	127,823	79,994	133,306
Provision for income taxes	40,862	44,220	38,762	42,657
Net income	$ 77,179	$ 83,603	$ 41,232	$ 90,649
Net income per common share (1)				
Basic	$ 0.37	$ 0.40	$ 0.20	$ 0.43
Diluted	$ 0.37	$ 0.39	$ 0.20	$ 0.42

(1) Adjusted for stock dividends and stock splits, as applicable.

22. NON-INTEREST INCOME

A summary of the components in non-interest income follows for the three years ended December 31:

(in thousands of dollars)	1998	1997	1996
Service charges on deposit accounts	$126,403	$117,852	$107,669
Mortgage banking	60,006	55,715	43,942
Trust services	50,754	48,102	42,237
Brokerage and insurance income	36,710	27,084	20,856
Electronic banking fees	29,202	22,705	12,013
Bank Owned Life Insurance income	28,712	---	---
Credit card fees	21,909	20,467	23,086
Other	54,711	42,936	46,640
TOTAL NON-INTEREST INCOME BEFORE SECURITIES GAINS	408,407	334,861	296,443
Securities gains	29,793	7,978	17,620
TOTAL NON-INTEREST INCOME	$438,200	$342,839	$314,063

23. NON-INTEREST EXPENSE

A summary of the components in non-interest expense follows for the three years ended December 31:

(in thousands of dollars)	1998	1997	1996
Personnel and related costs	$428,539	$392,793	$360,865
Outside data processing and other services	74,795	66,683	58,367
Equipment	62,040	57,867	50,887
Net occupancy	54,123	49,509	49,676
Marketing	32,260	32,782	20,331
Telecommunications	29,429	21,527	16,567
Amortization of intangible assets	25,689	13,019	10,220
Legal and other professional services	25,160	24,931	20,313
Printing and supplies	23,673	21,584	19,602
Franchise and other taxes	22,103	19,836	20,359
Other	46,118	51,414	48,323
TOTAL NON-INTEREST EXPENSE BEFORE SPECIAL CHARGES	823,929	751,945	675,510
Special charges, including merger costs	90,000	51,163	---
TOTAL NON-INTEREST EXPENSE	$913,929	$803,108	$675,510

</TABLE>

24. COMPREHENSIVE INCOME

The components of Other Comprehensive Income were as follows in each of the three years ended December 31:

(in thousands of dollars)	1998	1997	1996
Unrealized holding gains (losses) arising during the period:			
Unrealized net gains (losses)	$ 45,095	$ 52,806	$(70,164)
Related tax (expense) benefit	(15,837)	(18,889)	24,896
Net	29,258	33,917	(45,268)
Less: Reclassification adjustment for net gains realized during the period:			
Realized net gains	29,793	7,978	17,620
Related tax expense	(10,428)	(2,792)	(6,167)
Net	19,365	5,186	11,453
Total Other Comprehensive Income	$ 9,893	$ 28,731	$(56,721)

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts and estimated fair values of Huntington's financial instruments are presented in the table on the next page. Certain assets, the most significant being Bank Owned Life Insurance and premises and equipment, do not meet the definition of a financial instrument and are excluded from this disclosure. Similarly, mortgage servicing rights and deposit base and other customer relationship intangibles are not considered financial instruments and are not discussed below. Accordingly, this fair value information is not intended to, and does not, represent Huntington's underlying value. Many of the assets and liabilities subject to the disclosure requirements are not actively traded, requiring fair values to be estimated by management. These estimations necessarily involve the use of judgment about a wide variety of factors, including but not limited to, relevancy of market prices of comparable instruments, expected future cash flows, and appropriate discount rates.

The terms and short-term nature of certain assets and liabilities result in their carrying value approximating fair value. These include cash and due from banks, interest bearing deposits in banks, trading account securities, federal funds sold and securities purchased under resale agreements, customers' acceptance liabilities, short-term borrowings, and bank acceptances outstanding. Loan commitments and letters of credit generally have short-term, variable rate features and contain clauses that limit Huntington's exposure to changes in customer credit quality. Accordingly, their carrying values, which are immaterial at the respective balance sheet dates, are reasonable estimates of fair value.

The following methods and assumptions were used by Huntington to estimate the fair value of the remaining classes of financial instruments:

Mortgages held for sale are valued at the lower of aggregate cost or market value primarily as determined using outstanding commitments from investors.

Fair values of securities available for sale and investment securities are based on quoted market prices, where available. If quoted market prices are not available, fair values are based on quoted market prices of comparable instruments. The carrying amount and fair value of securities exclude the fair value of asset/liability management interest rate contracts designated as hedges of securities available for sale.

For variable rate loans that reprice frequently, fair values are based on carrying amounts, as adjusted for estimated credit losses. The fair values for other loans are estimated using discounted cash flow analyses and employ interest rates currently being offered for loans with similar terms. The rates take into account the position of the yield curve, as well as an adjustment for prepayment risk, operating costs, and profit. This value is also reduced by an estimate of probable losses in the loan portfolio. Although not considered financial instruments, lease financing receivables have been included in the loan totals at their carrying amounts.

The fair values of demand deposits, savings accounts, and money market

deposits are, by definition, equal to the amount payable on demand. The fair values of fixed rate time deposits are estimated by discounting cash flows using interest rates currently being offered on certificates with similar maturities.

The fair values of Huntington's fixed rate long-term debt, as well as medium-term notes and Capital Securities, are based upon quoted market prices or, in the absence of quoted market prices, discounted cash flows using rates for similar debt with the same maturities. The carrying amount of variable rate obligations approximates fair value.

The fair values of interest rate swap agreements and other off-balance sheet interest rate contracts are based upon quoted market prices or prices of similar instruments, when available, or calculated with pricing models using current rate assumptions.

25. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

<TABLE>
<CAPTION>

	AT DECEMBER 31, 1998		AT DECEMBER 31, 1997	
(in thousands of dollars)	CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
<S>	<C>	<C>	<C>	<C>
FINANCIAL ASSETS:				
Cash and short-term assets	$ 1,454,142	$ 1,454,142	$ 1,691,187	$ 1,691,187
Trading account securities	3,839	3,839	7,082	7,082
Mortgages held for sale	466,664	466,664	192,948	192,948
Securities	4,806,349	4,806,459	5,742,824	5,743,197
Loans	19,163,603	19,338,129	17,480,077	17,777,451
Customers' acceptance liability	22,591	22,591	27,818	27,818
Interest rate contracts:				
Asset/liability management	19,610	67,507	17,557	42,547
Customer accommodation	9,638	9,638	2,606	2,606
FINANCIAL LIABILITIES:				
Deposits	(19,722,772)	(19,788,328)	(17,983,718)	(18,012,315)
Short-term borrowings	(2,216,644)	(2,216,644)	(3,141,671)	(3,141,671)
Bank acceptances outstanding	(22,591)	(22,591)	(27,818)	(27,818)
Medium-term notes	(2,539,900)	(2,560,426)	(2,332,150)	(2,341,040)
Subordinated notes and other long-term debt	(707,359)	(733,083)	(498,889)	(517,791)
Capital Securities	(300,000)	(299,609)	(200,000)	(192,726)
Interest rate contracts:				
Asset/liability management	---	(11,126)	---	(2,554)
Customer accommodation	(7,388)	(7,388)	(1,859)	(1,859)

</TABLE>

<TABLE>
<CAPTION>

26. HUNTINGTON BANCSHARES INCORPORATED (PARENT COMPANY ONLY) FINANCIAL INFORMATION

<S>	<C>	<C>
BALANCE SHEETS	DECEMBER 31,	
(in thousands of dollars)	1998	1997
ASSETS		
Cash and cash equivalents	$ 179,981	$ 285,926
Securities available for sale	22,659	7,635
Due from subsidiaries		
Bank subsidiary	220,842	600,578
Non-bank subsidiaries	18,859	10,297
Investment in subsidiaries on the equity method		
Bank subsidiary	2,235,414	1,721,789
Non-bank subsidiaries	24,110	29,411
Excess of cost of investment in subsidiaries over net assets acquired	11,586	12,155
Other assets	86,227	89,321

	1998	1997
TOTAL ASSETS	$ 2,799,678	$ 2,757,112
LIABILITIES		
Short-term borrowings	$ 30,644	$ 40,525
Medium-term notes	60,000	220,000
Subordinated notes		
Subsidiary trusts	309,279	206,187
Unaffiliated companies	149,505	153,913
Dividends payable	42,406	38,591
Accrued expenses and other liabilities	59,049	72,505
TOTAL LIABILITIES	650,883	731,721
SHAREHOLDERS' EQUITY	2,148,795	2,025,391
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 2,799,678	$ 2,757,112

STATEMENTS OF INCOME	YEAR ENDED DECEMBER 31,		
(in thousands of dollars	1998	1997	1996
INCOME			
Dividends from			
Bank subsidiary	$ 186,381	$ 228,892	$ 348,516
Non-bank subsidiaries	4,000	2,961	6,385
Interest from			
Bank subsidiary	41,507	18,227	3,482
Non-bank subsidiaries	329	19,032	11,787
Other	3,094	1,537	813
TOTAL INCOME	235,311	270,649	370,983
EXPENSE			
Interest on debt	27,340	36,128	23,716
Other	13,722	30,020	18,295
TOTAL EXPENSE	41,062	66,148	42,011
Income before income taxes and equity in undistributed net income of subsidiaries	194,249	204,501	328,972
Income tax expense (benefit)	2,089	(8,630)	(13,986)
Income before equity in undistributed net income of subsidiaries	192,160	213,131	342,958
Equity in undistributed net income of			
Bank subsidiary	106,967	80,523	(48,616)
Non-bank subsidiaries	2,641	(991)	9,927
NET INCOME	$ 301,768	$ 292,663	$ 304,269

</TABLE>

26. HUNTINGTON BANCSHARES INCORPORATED (PARENT COMPANY ONLY) FINANCIAL INFORMATION (CONTINUED)

<TABLE>
<CAPTION>

STATEMENTS OF CASH FLOWS	YEAR ENDED DECEMBER 31,		
(in thousands of dollars)	1998	1997	1996
<S>	<C>	<C>	<C>
OPERATING ACTIVITIES			
Net Income	$ 301,768	$ 292,663	$ 304,269
Adjustments to reconcile net income to net cash provided by operating activities:			
Equity in undistributed net income of subsidiaries	(109,608)	(79,532)	38,689
Provision for amortization and depreciation	3,244	3,460	5,285
Increase in other assets	(14,413)	(4,961)	(26,139)
Decrease in other liabilities	(15,978)	(13,942)	(18,340)
NET CASH PROVIDED BY OPERATING ACTIVITIES	165,013	197,688	303,764
INVESTING ACTIVITIES			
(Increase) decrease in investments in subsidiaries	(386,500)	197,263	(1,433)
Repayments from (advances to) subsidiaries	374,140	(71,485)	(167,289)

Other	(41)	(15,000)	(4,775)
NET CASH (USED FOR) PROVIDED BY INVESTING ACTIVITIES	(12,401)	110,778	(173,497)
FINANCING ACTIVITIES			
(Decrease) increase in short-term borrowings	(9,881)	--	15,000
Proceeds from issuance of subordinated notes to subsidiary trusts	100,000	200,000	--
Payment of long-term debt	(4,537)	(25,000)	(346)
Proceeds from issuance of medium-term notes	--	40,000	225,000
Payment of medium-term notes	(160,000)	(140,000)	(80,000)
Dividends paid on common stock	(157,632)	(132,760)	(125,379)
Acquistion of treasury stock	(31,192)	(56,175)	(258,415)
Proceeds from issuance of treasury stock	4,685	27,266	43,971
NET CASH USED FOR FINANCING ACTIVITIES	(258,557)	(86,669)	(180,169)
CHANGE IN CASH AND CASH EQUIVALENTS	(105,945)	221,797	(49,902)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	285,926	64,129	114,031
CASH AND CASH EQUIVALENTS AT END OF YEAR	$ 179,981	$ 285,926	$ 64,129

</TABLE>

Appendix I

HUNTINGTON BANCSHARES INCORPORATED

LONG-TERM INCENTIVE COMPENSATION PLAN

As Amended and Restated, Effective for Performance Cycles
beginning on or after January 1, 1999
(including amendments adopted January 20, 1999)

PURPOSE; EFFECTIVE DATE

1.1 The purpose of this Long-Term Incentive Compensation Plan (the "Plan") is to provide incentive for key employees whose sustained performance directly influences the creation of shareholder value.

1.2 The Plan, as amended, will become effective upon approval by a majority of the votes cast by shareholders of the Corporation at the annual meeting on April 22, 1999, but will relate to Performance Cycles beginning January 1, 1999, and thereafter. No payments will be made under the Plan unless shareholder approval is obtained.

DEFINITION OF TERMS

2.1 As used herein, the following words shall have the meanings stated after them, unless otherwise specifically provided:

(a) "AWARD" shall mean any stock or cash incentive award granted to a Participant under the Plan.

(b) "BASE SALARY" shall mean the annual cash salary payable to an Officer excluding bonuses, incentive compensation, stock options, employer contributions to pension or benefit plans, and other forms of irregular payments and deferred compensation.

(c) "COMMITTEE" shall mean the Compensation and Stock Option Committee of the Board of Directors of the Corporation, which shall be composed of two or more directors each of whom is an "outside director" within the meaning of Section 162(m) as hereinafter defined.

(d) "COMMON STOCK" shall mean the shares without par value of common stock of the Corporation, whether presently or hereafter issued.

(e) "CORPORATION" shall mean Huntington Bancshares Incorporated.

(f) "EXTRAORDINARY EVENTS" shall mean (i) asset write-downs, (ii) litigation or claim judgments or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results, (iv) accruals for reorganization and restructuring programs, (v) capital gains and losses, (vi) special charges in connection with the mergers and acquisitions, and (vii) any extraordinary non-recurring items as described in Accounting Principles Board Opinion No. 30 and/or in management's discussion and analysis of financial condition and results of operation appearing or incorporated by reference in the Corporation's Annual Report on Form 10-K filed with the

Securities and Exchange Commission for the applicable year.

. (f) "OFFICER" shall mean an officer of the Corporation or of a Subsidiary.

(g) "PARTICIPANT" shall mean an Officer selected to participate in the Plan in accordance with section 4.1.

(h) "PERFORMANCE CYCLE" shall mean the two, three, or four calendar year period designated by the Committee.

(i) "QUALIFYING PERFORMANCE CRITERIA" shall mean any one or more of the following performance criteria (either individually, alternatively or in any combination, applied to either the Corporation as a whole or to a business unit or subsidiary, either individually, alternatively or in any combination, and measured over a period of years, on an absolute basis or relative to a pre-established target to previous years' results or to a designated comparison group, in each case as specified by the Committee): (a) net income, (b) earnings per share, (c) return on equity or return on average equity ("ROAE"), (d) return on assets or return on average assets, (e) operating expenses as a percentage of total revenues (known as the efficiency ratio). In all cases, such amounts will be on either a reported basis or adjusted to exclude the impact of intangible assets and related amortization expense (referred to as "cash basis" or "tangible" results in order to produce the highest Award) whichever will produce the higher Award.

(j) "SECTION 162(m)" shall mean Section 162(m) of the Internal Revenue Code of 1986, as amended, or any successor statute of similar import.

(k) "SUBSIDIARY" shall mean a subsidiary of the Corporation of which at least 50% of the voting power is directly or indirectly owned or controlled by the Corporation.

ADMINISTRATION

3.1 The Committee shall administer the Plan. The Committee is authorized to interpret and construe the Plan and to adopt such rules, regulations, and procedures for the administration of

the Plan as the Committee deems necessary or advisable. The Committee's interpretations of the Plan, and all decisions and determinations made by the Committee, shall be conclusive and binding on all parties including the Corporation and any person claiming an Award under the Plan.

PLAN PARTICIPANTS

4.1 Participation in the Plan shall be limited to Officers who are specified by the Committee to be key employees whose performance may, in the opinion of the Committee, significantly contribute to the long-term strategic performance and growth of the Corporation. The Committee shall select those Officers who will participate in the Plan for each Performance Cycle during the first 90 days of the Performance Cycle (or no later than such earlier or later date as may be the applicable deadline for any compensation payable to be considered performance-based pursuant to Section 162(m)) and may select Officers who are hired or promoted during a Performance Cycle to participate for the remainder of the Performance Cycle. Selection to participate in this Plan in any Performance Cycle does not require the Committee to, or imply that the Committee will, select the same person to participate in the Plan in any subsequent Performance Cycle.

PERFORMANCE CRITERIA AND GOALS, MAXIMUM AWARD

5.1 During the first 90 days of each Performance Cycle (or no later than such earlier or later date as may be the applicable deadline for any compensation payable to be considered performance-based pursuant to Section 162(m)), the Committee shall establish written performance goals based on the Qualifying Performance Criteria selected by the Committee for that Performance

Cycle. The Committee may select different Qualifying Performance Criteria for different incentive groups. Awards under the Plan shall be based upon the achievement of a performance goal or goals during a Performance Cycle measured by the selected Qualifying Performance Criteria.

5.2 Awards under the Plan shall be equal to a percentage of a Participant's Base Salary as of December 31 of the last year of a Performance Cycle determined by reference to the attainment of the Corporation's performance goals for that Performance Cycle. The Committee shall adopt a written schedule of potential Awards, expressed as a percentage of Base Salary, during the first 90 days of each Performance Cycle (or no later than such earlier or later date as may be the applicable deadline for any compensation payable to be considered performance-based pursuant to Section 162(m)). Potential Awards may vary among Participants in different incentive groups as determined by the Committee.

For an Officer who is selected to participate after the first 90 days of a Performance Cycle, the Award shall be pro-rated based upon the length of time the Officer is a Participant. No Awards shall be paid pursuant to the Plan with respect to a Performance Cycle if the Qualifying Performance Criteria for that Performance Cycle is below the minimum corporate performance goal established by the Committee. Extraordinary Events shall either be excluded or included in determining the extent to which the corresponding performance goal has been achieved, whichever will produce the higher Award.

5.3 Notwithstanding the attainment of specified performance goals, the Committee has the discretion to reduce or eliminate an Award that would otherwise be payable to any Participant based on its evaluation of Extraordinary Events and other factors. The Committee may not increase an Award payable pursuant to the provisions of the Plan. Notwithstanding any other provision of this Plan, the maximum individual Award payable under the Plan with respect to a Performance

Cycle shall be $4,000,000 (or the Corporation's Common Stock equivalent), notwithstanding that the Qualifying Performance Criteria for a Performance Cycle may exceed the maximum performance goal.

PAYMENT OF AWARDS

6.1 Awards will be made under the Plan in the form of shares of Common Stock of the Corporation; provided, however, that the maximum number of shares of Common Stock to be issued after January 1, 1999, shall not exceed 400,000 shares (which number shall be adjusted to reflect future stock splits, stock dividends, or other changes in capitalization of the Corporation); and provided further that any Participant, with the approval of the Committee, may elect to receive up to 50% of his or her Award in cash, whereupon that Participant will be entitled to receive only that number of shares of Common Stock determined as set forth in Section 9.2 or 9.3 hereof. Payment of Awards will be made as soon as practicable following the end of each Performance Cycle; provided that payments will be made only after the Committee has certified in writing, in the minutes of a Committee meeting or otherwise, that applicable performance goals and other material terms of the Plan have been satisfied.

6.2 Except as provided in Sections 7.2 and 8.1--8.5 hereof, no Award shall be paid to an Officer who is not employed by the Corporation or a Subsidiary on the day the Award is paid.

6.3 If at the time Participants are to receive payment of Awards, the Corporation or any Participant is prohibited from trading in Common Stock under applicable state or federal securities laws, the Committee may in its discretion withhold distribution of stock until such time as distribution is permitted; or may in its discretion authorize the entire payment to be paid in cash. If

distribution of Common Stock is withheld, the Corporation shall make additional cash payments to reflect dividends paid during the period in which distribution was withheld.

6.4 The Corporation may deduct from any payment made under this Plan all federal, state and local taxes required to be withheld with respect to such payment or may require that the Participant pay to the Corporation an amount equal to any such taxes.

TERMINATION OF EMPLOYMENT

7.1 Except as provided in Section 8.1 -- 8.5 hereof, if a Participant's employment is terminated for any reason other than death, disability or retirement prior to receipt of payment of an Award with respect to a Performance Cycle, the Participant shall not receive any payment under the Plan based upon that Performance Cycle.

7.2 In the event a Participant dies, becomes disabled, or retires before receipt of payment of an Award, as determined in the sole discretion of the Committee, the Committee may authorize payment to the Participant or the Participant's estate or beneficiary in such amount as the Committee deems appropriate.

CHANGE IN CONTROL OF THE CORPORATION

8.1 In the event of a Change in Control of the Corporation, as hereinafter defined, the provisions set forth below shall apply, and in the event of any conflict between Sections 8.1 - 8.5 and any other section of the Plan, the provisions of Sections 8.1 - 8.5 shall prevail.

8.2 Within 90 days after the Change in Control occurs, the persons who are Participants immediately prior to the Change in Control shall receive payment of Awards under the Plan in cash determined as follows:

(a) If the Change in Control occurs before the end of the first year of a Performance Cycle, no payment shall be made with respect to that Performance Cycle.

(b) If the Change in Control occurs during the second year of a Performance Cycle or thereafter, Participants shall receive the full amount of the Award for that Performance Cycle based upon the Qualifying Performance Criteria, as established by the Committee for that Performance Cycle, determined using all calendar years in such Performance Cycle completed prior to the year of the Change in Control. Notwithstanding the above, if the Change in Control occurs in the second year of a Performance Cycle, the determination of the Qualifying Performance Criteria used in calculating the amount the Award shall include results under the Qualifying Performance Criteria using the calendar year results for the two calendar years immediately preceding the year of the Change in Control.

8.3 Notwithstanding Section 7.1 hereof, Participants whose employment terminates following a Change in Control, either voluntarily or involuntarily, shall receive payment of Awards in accordance with Section 8.2, unless such termination was pursuant to the commission by the Participant of a felony or an intentional act of fraud, embezzlement, or theft in connection with the Participant's duties to the Corporation.

8.4 Notwithstanding Section 11.1 of the Plan, after a Change in Control has occurred, neither the Committee nor the Board of Directors of the Corporation shall change the performance

levels for a Performance Cycle that began prior to the date the Change of Control occurred or reduce or eliminate any awards otherwise payable to an Officer under this Plan.

8.5 For purposes of this section, a "Change in Control" of the Corporation shall be deemed to have occurred if and when, after the date hereof, any of the following have occurred:

(a) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 25% or more of the combined voting power of the Corporation's then outstanding securities; or

(b) a majority of the Board of Directors of the Corporation at any time is comprised of other than Continuing Directors (for purposes of this section, the term "Continuing Director" means a director who was either (i) first elected or appointed as a Director prior to the date of this Agreement; or (ii) subsequently elected or appointed as a director if such director was nominated or appointed by at least a majority of the then Continuing Directors); or

(c) any event or transaction if the Corporation would be required to report it in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act; or

(d) Any of the following occurs: (i) a merger or consolidation of the Corporation, other than a merger or consolidation in which the voting securities of the Corporation immediately prior to the merger or consolidation continue to represent (either by remaining outstanding or being converted into securities of the surviving entity) 51%

or more of the combined voting power of the Corporation or surviving entity immediately after the merger or consolidation with another entity; (ii) a sale, exchange, lease, mortgage, pledge, transfer, or other disposition (in a single transaction or a series of related transactions) of all or substantially all of the assets of the Corporation which shall include, without limitation, the sale of assets or earning power aggregating more than 50% of the assets or earning power of the Corporation on a consolidated basis; (iii) a liquidation or dissolution of the Corporation; (iv) a reorganization, reverse stock split, or recapitalization of the Corporation which would result in any of the foregoing; or (v) a transaction or series of related transactions having, directly or indirectly, the same effect as any of the foregoing.

PURCHASE AND DELIVERY OF STOCK

9.1 Common Stock delivered to Participants under the Plan shall be issued by the Corporation or, if the Committee so directs, shall be purchased in the open market by an independent buying agent selected by the Corporation. In no case shall a Participant be entitled to receive a fractional share.

9.2 In the event that the Common Stock to be delivered hereunder shall be issued by the Corporation, the number of shares to be issued and delivered to each Participant shall be that number of shares which could be purchased at the market price per share of Common Stock of the Corporation with the dollar amount of the Award to be made to that Participant, as provided in Section 5.2, less the amount of such Award that the Participant has elected to receive in cash. The "market price per share" of the Common Stock for purposes of this subsection shall be (1) the

average of the highest and lowest sale prices per share quoted in the NASDAQ National Market System, if the shares are so quoted, (2) the mean between the bid and asked prices per share as reported by NASDAQ, if the shares are publicly traded, but are not quoted in the NASDAQ National Market System or listed on a securities exchange, or (3) if the shares are listed on a securities exchange, the average of the high and low prices at which such shares are quoted or traded on such exchange, in each case on the date on which the Committee certifies (in accordance with Section 6.1) that the performance goals and any other material terms were in fact satisfied, or if such date is not a trading day, the next preceding trading day.

9.3 In the event that the Committee shall determine that the Common Stock to be delivered shall be purchased in the open market, the Committee shall select a buying agent which shall be a licensed securities broker that is not affiliated with the Corporation. The Corporation or a Subsidiary shall pay to the buying agent all Awards under the Plan, except amounts which Participants have elected to receive in cash, for the purchase of Common Stock in open market purchases. The buying agent will perform all functions relating to the purchase of Common Stock and will have complete discretion regarding the timing of purchases; provided that purchases shall be made within thirty days after receipt by the buying agent of funds representing Awards unless such purchases are restricted by federal or state securities laws. The buying agent shall not purchase Common Stock directly from the Corporation. Certificates for Common Stock shall be delivered to Participants promptly after purchases are made.

9.4 Neither the Corporation nor buying agent shall have any liability to a Participant with respect to the timing of payment of Awards or the timing of purchases of Common Stock.

MISCELLANEOUS PROVISIONS.

10.1 GUIDELINES - From time to time the Committee may adopt written guidelines for implementation and administration of the Plan and in conformity with Section 162(m).

10.2 BINDING UPON SUCCESSORS - The obligations of the Corporation under the Plan shall be binding upon any successor corporation or organization which succeeds to substantially all of the assets and/or business of the Corporation. The term Corporation, whenever used in this Plan, shall mean and include any such corporation or organization after such succession.

10.3 UNFUNDED PLAN, RESTRICTIONS ON TRANSFER - It is intended that the Plan be an "unfunded" plan for incentive compensation. The Committee may authorize the use of Trusts or other arrangements to meet the obligations hereunder, provided, however, that unless the Committee otherwise determines, the existence of such trusts or arrangements are consistent with the "unfunded" status of the Plan. Any benefits to which a Participant or his or her beneficiary may become entitled under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to so transfer or encumber such benefits shall be void. This Plan does not give a Participant any interest, lien, or claim against any specific asset of the Corporation. Participants and beneficiaries shall have only the rights of a general unsecured creditor of the Corporation.

10.4 STATUS OF AWARDS UNDER SECTION 162(m) - It is the intent of the Corporation that Awards granted to persons who are Covered Employees within the meaning of Section 162(m) shall constitute "qualified performance-based compensation" satisfying the requirements of Section 162(m). Accordingly, the provisions of the Plan shall be interpreted in a manner consistent with Section 162(m). If any provision of the Plan or any agreement relating to such an Award does not

comply or is inconsistent with the requirements of Section 162(m), such provision shall be construed or deemed amended to the extent necessary to conform to such requirements.

10.5 DEFERRALS OF AWARDS - A Participant may elect to defer payment of the Participant's Award under the Plan if deferral of an Award under the Plan is permitted pursuant to the terms of a deferred compensation program established by the Committee existing at the time the election to defer is permitted to be made, and the Participant complies with the terms of such program. Deferred payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payment or the granting or crediting of dividend equivalents in respect of installment or deferred payments in Common Stock of the Corporation.

10.6 EXPENSES OF PLAN - The costs and expenses of administering the Plan, including brokerage fees and commissions, if any, will be borne by the Corporation.

10.7 NO EMPLOYMENT RIGHTS - No Participant has any right to be retained in the employ of the Corporation or any Subsidiary by virtue of participation in the Plan.

10.8 GOVERNING LAW - The Plan shall be governed by and construed

according to the laws of the State of Ohio.

AMENDMENT AND TERMINATION

11.1 The Corporation may at any time terminate, or from time to time, amend the Plan by action of the Board of Directors or by action of the Committee without shareholder approval unless such approval is required to satisfy the applicable provisions of Section 162(m).

Appendix II

HUNTINGTON BANCSHARES INCORPORATED

INCENTIVE COMPENSATION PLAN

As Amended and Restated Effective for Performance Cycles beginning on or after January 1, 1999 (including amendment adopted January 20, 1999)

PURPOSE; EFFECTIVE DATE

1.1 The purpose of this Incentive Compensation Plan ("Plan") is to encourage, recognize, and reward exceptional levels of corporate, business unit, and individual performance. The Plan's intent is to use award dollars as a clear communication vehicle linking the interests of eligible officers with the interests of Huntington Bancshares Incorporated ("Corporation") by establishing a direct link between performance and incentive payments. The Plan serves to reinforce a management style which closely ties officer rewards to performance directly under his or her control and establishes the Corporation's willingness to reward individual performance that has a direct impact on incremental earnings. The purpose of this Incentive Compensation Plan (the "Plan") is to provide incentive for key employees whose sustained performance directly influences the creation of shareholder value.

1.2 The Plan, as amended, will become effective upon approval by a majority of the votes cast by shareholders of the Corporation at the annual meeting on April 22, 1999, but will relate to Performance Cycles beginning January 1, 1999, and thereafter. No payments will be made under the Plan unless shareholder approval is obtained.

DEFINITION OF TERMS

2.1 As used herein, the following words shall have the meanings stated after them, unless otherwise specifically provided:

(a) "AWARD" shall mean a cash incentive payment granted to a Participant under the Plan.

(b) "BASE SALARY" shall mean the annual cash salary payable to an Officer excluding bonuses, incentive compensation, stock options, employer contributions to pension or benefit plans, and other forms of irregular payments and deferred compensation.

(c) "COMMITTEE" shall mean the Compensation and Stock Option Committee of the Board of Directors of the Corporation, which shall be composed of two or more directors each of whom is an "outside director" within the meaning of Section 162(m) as hereinafter defined.

(d) "CORPORATION" shall mean Huntington Bancshares Incorporated.

(e) "COVERED OFFICERS" shall mean the Participant or Participants the Committee designates in order to maintain qualified performance-based compensation within the meaning of Section 162(m).

(f) "EXTRAORDINARY EVENTS" shall mean (i) asset write-downs, (ii) litigation or claim judgments or settlements, (iii) the effect of changes in tax law, accounting principles or other such laws or provisions affecting reported results, (iv) accruals for reorganization and restructuring programs, (v) capital gains and losses, (vi) special charges in connection with the mergers and acquisitions, and (vii) any extraordinary non-recurring items as described in Accounting Principles Board Opinion No. 30 and/or in management's discussion and

analysis of financial condition and results of operation appearing or incorporated by reference in the Corporation's Annual Report on Form 10-K filed with the Securities and Exchange Commission for the applicable year.

. (g) "OFFICER" shall mean an officer of the Corporation or of a Subsidiary.

(h) "PARTICIPANT" shall mean an Officer selected to participate in the Plan in accordance with section 4.1.

(i) "PERFORMANCE CYCLE" shall mean the calendar year.

(j) "QUALIFYING PERFORMANCE CRITERIA" shall mean any one or more of the following performance criteria (either individually, alternatively or in any combination, applied to either the Corporation as a whole or to a business unit or subsidiary, either individually, alternatively or in any combination, and measured annually, on an absolute basis or relative to a pre-established target to previous years' results or to a designated comparison group, in each case as specified by the Committee in the Award): (a) net income, (b) earnings per share, (c) return on equity or return on average equity ("ROAE"), (d) return on assets or return on average assets, and (e) operating expenses as a percentage of total revenues (known as the "efficiency ratio"). In all cases, such amounts will be on either a reported basis or adjusted to exclude the impact of intangible assets and related amortization expense (referred to as "cash basis" or "tangible" results) whichever will produce the higher Award.

(k) "SECTION 162(m)" shall mean Section 162(m) of the Internal Revenue Code of 1986, as amended, or any successor statute of similar import.

(l) "SUBSIDIARY" shall mean a subsidiary of the Corporation of which at least 50% of the voting power is directly or indirectly owned or controlled by the Corporation.

ADMINISTRATION

3.1 The Committee shall administer the Plan. The Committee is authorized to interpret and construe the Plan and to adopt such rules, regulations, and procedures for the administration of the Plan as the Committee deems necessary or advisable. The Committee's interpretations of the Plan, and all decisions and determinations made by the Committee, shall be conclusive and binding on all parties including the Corporation and any person claiming an Award under the Plan.

PLAN PARTICIPANTS

4.1 Participation in the Plan shall be limited to Officers who are specified by the Committee to be key employees whose performance may, in the opinion of the Committee, significantly contribute to the long-term strategic performance and growth of the Corporation. The Committee shall select the Covered Officers and other Officers who will participate in the Plan for each Performance Cycle during the first 90 days of the Performance Cycle (or no later than such earlier or later date as may be the applicable deadline for any compensation payable to be considered performance-based pursuant to Section 162(m)) and may select Officers who are hired or promoted during a Performance Cycle to participate for the remainder of the Performance Cycle. Selection to participate in this Plan in any Performance Cycle does not require the Committee to, or imply that the Committee will, select the same person to participate in the Plan in any subsequent Performance Cycle.

PERFORMANCE CRITERIA AND GOALS, MAXIMUM AWARD

5.1 PERFORMANCE CRITERIA. Awards paid under the Plan may be based upon corporate, business unit, and individual performance; however, Awards paid to Covered Officers under the Plan will be based upon the achievement of a performance goal or goals measured solely by the Qualifying Performance Criteria selected by the Committee for a Performance Cycle. Measures of performance for other Participants will be determined based upon the Qualifying Performance Criteria selected by the Committee and evaluations of the Participant's business unit and individual performance. Such evaluations will be made by the Participant's appropriate manager or senior officer. The Committee may select different Qualifying Performance Criteria for different incentive groups. The maximum annual Award payable to any Participant shall not exceed $2,500,000 notwithstanding that the Qualifying Performance Criteria for a Performance Cycle may exceed the maximum performance goal.

5.2 PERFORMANCE GOALS. The Committee will establish annual written performance goals reflecting corporate performance. Performance goals based on the Qualifying Performance Criteria and the potential Award, expressed as a percentage of base salary as of December 31 of each plan year, that will be payable upon attainment of those performance goals, will be established in writing not later than 90 days after the commencement of the year to which the goals relate (or such earlier or later date as is permitted or required by Section 162(m)). Potential Awards may vary among Participants in different incentive groups as determined by the Committee. Extraordinary Events shall either be excluded or included in determining the extent to which the corresponding performance goal has been achieved, whichever will produce the higher Award.

5.3 ADJUSTMENTS. The Committee may increase individual Awards based upon extraordinary circumstances; however, under no circumstance may the Committee increase a Covered Officer's Award above the amount determined based on the attainment of the specified performance goals identified in accordance with

Section 5.2. In addition, notwithstanding the attainment of specified performance goals, the Committee has the discretion to reduce or eliminate an Award that would otherwise be paid to any Participant, including any Covered Officer, based on its evaluation of Extraordinary Events or other factors. However, notwithstanding Section 9.1 or any provision of the Plan, an Award which is payable may not be reduced or eliminated following a Change in Control.

PAYMENT OF AWARDS

6.1 PAYMENT OF AWARDS. Unless payment is deferred, Awards will be payable in cash as soon as practicable following the close of the Performance Cycle and calculation of the amount of the Awards; provided that Awards will be paid to Covered Officers only after the Committee has certified in writing in the minutes of a committee meeting or otherwise that performance goals applicable to Covered Officers and other material terms of the Plan have been satisfied. Except in the situation of a Change in Control, the Committee may defer payment of an Award for such period as the Committee may determine. No Award will be paid to an officer who is not employed by the Corporation or an affiliate on the day the Award is paid except in the case of death, disability, or retirement of the officer or in the event that payment of the Award is deferred by the Committee or that a Change in Control of the Corporation has occurred. Awards are subject to federal, state and

local income and other payroll tax withholding or the Corporation may require that the Participant pay to the Corporation an amount equal to any such taxes.

In the event a Participant dies, becomes disabled, or retires before receipt of payment of an Award, as determined in the sole discretion of the Committee, the Committee may authorize payment to the Participant or the Participant's estate or beneficiary in such amount as the Committee deems appropriate.

CHANGE IN CONTROL OF THE CORPORATION

7.1 INTERIM AWARDS. In the event of a "Change in Control" of the Corporation, as hereinafter defined, or at the direction of the Committee in anticipation of a Change in Control, the following provisions shall apply:

(a) The Committee shall make interim incentive compensation Awards based upon the Corporation's quarterly financial statements for the quarter ending immediately prior to or coinciding with the Change in Control.

(b) In determining the amount of interim incentive compensation Awards, the Committee shall follow the procedures for granting annual Awards, except that the Committee shall annualize each objective performance factor used in calculating such Awards. The amount of the Awards so calculated shall be pro rated based upon the quarter as of which the interim Awards are granted in accordance with the following percentages: First Quarter - 25%; Second Quarter - 50%; Third Quarter - 75%; and Fourth Quarter - 100%

(c) Notwithstanding the foregoing, each interim Award to be made under this Section 7 to any Participant who received an Award under this Plan for the Performance Cycle immediately preceding the year in which the Change in Control occurs, expressed as a percentage of base salary on a pro rated basis in accordance with paragraph (b) above, shall be not less than the Award, expressed on the same basis, actually paid to that Participant under this Plan for the immediately preceding Performance Cycle.

(d) The Committee shall grant an interim incentive compensation Award in accordance with this Section 7 to all Participants of the Plan whether or not the Participants are employed by the Corporation when the Change in Control becomes effective.

7.2 CHANGE IN CONTROL DEFINED. For purposes of this section, a "Change in Control" of the Corporation shall be deemed to have occurred if and when, after the date hereof, any of the following occurs:

(a) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Corporation representing 25% or more of the combined voting power of the Corporation's then outstanding securities; or

(b) A majority of the Board of Directors of the Corporation at any time is comprised of other than Continuing Directors (for purposes of this section, the term "Continuing Director" means a director who was either (i) first elected or appointed as a Director

prior to the date of this Agreement; or (ii) subsequently elected or appointed as a director if such director was nominated or appointed by at least a majority of the then Continuing Directors); or

(c) Any event or transaction if the Corporation would be required to report it in response to Item 6(e) of Schedule 14A of Regulation 14A promulgated under the Exchange Act; or

(d) Any of the following occurs: (i) a merger or consolidation of the Corporation, other than a merger or consolidation in which the voting securities of the Corporation immediately prior to the merger or consolidation continue to represent (either by remaining outstanding or being converted into securities of the surviving entity) 51% or more of the combined voting power of the Corporation or surviving entity immediately after the merger or consolidation with another entity; (ii) a sale, exchange, lease, mortgage, pledge, transfer, or other disposition (in a single transaction or a series of related transactions) of all or substantially all of the assets of the Corporation which shall include, without limitation, the sale of assets or earning power aggregating more than 50% of the assets or earning power of the Corporation on a consolidated basis; (iii) a liquidation or dissolution of the Corporation; (iv) a reorganization, reverse stock split, or recapitalization of the Corporation which would result in any of the foregoing; or (v) a transaction or series of related transactions having, directly or indirectly, the same effect as any of the foregoing.

MISCELLANEOUS PROVISIONS.

8.1 GUIDELINES - From time to time the Committee may adopt written guidelines for implementation and administration of the Plan and in conformity with Section 162(m).

8.2 BINDING UPON SUCCESSORS - The obligations of the Corporation under the Plan shall be binding upon any successor corporation or organization which succeeds to substantially all of the assets and/or business of the Corporation. The term Corporation, whenever used in this Plan, shall mean and include any such corporation or organization after such succession.

8.3 UNFUNDED PLANS AND RESTRICTIONS ON TRANSFER - It is intended that the Plan be an "unfunded" plan for incentive compensation. The Committee may authorize the use of trusts or other arrangements to meet the obligations hereunder, provided, however, that the existence of such trusts or arrangements is consistent with the "unfunded" status of the Plan. Any benefits to which a Participant or his or her beneficiary may become entitled under this Plan shall not be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge, and any attempt to so transfer or encumber such benefits shall be void. This Plan does not give a Participant any interest, lien, or claim against any specific asset of the Corporation. Participants and beneficiaries shall have only the rights of a general unsecured creditor of the Corporation.

8.4 STATUS OF AWARDS UNDER SECTION 162(m) - It is the intent of the Corporation that Awards granted to persons who are Covered Officers shall constitute "qualified performance-based compensation" satisfying the requirements of Section 162(m). Accordingly, the provisions of the Plan shall be interpreted in a manner consistent with Section 162(m). If any provision of the Plan or any agreement relating to such an Award does not comply or is inconsistent with the requirements

of Section 162(m), such provision shall be construed or deemed amended to the extent necessary to conform to such requirements.

8.5 DEFERRALS OF AWARDS - A Participant may elect to defer payment of the Participant's Award under the Plan if deferral of an Award under the Plan is permitted pursuant to the terms of a deferred compensation program established by the Committee existing at the time the election to defer is permitted to be made, and the Participant complies with the terms of such program. Deferred payments may include, without limitation, provisions for the payment or crediting of reasonable interest on installment or deferred payment.

8.6 EXPENSES OF PLAN - The costs and expenses of administering the Plan will be borne by the Corporation.

8.7 NO EMPLOYMENT RIGHTS - No Participant has any right to be retained in the employ of the Corporation or any Subsidiary by virtue of participation in the Plan.

8.8 GOVERNING LAW - The Plan shall be governed by and construed according to the laws of the State of Ohio.

AMENDMENT AND TERMINATION

9.1 The Corporation may at any time terminate, or from time to time, amend the Plan by action of the Board of Directors or by action of the Committee without shareholder approval unless such approval is required to satisfy the applicable provisions of Section 162(m).

HUNTINGTON BANCSHARES INCORPORATED

PLEASE MARK VOTE IN OVAL IN THE FOLLOWING MANNER USING DARK INK ONLY / /

[The Board of Directors recommends a vote FOR items 1, 2, 3 and 4.]

<TABLE>
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	FOR ALL	WITHHOLD ALL	FOR ALL EXCEPT*
1. Election of Directors.	/ /	/ /	/ /

01 - Don M. Casto III
02 - Patricia T. Hayot
03 - Wm. J. Lhota
04 - Timothy P. Smucker
05 - John B Gerlach, Jr.

Nominee Exception(s)

*(INSTRUCTION: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE WRITE SUCH NOMINEE'S NAME IN THE SPACE PROVIDED.)

	For	Against	Abstain
2. Approval of the Corporation's Amended and Restated Incentive Compensation Plan.	/ /	/ /	/ /
3. Approval of the Corporation's Amended and Restated Long-Term Incentive Compensation Plan.	/ /	/ /	/ /
4. Ratification of the appointment of Ernst & Young LLP to serve as independent auditors for the Corporation for the year 1999.	/ /	/ /	/ /

Signature:_________________________ Date:_______________

Signature:_________________________ Date:_______________

Please date and sign your name as it appears hereon. When signing as attorney, executor, administrator or guardian, please give full title.

All joint owners must sign.

- --

DETACH PROXY CARD HERE

CONTROL NUMBER

- --------------

Huntington
[LOGO]

NOW YOU CAN VOTE YOUR SHARES BY TELEPHONE

QUICK * EASY * IMMEDIATE * AVAILABLE 24 HOURS A DAY * 7 DAYS A WEEK

Huntington encourages you to take advantage of a new and convenient way to vote your shares. If voting by proxy, this year you may vote by mail, or choose to vote by telephone as described below. Your telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, and returned your proxy card. To vote by telephone, read the accompanying proxy statement and then follow these easy steps:

TO VOTE BY PHONE

Call toll free 1-888-297-9635 in the United States or Canada any time on a touch tone telephone. There is NO CHARGE to you for the call.

Enter the 6-digit CONTROL NUMBER located above.

Option #1: To vote as the Board of Directors recommends on ALL proposals: Press 1

When asked, please confirm your vote by pressing 1

Option #2: If you choose to vote on each proposal separately, press 0 and follow the simple recorded instructions.

If you vote by telephone, DO NOT mail back the proxy card.

THANK YOU FOR VOTING!

HUNTINGTON BANCSHARES INCORPORATED COMMON STOCK

PROXY SOLICITED BY THE BOARD OF DIRECTORS FOR ANNUAL MEETING -- APRIL 22, 1999

The undersigned shareholder of Huntington Bancshares Incorporated hereby appoints Jon M. Anderson, S. Ronald Cook, Jr., and Michael T. Radcliffe, or any one or more of them, as attorneys and proxies with full power of substitution to vote all of the Common Stock of Huntington Bancshares Incorporated which the undersigned is entitled to vote at the Annual Meeting of Shareholders of Huntington Bancshares Incorporated to be held in the Capitol Square Banking Lobby of The Huntington National Bank, 17 South High Street, Columbus, Ohio, on Thursday, April 22, 1999, and at any adjournment or adjournments thereof as designated on the reverse.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ITEMS 1, 2, 3 AND 4.

IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF THE DIRECTOR NOMINEES NAMED HEREIN, FOR THE APPROVAL OF THE CORPORATION'S AMENDED AND RESTATED INCENTIVE COMPENSATION PLAN, FOR THE APPROVAL OF THE CORPORATION'S AMENDED AND RESTATED LONG-TERM INCENTIVE COMPENSATION PLAN, AND FOR THE RATIFICATION OF THE APPOINTMENT OF ERNST & YOUNG LLP.

(CONTINUED AND TO BE SIGNED ON REVERSE SIDE)

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Provided by Harris Trust and Savings Bank
for Huntington Shareholders

THE SHAREHOLDER SERVICES HELP LINE

Fast and easy access to your shareholder account information anytime, anywhere from any touch-tone phone.

ONE STOP

Change your address, get a current share balance, order a report, or hear the latest news about The Huntington... all with one telephone call.

FOR ROUTINE INQUIRIES, WE'RE OPEN
24 HOURS A DAY, 365 DAYS A YEAR

The automated system is ready whenever you are, whether it's 7:00 a.m. or 10:00 p.m. Calling from home, where many people keep their important shareholder records, is now more convenient. Please note that account information may not be available from 5:30 p.m. through 6:30 p.m. Central Time.

FOR THOSE SPECIAL NEEDS,
A "LIVE" PERSON STILL AWAITS YOU

Some questions are too complicated for an automated system. You always have the choice of speaking directly to a shareholder services representative by placing your call Monday through Friday from 8:30 a.m. to 5:00 p.m. Central Time.

HARRIS SHAREHOLDER SERVICES
PHONE MENU MAP
(800)725-0674

- Account Information
  - Account Information
  - Reorder Statements
  - Account Changes
- Huntington News
- Shareholder Information
  - Transfer Procedures
  - Lost Securities
  - Direct Deposit Instructions
  - Harris Mailing Address & Fax#
  - Frequently Asked Questions
  - Fax Back Information
- Huntington Financial Line
- Tax Q&A Information
- Help

FOR ACCOUNT INFORMATION	FOR HUNTINGTON NEWS AND PUBLICATIONS	FOR GENERAL SHAREHOLDER INFORMATION	HELPFUL HINTS
- Share balances - Dividend distribution - Dividend reinvestment, including prospectus requests - Tax Information, including financial reports	- Quarterly earnings report summaries - Dividend declarations - Order Huntington financial reports - Other news that affects the financial performance of the company	- Transfer a security into a new name - Transfer from a dividend reinvestment account - Replace a lost certificate or dividend check - Dividend direct deposit information	- Press 0 at any time to speak to a customer service representative Monday through Friday, 8:30 a.m. to 5 p.m. Central Time - Press * to return to the previous menu - Press ** to return to the main menu - To exit the system, simply hang up

PLEASE RETAIN THIS CARD FOR FUTURE REFERENCE   ACCOUNT # ______________________________
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HUNTINGTON INVESTMENT AND TAX SAVINGS PLAN

HUNTINGTON BANCSHARES INCORPORATED
INSTRUCTION CARD TO PLAN TRUSTEE

The undersigned participant in the Huntington Investment and Tax Savings Plan (the "Plan") hereby instructs The Huntington National Bank, as the Trustee of the Plan, to appoint Jon M. Anderson, S. Ronald Cook, Jr., and Michael T. Radcliffe, or any one or more of them, as attorneys and proxies with full power of substitution to vote all of the Common Stock of Huntington Bancshares Incorporated (the "Corporation") which the undersigned is entitled to vote pursuant to paragraph 11.05 (e) of the plan at the Annual Meeting of Shareholders of Huntington Bancshares Incorporated to be held in the Capitol Square Banking Lobby of The Huntington National Bank, 17 South High Street, Columbus, Ohio, on Thursday, April 22, 1999, and at any adjournment or adjournments thereof as designated on the reverse.

THE CORPORATION'S BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ITEMS 1, 2, 3 AND 4.

IF NO DIRECTION IS MADE, THE TRUSTEE OF THE PLAN WILL VOTE THE PARTICIPANT'S SHARES AS DIRECTED BY THE PLAN'S ADMINISTRATIVE COMMITTEE IN ACCORDANCE WITH THE TERMS OF THE PLAN.

(CONTINUED AND TO BE SIGNED ON REVERSE SIDE)

HUNTINGTON BANCSHARES INCORPORATED
PLEASE MARK VOTE IN OVAL IN THE FOLLOWING MANNER USING DARK INK ONLY /x/

[ ]

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ITEMS 1, 2, 3 AND 4.

1. Election of Directors.	FOR ALL	WITHHOLD ALL	FOR ALL EXCEPT*
01 Don M. Casto III	/ /	/ /	/ /
02 Patricia T. Hayot			
03 Wm. J. Lhota			
04 Timothy P. Smucker		------------------------------	
05 John B. Gerlach Jr.		Nominee Exception(s)	

*(INSTRUCTION: TO WITHHOLD AUTHORITY TO VOTE FOR ANY INDIVIDUAL NOMINEE WRITE SUCH NOMINEE'S NAME IN THE SPACE PROVIDED.)

	FOR	AGAINST	ABSTAIN
2. Approval of the Corporation's Amended and Restated Incentive Compensation Plan.	/ /	/ /	/ /
3. Approval of the Corporation's Amended and Restated Long-Term Incentive Compensation Plan.	/ /	/ /	/ /
4. Ratification of the appointment of Ernst & Young LLP to serve as independent auditors for the Corporation for the year 1999.	/ /	/ /	/ /

Date: ---------------------------, 1999

(Signature) ---------------------------

Please date and sign your name
as it appears hereon.

- --

^ DETACH VOTING INSTRUCTION CARD HERE ^

CONTROL NUMBER

- -------------- [LOGO]

- --------------

NOW YOU CAN VOTE YOUR SHARES BY TELEPHONE
QUICK * EASY * IMMEDIATE * AVAILABLE 24 HOURS A DAY * 7 DAYS A WEEK

Huntington encourages you to take advantage of a new and convenient way to vote your shares. If voting by proxy, this year you may vote by mail, or choose to vote by telephone as described below. Your telephone vote authorizes the named proxies to vote your shares in the same manner as if you marked, signed, and returned your voting instruction card. To vote by telephone, read the accompanying proxy statement and then follow these easy steps:

TO VOTE BY PHONE   Call toll free 1-888-297-9635 in the United States or Canada any time on a touch tone telephone. There is NO CHARGE to you for the call.

Enter the 6-digit Control Number located above.

Option #1: To vote as the Board of Directors recommends on ALL proposals: Press 1.
When asked, please confirm your vote by pressing 1

Option #2 If you choose to vote on each proposal separately, press 0 and follow the simple recorded instructions.

If you vote by telephone, DO NOT mail back the voting instruction card.

THANK YOU FOR VOTING!