

Keefe, Bruyette & Woods Regional Bank Conference

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Forward Looking Statements

This presentation contains certain forward-looking statements, including certain plans, expectations, goals, projections, and statements, which are subject to numerous assumptions, risks, and uncertainties.

Actual results could differ materially from those contained or implied by such statements for a variety of factors including: (1) deterioration in the loan portfolio could be worse than expected due to a number of factors such as the underlying value of the collateral could prove less valuable than otherwise assumed and assumed cash flows may be worse than expected; (2) changes in economic conditions; (3) movements in interest rates; (4) competitive pressures on product pricing and services; (5) success and timing of other business strategies; (6) the nature, extent, and timing of governmental actions and reforms, including the rules of participation for the Troubled Asset Relief Program voluntary Capital Purchase Plan under the Emergency Economic Stabilization Act of 2008, which may be changed unilaterally and retroactively by legislative or regulatory actions; and (7) extended disruption of vital infrastructure.

Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2007 Annual Report on Form 10-K, and documents subsequently filed by Huntington with the Securities and Exchange Commission.

All forward-looking statements included in this release are based on information available at the time of the release. Huntington assumes no obligation to update any forward-looking statement.

Participants

Presenters

Steve Steinour

- Chairman, President and Chief Executive Officer

Tim Barber

- Senior Vice President – Credit Risk Management

Don Kimble

- Executive Vice President – Chief Financial Officer

Discussion Topics

- Overview
- Consumer credit quality trends
- Franklin Credit relationship
- Investment securities
- Other discussion items

Overview

Important Messages

- Consumer portfolio...still expected to perform better than many peers (auto, home equity and residential mortgages)
- Franklin Credit... addressed credit exposure... positioned to capture value in servicing platform... opportunity for recovery
- Investment securities stress test exposure is manageable
- 4.04% TCE ratio should be positively impacted by balance sheet strategies
- Making progress on 90-day priorities
- Very impressed by early meetings with the loyalty of customers and associates

Consumer Credit Quality Trends

Indirect Auto Lending – Credit Risk Management Strategies

Performance Drivers

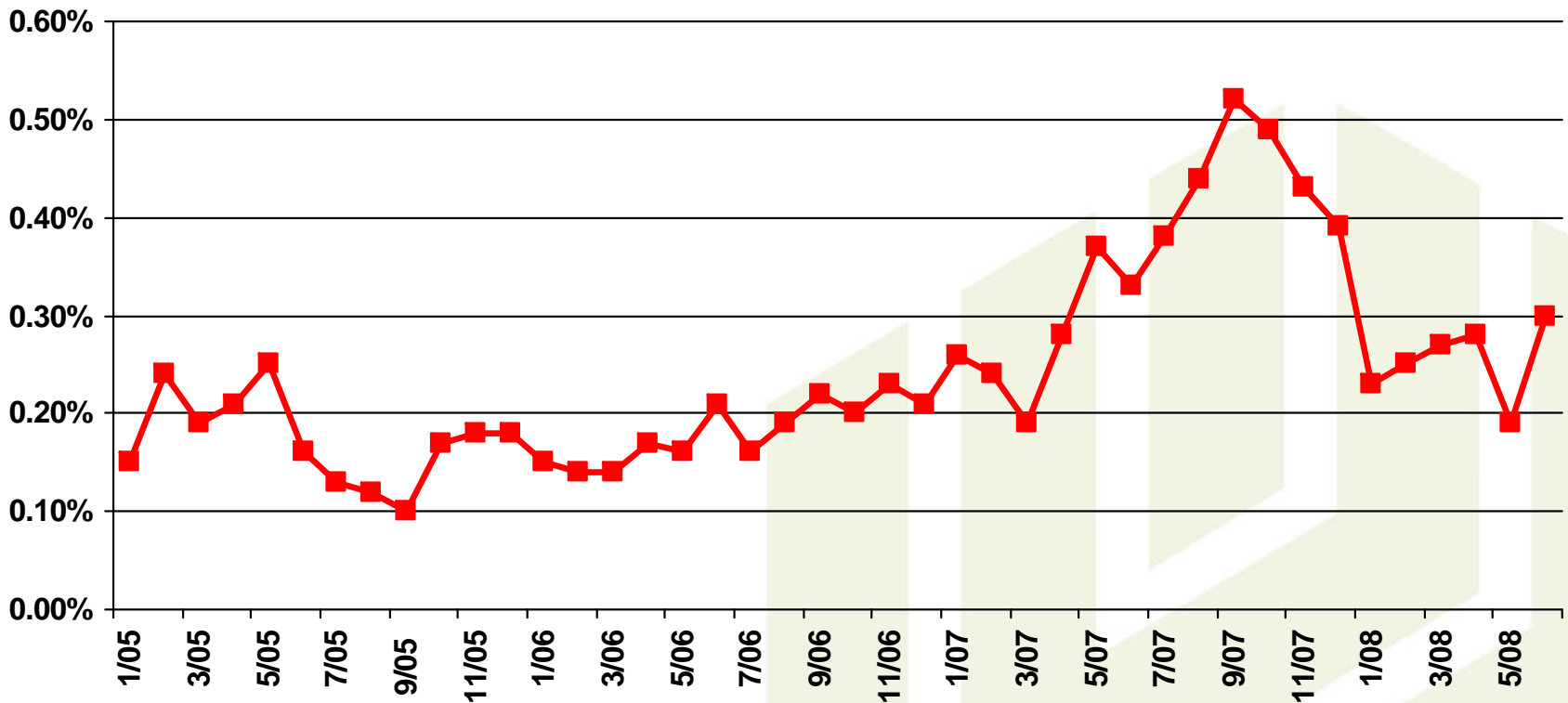
- **Borrower quality** – as measured at origination by
 - FICO score – Super Prime with consistent increasing trend
 - FICO score distribution – consistent decline in <670 levels
 - Custom Score – utilized to further segment FICO eligible applications – continues to enhance predictive modeling
- **Loan to value** – Significantly reduced LTV across all origination segments
- **Geography** – Eliminated some under-performing national markets
- **Decision type** – Significantly reduced the level of underwriter overrule decisions
- **Used car values** – Signs of stabilization in the Manheim Market Index in December and January after significant decline from 2007 levels

Risk Recognition

- 80% of losses recognized in first 24 months on books
- Shape of cumulative loss curves has remained steady
- Loss trends are predictive

Indirect Auto Loans – 7-9 Month Loss Rate

- Dramatic improvement in the early stage loss performance for the late 2007 and early 2008 vintages
- Losses peak in the 18-24 month range, and as 2008-2009 vintages make up a greater portion of the portfolio and reach their peak loss months, portfolio losses should decline



Home Equity Loans and Lines – Credit Risk Management Strategies

Performance Drivers

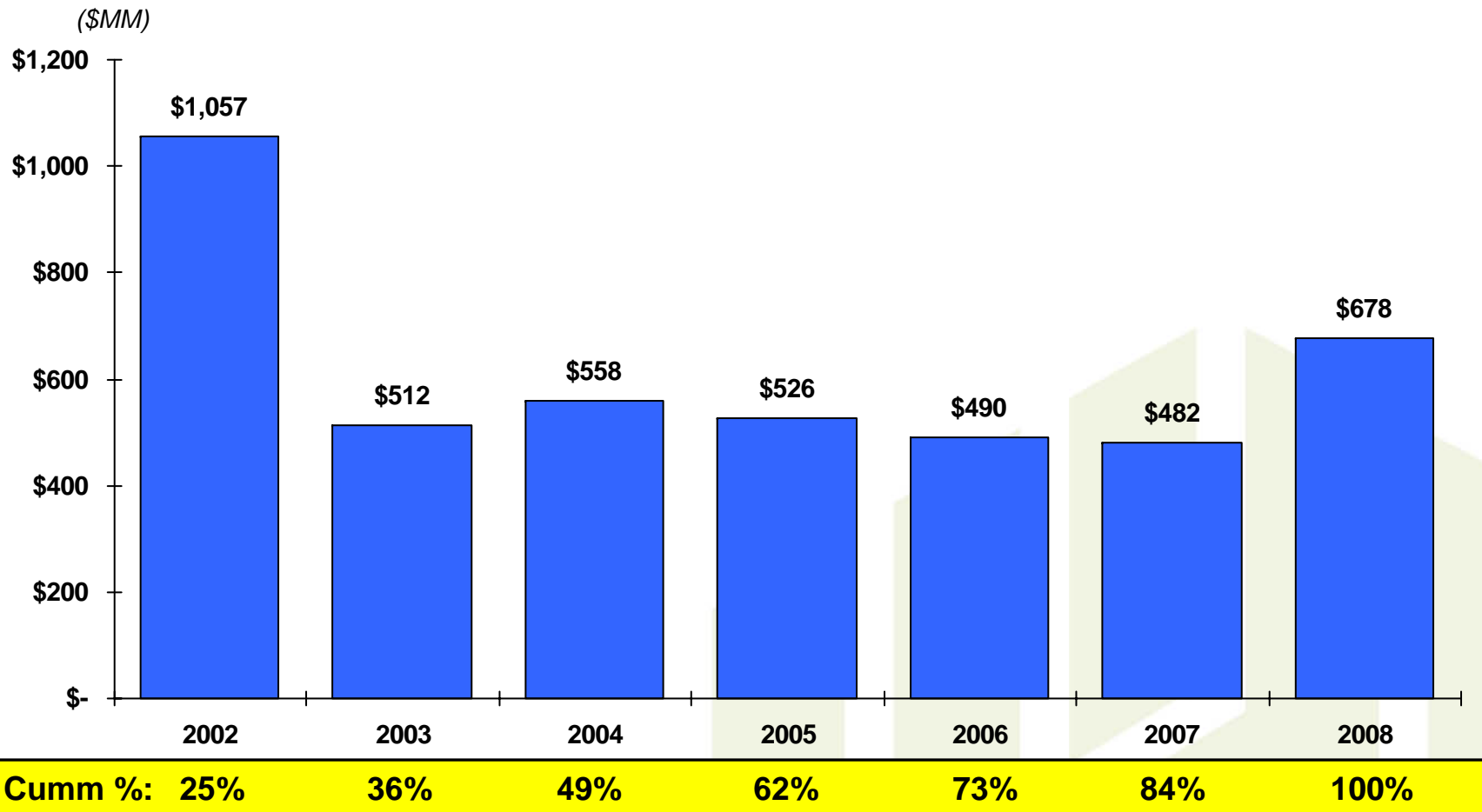
- **Lien Position** – 40%, or \$2.8 B, of the portfolio is secured by a 1st mortgage
- **Payments** – 70% of borrowers consistently make more than required payment
- **Borrower quality** – as measured at origination by
 - FICO score – consistent increasing trend
 - FICO score distribution – consistent decline in low score levels
 - Custom Score – utilized to further segment FICO eligible applications – continues to enhance predictive modeling
- **Utilization %** – Consistent with expectations, limited increase in utilization rate over 2008
- **Broker Channel** – Eliminated beginning in 2006 based on risk profile
- **Customer relationship orientation** – not one-off transactions
- **CLTV** – Continue to reduce the level of 90%+ financing
- **Geography** – Footprint lender with limited investor property exposure

Risk Recognition

- Write-down to 80% of appraised value at 120 days past due
- Non-accrual balances represent the realizable value estimate in future periods

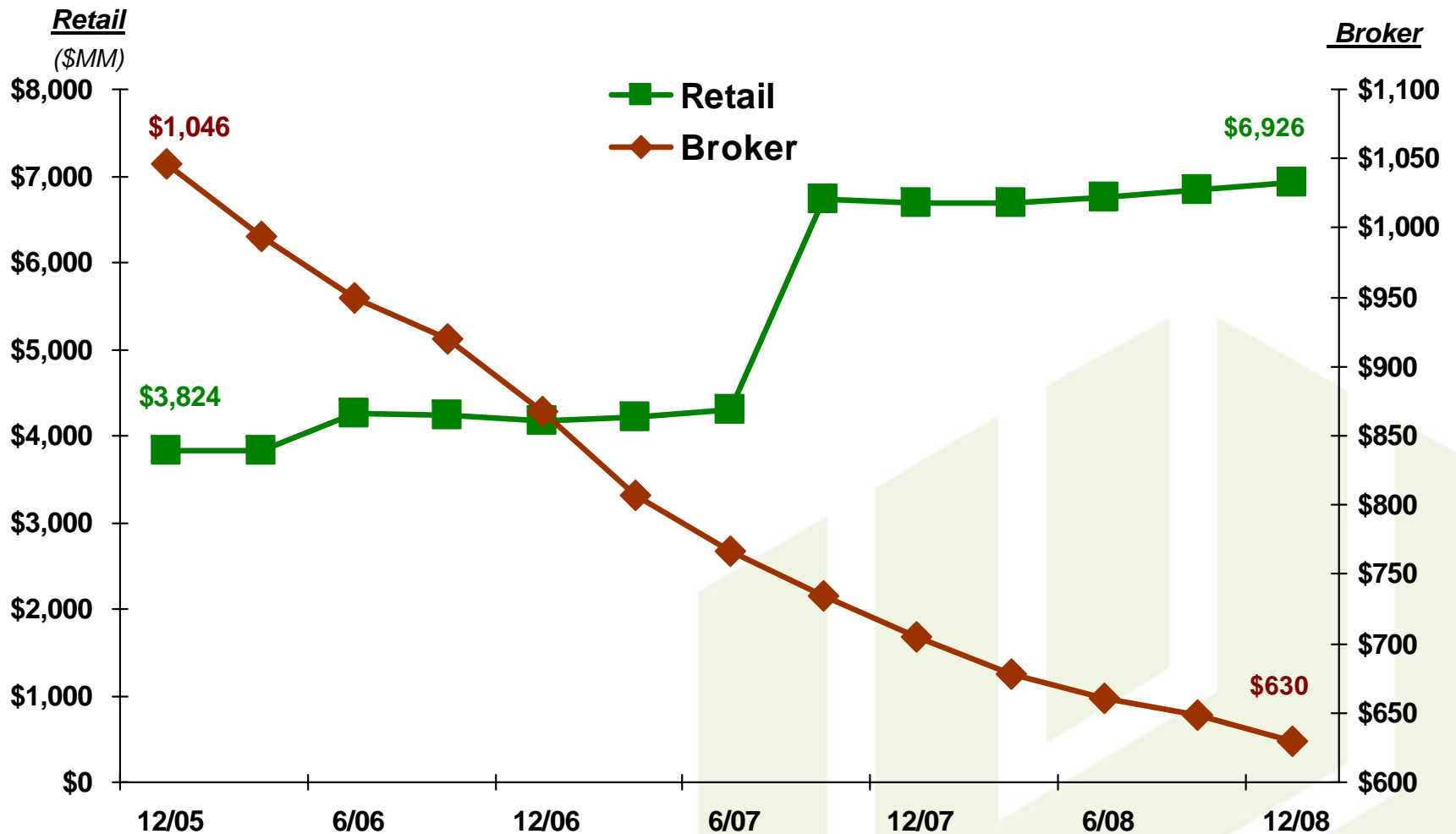
Home Equity Line Portfolio – By Origination Year

Loans Outstanding – \$4.4 Billion ⁽¹⁾



Home Equity Loans and Lines – Channel Trends

Outstandings



Residential Mortgage – Credit Risk Management Strategies

Performance Drivers

- **Standard products and borrower quality** – as measured at origination by
 - Secondary market underwriting
 - FICO score – consistent increasing trend
 - FICO score distribution – consistent decline in low score levels
- **Non-standard product structures**
 - \$699 million of Interest Only loans... targeted within executive relocation activities... continues to perform well
 - \$468 million of Alt-A mortgages... exited in 2007... represents <10% of total residential portfolio with majority of cumulative losses likely recognized within 24 months.
- **Decision type** – Significantly reduced the level of underwriter overrule decisions
- **Geography** – Primarily a footprint lender

Risk Recognition

- Updated appraisals at regular intervals
- Loss mitigation focus

Franklin Credit Relationship 2008 Fourth Quarter Actions & Implications

Franklin Credit Exposure at Manageable Level

2008 Fourth Quarter Action Results

Balance outstanding **\$650.2 MM**

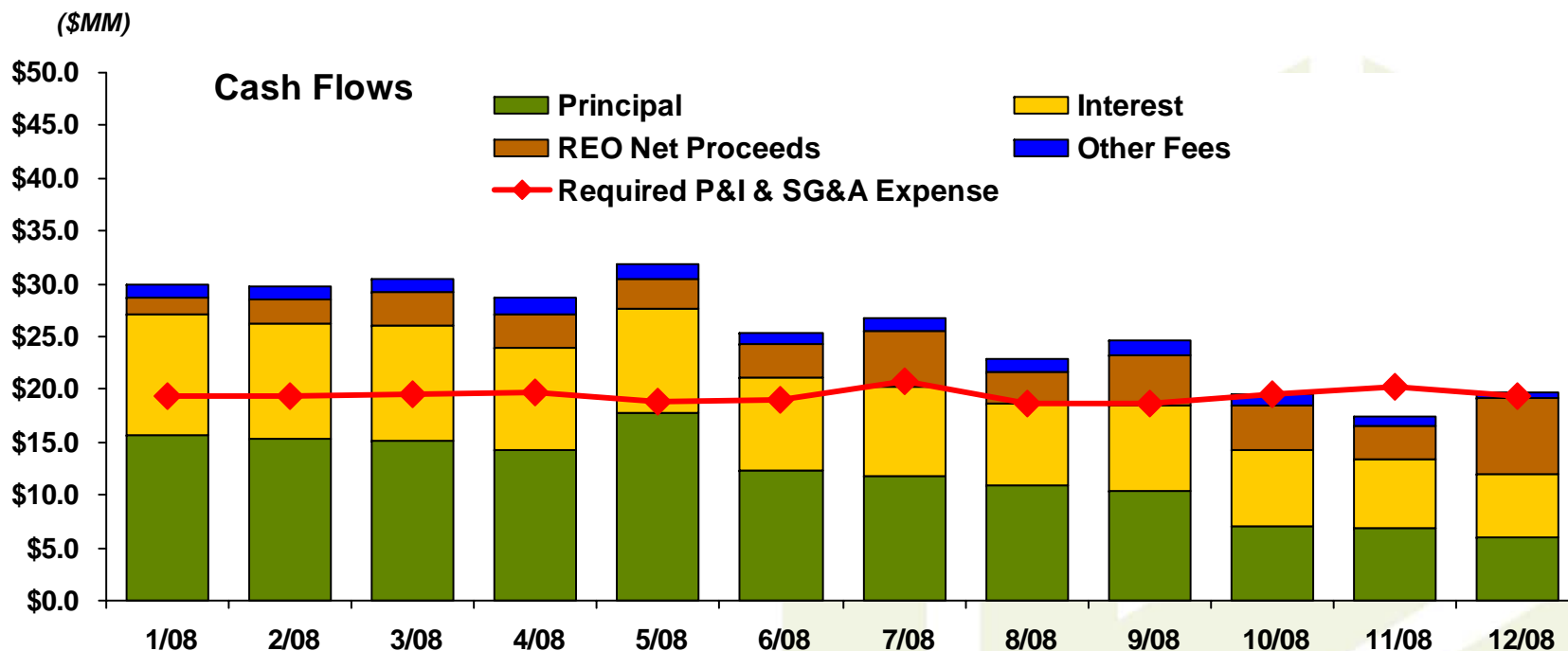
Less: Reserve **(130.0)**

Net exposure **\$520.2 MM**

- At this valuation level, we have the flexibility to explore various strategies designed to maximize the benefit to our shareholders
- Loan is on non-accrual status with payments applied to reduce principal

Franklin Credit – Cash Flow Review (1)

- Significant deterioration in cash flows in the 4Q08
- Prepayments continued to contract in the 1st mortgage portfolios due to the market conditions
- Interest collections declined as a result of the increasing delinquency rate on the Franklin 2nd mortgages
- December cash flows included a nontypical improvement in OREO sales, reflecting a change in strategy associated with OREO disposition
- The cash reserve account established during the 4Q07 restructure provided coverage for the deficit in November



Discounted Cash Flow Analysis

	(\$ MM)	<u>UPB</u>	<u>NPV</u>
Tribeca		\$387	\$205
Franklin 1 ^{sts}		420	196
Franklin 2 ^{nds}		950	146
OREO		<u>120</u>	<u>65</u>
Combined		\$1,877	\$612

Huntington Portion ⁽¹⁾

Impairment based on NPV results	\$576
Less: Other collateral – primarily cash	<u>23</u>
Net Impairment	553
Less: Existing reserve	<u>115</u>
Additional Impairment	\$438

Net realizable value	\$520
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(1) Huntington's share per the restructure agreement

Collateral Value Assessment Look 1 – Discounted Market Value

(\$ MM)	<u>UPB</u>	<u>Market Value</u> ⁽¹⁾
First Mortgages	<u>\$926</u>	<u>\$1,082</u>
Positive equity	\$548	\$814
Negative equity	378	268

Collateral Value Estimation

Updated collateral values on 1 st mortgages	\$898 ⁽²⁾
Assumed value of 2 nd mortgages	<u>0</u>
Total collateral value	\$898
Net realizable value @ 60%	\$539
Other available collateral, primarily cash	<u>23</u>
Net realizable value	\$562
% of Huntington's \$520 MM net exposure	108%

Other Considerations

- 2nd mortgage cash flow of \$4-\$5 MM / month used to pay down principal

(1) Updated valuation on each individual loan as of 4Q08

(2) Huntington's share per the restructure agreement

Collateral Value Assessment Look 2 – National City Mark-to-Market

National City's Portfolio Mark-to-Market Adjustments

Nonconforming 1st mortgage 43.5%

Home equity – indirect mark 52.5%

Applying those factors to the Franklin portfolio:

	<u>Amount</u>	<u>M-T-M Equivalent</u>
FCMC 1st mortgages < 120 days past due @ 56.5% (1.0 - mark to market)	\$417 MM	\$236 MM
FCMC 1st mortgages > 120 days past due @ 40% (subjective adjustment on status)	\$509	204
FCMC 2nd mortgages < 120 days past due @ 47.5% (1.0 - mark to market)	\$393	187
FCMC 2nd mortgages > 120 days past due @ 2% (subjective assessment on status)	\$557	11
Total implied value of FCMC collateral		\$638 MM
Huntington's share of implied collateral		\$530 MM
Other available collateral, mostly cash		23
Net realizable value		\$553 MM

Comparative Collateral Value Assessment Summary

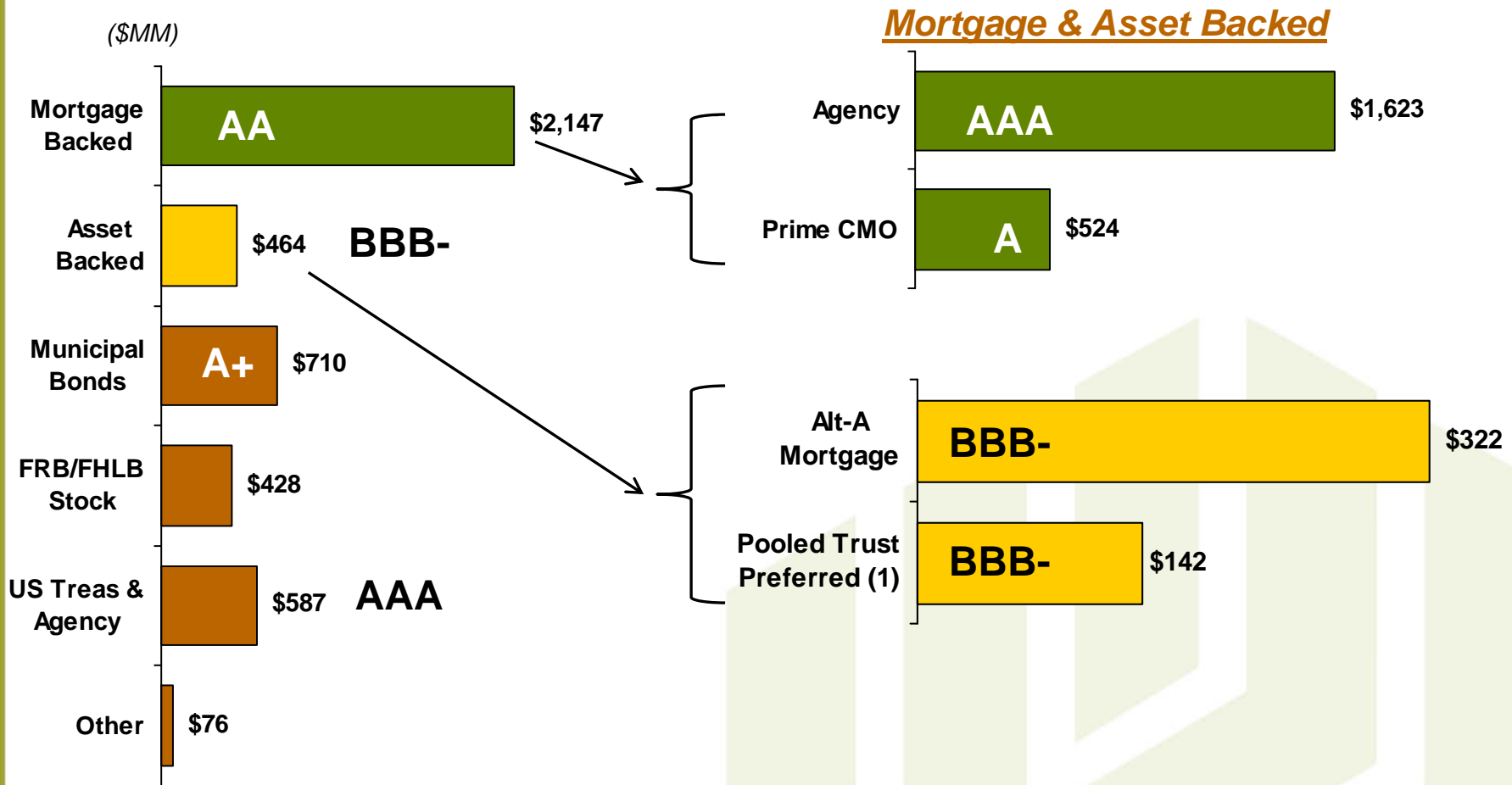
<u>Methodology</u>	<u>Estimate</u>
• Discounted cash flow – actual net exposure	\$520 MM
• Market value and a net realizable value adjustment of 60%, plus \$23 MM of cash collateral and attributing no value to the 2 nd mortgages	\$562 MM
• Mark-to-market test utilizing marks taken on the National City portfolio including the 2 nd mortgages plus \$23 MM of cash collateral	\$553 MM
• None of the methodologies ascribe any value for the servicing platform	

Conclusion: Actual valuation is conservative, thus limiting any meaningful additional exposure to the relationship

Investment Securities Portfolio Overview

AFS Securities Overview – 12/31/08

Total Market Value – \$4.4 Billion



Note: Ratings are averages within the category based on lowest publicly available rating

(1) Primarily trust preferreds for banks / insurance companies

Investment Securities – Assessment ⁽¹⁾

<u>Asset Backed Securities</u>	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>OCI</u>
Alt-A mortgage backed - Purchased 2006 - 25 securities – senior tranche - 10/1 ARMs or 15 / 30 year fixed; no option ARMs - Cash flow analysis performed monthly to test for OTTI with quarterly third-party validation	\$550 MM	\$369 MM	\$322 MM	\$(47) MM
		% to Par Value	59%	
Trust preferred - Purchased 2003-2005 - 16 pools with 480 separate issues - 87% = 1 st / 2 nd tier bank trust preferred securities with no REIT trust preferreds - Cash flow analysis performed quarterly to test for OTTI with quarterly third-party validation	299	284	142	(142)
		% to Par Value	47%	
Prime CMOs - Purchased 4Q03-4Q07 - 32 securities - Cash flow analysis performed monthly to test for OTTI with quarterly third-party validation	688	675	524	(151)
		% to Par Value	76%	
Total	\$1,537 MM	\$1,328 MM	\$988 MM	\$(340) MM

- Of the \$209 MM difference between par and book value, \$198 MM represents OTTI taken in 2008
- The \$198 MM represents 38% of the \$549 MM difference between par and market value

(1) 12/31/08

OCI – accumulated other comprehensive income

OTTI – other-than-temporary impairment

Investment Securities – Stress Test

- Objective – Quantify the impact of further economic deterioration
- Scope – Three securities portfolios were analyzed: Alt-A, Prime CMOs, and Pooled Trust Preferreds
- Base case – Established by independent third parties
- Assumptions include
 - Monthly loan data
 - Securitization structure
 - Future changes in housing values
 - Observable market inputs
 - Individual bank financial performance statistics – trust preferreds
- Stress scenarios then applied to base case as of 12.31.08
 - 200% increase in default rates
 - 125% increase in severity of loss
 - No change in prepayment speeds or discount rates
- Resulting impact to tangible common equity - \$26 million after-tax, or 5 bp

Other Discussion Items

Other Discussion Items

Goodwill

- No impairment at 12/31/08
- No intangibles assigned to Franklin relationship
- Will test for impairment in 1Q09
 - Any impairment would have no impact on capital ratios

Capital ⁽¹⁾

- 10.72% Tier 1 risk-based capital ratio... \$1.8 billion in excess of “well-capitalized” threshold
- 13.91% Total risk-based capital ratio... \$2.2 billion in excess of “well-capitalized” thresholds
- 4.04% tangible common equity ratio... balance sheet strategies under consideration to improve

(1) 12/31/08

Other Discussion Items

Capital Purchase Program (CPP)

- \$1.4 billion received
- Remain committed to use this capital as intended to support and increase...
 - Loan originations
 - Existing loan modification programs
- Remain committed to prudent lending
- From 11/15/08 through 1/31/09 we have originated or renewed \$2.5 billion of loans
 - Over \$1.5 billion of commercial loans
 - Almost \$1.0 billion of consumer loans

Other Discussion Items

2009 Outlook

- Net charge-offs and provisioning will remain elevated
- Net interest margin under modest pressure
- Expenses
 - \$100 million of expense saves achieved... staff reductions completed
 - High collection-related expenses
- Continue to expect loan and core deposit growth
- Revenue will be impacted by any balance sheet reductions

Expanded Disclosure

- Committed to continuing to expand our disclosure
 - Indirect auto
 - Home equity
 - Residential mortgages
 - Investment securities

Other Discussion Items

Key Messages

- Actions have strengthened our financial foundation and position
- Consumer portfolio still expected to perform better relative to many peers
- Addressed Franklin exposure and created opportunity for recovery
- Investment securities portfolio reasonably positioned for current market expectations... OTTI and OCI create potential for recapture
- Liquidity remains strong
- Regulatory capital is strong
- Balance sheet strategies should positively impact TCE ratio

Other Discussion Items

90-Day Report Card

- ✓ Intensively manage the Franklin relationship and address this as an investor concern while creating opportunities to create shareholder value
- Review the 2009 budget in light of the expense initiative and current economic conditions
- Intensively review and assess our lending and credit management areas... activities to date include
 - Adjusted consumer and commercial credit policies
 - Enhanced credit MIS and reporting
 - Hired new Special Assets managing director
 - Increased Special Assets staffing
 - Adjusted management responsibility for consumer loss mitigation
 - Closed our out-of-region automobile finance operations
 - Continue to make progress on a variety of other related reviews
- By March 31st we expect to announce organizational changes to better align and focus management resources to ensure we are organized to drive results with accountability

Other Discussion Items

The Franchise Can Deliver Long-term Value

- Industry is going through a period of heightened stress and uncertainty
- Huntington's core businesses are strong
 - Retail banking... high customer loyalty and deepening relationships
 - Commercial banking... relationship approach a competitive advantage
 - Investment management... strong revenue potential and fund performance... needs to be larger
 - Automobile finance... recognized leader and survivor... positions us to capture the eventual industry rebound
- During 2nd and 3rd quarters strategic plan will be formulated followed by immediate implementation to capture shareholder value

Basis of Presentation

Use of Non-GAAP Financial Measures

This presentation contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding Huntington's results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in the current quarter earnings release, this presentation, or in the Quarterly Financial Review supplement to the current quarter earnings release, which can be found on Huntington's website at huntington-ir.com

Significant Items

Certain components of the Income Statement are naturally subject to more volatility than others. As a result, analysts/investors may view such items differently in their assessment of performance compared with their expectations and/or any implications resulting from them on their assessment of future performance trends. It is a general practice of analysts/investors to try and determine their perception of what "underlying" or "core" earnings performance is in any given reporting period, as this typically forms the basis for their estimation of performance in future periods. Therefore, Management believes the disclosure of certain "Significant Items" in current and prior-period results aids analysts/investors in better understanding corporate performance so that they can ascertain for themselves what, if any, items they may wish to include/exclude from their analysis of performance; i.e., within the context of determining how that performance differed from their expectations, as well as how, if at all, to adjust their estimates of future performance accordingly.

Annualized Data

Certain returns, yields, performance ratios, or growth rates for a quarter are "annualized" in this presentation to represent an annual time period. This is done for analytical and decision-making purposes to better discern underlying performance trends when compared to full-year or year-over-year amounts. For example, loan growth rates are most often expressed in terms of an annual rate like 8%. As such, a 2% growth rate for a quarter would represent an annualized 8% growth rate.

Basis of Presentation

Fully Taxable Equivalent Interest Income and Net Interest Margin

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

Rounding

Please note that columns of data in the following slides may not add due to rounding.

Earnings Per Share Equivalent Data

Significant income or expense items may be expressed on a per common share basis. This is done for analytical and decision-making purposes to better discern underlying trends in total corporate earnings per share performance excluding the impact of such items. Investors may also find this information helpful in their evaluation of the company's financial performance against published earnings per share consensus amounts, which typically exclude the impact of significant items. Earnings per share equivalents are usually calculated by applying a 35% effective tax rate to a pre-tax amount to derive an after-tax amount which is divided by the average shares outstanding during the respective reporting period. Occasionally, when the item involves special tax treatment, the after-tax amount is separately disclosed, with this then being the amount used to calculate the earnings per share equivalent.

NM or nm

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

The Local Bank with National Resources

