

2009 Second Quarter Earnings Review

July 23, 2009



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, in the Quarterly Financial Review supplement to the current quarter earnings release, or the Form 8-K related to the filed 7/23/09 earnings press release, which can be found on Huntington's website at huntington-ir.com

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.

Pre-tax, Pre-provision Income

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

- provision expense, which is excluded because its absolute level is elevated and volatile in times of economic stress;*
- investment securities gains/losses, which are excluded because in times of economic stress securities market valuations may also become particularly volatile;*
- amortization of intangibles expense, which is excluded because return on tangible common equity is a key metric used by Management to gauge performance trends; and*
- certain items identified by Management (see Significant Items on slide 3) which Management believes may distort the company's underlying performance trends.*

Basis of Presentation

Significant Items

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

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

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

"Significant Items" for any particular period are not intended to be a complete list of items that may materially impact current or future period performance. A number of factors could significantly impact these periods, including those described in Huntington's 2008 Annual Report on Form 10-K and other factors described from time to time in Huntington's other filings with the Securities and Exchange Commission.

Basis of Presentation

Fully-taxable equivalent interest income and net interest margin

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

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.

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 existing and potential future restrictions and limitations imposed in connection with the Troubled Asset Relief Program's voluntary Capital Purchase Plan or otherwise under the Emergency Economic Stabilization Act of 2008; and (7) extended disruption of vital infrastructure.

Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2008 Annual Report on Form 10-K, and documents subsequently filed by Huntington with the Securities and Exchange Commission.

All forward-looking statements included in this presentation 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

Don Kimble

- Senior Executive Vice President – Chief Financial Officer

Tim Barber

- Senior Vice President – Credit Risk Management

Jay Gould

- Senior Vice President – Investor Relations

Others Present

Kevin Blakely

- Senior Executive Vice President – Chief Risk Officer

Nick Stanutz

- Senior Executive Vice President – Auto Finance and Dealer Services Group Executive

Mike Cross

- Executive Vice President – Senior Commercial Approval Officer

Discussion Topics

- 2009 Second quarter performance highlights Steinour
- 2009 Second quarter financial review Kimble
- Credit quality highlights Barber
- 2009 Outlook & investor takeaways Steinour

2009 Second Quarter Highlights

- **\$125.1 million reported net loss or \$(0.40) EPS**
- **\$229.3 million pre-tax, pre-provision income ⁽¹⁾, up \$4.7 million, or 2%, linked-quarter**
 - 3.10% net interest margin, up 13 bps linked-quarter
 - 17% annualized linked-quarter growth in average total core deposits
 - 18% annualized linked-quarter decline in average total loans... reduced CRE exposure and impact of \$1.0 billion 1Q09 auto loan securitization
 - \$4.1 billion of loans originated or renewed... \$1.9 billion commercial, \$2.2 billion consumer
 - Mixed fee income performance
 - Well-controlled expenses
- **Significantly and efficiently strengthened capital position**
 - \$704.9 million of capital actions during the quarter
 - 1H09 issued 55% more shares, yet dilution to tangible book value was only 3%
 - 5.68% TCE ratio, up 103 bps linked-quarter
 - 6.80% Tier 1 common risk-based capital ratio, up 116 bps linked-quarter

2009 Second Quarter Highlights (cont'd)

- **Strengthened liquidity position**

- \$1.3 billion increase in cash on the balance sheet and \$1.8 billion increase in unpledged investment securities since December 31, 2008
- \$8.0 billion borrowing capacity
- Improved loan-to-deposit ratio to 98% at June 30, down from 101% at March 31, 2009

- **Completed commercial portfolio review**

- Reviewed every "noncriticized" commercial relationship with an aggregate exposure > \$500,000
- 5,000+ accounts with \$13 billion or 58% of outstandings
- \$413.7 million provision expense, up \$121.9 million linked-quarter... \$79.3 million higher than net charge-offs
- 3.43% net charge-off ratio, up 9 bps linked-quarter
- 4.72% NAL ratio, up 79 bps linked-quarter
- 13% linked-quarter increase in NPAs
- 2.51% allowance for credit losses, up 27 bps linked-quarter

- **Launched three-year strategic planning effort**

- Will define Huntington's long-term aspirations
- Expected completion in fourth quarter 2009

2Q09 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
Net loss	\$(125.1) MM	
Net loss applicable to common shares	\$(182.5) MM	\$(0.40)

Significant Items

	<u>Favorable/(Unfavorable)</u> <u>Earnings</u> ⁽¹⁾	<u>EPS</u> ⁽²⁾
Gain on tender of trust preferred securities	\$67.4 MM	\$0.10
Gain related to Visa [®] stock	31.4	0.04
Preferred stock conversion deemed dividend	NA	(0.06)
FDIC special assessment	(23.6)	(0.03)
Goodwill impairment	(4.2)	(0.01)

(1) Impact on GAAP earnings; pre-tax unless otherwise noted

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

Quarterly Performance Highlights

	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
EPS	\$(0.40)	\$(6.79)	\$(1.20)	\$0.17	\$0.25
Pre-tax pre-provision income (\$MM) ⁽¹⁾	\$229.3	\$224.6	\$199.6	\$310.8	\$265.7
Net interest margin	3.10%	2.97%	3.18%	3.29%	3.29%
Efficiency ratio ⁽²⁾	51.0%	60.5%	64.6%	50.3%	56.9%
Loan & lease growth ⁽³⁾	(18)%	(6)%	4%	- %	7%
Core deposit growth ⁽⁴⁾	17%	9%	3%	4%	(1)%
Net charge-off ratio	3.43%	3.34%	5.41%	0.82%	0.64%
Net charge-off ratio: non-Franklin ⁽⁵⁾	3.58%	2.12%	1.36%	0.84%	0.65%
<u>Period End Ratios</u>					
NPA ratio	5.18%	4.46%	3.97%	1.64%	1.52%
ALLL/loans & leases	2.38%	2.12%	2.19%	1.75%	1.66%
ACL/loans & leases	2.51%	2.24%	2.30%	1.90%	1.80%
Tier 1 risk-based capital ratio	11.86%	11.16%	10.72%	8.80%	8.82%
Total risk-based capital ratio	14.95%	14.28%	13.91%	12.03%	12.05%
Tangible common equity/assets	5.68%	4.65%	4.04%	4.88%	4.81%
Tier 1 common risk-based capital ratio	6.80%	5.64%	5.05%	5.89%	5.81%

(1) See pre-tax pre-provision reconciliation slide

(2) Net Income less expense for amortization of intangibles divided by average tangible shareholder equity (shareholder equity - intangible assets)

(3) Linked-quarter annualized average balance growth rate; impacted by loan sales

(4) Linked-quarter annualized average balance growth rates

(5) See non-Franklin credit metrics reconciliation

Pre-tax, Pre-provision Income ⁽¹⁾

<i>(in millions)</i>	2009	
	Second Quarter	First Quarter
(Loss) Income Before Income Taxes	\$(137.8)	\$(2,685.0)
Add: Provision for credit losses	413.7	291.8
Less: Securities gains (losses)	(7.3)	2.1
Add: Amortization of intangibles	17.1	17.1
Less: Significant ⁽¹⁾ items		
Trust preferred gain	67.4	-
Goodwill impairment	(4.2)	(2,602.7)
Gain related to Visa [®] stock	31.4	-
FDIC special assessment	(23.6)	-
Pre-tax, Pre-provision Income ⁽¹⁾	\$ 229.3	\$ 224.6
LQ Change - Amount	\$ 4.7	
LQ Change - Percent	2.1%	

\$4.7 MM Linked-Quarter Increase Reflected:

- Higher net interest income
- Higher service charges on deposits
- Lower occupancy expense
- Lower personnel expense
- Higher OREO costs
- Lower brokerage and insurance income
- All other

Better/(Worse)

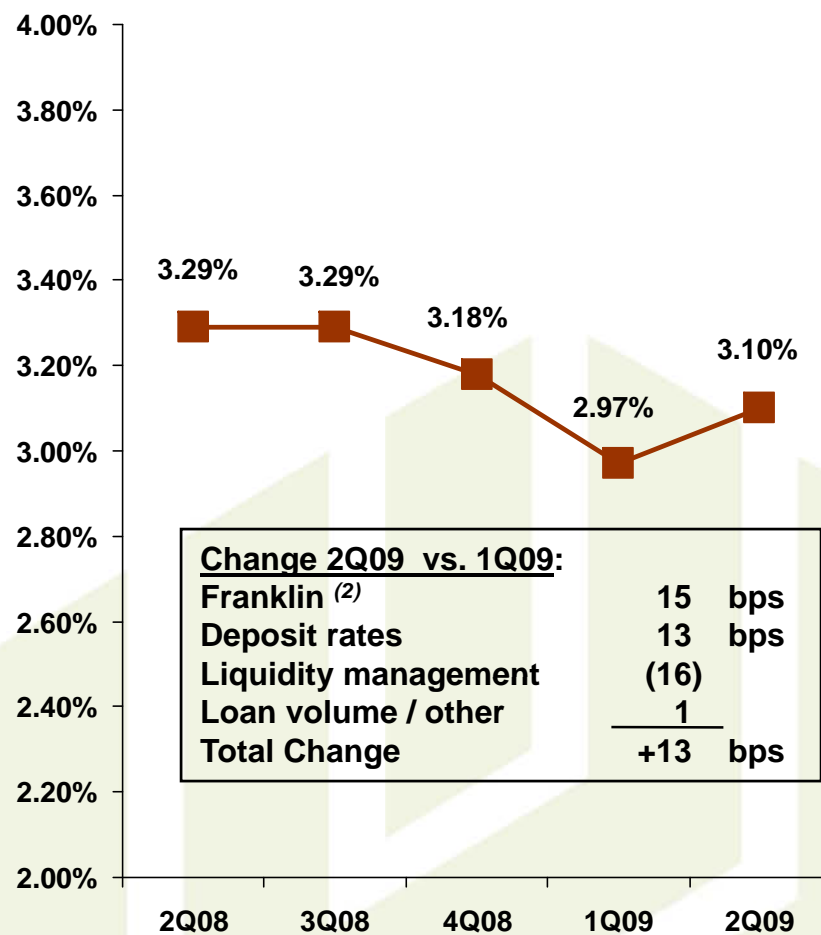
\$12.4 MM
5.5
4.8
4.2
(16.6)
(7.9)
2.3

Net Interest Income & Margin Trends ⁽¹⁾

Net Interest Income (FTE)



Net Interest Margin (FTE)



(1) Fully-taxable equivalent basis

(2) Nonaccretable discount on paid off loans and loans returned to accrual

Loan and Lease Trends

Linked Quarter

<i>(in billions)</i>	Second	First	Change	
	Quarter	Quarter	Amount	%
	2009	2009		
Average Loans and Leases				
Commercial and industrial	\$ 13.5	\$ 13.5	\$ (0.0)	(0) %
Commercial real estate	9.2	10.1	(0.9)	(9)
Total commercial	\$ 22.7	\$ 23.7	\$ (0.9)	(4) %
Automobile loans and leases	3.3	4.4	(1.1)	(24)
Home equity	7.6	7.6	0.1	1
Residential mortgage	4.7	4.6	0.0	1
Other consumer	0.7	0.7	0.0	4
Total consumer	16.3	17.2	(0.9)	(5)
Total loans and leases	\$ 39.0	\$ 40.9	\$ (1.9)	(5) %



Deposit Trends

Linked Quarter

<i>(in billions)</i>	Second	First	Change		
	Quarter	Quarter	Amount	%	
	2009	2009			
Average Deposits					
Demand deposits - noninterest bearing	\$ 6.0	\$ 5.5	\$ 0.5	9 %	←
Demand deposits - interest bearing	4.5	4.1	0.5	12	←
Money market deposits	6.4	5.6	0.8	14	←
Savings and other domestic deposits	5.0	5.0	(0.0)	(0)	
Core certificates of deposit	12.5	12.8	(0.3)	(2)	
Total core deposits	34.5	33.0	1.4	4	←
Other deposits	5.1	5.2	(0.1)	(1)	
Total deposits	\$ 39.5	\$ 38.2	\$ 1.3	4 %	

Noninterest Income Trends

Linked Quarter

<i>(in millions)</i>	Second	First	Change		
	Quarter	Quarter	Amount	%	
	2009	2009			
Noninterest Income					
Service charges on deposit accounts	\$ 75.4	\$ 69.9	\$ 5.5	8 %	←
Brokerage and insurance income	32.1	39.9	(7.9)	(20)	←
Trust services	25.7	24.8	0.9	4	
Electronic banking	24.5	22.5	2.0	9	
Bank owned life insurance income	14.3	12.9	1.4	10	
Automobile operating lease income	13.1	13.2	(0.1)	(1)	
Mortgage banking income (loss)	30.8	35.4	(4.6)	(13)	←
Securities gains (losses)	(7.3)	2.1	(9.4)	NM	
Other income	57.5	18.4	39.1	NM	←
Total noninterest income	\$265.9	\$ 239.1	\$ 26.8	11 %	

Expense Trends

<u>Linked Quarter</u>	Second	First	Change		
	Quarter	Quarter	Amount	%	
<i>(in millions)</i>	2009	2009			
Noninterest Expense					
Personnel costs	\$ 171.7	\$ 175.9	\$ (4.2)	(2) %	←
Outside data processing and other services	39.3	32.4	6.8	21	←
Net occupancy	24.4	29.2	(4.8)	(16)	
Equipment	21.3	20.4	0.9	4	
Amortization of intangibles	17.1	17.1	(0.0)	(0)	
Professional services	18.8	18.3	0.5	3	
Marketing	7.5	8.2	(0.7)	(9)	
Automobile operating lease expense	11.4	10.9	0.5	4	
Telecommunications	6.1	5.9	0.2	3	
Printing and supplies	4.2	3.6	0.6	16	
Goodwill impairment	4.2	2,602.7	(2,598.5)	NM	←
Other expense	14.0	45.1	(31.1)	(69)	←
Total noninterest expense	\$ 340.0	\$ 2,969.8	\$ (2,629.8)	(89) %	←

Investment Securities – Assessment ⁽¹⁾

	<u>Par Value</u>	<u>Book Value</u>	<u>Market Value</u>	<u>OCI</u>
Alt-A mortgage backed	\$421 MM	\$286 MM	\$274 MM	\$(12) MM
- Purchased 2006	% to Par Value		65%	
- 20 securities – senior tranche				
- 10/1 ARMs or 15 / 30 year fixed; no option ARMs				
- Cash flow analysis performed monthly to test for OTTI with third-party validation				
Trust preferred	297	268	129	(139)
- Purchased 2003-2005	% to Par Value		43%	
- 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 third-party validation				
Prime CMOs	611	603	510	(93)
- Purchased 4Q03-4Q07	% to Par Value		83%	
- 32 securities				
- Cash flow analysis performed monthly to test for OTTI with quarterly third-party validation				
Total	\$1,329 MM	\$1,157 MM	\$913 MM	\$(244) MM

(1) 6/30/09

OCI – accumulated other comprehensive income; pre-tax

OTTI – other-than-temporary impairment

Capital ⁽¹⁾

	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
Total risk-weighted assets (\$B)	\$45.5	\$46.3	\$47.0	\$46.6	\$46.6
Tier 1 leverage	10.62 %	9.67 %	9.82 %	7.99 %	7.88 %
Tier 1 risk-based capital	11.86	11.16	10.72	8.80	8.82
Total risk-based capital	14.95	14.28	13.91	12.03	12.05
Tangible common equity/assets	5.68	4.65	4.04	4.88	4.81
Tangible equity/assets	8.99	8.12	7.72	5.99	5.90
Tangible equity/risk weighted assets	10.04	8.94	8.39	6.60	6.59
Tier 1 common risk-based capital ratio	6.80	5.64	5.05	5.89	5.81
Double leverage ⁽²⁾	74	78	85	105	103

(1) Period end

(2) (Parent company investments in subsidiaries + goodwill) / equity

Capital Actions

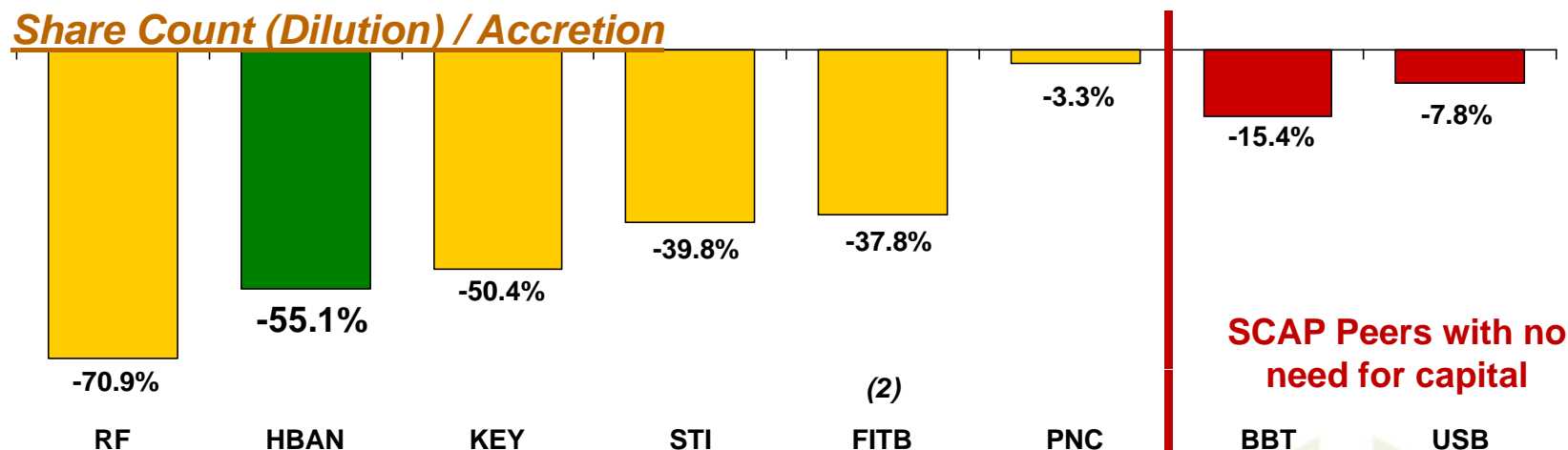
(\$ and Shares in MM)	Common Stock		Other	Total
	Shares ⁽¹⁾	Amount	Retained Earnings	
1Q09				
Franklin restructuring	-	\$ -	\$ 159.9	\$ 159.9
Conversion of preferred stock	24.6	114.1	-	114.1
Other tangible capital improvements ⁽²⁾	-	-	47.1	47.1
1Q09 Total	24.6	114.1	207.0	321.1
2Q09				
Discretionary equity issuance #1	38.5	117.6	-	117.6
Discretionary equity issuance #2	18.5	74.4	-	74.4
Conversion of preferred stock	16.5	92.3	-	92.3
Common stock offering	103.5	356.4	-	356.4
Gain on cash tender offer of certain trust preferred securities	-	-	43.8	43.8
Gain related to Visa ® stock	-	-	20.4	20.4
2Q09 Total	177.0	640.7	64.2	704.9
Year-to-date	201.6	\$ 754.8	\$ 271.2	\$ 1,026.0

⁽¹⁾ Excludes other miscellaneous issuances

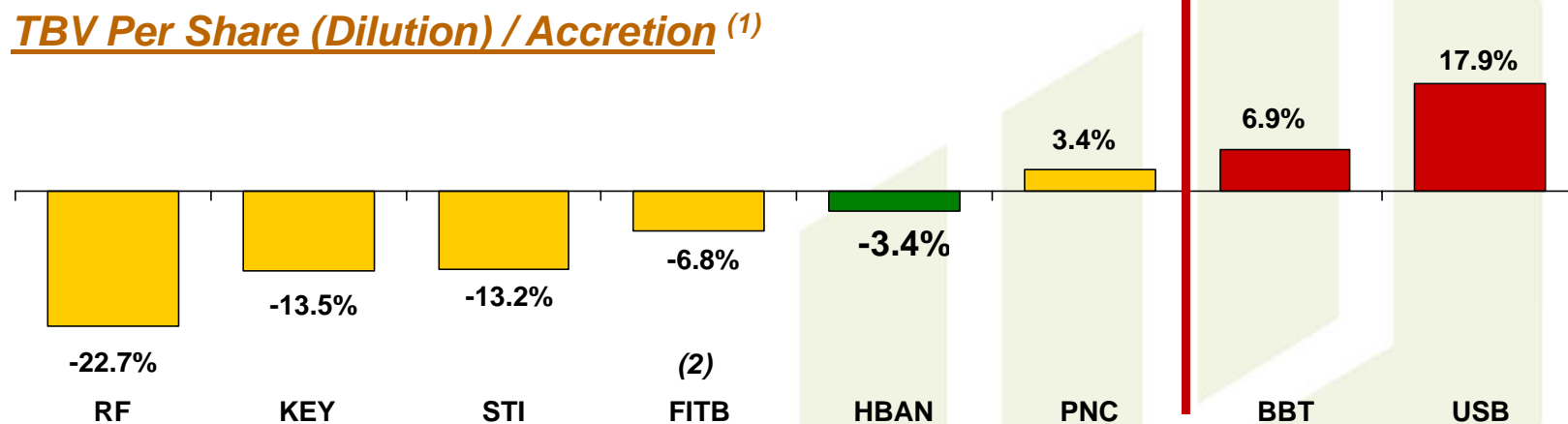
⁽²⁾ Other Comprehensive Income improvement included due to materiality

Capital Raising Efficiency vs. SCAP Peers

Share Count (Dilution) / Accretion



TBV Per Share (Dilution) / Accretion ⁽¹⁾



(1) HBAN impact since 12/31/08; SCAP Peers impact since 3/31/09

(2) Excludes impact of Processing JV announced March 30, 2009

(3) See Capital Raising Efficiency Detail slide in Appendix; Source: Goldman Sachs & Co.

Net Charge-offs

(\$MM)	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
Franklin	\$ (9.9)	\$128.3	\$423.3	\$ --	\$ --
Non-Franklin C&I	→ 108.2	<u>82.3</u>	<u>50.1</u>	<u>29.6</u>	<u>12.4</u>
Total C&I	98.3	210.6	473.4	29.6	12.4
Commercial real estate	→ 172.6	<u>82.8</u>	<u>38.4</u>	<u>11.0</u>	<u>15.1</u>
Total commercial	<u>270.9</u>	<u>293.4</u>	<u>511.8</u>	<u>40.6</u>	<u>27.5</u>
Auto loans	12.4	15.0	14.9	9.8	8.5
Auto leases	2.2	3.1	3.7	3.5	2.9
Home equity	24.7	17.7	19.2	15.8	17.3
Residential RE	17.2	6.3	7.3	6.7	4.3
Other direct	7.0	<u>6.0</u>	<u>3.8</u>	<u>7.2</u>	<u>4.7</u>
Total consumer	→ <u>63.5</u>	<u>48.1</u>	<u>48.8</u>	<u>43.1</u>	<u>37.8</u>
Total	\$334.4	\$341.5	\$560.6	\$83.8	\$65.2
Non-Franklin	\$344.5	\$213.2	\$137.3	\$83.8	\$65.2

Net Charge-off Ratios ⁽¹⁾

	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
Franklin	nmv %	nmv %	nmv %	-- %	-- %
Non-Franklin C&I	3.20	2.55	1.58	0.95	0.40
Total C&I	2.91	6.22	13.78	0.87	0.36
Commercial real estate	7.51	3.27	1.50	0.45	0.63
Total commercial	4.77	4.96	8.54	0.69	0.47
Auto loans	1.73	1.56	1.53	1.02	0.94
Auto leases	2.11	2.39	2.31	1.84	1.28
Home equity	1.29	0.93	1.02	0.85	0.94
Residential RE	1.47	0.55	0.62	0.56	0.33
Other direct	4.03	3.59	2.22	4.32	2.69
Total consumer	1.56	1.12	1.12	0.98	0.85
Total	3.43 %	3.34 %	5.41 %	0.82 %	0.64 %
Non-Franklin	3.58 %	2.12 %	1.36 %	0.84 %	0.65 %

Nonaccrual Loans and Nonperforming Assets

<i>(in millions)</i>	Second	First	Change		
	Quarter	Quarter			
	2009	2009	Amount	%	
Nonaccrual loans and leases (NALs):					
Commercial and industrial	\$ 456.7	\$ 398.3	\$ 58.4	15 %	←
Commercial real estate	850.8	629.9	221.0	35	←
Residential mortgage	475.5	487.0	(11.5)	(2)	
Home equity	35.3	38.0	(2.7)	(7)	
Total nonaccrual loans and leases	1,818.4	1,553.1	265.3	17	
Other real estate, net:					
Residential	108.0	143.9	(35.9)	(25)	←
Commercial	65.0	66.9	(1.9)	(3)	
Total other real estate, net	172.9	210.8	(37.8)	(18)	
Impaired loans held for sale	11.3	11.9	(0.6)	(5)	
Total nonperforming assets	\$ 2,002.6	\$ 1,775.7	\$ 226.8	13 %	

Credit Quality Trends Overview

	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
NAL ratio ⁽¹⁾	4.72 %	3.93 %	3.66 %	1.42 %	1.30 %
NPA ratio ⁽²⁾	5.18	4.46	3.97	1.64	1.52
Net charge-off ratio	3.43	3.34	5.41	0.82	0.64
90+ days PD & accruing ⁽³⁾	0.38	0.35	0.46	0.44	0.31
ALLL ratio	2.38	2.12	2.19	1.75	1.66
ALLL / NAL coverage	50	54	60	123	127
ALLL / NPA coverage	46	47	55	107	109
ACL ratio	2.51	2.24	2.30	1.90	1.80
ACL / NAL coverage	53	57	63	134	138
ACL / NPA coverage	48	50	58	116	119

(1) NALs divided by total loans and leases

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

(3) Excludes government guaranteed loans

Nonperforming Asset Analysis

June 30, 2009

(\$MM)	<u>Total</u>	<u>ACL Coverage</u>
Total nonaccrual loans (NALs)	\$1,818	53%
Total nonperforming assets (NPAs)	2,003	48%

			<u>Prior Charge-offs</u>	
			<u>Amount</u>	<u>Percent</u>
Less: Loans written down to collateral value ⁽¹⁾				
Commercial impaired	\$ 410	NA	\$ 212	34%
Franklin	345	NA	\$ 850	71%
	<u>\$ 755</u>			

Total NALs – adjusted	\$1,063	91%
Total NPAs – adjusted	\$1,248	77%

(1) NA = not applicable as these assets are considered impaired, and therefore valuations are subject to continuous FAS 114 impairment analysis. Values shown have been written down to assessed values as of June 30, 2009.

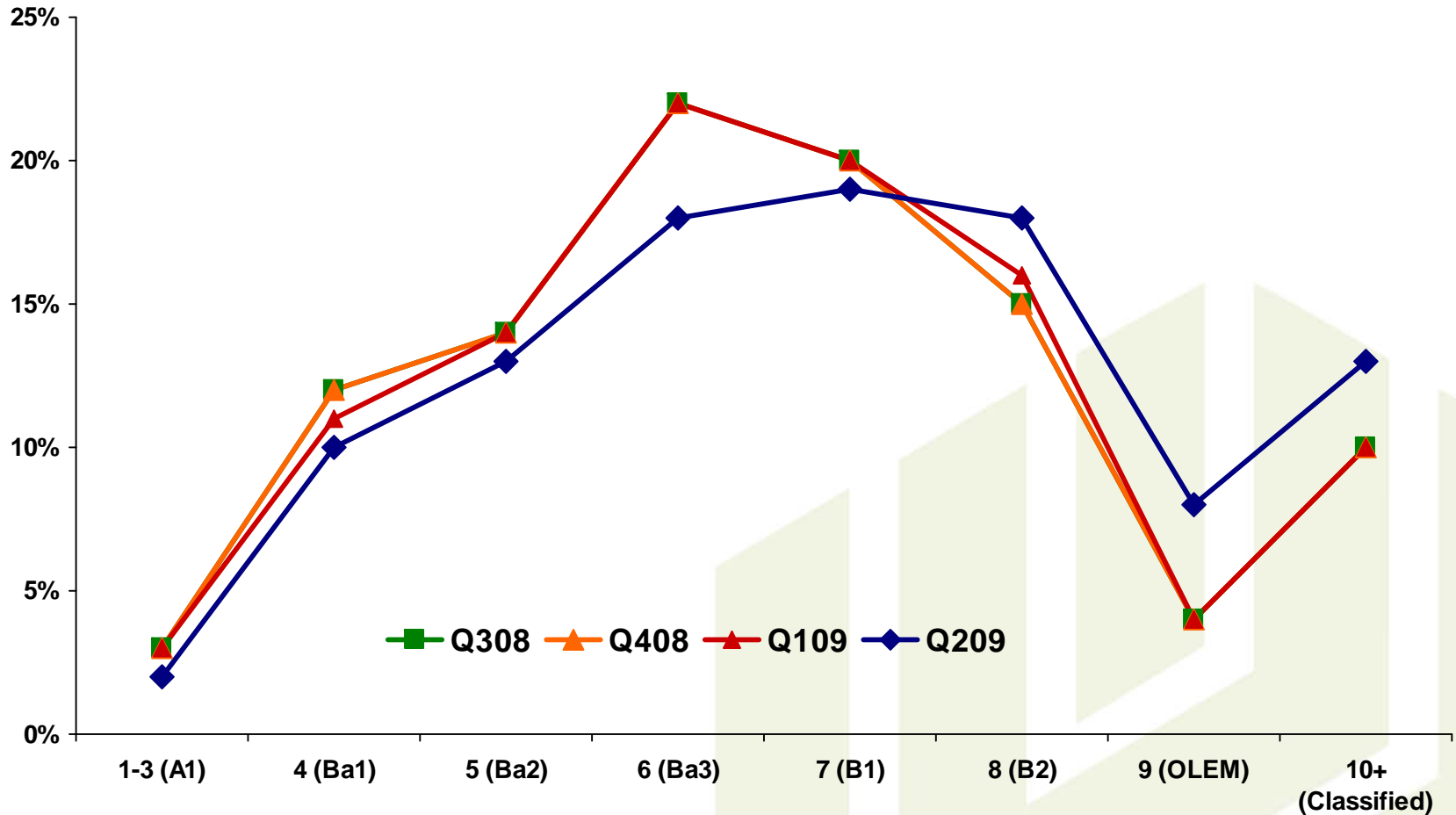
Nonperforming Asset Flow Analysis

Period End

(\$MM)	<u>2Q09</u>	<u>1Q09</u>	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
NPA beginning of period	\$1,775.7	\$1,636.6	\$675.3	\$624.7	\$520.4
Additions / increases	750.3	622.5	509.3	175.3	256.3
Franklin – net impact	(57.4)	(204.5)	650.2	--	--
Return to accruing status	(40.9)	(36.1)	(13.8)	(9.1)	(5.8)
Charge-offs	(303.3)	(172.4)	(100.3)	(52.8)	(40.8)
Payments	(95.1)	(61.5)	(66.5)	(43.3)	(46.1)
Sales	(26.7)	(9.0)	(17.6)	(19.5)	(59.3)
NPA end-of-period	\$2,002.6	\$1,775.7	\$1,636.6	\$675.3	\$624.7

Commercial Loan Risk Grade Distribution by %

PD Risk Grades (Moody's or Regulatory Definition)



Portfolio Change Reconciliation – C&I

By Activity

<i>\$MM</i>	<u>Total Commercial</u>
March 31, 2009 balance	\$13,768
New originations	148
Net pay-offs / takedowns	(479)
Charge-offs	(98)
Classification changes	(19)
June 30, 2009 balance	<hr/> \$13,320

Portfolio Change Reconciliation – CRE

By Activity

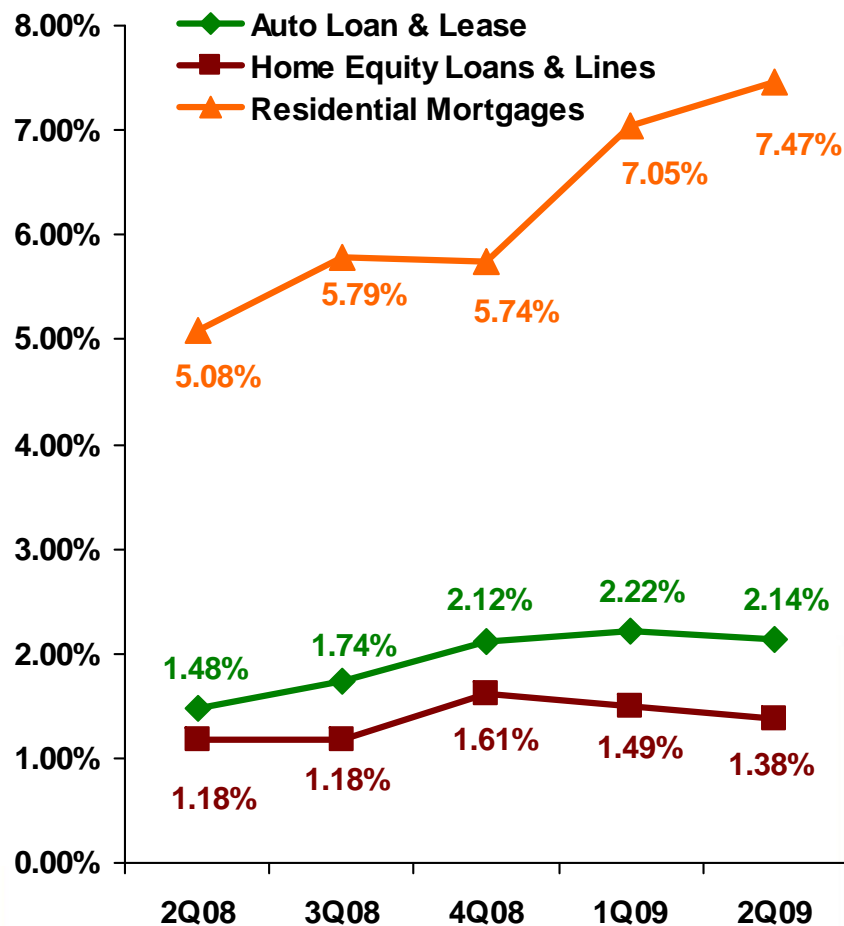
<i>\$MM</i>	<u>SFHB</u>	<u>Retail</u>	<u>Other</u>	<u>Total CRE</u>
March 31, 2009 balance	\$1,240	\$2,368	\$5,653	\$9,261
New originations	0	0	30	30
Net pay-offs / takedowns	(33)	(9)	(83)	(125)
Charge-offs	(52)	(54)	(67)	(173)
Classification changes	7	(4)	(50)	(47)
June 30, 2009 balance	\$1,162	\$2,301	\$5,483	\$8,946

By Type

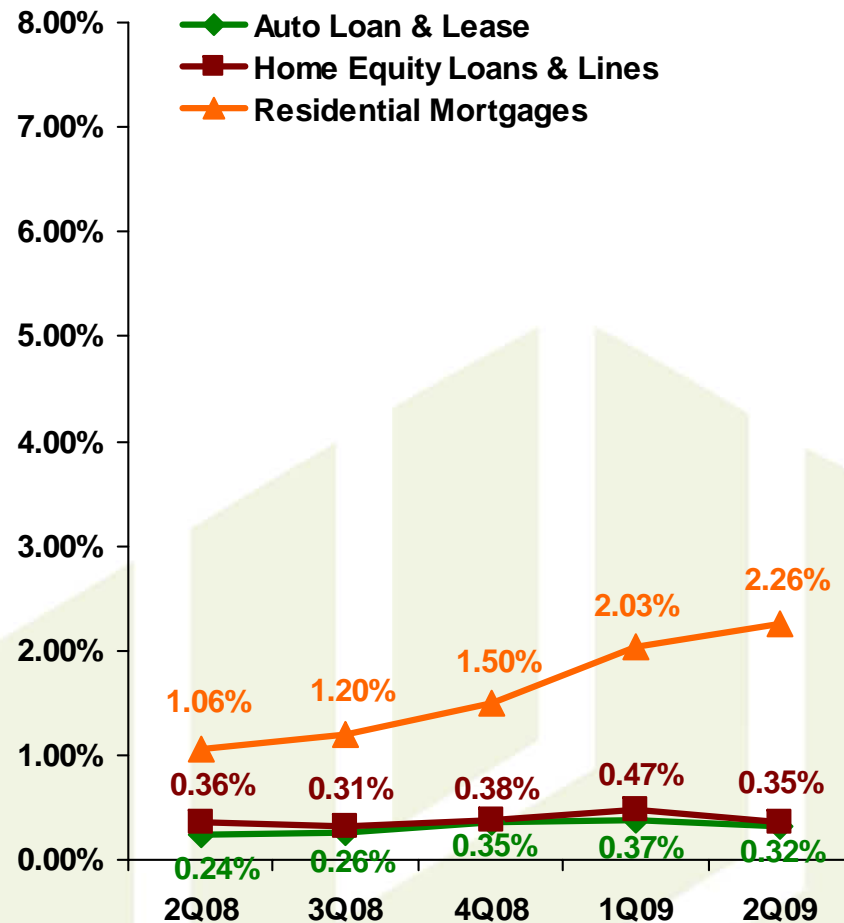
<i>\$MM</i>	<u>Total CRE</u>
March 31, 2009 balance	\$9,261
Single family home builder	(78)
Retail projects	(67)
Multi-family	(57)
Office	(13)
Warehouse / industrial	(31)
Other	(69)
June 30, 2009 balance	\$8,946

Consumer Loan Delinquencies ⁽¹⁾

30+ Days

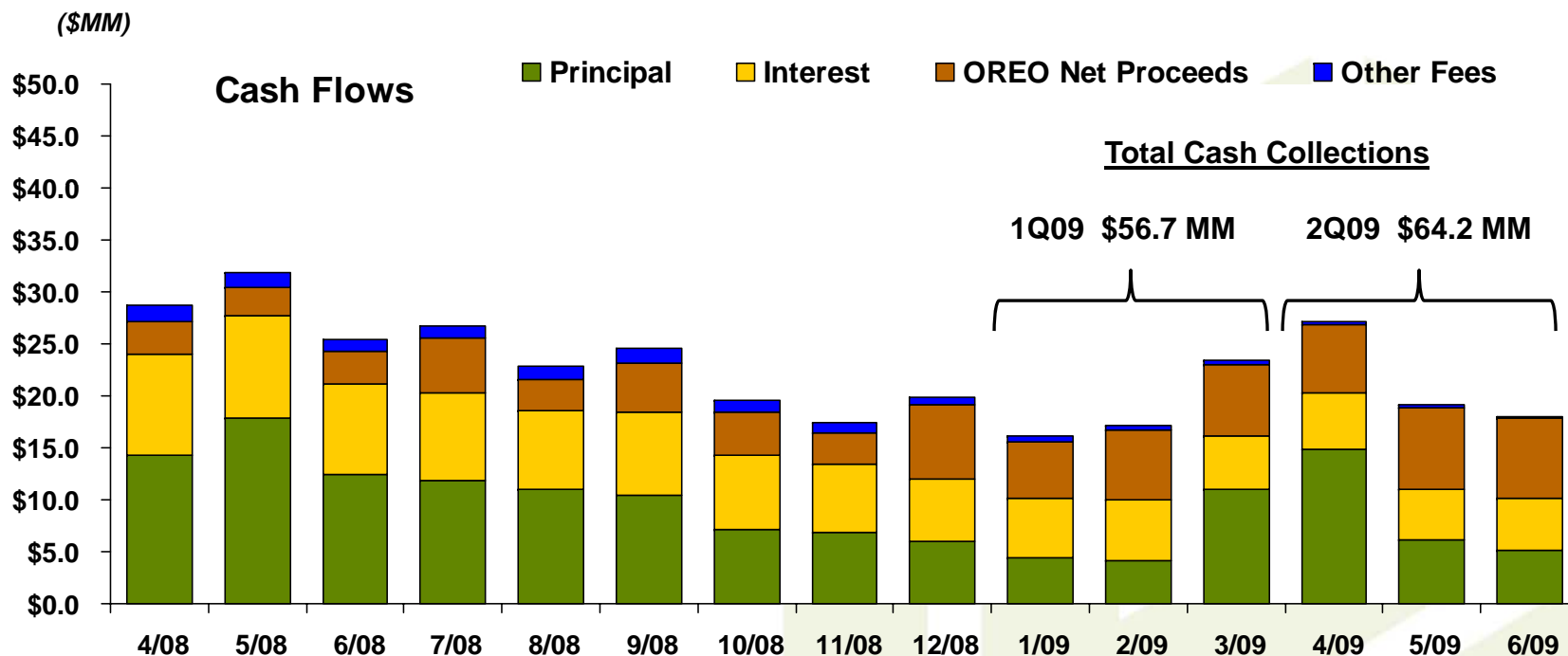


90+ Days



Franklin Credit – Cash Flow Review ⁽¹⁾

- Improved alignment of interest beginning in 2009 as evidenced by:
 - \$64.2 million in collections in 2Q09, up 13% from 1Q09
 - Consistent OREO sales proceeds over the last 7 months
 - 3Q09 results expected to be consistent with May/June run rate
- Interest collections remained consistent over the past 4 months
- Positions us to leverage the FCMC platform to more rapidly reduce exposure to this portfolio
 - Huntington will continue to provide refinancing process for secondary market eligible borrowers
 - FCMC manages collections, short-term deferrals, loan modifications, and short sale activities



2009 Outlook

- No significant economic turnaround expected by year-end
- Net charge-offs, provision expense, and loan loss reserves likely to remain elevated
- Modest but steady improvement in pre-tax, pre-provision income from 2Q09
- Net interest margin is expected to be flat to slightly improving from the 2Q09 level
- Continued growth in core deposits
- Loans expected to decline modestly... reduced CRE, weak economy, net charge-offs
- Mixed fee income... mortgage banking income is expected to be lower than in the first half... deposit service charges and other fees are expected to return to seasonally elevated levels
- Expenses will continue to be well-controlled

Important Messages

- **Good progress on improving pre-tax, pre-provision performance**
 - Improving our loan and deposit pricing discipline
 - Focus on growing core deposits is gaining traction
 - Opportunities to grow fee income exist
 - Will maintain expense discipline
- **Have an improved understanding of risks in our loan portfolios and continue to believe that challenges are manageable**
- **Adequate capital position**
- **Strong liquidity position**
- **Our strategic plan development is highlighting opportunities for improving long-term performance**

2009 Second Half Goals

Objectives

- Improving pre-tax, pre-provision income from 1H09
- Grow core deposits
- Complete strategic plan and begin implementation
- Complete colleague survey and develop 2010 action plans
- Complete 2010 budget

The Local Bank with National Resources

