

# Appendix

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Total commercial loans	75	<b>Capital</b>	<b>140</b>
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Total consumer loans	91		

# 2008 – 2007 Quarterly Financial Review

## 3Q08 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$75.1 MM</b>	
<b>Net income applicable to common shares</b>	<b>\$63.0 MM</b>	<b>\$0.17</b>

### Significant Items

	<u>Favorable/(Unfavorable)</u> <u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
Net market-related losses <sup>(3)</sup>	\$(47.1)	\$(0.08)
VISA <sup>®</sup> -related deferred tax valuation allowance provision	(3.7) <sup>(2)</sup>	(0.01)

(1) Pre-tax

(2) After tax

(3) Gain on extinguishment of debt  
Equity investment gains  
Net impact of MSR hedging  
Investment securities losses

\$21.4

3.4

1.9

(73.8)

## 2Q08 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$101.4 MM</b>	
<b>Net income applicable to common shares</b>	<b>\$90.2 MM</b>	<b>\$0.25</b>
 <b><u>Significant Items</u></b>		
	<u>Favorable/(Unfavorable)</u>	
	<u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
VISA <sup>®</sup> -related deferred tax valuation allowance benefit	\$3.4 <sup>(2)</sup>	\$0.01
Merger / restructuring costs	(14.6)	(0.03)
Net market-related losses <sup>(3)</sup>	(6.8)	(0.01)

(1) Pre-tax

(2) After tax

(3) Loss on sale of held-for-sale loans

Equity investment losses

Net impact of MSR hedging

Gain on extinguishment of debt

Investment securities gains

Gain on sale of mortgage loans

\$(7.2)

(4.6)

(1.3)

2.2

2.1

2.1

# 1Q08 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$127.1 MM</b>	<b>\$0.35</b>

## Significant Items

Aggregate impact of Visa <sup>®</sup> IPO <sup>(3)</sup>		
VISA <sup>®</sup> -related deferred tax valuation allowance benefit		
Net market-related losses <sup>(4)</sup>		
Asset impairment		
Merger costs		

## Favorable/(Unfavorable)

	<u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
	\$37.5	\$0.07
	11.1 <sup>(2)</sup>	0.03
	(20.0)	(0.04)
	(11.0)	(0.02)
	(7.3)	(0.01)
	\$25.1	
	12.4	
	\$(18.8)	
	(2.7)	
	1.4	

- (1) Pre-tax
- (2) After tax
- (3) Gain from IPO  
Partial reversal of 4Q07 indemnification
- (4) Net impact of MSR hedging  
Equity investment losses  
Investment securities gains

# 4Q07 Earnings Summary

<b>Net loss</b>	<b><u>After-tax</u></b>	<b><u>EPS</u></b>
	<b>\$(239.3) MM</b>	<b>\$(0.65)</b>

## Significant Items

	<u>Favorable/(Unfavorable)</u>	
	<u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
Franklin relationship	\$(423.6)	\$(0.75)
Net market-related losses <sup>(3)</sup>	(63.5)	(0.11)
Merger costs	(44.4)	(0.08)
VISA <sup>®</sup> indemnification	(24.9)	(0.04)
Additions to litigation reserves on existing cases	(8.9)	(0.02)

(1) Pre-tax

(2) After tax

(3) Loss on loans held for sale

Investment securities impairment losses

Equity investment losses

Net impact of MSR hedging

\$(34.0)

(11.6)

(9.4)

(8.6)

# 3Q07 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$138.2 MM</b>	<b>\$0.38</b>

## Significant Items

	<u>Favorable/(Unfavorable)</u> <u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
Sky Financial merger-related integration costs	\$(32.3)	\$(0.06)
Net market-related losses <sup>(3)</sup>	(18.0)	(0.03)

(1) Pre-tax

(2) After tax

(3) Investment securities impairment losses

Equity investment losses

Net impact of MSR hedging

Investment securities gains

Gain on debt extinguishment

\$ (23.3)

(4.4)

(3.6)

10.2

3.2

## 2Q07 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$80.5 MM</b>	<b>\$0.34</b>

### Significant Items

	<u>Favorable/(Unfavorable)</u> <u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
Sky Financial merger-related integration costs	\$(7.6) MM	\$(0.02)
Net market-related losses <sup>(3)</sup>	(3.5)	(0.01)

(1) Pre-tax

(2) After tax

(3) Investment securities impairment

MSR mark-to-market net of hedge-related trading activity \$(5.1)

Gain on debt extinguishment (4.8)

Equity investment gains 4.1

2.3

# 1Q07 Earnings Summary

	<u>After-tax</u>	<u>EPS</u>
<b>Net income</b>	<b>\$95.7 MM</b>	<b>\$0.40</b>

## Significant Items

	<u>Favorable/(Unfavorable)</u> <u>Earnings</u> <sup>(1)</sup>	<u>EPS</u> <sup>(2)</sup>
Equity investment losses	\$(8.5) MM	\$(0.02)
MSR mark-to-market net of hedge-related trading activity	(2.0)	(0.01)
Litigation losses	(1.9)	(0.01)

- (1) Pre-tax  
(2) After tax

# Significant Items \* Impacting Financial Performance Comparisons – Reconciliation

## 2008 – 2007 Quarterly

(in millions, except per share amounts)

	4Q08		3Q08		2Q08		1Q08	
	After-tax	EPS	After-tax	EPS	After-tax	EPS	After-tax	EPS
<b>Net income applicable to common - reported earnings</b>	<b>\$ (440.447)</b>	<b>\$ (1.20)</b>	<b>\$ 62.972</b>	<b>\$ 0.17</b>	<b>\$ 90.201</b>	<b>\$ 0.25</b>	<b>\$ 127.068</b>	<b>\$ 0.35</b>
<b>Significant items - favorable (unfavorable) impact:</b>	Earnings (1)	EPS	Earnings (1)	EPS	Earnings (1)	EPS	Earnings (1)	EPS
Debt extinguishment gain (loss) - NIE	-	-	21.364	0.04	2.177	0.00	-	-
Franklin relationship	(454.278)	(0.81)	-	-	-	-	-	-
Loss on loans held for sale	-	-	-	-	(7.200)	(0.01)	-	-
Gain on sale of Visa/Master Card stock	-	-	-	-	-	-	25.087	0.04
Visa anti-trust indemnification	4.560	0.01	-	-	-	-	12.435	0.02
Merger costs	-	-	-	-	(14.552)	(0.03)	(7.278)	(0.01)
MSR hedging	(12.611)	(0.02)	1.900	0.00	(1.333)	(0.00)	(18.772)	(0.03)
Equity investment gains (losses)	(2.014)	(0.00)	3.399	0.01	(4.609)	(0.01)	(2.668)	(0.00)
Securities impairment	(127.081)	(0.23)	(76.557)	(0.14)	-	-	(3.104)	(0.01)
Other securities gains (losses)	-	-	2.767	0.00	2.073	0.00	4.533	0.01
Asset impairment	-	-	-	-	-	-	(11.000)	(0.02)
Visa-related deferred tax valuation allowance benefit (expense) (2)	(2.893)	(0.01)	(3.742)	(0.01)	3.435	0.01	11.092	0.03

	4Q07		3Q07		2Q07		1Q07	
	After-tax	EPS	After-tax	EPS	After-tax	EPS	After-tax	EPS
<b>Net income applicable to common - reported earnings</b>	<b>\$ (239.280)</b>	<b>\$ (0.65)</b>	<b>\$ 138.202</b>	<b>\$ 0.38</b>	<b>\$ 80.521</b>	<b>\$ 0.34</b>	<b>\$ 95.726</b>	<b>\$ 0.40</b>
<b>Significant items - favorable (unfavorable) impact:</b>	Earnings (1)	EPS	Earnings (1)	EPS	Earnings (1)	EPS	Earnings (1)	EPS
Debt extinguishment gain (loss) - NIE	-	-	3.220	0.01	4.090	0.01	-	-
Debt extinguishment gain - (securities gain)	-	-	0.748	-	-	-	-	-
Franklin relationship	(423.645)	(0.75)	-	-	-	-	-	-
Loss on loans held for sale	(34.003)	(0.06)	-	-	-	-	-	-
Visa anti-trust indemnification	(24.870)	(0.04)	-	-	-	-	-	-
Merger costs	(44.416)	(0.08)	(32.260)	(0.06)	(7.577)	(0.02)	(0.831)	-
MSR hedging	(8.574)	(0.02)	(3.645)	(0.01)	(4.750)	(0.01)	(2.018)	(0.01)
Equity investment gains (losses)	(9.393)	(0.02)	(4.387)	(0.01)	2.301	0.01	(8.530)	(0.02)
Securities impairment	(11.551)	(0.02)	(23.335)	(0.02)	(5.139)	(0.01)	-	-
Other securities gains (losses)	-	-	9.435	0.02	-	-	0.104	-
Additions to litigation reserves on existing cases	(8.900)	(0.02)	-	-	-	-	(1.867)	(0.01)

\* Items impacting quarterly EPS by \$0.01 or greater

(1) Pre-tax unless otherwise noted

(2) After-tax

# Significant Items \* Impacting Financial Performance Comparisons – Reconciliation

## 2008 – 2006 Full Year

(in millions, except per share amounts)

	2008		2007		2006	
	After-tax	EPS	After-tax	EPS	After-tax	EPS
<b>Net income applicable to common - reported earnings</b>	<b>\$ (160.206)</b>	<b>\$ (0.44)</b>	<b>\$ 75.169</b>	<b>\$ 0.25</b>	<b>\$ 461.220</b>	<b>\$ 1.92</b>
<b>Significant items - favorable (unfavorable) impact:</b>	Earnings (1)	EPS	Earnings (1)	EPS	Earnings (1)	EPS
Debt extinguishment gain (loss) - NIE	23.541	0.04	7.310	0.02	-	-
Debt extinguishment gain - (securities gain)	-	-	0.748	-	-	-
Franklin relationship	(454.278)	(0.80)	(423.645)	(0.91)	-	-
Loss on loans held for sale	(7.200)	(0.01)	(34.003)	(0.07)	-	-
Gain on sale of Visa/Master Card stock	25.087	0.04	-	-	3.341	0.01
Visa anti-trust indemnification	16.995	0.03	(24.870)	(0.05)	-	-
Merger costs	(21.830)	(0.04)	(85.084)	(0.18)	(3.749)	(0.01)
MSR FAS 156 accounting change	-	-	-	-	5.143	0.01
MSR hedging	(30.816)	(0.05)	(18.987)	(0.04)	(1.521)	-
Equity investment gains (losses)	(5.892)	(0.01)	(20.009)	(0.04)	7.436	0.02
Securities impairment	(206.742)	(0.37)	(40.025)	(0.09)	-	-
Other securities gains (losses)	9.373	0.02	9.539	0.02	(0.055)	-
Additions to litigation reserves on existing cases	-	-	(10.767)	(0.02)	-	-
Asset impairment	(11.000)	(0.02)	-	-	-	-
Reduction to federal income tax expense (2)	-	-	-	-	84.541	0.35
Balance sheet restructuring	-	-	-	-	(77.525)	(0.21)
Huntington Foundation contribution	-	-	-	-	(10.000)	(0.03)
Automobile lease residual value losses	-	-	-	-	(5.549)	(0.01)
Severance and consolidation expenses	-	-	-	-	(4.750)	(0.01)
Adjustment for equity method investments	-	-	-	-	(3.240)	(0.01)
Adjustment to defer home equity annual fees	-	-	-	-	(2.254)	(0.01)
Visa-related deferred tax valuation allowance benefit (expense) (2)	7.892	0.02	-	-	-	-

\* Items impacting quarterly EPS by \$0.01 or greater

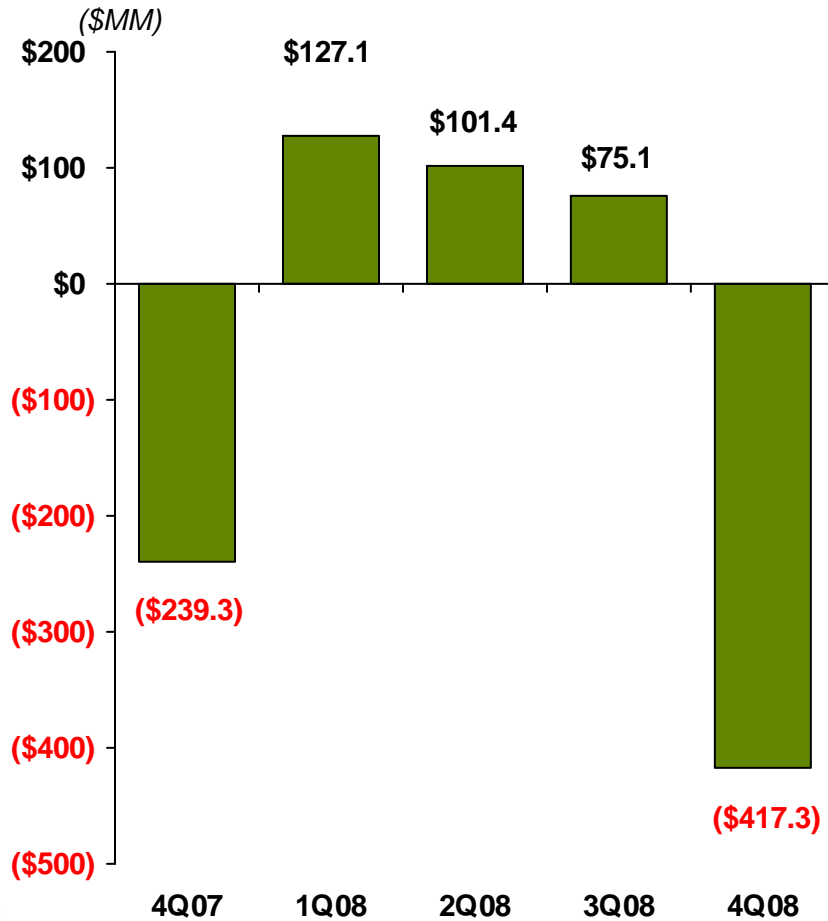
(1) Pre-tax unless otherwise noted

(2) After-tax

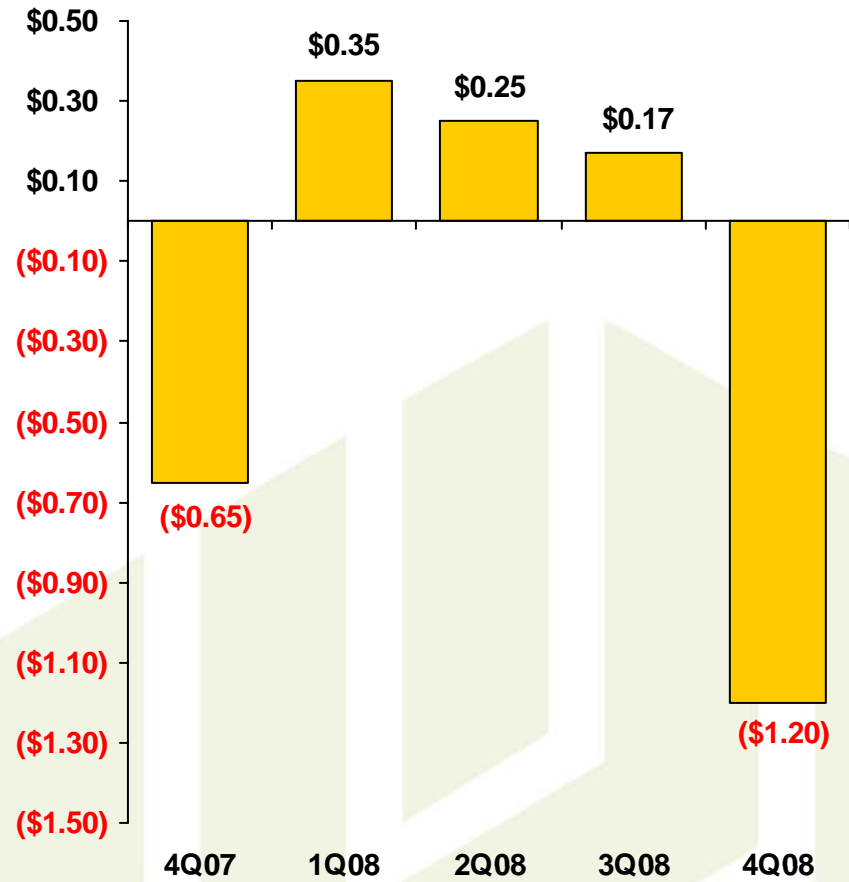
# Income Statement

# Net Income and EPS Trends

## Net Income



## Earnings Per Share



# Revenue Trends

## Prior Year Quarter

<i>(in millions)</i>	Fourth Quarter		Change		Change Attributable to		
	2008	2007	Amount	%	Significant Items	Other Amount	% (4)
<b>Net interest income - FTE</b>	\$ 380.0	\$ 388.3	\$ (8.3)	(2) %	\$ 15.2 <sup>(1)</sup>	\$ (23.5)	(6) %
<b>Non-interest Income</b>							
Service charges on deposit accounts	\$ 75.2	\$ 81.3	\$ (6.0)	(7) %	\$ -	\$ (6.0)	(7) %
Brokerage and insurance income	31.2	30.3	0.9	3	-	0.9	3
Trust services	27.8	35.2	(7.4)	(21)	-	(7.4)	(21)
Electronic banking	22.8	21.9	0.9	4	-	0.9	4
Bank owned life insurance income	13.6	13.3	0.3	2	-	0.3	2
Automobile operating lease income	13.2	2.7	10.5	NM	-	10.5	NM
Mortgage banking income (loss)	(6.7)	3.7	(10.4)	NM	(10.3) <sup>(2)</sup>	(0.1)	(4)
Securities gains (losses)	(127.1)	(11.6)	(115.5)	NM	(115.5) <sup>(3)</sup>	-	0
Other income	17.1	(6.2)	23.2	NM	34.1 <sup>(4)</sup>	(10.9)	NM
<b>Total non-interest income</b>	\$ 67.1	\$ 170.6	\$ (103.5)	(61) %	\$ (91.8)	\$ (11.7)	(7) %
<b>(1) Net interest income</b>							
MSR -related	\$ 9.5	\$ 3.2	\$ 6.3				
Franklin-related	(9.0)	(17.9)	8.9				
Impact to net interest income	\$ 0.5	\$ (14.7)	\$ 15.2				
<b>(2) Net impact of MSR hedging</b>							
MSR valuation adjustment	\$ (63.4)	\$ (21.2)	\$ (42.1)				
Net trading (losses) gains	41.3	9.5	31.8				
Impact to non interest income	(22.1)	(11.8)	(10.3)				
Net interest income impact	9.5	3.2	6.3				
Net impact of MSR hedging	\$ (12.6)	\$ (8.6)	\$ (4.0)				
<b>(3) Securities gains (losses)</b>							
	\$ (127.1)	\$ (11.6)	\$ (115.5)				
<b>(4) Other income</b>							
Equity investment gains (losses)	\$ (2.0)	\$ (9.4)	\$ 7.4				
Loss on loans held for sale	-	(34.0)	34.0				
Franklin swap losses	(7.3)	-	(7.3)				
Impact to non interest income	\$ (9.3)	\$ (43.4)	\$ 34.1				

# Revenue Trends

## Linked Quarter

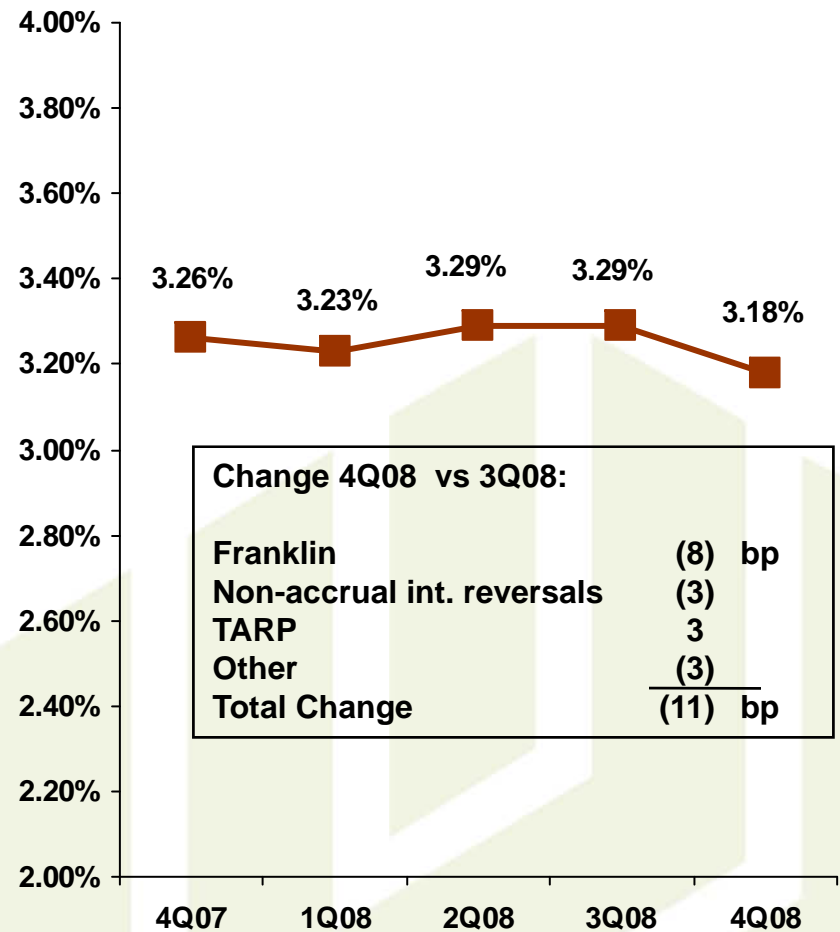
<i>(in millions)</i>	Fourth	Third	Change		Change Attributable to		
	Quarter	Quarter	Amount	%	Significant	Other	
	2008	2008			Items	Amount	% <sup>(4)</sup>
<b>Net interest income - FTE</b>	\$ 380.0	\$ 394.1	\$ (14.1)	(4) %	\$ (7.9) <sup>(1)</sup>	\$ (6.2)	(2) %
<b>Non-interest Income</b>							
Service charges on deposit accounts	\$ 75.2	\$ 80.5	\$ (5.3)	(7) %	\$ -	\$ (5.3)	(7) %
Brokerage and insurance income	31.2	34.3	(3.1)	(9)	-	(3.1)	(9)
Trust services	27.8	31.0	(3.1)	(10)	-	(3.1)	(10)
Electronic banking	22.8	23.4	(0.6)	(3)	-	(0.6)	(3)
Bank owned life insurance income	13.6	13.3	0.3	2	-	0.3	2
Automobile operating lease income	13.2	11.5	1.7	15	-	1.7	15
Mortgage banking income (loss)	(6.7)	10.3	(17.0)	NM	(15.6) <sup>(2)</sup>	(1.4)	(14)
Securities gains (losses)	(127.1)	(73.8)	(53.3)	(72)	(53.3) <sup>(3)</sup>	-	0
Other income	17.1	37.3	(20.3)	(54)	(12.7) <sup>(4)</sup>	(7.6)	(20)
<b>Total non-interest income</b>	\$ 67.1	\$ 167.9	\$ (100.8)	(60) %	\$ (81.6)	\$ (19.1)	(11) %
<sup>(1)</sup> Net interest income							
MSR -related	\$ 9.5	\$ 8.4	\$ 1.1				
Franklin-related	(9.0)	-	(9.0)				
Impact to net interest income	0.5	8.4	(7.9)				
<sup>(2)</sup> Net impact of MSR hedging							
MSR valuation adjustment	\$ (63.4)	\$ (10.3)	\$ (53.1)				
Net trading (losses) gains	41.3	3.8	37.5				
Impact to non interest income	(22.1)	(6.5)	(15.6)				
Net interest income impact	9.5	8.4	1.1				
Net impact of MSR hedging	\$ (12.6)	\$ 1.9	\$ (14.5)				
<sup>(3)</sup> Securities gains (losses)							
	\$ (127.1)	\$ (73.8)	\$ (53.3)				
<sup>(4)</sup> Other income							
Equity investment gains (losses)	\$ (2.0)	\$ 3.4	\$ (5.4)				
Franklin swap losses	(7.3)	-	(7.3)				
Impact to other income	\$ (9.3)	\$ 3.4	\$ (12.7)				

# Net Interest Income & Margin Trends <sup>(1)</sup>

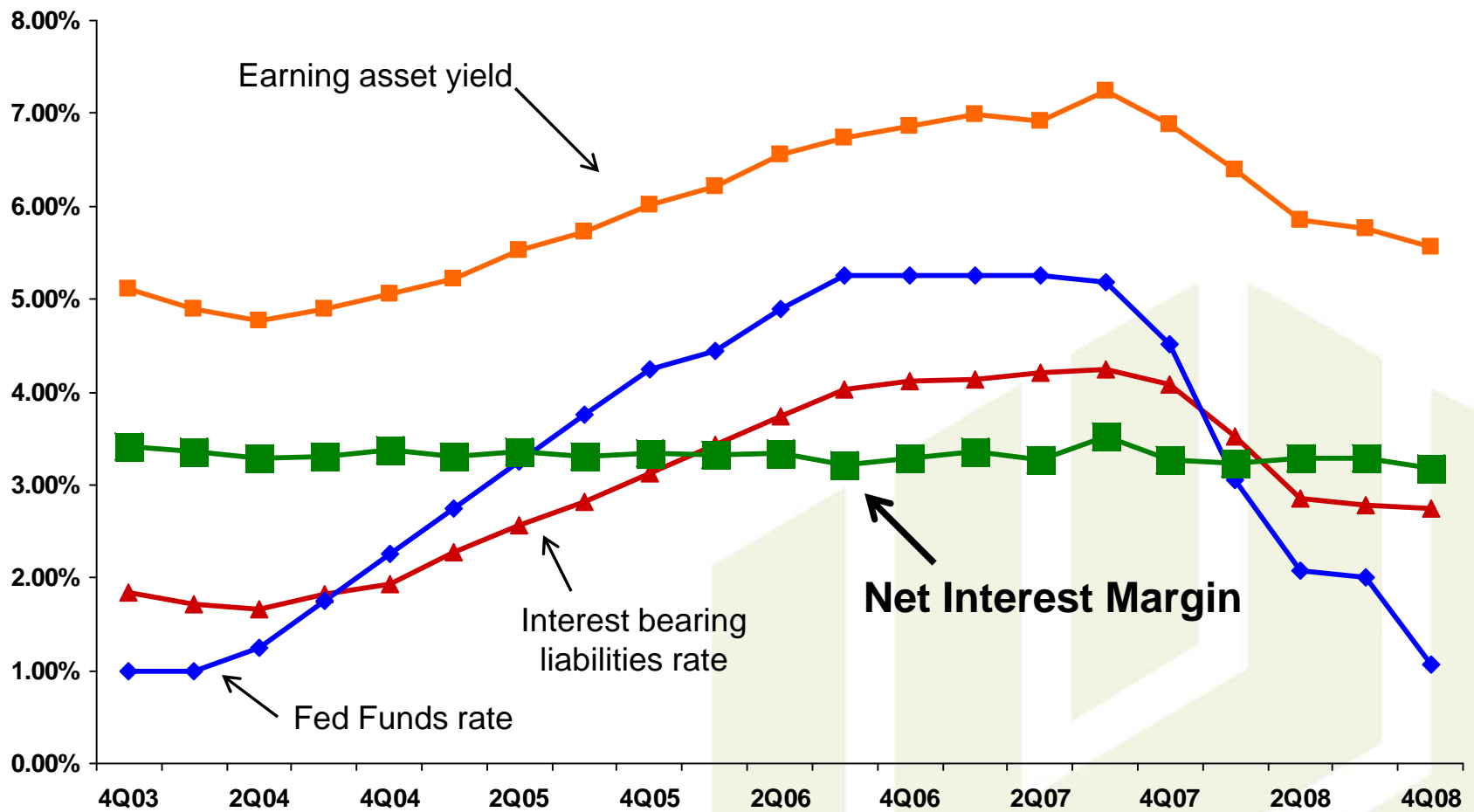
## Net Interest Income (FTE)



## Net Interest Margin (FTE)



# Net Interest Margin – Yields & Rate Trends



# Managing Interest Rate Risk

*Net Interest Income at Risk = Interest Rate Risk + Business Risk*

## Interest Rate Risk

- The exposure of income (short-term interest rate risk) and economic values (long-term interest rate risk) to changes in market interest rates

## Business Risk

- **Examples:**
  - Credit and liquidity risk that change loan and deposit volumes versus expectations
  - Deposit pricing competition that shrinks margins
- **These examples cause net interest income volatility and should not be confused as hedgable interest rate risk**

# Managing Interest Rate Risk

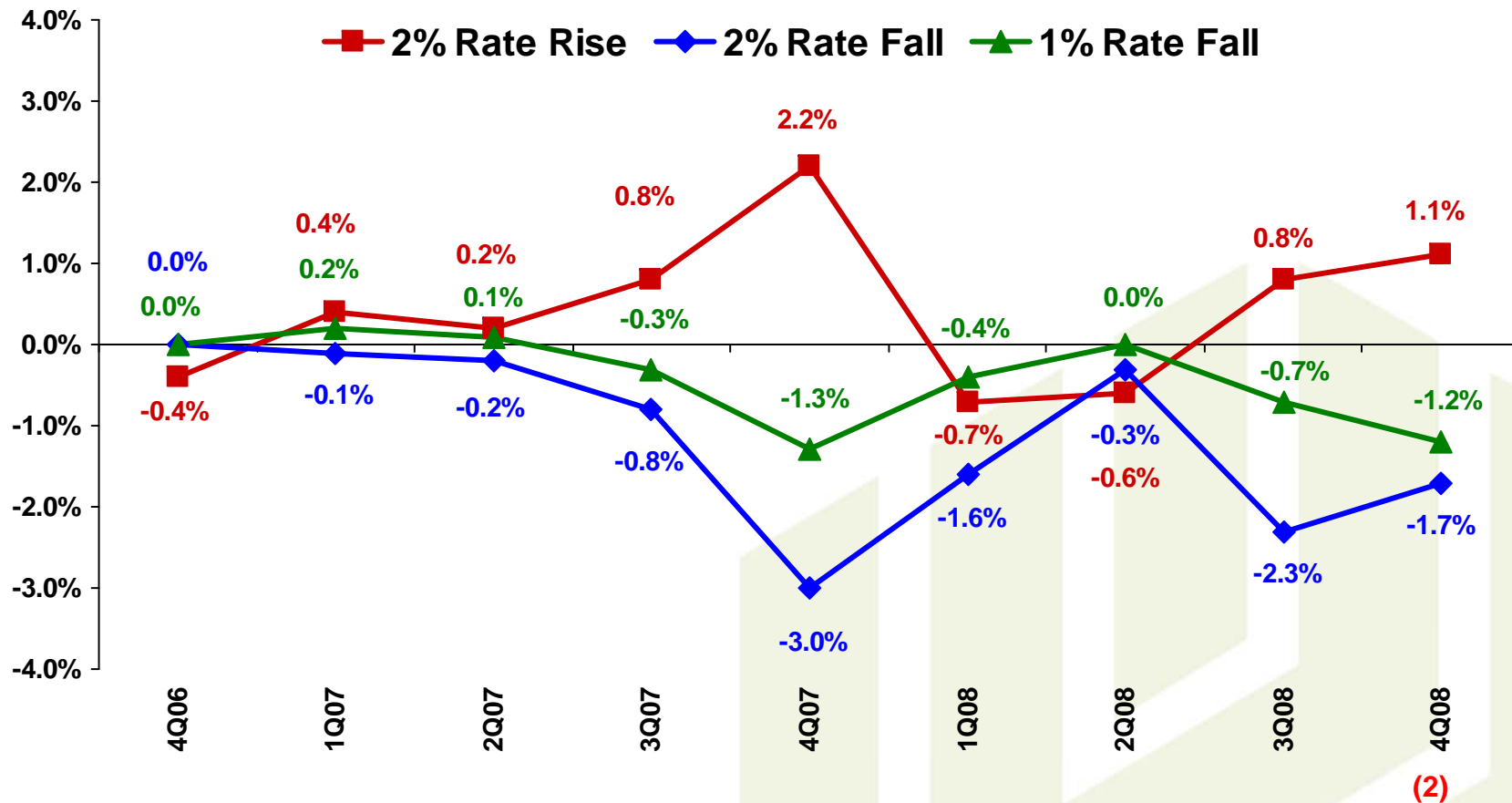
## Philosophy

- **Strong and relatively stable net interest margin**
- **Maintain long-term perspective... avoid speculating on the short-term movement in interest rates**
- **Policy metrics to manage interest rate risk include:**
  - Net interest income at risk simulation model – S-T interest rate risk
  - Economic Value of Equity at risk (EVE) – L-T interest rate risk
- **Operate within established guidelines**
  - Net interest income at risk guideline limited to (4)%
  - EVE at risk guideline limited to (12)%
- **L-T bias to be modestly liability sensitive**
  - Natural business flows typically asset sensitive
  - Current positioning indicates sensitivity to falling interest rates with a benefit to rising rates

# Managing Interest Rate Risk <sup>(1)</sup>

## Net Interest Income at Risk

### Forward Curve +2%, -2%, & -1% Gradual Change in Rates



(1) All leases treated on direct financing lease basis

(2) 11/30/08



# Managing Interest Rate Risk

## Modeled Exposure

### Net Interest Income at Risk (S-T measure) <sup>(1)</sup>

bp change	(200) bp	(100) bp	+100 bp	+200 bp
<b>11/30/08</b>	<b>(1.7)%<sup>(3)</sup></b>	<b>(1.2)%</b>	<b>0.7 %</b>	<b>1.1 %</b>
9/30/08	(2.3)	(0.7)	0.5	0.8
6/30/08	(0.3)	0.0	(0.3)	(0.6)
3/31/08	(1.6)	(0.4)	(0.1)	(0.7)
12/31/07	(3.0)	(1.3)	1.4	2.2

### Economic Value of Equity at Risk (L-T measure) <sup>(2)</sup>

bp change	(200) bp	(100) bp	+100 bp	+200 bp
<b>11/30/08</b>	<b>(1.5)%</b>	<b>0.6%</b>	<b>(1.8)%</b>	<b>(4.0)%</b>
9/30/08	0.4	1.5	(4.1)	(8.9)
6/30/08	1.6	3.5	(5.5)	(11.7)
3/31/08	1.6	2.3	(5.0)	(11.3)
12/31/07	(0.3)	1.1	(4.4)	(10.8)

(1) Estimated impact on annualized net interest income over the next 12-month period assuming a gradual change in rates over the next 12-month period above and beyond any rate change already implied in the current yield curve.

(2) Estimated impact on the value of assets and liabilities assuming an immediate and parallel shift in the current yield curve.

(3) Includes assumption that market rates do not decline below 0% over the next twelve month period.

# Non-interest Income Trends

(\$MM)	4Q08	Better (Worse) vs.	
		3Q08 <sup>(1)</sup>	4Q07
Deposit service charges	\$ 75.2	\$ (5.3)	(7) %
Electronic banking	22.8	(0.6)	(3)
Total service charges	98.1	(5.9)	(6)
Brokerage & insurance	31.2	(3.1)	(9)
Trust services	27.8	(3.1)	(10)
Bank owned life insurance	13.6	0.3	2
Automobile operating lease income	13.2	1.7	15
Mortgage banking	(6.7)	(17.0)	NM
Other <sup>(2)</sup>	17.1	(20.3)	(54)
Sub-total	194.2	(47.5)	(20)
Securities gains (losses)	(127.1)	(53.3)	72
Total reported	\$ 67.1	\$ (100.8)	(60) %

(1) Linked quarter percentage growth is not annualized

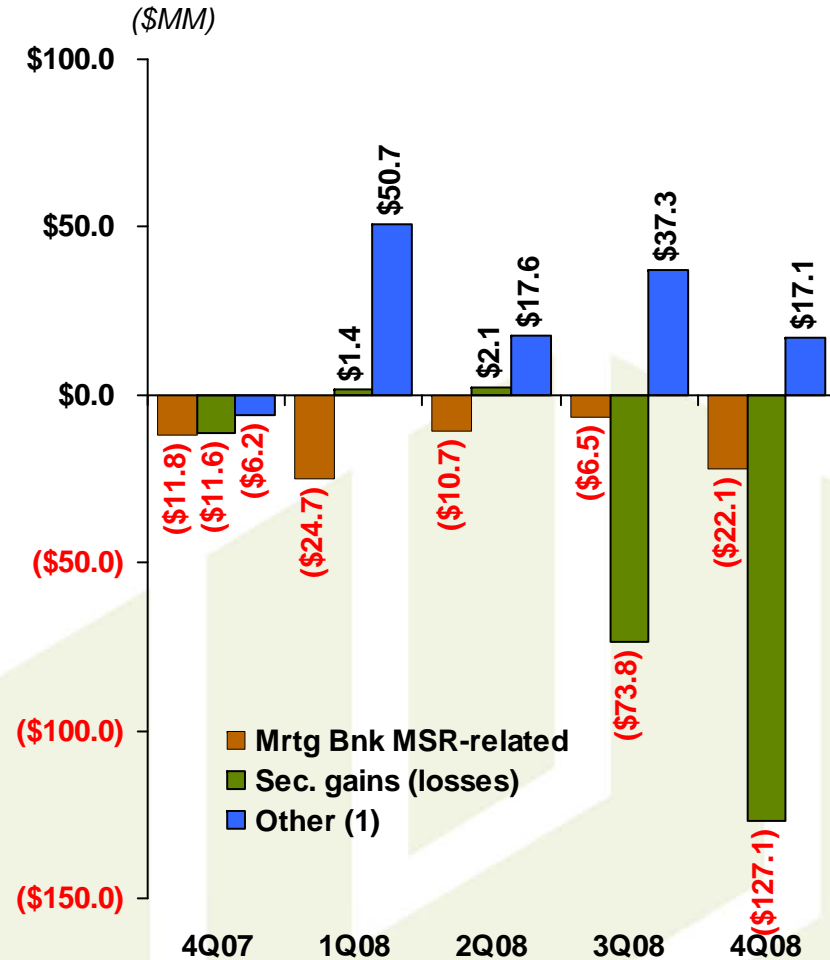
(2) Other income includes primarily other commercial fees, investment banking fees, capital markets, international fees, and equity investment income (losses)

# Non-interest Income Trends

## Primary Fee Income Activities



## Other Activities



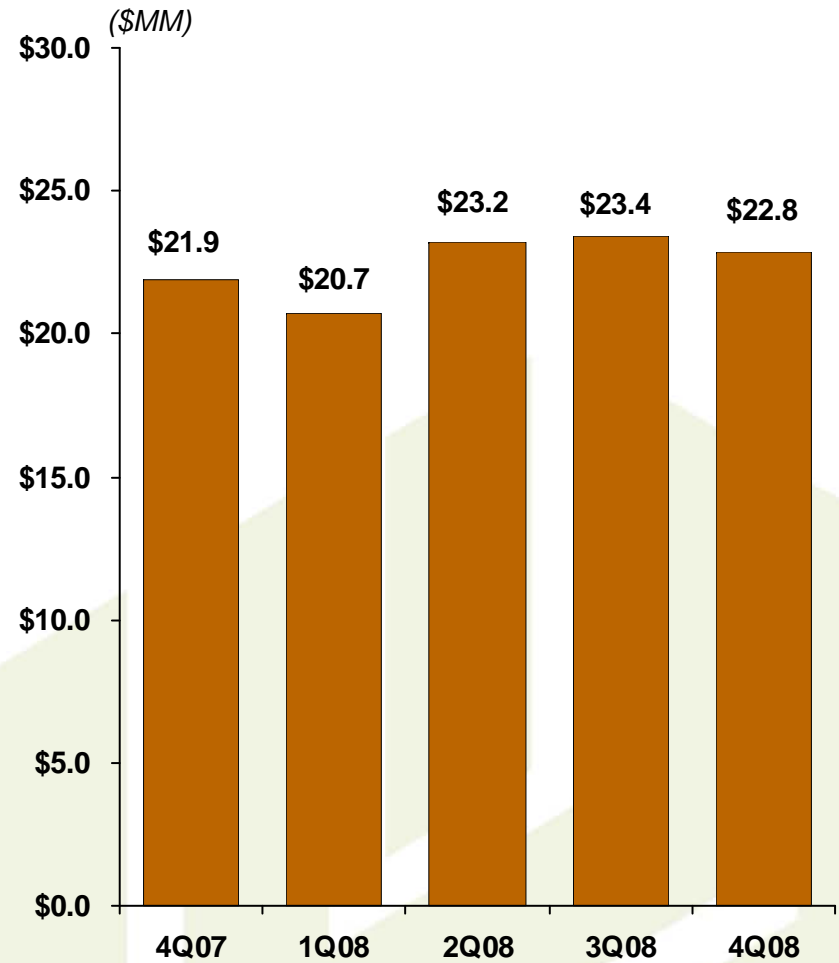
(1) Other income includes primarily other commercial fees, investment banking fees, automobile and other lease-related income and equity investment income (losses)

# Service Charge Income

## Deposit Service Charges



## Electronic Banking <sup>(1)</sup>



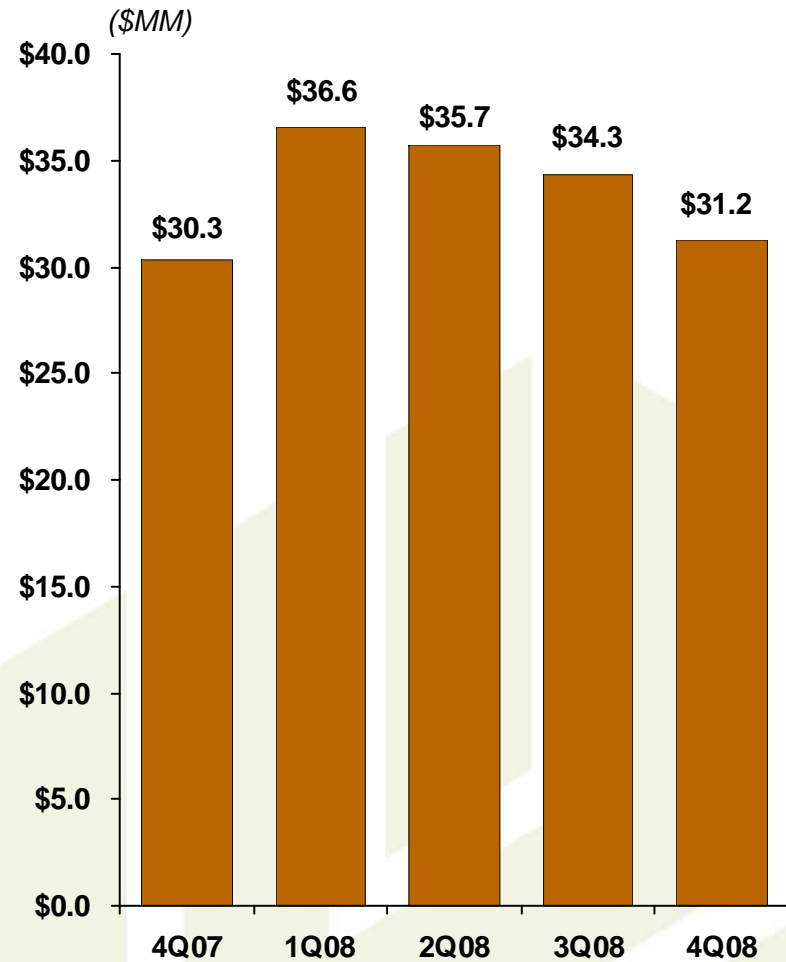
(1) Includes check card and ATM fees

# Trust and Brokerage / Insurance Income

## Trust Services



## Brokerage / Insurance



## Mortgage Banking Income

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Origination & secondary marketing	<b>\$7.2</b>	\$7.6	\$13.1	\$9.3	\$5.9
Servicing fees	<b>11.7</b>	11.8	11.2	10.9	11.4
Amortz. capitalized servicing	<b>(6.5)</b>	(6.2)	(7.0)	(6.9)	(5.9)
Other mtg. banking income	<b>3.0</b>	3.5	6.0	4.3	4.1
Sub-total	<b>15.3</b>	16.8	23.2	17.6	15.5
MSR recovery	<b>(63.4)</b>	(10.3)	39.0	(18.1)	(21.2)
Net trading gains (losses) <sup>(1)</sup>	<b>41.3</b>	3.8	(49.7)	(6.6)	9.5
Total	<b>\$(6.7)</b>	\$10.3	\$12.5	\$(7.1)	\$3.7
Investor servicing portfolio <sup>(2)</sup>	<b>\$15.1 B</b>	\$15.7 B	\$15.8 B	\$15.1 B	\$15.1 B
Weighted average coupon	<b>5.95 %</b>	5.95 %	5.94 %	5.97 %	5.98 %
Originations	<b>\$0.7 B</b>	\$0.7 B	\$1.1 B	\$1.2 B	\$1.0 B
Mortgage servicing rights <sup>(2)</sup>	<b>\$167.4 MM</b>	\$230.4 MM	\$240.0 MM	\$191.8 MM	\$207.9 MM
MSR % of investor servicing portfolio <sup>(2)</sup>	<b>1.11 %</b>	1.46 %	1.52 %	1.27 %	1.38 %

(1) Related to MSR hedging and included in other non-interest income

(2) End of period

# Expense Trends

## Prior Year Quarter

(in millions)	Fourth Quarter		Change		Change Attributable to			
	2008	2007	Amount	%	Significant Items	Mrgr. Rstret. Costs	Other	
							Amount	%
<b>Non-interest Expense</b>								
Personnel costs	\$ 196.8	\$ 214.9	\$ (18.1)	(8) %	\$ -	\$ (22.8)	\$ 4.7	2 %
Outside data processing and other services	31.2	39.1	(7.9)	(20)	-	(7.0)	(0.9)	(3)
Net occupancy	23.0	26.7	(3.7)	(14)	-	(1.2)	(2.5)	(10)
Equipment	22.3	22.8	(0.5)	(2)	-	(0.2)	(0.3)	(1)
Amortization of intangibles	19.2	20.2	(1.0)	(5)	-	-	(1.0)	(5)
Professional services	17.4	14.5	3.0	20	-	(3.4)	6.4	58
Marketing	9.4	16.2	(6.8)	(42)	-	(6.9)	0.1	1
Automobile operating lease expense	10.5	1.9	8.6	NM	-	-	8.6	NM
Telecommunications	5.9	8.5	(2.6)	(31)	-	(1.0)	(1.7)	(22)
Printing and supplies	4.2	6.6	(2.4)	(37)	-	(1.0)	(1.4)	(25)
Other expense	50.2	68.2	(18.0)	(26)	(29.4) <sup>(1)</sup>	(0.9)	12.3	18
<b>Total non-interest expense</b>	<b>\$ 390.1</b>	<b>\$ 439.6</b>	<b>\$ (49.5)</b>	<b>(11) %</b>	<b>\$ (29.4)</b>	<b>\$ (44.4)</b>	<b>\$ 24.4</b>	<b>6 %</b>

(1) VISA indemnification \$ (4.6) \$ 24.9 \$ (29.4)

# Expense Trends

## Linked Quarter

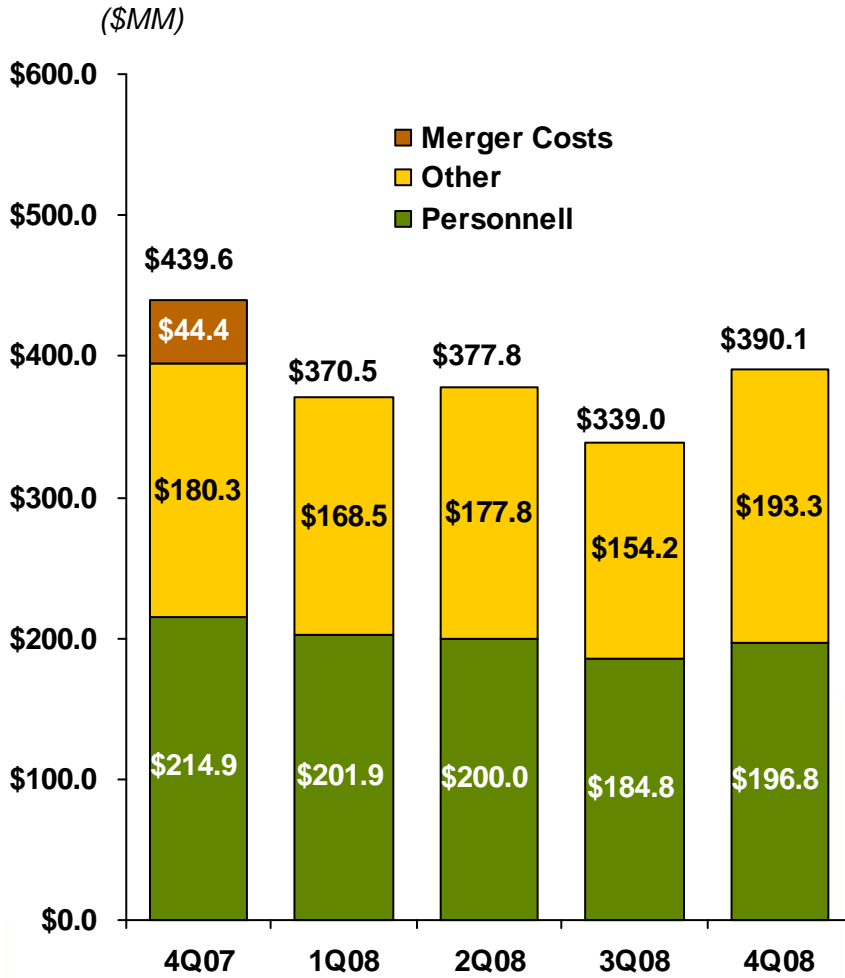
(in millions)	Fourth Quarter 2008	Third Quarter 2008	Change		Change Attributable to			
			Amount	%	Significant Items	Other		
						Amount	% <sup>(4)</sup>	
<b>Non-interest Expense</b>								
Personnel costs	\$ 196.8	\$ 184.8	\$ 12.0	6 %	\$ -	\$ 12.0	6 %	
Outside data processing and other services	31.2	32.4	(1.2)	(4)	-	(1.2)	(4)	
Net occupancy	23.0	25.2	(2.2)	(9)	-	(2.2)	(9)	
Equipment	22.3	22.1	0.2	1	-	0.2	1	
Amortization of intangibles	19.2	19.5	(0.3)	(1)	-	(0.3)	(1)	
Professional services	17.4	13.4	4.0	30	-	4.0	30	
Marketing	9.4	7.0	2.3	33	-	2.3	33	
Automobile operating lease expense	10.5	9.1	1.4	15	-	1.4	15	
Telecommunications	5.9	6.0	(0.1)	(2)	-	(0.1)	(2)	
Printing and supplies	4.2	4.3	(0.1)	(3)	-	(0.1)	(3)	
Other expense	50.2	15.1	35.1	NM	16.8 <sup>(1)</sup>	18.3	NM	
<b>Total non-interest expense</b>	<b>\$ 390.1</b>	<b>\$ 339.0</b>	<b>\$ 51.1</b>	<b>15 %</b>	<b>\$ 16.8</b>	<b>\$ 34.3</b>	<b>10 %</b>	

<sup>(1)</sup> Other expense

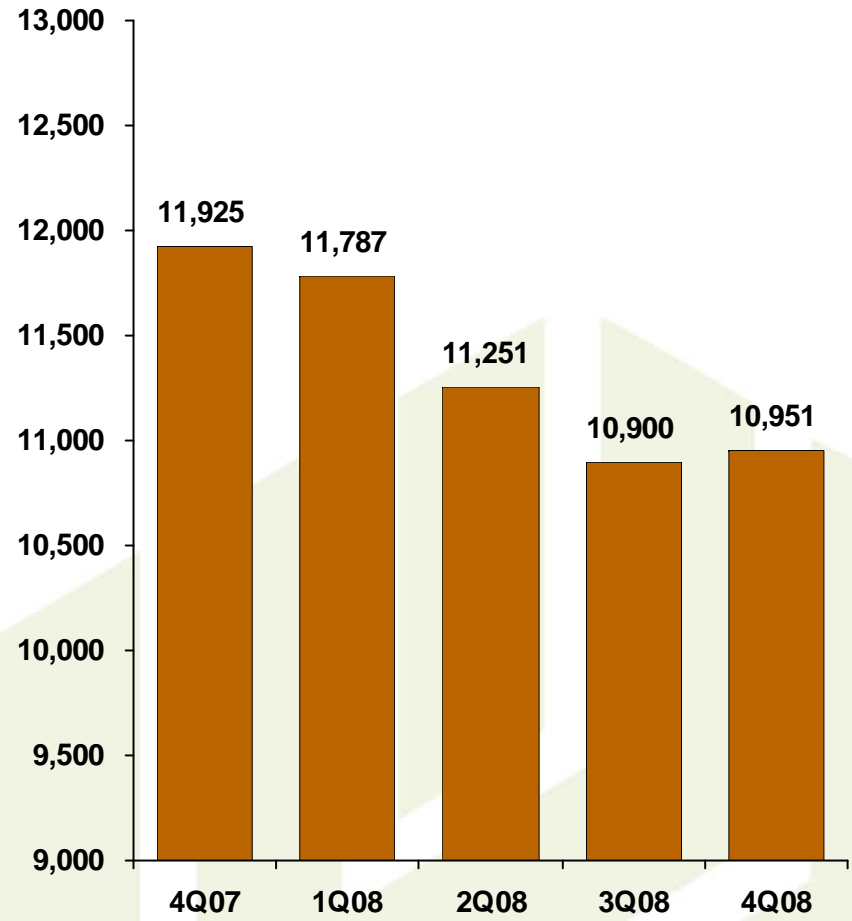
Debt extinguishment loss (gain)	\$ -	\$ (21.4)	\$ 21.4
VISA indemnification	(4.6)	-	(4.6)
<b>Impact to non interest expense</b>	<b>\$ (4.6)</b>	<b>\$ (21.4)</b>	<b>\$ 16.8</b>

# Non-interest Expense Trends

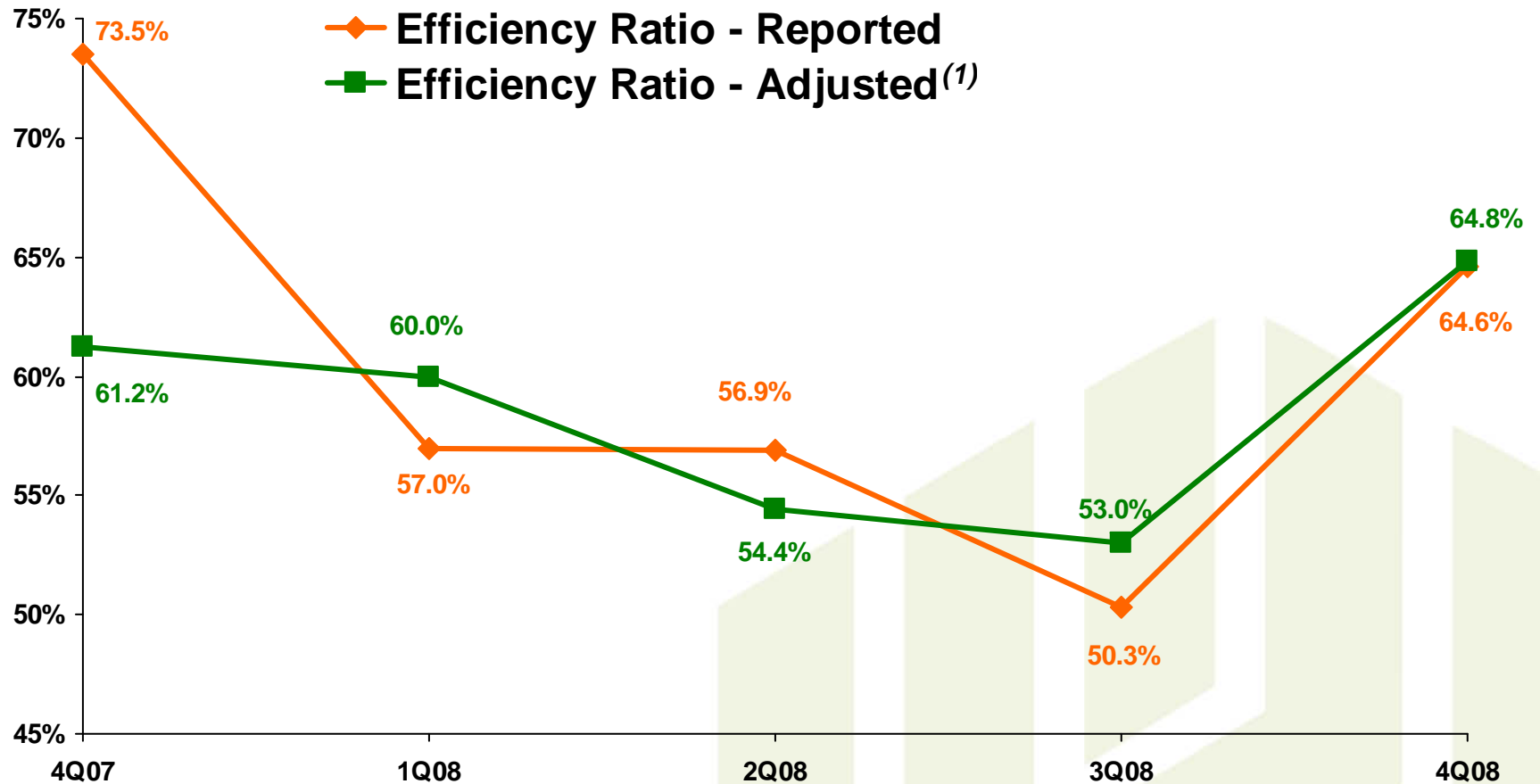
Non-interest Expense



Number of Employees (FTE)



# Efficiency Ratio Trends



(1) Reported revenue and expenses adjusted for automobile operating lease expense and other items affecting comparability including merger costs. See Operating Leverage & Efficiency Ratio Trend slide for a reconciliation between GAAP and adjusted revenue and expenses.

# Operating Leverage & Efficiency Ratio Trends

Efficiency Ratio and Operating Leverage Reconciliation								
(\$ MM)								
	4Q08	3Q08	2Q08	1Q08	4Q07	3Q07	2Q07	1Q07
<b>Total revenue - FTE - reported</b>	<b>\$ 447.107</b>	<b>\$ 561.944</b>	<b>\$ 631.920</b>	<b>\$ 618.078</b>	<b>\$ 558.853</b>	<b>\$ 620.018</b>	<b>\$ 413.711</b>	<b>\$ 404.779</b>
Change % - YOY - reported	-27.9%	-9.4%	52.7%	52.7%	38.8%	73.5%	-3.6%	-0.6%
Change % - LQ - reported	-29.2%	-11.1%	2.2%	10.6%	-9.9%	49.9%	2.2%	0.5%
Auto operating lease expense	(10.483)	(9.093)	(7.200)	(4.506)	(1.918)	(0.337)	(0.875)	(2.031)
Securities (gains) losses - other	-	73.790	(2.073)	(4.533)	-	-	0.029	(0.104)
Adjustment items (1):								
Gain on sale of Visa® / MasterCard® stock	-	-	-	(25.087)	-	-	-	-
Adjustment to defer home equity annual fees	-	-	-	-	-	-	-	-
Securities impairment	127.081	-	-	3.104	11.551	23.335	5.139	-
Material securities (gains) losses	-	-	-	-	-	(9.435)	-	-
Debt extinguishment (gain)	-	-	-	-	-	(0.748)	-	-
<b>Total revenue - FTE - adjusted</b>	<b>\$ 563.134</b>	<b>\$ 626.437</b>	<b>\$ 623.197</b>	<b>\$ 587.689</b>	<b>\$ 568.775</b>	<b>\$ 634.067</b>	<b>\$ 417.990</b>	<b>\$ 402.644</b>
Change % - YOY - adjusted	-11.2%	-1.2%	49.1%	46.0%	37.7%	54.5%	-0.5%	2.5%
Change % - LQ - adjusted	-9.6%	0.5%	6.0%	3.3%	-10.3%	51.7%	3.8%	-2.5%
<b>Total non-interest expense - reported</b>	<b>\$ 390.096</b>	<b>\$ 338.996</b>	<b>\$ 377.803</b>	<b>\$ 370.481</b>	<b>\$ 439.552</b>	<b>\$ 385.563</b>	<b>\$ 244.655</b>	<b>\$ 242.072</b>
Change % - YOY - reported	1.2%	-12.1%	54.4%	53.0%	64.1%	59.0%	-3.1%	1.5%
Change % - LQ - reported	3.3%	-10.3%	2.0%	-15.7%	14.0%	57.6%	1.1%	-9.6%
Auto operating lease expense	(10.483)	(9.093)	(7.200)	(4.506)	(1.918)	(0.337)	(0.875)	(2.031)
Amortization of intangibles	(19.187)	(19.463)	(19.327)	(18.917)	(20.163)	(19.949)	(2.519)	(2.520)
Adjustment items (1):								
Merger-related integration costs	-	-	(14.552)	(7.067)	(44.416)	(32.260)	(7.577)	-
Visa indemnification	4.560	-	-	12.435	(24.870)	-	-	-
Debt repayment gain	-	21.364	2.177	-	-	3.220	4.090	-
<b>Total non-interest expense - adjusted</b>	<b>\$ 364.986</b>	<b>\$ 331.804</b>	<b>\$ 338.901</b>	<b>\$ 352.426</b>	<b>\$ 348.185</b>	<b>\$ 336.237</b>	<b>\$ 237.774</b>	<b>\$ 237.521</b>
Change % - YOY - adjusted	8.6%	-1.3%	42.5%	48.4%	43.2%	44.4%	-0.1%	6.2%
Change % - LQ - adjusted	7.7%	-2.1%	-3.8%	1.2%	3.6%	41.4%	0.1%	-2.3%
<b>Operating leverage - YOY - reported</b>	<b>-29.1%</b>	<b>2.7%</b>	<b>-1.7%</b>	<b>-0.4%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>-0.6%</b>	<b>-2.1%</b>
Operating leverage - LQ - reported	-32.5%	-0.8%	0.3%	26.3%	0.0%	-322.0%	1.1%	10.1%
<b>Operating leverage - YOY - adjusted</b>	<b>-19.7%</b>	<b>0.1%</b>	<b>6.6%</b>	<b>-2.4%</b>	<b>-5.5%</b>	<b>10.2%</b>	<b>-0.4%</b>	<b>-3.7%</b>
Operating leverage - LQ - adjusted	-17.3%	2.6%	9.9%	2.1%	-13.9%	10.3%	3.7%	-0.2%
<b>Efficiency ratio - reported (2)</b>	<b>64.6%</b>	<b>50.3%</b>	<b>56.9%</b>	<b>57.0%</b>	<b>73.5%</b>	<b>57.7%</b>	<b>57.8%</b>	<b>59.2%</b>
<b>Efficiency ratio - adjusted (3)</b>	<b>64.8%</b>	<b>53.0%</b>	<b>54.4%</b>	<b>60.0%</b>	<b>61.2%</b>	<b>53.0%</b>	<b>56.9%</b>	<b>59.0%</b>

(1) Items viewed as not part of regular business activities; see Basis of Presentation in Earnings Press Release for a full discussion

(2) Non-int. exp. - amort. of intangibles / FTE revenue - securities gains (losses)

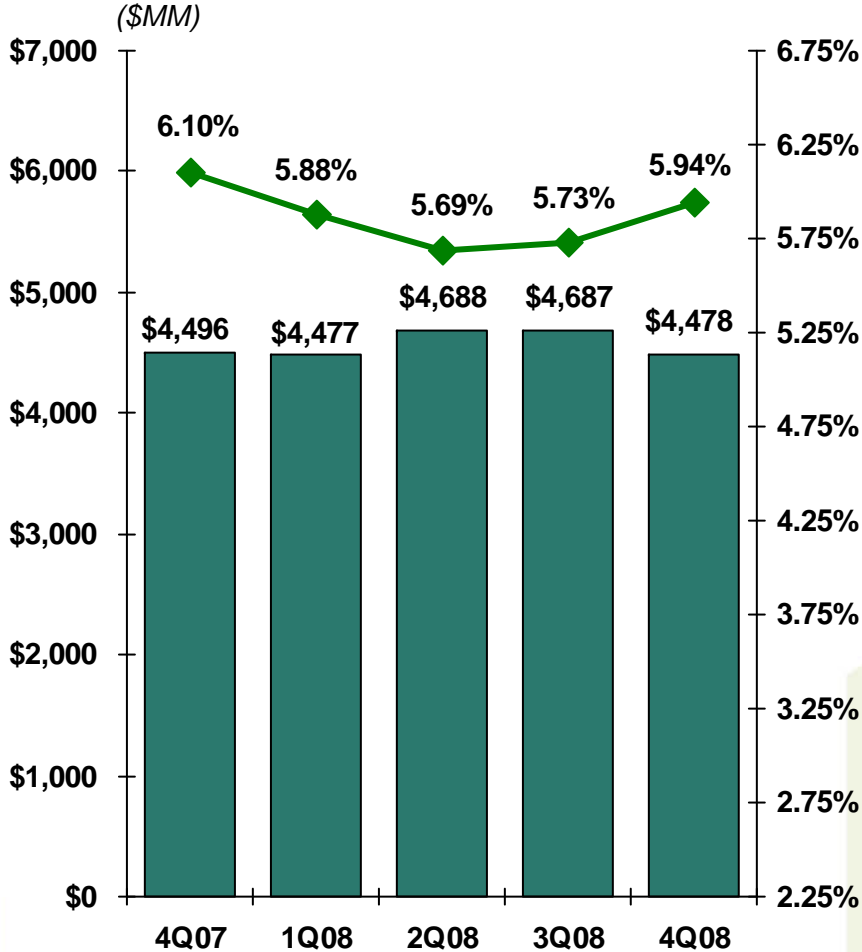
(3) Non-int. exp adj. / FTE revenue adj.

MEMO: Investment securities gains (losses) reconciliation:								
Securities impairment	(127.081)	-	-	(3.104)	(11.551)	(23.335)	(5.110)	-
Material securities gains	-	-	-	-	-	9.435	-	-
FHLB debt repayment gain	-	-	-	-	-	0.748	-	-
Other	-	(73.790)	2.073	4.533	-	-	(0.029)	0.104
Total investment securities gains (losses)	(127.081)	(73.790)	2.073	1.429	(11.551)	(13.152)	(5.139)	0.104

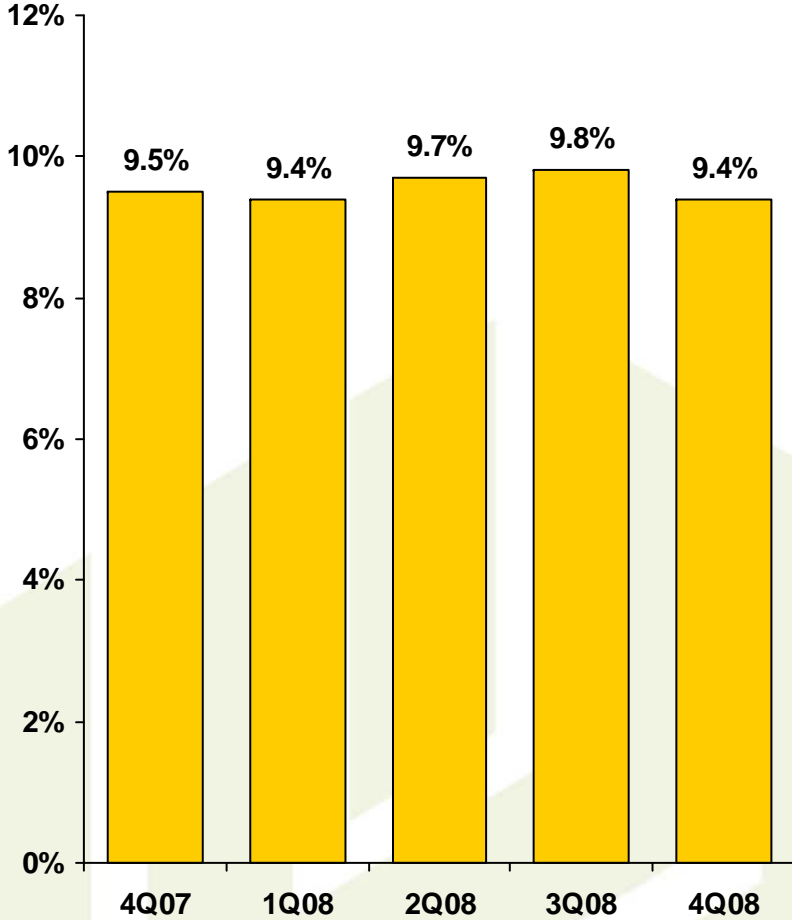
# Investment Securities

# Investment Securities

Average Balances

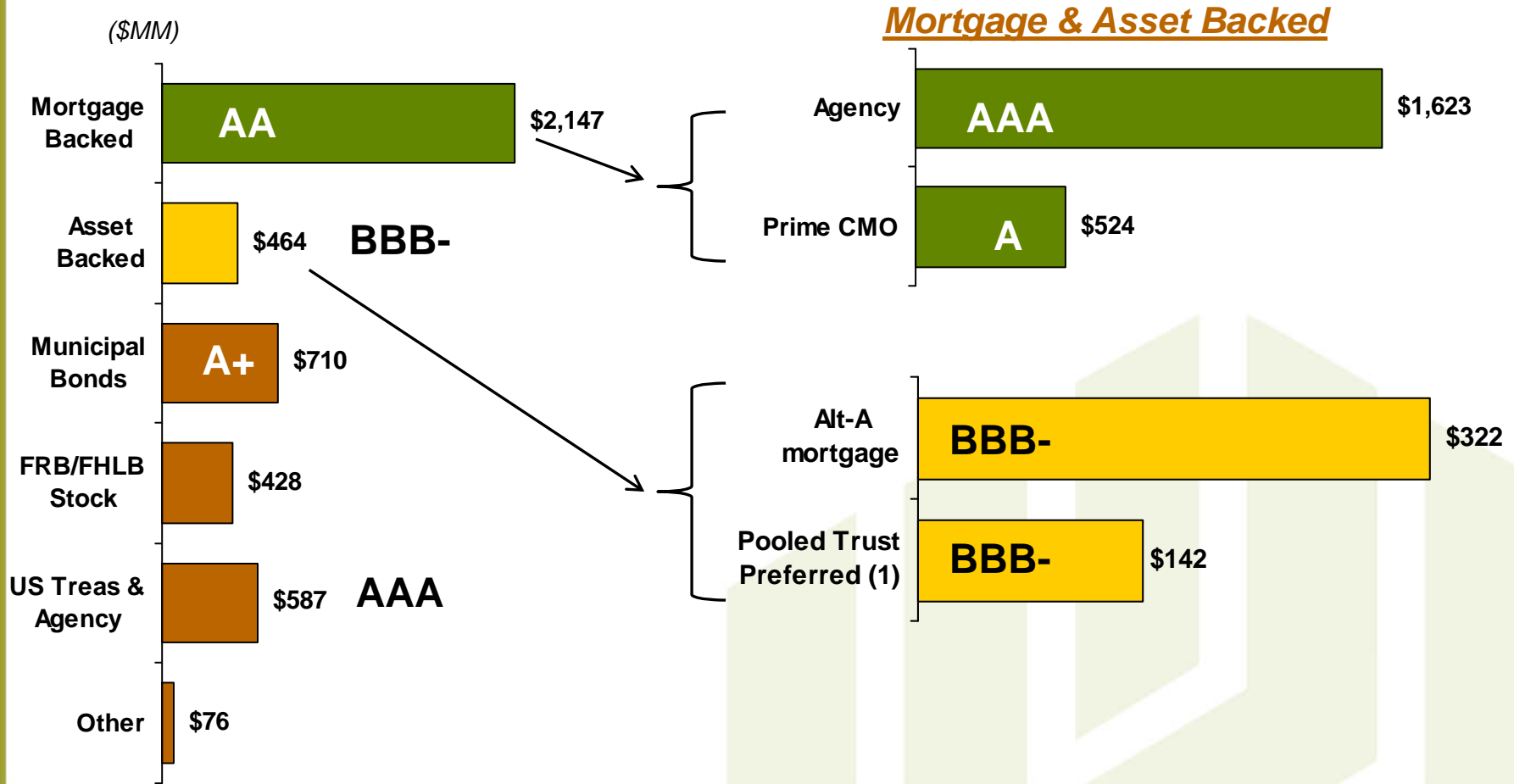


% of Average Earning Assets



# AFS Securities Overview – 12/31/08

**\$4.4 Billion**



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

(1) Primarily trust preferreds for banks / insurance companies



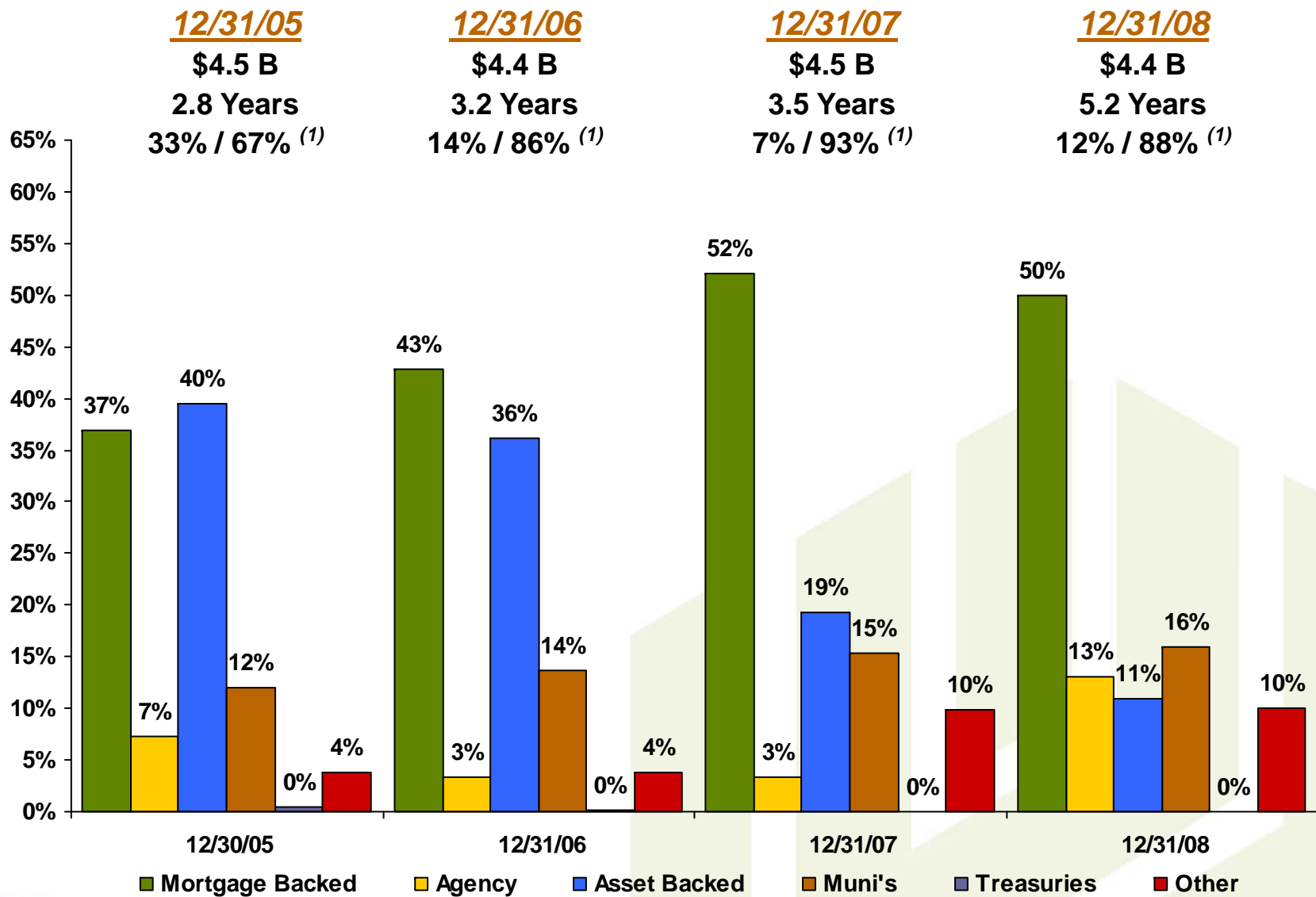
# Investment Securities – Assessment <sup>(1)</sup>

<u>Asset Backed Securities</u>	<u>Book Value</u>	<u>Market Value</u>	<u>OCI</u>
<b>Alt-A mortgage backed securities</b> - 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	<b>\$369 MM</b>	<b>\$322 MM</b>	<b>\$(47) MM</b>
<b>Trust preferred securities</b> - Purchased 2003-2005 - 16 pools with 400 separate issues - 80% = 1 <sup>st</sup> / 2 <sup>nd</sup> tier bank trust preferred securities with no REIT trust preferreds - Cash flow analysis performed quarterly to test for OTTI with quarterly third party validation	<b>284</b>	<b>142</b>	<b>(142)</b>
<b>Prime CMOs</b> - Purchased 2006 - 32 securities - Cash flow analysis performed quarterly to test for OTTI with quarterly third party validation	<b>675</b>	<b>524</b>	<b>(151)</b>
<b>Total</b>	<b>\$1,328 MM</b>	<b>\$988 MM</b>	<b>\$(340) MM</b>

(1) 12/31/08  
 OCI – accumulated other comprehensive income  
 OTTI – other than temporary impairment

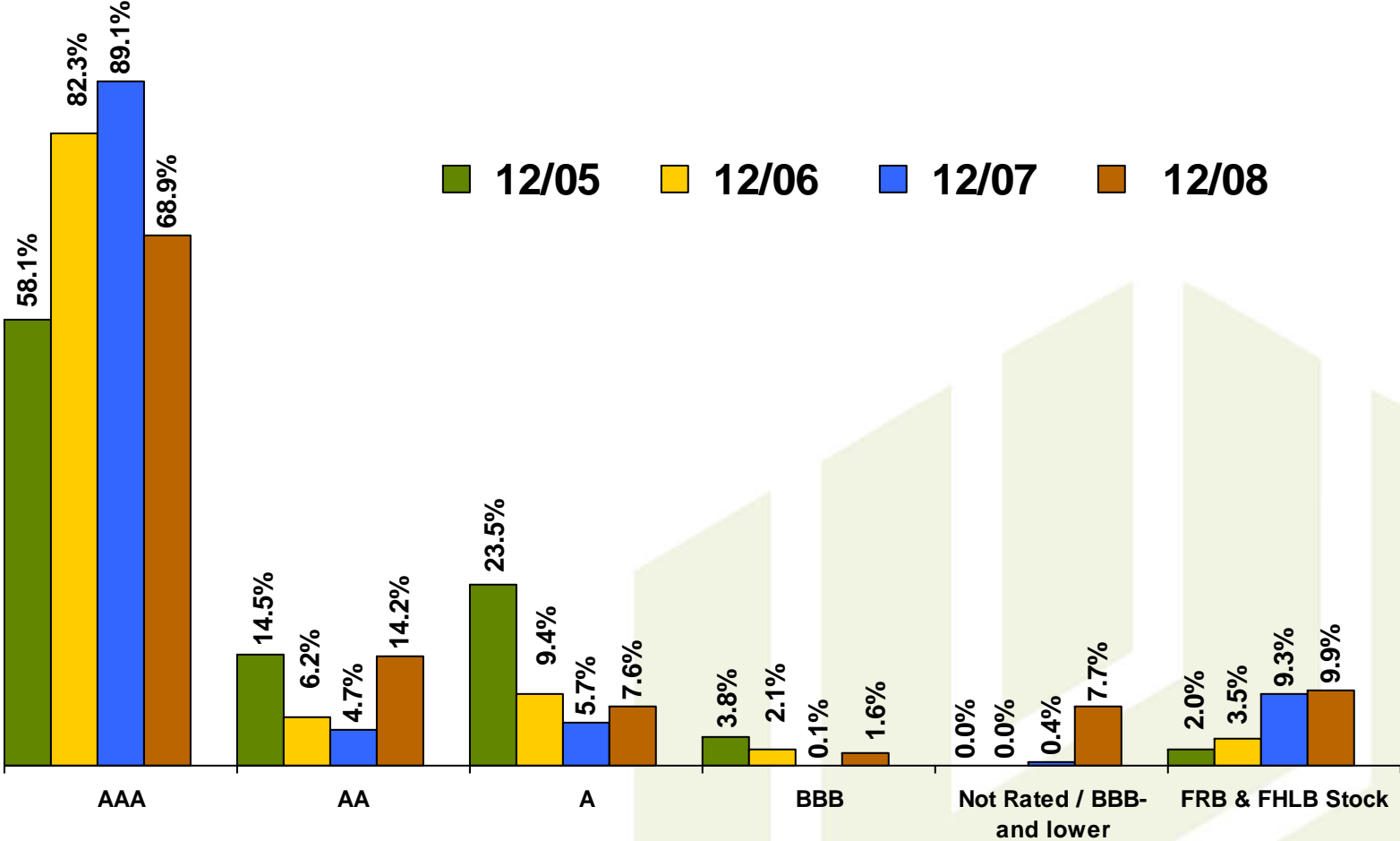


# Available for Sale Securities Mix



(1) Variable rate / fixed rate; ARM's > 1 year classified as fixed rate

# Investment Securities – Credit Quality (1)



(1) Percent calculation excludes FRB/FHLB stock required to be held by regulation

# Loans and Leases

# Loan Trends

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	<u>4Q08</u>	<u>4Q08 v</u> <u>3Q08</u>	<u>3Q08 v</u> <u>2Q08</u>	<u>4Q08 v</u> <u>4Q07</u>
Commercial & industrial	\$ 13.7	3 %	- %	4 %
Commercial real estate	10.2	16	9	13
Total commercial	24.0	9	4	7
Automobile loans <sup>(2)</sup>	3.9	4	24	28
Automobile leases	0.6	(69)	(64)	(50)
Home equity	7.5	4	5	3
Residential mortgages <sup>(2)</sup>	4.7	(6)	(28)	(13)
Other loans	0.7	5	(17)	(7)
Total consumer	17.5	(2)	(5)	(2)
Total loans and leases	\$ 41.4	4 %	- %	3 %
Total earning assets	\$ 47.6	(1) %	(5) %	1 %

(1) Linked quarter percent change annualized

(2) Impacted by loan sales

# Loan Trends – 4Q08

## Prior Year Quarter

<i>(in billions)</i>	Fourth Quarter		Change	
	2008	2007	Amount	%
<b>Average Loans and Leases</b>				
Commercial and industrial	\$ 13.7	\$ 13.3	\$ 0.5	4 %
Commercial real estate	10.2	9.1	1.2	13
<b>Total commercial</b>	<b>\$ 24.0</b>	<b>\$ 22.3</b>	<b>\$ 1.6</b>	<b>7 %</b>
Automobile loans and leases	4.5	4.3	0.2	5
Home equity	7.5	7.3	0.2	3
Residential mortgage	4.7	5.4	(0.7)	(13)
Other consumer	0.7	0.7	(0.1)	(7)
<b>Total consumer</b>	<b>17.5</b>	<b>17.8</b>	<b>(0.3)</b>	<b>(2)</b>
<b>Total loans and leases</b>	<b>\$ 41.4</b>	<b>\$ 40.1</b>	<b>\$ 1.3</b>	<b>3 %</b>

## Linked Quarter

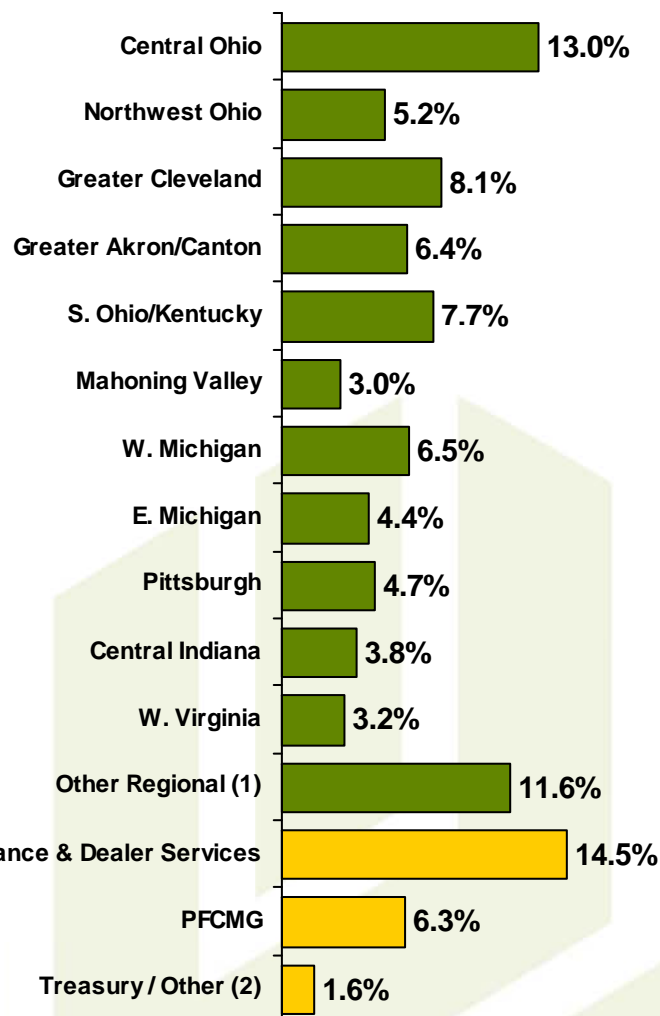
<i>(in billions)</i>	Fourth	Third	Change	
	Quarter	Quarter	Amount	%
	2008	2008		
<b>Average Loans and Leases</b>				
Commercial and industrial	\$ 13.7	\$ 13.6	\$ 0.1	1 %
Commercial real estate	10.2	9.8	0.4	4
<b>Total commercial</b>	<b>\$ 24.0</b>	<b>\$ 23.4</b>	<b>\$ 0.5</b>	<b>2 %</b>
Automobile loans and leases	4.5	4.6	(0.1)	(2)
Home equity	7.5	7.5	0.1	1
Residential mortgage	4.7	4.8	(0.1)	(2)
Other consumer	0.7	0.7	0.0	1
<b>Total consumer</b>	<b>17.5</b>	<b>17.6</b>	<b>(0.1)</b>	<b>(0)</b>
<b>Total loans and leases</b>	<b>\$ 41.4</b>	<b>\$ 41.0</b>	<b>\$ 0.4</b>	<b>1 %</b>

# Credit Composition – 12/31/08

## By Type

(\$B)	<u>Amt</u>	<u>Pct</u>
Commercial & industrial	\$ 13.5	33 %
Commercial real estate	<u>10.1</u>	<u>25</u>
<b>Total commercial</b>	<b><u>23.6</u></b>	<b><u>58</u></b>
Auto loans	3.9	10
Auto direct fin. leases	0.6	1
Home equity	7.6	18
Residential real estate	4.8	12
Other consumer	<u>0.7</u>	<u>2</u>
<b>Total consumer</b>	<b><u>17.5</u></b>	<b><u>42</u></b>
<b>Total loans &amp; leases</b>	<b><u>\$ 41.1</u></b>	<b><u>100 %</u></b>
Total auto exposure	\$4.5	11 %

## By Business Segment



(1) Includes Home Lending (\$2.7 B) and Equipment Leasing (\$1.0 B)

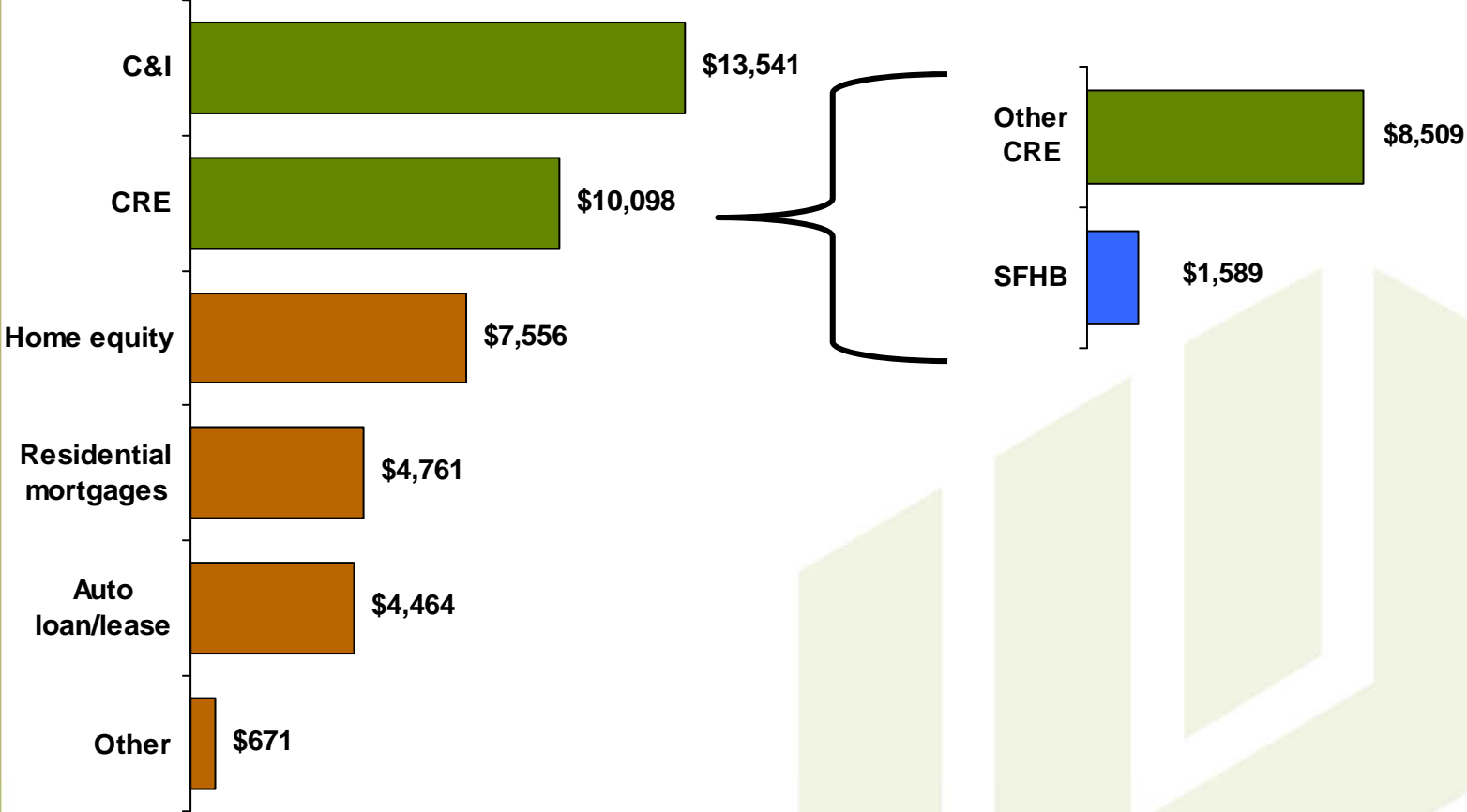
(2) Includes Franklin Credit Management (\$0.6 B)

# Credit Portfolio Overview – 12/31/08

**\$41.1 Billion**

(\$MM)

**CRE**



# Credit Exposure Composition

(\$MM)	<u>12/31/08</u>		<u>12/31/07</u>		<u>12/31/06</u>		<u>12/31/05</u>		<u>12/31/04</u>	
	<u>Amt</u>	<u>Pct</u>	<u>Amt</u>	<u>Pct</u>	<u>Amt</u>	<u>Pct</u>	<u>Amt</u>	<u>Pct</u>	<u>Amt</u>	<u>Pct</u>
Commercial & industrial	<b>\$13.5</b>	<b>33 %</b>	\$13.1	33 %	\$7.8	30 %	\$6.8	28 %	\$5.8	24 %
Commercial real estate	<u>10.1</u>	<u>24</u>	<u>9.2</u>	<u>23</u>	<u>4.5</u>	<u>17</u>	<u>4.0</u>	<u>16</u>	<u>4.5</u>	<u>19</u>
Total commercial	<b>23.6</b>	<b>58</b>	22.3	56	12.4	47	10.8	44	10.3	43
Auto loans	<b>3.9</b>	<b>10</b>	3.1	8	2.1	8	2.0	8	1.9	8
Auto direct fin. leases	<b>0.6</b>	<b>1</b>	1.2	3	1.8	7	2.3	9	2.4	10
Home equity	<b>7.6</b>	<b>18</b>	7.3	18	4.9	19	4.8	19	4.6	19
Residential real estate	<b>4.8</b>	<b>12</b>	5.4	14	4.5	17	4.2	17	3.8	16
Other consumer	<u>0.7</u>	<u>2</u>	<u>0.7</u>	<u>2</u>	<u>0.4</u>	<u>2</u>	<u>0.4</u>	<u>1</u>	<u>0.5</u>	<u>2</u>
Total consumer	<b>17.5</b>	<b>42</b>	17.7	44	13.8	53	13.6	55	13.3	55
Total loans & leases	<b>41.1</b>	<b>100</b>	40.1	100	26.2	100	24.5	99	23.6	98
Auto operating leases	<b>0.2</b>	<b>--</b>	--	-	--	-	0.2	1	0.6	2
Total credit exposure	<b>\$41.3</b>	<b>100 %</b>	\$40.1	100 %	\$26.2	100 %	\$24.7	100 %	\$24.1	100 %
<b>Total auto exposure <sup>(1)</sup></b>	<b>\$4.7</b>	<b>11 %</b>	\$4.3	11 %	\$3.9	15 %	\$4.5	18 %	\$5.0	21 %

(1) As % of total loans and leases + auto operating leases + auto loans securitized

## Loans and Leases by Business Segment

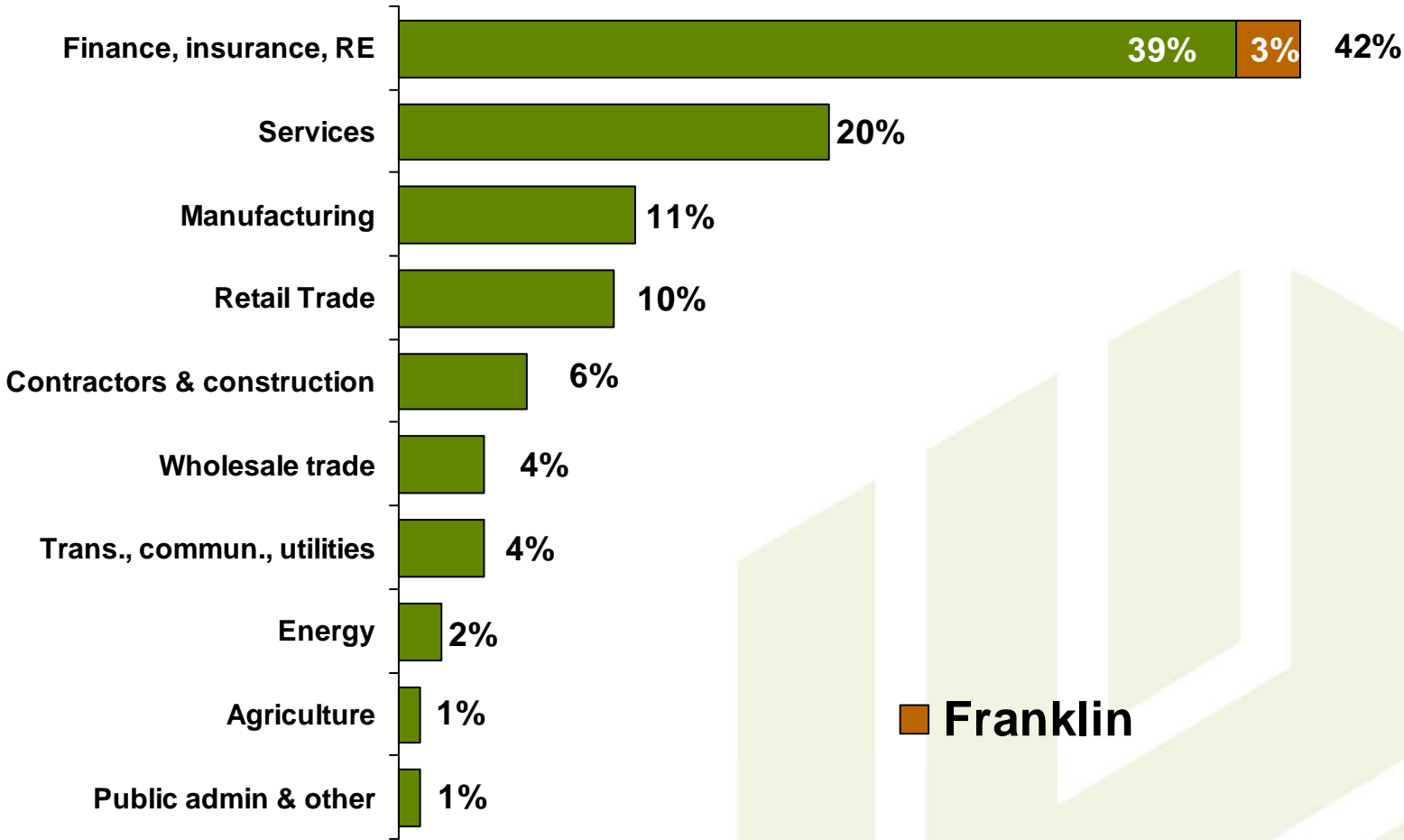
<u>Average</u>	(\$B)	Annualized Growth <sup>(1)</sup>		
		4Q08	4Q08 v 3Q08	3Q08 v 2Q08
Central Ohio	\$ 5.4	13 %	- %	7 %
Northwest Ohio	2.2	(10)	(7)	(6)
Greater Cleveland	3.3	4	4	7
Greater Akron/Canton	2.6	6	1	6
Southern Ohio/Kentucky	3.1	13	10	20
Mahoning Valley	1.2	1	(14)	(4)
West Michigan	2.7	11	9	10
East Michigan	1.8	(2)	6	3
Pittsburgh	2.0	(2)	11	6
Central Indiana	1.6	10	5	13
West Virginia	1.3	29	-	13
Other Regional	4.7	-	(19)	(8)
Regional Banking	31.8	6	(1)	4
Auto Finance & Dealer Services	5.9	(1)	3	6
Pvt Fin'l & Cap. Mkts Group	2.6	4	1	5
Treasury/Other	1.1	(12)	(9)	(31)
<b>Total</b>	<b>\$ 41.4</b>	<b>4</b>	<b>-</b>	<b>3</b>

(1) Linked quarter percent change annualized

# Total Commercial Loans – 12/31/08

By Industry Sector

\$23.6 Billion



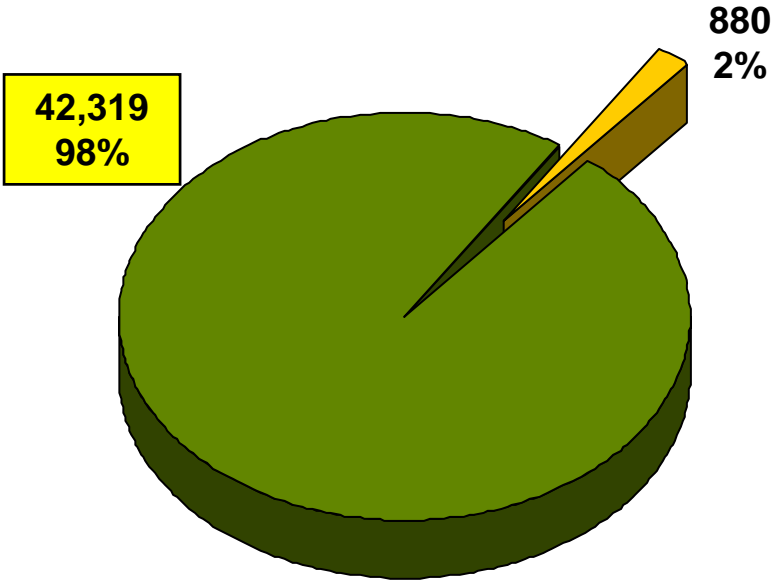
Franklin



# Total Commercial Loans – 12/31/08

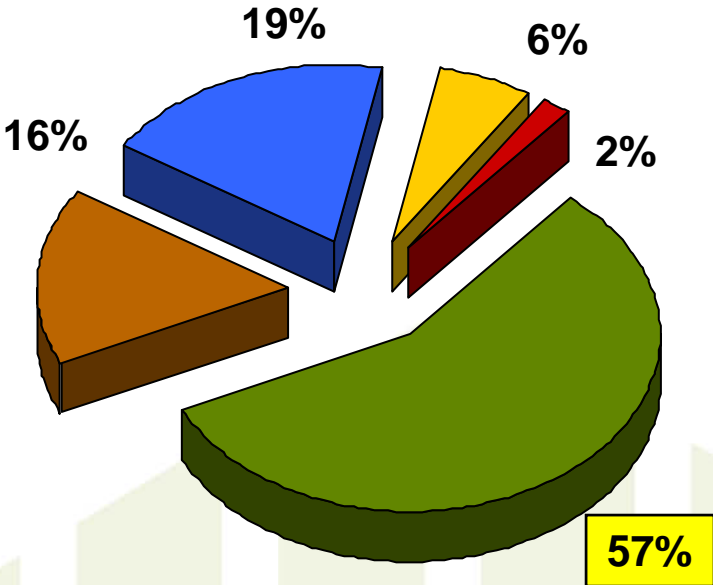
**\$23.6 Billion**

# of Loans by Size <sup>(1)</sup>



■ < \$5 MM	■ \$5+ MM
\$5 MM - < \$10 MM	534
\$10 MM - < \$25 MM	292
\$25 MM - < \$50 MM	48
> \$50 MM	6
<b>Total</b>	<b>880</b>

Loans by Dollar Size <sup>(1)</sup>



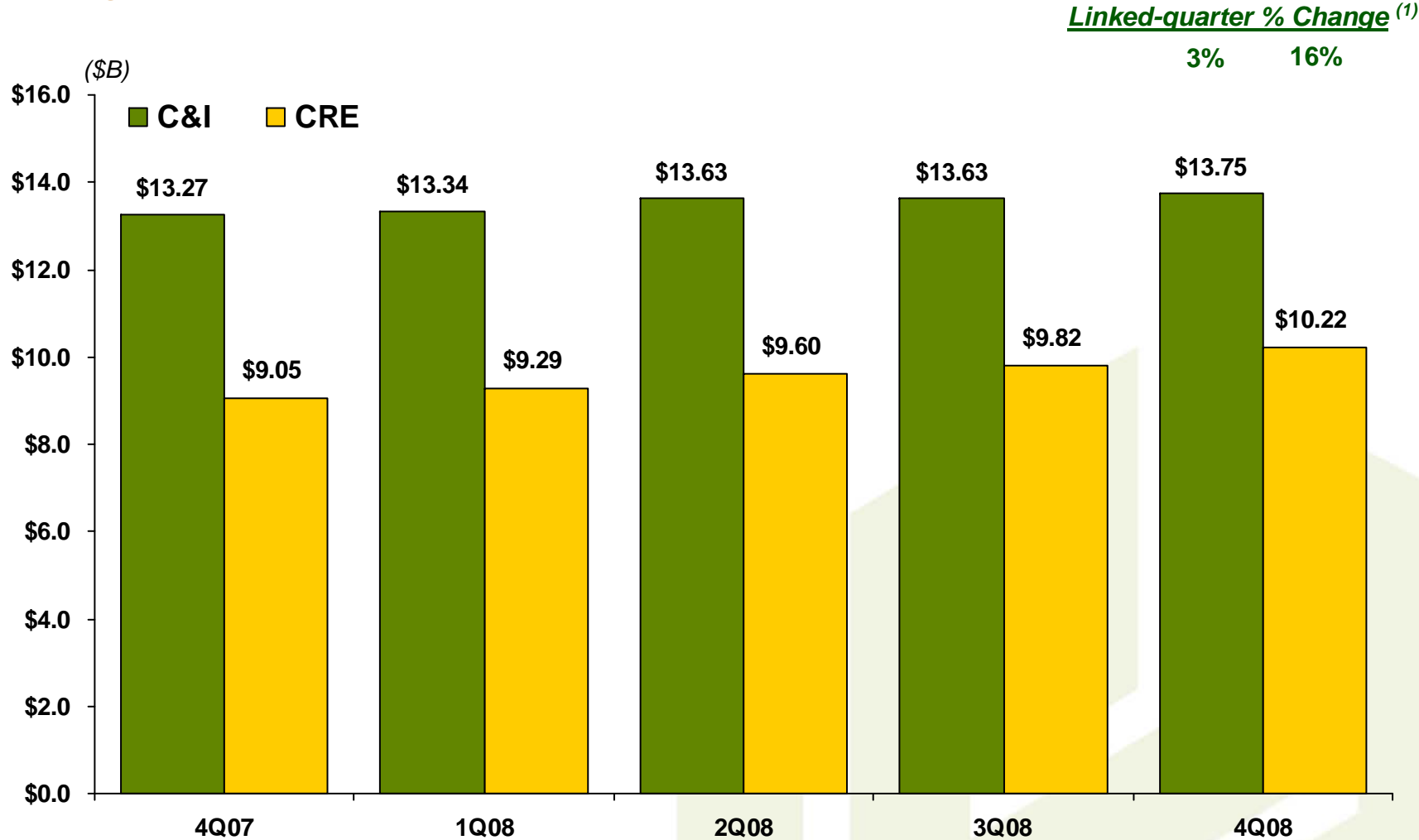
■ < \$5 MM
■ \$5 MM - < \$10 MM
■ \$10 MM - < \$25 MM
■ \$25 MM - < \$50 MM
■ \$50 MM +



(1) Excludes Franklin - \$0.6 B

# Commercial Loans

## Average Balances



(1) Annualized



# Total Commercial Loans by Business Segment

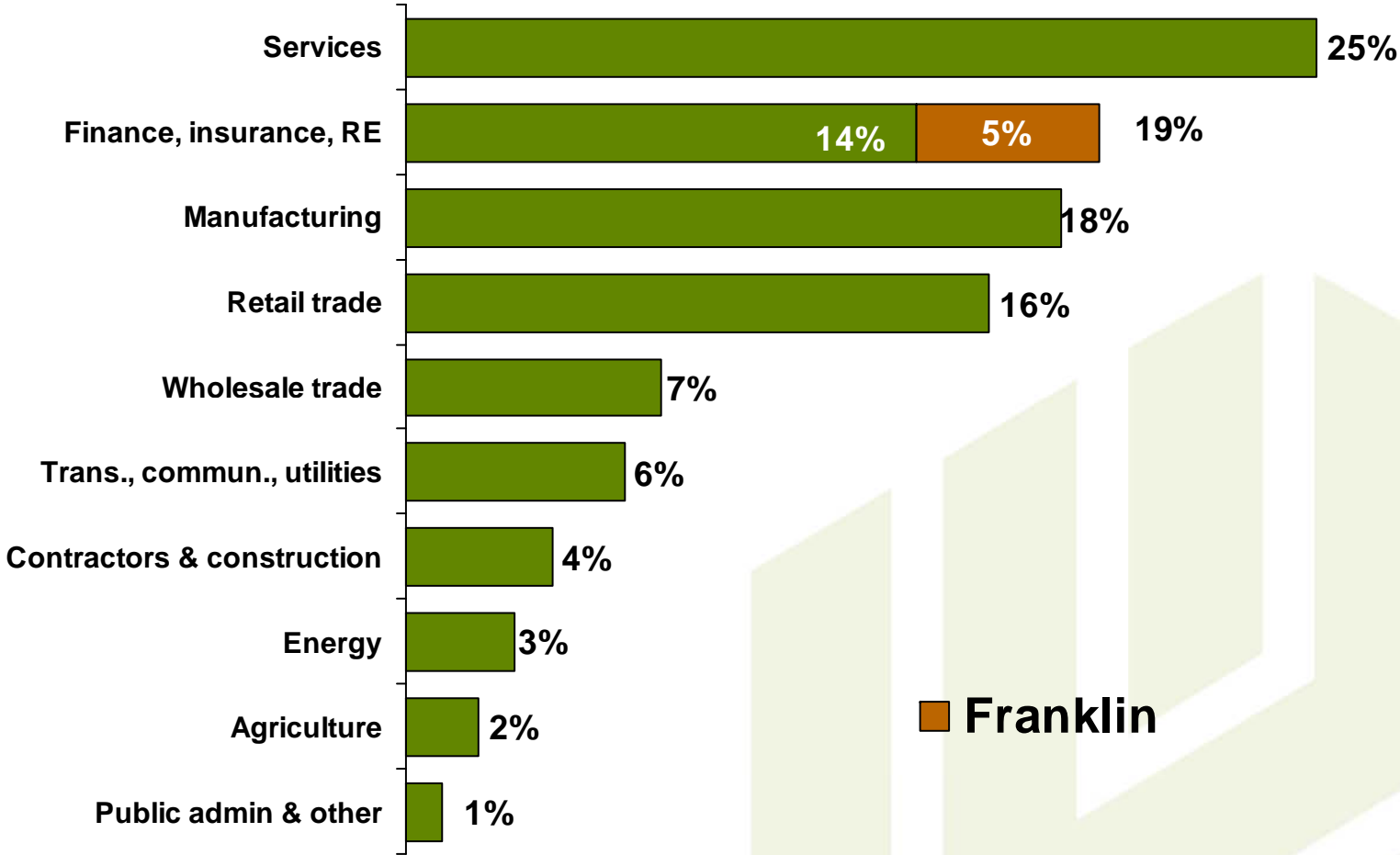
<u>Average</u> (\$B)	<u>Annualized Growth</u> <sup>(1)</sup>			
	<u>4Q08</u>	<u>4Q08 v</u> <u>3Q08</u>	<u>3Q08 v</u> <u>2Q08</u>	<u>4Q08 v</u> <u>4Q07</u>
Central Ohio	\$ 3.9	17 %	- %	10 %
Northwest Ohio	1.6	(14)	(9)	(8)
Greater Cleveland	2.5	4	4	9
Greater Akron/Canton	1.7	10	2	11
Southern Ohio/Kentucky	2.2	17	14	30
Mahoning Valley	0.8	2	(20)	(3)
West Michigan	1.7	15	14	15
East Michigan	1.3	(6)	7	2
Pittsburgh	1.5	(1)	15	10
Central Indiana	1.1	13	6	17
West Virginia	0.9	41	-	18
Other Regional	1.3	20	22	10
Regional Banking	20.4	10	5	10
Auto Finance & Dealer Services	1.2	26	(7)	11
Pvt Fin'l & Cap. Mkts Group	1.3	1	5	9
Treasury/Other	1.1	(12)	(9)	(31)
<b>Total</b>	<b>\$ 24.0</b>	<b>9</b>	<b>4</b>	<b>7</b>

(1) Linked quarter percent change annualized

# Commercial & Industrial Loans – 12/31/08

By Industry Sector

\$13.5 Billion



Franklin



# Portfolio Overview – C&I

## Loans Outstanding: \$12.9 Billion <sup>(1)</sup>

**Net charge-offs**                      **4Q08: 158 bp**                      **2008: 83 bp**

- Diversified by sector and geographically within our Midwest footprint
- Granular (excluding Franklin Credit)
  - 3 loans >\$50 million... 1% of portfolio
  - 51 loans \$25-\$50 million... 7% of the portfolio
- Focus on middle market companies with \$10-\$100 MM in sales
- Experiencing an increasing trend in NALs and losses

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
• 30+ day delinquencies	1.08%	0.90%	0.72%
• 90+ day delinquencies	0.08%	0.18%	0.07%
• Non-accrual loans	2.08%	1.28%	1.17%
• ACL	2.15%	2.44%	2.37%

- Higher 2009 NCOs consistent with 2008 ACL build

(1) 12/31/08, excluding \$0.6 B of FCMC

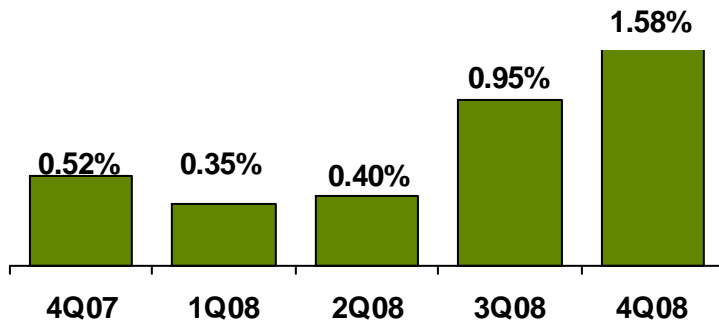
# Commercial & Industrial Lending <sup>(1)</sup>

## Current portfolio – \$12.9 Billion

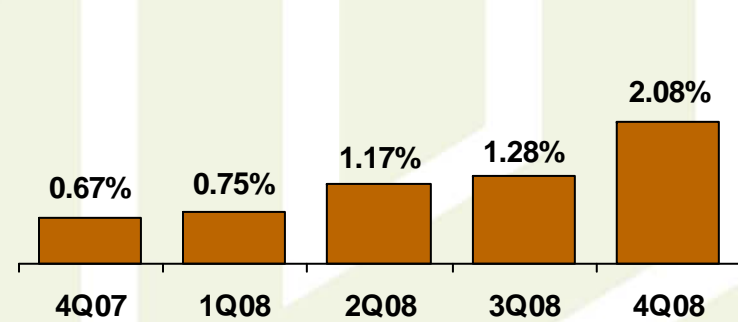
### Risk Mitigation

- Focus on Ideal Huntington Client within our footprint
- Granular portfolio with geographic and sector diversification
- Seeking measured growth – have not sacrificed credit quality and profitability for short-term growth
- 80% of 2008 portfolio growth was associated with new loans to existing customers

### NCOs / Average Loans <sup>(2)</sup>



### NALs / Loans <sup>(3)</sup>



(1) 12/31/08, excluding \$0.6 B of Franklin (2) Annualized (3) Period end

# C&I Loans to Auto Industry <sup>(1)</sup>

## Outstandings <sup>(2)</sup>

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Loans to suppliers	\$ 203	\$ 226	\$ 237	\$ 264	\$ 261
Dealer floorplan	961	745	839	846	795
Dealer non-floorplan	<u>346</u>	<u>352</u>	<u>339</u>	<u>336</u>	<u>286</u>
Total	<b>\$1,509</b>	\$1,323	\$1,414	\$1,446	\$1,342

## NPLs

Suppliers	<b>6.71%</b>	2.36%	2.23%	1.58%	1.65%
Dealers	--	--	--	0.16	--

## Net charge-offs <sup>(3)</sup>

Suppliers	<b>0.54%</b>	1.37%	4.22%	3.78%	3.87%
Dealers	<b>0.05</b>	0.06	0.06	--	--

(1) Period end

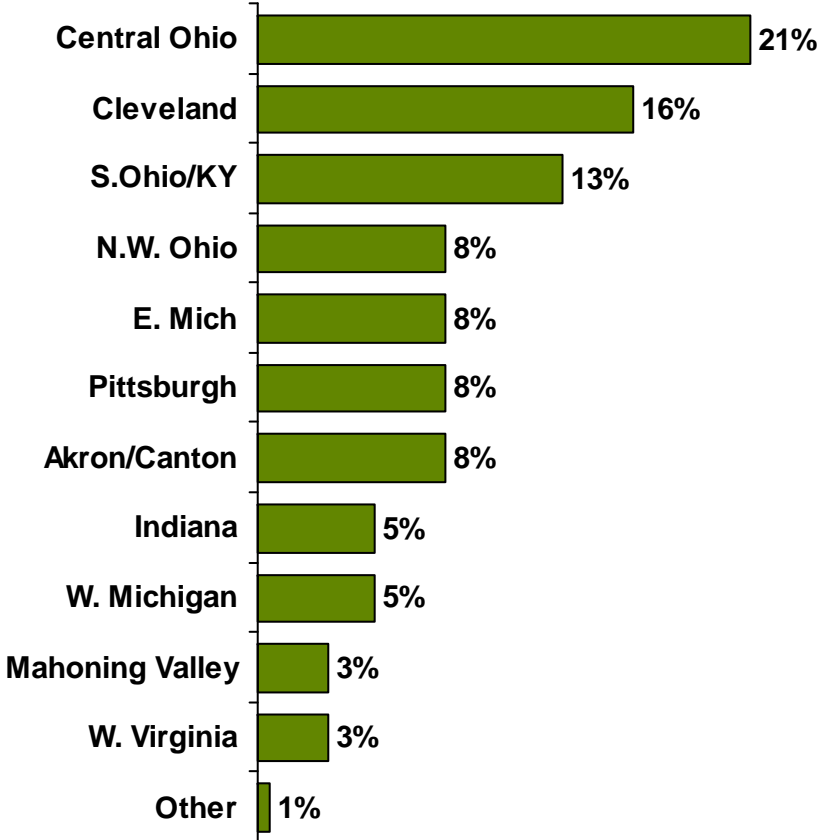
(2) Companies with > 25% of their revenue from the auto industry

(3) Trailing 12-month; % annualized

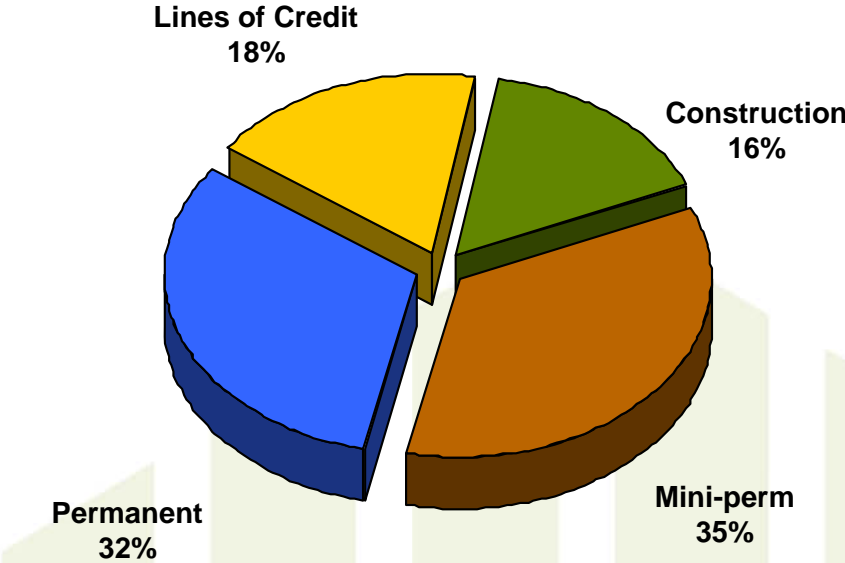
# Commercial Real Estate Loans – 12/31/08

**\$10.1 Billion**

**By Region**



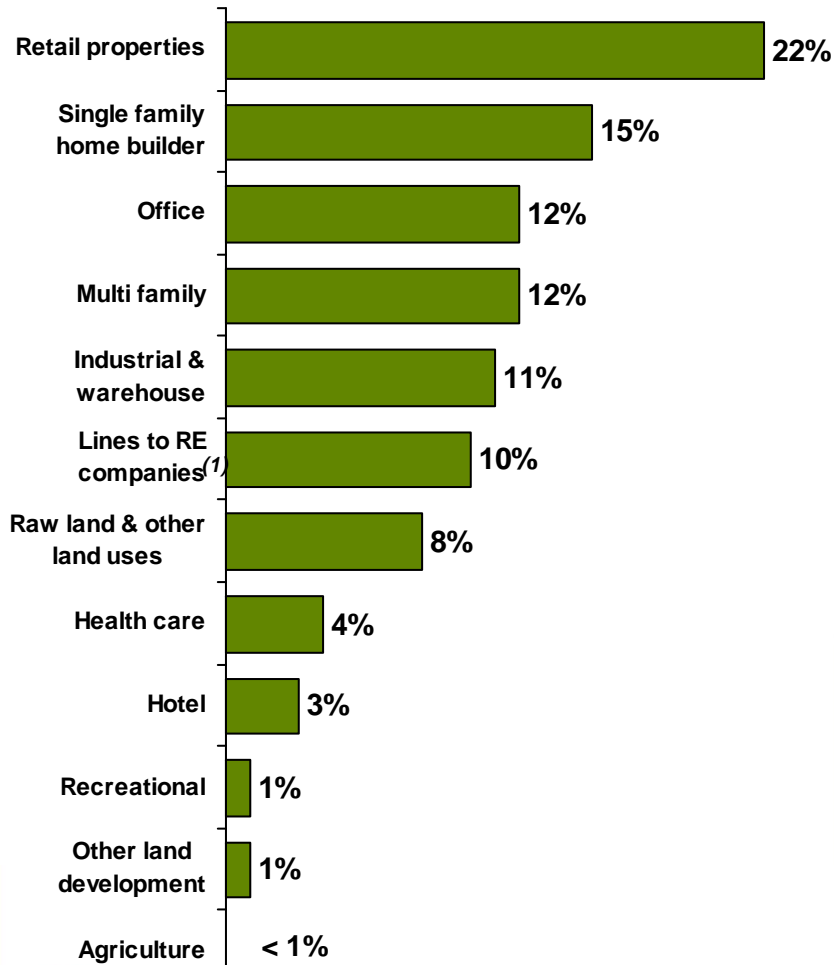
**By Loan Type**



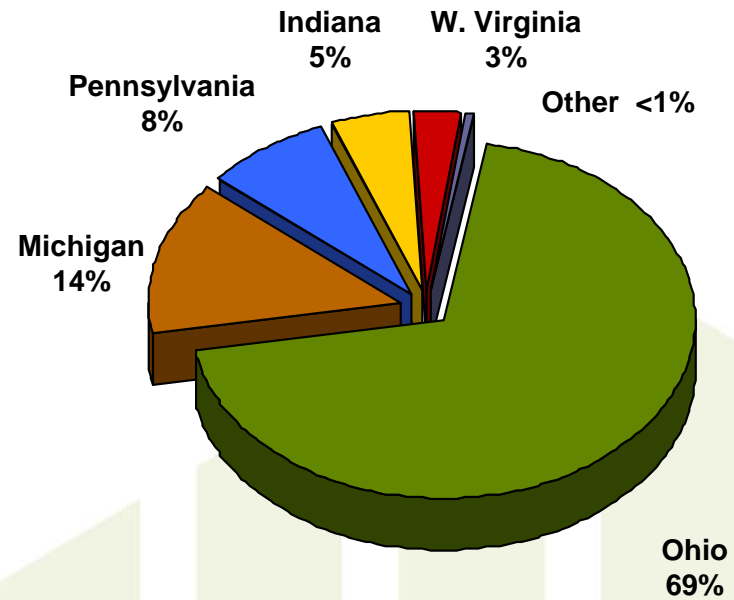
# Commercial Real Estate Loans – 12/31/08

**\$10.1 Billion**

## By Property Type



## By Borrower Location



(1) Primarily represents working capital lines to top tier CRE companies

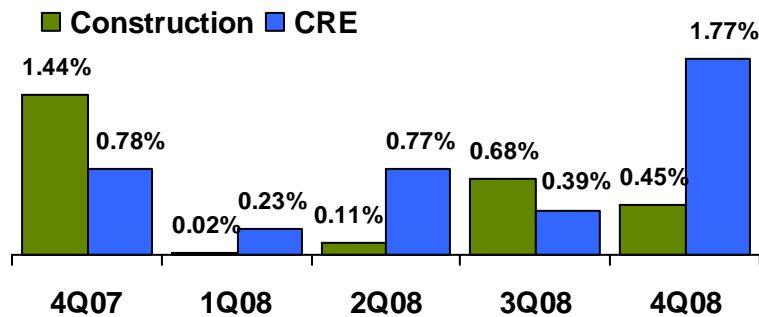
# Commercial Real Estate Lending

## Current portfolio – \$10.1 Billion <sup>(1)</sup>

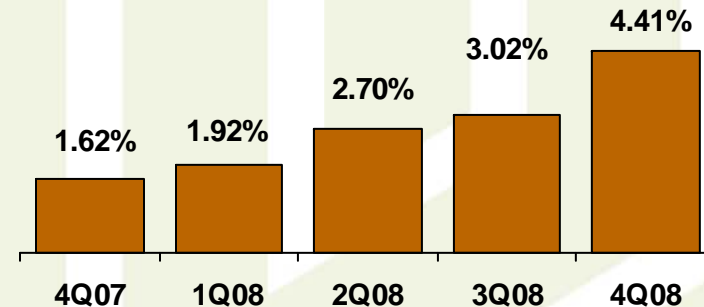
### Risk Mitigation

- Granular portfolio with geographic and project diversification throughout our footprint
- LTV, debt service coverage, and equity requirements underwritten to appropriate standards
- Construction lending targeted to major metro markets
- Enforced standard pre-leasing requirements for office and retail property types
- 75% of 2008 production centered in additional loans to existing borrowers with a focus on traditional income producing property types

### NCOs / Average Loans <sup>(2)</sup>



### NALs / Loans <sup>(3)</sup>



(1) 12/31/08; \$2.1 B Construction + \$8.0 B Non-construction (2) Annualized (3) Period end

# Portfolio Overview- Commercial Real Estate

## Loans Outstanding: \$10.1 Billion <sup>(1)</sup>

### Net charge-offs

4Q08: 150 bp

2008: 71 bp

- Ongoing loan level review initiated in 2Q07

### Single Family Homebuilder (\$1.6 Billion)

- Weakest commercial loan segment
- Diversified geographically within our Midwest footprint

### CRE – Retail (\$2.7 billion)

- Elevated level of problem credit with increased deterioration in 4Q08
- Loans originated with quality developers that have experience and financial capacity to support projects underwritten to appropriate standards regarding LTV, DSC, and equity requirements

### Total CRE

- Industrial, multifamily, and office portfolios are not weakening and are performing to expectations
- Credit quality continues to perform within expectations

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
• 30+ day delinquencies	2.44%	2.22%	1.55%
• 90+ day delinquencies	0.59%	0.59%	0.25%
• Non-accrual loans	4.41%	3.02%	2.70%
• ACL	2.97%	2.56%	2.32%

- Higher 2009 NCOs consistent with 2008 ACL build



(1) 12/31/08

# Huntington Single Family Home Builder Exposure

## Current portfolio – \$1,589 Million <sup>(1)</sup>

### Portfolio Characteristics

- Granular portfolio – only 15 projects over \$10 million
- Geographic diversification throughout our footprint
- Primary customers are middle market builders building 50-100 homes per year, limited production builder exposure
- Continuous monitoring
- Increased reserves based on increasing risks in the portfolio

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Vertical construction	<b>\$1,096</b>	\$1,103	\$1,135	\$1,148	\$1,080
Land under development	<b>236</b>	267	278	313	325
Land held for development	<u><b>257</b></u>	<u>225</u>	<u>230</u>	<u>234</u>	<u>221</u>
Total	<b>\$1,589</b>	\$1,596	\$1,645	\$1,695	\$1,626

# Huntington Single Family Home Builder Exposure

## Current portfolio – \$1,589 Million <sup>(1)</sup>

### Portfolio Performance

	(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
30+ days past due <sup>(2)</sup>	- \$	<b>\$228</b>	\$229	\$159	\$143	\$105
	- %	<b>14.4%</b>	14.4%	9.7%	8.4%	6.4%
Classified	- \$	<b>\$369</b>	\$287	\$245	\$210	\$167
	- %	<b>23.2%</b>	18.0%	14.9%	12.4%	10.3%
NALs <i>(included in Classified)</i>	- \$	<b>\$200</b>	\$144	\$118	\$78	\$65
	- %	<b>12.6%</b>	9.0%	7.2%	4.6%	4.0%
ACL	- \$	<b>\$79</b>	\$68	\$61	\$55	\$49
	- %	<b>5.0%</b>	4.2%	3.7%	3.3%	3.0%
Net charge-offs	- \$	<b>\$13.5</b>	\$8.7	\$3.2	\$1.3	\$12.9
	<i>(annualized)</i> - %	<b>3.39%</b>	2.18%	0.78%	0.31%	3.17%



(1) Period end  
(2) Includes NALs

## CRE – Retail Exposure

### Current portfolio – \$2,703 Million <sup>(1)</sup>

#### Portfolio Characteristics

- Pre-leasing requirements with construction loans generate adequate NOI to cover interest expense at full funded project loan
- Intensive monitoring with loan rebalancing if new appraisals indicate LTV exceeds policy requirements

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Retail centers	<b>\$2,241</b>	\$2,173	\$2,064	\$2,007	\$1,797
Owner occupied <sup>(2)</sup>	<u>462</u>	<u>480</u>	<u>451</u>	<u>474</u>	<u>431</u>
Total	<b>\$2,703</b>	\$2,653	\$2,515	\$2,481	\$2,228

# CRE – Retail Exposure

## Current portfolio – \$2,703 Million <sup>(1)</sup>

### Portfolio Performance

	(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
30+ days past due <sup>(2)</sup>	- \$	<b>\$137</b>	\$95	\$78	\$43	\$38
	- %	<b>5.1%</b>	3.6%	3.1%	1.7%	1.7%
Classified	- \$	<b>\$165</b>	\$131	\$98	\$87	\$38
	- %	<b>6.1%</b>	4.9%	3.9%	3.5%	1.7%
NALs <i>(included in Classified)</i>	- \$	<b>\$95</b>	\$56	\$55	\$16	\$13
	- %	<b>3.5%</b>	2.1%	2.2%	0.6%	0.6%
ACL	- \$	<b>\$59</b>	\$53	\$46	\$44	\$33
	- %	<b>2.2%</b>	2.0%	1.8%	1.8%	1.5%
Net charge-offs	- \$	<b>\$7.8</b>	\$6.5	\$0.5	\$1.1	\$2.6
	<i>(annualized)</i> - %	<b>1.16%</b>	0.97%	0.08%	0.18%	0.46%



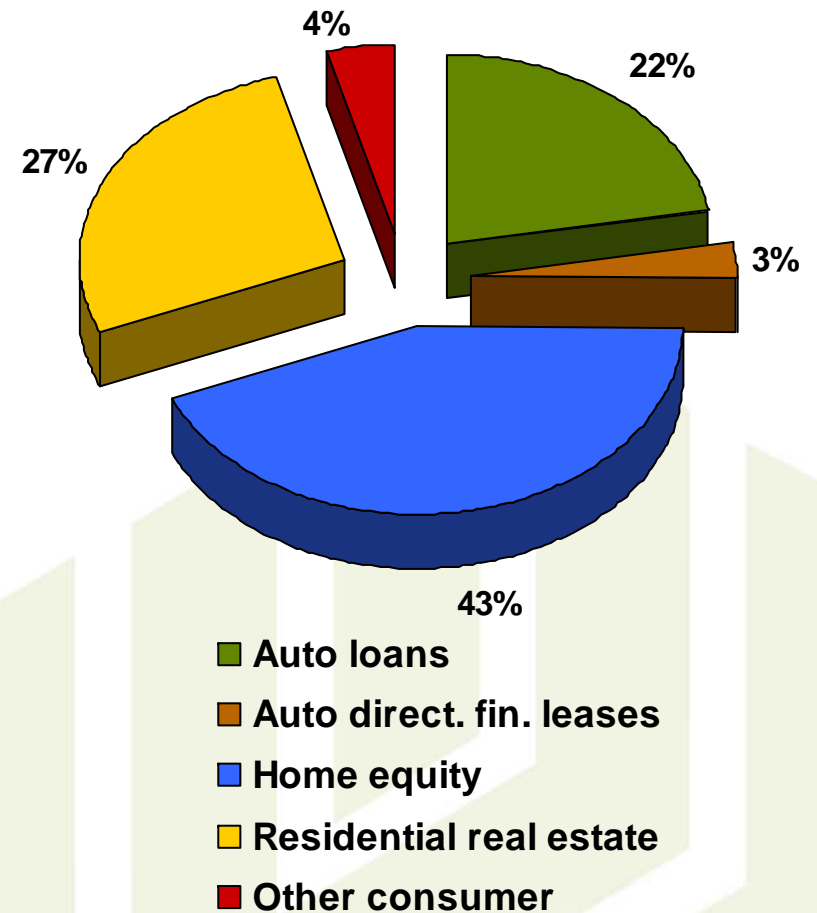
(1) Period end  
(2) Includes NALs

# Consumer Loans and Leases – 12/31/08

## By Type

(\$MM)	<u>Amt</u>	<u>Pct</u>	
Auto loans	\$3.9	22	%
Auto direct fin. leases	0.6	3	
Home equity *	7.5	43	
Residential real estate	4.8	27	
Other consumer	<u>0.7</u>	<u>4</u>	
<b>Total consumer</b>	<b>\$17.5</b>	<b>100</b>	<b>%</b>

* Home equity lines	\$ 4.4
Home equity loans	3.1



# Total Consumer Loans by Business Segment

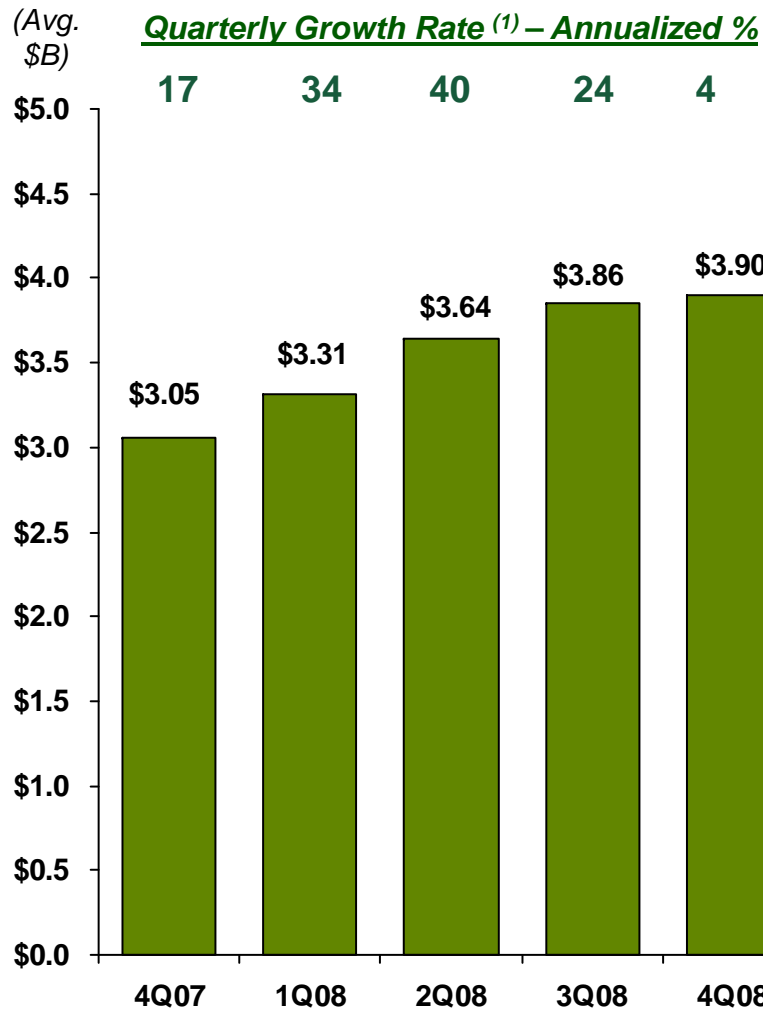
(Includes Residential Mtg, Home Equity, Auto Loans/Leases & Other)

Average (\$B)	4Q08	Annualized Growth <sup>(1)</sup>		
		4Q08 v 3Q08	3Q08 v 2Q08	4Q08 v 4Q07
Central Ohio	\$ 1.5	3 %	- %	(2) %
Northwest Ohio	0.6	-	(1)	(3)
Greater Cleveland	0.8	2	3	-
Greater Akron/Canton	1.0	(1)	(1)	(3)
Southern Ohio/Kentucky	0.9	2	-	-
Mahoning Valley	0.5	(1)	(4)	(5)
West Michigan	1.0	5	2	2
East Michigan	0.5	11	4	6
Pittsburgh	0.5	(4)	(3)	(5)
Central Indiana	0.5	5	2	6
West Virginia	0.4	1	-	1
Other Regional	3.4	(8)	(33)	(13)
Regional Banking	11.4	(1)	(10)	(5)
Auto Finance & Dealer Services	4.7	(8)	6	5
Pvt Fin'l & Cap. Mkts Group	1.4	7	(3)	2
Treasury/Other	-	-	-	-
<b>Total</b>	<b>\$ 17.5</b>	<b>(2)</b>	<b>(5)</b>	<b>(2)</b>

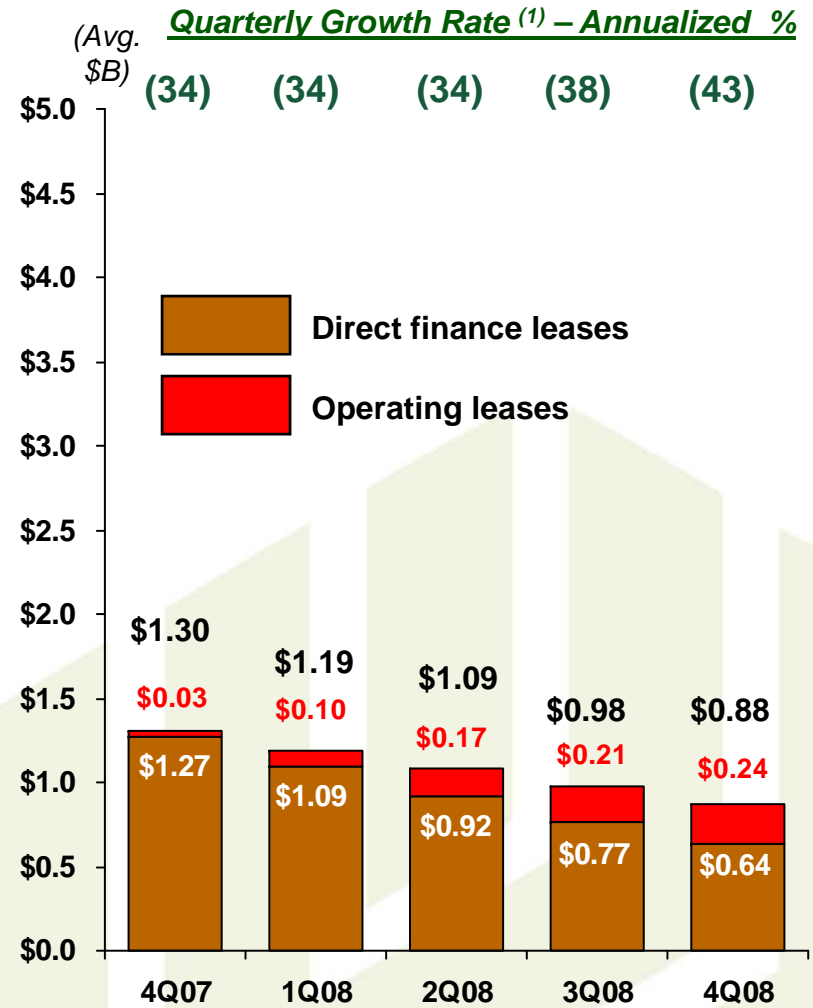
(1) Linked quarter percent change annualized

# Auto Loans & Leases

## Auto Loans



## Auto Leases



(1) Annualized  
 (2) Operating leases originated since 10/1/07, included in Other Assets

# Indirect Auto Lending

## Current portfolio – \$4.5 Billion <sup>(1)</sup>

### Huntington differentiates itself by:

- Consistency of strategy and commitment to service
- Commitment to service quality for the full dealer relationship
- Fully automated origination and booking system
- Robust data modeling capabilities

### Comfortable with current risk profile:

- Lease portfolio is declining due to the strategic exit of the business in 4Q08. The declining portfolio balance creates a higher loss rate with more volatility.
- 2008 loan production was strong on both volume and quality

# Portfolio Overview – Indirect Automobile Loans / Leases

**Loans / Leases Outstanding: \$4.5 Billion** <sup>(1)</sup>

**Net charge-offs**                      **4Q08: 153 bp**                      **FY08: 112 bp**

- Consistency of strategy and commitment to dealers
- Focus on high service quality and high quality full dealer relationships
- Since 2001 focused on super-prime customers... >740 FICO's and >750 FICO's in 1H08
- Charge-offs are elevated due to higher severity of loss reflecting depressed used car pricing
- Credit quality continues to perform within expectations

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
• 30+ day delinquencies	2.09%	1.74%	1.48%
• 90+ day delinquencies	0.33%	0.26%	0.24%

# Indirect Auto Loan Portfolio Performance

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>	<u>3Q07</u>	<u>2Q07</u>	<u>1Q07</u>
<b><u>Portfolio Performance</u></b>								
30+ days past due %	<b>2.09%</b>	1.68%	1.43%	1.45%	1.94%	1.55%	1.27%	1.09%
YTD NCO %	<b>1.12%</b>	0.98%	0.95%	0.97%	0.65%	0.53%	0.40%	0.52%
<b><u>Origination Quality</u></b>								
Avg FICO	<b>751</b>	751	752	752	745	743	744	740
Avg. LTV	<b>93%</b>	96%	96%	93%	95%	98%	98%	97%
Expected cumulative loss	<b>1.01%</b>	1.19%	1.24%	1.26%	1.58%	1.66%	1.66%	1.72%
Orig. (\$MM)	<b>\$360</b>	\$501	\$673	\$679	\$487	\$474	\$503	\$447
<b><u>Vintage Performance</u></b>								
6 month losses			0.18%	0.12%	0.22%	0.23%	0.20%	0.13%
9 month losses				0.38%	0.64%	0.65%	0.47%	0.35%
12 month losses					1.00%	0.97%	0.76%	0.67%

# Indirect Auto Loan & Lease Production

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>	<u>3Q07</u>	<u>2Q07</u>	<u>1Q07</u>	<u>4Q06</u>	<u>3Q06</u>	<u>2Q06</u>	<u>1Q06</u>
<b><u>Loans</u></b>												
<b>Production</b>	\$ 360	\$ 501	\$ 673	\$ 679	\$ 487	\$ 474	\$ 502	\$ 447	\$ 379	\$ 458	\$ 467	\$ 416
<b>% new vehicles</b>	41%	41%	44%	44%	44%	47%	49%	47%	48%	50%	49%	47%
<b>Avg. LTV <sup>(1)</sup></b>	93%	96%	96%	93%	95%	98%	98%	97%	96%	96%	96%	94%
<b>Avg. FICO <sup>(1)</sup></b>	751	751	752	752	745	743	744	740	741	743	741	741

## **Leases <sup>(2)</sup>**

<b>Production</b>	\$ 24	\$ 44	\$ 74	\$ 68	\$ 77	\$ 82	\$ 90	\$ 68	\$ 70	\$ 92	\$ 109	\$ 74
<b>% new vehicles</b>	98%	98%	97%	98%	97%	95%	96%	97%	97%	96%	97%	97%
<b>Avg. residual</b>	43%	43%	43%	44%	44%	46%	45%	42%	42%	41%	41%	42%
<b>Avg. LTV <sup>(1)</sup></b>	88%	96%	102%	102%	102%	95%	96%	101%	102%	101%	101%	103%
<b>Avg. FICO <sup>(1)</sup></b>	769	770	765	764	761	759	755	747	746	748	747	745

(1) At origination

(2) Originated as operating leases since 10/1/07; previously originated as direct financing leases

# Non-auto Consumer Loans

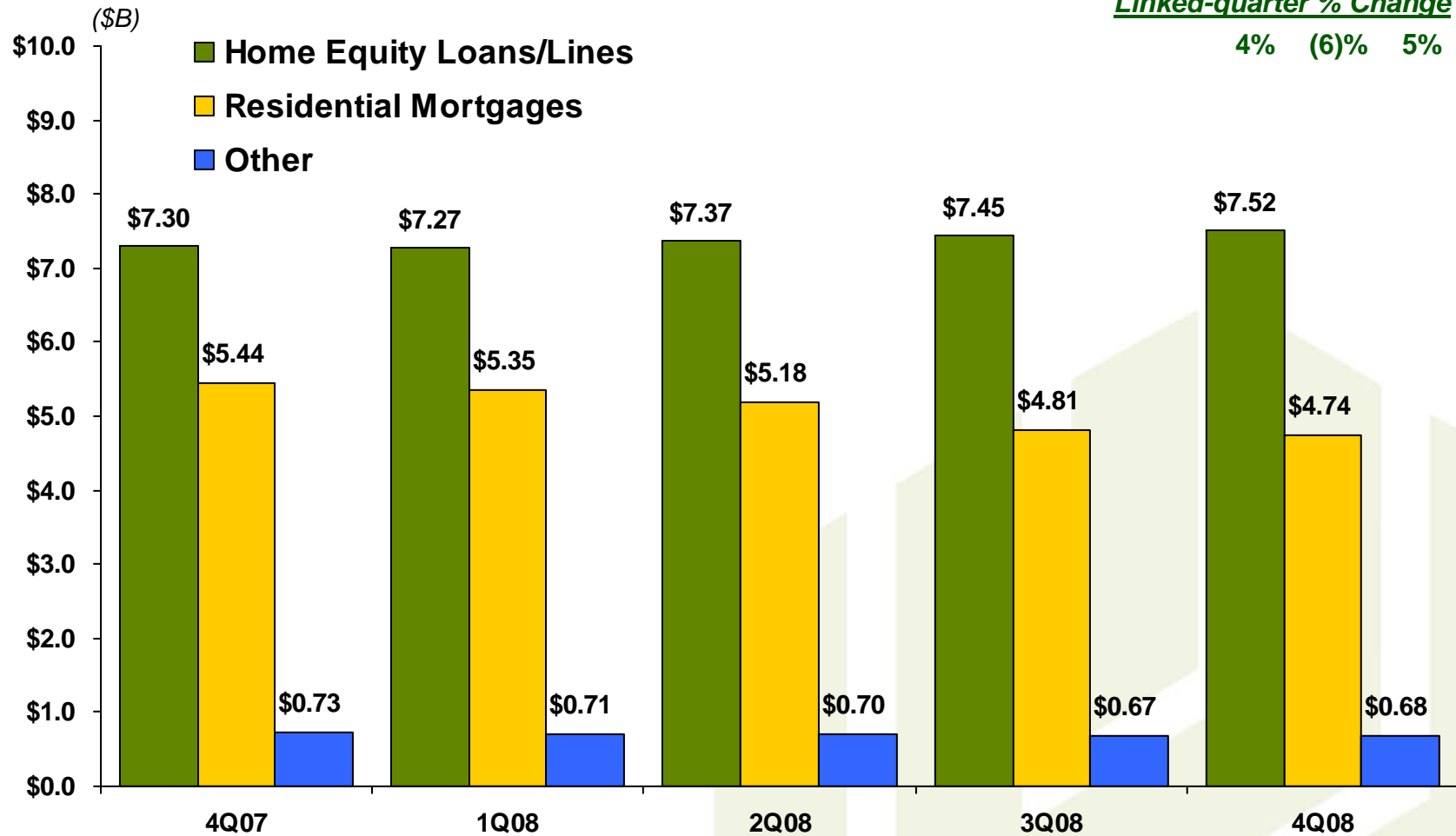
## Average Balances

### Year-over-Year % Change

3% (13)% (7)%

### Linked-quarter % Change <sup>(1)</sup>

4% (6)% 5%



# Residential Collateral Lending at Huntington

## Origination Strategies

- Focused on the Huntington core markets
- Utilize the Huntington office network as the primary source
- Traditional product mix - very limited non-traditional mortgage exposure

**Never originated sub-prime loans... payment option ARM structures...  
or negative amortization loans**

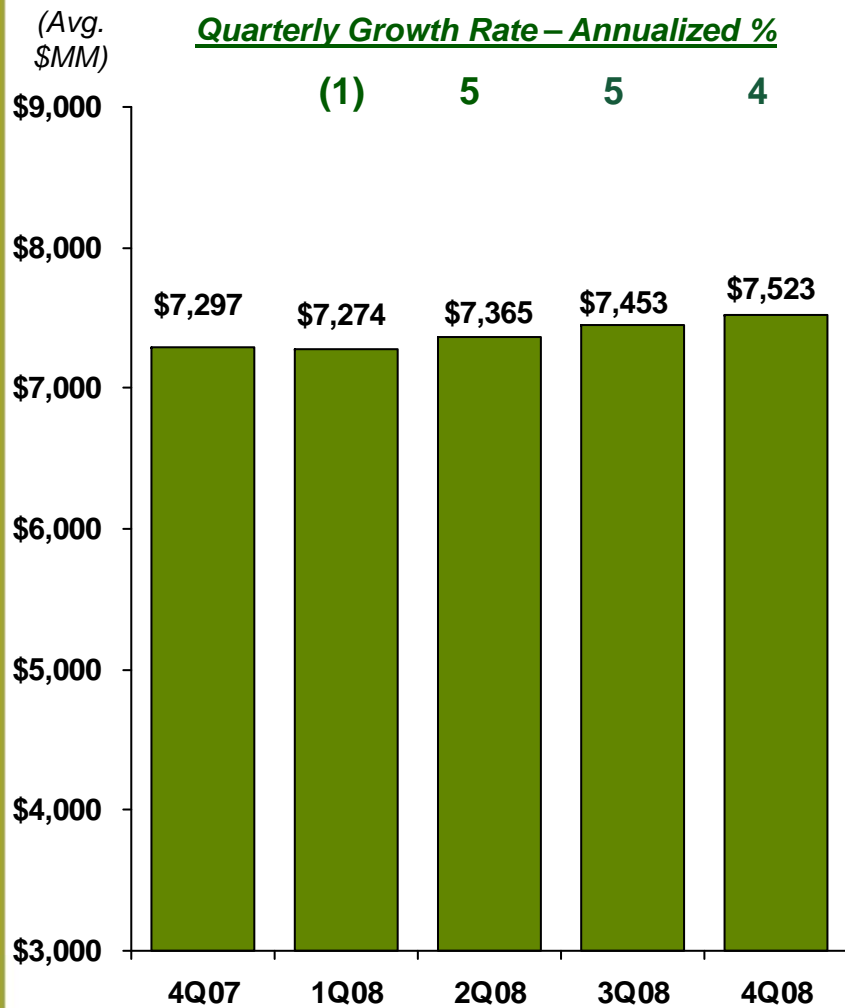
- Policies and procedures designed to generate high quality borrowers
- Huntington maintains servicing on owned portfolios

## Benefits

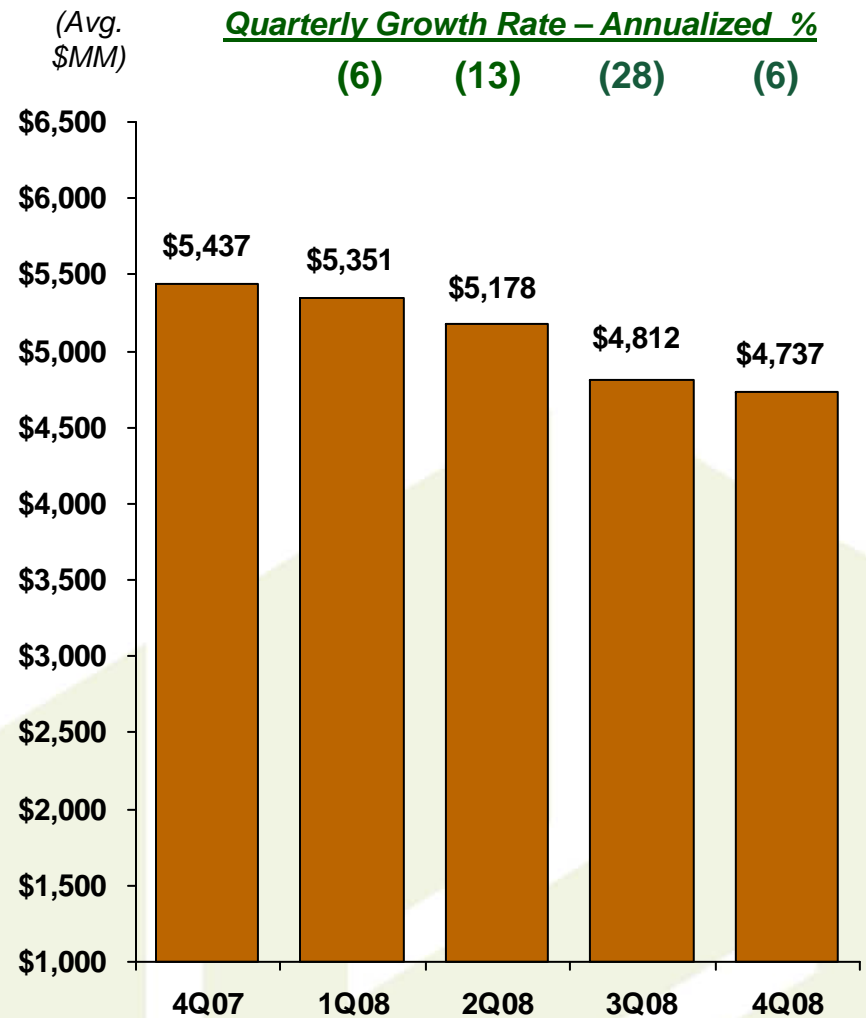
- Clear understanding of market dynamics and economic impacts
- Direct contact with most of our borrowers
- Significant percentage of borrowers have another Huntington banking relationship
- Provided our customers with appropriate products for their circumstances
- The Interest-Only product is performing well
- Huntington has always been a cash flow lender, utilizing an interest rate stress on ARM loans and utilizing the D/I ratio as a material portion of the underwriting process
- Our servicing capabilities allow for appropriate risk mitigation activities across our real estate secured portfolios

# Residential Real Estate Loans

## Home Equity Loans / Lines



## Residential Mortgages



## Residential Real Estate Trends

### Outstandings

(Average \$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Home equity loans / lines	\$7,523	\$7,453	\$7,365	\$7,274	\$7,297
Residential mortgage	4,737	4,812	5,178	5,351	5,437
<i>Interest only</i>	697	699	702	799	818
<i>Alt-A</i>	450	468	484	532	531
<b>Total</b>	<b><u>\$12,260</u></b>	<b><u>\$12,265</u></b>	<b><u>\$12,543</u></b>	<b><u>\$12,625</u></b>	<b><u>\$12,734</u></b>

# Portfolio Overview – Home Equity Loans / Lines

## Loans / Lines Outstanding: \$7.6 Billion <sup>(1)</sup>

**Net charge-offs**                      **4Q08: 102 bp**                      **2008: 91 bp**

- Focused on geographies within our Midwest footprint
- Focused on high quality borrowers... >730 FICOs
- Began exit of broker channel in 2005... <10% of outstandings today
- Conservative underwriting
  - More than just an LTV & FICO lender
  - Focused on D/I analysis and stress tested for interest rate increase in variable rate HELOC segment
- Credit quality continues to perform within expectations

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>
• 30+ day delinquencies	1.61%	1.18%	1.18%
• 90+ day delinquencies	0.38%	0.31%	0.36%

# Home Equity Lending

## Current portfolio – \$7.6 Billion <sup>(1)</sup>

### Production

(\$MM)

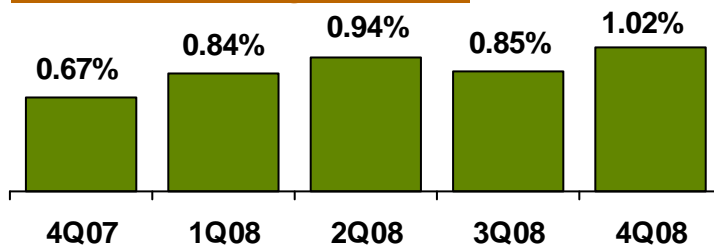
#### Loans <sup>(2)</sup>

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>	<u>3Q07</u>	<u>2Q07</u>	<u>1Q07</u>	<u>4Q06</u>	<u>3Q06</u>	<u>2Q06</u>	<u>1Q06</u>
Production	\$41	\$97	\$159	\$ 204	\$ 144	\$ 248	\$ 357	\$295	\$190	\$ 250	\$ 293	\$ 221
Avg. FICO <sup>(3)</sup>	736	740	744	739	737	743	743	742	735	738	737	729
Avg. LTV <sup>(3)</sup>	64%	65%	65%	67%	69%	69%	67%	66%	68%	65%	64%	59%

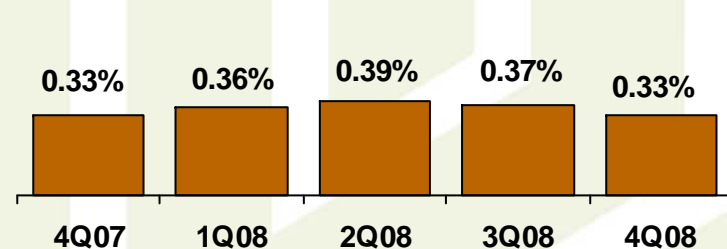
#### Lines <sup>(4)</sup>

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>	<u>3Q07</u>	<u>2Q07</u>	<u>1Q07</u>	<u>4Q06</u>	<u>3Q06</u>	<u>2Q06</u>	<u>1Q06</u>
Production	\$410	\$442	\$647	\$ 440	\$ 433	\$ 358	\$ 364	\$ 378	\$ 267	\$ 336	\$ 443	\$ 325
Avg. FICO <sup>(3)</sup>	758	756	755	751	748	748	748	746	742	739	741	736
Avg. LTV <sup>(3)</sup>	73%	73%	74%	76%	75%	77%	76%	75%	76%	75%	75%	75%

### NCOs / Average Loans <sup>(5)</sup>



### NALs / Loans <sup>(5)</sup>

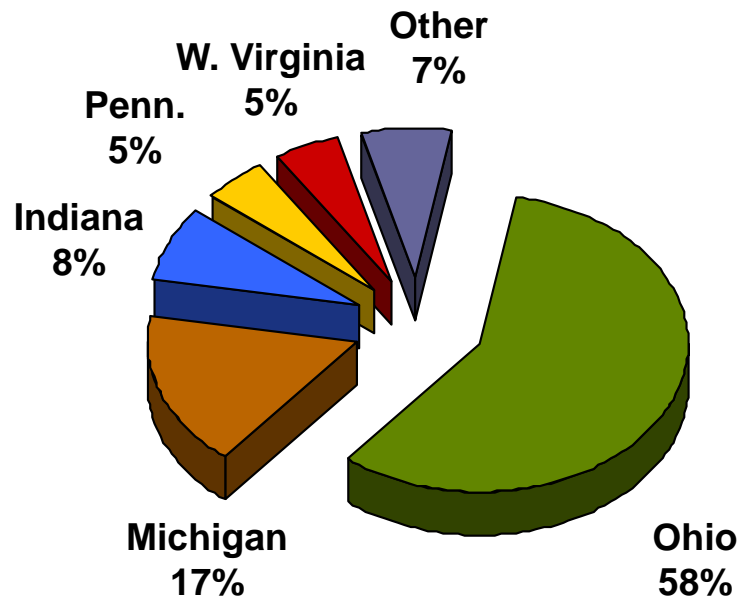


(1) 12/31/08 (2) Primarily fixed rate (3) At origination (4) Primarily variable rate (5) Period end loans / lines

# Home Equity – Geographic Trends

## Current portfolio – \$7.6 Billion <sup>(1)</sup>

### Outstandings

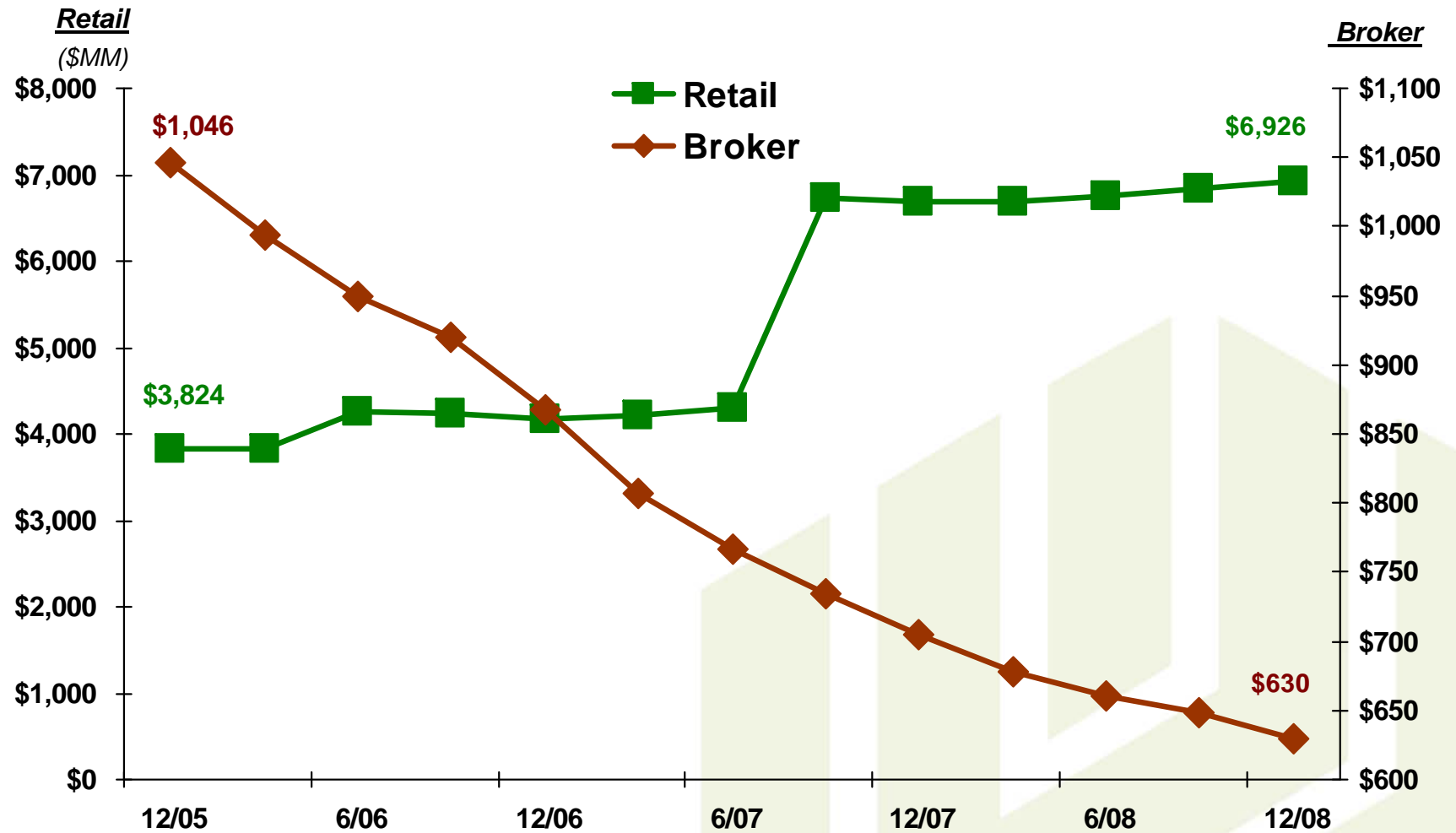


### Performance

	2008 NCOs	
	% of NCOs	NCO % <sup>(2)</sup>
Ohio	42%	0.69%
Michigan	26	1.25
Indiana	12	1.15
Pennsylvania	2	0.36
W. Virginia	2	0.32
Other	15	1.30
	<b>100%</b>	<b>0.91%</b>

# Home Equity – Channel Trends

## Outstandings



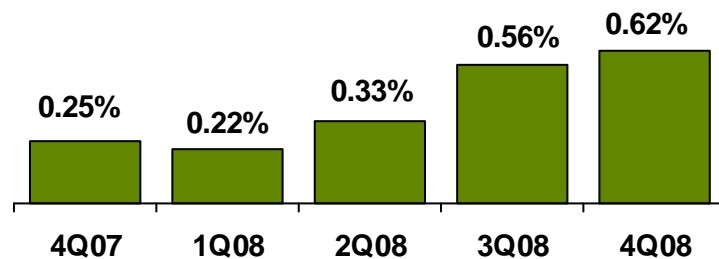


# Residential Mortgage Lending

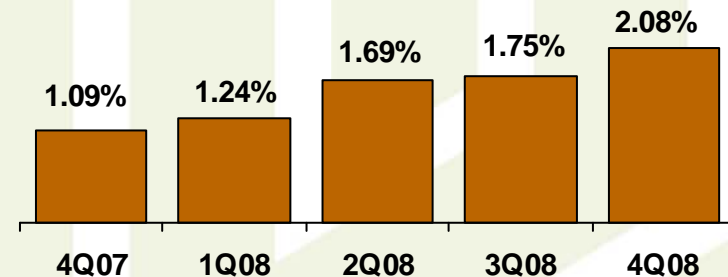
## Current portfolio – \$4.8 Billion <sup>(1)</sup>

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
<b><u>Production</u></b>					
Originations <sup>(2)</sup>	\$315	\$144	\$311	\$234	\$210
Alt-A % of originations <sup>(3)</sup>	--	--	--	--	12%
Avg. FICO <sup>(4)</sup>	741	734	736	732	722
Avg. LTV <sup>(4)</sup>	76%	74%	76%	72%	75%

### **NCOs / Average Loans <sup>(5)</sup>**



### **NALs / Loans <sup>(6)</sup>**



(1) 12/31/08 (2) Originations retained (3) Average FICO scores 695-700  
 (4) At origination (5) Annualized (6) Period end

# Residential Adjustable Rate Mortgages

## Current portfolio – \$3.0 Billion <sup>(1)</sup>

### ARMs

- 2009 resets \$889 MM
- 2010 resets \$486 MM
- FICO distribution > 670 70%

### Risk Mitigation

- Proactive customer contact at least 6 months prior to rate reset.
- Given the high quality borrower, this is a customer retention as well as risk mitigation exercise.
- Have had success in converting ARMs to fixed rate products in our owned portfolio.
- Borrowers experiencing payment issues due to rate increases are re-underwritten or restructured based on willingness and ability to pay.

# Residential Alt-A Mortgages

Current portfolio – \$446 Million <sup>(1)</sup>

2007 Production	\$ 33 MM
2008 Production	none
2007 Net charge-offs – \$	\$5.1 MM
– %	0.91%
2008 Net charge-offs – \$	\$9.4 MM
– %	2.11%



(1) 12/31/08

## Other Consumer

### Current portfolio – \$0.7 Billion <sup>(1)</sup>

- 80% collateralized
  - Autos, untitled vehicles, small boats, mobile homes and other miscellaneous
- Primarily for existing customers
- Performed within expectations over the past year though varies by collateral type

# Credit Quality

# Portfolio Risk Management Objective

## Manage the Probability of Default

1. **Footprint portfolio...** markets we know and understand
2. **Client selection...** bias for high quality customers and relationship lending vs. third party originations
3. **Disciplined underwriting...** borrower ability to repay, collateral value, and stress testing when appropriate

Consumer guiding practice –

*"Don't use a product structure to get someone into a loan they cannot afford... auto loan, home equity loan, or residential mortgage."*

## Credit Quality Trends Overview

	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
NPA ratio <sup>(1)</sup>	<b>3.97</b> %	1.64 %	1.52 %	1.26 %	1.18 %
NAL ratio <sup>(2)</sup>	<b>3.66</b>	1.42	1.30	0.92	0.80
Net charge-off ratio	<b>5.41</b>	0.82	0.64	0.48	3.77
90+ days past due	<b>0.50</b>	0.46	0.33	0.37	0.35
Consumer	<b>0.77</b>	0.61	0.59	0.62	0.59
Commercial & industrial	<b>0.08</b>	0.18	0.07	0.11	0.08
Commercial real estate	<b>0.59</b>	0.59	0.25	0.29	0.27
ALLL ratio	<b>2.19</b>	1.75	1.66	1.53	1.44
ALLL / NAL coverage ratio	<b>60</b>	123	127	166	181
ALLL / NPA coverage ratio	<b>55</b>	107	109	121	122
ACL ratio	<b>2.30</b>	1.90	1.80	1.67	1.61
ACL / NAL coverage ratio	<b>63</b>	134	138	182	202
ACL / NPA coverage ratio	<b>58</b>	116	119	132	136

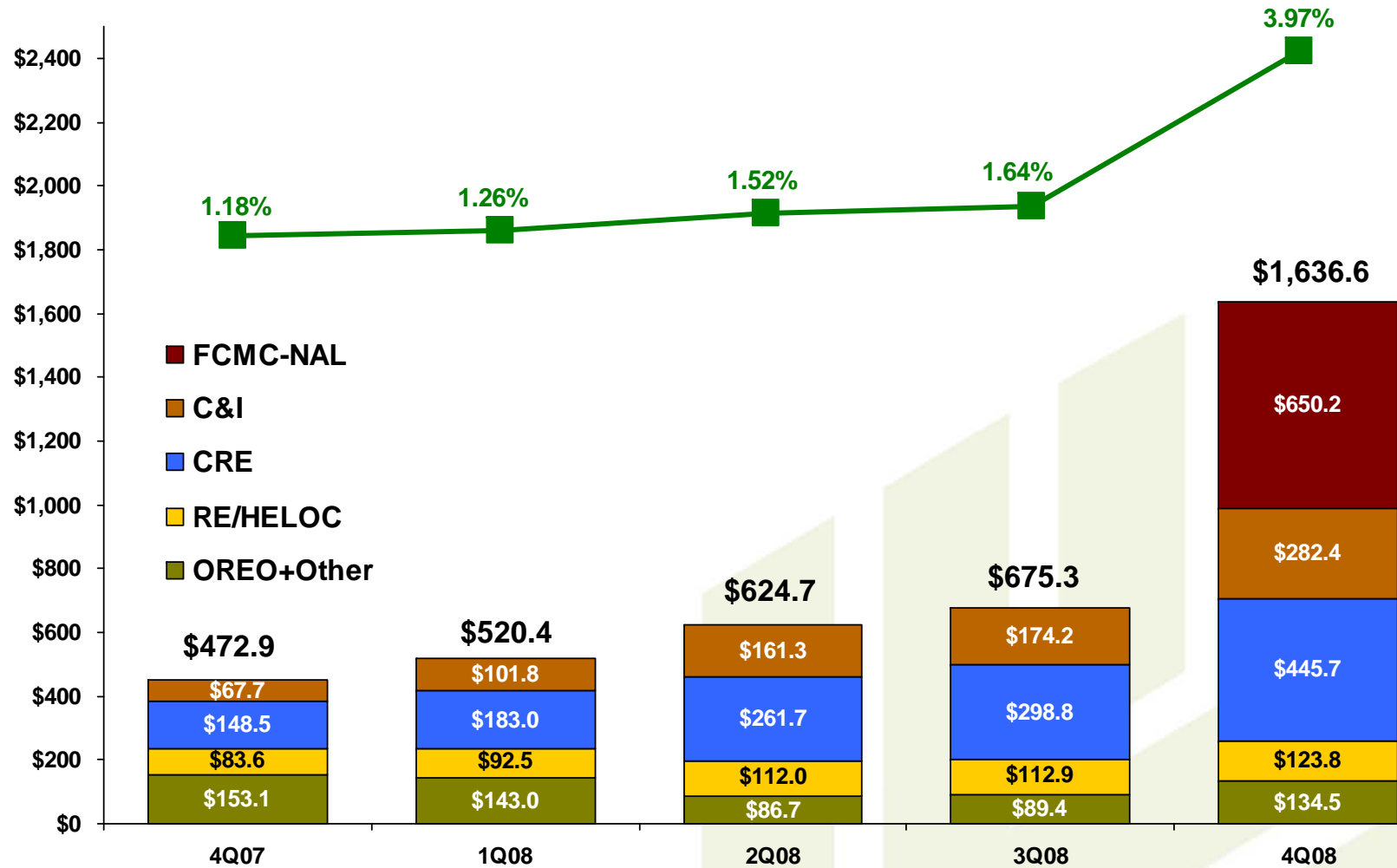


- (1) NPA ratio is non-performing assets (NPAs) divided by the sum of loans and leases, restructured loans, impaired loans held for sale, net other real estate and other NPAs
- (2) NAL ratio is non-accruing loans (NALs) divided by total loans and leases

## Non-performing Assets (NPA)

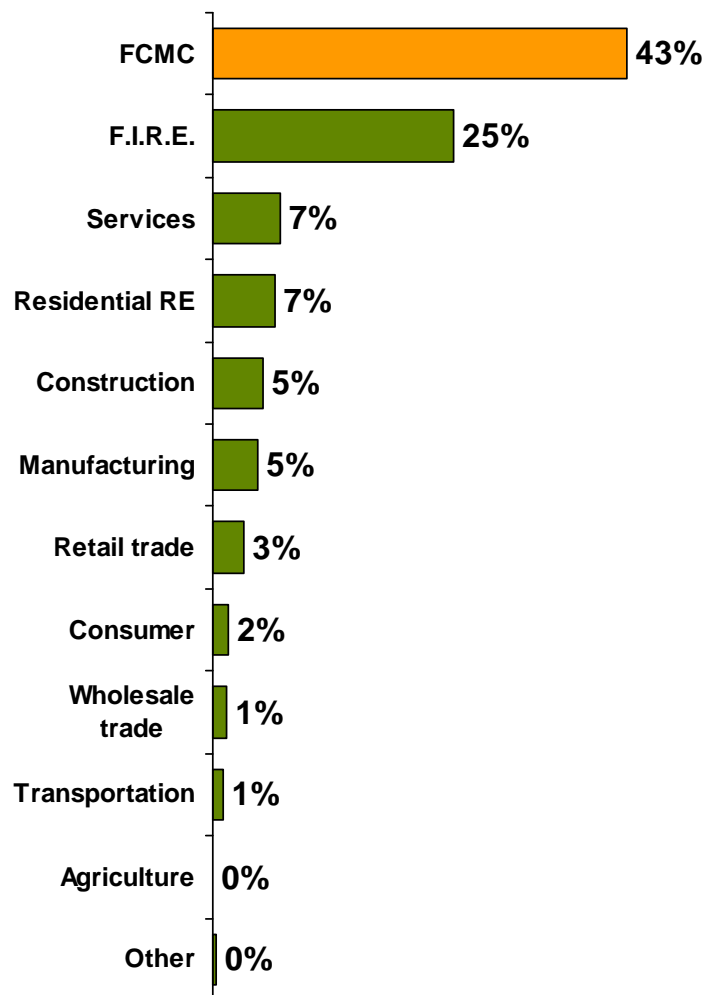
(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Non-accrual loans & leases					
Commercial & industrial	<b>\$932.6</b>	\$174.2	\$161.3	\$101.8	\$87.7
Commercial real estate	<b>445.7</b>	298.8	261.7	183.0	148.5
Residential mortgage	<b>99.0</b>	85.2	82.9	66.5	59.6
Home equity	<b>24.8</b>	27.7	29.1	26.1	24.1
<b>Total NAL</b>	<b>1,502.1</b>	585.9	535.0	377.4	319.8
<b>NAL ratio</b>	<b>3.66%</b>	1.42%	1.30%	0.92%	0.80%
OREO	<b>122.5</b>	73.5	72.4	73.9	75.3
Impaired loans held for sale	<b>12.0</b>	13.5	14.8	66.4	73.5
Other NPAs	--	2.4	2.6	2.8	4.4
<b>Total NPA</b>	<b>\$1,636.6</b>	\$1,040.3	\$993.1	\$1,677.8	\$1,660.3
<b>NPA ratio</b>	<b>3.97%</b>	1.64%	1.52%	1.26%	1.18%
Accruing restructured loans	\$306.4	\$493.9	\$486.3	\$1,247.5	\$1,187.4

# Non-performing Asset Trends



# Non-accrual Loans (NAL) by Sector

**\$1,502.1 MM @ 12/31/08**



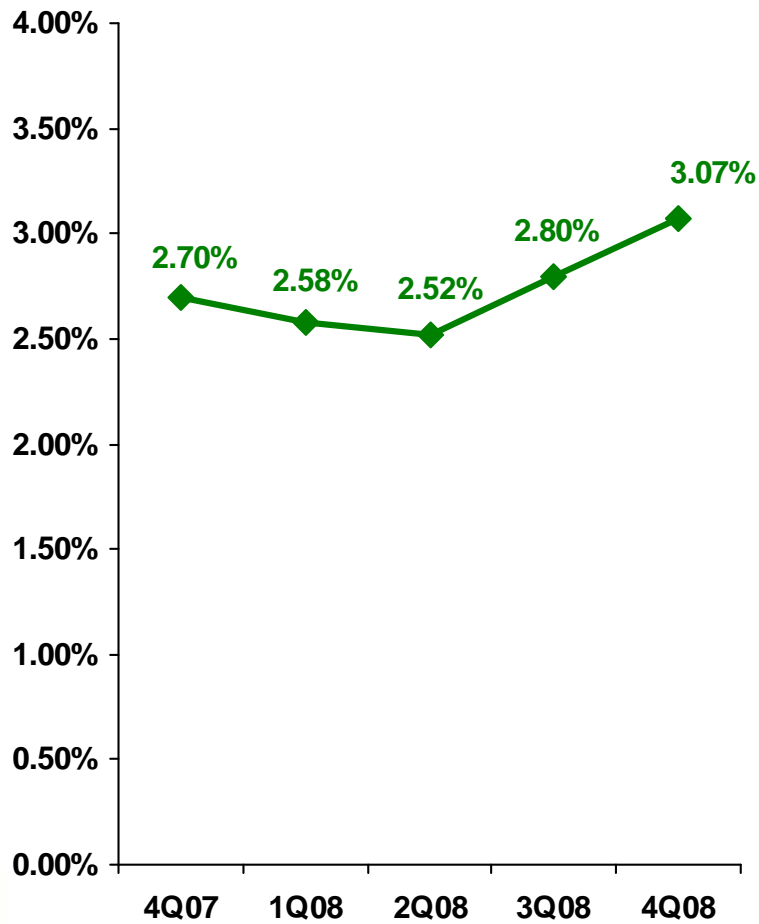
(\$MM)	<u>12/31/08</u>		<u>9/30/08</u>	
	<u>\$</u>	<u>#</u>	<u>\$</u>	<u>#</u>
<b><u>Commercial</u></b>				
Franklin	\$650.2	1	--	--
>\$5	\$ 242.3	24	\$115.5	12
\$2-<\$5	155.6	50	110.6	35
<\$2	<u>330.2</u>		<u>246.9</u>	
Total NAL	\$1,378.3		\$473.1	
<b><u>Residential RE and Home Equity</u></b>				
NAL	<u>123.8</u>		<u>112.9</u>	
Total NALs	\$1,502.1		\$585.9	

# Non-performing Asset Flow Analysis

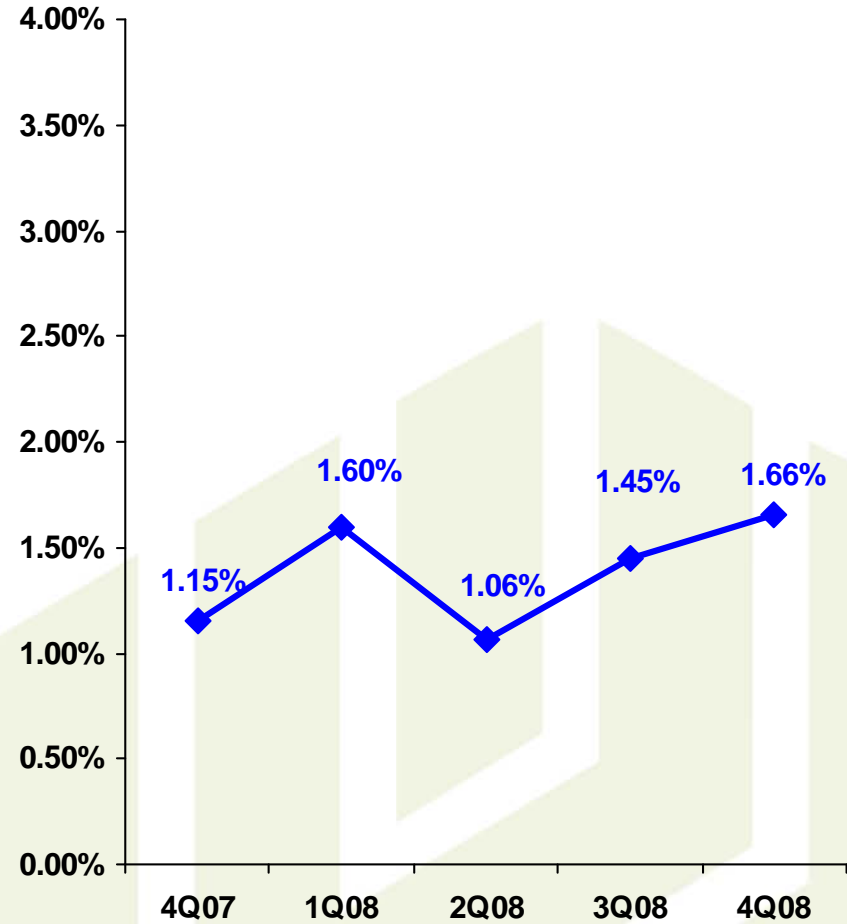
(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
<b><u>Period End</u></b>					
NPA beginning of period	<b>\$675.3</b>	\$624.7	\$520.4	\$ 472.9	\$435.0
New	<b>1,159.5</b>	175.3	256.3	141.1	211.1
Return to accruing status	<b>(13.8)</b>	(9.1)	(5.8)	(13.5)	(5.3)
Loan and lease losses	<b>(100.3)</b>	(52.8)	(40.8)	(27.9)	(62.5)
Payments	<b>(66.5)</b>	(43.3)	(46.1)	(38.7)	(30.8)
Sales	<b><u>(17.6)</u></b>	<u>(19.5)</u>	<u>(59.3)</u>	<u>(13.5)</u>	<u>(74.7)</u>
NPA end of period	<b>\$1,636.6</b>	\$675.3	\$624.7	\$520.4	\$472.9

# 30+ Days Delinquencies <sup>(1)</sup>

## Consumer Loans



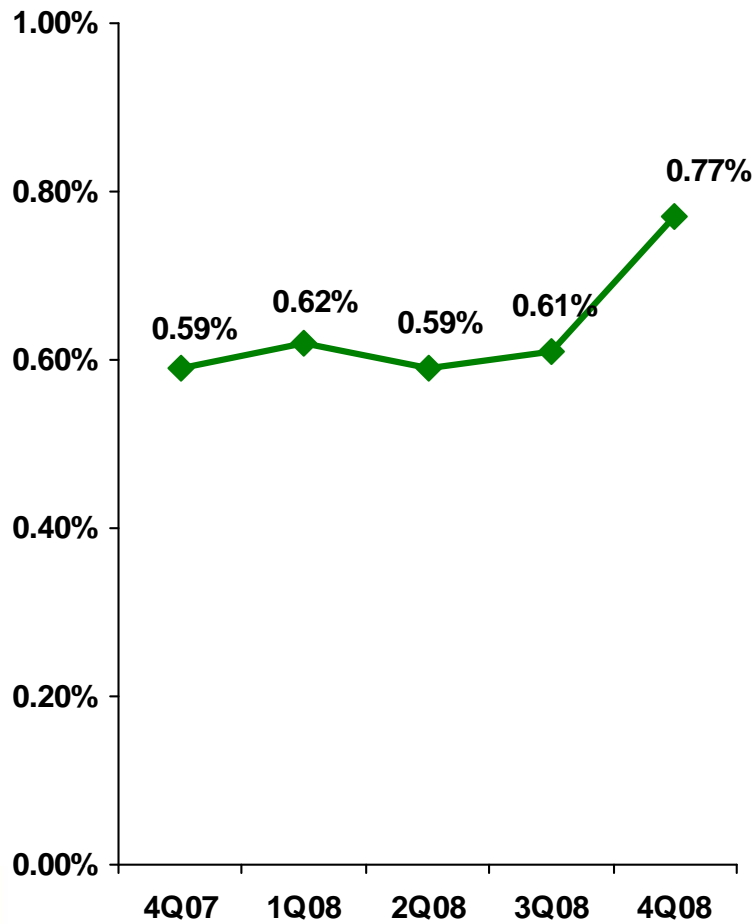
## Commercial Loans



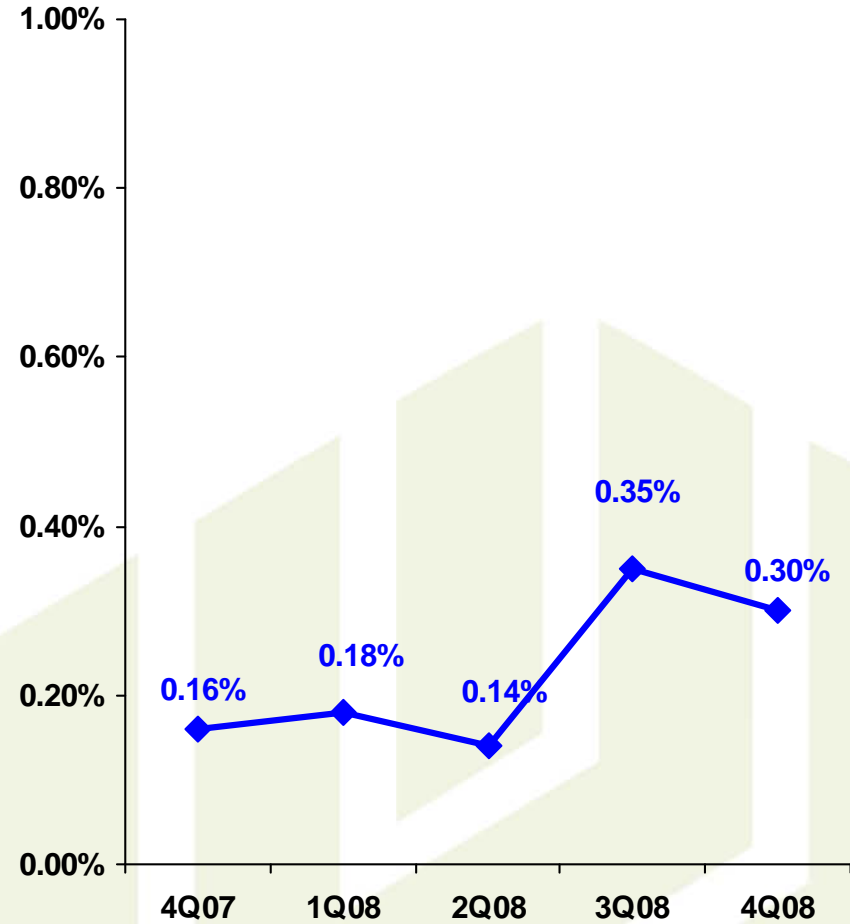
(1) Period end; delinquent but accruing as a % of related outstandings at EOP

# 90+ Days Delinquencies <sup>(1)</sup>

## Consumer Loans

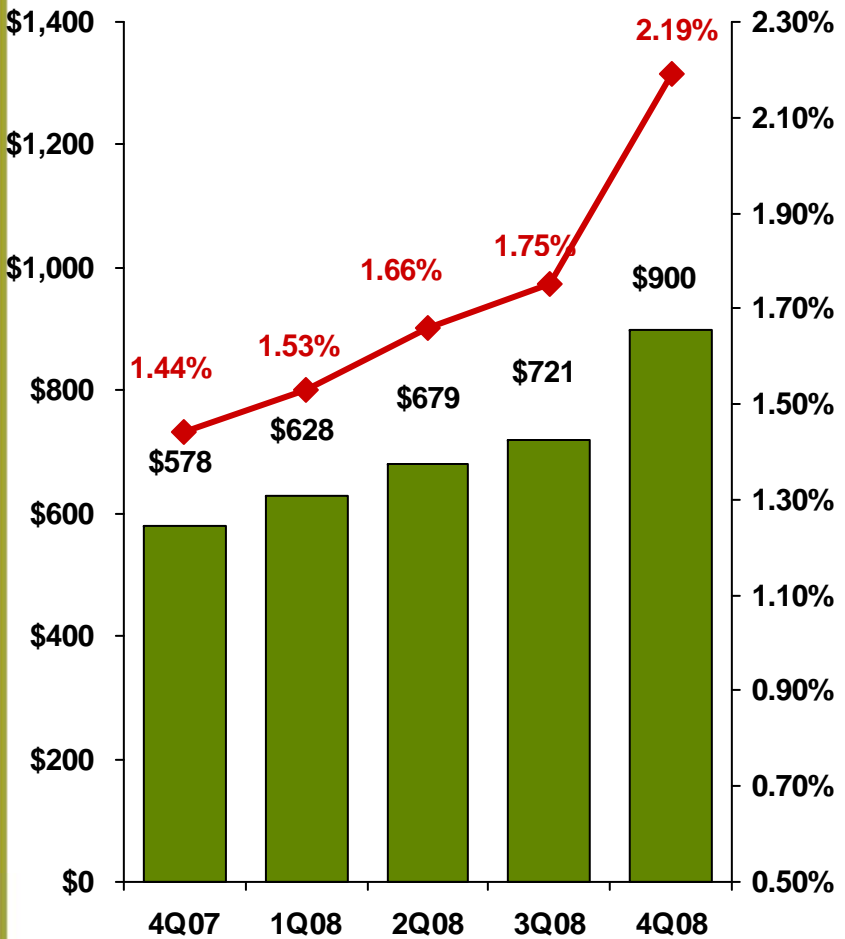


## Commercial Loans



(1) Period end; delinquent but accruing as a % of related outstandings at EOP

# Allowances for Loan & Lease Losses (ALLL) <sup>(1)</sup>



## ALLL Reserve Components

	<u>Transaction</u>	<u>Economic</u>	<u>Total</u>
<b>4Q08</b>	<b>1.91%</b>	<b>0.28%</b>	<b>2.19%</b>
3Q08	1.54	0.21	1.75
2Q08	1.45	0.21	1.66
1Q08	1.34	0.19	1.53
4Q07	1.27	0.17	1.44



(1) Period end

## Allowances for Credit Losses (ACL) <sup>(1)</sup>

(\$MM)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Allowance for loan and lease losses (ALLL)	<b>\$900.2</b>	\$720.7	\$679.4	\$627.6	\$578.4
Allowance for unfunded loan commitments and LOCs (AULC)	<u>44.1</u>	<u>61.6</u>	<u>61.3</u>	<u>57.6</u>	<u>66.5</u>
Total allowance for credit losses (ACL)	<b>\$944.4</b>	\$782.4	\$740.7	\$685.2	\$645.0
ALLL as % of total loans and leases	<b>2.19 %</b>	1.75 %	1.66 %	1.53 %	1.44 %
total NALs	<b>60</b>	123	127	166	181
ACL as % of total loans and leases	<b>2.30 %</b>	1.90 %	1.80 %	1.67 %	1.61 %
total NALs	<b>63</b>	134	138	182	202

(1) Period end

# Allowance for Credit Losses Methodology

## Allowance for loan and lease losses (ALLL)

- **Transaction reserve** which includes:
  - An estimate of loss based on characteristics of each commercial and consumer loan, lease, or loan commitment, and
  - An estimate of loss based on a review of each impaired loan >\$500,000
  - Generally developed to cover a defined percentage of 12-month future losses
- **Economic reserve** quantitatively reflects expected changes in credit losses due to changes in economic environment and is determined based on a variety of economic factors and indices correlated to the historic performance of the loan portfolio and management's judgment
  - Current economic factors and indices utilized in the process
    - Real Consumer Spending
    - Consumer Confidence
    - ISM Manufacturing Index
    - Non-Agriculture Job Creation in our core states (OH, MI, WV and IN)

## Allowance for unfunded loan commitments and letters of credit (AULC)

- Reported as a liability
- Determined using the same ALLL transaction and economic reserve methodology
- AULC is reduced and the ALLL is increased as loans are funded

## Allowances for credit losses (ACL)

- Sum of ALLL and AULC with both available to absorb credit losses

# Non-Franklin Credit Metrics Reconciliation

<i>(in millions)</i>	Fourth Quarter 2008			Third Quarter 2008		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
Loan loss provision	\$ 772.6	\$ 438.0	\$ 334.6	\$ 125.4	\$ -	\$ 125.4
Total net charge-offs - \$	\$ 560.6	\$ 423.3	\$ 137.4	\$ 83.8	\$ -	\$ 83.8
Total net charge-offs - %	5.41 %		1.36 %	0.82 %		0.84 %
Provision > net charge offs	\$ 212.0	\$ 14.7	\$ 197.3	\$ 41.6	\$ -	\$ 41.6
ALLL - \$	\$ 900.2	\$ 130.0	\$ 770.2	\$ 720.7	\$ 115.3	\$ 605.5
ALLL - % loans/leases	2.19 %		1.90 %	1.75 %		1.51 %
NAL coverage ratio	60 %		90 %	123 %		103 %
ACL - \$	\$ 944.4	\$ 130.0	\$ 814.4	\$ 782.4	\$ 115.3	\$ 667.1
ACL - % loans/leases	2.30 %		2.01 %	1.90 %		1.66 %
NAL coverage ratio	63 %		96 %	134 %		114 %
Total loans and leases - EOP (\$ billions)	\$ 41,092	\$ 650	\$ 40,442	\$ 41,192	\$ 1,095	\$ 40,097
Total loans and leases - Avg (\$ billions)	\$ 41,437	\$ 1,085	\$ 40,352	\$ 41,004	\$ 1,114	\$ 39,890
Non-accrual loans - EOP	\$ 1,502.1	\$ 650.2	\$ 851.9	\$ 585.9	\$ -	\$ 585.9
Restructured loans	-	-	-	364.9	364.9	-
OREO	122.5	-	122.5	73.5	-	73.5
Impaired loans held for sale	12.0	-	12.0	13.5	-	13.5
Other NPAs	-	-	-	2.4	-	2.4
Non-performing assets - EOP	\$ 1,636.6	\$ 650.2	\$ 986.4	\$ 1,040.3	\$ 364.9	\$ 675.3
NAL ratio <sup>(1)</sup>	3.66 %		2.11 %	1.42 %		1.46 %
NPA ratio <sup>(2)</sup>	3.97 %		2.43 %	2.52 %		1.68 %

(1) NALs / total loans and leases

(2) NPAs / total loans and leases + impaired loans held for sale + OREO + other NPAs

# Non-Franklin Credit Metrics Reconciliation

<i>(in millions)</i>	Second Quarter 2008			First Quarter 2008		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
Loan loss provision	\$ 120.8	\$ -	\$ 120.8	\$ 88.7	\$ -	\$ 88.7
Total net charge-offs - \$	\$ 65.2	\$ -	\$ 65.2	\$ 48.4		\$ 48.4
Total net charge-offs - %	0.64 %		0.65 %	0.48 %		0.49 %
Provision > net charge offs	\$ 55.6	\$ -	\$ 55.6	\$ 40.2	\$ -	\$ 40.2
ALLL - \$	\$ 679.4	\$ 115.3	\$ 564.1	\$ 627.6	\$ 115.3	\$ 512.3
ALLL - % loans/leases	1.66 %		1.41 %	1.53 %		1.29 %
NAL coverage ratio	127 %		105 %	166 %		136 %
ACL - \$	\$ 740.7	\$ 115.3	\$ 625.5	\$ 685.2	\$ 115.3	\$ 569.9
ACL - % loans/leases	1.80 %		1.57 %	1.67 %		1.43 %
NAL coverage ratio	138 %		117 %	182 %		151 %
Total loans and leases - EOP (\$ billions)	\$ 41,047	\$ 1,130	\$ 39,917	\$ 41,014	\$ 1,157	\$ 39,857
Total loans and leases - Avg (\$ billions)	\$ 41,025	\$ 1,144	\$ 39,881	\$ 40,109	\$ 1,522	\$ 38,587
Non-accrual loans - EOP	\$ 535.0	\$ -	\$ 535.0	\$ 377.4	\$ -	\$ 377.4
Restructured loans	368.4	368.4	-	1,157.4	1,157.4	-
OREO	72.4	-	72.4	73.9	-	73.9
Impaired loans held for sale	14.8	-	14.8	66.4	-	66.4
Other NPAs	2.6	-	2.6	2.8	-	2.8
Non-performing assets - EOP	\$ 993.1	\$ 368.4	\$ 624.7	\$ 1,677.8	\$ 1,157.4	\$ 520.4
NAL ratio <sup>(1)</sup>	1.30 %		1.34 %	0.92 %		0.95 %
NPA ratio <sup>(2)</sup>	2.41 %		1.56 %	4.08 %		1.30 %

(1) NALs / total loans and leases

(2) NPAs / total loans and leases + impaired loans held for sale + OREO + other NPAs

# Non-Franklin Credit Metrics Reconciliation

<i>(in millions)</i>	Fourth Quarter 2007			Third Quarter 2007		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
Loan loss provision	\$ 512.1	\$ 405.8	\$ 106.3	\$ 42.0	\$ 5.0	\$ 37.0
Total net charge-offs - \$	\$ 377.9	\$ 308.5	\$ 69.4	\$ 47.1	\$ -	\$ 47.1
Total net charge-offs - %	3.77 %		0.72 %	0.47 %		0.49 %
Provision > net charge offs	\$ 134.2	\$ 97.3	\$ 36.9	\$ (5.1)	\$ 5.0	\$ (10.1)
ALLL - \$	\$ 578.4	\$ 115.3	\$ 463.2	\$ 454.8	\$ 17.7	\$ 437.1
ALLL - % loans/leases	1.44 %		1.19 %	1.14 %		1.14 %
NAL coverage ratio	181 %		145 %	182 %		175 %
ACL - \$	\$ 645.0	\$ 115.3	\$ 529.7	\$ 513.0	\$ 18.0	\$ 495.0
ACL - % loans/leases	1.61 %		1.36 %	1.28 %		1.29 %
NAL coverage ratio	202 %		166 %	206 %		198 %
Total loans and leases - EOP (\$ billions)	\$ 40,054	\$ 1,187	\$ 38,867	\$ 39,987	\$ 1,509	\$ 38,478
Total loans and leases - Avg (\$ billions)	\$ 40,109	\$ 1,522	\$ 38,587	\$ 39,828	\$ 1,520	\$ 38,308
Non-accrual loans - EOP	\$ 319.8	\$ -	\$ 319.8	\$ 249.4	\$ -	\$ 249.4
Restructured loans	1,187.4	1,187.4	-	-	-	-
OREO	75.3	-	75.3	68.9	-	68.9
Impaired loans held for sale	73.5	-	73.5	100.5	-	100.5
Other NPAs	4.4	-	4.4	16.3	-	16.3
Non-performing assets - EOP	\$ 1,660.3	\$ 1,187.4	\$ 472.9	\$ 435.0	\$ -	\$ 435.0
NAL ratio <sup>(1)</sup>	0.80 %		0.82 %	0.62 %		0.65 %
NPA ratio <sup>(2)</sup>	4.13 %		1.21 %	1.08 %		1.13 %

(1) NALs / total loans and leases

(2) NPAs / total loans and leases + impaired loans held for sale + OREO + other NPAs

# Quarterly Net Charge-off Reconciliation <sup>(1)</sup>

<i>(in millions)</i>	Fourth Quarter 2008			Third Quarter 2008		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
<b>Net charge-offs (recoveries):</b>						
Commercial and industrial	\$ 473.4	\$ 423.3	\$ 50.2	\$ 29.6	\$ -	\$ 29.6
Commercial real estate	38.4	-	38.4	11.0	-	11.0
<b>Total commercial</b>	<b>\$ 511.8</b>	<b>\$ 423.3</b>	<b>\$ 88.5</b>	<b>\$ 40.6</b>	<b>\$ -</b>	<b>\$ 40.6</b>
Automobile loans and leases	18.6	-	18.6	13.3	-	13.3
Home equity	19.2	-	19.2	15.8	-	15.8
Residential mortgage	7.3	-	7.3	6.7	-	6.7
Other consumer	3.8	-	3.8	7.2	-	7.2
<b>Total consumer</b>	<b>48.8</b>	<b>-</b>	<b>48.8</b>	<b>43.1</b>	<b>-</b>	<b>43.1</b>
<b>Total net charge-offs</b>	<b>\$ 560.6</b>	<b>\$ 423.3</b>	<b>\$ 137.4</b>	<b>\$ 83.8</b>	<b>\$ -</b>	<b>\$ 83.8</b>
<b>Net charge-offs (recoveries) - annualized percentages:</b>						
Commercial & industrial	13.78 %	156.04 %	1.58 %	0.87 %	- %	0.95 %
Commercial real estate	1.50	-	1.50	0.45	-	0.45
<b>Total commercial</b>	<b>8.54</b>	<b>156.04</b>	<b>1.55</b>	<b>0.69</b>	<b>-</b>	<b>0.73</b>
Automobile loans and leases	1.64	-	1.64	1.15	-	1.15
Home equity	1.02	-	1.02	0.85	-	0.85
Residential mortgage	0.62	-	0.62	0.56	-	0.56
Other consumer	2.22	-	2.22	4.32	-	4.32
<b>Total consumer</b>	<b>1.12</b>	<b>-</b>	<b>1.12</b>	<b>0.98</b>	<b>-</b>	<b>0.98</b>
<b>Total net charge-offs</b>	<b>5.41 %</b>	<b>156.04 %</b>	<b>1.36 %</b>	<b>0.82 %</b>	<b>- %</b>	<b>0.84 %</b>
<b>Average Loans and Leases</b>						
Commercial & industrial	\$ 13,746	\$ 1,085	\$ 12,661	\$ 13,629	\$ 1,114	\$ 12,515
Commercial real estate	10,218	-	10,218	9,816	-	9,816
<b>Total commercial</b>	<b>\$ 23,964</b>	<b>\$ 1,085</b>	<b>\$ 22,879</b>	<b>\$ 23,445</b>	<b>\$ 1,114</b>	<b>\$ 22,331</b>
Automobile loans and leases	4,535	-	4,535	4,624	-	4,624
Home equity	7,523	-	7,523	7,453	-	7,453
Residential mortgage	4,737	-	4,737	4,812	-	4,812
Other consumer	678	-	678	670	-	670
<b>Total consumer</b>	<b>17,473</b>	<b>-</b>	<b>17,473</b>	<b>17,559</b>	<b>-</b>	<b>17,559</b>
<b>Total loans and leases</b>	<b>\$ 41,437</b>	<b>\$ 1,085</b>	<b>\$ 40,352</b>	<b>\$ 41,004</b>	<b>\$ 1,114</b>	<b>\$ 39,890</b>

# Quarterly Net Charge-off Reconciliation <sup>(1)</sup>

<i>(in millions)</i>	Second Quarter 2008			First Quarter 2008		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
<b>Net charge-offs (recoveries):</b>						
Commercial and industrial	\$ 12.4	\$ -	\$ 12.4	\$ 10.7	\$ -	\$ 10.7
Commercial real estate	15.1	-	15.1	4.3	-	4.3
<b>Total commercial</b>	<b>\$ 27.5</b>	<b>\$ -</b>	<b>\$ 27.5</b>	<b>\$ 15.0</b>	<b>\$ -</b>	<b>\$ 15.0</b>
Automobile loans and leases	11.5	-	11.5	11.2	-	11.2
Home equity	17.3	-	17.3	15.2	-	15.2
Residential mortgage	4.3	-	4.3	2.9	-	2.9
Other consumer	4.7	-	4.7	4.1	-	4.1
<b>Total consumer</b>	<b>37.8</b>	<b>-</b>	<b>37.8</b>	<b>33.4</b>	<b>-</b>	<b>33.4</b>
<b>Total net charge-offs</b>	<b>\$ 65.2</b>	<b>\$ -</b>	<b>\$ 65.2</b>	<b>\$ 48.4</b>	<b>\$ -</b>	<b>\$ 48.4</b>
<b>Net charge-offs (recoveries) - annualized percentages:</b>						
Commercial & industrial	0.36 %	- %	0.40 %	0.32 %	- %	0.35 %
Commercial real estate	0.63	-	0.63	0.18	-	0.18
<b>Total commercial</b>	<b>0.47</b>	<b>-</b>	<b>0.50</b>	<b>0.27</b>	<b>-</b>	<b>0.28</b>
Automobile loans and leases	1.01	-	1.01	1.02	-	1.02
Home equity	0.94	-	0.94	0.84	-	0.84
Residential mortgage	0.33	-	0.33	0.22	-	0.22
Other consumer	2.69	-	2.69	2.29	-	2.29
<b>Total consumer</b>	<b>0.85</b>	<b>-</b>	<b>0.85</b>	<b>0.75</b>	<b>-</b>	<b>0.75</b>
<b>Total net charge-offs</b>	<b>0.64 %</b>	<b>- %</b>	<b>0.65 %</b>	<b>0.48 %</b>	<b>- %</b>	<b>0.49 %</b>
<b>Average Loans and Leases</b>						
Commercial & industrial	\$ 13,631	\$ 1,143	\$ 12,488	\$ 13,343	\$ 1,166	\$ 12,177
Commercial real estate	9,601	-	9,601	9,287	-	9,287
<b>Total commercial</b>	<b>\$ 23,232</b>	<b>\$ 1,143</b>	<b>\$ 22,089</b>	<b>\$ 22,630</b>	<b>\$ 1,166</b>	<b>\$ 21,464</b>
Automobile loans and leases	4,551	-	4,551	4,399	-	4,399
Home equity	7,365	-	7,365	7,274	-	7,274
Residential mortgage	5,178	-	5,178	5,351	-	5,351
Other consumer	699	-	699	713	-	713
<b>Total consumer</b>	<b>17,793</b>	<b>-</b>	<b>17,793</b>	<b>17,737</b>	<b>-</b>	<b>17,737</b>
<b>Total loans and leases</b>	<b>\$ 41,025</b>	<b>\$ 1,143</b>	<b>\$ 39,882</b>	<b>\$ 40,367</b>	<b>\$ 1,166</b>	<b>\$ 39,201</b>

# Quarterly Net Charge-off Reconciliation <sup>(1)</sup>

<i>(in millions)</i>	Fourth Quarter 2007			Third Quarter 2007		
	Reported	Franklin	Non-Franklin	Reported	Franklin	Non-Franklin
<b>Net charge-offs (recoveries):</b>						
Commercial and industrial	\$ 323.9	\$ 308.5	\$ 15.4	\$ 12.6	\$ -	\$ 12.6
Commercial real estate	20.7	-	20.7	4.7	-	4.7
<b>Total commercial</b>	<b>\$ 344.6</b>	<b>\$ 308.5</b>	<b>\$ 36.1</b>	<b>\$ 17.3</b>	<b>\$ -</b>	<b>\$ 17.3</b>
Automobile loans and leases	10.4	-	10.4	7.9	-	7.9
Home equity	12.2	-	12.2	10.8	-	10.8
Residential mortgage	3.3	-	3.3	4.4	-	4.4
Other consumer	7.3	-	7.3	6.6	-	6.6
<b>Total consumer</b>	<b>33.3</b>	<b>-</b>	<b>33.3</b>	<b>29.8</b>	<b>-</b>	<b>29.8</b>
<b>Total net charge-offs</b>	<b>\$ 377.9</b>	<b>\$ 308.5</b>	<b>\$ 69.4</b>	<b>\$ 47.1</b>	<b>\$ -</b>	<b>\$ 47.1</b>
<b>Net charge-offs (recoveries) - annualized percentages:</b>						
Commercial & industrial	9.76 %	81.08 %	0.52 %	0.39 %	- %	0.44 %
Commercial real estate	0.92	-	0.92	0.21	-	0.21
<b>Total commercial</b>	<b>6.18</b>	<b>81.08</b>	<b>0.70</b>	<b>0.31</b>	<b>-</b>	<b>0.34</b>
Automobile loans and leases	0.96	-	0.96	0.73	-	0.73
Home equity	0.67	-	0.67	0.58	-	0.58
Residential mortgage	0.25	-	0.25	0.32	-	0.32
Other consumer	4.02	-	4.02	4.97	-	4.97
<b>Total consumer</b>	<b>0.75</b>	<b>-</b>	<b>0.75</b>	<b>0.67</b>	<b>-</b>	<b>0.67</b>
<b>Total net charge-offs</b>	<b>3.77 %</b>	<b>81.08 %</b>	<b>0.72 %</b>	<b>0.47 %</b>	<b>- %</b>	<b>0.49 %</b>
<b>Average Loans and Leases</b>						
Commercial & industrial	\$ 13,270	\$ 1,522	\$ 11,748	\$ 13,036	\$ 1,520	\$ 11,516
Commercial real estate	9,053	-	9,053	8,980	-	8,980
<b>Total commercial</b>	<b>\$ 22,323</b>	<b>\$ 1,522</b>	<b>\$ 20,801</b>	<b>\$ 22,016</b>	<b>\$ 1,520</b>	<b>\$ 20,496</b>
Automobile loans and leases	4,324	-	4,324	4,354	-	4,354
Home equity	7,297	-	7,297	7,468	-	7,468
Residential mortgage	5,437	-	5,437	5,456	-	5,456
Other consumer	728	-	728	534	-	534
<b>Total consumer</b>	<b>17,786</b>	<b>-</b>	<b>17,786</b>	<b>17,812</b>	<b>-</b>	<b>17,812</b>
<b>Total loans and leases</b>	<b>\$ 40,109</b>	<b>\$ 1,522</b>	<b>\$ 38,587</b>	<b>\$ 39,828</b>	<b>\$ 1,520</b>	<b>\$ 38,308</b>

# Deposits and Other Funding

# Deposit Trends

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	<u>4Q08</u>	<u>4Q08 v</u> <u>3Q08</u>	<u>3Q08 v</u> <u>2Q08</u>	<u>4Q08 v</u> <u>4Q07</u>
Demand deposits - non-int. bearing	\$ 5.2	10 %	2 %	- %
Demand deposits - int. bearing	4.0	(2)	(8)	2
Money market deposits	5.5	(25)	(26)	(20)
Savings & other domestic	4.8	(6)	(11)	(3)
Core CDs	12.5	20	34	17
Total core deosits	32.0	3	4	1
Other deposits <sup>(2)</sup>	5.6	(32)	(33)	(7)
Total deposits	<u>\$ 37.6</u>	<u>(2) %</u>	<u>(2) %</u>	<u>- %</u>

(1) Linked quarter percent change annualized

(2) Includes other domestic time >\$100K, brokered deposits and negotiated CDs, and deposits in foreign offices

# Deposit Trends – 4Q08

## Prior Year Quarter

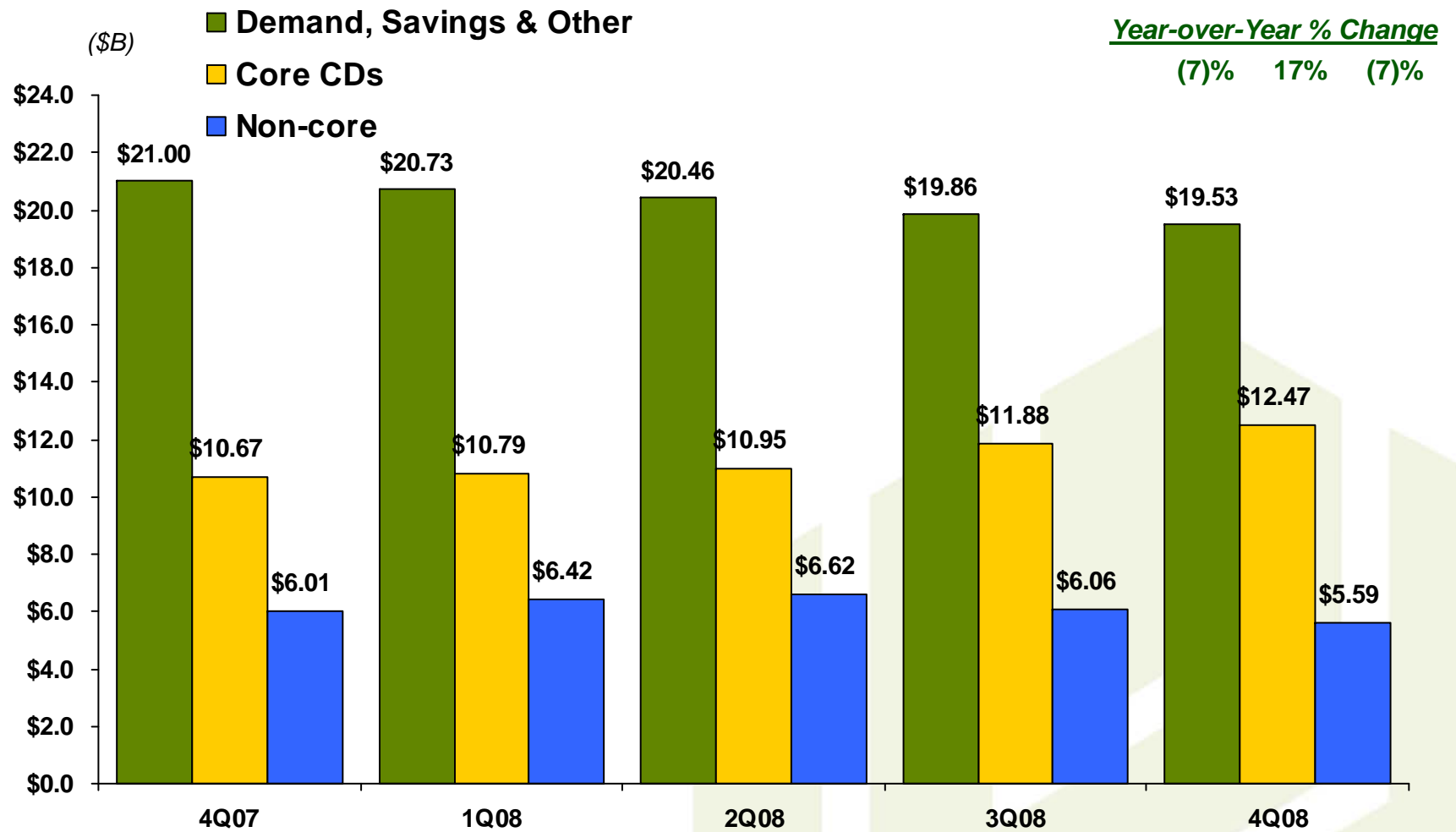
<i>(in billions)</i>	Fourth Quarter		Change	
	2008	2007	Amount	%
<b>Average Deposits</b>				
Demand deposits - non-interest bearing	\$ 5.2	\$ 5.2	\$ (0.0)	(0) %
Demand deposits - interest bearing	4.0	3.9	0.1	2
Money market deposits	5.5	6.8	(1.3)	(20)
Savings and other domestic deposits	4.8	5.0	(0.2)	(3)
Core certificates of deposit	12.5	10.7	1.8	17
Total core deposits	32.0	31.7	0.3	1
Other deposits	5.6	6.0	(0.4)	(7)
Total deposits	\$ 37.6	\$ 37.7	\$ (0.1)	(0) %

## Linked Quarter

<i>(in billions)</i>	Fourth	Third	Change	
	Quarter	Quarter	Amount	%
	2008	2008		
<b>Average Deposits</b>				
Demand deposits - non-interest bearing	\$ 5.2	\$ 5.1	\$ 0.1	2 %
Demand deposits - interest bearing	4.0	4.0	(0.0)	(0)
Money market deposits	5.5	5.9	(0.4)	(6)
Savings and other domestic deposits	4.8	4.9	(0.1)	(2)
Core certificates of deposit	12.5	11.9	0.6	5
Total core deposits	32.0	31.7	0.3	1
Other deposits	5.6	6.1	(0.5)	(8)
Total deposits	\$ 37.6	\$ 37.8	\$ (0.2)	(1) %

# Total Deposits

## Average Balances



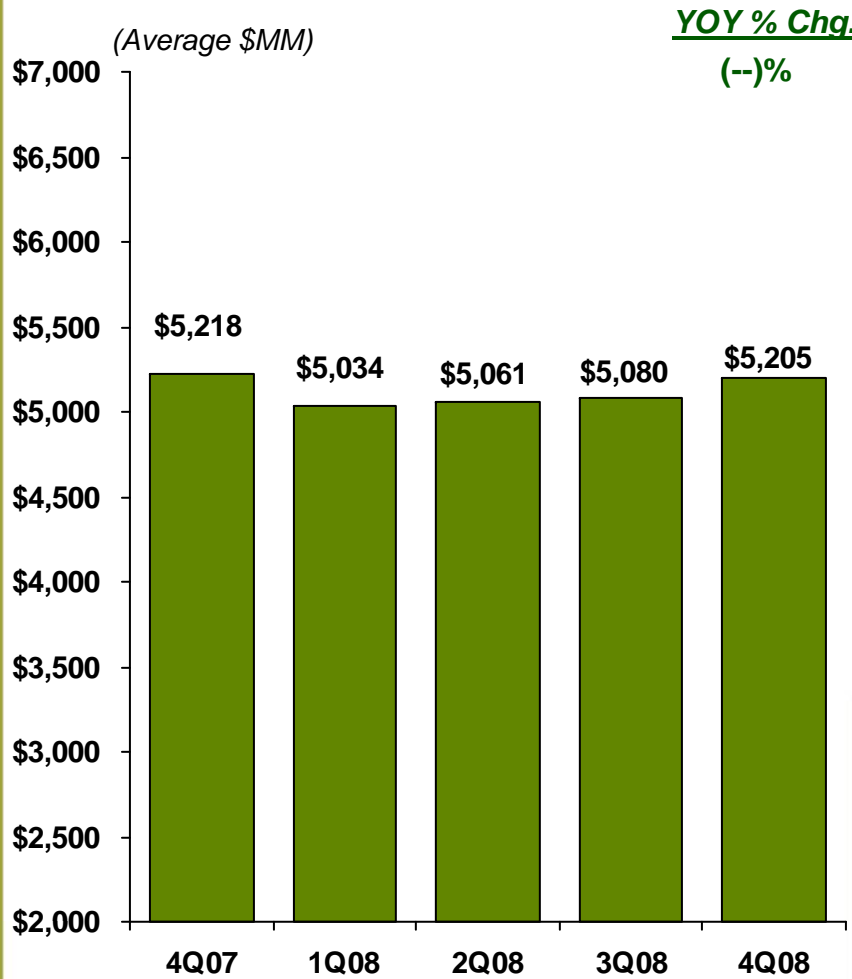
## Total Deposits by Business Segment

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	4Q08	4Q08 v 3Q08	3Q08 v 2Q08	4Q08 v 4Q07
Central Ohio	\$ 6.2	(11) %	(16) %	- %
Northwest Ohio	2.6	(16)	(1)	(6)
Greater Cleveland	3.1	(17)	(5)	1
Greater Akron/Canton	3.2	(3)	3	(1)
Southern Ohio/Kentucky	2.7	5	6	1
Mahoning Valley	2.3	(4)	1	(3)
West Michigan	2.9	(7)	10	-
East Michigan	2.7	7	25	10
Pittsburgh	2.7	12	7	5
Central Indiana	1.9	9	(14)	(1)
West Virginia	1.8	21	16	13
Other Regional	0.9	17	5	18
Regional Banking	<u>32.9</u>	<u>(2)</u>	<u>-</u>	<u>2</u>
Auto Finance & Dealer Services	0.1	(6)	59	-
Pvt Fin'l & Cap. Mkts Group	1.6	6	17	(2)
Treasury/Other	3.0	(7)	(40)	(16)
Total	<u>\$ 37.6</u>	<u>(2)</u>	<u>(2)</u>	<u>-</u>

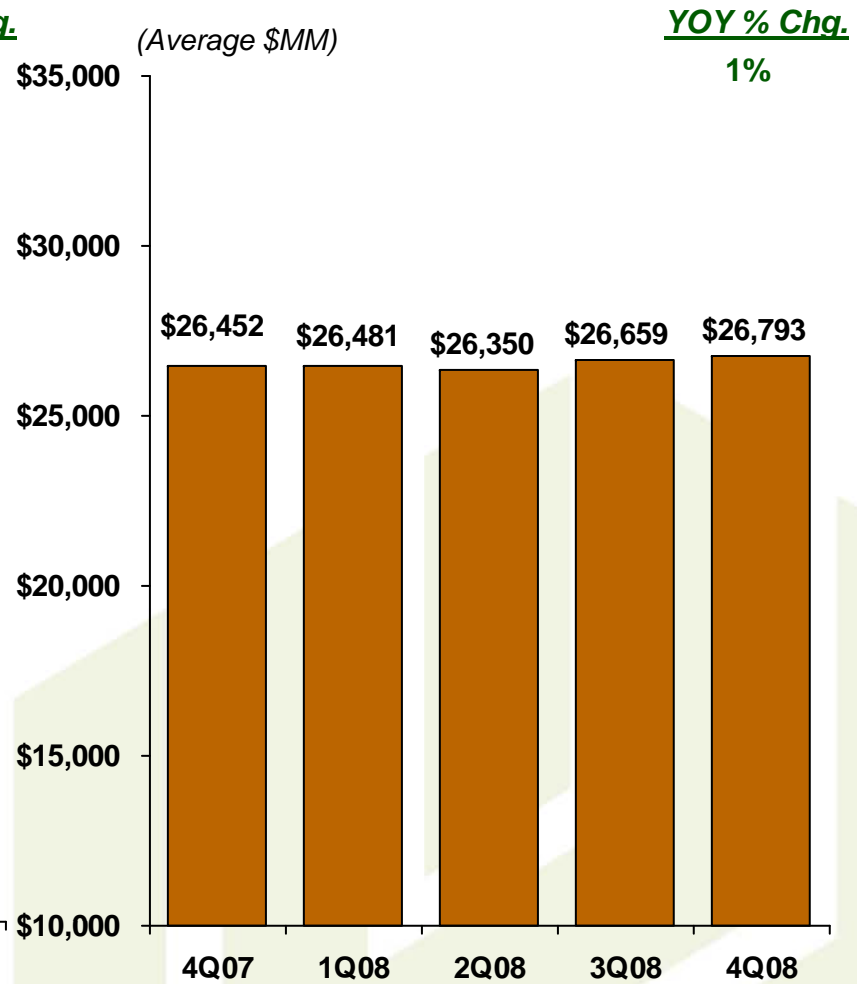
(1) Linked quarter percent change annualized

# Core Deposits

## Non-interest Bearing



## Other Core Deposits



## Core Deposits by Business Segment

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	4Q08	4Q08 v 3Q08	3Q08 v 2Q08	4Q08 v 4Q07
Central Ohio	\$ 5.7	- %	(5) %	(2) %
Northwest Ohio	2.5	(16)	(1)	(6)
Greater Cleveland	2.8	(8)	(1)	(4)
Greater Akron/Canton	3.0	(2)	(2)	(3)
Southern Ohio/Kentucky	2.5	12	9	-
Mahoning Valley	2.2	(3)	-	(4)
West Michigan	2.5	(1)	13	3
East Michigan	2.3	18	31	19
Pittsburgh	2.5	9	2	4
Central Indiana	1.7	21	(7)	4
West Virginia	1.7	20	18	12
Other Regional	0.8	19	2	17
Regional Banking	<b>30.4</b>	3	4	1
Auto Finance & Dealer Services	0.1	(15)	31	(5)
Pvt Fin'l & Cap. Mkts Group	1.5	7	18	(3)
Treasury/Other	-	93	(57)	16
<b>Total</b>	<b>\$ 32.0</b>	<b>3</b>	<b>4</b>	<b>1</b>

(1) Linked quarter percent change annualized

# Total Core Deposits Trends

<u>Average</u> (\$B)	<u>Annualized Growth</u> <sup>(1)</sup>			
	<u>4Q08</u>	<u>4Q08 v</u> <u>3Q08</u>	<u>3Q08 v</u> <u>2Q08</u>	<u>4Q08 v</u> <u>4Q07</u>
<b><u>Commercial</u></b>				
Demand deposits - non-int. bearing	\$ 4.2	17 %	6 %	1 %
Demand deposits - int. bearing	0.8	(5)	(6)	(6)
Collateralized public funds	1.1	(77)	(35)	(38)
Other core deposits <sup>(2)</sup>	1.7	(44)	(34)	(30)
Total	7.9	(16)	(12)	(15)
<b><u>Consumer</u></b>				
Demand deposits - non-int. bearing	1.0	(16)	(15)	(6)
Demand deposits - int. bearing	3.1	(1)	(8)	4
Other core deposits <sup>(2)</sup>	20.0	13	15	9
Total	24.1	10	10	8
<b><u>Total</u></b>				
Demand deposits - non-int. bearing	5.2	10	2	-
Demand deposits - int. bearing	4.0	(2)	(8)	2
Collateralized public funds	1.1	(77)	(35)	(38)
Other core deposits <sup>(2)</sup>	21.7	8	10	5
Total	\$ 32.0	3 %	4 %	1 %

(1) Linked quarter percent change annualized

(2) Includes core CDs, savings, and other deposits

## Commercial Core Deposits by Business Segment

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	4Q08	4Q08 v 3Q08	3Q08 v 2Q08	4Q08 v 4Q07
Central Ohio	\$ 1.7	(11) %	(13) %	(13) %
Northwest Ohio	0.5	(69)	1	(27)
Greater Cleveland	0.7	(56)	(21)	(33)
Greater Akron/Canton	0.6	(28)	(16)	(22)
Southern Ohio/Kentucky	0.5	(2)	(31)	(30)
Mahoning Valley	0.5	(38)	(8)	(17)
West Michigan	0.6	(33)	4	(16)
East Michigan	0.3	(40)	(2)	(15)
Pittsburgh	0.5	2	(19)	(7)
Central Indiana	0.4	69	(40)	6
West Virginia	0.3	13	17	5
Other Regional	0.6	(8)	(2)	4
Regional Banking	7.3	(20)	(12)	(16)
Auto Finance & Dealer Services	0.1	(15)	32	(5)
Pvt Fin'l & Cap. Mkts Group	0.5	52	(21)	(8)
Treasury/Other	-	93	(57)	16
<b>Total</b>	<b>\$ 7.9</b>	<b>(16)</b>	<b>(12)</b>	<b>(15)</b>

(1) Linked quarter percent change annualized

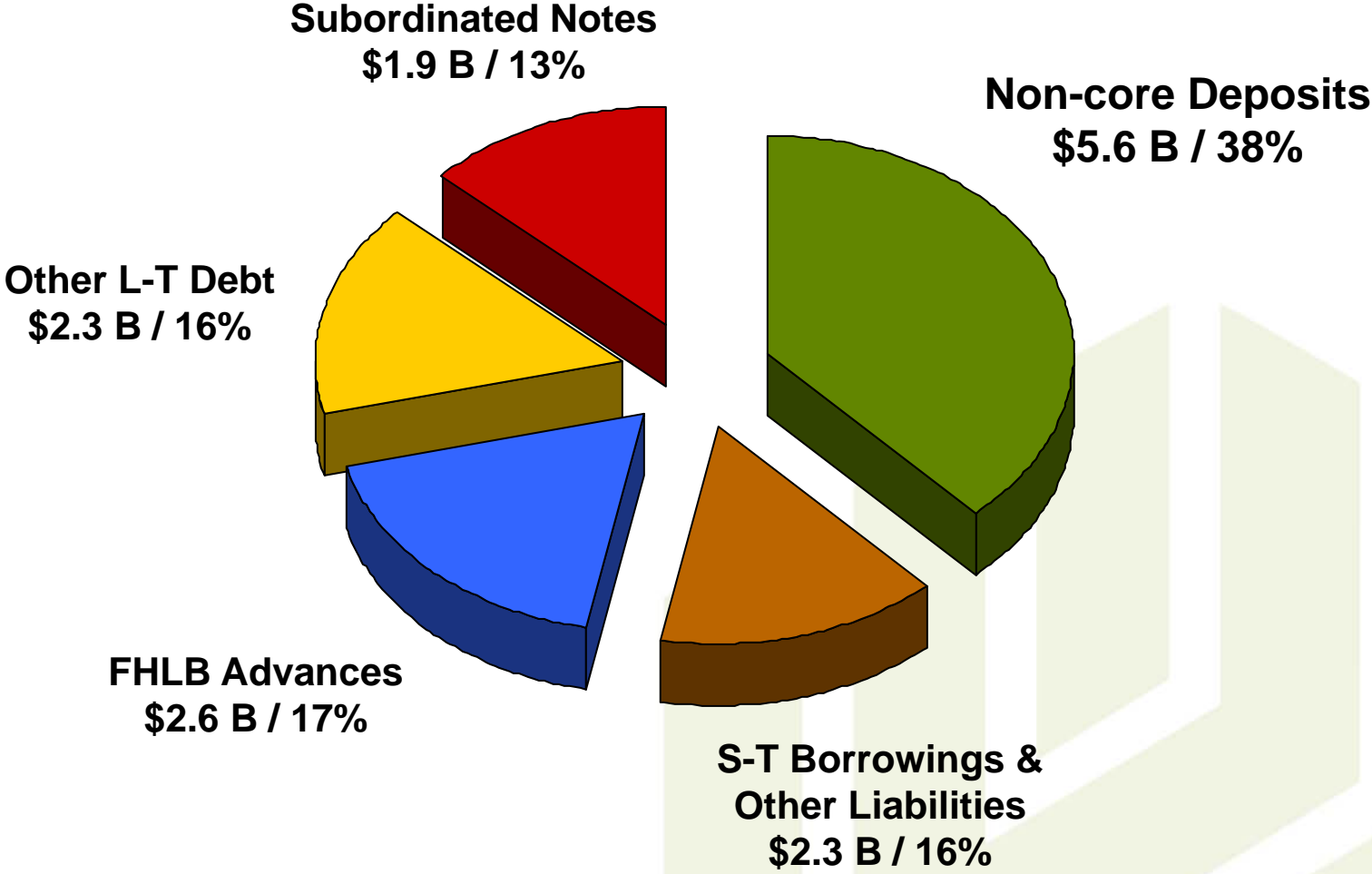
## Consumer Core Deposits by Business Segment

<u>Average</u> (\$B)	Annualized Growth <sup>(1)</sup>			
	4Q08	4Q08 v 3Q08	3Q08 v 2Q08	4Q08 v 4Q07
Central Ohio	\$ 4.0	5 %	(1) %	4 %
Northwest Ohio	2.0	(1)	(1)	-
Greater Cleveland	2.1	9	7	10
Greater Akron/Canton	2.5	5	2	4
Southern Ohio/Kentucky	2.0	15	21	13
Mahoning Valley	1.7	7	3	1
West Michigan	1.9	11	16	13
East Michigan	2.0	30	39	28
Pittsburgh	2.0	10	8	7
Central Indiana	1.3	7	4	4
West Virginia	1.4	22	18	14
Other Regional	0.2	NM	22	90
Regional Banking	<u>23.1</u>	<u>11</u>	<u>9</u>	<u>8</u>
Auto Finance & Dealer Services	-	-	-	-
Pvt Fin'l & Cap. Mkts Group	1.0	(12)	37	(1)
Treasury/Other	-	-	-	-
Total	<u>\$ 24.1</u>	<u>10</u>	<u>10</u>	<u>8</u>

(1) Linked quarter percent change annualized

# Other Funding – 12/31/08

**\$14.8 Billion**



# Capital

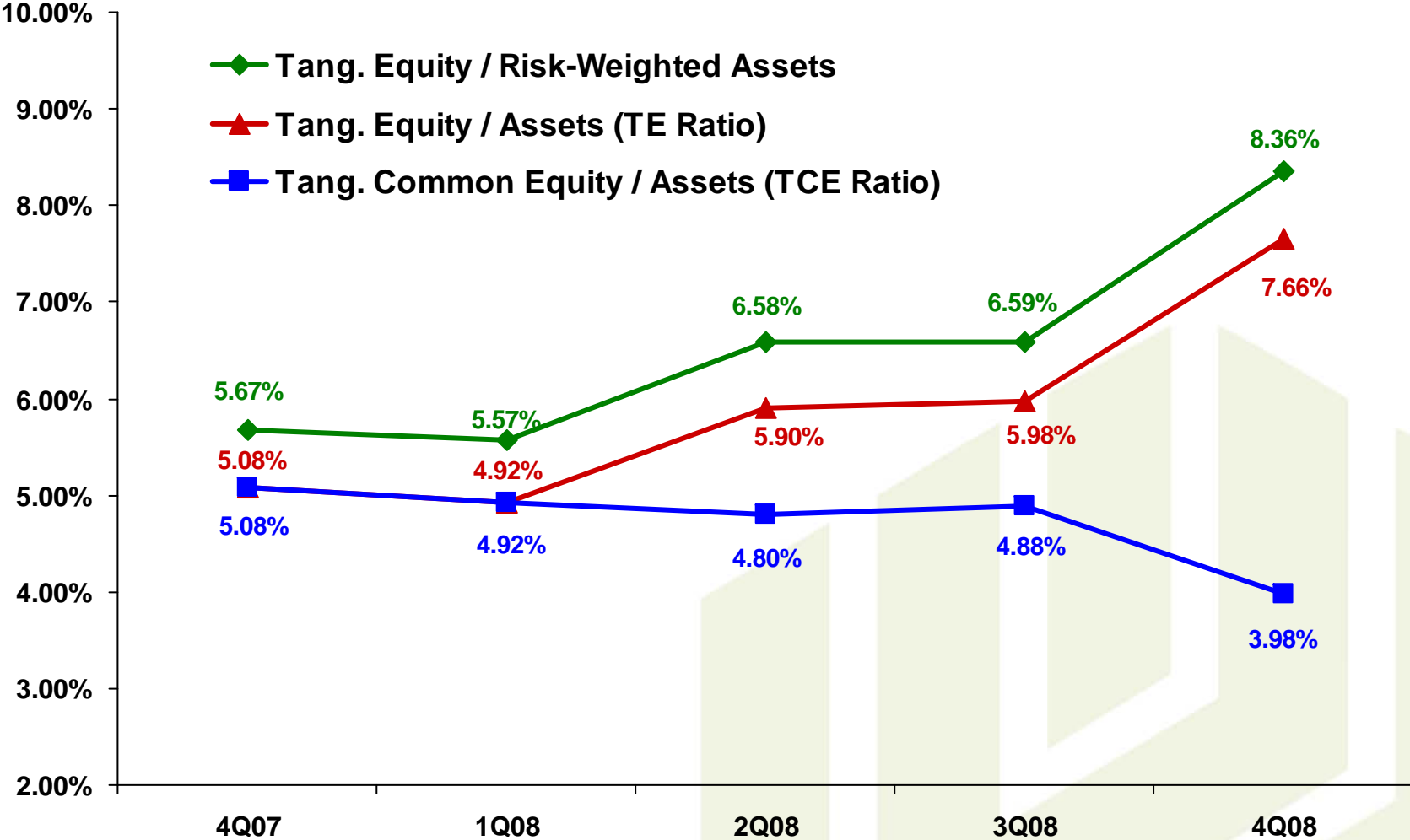
## Capital <sup>(1)</sup>

(\$B)	<u>4Q08</u>	<u>3Q08</u>	<u>2Q08</u>	<u>1Q08</u>	<u>4Q07</u>
Total risk-weighted assets	\$46.8e	\$46.6	\$46.6	\$46.5	\$46.0
Tier 1 leverage	9.82 %e	7.99 %	7.88 %	6.83 %	6.77 %
Tier 1 risk-based capital	10.76e	8.80	8.82	7.56	7.51
Total risk-based capital	13.96e	12.03	12.05	10.87	10.85
Tangible equity/assets	7.66	5.98	5.90	4.92	5.08
Tangible common equity/assets	3.98	4.88	4.80	4.92	5.08
Tangible equity/risk weighted assets	8.36	6.59	6.58	5.57	5.67
Double leverage <sup>(2)</sup>	85	105	103	110	109

(1) Period end

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

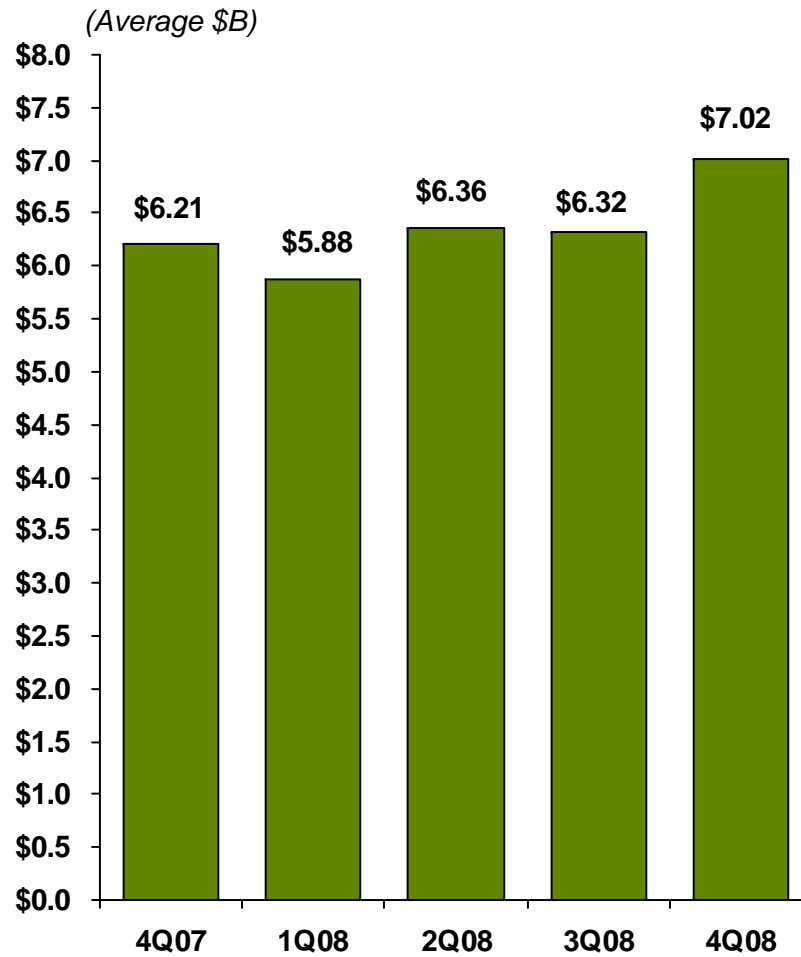
# Capital Trends <sup>(1)</sup>



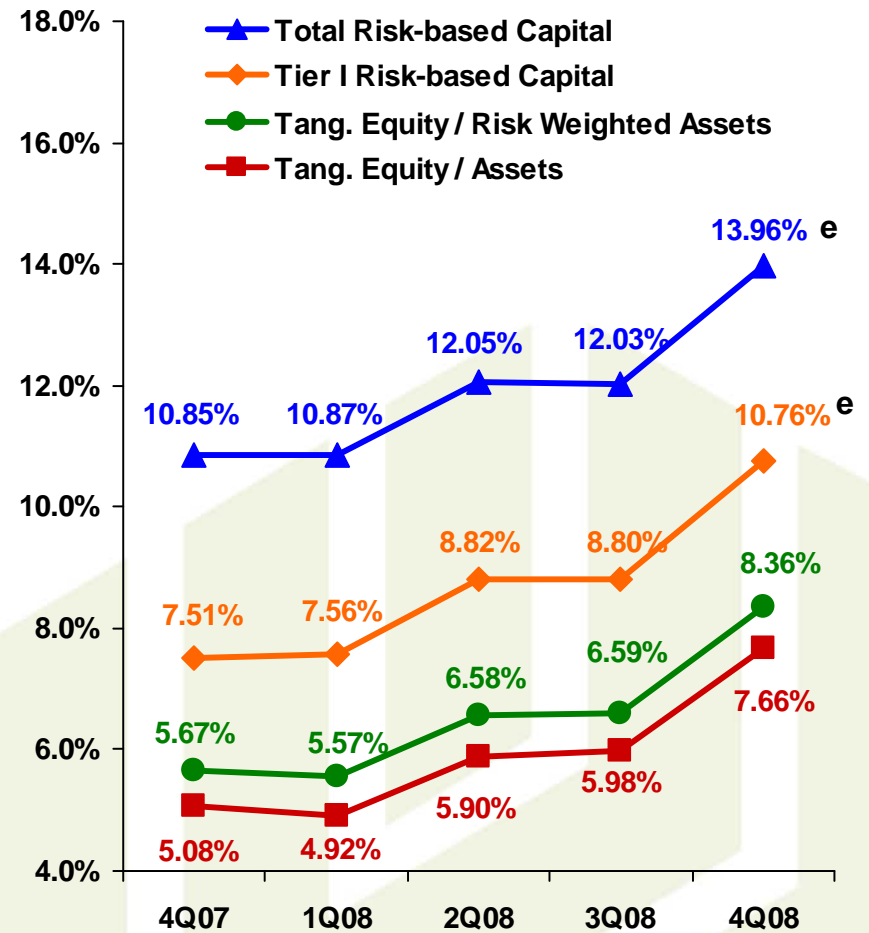
(1) End of period

# Capital Trends

## Shareholders' Equity



## Key Equity Ratios (1)



# Share Repurchases

<i>Authorization</i>		<i>Repurchased</i>			<i>Cumulative</i>	
<u>Date</u>	<u>Shares</u>	<u>Quarter</u>	<u>Shares</u>	<u>Value</u>	<u>Shares</u>	<u>Value</u>
2/2002	22.0 MM		19.4 MM	\$374 MM	19.4 MM	\$374 MM
1/2003	8.0		4.1	77	23.5	451
4/2004	7.5		4.4	109	27.9	560
		2Q05	1.8			
		3Q05	2.6			
10/2005	15.0		10.0	236	37.9	796
		4Q05	5.2			
		1Q06	4.8			
4/2006	15.0		11.2	265	49.1	1,061
		2Q06	8.1			
		3Q06	--			
		4Q06	3.1			
		1Q07-4Q08	--			

Includes 6.0 MM accelerated shares repurchased on 5/24/06

# Credit Ratings

		Senior <u>Notes</u>	Subordinated <u>Notes</u>	Com'l Paper / <u>Short-term</u>	<u>Outlook</u>
<b><u>Huntington Bancshares</u></b>					
Moody's	5/13/08	A3	Baa1	P-2	Stable
S&P	11/16/07	BBB+	BBB	A-2	Negative
Fitch	6/27/08	A-	BBB+	F1	Stable

## **The Huntington National Bank**

Moody's	5/13/08	A2	A3	P-1	Stable
S&P	11/16/07	A-	BBB+	A-2	Negative
Fitch	6/27/08	A-	BBB+	F1	Stable

# Franchise



# Huntington Bancshares Overview

Midwest financial services holding company

Founded - 1866

Headquarters - Columbus, Ohio

Total assets - \$54 billion

Employees <sup>(1)</sup> - 10,951

Franchise:

Regional Banking 6 States / 11 Regions

- Retail & Commercial Banking

- Mortgage Banking

603 Offices / 1,380 ATMs

6 States + MD, NJ

Auto Finance & Dealer Services

6 States + AZ, FL, TN, TX, VA

Private Financial Group

6 States / 6 offices <sup>(2)</sup>

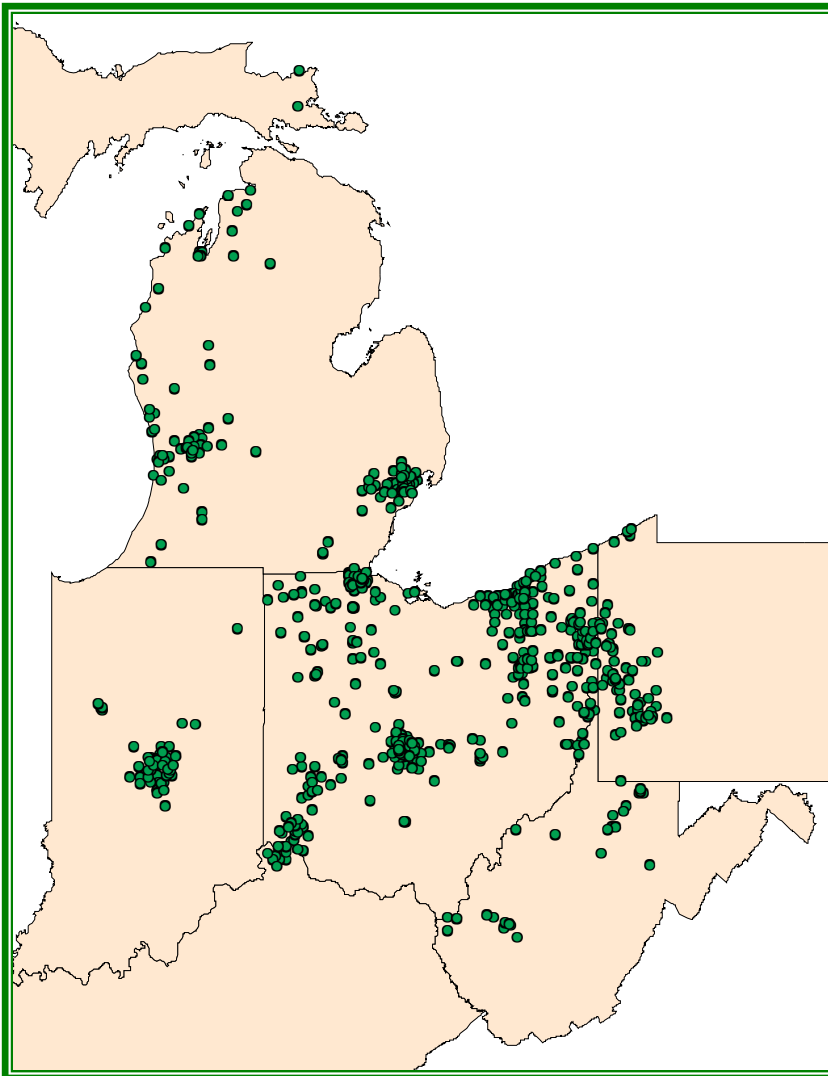
FL / 4 offices <sup>(3)</sup>

(1) Full-time equivalent (FTE)

(2) Dedicated shared office with Regional Banking

(3) Includes 2 full-service offices + 2 trust offices

# A Strong Regional Presence



Source: SNL Financial, company presentations and filings  
 FDIC deposit data as of June 30, 2008



## Deposits - Top 12 MSAs

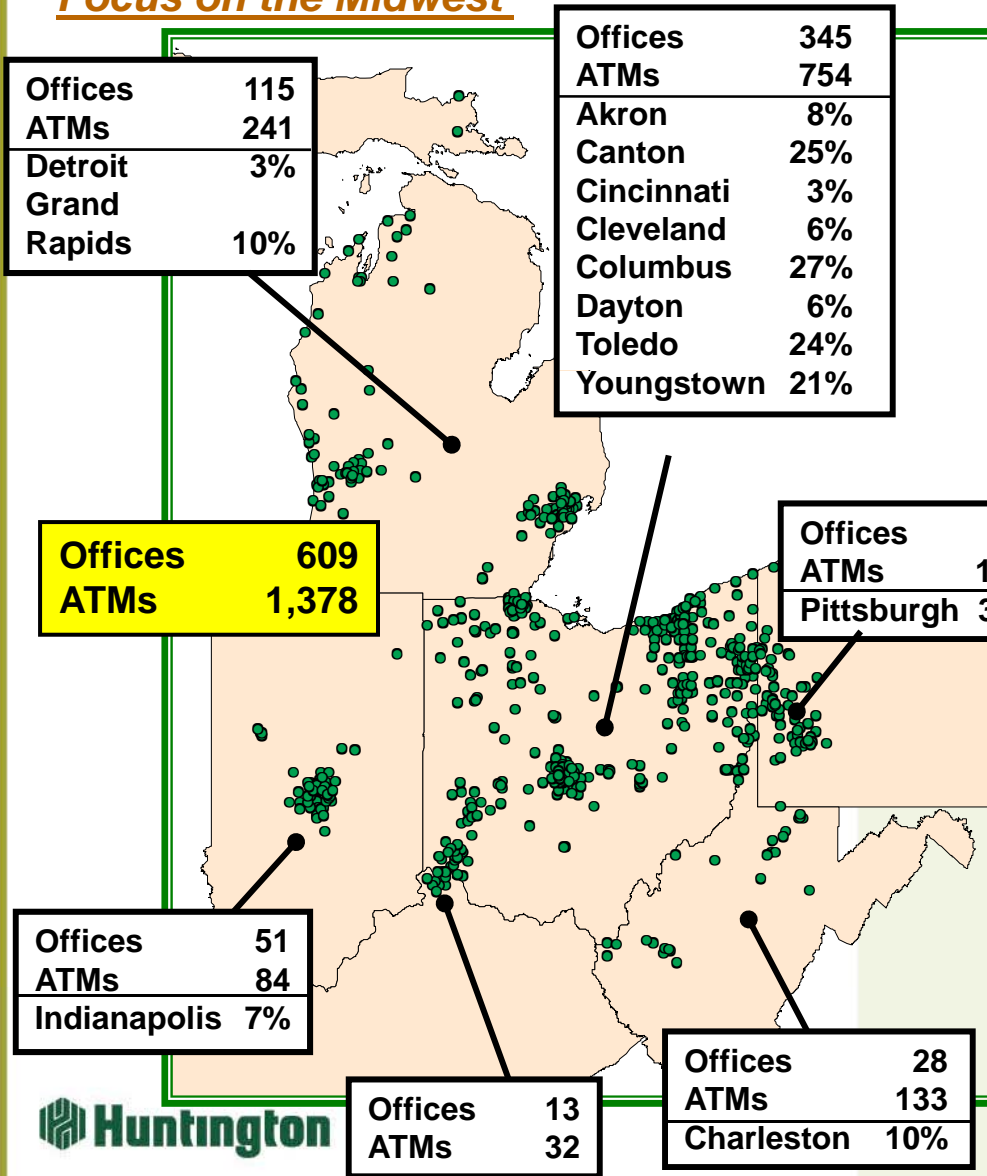
<u>MSA</u>	<u>Rank</u>	<u>BOs</u>	<u>Deposits</u>	<u>Share</u>
Columbus, OH	1	69	\$8,843	27.2%
Cleveland, OH	6	62	3,631	5.7
Detroit, MI	8	44	2,582	2.8
Toledo, OH	1	42	2,324	23.5
Pittsburgh, PA	7	41	1,870	2.6
Youngstown, OH	1	40	1,783	20.9
Indianapolis, IN	4	46	1,761	6.7
Cincinnati, OH	5	38	1,739	3.1
Canton, OH	1	24	1,288	24.6
Grand Rapids, MI	3	21	1,234	10.4
Akron, OH	5	19	854	7.9
Dayton, OH	6	12	587	5.7

BOs = Banking offices

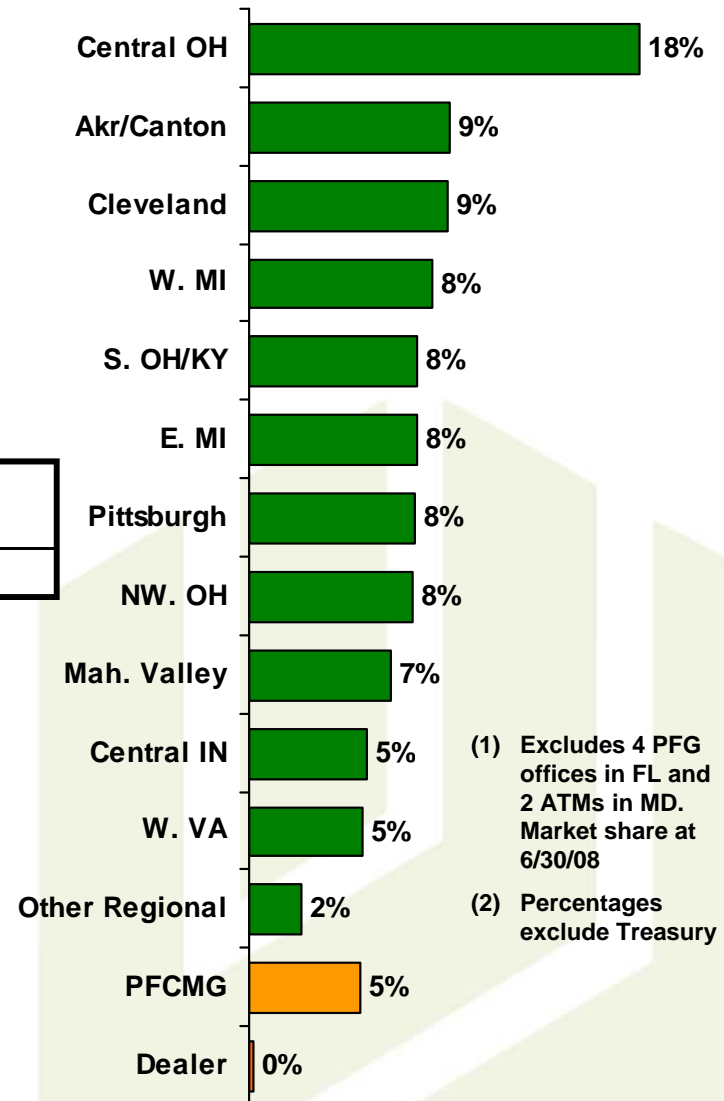
	<u>% Deposits</u>
#1 Share markets	45%
#1- #3 Share markets	57%

# The Huntington Franchise – 12/31/08

## Focus on the Midwest <sup>(1)</sup>



## Total Deposits \$37.9 B <sup>(2)</sup>



(1) Excludes 4 PFG offices in FL and 2 ATMs in MD. Market share at 6/30/08

(2) Percentages exclude Treasury



# Strategy, Organization and History

# "The Local Bank with National Resources"

## The Local Bank

### REGIONS

Central Ohio

West Michigan

NW Ohio

East Michigan

Greater Cleveland

Pittsburgh

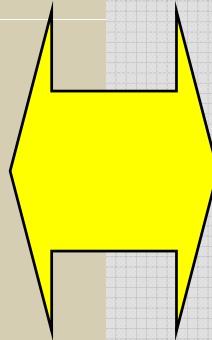
Greater Akron/Canton

West Virginia

Mahoning Valley

Central Indiana

S. Ohio/KY



## National Resources

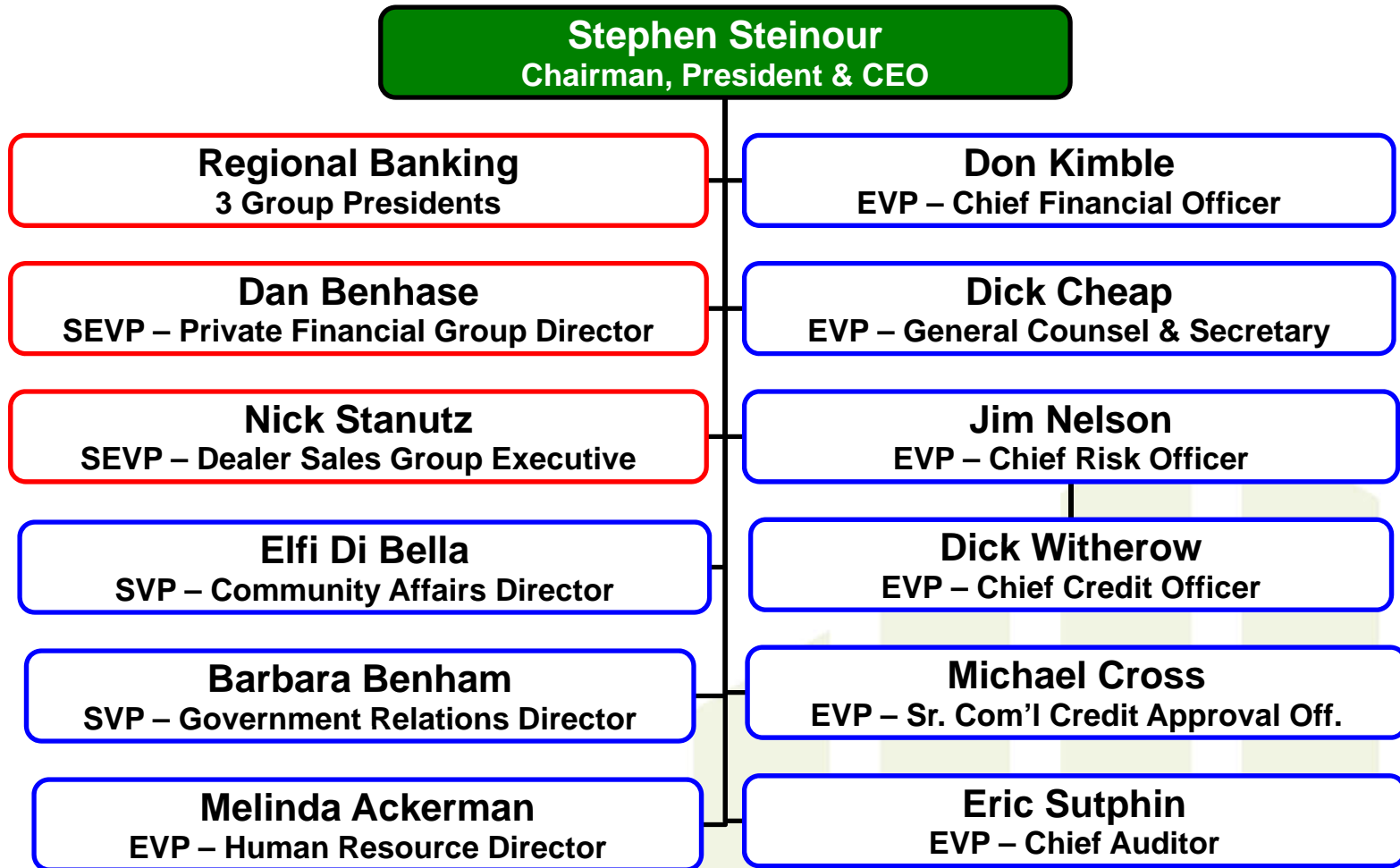
### BUSINESSES

- Commercial
- Small Business
- Mortgage
- Capital Markets
- Insurance
- Dealer Sales
- Consumer
- Private Financial
- Huntington Investment Co.
- Trust

### CORPORATE SUPPORT

- Customer Service Center
- Operations and Technology
- .com
- Marketing
- Human Resources
- Training and Communication
- Channels and Distribution
- Risk Management
- Finance
- Legal

# Organization

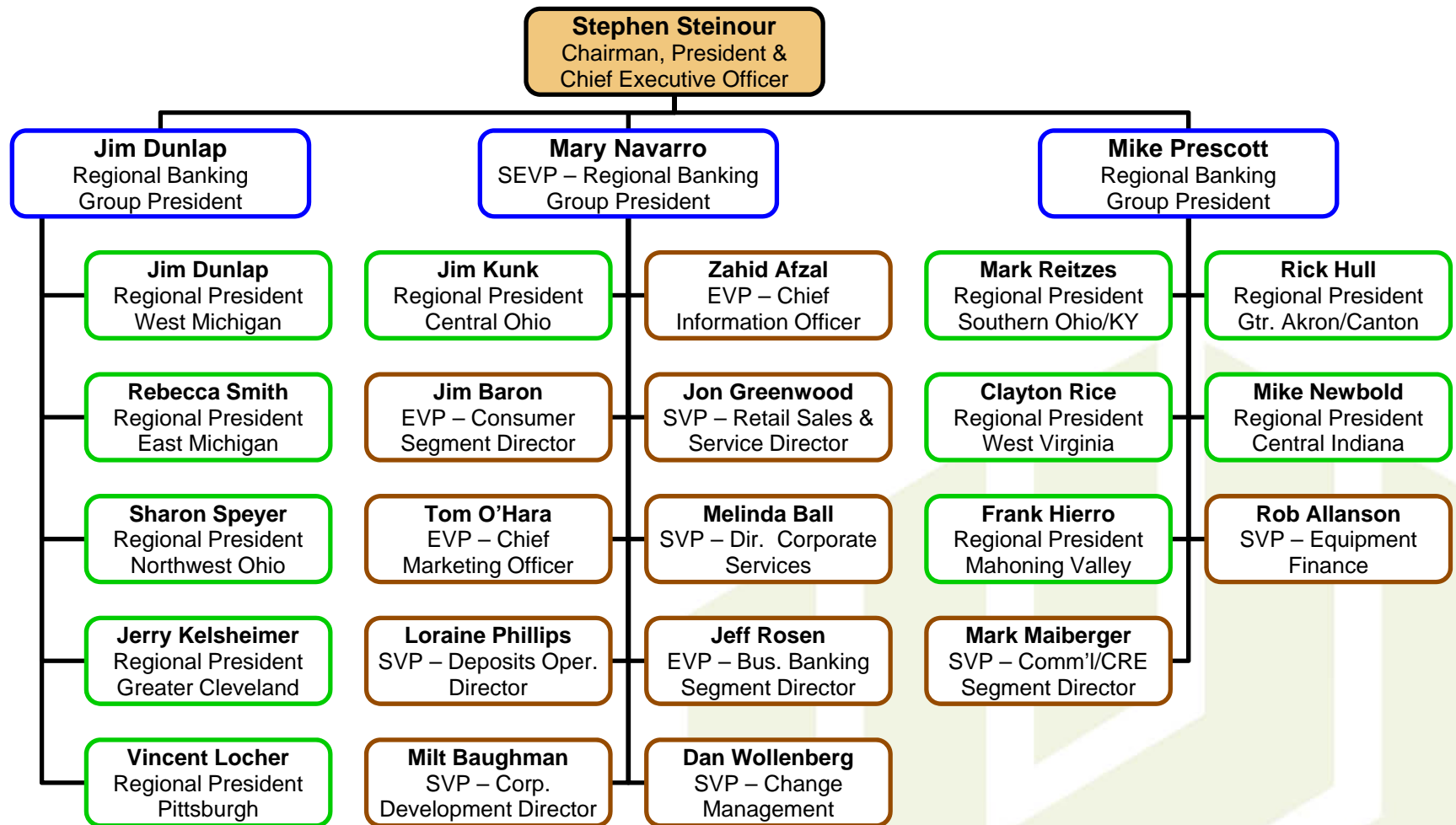


# Senior Leadership Team

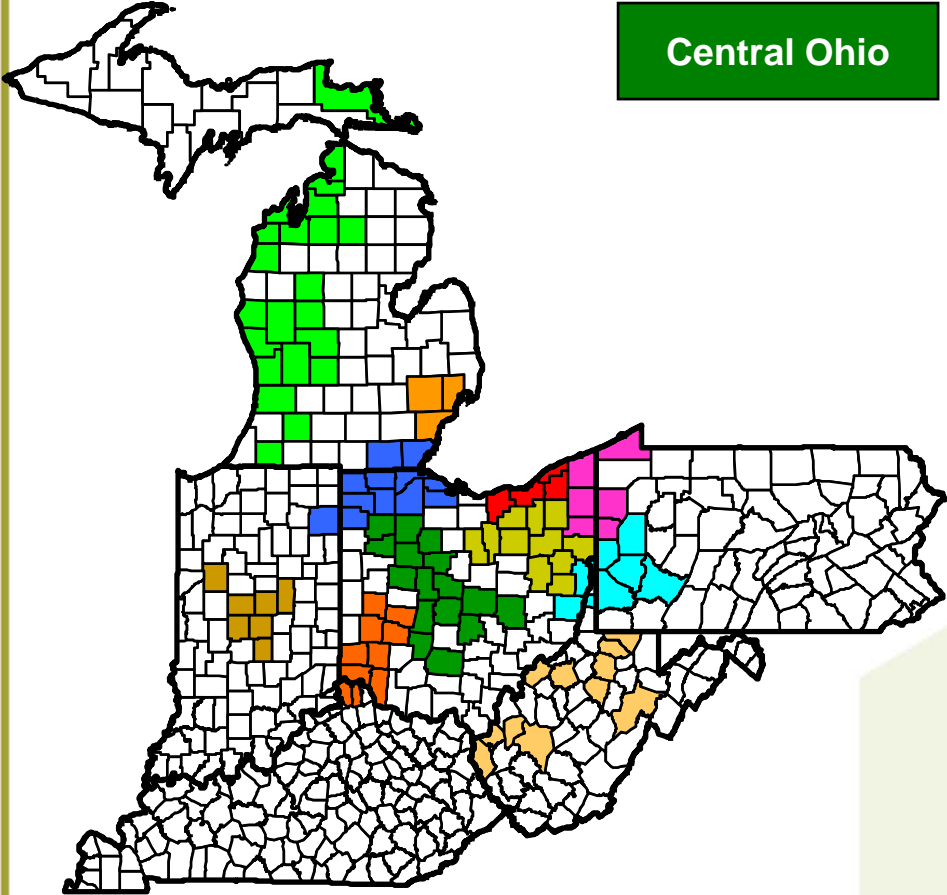
	<u>Position</u>	<u>Appointed</u>	<u>Experience-Yrs</u>	
			<u>Banking</u>	<u>HBAN</u>
Stephen Steinour	Chairman, President and CEO	1Q09	29	new
Dick Cheap	General Counsel and Secretary	2Q98	10	10
Dan Benhase	SEVP-Pvt. Fin'l & Cap.Mkts.	2Q06	26	7
Peter Dunlap	President-Huntington Insurance	3Q08	17 <sup>(1)</sup>	8
Mary Navarro	SEVP-Regional Banking Group Pres.	1Q06	32	6
Nick Stanutz	SEVP-Auto Finance & Dealer Services	2Q06	30	22
Jim Dunlap	Regional Banking Group President	1Q06	29	29
Mike Prescott	Regional Banking Group President	1Q06	21	12
Melinda Ackerman	EVP-Human Resources	1Q05	39 <sup>(1)</sup>	3
Jim Baron	EVP-Consumer Segment Director	1Q07	30	5
Michael Cross	EVP-Sr. Com'l Credit Approval Officer	4Q06	29	6
Zahid Afzal	EVP-Chief Information Officer	1Q06	25 <sup>(1)</sup>	2
Don Kimble	EVP-CFO	3Q04	22	4
Jim Nelson	EVP-Chief Risk Officer	4Q04	22	3
Eric Sutphin	EVP-Chief Auditor	3Q04	20	3
Dick Witherow	EVP-Chief Credit Officer	4Q06	34	7
Tim Barber	SVP-Credit Risk Management	1Q99	20	10

(1) Includes outside of banking

# Regional Banking Organization



# Regional Banking



**Mary Navarro**

**Central Ohio**

**Jim Dunlap**

**West Michigan**

**East Michigan**

**NW Ohio**

**Greater Cleveland**

**Pittsburgh**

**Mike Prescott**

**S. Ohio/KY**

**West Virginia**

**Central Indiana**

**Greater Akron/Canton**

**Mahoning Valley**

## Regional Banking Presidents

	<u>Region</u>	<u>Appointed</u>	<u>Experience - Yrs</u>	
			<u>Banking</u>	<u>HBAN/SKYF</u>
Mary Navarro		1Q06	32	6
Jim Kunk	Central Ohio	1Q94	26	26
Jim Dunlap	West Michigan	1Q06	29	29
Rebecca Smith	East Michigan	1Q07	31	1
Sharon Speyer	Northwest Ohio	1Q01	20	19
Jerry Kelsheimer	Greater Cleveland	1Q05	20	12
Vincent Locher	Pittsburgh	3Q02	21	6
Michael Prescott		1Q06	21	12
Mark Reitzes	Southern Ohio / KY	1Q08	21	15
Clayton Rice	West Virginia	3Q07	21	4
Rick Hull	Greater Akron/Canton	1Q06	26	26
Mike Newbold	Central Indiana	4Q06	31	4
Frank Hierro	Mahoning Valley	1Q00	29	22

## Brief History

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- 1866 – P. W. Huntington & Company opened – Pelatiah Webster Huntington, President
- 1878 – Bank moved headquarters to 17 S. High Street
- 1905 – Incorporated as The Huntington National Bank of Columbus
- 1923 – Construction of the main branch at 17 S. High Street begun
- 1966 – Huntington Bancshares Incorporated bank holding company formed as a Maryland corporation... The parent of The Huntington National Bank
- 1983 – Huntington shares listed on NASDAQ
- 2001 – Strategic restructuring launched
- 2004 – Record EPS
- 2005 – Record EPS
- 2006 – Acquired Unizan Financial
  - Record EPS
- 2007 – Acquired Sky Financial Group

# Milestones

## 2001

- 1Q - Hoaglin appointed Chairman, President & CEO
- 2Q - Launched major restructuring initiative
- 3Q - Announced SunTrust to purchase Florida banking operations
  - Decreased dividend 20%

## 2002

- 1Q - Acquired Haberer Investment Advisor
- 3Q - Acquired LeaseNet Group Inc.

## 2003

- 2Q - Announced formal SEC investigation and restatement of automobile lease accounting
  - Increased dividend 9.4%
- 3Q - Restatement for prospective adoption of deferral accounting and other changes
- 4Q - Restatement for retroactive application of deferral accounting

# Milestones

## 2004

- 1Q - Announced merger with Unizan Financial Corp.
- 2Q - Increased dividend 14.3%
  - Federal Reserve extends review period for Unizan merger
- 3Q - Announced negotiations with SEC to resolve formal investigation
  - Kimble appointed Chief Financial Officer
  - Sutphin appointed Chief Auditor
- 4Q - Nelson appointed Chief Risk Officer
  - Announced expected Federal Reserve Bank of Cleveland (FRBC) and OCC formal supervisory agreements
  - Announced withdrawal of pending Unizan Financial Corp. merger application with the Federal Reserve and negotiations for a one-year extension of the Unizan merger agreement
  - Announced extension to Unizan merger agreement

## 2005

- 1Q - Announced FRBC and OCC formal written supervisory agreements
- 2Q - Increased dividend 7.5%
  - Announced resolution of SEC formal investigation
- 4Q - Announced termination of OCC formal written supervisory agreement
  - Re-filed Unizan application

# Milestones

## 2006

- 1Q - Announced 16.3% increase in common stock dividend
  - Completed merger with \$3 B Unizan Financial Corp.
  - James Dunlap, Mary Navarro, and Michael Prescott named Regional Banking Group Presidents
- 2Q - Increased dividend 16.3%
  - Successfully completed Unizan Financial Corp. conversion on April 24... converted 110,000 consumer and business accounts
  - Announced termination of FRB formal written supervisory agreement
- 4Q - Acquired Unified Fund Services, Inc.
  - Witherow appointed Chief Credit Officer
  - Cross appointed Senior Lender
  - Announced proposed merger of Sky Financial Group

## 2007

- 2Q - Increased dividend 6.0%
- 3Q - Completed merger with \$18 B Sky Financial Group, Inc.
  - Successfully completed Sky Financial Group conversion on September 22... converted 400,000+ consumer households and 50,000+ business relationships
- 4Q - Restructured Franklin Credit Management Corporation credit relationship

# Milestones

## 2008

- 2Q - Decreased dividend 50.0%
- Raised \$569 million additional capital via convertible preferred issuance
- 4Q - Raised \$1.4 billion of capital via the U.S. Treasury Troubled Asset Relief Program Capital Purchase Program (TARP CPP)
- Exited automobile leasing business
- Reduced Franklin Credit Management exposure 68% to \$650 million with a 20% specific loan loss reserve

## 2009

- 1Q - Steynour appointed Chairman, President & CEO
- Decreased quarterly dividend to \$0.01 per share

# ***The Local Bank with National Resources***

