

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q/A
(Amendment No. 2 to Form 10-Q)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
QUARTERLY PERIOD ENDED **June 30, 2003**

Commission File Number **0-2525**

Huntington Bancshares Incorporated

Maryland
(State or other jurisdiction of
incorporation or organization)

31-0724920
(I.R.S. Employer
Identification No.)

41 South High Street, Columbus, Ohio 43287

Registrant's telephone number **(614) 480-8300**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months and (2) has been subject to such filing requirements for the past 90 days.

Yes No

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act).

Yes No

There were 228,693,313 shares of Registrant's without par value common stock outstanding on July 31, 2003.

Huntington Bancshares Incorporated

INTRODUCTORY NOTE

Huntington Bancshares Incorporated (Huntington) originally filed its Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2003, with the Securities and Exchange Commission (SEC) on August 14, 2003. Huntington filed Amendment No. 1 to its Quarterly Report on Form 10-Q/A (Amendment No. 1 to Form 10-Q/A) on August 18, 2003, to reflect proofreading changes inadvertently not made during the Edgarization process which were not detected prior to filing on August 14, 2003.

This Amendment No. 2 to Quarterly Report on Form 10-Q/A (Amendment No. 2 to Form 10-Q/A) is being filed to correct and restate Huntington's consolidated financial statements at June 30, 2003 and 2002 and for the three and six months ended June 30, 2003 and 2002 to:

- Apply, on a retroactive basis, deferral accounting for loan and lease origination fees and costs;
- Correct an amount included in Amendment No. 1 to Form 10-Q/A related to the automobile debt cancellation product; and
- Correct for certain timing errors related to income recognition on a 1998 sale-leaseback transaction, the recognition of a gain on an interest rate swap initiated in 1992 and sold in 2000, and the recognition of income on Bank Owned Life Insurance in 2001 and 2002.

All of the above are described in more detail in Note 3, "Restatement of Results of Operations and Financial Condition," to Huntington's Consolidated Financial Statements and Supplementary Data included in Item 1 of this report. In addition, this Amendment No. 2 to Form 10-Q/A is being filed to amend:

- Item 2, Management's Discussion and Analysis of Financial Condition and Results of Operations, to take into account the effects of the restatement;
- Item 3, Quantitative and Qualitative Disclosures about Market Risk, to take into account the effects of the restatement;
- Item 4, Controls and Procedures, to comply with changes in the SEC regulations which became effective in August 2003; and
- Item 6, Exhibits and Reports on Form 8-K, to update certain exhibits to take into account the effects of the restatement and to comply with changes in the SEC regulations which became effective in August 2003.

This Amendment No. 2 to Form 10-Q/A corrects and restates the original Quarterly Report on Form 10-Q, as amended by Amendment No. 1 to Form 10-Q/A, but continues to speak as of the date of the original filing of the Form 10-Q on August 14, 2003. Huntington has not updated the disclosure in this Amendment No. 2 to Form 10-Q/A to speak as of a later date. All information contained in this Amendment No. 2 to Form 10-Q/A is subject to updating and supplementing as provided in the periodic reports filed subsequent to the original filing date with the SEC.

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Part 1. Financial Information

Financial Statements

Consolidated Balance Sheets - Restated

<i>(in thousands)</i>	June 30, 2003 <i>(Unaudited)</i>	December 31, 2002	June 30, 2002 <i>(Unaudited)</i>
Assets			
Cash and due from banks	\$ 1,153,108	\$ 969,483	\$ 858,561
Federal funds sold and securities purchased under resale agreements	74,473	49,280	75,824
Interest bearing deposits in banks	44,906	37,300	28,385
Trading account securities	19,426	241	10,532
Loans held for sale	713,722	528,379	190,724
Securities available for sale - at fair value	3,702,761	3,403,369	3,006,273
Investment securities - fair value \$6,780, \$7,725, and \$10,963, respectively	6,593	7,546	10,769
Total loans and direct financing leases	19,059,533	18,587,403	16,767,447
Less allowance for loan and lease losses	340,947	336,648	351,696
Net loans and direct financing leases	18,718,586	18,250,755	16,415,751
Operating lease assets	1,672,608	2,200,525	2,739,207
Bank owned life insurance	906,823	886,214	864,768
Premises and equipment	339,793	341,366	353,931
Goodwill and other intangible assets	218,080	218,567	210,685
Customers' acceptance liability	8,372	16,745	16,778
Accrued income and other assets	724,682	620,355	572,384
Total Assets	\$ 28,303,933	\$ 27,530,125	\$ 25,354,572
Liabilities and Shareholders' Equity			
Total deposits	\$ 18,371,359	\$ 17,499,326	\$ 16,861,100
Short-term borrowings	918,771	2,141,016	1,814,275
Federal Home Loan Bank advances	1,273,000	1,013,000	13,000
Subordinated notes	496,666	738,678	880,706
Other long-term debt	3,508,397	2,495,123	2,082,438
Company obligated mandatorily redeemable preferred capital securities of subsidiary trusts holding solely junior subordinated debentures of the Parent Company	300,000	300,000	300,000
Bank acceptances outstanding	8,372	16,745	16,778
Accrued expenses and other liabilities	1,225,169	1,136,444	1,122,471
Total Liabilities	26,101,734	25,340,332	23,090,768
Shareholders' equity			
Preferred stock - authorized 6,617,808 shares; none outstanding	---	---	---
Common stock - without par value; authorized 500,000,000 shares; issued 257,866,255 shares; outstanding 228,660,038, 232,878,851, and 242,919,872 shares, respectively	2,483,105	2,484,421	2,487,887
Less 29,206,217, 24,987,404, and 14,946,383 treasury shares, respectively	(555,176)	(475,399)	(289,705)
Accumulated other comprehensive income	40,817	62,300	28,655
Retained earnings	233,453	118,471	36,967
Total Shareholders' Equity	2,202,199	2,189,793	2,263,804
Total Liabilities and Shareholders' Equity	\$ 28,303,933	\$ 27,530,125	\$ 25,354,572

See notes to unaudited consolidated financial statements.

Consolidated Statements of Income - Restated

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
(in thousands, except per share amounts)	2003	2002	2003	2002
Interest and fee income				
Loans and leases	\$ 266,369	\$ 263,160	\$ 537,348	\$ 540,169
Securities	42,033	44,424	84,111	89,205
Other	8,923	3,499	15,880	10,211
Total Interest Income	317,325	311,083	637,339	639,585
Deposits	76,383	93,759	156,093	202,589
Short-term borrowings	4,313	6,156	9,872	14,668
Federal Home Loan Bank advances	5,634	212	11,219	468
Subordinated notes and other long-term debt including preferred capital securities	28,554	30,695	55,955	62,730
Total Interest Expense	114,884	130,822	233,139	280,455
Net Interest Income	202,441	180,261	404,200	359,130
Provision for loan and lease losses	49,193	49,876	86,037	88,886
Net Interest Income After Provision for Loan and Lease Losses	153,248	130,385	318,163	270,244
Operating lease income	128,574	171,617	266,767	347,651
Service charges on deposit accounts	40,914	35,608	80,783	74,423
Trust services	15,580	16,247	30,491	31,748
Brokerage and insurance income	14,196	16,899	29,693	34,504
Gains on sales of automobile loans	13,496	---	23,751	---
Other service charges and fees	11,372	10,529	21,710	21,161
Bank Owned Life Insurance income	11,043	10,722	22,180	21,678
Mortgage banking	7,185	7,835	18,310	23,909
Gain on sale of Florida operations	---	---	---	182,470
Securities gains	6,887	966	8,085	1,423
Other	27,704	18,291	48,105	32,280
Total Non-Interest Income	276,951	288,714	549,875	771,247
Personnel costs	105,242	99,115	218,331	207,144
Operating lease expense	102,939	131,695	214,527	272,480
Equipment	16,341	16,659	32,753	33,608
Outside data processing and other services	16,104	16,592	32,683	35,031
Net occupancy	15,377	14,504	31,986	31,493
Professional services	9,872	7,864	19,157	14,294
Marketing	8,454	7,231	15,080	14,234
Telecommunications	5,394	5,320	11,095	11,338
Printing and supplies	2,253	3,683	5,934	7,520
Restructuring (releases) charges	(5,315)	---	(6,315)	56,184
Other	20,372	21,083	37,281	42,016
Total Non-Interest Expense	297,033	323,746	612,512	725,342
Income Before Income Taxes	133,166	95,353	255,526	316,149
Income taxes	36,676	24,375	67,306	149,696
Net Income	\$ 96,490	\$ 70,978	\$ 188,220	\$ 166,453
Per Common Share				
Net Income				
Basic	\$0.42	\$0.29	\$0.82	\$0.67
Diluted	\$0.42	\$0.29	\$0.81	\$0.67
Cash Dividends Declared	\$0.16	\$0.16	\$0.32	\$0.32
Average Common Shares				
Basic	228,633	246,106	229,987	248,415
Diluted	230,572	247,867	231,684	249,946

See notes to unaudited consolidated financial statements.

Consolidated Statements of Changes in Shareholders' Equity

(Unaudited)

(in thousands)	Common Stock		Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit)	Total
	Shares	Amount	Shares	Amount			
Six Months Ended June 30, 2002:							
Balance, beginning of period	257,866	\$ 2,490,724	(6,672)	\$ (123,849)	\$ 25,488	\$ (50,466)	\$ 2,341,897
Comprehensive Income:							
Net income						166,453	166,453
Unrealized net holding gains on securities available for sale arising during the period, net of reclassification adjustment for net gains included in net income					5,926		5,926
Unrealized losses on derivative instruments used in cash flow hedging relationships					(2,759)		(2,759)
Total comprehensive income							169,620
Stock issued for acquisition			203	3,952			3,952
Cash dividends declared						(79,020)	(79,020)
Stock options exercised		(2,837)	312	5,365			2,528
Treasury shares purchased			(8,789)	(175,173)			(175,173)
Balance, end of period	257,866	\$ 2,487,887	(14,946)	\$ (289,705)	\$ 28,655	\$ 36,967	\$ 2,263,804
Six Months Ended June 30, 2003:							
Balance, beginning of period	257,866	\$ 2,484,421	(24,987)	\$ (475,399)	\$ 62,300	\$ 118,471	\$ 2,189,793
Comprehensive Income:							
Net income						188,220	188,220
Unrealized net holding losses on securities available for sale arising during the period, net of reclassification adjustment for net gains included in net income					(4,391)		(4,391)
Unrealized losses on derivative instruments used in cash flow hedging relationships					(17,092)		(17,092)
Total comprehensive income							166,737
Cash dividends declared						(73,238)	(73,238)
Stock options exercised		(1,316)	118	1,902			586
Treasury shares purchased			(4,300)	(81,061)			(81,061)
Other			(37)	(618)			(618)
Balance, end of period	257,866	\$ 2,483,105	(29,206)	\$ (555,176)	\$ 40,817	\$ 233,453	\$ 2,202,199

See notes to unaudited consolidated financial statements.

Consolidated Statements of Cash Flows - Restated

(Unaudited)

(in thousands of dollars)	Six Months Ended June 30,	
	2003	2002
Operating Activities		
Net Income	\$ 188,220	\$ 166,453
Adjustments to reconcile net income to net cash provided by operating activities		
Provision for loan and lease losses	86,037	88,886
Depreciation on operating lease assets	187,914	243,614
Other depreciation and amortization	42,209	30,382
Deferred income tax expense	31,479	238,325
(Increase) decrease in trading account securities	(19,185)	2,860
(Increase) decrease in mortgages held for sale	(185,343)	438,662
Gains on sales of securities available for sale	(8,085)	(1,423)
Gains on sales/securitizations of loans	(30,797)	(3,138)
Gain on sale of Florida banking operations	---	(182,470)
Restructuring charges (releases)	(6,315)	56,184
Other, net	(68,002)	(333,085)
Net Cash Provided by Operating Activities	218,132	745,250
Investing Activities		
Increase in interest bearing deposits in banks	(7,606)	(7,180)
Proceeds from:		
Maturities and calls of investment securities	954	1,548
Maturities and calls of securities available for sale	945,534	381,329
Sales of securities available for sale	591,497	456,411
Purchases of securities available for sale	(1,649,721)	(782,961)
Proceeds from sales/securitizations of loans	1,390,378	226,707
Net loan and lease originations, excluding sales	(2,119,933)	(1,248,133)
Net decrease (increase) in operating lease inventory	340,003	(32,133)
Proceeds from sale of premises and equipment	4,049	15,180
Purchases of premises and equipment	(22,220)	(26,389)
Proceeds from sales of other real estate	4,872	4,770
Cash paid in purchase acquisition	---	(4,026)
Net cash paid related to sale of Florida banking operations	---	(1,289,917)
Net Cash Used for Investing Activities	(522,193)	(2,304,794)
Financing Activities		
Increase in total deposits	869,313	1,435,665
(Decrease) increase in short-term borrowings	(1,222,245)	108,349
Payment of subordinated notes	(250,000)	---
Proceeds from Federal Home Loan Bank advances	270,000	---
Maturity of Federal Home Loan Bank advances	(10,000)	(4,000)
Proceeds from long term debt	1,235,000	675,000
Maturity of long-term debt	(225,000)	(690,000)
Dividends paid on common stock	(73,714)	(80,193)
Repurchases of common stock	(81,061)	(175,173)
Net proceeds from issuance of common stock	586	2,528
Net Cash Provided by Financing Activities	512,879	1,272,176
Change in Cash and Cash Equivalents	208,818	(287,256)
Cash and Cash Equivalents at Beginning of Period	1,018,763	1,221,641
Cash and Cash Equivalents at End of Period	\$ 1,227,581	\$ 934,385
Supplemental disclosures:		
Income taxes paid	\$ 65,859	\$ 20,136
Interest paid	247,126	298,235
Non-cash activities		
Mortgage loans securitized	171,586	---
Common stock dividends accrued not paid	27,932	39,040

See notes to unaudited consolidated financial statements.