

# NEWS RELEASE



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**Contacts:**

*Analysts*

Jay Gould (614) 480-4060  
Susan Stuart (614) 480-3878

*Media*

Jeri Grier-Ball (614) 480-5413  
Maureen Brown (614) 480-4588

**HUNTINGTON BANCSHARES REPORTS:**

- **2005 FOURTH QUARTER RESULTS**
  - NET INCOME OF \$100.6 MILLION, UP 10%, AND EARNINGS PER COMMON SHARE OF \$0.44, UP 13%;
  - INCREASES IN NON-PERFORMING LOANS AND ALLOWANCE FOR LOAN AND LEASE LOSSES;
- **2005 FULL-YEAR RESULTS**
  - NET INCOME OF \$412.1 MILLION, UP 3%, AND RECORD EARNINGS PER COMMON SHARE OF \$1.77, UP 4%;
- **2006 FULL-YEAR EARNINGS OUTLOOK**
- **DECLARES 16% INCREASE IN QUARTERLY CASH DIVIDEND ON ITS COMMON STOCK**

COLUMBUS, Ohio – Huntington Bancshares Incorporated (NASDAQ: HBAN; [www.huntington.com](http://www.huntington.com)) reported 2005 fourth quarter earnings of \$100.6 million, or \$0.44 per common share, up 10% and 13%, respectively, from \$91.1 million, or \$0.39 per common share, in the year-ago quarter. Earnings in the 2005 third quarter were \$108.6 million, or \$0.47 per common share.

Earnings for full-year 2005 were \$412.1 million, or \$1.77 per common share, up 3% and 4%, respectively, from \$398.9 million, or \$1.71 per common share, in 2004.

**FOURTH QUARTER PERFORMANCE DISCUSSION**

“Despite several positive trends in the quarter, fourth quarter performance was weaker than expected,” said Thomas E. Hoaglin, chairman, president, and chief executive officer. “This

reflected two credit-related items. First, due to developments very late in the quarter, two credits totaling \$12 million were classified as non-performing loans and accounted for most of the \$15 million increase in non-performing assets. We don't see this as being the start of a trend, as we expect our non-performing assets ratio for 2006 to remain relatively stable with the year-end ratio of 0.48%.

“The second credit-related disappointment was a number of commercial loan downgrades, also occurring late in the quarter. Given our highly quantitative loan loss reserve methodology, these downgrades required a meaningful increase in our allowance for loan and lease losses. As a result, our provision for credit losses exceeded net charge-offs by \$13.3 million. We also don't view this as being the beginning of a trend, as we expect our 2006 full-year net charge-off ratio will be at the lower end of our 0.35%-0.45% targeted range. Our expectation going forward is that our provision for credit loss expense will be more reflective of net charge-off levels.”

“Aside from these two credit-related issues, there were a number of good underlying performance trends in the quarter that point to positive momentum going into 2006,” he noted. “Our net interest margin increased three basis points. Average total commercial loans grew at an annualized 7% rate from the third quarter, with average core deposits increasing an annualized 3%. Trust services income increased for the ninth consecutive quarter, and expenses were well-controlled. Our net charge-off ratio was only 29 basis points, matching the low ratio of the prior quarter. And, we used excess capital to repurchase 5.2 million shares of common stock.”

Highlights compared with 2005 third quarter included:

- \$15.4 million, or 15%, increase in non-performing assets (NPA) with a 0.48% period-end NPA ratio, compared with 0.42% in the prior quarter.
- 1.10% period-end allowance for loan and lease losses (ALLL) ratio, up from 1.04% as provision for credit losses exceeded net charge-offs by \$13.3 million.
- 3.34% net interest margin, up from 3.31% despite a one basis point negative impact from share repurchase activity.
- 2% growth (7% annualized) in average total commercial loans.
- 1% decline (4% annualized) in average total consumer loans, including a decline in average total automobile loans and leases reflecting loan sales. Average residential mortgages and home equity loans were little changed.
- \$8.8 million of securities losses, reflecting a decision to reposition a segment of the investment securities portfolio.
- 1% increase (3% annualized) in average total core deposits, driven by growth in commercial deposits.
- 0.29% annualized net charge-offs, unchanged with the prior quarter.
- 7.19% period-end tangible common equity ratio, down from 7.39%, reflecting the repurchase of 5.2 million common shares.

Significant items impacting 2005 fourth quarter performance included (*see table below*):

- \$7.0 million after-tax (\$0.03 earnings per share) positive net impact related to the recognition of the effect of federal tax refunds on income tax expense. Each quarter

of 2005 reflected similar impacts, resulting from the ability to carry back federal tax losses to prior years.

- \$10.4 million pre-tax (\$0.03 earnings per share) negative impact from (1) the sale of investment securities as part of a plan to reposition a segment of the portfolio, which resulted in \$8.8 million of pre-tax losses, and (2) a \$1.6 million impact of mortgage servicing rights (MSR) recovery of temporary impairment net of hedge-related trading activity.

**Significant Items Impacting Earnings Performance Comparisons** <sup>(1)</sup>

Three Months Ended <i>(In millions, except per share)</i>	Impact <sup>(2)</sup>	
	Amount <sup>(3)</sup>	EPS
<b><u>December 31, 2005 – GAAP earnings</u></b>	<b>\$100.6</b> <sup>(4)</sup>	<b>\$ 0.44</b>
• Net impact of federal tax loss carry back	7.0 <sup>(4)</sup>	0.03
• Securities losses plus MSR recovery of temporary impairment net of hedge-related trading activity	(10.4)	(0.03)
<b><u>September 30, 2005 – GAAP earnings</u></b>	<b>\$108.6</b> <sup>(4)</sup>	<b>\$ 0.47</b>
• Net impact of federal tax loss carry back	6.8 <sup>(4)</sup>	0.03
• Net impact of repatriating foreign earnings	(5.0) <sup>(4)</sup>	(0.02)
• MSR recovery of temporary impairment net of hedge-related trading activity	(2.1)	(0.01)
<b><u>December 31, 2004 – GAAP earnings</u></b>	<b>\$91.1</b> <sup>(4)</sup>	<b>\$ 0.39</b>
• SEC/regulatory-related expenses	(6.5)	(0.03)
• Property lease impairments	(7.8)	(0.02)
• One time adjustment to consolidated securitization	3.7	0.01

(1) Includes significant items with \$0.01 EPS impact or greater

(2) Favorable (unfavorable) impact on GAAP earnings

(3) Pre-tax unless otherwise noted

(4) After-tax

**Net Interest Income, Net Interest Margin, Loans and Leases, and Investment Securities**

**2005 Fourth Quarter versus 2004 Fourth Quarter**

Fully taxable equivalent net interest income increased \$5.6 million, or 2%, from the year-ago quarter, primarily reflecting the favorable impact of a \$0.9 billion, or 3%, increase in average earning assets, partially offset by a 4 basis point, or an effective 1%, decline in the net interest margin. The fully taxable equivalent net interest margin of 3.34%, declined from 3.38% in the year-ago quarter, as the net interest margin in the year-ago quarter included a 6 basis point positive impact related to a securitization funding cost adjustment. Excluding this impact, the current quarter's net interest margin would have increased 2 basis points from the year-ago period reflecting the benefit of higher-yielding loans, the unwinding of excess liquidity early in the year, and disciplined deposit pricing.

Average total loans and leases increased \$1.4 billion, or 6%, from the 2004 fourth quarter,

with consumer and commercial loans contributing equally to the growth. Average total consumer loans increased \$0.7 billion, or 6%, from the year-ago quarter, reflecting growth across all consumer loan categories. Average residential mortgages increased \$0.5 billion, or 13%, and average home equity loans increased \$0.2 billion, or 4%. Though residential mortgage and home equity loan growth rates were strong compared with the year-ago quarter, they have continued to slow.

Compared with the year-ago quarter, average total automobile loans and leases increased only 1%. Average automobile loans increased \$0.1 billion, or 5%, reflecting current automobile loan production and loan sales. Average direct financing leases declined 2% from the year-ago quarter, reflecting declining production levels due to lower consumer demand and aggressive price competition. Average operating lease assets declined \$0.4 billion, or 62%, as this portfolio continued to run off. Total automobile loan and lease exposure at quarter end was 18%, down from 21% a year ago.

Average total commercial loans increased \$0.7 billion, or 7%, from the year-ago quarter. This reflected a \$0.6 billion, or 8%, increase in total middle market C&I and CRE loans, and 4% growth in average small business C&I and CRE loans.

Average total investment securities were \$0.1 billion, or 2%, higher than in the year-ago quarter.

#### 2005 Fourth Quarter versus 2005 Third Quarter

Compared with the 2005 third quarter, fully taxable equivalent net interest income increased \$2.1 million, or 1%, reflecting a three basis point increase in the net interest margin to 3.34%, as well as growth in average earning assets. The increase in the net interest margin largely reflected a neutrally positioned balance sheet and disciplined deposit pricing, partially offset by the impact of funding share repurchases.

Average total loans and leases in the fourth quarter increased only slightly from the 2005 third quarter, as growth in average total commercial loans was offset by a decline in average total consumer loans.

Average total commercial loans increased \$0.2 billion, or 2%, from the third quarter. As noted in 2004, we established new criteria for categorizing new and renewed commercial loans as either C&I or CRE based on the underlying purpose of the loan. In November, we applied these criteria to all remaining loans not yet renewed, resulting in a net \$500 million of loans reclassified from CRE to C&I, largely representing commercial loans secured by owner-occupied real estate. This reclassification was made so that the entire commercial loan portfolio would be reported on the same basis. Underlying fourth quarter commercial loan trends, therefore, can be better discerned by looking at the performance of these two middle market commercial loan categories on a combined basis. On this basis, average total middle market C&I and CRE loans increased \$0.2 billion, or 2%, from the third quarter. This growth came from our Central Ohio and Eastern Michigan regions, supplemented by a modest recovery of automobile dealer floor plan loans.

Average total small business C&I and CRE loans declined slightly from the third quarter reflecting decreased demand.

Compared with the 2005 third quarter, average total consumer loans declined \$0.2 billion, or 1%, primarily reflecting a 3% decrease in average automobile loans and leases. Average automobile loans declined, as production was more than offset by payments and loan sales. The decline in average direct financing leases reflected lower consumer demand and aggressive market pricing. Average home equity loans declined slightly and residential mortgages were little changed from third quarter levels. This reflected the continuation of slowing growth over the last several quarters due to a combination of factors including lower demand as interest rates levels increased, consumer pay downs, as well as our desire to maintain credit underwriting and pricing discipline.

Average investment securities increased \$0.3 billion, or 7%, from the 2005 third quarter, reflecting the purchase of floating rate asset-backed securities. During the fourth quarter a decision was made to restructure a portion of the investment portfolio to replace lower rate securities with higher rate securities. Specifically, \$260 million of lower rate agency debt was sold, most of which was callable, which resulted in \$8.8 million of securities losses. The proceeds were reinvested in well-structured agency collateralized mortgage obligations at higher rates.

## **Deposits**

### 2005 Fourth Quarter versus 2004 Fourth Quarter

Average total core deposits in the 2005 fourth quarter increased \$0.4 billion, or 3%, from the year-ago quarter. All of this increase reflected growth in certificates of deposit less than \$100,000, partially offset by declines in savings and other domestic time deposits and interest bearing demand deposits. This transfer of funds into certificates of deposit less than \$100,000 and out of other deposit accounts reflected customer preference for higher fixed rate term deposit accounts. Average certificates of deposit less than \$100,000 increased \$1.0 billion, or 39%, with this increase partially offset by a 12% decline in savings and other domestic time deposits, as well as a 2% decline in interest bearing demand deposits.

### 2005 Fourth Quarter versus 2005 Third Quarter

Compared with the 2005 third quarter, average total core deposits increased 1%. This primarily reflected 8% growth in certificates of deposits less than \$100,000, primarily consumer driven, partially offset by declines in savings and other time deposits, as well as interest bearing demand deposits.

## **Non-Interest Income**

### 2005 Fourth Quarter versus 2004 Fourth Quarter

Non-interest income decreased \$35.6 million, or 19%, from the year-ago quarter, mostly attributed to the \$30.8 million decline in operating lease income, reflecting the continued run-off of the operating lease portfolio. The remaining categories decreased a total of \$4.9 million with the primary drivers being:

- \$10.9 million decline in securities gains as the current quarter reflected \$8.8 million of securities losses related to the repositioning of a portion of the investment securities portfolio noted earlier. This contrasts with \$2.1 million of securities gains in the year-ago

quarter.

Partially offset by:

- \$3.1 million, or 18%, increase in trust services income, due primarily to higher mutual fund, personal trust, and institutional trust assets under management.
- \$2.1 million, or 24%, increase in mortgage banking income, primarily reflecting higher secondary marketing income.

#### 2005 Fourth Quarter versus 2005 Third Quarter

Compared with the 2005 third quarter, non-interest income decreased \$13.4 million, or 8%. This included a \$4.9 million decline in operating lease income, reflecting the run-off of the operating lease portfolio. The remaining fee income categories contributed a net \$8.5 million decrease with the primary drivers being:

- \$10.2 million decrease in mortgage banking income, as the current quarter reflected \$0.4 million of MSR recovery of temporary impairment compared with \$10.5 million of MSR recovery of temporary impairment in the third quarter.
- \$8.8 million of investment securities losses compared with \$0.1 million of securities gains in the prior quarter.
- \$2.7 million, or 6%, decline in service charges on deposit accounts, reflecting lower commercial service charges.

Partially offset by:

- \$13.1 million increase in other income as the prior quarter included \$12.8 million of MSR hedge-related trading losses.

### **Non-Interest Expense**

#### 2005 Fourth Quarter versus 2004 Fourth Quarter

Non-interest expense decreased \$50.7 million, or 18%, from the year-ago quarter with \$29.6 million of the decline reflecting the run-off of the operating lease portfolio. Of the remaining \$21.1 million decline from the year-ago quarter, the primary drivers were:

- \$8.1 million, or 31%, decline in net occupancy expense as the year-ago quarter included asset valuation write-downs and establishment of reserves related to certain specific properties.
- \$7.3 million, or 28%, decline in other expense, as the year-ago quarter included \$5.5 million of SEC and regulatory-related expenses, and a \$1.7 million decline in residual value losses.
- \$6.6 million, or 5%, decline in personnel expense, primarily reflecting lower incentive compensation and benefits expense.
- \$2.1 million, or 22%, decline in professional services, due primarily to lower legal and consulting expense.

Partially offset by:

- \$1.8 million, or 33%, increase in marketing expense related to increased advertising expenditures.
- \$1.1 million increase in outside data processing and other services with the largest increase in debit card processing expense, up \$0.6 million.

#### 2005 Fourth Quarter versus 2005 Third Quarter

Compared with the 2005 third quarter, non-interest expense decreased \$2.7 million, including a \$4.1 million decline in operating lease expense, reflecting the run-off of the operating lease portfolio. The primary drivers of the remaining \$1.4 million increase, excluding the impact of the operating lease expense decline, were:

- \$1.6 million, or 9%, increase in outside data processing and other services.
- \$1.3 million, or 8%, increase in net occupancy expense.

Partially offset by:

- \$1.4 million, or 1%, decline in personnel costs, primarily reflecting lower incentive compensation, commensurate with slower loan growth, and lower benefits expense.

#### **Income Taxes**

The company's effective tax rate was 22.5% in the 2005 fourth quarter, down from 29.0% in the year-ago quarter, and from 28.4% in the 2005 third quarter. As previously disclosed, the effective tax rate in each quarter of 2005 included the positive impact on net income due to a federal tax loss carry back, tax exempt income, bank owned life insurance, asset securitization activities, and general business credits from investment in low income housing and historic property partnerships. These positive items were partially offset in the 2005 third quarter, primarily due to an increase in pre-tax earnings and the repatriation of foreign earnings. In 2006, the effective tax rate is anticipated to increase to a more typical rate just below 30%.

#### **Credit Quality**

Total net charge-offs for the 2005 fourth quarter were \$17.6 million, or an annualized 0.29% of average total loans and leases. This was down from \$20.9 million, or an annualized 0.36%, in the year-ago quarter, but little changed from \$18.0 million, or a comparable annualized 0.29%, of average total loans and leases, in the 2005 third quarter.

Total commercial net charge-offs in the fourth quarter were \$3.6 million, or an annualized 0.13%, down from \$5.2 million, or an annualized 0.21%, in the year-ago quarter. This reflected net recoveries in the current quarter in middle market C&I and CRE loans, which lowered total commercial net charge-offs by \$2.0 million and \$2.7 million, respectively, from the year-ago quarter. This benefit was partially offset by a \$3.1 million increase in small business loan net charge-offs, which totaled \$4.5 million in the current quarter, or an annualized 0.80% of related loans. Compared with the 2005 third quarter, current period total commercial net charge-offs were down \$0.7 million from \$4.3 million, or an annualized 0.16%, in the prior quarter.

Total consumer net charge-offs in the current quarter were \$14.0 million, or an annualized

0.41% of related loans. This compared with \$15.8 million, or 0.49%, in the year-ago quarter. The decline from the year-ago quarter reflected primarily lower automobile loan and lease net charge-offs and lower home equity net charge-offs. Total automobile loan and lease net charge-offs in the 2005 fourth quarter were \$6.6 million, or an annualized 0.61% of related loans and leases, down from \$7.5 million, or an annualized 0.70%, in the year-ago quarter. Home equity loan net charge-offs in the current quarter were \$4.5 million, or an annualized 0.39%, down from \$5.3 million, or 0.48%, in the year-ago quarter. Compared with the 2005 third quarter, total consumer net charge-offs increased slightly to \$14.0 million, or an annualized 0.41%, from \$13.7 million, or 0.40%. This reflected slightly higher residential mortgage and home equity loan net charge offs.

NPAs were \$117.2 million at December 31, 2005, and represented 0.48% of related assets, up from \$108.6 million, or 0.46%, at the end of last year and up \$15.4 million from \$101.8 million, or 0.42%, at September 30, 2005. Non-performing loans and leases (NPLs), which exclude OREO, were \$101.9 million at December 31, 2005, up \$38.0 million from the year-earlier period, and \$12.2 million from the end of the third quarter. The increase from the 2005 third quarter primarily reflected two credits totaling \$12 million, one an automotive industry-related credit in our Northeast Ohio region, and the other a residential-related commercial real estate project in our West Michigan region. NPLs expressed as a percent of total loans and leases were 0.42% at December 31, 2005, up from 0.27% a year earlier and from 0.37% at September 30, 2005.

The over 90-day delinquent, but still accruing, ratio was 0.23% at December 31, 2005, unchanged from the end of the year-ago quarter, and little changed from 0.21% at September 30, 2005.

### **Allowances for Credit Losses (ACL) and Loan Loss Provision**

We maintain two reserves, both of which are available to absorb possible credit losses: the allowance for loan and lease losses (ALLL) and the allowance for unfunded loan commitments (AULC). When summed together, these reserves constitute the total allowances for credit losses (ACL).

The December 31, 2005, ALLL was \$268.3 million, down from \$271.2 million a year earlier, but up from \$253.9 million at September 30, 2005. Expressed as a percent of period-end loans and leases, the ALLL ratio at December 31, 2005, was 1.10%, down from 1.15% a year ago, reflecting the improvement in economic conditions. The increase in the ALLL ratio from the third quarter reflected commercial credit downgrades in the manufacturing, services and commercial real estate sectors, largely in the Northern Ohio and East Michigan markets. These downgrades were reflected in the increase in the transaction and specific reserve components of the ALLL. The table below shows the change in the ALLL ratio and each reserve component from the 2004 fourth quarter and 2005 third quarter.

Components of ALLL as percent of total loans and leases:

	<u>4Q05</u>	<u>3Q05</u>	<u>4Q04</u>	<u>4Q05 change from</u>	
				<u>3Q05</u>	<u>4Q04</u>
Transaction reserve	0.84%	0.81%	0.78%	0.03%	0.06%
Economic reserve	0.21	0.20	0.32	0.01	(0.11)
Specific reserve	<u>0.05</u>	<u>0.03</u>	<u>0.05</u>	<u>0.02</u>	—
Total ALLL	1.10%	1.04%	1.15%	0.06%	(0.05)%

The ALLL as a percent of NPAs was 229% at December 31, 2005, down from 250% a year ago, and 249% at September 30, 2005.

At December 31, 2005, the AULC was \$37.0 million, up from \$33.2 million at the end of the year-ago quarter, but down from \$38.1 million at September 30, 2005.

On a combined basis, the ACL as a percent of total loans and leases was 1.25% at December 31, 2005, down from 1.29% a year earlier, but up from 1.19% at the end of last quarter. The ACL as a percent of NPAs was 261% at December 31, 2005, down from 280% a year earlier and 287% at September 30, 2005.

The provision for credit losses in the 2005 fourth quarter was \$30.8 million, an \$18.2 million increase from the year-ago quarter and a \$13.1 million increase from the 2005 third quarter. The increase in provision expense from the year-ago quarter and the prior quarter reflected a combination of higher non-performing assets, as well as the downgrades in certain commercial credits discussed above.

## **Capital**

At December 31, 2005, the tangible equity to assets ratio was 7.19%, up slightly from 7.18% a year ago, but down from 7.39% at September 30, 2005. At December 31, 2005, the tangible equity to risk-weighted assets ratio was 7.88%, up slightly from 7.86% at the end of the year-ago quarter, but down from 8.19% at September 30, 2005. The increase in these ratios from a year ago reflected growth in retained earnings, with the improvement in the risk-weighted ratio also reflecting the reduced overall risk profile of earning assets. The declines from September 30, 2005, reflected the impact of share repurchases.

During the quarter, 5.2 million shares of common stock were repurchased in the open market, leaving 9.8 million shares remaining under the 15 million share repurchase authorization announced October 18, 2005. We expect to repurchase shares from time-to-time in the open market or through privately negotiated transactions depending on market conditions.

## **FULL YEAR PERFORMANCE DISCUSSION**

Commenting on full-year performance, Hoaglin said, "Full-year net income and earnings per common share for Huntington came in below our expectations due to the weaker than expected fourth quarter results. Even so, full-year earnings per share were \$1.77, up 4%, and represented a record year. We demonstrated improved performance and continued to gain momentum in a number of areas."

"Our net interest margin proved to be very stable in what was a challenging environment as interest rates rose and loan and deposit pricing was very aggressive," he continued. "Average total loans and leases increased 10% and average total core deposits grew 5%. Trends in core fee income activities were mixed. Trust income increased 15%, other service charges grew 7%, and mortgage banking, including the net impact of MSR recoveries net of hedge-related trading activity, increased 29%. On the other hand, service charges on deposit accounts, as well as brokerage and insurance income, declined 2%. Expenses were well-controlled and our efficiency ratio improved. And our year-end capital ratios were strong, even as we repurchased

9.6 million shares of our stock.”

“Overall, revenues declined 8% while expenses decreased 14%, resulting in a reported operating leverage of 6%. We believe this overstates our operating leverage because of the impact of operating lease accounting and other large items that affect comparability between the two years (*see Tables 1 & 2*). After adjusting for operating lease accounting and such items, revenue grew 3% and expenses fell 1%, resulting in 4% positive operating leverage.”

“Credit quality performance was also mixed. Our 0.33% net charge-off ratio was below our targeted 0.35%-0.45% range. But credit downgrades late in December contributed to a 48% increase in provision for credit losses for the year. Our period end non-performing assets were 8% higher than a year earlier, though as noted earlier, we don’t see much change from where we ended the year. All in all, this performance gives us confidence of momentum as we go into 2006.”

***Table 1 - Operating Leverage Analysis***

<i>(In millions, except per share)</i>	<b>2005</b>	<b>2004</b>	Better /(Worse)	
			Amount	Percent
<b>Revenue FTE - Reported <sup>(1)</sup></b>	<b>\$1,608.1</b>	<b>\$1,741.6</b>	<b>\$(133.5)</b>	<b>(7.7)%</b>
• Operating lease expense	(108.3)	(236.5)		
• Securities losses (gains)	8.1	(15.8)		
• Adjustment to consolidated securitization	--	(3.7)		
• Gain on sale of auto loans <sup>(2)</sup>	--	(14.2)		
<b>Revenue FTE - Adjusted</b>	<b>\$1,507.9</b>	<b>\$1,471.4</b>	<b>\$36.5</b>	<b>2.5%</b>
<b>Non-interest expense - Reported</b>	<b>\$969.8</b>	<b>\$1,122.2</b>	<b>\$152.4</b>	<b>13.6%</b>
• Operating lease expense	(108.3)	(236.5)		
• SEC/regulatory-related expenses	(3.7)	(13.6)		
• Severance and consolidation expenses and restructuring reserve releases	(4.6)	1.2		
• Property lease impairments	--	(7.8)		
• Unizan conversion expenses	--	(3.6)		
<b>Non-interest expense - Adjusted</b>	<b>\$853.2</b>	<b>\$861.9</b>	<b>\$8.7</b>	<b>1.0%</b>
<b>Operating leverage – Reported</b>				<b>5.9%</b>
<b>Operating leverage – Adjusted</b>				<b>3.5%</b>
<b>Efficiency ratio <sup>(3)</sup> – Reported</b>	<b>60.0%</b>	<b>65.0%</b>		
<b>Efficiency ratio <sup>(3)</sup> – Adjusted</b>	<b>56.5%</b>	<b>58.5%</b>		

(1) Fully taxable equivalent net interest income + non-interest income

(2) Prior to flow sale program initiated in 2005

(3) Non-interest expense less amortization of intangibles, divided by net interest income (FTE) and non-interest income excluding securities gains (losses)

**Table 2 - Significant Items Impacting Earnings Performance Comparisons** <sup>(1)</sup>

Twelve Months Ended <i>(In millions, except per share)</i>	Impact <sup>(2)</sup>	
	Amount <sup>(3)</sup>	EPS
<b><u>December 31, 2005 – GAAP earnings</u></b>	<b>\$412.1</b> <sup>(4)</sup>	<b>\$ 1.77</b>
• Net impact of federal tax loss carry back	26.9 <sup>(4)</sup>	0.12
• Securities losses	(8.1)	(0.02)
• MSR recovery of temporary impairment net of hedge-related trading activity	(7.3)	(0.02)
• Single middle market C&I net charge-off in 1Q, net of allocated reserves	(6.4)	(0.02)
• Net impact of repatriating foreign earnings	(5.0) <sup>(4)</sup>	(0.02)
• Severance and consolidation expenses	(4.6)	(0.01)
• Write-off of equity investment	(2.1)	(0.01)
• SEC/regulatory-related expenses	(3.7)	(0.01)
<b><u>December 31, 2004 – GAAP earnings</u></b>	<b>\$398.9</b> <sup>(4)</sup>	<b>\$ 1.71</b>
• SEC/regulatory-related expenses	(13.6)	(0.05)
• Property lease impairments	(7.8)	(0.02)
• Unizan conversion expenses	(3.6)	(0.01)
• Gain on sale of auto loans <sup>(5)</sup>	14.2	0.04
• Single middle market C&I recovery	11.1	0.03
• MSR recovery of temporary impairment net of hedge-related trading activity	(7.2)	(0.02)
• Securities gains	15.8	0.04
• Adjustment to consolidated securitization	3.7	0.01

(1) Includes significant items with \$0.01 EPS impact or greater

(2) Favorable (unfavorable) impact on GAAP earnings

(3) Pre-tax unless otherwise noted

(4) After-tax

(5) Prior to flow sale program initiated in 2005

## **2006 OUTLOOK**

When earnings guidance is given, it is our practice to do so on a GAAP basis, unless otherwise noted. Such guidance includes the expected results of all significant forecasted activities. However, guidance typically excludes unusual or one-time items, as well as selected items where the timing and financial impact is uncertain, until such time as the impact can be reasonably forecasted.

Overall, the 2006 economic environment is expected to be little changed from 2005. While weakness in the automotive manufacturing and supplier sector is expected, our exposure is modest. How much this weakness impacts other banking activities is unknown. Our assumption is that this will also be modest and mostly concentrated in our East Michigan and Northern Ohio regions. Regarding interest rates, we expect those to be relatively stable. We are not counting

on much change in the shape of the yield curve, and will continue to target our interest rate risk position at our customary neutral position.

Within this type of environment, and on the same basis as reported 2005 earnings, we anticipate a 2006 earnings per share range of \$1.87-\$1.92. However, two changes must be considered, one a certainty and one yet to be determined. First, we will adopt stock option expensing effective January 1, 2006. This will negatively impact earnings per share about \$0.05 for the year. Second, is the Unizan Financial Corp. acquisition. This transaction has not yet received regulatory approval and we can make no assurances about it. However, if approved, we estimate this could negatively impact 2006 earnings per share by \$0.03-\$0.04. If both of these items are considered, the targeted GAAP earnings per share range would be \$1.78-\$1.84.

Below is a list of more specific 2006 performance assumptions:

- Revenue growth in the low- to mid-single digits reflecting:
  - Commercial loan growth in the mid-to-high single digit range,
  - Core deposit growth in the mid-single digit range,
  - A net interest margin that is relatively stable, and
  - Non-interest income growth in the mid-single digit range, including strong trust and brokerage income
- Expense growth in the low-single digit range
- Revenue that grows faster than expenses, resulting in positive operating leverage and continued improvement in our efficiency ratio
- A net charge-off ratio at the lower end of our 0.35%-0.45% targeted range
- Relatively stable NPA and allowance for loan loss ratios
- Repurchases throughout the year of the remaining 9.8 million shares from the current 15 million share authorization

### **16% INCREASE IN QUARTERLY CASH DIVIDEND DECLARED**

Huntington Bancshares Incorporated today announced that the board of directors has declared a quarterly cash dividend on its common stock of \$0.25 per common share, a 16.0% increase from the current quarterly dividend of \$0.215 per common share. The dividend is payable April 3, 2006, to shareholders of record on March 17, 2006.

“The board is especially pleased to announce this sizable increase in our common stock dividend,” said Thomas Hoaglin, chairman, president and chief executive officer, “as it is made possible by our financial performance and reflects our optimism for continued progress. This comes only three quarters after our last increase. We have a very strong capital base, and even with this dividend increase, we expect to generate excess capital. Our board is always looking for ways to enhance returns for our shareholders. One way is through share repurchases, which we have been making. Another is through cash dividend increases. The increase announced today results in a dividend payout ratio above our long-term targeted payout range of 40%-50%, but is warranted in the current, slower growth environment.”

## **Conference Call / Webcast Information**

Huntington's senior management will host an earnings conference call today at 1:00 p.m. (Eastern Time). The call may be accessed via a live Internet webcast at [huntington-ir.com](http://huntington-ir.com) or through a dial-in telephone number at 800-223-1238. Slides will be available at [huntington-ir.com](http://huntington-ir.com) just prior to 1:00 p.m. (Eastern Time) today for review during the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's web site [huntington-ir.com](http://huntington-ir.com). A telephone replay will be available approximately two hours after the completion of the call through January 31, 2006 at 800-642-1687; conference ID 3483504.

## **Forward-looking Statement**

This press release contains certain forward-looking statements, including certain plans, expectations, goals, and projections, which are subject to numerous assumptions, risks, and uncertainties. A number of factors, including but not limited to those set forth under the heading "Business Risks" included in Item 1 of Huntington's Annual Report on Form 10-K for the year ended December 31, 2004, and other factors described from time to time in Huntington's other filings with the Securities and Exchange Commission, could cause actual conditions, events, or results to differ significantly from those described in the forward-looking statements. All forward-looking statements included in this news release are based on information available at the time of the release. Huntington assumes no obligation to update any forward-looking statement.

## **Basis of Presentation**

### Use of Non-GAAP Financial Measures

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

### Annualized data

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

### Fully taxable equivalent interest income and net interest margin

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

### Earnings per share equivalent data

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

### NM or nm

Percent changes of 100% or more are shown as "nm" or "not meaningful". Such large percent changes typically reflect the impact of one-time items within the measured periods. Since the primary purpose of showing a percent change is for discerning underlying performance trends, such large percent changes are "not meaningful" for

this purpose.

### **About Huntington**

Huntington Bancshares Incorporated is a \$33 billion regional bank holding company headquartered in Columbus, Ohio. Through its affiliated companies, Huntington has more than 140 years of serving the financial needs of its customers. Huntington provides innovative retail and commercial financial products and services through more than 300 regional banking offices in Indiana, Kentucky, Michigan, Ohio, and West Virginia. Huntington also offers retail and commercial financial services online at [huntington.com](http://huntington.com); through its technologically advanced, 24-hour telephone bank; and through its network of over 900 ATMs. Selected financial service activities are also conducted in other states including: Dealer Sales offices in Florida, Georgia, Tennessee, Pennsylvania, and Arizona; Private Financial and Capital Markets Group offices in Florida; and Mortgage Banking offices in Maryland and New Jersey. International banking services are made available through the headquarters office in Columbus and an office located in the Cayman Islands and an office located in Hong Kong.

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# HUNTINGTON BANCSHARES INCORPORATED

## Quarterly Key Statistics

(Unaudited)

(in thousands of dollars, except per share amounts)	2005		2004	Percent Changes vs.	
	Fourth	Third	Fourth	3Q05	4Q04
Net interest income	\$ 243,676	\$ 241,637	\$ 239,068	0.8 %	1.9 %
Provision for credit losses	30,831	17,699	12,654	74.2	N.M.
Non-interest income	147,322	160,740	182,940	(8.3)	(19.5)
Non-interest expense	230,355	233,052	281,014	(1.2)	(18.0)
Income before income taxes	129,812	151,626	128,340	(14.4)	1.1
Provision for income taxes	29,239	43,052	37,201	(32.1)	(21.4)
Net Income	\$ 100,573	\$ 108,574	\$ 91,139	(7.4) %	10.4 %
Net income per common share - diluted	\$ 0.44	\$ 0.47	\$ 0.39	(6.4) %	12.8 %
Cash dividends declared per common share	0.215	0.215	0.200	---	7.5
Book value per common share at end of period	11.41	11.45	10.96	(0.3)	4.1
Average common shares - basic	226,699	229,830	231,147	(1.4)	(1.9)
Average common shares - diluted	229,718	233,456	235,502	(1.6)	(2.5)
Return on average assets	1.22 %	1.32 %	1.13 %		
Return on average shareholders' equity	15.5	16.5	14.6		
Net interest margin <sup>(1)</sup>	3.34	3.31	3.38		
Efficiency ratio <sup>(2)</sup>	57.0	57.4	66.4		
Effective tax rate	22.5	28.4	29.0		
Average loans and leases	\$ 24,468,233	\$ 24,448,366	\$ 23,032,173	0.1	6.2
Average loans and leases - linked quarter annualized growth rate.	0.3 %	(0.2) %	15.1 %		
Average earning assets	\$ 29,444,360	\$ 29,404,945	\$ 28,506,464	0.1	3.3
Average total assets	32,614,335	32,739,357	32,060,518	(0.4)	1.7
Average core deposits <sup>(3)</sup>	17,344,953	17,197,417	16,908,269	0.9	2.6
Average core deposits - linked quarter annualized growth rate <sup>(3)</sup>	3.4 %	5.1 %	9.7 %		
Average shareholders' equity	2,573,538	2,610,782	2,481,373	(1.4)	3.7
Total assets at end of period	\$ 32,764,805	\$ 32,762,988	\$ 32,565,497	---	0.6
Total shareholders' equity at end of period	2,557,501	2,622,675	2,537,638	(2.5)	0.8
Net charge-offs (NCOs)	\$ 17,568	\$ 17,953	\$ 20,913	(2.1)	(16.0)
NCOs as a % of average loans and leases	0.29 %	0.29 %	0.36 %		
Non-performing loans and leases (NPLs)	\$ 101,915	\$ 89,709	\$ 63,962	13.6	59.3
Non-performing assets (NPAs)	117,155	101,800	108,568	15.1	7.9
NPAs as a % of total loans and leases and other real estate (OREO)	0.48 %	0.42 %	0.46 %		
Allowance for loan and lease losses (ALLL) as a % of total loans and leases at the end of period	1.10	1.04	1.15		
ALLL plus allowance for unfunded loan commitments and letters of credit as a % of total loans and leases at the end of period	1.25	1.19	1.29		
ALLL as a % of NPLs	263	283	424		
ALLL as a % of NPAs	229	249	250		
Tier 1 risk-based capital ratio <sup>(4)</sup>	9.10	9.42	9.08		
Total risk-based capital ratio <sup>(4)</sup>	12.38	12.70	12.48		
Tier 1 leverage ratio <sup>(4)</sup>	8.34	8.50	8.42		
Average equity / assets	7.89	7.97	7.74		
Tangible equity / assets <sup>(5)</sup>	7.19	7.39	7.18		

<sup>(1)</sup> On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.

<sup>(2)</sup> Non-interest expense less amortization of intangibles (\$0.2 million for all periods above) divided by the sum of FTE net interest income and non-interest income excluding securities gains (losses).

<sup>(3)</sup> Includes non-interest bearing and interest bearing demand deposits, savings and other domestic time deposits, and certificates of deposit less than \$100,000.

<sup>(4)</sup> December 31, 2005 figures are estimated.

<sup>(5)</sup> At end of period. Tangible equity (total equity less intangible assets) divided by tangible assets (total assets less intangible assets).

# HUNTINGTON BANCSHARES INCORPORATED

## Annual Key Statistics

(Unaudited)

<i>(in thousands of dollars, except per share amounts)</i>	Year Ended December 31,		Change	
	2005	2004	Amount	Percent
Net interest income	\$ 962,411	\$ 911,374	\$ 51,037	5.6 %
Provision for credit losses	81,299	55,062	26,237	47.6
Non-interest income	632,282	818,598	(186,316)	(22.8)
Non-interest expense	969,820	1,122,244	(152,424)	(13.6)
Income before income taxes	543,574	552,666	(9,092)	(1.6)
Provision for income taxes	131,483	153,741	(22,258)	(14.5)
<b>Net Income</b>	<b>\$ 412,091</b>	<b>\$ 398,925</b>	<b>\$ 13,166</b>	<b>3.3 %</b>
Net Income per common share - diluted	\$ 1.77	\$ 1.71	\$ 0.06	3.5 %
Cash dividends declared per common share	0.845	0.750	0.10	12.7
Average common shares - basic	230,142	229,913	229	0.1
Average common shares - diluted	233,475	233,856	(381)	(0.2)
Return on average assets	1.26 %	1.27 %		
Return on average shareholders' equity	16.0	16.8		
Net interest margin <sup>(1)</sup>	3.33	3.33		
Efficiency ratio <sup>(2)</sup>	60.0	65.0		
Effective tax rate	24.2	27.8		
Average loans and leases	\$ 24,309,768	\$ 22,126,894	2,182,874	9.9
Average earning assets	29,307,603	27,697,075	1,610,528	5.8
Average total assets	32,639,011	31,432,746	1,206,265	3.8
Average core deposits <sup>(3)</sup>	17,144,091	16,284,727	859,364	5.3
Average shareholders' equity	2,582,721	2,374,137	208,584	8.8
Net charge-offs (NCOs)	80,057	78,535	1,522	1.9
NCOs as a % of average loans and leases	0.33 %	0.35 %		

<sup>(1)</sup> On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.

<sup>(2)</sup> Non-interest expense less amortization of intangibles (\$0.8 million for both periods above) divided by the sum of FTE net interest income and non-interest income excluding securities gains (losses).

<sup>(3)</sup> Includes non-interest bearing and interest bearing demand deposits, savings and other domestic time deposits, and certificates of deposit less than \$100,000.

**HUNTINGTON BANCSHARES INCORPORATED**  
**Quarterly Financial Review**  
**December 2005**

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**Note:**

The preparation of financial statement data in conformity with accounting principals generally accepted in the United States requires management to make estimates and assumptions that affect amounts reported. Actual results could differ from those estimates. Certain prior period amounts have been reclassified to conform to the current period's presentation.

## Huntington Bancshares Incorporated Consolidated Balance Sheets

(in thousands of dollars, except per share amounts)	2005		2004	Change December '05 vs '04	
	December 31, (Unaudited)	September 30, (Unaudited)	December 31,	Amount	Percent
<b>Assets</b>					
Cash and due from banks	\$ 966,445	\$ 803,425	\$ 877,320	\$ 89,125	10.2 %
Federal funds sold and securities purchased under resale agreements	74,331	78,325	628,040	(553,709)	(88.2)
Interest bearing deposits in banks	22,391	22,379	22,398	(7)	(0.0)
Trading account securities	8,619	191,418	309,630	(301,011)	(97.2)
Loans held for sale	294,344	449,096	223,469	70,875	31.7
Investment securities	4,526,520	4,304,898	4,238,945	287,575	6.8
Loans and leases <sup>(1)</sup>	24,472,166	24,496,287	23,560,277	911,889	3.9
Allowance for loan and lease losses	(268,347)	(253,943)	(271,211)	2,864	(1.1)
Net loans and leases	24,203,819	24,242,344	23,289,066	914,753	3.9
Operating lease assets	229,077	274,190	587,310	(358,233)	(61.0)
Bank owned life insurance	1,001,542	993,407	963,059	38,483	4.0
Premises and equipment	360,677	358,876	355,115	5,562	1.6
Goodwill and other intangible assets	217,486	217,703	215,807	1,679	0.8
Customers' acceptance liability	4,536	7,463	11,299	(6,763)	(59.9)
Accrued income and other assets	855,018	819,464	844,039	10,979	1.3
<b>Total Assets</b>	<b>\$ 32,764,805</b>	<b>\$ 32,762,988</b>	<b>\$ 32,565,497</b>	<b>\$ 199,308</b>	<b>0.6 %</b>
<b>Liabilities and Shareholders' Equity</b>					
<b>Liabilities</b>					
Deposits <sup>(2)</sup>	\$ 22,409,675	\$ 22,349,122	\$ 20,768,161	\$ 1,641,514	7.9 %
Short-term borrowings	1,889,260	1,502,566	1,207,233	682,027	56.5
Federal Home Loan Bank advances	1,155,647	1,155,656	1,271,088	(115,441)	(9.1)
Other long-term debt	2,418,419	2,795,431	4,016,004	(1,597,585)	(39.8)
Subordinated notes	1,023,371	1,034,343	1,039,793	(16,422)	(1.6)
Allowance for unfunded loan commitments and letters of credit	36,957	38,098	33,187	3,770	11.4
Bank acceptances outstanding	4,536	7,463	11,299	(6,763)	(59.9)
Deferred federal income tax liability	743,655	768,344	783,628	(39,973)	(5.1)
Accrued expenses and other liabilities	525,784	489,290	897,466	(371,682)	(41.4)
<b>Total Liabilities</b>	<b>30,207,304</b>	<b>30,140,313</b>	<b>30,027,859</b>	<b>179,445</b>	<b>0.6</b>
<b>Shareholders' equity</b>					
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 224,106,172; 229,005,823 and 231,605,281 shares, respectively.	2,491,326	2,490,919	2,484,204	7,122	0.3
Less 33,760,083; 28,860,432 and 26,260,974 treasury shares, respectively	(693,576)	(575,941)	(499,259)	(194,317)	38.9
Accumulated other comprehensive loss	(22,093)	(21,839)	(10,903)	(11,190)	N.M.
Retained earnings	781,844	729,536	563,596	218,248	38.7
<b>Total Shareholders' Equity</b>	<b>2,557,501</b>	<b>2,622,675</b>	<b>2,537,638</b>	<b>19,863</b>	<b>0.8</b>
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 32,764,805</b>	<b>\$ 32,762,988</b>	<b>\$ 32,565,497</b>	<b>\$ 199,308</b>	<b>0.6 %</b>

N.M., not a meaningful value.

<sup>(1)</sup> See page 2 for detail of loans and leases.

<sup>(2)</sup> See page 3 for detail of deposits.

## Huntington Bancshares Incorporated Credit Exposure Composition

<i>(in thousands of dollars)</i>	2005				2004		Change December '05 vs '04	
	December 31, <i>(Unaudited)</i>		September 30, <i>(Unaudited)</i>		December 31,		Amount	Percent
<b>By Type</b>								
Commercial:								
Middle market commercial and industrial <sup>(1)</sup>	\$ 5,084,244	20.6 %	\$ 4,790,680	19.3 %	\$ 4,660,141	19.3 %	\$ 424,103	9.1 %
Construction	1,521,897	6.2	1,762,237	7.1	1,592,125	6.6	(70,228)	(4.4)
Commercial <sup>(1)</sup>	2,015,498	8.2	1,885,027	7.6	1,881,835	7.8	133,663	7.1
Middle market commercial real estate	3,537,395	14.4	3,647,264	14.7	3,473,960	14.4	63,435	1.8
Small business commercial and industrial and commercial real estate	2,223,740	9.1	2,234,988	9.1	2,168,877	8.9	54,863	2.5
Total commercial	10,845,379	44.1	10,672,932	43.1	10,302,978	42.6	542,401	5.3
Consumer:								
Automobile loans	1,985,304	8.0	2,063,285	8.3	1,948,667	8.1	36,637	1.9
Automobile leases	2,289,015	9.3	2,381,004	9.6	2,443,455	10.1	(154,440)	(6.3)
Home equity	4,638,841	18.8	4,684,904	18.9	4,554,540	18.9	84,301	1.9
Residential mortgage	4,193,139	17.0	4,180,350	16.9	3,829,234	15.9	363,905	9.5
Other loans	520,488	1.9	513,812	2.1	481,403	2.0	39,085	8.1
Total consumer	13,626,787	55.0	13,823,355	55.8	13,257,299	55.0	369,488	2.8
<b>Total loans and direct financing leases</b>	<b>\$ 24,472,166</b>	<b>99.1</b>	<b>\$ 24,496,287</b>	<b>98.9</b>	<b>\$ 23,560,277</b>	<b>97.6</b>	<b>\$ 911,889</b>	<b>3.9</b>
<b>Operating lease assets</b>	<b>229,077</b>	<b>0.9</b>	<b>274,190</b>	<b>1.1</b>	<b>587,310</b>	<b>2.4</b>	<b>(358,233)</b>	<b>(61.0)</b>
<b>Total credit exposure</b>	<b>\$ 24,701,243</b>	<b>100.0 %</b>	<b>\$ 24,770,477</b>	<b>100.0 %</b>	<b>\$ 24,147,587</b>	<b>100.0 %</b>	<b>\$ 553,656</b>	<b>2.3 %</b>
<b>Total automobile exposure<sup>(2)</sup></b>	<b>\$ 4,503,396</b>	<b>18.2 %</b>	<b>\$ 4,718,479</b>	<b>19.0 %</b>	<b>\$ 4,979,432</b>	<b>20.6 %</b>	<b>\$ (476,036)</b>	<b>(9.6) %</b>
<b>By Business Segment<sup>(3)</sup></b>								
Regional Banking:								
Central Ohio	\$ 3,147,464	12.7 %	\$ 3,223,920	13.0 %	\$ 3,096,709	12.8 %	\$ 50,755	1.6 %
Northern Ohio	2,892,228	11.7	2,952,508	11.9	2,857,746	11.8	34,482	1.2
Southern Ohio / Kentucky	2,042,070	8.3	2,064,617	8.3	1,895,180	7.8	146,890	7.8
West Michigan	2,363,873	9.6	2,369,813	9.6	2,271,682	9.4	92,191	4.1
East Michigan	1,574,000	6.4	1,530,757	6.2	1,430,169	5.9	143,831	10.1
West Virginia	970,959	3.9	948,854	3.8	882,016	3.7	88,943	10.1
Indiana	1,027,455	4.2	967,324	3.9	961,700	4.0	65,755	6.8
Mortgage and equipment leasing groups	3,533,809	14.3	3,505,072	14.2	3,196,762	13.2	337,047	10.5
Regional Banking	17,551,858	71.1	17,562,865	70.8	16,591,964	68.7	959,894	5.8
Dealer Sales <sup>(4)</sup>	5,430,038	22.0	5,492,278	22.2	5,920,256	24.5	(490,218)	(8.3)
Private Financial and Capital Markets Group	1,719,347	6.9	1,715,334	7.0	1,635,367	6.8	83,980	5.1
Treasury / Other	---	---	---	---	---	---	---	---
<b>Total credit exposure</b>	<b>\$ 24,701,243</b>	<b>100.0 %</b>	<b>\$ 24,770,477</b>	<b>100.0 %</b>	<b>\$ 24,147,587</b>	<b>100.0 %</b>	<b>\$ 553,656</b>	<b>2.3 %</b>

<sup>(1)</sup> The fourth quarter of 2005 reflects a net reclassification of \$500 million from middle market commercial real estate to middle market commercial and industrial, on November 1, 2005.

<sup>(2)</sup> Sum of automobile loans and leases and automobile operating lease assets.

<sup>(3)</sup> Prior period amounts have been reclassified to conform to the current period business segment structure.

<sup>(4)</sup> Includes operating lease inventory.

**Huntington Bancshares Incorporated**  
**Deposit Composition**

	2005				2004		Change	
	December 31, (Unaudited)		September 30, (Unaudited)		December 31,		December '05 vs '04	
(in thousands of dollars)							Amount	Percent
<b>By Type</b>								
Demand deposits - non-interest bearing	\$ 3,390,044	15.1 %	\$ 3,361,749	15.0 %	\$ 3,392,123	16.3 %	\$ (2,079)	(0.1) %
Demand deposits - interest bearing	7,380,044	32.9	7,481,019	33.5	7,786,377	37.5	(406,333)	(5.2)
Savings and other domestic time deposits	3,094,136	13.8	3,186,354	14.3	3,502,552	16.9	(408,416)	(11.7)
Certificates of deposit less than \$100,000	3,526,039	15.7	3,281,457	14.7	2,466,965	11.9	1,059,074	42.9
<b>Total core deposits</b>	<b>17,390,263</b>	<b>77.5</b>	<b>17,310,579</b>	<b>77.5</b>	<b>17,148,017</b>	<b>82.6</b>	<b>242,246</b>	<b>1.4</b>
Domestic time deposits of \$100,000 or more	1,348,928	6.0	1,356,875	6.1	1,081,660	5.2	267,268	24.7
Brokered deposits and negotiable CDs	3,199,796	14.3	3,228,083	14.4	2,097,537	10.1	1,102,259	52.6
Deposits in foreign offices	470,688	2.2	453,585	2.0	440,947	2.1	29,741	6.7
<b>Total deposits</b>	<b>\$ 22,409,675</b>	<b>100.0 %</b>	<b>\$ 22,349,122</b>	<b>100.0 %</b>	<b>\$ 20,768,161</b>	<b>100.0 %</b>	<b>\$ 1,641,514</b>	<b>7.9 %</b>
<b>Total core deposits:</b>								
Commercial	\$ 5,352,053	30.8 %	\$ 5,424,728	31.3 %	\$ 5,293,666	30.9 %	\$ 58,387	1.1 %
Personal	12,038,210	69.2	11,885,851	68.7	11,854,351	69.1	183,859	1.6
<b>Total core deposits</b>	<b>\$ 17,390,263</b>	<b>100.0 %</b>	<b>\$ 17,310,579</b>	<b>100.0 %</b>	<b>\$ 17,148,017</b>	<b>100.0 %</b>	<b>\$ 242,246</b>	<b>1.4 %</b>
<b>By Business Segment <sup>(1)</sup></b>								
<b>Regional Banking:</b>								
Central Ohio	\$ 4,525,881	20.2 %	\$ 4,433,948	19.8 %	\$ 4,500,840	21.7 %	\$ 25,041	0.6 %
Northern Ohio	4,070,715	18.2	4,035,762	18.1	4,068,385	19.6	2,330	0.1
Southern Ohio / Kentucky	1,951,502	8.7	1,915,034	8.6	1,742,353	8.4	209,149	12.0
West Michigan	2,795,199	12.5	2,783,571	12.5	2,643,510	12.7	151,689	5.7
East Michigan	2,271,736	10.1	2,311,421	10.3	2,222,191	10.7	49,545	2.2
West Virginia	1,463,678	6.5	1,428,172	6.4	1,375,151	6.6	88,527	6.4
Indiana	726,768	3.2	770,834	3.4	663,927	3.2	62,841	9.5
Mortgage and equipment leasing groups	161,866	0.7	177,026	0.8	194,624	0.9	(32,758)	(16.8)
<b>Regional Banking</b>	<b>17,967,345</b>	<b>80.2</b>	<b>17,855,768</b>	<b>79.9</b>	<b>17,410,981</b>	<b>83.8</b>	<b>556,364</b>	<b>3.2</b>
Dealer Sales	65,255	0.3	72,411	0.3	74,969	0.4	(9,714)	(13.0)
Private Financial and Capital Markets Group	1,169,179	5.2	1,186,360	5.3	1,176,303	5.7	(7,124)	(0.6)
Treasury / Other <sup>(2)</sup>	3,207,896	14.3	3,234,583	14.5	2,105,908	10.1	1,101,988	52.3
<b>Total deposits</b>	<b>\$ 22,409,675</b>	<b>100.0 %</b>	<b>\$ 22,349,122</b>	<b>100.0 %</b>	<b>\$ 20,768,161</b>	<b>100.0 %</b>	<b>\$ 1,641,514</b>	<b>7.9 %</b>

<sup>(1)</sup> Prior period amounts have been reclassified to conform to the current period business segment structure.

<sup>(2)</sup> Comprised largely of brokered deposits and negotiable CDs.

# Huntington Bancshares Incorporated

## Consolidated Quarterly Average Balance Sheets

(Unaudited)

Fully taxable equivalent basis (in millions of dollars)	Average Balances					Change 4Q05 vs 4Q04	
	2005				2004	Amount	Percent
	Fourth	Third	Second	First	Fourth		
<b>Assets</b>							
Interest bearing deposits in banks	\$ 51	\$ 54	\$ 54	\$ 53	\$ 60	\$ (9)	(15.0) %
Trading account securities	119	274	236	200	228	(109)	(47.8)
Federal funds sold and securities purchased under resale agreements	103	142	225	475	695	(592)	(85.2)
Loans held for sale	361	427	276	203	229	132	57.6
Investment securities:							
Taxable	3,802	3,523	3,589	3,932	3,858	(56)	(1.5)
Tax-exempt	540	537	411	409	404	136	33.7
Total investment securities	4,342	4,060	4,000	4,341	4,262	80	1.9
Loans and leases: <sup>(1)</sup>							
Commercial:							
Middle market commercial and industrial <sup>(2)</sup>	4,946	4,708	4,901	4,710	4,503	443	9.8
Construction	1,675	1,720	1,678	1,642	1,577	98	6.2
Commercial <sup>(2)</sup>	1,923	1,922	1,905	1,883	1,852	71	3.8
Middle market commercial real estate	3,598	3,642	3,583	3,525	3,429	169	4.9
Small business commercial and industrial and commercial real estate	2,230	2,251	2,230	2,183	2,136	94	4.4
Total commercial	10,774	10,601	10,714	10,418	10,068	706	7.0
Consumer:							
Automobile loans	2,018	2,078	2,069	2,008	1,913	105	5.5
Automobile leases	2,337	2,424	2,468	2,461	2,388	(51)	(2.1)
Automobile loans and leases	4,355	4,502	4,537	4,469	4,301	54	1.3
Home equity	4,653	4,681	4,636	4,570	4,489	164	3.7
Residential mortgage	4,165	4,157	4,080	3,919	3,695	470	12.7
Other loans	521	507	491	480	479	42	8.8
Total consumer	13,694	13,847	13,744	13,438	12,964	730	5.6
Total loans and leases	24,468	24,448	24,458	23,856	23,032	1,436	6.2
Allowance for loan and lease losses	(262)	(256)	(270)	(282)	(283)	21	7.4
Net loans and leases	24,206	24,192	24,188	23,574	22,749	1,457	6.4
Total earning assets	29,444	29,405	29,249	29,128	28,506	938	3.3
Operating lease assets	245	309	409	529	648	(403)	(62.2)
Cash and due from banks	742	867	865	909	880	(138)	(15.7)
Intangible assets	218	217	218	218	216	2	0.9
All other assets	2,227	2,197	2,149	2,079	2,094	133	6.4
<b>Total Assets</b>	<b>\$ 32,614</b>	<b>\$ 32,739</b>	<b>\$ 32,620</b>	<b>\$ 32,581</b>	<b>\$ 32,061</b>	<b>\$ 553</b>	<b>1.7 %</b>
<b>Liabilities and Shareholders' Equity</b>							
Deposits:							
Demand deposits - non-interest bearing	\$ 3,444	\$ 3,406	\$ 3,352	\$ 3,314	\$ 3,401	\$ 43	1.3 %
Demand deposits - interest bearing	7,496	7,539	7,677	7,925	7,658	(162)	(2.1)
Savings and other domestic time deposits	2,984	3,095	3,230	3,317	3,395	(411)	(12.1)
Certificates of deposit less than \$100,000	3,421	3,157	2,720	2,496	2,454	967	39.4
Total core deposits	17,345	17,197	16,979	17,052	16,908	437	2.6
Domestic time deposits of \$100,000 or more	1,397	1,271	1,248	1,249	990	407	41.1
Brokered deposits and negotiable CDs	3,210	3,286	3,249	2,720	1,948	1,262	64.8
Deposits in foreign offices	490	462	434	442	465	25	5.4
Total deposits	22,442	22,216	21,910	21,463	20,311	2,131	10.5
Short-term borrowings	1,472	1,559	1,301	1,179	1,302	170	13.1
Federal Home Loan Bank advances	1,156	935	1,136	1,196	1,270	(114)	(9.0)
Subordinated notes and other long-term debt	3,687	3,960	4,100	4,517	5,099	(1,412)	(27.7)
Total interest bearing liabilities	25,313	25,264	25,095	25,041	24,581	732	3.0
All other liabilities	1,283	1,458	1,554	1,699	1,598	(315)	(19.7)
Shareholders' equity	2,574	2,611	2,619	2,527	2,481	93	3.7
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 32,614</b>	<b>\$ 32,739</b>	<b>\$ 32,620</b>	<b>\$ 32,581</b>	<b>\$ 32,061</b>	<b>\$ 553</b>	<b>1.7 %</b>

<sup>(1)</sup> For purposes of this analysis, non-accrual loans are reflected in the average balances of loans.

<sup>(2)</sup> The fourth quarter of 2005 reflects a net reclassification of \$500 million from middle market commercial real estate to middle market commercial and industrial, on November 1, 2005.

## Huntington Bancshares Incorporated

### Consolidated Quarterly Net Interest Margin Analysis

(Unaudited)

Fully taxable equivalent basis <sup>(1)</sup>	Average Rates <sup>(2)</sup>				2004
	2005				Fourth
	Fourth	Third	Second	First	
<b>Assets</b>					
Interest bearing deposits in banks	3.20 %	2.13 %	1.47 %	1.88 %	1.61 %
Trading account securities	4.53	3.95	3.94	4.14	4.15
Federal funds sold and securities purchased under resale agreements	3.78	3.41	2.76	2.36	1.99
Loans held for sale	5.68	5.43	6.04	5.55	5.69
Investment securities:					
Taxable	4.70	4.37	4.13	3.87	3.77
Tax-exempt	6.77	6.62	6.76	6.73	6.89
Total investment securities	4.96	4.67	4.40	4.14	4.07
Loans and leases: <sup>(3)</sup>					
Commercial:					
Middle market commercial and industrial	6.28	5.87	5.65	5.02	4.80
Construction	6.70	6.16	5.70	5.13	4.65
Commercial	6.34	5.90	5.44	5.15	4.80
Middle market commercial real estate	6.51	6.02	5.56	5.14	4.73
Small business commercial and industrial and commercial real estate	6.41	6.17	5.99	5.81	5.67
Total commercial	6.38	5.98	5.69	5.23	4.96
Consumer:					
Automobile loans	6.26	6.44	6.57	6.83	7.31
Automobile leases	4.98	4.94	4.91	4.92	5.00
Automobile loans and leases	5.57	5.63	5.67	5.78	6.02
Home equity	7.03	6.60	6.24	5.77	5.30
Residential mortgage	5.61	5.45	5.37	5.36	5.53
Other loans	5.98	5.92	6.22	6.42	6.87
Total consumer	6.09	5.91	5.79	5.67	5.66
Total loans and leases	6.22	5.94	5.75	5.48	5.34
<b>Total earning assets</b>	<b>6.01 %</b>	<b>5.72 %</b>	<b>5.52 %</b>	<b>5.21 %</b>	<b>5.05 %</b>
<b>Liabilities and Shareholders' Equity</b>					
Deposits:					
Demand deposits - non-interest bearing	---	---	---	---	---
Demand deposits - interest bearing	2.12	1.87	1.64	1.45	1.21
Savings and other domestic time deposits	1.44	1.39	1.34	1.27	1.26
Certificates of deposit less than \$100,000	3.70	3.58	3.49	3.43	3.38
Total core deposits	2.36	2.15	1.94	1.76	1.62
Domestic time deposits of \$100,000 or more	3.90	3.60	3.27	2.92	2.51
Brokered deposits and negotiable CDs	4.20	3.66	3.25	2.80	2.26
Deposits in foreign offices	2.66	2.28	1.95	1.41	0.98
Total deposits	2.79	2.52	2.26	1.99	1.73
Short-term borrowings	3.11	2.74	2.16	1.66	1.17
Federal Home Loan Bank advances	3.37	3.08	3.02	2.90	2.68
Subordinated notes and other long-term debt	4.72	4.20	3.91	3.39	2.67
<b>Total interest bearing liabilities</b>	<b>3.12 %</b>	<b>2.82 %</b>	<b>2.56 %</b>	<b>2.27 %</b>	<b>1.94 %</b>
Net interest rate spread	2.89 %	2.90 %	2.96 %	2.94 %	3.11 %
Impact of non-interest bearing funds on margin	0.45	0.41	0.40	0.37	0.27
<b>Net interest margin</b>	<b>3.34 %</b>	<b>3.31 %</b>	<b>3.36 %</b>	<b>3.31 %</b>	<b>3.38 %</b>

<sup>(1)</sup> Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 7 for the FTE adjustment.

<sup>(2)</sup> Loan, lease, and deposit average rates include impact of applicable derivatives and non-deferrable fees.

<sup>(3)</sup> For purposes of this analysis, non-accrual loans are reflected in the average balances of loans.

**Huntington Bancshares Incorporated**  
**Quarterly Average Loans and Direct Financing Leases**  
**and Deposit Composition By Business Segment**

(Unaudited)

(in millions of dollars)	Average Balances					Change	
	2005				2004	4Q05 vs 4Q04	
	Fourth	Third	Second	First	Fourth	Amount	Percent
<b>Loans and direct financing leases <sup>(1)</sup></b>							
Regional Banking:							
Central Ohio	\$ 3,222	\$ 3,181	\$ 3,173	\$ 3,105	\$ 3,073	\$ 149	4.8 %
Northern Ohio	2,919	2,926	2,921	2,867	2,810	109	3.9
Southern Ohio / Kentucky	2,069	2,080	2,067	1,967	1,862	207	11.1
West Michigan	2,382	2,377	2,366	2,297	2,255	127	5.6
East Michigan	1,537	1,507	1,479	1,444	1,402	135	9.6
West Virginia	963	944	907	878	875	88	10.1
Indiana	976	983	1,022	980	906	70	7.7
Mortgage and equipment leasing groups	3,461	3,433	3,364	3,266	3,064	397	13.0
<b>Regional Banking</b>	<b>17,529</b>	<b>17,431</b>	<b>17,299</b>	<b>16,804</b>	<b>16,247</b>	<b>1,282</b>	<b>7.9</b>
Dealer Sales	5,225	5,316	5,496	5,410	5,204	21	0.4
Private Financial and Capital Markets Group	1,714	1,701	1,663	1,642	1,581	133	8.4
Treasury / Other	---	---	---	---	---	---	---
<b>Total loans and direct financing leases</b>	<b>\$ 24,468</b>	<b>\$ 24,448</b>	<b>\$ 24,458</b>	<b>\$ 23,856</b>	<b>\$ 23,032</b>	<b>\$ 1,436</b>	<b>6.2 %</b>
<b>Deposit composition <sup>(1)</sup></b>							
Regional Banking:							
Central Ohio	\$ 4,508	\$ 4,494	\$ 4,555	\$ 4,487	\$ 4,344	\$ 164	3.8 %
Northern Ohio	4,122	4,072	3,931	4,085	4,028	94	2.3
Southern Ohio / Kentucky	1,938	1,861	1,750	1,764	1,665	273	16.4
West Michigan	2,778	2,671	2,638	2,684	2,672	106	4.0
East Michigan	2,296	2,267	2,270	2,298	2,199	97	4.4
West Virginia	1,428	1,408	1,387	1,367	1,359	69	5.1
Indiana	742	746	723	698	679	63	9.3
Mortgage and equipment leasing groups	202	215	197	179	213	(11)	(5.2)
<b>Regional Banking</b>	<b>18,014</b>	<b>17,734</b>	<b>17,451</b>	<b>17,562</b>	<b>17,159</b>	<b>855</b>	<b>5.0</b>
Dealer Sales	62	72	69	71	72	(10)	(13.9)
Private Financial and Capital Markets Group	1,149	1,116	1,133	1,094	1,116	33	3.0
Treasury / Other	3,217	3,294	3,257	2,736	1,964	1,253	63.8
<b>Total deposits</b>	<b>\$ 22,442</b>	<b>\$ 22,216</b>	<b>\$ 21,910</b>	<b>\$ 21,463</b>	<b>\$ 20,311</b>	<b>\$ 2,131</b>	<b>10.5 %</b>

<sup>(1)</sup> Prior period amounts have been reclassified to conform to the current period business segment structure.

**Huntington Bancshares Incorporated**  
**Selected Quarterly Income Statement Data**

(Unaudited)

(in thousands of dollars, except per share amounts)	2005				2004	4Q05 vs 4Q04	
	Fourth	Third	Second	First	Fourth	Amount	Percent
Interest income	\$ 442,476	\$ 420,858	\$ 402,326	\$ 376,105	\$ 359,215	\$ 83,261	23.2 %
Interest expense	198,800	179,221	160,426	140,907	120,147	78,653	65.5
Net interest income	243,676	241,637	241,900	235,198	239,068	4,608	1.9
Provision for credit losses	30,831	17,699	12,895	19,874	12,654	18,177	N.M.
<b>Net interest income after provision for credit losses</b>	<b>212,845</b>	<b>223,938</b>	<b>229,005</b>	<b>215,324</b>	<b>226,414</b>	<b>(13,569)</b>	<b>(6.0)</b>
Service charges on deposit accounts	42,083	44,817	41,516	39,418	41,747	336	0.8
Trust services	20,425	19,671	19,113	18,196	17,315	3,110	18.0
Brokerage and insurance income	13,101	13,948	13,544	13,026	12,879	222	1.7
Bank owned life insurance income	10,389	10,104	10,139	10,104	10,484	(95)	(0.9)
Other service charges and fees	11,488	11,449	11,252	10,159	10,617	871	8.2
Mortgage banking income (loss)	10,909	21,116	(2,376)	12,061	8,822	2,087	23.7
Securities gains (losses)	(8,770)	101	(343)	957	2,100	(10,870)	N.M.
Gains on sales of automobile loans	455	502	254	---	---	455	---
Other income	22,900	9,770	24,974	17,397	23,870	(970)	(4.1)
Sub-total before operating lease income	122,980	131,478	118,073	121,318	127,834	(4,854)	(3.8)
Operating lease income	24,342	29,262	38,097	46,732	55,106	(30,764)	(55.8)
<b>Total non-interest income</b>	<b>147,322</b>	<b>160,740</b>	<b>156,170</b>	<b>168,050</b>	<b>182,940</b>	<b>(35,618)</b>	<b>(19.5)</b>
Personnel costs	116,111	117,476	124,090	123,981	122,738	(6,627)	(5.4)
Net occupancy	17,940	16,653	17,257	19,242	26,082	(8,142)	(31.2)
Outside data processing and other services	19,693	18,062	18,113	18,770	18,563	1,130	6.1
Equipment	16,093	15,531	15,637	15,863	15,733	360	2.3
Professional services	7,440	8,323	9,347	9,459	9,522	(2,082)	(21.9)
Marketing	7,403	6,779	7,441	6,454	5,581	1,822	32.6
Telecommunications	4,453	4,512	4,801	4,882	4,596	(143)	(3.1)
Printing and supplies	3,084	3,102	3,293	3,094	3,148	(64)	(2.0)
Amortization of intangibles	218	203	204	204	205	13	6.3
Other expense	19,194	19,588	19,074	18,380	26,526	(7,332)	(27.6)
Sub-total before operating lease expense	211,629	210,229	219,257	220,329	232,694	(21,065)	(9.1)
Operating lease expense	18,726	22,823	28,879	37,948	48,320	(29,594)	(61.2)
<b>Total non-interest expense</b>	<b>230,355</b>	<b>233,052</b>	<b>248,136</b>	<b>258,277</b>	<b>281,014</b>	<b>(50,659)</b>	<b>(18.0)</b>
Income before income taxes	129,812	151,626	137,039	125,097	128,340	1,472	1.1
Provision for income taxes	29,239	43,052	30,614	28,578	37,201	(7,962)	(21.4)
<b>Net income</b>	<b>\$ 100,573</b>	<b>\$ 108,574</b>	<b>\$ 106,425</b>	<b>\$ 96,519</b>	<b>\$ 91,139</b>	<b>\$ 9,434</b>	<b>10.4 %</b>
Average common shares - diluted	229,718	233,456	235,671	235,053	235,502	(5,784)	(2.5) %
<b>Per common share</b>							
Net income - diluted	\$ 0.44	\$ 0.47	\$ 0.45	\$ 0.41	\$ 0.39	\$ 0.05	12.8
Cash dividends declared	0.215	0.215	0.215	0.200	0.200	0.015	7.5
Return on average total assets	1.22 %	1.32 %	1.31 %	1.20 %	1.13 %	0.09 %	8.0
Return on average total shareholders' equity	15.5	16.5	16.3	15.5	14.6	0.9	6.2
Net interest margin <sup>(1)</sup>	3.34	3.31	3.36	3.31	3.38	(0.04)	(1.2)
Efficiency ratio <sup>(2)</sup>	57.0	57.4	61.8	63.7	66.4	(9.4)	(14.2)
Effective tax rate	22.5	28.4	22.3	22.8	29.0	(6.5)	(22.4)
<b>Revenue - fully taxable equivalent (FTE)</b>							
Net interest income	\$ 243,676	\$ 241,637	\$ 241,900	\$ 235,198	\$ 239,068	\$ 4,608	1.9
FTE adjustment	3,837	3,734	2,961	2,861	2,847	990	34.8
Net interest income <sup>(1)</sup>	247,513	245,371	244,861	238,059	241,915	5,598	2.3
Non-interest income	147,322	160,740	156,170	168,050	182,940	(35,618)	(19.5)
<b>Total revenue <sup>(1)</sup></b>	<b>\$ 394,835</b>	<b>\$ 406,111</b>	<b>\$ 401,031</b>	<b>\$ 406,109</b>	<b>\$ 424,855</b>	<b>\$ (30,020)</b>	<b>(7.1) %</b>

N.M., not a meaningful value.

<sup>(1)</sup> On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.

<sup>(2)</sup> Non-interest expense less amortization of intangibles divided by the sum of FTE net interest income and non-interest income excluding securities gains (losses).

## Huntington Bancshares Incorporated

### Quarterly Mortgage Banking Income and Net Impact of MSR Hedging

(Unaudited)

(in thousands of dollars)	2005				2004	4Q05 vs 4Q04	
	Fourth	Third	Second	First	Fourth	Amount	Percent
<b>Mortgage Banking Income</b>							
Origination fees	\$ 1,979	\$ 3,037	\$ 3,066	\$ 2,699	\$ 3,264	\$ (1,285)	(39.4) %
Secondary marketing	3,346	3,409	1,749	2,482	1,623	1,723	N.M.
Servicing fees	5,791	5,532	5,464	5,394	5,730	61	1.1
Amortization of capitalized servicing	(3,785)	(4,626)	(5,187)	(4,761)	(5,153)	1,368	(26.5)
Other mortgage banking income	3,193	3,307	2,763	2,487	2,620	573	21.9
Sub-total	10,524	10,659	7,855	8,301	8,084	2,440	30.2
MSR recovery / (impairment)	385	10,457	(10,231)	3,760	738	(353)	(47.8)
<b>Total mortgage banking income (loss)</b>	<b>\$ 10,909</b>	<b>\$ 21,116</b>	<b>\$ (2,376)</b>	<b>\$ 12,061</b>	<b>\$ 8,822</b>	<b>\$ 2,087</b>	<b>23.7 %</b>
Capitalized mortgage servicing rights <sup>(1)</sup>	\$ 91,259	\$ 85,940	\$ 71,150	\$ 80,972	\$ 77,107	\$ 14,152	18.4 %
Total mortgages serviced for others <sup>(1)</sup>	7,276,000	7,081,000	6,951,000	6,896,000	6,861,000	415,000	6.0
<b>Net Impact of MSR Hedging</b>							
MSR recovery / (impairment)	\$ 385	\$ 10,457	\$ (10,231)	\$ 3,760	\$ 738	\$ (353)	(47.8) %
Net trading gains (losses) related to MSR hedging <sup>(2)</sup>	(2,091)	(12,831)	5,727	(4,182)	(3,345)	1,254	(37.5)
Net interest income related to MSR hedging	109	233	512	834	1,451	(1,342)	(92.5)
Other MSR hedge activity <sup>(4)</sup>	---	---	---	---	---	---	---
<b>Net impact of MSR hedging<sup>(3)</sup></b>	<b>\$ (1,597)</b>	<b>\$ (2,141)</b>	<b>\$ (3,992)</b>	<b>\$ 412</b>	<b>\$ (1,156)</b>	<b>\$ (441)</b>	<b>38.1 %</b>

N.M., not a meaningful value.

<sup>(1)</sup> At period end.

<sup>(2)</sup> Included in other non-interest income.

<sup>(3)</sup> The tables above exclude securities gains or losses related to the investment securities portfolio.

<sup>(4)</sup> Included in other mortgage banking income.

## Huntington Bancshares Incorporated

### Quarterly Credit Reserves Analysis

(Unaudited)

<i>(in thousands of dollars)</i>	2005				2004
	Fourth	Third	Second	First	Fourth
<b>Allowance for loan and lease losses, beginning of period</b>	<b>\$ 253,943</b>	\$ 254,784	\$ 264,390	\$ 271,211	\$ 282,650
Loan and lease losses	(27,072)	(25,830)	(25,733)	(37,213)	(31,737)
Recoveries of loans previously charged off	9,504	7,877	9,469	8,941	10,824
Net loan and lease losses	(17,568)	(17,953)	(16,264)	(28,272)	(20,913)
Provision for loan and lease losses	31,972	17,112	13,247	21,451	9,474
Economic reserve transfer	---	---	(6,253)	---	---
Allowance of assets sold and securitized	---	---	(336)	---	---
<b>Allowance for loan and lease losses, end of period</b>	<b>\$ 268,347</b>	\$ 253,943	\$ 254,784	\$ 264,390	\$ 271,211
<b>Allowance for unfunded loan commitments and letters of credit, beginning of period</b>	<b>\$ 38,098</b>	\$ 37,511	\$ 31,610	\$ 33,187	\$ 30,007
Provision for unfunded loan commitments and letters of credit losses	(1,141)	587	(352)	(1,577)	3,180
Economic reserve transfer	---	---	6,253	---	---
<b>Allowance for unfunded loan commitments and letters of credit, end of period</b>	<b>\$ 36,957</b>	\$ 38,098	\$ 37,511	\$ 31,610	\$ 33,187
<b>Total allowances for credit losses</b>	<b>\$ 305,304</b>	\$ 292,041	\$ 292,295	\$ 296,000	\$ 304,398
<b>Allowance for loan and lease losses (ALLL) as % of:</b>					
Transaction reserve	0.84 %	0.81 %	0.77 %	0.81 %	0.78 %
Economic reserve	0.21	0.20	0.22	0.27	0.32
Specific reserve	0.05	0.03	0.05	0.01	0.05
Total loans and leases	1.10 %	1.04 %	1.04 %	1.09 %	1.15 %
Non-performing loans and leases (NPLs)	263	283	304	441	424
Non-performing assets (NPAs)	229	249	262	361	250
<b>Total allowances for credit losses (ACL) as % of:</b>					
Total loans and leases	1.25 %	1.19 %	1.19 %	1.22 %	1.29 %
Non-performing loans and leases	300	326	349	494	476
Non-performing assets	261	287	300	404	280

## Huntington Bancshares Incorporated

### Quarterly Net Charge-Off Analysis

(Unaudited)

<i>(in thousands of dollars)</i>	2005				2004
	Fourth	Third	Second	First	Fourth
<b>Net charge-offs by loan and lease type:</b>					
Commercial:					
Middle market commercial and industrial	\$ (744)	\$ (1,082)	\$ 1,312	\$ 14,092	\$ 1,239
Construction	(175)	495	(134)	(51)	704
Commercial	14	1,779	2,269	(152)	1,834
Middle market commercial real estate	(161)	2,274	2,135	(203)	2,538
Small business commercial and industrial and commercial real estate	4,465	3,062	2,141	2,283	1,386
<b>Total commercial</b>	<b>3,560</b>	<b>4,254</b>	<b>5,588</b>	<b>16,172</b>	<b>5,163</b>
Consumer:					
Automobile loans	3,213	3,895	1,664	3,216	4,406
Automobile leases	3,422	3,105	2,123	3,014	3,104
Automobile loans and leases	6,635	7,000	3,787	6,230	7,510
Home equity	4,498	4,093	5,065	3,963	5,346
Residential mortgage	941	522	430	439	608
Other loans	1,934	2,084	1,394	1,468	2,286
<b>Total consumer</b>	<b>14,008</b>	<b>13,699</b>	<b>10,676</b>	<b>12,100</b>	<b>15,750</b>
<b>Total net charge-offs</b>	<b>\$ 17,568</b>	<b>\$ 17,953</b>	<b>\$ 16,264</b>	<b>\$ 28,272</b>	<b>\$ 20,913</b>
<b>Net charge-offs - annualized percentages:</b>					
Commercial:					
Middle market commercial and industrial	(0.06) %	(0.09) %	0.11 %	1.20 %	0.11 %
Construction	(0.04)	0.12	(0.03)	(0.01)	0.18
Commercial	---	0.37	0.48	(0.03)	0.40
Middle market commercial real estate	(0.02)	0.25	0.24	(0.02)	0.30
Small business commercial and industrial and commercial real estate	0.80	0.54	0.38	0.42	0.26
<b>Total commercial</b>	<b>0.13</b>	<b>0.16</b>	<b>0.21</b>	<b>0.62</b>	<b>0.21</b>
Consumer:					
Automobile loans	0.64	0.75	0.32	0.64	0.92
Automobile leases	0.59	0.51	0.34	0.49	0.52
Automobile loans and leases	0.61	0.62	0.33	0.56	0.70
Home equity	0.39	0.35	0.44	0.35	0.48
Residential mortgage	0.09	0.05	0.04	0.04	0.07
Other loans	1.48	1.64	1.14	1.22	1.91
<b>Total consumer</b>	<b>0.41</b>	<b>0.40</b>	<b>0.31</b>	<b>0.36</b>	<b>0.49</b>
<b>Net charge-offs as a % of average loans</b>	<b>0.29 %</b>	<b>0.29 %</b>	<b>0.27 %</b>	<b>0.47 %</b>	<b>0.36 %</b>

## Huntington Bancshares Incorporated

### Quarterly Non-Performing Assets and Past Due Loans and Leases

(Unaudited)

(in thousands of dollars)	2005				2004
	December 31,	September 30,	June 30,	March 31,	December 31,
<b>Non-accrual loans and leases:</b>					
Middle market commercial and industrial	\$ 28,888	\$ 25,431	\$ 26,856	\$ 16,993	\$ 24,179
Middle market commercial real estate	15,763	13,073	15,331	6,682	4,582
Small business commercial and industrial and commercial real estate	28,931	26,098	19,788	16,387	14,601
Residential mortgage	17,613	16,402	14,137	12,498	13,545
Home equity	10,720	8,705	7,748	7,333	7,055
<b>Total non-performing loans and leases</b>	<b>101,915</b>	<b>89,709</b>	<b>83,860</b>	<b>59,893</b>	<b>63,962</b>
<b>Other real estate, net:</b>					
Residential	14,214	11,182	10,758	10,571	8,762
Commercial <sup>(1)</sup>	1,026	909	2,800	2,839	35,844
<b>Total other real estate, net</b>	<b>15,240</b>	<b>12,091</b>	<b>13,558</b>	<b>13,410</b>	<b>44,606</b>
<b>Total non-performing assets</b>	<b>\$ 117,155</b>	<b>\$ 101,800</b>	<b>\$ 97,418</b>	<b>\$ 73,303</b>	<b>\$ 108,568</b>
Non-performing loans and leases as a % of total loans and leases	0.42 %	0.37 %	0.34 %	0.25 %	0.27 %
Non-performing assets as a % of total loans and leases and other real estate	0.48	0.42	0.40	0.30	0.46
Accruing loans and leases past due 90 days or more	\$ 56,138	\$ 50,780	\$ 53,371	\$ 50,086	\$ 54,283
Accruing loans and leases past due 90 days or more as a percent of total loans and leases	0.23 %	0.21 %	0.22 %	0.21 %	0.23 %

(in thousands of dollars)	2005				2004
	Fourth	Third	Second	First	Fourth
<b>Non-performing assets, beginning of period</b>					
	\$ 101,800	\$ 97,418	\$ 73,303	\$ 108,568	\$ 80,476
New non-performing assets <sup>(1)</sup>	52,553	37,570	47,420	33,607	61,684
Returns to accruing status	(3,228)	(231)	(250)	(3,838)	(2,248)
Loan and lease losses	(9,063)	(5,897)	(6,578)	(17,281)	(8,578)
Payments	(21,329)	(21,203)	(11,925)	(10,404)	(8,829)
Sales <sup>(1)</sup>	(3,578)	(5,857)	(4,552)	(37,349)	(13,937)
<b>Non-performing assets, end of period</b>	<b>\$ 117,155</b>	<b>\$ 101,800</b>	<b>\$ 97,418</b>	<b>\$ 73,303</b>	<b>\$ 108,568</b>

<sup>(1)</sup> At December 31, 2004, other real estate owned included \$35.7 million of properties that related to the work-out of \$5.9 million of mezzanine loans. These properties were subject to \$29.8 million of non-recourse debt to another financial institution. Both properties were sold in the first quarter of 2005.

## Huntington Bancshares Incorporated

### Quarterly Stock Summary, Capital, and Other Data

(Unaudited)

#### Quarterly common stock summary

(in thousands, except per share amounts)	2005				2004
	Fourth	Third	Second	First	Fourth
<b>Common stock price, per share</b>					
High <sup>(1)</sup>	\$ 24.640	\$ 25.410	\$ 24.750	\$ 24.780	\$ 25.380
Low <sup>(1)</sup>	20.970	22.310	22.570	22.150	23.110
Close	23.750	22.470	24.140	23.900	24.740
Average closing price	23.369	24.227	23.771	23.216	24.241
<b>Dividends, per share</b>					
Cash dividends declared on common stock	\$ 0.215	\$ 0.215	\$ 0.215	\$ 0.200	\$ 0.200
<b>Common shares outstanding</b>					
Average - basic	226,699	229,830	232,217	231,824	231,147
Average - diluted	229,718	233,456	235,671	235,053	235,502
Ending	224,106	229,006	230,842	232,192	231,605
Book value per share	\$ 11.41	\$ 11.45	\$ 11.40	\$ 11.15	\$ 10.96
<b>Common share repurchases</b>					
Number of shares repurchased	5,175	2,598	1,818	---	---

#### Capital adequacy

(in millions of dollars)	2005				2004
	December 31,	September 30,	June 30,	March 31,	December 31,
Total risk-weighted assets <sup>(2)</sup>	\$ 29,701	\$ 29,352	\$ 29,973	\$ 30,267	\$ 29,542
Tier 1 leverage ratio <sup>(2)</sup>	8.34 %	8.50 %	8.50 %	8.45 %	8.42 %
Tier 1 risk-based capital ratio <sup>(2)</sup>	9.10	9.42	9.18	9.04	9.08
Total risk-based capital ratio <sup>(2)</sup>	12.38	12.70	12.39	12.33	12.48
Tangible equity / asset ratio	7.19	7.39	7.36	7.42	7.18
Tangible equity / risk-weighted assets ratio <sup>(2)</sup>	7.88	8.19	8.05	7.84	7.86
Average equity / average assets	7.89	7.97	8.03	7.76	7.74
<b>Other data</b>					
Number of employees (full-time equivalent)	7,602	7,586	7,713	7,813	7,812
Number of domestic full-service banking offices <sup>(3)</sup>	344	346	344	343	342

<sup>(1)</sup> High and low stock prices are intra-day quotes obtained from NASDAQ.

<sup>(2)</sup> December 31, 2005 figures are estimated.

<sup>(3)</sup> Includes five Private Financial Group offices in Florida.

## Huntington Bancshares Incorporated

### Quarterly Operating Lease Performance

(Unaudited)

(in thousands of dollars)	2005					2004	4Q05 vs 4Q04	
	Fourth	Third	Second	First	Fourth	Amount	Percent	
<b>Balance Sheet:</b>								
Average operating lease assets outstanding	\$ 245,346	\$ 308,952	\$ 408,798	\$ 529,245	\$ 647,970	\$ (402,624)	(62.1) %	
<b>Income Statement:</b>								
Net rental income	\$ 21,674	\$ 26,729	\$ 34,562	\$ 43,554	\$ 51,016	\$ (29,342)	(57.5) %	
Fees	1,482	1,419	1,773	1,857	2,111	(629)	(29.8)	
Recoveries - early terminations	1,186	1,114	1,762	1,321	1,979	(793)	(40.1)	
<b>Total operating lease income</b>	<b>24,342</b>	<b>29,262</b>	<b>38,097</b>	<b>46,732</b>	<b>55,106</b>	<b>(30,764)</b>	<b>(55.8)</b>	
Depreciation and residual losses at termination	17,223	20,856	26,560	34,703	45,293	(28,070)	(62.0)	
Losses - early terminations	1,503	1,967	2,319	3,245	3,027	(1,524)	(50.3)	
<b>Total operating lease expense</b>	<b>18,726</b>	<b>22,823</b>	<b>28,879</b>	<b>37,948</b>	<b>48,320</b>	<b>(29,594)</b>	<b>(61.2)</b>	
<b>Net earnings contribution</b>	<b>\$ 5,616</b>	<b>\$ 6,439</b>	<b>\$ 9,218</b>	<b>\$ 8,784</b>	<b>\$ 6,786</b>	<b>\$ (1,170)</b>	<b>(17.2) %</b>	
Earnings ratios <sup>(1)</sup>								
Net rental income	35.3%	34.6%	33.8%	32.9%	31.5%	3.8 %	12.1 %	
Depreciation and residual losses at termination	28.1	27.0	26.0	26.2	28.0	0.1	0.4	

#### Definition of term(s):

Net rental income includes the lease payments earned on the equipment and vehicles that Huntington leases to its customers under operating leases. Fees include late fees, early payment fees and other non-origination fees. Recoveries represent payments received on a cash basis subsequent to a customer's default on an operating lease and a recognition of an impairment loss on the lease. Depreciation represents the periodic depreciation of equipment and vehicles to their residual value owned by Huntington under operating leases and any accelerated depreciation where Huntington expects to receive less than the residual value from the sale of the vehicle and from insurance proceeds at the end of the lease term. Losses represent impairments recognized on equipment and vehicles where the lessee has defaulted on the operating lease.

<sup>(1)</sup> As a percent of average operating lease assets, annualized.

# Huntington Bancshares Incorporated

## Consolidated Annual Average Balance Sheets

(Unaudited)

Fully taxable equivalent basis (in millions of dollars)	Annual Average Balances								
	2005	Change from 2004		2004	Change from 2003		2003	2002	2001
		Amount	%		Amount	%			
<b>Assets</b>									
Interest bearing deposits in banks	\$ 53	\$ (13)	(19.7)%	\$ 66	\$ 29	78.4%	\$ 37	\$ 33	\$ 7
Trading account securities	207	102	97.1	105	91	N.M.	14	7	25
Federal funds sold and securities purchased under resale agreements	262	(57)	(17.9)	319	232	N.M.	87	72	107
Loans held for sale	318	75	30.9	243	(321)	(56.9)	564	322	360
Investment securities:									
Taxable	3,683	(742)	(16.8)	4,425	892	25.2	3,533	2,859	3,144
Tax-exempt	475	63	15.3	412	78	23.4	334	135	174
Total investment securities	4,158	(679)	(14.0)	4,837	970	25.1	3,867	2,994	3,318
Loans and leases: <sup>(1)</sup>									
Commercial:									
Middle market commercial and industrial <sup>(2)</sup>	4,817	361	8.1	4,456	(177)	(3.8)	4,633	4,810	5,075
Construction	1,678	258	18.2	1,420	201	16.5	1,219	1,151	1,040
Commercial <sup>(2)</sup>	1,908	(14)	(0.7)	1,922	122	6.8	1,800	1,670	1,522
Middle market commercial real estate	3,586	244	7.3	3,342	323	10.7	3,019	2,821	2,562
Small business commercial and industrial and commercial real estate	2,224	221	11.0	2,003	216	12.1	1,787	1,642	2,574
Total commercial	10,627	826	8.4	9,801	362	3.8	9,439	9,273	10,211
Consumer:									
Automobile loans	2,043	(242)	(10.6)	2,285	(975)	(29.9)	3,260	2,744	N.M.
Automobile leases	2,422	230	10.5	2,192	769	54.0	1,423	452	N.M.
Automobile loans and leases	4,465	(12)	(0.3)	4,477	(206)	(4.4)	4,683	3,196	2,839
Home equity	4,636	449	10.7	4,187	746	21.7	3,441	3,029	3,334
Residential mortgage	4,081	869	27.1	3,212	1,186	58.5	2,026	1,438	1,048
Other loans	501	51	11.3	450	15	3.4	435	481	654
Total consumer	13,683	1,357	11.0	12,326	1,741	16.4	10,585	8,144	7,875
Total loans and leases	24,310	2,183	9.9	22,127	2,103	10.5	20,024	17,417	18,086
Allowance for loan and lease losses	(268)	30	10.1	(298)	32	9.7	(330)	(344)	(286)
Net loans and leases	24,042	2,213	10.1	21,829	2,135	10.8	19,694	17,073	17,800
Total earning assets	29,308	1,611	5.8	27,697	3,104	12.6	24,593	20,845	21,903
Operating lease assets	372	(525)	(58.5)	897	(800)	(47.1)	1,697	2,602	2,970
Cash and due from banks	845	2	0.2	843	69	8.9	774	757	912
Intangible assets	218	2	0.9	216	(2)	(0.9)	218	293	736
All other assets	2,164	86	4.1	2,078	58	2.9	2,020	1,910	1,891
<b>Total Assets</b>	<b>\$ 32,639</b>	<b>\$ 1,206</b>	<b>3.8%</b>	<b>\$ 31,433</b>	<b>\$ 2,461</b>	<b>8.5%</b>	<b>\$ 28,972</b>	<b>\$ 26,063</b>	<b>\$ 28,126</b>
<b>Liabilities and Shareholders' Equity</b>									
Deposits:									
Demand deposits - non-interest bearing	\$ 3,379	\$ 149	4.6%	\$ 3,230	\$ 150	4.9%	\$ 3,080	\$ 2,902	\$ 3,304
Demand deposits - interest bearing	7,658	451	6.3	7,207	1,014	16.4	6,193	5,161	5,005
Savings and other domestic time deposits	3,155	(276)	(8.0)	3,431	(31)	(0.9)	3,462	3,583	4,381
Certificates of deposit less than \$100,000	2,952	535	22.1	2,417	(285)	(10.5)	2,702	3,619	4,980
Total core deposits	17,144	859	5.3	16,285	848	5.5	15,437	15,265	17,670
Domestic time deposits of \$100,000 or more	1,292	427	49.4	865	63	7.9	802	851	1,280
Brokered deposits and negotiable CDs	3,119	1,282	69.8	1,837	418	29.5	1,419	731	128
Deposits in foreign offices	457	(51)	(10.0)	508	8	1.6	500	337	283
Total deposits	22,012	2,517	12.9	19,495	1,337	7.4	18,158	17,184	19,361
Short-term borrowings	1,379	(31)	(2.2)	1,410	(190)	(11.9)	1,600	1,856	2,099
Federal Home Loan Bank advances	1,105	(166)	(13.1)	1,271	13	1.0	1,258	279	19
Subordinated notes and other long-term debt	4,064	(1,315)	(24.4)	5,379	820	18.0	4,559	3,335	3,411
Total interest bearing liabilities	25,181	856	3.5	24,325	1,830	8.1	22,495	19,752	21,586
All other liabilities	1,496	(8)	(0.5)	1,504	303	25.2	1,201	1,170	905
Shareholders' equity	2,583	209	8.8	2,374	178	8.1	2,196	2,239	2,331
<b>Total Liabilities and Shareholders' Equity</b>	<b>\$ 32,639</b>	<b>\$ 1,206</b>	<b>3.8%</b>	<b>\$ 31,433</b>	<b>\$ 2,461</b>	<b>8.5%</b>	<b>\$ 28,972</b>	<b>\$ 26,063</b>	<b>\$ 28,126</b>

N.M., not a meaningful value.

<sup>(1)</sup> For purposes of this analysis, non-accrual loans are reflected in the average balances of loans.

<sup>(2)</sup> The fourth quarter of 2005 reflects a net reclassification of \$500 million from middle market commercial real estate to middle market commercial and industrial, on November 1, 2005.

## Huntington Bancshares Incorporated

### Consolidated Annual Net Interest Margin Analysis

(Unaudited)

Fully Taxable Equivalent basis <sup>(1)</sup>	Annual Average Rates <sup>(2)</sup>				
	2005	2004	2003	2002	2001
<b>Assets</b>					
Interest bearing deposits in banks	2.16 %	1.05 %	1.53 %	2.38 %	3.43 %
Trading account securities	4.08	4.15	4.02	4.11	5.13
Federal funds sold and securities purchased under resale agreements	2.91	1.73	1.80	1.56	4.19
Loans held for sale	5.64	5.35	5.32	6.35	6.95
Investment securities:					
Taxable	4.24	3.88	4.52	6.06	6.58
Tax-exempt	6.71	6.98	7.04	7.42	7.49
Total investment securities	4.52	4.14	4.73	6.12	6.63
Loans and leases:					
Commercial:					
Middle market commercial and industrial	5.79	4.41	4.95	5.45	6.96
Construction	6.01	4.09	4.09	4.57	6.99
Commercial	5.79	4.44	4.84	5.91	7.44
Middle market commercial real estate	5.90	4.29	4.54	5.36	7.26
Small business commercial and industrial and commercial real estate	6.18	5.50	5.91	6.73	7.96
Total commercial	5.91	4.59	5.00	5.65	7.29
Consumer:					
Automobile loans	6.52	7.22	7.38	8.67	N.M
Automobile leases	4.94	5.00	5.09	5.14	N.M
Automobile loans and leases	5.66	6.14	6.68	8.17	8.94
Home equity	6.41	4.91	5.14	5.96	8.23
Residential mortgage	5.45	5.48	5.85	6.55	8.19
Other loans	6.13	6.38	6.71	7.40	8.40
Total consumer	5.87	5.56	5.93	6.98	8.44
Total loans and leases	5.89	5.11	5.49	6.27	7.79
<b>Total earning assets</b>	<b>5.65 %</b>	<b>4.89 %</b>	<b>5.35 %</b>	<b>6.23 %</b>	<b>7.58 %</b>
<b>Liabilities and Shareholders' Equity</b>					
Deposits:					
Demand deposits - non-interest bearing	---	---	---	---	---
Demand deposits - interest bearing	1.77	1.03	1.18	1.71	2.64
Savings and other domestic time deposits	1.36	1.28	1.94	2.24	3.54
Certificates of deposit less than \$100,000	3.56	3.36	3.68	4.58	5.65
Total core deposits	2.06	1.53	1.94	2.70	3.95
Domestic time deposits of \$100,000 or more	3.44	2.37	2.50	3.39	5.22
Brokered deposits and negotiable CDs	3.51	1.80	1.70	2.36	5.12
Deposits in foreign offices	2.10	0.82	0.92	1.47	3.82
Total deposits	2.40	1.58	1.91	2.69	4.06
Short-term borrowings	2.49	0.93	0.98	1.56	4.57
Federal Home Loan Bank advances	3.13	2.57	1.94	2.00	6.17
Subordinated notes and other long-term debt	4.02	2.46	2.82	3.70	5.52
<b>Total interest bearing liabilities</b>	<b>2.70</b>	<b>1.79</b>	<b>2.03</b>	<b>2.75</b>	<b>4.34</b>
Net interest rate spread	2.95	3.10	3.32	3.48	3.24
Impact of non-interest bearing funds on margin	0.38	0.23	0.17	0.14	0.05
<b>Net interest margin</b>	<b>3.33 %</b>	<b>3.33 %</b>	<b>3.49 %</b>	<b>3.62 %</b>	<b>3.29 %</b>

<sup>(1)</sup> Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 16 for the FTE adjustment.

<sup>(2)</sup> Loan and lease and deposit average rates include impact of applicable derivatives and non-deferrable fees.

<sup>(3)</sup> For purposes of this analysis, non-accrual loans are reflected in the average balances of loans.

**Huntington Bancshares Incorporated**  
**Selected Annual Income Statement Data**  
(Unaudited)

(in thousands of dollars, except per share amounts)	Year Ended December 31,								
	Change from 2004			Change from 2003			2003	2002	2001
	2005	Amount	%	2004	Amount	%			
Interest income	\$ 1,641,765	\$ 294,450	21.9%	\$ 1,347,315	\$ 41,559	3.2%	\$ 1,305,756	\$ 1,293,195	\$ 1,654,790
Interest expense	679,354	243,413	55.8	435,941	(20,829)	(4.6)	456,770	543,621	939,501
Net interest income	962,411	51,037	5.6	911,374	62,388	7.3	848,986	749,574	715,289
Provision for credit losses	81,299	26,237	47.7	55,062	(108,931)	(66.4)	163,993	194,426	257,326
<b>Net interest income after provision for credit losses</b>	<b>881,112</b>	<b>24,800</b>	<b>2.9</b>	<b>856,312</b>	<b>171,319</b>	<b>25.0</b>	<b>684,993</b>	<b>555,148</b>	<b>457,963</b>
Service charges on deposit accounts	167,834	(3,281)	(1.9)	171,115	3,275	2.0	167,840	153,564	165,012
Trust services	77,405	9,995	14.8	67,410	5,761	9.3	61,649	62,051	60,298
Brokerage and insurance income	53,619	(1,180)	(2.2)	54,799	(3,045)	(5.3)	57,844	62,109	75,013
Bank owned life insurance income	40,736	(1,561)	(3.7)	42,297	(731)	(1.7)	43,028	43,123	41,123
Other service charges and fees	44,348	2,774	6.7	41,574	128	0.3	41,446	42,888	48,217
Mortgage banking income	41,710	9,414	29.1	32,296	(25,884)	(44.5)	58,180	32,033	54,518
Securities gains	(8,055)	(23,818)	N.M.	15,763	10,505	N.M.	5,258	4,902	723
Gains on sales of automobile loans	1,211	(12,995)	(91.5)	14,206	(25,833)	(64.5)	40,039	---	---
Gain on sale of branch offices	---	---	---	---	(13,112)	N.M.	13,112	---	---
Gain on sale of Florida operations	---	---	---	---	---	---	---	182,470	---
Merchant services gain	---	---	---	---	---	---	---	24,550	---
Other income	75,041	(17,006)	(18.5)	92,047	988	1.1	91,059	76,940	63,305
Sub-total before operating lease income	493,849	(37,658)	(7.1)	531,507	(47,948)	(8.3)	579,455	684,630	508,209
Operating lease income	138,433	(148,658)	(51.8)	287,091	(202,607)	(41.4)	489,698	657,074	691,733
<b>Total non-interest income</b>	<b>632,282</b>	<b>(186,316)</b>	<b>(22.8)</b>	<b>818,598</b>	<b>(250,555)</b>	<b>(23.4)</b>	<b>1,069,153</b>	<b>1,341,704</b>	<b>1,199,942</b>
Personnel costs	481,658	(4,148)	(0.9)	485,806	38,543	8.6	447,263	418,037	454,210
Net occupancy	71,092	(4,849)	(6.4)	75,941	13,460	21.5	62,481	59,539	76,449
Outside data processing and other services	74,638	2,523	3.5	72,115	5,997	9.1	66,118	67,368	69,692
Equipment	63,124	(218)	(0.3)	63,342	(2,579)	(3.9)	65,921	68,323	80,560
Professional services	34,569	(2,307)	(6.3)	36,876	(5,572)	(13.1)	42,448	33,085	32,862
Marketing	28,077	1,588	6.0	26,489	(1,001)	(3.6)	27,490	27,911	31,057
Telecommunications	18,648	(1,139)	(5.8)	19,787	(2,192)	(10.0)	21,979	22,661	27,984
Printing and supplies	12,573	110	0.9	12,463	(546)	(4.2)	13,009	15,198	18,367
Amortization of intangibles	829	12	1.5	817	1	0.1	816	2,019	41,225
Restructuring reserve releases	---	1,151	N.M.	(1,151)	5,515	(82.7)	(6,666)	48,973	79,957
Loss on early extinguishment of debt	---	---	---	---	(15,250)	N.M.	15,250	---	---
Other expense	76,236	(17,045)	(18.3)	93,281	12,501	15.5	80,780	92,063	91,438
Sub-total before operating lease expense	861,444	(24,322)	(2.7)	885,766	48,877	5.8	836,889	855,177	1,003,801
Operating lease expense	108,376	(128,102)	(54.2)	236,478	(156,792)	(39.9)	393,270	518,970	558,626
<b>Total non-interest expense</b>	<b>969,820</b>	<b>(152,424)</b>	<b>(13.6)</b>	<b>1,122,244</b>	<b>(107,915)</b>	<b>(8.8)</b>	<b>1,230,159</b>	<b>1,374,147</b>	<b>1,562,427</b>
Income before income taxes	543,574	(9,092)	(1.6)	552,666	28,679	5.5	523,987	522,705	95,478
Provision for income taxes	131,483	(22,258)	(14.5)	153,741	15,447	11.2	138,294	198,974	(39,319)
Income before cumulative effect of change in accounting principle	412,091	13,166	3.3	398,925	13,232	3.4	385,693	323,731	134,797
Cumulative effect of change in accounting principle, net of tax <sup>(1)</sup>	---	---	---	---	13,330	N.M.	(13,330)	---	---
<b>Net income</b>	<b>\$ 412,091</b>	<b>13,166</b>	<b>3.3%</b>	<b>\$ 398,925</b>	<b>26,562</b>	<b>7.1%</b>	<b>\$ 372,363</b>	<b>\$ 323,731</b>	<b>\$ 134,797</b>
Average common shares - diluted	233,475	(381)	(0.2)%	233,856	2,274	1.0%	231,582	244,012	251,716
<b>Per common share</b>									
Income before cumulative effect of change in accounting principle per common share - basic	\$ 1.79	\$ 0.05	2.9%	\$ 1.74	\$ 0.06	3.6%	\$ 1.68	\$ 1.34	\$ 0.54
Net income per common share - basic	1.79	0.05	2.9	1.74	0.12	7.4	1.62	1.34	0.54
Income before cumulative effect of change in accounting principle per common share - diluted	1.77	0.06	3.5	1.71	0.04	2.4	1.67	1.33	0.54
Net income per common share - diluted	1.77	0.06	3.5	1.71	0.10	6.2	1.61	1.33	0.54
Cash dividends declared	0.845	0.095	12.7	0.750	0.080	11.9	0.670	0.640	0.720
Return on average total assets	1.26%	(0.01)%	(0.79)	1.27%	(0.02)%	(1.55)	1.29%	1.24%	0.48%
Return on average total shareholders' equity	16.0	(0.8)	(4.8)	16.8	(0.2)	(1.2)	17.0	14.5	5.8
Net interest margin <sup>(1)</sup>	3.33	---	---	3.33	(0.16)	(4.6)	3.49	3.62	3.29
Efficiency ratio <sup>(2)</sup>	60.0	(5.0)	(7.7)	65.0	1.1	1.7	63.9	65.6	79.2
Effective tax rate	24.2	(3.6)	(12.9)	27.8	1.40	5.3	26.4	38.1	(41.2) <sup>(5)</sup>
<b>Revenue - fully taxable equivalent (FTE)</b>									
Net interest income	\$ 962,411	\$ 51,037	5.6%	\$ 911,374	\$ 62,388	7.3%	\$ 848,986	\$ 749,574	\$ 715,289
FTE adjustment <sup>(1)</sup>	13,393	1,740	14.9	11,653	1,969	20.3	9,684	5,205	6,352
Net interest income	975,804	52,777	5.7	923,027	64,357	7.5	858,670	754,779	721,641
Non-interest income	632,282	(186,316)	(22.8)	818,598	(250,555)	(23.4)	1,069,153	1,341,704	1,199,942
<b>Total revenue</b>	<b>\$ 1,608,086</b>	<b>\$ (133,539)</b>	<b>(7.7)%</b>	<b>\$ 1,741,625</b>	<b>\$ (186,198)</b>	<b>(9.7)%</b>	<b>\$ 1,927,823</b>	<b>\$ 2,096,483</b>	<b>\$ 1,921,583</b>

N.M., not a meaningful value.

<sup>(1)</sup> On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.

<sup>(2)</sup> Non-interest expense less amortization of intangibles divided by the sum of FTE net interest income and non-interest income excluding securities gains.

**Huntington Bancshares Incorporated**  
**Annual Mortgage Banking Income and Net Impact of MSR Hedging**

(Unaudited)

	Year Ended December 31,				
(in thousands of dollars)	2005	2004	2003	2002	2001
<b>Mortgage Banking Income</b>					
Origination fees	\$ 10,781	\$ 12,377	\$ 17,272	\$ 10,547	\$ 18,479
Secondary marketing	10,986	8,340	23,607	21,264	22,611
Servicing fees	22,181	21,696	16,906	11,430	11,152
Amortization of capitalized servicing	(18,359)	(19,019)	(25,966)	(12,051)	(6,590)
Other mortgage banking income	11,750	7,524	11,404	14,956	19,818
Sub-total	37,339	30,918	43,223	46,146	65,470
MSR recovery / (impairment)	4,371	1,378	14,957	(14,113)	(6,322)
Total mortgage banking income (loss)	\$ 41,710	\$ 32,296	\$ 58,180	\$ 32,033	\$ 59,148
Capitalized mortgage servicing rights <sup>(1)</sup>	\$ 91,259	\$ 77,107	\$ 71,087	\$ 29,271	\$ 35,282
Total mortgages serviced for others <sup>(1)</sup>	7,276,000	6,861,000	6,394,000	3,776,000	2,947,000
<b>Net Impact of MSR Hedging</b>					
MSR recovery / (impairment)	\$ 4,371	\$ 1,378	\$ 14,957	\$ (14,113)	\$ (6,322)
Net trading gains (losses) related to MSR hedging <sup>(2)</sup>	(13,377)	(5,510)	---	718	---
Net interest income related to MSR hedging	1,688	1,450	---	---	---
Other MSR hedge activity <sup>(4)</sup>	---	(4,492)	---	---	---
Net impact of MSR hedging <sup>(3)</sup>	\$ (7,318)	\$ (7,174)	\$ 14,957	\$ (13,395)	\$ (6,322)

N.M., not a meaningful value.

<sup>(1)</sup> At period end.

<sup>(2)</sup> Included in other non-interest income.

<sup>(3)</sup> The tables above exclude securities gains or losses related to the investment securities portfolio.

<sup>(4)</sup> Included in other mortgage banking income.

**Huntington Bancshares Incorporated**  
**Annual Credit Reserves Analysis**

(Unaudited)

	Year Ended December 31,				
(in thousands of dollars)	2005	2004	2003	2002	2001
<b>Allowance for loan and lease losses, beginning of period</b>	\$ 271,211	\$ 299,732	\$ 300,503	\$ 345,402	\$ 246,758
Loan and lease losses	(115,848)	(126,115)	(201,534)	(234,352)	(174,540)
Recoveries of loans previously charged off	35,791	47,580	39,725	37,440	28,271
Net loan and lease losses	(80,057)	(78,535)	(161,809)	(196,912)	(146,269)
Provision for loan and lease losses	83,782	57,397	164,616	182,211	251,567
Economic reserve transfer	(6,253)	---	---	---	---
Allowance of assets sold and securitized	(336)	(7,383)	(3,578)	(30,198)	(6,654)
<b>Allowance for loan and lease losses, end of period</b>	\$ 268,347	\$ 271,211	\$ 299,732	\$ 300,503	\$ 345,402
<b>Allowance for unfunded loan commitments and letters of credit, beginning of period</b>	\$ 33,187	\$ 35,522	\$ 36,145	\$ 23,930	\$ 18,171
Provision for unfunded loan commitments and letters of credit losses	(2,483)	(2,335)	(623)	12,215	5,759
Economic reserve transfer	6,253	---	---	---	---
<b>Allowance for unfunded loan commitments and letters of credit, end of period</b>	\$ 36,957	\$ 33,187	\$ 35,522	\$ 36,145	\$ 23,930
<b>Total allowances for credit losses</b>	\$ 305,304	\$ 304,398	\$ 335,254	\$ 336,648	\$ 369,332
<b>Allowance for loan and lease losses (ALLL) as % of:<sup>(1)</sup></b>					
Transaction reserve	0.84 %	0.78 %	0.88 %	N/A %	N/A %
Economic reserve	0.21	0.32	0.40	N/A	N/A
Specific reserve	0.05	0.05	0.14	N/A	N/A
Total loans and leases	1.10 %	1.15 %	1.42 %	1.62 %	1.87 %
Non-performing loans and leases (NPLs)	263	424	397	235	156
Non-performing assets (NPAs)	229	250	343	220	152
<b>Total allowances for credit losses (ACL) as % of:</b>					
Total loans and leases	1.25 %	1.29 %	1.59 %	1.81 %	2.00 %
Non-performing loans and leases	300	476	444	263	167
Non-performing assets	261	280	384	246	162

N.A., not applicable.

<sup>(1)</sup> Huntington began calculating a separate transaction, economic, and specific reserve in the first quarter of 2003.

## Huntington Bancshares Incorporated

### Annual Net Charge-Off Analysis

(Unaudited)

	Year Ended December 31,				
<i>(in thousands of dollars)</i>	2005	2004	2003	2002	2001
<b>Net charge-offs by loan and lease type:</b>					
Commercial:					
Middle market commercial and industrial	\$ 13,578	\$ 1,920	\$ 75,803	\$ 104,703	\$ 45,338
Construction	135	2,465	2,928	4,216	789
Commercial	3,910	5,506	5,019	11,968	1,420
Middle market commercial real estate	4,045	7,971	7,947	16,184	2,209
Small business commercial and industrial and commercial real estate	11,951	5,566	11,625	14,516	15,750
Total commercial	29,574	15,457	95,375	135,403	63,297
Consumer:					
Automobile loans	11,988	28,574	40,266	39,115	N.M.
Automobile leases	11,664	10,837	5,728	1,431	N.M.
Automobile loans and leases	23,652	39,411	45,994	40,546	55,071
Home equity	17,619	15,074	12,114	11,840	11,458
Residential mortgage	2,332	1,760	832	872	785
Other loans	6,880	6,833	7,494	8,251	15,658
Total consumer	50,483	63,078	66,434	61,509	82,972
<b>Total net charge-offs</b>	<b>\$ 80,057</b>	<b>\$ 78,535</b>	<b>\$ 161,809</b>	<b>\$ 196,912</b>	<b>\$ 146,269</b>
<b>Net charge-offs - annualized percentages:</b>					
Commercial:					
Middle market commercial and industrial	0.28 %	0.04 %	1.64 %	2.18 %	0.89 %
Construction	0.01	0.17	0.24	0.37	0.08
Commercial	0.20	0.29	0.28	0.72	0.09
Middle market commercial real estate	0.11	0.24	0.26	0.57	0.09
Small business commercial and industrial and commercial real estate	0.54	0.28	0.65	0.88	0.61
Total commercial	0.28	0.16	1.01	1.46	0.62
Consumer:					
Automobile loans	0.59	1.25	1.24	1.43	N.M.
Automobile leases	0.48	0.49	0.40	0.32	N.M.
Automobile loans and leases	0.53	0.88	0.98	1.27	1.94
Home equity	0.38	0.36	0.35	0.39	0.34
Residential mortgage	0.06	0.05	0.04	0.06	0.07
Other loans	1.37	1.52	1.72	1.72	2.39
Total consumer	0.37	0.51	0.63	0.76	1.05
<b>Net charge-offs as a % of average loans</b>	<b>0.33 %</b>	<b>0.35 %</b>	<b>0.81 %</b>	<b>1.13 %</b>	<b>0.81 %</b>

## Huntington Bancshares Incorporated

### Annual Non-Performing Assets and Past Due Loans and Leases

(Unaudited)

<i>(in thousands of dollars)</i>	Year Ended December 31,				
	2005	2004	2003	2002	2001
<b>Non-accrual loans and leases:</b>					
Middle market commercial and industrial	\$ 28,888	\$ 24,179	\$ 33,745	\$ 79,691	\$ 143,140
Middle market commercial real estate	15,763	4,582	18,434	19,875	35,848
Small business commercial and industrial and commercial real estate	28,931	14,601	13,607	19,060	29,009
Residential mortgage	17,613	13,545	9,695	9,443	13,112
Home equity	10,720	7,055	---	---	---
<b>Total non-performing loans and leases</b>	<b>101,915</b>	<b>63,962</b>	<b>75,481</b>	<b>128,069</b>	<b>221,109</b>
<b>Other real estate, net:</b>					
Residential	14,214	8,762	6,918	7,915	4,915
Commercial <sup>(1)</sup>	1,026	35,844	4,987	739	1,469
<b>Total other real estate, net</b>	<b>15,240</b>	<b>44,606</b>	<b>11,905</b>	<b>8,654</b>	<b>6,384</b>
<b>Total non-performing assets</b>	<b>\$ 117,155</b>	<b>\$ 108,568</b>	<b>\$ 87,386</b>	<b>\$ 136,723</b>	<b>\$ 227,493</b>
Non-performing loans and leases as a % of total loans and leases	0.42 %	0.27 %	0.36 %	0.69 %	1.20 %
Non-performing assets as a % of total loans and leases and other real estate	0.48	0.46	0.41	0.74	1.23
Accruing loans and leases past due 90 days or more	\$ 56,138	\$ 54,283	\$ 55,913	\$ 61,526	\$ 76,013
Accruing loans and leases past due 90 days or more as a percent of total loans and leases	0.23 %	0.23 %	0.27 %	0.33 %	0.41 %

<i>(in thousands of dollars)</i>	Year Ended December 31,				
	2005	2004	2003	2002	2001
<b>Non-performing assets, beginning of period</b>	<b>\$ 108,568</b>	<b>\$ 87,386</b>	<b>\$ 136,723</b>	<b>\$ 227,493</b>	<b>\$ 105,397</b>
New non-performing assets <sup>(1)</sup>	171,150	137,359	222,043	260,229	329,882
Returns to accruing status	(7,547)	(3,795)	(16,632)	(17,124)	(2,767)
Loan and lease losses	(38,819)	(37,337)	(109,905)	(152,616)	(67,491)
Payments	(64,861)	(43,319)	(83,886)	(136,774)	(106,889)
Sales <sup>(1)</sup>	(51,336)	(31,726)	(60,957)	(44,485)	(30,639)
<b>Non-performing assets, end of period</b>	<b>\$ 117,155</b>	<b>\$ 108,568</b>	<b>\$ 87,386</b>	<b>\$ 136,723</b>	<b>\$ 227,493</b>

<sup>(1)</sup> At December 31, 2004, other real estate owned included \$35.7 million of properties that related to the work-out of \$5.9 million of mezzanine loans. These properties were subject to \$29.8 million of non-recourse debt to another financial institution. Both properties were sold in the first quarter of 2005.

## Huntington Bancshares Incorporated

### Annual Operating Lease Performance

(Unaudited)

	At December 31,				
(in thousands of dollars)	2005	2004	2003	2002	2001
<b>Balance Sheet:</b>					
Average operating lease assets outstanding	\$ 372,132	\$ 896,773	\$ 1,696,535	\$ 2,601,666	\$ 2,969,902
<b>Income Statement:</b>					
Net rental income	\$ 126,519	\$ 267,202	\$ 458,644	\$ 615,453	\$ 654,625
Fees	6,531	13,457	21,623	28,542	27,573
Recoveries - early terminations	5,383	6,432	9,431	13,079	9,535
<b>Total operating lease income</b>	<b>138,433</b>	<b>287,091</b>	<b>489,698</b>	<b>657,074</b>	<b>691,733</b>
Depreciation and residual losses at termination	99,342	216,445	350,550	463,783	506,267
Losses - early terminations	9,034	20,033	42,720	55,187	52,359
<b>Total operating lease expense</b>	<b>108,376</b>	<b>236,478</b>	<b>393,270</b>	<b>518,970</b>	<b>558,626</b>
<b>Net earnings contribution</b>	<b>\$ 30,057</b>	<b>\$ 50,613</b>	<b>\$ 96,428</b>	<b>\$ 138,104</b>	<b>\$ 133,107</b>
Earnings ratios <sup>(1)</sup>					
Net rental income	34.0 %	29.8 %	27.0 %	23.7 %	22.0 %
Depreciation and residual losses at termination	26.7	24.1	20.7	17.8	17.0

#### Definition of terms:

Net rental income includes the lease payments earned on the equipment and vehicles that Huntington leases to its customers under operating leases. Fees include late fees, early payment fees and other non-origination fees. Recoveries represent payments received on a cash basis subsequent to a customer's default on an operating lease and a recognition of an impairment loss on the lease. Depreciation represents the periodic depreciation of equipment and vehicles to their residual value owned by Huntington under operating leases and any accelerated depreciation where Huntington expects to receive less than the residual value from the sale of the vehicle and from insurance proceeds at the end of the lease term. Losses represent impairments recognized on equipment and vehicles where the lessee has defaulted on the operating lease.

<sup>(1)</sup> As a percent of average operating lease assets, annualized.