

# Welcome

## Huntington Bancshares Incorporated Goldman Sachs US Financial Services Conference

December 7, 2016



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## Disclaimer

### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This communication contains certain forward-looking statements, including, but not limited to, certain plans, expectations, goals, projections, and statements, which are not historical facts and are subject to numerous assumptions, risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expectations, are forward-looking statements. Forward-looking statements may be identified by words such as expect, anticipate, believe, intend, estimate, plan, target, goal, or similar expressions, or future or conditional verbs such as will, may, might, should, would, could, or similar variations. The forward-looking statements are intended to be subject to the safe harbor provided by Section 27A of the Securities Act of 1933, Section 21E of the Securities Exchange Act of 1934, and the Private Securities Litigation Reform Act of 1995.

While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which could cause actual results to differ materially from those contained or implied in the forward-looking statements: changes in general economic, political, or industry conditions; uncertainty in U.S. fiscal and monetary policy, including the interest rate policies of the Federal Reserve Board; volatility and disruptions in global capital and credit markets; movements in interest rates; competitive pressures on product pricing and services; success, impact, and timing of our business strategies, including market acceptance of any new products or services implementing our "Fair Play" banking philosophy; the nature, extent, timing, and results of governmental actions, examinations, reviews, reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protection Act and the Basel III regulatory capital reforms, as well as those involving the OCC, Federal Reserve, FDIC, and CFPB; the possibility that the anticipated benefits of the merger with FirstMerit Corporation are not realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two companies or as a result of the strength of the economy and competitive factors in the areas where we do business; diversion of management's attention from ongoing business operations and opportunities; potential adverse reactions or changes to business or employee relationships, including those resulting from the completion of the merger with FirstMerit Corporation; our ability to complete the integration of FirstMerit Corporation successfully; and other factors that may affect our future results. Additional factors that could cause results to differ materially from those described above can be found in our Annual Report on Form 10-K for the year ended December 31, 2015 and our subsequent Quarterly Reports on Form 10-Q, including for the quarters ended March 31, 2016, June 30, 2016, and September 30, 2016, each of which is on file with the Securities and Exchange Commission (the "SEC") and available in the "Investor Relations" section of our website, <http://www.huntington.com>, under the heading "Publications and Filings" and in other documents we file with the SEC.

All forward-looking statements speak only as of the date they are made and are based on information available at that time. We do not assume any obligation to update forward-looking statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect the occurrence of unanticipated events except as required by federal securities laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing undue reliance on such statements.



# Huntington's Core Strategy Implemented in 2009

Grow market share and share of wallet

Profitable Growth with Low Relative Volatility

Focus is on Consumer, Small to Medium Enterprises (including CRE), and Auto

### Customer Acquisition and Deepening

- Data & Analytics
- Digital Strategic Investments
- Disciplined Sales Execution
- Deliver "Fair Play" products and services

### Customer Experience and Client Advocacy

- Optimal Customer Relationships (OCR)
- Deliver "Omni-channel" customer experiences
- New products & experiences that reflect customer behaviors and needs

### Optimization of Distribution

- Multi-channel optimization
- Micro-market approach leveraging digital investments
- New branch formats offering self-serve

### Enhanced Employee Engagement

- Improve colleague tools and technology
- Opportunities for training, development, and advancement

**Technology:** Focus on Digitization, Omni-channel, Cyber-security

**Marketing:** Expand industry-leading brand promise and delivery – "Category of One"

**Risk Management:** Maintain Aggregate "Moderate to Low" Risk Profile

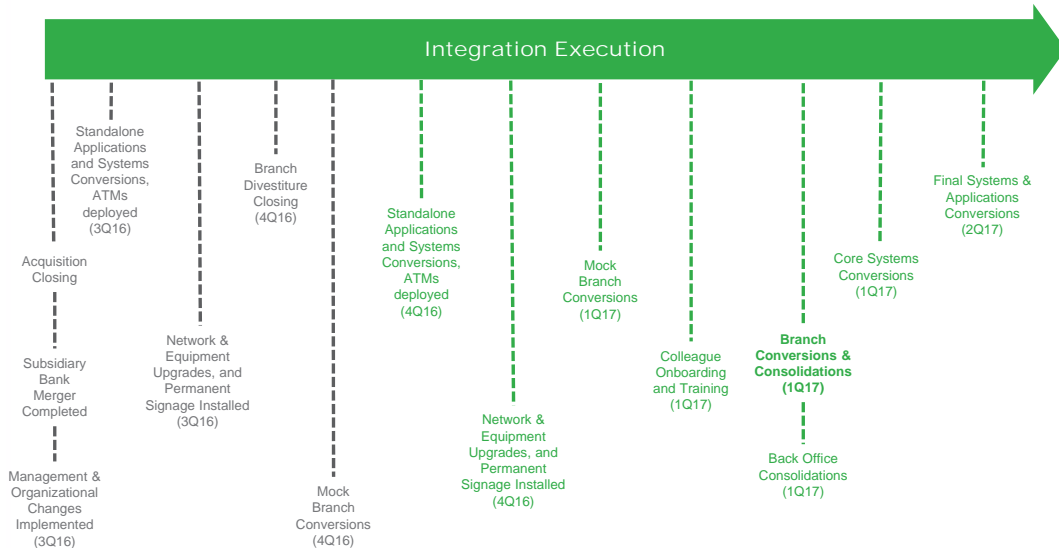
**Proactively Increase Scale:** Continued focus on organic growth and selective, disciplined M&A



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# FirstMerit Acquisition Milestones

Effectively Managing Execution Risk is THE Immediate Focus



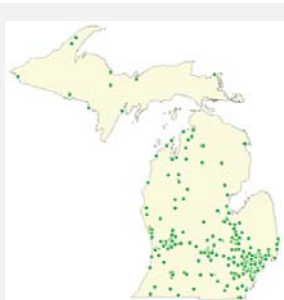
*FirstMerit has the potential to transform our efficiency and return profiles. Ensuring a successful integration is our primary focus.*



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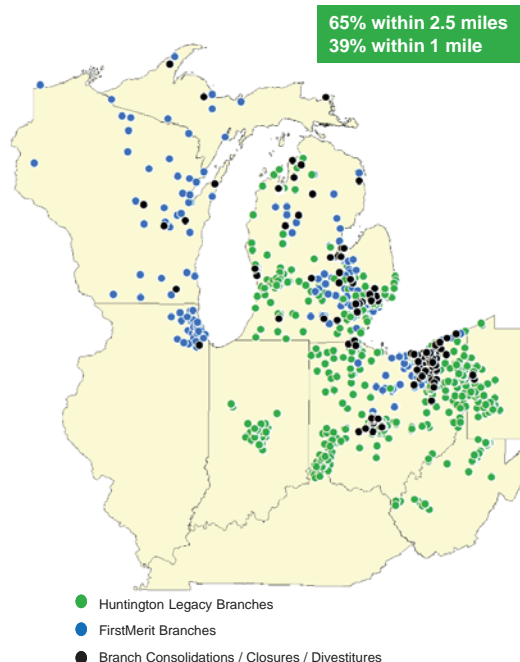
# Significant Branch Overlap Drives Consolidation

#1 Branch Share in Ohio and in Michigan provides immediate and future consolidation opportunities



- Michigan:
- # 1 (14%) branch market share
  - #6 (8%) deposit market share
  - 20% of total HBAN deposits

- Ohio:
- #1 (15%) branch market share
  - #2 (15%) deposit market share
  - 64% of total HBAN deposits



Sources: FDIC, SNL Financial



## Implementation of Cost Savings on Pace

\$ in millions

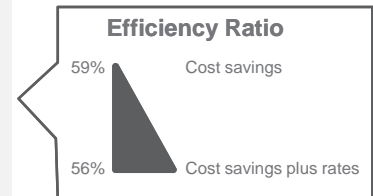
	4Q15 Actual			Assumed CAGR 3.0%	4Q17 Target																				
	HBAN	FMER	Pro Forma Combined		HBAN	FMER	Pro Forma Combined																		
Reported Non-Interest Expense	\$ 499	\$ 156	\$ 654		\$ 529	\$ 165	\$ 694																		
Less: Intangible Amortization	4	3	6		4	3	7																		
Less: Significant Items	10	(0)	10		11	(0)	11																		
Adjusted Non-Interest Expense	\$ 484	\$ 153	\$ 638		\$ 514	\$ 163	\$ 677																		
Quarterly cost savings			\$ 64			\$ 68																			
Annualized cost savings			\$ 255			\$ 271																			
	<table border="1"> <thead> <tr> <th colspan="3">Cost Savings as % of:</th> </tr> <tr> <th>FMER</th> <th>Pro Forma Combined</th> <th></th> </tr> </thead> <tbody> <tr> <td>42%</td> <td>10%</td> <td></td> </tr> </tbody> </table>			Cost Savings as % of:			FMER	Pro Forma Combined		42%	10%			<table border="1"> <thead> <tr> <th colspan="3">Cost Savings as % of:</th> </tr> <tr> <th>FMER</th> <th>Pro Forma Combined</th> <th></th> </tr> </thead> <tbody> <tr> <td>42%</td> <td>10%</td> <td></td> </tr> </tbody> </table>			Cost Savings as % of:			FMER	Pro Forma Combined		42%	10%	
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						<b>Adjusted Non-Interest Expense Target \$ 609</b>																			

- Significant progress toward achieving ~\$255 million annualized cost savings target:
  - Approximately 25% implemented during 3Q16
  - Expect to have 50% implemented by year end
  - The majority of remaining cost savings to be implemented in 1Q17 coincident with or immediately following branch conversion/consolidation
- Expect to implement all cost savings within one year of acquisition closing
- Excludes incremental personnel expense associated with revenue enhancement opportunities and changes to FDIC insurance premiums



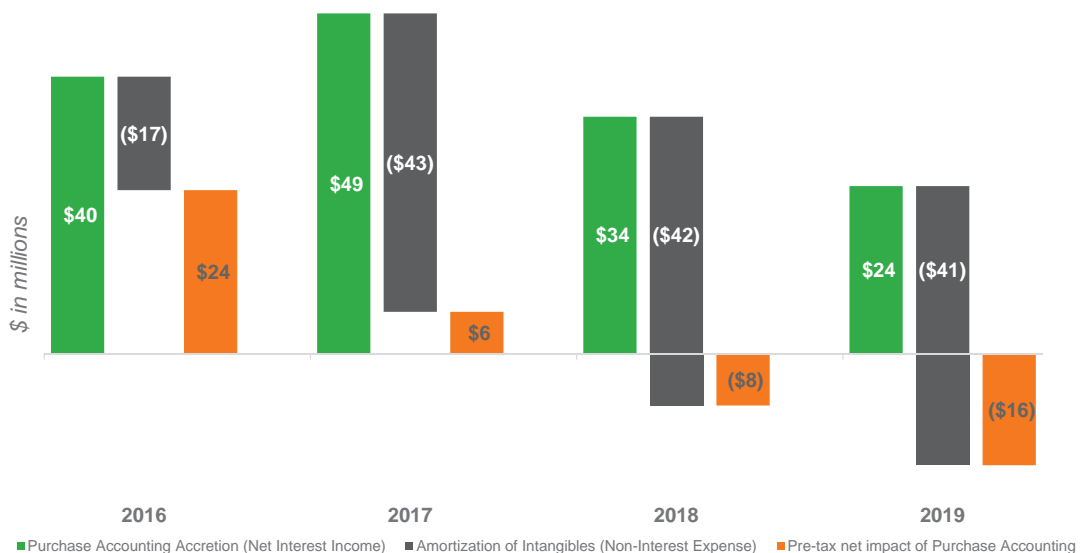
# Acquisition Accelerates Achievement of our Long-Term Financial Goals

	<b>L-T Goal</b>	3Q16 (GAAP)	3Q16 Adjusted <sup>(1)</sup> (Non-GAAP)	2018 Target
Revenue (FTE) Growth	<b>4%-6%</b>	+24%	+24%	✓
Expense Growth	<b>+Op Lev</b>	+35%	+14%	✓
Efficiency Ratio	<b>56%-59%</b>	75%	58%	✓
NCO	<b>35-55 bp</b>	26 bp	26 bp	↔
ROTCE	<b>13%-15%</b>	7%	14%	✓



(1) See reconciliation on slide 18

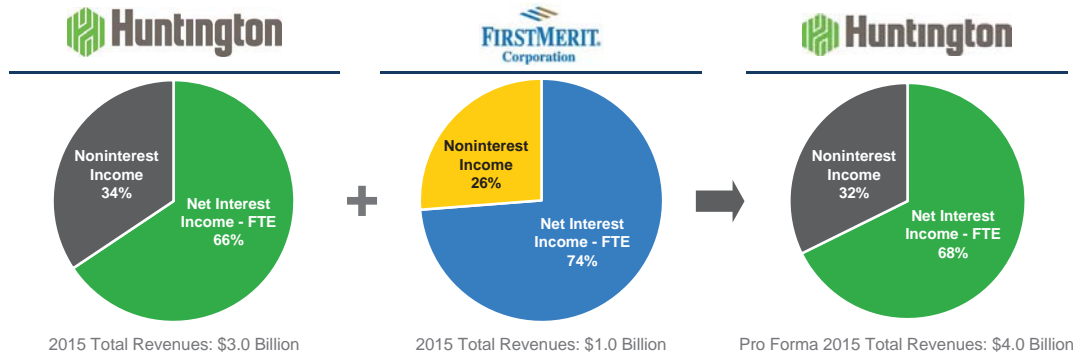
# Expected Impact of Purchase Accounting



- Reflects purchase accounting impact exclusively related to the FirstMerit acquisition
- Projected purchase accounting accretion represents scheduled amortization, and does not include impact of any accelerated payoffs.

# Opportunity to Expand Fee Income at FirstMerit

## Revenue Synergies Not Modeled into Deal Economics



*Restoring the Noninterest Income contribution to 34% of Total Revenues represents an approximately \$100 million revenue opportunity.*

# Revenue Enhancements Opportunities

## Provide Additional Near-Term and Long-Term Upside

### OCR Improvement

- Cross-sell opportunities identified across business and consumer client base:
  - Capital Markets
  - Treasury Management
  - Private Banking
  - Credit Card

### SBA Lending Expansion

- Bring HBAN SBA lending expertise to Chicago and WI markets
- Began recruiting prior to closing; 30 total incremental FTEs
- Revenue opportunity of \$20+ million in 2017

### Home Lending Expansion

- Annual loan production opportunity of up ~\$900 million within two years
- Began recruiting prior to closing; 100 total incremental FTEs
- Revenue opportunity of \$17 million in 2017 and \$25 million in 2018

### RV and Marine Finance Expansion

- Annual loan production opportunity of ~\$200 million within two years
- Expansion from current 17 state footprint to 26 states; 18 incremental FTEs
- Revenue opportunity of \$15 million in 2017 and \$30 million in 2018

## Initial 2017 Expectations

- ◆ Budgeting for unchanged interest rates for remainder of 2016 and 2017
- ◆ Full year revenue growth of 20%+
- ◆ Targeting positive operating leverage
  - Implementation of all planned cost savings by 3Q17
- ◆ Average balance sheet growth of 20%+
- ◆ Net charge-offs below our long-term expectations of 35–55 bp
  - Provision expense normalizing to reflect runoff in the acquired loan portfolio and replacement loan growth

## Important Messages

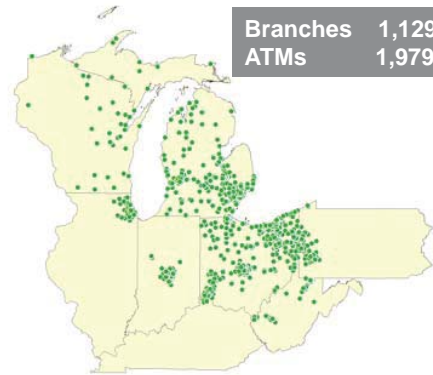
- ◆ **Focus on delivery of consistent, through-the-cycle shareholder returns**
- ◆ **Consistent core strategy since 2009**
  - Focused on areas of expertise with sustainable competitive advantages: Consumer Banking, Small Business and Middle Market Commercial, and Auto Finance
  - Track record of achieving results in difficult operating environment
  - Disciplined risk management: Aggregate moderate-to-low risk appetite
- ◆ **Driving loan and core deposit growth through execution and a differentiated customer experience**
- ◆ **Significant progress in early stages of FirstMerit integration; confidence in delivery of cost savings and revenue enhancements**
- ◆ **High level of colleague and shareholder alignment**

# Appendix

## Huntington Bancshares Overview

Midwest financial services holding company

- Founded - 1866
- Headquarters - Columbus, Ohio
- Total assets - \$101 Billion
- Employees<sup>(1)</sup> - 14,511
- Franchise:



Deposits - Top 10 MSAs				
MSA	Rank	Branches	Deposits	Share
Columbus, OH	1	97	\$20,453	32.1%
Cleveland, OH	2	153	8,976	14.0
Detroit, MI	6	121	6,542	5.4
Akron, OH	1	56	5,611	38.5
Indianapolis, IN	4	46	3,272	7.2
Cincinnati, OH	4	36	2,727	2.6
Pittsburgh, PA	8	38	2,689	2.3
Chicago, IL	16	39	2,581	0.7
Toledo, OH	1	33	2,474	23.7
Grand Rapids, MI	2	46	2,466	12.0

Source: SNL Financial, company presentations and filings  
FDIC deposit data as of June 30, 2016

	% Deposits
#1 Share markets	44%
#1- #3 Share markets	63%

State	Branches	ATMs
Ohio	535	1,101
Michigan	353	446
Illinois	39	40
Wisconsin	37	40
Pennsylvania	53	108
Indiana	46	77
West Virginia	30	147
Kentucky	10	20

(1) 3Q16 Average full-time equivalent (FTE) (2) Includes 26 Private Client Group Offices

# Huntington's Peer Group

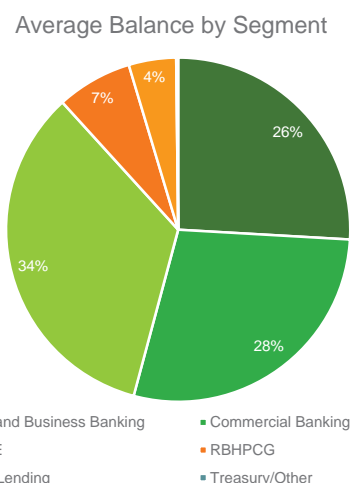
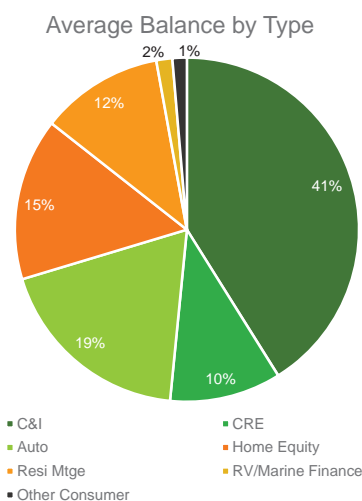
\$ in millions	Total Assets	Total Deposits	Total Loans	Market Capitalization	Price /		Dividend Yield
					Consensus 2017E	Tangible Book	
PNC Financial Services Group, Inc.	\$369,348	\$259,895	\$210,446	\$54,780	14.9x	1.7x	2.0%
BB&T Corporation	222,622	159,915	142,423	37,196	15.0x	2.3x	2.6%
SunTrust Banks, Inc.	205,091	158,842	141,532	25,870	14.3x	1.6x	2.0%
Citizens Financial Group, Inc.	147,015	108,327	105,467	17,598	15.9x	1.4x	1.4%
Fifth Third Bancorp	143,279	101,271	93,151	19,978	15.1x	1.5x	2.0%
KeyCorp	135,805	104,185	85,528	19,302	14.0x	1.8x	1.9%
M&T Bank Corporation	126,841	98,137	88,942	22,806	17.2x	2.2x	1.9%
Regions Financial Corporation	125,177	99,289	80,883	17,037	14.7x	1.5x	1.9%
Comerica Incorporated	74,124	59,261	49,274	11,221	17.2x	1.6x	1.4%
CIT Group	65,966	32,854	29,918	8,353	12.4x	0.8x	1.5%
Zions Bancorporation	61,039	50,849	42,540	8,198	17.6x	1.4x	0.8%
<b>Median</b>	<b>135,805</b>	<b>101,271</b>	<b>88,942</b>	<b>19,345</b>	<b>15.0x</b>	<b>1.5x</b>	<b>1.9%</b>
Huntington Bancshares Incorporated	100,765	77,405	66,304	14,135	14.1x	2.1x	2.5%

Source: SNL; as of Dec. 1, 2016



# Loan Portfolio Composition

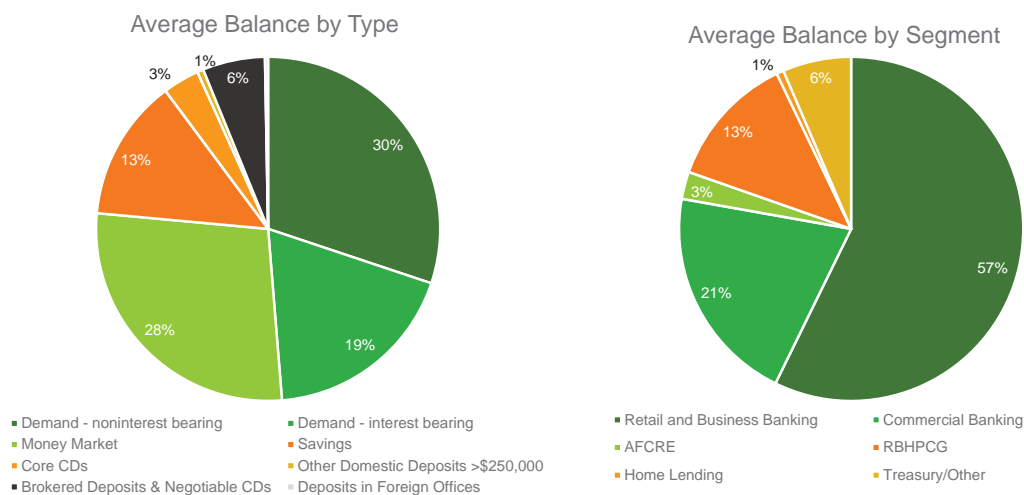
## 3Q16 Average Balances





## Deposit Composition

### 3Q16 Average Balances



## Reconciliation

### Noninterest Expense Growth, Efficiency Ratio, and ROTCE

(\$ in millions)		GAAP	Adjustment <sup>(1)</sup>	Adjusted
3Q16 Noninterest expense		\$712	\$159 <sup>(2)</sup>	\$553
3Q15 Noninterest expense		\$527	\$43 <sup>(2)</sup>	\$483
<b>3Q16 Noninterest expense growth</b>		<b>35%</b>		<b>14%</b>
3Q16:				
Noninterest expense		\$712	\$159 <sup>(2)</sup>	\$553
Amortization of intangibles		\$9	--	\$9
Noninterest expense less amortization of intangibles	A	\$703		\$544
Total revenue (FTE)		\$938	--	\$938
Securities gains		\$1	--	\$1
Total revenue (FTE) less securities gains	B	\$937		\$937
<b>Efficiency ratio</b>	A / B	<b>75%</b>		<b>58%</b>
Net income applicable to common shares				
Net income applicable to common shares		\$108	\$107 <sup>(3)</sup>	\$215
Less: Amortization of intangibles		\$6 <sup>(3)</sup>	--	\$6 <sup>(3)</sup>
Net income applicable to common shares less amortization of intangibles	C	\$114		\$221
Average tangible common equity	D	\$6,509	--	\$6,509
<b>Return on average tangible common equity (ROTCE):</b>	C / D * 4	<b>7.0%</b>		<b>13.6%</b>

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