

# Welcome

## Huntington Bancshares Incorporated Barclays Global Financial Services Conference

September 13, 2017



©2017 Huntington Bancshares Incorporated. All rights reserved. (NASDAQ: HBAN)

### 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; 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, 2016, and in its subsequent Quarterly Reports on Form 10-Q, including for the quarter ended June 30, 2017, 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 Update

3

## Huntington Bancshares Overview

**\$101 Billion Asset Midwest financial services holding company**

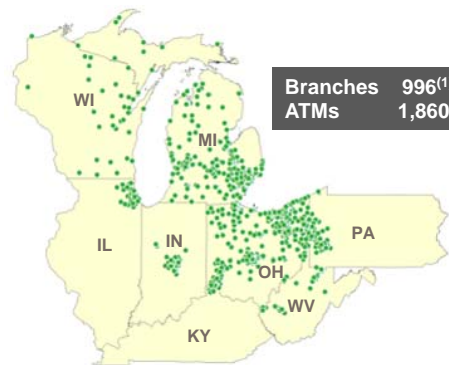
- Founded in 1866 in Columbus, Ohio
- Traditional regional bank with strategic focus on small to medium-sized businesses, consumers, and auto finance

### Top 10 Deposit 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	24.7
Grand Rapids, MI	2	46	2,466	12.0

**Huntington's top 10 deposit MSAs represent ~75% of total deposits**

Source: SNL Financial, FDIC deposit data as of June 30, 2016



**Combined GDP of 8 state core footprint represents 4th largest economy in world<sup>(2)</sup>**

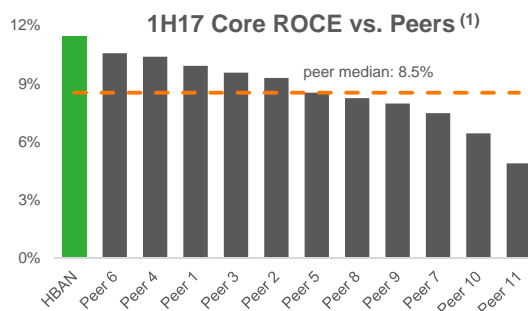
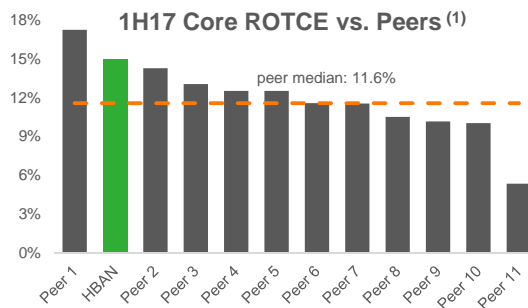
**Ranked #1 in deposit share in 14% of total footprint MSAs and top 3 in 42%**

**Ranked #1 in branch market share in both Ohio (15%) and Michigan (14%)**

(1) Total includes 11 Private Client Group Offices

(2) Source: 2016 International Monetary Fund and US Bureau of Economic Analysis

# Driving Toward Best-in-Class Return Profile



(1) Source: SNL Financial

# FirstMerit Acquisition Accelerated Achievement of Our Long-Term Financial Goals

	<b>Long-Term Financial Goal</b>	1H17 (GAAP)	1H17 Adjusted (1) (Non-GAAP)	FY2017 Adjusted (Non-GAAP) Expectation	2018 Target
Revenue (FTE) Growth	<b>4% - 6%</b>	+39%	+38%	+23%	✓
Expense Growth	<b>Positive Operating Leverage</b>	+38%	+29%	+18%	✓
Efficiency Ratio	<b>56% - 59%</b>	64%	59%	57%	✓
NCO	<b>35 - 55 bp</b>	22 bp	22 bp	24 bp	✓
ROTCE	<b>13% - 15%</b>	13%	15%	15%	✓

(1) See reconciliation on slides 27 & 28

# High Confidence in FirstMerit Deal Economics

On pace to meet or exceed originally announced cost savings and revenue enhancements

## \$255+ MM Cost Savings

- ✓ Implementation of all cost savings complete
- ✓ Eliminated 42% of legacy FirstMerit expense base
- ✓ Fully converted all operating systems to HBAN systems
- ✓ Consolidated 24 operations centers and corporate offices
- ✓ Consolidated 101 branches in 1Q17; 38 additional full-service branches and 7 drive-through only locations to be consolidated in 3Q17

## \$100+ MM Revenue Synergies

- ✓ Intense focus on revenue initiatives execution
- ✓ Introduced full HBAN product suite to FMER customer base
- ✓ Expanded SBA expertise to Chicago / WI
- ✓ Expanded RV / Marine lending to 17 new states
- ✓ Expanded Home Lending business to Chicago / WI

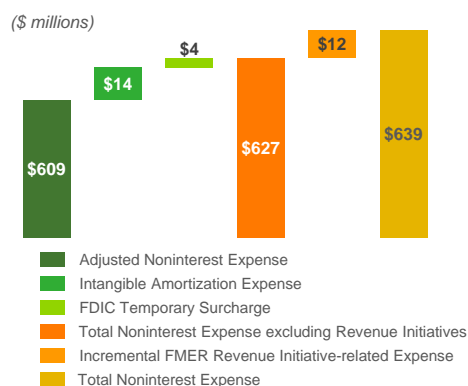


# Delivering FMER Economics

Cost savings remain on pace and revenue initiatives ramping

- FMER integration nearly complete, as planned
  - Systems conversions successfully completed
  - Consumer deposit retention has outperformed modeled assumptions with balances up 2%<sup>1</sup> vs. 10% runoff assumption
- Achieving ~\$255 million annualized cost savings target set at announcement
  - All remaining cost savings were implemented during 3Q17
- Revenue enhancement initiatives implemented across the bank
  - Expected to augment both net interest income and noninterest income
  - All four revenue segments developed targeted strategies and initiatives
  - Remain on pace to deliver \$100 million of total revenue enhancements in 2018 with incremental efficiency ratio of ~50%

4Q17 Noninterest Expense Target



Expected Noninterest Expense Additions from Revenue Initiatives



(1) Consumer deposits from FMER customers and former FMER branches, June 30, 2017 vs. August 31, 2016

# FMER Revenue Enhancement Opportunities

## Initiatives provide additional near-term and long-term upside

(\$ millions)

### FMER-Related Revenue Enhancement Opportunity



#### OCR Improvement



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

#### SBA Lending Expansion



- Expanded HBAN SBA lending expertise into IL and WI markets & deepened coverage in overlap markets
- SBA FY2017 YTD<sup>1</sup>: #3 bank in dollars in both IL and WI & #4 bank in number of loans in both IL and WI

#### Home Lending Expansion



- Expansion into Chicago and WI markets and deeper penetration in overlap markets
- Annual loan production of ~\$900 million within two years

#### RV & Boat Expansion



- Expansion of legacy FMER 17 state footprint to 34 states
- Annual loan production of ~\$200 million within two years

(1) Source: SBA; rankings for first nine months of SBA 2017 fiscal year (September 30 year-end)

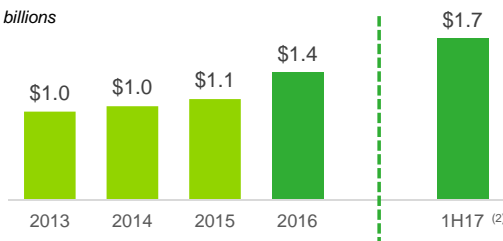


9

# Positioned for Strong Relative Performance Through-the-Cycle

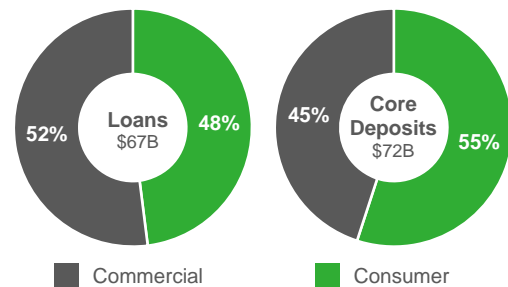
#### Pretax Pre-Provision Net Revenue<sup>(1)</sup>

\$ billions



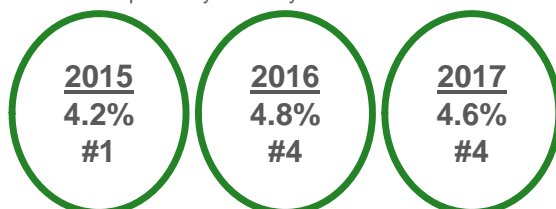
% of RWA	1.92%	1.86%	1.86%	1.75%	2.22% <sup>(2)</sup>
----------	-------	-------	-------	-------	----------------------

#### 2Q17 Average Balance Sheet Mix



#### Dodd-Frank Act Stress Test Results

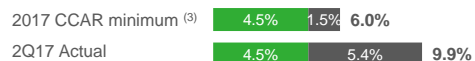
Cumulative Losses as a % of Average Total Loans in Supervisory Severely Adverse Scenario



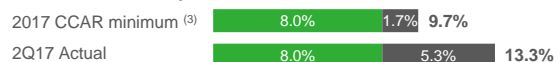
Note: Ranking among 19 traditional commercial banks

#### Strong Capital Base

##### Common Equity Tier 1 (CET1) Ratio



##### Total Risk-Based Capital Ratio



■ Minimum ■ Buffer



10

(1) Non-GAAP financial metric; see Appendix slide 29; (2) Annualized; (3) projected minimum in the Federal Reserve Severely Adverse Scenario

# Auto Finance Update

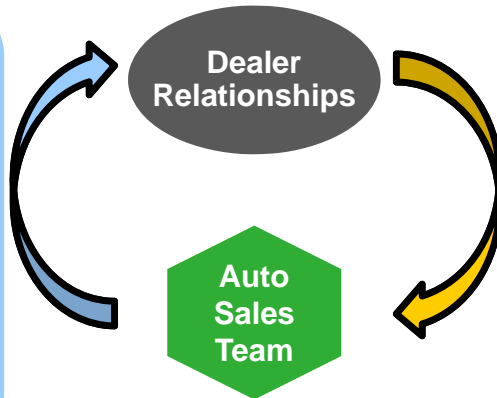
11

## History & Deep Dealer Relationships Drive Value

Huntington is a business partner and solutions provider

### Commercial Relationships

- Local market execution with tenured staff
- Top 2 bank in J.D. Power last two years
- Innovative solutions, Avg. cross-sell >6
- High credit quality, no delinquencies
- Zero auto floorplan net charge-offs in 10+ years



### Indirect Auto

- Consistently in the business for 60 years
- Super-prime, average FICO ~760
- Top 3 bank in J.D. Power
- Custom Score with predictive modeling
- Strong market position
- Local market execution with tenured staff
- Used vehicle focus

### Full Product Suite to Meet Dealer Needs

Floorplan Loans

Operating Loans

CRE Loans

Deposits

Treasury Management

Capital Markets

Insurance

Private Banking

Investments & 401K

Employee Banking

# Value Proposition Drives Premium Pricing

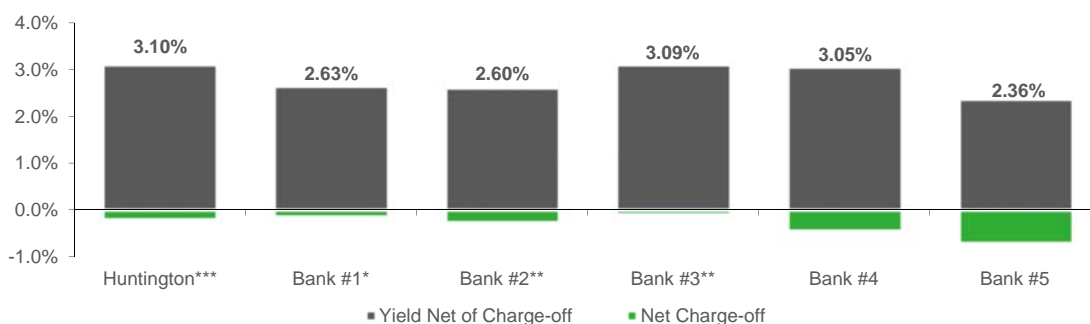
## Huntington's unique value proposition for dealers

- **Local sales and underwriting:** 11 regional sales offices with tenured local sales and local underwriting regularly calling on dealers - a strategy unique in the market. Underwriters directly compensated based on credit performance by vintage.
- **Consistency in the market:** Well-established 60+ year commitment to auto finance business. Expanded during the financial crisis, when other lenders pulled back or exited, demonstrating a partnership approach. Well-defined, consistent credit execution (FICO, LTV, and Term).
- **Industry-leading customer service:** Differentiated customer service focus for borrowers enhances dealer brand, as consumers associate loan with dealers.
- **Speed of answer:** 70% of applications decisioned in 3 seconds or less via credit engine. Remaining 30% manually underwritten with credit engine recommendation. Recommended decision rarely over ridden.
- **Loan Design Pricing matrix:** Unique capability to offer a matrix of loan options with every approval decision, not just the specific terms requested. Simplifies and expedites the sales process for the dealer and the consumer. Viewed by dealer as incredibly dealer-centric.
- **Same-day funding:** Over 70% of consumer loans are funded same day to dealer.



# Value Proposition Drives Premium Pricing

## Credit-adjusted indirect auto loan yields lead peers



### Pricing:

- Credit-adjusted yield among the highest of our peers
- New origination credit-adjusted yield of 3.36% in 2Q17

### Operational Efficiencies:

- Highly leverageable infrastructure
- Innovative and proprietary custom solutions

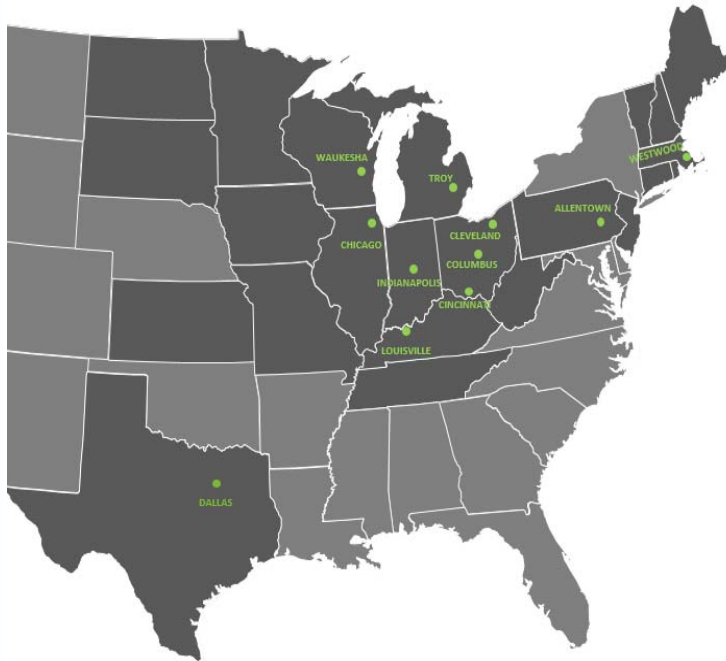
Sources: 2Q17 earnings releases \*Includes direct and indirect auto loans

\*\*Federal Reserve-regulated banks; differences in charge-off recognition for Chapter 7 and 11 bankruptcies compared to OCC-regulated banks \*\*\*Originated Portfolio



# Huntington Auto Finance

Significant presence in our markets and in our industry



11 strategically located regional offices servicing our dealer partners in 23 states:

<b>Ohio</b>	New Hampshire
<b>Indiana</b>	Tennessee
<b>Michigan</b>	Minnesota
<b>West Virginia</b>	New Jersey
<b>Pennsylvania</b>	Connecticut
<b>Kentucky</b>	Iowa
<b>Wisconsin</b>	North Dakota
<b>Illinois</b>	South Dakota
Massachusetts	Texas
Maine	Kansas
Vermont	Missouri
Rhode Island	

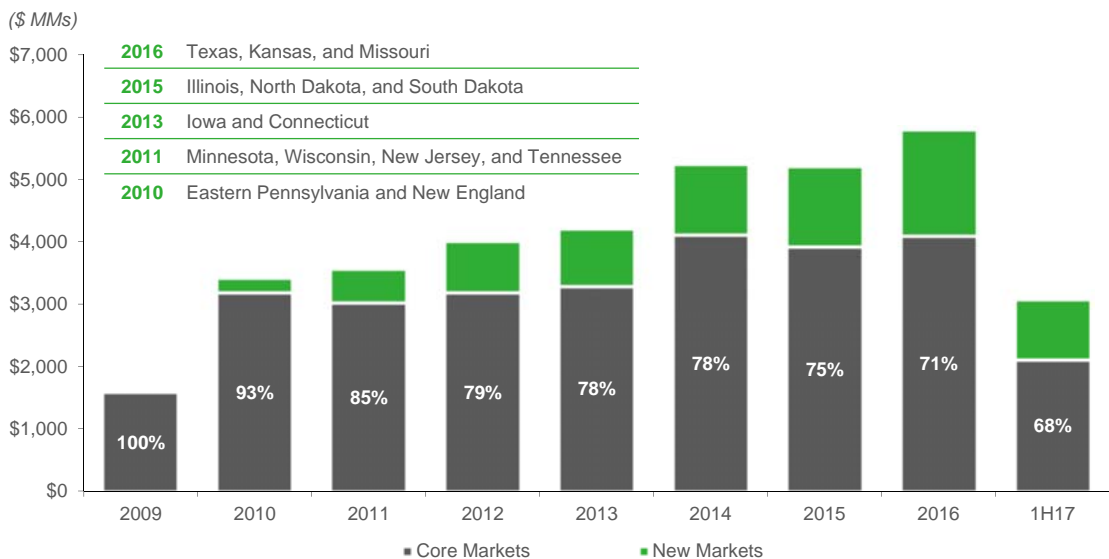
Huntington is the **13<sup>th</sup> largest auto loan lender** and **7<sup>th</sup> largest auto loan bank lender** in the U.S.<sup>(1)</sup>

Huntington is the **#1 auto loan lender** in the states of Ohio, Indiana, and Kentucky<sup>(1)</sup>

(1) Source: Experian data from 1/17 - 6/17



## Expansion Markets Fuel Growth in Originations



### Current new market selection process

- Take advantage of market turmoil
- Ability to quickly build a strong local team - proven, highly qualified and experienced talent must be available
- Dealer selection, leveraging local colleagues with data driven solutions
- Ability to maintain credit quality without moving down spectrum





# Huntington's Custom Auto Finance Scorecard

## Best-in-class credit underwriting and risk pricing tool

- Huntington developed and implemented a proprietary (custom) scorecard in 2005
- Application information and credit bureau data are combined to generate a Custom Score
- Credit and price decisions driven by Custom Score
- Database used to create Custom Score contains information from the past 20+ years of Auto loan performance
- Scorecard parameters further refined in December 2011 and January 2017
- Improved automated process results in faster decisions
- Dealer provided with Loan Design Pricing matrix

**Loan Design Pricing matrix:**  
 Enabled by a 1,000 point pricing matrix, our proprietary loan design pricing sales tool provides the dealer with 20 unique credit approvals on a single application, making it easier for the dealer to discuss a variety of options regarding amount and term.



## Automobile Loans: \$11.6 Billion<sup>(1)</sup>

Loan originations from 2010 through 2017 demonstrate strong characteristics and continued improvements from pre-2010

- Credit scoring model most recently updated in January 2017
- Began conscience migration to lower risk tolerance starting in 2008. Actual peak loss approximately 2x average risk expected loss from 2007-2008. <sup>1</sup>
- 2016-2017 net charge-offs impacted by acquisition of FirstMerit, including purchase accounting treatment of acquired portfolio (see Appendix slide 30)

(\$MM)	1H17	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Originations	\$3,081	\$5,816	\$5,207	\$5,242	\$4,220	\$4,021	\$3,575	\$3,428	\$1,586	\$2,213	\$1,911
% New Vehicles	45%	49%	48%	49%	46%	45%	52%	48%	37%	44%	47%
Avg. LTV	89%	89%	90%	89%	89%	88%	88%	88%	92%	95%	97%
Avg. FICO	765	765	764	764	760	758	760	768	763	752	743
Weighted Avg. Original Term (months)	69	68	68	67	67	66	65	65	64	69	70
Avg. Custom Score	407	396	396	397	395	395	402	405	403	390	382
Annualized risk expected loss	0.23%	0.25%	0.27%	0.26%	0.28%	0.27%	0.22%	0.37%	0.40%	0.60%	0.83%
Charge-off % (annualized) <sup>(2)</sup>	0.36%	0.30%	0.23%	0.23%	0.19%	0.21%	0.26%	0.54%	1.51%	1.12%	0.65%

(1) End of Period

# C&I – Auto Dealer: \$3.3 Billion<sup>(1)</sup>

**A consistent approach for over 60 years: high touch, local delivery, and dealer-centric**

- Our Auto Finance business is relationship focused on our customer: the dealer.
- Deep commercial lending relationships with over 300 franchised dealers.
- Ranked #1 or #2 bank in J.D. Power Dealer Satisfaction Survey for the past 2 years in commercial floorplan in the U.S.
- Consistent low charge-offs due to strong risk culture driven by client selection and explicit inventory tracking. 2008-2010 charge-offs related to CRE loans (no floorplan losses).

## Outstandings

(\$MM)	1H17	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Floorplan-domestic	\$ 1,826	\$ 1,833	\$ 1,390	\$ 1,196	\$ 1,141	\$ 1,009	\$ 781	\$ 599	\$ 388	\$ 553	\$ 432
Floorplan-foreign	760	755	686	636	620	525	388	457	283	408	351
Total floorplan	2,586	2,588	2,076	1,832	1,761	1,534	1,169	1,056	671	961	783
Other (includes owner occupied CRE)	714	698	616	576	517	517	404	373	373	346	315
Total dealers	\$ 3,300	\$ 3,286	\$ 2,692	\$ 2,408	\$ 2,278	\$ 2,051	\$ 1,573	\$ 1,429	\$ 1,044	\$ 1,307	\$ 1,097
NALs <sup>(1)</sup>	0.00%	0.00%	0.00%	0.00%	0.00%	0.03%	0.05%	0.07%	0.00%	0.00%	0.00%
Net charge-offs (recoveries) <sup>(2)</sup>	0.00%	0.00%	-0.01%	0.00%	-0.03%	0.00%	0.00%	0.05%	0.02%	0.05%	0.00%

(1) End of period (2) NCOs in 2008-2010 related to CRE loans; zero NCOs related to floorplan loans



19

## Closing Remarks

20

# Important Messages

- ◆ **Strong economic outlook for Midwest footprint**
- ◆ **Completed FirstMerit integration; implemented all cost savings and building revenue opportunities**
- ◆ **Focused on three areas with sustainable competitive advantages**
  - Consumer
  - Small to Medium Enterprises (including Commercial Real Estate)
  - Auto
- ◆ **Consistent core strategy since 2009**
  - Delivered on growth strategies with sustained investment
  - Meaningful investment in people, technology, and brand – continuously improving
  - Disciplined risk management – aggregate moderate-to-low risk profile
- ◆ **Driving core deposit and loan growth through disciplined execution and a differentiated customer experience; maintaining 4%-6% 2017 loan growth outlook**
- ◆ **Committed to consistent through-the-cycle shareholder returns**
- ◆ **High level of colleague stock ownership ensures ongoing shareholder alignment**

## Appendix

## 2017 First Half Highlights

Continued focus on realizing FirstMerit deal economics and driving top tier performance

<b>EPS</b> <b>+3% Y/Y</b>	<b>TBVPS</b> <b>-8% Y/Y</b>	<b>ROA</b> <b>0.97%</b>	<b>ROTCE</b> <b>12.9%</b>
------------------------------	--------------------------------	----------------------------	------------------------------

Financial Highlights			Balance Sheet		
		Y/Y			Y/Y
EPS	\$0.40	+3%	TBVPS	\$6.74	-8%
Net Interest Margin	3.31%	+23 bp	Avg Assets	\$100,232	39%
Net Interest Income (FTE)	\$1,499	46%	Avg Earning Assets	\$91,435	36%
Noninterest Income	\$638	24%	Avg Loans and Leases	\$67,164	31%
Total Revenue (FTE)	\$2,136	39%	Avg Deposits	\$76,248	38%
Noninterest Expense	\$1,402	38%	Avg Core Deposits	\$71,898	39%
Net Income	\$480	39%	Avg Tang. Common Equity	\$7,193	27%
Avg diluted shares	1,108.6	37%	TCE Ratio	7.41%	-55 bp
Efficiency Ratio	64.3%	-110 bp	CET1 Ratio	9.88%	+8 bp
NCOs / Avg Loans	0.22%	+12 bp	NPA Ratio	0.61%	-32 bp

Note: \$ in millions, except per share; results were impacted by significant items primarily related to FirstMerit integration.



23

## Huntington's Peer Group

\$ in millions	Total Assets	Total Deposits	Total Loans	Market Capitalization	Price /			Dividend Yield
					Consensus 2017E	Consensus 2018E	Tangible Book	
PNC Financial Services Group, Inc.	\$372,190	\$259,176	\$218,034	\$58,228	14.6x	13.1x	1.8x	2.5%
BB&T Corporation	221,192	156,968	143,645	35,532	14.0x	12.7x	2.1x	3.0%
SunTrust Banks, Inc.	207,223	159,873	144,268	25,134	13.0x	11.8x	1.6x	3.1%
Citizens Financial Group, Inc.	151,407	113,613	109,046	16,427	13.1x	11.8x	1.3x	2.2%
Fifth Third Bancorp	141,067	101,880	91,446	18,492	13.3x	12.3x	1.5x	2.2%
KeyCorp	135,824	102,821	86,503	18,075	12.0x	10.7x	1.6x	2.3%
Regions Financial Corporation	124,643	98,093	80,127	15,847	13.2x	11.7x	1.4x	2.7%
M&T Bank Corporation	120,897	93,541	88,532	21,889	15.7x	14.6x	2.1x	2.1%
Comerica Incorporated	71,447	56,781	49,408	11,385	13.9x	12.3x	1.6x	1.9%
Zions Bancorporation	65,446	52,378	43,683	8,418	15.1x	13.3x	1.4x	1.2%
CIT Group	50,479	30,925	29,032	5,916	16.7x	12.4x	0.9x	1.4%
<b>Median</b>	<b>\$135,824</b>	<b>\$101,880</b>	<b>\$88,532</b>	<b>\$18,075</b>	<b>13.9x</b>	<b>12.3x</b>	<b>1.6x</b>	<b>2.2%</b>
<b>Huntington Bancshares Incorporated</b>	<b>\$101,407</b>	<b>\$75,933</b>	<b>\$68,059</b>	<b>\$13,429</b>	<b>12.6x</b>	<b>11.3x</b>	<b>1.9x</b>	<b>2.6%</b>

Source: SNL, data as of 9/08/17

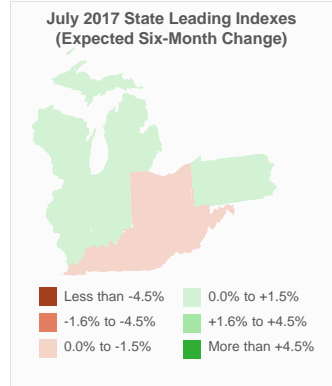
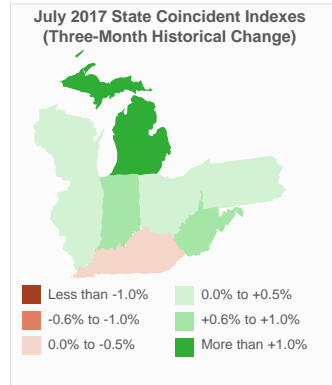
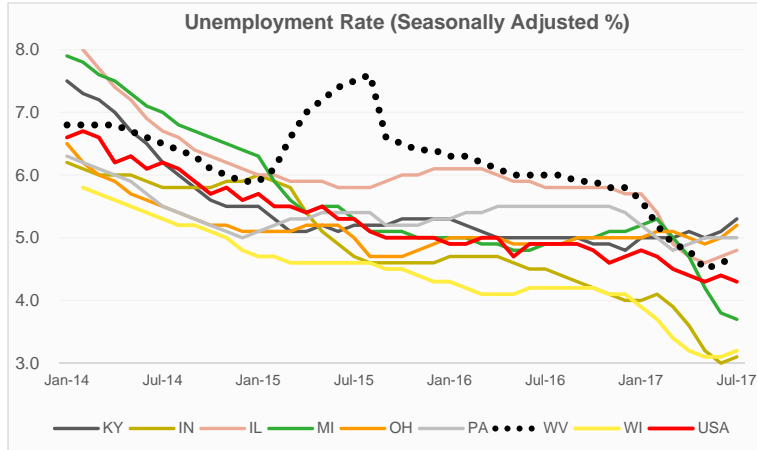


24

# Footprint Economic Indicators

## Leading indicators signal optimism for 2017

- 6 of 8 Huntington footprint states grew faster than the nation in the economic recovery that began in July 2009.
- The Huntington footprint states account for 60.4% of all manufacturing employment growth during the current economic recovery (July 2009 to July 2017, BLS.) According to the ISM report on business in manufacturing, manufacturing should continue to be a strong area of growth in the national economy in the second half of 2017. The regional manufacturing economy will likely continue on an upward trend, as well.
- Unemployment rates in the Huntington footprint states have declined significantly during the economic recovery. 5 Huntington footprint states were in the top 10 decreases in YOY unemployment rates (July 2017 vs. July 2016).



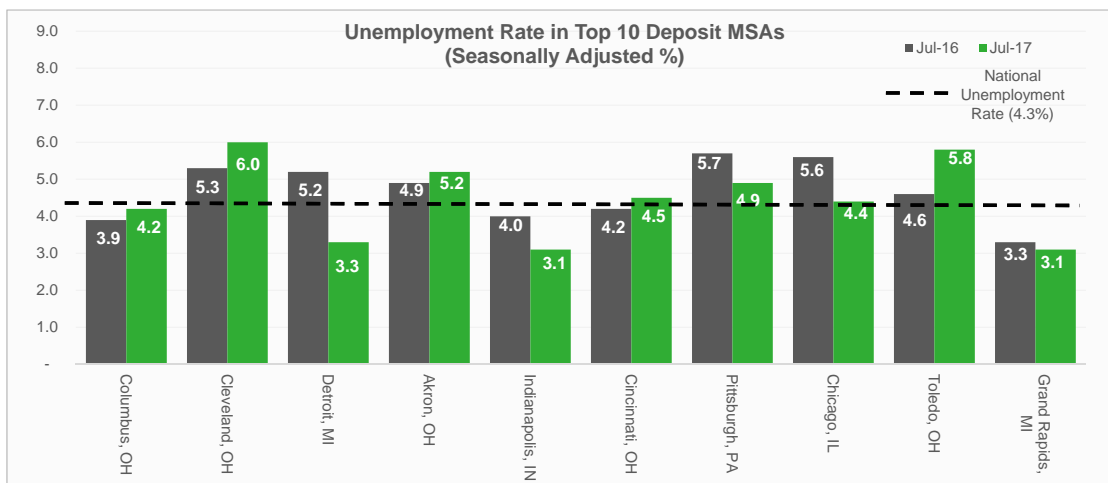
Sources: US Bureau of Labor Statistics; Federal Reserve Bank of Philadelphia; Haver Analytics



# Unemployment Rates in Top Deposit MSAs

## Our largest deposit markets compare favorably with U.S.

- According to the Philadelphia FRB coincident economic indicator, economic activity grew faster than the nation in 6 of 8 Huntington footprint states during the economic recovery-to-date. Michigan, Ohio, Indiana, Illinois, Kentucky, and Wisconsin all exhibited stronger growth than the nation since the Great Recession ended.
- In July 2017, unemployment rates were below the national average of 4.3% in Columbus, Detroit, Grand Rapids, Indianapolis, Madison, and Milwaukee. Chicago and Cincinnati were within 0.2% of the national average.
- Solid housing markets provided home price growth in all 8 Huntington footprint states for 4 consecutive years through the first quarter according to the FHFA Expanded Data Housing Price index. Affordability remains some of the best in the nation.



Sources: US Bureau of Labor Statistics; Federal Reserve Bank of Philadelphia; Haver Analytics



## Reconciliation

### Revenue, Noninterest Income, and Noninterest Expense Growth

(\$ in millions)		GAAP	Adjustment <sup>(1)</sup>	Adjusted
1H17 Net interest income (FTE)		\$1,499	--	\$1,499
1H17 Noninterest income		\$638	\$2 <sup>(2)</sup>	\$636
1H17 Total Revenue		\$2,136	\$2 <sup>(2)</sup>	\$2,134
1H16 Net interest income (FTE)		\$1,028	--	\$1,028
1H16 Noninterest income		\$513	--	\$513
1H16 Total revenue		\$1,541	--	\$1,541
<b>1H17 Total revenue growth</b>		<b>39%</b>		<b>38%</b>
1H17 Noninterest expense		\$1,402	\$124 <sup>(2)</sup>	\$1,278
1H16 Noninterest expense		\$1,015	\$27 <sup>(2)</sup>	\$988
<b>1H17 Noninterest expense growth</b>		<b>38%</b>		<b>29%</b>

(1) Significant items related to FirstMerit acquisition related net expenses

(2) Pre-tax



27

## Reconciliation

### Efficiency Ratio and ROTCE

(\$ in millions)		GAAP	Adjustment <sup>(1)</sup>	Adjusted
1H17:				
Noninterest expense		\$1,402	\$124 <sup>(2)</sup>	\$1,278
Amortization of intangibles		\$29	--	\$29
Noninterest expense less amortization of intangibles	A	\$1,373		\$1,250
Total revenue (FTE)		\$2,136	\$2	\$2,134
Securities gains		\$0	--	\$0
Total revenue (FTE) less securities gains	B	\$2,136		\$2,133
<b>Efficiency ratio</b>	A / B	<b>64%</b>		<b>59%</b>
Net income applicable to common shares		\$442	\$79 <sup>(3)</sup>	\$521
Less: Amortization of intangibles (net of deferred tax)		\$19 <sup>(3)</sup>	--	\$19 <sup>(3)</sup>
Net income applicable to common shares less amortization of intangibles	C	\$461		\$540
Average tangible common equity	D	\$7,193	--	\$7,193
<b>Return on average tangible common equity (ROTCE):</b>	C / D * 2	<b>13%</b>		<b>15%</b>

(1) Significant items related to FirstMerit acquisition related net expenses

(2) Pre-tax (3) After-tax



28

# Reconciliation

## Pretax Pre-Provision Net Revenue (PPNR)

(\$ in millions)		1H17	2016	2015	2014	2013
Net interest income – FTE		\$1,499	\$2,412	\$1,983	\$1,865	\$1,732
Noninterest income		638	1,151	1,039	961	1,012
Total revenue		2,136	3,563	3,022	2,826	2,744
Less: significant items		2	1	3	1	0
Less: gain on securities		0	0	1	18	0
Total revenue – adjusted	A	2,134	3,562	3,018	2,807	2,744
Noninterest expense		1,402	2,408	1,976	1,882	1,758
Add: provision for unfunded loans		(13)	21	11	(2)	22
Less: significant items		124	239	58	65	(10)
Noninterest expense – adjusted	B	1,266	2,191	1,929	1,815	1,791
<b>Pretax pre-provision net revenue (PPNR)</b>	<b>A - B</b>	<b>\$868</b>	<b>\$1,372</b>	<b>\$1,089</b>	<b>\$1,011</b>	<b>\$953</b>
Risk-weighted assets (RWA)		\$78,366	\$78,263	\$58,420	\$54,479	\$49,690
PPNR as % of RWA		2.22%	1.75%	1.86%	1.86%	1.92%

# Indirect Auto Charge-off Performance

## Reconciliation – non GAAP

(\$MM)	2Q17			1Q17			4Q16		
	Originated	Acquired*	Total	Originated	Acquired*	Total	Originated	Acquired*	Total
Average Auto Loans	\$10,205	\$1,119	\$11,324	\$9,791	\$1,272	\$11,063	\$9,416	\$1,450	\$10,866
% of Avg Auto Loans	90%	10%	100%	88%	12%	100%	87%	13%	100%
Reported Net Charge-offs (NCOs)	\$5.1	\$3.2	\$8.3	\$8.6	\$3.8	\$12.4	\$9.4	\$3.8	\$13.1
FMER-related Net Recoveries in Noninterest Income	--	(0.9)	(0.9)	--	(1.2)	(1.2)	--	(0.8)	(0.8)
Adjusted Net Charge-offs	5.1	2.3	7.4	8.6	2.6	11.2	9.4	2.9	12.3
Reported NCOs as % of Avg Loans	0.20%	1.14%	0.29%	0.36%	1.22%	0.45%	0.40%	1.03%	0.48%
Adjusted NCOs as % of Avg Loans	0.20%	0.81%	0.26%	0.36%	0.83%	0.41%	0.40%	0.80%	0.45%

- The auto loan performance trends were impacted by the accounting for recoveries on loans acquired from FirstMerit.
- Accounting requires that all recoveries associated with loans charged off prior to the date of FirstMerit acquisition be booked as noninterest income. This inflates the level of net charge-offs as the normal recovery stream is not included.

# Basis of Presentation

## Use of Non-GAAP Financial Measures

This document 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 document, the earnings press release, or the Form 8-K related to this document, all of which can be found on the "Investor Relations" section of Huntington's website at [www.huntington.com](http://www.huntington.com).

## Annualized Data

Certain returns, yields, performance ratios, or quarterly growth rates are presented on an "annualized" basis. 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 and deposit growth rates, as well as net charge-off percentages, 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 earning assets is increased by an amount equivalent to the taxes that would have been paid if this income had been taxable at statutory rates. This adjustment puts all earning assets, most notably tax-exempt municipal securities and certain lease assets, on a common basis that facilitates comparison of results to results of competitors.

## Earnings per Share Equivalent Data

Significant income or expense items may be expressed on a per common share basis. This is done for analytical and decision-making purposes to better discern underlying trends in total corporate earnings per share performance excluding the impact of such items. Investors may also find this information helpful in their evaluation of the company's financial performance against published earnings per share mean estimate amounts, which typically exclude the impact of Significant Items. Earnings per share equivalents are usually calculated by applying an 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 disclosed separately, with this then being the amount used to calculate the earnings per share equivalent.

## Rounding

Please note that columns of data in this document may not add due to rounding.

# Basis of Presentation

## Significant Items

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

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

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

"Significant Items" for any particular period are not intended to be a complete list of items that may materially impact current or future period performance. A number of items could materially impact these periods, including those described in Huntington's 2016 Annual Report on Form 10-K and other factors described from time to time in Huntington's other filings with the Securities and Exchange Commission.