

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

FORM 10-Q

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934
QUARTERLY PERIOD ENDED **September 30, 2002**

Commission File Number **0-2525**

HUNTINGTON BANCSHARES INCORPORATED

Maryland
(State or other jurisdiction of
incorporation or organization)

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

41 South High Street, Columbus, Ohio 43287

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

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

Yes No

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

Yes No

There were 235,544,525 shares of Registrant's without par value common stock outstanding on October 31, 2002.

Huntington Bancshares Incorporated

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Notes to Unaudited Consolidated Financial Statements

Note 1 – Basis of Presentation

The accompanying unaudited consolidated interim financial statements include the accounts of Huntington Bancshares Incorporated (Huntington) and its subsidiaries and were prepared in accordance with accounting principles generally accepted in the United States, and accordingly, reflect all adjustments consisting of normal recurring accruals, which are, in the opinion of management, necessary to fairly present Huntington's financial position, results of operations, and cash flows for the periods presented. As permitted by the SEC, these unaudited consolidated interim financial statements do not include certain information and footnotes normally included in annual financial statements. Accordingly, these unaudited consolidated interim financial statements should be read in conjunction with Huntington's 2001 Annual Report on Form 10-K.

Certain amounts in the prior period's financial statements have been reclassified to conform to the current presentation. These reclassifications had no effect on net income.

Note 2 – New Accounting Pronouncements

In April 2002, the Financial Accounting Standards Board (FASB) issued Statement No. 145, *Rescission of FASB Statements No. 4, 44, and 64, Amendment of FASB Statement No. 13, and Technical Corrections*. This Statement rescinds Statement No. 4, *Reporting Gains and Losses from Extinguishment of Debt*, and an amendment of that Statement, Statement No. 64, *Extinguishments of Debt Made to Satisfy Sinking-Fund Requirements*. This Statement also rescinds Statement No. 44, *Accounting for Intangible Assets of Motor Carriers*. This Statement amends Statement No. 13, *Accounting for Leases*, to eliminate an inconsistency between the required accounting for sale-leaseback transactions and the required accounting for certain lease modifications that have economic effects that are similar to sale-leaseback transactions. In addition, Statement No. 145 requires lease modifications to be accounted for in the same manner as sale-leaseback transactions.

In September 2002, the FASB issued Statement No. 146, *Accounting for Costs Associated with Exit Activities*. This Statement addresses financial accounting and reporting for costs associated with exit or disposal activities and nullifies Emerging Issues Task Force (EITF) Issue No. 94-3, *Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)*. This Statement requires that a liability for a cost associated with an exit or disposal activity be recognized using fair value when the liability is incurred. The provisions of this Statement are effective for exit or disposal activities that are initiated after December 31, 2002, with early application encouraged.

In October 2002, the FASB issued Statement No. 147, *Acquisition of Certain Financial Institutions*. This Statement provides guidance on the accounting for the acquisition of a financial institution, which had previously been addressed in FASB Statement No. 72, *Accounting for Certain Acquisitions of Banking and Thrift Institutions*. The provisions of Statement No. 147 are effective October 1, 2002. This Statement requires the excess of the fair value of liabilities assumed over the fair value of the tangible and identifiable assets in a business combination to be recognized as an unidentifiable intangible asset in accordance with Statement No. 141 and No. 142. In addition, any long-term customer-relationship intangible assets, such as depositor-relationship, borrower-relationship, and credit cardholder intangible assets, will be required to be tested for impairment in accordance with Statement No. 144, *Accounting for the Impairment or Disposal of Long-Lived Assets*, as amended.

The adoption of Statements No. 145, No. 146, and No. 147 will not have a material impact on Huntington's results of operations or financial condition.

Note 3 – Earnings per Share

Basic earnings per share is the amount of earnings for the period available to each share of common stock outstanding during the reporting period. Diluted earnings per share is the amount of earnings available to each share of common stock outstanding during the reporting period adjusted for the potential issuance of common shares for stock options. The calculation of basic and diluted earnings per share for each of the periods ended September 30, is as follows:

<i>(in thousands, except per share amounts)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Net Income	\$98,123	\$42,629	\$278,090	\$112,872
Average common shares outstanding	239,925	251,148	245,554	251,039
Dilutive effect of stock options	1,432	1,055	1,467	498
Diluted common shares outstanding	241,357	252,203	247,021	251,537
Earnings per share				
Basic	\$0.41	\$0.17	\$1.13	\$0.45
Diluted	\$0.41	\$0.17	\$1.13	\$0.45

Approximately 6.2 million and 5.8 million stock options were outstanding at the end of September 2002 and 2001, respectively, but were not included in the computation of diluted earnings per share because the options' exercise price was greater than the average market price of the common shares for the period and, therefore, the effect would be antidilutive. The weighted average exercise price for these options was \$23.02 per share and \$23.31 at the end of the same respective periods.

Note 4 – Intangible Assets

In September 2001, the Financial Accounting Standards Board issued SFAS No. 141, *Business Combinations*, and No. 142, *Goodwill and Other Intangible Assets*, effective for fiscal years beginning after December 15, 2001. Under the new rules, goodwill is no longer amortized but is subject to annual impairment tests in accordance with the Statements. Other intangible assets continue to be amortized over their useful lives. At September 30, 2002 and 2001, Huntington had \$218.4 million and \$726.1 million in goodwill and other intangible assets, respectively. The following table reflects the activity in goodwill and other intangible assets for the three and nine months ended September 30:

<i>(in thousands of dollars)</i>	Three Months Ended September 30,		Nine Months Ended September 30,	
	2002	2001	2002	2001
Intangible Assets:				
Balance, beginning of period	\$ 210,685	\$ 737,437	\$ 716,054	\$ 755,270
Additions	20,144	665	28,290	3,843
Sale of Florida banking and insurance operations	(12,201)	---	(517,105)	---
Impairment	---	(1,894)	(7,000)	(1,894)
Amortization	(204)	(10,114)	(1,815)	(31,125)
Balance, end of period	\$ 218,424	\$ 726,094	\$ 218,424	\$ 726,094

The additions totaling \$20.1 million for the third quarter of 2002 primarily related to the September acquisition of LeaseNet Group, Inc., a \$90 million leasing company. In the third quarter 2002, Huntington completed the sale of its Florida insurance operations, the J. Rolfe Davis Insurance Agency, Inc. (JRD), resulting in a \$12.2 million write-off of the remaining associated goodwill. Impairment related to JRD of \$7.0 million was recognized in the second quarter 2002. In the third quarter of 2001, the impairment related to the exit of an e-commerce business activity.

Huntington applied the new rules on accounting for goodwill and other intangible assets beginning in the first quarter of 2002. In connection with the adoption of SFAS No. 142, management assessed the fair values of its lines of business in relation to their carrying value, including goodwill, in each line of business. Based on this assessment, there was no impairment of goodwill or other intangible assets. Huntington will continue to test for impairment on an annual basis as prescribed by SFAS No. 142.

Before the sale of Huntington's operations in Florida, a majority of goodwill and other intangible assets related to those operations. A substantial portion of the remaining goodwill is attributable to the previously acquired banking operations reported under the Regional Banking line of business. The application of the non-amortization provisions of SFAS No. 142 resulted in an increase in net income per share of \$0.01 for the third quarter and \$0.04 for the first nine months of 2002. Had no amortization of goodwill, net of tax, been recorded in the prior year, net income and diluted earnings per share for the third quarter of 2001 would have been greater by \$7.8 million, or \$0.03 per share, and \$23.3 million, or \$0.09 per share, for the first nine-months of 2001.

Note 5 – Restructuring of Merchant Services Business

In August 2002, Huntington restructured its interest in Huntington Merchant Services, L.L.C. (HMS), Huntington's merchant services business, in a transaction with First Data Merchant Services Corporation, a subsidiary of First Data Corp. Under the agreement, Huntington extended its long-term merchant services relationship with First Data. In addition, as part of the transaction, First Data obtained all of Huntington's Florida-related merchant business and increased its equity interest in HMS. This transaction resulted in a \$24.5 million pre-tax, non-operating gain (\$16.0 million after tax) in the third quarter of 2002. Huntington remains a nominal equity owner and, going forward, this transaction is not expected to have a material impact on Huntington's financial results.

Note 6 – Restructuring and Special Charges

In July 2001, Huntington announced a strategic refocusing plan (the "Plan"). The Plan included the sale of Huntington's Florida banking and insurance operations, the consolidation of numerous non-Florida branch offices, as well as certain credit and other actions to strengthen Huntington's balance sheet and financial performance, including the use of excess regulatory capital generated by the sale to initiate a share repurchase program.

During 2001, Huntington provided \$100.0 million of pre-tax expense to recognize a liability for these actions and provided \$71.7 million of additional allowance for loan losses in connection with the Plan. In addition, special charges in 2001 included a \$5.2 million pre-tax loss associated with the sale of Pacific Gas & Electric commercial paper that was reflected in non-interest income in the consolidated statements of income.

In the first quarter of 2002, Huntington provided an additional \$56.2 million of pre-tax expense to recognize additional liabilities related to the completion of the Plan. Huntington has a remaining reserve of \$18.8 million at September 30, 2002. Huntington expects that the remaining reserve will be adequate to fund the estimated future cash outlays that are expected in the completion of the exit activities contemplated by the Plan.

Note 7 – Sale of Florida Operations

On February 15, 2002, Huntington completed the sale of its Florida operations to SunTrust Banks, Inc. Included in the sale were \$4.8 billion of deposits and other liabilities and \$2.8 billion of loans and other assets. Huntington received a deposit premium of 15%, or \$711.9 million. The total net pre-tax gain from the sale was \$175.3 million and was reflected in non-interest income. The after-tax gain was \$56.7 million, or \$0.23 per common share. Income taxes related to this transaction were \$118.6 million, an amount higher than the tax impact at the statutory rate of 35% because most of the goodwill relating to the Florida operations was non-deductible for tax purposes. Pro forma financial information reflecting the effect of the sale is presented and described below. Since the transaction was completed during the first quarter of 2002, no pro forma balance sheet is presented in this report.

The following unaudited pro forma consolidated income statement is presented for the nine months ended September 30, 2002, giving effect to the sale as if it had occurred on January 1, 2002, and does not include the net gain realized on the sale of Huntington's Florida operations or any related special charges. These pro forma financial statements do not include any assumptions as to future share repurchases pursuant to the previously announced share repurchase program that commenced following the sale.

The pro forma consolidated income statement may not be indicative of the results of operations that would have actually occurred had the transaction been consummated during the period indicated. This pro forma financial information is also not intended to be an indication of the results of operations that may be attained in the future. These pro forma consolidated financial statements should be read in conjunction with Huntington's historical financial statements.

**Unaudited Pro Forma Consolidated Income Statement without Florida Operations
For the Nine Months Ended September 30, 2002**

<i>(in thousands of dollars)</i>	Huntington	Florida Operations	Related Transactions	Huntington Pro Forma Without Florida Operations
Net interest income	\$ 734,100	\$ (9,724)	\$ ---	\$ 724,376
Provision for loan losses	169,922	(5,186)	---	164,736
Net Interest Income After Provision for Loan Losses	564,178	(4,538)	---	559,640
Non-interest income	558,790	(13,343)	(175,344)	370,103
Non-interest expense	649,353	(20,210)	(32,728)	596,415
Income Before Income Taxes	473,615	2,329	(142,616)	333,328
Income taxes	195,525	804	(107,098)	89,231
Net Income	\$ 278,090	\$ 1,525	\$ (35,518)	\$ 244,097
Net income per common share – diluted	\$1.13	\$0.01	(\$0.14)	\$1.00
Operating Net Income ⁽¹⁾	\$ 241,862	\$ 1,525		\$ 243,387
Operating net income per common share – diluted ⁽¹⁾	\$0.98	\$0.01		\$0.99

⁽¹⁾ Excludes after-tax Merchant Services restructuring gain, the after-tax gain on sale of the Florida operations, and restructuring and special charges.

The column entitled Florida Operations includes all direct revenue and expenses for Florida from January 1, 2002 through February 15, 2002, the results of operations for JRD through June 20, 2002, and any indirect revenue and expenses that ceased with the sale of the Florida operations, including \$1.1 million of amortization expense on intangible assets related to Florida. In addition, net interest income in that column includes: (1) a funding credit of \$5.3 million related to \$2.0 billion of funding that Florida provided to Huntington and (2) \$1.9 million of interest that would have been earned on the \$711.9 million deposit premium from January 1, 2002 through February 15, 2002. Both the funding credit and the assumed interest earned on the deposit premium are based on the average one-year LIBOR rate of 2.15% for the period. The column entitled Related Transactions reflects the \$175.3 million net gain on the sale of the Florida operations, \$32.7 million of the \$56.2 million special charges recorded in the first quarter of 2002 that related to the sale of the Florida operations, and the applicable income taxes. After excluding the remaining restructuring and special charges, net of taxes,

and the Merchant Services restructuring gain, as discussed in Note 5, operating earnings were \$243.4 million and earnings per share was \$0.99 for the first nine-months of 2002.

Note 8 – Comprehensive Income

Comprehensive Income includes net income as well as certain items that are reported directly within a separate component of stockholders' equity that are not considered part of net income. Currently, Huntington's components of Other Comprehensive Income are the unrealized gains (losses) on securities available for sale and unrealized gains (losses) on certain derivatives. The related before and after tax amounts are as follows:

<i>(in thousands of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Cumulative effect of change in accounting method for derivatives used in cash flow hedging relationships:				
Unrealized net losses	\$ ---	\$ ---	\$ ---	\$ (14,020)
Related tax benefit	---	---	---	4,907
Net	---	---	---	(9,113)
Unrealized holding gains on securities available for sale arising during the period:				
Unrealized net gains	39,502	74,971	55,126	105,151
Related tax expense	(13,826)	(26,240)	(19,294)	(36,803)
Net	25,676	48,731	35,832	68,348
Unrealized holding gains (losses) on derivatives used in cash flow hedging relationships arising during the period:				
Unrealized net gains (losses)	10,717	(1,457)	1,388	6,777
Related tax (expense) benefit	(3,751)	510	(486)	(2,372)
Net	6,966	(947)	902	4,405
Less: Reclassification adjustment for net gains from sales of securities available for sale realized during the period:				
Realized net gains	1,140	1,059	2,563	634
Related tax expense	(399)	(371)	(897)	(222)
Net	741	688	1,666	412
Total Other Comprehensive Income	\$ 31,901	\$ 47,096	\$ 35,068	\$ 63,228

Activity in Accumulated Other Comprehensive Income for the nine months ended September 30, 2002 and 2001 was as follows:

<i>(in thousands of dollars)</i>	Unrealized gains (losses)	Unrealized gains (losses) on derivative
	on securities available for sale	instruments used in cash flow hedging relationships
Balance, December 31, 2000	\$ (24,520)	\$ ---
Change in accounting method	---	(9,113)
Current-period change	67,936	4,405
Balance, September 30, 2001	\$ 43,416	\$ (4,708)
Balance, December 31, 2001	29,469	(3,981)
Current-period change	34,166	902
Balance, September 30, 2002	\$ 63,635	\$ (3,079)

Note 9 – Securities Available for Sale

Securities available for sale at September 30, 2002 and December 31, 2001 were as follows:

	September 30, 2002		December 31, 2001	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
<i>(in thousands of dollars)</i>				
U.S. Treasury				
Under 1 year	\$ ---	\$ ---	\$ 696	\$ 711
1-5 years	15,011	15,824	31,399	31,563
6-10 years	4,703	5,407	6,420	6,833
Over 10 years	412	488	413	433
Total	20,126	21,719	38,928	39,540
Federal agencies				
Mortgage-backed securities				
1-5 years	43,092	44,031	77,975	77,734
6-10 years	164,494	169,647	99,049	100,954
Over 10 years	894,479	924,217	651,187	662,674
Total	1,102,065	1,137,895	828,211	841,362
Other agencies				
Under 1 year	25,007	24,930	---	---
1-5 years	814,848	842,966	918,023	940,845
6-10 years	60,564	62,258	77,515	78,925
Over 10 years	543,638	550,882	414,485	421,407
Total	1,444,057	1,481,036	1,410,023	1,441,177
Total U.S. Treasury and Federal				
Agencies	2,566,248	2,640,650	2,277,162	2,322,079
Other				
Under 1 year	9,712	9,733	11,315	11,374
1-5 years	33,756	35,318	38,986	40,022
6-10 years	50,871	52,739	35,832	35,823
Over 10 years	289,224	289,354	176,524	174,715
Retained interest in securitizations	144,837	164,269	159,790	159,790
Marketable equity securities	42,741	43,483	104,395	105,776
Total	571,141	594,896	526,842	527,500
Total Securities Available for Sale	\$ 3,137,389	\$ 3,235,546	\$ 2,804,004	\$ 2,849,579

Note 10 – Segment Reporting

Huntington has four distinct segments: Regional Banking, Dealer Sales, and the Private Financial Group (PFG) are Huntington's major business lines. The fourth segment includes Huntington's Treasury function and other unallocated assets, liabilities, revenue, and expense. Line of business results are determined based upon Huntington's business profitability reporting system, which assigns balance sheet and income statement items to each of the business segments. The process is designed around Huntington's organizational and management structure and accordingly, the results below are not necessarily comparable with similar information published by other financial institutions. During the first quarter of 2002, the previously reported Retail Banking and Corporate Banking segments were combined and renamed Regional Banking. Since this segment is managed through six geographically defined regions where each region's management has responsibility for both retail and corporate banking business development, combining these two previous segments better reflects the management accountability and decision making structure. In addition, changes were made to the methodologies utilized for certain balance sheet and income statement allocations performed by Huntington's business profitability reporting system. The prior quarters have not been restated for these changes.

The chief decision-makers for Huntington rely on “operating earnings” for review of performance and for critical decision making purposes. Operating earnings exclude the Merchant Services restructuring gain, the gain from the sale of the Florida operations, the historical Florida operating results, and restructuring and special charges. See Note 5 to the unaudited consolidated financial statements for further discussions regarding the restructuring of Huntington’s Merchant Services business, Note 6 related to restructuring and special charges, and Note 7 for the gain on sale of Huntington’s Florida operations. Net interest income is presented on a fully tax equivalent (FTE) basis using a 35% tax rate.

The following provides a brief description of the four operating segments of Huntington:

Regional Banking: this segment provides products and services to retail, business banking, and corporate customers. This segment’s products include home equity loans, first mortgage loans, direct installment loans, business loans, personal and business deposit products, as well as sales of investment and insurance services. These products and services are offered through Huntington's traditional banking network; Direct Bank--Huntington’s customer service center; and Web Bank at www.huntington.com. Regional Banking also represents middle-market and large corporate banking relationships which use a variety of banking products and services including, but not limited to, commercial loans, international trade, and cash management.

Dealer Sales: this segment's product offerings pertain to the automobile lending sector and include indirect consumer loans and leases, as well as floor plan financing. The consumer loans and leases comprise the vast majority of the business and involve the financing of vehicles purchased or leased by individuals through dealerships.

Private Financial Group: this segment’s array of products and services are designed to meet the needs of Huntington's higher wealth customers. Revenue is derived through the sale of personal trust, asset management, investment advisory, brokerage, insurance, and deposit and loan products and services. Income and related expenses from the sale of brokerage and insurance products is shared with the line of business that generated the sale or provided the customer referral.

Treasury / Other: this segment includes assets, liabilities, equity, revenue, and expense that are not directly assigned or allocated to one of the lines of business. Since a match-funded transfer pricing system is used to allocate interest income and interest expense to other business segments, Treasury / Other results include the net impact of any over or under allocations arising from centralized management of interest rate risk including the net impact of derivatives used to hedge interest rate sensitivity. Furthermore, this segment’s results include the net impact of administering Huntington’s investment securities portfolio as part of overall liquidity management. Additionally, amortization expense of intangible assets and gains or losses not allocated to other business segments are also a component.

Listed below is certain reported financial information reconciled to Huntington’s third quarter and nine-month 2002 and 2001 operating results by line of business.

Three Months Ended September 30,					
Income Statements <i>(in thousands of dollars)</i>	Regional Banking	Dealer Sales	PFG	Treasury/ Other	Huntington Consolidated
2002					
Net interest income (FTE)	\$ 146,580	\$ 60,918	\$ 8,784	\$ 34,230	\$ 250,512
Provision for loan losses	31,534	25,860	2,855	---	60,249
Non-Interest income	76,616	6,822	18,475	12,919	114,832
Non-Interest expense	148,635	19,678	18,849	6,561	193,723
Income taxes/FTE adjustment	15,059	7,771	1,944	4,432	29,206
Operating earnings	27,968	14,431	3,611	36,156	82,166
Merchant Services restructuring gain, net of tax	---	---	---	15,957	15,957
Florida operations sold, net of tax	---	---	---	---	---
Net income, as reported	\$ 27,968	\$ 14,431	\$ 3,611	\$ 52,113	\$ 98,123

Three Months Ended September 30,

Income Statements <i>(in thousands of dollars)</i>	Regional Banking	Dealer Sales	PFG	Treasury/ Other	Huntington Consolidated
2001					
Net interest income (FTE)	\$ 155,901	\$ 56,245	\$ 9,115	\$ 10,643	\$ 231,904
Provision for loan losses	18,749	26,154	1,124	---	46,027
Non-Interest income	81,899	6,332	14,600	8,268	111,099
Non-Interest expense	152,837	18,378	13,645	2,194	187,054
Income taxes/FTE adjustment	23,175	6,315	3,132	(3,593)	29,029
Operating earnings	43,039	11,730	5,814	20,310	80,893
Florida operations sold, net of tax	10,587	1,592	1,533	(18,945)	(5,233)
Restructuring and special charges, net of tax	(5,555)	---	(2,990)	(24,486)	(33,031)
Net income (loss), as reported	\$ 48,071	\$ 13,322	\$ 4,357	\$ (23,121)	\$ 42,629

Balance Sheets <i>(in millions of dollars)</i>	3Q Average Assets		3Q Average Deposits	
	2002	2001	2002	2001
Regional Banking	\$ 13,055	\$ 12,450	\$ 15,257	\$ 13,974
Dealer Sales	8,423	7,415	52	84
PFG	1,056	768	821	623
Treasury / Other	3,244	4,100	994	240
Subtotal	25,778	24,733	17,124	14,921
Florida operations sold	---	3,255	---	4,567
Total	\$ 25,778	\$ 27,988	\$ 17,124	\$ 19,488

Nine Months Ended September 30,

Income Statements <i>(in thousands of dollars)</i>	Regional Banking	Dealer Sales	PFG	Treasury/ Other	Huntington Consolidated
2002					
Net interest income (FTE)	\$ 438,762	\$ 167,508	\$ 25,634	\$ 95,808	\$ 727,712
Provision for loan losses	90,349	69,330	5,057	---	164,736
Non-Interest income	239,073	15,348	58,311	32,821	345,553
Non-Interest expense	447,251	56,315	56,919	12,474	572,959
Income taxes/FTE adjustment	49,082	20,024	7,678	15,399	92,183
Operating earnings	91,153	37,187	14,291	100,756	243,387
Florida operations sold, net of tax	2,639	794	927	(5,885)	(1,525)
Gain on sale of Florida operations, net of tax	---	---	---	56,790	56,790
Merchant Services restructuring gain, net of tax	---	---	---	15,957	15,957
Restructuring and special charges, net of tax	---	---	---	(36,519)	(36,519)
Net income, as reported	\$ 93,792	\$ 37,981	\$ 15,218	\$ 131,099	\$ 278,090

Nine Months Ended September 30,

Income Statements <i>(in thousands of dollars)</i>	Regional Banking	Dealer Sales	PFG	Treasury/ Other	Huntington Consolidated
2001					
Net interest income (FTE)	\$ 485,654	\$ 162,700	\$ 25,918	\$ 9,151	\$ 683,423
Provision for loan losses	36,678	80,995	---	---	117,673
Non-Interest income	234,847	21,469	48,218	18,824	323,358
Non-Interest expense	460,712	50,767	54,954	6,881	573,314
Income taxes/FTE adjustment	78,089	18,342	6,714	(15,301)	87,844
Operating income	145,022	34,065	12,468	36,395	227,950
Florida operations sold, net of tax	36,676	4,781	4,467	(55,844)	(9,920)
Restructuring and special charges, net of tax	(12,858)	(63,920)	(2,990)	(25,390)	(105,158)
Net income (loss), as reported	\$ 168,840	\$ (25,074)	\$ 13,945	\$ (44,839)	\$ 112,872

Balance Sheets <i>(in millions of dollars)</i>	YTD Average Assets		YTD Average Deposits	
	2002	2001	2002	2001
Regional Banking	\$ 12,831	\$ 12,289	\$ 14,875	\$ 13,699
Dealer Sales	8,040	7,113	53	86
PFG	976	733	767	601
Treasury / Other	3,331	4,878	699	294
Subtotal	25,178	25,013	16,394	14,680
Florida operations sold	581	3,163	781	4,526
Total	\$ 25,759	\$ 28,176	\$ 17,175	\$ 19,206

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

INTRODUCTION

Huntington Bancshares Incorporated (Huntington) is a multi-state financial holding company headquartered in Columbus, Ohio. Its subsidiaries engage in full-service commercial and consumer banking, mortgage banking, lease financing, trust services, discount brokerage services, underwriting credit life and disability insurance, issuing commercial paper guaranteed by Huntington, and selling other insurance and financial products and services. Its subsidiaries operate domestically from offices located predominately in Ohio, Michigan, West Virginia, Indiana, and Kentucky. Huntington has a foreign office in the Cayman Islands and in Hong Kong.

Forward-Looking Statements

This interim report, including Management's Discussion and Analysis of Financial Condition and Results of Operations, contains forward-looking statements about Huntington. These include descriptions of products or services, plans, or objectives of management for future operations, and forecasts of revenues, earnings, or other measures of economic performance. Forward-looking statements can be identified by the fact that they do not relate strictly to historical or current facts.

By their nature, forward-looking statements 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 2001 Annual Report and other factors described from time to time in 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.

Management encourages readers of this interim report on Form 10-Q to understand forward-looking statements to be strategic objectives rather than absolute forecasts of future performance. Forward-looking statements speak only as of the date they are made. Huntington does not 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.

The following discussion and analysis, the purpose of which is to provide investors and others with information that management believes to be necessary for an understanding of Huntington's financial condition, changes in financial condition, and results of operations should be read in conjunction with the financial statements, notes, and other information contained in this document.

Significant Accounting Policies

Note 1 to the consolidated financial statements included in Huntington's 2001 Annual Report lists significant accounting policies used in the development and presentation of its financial statements. This discussion and analysis, the significant accounting policies, and other financial statement disclosures identify and address key variables and other qualitative and quantitative factors that are necessary for an understanding and evaluation of the organization, its financial position, and results of operations.

Special purpose entities (SPEs)

Huntington utilized two securitization trusts, or SPEs, in 2000 as funding sources. These two trusts had total assets of \$1.1 billion at September 30, 2002. In the securitization transactions, indirect auto loans that Huntington originated were sold to these trusts in exchange for funding collateralized by these loans. Under accounting principles generally accepted in the United States (GAAP), these trusts are not consolidated in Huntington's financial statements. As such, the loans and the funding obtained are not included on Huntington's balance sheets.

The Financial Accounting Standards Board (FASB) issued an Exposure Draft of a proposed Interpretation to ARB No. 51 that establishes accounting guidance for consolidation of SPEs. The proposed Interpretation, *Consolidation of Certain Special-Purpose Entities*, will apply to any business enterprise—both public and private companies—that has an ownership interest, contractual relationship, or other business relationship with an SPE. The comment period on this Exposure Draft concluded August 30, 2002. The objective of this proposed Interpretation is to improve financial reporting by enterprises involved with SPEs—not to restrict the use of SPEs. Current accounting standards require an enterprise to include subsidiaries in which it has a controlling financial interest in its consolidated financial statements. The FASB expects to issue a final Interpretation in the fourth quarter of this year. The accounting guidance would be effective immediately upon issuance of the Interpretation for new SPEs. Companies such as Huntington with SPEs that existed before the issuance of the Interpretation would be required to apply the guidance to the existing SPEs at the beginning of the first fiscal period after March 15, 2003. Because Huntington is a calendar year-end company, it would need to apply the guidance beginning on April 1, 2003. The Exposure Draft, as written, could result in the consolidation of the securitization trust assets and liabilities, results of operations, and cash flows in Huntington’s financial statements.

Derivatives and other off balance sheet arrangements

Huntington uses a variety of derivatives, principally interest rate swaps, in its asset and liability management activities to protect against the risk of adverse interest rate movements on either cash flows or market value of certain assets and liabilities.

Like other financial organizations, Huntington uses various commitments in the ordinary course of business that, under GAAP, are not recorded in the financial statements. Specifically, Huntington makes various commitments to extend credit to customers and to sell loans, and have obligations under operating-type noncancelable leases for its facilities. This, along with other information regarding derivatives, is discussed under the “Interest Rate Risk Management” section of this report and in the notes to the unaudited consolidated financial statements.

Related party transactions

Various directors and executive officers of Huntington are customers of its bank subsidiary, The Huntington National Bank (the Bank), and other subsidiaries, which have conducted transactions with Huntington’s directors and executive officers in the ordinary course of business. Huntington’s directors and executive officers may also be affiliated with entities that are customers of the Bank and Huntington’s other subsidiaries. All transactions with the affiliates of Huntington’s directors and executive officers are conducted in the ordinary course of business. A summary of the indebtedness of management can be found in Note 4 to Huntington’s 2001 Annual Report. All other related party transactions, including those reported in Huntington’s 2002 Proxy Statement and transactions subsequent to December 31, 2001, were considered immaterial to its financial condition, results of operations, and cash flows.

Strategic Refocusing and Other Restructuring

In July 2001, Huntington announced a strategic refocusing plan (the Plan). Key components of the Plan included the intent to sell the Florida banking and insurance operations, the consolidation of numerous non-Florida branch offices, as well as credit-related and other actions to strengthen its balance sheet and financial performance including the use of some of the excess capital to repurchase outstanding common shares. These initiatives were designed to attain more positive revenue and earnings for shareholders and to improve capital efficiency.

The sale of the Florida banking operations to SunTrust Banks, Inc., closed February 15, 2002, and included 143 banking offices and 456 ATMs with approximately \$2.8 billion in loans and other tangible assets, and \$4.8 billion in deposits and other liabilities. The transaction slightly increased Huntington’s sensitivity to rising interest rates. In addition, the net interest margin, tangible equity to assets, and efficiency ratios were favorably impacted.

Huntington's Florida insurance operation, the Orlando-based J. Rolfe Davis Insurance Agency, Inc. (JRD), was sold to members of its management team on July 2, 2002. Huntington remains committed to growing the insurance business in markets served by its retail and commercial banking operations. The JRD sale will not materially affect Huntington's future financial results.

During the first quarter of 2002, \$56.2 million of pre-tax restructuring and special charges (\$36.5 million after-tax, or \$0.14 per share) were recorded related to the Plan. Combined with amounts recorded in 2001, these pre-tax charges totaled \$233.1 million (\$151.5 million after-tax, or \$0.60 per share). In the first quarter of 2002, a pre-tax gain of \$175.3 million (\$56.7 million after-tax, or \$0.23 per share) on the sale of the Florida operations was recorded. Further information regarding the financial impact of the Plan can be found in Notes 6 and 7 to the unaudited consolidated financial statements.

On February 19, 2002, Huntington announced a new share repurchase program authorizing the repurchase of up to 22 million shares. Repurchased shares will be reserved for reissue in connection with Huntington's dividend reinvestment and employee benefit plans, as well as for acquisitions and other corporate purposes. Through the end of September 2002, 15 million shares of common stock had been repurchased under this program, including 6.3 million shares in the third quarter, through open market and privately negotiated transactions.

In August 2002, Huntington restructured its interest in Huntington Merchant Services, L.L.C. (HMS), Huntington's merchant services business, in a transaction with First Data Merchant Services Corporation (First Data), a subsidiary of First Data Corporation. Under the agreement, Huntington extended its long-term merchant services relationship with First Data. In addition, as part of the transaction, First Data obtained all of Huntington's Florida-related merchant business and increased its equity interest in HMS. This transaction resulted in a \$24.5 million pre-tax, non-operating gain (\$16.0 million after tax) in the third quarter of 2002. Huntington remains a nominal equity owner and, going forward, this transaction is not expected to have a material impact on Huntington's financial results.

SUMMARY DISCUSSION OF RESULTS

Huntington reported third quarter 2002 net income of \$98.1 million, or \$0.41 per common share. This compares with net income of \$42.6 million, or \$0.17 per common share, in the year-ago third quarter, and \$82.2 million, or \$0.33 per common share, in the second quarter of 2002. Year-to-date net income in 2002 was \$278.1 million, or \$1.13 per common share, compared with \$112.9 million, or \$0.45 per common share, in the nine-month period a year ago.

Third quarter 2002 operating earnings (*see Basis of Discussion – Operating Earnings below*) were \$82.2 million, or \$0.34 per common share, which excludes the \$24.5 million pre-tax (\$16.0 million after tax) gain on the restructuring of Huntington's ownership interest in HMS as mentioned above. These results were up 1% and 3%, respectively, from second quarter 2002 operating earnings of \$81.7 million, or \$0.33 per common share, and up 2% and 6%, respectively, compared with operating earnings of \$80.9 million, or \$0.32 per common share, in the third quarter a year ago. Prior period operating earnings exclude restructuring and special charges and the impact of the sale of the Florida banking operations and other non-operating items. Operating earnings for the first nine months of 2002 were \$243.4 million, or \$0.99 per common share, up 7% and 9%, respectively, from the comparable prior-year period operating earnings of \$228.0 million, or \$0.91 per common share.

The primary contributing factors to the \$1.3 million, or 2%, increase in operating net income from the year-ago third quarter were higher net interest income and non-interest income, the benefit of which was partially offset by higher provision for loan losses and non-interest expense. Net interest income increased \$19.0 million, or 8%, resulting from a 6% increase in average earnings assets and a 2%, or 9 basis point, increase in the net interest margin to 4.26% from 4.17%. Non-interest income, excluding securities gains, increased \$3.7 million, or 3%, reflecting increases in service charges on deposit accounts, other service charges and fees, and other income, offset by impairment on mortgage servicing rights of \$6.6 million. The provision for loan losses increased \$14.2 million, or 31% from the year-ago quarter. This increase was due to \$7.6 million in higher net charge-offs supplemented by additional provision expense related primarily to the growth in loans. Non-interest expense increased \$6.7 million, or 4%, primarily due to higher personnel costs. Income tax expense increased 2% reflecting the current quarter's higher level of net income.

Return on average equity (ROE) for the third quarter of 2002 was 14.3%, up from 13.5% in the year-ago quarter. Reflecting the growth in assets, the return on average total assets (ROA) declined slightly to 1.26% from 1.30%. Huntington's efficiency ratio (which measures the dollars spent for dollars of revenue generated) improved to 53.1% from 54.0%.

Basis of Discussion – Operating Earnings

Reported results since the second quarter of 2001 have been significantly impacted by a number of non-operating items, primarily related to the strategic restructuring announced in July 2001 and the subsequent sale of the Florida banking operations in the first quarter of 2002. Therefore, to better understand comparable underlying trends and for decision-making purposes, management reviews and analyzes financial results on an operating basis, which leads to a better understanding of underlying trends absent the impact of revenue and costs of such non-operating items. As such, the Results of Operations discussion that follows is presented on an operating basis unless otherwise indicated. In addition to excluding the third quarter 2002 gain from the restructuring of Huntington's ownership interest in HMS, operating earnings in prior periods exclude the impact of restructuring and special charges, the gain from the sale of Florida banking operations and its related run-rate impact from prior periods, the related run-rate impact from the sale of Florida insurance operations, and other non-operating items.

The table on the following page entitled Reconciliation of Reported Earnings to Operating Earnings reconciles reported results with operating results for the third quarter and first nine months of 2002 and 2001. The table on page 20 entitled Selected Quarterly Income Statement Data, excluding Florida Operations shows operating results beginning with the first quarter of 2001 through the current quarter. The Reconciliation of Reported Earnings to Operating Earnings table reflects total pre-tax restructuring and special charges for 2002 of \$56.2 million. This presentation differs from the table presented in Note 7 to the unaudited consolidated financial statements because the table in Note 7 reflects only the pre-tax restructuring and special charges for 2002 related to the Florida operations of \$32.7 million. Because the table in Note 7 was intended only to show the pro forma impact without the Florida operations, non-Florida related restructuring and special charges of \$23.5 million remain included in the "Huntington Pro Forma Without Florida Operations" column of that table.

RESULTS OF OPERATIONS

The Results of Operations discussion that follows is on an operating basis, except as otherwise stated. This is the same basis which management reviews and analyzes results to better understand underlying trends absent non-recurring revenue and cost items. (See Basis of Discussion – Operating Earnings above for an expanded discussion of operating results and reconciliation to reported results.)

Reconciliation of Reported Earnings to Operating Earnings

<i>(in thousands, except per share amounts)</i>	Reported Earnings	Gain on Sale of Florida Operations/ Restructuring and Other Items	Florida Operations	Operating Earnings
For the Three Months Ended September 30, 2002:				
Net interest income	\$ 249,416			\$ 249,416
Provision for loan losses	60,249			60,249
Securities gains	1,140			1,140
Non-interest income	138,242	\$ 24,550	\$ ---	113,692
Non-interest expense	193,723	---	---	193,723
Pre-tax income	134,826	24,550	---	110,276
Income taxes	36,703	8,593	---	28,110
Net income	\$ 98,123	\$ 15,957	\$ ---	\$ 82,166
Net income per common share -- diluted	\$0.41	\$ 0.07	\$ ---	\$0.34
For the Nine Months Ended September 30, 2002:				
Net interest income	\$ 734,100		\$ 9,724	\$ 724,376
Provision for loan losses	169,922		5,186	164,736
Securities gains	2,563		---	2,563
Non-interest income	556,227	\$ 199,894	13,343	342,990
Non-interest expense	649,353	56,184	20,210	572,959
Pre-tax income	473,615	143,710	(2,329)	332,234
Income taxes	195,525	107,482	(804)	88,847
Net income	\$ 278,090	\$ 36,228	\$ (1,525)	\$ 243,387
Net income per common share -- diluted	\$1.13	\$0.15	(\$0.01)	\$0.99
For the Three Months Ended September 30, 2001:				
Net interest income	\$ 249,787		\$ 19,325	\$ 230,462
Provision for loan losses	49,559	\$ ---	3,532	46,027
Securities gains	1,059	---	---	1,059
Non-interest income	129,397	---	19,357	110,040
Non-interest expense	279,707	50,817	41,836	187,054
Pre-tax income	50,977	(50,817)	(6,686)	108,480
Income taxes	8,348	(17,786)	(1,453)	27,587
Net income	\$ 42,629	\$ (33,031)	\$ (5,233)	\$ 80,893
Net income per common share -- diluted	\$0.17	(\$0.13)	(\$0.02)	\$0.32
For the Nine Months Ended September 30, 2001:				
Net interest income	\$ 740,944		\$ 62,581	\$ 678,363
Provision for loan losses	200,518	\$ 71,718	11,127	117,673
Securities gains	634	(5,250)	---	5,884
Non-interest income	375,749	---	58,275	317,474
Non-interest expense	781,090	84,814	122,962	573,314
Pre-tax income	135,719	(161,782)	(13,233)	310,734
Income taxes	22,847	(56,624)	(3,313)	82,784
Net income	\$ 112,872	\$ (105,158)	\$ (9,920)	\$ 227,950
Net income per common share -- diluted	\$0.45	(\$0.42)	(\$0.04)	\$0.91

[Insert Quarterly Income Statements]

Net Interest Income

Net interest income was \$249.4 million in the third quarter of 2002, up \$19.0 million, or 8%, from the year-ago quarter reflecting growth in average earning assets, primarily loans, and the benefit of a higher net interest margin. Earning assets were \$1.2 billion, or 6%, higher than in the same quarter a year ago. Average loans increased 7% after normalizing for residential real estate loan securitizations and the impact of Florida banking operations sold in the first quarter of 2002. Also contributing to the growth in net interest income was a 2%, or a 9 basis point, increase in the net interest margin to 4.26% from 4.17%. The increase in the net interest margin resulted from a substantial reduction in short-term interest rates that lowered Huntington's cost of funds in addition to the maturity in late 2001 of certain interest rate swaps that had negative spreads. Average core deposits were up 12% from the year-ago quarter, reflecting a 43% increase in money market and other interest-bearing deposits and a 4% increase in demand deposits. Growth in core deposits has been influenced, in part, by turbulence in the financial markets, but also by the success of deposit growth programs. (See page 22 for the net interest margin detail and average balance sheets.)

Net interest income for the 2002 third quarter increased \$7.6 million, or 3%, from the immediately preceding quarter. This resulted from a \$797 million, or 4%, increase in average earning assets from growth in both loans and securities, offset by a 4 basis point decrease in the net interest margin to 4.26% from 4.30%. This decrease was driven by a flattening of the yield curve, lower yields on higher quality auto loan and leases originations, a growing residential mortgage portfolio with inherently lower spreads, prepayments of higher yielding mortgage loans, and the increasingly limited ability to lower deposit rates from already low historical absolute levels.

Average loans for the recent three months increased 12% on an annualized basis from the second quarter of 2002. This growth rate is normalized for acquisitions, loan sales, and loan securitizations. During the third quarter of 2002, Huntington securitized \$91 million of residential mortgage loans and retained these securities in its securities available for sale portfolio. Strong consumer loan generation continued to positively affect overall loan growth. Average residential mortgages grew \$81 million, or 81% annualized, with average home equity loans and lines of credit up \$151 million, or 18% annualized. This reflected continued strong demand for residential mortgages, refinancing activity, and the promotion of adjustable mortgage products by Huntington. In addition, average auto loans and leases increased 18% annualized, reflecting a new record level of quarterly production for the Dealer Sales line of business. Commercial real estate loans increased \$93 million, or 10% annualized. These increases were partially offset by a decline in commercial loans of \$112 million, or 8% annualized. Compared with the quarter a year ago, average loans were up 8%. Average core deposits for the third quarter of 2002 increased \$381 million, or 10% annualized, from the second quarter, reflecting strong inflows in both interest bearing and non-interest bearing demand deposits. Within interest bearing deposits, money market accounts showed the strongest growth due to deposit growth programs and a liquidity preference for deposits by customers in response to a volatile equity market. Compared with the year-ago quarter, average core deposits were up 12%. Average rates paid on interest-bearing deposits declined 100 basis points to 2.22% from 3.22% in the third quarter of 2001 and declined 9 basis points from the 2002 second quarter.

For the first nine months of 2002, net interest income was \$724.4 million, up \$46.0 million, or 7%, from the comparable period last year. This reflected a 20 basis point increase in the net interest margin to 4.26% from 4.06%, as average earning assets for the first nine months of 2002 were essentially unchanged from the first nine months a year ago. Comparisons of average earning assets, loans, investment securities, and deposits for the first nine months of 2002 versus the comparable year-ago period reflect the same factors that affected third quarter comparisons.

Provision for Loan Losses

The provision for loan losses is the expense necessary to maintain the allowance for loan losses (ALL) at a level adequate to absorb management's estimate of inherent losses in the total loan portfolio. Taken into consideration by management are such factors as current period net charge-offs, which are charged against the ALL, current period loan growth and any related estimate of likely losses associated with that growth based on historical experience, the current economic outlook and any anticipated impact on credit quality of existing loans, and other factors. The provision expense in the third quarter of 2002 was \$60.2 million, up \$14.2 million, or 31%, from the year-ago quarter. This increase was the result of higher levels of net charge-offs and loan growth. The September 30, 2002, ALL as a percent of period-end loans was 2.00%, significantly higher than 1.77% at the end of the third quarter last year. The allowance for loan losses as a percent of non-performing assets (NPAs) increased in the third quarter 2002 to 191% from 176% in the second quarter 2002 and 166% from the third quarter 2001. (See Credit Risk section for discussion of the ALL, Net charge-offs, and NPAs.)

Provision expense in the third quarter was up \$6.4 million, or 12%, from the second quarter of 2002 and exceeded net charge-offs by \$16.5 million. Net charge-offs were \$43.7 million in the recent three months compared with \$44.9 million for the immediately preceding quarter. For the first nine months, the provision for loan losses was \$164.7 million for 2002, up \$47.1 million, or 40%, from \$117.7 million in 2001, reflecting the same factors that affected third quarter comparisons.

[Insert Margin Detail]

Non-Interest Income Before Securities Gains

Non-interest income, before securities gains, for the third quarter of 2002 was \$113.7 million, up \$3.7 million, or 3%, from the year-ago quarter despite a \$7.6 million, or 55%, decline in mortgage banking income. This reduction in mortgage banking income reflected a \$6.6 million impairment of mortgage servicing rights in the third quarter of 2002 and, to a lesser extent, a decision by management to retain a higher percentage of originated residential mortgage loans in the portfolio rather than sell the loans in the secondary market. Excluding mortgage banking income, third quarter 2002 non-interest income was up \$11.2 million, or 12%, from the same period last year. The following table reflects non-interest income detail for the three and nine months ended September 30, 2002 and 2001:

Non-Interest Income

(in thousands of dollars)

	Three Months Ended September 30,		
	2002	2001	% Change
Service charges on deposit accounts	\$ 37,460	\$ 33,593	11.5 %
Trust services	14,997	14,816	1.2
Brokerage and insurance income	13,943	13,943	---
Bank Owned Life Insurance income	11,443	9,560	19.7
Other service charges and fees	10,837	9,547	13.5
Mortgage banking	6,289	13,859	(54.6)
Other	18,723	14,722	27.2
Total Non-Interest Income Before Securities Gains	113,692	110,040	3.3
Securities gains	1,140	1,059	7.7
Total Non-Interest Income	\$ 114,832	\$ 111,099	3.4 %

	Nine Months Ended September 30,		
	2002	2001	% Change
Service charges on deposit accounts	\$ 107,096	\$ 97,386	10.0 %
Trust services	46,340	42,917	8.0
Brokerage and insurance income	43,497	39,360	10.5
Bank Owned Life Insurance income	34,562	28,681	20.5
Other service charges and fees	30,484	27,345	11.5
Mortgage banking	36,658	40,769	(10.1)
Other	44,353	41,016	8.1
Total Non-Interest Income Before Securities Gains	342,990	317,474	8.0
Securities gains	2,563	5,884	(56.4)
Total Non-Interest Income	\$ 345,553	\$ 323,358	6.9 %

Most of the remaining non-interest income categories experienced growth from the year-ago quarter. This included a \$3.9 million, or 12%, increase in deposit service charges driven primarily by growth in deposits, improvements in pricing structure, and higher corporate maintenance fees due to lower credit given for compensating balances. Trust services income was up slightly reflecting the positive impact of the acquisition of Haberer Registered Investment Advisors, Inc. (Haberer) in the second quarter of this year, offset partially by a decline in investment banking fees. Brokerage and insurance income was unchanged from the same quarter a year ago. Though retail investment sales in the third quarter of 2002 were up 36% from the same period last year, this \$2.7 million benefit was offset by a \$2.4 million decline in investment banking fees due to the weaker equity markets, as well as lower insurance fees. Other service charges and fees increased \$1.3 million, or 14%, reflecting increased debit card transaction and ATM usage fees. Other non-interest income increased \$4.0 million, or 27%, resulting from a combination of higher auto lease early termination fees, securitization income, trading profits, and letter-of-credit, collection and exchange fees.

Non-interest income, excluding securities gains, was down \$0.6 million, or 1%, from the second quarter of 2002. This reflected a \$4.4 million decline in mortgage banking income as a result of the aforementioned impairment related to mortgage servicing rights. Excluding mortgage banking, non-interest income was up \$3.8 million, or 4%, from the second quarter of 2002 driven primarily by a \$2.1 million, or 6%, increase in deposit service charges due primarily to improvements in rate structures. Trust services income was down \$1.3 million, or 8%, while brokerage and insurance income was down \$1.0 million, or 7%. Both declines were driven by weak equity market conditions. Other non-interest income was up \$3.7 million from the second quarter of 2002 reflecting an increase in income from trading activities and customer derivative sales.

For the first nine months of 2002, non-interest income before securities gains was up \$25.5 million, or 8% from the comparable year-ago period, reflecting the same factors that affected third quarter comparisons. Excluding mortgage banking income, non-interest income increased \$29.6 million, or 11%.

Securities Gains

Securities gains in the third quarter of 2002 were \$1.1 million, comparable with the year-ago quarter and up slightly from the second quarter of 2002. For the first nine months of 2002, securities gains were \$2.6 million, down from \$5.9 million in the same period last year.

Non-Interest Expense

Non-interest expense in the third quarter of 2002 was up \$6.7 million, or 4%, from the year-ago quarter. This included a \$2.4 million decline in amortization of intangible assets from implementing SFAS No. 142, described more fully in Note 4 to the unaudited consolidated financial statements. The following table reflects non-interest expense detail for the three and nine months ended September 30, 2002 and 2001:

Non-Interest Expense			
<i>(in thousands of dollars)</i>			
	Three Months Ended September 30,		
	2002	2001	% Change
Personnel costs	\$ 107,477	\$ 101,866	5.5 %
Equipment	17,378	17,580	(1.1)
Outside data processing and other services	15,128	14,650	3.3
Net occupancy	14,815	14,481	2.3
Marketing	7,491	5,717	31.0
Professional services	6,083	5,754	5.7
Telecommunications	5,609	5,728	(2.1)
Printing and supplies	3,679	3,693	(0.4)
Franchise and other taxes	2,283	2,439	(6.4)
Amortization of intangible assets	204	2,569	(92.1)
Other	13,576	12,577	7.9
Total Non-Interest Expense	\$ 193,723	\$ 187,054	3.6 %
	Nine Months Ended September 30,		
	2002	2001	% Change
Personnel costs	\$ 315,386	\$ 304,869	3.4 %
Equipment	49,568	52,446	(5.5)
Outside data processing and other services	48,817	43,872	11.3
Net occupancy	44,228	43,804	1.0
Marketing	21,884	21,356	2.5
Professional services	17,590	17,028	3.3
Telecommunications	16,193	17,644	(8.2)
Printing and supplies	10,869	11,479	(5.3)
Franchise and other taxes	6,922	6,784	2.0
Amortization of intangible assets	658	8,490	(92.2)
Other	40,844	45,542	(10.3)
Total Non-Interest Expense	\$ 572,959	\$ 573,314	(0.1) %

Personnel costs for the third quarter of 2002 were up \$5.6 million, or 6%, over the same three months last year. This reflected higher staffing in the Regional Banking line of business, particularly in the mortgage origination and credit workout areas. The increase was also due to higher production-related compensation supporting the levels of auto loan and lease production in the third quarter of 2002.

The following table reflects the number of full-time equivalent staff at the end of each period shown. Approximately 1,200 full-time equivalent staff were associated with the Florida banking operations sold in the first quarter of 2002. The 225 full-time equivalent decrease in staff from March 31, 2002, to September 30, 2002, reflected planned staff reductions, primarily Florida-related operations support staff located outside the state of Florida that were not part of the banking operations sold.

	2002			2001	
	Third	Second	First	Fourth	Third
<u>Number of employees (full-time equivalent)</u>					
Total Huntington	8,117	8,174	8,342	9,743	9,719
Florida operations sold	---	---	---	1,222	1,232
Huntington, excluding Florida operations sold	8,117	8,174	8,342	8,521	8,487

Outside data processing and other services expense increased 3% from the prior year quarter, reflecting higher processing expenses related to Huntington's loan and deposit products. On a combined basis, occupancy and equipment costs were up slightly from the quarter a year ago. This reflected higher depreciation associated with new customer-delivery investments including a new on-line banking platform launched in the first quarter of this year, costs associated with the implementation of a new Customer Service System to assist personal bankers in branches in providing quicker and more comprehensive customer service, as well as enhanced product sales capabilities, and mainframe infrastructure upgrades. This higher depreciation for technology investments was partially offset by lower depreciation and building maintenance costs primarily related to planned branch consolidations. Marketing expense was up \$1.8 million, or 31%, reflecting implementation of new company-wide marketing campaigns.

Non-interest expense for the third quarter of 2002 was up a \$3.5 million, or 2%, from the second quarter of this year driven by a \$3.9 million increase in personnel costs, primarily related to building the Regional Banking line of business and increases related to higher production levels in Dealer Sales. Equipment and occupancy costs were up a combined \$0.9 million. These increases were partially offset by a \$1.5 million decrease in outside data processing and other services.

For the first nine months of 2002, non-interest expense was down slightly over the same period last year. Increases in personnel costs and outside data processing and other services were more than offset by declines in the amortization of intangible assets and other non-interest expense. The prior year's other non-interest expense for nine months included a \$4.2 million loss on \$15 million of Pacific Gas & Electric commercial paper investment.

The efficiency ratio, which expresses non-interest expenses (excluding amortization of intangible assets) as a percentage of revenues on a tax-equivalent basis (before gains on securities transactions), improved to 53.1% in the third quarter of 2002 from 54.0% in the year-ago quarter. The combination of the 7% increase in tax-equivalent revenues compared with the lesser 4% increase in non-interest expenses positively affected the efficiency ratio. The efficiency ratio was 53.2% in the second quarter of 2002.

Income Taxes

The provision for income taxes in the third quarter of 2002 was \$36.7 million on reported income before taxes and represented an effective tax rate of 27.2%. This compares to income taxes in the year-ago quarter of \$8.3 million, or 16.4% of reported income before taxes.

Huntington's income taxes on pre-tax operating earnings in the third quarter 2002 was \$28.1 million, or 25.5%, essentially unchanged from \$27.6 million, or 25.4%, in the same quarter last year, but down from \$31.3 million, or 27.7%, in the second quarter of 2002. Each quarter, estimates of taxes for the full year are updated and adjustments to the year-to-date tax accruals are made. Such adjustments can result in fluctuations of quarterly effective tax rates. For the first nine months of 2002, the effective tax rate was 26.7%, essentially unchanged from 26.6% for the comparable 2001 period.

CREDIT RISK

Credit risk exposure is managed through the use of consistent underwriting standards, policies that limit exposure to higher risk credits (e.g. highly leveraged transactions), and a strategy of diversification of exposure by industry sector or other concentrations. The credit administration function employs extensive credit risk management techniques, including forecasting, to ensure loans adhere to corporate policy and problem loans are promptly identified. The loss forecasting process is performed on a monthly basis to ensure that all changes in the portfolio's composition and performance are incorporated. These procedures provide executive management with the information necessary to implement policy adjustments where necessary, and take corrective actions on a proactive basis. Management has focused its commercial lending to customers with existing or expandable relationships with the Bank. As a result, outstanding shared national credits declined to \$1.0 billion at September 30, 2002, from \$1.4 billion at the same period-end last year.

Loan Composition

The following table shows the period-end reported loan portfolio by loan type and business segment, with the latter including a separate line indicating loans sold with the Florida banking operations in the first quarter of 2002:

<i>(in millions of dollars)</i>	September 30, 2002		December 31, 2001		September 30, 2001	
	Balance	%	Balance	%	Balance	%
By Type						
Commercial	\$ 5,684	27.8	\$ 6,439	29.8	\$ 6,656	30.8
Commercial real estate	3,769	18.4	3,976	18.4	3,858	17.9
Total Commercial and Commercial Real Estate	9,453	46.2	10,415	48.2	10,514	48.7
Consumer						
Auto leases - Indirect	3,206	15.7	3,208	14.9	3,221	14.9
Auto loans - Indirect	2,907	14.2	2,883	13.3	2,885	13.4
Home equity	3,135	15.3	3,582	16.6	3,521	16.3
Residential mortgage	1,355	6.6	971	4.5	859	4.0
Other loans	400	2.0	543	2.5	584	2.7
Total Consumer	11,003	53.8	11,187	51.8	11,070	51.3
Total Loans	\$ 20,456	100.0	\$ 21,602	100.0	\$ 21,584	100.0
By Business Segment						
Regional Banking						
Central Ohio / West Virginia	\$ 4,778	23.4	\$ 4,264	19.7	\$ 4,348	20.1
Northern Ohio	2,771	13.5	2,694	12.5	2,792	12.9
Southern Ohio / Kentucky	1,456	7.1	1,327	6.1	1,323	6.1
West Michigan	1,826	8.9	1,837	8.5	1,851	8.6
East Michigan	1,136	5.6	937	4.3	886	4.1
Indiana	683	3.3	696	3.2	683	3.2
Total Regional Banking	12,650	61.8	11,755	54.3	11,883	55.0
Dealer Sales	6,715	32.8	6,239	29.0	6,327	29.4
Private Financial Group	972	4.8	763	3.5	676	3.1
Treasury / Other	119	0.6	122	0.6	60	0.3
Total Loans excluding Florida	20,456	100.0	18,879	87.4	18,946	87.8
Florida	---	---	2,723	12.6	2,638	12.2
Total Loans	\$ 20,456	100.0	\$ 21,602	100.0	\$ 21,584	100.0

Net Charge-offs

In the second quarter of 2001, as part of the strategic restructuring plan, a decision was made to exit the sub-prime automobile lending business, as well as truck and equipment lending business. At that time, special credit loss reserves were established to cover the inherent losses in those portfolios and against which related loan losses have been charged.

Excluding charge-offs related to these exited businesses, net charge-offs in the third quarter of 2002 were \$41.8 million and represented an annualized 0.83% of average loans. This was up from \$28.9 million, or an annualized 0.62% of average loans, in the same quarter a year ago, but down slightly from \$42.5 million, or an annualized 0.88% of average loans, in the second quarter of 2002.

The \$12.9 million increase in net charge-offs from the year-ago quarter was comprised of a \$12.1 million increase in commercial and commercial real estate net charge-offs and a \$0.8 million increase in consumer net charge-offs. The increase in commercial and consumer net charge-offs reflected the impact of the weakened economy. Auto lease and loan losses were \$17.0 million for the recent three months compared with \$15.7 million for the third quarter last year and \$14.1 million for the immediately preceding quarter. Losses on home equity loans and lines of credit were \$2.9 million, \$3.8 million, and \$3.1 million for the same respective periods.

The following table reflects net charge-offs and annualized charge-offs as a percent of average loans by type of loan:

<i>(in thousands)</i>	2002			2001	
	Third	Second	First	Fourth	Third
Net Charge-offs by Loan Type					
Commercial	\$ 16,808	\$ 21,468	\$ 16,092	\$ 19,475	\$ 8,755
Commercial real estate	4,085	2,037	3,723	867	3
Total commercial and commercial real estate	20,893	23,505	19,815	20,342	8,758
Consumer					
Auto leases	10,117	8,401	12,809	12,634	10,395
Auto loans	6,869	5,733	8,888	8,474	5,351
Total auto leases and loans	16,986	14,134	21,697	21,108	15,746
Home equity loans & lines of credit	2,934	3,096	2,814	3,313	3,772
Residential mortgage	123	555	104	370	93
Other loans	907	1,225	1,098	1,388	527
Total consumer	20,950	19,010	25,713	26,179	20,138
Total net charge-offs, excluding exited businesses	41,843	42,515	45,528	46,521	28,896
Net charge-offs related to exited businesses	1,857	2,385	3,748	3,628	7,186
Total Net Charge-offs	\$ 43,700	\$ 44,900	\$ 49,276	\$ 50,149	\$ 36,082
Net Charge-offs as a % of Average Loans					
Commercial	1.21%	1.53%	1.15%	1.34%	0.58%
Commercial real estate	0.43%	0.22%	0.42%	0.10%	0.00%
Total commercial and commercial real estate	0.90%	1.02%	0.87%	0.88%	0.38%
Consumer					
Auto leases	1.27%	1.08%	1.64%	1.55%	1.27%
Auto loans	1.01%	0.92%	1.47%	1.43%	0.93%
Total auto leases and loans	1.15%	1.01%	1.57%	1.50%	1.13%
Home equity loans & lines of credit	0.38%	0.43%	0.41%	0.48%	0.55%
Residential mortgage	0.04%	0.18%	0.05%	0.22%	0.06%
Other loans	0.91%	1.22%	1.09%	1.29%	0.46%
Total consumer	0.78%	0.75%	1.07%	1.10%	0.86%
Total Net Charge-offs	0.83%	0.88%	0.97%	0.99%	0.62%
Total Net Charge-offs - Including Exited Businesses	0.87%	0.92%	1.05%	1.06%	0.76%

Despite a decline in consumer delinquencies in recent months and the continued positive impact from higher quality auto loan and lease originations over the last several quarters, management believes consumer net charge-offs could increase slightly in the next one or two quarters given the most recent increase in net charge-offs and normal seasonal patterns. Management made a decision approximately two years ago to strengthen the underwriting criteria and credit score mix of new auto loan and lease originations. Management's outlook for commercial net charge-offs is for gradual improvement into 2003. This expected improvement could be mitigated, however, if in the short run opportunities exist to accelerate the resolution of certain troubled credits.

Non-Performing Assets

Non-performing assets (NPAs) consist of loans that are no longer accruing interest, loans that have been renegotiated to below market rates based upon financial difficulties of the borrower, and real estate acquired through foreclosure. Commercial and commercial real estate loans stop accruing interest when collection of principal or interest is in doubt or generally when the loan is 90 days past due. When interest accruals are suspended, accrued interest income is reversed with current year accruals charged to earnings and prior year amounts generally charged off as a credit loss. Consumer loans are not placed on non-accrual status but are charged off in accordance with regulatory statutes, which is generally no more than 120 days past due, unless the loan is secured by real estate.

The following table summarizes NPAs at the end of each of the recent five quarters in addition to 90 day past due information, excluding NPAs and past due information related to the Florida operations:

<i>(in thousands)</i>	2002			2001	
	Third	Second	First	Fourth	Third
Non-accrual loans:					
Commercial	\$ 147,392	\$ 156,252	\$ 162,959	\$ 155,720	\$ 143,132
Commercial real estate	47,537	45,795	43,295	45,180	37,772
Residential mortgage	8,488	8,776	11,896	11,086	10,923
Total Nonaccrual Loans	203,417	210,823	218,150	211,986	191,827
Renegotiated loans	37	1,268	1,268	1,276	1,286
Total Non-Performing Loans	203,454	212,091	219,418	213,262	193,113
Other real estate, net	10,675	11,146	6,112	6,384	8,050
Total Non-Performing Assets	\$ 214,129	\$ 223,237	\$ 225,530	\$ 219,646	\$ 201,163
Non-performing loans as a % of total loans	0.99%	1.08%	1.13%	1.13%	1.02%
Non-performing assets as a % of total loans and other real estate	1.05%	1.14%	1.17%	1.16%	1.06%
Accruing loans past due 90 days or more	\$ 68,262	\$ 58,449	\$ 61,746	\$ 76,295	\$ 79,339

Total NPAs were \$214.1 million at September 30, 2002, up from \$201.2 million at the end of the same quarter last year, but down from \$223.2 million at the end of the second quarter of this year. The overall increase in NPAs from a year ago was primarily due to the weakened Midwest economic environment, particularly in the manufacturing and service sectors. NPAs as a percent of total loans and other real estate were 1.05% at September 30, 2002, compared with 1.06% a year ago and 1.14% at June 30, 2002.

Loans past due ninety days and still accruing interest at the end of the third quarter of 2002 were \$68.3 million and represented 0.33% of total loans. This was down from \$79.3 million, or 0.42% of total loans, at September 30, 2001, but up slightly from \$58.4 million, or 0.30% of total loans, at the end of the second quarter this year. The following table reflects the change in NPAs for the recent five quarters, but in contrast to the data in the table above includes NPAs in the Florida operations to the date of their sale in the 2002 first quarter:

<i>(in thousands)</i>	2002			2001	
	Third	Second	First	Fourth	Third
Beginning of Period	\$ 223,237	\$ 225,530	\$ 227,493	\$ 210,061	\$ 165,985
New non-performing assets	47,219	73,002	74,446	85,986	94,990
Acquired	56	---	---	---	---
Loan losses	(25,480)	(28,297)	(26,072)	(34,580)	(12,480)
Payments	(26,308)	(44,303)	(37,663)	(28,315)	(34,219)
Sales	(4,154)	(2,358)	(8,925) ⁽¹⁾	(4,131)	(3,331)
Other	(441)	(337)	(3,749)	(1,528)	(884)
End of Period	\$ 214,129	\$ 223,237	\$ 225,530	\$ 227,493	\$ 210,061

⁽¹⁾ Includes \$6.5 million related to the sale of the Florida operations.

A major contributing factor to the decline in NPAs in the third quarter of 2002 was the significant decrease in new non-performing assets. New non-performing assets in the third quarter of 2002 totaled \$47.2 million, down 35% from the 2002 second quarter level. Subsequent to the end of the 2002 third quarter, a company in the medical payments business, to whom Huntington has \$30 million credit exposure, disclosed irregularities in one of their public securitizations. It is not yet clear what impact, if any, this will have on the credit risk or NPA status of this credit.

Allowance for Loan Losses

The ALL was \$408.4 million at September 30, 2002, up from \$334.8 million at the end of the third quarter of 2001, and \$393.0 million at June 30, 2002. The ALL represented 2.00% of total loans at September 30, 2002, up from 1.77% at the end of the third quarter last year, but unchanged from June 30, 2002. The period-end ALL was 191% of NPAs at September 30, 2002, compared with 166% a year ago and 176% at June 30, 2002.

The following table reflects the activity in the ALL for the recent five quarters, excluding the activity in the Florida operations and the ALL of \$22.3 million related to \$2.8 billion of loans sold in conjunction with the sale of Florida during the first quarter of 2002.

<i>(in thousands)</i>	2002			2001	
	Third	Second	First	Fourth	Third
Allowance for Loan Losses,					
Beginning of Period	\$ 393,011	\$ 386,053	\$ 386,956	\$ 334,827	\$ 326,495
Loan losses	(56,591)	(57,482)	(60,191)	(60,110)	(45,063)
Recoveries	12,891	12,582	10,915	9,961	8,981
Net loan losses	(43,700)	(44,900)	(49,276)	(50,149)	(36,082)
Provision for loan losses	60,249	53,892	50,595	104,281	46,027
Allowance of purchased loans	1,264	---	---	---	---
Allowance of securitized loans	(2,446)	(2,034)	(2,222)	(2,003)	(1,613)
Allowance for Loan Losses,					
End of Period	\$ 408,378	\$ 393,011	\$ 386,053	\$ 386,956	\$ 334,827
Allowance for loan losses as a % of total loans	2.00%	2.00%	2.00%	2.05%	1.77%
Allowance for loan losses as a % of non-performing loans	201%	185%	176%	181%	173%
Allowance for loan losses as a % of non-performing assets	191%	176%	171%	176%	166%

The provision for loan losses for the fourth quarter of 2001 included \$50.0 million of charges to increase the loan loss reserve in light of the higher net charge-offs and non-performing assets experienced in the second six months of 2001 and the general deterioration evident in the economy.

The ALL is allocated to each loan category based on expected losses. Expected losses are a function of the likelihood of default and the loss in the event of default. A continuous assessment of credit quality is based on portfolio risk characteristics and other relevant factors such as historical performance, internal controls, and impacts from mergers and acquisitions. For the commercial and commercial real estate credits, expected loss factors are assigned by credit grade at the individual loan level and are continuously reviewed for accuracy. The aggregation of these factors represents management's estimate of the inherent loss. The portion of the allowance allocated to the more homogeneous consumer loan segments is determined by developing expected loss ratios based on the risk characteristics of the various segments and giving consideration to existing economic conditions and trends.

Projected loss ratios incorporate factors such as trends in past due and non-accrual amounts, recent loan loss experience, current economic conditions, risk characteristics, and concentrations of various loan categories. Actual loss ratios experienced in the future, however, could vary from those projected as a loan's performance is a function of not only economic factors but also other factors unique to each customer. The dollar exposure could significantly vary from estimated amounts due to losses from large dollar single client exposures, industry, product, or geographic concentrations, or changes in general economic conditions. To ensure adequacy to a higher degree of confidence, a portion of the ALL is considered unallocated. While amounts are allocated to various portfolio segments, the total ALL, excluding impairment reserves prescribed under provisions of Statement of Financial Accounting Standard No. 114, is available to absorb losses from any segment of the portfolio. Unallocated reserves are based on levels of criticized/classified assets, delinquencies in the accruing loan portfolios, the level of non-performing loans, and general economic conditions and volatility. Total unallocated reserves were 14% and 11% at September 30, 2002 and 2001, respectively.

INTEREST RATE RISK MANAGEMENT

Huntington seeks consistent income growth by managing the sensitivity of net interest income and the market value of the bank to changes in market interest rates. The Board of Directors and Asset and Liability Management Committee (ALCO) oversee financial risk management by establishing broad policies and specific operating limits that govern a variety of financial risks inherent in our operations, including liquidity, counterparty, settlement, and market risks.

Market risk is the potential for declines in the fair value of financial instruments due to changes in interest rates, exchange rates, and equity prices. Interest rate risk is Huntington's primary market risk. It results from timing differences in the repricing and maturity of assets and liabilities and changes in relationships between market interest rates and the rates on the bank's assets and liabilities, including the impact of embedded options.

Interest rate risk management is a dynamic process that encompasses new business flows onto the balance sheet, wholesale investment and funding, and the changing market and business environment. Effective management of interest rate risk begins with appropriately diversified investments and funding sources. To accomplish overall balance sheet objectives, Huntington regularly accesses money, bond, futures, and options markets, as well as trading exchanges. In addition, Huntington contracts with dealers in over-the-counter financial instruments for interest rate swaps. ALCO regularly monitors position concentrations and the level of interest rate sensitivity to ensure compliance with approved risk tolerances.

Interest rate risk modeling is performed monthly. An income simulation model is used to measure the sensitivity of forecasted net interest income to changes in market rates. Market value risk (referred to as Economic Value of Equity, or EVE) is measured using a static balance sheet. The model used for these measurements takes into account prepayment speeds on mortgage loans, mortgage-backed securities, and consumer installment loans, as well as cash flows of loans and deposits. Balance sheet growth assumptions are also considered in the income simulation model. Moreover, the model incorporates the effects of embedded options, such as interest rate caps, floors, and call options, and accounts for changes in relationships among interest rates.

The baseline scenario for the income simulation, with which all others are compared, is based on market interest rates implied by the shape of the prevailing yield curve. Alternative market rate scenarios are then employed to determine their impact on the baseline scenario. These include spot rates remaining unchanged for the entire measurement period; parallel rate shifts on both a gradual and immediate basis; as well as movements in rates that alter the shape of the yield curve. Scenarios are also developed to measure basis risk, such as the impact of LIBOR-based rates rising or falling faster than the Prime rate.

When evaluating short-term interest rate risk exposure, Huntington uses for its primary measurement a scenario that calls for a parallel shift of the yield curve with all rates increasing gradually by 200 basis points during the next year. At the end of the third quarter of 2002, that scenario would generate net interest income 0.5% lower than the internal forecast of net interest income over the same time period using the current level of forward rates. That compares with a 1.3% decline in net interest income generated by the same 200 basis point scenario at the end of the second quarter. Management believes further declines in market rates would also put modest downward pressure on net interest income, resulting from the implicit floors in the bank's non-maturity deposits.

Net interest income and the net interest margin have been adversely impacted in recent months by: (1) the flattening of the yield curve; (2) the lower net interest margin on the higher quality auto loan and lease originations; (3) the rapid growth of lower margin residential adjustable-rate mortgage loans retained on the balance sheet; (4) heavy repayments of residential mortgage loans and mortgage-backed securities; and (5) fixed-rate consumer loan repayments being reinvested at lower market rates. Net interest income will continue to be adversely affected by these factors, should they continue in the future.

The bank's primary measurement for EVE risk assumes an immediate and parallel increase in rates of 200 basis points. At September 30, 2002, the model indicated that such an increase in rates would be expected to reduce the EVE by 3.8% and compares with an estimated negative impact of 3.0% at June 30, 2002.

The model is a useful but simplified representation of the bank's underlying risk profile. Simulations reflect choices of statistical techniques, functional forms, model parameters, and numerous uncertain assumptions. Nonetheless, experience has demonstrated and management believes that the model provides reliable guidance for measuring and managing interest rate sensitivity.

LIQUIDITY

Effectively managing liquidity involves meeting the cash flow requirements of depositors and borrowers, as well as satisfying the operating cash needs of the organization to fund corporate expansion and other activities. ALCO establishes guidelines and regularly monitors the overall liquidity position of the business and ensures that various alternative strategies exist to cover unanticipated events. Furthermore, ALCO policies and/or guidelines ensure that wholesale funding sources are diversified in order to avoid concentration in any one market source. Management believes sufficient liquidity was available at the end of the recent quarter to meet estimated funding needs.

Core deposits, which include non-interest bearing and interest bearing demand deposits, savings accounts, and other domestic time deposits including certificates of deposit under \$100,000 and IRAs, satisfy a majority of Huntington's funding needs. Funding sources other than core deposits include the sale or borrowings against the investment securities portfolio, the securitization and sale of loans, the ability to acquire national market non-core deposits, collateralized borrowings such as Federal Home Loan Bank advances, and the issuance of notes and common and preferred securities in the capital markets.

The following table shows the composition of deposits by type of deposit and by business segment, with the latter including a separate line indicating deposits sold with the Florida banking operations in the first quarter of 2002:

<i>(in millions of dollars)</i>	September 30, 2002		December 31, 2001		September 30, 2001	
By Type	Balance	%	Balance	%	Balance	%
Demand deposits						
Non-interest bearing	\$ 2,949	17.2	\$ 3,635	18.0	\$ 3,464	17.3
Interest bearing	5,204	30.4	5,723	28.4	5,302	26.4
Savings deposits	2,849	16.6	3,466	17.2	3,459	17.2
Other domestic time deposits	4,071	23.8	5,868	29.1	6,035	30.1
Total Core Deposits	15,073	88.0	18,692	92.7	18,260	91.0
Domestic time deposits of						
\$100,000 or more	754	4.4	1,131	5.6	1,315	6.6
Brokered time deposits and negotiable CDs	979	5.7	138	0.7	129	0.6
Foreign time deposits	312	1.9	226	1.0	367	1.8
Total Deposits	\$ 17,118	100.0	\$ 20,187	100.0	\$ 20,071	100.0
By Business Segment						
Regional Banking						
Central Ohio / West Virginia	\$ 5,620	32.8	\$ 5,217	25.8	\$ 4,923	24.5
Northern Ohio	3,552	20.7	3,256	16.1	3,190	15.9
Southern Ohio / Kentucky	1,346	7.9	1,291	6.4	1,336	6.7
West Michigan	2,420	14.1	2,227	11.0	2,331	11.6
East Michigan	1,938	11.3	1,895	9.4	1,968	9.8
Indiana	658	3.8	578	2.9	558	2.8
Total Regional Banking	15,534	90.6	14,464	71.6	14,306	71.3
Dealer Sales	48	0.3	82	0.4	90	0.4
Private Financial Group	773	4.5	717	3.6	757	3.8
Treasury / Other	763	4.6	256	1.3	325	1.6
Total Deposits excluding Florida	17,118	100.0	15,519	76.9	15,478	77.1
Florida	---	---	4,668	23.1	4,593	22.9
Total Deposits	\$ 17,118	100.0	\$ 20,187	100.0	\$ 20,071	100.0

The sale of the Florida operations required additional wholesale borrowings of \$1.2 billion, after receipt of the premium on deposits sold. To help mitigate this funding, management actively grew core deposits over the last twelve months to reduce its dependence on non-core funding. To further enhance liquidity, Huntington initiated a \$6 billion domestic bank note program in April of 2002 and has subsequently utilized this program that replaced an older facility of the same size. In addition to the domestic bank note program, Huntington has a \$2 billion Euronote program and a medium-term note program issued from Huntington's parent company.

CAPITAL

Capital is managed at each legal subsidiary based upon the respective risks and growth opportunities, as well as regulatory requirements. Huntington places significant emphasis on the maintenance of strong capital, which promotes investor confidence, provides access to the national markets under favorable terms, and enhances business growth and acquisition opportunities. The importance of managing capital is also recognized and management continually strives to maintain an appropriate balance between capital adequacy and returns to shareholders.

Shareholders' equity declined \$12 million during the third quarter of 2002 from the end of the previous quarter and \$77 million from December 31, 2001, and \$65 million from September 30, 2001. Increases to shareholders' equity reflecting higher net earnings, equity issued for acquisitions, and the positive mark to market of securities available for sale for 2002 was more than offset by dividends of \$117.7 million, and repurchases of common shares of \$294.3 million. Activity related to shareholders' equity can be found on page 5 of this report. Average shareholders' equity in the third quarter of 2002 declined a modest 3% and 4% from the second quarter of 2002 and the third quarter of 2001, respectively.

In February 2002, the Board of Directors authorized a new share repurchase program for up to 22 million shares and cancelled an earlier authorization. Repurchased shares will be reserved for reissue in connection with dividend reinvestment and employee benefit plans as well as for acquisitions and other corporate purposes. Through the end of September 2002, 15 million shares of common stock had been repurchased through open market and privately negotiated transactions.

During the third quarter of 2002, Huntington acquired LeaseNet Group, Inc. (LeaseNet), a \$90 million leasing company located in Dublin, Ohio. Huntington paid cash to LeaseNet shareholders and reissued 835,035 shares of its common stock, all of which were purchased in the open market prior to the acquisition. During the second quarter of 2002, Huntington acquired Haber Investment Advisor, Inc. (Haber), a Cincinnati-based registered investment advisory firm with approximately \$500 million in assets under management. Huntington paid cash to Haber shareholders and reissued 202,695 shares of its common stock, all of which were purchased in the open market prior to the acquisition.

Cash dividends that were declared in the third and four prior quarters along with common stock prices (based on NASDAQ intra-day and closing stock price quotes) were as follows:

	2002			2001	
	Third	Second	First	Fourth	Third
High	\$ 20.430	\$ 21.770	\$ 20.310	\$ 17.490	\$ 19.280
Low	16.000	18.590	16.660	14.510	15.150
Close	18.190	19.420	19.700	17.190	17.310
Average Closing Price	19.142	20.089	18.332	16.269	17.696
Cash dividends declared	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16	\$ 0.16

The ratio of average equity to average assets in the third quarter of 2002 was 8.84% versus 9.60% a year ago. On a year to date basis, the ratio of average equity to average assets was 9.26% and 9.55% for the first nine months of 2002 and 2001, respectively.

On a reported basis, tangible period-end equity to period-end assets, which excludes intangible assets, was 8.00% at the end of September 2002, up significantly from 6.08% a year earlier, but down from 8.51% at the end of June 2002. The change in the tangible equity to asset ratio from the year-ago period reflected the capital generated from the sale of the Florida operations offset by the subsequent share repurchase program in the first nine months of 2002. Management estimates the continuation of the share repurchase program in the last quarter of 2002 at current repurchase levels would reduce the ratio to a range of 7.50% to 7.75% by year-end 2002. Management has previously indicated its intent to maintain a minimum tangible equity to asset ratio of 6.50%

Risk-based capital guidelines established by the Federal Reserve Board set minimum capital requirements and require institutions to calculate risk-based capital ratios by assigning risk weightings to assets and off-balance sheet items, such as interest rate swaps, loan commitments, and securitizations. These guidelines further define "well-capitalized" levels for Tier 1, total capital, and leverage ratio purposes at 6%, 10%, and 5%, respectively. Huntington's Tier 1 risk-based capital ratio, total risk-based capital ratio, leverage ratio, and risk-adjusted assets for the recent five quarters were as follows:

<i>(in millions)</i>	2002			2001	
	Third	Second	First	Fourth	Third
Total Risk-Adjusted Assets	\$ 26,343	\$ 25,309	\$ 24,954	\$ 27,896	\$ 27,757
Tier 1 Risk-Based Capital Ratio	9.14%	9.72%	10.26%	7.24%	6.97%
Total Risk-Based Capital Ratio	12.10%	12.75%	13.40%	10.29%	10.13%
Tier 1 Leverage Ratio	9.42%	9.94%	9.72%	7.41%	7.10%

As Huntington is supervised and regulated by the Federal Reserve, The Huntington National Bank, Huntington's bank subsidiary, is supervised and regulated by the Office of the Comptroller of the Currency, which establishes similar regulatory capital guidelines for banks. The Bank also had regulatory capital ratios in excess of the levels established for well-capitalized institutions.

LINES OF BUSINESS

Below is a brief description of each line of business and a discussion of the business segment results. Regional Banking, Dealer Sales, and the Private Financial Group are the major business lines. The fourth segment includes the impact of the Treasury function and other unallocated assets, liabilities, revenue, and expense. Financial information and a full description of each line of business can also be found in Note 10 to the unaudited consolidated financial statements along with a reconciliation of reported earnings to operating earnings. *(See Basis of Discussion – Operating Earnings above for an expanded discussion of operating results and reconciliation to reported results.)*

The following tables within each segment show performance on this basis for the three and nine month periods ending September 30, 2002 and 2001.

Regional Banking

Regional Banking provides products and services to retail, business banking, and corporate customers.

<i>(in thousands of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Net Interest Income (FTE)	\$ 146,580	\$ 155,901	\$ 438,762	\$ 485,654
Provision for Loan Losses	31,534	18,749	90,349	36,678
Non-Interest Income	76,616	81,899	239,073	234,847
Non-Interest Expense	148,635	152,837	447,251	460,712
Income before Taxes	43,027	66,214	140,235	223,111
Income Taxes	15,059	23,175	49,082	78,089
Operating income	\$ 27,968	\$ 43,039	\$ 91,153	\$ 145,022

Regional Banking operating income in the third quarter of 2002 was \$28.0 million, compared with \$43.0 million for the same quarter a year ago. This decline reflected higher provision for loan losses as well as lower revenue (lower net interest income and non-interest income), which was offset partially by reduced expenses.

Net interest income was down \$9.3 million, or 6%, reflecting a decline in the internal funding credit paid for this segment's deposits. Regional Banking is a net funds provider to the Bank's other business segments since its deposits exceed its loans. As such, in a declining interest rate environment, net interest income in Regional Banking is typically lower due to reduced credits attributed to deposits. Average balances of residential mortgage loans and home equity loans and lines of credit increased 65% and 21%, respectively, from the year-ago quarter. In addition, commercial real estate loans (including construction loans) were up 6% while commercial loans declined 3% from the year-ago quarter. Average total deposits were up approximately \$974 million in the current quarter, or 7%, from the same period a year ago, and up \$307 million, or 2%, versus the second quarter of 2002.

The provision for loan losses for the third quarter of 2002 increased \$12.8 million, or 68%, over the same quarter last year. Net charge-offs in the third quarter of 2002 were \$24.7 million. This compared to \$12.6 million for the prior year's third quarter. The provision expense also increased due to higher loan growth in the recent quarter compared to the same period a year ago.

Non-interest income was down \$5.3 million, or 6%, from the third quarter of last year, due primarily to a decline in Mortgage Banking income. Mortgage Banking income declined 56% from the year-ago quarter due to a \$6.6 million impairment related to mortgage servicing rights and, to a lesser extent, a decision by management to retain a higher percentage of originated residential mortgage loans in the portfolio rather than sell the loans in the secondary market. Excluding the decline in Mortgage Banking income, non-interest income in the third quarter of 2002 was up 11%. This increase was primarily due to increases in deposit account service charges (personal 32% and corporate 21%) and a 16% increase in debit card transaction and ATM fees.

Non-interest expense declined \$4.2 million, or 3%, from the third quarter of 2001. This decline was driven primarily by decreases in equipment and depreciation expense of \$1.3 million, and outside processing and appraisal services of \$1.1 million. Partially offsetting these declines were increases in personnel costs and travel expenses for generation of new business.

Regional Banking contributed 57% of total revenues in the third quarter of 2002 and represented 62% of total loans and 91% of total deposits at September 30, 2002.

Dealer Sales

Dealer Sales product offerings pertain to the automobile lending sector and include indirect consumer loans and leases, as well as floor plan financing.

<i>(in thousands of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Net Interest Income (FTE)	\$ 60,918	\$ 56,245	\$ 167,508	\$ 162,700
Provision for Loan Losses	25,860	26,154	69,330	80,995
Non-Interest Income	6,822	6,332	15,348	21,469
Non-Interest Expense	19,678	18,378	56,315	50,767
Income before Taxes	22,202	18,045	57,211	52,407
Income Taxes	7,771	6,315	20,024	18,342
Operating income	\$ 14,431	\$ 11,730	\$ 37,187	\$ 34,065

Dealer Sales operating earnings were \$14.4 million in the third quarter of 2002, an increase of \$2.7 million, or 23%, from the same period last year. This increase was attributed to higher revenues, particularly net interest income, and to improved credit quality, offset in part by increased levels of non-interest expense.

Net interest income was \$60.9 million in the third quarter of 2002, up \$4.7 million, or 8%, from the year-ago quarter. This increase was attributed to a 4% increase in average loan and lease balances as well as an improved net interest margin. Originations of indirect auto loans and leases exceeded \$1.1 billion in the recent three months versus \$985 million in the third quarter of 2001. The provision for loan losses decreased \$0.3 million from \$26.2 million for the third quarter of 2001 to \$25.9 million for 2002. Auto related net charge-offs totaled \$18.9 million during the third quarter of 2002, down from \$23.2 million during the year-ago quarter. Despite some seasonally higher net charge-offs, this improvement reflected stronger underwriting practices for auto loan and lease originations that commenced in late 2000. The benefit from improved charge-off levels was mostly offset by a \$4.0 million increase in the provision expense attributed to loan growth. Excluding the impact of loan losses and balances related to businesses that Huntington exited last year, net charge-offs were \$17.0 million and \$16.0 million for the third quarter of 2002 and 2001. Total average loans and leases increased \$280 million in the third quarter of 2002 compared to \$5 million in the year-ago third quarter. Non-interest income increased \$0.5 million, or 8%, from the third quarter of 2001, reflecting higher levels of income from securitized loans and fees and other income from terminated lease contracts. Non-interest expense increased \$1.3 million, or 7%, reflecting increased personnel and other costs primarily associated with higher production and servicing levels, increased lease residual value insurance costs, and increased costs associated with enhance technological capabilities.

Dealer Sales contributed 18% of the operating earnings and 17% of operating revenues for the third quarter of 2002 and represented 33% of total loans outstanding at September 30, 2002.

Private Financial Group (PFG)

PFG provides an array of products and services designed to meet the needs of Huntington's higher wealth customers.

<i>(in thousands of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Net Interest Income (FTE)	\$ 8,784	\$ 9,115	\$ 25,634	\$ 25,918
Provision for Loan Losses	2,855	1,124	5,057	---
Non-Interest Income	18,475	14,600	58,311	48,218
Non-Interest Expense	18,849	13,645	56,919	54,954
Income before Taxes	5,555	8,946	21,969	19,182
Income Taxes	1,944	3,132	7,678	6,714
Operating income	\$ 3,611	\$ 5,814	\$ 14,291	\$ 12,468

PFG's earnings for the third quarter of 2002 were \$3.6 million, down from \$5.8 million for the quarter ended September 30, 2001. Most of this decline was due to an increase in provision for loan losses based primarily on higher loan growth during the recent quarterly period.

While average loans grew 38% to \$920 million and average deposits grew 32% to \$821 million from the third quarter of 2001, net interest income was down 4% driven by a shift in product mix combined with increased margin compression, particularly on consumer loans, reflective of lower consumer mortgage loan rates. Rate and product mix changes caused the net interest margin to decline from 4.89% for the third quarter last year to 3.60% for the recent three-month period.

Non-interest income for the 2002 third quarter was \$18.5 million, up from \$14.6 million a year ago. This increase resulted primarily from higher revenue from the sale of annuity products. Insurance revenue was up \$0.2 million for this year's third quarter, or 10% from the same period last year, largely due to increased revenue from the title insurance business reflective of increased mortgage loan refinancing activity. Trust services income increased \$0.2 million, or 1%, from the year-ago period as the increased revenue resulting from the second quarter 2002 Haberer acquisition offset the decline in revenue from adverse equity market conditions.

Non-interest expense was \$18.8 million for the third quarter 2002 compared with \$13.6 million for the quarter last year. This increase was primarily due to increased sales commissions and other personnel costs. The increased sales commissions was attributable to the generation of additional revenue, while the other personnel costs reflected the Haberer acquisition, new private banking hires in selected markets that assisted in driving the loan and deposit growth, and additional investment sales associates that helped produce the increased annuity sales volume.

In order to analyze line of business results that are more customer-focused, a portion of PFG's brokerage and insurance revenue and non-interest expense are allocated to the line of business assisting in the sale or providing the business referral. Therefore, while PFG is still responsible for the management of these products, the line of business results reflected in the table above exclude \$10.1 million and \$10.7 million of allocated revenue and \$6.9 million and \$8.0 million of allocated expenses for the third quarter of 2002 and 2001, respectively.

PFG contributed 7% of total revenues in the recent quarter and represented 5% of both total loans and total deposits at September 30, 2002.

Treasury / Other

The Treasury / Other segment absorbs unassigned assets, liabilities, equity, revenue, and expense that are not directly assigned or allocated to one of the lines of business. Since a match-funded transfer pricing system is used to allocate interest income and interest expense to other business segments, Treasury / Other results include the net impact of any over or under allocations arising from centralized management of interest rate risk including the net impact of derivatives used to hedge interest rate sensitivity. Furthermore, this segment's results include the net impact of administering Huntington's investment securities portfolio as part of overall liquidity management. Additionally, amortization expense of intangible assets and gains or losses not allocated to other business segments are also a component.

<i>(in thousands of dollars)</i>	Three Months Ended		Nine Months Ended	
	September 30,		September 30,	
	2002	2001	2002	2001
Net Interest Income (FTE)	\$ 34,230	\$ 10,643	\$ 95,808	\$ 9,151
Provision for Loan Losses	---	---	---	---
Non-Interest Income	12,919	8,268	32,821	18,824
Non-Interest Expense	6,561	2,194	12,474	6,881
Income before Taxes	40,588	16,717	116,155	21,094
Income Taxes	4,432	(3,593)	15,399	(15,301)
Operating income	\$ 36,156	\$ 20,310	\$ 100,756	\$ 36,395

Treasury / Other reported operating income of \$36.2 million in the third quarter of 2002, up \$15.8 million from the year-earlier quarter. This primarily reflected the reduction in transfer pricing credits allocated to Regional Banking for its deposits, the maturity in late 2001 of \$2 billion of interest rate swaps that had significant negative spreads, and the benefit of lower short-term interest rates, particularly with the steeper yield curve.

Non-interest income was \$12.9 million compared with \$8.3 million in the quarter a year ago reflecting the slightly higher gains from securities transactions in the current quarter, increased Bank Owned Life Insurance income, and revenue from trading activities. Non-interest expense in the third quarter of 2002 increased \$4.4 million. This reflected higher unallocated outside services and processing, equipment and occupancy, and telecommunication expenses, partially offset by lower unallocated personnel costs and a \$2.4 million decline in the amortization of intangibles arising from the implementation of SFAS No. 142.

Income tax expense for each of the other business segments is calculated at a statutory 35% tax rate. However, Huntington's overall effective tax rate is lower and, as a result, Treasury / Other reflects the reconciling items to the statutory tax rate in its Income taxes.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Quantitative and qualitative disclosures for the current period are found beginning on page 30 of this report, which includes changes in market risk exposures from disclosures presented in Huntington's 2001 Annual Report.

Item 4. Controls and Procedures

On November 4, 2002, Huntington carried out an evaluation, under the supervision and with the participation of its management, including the Chief Executive Officer (CEO) along with the Chief Financial Officer (CFO), of the effectiveness of the design and operation of its disclosure controls and procedures pursuant to Exchange Act Rule 13a-14. Based upon that evaluation, the CEO along with the CFO concluded that Huntington's disclosure controls and procedures are effective in timely alerting the CEO and CFO to material information relating to Huntington (including its consolidated subsidiaries) required to be included in its periodic SEC filings.

There have been no significant changes in Huntington's internal controls or in other factors that could significantly affect its internal controls subsequent to the date it carried out this evaluation.

PART II. OTHER INFORMATION

In accordance with the instructions to Part II, the other specified items in this part have been omitted because they are not applicable or the information has been previously reported.

Item 2. Changes in securities and use of proceeds

(c) Unregistered shares

In conjunction with the Agreement and Plan of Merger associated with the April 1, 2002, acquisition by Huntington of Haberer Registered Investment Advisors, Inc., a Cincinnati-based registered investment advisory firm with approximately \$500 million in assets under management (“Haberer”), Huntington issued 202,695 unregistered shares of Huntington common stock, without par value, to one shareholder of Haberer on April 1, 2002. The issuance of shares in this transaction was deemed to be exempt from registration under the Securities Act of 1933, as amended, in reliance on Section 4(2) since this was a transaction by an issuer not involving a public offering.

In conjunction with Agreement and Plan of Merger associated with the September 19, 2002, acquisition by Huntington of LeaseNet Group, Inc., a \$90 million leasing company located in Dublin, Ohio (“LeaseNet”). Huntington issued 835,085 unregistered shares of Huntington common stock, without par value, to three shareholders of LeaseNet on September 19, 2002. The issuance of shares in this transaction was deemed to be exempt from registration under the Securities Act of 1933, as amended, in reliance on Section 4(2) since this was a transaction by an issuer not involving a public offering.

Item 6. Exhibits and Reports on Form 8-K

(a) Exhibits

3. (i)(a). Articles of Restatement of Charter, Articles of Amendment to Articles of Restatement of Charter, and Articles Supplementary – previously filed as Exhibit 3(i) to Annual Report on Form 10-K for the year ended December 31, 1993, and incorporated herein by reference.

(i)(b). Articles of Amendment to Articles of Restatement of Charter – previously filed as Exhibit 3(i)(c) to Quarterly Report on Form 10-Q for the quarter ended March 31, 1998, and incorporated herein by reference.

This amendment increased the number of authorized shares of Huntington Bancshares Incorporated.

(ii). Amended and Restated Bylaws as of July 16, 2002 – previously filed as Exhibit 3(ii) to Quarterly Report on Form 10-Q for the quarter ended June 30, 2002, and incorporated herein by reference.

The July 2002 amendment to the Bylaws amended the age restrictions of nominating directors.

4. Instruments defining the Rights of Security Holders:

Reference is made to Articles Fifth, Eighth and Tenth of Articles of Restatement of Charter, as amended and supplemented, previously filed as exhibit 3(i) to annual report on form 10-K for the year ended December 31, 1993 and exhibit 3(i)(c) to quarterly report on form 10-Q for the quarter ended March 31, 1998, and incorporated herein by reference. Also, reference is made to Rights Plan, dated February 22, 1990, previously filed as Exhibit 1 to Registration Statement on Form 8-A, and incorporated herein by reference and to Amendment No. 1 to the Rights Agreement, dated as of August 16, 1995, previously filed as Exhibit 4(b) to Form 8-K filed with the Securities and Exchange Commission on August 28, 1995, and incorporated herein by reference. Instruments defining the rights of holders of long-term debt will be furnished to the Securities and Exchange Commission upon request.

10. Material contracts:

- (a) * Second Amendment to the Amended and Restated 1999 Long-Term Incentive Compensation Plan for Huntington Bancshares Incorporated, effective for performance cycles beginning after January 1, 1999.
- (b) * Schedule identifying material details of Executive Agreements, substantially similar to Exhibits 10 (b) and 10 (c) to Form 10-K for the year ended December 31, 2001.

99.1. Earnings to Fixed Charges

99.2 Chief Executive Officer Certification

99.3 Chief Financial Officer Certification

(b) Reports on Form 8-K

- 1. A report on Form 8-K, dated July 18, 2002, was filed under report item numbers 5 and 7, concerning Huntington's results of operations for the second quarter ended June 30, 2002.
- 2. A report on Form 8-K, dated August 14, 2002, was filed under report item numbers 7 and 9, concerning the submission on August 14, 2002, to the SEC of sworn statements of each of the Principal Executive Officer, Thomas E. Hoaglin, and the Principal Financial Officer, Michael J. McMennamin, of Huntington Bancshares Incorporated pursuant to Securities and Exchange Commission Order No. 4-460.

* Denotes management contract or compensatory plan or arrangement.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Huntington Bancshares Incorporated
(Registrant)

Date: November 14, 2002

/s/ Thomas E. Hoaglin
Thomas E. Hoaglin
Chairman, Chief Executive Officer and
President

Date: November 14, 2002

/s/ Michael J. McMennamin
Michael J. McMennamin
Vice Chairman, Chief Financial Officer and
Treasurer (Principal Financial Officer)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Huntington Bancshares Incorporated
(Registrant)

Date: November 14, 2002

Thomas E. Hoaglin
Chairman, Chief Executive Officer and
President

Date: November 14, 2002

Michael J. McMennamin
Vice Chairman, Chief Financial Officer and
Treasurer (Principal Financial Officer)

CERTIFICATION

I, Thomas E. Hoaglin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Huntington Bancshares Incorporated;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Thomas E. Hoaglin
Thomas E. Hoaglin
Chief Executive Officer

CERTIFICATION

I, Michael J. McMennamin, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Huntington Bancshares Incorporated;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;
3. Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations, and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:
 - a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and
 - c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
 - a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize, and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
6. The registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 14, 2002

/s/ Michael J. McMennamin
Michael J. McMennamin
Chief Financial Officer