Huntington Bancshares Incorporated
Huntington Center
41 South High Street
Columbus, Ohio 43287

James W. Nelson
Executive Vice President, Chief Risk Officer
[redacted]

Huntington

March 6, 2009

Mr. Neil M. Barofsky
Special Inspector General
Troubled Asset Relief Program
1500 Pennsylvania Avenue N.W. Suite 1064
Washington, D.C. 20220

Dear Inspector General Barofsky:

This letter is in response to your inquiry addressed to Huntington Bancshares Incorporated on February 6, 2009 regarding our participation in the Troubled Asset Relief Program established by the Emergency Economic Stabilization Act of 2008.

Please find answers to your specific questions outlined below. Supporting documentation is also enclosed pursuant to your request.

Question #1
a) Your anticipated use of TARP funds?

We intend to use TARP funds to facilitate lending to credit worthy borrowers.[1]

b) Whether the TARP funds were segregated from other institutional funds?

We have not specifically segregated the TARP funds, however, as discussed below we are tracking new lending and loan renewal activity. We are tracking our lending activity to help ensure that TARP funds are utilized for lending activity.

c) Your actual use of TARP funds to date?

Upon receipt of the CPP funds, Huntington Bancshares Incorporated (Huntington) deposited the funds into its demand deposit account (the DDA) at our only bank, Huntington National Bank. The funds deposited to the DDA were subject to the same funds management processes as all other Huntington National Bank deposit funds.

As previously indicated, we are tracking all new customer loan funding from the date of receipt of the $1.4 billion CPP funds (November 14, 2008). From this date through February 28, 2009, we have extended approximately $5 billion in total lending activity. This information is provided in the chart on the page 4.

d) Your expected use of unspent TARP funds?

We intend to continue to use the TARP funds to facilitate our renewal of credit to existing borrowers, the extension of new credit to existing borrowers, and the extension of credit to new customers.

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[1] See attached press release dated January 22, 2009

Question #2 - Your specific plans, and the status of implementation of those plans, for addressing executive compensation requirements associated with the funding.

The Securities Purchase Agreement entered into in connection with our participation in the CPP requires us to 1) comply with §111(b) of EESA and related guidance and regulations, and (2) adopt no new Benefit Plans with respect to Senior Executive Officers (SEOs) that do not comply with §111(b). Since accepting CPP funds the following actions have been taken in relation to the executive compensation requirements associated with the funding:

- 2008 and 2009 SEOs were determined
- on October 30, 2008 the Board of Directors of Huntington adopted the Financial Performance Plans and Involuntary Separation Pay Arrangement resolutions to comply with provisions of Section 111 of the Emergency Economic Stabilization Act of 2008[2]
- each SEO signed a consent to the adoption of the amendments to the Financial Performance Plans and the Involuntary Separation Pay Arrangement.

Furthermore, Huntington's senior risk officer met with the Board Compensation Committee on January 28, 2009 to conduct the first risk assessment of incentive arrangements for the SEOs and the Committee certified in writing that this review had been completed. The Committee concluded that Huntington's compensation arrangements appropriately limit the ability of an SEO to benefit from taking unnecessary and excessive risks. Also as required, Huntington's Chairman, President and Chief Executive Officer, and Huntington's principal executive officer, Stephen D. Steinour, certified in writing that the Compensation Committee met with Huntington's senior risk officer to ensure SEO arrangements do not encourage the SEOs to take unnecessary and excessive risks that threaten the value of Huntington. A copy of such certificate has been sent to the transfer agent under the CPP.

In addition to the above Board actions, Huntington's Recoupment Policy was approved by the Compensation Committee on July 17, 2007. The policy provides the necessary protection for the corporation in relation to any incentive compensation paid to an SEO to the extent such payment was based on financial metrics or other criteria that are later proven to be materially inaccurate.

We have adopted no new Benefit Plans with respect to SEOs that do not comply with §111(b) of EESA.

Tax deduction limits for SEO compensation over $500,000 were instituted with no exclusions for performance based compensation per the requirements under CPP funding.

In January 2009, it was announced that there would be no annual management bonuses paid under the corporation's Management Incentive Plan[3]. (b) (4) (b) (4) [redacted]

(b) (4) [redacted], Huntington has attempted to comply with the provisions of the American Recovery and Reinvestment Act of 2009 related to the severance of Huntington's former CEO effective 2/28/2009, pending further guidance from the United States Secretary of Treasury.

In addition, Huntington has included a non-binding shareholder advisory vote on executive compensation in the proxy materials filed March 4, 2009 for the 2009 annual meeting of shareholders to comply with Section 7001 of the ARRA. The 2009 proxy materials address limits on executive compensation imposed under CPP funding requirements in relation to the discussion of 2008 compensation and in other sections of the materials where appropriate.

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[2] See attached Board Resolutions RE: Amendment to Financial Performance Plans and Involuntary Separation Pay Arrangement

[3] See attached press release dated January 22, 2009

The undersigned duly authorized senior executive officer of Huntington hereby certifies on behalf of Huntington, and subject to the requirements and penalties set forth in Title 18, United States Code, Section 1001, that the statements, representations and supporting information provided is accurate to the best of his knowledge. Please direct any questions regarding this response to my attention at the address above.

Sincerely,

James W. Nelson

cc: Stephen D. Steinour
Richard A. Cheap

attachments

(b) (4)

[redacted]

(b) (4)

HUNTINGTON BANCSHARES INCORPORATED

Board of Directors Meeting
October 30, 2008

Action: Amend Benefit Plans to Comply with Emergency Economic Stabilization Act

WHEREAS Huntington Bancshares Incorporated (the "Company") has entered or will enter into a Securities Purchase Agreement with the United States Department of Treasury (the "Agreement") as part of the Capital Purchase Program under the Emergency Economic Stabilization Act of 2008 ("EESA"); and

WHEREAS pursuant to Section 1.2(d)(iv) of the Agreement, the Company is required to amend its "Benefit Plans" with respect to its "Senior Executive Officers" (as such terms are defined in the Agreement) to the extent necessary to comply with Section 111 of EESA; and

WHEREAS the applicable "Benefit Plans" are the plans in which any Senior Executive Officer participates, or is eligible to participate, and the agreements to which any Senior Executive Officer is a party, that either: (i) provide for incentive or bonus compensation based on the achievement of performance goals tied to or affected by the Company's financial results ("Financial Performance Plans") or (ii) provide for payments or benefits upon an "applicable severance from employment" within the meaning of EESA ("Involuntary Separation Pay Arrangements");

RESOLVED that each Financial Performance Plan and Involuntary Separation Pay Arrangement is hereby amended effective as of the date of entry into the Agreement as follows:

1. Compliance With Section 111 of EESA. Each Financial Performance Plan and Involuntary Separation Pay Arrangement is hereby amended by adding the following provision as a final section to such arrangement:

> "Compliance With Section 111 of EESA. Solely to the extent, and for the period, required by the provisions of Section 111 of the Emergency Economic Stabilization Act of 2008 ("EESA") applicable to participants in the Capital Purchase Program under EESA and the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008: (a) each "Senior Executive Officer" within the meaning of Section 111 of EESA and the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008 who participates in this plan or is a party to this agreement shall be ineligible to receive compensation hereunder to the extent that the Compensation Committee of the Board of Directors of the Company determines this plan or agreement includes incentives for the Senior Executive Officer to take unnecessary and excessive risks that threaten the value of the financial institution; (b) each Senior Executive Officer who participates in this plan or is a party to this agreement shall be required to forfeit any bonus or incentive compensation paid to the Senior Executive Officer hereunder during the period that the Department of the Treasury holds a debt or equity position in the

Company based on statements of earnings, gains, or other criteria that are later proven to be materially inaccurate; and (c) the Company shall be prohibited from making to each Senior Executive Officer who participates in this plan or is a party to this agreement, and each such Senior Executive Officer shall be ineligible to receive hereunder, any "golden parachute payment" in connection with the Senior Executive Officer's "applicable severance from employment," in each case, within the meaning of Section 111 of EESA and the regulation issued by the Department of the Treasury as published in the Federal Register on October 20, 2008."

2. Continuation of Affected Plans. Except as expressly or by necessary implication amended hereby, each Financial Performance Plan and Involuntary Separation Pay Arrangement shall continue in full force and effect.

NEWSRELEASE

FOR IMMEDIATE RELEASE
January 22, 2009

Contacts:

Analysts		*Media*	
Jay Gould	(614) 480-4060	Jeri Grier	(614) 480-5413
Jim Graham	(614) 480-3878		

HUNTINGTON BANCSHARES REPORTS:

- **2008 FOURTH QUARTER NET LOSS OF $417.3 MILLION, OR $1.20 PER COMMON SHARE**
  - **$454.3 million pre-tax ($0.81 per share) negative impact from Franklin Credit Management Company (Franklin) relationship**
  - **$141.7 million pre-tax ($0.25 per share) negative impact from net market-related losses**
  - **10.76% Tier 1 capital ratio and 13.96% Total risk-based capital ratio, or $2.2 billion and $1.9 billion in excess of the regulatory "well capitalized" minimums of 6% and 10%, respectively**
  - **$162.0 million increase in the allowance for credit losses to 2.30%**
  - **$961.3 million increase in non-performing assets, including the $650.2 million remaining balance to Franklin**
  - **Annualized net charge-offs of 5.41%, including Franklin; 1.36% non-Franklin related**
  - **4% annualized growth in total average loans and leases**
  - **3% annualized growth in total average core deposits**
  - **Management to forego 2008 bonuses**
  - **Board compensation changed to stock**
- **2008 FULL YEAR NET LOSS OF $113.8 MILLION, OR $0.44 PER COMMON SHARE**
- **REDUCTION IN QUARTERLY COMMON STOCK DIVIDEND TO $0.01 PER SHARE**

COLUMBUS, Ohio – Huntington Bancshares Incorporated (NASDAQ: HBAN; www.huntington.com) reported a 2008 fourth quarter net loss of $417.3 million, or $1.20 per common share. This compared with net income of $75.1 million, or $0.17 per common share, in the 2008 third quarter and a net loss of $239.3 million, or $0.65 per common share, in the year-ago quarter.

For the year ending December 31, 2008, Huntington reported a net loss of $113.8 million, or $0.44 per common share, compared with net income of $75.2 million, or $0.25 per common share in 2007.

PERFORMANCE OVERVIEW

Performance compared with the 2008 third quarter included:

- Net loss of $1.20 per common share, compared with net income of $0.17 per common share. Current quarter earnings were negatively impacted $0.81 per common share by the Franklin relationship and $0.25 per common share by market-related losses *(see Significant Item discussion and Table 1 below)*.
- $560.6 million of net charge-offs, or an annualized 5.41% of average total loans, including $423.3 million related to Franklin. The non-Franklin related net charge-offs were $137.4 million, or an annualized 1.36% of related loans, up from an annualized 0.82% in the third quarter.
- 2.30% period-end allowance for credit losses (ACL) ratio, up from 1.90% at the end of the third quarter.
- $961.3 million increase in non-performing assets (NPAs), including $650.2 million related to the Franklin relationship. Period-end 3.97% NPA ratio, up from 1.64%.
- 3.18% net interest margin, down from 3.29% with 8 basis points of the decline associated with the Franklin relationship.
- 9% annualized linked-quarter growth in average total commercial loans and a 2% annualized linked-quarter decline in average total consumer loans.
- 3% annualized linked-quarter increase in average total core deposits.
- 10.76% and 13.96% period-end Tier 1 and Total risk-based capital ratios, compared with 8.80% and 12.03%, respectively, at September 30, 2008, and well above the regulatory "well capitalized" thresholds of 6.0% and 10.0%, respectively. The increase in both ratios included 2.99% due to issuance of preferred shares under the Trouble Asset Relief Program Capital Purchase Plan administered by the United States Treasury.

"Fourth quarter performance was clearly disappointing, and Huntington's performance mirrored the industry in that regard," said Stephen D. Steinour, Huntington's newly elected chairman, president, and chief executive officer. "The poor performance reflected the very difficult and challenging economic environment in which we find ourselves. Our relationship with Franklin Credit Management has been the primary worry of our investors. As such, my first priority was to take steps to address Franklin as an investor issue, which I believe we have now done."

"There were some bright spots in the quarter, such as our ability to continue to grow loans and core deposits," he continued. "Our lines of business continued to grow their customer bases and attract new business customers. We were able to use some of the TARP capital for loan originations and modifications, with the remainder temporarily paying down short-term borrowings, thus creating future lending capacity. From November 15, 2008, the date we received the TARP capital, through year end, we originated, renewed, or funded over $1.0 billion of commercial loans and almost $500 million of consumer loans. It also strengthened our regulatory Tier 1 and Total risk-based capital positions, which are now at least $1.9 billion above the regulatory "well capitalized" levels. Our liquidity position is robust."

"Yet these successes were overshadowed by the difficult and volatile market conditions that made revenue growth a challenge. This was most notable in the decreased value of our investment securities portfolio where additional impairment was recognized, as well as the decline in asset values in our asset management and brokerage areas. Margins remained under pressure due to the continued intense competition for deposits in our markets. And there was upward pressure on expenses from such things as higher FDIC insurance premiums and increased collection activities."

Commenting on non-Franklin related credit quality performance, Steinour noted, "Credit quality performance was mixed. Net charge-offs for our home equity and residential mortgage portfolios were in line with expectations. In contrast, non-Franklin related commercial loans deteriorated more than expected, as the fourth quarter's accelerated weakening of the economy took its toll on our business borrowers' ability to pay and collateral values. The automobile loan and lease net charge-off rate was slightly worse than expected, reflecting reduced sales and higher net charge-offs as used car prices fell. These factors contributed to the increase in non-Franklin related net charge-offs, as well as higher provision expense in order to replenish and build our reserve levels. While there will remain credit challenges, we believe they are addressable given our strong regulatory capital position."

"I think it is important that our investors, customers, and associates understand that despite this quarter's performance and the continued challenges in coming quarters, Huntington has opportunities. Our strategic positioning as the 'local' bank is one to which our customers respond well, especially in difficult times. Our product and services menu is robust and we have good overall distribution and superb internet based delivery channels. I have always found that challenging times offer great opportunities and I am confident that will be true at Huntington as well," he concluded.

DIVIDEND, MANAGEMENT AND BOARD COMPENSATION ANNOUNCEMENTS

Huntington also announced that the board of directors has declared a quarterly cash dividend on its common stock of $0.01 per common share. The dividend is payable April 1, 2009, to shareholders of record on March 13, 2009.

Regarding the decision to reduce the cash dividend, Steinour said, "This dividend reduction is clearly painful for our shareholders. Nevertheless, given that we reported a loss for 2008 and expect that 2009 will remain a challenging year, it is the right decision for these times.

Importantly, and reflecting alignment with our shareholders, key members of management will forego 2008 bonuses, and going forward compensation to the board of directors will only be in common stock."

FOURTH QUARTER PERFORMANCE DISCUSSION

Significant Items Influencing Financial Performance Comparisons

Specific significant items impacting 2008 fourth quarter performance included *(see Table 1 below)*:

- $454.3 million pre-tax ($0.81 per common share) negative impact related to our relationship with Franklin consisting of:
  - $438.0 million of provision for credit losses,
  - $9.0 million of interest income reversals as the loans were placed on nonaccrual loan status, and
  - $7.3 million of interest rate swap write offs.
- $141.7 million pre-tax ($0.25 per common share) negative impact of net market-related losses consisting of:
  - $127.1 million of securities losses, related to other-than-temporary impairment (OTTI) on certain investment securities,
  - $12.6 million net negative impact of mortgage servicing rights (MSR) hedging consisting of a $22.1 million net impairment loss reflected in non-interest income, partially offset by a $9.5 million net interest income benefit, and
  - $2.0 million of equity investment losses.
- $2.9 million ($0.01 per common share) increase to provision for income taxes, representing an increase to the previously established capital loss carry-forward valuation allowance related to the decline in value of Visa® shares held and the reduction of shares resulting from the revised conversion ratio.
- $4.6 million pre-tax ($0.01 per common share) decline in other non-interest expense, representing a partial reversal of the 2007 fourth quarter accrual of $24.9 million for our portion of the bank guaranty covering indemnification charges against Visa® following its funding of an escrow account for a portion of such indemnification.

Table 1 – Significant Items Impacting Earnings Performance Comparisons [(1)]

Three Months Ended	Impact [(2)]	
(in millions, except per share)	Pre-tax	EPS [(3)]
December 31, 2008 – GAAP loss	**$(417.3)**[(3)]	**$(1.20)**
• Franklin relationship	(454.3)	(0.81)
• Net market-related losses	(141.7)	(0.25)
• Visa®-related deferred tax valuation allowance provision	(2.9)[(3)]	(0.01)
• Visa® indemnification	4.6	0.01
September 30, 2008 – GAAP earnings	**$75.1** [(3)]	**$0.17**
• Net market-related losses	(47.1)	(0.08)
• Visa®-related deferred tax valuation allowance provision	(3.7)[(3)]	(0.01)
December 31, 2007 – GAAP loss	**$(239.3)**[(3)]	**$(0.65)**
• Franklin relationship restructuring	(423.6)	(0.75)
• Net market-related losses	(63.5)	(0.11)
• Merger costs	(44.4)	(0.08)
• Aggregate impact of Visa® IPO	(24.9)	(0.04)
• Increases to litigation reserves	(8.9)	(0.02)

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

[(2)] Favorable (unfavorable) impact on GAAP earnings; pre-tax unless otherwise noted

[(3)] After-tax; EPS reflected on a fully diluted basis

Franklin Credit Management Relationship Actions

Through the 2008 third quarter, the Franklin relationship continued to perform and accrue interest. While the cash flow generated by the underlying collateral was declining slightly, it continued to exceed the requirements of the 2007 fourth quarter restructuring agreement. However, during the 2008 fourth quarter the cash flows deteriorated significantly, reflecting a more severe than expected deterioration in the overall economy during the quarter. Principal payments associated with the first mortgage portfolios contracted significantly as the availability of credit was further reduced. An important source of principal reductions has been proceeds from the sale of properties in foreclosure, so the tightening credit scenario had a direct negative impact on the cash flows during the quarter. In addition, interest collections declined in the Franklin second mortgage portfolio as delinquencies continued to increase. These factors, coupled with the expectation that the severity of the economic downturn will further weaken the borrower's ability to pay and the underlying value of the collateral, resulted in a significant deterioration in the value of Franklin's mortgages. As such, the revaluation of the future expected cash flows led to the following 2008 fourth quarter actions:

- $423.3 million of our loans to Franklin were charged-off,
- $9.0 million of interest was reversed as the remaining loans were put on nonaccrual,
- $7.3 million of interest swap exposure was written off, and
- $438.0 million of provision expense was taken to replenish and increase the remaining specific loan loss reserve.

As a result of these actions, at December 31, 2008, total loans outstanding to Franklin were $650.2 million, down $444.3 million, or 41%, from $1.095 billion at September 30, 2008. The specific allowance for loan losses on the Franklin exposure at December 31, 2008, was $130.0 million, up from $115.3 million at September 30, 2008, and represented 20% of the remaining loans outstanding. Subtracting the specific reserve from total loans outstanding, our total net exposure to Franklin at December 31, 2008, was $520.2 million.

"These actions should substantially address investor concerns regarding our exposure to Franklin," said Steinour. "Our period-end net exposure to Franklin was $520.2 million, which represents the ending loan balance of $650.2 million, net of the $130.0 million period-end reserve. Importantly, considering only our share of first mortgage collateral based on current valuations and a realizable value factor of 60%, plus $23 million of other collateral, mostly cash, the combined collateral represents 108% of our $520.2 million net exposure. In addition to the conservative collateral valuations methodology on the first mortgages, we have not ascribed any collateral value to the Franklin second mortgage portfolio, or the $5 million in monthly cash flow generated by that portfolio, which that will go directly to reduce the principal balance. Of equal importance, these actions create flexibility with the portfolio that should maximize the ultimate recovery of our remaining loans to Franklin. Going forward, our strategies related to this relationship include creating a structure that will help unlock the value of the Franklin servicing capabilities to third parties, and we are considering other structural changes in order to maximize its value to our shareholders."

"Addressing Franklin was my highest priority upon joining Huntington. Despite being here only a short while, we have spent hundreds of man-hours analyzing this situation in great detail and in dimensioning what actions would be required to accomplish this objective. While no assurances can be made, for these are unprecedented economic times, we believe our actions have positioned our exposure substantially in line with expected recoverable values," he concluded.

Troubled Asset Relief Program Capital Purchase Plan

As previously announced on November 14, 2008, Huntington received $1.4 billion of equity capital by issuing to the U.S. Department of Treasury, fixed rate cumulative perpetual preferred stock.

Commenting on the receipt of this capital, Steinour said, "This capital provides additional flexibility and we are committed to use it as intended to support and increase loan originations and our existing loan modification programs. We want to serve the loan demands of our customers and expect that over time this capital will contribute to those efforts. From November 15, 2008, the date we received the TARP capital, through year end, we originated or renewed over $1.7 billion of loans. This capital also significantly increased our regulatory Tier 1 and Total risk-based capital ratios to 10.76% and 13.96%, respectively, or at least $1.9 billion above the regulatory "well capitalized" minimums of 6.0% and 10.0%, respectively".

Net Interest Income, Net Interest Margin, and Average Balance Sheet

2008 Fourth Quarter versus 2008 Third Quarter

Compared with the 2008 third quarter, fully taxable equivalent net interest income decreased $14.1 million, or 4%. This primarily reflected an 11 basis point decline in the net interest margin to 3.18% from 3.29%. The 11 basis point decline in the net interest margin was almost entirely due to interest accrual reversals resulting from loans being placed on nonaccrual status, with 8 basis points associated with the Franklin relationship actions taken in the fourth quarter. While average total loans and leases increased during the quarter, this growth was more than offset by a decline in other earning assets, most notably investment securities and federal funds sold.

Table 2 details the increase in average loans and leases.

Table 2 – Loans and Leases – 4Q08 vs. 3Q08

	Fourth Quarter	Third Quarter	Change	
(in billions)	2008	2008	Amount	%
Average Loans and Leases				
Commercial and industrial	$ 13.7	$ 13.6	$ 0.1	1 %
Commercial real estate	10.2	9.8	0.4	4
Total commercial	$ 24.0	$ 23.4	$ 0.5	2 %
Automobile loans and leases	4.5	4.6	(0.1)	(2)
Home equity	7.5	7.5	0.1	1
Residential mortgage	4.7	4.8	(0.1)	(2)
Other consumer	0.7	0.7	0.0	1
Total consumer	17.5	17.6	(0.1)	(0)
Total loans and leases	$ 41.4	$ 41.0	$ 0.4	1 %

Average total loans and leases increased $0.4 billion, or 1%, primarily due to growth in average total commercial loans that was partially offset by a decline in total average consumer loans.

Average total commercial loans increased $0.5 billion, or 2%, reflecting 4% growth in average commercial real estate (CRE) loans and 1% growth in average commercial and industrial (C&I) loans. The fourth quarter CRE growth was comprised primarily of funding letters of credit that had supported floating rate bonds issued by our customers. This growth was not associated with the single family home builder segment as exposure to this segment declined slightly during the quarter.

Average total consumer loans decreased $0.1 billion. Average total automobile loans and leases declined, reflecting a 28% decline in loan originations and a 46% decline in automobile direct financing lease production. The declines in origination volume reflected the industry wide dramatic decline in sales, and our decision to exit the automobile leasing business in the fourth quarter. We continue to consider our automobile loan business and dealer relationships as an important piece of the Huntington loan portfolio. Average residential mortgages also declined 2%, reflecting the continued slump in the housing markets, though average home equity loans increased 1%, due to increased volume in home equity line outstandings given the current interest rate environment. We continue to pursue origination strategies within the consumer segments, and are confident that we are meeting the demands of our borrowers. Yet, concerns about a weakening economy and job stability are curtailing customer demand.

Table 3 details the $0.2 billion decline in average total deposits.

<u>Table 3 – Deposits – 4Q08 vs. 3Q08</u>

(in billions)	Fourth Quarter 2008	Third Quarter 2008	Change Amount	Change %
Average Deposits				
Demand deposits - non-interest bearing	$ 5.2	$ 5.1	$ 0.1	2 %
Demand deposits - interest bearing	4.0	4.0	(0.0)	(0)
Money market deposits	5.5	5.9	(0.4)	(6)
Savings and other domestic deposits	4.8	4.9	(0.1)	(2)
Core certificates of deposit	12.5	11.9	0.6	5
Total core deposits	32.0	31.7	0.3	1
Other deposits	5.6	6.1	(0.5)	(8)
Total deposits	$ 37.6	$ 37.8	$ (0.2)	(1) %

Average total deposits were down $0.2 billion, or 1%, from the prior quarter and reflected:

- $0.5 billion, or 8%, decrease in average non-core deposits, primarily reflecting a decline in other non-core domestic deposits.

Partially offset by:

- $0.3 billion, or 1%, increase in average total core deposits. The primary driver of the change was 5% growth in higher rate core certificates of deposits, partially offset by a 6% decline in lower rate money market accounts.

2008 Fourth Quarter versus 2007 Fourth Quarter

Fully taxable equivalent net interest income decreased $8.3 million, or 2%, from the year-ago quarter. This reflected the unfavorable impact of an 8 basis point decline in the net interest margin to 3.18%. Average earning assets increased $0.3 billion, or 1%, reflecting a $1.3 billion, or 3%, increase in average total loans and leases, partially offset by declines in other earning assets, most notably federal funds sold.

Table 4 details the $1.3 billion increase in average loans and leases.

Table 4 – Loans and Leases – 4Q08 vs. 4Q07

	Fourth Quarter		Change	
(in billions)	2008	2007	Amount	%
Average Loans and Leases				
Commercial and industrial	$ 13.7	$ 13.3	$ 0.5	4 %
Commercial real estate	10.2	9.1	1.2	13
Total commercial	$ 24.0	$ 22.3	$ 1.6	7 %
Automobile loans and leases	4.5	4.3	0.2	5
Home equity	7.5	7.3	0.2	3
Residential mortgage	4.7	5.4	(0.7)	(13)
Other consumer	0.7	0.7	(0.1)	(7)
Total consumer	17.5	17.8	(0.3)	(2)
Total loans and leases	$ 41.4	$ 40.1	$ 1.3	3 %

The $1.3 billion, or 3%, increase in average total loans and leases primarily reflected:

- $1.6 billion, or 7%, increase in average total commercial loans, with growth reflected in both C&I loans and CRE loans. The $1.2 billion, or 13%, increase in average CRE loans reflected a combination of factors, including the previously mentioned funding of letters of credit that had supported floating rate bonds, loans to existing borrowers, and draws on existing commitments, and loans to new business customers. The new loan activity, both to existing and new customers, was focused on traditional income producing property types and was not related to the single family residential developer segment. The $0.5 billion, or 4%, growth in average C&I loans reflected a combination of draws associated with existing commitments, new loans to existing borrowers, and some originations to new high credit quality customers. Given our consistent positioning in the market, we have been able to attract new relationships that historically dealt exclusively with competitors. These "house account" types of relationships are typically the highest quality borrowers and bring with them the added benefit of significant new deposit and other non-credit relationships.

Partially offset by:

- $0.3 billion, or 2%, decrease in average total consumer loans. This reflected a $0.7 billion, or 13%, decline in average residential mortgages, reflecting the impact of a loan sale in the 2008 second quarter, as well as the continued slump in the housing markets. Average home equity loans increased 3%, due to significant activity in home equity lines, particularly in the second half of the year due to the significantly lower rate environment. There was a decrease in the level of home equity loans, as borrowers moved back to the variable rate product. Huntington has underwritten home equity lines with credit policies designed to continue to improve the risk profile of the portfolio. Notably, our interest rate stress policies associated with this variable rate product continue to be in place. While clearly some borrowers have increased their funding percentage, the overall funding percentage on the home equity lines increased only slightly to 48%. Average automobile loans and leases increased 5% from the year-ago quarter, despite the dramatic decline in automobile sales that negatively affected growth in the 2008 fourth quarter due to the growth experienced earlier in 2008. Even though automobile loan origination volumes have declined, the impact of prepayments on this portfolio is lower because of loan sales in prior years.
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Table 5 details the $0.1 billion reported decrease in average total deposits.

Table 5 – Deposits – 4Q08 vs. 4Q07

	Fourth Quarter		Change	
(in billions)	2008	2007	Amount	%
Average Deposits				
Demand deposits - non-interest bearing	$ 5.2	$ 5.2	$ (0.0)	(0) %
Demand deposits - interest bearing	4.0	3.9	0.1	2
Money market deposits	5.5	6.8	(1.3)	(20)
Savings and other domestic deposits	4.8	5.0	(0.2)	(3)
Core certificates of deposit	12.5	10.7	1.8	17
Total core deposits	32.0	31.7	0.3	1
Other deposits	5.6	6.0	(0.4)	(7)
Total deposits	$ 37.6	$ 37.7	$ (0.1)	(0) %

The $0.1 billion decrease in average total deposits reflected growth in average total core deposits, as average other deposits declined. Changes from the year-ago period reflected the continuation of customers transferring funds from lower rate to higher rate accounts like certificates of deposits as short-term rates have fallen. Specifically, average core certificates of deposit increased $1.8 billion, or 17%, whereas average money market deposits and savings and other domestic deposits decreased 20% and 3%, respectively.

Provision for Credit Losses

The provision for credit losses in the 2008 fourth quarter was $722.6 million, up $597.2 million from the third quarter, of which $438.0 million reflected the Franklin relationship actions during the current quarter. The provision for credit losses in the current quarter was $210.5 million higher than in the year-ago quarter. (*See Franklin Credit Management Relationship Actions and Credit Quality discussions).*

Non-Interest Income

2008 Fourth Quarter versus 2008 Third Quarter

Non-interest income decreased $100.8 million, or 60%, from the third quarter.

Table 6 – Non-interest Income – 4Q08 vs. 3Q08

	Fourth Quarter	Third Quarter	Change		Change Attributable to		
					Significant	Other	
(in millions)	2008	2008	Amount	%	Items	Amount	%
Non-interest Income							
Service charges on deposit accounts	$ 75 2	$ 80 5	$ (5 3)	(7) %	$ -	$ (5 3)	(7) %
Brokerage and insurance income	31 2	34 3	(3 1)	(9)	-	(3 1)	(9)
Trust services	27 8	31 0	(3 1)	(10)	-	(3 1)	(10)
Electronic banking	22 8	23 4	(0 6)	(3)	-	(0 6)	(3)
Bank owned life insurance income	13 6	13 3	0 3	2	-	0 3	2
Automobile operating lease income	13 2	11 5	1 7	15	-	1 7	15
Mortgage banking income (loss)	(6 7)	10 3	(17 0)	NM	(15 6) (1)	(1 4)	(14)
Securities gains (losses)	(127 1)	(73 8)	(53 3)	(72)	(53 3) (2)	-	0
Other income	17 1	37 3	(20 3)	(54)	(12 7) (3)	(7 6)	(20)
Total non-interest income	$ 67 1	$ 167 9	$ (100 8)	(60) %	$ (81 6)	$ (19 1)	(11) %

	Fourth Quarter 2008	Third Quarter 2008	Change Amount
(1) Net impact of MSR hedging			
MSR valuation adjustment	$ (63 4)	$ (10 3)	$ (53 1)
Net trading (losses) gains	41 3	3 8	37 5
Impact to non interest income	(22 1)	(6 5)	(15 6)
Net interest income impact	9 5	8 4	1 1
Net impact of MSR hedging	$ (12 6)	$ 1 9	$ (14 5)
(2) Securities gains (losses)	$ (127 1)	$ (73 8)	$ (53 3)
(3) Other income			
Equity investment gains (losses)	$ (2 0)	$ 3 4	$ (5 4)
Franklin swap losses	(7 3)	-	(7 3)
Impact to other income	$ (9 3)	$ 3 4	$ (12 7)

The $100.8 million decrease in total non-interest income included $81.6 million from significant items *(see Significant Item discussion).* The remaining $19.1 million, or 11%, decline reflected:

- $7.6 million, or 20%, decline in other income, reflecting credit losses on non-Franklin interest rate swaps.
- $5.3 million, or 7%, decline in service charges on deposit accounts, primarily reflecting lower consumer NSF and overdraft fees.
- $3.1 million, or 10%, decline in trust services income, reflecting the impact of lower market values on asset management revenues.
- $3.1 million, or 9%, decline in brokerage and insurance income, primarily reflecting lower commercial line insurance income.

2008 Fourth Quarter versus 2007 Fourth Quarter

Non-interest income decreased $103.5 million, or 61%, from the year-ago quarter.

Table 7 – Non-interest Income – 4Q08 vs. 4Q07

					Change Attributable to		
	Fourth Quarter		Change		Significant	Other	
(in millions)	2008	2007	Amount	%	Items	Amount	%
Non-interest Income							
Service charges on deposit accounts	$ 75.2	$ 81.3	$ (6.0)	(7) %	$ -	$ (6.0)	(7) %
Brokerage and insurance income	31.2	30.3	0.9	3	-	0.9	3
Trust services	27.8	35.2	(7.4)	(21)	-	(7.4)	(21)
Electronic banking	22.8	21.9	0.9	4	-	0.9	4
Bank owned life insurance income	13.6	13.3	0.3	2	-	0.3	2
Automobile operating lease income	13.2	2.7	10.5	NM	-	10.5	NM
Mortgage banking income (loss)	(6.7)	3.7	(10.4)	NM	(10.3) *(1)*	(0.1)	(4)
Securities gains (losses)	(127.1)	(11.6)	(115.5)	NM	(115.5) *(2)*	-	0
Other income	17.1	(6.2)	23.2	NM	34.1 *(3)*	(10.9)	NM
Total non-interest income	$ 67.1	$ 170.6	$ (103.5)	(61) %	$ (91.8)	$ (11.7)	(7) %

(1) Net impact of MSR hedging			
MSR valuation adjustment	$ (63.4)	$ (21.2)	$ (42.1)
Net trading (losses) gains	41.3	9.5	31.8
Impact to non interest income	(22.1)	(11.8)	(10.3)
Net interest income impact	9.5	3.2	6.3
Net impact of MSR hedging	$ (12.6)	$ (8.6)	$ (4.0)
(2) Securities gains (losses)	$ (127.1)	$ (11.6)	$ (115.5)
(3) Other income			
Equity investment gains (losses)	$ (2.0)	$ (9.4)	$ 7.4
Loss on loans held for sale	-	(34.0)	34.0
Franklin swap losses	(7.3)	-	(7.3)
Impact to non interest income	$ (9.3)	$ (43.4)	$ 34.1

The $103.5 million decrease in total non-interest income reflected the $91.8 million negative impact in the current quarter from significant items *(see Significant Item discussion)*, as well as a 7% decline in the remaining components of non-interest income. The $10.9 million decline in other income reflected lower capital markets income.

Non-interest Expense

2008 Fourth Quarter versus 2008 Third Quarter

Non-interest expense increased $51.1 million, or 15%, from the 2008 third quarter.

Table 8 – Non-interest Expense – 4Q08 vs. 3Q08

	Fourth Quarter	Third Quarter	Change		Change Attributable to		
					Significant	Other	
(in millions)	2008	2008	Amount	%	Items	Amount	%
Non-interest Expense							
Personnel costs	$ 196 8	$ 184 8	$ 12 0	6 %	$ -	$ 12 0	6 %
Outside data processing and other services	31 2	32 4	(1 2)	(4)	-	(1 2)	(4)
Net occupancy	23 0	25 2	(2 2)	(9)	-	(2 2)	(9)
Equipment	22 3	22 1	0 2	1	-	0 2	1
Amortization of intangibles	19 2	19 5	(0 3)	(1)	-	(0 3)	(1)
Professional services	17 4	13 4	4 0	30	-	4 0	30
Marketing	9 4	7 0	2 3	33	-	2 3	33
Automobile operating lease expense	10 5	9 1	1 4	15	-	1 4	15
Telecommunications	5 9	6 0	(0 1)	(2)	-	(0 1)	(2)
Printing and supplies	4 2	4 3	(0 1)	(3)	-	(0 1)	(3)
Other expense	50 2	15 1	35 1	NM	16 8 (1)	18 3	NM
Total non-interest expense	$ 390 1	$ 339 0	$ 51 1	15 %	$ 16 8	$ 34 3	10 %

(1) Other expense			
Debt extinguishment loss (gain)	$ -	$ (21 4)	$ 21 4
VISA indemnification	(4 6)	-	(4 6)
Impact to non interest expense	$ (4 6)	$ (21 4)	$ 16 8

Of the $51.1 million increase, $16.8 million represented the impact of significant items *(see Significant Item discussion)*. The remaining $34.3 million, or 10%, increase reflected:

- $18.3 million increase in other expense, reflecting a $7.4 million increase in automobile lease residual losses due to continued weakening in used car prices, as well as a $5.4 million increase in FDIC insurance expense as we depleted our one-time credit, previously being used to offset these insurance expenses.
- $12.0 million, or 6%, increase in personnel costs, reflecting the seasonal pension

settlement catch up, as well as severance and non-executive benefit accruals.

- $4.0 million, or 30%, increase in professional services, reflecting an increase in legal fees associated with litigation and collection expenses.
- $2.3 million, or 33%, increase in marketing costs.

Partially offset by:

- $2.2 million, or 9%, decline in net occupancy expense.

2008 Fourth Quarter versus 2007 Fourth Quarter

Non-interest expense decreased $49.5 million, or 11%, from the year-ago quarter.

Table 9 – Non-interest Expense – 4Q08 vs. 4Q07

					Change Attributable to			
	Fourth Quarter		Change		Significant	Mrgr Rstrct	Other	
(in millions)	2008	2007	Amount	%	Items	Costs	Amount	% [4]
Non-interest Expense								
Personnel costs	$ 196 8	$ 214 9	$ (18 1)	(8) %	$ -	$ (22 8)	$ 4 7	2 %
Outside data processing and other services	31 2	39 1	(7 9)	(20)	-	(7 0)	(0 9)	(3)
Net occupancy	23 0	26 7	(3 7)	(14)	-	(1 2)	(2 5)	(10)
Equipment	22 3	22 8	(0 5)	(2)	-	(0 2)	(0 3)	(1)
Amortization of intangibles	19 2	20 2	(1 0)	(5)	-	-	(1 0)	(5)
Professional services	17 4	14 5	3 0	20	-	(3 4)	6 4	58
Marketing	9 4	16 2	(6 8)	(42)	-	(6 9)	0 1	1
Automobile operating lease expense	10 5	1 9	8 6	NM	-	-	8 6	NM
Telecommunications	5 9	8 5	(2 6)	(31)	-	(1 0)	(1 7)	(22)
Printing and supplies	4 2	6 6	(2 4)	(37)	-	(1 0)	(1 4)	(25)
Other expense	50 2	68 2	(18 0)	(26)	(29 4) [1]	(0 9)	12 3	18
Total non-interest expense	$ 390 1	$ 439 6	$ (49 5)	(11) %	$ (29 4)	$ (44 4)	$ 24 4	6 %

[1] VISA indemnification $ (4 6) $ 24 9 $ (29 4)

Of the $49.5 million decline, $44.4 million represented Sky Financial merger/restructuring costs in the year-ago quarter with $29.4 million from significant items *(see Significant Item discussion)*. The remaining $24.4 million, or 6%, increase primarily reflected a $12.3 million, or 18%, increase in other expense due to higher automobile lease residual losses, corporate insurance expense, and FDIC insurance premiums.

Income Taxes

The provision for income taxes in the 2008 fourth quarter was a benefit of $251.9 million. For the full year, the provision for income taxes was a benefit of $182.2 million. The effective tax rate for the 2008 fourth quarter was a tax benefit of 37.6%.

Credit Quality

Credit quality performance in the 2008 fourth quarter was negatively impacted by the Franklin relationship actions *(see Franklin Credit Management Relationship Actions)*, as well as accelerated economic weakness in our Midwest markets. These economic factors influenced the performance of net charge-offs (NCOs) and nonaccrual loans (NALs), as well as an expected commensurate significant increase in the provision for credit losses *(see Provision for Credit Losses discussion)* that significantly increased the absolute and relative levels of our allowance for credit losses (ACL).

Net Charge-Offs

Total net charge-offs for the 2008 fourth quarter were $560.6 million, or an annualized 5.41% of average total loans and leases. This was up significantly from total net charge-offs in the 2008 third quarter of $83.8 million, or an annualized 0.82%. Fourth quarter net charge-offs in the year-ago quarter were $377.9 million, or an annualized 3.77%. The 2008 fourth quarter, as well as the year-ago quarter, included Franklin relationship-related net charge-offs of $423.3 million and $308.5 million, respectively.

Total commercial net charge-offs for the 2008 fourth quarter were $511.8 million, or an annualized 8.54% of related loans, up from $40.6 million, or an annualized 0.69% in the 2008 third quarter. Total commercial net charge-offs in the year-ago quarter were $344.6 million, or an annualized 6.18%. Franklin relationship-related net charge-offs in the current and year-ago quarter were $423.3 million and $308.5 million, respectively. Non-Franklin C&I net charge-offs in the 2008 fourth quarter were $50.2 million, or an annualized 1.58%, of related loans. This compared with $29.6 million, or an annualized 0.95%, in the 2008 third quarter. The current quarter's non-Franklin C&I net charge-offs reflected the impact of two relationships totaling $11.5 million, with the rest of the increase spread among smaller loans across the portfolio. The two larger relationships, and the majority of the rest of the charge-offs, had been included in our previous full-year net charge-off forecast. The increase compared with the third quarter was consistent with our view of the deteriorating economic situation.

Current quarter CRE net charge-offs were $38.4 million, or an annualized 1.50%, up from $11.0 million, or an annualized 0.45% in the prior quarter. The fourth quarter losses were centered in the single family homebuilder portfolio, spread across the footprint. There was a $5.2 million loss associated with the retail center located in Indianapolis we have discussed in prior quarters.

Total consumer net charge-offs in the current quarter were $48.8 million, or an annualized 1.12% of related loans, up from $43.1 million, or an annualized 0.98% in the third quarter, and from $33.3 million, or an annualized 0.75%, in the year-ago quarter.

Automobile loan and lease net charge-offs were $18.6 million, or an annualized 1.64% in the current quarter, up from 1.15% in the prior period and 0.96% in the year-ago period. Net charge-offs for automobile loans were an annualized 1.53% in the current quarter, up from 1.02% in the third quarter, with net-charge-offs for automobile leases also increasing to an annualized 2.31%

from 1.84%. Both automobile loan and automobile lease net charge-offs continued to be negatively impacted by declines in used car prices, with automobile lease net charge-off rates also being negatively impacted by a portfolio that is in a run-off mode. Although we anticipate that automobile loan and lease net charge-offs will remain under pressure due to continued economic weakness in our markets, we believe that our focus on prime borrowers over the last several years, and in particular our move to super prime originations in 2008, will continue to result in better performance relative to other peer bank automobile portfolios.

Home equity net charge-offs in the 2008 fourth quarter were $19.2 million, or an annualized 1.02%, up from an annualized 0.85% in the prior quarter, and from an annualized 0.67%, in the year-ago quarter. This portfolio continued to be negatively impacted by the general economic and housing market slowdown. The impact was evident across our footprint, particularly so in our Michigan markets. Given that we have no exposure to the very volatile West Coast and minimal exposure to Florida markets, as less than 10% of the portfolio was originated via the broker channel, and our conservative assessment of the borrower's ability to repay at the time of underwriting, we continue to believe our home equity net charge-off experience will compare very favorably relative to the industry.

Residential mortgage net charge-offs were $7.3 million, or an annualized 0.62% of related average balances. This was up from an annualized 0.56% in the prior quarter and from 0.25% in the year-ago quarter. The residential portfolio is subject to the regional economic and housing related pressures, and we expect to see additional stress in our markets in future periods. Our portfolio performance will continue to be positively impacted by our origination strategy that specifically excluded the more exotic mortgage structures. In addition, loss mitigation strategies have been in place for over a year and are helping to successfully address risks in our ARM portfolio.

Nonaccrual Loans and Non-performing Assets

Nonaccrual loans (NALs) were $1,502.1 million at December 31, 2008, and represented 3.66% of total loans and leases. This was significantly higher than $585.9 million, or 1.42%, at September 30, 2008, and $319.8 million, or 0.80%, at the end of the year-ago period. Of the $916.2 million increase in NALs from the end of the prior quarter, $650.2 million were related to the Franklin relationship *(see Franklin Credit Management Relationship Actions)*, $146.9 million related to a 49% increase in CRE NALs and a $13.8 million, or 16%, increase in residential mortgage NALs. In contrast, home equity NALs declined $2.9 million, or 10%.

Non-performing assets (NPAs), which include NALs, were $1,636.6 million at December 31, 2008. This was significantly higher than $675.3 million at September 30, 2008, and up from $472.9 million at the end of the year-ago period. The $961.3 million increase in NPAs from the end of the prior quarter reflected the $916.2 million increase in NALs. The entire $650.2 million Franklin relationship was placed on nonaccrual status.

The over 90-day delinquent, but still accruing, ratio was 0.50% at December 31, 2008, up from 0.46% at September 30, 2008, and from 0.35% at the end of the year-ago quarter. The 4 basis point increase in the 90-day delinquent ratio from September 30, 2008, reflected a 16 basis point increase in the total consumer loan 90-day delinquent ratio to 0.77% from 0.61%, as the total commercial loan 90-day delinquent ratio declined to 0.30% from 0.35%.

Allowances for Credit Losses (ACL)

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

At December 31, 2008, the ALLL was $900.2 million, up from $720.7 million at September 30, 2008, and from $578.4 million a year ago. Expressed as a percent of period-end loans and leases, the ALLL ratio at December 31, 2008, was 2.19%, up from 1.75% at September 30, 2008, and from 1.44% a year ago. The $179.5 million increase from the end of the prior quarter primarily reflected the impact of the continued economic weakness across our Midwest markets, as the reserves associated with the Franklin relationship accounted for only $14.7 million of the increase. On an absolute basis the Franklin relationship reserve increased $14.7 million (from $115.3 million to $130.0 million), as a percent of outstanding loans, the reserve increased to 20% from 11% at the end of the prior quarter *(see Franklin Credit Management Relationship Actions).*

Table 10 shows the change in the ALLL ratio and each reserve component for the 2008 fourth and third quarters and 2007 fourth quarter.

Table 10 – Components of ALLL as Percent of Total Loans and Leases

				4Q08 change from	
	4Q08	3Q08	4Q07	3Q08	4Q07
Transaction reserve [(1)]	1.91%	1.54%	1.27%	0.37%	0.64%
Economic reserve	0.28	0.21	0.17	0.07	0.11
Total ALLL	2.19%	1.75%	1.44%	0.44%	0.75%

(1) Includes specific reserve

The ALLL as a percent of NALs was 60% at December 31, 2008, down from 123% at September 30, 2008, and from 181% a year ago. At December 31, 2008, the AULC was $44.1 million, down from $61.6 million at September 30, 2008, and from $66.5 million at the end of the year-ago quarter.

On a combined basis, the ACL as a percent of total loans and leases at December 31, 2008, was 2.30%, up from 1.90% at September 30, 2008, and from 1.61% a year ago. The ACL as a percent of NALs was 63% at December 31, 2008, down from 134% at September 30, 2008, and from 202% a year ago.

Capital

At December 31, 2008, the regulatory Tier 1 and Total risk-based capital ratios were 10.76% and 13.96%, respectively, up from 8.80% and 12.03%, respectively, at September 30, 2008. Both ratios are well above the regulatory "well capitalized" thresholds of 6.0% and 10.0%, respectively. The "well capitalized" level is the highest regulatory capital designation. The tangible equity to asset ratio at December 31, 2008, was 7.66%, up from 5.98% at the end of the prior quarter. These increases reflected the benefit of the $1.4 billion preferred stock we issued to the U.S. Treasury as we were approved to participate in the Trouble Asset Relief Program's Capital Purchase Plan (see Troubled Asset Relief Program Capital Purchase Plan). In contrast, and reflecting the net loss for the quarter, the tangible common equity ratio declined to 3.98% at December 31, 2008, from 4.88% at the end of September 30, 2008.

<u>2009 EXPECTATIONS</u>

Commenting on 2009 expectations Steinour noted, "We expect 2009 will be a challenging year as we do not expect to see any turnaround in the underlying economy through at least the end of this year. We expect to see continued levels of elevated charge-offs and provision expense. The net interest margin is likely to remain under modest pressure. We do expect to continue to grow our core deposits. Fee income will be challenged and we expect that higher collection expense levels will remain throughout the year."

"Within this type of environment, right-sizing the level of expense is critical. That is why we have launched an expense reduction initiative. What direction or magnitude this will take is not known at this time. But we will be looking in every area, and nothing is off limits," he concluded.

Conference Call / Webcast Information

Huntington's senior management will host an earnings conference call on Thursday, January 22, 2009, at 1:00 p.m. (Eastern Daylight Time). The call may be accessed via a live Internet webcast at www huntington-ir.com or through a dial-in telephone number at 800-223-1238; conference ID 77389849. Slides will be available at www huntington-ir.com just prior to 1:00 p m. (Eastern Daylight Time) on January 22, 2009, for review during the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's web site www huntington.com. A telephone replay will be available two hours after the completion of the call through January 31, 2009, at 800-642-1687; conference ID 77389849.

Forward-looking Statement

This press release contains certain forward-looking statements, including certain plans, expectations, goals, projections, and statements, which are subject to numerous assumptions, risks, and uncertainties. Actual results could differ materially from those contained or implied by such statements for a variety of factors including: (1) deterioration in the loan portfolio could be worse than expected due to a number of factors such as the underlying value of the collateral could prove less valuable than otherwise assumed and assumed cash flows may be worse than expected; (2) changes in economic conditions; (3) movements in interest rates; (4) competitive pressures on product pricing and services; (5) success and timing of other business strategies; (6) the nature, extent, and timing of governmental actions and reforms, including the rules of participation for the Troubled Asset Relief Program voluntary Capital Purchase Plan under the Emergency Economic Stabilization Act of 2008, which may be changed unilaterally and retroactively by legislative or regulatory actions; and (7) extended disruption of vital infrastructure. Additional factors that could cause results to differ materially from those described above can be found in Huntington's 2007 Annual Report on Form 10-K, and documents subsequently filed by Huntington with the Securities and Exchange Commission. All forward-looking statements included in this release are based on information available at the time of the release. Huntington assumes no obligation to update any forward-looking statement.

Basis of Presentation

Use of Non-GAAP Financial Measures

This earnings release contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding Huntington's results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in this release, the Quarterly Financial Review supplement to this earnings release, or the 2008 fourth quarter earnings conference call slides, which can be found on Huntington's website at huntington-ir.com.

Significant Items

Certain components of the Income Statement are naturally subject to more volatility than others. As a result, analysts/investors may view such items differently in their assessment of performance compared with their expectations and/or any implications resulting from them on their assessment of future performance trends. It is a general practice of analysts/investors to try and determine their perception of what "underlying" or "core" earnings performance is in any given reporting period, as this typically forms the basis for their estimation of performance in future periods.

Therefore, Management believes the disclosure of certain "Significant Items" in current and prior period results aids analysts/investors in better understanding corporate performance so that they can ascertain for themselves what, if any, items they may wish to include/exclude from their analysis of performance; i.e., within the context of determining how that performance differed from their expectations, as well as how, if at all, to adjust their estimates of future performance accordingly.

To this end, Management has adopted a practice of listing as "Significant Items" in its external disclosure documents (e.g., earnings press releases, investor presentations, Forms 10-Q and 10-K) individual and/or particularly volatile items that impact the current period results by $0.01 per share or more. *(The one exception is the provision for credit losses discussed below).* Such "Significant Items" generally fall within one of two categories: timing differences and other items.

Timing Differences

Part of the company's regular business activities are by their nature volatile; e.g. capital markets income, gains and losses on the sale of loans, etc. While such items may generally be expected to occur within a full-year reporting period, they may vary significantly from period to period. Such items are also typically a component of an

Income Statement line item and not, therefore, readily discernable. By specifically disclosing such items, analysts/investors can better assess how, if at all, to adjust their estimates of future performance.

Other Items

From time to time, an event or transaction might significantly impact revenues, expenses, or taxes in a particular reporting period that are judged to be one-time, short-term in nature, and/or materially outside typically expected performance. Examples would be (1) merger costs as they typically impact expenses for only a few quarters during the period of transition; e.g., restructuring charges, asset valuation adjustments, etc.; (2) changes in an accounting principle; (3) one-time tax assessments/refunds; (4) a large gain/loss on the sale of an asset; (5) outsized commercial loan net charge-offs related to fraud; etc. By disclosing such items, analysts/investors can better assess how, if at all, to adjust their estimates of future performance.

Provision for Credit Losses

While the provision for credit losses may vary significantly between periods, Management typically excludes it from the list of "Significant Items", unless in Management's view, there is a significant specific credit(s), which is causing distortion in the period.

Provision expense is always an assumption in analyst/investor expectations of earnings and there is apparent agreement among them that provision expense is included in their definition of "underlying" or "core" earnings unlike "timing differences" or "other items". In addition, provision expense is an individual Income Statement line item so its value is easily known and, except in very rare situations, the amount in any reporting period always exceeds $0.01 per share. In addition, the factors influencing the level of provision expense receive detailed additional disclosure and analysis so that analysts/investors have information readily available to understand the underlying factors that result in the reported provision expense amount.

In addition, provision expense trends usually increase/decrease in a somewhat orderly pattern in conjunction with credit quality cycle changes; i.e., as credit quality improves provision expense generally declines and vice versa. While they may have differing views regarding magnitude and/or trends in provision expense, every analyst and most investors incorporate a provision expense estimate in their financial performance estimates.

Other Exclusions

"Significant Items" for any particular period are not intended to be a complete list of items that may significantly impact future periods. A number of factors, including those described in Huntington's 2007 Annual Report on Form 10-K and other factors described from time to time in Huntington's other filings with the Securities and Exchange Commission, could significantly impact future periods.

Annualized data

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

Fully taxable equivalent interest income and net interest margin

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

Earnings per share equivalent data

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

NM or nm

Percent changes of 100% or more are typically shown as "nm" or "not meaningful" unless required. Such large percent changes typically reflect the impact of unusual or particularly volatile items within the measured periods. Since the primary purpose of showing a percent change is for discerning underlying performance trends, such large percent changes are typically "not meaningful" for trend analysis purposes.

About Huntington

Huntington Bancshares Incorporated is a $54 billion regional bank holding company headquartered in Columbus, Ohio. Huntington has more than 142 years of serving the financial needs of its customers. Huntington's banking subsidiary, The Huntington National Bank, provides innovative retail and commercial financial products and services through over 600 regional banking offices in Indiana, Kentucky, Michigan, Ohio, Pennsylvania, and West Virginia. Huntington also offers retail and commercial financial services online at huntington.com; through its technologically advanced, 24-hour telephone bank; and through its network of almost 1,400 ATMs. Selected financial service activities are also conducted in other states including: Auto Finance & Dealer Services offices in Arizona, Florida, Tennessee, Texas, and Virginia; Private Financial and Capital Markets Group offices in Florida; and Mortgage Banking offices in Maryland and New Jersey. Huntington Insurance offers retail and commercial insurance agency services in Indiana, Ohio, Michigan, Pennsylvania, and West Virginia. International banking services are made available through the headquarters office in Columbus, a limited purpose office located in the Cayman Islands, and another located in Hong Kong.

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HUNTINGTON BANCSHARES INCORPORATED

Quarterly Key Statistics [1]

(Unaudited)

	2008		2007	Percent Changes vs	
(in thousands, except per share amounts)	**Fourth**	Third	Fourth	3Q08	4Q07
Net interest income	**$ 376,365**	$ 388,636	$ 382,933	(3 2) %	(1 7) %
Provision for credit losses	**722,608**	125,392	512,082	N M	41 1
Non-interest income	**67,099**	167,857	170,557	(60 0)	(60 7)
Non-interest expense	**390,094**	338,996	439,552	15 1	(11 3)
(Loss) Income before income taxes	**(669,238)**	92,105	(398,144)	N M	68 1
(Benefit) Provision for income taxes	**(251,949)**	17,042	(158,864)	N M	58 6
Net (Loss) Income	**$ (417,289)**	$ 75,063	$ (239,280)	N M %	74 4 %
Dividends declared on preferred shares	**23,158**	12,091	---	91 5	---
Net (loss) income applicable to common shares	**$ (440,447)**	$ 62,972	$ (239,280)	N M %	84 1
Net (loss) income per common share - diluted	**$ (1.20)**	$ 0 17	$ (0 65)	N M %	84 6 %
Cash dividends declared per common share	**0.1325**	0 1325	0 265	---	(50 0)
Book value per common share at end of period	**14.53**	15 86	16 24	(8 4)	(10 5)
Tangible book value per common share at end of period	**5.55**	6 84	7 13	(18 9)	(22 2)
Average common shares - basic	**366,054**	366,124	366,119	---	---
Average common shares - diluted [2]	**366,054**	367,361	366,119	(0 4)	---
Return on average assets	**(3.04) %**	0 55	(1 74) %		
Return on average shareholders' equity	**(23.7)**	4 7	(15 3)		
Return on average tangible shareholders' equity [3]	**(43.2)**	11 6	(30 7)		
Net interest margin [4]	**3.18**	3 29	3 26		
Efficiency ratio [5]	**64.6**	50 3	73 5		
Effective tax rate	**(37.6)**	18 5	(39 9)		
Average loans and leases	**$ 41,436,810**	$ 41,004,234	$ 40,109,361	1 1	3 3
Average loans and leases - linked quarter annualized growth rate	**4.2 %**	(0 2)	2 8 %		
Average earning assets	**$ 47,575,350**	$ 47,640,822	$ 47,274,130	(0 1)	0 6
Average total assets	**54,607,132**	54,660,358	54,480,021	(0 1)	0 2
Average core deposits [6]	**31,997,644**	31,738,625	31,670,411	0 8	1 0
Average core deposits - linked quarter annualized growth rate [6]	**3.3 %**	4 2	0 4 %		
Average shareholders' equity	**$ 7,017,683**	$ 6,321,364	$ 6,211,206	11 0	13 0
Total assets at end of period	**54,311,602**	54,660,589	54,697,468	(0 6)	(0 7)
Total shareholders' equity at end of period	**7,196,791**	6,373,906	5,949,140	12 9	21 0
Net charge-offs (NCOs)	**560,620**	83,751	377,907	N M	48 3
NCOs as a % of average loans and leases	**5.41 %**	0 82	3 77 %		
Nonaccrual loans and leases (NALs)	**$ 1,502,147**	$ 585,941	$ 319,771	N M	N M
NAL ratio	**3.66 %**	1 42	0 80 %		
Non-performing assets (NPAs) [7]	**1,636,646**	675,319	472,902	N M	N M
NPA ratio	**3.97 %**	1 64	1 18 %		
Allowance for loan and lease losses (ALLL) as a % of total loans and leases at the end of period	**2.19**	1 75	1 44		
ALLL plus allowance for unfunded loan commitments and letters of credit as a % of total loans and leases at the end of period	**2.30**	1 90	1 61		
ALLL as a % of NALs	**60**	123	181		
ALLL as a % of NPAs	**55**	107	122		
Tier 1 risk-based capital ratio [8]	**10.76**	8 80	7 51		
Total risk-based capital ratio [8]	**13.96**	12 03	10 85		
Tier 1 leverage ratio [8]	**9.82**	7 99	6 77		
Average equity / assets	**12.85**	11 56	11 40		
Tangible equity / assets [9]	**7.66**	5 98	5 08		
Tangible common equity / assets	**3.98**	4 88	5 08		

N M , not a meaningful value

(1) Comparisons for presented periods are impacted by a number of factors Refer to "Significant Items"

(2) For the three-month periods ended December 31, 2008, and September 30, 2008, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation It was excluded because the result would have been higher than basic earnings per common share (anti-dilutive) for the period

(3) Net (loss) income excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity
Average tangible shareholders' equity equals average total stockholders' equity less average intangible assets and goodwill Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate

(4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate

(5) Non-interest expense less amortization of intangibles ($19 2 million in 4Q 2008, $19 5 million in 3Q 2008, and $20 2 million in 4Q 2007) divided by the sum of FTE net interest income and non-interest income excluding securities gains (losses)

(6) Includes non-interest bearing and interest bearing demand deposits, money market deposits, savings and other domestic time deposits, and core certificates of deposit

(7) Beginning in the 2008 fourth quarter, nonperforming assets (NPAs) no longer include accruing restructured loans

(8) December 31, 2008 figures are estimated Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting Statement 158 from the regulatory capital calculations

(9) At end of period Tangible equity (total equity less goodwill and other intangible assets) divided by tangible assets (total assets less goodwill and other intangible assets) Other intangible assets are net of deferred tax

HUNTINGTON BANCSHARES INCORPORATED

Year to Date Key Statistics [1]

(Unaudited)

(in thousands, except per share amounts)	Year Ended December 31, 2008	2007	Change Amount	Percent
Net interest income	**$ 1,531,691**	$ 1,301,512	$ 230,179	17.7 %
Provision for credit losses	**1,057,463**	643,628	413,835	64.3
Non-interest income	**707,138**	676,603	30,535	4.5
Non-interest expense	**1,477,374**	1,311,844	165,530	12.6
(Loss) Income before income taxes	**(296,008)**	22,643	(318,651)	N.M.
Benefit for income taxes	**(182,202)**	(52,526)	(129,676)	N.M.
Net (Loss) Income	**$ (113,806)**	$ 75,169	$ (188,975)	N.M. %
Dividends declared on preferred shares	**46,400**	---	46,400	---
Net (loss) income applicable to common shares	**$ (160,206)**	$ 75,169	$ (235,375)	N.M. %
Net (loss) income per common share - diluted	**$ (0.44)**	$ 0.25	$ (0.69)	N.M. %
Cash dividends declared per common share	**0.6625**	1.06	(0.40)	(37.5)
Average common shares - basic	**366,155**	300,908	65,247	21.7
Average common shares - diluted [2]	**366,155**	303,455	62,700	20.7
Return on average assets	**(0.21) %**	0.17		
Return on average shareholders' equity	**(1.8)**	1.6		
Return on average tangible shareholders' equity [3]	**(2.1)**	3.9		
Net interest margin [4]	**3.25**	3.36		
Efficiency ratio [5]	**57.0**	62.5		
Effective tax rate	**N.M.**	N.M.		
Average loans and leases	**$ 40,959,799**	$ 33,201,442	$ 7,758,357	23.4
Average earning assets	**47,786,991**	39,355,933	8,431,058	21.4
Average total assets	**54,921,419**	44,711,676	10,209,743	22.8
Average core deposits [6]	**31,666,585**	25,797,413	5,869,172	22.8
Average shareholders' equity	**6,393,788**	4,631,912	1,761,876	38.0
Net charge-offs (NCOs)	**758,067**	477,631	280,436	58.7
NCOs as a % of average loans and leases	**1.85 %**	1.44		

N.M., not a meaningful value.

(1) Comparisons for presented periods are impacted by a number of factors. Refer to "Significant Items."

(2) For the year ended December 31, 2008, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation. It was excluded because the result would have been higher than basic earnings per common share (anti-dilutive) for the period.

(3) Net income less expense excluding amortization of intangibles for the period divided by average tangible shareholders' equity. Average tangible shareholders' equity equals average total shareholders' equity less average intangible assets and goodwill. Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate.

(4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate.

(5) Non-interest expense less amortization of intangibles ($76.9 million in 2008 and $45.2 million in 2007) divided by the sum of FTE net interest income and non-interest income excluding securities gains (losses).

(6) Includes non-interest bearing and interest bearing demand deposits, money market deposits, savings and other domestic time deposits, and core certificates of deposit.

HUNTINGTON BANCSHARES INCORPORATED
Quarterly Financial Review
December 2008

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

This document reflects the post-Sky merger organization structure effective on July 1, 2007. Accordingly, the balances presented include the impact of the acquisition from that date.

Huntington Bancshares Incorporated
Consolidated Balance Sheets

	2008		2007	Change December '08 vs '07	
(in thousands, except number of shares)	**December 31,**	September 30,	December 31,	Amount	Percent
	(Unaudited)	*(Unaudited)*			
Assets					
Cash and due from banks	**$ 806,693**	$ 901,239	$ 1,416,597	$ (609,904)	(43.1) %
Federal funds sold and securities					
purchased under resale agreements	**37,975**	269,519	592,649	(554,674)	(93.6)
Interest bearing deposits in banks	**292,561**	298,297	340,090	(47,529)	(14.0)
Trading account securities	**88,677**	998,249	1,032,745	(944,068)	(91.4)
Loans held for sale	**390,438**	286,751	494,379	(103,941)	(21.0)
Investment securities	**4,384,457**	4,565,064	4,500,171	(115,714)	(2.6)
Loans and leases [1]	**41,092,165**	41,191,723	40,054,338	1,037,827	2.6
Allowance for loan and lease losses	**(900,227)**	(720,738)	(578,442)	(321,785)	55.6
Net loans and leases	**40,191,938**	40,470,985	39,475,896	716,042	1.8
Bank owned life insurance	**1,364,466**	1,353,400	1,313,281	51,185	3.9
Premises and equipment	**519,500**	527,798	557,565	(38,065)	(6.8)
Goodwill	**3,054,985**	3,056,386	3,059,333	(4,348)	(0.1)
Other intangible assets	**356,703**	375,914	427,970	(71,267)	(16.7)
Accrued income and other assets	**2,823,209**	1,556,987	1,486,792	1,336,417	89.9
Total Assets	**$ 54,311,602**	$ 54,660,589	$ 54,697,468	$ (385,866)	(0.7) %
Liabilities and Shareholders' Equity					
Liabilities					
Deposits [2]	**$ 37,943,200**	$ 37,569,056	$ 37,742,921	$ 200,279	0.5 %
Short-term borrowings	**1,309,157**	1,974,368	2,843,638	(1,534,481)	(54.0)
Federal Home Loan Bank advances	**2,588,976**	3,483,001	3,083,555	(494,579)	(16.0)
Other long-term debt	**2,330,763**	2,497,002	1,937,078	393,685	20.3
Subordinated notes	**1,939,052**	1,864,728	1,934,276	4,776	0.2
Accrued expenses and other liabilities	**1,003,663**	898,528	1,206,860	(203,197)	(16.8)
Total Liabilities	**47,114,811**	48,286,683	48,748,328	(1,633,517)	(3.4)
Shareholders' equity					
Preferred stock - authorized 6,617,808 shares-					
5.00% Series B Non-voting, Cumulative Preferred Stock, par value of $0.01 and liquidation value per share of $1,000; 1,398,071 shares issued and outstanding	**1,308,667**	---	---	1,308,667	---
8.50% Series A Non-cumulative Perpetual Convertible Preferred Stock, par value and liquidiation value per share of $1,000; 569,000 shares issued and outstanding.	**569,000**	569,000	---	569,000	---
Common stock -					
Par value of $0.01 and authorized 1,000,000,000 shares; issued 366,972,250, 366,970,661, and 367,000,815 shares, respectively; outstanding 366,057,669, 366,068,762, and 366,261,676 shares respectively.	**3,670**	3,670	3,670	---	---
Capital surplus	**5,322,428**	5,228,381	5,237,783	84,645	1.6
Less 914,581, 901,899 and 739,139 treasury shares at cost, respectively	**(15,530)**	(15,501)	(14,391)	(1,139)	7.9
Accumulated other comprehensive loss	**(357,043)**	(266,677)	(49,611)	(307,432)	N.M.
Retained earnings	**365,599**	855,033	771,689	(406,090)	(52.6)
Total Shareholders' Equity	**7,196,791**	6,373,906	5,949,140	1,247,651	21.0
Total Liabilities and Shareholders' Equity	**$ 54,311,602**	$ 54,660,589	$ 54,697,468	$ (385,866)	(0.7) %

N.M., not a meaningful value.

[1] See page 2 for detail of loans and leases.
[2] See page 3 for detail of deposits.

Huntington Bancshares Incorporated
Loans and Leases Composition

	2008				2007		Change December '08 vs '07	
(in thousands)	**December 31,**		September 30,		December 31,		Amount	Percent
	(Unaudited)		*(Unaudited)*					
By Type								
Commercial:								
Commercial and industrial	**$ 13,540,841**	**33.0 %**	$ 13,638,066	33.1 %	$ 13,125,565	32.8 %	$ 415,276	3.2 %
Commercial real estate:								
Construction	**2,080,328**	**5.1**	2,111,027	5.1	1,961,839	4.9	118,489	6.0
Commercial	**8,017,882**	**19.5**	7,796,133	18.9	7,221,213	18.0	796,669	11.0
Commercial real estate	**10,098,210**	**24.6**	9,907,160	24.0	9,183,052	22.9	915,158	10.0
Total commercial	**23,639,051**	**57.6**	23,545,226	57.1	22,308,617	55.7	1,330,434	6.0
Consumer:								
Automobile loans	**3,900,893**	**9.5**	3,917,576	9.5	3,114,029	7.8	786,864	25.3
Automobile leases	**563,417**	**1.4**	698,450	1.7	1,179,505	2.9	(616,088)	(52.2)
Home equity	**7,556,428**	**18.4**	7,496,875	18.2	7,290,063	18.2	266,365	3.7
Residential mortgage	**4,761,384**	**11.6**	4,854,260	11.8	5,447,126	13.6	(685,742)	(12.6)
Other loans	**670,992**	**1.5**	679,336	1.7	714,998	1.8	(44,006)	(6.2)
Total consumer	**17,453,114**	**42.4**	17,646,497	42.9	17,745,721	44.3	(292,607)	(1.6)
Total loans and leases	**$ 41,092,165**	**100.0**	$ 41,191,723	100.0	$ 40,054,338	100.0	$ 1,037,827	2.6
By Business Segment								
Regional Banking:								
Central Ohio	**$ 5,337,814**	**13.0 %**	$ 5,223,789	12.7 %	$ 5,149,503	12.9 %	$ 188,311	3.7 %
Northwest Ohio	**2,122,673**	**5.2**	2,179,160	5.3	2,280,648	5.7	(157,975)	(6.9)
Greater Cleveland	**3,308,503**	**8.1**	3,301,249	8.0	3,104,336	7.8	204,167	6.6
Greater Akron/Canton	**2,627,732**	**6.4**	2,598,991	6.3	2,477,467	6.2	150,265	6.1
Southern Ohio/Kentucky	**3,150,179**	**7.7**	3,021,163	7.3	2,668,073	6.7	482,106	18.1
Mahoning Valley	**1,243,997**	**3.0**	1,240,950	3.0	1,274,608	3.2	(30,611)	(2.4)
West Michigan	**2,679,929**	**6.5**	2,624,581	6.4	2,478,683	6.2	201,246	8.1
East Michigan	**1,800,472**	**4.4**	1,818,433	4.4	1,747,914	4.4	52,558	3.0
Pittsburgh	**1,941,733**	**4.7**	2,003,051	4.9	1,859,401	4.6	82,332	4.4
Central Indiana	**1,562,470**	**3.8**	1,585,247	3.8	1,421,401	3.5	141,069	9.9
West Virginia	**1,325,169**	**3.2**	1,221,503	3.0	1,155,719	2.9	169,450	14.7
Other Regional	**4,774,381**	**11.6**	4,771,863	11.6	5,061,767	12.5	(287,386)	(5.7)
Regional Banking	**31,875,052**	**77.6**	31,589,980	76.7	30,679,520	76.6	1,195,532	3.9
Auto Finance and Dealer Services	**5,955,887**	**14.5**	5,900,223	14.3	5,632,545	14.1	323,342	5.7
Private Financial, Capital Markets, and Insurance Group	**2,611,001**	**6.3**	2,606,956	6.3	2,553,872	6.3	57,129	2.2
Treasury / Other	**650,225**	**1.6**	1,094,564	2.7	1,188,401	3.0	(538,176)	(45.3)
Total loans and leases	**$ 41,092,165**	**100.0 %**	$ 41,191,723	100.0 %	$ 40,054,338	100.0 %	$ 1,037,827	2.6 %

Huntington Bancshares Incorporated
Deposit Composition

	2008				2007		Change December '08 vs '07	
(in thousands)	**December 31,**		September 30,		December 31,		Amount	Percent
	(Unaudited)		*(Unaudited)*					
By Type								
Demand deposits - non-interest bearing	**$ 5,477,439**	**14.4 %**	$ 5,135,164	13 7 %	$ 5,371,747	14 2 %	$ 105,692	2 0 %
Demand deposits - interest bearing	**4,082,701**	**10.8**	4,052,032	10 8	4,048,873	10 7	33,828	0 8
Money market deposits	**5,182,360**	**13.7**	5,565,439	14 8	6,643,242	17 6	(1,460,882)	(22 0)
Savings and other domestic deposits	**4,845,506**	**12.8**	4,816,038	12 8	4,968,615	13 2	(123,109)	(2 5)
Core certificates of deposit	**12,726,738**	**33.5**	12,156,660	32 4	10,736,146	28 4	1,990,592	18 5
Total core deposits	**32,314,744**	**85.2**	31,725,333	84 5	31,768,623	84 1	546,121	1 7
Other domestic deposits of $100,000 or more	**1,540,990**	**4.1**	1,948,899	5 2	1,870,730	5 0	(329,740)	(17 6)
Brokered deposits and negotiable CDs	**3,354,461**	**8.8**	2,925,440	7 8	3,376,854	8 9	(22,393)	(0 7)
Deposits in foreign offices	**733,005**	**1.9**	969,384	2 5	726,714	2 0	6,291	0 9
Total deposits	**$ 37,943,200**	**100.0 %**	$ 37,569,056	100 0 %	$ 37,742,921	100 0 %	$ 200,279	0 5 %
Total core deposits:								
Commercial	**$ 7,757,803**	**24.0 %**	$ 8,007,619	25 2 %	$ 9,017,852	28 4 %	$ (1,260,049)	(14 0) %
Personal	**24,556,941**	**76.0**	23,717,714	74 8	22,750,771	71 6	1,806,170	7 9
Total core deposits	**$ 32,314,744**	**100.0 %**	$ 31,725,333	100 0 %	$ 31,768,623	100 0 %	$ 546,121	1 7 %
By Business Segment								
Regional Banking:								
Central Ohio	**$ 6,192,393**	**16.3 %**	$ 6,136,030	16 3 %	$ 6,319,899	16 7 %	$ (127,506)	(2 0) %
Northwest Ohio	**2,602,003**	**6.9**	2,690,720	7 2	2,836,309	7 5	(234,306)	(8 3)
Greater Cleveland	**3,170,350**	**8.4**	3,248,385	8 6	3,201,791	8 5	(31,441)	(1 0)
Greater Akron/Canton	**3,209,756**	**8.5**	3,270,480	8 7	3,188,682	8 4	21,074	0 7
Southern Ohio/Kentucky	**2,664,542**	**7.0**	2,643,955	7 0	2,628,879	7 0	35,663	1 4
Mahoning Valley	**2,268,922**	**6.0**	2,263,719	6 0	2,333,794	6 2	(64,872)	(2 8)
West Michigan	**2,933,489**	**7.7**	3,021,528	8 0	2,918,709	7 7	14,780	0 5
East Michigan	**2,659,385**	**7.0**	2,663,131	7 1	2,444,269	6 5	215,116	8 8
Pittsburgh	**2,652,212**	**7.0**	2,749,254	7 3	2,536,007	6 7	116,205	4 6
Central Indiana	**1,868,730**	**4.9**	1,902,232	5 1	1,894,940	5 0	(26,210)	(1 4)
West Virginia	**1,817,741**	**4.8**	1,723,002	4 6	1,589,520	4 2	228,221	14 4
Other Regional	**834,282**	**2.2**	677,616	1 8	732,586	1 9	101,696	13 9
Regional Banking	**32,873,805**	**86.6**	32,990,052	87 8	32,625,385	86 4	248,420	0 8
Auto Finance and Dealer Services	**66,595**	**0.2**	67,040	0 2	59,783	0 2	6,812	11 4
Private Financial, Capital Markets, and Insurance Group	**1,784,747**	**4.7**	1,552,611	4 1	1,638,552	4 3	146,195	8 9
Treasury / Other [1]	**3,218,053**	**8.5**	2,959,353	7 9	3,419,201	9 1	(201,148)	(5 9)
Total deposits	**$ 37,943,200**	**100.0 %**	$ 37,569,056	100 0 %	$ 37,742,921	100 0 %	$ 200,279	0 5 %

[1] Comprised largely of national market deposits

Huntington Bancshares Incorporated
Consolidated Quarterly Average Balance Sheets
(Unaudited)

Fully taxable equivalent basis *(in millions)*	Average Balances 2008 Fourth	2008 Third	2008 Second	2008 First	2007 Fourth	Change 4Q08 vs 4Q07 Amount	Percent
Assets							
Interest bearing deposits in banks	**$ 343**	$ 321	$ 256	$ 293	$ 324	$ 19	5.9 %
Trading account securities	**940**	992	1,243	1,186	1,122	(182)	(16.2)
Federal funds sold and securities purchased under resale agreements	**48**	363	566	769	730	(682)	(93.4)
Loans held for sale	**329**	274	501	565	493	(164)	(33.3)
Investment securities:							
Taxable	**3,789**	3,975	3,971	3,774	3,807	(18)	(0.5)
Tax-exempt	**689**	712	717	703	689	---	---
Total investment securities	**4,478**	4,687	4,688	4,477	4,496	(18)	(0.4)
Loans and leases: [1]							
Commercial:							
Commercial and industrial	**13,746**	13,629	13,631	13,343	13,270	476	3.6
Commercial real estate:							
Construction	**2,103**	2,090	2,038	2,014	1,892	211	11.2
Commercial	**8,115**	7,726	7,563	7,273	7,161	954	13.3
Commercial real estate	**10,218**	9,816	9,601	9,287	9,053	1,165	12.9
Total commercial	**23,964**	23,445	23,232	22,630	22,323	1,641	7.4
Consumer:							
Automobile loans	**3,899**	3,856	3,636	3,309	3,052	847	27.8
Automobile leases	**636**	768	915	1,090	1,272	(636)	(50.0)
Automobile loans and leases	**4,535**	4,624	4,551	4,399	4,324	211	4.9
Home equity	**7,523**	7,453	7,365	7,274	7,297	226	3.1
Residential mortgage	**4,737**	4,812	5,178	5,351	5,437	(700)	(12.9)
Other loans	**678**	670	699	713	728	(50)	(6.9)
Total consumer	**17,473**	17,559	17,793	17,737	17,786	(313)	(1.8)
Total loans and leases	**41,437**	41,004	41,025	40,367	40,109	1,328	3.3
Allowance for loan and lease losses	**(764)**	(731)	(654)	(630)	(474)	(290)	(61.2)
Net loans and leases	**40,673**	40,273	40,371	39,737	39,635	1,038	2.6
Total earning assets	**47,575**	47,641	48,279	47,657	47,274	301	0.6
Cash and due from banks	**928**	925	943	1,036	1,098	(170)	(15.5)
Intangible assets	**3,421**	3,441	3,449	3,472	3,440	(19)	(0.6)
All other assets	**3,447**	3,384	3,522	3,350	3,142	305	9.7
Total Assets	**$ 54,607**	$ 54,660	$ 55,539	$ 54,885	$ 54,480	$ 127	0.2 %
Liabilities and Shareholders' Equity							
Deposits:							
Demand deposits - non-interest bearing	**$ 5,205**	$ 5,080	$ 5,061	$ 5,034	$ 5,218	$ (13)	(0.2) %
Demand deposits - interest bearing	**3,988**	4,005	4,086	3,934	3,929	59	1.5
Money market deposits	**5,500**	5,860	6,267	6,753	6,845	(1,345)	(19.6)
Savings and other domestic deposits	**4,837**	4,911	5,047	5,004	5,012	(175)	(3.5)
Core certificates of deposit	**12,468**	11,883	10,950	10,790	10,666	1,802	16.9
Total core deposits	**31,998**	31,739	31,411	31,515	31,670	328	1.0
Other domestic deposits of $100,000 or more	**1,682**	1,991	2,145	1,989	1,739	(57)	(3.3)
Brokered deposits and negotiable CDs	**3,049**	3,025	3,361	3,542	3,518	(469)	(13.3)
Deposits in foreign offices	**854**	1,048	1,110	885	748	106	14.2
Total deposits	**37,583**	37,803	38,027	37,931	37,675	(92)	(0.2)
Short-term borrowings	**1,748**	2,131	2,854	2,772	2,489	(741)	(29.8)
Federal Home Loan Bank advances	**3,188**	3,139	3,412	3,389	3,070	118	3.8
Subordinated notes and other long-term debt	**4,252**	4,382	3,928	3,814	3,875	377	9.7
Total interest bearing liabilities	**41,566**	42,375	43,160	42,872	41,891	(325)	(0.8)
All other liabilities	**818**	884	963	1,104	1,160	(342)	(29.5)
Shareholders' equity	**7,018**	6,321	6,355	5,875	6,211	807	13.0
Total Liabilities and Shareholders' Equity	**$ 54,607**	$ 54,660	$ 55,539	$ 54,885	$ 54,480	$ 127	0.2 %

[1] For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

Huntington Bancshares Incorporated
Consolidated Quarterly Net Interest Margin Analysis

(Unaudited)

	Average Rates [2]				
	2008				2007
Fully taxable equivalent basis [1]	**Fourth**	Third	Second	First	Fourth
Assets					
Interest bearing deposits in banks	**1.44 %**	2.17 %	2.77 %	3.97 %	4.30 %
Trading account securities	**5.32**	5.45	5.13	5.27	5.72
Federal funds sold and securities purchased under resale agreements	**0.24**	2.02	2.08	3.07	4.59
Loans held for sale	**6.58**	6.54	5.98	5.41	5.86
Investment securities:					
Taxable	**5.74**	5.54	5.50	5.71	5.98
Tax-exempt	**7.02**	6.80	6.77	6.75	6.74
Total investment securities	**5.94**	5.73	5.69	5.88	6.10
Loans and leases: [3]					
Commercial:					
Commercial and industrial	**5.01**	5.46	5.53	6.32	6.92
Commercial real estate:					
Construction	**4.55**	4.69	4.81	5.86	7.24
Commercial	**5.07**	5.33	5.47	6.27	7.09
Commercial real estate	**4.96**	5.19	5.32	6.18	7.12
Total commercial	**4.99**	5.35	5.45	6.27	7.00
Consumer:					
Automobile loans	**7.17**	7.13	7.12	7.25	7.31
Automobile leases	**5.82**	5.70	5.59	5.53	5.52
Automobile loans and leases	**6.98**	6.89	6.81	6.82	6.78
Home equity	**5.87**	6.19	6.43	7.21	7.81
Residential mortgage	**5.84**	5.83	5.78	5.86	5.88
Other loans	**9.25**	9.71	9.98	10.43	10.91
Total consumer	**6.28**	6.41	6.48	6.84	7.10
Total loans and leases	**5.53**	5.80	5.89	6.51	7.05
Total earning assets	**5.57 %**	5.77 %	5.85 %	6.40 %	6.88 %
Liabilities and Shareholders' Equity					
Deposits:					
Demand deposits - non-interest bearing	**--- %**	--- %	--- %	--- %	--- %
Demand deposits - interest bearing	**0.34**	0.51	0.55	0.82	1.14
Money market deposits	**1.31**	1.66	1.76	2.83	3.67
Savings and other domestic deposits	**1.66**	1.74	1.83	2.27	2.54
Core certificates of deposit	**4.02**	4.05	4.37	4.68	4.83
Total core deposits	**2.49**	2.57	2.67	3.18	3.55
Other domestic deposits of $100,000 or more	**3.38**	3.47	3.77	4.38	5.00
Brokered deposits and negotiable CDs	**3.39**	3.37	3.38	4.43	5.24
Deposits in foreign offices	**0.90**	1.49	1.66	2.16	3.27
Total deposits	**2.58**	2.66	2.78	3.36	3.80
Short-term borrowings	**0.85**	1.42	1.66	2.78	3.74
Federal Home Loan Bank advances	**3.04**	2.92	3.01	3.94	5.03
Subordinated notes and other long-term debt	**4.49**	4.29	4.21	5.12	5.93
Total interest bearing liabilities	**2.74 %**	2.79 %	2.85 %	3.53 %	4.09 %
Net interest rate spread	**2.83 %**	2.98 %	3.00 %	2.87 %	2.79 %
Impact of non-interest bearing funds on margin	**0.35**	0.31	0.29	0.36	0.47
Net interest margin	**3.18 %**	3.29 %	3.29 %	3.23 %	3.26 %

(1) Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 7 for the FTE adjustment.
(2) Loan, lease, and deposit average rates include impact of applicable derivatives and non-deferrable fees.
(3) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

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

(Unaudited)

	Average Balances					Change	
	2008				2007	4Q08 vs 4Q07	
(in millions)	**Fourth**	Third	Second	First	Fourth	Amount	Percent
Loans and direct financing leases [(1)]							
Regional Banking:							
Central Ohio	**$ 5,368**	$ 5,202	$ 5,199	$ 5,099	$ 5,040	$ 328	6.5 %
Northwest Ohio	**2,152**	2,209	2,251	2,295	2,301	(149)	(6.5)
Greater Cleveland	**3,304**	3,274	3,241	3,148	3,085	219	7.1
Greater Akron/Canton	**2,629**	2,592	2,586	2,516	2,488	141	5.7
Southern Ohio/Kentucky	**3,093**	2,999	2,925	2,782	2,584	509	19.7
Mahoning Valley	**1,227**	1,224	1,268	1,266	1,279	(52)	(4.1)
West Michigan	**2,708**	2,633	2,572	2,508	2,472	236	9.5
East Michigan	**1,812**	1,819	1,792	1,734	1,761	51	2.9
Pittsburgh	**1,975**	1,983	1,932	1,902	1,856	119	6.4
Central Indiana	**1,585**	1,545	1,527	1,463	1,397	188	13.5
West Virginia	**1,284**	1,198	1,199	1,160	1,135	149	13.1
Other Regional	**4,666**	4,669	4,908	5,089	5,048	(382)	(7.6)
Regional Banking	**31,803**	31,347	31,400	30,962	30,446	1,357	4.5
Auto Finance and Dealer Services	**5,909**	5,928	5,877	5,720	5,587	322	5.8
Private Financial, Capital Markets, and Insurance Group	**2,629**	2,600	2,594	2,553	2,496	133	5.3
Treasury / Other	**1,096**	1,129	1,154	1,132	1,580	(484)	(30.6)
Total loans and direct financing leases	**$ 41,437**	$ 41,004	$ 41,025	$ 40,367	$ 40,109	$ 1,328	3.3 %
Deposit composition [(1)]							
Regional Banking:							
Central Ohio	**$ 6,160**	$ 6,331	$ 6,596	$ 6,359	$ 6,158	$ 2	0.0 %
Northwest Ohio	**2,644**	2,755	2,765	2,828	2,823	(179)	(6.3)
Greater Cleveland	**3,136**	3,272	3,317	3,189	3,097	39	1.3
Greater Akron/Canton	**3,215**	3,239	3,211	3,231	3,236	(21)	(0.6)
Southern Ohio/Kentucky	**2,670**	2,638	2,596	2,655	2,644	26	1.0
Mahoning Valley	**2,260**	2,281	2,277	2,312	2,331	(71)	(3.0)
West Michigan	**2,931**	2,981	2,906	2,904	2,923	8	0.3
East Michigan	**2,657**	2,612	2,458	2,420	2,406	251	10.4
Pittsburgh	**2,685**	2,609	2,562	2,545	2,553	132	5.2
Central Indiana	**1,921**	1,880	1,946	1,888	1,939	(18)	(0.9)
West Virginia	**1,763**	1,674	1,608	1,594	1,567	196	12.5
Other Regional	**865**	829	818	786	730	135	18.5
Regional Banking	**32,907**	33,101	33,060	32,711	32,407	500	1.5
Auto Finance and Dealer Services	**61**	62	54	54	61	---	---
Private Financial, Capital Markets, and Insurance Group	**1,608**	1,583	1,517	1,583	1,640	(32)	(2.0)
Treasury / Other	**3,007**	3,057	3,396	3,583	3,567	(560)	(15.7)
Total deposits	**$ 37,583**	$ 37,803	$ 38,027	$ 37,931	$ 37,675	$ (92)	(0.2) %

(1) Prior period amounts have been reclassified to conform to the current period presentation.

Huntington Bancshares Incorporated
Selected Quarterly Income Statement Data [1]
(Unaudited)

(in thousands, except per share amounts)	**2008 Fourth**	2008 Third	2008 Second	2008 First	2007 Fourth	4Q08 vs 4Q07 Amount	4Q08 vs 4Q07 Percent
Interest income	**$ 662,508**	$ 685,728	$ 696,675	$ 753,411	$ 814,398	$ (151,890)	(18 7) %
Interest expense	**286,143**	297,092	306,809	376,587	431,465	(145,322)	(33 7)
Net interest income	**376,365**	388,636	389,866	376,824	382,933	(6,568)	(1 7)
Provision for credit losses	**722,608**	125,392	120,813	88,650	512,082	210,526	41 1
Net interest (loss) income after provision for credit losses	**(346,243)**	263,244	269,053	288,174	(129,149)	(217,094)	N M
Service charges on deposit accounts	**75,247**	80,508	79,630	72,668	81,276	(6,029)	(7 4)
Brokerage and insurance income	**31,233**	34,309	35,694	36,560	30,288	945	3 1
Trust services	**27,811**	30,952	33,089	34,128	35,198	(7,387)	(21 0)
Electronic banking	**22,838**	23,446	23,242	20,741	21,891	947	4 3
Bank owned life insurance income	**13,577**	13,318	14,131	13,750	13,253	324	2 4
Automobile operating lease income	**13,170**	11,492	9,357	5,832	2,658	10,512	N M
Mortgage banking (loss) income	**(6,747)**	10,302	12,502	(7,063)	3,702	(10,449)	N M
Securities (losses) gains	**(127,082)**	(73,790)	2,073	1,429	(11,551)	(115,531)	N M
Other income (loss)	**17,052**	37,320	26,712	57,707	(6,158)	23,210	N M
Total non-interest income	**67,099**	167,857	236,430	235,752	170,557	(103,458)	(60 7)
Personnel costs	**196,785**	184,827	199,991	201,943	214,850	(18,065)	(8 4)
Outside data processing and other services	**31,230**	32,386	30,186	34,361	39,130	(7,900)	(20 2)
Net occupancy	**22,999**	25,215	26,971	33,243	26,714	(3,715)	(13 9)
Equipment	**22,329**	22,102	25,740	23,794	22,816	(487)	(2 1)
Amortization of intangibles	**19,187**	19,463	19,327	18,917	20,163	(976)	(4 8)
Professional services	**17,420**	13,405	13,752	9,090	14,464	2,956	20 4
Marketing	**9,357**	7,049	7,339	8,919	16,175	(6,818)	(42 2)
Automobile operating lease expense	**10,483**	9,093	7,200	4,506	1,918	8,565	N M
Telecommunications	**5,892**	6,007	6,864	6,245	8,513	(2,621)	(30 8)
Printing and supplies	**4,175**	4,316	4,757	5,622	6,594	(2,419)	(36 7)
Other expense	**50,237**	15,133	35,676	23,841	68,215	(17,978)	(26 4)
Total non-interest expense	**390,094**	338,996	377,803	370,481	439,552	(49,458)	(11 3)
(Loss) Income before income taxes	**(669,238)**	92,105	127,680	153,445	(398,144)	(271,094)	68 1
(Benefit) Provision for income taxes	**(251,949)**	17,042	26,328	26,377	(158,864)	(93,085)	58 6
Net (loss) income	**$ (417,289)**	$ 75,063	$ 101,352	$ 127,068	$ (239,280)	$ (178,009)	74 4 %
Dividends declared on preferred shares	**23,158**	12,091	11,151	---	---	23,158	---
Net (loss) income applicable to common shares	**$ (440,447)**	$ 62,972	$ 90,201	$ 127,068	$ (239,280)	$ (201,167)	84 1 %
Average common shares - basic	**366,054**	366,124	366,206	366,235	366,119	(65)	(0 0) %
Average common shares - diluted [2]	**366,054**	367,361	367,234	367,208	366,119	(65)	(0 0)
Per common share							
Net (loss) income - basic	**$ (1.20)**	$ 0 17	$ 0 25	$ 0 35	$ (0 65)	$ (0 55)	84 6 %
Net (loss) income - diluted	**(1.20)**	0 17	0 25	0 35	(0 65)	(0 55)	84 6
Cash dividends declared	**0.1325**	0 1325	0 1325	0 2650	0 2650	(0 1325)	(50 0)
Return on average total assets	**(3.04) %**	0 55 %	0 73 %	0 93 %	(1 74)	(1 30) %	74 7
Return on average total shareholders' equity	**(23.7)**	4 7	6 4	8 7	(15 3)	(8 4)	54 9
Return on average tangible shareholders' equity [3]	**(43.2)**	11 6	15 0	22 0	(30 7)	(12 50)	40 7
Net interest margin [4]	**3.18**	3 29	3 29	3 23	3 26	(0 08)	(2 5)
Efficiency ratio [5]	**64.6**	50 3	56 9	57 0	73 5	(8 9)	(12 1)
Effective tax rate (benefit)	**(37.6)**	18 5	20 6	17 2	(39 9)	2 3	(5 8)
Revenue - fully taxable equivalent (FTE)							
Net interest income	**$ 376,365**	$ 388,636	$ 389,866	$ 376,824	$ 382,933	$ (6,568)	(1 7)
FTE adjustment	**3,641**	5,451	5,624	5,502	5,363	(1,722)	(32 1)
Net interest income [4]	**380,006**	394,087	395,490	382,326	388,296	(8,290)	(2 1)
Non-interest income	**67,099**	167,857	236,430	235,752	170,557	(103,458)	(60 7)
Total revenue [4]	**$ 447,105**	$ 561,944	$ 631,920	$ 618,078	$ 558,853	$ (111,748)	(20 0) %

N M , not a meaningful value

(1) Comparisons for presented periods are impacted by a number of factors Refer to "Significant Items "

(2) For the three-month periods ended December 31, 2008, September 30, 2008, and June 30, 2008, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation It was excluded because the result would have been higher than basic earnings per common share (anti-dilutive) for the period

(3) Net income excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity Average tangible shareholder equity equals average stockholders' equity less equals average intangible assets and goodwill Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate

(4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate

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

Huntington Bancshares Incorporated
Quarterly Mortgage Banking Income
(Unaudited)

	2008				2007	4Q08 vs 4Q07	
(in thousands, except as noted)	**Fourth**	Third	Second	First	Fourth	Amount	Percent
Mortgage Banking Income							
Origination and secondary marketing	**$ 7,180**	$ 7,647	$ 13,098	$ 9,332	$ 5,879	$ 1,301	22.1 %
Servicing fees	**11,660**	11,838	11,166	10,894	11,405	255	2.2
Amortization of capitalized servicing[1]	**(6,462)**	(6,234)	(7,024)	(6,914)	(5,929)	(533)	(9.0)
Other mortgage banking income	**2,959**	3,519	5,959	4,331	4,113	(1,154)	(28.1)
Sub-total	**15,337**	16,770	23,199	17,643	15,468	(131)	(0.8)
MSR valuation adjustment [1]	**(63,355)**	(10,251)	39,031	(18,093)	(21,245)	(42,110)	N.M.
Net trading gains (losses) related to MSR hedging	**41,271**	3,783	(49,728)	(6,613)	9,479	31,792	N.M.
Total mortgage banking (loss) income	**$ (6,747)**	$ 10,302	$ 12,502	$ (7,063)	$ 3,702	$ (10,449)	N.M. %
Average trading account securities used to hedge MSRs *(in millions)*	**$ 857**	$ 941	$ 1,190	$ 1,139	$ 1,073	$ (216)	(20.1) %
Capitalized mortgage servicing rights[2]	**167,438**	230,398	240,024	191,806	207,894	(40,456)	(19.5)
Total mortgages serviced for others *(in millions)* [2]	**15,138**	15,741	15,770	15,138	15,088	50	0.3
MSR % of investor servicing portfolio	**1.11%**	1.46%	1.52%	1.27%	1.38%	(0.27)%	(19.6)
Net Impact of MSR Hedging							
MSR valuation adjustment [1]	**$ (63,355)**	$ (10,251)	$ 39,031	$ (18,093)	$ (21,245)	$ (42,110)	N.M. %
Net trading gains (losses) related to MSR hedging	**41,271**	3,783	(49,728)	(6,613)	9,479	31,792	N.M.
Net interest income related to MSR hedging	**9,473**	8,368	9,364	5,934	3,192	6,281	N.M.
Net impact of MSR hedging	**$ (12,611)**	$ 1,900	$ (1,333)	$ (18,772)	$ (8,574)	$ (4,037)	47.1 %

N.M., not a meaningful value.

(1) The change in fair value for the period represents the MSR valuation adjustment, net of amortization of capitalized servicing.

(2) At period end.

Huntington Bancshares Incorporated
Quarterly Credit Reserves Analysis
(Unaudited)

	2008				2007
(in thousands)	**Fourth**	Third	Second	First	Fourth
Allowance for loan and lease losses, beginning of period	**$ 720,738**	$ 679,403	$ 627,615	$ 578,442	$ 454,784
Loan and lease losses	**(571,053)**	(96,388)	(78,084)	(60,804)	(388,506)
Recoveries of loans previously charged off	**10,433**	12,637	12,837	12,355	10,599
Net loan and lease losses	**(560,620)**	(83,751)	(65,247)	(48,449)	(377,907)
Provision for loan and lease losses	**728,046**	125,086	117,035	97,622	503,781
Economic reserve transfer	**12,063**	---	---	---	---
Allowance for loans transferred to held-for-sale	**---**	---	---	---	(2,216)
Allowance for loan and lease losses, end of period	**$ 900,227**	$ 720,738	$ 679,403	$ 627,615	$ 578,442
Allowance for unfunded loan commitments and letters of credit, beginning of period	**$ 61,640**	$ 61,334	$ 57,556	$ 66,528	$ 58,227
(Reduction in) Provision for unfunded loan commitments and letters of credit losses	**(5,438)**	306	3,778	(8,972)	8,301
Economic reserve transfer	**(12,063)**	---	---	---	---
Allowance for unfunded loan commitments and letters of credit, end of period	**$ 44,139**	$ 61,640	$ 61,334	$ 57,556	$ 66,528
Total allowances for credit losses	**$ 944,366**	$ 782,378	$ 740,737	$ 685,171	$ 644,970
Allowance for loan and lease losses (ALLL) as % of:					
Transaction reserve	**1.91 %**	1.54 %	1.45 %	1.34 %	1.27 %
Economic reserve	**0.28**	0.21	0.21	0.19	0.17
Total loans and leases	**2.19 %**	1.75 %	1.66 %	1.53 %	1.44 %
Nonaccrual loans and leases (NALs)	**60**	123	127	166	181
Nonperforming assets (NPAs)	**55**	107	109	121	122
Total allowances for credit losses (ACL) as % of:					
Total loans and leases	**2.30 %**	1.90 %	1.80 %	1.67 %	1.61 %
Nonaccrual loans and leases	**63**	134	138	182	202
Nonperforming assets	**58**	116	119	132	136

Huntington Bancshares Incorporated
Quarterly Net Charge-Off Analysis
(Unaudited)

	2008				2007
(in thousands)	**Fourth**	Third	Second	First	Fourth
Net charge-offs by loan and lease type:					
Commercial:					
Commercial and industrial	**$ 473,426** (1)	$ 29,646	$ 12,361	$ 10,732	$ 323,905 (2)
Commercial real estate:					
Construction	**2,390**	3,539	575	122	6,800
Commercial	**35,991**	7,446	14,524	4,153	13,936
Commercial real estate	**38,381**	10,985	15,099	4,275	20,736
Total commercial	**511,807**	40,631	27,460	15,007	344,641
Consumer:					
Automobile loans	**14,885**	9,813	8,522	8,008	7,347
Automobile leases	**3,666**	3,532	2,928	3,211	3,046
Automobile loans and leases	**18,551**	13,345	11,450	11,219	10,393
Home equity	**19,168**	15,828	17,345	15,215	12,212
Residential mortgage	**7,328**	6,706	4,286	2,927	3,340
Other loans	**3,766**	7,241	4,706	4,081	7,321
Total consumer	**48,813**	43,120	37,787	33,442	33,266
Total net charge-offs	**$ 560,620**	$ 83,751	$ 65,247	$ 48,449	$ 377,907
Net charge-offs - annualized percentages:					
Commercial:					
Commercial and industrial (1), (2)	**13.78 %**	0.87 %	0.36 %	0.32 %	9.76 %
Commercial real estate:					
Construction	**0.45**	0.68	0.11	0.02	1.44
Commercial	**1.77**	0.39	0.77	0.23	0.78
Commercial real estate	**1.50**	0.45	0.63	0.18	0.92
Total commercial	**8.54**	0.69	0.47	0.27	6.18
Consumer:					
Automobile loans	**1.53**	1.02	0.94	0.97	0.96
Automobile leases	**2.31**	1.84	1.28	1.18	0.96
Automobile loans and leases	**1.64**	1.15	1.01	1.02	0.96
Home equity	**1.02**	0.85	0.94	0.84	0.67
Residential mortgage	**0.62**	0.56	0.33	0.22	0.25
Other loans	**2.22**	4.32	2.69	2.29	4.02
Total consumer	**1.12**	0.98	0.85	0.75	0.75
Net charge-offs as a % of average loans	**5.41 %**	0.82 %	0.64 %	0.48 %	3.77 %

(1) The 2008 fourth quarter includes charge-offs totaling $423.3 million associated with Franklin.

(2) The 2007 fourth quarter includes charge-offs totaling $397.0 million associated with the Franklin restructuring. These charge-offs were reduced by the unamortized discount associated with the loans, and by other amounts received from Franklin totaling $88.5 million, resulting in net charge-offs totaling $308.5 million.

Huntington Bancshares Incorporated
Quarterly Nonaccrual Loans (NALs), Nonperforming Assets (NPAs) and Past Due Loans and Leases
(Unaudited)

	2008				2007
(in thousands)	**December 31,**	September 30,	June 30,	March 31,	December 31,
Nonaccrual loans and leases (NALs):					
Commercial and industrial [1]	**$ 932,648**	$ 174,207	$ 161,345	$ 101,842	$ 87,679
Commercial real estate	**445,717**	298,844	261,739	183,000	148,467
Residential mortgage	**98,951**	85,163	82,882	66,466	59,557
Home equity	**24,831**	27,727	29,076	26,053	24,068
Total nonaccrual loans and leases	**1,502,147**	585,941	535,042	377,361	319,771
Other real estate, net:					
Residential	**63,058**	59,302	59,119	63,675	60,804
Commercial	**59,440**	14,176	13,259	10,181	14,467
Total other real estate, net	**122,498**	73,478	72,378	73,856	75,271
Impaired loans held for sale [2]	**12,001**	13,503	14,759	66,353	73,481
Other NPAs [3]	**---**	2,397	2,557	2,836	4,379
Total nonperforming assets	**$ 1,636,646**	$ 675,319	$ 624,736	$ 520,406	$ 472,902
Nonaccrual loans and leases as a % of total loans and leases (NAL ratio)	**3.66 %**	1.42 %	1.30 %	0.92 %	0.80 %
NPA ratio [4]	**3.97**	1.64	1.52	1.26	1.18
Accruing restructured loans [5]					
Franklin	**---**	364,939	368,379	1,157,361	1,187,368
Other	**306,417**	106,520	87,151	59,823	---
Total accruing restructured loans	**306,417**	471,459	455,530	1,217,184	1,187,368
Accruing loans and leases past due 90 days or more	**$ 203,985**	$ 191,518	$ 136,914	$ 152,897	$ 140,977
Accruing loans and leases past due 90 days or more as a percent of total loans and leases	**0.50 %**	0.46 %	0.33 %	0.37 %	0.35 %

	2008				2007
(in thousands)	**Fourth**	Third	Second	First	Fourth
Nonperforming assets, beginning of period	**$ 675,319**	$ 624,736	$ 520,406	$ 472,902	$ 435,042
New nonperforming assets	**1,159,545**	175,345	256,308	141,090	211,134
Returns to accruing status	**(13,756)**	(9,104)	(5,817)	(13,484)	(5,273)
Loan and lease losses	**(100,335)**	(52,792)	(40,808)	(27,896)	(62,502)
Payments	**(66,536)**	(43,319)	(46,091)	(38,746)	(30,756)
Sales	**(17,591)**	(19,547)	(59,262)	(13,460)	(74,743)
Nonperforming assets, end of period	**$ 1,636,646**	$ 675,319	$ 624,736	$ 520,406	$ 472,902

(1) The 2008 fourth quarter commercial and industrial NALs include the $650.2 million Franklin Credit Management Corporation (Franklin) Tranche A loan.

(2) Represent impaired loans obtained from the Sky Financial acquisition. Held for sale loans are carried at the lower of cost or fair value less costs to sell. The decline from March 31, 2008 to June 30, 2008 was primarily due to the sale of these loans.

(3) Other NPAs represent certain investment securities backed by mortgage loans to borrowers with lower FICO scores.

(4) Nonperforming assets divided by the sum of loans and leases, impaired loans held for sale, net other real estate, and other NPAs.

(5) Represents accruing loans that have been restructured. The 2007 fourth quarter and 2008 first quarter include both Tranche A and Tranche B of the Franklin relationship. The 2008 second and third quarters include Tranche B of the Franklin relationship, which was charged off in the 2008 fourth quarter.

Huntington Bancshares Incorporated
Quarterly Common Stock Summary, Capital, and Other Data
(Unaudited)

Quarterly common stock summary

	2008				2007
(in thousands, except per share amounts)	**Fourth**	Third	Second	First	Fourth
Common stock price, per share					
High [1]	**$ 11.650**	$ 13 500	$ 11 750	$ 14 870	$ 18 390
Low [1]	**5.260**	4 370	4 940	9 640	13 500
Close	**7.660**	7 990	5 770	10 750	14 760
Average closing price	**8.276**	7 510	8 783	12 268	16 125
Dividends, per share					
Cash dividends declared per common share	**$ 0.1325**	$ 0 1325	$ 0 1325	$ 0 2650	$ 0 2650
Common shares outstanding					
Average - basic	**366,054**	366,124	366,206	366,235	366,119
Average - diluted [2]	**366,054**	367,361	367,234	367,208	366,119
Ending	**366,058**	366,069	366,197	366,226	366,262
Book value per common share	**$ 14.53**	$ 15 86	$ 15 87	$ 16 13	$ 16 24
Tangible book value per common share [3]	**5 55**	6 84	6 82	7 08	7 13

Capital data

	2008				2007
(in millions)	**December 31,**	September 30,	June 30,	March 31,	December 31,
<u>Calculation of tangible equity / asset ratio:</u>					
Total shareholders' equity	**$ 7,197**	$ 6,374	$ 6,381	$ 5,907	$ 5,949
Less: goodwill	**(3,055)**	(3,056)	(3,057)	(3,047)	(3,059)
Less: other intangible assets	**(357)**	(376)	(395)	(409)	(428)
Add: related deferred tax liability [3]	**125**	132	138	143	150
Total tangible equity	**3,910**	3,073	3,068	2,593	2,612
Less: Preferred equity	**(1,878)**	(569)	(569)	-	-
Total tangible common equity	**$ 2,032**	$ 2,504	$ 2,499	$ 2,593	$ 2,612
Total assets	**$ 54,312**	$ 54,661	$ 55,334	$ 56,052	$ 54,697
Less: goodwill	**(3,055)**	(3,056)	(3,057)	(3,047)	(3,059)
Less: other intangible assets	**(357)**	(376)	(395)	(409)	(428)
Add: related deferred tax liability [3]	**125**	132	138	143	150
Total tangible assets	**$ 51,025**	$ 51,360	$ 52,020	$ 52,739	$ 51,360
Tangible equity / asset ratio	**7.66 %**	5 98 %	5 90 %	4 92 %	5 08 %
Tangible common equity / asset ratio	**3 98**	4 88	4 80	4 92	5 08
<u>Other capital data:</u>					
Total risk-weighted assets [4]	**$ 46,793**	$ 46,608	$ 46,602	$ 46,546	$ 46,044
Tier 1 leverage ratio [4]	**9 82 %**	7 99 %	7 88 %	6 83 %	6 77 %
Tier 1 risk-based capital ratio [4]	**10.76**	8 80	8 82	7 56	7 51
Total risk-based capital ratio [4]	**13.96**	12 03	12 05	10 87	10 85
Tangible equity / risk-weighted assets ratio [4]	**8 36**	6 59	6 58	5 57	5 67
Average equity / average assets	**12.85**	11 56	11 44	10 70	11 40
<u>Other data:</u>					
Number of employees (full-time equivalent)	**10,951**	10,900	11,251	11,787	11,925
Number of domestic full-service banking offices [5]	**613**	612	625	627	625

(1) High and low stock prices are intra-day quotes obtained from NASDAQ

(2) For the three-month periods ended December 31, 2008, September 30, 2008, and June 30, 2008, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation It was excluded because the result would have been higher than basic earnings per common share (anti-dilutive) for the period

(3) Other intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate

(4) December 31, 2008 figures are estimated Based on an interim decision by the banking agencies on December 14, 2006, Huntington has excluded the impact of adopting Statement 158 from the regulatory capital calculations

(5) Includes 10 Private Financial Group offices

Huntington Bancshares Incorporated
Consolidated Annual Average Balance Sheets
(Unaudited)

	Annual Average Balances								
Fully taxable equivalent basis		Change from 2007			Change from 2006				
(in millions)	**2008**	**Amount**	**%**	2007	Amount	%	2006	2005	2004
Assets									
Interest bearing deposits in banks	**$ 303**	**$ 43**	**16.5%**	$ 260	$ 207	N.M.	$ 53	$ 53	$ 66
Trading account securities	**1,090**	**448**	**69.8**	642	550	N.M.	92	207	105
Federal funds sold and securities purchased under resale agreements	**435**	**(156)**	**(26.4)**	591	270	84.1	321	262	319
Loans held for sale	**416**	**54**	**14.9**	362	87	31.6	275	318	243
Investment securities:									
Taxable	**3,878**	**225**	**6.2**	3,653	(544)	(13.0)	4,197	3,683	4,425
Tax-exempt	**705**	**59**	**9.1**	646	76	13.3	570	475	412
Total investment securities	**4,583**	**284**	**6.6**	4,299	(468)	(9.8)	4,767	4,158	4,837
Loans and leases:[1]									
Commercial:									
Commercial and industrial	**13,588**	**2,952**	**27.8**	10,636	3,313	45.2	7,323	6,170	5,466
Commercial real estate:									
Construction	**2,061**	**528**	**34.4**	1,533	273	21.7	1,260	1,739	1,468
Commercial	**7,671**	**2,397**	**45.4**	5,274	1,992	60.7	3,282	2,718	2,867
Commercial real estate	**9,732**	**2,925**	**43.0**	6,807	2,265	49.9	4,542	4,457	4,335
Total commercial	**23,320**	**5,877**	**33.7**	17,443	5,578	47.0	11,865	10,627	9,801
Consumer:									
Automobile loans	**3,676**	**1,043**	**39.6**	2,633	576	28.0	2,057	2,043	2,285
Automobile leases	**851**	**(634)**	**(42.7)**	1,485	(546)	(26.9)	2,031	2,422	2,192
Automobile loans and leases	**4,527**	**409**	**9.9**	4,118	30	0.7	4,088	4,465	4,477
Home equity	**7,404**	**1,231**	**19.9**	6,173	1,203	24.2	4,970	4,752	4,244
Residential mortgage	**5,018**	**79**	**1.6**	4,939	358	7.8	4,581	4,081	3,212
Other loans	**691**	**162**	**30.6**	529	90	20.5	439	385	393
Total consumer	**17,640**	**1,881**	**11.9**	15,759	1,681	11.9	14,078	13,683	12,326
Total loans and leases	**40,960**	**7,758**	**23.4**	33,202	7,259	28.0	25,943	24,310	22,127
Allowance for loan and lease losses	**(695)**	**(313)**	**(81.9)**	(382)	(95)	(33.1)	(287)	(268)	(298)
Net loans and leases	**40,265**	**7,445**	**22.7**	32,820	7,164	27.9	25,656	24,042	21,829
Total earning assets	**47,787**	**8,431**	**21.4**	39,356	7,905	25.1	31,451	29,308	27,697
Cash and due from banks	**958**	**28**	**3.0**	930	105	12.7	825	845	843
Intangible assets	**3,446**	**1,427**	**70.7**	2,019	1,452	N.M.	567	218	216
All other assets	**3,425**	**636**	**22.8**	2,789	233	9.1	2,556	2,536	2,975
Total Assets	**$ 54,921**	**$ 10,209**	**22.8**	$ 44,712	$ 9,600	27.3	$ 35,112	$ 32,639	$ 31,433
Liabilities and Shareholders' Equity									
Deposits:									
Demand deposits - non-interest bearing	**$ 5,095**	**$ 657**	**14.8%**	$ 4,438	$ 908	25.7%	$ 3,530	$ 3,379	$ 3,230
Demand deposits - interest bearing	**4,003**	**874**	**27.9**	3,129	991	46.4	2,138	1,920	1,953
Money market deposits	**6,093**	**(80)**	**(1.3)**	6,173	569	10.2	5,604	5,738	5,254
Savings and other domestic deposits	**4,949**	**948**	**23.7**	4,001	941	30.8	3,060	3,206	3,434
Core certificates of deposit	**11,527**	**3,470**	**43.1**	8,057	3,007	59.5	5,050	3,334	2,689
Total core deposits	**31,667**	**5,869**	**22.8**	25,798	6,416	33.1	19,382	17,577	16,560
Other domestic deposits of $100,000 or more	**1,951**	**563**	**40.6**	1,388	343	32.8	1,045	859	590
Brokered deposits and negotiable CDs	**3,243**	**4**	**0.1**	3,239	(3)	(0.1)	3,242	3,119	1,837
Deposits in foreign offices	**975**	**334**	**52.1**	641	126	24.5	515	457	508
Total deposits	**37,836**	**6,770**	**21.8**	31,066	6,882	28.5	24,184	22,012	19,495
Short-term borrowings	**2,374**	**129**	**5.7**	2,245	445	24.7	1,800	1,379	1,410
Federal Home Loan Bank advances	**3,281**	**1,254**	**61.9**	2,027	658	48.1	1,369	1,105	1,271
Subordinated notes and other long-term debt	**4,094**	**406**	**11.0**	3,688	114	3.2	3,574	4,064	5,379
Total interest bearing liabilities	**42,490**	**7,902**	**22.8**	34,588	7,191	26.2	27,397	25,181	24,325
All other liabilities	**942**	**(112)**	**(10.6)**	1,054	(185)	(14.9)	1,239	1,496	1,504
Shareholders' equity	**6,394**	**1,762**	**38.0**	4,632	1,686	57.2	2,946	2,583	2,374
Total Liabilities and Shareholders' Equity	**$ 54,921**	**$ 10,209**	**22.8%**	$ 44,712	$ 9,600	27.3%	$ 35,112	$ 32,639	$ 31,433

N.M., not a meaningful value.

[1] For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

Huntington Bancshares Incorporated
Consolidated Annual Net Interest Margin Analysis
(Unaudited)

	Annual Average Rates[2]				
Fully Taxable Equivalent basis[1]	**2008**	2007	2006	2005	2004
Assets					
Interest bearing deposits in banks	**2.53 %**	4.80 %	6.00 %	2.16 %	1.05 %
Trading account securities	**5.28**	5.84	4.19	4.08	4.15
Federal funds sold and securities purchased					
under resale agreements	**2.46**	5.05	5.00	2.27	1.73
Loans held for sale	**6.01**	5.69	6.10	5.64	5.35
Investment securities:					
Taxable	**5.62**	6.07	5.47	4.31	3.88
Tax-exempt	**6.83**	6.72	6.75	6.71	6.98
Total investment securities	**5.81**	6 17	5.62	4.58	4.14
Loans and leases [3]:					
Commercial:					
Commercial and industrial	**5.67**	7.44	7.32	5.88	4.58
Commercial real estate:					
Construction	**5.05**	7.80	8.07	6.42	4.55
Commercial	**5.61**	7 50	7.45	5.99	4.95
Commercial real estate	**5.49**	7 57	7.61	6.16	4.81
Total commercial	**5.59**	7.49	7.43	6.00	4.68
Consumer:					
Automobile loans	**7.17**	7 17	6.57	6.52	7.22
Automobile leases	**5.65**	5.41	5.07	4.94	5.00
Automobile loans and leases	**6.88**	6 53	5.82	5.66	6.14
Home equity	**6.42**	7.77	7.44	6.07	4.92
Residential mortgage	**5.83**	5.79	5.44	5.22	5.07
Other loans	**9.85**	10 51	9.07	10.23	7.51
Total consumer	**6.50**	6 92	6.37	5.80	5.48
Total loans and leases	**5.99**	7 22	6.86	5.89	5.13
Total earning assets	**5.90 %**	7.02 %	6.63 %	5.65 %	4.89 %
Liabilities and Shareholders' Equity					
Deposits:					
Demand deposits - non-interest bearing	**--- %**	--- %	--- %	--- %	--- %
Demand deposits - interest bearing	**0.55**	1 29	0.90	0.55	0.42
Money market deposits	**1.93**	3.77	3.45	2.18	1.25
Savings and other domestic deposits	**1.88**	2.40	1.75	1.41	1.29
Core certificates of deposit	**4.27**	4.85	4.25	3.56	3.36
Total core deposits	**2.73**	3 55	3.02	2.10	1.56
Other domestic deposits of $100,000 or more	**3.76**	5.08	5.00	3.32	1.88
Brokered deposits and negotiable CDs	**3.66**	5.41	5.22	3.51	1.80
Deposits in foreign offices	**1.56**	3 19	2.93	2.10	0.82
Total deposits	**2.85**	3.85	3.47	2.40	1.58
Short-term borrowings	**1.78**	4 13	4.01	2.49	0.93
Federal Home Loan Bank advances	**3.29**	5.06	4.38	3.13	2.62
Subordinated notes and other long-term debt	**4.51**	5 96	5.65	4.02	2.46
Total interest bearing liabilities	**2.98**	4 17	3.84	2.70	1.79
Net interest rate spread	**2.92**	2.85	2.79	2.95	3.10
Impact of non-interest bearing funds on margin	**0.33**	0 51	0.50	0.38	0.23
Net interest margin	**3.25 %**	3 36 %	3.29 %	3.33 %	3.33 %

(1) Fully taxable equivalent (FTE) yields are calculated assuming a 35% tax rate. See page 15 for the FTE adjustment.

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

(3) For purposes of this analysis, nonaccrual loans are reflected in the average balances of loans.

Huntington Bancshares Incorporated
Selected Annual Income Statement Data [1]
(Unaudited)

	Year Ended December 31,								
		Change from 2007			Change from 2006				
(in thousands, except per share amounts)	**2008**	**Amount**	**%**	2007	Amount	%	2006	2005	2004
Interest income	**$ 2,798,322**	**$ 55,359**	**2.0%**	$ 2,742,963	$ 672,444	32 5%	$ 2,070,519	$ 1,641,765	$ 1,347,315
Interest expense	**1,266,631**	**(174,820)**	**(12.1)**	1,441,451	390,109	37 1	1,051,342	679,354	435,941
Net interest income	**1,531,691**	**230,179**	**17.7**	1,301,512	282,335	27 7	1,019,177	962,411	911,374
Provision for credit losses	**1,057,463**	**413,835**	**64.3**	643,628	578,437	N M	65,191	81,299	55,062
Net interest income after provision for credit losses	**474,228**	**(183,656)**	**(27.9)**	657,884	(296,102)	(31 0)	953,986	881,112	856,312
Service charges on deposit accounts	**308,053**	**53,860**	**21.2**	254,193	68,480	36 9	185,713	167,834	171,115
Brokerage and insurance income	**137,796**	**45,421**	**49.2**	92,375	33,540	57 0	58,835	53,619	54,799
Trust services	**125,980**	**4,562**	**3.8**	121,418	31,463	35 0	89,955	77,405	67,410
Electronic banking	**90,267**	**19,200**	**27.0**	71,067	19,713	38 4	51,354	44,348	41,574
Bank owned life insurance income	**54,776**	**4,921**	**9.9**	49,855	6,080	13 9	43,775	40,736	42,297
Automobile operating lease income	**39,851**	**32,041**	**N M.**	7,810	(35,305)	(81 9)	43,115	133,015	285,431
Mortgage banking income	**8,994**	**(20,810)**	**(69.8)**	29,804	(11,687)	(28 2)	41,491	28,333	26,786
Securities (losses) gains	**(197,370)**	**(167,632)**	**N M.**	(29,738)	43,453	(59 4)	(73,191)	(8,055)	15,763
Other income	**138,791**	**58,972**	**73.9**	79,819	(40,203)	(33 5)	120,022	95,047	113,423
Total non-interest income	**707,138**	**30,535**	**4.5**	676,603	115,534	20 6	561,069	632,282	818,598
Personnel costs	**783,546**	**96,718**	**14.1**	686,828	145,600	26 9	541,228	481,658	485,806
Outside data processing and other services	**128,163**	**918**	**0.7**	127,245	48,466	61 5	78,779	74,638	72,115
Net occupancy	**108,428**	**9,055**	**9.1**	99,373	28,092	39 4	71,281	71,092	75,941
Equipment	**93,965**	**12,483**	**15.3**	81,482	11,570	16 5	69,912	63,124	63,342
Amortization of intangibles	**76,894**	**31,743**	**70.3**	45,151	35,189	N M	9,962	829	817
Professional services	**53,667**	**13,347**	**33.1**	40,320	13,267	49 0	27,053	34,569	36,876
Marketing	**32,664**	**(13,379)**	**(29.1)**	46,043	14,315	45 1	31,728	26,279	24,600
Automobile operating lease expense	**31,282**	**26,121**	**N M.**	5,161	(26,125)	(83 5)	31,286	103,850	235,080
Telecommunications	**25,008**	**506**	**2.1**	24,502	5,250	27 3	19,252	18,648	19,787
Printing and supplies	**18,870**	**619**	**3.4**	18,251	4,387	31 6	13,864	12,573	12,463
Other expense	**124,887**	**(12,601)**	**(9.2)**	137,488	30,839	28 9	106,649	82,560	95,417
Total non-interest expense	**1,477,374**	**165,530**	**12.6**	1,311,844	310,850	31 1	1,000,994	969,820	1,122,244
(Loss) Income before income taxes	**(296,008)**	**(318,651)**	**N M.**	22,643	(491,418)	(95 6)	514,061	543,574	552,666
(Benefit) Provision for income taxes	**(182,202)**	**(129,676)**	**N M.**	(52,526)	(105,366)	N M	52,840	131,483	153,741
Net (loss) income	**$ (113,806)**	**(188,975)**	**N M.**	$ 75,169	(386,052)	(83 7)%	$ 461,221	$ 412,091	$ 398,925
Dividends declared on preferred shares	**46,400**	**46,400**	**N M.**	---	---	---	---	---	---
Net (loss) income applicable to common shares	**$ (160,206)**	**(235,375)**	**N M.**	$ 75,169	(386,052)	(83 7)%	$ 461,221	$ 412,091	$ 398,925
Average common shares - basic	**366,155**	**65,247**	**21.7%**	300,908	64,209	27 1%	236,699	230,142	229,913
Average common shares - diluted [2]	**366,155**	**62,700**	**20.7%**	303,455	63,535	26 5%	239,920	233,475	233,856
Per common share									
Net (loss) income per common share - basic	**(0.44)**	**(0.69)**	**N M.**	0 25	(1 70)	(87 2)	1 95	1 79	1 74
Net (loss) income per common share - diluted	**(0.44)**	**(0.69)**	**N M.**	0 25	(1 67)	(87 0)	1 92	1 77	1 71
Cash dividends declared	**0.6625**	**(0.398)**	**(37.5)**	1 060	0 060	6 0	1 000	0 845	0 750
Return on average total assets	**(0.21)%**	**(0.38)%**	**N M.**	0 17%	(1 14)%	(87 02)	1 31%	1 26%	1 27%
Return on average total shareholders' equity	**(1 8)**	**(3.4)**	**N M.**	1 6	(14 1)	(89 8)	15 7	16 0	16 8
Return on average tangible shareholders' equity [3]	**(2 1)**	**(6.0)**	**N M.**	3 9	(15 6)	(80 0)	19 5	17 4	18 5
Net interest margin [4]	**3.25**	**(0 11)**	**(3.3)**	3 36	0 07	2 1	3 29	3 33	3 33
Efficiency ratio [5]	**57.0**	**(5.5)**	**(8.8)**	62 5	3 1	5 2	59 4	60 0	65 0
Effective tax rate	**N M.**	**N M.**	**N M.**	N M	N M	N M	10 3	24 2	27 8
Revenue - fully taxable equivalent (FTE)									
Net interest income	**$ 1,531,691**	**$ 230,179**	**17.7%**	$ 1,301,512	$ 282,335	27 7%	$ 1,019,177	$ 962,411	$ 911,374
FTE adjustment [4]	**20,218**	**969**	**5.0**	19,249	3,224	20 1	16,025	13,393	11,653
Net interest income	**1,551,909**	**231,148**	**17.5**	1,320,761	285,559	27 6	1,035,202	975,804	923,027
Non-interest income	**707,138**	**30,535**	**4.5**	676,603	115,534	20 6	561,069	632,282	818,598
Total revenue	**$ 2,259,047**	**$ 261,683**	**13.1%**	$ 1,997,364	$ 401,093	25 1%	$ 1,596,271	$ 1,608,086	$ 1,741,625

N M , not a meaningful value

(1) Comparisons for presented periods are impacted by a number of factors   Refer to the "Significant Items"

(2) For the year ended December 31, 2008, the impact of the convertible preferred stock issued in April of 2008 was excluded from the diluted share calculation   It was excluded because the result would have been higher than basic earnings per common share (anti-dilutive) for the period

(3) Net income excluding expense for amortization of intangibles for the period divided by average tangible shareholders' equity   Average tangible shareholders' equity equals average total shareholders' equity less average intangible assets and goodwill   Expense for amortization of intangibles and average intangible assets are net of deferred tax liability, and calculated assuming a 35% tax rate

(4) On a fully taxable equivalent (FTE) basis assuming a 35% tax rate

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

Huntington Bancshares Incorporated
Annual Mortgage Banking Income
(Unaudited)

	Year Ended December 31,				
(in thousands, except as noted)	**2008**	2007	2006	2005	2004
Mortgage Banking Income					
Origination and secondary marketing	**$ 37,257**	$ 25,965	$ 18,217	$ 24,934	$ 22,709
Servicing fees	**45,558**	36,012	24,659	22,181	21,696
Amortization of capitalized servicing [1]	**(26,634)**	(20,587)	(15,144)	(18,359)	(19,019)
Other mortgage banking income	**16,768**	13,198	10,173	8,583	10,024
Sub-total	**72,949**	54,588	37,905	37,339	35,410
MSR valuation adjustment [1]	**(52,668)**	(16,131)	4,871	4,371	1,378
Net trading losses related to MSR hedging	**(11,287)**	(8,653)	(1,285)	(13,377)	(10,002)
Total mortgage banking income	**$ 8,994**	$ 29,804	$ 41,491	$ 28,333	$ 26,786
Average trading account securities used to hedge MSRs *(in millions)*	**$ 1,031**	$ 594	$ 26	$ 195	$ 94
Capitalized mortgage servicing rights [2]	**167,438**	207,894	131,104	91,259	77,107
MSR allowance [2]	**---**	---	---	(404)	(4,775)
Total mortgages serviced for others *(in millions)* [2]	**15,754**	15,088	8,252	7,276	6,861
MSR % of investor servicing portfolio	**1.06%**	1.38%	1.59%	1.25%	1.12%
Net Impact of MSR Hedging					
MSR valuation adjustment [1]	**$ (52,668)**	$ (16,131)	$ 4,871	$ 4,371	$ 1,378
Net trading losses related to MSR hedging	**(11,287)**	(8,653)	(1,285)	(13,377)	(10,002)
Net interest income related to MSR hedging	**33,139**	5,797	36	1,688	1,450
Other MSR hedge activity	**---**	---	---	---	(4,492)
Net impact of MSR hedging	**$ (30,816)**	$ (18,987)	$ 3,622	$ (7,318)	$ (11,666)

[1] The change in fair value for the period represents the MSR valuation adjustment, net of amortization of capitalized servicing.
[2] At period end.

Huntington Bancshares Incorporated
Annual Credit Reserves Analysis
(Unaudited)

	Year Ended December 31,				
(in thousands)	**2008**	2007	2006	2005	2004
Allowance for loan and lease losses, beginning of period	**$ 578,442**	$ 272,068	$ 268,347	$ 271,211	$ 299,732
Acquired allowance for loan and lease losses	**---**	188,128	23,785	---	---
Loan and lease losses	**(806,329)**	(517,943)	(119,692)	(115,848)	(126,115)
Recoveries of loans previously charged off	**48,262**	40,312	37,316	35,791	47,580
Net loan and lease losses	**(758,067)**	(477,631)	(82,376)	(80,057)	(78,535)
Provision for loan and lease losses	**1,067,789**	628,802	62,312	83,782	57,397
Economic reserve transfer	**12,063**	---	---	(6,253)	---
Allowance of assets sold and securitized	**---**	---	---	(336)	(7,383)
Allowance for loans transferred to held-for-sale	**---**	(32,925)	---	---	---
Allowance for loan and lease losses, end of period	**$ 900,227**	$ 578,442	$ 272,068	$ 268,347	$ 271,211
Allowance for unfunded loan commitments and letters of credit, beginning of period	**$ 66,528**	$ 40,161	$ 36,957	$ 33,187	$ 35,522
Acquired AULC	**---**	11,541	325	---	---
(Reduction in) provision for unfunded loan commitments and letters of credit losses	**(10,326)**	14,826	2,879	(2,483)	(2,335)
Economic reserve transfer	**(12,063)**	---	---	6,253	---
Allowance for unfunded loan commitments and letters of credit, end of period	**$ 44,139**	$ 66,528	$ 40,161	$ 36,957	$ 33,187
Total allowances for credit losses	**$ 944,366**	$ 644,970	$ 312,229	$ 305,304	$ 304,398
Allowance for loan and lease losses (ALLL) as % of:					
Transaction reserve	**1.91 %**	1 27 %	0 86 %	0 89 %	0 83 %
Economic reserve	**0.28**	0 17	0 18	0 21	0 32
Total loans and leases	**2.19 %**	1 44 %	1 04 %	1 10 %	1 15 %
Nonaccrual loans and leases (NALs)	**60**	181	189	263	424
Nonperforming assets (NPAs)	**55**	122	141	229	250
Total allowances for credit losses (ACL) as % of:					
Total loans and leases	**2.30 %**	1 61 %	1 19 %	1 25 %	1 29 %
Nonaccrual loans and leases	**63**	202	217	300	476
Nonperforming assets	**58**	136	261	280	384

Huntington Bancshares Incorporated
Annual Net Charge-Off Analysis
(Unaudited)

	Year Ended December 31,				
(in thousands)	**2008**	2007	2006	2005	2004
Net charge-offs by loan and lease type:					
Commercial:					
Commercial and industrial	**$ 526,165** [1]	$ 345,840 [2]	$ 20,868	$ 25,000	$ 6,573
Commercial real estate:					
Construction	**6,626**	11,854	3,553	135	2,425
Commercial	**62,114**	27,250	3,230	4,439	6,459
Commercial real estate	**68,740**	39,104	6,783	4,574	8,884
Total commercial	**594,905**	384,944	27,651	29,574	15,457
Consumer:					
Automobile loans	**41,228**	17,185	8,330	11,988	28,574
Automobile leases	**13,337**	10,507	10,445	11,664	10,837
Automobile loans and leases	**54,565**	27,692	18,775	23,652	39,411
Home equity	**67,556**	34,426	21,854	17,619	15,074
Residential mortgage	**21,247**	11,371	4,505	2,332	1,760
Other loans	**19,794**	19,198	9,591	6,880	6,833
Total consumer	**163,162**	92,687	54,725	50,483	63,078
Total net charge-offs	**$ 758,067**	$ 477,631	$ 82,376	$ 80,057	$ 78,535
Net charge-offs - annualized percentages:					
Commercial:					
Commercial and industrial [1], [2]	**3.87 %**	3 25 %	0 28 %	0 41 %	0 12 %
Commercial real estate:					
Construction	**0.32**	0 77	0 28	0 01	0 17
Commercial	**0.81**	0 52	0 10	0 16	0 23
Commercial real estate	**0.71**	0 57	0 15	0 10	0 20
Total commercial	**2.55**	2 21	0 23	0 28	0 16
Consumer:					
Automobile loans	**1.12**	0 65	0 40	0 59	1 25
Automobile leases	**1.57**	0 71	0 51	0 48	0 49
Automobile loans and leases	**1.21**	0 67	0 46	0 53	0 88
Home equity	**0.91**	0 56	0 44	0 37	0 36
Residential mortgage	**0.42**	0 23	0 10	0 06	0 05
Other loans	**2.86**	3 63	2 18	1 79	1 74
Total consumer	**0.92**	0 59	0 39	0 37	0 51
Net charge-offs as a % of average loans	**1.85 %**	1 44 %	0 32 %	0 33 %	0 35 %

(1) 2008 includes charge-offs totaling $423 3 million associated with Franklin

(2) 2007 includes charge-offs totaling $397 0 million associated with the Franklin restructuring These charge-offs were reduced by the unamortized associated with the loans, and by other amounts received by Franklin totaling $88 5 million, resulting in net charge-offs totaling $308 5 million

Huntington Bancshares Incorporated
Annual Nonaccrual Loans (NALs), Nonperforming Assets (NPAs) and Past Due Loans and Leases
(Unaudited)

	December 31,				
(in thousands)	**2008**	2007	2006	2005	2004
Nonaccrual loans and leases (NALs):					
Middle market commercial and industrial [1]	**$ 932,648**	$ 87,679	$ 58,393	$ 55,273	$ 34,692
Middle market commercial real estate	**445,717**	148,467	37,947	18,309	8,670
Residential mortgage	**98,951**	59,557	32,527	17,613	13,545
Home equity	**24,831**	24,068	15,266	10,720	7,055
Total nonaccrual loans and leases	**1,502,147**	319,771	144,133	101,915	63,962
Other real estate, net:					
Residential	**63,058**	60,804	47,031	14,214	8,501
Commercial	**59,440**	14,467	2,456	1,026	36,105
Total other real estate, net	**122,498**	75,271	49,487	15,240	44,606
Impaired loans held for sale [2]	**12,001**	73,481	---	---	---
Other NPAs [3]	**---**	4,379	---	---	---
Total nonperforming assets	**$ 1,636,646**	$ 472,902	$ 193,620	$ 117,155	$ 108,568
Nonperforming loans and leases as a % of total loans and leases (NAL ratio)	**3.66 %**	0 80 %	0 55 %	0 42 %	0 27 %
NPA ratio [4]	**3.97**	1 18	0 74	0 48	0 46
Accruing restructured loans [5]					
Franklin	---	1,187,368	---	---	---
Other	**306,417**	---	---	---	---
Total accruing restructured loans	**306,417**	1,187,368	---	---	---
Accruing loans and leases past due 90 days or more	**$ 203,985**	$ 140,977	$ 59,114	$ 56,138	$ 54,283
Accruing loans and leases past due 90 days or more as a percent of total loans and leases	**0.50 %**	0 35 %	0 23 %	0 23 %	0 23 %

	December 31,				
(in thousands)	**2008**	2007	2006	2005	2004
Nonperforming assets, beginning of period	**$ 472,902**	$ 193,620	$ 117,155	$ 108,568	$ 87,386
New nonperforming assets	**1,732,288**	468,056	222,043	171,150	137,359
Acquired nonperforming assets	**---**	144,492	33,843	---	---
Returns to accruing status	**(42,161)**	(24,952)	(43,999)	(7,547)	(3,795)
Loan and lease losses	**(221,831)**	(126,754)	(46,191)	(38,819)	(37,337)
Payments	**(194,692)**	(86,093)	(59,469)	(64,861)	(43,319)
Sales	**(109,860)**	(95,467)	(29,762)	(51,336)	(31,726)
Non-performing assets, end of period	**$ 1,636,646**	$ 472,902	$ 193,620	$ 117,155	$ 108,568

(1) 2008 commercial and industrial NALs include the Franklin Credit Management Corporation (Franklin) Tranche A loan

(2) Represent impaired loans obtained from the Sky acquisition Held for sale loans are carried at the lower of cost or fair value less costs to sell

(3) Other NPAs represent certain investment securities backed by mortgage loans to borrowers with lower FICO scores

(4) Nonperforming assets divided by the sum of loans and leases, impaired loans held for sale, net other real estate, and other NPAs

(5) Represents accruing loans that have been restructured 2008 includes both Tranche A and Tranche B of the Franklin relationship Tranche B of the Franklin relationship was charged off in 2008