FIRSTMERIT CORP /OH/
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Corporation
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Huntington Bancshares Incorporated
Credit Suisse Financial Services Forum
February 10, 2016

Disclaimer

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CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This presentation may contain certain forward-looking statements, including certain plans, expectations, goals, projections, and
plans, objectives, expectations and intentions, the expected timing of completion of the transaction, and other statements that a
risks, and uncertainties. Statements that do not describe historical or current facts, including statements about beliefs and expec
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While there is no assurance that any list of risks and uncertainties or risk factors is complete, below are certain factors which c
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volatility and disruptions in global capital and credit markets; movements in interest rates; competitive pressures on product pr

including market acceptance of any new products or services implementing Huntington s Fair Play banking philosophy; the reforms, regulations, and interpretations, including those related to the Dodd-Frank Wall Street Reform and Consumer Protecti OCC, Federal Reserve, FDIC, and CFPB, and the regulatory approval process associated with the merger; the possibility that t regulatory, shareholder or other approvals are not received or other conditions to the closing are not satisfied on a timely basis realized when expected or at all, including as a result of the impact of, or problems arising from, the integration of the two com areas where Huntington and FirstMerit do business; the possibility that the transaction may be more expensive to complete tha management s attention from ongoing business operations and opportunities; potential adverse reactions or changes to busines completion of the transaction; Huntington s ability to complete the acquisition and integration of FirstMerit successfully; and factors that could cause results to differ materially from those described above can be found in Huntington s Annual Report o Reports on Form 10-Q, including for the quarter ended September 30, 2015, each of which is on file with the Securities and Ex of Huntington s website, http://www.huntington.com, under the heading Publications and Filings and in other documents H year ended December 31, 2014 and in its subsequent Quarterly Reports on Form 10-Q, including for the quarter ended Septem Investors section of FirstMerit s website, http://www.firstmerit.com, under the heading Publications & Filings and in oth All forward-looking statements speak only as of the date they are made and are based on information available at that time. Ne statements to reflect circumstances or events that occur after the date the forward-looking statements were made or to reflect th laws. As forward-looking statements involve significant risks and uncertainties, caution should be exercised against placing un

IMPORTANT ADDITIONAL INFORMATION

In connection with the proposed transaction, Huntington will file with the SEC a Registration Statement on Form S-4 that will Huntington, as well as other relevant documents concerning the proposed transaction. The proposed transaction involving Hun Huntington s stockholders for their consideration. This presentation does not constitute an offer to sell or the solicitation of an STOCKHOLDERS OF HUNTINGTON AND STOCKHOLDERS OF FIRSTMERIT ARE URGED TO READ THE REGIST REGARDING THE TRANSACTION WHEN IT BECOMES AVAILABLE AND ANY OTHER RELEVANT DOCUMENT THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION. Stockholders will be able to containing information about Huntington and FirstMerit, without charge, at the SEC s website (http://www.sec.gov). Copies o incorporated by reference in the joint proxy statement/prospectus can also be obtained, without charge, by directing a request t Center, HC0935, 41 South High Street, Columbus, Ohio 43287, (800) 576-5007 or to FirstMerit Corporation, Attention: Thom

PARTICIPANTS IN THE SOLICITATION

Huntington, FirstMerit, and certain of their respective directors, executive officers and employees may be deemed to be partici Information regarding Huntington s directors and executive officers is available in its definitive proxy statement, which was fi Information regarding FirstMerit s directors and executive officers is available in its definitive proxy statement, which was fil information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by securit and other relevant materials filed with the SEC. Free copies of this document may be obtained as described in the preceding pa

Huntington s Strategy
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Core Strategy Implemented in 2009
Grow market share and share of wallet
4
Marketing:
Expand
industry-leading
brand
promise
and
delivery

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

Category
of
One
Technology: Focus on Digitization, Omni-channel, Cyber-security
Technology: Focus on Digitization, Omni-channel, Cyber-security
Profitable Growth with
Low Relative Volatility
Customer Experience
and Client Advocacy
Optimization of
Distribution
Enhanced Employee
Engagement
Customer Acquisition
and Deepening

Multi-channel optimization

Micro-market approach
leveraging digital
investments

New branch formats
offering self-serve

Optimal Customer
Relationships (OCR)

Deliver Omni-channel
customer experiences

New products &
experiences that reflect
customer behaviors and
needs
Risk Management: Maintain Aggregate Moderate to Low Risk Profile
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Improve colleague tools

and technology

Opportunities for
training, development,
and advancement

Data & Analytics

Digital Strategic
Investments

Disciplined Sales
Execution

Deliver Fair Play
products and services
Proactively Increase Scale: Continued focus on organic growth and selective, disciplined M&A
Focus is on Consumer, Small to Medium Enterprises (including CRE), and Auto

Board defined aggregate moderate-to-low risk appetite

Board and CEO set the Tone at the Top

Strong risk management processes; 3 lines of defense, data driven, concentrations & limits, high accountability

Significant investment in risk management personnel and process

Everyone Owns Risk around an aggregate moderate-to-low risk culture

Disciplined management of credit risk
hold limits, concentrations limits,
timely approval process, active portfolio management with very good MIS

Liquidity significantly enhanced by change in funding mix and industry
leading customer share of wallet

Belief that managing lower credit risk will reduce earnings volatility providing
more stable returns and higher capital generation over time

Higher capital generation will provide more flexibility and strength, as well as
drive higher creation of shareholder value
Risk Management is at the Core of
Huntington s Evolution
5

Actions Taken To Accelerate Huntington
6
Focused the Business Model
Investing in the Franchise
Built the Brand
Disciplined Execution

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

Improve balance sheet mix

(Deposits & Loans)

Intense execution and sales management

Accelerated change to drive a high
performance culture

Introduced Fair Play with distinctive,
customer-friendly products

Colleagues created a welcoming
experience with high levels of customer
service and advocacy

Increase in marketing investments

Integrated distribution: Branch, ATM,
Relationship Managers, Digital, Mobile,
Call Center

Comprehensive rebrand / refresh of all
customer touchpoints (e.g., branch,
ATMs, plastics, checks, websites, etc.)

Technology investments

Data and analytics

Invest in the business while committing
to positive operating leverage

Bring risk management with long-term
focus
delivering low relative volatility
through the cycle

Delivering on commitments
Alignment of Management, Colleagues and Long-term Shareholders

Industry-leading Customer Acquisition
Consumer revenue growth aided by share of wallet improvement
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Omni-channel Distribution Strategy:
Customers can bank the way they want
8
Convenience and
technology
While many banks are trying to force customers into particular
service verticals via requirements, fees, and reduced options
Huntington is providing a multitude of options so
customers can bank the way that best fits their lifestyle.
Digital
Branch
Sales Force

Phone Bank
ATM

Attractive distribution option: 2x acquisition vs traditional, full service, better fee mix
In-Store Strategy as a whole turned profitable during 2Q15
111 branches breakeven or better for December 2015, up from 73 for December 2014
In-Store Strategy: Lower Cost, More Convenient,
and Full Service Distribution Network
9

85 Meijer in-store branches opened; 5 new branch
openings expected in 2016

32 Meijer in-store branches were breakeven or

better as of December 2015

Meijer in-stores represent 11% of our branch network, over delivering on HH growth:

Delivering 26% of consumer HH growth last 12 months, ending December 2015

93 Giant Eagle in-store branches opened

79 Giant Eagle in-store branches were breakeven or better as of December 2015

Giant Eagle in-stores represent 12% of our branch network, over delivering on HH growth:

Delivering 17% of consumer HH growth in last 12 months, ending December 2015

Long-Term Financial Goals
10
Focused the
Business
Model
Built the
Brand
Investing in
the Franchise
Disciplined
Execution

FirstMerit Acquisition
11

Compelling Strategic and Financial Combination
12
Creates Leading
Midwestern Bank
Franchise

Strategically important footprint spanning key metropolitan markets across the Midwest

Creates leading Ohio bank with #1 market share and adds depth to presence in Michigan

Provides growth opportunities via attractive new markets of Chicago and Wisconsin
Strong Business

and Cultural Fit

Highly compatible
business models with relationship-driven cultures

Similar loan and deposit portfolios with equivalent credit cultures and risk profiles

Adds management talent and depth across all businesses

Provides opportunity to introduce Optimal Customer Relationship (OCR) model and gain market share
Substantial
Long-Term Value
Creation

Meaningful enhancement to financial metrics, accelerating achievement of long-term financial goals

Attractive use of capital to generate ongoing earnings and increase annual capital generation

Identified, achievable cost savings from overlap and operational efficiencies

Increased
pro
forma
pre-provision
net
revenue
provides
significant
risk
buffer
Lower
Risk
Transaction

Experience
and
brand
visibility
in
most
of
FirstMerit s
markets

Thorough due diligence and integration planning processes

Track record of successful integration and conversion with ability to leverage infrastructure investment

FirstMerit is a well-run bank with strong credit performance through cycles

FirstMerit at a Glance
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Deposits ($BN)
Rank
$3.9
1
3.8
7
2.6

16
1.5
2
1.1
11
1.1
2
0.7
9
MI
0.5
1
0.5
6
0.3
2
$19.8

Founded:
1845

Headquarters:
Akron, OH

Total Assets:
$25.5BN

Banking Offices:
366

ATM Locations:
400

Business Lines:
Commercial
Retail
Wealth Management
Attractive markets with loyal, long tenured customers
Quality lenders and strong commercial relationships
Disciplined and conservative underwriting
Established position in profitable niche businesses
(e.g., wealth, indirect auto, marine/RV)
Results driven culture and substantial management
depth
67 consecutive quarters of reported profitability
Sources: Company Filings and SNL Financial Note: Deposit data as of June 30, 2015. Financial data as of December 31, 2015
Company Overview
Branch Footprint
Deposits
Top 10 MSAs

Key Franchise Highlights

A Compelling In-Market Partnership
14
Sources: Company filings and SNL Financial; (1) Deposit data as of June 30, 2015. Financial data as of December 31, 2015. $

Notes: Expected improvement in Efficiency Ratio, ROA, and ROATCE shown for 2018E.
(1) Fully phased-in Basel III metrics.
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Estimated Pro Forma Financial Metrics
Strengthened Capital Generation and Earnings Trajectory

FirstMerit Financial Performance

Strong track record across cycles driven by prudent underwriting

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Source: SNL. Midwest Peers include: ASB, WTFC, TCB, FULT, PVTB, FNB, MBFI, and ONB. Peers shown YTD / 3Q15.

(1) FirstMerit credit metrics based on originated loans. FirstMerit NPAs exclude OREO previously covered under loss share.

(2) As reported.

Transaction Terms and Key Assumptions
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Consideration

1.72 shares of Huntington common stock plus $5.00 cash per FirstMerit share

$20.14 per FirstMerit share or $3.4BN aggregate value based on Huntington s closing price as of January 25
Key Pricing
Ratios

1.6x Price
/ Tangible Book Value

(1)

14.3x Price / 2016E EPS, based on consensus estimates; 7.9x assuming fully phased-in cost savings

6.8% Tangible Book Premium
(1)
/ Core Deposits
Governance

4 independent FirstMerit board members to join Huntington Board

Significant commitment to Akron
Transaction
Assumptions

Expected transaction closing: 3Q 2016

Identifiable cost savings: ~40%

Earnings impact: ~$255MM based on run-rate expenses, expected to grow at ~3% per year

Phase-in: 75% in 2017 and 100% thereafter

Capitalized value of cost savings: ~$2.0BN

One-time costs: ~$420MM, pre-tax

Gross credit mark-to-market: 1.9%

Other fair value marks: ~$(55)MM

OCR-related revenue opportunities identified, not included in financial model

Share repurchase program suspended through closing; total payout ratio of 50% through 2Q18, 70% thereafter
Estimated
Pro Forma
Impact

EPS impact:
accretive in 2017 excluding restructuring charges; ~10% accretion in 2018 and growing thereafter

ROTCE: >300bp enhancement

Efficiency Ratio: >400bp improvement

IRR: >20%

Manageable dilution to pro forma capital ratios

TBV / share dilution: ~12% with ~5 ½ years earnback using crossover method

(1) Tangible book value excludes DTL related to core deposit intangible.

TBVPS Earn-back Approaches
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Update on Integration Planning
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Town-hall meetings with Huntington and FirstMerit colleagues across all geographies
Designated integration leadership teams from both companies
Integration coordinator kick-off meetings
Integration Approach
What We ve Done So Far

Core integration tenets

Material experience on both Huntington and FirstMerit teams

Migrate to Huntington technology platform with select enhancements

Strong risk oversight by Board and management oversight committees

Well-informed but quick decisions

Integration Management Office with dedicated Enterprise Integration and Technology Integration Coordinators

Board level oversight committee

Executive level steering committees

Dedicated project teams

Augmented with business segment, technology, credit, risk, finance, and other support teams

Supported by third-party experts and resources

Three-step retail branch conversion planned by geography

Optimize distribution network at each conversion

Implement Huntington branch staff model at all FirstMerit locations

Important Messages
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Delivering on Commitments to Our Constituents
21
To Our Shareholders

Among highest 3Y & 5Y Total
Shareholder Return in regional
bank peer group

Relative TBV multiple from
historical 10% discount to peers
to a slight premium

Disciplined investment process
to deliver stable returns
To Our Customers
To Our Colleagues
To Our Communities

Distinctive, easy to
understand products

Award-winning customer
service

More convenience

Investments across all
business segments

Launched new training
programs across all levels
of the organization

Annual VOICE colleague
engagement survey with
responsive action plans

Created 10 Business
Resource Groups

Leadership through high
levels of volunteerism and
community involvement

Financial Support
local
decisions

Financial education to
community members of
all ages
+94%
+89%
Total
Return (1/14/09
2/8/16)
3 YR
5 YR
Total
HBAN
+25%

+27%
+94%
KBW Bank
Index (BKX)
+15%
+20%
+89%
Source: Bloomberg

Focus on delivery of consistent through-the-cycle shareholder returns

Remain focused on areas of expertise with sustainable competitive advantages

- Consumer Banking
- Small Business and Middle Market Commercial
- Auto Finance

Consistent core strategy since 2009
-
Track record of achieving results in difficult operating environment
-
Enhancing execution to drive further performance improvement
-
Meaningful investment in technology, people, and process
-
Disciplined risk management
Everyone Owns Risk

Intense preparation for successful, seamless integration of FirstMerit

High level of employee and shareholder engagement and alignment
Important Messages
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Use of non-GAAP financial measures

This document contains GAAP financial measures and non-GAAP financial measures where management believes it to be helpful in understanding Huntington s results of operations or financial position. Where non-GAAP financial measures are used, the comparable GAAP financial measure, as well as the reconciliation to the comparable GAAP financial measure, can be found in this document, the 2015 third quarter earnings press release, or the Form 8-K related to this document, all of which can be found on Huntington s website at www.huntington-ir.com.

Annualized data

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

Fully-taxable equivalent interest income and net interest margin

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

Earnings per share equivalent data

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

Rounding

Please note that columns of data in the presentation may not add due to rounding.

Basis of Presentation

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

market and economic environment conditions, as a general rule volatility alone does not define a Significant Item. For example, changes in the provision for credit losses, gains/losses from investment activities, asset valuation write downs, etc., reflect ordinary banking activities and are, therefore, typically excluded from consideration as a Significant Item. Management believes the disclosure of Significant Items , when appropriate, aids analysts/investors in better understanding corporate performance and trends so that they can ascertain which of such items, if any, they may wish to include/exclude from their analysis of the company s performance -
i.e., within the context of determining how that
performance differed from their expectations, as well as how, if at all, to adjust their estimates of future performance accordingly. To this end, Management has adopted a practice of listing Significant Items in its external disclosure documents (e.g., earnings press releases, quarterly performance discussions, investor presentations, Forms 10-Q and 10 K).

"Significant Items" for any particular period are not intended to be a complete list of items that may materially impact current or future period performance. A number of items could materially impact these periods, including those described in Huntington s 2014 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.

Basis of Presentation

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Welcome

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