

April 22, 2021



# Huntington Bancshares Incorporated Reports 2021 First-Quarter Earnings

**Results Include 19% Revenue Growth, 6% Average Loan Growth, and 20% Average Core Deposit Growth**

COLUMBUS, Ohio, April 22, 2021 /PRNewswire/ --



## **2021 First-Quarter Highlights (compared with 2020 First Quarter):**

- Net income was \$532 million, up \$484 million from the year ago quarter.
- Earnings per common share (EPS) for the quarter were \$0.48, an increase of \$0.45.
- Return on average assets for the quarter was 1.76%, return on average common equity was 18.7%, and return on average tangible common equity was 23.7%.
- Tangible book value per common share increased \$0.36, or 4%, to \$8.64.
- Fully-taxable equivalent total revenue increased \$216 million, or 19%.
  - Fully-taxable equivalent net interest income increased \$182 million, or 23%, including the benefit of the \$144 million mark-to-market of interest rate caps and \$45 million of accelerated accretion from PPP loan forgiveness.
  - Net interest margin increased 34 basis points to 3.48%, including the 51 basis point benefit of the mark-to-market of interest rate caps and the 16 basis point benefit from accelerated accretion from PPP loan forgiveness.
  - Noninterest income increased \$34 million, or 9%, driven by a \$42 million, or 72%, increase in mortgage banking income
- Noninterest expense increased \$141 million, or 22%, including approximately \$21 million of Significant Items expense related to the TCF acquisition.
- Efficiency ratio of 57.0%, up from 55.4%.
- Average loans and leases increased \$4.6 billion, or 6%.
  - Average commercial loans increased \$3.9 billion, or 11%, and average consumer loans increased \$0.6 billion, or 2%.
- Average core deposits increased \$16.3 billion, or 20%.
  - Average demand deposits increased \$14.7 billion, or 36%.
- Net charge-offs equated to 0.32% of average loans and leases, down from 0.62%.
- Nonperforming asset ratio of 0.68%, down from 0.75%.
- Provision for credit losses decreased \$501 million year-over-year to \$(60) million.
- Allowance for credit losses (ACL) increased \$199 million to \$1.7 billion, or 2.17% of total loans and leases.
- Common Equity Tier 1 (CET1) risk-based capital ratio of 10.33%, up from 9.47% and

modestly above our 9% to 10% operating guideline.

- Tangible common equity (TCE) ratio of 7.11%, down from 7.52%.
- In March, Huntington shareholders approved the planned acquisition of TCF Financial.
- In March, Huntington announced the planned consolidation of 44 Meijer in-store branches, which are expected to be completed in the 2021 second quarter.

Huntington Bancshares Incorporated (Nasdaq: HBAN; [www.huntington.com](http://www.huntington.com)) reported net income for the 2021 first quarter of \$532 million, an increase of \$484 million from the year-ago quarter. Earnings per common share for the 2021 first quarter were \$0.48, up \$0.45 from the year-ago quarter. Tangible book value per common share as of 2021 first quarter-end was \$8.64, a 4% year-over-year increase. Return on average assets was 1.76%, return on average common equity was 18.7%, and return on average tangible common equity was 23.7%. First-quarter results were favorably impacted by a \$144 million positive mark-to-market of interest rate caps within the hedging program, \$60 million of negative credit provisioning related to the improving economic outlook, and \$45 million of accelerated accretion from Paycheck Protection Program (PPP) loan forgiveness, partially offset by \$21 million of costs related to the pending TCF Financial acquisition.

### **CEO Commentary:**

"Our first-quarter results reflected a very strong beginning to what will be an important year for Huntington. The economic recovery continues to gain its footing, and we are seeing encouraging signs throughout our footprint and our individual businesses. Our lending pipelines are up across the board, and customer sentiment is improving—supporting our confidence in more robust loan demand later in the year. Additionally, we continue to see strong core deposit inflows and expect this elevated level of liquidity will remain for some time," said Steve Steinour, chairman, president, and CEO.

"We continue to make substantial progress with our pending acquisition of TCF. We recently received approval of the transaction from the shareholders of both companies. Our integration-planning teams are on track for a conversion later this year. We anticipate that we will receive the regulatory approvals and complete the acquisition as planned late in the second quarter."

"Our overall confidence in our performance and long-term strategy continues to drive our progress in extending digital capabilities across all parts of Huntington – from the development of digital-only tools in the Consumer and Business Bank to digital sales and service enhancements in Commercial Banking, Wealth Management, and Vehicle Finance. The increased digital and product investments will further differentiate the experience we provide to existing and acquired customers on our journey to become the leading people-first, digitally powered bank in the country."

The first quarter 2021 earnings materials, including the detailed earnings press release, quarterly financial supplement, and conference call slide presentation, are available on the Investor Relations section of Huntington's website, <http://www.huntington.com>. In addition, the financial results will be furnished on a Form 8-K that will be available on the Securities and Exchange Commission website at [www.sec.gov](http://www.sec.gov).


### **Conference Call / Webcast Information**

Huntington's senior management will host an earnings conference call on April 22, 2021, at

8:30 a.m. (Eastern Daylight Time). The call may be accessed via a live Internet webcast at the Investor Relations section of Huntington's website, [www.huntington.com](http://www.huntington.com), or through a dial-in telephone number at (877) 407-8029; Conference ID #13716636. Slides will be available in the Investor Relations section of Huntington's website about an hour prior to the call. A replay of the webcast will be archived in the Investor Relations section of Huntington's website. A telephone replay will be available approximately two hours after the completion of the call through April 30, 2021 at (877) 660-6853 or (201) 612-7415; conference ID #13716636.

### **About Huntington**

Huntington Bancshares Incorporated is a regional bank holding company headquartered in Columbus, Ohio, with \$126 billion of assets and a network of 814 full-service branches, including 11 Private Client Group offices, and 1,314 ATMs across seven Midwestern states. Founded in 1866, The Huntington National Bank and its affiliates provide consumer, small business, commercial, treasury management, wealth management, brokerage, trust, and insurance services. Huntington also provides vehicle finance, equipment finance, national settlement, and capital market services that extend beyond its core states. Visit [huntington.com](http://huntington.com) for more information.

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