

Huntington Bank's Annual Backpack Index Finds Costs for School Supplies and Fees Increased Substantially When Compared with Inflation

BYOD-Bring Your Own Device Propels Increase to 36%

Index Climbs 9.5% To \$1,223 For High Schoolers

COLUMBUS, Ohio--(BUSINESS WIRE)-- The increasing costs of school supplies and extracurricular activities for students in grades K-12 will dramatically outpace broader consumer price index (CPI) inflation this year, according to Huntington Bank's eighth annual Backpack Index (NASDAQ: HBAN; www.huntington.com). Relative to 2012, costs will grow an average of 7.3% for K-12 school supplies compared to 1.39% as reported by the Bureau of Labor Statistics' CPI during the same time period. For the many high school students that will add a mid-priced \$300 tablet computer to their back to school list, the Index increases 36%.

In 2013 parents are expected to pay:

- \$577 for elementary school students, a 5.3% increase compared to 2012
- \$763 for middle school students, a 5.3% increase compared to 2012
- \$1,223 for high school students, a 9.5% increase compared to 2012

As with most years, the Index prices backpacks from Big Lots. It also includes traditional school supplies such as paper, pencils and erasers. And it lists the price of renting musical instruments as well as playing sports. No one particular item spiked in price this year. Small increases across the board account for the rising costs.

Since the Backpack Index was first introduced, costs have increased 22% for elementary school students, 43% for middle school students and 23% for high school students. The most dramatic jump occurred in 2011 when pay-for-play fees were either imposed or hiked.

"Huntington launched the Backpack Index in 2007 to help families plan their finances for the school year," said George Mokrzan, director of economics for Huntington's wealth management group. "We also recommend that parents use the Index to teach their children how to budget, save and comparison shop. These financial education tips will help prepare them for college and give them a strong foundation for making wise decisions about money throughout their lives."

Each year the Index factors in new technology that becomes prevalent for students, such as flash drives a few years ago. The addition of the tablet and its cost would constitute the

largest technology expenditure to date. While many schools are providing tablet computers to students, increasing numbers of parents also are buying the devices for their middle and high school students.

Twenty-three percent of teens have a tablet computer, a level comparable to the general adult population, according to a Pew Research Center report issued March 13, 2013. The Pew report also indicated that 78% of teens have a cell phone, and almost half (47%) of them own smartphones. That translates into 37% of all teens who have smartphones, up from just 23% in 2011.

Pew's findings are based on a nationally representative phone survey of 802 parents and their 802 teens ages 12-17. It was conducted between July 26 and September 30, 2012.

Huntington Bank's Back-To-School Shopping Guide

- Assess: Take an inventory of the supplies you already have.
- Shop around: Go online and compare prices and decide who offers the best deals.
- Involve the kids: Help your child create a budget and stick to it.
- Source creatively: Talk to neighbors, friends and other parents to see if they have an instrument or sports equipment their children are no longer using.
- Research rules & needs: Before buying your child a tablet to use at school, ask your school district about its policies on what is known as BYOD—Bring Your Own Device

Huntington Backpack Index Methodology

Each year Huntington obtains classroom-supply lists from a cross-section of schools throughout the six states it serves and compiles a representative list of required supplies and fees. Costs are determined by selecting moderately priced items at online retailers such as Staples. Value-cost backpacks are priced through Big Lots.

About Huntington

Huntington Bancshares Incorporated is a \$56 billion regional bank holding company headquartered in Columbus, Ohio. The Huntington National Bank, founded in 1866, provides full-service commercial, small business, and consumer banking services; mortgage banking services; treasury management and foreign exchange services; equipment leasing; wealth and investment management services; trust services; brokerage services; customized insurance brokerage and service programs; and other financial products and services. The principal markets for these services are Huntington's six-state banking franchise: Ohio, Michigan, Pennsylvania, Indiana, West Virginia, and Kentucky. The primary distribution channels include a banking network of more than 725 traditional branches and convenience branches located in grocery stores and retirement centers, and through an array of alternative distribution channels including internet and mobile banking, telephone banking, and more than 1,400 ATMs. Through automotive dealership relationships within its six-state banking franchise area and selected other Midwest and New England states, Huntington also provides commercial banking services to the automotive dealers and retail automobile financing for dealer customers.

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