



Financial Supplement

Second Quarter 2020

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The information in this Financial Supplement is preliminary and based on company data available at the time of the earnings presentation. It speaks only as of the particular date or dates included in the accompanying pages. The Company does not undertake an obligation to, and disclaims any duty to, update any of the information provided. Any forward-looking statements in this Financial Supplement are subject to the forward-looking statements language contained in the Company's reports filed with the SEC pursuant to the Securities Exchange Act of 1934, which can be found on the SEC's website (www.sec.gov) or on the Company's website (www.citizensbank.com). The Company's future financial performance is subject to the risks and uncertainties described in its SEC filings.

CONSOLIDATED FINANCIAL HIGHLIGHTS
(in millions, except share, per-share and ratio data)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|-------------|-------------|-------------|-------------|-------------|------|--------------|-------|-------------|-----------------------------------|--------------|-------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % | |
| SELECTED OPERATING DATA | | | | | | | | | | | | | | |
| Total revenue | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 6% | \$122 | 7% | \$3,407 | \$3,216 | \$191 | 6% | |
| Noninterest expense | 979 | 1,012 | 986 | 973 | 951 | (33) | (3) | 28 | 3 | 1,991 | 1,888 | 103 | 5 | |
| Profit before provision for credit losses | 771 | 645 | 651 | 665 | 677 | 126 | 20 | 94 | 14 | 1,416 | 1,328 | 88 | 7 | |
| Provision for credit losses | 464 | 600 | 110 | 101 | 97 | (136) | (23) | 367 | NM | 1,064 | 182 | 882 | NM | |
| NET INCOME | 253 | 34 | 450 | 449 | 453 | 219 | NM | (200) | (44) | 287 | 892 | (605) | (68) | |
| Net income, Underlying ¹ | 263 | 59 | 454 | 453 | 458 | 204 | NM | (195) | (43) | 322 | 901 | (579) | (64) | |
| Net income available to common stockholders | 225 | 12 | 427 | 432 | 435 | 213 | NM | (210) | (48) | 237 | 859 | (622) | (72) | |
| Net income available to common stockholders, Underlying ¹ | 235 | 37 | 431 | 436 | 440 | 198 | NM | (205) | (47) | 272 | 868 | (596) | (69) | |
| PER COMMON SHARE DATA | | | | | | | | | | | | | | |
| Basic earnings | \$0.53 | \$0.03 | \$0.98 | \$0.97 | \$0.95 | \$0.50 | NM | (\$0.42) | (44%) | \$0.56 | \$1.87 | (\$1.31) | (70%) | |
| Diluted earnings | 0.53 | 0.03 | 0.98 | 0.97 | 0.95 | 0.50 | NM | (0.42) | (44) | 0.55 | 1.86 | (1.31) | (70) | |
| Basic earnings, Underlying ¹ | 0.55 | 0.09 | 0.99 | 0.98 | 0.96 | 0.46 | NM | (0.41) | (43) | 0.64 | 1.89 | (1.25) | (66) | |
| Diluted earnings, Underlying ¹ | 0.55 | 0.09 | 0.99 | 0.98 | 0.96 | 0.46 | NM | (0.41) | (43) | 0.64 | 1.88 | (1.24) | (66) | |
| Cash dividends declared and paid per common share | 0.39 | 0.39 | 0.36 | 0.36 | 0.32 | — | — | 0.07 | 22 | 0.78 | 0.64 | 0.14 | 22 | |
| Book value per common share | 47.92 | 47.78 | 47.63 | 46.67 | 45.61 | 0.14 | — | 2.31 | 5 | 47.92 | 45.61 | 2.31 | 5 | |
| Tangible book value per common share | 32.13 | 31.97 | 32.08 | 31.48 | 30.88 | 0.16 | 1 | 1.25 | 4 | 32.13 | 30.88 | 1.25 | 4 | |
| Dividend payout ratio | 74% | 1,398% | 37% | 37% | 34% | NM | NM | NM | NM | 140% | 34% | NM | NM | |
| Dividend payout ratio, Underlying ¹ | 71 | 451 | 36 | 37 | 33 | NM | NM | NM | NM | 122 | 34 | NM | NM | |
| COMMON SHARES OUTSTANDING | | | | | | | | | | | | | | |
| Average: Basic | 426,613,053 | 427,718,421 | 434,684,606 | 445,703,987 | 458,154,335 | (1,105,368) | —% | (31,541,282) | (7%) | 427,165,737 | 459,426,685 | (32,260,948) | (7%) | |
| Diluted | 427,566,920 | 429,388,855 | 436,500,829 | 447,134,595 | 459,304,224 | (1,821,935) | — | (31,737,304) | (7) | 428,292,580 | 460,857,535 | (32,564,955) | (7) | |
| Common shares at period-end | 426,824,594 | 426,586,533 | 433,121,083 | 443,913,525 | 457,903,826 | 238,061 | — | (31,079,232) | (7) | 426,824,594 | 457,903,826 | (31,079,232) | (7) | |

¹These are non-GAAP financial measures. For further information on these measures, refer to "Non-GAAP Financial Measures and Reconciliations."

CONSOLIDATED FINANCIAL HIGHLIGHTS, CONTINUED
(in millions, except ratio and headcount data)

| | QUARTERLY TRENDS | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | | |
|---|------------------|--------|--------|--------|--------|-------------|---|-----------|-----------------------------------|--------|--------|-------------|---|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % |
| FINANCIAL RATIOS | | | | | | | | | | | | | |
| Net interest margin | 2.87% | 3.09% | 3.04% | 3.10% | 3.20% | (22) bps | | (33) bps | | 2.98% | 3.22% | (24) bps | |
| Net interest margin, FTE ¹ | 2.88 | 3.10 | 3.06 | 3.12 | 3.21 | (22) bps | | (33) bps | | 2.99 | 3.23 | (24) bps | |
| Return on average common equity | 4.44 | 0.24 | 8.30 | 8.35 | 8.54 | 420 bps | | (410) bps | | 2.35 | 8.58 | (623) bps | |
| Return on average common equity, Underlying ² | 4.63 | 0.74 | 8.36 | 8.45 | 8.63 | 389 bps | | (400) bps | | 2.69 | 8.67 | (598) bps | |
| Return on average tangible common equity | 6.62 | 0.36 | 12.39 | 12.44 | 12.75 | 626 bps | | (613) bps | | 3.51 | 12.87 | (936) bps | |
| Return on average tangible common equity, Underlying ² | 6.90 | 1.10 | 12.49 | 12.58 | 12.89 | 580 bps | | (599) bps | | 4.03 | 13.00 | (897) bps | |
| Return on average total assets | 0.57 | 0.08 | 1.08 | 1.10 | 1.13 | 49 bps | | (56) bps | | 0.33 | 1.12 | (79) bps | |
| Return on average total assets, Underlying ² | 0.59 | 0.14 | 1.09 | 1.11 | 1.14 | 45 bps | | (55) bps | | 0.37 | 1.13 | (76) bps | |
| Return on average total tangible assets | 0.59 | 0.09 | 1.13 | 1.15 | 1.17 | 50 bps | | (58) bps | | 0.35 | 1.17 | (82) bps | |
| Return on average total tangible assets, Underlying ² | 0.61 | 0.15 | 1.14 | 1.16 | 1.19 | 46 bps | | (58) bps | | 0.39 | 1.18 | (79) bps | |
| Effective income tax rate | 17.69 | 24.13 | 16.76 | 20.46 | 21.86 | (644) bps | | (417) bps | | 18.51 | 22.14 | (363) bps | |
| Effective income tax rate, Underlying ² | 19.36 | 24.52 | 21.52 | 22.29 | 21.89 | (516) bps | | (253) bps | | 20.36 | 22.16 | (180) bps | |
| Efficiency ratio | 55.91 | 61.10 | 60.28 | 59.40 | 58.41 | (519) bps | | (250) bps | | 58.43 | 58.70 | (27) bps | |
| Efficiency ratio, Underlying ² | 54.85 | 59.08 | 58.02 | 58.22 | 58.02 | (423) bps | | (317) bps | | 56.91 | 58.34 | (143) bps | |
| Noninterest income as a % of total revenue | 34% | 30% | 30% | 30% | 28% | 400 bps | | 600 bps | | 32% | 28% | 400 bps | |
| CAPITAL RATIOS - PERIOD-END (PRELIMINARY) | | | | | | | | | | | | | |
| CET1 capital ratio | 9.6% | 9.4% | 10.0% | 10.3% | 10.5% | | | | | | | | |
| Tier 1 capital ratio | 10.9 | 10.5 | 11.1 | 11.1 | 11.3 | | | | | | | | |
| Total capital ratio | 13.1 | 12.5 | 13.0 | 13.0 | 13.4 | | | | | | | | |
| Tier 1 leverage ratio | 9.3 | 9.6 | 10.0 | 9.9 | 10.1 | | | | | | | | |
| Tangible common equity ratio | 7.9 | 8.0 | 8.7 | 8.9 | 9.1 | | | | | | | | |
| SELECTED BALANCE SHEET DATA | | | | | | | | | | | | | |
| Loans-to-deposits ratio (period-end balances) | 87.53% | 95.54% | 95.03% | 94.52% | 94.22% | (801) bps | | (669) bps | | 87.53% | 94.22% | (669) bps | |
| Loans-to-deposits ratio (average balances) | 90.93 | 95.60 | 94.63 | 94.62 | 95.64 | (467) bps | | (471) bps | | 93.13 | 96.65 | (352) bps | |
| Full-time equivalent colleagues | 18,312 | 17,863 | 17,997 | 18,116 | 18,207 | 449 | 3 | 105 | 1 | 18,312 | 18,207 | 105 | |

¹ Net interest income and net interest margin is presented on a fully taxable-equivalent ("FTE") basis using the federal statutory tax rate of 21%. The FTE impact is predominantly attributable to commercial loans for the periods presented.

² These are non-GAAP financial measures. For further information on these measures, refer to "Non-GAAP Financial Measures and Reconciliations."

CONSOLIDATED STATEMENTS OF OPERATIONS (unaudited)
(in millions)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|--------------|--------------|--------------|--------------|--------------|-------------|----------------|--------------|--------------|-----------------------------------|----------------|--------------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | \$ | % | \$ | % | | | \$ | % | |
| INTEREST INCOME | | | | | | | | | | | | | | |
| Interest and fees on loans and leases | \$1,192 | \$1,302 | \$1,312 | \$1,356 | \$1,392 | (\$110) | (8%) | (\$200) | (14%) | \$2,494 | \$2,773 | (\$279) | (10%) | |
| Interest and fees on loans held for sale | 20 | 15 | 18 | 19 | 15 | 5 | 33 | 5 | 33 | 35 | 26 | 9 | 35 | |
| Interest and fees on other loans held for sale | 7 | 9 | 5 | 2 | 2 | (2) | (22) | 5 | 250 | 16 | 6 | 10 | 167 | |
| Investment securities | 130 | 147 | 159 | 153 | 164 | (17) | (12) | (34) | (21) | 277 | 330 | (53) | (16) | |
| Interest-bearing deposits in banks | 1 | 5 | 7 | 8 | 7 | (4) | (80) | (6) | (86) | 6 | 15 | (9) | (60) | |
| Total interest income | 1,350 | 1,478 | 1,501 | 1,538 | 1,580 | (128) | (9) | (230) | (15) | 2,828 | 3,150 | (322) | (10) | |
| INTEREST EXPENSE | | | | | | | | | | | | | | |
| Deposits | 124 | 227 | 263 | 297 | 308 | (103) | (45) | (184) | (60) | 351 | 595 | (244) | (41) | |
| Short-term borrowed funds | — | 1 | 2 | 2 | 4 | (1) | (100) | (4) | (100) | 1 | 6 | (5) | (83) | |
| Long-term borrowed funds | 66 | 90 | 93 | 94 | 102 | (24) | (27) | (36) | (35) | 156 | 223 | (67) | (30) | |
| Total interest expense | 190 | 318 | 358 | 393 | 414 | (128) | (40) | (224) | (54) | 508 | 824 | (316) | (38) | |
| Net interest income | 1,160 | 1,160 | 1,143 | 1,145 | 1,166 | — | — | (6) | (1) | 2,320 | 2,326 | (6) | — | |
| NONINTEREST INCOME | | | | | | | | | | | | | | |
| Service charges and fees | 84 | 118 | 128 | 128 | 126 | (34) | (29) | (42) | (33) | 202 | 249 | (47) | (19) | |
| Mortgage banking fees | 276 | 159 | 80 | 117 | 62 | 117 | 74 | 214 | NM | 435 | 105 | 330 | NM | |
| Card fees | 48 | 56 | 64 | 67 | 64 | (8) | (14) | (16) | (25) | 104 | 123 | (19) | (15) | |
| Capital markets fees | 61 | 43 | 66 | 39 | 57 | 18 | 42 | 4 | 7 | 104 | 111 | (7) | (6) | |
| Trust and investment services fees | 45 | 53 | 52 | 50 | 53 | (8) | (15) | (8) | (15) | 98 | 100 | (2) | (2) | |
| Foreign exchange and interest rate products | 34 | 24 | 49 | 35 | 35 | 10 | 42 | (1) | (3) | 58 | 71 | (13) | (18) | |
| Letter of credit and loan fees | 31 | 34 | 35 | 34 | 33 | (3) | (9) | (2) | (6) | 65 | 66 | (1) | (2) | |
| Securities gains, net | 3 | — | 4 | 3 | 4 | 3 | 100 | (1) | (25) | 3 | 12 | (9) | (75) | |
| Other income | 8 | 10 | 16 | 20 | 28 | (2) | (20) | (20) | (71) | 18 | 53 | (35) | (66) | |
| Total noninterest income | 590 | 497 | 494 | 493 | 462 | 93 | 19 | 128 | 28 | 1,087 | 890 | 197 | 22 | |
| TOTAL REVENUE | 1,750 | 1,657 | 1,637 | 1,638 | 1,628 | 93 | 6 | 122 | 7 | 3,407 | 3,216 | 191 | 6 | |
| Provision for credit losses | 464 | 600 | 110 | 101 | 97 | (136) | (23) | 367 | NM | 1,064 | 182 | 882 | NM | |
| NONINTEREST EXPENSE | | | | | | | | | | | | | | |
| Salaries and employee benefits | 513 | 549 | 502 | 508 | 507 | (36) | (7) | 6 | 1 | 1,062 | 1,016 | 46 | 5 | |
| Equipment and software expense | 142 | 133 | 133 | 130 | 126 | 9 | 7 | 16 | 13 | 275 | 251 | 24 | 10 | |
| Outside services | 131 | 135 | 142 | 128 | 118 | (4) | (3) | 13 | 11 | 266 | 228 | 38 | 17 | |
| Occupancy | 82 | 84 | 88 | 80 | 82 | (2) | (2) | — | — | 166 | 165 | 1 | 1 | |
| Other operating expense | 111 | 111 | 121 | 127 | 118 | — | — | (7) | (6) | 222 | 228 | (6) | (3) | |
| Total noninterest expense | 979 | 1,012 | 986 | 973 | 951 | (33) | (3) | 28 | 3 | 1,991 | 1,888 | 103 | 5 | |
| Income before income tax expense | 307 | 45 | 541 | 564 | 580 | 262 | NM | (273) | (47) | 352 | 1,146 | (794) | (69) | |
| Income tax expense | 54 | 11 | 91 | 115 | 127 | 43 | NM | (73) | (57) | 65 | 254 | (189) | (74) | |
| Net income | \$253 | \$34 | \$450 | \$449 | \$453 | \$219 | NM | (\$200) | (44%) | \$287 | \$892 | (\$605) | (68%) | |
| Net income, Underlying¹ | \$263 | \$59 | \$454 | \$453 | \$458 | \$204 | NM | (\$195) | (43%) | \$322 | \$901 | (\$579) | (64%) | |
| Net income available to common stockholders | \$225 | \$12 | \$427 | \$432 | \$435 | \$213 | NM | (\$210) | (48%) | \$237 | \$859 | (\$622) | (72%) | |
| Net income available to common stockholders, Underlying¹ | \$235 | \$37 | \$431 | \$436 | \$440 | \$198 | NM | (\$205) | (47%) | \$272 | \$868 | (\$596) | (69%) | |

¹These are non-GAAP financial measures. For further information on these measures, refer to "Non-GAAP Financial Measures and Reconciliations."

CONSOLIDATED BALANCE SHEETS (unaudited)
(in millions)

PERIOD-END BALANCES

| | AS OF | | | | | JUNE 30, 2020 CHANGE | | | |
|---|------------------|------------------|------------------|------------------|------------------|----------------------|-----------|-----------------|------------|
| | Jun 30, 2020 | Mar 31, 2020 | Dec 31, 2019 | Sept 30, 2019 | Jun 30, 2019 | March 31, 2020 | | June 30, 2019 | |
| | | | | | | \$ | % | \$ | % |
| ASSETS | | | | | | | | | |
| Cash and due from banks | \$1,088 | \$1,155 | \$1,175 | \$1,638 | \$996 | (\$67) | (6%) | \$92 | 9% |
| Interest-bearing cash and due from banks | 6,358 | 2,903 | 2,211 | 2,204 | 2,039 | 3,455 | 119 | 4,319 | 212 |
| Interest-bearing deposits in banks | 475 | 280 | 297 | 158 | 186 | 195 | 70 | 289 | 155 |
| Debt securities available for sale, at fair value | 22,144 | 22,307 | 20,613 | 21,502 | 21,698 | (163) | (1) | 446 | 2 |
| Debt securities held to maturity | 2,856 | 3,071 | 3,202 | 3,319 | 3,447 | (215) | (7) | (591) | (17) |
| Equity securities, at fair value | 50 | 47 | 47 | 47 | 47 | 3 | 6 | 3 | 6 |
| Equity securities, at cost | 607 | 927 | 807 | 734 | 706 | (320) | (35) | (99) | (14) |
| Loans held for sale, at fair value | 3,631 | 2,911 | 1,946 | 1,993 | 1,750 | 720 | 25 | 1,881 | 107 |
| Other loans held for sale | 1,362 | 350 | 1,384 | 22 | 455 | 1,012 | NM | 907 | 199 |
| Loans and leases | 125,713 | 127,528 | 119,088 | 117,880 | 116,838 | (1,815) | (1) | 8,875 | 8 |
| Less: Allowance for loan and lease losses | (2,448) | (2,171) | (1,252) | (1,263) | (1,227) | (277) | (13) | (1,221) | (100) |
| Net loans and leases | 123,265 | 125,357 | 117,836 | 116,617 | 115,611 | (2,092) | (2) | 7,654 | 7 |
| Derivative assets | 2,069 | 1,968 | 807 | 1,027 | 833 | 101 | 5 | 1,236 | 148 |
| Premises and equipment | 751 | 746 | 761 | 747 | 740 | 5 | 1 | 11 | 1 |
| Bank-owned life insurance | 1,739 | 1,736 | 1,725 | 1,720 | 1,711 | 3 | — | 28 | 2 |
| Goodwill | 7,050 | 7,050 | 7,044 | 7,044 | 7,040 | — | — | 10 | — |
| Due from broker | 51 | — | — | 257 | 249 | 51 | 100 | (198) | (100) |
| Other assets | 6,378 | 5,911 | 5,878 | 5,333 | 5,241 | 467 | 8 | 1,137 | 22 |
| TOTAL ASSETS | \$179,874 | \$176,719 | \$165,733 | \$164,362 | \$162,749 | \$3,155 | 2% | \$17,125 | 11% |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | | | | |
| LIABILITIES | | | | | | | | | |
| Deposits: | | | | | | | | | |
| Noninterest-bearing | \$40,545 | \$32,398 | \$29,233 | \$29,939 | \$28,192 | \$8,147 | 25% | \$12,353 | 44% |
| Interest-bearing | 103,073 | 101,077 | 96,080 | 94,775 | 95,812 | 1,996 | 2 | 7,261 | 8 |
| Total deposits | 143,618 | 133,475 | 125,313 | 124,714 | 124,004 | 10,143 | 8 | 19,614 | 16 |
| Short-term borrowed funds | 255 | 1,059 | 274 | 1,077 | 1,441 | (804) | (76) | (1,186) | (82) |
| Derivative liabilities | 198 | 234 | 120 | 161 | 106 | (36) | (15) | 92 | 87 |
| Deferred taxes, net | 709 | 782 | 866 | 752 | 767 | (73) | (9) | (58) | (8) |
| Long-term borrowed funds: | | | | | | | | | |
| FHLB advances | 6 | 8,007 | 5,008 | 3,007 | 2,258 | (8,001) | (100) | (2,252) | (100) |
| Senior debt | 7,519 | 6,775 | 7,382 | 8,143 | 7,624 | 744 | 11 | (105) | (1) |
| Subordinated debt and other debt | 1,677 | 1,655 | 1,657 | 1,656 | 1,656 | 22 | 1 | 21 | 1 |
| Total long-term borrowed funds | 9,202 | 16,437 | 14,047 | 12,806 | 11,538 | (7,235) | (44) | (2,336) | (20) |
| Due to broker | 155 | — | — | 206 | 257 | 155 | 100 | (102) | (100) |
| Other liabilities | 3,319 | 2,782 | 2,912 | 2,795 | 2,619 | 537 | 19 | 700 | 27 |
| TOTAL LIABILITIES | 157,456 | 154,769 | 143,532 | 142,511 | 140,732 | 2,687 | 2 | 16,724 | 12 |
| STOCKHOLDERS' EQUITY | | | | | | | | | |
| Preferred stock: | | | | | | | | | |
| \$25.00 par value, 100,000,000 shares authorized for each of the periods presented | 1,965 | 1,570 | 1,570 | 1,133 | 1,133 | 395 | 25 | 832 | 73 |
| Common stock: | | | | | | | | | |
| \$0.01 par value, 1,000,000,000 shares authorized for each of the periods presented | 6 | 6 | 6 | 6 | 6 | — | — | — | — |
| Additional paid-in capital | 18,908 | 18,901 | 18,891 | 18,876 | 18,860 | 7 | — | 48 | — |
| Retained earnings | 6,068 | 6,011 | 6,498 | 6,229 | 5,959 | 57 | 1 | 109 | 2 |
| Treasury stock, at cost | (4,623) | (4,623) | (4,353) | (3,953) | (3,453) | — | — | (1,170) | (34) |
| Accumulated other comprehensive income (loss) | 94 | 85 | (411) | (440) | (488) | 9 | 11 | 582 | NM |
| TOTAL STOCKHOLDERS' EQUITY | 22,418 | 21,950 | 22,201 | 21,851 | 22,017 | 468 | 2 | 401 | 2 |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$179,874 | \$176,719 | \$165,733 | \$164,362 | \$162,749 | \$3,155 | 2% | \$17,125 | 11% |
| Memo: Total tangible common equity | \$13,716 | \$13,639 | \$13,893 | \$13,976 | \$14,141 | \$77 | 1% | (\$425) | (3%) |

**LOANS AND DEPOSITS
(in millions)**

PERIOD-END BALANCES

| | AS OF | | | | | JUNE 30, 2020 CHANGE | | | |
|---|------------------|------------------|------------------|------------------|------------------|----------------------|-------------|-----------------|------------|
| | Jun 30, 2020 | Mar 31, 2020 | Dec 31, 2019 | Sept 30, 2019 | Jun 30, 2019 | Mar 31, 2020 | | June 30, 2019 | |
| | | | | | | \$ | % | \$ | % |
| LOANS AND LEASES | | | | | | | | | |
| Commercial | \$48,017 | \$49,092 | \$41,479 | \$41,356 | \$41,156 | (\$1,075) | (2%) | \$6,861 | 17% |
| Commercial real estate | 14,485 | 14,502 | 13,522 | 12,820 | 13,123 | (17) | — | 1,362 | 10 |
| Leases | 2,428 | 2,438 | 2,537 | 2,557 | 2,684 | (10) | — | (256) | (10) |
| Total commercial loans and leases | 64,930 | 66,032 | 57,538 | 56,733 | 56,963 | (1,102) | (2) | 7,967 | 14 |
| Residential mortgages | 19,245 | 18,721 | 19,083 | 19,699 | 19,192 | 524 | 3 | 53 | — |
| Home equity | 12,541 | 12,992 | 13,154 | 13,423 | 13,640 | (451) | (3) | (1,099) | (8) |
| Automobile | 12,028 | 12,157 | 12,120 | 12,070 | 12,000 | (129) | (1) | 28 | — |
| Education | 10,591 | 10,887 | 10,347 | 9,729 | 9,305 | (296) | (3) | 1,286 | 14 |
| Other retail | 6,378 | 6,739 | 6,846 | 6,226 | 5,738 | (361) | (5) | 640 | 11 |
| Total retail loans | 60,783 | 61,496 | 61,550 | 61,147 | 59,875 | (713) | (1) | 908 | 2 |
| Total loans and leases | \$125,713 | \$127,528 | \$119,088 | \$117,880 | \$116,838 | (\$1,815) | (1%) | \$8,875 | 8% |
| Loans held for sale, at fair value | 3,631 | 2,911 | 1,946 | 1,993 | 1,750 | 720 | 25 | 1,881 | 107 |
| Other loans held for sale | 1,362 | 350 | 1,384 | 22 | 455 | 1,012 | NM | 907 | 199 |
| Loans and leases and loans held for sale | \$130,706 | \$130,789 | \$122,418 | \$119,895 | \$119,043 | (\$83) | —% | \$11,663 | 10% |
| DEPOSITS | | | | | | | | | |
| Demand | \$40,545 | \$32,398 | \$29,233 | \$29,939 | \$28,192 | \$8,147 | 25% | \$12,353 | 44% |
| Checking with interest | 27,200 | 25,358 | 24,840 | 24,403 | 25,021 | 1,842 | 7 | 2,179 | 9 |
| Regular savings | 16,665 | 14,702 | 13,779 | 13,479 | 13,495 | 1,963 | 13 | 3,170 | 23 |
| Money market accounts | 44,965 | 42,972 | 38,725 | 36,826 | 35,329 | 1,993 | 5 | 9,636 | 27 |
| Term deposits | 14,243 | 18,045 | 18,736 | 20,067 | 21,967 | (3,802) | (21) | (7,724) | (35) |
| Total deposits | \$143,618 | \$133,475 | \$125,313 | \$124,714 | \$124,004 | \$10,143 | 8% | \$19,614 | 16% |

AVERAGE BALANCE SHEETS
(in millions)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|------------------|------------------|------------------|------------------|-----------------|-----------|-----------------|------------|------------------|-----------------------------------|-----------------|-----------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | \$ | % | \$ | % | \$ | % | \$ | % | \$ | % | | | | |
| ASSETS | | | | | | | | | | | | | | |
| Interest-bearing cash and due from banks and deposits in banks | \$5,231 | \$1,859 | \$1,970 | \$1,474 | \$1,229 | \$3,372 | 181% | \$4,002 | NM | \$3,545 | \$1,362 | \$2,183 | 160% | |
| Taxable investment securities | 25,180 | 25,339 | 25,305 | 25,635 | 25,620 | (159) | (1) | (440) | (2) | 25,259 | 25,379 | (120) | — | |
| Non-taxable investment securities | 4 | 4 | 5 | 5 | 5 | — | — | (1) | (20) | 4 | 5 | (1) | (20) | |
| Total investment securities | 25,184 | 25,343 | 25,310 | 25,640 | 25,625 | (159) | (1) | (441) | (2) | 25,263 | 25,384 | (121) | — | |
| Investment securities and interest-bearing deposits | 30,415 | 27,202 | 27,280 | 27,114 | 26,854 | 3,213 | 12 | 3,561 | 13 | 28,808 | 26,746 | 2,062 | 8 | |
| Commercial | 50,443 | 43,152 | 42,012 | 41,476 | 41,755 | 7,291 | 17 | 8,688 | 21 | 46,797 | 41,659 | 5,138 | 12 | |
| Commercial real estate | 14,540 | 13,876 | 13,103 | 12,892 | 13,379 | 664 | 5 | 1,161 | 9 | 14,208 | 13,325 | 883 | 7 | |
| Leases | 2,426 | 2,482 | 2,546 | 2,615 | 2,745 | (56) | (2) | (319) | (12) | 2,454 | 2,809 | (355) | (13) | |
| Total commercial loans and leases | 67,409 | 59,510 | 57,661 | 56,983 | 57,879 | 7,899 | 13 | 9,530 | 16 | 63,459 | 57,793 | 5,666 | 10 | |
| Residential mortgages | 18,872 | 18,866 | 19,495 | 19,405 | 19,232 | 6 | — | (360) | (2) | 18,869 | 19,163 | (294) | (2) | |
| Home equity | 12,736 | 13,042 | 13,265 | 13,501 | 13,754 | (306) | (2) | (1,018) | (7) | 12,889 | 13,913 | (1,024) | (7) | |
| Automobile | 11,998 | 12,173 | 12,099 | 12,036 | 11,984 | (175) | (1) | 14 | — | 12,085 | 12,026 | 59 | — | |
| Education | 11,183 | 10,610 | 9,888 | 9,459 | 9,235 | 573 | 5 | 1,948 | 21 | 10,897 | 9,153 | 1,744 | 19 | |
| Other retail | 6,557 | 6,854 | 6,497 | 5,873 | 5,699 | (297) | (4) | 858 | 15 | 6,706 | 5,668 | 1,038 | 18 | |
| Total retail loans | 61,346 | 61,545 | 61,244 | 60,274 | 59,904 | (199) | — | 1,442 | 2 | 61,446 | 59,923 | 1,523 | 3 | |
| Total loans and leases | 128,755 | 121,055 | 118,905 | 117,257 | 117,783 | 7,700 | 6 | 10,972 | 9 | 124,905 | 117,716 | 7,189 | 6 | |
| Loans held for sale, at fair value | 2,710 | 1,890 | 2,209 | 1,970 | 1,528 | 820 | 43 | 1,182 | 77 | 2,300 | 1,283 | 1,017 | 79 | |
| Other loans held for sale | 510 | 799 | 517 | 134 | 158 | (289) | (36) | 352 | 223 | 655 | 175 | 480 | NM | |
| Total interest-earning assets | 162,390 | 150,946 | 148,911 | 146,475 | 146,323 | 11,444 | 8 | 16,067 | 11 | 156,668 | 145,920 | 10,748 | 7 | |
| Allowance for loan and lease losses | (2,172) | (1,708) | (1,260) | (1,226) | (1,247) | (464) | (27) | (925) | (74) | (1,940) | (1,245) | (695) | (56) | |
| Goodwill | 7,050 | 7,046 | 7,044 | 7,044 | 7,040 | 4 | — | 10 | — | 7,048 | 7,029 | 19 | — | |
| Other noninterest-earning assets | 12,525 | 10,893 | 9,951 | 9,817 | 9,373 | 1,632 | 15 | 3,152 | 34 | 11,709 | 9,251 | 2,458 | 27 | |
| TOTAL ASSETS | \$179,793 | \$167,177 | \$164,646 | \$162,110 | \$161,489 | \$12,616 | 8% | \$18,304 | 11% | \$173,485 | \$160,955 | \$12,530 | 8% | |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | | | | | | | | | | | | | |
| LIABILITIES | | | | | | | | | | | | | | |
| Checking with interest | \$26,312 | \$24,612 | \$23,545 | \$23,422 | \$23,919 | \$1,700 | 7% | \$2,393 | 10% | \$25,462 | \$23,456 | \$2,006 | 9% | |
| Money market accounts | 45,187 | 39,839 | 38,809 | 37,161 | 35,228 | 5,348 | 13 | 9,959 | 28 | 42,513 | 35,218 | 7,295 | 21 | |
| Regular savings | 15,883 | 14,201 | 13,582 | 13,442 | 13,324 | 1,682 | 12 | 2,559 | 19 | 15,042 | 12,977 | 2,065 | 16 | |
| Term deposits | 16,470 | 18,616 | 19,788 | 20,951 | 22,292 | (2,146) | (12) | (5,822) | (26) | 17,543 | 21,713 | (4,170) | (19) | |
| Total interest-bearing deposits | 103,852 | 97,268 | 95,724 | 94,976 | 94,763 | 6,584 | 7 | 9,089 | 10 | 100,560 | 93,364 | 7,196 | 8 | |
| Short-term borrowed funds | 222 | 644 | 504 | 600 | 863 | (422) | (66) | (641) | (74) | 433 | 781 | (348) | (45) | |
| FHLB advances | 2,595 | 5,138 | 3,259 | 2,478 | 3,155 | (2,543) | (49) | (560) | (18) | 3,866 | 4,418 | (552) | (12) | |
| Senior debt | 7,499 | 7,263 | 7,914 | 8,000 | 7,573 | 236 | 3 | (74) | (1) | 7,381 | 7,482 | (101) | (1) | |
| Subordinated debt and other debt | 1,661 | 1,656 | 1,657 | 1,656 | 1,658 | 5 | — | 3 | — | 1,659 | 1,655 | 4 | — | |
| Total long-term borrowed funds | 11,755 | 14,057 | 12,830 | 12,134 | 12,386 | (2,302) | (16) | (631) | (5) | 12,906 | 13,555 | (649) | (5) | |
| Total borrowed funds | 11,977 | 14,701 | 13,334 | 12,734 | 13,249 | (2,724) | (19) | (1,272) | (10) | 13,339 | 14,336 | (997) | (7) | |
| Total interest-bearing liabilities | 115,829 | 111,969 | 109,058 | 107,710 | 108,012 | 3,860 | 3 | 7,817 | 7 | 113,899 | 107,700 | 6,199 | 6 | |
| Total demand deposits | 37,745 | 29,362 | 29,928 | 28,945 | 28,389 | 8,383 | 29 | 9,356 | 33 | 33,553 | 28,426 | 5,127 | 18 | |
| Other liabilities | 4,086 | 4,053 | 3,819 | 3,789 | 3,536 | 33 | 1 | 550 | 16 | 4,070 | 3,560 | 510 | 14 | |
| TOTAL LIABILITIES | 157,660 | 145,384 | 142,805 | 140,444 | 139,937 | 12,276 | 8 | 17,723 | 13 | 151,522 | 139,686 | 11,836 | 8 | |
| STOCKHOLDERS' EQUITY | | | | | | | | | | | | | | |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY | \$179,793 | \$167,177 | \$164,646 | \$162,110 | \$161,489 | \$12,616 | 8% | \$18,304 | 11% | \$173,485 | \$160,955 | \$12,530 | 8% | |
| Memo: Total loans and leases, including loans held for sale | \$131,975 | \$123,744 | \$121,631 | \$119,361 | \$119,469 | \$8,231 | 7% | \$12,506 | 10% | \$127,860 | \$119,174 | \$8,686 | 7% | |
| Total deposits (interest-bearing and demand) | \$141,597 | \$126,630 | \$125,652 | \$123,921 | \$123,152 | \$14,967 | 12% | \$18,445 | 15% | \$134,113 | \$121,790 | \$12,323 | 10% | |
| Total average tangible common equity | \$13,706 | \$13,484 | \$13,660 | \$13,788 | \$13,670 | \$222 | 2% | \$36 | —% | \$13,595 | \$13,453 | \$142 | 1% | |

AVERAGE ANNUALIZED YIELDS AND RATES
(in millions, except rates)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-------|--------------------|-----------------------------------|--------------------|-------|--------------------|
| | 2Q20 | | 1Q20 | | 4Q19 | | 3Q19 | | 2Q19 | | 2020 | | 2019 | |
| | Rate | Income/ Expense | Rate | Income/ Expense | Rate | Income/ Expense | Rate | Income/ Expense | Rate | Income/ Expense | Rate | Income/ Expense | Rate | Income/ Expense |
| INTEREST-EARNING ASSETS | | | | | | | | | | | | | | |
| Interest-bearing cash and due from banks and deposits in banks | 0.09% | \$1 | 1.12% | \$5 | 1.49% | \$7 | 2.09% | \$8 | 2.16% | \$7 | 0.36% | \$6 | 2.18% | \$15 |
| Taxable investment securities | 2.15 | 130 | 2.32 | 147 | 2.47 | 159 | 2.38 | 153 | 2.56 | 164 | 2.24 | 277 | 2.60 | 330 |
| Non-taxable investment securities | 2.60 | — | 2.60 | — | 2.60 | — | 2.60 | — | 2.60 | — | 2.60 | — | 2.60 | — |
| Total investment securities | 2.15 | 130 | 2.32 | 147 | 2.47 | 159 | 2.38 | 153 | 2.56 | 164 | 2.24 | 277 | 2.60 | 330 |
| Investment securities and interest-bearing deposits | | 131 | | 152 | | 166 | | 161 | | 171 | | 283 | | 345 |
| Commercial | 3.23 | 412 | 3.82 | 417 | 3.95 | 424 | 4.17 | 442 | 4.45 | 471 | 3.50 | 829 | 4.44 | 931 |
| Commercial real estate | 2.87 | 106 | 3.96 | 139 | 4.26 | 142 | 4.70 | 155 | 4.91 | 166 | 3.40 | 245 | 4.94 | 331 |
| Leases | 2.75 | 16 | 2.83 | 18 | 2.77 | 18 | 2.85 | 19 | 2.89 | 19 | 2.79 | 34 | 2.87 | 40 |
| Total commercial loans and leases | 3.14 | 534 | 3.81 | 574 | 3.97 | 584 | 4.23 | 616 | 4.48 | 656 | 3.45 | 1,108 | 4.48 | 1,302 |
| Residential mortgages | 3.19 | 150 | 3.47 | 164 | 3.40 | 165 | 3.53 | 171 | 3.65 | 176 | 3.33 | 314 | 3.66 | 351 |
| Home equity | 3.50 | 111 | 4.69 | 152 | 4.73 | 159 | 5.24 | 178 | 5.28 | 180 | 4.10 | 263 | 5.27 | 363 |
| Automobile | 4.33 | 129 | 4.34 | 131 | 4.32 | 132 | 4.25 | 129 | 4.19 | 125 | 4.33 | 260 | 4.12 | 245 |
| Education | 5.21 | 145 | 5.64 | 149 | 5.76 | 143 | 5.89 | 141 | 5.97 | 137 | 5.42 | 294 | 5.98 | 271 |
| Other retail | 7.52 | 123 | 7.77 | 132 | 7.83 | 129 | 8.21 | 121 | 8.24 | 118 | 7.65 | 255 | 8.55 | 241 |
| Total retail loans | 4.31 | 658 | 4.75 | 728 | 4.72 | 728 | 4.88 | 740 | 4.92 | 736 | 4.53 | 1,386 | 4.94 | 1,471 |
| Total loans and leases | 3.69 | 1,192 | 4.29 | 1,302 | 4.36 | 1,312 | 4.56 | 1,356 | 4.71 | 1,392 | 3.98 | 2,494 | 4.72 | 2,773 |
| Loans held for sale, at fair value | 2.85 | 20 | 3.28 | 15 | 3.38 | 18 | 3.71 | 19 | 3.93 | 15 | 3.03 | 35 | 4.09 | 26 |
| Other loans held for sale | 4.66 | 7 | 4.31 | 9 | 3.89 | 5 | 6.42 | 2 | 5.67 | 2 | 4.45 | 16 | 6.41 | 6 |
| Total interest-earning assets | 3.33 | 1,350 | 3.91 | 1,478 | 3.98 | 1,501 | 4.15 | 1,538 | 4.30 | 1,580 | 3.61 | 2,828 | 4.32 | 3,150 |
| INTEREST-BEARING LIABILITIES | | | | | | | | | | | | | | |
| Checking with interest | 0.17 | 11 | 0.60 | 37 | 0.71 | 42 | 0.88 | 52 | 0.96 | 57 | 0.38 | 48 | 0.94 | 109 |
| Money market accounts | 0.35 | 39 | 0.94 | 93 | 1.12 | 110 | 1.24 | 116 | 1.30 | 114 | 0.63 | 132 | 1.28 | 224 |
| Regular savings | 0.39 | 15 | 0.51 | 18 | 0.52 | 17 | 0.59 | 20 | 0.62 | 21 | 0.44 | 33 | 0.59 | 38 |
| Term deposits | 1.44 | 59 | 1.70 | 79 | 1.88 | 94 | 2.05 | 109 | 2.09 | 116 | 1.58 | 138 | 2.08 | 224 |
| Total interest-bearing deposits | 0.48 | 124 | 0.94 | 227 | 1.09 | 263 | 1.24 | 297 | 1.30 | 308 | 0.70 | 351 | 1.28 | 595 |
| Short-term borrowed funds | 0.29 | — | 0.76 | 1 | 1.07 | 2 | 1.43 | 2 | 1.81 | 4 | 0.64 | 1 | 1.61 | 6 |
| FHLB advances | 0.86 | 6 | 1.87 | 24 | 1.98 | 16 | 1.92 | 12 | 2.63 | 21 | 1.53 | 30 | 2.67 | 59 |
| Senior debt | 2.25 | 42 | 2.69 | 49 | 3.02 | 60 | 3.21 | 65 | 3.41 | 64 | 2.46 | 91 | 3.47 | 130 |
| Subordinated debt and other debt | 4.22 | 18 | 4.13 | 17 | 4.20 | 17 | 4.13 | 17 | 4.08 | 17 | 4.17 | 35 | 4.07 | 34 |
| Total long-term borrowed funds | 2.22 | 66 | 2.56 | 90 | 2.91 | 93 | 3.07 | 94 | 3.30 | 102 | 2.40 | 156 | 3.28 | 223 |
| Total borrowed funds | 2.18 | 66 | 2.48 | 91 | 2.84 | 95 | 3.00 | 96 | 3.20 | 106 | 2.35 | 157 | 3.19 | 229 |
| Total interest-bearing liabilities | 0.66 | 190 | 1.14 | 318 | 1.30 | 358 | 1.45 | 393 | 1.54 | 414 | 0.90 | 508 | 1.54 | 824 |
| INTEREST RATE SPREAD | 2.67 | | 2.77 | | 2.68 | | 2.70 | | 2.77 | | 2.71 | | 2.78 | |
| NET INTEREST MARGIN AND NET INTEREST INCOME | 2.87% | \$1,160 | 3.09% | \$1,160 | 3.04% | \$1,143 | 3.10% | \$1,145 | 3.20% | \$1,166 | 2.98% | \$2,320 | 3.22% | \$2,326 |
| NET INTEREST MARGIN AND NET INTEREST INCOME, FTE ¹ | 2.88% | \$1,163 | 3.10% | \$1,164 | 3.06% | \$1,147 | 3.12% | \$1,150 | 3.21% | \$1,172 | 2.99% | \$2,327 | 3.23% | \$2,338 |
| Memo: Total deposit costs | 0.35% | \$124 | 0.72% | \$227 | 0.83% | \$263 | 0.95% | \$297 | 1.00% | \$308 | 0.53% | \$351 | 0.98% | \$595 |

¹ Net interest income and net interest margin is presented on a fully taxable-equivalent ("FTE") basis using the federal statutory tax rate of 21%. The FTE impact is predominantly attributable to commercial loans for the periods presented.

SEGMENT FINANCIAL HIGHLIGHTS - CONSUMER BANKING
(in millions, except ratio data)

| CONSUMER BANKING | QUARTERLY TRENDS | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|------------------|----------|----------|----------|----------|-------------|------|-----------|-----|-----------------------------------|----------|-------------|-----|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % |
| Net interest income | \$814 | \$793 | \$796 | \$799 | \$799 | \$21 | 3% | \$15 | 2% | \$1,607 | \$1,587 | \$20 | 1% |
| Noninterest income | 428 | 357 | 296 | 336 | 277 | 71 | 20 | 151 | 55 | 785 | 524 | 261 | 50 |
| Total revenue | 1,242 | 1,150 | 1,092 | 1,135 | 1,076 | 92 | 8 | 166 | 15 | 2,392 | 2,111 | 281 | 13 |
| Noninterest expense | 735 | 738 | 718 | 718 | 715 | (3) | – | 20 | 3 | 1,473 | 1,415 | 58 | 4 |
| Profit before provision for credit losses | 507 | 412 | 374 | 417 | 361 | 95 | 23 | 146 | 40 | 919 | 696 | 223 | 32 |
| Provision for credit losses | 80 | 97 | 97 | 83 | 78 | (17) | (18) | 2 | 3 | 177 | 145 | 32 | 22 |
| Income before income tax expense | 427 | 315 | 277 | 334 | 283 | 112 | 36 | 144 | 51 | 742 | 551 | 191 | 35 |
| Income tax expense | 107 | 79 | 68 | 83 | 70 | 28 | 35 | 37 | 53 | 186 | 136 | 50 | 37 |
| Net income | \$320 | \$236 | \$209 | \$251 | \$213 | \$84 | 36% | \$107 | 50% | \$556 | \$415 | \$141 | 34% |
| AVERAGE BALANCES | | | | | | | | | | | | | |
| Total assets | \$71,634 | \$68,415 | \$68,069 | \$66,365 | \$65,485 | \$3,219 | 5% | \$6,149 | 9% | \$70,024 | \$65,247 | \$4,777 | 7% |
| Total loans and leases ¹ | 68,205 | 65,343 | 65,157 | 63,553 | 62,678 | 2,862 | 4 | 5,527 | 9 | 66,774 | 62,422 | 4,352 | 7 |
| Deposits | 91,648 | 85,228 | 85,477 | 85,595 | 85,660 | 6,420 | 8 | 5,988 | 7 | 88,438 | 84,123 | 4,315 | 5 |
| Interest-earning assets | 68,256 | 65,393 | 65,208 | 63,605 | 62,731 | 2,863 | 4 | 5,525 | 9 | 66,825 | 62,475 | 4,350 | 7 |
| KEY METRICS | | | | | | | | | | | | | |
| Net interest margin | 4.80% | 4.88% | 4.85% | 4.99% | 5.11% | (8) bps | | (31) bps | | 4.84% | 5.12% | (28) bps | |
| Efficiency ratio | 59.19 | 64.16 | 65.74 | 63.28 | 66.43 | (497) bps | | (724) bps | | 61.58 | 67.01 | (543) bps | |
| Loans-to-deposits ratio (period-end balances) | 69.17 | 72.94 | 74.15 | 73.61 | 71.13 | (377) bps | | (196) bps | | 69.17 | 71.13 | (196) bps | |
| Loans-to-deposits ratio (average balances) | 71.59 | 74.07 | 73.37 | 72.11 | 71.57 | (248) bps | | 2 bps | | 72.79 | 72.89 | (10) bps | |
| Return on average total tangible assets | 1.80 | 1.39 | 1.22 | 1.50 | 1.31 | 41 bps | | 49 bps | | 1.60 | 1.29 | 31 bps | |

¹ Includes loans held for sale.

SEGMENT FINANCIAL HIGHLIGHTS - CONSUMER BANKING, CONTINUED
(in millions, except ratio data)

| | QUARTERLY TRENDS | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|------------------|------------------|-----------------|-----------------|-----------------|----------------|-------------|----------------|--------------|-----------------------------------|-----------------|----------------|--------------|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % |
| MORTGAGE BANKING FEES | | | | | | | | | | | | | |
| Production revenue | \$271 | \$136 | \$61 | \$80 | \$49 | \$135 | 99% | \$222 | NM | \$407 | \$80 | \$327 | NM |
| Mortgage servicing revenue | 9 | 17 | 16 | 12 | 9 | (8) | (47) | — | — | 26 | 23 | 3 | 13 |
| MSR valuation changes, net of hedge impact | (4) | 6 | 4 | 25 | 4 | (10) | NM | (8) | NM | 2 | 2 | — | — |
| Total mortgage banking fees | \$276 | \$159 | \$81 | \$117 | \$62 | \$117 | 74% | \$214 | NM | \$435 | \$105 | \$330 | NM |
| Gain on sale of secondary originations | 3.09% | 2.36% | 0.98% | 1.40% | 1.13% | 73 bps | | 196 bps | | 2.80% | 1.18% | 162 bps | |
| RESIDENTIAL REAL ESTATE ORIGINATIONS | | | | | | | | | | | | | |
| Retail | \$3,882 | \$2,523 | \$3,196 | \$2,771 | \$2,115 | \$1,359 | 54% | \$1,767 | 84% | \$6,405 | \$3,428 | \$2,977 | 87% |
| Third Party | 7,388 | 4,813 | 5,750 | 5,080 | 3,921 | 2,575 | 54 | 3,467 | 88 | 12,201 | 6,181 | 6,020 | 97 |
| Total | \$11,270 | \$7,336 | \$8,946 | \$7,851 | \$6,036 | \$3,934 | 54% | \$5,234 | 87% | \$18,606 | \$9,609 | \$8,997 | 94% |
| Originated for sale | 81% | 83% | 80% | 80% | 81% | (200) bps | | — bps | | 82% | 81% | 100 bps | |
| Originated for investment | 19 | 17 | 20 | 20 | 19 | 200 bps | | — bps | | 18 | 19 | (100) bps | |
| Total | 100% | 100% | 100% | 100% | 100% | | | | | 100% | 100% | | |
| MORTGAGE SERVICING INFORMATION (UPB) | | | | | | | | | | | | | |
| Loans serviced for others | \$79,942 | \$79,157 | \$77,526 | \$74,610 | \$72,518 | \$785 | 1% | \$7,424 | 10% | \$79,942 | \$72,518 | \$7,424 | 10% |
| Owned loans serviced | 21,642 | 21,057 | 20,831 | 19,969 | 19,258 | 585 | 3 | 2,384 | 12 | 21,642 | 19,258 | 2,384 | 12 |
| Total | \$101,584 | \$100,214 | \$98,357 | \$94,579 | \$91,776 | \$1,370 | 1% | \$9,808 | 11% | \$101,584 | \$91,776 | \$9,808 | 11% |
| MSR CARRYING VALUE¹ | | | | | | | | | | | | | |
| MSR at fair value | \$568 | \$577 | \$642 | \$510 | \$531 | (\$9) | (2%) | \$37 | 7% | \$568 | \$531 | \$37 | 7% |
| MSR at lower of cost or market | — | — | 182 | 177 | 189 | — | — | (189) | (100) | — | 189 | (189) | (100) |
| Total | \$568 | \$577 | \$824 | \$687 | \$720 | (\$9) | (2%) | (\$152) | (21%) | \$568 | \$720 | (\$152) | (21%) |

¹ Beginning in the first quarter of 2020, mortgage servicing rights previously accounted for at lower of cost or market are now accounted for at fair value.

SEGMENT FINANCIAL HIGHLIGHTS - COMMERCIAL BANKING
(in millions, except ratio data)

| COMMERCIAL BANKING | QUARTERLY TRENDS | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|------------------|----------|----------|----------|----------|-------------|-----|-------------|-----|-----------------------------------|----------|-------------|-------|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % |
| Net interest income | \$419 | \$365 | \$363 | \$360 | \$371 | \$54 | 15% | \$48 | 13% | \$784 | \$743 | \$41 | 6% |
| Noninterest income | 144 | 125 | 175 | 133 | 149 | 19 | 15 | (5) | (3) | 269 | 299 | (30) | (10) |
| Total revenue | 563 | 490 | 538 | 493 | 520 | 73 | 15 | 43 | 8 | 1,053 | 1,042 | 11 | 1 |
| Noninterest expense | 213 | 221 | 219 | 213 | 217 | (8) | (4) | (4) | (2) | 434 | 426 | 8 | 2 |
| Profit before provision for credit losses | 350 | 269 | 319 | 280 | 303 | 81 | 30 | 47 | 16 | 619 | 616 | 3 | — |
| Provision for credit losses | 70 | 43 | 24 | 27 | 25 | 27 | 63 | 45 | 180 | 113 | 46 | 67 | 146 |
| Income before income tax expense | 280 | 226 | 295 | 253 | 278 | 54 | 24 | 2 | 1 | 506 | 570 | (64) | (11) |
| Income tax expense | 59 | 47 | 64 | 57 | 62 | 12 | 26 | (3) | (5) | 106 | 127 | (21) | (17) |
| Net income | \$221 | \$179 | \$231 | \$196 | \$216 | \$42 | 23% | \$5 | 2% | \$400 | \$443 | (\$43) | (10%) |
| AVERAGE BALANCES | | | | | | | | | | | | | |
| Total assets | \$65,280 | \$59,005 | \$56,407 | \$55,614 | \$56,135 | \$6,275 | 11% | \$9,145 | 16% | \$62,142 | \$55,884 | \$6,258 | 11% |
| Total loans and leases ¹ | 62,011 | 56,555 | 54,523 | 53,814 | 54,653 | 5,456 | 10 | 7,358 | 13 | 59,283 | 54,545 | 4,738 | 9 |
| Deposits | 41,750 | 33,545 | 32,715 | 31,491 | 30,273 | 8,205 | 24 | 11,477 | 38 | 37,647 | 30,050 | 7,597 | 25 |
| Interest-earning assets | 62,422 | 57,016 | 54,905 | 54,087 | 54,950 | 5,406 | 9 | 7,472 | 14 | 59,719 | 54,838 | 4,881 | 9 |
| KEY METRICS | | | | | | | | | | | | | |
| Net interest margin | 2.70% | 2.57% | 2.62% | 2.64% | 2.71% | 13 bps | | (1) bps | | 2.64% | 2.73% | (9) bps | |
| Efficiency ratio | 37.93 | 45.06 | 40.60 | 43.35 | 41.58 | (713) bps | | (365) bps | | 41.25 | 40.84 | 41 bps | |
| Loans-to-deposits ratio (period-end balances) | 140.79 | 164.10 | 165.24 | 163.62 | 173.48 | (2,331) bps | | (3,269) bps | | 140.79 | 173.48 | (3,269) bps | |
| Loans-to-deposits ratio (average balances) | 147.03 | 167.18 | 165.80 | 170.01 | 179.49 | (2,015) bps | | (3,246) bps | | 156.00 | 180.35 | (2,435) bps | |
| Return on average total tangible assets | 1.36 | 1.22 | 1.63 | 1.40 | 1.54 | 14 bps | | (18) bps | | 1.29 | 1.60 | (31) bps | |

¹ Includes loans held for sale.

SEGMENT FINANCIAL HIGHLIGHTS - OTHER
(in millions)

| OTHER ¹ | QUARTERLY TRENDS | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|----------|----------|----------|----------|-------------|-------|---------|------|-----------------------------------|----------|-------------|------|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$ | % | \$ | % | | | \$ | % |
| Net interest income | (\$73) | \$2 | (\$16) | (\$14) | (\$4) | (\$75) | NM | (\$69) | NM | (\$71) | (\$4) | (\$67) | NM |
| Noninterest income | 18 | 15 | 23 | 24 | 36 | 3 | 20 | (18) | (50) | 33 | 67 | (34) | (51) |
| Total revenue | (55) | 17 | 7 | 10 | 32 | (72) | NM | (87) | NM | (38) | 63 | (101) | NM |
| Noninterest expense | 31 | 53 | 49 | 42 | 19 | (22) | (42) | 12 | 63 | 84 | 47 | 37 | 79 |
| (Loss) profit before provision for credit losses | (86) | (36) | (42) | (32) | 13 | (50) | (139) | (99) | NM | (122) | 16 | (138) | NM |
| Provision for credit losses | 314 | 460 | (11) | (9) | (6) | (146) | (32) | 320 | NM | 774 | (9) | 783 | NM |
| (Loss) income before income tax benefit | (400) | (496) | (31) | (23) | 19 | 96 | 19 | (419) | NM | (896) | 25 | (921) | NM |
| Income tax benefit | (112) | (115) | (41) | (25) | (5) | 3 | 3 | (107) | NM | (227) | (9) | (218) | NM |
| Net (loss) income | (\$288) | (\$381) | \$10 | \$2 | \$24 | \$93 | 24% | (\$312) | NM | (\$669) | \$34 | (\$703) | NM |
| AVERAGE BALANCES | | | | | | | | | | | | | |
| Total assets | \$42,879 | \$39,757 | \$40,170 | \$40,131 | \$39,869 | \$3,122 | 8% | \$3,010 | 8% | \$41,319 | \$39,824 | \$1,495 | 4% |
| Total loans and leases ² | 1,759 | 1,846 | 1,951 | 1,994 | 2,138 | (87) | (5) | (379) | (18) | 1,803 | 2,207 | (404) | (18) |
| Deposits | 8,199 | 7,857 | 7,460 | 6,835 | 7,219 | 342 | 4 | 980 | 14 | 8,028 | 7,617 | 411 | 5 |
| Interest-earning assets | 31,712 | 28,537 | 28,798 | 28,783 | 28,642 | 3,175 | 11 | 3,070 | 11 | 30,124 | 28,607 | 1,517 | 5 |

¹ Includes the financial impact of non-core, liquidating loan portfolios and other non-core assets, our treasury activities, wholesale funding activities, securities portfolio, community development assets and other unallocated assets, liabilities, capital, revenues, provision for credit losses, expenses and income tax expense, not attributed to our Consumer Banking or Commercial Banking segments.

² Includes loans held for sale.

CREDIT-RELATED INFORMATION
(in millions, except ratio data)

| | AS OF | | | | | JUNE 30, 2020 CHANGE | | | |
|--|--------------|--------------|--------------|---------------|--------------|----------------------|------|---------------|------|
| | Jun 30, 2020 | Mar 31, 2020 | Dec 31, 2019 | Sept 30, 2019 | Jun 30, 2019 | Mar 31, 2020 | | June 30, 2019 | |
| | | | | | | \$/bps | % | \$/bps | % |
| NONACCRUAL LOANS AND LEASES¹ | | | | | | | | | |
| Commercial | \$366 | \$305 | \$240 | \$228 | \$198 | \$61 | 20% | \$168 | 85% |
| Commercial real estate | 61 | 8 | 2 | 49 | 4 | 53 | NM | 57 | NM |
| Leases | 79 | 1 | 3 | 4 | 17 | 78 | NM | 62 | NM |
| Total commercial loans and leases | 506 | 314 | 245 | 281 | 219 | 192 | 61 | 287 | 131 |
| Residential mortgages ² | 112 | 101 | 93 | 91 | 98 | 11 | 11 | 14 | 14 |
| Home equity | 254 | 242 | 246 | 247 | 278 | 12 | 5 | (24) | (9) |
| Automobile | 67 | 69 | 67 | 69 | 62 | (2) | (3) | 5 | 8 |
| Education | 18 | 21 | 18 | 17 | 40 | (3) | (14) | (22) | (55) |
| Other retail | 33 | 33 | 34 | 32 | 30 | — | — | 3 | 10 |
| Total retail loans | 484 | 466 | 458 | 456 | 508 | 18 | 4 | (24) | (5) |
| Nonaccrual loans and leases | 990 | 780 | 703 | 737 | 727 | 210 | 27 | 263 | 36 |
| Repossessed assets | 33 | 44 | 45 | 40 | 32 | (11) | (25) | 1 | 3 |
| Nonaccrual loans and leases and repossessed assets | \$1,023 | \$824 | \$748 | \$777 | \$759 | \$199 | 24% | \$264 | 35% |
| NONACCRUAL LOANS AND LEASES BY PRODUCT³ | | | | | | | | | |
| Commercial | \$506 | \$314 | \$245 | \$281 | \$219 | \$192 | 61% | \$287 | 131% |
| Retail | 517 | 510 | 503 | 496 | 540 | 7 | 1 | (23) | (4) |
| Total nonaccrual loans and leases | \$1,023 | \$824 | \$748 | \$777 | \$759 | \$199 | 24% | \$264 | 35% |
| ASSET QUALITY RATIOS | | | | | | | | | |
| Allowance for credit losses to loans and leases | 2.01% | 1.73% | 1.09% | 1.11% | 1.13% | 28 bps | | 88 bps | |
| Allowance for credit losses to nonaccrual loans and leases | 255.39 | 283.48 | 184.31 | 177.42 | 181.54 | NM | | NM | |
| Nonaccrual loans and leases to loans and leases | 0.79 | 0.61 | 0.59 | 0.63 | 0.62 | 18 | | 17 | |

¹ Beginning in the first quarter of 2020 and upon the adoption of ASU 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, nonperforming loans and leases are now referred to as nonaccrual loans and leases and other nonperforming assets are referred to as repossessed assets.

² Beginning in the fourth quarter of 2019, nonaccrual balances exclude both fully and partially guaranteed residential mortgage loans sold to Ginnie Mae for which the Company has the right, but not the obligation, to repurchase. Prior periods have been adjusted to exclude partially guaranteed amounts to conform with the current period presentation.

³ Nonaccrual loans and leases by product includes repossessed assets.

CREDIT-RELATED INFORMATION, CONTINUED
(in millions, except ratio data)

| | AS OF | | | | | JUNE 30, 2020 CHANGE | | | |
|---|--------------|--------------|--------------|---------------|--------------|----------------------|------|---------------|-------|
| | Jun 30, 2020 | Mar 31, 2020 | Dec 31, 2019 | Sept 30, 2019 | Jun 30, 2019 | Mar 31, 2020 | | June 30, 2019 | |
| | | | | | | \$/bps | % | \$/bps | % |
| LOANS AND LEASES 90 DAYS OR MORE PAST DUE AND ACCRUING | | | | | | | | | |
| Commercial | \$33 | \$— | \$2 | \$1 | \$4 | \$33 | 100% | \$29 | NM |
| Commercial real estate | — | — | — | — | — | — | — | — | — |
| Leases | — | — | — | 1 | 1 | — | — | (1) | (100) |
| Total commercial loans and leases | 33 | — | 2 | 2 | 5 | 33 | 100 | 28 | NM |
| Residential mortgages | 13 | 14 | 13 | 15 | 14 | (1) | (7) | (1) | (7) |
| Home equity | — | — | — | — | — | — | — | — | — |
| Automobile | — | — | — | — | — | — | — | — | — |
| Education | 2 | 2 | 2 | 3 | 3 | — | — | (1) | (33) |
| Other retail | 7 | 11 | 8 | 10 | 9 | (4) | (36) | (2) | (22) |
| Total retail loans | 22 | 27 | 23 | 28 | 26 | (5) | (19) | (4) | (15) |
| Total loans and leases | 55 | 27 | 25 | 30 | 31 | 28 | 104 | 24 | 77 |

CREDIT-RELATED INFORMATION, CONTINUED
(in millions)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|------------------|-------|-------|-------|-------|-------------|-------|--------|-------|-------|-----------------------------------|-------------|-------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | \$ | % | \$ | % | | | \$ | % | |
| CHARGE-OFFS, RECOVERIES AND RELATED RATIOS | | | | | | | | | | | | | | |
| GROSS CHARGE-OFFS | | | | | | | | | | | | | | |
| Commercial | \$68 | \$47 | \$24 | \$20 | \$40 | \$21 | 45% | \$28 | 70% | \$115 | \$43 | \$72 | 167% | |
| Commercial real estate | — | — | 9 | 10 | — | — | — | — | — | — | 20 | (20) | (100) | |
| Leases | 6 | — | 1 | 5 | 5 | 6 | 100 | 1 | 20 | 6 | 8 | (2) | (25) | |
| Total commercial loans and leases | 74 | 47 | 34 | 35 | 45 | 27 | 57 | 29 | 64 | 121 | 71 | 50 | 70 | |
| Residential mortgages | 2 | 1 | 2 | 2 | 2 | 1 | 100 | — | — | 3 | 4 | (1) | (25) | |
| Home equity | 6 | 8 | 10 | 11 | 11 | (2) | (25) | (5) | (45) | 14 | 18 | (4) | (22) | |
| Automobile | 31 | 39 | 38 | 37 | 30 | (8) | (21) | 1 | 3 | 70 | 68 | 2 | 3 | |
| Education | 14 | 18 | 20 | 18 | 18 | (4) | (22) | (4) | (22) | 32 | 34 | (2) | (6) | |
| Other retail | 53 | 61 | 58 | 56 | 50 | (8) | (13) | 3 | 6 | 114 | 99 | 15 | 15 | |
| Total retail loans | 106 | 127 | 128 | 124 | 111 | (21) | (17) | (5) | (5) | 233 | 223 | 10 | 4 | |
| Total gross charge-offs | \$180 | \$174 | \$162 | \$159 | \$156 | \$6 | 3% | \$24 | 15% | \$354 | \$294 | \$60 | 20% | |
| GROSS RECOVERIES | | | | | | | | | | | | | | |
| Commercial | \$3 | \$3 | \$7 | \$3 | \$12 | \$— | —% | (\$9) | (75%) | \$6 | \$14 | (\$8) | (57%) | |
| Commercial real estate | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| Leases | — | — | — | — | — | — | — | — | — | — | — | — | — | |
| Total commercial loans and leases | 3 | 3 | 7 | 3 | 12 | — | — | (9) | (75) | 6 | 14 | (8) | (57) | |
| Residential mortgages | 1 | 1 | 1 | 1 | 2 | — | — | (1) | (50) | 2 | 7 | (5) | (71) | |
| Home equity | 8 | 11 | 10 | 12 | 10 | (3) | (27) | (2) | (20) | 19 | 27 | (8) | (30) | |
| Automobile | 11 | 12 | 11 | 15 | 16 | (1) | (8) | (5) | (31) | 23 | 31 | (8) | (26) | |
| Education | 4 | 4 | 4 | 4 | 4 | — | — | — | — | 8 | 8 | — | — | |
| Other retail | 6 | 6 | 7 | 11 | 6 | — | — | — | — | 12 | 12 | — | — | |
| Total retail loans | 30 | 34 | 33 | 43 | 38 | (4) | (12) | (8) | (21) | 64 | 85 | (21) | (25) | |
| Total gross recoveries | \$33 | \$37 | \$40 | \$46 | \$50 | (\$4) | (11%) | (\$17) | (34%) | \$70 | \$99 | (\$29) | (29%) | |
| NET CHARGE-OFFS (RECOVERIES) | | | | | | | | | | | | | | |
| Commercial | \$65 | \$44 | \$17 | \$17 | \$28 | \$21 | 48% | \$37 | 132% | \$109 | \$29 | \$80 | NM | |
| Commercial real estate | — | — | 9 | 10 | — | — | — | — | — | — | 20 | (20) | (100) | |
| Leases | 6 | — | 1 | 5 | 5 | 6 | 100 | 1 | 20 | 6 | 8 | (2) | (25) | |
| Total commercial loans and leases | 71 | 44 | 27 | 32 | 33 | 27 | 61 | 38 | 115 | 115 | 57 | 58 | 102 | |
| Residential mortgages | 1 | — | 1 | 1 | — | 1 | 100 | 1 | 100 | 1 | (3) | 4 | NM | |
| Home equity | (2) | (3) | — | (1) | 1 | 1 | 33 | (3) | NM | (5) | (9) | 4 | 44 | |
| Automobile | 20 | 27 | 27 | 22 | 14 | (7) | (26) | 6 | 43 | 47 | 37 | 10 | 27 | |
| Education | 10 | 14 | 16 | 14 | 14 | (4) | (29) | (4) | (29) | 24 | 26 | (2) | (8) | |
| Other retail | 47 | 55 | 51 | 45 | 44 | (8) | (15) | 3 | 7 | 102 | 87 | 15 | 17 | |
| Total retail loans | 76 | 93 | 95 | 81 | 73 | (17) | (18) | 3 | 4 | 169 | 138 | 31 | 22 | |
| Total net charge-offs | \$147 | \$137 | \$122 | \$113 | \$106 | \$10 | 7% | \$41 | 39% | \$284 | \$195 | \$89 | 46% | |

CREDIT-RELATED INFORMATION, CONTINUED
(in millions, except rates)

| | QUARTERLY TRENDS | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | | |
|---|------------------|-----------|-----------|-----------|-----------|-------------|-----|----------|-----------------------------------|-----------|-----------|-------------|------|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | |
| | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % |
| ANNUALIZED NET CHARGE-OFF (RECOVERY) RATES | | | | | | | | | | | | | |
| Commercial | 0.52% | 0.41% | 0.16% | 0.16% | 0.27% | 11 bps | | 25 bps | | 0.47% | 0.14% | 33 bps | |
| Commercial real estate | — | — | 0.26 | 0.31 | — | — bps | | — bps | | — | 0.30 | (30) bps | |
| Leases | 1.03 | 0.07 | 0.19 | 0.80 | 0.72 | 96 bps | | 31 bps | | 0.55 | 0.56 | (1) bps | |
| Total commercial loans and leases | 0.42 | 0.30 | 0.19 | 0.22 | 0.23 | 12 bps | | 19 bps | | 0.37 | 0.20 | 17 bps | |
| Residential mortgages | 0.02 | 0.01 | 0.02 | 0.01 | 0.01 | 1 bps | | 1 bps | | 0.01 | (0.03) | 4 bps | |
| Home equity | (0.05) | (0.10) | 0.02 | (0.04) | 0.01 | 5 bps | | (6) bps | | (0.08) | (0.13) | 5 bps | |
| Automobile | 0.68 | 0.88 | 0.85 | 0.74 | 0.49 | (20) bps | | 19 bps | | 0.78 | 0.62 | 16 bps | |
| Education | 0.34 | 0.55 | 0.65 | 0.58 | 0.62 | (21) bps | | (28) bps | | 0.44 | 0.57 | (13) bps | |
| Other retail | 2.93 | 3.21 | 3.09 | 3.08 | 3.11 | (28) bps | | (18) bps | | 3.07 | 3.09 | (2) bps | |
| Total retail loans | 0.50 | 0.61 | 0.61 | 0.53 | 0.49 | (11) bps | | 1 bps | | 0.56 | 0.47 | 9 bps | |
| Total loans and leases | 0.46% | 0.46% | 0.41% | 0.38% | 0.36% | — bps | | 10 bps | | 0.46% | 0.33% | 13 bps | |
| Memo: Average loans | | | | | | | | | | | | | |
| Commercial | \$50,443 | \$43,152 | \$42,012 | \$41,476 | \$41,755 | \$7,291 | 17% | \$8,688 | 21% | \$46,797 | \$41,659 | \$5,138 | 12% |
| Commercial real estate | 14,540 | 13,876 | 13,103 | 12,892 | 13,379 | 664 | 5 | 1,161 | 9 | 14,208 | 13,325 | 883 | 7 |
| Leases | 2,426 | 2,482 | 2,546 | 2,615 | 2,745 | (56) | (2) | (319) | (12) | 2,454 | 2,809 | (355) | (13) |
| Total commercial loans and leases | 67,409 | 59,510 | 57,661 | 56,983 | 57,879 | 7,899 | 13 | 9,530 | 16 | 63,459 | 57,793 | 5,666 | 10 |
| Residential mortgages | 18,872 | 18,866 | 19,495 | 19,405 | 19,232 | 6 | — | (360) | (2) | 18,869 | 19,163 | (294) | (2) |
| Home equity | 12,736 | 13,042 | 13,265 | 13,501 | 13,754 | (306) | (2) | (1,018) | (7) | 12,889 | 13,913 | (1,024) | (7) |
| Automobile | 11,998 | 12,173 | 12,099 | 12,036 | 11,984 | (175) | (1) | 14 | — | 12,085 | 12,026 | 59 | — |
| Education | 11,183 | 10,610 | 9,888 | 9,459 | 9,235 | 573 | 5 | 1,948 | 21 | 10,897 | 9,153 | 1,744 | 19 |
| Other retail | 6,557 | 6,854 | 6,497 | 5,873 | 5,699 | (297) | (4) | 858 | 15 | 6,706 | 5,668 | 1,038 | 18 |
| Total retail loans | 61,346 | 61,545 | 61,244 | 60,274 | 59,904 | (199) | — | 1,442 | 2 | 61,446 | 59,923 | 1,523 | 3 |
| Total loans and leases | \$128,755 | \$121,055 | \$118,905 | \$117,257 | \$117,783 | \$7,700 | 6% | \$10,972 | 9% | \$124,905 | \$117,716 | \$7,189 | 6% |

CREDIT-RELATED INFORMATION, CONTINUED
(in millions)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|---------|---------|---------|---------|-------------|-------|---------|-------|---------|-----------------------------------|-------------|-------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | \$ | % | \$ | % | | | \$ | % | |
| SUMMARY OF CHANGES IN THE COMPONENTS OF THE ALLOWANCE FOR CREDIT LOSSES | | | | | | | | | | | | | | |
| Allowance for loan and lease losses - beginning | \$2,171 | \$1,252 | \$1,263 | \$1,227 | \$1,245 | \$919 | 73% | \$926 | 74% | \$1,252 | \$1,242 | \$10 | 1% | |
| Cumulative effect of change in accounting principle: | | | | | | | | | | | | | | |
| Commercial | — | (176) | — | — | — | 176 | 100 | — | — | (176) | — | (176) | (100) | |
| Retail | — | 629 | — | — | — | (629) | (100) | — | — | 629 | — | 629 | 100 | |
| Total cumulative effect of change in accounting principle | — | 453 | — | — | — | (453) | (100) | — | — | 453 | — | 453 | 100 | |
| Allowance for loan and lease losses - beginning, adjusted | 2,171 | 1,705 | 1,263 | 1,227 | 1,245 | 466 | 27 | 926 | 74 | 1,705 | 1,242 | 463 | 37 | |
| Charge-offs: | | | | | | | | | | | | | | |
| Commercial | 74 | 47 | 34 | 35 | 45 | 27 | 57 | 29 | 64 | 121 | 71 | 50 | 70 | |
| Retail | 106 | 127 | 128 | 124 | 111 | (21) | (17) | (5) | (5) | 233 | 223 | 10 | 4 | |
| Total charge-offs | 180 | 174 | 162 | 159 | 156 | 6 | 3 | 24 | 15 | 354 | 294 | 60 | 20 | |
| Recoveries: | | | | | | | | | | | | | | |
| Commercial | 3 | 3 | 7 | 3 | 12 | — | — | (9) | (75) | 6 | 14 | (8) | (57) | |
| Retail | 30 | 34 | 33 | 43 | 38 | (4) | (12) | (8) | (21) | 64 | 85 | (21) | (25) | |
| Total recoveries | 33 | 37 | 40 | 46 | 50 | (4) | (11) | (17) | (34) | 70 | 99 | (29) | (29) | |
| Net charge-offs | 147 | 137 | 122 | 113 | 106 | 10 | 7 | 41 | 39 | 284 | 195 | 89 | 46 | |
| Provision for loan and lease losses: | | | | | | | | | | | | | | |
| Commercial | 554 | 298 | (11) | 64 | 22 | 256 | 86 | 532 | NM | 852 | 47 | 805 | NM | |
| Retail | (130) | 305 | 122 | 85 | 66 | (435) | NM | (196) | NM | 175 | 133 | 42 | 32 | |
| Total provision for loan and lease losses | 424 | 603 | 111 | 149 | 88 | (179) | (30) | 336 | NM | 1,027 | 180 | 847 | NM | |
| Allowance for loan and lease losses - ending | \$2,448 | \$2,171 | \$1,252 | \$1,263 | \$1,227 | \$277 | 13% | \$1,221 | 100% | \$2,448 | \$1,227 | \$1,221 | 100% | |
| Reserve for unfunded lending commitments - beginning | | | | | | | | | | | | | | |
| Commercial | \$39 | \$44 | \$45 | \$93 | \$84 | (\$5) | (11%) | (\$45) | (54%) | \$44 | \$91 | (\$47) | (52%) | |
| Cumulative effect of change in accounting principle | — | (2) | — | — | — | 2 | 100 | — | — | (2) | — | (2) | — | |
| Provision for unfunded lending commitments | 40 | (3) | (1) | (48) | 9 | 43 | NM | 31 | NM | 37 | 2 | 35 | NM | |
| Reserve for unfunded lending commitments - ending | \$79 | \$39 | \$44 | \$45 | \$93 | \$40 | 103% | (\$14) | (15%) | \$79 | \$93 | (\$14) | (15%) | |
| Total allowance for credit losses - ending | \$2,527 | \$2,210 | \$1,296 | \$1,308 | \$1,320 | \$317 | 14% | \$1,207 | 91% | \$2,527 | \$1,320 | \$1,207 | 91% | |
| Memo: Total allowance for credit losses by product | | | | | | | | | | | | | | |
| Commercial | \$1,304 | \$790 | \$718 | \$757 | \$773 | \$514 | 65% | \$531 | 69% | \$1,304 | \$773 | \$531 | 69% | |
| Retail | 1,223 | 1,420 | 578 | 551 | 547 | (197) | (14) | 676 | 124 | 1,223 | 547 | 676 | 124 | |
| Total allowance for credit losses | \$2,527 | \$2,210 | \$1,296 | \$1,308 | \$1,320 | \$317 | 14% | \$1,207 | 91% | \$2,527 | \$1,320 | \$1,207 | 91% | |

CAPITAL AND RATIOS
(in millions, except ratio data)

| | AS OF | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | | | | | |
|--|-----------------|-----------------|-----------------|------------------|-----------------|-----------------------------------|-----------|----------------|-------------|-----------------|-----------------|----------------|-------------|
| | Jun 30, 2020 | Mar 31, 2020 | Dec 31, 2019 | Sept 30, 2019 | Jun 30, 2019 | JUNE 30, 2020 CHANGE | | | | 2020 Change | | | |
| | | | | | | Mar 31, 2020 | | June 30, 2019 | | 2020 | 2019 | 2019 | |
| | | | | | | \$ | % | \$ | % | | | \$ | % |
| CAPITAL RATIOS AND COMPONENTS (PRELIMINARY) | | | | | | | | | | | | | |
| CET1 capital | \$14,154 | \$14,007 | \$14,304 | \$14,416 | \$14,629 | \$147 | 1% | (\$475) | (3%) | | | | |
| Tier 1 capital | 16,119 | 15,577 | 15,874 | 15,549 | 15,762 | 542 | 3 | 357 | 2 | | | | |
| Total capital | 19,319 | 18,592 | 18,542 | 18,237 | 18,582 | 727 | 4 | 737 | 4 | | | | |
| Risk-weighted assets | 147,260 | 148,946 | 142,915 | 140,136 | 138,879 | (1,686) | (1) | 8,381 | 6 | | | | |
| Adjusted average assets ¹ | 174,017 | 161,715 | 158,782 | 156,355 | 155,956 | 12,302 | 8 | 18,061 | 12 | | | | |
| CET1 capital ratio | 9.6% | 9.4% | 10.0% | 10.3% | 10.5% | | | | | | | | |
| Tier 1 capital ratio | 10.9 | 10.5 | 11.1 | 11.1 | 11.3 | | | | | | | | |
| Total capital ratio | 13.1 | 12.5 | 13.0 | 13.0 | 13.4 | | | | | | | | |
| Tier 1 leverage ratio | 9.3 | 9.6 | 10.0 | 9.9 | 10.1 | | | | | | | | |
| TANGIBLE COMMON EQUITY (PERIOD-END) | | | | | | | | | | | | | |
| Common stockholders' equity | \$20,453 | \$20,380 | \$20,631 | \$20,718 | \$20,884 | \$73 | —% | (\$431) | (2%) | \$20,453 | \$20,884 | (\$431) | (2%) |
| Less: Goodwill | 7,050 | 7,050 | 7,044 | 7,044 | 7,040 | — | — | 10 | — | 7,050 | 7,040 | 10 | — |
| Less: Other intangible assets | 63 | 66 | 68 | 71 | 74 | (3) | (5) | (11) | (15) | 63 | 74 | (11) | (15) |
| Add: Deferred tax liabilities ² | 376 | 375 | 374 | 373 | 371 | 1 | — | 5 | 1 | 376 | 371 | 5 | 1 |
| Total tangible common equity | <u>\$13,716</u> | <u>\$13,639</u> | <u>\$13,893</u> | <u>\$13,976</u> | <u>\$14,141</u> | <u>\$77</u> | <u>1%</u> | <u>(\$425)</u> | <u>(3%)</u> | <u>\$13,716</u> | <u>\$14,141</u> | <u>(\$425)</u> | <u>(3%)</u> |
| TANGIBLE COMMON EQUITY (AVERAGE) | | | | | | | | | | | | | |
| Common stockholders' equity | \$20,446 | \$20,223 | \$20,400 | \$20,533 | \$20,420 | \$223 | 1% | \$26 | —% | \$20,335 | \$20,182 | \$153 | 1% |
| Less: Goodwill | 7,050 | 7,046 | 7,044 | 7,044 | 7,040 | 4 | — | 10 | — | 7,048 | 7,029 | 19 | — |
| Less: Other intangible assets | 65 | 67 | 69 | 73 | 80 | (2) | (3) | (15) | (19) | 66 | 69 | (3) | (4) |
| Add: Deferred tax liabilities ² | 375 | 374 | 373 | 372 | 370 | 1 | — | 5 | 1 | 374 | 369 | 5 | 1 |
| Total tangible common equity | <u>\$13,706</u> | <u>\$13,484</u> | <u>\$13,660</u> | <u>\$13,788</u> | <u>\$13,670</u> | <u>\$222</u> | <u>2%</u> | <u>\$36</u> | <u>—%</u> | <u>\$13,595</u> | <u>\$13,453</u> | <u>\$142</u> | <u>1%</u> |
| INTANGIBLE ASSETS (PERIOD-END) | | | | | | | | | | | | | |
| Goodwill | \$7,050 | \$7,050 | \$7,044 | \$7,044 | \$7,040 | \$— | —% | \$10 | —% | \$7,050 | \$7,040 | \$10 | —% |
| Other intangible assets | 63 | 66 | 68 | 71 | 74 | (3) | (5) | (11) | (15) | 63 | 74 | (11) | (15) |
| Total intangible assets | <u>\$7,113</u> | <u>\$7,116</u> | <u>\$7,112</u> | <u>\$7,115</u> | <u>\$7,114</u> | <u>(\$3)</u> | <u>—%</u> | <u>(\$1)</u> | <u>—%</u> | <u>\$7,113</u> | <u>\$7,114</u> | <u>(\$1)</u> | <u>—%</u> |

¹ Adjusted average assets include quarterly average assets, less deductions for disallowed goodwill and other intangible assets, net of deferred tax liabilities related to tax deductible goodwill, and the accumulated other comprehensive income impact related to the adoption of post-retirement benefit plan guidance under GAAP.

² Deferred tax liabilities relate to tax-deductible goodwill, which is netted against goodwill when calculating tangible common equity.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS
(in millions, except share, per-share and ratio data)

Non-GAAP Financial Measures

This document contains non-GAAP financial measures denoted as Underlying results. Underlying results for any given reporting period exclude certain items that may occur in that period which Management does not consider indicative of the Company's on-going financial performance. We believe these non-GAAP financial measures provide useful information to investors because they are used by our Management to evaluate our operating performance and make day-to-day operating decisions. In addition, we believe our Underlying results in any given reporting period reflect our on-going financial performance in that period and, accordingly, are useful to consider in addition to our GAAP financial results. We further believe the presentation of Underlying results increases comparability of period-to-period results. The following tables present reconciliations of our non-GAAP measures to the most directly comparable GAAP financial measures.

Other companies may use similarly titled non-GAAP financial measures that are calculated differently from the way we calculate such measures. Accordingly, our non-GAAP financial measures may not be comparable to similar measures used by such companies. We caution investors not to place undue reliance on such non-GAAP financial measures, but to consider them with the most directly comparable GAAP measures. Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as a substitute for our results reported under GAAP.

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS, CONTINUED
(in millions, except share, per-share and ratio data)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|--|------------------|---------|---------|---------|---------|-------------|--------|------|---------|-------|-----------------------------------|-------------|---------|-------|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2020 | 2019 | |
| | | | | | | \$ | % | \$ | % | | | | | \$ |
| Total revenue, Underlying: | | | | | | | | | | | | | | |
| Total revenue (GAAP) | A | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 6% | \$122 | 7% | \$3,407 | \$3,216 | \$191 | 6% |
| Less: Notable items | | — | — | — | — | — | — | — | — | — | — | — | — | — |
| Total revenue, Underlying (non-GAAP) | B | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 6% | \$122 | 7% | \$3,407 | \$3,216 | \$191 | 6% |
| Noninterest expense, Underlying: | | | | | | | | | | | | | | |
| Noninterest expense (GAAP) | C | \$979 | \$1,012 | \$986 | \$973 | \$951 | (\$33) | (3%) | \$28 | 3% | \$1,991 | \$1,888 | \$103 | 5% |
| Less: Notable items | | 19 | 33 | 37 | 19 | 7 | (14) | (42) | 12 | 171 | 52 | 12 | 40 | NM |
| Noninterest expense, Underlying (non-GAAP) | D | \$960 | \$979 | \$949 | \$954 | \$944 | (\$19) | (2%) | \$16 | 2% | \$1,939 | \$1,876 | \$63 | 3% |
| Pre-provision profit: | | | | | | | | | | | | | | |
| Total revenue (GAAP) | A | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 6% | \$122 | 7% | \$3,407 | \$3,216 | \$191 | 6% |
| Less: Noninterest expense (GAAP) | C | 979 | 1,012 | 986 | 973 | 951 | (33) | (3) | 28 | 3 | 1,991 | 1,888 | 103 | 5 |
| Pre-provision profit (GAAP) | | \$771 | \$645 | \$651 | \$665 | \$677 | \$126 | 20% | \$94 | 14% | \$1,416 | \$1,328 | \$88 | 7% |
| Pre-provision profit, Underlying: | | | | | | | | | | | | | | |
| Total revenue, Underlying (non-GAAP) | B | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 6% | \$122 | 7% | \$3,407 | \$3,216 | \$191 | 6% |
| Less: Noninterest expense, Underlying (non-GAAP) | D | 960 | 979 | 949 | 954 | 944 | (19) | (2) | 16 | 2 | 1,939 | 1,876 | 63 | 3 |
| Pre-provision profit, Underlying (non-GAAP) | | \$790 | \$678 | \$688 | \$684 | \$684 | \$112 | 17% | \$106 | 15% | \$1,468 | \$1,340 | \$128 | 10% |
| Income before income tax expense, Underlying: | | | | | | | | | | | | | | |
| Income before income tax expense (GAAP) | E | \$307 | \$45 | \$541 | \$564 | \$580 | \$262 | NM | (\$273) | (47%) | \$352 | \$1,146 | (\$794) | (69%) |
| Less: Expense before income tax benefit related to notable items | | (19) | (33) | (37) | (19) | (7) | 14 | 42 | (12) | (171) | (52) | (12) | (40) | NM |
| Income before income tax expense, Underlying (non-GAAP) | F | \$326 | \$78 | \$578 | \$583 | \$587 | \$248 | NM | (\$261) | (44%) | \$404 | \$1,158 | (\$754) | (65%) |
| Income tax expense, Underlying: | | | | | | | | | | | | | | |
| Income tax expense (GAAP) | G | \$54 | \$11 | \$91 | \$115 | \$127 | \$43 | NM | (\$73) | (57%) | \$65 | \$254 | (\$189) | (74%) |
| Less: Income tax benefit related to notable items | | (9) | (8) | (33) | (15) | (2) | (1) | (13) | (7) | NM | (17) | (3) | (14) | NM |
| Income tax expense, Underlying (non-GAAP) | H | \$63 | \$19 | \$124 | \$130 | \$129 | \$44 | 232% | (\$66) | (51%) | \$82 | \$257 | (\$175) | (68%) |
| Net income, Underlying: | | | | | | | | | | | | | | |
| Net income (GAAP) | I | \$253 | \$34 | \$450 | \$449 | \$453 | \$219 | NM | (\$200) | (44%) | \$287 | \$892 | (\$605) | (68%) |
| Add: Notable items, net of income tax benefit | | 10 | 25 | 4 | 4 | 5 | (15) | (60) | 5 | 100 | 35 | 9 | 26 | NM |
| Net income, Underlying (non-GAAP) | J | \$263 | \$59 | \$454 | \$453 | \$458 | \$204 | NM | (\$195) | (43%) | \$322 | \$901 | (\$579) | (64%) |
| Net income available to common stockholders, Underlying: | | | | | | | | | | | | | | |
| Net income available to common stockholders (GAAP) | K | \$225 | \$12 | \$427 | \$432 | \$435 | \$213 | NM | (\$210) | (48%) | \$237 | \$859 | (\$622) | (72%) |
| Add: Notable items, net of income tax benefit | | 10 | 25 | 4 | 4 | 5 | (15) | (60) | 5 | 100 | 35 | 9 | 26 | NM |
| Net income available to common stockholders, Underlying (non-GAAP) | L | \$235 | \$37 | \$431 | \$436 | \$440 | \$198 | NM | (\$205) | (47%) | \$272 | \$868 | (\$596) | (69%) |

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS, CONTINUED
(in millions, except share, per-share and ratio data)

| | | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|-----|------------------|-----------|-----------|-----------|-----------|-------------|--------|-----------|-------|-----------|-----------------------------------|-------------|-------|--|
| | | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % | |
| Operating leverage: | | | | | | | | | | | | | | | |
| Total revenue (GAAP) | A | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 5.55% | \$122 | 7.49% | \$3,407 | \$3,216 | \$191 | 5.94% | |
| Less: Noninterest expense (GAAP) | C | 979 | 1,012 | 986 | 973 | 951 | (33) | (3.41) | 28 | 2.89 | 1,991 | 1,888 | 103 | 5.46 | |
| Operating leverage | | | | | | | | 8.96% | | 4.60% | | | | 0.48% | |
| Operating leverage, Underlying: | | | | | | | | | | | | | | | |
| Total revenue, Underlying (non-GAAP) | B | \$1,750 | \$1,657 | \$1,637 | \$1,638 | \$1,628 | \$93 | 5.55% | \$122 | 7.49% | \$3,407 | \$3,216 | \$191 | 5.94% | |
| Less: Noninterest expense, Underlying (non-GAAP) | D | 960 | 979 | 949 | 954 | 944 | (19) | (2.01) | 16 | 1.62 | 1,939 | 1,876 | 63 | 3.34 | |
| Operating leverage, Underlying (non-GAAP) | | | | | | | | 7.56% | | 5.87% | | | | 2.60% | |
| Efficiency ratio and efficiency ratio, Underlying: | | | | | | | | | | | | | | | |
| Efficiency ratio | C/A | 55.91% | 61.10% | 60.28% | 59.40% | 58.41% | (519) bps | | (250) bps | | 58.43% | 58.70% | (27) bps | | |
| Efficiency ratio, Underlying (non-GAAP) | D/B | 54.85 | 59.08 | 58.02 | 58.22 | 58.02 | (423) bps | | (317) bps | | 56.91 | 58.34 | (143) bps | | |
| Effective income tax rate and effective income tax rate, Underlying: | | | | | | | | | | | | | | | |
| Effective income tax rate | G/E | 17.69% | 24.13% | 16.76% | 20.46% | 21.86% | (644) bps | | (417) bps | | 18.51% | 22.14% | (363) bps | | |
| Effective income tax rate, Underlying (non-GAAP) | H/F | 19.36 | 24.52 | 21.52 | 22.29 | 21.89 | (516) bps | | (253) bps | | 20.36 | 22.16 | (180) bps | | |
| Return on average common equity and return on average common equity, Underlying: | | | | | | | | | | | | | | | |
| Average common equity (GAAP) | M | \$20,446 | \$20,223 | \$20,400 | \$20,533 | \$20,420 | \$223 | 1% | \$26 | —% | \$20,335 | \$20,182 | \$153 | 1% | |
| Return on average common equity | K/M | 4.44% | 0.24% | 8.30% | 8.35% | 8.54% | 420 bps | | (410) bps | | 2.35% | 8.58% | (623) bps | | |
| Return on average common equity, Underlying (non-GAAP) | L/M | 4.63 | 0.74 | 8.36 | 8.45 | 8.63 | 389 bps | | (400) bps | | 2.69 | 8.67 | (598) bps | | |
| Return on average tangible common equity and return on average tangible common equity, Underlying: | | | | | | | | | | | | | | | |
| Average common equity (GAAP) | M | \$20,446 | \$20,223 | \$20,400 | \$20,533 | \$20,420 | \$223 | 1% | \$26 | —% | \$20,335 | \$20,182 | \$153 | 1% | |
| Less: Average goodwill (GAAP) | | 7,050 | 7,046 | 7,044 | 7,044 | 7,040 | 4 | — | 10 | — | 7,048 | 7,029 | 19 | — | |
| Less: Average other intangibles (GAAP) | | 65 | 67 | 69 | 73 | 80 | (2) | (3) | (15) | (19) | 66 | 69 | (3) | (4) | |
| Add: Average deferred tax liabilities related to goodwill (GAAP) | | 375 | 374 | 373 | 372 | 370 | 1 | — | 5 | 1 | 374 | 369 | 5 | 1 | |
| Average tangible common equity | N | \$13,706 | \$13,484 | \$13,660 | \$13,788 | \$13,670 | \$222 | 2% | \$36 | —% | \$13,595 | \$13,453 | \$142 | 1% | |
| Return on average tangible common equity | K/N | 6.62% | 0.36% | 12.39% | 12.44% | 12.75% | 626 bps | | (613) bps | | 3.51% | 12.87% | (936) bps | | |
| Return on average tangible common equity, Underlying (non-GAAP) | L/N | 6.90 | 1.10 | 12.49 | 12.58 | 12.89 | 580 bps | | (599) bps | | 4.03 | 13.00 | (897) bps | | |
| Return on average total assets and return on average total assets, Underlying: | | | | | | | | | | | | | | | |
| Average total assets (GAAP) | O | \$179,793 | \$167,177 | \$164,646 | \$162,110 | \$161,489 | \$12,616 | 8% | \$18,304 | 11% | \$173,485 | \$160,955 | \$12,530 | 8% | |
| Return on average total assets | I/O | 0.57% | 0.08% | 1.08% | 1.10% | 1.13% | 49 bps | | (56) bps | | 0.33% | 1.12% | (79) bps | | |
| Return on average total assets, Underlying (non-GAAP) | J/O | 0.59 | 0.14 | 1.09 | 1.11 | 1.14 | 45 bps | | (55) bps | | 0.37 | 1.13 | (76) bps | | |

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS, CONTINUED
(in millions, except share, per-share and ratio data)

| | | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|---------|------------------|------------------|------------------|------------------|------------------|-----------------|-----|-----------------|------|------------------|-----------------------------------|-----------------|------|--|
| | | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | | \$/bps | % | \$/bps | % | | | \$/bps | % | |
| Return on average total tangible assets and return on average total tangible assets, Underlying: | | | | | | | | | | | | | | | |
| Average total assets (GAAP) | P | \$179,793 | \$167,177 | \$164,646 | \$162,110 | \$161,489 | \$12,616 | 8% | \$18,304 | 11% | \$173,485 | \$160,955 | \$12,530 | 8% | |
| Less: Average goodwill (GAAP) | | 7,050 | 7,046 | 7,044 | 7,044 | 7,040 | 4 | — | 10 | — | 7,048 | 7,029 | 19 | — | |
| Less: Average other intangibles (GAAP) | | 65 | 67 | 69 | 73 | 80 | (2) | (3) | (15) | (19) | 66 | 69 | (3) | (4) | |
| Add: Average deferred tax liabilities related to goodwill (GAAP) | | 375 | 374 | 373 | 372 | 370 | 1 | — | 5 | 1 | 374 | 369 | 5 | 1 | |
| Average tangible assets | Q | <u>\$173,053</u> | <u>\$160,438</u> | <u>\$157,906</u> | <u>\$155,365</u> | <u>\$154,739</u> | <u>\$12,615</u> | 8% | <u>\$18,314</u> | 12% | <u>\$166,745</u> | <u>\$154,226</u> | <u>\$12,519</u> | 8% | |
| Return on average total tangible assets | I/Q | 0.59% | 0.09% | 1.13% | 1.15% | 1.17% | 50 bps | | (58) bps | | 0.35% | 1.17% | (82) bps | | |
| Return on average total tangible assets, Underlying (non-GAAP) | J/Q | 0.61 | 0.15 | 1.14 | 1.16 | 1.19 | 46 bps | | (58) bps | | 0.39 | 1.18 | (79) bps | | |
| Tangible book value per common share: | | | | | | | | | | | | | | | |
| Common shares - at period-end (GAAP) | R | 426,824,594 | 426,586,533 | 433,121,083 | 443,913,525 | 457,903,826 | 238,061 | —% | (31,079,232) | (7%) | 426,824,594 | 457,903,826 | (31,079,232) | (7%) | |
| Common stockholders' equity (GAAP) | | \$20,453 | \$20,380 | \$20,631 | \$20,718 | \$20,884 | \$73 | — | (\$431) | (2) | \$20,453 | \$20,884 | (\$431) | (2) | |
| Less: Goodwill (GAAP) | | 7,050 | 7,050 | 7,044 | 7,044 | 7,040 | — | — | 10 | — | 7,050 | 7,040 | 10 | — | |
| Less: Other intangible assets (GAAP) | | 63 | 66 | 68 | 71 | 74 | (3) | (5) | (11) | (15) | 63 | 74 | (11) | (15) | |
| Add: Deferred tax liabilities related to goodwill (GAAP) | | 376 | 375 | 374 | 373 | 371 | 1 | — | 5 | 1 | 376 | 371 | 5 | 1 | |
| Tangible common equity | S | <u>\$13,716</u> | <u>\$13,639</u> | <u>\$13,893</u> | <u>\$13,976</u> | <u>\$14,141</u> | <u>\$77</u> | 1% | <u>(\$425)</u> | (3%) | <u>\$13,716</u> | <u>\$14,141</u> | <u>(\$425)</u> | (3%) | |
| Tangible book value per common share | S/R | \$32.13 | \$31.97 | \$32.08 | \$31.48 | \$30.88 | \$0.16 | 1% | \$1.25 | 4% | \$32.13 | \$30.88 | \$1.25 | 4% | |
| Net income per average common share - basic and diluted and net income per average common share - basic and diluted, Underlying: | | | | | | | | | | | | | | | |
| Average common shares outstanding - basic (GAAP) | T | 426,613,053 | 427,718,421 | 434,684,606 | 445,703,987 | 458,154,335 | (1,105,368) | —% | (31,541,282) | (7%) | 427,165,737 | 459,426,685 | (32,260,948) | (7%) | |
| Average common shares outstanding - diluted (GAAP) | U | 427,566,920 | 429,388,855 | 436,500,829 | 447,134,595 | 459,304,224 | (1,821,935) | — | (31,737,304) | (7) | 428,292,580 | 460,857,535 | (32,564,955) | (7) | |
| Net income per average common share - basic (GAAP) | K/T | \$0.53 | \$0.03 | \$0.98 | \$0.97 | \$0.95 | \$0.50 | NM | (\$0.42) | (44) | \$0.56 | \$1.87 | (\$1.31) | (70) | |
| Net income per average common share - diluted (GAAP) | K/U | 0.53 | 0.03 | 0.98 | 0.97 | 0.95 | 0.50 | NM | (0.42) | (44) | 0.55 | 1.86 | (1.31) | (70) | |
| Net income per average common share - basic, Underlying (non-GAAP) | L/T | 0.55 | 0.09 | 0.99 | 0.98 | 0.96 | 0.46 | NM | (0.41) | (43) | 0.64 | 1.89 | (1.25) | (66) | |
| Net income per average common share - diluted, Underlying (non-GAAP) | L/U | 0.55 | 0.09 | 0.99 | 0.98 | 0.96 | 0.46 | NM | (0.41) | (43) | 0.64 | 1.88 | (1.24) | (66) | |
| Dividend payout ratio and dividend payout ratio, Underlying: | | | | | | | | | | | | | | | |
| Cash dividends declared and paid per common share | V | \$0.39 | \$0.39 | \$0.36 | \$0.36 | \$0.32 | \$— | —% | \$0.07 | 22% | \$0.78 | \$0.64 | \$0.14 | 22% | |
| Dividend payout ratio | V/(K/T) | 74% | 1,398% | 37% | 37% | 34% | NM | | NM | | 140% | 34% | NM | | |
| Dividend payout ratio, Underlying (non-GAAP) | V/(L/T) | 71 | 451 | 36 | 37 | 33 | NM | | NM | | 122 | 34 | NM | | |

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS, CONTINUED

(in millions, except share, per-share and ratio data)

| | QUARTERLY TRENDS | | | | | | | | | | FOR THE SIX MONTHS ENDED JUNE 30, | | | |
|---|------------------|-------|-------|-------|-------|-------------|-------|-------|------|---------|-----------------------------------|-------------|------|--|
| | 2Q20 | 1Q20 | 4Q19 | 3Q19 | 2Q19 | 2Q20 Change | | | | 2020 | 2019 | 2020 Change | | |
| | | | | | | 1Q20 | | 2Q19 | | | | 2019 | | |
| | | | | | | \$ | % | \$ | % | | | \$/bps | % | |
| Salaries and employee benefits, Underlying: | | | | | | | | | | | | | | |
| Salaries and employee benefits (GAAP) | \$513 | \$549 | \$502 | \$508 | \$507 | (\$36) | (7%) | \$6 | 1% | \$1,062 | \$1,016 | \$46 | 5% | |
| Less: Notable items | 4 | 10 | 6 | 5 | 2 | (6) | (60) | 2 | 100 | 14 | 3 | 11 | NM | |
| Salaries and employee benefits, Underlying (non-GAAP) | \$509 | \$539 | \$496 | \$503 | \$505 | (\$30) | (6%) | \$4 | 1% | \$1,048 | \$1,013 | \$35 | 3% | |
| Equipment and software expense, Underlying: | | | | | | | | | | | | | | |
| Equipment and software expense (GAAP) | \$142 | \$133 | \$133 | \$130 | \$126 | \$9 | 7% | \$16 | 13% | \$275 | \$251 | \$24 | 10% | |
| Less: Notable items | – | 1 | 3 | – | – | (1) | (100) | – | – | 1 | – | 1 | 100 | |
| Equipment and software expense, Underlying (non-GAAP) | \$142 | \$132 | \$130 | \$130 | \$126 | \$10 | 8% | \$16 | 13% | \$274 | \$251 | \$23 | 9% | |
| Outside services, Underlying: | | | | | | | | | | | | | | |
| Outside services (GAAP) | \$131 | \$135 | \$142 | \$128 | \$118 | (\$4) | (3%) | \$13 | 11% | \$266 | \$228 | \$38 | 17% | |
| Less: Notable items | 12 | 18 | 20 | 14 | 5 | (6) | (33) | 7 | 140 | 30 | 9 | 21 | 233 | |
| Outside services, Underlying (non-GAAP) | \$119 | \$117 | \$122 | \$114 | \$113 | \$2 | 2% | \$6 | 5% | \$236 | \$219 | \$17 | 8% | |
| Occupancy, Underlying: | | | | | | | | | | | | | | |
| Occupancy (GAAP) | \$82 | \$84 | \$88 | \$80 | \$82 | (\$2) | (2%) | \$– | –% | \$166 | \$165 | \$1 | 1% | |
| Less: Notable items | 3 | 4 | 8 | – | – | (1) | (25) | 3 | 100 | 7 | – | 7 | 100 | |
| Occupancy, Underlying (non-GAAP) | \$79 | \$80 | \$80 | \$80 | \$82 | (\$1) | (1%) | (\$3) | (4%) | \$159 | \$165 | (\$6) | (4%) | |

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS - SEGMENTS
(in millions, except ratio data)

| | SECOND QUARTER 2020 | | | | FIRST QUARTER 2020 | | | | FOURTH QUARTER 2019 | | | | |
|--|---------------------|--------------------|----------|--------------|--------------------|--------------------|----------|--------------|---------------------|--------------------|----------|--------------|-----------|
| | Consumer Banking | Commercial Banking | Other | Consolidated | Consumer Banking | Commercial Banking | Other | Consolidated | Consumer Banking | Commercial Banking | Other | Consolidated | |
| Net income (loss) available to common stockholders: | | | | | | | | | | | | | |
| Net income (loss) | A | \$320 | \$221 | (\$288) | \$253 | \$236 | \$179 | (\$381) | \$34 | \$209 | \$231 | \$10 | \$450 |
| Less: Preferred stock dividends | | – | – | 28 | 28 | – | – | 22 | 22 | – | – | 23 | 23 |
| Net income (loss) available to common stockholders | B | \$320 | \$221 | (\$316) | \$225 | \$236 | \$179 | (\$403) | \$12 | \$209 | \$231 | (\$13) | \$427 |
| Return on average total tangible assets: | | | | | | | | | | | | | |
| Average total assets (GAAP) | | \$71,634 | \$65,280 | \$42,879 | \$179,793 | \$68,415 | \$59,005 | \$39,757 | \$167,177 | \$68,069 | \$56,407 | \$40,170 | \$164,646 |
| Less: Average goodwill (GAAP) | | 122 | 52 | 6,876 | 7,050 | 122 | 48 | 6,876 | 7,046 | 122 | 46 | 6,876 | 7,044 |
| Average other intangibles (GAAP) | | 41 | 6 | 18 | 65 | 43 | 6 | 18 | 67 | 63 | 6 | – | 69 |
| Add: Average deferred tax liabilities related to goodwill (GAAP) | | 2 | 1 | 372 | 375 | 1 | 1 | 372 | 374 | 1 | 1 | 371 | 373 |
| Average tangible assets | C | \$71,473 | \$65,223 | \$36,357 | \$173,053 | \$68,251 | \$58,952 | \$33,235 | \$160,438 | \$67,885 | \$56,356 | \$33,665 | \$157,906 |
| Return on average total tangible assets | A/C | 1.80% | 1.36% | NM | 0.59% | 1.39% | 1.22% | NM | 0.09% | 1.22% | 1.63% | NM | 1.13% |
| Efficiency ratio: | | | | | | | | | | | | | |
| Noninterest expense (GAAP) | D | \$735 | \$213 | \$31 | \$979 | \$738 | \$221 | \$53 | \$1,012 | \$718 | \$219 | \$49 | \$986 |
| Net interest income (GAAP) | | 814 | 419 | (73) | 1,160 | 793 | 365 | 2 | 1,160 | 796 | 363 | (16) | 1,143 |
| Noninterest income (GAAP) | | 428 | 144 | 18 | 590 | 357 | 125 | 15 | 497 | 296 | 175 | 23 | 494 |
| Total revenue (GAAP) | E | \$1,242 | \$563 | (\$55) | \$1,750 | \$1,150 | \$490 | \$17 | \$1,657 | \$1,092 | \$538 | \$7 | \$1,637 |
| Efficiency ratio | D/E | 59.19% | 37.93% | NM | 55.91% | 64.16% | 45.06% | NM | 61.10% | 65.74% | 40.60% | NM | 60.28% |

| | THIRD QUARTER 2019 | | | | SECOND QUARTER 2019 | | | | |
|--|--------------------|--------------------|----------|--------------|---------------------|--------------------|----------|--------------|-----------|
| | Consumer Banking | Commercial Banking | Other | Consolidated | Consumer Banking | Commercial Banking | Other | Consolidated | |
| Net income (loss) available to common stockholders: | | | | | | | | | |
| Net income | A | \$251 | \$196 | \$2 | \$449 | \$213 | \$216 | \$24 | \$453 |
| Less: Preferred stock dividends | | – | – | 17 | 17 | – | – | 18 | 18 |
| Net income (loss) available to common stockholders | B | \$251 | \$196 | (\$15) | \$432 | \$213 | \$216 | \$6 | \$435 |
| Return on average total tangible assets: | | | | | | | | | |
| Average total assets (GAAP) | | \$66,365 | \$55,614 | \$40,131 | \$162,110 | \$65,485 | \$56,135 | \$39,869 | \$161,489 |
| Less: Average goodwill (GAAP) | | 122 | 46 | 6,876 | 7,044 | 119 | 45 | 6,876 | 7,040 |
| Average other intangibles (GAAP) | | 66 | 7 | – | 73 | 73 | 7 | – | 80 |
| Add: Average deferred tax liabilities related to goodwill (GAAP) | | 1 | 1 | 370 | 372 | – | – | 370 | 370 |
| Average tangible assets | C | \$66,178 | \$55,562 | \$33,625 | \$155,365 | \$65,293 | \$56,083 | \$33,363 | \$154,739 |
| Return on average total tangible assets | A/C | 1.50% | 1.40% | NM | 1.15% | 1.31% | 1.54% | NM | 1.17% |
| Efficiency ratio: | | | | | | | | | |
| Noninterest expense (GAAP) | D | \$718 | \$213 | \$42 | \$973 | \$715 | \$217 | \$19 | \$951 |
| Net interest income (GAAP) | | 799 | 360 | (14) | 1,145 | 799 | 371 | (4) | 1,166 |
| Noninterest income (GAAP) | | 336 | 133 | 24 | 493 | 277 | 149 | 36 | 462 |
| Total revenue (GAAP) | E | \$1,135 | \$493 | \$10 | \$1,638 | \$1,076 | \$520 | \$32 | \$1,628 |
| Efficiency ratio | D/E | 63.28% | 43.35% | NM | 59.40% | 66.43% | 41.58% | NM | 58.41% |

NON-GAAP FINANCIAL MEASURES AND RECONCILIATIONS - SEGMENTS (CONTINUED)
(in millions, except ratio data)

| | FOR THE SIX MONTHS ENDED JUNE 30, | | | | | | | | |
|--|-----------------------------------|--------------------|----------|--------------|------------------|--------------------|----------|--------------|-----------|
| | 2020 | | | | 2019 | | | | |
| | Consumer Banking | Commercial Banking | Other | Consolidated | Consumer Banking | Commercial Banking | Other | Consolidated | |
| Net income (loss) available to common stockholders: | | | | | | | | | |
| Net income (loss) | A | \$556 | \$400 | (\$669) | \$287 | \$415 | \$443 | \$34 | \$892 |
| Less: Preferred stock dividends | | – | – | 50 | 50 | – | – | 33 | 33 |
| Net income (loss) available to common stockholders | B | \$556 | \$400 | (\$719) | \$237 | \$415 | \$443 | \$1 | \$859 |
| Return on average total tangible assets: | | | | | | | | | |
| Average total assets (GAAP) | | \$70,024 | \$62,142 | \$41,319 | \$173,485 | \$65,247 | \$55,884 | \$39,824 | \$160,955 |
| Less: Average goodwill (GAAP) | | 122 | 50 | 6,876 | 7,048 | 119 | 34 | 6,876 | 7,029 |
| Average other intangibles (GAAP) | | 42 | 6 | 18 | 66 | 64 | 5 | – | 69 |
| Add: Average deferred tax liabilities related to goodwill (GAAP) | | 2 | 1 | 371 | 374 | – | – | 369 | 369 |
| Average tangible assets | C | \$69,862 | \$62,087 | \$34,796 | \$166,745 | \$65,064 | \$55,845 | \$33,317 | \$154,226 |
| Return on average total tangible assets | A/C | 1.60% | 1.29% | NM | 0.35% | 1.29% | 1.60% | NM | 1.17% |
| Efficiency ratio: | | | | | | | | | |
| Noninterest expense (GAAP) | D | \$1,473 | \$434 | \$84 | \$1,991 | \$1,415 | \$426 | \$47 | \$1,888 |
| Net interest income (GAAP) | | 1,607 | 784 | (71) | 2,320 | 1,587 | 743 | (4) | 2,326 |
| Noninterest income (GAAP) | | 785 | 269 | 33 | 1,087 | 524 | 299 | 67 | 890 |
| Total revenue (GAAP) | E | \$2,392 | \$1,053 | (\$38) | \$3,407 | \$2,111 | \$1,042 | \$63 | \$3,216 |
| Efficiency ratio | D/E | 61.58% | 41.25% | NM | 58.43% | 67.01% | 40.84% | NM | 58.70% |