

# Fifth Third Bancorp

Investor Day  
December 7, 2017



# Firm Overview

**Greg D. Carmichael**  
**President & Chief Executive Officer**



# Cautionary statement

*This presentation contains statements that we believe are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Rule 175 promulgated thereunder, and Section 21E of the Securities Exchange Act of 1934, as amended, and Rule 3b-6 promulgated thereunder. These statements relate to our financial condition, results of operations, plans, objectives, future performance or business. They usually can be identified by the use of forward-looking language such as “will likely result,” “may,” “are expected to,” “is anticipated,” “potential,” “estimate,” “forecast,” “projected,” “intends to,” or may include other similar words or phrases such as “believes,” “plans,” “trend,” “objective,” “continue,” “remain,” or similar expressions, or future or conditional verbs such as “will,” “would,” “should,” “could,” “might,” “can,” or similar verbs. You should not place undue reliance on these statements, as they are subject to risks and uncertainties, including but not limited to the risk factors set forth in our most recent Annual Report on Form 10-K, as updated by our Quarterly Reports on Form 10-Q. When considering these forward-looking statements, you should keep in mind these risks and uncertainties, as well as any cautionary statements we may make. Moreover, you should treat these statements as speaking only as of the date they are made and based only on information then actually known to us. We undertake no obligation to release revisions to these forward-looking statements or reflect events or circumstances after the date of this document.*

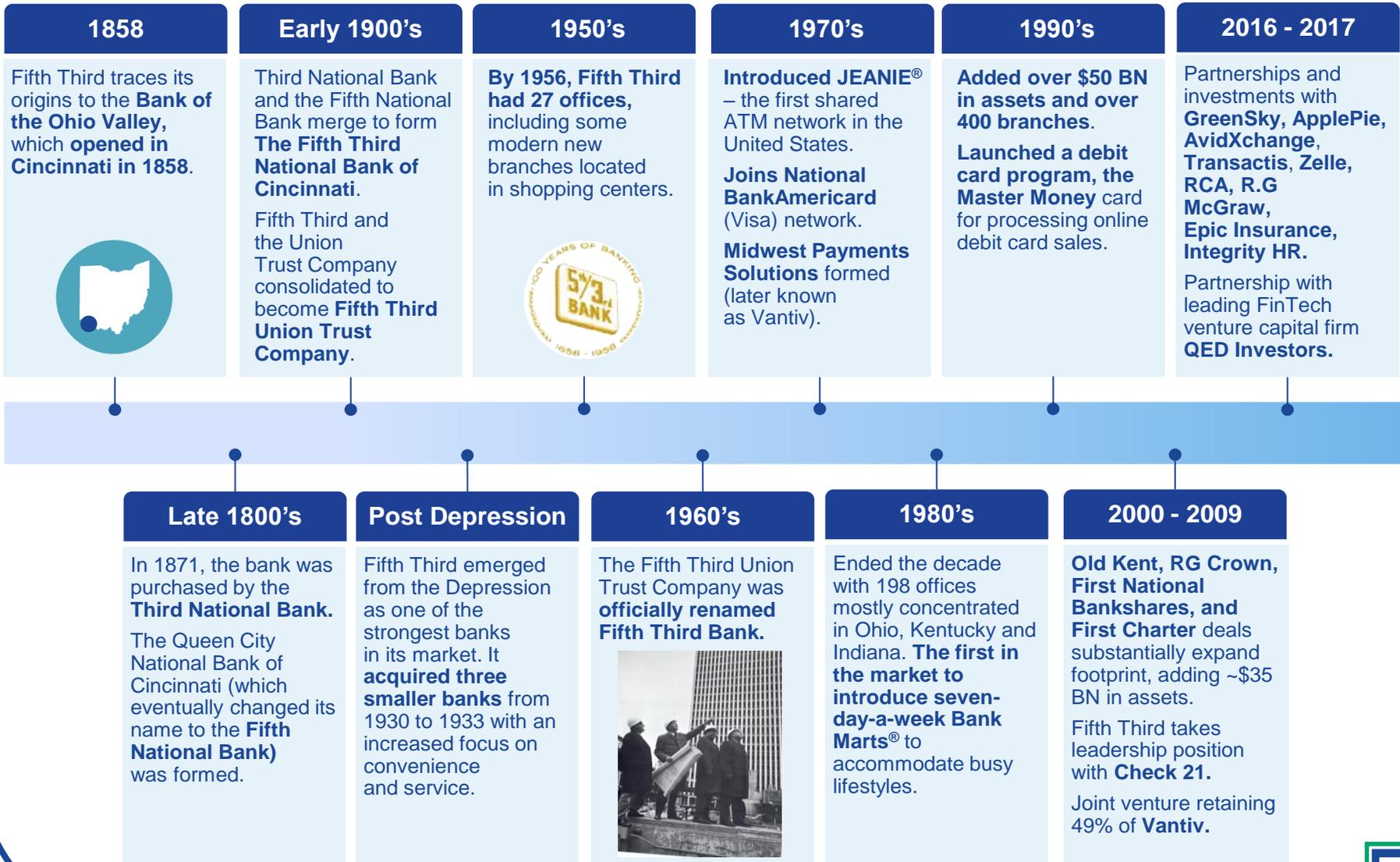
*There are a number of important factors that could cause future results to differ materially from historical performance and these forward-looking statements. Factors that might cause such a difference include, but are not limited to: (1) general economic or real estate market conditions, either nationally or in the states in which Fifth Third, one or more acquired entities and/or the combined company do business, weaken or are less favorable than expected; (2) deteriorating credit quality; (3) political developments, wars or other hostilities may disrupt or increase volatility in securities markets or other economic conditions; (4) changes in the interest rate environment reduce interest margins; (5) prepayment speeds, loan origination and sale volumes, charge-offs and loan loss provisions; (6) Fifth Third’s ability to maintain required capital levels and adequate sources of funding and liquidity; (7) maintaining capital requirements and adequate sources of funding and liquidity may limit Fifth Third’s operations and potential growth; (8) changes and trends in capital markets; (9) problems encountered by larger or similar financial institutions may adversely affect the banking industry and/or Fifth Third; (10) competitive pressures among depository institutions increase significantly; (11) changes in customer preferences or information technology systems; (12) effects of critical accounting policies and judgments; (13) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board (FASB) or other regulatory agencies; (14) legislative or regulatory changes or actions, or significant litigation, adversely affect Fifth Third, one or more acquired entities and/or the combined company or the businesses in which Fifth Third, one or more acquired entities and/or the combined company are engaged, including the Dodd-Frank Wall Street Reform and Consumer Protection Act; (15) ability to maintain favorable ratings from rating agencies; (16) failure of models or risk management systems or controls; (17) fluctuation of Fifth Third’s stock price; (18) ability to attract and retain key personnel; (19) ability to receive dividends from its subsidiaries; (20) potentially dilutive effect of future acquisitions on current shareholders’ ownership of Fifth Third; (21) declines in the value of Fifth Third’s goodwill or other intangible assets; (22) effects of accounting or financial results of one or more acquired entities; (23) difficulties from Fifth Third’s investment in, relationship with, and nature of the operations of Vantiv Holding, LLC; (24) loss of income from any sale or potential sale of businesses; (25) difficulties in separating the operations of any branches or other assets divested; (26) losses or adverse impacts on the carrying values of branches and long-lived assets in connection with their sales or anticipated sales; (27) inability to achieve expected benefits from branch consolidations and planned sales within desired timeframes, if at all; (28) ability to secure confidential information and deliver products and services through the use of computer systems and telecommunications networks; (29) the negotiation and (if any) implementation by Vantiv, Inc. and/or Worldpay Group plc of the potential acquisition of Worldpay Group plc by Vantiv, Inc. and such other actions as Vantiv, Inc. and Worldpay Group plc may take in furtherance thereof; and (30) the impact of reputational risk created by these developments on such matters as business generation and retention, funding and liquidity.*

*You should refer to our periodic and current reports filed with the Securities and Exchange Commission, or “SEC,” for further information on other factors, which could cause actual results to be significantly different from those expressed or implied by these forward-looking statements.*

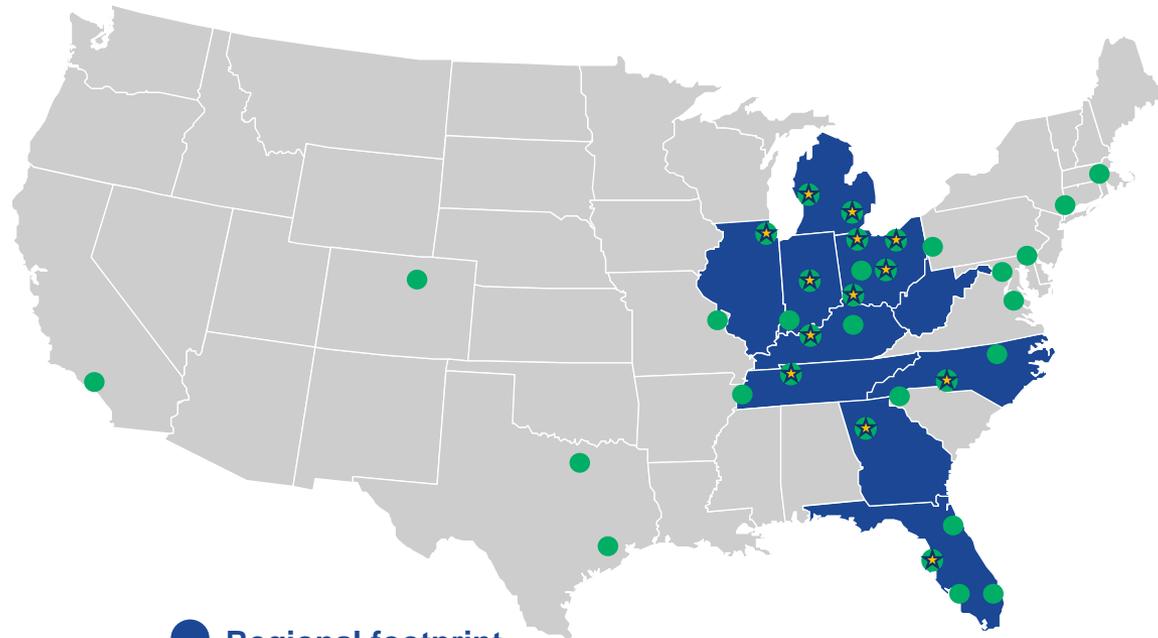
*In this presentation, we may sometimes provide non-GAAP financial information. Please note that although non-GAAP financial measures provide useful insight to analysts, investors and regulators, they should not be considered in isolation or relied upon as a substitute for analysis using GAAP measures. If applicable, we provide GAAP reconciliations for non-GAAP measures in a later slide in this presentation which is also available in the investor relations section of our website, [www.53.com](http://www.53.com).*



# History of growth and developing innovative customer solutions

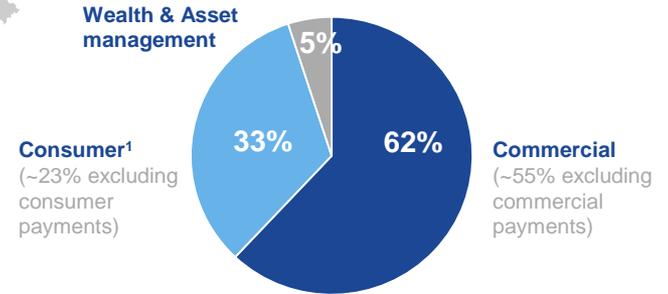


# Well-positioned franchise and focused footprint

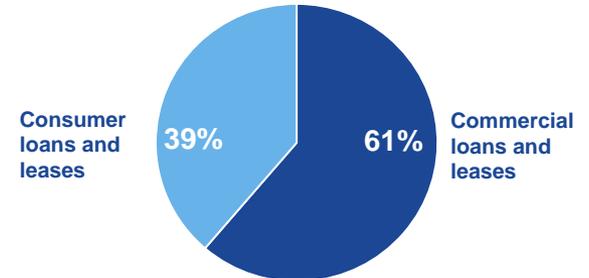


- Regional footprint
- National Commercial hub
- ★ National Commercial hub & Regional office

Line of business net income  
(3Q17 YTD)



Loan and lease mix  
(3Q17 average)



## Firm Snapshot (\$ in billions)

<b>\$141</b>	Total Assets <sup>7</sup>
<b>\$92</b>	Total Loans <sup>7</sup>
<b>\$99</b>	Core Deposits <sup>7</sup>
<b>54,000+</b>	Fee-Free ATM's <sup>8</sup>

## Franchise Rankings

<b>#10</b>	C&I Lending <sup>2</sup>	<b>#2</b>	Deposits <sup>5</sup> <i>Midwest Footprint</i>
<b>#10</b>	Equipment Finance <sup>3</sup>	<b>#8</b>	Deposits <sup>5</sup> <i>Southeast Footprint</i>
<b>#7</b>	Treasury Management <sup>4</sup>	<b>#9</b>	Retail Bank <sup>6</sup>

<sup>1</sup>Consumer includes branch banking and consumer lending business segments; <sup>2</sup>SNL Financial as of 3Q17, EOP loans including HFS; <sup>3</sup>The 2016 Monitor Daily – The 100 Largest Equipment Finance/Leasing companies in the U.S., banks only included in ranking; <sup>4</sup>EY 2016 Cash Management Services Surveys; <sup>5</sup>June 2017 FDIC summary of deposits, Midwest includes OH, MI, IL, & IN, Southeast includes: FL, GA, KY, NC, TN & WV; <sup>6</sup>Oliver Wyman 2016 Survey of Consumers; <sup>7</sup>3Q17 Average balances; <sup>8</sup>As of November 2017



# Inaugural investor day – why now?

- Transparency of key objectives and expectations
- Highlight our ability to execute
- Opportunity to meet the broader Fifth Third management team



# What is different about Fifth Third today?

- Building a franchise that will allow us to perform well through business cycles
- Assembled a team of experienced leaders that deliver results, think strategically, and operate at an accelerated “pace of play”
- Leveraging data, technology, strategic partnerships, and agile methodology to deliver solutions that increase revenue and drive efficiencies



# Taking decisive actions to drive the company forward

## Strategic actions taken 2016 – 2017 YTD

### Balance sheet optimization

- Deliberately exited ~\$5 billion in C&I loans
- Improved criticized and non-performing assets
- Thoughtfully monetized Vantiv ownership
- Curtailed indirect auto originations
- Sold non-core agent credit card portfolio

### Efficiency

- Consolidated and closed ~12% of branch network
- Exited non-core markets
- Renegotiated key vendor contracts
- Consolidated non-branch facilities

### Marketing/Revenue growth

- Acquired \$10 billion mortgage servicing rights
- Re-launched brand
- Launched new credit cards and personal loans
- Developed an innovation center

## Select announcements

- 2015**
  - Exited Pittsburgh and St. Louis market (retail)
  - Partnered with Paymode-X
- 2016**
  - Launched Express Banking
  - Expanded insurance operations
  - Investment in Transactis
  - Expanded M&A advisory capabilities
  - Partnered with Allpoint
  - Buildout of TMT vertical
  - Partnered with GreenSky
- 2017 YTD**
  - Partnered with QED Investors
  - Partnered with ApplePie Capital
  - Acquired Retirement Corp. of America
  - Acquired RG McGraw Insurance
  - Expanded buy-side M&A capabilities
  - Launched Zelle
  - Acquired Epic Insurance & Integrity HR
  - Expanded small business LOC offering
  - Strategic agreement with NRT Sightline
  - Joined MasterCard B2B hub

**Positioning the bank to outperform through the cycle**



# Strategic priorities for the company

1

Growing profitable and enduring relationships

2

Continuously improving the customer experience

3

Prudent capital management

4

Leveraging analytics and technology



**Focused on creating long term shareholder value**



# 1 Growing profitable and enduring relationships



Partnering with commercial clients



Generating household growth



Growing credit cards and personal loans



Maintaining disciplined underwriting standards



# 2 Improving the customer experience

- Our customer solutions aim to be seamless, convenient, fast and flexible
- Tailored and needs-based
- We want our customers to see us as a strategic partner

## Select proof points and initiatives

	→	Largest partner in our fee-free ATM network
	→	Unique app aimed at tackling student debt
	→	Innovative solutions designed to prepare clients for retirement
	→	One of the first banks to implement
	→	Simplified offering with more customer-friendly rewards and benefits

## Our efforts have been recognized

	→	2017 Best Brand in Commercial Banking, Middle Market <sup>1</sup>
	→	Customer Service & Money Movement
	→	American Customer Satisfaction Index award
	→	Customer Satisfaction Survey <sup>2</sup>
	→	Consistently <b>rated 4+ stars</b> since insourcing apps in 2015

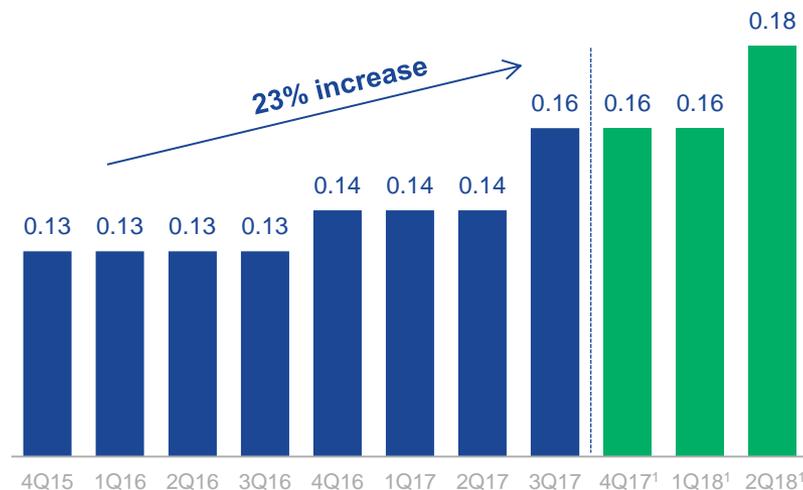
<sup>1</sup>2017 Greenwich Associates National Best Brand Awards for Middle Market Banking (companies \$10-500MM in revenues), consideration for use for a range of products among customers and prospects; <sup>2</sup>2017 study from a widely used survey institution



# 3 Prudent capital management

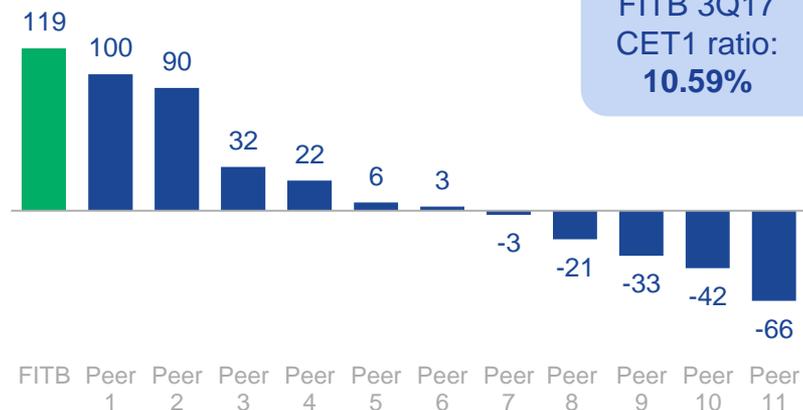
- 3Q17 YTD total payout ratio exceeded 100%
- CCAR 2017 non-objection to pay out ~120% of consensus earnings<sup>3</sup>
- Continue to thoughtfully lower ownership stake in Vantiv; generated over \$5 billion in cumulative pre-tax gains for shareholders
- Strengthened balance sheet and improved risk profile guide long term capital management

Significantly increased dividend since 2015



## Change in CET1 ratio<sup>2</sup>

3Q15 – 3Q17, in basis points (transitional basis)



<sup>1</sup> Subject to Board approval

<sup>2</sup> SNL Financial and company filings as 3Q17, peer comparison includes: BBT, CFG, CMA, HBAN, KEY, MTB, PNC, RF, STI, USB, ZION

<sup>3</sup> Based on consensus earnings estimates as of the June 2017 CCAR announcement



# 4 Leveraging analytics, technology, and innovation



Growth through improved analytics, data-driven solutions, and agile methodology

- Branch analytics
- Marketing analytics
- Agile methodology
- Partnerships and growth incubators
- Innovation center



Information-driven approach to improve relationship growth



Return and risk-focused technology investments



# Led by an experienced & energized management team

Name	Title	Industry Experience
<b>Greg Carmichael</b>	<b>President &amp; CEO</b>	<b>14 years</b>
Lars Anderson	Chief Operating Officer	33 years
Frank Forrest	Chief Risk Officer	41 years
Aravind Immaneni	Chief Operations & Technology Officer	15 years
Brian Lamb	Chief Corporate Responsibility & Reputation Officer	11 years
Phil McHugh	Head of the Consumer Bank	31 years
Jelena McWilliams	Chief Legal Officer	15 years
Mike Michael	Head of Wealth & Asset Management	42 years
Jed Scala	Head of Payments and Commerce Solutions	19 years
Bob Shaffer	Chief Human Resources Officer	26 years
Tim Spence	Chief Strategy Officer	11 years
Richard Stein	Head of the Commercial Bank	21 years
Teresa Tanner	Chief Administrative Officer	14 years
Tayfun Tuzun	Chief Financial Officer	24 years

*Management team is listed by alphabetical order of last name*

**~23 years  
average industry  
experience**



# Governed by an accomplished and diverse Board

Name	Title
★ Marsha Williams	Retired CFO, Orbitz Worldwide, Inc.
Nicholas Akins	Chairman, President and CEO, American Electric Power Company
B. Evan Bayh III	Partner, McGuire-Woods LLP
Jorge Benitez	Retired CEO, North America Accenture
Katherine Blackburn	Executive Vice President, Cincinnati Bengals, Inc.
Emerson Brumback	Retired President and COO, M&T Bank
Jerry Burris	Retired President and CEO, Associated Materials Group, Inc.
Greg Carmichael	President and CEO, Fifth Third Bancorp
Gary Heminger	President, CEO, and Chairman, Marathon Petroleum Corporation
Jewell Hoover	Retired Senior Official, Comptroller Of the Currency
Eileen Mallesch	Retired CFO, Nationwide Property & Casualty Segment
Michael McCallister	Retired Chairman and CEO, Humana Inc.

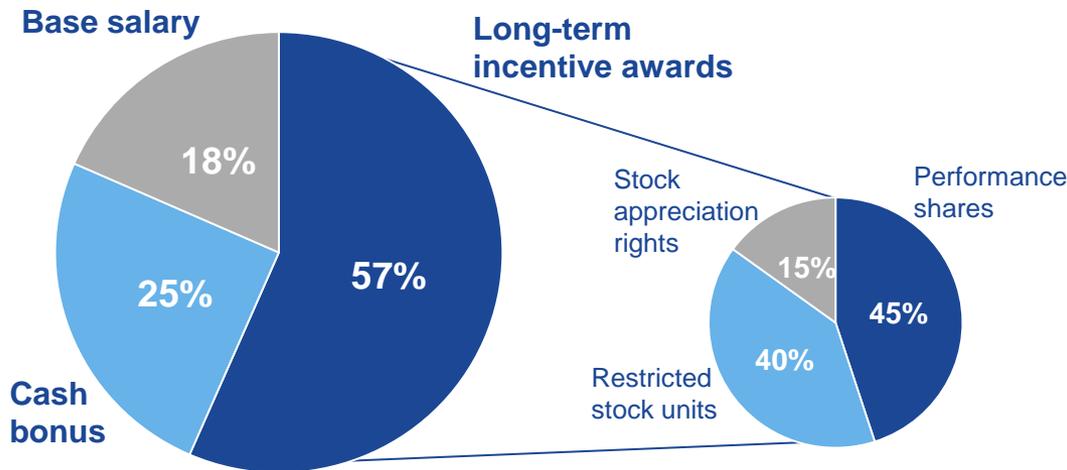
★ Chair of the Board

- Experienced Board of Directors with a track record of success
- Including our Board chair, Marsha Williams, four of Fifth Third's twelve directors are women, representing 33% of our Board of Directors
- Women and people of color represent 46% of our Board
- Recognized by the *Women's Forum of New York* for having at least 25% female representation on our Board of Directors



# Executive compensation aligned with shareholder interests

## Mix of executive compensation<sup>1</sup>

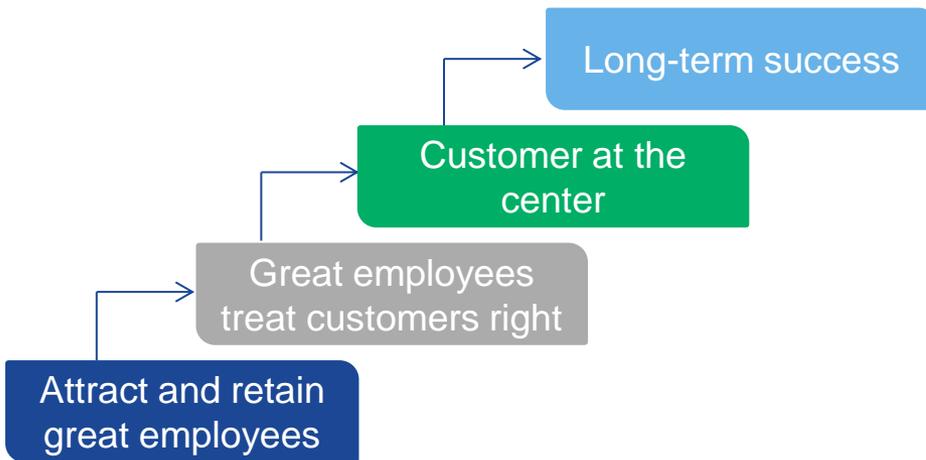


- A significant portion of executive compensation consists of long-term incentive awards
- Executive compensation is designed to be aligned with the long-term interest of shareholders
- Compensation practices and programs are reviewed by the Board every year
- Performance share awards are tied to **ROTCE, ROE and the Efficiency ratio**
  - Vest over 3 years

<sup>1</sup>Executive compensation includes the aggregate pay of the top 5 highest paid executives and is based on 2017 expected payouts; note this mix is a target and is subject to change

# Dedicated employees driving the execution of strategic priorities

- Engaged employees have the single biggest impact on customer satisfaction



- Ensuring Fifth Third remains a great place to work
  - New workspace design
  - Focus on healthy living
  - Maternity concierge

## Recent Accolades



4x Recipient



# Implementing NorthStar strategies to achieve financial targets

**Consumer      Payments      Commercial      Wealth**

**1**

**Differentiating our brand and customer experience**

**Re-launching our brand with a new creative strategy**  
New advertising campaigns & agency; \$30 BN community commitment

**Consumer HHs**  
Omnichannel capabilities

Innovative solutions with FinTech partners

**End-to-end client experience initiative**

Robo investment platform

**2**

**Optimizing the balance sheet**

**Personal Lending**  
GreenSky partnership

**Credit Card**  
Advanced analytics capabilities

**Commercial Relationships**  
Middle market, industry verticals, specialty lending expansion

**Continuous focus on profitable long-term relationships and achieve through the cycle top performance**

**3**

**Driving fee income growth**

**Mortgage**  
Replacement of loan origination system & channel expansion

**Wholesale Payments**  
Industry-focused Commerce Solutions

**Capital Markets**  
Financial Risk Mgmt. '2020'; Advisory

**Wealth Advisory**  
Expansion & retirement offerings

**Insurance**  
P&C, Employee Benefits

**4**

**Strategic expense management**

**Strategic Expense Programs**  
Real Estate: Branch network optimization, corporate facilities  
IT & Ops: Intelligent automation, workforce management, network infrastructure & sourcing optimization

**5**

**Positive operating leverage from the core**

**Continuous focus on core operating leverage and long term financial success**



# Making lives a Fifth Third better

## \$30 Billion Community Commitment

**\$13 billion**  
as of September 2017  
(ahead of schedule by 20%)

**\$3.3 billion**  
of small  
business loans

**\$4 billion**  
in community  
development loans

**\$5.5 billion**  
for mortgage assistance

**\$312 million**  
invested through the  
Fifth Third Community  
Development Corporation

**\$32 million**  
in philanthropic gifts



United Way Campaign



The Fifth Third Financial  
Empowerment Mobile



**100%**

100% of Fifth Third facilities  
will be powered by  
renewable energy by 2022

*life* Lives  
Improved through  
Financial  
Empowerment\*

Volunteers help children  
develop lifelong savings  
habits



Fifth Third Finance  
Academy



# Guided by the vision to be the One Bank people most value and trust

## One Bank

We have organized our bank around **collaborating together** and **providing holistic solutions** for our customers

## People

Including **current and prospective customers, employees, shareholders, regulators** and the **communities** we serve

## Most

Actively engaged, we aim to put forth **166.7% effort to be the best** at everything we do

## Value

Focused on providing **excellent value to customers**, being the employer of choice, and **creating shareholder value**

## Trust

Earning customers' trust every day by **providing insights and advice**, while also **safeguarding data from external threats**

## Fifth Third Compass



# In summary

Through-the-cycle  
outperformance

Differentiated

Executing on  
strategic priorities

## Driving long-term shareholder value



### Annualized 4Q19 targets

- ROTCE: upper end of 12 - 14%
- ROA: mid to upper end of 1.1 - 1.3%
- Efficiency: <60%



# Schedule for the day

Start	Topic	Speaker(s)
9:00 AM	<b>Firm Overview</b>	Greg Carmichael
	<b>Risk Management</b>	Frank Forrest
	<b>Brand, Analytics, Digital &amp; Payments</b>	Tim Spence, Melissa Stevens, & Jed Scala
10:50 AM	<b>Break (10 minutes)</b>	
	<b>Technology &amp; Operations</b>	Aravind Immaneni
	<b>Consumer Bank</b>	Phil McHugh
12:00 PM	<b>Lunch (1 hour)</b>	
	<b>Commercial Bank</b>	Richard Stein
	<b>Wealth &amp; Asset Management / One Bank</b>	Mike Michael & Lars Anderson
	<b>Financial Management and Guidance</b>	Tayfun Tuzun
2:30 PM	<b>Q&amp;A and Closing Remarks</b>	Management Team



