# 4Q14 Earnings Conference Call

**January 21, 2015**

**Refer to earnings release dated January 21, 2015 for further information.**

# Cautionary statement

*This report 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," "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.*

*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 conditions and weakening in the economy, specifically the real estate market, either nationally or in the states in which Fifth Third, one or more acquired entities and/or the combined company do business, 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) effects of critical accounting policies and judgments; (12) changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board (FASB) or other regulatory agencies; (13) 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; (14) ability to maintain favorable ratings from rating agencies; (15) fluctuation of Fifth Third's stock price; (16) ability to attract and retain key personnel; (17) ability to receive dividends from its subsidiaries; (18) potentially dilutive effect of future acquisitions on current shareholders' ownership of Fifth Third; (19) effects of accounting or financial results of one or more acquired entities; (20) difficulties from Fifth Third's investment in, relationship with, and nature of the operations of Vantiv, LLC; (21) loss of income from any sale or potential sale of businesses that could have an adverse effect on Fifth Third's earnings and future growth; (22) ability to secure confidential information and deliver products and services through the use of computer systems and telecommunications networks; and (23) 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.*

# 4Q14 in review

| *($ in millions)* | 4Q14 | Seq. Δ | YOY Δ |
|---|---|---|---|
| **Average Balances** | | | |
| **Total loans & leases[1]** | **$91,041** | **$242** | **$3,146** |
| **Core deposits** | **$96,350** | **$3,190** | **$7,081** |
| **Income Statement Data** | | | |
| Net interest income (taxable equivalent) | $888 | (2%) | (2%) |
| Provision for loan and lease losses | 99 | 40% | 87% |
| Noninterest income | 653 | 26% | (7%) |
| Noninterest expense | 918 | 3% | (7%) |
| **Net income attributable to Bancorp** | **$385** | **13%** | **(4%)** |
| **Net income available to common shareholders** | **$362** | **10%** | **(6%)** |
| **Financial Ratios** | | | |
| **Earnings per share, diluted** | **0.43** | **10%** | **-** |
| **Net interest margin** | **2.96%** | **(14bps)** | **(25bps)** |
| **Efficiency ratio** | **59.6%** | **(250bps)** | **(190bps)** |
| **Return on average assets** | **1.13%** | **11bps** | **(11bps)** |
| **Return on avg common equity** | **10.0%** | **80bps** | **(80bps)** |
| **Return on avg tangible common equity[2]** | **12.1%** | **100bps** | **(100bps)** |
| **Tangible book value per share[2]** | **$14.40** | **3%** | **11%** |

- **Significant pre-tax items in 4Q14 results:**
  - **$56MM positive valuation adjustment on Vantiv warrant**
  - **$23MM of provision expense related to the transfer of $720MM residential mortgage TDRs to held-for-sale**
  - **$19MM negative valuation adjustment on Visa total return swap**
- **2014 operating results reflect core deposit growth, conservative lending, and well-controlled expenses**
- **Credit quality continues to improve**
  - **Excluding $87MM of NCOs related to TDR transfer, NCOs down 10% compared with 3Q14**
  - **NPAs down 7% compared with 3Q14**
- **Strong capital ratios; tangible book value per share[2] up 11% from 4Q13**

**Balancing current earnings results with prudent decisions to increase long-term shareholder value**

*Note: The percentages in all of the tables in this presentation are calculated on actual dollar amounts and not the rounded dollar amounts.*

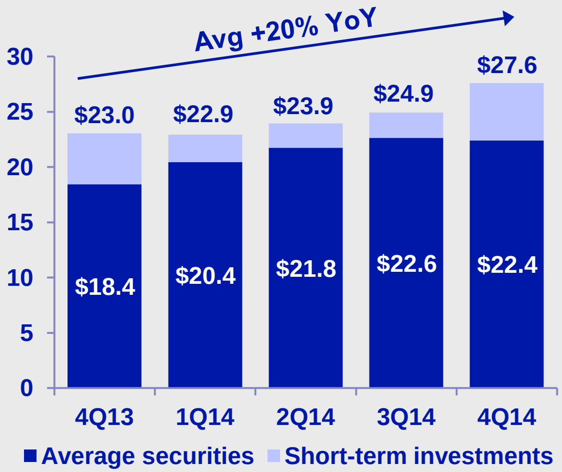
*[1] Excludes loans held-for-sale*

*[2] Non-GAAP measure; see Reg. G reconciliation in appendix*

# Balance sheet

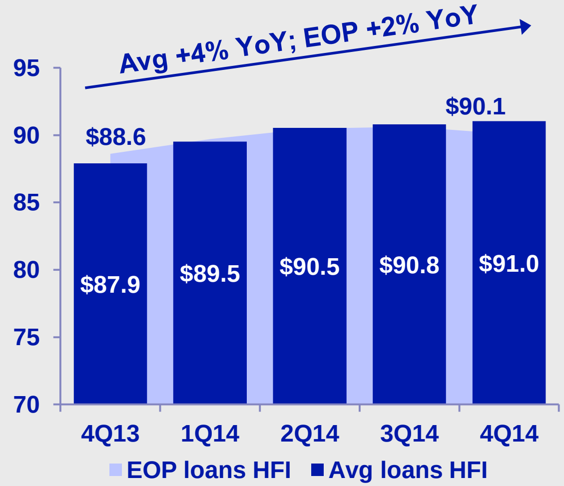
FIFTH THIRD BANK

### Average securities and short-term investments ($B)



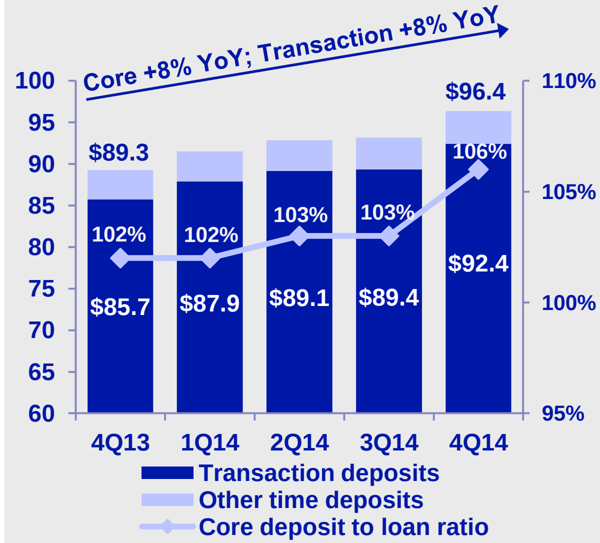

- Average securities up $4.0B from 4Q13
- Securities portfolio / total assets of 16.5% in 4Q14, up from 14.7% a year ago
- End of period short-term investments increased $4.3B sequentially, reflecting higher cash balances held at the Federal Reserve

### Loan balances ($B)



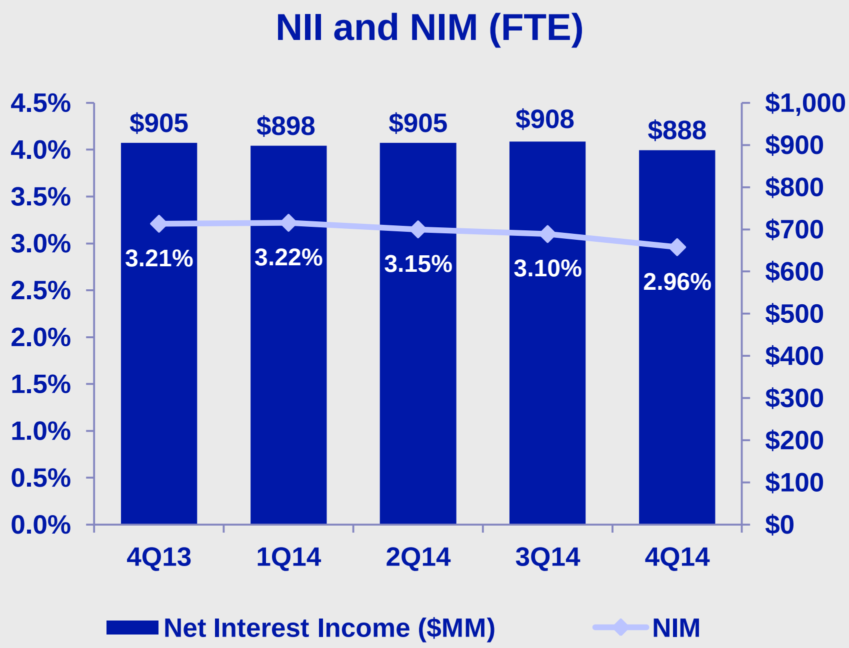

- Continuing to target prudent risk/reward profile in lending
- Average commercial loans flat sequentially and up 6% year-over-year
  - Year-over-year commercial loan growth driven primarily by C&I and commercial construction, partially offset by lower commercial mortgage
  - End of period commercial line utilization 32%; flat sequentially
- Consumer loan growth driven by residential mortgage and bankcard

### Average core deposit balances ($B)




- Average transaction deposits up $3.1 billion sequentially with increases in money market, demand, and interest checking deposit balances
  - Consumer average transaction deposits up 2% sequentially and up 6% year-over-year
  - Commercial average transaction deposits up 5% sequentially and up 10% year-over-year
- Core deposit to loan ratio of 106%

# Net interest income




| Yield Analysis | 4Q13 | 3Q14 | 4Q14 | Seq. ∆ (bps) | YoY ∆ (bps) |
|---|---|---|---|---|---|
| Commercial and industrial loans | 3.46% | 3.25% | 3.21% | (4) | (25) |
| Commercial mortgage loans | 3.53% | 3.34% | 3.28% | (6) | (25) |
| Commercial construction loans | 3.46% | 3.49% | 3.30% | (19) | (16) |
| Commercial leases | 3.10% | 2.96% | 2.96% | - | (14) |
| Residential mortgage loans | 3.88% | 3.84% | 3.80% | (4) | (8) |
| Home equity | 3.62% | 3.69% | 3.68% | (1) | 6 |
| Automobile loans | 2.96% | 2.72% | 2.73% | 1 | (23) |
| Credit card | 9.90% | 9.87% | 10.08% | 21 | 18 |
| Other consumer loans and leases | 43.19% | 36.98% | 31.97% | (501) | (1,122) |
| **Total loans and leases** | **3.79%** | **3.61%** | **3.58%** | **(3)** | **(21)** |
| Taxable securities | 3.32% | 3.32% | 3.28% | (4) | (4) |
| Tax exempt securities | 5.65% | 5.34% | 4.42% | (92) | (123) |
| Other short-term investments | 0.26% | 0.26% | 0.26% | - | - |
| **Total interest-earning assets** | **3.57%** | **3.49%** | **3.38%** | **(11)** | **(19)** |
| **Total interest-bearing liabilities** | **0.52%** | **0.56%** | **0.61%** | **5** | **9** |
| **Net interest rate spread** | **3.05%** | **2.93%** | **2.77%** | **(16)** | **(28)** |

- **Net interest income down $20MM from 3Q14**
  - **Decrease driven by the effects of loan repricing and higher interest expense from 3Q14 debt issuance, partially offset by the benefit of loan growth**
- **Sequential decline in asset yield lowest we have seen in 2014**
- **NIM decreased 14 bps sequentially reflecting elevated cash balances**
- **Year-over-year NII decreased $17MM and NIM decreased 25 bps**
  - **NII decrease driven by loan repricing and debt issuances, partially offset by higher investment securities and loan balances**
  - **NIM decrease due to the impact of loan repricing**
- **Expect lower 1Q15 NII, reflecting decline related to changes to deposit advance product and negative impact from lower day count**

# Noninterest income

## Components of noninterest income

| ($ in millions) | 4Q14 | Seq. Δ | YOY Δ |
|---|---|---|---|
| Service charges on deposits | $142 | (2%) | - |
| Corporate banking revenue | 120 | 20% | 27% |
| Mortgage banking net revenue | 61 | - | (51%) |
| Investment advisory revenue | 100 | (2%) | 2% |
| Card and processing revenue | 76 | 2% | 7% |
| Other noninterest income[1] | 150 | NM | (13%) |
| Securities gains, net | 4 | 15% | NM |
| Securities gains (losses), net - non-qualifying hedges on MSRs | - | - | - |
| **Total noninterest income** | **$653** | **26%** | **(7%)** |

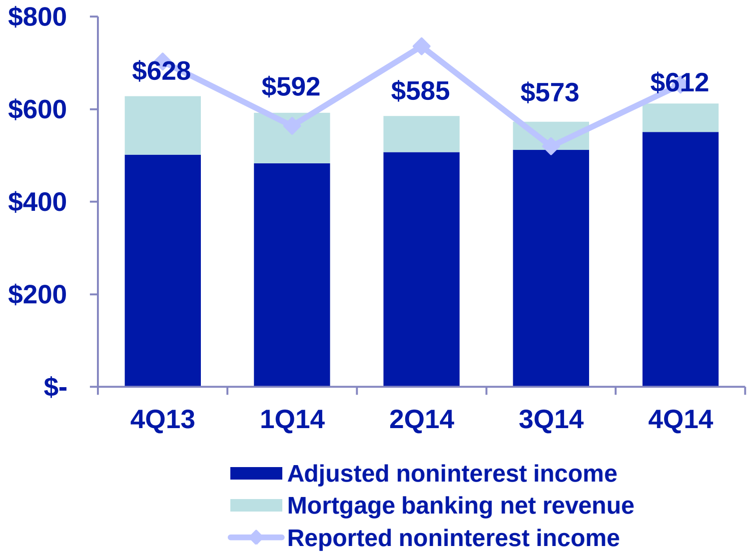
### Compared with 3Q14

- **Corporate banking revenue results driven by higher syndication, business lending, and foreign exchange fees**
- **Retail service changes on deposits decreased due to a decrease in overdraft occurrences**

### Compared with 4Q13

- **Decrease in mortgage banking results reflect lower production, partially due to exiting broker channel in early 2014**
- **Card and processing revenue reflects greater card utilization and higher consumer purchase volume**
- **Investment advisory revenue reflects increase in personal asset management fees**

## 5 quarter trend ($MM)




## Adjustments to remove (benefit) / detriment

| | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
|---|---|---|---|---|---|
| **Reported noninterest income** | **$703** | **$564** | **$736** | **$520** | **$653** |
| Gain on sale of Vantiv shares | - | - | (125) | - | - |
| Vantiv warrant valuation | (91) | 36 | (63) | 53 | (56) |
| Other Vantiv-related items | - | - | 12 | - | - |
| Valuation of Visa total return swap | 18 | (1) | 16 | 3 | 19 |
| Land valuation adjustments | - | - | 17 | - | - |
| Securities (gains) / losses | (2) | (7) | (8) | (3) | (4) |
| **Adjusted noninterest income** | **$628** | **$592** | **$585** | **$573** | **$612** |

- **4Q14 and 4Q13 include $23MM and $9MM, respectively, of payments received from Vantiv pursuant to TRA**
- **Expect lower 1Q15 fee income due to seasonal impacts on deposit service charges and card and processing revenue and the absence of the Vantiv TRA payment**

*[1] Net credit-related costs recognized in other noninterest income were $1MM in 4Q14. This compares with immaterial net credit-related costs in 3Q14, $4MM in 2Q14, $10MM in 1Q14, and $5MM in 4Q13.*

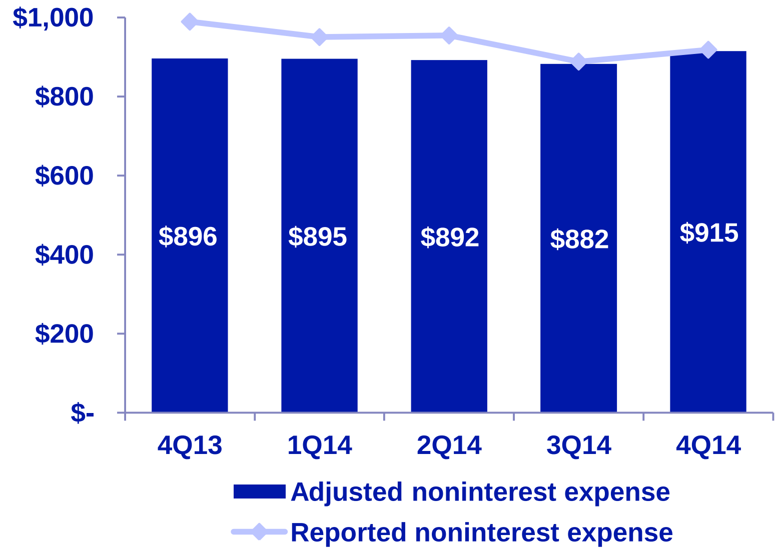
# Noninterest expense

## Components of noninterest expense

| ($ in millions) | 4Q14 | Seq. Δ | YOY Δ |
|---|---|---|---|
| Salaries, wages and incentives | $366 | 3% | (6%) |
| Employee benefits | 79 | 5% | 1% |
| Net occupancy expense | 77 | (1%) | - |
| Technology and communications | 54 | 2% | 2% |
| Equipment expense | 30 | - | 3% |
| Card and processing expense | 36 | (1%) | (2%) |
| Other noninterest expense[1] | 276 | 7% | (16%) |
| **Total noninterest expense** | **$918** | **3%** | **(7%)** |

- **Expenses increased sequentially due to higher credit-related costs[1] and personnel expenses**
- **7% year-over-year decline reflects impact of credit-related costs[1] in both periods, as well as lower employee-related costs**
  - **Retail FTE down 10% from 4Q13 as branch roles are consolidated and redefined**
- **Expect higher 1Q15 expenses primarily due to seasonally higher FICA and unemployment expense**

## 5 quarter trend ($MM)



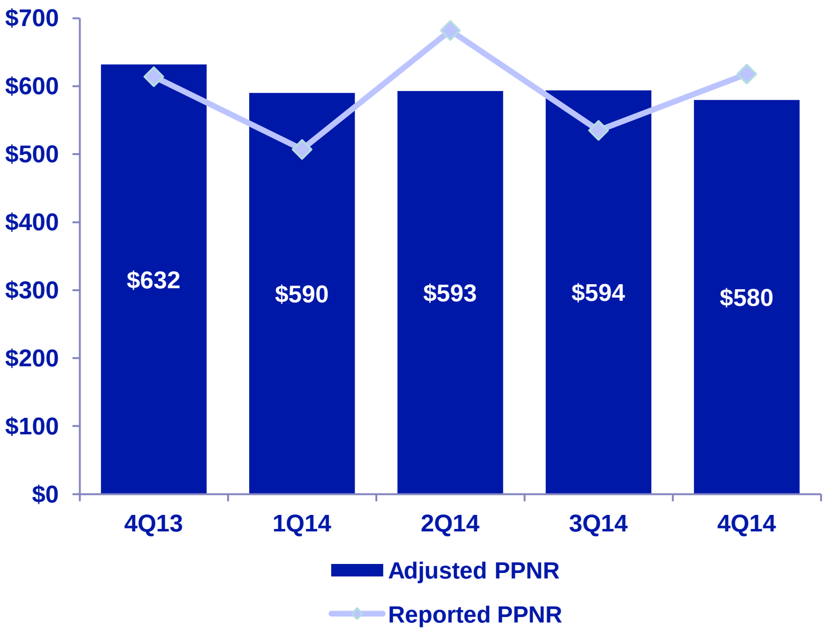

## Adjustments to remove benefit / (detriment)

| | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
|---|---|---|---|---|---|
| **Reported noninterest expense** | **$989** | **$950** | **$954** | **$888** | **$918** |
| Litigation reserve charges | (69) | (51) | (61) | (4) | 3 |
| Severance expense | (8) | (4) | (1) | (2) | (6) |
| Debt extinguishment costs | (8) | - | - | - | - |
| Donation to Fifth Third Foundation | (8) | - | - | - | - |
| **Adjusted noninterest expense** | **$896** | **$895** | **$892** | **$882** | **$915** |

*[1] Net credit-related costs recognized in other noninterest expense were $33MM in 4Q14. This compares with net credit-related costs of $13MM in 3Q14, $6MM in 2Q14, $9MM in 1Q14, and ($12MM) in 4Q13.*

# Pre-tax pre-provision earnings[1]

## PPNR trend

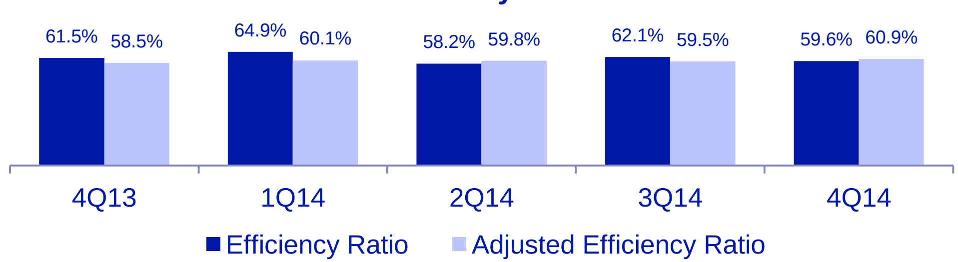



## PPNR reconciliation

| ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
|---|---|---|---|---|---|
| Income before income taxes (U.S. GAAP) (a) | $561 | $438 | $606 | $464 | $519 |
| Add: Provision expense (U.S. GAAP) (b) | 53 | 69 | 76 | 71 | 99 |
| PPNR (a) + (b) | $614 | $507 | $682 | $535 | $618 |
| Adjustments to remove (benefit) / detriment[2]: | | | | | |
| In noninterest income: | | | | | |
| Gain from sales of Vantiv shares | - | - | (125) | - | - |
| Vantiv warrant valuation | (91) | 36 | (63) | 53 | (56) |
| Reduction in equity method income from interest in Vantiv | - | - | 12 | - | - |
| Land valuation adjusments | - | - | 17 | - | - |
| Valuation of 2009 Visa total return swap | 18 | (1) | 16 | 3 | 19 |
| Securities (gains) / losses | (2) | (7) | (8) | (3) | (4) |
| In noninterest expense: | | | | | |
| Debt extinguishment (gains) / losses | 8 | - | - | - | - |
| Severance expense | 8 | 4 | 1 | 2 | 6 |
| Donation to Fifth Third Foundation | 8 | - | - | - | - |
| Litigation reserve charges | 69 | 51 | 61 | 4 | (3) |
| Adjusted PPNR | $632 | $590 | $593 | $594 | $580 |
| Credit-related items: | | | | | |
| In noninterest income | 5 | 10 | 4 | (0) | 1 |
| In noninterest expense | (12) | 9 | 6 | 13 | 33 |
| Credit-adjusted PPNR[3] | $625 | $609 | $603 | $607 | $614 |

**PPNR increased 16% sequentially, reflecting impact of $38MM in net benefit in 4Q14 and $59MM in net detriment in 3Q14 from significant items. Excluding those items, adjusted PPNR decreased 2% sequentially, reflecting higher expense, partially offset by the $23MM Vantiv TRA payment.**

### Efficiency ratio




*[1] Non-GAAP measure; see Reg. G reconciliation in appendix.*
*[2] Prior quarters include similar adjustments.*
*[3] There are limitations on the usefulness of credit-adjusted PPNR, including the significant degree to which changes in credit and fair value are integral, recurring components of the Bancorp's core operations as a financial institution. This measure has been included herein to facilitate a greater understanding of the Bancorp's financial condition.*
*Note: 4Q14 included an immaterial amount of mortgage repurchase provision. 3Q14, 2Q14, and 1Q14 included the impact of $3MM, $1MM, and $3MM, respectively in mortgage repurchase provision. 4Q13 included a benefit to the mortgage repurchase provision of $26MM. These impacts are reflected in "Credit-related items" and "Adjusted Efficiency Ratio" listed above.*

# Credit quality overview

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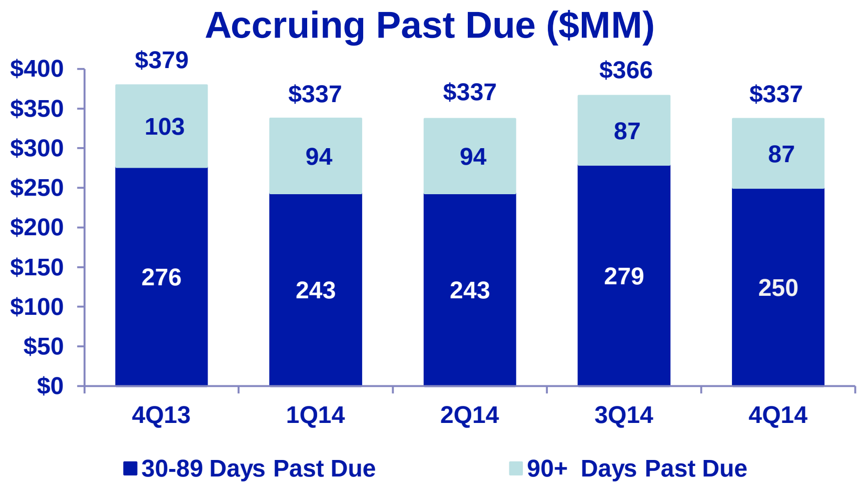
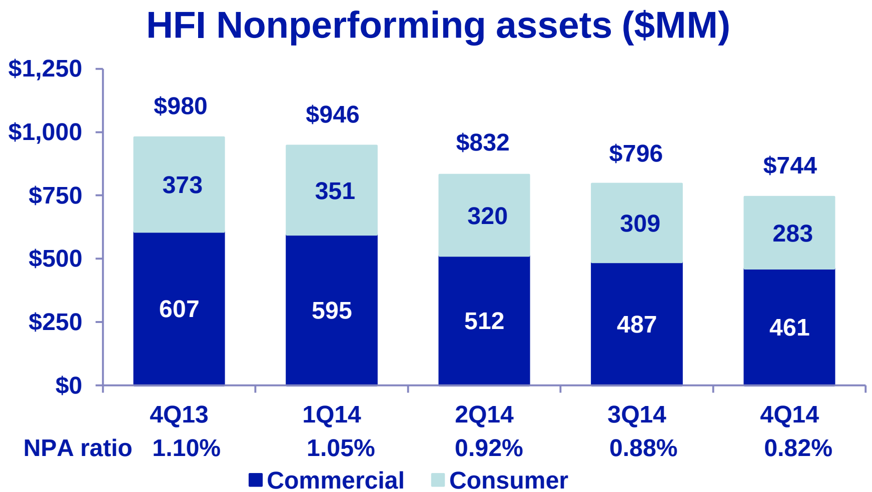
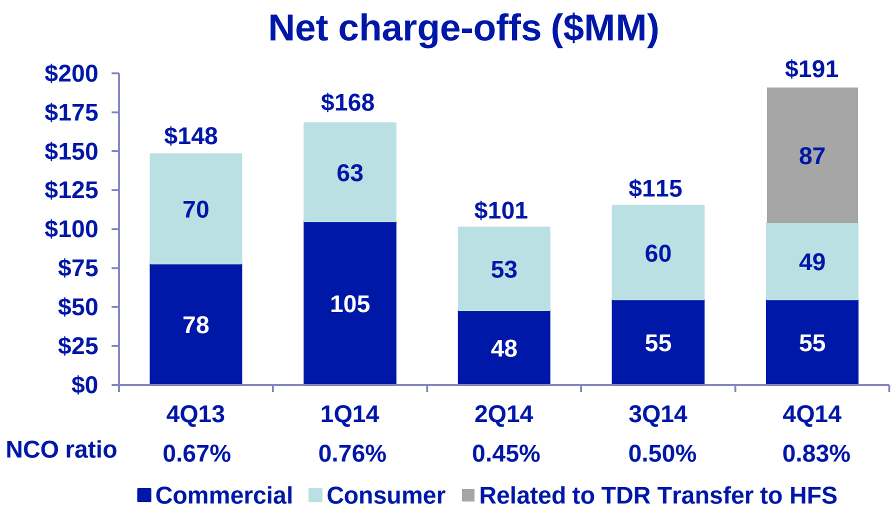


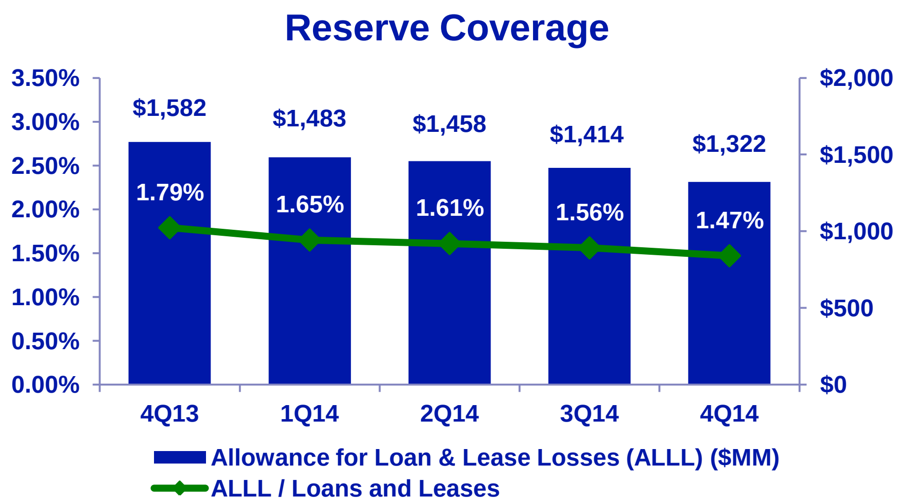

Total delinquencies declined 11% from 4Q13




NPAs down 24% from 4Q13;
lowest level since 2007




Excluding TDR transfer, net charge-offs down 10% sequentially

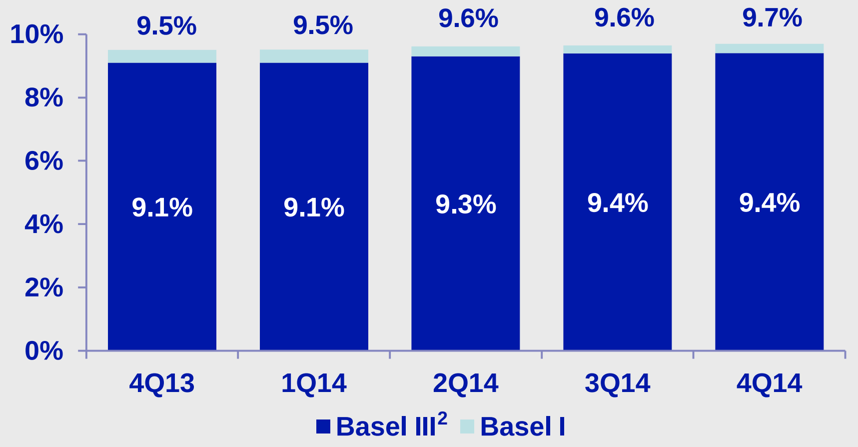



Includes 4Q14 provision expense of $99MM, reflecting $23MM impact of TDR transaction;
reserve coverage levels remain solid

# Strong capital position

FIFTH THIRD BANK

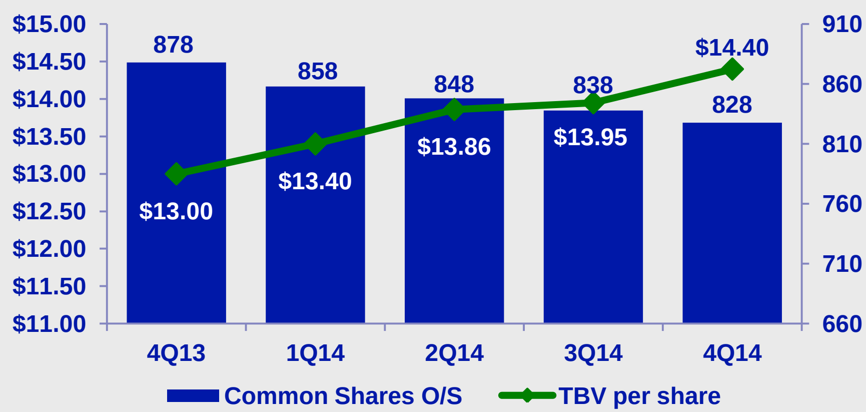
## Tier 1 common equity[1]




## Capital Actions

- Returned $1.1 billion to common shareholders in 2014 in dividends and share repurchases
- 2014 CCAR plan included the potential repurchase of common shares in an amount up to $669MM
  - Announced $180MM of share repurchases in 4Q14; completed on 1/5/15[3]
- 2015 CCAR submitted in early January; capital plan subject to regulatory non-objection

## Avg. Diluted Shares Outstanding (MM) and Tangible Book Value per share[1]




## Impact of Share Repurchases

| | EOP share impact (MM) | | | Average share impact (MM) | | |
|---|---|---|---|---|---|---|
| | 3Q14 | 4Q14 | 1Q15 | 3Q14 | 4Q14 | 1Q15 |
| $150MM ASR | 1.0 | - | - | 2.8 | 0.2 | - |
| $225MM ASR | 9.4 | 1.9 | - | 7.0 | 4.0 | 0.3 |
| $180MM ASR[3] | - | 8.3 | 0.8 | - | 6.3 | 2.7 |
| | 10.4 | 10.2 | 0.8 | 9.8 | 10.5 | 3.0 |

[1] *Non-GAAP measure; See Reg. G reconciliation in appendix.*

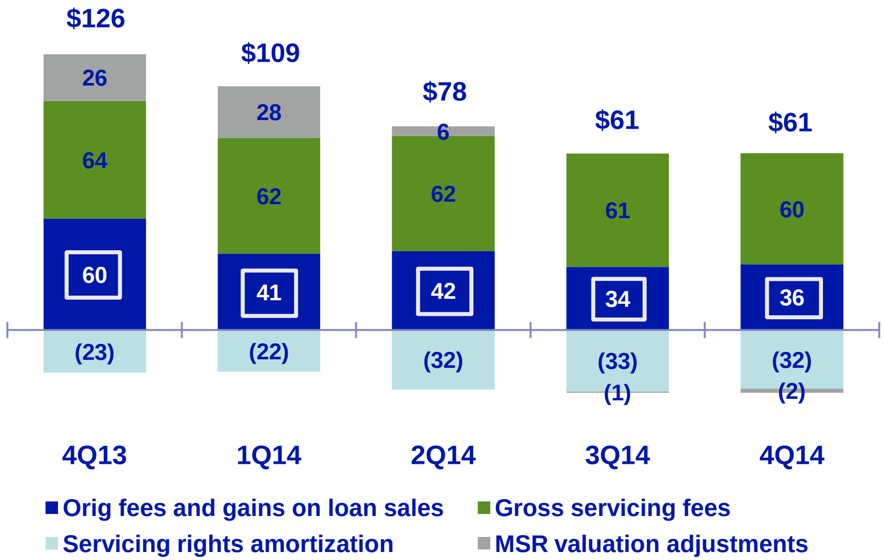
[2] *Capital ratios estimated; presented under current U.S. capital regulations. The pro forma Basel III Tier I common equity ratio is management's estimate based upon its current interpretation of the Basel III Final Rule approved in July 2013.*

[3] *1Q15 end of period and average share impacts reflect settlement of the $180MM share repurchase transaction as described in the Form 8-K filed on January 5, 2015.*

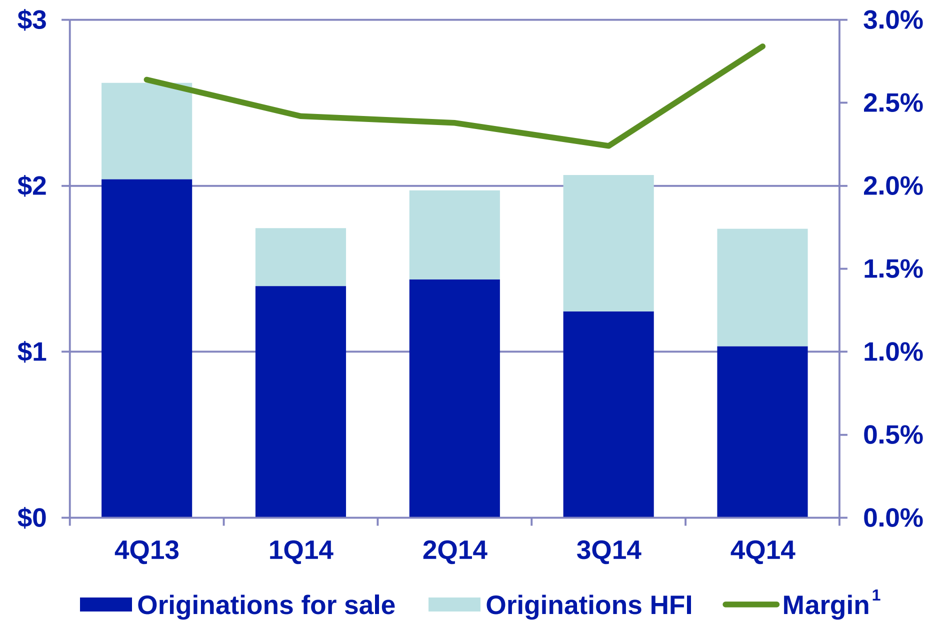
# Appendix

# Mortgage banking results

### Mortgage Banking Net Revenue ($MM)




### Mortgage originations ($B) and gain on sale margin[1]



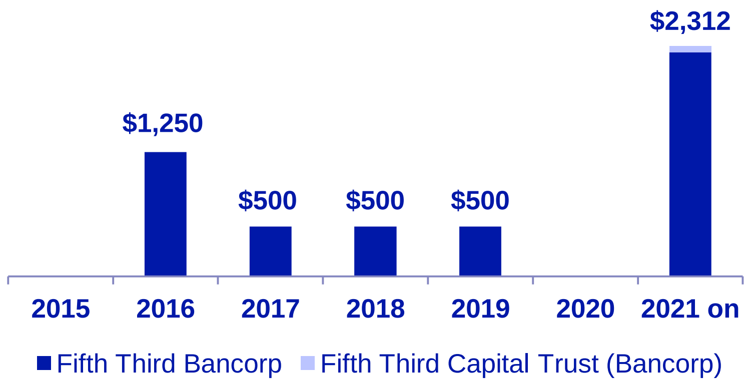

- $1.7B in originations; 57% purchase volume
  - Discontinued broker channel originations in 1Q14
- 4Q14 mortgage drivers:
  - Origination fees and gain on sale revenue up $1.4MM
    - Gain on sale margin up 60 bps sequentially
    - Retaining conforming ARMs and shorter-term fixed-rate production on balance sheet
  - MSR valuation adjustments of negative $2MM; servicing rights amortization of negative $32MM
  - $60MM in gross servicing fees

*Note: Numbers may not sum due to rounding.*
*[1] Gain on sale margin represents gains on all loans originated for sale.*

# Strong liquidity profile

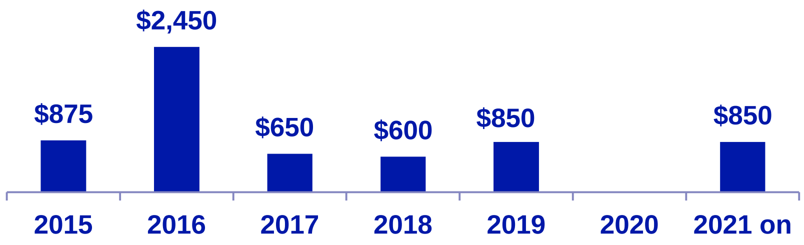
FIFTH THIRD BANK

### Holding company unsecured debt maturities ($MM)



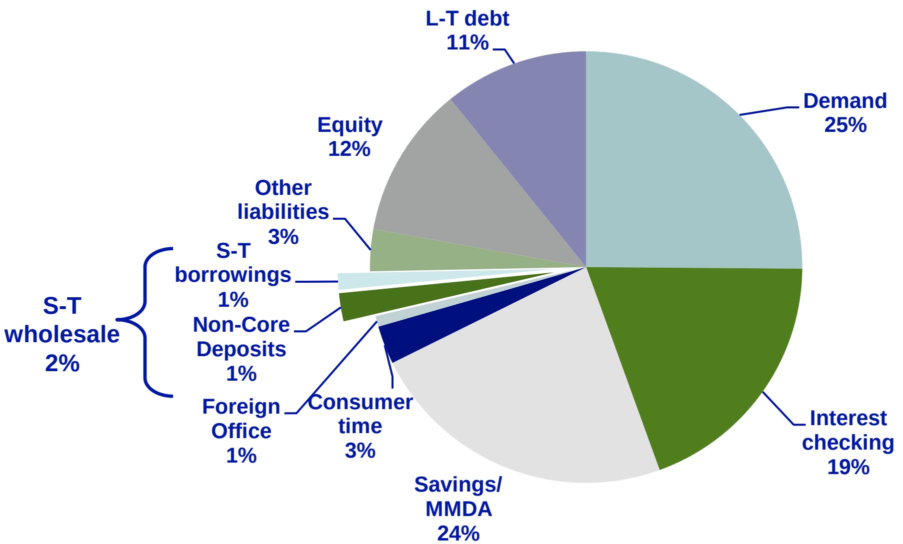

- **Holding Company cash at 12/31/14: $2.4B**
- **Cash currently sufficient to satisfy all fixed obligations in a stressed environment for over 24 months (debt maturities, common and preferred dividends, interest and other expenses) without accessing capital markets, relying on future dividends from subsidiaries, or any other discretionary actions**

### Bank unsecured debt maturities ($MM – excl. Brokered CDs)




- **Available and contingent borrowing capacity (4Q14):**
  - **FHLB ~$14.3B available**
  - **Federal Reserve ~$27.4B**

### Heavily core funded



# Interest rate risk management

***Strategically positioned balance sheet to limit risk to downside rate scenarios***

- **Balance sheet is well positioned for a rising rate environment**
  - **64% of total loans are floating rate (81% of commercial and 39% of consumer)**
  - **Investment portfolio duration of approximately 5 years**
  - **Short-term wholesale funding represents only 2% of total funding**
  - **$16B in wholesale funding will reprice beyond 1 year**
- **Interest rate sensitivities are based on conservative deposit assumptions**
  - **Weighted-average deposit beta of 70% (2004 – 2006 cycle betas ~50%)[1]**
  - **No modeled lag in deposit repricing**
  - **Modeled DDA runoff of approximately $2.5B (approximately 8%) for each 100 bps increase in rates**
  - **For every $1B of incremental DDA runoff beyond what is modeled, asset sensitivity decreases:**
    - **15 bps in year 1 and 28 bps in year 2 in a 100 bps ramp**
    - **35 bps in both year 1 and year 2 in a 100 bps shock**

| | | NII - Asset Sensitivity[2] | | | |
|---|---|---|---|---|---|
| | | Forecast Balances | | Static Balances | |
| | | +100 bps | +200 bps | +100 bps | +200 bps |
| Ramp | Year 1 | 1.2% | 2.2% | 1.0% | 2.0% |
| Ramp | Year 2 | 4.2% | 6.5% | 4.2% | 6.5% |
| Shock | Year 1 | 3.4% | 6.3% | 3.1% | 5.8% |
| Shock | Year 2 | 6.1% | 10.0% | 6.2% | 10.1% |

| EVE at Risk | |
|---|---|
| +100 bps | +200 bps |
| (0.6%) | (2.2%) |

- **Forecasted balances represent our current expectations regarding balance sheet trends**
- **Static balances assume current composition of balance sheet remains constant**
- **In ramp scenarios, rate changes occur evenly over the first four quarters**
- **In shock scenarios, rate changes are instantaneous**

*[1] Repricing percentage or "beta" is the estimated change in yield over 12 months as a result of a shock or ramp 100 bps parallel shift in the yield curve.*
*[2] Actual results may vary from these simulated results due to timing, magnitude, and frequency of interest rate changes, as well as changes in market conditions and management strategies.*

# NPL rollforward

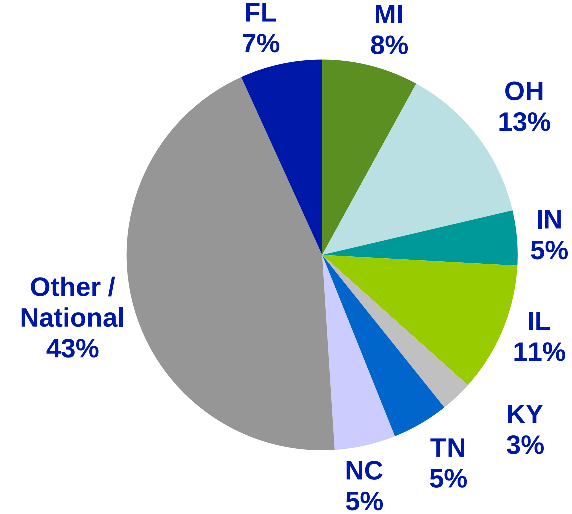
| NPL HFI Rollforward | | | | | |
|---|---|---|---|---|---|
| **Commercial** | | | | | |
| | **4Q13** | **1Q14** | **2Q14** | **3Q14** | **4Q14** |
| Beginning NPL amount | 521 | 458 | 464 | 396 | 385 |
| Transfers to nonperforming | 107 | 164 | 141 | 116 | 99 |
| Transfers to performing | (1) | (2) | (20) | - | - |
| Transfers to performing (restructured) | (2) | (1) | (47) | - | (1) |
| Transfers from held for sale | - | - | - | - | - |
| Transfers to held for sale | - | - | (1) | (3) | - |
| Loans sold from portfolio | (19) | (2) | (24) | (12) | (5) |
| Loan paydowns/payoffs | (61) | (43) | (54) | (39) | (45) |
| Transfers to other real estate owned | (12) | (7) | (18) | (9) | (7) |
| Charge-offs | (78) | (105) | (46) | (66) | (62) |
| Draws/other extensions of credit | 3 | 2 | 1 | 2 | 3 |
| Ending Commercial NPL | 458 | 464 | 396 | 385 | 367 |
| | | | | | |
| **Consumer** | | | | | |
| | **4Q13** | **1Q14** | **2Q14** | **3Q14** | **4Q14** |
| Beginning NPL amount | 248 | 293 | 269 | 244 | 235 |
| Transfers to nonperforming | 165 | 93 | 85 | 90 | 86 |
| Transfers to performing | (25) | (28) | (24) | (15) | (14) |
| Transfers to performing (restructured) | (22) | (22) | (20) | (25) | (19) |
| Transfers to held for sale | - | - | - | - | (24) |
| Loans sold from portfolio | - | - | - | - | - |
| Loan paydowns/payoffs | (24) | (29) | (11) | (5) | (5) |
| Transfers to OREO/other repossessed property | (20) | (24) | (24) | (21) | (20) |
| Charge-offs | (30) | (15) | (30) | (33) | (27) |
| Draws/other extensions of credit | 1 | 1 | (1) | - | - |
| Ending Consumer NPL | 293 | 269 | 244 | 235 | 212 |
| | | | | | |
| **Total NPL** | 751 | 733 | 640 | 620 | 579 |
| | | | | | |
| **Total new nonaccrual loans - HFI** | 272 | 257 | 226 | 206 | 185 |

# Commercial & industrial

## Credit trends

| | C&I | | | | |
|---|---|---|---|---|---|
| ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
| EOP Balance* | $39,316 | $40,591 | $41,299 | $41,072 | $40,765 |
| Avg Loans* | $38,835 | $40,377 | $41,374 | $41,477 | $41,277 |
| 90+ days delinquent | - | $1 | - | - | - |
| as % of loans | NM | NM | NM | NM | NM |
| NPAs* | $290 | $304 | $265 | $278 | $246 |
| as % of loans | 0.74% | 0.75% | 0.64% | 0.68% | 0.60% |
| Net charge-offs | $66 | $97 | $31 | $50 | $44 |
| as % of loans | 0.67% | 0.97% | 0.30% | 0.48% | 0.43% |

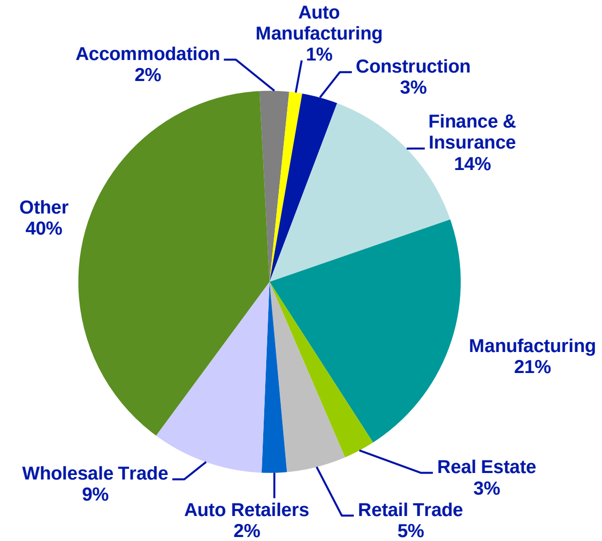
## Loans by geography




## Comments

- Commercial & industrial loans represented 45% of total loans and 23% of net charge-offs
- C&I loans were down 1% sequentially and increased 4% since 4Q13

## Loans by industry




*Excludes loans held-for-sale.*

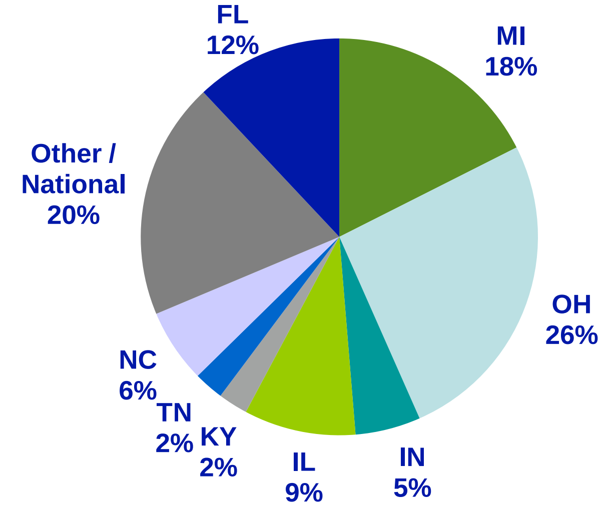
# Commercial real estate

## Credit trends

| Commercial mortgage ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
|---|---|---|---|---|---|
| EOP Balance* | $8,066 | $7,958 | $7,805 | $7,564 | $7,399 |
| Avg Loans* | $8,047 | $7,981 | $7,885 | $7,633 | $7,480 |
| NPAs* | $252 | $240 | $212 | $186 | $195 |
| as % of loans | 3.09% | 2.98% | 2.69% | 2.43% | 2.62% |
| Net charge-offs | $8 | $3 | $9 | $5 | $10 |
| as % of loans | 0.40% | 0.16% | 0.44% | 0.24% | 0.53% |

| Commercial construction ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
|---|---|---|---|---|---|
| EOP Balance* | $1,039 | $1,218 | $1,424 | $1,702 | $2,069 |
| Avg Loans* | $952 | $1,116 | $1,362 | $1,563 | $1,909 |
| NPAs* | $59 | $46 | $31 | $19 | $16 |
| as % of loans | 5.53% | 3.68% | 2.17% | 1.09% | 0.75% |
| Net charge-offs | $4 | $5 | $8 | - | - |
| as % of loans | 1.65% | 1.66% | 2.26% | (0.11%) | (0.01%) |

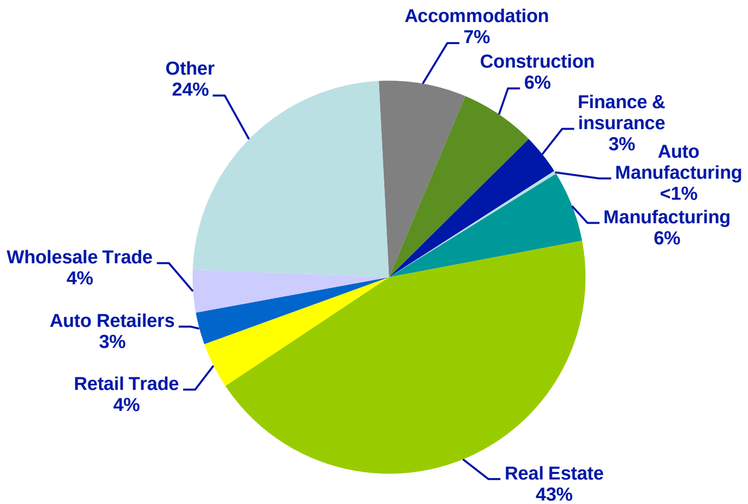
## Loans by geography




## Comments

- Commercial mortgage loans represented 8% of total loans
  - Non-owner occupied 4Q14 NCO ratio of 1.1%
  - Loans from FL/MI represented 34% of portfolio loans and $8MM of portfolio losses in 4Q14
- Commercial construction loans represented 2% of total loans
  - Portfolio focused on large professional developers
    - Top 3 categories: Apartments, REIT, and office

## Loans by industry



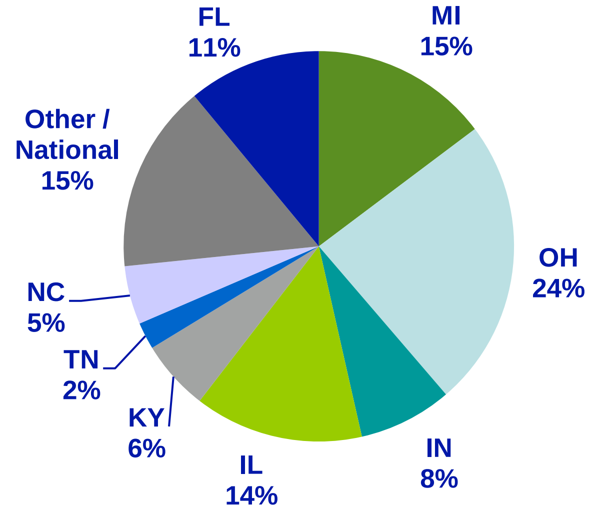

* Excludes loans held-for-sale.

# Residential mortgage

## Credit trends

| Residential mortgage | | | | | |
|---|---|---|---|---|---|
| ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
| EOP Balance* | $12,680 | $12,626 | $12,652 | $12,941 | $12,389 |
| Avg Loans* | $12,609 | $12,659 | $12,611 | $12,785 | $13,046 |
| 90+ days delinquent | $66 | $56 | $60 | $57 | $55 |
| as % of loans | 0.52% | 0.44% | 0.47% | 0.44% | 0.44% |
| NPAs* | $223 | $201 | $172 | $164 | $126 |
| as % of loans | 1.76% | 1.59% | 1.36% | 1.27% | 1.01% |
| Net charge-offs | $13 | $15 | $8 | $9 | $94 |
| as % of loans | 0.39% | 0.49% | 0.24% | 0.28% | 2.87% |

## Loans by geography




## Comments

- Residential mortgage loans represented 14% of total loans and 49% of net charge-offs; 7% excluding TDR transaction
- Net charge-offs increased by $85MM in 4Q14 and included $87MM related to the transfer of TDRs to held-for-sale
  - OH, FL, and MI account for 30%, 22%, and 19% of residential mortgage net charge-offs, respectively

## Portfolio details

- 1st liens: 100%; weighted average LTV: 73.5%
- Weighted average origination FICO: 754
- Origination FICO distribution: <660 5%; 660-689 5%; 690-719 9%; 720-749 14%; 750+ 61%; Other^ 6%

  (note: loans <660 includes CRA loans and FHA/VA loans)
- Origination LTV distribution: <=70 39%; 70.1-80 36%; 80.1-90 7%; 90.1-95 5%; >95 13%
- Vintage distribution: 2014: 18%, 2013: 21%; 2012 21%; 2011 12%; 2010 7%; 2009 4%; 2008 3%; 2007 3%; 2006 3%; 2005 4%; 2004 and prior 4%
- 15% originated through 3rd party; performance similar to direct

*^ Includes acquired loans where FICO at origination is not available*

** Excludes loans held-for-sale*

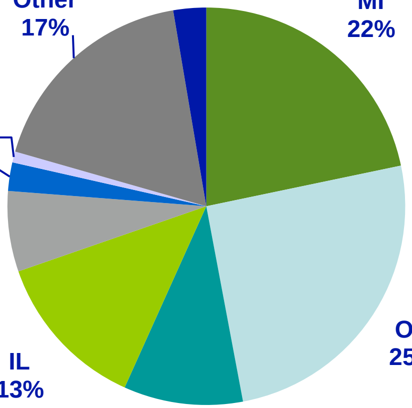
# Home equity

## Credit trends

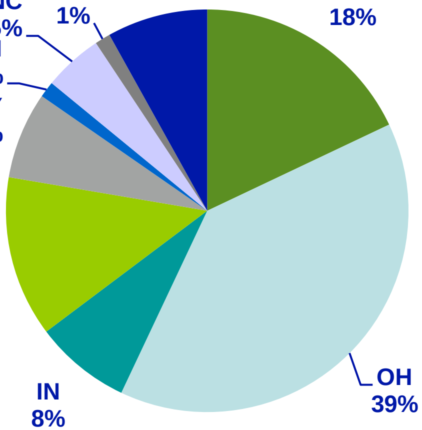
| Home equity - brokered | | | | | |
|---|---|---|---|---|---|
| ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
| EOP Balance* | $1,190 | $1,155 | $1,131 | $1,094 | $1,062 |
| 90+ days delinquent | - | - | - | - | - |
| as % of loans | NM | NM | NM | NM | NM |
| Net charge-offs | $8 | $5 | $7 | $4 | $3 |
| as % of loans | 2.81% | 1.85% | 2.35% | 1.42% | 1.05% |

| Home equity - direct | | | | | |
|---|---|---|---|---|---|
| ($ in millions) | 4Q13 | 1Q14 | 2Q14 | 3Q14 | 4Q14 |
| EOP Balance* | $8,056 | $7,970 | $7,925 | $7,893 | $7,824 |
| 90+ days delinquent | - | - | - | - | - |
| as % of loans | NM | NM | NM | NM | NM |
| Net charge-offs | $18 | $11 | $11 | $10 | $8 |
| as % of loans | 0.87% | 0.55% | 0.58% | 0.51% | 0.42% |

## Brokered loans by geography




## Direct loans by geography




## Comments

- Home equity loans represented 10% of total loans and 6% of net charge-offs
- Approximately 12% of portfolio in broker product generated 25% total loss
- 38% of Fifth Third 2nd liens are behind Fifth Third 1st liens
- 2005/2006 vintages represent approximately 23% of portfolio; account for 48% of losses

## Portfolio details

- 1st liens: 34%; 2nd liens: 66%
- Weighted average origination FICO: 753
- Origination FICO distribution^: <660 3%; 660-689 7%; 690-719 12%; 720-749 16%; 750+ 54%; Other 8%
- Average CLTV: 72%; Origination CLTV distribution: <=70 41%; 70.1-80 24%; 80.1-90 18%; 90.1-95 6%; >95 11%
- Vintage distribution: 2014: 8%, 2013: 6%; 2012 4%; 2011 3%; 2010 2%; 2009 3%; 2008 9%; 2007 9%; 2006 12%; 2005 11%; 2004 and prior 33%
- % through broker channels: 12% WA FICO: 734 brokered, 756 direct; WA CLTV: 88% brokered; 70% direct

*Note: Brokered and direct home equity net charge-off ratios are calculated based on end of period loan balances*
*^ Includes acquired loans where FICO at origination is not available*
** Excludes loans held-for-sale*

# Regulation G Non-GAAP reconciliation

**Fifth Third Bancorp and Subsidiaries**
Regulation G Non-GAAP Reconcilation
$ and shares in millions
(unaudited)

| | For the Three Months Ended | | | | |
|---|---|---|---|---|---|
| | December 2014 | September 2014 | June 2014 | March 2014 | December 2013 |
| **Income before income taxes (U.S. GAAP)** | 519 | 464 | 606 | 438 | 561 |
| Add: Provision expense (U.S. GAAP) | 99 | 71 | 76 | 69 | 53 |
| Pre-provision net revenue | 618 | 535 | 682 | 507 | 614 |
| | | | | | |
| **Net income available to common shareholders (U.S. GAAP)** | 362 | 328 | 416 | 309 | 383 |
| Add: Intangible amortization, net of tax | 1 | 1 | 1 | 1 | 1 |
| Tangible net income available to common shareholders | 363 | 329 | 417 | 310 | 384 |
| Tangible net income available to common shareholders (annualized) (a) | 1,440 | 1,305 | 1,673 | 1,257 | 1,523 |
| | | | | | |
| **Average Bancorp shareholders' equity (U.S. GAAP)** | 15,644 | 15,486 | 15,157 | 14,862 | 14,757 |
| Less: Average preferred stock | (1,331) | (1,331) | (1,119) | (1,034) | (703) |
| Average goodwill | (2,416) | (2,416) | (2,416) | (2,416) | (2,416) |
| Average intangible assets and other servicing rights | (17) | (16) | (17) | (19) | (20) |
| Average tangible common equity (b) | 11,880 | 11,723 | 11,605 | 11,393 | 11,618 |
| | | | | | |
| **Total Bancorp shareholders' equity (U.S. GAAP)** | 15,626 | 15,404 | 15,469 | 14,826 | 14,589 |
| Less: Preferred stock | (1,331) | (1,331) | (1,331) | (1,034) | (1,034) |
| Goodwill | (2,416) | (2,416) | (2,416) | (2,416) | (2,416) |
| Intangible assets and other servicing rights | (16) | (16) | (17) | (18) | (19) |
| Tangible common equity, including unrealized gains / losses (c) | 11,863 | 11,641 | 11,705 | 11,358 | 11,120 |
| Less: Accumulated other comprehensive income | (429) | (301) | (382) | (196) | (82) |
| Tangible common equity, excluding unrealized gains / losses (d) | 11,434 | 11,340 | 11,323 | 11,162 | 11,038 |
| | | | | | |
| **Total assets (U.S. GAAP)** | 138,706 | 134,188 | 132,562 | 129,654 | 130,443 |
| Less: Goodwill | (2,416) | (2,416) | (2,416) | (2,416) | (2,416) |
| Intangible assets and other servicing rights | (16) | (16) | (17) | (18) | (19) |
| Tangible assets, including unrealized gains / losses (e) | 136,274 | 131,756 | 130,129 | 127,220 | 128,008 |
| Less: Accumulated other comprehensive income / loss, before tax | (660) | (463) | (588) | (302) | (126) |
| Tangible assets, excluding unrealized gains / losses (f) | 135,614 | 131,293 | 129,541 | 126,918 | 127,882 |
| | | | | | |
| Common shares outstanding (g) | 824 | 834 | 844 | 848 | 855 |
| | | | | | |
| **Ratios:** | | | | | |
| Return on average tangible common equity (a) / (b) | 12.1% | 11.1% | 14.4% | 11.0% | 13.1% |
| Tangible common equity (excluding unrealized gains/losses) (d) / (f) | 8.43% | 8.64% | 8.74% | 8.79% | 8.63% |
| Tangible common equity (including unrealized gains/losses) (c) / (e) | 8.71% | 8.84% | 9.00% | 8.93% | 8.69% |
| Tangible book value per share (c) / (g) | $14.40 | $13.95 | $13.86 | $13.40 | $13.00 |

# Regulation G Non-GAAP reconciliation

**Fifth Third Bancorp and Subsidiaries**
Regulation G Non-GAAP Reconcilation
$ and shares in millions
(unaudited)

| | For the Three Months Ended | | | | |
|---|---|---|---|---|---|
| | December 2014 | September 2014 | June 2014 | March 2014 | December 2013 |
| **Total Bancorp shareholders' equity (U.S. GAAP)** | 15,626 | 15,404 | 15,469 | 14,826 | 14,589 |
| Goodwill and certain other intangibles | (2,476) | (2,484) | (2,484) | (2,490) | (2,492) |
| Unrealized gains | (429) | (301) | (382) | (196) | (82) |
| Qualifying trust preferred securities | 60 | 60 | 60 | 60 | 60 |
| Other | (17) | (18) | (19) | (18) | 19 |
| Tier I capital | 12,764 | 12,661 | 12,644 | 12,182 | 12,094 |
| Less: Preferred stock | (1,331) | (1,331) | (1,331) | (1,034) | (1,034) |
| Qualifying trust preferred securities | (60) | (60) | (60) | (60) | (60) |
| Qualifying noncontrolling interest in consolidated subsidiaries | (1) | (1) | (1) | (1) | (37) |
| Tier I common equity (a) | 11,372 | 11,269 | 11,252 | 11,087 | 10,963 |
| | | | | | |
| Risk-weighted assets, determined in accordance with prescribed regulatory requirements (b) | 117,887 | 116,917 | 117,117 | 116,622 | 115,969 |
| | | | | | |
| **Ratio:** | | | | | |
| Tier I common equity (a) / (b) | 9.65% | 9.64% | 9.61% | 9.51% | 9.45% |

**Basel III - Estimated Tier 1 common equity ratio**

| | December 2014 | September 2014 | June 2014 | March 2014 | December 2013 |
|---|---|---|---|---|---|
| Tier 1 common equity (Basel I) | 11,372 | 11,269 | 11,252 | 11,087 | 10,963 |
| Add: Adjustment related to capital components | 84 | 99 | 96 | 99 | 82 |
| Estimated Tier 1 common equity under final Basel III rules without AOCI (opt out)(c) | 11,456 | 11,368 | 11,348 | 11,186 | 11,045 |
| Add: Adjustment related to AOCI | 429 | 301 | 382 | 196 | 82 |
| Estimated Tier 1 common equity under final Basel III rules with AOCI (non opt out)(d) | 11,885 | 11,669 | 11,730 | 11,382 | 11,127 |
| Estimated risk-weighted assets under final Basel III rules (e) | 122,027 | 121,219 | 122,465 | 122,659 | 122,074 |
| Estimated Tier 1 common equity ratio under final Basel III rules (opt out) (c) / (e) | 9.39% | 9.38% | 9.27% | 9.12% | 9.05% |
| Estimated Tier 1 common equity ratio under final Basel III rules (non opt out) (d) / (e) | 9.74% | 9.63% | 9.58% | 9.28% | 9.12% |

(c), (d) Under the final Basel III rules, non-advanced approach banks are permitted to make a one-time election to opt out of the requirement to include AOCI in Tier 1 common equity. Other adjustments include mortgage servicing rights and deferred tax assets subject to threshold limitations and deferred tax liabilities related to intangible assets.

(e) Key differences under Basel III in the calculation of risk-weighted assets compared to Basel I include: (1) Risk weighting for commitments under 1 year; (2) Higher risk weighting for exposures to securitizations, past due loans, foreign banks and certain commercial real estate; (3) Higher risk weighting for mortgage servicing rights and deferred tax assets that are under certain thresholds as a percent of Tier 1 capital; and (4) Derivatives are differentiated between exchange clearing and over-the-counter and the 50% risk-weight cap is removed.