

FOURTH QUARTER 2019 EARNINGS PRESENTATION

January 23, 2020



DISCLAIMER

Important note regarding forward-looking statements:

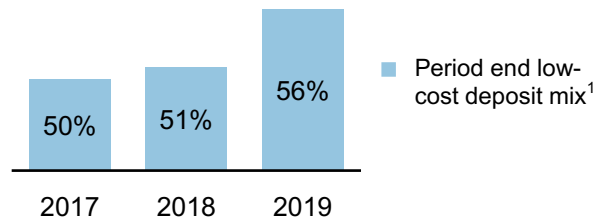
Statements made in this presentation which are not purely historical are forward-looking statements, as defined in the Private Securities Litigation Reform Act of 1995. This includes any statements regarding management's plans, objectives, or goals for future operations, products or services, and forecasts of its revenues, earnings, or other measures of performance. Such forward-looking statements may be identified by the use of words such as "believe," "expect," "anticipate," "plan," "estimate," "should," "will," "intend," "target," "outlook" or similar expressions. Forward-looking statements are based on current management expectations and, by their nature, are subject to risks and uncertainties. Actual results may differ materially from those contained in the forward-looking statements. These forward-looking statements include: management plans relating to the proposed acquisition of First Staunton Bancshares, Inc. ("proposed transaction"); the expected timing of the completion of the proposed transaction; the ability to complete the proposed transaction; the ability to obtain any required regulatory approvals; any statements of the plans and objectives of management for future operations, products or services; any statements of expectation or belief; projections related to certain financial results or other benefits of the proposed transaction; and any statements of assumptions underlying any of the foregoing. Factors which may cause actual results to differ materially from those contained in such forward-looking statements include those identified in the Company's most recent Form 10-K and subsequent SEC filings, and such factors are incorporated herein by reference. Additional factors which may cause actual results of the proposed transaction to differ materially from those contained in forward-looking statements are the possibility that expected benefits of the proposed transaction may not materialize in the timeframe expected or at all, or may be more costly to achieve; the proposed transaction may not be timely completed, if at all; that required regulatory approvals are not obtained or other customary closing conditions are not satisfied in a timely manner or at all; reputational risks and the reaction of shareholders, customers, employees or other constituents to the proposed transaction; and diversion of management time on acquisition-related matters.

Non-GAAP Measures

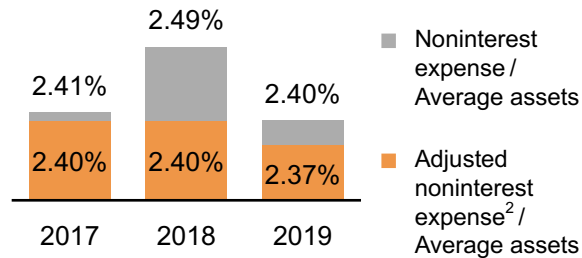
This presentation includes certain non-GAAP financial measures. These non-GAAP measures are provided in addition to, and not as substitutes for, measures of our financial performance determined in accordance with GAAP. Our calculation of these non-GAAP measures may not be comparable to similarly titled measures of other companies due to potential differences between companies in the method of calculation. As a result, the use of these non-GAAP measures has limitations and should not be considered superior to, in isolation from, or as a substitute for, related GAAP measures. Reconciliations of these non-GAAP financial measures to the most directly comparable GAAP financial measures can be found at the end of this presentation.

2019: MANAGING A CHALLENGING RATE ENVIRONMENT

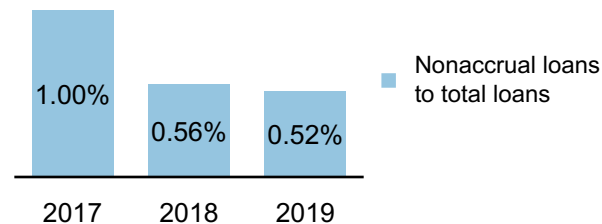
Balance Sheet Management



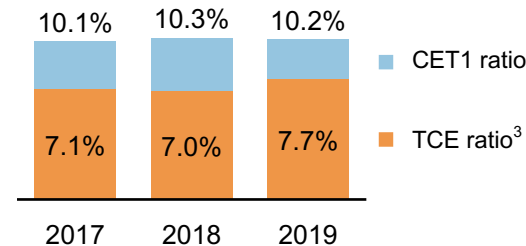
Controlled Costs



Positive Credit Trends



Capital Discipline



We took several balance sheet actions...

- Reduced higher cost network transactions deposits from \$2.3 billion to \$1.3 billion and increased our mix of low-cost deposits
- Sold \$1 billion, net, of lower-yielding investments and prepayment-sensitive residential mortgages

...while controlling costs...

- Our noninterest expense decreased \$28 million year over year
- Even excluding acquisition and restructuring related costs, our adjusted noninterest expense² / average assets also continued to improve

...and continuing to produce stable credit quality metrics...

- Provision for credit losses was \$16 million
- 2019 net charge-offs to average loans of 0.24%

...which enabled disciplined capital deployment while building capital for CECL implementation

- 2019 dividend payout ratio of 36%
- Repurchased \$177 million of shares in 2019

¹Low-cost deposits include noninterest-bearing demand, interest-bearing demand and savings deposits.

²Excludes acquisition and restructuring related costs. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

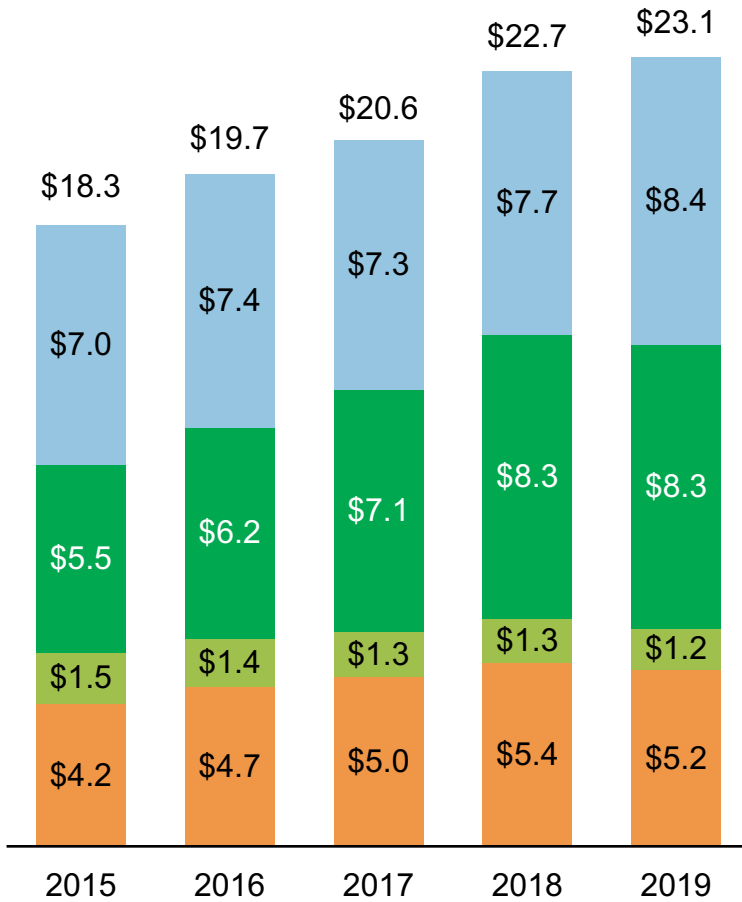
³Tangible common equity / tangible assets. This is a non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.



LOAN PORTFOLIO - ANNUAL TRENDS

Average Annual Loans

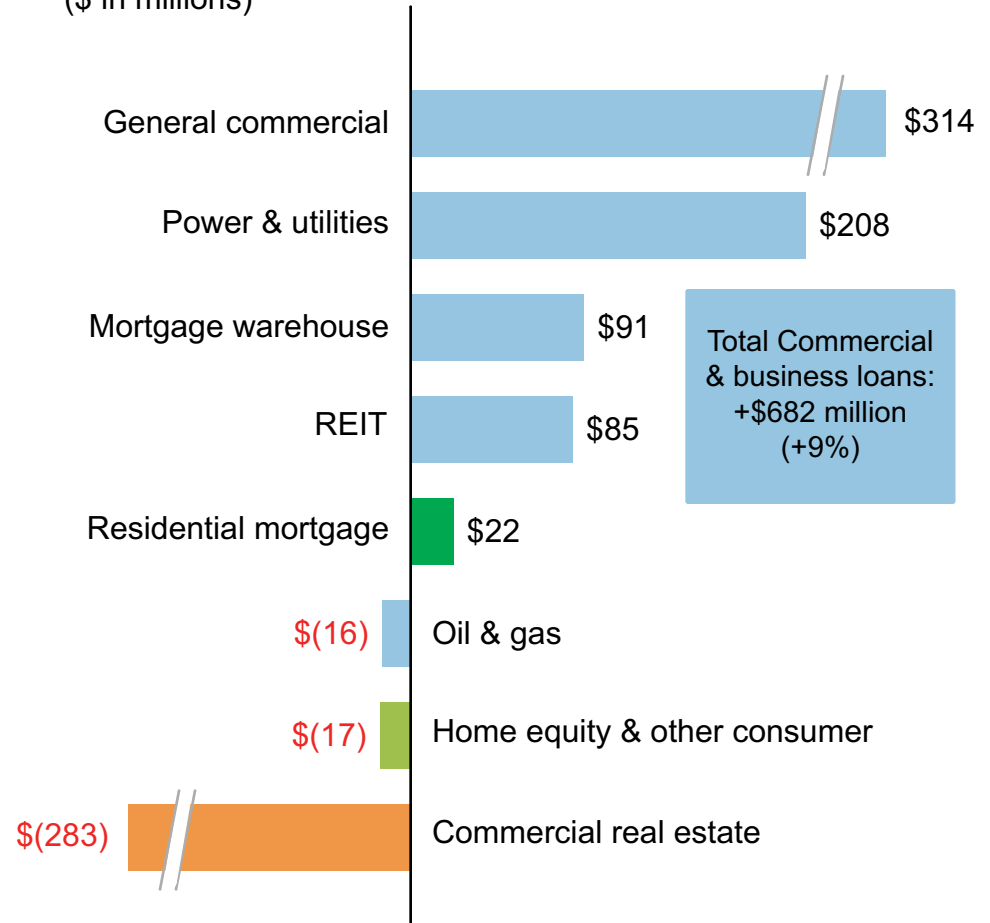
(\$ in billions)



■ Home equity & other consumer ■ Residential mortgage
■ Commercial real estate ■ Commercial & business lending

Average Net Loan Change (from 2018)

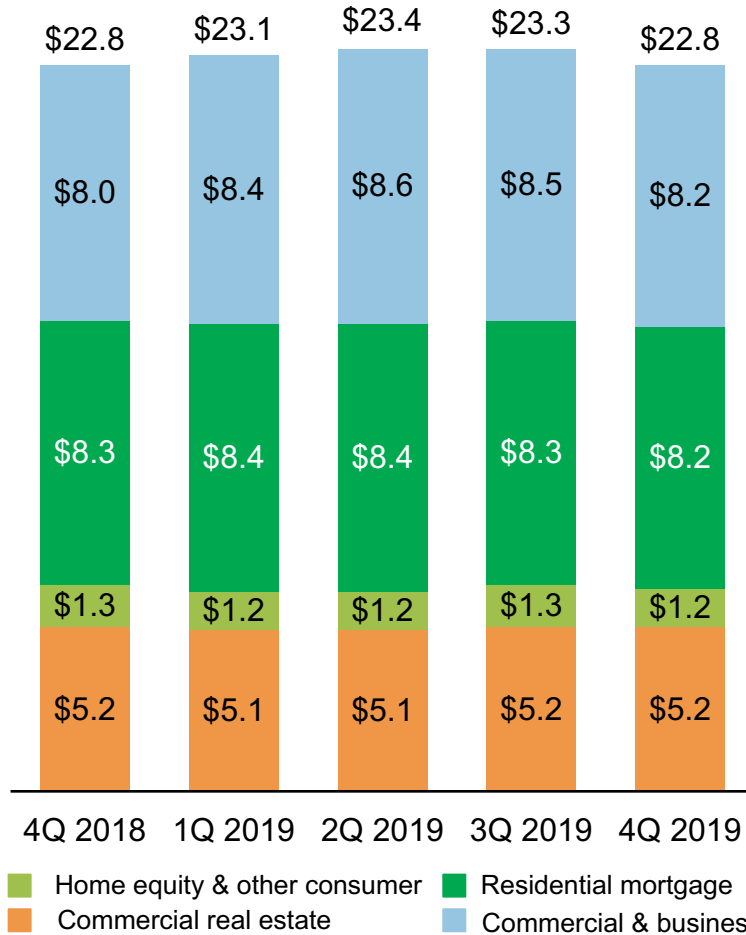
(\$ in millions)



LOAN PORTFOLIO - QUARTERLY TRENDS

Average Quarterly Loans

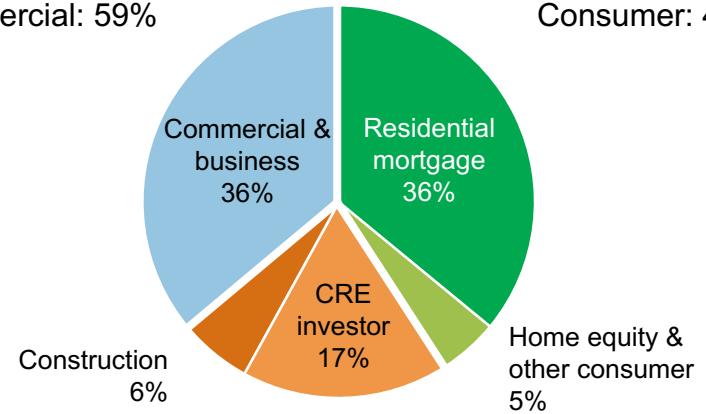
(\$ in billions)



Loan Mix – 4Q 2019 Period End

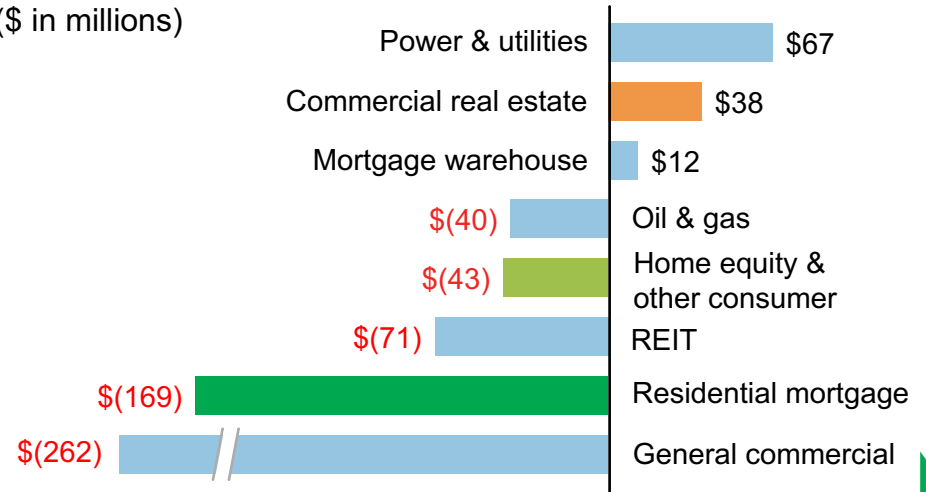
Commercial: 59%

Consumer: 41%



Average Net Loan Change (from 3Q 2019)

(\$ in millions)

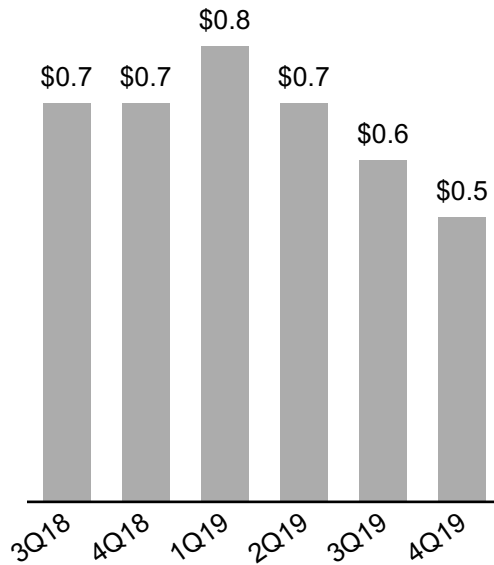


COMMERCIAL LOAN MANAGEMENT¹

Oil & Gas Loans

(\$ in billions)

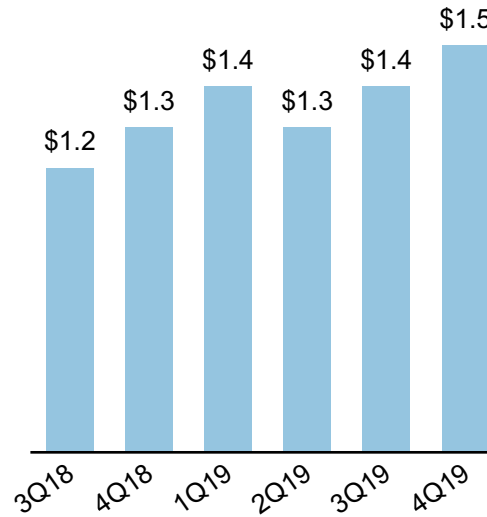
As we de-risked our Oil & Gas portfolio...



Power & Utilities Loans

(\$ in billions)

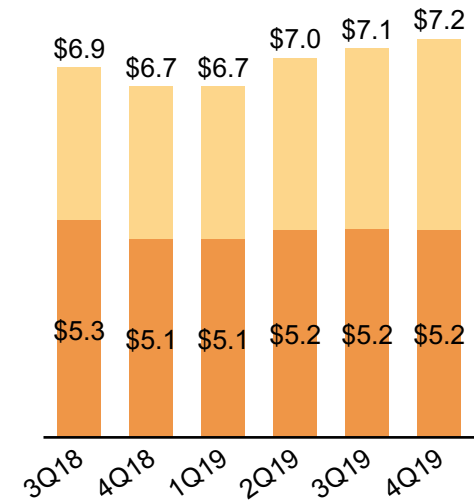
...we grew our Power & Utilities vertical...



Commercial Real Estate

(\$ in billions)

...and Commercial Real Estate rebounded



■ CRE unfunded commitments
■ CRE total outstanding balance

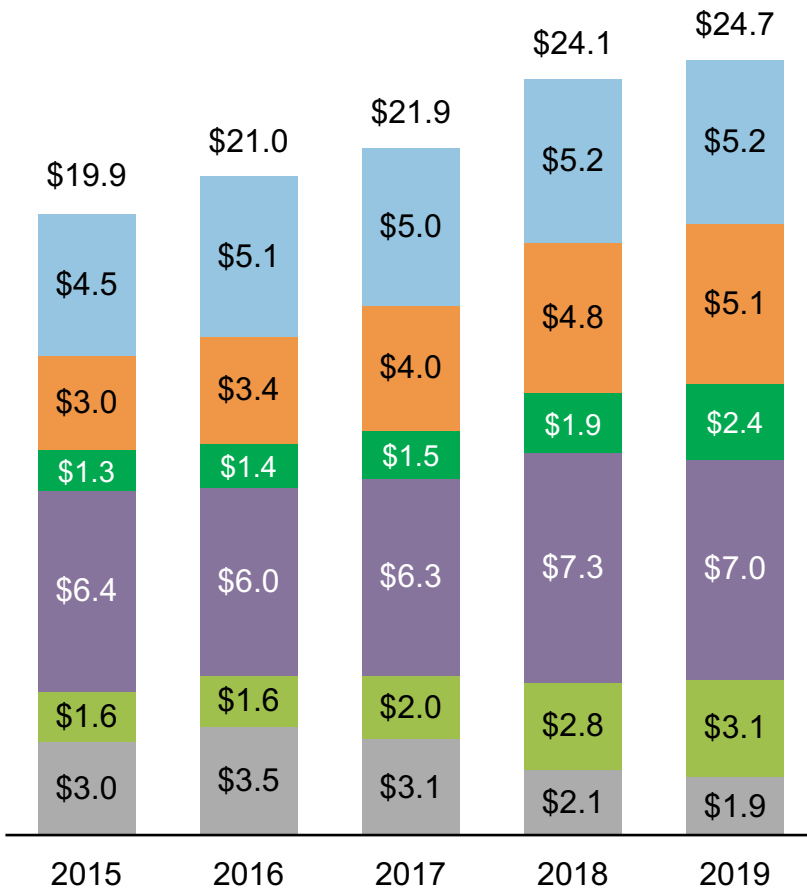
¹All values as of period end.



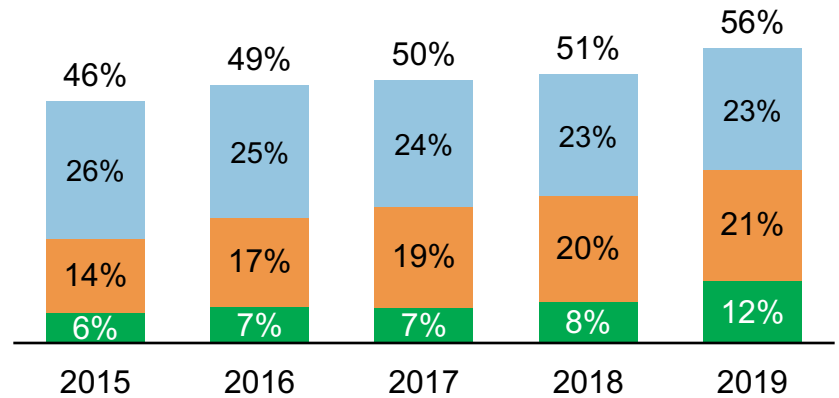
DEPOSIT PORTFOLIO - ANNUAL TRENDS

Average Annual Deposits

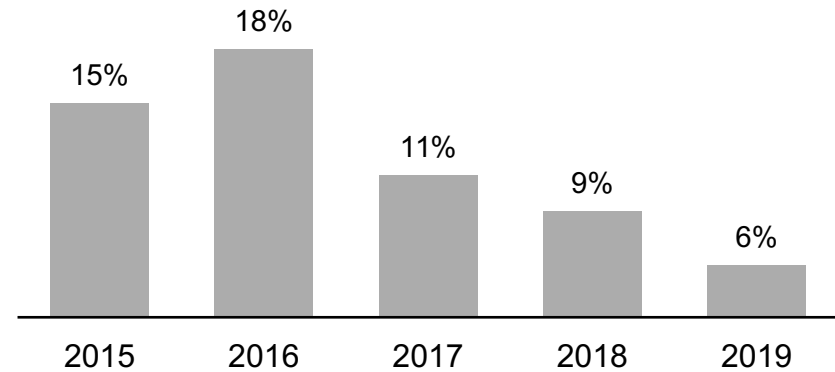
(\$ in billions)



Period End Low-cost Deposit Mix (%)



Period End Network Transaction Deposit Mix (%)



■ Network transaction deposits
■ Time deposits

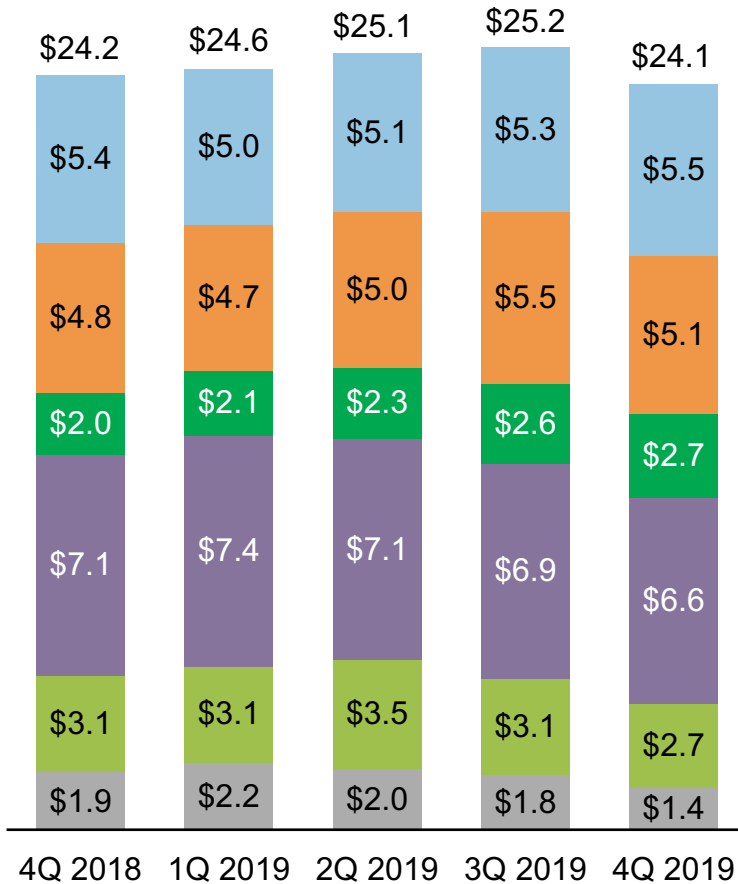
■ Money market
■ Savings

■ Interest-bearing demand
■ Noninterest-bearing demand

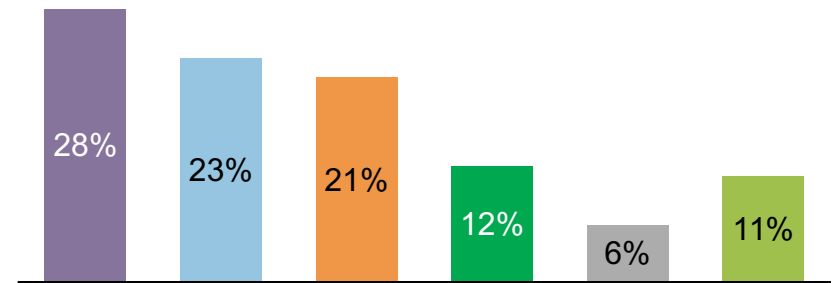
DEPOSIT PORTFOLIO - QUARTERLY TRENDS

Average Quarterly Deposits

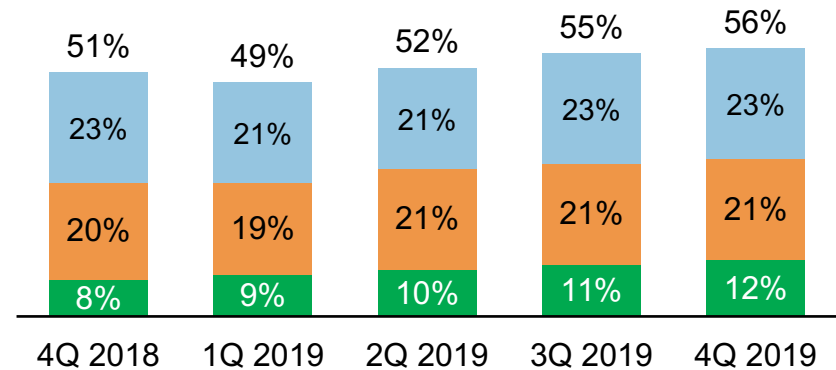
(\$ in billions)



4Q 2019 Period End Low-cost Deposit Mix



Period End Low-cost Deposit Mix Trend



■ Network transaction deposits
■ Time deposits

■ Money market
■ Savings

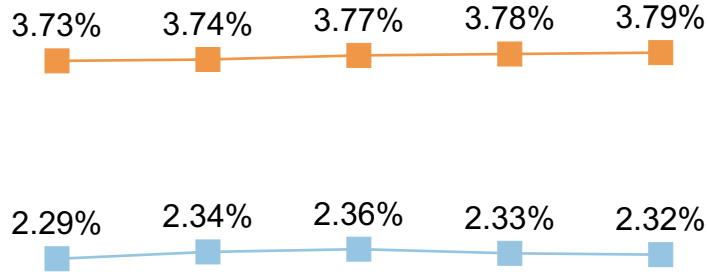
■ Interest-bearing demand
■ Noninterest-bearing demand



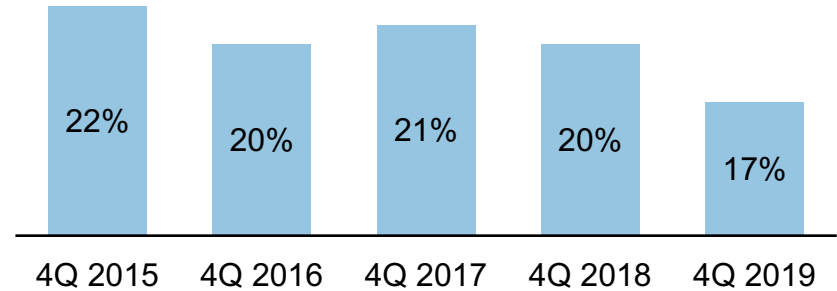
INVESTMENT SECURITIES PORTFOLIO TRENDS

Portfolio and Yield Trends (Quarterly)

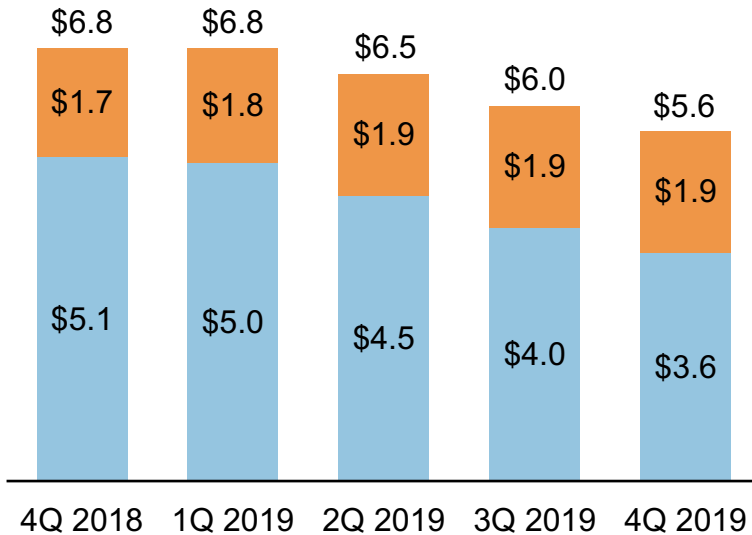
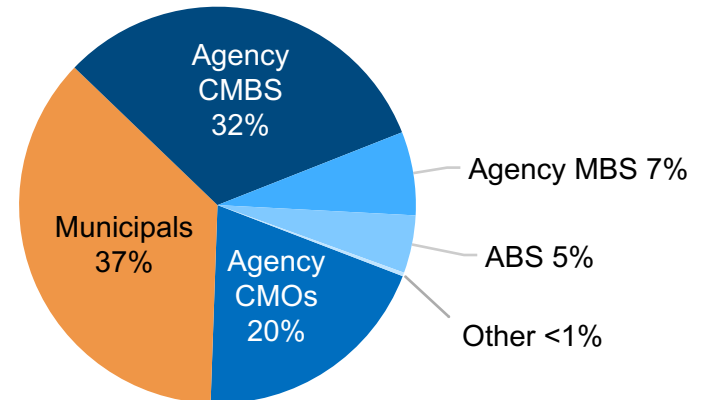
(\$ in billions)



Investments / Total Assets¹



Portfolio Fair Value Composition¹



■ Tax-exempt securities

■ Taxable securities

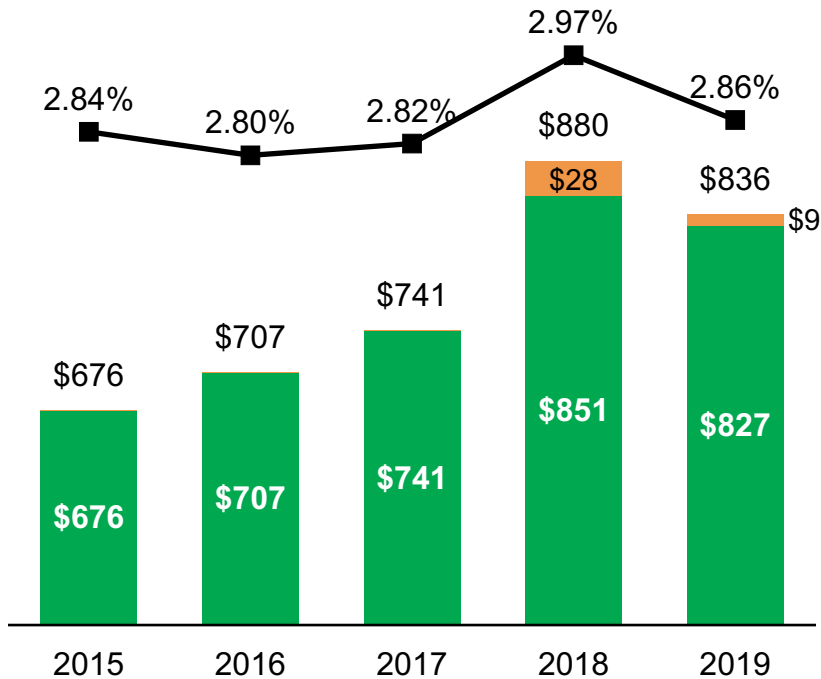
¹Values as of period end.



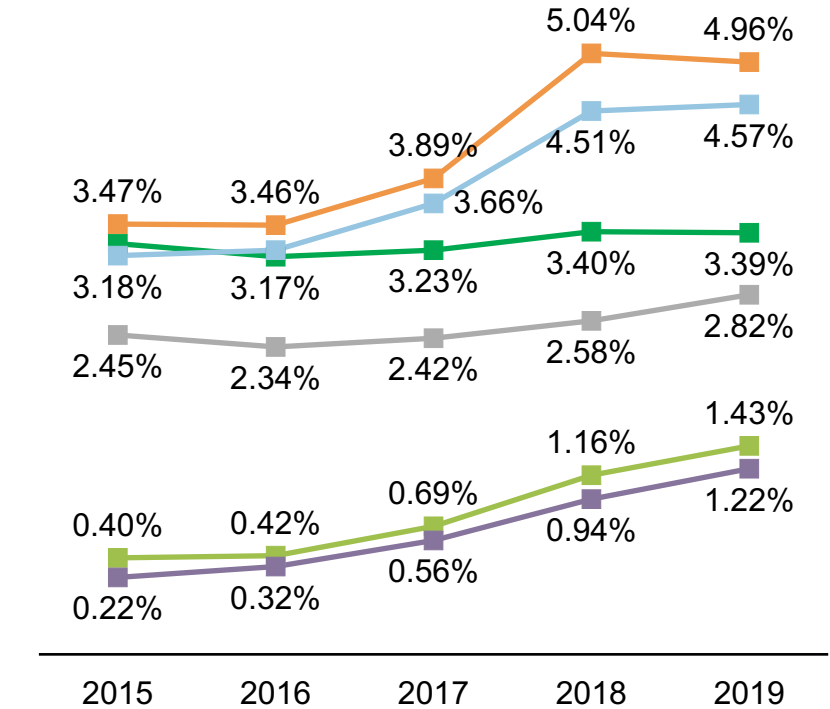
NET INTEREST INCOME AND MARGIN - ANNUAL TRENDS

Net Interest Income & Net Interest Margin

(\$ in millions)



Average Yields



Acquisition related prepayments and purchased loan accretion, net

Net interest income, net of acquisition related prepayments and purchased loan accretion

Net interest margin

Commercial real estate loans

Commercial & business lending loans

Total residential mortgage loans

Investments and other

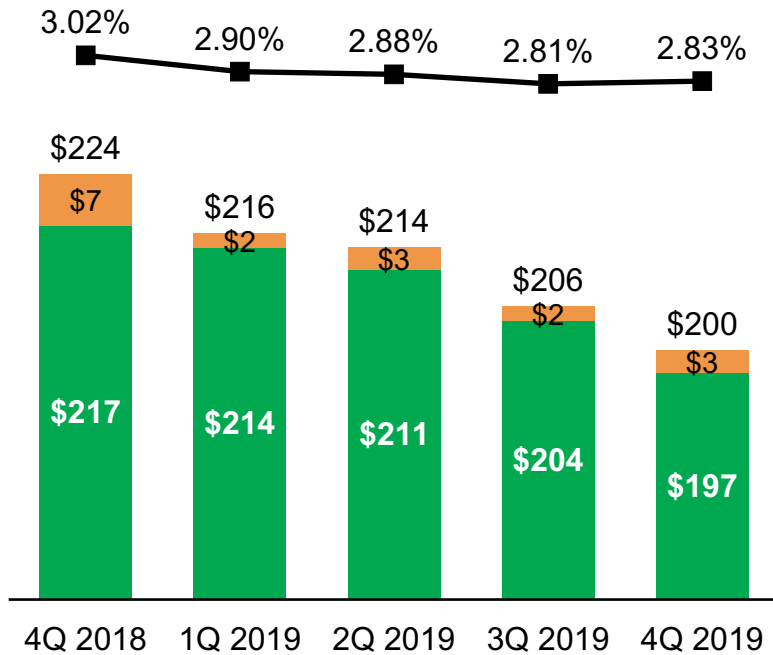
Total interest-bearing liabilities

Total interest-bearing deposits

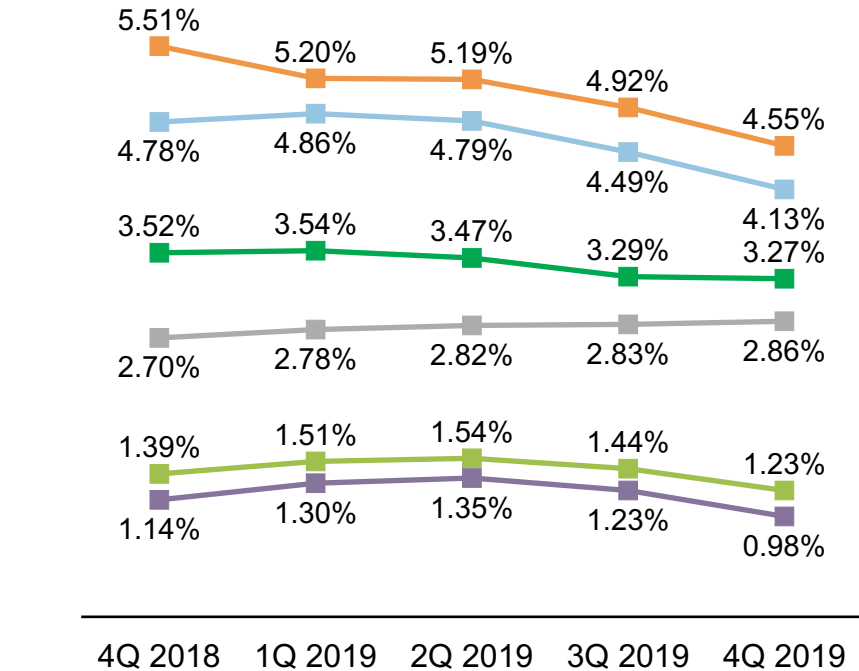
NET INTEREST INCOME AND MARGIN - QUARTERLY TRENDS

Net Interest Income & Net Interest Margin

(\$ in millions)



Average Yields



Acquisition related prepayments and purchased loan accretion, net

Net interest income, net of acquisition related prepayments and purchased loan accretion

Net interest margin

Commercial real estate loans

Commercial & business lending loans

Total residential mortgage loans

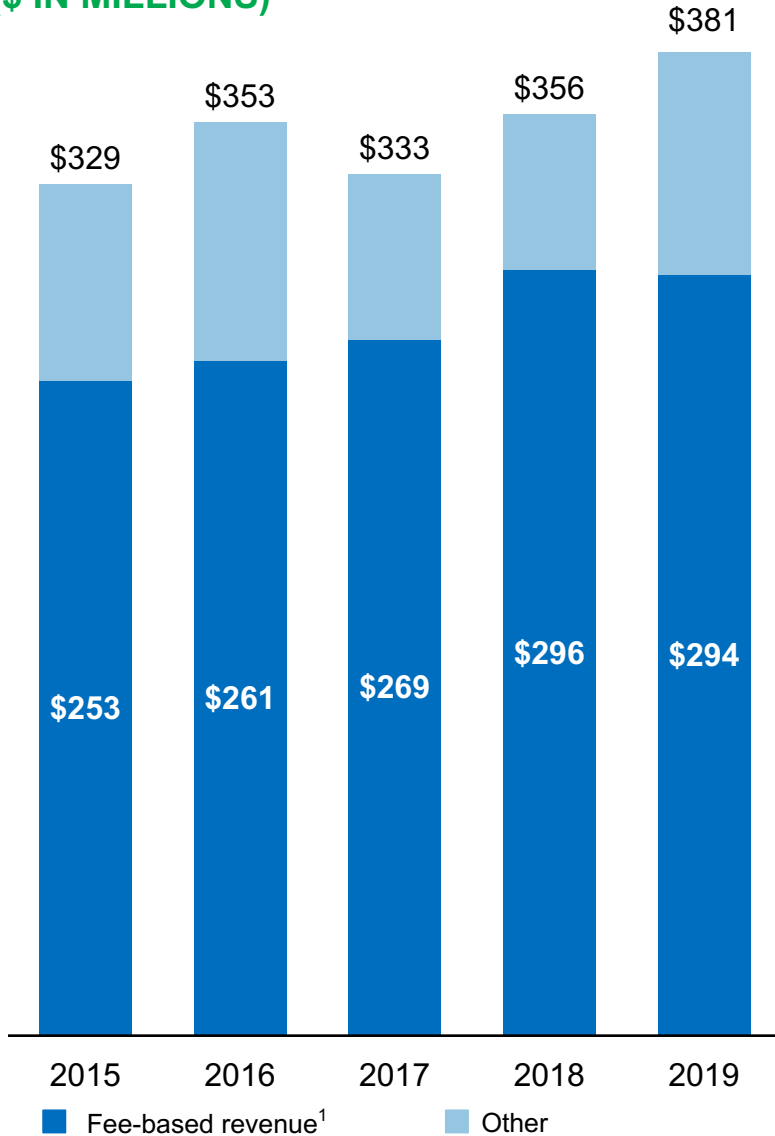
Investments and other

Total interest-bearing liabilities

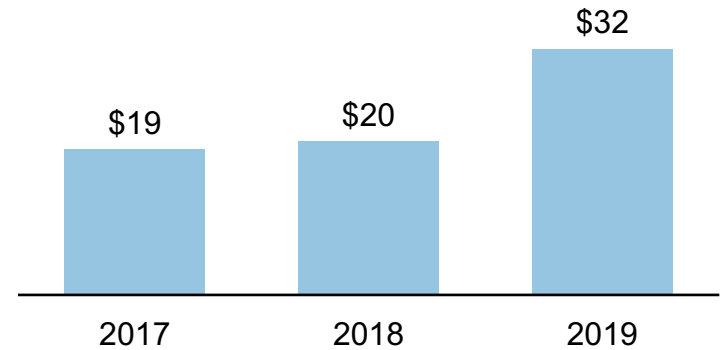
Total interest-bearing deposits

NONINTEREST INCOME - ANNUAL TRENDS

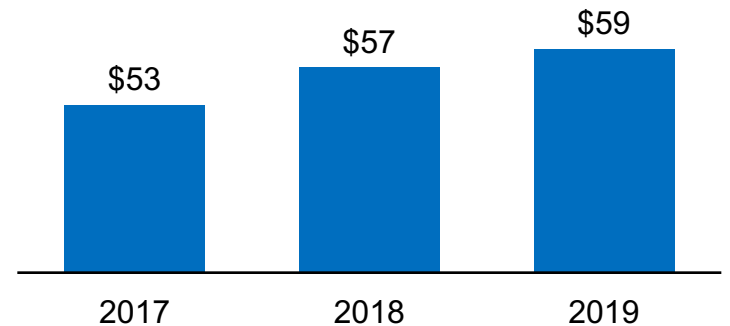
(\$ IN MILLIONS)



Mortgage Banking, Net



Card-based Fees and Other Fee-based Revenue

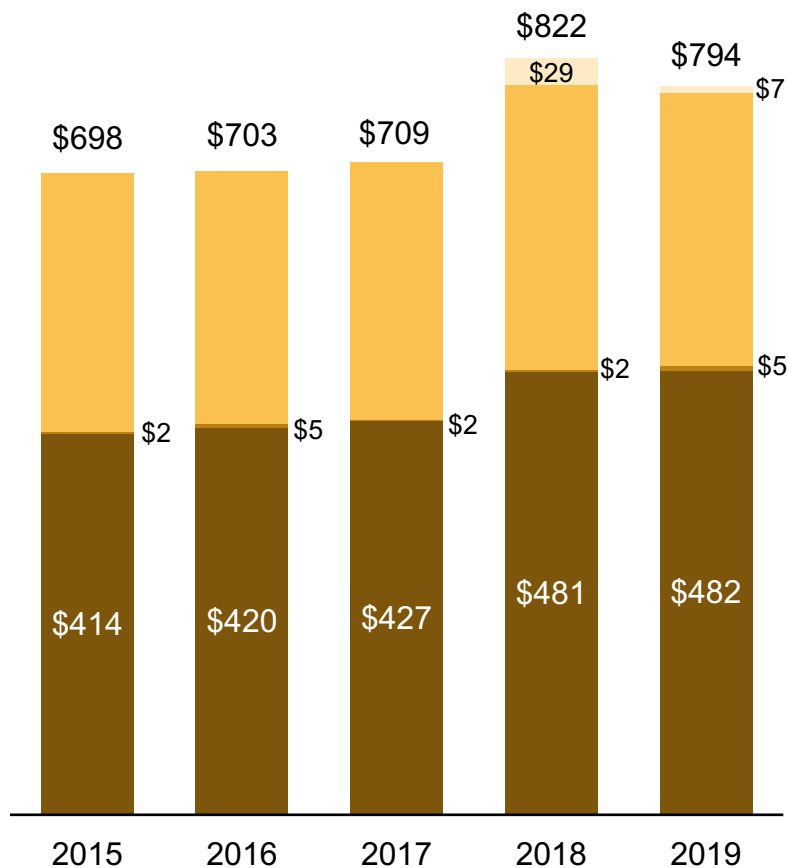


¹Fee-based revenue, a non-GAAP financial measure, is the sum of insurance commissions and fees, wealth management fees, service charges and deposit account fees, card-based fees, and other fee-based revenue. Please refer to the appendix for a reconciliation of fee-based revenue to total noninterest income.



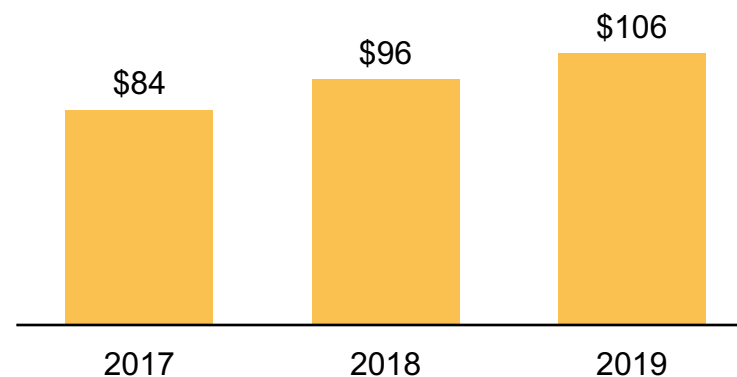
NONINTEREST EXPENSE - ANNUAL TRENDS

(\$ IN MILLIONS)

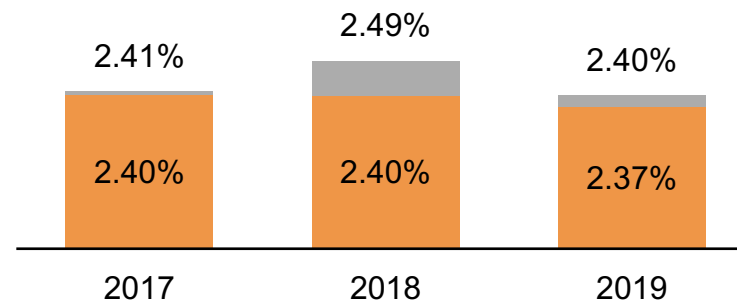


■ Adjusted personnel expense¹
■ Other
■ Severance
 ■ Acquisition related costs

Technology and Equipment Expense



Noninterest Expense / Average Assets



■ Adjusted noninterest expense² / average assets
 ■ Noninterest expense / average assets

¹Excludes restructuring related costs. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

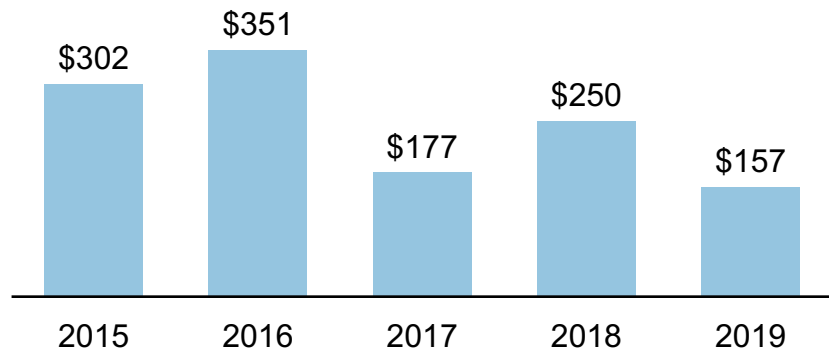
²Excludes acquisition and restructuring related costs. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.



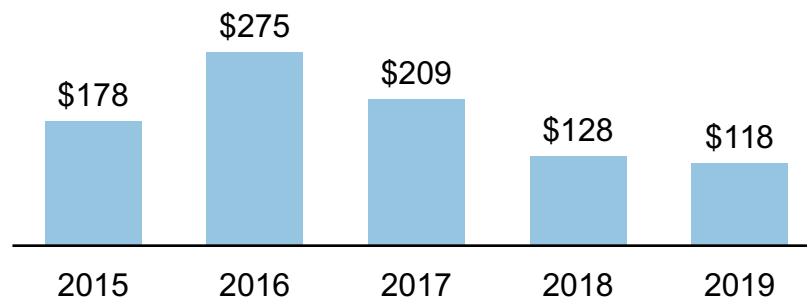
CREDIT QUALITY - QUARTERLY TRENDS

(\$ IN MILLIONS; AT OR FOR THE YEAR ENDED)

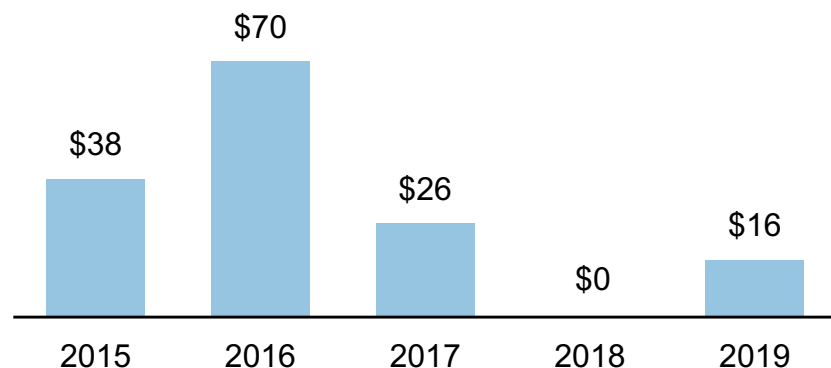
Potential Problem Loans



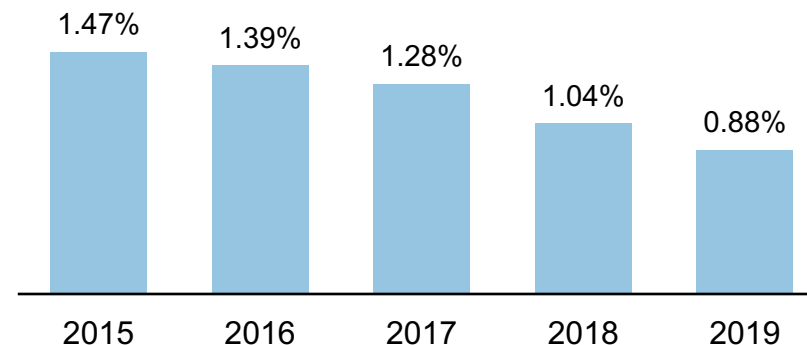
Nonaccrual Loans



Provision for Credit Losses



Allowance for Loan Losses to Loans

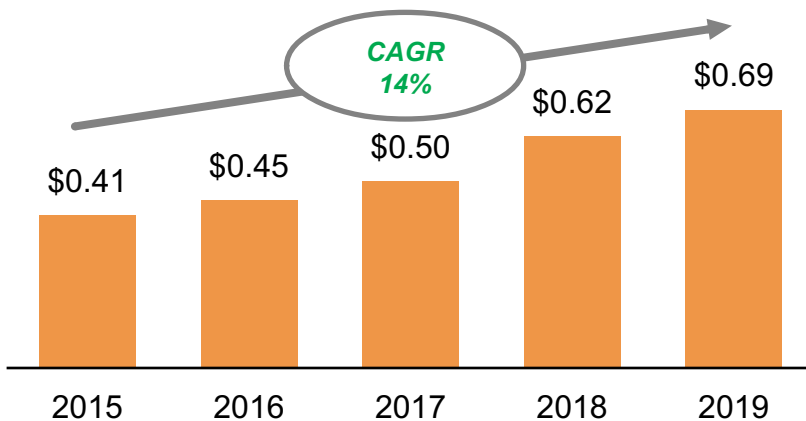


STRONG CAPITAL POSITION

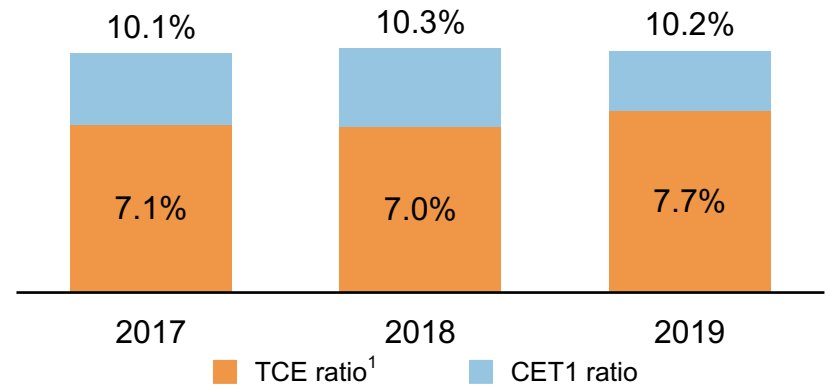
Highlights

- Disciplined management of both regulatory and economic capital
- Built up TCE ratio¹ in 2019 in preparation for CECL implementation while continuing to deploy capital according to stated priorities
- Repurchased \$177 million of common shares in 2019 and ~\$570 million over the last five years
- Tangible book value per share growth of 10% year over year in 2019

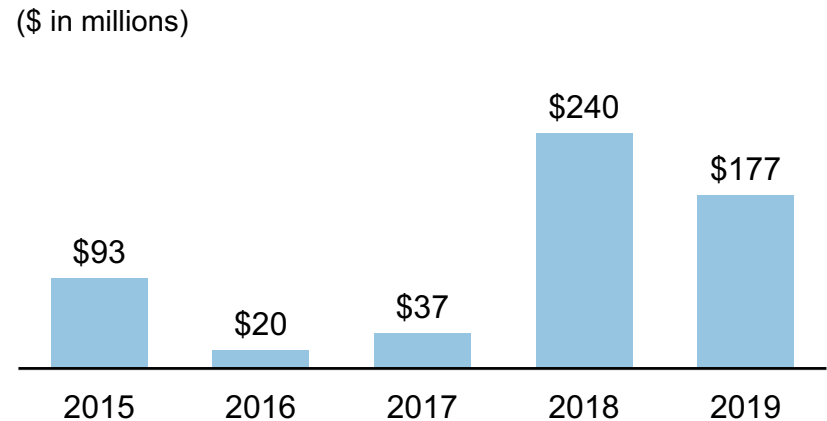
Dividends to Common Shareholders



CET1 and TCE Ratios



Share Repurchases



¹Tangible common equity / tangible assets. This is a non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.

2020 OUTLOOK

This outlook reflects our expectation for a stable economy. We may adjust our outlook if, and when, we have more clarity on economic factors.

Balance Sheet Management

- Annual average loan growth of 2% to 4%
- Maintain loan to deposit ratio under 100%
- Full-year 2020 NIM expected to be 2.80% to 2.85%

Expense Management

- Noninterest expense of \$790 million to \$795 million
- Effective tax rate of 19% to 21%

Fee Businesses

- Noninterest income of \$375 million to \$385 million

Capital & Credit Management

- Initial CECL impact expected to be a \$70 million to \$80 million after-tax charge and a corresponding 21 bps to 24 bps decrease in the TCE ratio¹
- Continue to follow stated corporate priorities for capital deployment

¹Tangible common equity / tangible assets. This is a non-GAAP financial measure. See Appendix for a reconciliation of non-GAAP financial measures to GAAP financial measures.



APPENDIX



RECONCILIATION AND DEFINITIONS OF NON-GAAP ITEMS

(\$ in millions)

Adjusted Noninterest Expense Reconciliation ¹	2019	2018	2017		
Noninterest expense	\$ 794	\$ 822	\$ 709		
Acquisition related costs	7	29	-		
Severance	5	2	2		
Adjusted noninterest expense	\$ 782	\$ 791	\$ 708		
Tangible Common Equity and Tangible Common Assets Reconciliation ²	2019	2018	2017		
Common equity	\$ 3,665	\$ 3,524	\$ 3,078		
Goodwill and other intangible assets, net	(1,265)	(1,245)	(992)		
Tangible common equity	\$ 2,401	\$ 2,279	\$ 2,086		
Total assets	\$ 32,386	\$ 33,615	\$ 30,444		
Goodwill and other intangible assets, net	(1,265)	(1,245)	(992)		
Tangible assets	\$ 31,122	\$ 32,370	\$ 29,492		
Fee-based Revenue	2019	2018	2017	2016	2015
Insurance commissions and fees	\$ 89	\$ 90	\$ 81	\$ 81	\$ 75
Wealth management fees	83	83	70	63	64
Service charges and deposit account fees	63	66	64	67	65
Card-based fees	40	40	35	34	29
Other fee-based revenue	19	18	18	17	19
Fee-based revenue	\$ 294	\$ 296	\$ 269	\$ 261	\$ 253
Other	86	60	64	92	76
Total noninterest income	\$ 381	\$ 356	\$ 333	\$ 353	\$ 329
Adjusted Personnel Expense Reconciliation ¹	2019	2018	2017	2016	2015
Personnel expense	\$ 487	\$ 483	\$ 429	\$ 425	\$ 416
Severance	5	2	2	5	2
Adjusted personnel expense	\$ 482	\$ 481	\$ 427	\$ 420	\$ 414

¹This is a non-GAAP financial measure. Management believes these measures are meaningful because they reflect adjustments commonly made by management, investors, regulators, and analysts to evaluate the adequacy of results and provide greater understanding of ongoing operations and enhanced comparability of results with prior periods.

²The ratio tangible common equity to tangible assets excludes goodwill and other intangible assets, net. This financial measure has been included as it is considered to be a critical metric with which to analyze and evaluate financial condition and capital strength.

