

MB FINANCIAL INC /MD
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Fifth Third Announces Fourth Quarter 2018 Results

Diluted earnings per share of \$0.64, including a negative \$0.05 impact from certain items on page 2

Key Financial Data

\$ millions for all balance sheet and income statement items

| | 4Q18 | 3Q18 | 4Q17 |
|---|------------|------------|------------|
| Income Statement Data^(a) | | | |
| Net income available to common shareholders | \$432 | \$421 | \$504 |
| Net interest income (U.S. GAAP) | 1,081 | 1,043 | 956 |
| Net interest income (FTE) ^(b) | 1,085 | 1,047 | 963 |
| Noninterest income | 575 977 | 563 970 | 577 975 |

Key Highlights^(a)

Strong financial performance and momentum

Net Interest Margin 19 bps compared to adjusted 4Q17

Expenses flat compared to 4Q17

Adjusted Return on Assets 14% compared to 4Q17

Noninterest expense

Per Share Data^(a)

| | | | |
|---------------------------|--------|--------|--------|
| Earnings per share, basic | \$0.65 | \$0.62 | \$0.71 |
|---------------------------|--------|--------|--------|

| | | | |
|-----------------------------|------|------|------|
| Earnings per share, diluted | 0.64 | 0.61 | 0.70 |
|-----------------------------|------|------|------|

| | | | |
|----------------------|-------|-------|-------|
| Book value per share | 23.07 | 21.70 | 21.43 |
|----------------------|-------|-------|-------|

| | | | |
|--|-------|-------|-------|
| Tangible book value per share ^(b) | 19.17 | 17.94 | 17.86 |
|--|-------|-------|-------|

Balance Sheet & Credit Quality

| | | | |
|------------------------------------|----------|----------|----------|
| Average portfolio loans and leases | \$94,757 | \$93,192 | \$92,250 |
|------------------------------------|----------|----------|----------|

| | | | |
|------------------|---------|---------|---------|
| Average deposits | 107,495 | 104,666 | 102,790 |
|------------------|---------|---------|---------|

| | | | |
|-------------------------------------|--------|--------|--------|
| Net charge-off ratio ^(c) | 0.35 % | 0.30 % | 0.33 % |
|-------------------------------------|--------|--------|--------|

| | | | |
|--|------|------|------|
| Nonperforming asset ratio ^(d) | 0.41 | 0.48 | 0.53 |
|--|------|------|------|

Financial Ratios^(a)

| | | | |
|--------------------------|--------|--------|--------|
| Return on average assets | 1.25 % | 1.22 % | 1.48 % |
|--------------------------|--------|--------|--------|

| | | | |
|---------------------------------|------|------|------|
| Return on average common equity | 11.8 | 11.4 | 13.3 |
|---------------------------------|------|------|------|

| | | | |
|---|------|------|------|
| Return on average tangible common equity ^(b) | 14.3 | 13.8 | 16.0 |
|---|------|------|------|

| | | | |
|-----------------------------------|-------|-------|-------|
| CET1 capital ^{(e)(f)(g)} | 10.24 | 10.67 | 10.61 |
|-----------------------------------|-------|-------|-------|

Average loans up 3% compared to 4Q17

Average core deposits up 4% compared to 4Q17

Remain on-track to achieve NorthStar targets^(b)

ROTCE 14.3% (adjusted 15.4%)

ROA 1.25% (adjusted 1.34%)

Efficiency ratio 58.8% (adjusted 56.8%)

Record 4Q18 business and credit results

Record corporate banking revenue

Record middle market & corporate loan originations

~20 year low commercial criticized ratio (3.34%)

~20 year low NPA ratio (0.41%)

| | | | |
|------------------------------------|------|------|------|
| Net interest margin ^(b) | 3.29 | 3.23 | 3.02 |
| Efficiency ^(b) | 58.8 | 60.2 | 63.3 |

Other than the Quarterly Financial Review tables beginning on page 14, commentary is on a fully taxable-equivalent (FTE) basis unless otherwise noted. Consistent with SEC guidance in Industry Guide 3 that contemplates the calculation of tax-exempt income on a taxable-equivalent basis, net interest income, net interest margin, net interest rate spread, total revenue and the efficiency ratio are provided on an FTE basis. Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

CEO Commentary

Our fourth quarter and full year results were very strong. In 2018, we produced record results, generated profitable relationship growth, benefited from our improved balance sheet resiliency, and diligently managed our expenses while continuing to invest for future growth. We returned \$2 billion to our shareholders through repurchases and dividends, including a nearly 40% increase in the dividend by the end of the year, while maintaining very strong capital ratios.

We recently received the regulatory non-objection related to our re-submitted capital plan, including the pro forma impact of MB Financial. We remain confident in our ability to achieve the expected financial synergies from the pending acquisition, and we continue to expect the transaction to close in the first quarter of 2019.

With the conclusion of Project NorthStar at the end of 2019, the ongoing MB Financial integration efforts, and a clearly-defined set of strategic priorities for the future, we remain very confident in our ability to achieve our long-term financial targets and outperform through the cycle.

-Greg D. Carmichael, Chairman, President and CEO

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Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

Income Statement Highlights

| (\$ in millions, except per share data) | For the Three Months Ended | | | % Change | |
|---|----------------------------|----------------|---------------|----------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Condensed Statements of Income^(a) | | | | | |
| Net interest income (NII) ^(b) | \$1,085 | \$1,047 | \$963 | 4% | 13% |
| Provision for loan and lease losses | 95 | 86 | 67 | 10% | 42% |
| Noninterest income | 575 | 563 | 577 | 2% | - |
| Noninterest expense | 977 | 970 | 975 | 1% | - |
| Income before income taxes ^(b) | \$588 | \$554 | \$498 | 6% | 18% |
| Taxable equivalent adjustment | 4 | 4 | 7 | - | (43%) |
| Applicable income tax expense (benefit) | 129 | 114 | (36) | 13% | NM |
| Net income | \$455 | \$436 | \$527 | 4% | (14%) |
| Less: Net income attributable to noncontrolling interests | - | - | - | NM | NM |
| Net income attributable to Bancorp | \$455 | \$436 | \$527 | 4% | (14%) |
| Dividends on preferred stock | 23 | 15 | 23 | 53% | - |
| Net income available to common shareholders | \$432 | \$421 | \$504 | 3% | (14%) |
| Earnings per share, diluted | \$0.64 | \$0.61 | \$0.70 | 5% | (9%) |

Fifth Third Bancorp (Nasdaq: FITB) today reported fourth quarter 2018 net income of \$455 million compared to net income of \$527 million in the year-ago quarter. Net income available to common shareholders was \$432 million, or \$0.64 per diluted share, compared to \$504 million, or \$0.70 per diluted share in the year-ago quarter. Prior quarter net income was \$436 million and net income available to common shareholders was \$421 million, or \$0.61 per diluted share.

Reported full year 2018 net income was \$2.2 billion, compared to full year 2017 net income of \$2.2 billion. Full year 2018 net income available to common shareholders was \$2.1 billion, or \$3.06 per diluted share, compared to full year 2017 net income available to common shareholders of \$2.1 billion, or \$2.81 per diluted share.

Diluted earnings per share impact of certain items

(\$ in millions, except per share data)

| | |
|---|------|
| Merger-related expenses, after-tax ^(h) | \$21 |
| GreenSky equity securities losses, after-tax ^(h) | \$17 |

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| | |
|---|---------|
| Valuation of Visa total return swap, after-tax ^(h) | (\$6) |
| After-tax impact ^(h) | \$32 |
| Average diluted common shares outstanding (thousands) | 662,966 |
| Diluted earnings per share impact | \$0.05 |

Net Interest Income

| (FTE; \$ in millions) ^(b) | For the Three Months Ended | | | % Change | |
|---|----------------------------|-------------------|------------------|------------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Interest Income | | | | | |
| Interest income | \$1,397 | \$1,319 | \$1,151 | 6% | 21% |
| Interest expense | 312 | 272 | 188 | 15% | 66% |
| Net interest income (NII) | \$1,085 | \$1,047 | \$963 | 4% | 13% |
| Average Yield/Rate Analysis | | | | | |
| | | | | bps Change | |
| Yield on interest-earning assets | 4.23% | 4.07% | 3.61% | 16 | 62 |
| Rate paid on interest-bearing liabilities | 1.33% | 1.20% | 0.88% | 13 | 45 |

Ratios

| | | | | | |
|--------------------------|-------|-------|-------|---|----|
| Net interest rate spread | 2.90% | 2.87% | 2.73% | 3 | 17 |
| Net interest margin | 3.29% | 3.23% | 3.02% | 6 | 27 |

Compared to the year-ago quarter, NII increased \$122 million, or 13 percent, which was impacted by a \$27 million remeasurement related to the tax treatment of leveraged leases in the year-ago quarter. Excluding the remeasurement, NII increased \$95 million, or 10 percent, reflecting higher short-term market rates and growth in interest-earning assets, partially offset by an increase in funding costs. NIM increased 27 bps, which included an 8 bps impact from the remeasurement in the year-ago quarter. Excluding the remeasurement, NIM increased 19 bps, reflecting higher short-term market rates and growth in interest-earning assets.

Compared to the prior quarter, NII increased \$38 million, or 4 percent, reflecting growth in commercial and industrial (C&I) loans, securities portfolio balance growth, and higher short-term market rates. NIM increased 6 bps, primarily driven by higher short-term market rates and growth in C&I loans.

Noninterest Income

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|---|----------------------------|-------------------|------------------|----------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Noninterest Income | | | | | |
| Service charges on deposits | \$135 | \$139 | \$138 | (3%) | (2%) |
| Corporate banking revenue | 130 | 100 | 77 | 30% | 69% |
| Mortgage banking net revenue | 54 | 49 | 54 | 10% | - |
| Wealth and asset management revenue | 109 | 114 | 106 | (4%) | 3% |
| Card and processing revenue | 84 | 82 | 80 | 2% | 5% |
| Other noninterest income | 93 | 86 | 123 | 8% | (24%) |
| Securities (losses) gains, net | (32) | (6) | 1 | 433% | NM |
| Securities gains (losses), net - non-qualifying hedges on mortgage servicing rights | 2 | (1) | (2) | NM | NM |
| Total noninterest income | \$575 | \$563 | \$577 | 2% | - |

Reported noninterest income was flat from the year-ago quarter, and increased \$12 million, or 2 percent, from the prior quarter. The comparisons reflect the impact of certain significant items in the table on page 4.

Compared to the year-ago quarter, service charges on deposits decreased \$3 million, or 2 percent. Corporate banking revenue increased \$53 million, or 69 percent, which was impacted by a \$25 million lease remarketing impairment in the year-ago quarter. Excluding this impact, corporate banking revenue increased \$28 million, or 27 percent, primarily driven by strong capital markets revenue led by record M&A advisory fees as well as increased syndication revenues. Mortgage banking net revenue was flat primarily driven by lower negative net valuation adjustments and higher gross mortgage servicing fees, partially offset by lower origination fees and gains on loan sales. Mortgage originations of \$1.6 billion decreased 18 percent. Wealth and asset management revenue increased \$3 million, or 3 percent, primarily driven by higher personal asset management revenue reflecting positive net inflows. Card and processing revenue increased \$4 million, or 5 percent, reflecting increases in credit card spend and debit transaction volumes, partially offset by higher rewards.

Compared to the prior quarter, service charges on deposits decreased \$4 million, or 3 percent. Corporate banking revenue increased \$30 million, or 30 percent, primarily driven by increases in M&A advisory and syndication revenues. Mortgage banking net revenue increased \$5 million, or 10 percent, primarily driven by lower negative net valuation adjustments partially offset by lower origination fees and gains on loan sales. Mortgage originations decreased 16 percent. Wealth and asset management revenue decreased \$5 million, or 4 percent, primarily driven by lower institutional trust and brokerage fees. Card and processing revenue increased \$2 million, or 2 percent, reflecting increases in credit card spend volumes, partially offset by higher rewards.

Noninterest Income excluding certain items

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|---|----------------------------|----------------|---------------|----------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Noninterest Income excluding certain items | | | | | |
| Noninterest income (U.S. GAAP) | \$575 | \$563 | \$577 | | |
| Valuation of Visa total return swap | (7) | 17 | 11 | | |
| GreenSky equity securities losses | 21 | 8 | - | | |
| Securities losses / (gains), net (excluding GreenSky) | 11 | (2) | (1) | | |
| Noninterest income excluding certain items ^(b) | \$600 | \$586 | \$587 | 2% | 2% |

Compared to the year-ago quarter, noninterest income excluding the items in the table above increased \$13 million, or 2 percent. Compared to the prior quarter, noninterest income excluding these items increased \$14 million, or 2 percent.

Other noninterest income on a reported basis in the current and previous quarters was impacted by the Visa total return swap valuation adjustments. Excluding this item, other noninterest income of \$86 million decreased \$48 million, or 36 percent compared to the year-ago quarter, primarily driven by a decrease in the revenue recognized from Worldpay related to the tax receivable agreement and a decline in equity method earnings from the ownership interest in Worldpay. Compared to the prior quarter, other noninterest income excluding the Visa total return swap valuation adjustments decreased \$17 million, or 17 percent, primarily driven by lower private equity investment income, partially offset by the revenue recognized from Worldpay related to the tax receivable agreement.

Noninterest Expense

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|--|----------------------------|-------------------|------------------|----------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Noninterest Expense^(a) | | | | | |
| Compensation and benefits | \$506 | \$503 | \$500 | 1% | 1% |
| Net occupancy expense | 73 | 70 | 74 | 4% | (1%) |
| Technology and communications | 79 | 71 | 68 | 11% | 16% |
| Equipment expense | 31 | 31 | 29 | - | 7% |
| Card and processing expense | 33 | 31 | 34 | 6% | (3%) |
| Other noninterest expense | 255 | 264 | 270 | (3%) | (6%) |
| Total noninterest expense | \$977 | \$970 | \$975 | 1% | - |

Compared to the year-ago quarter, noninterest expense was flat, including merger-related expenses in the current quarter. The merger-related expenses primarily impacted other noninterest expense, with a lesser impact on technology and communication expense. Excluding these expenses in the current quarter, as well as one-time employee bonuses following the recently-enacted tax reform and a Fifth Third Foundation contribution in the year-ago quarter, noninterest expense increased \$5 million. Results reflected an increase in compensation and benefits resulting from an increase in incentive based payments from record commercial loan originations and capital markets activities, and continued technology investments, offset by the elimination of the FDIC surcharge.

Compared to the prior quarter, noninterest expense increased \$7 million, or 1 percent, reflecting merger-related expenses. Excluding the merger-related expenses in the current quarter, noninterest expense decreased \$20 million, or 2 percent, despite elevated incentive based payments reflecting record commercial loan originations and capital markets activities. Results also reflect the elimination of the FDIC surcharge and continued technology investments.

Average Interest-Earning Assets

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|---|----------------------------|-------------------|------------------|-----------|-----------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Average Portfolio Loans and Leases | | | | | |
| Commercial loans and leases: | | | | | |
| Commercial and industrial loans | \$43,829 | \$42,494 | \$41,438 | 3% | 6% |
| Commercial mortgage loans | 6,864 | 6,635 | 6,751 | 3% | 2% |
| Commercial construction loans | 4,885 | 4,870 | 4,660 | - | 5% |
| Commercial leases | 3,632 | 3,738 | 4,016 | (3%) | (10%) |
| Total commercial loans and leases | \$59,210 | \$57,737 | \$56,865 | 3% | 4% |
| Consumer loans: | | | | | |
| Residential mortgage loans | \$15,520 | \$15,598 | \$15,590 | (1%) | - |
| Home equity | 6,438 | 6,529 | 7,066 | (1%) | (9%) |
| Automobile loans | 8,970 | 8,969 | 9,175 | - | (2%) |
| Credit card | 2,373 | 2,299 | 2,202 | 3% | 8% |
| Other consumer loans | 2,246 | 2,060 | 1,352 | 9% | 66% |
| Total consumer loans | \$35,547 | \$35,455 | \$35,385 | - | - |
| Portfolio loans and leases | \$94,757 | \$93,192 | \$92,250 | 2% | 3% |
| Loans held for sale | 641 | 785 | 615 | (18%) | 4% |

| | | | | | |
|---|-----------|-----------|-----------|----|----|
| Securities and other short-term investments | 35,674 | 34,822 | 33,756 | 2% | 6% |
| Total average interest-earning assets | \$131,072 | \$128,799 | \$126,621 | 2% | 4% |

Compared to the year-ago quarter, average portfolio loans and leases increased 3 percent, primarily driven by higher C&I and other consumer loans, partially offset by declines in home equity loans and commercial leases. Period end portfolio loans and leases increased 4 percent year-over-year. Compared to the prior quarter, average portfolio loans and leases increased 2 percent, primarily driven by higher C&I and commercial mortgage loans, partially offset by a decline in commercial leases. Period end portfolio loans and leases increased 2 percent from the prior quarter.

Compared to the year-ago quarter, average commercial portfolio loans and leases increased 4 percent, primarily driven by higher C&I loans. Compared to the prior quarter, average commercial portfolio loans and leases increased 3 percent, primarily driven by growth in C&I and commercial mortgage loans. Period end commercial line utilization was 36 percent, compared to 34 percent in the year-ago quarter and 35 percent in the prior quarter.

Compared to the year-ago quarter, average consumer portfolio loans were flat, primarily driven by higher other consumer loans resulting from an increase in unsecured personal loans and growth in credit card loans, offset by declines in home equity and automobile loans. Compared to the prior quarter, average consumer portfolio loans were flat, as higher other consumer loans resulting from an increase in unsecured personal loans and growth in credit card loans were offset by declines in home equity and residential mortgage loans.

Average securities and other short-term investments were \$35.7 billion compared to \$33.8 billion in the year-ago quarter and \$34.8 billion in the prior quarter. Average available-for-sale debt and other securities of \$33.4 billion were up 7 percent compared to the year-ago quarter and up 2 percent compared to the prior quarter.

Average Deposits

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|-----------------------------------|----------------------------|-------------------|------------------|----------|-------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Average Deposits | | | | | |
| Demand | \$31,571 | \$32,333 | \$35,519 | (2%) | (11%) |
| Interest checking | 32,428 | 29,681 | 26,992 | 9% | 20% |
| Savings | 12,933 | 13,231 | 13,593 | (2%) | (5%) |
| Money market | 22,517 | 21,753 | 20,023 | 4% | 12% |
| Foreign office ⁽ⁱ⁾ | 272 | 317 | 323 | (14%) | (16%) |
| Total transaction deposits | \$99,721 | \$97,315 | \$96,450 | 2% | 3% |
| Other time | 4,366 | 4,177 | 3,792 | 5% | 15% |
| Total core deposits | \$104,087 | \$101,492 | \$100,242 | 3% | 4% |
| Certificates - \$100,000 and over | 2,662 | 2,596 | 2,429 | 3% | 10% |
| Other deposits | 746 | 578 | 119 | 29% | 527% |
| Total average deposits | \$107,495 | \$104,666 | \$102,790 | 3% | 5% |

Compared to the year-ago quarter, average transaction deposits increased 3 percent and core deposits increased 4 percent. Performance was primarily driven by higher commercial interest checking deposits and consumer money market deposits, partially offset by lower commercial demand deposits reflecting continued migration from demand deposits to interest-bearing accounts. Average commercial transaction deposits increased 4 percent and average consumer transaction deposits increased 3 percent.

Compared to the prior quarter, average transaction deposits increased 2 percent and core deposits increased 3 percent. Performance continued to partially reflect migration from demand deposits to interest-bearing accounts. Average commercial transaction deposits increased 5 percent, and average consumer transaction deposits were flat.

Average Wholesale Funding

| (\$ in millions) | For the Three Months Ended | | | % Change | |
|--|----------------------------|-------------------|------------------|----------|-----------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr |
| Average Wholesale Funding | | | | | |
| Certificates - \$100,000 and over | \$2,662 | \$2,596 | \$2,429 | 3% | 10% |
| Other deposits | 746 | 578 | 119 | 29% | 527% |
| Federal funds purchased | 2,254 | 1,987 | 602 | 13% | 274% |
| Other short-term borrowings | 578 | 1,018 | 2,316 | (43%) | (75%) |
| Long-term debt | 14,420 | 14,434 | 14,631 | - | (1%) |
| Total average wholesale funding | \$20,660 | \$20,613 | \$20,097 | - | 3% |

Compared to the year-ago quarter, average wholesale funding increased 3 percent reflecting interest-earning asset growth over the past year. Compared to the prior quarter, average wholesale funding was flat reflecting higher federal funds borrowings, offset by a decline in other short-term borrowings.

Credit Quality Summary

| (\$ in millions) | For the Three Months Ended | | | | |
|--|----------------------------|----------------|-----------|------------|---------------|
| | December 2018 | September 2018 | June 2018 | March 2018 | December 2017 |
| Total nonaccrual portfolio loans and leases (NPLs) | \$348 | \$403 | \$437 | \$452 | \$437 |
| Repossessed property | 10 | 8 | 7 | 9 | 9 |
| OREO | 37 | 37 | 36 | 43 | 43 |
| Total nonperforming portfolio assets (NPAs) | \$395 | \$448 | \$480 | \$504 | \$489 |
| NPL ratio ^(j) | 0.37% | 0.43% | 0.47% | 0.49% | 0.48% |
| NPA ratio ^(d) | 0.41% | 0.48% | 0.52% | 0.55% | 0.53% |
| Total loans and leases 30-89 days past due (accrual) | 297 | 270 | 217 | 299 | 280 |
| Total loans and leases 90 days past due (accrual) | 93 | 87 | 89 | 107 | 97 |
| Allowance for loan and lease losses, beginning | \$1,091 | \$1,077 | \$1,138 | \$1,196 | \$1,205 |
| Total net losses charged-off | (83) | (72) | (94) | (81) | (76) |
| Provision for loan and lease losses | 95 | 86 | 33 | 23 | 67 |
| Allowance for loan and lease losses, ending | \$1,103 | \$1,091 | \$1,077 | \$1,138 | \$1,196 |
| Reserve for unfunded commitments, beginning | \$129 | \$131 | \$151 | \$161 | \$157 |
| Provision for (benefit from) unfunded commitments | 2 | (2) | (20) | (10) | 4 |
| Reserve for unfunded commitments, ending | \$131 | \$129 | \$131 | \$151 | \$161 |
| Total allowance for credit losses | \$1,234 | \$1,220 | \$1,208 | \$1,289 | \$1,357 |
| Allowance for loan and lease losses ratios | | | | | |
| As a percent of portfolio loans and leases | 1.16% | 1.17% | 1.17% | 1.24% | 1.30% |
| As a percent of nonperforming portfolio loans and leases | 317% | 270% | 247% | 252% | 274% |
| As a percent of nonperforming portfolio assets | 279% | 243% | 224% | 226% | 245% |

| | | | | | |
|---|---------|---------|---------|---------|--------|
| Total losses charged-off | \$(116) | \$(112) | \$(118) | \$(103) | \$(94) |
| Total recoveries of losses previously charged-off | 33 | 40 | 24 | 22 | 18 |
| Total net losses charged-off | \$(83) | \$(72) | \$(94) | \$(81) | \$(76) |
| Net charge-off ratio (NCO ratio) ^(c) | 0.35% | 0.30% | 0.41% | 0.36% | 0.33% |
| Commercial NCO ratio | 0.19% | 0.19% | 0.34% | 0.21% | 0.22% |
| Consumer NCO ratio | 0.61% | 0.50% | 0.52% | 0.60% | 0.51% |

Compared to the year-ago quarter, NPLs decreased \$89 million, or 20 percent, with the resulting NPL ratio of 0.37 percent decreasing 11 bps. NPAs decreased \$94 million, or 19 percent, with the resulting NPA ratio of 0.41 percent decreasing 12 bps. Compared to the prior quarter, NPLs decreased \$55 million, or 14 percent, with the resulting NPL ratio decreasing 6 bps. NPAs decreased \$53 million, or 12 percent, with the resulting NPA ratio decreasing 7 bps.

The provision for loan and lease losses totaled \$95 million in the current quarter compared to \$67 million in the year-ago quarter and \$86 million in the prior quarter. The resulting allowance for loan and lease loss ratio represented 1.16 percent of total portfolio loans and leases outstanding in the current quarter, compared with 1.30 percent in the year-ago quarter and 1.17 in the prior quarter. The allowance for loan and lease losses represented 317 percent of nonperforming loans and leases and 279 percent of nonperforming assets in the current quarter.

Net charge-offs totaled \$83 million in the current quarter compared to \$76 million in the year-ago quarter and \$72 million in the prior quarter. The resulting NCO ratio of 0.35 percent in the current quarter increased 2 bps compared to the year-ago quarter and increased 5 bps compared to the prior quarter.

Capital and Liquidity Position

| | For the Three Months Ended | | | | |
|---|----------------------------|-------------------|--------------|---------------|------------------|
| | December 2018 | September 2018 | June 2018 | March 2018 | December 2017 |
| Capital Position^(a) | | | | | |
| Average total Bancorp shareholders equity as a percent of average assets | 10.95% | 11.29% | 11.28% | 11.41% | 11.58% |
| Tangible equity ^(b) | 9.63% | 9.97% | 10.19% | 9.98% | 9.79% |
| Tangible common equity (excluding unrealized gains/losses) ^(b) | 8.71% | 9.02% | 9.23% | 9.03% | 8.83% |
| Tangible common equity (including unrealized gains/losses) ^(b) | 8.64% | 8.53% | 8.88% | 8.78% | 8.88% |
| Regulatory Capital and Liquidity Ratios^(g) | | | | | |
| CET1 capital ^{(e)(f)} | 10.24% | 10.67% | 10.91% | 10.82% | 10.61% |
| Tier I risk-based capital ^{(e)(f)} | 11.32% | 11.78% | 12.02% | 11.95% | 11.74% |
| Total risk-based capital ^{(e)(f)} | 14.48% | 14.94% | 15.21% | 15.25% | 15.16% |
| | 9.72% | 10.10% | 10.24% | 10.11% | 10.01% |

Tier I leverage^(f)

| | | | | | |
|---|------|------|------|------|------|
| Modified liquidity coverage ratio (LCR) | 128% | 119% | 116% | 113% | 129% |
|---|------|------|------|------|------|

Capital ratios remained strong during the quarter. The CET1 capital ratio was 10.24 percent, the tangible common equity to tangible assets ratio was 8.71 percent (excluding unrealized gains/losses), and 8.64 percent (including unrealized gains/losses). The Tier I risk-based capital ratio was 11.32 percent, the Total risk-based capital ratio was 14.48 percent, and the Tier I leverage ratio was 9.72 percent. Current period capital ratios were impacted by the accounting policy change related to investments in affordable housing projects that qualify for the LIHTC. The change in accounting policy reduced the current CET1 capital ratio by approximately 11 basis points.

During the fourth quarter of 2018, Fifth Third entered into open market repurchase transactions of 14.9 million shares, or approximately \$400 million, of its outstanding common stock, which settled between October 26, 2018, and November 14, 2018.

Tax Rate

The effective tax rate was 22.4 percent compared with negative 7.5 percent in the year-ago quarter and 20.7 percent in the prior quarter. The effective tax rates in all periods were impacted by the decision to retrospectively apply a change in accounting policy for investments in affordable housing projects that qualify for the LIHTC.

Other

Fifth Third announced on December 28, 2018, that the Board of Governors of the Federal Reserve System (the Federal Reserve) did not object to Fifth Third's Resubmitted Capital Plan for potential capital actions through June 30, 2019.

The capital actions in Fifth Third's Resubmitted Capital Plan through June 30, 2019 remain unchanged compared to the originally submitted 2018 CCAR plan. The timing and amount of this activity is subject to market conditions and applicable securities laws. Through December 2018, Fifth Third has executed approximately \$900 million of \$1.81 billion in share repurchases authorized under the 2018 CCAR process. Additionally, Fifth Third continues to have the authorization to increase the common dividend to \$0.24 beginning the second quarter of 2019.

The pending acquisition of MB Financial, Inc. is expected to close in the first quarter of 2019, subject to regulatory approvals and other customary closing conditions.

As of December 31, 2018, Fifth Third Bank owned approximately 10.3 million units representing a 3.3 percent interest in Worldpay Holding, LLC, convertible into shares of Worldpay, Inc., a publicly traded firm. Based upon Worldpay's closing price of \$76.43 on December 31, 2018, Fifth Third's interest in Worldpay was valued at approximately \$780 million. The difference between the market value and the book value of Fifth Third's interest in Worldpay's shares is not recognized in Fifth Third's equity or capital.

Conference Call

Fifth Third will host a conference call to discuss these financial results at 9:00 a.m. (Eastern Time) today. This conference call will be webcast live and may be accessed through the Fifth Third Investor Relations website at www.53.com (click on About Us then Investor Relations).

Those unable to listen to the live webcast may access a webcast replay through the Fifth Third Investor Relations website at the same web address. Additionally, a telephone replay of the conference call will be available after the conference call until approximately February 5, 2019 by dialing 800-585-8367 for domestic access or 404-537-3406 for international access (passcode 4692779#).

Corporate Profile

Fifth Third Bancorp is a diversified financial services company headquartered in Cincinnati, Ohio. As of December 31, 2018, the Company had \$146 billion in assets and operates 1,121 full-service Banking Centers, and 2,419 Fifth Third branded ATMs in Ohio, Kentucky, Indiana, Michigan, Illinois, Florida, Tennessee, West Virginia, Georgia and North Carolina. In total, Fifth Third provides its customers with access to approximately 52,000 fee-free ATMs across the United States. Fifth Third operates four main businesses: Commercial Banking, Branch Banking, Consumer Lending, and Wealth & Asset Management. As of December 31, 2018, Fifth Third also had a 3.3% interest in Worldpay Holding, LLC, a subsidiary of Worldpay, Inc. Fifth Third is among the largest money managers in the Midwest and, as of December 31, 2018, had \$356 billion in assets under care, of which it managed \$37 billion for individuals, corporations and not-for-profit organizations through its Trust and Registered Investment Advisory businesses. [Investor information](#) and [press releases](#) can be viewed at www.53.com. Fifth Third's common stock is traded on the NASDAQ® Global Select Market under the symbol FITB.

Earnings Release End Notes

- (a) *Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.*
- (b) *Non-GAAP measure; see discussion of non-GAAP and Reg. G reconciliation beginning on page 26.*
- (c) *Net losses charged-off as a percent of average portfolio loans and leases.*
- (d) *Nonperforming portfolio assets as a percent of portfolio loans and leases and OREO.*
- (e) *Under the U.S. banking agencies' Basel III Final Rule, assets and credit equivalent amounts of off-balance sheet exposures are calculated according to the standardized approach for risk-weighted assets. The resulting values are added together resulting in the Bancorp's total risk-weighted assets.*
- (f) *Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC). Prior period regulatory capital ratios reflect amounts filed on the Bancorp's FR Y-9C filings and were not required to be restated as a result.*
- (g) *Current period regulatory capital and liquidity ratios are estimated.*
- (h) *Assumes a 21% tax rate.*
- (i) *Includes commercial customer Eurodollar sweep balances for which the Bank pays rates comparable to other commercial deposit accounts.*
- (j) *Nonperforming portfolio loans and leases as a percent of portfolio loans and leases and OREO.*

IMPORTANT ADDITIONAL INFORMATION AND WHERE TO FIND IT

In connection with the proposed merger, Fifth Third Bancorp has filed with the SEC a Registration Statement on Form S-4 that includes the Proxy Statement of MB Financial, Inc. and a Prospectus of Fifth Third Bancorp, as well as other relevant documents concerning the proposed transaction. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval. INVESTORS AND STOCKHOLDERS ARE URGED TO READ THE REGISTRATION STATEMENT AND THE PROXY STATEMENT/PROSPECTUS REGARDING THE MERGER AND ANY OTHER RELEVANT DOCUMENTS FILED WITH THE SEC, AS WELL AS ANY AMENDMENTS OR SUPPLEMENTS TO THOSE DOCUMENTS, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION.

A free copy of the Proxy Statement/Prospectus, as well as other filings containing information about Fifth Third Bancorp and MB Financial, Inc., may be obtained at the SEC's Internet site (<http://www.sec.gov>). You will also be able to obtain these documents, free of charge, from Fifth Third Bancorp at ir.53.com or from MB Financial, Inc. by accessing MB Financial, Inc.'s website at investor.mbfinancial.com.

Copies of the Proxy Statement/Prospectus can also be obtained, free of charge, by directing a request to Fifth Third Investor Relations at Fifth Third Investor Relations, MD 1090QC, 38 Fountain Square Plaza, Cincinnati, OH 45263, by calling (866) 670-0468, or by sending an e-mail to ir@53.com or to MB Financial, Attention: Corporate Secretary, at 6111 North River Road, Rosemont, Illinois 60018, by calling (847) 653-1992 or by sending an e-mail to dkoros@mbfinancial.com.

Fifth Third Bancorp and certain of their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of MB Financial, Inc. in respect of the transaction described in the Proxy Statement/Prospectus. Information regarding Fifth Third Bancorp's directors and executive officers is contained in Fifth Third Bancorp's Annual Report on Form 10-K for the year ended December 31, 2017 and its Proxy Statement on Schedule 14A, dated March 6, 2018, which are filed with the SEC. Information regarding MB Financial, Inc.'s directors and executive officers is contained in its Proxy Statement on Schedule 14A filed with the SEC on April 3, 2018. Additional information regarding the interests of those participants and other persons who may be deemed participants in the transaction may be obtained by reading the Proxy Statement/Prospectus regarding the proposed merger. Free copies of this document may be obtained as described in the preceding paragraph.

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 including, but not limited to, Fifth Third Bancorp's and MB Financial, Inc.'s expectations or predictions of future financial or business performance or conditions. Forward-looking statements are typically identified by words such as believe, expect, anticipate, intend, target, estimate, continue, positions, plan, project, forecast, guidance, goal, objective, prospects, possible or potential, by future conditional verbs, assume, will, would, should, could or may, or by variations of such words or by similar expressions. These forward-looking statements are subject to numerous assumptions, risks and uncertainties, which change over time. Forward-looking statements speak only as of the date they are made and we assume no duty to update forward-looking statements. Actual results may differ materially from current projections.

In addition to factors previously disclosed in Fifth Third Bancorp's and MB Financial, Inc.'s reports filed with or furnished to the SEC and those identified elsewhere in this communication, the following factors, among others, could cause actual results to differ materially from forward-looking statements or historical performance: the ability to obtain regulatory approvals and meet other closing conditions to the merger, including the risk that regulatory approvals required for the merger are not obtained or are obtained subject to conditions that are not anticipated; delay in closing the merger; difficulties and delays in integrating the businesses of MB Financial, Inc. or fully

realizing cost savings and other benefits; business disruption following the merger; changes in asset quality and credit risk; the inability to sustain revenue and earnings growth; changes in interest rates and capital markets; inflation; customer acceptance of Fifth Third Bancorp's products and services; customer borrowing, repayment, investment and deposit practices; customer disintermediation; the introduction, withdrawal, success and timing of business initiatives; competitive conditions; the inability to realize cost savings or revenues or to implement integration plans and other consequences associated with mergers, acquisitions and divestitures; economic conditions; and the impact, extent and timing of technological changes, capital management activities, and other actions of the Federal Reserve Board and legislative and regulatory actions and reforms.

Annualized, pro forma, projected and estimated numbers are used for illustrative purpose only, are not forecasts and may not reflect actual results.

###

Quarterly Financial Review for December 31, 2018

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**Fifth Third Bancorp
and Subsidiaries**
Financial Highlights

| \$ in millions, except per share data (unaudited) | % / bps | | | | | % / bps | | |
|---|----------------------------|-------------------|------------------|--------------|-------|------------------|------------------|--------|
| | For the Three Months Ended | | | Change | | Year to Date | | Change |
| | December 2018 | September 2018 | December 2017 | Seq Yr/Yr | Yr/Yr | December 2018 | December 2017 | Yr/Yr |
| Income Statement Data^(a) | | | | | | | | |
| Net interest income | \$1,081 | \$1,043 | \$956 | 4% | 13% | \$4,140 | \$3,798 | 9% |
| Net interest income (FTE) ^(b) | 1,085 | 1,047 | 963 | 4% | 13% | 4,156 | 3,824 | 9% |
| Noninterest income | 575 | 563 | 577 | 2% | - | 2,790 | 3,224 | (13%) |
| Total revenue (FTE) | 1,660 | 1,610 | 1,540 | 3% | 8% | 6,946 | 7,048 | (1%) |
| Provision for loan and lease losses | 95 | 86 | 67 | 10% | 42% | 237 | 261 | (9%) |
| Noninterest expense | 977 | 970 | 975 | 1% | - | 3,928 | 3,782 | 4% |
| Net income attributable to Bancorp | 455 | 436 | 527 | 4% | (14%) | 2,193 | 2,180 | 1% |
| Net income available to common shareholders | 432 | 421 | 504 | 3% | (14%) | 2,118 | 2,105 | 1% |
| Earnings Per Share Data^(a) | | | | | | | | |
| Net income allocated to common shareholders | \$427 | \$417 | \$499 | 2% | (14%) | \$2,094 | \$2,082 | 1% |
| Average common shares outstanding (in thousands): | | | | | | | | |
| Basic | 653,062 | 667,624 | 703,372 | (2%) | (7%) | 673,346 | 728,289 | (8%) |
| Diluted | 662,966 | 679,199 | 716,908 | (2%) | (8%) | 685,488 | 740,691 | (7%) |
| Earnings per share, basic | \$0.65 | \$0.62 | \$0.71 | 5% | (8%) | \$3.11 | \$2.86 | 9% |
| Earnings per share, diluted | 0.64 | 0.61 | 0.70 | 5% | (9%) | 3.06 | 2.81 | 9% |
| Common Share Data^(a) | | | | | | | | |
| Cash dividends per common share | \$0.22 | \$0.18 | \$0.16 | 22% | 38% | \$0.74 | \$0.60 | 23% |
| Book value per share | 23.07 | 21.70 | 21.43 | 6% | 8% | 23.07 | 21.43 | 8% |
| Market price per share | 23.53 | 27.92 | 30.34 | (16%) | (22%) | 23.53 | 30.34 | (22%) |
| Common shares outstanding (in thousands) | 646,631 | 661,373 | 693,805 | (2%) | (7%) | 646,631 | 693,805 | (7%) |
| Market capitalization | \$15,215 | \$18,466 | \$21,050 | (18%) | (28%) | \$15,215 | \$21,050 | (28%) |
| Financial Ratios^(a) | | | | | | | | |
| Return on average assets | 1.25% | 1.22% | 1.48% | 3 | (23) | 1.54% | 1.55% | (1) |
| Return on average common equity | 11.8% | 11.4% | 13.3% | 40 | (150) | 14.5% | 13.9% | 60 |

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| | | | | | | | | |
|---|----------|----------|----------|-------|-------|----------|----------|-------|
| Return on average tangible common equity ^(b) | 14.3% | 13.8% | 16.0% | 50 | (170) | 17.5% | 16.6% | 90 |
| Noninterest income as a percent of total revenue ^(b) | 35% | 35% | 37% | - | (200) | 40% | 46% | (600) |
| Dividend payout | 33.8% | 29.0% | 22.5% | 480 | 1,130 | 23.8% | 21.0% | 280 |
| Average total Bancorp shareholders equity as a percent of average assets | 10.95% | 11.29% | 11.58% | (34) | (63) | 11.23% | 11.69% | (46) |
| Tangible common equity ^(b) | 8.71% | 9.02% | 8.83% | (31) | (13) | 8.71% | 8.83% | (13) |
| Net interest margin (FTE) ^(b) | 3.29% | 3.23% | 3.02% | 6 | 27 | 3.22% | 3.03% | 19 |
| Efficiency (FTE) ^(b) | 58.8% | 60.2% | 63.3% | (140) | (450) | 56.5% | 53.7% | 280 |
| Effective tax rate | 22.4% | 20.7% | (7.5%) | 170 | NM | 20.7% | 26.8% | (610) |
| Credit Quality | | | | | | | | |
| Net losses charged-off | \$83 | \$72 | \$76 | 15% | 9% | \$329 | \$298 | 10% |
| Net losses charged-off as a percent of average portfolio loans and leases | 0.35% | 0.30% | 0.33% | 5 | 2 | 0.35% | 0.32% | 3 |
| ALLL as a percent of portfolio loans and leases | 1.16% | 1.17% | 1.30% | (1) | (14) | 1.16% | 1.30% | (14) |
| Allowance for credit losses as a percent of portfolio loans and leases ⁽ⁱ⁾ | 1.30% | 1.31% | 1.48% | (1) | (18) | 1.30% | 1.48% | (18) |
| Nonperforming portfolio assets as a percent of portfolio loans and leases and OREO | 0.41% | 0.48% | 0.53% | (7) | (12) | 0.41% | 0.53% | (12) |
| Average Balances^(a) | | | | | | | | |
| Loans and leases, including held for sale | \$95,398 | \$93,977 | \$92,865 | 2% | 3% | \$93,876 | \$92,731 | 1% |
| Securities and other short-term investments | 35,674 | 34,822 | 33,756 | 2% | 6% | 35,029 | 33,562 | 4% |
| Assets | 144,185 | 141,654 | 140,943 | 2% | 2% | 142,183 | 140,527 | 1% |
| Transaction deposits ^(c) | 99,721 | 97,315 | 96,450 | 2% | 3% | 97,914 | 96,052 | 2% |
| Core deposits ^(d) | 104,087 | 101,492 | 100,242 | 3% | 4% | 102,020 | 99,823 | 2% |
| Wholesale funding ^(e) | 20,660 | 20,613 | 20,097 | - | 3% | 20,573 | 20,360 | 1% |
| Bancorp shareholders equity | 15,794 | 15,994 | 16,328 | (1%) | (3%) | 15,970 | 16,424 | (3%) |
| Regulatory Capital and Liquidity Ratios^(f) | | | | | | | | |
| CET1 capital ^{(g) (h)} | 10.24% | 10.67% | 10.61% | (43) | (37) | 10.24% | 10.61% | (37) |
| Tier I risk-based capital ^{(g) (h)} | 11.32% | 11.78% | 11.74% | (46) | (42) | 11.32% | 11.74% | (42) |

| | | | | | | | | |
|---|--------|--------|--------|------|------|--------|--------|------|
| Total risk-based capital ^{(g) (h)} | 14.48% | 14.94% | 15.16% | (46) | (68) | 14.48% | 15.16% | (68) |
| Tier I leverage ^(h) | 9.72% | 10.10% | 10.01% | (38) | (29) | 9.72% | 10.01% | (29) |
| Modified liquidity coverage ratio (LCR) | 128% | 119% | 129% | 8% | (1%) | 128% | 129% | (1%) |
| Operations | | | | | | | | |
| Banking centers | 1,121 | 1,152 | 1,154 | (3%) | (3%) | 1,121 | 1,154 | (3%) |
| ATMs | 2,419 | 2,443 | 2,469 | (1%) | (2%) | 2,419 | 2,469 | (2%) |
| Full-time equivalent employees | 17,437 | 17,512 | 18,125 | - | (4%) | 17,437 | 18,125 | (4%) |

- (a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.
- (b) Non-GAAP measure; see discussion of non-GAAP and Reg. G reconciliation beginning on page 26.
- (c) Includes demand, interest checking, savings, money market and foreign office deposits of commercial customers.
- (d) Includes transaction deposits plus other time deposits.
- (e) Includes certificates \$100,000 and over, other deposits, federal funds purchased, other short-term borrowings and long-term debt.
- (f) Current period regulatory capital and liquidity ratios are estimates.
- (g) Under the U.S. banking agencies' Basel III Final Rule, assets and credit equivalent amounts of off-balance sheet exposures are calculated according to the standardized approach for risk-weighted assets. The resulting values are added together resulting in the Bancorp's total risk-weighted assets.
- (h) Prior period regulatory capital ratios reflect amounts filed on the Bancorp's FR Y-9C filings and were not required to be restated as a result of the Bancorp's change in accounting for low-income housing tax credits (LIHTC).
- (i) The allowance for credit losses is the sum of the ALLL and the reserve for unfunded commitments.

Fifth Third Bancorp and Subsidiaries

Financial Highlights

\$ in millions, except per share data
(unaudited)

| | For the Three Months Ended | | | | |
|---|----------------------------|-------------------|--------------|---------------|------------------|
| | December 2018 | September 2018 | June 2018 | March 2018 | December 2017 |
| Income Statement Data^(a) | | | | | |
| Net interest income | \$1,081 | \$1,043 | \$1,020 | \$996 | \$956 |
| Net interest income (FTE) ^(b) | 1,085 | 1,047 | 1,024 | 999 | 963 |
| Noninterest income | 575 | 563 | 743 | 909 | 577 |
| Total revenue (FTE) | 1,660 | 1,610 | 1,767 | 1,908 | 1,540 |
| Provision for loan and lease losses | 95 | 86 | 33 | 23 | 67 |
| Noninterest expense | 977 | 970 | 982 | 1,000 | 975 |
| Net income attributable to Bancorp | 455 | 436 | 602 | 701 | 527 |
| Net income available to common shareholders | 432 | 421 | 579 | 686 | 504 |
| Earnings Per Share Data^(a) | | | | | |
| Net income allocated to common shareholders | \$427 | \$417 | \$573 | \$678 | \$499 |
| Average common shares outstanding (in thousands): | | | | | |
| Basic | 653,062 | 667,624 | 683,345 | 689,820 | 703,372 |
| Diluted | 662,966 | 679,199 | 696,210 | 704,101 | 716,908 |
| Earnings per share, basic | \$0.65 | \$0.62 | \$0.84 | \$0.98 | 0.71 |
| Earnings per share, diluted | 0.64 | 0.61 | 0.82 | 0.96 | 0.70 |
| Common Share Data^(a) | | | | | |
| Cash dividends per common share | \$0.22 | \$0.18 | \$0.18 | \$0.16 | \$0.16 |
| Book value per share | 23.07 | 21.70 | 21.75 | 21.44 | 21.43 |
| Market value per share | 23.53 | 27.92 | 28.70 | 31.75 | 30.34 |
| Common shares outstanding (in thousands) | 646,631 | 661,373 | 678,162 | 684,942 | 693,805 |
| Market capitalization | \$15,215 | \$18,466 | \$19,463 | \$21,747 | \$21,050 |
| Financial Ratios^(a) | | | | | |
| Return on average assets | 1.25% | 1.22% | 1.71% | 2.01% | 1.48% |
| Return on average common equity | 11.8% | 11.4% | 15.9% | 18.8% | 13.3% |
| Return on average tangible common equity ^(b) | 14.3% | 13.8% | 19.2% | 22.6% | 16.0% |
| Noninterest income as a percent of total revenue ^(b) | 35% | 35% | 42% | 48% | 37% |
| Dividend payout | 33.8% | 29.0% | 21.4% | 16.3% | 22.5% |
| Average total Bancorp shareholders equity as a percent of average assets | 10.95% | 11.29% | 11.28% | 11.41% | 11.58% |
| Tangible common equity ^(b) | 8.71% | 9.02% | 9.23% | 9.03% | 8.83% |
| Net interest margin (FTE) ^(b) | 3.29% | 3.23% | 3.21% | 3.18% | 3.02% |
| Efficiency (FTE) ^(b) | 58.8% | 60.2% | 55.5% | 52.4% | 63.3% |
| Effective tax rate | 22.4% | 20.7% | 19.6% | 20.5% | (7.5%) |
| Credit Quality | | | | | |
| Net losses charged-off | \$83 | \$72 | \$94 | \$81 | \$76 |
| Net losses charged-off as a percent of average portfolio loans and leases | 0.35% | 0.30% | 0.41% | 0.36% | 0.33% |
| ALLL as a percent of portfolio loans and leases | 1.16% | 1.17% | 1.17% | 1.24% | 1.30% |
| Allowance for credit losses as a percent of portfolio loans and leases ⁽ⁱ⁾ | 1.30% | 1.31% | 1.31% | 1.40% | 1.48% |
| Nonperforming portfolio assets as a percent of portfolio loans and leases and OREO | 0.41% | 0.48% | 0.52% | 0.55% | 0.53% |

Average Balances^(a)

| | | | | | |
|---|----------|----------|----------|----------|----------|
| Loans and leases, including held for sale | \$95,398 | \$93,977 | \$93,232 | \$92,869 | \$92,865 |
| Securities and other short-term investments | 35,674 | 34,822 | 34,935 | 34,677 | 33,756 |
| Assets | 144,185 | 141,654 | 141,420 | 141,450 | 140,943 |
| Transaction deposits ^(c) | 99,721 | 97,315 | 97,574 | 97,018 | 96,450 |
| Core deposits ^(d) | 104,087 | 101,492 | 101,592 | 100,874 | 100,242 |
| Wholesale funding ^(e) | 20,660 | 20,613 | 20,464 | 20,558 | 20,097 |
| Bancorp shareholders equity | 15,794 | 15,994 | 15,947 | 16,146 | 16,328 |

Regulatory Capital and Liquidity Ratios^(f)

| | | | | | |
|--|--------|--------|--------|--------|--------|
| CET1 capital ^{(g) (h)} | 10.24% | 10.67% | 10.91% | 10.82% | 10.61% |
| Tier I risk-based capital ^{(g) (h)} | 11.32% | 11.78% | 12.02% | 11.95% | 11.74% |
| Total risk-based capital ^{(g) (h)} | 14.48% | 14.94% | 15.21% | 15.25% | 15.16% |
| Tier I leverage ^(h) | 9.72% | 10.10% | 10.24% | 10.11% | 10.01% |
| Modified liquidity coverage ratio (LCR) | 128% | 119% | 116% | 113% | 129% |

Operations

| | | | | | |
|--------------------------------|--------|--------|--------|--------|--------|
| Banking centers | 1,121 | 1,152 | 1,158 | 1,153 | 1,154 |
| ATMs | 2,419 | 2,443 | 2,458 | 2,459 | 2,469 |
| Full-time equivalent employees | 17,437 | 17,512 | 18,163 | 18,344 | 18,125 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

(b) Non-GAAP measure; see discussion of non-GAAP and Reg. G reconciliation beginning on page 26.

(c) Includes demand, interest checking, savings, money market and foreign office deposits of commercial customers.

(d) Includes transaction deposits plus other time deposits.

(e) Includes certificates \$100,000 and over, other deposits, federal funds purchased, other short-term borrowings and long-term debt.

(f) Current period regulatory capital and liquidity ratios are estimates.

(g) Under the U.S. banking agencies' Basel III Final Rule, assets and credit equivalent amounts of off-balance sheet exposures are calculated according to the standardized approach for risk-weighted assets. The resulting values are added together resulting in the Bancorp's total risk-weighted assets.

(h) Prior period regulatory capital ratios reflect amounts filed on the Bancorp's FR Y-9C filings and were not required to be restated as a result of the Bancorp's change in accounting for low-income housing tax credits (LIHTC).

(i) The allowance for credit losses is the sum of the ALLL and the reserve for unfunded commitments.

**Fifth Third Bancorp and
Subsidiaries**
**Consolidated Statements of
Income^(a)**

| \$ in millions (unaudited) | For the Three Months Ended | | | % Change | | Year to Date | | % Change |
|---|----------------------------|-------------------|------------------|------------|------------|------------------|------------------|--------------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr | December 2018 | December 2017 | Yr/Yr |
| Interest Income | | | | | | | | |
| Interest and fees on loans and leases | \$1,104 | \$1,040 | \$883 | 6% | 25% | \$4,078 | \$3,478 | 17% |
| Interest on securities | 282 | 269 | 256 | 5% | 10% | 1,080 | 996 | 8% |
| Interest on other short-term investments | 7 | 6 | 5 | 17% | 40% | 25 | 15 | 67% |
| Total interest income | 1,393 | 1,315 | 1,144 | 6% | 22% | 5,183 | 4,489 | 15% |
| Interest Expense | | | | | | | | |
| Interest on deposits | 179 | 144 | 80 | 24% | 124% | 538 | 277 | 94% |
| Interest on federal funds purchased | 13 | 10 | 2 | 30% | 550% | 30 | 6 | 400% |
| Interest on other short-term borrowings | 4 | 6 | 6 | (33%) | (33%) | 29 | 30 | (3%) |
| Interest on long-term debt | 116 | 112 | 100 | 4% | 16% | 446 | 378 | 18% |
| Total interest expense | 312 | 272 | 188 | 15% | 66% | 1,043 | 691 | 51% |
| Net Interest Income | 1,081 | 1,043 | 956 | 4% | 13% | 4,140 | 3,798 | 9% |
| Provision for loan and lease losses | 95 | 86 | 67 | 10% | 42% | 237 | 261 | (9%) |
| Net Interest Income After Provision for Loan and Lease Losses | 986 | 957 | 889 | 3% | 11% | 3,903 | 3,537 | 10% |
| Noninterest Income | | | | | | | | |
| Service charges on deposits | 135 | 139 | 138 | (3%) | (2%) | 549 | 554 | (1%) |
| Corporate banking revenue | 130 | 100 | 77 | 30% | 69% | 438 | 353 | 24% |
| Mortgage banking net revenue | 54 | 49 | 54 | 10% | - | 212 | 224 | (5%) |
| Wealth and asset management revenue | 109 | 114 | 106 | (4%) | 3% | 444 | 419 | 6% |
| Card and processing revenue | 84 | 82 | 80 | 2% | 5% | 329 | 313 | 5% |
| Other noninterest income | 93 | 86 | 123 | 8% | (24%) | 887 | 1,357 | (35%) |
| Securities (losses) gains, net | (32) | (6) | 1 | 433% | NM | (54) | 2 | NM |
| Securities gains (losses), net - non-qualifying hedges on mortgage servicing rights | 2 | (1) | (2) | NM | NM | (15) | 2 | NM |
| Total noninterest income | 575 | 563 | 577 | 2% | - | 2,790 | 3,224 | (13%) |
| Noninterest Expense | | | | | | | | |
| Compensation and benefits | 506 | 503 | 500 | 1% | 1% | 2,115 | 1,989 | 6% |
| Net occupancy expense | 73 | 70 | 74 | 4% | (1%) | 292 | 295 | (1%) |
| Technology and communications | 79 | 71 | 68 | 11% | 16% | 285 | 245 | 16% |
| Equipment expense | 31 | 31 | 29 | - | 7% | 123 | 117 | 5% |

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| | | | | | | | | |
|---|-------|-------|-------|------|-------|---------|---------|-------|
| Card and processing expense | 33 | 31 | 34 | 6% | (3%) | 123 | 129 | (5%) |
| Other noninterest expense | 255 | 264 | 270 | (3%) | (6%) | 990 | 1,007 | (2%) |
| Total noninterest expense | 977 | 970 | 975 | 1% | - | 3,928 | 3,782 | 4% |
| Income Before Income | | | | | | | | |
| Taxes | 584 | 550 | 491 | 6% | 19% | 2,765 | 2,979 | (7%) |
| Applicable income tax expense (benefit) | 129 | 114 | (36) | 13% | NM | 572 | 799 | (28%) |
| Net Income | 455 | 436 | 527 | 4% | (14%) | 2,193 | 2,180 | 1% |
| Less: Net income attributable to noncontrolling interests | - | - | - | NM | NM | - | - | NM |
| Net Income Attributable to Bancorp | | | | | | | | |
| | 455 | 436 | 527 | 4% | (14%) | 2,193 | 2,180 | 1% |
| Dividends on preferred stock | 23 | 15 | 23 | 53% | - | 75 | 75 | - |
| Net Income Available to Common Shareholders | | | | | | | | |
| | \$432 | \$421 | \$504 | 3% | (14%) | \$2,118 | \$2,105 | 1% |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

Fifth Third Bancorp and SubsidiariesConsolidated Balance Sheets^(a)\$ in millions, except per share data
(unaudited)

| | December 2018 | As of September 2018 | December 2017 | % Change | |
|---|------------------|----------------------------|------------------|-----------|-----------|
| | | | | Seq | Yr/Yr |
| Assets | | | | | |
| Cash and due from banks | \$2,681 | \$2,100 | \$2,514 | 28% | 7% |
| Other short-term investments | 1,825 | 1,429 | 2,753 | 28% | (34%) |
| Available-for-sale debt and other securities ^(b) | 32,830 | 31,808 | 31,751 | 3% | 3% |
| Held-to-maturity securities ^(c) | 18 | 18 | 24 | - | (25%) |
| Trading debt securities | 287 | 269 | 492 | 7% | (42%) |
| Equity securities | 452 | 500 | 439 | (10%) | 3% |
| Loans and leases held for sale | 607 | 663 | 492 | (8%) | 23% |
| Portfolio loans and leases: | | | | | |
| Commercial and industrial loans | 44,340 | 42,631 | 41,170 | 4% | 8% |
| Commercial mortgage loans | 6,974 | 6,695 | 6,604 | 4% | 6% |
| Commercial construction loans | 4,657 | 4,892 | 4,553 | (5%) | 2% |
| Commercial leases | 3,600 | 3,697 | 4,068 | (3%) | (12%) |
| Residential mortgage loans | 15,504 | 15,585 | 15,591 | (1%) | (1%) |
| Home equity | 6,402 | 6,485 | 7,014 | (1%) | (9%) |
| Automobile loans | 8,976 | 9,002 | 9,112 | - | (1%) |
| Credit card | 2,470 | 2,325 | 2,299 | 6% | 7% |
| Other consumer loans | 2,342 | 2,131 | 1,559 | 10% | 50% |
| Portfolio loans and leases | 95,265 | 93,443 | 91,970 | 2% | 4% |
| Allowance for loan and lease losses | (1,103) | (1,091) | (1,196) | 1% | (8%) |
| Portfolio loans and leases, net | 94,162 | 92,352 | 90,774 | 2% | 4% |
| Bank premises and equipment | 1,861 | 1,896 | 2,003 | (2%) | (7%) |
| Operating lease equipment | 518 | 546 | 646 | (5%) | (20%) |
| Goodwill | 2,478 | 2,462 | 2,445 | 1% | 1% |
| Intangible assets | 40 | 28 | 27 | 43% | 48% |
| Servicing rights | 938 | 1,010 | 858 | (7%) | 9% |
| Other assets | 7,372 | 6,509 | 6,863 | 13% | 7% |
| Total Assets | \$146,069 | \$141,590 | \$142,081 | 3% | 3% |
| Liabilities | | | | | |
| Deposits: | | | | | |
| Demand | \$32,116 | \$31,803 | \$35,276 | 1% | (9%) |
| Interest checking | 34,058 | 30,288 | 27,703 | 12% | 23% |
| Savings | 12,907 | 13,027 | 13,425 | (1%) | (4%) |
| Money market | 22,597 | 21,977 | 20,097 | 3% | 12% |
| Foreign office | 240 | 298 | 484 | (19%) | (50%) |
| Other time | 4,490 | 4,249 | 3,775 | 6% | 19% |
| Certificates \$100,000 and over | 2,427 | 2,700 | 2,402 | (10%) | 1% |
| Other deposits | - | - | - | NM | NM |
| Total deposits | 108,835 | 104,342 | 103,162 | 4% | 5% |
| Federal funds purchased | 1,925 | 2,316 | 174 | (17%) | NM |
| Other short-term borrowings | 573 | 1,114 | 4,012 | (49%) | (86%) |
| Accrued taxes, interest and expenses | 1,562 | 1,209 | 1,465 | 29% | 7% |
| Other liabilities | 2,498 | 2,448 | 2,144 | 2% | 17% |
| Long-term debt | 14,426 | 14,460 | 14,904 | - | (3%) |

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| | | | | | |
|---|-----------|-----------|-----------|--------|--------|
| Total Liabilities | 129,819 | 125,889 | 125,861 | 3% | 3% |
| Equity | | | | | |
| Common stock ^(d) | 2,051 | 2,051 | 2,051 | - | - |
| Preferred stock | 1,331 | 1,331 | 1,331 | - | - |
| Capital surplus | 2,873 | 2,856 | 2,790 | 1% | 3% |
| Retained earnings | 16,578 | 16,291 | 14,957 | 2% | 11% |
| Accumulated other comprehensive (loss) income | (112) | (775) | 73 | (86%) | NM |
| Treasury stock | (6,471) | (6,073) | (5,002) | 7% | 29% |
| Total Bancorp shareholders equity | 16,250 | 15,681 | 16,200 | 4% | - |
| Noncontrolling interests | - | 20 | 20 | (100%) | (100%) |
| Total Equity | 16,250 | 15,701 | 16,220 | 3% | - |
| Total Liabilities and Equity | \$146,069 | \$141,590 | \$142,081 | 3% | 3% |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

| | | | | | |
|--|-----------|-----------|-----------|------|-------|
| (b) Amortized cost | \$33,128 | \$32,707 | \$31,577 | 1% | 5% |
| (c) Market values | 18 | 18 | 24 | - | (25%) |
| (d) Common shares, stated value \$2.22 per share (in thousands): | | | | | |
| Authorized | 2,000,000 | 2,000,000 | 2,000,000 | - | - |
| Outstanding, excluding treasury | 646,631 | 661,373 | 693,805 | (2%) | (7%) |
| Treasury | 277,262 | 262,520 | 230,088 | 6% | 21% |

Fifth Third Bancorp and SubsidiariesConsolidated Balance Sheets^(a)\$ in millions, except per share data
(unaudited)

| | December 2018 | September 2018 | As of June 2018 | March 2018 | December 2017 |
|---|------------------|-------------------|-----------------------|------------------|------------------|
| Assets | | | | | |
| Cash and due from banks | \$2,681 | \$2,100 | \$2,052 | \$2,038 | \$2,514 |
| Other short-term investments | 1,825 | 1,429 | 1,636 | 1,747 | 2,753 |
| Available-for-sale debt and other securities ^(b) | 32,830 | 31,808 | 31,961 | 31,819 | 31,751 |
| Held-to-maturity securities ^(c) | 18 | 18 | 19 | 23 | 24 |
| Trading debt securities | 287 | 269 | 280 | 571 | 492 |
| Equity securities | 452 | 500 | 475 | 418 | 439 |
| Loans and leases held for sale | 607 | 663 | 783 | 717 | 492 |
| Portfolio loans and leases: | | | | | |
| Commercial and industrial loans | 44,340 | 42,631 | 41,403 | 41,635 | 41,170 |
| Commercial mortgage loans | 6,974 | 6,695 | 6,625 | 6,509 | 6,604 |
| Commercial construction loans | 4,657 | 4,892 | 4,687 | 4,766 | 4,553 |
| Commercial leases | 3,600 | 3,697 | 3,788 | 3,919 | 4,068 |
| Residential mortgage loans | 15,504 | 15,585 | 15,640 | 15,563 | 15,591 |
| Home equity | 6,402 | 6,485 | 6,599 | 6,757 | 7,014 |
| Automobile loans | 8,976 | 9,002 | 8,938 | 9,018 | 9,112 |
| Credit card | 2,470 | 2,325 | 2,270 | 2,188 | 2,299 |
| Other consumer loans | 2,342 | 2,131 | 1,982 | 1,615 | 1,559 |
| Portfolio loans and leases | 95,265 | 93,443 | 91,932 | 91,970 | 91,970 |
| Allowance for loan and lease losses | (1,103) | (1,091) | (1,077) | (1,138) | (1,196) |
| Portfolio loans and leases, net | 94,162 | 92,352 | 90,855 | 90,832 | 90,774 |
| Bank premises and equipment | 1,861 | 1,896 | 1,915 | 1,966 | 2,003 |
| Operating lease equipment | 518 | 546 | 606 | 625 | 646 |
| Goodwill | 2,478 | 2,462 | 2,462 | 2,462 | 2,445 |
| Intangible assets | 40 | 28 | 30 | 30 | 27 |
| Servicing rights | 938 | 1,010 | 959 | 926 | 858 |
| Other assets | 7,372 | 6,509 | 6,562 | 7,209 | 6,863 |
| Total Assets | \$146,069 | \$141,590 | \$140,595 | \$141,383 | \$142,081 |
| Liabilities | | | | | |
| Deposits: | | | | | |
| Demand | \$32,116 | \$31,803 | \$32,680 | \$34,066 | \$35,276 |
| Interest checking | 34,058 | 30,288 | 29,452 | 29,627 | 27,703 |
| Savings | 12,907 | 13,027 | 13,455 | 13,751 | 13,425 |
| Money market | 22,597 | 21,977 | 21,593 | 21,540 | 20,097 |
| Foreign office | 240 | 298 | 336 | 374 | 484 |
| Other time | 4,490 | 4,249 | 4,058 | 3,945 | 3,775 |
| Certificates \$100,000 and over | 2,427 | 2,700 | 2,557 | 2,042 | 2,402 |
| Other deposits | - | - | - | 116 | - |
| Total deposits | 108,835 | 104,342 | 104,131 | 105,461 | 103,162 |
| Federal funds purchased | 1,925 | 2,316 | 597 | 178 | 174 |
| Other short-term borrowings | 573 | 1,114 | 1,763 | 1,335 | 4,012 |
| Accrued taxes, interest and expenses | 1,562 | 1,209 | 1,258 | 1,155 | 1,465 |
| Other liabilities | 2,498 | 2,448 | 2,425 | 2,418 | 2,144 |

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| | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|
| Long-term debt | 14,426 | 14,460 | 14,321 | 14,800 | 14,904 |
| Total Liabilities | 129,819 | 125,889 | 124,495 | 125,347 | 125,861 |
| Equity | | | | | |
| Common stock ^(d) | 2,051 | 2,051 | 2,051 | 2,051 | 2,051 |
| Preferred stock | 1,331 | 1,331 | 1,331 | 1,331 | 1,331 |
| Capital surplus | 2,873 | 2,856 | 2,833 | 2,828 | 2,790 |
| Retained earnings | 16,578 | 16,291 | 15,991 | 15,539 | 14,957 |
| Accumulated other comprehensive (loss) income | (112) | (775) | (552) | (389) | 73 |
| Treasury stock | (6,471) | (6,073) | (5,574) | (5,344) | (5,002) |
| Total Bancorp shareholders equity | 16,250 | 15,681 | 16,080 | 16,016 | 16,200 |
| Noncontrolling interests | - | 20 | 20 | 20 | 20 |
| Total Equity | 16,250 | 15,701 | 16,100 | 16,036 | 16,220 |
| Total Liabilities and Equity | \$146,069 | \$141,590 | \$140,595 | \$141,383 | \$142,081 |
| <i>(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.</i> | | | | | |
| <i>(b) Amortized cost</i> | <i>\$ 33,128</i> | <i>\$ 32,707</i> | <i>\$ 32,589</i> | <i>\$ 32,230</i> | <i>\$ 31,577</i> |
| <i>(c) Market values</i> | <i>18</i> | <i>18</i> | <i>19</i> | <i>23</i> | <i>24</i> |
| <i>(d) Common shares, stated value \$2.22 per share (in thousands):</i> | | | | | |
| <i>Authorized</i> | <i>2,000,000</i> | <i>2,000,000</i> | <i>2,000,000</i> | <i>2,000,000</i> | <i>2,000,000</i> |
| <i>Outstanding, excluding treasury</i> | <i>646,631</i> | <i>661,373</i> | <i>678,162</i> | <i>684,942</i> | <i>693,805</i> |
| <i>Treasury</i> | <i>277,262</i> | <i>262,520</i> | <i>245,731</i> | <i>238,951</i> | <i>230,088</i> |

Fifth Third Bancorp and SubsidiariesConsolidated Statements of Changes in Equity^(a)\$ in millions
(unaudited)

| | For the Three Months Ended | | Year to Date | |
|--|----------------------------|------------------|------------------|------------------|
| | December 2018 | December 2017 | December 2018 | December 2017 |
| Total Equity, Beginning | \$15,701 | \$16,197 | \$16,220 | \$16,081 |
| Net income attributable to Bancorp | 455 | 527 | 2,193 | 2,180 |
| Other comprehensive income, net of tax: | | | | |
| Change in unrealized (losses) gains: | | | | |
| Available-for-sale securities | 465 | (107) | (362) | 25 |
| Qualifying cash flow hedges | 193 | (10) | 171 | (19) |
| Change in accumulated other comprehensive income related to employee benefit plans | 5 | 5 | 8 | 8 |
| Comprehensive income | 1,118 | 415 | 2,010 | 2,194 |
| Cash dividends declared: | | | | |
| Common stock | (144) | (112) | (499) | (436) |
| Preferred stock | (23) | (23) | (75) | (75) |
| Impact of stock transactions under stock compensation plans, net | 20 | 16 | 65 | 67 |
| Shares acquired for treasury | (400) | (273) | (1,453) | (1,605) |
| Noncontrolling interest | (20) | - | (20) | (7) |
| Other | (2) | - | (2) | 1 |
| Impact of cumulative effect of change in account principles | - | - | 4 | - |
| Total Equity, Ending | \$16,250 | \$16,220 | \$16,250 | \$16,220 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

**Fifth Third
Bancorp and
Subsidiaries**

 Average Balance Sheet and
Yield/Rate Analysis^(a)

| \$ in millions (unaudited) | For the Three Months Ended | | | % Change | | Year to Date | | % Change |
|-------------------------------------|----------------------------|-------------------|------------------|-----------|-----------|------------------|------------------|-----------|
| | December 2018 | September 2018 | December 2017 | Seq | Yr/Yr | December 2018 | December 2017 | Yr/Yr |
| Assets | | | | | | | | |
| Interest-earning assets: | | | | | | | | |
| Commercial and industrial loans | \$43,911 | \$42,614 | \$41,455 | 3% | 6% | \$42,668 | \$41,577 | 3% |
| Commercial mortgage loans | 6,868 | 6,664 | 6,757 | 3% | 2% | 6,661 | 6,844 | (3%) |
| Commercial construction loans | 4,885 | 4,870 | 4,660 | - | 5% | 4,793 | 4,374 | 10% |
| Commercial leases | 3,633 | 3,746 | 4,018 | (3%) | (10%) | 3,795 | 4,011 | (5%) |
| Residential mortgage loans | 16,074 | 16,226 | 16,178 | (1%) | (1%) | 16,150 | 16,053 | 1% |
| Home equity | 6,438 | 6,529 | 7,066 | (1%) | (9%) | 6,631 | 7,308 | (9%) |
| Automobile loans | 8,970 | 8,969 | 9,175 | - | (2%) | 8,993 | 9,407 | (4%) |
| Credit card | 2,373 | 2,299 | 2,202 | 3% | 8% | 2,280 | 2,141 | 6% |
| Other consumer loans | 2,246 | 2,060 | 1,354 | 9% | 66% | 1,905 | 1,016 | 88% |
| Taxable securities | 34,126 | 33,301 | 32,222 | 2% | 6% | 33,487 | 32,106 | 4% |
| Tax exempt securities | 40 | 69 | 75 | (42%) | (47%) | 66 | 66 | - |
| Other short-term investments | 1,508 | 1,452 | 1,459 | 4% | 3% | 1,476 | 1,390 | 6% |
| Total interest-earning assets | 131,072 | 128,799 | 126,621 | 2% | 4% | 128,905 | 126,293 | 2% |
| Cash and due from banks | 2,253 | 2,193 | 2,288 | 3% | (2%) | 2,200 | 2,224 | (1%) |
| Other assets | 11,952 | 11,739 | 13,239 | 2% | (10%) | 12,203 | 13,236 | (8%) |
| Allowance for loan and lease losses | (1,092) | (1,077) | (1,205) | 1% | (9%) | (1,125) | (1,226) | (8%) |
| Total Assets | \$144,185 | \$141,654 | \$140,943 | 2% | 2% | \$142,183 | \$140,527 | 1% |
| Liabilities | | | | | | | | |
| Interest-bearing liabilities: | | | | | | | | |
| Interest checking deposits | \$32,428 | \$29,681 | \$26,992 | 9% | 20% | \$29,818 | \$26,382 | 13% |
| Savings deposits | 12,933 | 13,231 | 13,593 | (2%) | (5%) | 13,330 | 13,958 | (4%) |
| Money market deposits | 22,517 | 21,753 | 20,023 | 4% | 12% | 21,769 | 20,231 | 8% |
| Foreign office deposits | 272 | 317 | 323 | (14%) | (16%) | 363 | 388 | (6%) |
| Other time deposits | 4,366 | 4,177 | 3,792 | 5% | 15% | 4,106 | 3,771 | 9% |

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| | | | | | | | | |
|--|----------------------------|------------------|------------------|-------------|-------------|------------------|------------------|-------------|
| Total interest-bearing core deposits | 72,516 | 69,159 | 64,723 | 5% | 12% | 69,386 | 64,730 | 7% |
| Certificates \$100,000 and over | 2,662 | 2,596 | 2,429 | 3% | 10% | 2,426 | 2,564 | (5%) |
| Other deposits | 746 | 578 | 119 | 29% | 527% | 476 | 277 | 72% |
| Federal funds purchased | 2,254 | 1,987 | 602 | 13% | 274% | 1,509 | 557 | 171% |
| Other short-term borrowings | 578 | 1,018 | 2,316 | (43%) | (75%) | 1,611 | 3,158 | (49%) |
| Long-term debt | 14,420 | 14,434 | 14,631 | - | (1%) | 14,551 | 13,804 | 5% |
| Total interest-bearing liabilities | 93,176 | 89,772 | 84,820 | 4% | 10% | 89,959 | 85,090 | 6% |
| Demand deposits | 31,571 | 32,333 | 35,519 | (2%) | (11%) | 32,634 | 35,093 | (7%) |
| Other liabilities | 3,631 | 3,535 | 4,257 | 3% | (15%) | 3,603 | 3,897 | (8%) |
| Total Liabilities | 128,378 | 125,640 | 124,596 | 2% | 3% | 126,196 | 124,080 | 2% |
| Total Equity | 15,807 | 16,014 | 16,347 | (1%) | (3%) | 15,987 | 16,447 | (3%) |
| Total Liabilities and Equity | \$144,185 | \$141,654 | \$140,943 | 2% | 2% | \$142,183 | \$140,527 | 1% |
| | For the Three Months Ended | | | bps Change | | Year to Date | | bps Change |
| | December | September | December | | | December | December | |
| Yield/Rate Analysis | 2018 | 2018 | 2017 | Seq | Yr/Yr | 2018 | 2017 | Yr/Yr |
| Interest-earning assets: | | | | | | | | |
| Commercial and industrial loans ^(b) | 4.56% | 4.32% | 3.75% | 24 | 81 | 4.28% | 3.64% | 64 |
| Commercial mortgage loans ^(b) | 4.67% | 4.57% | 3.92% | 10 | 75 | 4.47% | 3.74% | 73 |
| Commercial construction loans ^(b) | 5.33% | 5.14% | 4.28% | 19 | 105 | 5.01% | 4.09% | 92 |
| Commercial leases ^(b) | 2.89% | 2.85% | 0.06% | 4 | 283 | 2.84% | 2.04% | 80 |
| Residential mortgage loans | 3.63% | 3.58% | 3.52% | 5 | 11 | 3.59% | 3.53% | 6 |
| Home equity | 5.21% | 5.03% | 4.38% | 18 | 83 | 4.92% | 4.24% | 68 |
| Automobile loans | 3.64% | 3.47% | 3.06% | 17 | 58 | 3.38% | 2.92% | 46 |
| Credit card | 12.50% | 12.17% | 11.83% | 33 | 67 | 12.25% | 11.84% | 41 |
| Other consumer loans | 7.28% | 6.98% | 6.64% | 30 | 64 | 6.94% | 6.68% | 26 |
| Total loans and leases | 4.61% | 4.41% | 3.80% | 20 | 81 | 4.36% | 3.78% | 58 |
| Taxable securities | 3.27% | 3.20% | 3.15% | 7 | 12 | 3.22% | 3.09% | 13 |
| Tax exempt securities ^(b) | 3.86% | 4.35% | 5.62% | (49) | (176) | 3.37% | 5.45% | (208) |
| Other short-term investments | 1.96% | 1.74% | 1.24% | 22 | 72 | 1.68% | 1.04% | 64 |
| Total interest-earning | 4.23% | 4.07% | 3.61% | 16 | 62 | 4.03% | 3.57% | 46 |

| assets | | | | | | | | |
|--------------------------------------|-------|-------|-------|----|-----|-------|-------|----|
| Interest-bearing liabilities: | | | | | | | | |
| Interest checking deposits | 1.07% | 0.88% | 0.51% | 19 | 56 | 0.85% | 0.41% | 44 |
| Savings deposits | 0.13% | 0.11% | 0.06% | 2 | 7 | 0.10% | 0.06% | 4 |
| Money market deposits | 0.91% | 0.80% | 0.42% | 11 | 49 | 0.74% | 0.37% | 37 |
| Foreign office deposits | 0.54% | 0.33% | 0.30% | 21 | 24 | 0.33% | 0.20% | 13 |
| Other time deposits | 1.65% | 1.48% | 1.23% | 17 | 42 | 1.44% | 1.23% | 21 |
| Total interest-bearing core deposits | 0.88% | 0.74% | 0.43% | 14 | 45 | 0.70% | 0.37% | 33 |
| Certificates \$100,000 and over | 1.97% | 1.85% | 1.45% | 12 | 52 | 1.69% | 1.38% | 31 |
| Other deposits | 2.23% | 1.95% | 1.17% | 28 | 106 | 1.94% | 1.05% | 89 |
| Federal funds purchased | 2.25% | 1.96% | 1.21% | 29 | 104 | 1.97% | 1.01% | 96 |
| Other short-term borrowings | 3.01% | 2.22% | 1.10% | 79 | 191 | 1.82% | 0.96% | 86 |
| Long-term debt | 3.18% | 3.09% | 2.72% | 9 | 46 | 3.06% | 2.74% | 32 |
| Total interest-bearing liabilities | 1.33% | 1.20% | 0.88% | 13 | 45 | 1.16% | 0.81% | 35 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

(b) Presented on an FTE basis.

Fifth Third Bancorp and Subsidiaries

Average Balance Sheet and Yield/Rate

Analysis^(a)

\$ in millions

(unaudited)

| | For the Three Months Ended | | | | |
|--|----------------------------|------------------|------------------|------------------|------------------|
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Assets | | | | | |
| Interest-earning assets: | | | | | |
| Commercial and industrial loans | \$43,911 | \$42,614 | \$42,327 | \$41,799 | \$41,455 |
| Commercial mortgage loans | 6,868 | 6,664 | 6,521 | 6,588 | 6,757 |
| Commercial construction loans | 4,885 | 4,870 | 4,743 | 4,671 | 4,660 |
| Commercial leases | 3,633 | 3,746 | 3,847 | 3,960 | 4,018 |
| Residential mortgage loans | 16,074 | 16,226 | 16,213 | 16,086 | 16,178 |
| Home equity | 6,438 | 6,529 | 6,672 | 6,889 | 7,066 |
| Automobile loans | 8,970 | 8,969 | 8,968 | 9,064 | 9,175 |
| Credit card | 2,373 | 2,299 | 2,221 | 2,224 | 2,202 |
| Other consumer loans | 2,246 | 2,060 | 1,720 | 1,588 | 1,354 |
| Taxable securities | 34,126 | 33,301 | 33,380 | 33,133 | 32,222 |
| Tax exempt securities | 40 | 69 | 81 | 73 | 75 |
| Other short-term investments | 1,508 | 1,452 | 1,474 | 1,471 | 1,459 |
| Total interest-earning assets | 131,072 | 128,799 | 128,167 | 127,546 | 126,621 |
| Cash and due from banks | 2,253 | 2,193 | 2,179 | 2,175 | 2,288 |
| Other assets | 11,952 | 11,739 | 12,211 | 12,924 | 13,239 |
| Allowance for loan and lease losses | (1,092) | (1,077) | (1,137) | (1,195) | (1,205) |
| Total Assets | \$144,185 | \$141,654 | \$141,420 | \$141,450 | \$140,943 |
| Liabilities | | | | | |
| Interest-bearing liabilities: | | | | | |
| Interest checking deposits | \$32,428 | \$29,681 | \$28,715 | \$28,403 | \$26,992 |
| Savings deposits | 12,933 | 13,231 | 13,618 | 13,546 | 13,593 |
| Money market deposits | 22,517 | 21,753 | 22,036 | 20,750 | 20,023 |
| Foreign office deposits | 272 | 317 | 371 | 494 | 323 |
| Other time deposits | 4,366 | 4,177 | 4,018 | 3,856 | 3,792 |
| Total interest-bearing core deposits | 72,516 | 69,159 | 68,758 | 67,049 | 64,723 |
| Certificates \$100,000 and over | 2,662 | 2,596 | 2,155 | 2,284 | 2,429 |
| Other deposits | 746 | 578 | 198 | 379 | 119 |
| Federal funds purchased | 2,254 | 1,987 | 1,080 | 692 | 602 |
| Other short-term borrowings | 578 | 1,018 | 2,452 | 2,423 | 2,316 |
| Long-term debt | 14,420 | 14,434 | 14,579 | 14,780 | 14,631 |
| Total interest-bearing liabilities | 93,176 | 89,772 | 89,222 | 87,607 | 84,820 |
| Demand deposits | 31,571 | 32,333 | 32,834 | 33,825 | 35,519 |
| Other liabilities | 3,631 | 3,535 | 3,397 | 3,852 | 4,257 |
| Total Liabilities | 128,378 | 125,640 | 125,453 | 125,284 | 124,596 |
| Total Equity | 15,807 | 16,014 | 15,967 | 16,166 | 16,347 |
| Total Liabilities and Equity | \$144,185 | \$141,654 | \$141,420 | \$141,450 | \$140,943 |
| Yield/Rate Analysis | | | | | |
| Interest-earning assets: | | | | | |
| Commercial and industrial loans ^(b) | 4.56% | 4.32% | 4.26% | 3.96% | 3.75% |
| Commercial mortgage loans ^(b) | 4.67% | 4.57% | 4.43% | 4.20% | 3.92% |
| Commercial construction loans ^(b) | 5.33% | 5.14% | 4.94% | 4.59% | 4.28% |
| Commercial leases ^(b) | 2.89% | 2.85% | 2.82% | 2.78% | 0.06% |

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| | | | | | |
|---|--------|--------|--------|--------|--------|
| Residential mortgage loans | 3.63% | 3.58% | 3.56% | 3.60% | 3.52% |
| Home equity | 5.21% | 5.03% | 4.85% | 4.62% | 4.38% |
| Automobile loans | 3.64% | 3.47% | 3.26% | 3.12% | 3.06% |
| Credit card | 12.50% | 12.17% | 11.96% | 12.36% | 11.83% |
| Other consumer loans | 7.28% | 6.98% | 6.75% | 6.58% | 6.64% |
| Total loans and leases | 4.61% | 4.41% | 4.30% | 4.11% | 3.80% |
| Taxable securities | 3.27% | 3.20% | 3.20% | 3.21% | 3.15% |
| Tax exempt securities ^(b) | 3.86% | 4.35% | 4.03% | 1.40% | 5.62% |
| Other short-term investments | 1.96% | 1.74% | 1.62% | 1.37% | 1.24% |
| Total interest-earning assets | 4.23% | 4.07% | 3.98% | 3.85% | 3.61% |
| Interest-bearing liabilities: | | | | | |
| Interest checking deposits | 1.07% | 0.88% | 0.76% | 0.63% | 0.51% |
| Savings deposits | 0.13% | 0.11% | 0.10% | 0.07% | 0.06% |
| Money market deposits | 0.91% | 0.80% | 0.71% | 0.53% | 0.42% |
| Foreign office deposits | 0.54% | 0.33% | 0.45% | 0.13% | 0.30% |
| Other time deposits | 1.65% | 1.48% | 1.34% | 1.25% | 1.23% |
| Total interest-bearing core deposits | 0.88% | 0.74% | 0.65% | 0.52% | 0.43% |
| Certificates \$100,000 and over | 1.97% | 1.85% | 1.35% | 1.49% | 1.45% |
| Other deposits | 2.23% | 1.95% | 1.80% | 1.44% | 1.17% |
| Federal funds purchased | 2.25% | 1.96% | 1.76% | 1.43% | 1.21% |
| Other short-term borrowings | 3.01% | 2.22% | 1.84% | 1.34% | 1.10% |
| Long-term debt | 3.18% | 3.09% | 3.11% | 2.86% | 2.72% |
| Total interest-bearing liabilities | 1.33% | 1.20% | 1.12% | 0.97% | 0.88% |
| Ratios: | | | | | |
| Net interest margin (FTE) ^(c) | 3.29% | 3.23% | 3.21% | 3.18% | 3.02% |
| Net interest rate spread (FTE) ^(c) | 2.90% | 2.87% | 2.86% | 2.88% | 2.73% |
| Interest-bearing liabilities to interest-earning assets | 71.09% | 69.70% | 69.61% | 68.69% | 66.99% |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

(b) Presented on an FTE basis.

(c) Non-GAAP measure; see discussion of non-GAAP and Reg. G reconciliation beginning on page 26.

Fifth Third Bancorp and Subsidiaries

Summary of Loans and Leases

\$ in millions

(unaudited)

| | For the Three Months Ended | | | | |
|--|----------------------------|-----------|-----------|-----------|-----------|
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Average Portfolio Loans and Leases | | | | | |
| Commercial loans and leases: | | | | | |
| Commercial and industrial loans | \$43,829 | \$42,494 | \$42,292 | \$41,782 | \$41,438 |
| Commercial mortgage loans | 6,864 | 6,635 | 6,514 | 6,582 | 6,751 |
| Commercial construction loans | 4,885 | 4,870 | 4,743 | 4,671 | 4,660 |
| Commercial leases | 3,632 | 3,738 | 3,847 | 3,960 | 4,016 |
| Total commercial loans and leases | 59,210 | 57,737 | 57,396 | 56,995 | 56,865 |
| Consumer loans: | | | | | |
| Residential mortgage loans | 15,520 | 15,598 | 15,581 | 15,575 | 15,590 |
| Home equity | 6,438 | 6,529 | 6,672 | 6,889 | 7,066 |
| Automobile loans | 8,970 | 8,969 | 8,968 | 9,064 | 9,175 |
| Credit card | 2,373 | 2,299 | 2,221 | 2,224 | 2,202 |
| Other consumer loans | 2,246 | 2,060 | 1,719 | 1,587 | 1,352 |
| Total consumer loans | 35,547 | 35,455 | 35,161 | 35,339 | 35,385 |
| Total average portfolio loans and leases | \$94,757 | \$93,192 | \$92,557 | \$92,334 | \$92,250 |
| Average loans and leases held for sale | \$641 | \$785 | \$675 | \$535 | \$615 |
| End of Period Portfolio Loans and Leases | | | | | |
| Commercial loans and leases: | | | | | |
| Commercial and industrial loans | \$44,340 | \$42,631 | \$41,403 | \$41,635 | \$41,170 |
| Commercial mortgage loans | 6,974 | 6,695 | 6,625 | 6,509 | 6,604 |
| Commercial construction loans | 4,657 | 4,892 | 4,687 | 4,766 | 4,553 |
| Commercial leases | 3,600 | 3,697 | 3,788 | 3,919 | 4,068 |
| Total commercial loans and leases | 59,571 | 57,915 | 56,503 | 56,829 | 56,395 |
| Consumer loans: | | | | | |
| Residential mortgage loans | 15,504 | 15,585 | 15,640 | 15,563 | 15,591 |
| Home equity | 6,402 | 6,485 | 6,599 | 6,757 | 7,014 |
| Automobile loans | 8,976 | 9,002 | 8,938 | 9,018 | 9,112 |
| Credit card | 2,470 | 2,325 | 2,270 | 2,188 | 2,299 |
| Other consumer loans | 2,342 | 2,131 | 1,982 | 1,615 | 1,559 |
| Total consumer loans | 35,694 | 35,528 | 35,429 | 35,141 | 35,575 |
| Total portfolio loans and leases | \$95,265 | \$93,443 | \$91,932 | \$91,970 | \$91,970 |
| Loans and leases held for sale | \$607 | \$663 | \$783 | \$717 | \$492 |
| Operating lease equipment | \$518 | \$546 | \$606 | \$625 | \$646 |
| Loans and leases serviced for others: ^(a) | | | | | |
| Commercial and industrial loans | \$514 | \$465 | \$421 | \$401 | \$415 |
| Commercial mortgage loans | 292 | 294 | 263 | 238 | 240 |
| Commercial construction loans | 130 | 108 | 82 | 87 | 76 |
| Commercial leases | 224 | 225 | 222 | 243 | 254 |
| Residential mortgage loans | 63,154 | 63,996 | 62,247 | 60,973 | 60,021 |
| Other consumer loans | 50 | 50 | 50 | 50 | - |
| Total loans and leases serviced for others | 64,364 | 65,138 | 63,285 | 61,992 | 61,006 |
| Total loans and leases serviced | \$160,754 | \$159,790 | \$156,606 | \$155,304 | \$154,114 |

(a) Fifth Third sells certain loans and leases and obtains servicing responsibilities.

Fifth Third Bancorp and SubsidiariesRegulatory Capital^(a)

\$ in millions

(unaudited)

| | December 2018 ^(b) | September 2018 | As of June 2018 | March 2018 | December 2017 |
|-------------------------------------|---------------------------------|-------------------|-----------------------|---------------|------------------|
| Regulatory capital: | | | | | |
| CET1 capital | 12,534 | 12,809 | 12,986 | 12,772 | 12,517 |
| Additional tier I capital | 1,330 | 1,331 | 1,331 | 1,331 | 1,331 |
| Tier I capital | 13,864 | 14,140 | 14,317 | 14,103 | 13,848 |
| Tier II capital | 3,859 | 3,792 | 3,799 | 3,896 | 4,039 |
| Total regulatory capital | \$17,723 | \$17,932 | \$18,116 | \$17,999 | \$17,887 |
| Risk-weighted assets ^(c) | \$122,425 | \$120,002 | \$119,073 | \$118,001 | \$117,997 |

Ratios:

| | | | | | |
|---|--------|--------|--------|--------|--------|
| Average shareholders equity to average asset ^(d) | 10.95% | 11.29% | 11.28% | 11.41% | 11.58% |
|---|--------|--------|--------|--------|--------|

Regulatory Capital Ratios:

Fifth Third Bancorp

| | | | | | |
|--|--------|--------|--------|--------|--------|
| CET1 capital ^(c) | 10.24% | 10.67% | 10.91% | 10.82% | 10.61% |
| Tier I risk-based capital ^(c) | 11.32% | 11.78% | 12.02% | 11.95% | 11.74% |
| Total risk-based capital ^(c) | 14.48% | 14.94% | 15.21% | 15.25% | 15.16% |
| Tier I leverage | 9.72% | 10.10% | 10.24% | 10.11% | 10.01% |

Fifth Third Bank

| | | | | | |
|--|--------|--------|--------|--------|--------|
| Tier I risk-based capital ^(c) | 11.93% | 12.27% | 12.43% | 12.39% | 12.06% |
| Total risk-based capital ^(c) | 13.57% | 13.94% | 14.10% | 14.15% | 13.88% |
| Tier I leverage | 10.27% | 10.56% | 10.63% | 10.51% | 10.32% |

(a) Unless otherwise stated the regulatory capital data and ratios have not been restated as a result of the Bancorp's change in accounting for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC).

(b) Current period regulatory capital data and ratios are estimated.

(c) Under the U.S. banking agencies' Basel III Final Rule, assets and credit equivalent amounts of off-balance sheet exposures are calculated according to the standardized approach for risk-weighted assets. The resulting values are added together resulting in the Bancorp's total risk-weighted assets.

(d) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

Fifth Third Bancorp and Subsidiaries

Summary of Credit Loss Experience

\$ in millions

(unaudited)

| | For the Three Months Ended | | | | |
|--|----------------------------|-----------------|-----------------|-----------------|-----------------|
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Average portfolio loans and leases: | | | | | |
| Commercial and industrial loans | \$43,829 | \$42,494 | \$42,292 | \$41,782 | \$41,438 |
| Commercial mortgage loans | 6,864 | 6,635 | 6,514 | 6,582 | 6,751 |
| Commercial construction loans | 4,885 | 4,870 | 4,743 | 4,671 | 4,660 |
| Commercial leases | 3,632 | 3,738 | 3,847 | 3,960 | 4,016 |
| Residential mortgage loans | 15,520 | 15,598 | 15,581 | 15,575 | 15,590 |
| Home equity | 6,438 | 6,529 | 6,672 | 6,889 | 7,066 |
| Automobile loans | 8,970 | 8,969 | 8,968 | 9,064 | 9,175 |
| Credit card | 2,373 | 2,299 | 2,221 | 2,224 | 2,202 |
| Other consumer loans | 2,246 | 2,060 | 1,719 | 1,587 | 1,352 |
| Total average portfolio loans and leases | \$94,757 | \$93,192 | \$92,557 | \$92,334 | \$92,250 |
| Losses charged-off: | | | | | |
| Commercial and industrial loans | (\$32) | (\$36) | (\$51) | (\$33) | (\$34) |
| Commercial mortgage loans | (1) | - | (3) | (2) | (1) |
| Commercial leases | (1) | - | - | - | (1) |
| Residential mortgage loans | (3) | (3) | (4) | (4) | (3) |
| Home equity | (5) | (6) | (5) | (7) | (8) |
| Automobile loans | (19) | (15) | (13) | (17) | (15) |
| Credit card | (34) | (33) | (29) | (28) | (23) |
| Other consumer loans | (21) | (19) | (13) | (12) | (9) |
| Total losses charged-off | (\$116) | (\$112) | (\$118) | (\$103) | (\$94) |
| Recoveries of losses previously charged-off: | | | | | |
| Commercial and industrial loans | \$2 | \$8 | \$4 | \$5 | \$2 |
| Commercial mortgage loans | 3 | 1 | 1 | 1 | 2 |
| Commercial leases | - | - | - | - | - |
| Residential mortgage loans | 2 | 1 | 2 | 1 | 2 |
| Home equity | 3 | 3 | 3 | 2 | 4 |
| Automobile loans | 6 | 6 | 5 | 6 | 5 |
| Credit card | 5 | 12 | 3 | 3 | 3 |
| Other consumer loans | 12 | 9 | 6 | 4 | - |
| Total recoveries of losses previously charged-off | \$33 | \$40 | \$24 | \$22 | \$18 |
| Net losses charged-off: | | | | | |
| Commercial and industrial loans | (\$30) | (\$28) | (\$47) | (\$28) | (\$32) |
| Commercial mortgage loans | 2 | 1 | (2) | (1) | 1 |
| Commercial leases | (1) | - | - | - | (1) |
| Residential mortgage loans | (1) | (2) | (2) | (3) | (1) |
| Home equity | (2) | (3) | (2) | (5) | (4) |
| Automobile loans | (13) | (9) | (8) | (11) | (10) |
| Credit card | (29) | (21) | (26) | (25) | (20) |
| Other consumer loans | (9) | (10) | (7) | (8) | (9) |
| Total net losses charged-off | (\$83) | (\$72) | (\$94) | (\$81) | (\$76) |

Net losses charged-off as a percent of average
portfolio loans and leases:

| | | | | | |
|--|---------|---------|-------|-------|---------|
| Commercial and industrial loans | 0.27% | 0.26% | 0.44% | 0.27% | 0.31% |
| Commercial mortgage loans | (0.15%) | (0.03%) | 0.11% | 0.06% | (0.09%) |
| Commercial leases | 0.12% | 0.00% | 0.00% | 0.00% | 0.08% |
| Residential mortgage loans | 0.02% | 0.04% | 0.05% | 0.06% | 0.03% |
| Home equity | 0.15% | 0.16% | 0.12% | 0.26% | 0.25% |
| Automobile loans | 0.54% | 0.41% | 0.33% | 0.50% | 0.45% |
| Credit card | 4.84% | 3.53% | 4.73% | 4.65% | 3.74% |
| Other consumer loans | 1.83% | 1.94% | 1.85% | 2.16% | 2.38% |
| Total net losses charged-off as a percent of average portfolio loans and leases | 0.35% | 0.30% | 0.41% | 0.36% | 0.33% |

Fifth Third Bancorp and Subsidiaries

Asset Quality

\$ in millions

(unaudited)

| | For the Three Months Ended | | | | |
|---|----------------------------|-----------|---------|---------|----------|
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Allowance for Credit Losses | | | | | |
| Allowance for loan and lease losses, beginning | \$1,091 | \$1,077 | \$1,138 | \$1,196 | \$1,205 |
| Total net losses charged-off | (83) | (72) | (94) | (81) | (76) |
| Provision for loan and lease losses | 95 | 86 | 33 | 23 | 67 |
| Allowance for loan and lease losses, ending | \$1,103 | \$1,091 | \$1,077 | \$1,138 | \$1,196 |
| Reserve for unfunded commitments, beginning | \$129 | \$131 | \$151 | \$161 | \$157 |
| Provision for (benefit from) unfunded commitments | 2 | (2) | (20) | (10) | 4 |
| Reserve for unfunded commitments, ending | \$131 | \$129 | \$131 | \$151 | \$161 |
| Components of allowance for credit losses: | | | | | |
| Allowance for loan and lease losses | \$1,103 | \$1,091 | \$1,077 | \$1,138 | \$1,196 |
| Reserve for unfunded commitments | 131 | 129 | 131 | 151 | 161 |
| Total allowance for credit losses | \$1,234 | \$1,220 | \$1,208 | \$1,289 | \$1,357 |
| | | | As of | | |
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Nonperforming Assets and Delinquent Loans | | | | | |
| Nonaccrual portfolio loans and leases: | | | | | |
| Commercial and industrial loans | \$54 | \$69 | \$99 | \$155 | \$144 |
| Commercial mortgage loans | 9 | 7 | 8 | 9 | 12 |
| Commercial leases | 18 | 22 | 25 | 4 | - |
| Residential mortgage loans | 11 | 11 | 13 | 16 | 17 |
| Home equity | 55 | 58 | 54 | 55 | 56 |
| Automobile loans | - | - | 3 | - | - |
| Other consumer loans | 1 | 1 | 1 | 1 | - |
| Total nonaccrual portfolio loans and leases (excludes restructured loans) | 148 | 168 | 203 | 240 | 229 |
| Nonaccrual restructured portfolio commercial loans and leases | 147 | 180 | 173 | 154 | 150 |
| Nonaccrual restructured portfolio consumer loans and leases | 53 | 55 | 61 | 58 | 58 |
| Total nonaccrual portfolio loans and leases | 348 | 403 | 437 | 452 | 437 |
| Repossessed property | 10 | 8 | 7 | 9 | 9 |
| OREO | 37 | 37 | 36 | 43 | 43 |
| Total nonperforming portfolio assets | 395 | 448 | 480 | 504 | 489 |
| Nonaccrual loans held for sale | - | 18 | 5 | 5 | 5 |
| Nonaccrual restructured loans held for sale | 16 | 17 | 18 | 19 | 1 |
| Total nonperforming assets | \$411 | \$483 | \$503 | \$528 | \$495 |
| Restructured portfolio consumer loans and leases (accrual) | \$961 | \$987 | \$1,024 | \$916 | \$927 |
| Restructured portfolio commercial loans and leases (accrual) | \$60 | \$80 | \$104 | \$249 | \$249 |

| | | | | | |
|---|------|------|------|-------|------|
| Loans 90 days past due (accrual): | | | | | |
| Commercial and industrial loans | \$4 | \$3 | \$4 | \$7 | \$3 |
| Commercial mortgage loans | 2 | 1 | - | 1 | - |
| Total commercial loans | 6 | 4 | 4 | 8 | 3 |
| Residential mortgage loans | 38 | 40 | 44 | 62 | 57 |
| Automobile loans | 12 | 11 | 10 | 9 | 10 |
| Credit card | 37 | 32 | 31 | 28 | 27 |
| Total consumer loans | 87 | 83 | 85 | 99 | 94 |
| Total loans 90 days past due (accrual) ^(b) | \$93 | \$87 | \$89 | \$107 | \$97 |

Ratios

| | | | | | |
|---|-------|-------|-------|-------|-------|
| Net losses charged-off as a percent of average portfolio loans and leases | 0.35% | 0.30% | 0.41% | 0.36% | 0.33% |
| Allowance for loan and lease losses: | | | | | |
| As a percent of portfolio loans and leases | 1.16% | 1.17% | 1.17% | 1.24% | 1.30% |
| As a percent of nonperforming portfolio loans and leases ^(a) | 317% | 270% | 247% | 252% | 274% |
| As a percent of nonperforming portfolio assets ^(a) | 279% | 243% | 224% | 226% | 245% |
| Nonperforming portfolio loans and leases as a percent of portfolio loans and leases and OREO ^(a) | 0.37% | 0.43% | 0.47% | 0.49% | 0.48% |
| Nonperforming portfolio assets as a percent of portfolio loans and leases and OREO ^(a) | 0.41% | 0.48% | 0.52% | 0.55% | 0.53% |
| Nonperforming assets as a percent of total loans and leases, OREO, and repossessed property | 0.43% | 0.51% | 0.54% | 0.57% | 0.53% |
| Allowance for credit losses as a percent of nonperforming assets | 313% | 272% | 252% | 256% | 278% |

(a) Excludes nonaccrual loans held for sale.

(b) Excludes loans held for sale.

Use of Non-GAAP Financial Measures

In addition to GAAP measures, management considers various Non-GAAP measures when evaluating the performance of the business, including: net interest income (FTE), interest income (FTE), net interest margin (FTE), net interest rate spread (FTE), income before income taxes (FTE), tangible net income available to common shareholders, average tangible common equity, return on average tangible common equity, tangible common equity (excluding unrealized gains/losses), tangible common equity (including unrealized gains/losses), tangible equity, tangible book value per share, adjusted earnings per share, adjusted noninterest income, adjusted noninterest expense, pre-provision net revenue, adjusted efficiency ratio, adjusted return on average common equity, adjusted return on average tangible common equity, adjusted net interest margin, adjusted provision net revenue, adjusted return on average assets, efficiency ratio (FTE), and certain ratios derived from these measures. The Bancorp believes these non-GAAP measures provide useful information to investors because these are among the measures used by the Fifth Third management team to evaluate operating performance and make day-to-day operating decisions.

The FTE basis adjusts for the tax-favored status of income from certain loans and securities held by the Bancorp that are not taxable for federal income tax purposes. The Bancorp believes this presentation to be the preferred industry measurement of net interest income and net interest margin as they provides a relevant comparison between taxable and non-taxable amounts.

The Bancorp believes tangible net income available to common shareholders, average tangible common equity, tangible common equity (excluding unrealized gains/losses), tangible common equity (including unrealized gains/losses), tangible equity, tangible book value per share and return on average tangible common equity are important measures for evaluating the performance of the business without the impacts of intangible items, whether acquired or created internally, compared to other companies in the industry who present similar measures.

The Bancorp believes adjusted earnings per share, noninterest income, noninterest expense, net interest income, net interest margin, pre-provision net revenue, efficiency ratio, return on average common equity, return on average tangible common equity, and return on average assets are important measures that adjust for significant, unusual, or large transactions that may occur in a reporting period which management does not consider indicative of on-going financial performance and enhances comparability of results with prior periods.

Management considers various measures when evaluating capital utilization and adequacy, including the tangible equity and tangible common equity (including and excluding unrealized gains/losses), in addition to capital ratios defined by the U.S. banking agencies. These calculations are intended to complement the capital ratios defined by the U.S. banking agencies for both absolute and comparative purposes. These ratios are not formally defined by U.S. GAAP or codified in the federal banking regulations and, therefore, are considered to be Non-GAAP financial measures. Management believes that providing the tangible common equity ratio excluding unrealized gains/losses on certain assets and liabilities enables investors and others to assess the Bancorp's use of equity without the effects of gains or losses some of which are uncertain and providing the tangible common equity ratio including unrealized gains/losses enables investors and others to assess the Bancorp's use of equity if all unrealized gains or losses were to be monetized.

Please note that although Non-GAAP financial measures provide useful insight, they should not be considered in isolation or relied upon as a substitute for analysis using GAAP measures.

Please see Reg. G reconciliations of all historical Non-GAAP measures used in this release to the most directly comparable GAAP measures, beginning on the following page.

| Fifth Third Bancorp and Subsidiaries | | | | | |
|---|----------------------------|-----------|---------|---------|----------|
| Regulation G Non-GAAP | | | | | |
| Reconciliation ^(a) | | | | | |
| \$ and shares in millions | | | | | |
| (unaudited) | | | | | |
| | For the Three Months Ended | | | | |
| | December | September | June | March | December |
| | 2018 | 2018 | 2018 | 2018 | 2017 |
| Net interest income | \$1,081 | \$1,043 | \$1,020 | \$996 | \$956 |
| Add: Taxable equivalent adjustment | 4 | 4 | 4 | 3 | 7 |
| Net interest income (FTE) (a) | 1,085 | 1,047 | 1,024 | 999 | 963 |
| Net interest income (annualized) (b) | 4,289 | 4,138 | 4,091 | 4,039 | 3,793 |
| Net interest income (FTE) (annualized) (c) | 4,305 | 4,154 | 4,107 | 4,052 | 3,821 |
| Net interest income (FTE) | 1,085 | 1,047 | 1,024 | 999 | 963 |
| Add: Leveraged lease remeasurement | - | - | - | - | 27 |
| Adjusted net interest income (FTE) (d) | 1,085 | 1,047 | 1,024 | 999 | 990 |
| Adjusted net interest income (FTE) (annualized) (e) | 4,305 | 4,154 | 4,107 | 4,052 | 3,928 |
| Interest income | 1,393 | 1,315 | 1,269 | 1,206 | 1,144 |
| Add: Taxable equivalent adjustment | 4 | 4 | 4 | 3 | 7 |
| Interest income (FTE) | 1,397 | 1,319 | 1,273 | 1,209 | 1,151 |
| Interest income (FTE) (annualized) (f) | 5,542 | 5,233 | 5,106 | 4,903 | 4,566 |
| Interest expense (annualized) (g) | 1,238 | 1,079 | 999 | 852 | 746 |
| Average interest-earning assets (h) | 131,072 | 128,799 | 128,167 | 127,546 | 126,621 |
| Average interest-bearing liabilities (i) | 93,176 | 89,772 | 89,222 | 87,607 | 84,820 |
| Net interest margin (b) / (h) | 3.27% | 3.21% | 3.19% | 3.17% | 3.00% |
| Net interest margin (FTE) (c) / (h) | 3.29% | 3.23% | 3.21% | 3.18% | 3.02% |
| Adjusted net interest margin (e) / (h) | 3.29% | 3.23% | 3.21% | 3.18% | 3.10% |
| Net interest rate spread (FTE) (f) / (h) - (g) / (i) | 2.90% | 2.87% | 2.86% | 2.88% | 2.73% |
| Income before income taxes | \$584 | \$550 | \$748 | \$882 | \$491 |
| Add: Taxable equivalent adjustment | 4 | 4 | 4 | 3 | 7 |
| Income before income taxes (FTE) | \$588 | \$554 | \$752 | \$885 | \$498 |
| Net income available to common shareholders (j) | \$432 | \$421 | \$579 | \$686 | \$504 |
| Add: Intangible amortization, net of tax | 1 | 1 | 1 | 1 | - |
| Tangible net income available to common shareholders | 433 | 422 | 580 | 687 | 504 |
| Tangible net income available to common shareholders (annualized) (k) | 1,718 | 1,674 | 2,326 | 2,786 | 2,000 |
| Average Bancorp shareholders equity | 15,794 | 15,994 | 15,947 | 16,146 | 16,328 |
| Less: Average preferred stock | (1,331) | (1,331) | (1,331) | (1,331) | (1,331) |
| Average goodwill | (2,468) | (2,462) | (2,462) | (2,455) | (2,437) |
| Average intangible assets | (32) | (29) | (30) | (27) | (25) |
| Average tangible common equity (l) | 11,963 | 12,172 | 12,124 | 12,333 | 12,535 |

| | | | | | |
|--|-----------|-----------|-----------|-----------|-----------|
| Total Bancorp shareholders equity | 16,250 | 15,681 | 16,080 | 16,016 | 16,200 |
| Less: Preferred stock | (1,331) | (1,331) | (1,331) | (1,331) | (1,331) |
| Goodwill | (2,478) | (2,462) | (2,462) | (2,462) | (2,445) |
| Intangible assets | (40) | (28) | (30) | (30) | (27) |
| Tangible common equity, including unrealized gains / losses (m) | 12,401 | 11,860 | 12,257 | 12,193 | 12,397 |
| Less: Accumulated other comprehensive loss (income) | 112 | 775 | 552 | 389 | (73) |
| Tangible common equity, excluding unrealized gains / losses (n) | 12,513 | 12,635 | 12,809 | 12,582 | 12,324 |
| Add: Preferred stock | 1,331 | 1,331 | 1,331 | 1,331 | 1,331 |
| Tangible equity (o) | 13,844 | 13,966 | 14,140 | 13,913 | 13,655 |
| Total assets | 146,069 | 141,590 | 140,595 | 141,383 | 142,081 |
| Less: Goodwill | (2,478) | (2,462) | (2,462) | (2,462) | (2,445) |
| Intangible assets | (40) | (28) | (30) | (30) | (27) |
| Tangible assets, including unrealized gains / losses (p) | 143,551 | 139,100 | 138,103 | 138,891 | 139,609 |
| Less: Accumulated other comprehensive loss (income), before tax | 142 | 981 | 699 | 492 | (92) |
| Tangible assets, excluding unrealized gains / losses (q) | \$143,693 | \$140,081 | \$138,802 | \$139,383 | \$139,517 |
| Common shares outstanding (r) | 647 | 661 | 678 | 685 | 694 |
| Tangible equity (o) / (q) | 9.63% | 9.97% | 10.19% | 9.98% | 9.79% |
| Tangible common equity (excluding unrealized gains/losses) (n) / (q) | 8.71% | 9.02% | 9.23% | 9.03% | 8.83% |
| Tangible common equity (including unrealized gains/losses) (m) / (p) | 8.64% | 8.53% | 8.88% | 8.78% | 8.88% |
| Tangible book value per share (m) / (r) | \$19.17 | \$17.94 | \$18.08 | \$17.80 | \$17.86 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

| Fifth Third Bancorp and Subsidiaries | | | |
|---|----------------------------|-----------|-----------|
| Regulation G Non-GAAP Reconciliation ^(a) | | | |
| \$ in millions | | | |
| (unaudited) | | | |
| | For the Three Months Ended | | |
| | December | September | December |
| | 2018 | 2018 | 2017 |
| Net income attributable to Bancorp (s) | \$455 | \$436 | \$527 |
| Net income attributable to Bancorp (annualized) (t) | 1,805 | 1,730 | 2,091 |
| Adjustments (pre-tax items) | | | |
| Valuation of Visa total return swap | (7) | 17 | 11 |
| GreenSky securities losses | 21 | 8 | - |
| Merger-related expense | 27 | - | - |
| Leveraged lease remeasurement | - | - | 27 |
| Fifth Third Foundation contribution | - | - | 15 |
| One-time employee bonus | - | - | 15 |
| Adjustments, after-tax (u) | 32 | 20 | 44 |
| Adjustments (tax related items) | | | |
| Income tax reduction from a remeasurement of the deferred tax liability | - | - | (220) |
| Tax expense related to the gain on sale of Vantiv/Worldpay shares | - | - | 20 |
| Adjustments, tax related (v) | - | - | (200) |
| Noninterest income (w) | 575 | 563 | 577 |
| Valuation of Visa total return swap | (7) | 17 | 11 |
| GreenSky securities losses | 21 | 8 | - |
| Adjusted noninterest income (x) | 589 | 588 | 588 |
| Noninterest expense (y) | 977 | 970 | 975 |
| Merger-related expense | (27) | - | - |
| Fifth Third Foundation contribution | - | - | (15) |
| One-time employee bonus | - | - | (15) |
| Adjusted noninterest expense (z) | 950 | 970 | 945 |
| Adjusted net income attributable to Bancorp (s) + (u) + (v) | 487 | 456 | 371 |
| Adjusted net income attributable to Bancorp (annualized) (aa) | 1,932 | 1,809 | 1,472 |
| Adjusted net income available to common shareholders (j) + (u) + (v) | 464 | 441 | 348 |
| Adjusted net income available to common shareholders (annualized) (ab) | 1,841 | 1,750 | 1,381 |
| Average assets (ac) | \$144,185 | \$141,654 | \$140,943 |
| Return on average tangible common equity (k) / (l) | 14.3% | 13.8% | 16.0% |
| Adjusted return on average tangible common equity (ab) / (l) | 15.4% | 14.4% | 11.0% |
| Return on average assets (t) / (ac) | 1.25% | 1.22% | 1.48% |
| Adjusted return on average assets (aa) / (ac) | 1.34% | 1.28% | 1.04% |
| Efficiency ratio (y) / [(a) + (w)] | 58.8% | 60.2% | 63.3% |
| Adjusted efficiency ratio (z) / [(d) + (x)] | 56.8% | 59.3% | 59.9% |

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| | | | |
|---|-------|-------|-------|
| Pre-provision net revenue (PPNR) (a) + (w) - (y) | \$683 | \$640 | \$565 |
| Adjusted pre-provision net revenue (PPNR) (d) + (x) - (z) | \$724 | \$665 | \$633 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. As a result, prior period financial results may differ compared to previous disclosures. A summary reconciliation of the change is provided on page 30.

**Fifth Third Bancorp and
Subsidiaries**

Segment Presentation

\$ in millions

(unaudited)

| For the three months ended December 31, 2018 | Wealth | | | | | Total |
|--|-----------------------|----------------------------------|------------------------------------|----------------------------|------------------------|---------|
| | Commercial Banking | Branch Banking ^(c) | Consumer Lending ^(d) | and Asset Management | Other/ Eliminations | |
| Taxable equivalent net interest income ^(b) | \$444 | \$544 | \$60 | \$48 | (\$11) | \$1,085 |
| Provision for loan and lease losses | (15) | (47) | (12) | (5) | (16) | (95) |
| Net interest income after provision for loan and lease losses | 429 | 497 | 48 | 43 | (27) | 990 |
| Total noninterest income | 237 | 196 | 58 | 110 | (26) | 575 |
| Total noninterest expense | (317) | (424) | (93) | (122) | (21) | (977) |
| Income (loss) before income taxes | 349 | 269 | 13 | 31 | (74) | 588 |
| Applicable income tax (expense) benefit ^(b) | (80) | (56) | (3) | (7) | 13 | (133) |
| Net income (loss) | 269 | 213 | 10 | 24 | (61) | 455 |

| For the three months ended September 30, 2018 | Wealth | | | | | Total ^(a) |
|--|--------------------------------------|----------------------------------|------------------------------------|----------------------------|------------------------|----------------------|
| | Commercial Banking ^(a) | Branch Banking ^(c) | Consumer Lending ^(d) | and Asset Management | Other/ Eliminations | |
| Taxable equivalent net interest income ^(b) | \$431 | \$525 | \$60 | \$46 | (\$15) | \$1,047 |
| (Provision for) benefit from loan and lease losses | 11 | (34) | (10) | (3) | (50) | (86) |
| Net interest income after provision for loan and lease losses | 442 | 491 | 50 | 43 | (65) | 961 |
| Total noninterest income | 235 | 204 | 50 | 115 | (41) | 563 |
| Total noninterest expense | (307) | (433) | (100) | (126) | (4) | (970) |
| Income (loss) before income taxes | 370 | 262 | - | 32 | (110) | 554 |
| Applicable income tax (expense) benefit ^(b) | (69) | (55) | - | (7) | 13 | (118) |
| Net income (loss) | 301 | 207 | - | 25 | (97) | 436 |

| For the three months ended June 30, 2018 | Wealth | | | | | Total ^(a) |
|---|--------------------------------------|----------------------------------|------------------------------------|----------------------------|------------------------|----------------------|
| | Commercial Banking ^(a) | Branch Banking ^(c) | Consumer Lending ^(d) | and Asset Management | Other/ Eliminations | |
| Taxable equivalent net interest income ^(b) | \$431 | \$499 | \$59 | \$45 | (\$10) | \$1,024 |
| (Provision for) benefit from loan and lease losses | 10 | (47) | (8) | 11 | 1 | (33) |

(Provision for) benefit from loan and lease losses

| | | | | | | |
|---|-------|-------|-------|-------|------|-------|
| Net interest income after provision for loan and lease losses | 441 | 452 | 51 | 56 | (9) | 991 |
| Total noninterest income | 229 | 167 | 52 | 109 | 186 | 743 |
| Total noninterest expense | (303) | (432) | (107) | (123) | (17) | (982) |
| Income (loss) before income taxes | 367 | 187 | (4) | 42 | 160 | 752 |
| Applicable income tax (expense) benefit ^(b) | (62) | (40) | 1 | (9) | (40) | (150) |
| Net income (loss) | 305 | 147 | (3) | 33 | 120 | 602 |

Wealth

| For the three months ended March 31, 2018 | Commercial Banking ^(a) | Branch Banking ^(c) | Consumer Lending ^(d) | and Asset Management | Other/ Eliminations | Total ^(a) |
|---|-----------------------------------|-------------------------------|---------------------------------|----------------------|---------------------|----------------------|
| Taxable equivalent net interest income ^(b) | \$422 | \$466 | \$59 | \$43 | \$9 | \$999 |
| (Provision for) benefit from loan and lease losses | 20 | (44) | (12) | (16) | 29 | (23) |
| Net interest income after provision for loan and lease losses | 442 | 422 | 47 | 27 | 38 | 976 |
| Total noninterest income | 219 | 184 | 46 | 116 | 344 | 909 |
| Total noninterest expense | (338) | (437) | (106) | (131) | 12 | (1,000) |
| Income (loss) before income taxes | 323 | 169 | (13) | 12 | 394 | 885 |
| Applicable income tax (expense) benefit ^(b) | (67) | (35) | 3 | (3) | (82) | (184) |
| Net income (loss) | 256 | 134 | (10) | 9 | 312 | 701 |

Wealth

| For the three months ended December 31, 2017 ^(e) | Commercial Banking ^(a) | Branch Banking ^(c) | Consumer Lending ^(d) | and Asset Management | Other/ Eliminations | Total ^(a) |
|---|-----------------------------------|-------------------------------|---------------------------------|----------------------|---------------------|----------------------|
| Taxable equivalent net interest income ^(b) | \$397 | \$464 | \$61 | \$40 | \$1 | \$963 |
| Provision for loan and lease losses | (13) | (37) | (10) | (4) | (3) | (67) |
| Net interest income after provision for loan and lease losses | 384 | 427 | 51 | 36 | (2) | 896 |
| Total noninterest income | 192 | 194 | 54 | 107 | 30 | 577 |
| Total noninterest expense | (312) | (432) | (101) | (124) | (6) | (975) |
| Income before income taxes | 264 | 189 | 4 | 19 | 22 | 498 |
| Applicable income tax (expense) benefit ^(b) | (103) | (66) | (2) | (7) | 207 | 29 |
| Net income | 161 | 123 | 2 | 12 | 229 | 527 |

(a) Effective in the fourth quarter of 2018, Fifth Third retrospectively applied a change in its accounting policy for investments in affordable housing projects that qualify for low-income housing tax credits (LIHTC) to all prior period amounts presented. A summary reconciliation of the change is provided on page 30.

(b) Includes taxable equivalent adjustments of \$4 million, \$4 million, \$4 million, \$3 million and \$7 million for the three months ended December 31, 2018, September 30, 2018, June 30, 2018, March 31, 2018 and December 31, 2017, respectively.

- (c) Branch Banking provides a full range of deposit and loan and lease products to individuals and small businesses through full-service banking centers.*
- (d) Consumer Lending includes the Bancorp's residential mortgage, home equity, automobile and other indirect lending activities.*
- (e) Prior period balances have been adjusted to reflect changes in internal expense allocation methodologies.*

**Fifth Third Bancorp and
Subsidiaries**

 Restatement of Prior Periods for
LIHTC

 \$ in millions, except per share data
(unaudited)

| | As of and For the Three Months Ended | | | | | |
|--------------------------------------|--------------------------------------|-------------|-------------|---------------------------|-------------|-------------|
| | December 2018 ^(a) | | | September 2018 | | |
| | Pre-LIHTC Adjustment | Adjustments | As Adjusted | As Originally Reported | Adjustments | As Adjusted |
| Balance Sheet caption | | | | | | |
| Other assets | \$ 7,463 | (91) | 7,372 | 6,604 | (95) | 6,509 |
| Accrued taxes, interest and expenses | 1,508 | 54 | 1,562 | 1,155 | 54 | 1,209 |
| Retained earnings | 16,723 | (145) | 16,578 | 16,440 | (149) | 16,291 |
| Income Statement caption | | | | | | |
| Noninterest expense | \$ 1,013 | (36) | 977 | 1,008 | (38) | 970 |
| Income before income taxes | 548 | 36 | 584 | 512 | 38 | 550 |
| Applicable income tax expense | 97 | 32 | 129 | 79 | 35 | 114 |
| Net income | \$ 451 | 4 | 455 | 433 | 3 | 436 |
| Earnings per share - basic | \$ 0.65 | - | 0.65 | 0.62 | - | 0.62 |
| Earnings per share - diluted | \$ 0.64 | - | 0.64 | 0.61 | - | 0.61 |

(a) Reflects amounts that would have been reported under the previous accounting policy prior to retrospective adoption of the change in accounting policy for LIHTC.

| | As of and For the Three Months Ended | | | | | |
|--------------------------------------|--------------------------------------|-------------|-------------|---------------------------|-------------|-------------|
| | June 2018 | | | March 2018 | | |
| | As Originally Reported | Adjustments | As Adjusted | As Originally Reported | Adjustments | As Adjusted |
| Balance Sheet caption | | | | | | |
| Other assets | \$ 6,662 | (100) | 6,562 | 7,326 | (117) | 7,209 |
| Accrued taxes, interest and expenses | 1,206 | 52 | 1,258 | 1,104 | 51 | 1,155 |
| Retained earnings | 16,143 | (152) | 15,991 | 15,707 | (168) | 15,539 |
| Income Statement caption | | | | | | |
| Noninterest expense | \$ 1,037 | (55) | 982 | 1,046 | (46) | 1,000 |
| Income before income taxes | 693 | 55 | 748 | 836 | 46 | 882 |
| Applicable income tax expense | 107 | 39 | 146 | 132 | 49 | 181 |
| Net income | \$ 586 | 16 | 602 | 704 | (3) | 701 |
| Earnings per share - basic | \$ 0.81 | 0.03 | 0.84 | 0.99 | (0.01) | 0.98 |
| Earnings per share - diluted | \$ 0.80 | 0.02 | 0.82 | 0.97 | (0.01) | 0.96 |

As of and For the Three Months
Ended
December
2017

As Originally Adjustments As Adjusted

Reported

Balance Sheet caption

| | | | | |
|--------------------------------------|----|--------|-------|--------|
| Other assets | \$ | 6,975 | (112) | 6,863 |
| Accrued taxes, interest and expenses | | 1,412 | 53 | 1,465 |
| Retained earnings | | 15,122 | (165) | 14,957 |

Income Statement caption

| | | | | |
|-------------------------------|----|-------|------|------|
| Noninterest expense | \$ | 1,073 | (98) | 975 |
| Income before income taxes | | 393 | 98 | 491 |
| Applicable income tax benefit | | (116) | 80 | (36) |
| Net income | \$ | 509 | 18 | 527 |
| Earnings per share - basic | \$ | 0.68 | 0.03 | 0.71 |
| Earnings per share - diluted | \$ | 0.67 | 0.03 | 0.70 |