

Regions Financial Corporation and Subsidiaries
Financial Supplement
Third Quarter 2021

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Financial Highlights

					Qua	rter Ende	d			
(\$ amounts in millions, except per share data)	9	/30/2021	6,	/30/2021	3.	/31/2021	12	2/31/2020	9/	30/2020
Earnings Summary										
Interest income - taxable equivalent	\$	1,017	\$	1,018	\$	1,024	\$	1,072	\$	1,071
Interest expense - taxable equivalent		41		43		46		55		71
Net interest income - taxable equivalent		976		975		978		1,017		1,000
Less: Taxable-equivalent adjustment		11		12		11		11		12
Net interest income		965		963		967		1,006		988
Provision for (benefit from) credit losses		(155)		(337)		(142)		(38)		113
Net interest income after provision for (benefit from) credit losses		1,120		1,300		1,109		1,044		875
Non-interest income		649		619		641		680		655
Non-interest expense		938		898		928		987		896
Income before income taxes		831		1,021		822		737		634
Income tax expense		180		231		180		121		104
Net income	\$	651	\$	790	\$	642	\$	616	\$	530
Net income available to common shareholders	\$	624	\$	748	\$	614	\$	588	\$	501
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Earnings per common share - basic		0.65		0.78		0.64		0.61		0.52
Earnings per common share - diluted		0.65		0.77		0.63		0.61		0.52
Balance Sheet Summary										
At quarter-end										
Loans, net of unearned income	\$	83,270	\$	84,074	\$	84,755	\$	85,266	\$	88,359
Allowance for credit losses		(1,499)		(1,684)		(2,068)		(2,293)		(2,425)
Assets		156,153		155,610		153,331		147,389		145,180
Deposits		132,039		131,484		129,602		122,479		118,445
Long-term borrowings - Other		2,451		2,870		2,916		3,569		4,919
Shareholders' equity		18,605		18,252		17,862		18,111		17,904
Average balances										
Loans, net of unearned income	\$	83,350	\$	84,551	\$	84,755	\$	86,664	\$	89,370
Assets		155,630		154,678		146,554		144,819		142,845
Deposits		131,897		131,132		122,937		119,767		116,656
Long-term borrowings - Other		2,774		2,901		3,192		4,634		5,437
Shareholders' equity		18,453		18,000		18,038		17,915		17,759

Selected Ratios and Other Information

		As of a	nd for Quarter	Ended	
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Return on average assets* (1)	1.66 %	2.05 %	1.78 %	1.69 %	1.48 %
Return on average common shareholders' equity*	14.75 %	18.35 %	15.20 %	14.37 %	12.38 %
Return on average tangible common shareholders' equity (non-GAAP)* (2)	21.34 %	26.91 %	22.28 %	21.15 %	18.32 %
Efficiency ratio	57.7 %	56.4 %	57.3 %	58.1 %	54.1 %
Adjusted efficiency ratio (non-GAAP) (2)	56.6 %	56.9 %	56.8 %	55.8 %	55.3 %
Common book value per share	\$ 17.75	\$ 17.38	\$ 16.87	\$ 17.13	\$ 16.92
Tangible common book value per share (non-GAAP) (2)	\$ 12.32	\$ 11.94	\$ 11.46	\$ 11.71	\$ 11.49
Tangible common shareholders' equity to tangible assets (non-GAAP) (2)	7.79 %	7.58 %	7.43 %	7.91 %	7.88 %
Common equity (3)	\$ 11,628	\$ 11,190	\$ 10,952	\$ 10,525	\$ 10,092
Total risk-weighted assets (3)	\$108,164	\$ 107,943	\$ 106,261	\$ 106,943	\$ 108,285
Common equity Tier 1 ratio (3)	10.8 %	10.4 %	10.3 %	9.8 %	9.3 %
Tier 1 capital ratio (3)	12.3 %	11.9 %	11.9 %	11.4 %	10.8 %
Total risk-based capital ratio (3)	14.1 %	13.9 %	14.0 %	13.6 %	13.0 %
Leverage ratio (3)	8.8 %	8.6 %	8.9 %	8.7 %	8.5 %
Effective tax rate	21.7 %	22.6 %	21.9 %	16.5 %	16.5 %
Allowance for credit losses as a percentage of loans, net of unearned income	1.80 %	2.00 %	2.44 %	2.69 %	2.74 %
Allowance for credit losses as a percentage of loans excluding PPP, net of unearned income (non-GAAP) ⁽²⁾	1.83 %	2.07 %	2.57 %	2.81 %	2.90 %
Allowance for credit losses to non-performing loans, excluding loans held for sale	283 %	253 %	280 %	308 %	316 %
Net interest margin (FTE)*	2.76 %	2.81 %	3.02 %	3.13 %	3.13 %
Adjusted net interest margin (FTE) (non-GAAP) (2) *	3.30 %	3.31 %	3.40 %	3.40 %	3.41 %
Loans, net of unearned income, to total deposits	63.1 %	63.9 %	65.4 %	69.6 %	74.6 %
Net charge-offs as a percentage of average loans*	0.14 %	0.23 %	0.40 %	0.43 %	0.50 %
Non-accrual loans, excluding loans held for sale, as a percentage of loans	0.64 %	0.79 %	0.87 %	0.87 %	0.87 %
Non-performing assets (excluding loans 90 days past due) as a percentage of loans, foreclosed properties, non-marketable investments and non-performing loans held for sale	0.66 %	0.93 %	0.90 %	0.91 %	0.90 %
Non-performing assets (including loans 90 days past due) as a percentage of loans, foreclosed properties, non-marketable investments and non-performing loans held for sale $^{(4)}$	0.80 %	1.09 %	1.09 %	1.10 %	1.08 %
Associate headcount—full-time equivalent	18,963	18,814	18,926	19,406	19,766
ATMs	2,051	2,051	2,101	2,083	2,058
Branch Statistics					
Full service	1,276	1,280	1,332	1,333	1,334
Drive-through/transaction service only	34	33	34	36	47
Total branch outlets	1,310	1,313	1,366	1,369	1,381

^{*}Annualized

⁽¹⁾

Calculated by dividing net income by consolidated average assets.

See reconciliation of GAAP to non-GAAP Financial Measures on pages 6, 7, 11, 12, 13, 15, 19, 21, 22, 23 and 26

Current quarter Common equity as well as Total risk-weighted assets, Common equity Tier 1, Tier 1 capital, Total risk-based capital and Leverage ratios are estimated.

Excludes guaranteed residential first mortgages that are 90+ days past due and still accruing. Refer to the footnotes on page 16 for amounts related to these loans.

Consolidated Statements of Income (unaudited)

				Quarter Ended		
(\$ amounts in millions, except per share data)	9/30/202	21	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Interest income on:						
Loans, including fees	\$	847	\$ 849	\$ 854	\$ 906	\$ 903
Debt securities		135	131	133	136	140
Loans held for sale		7	12	12	9	8
Other earning assets		17	14	14	10	8
Total interest income	1	,006	1,006	1,013	1,061	1,059
Interest expense on:						
Deposits		15	17	19	24	32
Long-term borrowings		26	26	27	31	39
Total interest expense		41	43	46	55	71
Net interest income		965	963	967	1,006	988
Provision for (benefit from) credit losses		(155)	(337)	(142)	(38)	113
Net interest income after provision for (benefit from) credit losses	1	,120	1,300	1,109	1,044	875
Non-interest income:						
Service charges on deposit accounts		162	163	157	160	152
Card and ATM fees		129	128	115	117	115
Wealth management income		95	96	91	89	85
Capital markets income		87	61	100	110	61
Mortgage income		50	53	90	75	108
Securities gains (losses), net		1	1	1	_	3
Other		125	117	87	129	131
Total non-interest income	'	649	619	641	680	655
Non-interest expense:						
Salaries and employee benefits		552	532	546	581	525
Equipment and software expense		90	89	90	90	89
Net occupancy expense		75	75	77	78	80
Other		221	202	215	238	202
Total non-interest expense		938	898	928	987	896
Income before income taxes		831	1,021	822	737	634
Income tax expense		180	231	180	121	104
Net income	\$	651	\$ 790	\$ 642	\$ 616	\$ 530
Net income available to common shareholders	\$	624	\$ 748	\$ 614	\$ 588	\$ 501
Weighted-average shares outstanding—during quarter:	<u></u>					
Basic		955	958	961	960	960
Diluted		962	965	968	965	962
Actual shares outstanding—end of quarter		955	955	961	960	960
Earnings per common share: (1)						
Basic	\$	0.65	\$ 0.78	\$ 0.64	\$ 0.61	\$ 0.52
Diluted	\$	0.65	\$ 0.77	\$ 0.63	\$ 0.61	\$ 0.52
Taxable-equivalent net interest income	\$	976	\$ 975	\$ 978	\$ 1,017	\$ 1,000

⁽¹⁾ Quarterly amounts may not add to year-to-date amounts due to rounding.

Consolidated Statements of Income (continued) (unaudited)

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Weighted-average shares outstanding—during year: Basic 958 959 Diluted 965 961 Actual shares outstanding—end of period 955 960 Earnings per common share: Basic \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42				_	
Basic 958 959 Diluted 965 961 Actual shares outstanding—end of period 955 960 Earnings per common share: \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42				=	
Diluted 965 961 Actual shares outstanding—end of period 955 960 Earnings per common share: \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42			958		959
Actual shares outstanding—end of period 955 960 Earnings per common share: Basic \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42					
Earnings per common share: Basic \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42					
Basic \$ 2.07 \$ 0.42 Diluted \$ 2.06 \$ 0.42	-				
Diluted \$ 2.06 \$ 0.42		S	2.07	\$	0.42
	Taxable-equivalent net interest income	-	2,929	\$	2,925

Consolidated Average Daily Balances and Yield/Rate Analysis

Ramento millions: pick on marble squighten has in the following interest in the following				Quarter	· Ended		
Samon in millions: yields on knowbie-sequinelate basis Samon Sa			9/30/2021			6/30/2021	
Federal finds sold in securities purchased under agreements to result Federal funds sold in securities purchased under agreements to result Lans, net of unamend income:	(\$ amounts in millions; yields on taxable-equivalent basis)						
Pederal and sould and securities purchased under agreements to result 1908 1818 1828 1838	Assets						
Debt Commercial Co	Earning assets:						
Loans held for sale 1,044 7 2,64 1,382 1,38 1,38 1,38 1,38 4,34 4,31 4,31 4,32 4,42 4,38 43,14 4,52 4,42 2,33 60 4,42 2,42 2,43 5,53 60 4,42 2,42 2,41 3,53 60 4,42 2,42 2,41 5,52 30 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 1,20 2,12 2,10 2,12 2,10 2,12 2,10 3,10	Federal funds sold and securities purchased under agreements to resell	\$ 2	s —	0.18 %	\$ 9	\$ —	0.13 %
Louis, net of uneamed incomes: Commercial and industrial 14,802	Debt securities (2)	29,308	135	1.85	28,633	131	1.83
Commercial and industrial 41,892 46 4,38 43,140 467 4,32 Commercial real estate mortgage—owner-occupied 5,456 60 4,37 5,588 60 4,23 Commercial real estate mortgage 5,605 32 2,18 5,521 30 2,19 Commercial investor real estate mortgage 17,08 135 5,175 134 19 Residential first mortgage 17,198 135 3,15 16,755 134 19 Home equity 65,23 8 3,3 6,77 10 12 27 Indirect—other consumer 2,097 38 7,0 2,174 39 7,27 Consumer credit card 11,128 35 12,1 1,0 39 12,1 Consumer credit card 11,23 15 1,0 31 2,1 Consumer credit card 18,12 19 1,1 1,0 32 2,1 Consumer credit card 18,12 18 1,2 1,2 1	Loans held for sale	1,044	7	2.64	1,382	12	3.36
Commercial real estate mortgage—owner-occupied 5,436 60 4.37 5,358 60 4.42 Commercial real estate construction—owner-occupied 246 2 4.14 276 3 405 Commercial real estate construction 1,706 12 2.72 1,761 12 2.73 Resident first mortgage 17,108 135 3.15 1,675 1,61 3.9 3.9 Mome cequity 6,523 58 3.33 6,74 60 3.9 7.2 Indirect—whicles 5,575 3.12 600 5 3.0 7.7 2.0 Indirect—other consumer 2,077 38 7.09 2,174 3.9 7.2 2.0 Consumer crid card 1,128 35 4.07 1,128 35 4.07 1,128 35 4.07 1,128 35 4.0 4.0 1,207 7 2,20 1,129 1,129 4.0 4.0 1,129 1,129 1,129 1,129 1,129	Loans, net of unearned income:						
Commercial real estate construction—owner-occupied 246 2 4.14 276 3 4.08 Commercial investor real estate mortgage 5.605 32 2.18 5.21 10 2 2 1.01 12 2 1.02 1.02 2 2 1.01 12 2 1.02 1.02 2 1.02 1.02 2 2 1.01 12 2.03 2 1.02 1.01 3 2.03 2 2.03 3 3.03 3.03 3.03 3.03 3.03 3.03 3.03 3.03 2.03 2.07 2.03 2.04 3.03 2.03 <t< td=""><td>Commercial and industrial</td><td>41,892</td><td>464</td><td>4.38</td><td>43,140</td><td>467</td><td>4.32</td></t<>	Commercial and industrial	41,892	464	4.38	43,140	467	4.32
Commercial investor real estate mortgage 5,605 32 2.18 5,521 30 2.19 Commercial investor real estate construction 1,706 12 2.72 1,761 12 2.73 Residential fints mortgage 17,198 135 3.15 16,055 3.02 Indirect—whicles 557 5 3.12 600 5 3.00 Commercial card 1,013 3 7.00 18 3.00 11 3 1.10 1.10 3 2.10 1.10 3 2.10 3 2.10 1.10 3 3.00 1.10 3 3.00 1.10 3.00 1.10 <td>Commercial real estate mortgage—owner-occupied</td> <td>5,436</td> <td>60</td> <td>4.37</td> <td>5,358</td> <td>60</td> <td>4.42</td>	Commercial real estate mortgage—owner-occupied	5,436	60	4.37	5,358	60	4.42
Commercial investor real estate mortgage 5,605 32 2.18 5,521 30 2.19 Commercial investor real estate construction 1,706 12 2.72 1,761 12 2.73 Residential fints mortgage 17,198 135 3.15 16,075 13 3.19 Home equity 6,523 88 3.53 6,774 60 3.20 Indirect—whicles 557 5 3.12 600 5 3.00 Indirect—whicles 557 5 3.12 600 5 3.00 Indirect—whicles consumer 2007 38 7.09 1,108 33 12,13 Other consumer 962 17 7.22 954 18 7.02 Total loans, net of uneamed income 83,58 8 4.07 84,51 8 1.01 Interest bearing deposits in other banks 1,303 8 2,06 2,377 7 2,02 Total a intering sacks 14,011 1,303 8 <t< td=""><td></td><td></td><td>2</td><td>4.14</td><td></td><td>3</td><td>4.05</td></t<>			2	4.14		3	4.05
Commercial investor real estate construction 1,706 12 2,72 1,761 12 2,73 Residential first mortgage 17,108 155 3,15 16,75 13 3,10 Indirect—webicles 557 5 3,12 600 5 3,00 Indirect—webicles 557 5 3,12 600 5 3,00 Indirect—other consumer 2,007 38 7,00 2,174 39 7,27 Consumer credited 1,128 35 2,10 9,54 18 7,32 Other consumer 962 17 7,32 954 18 7,32 Total consumer crid uneamed income 83,350 88 4,07 84,551 86 4,07 Interest bearing deposits in other banks 2,14 9 15 2,32 7 2,12 Other carming assets 1,40 1,01 2,88 13,90 1,01 2,20 Cash and the from banks 1,93 1,44 1,01 1,34	•	5,605	32	2.18	5,521	30	2.19
Residential first mortgage 17,198 135 3.15 16,095 134 3.19 Home quity 6,523 58 5.33 6,774 60 3.20 Indirect—whicles 557 5 3.12 600 5 3.00 Consumer 2,097 38 7.09 1,108 33 12.13 Other consumer 962 17 7.22 19.08 33 12.13 Other consumer 83,350 888 4.07 84,551 8.01 4.07 Total learning assets 25,144 9 0.15 23,337 7 2.01 Total carning assets 19,03 8 2,06 1,207 7 2.02 Total carning assets 11,03 8 2,06 1,207 7 2.02 Unrealized gains/(losses) on debt securities available for sale, net C 1,581 1,581 1,583 1 1,582 1 1,582 1 1,582 1 1,582 1 1,582 1 <td></td> <td></td> <td>12</td> <td>2.72</td> <td></td> <td>12</td> <td>2.73</td>			12	2.72		12	2.73
Home equity 65.23 58 3.53 6,74 60 3.29 Indirect—whices 557 5 5.12 60 5 30 Consumer credicard 1,128 35 12.19 1,108 33 12.13 Ober consumer 962 17 7,32 954 18 7.32 Total loans, net of uneared income 83,55 88 40 84,551 61 407 Interest bearing deposits in other banks 25,144 9 40.5 23,337 7 210 Other caming assets 13,03 88 2.06 12,97 7 220 Total carring assets 140,15 1,01 2.88 13,20 1,018 2.29 Unrealized gains/(losses) on debt securities available for sale, net ¹ 1674 1 2.8 13,20 1,018 2.2 1 1 1 2.0 1 2 1 1 1 2 2.0 1 1 2 2.0 2 <td< td=""><td></td><td></td><td>135</td><td>3.15</td><td></td><td>134</td><td>3.19</td></td<>			135	3.15		134	3.19
Indirect—whicles 557 5 3,12 690 5 3,09 Indirect—other consumer 2,097 38 7,09 2,174 39 7,27 Consumer credit card 1,128 35 1,219 1,108 33 12,13 Other consumer 9,00 1,7 7.32 594 18 7,32 Total loans, net of uneamed income 83,350 858 4,07 84,551 861 4,07 Interest bearing deposits in other banks 25,144 9 1,05 23,377 7 0,11 Other carning assets 140,151 1,017 2,88 139,20 1,08 2,02 Cash and due from banks 1,037 2,09 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 2,02 1,08 1,08 2,02 1,08 1,08 1			58	3.53		60	3.52
Consumer cedit card 1,128 35 12,19 1,108 33 12,13 Other consumer 96 17 7,32 954 18 7,32 Total lanas, net of unearned income 83,350 85 4,07 84,551 861 407 Interest bearing deposits in other banks 25,144 9 1,05 23,337 7 0.10 Other carning assets 1,303 8 2,06 1,297 7 2,20 Clarating assets 1,415 1,017 2,88 139,209 1,018 2,92 Unrealized gains/ (losses) on debt securities available for sale, net ⁽²⁾ 67 4 62 1,297 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 3	• •		5	3.12	-	5	3.09
Consumer cedit card 1,128 35 12,19 1,108 33 12,13 Other consumer 96 17 7,32 954 18 7,32 Total lanas, net of unearned income 83,350 85 4,07 84,551 861 407 Interest bearing deposits in other banks 25,144 9 1,05 23,337 7 0.10 Other carning assets 1,303 8 2,06 1,297 7 2,20 Clarating assets 1,415 1,017 2,88 139,209 1,018 2,92 Unrealized gains/ (losses) on debt securities available for sale, net ⁽²⁾ 67 4 62 1,297 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 2 1,18 3	Indirect—other consumer					39	
Other consumer 962 17 7.32 954 18 7.32 Total loans, not of unemed income 83,350 858 4.07 84,511 861 407 Interest bearing deposits in other banks 25,144 9 0.15 23,37 7 0.11 Other earning assets 1,033 8 2,06 1,297 7 2,20 Total carning assets 1674 107 2.88 139,09 1,018 2,92 Allowance for loan losses 16,781 1,018 1,267 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 1 627 627 627 628 627 628 628 628 628 628 628 628 628 628 628 628 628 628							
Total loans, net of uneamed income 83,350 855 4.07 84,551 861 4.07 Interest bearing deposits in other banks 25,144 9 0.15 23,337 7 0.11 Other earning assects 14,015 1.017 2.88 139,09 1.018 2.92 Uracalized gains/(losses) on debt securities available for sale, net (2) (1,581) (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Allowance for loan losses (1,581) (1,581) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losses) on debt securities available for sale, net (2) Uracalized gains/(losse) on debt sa							
State Starting deposits in other banks 25,144 9 0.15 23,337 7 0.11 Other earning assets 1,303 8 2.06 1,297 7 2.20 Total earning assets 10,101 1,017 2.88 139,20 1,018 2.92 Unrealized gains/(losses) on debt securities available for sale, net (2) 674 674 627 Allowance for loan losses 1,581 1,937 2,004 Other non-earning assets 1,937 2,004 Other non-earning assets 1,444 1,164 1,164 Interest-bearing liabilities: Savings 14,328 4 0.13 1,3914 5 0.14 Interest-bearing checking 25,277 2 0.03 25,044 2 0.03 Other deposits 4,527 7 0.55 4,813 8 0.44							
Other earning assets 1,303 8 2.06 1,297 7 2.20 Total earning assets 140,151 1,017 2.88 139,20 1,018 2.92 Unrealized gains/(losses) on debt securities available for sale, net of Sale 674 672 627 7 2.09 7 2.09 7 2.09 7 2.00 7 2.00 7 2.00 7 2.00 7 2.00 7 2.00 7 2.00 7 2.00 7 2.00 2.0							
Total earning assets 140,151 1,017 2.88 139,209 1,018 2.92							
Unrealized gains/(losses) on debt securities available for sale, net ²³ 674 627 Allowance for loan losses (1,581) 1,896 Cash and due from banks 1,937 2,094 Other non-earning assets 14,449 14,644 Liabilities and Shareholders' Equity 8 155,630 \$ 154,678 Testibilities: Savings 14,328 4 0.13 \$ 13,914 5 0.14 Interest-bearing labilities: 25,277 2 0.03 25,044 2 0.03 Money market 30,765 2 0.02 30,762 2 0.03 Other deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 - 1,50 4,813 8 0.64 Other deposits 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 77,672 41 0.20 77,438 43 0.22 Total interest-bearing labilities 77,672 41 </td <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Allowance for loan losses (1,581) (1,896) Cash and due from banks 1,937 2,094 Other non-earning assets 14,449 14,644 Liabilities and Shareholders' Equity Interest-bearing liabilities: Savings 14,328 4 0.13 \$13,914 5 0.14 Boney market 39,765 2 0.02 30,762 2 0.03 Money market 39,765 2 0.02 30,762 2 0.03 Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 - 1.50 4 - 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 - - 56,595 - - Total funding sources 134,671 41 0.12 0.12 134,071 2.70 <t< td=""><td></td><td>,</td><td>-,</td><td></td><td></td><td>-,</td><td></td></t<>		,	-,			-,	
Cash and due from banks 1,937 2,094 Other non-earning assets 14,449 14,644 Liabilities and Shareholders' Equity Interest-bearing liabilities: Savings \$14,328 4 0.13 \$13,914 5 0.14 Interest-bearing liabilities: 25,277 2 0.03 25,044 2 0.03 Money market 30,765 2 0.02 30,762 2 0.03 Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 — 1.50 4 — 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.02 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — 56,595 — — -							
Other non-earning assets 14,449 14,644 14,644 14,644 14,644 14,644 14,648		* * * *					
Is 155,630 \$ 154,678 Liabilities and Shareholders' Equity Interest-bearing liabilities: Savings \$ 14,328 4 0.13 \$ 13,914 5 0.14 Interest-bearing checking 25,277 2 0.03 25,044 2 0.03 Money market 30,765 2 0.02 30,762 2 0.03 Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 — 1.50 4 — 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.67 2.67 Other liabilities 2,506 2,645 Shareholders' equity 18,453							
Liabilities and Shareholders' Equity Interest-bearing liabilities: Savings \$14,328 4 0.13 \$13,914 5 0.14 1 1 1 1 1 1 1 1 1							
Savings \$14,328 4 0.13 \$13,914 5 0.14 Interest-bearing checking \$25,277 2 0.03 25,044 2 0.03 Money market \$30,765 2 0.02 30,762 2 0.03 Time deposits \$4,527 7 0.55 4,813 8 0.64 Other deposits \$1 - 1.50 4 - 0.55 Total interest-bearing deposits \$3 15 0.08 74,537 17 0.09 Long-term borrowings \$2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities \$77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits \$3 56,999 - 56,595 - - Total funding sources \$134,671 41 0.12 134,033 43 0.13 Net interest spread \$2 \$2.67 \$2.67 Other liabilities \$2,506 \$2,645 Shareholders' equity \$18,453 \$18,000 \$155,630 \$155,630 \$154,678 \$155,630 \$154,678 \$155,678 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,675 \$155,	Liabilities and Shareholders' Equity	<u> </u>			Ψ 10 1,070		
Savings \$ 14,328 4 0.13 \$ 13,914 5 0.14 Interest-bearing checking 25,277 2 0.03 25,044 2 0.03 Money market 30,765 2 0.02 30,762 2 0.03 Time deposits 7 0.55 4,813 8 0.64 Other deposits 1 - 1.50 4 - 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 - - - 56,595 - - - Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2,645 2,645 2,645 2,645 <							
Interest-bearing checking 25,277 2 0.03 25,044 2 0.03 Money market 30,765 2 0.02 30,762 2 0.03 Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1		S 14.328	4	0.13	\$ 13.914	5	0.14
Money market 30,765 2 0.02 30,762 2 0.03 Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 - 1.50 4 - 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 - - - 56,595 - - Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2,506 2,645 2,645 Shareholders' equity 18,453 18,000 18,000 18,453 18,000 18,453 18,000 18,453 18,000 18,453 18,000 18,453 18,000 18,453							
Time deposits 4,527 7 0.55 4,813 8 0.64 Other deposits 1 - 1.50 4 - 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 - - 56,595 - - Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2,506 2,645 2,645 2,645 Shareholders' equity 18,453 18,000 \$ 154,678							
Other deposits 1 — 1.50 4 — 0.55 Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.645 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$155,630 \$154,678							
Total interest-bearing deposits (3) 74,898 15 0.08 74,537 17 0.09 Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.67 2.70 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$15,630 \$154,678							
Long-term borrowings 2,774 26 3.65 2,901 26 3.59 Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.67 2.70 Other liabilities 2,506 2,645 2.645 Shareholders' equity 18,453 18,000 18,453 \$155,630 \$154,678 \$154,678	•						
Total interest-bearing liabilities 77,672 41 0.20 77,438 43 0.22 Non-interest-bearing deposits (3) 56,999 — — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.645 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$155,630 \$154,678							
Non-interest-bearing deposits (3) 56,999 — 56,595 — — Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.67 2.70 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$155,630 \$154,678							
Total funding sources 134,671 41 0.12 134,033 43 0.13 Net interest spread (2) 2.67 2.67 2.70 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$ 155,630 \$ 154,678	-						
Net interest spread (2) 2.67 2.70 Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$ 155,630 \$ 154,678			41	0.12		43	0.13
Other liabilities 2,506 2,645 Shareholders' equity 18,453 18,000 \$ 155,630 \$ 154,678		, v · -			,		
Shareholders' equity 18,453 18,000 \$ 155,630 \$ 154,678		2,506			2.645		
<u>\$ 155,630</u> <u>\$ 154,678</u>							
	Net interest income /margin FTE basis (2)			2.76 %		\$ 975	2.81 %

⁽¹⁾ Amounts have been calculated using whole dollar values.

Debt securities are included on an amortized cost basis with yield and net interest margin calculated accordingly.

Total deposit costs may be calculated by dividing total interest expense on deposits by the sum of interest-bearing deposits and non-interest bearing deposits. The rates for total deposit costs equal 0.04% for the quarter ended September 30, 2021 and 0.05% for the quarter ended June 30, 2021.

Consolidated Average Daily Balances and Yield/Rate Analysis (continued)

(\$ amounts in millions; yields on taxable-equivalent basis) Assets Earning assets: Debt securities (2) \$ Loans held for sale Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles Indirect—other consumer						Quarte	r Ended						
basis) Assets Earning assets: Debt securities (2) \$ Loans held for sale Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles		3/31/20	021			12/31	/2020				9/3	0/2020	
Earning assets: Debt securities (2) \$ Loans held for sale Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	Average Balance	Incon Exper		Yield/ Rate (1)	verage alance	Inco Exp	me/ ense	Yield/ Rate (1)		verage Balance		come/ pense	Yield/ Rate (1)
Debt securities (2) \$ Loans held for sale Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles										_			
Loans held for sale Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles													
Loans, net of unearned income: Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	27,180	\$	133	1.96 %	\$ 26,779	\$	136	2.02 %	\$	24,950	\$	140	2.24 %
Commercial and industrial Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	1,603		12	3.10	1,253		9	2.62		1,147		8	2.89
Commercial real estate mortgage—owner-occupied Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles													
Commercial real estate construction—owner-occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	42,816		459	4.33	43,889		491	4.44		46,405		474	4.05
occupied Commercial investor real estate mortgage Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	5,375		60	4.48	5,405		62	4.49		5,498		63	4.50
Commercial investor real estate construction Residential first mortgage Home equity Indirect—vehicles	303		3	3.89	303		3	3.95		318		3	4.04
Residential first mortgage Home equity Indirect—vehicles	5,375		30	2.22	5,549		32	2.22		5,324		31	2.27
Home equity Indirect—vehicles	1,847		13	2.75	1,899		13	2.82		1,974		15	2.87
Indirect—vehicles	16,606		134	3.23	16,433		135	3.30		15,786		135	3.41
	7,085		62	3.55	7,411		67	3.61		7,727		70	3.59
Indirect—other consumer	850		7	3.24	1,023		8	3.22		1,223		10	3.25
	2,352		44	7.51	2,514		49	7.74		2,835		57	8.06
Consumer credit card	1,151		35	12.19	1,190		37	12.40		1,194		38	12.62
Other consumer	995		18	7.43	 1,048		20	7.47		1,086		19	7.36
Total loans, net of unearned income	84,755		865	4.11	86,664		917	4.20		89,370		915	4.06
Interest bearing deposits in other banks	16,509		4	0.10	13,379		3	0.10		10,372		2	0.10
Other earning assets	1,279		10	3.27	1,278		7	2.20		1,323		6	1.79
Total earning assets	131,326	1	,024	3.14	129,353		1,072	3.29		127,162		1,071	3.35
Unrealized gains/(losses) on debt securities available for sale, net (2)	867				1,055					1,143			
Allowance for loan losses	(2,139)				(2,286)					(2,308)			
Cash and due from banks	1,931				2,027					2,174			
Other non-earning assets	14,569				14,670					14,674			
\$	146,554				\$ 144,819				\$	142,845			
Liabilities and Shareholders' Equity													
Interest-bearing liabilities:													
Savings \$	12,340		5	0.15	\$ 11,374		3	0.12	\$	10,935		4	0.14
Interest-bearing checking	24,171		2	0.04	22,940		3	0.05		22,098		4	0.07
Money market	29,425		3	0.04	29,312		5	0.06		29,146		8	0.12
Time deposits	5,158		9	0.74	5,598		13	0.86		6,150		16	1.08
Other deposits	4		_	1.81	11		_	1.93		13		_	1.87
Total interest-bearing deposits (3)	71,098		19	0.11	69,235		24	0.13		68,342		32	0.19
Federal funds purchased and securities sold under agreements to repurchase	_		_	_	35		_	0.24		_		_	_
Long-term borrowings	3,192		27	3.42	4,634		31	2.66		5,829		39	2.63
Total interest-bearing liabilities	74,290		46	0.25	73,904		55	0.29		74,171	_	71	0.38
Non-interest-bearing deposits (3)	51,839		_	_	50,532		_	_		48,314		_	_
Total funding sources	126,129		46	0.15	124,436		55	0.17		122,485		71	0.23
Net interest spread (2)				2.89			-	3.00					2.97
Other liabilities	2,387				2,468					2,576			
Shareholders' equity	18,038				17,915					17,759			
Noncontrolling interest										25			
\$									Φ				
Net interest income/margin FTE basis (2)	146,554				\$ 144,819				\$	142,845			

⁽¹⁾ Amounts have been calculated using whole dollar values

Adjusted Net Interest Margin (non-GAAP)

Regions believes the adjusted net interest margin (non-GAAP) provides investors with meaningful additional information about Regions' performance when margin associated with the SBA's Paycheck Protection Program (PPP) loans and excess cash are excluded from net interest margin (GAAP).

		(Quarter-ended		
	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Net interest margin (FTE) (GAAP)	2.76 %	2.81 %	3.02 %	3.13 %	3.13 %
Impact of SBA PPP loans (1)	(0.05)%	(0.05)%	(0.04)%	(0.07)%	0.01 %
Impact of excess cash (2)	0.59 %	0.55 %	0.42 %	0.34 %	0.27 %
Adjusted net interest margin (FTE) (non-GAAP)	3.30 %	3.31 %	3.40 %	3.40 %	3.41 %

⁽¹⁾ The impact of SBA PPP loans was determined using average PPP loan balances and the related net interest income.

⁽²⁾ Debt securities are included on an amortized cost basis with yield and net interest margin calculated accordingly.

⁽³⁾ Total deposit costs may be calculated by dividing total interest expense on deposits by the sum of interest-bearing deposits and non-interest bearing deposits. The rates for total deposit costs equal 0.06% for the quarter ended March 31, 2021, 0.08% for the quarter ended December 31, 2020 and 0.11% for the quarter ended September 30, 2020.

⁽²⁾ The impact of excess cash was determined using the average cash balance in excess of \$750 million and the related net interest income. The \$750 million threshold approximates the average cash balance for the four quarters preceding the outbreak of the COVID 19 pandemic.

Pre-Tax Pre-Provision Income ("PPI") and Adjusted PPI (non-GAAP)

The Pre-Tax Pre-Provision Income tables below present computations of pre-tax pre-provision income excluding certain adjustments (non-GAAP). Regions believes that the presentation of PPI and the exclusion of certain items from PPI provides a meaningful base for period-to-period comparisons, which management believes will assist investors in analyzing the operating results of the Company and predicting future performance. These non-GAAP financial measures are also used by management to assess the performance of Regions' business. It is possible that the activities related to the adjustments may recur; however, management does not consider the activities related to the adjustments of ongoing operations. Regions believes that presentation of these non-GAAP financial measures will permit investors to assess the performance of the Company on the same basis as that applied by management. Non-GAAP financial measures have inherent limitations, are not required to be uniformly applied and are not audited. Although these non-GAAP financial measures are frequently used by stakeholders in the evaluation of a company, they have limitations as analytical tools, and should not be considered in isolation, or as a substitute for analyses of results as reported under GAAP. In particular, a measure of income that excludes certain adjustments does not represent the amount that effectively accrues directly to shareholders.

							Quarte	er Ended	l				
(\$ amounts in millions)	9/30/2	2021	6/30/20	21	3/31/2021	12	2/31/2020	9/30/2	020	 3Q21 vs	s. 2Q21	 3Q21 vs	s. 3Q20
Net income available to common shareholders (GAAP)	\$	624	\$ 7	748	\$ 614	\$	588	\$	501	\$ (124)	(16.6)%	\$ 123	24.6 %
Preferred dividends and other (GAAP) (1)		27		42	28		28		29	(15)	(35.7)%	(2)	(6.9)%
Income tax expense (GAAP)		180	2	231	180		121		104	 (51)	(22.1)%	 76	73.1 %
Income before income taxes (GAAP)		831	1,0)21	822		737		634	(190)	(18.6)%	197	31.1 %
Provision for (benefit from) credit losses (GAAP)		(155)	(3	337)	(142)		(38)		113	 182	54.0 %	 (268)	(237.2)%
Pre-tax pre-provision income (non-GAAP)		676	6	584	680		699		747	(8)	(1.2)%	(71)	(9.5)%
Other adjustments:													
Securities (gains) losses, net		(1)		(1)	(1)		_		(3)	_	— %	2	66.7 %
Gains on equity investment (2)		_		_	(3)		(6)		(44)	_	NM	44	100.0 %
Leveraged lease termination gains, net		(2)		_	_		_		_	(2)	NM	(2)	NM
Bank-owned life insurance (3)		_	((18)	_		(25)		_	18	100.0 %	_	NM
Salaries and employee benefits—severance charges		_		2	3		26		2	(2)	(100.0)%	(2)	(100.0)%
Branch consolidation, property and equipment charges		_		_	5		7		3	_	NM	(3)	(100.0)%
Contribution to the Regions Financial Corporation foundation		_		1	2		10		_	(1)	(100.0)%	_	NM
Loss on early extinguishment of debt		20		_			14		2	 20	NM	 18	NM
Total other adjustments		17		(16)	6		26		(40)	33	206.3 %	57	142.5 %
Adjusted pre-tax pre-provision income (non-GAAP)	\$	693	\$ 6	668	\$ 686	\$	725	\$	707	\$ 25	3.7 %	\$ (14)	(2.0)%

NM - Not Meaningful

⁽¹⁾ The second quarter 2021 amount includes \$13 million of Series A preferred stock issuance costs, which reduced net income available to common shareholders when the shares were redeemed during the second quarter of 2021.

⁽²⁾ The first quarter 2021 amount is a gain on the sale of an equity investment, whereas the other quarters are valuations gains on the investment that was sold in the first quarter 2021.

⁽³⁾ The second quarter 2021 amount relates to an individual BOLI claim benefit. During the fourth quarter of 2020, the Company recognized a gain on the exchange of BOLI policies.

Non-Interest Income

								Quart	ter Eı	nded				
(\$ amounts in millions)	9/30	0/2021	6/30	0/2021	3/3	1/2021	12/	31/2020	9/	30/2020	3Q21 vs	s. 2Q21	3Q21 v	s. 3Q20
Service charges on deposit accounts	\$	162	\$	163	\$	157	\$	160	\$	152	\$ (1)	(0.6)%	\$ 10	6.6 %
Card and ATM fees		129		128		115		117		115	1	0.8 %	14	12.2 %
Wealth management income		95		96		91		89		85	(1)	(1.0)%	10	11.8 %
Capital markets income (1)		87		61		100		110		61	26	42.6 %	26	42.6 %
Mortgage income		50		53		90		75		108	(3)	(5.7)%	(58)	(53.7)%
Commercial credit fee income		23		23		22		22		20	_	— %	3	15.0 %
Bank-owned life insurance		18		33		17		43		17	(15)	(45.5)%	1	5.9 %
Securities gains (losses), net		1		1		1		_		3	_	— %	(2)	(66.7)%
Market value adjustments on employee benefit assets (2)		5		8		7		7		14	(3)	(37.5)%	(9)	(64.3)%
Gains on equity investment (3)		_		_		3		6		44	_	NM	(44)	(100.0)%
Other		79		53		38		51		36	26	49.1 %	43	119.4 %
Total non-interest income	\$	649	\$	619	\$	641	\$	680	\$	655	\$ 30	4.8 %	\$ (6)	(0.9)%

Mortgage Income

								Quar	ter E	nded				
(\$ amounts in millions)	9	0/30/2021	6	5/30/2021	3	3/31/2021	12	2/31/2020	9.	/30/2020	3Q21 v	s. 2Q21	3Q21 v	s. 3Q20
Production and sales	\$	57	\$	50	\$	76	\$	74	\$	99	\$ 7	14.0 %	\$ (42)	(42.4)%
Loan servicing		26		25		24		24		23	1	4.0 %	3	13.0 %
MSR and related hedge impact:														
MSRs fair value increase (decrease) due to change in valuation inputs or assumptions		(3)		(38)		90		5		_	35	92.1 %	(3)	NM
MSRs hedge gain (loss)		(12)		32		(83)		(11)		_	(44)	(137.5)%	(12)	NM
MSRs change due to payment decay		(18)		(16)		(17)		(17)		(14)	(2)	(12.5)%	(4)	(28.6)%
MSR and related hedge impact		(33)		(22)		(10)		(23)		(14)	(11)	(50.0)%	(19)	135.7 %
Total mortgage income	\$	50	\$	53	\$	90	\$	75	\$	108	\$ (3)	(5.7)%	(58)	(53.7)%
Mortgage production - portfolio	\$	1,548	\$	1,746	\$	1,470	\$	1,833	\$	2,023	\$ (198)	(11.3)%	\$ (475)	(23.5)%
Mortgage production - agency/secondary market		1,276		1,255		1,306		1,553		1,465	21	1.7 %	(189)	(12.9)%
Total mortgage production	\$	2,824	\$	3,001	\$	2,776	\$	3,386	\$	3,488	\$ (177)	(5.9)%	\$ (664)	(19.0)%
Mortgage production - purchased		59.7 %		63.6 %		51.3 %		49.3 %		50.9 %				
Mortgage production - refinanced		40.3 %		36.4 %		48.7 %		50.7 %		49.1 %				

Wealth Management Income

								Quar	ter E	nded				
(\$ amounts in millions)	9/30/	2021	6/3	0/2021	3/3	31/2021	12/	31/2020	9/3	30/2020	3Q21 v	s. 2Q21	 3Q21 v	s. 3Q20
Investment management and trust fee income	\$	69	\$	69	\$	66	\$	67	\$	62	\$ _	- %	\$ 7	11.3 %
Investment services fee income		26		27		25		22		23	(1)	(3.7)%	3	13.0 %
Total wealth management income (4)	\$	95	\$	96	\$	91	\$	89	\$	85	\$ (1)	(1.0)%	\$ 10	11.8 %

Capital Markets Income

								Quart	er En	ded				
(\$ amounts in millions)	9/30/202	21	6/30/2	2021	3/3	31/2021	12/	31/2020	9/30	0/2020	3Q21 v	s. 2Q21	3Q21 v	s. 3Q20
Capital markets income	\$	87	\$	61	\$	100	\$	110	\$	61	\$ 26	42.6 %	\$ 26	42.6 %
Less: Valuation adjustments on customer derivatives (5)		1		(4)		11		8		5	5	125.0 %	(4)	(80.0)%
Capital markets income excluding valuation adjustments	\$	86	\$	65	\$	89	\$	102	\$	56	\$ 21	32.3 %	\$ 30	53.6 %

- Capital markets income primarily relates to capital raising activities that includes debt securities underwriting and placement, loan syndication and placement, as well as foreign exchange, derivative and merger and acquisition advisory services.
- These market value adjustments relate to assets held for employee benefits that are offset within salaries and employee benefits expense.
- The first quarter 2021 amount is a gain on the sale of an equity investment, whereas the other quarters are valuations gains on the investment that was sold in the first quarter 2021. Total wealth management income presented above does not include the portion of service charges on deposit accounts and similar smaller dollar amounts that are also attributable to (4) the wealth management segment.
- For the purposes of determining the fair value of customer derivatives, the Company considers the risk of nonperformance by counterparties, as well as the Company's own risk of nonperformance. The valuation adjustments above are reflective of the values associated with these considerations.

Non-Interest Income

	Nine Mon	ths Ended	Year-to-Date 9/30/	0/2021 vs. 9/30/2020		
(\$ amounts in millions)	 9/30/2021	9/30/2020	Amount	Percent		
Service charges on deposit accounts	\$ 482	\$ 461	\$ 21	4.6 %		
Card and ATM fees	372	321	51	15.9 %		
Wealth management income	282	248	34	13.7 %		
Capital markets income (1)	248	165	83	50.3 %		
Mortgage income	193	258	(65)	(25.2)%		
Commercial credit fee income	68	55	13	23.6 %		
Bank-owned life insurance	68	52	16	30.8 %		
Securities gains (losses), net	3	4	(1)	(25.0)%		
Market value adjustments on employee benefit assets - other (2)	20	5	15	300.0 %		
Gains on equity investment (3)	3	44	(41)	(93.2)%		
Other	170	100	70	70.0 %		
Total non-interest income	\$ 1,909	\$ 1,713	\$ 196	11.4 %		

Mortgage Income

		Nine Mor	ths End	ded	Year-to-Date 9/30/2021 vs. 9/30/2020					
(\$ amounts in millions)	9	/30/2021		9/30/2020		Amount	Percent			
Production and sales	\$	183	\$	222	\$	(39)	(17.6)%			
Loan servicing		75		71		4	5.6 %			
MSR and related hedge impact:										
MSRs fair value increase (decrease) due to change in valuation inputs or assumptions		49		(94)		143	152.1 %			
MSRs hedge gain (loss)		(63)		110		(173)	(157.3)%			
MSRs change due to payment decay		(51)		(51)			— %			
MSR and related hedge impact		(65)		(35)		(30)	(85.7)%			
Total mortgage income	\$	193	\$	258	\$	(65)	(25.2)%			
Mortgage production - portfolio	\$	4,764	\$	5,392	\$	(628)	(11.6)%			
Mortgage production - agency/secondary market		3,837		3,519		318	9.0 %			
Total mortgage production	\$	8,601	\$	8,911	\$	(310)	(3.5)%			
Mortgage production - purchased		58.3 %		45.6 %						
Mortgage production - refinanced		41.7 %		54.4 %						

Wealth Management Income

	Nine Mor	ths 1	Ended	Year-to-Date 9/30/2	2021 vs. 9/30/2020
(\$ amounts in millions)	9/30/2021		9/30/2020	Amount	Percent
Investment management and trust fee income	\$ 204	\$	186	\$ 18	9.7 %
Investment services fee income	78		62	 16	25.8 %
Total wealth management income (4)	\$ 282	\$	248	\$ 34	13.7 %

Capital Markets Income

	 Nine Mon	ths F	Ended	Year-to-Date 9/30/2021 vs. 9/30/2020					
(\$ amounts in millions)	9/30/2021		9/30/2020	Amount	Percent				
Capital markets income	\$ 248	\$	165	\$ 83	50.3 %				
Less: Valuation adjustments on customer derivatives (5)	 8		5	3	60.0 %				
Capital markets income excluding valuation adjustments	\$ 240	\$	160	\$ 80	50.0 %				

- (1) Capital markets income primarily relates to capital raising activities that includes debt securities underwriting and placement, loan syndication and placement, as well as foreign exchange, derivative and merger and acquisition advisory services.
- (2) These market value adjustments relate to assets held for employee benefits that are offset within salaries and employee benefits expense.
- (3) The nine months ended 2021 amount is a gain on the sale of an equity investment, whereas the nine months ended 2020 amount is a valuation gain on the investment that was sold in the first quarter 2021.
- (4) Total wealth management income presented above does not include the portion of service charges on deposit accounts and similar smaller dollar amounts that are also attributable to the wealth management segment.
- (5) For the purposes of determining the fair value of customer derivatives, the Company considers the risk of nonperformance by counterparties, as well as the Company's own risk of nonperformance. The valuation adjustments above are reflective of the values associated with these considerations.

Non-Interest Expense

					Quarter Ended											
(\$ amounts in millions)	9/3	0/2021	6/3	0/2021	3/3	3/31/2021		12/31/2020		9/30/2020		3Q21 vs. 2Q21		3Q21 ·		s. 3Q20
Salaries and employee benefits	\$	552	\$	532	\$	546	\$	581	\$	525	\$	20	3.8 %	\$	27	5.1 %
Net occupancy expense		75		75		77		78		80		_	— %		(5)	(6.3)%
Equipment and software expense		90		89		90		90		89		1	1.1 %		1	1.1 %
Outside services		38		39		38		37		44		(1)	(2.6)%		(6)	(13.6)%
Professional, legal and regulatory expenses		21		15		29		21		22		6	40.0 %		(1)	(4.5)%
Marketing		23		29		22		26		22		(6)	(20.7)%		1	4.5 %
FDIC insurance assessments		11		11		10		12		10		_	NM		1	10.0 %
Credit/checkcard expenses		16		17		14		13		12		(1)	(5.9)%		4	33.3 %
Branch consolidation, property and equipment charges		_		_		5		7		3		_	— %		(3)	(100.0)%
Visa class B shares expense		4		6		4		6		5		(2)	(33.3)%		(1)	(20.0)%
Loss on early extinguishment of debt		20		_		_		14		2		20	NM		18	NM
Other		88		85		93		102		82		3	3.5 %		6	7.3 %
Total non-interest expense	\$	938	\$	898	\$	928	\$	987	\$	896	\$	40	4.5 %	\$	42	4.7 %

		Nine Mon	ths Ended		Yea	r-to-Date 9/30/202	21 vs. 9/30/2020
(\$ amounts in millions)	9/3	30/2021	9/3	0/2020	Aı	nount	Percent
Salaries and employee benefits	\$	1,630	\$	1,519	\$	111	7.3 %
Net occupancy expense		227		235		(8)	(3.4)%
Equipment and software expense		269		258		11	4.3 %
Outside services		115		133		(18)	(13.5)%
Professional, legal and regulatory expenses		65		68		(3)	(4.4)%
Marketing		74		68		6	8.8 %
FDIC insurance assessments		32		36		(4)	(11.1)%
Credit/checkcard expenses		47		37		10	27.0 %
Branch consolidation, property and equipment charges		5		24		(19)	(79.2)%
Visa class B shares expense		14		18		(4)	(22.2)%
Loss on early extinguishment of debt		20		8		12	150.0 %
Other		266		252		14	5.6 %
Total non-interest expense	\$	2,764	\$	2,656	\$	108	4.1 %

Reconciliation to GAAP Financial Measures

Adjusted Efficiency Ratios, Adjusted Fee Income Ratios, Adjusted Non-Interest Income/Expense, and Adjusted Operating Leverage Ratios

The table below presents computations of the efficiency ratio, which is a measure of productivity, generally calculated as non-interest expense divided by total revenue; and the fee income ratio, generally calculated as non-interest income divided by total revenue. Management uses these ratios to monitor performance and believes these measures provide meaningful information to investors. Non-interest expense (GAAP) is presented excluding certain adjustments to arrive at adjusted non-interest expense (non-GAAP), which is the numerator for the efficiency ratio. Non-interest income (GAAP) is presented excluding certain adjustments to arrive at adjusted non-interest income (non-GAAP), which is the numerator for the fee income ratio. Net interest income and non-interest income are added together to arrive at total revenue. Adjustments are made to arrive at adjusted total revenue (non-GAAP). Net interest income on a taxable-equivalent basis and non-interest income are added together to arrive at total revenue on a taxable-equivalent basis (non-GAAP), which is the denominator for the fee income and efficiency ratios. Regions believes that the exclusion of these adjustments provides a meaningful basis for period-to-period comparisons, which management believes will assist investors in analyzing the operating results of the Company and predicting future performance. These non-GAAP financial measures are also used by management to assess the performance of Regions' business. It is possible that the activities related to the adjustments may recur; however, management does not consider the activities related to the adjustments to be indications of ongoing operations. The table on the following page also presents a computation of the operating leverage ratio (non-GAAP) which is the period to period percentage change in adjusted total revenue on a taxable-equivalent basis (non-GAAP) less the percentage change in adjusted non-interest expense (non-GAAP). Regions believes that presentation of these non-GAAP financial measures

Semination millions System Syste										Quart	er E	nded						
Adjustments: Contribution to the Regions Financial Corporation foundation Contribution to the Regions Financial Corporation foundation Contribution to the Regions Financial Corporation foundation Contribution to the Regions Financial Corporation Contribution Contr	(\$ amounts in millions)		9/	/30/2021	6/	/30/2021	3/	/31/2021	12	2/31/2020	9,	/30/2020		3Q21 v	s. 2Q21		3Q21 v	s. 3Q20
Contribution to the Regions Financial Corporation foundation fundation fu	Non-interest expense (GAAP)	A	\$	938	\$	898	\$	928	\$	987	\$	896	\$	40	4.5 %	\$	42	4.7 %
foundation — (1) (2) (10) — 1 100.0% — Branch consolidation, property and equipment charges — — (5) (7) (3) — NM 3 Salary and employee benefits—severance charges — (2) (3) (26) (2) 20 100.0% 2 Loss on early extinguishment of debt (20) — — (14) (2) (20) NM (18) Adjusted non-interest expense (non-GAAP) B § 918 § 895 § 918 § 330 § 889 23 2.0% § 22) Net interest income (GAAP) C § 65 § 965 § 978 \$ 1,00 \$ 888 \$ 2 0.2% \$ 223 Net interest income (GAAP) E 649 619 641 680 655 30 4.8% (6) Adjusted non-interest income (GAAP) E 649 619 641 680 655 30 4.8% (6) Non-interest income (GAAP)	Adjustments:																	
charges — — (5) (7) (3) — NM 3 Salary and employee benefits—severance charges — (2) (3) (26) (2) 2 100.0% 2 Loss on early extinguishment of debt (20) — — (14) (2) (20) NM (18) Adjusted non-interest expense (non-GAAP) B S 918 S 895 S 930 S 889 S 23 2.6% S 29 Net interest income (GAAP) C S 65 S 963 S 967 \$ 1,006 \$ 988 S 2 0.2 % \$ 23 Taxable-equivalent adjustment 11 12 11 11 12 (1) (8.3% (1) Non-interest income, taxable-equivalent basis D S 976 S 975 S 978 \$ 1,017 \$ 1,000 \$ 1 0.1 % (2) Non-interest income (GAAP) E 649 619 641 680 655 30 4.8 % (6) Adjusted total revenue (GAAP) <td< td=""><td>Contribution to the Regions Financial Corporation foundation</td><td></td><td></td><td>_</td><td></td><td>(1)</td><td></td><td>(2)</td><td></td><td>(10)</td><td></td><td>_</td><td></td><td>1</td><td>100.0 %</td><td></td><td>_</td><td>NM</td></td<>	Contribution to the Regions Financial Corporation foundation			_		(1)		(2)		(10)		_		1	100.0 %		_	NM
Loss on early extinguishment of debt (20)				_		_		(5)		(7)		(3)		_	NM		3	100.0 %
Adjusted non-interest expense (non-GAAP) B S 918 S 965 S 963 S 967 S 1,006 S 988 S 2 0.2 % S 23 Taxable-equivalent adjustment 11 12 11 11 12 (1) (8.3)% (1) Net interest income (GAAP) E 649 619 641 680 655 30 4.8 % (6) Adjustments: Securities (gains) losses, net (1) (1) (1) (1) - (3)% 2 Gains on equity investment (1) (3) % 2 Gains on equity investment (1) (18) (25) - 18 100.0 % (2) Bank-owned life insurance (2) - (18) - (25) - 18 100.0 % (2) Adjusted non-interest income (non-GAAP) F S 646 S 600 S 637 S 649 S 608 46 7.7 % 38 Adjusted total revenue (non-GAAP) C+E=G S 1,614 S 1,582 S 1,608 S 1,686 S 1,643 S 32 2.0 % S (29) Adjusted total revenue (non-GAAP) C+F=H S 1,611 S 1,563 S 1,604 S 1,655 S 1,596 S 48 3.1 % S 15 Total revenue, taxable-equivalent basis (non-GAAP) Adjusted total revenue, taxable-equivalent basis (non-GAAP) B-F J S 1,622 S 1,575 S 1,615 S 1,666 S 1,608 S 47 3.0 % S 14 Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.8 %	Salary and employee benefits—severance charges			_		(2)		(3)		(26)		(2)		2	100.0 %		2	100.0 %
Net interest income (GAAP) C \$ 965	Loss on early extinguishment of debt			(20)						(14)		(2)		(20)	NM		(18)	NM
Taxable-equivalent adjustment 11 12 11 11 12 11 11 12 (1) (8.3)% (1) Net interest income, taxable-equivalent basis D \$ 976 \$ 975 \$ 978 \$ 1,017 \$ 1,000 \$ 1 0.1% \$ (24) Non-interest income (GAAP) E 649 619 641 680 655 30 4.8% (6) Adjustments: Securities (gains) losses, net (1)	Adjusted non-interest expense (non-GAAP)	В	\$	918	\$	895	\$	918	\$	930	\$	889	\$	23	2.6 %	\$	29	3.3 %
Non-interest income, taxable-equivalent basis D S 976 S 975 S 978 S 1,017 S 1,000 S 1 0.1 % S (24) Non-interest income (GAAP) E 649 619 641 680 655 30 4.8 % (6) Adjustments: Securities (gains) losses, net Gains on equity investment (1)	Net interest income (GAAP)	C	\$	965	\$	963	\$	967	\$	1,006	\$	988	\$	2	0.2 %	\$	(23)	(2.3)%
Non-interest income (GAAP) E 649 619 641 680 655 30 4.8 % (6) Adjustments: Securities (gains) losses, net (I) (I) (I) (I) — (3) — — % 2 Gains on equity investment (I) — — — — — — — — — — — — — — — — — — —	Taxable-equivalent adjustment			11		12		11		11		12		(1)	(8.3)%		(1)	(8.3)%
Adjustments: Securities (gains) losses, net (1) (1) (1) (1) - (3) % 2 Gains on equity investment (1) (3) (6) (44) - NM 44 Leveraged lease termination gains (2) (18) - (25) - 18 100.0 % - Adjusted non-interest income (non-GAAP) F 646 600 8637 8649 8608 46 7.7 % 38 Total revenue C+E=G 51,614 \$1,582 \$1,608 \$1,686 \$1,643 \$32 2.0 % (29) Adjusted total revenue (non-GAAP) C+F=H \$1,611 \$1,563 \$1,604 \$1,655 \$1,596 \$48 3.1 % \$15 Total revenue, taxable-equivalent basis non-GAAP) D+E=I \$1,625 \$1,594 \$1,619 \$1,697 \$1,655 \$31 1.9 % (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) B+F=J \$1,622 \$1,575 \$1,615 \$1,666 \$1,608 \$47 3.0 % \$14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 %	Net interest income, taxable-equivalent basis	D	\$	976	\$	975	\$	978	\$	1,017	\$	1,000	\$	1	0.1 %	\$	(24)	(2.4)%
Securities (gains) losses, net (1) (2) (2) (2) (3) (6) (44) <td>Non-interest income (GAAP)</td> <td>E</td> <td></td> <td>649</td> <td></td> <td>619</td> <td></td> <td>641</td> <td></td> <td>680</td> <td></td> <td>655</td> <td></td> <td>30</td> <td>4.8 %</td> <td></td> <td>(6)</td> <td>(0.9)%</td>	Non-interest income (GAAP)	E		649		619		641		680		655		30	4.8 %		(6)	(0.9)%
Gains on equity investment (1)	Adjustments:																	
Leveraged lease termination gains (2) — — — — (2) NM (2) Bank-owned life insurance (2) — (18) — (25) — 18 100.0 % — Adjusted non-interest income (non-GAAP) F \$ 646 \$ 600 \$ 637 \$ 649 \$ 608 46 7.7 % 38 Total revenue C+E=G \$ 1,614 \$ 1,582 \$ 1,608 \$ 1,686 \$ 1,643 \$ 32 2.0 % \$ (29) Adjusted total revenue (non-GAAP) C+F=H \$ 1,611 \$ 1,563 \$ 1,604 \$ 1,655 \$ 1,596 \$ 48 3.1 % \$ 15 Total revenue, taxable-equivalent basis (non-GAAP) D+E=I \$ 1,625 \$ 1,594 \$ 1,619 \$ 1,697 \$ 1,655 \$ 31 1.9 % \$ (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % <td>Securities (gains) losses, net</td> <td></td> <td></td> <td>(1)</td> <td></td> <td>(1)</td> <td></td> <td>(1)</td> <td></td> <td>_</td> <td></td> <td>(3)</td> <td></td> <td>_</td> <td>— %</td> <td></td> <td>2</td> <td>66.7 %</td>	Securities (gains) losses, net			(1)		(1)		(1)		_		(3)		_	— %		2	66.7 %
Bank-owned life insurance (2) — (18) — (25) — 18 100.0 % — Adjusted non-interest income (non-GAAP) F \$ 646 \$ 600 \$ 637 \$ 649 \$ 608 46 7.7 % 38 Total revenue C+E=G \$ 1,614 \$ 1,582 \$ 1,608 \$ 1,686 \$ 1,643 \$ 32 2.0 % \$ (29) Adjusted total revenue (non-GAAP) C+F=H \$ 1,611 \$ 1,563 \$ 1,604 \$ 1,655 \$ 1,596 \$ 48 3.1 % \$ 15 Total revenue, taxable-equivalent basis (non-GAAP) D+E=I \$ 1,625 \$ 1,594 \$ 1,619 \$ 1,697 \$ 1,655 \$ 31 1.9 % \$ (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 % Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 %	Gains on equity investment (1)			_		_		(3)		(6)		(44)		_	NM		44	100.0 %
Adjusted non-interest income (non-GAAP) F \$ 646	e e			(2)		_		_		_		_		(2)	NM		(2)	NM
Total revenue C+E=G \$ 1,614 \$ 1,582 \$ 1,608 \$ 1,686 \$ 1,643 \$ 32 2.0 % \$ (29) Adjusted total revenue (non-GAAP) C+F=H \$ 1,611 \$ 1,563 \$ 1,604 \$ 1,655 \$ 1,596 \$ 48 3.1 % \$ 15 Total revenue, taxable-equivalent basis (non-GAAP) D+E=I \$ 1,625 \$ 1,594 \$ 1,619 \$ 1,697 \$ 1,655 \$ 31 1.9 % \$ (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 % Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %	Bank-owned life insurance (2)					(18)				(25)				18	100.0 %		_	NM
Adjusted total revenue (non-GAAP) C+F=H \$ 1,611 \$ 1,563 \$ 1,604 \$ 1,655 \$ 1,596 \$ 48 3.1 % \$ 15 Total revenue, taxable-equivalent basis D+E=I \$ 1,625 \$ 1,594 \$ 1,619 \$ 1,697 \$ 1,655 \$ 31 1.9 % \$ (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) Adjusted efficiency ratio (non-GAAP) (3) BJ 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %	Adjusted non-interest income (non-GAAP)	F	\$	646	\$	600	\$	637	\$	649	\$	608	_	46	7.7 %	_	38	6.3 %
Total revenue, taxable-equivalent basis D+E=I \$ 1,625 \$ 1,594 \$ 1,619 \$ 1,697 \$ 1,655 \$ 31 1.9 % \$ (30) Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 % Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %	Total revenue	C+E=G	\$	1,614	\$	1,582	\$	1,608	\$	1,686	\$	1,643	\$	32	2.0 %	\$	(29)	(1.8)%
Adjusted total revenue, taxable-equivalent basis (non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 \$ 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 % Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %	Adjusted total revenue (non-GAAP)	C+F=H	\$	1,611	\$	1,563	\$	1,604	\$	1,655	\$	1,596	\$	48	3.1 %	\$	15	0.9 %
(non-GAAP) D+F=J \$ 1,622 \$ 1,575 \$ 1,615 \$ 1,666 \$ 1,608 \$ 47 3.0 % \$ 14 Efficiency ratio (GAAP) (3) A/I 57.7 % 56.4 % 57.3 % 58.1 % 54.1 % Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %	Total revenue, taxable-equivalent basis	D+E=I	\$	1,625	\$	1,594	\$	1,619	\$	1,697	\$	1,655	\$	31	1.9 %	\$	(30)	(1.8)%
Adjusted efficiency ratio (non-GAAP) (3) B/J 56.6 % 56.9 % 56.8 % 55.8 % 55.3 %		D+F=J	\$	1,622	\$	1,575	\$	1,615	\$	1,666	\$	1,608	\$	47	3.0 %	\$	14	0.9 %
	Efficiency ratio (GAAP) (3)	A/I		57.7 %		56.4 %		57.3 %		58.1 %		54.1 %						
	Adjusted efficiency ratio (non-GAAP) (3)	B/J		56.6 %		56.9 %		56.8 %		55.8 %		55.3 %						
Fee income ratio (GAAP) (3) E/I 40.0 % 38.8 % 39.6 % 40.1 % 39.6 %	Fee income ratio (GAAP) (3)	E/I		40.0 %		38.8 %		39.6 %		40.1 %		39.6 %						
Adjusted fee income ratio (non-GAAP) (3) F/J 39.8 % 38.1 % 39.4 % 38.9 % 37.8 %	Adjusted fee income ratio (non-GAAP) (3)	F/J		39.8 %		38.1 %		39.4 %		38.9 %		37.8 %						

NM - Not Meaningful

⁽¹⁾ The first quarter 2021 amount is a gain on the sale of an equity investment, whereas the other quarters are valuation gains on the investment that was sold in the first quarter 2021.

⁽²⁾ During the second quarter of 2021, the Company recognized an individual BOLI claim benefit. During the fourth quarter of 2020, the Company recognized a gain on the exchange of BOLI policies.

⁽³⁾ Amounts have been calculated using whole dollar values.

Reconciliation to GAAP Financial Measures

Adjusted Efficiency Ratios, Adjusted Fee Income Ratios, Adjusted Non-Interest Income/Expense, and Adjusted Operating Leverage Ratios (continued)

		Ni	ne M	onths Ende	d Sept	ember 30	
(\$ amounts in millions)		2021		2020		2021 vs.	2020
Non-interest expense (GAAP)	K \$	2,764	\$	2,656	\$	108	4.1 %
Adjustments:							
Contribution to the Regions Financial Corporation foundation		(3)		_		(3)	NM
Branch consolidation, property and equipment charges		(5)		(24)		19	79.2 %
Salary and employee benefits—severance charges		(5)		(5)		_	— %
Loss on early extinguishment of debt		(20)		(8)		(12)	(150.0)%
Professional, legal and regulatory expenses		_		(7)		7	100.0 %
Acquisition expenses				(1)		1	100.0 %
Adjusted non-interest expense (non-GAAP)	L <u>\$</u>	2,731	\$	2,611	\$	120	4.6 %
Net interest income (GAAP)	М \$	2,895	\$	2,888	\$	7	0.2 %
Taxable-equivalent adjustment		34		37		(3)	(8.1)%
Net interest income, taxable-equivalent basis	N \$	2,929	\$	2,925	\$	4	0.1 %
Non-interest income (GAAP)	0 \$	1,909	\$	1,713	\$	196	11.4 %
Adjustments:							
Securities (gains) losses, net		(3)		(4)		1	25.0 %
Gains on equity investment		(3)		(44)		41	93.2 %
Leveraged lease termination gains		(2)		(2)		_	— %
Bank owned life insurance (1)		(18)				(18)	NM
Adjusted non-interest income (non-GAAP)	P \$	1,883	\$	1,663	\$	220	13.2 %
Total revenue	M+O=Q \$	4,804	\$	4,601	\$	203	4.4 %
Adjusted total revenue (non-GAAP)	M+P=R \$	4,778	\$	4,551	\$	227	5.0 %
Total revenue, taxable-equivalent basis	N+O=S \$	4,838	\$	4,638	\$	200	4.3 %
Adjusted total revenue, taxable-equivalent basis (non-GAAP)	N+P=T \$	4,812	\$	4,588	\$	224	4.9 %
Operating leverage ratio (GAAP) (2)	S-K						0.2 %
Adjusted operating leverage ratio (non-GAAP) (2)	T-L						0.3 %
Efficiency ratio (GAAP) (2)	K/S	57.1 %		57.3 %			
Adjusted efficiency ratio (non-GAAP) (2)	L/T	56.8 %		56.9 %			
Fee income ratio (GAAP) (2)	O/S	39.5 %		36.9 %			
Adjusted fee income ratio (non-GAAP) (2)	P/T	39.1 %		36.3 %			

During the second quarter of 2021, the Company recognized an individual BOLI claim benefit.
 Amounts have been calculated using whole dollar values.

Reconciliation to GAAP Financial Measure

Return Ratio

The table below provides a calculation of "return on average tangible common shareholders' equity". Tangible common shareholders' equity ratios have become a focus of some investors and management believes they may assist investors in analyzing the capital position of the Company absent the effects of intangible assets and preferred stock. Analysts and banking regulators have assessed Regions' capital adequacy using the tangible common shareholders' equity measure. Because tangible common shareholders' equity is not formally defined by GAAP or prescribed in any amount by federal banking regulations it is currently considered to be a non-GAAP financial measure and other entities may calculate it differently than Regions' disclosed calculations. Since analysts and banking regulators may assess Regions' capital adequacy using tangible common shareholders' equity, management believes that it is useful to provide investors the ability to assess Regions' capital adequacy on this same basis.

		Quarter Ended								
(\$ amounts in millions)	·	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020				
RETURN ON AVERAGE TANGIBLE COMMON SHAREHOLDERS' EQUITY	,									
Net income available to common shareholders (GAAP)	A	\$ 624	\$ 748	\$ 614	\$ 588	\$ 501				
Average shareholders' equity (GAAP)		\$ 18,453	\$ 18,000	\$ 18,038	\$ 17,915	\$ 17,759				
Less:										
Average intangible assets (GAAP)		5,285	5,292	5,309	5,313	5,322				
Average deferred tax liability related to intangibles (GAAP)		(96)	(96)	(104)	(105)	(103)				
Average preferred stock (GAAP)		1,659	1,659	1,656	1,656	1,656				
Average tangible common shareholders' equity (non-GAAP)	В	\$ 11,605	\$ 11,145	\$ 11,177	\$ 11,051	\$ 10,884				
Return on average tangible common shareholders' equity (non-GAAP) *(1)	A/B	21.34 %	26.91 %	22.28 %	21.15 %	18.32 %				

^{*}Annualized

⁽¹⁾ Amounts have been calculated using whole dollar values.

Credit Quality

•		As of and for Quarter Ended										
(\$ amounts in millions)	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020							
Components:												
Beginning allowance for loan losses (ALL)	\$ 1,597	\$ 1,976	\$ 2,167	\$ 2,276	\$ 2,276							
Loans charged-off:												
Commercial and industrial	21	35	45	67	84							
Commercial real estate mortgage—owner-occupied	1	1	1	2	2							
		-			_							
Commercial real estate construction—owner-occupied		36	47	69	86							
Total commercial												
Commercial investor real estate mortgage		4	15	1								
Total investor real estate		4	15	1								
Residential first mortgage	_	_	1	3	1							
Home equity—lines of credit	1	2	2	3	2							
Home equity—closed-end	_	1	_	1	1							
Indirect—vehicles	1	1	2	2	4							
Indirect—other consumer	12	15	20	20	17							
Consumer credit card	9	12	12	12	13							
Other consumer	14	12	15	15	15							
Total consumer	37	43	52	56	53							
Total	59	83	114	126	139							
Recoveries of loans previously charged-off:												
Commercial and industrial	14	14	16	14	10							
Commercial real estate mortgage—owner-occupied	2	1	_	1	1							
Commercial real estate construction—owner-occupied		_	_	_	_							
Total commercial	16	15	16	15	11							
Commercial investor real estate mortgage	1	2		2								
Total investor real estate	1	2		2								
Residential first mortgage		2	1		1							
Home equity—lines of credit	3	5	3	4	3							
Home equity—closed-end	1	2	_	1	1							
Indirect—vehicles	1	2	1	1	3							
Indirect—other consumer	1	2	1	1	1							
Consumer credit card	2	3	3	3	2							
Other consumer	4	3	6	5	4							
	12	19	15	15	15							
Total consumer Total	29	36	31	32	26							
Total	2)	30	51	32	20							
Net charge-offs (recoveries):												
Commercial and industrial	7	21	29	53	74							
Commercial real estate mortgage—owner-occupied	(1)	_	1	1	1							
Commercial real estate construction—owner-occupied	_	_	1	_	_							
Total commercial	6	21	31	54	75							
Commercial investor real estate mortgage	(1)	2	15	(1)								
Total investor real estate	(1)	2	15	(1)								
Residential first mortgage	(1)	(2)		3								
Home equity—lines of credit	(2)	(3)	(1)	(1)	(1)							
			(1)	(1)	(1)							
Home equity—closed-end	(1)	(1)										
Indirect—vehicles	_	(1)	1	1	1							
Indirect—other consumer	11	13	19	19	16							
Consumer credit card	7	9	9	9	11							
Other consumer	10	9	9	10	11							
Total consumer	25	24	37	41	38							
Total	\$ 30	\$ 47	\$ 83	\$ 94	\$ 113							
Provision for (benefit from) loan losses	\$ (139)	\$ (332)	\$ (108)	\$ (15)	\$ 113							
,												
Ending allowance for loan losses (ALL)	1,428	1,597	1,976	2,167	2,276							
Beginning reserve for unfunded credit commitments	87	92	126	149	149							
Provision for (benefit from) unfunded credit losses	(16)	(5)	(34)	(23)								
Ending reserve for unfunded commitments	71	87	92	126	149							
Allowance for credit losses (ACL) at period end	\$ 1,499	\$ 1,684	\$ 2,068	\$ 2,293	\$ 2,425							

Credit Quality (continued)

	As of and for Quarter Ended									
(\$ amounts in millions)	9/30/2021	. (6/30/2021	3/31/	2021	12/3	1/2020	9/	30/2020	
Net loan charge-offs as a % of average loans, annualized (1):										
Commercial and industrial	0.06	%	0.19 %	0	.28 %		0.48 %		0.63 %	
Commercial real estate mortgage—owner-occupied	(0.06)	%	(0.03)%	0	.09 %		0.07~%		0.05 %	
Commercial real estate construction—owner-occupied	0.10		0.38 %		.93 %		— %		— %	
Total commercial	0.05	%	0.17 %	0	.26 %		0.44 %		0.57 %	
Commercial investor real estate mortgage	(0.05)	%	0.19 %	1	.11 %		(0.04)%		(0.01)%	
Commercial investor real estate construction		<u>/</u>	(0.01)%		<u> </u>		(0.01)%		— %	
Total investor real estate	(0.03)	<u></u>	0.14 %	0	.82 %		(0.03)%		(0.01)%	
Residential first mortgage	(0.01)	%	(0.04)%		<u> </u>		0.08 %		— %	
Home equity—lines of credit	(0.24)	%	(0.29)%	(0	.06)%		(0.11)%		(0.11)%	
Home equity—closed-end	(0.10)	%	(0.10)%		— %		0.03 %		(0.01)%	
Indirect—vehicles	(0.26)	%	(0.10)%	0	.32 %		0.26 %		0.30 %	
Indirect—other consumer	2.10		2.43 %		.28 %		2.95 %		2.23 %	
Consumer credit card	2.57	%	3.17 %	3	.19 %		3.02 %		3.73 %	
Other consumer	4.36		3.15 %		.02 %		3.69 %		4.12 %	
Total consumer	0.35		0.34 %		.52 %		0.54 %		0.51 %	
Total	0.14	_ =	0.23 %		.40 %		0.43 %	_	0.50 %	
Non-accrual loans, excluding loans held for sale	\$ 530	\$		\$ '	738	\$	745	\$	767	
Non-performing loans held for sale	3		99		8		6		5	
Non-accrual loans, including loans held for sale	533		765	,	746		751		772	
Foreclosed properties	13		15		21		25		26	
Non-performing assets (NPAs)	\$ 546	\$	780	\$ '	767	\$	776	\$	798	
Loans past due > 90 days (2)	\$ 124	\$	134	\$	154	\$	164	\$	158	
Criticized loans- business (3)	\$ 3,054	\$	3,222	\$ 3,	756	\$ 3	3,800	\$	3,734	
Credit Ratios (2):										
ACL/Loans, net	1.80	%	2.00 %	2	.44 %		2.69 %		2.74 %	
ALL/Loans, net	1.71	%	1.90 %	2	.33 %		2.54 %		2.58 %	
Allowance for credit losses to non-performing loans, excluding loans held for sale	283	%	253 %	2	280 %		308 %		316 %	
Allowance for loan losses to non-performing loans, excluding loans held for sale	269	%	240 %	2	268 %		291 %		297 %	
Non-accrual loans, excluding loans held for sale/Loans, net	0.64	%	0.79 %	0	.87 %		0.87 %		0.87 %	
NPAs (ex. 90+ past due)/Loans, foreclosed properties, non-marketable investments and non-performing loans held for sale	0.66	%	0.93 %	0	.90 %		0.91 %		0.90 %	
NPAs (inc. 90+ past due)/Loans, foreclosed properties, non-marketable investments and non-performing loans held for sale $^{(1)}$	0.80	%	1.09 %	1	.09 %		1.10 %		1.08 %	

⁽¹⁾ Amounts have been calculated using whole dollar values.

ACL/ Loans excluding PPP, net (non-GAAP)

Regions believes this Allowance for Credit Losses (ACL) ratio provides investors with meaningful additional information about credit loss allowance levels when the SBA's Paycheck Protection Program (PPP) loans, which are fully backed by the U.S. government, are excluded from total loans and the related allowance for credit losses is excluded from the total allowance for credit losses.

			As of		
(\$ amounts in millions)	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Total Loans	\$ 83,270	\$ 84,074	\$ 84,755	\$ 85,266	\$ 88,359
Less: SBA PPP Loans	1,536	2,948	4,317	3,624	4,594
Loans excluding PPP, net (non-GAAP)	\$ 81,734	\$ 81,126	\$ 80,438	\$ 81,642	\$ 83,765
ACL at period end	\$ 1,499	\$ 1,684	\$ 2,068	\$ 2,293	\$ 2,425
Less: SBA PPP Loans' ACL	2	3	3	1	_
ACL excluding PPP Loans' ACL (non-GAAP)	\$ 1,497	\$ 1,681	\$ 2,065	\$ 2,292	\$ 2,425
ACL/Loans excluding PPP, net (non-GAAP)	1.83 %	2.07 %	2.57 %	2.81 %	2.90 %

⁽²⁾ Excludes guaranteed residential first mortgages that are 90+ days past due and still accruing. Refer to the footnotes on page 16 for amounts related to these loans.

⁽³⁾ Business represents the combined total of commercial and investor real estate loans.

Non-Accrual Loans (excludes loans held for sale)

	As of										
(\$ amounts in millions, %'s calculated using whole dollar values)	9/30	/2021	6/30/	2021	3/31/2021		12/31/2020		9/30/	2020	
Commercial and industrial	\$ 359	0.86 %	\$ 472	1.11 %	\$ 426	0.98 %	\$ 418	0.97 %	\$ 459	1.02 %	
Commercial real estate mortgage—owner-occupied	68	1.26 %	76	1.41 %	93	1.73 %	97	1.80 %	85	1.56 %	
Commercial real estate construction—owner-occupied	11	4.22 %	10	4.02 %	9	3.24 %	9	3.01 %	12	3.69 %	
Total commercial	438	0.92 %	558	1.16 %	528	1.08 %	524	1.08 %	556	1.09 %	
Commercial investor real estate mortgage	4	0.07 %	4	0.07 %	100	1.86 %	114	2.11 %	114	2.04 %	
Commercial investor real estate construction		%		%		%		%	4	0.19 %	
Total investor real estate	4	0.05 %	4	0.05 %	100	1.39 %	114	1.57 %	118	1.56 %	
Residential first mortgage	37	0.22 %	51	0.30 %	53	0.32 %	53	0.32 %	36	0.22 %	
Home equity—lines of credit	44	1.15 %	45	1.12 %	48	1.12 %	46	1.01 %	47	0.98 %	
Home equity—closed-end	7	0.27 %	8	0.30 %	9	0.31 %	8	0.29 %	9	0.31 %	
Indirect- vehicles		%		%		%		%	1	0.08 %	
Total consumer	88	0.31 %	104	0.36 %	110	0.38 %	107	0.36 %	93	0.31 %	
Total non-accrual loans	\$ 530	0.64 %	\$ 666	0.79 %	\$ 738	0.87 %	\$ 745	0.87 %	\$ 767	0.87 %	

Early and Late Stage Delinquencies

Accruing 30-89 Days Past Due Loans					As	of				
(\$ amounts in millions, %'s calculated using whole dollar values)	9/30	/2021	6/30/	2021	3/31/	2021	12/31	/2020	9/30/	/2020
Commercial and industrial	\$ 34	0.08 %	\$ 35	0.08 %	\$ 42	0.10 %	\$ 59	0.14 %	\$ 50	0.11 %
Commercial real estate mortgage—owner-occupied	7	0.14 %	7	0.13 %	9	0.16 %	5	0.09 %	21	0.39 %
Commercial real estate construction—owner-occupied	1	0.23 %		0.14 %	1	0.27 %	1	0.30 %		0.01 %
Total commercial	42	0.09 %	42	0.09 %	52	0.11 %	65	0.13 %	71	0.14 %
Commercial investor real estate mortgage	_	— %	4	0.07 %	2	0.04 %	3	0.06 %	15	0.26 %
Commercial investor real estate construction		<u> </u>		%	1	0.03 %		%		%
Total investor real estate		<u> </u>	4	0.06 %	3	0.04 %	3	0.04 %	15	0.19 %
Residential first mortgage—non-guaranteed (1)	60	0.36 %	51	0.31 %	62	0.39 %	80	0.51 %	79	0.51 %
Home equity—lines of credit	22	0.56 %	18	0.45 %	22	0.50 %	35	0.78 %	26	0.53 %
Home equity—closed-end	10	0.40 %	10	0.39 %	12	0.47 %	17	0.60 %	17	0.61 %
Indirect—vehicles	8	1.61 %	9	1.40 %	11	1.48 %	19	2.08 %	22	1.96 %
Indirect—other consumer	11	0.51 %	12	0.57 %	14	0.65 %	20	0.82 %	19	0.69 %
Consumer credit card	12	1.02 %	11	0.95 %	12	1.09 %	14	1.15 %	13	1.12 %
Other consumer	12	1.26 %	10	0.99 %	10	1.01 %	15	1.43 %	14	1.34 %
Total consumer (1)	135	0.49 %	121	0.43 %	143	0.51 %	200	0.70 %	190	0.65 %
Total accruing 30-89 days past due loans (1)	\$ 177	0.21 %	\$ 167	0.20 %	\$ 198	0.24 %	\$ 268	0.32 %	\$ 276	0.31 %
Accruing 90+ Days Past Due Loans					As	of				
(\$ amounts in millions, %'s calculated using whole dollar values)	9/30	/2021	6/30/	2021	3/31/	2021	12/31	/2020	9/30	/2020
Commercial and industrial	\$ 3	0.01 %	\$ 4	0.01 %	\$ 8	0.02 %	\$ 7	0.02 %	\$ 10	0.02 %
Commercial real estate mortgage—owner-occupied	2	0.03 %	2	0.03 %	1	0.02 %	1	0.01 %		0.01 %
Total commercial	5	0.01 %	6	0.01 %	9	0.02 %	8	0.02 %	10	0.02 %
Commercial investor real estate mortgage	_	— %	_	— %	_	%	_	— %	1	0.01 %
Commercial investor real estate construction		<u> </u>		0.01 %		— %		— %		— %
Total investor real estate		<u> </u>		— %		— %		— %	1	0.01 %
Pasidential first montages — non guaranteed (2)	68	0.41 %	75	0.46 %	87	0.55 %	99	0.62 %	86	0.56 %
Residential first mortgage—non-guaranteed (2)	00	0.41 /0	13						25	0.53 %
Home equity—lines of credit	20	0.41 %	21	0.51 %	19	0.45 %	19	0.41 %		0 44 07
				0.51 % 0.48 %	19 14	0.45 % 0.52 %	19 13	0.41 % 0.49 %	12	0.41 %
Home equity—lines of credit	20	0.53 %	21						12 5	
Home equity—lines of credit Home equity—closed-end	20 13	0.53 % 0.49 %	21 13	0.48 %	14	0.52 %	13	0.49 %		0.42 %
Home equity—lines of credit Home equity—closed-end Indirect—vehicles	20 13 2	0.53 % 0.49 % 0.44 %	21 13 2	0.48 % 0.41 %	14	0.52 % 0.41 %	13	0.49 % 0.41 %	5	0.42 % 0.11 %
Home equity—lines of credit Home equity—closed-end Indirect—vehicles Indirect—other consumer	20 13 2 3	0.53 % 0.49 % 0.44 % 0.14 %	21 13 2 3	0.48 % 0.41 % 0.14 %	14 3 4	0.52 % 0.41 % 0.16 %	13 4 5	0.49 % 0.41 % 0.19 %	5	0.42 % 0.11 % 1.08 %
Home equity—lines of credit Home equity—closed-end Indirect—vehicles Indirect—other consumer Consumer credit card	20 13 2 3 11	0.53 % 0.49 % 0.44 % 0.14 % 0.97 %	21 13 2 3 12	0.48 % 0.41 % 0.14 % 1.05 %	14 3 4 14	0.52 % 0.41 % 0.16 % 1.25 %	13 4 5 14	0.49 % 0.41 % 0.19 % 1.19 %	5 3 13	0.41 % 0.42 % 0.11 % 1.08 % 0.27 % 0.50 %
Home equity—lines of credit Home equity—closed-end Indirect—vehicles Indirect—other consumer Consumer credit card Other consumer	20 13 2 3 11 2	0.53 % 0.49 % 0.44 % 0.14 % 0.97 % 0.23 %	21 13 2 3 12 2	0.48 % 0.41 % 0.14 % 1.05 % 0.26 %	14 3 4 14 4	0.52 % 0.41 % 0.16 % 1.25 % 0.39 %	13 4 5 14 2	0.49 % 0.41 % 0.19 % 1.19 % 0.25 %	5 3 13 3	0.42 % 0.11 % 1.08 % 0.27 %

Excludes loans that are 100% guaranteed by FHA and guaranteed loans sold to GNMA where Regions has the right but not the obligation to repurchase. Total 30-89 days past due guaranteed loans excluded were \$40 million at 9/30/2021, \$46 million at 6/30/2021, \$58 million at 3/31/2021, \$65 million at 12/31/2020, and \$57 million at 9/30/2020. Excludes loans that are 100% guaranteed by FHA and all guaranteed loans sold to GNMA where Regions has the right but not the obligation to repurchase. Total 90 days or more past

due guaranteed loans excluded were \$44 million at 9/30/2021, \$44 million at 6/30/2021, \$51 million at 3/31/2021, \$57 million at 12/31/2020, and \$47 million at 9/30/2020.

`Troubled Debt Restructurings

				As of		
(\$ amounts in millions)	9/30	/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Current:						
Commercial	\$	86	\$ 71	\$ 75	\$ 76	\$ 73
Investor real estate		28	75	11	44	45
Residential first mortgage		210	206	197	174	162
Home equity—lines of credit		29	31	33	34	36
Home equity—closed-end		58	62	68	73	79
Consumer credit card		_	_	1	1	1
Other consumer		4	4	4	3	3
Total current		415	449	389	405	399
Accruing 30-89 DPD:						
Commercial		_	1	2	1	1
Investor real estate		_	_	1	_	_
Residential first mortgage		13	11	11	14	16
Home equity—lines of credit		_	_	_	1	1
Home equity—closed-end		3	3	3	5	4
Other consumer					1	
Total accruing 30-89 DPD		16	15	17	22	22
Total accruing and <90 DPD		431	464	406	427	421
Non-accrual or 90+ DPD:						
Commercial		74	114	125	124	178
Residential first mortgage		32	32	36	42	36
Home equity—lines of credit		3	3	3	2	2
Home equity—closed-end		6	7	7	7	8
Total non-accrual or 90+DPD		115	156	171	175	224
Total TDRs - Loans	\$	546	\$ 620	\$ 577	\$ 602	\$ 645
TDRs - Held For Sale		2		1	1	=
Total TDRs	\$	548	\$ 620	\$ 578	\$ 603	\$ 645

Total TDRs - Loans by Portfolio

(\$ amounts in millions)	9/30	0/2021	6/30/2021	3/3	31/2021	12/31/2020	9/3	30/2020
Total commercial TDRs	\$	160	\$ 186	\$	202	\$ 201	\$	252
Total investor real estate TDRs		28	75		12	44		45
Total consumer TDRs		358	359		363	357		348
Total TDRs - Loans	\$	546	\$ 620	\$	577	\$ 602	\$	645

Consolidated Balance Sheets (unaudited)

				As of			
(\$ amounts in millions)	9/3	30/2021	6/30/2021	3/31/2021	12/31/2020	9/30	0/2020
Assets:							
Cash and due from banks	\$	1,741	\$ 1,820	\$ 1,918	\$ 1,558	\$	1,972
Interest-bearing deposits in other banks		25,766	23,774	23,002	16,398		11,501
Debt securities held to maturity		945	993	1,059	1,122		1,190
Debt securities available for sale		28,986	29,290	27,092	27,154		27,007
Loans held for sale		934	1,194	1,487	1,905		1,187
Loans, net of unearned income		83,270	84,074	84,755	85,266		88,359
Allowance for loan losses		(1,428)	(1,597)	(1,976)	(2,167)		(2,276)
Net loans		81,842	82,477	82,779	83,099		86,083
Other earning assets		1,269	1,246	1,262	1,217		1,267
Premises and equipment, net		1,805	1,825	1,852	1,897		1,896
Interest receivable		304	323	336	346		347
Goodwill		5,181	5,181	5,181	5,190		5,187
Residential mortgage servicing rights at fair value (MSRs)		410	392	401	296		267
Other identifiable intangible assets, net		101	108	114	122		129
Other assets		6,869	6,987	6,848	7,085		7,147
Total assets	\$	156,153	\$ 155,610	\$ 153,331	\$ 147,389	\$ 1	145,180
Liabilities and Equity:		_					
Deposits:							
Non-interest-bearing	\$	57,145	\$ 56,468	\$ 55,925	\$ 51,289	\$	49,754
Interest-bearing		74,894	75,016	73,677	71,190		68,691
Total deposits		132,039	131,484	129,602	122,479	1	118,445
Borrowed funds:							
Long-term borrowings		2,451	2,870	2,916	3,569		4,919
Other liabilities		3,040	3,004	2,951	3,230		3,912
Total liabilities		137,530	137,358	135,469	129,278	1	127,276
Equity:							
Preferred stock, non-cumulative perpetual		1,659	1,659	1,656	1,656		1,656
Common stock		10	10	10	10		10
Additional paid-in capital		12,479	12,467	12,740	12,731		12,714
Retained earnings		5,296	4,836	4,235	3,770		3,330
Treasury stock, at cost		(1,371)	(1,371)	(1,371)	(1,371)		(1,371)
Accumulated other comprehensive income, net		532	651	592	1,315		1,565
Total shareholders' equity		18,605	18,252	17,862	18,111		17,904
Noncontrolling interest		18					_
Total equity		18,623	18,252	17,862	18,111		17,904
Total liabilities and equity	\$	156,153	\$ 155,610	\$ 153,331	\$ 147,389	\$ 1	145,180

End of Period Loans

	As of												
										9/30/2	2021	9/30/2	2021
(\$ amounts in millions)	9/30/2021	6/30/2	2021	3/3	1/2021	12	/31/2020	9/	30/2020	vs. 6/30	0/2021	vs. 9/30	0/2020
Commercial and industrial	\$ 41,748	\$ \$ 4	2,628	\$	43,241	\$	42,870	\$	45,199	\$ (880)	(2.1)%	\$ (3,451)	(7.6)%
Commercial real estate mortgage—owner-occupied	5,440	,	5,381		5,335		5,405		5,451	65	1.2 %	(5)	(0.1)%
Commercial real estate construction—owner-occupied	252	!	245		293		300		305	7	2.9 %	(53)	(17.4)%
Total commercial	47,440	4	8,254		48,869		48,575		50,955	(808)	(1.7)%	(3,509)	(6.9)%
Commercial investor real estate mortgage	5,608	3	5,449		5,405		5,394		5,598	159	2.9 %	10	0.2 %
Commercial investor real estate construction	1,704	<u> </u>	1,799		1,817		1,869		1,984	(95)	(5.3)%	(280)	(14.1)%
Total investor real estate	7,312		7,248		7,222		7,263		7,582	64	0.9 %	(270)	(3.6)%
Total business	54,758	5.	5,502		56,091		55,838		58,537	(744)	(1.3)%	(3,779)	(6.5)%
Residential first mortgage	17,347	1	7,051		16,643		16,575		16,195	296	1.7 %	1,152	7.1 %
Home equity—lines of credit (1)	3,875	,	4,057		4,286		4,539		4,753	(182)	(4.5)%	(878)	(18.5)%
Home equity—closed-end (2)	2,550		2,588		2,631		2,713		2,839	(32)	(1.2)%	(283)	(10.0)%
Indirect—vehicles	500)	621		768		934		1,120	(121)	(19.5)%	(620)	(55.4)%
Indirect—other consumer	2,123	;	2,157		2,262		2,431		2,663	(34)	(1.6)%	(540)	(20.3)%
Consumer credit card	1,130	j	1,131		1,111		1,213		1,189	5	0.4 %	(53)	(4.5)%
Other consumer	975		967		963		1,023		1,063	8	0.8 %	(88)	(8.3)%
Total consumer	28,512	2	8,572		28,664		29,428		29,822	(60)	(0.2)%	(1,310)	(4.4)%
Total Loans	\$ 83,270	\$ 8	4,074	\$	84,755	\$	85,266	\$	88,359	\$ (804)	(1.0)%	\$ (5,089)	(5.8)%

⁽¹⁾ The balance of Regions' home equity lines of credit consists of \$2,164 million of first lien and \$1,711 million of second lien at 9/30/2021.

Adjusted Ending Balances of Loans (non-GAAP)

Regions believes adjusting ending loan balances for the impact of commercial loans transferred to held for sale, SBA PPP loans, the indirect-other consumer exit portfolio and the indirect-vehicles exit portfolio, provides a meaningful calculation of loan growth rates and presents them on the same basis as that applied by management.

									As o	of				
											9/30/2		9/30/	
(\$ amounts in millions)	9/3	30/2021	6/	30/2021	3,	/31/2021	12	/31/2020	9/	30/2020	 vs. 6/30	0/2021	vs. 9/3	0/2020
Commercial and industrial	\$	41,748	\$	42,628	\$	43,241	\$	42,870	\$	45,199	\$ (880)	(2.1)%	\$ (3,451)	(7.6)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_		_		210		239		_	_	NM	_	NM
Less: SBA PPP Loans		1,536		2,948		4,317		3,624		4,594	 (1,412)	(47.9)%	(3,058)	(66.6)%
Adjusted commercial and industrial loans (non-GAAP)	\$	40,212	\$	39,680	\$	39,134	\$	39,485	\$	40,605	\$ 532	1.3 %	\$ (393)	(1.0)%
Total commercial loans	\$	47,446	\$	48,254	\$	48,869	\$	48,575	\$	50,955	\$ (808)	(1.7)%	\$ (3,509)	(6.9)%
Add: Commercial loans held for sale reclassified to the portfolio(1)		_		_		210		239		_	_	NM	_	NM
Less: SBA PPP Loans		1,536		2,948		4,317		3,624		4,594	(1,412)	(47.9)%	(3,058)	(66.6)%
Adjusted total commercial loans (non-GAAP)	\$	45,910	\$	45,306	\$	44,762	\$	45,190	\$	46,361	\$ 604	1.3 %	\$ (451)	(1.0)%
Total business loans	\$	54,758	\$	55,502	\$	56,091	\$	55,838	\$	58,537	\$ (744)	(1.3)%	\$ (3,779)	(6.5)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_		_		210		239		_	_	NM	_	NM
Less: SBA PPP Loans		1,536		2,948		4,317		3,624		4,594	(1,412)	(47.9)%	(3,058)	(66.6)%
Adjusted total business loans (non-GAAP)	\$	53,222	\$	52,554	\$	51,984	\$	52,453	\$	53,943	\$ 668	1.3 %	\$ (721)	(1.3)%
Total consumer loans	\$	28,512	\$	28,572	\$	28,664	\$	29,428	\$	29,822	\$ (60)	(0.2)%	\$ (1,310)	(4.4)%
Less: Indirect—other consumer exit portfolio (2)		760		858		971		1,101		1,240	(98)	(11.4)%	(480)	(38.7)%
Less: Indirect—vehicles		500		621		768		934		1,120	(121)	(19.5)%	(620)	(55.4)%
Adjusted total consumer loans (non-GAAP)	\$	27,252	\$	27,093	\$	26,925	\$	27,393	\$	27,462	\$ 159	0.6 %	\$ (210)	(0.8)%
Total loans	\$	83,270	\$	84,074	\$	84,755	\$	85,266	\$	88,359	\$ (804)	(1.0)%	\$ (5,089)	(5.8)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_		_		210		239		_	_	NM	_	NM
Less: SBA PPP Loans		1,536		2,948		4,317		3,624		4,594	(1,412)	(47.9)%	(3,058)	(66.6)%
Less: Indirect—other consumer exit portfolio (2)		760		858		971		1,101		1,240	(98)	(11.4)%	(480)	(38.7)%
Less: Indirect—vehicles		500		621		768		934		1,120	(121)	(19.5)%	(620)	(55.4)%
Adjusted ending total loans (non-GAAP)	\$	80,474	\$	79,647	\$	78,909	\$	79,846	\$	81,405	\$ 827	1.0 %	\$ (931)	(1.1)%

⁽¹⁾ On December 31, 2020, Regions reclassified a certain portfolio of approximately \$239 million of commercial and industrial loans to loans held for sale. On June 1, 2021, Regions made the decision not to sell the respective loans, therefore the remaining balance of approximately \$193 million was reclassified back into the held for investment portfolio.

⁽²⁾ The balance of Regions' closed-end home equity loans consists of \$2,372 million of first lien and \$184 million of second lien at 9/30/2021.

⁽²⁾ In the fourth quarter of 2019, Regions decided not to renew a third party relationship.

End of Period Loans (continued)

			As of		
End of Period Loans by Percentage	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020
Commercial and industrial	50.1 %	50.7 %	51.0 %	50.3 %	51.2 %
Commercial real estate mortgage—owner-occupied	6.5 %	6.4 %	6.3 %	6.3 %	6.2 %
Commercial real estate construction—owner-occupied	0.3 %	0.3 %	0.3 %	0.4 %	0.3 %
Total commercial	56.9 %	57.4 %	57.6 %	57.0 %	57.7 %
Commercial investor real estate mortgage	6.7 %	6.5 %	6.4 %	6.3 %	6.3 %
Commercial investor real estate construction	2.0 %	2.1 %	2.1 %	2.2 %	2.2 %
Total investor real estate	8.7 %	8.6 %	8.5 %	8.5 %	8.5 %
Total business	65.6 %	66.0 %	66.1 %	65.5 %	66.2 %
Residential first mortgage	20.8 %	20.3 %	19.6 %	19.4 %	18.3 %
Home equity—lines of credit	4.7 %	4.8 %	5.1 %	5.3 %	5.4 %
Home equity—closed-end	3.1 %	3.1 %	3.1 %	3.2 %	3.2 %
Indirect—vehicles	0.6 %	0.7 %	0.9 %	1.1 %	1.3 %
Indirect—other consumer	2.5 %	2.6 %	2.7 %	2.9 %	3.0 %
Consumer credit card	1.4 %	1.3 %	1.3 %	1.4 %	1.3 %
Other consumer	1.3 %	1.2 %	1.2 %	1.2 %	1.3 %
Total consumer	34.4 %	34.0 %	33.9 %	34.5 %	33.8 %
Total Loans	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %

Average Balances of Loans

				Ave	rage Balances	š			
(\$ amounts in millions)	3Q21	2Q21	1Q21	4Q20	3Q20	3Q21 vs	s. 2Q21	3Q21 vs	s. 3Q20
Commercial and industrial	\$ 41,892	\$ 43,140	\$ 42,816	\$ 43,889	\$ 46,405	\$ (1,248)	(2.9)%	\$ (4,513)	(9.7)%
Commercial real estate mortgage—owner-occupied	5,436	5,358	5,375	5,405	5,498	78	1.5 %	(62)	(1.1)%
Commercial real estate construction—owner-occupied	246	276	303	303	318	(30)	(10.9)%	(72)	(22.6)%
Total commercial	47,574	48,774	48,494	49,597	52,221	(1,200)	(2.5)%	(4,647)	(8.9)%
Commercial investor real estate mortgage	5,605	5,521	5,375	5,549	5,324	84	1.5 %	281	5.3 %
Commercial investor real estate construction	1,706	1,761	1,847	1,899	1,974	(55)	(3.1)%	(268)	(13.6)%
Total investor real estate	7,311	7,282	7,222	7,448	7,298	29	0.4 %	13	0.2 %
Total business	54,885	56,056	55,716	57,045	59,519	(1,171)	(2.1)%	(4,634)	(7.8)%
Residential first mortgage	17,198	16,795	16,606	16,433	15,786	403	2.4 %	1,412	8.9 %
Home equity—lines of credit	3,956	4,165	4,416	4,646	4,842	(209)	(5.0)%	(886)	(18.3)%
Home equity—closed-end	2,567	2,609	2,669	2,765	2,885	(42)	(1.6)%	(318)	(11.0)%
Indirect—vehicles	557	690	850	1,023	1,223	(133)	(19.3)%	(666)	(54.5)%
Indirect—other consumer	2,097	2,174	2,352	2,514	2,835	(77)	(3.5)%	(738)	(26.0)%
Consumer credit card	1,128	1,108	1,151	1,190	1,194	20	1.8 %	(66)	(5.5)%
Other consumer	962	954	995	1,048	1,086	8	0.8 %	(124)	(11.4)%
Total consumer	28,465	28,495	29,039	29,619	29,851	(30)	(0.1)%	(1,386)	(4.6)%
Total loans	\$ 83,350	\$ 84,551	\$ 84,755	\$ 86,664	\$ 89,370	\$ (1,201)	(1.4)%	\$ (6,020)	(6.7)%

Adjusted Average Balances of Loans (non-GAAP)

Regions believes adjusting total average loans for the impact of commercial loans transferred to held for sale, SBA PPP loans, the indirect-other consumer exit portfolio and the indirect-vehicles exit portfolio, provides a meaningful calculation of loan growth rates and presents them on the same basis as that applied by management.

					Ave	rage	Balances	S				
(\$ amounts in millions)	3	Q21	2Q21	1Q21	4Q20		3Q20		3Q21 v	s. 2Q21	3Q21 v	s. 3Q20
Commercial and industrial	\$ 4	41,892	\$ 43,140	\$ 42,816	\$ 43,889	\$	46,405	\$	(1,248)	(2.9)%	\$ (4,513)	(9.7)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_	138	231	3		_		(138)	(100.0)%	_	NM
Less: SBA PPP Loans		2,138	3,901	3,798	4,143		4,558		(1,763)	(45.2)%	(2,420)	(53.1)%
Adjusted commercial and industrial loans (non-GAAP)	\$.	39,754	\$ 39,377	\$ 39,249	\$ 39,749	\$	41,847	\$	377	1.0 %	\$ (2,093)	(5.0)%
Total commercial loans	\$ 4	47,574	\$ 48,774	\$ 48,494	\$ 49,597	\$	52,221	\$	(1,200)	(2.5)%	\$ (4,647)	(8.9)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_	138	231	3		_		(138)	(100.0)%	_	NM
Less: SBA PPP Loans		2,138	3,901	3,798	4,143		4,558		(1,763)	(45.2)%	(2,420)	(53.1)%
Adjusted total commercial loans (non-GAAP)	\$ 4	45,436	\$ 45,011	\$ 44,927	\$ 45,457	\$	47,663	\$	425	0.9 %	\$ (2,227)	(4.7)%
Total business loans	\$:	54,885	\$ 56,056	\$ 55,716	\$ 57,045	\$	59,519	\$	(1,171)	(2.1)%	\$ (4,634)	(7.8)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_	138	231	3		_		(138)	(100.0)%	_	NM
Less: SBA PPP Loans		2,138	3,901	3,798	4,143		4,558		(1,763)	(45.2)%	(2,420)	(53.1)%
Adjusted total business loans (non-GAAP)	\$:	52,747	\$ 52,293	\$ 52,149	\$ 52,905	\$	54,961	\$	454	0.9 %	\$ (2,214)	(4.0)%
Total consumer loans	\$	28,465	\$ 28,495	\$ 29,039	\$ 29,619	\$	29,851	\$	(30)	(0.1)%	\$ (1,386)	(4.6)%
Less: Indirect—other consumer exit portfolio (2)		806	909	1,034	1,164		1,318		(103)	(11.3)%	(512)	(38.8)%
Less: Indirect—vehicles		557	690	850	1,023		1,223		(133)	(19.3)%	(666)	(54.5)%
Adjusted total consumer loans (non-GAAP)	\$ 2	27,102	\$ 26,896	\$ 27,155	\$ 27,432	\$	27,310	\$	206	0.8 %	\$ (208)	(0.8)%
Total loans	\$	83,350	\$ 84,551	\$ 84,755	\$ 86,664	\$	89,370	\$	(1,201)	(1.4)%	\$ (6,020)	(6.7)%
Add: Commercial loans held for sale reclassified to the portfolio ⁽¹⁾		_	138	231	3		_		(138)	(100.0)%	_	NM
Less: SBA PPP Loans		2,138	3,901	3,798	4,143		4,558		(1,763)	(45.2)%	(2,420)	(53.1)%
Less: Indirect—other consumer exit portfolio (2)		806	909	1,034	1,164		1,318		(103)	(11.3)%	(512)	(38.8)%
Less: Indirect—vehicles		557	690	850	1,023		1,223		(133)	(19.3)%	(666)	(54.5)%
Adjusted total loans (non-GAAP)	\$	79,849	\$ 79,189	\$ 79,304	\$ 80,337	\$	82,271	\$	660	0.8 %	\$ (2,422)	(2.9)%

⁽¹⁾ On December 31, 2020, Regions reclassified a certain portfolio of approximately \$239 million of commercial and industrial loans to loans held for sale. On June 1, 2021, Regions made the decision not to sell the respective loans, therefore the remaining balance of approximately \$193 million was reclassified back into the held for investment portfolio.

⁽²⁾ In the fourth quarter of 2019, Regions decided not to renew a third party relationship.

Average Balances of Loans (continued)

	 Average Balances						
	I	Nine Months End	ed September 30				
(\$ amounts in millions)	2021	2020	2021 v	vs. 2020			
Commercial and industrial	\$ 42,612	\$ 45,410	\$ (2,798)	(6.2)%			
Commercial real estate mortgage—owner-occupied	5,390	5,500	(110)	(2.0)%			
Commercial real estate construction—owner-occupied	 275	318	(43)	(13.5)%			
Total commercial	48,277	51,228	(2,951)	(5.8)%			
Commercial investor real estate mortgage	5,501	5,150	351	6.8 %			
Commercial investor real estate construction	1,771	1,839	(68)	(3.7)%			
Total investor real estate	7,272	6,989	283	4.0 %			
Total business	55,549	58,217	(2,668)	(4.6)%			
Residential first mortgage	16,868	15,049	1,819	12.1 %			
Home equity—lines of credit	4,177	5,050	(873)	(17.3)%			
Home equity—closed-end	2,615	2,964	(349)	(11.8)%			
Indirect—vehicles	698	1,447	(749)	(51.8)%			
Indirect—other consumer	2,207	3,069	(862)	(28.1)%			
Consumer credit card	1,129	1,257	(128)	(10.2)%			
Other consumer	971	1,146	(175)	(15.3)%			
Total consumer	28,665	29,982	(1,317)	(4.4)%			
Total Loans	\$ 84,214	\$ 88,199	\$ (3,985)	(4.5)%			

Adjusted Average Balances of Loans (non-GAAP)

Regions believes adjusting total average loans for the impact of commercial loans transferred to held for sale, SBA PPP loans, the indirect- other consumer exit portfolio and the indirect vehicles exit portfolio, provides a meaningful calculation of loan growth rates and presents them on the same basis as that applied by management.

	 Average Balances										
	 Nine Months Ended September 30										
(\$ amounts in millions)	2021		2020	2021 vs. 2020							
Commercial and industrial	\$ 42,612	\$	45,410	\$	(2,798)	(6.2)%					
Add: Commercial loans held for sale reclassified to the portfolio (1)	122		_		122	NM					
Less: SBA PPP Loans	 3,273		2,597		676	26.0 %					
Adjusted commercial and industrial loans (non-GAAP)	\$ 39,461	\$	42,813	\$	(3,352)	(7.8)%					
Total commercial loans	\$ 48,277	\$	51,228	\$	(2,951)	(5.8)%					
Add: Commercial loans held for sale reclassified to the portfolio (1)	122		_		122	NM					
Less: SBA PPP Loans	 3,273		2,597		676	26.0 %					
Adjusted total commercial loans (non-GAAP)	\$ 45,126	\$	48,631	\$	(3,505)	(7.2)%					
Total business loans	\$ 55,549	\$	58,217	\$	(2,668)	(4.6)%					
Add: Commercial loans held for sale reclassified to the portfolio (1)	122		_		122	NM					
Less: SBA PPP Loans	 3,273		2,597		676	26.0 %					
Adjusted total business loans (non-GAAP)	\$ 52,398	\$	55,620	\$	(3,222)	(5.8)%					
Total consumer loans	\$ 28,665	\$	29,982	\$	(1,317)	(4.4)%					
Less: Indirect-other consumer exit portfolio (2)	916		1,502		(586)	(39.0)%					
Less: Indirect—vehicles	 698		1,447		(749)	(51.8)%					
Adjusted total consumer loans (non-GAAP)	\$ 27,051	\$	27,033	\$	18	0.1 %					
Total Loans	\$ 84,214	\$	88,199	\$	(3,985)	(4.5)%					
Add: Commercial loans held for sale reclassified to the portfolio (1)	122		_		122	NM					
Less: SBA PPP Loans	3,273		2,597		676	26.0 %					
Less: Indirect—other consumer exit portfolio (2)	916		1,502		(586)	(39.0)%					
Less: Indirect—vehicles	 698		1,447		(749)	(51.8)%					
Adjusted total loans (non-GAAP)	\$ 79,449	\$	82,653	\$	(3,204)	(3.9)%					

	Avei	rage Balance
	Twelve	Months Ended
(\$ amounts in millions)	Decer	nber 31, 2020
Total Loans	\$	87,813
Add: Commercial loans transferred to held for sale (1)		1
Less: SBA PPP Loans		2,986
Less: Indirect—other consumer exit portfolio (2)		1,417
Less: Indirect—vehicles		1,341
Adjusted total loans (non-GAAP)	\$	82,070

On December 31, 2020, Regions reclassified a certain portfolio of approximately \$239 million of commercial and industrial loans to loans held for sale. On June 1, 2021, Regions made the decision not to sell the respective loans, therefore the remaining balance of approximately \$193 million was reclassified back into the held for investment portfolio. In the fourth quarter of 2019, Regions decided not to renew a third party relationship.

⁽²⁾

End of Period Deposits

					As of					
						9/30/	2021	9/30/2021		
(\$ amounts in millions)	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	vs. 6/3	0/2021	vs. 9/30/2020		
Interest-free deposits	\$ 57,145	\$ 56,468	\$ 55,925	\$ 51,289	\$ 49,754	\$ 677	1.2 %	\$ 7,391	14.9 %	
Interest-bearing checking	25,217	25,512	24,757	24,484	22,294	(295)	(1.2)%	2,923	13.1 %	
Savings	14,573	14,099	13,500	11,635	11,159	474	3.4 %	3,414	30.6 %	
Money market—domestic	30,736	30,725	30,448	29,719	29,387	11	%	1,349	4.6 %	
Low-cost deposits	127,671	126,804	124,630	117,127	112,594	867	0.7 %	15,077	13.4 %	
Time deposits	4,368	4,679	4,970	5,341	5,840	(311)	(6.6)%	(1,472)	(25.2)%	
Total Customer Deposits	132,039	131,483	129,600	122,468	118,434	556	0.4 %	13,605	11.5 %	
Corporate treasury time deposits		1	2	11	11	(1)	(100.0)%	(11)	(100.0)%	
Total Deposits	\$ 132,039	\$ 131,484	\$ 129,602	\$ 122,479	\$118,445	\$ 555	0.4 %	\$ 13,594	11.5 %	

					As of					
						9/30	/2021	9/30/2021		
(\$ amounts in millions)	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020	vs. 6/3	30/2021	vs. 9/3	30/2020	
Consumer Bank Segment	\$ 79,873	\$ 78,428	\$ 77,381	\$ 71,652	\$ 69,265	\$ 1,445	1.8 %	\$ 10,608	15.3 %	
Corporate Bank Segment	41,442	43,147	42,211	40,745	39,799	(1,705)	(4.0)%	1,643	4.1 %	
Wealth Management Segment	10,251	9,477	9,537	9,718	8,982	774	8.2 %	1,269	14.1 %	
Other (1)	473	432	473	364	399	41	9.5 %	74	18.5 %	
Total Deposits	\$ 132,039	\$ 131,484	\$ 129,602	\$ 122,479	\$118,445	\$ 555	0.4 %	\$ 13,594	11.5 %	

										As of				
											9/30/	/2021	9/30/	2021
(\$ amounts in millions)	9/	30/2021	6/3	30/2021	3/	31/2021	12/	31/2020	9	0/30/2020	 vs. 6/3	30/2021	vs. 9/3	0/2020
Wealth Management - Private Wealth	\$	9,046	\$	8,614	\$	8,589	\$	8,462	\$	7,726	\$ 432	5.0 %	\$ 1,320	17.1 %
Wealth Management - Institutional Services		1,205		863		948		1,256		1,256	 342	39.6 %	(51)	(4.1)%
Total Wealth Management Segment Deposits	\$	10,251	\$	9,477	\$	9,537	\$	9,718	\$	8,982	\$ 774	8.2 %	\$ 1,269	14.1 %

	As of						
End of Period Deposits by Percentage	9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020		
Interest-free deposits	43.3 %	42.9 %	43.2 %	41.9 %	42.0 %		
Interest-bearing checking	19.1 %	19.4 %	19.1 %	20.0 %	18.8 %		
Savings	11.0 %	10.7 %	10.4 %	9.5 %	9.4 %		
Money market—domestic	23.3 %	23.4 %	23.5 %	24.3 %	24.8 %		
Low-cost deposits	96.7 %	96.4 %	96.2 %	95.7 %	95.0 %		
Time deposits	3.3 %	3.6 %	3.8 %	4.3 %	5.0 %		
Total Deposits	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %		

⁽¹⁾ Other deposits represent non-customer balances primarily consisting of wholesale funding (for example, Eurodollar trade deposits, selected deposits and brokered time deposits).

Average Balances of Deposits

								Av	erag	ge Balances	s					
(\$ amounts in millions)		3Q21		2Q21		1Q21		4Q20		3Q20		3Q21 vs.	. 2Q21		3Q21 vs.	3Q20
Interest-free deposits	\$	56,999	\$	56,595	\$	51,839	\$	50,532	\$	48,314	\$	404	0.7 %	\$	8,685	18.0 %
Interest-bearing checking		25,277		25,044		24,171		22,940		22,098		233	0.9 %		3,179	14.4 %
Savings		14,328		13,914		12,340		11,374		10,935		414	3.0 %		3,393	31.0 %
Money market—domestic		30,765		30,762		29,425		29,312		29,146		3	— %		1,619	5.6 %
Low-cost deposits		127,369		126,315		117,775		114,158		110,493		1,054	0.8 %		16,876	15.3 %
Time deposits		4,527		4,813		5,158		5,598		6,150		(286)	(5.9)%		(1,623)	(26.4)%
Total Customer Deposits		131,896		131,128		122,933		119,756		116,643		768	0.6 %		15,253	13.1 %
Corporate treasury time deposits		1		1		4		11		13		_	— %		(12)	(92.3)%
Corporate treasury other deposits		<u> </u>		3								(3)	(100.0)%			NM
Total Deposits	\$	131,897	\$	131,132	\$	122,937	\$	119,767	\$	116,656	\$	765	0.6 %	_	15,241	13.1 %
	Average Balances															
(\$ amounts in millions)		3Q21		2Q21		1Q21		4Q20		3Q20		3Q21 vs	. 2Q21		3Q21 vs.	3Q20
Consumer Bank Segment	\$	79,098	\$	78,200	\$	72,949	\$	69,912	\$	68,842	\$	898	1.1 %	\$	10,256	14.9 %
Corporate Bank Segment		42,525		42,966		40,285		40,581		38,755		(441)	(1.0)%		3,770	9.7 %
Wealth Management Segment		9,873		9,519		9,281		8,884		8,658		354	3.7 %		1,215	14.0 %
Other (1)		401		447		422		390		401		(46)	(10.3)%			%
Total Deposits	\$	131,897	\$	131,132	\$	122,937	\$	119,767	\$	116,656	\$	765	0.6 %	\$	15,241	13.1 %
	Average Balances															
(\$ amounts in millions)		3Q21		2Q21	1Q21			4Q20		3Q20		3Q21 vs	. 2Q21		3Q21 vs.	3Q20
Wealth Management - Private Wealth	\$	9,036	\$	8,673	\$	8,442	\$	8,106	\$	7,723	\$	363	4.2 %	\$	1,313	17.0 %
Wealth Management - Institutional Services		837		846		839		778		935		(9)	(1.1)%		(98)	(10.5)%
Total Wealth Management Segment Deposits	\$	9,873	\$	9,519	\$	9,281	\$	8,884	\$	8,658	\$	354	3.7 %	\$	1,215	14.0 %

Ramounts in millions 1021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2021 2022					Average	Balan	ces	
Interest-free deposits \$ 55,163 \$ 42,323 \$ 12,840 3.03 Interest-bearing checking 24,835 21,046 3,789 18.0 Savings 13,355 9,973 3,562 35.7 Money market—domestic 30,322 27,395 2,927 10.7 Low-cost deposits 123,855 100,737 23,118 22,9 Time deposits 4,830 6,712 (1,882) 28.0 Corporate treasury time deposits 1 21,21 (19,0 69.3 Corporate treasury other deposits 1 21,21 (19,0 69.5 Total Deposits 1 21,22 (21,11) (99.5 Accordance treasury other deposits 1 21,22 (21,11) (99.5 Total Deposits 1 21,22 (21,11) (99.5 Examents in millions 2 20,10 20,12 20,12 (21,12) (21,12) (21,12) (21,12) (21,12) (21,12) (21,12) (21,12) (21,12) (21,12)				Nine				
Interest-bearing checking 24,835 21,046 3,789 18,08 Savings 13,535 9,973 3,562 35,7 Money market—domestic 30,322 27,395 2,927 10,7 Low-cost deposits 123,855 10,737 23,18 22,9 Time deposits 4,830 6,712 (1,882) 28,0 Corporate treasury time deposits 2 11 (119) (98,3 Corporate treasury other deposits 1 21,2 (211) (99,5 Total Deposits 1 21,2 (211) (98,3 Corporate treasury other deposits 1 21,2 (211) (98,3 Total Deposits 1 21,2 (211) (99,5 Eamounts in millions 201 20	(\$ amounts in millions)		2021		2020		2021 vs. 202	20
Savings 13,555 9,973 3,562 35,7 Money market—domestic 30,322 27,395 2,927 10,7 Low-cost deposits 123,855 100,373 23,118 22,9 Time deposits 4,830 6,712 (1,882) 28,02 Copporate treasury time deposits 12,8685 107,494 21,236 19,8 Copporate treasury other deposits 1 21 2(11) (95,5 Total Deposits 1 21 2(11) (95,5 Total Deposits 1 21 2(11) (95,5 Earnounts in millions 2 10,782 20,906 19,42 Consumer Bank Segment 5 76,772 84,773 \$11,999 18,5 Consumer Bank Segment 9,560 8,372 1,188 14,2 Question Management Segment 9,560 8,372 1,188 14,2 Other (**) 4 1,962 2,085 3,87 2,096 1,97 Wealth Management - Private Wealth	Interest-free deposits	\$	55,163	\$	42,323	\$	12,840	30.3 %
Money market—domestic 30,322 27,355 2,927 10.70 Low-cost deposits 123,855 100,737 23,118 22.93 Time deposits 4,830 6,712 0,1825 19.80 Copporate treasury time deposits 2 112,868 107,49 21,236 19.80 Copporate treasury other deposits 1 212 (211) (98.3) Total Deposits 1 212 2011 (98.3) Total Deposits 1 212 2011 (98.3) Examounts in millions) 2 12,000 19.40 (98.3) Consumer Bank Segment 2021 2020 2021 v - 2021 20.00 18.5 Consumer Bank Segment 3,139 3,139 1,188 14.2 Other (**) 4,24 69.2 2,68 3,73 1,188 14.2 Other (**) 4,24 69.2 2,68 3,73 3,73 3,73 3,73 3,73 3,73 3,73 3,73 3,73 3,73	Interest-bearing checking		24,835		21,046		3,789	18.0 %
Low-cost deposits 123,855 100,737 23,118 22.92 Time deposits 4,830 6,712 (1,882) 28.08 Cotal Customer Deposits 128,685 107,494 21,236 19.88 Corporate treasury time deposits 2 121 (119) 68.3 Corporate treasury other deposits 1 212 (211) 69.5 Total Deposits 1 212 (211) 69.5 Example of treasury other deposits 2 121 (211) 69.5 Total Deposits 2 121 (211) 69.5 Example of treasury other deposits 2 121 (211) 69.5 Example of treasury other deposits 2 18.2 19.2 19.2 19.2 Example of treasury other deposits 2 2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2 12.2	Savings		13,535		9,973		3,562	35.7 %
Time deposits 4,830 6,712 (1,882) (2,800) Total Customer Deposits 128,685 107,449 21,236 19,883 Corporate treasury time deposits 1 21 (119) (98,3) Corporate treasury other deposits 1 212 (211) (99,50) Total Deposits								

⁽¹⁾ Other deposits represent non-customer balances primarily consisting of wholesale funding (for example, Eurodollar trade deposits, selected deposits and brokered time deposits).

Reconciliation to GAAP Financial Measures

Tangible Common Ratios

The following tables provide the calculation of the end of period "tangible common shareholders' equity" and "tangible common book value per share" ratios, and a reconciliation of shareholders' equity (GAAP) to tangible common shareholders' equity (non-GAAP). Since analysts and banking regulators may assess Regions' capital adequacy using tangible common shareholders' equity, we believe that it is useful to provide investors the ability to assess Regions' capital adequacy on this same basis.

	_	As of and for Quarter Ended										
(\$ amounts in millions, except per share data)		9/30/2021	6/30/2021	3/31/2021	12/31/2020	9/30/2020						
Tangible Common Ratios												
Shareholders' equity (GAAP)	\$	8 18,605	\$ 18,252	\$ 17,862	\$ 18,111	\$ 17,904						
Less:												
Preferred stock (GAAP)		1,659	1,659	1,656	1,656	1,656						
Intangible assets (GAAP)		5,282	5,289	5,295	5,312	5,316						
Deferred tax liability related to intangibles (GAAP)		(97)	(96)	(96)	(106)	(105)						
Tangible common shareholders' equity (non-GAAP)	A \$	11,761	\$ 11,400	\$ 11,007	\$ 11,249	\$ 11,037						
Total assets (GAAP)	\$	5 156,153	\$155,610	\$ 153,331	\$147,389	\$ 145,180						
Less:												
Intangible assets (GAAP)		5,282	5,289	5,295	5,312	5,316						
Deferred tax liability related to intangibles (GAAP)		(97)	(96)	(96)	(106)	(105)						
Tangible assets (non-GAAP)	B \$	5 150,968	\$150,417	\$ 148,132	\$142,183	\$ 139,969						
Shares outstanding—end of quarter	С_	955	955	961	960	960						
Tangible common shareholders' equity to tangible assets (non-GAAP) (1)	A/B	7.79 %	7.58 %	7.43 %	7.91 %	7.88 %						
Tangible common book value per share (non-GAAP) (1)	A/C \$	3 12.32	\$ 11.94	\$ 11.46	\$ 11.71	\$ 11.49						

⁽¹⁾ Amounts have been calculated using whole dollar values.

Forward-Looking Statements

This release may include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not based on historical information, but rather are related to future operations, strategies, financial results or other developments. Forward-looking statements are based on management's current expectations as well as certain assumptions and estimates made by, and information available to, management at the time the statements are made. Those statements are based on general assumptions and are subject to various risks, and because they also relate to the future they are likewise subject to inherent uncertainties and other factors that may cause actual results to differ materially from the views, beliefs and projections expressed in such statements. Therefore, we caution you against relying on any of these forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, those described below:

- Current and future economic and market conditions in the United States generally or in the communities we serve (in particular the Southeastern United States), including the
 effects of possible declines in property values, increases in unemployment rates, financial market disruptions and potential reductions of economic growth, which may adversely
 affect our lending and other businesses and our financial results and conditions.
- Possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations, which could have
 a material adverse effect on our earnings.
- Possible changes in market interest rates or capital markets could adversely affect our revenue and expense, the value of assets and obligations, and the availability and cost of capital and liquidity.
- The impact of pandemics, including the ongoing COVID-19 pandemic, on our businesses, operations, and financial results and conditions. The duration and severity of the ongoing COVID-19 pandemic, which has disrupted the global economy, has and could continue to adversely affect our capital and liquidity position, impair the ability of borrowers to repay outstanding loans and increase our allowance for credit losses, impair collateral values, and result in lost revenue or additional expenses. The pandemic could also result in goodwill impairment charges and the impairment of other financial and nonfinancial assets, and increase our cost of capital.
- Any impairment of our goodwill or other intangibles, any repricing of assets, or any adjustment of valuation allowances on our deferred tax assets due to changes in tax law, adverse changes in the economic environment, declining operations of the reporting unit or other factors.
- · The effect of new tax legislation and/or interpretation of existing tax law, which may impact our earnings, capital ratios, and our ability to return capital to shareholders.
- Possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans and leases, including operating leases.
- Changes in the speed of loan prepayments, loan origination and sale volumes, charge-offs, credit loss provisions or actual credit losses where our allowance for credit losses may not be adequate to cover our eventual losses.
- Possible acceleration of prepayments on mortgage-backed securities due to low interest rates, and the related acceleration of premium amortization on those securities.
- · Loss of customer checking and savings account deposits as customers pursue other, higher-yield investments, which could increase our funding costs.
- Possible changes in consumer and business spending and saving habits and the related effect on our ability to increase assets and to attract deposits, which could adversely affect our net income.
- Our ability to effectively compete with other traditional and non-traditional financial services companies, including fintechs, some of whom possess greater financial resources
 than we do or are subject to different regulatory standards than we are.
- Our inability to develop and gain acceptance from current and prospective customers for new products and services and the enhancement of existing products and services to
 meet customers' needs and respond to emerging technological trends in a timely manner could have a negative impact on our revenue.
- Our inability to keep pace with technological changes, including those related to the offering of digital banking and financial services, could result in losing business to competitors.
- Changes in laws and regulations affecting our businesses, including legislation and regulations relating to bank products and services, as well as changes in the enforcement and
 interpretation of such laws and regulations by applicable governmental and self-regulatory agencies, including as a result of the recent change in U.S. presidential administration
 and control of the U.S. Congress, which could require us to change certain business practices, increase compliance risk, reduce our revenue, impose additional costs on us, or
 otherwise negatively affect our businesses.
- Our capital actions, including dividend payments, common stock repurchases, or redemptions of preferred stock or other regulatory capital instruments, must not cause us to fall below minimum capital ratio requirements, with applicable buffers taken into account, and must comply with other requirements and restrictions under law or imposed by our regulators, which may impact our ability to return capital to shareholders.
- Our ability to comply with stress testing and capital planning requirements (as part of the CCAR process or otherwise) may continue to require a significant investment of our managerial resources due to the importance of such tests and requirements.
- Our ability to comply with applicable capital and liquidity requirements (including, among other things, the Basel III capital standards), including our ability to generate capital internally or raise capital on favorable terms, and if we fail to meet requirements, our financial condition and market perceptions of us could be negatively impacted.
- · The effects of any developments, changes or actions relating to any litigation or regulatory proceedings brought against us or any of our subsidiaries.
- The costs, including possibly incurring fines, penalties, or other negative effects (including reputational harm) of any adverse judicial, administrative, or arbitral rulings or proceedings, regulatory enforcement actions, or other legal actions to which we or any of our subsidiaries are a party, and which may adversely affect our results.
- Our ability to manage fluctuations in the value of assets and liabilities and off-balance sheet exposure so as to maintain sufficient capital and liquidity to support our businesses.
- · Our ability to execute on our strategic and operational plans, including our ability to fully realize the financial and nonfinancial benefits relating to our strategic initiatives.
- The risks and uncertainties related to our acquisition or divestiture of businesses, including our recently completed acquisition of EnerBank and risks related to such acquisition, including that the expected synergies, cost savings and other financial or other benefits may not be realized within the expected timeframes, or might be less than projected; difficulties in integrating the business; and the inability of Regions to effectively cross-sell products to EnerBank's customers; as well as our pending acquisition of Sabal and risks related to such acquisition, including delays in closing the transaction; that the expected synergies, cost savings, and other financial or other benefits of the transaction might not be realized within the expected timeframes, or might be less than projected; and difficulties in integrating Sabal's business.
- The success of our marketing efforts in attracting and retaining customers.
- Our ability to recruit and retain talented and experienced personnel to assist in the development, management and operation of our products and services may be affected by changes in laws and regulations in effect from time to time.
- · Fraud or misconduct by our customers, employees or business partners.
- Any inaccurate or incomplete information provided to us by our customers or counterparties.
- Inability of our framework to manage risks associated with our businesses, such as credit risk and operational risk, including third-party vendors and other service providers, which could, among other things, result in a breach of operating or security systems as a result of a cyber attack or similar act or failure to deliver our services effectively.
- Dependence on key suppliers or vendors to obtain equipment and other supplies for our businesses on acceptable terms.

- · The inability of our internal controls and procedures to prevent, detect or mitigate any material errors or fraudulent acts.
- . The effects of geopolitical instability, including wars, conflicts, civil unrest, and terrorist attacks and the potential impact, directly or indirectly, on our businesses.
- The effects of man-made and natural disasters, including fires, floods, droughts, tornadoes, hurricanes, and environmental damage (specifically in the Southeastern United States), which may negatively affect our operations and/or our loan portfolios and increase our cost of conducting business. The severity and impact of future earthquakes, fires, hurricanes, tornadoes, droughts, floods and other weather-related events are difficult to predict and may be exacerbated by global climate change.
- Changes in commodity market prices and conditions could adversely affect the cash flows of our borrowers operating in industries that are impacted by changes in commodity prices (including businesses indirectly impacted by commodities prices such as businesses that transport commodities or manufacture equipment used in the production of commodities), which could impair their ability to service any loans outstanding to them and/or reduce demand for loans in those industries.
- Our ability to identify and address cyber-security risks such as data security breaches, malware, ransomware, "denial of service" attacks, "hacking" and identity theft, including account take-overs, a failure of which could disrupt our businesses and result in the disclosure of and/or misuse or misappropriation of confidential or proprietary information, disruption or damage to our systems, increased costs, losses, or adverse effects to our reputation.
- Our ability to achieve our expense management initiatives
- Market replacement of LIBOR and the related effect on our LIBOR-based financial products and contracts, including, but not limited to, derivative products, debt obligations, deposits, investments, and loans.
- · Possible downgrades in our credit ratings or outlook could, among other negative impacts, increase the costs of funding from capital markets.
- The effects of a possible downgrade in the U.S. government's sovereign credit rating or outlook, which could result in risks to us and general economic conditions that we are not able to predict.
- The effects of problems encountered by other financial institutions that adversely affect us or the banking industry generally could require us to change certain business practices, reduce our revenue, impose additional costs on us, or otherwise negatively affect our businesses.
- The effects of the failure of any component of our business infrastructure provided by a third party could disrupt our businesses, result in the disclosure of and/or misuse of confidential information or proprietary information, increase our costs, negatively affect our reputation, and cause losses.
- · Our ability to receive dividends from our subsidiaries, in particular Regions Bank, could affect our liquidity and ability to pay dividends to shareholders.
- Changes in accounting policies or procedures as may be required by the FASB or other regulatory agencies could materially affect our financial statements and how we report
 those results, and expectations and preliminary analyses relating to how such changes will affect our financial results could prove incorrect.
- Other risks identified from time to time in reports that we file with the SEC.
- · Fluctuations in the price of our common stock and inability to complete stock repurchases in the time frame and/or on the terms anticipated.
- · The effects of any damage to our reputation resulting from developments related to any of the items identified above.

The foregoing list of factors is not exhaustive. For discussion of these and other factors that may cause actual results to differ from expectations, look under the captions "Forward-Looking Statements" and "Risk Factors" of Regions' Annual Report on Form 10-K for the year ended December 31, 2020 and the "Risk Factors" of Regions' Quarterly Report on Form 10-O for the quarter ended June 30, 2021 as filed with the SEC.

Further, statements about the potential effects of the COVID-19 pandemic on our businesses, operations, and financial results and conditions may constitute forward-looking statements and are subject to the risk that the actual effects may differ, possibly materially, from what is reflected in those forward-looking statements due to factors and future developments that are uncertain, unpredictable and in many cases beyond our control, including the scope and duration of the pandemic (including any resurgences), actions taken by governmental authorities in response to the pandemic and their success, the effectiveness and acceptance of any vaccines, and the direct and indirect impact of the pandemic on our customers, third parties and us.

The words "future," "anticipates," "assumes," "intends," "plans," "seeks," "believes," "predicts," "potential," "objectives," "estimates," "expects," "targets," "projects," "outlook," "forecast," "would," "will," "may," "might," "could," "should," "can," and similar terms and expressions often signify forward-looking statements. You should not place undue reliance on any forward-looking statements, which speak only as of the date made. Factors or events that could cause our actual results to differ may emerge from time to time, and it is not possible to predict all of them. We assume no obligation and do not intend to update or revise any forward-looking statements that are made from time to time, either as a result of future developments, new information or otherwise, except as may be required by law.

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