Regions Financial 2nd Quarter Earnings Conference Call

July 24, 2012

REGIONS

PRUDENT AND PROFITABLE GROWTH DRIVEN BY SOLID BUSINESS PERFORMANCE

2Q12 Financial Highlights	
Diluted EPS	$0.20
Pre-tax Pre-provision Income[1]	$503 million
EPS from Continuing Operations	$0.20
Impact of Series A Discount[1]	$0.05

- Experienced continued growth in commercial and industrial portfolio
- Conservative low loan-to-deposit ratio provides considerable flexibility to take advantage of lending opportunities that will benefit future revenue growth
- Significantly grew mortgage loan production and related fee income
- Reduced operating expenses and credit costs
- Continued asset quality improvement

With each passing quarter, we are better positioned for ultimate outperformance.

(1) Non-GAAP– See slides 13-18 for GAAP to non-GAAP reconciliation

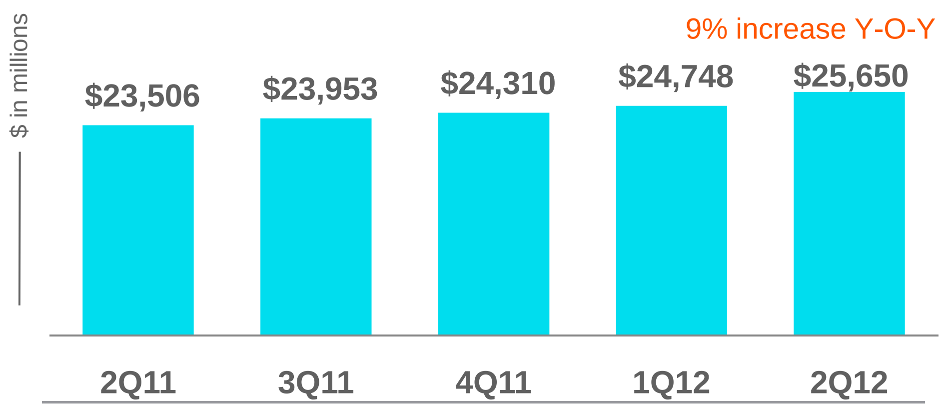
2Q12 FINANCIAL HIGHLIGHTS

($ in millions, except EPS)	2Q11	1Q12	2Q12	2Q12 vs. 1Q12		2Q12 vs. 2Q11	
From Continuing Operations							
Net Interest Income	$ 856	$ 827	**$ 838**	$ 11	1%	$ (18)	-2%
Non-Interest Revenue	543	524	**507**	(17)	-3%	(36)	-7%
Non-Interest Expense	956	913	**842**	(71)	-8%	(114)	-12%
Pre-tax Pre-provision Income (PPI) (non-GAAP)[1]	443	438	**503**	65	15%	60	14%
Net Charge-Offs	548	332	**265**	(67)	-20%	(283)	-52%
Loan Loss Reserve Reduction	(150)	(215)	**(239)**	(24)	11%	(89)	59%
Loan Loss Provision	398	117	**26**	(91)	-78%	(372)	-93%
Preferred Expense	54	54	**71**	17	31%	17	31%
Net Income Available to Common Shareholders from Continuing Operations	25	185	**280**	95	51%	255	NM
Net Income / (Loss) from Discontinued Operations	30	(40)	**4**	44	-110%	(26)	-87%
Net Income Available to Common Shareholders	$ 55	$ 145	**$ 284**	$ 139	96%	$ 229	NM
Diluted EPS	$0.04	$0.11	**$0.20**	$0.09	82%	$0.16	NM
Diluted EPS from Continuing Operations	$0.02	$0.14	**$0.20**	$0.06	43%	$0.18	NM
Diluted EPS excluding Preferred Expense[2]	$0.06	$0.19	**$0.25**	$0.06	32%	$0.19	NM
Diluted EPS from Discontinued Operations	$0.02	($0.03)	**$0.00**	$0.03	NM	($0.02)	NM

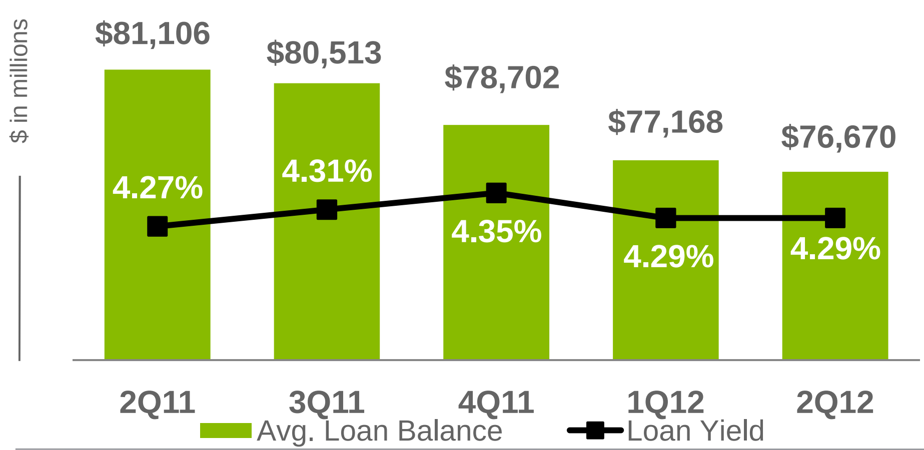
(1) Non-GAAP– See slides 13-18 for GAAP to non-GAAP reconciliation
(2) From Continuing Operations

COMMERCIAL AND INDUSTRIAL LOANS GREW 4% OVER LAST QUARTER

Commercial and Industrial Loan Balances*



Total Loan Balances* and Loan Yields



- Commercial & industrial loan balances on an average basis increased $902 million, or 4% linked quarter reflecting strength in our middle market portfolio
- Commercial & industrial line utilization rose 130 basis points to 44.4%
- Investor real estate totaled $9.4 billion at quarter end and has now been reduced to 12% of total loans down from 17% one year ago
- Loan yield remained flat linked quarter despite the low rate environment

* Average Balances

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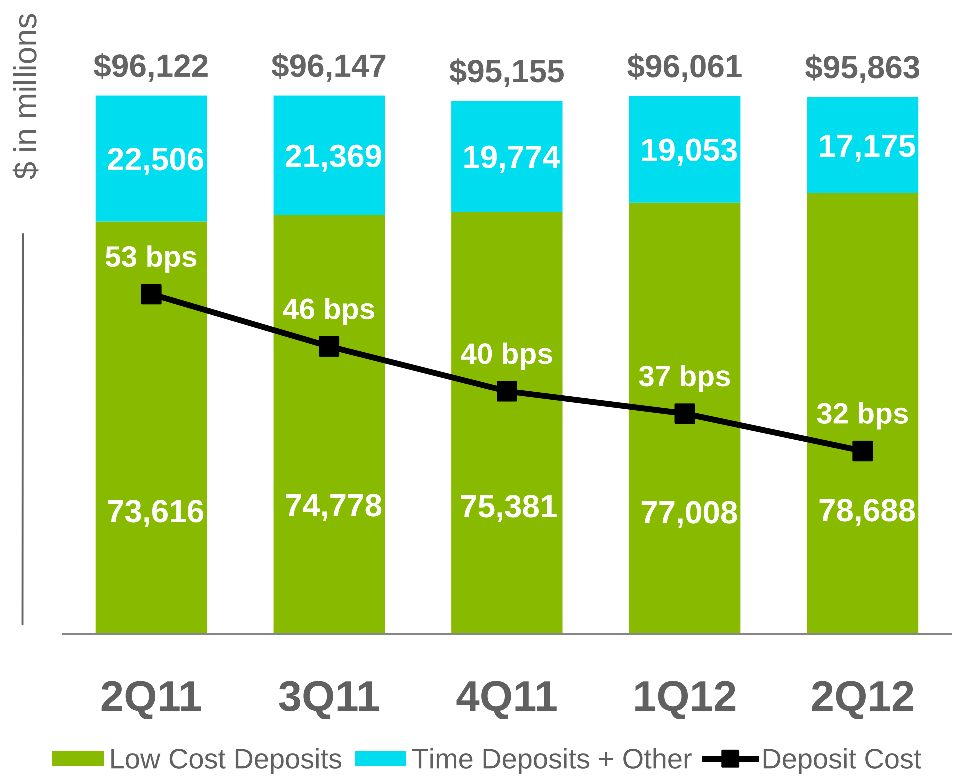
FUNDING MIX CONTINUES TO IMPROVE AS DEPOSIT COSTS DECLINED 5 BPS

Deposit Balances* and Deposit Costs



- Avg. time deposits as a % of avg. deposits decreased to 18% in 2Q12 from 23% in 2Q11
- Deposit repricing opportunities remain, maturities include:
  - 3Q12 - $2.9B at 1.2%
  - 4Q12 - $3.0B at 2.1%
  - 1H13 - $4.6B at 1.8%
  - 2H13 - $1.9B at 0.8%
- Deposit costs declined 5 bps linked quarter, down 21 bps year-over-year
- Total funding mix improved to 60 bps, down 20 bps from one year ago

* Average Balances

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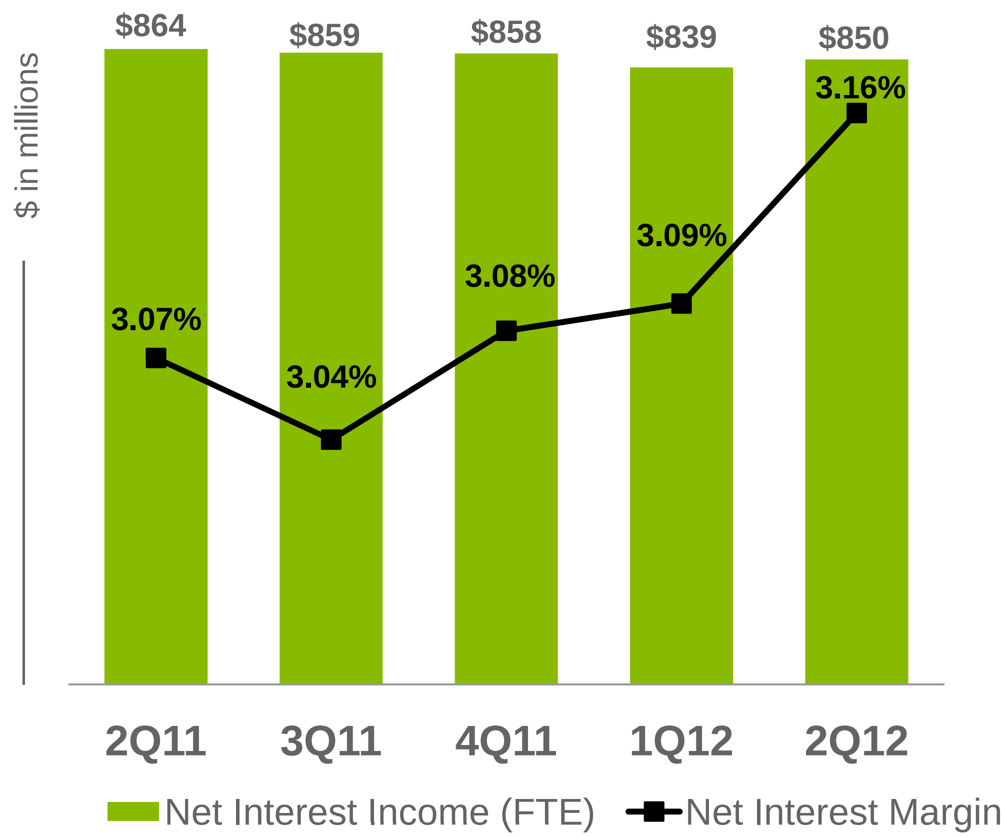
NET INTEREST MARGIN IMPROVES 7 BPS

- Net interest margin favorably impacted by improvements in deposit costs, lower excess cash and lower non-accrual balances
- Cash reserves negatively impacted net interest margin 8 bps in 2Q12 compared to 13 bps in 1Q12, an improvement of 5 bps
- Non-accruals negatively impacted net interest margin 7 bps in 2Q12 compared to 10 bps in 1Q12, an improvement of 3 bps
- Securities portfolio totals $27 billion as a result of cash deployment
- Net interest margin expected to remain relatively stable in second half of 2012

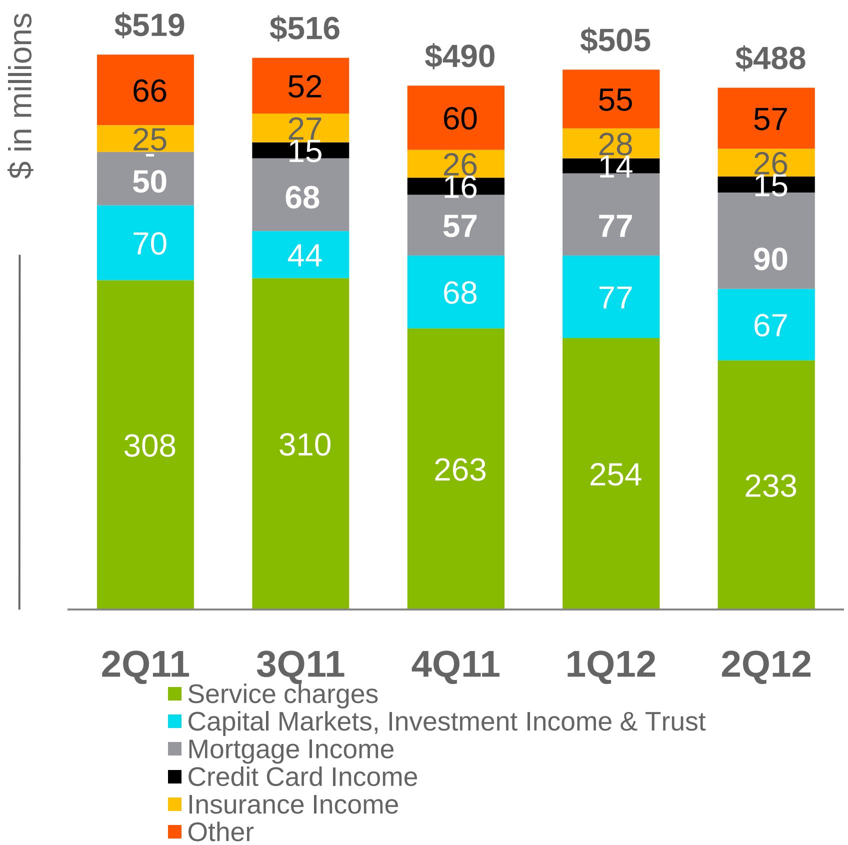
Net Interest Income and Net Interest Margin[1]



(1) From continuing operations

NON-INTEREST REVENUE DRIVEN BY 17% INCREASE IN MORTGAGE INCOME

Fee Income by Quarter [1]



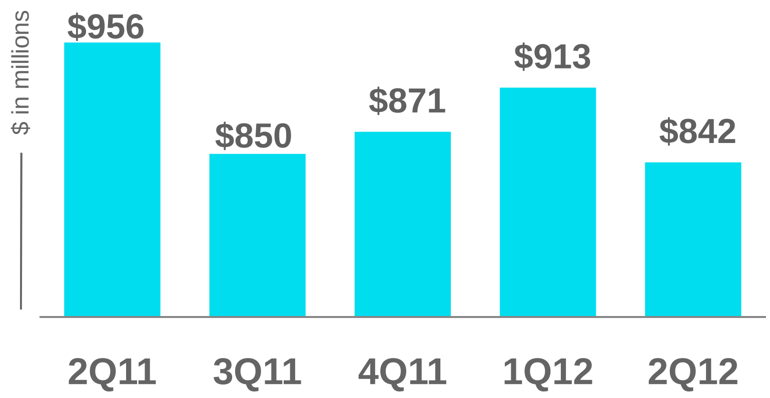
- Non-interest revenue decreased 3% linked quarter
- Mortgage revenues increased 17% linked quarter and 80% over last year
  - HARP II expected to increase mortgage volume by $1 billion in 2012
- Service charges declined due to the establishment of a reserve for certain customer fee refunds resulting from a change in the company's non-sufficient funds policy

(1) From continuing operations adjusted to exclude security gains and leveraged lease terminations gains–Non-GAAP, see appendix for GAAP to Non-GAAP reconciliation

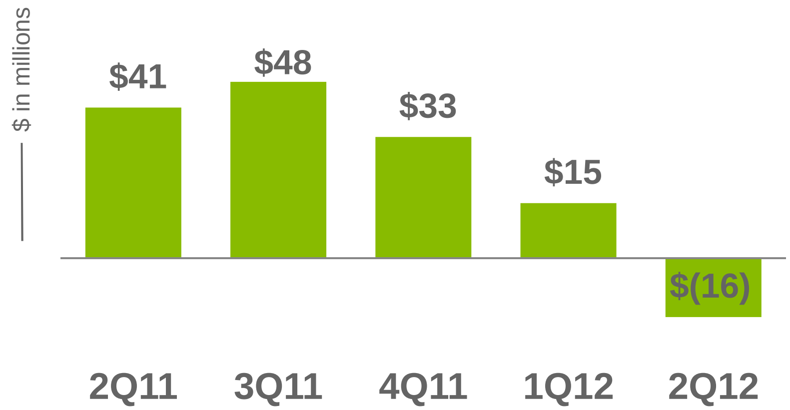
REDUCTION IN CREDIT COSTS DRIVE NON-INTEREST EXPENSES DOWN 8% LINKED QUARTER

- Diligent and continued focus on reducing expenses through efficiencies
- Non-interest expenses were 8% lower than prior quarter and down 12% year-over-year
- Other real estate expenses decreased $13 million over prior quarter or 57%
- Held for sale experienced net gains of $26 million related to property sales, reflecting asset value improvements
- Headcount reduced by 544 positions, or 2% over the last year

Non-Interest Expenses[1]



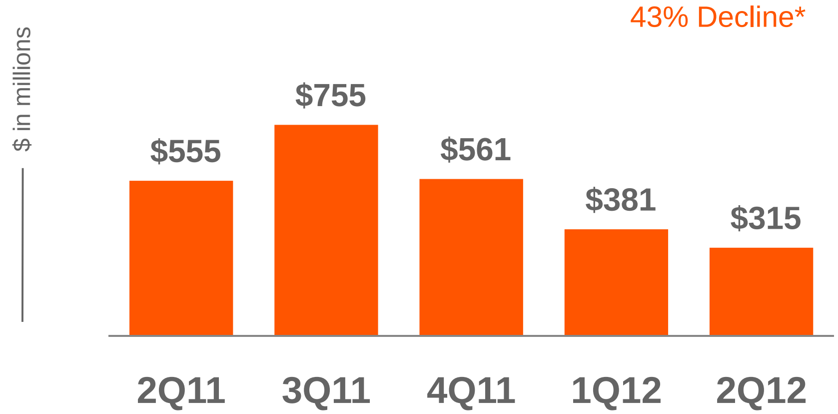
Other Real Estate and HFS Expenses



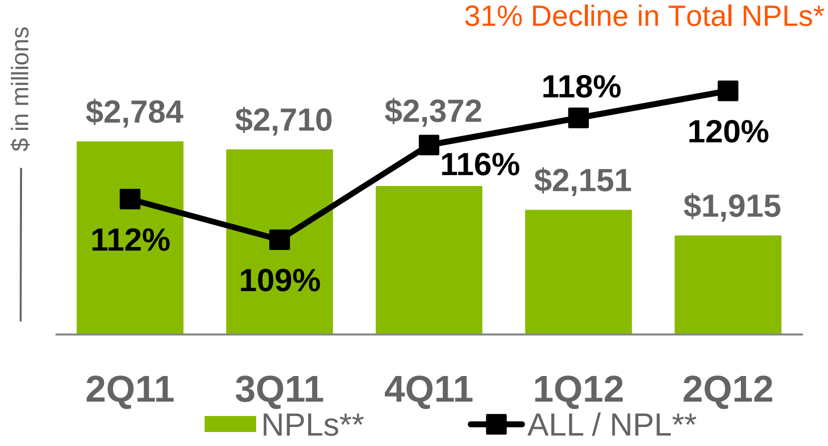
(1) Non-GAAP excludes 4Q11 goodwill impairment

CONTINUED MOMENTUM IN ASSET QUALITY METRICS

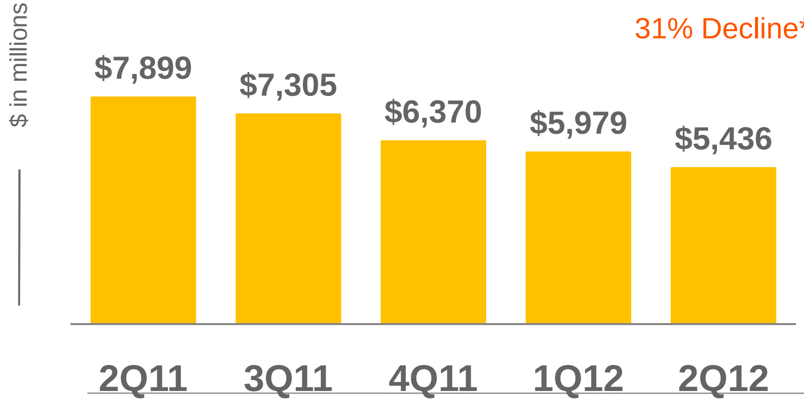
NPL Gross Migration



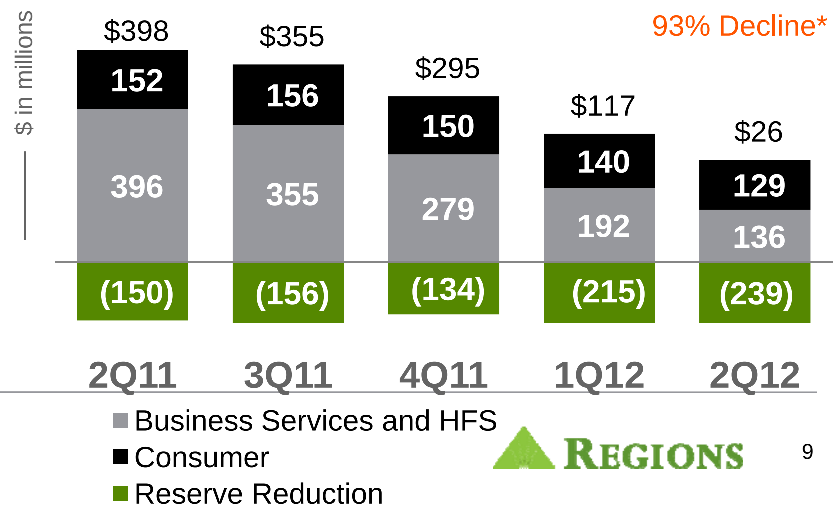
NPLs and Coverage Ratio



Business Services Criticized Loans



Loan Loss Provision



*Year-over-year change
**Excludes loans held for sale

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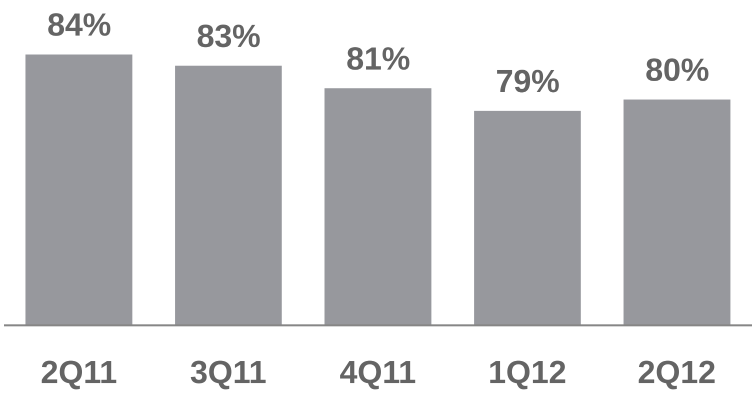
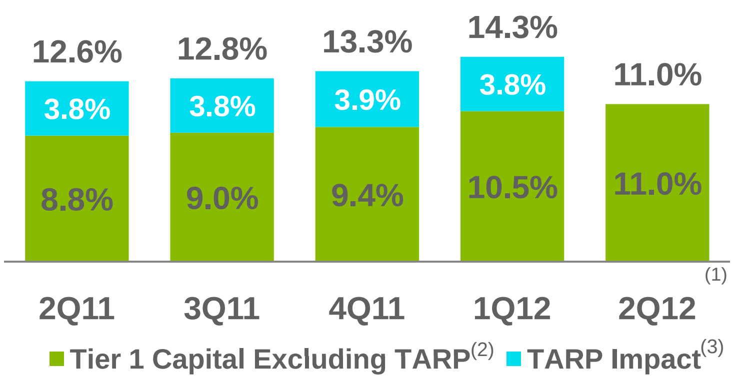
STRONG CAPITAL RATIOS

- The impact of the warrant redemption related to the repayment of Series A preferred stock was $45 million during the second quarter
- Basel III Tier 1 Common ratio estimated under the new proposed rules at 8.0%
- Low loan to deposit ratio allows Regions to be ready for loan growth when the market demand increases

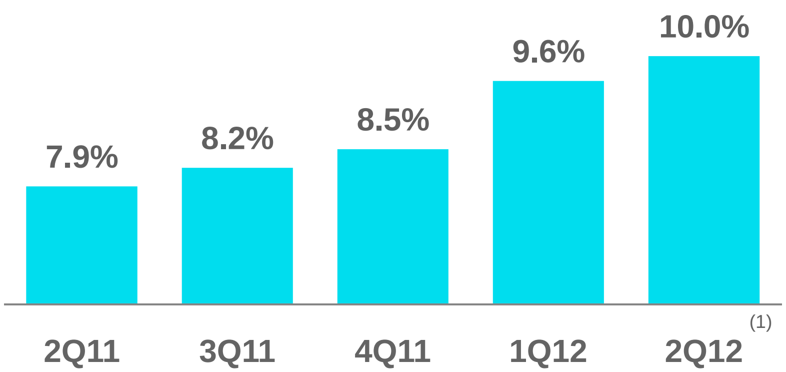
Loan to Deposit Ratio (4)



Tier 1 Capital Ratio



Tier 1 Common Ratio (2)



(1) Current Quarter ratios are estimated
(2) Non-GAAP – See appendix for reconciliation
(3) Includes Series A Preferred Stock and associated warrant
(4) Based on ending balances

APPENDIX

FORWARD-LOOKING STATEMENTS

This presentation may include forward-looking statements which reflect Regions' current views with respect to future events and financial performance. The Private Securities Litigation Reform Act of 1995 ("the Act") provides a "safe harbor" for forward-looking statements which are identified as such and are accompanied by the identification of important factors that could cause actual results to differ materially from the forward-looking statements. For these statements, we, together with our subsidiaries, claim the protection afforded by the safe harbor in the Act. 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 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, uncertainties and other factors that may cause actual results to differ materially from the views, beliefs and projections expressed in such statements. These risks, uncertainties and other factors include, but are not limited to, those described below:

› The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") became law in July 2010, and a number of legislative, regulatory and tax proposals remain pending. Additionally, the U.S. Treasury Department and federal banking regulators continue to implement, but are also beginning to wind down, a number of programs to address capital and liquidity in the banking system. Future and proposed rules, including those that are part of the Basel III process are expected to require banking institutions to increase levels of capital. All of the foregoing may have significant effects on Regions and the financial services industry, the exact nature and extent of which cannot be determined at this time.
› Possible additional loan losses, impairment of goodwill and other intangibles, and adjustment of valuation allowances on deferred tax assets and the impact on earnings and capital.
› Possible changes in interest rates may increase funding costs and reduce earning asset yields, thus reducing margins. Increases in benchmark interest rates would also increase debt service requirements for customers whose terms include a variable interest rate, which may negatively impact the ability of borrowers to pay as contractually obligated.
› Possible changes in general economic and business conditions in the United States in general and in the communities Regions serves in particular, including any prolonging or worsening of the current unfavorable economic conditions including unemployment levels.
› Possible changes in the creditworthiness of customers and the possible impairment of the collectability of loans.
› Possible changes in trade, monetary and fiscal policies, laws and regulations and other activities of governments, agencies, and similar organizations, may have an adverse effect on business.
>Possible regulations issued by the Consumer Financial Protection Bureau or other regulators which might adversely impact Regions' business model or products and services.
› Possible stresses in the financial and real estate markets, including possible continued deterioration in property values.
› Regions' 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 Regions' business.
› Regions' ability to expand into new markets and to maintain profit margins in the face of competitive pressures.
› Regions' ability to develop competitive new products and services in a timely manner and the acceptance of such products and services by Regions' customers and potential customers.
› Regions' ability to keep pace with technological changes.
› Regions' ability to effectively manage credit risk, interest rate risk, market risk, operational risk, legal risk, liquidity risk, reputational risk, and regulatory and compliance risk.
› Regions' ability to ensure adequate capitalization which is impacted by inherent uncertainties in forecasting credit losses.
› The cost and other effects of material contingencies, including litigation contingencies, and any adverse judicial, administrative or arbitral rulings or proceedings.
› The effects of increased competition from both banks and non-banks.
› The effects of geopolitical instability and risks such as terrorist attacks.
› Possible changes in consumer and business spending and saving habits could affect Regions' ability to increase assets and to attract deposits.
› The effects of weather and natural disasters such as floods, droughts, wind, tornados and hurricanes, and the effects of man-made disasters.
› Possible downgrades in ratings issued by rating agencies.
› Possible changes in the speed of loan prepayments by Regions' customers and loan origination or sales volumes.
› Possible acceleration of prepayments on mortgage-backed securities due to low interest rates and the related acceleration of premium amortization on those securities.
› The effects of problems encountered by larger or similar financial institutions that adversely affect Regions or the banking industry generally.
› Regions' ability to receive dividends from its subsidiaries.
› The effects of the failure of any component of Regions' business infrastructure which is provided by a third party.
› Changes in accounting policies or procedures as may be required by the Financial Accounting Standards Board or other regulatory agencies.
>The effects of any damage to Regions 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" in Regions' Annual Report on Form 10-K for the year ended December 31, 2011 and the "Foward-Looking Statements" section of Regions' Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.
› The words "believe," "expect," "anticipate," "project," and similar 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. We assume no obligation to update or revise any forward-looking statements that are made from time to time.

NON-GAAP RECONCILIATION: NET INCOME / (LOSS) AND EARNINGS PER SHARE

The table below presents earnings (loss) per share from continuing operations, excluding preferred dividends and accretion (non-GAAP). The table also presents computations of earnings (loss) and certain other financial measures, excluding goodwill impairment and regulatory charge and related tax benefit (non-GAAP) all recorded in 2011. The preferred dividends and accretion, goodwill impairment charge, and the regulatory charge and related tax benefit are included in financial results presented in accordance with generally accepted accounting principles (GAAP). Regions believes that the exclusion of the preferred dividends and accretion, goodwill impairment and the regulatory charge and related tax benefit in expressing earnings (loss) and certain other financial measures, including "earnings (loss) per common share, excluding preferred dividends and accretion" and "earnings (loss) per common share, excluding goodwill impairment and regulatory charge and related tax benefit" 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 because management does not consider the preferred dividends and accretion, goodwill impairment and regulatory charge and related tax benefit to be relevant to ongoing operating results. Management and the Board of Directors utilize these non-GAAP financial measures for the following purposes: preparation of Regions' operating budgets; monthly financial performance reporting; monthly close-out reporting of consolidated results (management only); and presentations to investors of Company performance. Regions believes that presenting these non-GAAP financial measures will permit investors to assess the performance of the Company on the same basis as that applied by management and the Board of Directors. 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 earnings that excludes the preferred dividends and accretion, goodwill impairment charge, and the regulatory charge and related tax benefit does not represent the amount that effectively accrues directly to stockholders (i.e. the preferred dividends and accretion, goodwill impairment charge, and the regulatory charge are reductions in earnings and stockholders' equity).

		As of and for Quarter Ended				
($ amounts in millions, except per share data)		**06/30/12**	03/31/12	12/31/11	9/30/11	6/30/11
Net income (loss) available to common shareholders (GAAP)		**$ 284**	$ 145	$ (602)	$ 101	$ 55
Preferred dividends and accretion (GAAP)		**71**	54	54	54	54
Income (loss) from discontinued operations, net of tax (GAAP)		**4**	(40)	(467)	14	30
Income (loss) from continuing operations (GAAP)	A	**$ 351**	$ 239	$ (81)	$ 141	$ 79
Net income (loss) available to common shareholders (GAAP)	B	**$ 284**	$ 145	$ (602)	$ 101	$ 55
Goodwill impairment, net of tax		**-**	-	731	-	-
Regulatory charge and related tax benefit		**-**	-	-	-	(44)
Income available to common shareholders, excluding goodwill impairment and regulatory charge and related tax benefit (non-GAAP)	C	**$ 284**	$ 145	$ 129	$ 101	$ 11
Net income (loss) available to common shareholders (GAAP)	B	**$ 284**	$ 145	$ (602)	$ 101	$ 55
Income (loss) from discontinued operations, net of tax (GAAP) (1)		**4**	(40)	(467)	14	30
Income (loss) from continuing operations available to common shareholders (GAAP)	D	**280**	185	(135)	87	25
Goodwill impairment from continuing operations (non-deductible)		-	-	253	-	-
Regulatory charge and related tax benefit from continuing operations (2)		**-**	-	-	-	(17)
Income from continuing operations available to common shareholders, excluding goodwill impairment and regulatory charge and related tax benefit (non-GAAP)	E	**$ 280**	$ 185	$ 118	$ 87	$ 8
Weighted-average diluted shares	F	**1,418**	1,283	1,259	1,261	1,260
Earnings (loss) per common share from continuing operations, excluding preferred dividends and accretion - diluted (non-GAAP)	A/F	**$ 0.25**	$ 0.19	$ (0.06)	$ 0.11	$ 0.06
Earnings (loss) per common share - diluted (GAAP)	B/F	**$ 0.20**	$ 0.11	$ (0.48)	$ 0.08	$ 0.04
Earnings (loss) per common share from continuing operations - diluted (GAAP)	D/F	**$ 0.20**	$ 0.14	$ (0.11)	$ 0.07	$ 0.02
Earnings per common share from continuing operations, excluding goodwill impairment and regulatory charge and related tax benefit - diluted (non-GAAP)	E/F	**$ 0.20**	$ 0.14	$ 0.09	$ 0.07	$ 0.01

(1) There are no preferred shares allocable to discontinued operations.

(2) In the second quarter of 2010, Regions recorded a $200 million charge to account for a probable, reasonably estimable loss related to a pending settlement of regulatory matters. At that time, Regions assumed that the entire charge would be non-deductible for income tax purposes. $75 million of the regulatory charge relates to continuing operations. The settlement was finalized during the second quarter of 2011. At the time of settlement, Regions had better information related to tax implications. Approximately $125 million of the settlement charge will be deductible for federal income tax purposes. Accordingly, during the second quarter of 2011, Regions adjusted federal income taxes to account for the impact of the deduction. The adjustment reduced Regions' provision for income taxes by approximately $44 million for the second quarter of 2011, of which approximately $17 million relates to continuing operations.

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NON-GAAP RECONCILIATION: PRE-TAX PRE-PROVISION INCOME

The Pre-Tax Pre-Provision Income from Continuing Operations table below presents computations of pre-tax pre-provision income from continuing operations excluding certain adjustments (non-GAAP). Regions believes that the exclusion of these adjustments 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 to be indications 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 stockholders.

	Quarter Ended								
						2Q12		2Q12	
($ amounts in millions)	**6/30/12**	3/31/12	12/31/11	9/30/11	6/30/11	vs. 1Q12		vs. 2Q11	
Income (loss) from continuing operations available to common shareholders (GAAP)	**$ 280**	$ 185	$ (135)	$ 87	$ 25	$ 95	51.4%	$ 255	NM
Preferred dividends (GAAP)	**71**	54	54	54	54	17	31.5%	17	31.5%
Income tax expense (benefit) (GAAP)	**126**	82	18	17	(34)	44	53.7%	160	NM
Income (loss) from continuing operations before income taxes (GAAP)	**477**	321	(63)	158	45	156	48.6%	432	NM
Provision for loan losses (GAAP)	**26**	117	295	355	398	(91)	-77.8%	(372)	-93.5%
Pre-tax pre-provision income from continuing operations (non-GAAP)	**503**	438	232	513	443	65	14.8%	60	13.5%
Goodwill impairment	**-**	-	253	-	-	-	-	-	-
Pre-tax pre-provision income from continuing operations, excluding goodwill impairment (non-GAAP)	**503**	438	485	513	443	65	14.8%	60	13.5%

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NON-GAAP RECONCILIATION: FEE INCOME RATIOS AND EFFICIENCY RATIOS

The table below presents computations of the efficiency ratio (non-GAAP), which is a measure of productivity, generally calculated as non-interest expense divided by total revenue. The table also shows the fee ratio (non-GAAP), 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 ratio. Net interest income on a fully taxable-equivalent basis (GAAP) and non-interest income are added together to arrive at total revenue (GAAP). Adjustments are made to arrive at adjusted total revenue (non-GAAP), which is the denominator for the fee and efficiency ratios. Regions believes that the exclusion of these adjustments 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 to be indications 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.

		As of and for Quarter Ended				
($ amounts in millions)		**6/30/12**	3/31/12	12/31/11	9/30/11	6/30/11
Continuing Operations						
Non-interest expense (GAAP)		**$ 842**	$ 913	$ 1,124	$ 850	$ 956
Adjustments:						
Securities impairment, net		**(2)**	-	(2)	-	-
Branch consolidation and property and equipment charges		**-**	-	2	-	(77)
Goodwill impairment		**-**	-	(253)	-	-
Adjusted non-interest expense (non-GAAP)	G	**$ 840**	$ 913	$ 871	$ 850	$ 879
Net interest income, taxable-equivalent basis (GAAP)		**$ 850**	$ 839	$ 858	$ 859	$ 864
Non-interest income (GAAP)		**$ 507**	$ 524	$ 507	$ 513	$ 543
Adjustments:						
Securities (gains) losses, net		**(12)**	(12)	(7)	1	(24)
Leveraged lease termination (gains) losses, net		**(7)**	(7)	(10)	2	-
Adjusted non-interest income (non-GAAP)	H	**488**	505	490	516	519
Adjusted total revenue (non-GAAP)	I	**$ 1,338**	$ 1,344	$ 1,348	$ 1,375	$ 1,383
Fee income ratio (non-GAAP)	H/I	**36.5%**	37.6%	36.4%	37.5%	37.5%
Efficiency ratio (non-GAAP)	G/I	**62.8%**	67.9%	64.6%	61.8%	63.6%

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NON-GAAP RECONCILIATION: TIER 1 COMMON

The following table provides calculations of Tier 1 capital (regulatory) and "Tier 1 common equity" (non-GAAP). Traditionally, the Federal Reserve and other banking regulatory bodies have assessed a bank's capital adequacy based on Tier 1 capital, the calculation of which is not prescribed in amount by federal banking regulations. In connection with the Company's Comprehensive Capital Assessment and Review ("CCAR"), these regulators are supplementing their assessment of the capital adequacy of a bank based on a variation of Tier 1 capital, known as Tier 1 common equity. While not prescribed in amount by federal banking regulations, analysts and banking regulators have assessed Regions' capital adequacy using the Tier 1 common equity measure. Because Tier 1 common equity is not formally defined by GAAP or prescribed in any amount by federal banking regulations, this measure is considered to be a non-GAAP financial measure and other entities may calculate differently than Regions' disclosed calculations. Since analysts and banking regulators may assess Regions' capital adequacy using Tier 1 common equity, we believe that it is useful to provide investors the ability to assess Regions' capital adequacy on this same basis.

Tier 1 common equity is often expressed as a percentage of risk-weighted assets. Under the risk-based capital framework, a company's balance sheet assets and credit equivalent amounts of off-balance sheet items are assigned to one of four broad risk categories. The aggregated dollar amount in each category is then multiplied by the risk-weighted category. The resulting weighted values from each of the four categories are added together and this sum is the risk-weighted assets total that, as adjusted, comprises the denominator of certain risk-based capital ratios. Tier 1 capital is then divided by this denominator (risk-weighted assets) to determine the Tier 1 capital ratio. Adjustments are made to Tier 1 capital to arrive at Tier 1 common equity (non-GAAP). Tier 1 common equity (non-GAAP) is also divided by the risk-weighted assets to determine the Tier 1 common equity ratio (non-GAAP). The amounts disclosed as risk-weighted assets are calculated consistent with banking regulatory requirements.

		As of and for Quarter Ended				
($ amounts in millions, except per share data)		**6/30/12**	3/31/12	12/31/11	9/30/11	6/30/11
TIER 1 COMMON RISK-BASED RATIO [(1)] - CONSOLIDATED						
Stockholders' equity (GAAP)		**$ 14,455**	$ 17,534	$ 16,499	$ 17,263	$ 16,888
Accumulated other comprehensive (income) loss		**(54)**	60	69	(92)	177
Non-qualifying goodwill and intangibles		**(4,852)**	(4,881)	(4,900)	(5,649)	(5,668)
Disallowed deferred tax assets		**(336)**	(345)	(432)	(506)	(498)
Disallowed servicing assets		**(33)**	(36)	(35)	(35)	(35)
Qualifying non-controlling interests		**92**	92	92	92	92
Qualifying trust preferred securities		**846**	846	846	846	846
Tier 1 capital (regulatory)		**$ 10,118**	$ 13,270	$ 12,139	$ 11,919	$ 11,802
Qualifying non-controlling interests		**(92)**	(92)	(92)	(92)	(92)
Qualifying trust preferred securities		**(846)**	(846)	(846)	(846)	(846)
Preferred stock		**-**	(3,429)	(3,419)	(3,409)	(3,399)
Tier 1 common equity (non-GAAP)	O	**$ 9,180**	$ 8,903	$ 7,782	$ 7,572	$ 7,465
Risk-weighted assets (regulatory)	P	**91,769**	92,546	91,449	92,786	93,865
Tier 1 common risk-based ratio (non-GAAP)	O/P	**10.0%**	9.6%	8.5%	8.2%	7.9%

(1) Current quarter amount and the resulting ratio is estimated

NON-GAAP RECONCILIATION: TIER 1 CAPITAL

Regions' Series A preferred stock was repurchased on April 4, 2012 and the warrant to purchase 48.3 million shares of Regions common stock was retired on May 2, 2012. The following table presents the calculations of Tier 1 capital and the Tier 1 capital ratio, adjusted as if the repurchase of the shares and the retirement of the warrant occurred on the last day of the quarter for each prior period presented. The amount retired includes the Series A preferred stock plus the remaining balance of the related discount.

	Quarter Ended				
($ amounts in millions)	**6/30/12**	3/31/12	12/31/11	9/30/11	6/30/11
TIER 1 RISK-BASED RATIO					
Stockholders' equity	**$ 14,455**	$ 17,534	$ 16,499	$ 17,263	$ 16,888
Accumulated other comprehensive (income) loss	**(54)**	60	69	(92)	177
Non-qualifying goodwill and intangibles	**(4,852)**	(4,881)	(4,900)	(5,649)	(5,668)
Disallowed deferred tax assets	**(336)**	(345)	(432)	(506)	(498)
Disallowed servicing assets	**(33)**	(36)	(35)	(35)	(35)
Qualifying non-controlling interests	**92**	92	92	92	92
Qualifying trust preferred securities	**846**	846	846	846	846
Tier 1 capital as reported	**$ 10,118**	$ 13,270	$ 12,139	$ 11,919	$ 11,802
Series A Preferred Stock Retirement (Reduction to Stockholders' equity)	**$ -**	$ (3,500)	$ (3,500)	$ (3,500)	$ (3,500)
Retirement of warrant to purchase 48.3 million shares of Regions common stock	**-**	(45)	(45)	(45)	(45)
Tier 1 capital as adjusted to exclude Series A Preferred Stock	**$ 10,118**	$ 9,725	$ 8,594	$ 8,374	$ 8,257
Risk-weighted assets[1]	**91,769**	92,546	91,449	92,786	93,865
Tier 1 capital ratio[1]	**11.0%**	14.3%	13.3%	12.8%	12.6%
Tier 1 capital ratio excluding Series A Preferred Stock and associated warrant[1]	**11.0%**	10.5%	9.4%	9.0%	8.8%

(1) Current quarter amounts and the resulting ratios are estimated

NON-GAAP RECONCILIATION: BASEL III

The following table provides calculations of Tier 1 common equity (non-GAAP), based on Regions' current understanding of Basel III requirements, as proposed by the U.S. Notices of Proposed Rulemaking released in June 2012. Regions currently calculates its risk-based capital ratios under guidelines adopted by the Federal Reserve based on the 1988 Capital Accord ("Basel I") of the Basel Committee on Banking Supervision (the "Basel Committee"). The calculations provided below are estimates, based on Regions' current understanding of the framework, including the Company's reading of the requirements, and informal feedback received through the regulatory process. Regions' understanding of the framework is evolving and will likely change as the regulations are finalized. The NPR comment period ends in early September and changes could result. Such changes could result in materially different capital ratios from what we have estimated. Because the Basel III implementation regulations are not formally defined by GAAP and have not yet been finalized and codified, these measures are considered to be non-GAAP financial measures, and other entities may calculate them differently from Regions' disclosed calculations. Since analysts and banking regulators may assess Regions' capital adequacy using the Basel III framework, the Company believes that it is useful to provide investors the ability to assess Regions' capital adequacy on the same basis.

($ amounts in millions)		**Estimate based on June 2012 U.S. Notices of Proposed Rulemaking** **6/30/2012**
Stockholders' equity (GAAP)	$	14,455
Non-qualifying goodwill and intangibles (1)		(5,005)
Adjustments, including other comprehensive income related to cash flow hedges, disallowed deferred tax assets, threshold deductions and other adjustments		(548)
Basel III Tier 1 Common Equity (non-GAAP)	$	8,902
Basel I risk-weighted assets (regulatory)	$	91,769
Basel III risk-weighted assets (non-GAAP) (2)	$	111,782
Basel III Tier 1 Common Ratio (non-GAAP)		8.0%

(1) Under Basel III, regulatory capital must be reduced by purchased credit card relationship intangible assets. The majority of these assets are allowed in Basel I capital.
(2) Regions continues to develop systems and internal controls to calculate risk-weighted assets as required by Basel III. The amount included above is a reasonable approximation based on our understanding of the requirements, as outlined in the June 2012 Notices of Proposed Rulemakings.

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