REGIONS

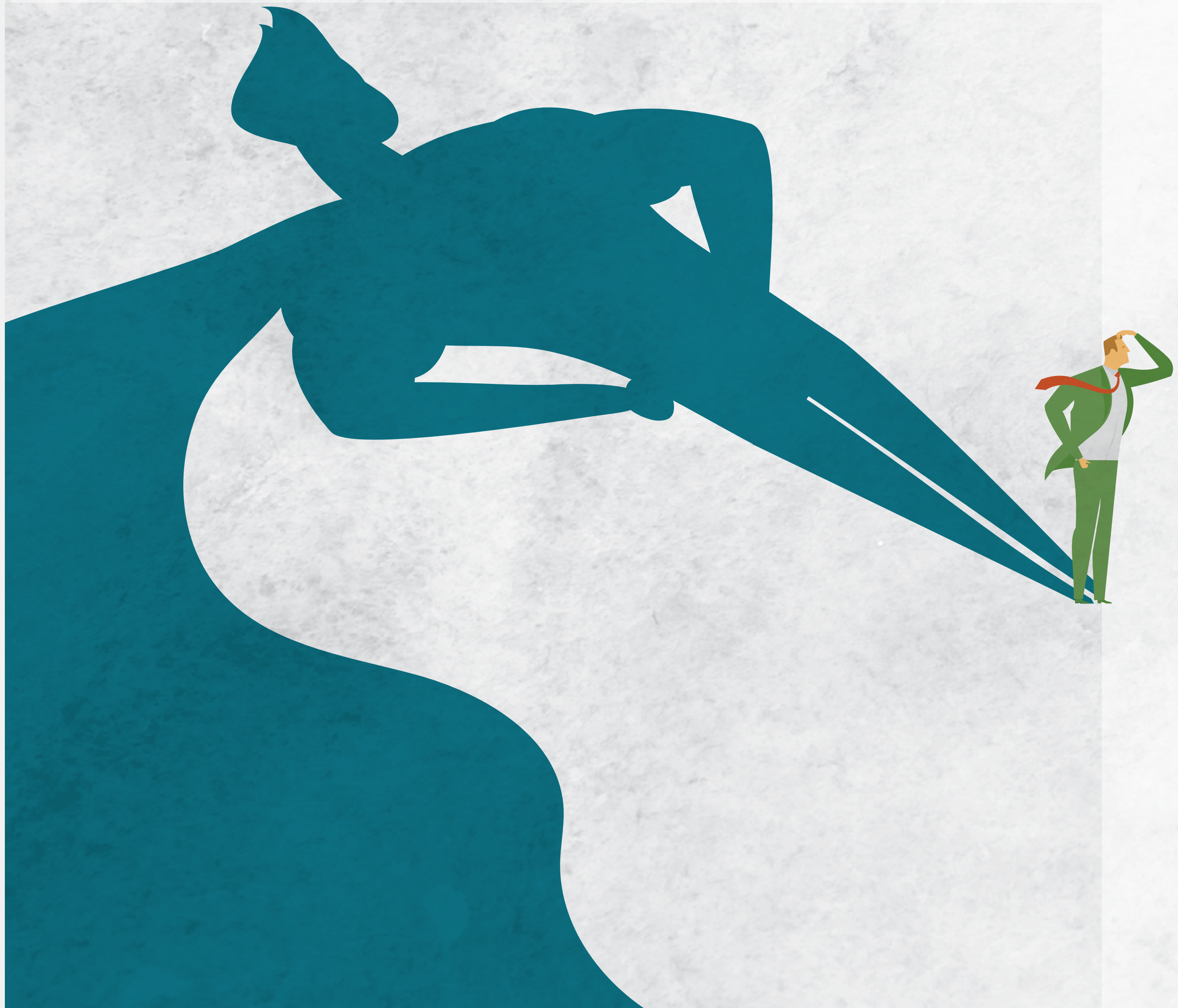
GENERATING Consistent Sustainable Long-term Performance

Regions Financial 2018 Annual Review

Our Objective

Deliver consistent, sustainable, long-term performance. Our strategy to achieve it?

It starts here →

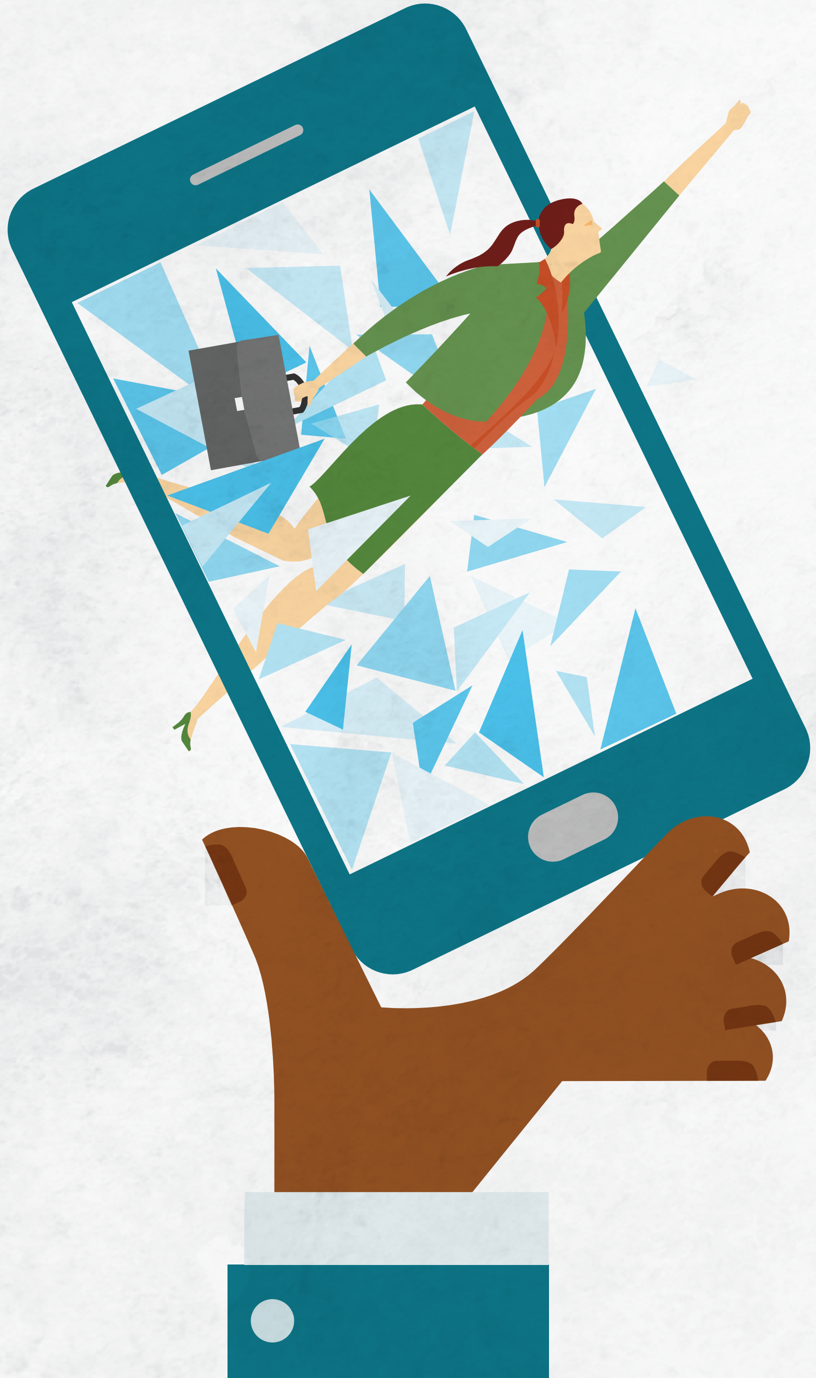


Lean Into Our Strengths

Regions is well-positioned for success, possessing unique strengths that help us compete and win. From our strong culture and team, to our excellence in customer service, to the attractive markets we serve, we have built a solid foundation for sustainable and profitable growth.

Continuously Improve

Banking is changing in fundamental ways — and so are we. We are fostering a culture of continuous improvement by simplifying how we do business and making banking easier for our customers and associates — utilizing more efficient processes and delivering faster decisions.



Innovate

To prosper in a future that is becoming evermore digital, we're improving our technological capabilities and cultivating a culture of innovation. Our investments in Artificial Intelligence (AI), machine learning, data and analytics, and enhanced digital channels for customers are designed to further enhance our customers' experience and strengthen future performance.

Invest Wisely

As we simplify our business and eliminate expenses, we are redeploying those savings into growth initiatives. These strategic investments strengthen our offering to fuel organic growth, enhance digitalization, and support expansion in carefully targeted growth markets, while protecting share in core markets.

Leadership Messages

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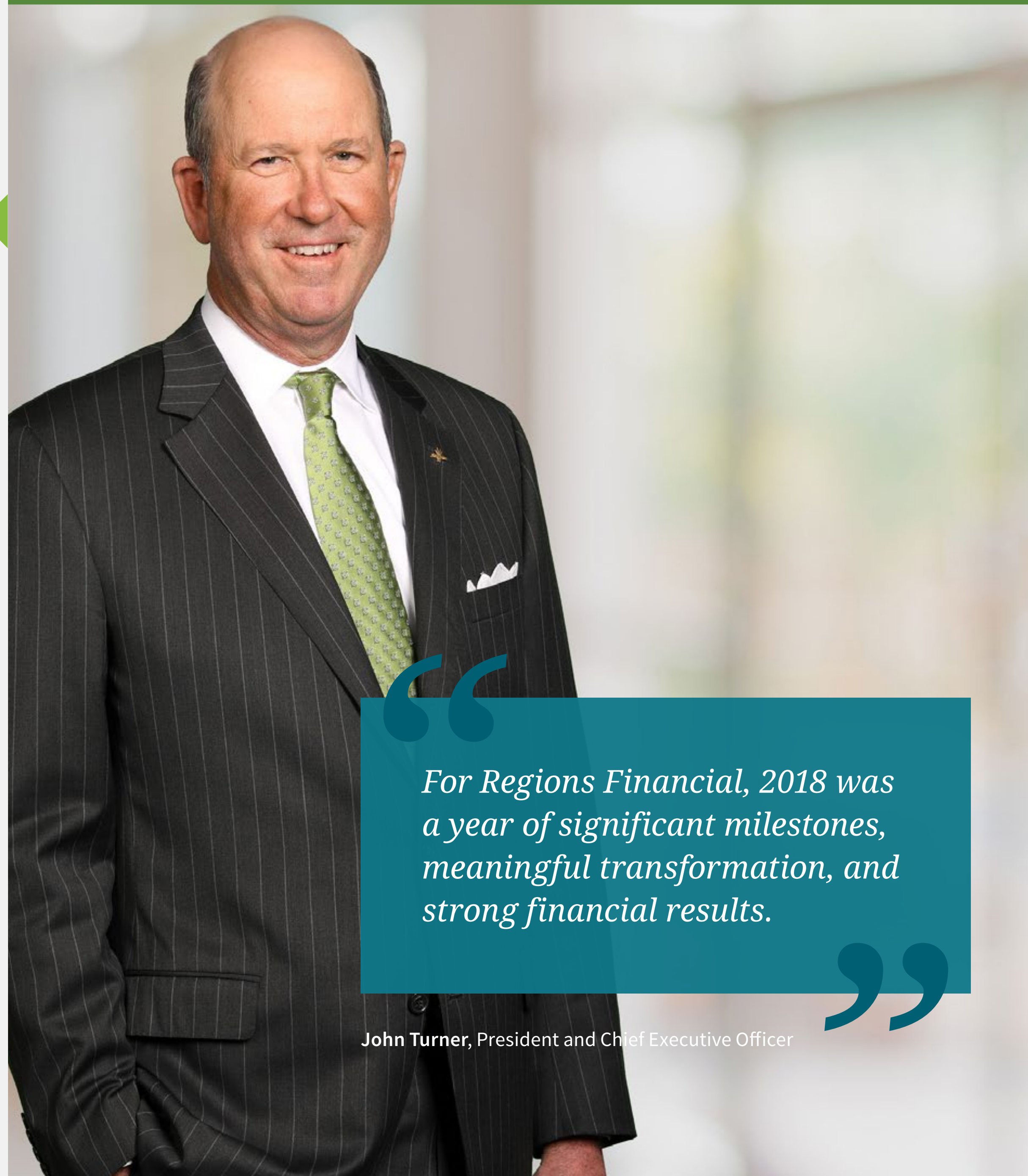
To our shareholders, associates, customers and communities:



> *For Regions Financial, 2018 was a year of significant milestones, meaningful transformation, and strong financial results.*

John Turner, President and Chief Executive Officer

For Regions Financial, 2018 was a year of significant milestones, meaningful transformation, and strong financial results. Our progress was underpinned by disciplined execution of our strategy and positions us well to deliver shared value.

When we define our goals for the years ahead, there are three terms we use to describe our performance objectives:

Consistent: In recent years, Regions has taken important strides to de-risk our balance sheet and build stronger risk-management capabilities. These measures position us to perform consistently through every phase of the economic cycle. Another Regions hallmark is outstanding customer service. Consistently delivering for our customers builds productive, long-term trust.

Sustainable: We seek growth — and today we are investing in initiatives to deliver growth in a sustainable manner. We believe growth must be prudent, balanced, and diversified. Our growth agenda is realistic and measured. We operate in some of the most attractive markets in the nation, and our objective is to grow at a pace that matches their growth.

Long-term: It is important to keep our focus on taking actions that will strengthen Regions years from now, rather than the next month or the next quarter. The work we are doing today to foster a culture of continuous improvement, our investments in digital capabilities, and our expansion in attractive sectors and markets, are all oriented towards building increased franchise value over the long term.

This Annual Review describes in detail our strategy for generating consistent, and sustainable, long-term performance. It is a strategy that begins by leveraging Regions' unique strengths — customer focus, team, culture, markets, and risk management infrastructure. It also calls upon us to leverage our Simplify and Grow initiative to make it easier for customers to bank with us and for our associates to serve them. Regions' innovation and improved digital capabilities are transforming our business to meet and surpass evolving customer expectations. And finally, we will continue to make strategic and disciplined investments in bankers and capabilities to spur organic growth. Consistent execution of each of these priorities is our formula for success.

Achieving Our Targets, Delivering Strong Results

I am pleased that in 2018, by remaining focused on sound strategic execution, Regions delivered record full-year earnings while substantially meeting all of our 2018 performance objectives and achieving the long-term goals we announced in 2015. For the year, we reported record net income available to common shareholders from continuing operations of $1.5 billion, a 28 percent increase over the prior year. Earnings per diluted share from continuing operations grew by 39 percent, to $1.36. Adjusted pre-tax pre-provision income was at its highest level since 2007, increasing 12 percent over the prior year.

Our financial performance in 2018 was driven by high-quality growth in loans, net interest income, and non-interest income. We also successfully increased the number of checking accounts, households, wealth relationships, and corporate customers. Our focus on continuous improvement generated almost 4 percent of adjusted positive operating leverage and lowered our adjusted efficiency ratio by 210 basis points, for a full-year adjusted ratio of 59.3 percent. We remain committed to continued improvement of our efficiency ratio.

On a full-year basis, adjusted average loan growth was 2 percent, in line with our expectations, with contributions made by our Consumer Banking Group and all three areas within our Corporate Banking Group. Loan growth was led by commercial and industrial, where increases were driven by our Specialized Industries groups, government and institutional businesses, and real estate investment trust (REIT) banking portfolios. In addition, asset quality continued to reflect a strong economy and performed within our stated risk appetite. Total non-performing loans, excluding loans held for sale, decreased to 0.60 percent of loans outstanding, the lowest level in more than 10 years.

Leveraging Our Deposit Advantage

Our large, stable and granular deposit base provides a significant funding advantage for Regions. In 2018, we continued to execute a deliberate strategy to optimize our deposit base, focusing on low-cost consumer and relationship-based business services deposits. At year-end, nearly 70 percent of average deposits were categorized as retail further illustrating this advantage.

Along with organic growth and strategic investments, returning an appropriate level of capital to shareholders remains an important priority in our capital planning process. In July, the Regions Board of Directors voted to increase the quarterly common stock dividend by approximately 56 percent, to $0.14 per share. During 2018, we returned more than $2.6 billion to shareholders in the form of quarterly dividends and common share repurchases.

In light of these achievements, we were disappointed that Regions' stock price performance did not reflect these strong results. During 2018 both the S&P 500 Bank Index and Regions' stock price declined; however, Regions three year total shareholder return was 50 percent. Nevertheless, we remain confident that disciplined execution of our strategic plan will generate positive results for all of our stakeholders over the long-term.

Fortifying Our Risk Management Culture

Risk is inherent in banking, and having a sound approach to understanding the risks we take, and mitigating them appropriately, is fundamental to achieving sustainable performance. The risks we evaluate include credit, strategic, legal, compliance, market, liquidity, and geopolitical risks, among others. We have significantly strengthened our risk management processes and built a culture of risk ownership, while deploying new tools like data and analytics to identify potential problems and improve our early warning capabilities. Some of the questions we ask ourselves: Are we focused on credit risk appropriately in our business? Are we managing risk concentrations and building diverse books of business? Are we reacting to emerging risks quickly and effectively? Getting the answers right is foundational to our strategy.

A Year of Transition and Transformation

During 2018, our company's accomplishments took place against a backdrop of substantial transformation. We successfully navigated significant leadership changes and undertook one of the most comprehensive organizational realignments in our history.

After 38 years of dedicated service to the company and its stakeholders, in April 2018 Grayson Hall announced his retirement as CEO and, at year end, as Board Chairman. Grayson successfully led the company through one of the most challenging periods our industry has ever faced. He strengthened our organization in innumerable ways. His integrity, business judgment and commitment to creating shared value for all stakeholders positioned our company for a bright future. I am personally grateful for his guidance, counsel and support, as well as his leadership to ensure that the transition was seamless.

Last year we also took significant steps to streamline our organizational structure to increase innovation, accountability, and performance. We simplified our field into one team focused on local markets and customers, and we integrated leaders into our three lines of business: the Consumer Banking Group, the Corporate Banking Group, and the Wealth Management Group. These changes simplify our structure while also strengthening our connection with our customers, increasing engagement with our communities, and creating better alignment with our business and strategies.

Simplify and Grow: Delivering Measurable Results

A variety of non-traditional entrants are challenging the financial services industry. Regions understands that customers' expectations are changing. In response, we will continue to focus on our relationship banking model. Our goal is to continue to improve and strengthen our model by serving customers faster, more effectively, and at lower cost.

Our strategic priority we call Simplify and Grow is our approach for driving continuous improvement across Regions in every function, in every department and everywhere we operate. We are finding that when you look every day for new and better ways to get things done, powerful results can be delivered.

It starts with making banking easier for both our customers and our associates. Our focus: How we can improve processes, and streamline actions so that we create more convenience and respond more quickly? For associates serving consumers in our branches, we have transitioned all branch staff to a one banker job model that establishes a clearer career path. Through year end, these changes reduced nearly 500,000 associate-hours of work and eliminated 5 million sheets of paper. We also shifted branch hours to meet customer demand without increasing costs. Regions bankers, who today have broader responsibilities, can spend more time having high-value conversations with our customers, utilizing data and analytics to provide proactive guidance.

When it comes to our lending capabilities, we have made significant strides over the last year. In commercial lending, our improvements mean that turnaround times to answer customer questions are 70 percent faster than they were a year ago. And we have digitized our entire consumer loan experience, starting with the loan application, which customers can now complete electronically in about five minutes in most consumer categories. Whether it's a home mortgage or a $20 million loan to a growing enterprise, making faster decisions is good for our customers — and it is good for the future of our business.

Simplify and Grow also guides us as we evaluate our business portfolio to determine where we can add the most value and earn the best return. In June 2018, we completed the sale of Regions Insurance Group, which resulted in an after-tax gain of approximately $200 million, a transaction that sharpened our focus on our most important priorities and allows us to allocate capital more effectively.

Investing in Growth

Simplify and Grow has improved our profile, but it is much more than an exercise in expense reduction. As we achieve new efficiencies, we allocate a substantial portion of those savings to investments that will help Regions grow organically — from adding bankers in high-growth markets — to creating new complementary services that expand our offerings. We also continue to advance our digital capabilities, which help quicken our pace and make banking easier for customers. Whether it is enhancing the user experience in our mobile and digital channels, deploying AI in our customer contact centers to provide faster answers or utilizing data and analytics to make better-informed credit decisions, we know that expanding our digital capabilities will make us a stronger, more effective organization.

A Comprehensive Approach to Engaging With Communities

Even as we change our organizational structure, re-engineer processes and alter how we serve customers, what has not changed is our mission, our vision, our values, and our commitment to our culture. Central to that culture is Regions' commitment to creating shared value for all our stakeholders, including communities.

Historically, Regions has been a strong partner with the communities we serve, but in 2018 we saw the opportunity to do more in our communities by substantially increasing our funding through support of the Regions Foundation. The objective of the Foundation is to address the needs and opportunities of the communities we serve in many ways, from many perspectives. It is not enough to simply give money: we make community investments that are purpose-led and performance-driven, focusing our time, talents, and financial resources toward causes and partnerships that empower people through areas such as education and workforce development, financial wellness, and economic development.

Energized by Our Strengths

Regions' strengths are unique, and they position us to execute our plan to generate consistent, sustainable long-term performance. In recent years we have strengthened our culture and built an organization that is more balanced, more diverse, and more thoughtful. We are equipped for challenges that may come.

Since being named CEO last summer, I have had the opportunity to spend time with Regions associates across our 15-state service area. These interactions have given me even more confidence about the bright opportunities ahead for our company. I'm excited about our high-caliber teams and the energy they bring to serving customers in new and better ways. Their talents and enthusiasm are at work to make Regions a more efficient and effective organization.

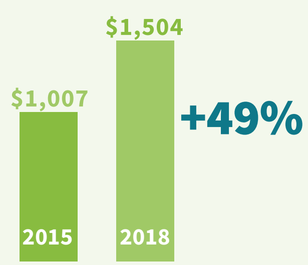
I'm grateful to our associates, our customers, our shareholders, and our community partners for their support and confidence. We are working today to make Regions even stronger in the years ahead.

Sincerely,

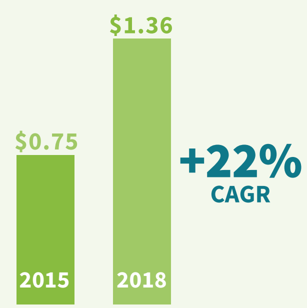
John M Turner Jr

John Turner
President and Chief Executive Officer
March 8, 2019

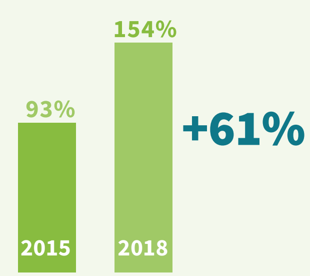
Net Income From Continuing Operations
(in millions)



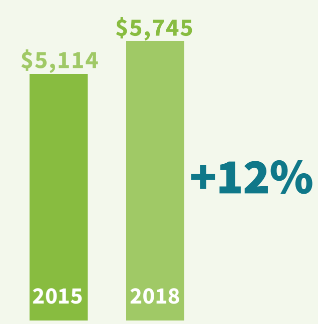
Earnings per Share
(in dollars)



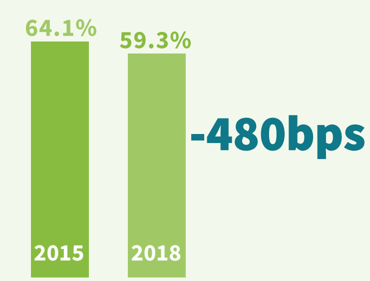
Shareholder Return



Total Adjusted Revenue[1]



Adjusted Efficiency Ratio[1]



[1] *See February 27, 2019 Form 8-K for GAAP to non-GAAP reconciliation.*

A Message From Grayson Hall

Grayson Hall, Retired Chairman of the Board

My retirement as Chairman of the Board of Regions Financial is a time to reflect, but most importantly, a time to look to the future. When I consider what's on the horizon, I could not be more excited at how well-positioned Regions is for sustainable success. The reason for that optimism? It starts with a great team of bankers, led by President and CEO, John Turner. I have tremendous confidence in John and in his leadership team — highly capable associates with vision, strong core values, and a commitment to doing what's right for all Regions stakeholders.

My optimism about Regions' future is also grounded in the knowledge that, over the past several years, we took important strides to strengthen the bank's culture in all its dimensions. Seven years ago we embraced the idea that creating shared value for all our stakeholders was the right way to operate our business. Our improved processes around credit and risk management, increased associate engagement, enhanced customer service quality, and deepened commitments to communities all contribute to a culture that is stronger than ever. Banking has always been closely correlated to the business cycle and overall economic conditions — and it will likely remain so. That makes it imperative to establish a strong foundation that allows a financial institution to prevail in any kind of economic weather. Underpinned by a strong culture, I'm confident that Regions is positioned for sustainable success going forward.

When I think back to the financial crisis that began a decade ago and the challenges the bank faced when I became Chief Executive Officer, it's remarkable how much progress we made. To be certain, it was not an easy journey, and it didn't happen quickly. It required us to rebuild our risk management infrastructure and strengthen our balance sheet and capital position.

Even as we focused on financial fundamentals, we never lost track of what would contribute most to a stronger Regions — offering our customers great service, trusted financial advice, relevant solutions, and better ways to do business with us. Our bankers accepted, and met, the challenge to elevate our customer service metrics to a level in the top tier in the industry. We made major investments in digital channels to ensure customers can easily engage with us in any manner, and on any platform, they choose.

As our industry continues to evolve, I believe banking will remain, fundamentally, a people business — one that requires talented bankers who can solve problems, innovate solutions, and offer valuable financial advice.

For the last eight years it was my privilege and honor to lead a committed team of Regions associates who contributed in countless ways to the progress we realized. I cannot wait to see what they will achieve next. As I conclude my service to this great organization, I am grateful to thousands of Regions associates, to the customers we served, to our shareholders, and to our community partners for so many meaningful relationships over the span of nearly four decades. It is those relationships I will remember most — and I will cherish them forever.

Sincerely,

Grayson Hall

March 8, 2019

Delivering On The Committment

Milestones of the Grayson Hall Era

Grayson Hall's exemplary 38-year Regions career began in 1980 when he joined First National Bank of Birmingham as a management trainee. After leadership roles in Operations, Technology, and Consumer and Commercial Banking, he was named Regions' President and Chief Executive Officer in April 2010. The era was one of the most challenging in history — for Regions, for the financial services industry and for the U.S. economy. Many communities still felt the effects of the financial crisis, while unemployment and mortgage foreclosures remained high. Once at the helm, Grayson guided the bank with a sure hand — de-risking the balance sheet, improving credit quality, launching new products, and restoring growth and profitability through a relentless focus on meeting customer needs.

Among the highlights of Grayson Hall's tenure:

2010 Achievements

- Grayson Hall becomes president and CEO in April.
- JD Power & Associates ranks Regions among the most improved retail banks in customer satisfaction.
- Nearly 1 million new business and consumer checking accounts are opened, and low-cost deposits increase by $7 billion.

2012 Achievements

- Regions returns to sustainable profitability, earning $1.1 billion from continuing operations, and the stock price increases 66 percent during the year.
- During the financial crisis, Regions and many other banks issued new preferred stock and warrants to the U.S. Treasury under the Troubled Asset Relief Program (TARP). In April 2012, Regions repays its $3.5 billion TARP obligation, positioning the bank to compete more effectively going forward.
- Regions embraces *creating shared value* as foundational to its approach to operating its business.
- The **Regions360®** program is introduced internally with a goal of deepening customer relationships through a detailed understanding of customers' financial needs.

2011 Achievements

- Credit quality markedly improves. Regions' provision for credit losses is 47 percent lower than the prior year and non-performing assets decline by 34 percent.
- Regions announces the formation of the Wealth Management line of business to serve the unique needs of affluent clients.

2013 Achievements

- Regions' digital solutions suite is enhanced with the launch of remote deposit capture for mobile banking customers.
- The Board of Directors names Grayson Hall Chairman.

2014 Achievements

- Regions returns approximately $500 million to shareholders through common share repurchases and quarterly dividends.
- The New Concept Branch is unveiled, offering customers innovative technology and a more flexible approach to service.

2015 Achievements

- Regions ranks highest in customer satisfaction among all retail banks in the American Customer Satisfaction Index (ACSI) and earns recognition as *Most Reputable Bank* by the Reputation Institute and American Banker magazine.
- Regions acquires BlackArch Partners and expands its capital markets capabilities.
- Regions announces ambitious long-term financial targets: an EPS compounded annual growth rate of 12 to 15 percent, an efficiency ratio below 60 percent with expense reductions of $300 million, and a Return on Average Tangible Common Equity (ROATCE) of 12 to 14 percent.

2018 Achievements

- Implementing a carefully planned succession process, the Board of Directors names John Turner to become CEO in July, while Grayson Hall becomes Executive Chairman.
- On December 31 Grayson Hall retires, completing his nearly four decades of service.

2017 Achievements

- Reflecting continued strong financial performance, the Board of Directors boosts the quarterly common stock dividend by approximately 38 percent.
- Regions launches the Simplify and Grow initiative. It's focused on making banking easier for customers and associates to build a more sustainable franchise for the longterm.

2016 Achievements

- Regions' total shareholder return is 53 percent, one of the highest in the company's history.
- Regions acquires First Sterling Financial, a leading national syndicator of investment funds benefiting from Low Income Housing Tax Credits.
- For the second year in a row, Regions is named a winner of the Gallup Great Workplace Award — one of only 35 companies worldwide to be so honored.

Our Strategic Approach

IN THIS SECTION

- Lean Into Our Strengths
- Continuously Improve
- Drive Innovation through Digital and Data
- Make Strategic and Disciplined Investments

Our Strategic Imperatives

Future-Focused: Our Strategy to Deliver Sustainable Growth for the Long-Term

Regions' objective is to achieve consistent performance and prudent, profitable, and reliable growth — year after year and throughout every phase of the economic cycle. Our strategy is anchored in our unique strengths: our bankers, culture, markets, risk management processes, and how we deliver superior customer service. Today, supported by these advantages, we're doing more to drive continuous improvement across the organization. Our enhancements make banking easier for our customers and our associates, improve efficiency, and deliver positive operating leverage. As we increase the efficiency of our operations, we re-invest those savings into growth initiatives in technology, people, and promising markets. Our strategy is designed to create a virtuous cycle that increases enterprise value over time and benefits all our stakeholders.

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Customer-Focused to the Core

Customer service is a key differentiator in the financial service industry. That is why exceeding customer expectations is the first step on our path to success. Whether the customer is a young professional, a couple nearing retirement, a growing small business or a multinational enterprise, the Regions approach puts customer needs at the center of the relationship. We are focused on providing trusted financial advice and relevant products and services for the unique needs of each Regions customer. Regions has consistently earned external recognition for our intense focus on customers across all our lines of business. Superior customer service is a Regions strength today as we continued to grow customers and households in 2018 — and an important building block of profitable growth going forward.

AWARDS

Gallup: Top decile customer service satisfaction and loyalty ratings

Temkin: Top 10% in customer experience among companies in 20 industries

Javelin: Top-rated bank in 2018 — Javelin Trust in Banking study

Greenwich: Excellence Award for overall satisfaction in private wealth

Greenwich: Excellence Awards for our Corporate Banking Group

Leverage a Strong Team

Regions associates bring our growth strategy to life and are the enablers of our success. That's why we are committed to building the best team in the industry. We work to recruit, retain, and develop a diverse group of talented bankers — team members who set Regions apart with unique ideas and solutions. Then we invest in their success through professional and leadership development. We have also increased our focus on building a culture of diversity and inclusion, and on identifying and recruiting diverse talent across many disciplines. Engaged employees produce better performance, and our top-tier associate engagement scores provide us with a distinct competitive advantage.

While Building a Winning Culture

Regions associates have a passion for our mission to serve customers and make life better. The concept of shared value is a core belief. We carry out our work with the knowledge that Regions prospers when all our stakeholders benefit: customers, communities, associates, and shareholders. Our business model is built on relationship banking, delivered through talented local bankers enabled with really good technology who build deep and enduring relationships with our customers. A strong cultural foundation of honesty, integrity and trust underpins our approach to every client relationship.

Differentiated by Growing, Attractive Markets

Regions' franchise across 15 states spans some of the most attractive markets in the United States. It's an area that accounts for 35 percent of total U.S. GDP. These are communities with growing, dynamic economies, including:

Alabama — #1 state for manufacturing

Tennessee — #1 state for foreign job investment

Georgia — #1 state for doing business

It's also an area with growing population and jobs:

51% of all U.S. population growth in the last 10 years took place in our footprint

42% of all new jobs created in the U.S. since 2009 are in our footprint

60%+ of our top markets are expected to grow faster than the national average

Not only are these economies strong, our presence within these markets is strong as well. We enjoy a top five — or better — market share in 70 percent of the MSAs and counties that are not large enough to have an MSA in our service area. And today we are investing to expand our presence in priority markets including Atlanta, St. Louis, Houston, and Orlando.

The stable funding and profitability derived from our deposit base in these markets is another source of strength. More than two-thirds of our deposits are retail deposits. Our deposit base is granular and extremely loyal — more than 60 percent of our retail deposits are held by individuals who have been customers for more than 10 years. Looking ahead, we are positioned to continue to enjoy a growing and attractive deposit base: today, 50 percent of new accounts are opened by customers age 30 or younger.

Orlando, Florida

Building a Continuous Improvement Culture

The financial services industry is highly competitive, with emerging fintech and other non-traditional participants offering new products every year. Today's customer also has heightened expectations for service that is fast, effortless and available anytime, anywhere. That's why, to achieve our strategic objectives, it's essential that we build a culture of continuous improvement — one that regularly evaluates systems and processes and identifies ways to make them better, faster and more efficient.

By simplifying our structure and processes, we're making banking easier for our customers and for our bankers.

Our continuous improvement initiative is all about making banking easier for our customers, while also making it easier for our associates to get their jobs done. It's an initiative that structurally alters our business in ways that benefit customers while driving efficiency, growth, and profitability. We are doing it by simplifying our organizational structure, digitizing new account and loan application processes, eliminating paperwork, and significantly reducing the time it takes for a customer to receive a loan decision. In our branches, we have restructured roles so bankers have more diverse responsibilities and are freed up to spend more time with customers offering them high-value services and financial advice.

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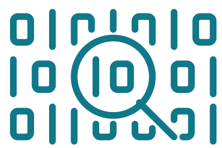
Drive Innovation Through Digital and Data

Faster decisions. Improved risk management. Easier, more rewarding customer journeys. Marketing that's more carefully targeted. These are but a few of the benefits from enhancing our digital capabilities. Today we're doing more to leverage technology, data and analytics inside the bank, as well as delivering a better and more nimble service to our customers — all at lower cost.

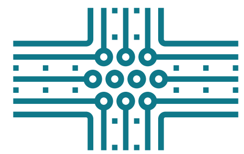
Enhance the digital customer experience

Today's banking customer expects a superior digital experience. We're investing to further strengthen our mobile and online platforms and are finding new ways to make it easier for customers to bank with us however, whenever and wherever they choose.



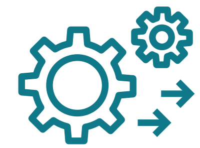
Leverage AI and Data Analytics

We are deploying AI and machine learning in varied ways to reduce response times and make better informed decisions. Reggie, our contact center virtual banker allows customers to self-serve routine interactions, answering over 1.5 million customer phone calls in 2018. New data analytic capabilities within our branch network deliver real-time, personalized solutions to our customers — which, in turn, provides unique recommendations and increases revenue.



Improve technology infrastructure

For a financial institution with 4.8 million customers conducting hundreds of millions of customer transactions and interactions each year, a robust, flexible and secure data architecture is crucial to our success. We are expanding our investments in cloud-based services. And we're leveraging an enhanced API (Application Programming Interface) strategy — which establishes the rules for how software programs communicate with each other — to improve the customer experience and our speed to market.



Optimize Delivery

It's crucial that we develop software and apps rapidly – and that we can continuously refine them in a fast cycle development environment. That's why our development teams have embraced Agile methodology to enhance our speed to market and ensure that our solutions are on the cutting edge.

Allocating Savings into Growth Initiatives

As our Simplify and Grow initiative delivers efficiency benefits and reduces costs, our foremost priority is to redeploy those savings into initiatives that will deliver sustainable growth over the long term. When we leverage expenses and improve operational efficiencies, we allocate much of those savings into prudent, targeted investments in our Corporate, Consumer, and Wealth Management businesses to facilitate growth.

We also redeploy capital into technology investments, including cloud and advanced analytics for risk management. In addition, we continue to invest in technologies that keep our information secure. We have a robust response to the evolving threat landscape and are constantly updating and enhancing our cyber-security defenses. We are also investing in people in areas where we offer the most promising growth opportunities. That means growing the number of mortgage loan officers, commercial bankers, as well as our team of wealth management bankers in high-priority, high-potential markets. To better serve our corporate customers, we are expanding our Capital Markets offerings. Bringing to life the “Grow” in “Simplify and Grow” is an important way we will deliver consistent, sustainable, long-term performance.

Improve How We Work

Continuing to grow our enterprise and sustain our business requires a common approach from all Regions associates and teams — wherever an associate is assigned and whatever their role. We have three goals to improve the ways associates work as they execute our strategic plan:

Focus On Your Customer

Our customer-centric approach to banking is called Regions360 — which puts customer needs at the center of every interaction. It guides us on how best to serve customers, to match their needs with the right products and services, and create shared value.

Make Banking Easier

We know customers expect more from us — more convenience, quicker responses, faster answers, and easier ways to address all their financial needs. Making banking easier requires us to re-think and streamline our processes, challenge the status quo, and deploy technology that delivers a seamless, convenient experience.

Elevate Our Performance as a Team

Expecting more from ourselves and our team is how we drive continuous improvement. We're committed to acting with a sense of urgency and executing at a higher level to deliver more consistent results. Collaborating across functions, and bringing together diverse perspectives and the best ideas, is how we solve problems, innovate solutions, and deliver results for our shareholders and all our stakeholders.

Governance & Leadership

IN THIS SECTION

Board of Directors

Carolyn H. Byrd [1]
Chairman and Chief Executive Officer
GlobalTech Financial, LLC

Don DeFosset [2][3]
Former Chairman,
President and Chief Executive Officer
Walter Industries, Inc.
(now Walter Energy, Inc.)

Samuel A. Di Piazza, Jr. [1][2]
Former Global Chief Executive Officer
PricewaterhouseCoopers;
Former Vice Chairman
Citigroup Global Corporate and
Investment Bank

Eric C. Fast [1][4]
Former Chief Executive Officer
Crane Co.

Zhanna Golodryga [2][4]
Senior Vice President and Chief Digital and
Administrative Officer
Phillips 66

John D. Johns [4]
Executive Chairman
Protective Life Corporation

Ruth Ann Marshall [2][3]
Former President
The Americas, MasterCard International, Inc.

Susan W. Matlock [2][3][6]
Former President and
Chief Executive Officer
Innovation Depot

John E. Maupin, Jr. [1][3][6]
Former President
Morehouse School of Medicine

Charles D. McCrary [5]
Independent Chair of the Board,
Regions Board of Directors;
Former Chairman, President and
Chief Executive Officer
Alabama Power Company

James T. Prokopanko [3][4]
Former President and
Chief Executive Officer
The Mosaic Company

Lee J. Styslinger III [1][4]
Chairman and Chief Executive Officer
Altec, Inc.

José S. Suquet [2][4]
Chairman, President and
Chief Executive Officer
Pan-American Life Insurance Group

John M. Turner, Jr.
President and Chief Executive Officer
Regions Financial Corporation

Timothy Vines [1][2]
President and Chief Executive Officer
Blue Cross and Blue Shield of Alabama

Member of:
(1) Audit Committee
(2) Compensation and Human Resources Committee
(3) Nominating and Corporate Governance Committee
(4) Risk Committee
(5) Independent Chair of the Board
(6) Retiring April 2019

Executive Leadership Team

John M. Turner, Jr.
President and Chief Executive Officer

Leroy Abrahams
Head of Community Affairs
President, Regions Foundation

Rajive Chadha
Head of Consumer Bank Products & Origination
Partnerships

C. Ward Cheatham
Corporate Banking Division Head

Brett D. Couch
Head of Corporate Real Estate and Procurement

Kate R. Danella
Head of Strategic Planning &
Corporate Development

Amala Duggirala
Chief Information Officer

Fournier J. Gale, III
General Counsel and Corporate Secretary

Barb Godin
Deputy Chief Risk Officer and Chief Credit Officer

C. Keith Herron
Head of Corporate Responsibility and
Community Engagement

William E. Horton
Head of Commercial Banking

Terry Katon
Head of Regions Bank Capital Markets

David R. Keenan
Chief Human Resources Officer

C. Matthew Lusco
Chief Risk Officer

John B. Owen
Chief Operating Officer

Scott M. Peters
Head of Consumer Banking Group

Logan M. Pichel
Head of Enterprise Operations

William D. Ritter
Head of the Wealth Management Group

Ronald G. Smith
Head of Corporate Banking Group

M. Deron Smithy
Treasurer

David J. Turner, Jr.
Chief Financial Officer

Financial Highlights

	2018	2017	2016
EARNINGS SUMMARY			
Income from continuing operations available to common shareholders	**$ 1,504**	$ 1,177	$ 1,090
Net income available to common shareholders	**1,695**	1,199	1,099
Earnings per common share from continuing operations — diluted	**1.36**	0.98	0.86
Earnings per common share — diluted	**1.54**	1.00	0.87
BALANCE SHEET SUMMARY			
At year-end			
Loans, net of unearned income	**$83,152**	$ 79,947	$ 80,095
Assets	**125,688**	124,294	125,968
Deposits	**94,491**	96,889	99,035
Long-term debt	**12,424**	8,132	7,763
Shareholders' equity	**15,090**	16,192	16,664
Average balances			
Loans, net of unearned income	**$80,692**	$ 79,846	$ 81,333
Assets	**123,380**	123,976	125,506
Deposits	**94,438**	97,341	97,921
Long-term debt	**9,977**	7,076	8,159
Shareholders' equity	**15,381**	16,661	17,124

	2018	2017	2016
SELECTED RATIOS			
Adjusted Return on Average Tangible Common Equity [3]	**16.5%**	11.7%	9.8%
Tangible common shareholders' equity to tangible assets (non-GAAP) [1]	**7.80**	8.71	8.99
Allowance for loan losses as a percentage of loans, net of unearned income	**1.01**	1.17	1.36
Efficiency ratio	**61.50**	62.44	63.42
Adjusted efficiency ratio (non-GAAP) [1]	**59.26**	61.35	62.46
Basel III common equity Tier 1 ratio — Fully phased-in pro-forma (non-GAAP) [1][2]	**9.83**	10.95	11.05
Tier 1 Capital [2][3]	**10.68**	11.86	11.98
OTHER INFORMATION			
Basic weighted-average number of common shares outstanding	**1,092**	1,186	1,255
Diluted weighted-average number of common shares outstanding	**1,102**	1,198	1,261
Ending Share Count	**1,025**	1,134	1,215
Total branch outlets	**1,454**	1,469	1,527
ATMs	**1,952**	1,899	1,906

(In millions, except per share data, branch and ATMs)

[1] See Table 2 in 2019 Form 10-K for GAAP to non-GAAP reconciliations.
[2] Current year Basel III common equity Tier 1 and Tier 1 capital ratios are estimated.
[3] See February 27, 2019 Form 8-K for GAAP to non-GAAP reconciliation.

About Us

IN THIS SECTION

About Regions

Regions Financial Corporation (NYSE: RF), with $126 billion in assets, is a member of the S&P 500 Index and is one of the nation's largest full-service providers of consumer and commercial banking, wealth management, and mortgage. Regions Mortgage is among the nation's top residential mortgage loan originators and servicers. Regions serves approximately 4.8 million customers across the South, Midwest, and Texas, and through its subsidiary, Regions Bank, operates approximately 1,500 banking offices and 2,000 ATMs.

RANKED 15TH nationally in total deposits

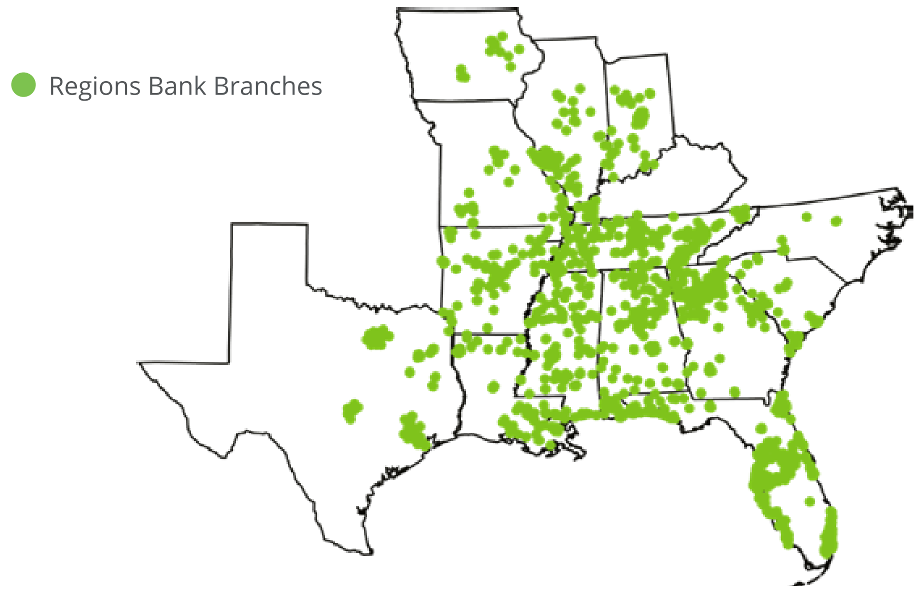
Serving **15 STATES**

4.8 MILLION CUSTOMERS

20,000 ASSOCIATES

OUR SERVICE AREA

Our Branch Locations



OUR SOLUTIONS

CONSUMER BANKING

- Retail Business
- Mortgage
- Indirect Lending

CORPORATE BANKING

- Large Corporate Banking
- Commercial Middle Market Banking
- Real Estate Banking

WEALTH MANAGEMENT

- Private Wealth Management
- Institutional Services
- Regions Investment Services

Shareholder Information

CORPORATE HEADQUARTERS
1900 Fifth Avenue North
Birmingham, AL 35203
Phone: 1-800-REGIONS

STOCK LISTING
Regions common stock is traded on the NYSE under the symbol RF.

CORPORATE WEBSITE
For more information, please visit www.regions.com

ANNUAL MEETING
The 2019 Annual Meeting of Shareholders of Regions Financial Corporation will be held on Wednesday, April 24, 2019, at 9:00 A.M., CDT, in the Regions Center Auditorium, 1900 5th Avenue North, Birmingham, AL 35203.

TRANSFER AGENT AND REGISTRAR
Computershare
Post Office Box 30170
College Station, TX 77842-3170

TELEPHONE
1-800-524-2879 for current shareholders
1-800-446-2617 for non-shareholders requesting enrollment materials for dividend reinvestment and stock purchase plan

HEARING IMPAIRED
1-800-952-9245

SHAREHOLDER WEBSITE
https://www-us.computershare.com/investor

SHAREHOLDER ONLINE INQUIRIES
https://www-us.computershare.com/investor/contact

DIRECT DEPOSIT OF DIVIDENDS
For information about direct deposit of dividends, please contact Computershare.

DUPLICATE MAILINGS
If you receive duplicate mailings and you wish to consolidate your accounts, please contact Computershare.

FORM 10-K
Our 2018 Annual Report on Form 10-K (“10-K”) also serves as our 2018 Annual Report to Shareholders. Please note that our 2018 Annual Review does not include, and is not intended as a substitute for, the information contained in our 10-K. For complete financial statements, including notes and management’s discussion and analysis of financial condition and results of operations, please refer to our 10-K filed with the Securities and Exchange Commission, which can be found at https://ir.regions.com/financial-information/sec-filings.

DIRECTORS
To contact any of the Directors or the Lead Independent Director please mail correspondence to:

Regions Financial Corporation
c/o Office of the Corporate Secretary
Attention: “Director Communication”
1900 Fifth Ave. North
Birmingham, AL 35203

The Corporate Governance Principles, the charters of the Board Committees, the Code of Business Conduct and Ethics, the Code of Ethics for Senior Financial Officers and other governance information can be accessed by visiting our website at www.regions.com and clicking “Corporate Governance” under “Investor Relations”.

PRINCIPAL SUBSIDIARIES
Regions Bank
Regions Securities
Regions Investment Management
Regions Equipment Finance

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM
Ernst & Young, LLP
1901 Sixth Ave. N. Ste. 1200
Birmingham, AL 35203

ELECTRONIC DELIVERY
We ask you to consider signing up to receive these materials electronically in the future by following the instructions after you vote your shares over the Internet. Enrolling in future electronic delivery of these materials reduces Regions printing and mailing expenses and environmental impact. To enroll for electronic delivery you may also visit https://enroll.icsdelivery.com/rf.

Forward-Looking Statements

The Annual Review, along with our Annual Report on Form 10-K, other periodic reports filed by Regions Financial Corporation under the Securities Exchange Act of 1934, as amended, and any other written or oral statements made by us or on our behalf to analysts, investors, the media and others, may include forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995, which reflect Regions' current views with respect to future events and financial performance. 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, including the effects of possible declines in property values, increases in unemployment rates 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.
- 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 law, adverse changes in the economic environment, declining operations of the reporting unit or other factors.
- The effect of changes in tax laws, including the effect of Tax Reform and any future interpretations of or amendments to Tax Reform, which may impact our earnings, capital ratios and our ability to return capital to stockholders.
- 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, loan loss provisions or actual loan losses where our allowance for loan 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, 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 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, 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 ability to obtain a regulatory non-objection (as part of the CCAR process or otherwise) to take certain capital actions, including paying dividends and any plans to increase common stock dividends, repurchase common stock under current or future programs, or redeem preferred stock or other regulatory capital instruments, may impact our ability to return capital to stockholders and market perceptions of us.
- 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 and intensity of such tests and requirements.
- Our ability to comply with applicable capital and liquidity requirements (including, among other things, the Basel III capital standards and the LCR rule), including our ability to generate capital internally or raise capital on favorable terms, and if we fail to meet requirements, our financial condition 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 business.
- Our ability to execute on our strategic and operational plans, including our ability to fully realize the financial and non-financial benefits relating to our strategic initiatives.
- The risks and uncertainties related to our acquisition or divestiture of businesses.
- 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 business 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 business 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 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, 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, “denial of service” attacks, “hacking” and identity theft, a failure of which could disrupt our business 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 realize our adjusted efficiency ratio target as part of our expense management initiatives.
- Possible cessation or market replacement of LIBOR and the related effect on our LIBOR-based financial products and contracts, including, but not limited to, hedging products, debt obligations, investments, and loans.
- Possible downgrades in our credit ratings or outlook could 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 could affect our liquidity and ability to pay dividends to stockholders.
- 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, 2018 as filed with the SEC. 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. Regions’ Investor Relations contact is Dana Nolan at (205) 264-7040; Regions’ Media contact is Evelyn Mitchell at (205) 264-4551.